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Appendix

Address by Hon. Hubert H. Humphrey, of Minnesota, at the Twelfth Annual Design Awards Luncheon

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, May 11 (legislative day of Monday, April 11), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD the address which I delivered on the occasion of the Twelfth Annual Design Awards Luncheon, at the Waldorf-Astoria Hotel, New York City, May 4, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Miss Shaver, distinguished guests, we assemble here today to pay tribute to the strength of man. We honor on this occasion a group of men and women who have proved themselves to be the outstanding contributors of the past year to the world of creation and to the world of ideas. The men and women we honor represent all fields of human endeavor. They have in common, however, the honor of being people of ideas and persons of creative thought.

It is said of a mythical Greek hero that by extraordinary physical skill he was able to jump the surface of the earth to the planets, and after accumulating the wisdom of his visit, returned to the earth to be worshipped as a god for his superior knowledge.

Those who have been honored today by receiving the American Design awards have been able, not by virtue of great physical strength, but by virtue of the penetrating mind, to lift themselves from the surface of the earth and explore the mysteries of the universe. We honor them just as our ancients honored their ancestors as the great men of our age.

The thinkers of the world represent the real strength of mankind. The pages of history demonstrate beyond question that it is the idea—the creative idea—that survives through the ages, not the conqueror.

As we pay tribute to the importance of creative design and the concept of the idea in man's development, we can receive renewed assurance that we in this audience are not alone. With us the immortals—the great spiritual leaders of the world. With us sits Buddha (his knees crossed, his feet in sandals, his shoulders covered with a shawl, his body firm but his face beaming) as he says to us:

"A single day amongst the learned is longer than the longest life among the ignorant. The ink of the scholar is more sacred than the blood of the martyr."

We are not alone in this hall, for with us too sits Confucius, his head hairless, his face ascetic, as he says to us:

"Every piece of marble has a statue in it, waiting to be released by a man of sufficient skill to chip away the unnecessary parts. As the sculptor is to the marble, so is education to the soul. It releases it, for only educated men are freemen. You cannot create a statue by smashing the marble with a hammer, and you cannot by force of arms release the spirit or the soul of man."

We are not alone, for with us too sits Mohammed, with black beard and fiery black eyes, who says to us:

"The wise man is instructed by reason; the ordinary man by experience; the stupid man by necessity; the brute by instinct. The essence of knowledge is this: having it, apply it."

We are not alone, for with us sits Christ, who recites the parable of the Good Samaritan in order to express his scorn for those who have minimized the equality of other creeds or races. There is no discrimination among them, because there is no limit to God's bounty. His is the great teaching of love, compassion, humility, and of democratic principles.

We are not alone, for with us sits Moses, his vigorous, athletic body covered with flowing robes. He says to us in the Talmudic manner of question and answer:

"Who is wise? He who learns from everything. Who is strong? He who conquers himself. Who is rich? He who is satisfied with what he has. Who is honorable? He who is honored by his neighbors. What is the great law? That which is hateful to thyself do not do to others. That is the great law. All the rest is its commentary."

We are not alone, for with us sit all these great spiritual leaders—Buddha, Confucius, Mohammed, Christ, Moses. They give us comfort and solace in our conviction that ideas are immortal, that through truth man can be free.

There are two ways of reporting history. The first is in terms of battles won and lost and the fall and rise of governments; the other is in terms of the discoveries of the mind. In every generation the mind of man reaches out to new length and never shrinks back to its former dimensions. Fortunately, though man is mortal, his thoughts and ideas are immortal. Each generation salvages the immortality of the succeeding ones to create a steady progression of civilization.

The creative ideas of man have developed fast in recent years. It was only 300 years ago that man began to seriously question himself about the nature of the physical world in which he lived. The seventeenth century was characterized by the great intellectual revolution, the Age of Science. Men became possessed with the idea that the physical universe was their concern—that they could ask questions about natural phenomena without incurring the wrath of God. They became possessed with the idea that there were physical laws they could fathom. Here indeed was the triumph of Copernicus, Galileo, Newton—men of ideas, men possessed by ideas.

The eighteenth and nineteenth centuries were characterized by new ideas that possessed men—the idea that if there were physical laws of the universe that men could fathom and ask questions about, then why not ask questions about the nature of man-made society.

With this questioning the ideology of democracy came into being.

Until the First World War this ideology was on the offensive. The action against it was rear-guard, defensive, and uncertain. Democracy was the concept of today and tomorrow. Men everywhere heard of it and spoke of it and acted to achieve it.

But in this generation democracy has been challenged by another ideology. In Italy, Germany, and Russia the leaders talked of what they said was a "new order"—something new and streamlined.

But what did we see when we examined this "new order"? We have found it wasn't new at all. It was the old, old doctrine of authoritarianism, pushed with the force of guns and marching feet—yes; nothing more than the ancient curse of "divine right" of the strong to rule the weak.

Democracy met and conquered this old concept years ago in nearly every civilized nation of the world. Today, if we fully understand the power of our idea and its full meaning, we can easily maintain the eminence of the democratic faith that only yesterday spread from mind to mind and heart to heart throughout the world.

When the prophets of the ancient religion of totalitarianism say to us, you need something new, we can answer: It is you who need the new; our ideology is always new—only the truth can make you free.

Of all people who should understand the immortality of the idea and the power of ideology, the American people should be the first. Our idea of democracy was embodied in the Preamble to the Declaration of Independence and in the words of our Constitution. It has as its philosophers Samuel Adams, Thomas Jefferson, James Madison, Tom Paine, Abraham Lincoln, Woodrow Wilson, Franklin Roosevelt. These men all spoke of the same ideology; all were possessed of the same idea. They sought to free men from fear; to free them from poverty; to free them from social and economic injustice, and from insecurity.

Strange as it may seem, America has let loose upon this world the most powerful and

dynamic political and social force in the history of man. It has its roots deep in the spiritual substance of Judeo-Christianity. It receives its political inspiration from the logic of the stoics, the compassion of the martyrs, the faith of the philosophers of natural law. We are of the first to present to the modern world a coherent political faith based upon the dignity of the individual, the equality and fraternity of mankind. We are of the first to pattern a structure of government and a form of society in which the liberties of a people were guaranteed and opportunity was to be assured.

This was an idea—or better to say—an ideology more powerful than the armies of the conquerors. History proves this fact. It was our call to freedom in 1776 and our realization of a government of the people, by the people and for the people that let loose in this world a social and political revolution. This revolution upset the thrones of Europe and convulsed the continent. It put into the hearts and breasts of the colonial people, the underprivileged and the subjected, the consuming desire of individual liberty, a desire which today is manifested by such rebellions as we see in Indo-China, in Indonesia, and in the fact of India's freedom. We never moved a battalion or a regiment on the continent of Europe in the 1800's, yet the idea of the Declaration of Independence produced the doctrine of the "Rights of Man" and broke the back of oppression and the power of kings.

Today, too, the vital force in the world is the search for freedom. We see many manifestations of it: the rise of nationalism of the colonial peoples; the oppressed and the poverty stricken following the leadership of those who use the symbols of freedom, even though their purpose may be otherwise. We find economists and political philosophers talking in terms of abundance within the framework of individual freedom. Men are no longer just content to talk of their security. They want security, and liberty. The humanitarian of this generation is one who understands the interdependence of these two principles—freedom and security.

There are those who today feel we have moved away from this idea, when in fact it is but maturing. It is growing strong in its own sense of competence and rich in its experience. The great political and social experiments taking place in Europe—in the free countries of Europe—are but another expression of this idea of democracy. Our groping and experimentation in the hall of Congress, evolving such programs as the New Freedom and the New Deal are but further expressions of a people with the desire to emancipate themselves from fear, from insecurity, and from oppression.

No better example of our maturing democracy can be found than the evergrowing demand that all people, regardless of race, color, or creed, be guaranteed full and equal civil rights. The morality of our democratic faith compels us to cleanse our body politic of the guilt that arises from our distortion of democratic principles through discrimination and bigotry. The American people are acting to redeem their honor. In city after city—in State after State—human rights are being reaffirmed and protected by law. The democratic spirit of the people now calls upon our National Government to destroy the last vestige of intolerance.

Our maturing democracy calls for the recognition that all must be free from insecurity. All must be privileged to enjoy the opportunity of good health, of productive work, of education, of adequate housing, and of decent living conditions.

This is democracy's answer to the fraud of dictatorship.

To be sure our generation lives in a world, part of which has lost its mind. We have the faith and conviction, however, that the forces of creative thought, of education, and of civilization will, as they have through the ages, survive the obstacles. Future generations will look at the period in which we live as merely one of a moral crisis. It will record, however, that we survived that crisis and moved forward to the greater fulfillment of the idea of freedom. Yes, despite a generation terrified by concentration camps, dictatorship, and world war—in the perspective of time, the achievements of the first half of the twentieth century will outweigh the tragedy and the suffering.

Out of every bitter experience of history, out of every tragedy—man learns in his sorrow. And out of the sacrifice of two world wars we again come back to the immortal idea—of the oneness of man—of his essential unity. It was out of this conviction and out of the recognition of this eternal truth that mortal man, with all of his limitations, his prejudices and inabilities, created the United Nations.

This idea of a world order and the United Nations is not new. It has its own immortality. Mankind from the very beginning has sought a society in which he can live in peace and security, and has groped his way. That society is only obtainable when the principle of government by the consent of the governed, rule by majority, and respect for minority rights is firmly engrained in the social fabric of all nations and all the world.

The United Nations is a summarized expression of the desire of mankind to live in a world of law and order.

History has always demonstrated that this is a long struggle and is not something that can be accomplished immediately. These are long run aims of people of democratic faith for a type of world government based upon law in which individual rights are preserved, and where there is room for a diversity of cultures. This is our objective—a world of free and equal men, who will in their freedom create and secure a just and enduring peace.

The Sovereignty of the People, Then and Now

EXTENSION OF REMARKS

OF

HON. JAMES P. KEM

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Wednesday, May 11 (legislative day of Monday, April 11), 1949

Mr. KEM. Mr. President, Paul Heyne, a student at St. Paul's College, Concordia, Mo., was recently adjudged the winner of the American Legion's national oratorical contest held in Philadelphia. The prize was a $4,000 college scholarship. I ask unanimous consent to have printed in the Appendix of the RECORD Paul Heyne's thoughtful and timely address.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE SOVEREIGNTY OF THE PEOPLE, THEN AND NOW

Sir Arthur Conan Doyle, one of the greatest of all writers of detective stories, and the creator of Sherlock Holmes, was fond of having his hero comment that "everyone observes but no one notices." The truth of that statement can hardly be denied, especially here in America, where haste is the watchword and where everyone goes through the routine of existence perfunctorily.

Today, with the hurry and scurry of business and pleasure, the American people can find no time to devote to anything not directly connected with their rapid rate of living. But this morning let's call a halt for a few moments to the stir and commotion of life in order that we may do a little serious thinking. Let us this morning journey back in time to the trouble-filled years toward the close of the eighteenth century. Let us listen to the voices of men who lived through the dark and dreary days which accompanied and followed the Revolutionary War, the framers of our Constitution.

Several times each year we probably all glance at or hear the words of the preamble to the Constitution of the United States. But in our usual way, we are inclined to view them as nothing more than perhaps a very compact summary of the aims and purposes of the Constitution. But this morning let us notice that within the lines of the preamble lies a message—a message important to the original colonists, a message of vital importance to the safety and welfare of our Nation today.

The Constitution begins, "We the people * * *, do ordain and establish this Constitution for the United States of America." The authors of the supreme law of the land did not write, "We, the lawful Representatives" nor "We the elected rulers of this land." Instead they chose to begin this immortal document by saying that it was actually the people of the United States who were accepting the Constitution as the guide and overseer of all their actions; that it was the people themselves who were responsible for securing all the rights and privileges granted by the Creator to all men. These three words, "we the people," brought home strikingly to the American public of that day the knowledge that the vigilance and courage of each individual citizen was the deciding factor which would make this unprecedented experiment in democracy a success or a failure.

Now, 160 years later, the Constitution has been firmly ordained and established. And with the passing of the years has come the idea to many an American citizen that he has now been relieved of all duty. Along with the gradual advancement of our Nation to a major position in the world has come the impression to a large majority of the American people that the only requirements of a good citizen are that he listen to the Fourth of July speeches, hang out his flag on national holidays, and stand at attention whenever he hears a rendition of the Star-Spangled Banner.

What a dangerous assumption! What foolhardy complacency! Just as our liberty was bought with a price, the blood, sweat, and tears of countless hundreds, so also must it be preserved with a price.

Today, dark, menacing clouds are rolling ominously above the horizon; once again we hear the far-off muttering of the gathering storm. Can any person read of the war in China, the insurrections in Italy and France, the struggle over Berlin, and deny that a world-wide danger exists? Can any conscientious citizen read of the current un-American activities investigations and still say that we here in the United States are immune to attack? No one but a person afraid or unwilling to face the stark realities of life can deny that the zero hour in our Nation's history is rapidly approaching.

But blissfully asleep to the important role which we must play in the conflict, we go our way, secure in the absolutely false and unfounded belief that democracy is invincible in itself, that as the God-ordained and ideal way of life, it simply cannot fail. History bears out no such assumption. On the contrary, history shows that whenever

any nation assumed such an attitude, it was but a short time before the light of democracy was extinguished in that country; that whenever any people failed to govern themselves vigorously and intelligently, they soon lost the right to govern themselves at all.

My friends, in this respect the United States is no different. Demagogs who go about screaming that the United States can defeat any or all of the countries of the world, that our Nation is so sound internally and its foundation is so deeply rooted in the eternal verities that it simply cannot decay—such men are a poison to our Nation, for they are lulling the people into even deeper slumber, when they should be prodding and stinging them into long over-due action.

Exactly what is there for us to do? Let us examine a few facts well known to anyone who reads the newspapers, and the answer to this question will become obvious. Gen. Dwight D. Eisenhower, in a recent letter to the alumni of Columbia University, stated that there are two ways for a government to become a dictatorship. "One is to slide into it, and the other is to become enslaved by a stronger military power."

Though it may seem trite to say it, yet it is true, and the fact cannot be too strongly impressed upon the minds of the American people that the greatest enemy of democracy today is the deadly plague of communism. Its long, menacing fingers, already clutching at the throat of a large part of the world are today reaching into our country, the last stronghold of free government. Russia, cognizant of the fact that our Nation is most easily attacked from within, is making a concerted effort to undermine our Government and our way of life. With her agents of propaganda painting roseate pictures of life under communism, taking advantage of the fact that so many American people do not realize that under such a system of government, genuine freedom cannot exist, Russia is today undermining the bulwark of our Nation, the people. More and more she is attempting to place representatives of the Kremlin into public office. Only too frequently do we see new indications of disloyalty in our Government, new cases of espionage on the part of persons high up in Washington. When subsequent investigations frequently prove that the guilty officials had been suspected of anti-American activities before their election or appointment, we are forced to ask ourselves the question, "How can these things happen?"

We are forced to answer that they are due to the indifference of the American people. The average man simply is not interested in the affairs of government and politics. The old attitude is constantly arising, "I have no time for such things. That's why we're paying taxes—to get our thinking done for us." But then, in our indifference, too often we do not even choose the men to do our thinking for us. We either do not vote at all, or else we care so little that we don't bother to investigate the men for whom we do cast our ballots.

Have memories of the last global conflict already slipped from our minds? Was the war so long ago that the American people have forgotten the devastating struggle which brought misery to millions, which caused blue stars to appear in the windows of homes all over the Nation, which caused many of these stars later to change to gold? Have the memories of thousands of boys who returned from the war leaving limbs on the soil of some foreign country faded into a dim picture of something that happened once, but can't happen again?

Such indifference and complacency can and will wreak the same havoc in our Nation that they wrought in the republic of Rome 2,000 years ago. My friends, if you doubt the seriousness of such indifference, if you think that such things just don't happen, look at Czechoslovakia. They did not want communism. But by allowing Communists to creep into their government, they themselves set the stage for the gigantic coup d'état which rocked that country in the past year.

Yes, it can happen here. But it must not. We must prevent it. Let us become educated, aroused citizens, well able to govern ourselves vigorously and intelligently. Above all, let us not fall asleep under the false impression that all the responsibility for preserving our Constitution and our way of life lies with the State Department. As is the case in any democracy, it is upon you and upon me that the responsibility lies for keeping our Nation strong. We the people founded and established the Constitution. We the people were the deciding factor which held the Nation together in countless trials since its beginning. And, God willing, we the people, vigilant and courageous, will hold aloft the shining beacon of democracy.

We the people, custodians of the Constitution, stewards of the priceless blessing of liberty, must make the words of Thomas Jefferson ring true when he said, "I believe this is the strongest government on earth, for it is the only nation where every man, at the call of the law, will fly to the standard of the law, and will meet every invasion of public order as his own personal concern."

The world, fellow Americans, looks to us. We must not, we dare not, we shall not fail.

Employer-Employee Relationships

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES

Wednesday, May 11 (legislative day of Monday, April 11), 1949

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a summary of remarks by Vincent P. Ahearn at the annual luncheon meeting of the Chamber of Commerce of the United States at Washington, D. C., on May 4, 1949.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

The public policy of the United States with reference to relationships between employers and employees is stated clearly in existing law:

1. Industrial peace and the advancement of the general welfare, health, and safety of the Nation, and of the best interests of employers and employees, can better be secured by the settlement of issues between employers and employees through conference and collective bargaining between employers and the representatives of the employees.

2. The role of the Government in solving unsettled disputes should be primarily that of voluntary conciliation and mediation, all directed toward the achievement of peaceful settlement of such disputes, but settlements which will reflect a due regard for the public interest and the rights of individuals.

3. The right to organize and to be represented through agents of one's own choosing is an important right and it will be protected, but the right not to join an organization is an equally important right, and legislatures, in the words of the Supreme Court, may give the same protection to nonunion workers which has been extended under the due process clause to union members.

4. The right to strike is a privilege which will not be abused and therefore, except under limited circumstances where larger considerations of the public interest are involved, the right to strike will not be impaired.

5. The Government encourages voluntary arbitration of disputes which arise between the parties as to the meaning of the terms of an agreement, and the Federal Mediation and Conciliation Service is directed to make its facilities available in such disputes only as a last resort and in exceptional cases.

6. The Government will be slow to intervene in industrial disputes unless the normal processes of collective bargaining have failed and the public health and safety is threatened. Even then, the absolute right to strike is not destroyed and while the Government may require the parties to maintain the status quo for a relatively short period of time, existing law allows for the possibility that exercise of the right to strike may lead to disaster. The force of public opinion, always the ultimate source of power in a free country, is the basis of our hope and our belief that a crisis of these proportions will not have to be faced.

Nobody has any authority to speak for all the employers of the United States, but I believe that I express the sentiment of most employers when I say that free trade-unions are a necessary part of a free society. Employers accept the national policy of depending upon collective bargaining to settle issues which arise between employers and employees who have exercised their right to join and to be represented by an organization of their own choosing.

Employers realize that this principle is a permanent part of our national policy, and they want to make collective bargaining work. They are interested in the peaceful and honorable settlement of disputes which may arise not only as to the meaning of language in an existing agreement but also as to the terms of a new one.

I have no doubt that the people of the United States are weary of violence on the industrial scene, even though an otherwise desirable objective is offered as justification by those who are responsible for the violence. The public expects employers and employees and trade-unions to conduct their relationships with appropriate regard for the fact that the public interest is superior to every other interest. This is not to say that the right of individuals should be ignored, because experience under preexisting laws led to a statutory declaration that it was a necessary part of sound public policy to be concerned with protection of the freedom of the individual, who in the past has been the victim not only of abuses by trade-unions but also by employers, sometimes acting in concert with trade-unions.

There should be more talk about our responsibility to the society of which we are a part. I believe it to be a legitimate criticism of trade-unions that in recent meetings they paid little attention to the importance of better relations with the public. Apparently nobody reminded these conventions that labor unions, like any other American institution, will be permitted to thrive and develop only as they show a capacity to use wisely the power which the public has given them by law and by custom.

When I say that collective bargaining between free employers and free trade-unions is the foundation upon which public policy is based, I mean collective bargaining in good faith between men of good will, earnestly seeking to reach settlements which will justify the statutory assumption that the public interest and legitimate individual interests will have adequate protection under

the normal procedures of collective bargaining and that the right to stop work will not be abused.

I am sure that employers would oppose any suggestion that the right to strike be abolished. The exercise of this right is part of the price that all of us pay, and gladly so, for a free society. We must hope that men of sober judgment will prevail and that the role of the Government is confined, so far as protection of the public interest is concerned, to mediation and conciliation.

I distrust elaborate proposals for establishment of a powerful governmental right to impose settlements through compulsory arbitration or the seizure of industrial plants and trade unions. I view with concern the proposal that so-called emergency boards shall have the right to make recommendations for settlement of disputes, because this will be the threshold to compulsory arbitration so far as employers are concerned.

I do not share what seems to be a widely held notion that investing the Government with injunction power is an effective means of protecting the public health and safety whenever strikes produce an emergency. There is no evidence that injunctions will provide the lasting solution which a civilized society must have. The problem here involved is one which calls for that kind of emotional maturity which has always characterized the American system when it is called upon to meet a severe test. I should be less than frank if I did not say that I have no magical solution for the problem. But I say this in no sense of apology and, like you, I am continuing to search for a method of government which will fight off threats to public health and safety without destroying the whole fabric of our society. Surely there must be some alternative to lodging great power in the hands of a few men. There is something of significance for us in the words of Francis Bacon: "It is a strange desire, to seek power and to lose liberty."

The normal processes of collective bargaining are weakened and diluted when machinery is established for the disposition of unsettled issues when collective bargaining fails. The National War Labor Board tried to avoid stoppages of work in industries which were necessary to prosecution of the war. There is legitimate criticism of some of the things which the Board did, but the Board fought a losing battle in its effort to persuade some employers and some trade unions to settle their disputes without referring them to the Board with its overcrowded docket. The very existence of the Board at the end of the road, however, encouraged irresponsibility and lack of courage at the bargaining table. I hope that this unhappy state of affairs will not be recreated in a new law designed to meet a peacetime condition.

I have faith in the capacity of Congress to write a law which will protect the legitimate interests of all of the parties to collective bargaining but which at the same time will hold them accountable for abuses of their authority. Congress will not take only a partisan point of view into account. It will act in behalf of all of the people.

Congress has refused to legislate impulsively. It has accepted its constitutional responsibility of writing the laws of the United States. It gives evidence of its intention to preserve the fundamentals of our free society and to do no violence to a system which, however clumsy its procedures may often seem to be, is vastly to be preferred over any other system which man has devised.

I believe that the people of the United States prefer a private competitive-enterprise system. I believe they understand that such a system cannot exist unless it is featured by free employers and free trade-unions. I believe they are willing to continue to depend upon the normal and peaceful processes of collective bargaining, but they dislike violence, whatever the motivation.

Unless employers and employees, represented or unrepresented, show that they are worthy of a free system, the people of this country will turn to compulsory arbitration, because its outward manifestations suggest that it is a sort of civilized way to settle disputes. No greater obligation faces us than that of making our contribution to public understanding of the real significance of compulsory arbitration, because that much power in the hands of government will corrupt and eventually destroy the men who wield it and those against whom it is used.

In searching for the right answer to the problems which lie ahead, we must, above all else, not lose our perspective. We must have patience and we must have tolerance. Our Nation was founded on an instinctive dread of centralized power. We have a tradition of freedom and individual responsibility which is too precious to be lost.

President Truman's Health-Insurance Program

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 11 (legislative day of Monday, April 11), 1949

Mr. PEPPER. Mr. President, one of the most disputed points about President Truman's health-insurance program is the cost. The President gave no estimate, but he contended that it would save more than it would cost.

The best recent study on that subject was issued recently by the Committee for Research in Medical Economics and the Public Affairs Institute. That combined study indicated the gross cost of national health insurance at $5,500,000,000 and the net cost—after deducting present costs—at $1,100,000,000.

This $1,100,000,000, according to the study, would be spent for a 25-percent increase in present medical care. The report makes the point that the cost of the program at first could not be larger than that—without paying the doctors much higher returns than they make now—because there are not enough doctors or hospitals to give any more service than that.

I found the study convincing and powerful proof that some of the estimates recently made by the American Medical Association and our Republican colleagues are nonsense. For the information of my colleagues I ask unanimous consent to include the press summary of this report in the CONGRESSIONAL RECORD.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

A research report sponsored jointly by the Committee on Research in Medical Economics and the Public Affairs Institute, showing that the Nation can well afford the small additional cost of national health insurance, was submitted to Congress today by the Committee for the Nation's Health, which is leading the fight for President Truman's health program. The gross cost of national health insurance was placed at $5,500,000,000, the net cost at $1,100,000,000.

The report, prepared for the Committee on Research in Medical Economics and the Public Affairs Institute was submitted to Chairman ELBERT THOMAS of the Senate Labor Committee and ROBERT CROSSER of the House Interstate and Foreign Commerce Committee, the two committees considering national health insurance legislation. It was drafted by George Soule, well known student, teacher and writer on economic subjects. He analyzed various estimates of the cost of national health insurance and concluded that the most reliable was one made by the Social Security Administration in 1945 which, revised for increased prices since that time, places the cost of a national health insurance program at about $5,500,000,000 a year.

This estimate was based upon the premise that the present corps of doctors would provide about 25 percent more medical care under national health insurance than at present, by using full time the doctors, chiefly the younger ones, whose time is not now fully occupied.

Soule gave no serious study to the recent estimates by the American Medical Association that the plan might cost up to $18,000,000,000 a year. He dismissed such estimates with the brief statement that any such cost would mean an average income for doctors of about $80,000 a year.

"Since the number of doctors cannot be increased on short notice," Soule reported, "the cost of their services during the first year or two after the application of the plan cannot be larger than that estimated by the Social Security Administration unless they are to be paid at higher rates than at present."

"Hospital benefits also are limited," Soule continued, "by the number of hospital beds available in each locality."

Revising the 1945 estimates of the Social Security Administration to 1948 prices, Soule estimated the costs of national health insurance as follows:

	In millions of dollars
Physicians services	2,459
Hospital care	1,804
Dental care	531
Home nursing	86
Laboratory, medicines, appliances	560
Research and education	19
Total	5,459
Per capita	37.39

Explaining that the actual cost of national health insurance would not be this much, but only the difference between this figure and what we are now paying for such medical care, Soule said:

"Just as the automobile buyer turns in his old car in part payment for his new one, the American people would thus exchange medical service now received for a somewhat larger amount of service. The cost of this larger amount is estimated at $5,500,000,000. Since this is approximately 25 percent greater than the cost of similar services now paid for by the insured, the net money cost would be the difference. This would be 20 percent of $5,500,000,000 or $1,100,000,000 for one year. This cost arises, solely on account of the additional services which the insurance might immediately provide, because it would enable people to pay who now cannot afford to do so."

This net cost of $1,100,000,000, Soule added, amounts to less than half of one percent of the $257,800,000,000 a year the American people were spending in late 1948. This is the cost the American people must consider, Soule said, in deciding whether or not they want the benefits of national health insurance.

Soule estimated that in future years the cost of national health insurance might increase by about 35 percent as the number of doctors and hospitals was increased. But by the time this increase in personnel and facilities was accomplished national production would have increased even more, on the basis of past experience and estimates of the President's Economic Council, so that we would be devoting to additional medical care only one-tenth to one-twentieth of our increased production.

"This means," Soule pointed out, "that on the average, the people of the United States can probably have after 5 years (a) as high a standard of living as they now enjoy, plus (b) more adequate medical service, plus (c) a gain of more than 9 percent in other goods and services."

Studying the economic costs of national health insurance, as contrasted with the dollar costs, Soule found:

Health insurance would not take much manpower from any other pursuit at the outset because the additional service would be provided by the same personnel now employed. Therefore, any immediately available extra service would be provided without much extra manpower. It would constitute mainly a gain in the productivity of the working force in medicine.

We could easily afford to divert the number of workers needed to give us adequate medical service later. In times of depression there would be no real cost because the increased medical expenditures would increase employment and production. The number of additional workers in the medical field probably will be "more than counterbalanced by the numbers released from the production, transportation and distribution of material goods."

Health insurance would tend toward stabilizing purchasing power among the mass of the people, and thus would contribute to stabilizing the economy.

Soule pointed out that his analysis took no account of the possibility that national health insurance might reduce the total of disease and disability and thus pay for itself many times over. He said "many millions of dollars are spent every year in paying the costs of disease which might have been prevented or lessened by diagnosis and treatment in early stages" and added that "an enormous number of man-hours of labors are lost to the Nation because of needless disability."

Public Housing

EXTENSION OF REMARKS

OF

HON. ROBERT A. TAFT

OF OHIO

IN THE SENATE OF THE UNITED STATES

Wednesday, May 11 (legislative day of Monday, April 11), 1949

Mr. TAFT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement entitled "Some Public Housing Essential To Take Low-Income Families Out of Slums," by Bleecker Marquette, past president, National Association of Housing Officials, chairman of the joint committee on housing and health, NAHO, and fellow, American Public Health Association. The statement is made in reply to an address by Representative RALPH W. GWINN, of New York.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SOME PUBLIC HOUSING ESSENTIAL TO TAKE LOW-INCOME FAMILIES OUT OF SLUMS

The country has been flooded by a pamphlet titled "Public Housing—Disastrous Here and Abroad," reprint of a speech by RALPH W. GWINN, of New York, in the House of Representatives, June 4, 1948, printed at cost by the United States Government Printing Office and distributed free through the franking privilege.

The quality of Mr. GWINN's thinking of the subject of housing is high lighted in another address he made in the House of Representatives July 26, 1948, on the subject of rent control. This speech he has also had printed at cost by the Federal Government and widely distributed in franked envelopes. In this speech he says:

"The Government has kept the price of shelter low. When an article is cheap people use more of it. Rent control causes the housing shortage. If rents were allowed to rise to their natural level, some people living in apartments would move into a single room, some living in houses would move into apartments, families would double up. In many instances, two families would live in houses where now there is one family. * * * Some people on account of higher rents would leave the city."

In Congressman GWINN's vitrolic attack on public housing there is nothing new. It is the kind of thing representatives of the National Association of Real Estate Boards have been saying for years. Mr. GWINN has been described as "for a long time, their front man in the House." This answer has been prepared because people who do not know the facts may be misled by statements in the speech that are misleading or supported by no evidence. Let us look, then, at some of his pronouncements in the order in which they appear in the pamphlet:

"Housing brings political corruption by the exchange of tenant's votes for low rents." This dire prediction was repeatedly made by certain interests before there was any public housing in our country. We have had public housing now for more than a decade. That would seem to be plenty of time for this evil to develop if it were going to. Where has it developed? The Congressman doesn't say. Certainly it hasn't happened in Cincinnati or in other Ohio cities. If Mr. GWINN is fair he will produce his evidence or withdraw his charge.

His statement that the Taft-Ellender-Wagner bill (now superseded in the U. S. Senate by S. 1070, which under the sponsorship of 11 Republican Senators and 11 Democratic Senators has passed the Senate by a substantial majority; and in the House by H. R. 4009) provided for a Federal Government expenditure of $7,000,000,000 is purposely misleading. The casual reader gets the impression that this is what the public housing proposed in that bill would cost the Federal Government annually for subsidies. Just how GWINN arrives at that total is not clear. He may be including the loan funds all of which will be paid back and will cost the Government nothing. If not, then he is multiplying the annual subsidy by 40 to make the figure appear as large as possible. Building up this figure as Mr. GWINN does is no more fair than it would be to tell a man that when he borrows money to buy a $10,000 house he is really paying $20,000 since over the period of the mortgage the interest paid will equal the principal of the loan. The actual outlay not to be returned to the Federal Government (under S. 1070) is the maximum subsidy of $300,000,000 a year until the projects are amortized. Experience under the United States Housing Act of 1937 shows that the actual subsidy required has been less than the maximum authorized. The total annual cost is a far cry from the fantastic figure of seven billions.

"The Federal Government will also force the local municipalities to exempt the housing projects themselves from all municipal taxation," Mr. GWINN tells us. The statement is misleading. Both the T-E-W bill and its successor, S. 1070, H. R. 4009, state specifically that no community may receive Federal subsidy for local public-housing projects unless the local legislative body (which would usually be the city council) expressly requests the projects. S. 1070 requires exemption from local taxes of housing properties requiring Federal subsidy, but also permits payments in lieu of taxes at 10 percent of shelter rents. Such payments in lieu of taxes in every case exceed the taxes collected on the properties before development for public housing and are greater than the taxes collected from the families living in slums.

GWINN goes on to say that local "taxpayers that get no benefit from the housing" have to provide all the municipal services for the project families and then receive no payment in return. Are we to assume that getting rid of slums, which invariably contribute to high rates of crime and disease, and cost more to service than they pay in taxes is of no benefit to taxpayers? If a decision of the Supreme Court declaring public housing in Ohio to be a private and not a public use has not forced the Federal Government to take title to the local public-housing projects, these projects while they would not be paying full taxes would be paying in lieu thereof a percentage of the rental income. These payments would be aquivalent to the amount previously assessed in taxes against the old properties on slum-cleared sites. Later when public-housing properties are amortized they will be owned locally and will pay full taxes. Local communities would suffer no out-of-pocket loss in revenues and would reap substantial social gains. What the public-housing projects would pay to local communities would be exactly the same as private urban redevelopment housing pays in the cities of New York State. For example, the Metropolitan Life Insurance Co. for 25 years pays on its Stuyvesant Town project, not the full taxes on the new buildings but the taxes assessed against the old slum properties that were cleared away.

Casual workers, the unskilled and the unemployable, the sick and the aged, do not get into public housing. This is untrue of the public-housing projects in Ohio and so far as I know in other public-housing projects. In our community on the average, 10 percent to 15 percent of the tenants are on some form of public assistance or relief, and there is no limitation on the number of families accepted. The average income of families now living in the Cincinnati low-rent developments was approximately $1,250 a year at the time they were admitted. According to GWINN's own statement, a family of four earning more than $1,700 a year cannot qualify for an apartment in Mulford Gardens, a public-housing project in Yonkers, N. Y. It is undoubtedly true, as he says, that Mulford Gardens now has overincome families, as does practically every other housing project in the country. Mr. GWINN knows perfectly well that this comes about because of the acute shortage which makes it unreasonable and inhumane to force these families out peremptorily. Overincome families here and in most places are on notice to move and in Cincinnati approximately 47 percent of the overincome families have moved out.

Mr. GWINN is right that the percentage of truly destitute families in public-housing projects in most cities is not over 15 percent. He no doubt shares the view of those who would admit only the destitute,

make glorified poorhouses out of public-housing projects, and reject honest workers who are otherwise self-supporting but cannot pay for decent housing. He will find no competent sociologist to agree with him.

Mr. GWINN speaks of the "public housers most of whom are on the Government pay roll, or creatures of Government favors themselves." By public housers presumably he means people who believe some public housing to be necessary to accommodate decently families of low income. If he means to include among those on some Government pay roll who support this point of view—the President of the United States, Gov. Thomas E. Dewey, Republican candidate in the 1948 presidential election, an overwhelming majority of the Members of the United States Senate (as shown by the vote on S. 1070), and an overwhelming preponderance of the mayors of our cities, he is correct.

It also happens to be the fact that all major veterans' organizations, the Federal Council of Churches in America, the National Conference of Catholic Charities, the League of Women Voters, the National Congress of Parent-Teachers' Associations, every major labor organization, and some 35 other national civic agencies are supporters of enough public housing to clear people out of slums. Even the New York Real Estate Board has, with reservations, placed itself on record as to the necessity for a limited amount of public housing for low-income families. To say that most of the members of these latter groups are creatures of Government favors is an absurdity.

"At the core of many of these projects are the Socialists and Communists nicely bedded down with low rents." There isn't a scintilla of evidence to prove this statement. Mr. GWINN offers none. If it were true, organizations like the foregoing would scarcely support public housing.

When the Congressman says that the Federal Government has been the culprit that has created the shortage of homes that has accumulated since 1933, he is talking nonsense. Every country in the world is suffering from a shortage of housing. The reason in most cases is simple enough—namely, that during the war, materials and labor were preempted for war purposes and home building practically ceased.

His charge that house building always slows down under Government is not correct. Catherine Bauer, author of Modern Housing, and one of the Nation's leading authorities on housing here and abroad, cites facts that disprove his statement. For a considerable period before the last war all the progressive democratic countries of Europe, Miss Bauer avers, were providing substantial public aid and encouragement for the construction of homes within reach of families of modest means. A substantial percentage of these homes were built and managed by local public or semipublic agencies, some by cooperatives. This did not have a dampening effect on private enterprise in these countries. In the 1930's ordinary private builders in England and the Scandinavian countries built new homes at about double the rate of our American builders, in proportion to the population, although the relative volume of public and semipublic housing was many times as big as ours. All these countries had comprehensive housing programs, more or less of the type envisioned in the various American bills like S. 1070, which have thus far been stopped in the House of Representatives.

As a result of their prewar housing programs, England and the Scandinavian countries had a good supply of homes when the war started in 1940, while we, on the other hand, were already confronting a serious shortage. The wartime destruction of homes in England merely brought that country down to about the same shortage situation which we were in anyway, with a much higher level of wartime building than England's, and without any destruction at all. And the shortage in Sweden and Denmark never has been as severe as it is here.

Congressman GWINN says that Swedish housing is the best in the world. His further statements that this is because it is the freest in the world, and that the famous Swedish housing program involved no government subsidies are completely at variance with the facts. Subsidies to house low-income families with children have been heavy and extensive for many years. And state loans without interest have also been available in recent years. It is true that these aids are extended only in part to local public agencies. But the cooperatives and other building corporations which benefit from them are so heavily controlled as to rents and profits and planning standards that their operations are not greatly different from public housing.

Nor does Mr. GWINN present facts in his assertion that the real English housing boom came in the thirties, after the government had been taken out of the housing picture, and it was entirely the product of private construction and private financing.

From the time the English Government began doing any Government housing before World War I, it has never been taken out of the housing picture, and when Mr. GWINN states to the contrary he is throwing the truth overboard.

It so happens that I personally made a study of housing in England in 1935. The combined program of private and public housing was in high gear at that time with three-fourths of the homes being provided by private enterprise. Had the war not intervened, England would almost certainly have completed the job of total slum elimination within a period of 10 years. It is significant that Mr. GWINN neglects to mention that Government-aided housing in England has had just as strong support from Winston Churchill and the Conservative Party as it has had from the Labor Party.

"A national economy must either be all government or all free," according to Congressman GWINN. The city of Cincinnati owns a railroad. It owns and manages its waterworks. So do most cities. Everywhere the operation of schools is a local government function. Has that made our economy less free? We all agree that private enterprise should perform every function it can, but there are certain things that private enterprise either cannot do or cannot do satisfactorily—housing low-income families decently is one of them. The report of the United States Senate Subcommittee on Housing and Urban Redevelopment (August 1, 1945), headed by Senator ROBERT A. TAFT, substantiates this in these words: "But recognizing all this (that many families in substandard shelter can find suitable housing), the subcommittee is of the opinion that the present housing situation cannot be satisfactorily dealt with except by the gradual elimination of slum housing and the provision of a reasonable percentage of subsidized housing to replace it."

"The whole housing cry is cheap politics and outright demagoguery. It is a scheme of irresponsible politicians," according to GWINN. He includes a lot of people in his name calling. Speaking of demagoguery, the following quotation from the Gwinn speech is in point: "How far are these plans for public housing worked out by Communist government agents here or by their enthusiastic fellow travelers?"

Says Mr. GWINN, "Most of the voters in the areas with public housing would of course naturally vote for the public-housing party." Which, Mr. GWINN, is the public-housing party? Public-housing support is bipartisan on the Federal, the State, and the local level. The members of the City Council of Cincinnati, for example, are unanimously on record for a limited program of public housing, quite regardless of party.

"The T-E-W bill is socialism—American plan." Since the first name on the bill was that of the Honorable ROBERT A. TAFT, United States Senator from the State of Ohio, Mr. GWINN's charge doesn't make sense.

"In the twenties," says the Congressman, "slums well nigh disappeared in one of the greatest building eras in our country," and he mentions New York City specifically. The slums never came anywhere near disappearing in New York City or in any other of America's big cities. Having served as assistant secretary of the New York Tenement House Committee for 3 years (1916–18), and having been in touch with the situation there constantly since that time, I can say with assurance that any objective authority on New York's housing will testify to the falsity of Mr. GWINN'S statement. There were vacancies in New York's slums and in Cincinnati's slums in the thirties, but the slums didn't disappear. They are still very much in the picture and crowded from basement to attic, as never before.

Mr. GWINN picks up the propaganda of the National Association of Real Estate Boards, in citing the so-called Baltimore plan as the answer. According to GWINN, "old houses can easily be reconditioned at lost cost by such an undertaking as the Baltimore plan of improvement." Therefore he argues no public housing is needed. Evidently the honorable Congressman doesn't know that Wilmer H. Schulze, director of the bureau of sanitation, Baltimore Health Department, who directs the so-called Baltimore plan, says categorically that the Baltimore plan is not a substitute for urban redevelopment or public housing but only a means of bringing about better enforcement of housing regulations.

CONCLUSION

As evidenced at the United States Conference of Mayors held in Washington during the week of March 21, 1949, housing is today the No. 1 problem or near the No. 1 problem in practically every American city. It is not going to be solved by measures relied upon in the past. Fifty years of effort have proved that. The existence of slums—in which babies sicken and die two or three times as fast and grown-ups succumb at two or three times the rate from tuberculosis, from pneumonia, and from home accidents, and in which children fall prey to delinquency three times as often as in sections of decent housing—is a paradox in our wealthy democracy. Hitler used movies of our slums to try to discredit America. Russia points to them to our detriment. The rising tide of public opinion demands their destruction. Slums cannot be eliminated unless decent housing is provided for low-income families now trapped in them.

The supply of low-rent homes, bad as it is, is constantly decreasing through demolition. Nothing is being built to take its place. This is a job that unfortunately private enterprise cannot do because private operations must pay a profit and there can be no profit in decent low-rent housing. If there is a workable alternative to public housing, open-minded people, insistent upon the solution of this problem, will gladly consider it but it must be bona fide and not a subterfuge. Until such a workable alternative is presented (and none has yet been offered) the demand for a suitable program of public housing will not down.

No intelligent person claims that the public housing program is perfect. But not only are any real weaknesses it has developed been widely publicized; many that it does not have are heralded from the house tops by self-interested groups and their spokesmen. Honest and factual criticism is healthy and desirable. The program will be the better for it. Specious criticism serves no useful purpose and does no credit to its author.

Public housing is only one small part of the program needed to solve the housing program. It is highlighted out of all proportion because of the ill-tempered and sometimes unscrupulous opposition by powerful lobbyists, stimulated by slum landlords. The goal in housing is an opportunity for every family to live in a house that does not fall below a minimum standard of decency and health. To achieve this goal involves many things. It involves intelligent community planning; realistic and practical zoning; modern building codes that assure good standards of construction but place no unreasonble restriction on the use of new materials or methods of construction; housing regulations well enforced to require the maintenance of decent standards in existing housing; education of the public, of landlords, and of tenants; provision of an adequate supply of housing within the means of the low-income group and of the middle-income group. The latter are not now being provided for adequately by commercial builders. The home building industry has been building little housing for sale at moderate prices and practically nothing at moderate rents. Some data recently secured by the Cincinnati Community Development Co. (a private enterprise corporation planning the construction of moderate rental housing) are in point. The following results of their study of advertisements of accommodations for rent demonstrate the striking disproportion between demand and supply:

Tabulation of housing accommodations in "wanted" and "for rent" ads in Cincinnati Enquirer, Mar. 21 through Apr. 3, 1949

	Percent of total—	
	Wanted	For rent
Below $70	65.86	6.62
$70 to $90	26.51	34.84
Over $90	7.63	58.54

Of the families advertising, 65.86 percent want something to rent for $70 a month or less—but only 6.62 percent of the accommodations advertised for rent are available at those rates. While only 7.63 percent can pay over $90, 58.54 percent of the apartments offered rent for over $90.

The housing of the middle income group is definitely a responsibility of private enterprise, but it is obvious that the need is not now being met and that additional aids will be required to stimulate the building of moderate-priced housing. The facts should make it clear enough that if the home-building industry has to be stimulated to accommodate the middle income group, it is totally unrealistic to expect it to provide decent homes for the unskilled wage earner and the socially disadvantaged.

The slums themselves are the most powerful argument for positive housing action. Screaming "socialism" blows down no slums and builds no houses to replace them.

Awards by Antidefamation League of B'nai B'rith

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE SENATE OF THE UNITED STATES

Wednesday, May 11 (legislative day of Monday, April 11), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have incorporated in the Appendix of the RECORD citations in connection with several awards for outstanding contributions toward bettering human relations, made by the Antidefamation League of B'nai B'rith to Dr. Gordon W. Lovejoy, of the department of human relations of the University of Miami; the St. Petersburg (Fla.) Times; and George J. Talianoff, of Miami Beach, Fla.

There being no objection, the citations were ordered to be printed in the RECORD, as follows:

TO DR. GORDON W. LOVEJOY, DEPARTMENT OF HUMAN RELATIONS, UNIVERSITY OF MIAMI

In recognition of outstanding contribution to the community and humanity through the advancement of mutual understanding among all people in the tradition of the American heritage.

Presented by Antidefamation League of B'nai B'rith, institute dedicated to the rights of man, Miami Beach, Fla., March 13, 1949.

TO THE ST. PETERSBURG (FLA.) TIMES

In recognition of outstanding contribution to the community and humanity through the advancement of mutual understanding among all people in the tradition of the American heritage.

Presented by Antidefamation League of B'nai B'rith, institute dedicated to the rights of man, Miami Beach, Fla., March 13, 1949.

TO GEORGE J. TALIANOFF

For faithful, meritorious, and devoted service to Jewry, the community, and the people of Florida as director, Florida regional office, Antidefamation League of B'nai B'rith, January 1945–January 1949.

Presented by Antidefamation League of B'nai B'rith, institute dedicated to the rights of man, Miami Beach, Fla., March 13, 1949.

Report of New England Business, 1949

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an address delivered by Mr. Joseph A. Erickson, president, Federal Reserve Bank of Boston, at the New England congressional dinner, Hotel Mayflower, Washington, D. C., May 2, 1949, under the auspices of the New England council.

The address follows:

REPORT ON NEW ENGLAND BUSINESS, 1949

It seems to have become customary at this New England congressional dinner to have a brief report on business developments in New England. Laurence Whittemore, who established this custom in his report last year and the year before, had decidely the better of it. His reports were made when business was still trending upward and our major problem appeared to be keeping an inflationary boom within bounds. It is my task to report at a time of uncertainty about a business readjustment that has been under way for several months.

Well, how are we making out? Part of our economy—the nonmanufacturing part—seems to be doing very well. The manufacturing part has not been doing so well.

We reached our postwar peak in manufacturing in February of 1947 when we had over a million and a half persons employed in our factories. During the last quarter of last year employment in manufacturing dropped nearly 5 percent below the level of the previous year. The drop has continued into the first quarter this year, increasing slightly each month. In March employment in manufacturing was nearly 11 percent below the level a year earlier.

A large part of the decline in manufacturing must be attributed to the serious weakness in the textile industry. This industry accounts for 40 percent of the drop in total manufacturing employment from last year's level. However, we may take some consolation in the possibility that textiles have been going through a readjustment for some time and they may be one of the industries which will pick up sooner than most others.

While manufacturing employment has been sliding off, nonmanufacturing employment has been rising and reached a total of nearly 1,900,000 at the seasonal peak in December of last year. During both the last quarter of 1948 and the first quarter of this year, employment in the nonmanufacturing lines showed gains over the previous year and in fact showed larger percentage gains than were occurring in the Nation. However, the losses in manufacturing have more than offset the gains in nonmanufacturing, leaving us with total employment in the first quarter of this year at a level 4 percent below the level of a year ago.

Unemployment, primarily because of the slack which has developed in manufacturing, has mounted to more than double the number of unemployed at this time last year. The proportion of our potential workers who are unemployed has been running a little higher in New England than it has been nationally.

Apparently New Englanders are not altogether downhearted because they are planning a lot of building for the future. We expect that construction during this year will run as high as last year if not higher.

The business readjustment that we have been having is probably on the whole a healthy one. Costs and prices are being reduced and efficiency increased. There is great underlying strength in the business situation, not the least of which is a strong cash position of both consumers and business. People are inclined to defer their buying of important items when prices are falling. In fact, orders have been reduced so much more than sales that a pick-up is bound to develop. The increase in savings and the decrease in consumer debt in New England during recent months indicates that people have been putting money aside with the expectation that they might buy later when prices were right. There is evidence that business has been doing the same thing. The purchasing power is there if the price is right. Therefore it is up to business to see that the price is right.

It behooves us then to keep cool heads about the business situation. Even if employment continued for the rest of the year at no higher than current levels, New England business generally would have a good year and New England's total personal income would run within 5 to 10 percent of last year's level.

New England's prosperity is dependent first of all upon the prosperity of the Nation, which provides so much of its raw materials and so much of its market. The region's prosperity relative to the national level depends heavily upon how well its management and labor stand up to outside competition. But our relative position also depends upon Federal Government policies to a much greater extent than most of us have realized.

New Englanders have been concerned for a long time about the fact that they pay

more into the Federal Treasury than they receive back in direct payments from the Treasury. We are putting up $2 in taxes for every dollar we get back in direct payments from the Treasury. We have not shouldered this burden without some grumbling, but we have assumed that it was proper for us to carry our share of the load helping out some other sections of the country. We have taken comfort from the possibility of getting back the dollars that we lose through the Treasury by means of our trade with other parts of the country. The Treasury, we thought, might take our taxes and spend them in other areas, whereupon we would sell our goods and services to people there who would have more money to spend by reason of the additional income and the improvement in productivity that it might bring about. It begins to appear that our assumption that we would continue to get the dollars back another way has now proved to be too optimistic. Before the war it was true that we more than regained our net payments to the Federal Treasury through the ordinary processes of trade. During the 8 years prior to 1942, for example, for every dollar of net loss on our transactions with the United States Treasury we had a net gain of $2 on strictly business transactions with other parts of the country and of the world.

In the postwar years, 1946, 1947, and 1948, however, net payments to the Treasury have been at a rate five to six times higher than the rate of the prewar years to which I referred. Instead of $160,000,000 per year, our average annual payment prior to 1942, they have averaged well over $900,000,000 per year in the last three. Although we have substantially increased our net gain from strictly business transactions with the rest of the country, we have not been able to increase it fast enough to compensate for the Treasury's enormously increased drain upon the area. During these last 3 years, for each dollar of net loss to the Treasury we have had a gain of only $1 (not two as in prewar years) on ordinary business transactions with the rest of the world. The conclusion seems inescapable that the continued redistribution of our income through the Treasury to other parts of the country and of the world has weakened our competitive position. Funds so easily siphoned out of New England are spent by the Government in a manner which makes it very difficult for New England to earn them back again. Funds spent on supporting farm prices, for example, go primarily to other regions of the country which sell their products at Government-supported prices to New England. Funds spent upon dams and reclamation projects in the South and West go primarily to pay wages and materials costs of suppliers necessarily closer to the scene of operation than New England. Funds spent for foreign relief and recovery have gone mainly to other regions; New England accounts for 10 percent of the Nation's manufacturing, but an analysis of invoices on ECA shipments through the end of 1948 indicates that New England firms shipped only 1 percent of the manufactured goods under the ECA program. The record so far shows that New England's position was not improved but was worsened by the enormous Federal budgets of the postwar years.

You can appreciate from these few facts that I have given you why our own New England's welfare as well as the Nation's welfare would best be served by reducing Federal Government expenditures. You can appreciate why it seems urgent to many New Englanders that many of the Hoover Commission's recommendations, which might save $3,000,000,000 per year, be speedily adopted.

We must be realistic, however. Federal spending will no doubt remain high for some time. If New England is to maintain or improve its economic position under such conditions, we shall need, more than we have ever needed in the past, either to obtain a larger share of the Federal Government's purchases or a larger share of Federal expenditures on projects in New England. New England appears to have reached the limit of its capacity to contribute to the welfare of other sections of the country through the Federal Treasury.

Our stake in Federal policies is not limited to payments to or receipts from the Treasury. We have a vital interest in Government policies which involve little or no Federal expenditures. An example is freight rates which have choked the business of our New England ports.

A hundred and fifty years ago New Englanders were making their fortunes by carrying on commerce with most of the nations of the world. We are still favored by the geographical position which stimulated ocean-going commerce so long ago. Any farsighted plans for the further economic development of New England should include new opportunities through foreign commerce.

If New England is to realize to the full the advantage from its seaboard, it must develop export cargo to offset its bulky imports like wool, hides, and wood pulp. Boston has for years been denied the advantage of its closeness to Europe and South America by a structure of ocean freight rates which puts it on a par with competing ports. New England ports are discriminated against by the structure of railroad freight rates from the interior which put them at a disadvantage in comparison with competing ports. The Boston Port Authority has carried on a campaign looking toward removing the freight differential of one-half cent per hundred pounds which has held back grain exports coming over the Great Lakes through our ports. The railroads serving New England have published reduced rates wiping out the differential but the railroads serving competing ports have asked the ICC to suspend the new tariff. The ICC has suspended the new tariff for 7 months and will shortly hold hearings upon the subject.

The matter of one-half cent per hundred pounds on grain coming only over the Great Lakes may not appear to be too important an issue, but it is symbolic of New England's opportunity. In this case we are asking for no Government funds, but merely a chance to help ourselves. If New England can win this test case, it may be able to win on more important issues holding back the development of its ports upon later occasions. I trust that the ICC will see wisdom and justice in removing this discrimination against New England's ports. We can no longer afford such discriminations, any more than we can afford to increase our contribution to the Treasury.

Another opportunity for New England's future growth depends upon a raw material found throughout the region. We produce one raw material which, unlike coal or oil or iron, will never be used up—if we treat it right. That material is wood.

Most people do not believe it when we tell them that a greater proportion of the land area in New England is covered with some kind of forest than in any other region of the country. It is a fact, however, that 77 percent of New England's land area is forested. Our forests supply raw material for pulp and paper, lumber, furniture, plywood, and numerous other industries making wood products. Together these industries employ more than 140,000 people and put out a value of product of a billion and a quarter dollars annually.

The growth possibilities of the forests encouraged us to finance a study of the forest resources of New England, what was happening to them, and how we could get more out of them. That study has now been published under the title of "Wooden Dollars." It may seem strange to you for a banker to plug for wooden dollars, but I know of no better way to emphasize that there's money in wood. I want to tell you a little of what we found out—and did not find out—about our forests from this study.

First, we need better information on the forest resources than we have. The wood-using industries need to know how much of what kind of timber we have. The United States Forest Service has for many years been conducting a survey of the forest resources of the Nation. We in New England feel that not enough of this survey work has been done here and we think that we could use very effectively a more accurate inventory of our forests and woodlands. We hope that it will be speeded up as it applies to New England. On the basis of the best estimates available this is about the position of our forests now:

New England's forests are growing more rapidly than they are being depleted by cutting, fire, and insects. Nevertheless, the mature timber is being cut faster than new timber is coming to maturity, so that most of the growth is coming on young timber that has to remain in the woods a good many years before it will be ripe for cutting. Because so much of our timber is in the growing stage, it is important to make the most of that growth.

One of the greatest curses to New England's growing timber is the white pine weevil. Northeastern white pine is by a wide margin our best commercial tree species. The white pine weevil attacks the leader at the top of the tree, and the damage that he does produces crook and forking in the tree which even casual observation demonstrates is all too prevalent in New England white pine. We need more research on how to control the white pine weevil and more work on controlling it if we are going to get a higher value out of our timber. May I say to our Senators and Congressmen that we hope they will keep that in mind when the insect control people come up for more money if more of it is to be spent in New England.

This meeting itself is a token of the next thing I am going to take up with you—the matter of a unified regional program of economic development. New Englanders who have given the matter any thought at all have soon come to the conclusion that they have more in common with people in the other States of New England than they have with non-New Englanders. The forces which tend to unite people in the various States in New England are stronger than the forces which tend to divide them. New Englanders share a sense of regional citizenship.

In view of their common interests it was altogether fitting for New Englanders to set up their own policy, a good-neighbor policy, 23 years ago in the form of the New England Council. That was, I believe, several years before Washington adopted its own national good-neighbor policy. The principles and ideals of New England's own good-neighbor policy have begun to bear some fruit. We have embarked upon joint projects to control forest fires and floods and plans to coordinate other activities.

The New England States are wisely considering a unification and coordination of their development programs. I believe that this is a splendid step in the right direction because we can do a job of industrial development in New England more effectively on a united basis than we can do it piecemeal.

The experience of the State agencies and their more substantial budgets in the aggregate for development work provide compelling reasons for integrating the State and regional programs. Integration of the State and regional programs will be insured if those responsible for the State programs are also responsible for the regional development program. Common sense administration requires that those who guide the regional program be charged also with respon-

sibility for the development program of their own State. It goes without saying that they should invite New England Council's participation in its meetings to insure that public and private efforts are coordinated. We should not follow the bad example set by Washington by piling one layer of Government agency on another. We should and we must take positive action on a regional basis to encourage more growth in the regional economy.

I said more growth intentionally because, despite many impressions to the contrary, New England has enjoyed a very large growth in recent years. Our rate of population growth between 1940 and 1948, 10.2 percent, was greater than that for all but two of the nine census regions—the Pacific and East-North Central States. Nearly 40 percent of New England's gain resulted from in-migration of people from other States. People don't pull up stakes and move without reason. One reason is the family income level in New England, which is well in excess of the national average and of the average of all other regions but two—the Middle Atlantic and East-North Central States. It takes jobs to provide such income. From 1939 through 1948, New England provided three-quarters of a million new jobs, a gain of 29 percent.

When we talk about promoting growth in the New England economy, we are talking about an area of seasoned previous growth. Let's keep New England growing.

The Financial Security of This Country, More Than Ever Before, Rests in the Hands of Those Charged With Disbursing the Funds Appropriated by Congress—We Should Staff All Key Positions With Career Men, Trained in Business Administration

EXTENSION OF REMARKS

OF

HON. FRANK W. BOYKIN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. BOYKIN. Mr. Speaker, I am sure there are but few, if any, Members of this House who do not know the Honorable John E. (Jack) Peurifoy, Assistant Secretary of State.

They know him best as a business administrator, who, when given free rein by Gen. George C. Marshall, brought order out of chaos in the Department of State. Always affable, ever kindly, helpful, and ingenious, he is above all a good public servant, a great patriot, and a great American.

His understanding is tempered by a rare quality of firmness, equity, and justice coupled with a decent respect for his responsibilities in the expenditure of public funds.

In all the years of his service career in our State Department I have never once heard anybody ever refer to John Peurifoy as a "stuffed shirt" or a member of "the striped-pants set."

I know other such men serving in the executive department of government who have ability equal to his, but certainly, Mr. Speaker, there is no one possessed of greater ability in his field of administration nor any who gives more of his time and of himself to doing a good job than does John Peurifoy.

I have been knowing Jack Peurifoy—good—and for a long, long time.

I have been hearing rumors in the cloakrooms, and, in fact, some of my friends, both Democrats and Republicans, have asked me whether the President, at the request of our great Secretary of Defense, was going to appoint John Peurifoy as Secretary of the Department of the Army.

My answer was that in the interest of unification, of good government, economy, efficiency, and harmony, I certainly wish to see such an appointment made.

Moreover, Mr. Speaker, I know that such action would meet with ringing acclamation from those who sit on both sides of the aisle in the Nation's Congress and on both ends of the Capitol.

That this RECORD may contain a far less personal expression of the abilities of our good friend, John Peurifoy, than my own, I am inserting into the RECORD an editorial published in the Washington Times-Herald only last Saturday.

That editorial comment was as follows:

CAREER APPOINTMENTS?

It is about time more emphasis is placed on rewarding efficiency in Government service instead of selecting top policy officials on the basis of political pay-offs alone, though we neither expect nor hope to see politics entirely out, as after all the party that wins is responsible to the voters for results and naturally ought to have a full say about its top officers on duty.

It seems to us that here is a golden opportunity for President Truman to put some civilian career man in to head up the Army and thus show the policy set up when he made Jesse Donaldson Postmaster General was no mere preelection stunt to get Federal workers' votes.

In this particular case, we hear President Truman is considering Assistant Secretary of State John E. Peurifoy as the new Secretary of the Army. Mr. Peurifoy entered Government service as a clerk in the State Department in 1938. His work in handling personnel and administration matters in that Department has won him rapid promotions. His talents have also been recognized and praised on Capitol Hill and in other agencies of the executive branches of the Government, by Republicans and Democrats alike.

Recently, it was reported that Defense Secretary Johnson is anxious to have Mr. Peurifoy in his department to assist him in working out full unification of the armed forces.

It is a good idea and if carried out will certainly be proof to young people the country over that government as a career is not all political pull and pay-off. And that sort of proof is good politics itself by any test.

Mr. Speaker, I need not remind you of the fact that it seems ages since we knew Jack Peurifoy when he was running an elevator here in the Capitol.

I think it was you, Mr. Speaker, then our Democratic leader—or else your great predecessor Will Bankhead as Speaker of the House—that approved Jack Peurifoy's request to get an elevator on the night shift instead of the day shift—so that he could supplement his education with a course in public administration at American University after work hours.

Upon the completion of that course, he followed it up by taking still another—this time in international relations at George Washington University. And remember, Mr. Speaker, that he did it all on the $90 a month which was at that time the pay of all elevator operators on Capitol Hill.

Well, he never did get his College degree—but there's a lot of us in that class. Neither did Secretary of State Stettinius—our own Jimmie Byrnes—nor did the greatest of all living Americans today, the honored, revered, respected and beloved elder statesman of them all—your good friend and my good friend—the Honorable Cordell Hull.

Like the others, he won his degree of "C. G. E.", Career Government Employee—in the hard school of experience.

John Peurifoy started up the ladder of the State Department as an "economic analyst" at a salary of but $2,000 a year.

Today, at 41 years of age he is the Assistant Secretary of State for Administration and is generally considered to be doing one of the most efficient jobs ever executed in government service—in one of the hottest and most controversial departments of the Federal government.

And you would ask how he does it? Those who know Jack Peurifoy know him as the kind of executive who everybody soon calls "Jack." A direct actionist, he has the ability to get things done.

In his philosopohy first things should and must come first.

Kindly, considerate, possessed of a depth of understanding, he is equally considerate of all from the colored messengers historically employed in the Department of State to the Chairman of the most important Committee of the Congress.

Mr. Speaker, it is highly indicative of his recognized abilities that subsequent to the first conference which General George C. Marshall had with President Truman after his acceptance of his portfolio that Secretary Marshall appointed the 39-year-old Peurifoy as his acting Assistant Secretary.

In that position he was directly charged with the over-all management of the State Department. His job was not to make a foreign policy. It was to provide the machinery with which to effectuate all policies. Under John Peurifoy's supervision was placed all such things of hiring and of firing, the promotion or the demotion of personnel both here and abroad, all telegrams and mail services, all official "house-cleaning" functions, the preparation of the budget for the Department of State, the issuance of passports, visas and security measures, and last, but most important, was the control of all expenditures.

John Peurifoy believes that department regulations should be made to expedite business in an orderly manner and not to retard it. If ever a regulation gets in the way of doing something economically and on time, his suggestion is—let's change this regulation and not—that we can't do this or that because it is against the rules. He considers it his job to see that he gets efficient teamwork and woe to the employee who, feeling too big for the task, goes prima donna and tries to undercut his colleagues.

Although admirably respected by all of his fellow-workers, they know full well

that John Peurifoy will not tolerate any buck-passing.

John Peurifoy's loyalty to President Truman has never wavered at any time in his long service. It was no happenstance that the two men to greet him upon his return to Washington in the seemingly dark days of the campaign were the Secretary of State Dean Acheson and the Assistant Secretary of State Jack Peurifoy.

With the appointment of John Peurifoy as Assistant Secretary something extraordinarily unique happened in the United States Department of State. For many years prior most previous assistants had long engaged in that great State Department pastime of making policy. Here was an Assistant Secretary who simply wanted to do an administrative job, one who wanted nothing whatever to do with the making or formulation of foreign policies.

John Peurifoy knew that his strong point in training was business administration. As a successful official in an executive position he long since put a stop to all policy telegrams and all other foreign policy-making communications from reaching his desk.

By eliminating the time-consuming floods of cables and other communications from overseas, he was enabled to devote his whole energy to the less interesting but the all-important problem of the American taxpayers—the costly, overburdening problems of executive administration.

Mr. Speaker, with his military training at West Point as a background, John Peurifoy would be altogether at home administering the expenditure of the billions of dollars which the Congress has this year appropriated and will be compelled to appropriate in years to come for the United States Department of the Army.

Mr. Speaker, need I recall the splendid words of appreciation spoken about the job that John Peurifoy is doing by the leaders of both parties when the State Department appropriations bill was before this House but a year ago.

Our Republican friends were at that time in the majority. There had been extensive criticism expressed with respect to the conduct of many governmental functions—but with respect to the work that Assistant Secretary Peurifoy was doing in the State Department, let me quote but a few passages from the records of the debate which took place here in the House on March 3 last year.

I do this to exhibit the regard in which Mr. Peurifoy is held by our Republican veteran colleagues who sit on all important Appropriations and Foreign Affairs Committees of this House. Such top flight Republicans as the Honorable KARL STEFAN, of Nebraska; the Honorable FRANCES P. BOLTON, of Ohio; IVOR FENTON, of Pennsylvania; CLIFF CLEVENGER, of Ohio; VAUGHAN GARY, of Virginia; MENDEL RIVERS, of South Carolina, and of others—sitting on this as well as on the other side of the aisle.

The debate which took place was, in part, as follows:

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I am very glad to yield to the gentlewoman for a brief question.

Mrs. BOLTON. The gentleman has spoken of the need of having the administration of these things in one piece. We know that the gentleman has worked with the men at the State Department. Would the gentleman state his opinion of Mr. Peurifoy?

Mr. STEFAN. Does the gentlewoman mean Mr. John Peurifoy?

Mrs. BOLTON. Yes.

Mr. STEFAN. I think he is one of the finest men that I have ever met and one of the ablest men. I have a great admiration and affection for him.

Mrs. BOLTON. Then the gentleman has confidence in what Mr. Peurifoy is doing?

Mr. STEFAN. I have great confidence in him.

Mrs. BOLTON. And the gentleman has perhaps found that it is not always easy for Mr. Peurifoy to accomplish the things that he sets out to accomplish?

Mr. STEFAN. I want to say that he is the finest character that I have ever met and one of the most efficient men. I am very happy to make this statement here in the Halls of Congress.

Mrs. BOLTON. I thank the gentleman. We are most happy to have the gentleman's opinion because we know how you have studied the situation.

Mr. STEFAN. It is always an inspiration to see a man starting to work in the State Department and really doing something that we can really understand. Mr. Peurifoy has been a fine public servant.

Mr. DORN. I just wish to ask the distinguished gentleman if some question was asked about the distinguished gentleman from South Carolina, Mr. Peurifoy, and if the chairman said that he was one of the finest Americans he ever met?

Mr. STEFAN. In answer to the gentleman from South Carolina, the question was asked by the gentlewoman from Ohio [Mrs. BOLTON], and I stated that was my opinion, and I am again very happy to repeat that, in my opinion, he is one of the finest Americans I have ever met.

Mr. DORN. We certainly appreciate that.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. HORAN. I want to share in the Chairman's appraisal of Jack Peurifoy. We both have a very high regard for him.

Mr. DORN. We appreciate that. We only wish we had more men in the State Department like John Peurifoy from South Carolina.

Mr. STEFAN. So do we. I yield to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Chairman, I would like to say this about Jack Peurifoy, that he happens to come from my district and that is one of the reasons why he has made such an outstanding Assistant Secretary of State. I have known him and his family for many, many years. I knew his father before him and his entire family. You have so generously stated that if the State Department had more Americans like that there would be much less criticism about those who have walked in and taken over.

Mr. STEFAN. I thank the gentleman very much. We have had very fine cooperation from Mr. Peurifoy.

Mr. RIVERS. I certainly thank the gentleman.

Mr. BOYKIN. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. BOYKIN. We in Alabama appreciate what you have said about Jack Peurifoy. He is really and truly from Alabama. He just happened to go up to South Carolina but we are very, very proud of him. I think he is doing a fine job. Nobody knows it better than you. When I came and asked you about this, it was already in the RECORD. We do appreciate it very much. We in Alabama appreciate all that has been said about John Peurifoy. Now, as Secretary of State, General Marshall has a great deal to say as to who should serve as his Assistant Secretaries. The man in whom he has placed his confidence for the conduct of the security aspects of the Department's operations is Assistant Secretary of State John E. Peurifoy. I happen to know Jack Peurifoy well and have had an opportunity to observe his work for some time. Gentlemen, there is no one in whom I have more confidence than Peurifoy. His family has been in this country for well over a century. He has been raised in the traditions of true Americanism and because of his many years of service in the Department of State, is thoroughly acquainted with the operations of the Department and is fully qualified to assume full responsibility for the Department's security and loyalty programs. His appointment to head up the administration of the Department and the Foreign Service is an ideal one and reflects the well-known ability of General Marshall to select competent and capable people to assist him in carrying out his responsibilities regardless of what they may be.

Mr. STEFAN. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. FENTON].

Mr. FENTON. First of all, Mr. Chairman, I want to add to the testimony given our good friend, the Assistant Secretary of State, John Peurifoy, my sincere blessings. He is a very, very fine and courteous gentleman, and it was indeed a pleasure to work with him; he in the Department of State, and we on this committee. Mr. Chairman, I am not going to take up very much time. It has been a great privilege to serve on this committee for the State, Justice, Commerce, and the Judiciary of the Appropriations Committee.

As the chairman has said in his remarks, there was full cooperation amongst all the members, and the hearings were indeed harmonious.

The details of this bill have been pretty thoroughly covered by our chairman the gentleman from Nebraska [Mr. STEFAN], the gentleman from Washington [Mr. HORAN], the gentleman from New York [Mr. ROONEY], and the gentleman from Virginia [Mr. GARY]. But I do want to say to you that we sat for many hours, days, and weeks listening to the many witnesses for those four Departments in our Government. I want to assure you that our very able chairman the gentleman from Nebraska [Mr. STEFAN] and my colleagues on the committee scrutinized every item in this bill, and the amounts arrived at as shown in the bill are an honest endeavor to do what they thought was right.

(Mr. FENTON asked and was given permission to revise and extend his remarks.)

Mr. STEFAN. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. CLEVENGER].

Mr. CLEVENGER. I want to tell you that these members of the committee are wonderful gentlemen, and I can subscribe to the words of praise for our very lovable Under Secretary of State, Mr. Peurifoy.

Mr. Speaker, hear me now—and well—on this.

After the debate had finished the Honorable VAUGHAN GARY, who has long served us on the Appropriations Committee of the House, made this significant statement with respect to the Honorable John Peurifoy, the Assistant Secretary of State:

Mr. GARY. Mr. Chairman, there seems to be one question on which this House is unanimous and that is as to the outstanding abilities, the charm, and personality of Jack Peurifoy. Certainly we minority mem-

bers on this subcommittee will concur in everything that has been said.

It is only in part because of the foregoing that I would urge President Truman to place at the head of the Department of the Army a trained, tried, and trusted, and proven civilian career man such as the Honorable John Peurifoy.

We now have as the Secretary of National Defense Louis Johnson, a man who in the years that have passed has proven himself a hard driving, sure-footed, two-fisted executive who brilliantly served as Assistant Secretary of War and is now Chief of all activities concerned with the Security and Defense of the Nation.

Louis Johnson has already satisfied the President, this Congress, and the Nation that he will unify our armed services and he has already done a magnificent job in the short time he has had this great and grave responsibility.

Heading the Department of our Air Force is that young, energetic, dynamic, and efficient career official, Stuart Symington, who, believing that air power is world-peace power, long stood with his back to the wall, fighting to give America supremacy in the air.

I need not bespeak the love and respect that we in this Congress have for the Honorable Steve Early who, upon request of the President, gave up a career in private industry that paid him many times what will be his salary in Government to join with Louis Johnson in perfecting unification of our armed services.

There is no one thing that President Truman could do that would meet so completely with the approval of this Congress, in particular, and American people in general, than to add to the galaxy of businessmen now heading our National Defense Establishment the name of John Peurifoy.

Mr. Speaker, in conclusion, let me again quote but a brief paragraph from the editorial carried in the Washington Times-Herald:

President Truman is considering Assistant Secretary of State John E. Peurifoy as the new Secretary of the Army. Mr. Peurifoy entered Government service as a clerk in the State Department. His work in handling personnel and administration matters in that Department has won him rapid promotions. His talents have also been recognized and praised on Capitol Hill and in other agencies of the executive branches of the Government by Republicans and Democrats alike.

Tax Freedom

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 11 (legislative day of Monday, April 11), 1949

Mr. PEPPER. Mr. President, by request, I ask unanimous consent to have printed in the RECORD a statement on behalf of the Florida State Retailers Association, on the subject of Tax Freedom.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ORLANDO, FLA.—A new and jubilant national holiday to celebrate tax "freedom" was suggested here today. The date this year would be April 28.

Executive Director Dallas L. Hostetler, of the Florida State Retailers Association, who made the proposal, said that the date of the red letter liberation holiday would vary from year to year, "but without exception Americans would enjoy having it fall as early in the season as possible."

On April 28 for the first time in 1949, the American people can begin working for themselves. All they will have earned from January 1 up to that day will go to Government, in taxes. "This is merely another way of saying that our over-all tax load, Federal, State, and local, has increased to the point where it now takes 32 cents out of every dollar we make," Hostetler pointed out.

"Out of each hour we work, the pay for 19 minutes is taken by Government, in direct and hidden imposts. The situation calls to mind the concession to freedom granted Prussian serfs centuries ago. Their masters allowed them to work for themselves 2 days out of each week."

Quoting from reliable tax information sources, the tax liberation holiday advocate pointed out that there are today, 189 taxes on a suit of clothes, 154 taxes on a bar of soap, 201 taxes on a gallon of gasoline, 205 taxes on a new car, 127 taxes on a roast of beef, 502 taxes on a pair of shoes, and 53 taxes on a loaf of bread. Of the 32 cents of each dollar which go for taxes, 11 cents are out in the open while 21 cents are undercover or hidden taxes. Some 155,000 tax authorities in the United States today are permitted by law to levy more than 500 different kinds of taxes.

Hostetler's State association of Florida merchants is waging a vigorous campaign in behalf of "good government at less cost." "We have the conviction that tax spenders should effect millions of dollars in tax savings through efficiencies and economies in governmental operation before seeking new means of increasing our already over-burdening tax load. When the American people must devote nearly one-third of their working time to supporting their various governments, they are at the saturation point so far as the tax load is concerned," Hostetler concluded.

Explanation of Columbia Valley Administration

EXTENSION OF REMARKS

OF

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. JACKSON of Washington. Mr. Speaker, before I introduced legislation for a Columbia Valley Administration, there was a great deal of lively discussion about what CVA was going to be. It was said that CVA would be a "superstate," a vehicle for socialism; that CVA would be "authoritarian," and would deprive the individual of certain rights. It was said that CVA would invade the field of private business, and destroy free enterprise. It was said that CVA would mean the end of "home rule"—that the development of the resources of the Northwest would be taken out of the hands of the citizens of the region, to be handled by outsiders. CVA, it was said, would be an invasion of States' rights.

Because my present bill H. R. 4287, had not been introduced, all this had to be mere speculation. Since I placed my bill in the hopper, there has been too little explanation of why CVA is necessary, and what it is supposed to accomplish. The time has come to replace speculation with informed discussion.

The creation of a Columbia Valley Administration has two major purposes: first, to reorganize and consolidate the existing Federal agencies which are planning and carrying out the development of the Northwest's resources. In place of 20 agencies, each making its own plans, there will be but 1. Second, to bring the Government to the region, instead of taking the region's problems to Washington to be decided. These two purposes deserve more careful examination.

First, let us look at the first purpose—consolidation. It cannot be too heavily emphasized that the CVA bill is not designed to create new authority or new bureaucracy. The explicit purpose of the bill is "To reorganize and consolidate certain Federal functions and thereby secure their more effective administration." At present there are nearly 20 Federal agencies carrying on resource activities in the Northwest. Each one makes its own plans. Each one's budget is reviewed by the Bureau of the Budget, and often by the Congress, without reference to the plans and budgets of other agencies. The same thing happens in all our great river basins without coordinated planning. In the Missouri Basin last year, this resulted in the Corps of Army Engineers and the Bureau of Reclamation, who both claim they are authorized to build the Jamestown Dam, both getting $40,000 to do the same preconstruction study for the same dam at the same time. In the Columbia Basin, both of those agencies have gone to the expense of drawing plans for the same dam—Hell's Canyon. The cost to the Government of each set of plans was $250,000. Both the Department of the Interior and the Department of Agriculture carry on forest management on different lands belonging to the public. If the Northwest's great timber resource is to be constantly renewed—which it can be—a single plan for all Federal forests is essential.

The Hoover Commission, which was set up to streamline the organization of the Government, outlines the conflicts and overlaps very closely. The Commission report states:

Division of responsibility means duplication of surveys and investigations. Elaborate basin-wide surveys and plans have been made in several instances by the Corps of Engineers and the Bureau of Reclamation, in addition to the comprehensive basin surveys made by the Federal Power Commission and the watershed surveys of the Department of Agriculture * * *.

Jurisdictional jealousy is inevitable, and costly as well, so long as such organization separation is practiced. Friction therefrom operates as a perpetual drag on efficiency and as a stimulator of group and sectional competition for favor and undue influence. Without more inclusive operating units, plans are made which see only parts of the

whole situation, and wasteful expenditure of funds result, while the total objectives which might have been obtained is only partly realized * * *.

The Commission goes on to say that past attempts to secure coordination through interdepartmental committees have failed "because the dominant members, the Corps and and the Bureau, have been unwilling to permit interagency committees to settle their differences."

To those who cry for "better government, not bigger government," CVA is the answer.

The consolidation of Federal agencies is essential from another common sense point of view. Resource development is not a thing that can properly be broken up into separate pieces, because the pieces naturally belong together. President Truman pointed this out very clearly in his message to Congress on the CVA. It is senseless, he said, to spend millions of dollars to build dams for flood control if there is no over-all plan, at the same time, to control the run-off through forest and range management. It is equally senseless, he went on, to spend millions of dollars to irrigate and reclaim farm land if we are not making the best effort we can to keep the farms from being washed into the rivers.

It took us a long time to realize that a dam is no longer exclusively a flood-control dam, or exclusively an irrigation dam, or one built just to create power. It took us even longer to see how, in most cases, one dam depends on the other; how, for example, water from Hungry Horse will firm up Grand Coulee power in low water periods. It is clear, now, that most dams serve all those purposes, and if they are to do that most effectively, all the dams on a river should be run as a system, not as individual projects. That way, one central manager of the system can take into consideration all the needs of the valley—flood control, irrigation, navigation, power generation.

The resources are one. It is only the Government that attempts to separate them.

How does my CVA bill accomplish this first purpose of consolidation? First, and most important, all of the activities in the Northwest of the Bureau of Reclamation, the Bonneville Power Administration, and the Corps of Army Engineers (except for channel and harbor improvement) will be carried on by CVA. This includes the planning, building, and operating of dams. It includes the transmission and marketing of hydroelectric power from Government-owned dams, now being carried on by the Bonneville Power Administration. This will eliminate the duplication in planning that I mentioned before, which is so costly to the Government. It will assure the dams being run as a system. It will mean the maximum development and generation of the region's hydroelectric power.

Second, the bill directs the CVA to make an over-all plan for the resource development of the region—including forest and range management, development and care of recreation areas, mining research, fish and wildlife conservation—all the activities which are now being planned separately. CVA will submit this over-all plan annually to the President and to the Congress, to guide them in directing the activities of the agencies that carry out the respective functions. For the first time, there will be a single Federal plan for the Northwest's resources. It will be up to the President and the Congress to see that this plan is put into effect.

Let us turn now to the second major purpose of the act—bringing Government to the people. The Tennessee Valley Authority has been described as "bringing a chunk of Washington to the Tennessee Valley." That is what we are trying to do with CVA. As things stand now, the work being done in the Northwest by the Federal Government is done by regional representatives who have to report to Washington. The final decisions are made 3,000 miles away from the region concerned. It is difficult for a citizen of the Northwest to make his voice heard. He either has to travel the 3,000 miles, or he has to write a letter to Washington, perhaps to someone who has not even seen the Northwest.

Those who speculated about what CVA was going to be, maintained that it would mean the end of home rule, an invasion of States' rights. Past experience does not support this kind of speculation. After 10 years of operation, the Tennessee Valley Authority—which lies in the heart of the section of America which is most vigorously for States' rights—brought this statement from the Governor of Alabama:

There is no question of the Federal agency coming in and riding roughshod over State and local agencies.

How has my CVA bill provided for home rule?

First, it requires that the headquarters of CVA will be in the region itself. CVA will be easily available to the people of the Northwest so that, if they want, they can come in and speak their minds instead of having to write their views. Decisions are made in the region. They do not have to be referred to Washington. In short, the citizens of the Northwest will be able to watch CVA, and CVA will be able to watch the region.

Second, it requires two of the three Directors to be residents of the region. Thus, they will know the Northwest and its people.

Third, the bill requires CVA to seek the advice, assistance, and participation of the people of the region and their State and local governments and organizations, public and private, to the fullest practicable extent in planning and carrying out its program. It requires CVA to set up advisory boards. The experience of TVA shows that these boards can be extremely helpful in bringing government closer to people. Any of these boards may include their comments and suggestions in the annual report of the CVA. Thus, the opinions of the people of the Northwest must find their official way to the President and the Congress in Washington, and throughout the Nation.

Fourth, the CVA will be required to respect the water rights and water-rights laws of the several States.

I have received letters which expressed concern over the fact that, through these liberal home-rule provisions, the Congress would be relinquishing its control over CVA. May I emphasize that CVA will, like its counterpart in the Tennessee Valley, continue to get its money through Congress. It will continue to report to the President and the Congress.

There has been concern that CVA would invade the field of private business and destroy free enterprise. The facts and the evidence do not warrant this concern.

The facts are to be found in the bill itself. Nowhere in the bill is there any provision authorizing CVA to carry on activities that would invade the field of private enterprise. Its authority in the field of power generation and transmission will be no greater than that of the Bonneville Power Administration. Rather than competing with business, CVA is authorized to carry out certain functions in cooperation with local organizations—both public and private. It is required to carry out as much of its construction work as possible through contracts with private businesses. It is authorized to carry on research and experiments that will open up new fields for private enterprise.

The evidence is to be found in the past experience of the TVA. In the Tennessee Valley, TVA—which has much more extensive authority than CVA will have—is acclaimed by businessmen throughout the region. Not only has TVA created the economic conditions which have made business expansion possible, it has also acted as a clearing-house for the information needed for business ventures, and has aided business in experiments and demonstrations throughout the valley.

Thus, I believe the facts and the evidence paint CVA not as the competitor, but as the friend of business.

The opponents of CVA have attacked the personnel provisions of the bill as being unfriendly to labor. These provisions are more liberal than those contained in the TVA and Bonneville Power Administration laws, both of which were considered in drafting the CVA bill. Under those two laws, the labor-management relations have been excellent. The Government workers in the Bonneville Power Administration are enthusiastically for CVA.

Under my bill, employees of CVA will have job security and transfer privileges similar to regular civil-service personnel; they will be covered by injured workmen's compensation laws, Federal social security laws and State unemployment compensation laws; they will be able to bargain collectively with CVA. Surely these provisions are not unfriendly to labor.

I have summarized here the major elements of the CVA bill which I have introduced, and explained why the provisions have been included in the bill. But it may still be asked why the Northwest needs the CVA as a whole. Here is why.

The Pacific Northwest is one of the fastest growing regions in the Nation. Since 1940 its population has jumped 37

percent. Agricultural production is up by 25 percent, and income has doubled. But the flow of people has been greater than the capacity of the region to find jobs for them; and the flow has not stopped. Unemployment in the Northwest is twice the Nation-wide average.

At present, the Northwest extracts its resources and exports them in their raw form. Citizens of the Northwest find themselves paying for pots and pans manufactured in the Middle West from aluminum that originally came from the Northwest. There are jobs and income in the industry that the Northwest can and must attract.

Two things can help the Northwest build up its industry. One of them is low-cost power. The great start that has been made, with Bonneville and Grand Coulee Dams, have already shown what power can do for industry. Evidence is also to be found in the growth of industry in the Tennessee Valley, since TVA was started.

The second thing is research and experimentation. The abundant hydroelectric power can readily be applied to chemical and metallurgical processes, for example. The Northwest could become the greatest producer of phosphate fertilizer in the Nation, if techniques for its production are perfected. CVA will be able to undertake and coordinate research in these fields.

The problem of the Northwest is not a lack of resources. The region has the greatest undeveloped power potential in the Nation—yet not enough power to give its industries. It has 40 percent of the Nation's saw timber and 60 percent of our known phosphate reserves.

What is needed is not merely development of these resources, but orderly and balanced development. That is what I propose we are giving the Northwest in a Columbia Valley Administration. To be against CVA is to be against the fullest development of the Northwest.

The Facts About the Wood Bill

EXTENSION OF REMARKS

OF

HON. RICHARD M. NIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. NIXON. Mr. Speaker, 1 week ago today the House voted to recommit the Wood bill to the Committee on Education and Labor. Since that action was taken, we have witnessed a deliberate campaign of distortion and misinformation against the provisions of that bill. Apparently because they realize that the Wood bill as amended by the House met a great majority of union labor's objections to the Taft-Hartley Act, administration spokesmen and certain national union leaders have been frantically resorting to the typical name-calling tactics of those who do not have facts to back up their charges. They have said that the Wood bill is worse than Taft-Hartley, or the same as Taft-Hartley. They have attempted to dub it "the Wood slave bill." And they are using the hackneyed device of attempting to divert attention from the merits of the bill's provisions, by the use of baseless innuendoes as to where and by whom the bill was written.

Having failed in their cynical attempts to defeat the prolabor amendments to the bill which were adopted on the floor of the House, they are now trying to keep the truth about those amendments and their effect from rank and file union members and the public.

Under the circumstances, I believe a summary of the major changes in existing law which would have been made by the Wood bill will serve to clear the air and to establish for the record exactly what the issues were when the vote on the bill was taken in the House.

It should be stated at the outset that the Wood bill retained those features of Taft-Hartley which have proved fair and equitable to both unions and management and necessary for the protection of the public. Among the more important provisions retained were the following:

The power of the President to enjoin strikes which threatened the national health and safety.

The ban on jurisdictional strikes, unjustifiable secondary boycotts, and featherbedding.

The non-Communist affidavit requirement.

The prohibition of strikes by Government employees.

The provision that both unions and management shall be responsible for their contracts.

The provision against excessive union initiation fees.

The requirement that unions make financial reports to their members.

The prohibition against mass picketing and violence.

The provision for proper administration of union welfare funds.

The provision for a separate and independent Federal conciliation service.

But in addition to retaining those provisions of the Taft-Hartley Act which had proved themselves in practice, the Wood bill as amended made 19 significant changes in the existing law. Not one of those changes tightened the existing law. Each of the amendments adopted was written into the bill in response to specific opposition by union leaders to certain provisions, supported by facts.

Among the more important changes in the existing law, which were incorporated in the Wood bill, are the following:

First. Union shop election requirement eliminated: The Taft-Hartley Act provided that before a union-shop contract could be negotiated, a majority of the employees in a plant were required to vote in favor of it. During the debate on the Wood bill, the majority leader, Mr. McCORMACK, specifically objected to this provision of the law. The Wood bill eliminated this requirement and had it been enacted into law, unions would have been able to bargain with management for union-shop contracts without first having received the approval of a majority of the employees in the plant.

Second. Union hiring hall recognized: Considerable criticism of the existing law has developed on the ground that the traditional union hiring halls under which employers gave unions the opportunity to fill requirements for new employees could no longer operate. In order to meet this objection, the Wood bill, as perfected by an amendment by the gentleman from Kentucky [Mr. MORTON] specifically provides that it shall not be an unfair labor practice for an employer to submit his requirements for new employees to a union and to give the union a reasonable opportunity to fill those requirements.

Third. Increased authority for unions to discipline their members: Under the existing law, an employer with a union-shop contract could be required to discharge an employee who did not belong to the union only if the union had expelled him because of nonpayment of dues. Union leaders have objected to this provision on the ground that it did not give them sufficient disciplinary authority over their members. The Wood bill, as perfected by the amendment of the gentleman from Connecticut [Mr. LODGE] adds five additional grounds under which a member expelled from the union must also be discharged from his job where a union-shop contract is in effect. These grounds are: (a) Engaging in wildcat strikes; (b) engaging in Communist activities; (c) disclosing confidential information of the union; (d) conviction of a felony; (e) engaging in any activity which subjects the union to civil fines or criminal penalties.

Fourth. Relaxing of secondary boycott ban: The existing law prohibits all secondary boycotts. Union leaders have objected that this provision is too broad in that it illegalizes struck-work clauses in contracts and indirectly requires union members to act as strike breakers. This objection was met in the Wood bill, as perfected by an amendment by the gentleman from Kentucky [Mr. MORTON] through a provision which specifically legalizes struck-work clauses in collective-bargaining contracts and allows employees to refuse to work on orders being performed for the account of an employer whose own employees are engaged in a lawful strike.

Fifth. Anti-Communist affidavit required of employers: Union leaders have objected to the anti-Communist affidavit of the Taft-Hartley Act on the ground that since it applied only to union officers, the implication was that all union officers were potentially disloyal. The Wood bill meets this objection by extending the requirement to representatives of employers as well as representatives of unions.

Sixth. Economic strikers given right to vote in representation elections: One of the major objections which union leaders made to the Taft-Hartley Act is that it denied the right to vote in representation elections to economic strikers. It has been pointed out that this section during a period of depression and unemployment might be used by employers as a strike-breaking device. The employer could theoretically replace the men who were out on strike with new

employees and manipulate an election so that the new employees would vote out the union since the employees on strike would not be entitled to vote under the law. The Wood bill as perfected by an amendment by the gentleman from Michigan [Mr. FORD] meets this objection by providing that economic strikers shall be permitted to vote in representation elections for a period of 6 months after they have been replaced by other employees.

Seventh. Restricts use of injunction in labor disputes: There has been considerable misunderstanding and misrepresentation concerning the possible use of injunctions under the Taft-Hartley Act. That act, as does the Norris-LaGuardia Act, denies the use of injunctions in labor disputes to private employers. Only Government officials are given the power to obtain injunctions and they can do so only in cases involving national emergency strikes, jurisdictional strikes, secondary boycotts, and unfair labor practices. The Taft-Hartley Act does not authorize the use of injunctions against economic strikes unless a national emergency is involved.

Union leaders have particularly objected to the fact that the Taft-Hartley Act made the use of injunctions mandatory against unions in secondary boycott cases and discretionary in all cases against employers. The Wood bill, as perfected by an amendment by the gentleman from Texas [Mr. BENTSEN] meets this objection by making the use of injunctions against both employers and unions discretionary rather than mandatory and by providing that injunctions can be issued only after charges have been investigated and a complaint filed.

Eighth. Free-speech section clarified: The Taft-Hartley Act guaranteed to employers the right of free speech and provided further that no statement by an employer could be introduced as evidence in unfair labor practice cases unless the statement itself was coercive. Union leaders have objected to this provision and have contended that statements by employers should be admitted in evidence where, under all the circumstances, those statements could be found to be coercive. The Wood bill, as perfected by an amendment by the gentleman from Connecticut [Mr. LODGE] meets this objection by providing that statements by employers shall be admissible in evidence before the Board in all cases where such statements would be admissible in evidence in a court of law.

Ninth. Possibility of union liability for unauthorized acts of members removed: Under the Taft-Hartley Act, it has been claimed that a union could theoretically be held liable for the acts of its members even where those actions were completely unauthorized. The Wood bill, as perfected by an amendment by the gentleman from New York [Mr. KEATING] removes this possibility by providing that in no event shall the union be held liable for the actions of its members solely on the basis of union membership alone.

Tenth. State laws legalizing closed shop recognized: The Taft-Hartley Act recognized the validity of State laws banning the closed shop. The Wood bill as perfected by the amendment of the gentleman from Arkansas [Mr. HAYS], recognizes the reverse of this proposition and provides that where a State law specifically legalizes the closed shop, that law shall supersede the Federal law in that State.

Among other amendments to the existing law which the Wood bill contains are the following: The elimination of the requirement that employees vote on management's last offer in national emergency strikes; clarification of the existing law so that reopening provisions in contracts are recognized; allowing unions 120 days to file financial reports; clarification of the section on jurisdictional strikes, so as to expedite settlement of disputes; recognition of the validity of closed-shop contracts which are in effect at the time the law is passed.

Mr. Speaker, an objective study of the foregoing amendments will clearly establish that the Wood bill as amended constituted an honest attempt to meet the legitimate objections which had been made to the Taft-Hartley Act and to write a fair and equitable piece of labor legislation. This analysis also proves that the name-calling attacks which have been made on the Wood bill are completely unwarranted and unjustified.

There is no question but that through adoption of the Wood bill some needed and salutary changes in the existing law would have been made, changes which have been requested by, and would be in the interests of organized labor. A vote against the Wood bill was a vote to delay action on these needed changes. A vote for the Wood bill was a vote to make those changes at the earliest possible moment. Responsibility for the delay in making the changes must be assumed by those administration spokesmen and labor leaders who apparently are more interested in obtaining political advantage than in writing a law which is in the interests of all parties concerned and particularly in the interests of organized labor. The changes which the Wood bill would have made in the existing law are necessary and should be written into law at the earliest possible date. I trust that the administration leaders will expedite the hearings on the preparation of a new labor bill so that these needed changes can be made as quickly as possible. The responsibility for action rests squarely upon them.

Resolution Adopted by Typographical Union, No. 51, Lawrence, Mass.

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include copy of resolution I received from the Lawrence Typographical Union, No. 51, Lawrence, Mass., commending the President of the United States.

LAWRENCE TYPOGRAPHICAL UNION,
Lawrence, Mass., May 9, 1949.

Hon. THOMAS LANE,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN LANE: Following is a copy of a resolution drawn up by our local union at a regular meeting held Saturday, May 7, 1949:

"Whereas in a recent public address Harry S. Truman, President of the United States, pledged himself anew to carry out the legislative program he unequivocally promised labor and the people of the Nation, during the campaign that resulted in his election; and

"Whereas the principal item on the program is the early and complete repeal of the Taft-Hartley slave law and restoration of the Wagner Act, thereby rehabilitating organized labor in the United States and freeing it from rule by intimidation and injunction; and

"Whereas in his address, the President appealed directly for the cooperation and support of the citizens in his effort to 'provide a better life for our people' in opposition to the special interests which 'twist and misrepresent the measures the people voted for': Now, therefore, be it

"*Resolved*, That Lawrence Typographical Union, No. 51, in regular meeting assembled, applauds the President's honest, forthright and realistic appeal; that we offer our fullest support and confidence, and we reinforce this pledge of support to our President in his defiance of privilege on behalf of the people.

Respectfully,

ROBERT L. YOUNG,
Secretary-Treasurer.

American Jewish League Against Communism

EXTENSION OF REMARKS
OF
HON. RICHARD M. NIXON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. NIXON. Mr. Speaker, on Monday, May 2, I had the pleasure of addressing the anniversary luncheon of the American Jewish League Against Communism in New York City. This national organization, in its 1 year of existence, has already had great success in emphasizing the opposition of Americans of Jewish faith to communism and in fostering the unity of church and synagogue in the fight against the Stalinist fifth column. It has offices at 220 West Forty-second Street, New York. Eugene Lyons, Alfred Kohlberg, George Sokolsky, Benjamin Gitlow, Isaac Don Levine, Rabbi Benjamin Shultz, Morrie Ryskind, and our colleague from New York, Mr. MULTER, are among the members of this organization who have been leading the fight in the United States against the Communist conspiracy.

At this luncheon, I was tremendously impressed with the address of Brig. Gen.

Julius Klein, past national commander of the Jewish War Veterans, who has rendered outstanding service to his country and his coreligionists, and who is a director of the American Jewish League Against Communism. His talk outlined the development of the idea of freedom of the individual soul, and stressed that Judaism cannot compromise with either communism or fascism.

Under leave to extend my remarks, I am including a copy of his address in the RECORD:

ADDRESS BY GEN. JULIUS KLEIN

There are no Jews who are Communists! A Communist cannot be a Jew. Judaism is the enemy of communism.

We are living witnesses here to the truth that communism is the opposite of freedom, and that Judaism proclaims freedom. In our Jewish Bible, there is a verse which was inscribed on the American Liberty Bell and which may still be viewed in Philadelphia: "Proclaim liberty throughout the land, unto all the inhabitants thereof!" And our great teacher Moses, demanded of Pharaoh, "Let my people go!" He was the first prophet of freedom.

Very recently, we finished celebrating Passover. We Jews ate matzohs, or unleavened bread. You recall when the Jews freed themselves and fled from slavery in ancient Egypt, there wasn't time for their bread cakes to rise. And so we, for 4,000 years, have been eating unleavened bread on Passover, just to remember how they felt—just to get a little of that thrill of freedom, after being a slave. What a wise thing that is! We take freedom for granted. It is given us by the grace of God. Freedom, won with difficulty, is a cherished gift.

Under communism, a man is just a clod and part of a big instrument, the State. He is hardly a human being. Judaism, which is opposed to communism, teaches the importance of the individual soul and individual freedom.

Hitler, only a short while ago, threatened the world with conquest. He would have made all of us slaves—Christians and Jews. But there is another, and greater, menace. I say greater—because too many intelligent people do not recognize it, as they recognized Hitler's menace. You have fascism under a different name. For Hitler—substitute Stalin. For Nazis—substitute Communists. For the German Government—substitute the Russian Government. For anti-Semitism—substitute anti-Christianity and anti-Jewishness.

For international communism, or Stalinism, is just as much a menace to America and to the Jewish people as Hitlerism was. It means slavery. It means the reverse of freedom. Authorities agree that 17,000,000 persons are behind barbed wire in Soviet Russia, working themselves to death under the shadow of bayonets. Many of them are Jews. Their crime was—simply acting like men, speaking their minds, and believing in democracy.

As for the Jews, they are the first to suffer under the Russian economic system. The flood of Jews trying to escape from eastern Europe attests to the confiscation of large and small business, and to the poverty in which these Jews find themselves.

Among the DP's coming to America, are Jews, practically all of whom are vigorously anti-Communist. These are good anti-Communist material for America, because they are fleeing from Communist eastern Europe—from Poland, Hungary, Czechoslovakia, Bulgaria—governments they hate because these regimes are Communists and therefore anti-Jewish and antiliberty. America can be well served by the Jewish DP's today, because these know communism and they are fleeing from it. They despise it.

There can be no compromise with communism for a Jew. His religion and his own personal interest are not consistent with that compromise. A Jew who shows the slightest tolerance of communism is not really a Jew, and is as unfaithful to his tradition as if he tolerated nazism and fascism.

Confirmed anti-Semites believe that all Communists are Jews. But, as we have seen, Jews cannot be Communists.

Still, the lie about Jewish communism should be debunked. It is too widespread and too dangerous. The American Jewish League Against Communism represents the majority opinion of the Jewish people on the subject of communism.

As I look about me on this dais, I see some of the leaders of the vigorous anti-Communist movement of the United States. Alfred Kohlberg, George Sokolsky, Benjamin Gitlow, Isaac Don Levine, Eugene Lyons, as well as all the others, are proud to be both Americans and Jews. The Chicago anti-Semite, Mrs. Elizabeth Dilling, claims that the anti-Communist movement in this country is largely in Jewish hands. We are complimented by her complaint. She thinks it is a plot—we are taking over anticommunism. But if we have succeeded in being so prominent in the anti-Communist movement, we are willing to withstand the attacks of the Mrs. Dillings. At this time we also salute Bernard Baruch; David Dubinsky, great anti-Communist labor leader; Abraham Cahan, editor of the Jewish Daily Forward; and countless others. They are true to their Jewish tradition, because they hate communism.

We are, naturally, all proud of Israel, world's newest state. It is said that Russia supported Israel in the United Nations. But at the height of Russia's so-called support of Israel, zionism was a crime in Russia. It still is a crime. Russia never denied these facts because these days there are too many witnesses, too many Jews who have somehow escaped from their prisons, and who have personal knowledge of Jewish sufferings.

Now Russia is turning against zionism, because it will tolerate no movement except communism, no thoughts except communistic thoughts, no nationalism except Russian nationalism, and no freedom except freedom for communism.

It is significant that a few months ago the Communist Party in Israel suffered an overwhelming defeat. The Israeli people will have none of this enslaving Stalinist doctrine. Israel, being truly Jewish in spirit, will never go Communist.

And if Israel ever does go Communist, it will not be Israel.

Americans of Jewish faith will fight for America when necessary, as they always have.

It seems to me that the chief task of the American Jewish League Against Communism today, and of the corresponding Christian organizations, is to educate our so-called intellectuals, some of whom, terribly confused, are infecting high circles with anti-American propaganda. They represent a tremendous victory for Josef Stalin in these United States.

But, worst of all, they are seeking to corrupt our youth. We must resell America to our youth. We must reveal to them the horrible truth about communism, and the advantages of our way of life—the way of freedom.

I salute this first anniversary of the American Jewish League Against Communism. In the name of Judaism, and true Americanism, and of liberty and peace for all men, I bespeak for our organization early fulfillment of all its ideals.

The President's Message to the National Rivers and Harbors Congress

EXTENSION OF REMARKS
OF
HON. JOHN L. McCLELLAN
OF ARKANSAS
IN THE SENATE OF THE UNITED STATES
Wednesday, May 11 (legislative day of Monday, April 11), 1949

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD a message which the President of the United States sent to the National Rivers and Harbors Congress when it was assembled in convention in Washington on March 31, 1949.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, March 31, 1949.

To the National Rivers and Harbors Congress:

At no time in our history has it ever been more important for the United States to develop and conserve its natural resources. The entire democratic world has rallied to our leadership in its quest for a durable peace in the years which have followed World War II. Despite the fact that we have not sought this position of leadership, we must face this responsibility squarely and carry it through. To achieve the task which history has laid upon our shoulders we must make certain that our own economy is as strong and as healthy as we can make it.

You of the National Rivers and Harbors Congress are engaged in an important phase of the work which must be done to keep our national potential operating at its highest degree of efficiency. For almost half a century your organization has guided the development of our water and land resources, aiding in the vital work of flood prevention, irrigation, reforestation, and the creation of electric power at ever lower costs.

I know that your efforts now and in the years to come will continue to be progressive and effective, and that your true reward for this work will rest in the knowledge that it has aided your Nation.

HARRY S. TRUMAN.

Statehood for Hawaii

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following joint resolution passed recently by the Legislature of Minnesota:

Joint resolution memorializing the Congress of the United States to admit the Territories of Alaska and Hawaii to statehood

Whereas the Territories of Alaska and Hawaii have applied to be admitted to statehood; and

Whereas these Territories have long been valued possessions of these United States, and the people thereof in times of both peace and war have demonstrated their loyalty,

their spirit of self-sacrifice, their trustworthiness, and their abilities to be good citizens; and

Whereas the Territories of Alaska and Hawaii are important outposts in the preservation of world peace and in the defense of the shores of the continental limits of these United States, and their admittance to statehood will strengthen the position of these territories in the defense of our shores and in the maintenance of world peace; and

Whereas the peoples of these Territories are capable of self-government and are desirous of joining the family of States comprising this American Republic: Now, therefore, be it

Resolved by the Legislature of the State of Minnesota in regular session assembled, That the Congress of the United States is respectfully urged to admit the Territories of Alaska and Hawaii to statehood and that the necessary enabling legislation therefor be enacted during the current session of Congress; be it further

Resolved, That the secretary of state of the State of Minnesota is instructed to transmit copies of this resolution to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the United States, and to each Member of Congress from the State of Minnesota.

JOHN Q. HARTLE,
Speaker of the House of Representatives.

C. ELMER ANDERSON,
President of the Senate.

Adopted by house of representatives, the 18th day of April 1949.

G. H. LEAHY,
Chief Clerk, House of Representatives.

Adopted by senate, 19th day of April 1949.

H. G. SORREY,
Secretary of the Senate.

Approved April 21, 1949.

LUTHER W. YOUNGDAHL,
Governor of the State of Minnesota.

Filed April 21, 1949.

MIKE HOLM,
Secretary of the State of Minnesota.

Russian Imperialism in China

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES

Wednesday, May 11 (legislative day of Monday, April 11), 1949

Mr. O'CONOR. Mr. President, the senior Senator from Nevada [Mr. McCARRAN], who has shown great leadership against Russian imperialism in China, has made a most interesting contribution to this timely question in an article appearing in the current issue of National Republic. Because of the scholarly treatment of this issue by the senior Senator from Nevada, and because a reading of the article will prove most beneficial to Members of Congress, I ask unanimous consent that it be printed in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RUSSIAN IMPERIALISM IN CHINA

(By Hon. PATRICK A. MCCARRAN, United States Senator from Nevada)

It is a tragic coincidence that the political renaissance of China began during the great age of imperialism. While the Chinese people were beginning to organize against their Manchu emperors, the nations of Europe and Asia availed themselves of the internal disunity and decay to undertake imperialist adventures which made the rebirth of the nation virtually impossible.

By far the most persistent and successful aggressor has been Russia. Long after the other western powers surrendered their principal gains in China and their multitude of special privileges, the Soviet Union continues to make war upon the Chinese people.

The current Communist drive to subjugate the 460,000,000 Chinese has its roots in three centuries of Russian expansionism, both in Europe and Asia. Late in the fifteenth century the czars launched an eastward movement that extended their holdings to the Pacific by 1636. As the Muscovite approached the Pacific he found the fertile regions of the Amur River a tempting prize. This area was part of the domain of the Manchu rulers who conquered China in 1644. As long as the Chinese Empire remained strong, the czarist adventurers were kept in check. It was not until the period of Manchu disintegration in the nineteenth century that Russia could seize the coveted lands.

As early as 1643, a Cossack exploring expedition wandered down the Amur River, all the way to the Okhotsk Sea. The governor of Yakutsk was convinced by the survey that the entire region could be annexed with a few hundred soldiers. In 1650 an expeditionary force drove out the Solon tribes from the upper section of the Amur and its tributaries, and the fortress of Albazin was built on the north bank during the following year.

A force of 2,000 sent against the Russians was defeated, and the Manchus, still occupied with the consolidation of China, temporarily abandoned further attempts to eradicate what was obviously considered a minor transgression. The invaders then proceeded to secure their hold on the Amur. Another strong fortress was built at the junction of the Nercha and Shilka Rivers (Nerchinsk) and became the seat of the governor in place of Yeniseisk. Russian progress was halted in 1654 when a plundering expedition led by Governor Stepano of Albazin suffered defeat on the Sungari River. A second try 2 years later was also crushed and Stepano lost his life.

The situation remained stabilized for 30 years, during which China and Russia made some attempts at establishing diplomatic and commercial relations. No concrete settlement was reached, partly because the parties did not understand each other, nor were the Manchus yet willing to look upon foreigners as anything but tribute-bearing inferiors.

K'ang Hsi, the learned second Manchu Emperor (1662–1723), turned his attention to the Russian salient established in his lands. During the first year of his reign he sent a scouting party across the Amur to determine the strength of Albazin. The following year warfare developed and a body of Cossack troops was captured. Demands were then made on Albazin to surrender, but these were refused. The Emperor sent an expeditionary force of 10,000 men and 200 guns to take the Russian stronghold. A fleet of 100 war junks with 5,000 men was ordered down the Sungari River.

The Russian garrison of 450 was quickly crushed by a bombardment which killed 100 men. Commander Tolbusin escaped to Nerchinsk with a handful of his garrison. The fortress was completely razed by the Chinese, and Russian prisoners were taken to Peking. They were later given the right to return to Russia but refused to do so, settling instead in a quarter of the Chinese capital allotted to them. They were assimilated by the native population, and some of their descendants can still be identified.

In 1686, 100 Cossacks tried to retake the site of Albazin. Attacked by 8,000 Manchu troops with 400 guns, the Russians were able to hold out for 3 years in entrenchments, although their number was reduced by enemy fire and disease.

K'ang Hsi was greatly concerned over the turbulent relations with Russia. A man of great character and ability, he sought to bring peace and prosperity to all his people. He was more interested in advancing the agriculture of China than in pursuing the useless wars with his northern neighbor. The Emperor set aside his pride and made friendly overtures to bumptious Czar Peter I (the Great). A meeting of emissaries finally took place at Nerchinsk in 1689 and a treaty was concluded through the mediation of 2 Jesuit missionaries.

The Nerchinsk pact required the evacuation of Albazin and fixed the border between China and Russia along the Hsing An Range and the Argun River. It provided, however, for the establishment of commercial relations between the 2 countries.

The principal significance of the treaty is that it was the first agreement with a European power and was the basis of Sino-Russian relations for 170 years, with only slight modifications. It was a forerunner of the extraterritorial agreements signed with western powers in recent times by providing that nationals of one country who committed crimes in the territory of the other would be sent home for punishment. It is not surprising that K'ang Hsi should have agreed to these terms. He was, after all, a foreigner in China himself, and during the early decades of Manchu rule two systems of law were administered in the country; the traditional Chinese law for the natives and Manchu law for the conquerors.

To a large extent Russian violations of Chinese territory had been the work of freebooters, adventurers, and bands of criminals. They were not the official troops of the Czar, although they had his blessing and encouragement, and often the outright help of the Siberian governor. These transgressions continued on a reduced scale, but for more than 150 years there was no serious clash.

Peter looked toward Europe. He and his successors organized Russian diplomacy and military strength for a march westward, with conquest of the Balkans, the Baltic, and the Black Sea area their principal objectives. It was not until these expansionist dreams were blocked by the western powers that the czars concentrated their major efforts in the East.

By that time China was no longer a strong nation. Politically, economically, and militarily, the once mighty empire was on the European level of the fifteenth century. The firm grip of the Manchus had relaxed and rotted away. France and Britain in their global imperialism had already forced their way into China, having humbled the Emperor in military conflict. The so-called opium war with Britain (1840–42) had demonstrated to the world the impotence of China and fired the starting gun for an imperialist race which continues to this day.

The new Russian drive on Chinese territory was initiated under the management of Muraviev, who was made East Siberian governor in 1847. The capable czarist proconsul—who was rewarded for his work by the title "Count of Amur"—opened his campaign by ordering thorough exploration of the Okhotsk coast and the Amur estuary. He fortified his position by building a number of strong points in his domain, among them Nikolaevsk (1850), which was the strongest Russian naval base in the Pacific until the rise of Vladivostok. The governor began the Russian infiltration of Sakhalien Island, then held by the Chinese.

In 1854, Muraviev descended the Amur with 1,000 men to study the military strength of the Manchu garrisons. Convinced of their weakness, he laid plans for extending Russian possessions.

While Muraviev was exploring the Far Eastern field, Nicholas I was being dissuaded from further Balkan adventures by the victorious allied armies of Britain, France, and Sardinia in the disastrous Crimean War of 1853–56. The czar died in 1855, heartbroken at the humiliation of his poorly organized army. His successor was the mystic and ambitious Alexander II.

The Crimean defeat, plus the strong opposition of Britain to Russian expansion in the Middle East, now made China the focal point of czarist foreign policy. After 1856, Russian ships regularly plied the lower Amur; Khabarovsk and Blagoveschensk were founded. The protests of Peking against repeated violations of the treaty of Nerchinsk and its successors were ignored.

The progressive atrophy of Manchu rule was an open invitation to conquest. For several years, the emperor's military forces had been engaged with the nationalist Taiping rebellion. These popular nationalist uprisings lasted for 15 years (1847–62), laid 600 towns in ruins, and cost the lives of hundreds of thousands of Chinese.

At the same time, another conflict broke out with England. Chinese officials boarded a vessel flying the British flag in the Pearl River and carried off members of its crew. After refusal of the Chinese authorities to offer suitable apologies, the English seized the Canton forts and bombarded the city. War was declared in 1857, and Prime Minister Lord Palmerston invited America, Russia, and France to join. The United States and Russia refused, but France became a military ally in the war. After temporary diversion of the British forces by the Indian mutiny, the allied fleet bombarded Canton (December 28) and put a landing party ashore which seized the city.

With the southern metropolis in their hands, the allies again tried to open negotiations with the Chinese Government. In this endeavor they were joined by the American and Russian representatives. The four powers addressed similar notes to Peking. In reply, the foreign envoys were told to deal with lesser officials. This was rejected, and the allied forces moved northward. After additional demands made on the Chinese, a new set of plenipotentiaries was offered. Although they were acceptable to the American and Russian representatives, they did not satisfy the belligerent powers.

While the two neutrals entered into parleys, France and Britain reopened the war. The Taku forts were taken, and the allied forces drove to Tientsin. Here they were met by another set of Chinese envoys, this time clothed with adequate powers.

While China's difficulties with France and Britain were going on, Muraviev was using the situation to force significant territorial concessions in the North. To support their diplomatic pressure, the Russians dispatched a flotilla into the Gulf of Pechihli. A treaty was signed in May 1858 at Aigun by which the territory north of the Amur River—which had been expressly made a part of China by the treaty of Nerchinsk—was surrendered to Russia. The area east of the Ussuri and Amur Rivers was placed under joint administration, although in reality all power was exercised by the Russians. Russia secured the right of free navigation on the Amur, Ussuri, and Sungari.

On June 13, negotiations at Tientsin were also completed and a Russo-Chinese treaty was signed there, followed by pacts with the other three powers involved in the discussions. The four treaties were interlocked by most-favored-nation clauses and provided for the establishment of foreign missions in Peking. toleration of Christianity, payment of an indemnity, and liberalized commercial rights. For the first time, Russia was allowed to use the water route for shipping to China. The treaties were to be ratified within 1 year.

Russian Minister Ignatiev went to Peking and obtained the necessary confirmation without difficulty. The Emperor tried, however, to evade ratification of the pacts with the other three powers. An allied flotilla sent up the Peiho River to bring the Chinese ruler to heel was defeated by the rebuilt Taku forts.

In 1860, a force of 18,000 men landed at Peitang and, after beating the Chinese at Sinho, took the Taku forts from the rear. A truce party was arrested by the Chinese, tortured and imprisoned in Peking, where several members died. Additional engagements were then fought, and by October 13, 1860, Peking was in the hands of the allied soldiers, the first Europeans to seize the ancient capital.

During the allied advance, General Ignatiev played a crafty game of double-edged diplomacy. He offered the Manchu court Russian assistance in the form of guns and supplies. Later he injected himself into the peace talks as mediator, eventually persuading the foreigners to evacuate Peking. At the same time, however, the Russians threatened to send a flotilla into Peitang unless additional concessions were granted in repayment for Ignatiev's help.

Ignatiev's maneuver was one which Russia has employed with great success in her entire history. The Czars as well as the Bolshevik dictators have always posed behind the mask of protector of the weak and downtrodden. It is their hallmark of aggression, their keystone of imperialist strategy. In Europe, St. Petersburg was working desperately to convince the Balkan states under Turkish suzerainty, as well as the skeptical powers lurking around the future empire which the Czars had staked out for themselves, that Russia was the protector of the little nations and the patron of the Christian faith. Soviet propaganda today is an endless repetition of the same theme. Fortunately for Europe, the powers were seldom deceived by these pious utterances and were always quick to unite into a coalition against Balkan adventures, at least until the preliminary diplomatic skirmishes that led to World War I.

As soon as peace was restored in China, Ignatiev came to demand his reward. The treaty which he squeezed from the Emperor at Peking surrendered the jointly administered maritime province east of the Ussuri River to Russia. To assure proper tokens of gratitude from the Manchus, the Russians took the precaution of sending a naval squadron into Hai Shen Wei, 4 months before the treaty was signed in November 1860. This Chinese city was given the prophetic Russian name Vladivostok—Conqueror of the East.

Still the Czars' hunger was not satisfied. For years, their ambition had been to secure an ice-free port. Although Vladivostok was frozen for less time than the other Russian harbors, it was not wholly free of ice all year round. In Europe, the repeated sallies at the Balkan ports had been checked by the powers, so Czarist territorial marauding was directed again at China. Steps were taken to colonize the newly acquired lands and, by the end of the century, one-half million Russians were settled there. The Amur became a highway of communication, ships during the summer, sleds in winter.

In Peking, the Government looked with justifiable concern on the busy activity north of the Amur. To counteract these measures, Chinese colonists were sent into the area south of the river. Port Arthur was built up, arsenals were constructed at Kirin and Mukden, and the Amur garrisons were reinforced.

In 1866, a series of uprisings broke out among the Mohammedans of Sinkiang Province. These disturbances lasted 12 years and eventually spread to the general population, reaching into the heart of the Empire. With monotonous consistency, the Russians availed themselves of the preoccupation of the Manchus and, in 1871, their troops seized Kuldja and occupied the Ili district of Sinkiang. It was solemnly promised that the occupation was a temporary measure and that the territory would be restored whenever the sovereignty of Peking was reestablished and order could be maintained.

After the rebels were put down, an envoy was sent to Russia to remind the Czar of his promise. Negotiations resulted in the Treaty of Livadia (1879) which imposed terms on China showing clearly that Russia had no intentions of moving out of Sinkiang. The rich western area of Ili, including the fertile Tekes River Valley and the city of Yarkand, as well as the strategic passes of the Tienshan Range, were to be ceded to Russia. For return of a small portion of the Kuldja district, China was to pay an occupation indemnity of 5,000,000 rubles. Russia was granted the right to open a trade route from Hankow to Suchow and from there to Kuldja and Siberia, and to establish caravan stations in 36 frontier towns. Concessions were also wrung in Manchuria: Russia received the right to navigate the Sungari River.

The government refused to accept the Livadia settlement and preparations were made for war with Russia. After calmer deliberation, a second envoy was sent to negotiate a new pact. The result was the treaty of St. Petersburg (1881) which provided for the return of additional territory, including the mountain passes. Some of the other objectionable features of the earlier treaty were modified, but the indemnity was raised to 9,000,000.

During the Sinkiang affair, Russian ambition was again frustrated in Europe. Seizing upon the suppression by the Sultan of a minor rebellion in Bulgaria, Alexander II put on his mask of protector of the downtrodden and sent his troops into the Balkans. The armies of the disintegrating Ottoman empire were driven back and the Sultan required to make extensive concessions. The treaty of San Stefano (March 3, 1878) made Russia master of the Balkans and put the Dardanelles within her sphere of influence.

The western powers could not permit such a vast extension of Russian hegemony in eastern Europe. The sweeping gains made at San Stefano crystallized another coalition against Russia, and the czar was forced to renegotiate the pact at a congress of powers in Berlin. The new treaty (July 13, 1878) wiped out virtually everything Alexander had won from the Sultan. His dream of a Balkan empire was blotted out.

The humiliating defeat suffered by the czar on the diplomatic front, plus the inefficiency and corruption in the armed forces which were revealed during the Russo-Turkish war, greatly stimulated the growing dissatisfaction with the autocratic regime. Terrorist activity gripped Russia, and Alexander II himself was killed by a bomb in 1881.

Alexander III devoted his energies to suppressing discontent and to consolidating his empire. He undertook a program of Russification and economic reforms. The foreign adventures under his rule were confined largely to the Near and Middle East.

In 1894, Nicholas II came to the throne. This untalented remnant of the Romanov family was driven by an unbridled ambition which plunged both Europe and Asia into warfare. With the reign of Nicholas there also came a realignment of Far Eastern power politics. A new Asiatic nation rose to challenge the hitherto unchecked invasions of European states: Japan.

Where and When Is America To Start Resisting Communist Expansion in Asia?

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Joseph Alsop from the New York Herald Tribune of April 15, 1949:

WHERE IS TAI WAN?

WASHINGTON.—For the vast majority of Americans who have not studied our strategic commitments and necessities, it would be natural to ask, "Where is Tai Wan?" The answer is that Tai Wan is the official name of Formosa, the big, rich, mountainous island off the China coast, that was handed over to the Chinese Government after the Japanese surrender.

These particular items from the geography schoolbooks, are relevant at the moment for a simple but rather disturbing reason. The Chinese Government that now holds Tai Wan is in the last stages of collapsing under the attack of its Communist rival. Yet the American strategists, planners, and policy-makers are unhappily convinced that Tai Wan must remain in friendly hands if our far-spread Pacific position is to be safeguarded.

On-the-spot reports from the Far East will shortly appear in this space. Meanwhile, the best Washington estimate of the Chinese situation is that the Communists will be able to gain control of all metropolitan China within about 18 months. They have three immediate objectives: First, to liquidate Generalissimo Chiang Kai-Shek's remaining armies, which now guard the approaches to Shanghai; second, to occupy the coast ports, and especially Shanghai and Canton; and third, to liquidate the Nationalist armies in northwest China, with headquarters at Sian on the Yellow River.

TO DEAL WITH WAR LORDS

Once these gains have been made, the rest will be easy for them. South China is still war-lord land. The Communist technique will undoubtedly be to make individual deals with the leading provincial magnates like Liu Wenhuei in Szechuan and Lu Han in Yunnan. When these men have formally recognized Communist predominance, they can be pinched off, one by one. The first of the war-lord provinces over which the Communist government will probably seek full authority is the great inland nation within a nation, Szechuan.

Eighteen months is the period given for the entire process, including the elimination of the last war lord. It is ridiculously optimistic to believe the Chinese Communists have not the resources to organize China, as some self-deluding persons, even among American policy makers, used to argue. After all, China has been organized by no less than eight imperial dynastics, since the first true Chinese empire was established by the Emperor Chin Shih Huang Ti. And the dynastic conquerors all possessed poorer resources, in transport, arms, and means of communication than do the Chinese Communists.

This result has, of course, always been contemplated by our China policy, which has consisted in doing nothing effective because no one quite knew what to do. Formosa, or Tai Wan, is the hitch, because the only strategic rationalization of our bankrupt China policy has been that we would guard our Pacific position from the islands.

The fact that this plan is economically, and, therefore, politically foredoomed to failure has been and is being ignored. But no one can ignore the fact that Tai Wan completes the island chain from Japan down through Okinawa. If Tai Wan goes to the Chinese Communists, and the Chinese Communists remain loyal to Moscow (as everyone must be prepared for them to do), our Pacific strategy will be down the drain. For our forward positions will be flanked.

FORMOSA SAFE FOR PRESENT

For the present, Hai Wan is safe. The governor is one of the ablest nationalist generals, Chen Cheng. Defense forces are being trained there by the American-associated Gen. Sun Li-jen, who led part of the army that liberated Burma. A grave problem exists because of the enormous influx of rich, useless refugees from the China coast. But this flood has been dammed and is being turned back by General Chen, in return for American promises of a large part of the ECA appropriation for Tai Wan. The Formosans, who are non-Chinese tribesmen, detest the Chinese occupation, and would actually prefer American rule. But perhaps the ECA money will keep them quiet.

The trouble, in short, is not now, but in the future, when the Chinese Communist Government will be ready to claim this off-shore province. If we recognize them as the legal successors to Chiang Kai-shek, their claim will be excellent, since Chiang's claim to Formosa was approved long ago. A slender legal loophole may exist, since Tai Wan was a former Japanese possession, and there has been no Japanese peace treaty.

Yet, the truth remains. Either we are going to have to behave in a hard, immoral manner, and keep Tai Wan in friendly hands, or we are going to go on prating the same virtuous generalities, see Tai Wan pass to the Communists, and find our Pacific position flanked. This is the sort of truth that is best recognized frankly and early.

In Picturesque West Virginia

EXTENSION OF REMARKS
OF
HON. JOHN KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. KEE. Mr. Speaker, under leave to extend my remarks, I present herewith an article prepared by the West Virginia Industrial and Publicity Commission, giving some details regarding one of the picturesque sections of the State. The facility with which motorists from all parts of the United States may visit these interesting and beautiful spots adds to the pleasure of visitors. The article is as follows:

Bluefield—sprawling at the base of East River Mountain and overflowing along intervening ridges in this city of coal and railroads—is the larger of two incorporated towns of the same name which are separated only by the West Virginia-Virginia boundary line.

The Bluefield twins owe their names to the abundance of bluegrass which grows throughout the area and to the vast fields of chicory which carpet the surrounding hillsides. Chicory is a native wildflower of bluish hue.

King Coal has been reigning in this half-mile-high city since the opening of the first mines of the rich Pocahontas coal field in 1883. Even as the first tons of black mineral were lifted from the earth, Bluefield began to grow. Railroad facilities were rapidly constructed to expedite handling of the State's most abundant and valuable natural resource. Today the glistening steel tracks of two great railway companies, with shops, sidings, and yards in Bluefield, are aimed at the manufacturing centers of the Nation. * * *

As a single index to Bluefield's future business prospects, the Norfolk & Western Railroad has just completed a modern five-story $1,000,000 office building. The same company also plans to spend $13,000,000 solely for the improvement of an important tunnel a few miles west of the city. Another recent addition to Bluefield's skyline is the municipally operated 800-car parking building.

A progressive and hard working chamber of commerce has promoted Bluefield as "Nature's air-conditioned city." Owing to the high altitude, the summer temperature seldom reaches 90 degrees. Occasionally it does, however, and then the chamber of commerce is obliged to serve free lemonade on downtown streets.

A few miles northwest of the city, on U. S. Route 52, stands a towering example of nature's handiwork. Here time and the weather have worked together to produce Pinnacle Rock. A huge mass of eroded stone resembling a giant cockscomb, which is the principal feature of a public recreation area developed and maintained by the State conservation commission.

A climb up a winding pathway of natural stone steps to a flat surface near the top of the formation is not difficult. From there one is afforded a pleasing view of the rolling and, in some directions, mountainous countryside.

A good place to cool off on a hot summer's day is in the Pocahontas exhibition mine, which is located but a few miles from Pinnacle Rock. It can be reached by turning south from U S 52 at the town of Freeman. The concrete road leading to the only show mine in the world is narrow in spots, but the trip is short and well worth while.

It is possible for sightseers to walk or drive their automobiles through the entire length of the mine, for here the famous No. 3 Pocahontas coal seam, is over 11½ feet high. Almost every operation in ordinary coal mining can be viewed by visitors from the upholstered comfort of their cars. Admission is free.

When en route to the mine take a good look at the picturesque little town of Bramwell, in the 1800's the home of billionaire coal operators. It is a veritable picture-book village, with narrow streets flanked by stone fences covered with flowering vines. Here the Bluestone River flows placidly through the heart of what once was the richest town of its size in America, perhaps the world.

Admission of Israel to United Nations

EXTENSION OF REMARKS
OF
HON. LOUIS B. HELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. HELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Brooklyn Eagle of May 7, 1949:

UN SHOULD END DOUBLE TALK AND ADMIT ISRAEL AS MEMBER

It becomes increasingly difficult to understand why there should be further fuss and delay over admitting Israel to its rightful

place among the United Nations. Nobody free of prejudice doubts the integrity and good intentions of the new little State of Israel. Nor its independence, nor its democratic principles.

Its willingness to cooperate in peace and world progress must be clear to all, as are its ideals as a state and its ambitions, which, as they are realized, will influence for the better all life and modes of life in the Near East. There are a number of nations already accepted into the United Nations, brotherhood of peoples, whose ideals of brotherhood are far, far below those of Israel.

Things are not all settled yet in Israel, say those who still want Israel excluded. The argument takes on the identity of a subterfuge when we consider China and Greece and look back at Poland, whose boundaries were not even set when she was admitted. The years of uncertainty that Israel has experienced were years spent in resisting aggression. They should be evidence of her need for UN membership and UN protection, although she has demonstrated her ability to take care of herself.

One of the least tenable of the arguments now advanced for continuing to mount delay upon delay is the one that cites the questions of Arab refugees and the future of Jerusalem and the holy places. These are questions, it is said, that must be settled between Israel and other states. But other nations involved in their settlement are members of the United Nations. Six of them are Arab states.

What could simple common sense dictate more sensibly than to gather Israel into the fold with the others and then help them all, as brother nations to settle their differences? As it is now, the UN is in the false position of seeming to support its members against the state it excludes.

It is time for an end to the shadow boxing and double talk. Israel's decency, democracy efficiency, and valor have long since been proven. As a member of the United Nations she will add strength and integrity to that world organization of which the greatest strength and integrity are expected. Her exclusion can only be a blot on the United Nations' good name.

Children's Fund

EXTENSION OF REMARKS

OF

HON. HARRY J. DAVENPORT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks, I wish to include in the RECORD a radio speech given by me over Station WLOA, Pittsburgh, Pa., on Sunday, May 1, 1949:

A Congressman's lot is a happy one, on occasion, and this is one of those occasions, for of all things, I'm going to talk about an infant prodigy. There is an affinity, you know, between Congressmen and babies, and I've kissed my share. This baby, though, is a very special youngster and one that belongs to us all—the infant prodigy of the United Nations—the International Children's Emergency Fund.

I said this prodigy belongs to us all, and it does, not only to us but to all the peoples of the world. They have adopted it—made it their own—and they are proud of it as I am proud and happy to report to you today on what is going on in the children's fund.

And I'll talk to you as a Congressman, reporting back to you on how some of your money, collected through taxes, has been spent these last 2 years by the United Nations through its children's fund.

It's no great sum you have spent—about 30 cents apiece so far—but 30 cents from each of you adds up to quite a little sum—about $55,000,000. That's what the United States Government has put into the kitty to date to keep the work of the children's fund going. It matches what other governments give on the basis of $2.50 for every dollar. And, as an American, and as a Congressman, I am proud of the part we have had in this undertaking. We have done no more than we should but we have done that.

Another Representative from Pittsburgh, my colleague on the Foreign Affairs Committee [JAMES FULTON], proposed the bill making this money available to the world's children, and the House of Representatives unanimously supported the proposal. And now, what's been done with our money—and that other governments have put into the till of the International Children's Emergency Fund?

Well, every day nearly 4,500,000 children and mothers—4,500,000, mind you—sit down to a good nourishing meal that the children's fund has helped to provide. It's not much of a meal by our standards—far less than a school lunch—but it's got in it what growing children need, and what many of them would not have if it were not for the children's fund.

They have a little meat, meat out of a can for stew, a little lard on their bread, or some oleo—jam on occasion—and always milk. Milk, that's the big item, as you who have a quart of milk a day for your children do not need to be told. Those children around the children's fund table get not a quart of milk a day, but a cup of milk reconstituted from dried skim milk.

More than 150,000,000 pounds of dried skim milk have been sent so far. That would seem to be about all the dried skim milk in the world—and it is a sizable part of it. And most of it is coming from the farms of the United States—Wisconsin, Minnesota, and California. I like to think of this milk being shipped in such great quantities, for it wasn't so long ago that dried skim milk wasn't thought much of, at least as far as human food was concerned. But here it is now, being gathered up in this country and shipped over the ocean to build bones and put flesh on millions of youngsters.

And how little it costs. The fund has figured out that one of our dollars buys enough dry skim milk to give 10 children a glass of milk a day for a week. Think of it. Was ever a dollar better spent?

Well, besides getting this milk and other protective foods, and, oh, yes, cod-liver oil—gallons of it—to these millions of children, the fund has been helping to outfit them. A dollar of the fund's money—that's your money too, we are talking about—buys enough leather for a pair of shoes, enough wool for a child's coat, and enough cotton to make 15 diapers. And of all the help the fund has given so far it's doubtful if anything was more appreciated than those diapers—they're giving them out 10 to a baby, so they tell me—compliments of the United Nations.

There's something else the fund is doing that is mightily appreciated. It's helping to protect children from TB—vaccinating them against it. Now vaccinating against TB is not done much in this country. We have other ways of getting at the problem, chest X-rays with which to detect the disease, hospitals where those who have it can be brought back to health, to say nothing of the all-important fact that there is less likelihood that our children will get it in the first place, since they are so comparatively well off.

For the most part they have good food—not good housing, but at least fairly adequate housing—and warm clothing and shoes, and those are the best protective measures against tuberculosis.

Well, now, in Europe and many other places—children don't have that protection against TB and it is a leading cause of death among them, to say nothing of what it causes in sickness and misery. There is a way now whereby at least the well can be given some protection against it—there's a vaccine developed—BCG. And the Fund, with the Scandinavian Red Cross and the World Health Organization—is in there vaccinating not thousands but millions of children, in Europe, China, India, and soon it expects to be at work in Mexico and in many other countries.

And how much does that protection cost? Well, one of your dollars pays for testing and vaccinating 8 children against tuberculosis. Think of it—one dollar makes possible protection for 8 children!

I haven't time to go into this BCG story, as it's called, but it's a thriller. Vaccination is really "pyramiding" and who knows before it is over we may have TB pretty well licked around this world, at least as far as the children are concerned. And all because there was a Children's Fund—and a United Nations—here to help get this work going on a world scale.

Do you wonder that people get enthusiastic when they hear about the Children's Fund? Makes us think we're not such a bad lot after all once we get together and start to work.

And through the Children's Fund we are getting together. This work is going on on both sides of that iron curtain there's so much talk about, and what is more, a number of the countries in eastern Europe are now in a position where they, too, are contributors. Poland, for instance, has given $750,000 to the Fund—most of it used for sugar which is helping to put pep and energy into youngsters in Austria and a number of other countries. Little Czechoslovakia has contributed the equivalent of more than $1,000,000—Yugoslavia $175,000. And, they're all counted on to help much more as they can. They know what help for their own children meant in the desperate years after the war and understandably, they want to help in turn.

That's one of the finest things about this whole undertaking—the way people and governments are all chipping in to help. Of course they don't all have money—the "cash money dollars" for the most part are in the United States contribution—but they all have something they can give that is needed. Australia—and incidentally the Australians, through their Government, have given a dollar apiece to the fund—well, Australia has meat, New Zealand has wool, Siam has rice, Yugoslavia has fruit, Canada has milk, fish, meat, lots of things, and likewise the United States. Our money has bought most of the milk, but it's also bought two and one-half million pounds of cotton for diapers and shirts and dresses, and it's bought medicine and medical equipment, and it's paid for a good part of the cost of shipping and administration.

But whatever we spent—and this is the point I want to bring out—it has been matched and more than matched by the government, or some voluntary agency, of the country receiving this help for its children. And it's been done often in the face of great shortages—but it has been done. And that, I think, is the way help should be given, on a self-help basis.

And the Fund's help has been given, too, not only to meet the immediate need, but with the long pull in view. These feeding programs the Fund is helping with now—they're being managed in such a way that the countries themselves—when they have milk enough of their own—can take over. The same with the vaccination, the malaria control, the V. D campaign—and other undertakings in which the Fund has a hand.

And I wish I had time to tell you what the Fund has started in China—a training program that within a very short time will get a vast public health army in the villages and the countrysides. They won't be highly trained technicians—they'll be men and women of ordinary education—but they'll know the simple things about health and sanitation—how to rid a place of flies and mosquitoes; how to vaccinate a child. They'll be able to teach the simple things a mother should know about her baby's health—the kind of work carried on in this country a generation or so ago—and I must say still being carried on even in some parts of our own country today. We, too, have still a long way to go until all have their fair chance at a full and productive life, in health and vigor.

And I'm glad it's an American—an American surgeon, Dr. Lee Eloesser, of California—who's getting this program started. I like to think of Americans out among the people, lending a hand constructively, working at the grass roots. That's the kind of internationalism I like, and when it's done through the United Nations, so much the better. I venture we Americans have got a lot for our money through this single international undertaking—not that that should be the first aim, but it's a satisfaction.

And they tell me that we are getting a lot of good will for ourselves through the help we're giving by way of the children's fund. They tell me—and this maybe I shouldn't say—that the problem is not to see that we get our due share of the credit, for we get that. The problem is to see that we don't get the lion's share, for, after all, this is an international undertaking in which many countries and many people are involved. But the children see "Chicago," "San Francisco," "New York," "U. S. A.," on the milk cans, and naturally they get ideas.

I just happened to see some posters that had come in from Austria made by the children there that are getting the fund's help. You would have laughed, too, at some of them, but have been touched at the same time. One youngster—and a very good artist he was—had drawn a picture of this country—the Statue of Liberty in the foreground, back of it a facade of skyscrapers, and then stretching back and back, Indians, cowboys, covered wagons. One of the other posters, too, had things a little mixed up, but an idea behind it, and this one came from a child in the Soviet zone of Austria. He had the Mississippi flowing from San Francisco straight into New York Harbor, and the Mississippi had a fleet of ships all loaded with children's-fund supplies.

I have digressed a little, but those posters, more than anything I have seen or heard about, gave me an idea of what is being accomplished through the children's fund in building up good, sound international relations. In the beginning we didn't talk about that aspect much—the need was to get food moving and on the table, but in doing that, through the United Nations, something else was gained—something else very important, a new knowledge of how men and women, using the United Nations, can work together for the common good.

That, I believe, was in the mind of Franklin D. Roosevelt when he hit upon the name "United Nations" and when with others he planned what it might some day be. Others have caught that vision, and they have seen it made reality in this children's-fund operation.

The Pope in Rome has earnestly expressed his hope "that the plan of the international children's emergency fund will not only be supported by governments and international organizations, but will also carry an irresistible appeal to the interest and charity of individuals everywhere, whose hearts must be touched by the tragedy which has befallen these, the most innocent victims of the war."

The Congress will be voting for an extension of this work within the next few weeks. I for one believe there can be no better demonstration of the strength of our democracy than this charitable enterprise to feed the world's children.

The Truth and Agnes Smedley

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from Plain Talk magazine of April 1949. It makes clear for those who are still uninitiated why Agnes Smedley and Guenter Stein have been such strong advocates of the doctrine that America should not support its ally, China, but let the Chinese Communists take over instead. Miss Smedley has recently been instructing our youth in an exclusive girls' school. Stein had especially great influence because the Christian Science Monitor used him as its correspondent and expert on the Far East. Or perhaps it is more accurate to say that it let him use its columns and good name to the damage of itself, its readers, and our country's interests.

THE TRUTH AND AGNES SMEDLEY

"It has been one of the greatest struggles in my life to learn to tell the truth. To tell something not quite true became almost an instinct."

This startling confession comes from the autobiographical pen of Agnes Smedley whose long career of free-lance service to the international Soviet cause has recently received an unexpected encomium from the United States Army.

Agnes Smedley's reputation for veracity, believe it or not, was upheld publicly and demonstratively by the Secretary of the Army Kenneth C. Royall at the price of besmirching the good name of Maj. Gen. C. A. Willoughby, hero of Corregidor, and Chief of Intelligence at General MacArthur's headquarters in Japan.

In a world of fantastic revelations, perhaps nothing strains one's credulity so much as the exoneration of Agnes Smedley by the Army and the corresponding indictment before the bar of public opinion of a distinguished and loyal officer. His offense: Capping a career of 36 years' service to his country with the preparation, in the line of duty, of a report divulging shocking Soviet espionage activities in the Far East.

First, let us review the facts. The sensational report, released by the Army Department in Washington on February 10, named two journalists, Agnes Smedley and Guenter Stein, as having been involved in the great Soviet spy ring. Substantially the same facts had been disclosed in Plain Talk for May 1948. Guenter Stein, naturalized Briton, reacted dramatically, and significantly. He left New York by air for Europe within 24 hours of the publication of the report.

Agnes Smedley chose to counterattack and to launch a barrage of charges with an air of injury. Challenging General MacArthur to waive his right to immunity, she threatened to sue him. On February 18 the incredible happened: the Army Department publicly declared that the report was a faux pas on its own part. This, of course, was tantamount to a whitewash of Agnes Smedley and to an indirect accusation of irresponsibility on the part of MacArthur.

Two days later General Willoughby openly declared that he, and not MacArthur, had been responsible for the preparation of the report, and that he did not intend to withdraw one iota. Establishing his integrity, he eagerly waived any immunities that might exist and stated that "not only as an intelligence officer, but even more fundamentally as an American citizen" he welcomed a test in court of Agnes Smedley's challenge.

This seemed to join the issue clearly enough. A report containing a number of serious charges had been prepared. A responsible high officer of the United States Army stood by the disclosures, and not only agreed to a court test but leaped at the opportunity to present the documentation in the case. Agnes Smedley had vociferously demanded her day in court, insisting on the right as an American citizen to clear herself. What more could she have asked for than this prompt invitation by General Willoughby to be sued? But, lo and behold, after her loud clamor for justice, Miss Smedley turned a deaf ear to General Willoughby's request to have it out in court.

Miss Smedley's behavior was not quixotic. She understood quite well what she was doing, far better apparently than the Army Department in Washington. First, she was aware of the fact that the Army's unfortunate faux pas press declaration cleared her in the eyes of most Americans regardless of the available evidence. Second, her accuser, who earnestly sought to present his evidence, was in turn accused by the Army he has served so long and faithfully. Third, and most important, she knew that if the case reached court, the evidence would be fully and incontrovertibly sustained. In view of the Army's retraction, it is not surprising that these facts escaped public attention.

The Army's inexplicable treatment of General Willoughby becomes even more baffling when it is brought out that while the report was released, its voluminous documentation was not. How then was the average American expected to be able to examine the evidence from which the report was so painstakingly compiled? Furthermore, the Army's behavior appears even more mystifying when it is realized that the report was publicly issued not on the instigation of the MacArthur command, as Agnes Smedley charged, but by the same authorities in Washington who saw fit to repudiate it 72 hours later.

In fact, the MacArthur command took special precautions against the release of the secret document which had been completed and forwarded to the Pentagon from Tokyo in December 1947, nearly 15 months before its publication by the Secretary of the Army.

There is nothing in Agnes Smedley's career to justify or to explain the Army's strange action. The revealing bit from her autobiography, Daughter of the Earth, published in 1929, which is quoted at the beginning of this article, is a fitting introduction to her life's activities. These have been characterized, since her early twenties, by irresponsibility, simultaneously fanatic and giddy.

The court records show that in 1918 she was arrested and indicted by a Federal grand jury in New York for violation of the War Espionage Act. This first espionage episode in Miss Smedley's varied career occurred while she was attending New York Univer-

sity evening courses after her arrival from the West where she had been divorced following a short-lived marriage. She became involved with a group of Hindu revolutionaries in New York, and was asked to perform certain assignments for them. In time she became, as she later put it, "a kind of communication center" for the Hindu conspirators. "I kept their correspondence, their codes, and foreign addresses," she acknowledged.

When Miss Smedley was charged with a violation of the neutrality law, since her Hindu comrades were found to have been in the pay of the Kaiser's government, she ridiculed the indictment and in an injured way pleaded that all she had done was to help a subjugated people. But long after the case against her had been dropped, she admitted in her book, Battle Hymn of the Republic: "Years later I learned that the Indian exiles in Europe had indeed formed a government-in-exile and taken a loan from the German Government to finance their work."

Agnes Smedley's connection with the great Soviet spy ring in the Far East, headed by the fabulous Russian-born German, Richard Sorge, strangely parallels her first adventure in this dangerous field. By 1929, when in Shanghai she first met the organizer of the Sorge ring, Ozaki Hozumi, Miss Smedley was already in her middle thirties and had had rich experience with professional revolutionaries, including a second marriage to a Hindu who was active in the Comintern.

Whether Agnes Smedley was fully aware of her role in the Far Eastern spy ring or not, the Army report on it covers her case aptly: "The Soviets seem able to use men as agents who either are not party members at all, and yet who are willing to make every sacrifice for the party's cause."

It is also noteworthy that Miss Smedley's relationship to the ring began some 3 years before Hitler's rise to power when the Berlin-Tokyo axis was yet to be conceived. She met Sorge in Shanghai in 1930. Ozaki provided both of them with information about Japanese troop movements and related matters during the following 2 years.

Now consider the testimony of one agent who was asked how he happened to enter Sorge's spy ring. He replied that a member of the United States Communist Party, Kito Ginichi, asked him to meet an American newspaperman named Johnson. Being a bit suspicious, he decided to ask Agnes Smedley about Johnson. She asked him in turn whether he had spoken of this matter to anyone else—her expression was very serious. The answer was "No," at which point she told him that she knew Johnson well, but he was to keep that fact secret. Later she told her questioner that Johnson was a fine man, with an excellent record, and that, in fact, she herself would bring them together. Johnson turned out to be Richard Sorge, the master-spy executed during the war.

For some 30 years Agnes Smedley has been one of the most assiduous propagandists for the Communist cause. Her China's Red Army Marches, also published in Moscow under the title "Red Flood Over China," perhaps epitomizes her voluminous writings on the subject. She has been prominently affiliated with a score of Communist fronts, including several listed as subversive by the Department of Justice.

In the light of all this, is the Willoughby report MacArthur's Fantasy, as Edgar Snow, long-time champion of the Chinese Communists, echoes the Daily Worker line in the "liberal" Nation? The whitewashing of Agnes Smedley must not be permitted to victimize a great and esteemed soldier and to stain the honor of the United States Army.

I. D. L.

New Hampshire Rural Rehabilitation Corp.

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein a concurrent resolution adopted by the New Hampshire State Legislature petitioning the Congress of the United States for the passage of an act similar to H. R. 5905, introduced by Representative COOLEY in the second session of the Eightieth Congress.

Concurrent resolution memorializing Congress concerning the New Hampshire Rural Rehabilitation Corp.

Whereas on or about July 12, 1935, the New Hampshire Rural Rehabilitation Corp. entered into an agreement through the Rural Resettlement Corporation with the United States Department of Agriculture whereby all the assets of the said New Hampshire Rural Rehabilitation Corp. were transferred in trust to said United States Department of Agriculture; and

Whereas the sum of approximately $128,701.92 was received by the United States Department of Agriculture under said agreement; and

Whereas said sum remains in the possession of said United States Department of Agriculture; and

Whereas the State of New Hampshire is now particularly anxious to have the trust terminated and the money and property returned to it: Now, therefore, be it

Resolved, by the Senate and House of Representatives in General Court convened, That we do hereby petition the Congress of the United States of America for the passage of an act similar to H. R. 5905, introduced by Representative COOLEY in the second session of the Eightieth Congress of the United States; and be it further

Resolved, That a copy of this resolution be transmitted by the secretary of state to the Senators and Representatives in Congress from the State of New Hampshire and that they, and each of them, be requested to use all honorable means within their power to bring about the enactment of legislation similar to the aforesaid H. R. 5905.

RICHARD F. UPTON,
Speaker of the House of Representatives.

The Reorganization Fraud

EXTENSION OF REMARKS
OF
HON. CECIL F. WHITE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. WHITE of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Washington Post of May 11, 1949:

THE REORGANIZATION FRAUD

The President has done well to give the Congress a sort of tickler, in his statement urging quick action on Government reorganization. The truth is that all the ponderous labors of the Hoover Commission are perilously likely to produce no more result than the fruitless efforts to reorganize the Government in the Roosevelt years.

Several bills are before Congress, ranging in character from the second defense unification bill to the bills raising the shockingly low salaries of higher officials, and giving the Government decent housekeeping services. The heart of the whole program, however, is the measure granting the President general powers to bring order out of the chaos of the whole executive branch.

And this heart has, so to speak, already had a dagger driven through it in the Senate Committee on Executive Expenditures.

The hand that held the dagger was the hand of Senator JOHN L. MCCLELLAN, of Arkansas, a pleasant-mannered country lawyer who would have felt more at home in the administration of James K. Polk. He gutted the bill by a simple system. He attached an amendment providing that anything the President does to make the executive branch more efficient, may be disapproved by either the Senate or the House within 60 days.

As a practical matter, this provision simply means that the President will be debarred from doing any of the really difficult and important parts of the job. For there is hardly any administrative agency worthy of the name that cannot muster the votes to preserve itself in at least one chamber of Congress. Patronage, plus pork, plus local interest, plus the seniority system in congressional committees, make this certain. In its present form, in short, the general reorganization bill is a fraud.

Considering past history, it is not surprising that the principal agency Senator MCCLELLAN is seeking to protect, at the expense of all hope of effective Government reorganization, should be the Army engineers. Arkansas is one of the States where the engineers wield great political power, owing to the local importance of flood control. As a member of the Hoover Commission, Senator MCCLELLAN joined former Representative Carter Manasco in a hard fight to have the Hoover group recognize the Army engineers' sacrosanct status.

Since Senator MCCLELLAN failed on the Hoover Commission, the engineers have been working overtime to protect themselves in Congress. Their instrument has been their special lobby, the rivers and harbors congress. This group, in which interested contractors, representatives of interested States, and the private power companies join to serve their Army friends, is about as mean, powerful and three-cornered a lobbying organization as exists in Washington. The congress may now be said to have triumphed in Senator MCCLELLAN'S committee.

It must be added that this is by means the first occasion when this theoretically subordinate corps of Army officers has ventured to attack avowed White House policy. The long-famous Pick-Sloan plan for the Missouri Valley bears the name of the present Chief of Army Engineers. It is, essentially, a plan to safeguard the Army engineers' field of operations there by blocking the Missouri Valley Authority. Incidentally, it safeguards the private power interests too.

The proposed Columbia Valley Administration has just received a similar check, by an agreement between the engineers and the also interested Bureau of Reclamation. Both MVA and CVA are projects sponsored by the President. Altogether, it would seem to be time to find out whether the engineers are playing on the President's governmental team.

These facts are relevant because they illustrate the kind of problem that must be solved by effective Government reorganization. The time has passed when we can

afford a Government which is a mere haphazard congeries of agencies speaking for special interests.

To be sure, even the Hoover Commission reports do not provide for complete modernization of our crazy, antiquated governmental structure. No adequate steps have been proposed to provide the Government with competent, fully professional staff. Yet this Government of clerks cannot go on forever. Again, the job of underpinning the Presidency with an adequate secretariat has been left to the Budget Bureau. Pork-hungry Members of Congress, angered by Budget Bureau economies, have just cut the Bureau's appropriations by $300,000. Yet the President himself cannot do his job without a reasonable secretariat.

On the other hand, the proposals of the Hoover Commission represent a strong ray of light on a very dark horizon. They are a test for Congress.

If Congress will not let the President at least begin to put the executive house in order, Congress will have no grounds for denouncing wastefulness or any other executive failing.

Governmental Control of Practice of Medicine

EXTENSION OF REMARKS

OF

HON. JAMES C. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. DAVIS of Georgia. Mr. Speaker, under leave previously granted, I insert herewith a letter written to me on May 6, 1949, by Rev. T. H. Harrison, together with enclosures:

WASHINGTON, D. C., *May 6, 1949.*

Congressman JAMES C. DAVIS,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: If you will read the attached copyrighted plan of June 5, 1945, to prevent legislative control in the practice of medicine as of July 15, 1943, the same will protect the individuals and the entire medical and dental profession against any type of legislation seeking to control the practice of medicine.

The Lord directed the writers of the Bible to say nothing about legislative in the practice of medicine, neither did the Son of God ever criticize a doctor for his work.

The copyrighted plan for the building of health institutions covers all phases for the building and operation of such institutions, provides for insurance policies that will meet the demands of all classes of people.

I was told by an actuary of one of the leading insurance companies that his firm would like to arrange a series of policies that would meet the needs of all people. He stated that he could arrange a policy that would sell for $50,000 or more to people who have money, which they would like to purchase for cash, as a gift for any institution operating under the copyrighted plan of June 5, 1945. Since such a policy would be nontaxable and the operation of an institution under the copyrighted plan would be free from legislative control, and investments for securities in such institutions would be free from taxation.

Yours sincerely,

Rev. T. H. HARRISON.

[Class AA No. 494851. Copyright Office of the United States of America, the Library of Congress, Washington]

CERTIFICATE OF COPYRIGHT REGISTRATION

This is to certify, in conformity with section 55 of the act to amend and consolidate the acts respecting copyright, approved March 4, 1909, as amended by the act approved March 2, 1913, that two copies of the book named herein have been deposited in this Office under the provisions of the act of 1909, together with the affidavit prescribed in section 16 thereof; and that registration of a claim to copyright for the first term of 28 years for said book has been duly made in the name of Thomas H. Harrison, 313 Sixth Street NW., Atlanta, Ga.

Title: Plan for a Health Institution, by Rev. Thomas H. Harrison, of United States.

Printed or produced by Marguerite Bloxom, Richmond, Va.

Date of publication in the United States, June 5, 1945.

Affidavit received October 11, 1945.

Copies received October 11, 1945.

[SEAL] SAM B. WARNER,
Register of Copyrights.

JUNE 5, 1945.

PLAN FOR A HEALTH INSTITUTION

The following plan, known as the Rev. Thomas H. Harrison plan for health and hospital insurance, proposes the organization of a holding corporation of outstanding citizens in the various walks of life, which board shall have as its function the construction and operation of a complete modern hospital for all types of medical and surgical care, and the employment of a skilled and competent staff to maintain such a standard of service.

Funds for the building and maintenance of the hospitals can be obtained by donations, gifts, endowments, or the sale of stocks and bonds on other contributions for the maintenance and control of the institution. A plan for the sale of a policy guaranteeing to the holder the above services of rates to be determined by the board of control actuarial studies. The policy can be for one, a group, or a family. The longest-life ones in the group or family will be compensated to which the board of directors and the insurance companies by actuarial studies will agree. The policy can be made to cover all expense of transportation in both directions, so that each holder can be given a thorough examination once or more times a year, as agreed upon, in the terms of the policy.

The institution is to be for the care and treatment of anyone who needs such. The proposed location is the State of Florida, or any other place where climatic conditions would be suitable.

A full organization of the staff, management, and other matters essential to its operation will be left in the hands of the board of control.

The selection of members of the board of control will be the prerogative of the contributors.

The board of control can accept gifts or endowments with which to pay the expense for the operation of a research department for medical care of the best that intelligence can produce. All rooms in the hospital will be private and an arrangement for the highest type of religious and musical entertainment. The grounds and buildings will be beautified in keeping with all forms of nature.

The board of control can set aside a certain amount of the net income for charitable work and will invest the net surplus into dividend-paying securities to be used for the increased efficiency of the institution, and will name all organizations and committees with suitable titles to the positions they hold.

Rev. Thomas H. Harrison, author of the hospital plan, 313 Sixth Street NW., Atlanta, Ga.

Written by Marguerite Bloxom, Richmond, Va.

TO PREVENT LEGISLATIVE CONTROL OF THE PRACTICE OF MEDICINE

JULY 15, 1943.

Dr. CHARLES H. BOLTON,
Executive Secretary-Treasurer, Florida Baptist Convention,
Jacksonville, Fla.

DEAR DR. BOLTON: Attached copy of my letter to Senator WALTER F. GEORGE, of July 2, and the Senator's reply of July 3, with a copy of a bill, S. 1161, introduced into the Senate May 24, 1943. The bill has 2,337 articles that take the supervision of a child 9 months before birth and until 30 days after death. The Senator does not approve of this type of legislation.

If this bill is enacted into law, it creates 16 political bureaus to be managed by one person known as the Surgeon General, who will appoint the employees of all bureaus and will supervise the education of all children, and he has authority to disfranchise any child of its studies for medicine, etc., or any hospital or any person who would have anything to do with the care of the sick. The 16 political bureaus will be managed by appointees, and no child can be promoted to any position in life without the approval and recommendation of these political job appointees. This type of legislation takes a God-given privilege from individuals and puts them under the supervision of a political organization for mismanagement and waste.

If S. 1161 is enacted into law, it usurps authority by the Surgeon General to fix the pay of all doctor bills, and hospitals for the services they render, and creates an insurance company owned by the Government to pay a very limited amount, doing away with private industry.

The bill will tax the employer 6 percent and the employee 6 percent, making a total of 12 percent and raising immediately $12,000,000,000; $3,000,000,000 will be given to the Surgeon General to pay for all medical treatment and the salaries of doctors and his millions of political appointees.

The Son of God ordained ministers and gave them the sacred, invaluable right to administer to the needs of the sick, etc., and they have always had the cooperation of the medical profession. If S. 1161 does become a law, it will take from the individual doctor his ambition and initiative to be more efficient in his efforts to relieve human suffering, and it will put him under the supervision of a political bureau, thereby limiting his God-given usefulness. Christ did not direct any political organization, democracy, or monarchy to have anything to do with the care of the sick, but He ordained men to administer to human need and the doctors are a divine necessity, because the health of the individuals produces the wealth of the Nation.

The ministers hold the highest position of any being outside of heaven, and the church membership is the highest type of citizenship of the earth. It is my prayer that God will not permit the work of the church to be destroyed by a political methodized, supervised organization.

Yours sincerely,

Rev. T. H. HARRISON.

ATLANTA, GA.

Mao No Tito; United States Must Act

EXTENSION OF REMARKS
OF
HON. RICHARD M. NIXON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. NIXON. Mr. Speaker, in the relief that we are all experiencing over the settlement of the Berlin crisis, it is essential that we not overlook the fact that the Communists are winning a great victory in the Far East, a victory which may in the end far overshadow any of the recent developments in western Europe. Unfortunately, apologists for the Chinese Communists in the United States, both in and out of the State Department, have been taken in by the fallacious theory that Chinese Communists somehow are different from Communists in other countries and will not owe their allegiance to the Russian bloc in the event they come to power in China.

One of the most effective answers to this argument that I have seen appears in the May 7 issue of the New Leader in an article entitled "Mao No Tito; United States Must Act," by the distinguished authority on the world Communist movement, David J. Dallin. The article explodes the myth of the independence of the Chinese Communists effectively and completely. Mr. Dallin's article follows:

MAO NO TITO; UNITED STATES MUST ACT

Supported by a whole set of fellow travelers, the State Department, imagining that a rift between Russian and Chinese communism is imminent, has assumed an attitude of nonresistance toward the current situation in China.

So far there is not the slightest evidence of any Sino-Russian conflict. The victory of Chinese communism, says Pravda, "will tip the scale" in favor of world communism. This phrase, being echoed by the entire world Communist press, is more than a phrase; it is a program.

After their victory the Chinese Communists will undoubtedly establish a centralized army. One of communism's firmest principles is not to disarm in the face of the enemy. The enemy, in this case, being the anti-Communist remnants, which cannot be suppressed; a rehabilitated Japan; and the United States, which—despite the maneuverings of the State Department—will never reconcile itself to the new huge power combination extending from Berlin to Nanking.

Chu-Teh, supreme commander of the Communist armies, studied military science in Germany. A number of his officers have gone through Soviet military academies. The war plants of Czechoslovakia and of eastern Germany will be able to supply the future Chinese Communist Government with more than the sporadic aid America gave to Chiang Kai-shek. Not least, Russia will be free to deliver the latest weapons to the new Chinese regime.

China as an efficient military power—Moscow's primary far eastern objective—will be a novel phenomenon in world affairs. Militarism in China will make inevitable the rearming of Japan and the accelerated arming of India, naturally with American and British support. Who knows whether the cold war in Asia will be shorter than that in Europe?

What we do know, after four fateful years, is that the Yalta decisions were a disastrous blunder for Asia, and that Potsdam has led Europe into an impasse.

Who originally planted the idea that Mao Tse-tung may become a Chinese Tito? Was it, perchance, Moscow itself? Well do we recall how Stalin—during the last war—alluded to his Chinese comrades as despicable agrarian Communists. Simultaneously, however, he negotiated with them, and from behind the scenes issued instructions to them.

Since then, every little fellow-traveler has been displaying "evidence" that Chinese communism is "independent" of Moscow. But the myth of a Chinese Tito serves only to camouflage close collaboration between Chinese and Russian communism.

Owen Lattimore, a pro-Communist writer on Asiatic affairs, has recently published a book entitled "The Situation in Asia." This book is filled with misleading statements and outright distortions. Its main thesis is that we must leave the Chinese Communists alone, in the hope that they will develop an anti-Russian orientation. The same conclusion flows from an article in the Saturday Evening Post by Edgar Snow, Mao Tse-tung's unofficial ambassador in America. The false picture painted by Snow tends to support Moscow's main line: Let the Communists take over.

The fact is that Mao, supreme leader of Chinese communism, was appointed to his post 18 years ago by Stalin. He has maintained it since only by remaining in Stalin's favor. Not once has he criticized Russia's domestic or foreign policies. He has executed Russian purges within his own party, approved Stalin's pact with Hitler, and never questioned Soviet postwar policies in China, however predatory.

Have there been differences of opinion between Chinese and Russian communism? Some. But all have ended in complete victory for Stalin Politburo. It is likely, then, that Mao and Chu Teh will someday turn against Moscow?

If Mao were to proclaim his independence from Moscow, Manchuria would be detached from China instantly. Its main railways are already under Russian control; Russian troops are stationed in two southern Manchurian ports; north Korea is a Soviet satellite. At the first sign of Chinese Titoism, the age-old dream of annexing Manchuria to the Russian Empire would become a temptation hard for Stalin to resist.

If the State Department's bright, young men were to study history more, and the writings of crypto-Communists less, they might learn that exactly 50 years ago a plan was elaborated in St. Petersburg to create a Russian sphere extending not only to Manchuria, but beyond the Chinese Wall as far as Tsientsin and Peiping. The Soviet Government has dug up similar Czarist plans concerning Europe and has been executing them with servile lack of originality. Why not take over the great country on the Yellow Sea and intone the Soviet anthem in Peiping?

Secondly, Mao needs the Kremlin as a diplomatic sponsor. When Henry Wallace returned from China with a pro-Communist report, President Roosevelt subscribed to it out of deference to Russia. Manchuria fell to the Chinese Communists in 1946 as a result of Russian intervention. Today, American passivity in China is due primarily to fear of trouble with the Soviet Union. Hence Chinese communism has been victorious because it is backed to the hilt by Stalin. No one appreciates these simple truths better than the leaders of the Chinese Communists.

After all, no one would deny the possibility of a Communist rebellion in China against the dictates of Moscow. Though unlikely today, it may happen in the future. It is false, however, to build the policy of a great power on nebulous expectation and hypothesis. Moreover, only American activity can accelerate and bring about such a revolutionary change in Chinese Communist tactics.

Contrary to the stories spread by Stalin's and Mao's mouthpieces, in the last few months relation between Russian and Chinese communism have grown closer, and the Soviet press illustrates. The eight "peace conditions" Mao presented to Nanking received very favorable Soviet newspaper comment. The compliment thus paid Mao leaves no doubt that Stalin's approval and advice were given before Mao consented to the peace negotiations. Moreover, the nature of these negotiations—the shrewd delaying tactics as Communist troops approached the Yangtse; and the unexpected presentation of new, totally unacceptable conditions coinciding with the climatic advance of Communist soldiers across the Yangtse—bears the unmistakable imprint of Moscow.

Moscow wants the reorganization of the Chinese Government to be a legal operation, with the Communists appearing as Chiang's successors. The new regime will inherit China's seat in the UN and on the Allied Council in Japan; it will have diplomatic representation in the world's capitals; and it will claim China's gold and other tangible foreign assets.

Three national forces can become the fulcrum for a new international policy in the Far East. Once the United States decides to pursue an active policy, it will have to build on the support of peoples who are interested in resisting Communist expansion.

The outlines of such a policy are clear:

1. South Korea should be united with northern Korea; unification can be achieved, however, only by military means. If Russia and its Manchurian satellite stay aloof, the conflict will be short-lived; if they intervene, it can become prolonged and complicated, but perhaps more significant is its outcome. In either case, south Korea, with 20,000,000 people as against the north's 9,000,000, will be victorious in the end. The impact of this victory, what with the Korean army on the Manchurian frontier, can bring serious changes to China. It would therefore be a mistake of the first magnitude to withdraw United States troops from Korea now, as the State Department intends to do.

2. Around Canton, in southern China, historical grounds exist for a dissident movement. Canton was Sun Yat-sen's chief base of operations against the warlords nearly three decades ago. Canton was the headquarters from which Chiang Kai-shek, in the 1920's, launched his northern expedition to unite the nation. It is still possible that Canton, and perhaps also Kwantung Province, may be salvaged from the Nationalist wreckage and new forces created and trained there.

3. If other efforts fail, there remain Japanese resources and manpower. Faced with a Communist continental coalition from the Aleutians to Shanghai, Japan has no future. It cannot live economically divorced from the continent. It will fall prey to Russian and Chinese forces the moment America withdraws. Japan will then have to fight, unless the outlook in Asia changes before long.

Other political roads can lead to a reasonable balance of power in Asia. Each has its merits and difficulties. But their implications will have to be thoroughly studied before decisions are made. Meanwhile, a revolution in top-level thinking must first take place—a strong will to act in this critical situation must be created.

Compulsory Health Insurance

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein a preamble and resolution passed by the Rockingham County Medical Society at its spring meeting, April 27, 1949, in opposition to any form of compulsory health insurance or any system of political medicine designed for national bureaucratic control:

PREAMBLE

We, the members of the Rockingham County Medical Society, specialists and general practitioners, making an honest effort to provide high-quality medical care for as many people as we can, hereby assert that medical care activities such as quarantine, sanitation, food inspection, and industrial hazard regulation may be proper functions of Federal Government. We agree that the construction of health centers and hospitals, and the assistance of institutions for the study and treatment of mental disorders, for the carrying on of medical research, and for the training of medical and allied personnel may require Federal funds. We also recognize that provision for the care of veterans may be a Federal obligation.

We hold these opinions because we feel that such activities of the Federal Government may be for the general good of the people as a whole when administered impersonally.

However, our experience has convinced us that direct medical care which is the sum total of many instances of a private arrangement between the patient and his physician—each instance relating to a health problem of one individual and his family—can never be fully effective unless it arises from a personal and voluntary choice and is continued as a mutual and voluntary cooperation. This mutual and voluntary cooperation must be an implied contract in which the patient controls the payment for the service supplied by the physician, and in which the patient himself provides from his earnings (or his voluntary health insurance) proper remuneration for the actual service rendered and none to any other agency such as a Government bureau. We feel that this is the only way in which the normal free-enterprise incentive can be preserved for the continued attack on the problems of the Nation's health.

We, the members of the Rockingham County Medical Society, therefore, place on record the following resolution:

RESOLUTION

Whereas under a system of free-enterprise, the American medical profession has established the world's highest standard of scientific performance, treatment, and research; and

Whereas payments for the benefits of American medicine are available to the people of this country through budget-basis voluntary health insurance; and

Whereas the experience of all nations where government has assumed control of medical services has shown that there has been a gradual erosion of free enterprise and a progressive deterioration of medical standards and medical care to the detriment of the health of the people: Now, therefore, be it

Resolved, That the Rockingham County (N. H.) Medical Society does hereby go on record against any form of compulsory health insurance or any system of political medicine designed for national bureaucratic control;

That a copy of this preamble and resolution be forwarded to the President of the United States, to each Senator and Representative from the State of New Hampshire, and that said Senators and Representatives be and are hereby respectfully requested to use every effort at their command to prevent the enactment of such legislation.

LOUIS C. THEOBALD, M. D.,
President.
DONALD W. LEONARD, M. D.,
Secretary.

Dated this 27th day of April 1949.

Judge Medina Called to Task for Failure To Stop Continuing Contempt of Court by the 12 Defendants and Their Counsel Now on Trial Before Him

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. CELLER. Mr. Speaker, the trial of the 12 defendants for violation of the Smith-Connally Act has been going on for over 17 weeks before Federal Judge Harold C. Medina in the southern district of New York.

From all indications it may go on for 17 months, not weeks, unless suitable steps are taken to prevent, first, the deliberate delaying and pettifogging tactics of defense counsel; second, the studied and continuous contempt of court shown by some of the defendants and their lawyers; third, the ceaseless altercation between the judge and defense counsel.

The attempt of Judge Medina to prevent defense counsel from turning these supposedly judicial proceedings into farce has miserably failed.

These lawyers and defendants have outrageously taken advantage of the judge's patience and humaneness. There comes a time when patience becomes a fault. That point has long since been reached. The judge gets for his patience more wrangling, and for his humaneness more abuse and insults.

Unless the judge exercises his powers of sanction and stops this mockery of judicial process, he subjects himself to more than mere criticism.

The contempts of court of the defense counsel are legion. Punishment is long since due. The recalcitrant lawyers who are guilty should be placed in the custody of the bailiff and fined until they purge themselves of contumacy. The judge should not await the trial's end for this purpose. If by jailing the offending lawyer a defendant is deprived of his counsel he can procure another. If he refuses to have another and will not take assigned counsel, there is no reversible error for the court to order the trial to proceed. A bit of severity is needed. That would be sufficient deterrent for continuance of the diatribes and the unseemly conduct shown by these lawyers.

Proper conduct on the part of the defense can never prejudice its rights.

Furthermore, I urge that the local bar associations take disciplinary action. The officers of the bar association of other jurisdictions might well hail before them those of counsel who are not subject to the disciplinary action of the local bar.

I am asking Mr. Henry P. Chandler, director of the Administrative Office of the United States Courts, to make a complete report of the matter herein, and shall present it to the House Judiciary Committee.

Communism and Socialism

EXTENSION OF REMARKS
OF
HON. WILLIAM M. McCULLOCH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. McCULLOCH. Mr. Speaker, I note from a recent Associated Press dispatch that His Holiness Pope Pius XII, on Saturday night, May 7, 1949, in speaking to a delegation of Catholic employers from France, Canada, Belgium, the Netherlands, England, and Italy, in effect, said that there was no irreducible clash of interests between employers and employees.

His Holiness further said, in effect, that socialism cannot be the answer to the world's economic ills.

In another Associated Press dispatch from London it is reported that the House of Commons recently voted to nationalize the British steel industry.

In view of these dispatches I commend to every Member of Congress an editorial which appeared in the Cleveland Plain Dealer on May 8, 1949. Under leave to extend my remarks in the RECORD, I include the editorial:

COMMUNISM AND SOCIALISM

Now that nearly half the world is operating under Communist regimes, and a large part of the remainder is immersed in various stages of socialism, the American people should take a look at the economic and political characteristics of these two ways of life—their similarities and their differences—before they are tricked into discarding capitalism in a search for some illusive will o' the wisp utopia.

The economic aims of communism and socialism are identical, in that both are based on government ownership and operation of the means of production. But whereas the Communists achieve this objective by the appropriation of private property without compensation, the Socialists fix a monetary value for the property they seize and pay the former owners something for their shares.

Under communism, all individuals are required to be wholly subordinated to the state. The government tells them where to live and where to work. It fixes their wages and tells them how much they should produce. It regulates the prices of all the necessities they must buy and most of the luxuries, if any are available. It also determines the kind and amount of goods they can buy.

Socialists contend that individuals should have more economic freedom than is possible under communism. But wherever socialism has been tried, its repeated failures have led

to demands for ever-increasing and more drastic economic controls.

Politically, the differences between communism and socialism are more pronounced. In the Communist state, the individual has no political or civil liberties of any kind. The government exercises control over what he may read or listen to on the radio, as well as the theaters and concerts he may attend and the motion pictures he may see. The Communist Party selects the candidates for public office, no opposition candidacies are permitted and the individual has no choice when it comes to voting.

Under Communist regimes there is no protection for the individual from unlawful search and seizure, arrest without warrant, or punishment and confiscation of property without due process of law. Release on bail and trial by jury are unknown.

Communists frankly admit that their system couldn't operate successfully if individuals were permitted any freedom. They are realistic enough to realize that censorship, terror, and force must be employed to prevent criticism, violation of regulations, and rebellion.

The Socialists contend that civil and political liberties can be preserved under their system. In place of terror and force, they rely on sugar-coated pills of gratuities, subsidies, price controls, rent controls, free medical and dental services, bigger pensions and more unemployment compensation to keep the voters happy and to keep their regimes in power.

But wherever socialism has been tried, it has destroyed the incentives to work and produce. It has become a program of sharing the poverty instead of sharing the wealth. Why should anyone try to improve his condition when (1) the Government will keep him supplied with the necessities of life with no particular effort on his part and (2) the Government would confiscate through taxation any surplus wealth he managed to accumulate?

The false promises of socialism are no longer in the realm of theory. We have examples of how it works in England and other European countries. It is ironic that most of these socialistic economies are being bolstered and supported by the importation of billions of dollars' worth of American goods, produced under the capitalist economy of the United States.

What would happen if American aid were suddenly shut off to Europe? Every supporter of the European recovery program knows the answer. Those socialistic regimes would collapse and become an easy prey to communism, which is more efficient than socialism because of its ruthless disregard of the individual.

And yet there are some people in this country, including labor leaders and Government officials, who abhor communism but who nevertheless, for one reason or another advocate policies which would drag the United States into the morass of socialism and would destroy the economic system which has given the American people the highest standard of living the world has ever known.

European Recovery

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 9, 1949

Mr. HAYS of Arkansas. Mr. Speaker, on May 5 it was my pleasure, in company with our colleague the gentleman from Connecticut [Mr. LODGE], to participate in a great meeting in Carnegie Hall, New York, sponsored by Common Cause, Inc.

The meeting was designed to give hope and encouragement to liberty-loving people living behind the iron curtain and to interpret American ideals to them. Under leave to extend my remarks, I include the following excerpts from the address which I delivered on that occasion:

As a Member of the preceding Congress, the Eightieth Congress, I have a special pride in the passage of two bills, that pertaining to European recovery, better known as the Marshall plan, and Public Law 402, the Smith-Mundt Act, authorizing the establishment of an information service to acquaint the world with American hopes and aims and to describe the methods which we propose to use in stabilizing our world and adding to the happiness and welfare of its people.

In extending congressional approval of the Marshall plan, it was our design to extend American aid to the stricken people of the Old World, to those who had suffered such tragic misfortunes in war, and it was a part of that design not to limit this assistance except as the withholding of cooperation by European governments themselves might limit such aid.

Since the extension of material assistance has vast significance that cannot be defined in economic terms the establishment of the Voice of America interpreting American policy to everyone who will hear our message is an exceedingly important program.

I should hope, Mr. Chairman, that some of the things said here tonight will reach an audience in that part of the world which endures a continuing oppression.

There is a longing in the hearts of most people for firm assurances of peace. We speak of it as an ideal and yet there is much truth in the old saying that peace is not an ideal but the state attendant upon the achievement of an ideal. The ideal embraces justice, freedom, and equality, and I propose to speak of these as elements in the common cause. I do not disparage the urge for peace, for it is dear, yet there are dearer things to us. I do not disparage unity, but it, too, is but a byproduct of worthy human exertions. Not even the interest in security can supply the binding and stabilizing forces which distraught people crave.

Again I do not disparage security. Security that provides a buttress against economic reverses determines the daily decisions of millions. But security is not the banner under which we march. It is always a relative; it is never an absolute. The risks of life we assume. Only weak and insensitive people would make security a symbol of progress.

There was a lot of wisdom in what the country preacher said when asked about the atom bomb—if he had explained to his congregation its terror and the destructiveness of this new instrument of death. And, answering that he had not, he said, "I think they understand that we are always here at a very great risk."

So the great values inherent in peace, security, and unity appeal to us but do not fully define the goal which we of this common faith are pursuing.

One of my friends, an officer in World War II, said of some of the French leaders that they had made the mistake, after paying homage to the ancient slogan "liberty, equality, and fraternity," of assuming that liberty and equality can be maintained without fraternity. A sense of human brotherhood will ultimately create world unity but that brotherhood must be an inclusive persistent kind that dares even to rip an iron curtain, not with arms but with ideas and an interest in our fellowman.

Surely it will help to achieve peace if our aims are understood by the oppressed ones. It will be helpful if we can acquaint listeners abroad with the fact that America has no designs except to live in peace with other people and to promote justice and freedom everywhere. We believe in trade and commerce but the kind that is mutually profitable, not exploitative. We seek to prove too that one of the foundation stones in the American creed is belief in the individual as the focus of values. The spiritual content of our governmental system is derived from this emphasis and we will adhere to it in the new relationships that science, with its capacity to annihilate distance, forces upon us.

It is difficult in political councils to speak of spiritual forces but it is very real to Americans and, in part, it is drawn from the fact that our roots are in the Old World. My own people, a rural people, living in cherished remoteness from conflict a thousand miles from the Atlantic, bear the impress of the cultures not only of western Europe but of central and eastern Europe as well, of Bohemia, Slovakia, and Poland. My home is in Pulaski County, Ark.

The people of America who have delighted to provide a refuge for the victims of modern tyranny, will seek every opportunity to convey to those still in subjugation that, while we hold in contempt the system under which they live, there is no prejudice in our hearts against the victims of that system. Perhaps we have spoken too often of eastern Europe's need of a knowledge of America's good purposes and not enough of our desire for knowledge of Europe's problems. We must seek every revealing picture of the plight of those who are still deprived of freedom. An awareness of the sufferings of others has always contributed to unifying forces. Something like this was perhaps in the mind of Emil Brunner when he said "suffering that is of destiny unites but suffering that is unjust divides people." The perpetrators of injustice, those who use their governments to oppress, can no more escape the penalty of this law of life than one could plunge into a fire and not be consumed.

Mr. Lodge and I represent opposing political parties in the House of Representatives. We enterain differences on domestic issues but our commitment to the cause which brings us all together tonight is wholehearted. Our presence is another symbol of bipartisanship in the building of an American policy for good will and yet as I have tried to indicate governments cannot supply the motive for world unity. They can only supply the means by which it is expressed. The motive is a matter of the spirit. It must reside in the hearts of the people. There are great affirmations underlying our free way of life and they must be exalted again with a sense of humility. They have to do with love and kindness, a faith in God's mercy and compassion expressed in human forms and the flowering, according to our political faith, of a world fellowship of freedom.

Election in North Ireland

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. FOGARTY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by

Anthony Moore, from the magazine America for May 7, 1949:

ELECTION IN NORTH IRELAND

(By Anthony Moore)

America's eyes these days are focused on the Atlantic. Washington feels that an Atlantic Pact is the best insurance against the threat to western European civilization. Never has Atlantic unity and cooperation been so necessary, and for this reason the recent general election in Northern Ireland, together with its background and consequences, is far more important to Americans than is often recognized.

Once again, as in the past, a large majority of Northern Ireland's citizens have reaffirmed their loyalty to Great Britain at the polls. Once again they have repudiated Irish nationality. And there, in the opinion of many, the matter should rest. Democracy has spoken, they claim.

Unfortunately this is a superficial view that does not, despite outward appearances, correspond to realities. True, the election was free of coercion or terrorism on the Communist model. That much is undeniable. However, it takes more than just an election, even if free, to make for real democracy. A fully democratic election (as opposed to an outward show of democracy) calls for certain conditions lacking in Northern Ireland today.

To appreciate the real nature of this election, it is essential that Americans know something of the background history of Northern Ireland, for Americans have a very real stake in the future of this small corner of the world if the Atlantic policy of the United States is to be kept on an even keel.

It has been said that Irish history is something for Englishmen to learn and Irishmen to forget. Be that as it may, Irish history shows that for centuries the historic Province of Ulster was as much part and parcel of Ireland as, say, the "Kingdom of Kerry." The four Provinces of Ulster, Munster, Leinster, and Connaught formed the nation known as Ireland from time immemorial—not Eire, or the Irish Free State, but Ireland. Irish unity is not just a vague tradition. It was a fact and a reality for centuries, in good times as in bad. Even British officialdom has tacitly acknowledged this unity in days gone by, and a survey of recent history shows that the existing partition of Ireland is arbitrary and artificial.

Northern Ireland, as we know it today, does not correspond even to the old Province of Ulster. In our press, Northern Ireland is often called Ulster, but this is actually a distortion. Northern Ireland is not and never can be Ulster, because three of Ulster's counties—Cavan, Donegal, and Monaghan—are not included in Northern Ireland; but form part of the Republic of Ireland.

The Six Counties, as the area is often called, date back to 1920. The section owes its existence to the determination of the militant Conservative Unionists (the pro-British elements) not to practice democracy and share a common life with the rest of Ireland. Britain's political leaders weakly submitted to this pressure, possibly remembering the Ulster Unionists' threats of civil war in 1914, when Great Britain almost gave home rule to Ireland. As a result, six of Ulster's original counties were excluded from the Irish Free State. These six counties were deliberately selected with a view to ensuring a comfortable unionist majority that could be counted upon to oppose Ireland's unity indefinitely.

Cut off from the rest of Ireland and deprived of three of Ulster's original counties, this rump Ulster is merely the offspring of a Machiavellian scheme to thwart Irish democracy and bolster up a local herrenvolk that regards the Irish as hewers of wood and drawers of water.

Wholesale gerrymandering makes the normal working of democracy in northern Ireland of very doubtful value. Electoral boundaries have been carefully drawn to keep the Irish Nationalist minority as ineffective as possible. Statistics published in the New York Times a few years ago show that in County Tyrone 74,000 Nationalist voters returned only 11 members to the Northern Ireland Parliament at Stormont, while only 60,000 Unionists returned 16. In County Fermanagh 33,000 Nationalists returned only 7 representatives, as against 13 elected by 26,000 Unionist voters. The 27,000 Nationalist voters of Derry City were represented by only 8 members at Stormont, while the 18,000 Unionists returned 12 members. Despite a Nationalist majority which, under any fair electoral system, should control Derry's destinies, the city-council representation has in point of fact been gerrymandered in such a way as to ensure a permanent Unionist majority. Such a system obviously bears little relation to democracy as we know it.

Another bitter feature of life in Northern Ireland is the economic and social discrimination against the Nationalist minority. True, the Government claims that such discrimination does not exist. Statistics show, however, that Catholics (who are overwhelmingly Nationalist) do not receive anything like their fair share of public appointments. Cases of applicants having to state their religion occur constantly, and the reason is only too plain.

The Belfast press delights in venomous attacks upon the Catholic Church and Catholic individuals. One paper, for instance, bitterly criticized the American administration for daring to appoint a Catholic in the person of Joseph P. Kennedy as Ambassador to the court of St. James. The late Lord Londonderry, a Protestant, was pilloried for receiving the King of Spain at his County Down residence.

Even physical violence in the district is not unknown. In 1932, Catholics returning from the Dublin Eucharistic Congress were attacked by mobs in Belfast, Portadown, and elsewhere. In 1935, anti-Catholic riots in Belfast culminated in a pogrom that forced over a thousand Catholics to leave their homes because of property damage. Hostile demonstrations against churches and convents, as well as against individual priests and nuns, occur at intervals.

In all fairness, it should be added that the terrorist activities of the IRA have done much to make a bad situation still worse. This tiny band of fanatics has handed the government the excuse needed to take certain high-handed measures at variance with normal civil liberties which have caused considerable concern in England and would be quite unthinkable there. In actual fact, the vast majority of Northern Ireland's Catholics deplore the tactics of the IRA, which have served only to increase the trials of the minority.

Unfortunately it is only too often true that "Catholic" means "Nationalist" and "Protestant" means "Unionist." This is one of the most regrettable phenomena that make life in Northern Ireland so different from life across the channel or across the border, and history alone provides the explanation. There are, however, many exceptions. Just as there is a tiny handful of Catholics who would prefer British citizenship, there are, on the other hand, many northern Protestants who have taken a stand for Irish unity and freedom.

In 1782 the Protestant Volunteers' Convention in Dungannon championed the cause of Catholic Emancipation vigorously, as did a number of Protestant clergymen. Protestants contributed generously toward the erection of Belfast's first Catholic church and seminary. Wolfe Tone's United Irishmen grouped Protestants and Catholics alike. In more recent times so outstanding an Ulster Protestant as that distinguished Presbyterian divine, Rev. Mr. Armour of Ballymoney, openly advocated Irish unity. Today, to their eternal honor, a growing number of Protestant politicians have joined the Catholic minority in opposing Unionist bigotry and discrimination, often paying a heavy price for their courage.

There is no need for the religious issue to cut across the cause of Irish unity. Irish history is eloquent proof of that. Many of Ireland's outstanding leaders were Protestants, often of pure Anglo-Saxon descent. Wolfe Tone, Davis, Lord Edward Fitzgerald, Grattan, Burke and Robert Emmet—all were Protestants. The entire Irish nation is keenly aware of the debt owed to those Protestants who spoke out boldly on behalf of their fellow citizens when the latter could not speak for themselves.

South of the border the religious issue does not exist. Protestants number only 7 percent of the total population, but they occupy positions of importance and public office out of all proportion to their numbers. Protestant clergy and laymen alike have repeatedly paid generous tribute to the tolerance and fair play, not to say the privileged position, enjoyed by the Protestant community in the Irish Republic. The facts speak for themselves. Ireland's first President was a Protestant. The constitution expressly states that state aid to education is not to discriminate between the denominations in control of the various schools. Dublin's two pre-Reformation cathedrals remain in Protestant hands, as in the past. Events have proved that Protestants have no need to fear victimization in Ireland.

Unfortunately the British people, with their traditions of fair play and tolerance, know very little of the facts of life in Northern Ireland, or of the "deal" foisted upon Ireland in their name in 1922. The average Briton dislikes intolerance, and would be shocked were he to know the full facts. In recent years questions about Northern Ireland have been increasingly frequent in the Imperial Parliament at Westminster, and an informed British public opinion can do much to help solve the problem.

Now Ireland's refusal to take part in the Atlantic Pact negotiations while the six counties remain under what is fundamentally an alien rule has once again highlighted the whole issue. It would be a thousand pities if the repercussion were to embitter Anglo-Irish relations, for this in turn could embarrass American foreign policy. It would be the more regrettable at a moment when, by and large, there is more good will towards the British in Ireland than there has been for centuries.

No opportunity should be lost to hammer home the necessity for an amicable solution. Steps should be taken as soon as possible to safeguard the Six Counties' economy and standard of living in a future united Ireland. Much can be accomplished along these lines on either side of the border. Ulster Unionists, could they but realize it, may have a far brighter economic future as Irish citizens working together for the common good than in their present uneasy status.

In the past, ex-Premier De Valera has promised the six counties a wide measure of local autonomy within the framework of a federated republic; Premier Costello is willing to make a similar concession. Whatever guarantees northern Ireland's Protestants may want in order to safeguard their liberties and rights, should be ascertained and given freely, publicly and without delay.

Communism's threat to Western civilization has thrown the entire question of Irish unity into a new perspective. The time has come to let the dead bury their dead once and for all; but this can be accomplished only by respecting the lessons of history and geography. Today Ireland is a nation once again and can freely stretch out the hand of friendship to her old adversary and new-

found friend. Englishmen must see that an Irish Ireland, free and undivided is no menace to Britain's security, but a loyal ally, such as she never could have been in the past.

To achieve this end, tact and diplomacy are needed—and needed at once. America, which owes so great a debt to these two ancient civilizations, can do much to bring them together. Now is the time for American diplomacy to act in its own interest. With the United States as friendly broker, England and Ireland can settle the issue of the six counties and face their common Atlantic future side by side.

Fooling With Franco

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 9, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following editorial that appeared in the Christian Science Monitor of May 9, 1949:

FOOLING WITH FRANCO

In at least two respects the current moves to get the Spanish dictatorship into the good graces of the United Nations and the United States are strikingly ill-timed.

Two years ago it could be argued that the UN moral ban on General Franco would rally the Spanish people to him. If such an effect was ever produced, little of it appears today, while there is much evidence that the playmate of Hitler and Mussolini is hanging on to power by his toenails. His financial position is so desperate he has sought a second loan in the United States—this time from the Government-financed Export-Import Bank. Just who is it in Washington that wants the American taxpayer to rescue the Franco regime and finance its continued denial of liberty to the Spanish people?

A year ago it was argued that if Russia tried to overrun Europe, bases behind the Pyrenees would be useful to the United States. But, the Spanish people have had more than enough of war, and Franco would have trouble giving military bases to the United States. He could not go that far even for Hitler. It is very plain also that any value of bases gained in Spain would be far outweighed by the loss of trust and friendship among democratic elements in Europe.

Today the Atlantic Pact gives the United States plenty of other bases in Europe—and with popular support in the countries involved. Fooling with Franco was bad business at any time; today it is so downright foolish that Americans should look behind the advocates of such a course and try to discover what strange influence makes them act that way.

Veterans' Readjustment Allowances

EXTENSION OF REMARKS
OF
HON. WALTER B. HUBER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. HUBER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Vet-Times of May 7, 1949:

LET'S GET THE FACTS

One of the most valuable and economically sound benefits provided for World War II veterans in the GI bill of rights is due to come to an end, for all practical purposes, within the next 3 months. This is the program of readjustment allowances, or to use its common nickname, "52–20" payments.

Some 8,000,000 veterans, or about one-half of all World War II servicemen, have at some time taken advantage of these payments to tide them over while looking for work after their discharge, during work layoffs, or while struggling to get started in their own business.

Just over a million veterans, however, have leaned on this crutch for the full period of their entitlement. Among this group there may have been some abuses of the program, some dependence on the weekly pay check from the Government when employment could have been obtained. Thus developed the derogatory title "52–20 Club."

But the very fact that only about a million vets have used their full entitlements—ranging from 1 week to 1 year, depending on their length of service—shows that on the whole the veterans have used their readjustment privileges with discretion. It shows that when work is available, the vast majority of veterans are willing and anxious to work.

In recent months, the Veterans' Administration has noted a completely changed complexion in the readjustment allowances picture. To a large degree, it is no longer a readjustment program for veterans just out of service, but has instead become an unemployment-insurance program for veterans who are laid off or otherwise find themselves out of work.

Whether this is a correct role for the readjustment-allowance program is debatable. The veterans' organizations, with one exception, feel that it is a perfectly proper role. They feel that the millions of veterans who have never taken advantage of the readjustment, should be covered for an additional time. This, they point out, would provide a cushion for these vets in this present period of industrial unrest.

Apparently a goodly section of Congress is in agreement with this position, and at least four measures have been introduced in the House and Senate to provide for extension of the program for periods of 2 or 3 or 5 years.

Opponents of this extension theory argue that veterans working in industries covered by the unemployment insurance of the social security program, have now built up credits under that program. If unemployed, they would be entitled to the same unemployment insurance as other workers in covered industries. Of course, large numbers of veterans do not work in covered industries, and thus have built up no such credit on which to rely.

The question of extending the 52-20 program beyond its present deadline has never been adequately explored.

It seems only reasonable and logical that Congress should stage a full investigation designed to get all the facts, pro and con, on the issue.

At the present writing, nevertheless, no such action appears to be in the cards—largely because of the opposition of one member of Congress.

Instead it appears as if the program is to be permitted to die by default.

Traditionally, such a determination would be made by the House Committee on Veterans' Affairs, where the GI Bill of Rights was first promulgated. A member of that committee, Representative WALTER B. HUBER, Democrat, of Ohio, has introduced and is hoping to obtain consideration of a bill to provide for an extension of the program.

Representative JOHN RANKIN, Democrat, Mississippi, chairman of the vet committee, has so far refused to announce any hearings on an extension bill, or even to appoint a subcommittee to look into the merits of the case. Representative RANKIN told the Vet-Times this week that he doesn't know "whether we'll be able to get around to it this session."

It most certainly would not require much effort on Mr. RANKIN's part to appoint a subcommittee to gather the facts on the desirability or the nondesirability of extending this program. It most certainly would be unfortunate to have the program die by default, only perhaps to discover later that a serious mistake had been made.

The Welfare State

EXTENSION OF REMARKS
OF
HON. ALBERT M. COLE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 10, 1949

Mr. COLE of Kansas. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech of Alf M. Landon at the banquet, State meeting of Junior Chamber of Commerce, Topeka, Kans., Saturday evening, April 30, 1949:

Today most Americans are concerned about the hardening of our relations with Russia and the softening of business relations at home. Both are relevant to my subject tonight, because the true welfare state is essentially based on peace and prosperity.

One year ago the thoughts of war were uppermost in our minds.

Today, shaky and unstable business conditions are even of greater significance to the millions of Americans who are planning either production or the sale of goods and personal services in the way of jobs.

The darkest cloud on the business horizon today is politics. If the Congress, after ratifying the Atlantic Pact and passing the necessary appropriations providing for the administration of our public affairs and national defense, would adjourn, business and jobs would pick up immediately.

If the President continues to press his lavish spending and taxation programs on the Congress and calls a special session in the attempt to force through his Fascist program, business will continue shaky and unemployment will increase until we may have a real tailspin.

We are suffering more today from the national administration's politics than we are from unsound business conditions.

The air is full of warnings of the specter of socialism inherent in President Truman's welfare state.

But Mr. Norman Thomas doubts that they mean that we are drifting in the direction of the labor-socialist Government of England. He sees more of a Fascist trend.

Then, there are those who believe we, by a little snack of socialism, may avoid going the whole way.

The phrase "the welfare state" is one of those slick slogans that has the political advantage of meaning all things to all men.

In all history the basis of every government—tribal, monarchial, despotic— or popular has always ostensibly been the well being of the people.

That's what government is for.

Even the most despotic autocratic tyrant has always loudly proclaimed that this chief concern is the high interest of the state.

He has always said to his people, "Cease murmuring and complaining about my wars and your heavy taxes and the harsh restrictions I put upon you, because they are all for your own good. Papa knows best. You must trust the wisdom of your divinely appointed ruler."

Stalin chose to reject the friendly hand of the world and plunged the Russian people into a pitiful standard of living in order to satisfy his imperialistic aims. Machine guns and concentration camps are the basis of his rule.

And too often, the peoples of the earth—as the Russians today—to their infinite sorrow have "put their trusts in princes" and in methods of government which were wholly untrustworthy. And always under the delusion that that particular tyrant or their new plan would create heaven on earth.

The welfare state as outlined in President Truman's messages to the Congress would be paternalistic in its nature—regimented in character and autocratic in its functions.

I do not believe that the general welfare can by any possibility be promoted and maintained by that sort of government.

The American idea of the welfare state is set forth in the Declaration of Independence.

It defines the purpose and function of government to which we are all supposed to assent.

It says, you will remember, that governments are instituted among men to make secure their natural rights by which they are endowed by their Creator—life, liberty, and the pursuit of happiness.

That doctrine is reaffirmed and emphasized in the preamble of our Federal Constitution. Union, justice, tranquillity, common defense, and the blessings of liberty, might well have been summed up in the one phrase—to promote the general welfare.

That is the American definition of the welfare state—to make secure man's individual rights.

That is the American political doctrine and policy. The United States of America is the most outstanding example of the welfare state that the world has ever seen.

But to say that, does not solve the perplexing problems which confront us nor get us out of the mess we are in. I think I am not assuming too much when I say that every thinking American must realize that the American political system and the American way of life are on trial. No matter how deep our faith in it and how great our devotion to it, there must be, deep down in our hearts, a question if not fear, of its ability to meet and withstand the assault of practically the whole world. The whole world—not Russia alone; Britain has gone socialistic, and I believe to stay largely so for a generation, whatever the result of Britain's next general election, because you cannot unscramble eggs.

We may well question how far we can succeed in buying the allegiance to the democratic idea in the nations of continental Europe and the chaotic peoples of the Orient.

That leaves the responsibility for the preservation of the true democratic way of life, in our hands; and I say to you in all seriousness, that I am more greatly alarmed by the trend of political thought and practices in America than I am by communism or any other alien ism.

The American people will never be deluded by the false theories of stark communism. But many of us are being gradually swung in our thoughts by the sophistries of the administration's political, social, and economic theories which if put in practice—as some of them already are—will ultimately and inevitably destroy the democracy we have known, revered, and enjoyed.

What is our fundamental problem—the problem of the welfare state, which I insist the United States is now and must continue to be?

At the risk of reiterating the wholly obvious I ask you to bear with me while I take a running start at that question. We are agreed, I take it, that every human being born into the world has a basic right to life. Life means development—freedom to develop his own individuality. But by his very nature, man cannot live alone; he cannot exist in a vacuum. Therefore, government is as essential to the human race as are life and liberty.

Man, then, is a dual creature. He is free, but not absolutely free. He is dependent upon society and bound to society, but not absolutely dependent nor absolutely bound. Every individual throughout his life, every nation throughout its life, the civilized world throughout all history, has swayed back and forth between the idea of liberty and order between freedom and control. In one age we overemphasize order, control, regimentation—which inevitably tends to tyranny and by destroying all liberty destroys the very social or political system it was designed to protect.

In another age we overemphasize individualism—laissez faire—which inevitably tends to destroy society and in the end destroys the very individuals who hoped to profit by it.

Either excess is fatal.

It is the hope of democracy, the American idea, to maintain the golden mean between these two extremes—between weak, irresponsible government and the dictatorial regimentation of the we-planned-it-that-way fascistic state.

Now, just as we always have had a welfare state that has given the American people the largest measure of happiness beyond any other peoples in the world—we have had government planning.

The first bill the First Congress passed was a tariff act.

It is true that primarily it was a revenue measure.

Nevertheless, as it developed it became a protective measure for developing American farms and industries.

That is an example of economic planning by government without creating the planned economy of the Fascist state.

The administration's recommendations to the Congress mean a brand-new form of government for the American people. They make the Federal Government the master of the lives of the people. Large groups—such as farmers—will be forced to surrender their liberty and become mere wards of the state.

The basis of that new form of government is attractively described as planned economy—another slick description like the welfare state.

But there is nothing new about that form of government.

History, ancient, modern, and contemporary, is complete with its failures.

Therefore, we should examine the record not as Republicans or Democrats—but as Americans.

For 16 years we have heard paeans of praise for a planned and controlled economy.

For 16 years the planners of a regimented economy have continued their chatter about the advantages of what they call middle-way planning and completely ignored the record.

Let's take a look at that record. First, we must start with the creation of the Federal Reserve bank. Laying aside entirely the technical requirements of the banking system, one of the selling points to the country for the establishment of such a system was to avoid the banking panic that occurred in 1907.

The test of that function of the Federal Reserve bank came in the postwar adjustment policies after World War I.

In the first place, to the bank, through its abrupt change in its discount policy in the late twenties, is attributed a large amount of the blame for the disastrous depression in cattle prices and of other agricultural products which broke and bankrupt many cattlemen and farmers in America.

All through the twenties we had a very destructive farm price plus a hectic and unhealthy boom in stock values and city real estate. Not only did the Federal Reserve bank make no attempt to control this unhealthy and unsound boom, but, every time there was any suggestion of a healthy readjustment, a Republican Secretary of the Treasury jazzed up the market with another statement about sound and healthy conditions of American business and banking.

No attempts were made to put on the brakes and we wound up in a terrible smash and misery and suffering of the thirties.

New legislation was written under the guise of emergency measures to give Government increased powers of a managed economy. You will remember that an agricultural expert was brought in to decide on the monetary policies which were to bring happy days again in America. And we started out on our planned economy by killing little pigs.

In 1936, we had a little shot in the arm by way of $2,000,000,000 soldier bonus. Mr. Roosevelt boasted that business was better, and it was somewhat. There was only one way to go and that was to get better—it could not go any lower. Mr. Roosevelt claimed it was better because, "We planned it that way."

But in 1938, when business did commence to take on some life, immediately the planners got scared of inflation and put into effect some deflationary policies and edicts. Business promptly went into a reverse.

As a result we had as much unemployment in 1939—when war buying started to hit us—as we had in 1933—when the planners started to plan to make America over.

The war interrupted normal business life—as well as the life of many individuals.

But the worst is yet to come. The planners have not even been able to keep the social-security fund solvent. The old-age fund is seven billions short of what it must be to meet the future payments due under the old-age act. That, ladies and gentlemen, is the harsh reality of the superstate so far in America.

With the advent of VJ-day, the planners immediately predicated their policies on a depression. The economic adviser of Mr. Truman predicted, as you will remember, an unemployment of eight or ten million by the fall of 1946 and the national administration started inflationary measures at the very time when inflation not deflation was the inevitable consequence of the situation that we were in.

In his message to the Congress last January, President Truman predicated his recommendations to the Congress on the anticipation of continued inflation. The economic advisers he followed apparently were unaware that deflation had already set in.

Thus, in every instance, the economic planners have been wrong. If they had the complete powers which they asked for—which are those of king's divine right era—they would have made a terrible mess of the productive efforts of the mighty American people.

Two or three economists who are more influenced by their emotions than by their reasoning—given this power—would have dosed the American people with a lot of

quack remedies. But even as it was, we were prodded when we should have been curbed and curbed when we should have been prodded.

Montgomery Ward and Sears-Roebuck pursued entirely different policies following VJ-day. One was conservative of its capital, almost to the point of retrenchment. The other was optimistic and aggressively expansive.

That's America.

This same sort of conflict of opinions goes on in all business all over the country. That is the system which brings stability to our economic life and is the system which the planners would supplant with the edicts and decrees of two or three economic jokers in Washington

It is not a question of Republican or Democratic administration. The issue is simply whether under the sham and pretense of a planned economy that has not worked we want to adopt the principles of the Fascist state which basically does not permit people to think for themselves.

The administration's theory of the welfare state is dictating everybody's welfare by Federal hand-outs. That was the basis that Hitler started out on in Germany when he got the applause of some of the illiterate so-called liberal publications in this country.

It is not a partisan issue, because the record of the Republicans is not any better than the Democrats in planning the economic life of a great nation like America.

And the illustration that I have given is not confined to America alone. For some 14 years, we have heard praise of Sweden as the middle way. Now its economies are facing a crisis. The Swedish planners made the same mistake as the American planners. Following the last war, expecting deflation, they instituted inflationary measures. Thus throwing gasoline—as it were—on the inflationary forces. Now Sweden, the example par excellence for 14 years of state economy planning, is in financial difficulties.

President Truman was right when he said there was a third party in control of the Eighty-first Congress. I would call it the literate liberals who know their history. It is composed of Members of Congress who know that life in an armed fortress—which the present foreign situation is forcing on us—means constant encroachment of the military on all phases of democratic life. When that is coupled with the totalitarian regimented welfare state controlling the planting of every acre of ground and the life of every individual through hand-outs from Washington—a Fascist state becomes inevitable.

The President's message to Congress on the state of the Union is a concrete illustration that a planned economy requires a totalitarian government. When government starts in to plan the economic and individual life of the people, there is no limit. It finds it must have more and more and more control. One control calls for another. I said that as far back as 1936, but now we have the record.

In a world as closely organized as this world, how can you have economic planning on a national basis except by pursuing the same course that Russia has pursued. At the very time the President asked for additional controls over American economic and individual life he asked, also, for additional power in making reciprocal trade agreements.

It seems to me, one is antagonistic to the other. Reciprocal tariff is the way of individual business and the free enterprise system. You scratch my back and I'll scratch yours. That has no place in a planned economy. Therefore, if we are really to make a planned economy work, we must have it on a one-world basis or a one-country basis like Russia.

The warm-hearted, generous souls who are marching under the banner of the welfare state do not see that it is simply the forerunner of the superstate. The superstate does not long stay socialist or communist. It always turns into despotism. Neither labor nor farmers are as free today in England as they are in America or as they were in England before the present labor-socialist government.

There are few left these days that are so benighted that they cling to the delusion that Russia is still following the principles of Marx and Lenin. The liberal-socialist government in England only exists by reason of the dole handed to it by capitalistic America.

It is only a short step from a planned economy to a controlled economy and controlled economy means a Fascist economy.

Already, President Truman has taken that step from a planned economy to a controlled economy when he advocated building Government steel plants; because, Government ownership of industry is the first step in a Fascist economy.

One of the important factors in the cold war that cannot be ignored is the possible effect of competition from foreign state-owned industries on our economic life.

It is well known that Russia has long counted on an economic collapse in our country to make her conquest of America and all of the world easy.

She owns shoe factories in Czechoslovakia and other industrial plants in her satellite countries that can be a powerful, potential weapon in the cold war by disturbing our economic life and flooding us with the products of those plants and selling them without regard to cost of production.

It is childish to blame Russia for the state of the world today when our own policies have repeatedly given her the openings. If you make a bad deal, you are only kidding yourself when you put the blame on the other fellow.

President Truman rightly said a few days ago that the important thing was to know where we are going. That basic issue is not new. Aristotle defined it as the cycle from democracy to autocracy, back to democracy again, and then back to autocracy.

For the immediate present, I think the greatest thing that could happen to business for prosperity in America would be for the Congress to adjourn.

And, second, for both the Congress and our local government to go back to the good old American custom of deciding which must have priority in public appropriation instead of piling each new request on top of the previous ones until we have a perfectly fantastic load of taxation on the American taxpayer.

The cost of Federal and local governments amounts to about 25 percent of our national income.

One of the principal roads to fascism is to destroy the incentive for private production and enterprise. The best way to do that is by a load of taxation that discourages the willing horse.

We are at that point now in our fiscal policies. We are up against an established fact that government all over America must realize and we must deal with it on that basis.

We have gone too far to back out of the Atlantic Pact. That would be suicidal.

The Russians don't fool very easily. They aren't kidded merely by a piece of paper. The Atlantic Pact is more than that, of course; but, without an arms program, it isn't much.

Therefore, we have to provide arms some way—not only for ourselves but our allies.

The question is whether we do it on top of the staggering outlays we are already committed to—and on top of the simply colossal expenditures involved in the administration's cake-eaters welfare state or whether we pare down some of our commitments and pass up the administration hand-out domestic program.

I supported the administration's Turko-Grecian policy—the Marshall plan, and national rearmament; but have repeatedly said it meant a paring down elsewhere on our Government expenses.

It's simply a question that almost every family faces—of what has priority in the family purse.

Americans cannot stand any further tax increases. Our taxes now have reached the load limit.

We are committing a fatal error in not planning for the long-long-drain of the cold war, as we must do. And the threat to our democratic processes comes not only from the military—the economic planners—but from the tax load as well.

There are factors to a strong and sound nation other than a stable economy. The most important of those factors are—a comprehensive education program—decent racial relations—high health standards.

Opposition to the Fascist welfare state of the administration does not mean opposition to welfare legislation. Neither does it mean an administration steeped in a tradition of laissez-faire.

It means—government policies that keep economic opportunities circulating through the entire blood stream of national life.

When nations have limited opportunities to a few chosen groups within a people—those nations have crumbled.

Competition—not a planned economy—production not scarcity—jobs with incentive pay—not government hand-outs—are the life blood of a democracy.

Taft-Hartley Law

EXTENSION OF REMARKS

OF

HON. ANTHONY F. TAURIELLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Thomas L. Stokes, from the Buffalo Evening News of May 5, 1949:

THOMAS L. STOKES SAYS "GEORGIAN GAVE FACTS BEHIND SOUTH'S STAND FOR TAFT-HARTLEY ACT"

WASHINGTON, May 5.—During debate in the House on labor legislation a Georgia Congressman told the truth about the Taft-Hartley law and its very slick counterfeit by his fellow Georgian, JOHN S. WOOD, which the House had the good sense to reject.

Representative HENDERSON LOVELACE LANHAM explained that he had voted against the Taft-Hartley bill 2 years ago. It was, he explained, an unpopular thing to do as only 4 of the 14 counties in his district have labor unions, and under the antique unit system in Georgia "labor organizations in these four counties are not able to elect one Representative."

"So," he said, "I voted against the Taft-Hartley Act, not for any political reasons, but because I was convinced that whatever its purpose, its effect would be just what its effect has been, and that it is to hamper and discourage union organization, especially in the South."

In his diagnosis he put his finger on the motives of a number of southerners who

voted previously for the Taft-Hartley Act and voted this week in the coalition with Republicans for the Wood bill, which was to cripple the labor movement in the South. These southerners follow the wishes of the industrial and financial interests, some of them with roots in the East, which are so powerful under the rotten borough system in some parts of the South where so many voters are disfranchised by one means or another, including the millworkers.

Now that the House has sent the Wood bill back to committee, it would seem wise for those who write another bill to consider Mr. LANHAM's penetrating analysis. He is no radical—far from it, as will be seen from some other things that he told the House, but—he has a keen perception of what is back of the fight against a decent and fair labor law that will permit unions to survive.

"There are many factories and mills in my district," he said, "where union organization is not needed; where there is such an enlightened attitude on the part of management and such cordial relations between management and labor that union organization is not necessary."

"Some workers in the South," he said, "do not take to unions."

"But," he added, "there are conditions in the South that only union organization can remedy. I foresaw what has actually happened—that the enactment of the Taft-Hartley Act would discourage union organization in the South.

"When I was at home a young man who worked in a textile mill came to my office. He was not an educated man. He said, 'Mr. LANHAM, I do not know anything about law, but I do know the effect the Taft-Hartley Act had upon conditions in the mill in which I work. We knew it the next morning. There was a different attitude on the part of management.'"

Mr. LANHAM said of the Taft-Hartley law that "there is no question but that in the South it has had the effect of restricting union organization and actually destroying unions that were in existence."

It might be well if some other Members of Congress talked to workers about this union-busting effect of the law.

Union organization means better wages for the worker, and better wages for the workers are essential to keep our economy in balance, particularly in the South, where low standards put a drag on the whole national economy. Mr. LANHAM and a number of other southerners who refused to join the Wood bill parade recognized that.

Israel's First Anniversary

EXTENSION OF REMARKS
OF
HON. ABRAHAM RIBICOFF
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. RIBICOFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement on Israel's first anniversary:

On this historic and festive day of Israel's first anniversary as an independent state, there is much rejoicing in Israel, as well as in the United States. The people of the new Jewish state rejoice because their 2,000-year-old hopes and ideals have at last been realized. They are no longer an aimless people, no longer the unwanted and tragic wanderers over the face of the earth. They now have a home of their own which has been recognized by 50 nations of the world, a home toward which the persecuted and homeless Jews of Europe are returning by the tens of thousands each month.

Here, in the United States, we rejoice for a two-fold reason: First, because this newest addition to the family of nations has been created by the Jewish people in the image and concept of our beloved country as a land of freedom and democracy; second, we rejoice because Israel is gradually emerging as a strong bulwark of democracy in the Middle East and as a force for peace and progress in that backward area of chronic turmoil and human misery.

During its first year of existence as an independent state, Israel has shown itself to be a valuable defender of the enlightened concepts of human liberty, social welfare and a higher standard of living for all peoples of the Middle East. The new Jewish state is determined to proceed along the path of true social justice and economic development to benefit not only its own people, but those of the neighboring countries as well.

It is not difficult to foresee that under such circumstances Israel will, within a reasonable time, become an ideal example of a happy community and an instrument for progress in an area of the world which has for many centuries remained untouched and neglected by the forces of modern civilization, social progress, and economic well-being. This vast backward area now stands on the threshold of great opportunities.

It can be hastened and brought to full realization by the peoples of the Middle East themselves through cooperation, friendship, mutual respect, and constructive efforts. Israel has proved to the world that it has reached political maturity, it is blessed with a sense of good judgment, and it is possessed of an indomitable spirit for the good of all mankind.

In these troubled and uncertain postwar days, the fulfillment of Jewish hopes and prayers of many centuries is truly a modern miracle which stands out in the world as a shining beacon of light and hope. The reestablishment of Israel and its successful existence as an independent state should serve as an encouraging and morale-building factor to all oppressed peoples the world over who, on this day will not fail to take heart and gain a new lease on life from Israel's achievements in the last year.

Just as it made lasting contributions to civilization in ancient days, so Israel may now help guide the way and contribute toward better human understanding, cooperation among the nations of the world, and true peace for mankind everywhere.

Iowa

EXTENSION OF REMARKS
OF
HON. KARL M. LeCOMPTE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. LeCOMPTE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I desire to include the following poem entitled "Iowa," written by Agnes Sloan Stookesberry, of Bloomfield, Iowa:

IOWA

A hundred years and more have gone
Since the caravan of pioneers entered the prairies with a song,
And when they saw the streams and waving grass
They knew they had reached their paradise at last.

With their leader they knelt in prayer
To give thanks to God for his loving care—
That He had guided them safely through
So they could civilize this State for you.

They found the land of "milk and honey"
Here they tilled the soil and made their money,
After all these years and today
We still enjoy the wealth of Ioway.

The wild flowers bloom here in the spring
Here's where robins and bluebirds love to sing,
We have a wealth of corn and oats and hay—
Say! Folks you can't beat Ioway.

We have the valleys and the hills
And rich in all that gives you thrills,
So when you're passing down this way
Be sure that you stop in Ioway.

Here's where the roses bloom in June
And you hear folks say ,"I'll see you soon."
The youngsters are always happy and gay
There's no place quite like Ioway.

Wherever is my home, be it far or near
There's just one spot that I hold dear.
Take me back to it I pray
And let me die in Ioway.

—*Agnes Sloan Stookesberry.*

Labor Bill Compromise

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by David Lawrence:

NOW IS TIME FOR GENUINE SPIRIT OF COMPROMISE FOR FAIR-TO-ALL LABOR BILL

(By David Lawrence)

WASHINGTON.—Whether there will be a new labor-management law enacted at this session depends entirely on how far the labor-union leaders want to go toward meeting the opposition viewpoints that have been expressed by a majority of the members of the Houes of Representatives.

The various votes taken show clearly:

1. The Taft-Hartley Act unamended or unchanged cannot survive as it is written.

2. The old Wagner Act unamended or unchanged cannot be reenacted.

3. Neither side can put into law a pro-management or prounion measure.

This means that the opportunity for a genuine compromise is at hand, provided the representatives of management and labor, respectively, really want to agree.

There is beginning to be a suspicion that both sides would like to maintain the present deadlock. This would be a grave mistake in judgment. The labor-union leaders are figuring that no legislation at this session would enhance their opportunities for a pro-union bill at the January session because the congressional elections would be closer at hand and would influence many who are wavering today.

The management side probably reasons that if no action is taken at this session the Taft-Hartley Act will remain on the books and will be harder to dislodge in January because of the increase in evidence that workers themselves are not as bitterly opposed to certain provisions as some of the labor leaders have described them as being.

But to make labor-management legislation a football in the next political election will

not benefit either the public or the protagonists in the controversy itself. The whole problem is susceptible to compromise.

The task of writing a new labor law that would be fair to both sides cannot, however, be undertaken on the floor of either House of Congress. It must be done in committee after further hearings, or outside of Congress by representative groups from both sides with a will to agree.

Everyone knows now Congress isn't going to allow strikes to be held in industries which can paralyze the Nation's economic system. Everyone knows now there are ways to meet the positions taken by labor and management on vital questions.

Until the House votes were taken there was doubt as to what the prevailing sentiment was. The air has been cleared now.

The President's Health Program

EXTENSION OF REMARKS
OF
HON. JOHN McSWEENEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. McSWEENEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

THE ELIZABETHAN CLUB
OF YALE UNIVERSITY,
New Haven, Conn., April 30, 1949.

The Honorable JOHN MCSWEENEY,
House Office Building,
Washington, D. C.

SIR: I am writing to urge your support for the President's health program. I shall appreciate receiving your position on the matter.

First, I wish to denounce the popular phrase "socialized medicine." That is a term that has probably been insinuated into the press by the public relations men of the AMA. The program proposes to socialize the patient, if anything. The medical profession is most illogical in its opposition to the creation of a guaranteed, solvent, enlarged body of customers, while at the same time it moans that the doctor is the last man to be paid.

Compulsory free public education has been encouraged in this country since at least the promulgation of the ordinance of 1789. If I may make a value judgment, I should readily say that health is of more worth than education. Hitherto, technology has dictated that we could extend only the secondary value of the people. Now it is feasible—on a purely technological basis—to make most of the people fairly healthy most of the time; only poor distribution has blocked the attainment of that goal. The President has offered the chance "to make available enough medical services to go around and to see that everybody has a chance to obtain those services." I believe that we should now give everyone that primary value.

Let me change from idealism to the realism of the dollar. With the increase in medical costs, with the increase in the number of medical services available, and with the increase of the irreducible minimum of them, a growing proportion of the population is unable to obtain what it needs and what is readily available; these people are not paupers. There is the rub. They have access to neither charity nor medicine. They are the great, crushed middle class—the semihealthy basic population. To be more specific: Yale is a school with a graduate body of much greater than average wealth. Yet the average graduate of last June, who must live on his own earnings, cannot afford even an appendectomy—one of the simplest and commonest operations. Mention Yale when applying for charity and get none. Pardon me, but my self-interest is showing—and unashamedly.

More of money. The President estimates that his plan would cost about $7,000,000,000 and that the current costs are about $9,000,000,000. The former would reduce the latter somewhat, but the total would naturally be higher than the present figure. More extensive and more intensive coverage is not going to be cheap. But the dollar dividends—what of the other kinds?—would be enormous in the long run, I think. The percentage of rejections for selective service was staggering; those unhealthy men—and the uncalculated women—are an enormous dollar burden on our economy today. Let us help them and the economy.

I should oppose medical service of the type introduced in Great Britain. But the President proposes complete professional freedom for both patient and doctor. I feel that this is the greatest of the imponderable values in the act.

Let me point out that the AMA—whose authority to speak for all I question—does not oppose public expenditures for subsidies to medical schools, for grants to hospitals, and the like; these, they say, are in the public interest, with the community doing for the individual what the individual cannot do for himself. I claim the same virtues for health insurance.

I shall continue to write you on this and other matters. If possible, I should like to talk to you during the summer recess when you are in Canton or if I am ever in Wooster.

With thanks in advance for your consideration of my opinions, I am,

Yours very truly,

DON ROGERS, Jr.

A Sketch of the Fraternal Order of Eagles' Memorial Foundation, January 1949

EXTENSION OF REMARKS
OF
HON. WILLIAM L. PFEIFFER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. WILLIAM L. PFEIFFER. Mr. Speaker, under permission to extend my remarks, I include the following sketch of the Fraternal Order of Eagles' Memorial Foundation, together with an outline showing the purposes of the memorial foundation:

A SKETCH OF THE FRATERNAL ORDER OF EAGLES' MEMORIAL FOUNDATION, JANUARY 1949

The Fraternal Order of Eagles' Memorial Foundation is a mission of the heart. The foundation is an all-Eagle story, as it shows the great family of Eagledom swinging into action to support one of its greatest humanitarian undertakings.

Conceived by our managing organizer, M. L. Brown, founded and established by the grand aerie, supported and sustained by all of our great Eagle family, it is now operating in all parts of the entire jurisdiction under the capable leadership, guidance and administration of the memorial foundation board of trustees.

Let your mind drift back a few years to those dark and dreaded war days, and recall those scenes when your "finest" departed from your homes and your communities. There were many, many promises made in those days. The Eagles were making promises, and Brother Brown wanted to be sure that the Eagles kept their promise. Thus, as he presented the plan, the board of grand trustees acted immediately by establishing a memorial foundation commission on October 8, 1944, consisting of Brothers J. W. Young, R. W. Hansen, M. L. Brown, John A. Abel, and E. J. Balsiger. This commission was to act until a permanent organization could be established.

Thus, the Fraternal Order of Eagles' Memorial Foundation had been created and the commission began to campaign for funds. Soon, as the good news was broadcast, the pledges of the subordinate units of the Eagles began to arrive. It was soon learned that the foundation, in order to execute its planned program of activities, would need a much greater sum than was first contemplated. The aeries and auxiliaries again responded, and also each member of our Eagle family was afforded an opportunity to support the foundation through individual contributions. There are many thousands of names written on the honor roll of the foundation, which is a record of the charter subscribers to the memorial foundation. The foundation is a perpetual "living memorial" and each and every one of us is afforded an opportunity to participate in our foundation.

The foundation fund is a permanent fund and no part of its corpus can be expended. Only the earned income from this fund, which is very carefully and prudently invested in Government bonds and other high-grade nonspeculative investments, is used to carry out the activities of the foundation. Today that fund has reached the $3,000,000 mark, and as the program unfolds, greater needs are very apparent. It is very vital that this fund be increased so that the Eagles shall never falter nor need to curtail their program of assistance for their large family of more than 1,200 sons and daughters.

All of the administrative expenses of the foundation are borne by the grand aerie. The foundation trustees, who give so freely of their time and effort, receive a salary of $1 per year from the general funds of the grand aerie.

The 1946 grand aerie convention established a permanent body—the memorial foundation board of trustees. The board of trustees was composed of 15 members of the grand aerie. This board was charged with the duty to supervise, administer, and execute the activities of the foundation, as promulgated in the rules and regulations.

Under the inspirational leadership of its chairman, Judge G. A. Farabaugh, the foundation swung into action. Plans were made to search for the memorial foundation's large family of children, the children of those Eagle veterans who had made the supreme sacrifice. The records reveal that there were 3,123 Eagles who had died or lost their lives due to service in World War II.

Soon the foundation had a very large growing family of boys and girls, and today it is an ever-expanding family as the foundation is leaving no stone unturned in its avowed efforts to locate all those children who are eligible. Today your foundation family has 1,248 boys and girls. The largest single family has eight children.

You will find enclosed a copy of the purposes of the foundation. Now we will try to unfold how these purposes are being carried out.

Each child is furnished with an annual medical and dental examination form. The forms are accompanied by instructions that the mother or guardian of the child is to

take the child to the doctor and dentist of their choice. When these completed forms are returned to the foundation's headquarters, they are very carefully scrutinized by a volunteer staff of trained personnel who meet once a week. As each examination form is very meticulously appraised, very careful evaluation is given to the remarks and recommendations made by the local doctors and dentists. Thus, each child is very soon receiving those professional physical, medical, surgical, dental, and optical services in his own community that are so necessary for full growth and development.

Now, as the second annual completed medical and dental examination forms are being compared with the first, the foundation is very happy to report a very favorable degree of improvement in the health status of the foundation children.

The first health assistance afforded was a tonsillectomy for son Raymond, the operation being performed in July, 1947. Since that time there have been authorized 165 tonsillectomies, 7 appendectomies, 3 serious eye operations, a hernia operation, 12 X-rays, 537 dental services, 58 eye examinations, and the purchase of 35 pairs of glasses. These are only a few of the many assistances that are afforded, which have run from serious brain operations, ruptured gangrenous appendicitis, mastoid, deformities of harelip and cleft palate, plastic surgery, rheumatic fever, spastic paralysis, and pneumonia, to skin infections, childhood diseases, colds, and accidents.

An outstanding virtue of the foundation is the method which is employed in being of service. Usually a widow, as she struggles to hold her family together, will first try to provide food, clothing, and shelter for her children. We know that in today's market she has little chance to provide for more or to lay anything aside for emergencies. Not only will there be the need for dental services, immunizations, and other ordinary medical services, but visualize the need when sickness, disease, need for an operation, or an accident visits the household. These are the situations that tear at the heartstrings of a home. Yet, there is your foundation affording assistance so that the mother may call in her family doctor to administer to the needs of her children. Thus, through your foundation's services, you are aiding in preserving that fundamental belief of all Eagledom—"To preserve the integrity of the American home."

The educational activities of the foundation provide each of its children educational opportunities to develop to the capacity of their ability. The opportunities include scholarship aid in the form of outright grants for university, college, business school, vocational school, speech clinic, or other training. The university or college scholarship aid is not an all-out paid-expense account, but the amount of aid granted is commensurate with the cost of attending a State college or university of the State in which the youth resides. Already a daughter of the foundation has graduated from a business college and is gainfully employed. Several others are in college preparing for teaching, engineering, and business careers. In a recent educational-information blank that was sent out to those youths who will soon be graduating from high school, over 80 percent of them expressed a desire to continue their educational preparation. They have selected nursing, ministry, business, teaching, engineering, and printing as future fields of endeavor.

Through the very kind cooperation of many of the aeries and auxiliaries, arrangements have been made so that each foundation child in their community will receive a Christmas and a birthday remembrance. It is only through the untiring efforts and cooperative assistance of the Eagle units in the jurisdiction that your memorial foundation can function thoroughly. There are some children who are not living near an aerie or an auxiliary, and efforts are being made to have these children adopted by the closest aerie and auxiliary. The foundation headquarters sends each child a birthday card.

The real story of your "mission of the heart" is in the many letters of appreciation and thanks that are received.

Today, as the foundation has just completed its first full year of active service, it looks to the future. It can see a large growing family with many needs. The greatest demands upon the foundation, based upon available census, will be in those years of 1959 to 1969. The foundation is vitally concerned because it is very easy to project into those future years and see that the earned income of the present foundation fund will never meet the needs of those years.

The foundation trustees are sure that you feel the same as they do; that the Eagles shall continue to keep their promise that was made to those brothers who cannot answer our roll call. Your foundation can continue to give thorough assistance in keeping with its approved purposes, if each of us loyally supports our Fraternal Order of Eagles' memorial foundation.

"He who builds well in the life of children builds a monument reaching to the sky."

PURPOSES OF MEMORIAL FOUNDATION

A. To provide scholarships to children of members of the Fraternal Order of Eagles who were killed in action while serving in the armed forces of the United States or Canada during World War II.

B. For financial assistance in the educational, physical, medical, surgical, dental, and optical welfare of the minor natural children of those members of the Fraternal Order of Eagles killed in action or dying before January 1, 1950, as a direct result of wounds or illness contracted while serving in the armed forces of the United States or Canada in World War II, provided that such members were members of the order during their service in the armed forces in World War II.

C. For financial assistance in the educational, physical, medical, surgical, dental, and optical welfare of the minor brothers and sisters or step-children, definitely proved as dependent for full support and care upon those members of the order killed in action or dying before January 1, 1950, of wounds or illness contracted while serving in the armed forces of the United States or Canada during World War II, provided that much members were members of the order during their service in the armed forces in World War II.

D. For financial assistance in the procurement of specialized training and scholarships of the worthy sons and daughters, not over 21 years of age, of those individuals who were members of the order during their service in the armed forces of the United States or Canada in World War II, and who, because of military service contracted handicaps or disabilities, are proved to be financially unable to provide merited educational advantages to such natural sons and daughters.

E. For financial assistance to accredited hospitals and associations engaged in health welfare work, baby clinics, and other like undertakings calculated to improve the lot and enhance the physical, mental, and spiritual welfare of underprivileged and physically handicapped children in various communities.

Our Armed Services

EXTENSION OF REMARKS
OF

HON. ABRAHAM RIBICOFF

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. RIBICOFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following excellent article on our armed services by Francis S. Murphy, publisher of the Hartford Times and one of Connecticut's outstanding leaders, which article appeared in the May 6, 1949, issue of the Hartford Times:

ARMED SERVICES FOUND FIT AND READY TO DEFEND NATION AGAINST ANY ATTACK—BACK-OF-SCENES VISIT IMPRESSIVE

(By Francis S. Murphy)

"There will never be another Pearl Harbor." At least that is the determination and the conviction of the officers of the armed services whom I met recently in Washington; Norfolk, Va., Eglin Field, Fla., and at Fort Benning, Ga.

I was fortunate in being included in an invitation from the Secretary of Defense to take part in a joint orientation conference which was to take us back of the scenes and bring us up to date on what is going on in the armed services of our country. I was glad to accept.

In the group were heads of many important manufacturing concerns, many of whom have made a great many articles for the armed services, several heads of universities and other professional men. The group included: William L. Jones, Jr., vice president of Jones & Laughlin Steel Corp.; Malcolm P. Ferguson and Ernest Kanzler of the Bendix Aviation Corp.; Martin W. Clement, president of Pennsylvania Railroad; Senator James M. Mead of New York; Baird H. Markham, director of American Petroleum Institute; Floyd B. Odlum, chairman of the board, Consolidated Vultee Aircraft Corp.; W. C. Rockefeller, assistant to chairman of the board, Consolidated Vultee Aircraft Corp.; R. S. Reynolds, Jr., president, Reynolds Metals Co.; Don G. Mitchell, president, Sylvania Electric Products, Inc.

Dr. Ernest O. Lawrence, director, radiation laboratory, University of California, one of the top men of his line in the country; John Macrae, Jr., chairman of the board, E. P. Dutton & Co.; Allen B. Kline, president, American Farm Bureau Federation; Alexander N. Kemp, director of Standard Oil Corp. of California, former president of American Airlines; Merryle S. Rukeyser, International News commentator; Dr. Deane W. Malott, chancellor, University of Kansas; John Jay Hopkins, president, Electric Boat Co.; Stephen Early, Deputy Secretary of Defense; William T. Faricy, president of Association of American Railroads; Richard J. Gray, president of Building and Construction Trades Department, American Federation of Labor; Carl Huhndorff, director of research, International Association of Machinists; Edward F. McGinnis, former Sergeant at arms, United States Senate; Dr. Charles S. Johnson, president of Fisk University; D. Gordon Hunter, vice president, Phoenix Mutual Life Insurance Co.; Mr. Herbert Eisenhart, president, Bausch & Lomb Optical Co.; H. R. Boyer, director of production, engineering section, General Motors Corp.; Francis S. Baer, senior vice chairman of board of directors, Bank of America, San Francisco; William R. Matthews, publisher,

the Arizona Daily Star, Tucson; John P. Marquand, of Nassau, the Bahamas, noted novelist; Morehead Patterson, chairman of the board, American Machine and Foundary Co.

Raymond P. Alexander, a lawyer from Philadelphia; John F. Budd, publisher of Air Transportation; Dr. Norman Salit, director, Commission for Conservative Judaism; Carroll P. Streeter, managing editor of the Farm Journal; Arthur N. Tode, honorary president, Propeller Club of the United States; Dr. Blake Van Leer, president, Georgia Institute of Technology; W. Walter Williams, president of Continental Insurance and chairman of the board of C. E. D.; W. G. Zaenglein, president of the Monroe Calculating Machine Co.; H. H. Benedict, woolen manufacturer; Lewis Allen Weiss, chairman of the board of Mutual Broadcasting Co., and Kenneth L. Fox, editorial writer of the Kansas City Star.

Our conference started at the Pentagon Building in Washington, D. C., on Monday morning, April 4, and we were addressed by Secretary of Defense Louis Johnson. Later in the schedule of the next two and a half days we heard talks by Charles E. Bohlen, counselor of the Department of State, who is an expert on the Russian situation and who is supposed to speak Russian better than any American in this country. His analysis of the situation was thorough and very illuminating.

Other talks were given by John L. Sullivan, formerly Secretary of the Navy; Admiral Louis E. Denfeld; Gen. Clifton B. Cates, commandant of United States Marine Corps; W. Stuart Symington, Secretary of the Air Force, Gen. Hoyt S. Vandenberg, Chief of Staff, United States Air Force; Kenneth C. Royall, formerly Secretary of the Army; Gen. Omar N. Bradley, Chief of Staff, United States Army.

Dr. Erwin G. Nourse spoke on economic implications of military preparedness; Donald F. Carpenter, Chairman of the Munitions Board, spoke on the industrial support of military operations; Frank Pace, Jr., Director of the Bureau of the Budget, spoke on the national budget; Brig. Gen. C. T. Lanham talked on the subject Better Citizens—Better Soldiers; and Dr. Karl T. Compton, on the subject Scientific Research and National Security. In addition to this, William Webster, Chairman of Military Liaison Committee to the Atomic Energy Commission, and Maj. Gen. Kenneth D. Nichols, Chief of Armed Forces Special Weapons Project, spoke on military aspects of atomic energy.

At the end of each one of these talks the opportunity was provided for questions from the group, and there were plenty of questions passed up to the speakers.

We boarded Air Force planes at Bolling Field, Washington, and were flown to Norfolk, Va., where we were conducted through the great naval base there. We were taken aboard the U. S. S. *Sicily*, which has a mass of equipment designed to detect and destroy submarines. The device, called the Sonobuoy, is tremendously effective in marking the position of a submarine and detecting any movement.

Afterwards we went on board the carrier *Midway*, one of the largest ones, and went out to sea in company with another and smaller carrier in addition to 19 destroyers and a snorkle submarine. We had grandstand places on the carrier on what is known as the "Island" and had the thrill of watching preparations for the take-off of the fighter planes, which are based on the carrier.

Bright colored jerseys and caps are used to designate the different types of responsibilities various men have in the operation. Men in control of the flights have, for instance, yellow jerseys and yellow caps; others have red jerseys and red caps, and blue jerseys and blue caps.

When the planes have all been brought to the flight deck and placed at the stern of the carrier, the motors are started and the Pisacki helicopter takes off from the bow of the ship to eventually take its place a quarter of a mile or so astern of the carrier to be ready for rescue operation in case of a plane or a pilot going into the sea.

It is very much of a thrill to see how quickly the plane takes off from the carrier deck and in such a short space. The take-off is aided by the carrier heading into the wind and proceeding at about 30 miles an hour. When it is time for the planes to return to the deck they land at the stern and if the signal man gives the signal to go ahead, the plane hits the deck and a hook at the end of the plane grabs on to the first cable running across the deck. Should it miss the first, it will get the second or third, or if these are missed, others 6 or 8 feet high have been put quickly in place and very definitely will stop the plane.

When we arrived on board the carrier we saw two twin-motor planes larger than the single-motor fighter planes. They were on the deck below the flight deck. It developed that these planes had flown across the country at a record speed of 3 hours, 45 minutes, and that they were to be catapulted off of the *Midway* where they were to proceed to San Francisco and remain flying for 8 hours more as a demonstration of their range. These planes were jet assisted. While the planes were in the catapult, which arrangement by the way is sunk in the deck, the blast from one of the planes was so severe that it tore off the hood of a jeep standing near the "Island."

Depth charges were dropped from destroyers, practice bombing runs were made at smoke targets and precision was very much in evidence.

Upon returning to the base at Norfolk we were flown to Eglin Field, Fla., the great Air Force proving ground, 450,000 acres in extent. I imagined very few of us knew about this tremendous area which is so valuable in training and proving out various types of planes and equipment. Here we were taken through the new climatic hangar which project cost approximately $10,000,000. This was built here because of the great distance to locations similar to Alaska where intense cold can be found, to see how modern planes stand up under subnormal temperatures.

It was found that there was much time lost in waiting for temperatures suitable for testing, and there was a short duration of these temperatures. There was also need for close contact with designers, manufacturers, and the testing organization, to arrive at the information desired. It was found that when equipment did not prove satisfactory, for instance, in Alaska, the time needed in modifying or changing the design made it necessary to wait until the next season to have the item tested again. So, here in this great hangar we walked through the main section in a temperature of 65 degrees below zero. In preparation for the visit there we had to don heavy parkas with hoods and heavy mittens.

In this hangar was a B–29, one or two jet planes, a section of a Lustron house, and much equipment including electrical material of many kinds so that the engineers could know just what the reaction was in this intense cold. Engines in these planes were started up very frequently and records were kept of instrument readings.

Bomb-release mechanisms are tested in addition to the testing of weapons and everything else possible to see if the plane and its equipment can stand up to the punishment of 65 degrees below zero.

There is a jungle test room where jungle conditions can be simulated. This room is provided with a rain system to provide 12 inches per hour rainfall, and provisions can be made so that material can be infected with mold and fungi. In this room 10,000 pounds of material can be subjected to all conditions that may be found in jungle countries. The room is equipped also with a salt spray.

There is a desert test room to simulate exact desert conditions which might be encountered. There is a strato chamber where pressures can be applied in a very few minutes corresponding to 80,000 feet altitude. It would take days and days to really see everything in this remarkable building.

We were welcomed by the commanding general, William E. Kepner, who commanded the Eighth Fighter Command of the Eighth Air Force in the last war, who has an outstanding record in the Air Force. The air proving ground is needed for developing improved operational techniques and for conducting tests for material under simulated combat conditions, making recommendations relative to the establishing of material characteristics, etc. It is exactly what its name implies—"An organized proving ground to assist in developing the best possible equipment leading to superior air power."

We were taken to one of the large ranges and witnessed a bombing demonstration which made one almost breathless. Promptly at 9 a. m., as announced on the program, a B–36 came over at 8,000 feet to drop several 500-pound bombs and a train of bombs upon a target about 1 mile away from our reviewing stand. Two minutes later came a B–29 to drop four 4,000-pound bombs, to be followed 2 minutes later by another B–29, B–50's, B–17's, B–26's, and later by jets F–80, F–82, F–84, and F–86. Sometimes the bombing was just a minute apart, but everything was exactly on schedule. The display of power and accuracy was breath-taking as was the acrobatic team of four jets from the Fourth Fighter Group, which was something which will long remain in our memories.

We were flown to Fort Benning, Ga., an area of 285,000 acres. I believe it is the largest of its kind in this country. We were shown every step in the training of the parachute trooper up to the first major jump, which is made at 1,300 feet. Fairchild planes carry the parachuters. We witnessed a mass parachute drop of 100 or more men after a preliminary crew had placed a large marker on that section of the field which was the target.

In a building, where were displayed parachutes which are used to drop supplies, a dramatic demonstration was made by a team of six men in assembling from six bundles on the floor a howitzer gun, ready for firing.

The bundles were undone, and the many parts of the gun assembled, and the gun was ready to fire in exactly 1 minute and 4 seconds.

We were taken to a range which one might visualize as a battlefield, probably 2 miles in extent, where targets were set up, quite small in size, which were fired upon by soldiers demonstrating weapons, using tracer bullets, after the officer announcer in charge had explained what we were to see. The soldier's rifle was demonstrated as were the semi-automatic, bazookas, or rockets, machine guns of various calibers, tank weapons, all with tracer ammunition.

The effect at the end of the demonstration, when all weapons were fired across this battlefield, with the tracer bullets firing their way with deadly accuracy, was again something long to be remembered.

One comes away from a demonstration such as we had at Washington, Norfolk, Eglin Field, and Fort Benning with a deep conviction that our armed forces are ready. One couldn't help but get that impression after meeting General LeMay, a tough hombre if there ever was one; a general in his forties who was in charge of the bombing of Japan and who set up the Berlin air lift. Surely it is no secret that he has the group of our largest planes—B–36's—ready and the crews are on the alert all the time to

be ready to get under way at short notice in time of need.

I never got the slightest impression that any officer in the service is spoiling for a fight. They don't want it, but if somebody else starts one these boys will be ready and an enemy will get far more than it expects. It was apparent that a great deal of attention has been given to the threat which might come over Alaska and to our west coast and to possibly the center of the country.

It is hard to imagine that an enemy could get through. Experts seem to have ruled out the East as being in a dangerous area, regardless of the fact that a large number of weapon-production plants are in the East. We didn't think that there was any sign of overconfidence, but we did feel that there was a solid faith that we are ready for any attack which might be made.

That is the message I think the Secretary of Defense wanted us to bring back to those whom we might contact. It would be fine if those likely to authorize an attack could see what we saw. For while we saw only a small part of the military set-up, we felt sure that having seen what we did and listened to the top authorities in the several branches, the defense of our country is in most capable hands and that every precaution that could be taken is being provided.

Basing-Point System in Rigid Steel Conduit—Collusive Origins of System Exposed—Small-Business Enterprise Large Users of Rigid Steel Conduit—Electrical Shops and Contractors Wiring Houses and Buildings Injured by Basing Point—Conduit Used by Small Business Included Phantom Freight

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. PATMAN. Mr. Speaker, I desire to present certain facts from the public record in the Rigid Steel Conduit case dealing with collusive factors in the origin and operation of basing-point system of pricing in the conduit industry.

Rigid steel conduit is metal pipe used to enclose electrical wiring. Its manufacture began in the 1890's. Pioneer producers of conduit generally were converting and selling agents for steel pipe manufacturers from whom they bought unfinished steel tubes which they enameled, galvanized, or otherwise finished to give a smooth inside surface for drawing in wires and an outside surface protected against corrosion. Among such early producers, Safety Armorite Co., predecessor to the present Garland Manufacturing Co., and National Metal Molding Co., predecessor to National Electric Products Corp., were converting and selling agencies for National Tube Co., subsidiary of United States Steel Corp. Thus the conduit industry originated as a quasi-independent branch of the steel industry which originated, devised and established the Pittsburgh-plus system of pricing.

RIGID STEEL CONDUIT MANUFACTURERS FALL IN LINE WITH BASING-POINT SYSTEM

It is not at all surprising, therefore, to find that the first card of the series which subsequently became the method by which conduit sellers announced their base prices, was issued by National Metal Molding Co. and Safety Armorite Co. in 1913 as "Card No. 1." Other conduit manufacturers then in business fell into line and issued similar cards. These cards quoted conduit prices in terms of cents per foot, stated the Pittsburgh basing discounts from such list prices, and made provision for reducing the rate of discount—and thus increasing the destination price—according to the rail freight rate from Pittsburgh to the purchaser's destination. Thus, basing-point pricing system was born in the conduit industry by common consent and concerted action.

BASING-POINT SYSTEM EXAMPLES IN RIGID STEEL CONDUIT

How it worked in producing identical destination prices is best explained by an example. "Card No. 1" of the American Circular Loom Co. of Boston, Mass., listed ½-inch conduit at 8½ cents per foot, and quoted the Pittsburgh base discount as 60 percent. The Pittsburgh base price on this basis would be 3.4 cents per foot. That is 8.5 cents less 60 percent. At any destination other than Pittsburgh, the discount was reduced—thereby increasing the destination price—at the rate of one-tenth of a point for each cent of the freight rate from Pittsburgh to the destination. Thus, at a destination having a freight rate of 34 cents per 100 pounds, the discount would be reduced 3.4 points to 56.6 percent, and the delivered price per foot at that destination would be 0.085 cent less 56.6 percent. With decimals rounded off to the nearest hundredth of a cent, this yields 3.69 cents per lineal foot. This example aptly illustrates how small business in New England paid phantom freight. First, the pipe for making conduit was shipped from Pittsburgh, and, second, the finished product was bought on a Pittsburgh base. Therefore, the purchaser near the conduit plant paid additional freight charges—phantom freight if you please—because it was not the freight from the manufacturer's plant, but freight charges based on a more distant point.

Use by all conduit sellers of similar card-list prices with discounts off based on freight rate from Pittsburgh produced identically the same price at any destination regardless of where the shipment originated or who manufactured the conduit. I wish to point out that, while this system produced identical prices at every destination, it did not produce price differences between Pittsburgh and other points equal to the published freight rates because the charge for freight was arbitrarily determined.

MAINTAINING THE BASING-POINT SYSTEM IN SUBSEQUENT YEARS

Various changes were made in the system and its operation after 1913. Evanston, Ill., was added as a second basing point in 1924 with a base price of $4 a ton higher than Pittsburgh. In 1930, booklets entitled "Freight Adders and Terms" were published which simplified the computation of the arbitrary freight charges used in billing conduit. In 1935, Clayton Mark & Co. was using Chicago, and Youngstown Sheet & Tube Co. was using both Evanston and Chicago as basing points. This matter of two basing points so close together that both took the same freight rates to most points outside the Chicago switching district was considered by Rigid Steel Conduit Association, whose minutes for January 17, 1935, state:

> The board of directors recommends that the Evanston basing point be eliminated, leaving two basing points, Pittsburgh, Pa., and Chicago, Ill.

This was promptly done by the industry by a new price card designated "No. 71," in which the Evanston base was eliminated.

In 1939 the Rigid Steel Conduit Association considered dropping Chicago as a basing point, but no action was taken for the following reasons stated by H. H. Benfield of Fritz-Moon Co. in a confidential memorandum to some of his associates:

> Please note this memorandum and destroy.
>
> There was a meeting of the various manufacturers of conduit in New York on November 16 at which all major manufacturers were represented except Triangle.
>
> * * * * *
>
> The fact that neither Youngstown nor Clayton Marks manufacture conduit in Chicago any more, the dropping of Chicago base was briefly discussed, but it was decided not to do anything about it at the time because of the possibility of investigation.

Also, the Rigid Steel Conduit Association issued a new freight rate pamphlet or bulletin in 1937 which carried the following as a "foreword":

> Method of figuring destination price: The freight rates listed herein are to be used to ascertain delivery charges in figuring f. o. b. destination prices to all points in the United States and their possessions.
>
> When the freight rates shown are from Pittsburgh, Pa., the Pittsburgh basing prices must be used. If the freight rates shown are from Chicago or Evanston, Ill., the Chicago or Evanston basing prices must be used.

BASING-POINT SYSTEM SO PRECISE EVERY MANUFACTURER COULD QUOTE IDENTICAL PRICES TO EVERY DESTINATION

This system enabled every conduit manufacturer to quote identically the same price as every other conduit manufacturer at any given consumer destination. This, however, did not work as well as desired because much conduit is distributed through wholesalers who sometimes failed to maintain the manufacturers' prices. To remedy this, a plan was adopted in 1936 to sell conduit through wholesalers acting as consignment agents for the manufacturers. This plan was adopted with the approval of the National Electrical Contractors Association representing the wholesalers. As late as October 1939, it was stated that wholesalers heartily approved the sales agency plan in connection with the distribution of rigid steel conduit.

This was only one of several collective actions taken with the fundamental purpose of controlling or eliminating trade

conditions and practices which disturbed the perfect operation of basing-point pricing. Among these measures were consignment contracts, protective contracts, the investigation and control of specific building contracts, so-called closed transaction inquiries, elimination of warehouses, uniform trade discounts and classification of purchasers.

RIGID STEEL CONDUIT MANUFACTURERS PRETEND COMPLIANCE WITH ROBINSON-PATMAN ACT

These measures were undertaken purportedly to comply with the Robinson-Patman Act, which apparently was seized upon by these respondents as a grant of authority for collective action to prevent any departure from noncompetitive uniformity in prices, discounts, terms of sale, and merchandising policies. Thus, not even the laws of the United States enacted to preserve competition in the public interest are exempt from gross misinterpretation and misapplication in support of iniquitous concerted practices in support of basing-point price controls.

BASING-POINT OPERATORS PLEAD FOR MORATORIUM

Spokesmen for basing-point pricing are urging the Congress to enact legislation to clarify the law respecting business practices which are harmless, or even competitively beneficial, when done by one, but may become public wrongs when done by many in concert. It is this aspect of basing-point pricing which enables it to masquerade as truly competitive in its carefully staged public appearances, both before legislative bodies and the bar of public opinion. The fact is that no pricing method, system, or practice, whether used individually or by concerted action of a group, is or should be written into law. This fact is well exemplified by the preceding outline of high lights of collective actions taken to implement and effectuate basing-point pricing in the rigid steel conduit industry.

SMALL BUSINESS AND HOME OWNERS PAID HEAVY PRICE

In every city and town in the United States small-business men operate as suppliers of electrical products and as electrical contractors. The electrical-supply businessman and the electrical contractor are, more often than not, one and the same. Long since, architects and builders recognized the value of rigid steel conduit in the building of homes and other structures for protection against the dread cry of "fire." For that protection home owners have paid a heavy price. But, the dealers and contractors were unable to purchase rigid steel conduit and many oher items in a free and open market because the manufacturers forced such dealers and contractors to purchase their products by way of the basing-point system. Undoubtedly, had the rigid steel conduit market been a free one, the use and hence the manufacture, of the product would have expanded beyond all present proportions. Cost in building a home is a major consideration with most folks, and if these costs are controlled artificially, is it any wonder that the housing problem is always with us?

To support a moratorium is to support a possible weapon which will sabotage our antitrust laws. I know full well from the spoken and written words of the basing-point and monopoly boys what it is they want, and hope to get by way of a moratorium. Small business cannot afford to take a chance. The people whom we represent cannot afford to take a chance. The only ones who can afford to take a chance by way of a moratorium are the basing-point and monopoly boys.

Education Is Our Weapon

EXTENSION OF REMARKS

OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following excerpts from an address delivered recently by President Rufus Harris, of Tulane University, before the Rotary Club in New Orleans, La.:

EDUCATION IS OUR WEAPON—BIG GOVERNMENT, LITTLE MEN

There is a connection between the watchwords of our times and the confusion confronting us. The watchwords are "social security," "freedom from want," "full employment," "social justice," and "planning." The unhappy facts are such that these things cannot be had when they are sought as the conscious objects of government. They are available only as the byproducts of a social system in which the full energies of a people are released.

Large Federal programs employing Federal funds and controls are bringing perilous changes in the structure of our society and in our economic and political outlook. They are undermining our love of independence. Certainly this leviathan state is inconsistent with the traditions and fundamental ideas which have sustained our national life.

What are the fundamental ideas upon which our American society has been built?

First, is the emphasis we have placed upon the limitless development of the individual. Its fundamental assumption regarding government was that there is no sovereignty except the sovereignty of the individual.

The second fundamental idea upon which our society is based is decentralization of authority.

The third fundamental idea is the tradition of the rule of law. Through centuries of judicial development we have established the basic idea that every man must have a hearing. This tradition of every man having his day in court is a further recognition of the value of the individual.

The fourth fundamental idea is the firm tradition of freedom to criticize those in authority. This phenomenon is almost universal in American life—industrial, educational, and of course political. This signifies as nothing else can the place of government as the creature of man.

The fifth fundamental idea is a belief in competitive enterprise. This is a significant economic aspect of political decentralization. We have gone to extensive efforts in antitrust legislation to preserve it. * * *

The last fundamental idea upon which American society is based is tolerance. Its existence in a society of individuals who wish not to lose their status in a super state is obvious.

These principles have been the fundamentals of our national life. There is nothing in them that admits of big government or a leviathan state, with limitless subjugative power over the citizen, which is precisely the menacing tyranny we abhor in Russia or in any controlled state. * * *

Why are we willing now to proceed toward big government? There is nothing new in the idea. It is as old as government itself. The only thing different about it now is that it seems to be desired by a different group. Formerly it was monarchy, oligarchy, or the Divine Right of Kings that forced the individual into subjugation. Now it is claimed as the choice of the reformers.

There must be several explanations:

The first is that we have made the modern mistake of cutting loose from a religious standard of values without substituting an adequate basis of morals. Often sincere men have done this in the belief that scientific principles are adequate bases for social action. Unfortunately scientific principles are not an adequate basis for maintaining the delicate and prized system of responsible individualism which we prize.

A second explanation is that the high quality of American idealism has led many persons to a perfectionist attitude. The tepid enthusiasm of large numbers of people for our American way may have been caused by the fact that they have measured us against moral and humanitarian ideals rather than gainst actual conditions in other parts of the world. * * *

Another explanation is that frequently it has been difficult for public-spirited and unselfish people, who largely make up the great middle class of American society, to escape a dissatisfaction with a system in which they barely exist on low incomes and enjoy relatively low prestige while the social and financial plums often seem to be garnered by people of less attainment and less altruism.

My belief is that the trends toward big government and the controlled state must be effectively resisted if we are to manage to save the basic structure of our freedom, and the cherished way of American life as we have known it for two centuries.

The chief means available for this job, as I see it, perhaps the only weapons in the long run, are the positive forces of education. This requires two conditions. First we must be certain that education remains unshackled. It cannot do anything if it is fettered. It must be kept free from the superstate.

The second condition is that education must be prepared to present an affirmative view of American civilization. The schools, colleges and universities have scarcely taken an affirmative attitude toward the basic American values—responsible freedom, tolerance, government of laws rather than of men, the privacy of the individual, and reward for talent and initiative.

In their anxiety to avoid jingoism and in view of the teachers' dread of propaganda, the schools have tended to become exhibit halls in which the American value system is displayed, but along with all others, as one of a great variety of systems under which men have lived and may live in the future. The march of events has changed the educator's role to that of chief defender of western civilization. He now must become affirmative with our tradition being under attack.

Education cannot succeed in presenting this affirmative view if it has to fight for its own life and self respect on every minor front. It cannot make progress if it must first and constantly overcome the clutches of those who fear that everybody who has a view different than his own is a cheat or a crackpot if not indeed a Communist. It cannot succeed if we employ in America the

totalitarian concept that disagreement is unlawful.

It must be understood that if knowledge is to be advanced someone is apt to venture upon an idea that is different from that previously accepted. This must not be forbidden. We are apt to find someone who insists on trying an old idea over and over again. That must not be decried. There must be tolerated mistakes in judgment. That is not inconsistent with the American tradition, is it, as long as the motive is good and the purpose objective? It is only the stooge and agent who should not be tolerated.

In American life today there is increasing peril confronting the person who affirmatively stands for something. This is unfortunate, for there is need of encouragement for honest and trained people to think hard and straight and to assert their conclusions. The motives of competent and honest people may not be castigated if education is to succeed in this turbulent period. If such protection is not afforded no one may be safe who is loyal to any conviction. In all our history, our good causes have been won by people who firmly were for them, and not by those who were merely against something. Even now we must stand for the basic American ideals, not just against communism, or statism.

Altitude Jet-Fighter Tests by Navy Show B–36 Is Vulnerable

EXTENSION OF REMARKS

OF

HON. W. STERLING COLE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. COLE of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article appearing in the Washington Evening Star, May 10, 1949, by David Lawrence, entitled "Altitude Jet-Fighter Tests by Navy Show B–36 Is Vulnerable":

ALTITUDE JET FIGHTER TESTS BY NAVY SHOW B–36 IS VULNERABLE—ADMIRAL BLANDY ASSERTS FEW IN AIR FORCE KNOW OF CARRIER'S CAPABILITIES

(By David Lawrence)

Sometimes, way down in the press association dispatches, far removed from mention in the headlines, a sensational piece of news is concealed. It isn't intentional, of course, and is due only to the general unfamiliarity of the press with what is or has been secret information of a classified nature on defense plans.

Thus, the fact that the United States Navy has developed a jet fighter plane which can climb to an altitude of 40,000 feet in 7 minutes has been a secret. It has just been made public in a United Press dispatch from the aircraft carrier *Franklin D. Roosevelt* on the authority of Admiral Blandy, commander of the Atlantic Fleet.

What this means is that the B–36's, on which Congress has placed its chief reliance for strategic bombing, are vulnerable and cannot proceed without fighter protection from continent to continent as claimed. Everyone who knows anything about air warfare knows that fighter planes cannot carry enough gasoline to operate from territorial United States and will have to support long-range bombers from overseas bases.

"PIN POINT" BOMBING

Everyone who studied the official reports of the strategic bombing survey made by an independent group of citizens after the last war as to results in both Japan and Europe knows that "pin point" or precision bombing from an altitude of 40,000 feet is out of the question.

The most significant information in the press association dispatch, however, is contained in the following paragraph:

Today very few Air Force officers are familiar with the capabilities of naval aviation, Admiral Blandy asserted. Observers had an implied demonstration of this possibility when Navy jet fighters were catapulted off the 45,000-ton carrier's deck to climb to 40,000 feet in 7 minutes. These planes—McDonnell F2H Banshees—were said to be able to intercept a bomber attack at altitudes up to 8 miles.

"If actual war games were held with the Air Force and the Banshees proved themselves, it would weaken the Air Force's claim that its B–36 superbombers are almost impossible targets for interceptors above 40,000 feet. Air Force statements have been based on tests of the B–36 against Air Force fighters which are said to require 23 minutes to climb to 40,000 feet and then not be able to do tight manuevers."

Here is an excellent example of what patriotic competition between the research and development staffs of the Navy and the Air Force, respectively, has done for America. It is a good example also of what would be lost if one service were given a monopoly over all airplane research.

STIMULUS TO EFFORT

Certainly a monopoly is a much more convenient arrangement for the folks who get the monopoly but, in the business world and in the world of research, it has been found that rivalry of achievement is a stimulus to effort and that a certain amount of competition adds zest to everyday work.

The Navy isn't concerned at all with the vulnerability of the B–36 superbomber but is concerned with the development of the most effective jet fighter possible, because Navy ships must protect themselves against high-level bombing by means of fighter planes flown from carriers.

It can be seen from the above how injurious it might be to the defense planning of America if one armed service were to be prevented from using any particular weapon to perfect its own defense. Theoretically now the head of the Navy and the head of the Army could veto the continued use by the Air Force of the B–36 for which contracts involving hundreds of millions of dollars have just been placed by Secretary Johnson. But this would be as grave a mistake as the veto recently registered by Generals Bradley and Vandenberg against the Navy's simple request to add 100 feet to the size of their existing carriers. To give each armed service the right to improve its fighting technique, provided it stays within its own budget, is a logical and sensible corollary to unification.

How Can the Chinese Puzzle Best Be Solved?

EXTENSION OF REMARKS

OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New Orleans Item of May 9, 1949:

HOW CAN THE CHINESE PUZZLE BEST BE SOLVED?

Occupation of Shanghai by Chinese Communist forces is imminent. Its consummation will create an ideological turning point for the western world, not because it is physically more significant than the capture of Hangchow, let us say, but because it symbolizes final collapse of the Nationalists as a governmental entity.

The time is therefore at hand for the West to reorient its political and economic thinking—its policy—with regard to China. The China that was a fumbling and ineffective, albeit courageous, wartime ally of the United Nations has ceased to exist. In its place there stands another China, linked certainly by name and perhaps by fundamental philosophy with a totalitarian Russia. How strong those bonds are still remains to be seen. The fact that both regimes call themselves Communists may be as empty as a bass drum. Let us not forget that the Chiang government, though allied with democracy in the struggle against the Fascist Axis, was as factual a dictatorship as that of the Kremlin.

Obviously, the State Department has written off the new nonexistent Nationalist government. But while we can write off a fallen administration, we can't write off China.

THREE MAJOR ALTERNATIVES

What are the possibilities? They fall into three major classes.

First. Communist Russia and Communist China will form a closely bound international union, over which the Kremlin will exercise dominance as it has over every other local Communist regime except that of Tito.

Second. Communist China will wear the party label, but will be an autonomous state, independent in the sense that it refuses to accept dictation from the Kremlin.

Third. With or without Kremlin domination, the Mao Tse-Tung regime will fail to consolidate its military victory over China into a politically or economically solvent civil administration, in which case the current chaos would continue, as local guerillas seized regional control.

Examining these alternatives from far outside the sphere of immediate action, we think it must be conceded that Soviet administrative capacity is not limitless. To say that Russia can take over China offhand, even with a theoretically friendly administration in power, strains the bounds of belief.

This is not merely a bit of boosterism to the effect that "Russia could not succeed where we have so signally failed." It takes cognizance, for example, of recent developments in Germany, where the blockade of Berlin has boomeranged. The Soviet zone, and the satellite nations behind the iron curtain, could not be furnished by the Russians with the material things they needed, although two-way transport with Russia was as free as the birds. They were not supplied as well or as abundantly as western Berlin was supplied by the air lift.

WHO REALLY WAS AIDED?

If Russia could not provide adequate economic assistance to the iron-curtain zone, is it reasonable to assume that she can supply all China with needed aid when China is more than 10 times as large in area and in population as the east-European theater where the Soviets failed?

Again: The unbroken series of military reverses suffered by the Nationalists in China had its wellspring in the inefficiency and personal corruption of most of its officials, not in the failure to receive foreign aid. State Department files are crowded with factual reports, citing chapter and verse, of cases where enormous stock piles of United States materials were abandoned to advancing Communist armies without any slightest

effort to salvage or even to destroy them. It is no exaggeration to say that the material aid furnished to China by this Government was of greater service to the Communists who captured it, or took it over from deserting war-lord units, than it was to the Nationalist cause.

But with whom will the militarily victorious Communists of China, or the agents of the Politburo in Moscow, deal in administering the sprawling, feudally conditioned, hapless millions of a conquered China? Says the State Department, in effect: "With the same corrupt and inefficient officials with whom the Western World dealt when it was trying to bring order to that unhappy country." China's Communists are agrarians, recruited from the villages of north China. There are among them almost no trained administrators, even at the level of small-town government. Their army is supplied from captured stores as it goes along, just as were the Mexican revolutionists under Madero, Villa, Carranza, and Obregon, beginning with 1910.

That sort of progress can win battles. But it can't administer a country; not even as relatively small and sparsely populated a country as Mexico. That is why, for 10 or 11 years each successful revolutionary administration in Mexico was deposed almost as soon as it had come to power through victory in the field. It required nearly a dozen years for an adequate capacity for self-government to be developed.

General Marshall—a thoughtful, studious statesman, whose great administrative abilities were proved by his service as Chief of Staff and Secretary of State—made every effort to formulate a solution for the problem of China in the military, economic, and political field. He failed.

In neither the Nationalist nor the Communist Parties could he find trustworthy elements of leadership behind which China could rise from the corruption and the sloth of governmental chaos to find new strength in unity. Such a release from almost medieval bondage, he concluded, could come only when a nucleus of young Chinese liberals became strong enough to take the reins. The old regimes—all of them—were barren and sterile.

WEIGHING THE POSSIBILITIES

Under the circumstances, the decision of the State Department to write off China, meaning the China of anarchic helplessness, appears logical. If the Soviets take over, which is by no means a foregone conclusion, they inherit the same difficulties with which the Western World has sought vainly to cope. These obstacles will be magnified by the hostility toward foreign devils which has been bred into Chinese thinking since the dawn of time; a factor with which the Russians have not had to contend in their ideological aggressions against such Slavic nations as the Baltic and Balkan states they have assimilated.

Let us assume, on the other hand, that the militarily victorious Communists do succeed in establishing a reasonably stable government, and make it plain that they will not be subservient to the Cominform successors of the Comintern. If they then look to the Western World for acceptance in the family of nations, the basis on which such an agreement should be struck can be set forth, when the time comes, in the clearest possible terms.

Even the conquered areas of China were a plague to the Japanese who overran them in their first triumphant rush along the Asiatic coprosperity sphere. A glorious China, admitted as one of the big five to the Security Council of the United Nations, has been nothing but an unbroken series of futile harassments to the Allied world. Hence, a China additionally ravaged by bloody civil war is not likely to be any bargain for the Soviets whose weakness has been underscored by recent failures in Italy, France, Yugoslavia, and east Germany.

The United States has nothing to gain by precipitate action at this juncture. Along with the rest of the democratic world, it may have much to gain by awaiting the turn of events to come.

Baltimore City Health Plan

EXTENSION OF REMARKS

OF

HON. J. GLENN BEALL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. BEALL. Mr. Speaker, under leave to extend my remarks, I include in the RECORD the fifth of a series of articles by Agnes E. Meyer entitled "Maryland Solves Health Program." These articles appeared in the Washington Post.

HOSPITALS COOPERATE WITH LOCAL PRACTITIONERS—BALTIMORE CITY HEALTH PLAN

(By Agnes E. Meyer)

(Fifth of a series)

The new Johns Hopkins clinic, like its counterpart under the University of Maryland Hospital, is a lifesaver for mothers who have a variety of medical problems and cannot reach a doctor.

Typical was the situation of a mother with three children who came in while I was present. The mother, it appeared, has diabetes; of the three children, one had a toothache, one was pregnant, and all three were to have physical examinations.

In short order, the mother was assigned to a physician, where she will get free insulin injections; the child with the toothache was referred to a dental clinic; the pregnant daughter to a prenatal clinic of the Department of Health, where reservations will be made at some hospital for her delivery.

All this mother's troubles were lifted from her shoulders as if by magic. The ironical element in the situation was the fact that this family is illegitimate, with one 18-year-old daughter starting off her own illegitimate brood. The more illegitimate children they have, the more aid to dependent children is given these mothers. Now they receive as well, free hospitalization, a personal physician to keep them well and listen to their troubles, free medicines, with special diets and vitamins for the undernourished offspring.

Under such favorable conditions, why should any smart young girl in her senses take the risk of marrying a man who, even with steady employment, can never do more than keep his family just above the relief level? The welfare state, as a husband, is a much better bet for these poor girls now, that it furnishes not only economic and emotional security but complete health protection.

A MORAL IMPERATIVE

Thus, it is not only a matter of justice but a moral imperative that the health services of these new clinics which supply not only first-rate medical care but literally underpin the whole social structure at the lower economic levels, must be extended as soon as possible to the medically indigent, those people who can just manage to keep a roof above their heads and the wolf from the door.

This means that the medical profession must figure out how far down voluntary insurance can reach and give to the group between this level and the relief clients, the same completely free coverage. It remains for statistical medical experts like Dr. Reed to decide where the insurance dollar and the tax dollar should meet. For whether we have voluntary or compulsory health insurance, the health bill for the indigent and the medically indigent will have to be met by the taxpayer.

In analyzing the physical examination reports, the clinic is turning up exact information as to unmet medical needs. A study of 1,500 families revealed that 40 percent of the people over 50 suffer from some chronic disease. As medical care prolongs the age of our population more and more, the lack in Maryland, as elsewhere, of institutions for the chronically ill is a pressing problem of huge proportions.

NEED FOR NURSES

The need for more nursing care in the home is also acute. So far the 6-month-old Baltimore program can meet the problem with the help of the Johns Hopkins teaching program for visiting nurses, the Visiting Nurse Association, and the Public Health Nursing Service for communicable disease. But the need is growing beyond the city's facilities. In the rural counties where the program is 3½ years old, greatly increased staffs of visiting nurses are the prime necessity.

The clinic is also turning up a vast number of people who show medical neglect, in tuberculosis, venereal disease, and children's diseases. The most significant aspect of the clinic's physical examinations is the preventive work especially for children, under the supervision of the local practitioners.

All druggists are cooperating in the program. The total cost of free medicine and medical supplies such as enema bags, bandages, cotton, and other necessities is high, as there is no restriction either on the type of drug or the price and quantity of prescriptions. In January the total bill for the program in the two clinics now operating was $3,000 for 8,200 registered relief clients. This is below the budget of $40,000 for the year. But 40 percent of the 15,000 relief cases assigned to the clinics by the Welfare Department have not yet registered.

SERIOUS HANDICAP

The shortage of Negro doctors in Baltimore, as throughout the State, is a serious handicap. About 20 percent of Baltimore's 1,000,000 citizens are Negroes. Only 90 out of 1,600 doctors in Baltimore are Negroes. The percentage of Negroes among the indigent is 80 percent.

Only a few white physicians in the Johns Hopkins area, where most of the indigents live, will accept Negro patients or go to their homes. As a result, although the existing number of Negro doctors are cooperating wholeheartedly, many of the clinic's Negro clients cannot be assigned to a private practitioner. The clinic itself looks after them.

Dr. Chant thinks the situation presents a great opportunity for any young Negro doctor. He could take over immediately a patient load of 500 to 1,000 people that would guarantee him a living of $3,500 to $7,000 and at the same time he could continue his postgraduate training through the relationship of the health plan to Johns Hopkins Hospital.

The clinic has an advisory committee consisting of two of the local doctors and two members of the staff. It acts as a liaison between the clinic and the neighborhood physicians. The director of the clinic, Dr. Chant, is chairman. This committee irons out unforeseen difficulties, provides a means of discussing various kinds of problems, medical or otherwise, that arise among clients, and serves as a general clearinghouse for complaints and advice. It is a general shock absorber for the plan.

MODEST START

The program began modestly with only two clinics and confined the treatment to indi-

gents, as neither the hospitals nor the city department of health were certain that the experiment would be a success. Judging, however, by the proprietary attitude of the clients, it would be tragic, if not impossible, to do anything but expand the program and admit the medically indigent by a screening process similar to that used in the State program. The State of Maryland and the city of Baltimore have demonstrated that the local community, whether it be a county or a city, working with the State health and welfare authorities, can solve the health problems of the lowest-income groups with efficiency and economy, with free cooperation, and with a minimum of compulsion.

The private resources of every voluntary hospital throughout the country are now swamped by the responsibility to care for patients described by Johns Hopkins as the poor of this city and State of all races who are stricken down by any casualty. It is but reasonable that the State and city governments should take over the full cost of this responsibility.

The State of Maryland and city of Baltimore have set up machinery whereby Federal aid could be given if it proves necessary, without the imposition of Federal control and the consequent danger of political interference with medical problems. That is why their achievements have significance for the country as a whole.

DOCTORS' ATTITUDE

The attitude of the doctors toward the program was summed up for me by Dr. Leo Schlenger, who has been in practice in the neighborhood over 20 years. In addition to his established practice, he takes care of 150 relief clients.

"The per capita payment of $7 is so small that it takes a beginner who needs a start or a humanitarian to come into the program. But many of us have cooperated through fear of getting compulsory health insurance. And why shouldn't we fear it? This program, like everything free, is open to abuse. But we doctors can control this abuse by being frank with the clinic authorities. This control is possible because we are working with and for a hospital and not with and for politicians. If political control came in, this abuse would grow to endless dimensions.

"For example, now if I cannot restrain the use of the program by some patient, I can say so and somebody else takes him.

"Under a Federal political program—and every federally controlled program is political—the patient would run to the ward leader and the ward leader would crack down on me. It wouldn't be the politician's fault as he would lose votes if he did not pay attention to the demands of his constituents. It would be utterly impossible to keep this political pressure out of a compulsory health-insurance program.

"Moreover, if the problem of a public health program is not approached gradually as we are doing it, the quality of medical care would soon be very poor, as every doctor would be overloaded and could not give proper follow-up care.

"For complete care of our Negro population, for example, we need several hundred additional Negro doctors in the city of Baltimore, and I don't know how many more in the State. Moreover, the doctors would have no time for consultation, lectures, clinics, and other educational opportunities, which all the doctors, especially the younger ones, appreciate so much in the Baltimore health plan, that they are willing to make sacrifices to come into the program. As a result of this training, medical care in this whole area is improving and will keep on improving, instead of being impeded by a mass inundation.

"It is far better to preserve and pull up our standards of medical care even if we have to go slow and neglect a few people at first. If we try to take everybody on with inadequate personnel and our present limited facilities, we shall have nothing for anybody. By the gradual methods we are using, we shall learn how to give good medical protection to all the people. In fact, we can already visualize how this could be done, but even the soundest plan cannot outrun the local resources of doctors, nurses, and hospitals."

PROTECTIVE WINGS

What the Baltimore plan does, is to reach out the protective wings of the hospital over the whole indigent population of the city, whether the individual is in immediate need of medical care or not, without disrupting the complex medical structure already achieved or destroying the independence of the local practitioners.

The immense resources of Johns Hopkins Hospital and Maryland University are linked with those of local physicians through the two new medical-care clinics to give to the indigent, and especially to their children, the same chance for health and well-being as is enjoyed by the children of the well-to-do.

As both hospitals are situated in the slums of Baltimore, what the plan in general accomplishes is the social extension of the hospitals' functions into the neediest sections of the city, and the establishment of contacts with the neighboring physicians who heretofore were as isolated from its influence as any doctor practicing in the remotest corner of the State. The new clinic of the medical service department is a liaison and clearing-house between the hospital and the community.

As we examine the organization and results of the Baltimore plan for medical care of the indigent, it becomes evident that this redefinition of the hospital's role in modern society can be readily extended to the medically indigent. Eventually it can make the same preventive and curative program available to the rest of the population by covering the costs now met by the State through voluntary insurance.

"Thus a State or National health program is not a problem in medical economics," says Dr. Reed, "but a problem in organization of services. Once the services and the administrative methods are clarified by a plan such as this, the economic aspects can be figured as definitely as in actuarial life insurance. That is why we cannot answer the problems posed by a national health program quickly but must go at them in an evolutionary manner."

Battle of the Blockade

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Boston Sunday Post, Boston, Mass., Sunday, May 8, 1949:

OUR FIRM POLICY AND FAILURE OF RUSSIAN PLAN ENDED BERLIN BLOCKADE—GENERAL CLAY, RESPONSIBLE FOR AMERICAN SHOW OF STRENGTH, SEES SOLUTION WITHOUT WAR POSSIBLE

(By John Griffin)

The end of the Berlin blockade has many meanings, and one of the most important is the manner in which it has justified the American policy of a strong show of force.

For a long time immediately after the war, there was appeasement of Russia, and the United States took every honorable means to get along with the Soviet. Finally it became obvious that the Russians would be more impressed by American strength than anything else.

There was, of course, opposition in this country on the part of those who feared that an aggressive attitude would result in war. The fact now seems to be clear that the policy has worked and has impressed the Russians in many ways..

THE RUSSIAN PLAN FAILED

The Allied air lift to Berlin has gone on unceasingly for almost a year, at the cost of many millions of dollars and several lives. It broke the blockade of Berlin and, as a matter of fact, resulted in a counterblockade which hurt Russia severely. It is now obvious that the Americans profited and the Russians lost in this battle of blockades.

We were able not only to supply Berlin but also were able to prevent Russia from making adequate use of the resources of eastern Germany. The result of this was a long advance toward unification of western Germany and a crippling of Russian assistance to the satellite nations of the Soviet.

The Marshall plan grew out of the blockade and it has worked. The Russian plan, which called for help to Moscow-dominated countries, has failed, particularly in Poland and Czechoslovakia. Apparently the whole Russian policy in Germany was to induce confusion in the west and to take advantage of industrial power of the east.

Actually, the facts are in reverse, for the west is on the way to unification, and eastern Germany has been stripped by the Russians to no avail.

Thus politically the United States and Britain have won the battle of the blockade, but the victory is due more to economic factors than to outright political conditions. This is, of course, of extreme importance, but anyone who thinks it is the end of trouble in Germany is too optimistic.

SOLUTION WITHOUT WAR

The Russians will still strive to find means to prevent complete unification of western Germany, although nobody can figure out in advance the methods they will use to achieve this end. So it may be said that the present situation is a temporary truce which could be broken sometime in the future. Nevertheless, European reaction is such that there is great hope that a solution to Germany will be reached without war.

There are still many people in high positions who feel that war is inevitable, but Gen. Lucius D. Clay, who probably knows more about the situation than anyone else, expressed the belief the other day, upon his retirement as American Military Governor, that war is not inevitable; and despatches from Russia and other areas in Europe indicate that the people have been given a great lift of hope by the latest developments.

It was the first good news that the Russian people have received in many months, and Associated Press despatches from Moscow reported a rising of hope among the Russian people. There was also a great enthusiasm in Berlin, where the people have been living from hand to mouth; for the end of the blockade means a chance for employment for many Germans and an improvement in their living conditions.

CLAY'S WISDOM JUSTIFIED

In the countries not directly affected, there has been a similar feeling of optimism, and although the ending of the blockade was not due to any spirit of generosity on the part of the Russians, but largely to the cold economic conditions, that fact in itself offers more justification for hope than an intangible atmosphere does.

General Clay has been the personification of the strong American policy, which is now paying dividends. He has done a magnificent job under the most difficult conditions that could be imagined, not the least of which was the fact that he was forced by the inaction of our own Government to go along pretty much on his own, and the firm policy which has won the present victory is due more to him than to Washington.

Long ago he realized that the only way to deal with the Russians is to be strong and ready, and the wisdom of his thinking has now been justified.

One aspect of the situation which has not been widely understood by critics is that the Army never wanted to rule the American sector of Germany. The Army expected that it would be through with the job when the fighting ended, except for a necessary work of policing. The State Department was expected to take over the civil administration.

COMMAND CHANGED

But the job was given to the Army, with Gen. Joseph McNarney in charge, and General Clay as his deputy. General Clay was governor of Berlin while General McNarney had over-all charge for a while. General Clay was finally placed in full command.

As it turned out, administration by the Army was a necessity and an advantage to the United States, for it was only through the firmness of General Clay, backed by the threat of the military, that prevented the Russians from taking over Germany completely.

It is easy to imagine that things would have been entirely different if the State Department, with its traditional reliance on form, had been running the show. The strong hand would have been absent and the Russians would have seen only weakness on our part, and undoubtedly would have taken full advantage of their position.

Firmness has paid off in Germany and also in Austria, where Gen. Mark Clark insisted on full American rights at all times, and General Keyes has followed that policy. Somehow or other, it gained the respect of the Russians and served to maintain our position.

THE BEST CHANCE

Perhaps the Russians will now develop another way of harassing the other occupying powers, but so long as the firm policy is continued, the chances of getting along without war are good.

The policy has some danger in it, of course, for an incident could quickly result in an armed clash. But that is a chance that has to be taken, and there appears to be no other way.

Arab Refugees a United Nations Problem

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, the present tragic situation of Arab refugees flows from the partition decree of the United Nations on November 29, 1947. All reports coming out of the state of Israeli indicate that that state will not permit a return of the Arabs to their homes in Palestine. The United States has a responsibility, Mr. Speaker, for it was the aggressive weight of our Government behind partition that has lead to the present situation. Under leave to extend my remarks I am including an editorial which appeared in the Christian Century of May 11:

WHERE CAN THE ARABS GO?

Israel has made it official. It has told the UN conciliation commission for Palestine that the Arabs who formerly lived in Palestine will be recompensed for their land, but they may not return. So where can they go? It is reported that there are now 900,000 Arabs requiring assistance. The fund contributed by 20 nations for United Nations relief for Palestine refugees cannot last more than a few months longer. In southern Palestine the 50 volunteers working under the American Friends Service Committee are distributing food, clothing, tents, and blankets, are running clinics and trying to hold epidemics in check, and without either books or buildings are even conducting schools in three towns. Around Gaza there are about 250,000 of these refugees on the Egyptian side of the border. They are living in idleness, having no source of employment and no place to go to get work. They are united in one thing: bitterness against America and Americans. They hold us ultimately responsible for their plight, and have plastered "Down With Truman" posters everywhere. We need not argue the merits of this charge, but we may not ignore the vast human problem involved in the destiny of these people, of whom a considerable number are Christians. Their fate is a challenge to the conscience of the world, to the great nations which permitted the Palestine question to be settled by war, and particularly to the nation from which much of the resources for fighting that war came. No plan that has yet been brought forward for resettling these people promises to take more than a small fraction of them, and all the plans added together would accommodate fewer than half of their large and growing number. It seems that here is a situation which offers a compelling reason for bringing the President's famous and still misty "point four" program for developing underdeveloped areas down out of the blue and putting it to work without delay.

Letter to the New York Post

EXTENSION OF REMARKS
OF
HON. VITO MARCANTONIO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. MARCANTONIO. Mr. Speaker, under leave to extend my remarks I include herein copy of a letter which I directed to the New York Post and which the New York Post has refused to print:

COPY OF LETTER FROM CONGRESSMAN VITO MARCANTONIO TO THE NEW YORK POST

MAY 2, 1949.

EDITOR, NEW YORK POST,
New York, N. Y.

DEAR SIR: This is the second letter I have written in answer to the distorted reporting of my activities in Congress contained in your Washington Memo column. You have not printed the first with respect to veterans' pensions. I trust there is enough decent journalism in you to print this one.

Under May 2 date line, your Washington Memo column insidiously tries to give the impression that there has been cooperation between me and the Republicans with respect to Taft-Hartley. However, the article itself unintentionally gives the truth away. It states, "Restoration of the Labor Management Relations Act of 1935 (the Wagner Act) without amendment is not the real issue before the House." Why not? This certainly has been and still is and will be the issue before the Nation.

I submit the following facts which are incontrovertible:

1. Working people were led to believe that in voting for the Democrats, they were voting for the outright repeal of Taft-Hartley. This means the restoration of the Wagner Act. Anything else is betrayal. Note the five amendments now being supported by the House Democratic leadership. This I charged would happen and this has happened. Are not these five amendments a betrayal of the Democratic campaign promises?

2. The CONGRESSIONAL RECORD reveals:

A. My substitute calling for outright repeal and restoration of the Wagner Act was offered as a substitute to the Wood bill.

B. The vote on my substitute therefore was a vote of choice between the Wagner Act and the Wood bill.

C. The parliamentary situation was clear, as stated by me and by the presiding officer, that if my substitute were voted down and the Wood bill was voted up, there would be no other chance to vote on any proposal to repeal Taft-Hartley and restore the Wagner Act.

3. In the light of this situation, with the exception of 35 Democrats and 1 Republican, the Democrats, including the Truman Democrats, joined JOE MARTIN, HALLECK, and all the other Republicans in voting against my amendment.

Who is playing ball with the Republicans against labor?

It's high time that your readers were told the truth despite the distortions, omissions, and lies contained in your Washington Memo column.

Sincerely yours,

VITO MARCANTONIO.

Repeal the Excise Taxes

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. DAVIS of Wisconsin, Mr. Speaker, in view of the widespread interest now in repealing the excise taxes, I wish to include in the CONGRESSIONAL RECORD the following editorial from the Wisconsin State Journal of Madison, Wis.:

THE HABIT OF SPENDING

The manner in which the social planners and the big Government boys hate to give up Federal tax revenue, once they have latched onto it, is amply illustrated in the Eighty-first "Fair Deal" Congress.

When the United States began mobilizing for war, Congress naturally passed every tax imaginable in order to finance the huge American military program. Despite that fiscal program, we found ourselves, at the end of World War II, about $250,000,000,000 in debt.

Part of that wartime tax program included a 20-percent tax on cosmetics, luggage, amusement admissions, club dues, and electric light bulbs. The tax program included a 15-percent tax on train tickets and local telephone bills. It included a 25-percent tax on telegrams and long-distance telephone bills.

Part of the purpose of these taxes during the war, of course, was to discourage citizens

from tying up the telephone circuits, to prevent them from spending money for nonessentials, and to prevent unnecessary travel on overworked railways.

The war is over. But the social planners and the big Government boys won't admit it. They want Washington to retain its wartime emergency powers. They want the wartime tax revenue to continue to roll into Washington.

If the Democratic administration came out flatly and said that Americans should tighten up their belts a bit, and economize personally and governmentally in order to pay off a sizable portion of the national debt, most of us would agree heartily.

But instead, President Truman has asked for another $4,000,000,000 in added taxes. And he has dreamed up a half-dozen ways to spend the additional revenue as well as the emergency wartime income. Some of his welfare schemes have merit, but their desirability is questionable at a time when the national debt is staggering and the tax load already lies heavy on the shoulders of most Americans.

Some of the excise taxes were passed as luxury taxes.

The day is past when cosmetics were a luxury. If you have to take a trip, luggage is a necessity. (The ruling that ladies' handbags and men's billfolds are luggage and therefore subject to the tax is rather amusing. The way Federal taxes are, most men and women don't have enough stuff to put in their billfolds or handbags to constitute them as luggage.)

The administration that is toying with the idea of socializing the telephone business because it is a public necessity is the same administration that persists in taxing telephone calls as a luxury.

And why should the excise tax be continued on electric light bulbs?

The continued tax on railroad tickets is a downright insult. Two years ago Congress removed the tax on travel to certain foreign countries. But Congress has yet to recognize the fact that most Americans have money enough only for domestic vacations. And why should citizens who are forced to travel because of sudden illness, accident, or death in the family pay a luxury tax on such a trip? This excise levy on travel, incidentally, is one of great interest to Wisconsin citizens, many of whom rely on the vacation-tourist industry for their livelihood.

The State Journal is quite aware that high Federal income is necessary during the next 4 years.

But we would be better satisfied if the misnamed Fair Dealers would concentrate on retiring the national debt, and cleaning up governmental machinery so that present income is spent wisely, rather than figuring out new ways to extend their social controls over the taxpayers who are footing the bill.

United Jewish Appeal

EXTENSION OF REMARKS
OF
HON. HUGH J. ADDONIZIO.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. ADDONIZIO. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following letter from Mr. Seldon M. Kruger, of Newark, N. J. As chairman of the special events committee for the junior division of the United Jewish Appeal for Essex County, N. J., Mr. Kruger is thoroughly familiar with this program:

NEWARK, N. J., *May 4, 1949.*

Hon. HUGH J. ADDONIZIO,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE: On April 29, 1949, Congressman LAWRENCE SMITH, of Wisconsin, inserted in the Appendix of the CONGRESSIONAL RECORD on page A2551 a letter written by Mr. Faiz El-Khouri, criticizing the United Jewish Appeal. In this letter Mr. El-Khouri attempts to prove that the funds raised by the UJA were used "to fight and kill the Arabs." If the Minister of Syria were to take a little time to investigate he would find his information to be totally incorrect. I am sure that if he would know of the work which was done by the constituent agencies of the United Jewish Appeal he would not have made such distorted statements.

Last year the United Jewish Appeal brought 130,000 displaced persons, including 10,000 orphans from the graveyard of Europe to the State of Israel. Once these people were in Israel food and clothing was provided for them until they could become self-sufficient. In addition, 40,000 units of housing was constructed to meet the needs of these immigrants. The United Jewish Appeal helped provide for rehabilitation, vocational guidance and retraining, care of the aged and invalid, the Youth Aliyah program and the promotion of trade and industry to speed the integration of the newcomers into the economy of Israel. This does not seem to me to be the acts of a nation which is aggressive.

Mr. El-Khouri seems to conveniently forget that it was the Arab nations which attacked the State of Israel and not Israel who attacked them. The attack by the Arab states was a violation of the decision of the United Nations of November 29, 1947.

The United Jewish Appeal also helps meet the needs of the agencies and institutions of the American Jewish community.

I hope that Mr. El-Khouri's unjustified attack will be answered shortly.

With my kindest personal regards, I am,
Always sincerely yours,
SELDON M. KRUGER.

The Sweatshop Defined

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. MULTER. Mr. Speaker, the following article entitled "The Sweatshop Defined," by Pat Holt, which appeared in the New Republic of May 9, 1949, contains much valuable information which this House should have before it when considering the new minimum-wage legislation which will be presented to the House shortly:

THE SWEATSHOP DEFINED—TESTIMONY IN CONGRESS SHOWS CONDITIONS IN A VARIETY OF INDUSTRIES WHICH DEMAND NEW ACTION IN MINIMUM-WAGE LEGISLATION

(By Pat Holt)

"Well," said Senator TAFT, "what are sweatshop gooda?" The Secretary of Labor, Maurice J. Tobin, had complained to the Senate Labor Committee that the Taft-Hartley Act banned "union members from refusing to work on sweatshop goods." TAFT objected. "As a matter of fact," he said, "are there any sweatshops in the United States, with the minimum wage 40 cents, and going up to 75 cents, I hope?"

Well, what are sweatshop goods? Do they include goods made illegally by child labor? In that case there are plenty of sweatshops in America today. The 1948 report of the Wage-Hour Administrator says:

"It was found that three children under 12 years of age had worked in a starch factory from 6 p. m. to 6 a. m.; 27 children, all under 16, had worked in a cement plant from 10½ to 13 hours daily and up to 70 hours a week; a 15-year-old boy worked from 6 p. m. to 5 a. m. cleaning knives in a plant, where he slept from 5 a. m. to 7 a. m., then went to school; two 14-year-old boys worked in binderies and looseleaf concerns, one up to 60 hours a week, the other up to 64; two 12-year-olds and five 13-year-olds handpainted plaster novelties; children as young as 9 headed shrimp, picked cotton, made crates for eggs, and made rugs at home; 11- and 12-year-old children worked in vegetable canneries and fresh fruit and vegetable packing sheds."

But sweatshops in America are more than a matter of child labor. Testimony before the House Labor Committee brought out these wage standards in the country:

Rural telephone-switchboard operators make from 40 to 75 cents an hour, and the United States Independent Telephone Association objects to coverage because these wage scales are comparable to others in the community.

A representative of the Arkansas Wholesale Grocers' Association said the average wage paid by members of his organization was 56 cents an hour for a 52.5-hour week. The Georgia Wholesale Grocers' Association man said his people were paying around 60 cents.

A witness from the Texas Citrus and Vegetable Growers' and Shippers' Association said wages paid by members of his group varied between 40 and 65 cents an hour, but pointed out that the workers were allowed to take fruits and vegetables home with them to supplement their pay.

In Washington, D. C., hotel workers are getting 65 cents an hour for a 48-hour week.

Laundry flatwork finishers throughout the country average from 37 to 91 cents an hour, depending on the city in which they are employed.

Suppose, as Senator TAFT does, that a wage of 40 cents, or even 75 cents, an hour keeps a place from being a sweatshop. (The lowest of the minimum budgets analyzed by the Labor Department requires a wage of about 85 cents an hour to support a single person without dependents.) How far are we protected from sweatshops today?

Our protection is the Fair Labor Standards Act of 1938. It sets a minimum wage of 40 cents an hour; it provides time-and-a-half overtime payments for more than 40 hours' work a week; it regulates the use of child labor. It covers considerably less than half of all our working population; it doesn't provide effective protection for the workers it does cover, and the workers who need its protection most are among those who aren't covered at all.

The law gives the protection of a 40-cent-an-hour minimum wage to 23,000,000 people out of a civilian labor force of about 60,000,000. The thirty-odd million workers who are omitted include these categories:

Eleven million proprietors, self-employed persons, domestic servants, and farm-family workers.

Ten to eleven million persons engaged in essentially local activities.

Six million Federal, State, and local Government employees.

Four-million-odd executives, administrative, professional, and retail employees, and outside salesmen. (Under the current regu-

lations you may be an executive if, among other things, you make $30 a week.)

Three million agricultural workers.

Eight hundred thousand miscellaneous groups, including seamen; air-lines employees; fishing and fish-processing workers; learners and apprentices; messengers; physically handicapped persons; employees of most weekly and semiweekly newspapers; local railway and bus-line workers; food-processing workers; and switchboard operators employed in public telephone exchanges with fewer than 500 stations.

If coverage is inadequate, so is enforcement. With the limited appropriations provided by the Eightieth Congress, the Wage-Hour Division was able to inspect only 29,000 of the 638,000 establishments covered by the law in 1948. More than half of those inspected were found to be violating one or more of the Fair Labor Standards Act's provisions.

Enforcement hasn't been helped by the Portal-to-Portal Pay Act of 1947. In 1945, out of 22,000 cases involving monetary violations, the employer agreed, or was ordered, to make full or partial restitution in 19,000—or 86 percent. In 1948, this percentage dropped to 63—or to 9,600 cases out of 15,000. And workers got only 40 percent of the back wages owned them—$4,000,000 out of a total amount of $10,000,000.

The Portal-to-Portal Pay Act, says Wage-Hour Administrator W. R. McComb in his annual report for 1948, "had an adverse effect on voluntary agreements to pay such back wages, as well as on the amounts voluntarily paid. The Portal-to-Portal Act provided employers with defenses excusing the nonpayment of until then unlawfully withheld wages to employees. In addition, it limited the period of recovery to no more than 2 years. In consequence, many employers found in violation of the act since then have preferred to rely and take their chances on such defenses, rather than voluntarily pay back wages determined due after inspection."

Violations of the child-labor provisions of the act are almost as widespread as violations of overtime-pay requirements. The Labor Department found 1 of every 20 employers inspected in 1948 violating the child-labor sections; violations ranged from practically zero in mining to 16 percent in the canning and preserving industries.

Even with proper enforcement the control of child labor is inadequate. The law's provisions are not effective for children employed in establishments that don't produce goods for commerce. This exempts children working for interstate trucking concerns as loaders and helpers, those working for railroads and on boats, and those working for communications companies as telegraph messengers. The provisions do not directly prohibit child labor. They merely prohibit the shipment, or delivery for shipment, of goods removed from the producing establishment within 30 days after oppressive child labor has been employed. It's perfectly simple for some employers to hold goods for 30 days and then ship them. In certain industries, it's even more convenient to hold the goods. Frequently, in the logging industry, for example, logs are held until the spring freshets provide easy transportation.

The law further exempts any child employed in agriculture during the periods he is required to attend school. In some States, employment in agriculture is a legal excuse for not attending school, and thus the Federal law is completely nullified. In other States, school-attendance laws apply only to children whose parents are legal residents of the State; so migrants, who need the protection most, are not covered by the Federal law. And since the law applies only when the child is supposed to be in school, it is ineffective during the summer vacation, which coincides with the peak farm periods when the greatest exploitation of child labor occurs.

At least 250,000 boys and girls under 16 were paid workers on farms in July 1948, thousands of them on commercialized farms engaged in large-scale production. Administrator McComb reports:

"Inspections and studies conducted on commercialized farms have revealed the employment of very young children, some as young as 5, 6, or 7 years of age, working at hand operations in the harvesting and cultivating of crops in various regions of the country. Their work is made up of repetitive tasks, often arduous, often in a stooped or otherwise strained position, for hours at a time. They must lift and carry heavy hampers of fruits or vegetables, or drag heavy bags of cotton. They are exposed to excessive heat in the summer and cold, rain, mud, and frost in the spring and fall. Indeed, probably the greatest exploitation of child labor in this country is in commercial-type agriculture."

One of the reasons these children work in agriculture is that the wages of their fathers and mothers are so low that the family income has to be supplemented. For this reason extension of the minimum-wage provisions of the law to adult commercial farm workers needs to go hand in hand with the extension of the child-labor provisions to farm children.

The administration is pressing a bill in Congress to remedy some, though not all, of the defects in the present law. It is in danger of being cut to pieces by a log-rolling coalition of Republicans and southern Democrats. The Republicans never thought much of the law in the first place; the southern Democrats are afraid it may disrupt conditions in some southern industries. The coalition works on the good old back-scratching principle of "You vote to exempt my industry and I'll vote to exempt yours." And in their search for votes, the log-rollers don't confine themselves to the wage-hour bill but use any other administration measure that will serve their purpose.

This method of carrying on our Government was baldly illustrated in an exchange between Representative FRANK W. BOYKIN, Democrat, Alabama, appearing in support of the southern lumber industry to protest a 75-cent minimum wage, and Representative CLEVELAND M. BAILEY, Democrat, West Virginia, a committee member and a supporter of the 75-cent minimum:

"Mr. BAILEY. In a matter of 2 or 3 weeks, when the Reciprocal Trade Act comes up on the floor, I am going to have to wage a fight to protect the glass industry. Are you going to vote for me?

"Mr. BOYKIN. Are you for it or against it? We usually vote together, do we not?

"Mr. BAILEY. You did not vote with me before on the reciprocal-trade issue.

"Mr. BOYKIN. I might this time. I will make a trade with you."

The trade didn't come off. BOYKIN voted for reciprocal trade, BAILEY against it; and BAILEY is still supporting a 75-cent minimum wage. But the principle is well-established. And the conservative legislators are acting for the most powerful of the lobbies, trying to exempt the few additional industries singled out for coverage under the new bill. For example, the retailers' lobbies are fighting furiously the enactment of minimum standards for retail employees. The business is local, they say. A Federal statute ought not to concern itself with such trivia as local wages and hours; it was perfectly all right, they added, for a Federal statute such as the Taft-Hartley Act to concern itself with local labor relations.

This was too much even for TAFT. "I think we ought to do the same with both," he said to a National Retail Dry Goods Association spokesman. "Whichever way it is decided, we ought to be consistent."

Another NRDGA spokesman blandly argued before the House committee that his industry ought to be exempt because its standards were lower than the minimum proposed and raising them would be a hardship on business. He didn't say anything about the hardship for employees of not raising them.

A witness from the American Retail Federation pointed out that 70 percent of retail employees are either women or minors, and then argued: "Wage rates are meaningless in retail employment since they do not reflect widespread practices, such as paid vacations, bonuses of various kinds, and commissions on sales."

Already the terms of the administration bill have been drastically reduced in the House Labor Committee. The bill proposed originally to expand coverage by five or six million workers. By the time the House Labor Committee got through with it, only 2,000,000 workers had been added. Perhaps half of these are now making less than 75 cents an hour. The administration bill set the objective of a $1-an-hour minimum and authorized the Secretary of Labor to order a $1-an-hour wage in certain industries upon the recommendation of industry committees representing labor, management, and the public. These provisions also went out the window.

The bill which passed the committee by a vote of 13 to 12, proposes to raise the minimum wage from 40 to 75 cents an hour. It extends the coverage by about 2,000,000 workers. It tightens the enforcement powers somewhat and it slightly extends the child-labor provisions. It still leaves more than 30,000,000 workers uncovered and among these are those who need the protection most.

Raising the minimum wage to 75 cents without changing present coverage would boost the wages of about 1,500,000 workers by an average of between 8 and 9 cents an hour. It would affect principally the southern lumber industry, trade and communications, and the tobacco, leather, clothing, furniture, and food-products industries. Raising the minimum to 60 or even 65 cents without changing coverage, as advocated by some of the southerners and their Republican colleagues, would affect practically nobody.

The new coverage provisions which the House committee retained include seamen, fish and other food processors, air lines workers, local transit employees, and employees of retail stores with an annual volume of $500,000 or more.

The House committee also deleted a provision from the administration bill which would have given minimum-wage coverage to workers on farms employing as many as four regular hired hands. It would have applied to about 1,000,000 workers on some 100,000-odd farms. This is about half of all hired farm workers, but it is less than 2 percent of all farms. The deleted provisions would have been most effective on the west coast, where it would have covered about 10 percent of the orchards and truck farms and about two-thirds of the farm workers. Farm wages there are now estimated to average 60 cents an hour.

The House committee bill authorizes the Secretary of Labor to sue employers on behalf of workers for back pay, and it also increased the Portal-to-Portal Pay Act's 2-year limitation on recovery to 4 years.

The new bill's coverage of child labor in agriculture continues to be limited to school hours, but at least it eliminates the present loophole—coverage that applies only when the child is legally required to be in school.

While it tightens the child-labor provisions in some respects, the new bill loosens them in others. It adds exemptions for children

employed as newspaper carriers and by small retailers.

Although the House committee's bill still leaves out more people than it covers, it extends coverage at a higher wage level to important segments of the population who badly need protection. And, if we manage to keep employment at reasonably high levels, it may have equally important fringe effects on those who are not covered directly by its provisions.

A minimum wage spreads upward and outward. The upward spread, or bump effect, is felt by workers a step or two removed from the bottom. If a worker making 65 cents an hour is raised to 75 cents, another worker in the same plant who is already making 75 cents has a good case for a raise to 85, the one making 85 has a good case for a raise to 95, and so on.

More significant is the outward spread, and this accounts for a good deal of the opposition to a higher minimum wage from businesses which would not be covered directly. To the extent this outward spread occurs, it reduces the necessity for 100-percent coverage by the law itself. To some degree, especially in periods of high employment, the minimum set by law tends to become the prevailing minimum in a given locality. If a New Orleans fisherman making 60 cents an hour can get a job on a Mississippi barge line at 75 cents, then, barring an excess-labor supply, the fish industry is likely to find itself forced to pay 75 cents, even though it is not covered by the law.

The farther the minimum-wage coverage extends into retailing and similar basically local enterprises, the more likely it is to help farm labor and other exempt local workers.

Industrial wage levels have a marked effect on farm wages. In the farm areas around New York and Chicago, for example, wages average 84 cents an hour. But in the South and Southwest farm labor is getting only 53 cents an hour.

As inflation recedes and employment rises, a higher, more realistic, effective minimum becomes more important than ever. It could act as a strong brake on a recession by putting a floor under purchasing power. It would also protect the businessman who tries to maintain wage levels against his competitor who thinks that any drop in profits is a signal for wage cutting. That threat is great, as every fair businessman knows.

A Sound Approach to Labor-Management Legislation

EXTENSION OF REMARKS

OF

HON. CLARK W. THOMPSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. THOMPSON. Mr. Speaker, for a long time I have believed that there was only one position from which I could render a service to our troubled public in the solution of labor-management differences. There are various terms for it—"neutral" or "conservative," maybe. Personally, I think "middle-of-the-road" fits better than any. Whatever you call it, I want to be trusted by and representative of the thoughtful leadership of both sides.

I look back on many years in my home town—years spotted here and there with contacts with labor disputes. Sometimes I have acted as mediator, officially or informally. More often I have merely sat and listened to an outpouring of differences of opinion, and once in a while have been fortunate enough to toss in a helpful suggestion.

Entering public service for the second time just after the enactment of the Taft-Hartley law, I was naturally asked by both labor and management what my position on that law would be. My reply was always to the same effect, namely, that I was willing to support any changes which would make it more workable. That was the only campaign pledge I have ever given on the subject.

Much later came the shouting about "repeal" of the Taft-Hartley law. This, I always insisted to my labor people, meant absolutely nothing—that the important question was, what kind of a law is to take its place? I have never agreed to support the old Wagner Act as was, nor do I recall being asked to.

My very temperate approach to the over-all problem was generally acceptable to labor. The only abuse I got was from the management side. I hasten to add, however, that most of the real employers of labor did not criticize me. They were inclined to be a little jittery over the idea of any change in the Taft-Hartley, fearing it might lead back to the old Wagner Act, the law that permitted abuses which led an angry public to demand the Taft-Hartley law.

That gives a very brief look at my background up to the beginning of the Eighty-first Congress.

During the days when the new law was being considered in committee, I listened with the greatest regret to reports of violent disagreements, and, even more, of the completely unyielding attitude of both sides. It seemed to me that a wonderful opportunity was being overlooked by somebody. One calm leader could have laid out a course palatable to all, and if both sides had been wise enough to yield here and there, a law could have been passed which would have provided a satisfactory vehicle for the labor-management-relations of the next 25 years.

When it became apparent that we would have to act on the straight, unadulterated Lesinski bill, I had numerous talks, and exchanges of letters with union members. I told them all that I would support only legislation which provided certain public safeguards. The law I described was pretty close to what we now know as the Sims substitute. We had no falling out over my position. After all, it was no different from what it had always been.

In the meantime I was being bombarded with all sorts of propaganda from sincere but generally uninformed people urging me to fight any changes in the Taft-Hartley law. I doubt if one in a hundred knew even vaguely what was in the law. Somebody told them to write their Congressman, or fill out a questionnaire, or something. Much as I appreciated their sincerity and desire to help I could not place too high a value on their contribution to the solution of the very complex problem of labor-management relations.

Through all of the turmoil during House action on labor legislation I held to the same position. The Taft-Hartley Act, as such, had to go. A more agreeable basis for bringing labor and management together was essential. TAFT himself suggested 28 changes in his own law.

I had intense pressure on me to support the Wood amendment. This was a straight Republican bill. It was admittedly written by Republicans and cleverly maneuvered by their leadership. They saw the fine political possibilities in the Dixiecrats and they exploited every angle of coalition with this group.

With such a background, no matter how we might have amended it later, the Wood bill could never have been acceptable to labor. It would hardly have been better than the present law, and would have left us with the same distrust on the part of labor as they felt, rightly or wrongly, for the Taft-Hartley law.

We are dealing with the minds of men. We have little hope of successful negotiations unless the minds can meet without having to overcome distrust for each other.

That let the Wood bill out so far as I was concerned. No labor bill written by the Republican leadership will be trusted for a long time to come.

In view of my feelings on the two pieces of legislation, the Wood and the Lesinski bills, there was only one possible solution. It occurred to many of us, and from the very beginning we worked quietly and consistently toward its accomplishment. There was never a greater need, nor a greater opportunity, for compromise.

Just why it didn't succeed is hard to tell. The Republicans, hungry for political victory over the majority party, were solidly against it. Left-wing Democrats were also opposed, or at least very reluctant. Anyhow, the move failed.

Faced with an incredible legislative mess, which the Wood bill was by that time, it seems to me very advisable to send it back to the committee for study. I voted for recommittal accordingly. Had recommittal failed, I had intended to vote for the Wood bill on final passage.

I am glad the bill is back in the committee. Obviously, further hearings are necessary. Perhaps with extensive testimony and calm discussion will come a solution that will do the country one of the greatest services of our generation.

There are two very bright spots in my recollections of those trying legislative days. The first concerns a visit by two CIO officials, one from the State office in Austin and the other from national headquarters in Washington. I had met the former and he had known of me and my work for many years. I was not able to go along with the bill which they wanted to pass. I told them exactly how I felt, fully and frankly, and when we parted, the Washington man said to the Texan, "Well, you certainly told me right about the Congressman." Turning to me, he went on, "Joe told me that you might not agree with us, but that you would tell us just exactly how you stood and what you would do. He said that you would be absolutely sincere and that whatever you told us you would stick by."

The second pleasant memory came after the action on the labor legislation was completed. The United States Chamber of Commerce had been in session all through the week. An old friend of mine who had once come to Galveston to put on a financial campaign for our chamber was here in Washington at the convention. Toward the end of the week he phoned me that he was coming up to see me.

As he left his meeting he mentioned to one of the legislative experts of the chamber that he was coming to see me. This man said, "Say, you better talk to that THOMPSON guy. He did not vote with us on labor legislation." My friend said, "Well, I do not know how he voted. I haven't talked with him, but you can figure on one thing for sure: However he voted, he thought he was voting right, and for the best interests of all concerned and he did not come to his conclusion until he had made very careful study of the whole thing."

Just after I was elected to the Eightieth Congress I went to call on Gen. Ike Eisenhower, a very warm friend of many years. We talked at considerable length of the complex and difficult affairs which Congress would have to settle in the immediate future.

The general said, "In these trying times I am going to say one prayer for you. I am going to pray God will give you the strength to stay in the middle of the road. It will take far more courage to maintain that position than to yield to the pressure from either extreme." I have thought of the general's prayer many times in these past few weeks. Evidently it was answered. I am still in the middle of the road.

Federal Aid to Schools

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including a statement by Mrs. Harris A. Reynolds, 95 Pinehurst Road, Belmont 78, Mass., on Federal aid to schools:

"While we are in little danger of overestimating the value of common schools, yet we shall err egregiously if we regard them as ends and not as means." (Horace Mann.)

All modern dictators have utilized public education as the medium through which to attain their ends.

The infiltration of subversive activities into the public-school systems of the United States is no longer a matter of conjecture.

This fact injects a menacing element into the question of Federal aid to schools which once more confronts the American people.

That a problem exists all intelligent persons must fully recognize; yet, in the face of a world totalitarian trend, the crux of the situation is no longer the fact that yearly a million or more children in our country get no schooling but the question as to what kind of education the oncoming generation has received and is receiving. The reasons for rejections in the selective service should suffice to stimulate such inquiry, for the deficiencies were by no means confined to those communities where adequate funds for public education were lacking.

It should be remembered that schooling is not necessarily education and that literacy cannot be held to be an index of progress. Note Germany.

They call it Federal aid. Why equivocate? The powers who hold the purse strings inevitably manipulate the controls, the proponents of the Federal Aid to Schools Acts notwithstanding.

The provisions purporting to leave the States and the local communities unfettered in the management and control of their public-school systems, are but more sleeping potions administered to an unsuspecting public.

There is still open a less apparent but more insidious source of control to those seeking to mold the plastic clay of youth to the pattern of their own ideologies, even though the nominal control in the administration of public education remains in status quo.

The teacher has always been and is still conceded to be the most important factor in any education set-up. From time immemorial youth has been held to be in possession of the key to the future of any nation.

In recent years under the influence of a new line of thought propagated in our theoretical schools of education, the criterion of teacher qualifications has gradually undergone a change. Degrees and more degrees and professional advancement have become the yardstick of teacher efficiency. Teacher certification had its roots in this conception. At present, in some places, teachers are receiving a "super" increase in salary as a reward for attending courses in schools of education.

One hundred million dollars for an equalization fund and $200,000,000 as subsidies for teachers' salaries. By imposing a pattern for teacher selection from above, high sounding and well received by virtue of the profession of the advocates of the policy, what a hey-day of success these radical educators would experience in staffing our public schools with a personnel well prepared for the indoctrination of the future citizens of America with totalitarian philosophies. And all this through the generosity of the Federal Government with the taxpayers' money.

The acuteness of the teacher shortage dilemma loomed upon the horizon long before Pearl Harbor. Standardization and regimentation in teacher preparation has been a far greater factor in creating the condition than either low salaries or the war, for the method used in the training of teachers has failed to attract those who still believe that education is primarily designed to serve the interests of the school children and not to further a "pattern of conspiracy" of those who would undermine the greatest bulwark of defense in the democratic process.

Surveys like the Strayer Report of the City of Boston, Mass., present flagrant examples of propaganda as a bid for Federal aid to schools.

It is interesting to note that the Strayer recommendations parallel exactly the provisions in the Federal legislation. One is forcibly reminded of Beveridge's "From the cradle to the grave."

The purpose of these investigators seems to be to discredit the existing regime and then to propose a plan of reform which has all the earmarks of bureaucratic control.

There is a form of exploitation of youth for which there is no punishment by law but than which there is none worse; namely, to use the cause of youth to further political ends. It is a traffic in the souls of our children.

The danger lurking within the provisions of the Federal Aid to Schools Acts is far too real to be ignored and the risk far too great to be assumed.

Eternal vigilance is the price of liberty.

The Cornerstone of This Republic Was Laid Upon the Fundamental Principles of Equality of Opportunity, Personal Initiative, and Personal Responsibility—Equally Essential to the Maintenance of Freedom Under Law, Today They Constitute as Never Before the Very Bedrock of Our American Way of Life

EXTENSION OF REMARKS

OF

HON. R. WALTER RIEHLMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. RIEHLMAN. Mr. Speaker, the annual luncheon of the Republican women of my district took place last Saturday in the grand ballroom of the Hotel Syracuse in Syracuse, N. Y.

Attended by more than 1,200 of the most representative women in up-State New York, it was a gala affair.

Appropriately, it was called the silver-lining luncheon. There were special decorations, and especially designed lighting effects were employed to emphasize the theme of the occasion.

The principal speaker was my good friend and the good friend of every Member of this House, the Honorable FRANCES P. BOLTON, of the Twenty-second District of Ohio.

Mr. Speaker, I need not remind you that every Member of this body has personal knowledge of the oratorical powers of FRANCES BOLTON when she enters into debate on the floor of this House.

I have listened with deep interest to the Congresswoman from Ohio on many occasions as she addressed herself to some specific question under discussion.

I wish that all could have been in Syracuse with me and listened to her last week end as she addressed herself to the problems which today confront our country.

We who know her recognize the endless labor, infinite patience, and tireless devotion which she gives to every problem that comes before this body.

We know her as one who, having achieved the maturity of judgment and wisdom, brings these great forces to bear upon every question upon which she must make decision.

I was particularly thrilled, Mr. Speaker, when I read a telegram from the beloved and respected leader of the Republican delegation to this Congress.

In order to make it possible for all of my colleagues on this, as well as on the other side of the aisle, to read that telegram and the excellent address of our colleague, FRANCES BOLTON, I am asking

the unanimous consent of the Members of the House to extend my remarks in the RECORD of these proceedings and include both the telegram from the Honorable JOSEPH W. MARTIN, JR., of Massachusetts, as well as the speech of the Honorable FRANCES P. BOLTON.

The telegram and address are as follows:

MAY 7, 1949.

Mrs. JOHN W. BROOKS,
Vice Chairman, Republican Committee of Onondaga,
Syracuse, N. Y.:

In spirit I am with you—the members of the Silver Lining Luncheon Group—and my fellow Republicans of up-State New York attending the great Republican luncheon being held in Syracuse today.

I am particularly happy that the Honorable FRANCES P. BOLTON is with you, for in her personality you will not alone find the great humanitarian, but a great legislator, patriot, statesman, and American.

First, as Republican leader and then as Speaker of the House, I could always count on the splendid counsel and support of FRANCES BOLTON.

Distinguished by the service she has long rendered on the Foreign Affairs Committee of the House, she is equally distinguished by virtue of her depth of understanding and intimate grasp of the most intricate of all legislative problems.

Loved and respected by her every colleague, regardless of the side of the aisle on which he sits, I know that she is going to give a great American message to her audience today.

With best wishes from myself and every member of the Republican delegation to Congress, I am most sincerely,

JOSEPH W. MARTIN, JR.

ADDRESS OF THE HONORABLE FRANCES P. BOLTON, MEMBER OF CONGRESS, BEFORE THE ONONDAGA REPUBLICAN WOMEN, HOTEL SYRACUSE, SYRACUSE, N. Y., SATURDAY, MAY 7, 1949

Madam Chairman, I have come to Syracuse with a very real sense of the privilege it is to meet with such an outstanding group of Republican women at a time more momentous than man has so far experienced. All the world hangs upon what America does. All the world, whether consciously or unconsciously, prays that America may be given the wisdom, the judgment, and the courage to accept her destiny. If she is to do this, American women must shake off their lethargy and assume their particular share of responsibility.

I was a woman and a citizen of this great Nation long before I was a conscious Republican. Being a woman I am particularly eager to see women in the vanguard of all constructive action.

From what I know of the Republican women of this area I can say sincerely that you have courage, judgment, and no little imagination thrown in. Certainly you and your menfolk have sent fine men to represent you in the Congress. Your present Representative, R. WALTER RIEHLMAN, is giving an excellent account of himself on the Hill. It is no easy thing to follow a man like Clarence Hancock, but Congressman RIEHLMAN has assumed the responsibilities and the implications with a quiet dignity that has won him many friends. He is a hard worker and has had the wisdom to speak seldom. You will find he, in his turn, is writing a fine record for this great district.

I could not come to Syracuse and to this wonderful meeting of the Onondaga Republican Women without thanking your committee and its able and charming chairman, Mrs. Brooks, for this opportunity to express a little of the gratitude that is mine to the man who was your Representative for so long, whom I loved, and whose wife is one of those rare spirits whose very presence brings joy. Clarence Hancock was a quiet, strong, consecrated man whose life was given to service, whose every act spelled justice, whose thought was always for his country, his people, and his family. His absence is felt every day there on Capitol Hill, whether in the Committee on the Judiciary or on the House floor. He did not speak often to the Congress, but when he did his colleagues hurried out of the cloakrooms to listen.

No one has missed him more than I. Our friendship began in 1928 when my husband first went to the Congress. After his death and my own election, Clarence Hancock was one of the few men with whom I felt free to discuss the many complex and confusing problems with which we are constantly confronted. He had the rare ability of obliterating his personal point of view, so giving a clear, objective picture of the problem—which was of inestimable value. In many of the present difficult situations with which we are confronted there on the Hill I try to use the same objective method I had begun to learn of him. When I feel I have been a little successful I find myself saying, "Thanks, Clarence," with a certainty that he has heard and that I could see his gentle smile of approbation if I but turned my head quickly enough.

And Emily. No need to speak to you women who know her far better than I, of all the ways in which she has endeared herself to everyone. I often wonder if she knows even a little what her warm friendship means to me.

I am here also, thanks to the magnetic charm of your chairman, Mrs. Brooks, that reached out across the miles and caught me up and drew me here. How fortunate you are to have such force all wrapped up in so lovely a package.

As background for what I really want to say today may I take you for a moment across the Atlantic and back to the war days of 1944, the immediate aftermath of war in 1945, and then a glimpse of fall of 1947:

England in the summer and fall of 1944: On all the roads, in the fields, on the hillsides, the last of the military equipment that had literally covered every usable bit of terrain and the marks of what had been assembled there. Why the sheer weight of it didn't make the tight little island topple over gave evidence of the quality of the rock upon which it stands. Evidence there was on every side, also, of the restraint and the rocklike quality of those amazing Britishers. For so very long, millions of strangers filled their streets, kept them from sitting in their cinemas, even lived in their homes. An army of occupation, even a friendly one, is not easy to tolerate when weeks grow into months and months into years.

But our lads made themselves beloved too, in spite of the pressures.

Let me tell you about an experience I had when I went with Lady Reading (head of the Women's Voluntary Services) to inspect a bombed London area the morning after 62 buzz-bombs had fallen—and believe me, that in itself is not something one readily forgets.

We went first to the WVS emergency center in a newly bombed area. Plaster everywhere, in a nearby house a table hastily cleared and on it sheets of torn brown paper on which were listed the names of all the known occupants of the two bombed apartment houses just across the street. These were carefully checked whenever definite word was brought in. We heard the gentleness in the voice as the woman in charge said to a frantic man back from night work: "They're all right Jack—shocked a little but all right—get on with you to the hospital and see for yourself."

Then we went outside. What a scene. As background, like a stage set, four stories of homes laid open for all to see with hideous piles of rubble on the ground, a choking cloud of plaster dust which rose and fell as the searchers worked. The warden, easily recognizable by his hat and white straps, seemed to be everywhere. The silent watchers, strained and anguished. I noticed especially two sad-eyed women in well-worn dresses. Suddenly I heard one of them say, "If only we could get some of the American lads—they dig so fast and so carefully."

Rather wonderful I thought—"they dig so fast and so carefully." Both are so important—thirty people under that rubble and every moment precious. Even as we watched they were carrying away the dead.

And our girls? We here at home have no conception of what the landing on these Normandy beaches meant. How could we? But I saw the hideous spikes set in the water to upturn our landing craft, the rolls of barbed wire on top of the low stone walls back of which were the little hedgerows filled with machine guns, the fields sown with platter mines. How could men ever have had the courage—how could human flesh take it—how succeed?

In the second wave went the nurses. One little nurse all weighted down with her duffle and her heavy field clothes clambered over the side—to disappear completely under the water. She wasn't 5 feet high, and the tall soldier who reached down and pulled her out laughed as he said, "Sister, we'll have to have some new regulations. No tiny tots. No midgets."

Now go with me for a moment just a short way from the beaches over which our forces went and our salamanders landed and crawled inland in spite of the entrenched enemy. Walk with me between the white crosses that row on row, mark the resting places of the bodies of generals and privates that have sanctified to us forever the soil of Normandy. There under the stars and stripes—emblem of our Republic, symbol of freedom—only a few weeks after D-day, anguished French women of the nearby villages had already begun their exquisite ministry of flowers. Now, everywhere in the world where an American is buried, there is the symbol of our sacrifice to freedom.

I was in Paris two days after the liberation—the first civilian woman—in nurse's uniform. In the big hospital on the hill left in unspeakable condition by the Germans, our medical people were doing the impossible. On several of the upper floors there were many German wounded. There I made my first contact with gangrene, and I hope my last. It is one of the indescribable horrors of war as is jungle rot, and all the stench of disease and death.

With the German wounded were several German surgeons, a Red Cross aide who was also a newspaper reporter, and an older professional nurse. As I have always spoken German I was able to talk with her. I asked her if by chance she had had training at the Rudolph Hess school. For a moment her eyes blazed, then she said, "No, madame. I trained many years ago." The Rudolf Hess school turned out women versed in Hitler gestapo methods. They were put in as superintendents, chief nurses, etc., and used as informers, etc. Her eyes had blazed such resentment that I could not but rejoice, feeling that her nursing was still a sacred thing to her.

In the now satellite countries I talked with many women in 1945. One of them said to me: "Tell me, Madame, do the women of America know what we have suffered—what it is to women to have an army sweep across their country—and what two armies mean, with the second so much worse than the first? Do American women care? Do they know that the only hope we have—all of us of the

war-torn countries—that our only hope is America?"

Do we? Have we learned that though we bestow all our goods to feed the poor and have not love, it profiteth us nothing?

In the countries of the Near East and in Egypt, where war in all its fury had not then been, the same idea met me on every side both in 1945 and in 1947. America the hope of the world.

Yes, everywhere across the world people who want freedom look to us, not just for war potentials, indeed, perhaps least of all for these. They want our know-how, our techniques, our mechanics, our engineering, our ways of teaching, of farming, of transportation, of communications. Yes, they want all these, but more than all else they want to be certain that this freedom about which so much is said and written is an increasing reality—right here in the United States.

How did we get it? Is it still ours? Is it worth while? That is what they want to know.

I have sat here as you have, deeply moved by the remarks of your able chairman and by the three words projected above us: "Dedication—Power—Freedom." Certainly these words give dramatic meaning to this gathering. The rededication of ourselves—united for action—that constructive power may be generated and freedom made secure.

It is of this that I have come to speak to you, not in gentle terms but in blunt words suited to the grim moment in which we find ourselves. In our hands is the future of the world. What we do now decides the fate of centuries.

We can no longer play with life. We Americans must take full responsibility for our actions. We must be practical, down to earth, intelligent and aware, knowing that there is nothing we cannot accomplish if we set out in all faith and honesty to serve God's purposes here in our own land and out across the world. We have said, "In God we trust." Very well, let us prove it and be worthy of Him.

It would appear that darkness overtakes us—that a great cloud rolls between us and the light, paralyzing the very centers of our being. Still are there glimpses of silver, tips of the blackness touched by an unseen sun, reminding us of the fundamental wisdom of our early beginnings as a nation, of the need to maintain our strength upon these proven truths.

Like many of you I have lived long and have experienced many changes. I have been privileged to travel more than most and to study both at home and abroad. I have had opportunity to learn much about the broad social consciousness as well as about the political consciousness of the people in the New World as well as in the Old. My years of service on the Committee on Foreign Affairs of the House of Representatives could not fail to give me knowledge of the differing points of view here and abroad with respect to both our economic and political problems.

Life has taught me many things, but nothing more certainly than an abiding faith in Almighty God and in my country—in our ability here in America to survive within the democratic principles under which this Republic operates if we are faithful to them.

Note well that I say the democratic principles under which this Republic operates. We must never forget that these United States operate under a republican form of government, not under a democratic form of government. We are a Republic, not a democracy.

When Julia Ward Howe wrote her all-inspiring American hymn she did not call it the Battle Hymn of the Democracy, she called it the Battle Hymn of the Republic.

The Pledge of Allegiance as it is taught to our youth and used in our meetings is not a pledge to democracy or to a political party. It is a pledge to the flag and to the Republic for which it stands. Clear your minds once and for all on this point, and use the words accurately. It is this far-reaching, careless use of a word which was introduced into our language in the 1920's, and brought to fruit by the New Deal, that has been a source of confusion in our thinking when we consider the very fundamentals of our form of government, our way of life.

Let me recall to you Thomas Jefferson—revered by every thoughtful and patriotic American. It was he who founded the Democratic Party, first known as the Republican-Democratic Party. But never once in his first inaugural address in which he made several direct references to the Republican form of government under which this Nation operated, never once did he use the word "democracy" or any derivative thereof.

It is interesting that here in your great State of New York, Governor Lehman, in his first inaugural address, delivered in 1933, never once used the word "democracy"; in 1935 he used it twice; in his inaugural message of 1939 he used the word "democracy" or a derivative thereof 25 times; and in his annual message of January 1940 he used it 33 times.

Ever since the advent of the New Deal this misuse of the word "democracy" has been deliberate—an effort to confuse the electorate into believing that the Democratic Party and democratic principles of government are one and the same. Nothing could be less true.

In early colonial days, before the Constitution was brought into being, our forebears held their own local town meetings. There the citizens themselves, in assembly, made all the laws for their immediate community. There was no delegation of power. The democratic form of government was in action, and that is the way a democracy functions. Communities were small. The scope of life and the services rendered by government were restricted to the accessible areas. As civilization developed, however, and life grew more complex, government extended itself across the vast expanses of the continent. The simple form of town-hall meetings no longer met the growing needs, so there was evolved a method of delegating power to elected officials.

It was with amazing wisdom that our forefathers conceived the idea of a representative form of government, based upon the pure principles of Jeffersonian democracy functioning within a republic. That is what we are. That is what we must continue to be.

No government the world has seen has given more opportunity, more joy, more ease to more people. It is worth every effort, every sacrifice to retain, for it has within it the ingredients from which world freedom and world peace can be built.

We have been a nation that worked hard and played hard. Our fathers plowed their own fields and raised their houses by common effort. They built their churches and established their schools, and they continued their interest in what was taught in both.

Somewhere along the line we forgot that eternal vigilance is indeed the price of freedom. Because of our forgetfulness there has been an infiltration of a completely irreligious ideology not only into our schools and colleges but into every area of our living.

Subtly and with consummate skill and fiendish ingenuity there has been created a situation in which we find certain citizens of this great free Republic actually apologizing for the very freedoms that have been built here, for the formula that has given more comfort, more security, more opportunity to more people than the world has ever before seen. We find here all too little enthusiastic understanding of what we have and are. Yet, all over the world, America is the symbol of freedom—mystic, wonderful.

Our fathers were brave, fearless, and hard-working. They had a dream, and each of them appears to have had the ambition to spread the dream out by individual effort. We have not lost this dream, this eagerness to see freedom and opportunity possible to all men, or we would not have sent our armies out twice to protect freedom in other lands. We did not know, perhaps, how vitally this would change us. We did not realize at the time that the going made us part and parcel of the world. Now we know that we cannot withdraw, much as we may long so to do. The desire to strengthen freedom wherever there is need is still the mainspring of our being, regardless of misstatements being blasted across Europe and whispered here.

When we found we had taken on a larger order than we knew we recoiled a little, but we have not retreated—and we must not, for ours is a position of world leadership, of world power. We may not have done too well at some points, but we are beginning to find our balance, we are beginning to recognize our responsibilities, and square our shoulders to take the load.

If we are to assume a real leadership, then we women must play our destined part beside our men. What is leadership? "Courage," said John Buchan (Lord Tweedsmuir), "courage and wisdom and a carelessness of self." This means less talking, more doing, and the putting aside of selfish interests.

Men and women together, we must look at life again, seeking its deepest meanings. Together we must reevaluate America—what she was, what she is, and what she must become if she is to meet her destiny.

To our forefathers was given a new land of great natural resources, a land into which others had dipped mercenary fingers, taken what they desired, and left. In their arrogance they failed.

What of us? Have not we, with a similar arrogance, taken the native wealth in unbridled impatience and scattered it in careless fashion until we find ourselves in this year of grace 1949 with our forests going, our rivers unmanageable, our deserts on the increase, and our people afraid of the future, afraid of themselves and their own frailties, rather than certain of their strength.

We have taken, taken, taken. We have given little back. We have forgotten that we, too, are subject to the implacable laws of nature, which insist upon balance, which demand that whatever is taken out must be replaced if life is to continue to flourish in beauty and in peace.

If America is to be the light of the world as decreed by destiny, we must insure her fundamental strength. We must keep her true to the principles of the Republic. We must renew the earth we have depleted, replenish forests and game, and make provident use of the resources of climate, soils, and streams. We must above all, insure that our children are born with healthy bodies and clear minds, and imbue them with a high sense of the value of justice and of truth. We must inculcate in them tolerance, understanding and a passionate eagerness to serve this dream of freedom under law, established by our founding fathers. Let these simple truths take deep root in the mind and in the hearts of our youth, and they will know with a certainty even greater than our own that "the earth is (indeed) the Lord's, and the fullness thereof."

Friends, the moment is upon us when we must return to basic truth, that future generations may be born to be good and to do good.

I sincerely believe we can do this.

I sincerely believe that the moment of destiny is upon us both as women and as Americans.

America has grown great in importance overnight, before her period of preparation

had more than begun. Therefore, the strain upon her responsible people, yes, upon every man, woman and child, is difficult to realize and to maintain.

What does greatness demand of a nation?

First of all: Humility—a recognition and a demonstration of our fundamental belief that the earth is not ours, but God's—that man, as part and parcel of His very essence, is restrained by eternal law and so must restrain himself.

Greatness demands strength, not the blare of trumpets or the beating of drums, not shouting from the house tops nor prating in the market place, but an inner power for action based upon the certainty that it is God who moves and we who are His tools, His instruments.

Such strength sweeps away fear, leaving in its place a patience and a quiet force that stems from unity, from the deep knowledge of the importance of the individual and his primal responsibility for his own acts and his need to give back, in his turn, the riches of opportunity granted him here in this great land.

Such strength is based upon the faith with which our forebears endowed America.

But we must be up and doing. We must remember with every breath we draw that we were given a representative republic to strengthen, to cherish, to protect, a form of government which contains assurance of freedom from the oppressor, from false rulers, even from our own weaknesses, which gives us opportunity to be ourselves.

Last fall the people of the world watched to see all the electorate of the greatest of nations assume its full responsibility only to witness the tragic failure of many to use their right of franchise.

They saw a President elected by a minority of the votes cast, while millions never went to the polls—the first minority President since 1916.

This must never happen again. Such apathy sounds the death knell of freedom.

To us who are Republicans the challenge is very real. To play the vital part we must play—if the people are to see the dangers and do battle against them—there are certain things we need.

1. There must be a meeting of all minds, based upon the fundamental principle that personal initiative, individual opportunity, and individual responsibility are the three essentials to the reestablishment and maintenance of freedom under law. That principle constitutes the very bedrock of the American way of life.

2. We need to reacquaint ourselves with the Constitution that divided the very powers of power so that the individual be protected from injustice, whether at the hands of other individuals, or groups, or at the hands of government itself. This is the warp and woof of that Constitution and of the Bill of Rights.

3. We need to recognize and accept the cold fact that there can be no turning back—that the only way is on.

4. We Republicans as a whole need to realize what we as women have long known, that the walls of the American home encompass the world—that our business as a nation is the world's business, that unless the world is fortified for peace there can be no joy anywhere—no hope.

Get out your new maps. Get out your globes. Remember, as you examine them, that 36 hours sees you in Cairo—even with stops on the way; that but a few hours take you to the Caribbean and on to the Latin-American countries. Look to the north, there at the Bering Sea where there are hardly 100 miles between an Alaska that not long ago belonged to Russia, and the Soviet Union. Remember that Mexico sits on our southern borders getting a part of the capital she needs from her new Soviet friends.

No, don't tell me the world is not our business; for it is.

We who are women, especially those of us who are Republicans, must no longer be content to wear the quiet robes of yesterday. We must put on the flaming garments of reality.

A torch is there—what are we going to do with it?

As Americans, as Republicans, as women, our concern must be for the new life with which the whole Nation must be infused. As Republican women we have both the opportunity and the responsibility to recharge our great party. We must fortify our Republican Party. We must strengthen her and prepare her for the work that is to be done, if our institutions of Government are to survive.

We know a party is strong only as those who belong to it are strong; it is alive only when its members are alive.

As women and as mothers we know that no mother sits by her sick child without the passionate determination that he must and will live. She does not fight death with fear—she fights with the flame of a consuming demand upon the forces of life, with the expectant prayer of unshakable faith.

It is this spirit which we Republican women can reconsecrate to the service of America.

We can insist that all men and women of sanity stop talking of shadows.

We can insist also that what has been done is over and that a new world labors to be born.

Women, more readily than men, can be progressive, for are we not God's own afterthought? His own progressive formula for change and for progress?

Are we not fashioned out of His loneliness when man showed himself arrogantly sure that he knew better than his Maker? Are we not the result of His need to create a humbler being who could conceive Him as He is?

Are we not the matrix of His life, mother of knowledge, pregnant with deep feeling, reaching out always toward bettering the state of the world?

But things can be better in a new fashion only if we get together, setting aside selfish ends, deciding to unite to make the party through which we work a wholesome, honest, and courageous instrument.

We know that this is a moment of travail and labor out of which new life must and will come. We know a new spirit of service is being born.

Difficult? But, of course, for it will mean work and work and then more work—work for that which we believe—for that which is our faith. Most difficult of all because the love of work has gone from so many of our people under a regime that has taught a doctrine from which personal responsibility has been almost entirely eliminated. But that is no more than a dark cloud that has temporarily obscured the sun of a strong people's sanity and judgment. It looms large, perhaps, but if we start a quiet little breeze that comes from the deep conviction of our woman's belief in the power of freedom under law it will soon become a strong wind, which will blow the darkness off the earth.

After all, it isn't what we may do, friends; it is what we must do.

There is still time, though we have lost tragically by our apathy, our laziness, our readiness to accept a defeatism that has spread over us like a miasma.

Always woman has been the deciding factor. She can be again. But she must concern herself less with superficial things and more with the world's need of her service, her judgment, her capacity for selflessness, her understanding of the giving rather than the taking of life, her capacity for complete devotion to the immediate as well as to the long future.

Where are we going? Let me tell you in the poetic words of Frank Townsend:

"Where do you think we are all going?
I will tell you:
Towards happiness that is beyond dreams;
Towards truth that surpasses thought;
Towards realization of something that is both within and beyond you;
Towards freedom, peace and love."

Our National Security Demands Secrecy of Atomic Energy

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. McDONOUGH. Mr. Speaker, while we take every measure to provide an adequate Army, Navy, and Air Force for the protection of our Nation, and to procure vital strategic materials for use in case of emergency, we are failing to provide an adequate measure of protection for what is perhaps our most important resource, the knowledge of atomic energy and the atomic bomb.

Almost daily extensive information about atomic developments is passed along publicly through Government reports and private publications and is available through these channels to any foreign agencies which might be interested.

Virgil Pinkley, editor and publisher of the Los Angeles Mirror, recently issued a series of editorials revealing the extent to which atomic information is being released to the public, which indicates the need for adequate safeguards to protect this information for the security of our Nation.

The editorials follow:

[From the Los Angeles Mirror of May 3, 1949]

OUR HOPE FOR PEACE IS ATOMIC SECURITY

I

As long as the United States produces more atomic energy, and especially more atom bombs, than Russia, there is a chance for world peace.

There is world agreement, outside Russia, on this point.

Many military experts on this side of the iron curtain are alarmed about the extensive atomic information we are passing along publicly to Russia, all for free.

What assets do we possess that tend to preserve the world's present armed peace?

1. Production of the atom bomb in larger quantities than any other nation.

2. Our strategic Air Force bombers can deliver the bomb in greater numbers over longer distances than any other nation.

3. In industrial production, the major factor in a long war, the United States, Britain, and western Europe outmatch the world.

4. Western research and production distribution know-how is tops.

5. Steel and petroleum are the basis of modern war. The United States produces four times as much steel as Russia and the other iron-curtain countries combined, six

times as much petroleum. Our total production outmatches Russia 5 to 1.

6. We have more trained manpower.

7. Our raw-material supplies are largely adequate.

8. Our merchant marine and Navy strength is far superior.

9. The Marshall plan is succeeding.

10. The Atlantic alliance is a deterrent to war.

11. The Anglo-American airlift technique is unmatched anywhere.

We propose to deal chiefly with atomic energy, our tremendous trump ace in the postwar deck.

In these articles we will show the looseness in our handling of highly technical information dealing with the atomic bomb and our unwise disclosures of the extent and location of the plant facilities producing atomic energy.

We might be justified in passing on exact details of our atomic production if there was a genuine desire for peace by all nations and especially their leaders. If a free exchange of ideas existed, to which Russia made a full contribution, there might be a sound basis for making public so much top-level scientific information.

Conquest through world revolution is the basic, avowed principle of communism. In the face of that fact, it is hard to justify revealing our hand.

For the moment, and possibly for several years, atomic energy is our greatest means of preserving peace. Many are rightly alarmed when they daily read and hear officially released atomic bomb secrets.

In this troubled world in which we live today, certain scientific and military knowledge is vital to our existence, ideals, and way of life.

We dare not forget that in the minds of Communists there are only two kinds of people, themselves and the other kind—ourselves. Communists are sworn to the theory that all peoples other than their own must be made to comply or be liquidated.

Therefore, much information on atomic energy should now be handled just as a military top secret in wartime. Today we have a so-called peace, at best an armed truce, which has been properly described as the cold war. The national safety demands extremes of security in any war, hot or cold.

VIRGIL PINKLEY.

[From the Los Angeles Mirror of May 4, 1949]

UNITED STATES TOO GENEROUS WITH ATOMIC FACTS

II

Any newspaperman in normal times would properly defend freedom of press and speech against all censorship. But, we do not live in normal times when normal rules apply.

The press and radio have definite responsibilities now, particularly when dealing with atomic energy, which can mean life or death for the world.

At this point in world affairs, any irresponsible handling of scientific and military information can be dangerous. A certain amount of self-censorship is needed, in addition to any truly essential security censorship.

Great Britain has an Official Secrets Act which prohibits dissemination of information which might endanger the security of the nation. This law has remained in effect through Conservative, Liberal, and Labor-Socialist administrations. The same laws exist in Sweden, Switzerland, Belgium, and Holland—all of them democratic countries.

The United States needs similar laws now.

Writers and radio commentators here are retailing information every day of great interest to the Russians. The Soviets could not get this information in any other way without great effort, danger, and expense.

Russia, however, maintains the world's strictest censorship of scientific and military matters. Moscow advocates the free exchange of ideas between leading scientists, but makes no contribution. The Russians forbid reciprocity in science, military research, and experimentation. They do not disclose plant facilities, factory locations, or research centers.

We do. It could be a fatal mistake.

Why should we pass on all the information given out about atomic energy?

The recent report of the United States Atomic Energy Commission on atomic power development, and the Fortune magazine article on the atom and the businessmen are examples of dangerous information freely distributed.

These published documents give Russia more information about our production and war potential than we were able to get about Germany or Japan after 3 years of war. Make no mistake, the Russian general staff is busy evaluating this intelligence right now.

Top-ranking American military officers are shocked by our careless broadcasting of what every foreign spy should know about United States defenses.

Photographs, charts, and diagrams pinpoint important atomic energy operations. We have, in effect, drawn up a flight path to our most bomb-vulnerable installations for any potential enemy. For instance:

"The center for the development of atomic weapons is the Commission's Los Alamos laboratory, operated under a contract with the University of California," the Atomic Energy Commission report trustingly prattles. "Los Alamos is about 35 miles from Santa Fe, N. Mex. It is in rugged country on an isolated mesa, about 7,500 feet above sea level."

This is typical. Outside of furnishing daily weather reports, and having USO girls on hand to welcome any enemy bomb crews forced down, what more could we do to make it easier to Pearl Harbor the nerve center of our atomic-energy program?

VIRGIL PINKLEY.

[From the Los Angeles Mirror of May 5, 1949]

PUBLICATIONS GIVE OUR ATOMIC SECRETS

III

Too many of our atomic secrets are being published and broadcast.

We continue to republish much material to which some of those charged with the security of this country have made violent objections.

All of this material has unquestionably reached the Russian Army intelligence. It is on public sale by Government agencies, or in popular magazines.

Here is a sample, from the United States Atomic Energy Commission report for 1947–48:

"By spring 1948, the building of these new major facilities had become the greatest single construction program in American peacetime history. Work which would eventually cost $700,000,000 was under way. It centered at the Hanford, Wash., plutonium works.

"Today fissionable materials production extends into at least 15 States. It is carried on in 30 separate plants at 25 locations." (Try to imagine Russia giving out such information officially.)

Just to make it easier, page 17 of the report shows pictures of the K–25 gaseous diffusion plant at Oak Ridge, Tenn. The K–27 auxiliary process plant is shown, too.

"The K–25 plant, built during the war to extract fissionable U–235 from normal uranium, is the largest continuous process plant in the world under one roof—a 60-acre roof. Each side of the giant U-shaped layout is ½ mile long."

There's a target-for-tonight for enemy strategic bombers, on a platter.

Fortune magazine, on page 53 of the January number, brackets in some more key targets. It tells of the nuclear energy aircraft propulsion projects at Oak Ridge, the plutonium plants at Hanford, Los Alamos, the Argonne National Laboratory, the Brookhaven National Laboratory, the gigantic Knolls Atomic Power Laboratory at Schenectady, N. Y., and projects in Iowa, Ohio, and the University of California.

Remember, the destruction of any one of these projects would be a disaster from the standpoint of national security. If Russia hasn't got long-range bombers, what's to prevent on-the-ground sabotage by Russian agents and home-grown traitors? We know they exist. They brag that their first loyalty is to Russia in case of war.

Fortune publishes a large photograph, containing many details of military importance, of the Oak Ridge plant. Rivers, lakes, woods, ridges, smokestacks, water towers, and many other terrain features show up like road signs.

They would all make excellent "fixes" for a bomb run. Crews briefed with photos like that couldn't miss dropping bombs "right down your throat," leading airmen say.

Remember during the war how our military pleaded with the public to go through their tourist albums for any hazy snapshots of invasion coasts and enemy industrial areas? They were vital to air operations.

We're going to make sure any potential enemy isn't inconvenienced like that. Any nation with $1 cash or less can get its whole air war against us mapped out, by us, at any newsstand or the Government Printing Office.

VIRGIL PINKLEY.

[From the Los Angeles Mirror of May 6, 1949]

NOW IS THE TIME TO END SECURITY ABUSES

IV

Latest Washington reports indicate that officials handling atomic energy information are becoming more security-minded.

It's about time. It's essential. It's common sense.

Today we reproduce more excerpts from already-published information. It shows our past laxity in maintaining security guards on our atomic energy production.

The United States Atomic Energy Commission's last report carries a surprising map and diagram on page 23.

It shows the 620 square miles used by the Hanford, Wash., plutonium plant. The plant location is shown with reference to the junction of the Yakima, Snake, and Columbia Rivers. Enemy bombers couldn't ask a better "fix."

On page 25, the reactor area at Hanford is shown in great detail. Installations shown include a smokestack close to a ball-shaped tank, a row of cylinders mounted on piles on one bank of the river, and other key structures.

These are invaluable identifying check points for potential bombers or saboteurs. So detailed are the maps and photos in the AEC report and Fortune magazine that exact distances can easily be figured from river bends, islands, and landmarks. The Russians know mathematics, too.

The Fortune article even helps evaluate the relative importance of the various United States atomic projects by breaking down the costs of operation:

"Monsanto Chemical will get $7,000,000 for basic research in Mound Laboratory in Ohio. In 1949 the University of Chicago will get $35,000,000 for running the Argonne National

Laboratory as a business; the University of California will get $37,000,000 for running the Los Alamos Scientific Laboratory and its own radiation laboratory as a business; and Associated Universities, Inc. (a coalition for atomic purposes of Columbia, Cornell, Harvard, Johns Hopkins, MIT, Princeton, Pennsylvania, Rochester, and Yale) will get $27,000,000 for running the Brookhaven National Laboratory at Patchogue, Long Island, N. Y."

Fortune continues: "At Oak Ridge the heart of K–25 is a gigantic U-shaped building. * * * Inside, hexafluoride, a gas, is pumped a distance of some 11 miles through thousands of porous barriers, each perforated by billions of holes smaller than two-millionths of an inch. Gas molecules containing U–235 move slightly faster than U–238 * * * "General Electric's big job is to operate the first nuclear chemical factory in the world * * * in what is now known as Knolls Laboratories, in Schenectady.

"Knolls was once a big 360-acre private estate 5 miles northeast of Schenectady * * * this new laboratory, known as K–1, is now half finished and partly occupied."

Real security censorship on atomic energy secrets would hurt no one. These same secrets known to a potential enemy might cost thousands on thousands of United States lives.

There should be a closed season on publishing maps, charts, and photos giving specific geographic details and listing the physical properties of atomic-energy plants and all affiliated operations.

Too much information has been tossed out carelessly already.

The time to halt such unnecessary and dangerous knowledge is now.

VIRGIL PINKLEY.

Merry-Go-Round Is Now Slowing Down

EXTENSION OF REMARKS

OF

HON. ROBERT E. JONES, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. JONES of Alabama. Mr. Speaker, under leave to have printed in the Appendix certain editorials, I include an editorial which appeared in the Progressive Age of April 14, 1949, entitled "Merry-Go-Round Is Now Slowing Down," and written by the editor, Mr. P. W. Campbell, who is one of my good friends and one of the outstanding weekly newspaper editors in the country. Mr. Campbell has presented in this editorial a most interesting and timely discussion of a profound problem:

MERRY-GO-ROUND IS NOW SLOWING DOWN

This editor, not claiming to be an expert on the future, or even the past, believes we are not going to have a depression. That is, the kind we have known in the past where pinto beans were king of diet and second-hand clothes looked like Easter.

I think we are catching up on production and slowing down on easy money making and when those two ingredients get together the big parade always slows. But it was a humdinger of a parade, where a dollar got down in respect to the former status of two bits and folks who had hardly ever felt the kindly caress of much folding money were suddenly finding themselves toting $20 bills around in several pockets.

We are rapidly leaving the realm where the seller was king and the buyer the peasant and entering a new and former status where the buyer is king and the seller bows and says "Mister" soft and sweet. Pretty soon you'll begin to see some of us boys who have recently strutted into the banks with our hats on our heads, turning up in front, and shelling out big money and demanding change quick, now begin to quietly slip into these places of glorious aid in time of stress and meekly wait their turn at the borrower's table. Oh, no we did not lose our hats because you do not see them on our heads—we'll have them in our hands.

We have, most all of us, the last several years been singing a wild, rollicking song titled "Gimme This, and Gimme That, An' Git Outer My Way When I Say Scat." But lately another song is beginning to be heard. It goes "Sweet Money, My Dearest, I'm Holding You Tight Until I'm Persuaded Your Suitor Is Right."

We can't have a general depression with the gigantic government "buy and give away" program, and the many other Government support and aid systems we did not have last "rabbit hog" era some of us older and middle aged well recall. Too many people need too many things.

But Old Man Big Profit is beginning to show signs of reaching old age and may have to retire from the usually active life he has been leading these last few years.

At the same time the old gentleman known as Mr. Good Job, who had been neglected in attention while Mr. Profit and Madame Prosperity were putting on the exciting show, is now getting more attention and a few bouquets of appreciation. It is my guess that pretty soon Mr. Good Job will be hugged half to death by admiring suitors. He will become a little more independent himself as the weeks roll by and keep us on the "hot seat" by looking around to see if he can find a better love to fill his heart.

The percent of wise people in prosperity is perhaps higher than you would think, and a lot of easy money has been salted away while the salting was good. Of course, most of the folks got their folding money snatched loose before they could get used to the "feel," that is what inflation does to the multitudes. But we will always have these multitudes and they are the backbone of the country. They can take it on the chin, and have done it in the past. The multitudes like nice things and good living just like the upper ten and while able they attend the big show, but when the show is over they soon realize it and quickly settle down to normalcy. The loudest squawkers are usually those who make big money, far more than the average, and begin to get whacked down when the multitude decides the show just ain't worth the big price charged.

Yes, folks, I believe we are not going to bust, or starve or become a nudist nation. We've all got good enough sense to look the future squarely in the face and dismiss the abnormal years we have just seen while at the same time gradually adjust ourselves to a little slower and more energy requiring era that appears just ahead of us.

Favorable Report on Public Library Service Demonstration Bill Made by Federal Security Agency

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. PATMAN. Mr. Speaker, on January 13, 1949, I introduced H. R. 1411, a bill to provide for the demonstration of public library service in areas without such service or with inadequate library facilities.

On February 15, 1949, pages A796–A797, I inserted in the RECORD a statement containing an analysis of the bill, also questions and answers concerning it. On February 25, 1948, pages A1150–A1151, I extended my remarks in the RECORD, giving my views on this bill. I am calling attention to these extensions of remarks for the convenience of the Members, who would like to have a full explanation of the bill before them when reading the report, which will follow.

The Committee on Education and Labor of the House, to which H. R. 1411 was referred for consideration, through its chairman, the Honorable JOHN LESINSKI, requested a report on the bill, also on H. R. 874, an identical bill, introduced by Congressman RAY J. MADDEN, of Indiana, from the Federal Security Agency. The report furnished by the FSA favors the enactment of such legislation, and I am inserting in the RECORD at this time a copy. It is as follows:

FEDERAL SECURITY AGENCY,
Washington, May 3, 1949.

Hon. JOHN LESINSKI,
Chairman, Committee on Education and Labor, House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: This letter is in response to your requests of February 16, 1949, for a report on H. R. 874 and H. R. 1411, identical bills "To provide for the demonstration of public library service in areas without such service or with inadequate library facilities."

The bills would provide for Federal grants to be made to States which submit to the Commissioner of Education and have approved by him plans to demonstrate the value of public library service under the stipulations set forth in section 5 (a)–(c). The sum of $40,000 would be made available to the qualifying States for each year of the demonstrations, not to exceed 5 years. In addition, sums ranging from $40,000 to $100,000 would be made available, each year for 5 years, on a 50-50 matching basis to those States which submit to and have approved by the Commissioner an expanded plan within 4 years from the effective date of the act. There is also authorized, during the first year of operation, the sum of $150,000 to enable the Commissioner to assist the States in training workers for these library demonstrations by means of institutes and short courses.

The objective of these bills is to aid in remedying a serious deficiency in our educational facilities. Adequate public library service is highly essential in a democracy. It furnishes adults with a means of continuing their self-education, or improving their vocational competence, and of obtaining a sound understanding of social, economic, and cultural problems. The public library also renders invaluable service to children and young people. It is a necessary auxiliary to the educational programs of our schools and colleges. Yet despite noteworthy efforts by State and local communities, one-third of the total population in the United States is still without public library service, and another third has service of an inadequate nature.

The provisions of the bills should stimulate the States to study their library situations and to take constructive steps toward establishing adequate public-library service. The reports required to be submitted to the Commissioner should yield information of practical value to local appropriating bodies and citizens in determining what sorts of

library programs are needed and what they cost. The further requirement that the values and methods of public-library service be studied by the Commissioner and the resulting conclusions reported to the Congress and the Nation should furnish essential basic information for administrators of library programs.

The bills provide for workable State and Federal relationships. In section 2 (b) and section 5 (b), the control and operation of the proposed library service, the appointment of personnel on a merit basis, and the selection of books are reserved explicitly to the States and their local subdivisions. The participation of the Commissioner of Education is clearly defined. In addition to certain routine administrative duties, that participation consists of: determining whether the plans submitted meet the specifications set forth in section 5 (a); cooperating with the States in training workers for the demonstrations; studying the results of the demonstrations and making reports to the Congress and to the Nation; and taking appropriate steps to protect the interests of the Federal Government if a State fails to fulfill its obligations under the State plan (sec. 8 (b)).

The bills have other features worth noting. They emphasize the service aspects of public libraries and expressly forbid (sec. 7 (c)) the use of any of the Federal funds for a library-building program. They allow (sec. 5 (c)) variations in plans among the several States, so that the service may be adapted to local needs. Further, the bills authorize some brief preliminary training of the demonstration workers, a provision which should assure more effective use of funds granted. They provide the financial assistance of the Federal Government to the States only for a limited number of years.

The purposes as outlined in the bills are practical and attainable. The few isolated library demonstrations previously conducted by States indicate that such a method of stimulating and aiding library development is sound. There exists already in the Office of Education a section which within the limitations of a restricted budget, is furthering library development by assisting State library agencies through consultative and other services.

There are, however, certain provisions of the bills which need clarification. For example, under section 5 (a), paragraph 1 (p. 3, lines 8–12), a State plan must contain a certification that the State plan "has made no reduction in the appropriation for * * * the fiscal year in which the apportionment is to be made." We assume that the purpose of this provision is to prevent Federal aid for States which devote to library purposes, in the fiscal year in which the apportionment is made, less than in some base period, e. g., the fiscal year before enactment. The quoted provision, however, contains no such standard of comparison. Again, it might be made clear, as we take it to have been intended, that State and local aid now granted for library purposes will be counted as part of the State and local matching funds ($40,000–$100,000) referred to in section 7 (b) as a condition of additional Federal assistance. (The following typographical errors should be corrected: In H. R. 874, on p. 5, line 18, insert "Agency" after "Federal Security." In H. R. 1411, on p. 6, line 8, "supplied" should read "supplied.")

We would therefore recommend that the bills modified as suggested above, be enacted by the Congress.

The Bureau of the Budget advises that the broad objectives of this proposal are meritorious and that there is no objection to the presentation of this report to your committee.

Sincerely yours,

J. DONALD KINGSLEY,
Acting Administrator.

Shall We Abandon Our Freedom?

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. McDONOUGH. Mr. Speaker, the basic freedoms which have been the foundation of our Nation since the ratification of our Constitution and the adoption of the Bill of Rights, and which have made the United States the stronghold of individual liberty and a beacon for all oppressed peoples everywhere, are now being threatened by an insidious attack that is advancing and gaining momentum, unnoticed by most Americans, with alarming speed.

This movement is designed to repeal our Declaration of Independence and to nullify our Constitution through the establishment of a limited world government with the United States enrolled as a member with the loss of a large part of our national sovereignty.

The supporters of the world government are working to obtain the support of a sufficient number of State legislatures to call a constitutional convention to amend our Constitution to permit the United States to become a part of the world federation. Most Americans do not know about this movement nor are they aware of the extent to which it has already succeeded in accomplishing its objective.

Only 36 State legislatures are needed to approve of this plan and compel the Congress to call a constitutional convention. Already 17 State legislatures have adopted formal resolutions favoring "limited world government."

It is time the American people realize how far this move toward world federation has progressed in the United States. A recent editorial by Mr. E. F. Tompkins appeared in the Los Angeles Examiner and sounded the alarm. It deserves our serious attention:

SHOULD WE ABANDON OUR FREEDOM?

(By E. F. Tompkins)

Hardly observed by the vast silent majority of the American people, a spreading and seductive movement is progressing across the country to repeal the Declaration of Independence and to nullify the Constitution of the United States.

The undeclared objective is to be accomplished by establishing a form of world government based upon the existing organization of the United Nations.

At the very least, if the enterprise succeeds, this country would be required to abrogate a large part of its national sovereignty.

Eventually, we would probably be compelled to merge our citizenship with alien and distant races, who do not share our language, our customs, our principles of law, our traditions of individual liberty, or our ancestral experience in the arts and qualifications of democracy.

Obscure in its origin, the movement was initiated some years ago by Mr. Robert Lee Humber, a lawyer of Greenville, N. C., who formulated a proposal, for submission to State legislatures, to declare that all the people of the earth should now be united in a world federation.

Since the formation of the United Nations, the movement has been carried further by new organizations, supported by notable names.

One of the most active groups is the United World Federalists, Inc., headed by Mr. Cord Meyer, Jr., which has a global prospectus and which claims the backing of Gov. Chester Bowles, New Deal Democrat, of Connecticut; Gov. Alfred E. Driscoll, Republican, of New Jersey; United States Senator Robert R. Hendrickson, of New Jersey; Gov. Luther Youngdahl, of Minnesota, and Associate Justice William O. Douglas, of the United States Supreme Court.

Another group is Federal Union, Inc., represented by Mr. Clarence Streit, a former Rhodes scholar, which as a beginning would recombine the United States into the obsolete British Empire.

Still another group, led by former Supreme Court Justice Owen J. Roberts, would start with an Atlantic union and progressively include all of Europe, the Americas, Asia, Africa, and Australasia.

Former Secretary of War Robert P. Patterson and former Under Secretary of State Will L. Clayton like the Roberts approach.

Then there is the American Association of the United Nations, of which former Under Secretary of State Sumner Welles is an honorary president.

Since the movement was instituted by Mr. Humber—way back yonder and way down in Dixie—the legislatures of 17 States have been deluded into adopting formal resolutions favoring limited world government—which is the basic idea.

Efforts are now being made to join Alabama, California, and Maine to the list.

Developing this aspect further, the United World Federalists, Inc., has devised a new model resolution for the legislatures directly seeking a change in our Federal Constitution and calling upon Congress to summon a national constitutional convention for the purpose.

Furthermore, the United World Federalists has established local propaganda chapters in 600 communities and colleges; has won the support of the pretentious American Academy of Political and Social Science; and has under way a $500,000 expansion campaign to transform the United Nations into a limited world government.

The danger that this backward step in freedom and civilization may be brought about by well-meaning faddists is growing imminent.

The legislatures of 36 States can compel Congress to call a constitutional convention for a specified purpose; and nearly half of the requisite number of States have already sanctioned, in effect, this procedure which would ultimately result in their own political extinction.

The old and defunct League of Nations was an attempt at limited world government which started in the travails of one global war and expired in the bloodshed and anarchy of another.

The existing United Nations, with its 200 or more commissions and councils, is developing into a scheme of world socialism, sustained chiefly by American taxpayers and providing notably a sheltered haven for foreign espionage and intrigue in this country.

Experience thus proves that a limited system of world government must either dissolve itself in disappointing futility or else become unlimited government over all the diverse peoples of the earth.

Under such a system—

The American people would no longer be permitted to write their own tariffs or immigration laws, or to regulate their own banking and currency practices, for the free movement of goods and persons across national boundaries is an essential idea of world

government; international monetary controls have already been set up in the United Nations; and Congress has already scuttled our protective-tariff system and repealed the statutes prohibiting Asiatic immigration.

Under such a system—

Our natural resources and the fruits of our productive free enterprise could be exhaustively looted for the benefit of covetously less able and less industrious populations elsewhere.

Under such a system—

American labor would have to compete at home and abroad with alien pauper labor, and the American standard of living would vanish.

Under such a system—

We would have to share our privileges of citizenship with the aborigines of Africa and the hordes of the Orient, and in the end be overwhelmed by their migrations.

Under such a system—

We could maintain no national defense without the express assent of foreign powers.

Under such a system—

Our flag would cease to command respect, our institutions would become degraded, and an American would never again inherit the pride of our ancestors in being an American.

The United Nations and Spain

EXTENSION OF REMARKS

OF

HON. RALPH E. FLANDERS

OF VERMONT

IN THE SENATE OF THE UNITED STATES

Thursday, May 12 (legislative day of Monday, April 11), 1949

Mr. FLANDERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "The UN and Spain" from the New York Times of May 12, 1949, which deals with the subject of the recognition of Spain by the United Nations and by the United States.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE UN AND SPAIN

Late in 1946 the General Assembly of the United Nations adopted a resolution denouncing the Franco regime in Spain and calling upon all member states to withdraw the chiefs of their diplomatic missions from Madrid. Some member states promptly did so. Others have not done so, to this day. Now the Political Committee of the General Assembly has adopted a new resolution amending the 1946 declaration to the extent of leaving member states full freedom of action as regards their diplomatic relations with Spain. The vote on this resolution was 25 to 16. Most of the Latin-American nations supported it. The United States, Britain, France, and five other nations which are signatories to the new North Atlantic Pact abstained.

Our own Government's abstention on this vote presumably reflects a judgment that no great issue is involved in the question of restoring full diplomatic relations. To a large degree this is true. American opinion disapproves strongly of the totalitarian Franco regime. But American opinion also disapproves strongly of the totalitarian Stalin regime in Russia and of the totalitarian puppet regimes in all the satellite states. Yet we continue to maintain diplomatic relations with all these totalitarian governments and have, in fact, just appointed a new Ambassador to Moscow. If to Moscow, it may be asked, why not to Madrid? Certainly Franco isn't half as thorough or as efficient as Stalin in his destruction of the basic values of democracy, and, at the head of a weak and exhausted nation behind the Pyrenees, he is incomparably less of a menace to world peace than Stalin, with his mighty armies and demonstrated policy of territorial expansion and political penetration.

Whether we are represented in Madrid by an Ambassador or by some State Department official of lesser rank is not a question of great moment. We are confident, however, that our Government knows where to draw the line, and that it is no more prepared to strengthen a totalitarian of right than it is to strengthen the more numerous totalitarians of the left. Specifically, in the case of Spain, this means no American loans to Franco and no attempt to bring Spain within the democratic framework of the North Atlantic Pact.

Address by Hon. Olin D. Johnston, of South Carolina, Before Association of Retired Civil Employees

EXTENSION OF REMARKS

OF

HON. OLIN D. JOHNSTON

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, May 12 (legislative day of Monday, April 11), 1949

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed in the RECORD an address which I delivered before the Association of Retired Civil Employees at Washington, D. C., on May 7, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

President Johnson, ladies and gentlemen, it is an honor to be asked to address an association composed of people for whom I have such a deep and profound interest. I have always worked hard for beneficial legislation for our retired people. It is because of my deep interest in this matter that I assigned myself to serve as chairman of the Subcommittee on Retirement in addition to my duties as chairman of the full Committee on Post Office and Civil Service. Under my guidance this subcommittee to date has been the busiest of all. We have reported to the Senate six very important retirement bills and in addition to this, have held hearings on two others.

Approximately 32 bills have been referred to this retirement subcommittee and of this total, I, myself, am the author of nine.

Of primary importance to this group is Senate bill 878, which I introduced on February 10, 1949, and was instrumental in guiding it through the full Senate committee to a favorable report on April 28, this year. This bill corrects a great injustice of Public Law 426, in that last year those people on the retired rolls prior to April 1, 1948, had to make an election in a very short period of time either choosing an increase in annuity, or a survivorship annuity for his or her spouse. This bill authorizes both the increase and the survivorship annuity, and I might add here in connection with Senate bill 1440, which is also a part of Senate bill 1189, that we are morally bound and in all probability will report favorably to the Senate on S. 1189.

I know that most of you will be interested in some comment on S. 1189. My subcommittee held hearings on this bill on Monday, May 2, and I might say at this point that your general counsel, Mr. Lewis H. Fisher, presented quite an attractive argument in its behalf, and as a result of his and other very important testimony, I believe that I will be able to get favorable action from my committee on this bill.

Ladies and gentlemen, I would like to say that I think this is a great stride in the right direction because frankly when I introduced this bill I believed that we might have some trouble in getting its approval. As you all know, the bill to which I refer would provide for retirement on full annuity at age 55 after 30 years' service, and would, in addition to that, wipe out the present 10-percent reduction in a retired person's annuity which is to provide for a survivorship benefit for his or her spouse.

Other bills already favorably reported by my committee and now on the Senate Calendar for consideration are: S. 988, which would extend retirement benefits to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having rendered 25 years of service, but prior to attainment of age 55.

Senate bill 1023, to amend section 9 of the Civil Service Retirement Act so as to grant credit for service for which, through inadvertence, no deductions from salary were made.

Senate bill 1229, to enable certain employees of the Government separated from the service subsequent to January 23, 1942, to elect to forfeit their rights to civil-service retirement annuities and to obtain in lieu thereof returns of their contributions with interest.

Senate bill 1359, to repeal the provisions in the Alaska Railroad Retirement Act and certain sections of the Canal Zone Code and to extend the benefits of the Civil Service Retirement Act to employees to whom such provisions are applicable.

And Senate bill 1459, which would authorize the Civil Service Commission to waive the 6-month limitation prescribed by section 6 for filing claims in the case of an employee whose disabling condition is of such nature that it reasonably could be assumed to have existed at the date of separation, the time for filing of such cases being extended to 1 year. It further provides as to persons heretofore separated from the service that application may be filed within 6 months after the effective date of this bill.

Ladies and gentlemen, as I stated previously, I have always worked hard for more liberal retirement legislation, and I will continue to do so wherever possible. In this connection, there are two things which have given me very much concern. The first point is, the low average annuity of people on our retired rolls at the present time. I realize that it is very hard to exist on such a low income, and I and my committee are at the present time exploring every possibility for increasing this average.

Secondly, the exemption from income tax on all retirement pay up to $1,440 a year. I am hopeful that our inquiries and study will bring forth some beneficial legislation on these two points during the Eighty-first Congress.

I want you to know that I will continue to exert every effort to obtain favorable consideration on retirement bills now on my calendar, but only on those bills which I consider fair and just and meritorious.

We cannot afford to endanger the financial structure of our retirement system by

catering to the wishes of every Tom, Dick, and Harry.

I appreciate very much the honor you have bestowed on me in asking me to come before you and deliver this address and I want you to feel free to call on me at any time when you think I might be of help in strengthening our civil-service retirement system.

Hon. Harry Flood Byrd, of Virginia

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Thursday, May 12 (legislative day of Monday, April 11), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have inserted in the RECORD an article which appeared in the Washington Daily News on Tuesday, May 10, 1949, entitled "More Byrds Needed."

I also ask unanimous consent to have inserted in the RECORD an article which appeared in the Wilmington Journal-Every Evening on May 8, 1949, in which they, too, complimented Senator BYRD on his outstanding speech of last Friday on the fiscal affairs of our Government.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Daily News]

MORE BYRDS NEEDED

Officers of the American Veterans' Committee, who called on President Truman yesterday, said he told them there were too many men in Congress like Senator HARRY F. BYRD, of Virginia.

Mr. Truman, according to the AVC officers, admonished them to go back home and see to the election of Members of Congress who think in terms of national rather than local interests, of large plans instead of small plans.

Senator BYRD, in a speech the other day, said that the national interest urgently required a large plan for Government economy.

He predicted that, in the present fiscal year, ending next June 30, the Government would spend $800,000,000 more than it takes in.

He estimated that present Government activities, plus new activities proposed by Mr. Truman, would increase Government spending from $40,300,000,000 this fiscal year to $44,300,000,000 next fiscal year and $47,400,000,000 in the fiscal year after that.

He said that boosting Government revenue enough to cover such spending would require a large tax increase—but that a large tax increase, imposed at a time when business is already receding, might turn a minor decline into a major depression.

He asserted that the higher individual and corporate income taxes for which Mr. Truman has asked, plus Federal excise taxes, plus higher pay-roll taxes for expanded and new social-security programs advocated by Mr. Truman, would mean a take for the Government of $49,300,000,000 next fiscal year.

It would mean, he argued, the Federal, State, and local governments taking nearly 30 percent of the total national income—even if the national income stays as high as it is—and imposing a heavier burden than the economic machine can carry safely.

Deficit spending, Senator BYRD said, would be even more surely ruinous. For, he said, if the Federal budget cannot be balanced in this period of prosperity and peace, there is grave doubt that it ever can be balanced again and that the Government's credit and our system of government can be saved from destruction.

The only safe way to balance the budget, he contended, is to retrench—to eliminate or postpone all new activities not absolutely essential, to reduce the Federal pay roll, to trim appropriations, to cut $4,000,000,000 from proposed spending for next fiscal year.

Mr. Truman, it seems, did not admire Senator BYRD's speech. He probably was more favorably impressed by the remarks of Senator J. C. O'MAHONEY, of Wyoming, who has just warned of dire peril if the Government starts trimming its spending too deeply or firing too many employees.

So it's likely that a chorus soon will be shouting that O'MAHONEY, the liberal and progressive, is the true prophet, and that nobody should listen to BYRD, the conservative and reactionary.

But what Congress really needs just now is more men like BYRD, of Virginia—more men who react against danger of national insolvency and dare to advocate conserving the Government's credit.

[From the Wilmington (Del.) Journal-Every Evening of May 9, 1949]

SENATOR BYRD PEERS AHEAD

The Presidential budget message that goes to Congress each January attempts to forecast the future. For example, the last one dealt with the Government's prospective income and outgo for the 1950 fiscal year, which does not begin until July 1 and will not end until June 30, 1950.

This is not said in criticism. Nor is it a criticism of the system that the Presidential estimates often prove to be bad guesses. The experts can do no more than their best and they cannot predict what Congress will do or prophesy the course of the economic cycle. Even if they miss the mark by a wide margin, they do provide Congress with a rough guide for action in taxing and spending. And it helps.

Actually, it could be charged against the system that it does not require the experts to look even further into the future. They might be guilty of even greater errors if they did but they would at least give Congress a picture it does not have now. Such a picture, however inaccurate, might serve as a warning.

All this is preliminary to the observation that Senator BYRD, in the comprehensive address on the Government's fiscal outlook he delivered last week, made a very pertinent point. He noted that if the administration's spending plans are approved the Federal debt will be higher by around $11,000,000,000 on June 30, 1951, unless taxes are increased. On that ground he declared that the Nation now faces a fiscal crisis.

That is, he looked ahead 1 year further and discovered an alarming prospect. It is alarming because such an increase in the debt, already standing at $250,000,000,000, would be likely to destroy confidence in the Government's financial soundness and bring disastrous economic consequences. To avoid it, however, higher taxes must be voted—or spending must be cut.

New taxes now might turn the deflation into a depression. Congress sees that. But it must also recognize the danger implicit in deficit financing. It should look beyond 1950 and act accordingly.

Secretary Brannan's Farm Plan

EXTENSION OF REMARKS

OF

HON. HUGH BUTLER

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Thursday, May 12 (legislative day of Monday, April 11), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD two editorials from the Nebraska Farmer for May 7, the first entitled "Bugs in Brannan's Farm Plan" and the second an editorial regarding the plan signed by the editor, Sam R. McKelvie.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

BUGS IN BRANNAN'S FARM PLAN

Secretary of Agriculture Brannan has given Congress the outline of a new plan to stabilize agricultural income. From the general description of its provisions and lacking the details essential to its practical application, the plan appears to combine the present price-support mechanism for basic nonperishables, such as wheat, corn, cotton, and tobacco, with production payments when needed for perishables such as livestock, dairy products, and eggs, prices for which would seek their own level. Marketing quotas, acreage allotments, and compliance with soil-conservation programs would be permissible or mandatory to head off excessive surpluses.

At first the Secretary proposed a restriction on quantity of a product eligible to price supports or production payments to 1,800 units, of around $25,000 value, as a special favor to family-size farms. Later he withdrew this provision where the producers had complied with all the regulations imposed.

Where price supports are employed, an attempt would be made presumably to hold prices near the price-support level. For perishables, the market would be allowed to seek its normal level with payments equal to the difference between the average normal level and the predetermined price or income standard announced for the commodity.

The price supports or income standards contemplated by the Secretary are somewhat higher than those set up under the Aiken law to become effective in 1950, and somewhat below the 90 percent of parity supports now in effect for certain crops and products of 1949 production. For livestock, dairy, and poultry products, income standards would be above present parity. In terms of desirable income standards the Secretary uses a figure of $26,234,000,000 as the minimum gross cash income desirable for 1950.

The plan is obviously designed to win support from both farmers and consumers. It is, therefore, an astute political instrument.

Farmers would become wards of the Government, submitting to all-out direction and dictation in running their individual farms and depending on a political Congress to appropriate the money for part of their pay. Consumers are promised, but may not get, cheaper food at a time when their income is just as adequate to pay for food that is no higher respectively than other commodities.

The plan would involve a great increase in Government records, red tape, regulations, Washington dictation, and a bigger and costlier political administrative bureaucracy. While Brannan denies that any more governmental power is contained in his proposal than in the Aiken law, which does not become operative until 1950, it is quite clear,

in this writer's opinion, that the record keeping and supervision for production payments, acreage allotments, and marketing quotas, would be much greater.

No specific estimate is made of the cost of the Brannan proposal, but the Secretary believes that it would be no more costly than the Aiken law. He attempts to justify the cost, whatever it may be, by comparing it to tariff benefits, postal subsidies, land grants to railroads, minimum wage standards, and collective bargaining rights for organized labor. If production payments are needed for the many perishable products involved, comprising about three-fourths of our total food production, the cost could easily total several billions of dollars.

With supports or guaranteed income standards higher than those contemplated in the Aiken law, and in the case of livestock and dairy products even higher than the present parity levels, the incentive to produce would lead eventually to overproduction and then the pernicious production controls that are permissive in the plan.

BY THE WAY—A WORD WITH THE PUBLISHER

A new farm program has been presented to the agricultural committees of Congress by Secretary of Agriculture Brannan. It is rather more complex than anything heretofore proposed. The more essential and salient features of it will be outlined in these columns from time to time, and our readers will be kept well and fully informed.

I agree with its purpose and several of its provisions, but I do not concur in the approach to solving the problem of parity income for agriculture, or the controls for enforcing it. The primary design is to give the consumer a "real break" on food prices. In order to do that the laws of supply and demand are to operate untrammeled (ostensibly), and the producer would be reimbursed on the basis of a "fair, stable income."

The well established and generally accepted thesis of parity prices for agricultural commodities would be tossed out of the window, and replaced with a scheme of subsidies based upon average national agricultural income over a 10-year period, for instance 1939–48. Just how that would be done among 6,000,000 farmers is something else again.

To me it seems the approach is in reverse—hind end to. The consumer comes first. That's a honey politically, for there are several times as many of him as there are producers; but it takes no account of consumer ability to buy, which at present is the highest in history for organized labor and most other classes except "white collar" folks. Presumably as food costs go down wages and other costs would follow, but who is naive enough to believe that will happen. It has not happened with organized groups in the last 25 years, and it will not happen now. True, a good many may be unemployed, but when that occurs the Government will be called upon to take care of them just as has been the case since the early thirties.

Controlled production for agriculture never has been popular with farmers, and never will be. They have accepted it at times, and will again if it seems the more logical course; but it is bound to be partial as among the widely varying localities and products due to weather and other factors beyond human control. Moreover, the farmer is not going to submit meekly to controlled production when everybody elese is free to do as he chooses whether school keeps or not.

As for the costs of carrying out such a scheme, Secretary Brannan refuses to venture a guess. Even that does not worry me too much, except that it leaves the gate wide open for multiplied Government employees, and Government will determine what constitutes fair income for the farmer. For instance, to take the average national farm income over the last 10 years would not be at all fair unless costs of production come down proportionately; and that does not seem probable. History records that in periods of depression or price declines agriculture has suffered first and most seriously. That was because farmers were not as well organized as other groups, and it is more so now than ever before.

As formerly stated in this column, I believe that the only sound approach to this problem is to place agriculture first, for the very simple reason that it is the most basic of all industries in the national economy. To place the consumer first by insuring him the benefits of cheaper food, not only is unsound but smells to high heaven of politics.

SAM R. MCKELVIE.

Veterans' Care

EXTENSION OF REMARKS

OF

HON. MATTHEW M. NEELY

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, May 12 (legislative day of Monday, April 11), 1949

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Veterans' Care," published in a recent issue of the Charleston, (W. Va.) Gazette.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VETERANS' CARE

The question of veterans' hospitalization has been thoroughly aired and with each airing grows more obscure. To the best of our belief, there will have to be some sort of congressional or Executive intervention to get it straightened out.

Administrator Carl R. Gray, Jr., and Dr. Paul Budd Magnuson, medical director, are unable to agree on what should be done for the veterans. Mr. Truman, according to Administrator Gray, recommended a reduction of 16,000 beds in the hospital building program. Dr. Magnuson appearing before the House Appropriations Committee, recommended closing of 21 existing hospitals. In the meantime, the record shows that there are 96 veterans awaiting hospitalization at the Baker Veterans Administration Center at Martinsburg, W. Va., where they hospitalize general surgical, medical, tubercular, and psychiatric patients for West Virginia. There are 64 on the waiting list at Roanoke, Va., where they hospitalize psychiatric patients from West Virginia; there are 404 on the waiting list at Huntington, W. Va., where they hospitalize general surgical, medical, tubercular and temporary psychiatric patients; there are 34 West Virginians on the waiting list at Chillicothe, Ohio, where they hospitalize psychiatric patients from West Virginia. There are a number of other hospitals that occasionally take West Virginia patients but these are the major points of hospitalization for veterans from this State. This gives a total of 598 known to be awaiting admission to the hospitals.

These are West Virginia boys, who in time of emergency, were asked to risk their lives for our Nation. That was at the time of an emergency. Today the emergency is passed and they can wait while public officials, members of the Administration, and Members of Congress, quarrel over what to do about the hospital program. Couldn't some arrangement be made to take care of the sick and wounded veterans, either through assignment of beds from other Government owned hospitals or through emergency hospitalization in privately owned hospitals, so these men won't have to wait and suffer while the question of how they should be taken care of is thrashed out at top Government level? Isn't it time for action on this subject and not so much discussion?

Hans Freistadt and the Atomic Energy Commission

EXTENSION OF REMARKS

OF

HON. W. STERLING COLE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. COLE of New York. Mr. Speaker, I want to inform the Members of the House of what I believe is a very strange and incredible occurrence. It is the award of a postgraduate scholarship by the Atomic Energy Commission to a student identified as a professed Communist and a distributor of Communist propaganda.

This student is named Hans Freistadt, a native of Austria, a graduate of the University of Chicago and now studying advanced physics at the University of North Carolina.

This student has been identified as an organizer of the Marxist study group at North Carolina. He is said to be the means of distributing Communist propaganda at the university and was a recent host to one of the Communist leaders now on trial in New York City.

Now this student applied to the Atomic Energy Commission for a scholarship to aid him in studying subjects which would make him an atomic energy expert. The Commission says that a fellowship of $1,600 has been granted to this subversive student. The Commission may grant 600 of these scholarships.

A startling disclosure is that the Commission says it does not go into the loyalty background of any individual applying for these scholarships until the time comes when such an individual may arrive at a position where he will have access to confidential and secret information vital to national security.

This, in the face of the fact that the Atomic Energy Commission has an FBI report on this Freistadt.

I believe that the Members of Congress are entitled to know that Government funds are being used to further the education of an atomic student who is a professed Communist and as a party member is pledged to do all he possibly can to destroy our Government.

Mr. Speaker, these facts were first brought to public light by Fulton Lewis, Jr., the radio commentator and under leave to extend my remarks I include his broadcast in the RECORD.

Now, quite by coincidence, ladies and gentlemen, I have here tonight some further information on what I reported to you last night about the Atomic Energy Committee of Congress facing some fireworks, in regard to the program of student scholar-

ships, which Mr. David Lilienthal's Atomic Energy Commission is doling out, under the theory that there are not enough scientists available, in this dawning era of the atomic bomb and atomic energy, and, therefore, the Government must begin training a larger crop of young scientists to supply its own manpower needs in the atomic-development years ahead.

I believe I explained to you that the Commission is permitted to grant scholarships of $1,500 and $1,600 a year and up to students who already have graduated from college, so they will be able to take postgraduate work and become familiar with the atomic-energy problem and be prepared to man the Government's whole program, and I also told you that some members of that congressional committee are suspicious that some of those appointees are not all that they might be—in fact, that some of them have very suspicious leanings toward Russia and communism.

That seems like a rather wild idea, doesn't it?—the thought that in the Atomic Energy Commission, in which are our most important and vital secrets for our future protection, there could be even the slightest possibility that Government assistance would be given to the training and education of young scientists, to be drawn upon in the future to run that atomic-energy program, without taking every possible precaution to guarantee that the students we help are loyal Americans, faithful to the United States of America, and are absolutely beyond the slightest suspicion.

It is grotesque enough—the thought that any Government agency would run the slightest risk of sponsoring any individual who even entertains the thought of overthrowing by force and violence the very Government from which he is receiving assistance. But in the Atomic Energy Commission, as vital as that picture is, it is almost incredible.

But other incredible things have happened under Mr. David E. Lilienthal, and so when, quite by coincidence, I received a tip this morning to look into a certain specific individual at the University of North Carolina, who is reported to have been granted a scholarship of $1,600 a year, instead of tossing it aside as being flimsy rumor, I undertook to begin tracing it down. Listen carefully to the facts as they developed and then see what you think.

The individual in question is named Hans Freistadt, who graduated from the University of Chicago last year, and who now is a graduate student in the University of North Caroline School of Physics, working toward a doctor of philosophy in physics. My reports stated that Freistadt is a professed Communist, born in Stubbering, Austria; is a frequent source of Communist propaganda on the campus of the University of North Carolina; is an organizer of the local Marxist study group there, and was host to John Gates, one of the 12 Communist leaders now on trial in Federal court and editor of the official Communist publication the Daily Worker, when Gates attempted to speak on the university campus several months ago. (Remember, this is the university where Dr. Frank P. Graham, he of so many Communist-front affiliations, was president, and in which position Mr. David Lilienthal arranged to have him given complete atomic-energy information clearance, over the heads of all security review sources in the Commission.)

A check with the Atomic Energy Commission revealed that Hans Freistadt, formerly of the University of Chicago, now of the University of North Carolina, did apply recently for a fellowship from the Atomic Energy Commission (the Commission is entitled to grant up to 600 of these fellowships each year) but the Commission reported that it did not know whether the application had been granted or not, and if granted, whether Freistadt had accepted it or not. Through other means of checking I found that while this student was at the University of Chicago he was president of the Communist club there—his name was carried as president of the Communist club in a news report in the triweekly campus newspaper, the Maroon, in an article which told of a rally by the Communist club, in protest against a proposed legislative investigation of un-American activities in the university. An issue of the same publication dated February 20 carried a letter to the editor, signed by Hans Freistadt, as president of the Communist club of the University of Chicago, and another letter, bearing the same signature, appeared in the issue of February 27.

Also a magazine of avowed pro-Communist, pro-Marxist policies, called the New Foundations, in its issues prior to last fall, carried the name Hans Freistadt as associate editor at the University of Chicago, and since that time has listed him as collegiate editor at Chapel Hill. Professors at the University of North Carolina told me today that they have no proof that he carries a Communist Party card, but that he is outspoken in his advocacy of communism, and is the leader of Communist activities on the campus.

Later this afternoon the Atomic Energy Commission informed me that further checks of their records show that his application for a fellowship has been approved, to the extent of $1,600, and that he has formally accepted the fellowship. When asked whether they are aware of his record, they said that they did not go into the loyalty background of any individual until the time comes for the individual to be placed in a position in which he will have access to confidential and sacret information.

The fact is, and they did not deny this, they have had the FBI report on Hans Freistadt in their hands for some time, plus additional information such as I have given you here. And yet the fellowship was approved.

Is it a fair question to ask whether that is just a matter of stupidity, or whether this passes stupidity and looks like part of a plan? What do you think?

Reform of Private-Bill Procedure

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. CELLER. Mr. Speaker, I present a most revealing statement on private bills. The reform suggested by Mr. George B. Galloway, a distinguished member of the Legislative Reference Service of the Library of Congress, is long overdue.

REFORM OF PRIVATE BILL PROCEDURE

This memorandum measures the burden imposed upon Congress by various types of private bills, describes the legislative machinery and procedure now used for handling private legislation, summarizes the criticisms that have been made of present private bill procedure, and outlines the reforms that have been proposed for dealing with private matters.

THE PRIVATE BILL WORK LOAD

Much of the legislation considered by Congress is private or local in character. Private bills are those which relate to particular persons. Local bills are those which relate to particular places, such as the District of Columbia. In the calendars of Congress local bills are classified as public bills, in contrast to the practice in the British Parliament where private bills deal with the powers and problems of local government. (Compare O. C. Williams, the Historical Development of Private Bill Procedure and Standing Orders in the House of Commons, vol. 1 (1948).)

The principal categories of private legislation introduced in Congress today are threefold:

1. Private claims bills granting relief for property damage or personal injury.

2. Private immigration and naturalization bills relating to the residence, citizenship, and deportation of aliens.

3. Private land bills providing for the issuance of patents in fee, etc.

Prior to the Eightieth Congress considerable numbers of private bills for individual pensions, for building bridges over navigable streams, and for the correction of military or naval records were also introduced and considered in Congress. But their introduction is now banned by the Legislative Reorganization Act of 1946.

For many years the volume of private business in Congress has accounted for from one-third to one-half its total business. The high-water mark was reached in the Fifty-ninth Congress (1905–07) which enacted 6,248 private laws, or 90 percent of the total legislative output of that Congress. From the Seventy-sixth to the Seventy-ninth Congress the proportion of private to total laws enacted rose from 39 percent to 55 percent. But this proportion dropped to 34 percent during the Eightieth Congress as a result of the partial ban upon the introduction of private bills which became effective in 1947. Table I shows the comparative volume of public and private laws passed by Congress since 1936.

TABLE 1.—*Comparative volume of public and private laws 75th to 80th Congs., inclusive*

	75th Cong.	76th Cong.	77th Cong.	78th Cong.	79th Cong.	80th Cong.
Public laws	919	1,005	850	568	733	906
Private laws	840	657	635	589	892	457
Total laws	1,759	1,662	1,485	1,157	1,625	1,363
Percent private	48	39	43	51	55	34

The ban upon the introduction of four categories of private bills, which Congress imposed by section 131 of the Legislative Reorganization Act of 1946, effected some reduction in the private-bill work load. The number of private bills introduced in both Houses dropped from 3,772 in the Seventy-ninth Congress to 2,532 in the Eightieth Congress. In proportion to all bills introduced in those Congresses, the percentage of private bills introduced fell from 32 percent in 1945–46 to 21 percent in 1947–48. Yet one-fifth of all the bills introduced in the Eightieth Congress were still of the private type. These relationships are reflected in tables 2 and 3.

TABLE 2.—*Public and private bills introduced in the 79th Cong.*

	House	Senate	Total
Public bills	5,712	2,172	7,884
Private bills	2,849	923	3,772
Total bills	8,561	3,095	11,656
Percent private	33	30	32

TABLE 3.—*Public and private bills introduced in the 80th Cong.*

	House	Senate	Total
Public bills	6,420	3,151	9,571
Private bills	2,152	380	2,532
Total bills	8,561	3,531	12,092
Percent private	25	11	21

The reduction in the number of private bills introduced in recent years has naturally been accompanied by a decline in the number of such bills approved. The volume of private legislation in the Senate that survived all legislative hurdles and received the President's signature dropped from 199 bills in the Seventy-ninth Congress to 146 in the Eightieth. Private bills in the House that finally won approval registered an even greater decline, from 693 in the Seventy-ninth Congress to 311 in the Eightieth. These changes are shown in table 4.

TABLE 4.—*Private legislation in the 79th and 80th Congs.*

	Introduced		Approved	
	79th	80th	79th	80th
Senate	923	380	199	146
House	2,849	2,152	693	311
Total	3,772	2,532	892	457

Analysis of private legislation introduced in the Eightieth Congress by type of bill shows that private claims bills accounted for approximately one-half of the total; that private immigration measures amounted to about one-third of the total number; and that private land bills were a little less than 10 percent of the total. Table 5 shows the break-down by type of bill of private legislation introduced and approved during the Eightieth Congress.

TABLE 5.—*Private legislation in the 80th Cong.*

	Introduced			Approved		
	House	Senate	Total	House	Senate	Total
Private claims	1,269	77	1,346	164	108	272
Immigration	754	79	833	116	4	120
Land bills	65	174	239	17	21	38
Military and naval	41	29	70	0	4	4
Private pensions	11	5	16	0	0	0
All others	12	16	28	14	9	23
Total	2,152	380	2,532	311	146	457

The preponderant burden of this private legislation is borne in both Houses by the Judiciary Committees which have jurisdiction over measures relating to claims against the United States and over immigration and naturalization matters. Of the 2,946 bills referred to the House Committee on the Judiciary during the Eightieth Congress, 2,179 or 74 percent of the total were private bills relating to claims or to immigration and naturalization. A total of 1,346 private claims bills were referred to the committee. Of these 272 (20 percent) became private laws, 6 became public laws, 450 were reported to the House, 130 died in the Senate, 20 were vetoed, 13 were pocket vetoed, and 9 were recommitted. As to private immigration bills, 833 were referred to the committee. Of these, 121 (15 percent) became private laws, 3 were vetoed, and 1 was pocket vetoed. In accomplishing its task, the full committee held 71 executive meetings, and the subcommittees held innumerable executive sessions and conducted 342 hearings; 265 reports were received from the executive departments and considered.

During the first 3 months of the Eighty-first Congress (up to March 10), 1,329 bills and resolutions were referred to the House Judiciary Committee. Of this number, 856 (64 percent) were private bills, 555 were claims bills, 292 were immigration and naturalization bills, and 9 were patent bills.

As of March 15, 1949, 624 bills and resolutions had been referred to the Senate Committee on the Judiciary. Of these, 232 were private claims bills, 204 were private immigration measures, and 5 were private patents. In other words, private bills constituted 71 percent of the work load of the committee in terms of the number of bills referred to it.

In addition to handling these private bills, the Judiciary Committees also have the task of screening thousands of cases in which the Attorney General has recommended suspending the deportation of aliens. Senator MCCARRAN, chairman of Judiciary, told the Senate on April 11, 1949, that this task is "one of the trying problems which was assigned to the Committee on the Judiciary by the Reorganization Act." He estimated that the committee would be compelled to deal with 15,000 such deportation cases during 1949, and he expressed "grave concern" at the burden of this work. (CONGRESSIONAL RECORD, April 11, 1949, page 4255.)

MACHINERY FOR HANDLING PRIVATE BILLS

In the House of Representatives the private bill work load is largely handled by two standing subcommittees of the Committee on the Judiciary and by two standing subcommittees of the Committee on Public Lands.

Subcommittee No. 1 of the Judiciary Committee has special jurisdiction over immigration and naturalization bills. In the Eighty-first Congress this subcommittee has seven members, under the chairmanship of Mr. FRANCIS E. WALTER. Much of the burden of the subcommittee's work is carried by its able and experienced clerk, Mr. Walter M. Besterman, with the aid of an assistant clerk (authorized April 14, 1949), and a secretary. The subcommittee holds weekly meetings on Mondays, at which from 7 to 10 of these immigration and deportation cases are considered and acted upon.

Subcommittee No. 3 of the Judiciary Committee has special jurisdiction over claims bills. In the Eighty-first Congress this subcommittee has six members, under the chairmanship of Mr. WILLIAM T. BYRNE. All the staff work of the subcommittee is handled by its veteran clerk, Mr. Walter R. Lee, and one assistant. The subcommittee holds weekly meetings on Wednesdays at which it customarily considers 10 or 12 of these private claims bills and recommends action thereon. The recommendations of both subcommittees are considered and usually approved by the full Committee on the Judiciary at its weekly meeting on Thursdays.

The Subcommittees on Indian Affairs and on Public Lands of the House Committee on Public Lands handle its private bill work load with the interim aid of the six clerks of the full committee. Eighty or ninety percent of the land patent bills are handled by the Indian Affairs Subcommittee, which has 11 members under the chairmanship of Mr. WESLEY A. D'EWART. The Public Lands Subcommittee has 25 members chaired by Mr. WILLIAM A. BARRETT.

Part of the work load of screening private bills in the House is borne by six Members known as objectors, of whom three are appointed by the Speaker to represent the majority party and three of whom are appointed to represent the minority. After private bills have been reported from committee and are on the Private Calendar of the House, they are divided up among the six objectors and reviewed by them, together with the accompanying reports. The objectors never meet as a group, nor do they have any staff assistance.

In the House of Representatives, the first and third Tuesdays of each month are reserved for the call of bills on the Private Calendar. Individual bills are considered on the first Tuesday, and omnibus bills on the third Tuesday. Although the second Private Calendar Tuesday is frequently dispensed with, much of the time of the House and of the committees concerned is consumed in the course of a session in the consideration of bills of a private character. On the average it takes about 45 minutes to call the bills on the Private Calendar on each day they are in order. There is no such calendar in the Senate.

In the Senate the private-bill work load is largely borne by the full Committees on the Judiciary and on Interior and Insular Affairs, with the aid of their staffs. Private claims bill are handled by the full Judiciary Committee which, in the Eighty-first Congress, has no standing subcommittee on claims. The entire professional staff (six) of the committee works from time to time on these private claims bills, while two of the six specialize in this work. The standing Subcommittee on Immigration and Naturalization has two members and a staff of two persons. Under Senate Resolution 40, Eighty-first Congress, first session, the Judiciary Committee has recruited a special staff of 25 persons who are engaged in making an intensive field study of the administration of the immigration laws. Many of the members of this staff are currently engaged in screening the thousands of suspended-deportation cases referred to the committee by the Attorney General. Without this special staff the Judiciary Committee of the Senate would be unable to assume and carry the tremendous burden of reviewing all these deportation referrals. This particular burden is now being entirely borne by the Senate committee, since the House subcommittee with only two clerks is clearly not equipped to share in this task.

Review of suspended deportation cases by the Judiciary Committees results from a 1948 amendment of the Immigration Act of 1917. This amendment (Public Law 863, 80th Cong., 2d sess.) authorizes the Attorney General to suspend the deportation of aliens under certain circumstances. If the deportation of any alien is suspended under the provisions of this amendment for more than 6 months, the Attorney General is required to submit a complete and detailed statement of the facts in the case, with the reasons for such supension, to the Congress. These reports shall be submitted on the 1st and 15th day of each calendar month in which Congress is in session. The new law further provides that "if during the session of the Congress at which a case is reported, or prior to the close of the session of the Congress next following the session at which a case is reported, the Congress passes a concurrent resolution stating in substance that it favors the suspension of such deportation, the Attorney General shall cancel deportation proceedings. If prior to the close of the session of the Congress next following the session at which a case is reported, the Congress does not pass such a concurrent resolution. The Attorney General shall thereupon deport such alien in the manner provided by law."

The private land bills in the Senate are handled at the committee stage by the full Committee on Interior and Insular Affairs which has no standing subcommittees. One member of its staff, Mr. Grorud, assists the committee in this work.

Judging by the figures for the Eightieth Congress, it appears that the burden of private business is heavier upon the House of Representatives than it is upon the Senate. In that Congress, 85 percent of the private bills were introduced in the lower House and 15 percent in the Senate, while two-thirds of the private legislation approved were House bills and one-third were Senate measures.

PRESENT PRIVATE BILL PROCEDURE

The procedure for handling private claims and immigration bills in the House of Representatives may be briefly described.

A citizen having a claim against the Government asks his Congressman to introduce a bill for his relief. If the Congressman thinks the claim a reasonable one, he either

draws a bill himself or has it drawn by legislative council or by Mr. Walter Lee, legislative assistant to the Subcommittee on Claims. The bill is then introduced in the House and referred to the Judiciary Committee. No consideration is given to any claims bill by the subcommittee until the author or sponsor requests it and files proper evidence in its support, nor until the report of the Government department or office involved has been secured. Perhaps three-quarters of all private claims bills in the House are so referred for departmental reports which are customarily rendered within 60 to 90 days after request. Upon completion of the file on a case, it is referred to one of the six members of the Claims Subcommittee who reviews the case and recommends appropriate action. No bill is considered by the full subcommittee until it has been referred to and reported, either favorably, adversely, or without recommendation, by a special subcommittee. The full subcommittee holds weekly meetings on Wednesdays at each of which it customarily considers 10 or 12 of these private claims bills and recommends action thereon. Its recommendations are then submitted to the full Judiciary Committee at its weekly meeting on Thursday. The chairman of the subcommittee presents a brief synopsis of each case to the full committee which usually approves the recommendations of the subcommittee. Claims bills approved by the full committee are then referred to the private calendar of the House and screened by the official objectors. On private calendar Tuesday these bills are called up and if there is objection to any one of them, it is recommitted or passed over. Objections are sometimes resolved on the floor or in the cloakrooms in conversations between the sponsors and the objectors. The action of the House is generally, although not always, accepted by the Senate. Few private claims bills go to conference. In each session of Congress over 2,000 such bills are referred to the House Judiciary Committee. And in each session a great many are summarily rejected for want of jurisdiction.

The procedure in connection with private immigration bills in the House of Representatives is as follows: An alien seeking admission into the United States or to avoid deportation from the country, through relatives or friends in some congressional district, asks a Member of Congress to introduce a bill for his relief. If the Congressman considers the case a meritorious one, he introduces a bill to authorize the admission of, or for the relief of the alien. The bill is referred to the Judiciary Committee and by it to its subcommittee No. 1. The case is then referred to the Justice and State Departments for a report. Their reports are usually received by the committee within 3 weeks after referral. Meanwhile, the committee receives communications in support of the bill from its sponsor and from the client and his attorney. The subcommittee holds weekly meetings on Mondays at each of which from seven to ten of these immigration and deportation cases are considered. Present at the meeting, besides the subcommittee members, are representatives of the Justice and State Departments who appear in the role of prosecutors, and the client's Congressman and attorney who appear in his behalf. At these meetings the subcommittee sits as a jury and hears the arguments pro and con. Following the hearing the subcommittee goes into executive session and reaches a decision upon the pending cases. These decisions are then reported to the full Judiciary Committee at its next meeting and are usually approved by it. Upon approval by the full committee, the private immigration bills are then reported to the House and referred to the Private Calendar. The same official objectors who scrutinize the private claims bills also screen the private immigration bills. Most of these bills originate in the lower House. About 80 percent of them relate to deportation cases; the remainder to immigration and naturalization. None of these bills ever go to conference.

CRITICISMS OF PRESENT PROCEDURE

Through the years members and committees of Congress have criticized its "petty business." In its final report the Joint Committee on the Organization of Congress stated (S. Rept. No. 1011, 79th Cong., 2d sess., pp. 24–25):

"A high percentage of congressional time is devoted to matters of purely local or petty importance. * * * Private claims bills and inconsequential legislation dealing with local affairs and matters only slightly related to national policy take an excessive amount of congressional time from consideration of national affairs.

"Your committee believes that Congress should jealously guard its time for ample debate and consideration of matters of national and international importance. It seems hardly consistent to hear the excuse that congressional calendars are too crowded to take up and discuss issues of great national interest when so much time is devoted to these minor matters. Congress still tenaciously clings to many insignificant details which could be far better handled by the executive departments and the courts.

"Congress is poorly equipped to serve as a judicial tribunal for the settlement of private claims against the Government of the United States. This method of handling individual claims does not work well either for the Government or for the individual claimant, while the cost of legislating the settlement in many cases far exceeds the total amounts involved.

"Long delays in consideration of claims against the Government, time consumed by the Claims Committees of the House and Senate, and crowded private calendars combine to make this an inefficient method of procedure."

A lamentable amount of committee time and effort devoted to private legislation goes for naught, it is argued, because a large percentage of private bills reported are not acted upon in the House or Senate or fail to become law. In the Eightieth Congress the House acted upon all but one of the private bills reported, but almost one-third of them failed to become law. In recent years more than 2,500 private bills have been introduced in each Congress, of which less than 20 percent became law. Of all the presidential vetoes during the Seventy-fifth to Seventy-seventh Congresses, fully one-third were of bills granting relief for property damage or personal injury resulting from vehicle collisions.

Furthermore, the present practice (insofar as private claims bills are still handled in Congress under the Federal Tort Claims Act of 1946) causes disappointment to many citizens and aliens whose petitions are denied or not disposed of. Several hundred persons every session are denied the justice, equity, mercy, or generosity that committees hold to be deserved. Much private legislation that is justifiable and desirable is indefinitely and harmfully delayed by the pressure of more urgent legislation.

The present procedure is also a very costly one. It is estimated that the cost to the executive and legislative branches involved in considering the claims bills of each Congress, not including congressional salaries, amounts to $125,000; that the printing costs alone of the claims bills which fail of passage are almost $19,000 per Congress; and that it costs almost $200 to pass a single bill, more in some cases than the amount of relief granted. In short, the procedure for relief of tort claims by special act of Congress is slow, expensive, and unfair both to the Congress and to the claimant. The costs of handling the private immigration bills are presumably of equal magnitude.

It has long been the practice for the private-bill committees to refer such bills to the departments or bureaus concerned for advice upon their merits. Then, when the bill comes up on the floor of the House on Private Calendar Tuesday, objection is voiced to its passage if the committee report accompanying the bill shows that the department has advised against it. This means that in actual effect the judgment of the department or bureau largely prevails. Therefore, it is argued, why not let it be final, at least in petty matters?

Seventeen years ago Representative Robert Luce of Massachusetts, who served in the House for 20 years, deplored the "petty business of Congress." (Petty Business in Congress, American Political Science Review, October 1932.) "With the rising burden of its private work," he wrote, "Congress is becoming less and less able to cope with it. It is hard to see," he said, "how any reasonable man with any sense of proportion can find ground for insisting that Congress continue to burden itself with the little bills. To do so is penny-wise and pound-foolish. * * * If it be purely a question of justice, nothing can be worse than to leave it to a legislative body, particularly a large body like the House of Representatives. Parliamentary history abounds in instances of the miscarriage of justice at the hands of legislators. * * * To give to as few as three objectors what is in practical effect the power to kill the minor bills seems to many of us unfair and unnecessary." Luce concluded that private bills "do not seem to be matters that should invade the time of so large and costly a body as Congress." The rising burden of congressional business in the intervening years since 1932, and the increasingly vital importance of major legislation, appears to reinforce the validity of his conclusions.

In testifying before the Senate Expenditures Committee in February 1948, on the operation of the Legislative Reorganization Act, former Senator La Follette recommended that further steps should be taken toward the elimination of private bills relating to claims and immigration. "Various private bills still allowed," he said "are relatively unimportant individually, but in their large numbers can and do put an onerous burden on the present Judiciary Committees in both Houses. Unquestionably, further steps should be taken to relieve the Judiciary Committees of this burden." (Hearings before the Committee on Expenditures in the Executive Departments on evaluation of Legislative Reorganization Act, U. S. Senate, 80th Cong., 2d sess., p. 63.)

PROPOSED REFORMS

Members and students of Congress have proposed several solutions of the private-bill problem.

1. One suggestion is to create a joint-select committee to inquire into the whole subject of private-bill legislation; to consider the best means of relieving Congress from the duties now discharged by private bill committees; and to report how far, and in what manner, without prejudice to public interests, the present system may be modified with a view to the interests of claimants and clients and the economy of the time of Congress. Whether or not such an inquiry would yield any fresh information on the subject not already known is doubtful.

2. Another proposal is to establish exclusive private-bill committees in each House with jurisdiction over all such legislation. The effect of this proposal would simply shift the private-bill burden from the Judiciary Committee to a new committee without diminishing the work load. It would be a step backward toward the situation which existed before the passage of the Legislative Reorganization Act of 1946 when there were separate claims committees in both Chambers.

3. A third suggestion is to create a new joint standing committee on private legislation, with jurisdiction over private bills of every type, and with a joint staff to aid it. While this change would not reduce the private work load on Congress, it would make for simplicity, rapidity, and economy in its disposition by avoiding such duplication as now exists in the consideration of small bills by both Houses. There are now 28 stages in the enactment of a law. Joint action would eliminate a dozen of these expensive and time-consuming steps.

4. Perhaps the most promising proposal, if relief from work of this sort is the objective, is to continue the evolution begun in 1946 when Congress imposed a partial ban upon the introduction of four types of private bills (sec. 131, Public Law 601, 79th Cong., 2d sess.). This would involve (a) repealing section 421 of the Federal Tort Claims Act which excepts twelve classes of claims from its provisions; (b) delegating the adjustment of immigration and deportation cases to the Imigration and Naturalization Service; and (c) delegating the issuance of land patents to the Bureau of Land management or to the Bureau of Indian Affairs in the Department of the Interior. Senator WILEY, who was chairman of Judiciary in the Eightieth Congress, has suggested that the introduction of private bills could be banned in both Houses merely by amending their standing rules. (Ibid., p. 254.)

Extension of the current evolution to old claims and to immigration cases was recommended by Congressman MONRONEY in his testimony before the Senate Expenditures Committee last year. "Further elimination of private legislation could be effected," he said, "by a resolution setting up an appeals board within the Justice Department to hear and finally determine immigration cases. (Ibid., p. 83.) A Board of Immigration Appeals was established in the Office of the Attorney General on August 30, 1940. The Board has jurisdiction to review on appeal the orders entered by, or under the general direction of, the Commissioner of Immigration and Naturalization in cases of, or relating to, applications for admission, in deportation cases, and in cases of fines and penalties imposed on steamship companies or other carriers for violation of the immigration laws. It also has jurisdiction to consider and determine such cases which are not appealed but which the Commissioner certifies to it for final decision. Just as final judgments in the district courts on tort claim suits against the United States are subject to appeal, under the Federal Tort Claims Act, to the circuit courts of appeals or to the Court of Claims, so could the decisions of the Immigration and Naturalization Service, in the types of cases now referred to the congressional judiciary committees, be made subject to the Board of Immigration Appeals if such matters were delegated to the Service.

According to the Office of Legislative Counsel, there would be no constitutional objection to a ban upon the introduction of all private claims and immigration bills, nor to delegating the adjudication of such cases to external tribunals, provided Congress gives them a clear standard to go by. Congress could, if it desired, condition such delegation by subjecting administrative decisions in certain cases to legislative review and confirmation or annulment by simple or concurrent resolution, within a specified time.

The arguments against further delegation of the private business of Congress to administrative tribunals are: That, because of being too strongly impregnated with the general public-interest viewpoint, they may lose sight of individual rights; that the administrative authority may be at one and the same time a fact-finding, a prosecuting, and an adjudicating authority, and a party in the case; and that the combination of two or three functions of government in the same authority prevents adequate control over any function.

The argument for delegating the remaining private-bill work load to external tribunals or administrative agencies runs as follows: It would complete the current evolution begun by the Legislative Reorganization Act of 1946. It would insure uniformity of treatment in private matters and save congressional time and money. It would avoid the uncertainty and loss of time attending private legislation. It would relieve Members of much arduous and uncongenial work on the private-bill committees. It would reduce the costs and charges upon claimants and clients through the provision for local hearings in such cases. Congress is now unable to handle this private business efficiently because of the congestion of its calendars. The public business of Congress has become so great that there is grave danger of a legislative break-down unless Congress delegates its functions in respect of private legislation. The duty of Congress is to legislate, not to discharge judicial functions as well. Questions of general policy or expediency are not involved in private-bill legislation. Members are elected to Congress to attend to great questions concerning the Nation and the world, to supervise the administration, and to take part in making public laws, but not to spend their time on petty business.

GEORGE B. GALLOWAY.

MAY 2, 1949.

No Reason To Continue Boycotting Spain

EXTENSION OF REMARKS

OF

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 5, 1949

Mr. FEIGHAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following editorial which appeared in the Cleveland Press on May 9, 1949:

NO REASON TO CONTINUE BOYCOTTING SPAIN

The political committee of the United Nations General Assembly has voted 25 to 16 in favor of lifting the 1946 ban on the appointment of ambassadors and ministers to the Franco government in Spain. The question now goes to the General Assembly for final action, and the issue there is in doubt.

Representatives on the committee of the United States and 15 other nations did not vote either way. However, if we duck the issue again in the General Assembly, our refusal to vote will be counted against the proposal, which requires a two-thirds majority for approval.

Our Government initiated the original boycott resolution against Spain. That mistake should be acknowledged by joining in the movement for its repeal.

Franco's government isn't our kind of government, but that is not the test.

If we exchange diplomats only with those nations of which we approved in every particular, we would be doing business in a very restricted world.

Spain is under a dictatorship, yes. The Soviet Union, Poland, Yugoslavia, Bulgaria and Czechoslovakia—with all of which we have full diplomatic relations—also are under dictatorship.

Franco attained power by revolution—by force and violence. So did the other dictatorships. So have several Latin-American governments to which we have extended full recognition.

Franco's particular crime is that he gained control of Spain with the assistance of Hitler and Mussolini. But that was a case of dog eat dog. Stalin's international brigades were fighting on the other side. If they had won, we probably would have a Communist Spain today. Would that be good?

We voted to boycott Spain in 1946 largely as a sop to the Soviet Union. In doing so, we ignored the fact that Spain had not been guilty of attacks on any other nation, which was more than could be said of Russia. After Hitler and Mussolini helped Franco, he did nothing to help them. But who is there today to find fault with him for that? Hitler and Mussolini aren't around any more.

Our Government has had friendly relations with Spain since the War of 1898.

Franco has shown every evidence that he desires to live at peace with the rest of the world.

His country is one of the bastions against communism and occupies a strategic area vital to us and the other members of the North Atlantic group.

Our Government should vote to lift this foolish boycott.

Civil Rights Program

REMARKS

OF

HON. ANTHONY CAVALCANTE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. CAVALCANTE. Mr. Speaker, in view of all the commotion now going on with respect to the so-called civil rights program of both major political parties in this country, I believe it is apropos to place in the RECORD of this House a short report of our friend Drew Pearson on this subject, as the result of his observations in the State of Alabama while lately sojourning in that State. Here is what Mr. Pearson says:

MONTGOMERY, ALA.—A few years ago, if anyone predicted that white and Negro teachers would soon be paid the same salaries in the schools of Alabama, he would have been scoffed at.

A few years ago also, no one would have believed the prediction that Negro schools would become as up-to-date and modern as white schools. And if anyone had predicted that a Negro would sit among 12 good men and true on a jury which decided the fate of a white man where the death sentence was involved, he would have been considered revolutionary.

However, all of these things have happened—in Alabama.

Furthermore, there seems to be a healthy desire in this State, which has one of the heaviest Negro populations of the South, to work quietly and steadily toward improvement of race relations.

Two new Negro high schools have just been finished in Montgomery, and this writer, who recently visited them, can testify to the fact that they appear more up to date than the older schools for white children. Alabamans admit that the Negro schools were long overdue, and that it has only been recently that Negro education has begun to catch up. However, the important thing is that it has improved.

Montgomery also boasts a State Teachers College for Negroes which has a large number of modern, new, well-equipped build-

ings, plus an athletic field which some Alabamans ruefully claim is better than theirs. Montgomery's most beautiful monument to Negro education, however, is St. Jude's School, built by the nickels and pennies scraped together by a Catholic priest, Father Purcell. It probably surpasses anything built by the State.

NORTH-SOUTH COOPERATION

Another monument to North-South cooperation is being urged by the Blue and Gray Association which has built part of a football stadium for athletic contests between the North and the South, and is now trying to raise sufficient funds to complete the project.

Eventually a monument to the two great generals of the Civil War—Lee and Grant—will stand outside this shrine to North-South friendship, where already an annual football game is played between two all-star teams from the North and the South in Montgomery, the cradle of the Confederacy.

Taking a cue from the Blue and Gray Association, many southern high schools invited northern school elevens to the South last winter, and the idea is spreading.

"You can't legislate or force good-will and brotherly love," says Champ Pickens, chief operator of the Blue and Gray Memorial. "You have to encourage it."

The Blue and Gray has done a lot of encouraging and will do more down here in the heart of the deep South—if given a little help from those in the North who sometimes criticize without taking the trouble to find out how much progress the South is making on its own.

On Franco and Defeatism

EXTENSION OF REMARKS
OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mrs. DOUGLAS. Mr. Speaker, during the last few days there has been much talk but little understanding about the United States resuming full relations with Spain.

Three years ago the United Nations passed a resolution calling for the withdrawal of ambassadors from Spain by the United Nations members, as an expression of disapproval of the oppressive Franco government.

Although no change has occurred bettering the Franco government, a concentrated drive is now on to send an American ambassador to Spain.

What would this mean?

An American ambassador cannot be sent back now without flouting the United Nations and without it being taken in Spain—and throughout the world—as a gesture of approval of the Franco government.

Franco's anticommunism is asserted by those who champion Spain in this issue, and it is indeed comforting that they can seize upon one virtue in his defense—even though it is a merely negative virtue.

We shall never defeat communism here or in Europe if we rely on the happy delusion that mere anticommunism will be enough. We must not undertake to forgive and forget every default of obligation merely on the excuse that the defaulter is sound on the anti-Moscow line.

If violation of free speech, of free press, of free religion, of free assembly are qualifications for fellowship with us—then let us hasten to send our Ambassador back to Spain.

If oppression of labor and hostility to every liberal idea give title to our friendship, let us hang out the welcome sign to Franco.

I do not believe this is the way to promote democracy in Europe.

And nothing is more false than the idea that we must insure a frontier of defense on the Pyrenees. If the Atlantic Pact means anything, it means that we have aready chosen a frontier far to the north of them. Could anything be more harmful to mutual defense of western Europe than a display of anxiety now over a frontier that might be useful to us only when western Europe is gone?

There is one thing we can do about Spain. It is the best thing: Leave relations as they are. We have an Embassy in Madrid; Spain has an Embassy in Washington. The machinery is quite adequate for the business which has to be transacted.

To fall victim to Franco propaganda now would mean our fight against communism in the 16 western European nations would suffer a severe set-back.

Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include the following article by Walter Lippmann which appeared in the Washington Post of May 12, 1949:

ON FRANCO AND DEFEATISM

(By Walter Lippmann)

The trouble with sending an Ambassador to General Franco now is that the action will be misunderstood. The Ambassador was withdrawn as a gesture of disapproval and an ambassador cannot be sent back now without its being taken in Spain and throughout the world as a gesture of approval.

The gesture of withdrawal was, as Senator CONNALLY says quite rightly, a mistake. It is a mistake we have often made. It is the mistake of treating diplomatic recognition as a testimonial to be accorded governments that we like and denied to governments that we do not like. But in fact we do not maintain embassies abroad or receive them here to express our feelings and opinions about foreign governments, but in order to transact our business with them. The question, therefore, ought never to be whether they are good governments or bad governments but simply and solely whether they are governments with which we are not at war.

The withdrawal of an Ambassador is a meaningless gesture unless it is intended as a warning that even severer measures will follow unless the issue is settled. If the severer measures—the rupture of diplomatic relations, embargo and blockade, and in the last resort war—are not contemplated, then the gesture is a mere pin prick, indeed a bluff which will quickly be called. There is no graceful or satisfactory way of acting when a bluff has been called. And that—as respects the Ambassadors—is our predicament with Franco. In order to correct the original mistake, which did not impress him or hurt him, we would not have to make the still bigger mistake of appearing to have made up our minds to help him.

The best thing to do under the circumstances is to do nothing at all. We have an Embassy in Madrid and Spain has an Embassy in Washington, and whether the head of the Embassy has the rank of Ambassador or is only a chargé d'affaires is not a question of any real importance. The machinery is quite adequate to the business which has to be transacted, and relations are sufficiently correct, and quite cordial enough. If we still had Ambassadors in the two capitals, little would be different than it is except the seating arrangements at dinner parties.

The real argument, of course, is not about Ambassadors but about whether Franco Spain should be treated as an ally, made eligible for Marshall aid, given military equipment, and brought into the military system of the Atlantic Pact.

The ardent advocates of sending an Ambassador at once are ardent because they think of Franco Spain as a base. They see that it is protected by the Pyrenees Mountains. They think it is manned by a large fighting army. They know it is governed by a general who is firmly anti-Communist and puts up with no nonsense from Communists, Socialists, labor unions, liberals and all the others who have to be considered in governing countries like France, Italy, Belgium, and the like.

But this picture of Franco Spain as a strong, indispensable, dependable ally, worth cultivating no matter what our other allies think, is a product of wishful thinking and of blatant propaganda. Franco Spain is not strong but so weak, so poor, and so primitive that to make it the kind of base we hear about would take years and a program of capital investment on a grand scale.

As for Franco being a dependable ally, his regime rests upon the sullen submission of the disarmed masses of the people to a dreary and bigoted military dictatorship. There is no reason to think that the regime would stand up under the strain of war, or that the Spanish people would continue to submit if arms were put in their hands. The order and stability which so impress the casual visitor are a thin crust and under it there is a smoldering discontent. This discontent is not confined to the Communists of whom there are not many more, and to the anarchists of whom there are many more, but exists—waiting for the opportunity to express itself—among businessmen, monarchists, among the clergy, in the army.

This is no time to embrace Franco and lose forever the confidence and good will of all the Spaniards in all walks of life who will eventually remove him. Nor is this the time to entangle ourselves in the internal affairs of Spain as we have become entangled in the internal affairs of China and of Greece.

And as for the strategic importance of Spain, the whole conception is the worst kind of defeatism. The only way to make it certain that no one in Europe would fight if the Russians started to march is to notify the Europeans that the United States expects to retreat rapidly from the Elbe to the Rhine, from the Rhine to the Seine and the Loire, and from there to the Pyrenees. It would be like preparing to defend the United States against a Japanese invasion by fortifying Long Island.

Our true object is to prevent war by making the risks prohibitive and successful aggression impossible, and then by negotiation and compromise with the Soviet Union to end the military partition of Europe. Our concern is not with a part of Europe but with the whole of Europe, with the defense of Europe as a whole, not with Europe at the Pyrenees, not with Europe at the Rhine, not with Europe at the Elbe, not with Europe at the Vistula but with Europe as a continent and a civilization, destined to be independent, united, and free.

That may take a long time to achieve. It may not take so long a time as many fear. But we cannot, we should not, settle for less.

The costs will be no heavier, the risks will be no greater, if we stand forth clearly as the partisans of what all Europeans yearn for, of what in the end can alone give hope and faith, the will to endure and to persevere, until a true peace has been made.

Labor Dictation to Congress Is Our Most Absurd Myth

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Thomas L. Stokes from the Buffalo Evening News of May 9, 1949:

THOMAS L. STOKES SAYS "LABOR DICTATION TO CONGRESS IS OUR MOST ABSURD MYTH"

WASHINGTON, May 9.—In connection with labor legislation in Congress there's lots of loose talk about labor bosses who are caricatured as ogres or evil spirits who somehow or other are trying to dictate to Congress and Government.

Long years of covering Government and politics and civic affairs gives the newspaper reporter a good insight into both labor leaders and business and financial leaders. In such experience one learns that the labor boss stacks up over-all very well alongside those in business and finance who sit at the top of our corporate economy and across the table in bargaining. Often the edge is distinctly in favor of the labor leader when it comes to sincerity of purpose for the general public welfare.

But, as for dictation of Congress by labor, that is the most absurd myth of our times to anyone who lives here daily with Congress and has seen the impregnable barricade raised here in the last 10 years against measures for the interest of millions of people, including labor.

Now that there seems finally a chance to pentrate that barricade, only if a little bit here and there, to get through a few much-needed bills—housing, education, health, increased minimum wage, modification of the harsh Taft-Hartley law—those who are working earnestly at this, as they have been for years, suddenly become evil labor bosses. It's very queer tactics.

To get at the real problem involved, it is necessary to go back of the labor bosses to the millions of individuals who work daily in the greatest industrial machine the world ever has seen. They may be set apart as some sinister element called labor, but they are just people, good Americans, who live in your neighborhood, work hard to make ends meet and put their children through school and pay their doctor bills.

Twenty years ago our system broke down temporarily because we failed to recognize that basic fact in our still new industrial economy.

It is a humanitarian thing to provide for our people. But that doesn't have to be considered at all. It is a hard-boiled necessity of economics, just plain good business. Big bosses on the industrial management side should be thankful that labor organization has come along, as a great many of them are. It has done much for them, as for all of us. They are doing nicely. We owe them much, too, for their skill and know-how. But they didn't do it all themselves and they can't keep it going themselves. Some of them seem to think so.

That appears to be the attitude, too, of some in the Republican Party, judging from what goes on in Congress. If that attitude persists, if the objective in labor legislation continues to be to punish something called labor and some legendary Frankenstein labor bosses, it can be forecast that the Republican Party never will win another election and will pass away.

That would be the tragedy of our times. For we need two healthy political parties to check on one another. That was the way our great political democracy has been built up, and that is the only way it can survive.

Mrs. Harriette Harper Honored by Medical Society of the State of Pennsylvania

REMARKS
OF
HON. IVOR D. FENTON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. FENTON. Mr. Speaker, it is with a sense of pride that I join with my home-town neighbors and fellow citizens of Mahanoy City, Pa., in congratulating a fine American mother on attaining her ninety-ninth birthday on May 10.

Mr. Harriette Harper is the oldest resident of my community and for years I had the honor and privilege of being her personal physician.

In addition to having reached the remarkable age of 99 years, Mrs. Harper has attracted the attention of the medical profession for the wonderful recovery she made 3 years ago when she fractured her thigh. On her birthday Mrs. Harper was presented by the Medical Society of the State of Pennsylvania with a plaque, "in recognition of one whose life span exemplifies healthful living." I was to have the honor of presenting the plaque but was unable to be present because of our legislative program.

I know, Mr. Speaker, that you and the Congress join with me in paying tribute to this grand lady and wishing her continued good health and happiness.

An article appearing in the Mahanoy City Record-American, in reporting the epochal occasion, reads as follows:

THE STATE MEDICAL SOCIETY PRESENTS MRS. HARPER WITH PLAQUE AS A SPECIAL HONOR

Mrs. Harriette Harper, 99, of 612 East Centre Street, Mahanoy City's oldest resident, who made medical history when she completely recovered from a broken hip which she suffered in a fall down steps at her home when she was 96 years old, was honored by the Medical Society of the State of Pennsylvania today—her ninety-ninth birthday—by the presentation of a handsome plaque.

The plaque, which stated, "The Medical Society of Pennsylvania extends greetings and felicitations to Mrs. Harriette Harper, born May 10, 1850, in recognition of one whose life span exemplifies healthful living—1949," is signed by Gilson Colly Engel, M. D., president of the State society; Walter Donaldson, M. D., secretary-treasurer, and Hugh M. Miller, M. D., trustee and counselor. The formal presentation was made by Dr. William Leach, surgeon in chief of the Locust Mountain State Hospital, who graciously expressed the pride the physicians of the State feel in Mrs. Harper's remarkable recovery.

Also present for the presentation and extending brief congratulatory remarks were Dr. Charles Hogan, Pottsville, trustee of the State Medical Society, and the official representative of that body; Dr. Kenneth Donnelly, president of the Mahanoy City Medical Society; Dr. John Burke, Shenandoah; Dr. C. S. Burke, Dr. George Ricchiuti, and Dr. William A. Van Saun, of the local medical society.

Mrs. Harper replied to the presentation speech alertly and wittily, summing up the reason for her longevity in a sentence that may well be regarded as her philosophy of life (and a worthy one for all to follow): "I am satisfied with what I have and ain't worried about what I haven't got."

Witnessing the ceremony were Mrs. Harper's daughter, Mrs. Hattie Stride, who resides with her mother; her son and daughter-in-law, Mr. and Mrs. Stephen Harper, and Mr. and Mrs. John L. Goepfert, neighbors and close friends of the Harper family. Photos of the presentation were taken by Maurice Pedriani.

Deluged with cards and other greetings today, Mrs. Harper also received a telegram from Congressman IVOR D. FENTON expressing warm personal greetings and stating that the record of her remarkable recovery is to be inserted into the CONGRESSIONAL RECORD.

STORY BEHIND PRESENTATION

Mrs. Harper's daughter, Mrs. Hattie Stride, of the East Centre Street address, received notification last December from Leo E. Brown, Harrisburg, executive assistant of the society, that the plaque presentation would be made on the former's ninety-ninth birthday.

The society last year, which was its centennial, after requesting the names of centenarians residing in the State, inaugurated a custom of recognizing persons reaching their one-hundredth birthday. Mrs. Stride saw a request of the society published in the Record-American and communicated with its officers informing them of the remarkable recovery of her mother from her injuries at her advanced age. The fact that the bone had knit and she is able to be about again led the society to make special recognition of the fact on her ninety-ninth birthday.

In the letter informing Mrs. Stride of the honor to be paid Mrs. Harper, Dr. Brown stated: "I am convinced that your mother certainly must be a perfect example of healthful living to have been able to reach the age of 98 and under the circumstances, she is an excellent example of the progress which has been made in medical science due to her complete recovery from a broken hip."

After stating that it would be impossible for the society to present Mrs. Harper with a plaque in time for last Christmas, he wrote: "We are notifying the Schuylkill County Medical Society and will request that they make this presentation on your mother's ninety-ninth birthday. She will be the first individual under 100 years to have received this plaque. However, in view of her remarkable health and recovery, we feel she is justly qualified."

The presentation of the plaque culminated Mrs. Harper's ninety-ninth birthday celebration which commenced Sunday, Mother's Day, with a family dinner.

That the aged lady may continue to know health and happiness for a long time to come is the sincere wish of her legion of friends among whom the Record-American is happy to be numbered.

Amphibious Operations Represent True Unification of Our Military Services

REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. VAN ZANDT. Mr. Speaker, on Monday of this week many Members of the House were privileged to observe Marine Corps exercises at the Marine base in Quantico, Va. It was a thrilling and interesting demonstration of the skill of the Marines in carrying out the very difficult and dangerous ship-to-shore landing operation.

But, Mr. Speaker, of far greater significance was the demonstration of one phase of an amphibious operation wherein the various branches of our armed forces are coordinated and unified into one entity, packing the maximum striking power at any given point.

An amphibious operation represents real unification, the only kind that counts in terms of security to our Nation. Unification bills passed by Congress and big stick and head cracking in our National Military Establishments may be spectacular, but they will not win wars. War was won in 1945—and will be won in the future—by the type of unification achieved in the amphibious operations.

Mr. Speaker, I know something about amphibious operations. I participated in 21 of them in the southwest Pacific. I was a naval officer, but these 21 operations were commanded by an Army officer, Gen. Douglas MacArthur. We had unification out there in the Pacific. Those of my colleagues who served in the European and Mediterranean theaters will undoubtedly agree that in the amphibious operations at Normandy, Salerno, North Africa, Sicily, and southern France, we also had unification. The field commanders—the men who were charged with winning the war—achieved a real unification—and did it without any head cracking in Washington.

On Monday, at Quantico, we observed just one phase of an amphibious operation, that phase performed by the actual combat troops. In this particular case it was the marines who made the demonstration. But a successful amphibious operation is not just United States Marines, it is not just the United States Army, it is not just the United States Navy, and it is not just the United States Air Force. It is the combination and coordination of each branch of the service, with each branch bringing to the operation the particular skill for which it has trained and in which it is most proficient. It is the assembly of a large group of specialists, each of whom performs his own particular specialty for the benefit of the whole operation.

I shall speak of the Pacific war, Mr. Speaker, because I was closer to it than to the European war. It was an amphibious war, much more so than the European war, but only because the Pacific is a larger ocean than the Atlantic and thus more landings had to be made. Both were, essentially, amphibious wars. In both cases we had to transport men and equipment over large bodies of water and put them ashore in the face of enemy opposition.

Mr. Speaker, in the Pacific we achieved a degree of coordination almost beyond imagination. Why, for one operation—the invasion of Okinawa—we had every branch of our own armed forces, plus a task force of the British Fleet. Various elements of this force staged thousands and thousands of miles apart. Air units were based as far apart as the Philippines, the Marianas, and China. The whole was coordinated, and when the actual attack got underway, all of these elements moved into place and performed its job as if the whole force had rehearsed together many, many times. Yet, the Army troops were staged at Leyte and the marines were staged at Saipan. They went ashore side by side. They met for the first time as they stormed the beaches.

The United States plan for the capture of Okinawa gave each service the opportunity to fully demonstrate its effectiveness in modern war. To the B–29's, carrier aircraft, and the submarines were given the task of strategically separating Okinawa from the main islands of Japan. For the B–29's this meant, largely, the continuation of their strategic bombing campaign against military and industrial targets on Honshu. They flew one mission against Kyushu, bombing Kamikaze air installations. For the United States submarines it meant continued patrol of the sea lanes between Okinawa and the home islands. For the carrier-based planes it meant alert patrols on the lookout for enemy aircraft and for enemy ships getting through the blockade, plus a number of raids against the Kamikaze bases.

The guns of the fleet were given the job of destroying shore defenses and providing cover for the minesweepers and underwater demolition teams. The fleet had to protect against enemy air attack and directly support the troops on the beachhead until the campaign was concluded.

The amphibious force had the mission of destroying local opposition and to make it possible to land the Tenth Army, which was composed of Marine and Army divisions.

As I have stated, Mr. Speaker, all the elements making up this great striking force came from points scattered throughout the far Pacific and Asia. Reconnaissance planes under General Wedemeyer in China had to be coordinated with General MacArthur's search planes in the Philippines. Forces were mounted in the Marianas, Leyte, Guadalcanal, Ulithi, and Espiritu Santo. The northern attack force sortied from Guadalcanal on March 8 and the southern attack force left Leyte on March 21. Both were ready on Love Day, April 1. One task force assembled at Guadalcanal, another at Espiritu Santo. Combat ships generally were all prepared and replenished at Ulithi. The British Fleet assembled at Ulithi.

This operation drew from the Central Pacific Force under command of Admiral Chester W. Nimitz and the Southwest Pacific Force under command of Gen. Douglas MacArthur. It was a real unification, but no more of a unification and coordination of effort than had been achieved many times before.

Let me discuss, briefly, one other amphibious operation—the invasion and capture of Iwo Jima. From standpoint of services participating, this is not such a good example of coordination as Okinawa, but the principle was the same and it represents still another phase of coordinated effort.

Iwo Jima was not originally scheduled for attack and capture. The decision to take it was reached by the Joint Chiefs of Staff in order to facilitate the strategic bombing effort of the Twentieth Air Force—the B–29's operating from the Marianas. It should be pointed out here, also, that the various operations in the Pacific were decided upon by the Joint Chiefs of Staff here in Washington. They then sent Admiral Nimitz or General MacArthur orders to take this or that spot. The planning and everything else in connection with the operation was handled by the area command.

But let us get back to Iwo Jima.

The B–29's were based on the Marianas. This was done because the long haul from bases in India—from whence they made their first attacks—was too great to reach the Japanese home islands. They were under the direct operational command of the Joint Chiefs of Staff which sometimes made unified area command difficult, but not too difficult, for the Twentieth Air Force was never asked to fly in tactical support of any other group. In the Okinawa operation, as already mentioned, they were diverted briefly from their basic pattern of strategic bombing of cities on the main island of Honshu to take a crack at the Kamikaze bases on Kyushu, but this was essentially a strategic mission.

The B–29's came to the Marianas in October 1944, and, after a month of practice runs against Iwo Jima, 111 Superforts hit an aircraft engine plant on Honshu. Thereafter they made from five to six attacks against the Japanese home islands a month.

The Japanese did not take these raids lying down. Flak was extremely heavy, and kept the B–29's at an inaccurate 30,000 feet altitude. Fighter opposition was fierce. The Twentieth were sorely in need of fighter protection, which could not be given from the Marianas.

Iwo Jima was the key to the problem. From this island enemy interceptors flew. Moreover its radar station gave Honshu ample warning every time the big bombers were headed toward Japan. The Japanese were using the island to stage counter air attacks against the B–29 bases in the Marianas. Iwo had to be taken, and the Joint Chiefs so ordered. It had to be taken quickly, for Okinawa was being planned.

In this operation coordinated effort was again observed. Task Force 58 and the

B–29's hit selected targets on Honshu just before D-day at Iwo. The B–29's continued coordinated raids on the home island of Japan, as Task Force 58 withdrew to directly support the Iwo operation.

Consider, Mr. Speaker, the size of the naval force involved in the Iwo Jima operation. In addition to Task Force 58, commanded by the late, great Vice Adm. Marc A. Mitscher, Admiral Raymond A. Spruance's Fifth Fleet included the following elements: transport and landing ships, with the protecting screen of destroyers; antisubmarine warfare forces of escort carriers and destroyer escorts; the logistic support group, composed of fleet oilers, ammunition ships, replacement transport CVE's, escort CVE's, general store ships, aviation supply ships, towing and salvage ships and its own screen of destroyers and destroyer escorts; search and reconnaissance groups of seaplanes and long-range shore-based aircraft; a service force at Ulithi, which could service the fleet just the same as a State-side navy yard, and finally the amphibious force, which included the landing force of marines.

Nine hundred ships and thousands and thousands of men were diverted in an operation designed solely to facilitate the Twentieth Air Force in its strategic campaign against Tokyo and the Japanese home islands. That, Mr. Speaker, was real coordination and unification.

Now, Mr. Speaker, how important was the Iwo Jima operation? The answer is found in the following quotation taken from the final issue of Impact, an official publication devoted to the part played by the Air Force in the war against Japan:

> To every B–29 crew who flew to Japan after March 1945, the fact that Iwo Jima had become a United States base was a cause for thanksgiving. Iwo is less than 5 miles long, a very little island. But never did so little mean so much to so many. Located about midway between Guam and Japan, Iwo broke the long stretch, both going and coming. If you had engine trouble, you held out for Iwo. If you were shot up over Japan and had wounded aboard, you held out for Iwo. If the weather was too rough, you held out for Iwo. Formations assembled over Iwo, and gassed up at Iwo for extra long missions. If you needed fighter escort, it usually came from Iwo. If you had to ditch or bail out you knew that air-sea rescue units were sent from Iwo. Even if you never used Iwo as an emergency base, it was a psychological benefit. It was there to fall back on.

That, Mr. Speaker, is a real result of the kind of unification and coordination we had in the Pacific, spoken eloquently by those who benefited directly therefrom.

Permit me to emphasize the lesson of this brief discussion of amphibious operations. Never throughout the campaign was one service, or one specialist, called upon to perform other than his basic mission. Navy and marine carrier-based air provided tactical support to the amphibious landings. Shore-based air took over the tactical support as rapidly as facilities were made available. At Okinawa it required 6 weeks to do this job, for the first shore-based tactical air arrived on May 12. Long-ranged, shore-based aircraft flew either reconnaissance missions or continued to fly strategic bombing missions, but were never called upon for tactical support. Army and Marine troops fought ashore. Surface craft performed their screening and bombardment missions. Submarines performed their missions of reconnaissance and patrol of shipping lanes.

Each service brought to the operation its own particular specialty. Each was called upon to provide its specialty to the whole operation. Each was expected to utilize the weapons which would enable it to perform its specialty in the best possible manner.

That is what I mean, Mr. Speaker, when I say that the art of amphibious operations, whether in the Atlantic or the Pacific, represents true unification of our military services.

Unemployment Statistics

REMARKS
OF
HON. ANTONI N. SADLAK
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. SADLAK. Mr. Speaker, it has not necessarily been a pleasant duty to me to make interim reports to the House about the growing unemployment in my district, the State of Connecticut, and the consequent claims for unemployment benefits. It is, however, most pleasant for me to report this morning to the House that I have just received a release from the State Labor Department of Connecticut indicating that jobless claims have declined by 1,500.

The number of jobless claims declined to 74,450 during the week of May 2 to 7 from 75,973 for the previous week. I hope this downward trend in the numbers of those filing unemployment benefit claims and the entire number of all unemployed in Connecticut, New England, and the Nation will continue.

Mr. Speaker, may I mention further that in spite of the fact there are now only 74,450 people seeking unemployment benefits in Connecticut, this does not necessarily mean there are only that many unemployed. The Governor, on Tuesday, announced there are some 95,000 unemployed in Connecticut.

Mr. Speaker, I include as a part of my remarks an editorial from the Hartford Courant, the oldest newspaper of continuous publication in America, as follows:

UNEMPLOYMENT STATISTICS

In retrospect what former President Hoover needed most was a good set of statisticians. That deficiency has now been supplied. As a result we are told by the Department of Commerce in their latest report on the labor force that there are 3,167,000 persons unemployed. These figures are corroborated in the latest statement of Robert C. Goodwin, director of employment security. But when you start to break down the statistics you run into some weird and wonderful governmental jabberwocky.

For example, there seems to be a difference between being unemployed and not working. Although there are 3,167,000 frankly unemployed the Department of Commerce blithely explains that there is an additional 1,816,000 with a job but not at work. Presumably these also are people who are laid off but, like Micawber, hope something will turn up in the near future. Added to the unemployed and those who are not working is another group of 2,301,000 who are working from 1 to 14 hours a week. How many of this group are working 1 hour and how many 14 is not explained. There is still another group of 7,787,000 who are working from 15 to 34 hours a week.

While the administration gives out the information that there are some 3,000,000 unemployed, it is a fact that there are actually more than 14,000,000 now working less than a standard workweek. More than 7,000,000 of this group are either totally unemployed, not working, or working less than 14 hours a week.

To put it another way, of the total civilian labor force of more than 60,000,000 only a little more than 45,000,000 are working a standard workweek of 35 hours or more. Understandably the administration is anxious not to create a psychology of fear by stressing unemployment figures. Here in Connecticut it is no secret that Labor Commissioner John J. Egan created mild consternation in local democratic circles by predicting widespread unemployment a few months back. Since then Mr. Egan has for some reason or other refrained from making further forecasts.

But none of these factors is sufficient to justify the statistical casuistry that foists on the American people the idea that there are only 3,000,000 now unemployed. Let's face up to the fact that unemployment has been a democratic albatross and that only a war and a feverish postwar economy unloosed it from democratic necks. It will not be wished away by coining euphemisms nor concocting phony statistics.

Tyrant State or Welfare State: It's the Same End

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial comment by E. T. Leech, from the Pittsburgh Press of May 8, 1949:

TYRANT STATE OR WELFARE STATE: IT'S THE SAME END

(By E. T. Leech)

The old idea in America was that the people run and support the government. Now it is in conflict with a new and world-wide idea that government runs and supports the people.

That's what all the shooting is about. There is a basic clash of ideas raging both in this country and abroad.

If you say you favor the old American idea, you risk being branded as old-fashioned and reactionary. And probably you will be called hard-hearted.

Actually, you won't be old-fashioned—for the simple reason that the American idea really isn't old. Compared to the other

theory, it is quite new. However, the mere matter of age is of little real importance save as it reveals future prospects by past experience.

As for the matter of being hard-hearted, it is, of course, difficult to oppose things which promise well. It is a tempting idea to think that the state can make everybody comfortable and secure, well-educated and healthy, and safe against old age, unemployment, or emergency. Why would anybody oppose such a system?

IS IT POSSIBLE?

The answer, of course, is that nobody would—if it actually could exist. The only question involves whether or not it is possible.

Every government claims, and always has claimed, that it is the best possible government for its people. There have been thousands of governments over the long course of history—and they all made that claim. At least 99 percent of those governments don't exist today, or else they have been so modified as to be completely changed.

Had those governments been as good for their people as they claimed to be, more of them would have survived. That seems to be a reasonable assumption.

Another thing to remember is that at least 99 percent of those governments were supreme over their people. That is, the state controlled the people—instead of the people controlling the state. That has been the customary and general condition since man emerged from barbarism.

If it had been a good system, why would mankind have suffered so much under it? Why would such governments constantly fail and disappear?

RESULT OF FAILURES

The American system grew out of those failures. It was founded for the express purpose of getting away from state control. For the first time, the principle that the individuals are supreme over the state not only was proclaimed but was put into practice.

Now this idea—less than two centuries old—is again in conflict with the other idea, which is at least 10,000 years old. Yet, for some queer reason, the ancient system is being hailed as something new.

The only real change is that it has been dressed out in high-sounding and appealing trappings. It is to be a welfare state, seeking only security, abundance, health, schooling, and contentment for its people. The people are to subordinate themselves to it, not as a master, but as a benefactor. It is a new application of the old end-justifies-the-means idea.

There is one supreme obstacle: The state never creates anything. It doesn't earn a dollar. It can give only what it takes from others—either from its own people, or other people, or from both. And before giving anything back it must deduct the cost of government—a deduction which grows in proportion to the services which the state attempts.

America doesn't intend to loot any other people. Instead of taking from them, it is giving them billions. Therefore, all that Washington can give away must be taken from our own people here at home.

SOME GET MORE

Many will get more than they give—at least for a while. That's the chief bait. But those who do most of the producing and create most of the wealth will get less than they give—far less in many cases.

The big question is how much the state can take from this producing group before it dries them up. How much can they be forced to give before they switch sides—that is, start giving less than they receive? If enough of them are dried up and switch sides, then government collapses.

But before any government collapses it always tries to save itself by forcing the people to follow its plans. It tries to make them produce under government orders.

And it makes no difference whether the government started out to be a welfare state or a tyrant state—a benefactor or a master. Liberty goes down the same old drain into which it has flowed time and time before.

Cost of Congressional Record

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Licking Weekly, Newark, Ohio, of May 8, 1949:

ODDITIES—UNUSUAL ITEMS FROM THE CONGRESSIONAL RECORD, THE WORLD'S MOST COSTLY PUBLICATION

(By A. Wade Wells)

Total cost of the CONGRESSIONAL RECORD, 1947–48 (the last complete year):

There seems to be no record of this information having been compiled as herein set forth. This data was obtained for this columnist through the courtesy of Hon. J. HARRY MCGREGOR, Member of Congress, through the Legislative Reference Service of the Library of Congress, who contacted:

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Report of the Postmaster General, 1947, page 4.

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Salaries of Senators, 1948–49 ($12,500 per annum each), $1,200,000.

Salaries of Congressmen, 1948–49 ($12,500 per annum each), $5,482,500.

Salaries of Chaplains, Senate, $2,520; House of Representatives, $3,750.

Salaries of Cabinet members at $15,000 each, $135,000.

Salaries of Supreme Court Justices (the Chief Justice, $25,500; each of the eight Associate Justices, $25,000), $225,500.

Franked mail, 1946–47 (latest available) $921,277.

Total, $9,308,870.30.

The following information is provided on mailing costs of the CONGRESSIONAL RECORD. The statistics cover the second session of the Eightieth Congress for the period from January to December 1948 and including the Appendix printed January 10, 1949:

Mailing machine (equipment and personnel), $21,482.23.

Hand mailing, $15,831.20.

Residence delivery by truck (513 copies daily), $5,660.08.

Total, $42,973.51.

The entire cost of 1,700 sales copies is paid for by the subscriber, but Post Office charges for this class of mail are at the rate of 2 cents per copy. In addition to the costs tabulated above, it costs 10.36 cents to cut and file each stencil for the 32,000 copies which are mailed, 53 cents per thousand for addressing wrappers, an indeterminate amount for maintaining changes at the 10.36 cent rate, and an approximate 50 cents per thousand for wrappers. The 2-cents-a-copy Post Office rate applies to mail of this class.

The daily press run of the RECORD is 42,500 copies and the quantities not represented in the above figures are bulk deliveries to the Capitol.

The Salesman and the Politician

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Thursday, May 12 (legislative day of Monday, April 11), 1949

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an able address delivered by Mr. William Benton, publisher of the Encyclopedia Britannica and chairman of the Muzak Corp., before the Sales Executives Club of New York, April 19, 1949.

The subject of Mr. Benton's address is The Salesman and the Politician. As a former Assistant Secretary of State, in charge of the United Nations Educational, Scientific, and Cultural Organization, Mr. Benton won many friends in the Congress for his valuable service to the country in connection with UNESCO.

His address will be particularly interesting to the Members of Congress, for whom he expressed keen sympathy, understanding, and appreciation. In the course of his remarks, he said:

I would trust our United States destiny overwhelmingly to the Members of Congress. Judged by intelligence, integrity, competence, and hard work, far ahead of trusting our country's future to top business leadership.

He added:

That is as great a tribute as I know how to pay to a group of men who are so frequently kicked around, abused, misunderstood, and unappreciated.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE SALESMAN AND THE POLITICIAN

Fellow salesmen, I'm going to talk briefly today about two of the most important—underrated and unappreciated—figures of our time, the salesmen and the politician. Mr. Larsen generously spoke of me in both roles, and I confess gladly to the fact that I have been both. My first 15 years after graduation from college I spent as a salesman, first with the National Cash Register Co., starting when John H. Patterson was still president of the company; and later in the advertising business, writing advertisements and using the techniques of advertising for salesmanship.

In 1936, as Mr. Larson told you, I left advertising to take up the perils of education and to associate with a great university. I then unexpectedly discovered that I had gone into politics. Those of you who know much about university administration I'm sure will not correct me on my assertion that during my years at the University of Chicago, as well as during those with the State Department, I have been a politician.

I attest to those of you who may doubt it—that salesmen and politicians have much in common.

But they do have some big differences. Take for example the advice of my favorite

politician, Mrs. Clare Luce, with whom Mr. Larson is perhaps acquainted, to my favorite partner, Mr. Chester Bowles when Mr. Bowles was planning to run for governor in Connecticut I asked Mrs. Luce whether she wouldn't, through me, relay some helpful advice, knowing that she had some experience, at least in Fairfield County. Mrs. Luce gave me five precepts on how to be elected, which I forthwith relayed to Mr. Bowles. Fortunately I kept a copy of my letter, which I was able to dig out yesterday and thus refresh myself on her five rules for the candidate:

1. Explain nothing.
2. Deny everything.
3. Demand the proof.
4. Don't listen to it.
5. And attack the opposition.

Now, if you think these are slightly cynical rules, maybe that's because you're not trying to be elected to anything. And of course Mrs. Luce isn't trying to be elected to anything either.

As a contrast to these rules for a politician, I shall try to give you my ideas on the qualifications for a specialty salesman. Perhaps these will only show you how great the differences are between what we want in the politicians we elect and in the salesmen we hire.

Here are four suggested criteria, drawn from my own experience, for the ideal specialty salesman—the great specialty salesman—the man we want to hire:

First, he must be homeless and childless,

Second, he must be neurotic,

Third, he must have a wife who demands more and more money, and

Fourth, he must have the glands of an elephant. Now of course one reason that such men are very rare is that if they have the glands of an elephant, they are not likely to be homeless and childless.

Vincent Riggio last week told you about his first day as a salesman. A friend of mine who was here told me that Mr. Riggio explained how on his first day he wasn't able to sell anything, but that he went home his first night and sat up till 3 o'clock in the morning, and practiced in front of a mirror, and mastered his product, and the next day went out and made 26 sales. And Mr. Riggio's moral was, "Know your product."

The Encyclopedia Britannica, which is my favorite reading matter, as of course, I need not assure you—in fact, I like to browse through these 24 volumes while relaxing to the soft strains of Muzak—the encyclopedia says much the same thing as did Mr. Riggio. In its article on salesmanship, it uses somewhat longer words than Mr. Riggio's. Here they are: "No amount of verbal plausibility or dialectic brilliance," says the Britannica, "can compensate for lack of precise and complete knowledge of whatever one is selling." This is one of the ABC's as set forth in the Britannica and I can only conclude that Mr. Riggio must have been reading his Britannica before he came up to talk to you last week.

Mr. Riggio's story made me think you might be interested in my own first day as a salesman. Perhaps because it differs so much from Mr. Riggio's experience. Yes, and it even differs from anything I find in the Encyclopedia Britannica.

I spent my first day as a salesman learning how to keep my boss out of jail.

My first day out at work after I graduated from college, a week or two after, was devoted to reading a little book, which was compulsory reading for every salesman then hired by the NCR. I sat in the Utica office, responsible for Herkimer and Oneida Counties in New York, and studied this booklet on what not to do as a salesman.

The specialty sales managers here today will concur with me that John H. Patterson is the great legendary figure of specialty selling. And I suppose no man in American business ever more earned the phrase pinned on him by his contemporaries than John H. Patterson earned that phrase, "the father of scientific salesmanship." Most of his successors forget, however, that in 1911 he was tried and convicted under the Sherman Act and sentenced to 3 years in jail.

This booklet that I read my first day—this recited much of the testimony and the verdict.

What not to do was the most important idea in the world of NCR—to Mr. Patterson's salesmen. If the salesman did the forbidden things, the boss would go to jail. His sentence to jail, for 3 years, had been suspended or held up, due to his humanitarian work in the Dayton flood of 1913. If he went back to his old ways, or his salesmen did in their enthusiasm for the old times—into jail Mr. Patterson would go, without further ado.

This booklet recited the testimony which documented those standard techniques for putting your competitor out of business—the opening of stores next to the rival company's stores; the cutting of prices to such a low level that the competitor couldn't compete; the hiring of his good salesmen whenever the competitor happened to get any, at fancy inducements; and other techniques well known, at least to our predecessors.

But this booklet went further and told of an even higher level of techniques for getting rid of your competition, and there were such further features as these—the bribing of expressmen not to ship competitors' machines, if by chance the competitor happened to sell any machines; or the most skillful way to drop sand into a machine that the competitor might have delivered to a retailer, in order quickly to put the machine out of business.

Finally, there were two features that were uniquely and distinctly John H. Patterson's and which were a further evidence of his genius. The first was his famous knock-out squad. The knock-out squad, headquartered in Dayton, consisted of skilled and select men who were shot out to any area where competition showed likelihood of development. And the squad was aptly named because the back alleys and the blackjacks were not unknown to these knock-out men.

And second was the morgue. In Dayton, in an impressive room, was kept a model of each cash register that had even been offered in competition with the NCR. And the knock-out men invited any competitor, when he opened up in the cash register business—so the legend went—to come to Dayton with all expenses paid to visit the morgue. There he was shown the dead and gone models of all his predecessors. And when I went to work for Mr. Patterson, his techniques had proved so successful that he enjoyed a world monopoly.

Thus, I was to sell cash registers—but no blackjacks, no sand, no bribery, no trick shots around the corner, no real opportunity for an old-fashioned man in this twentieth century. It was a tough outlook.

I spent the next 8 months learning the product as an office man, a floor demonstrator, and of course I still remember my first month in the field, driving a truck and lugging those big 75 and 100 pound cash registers in and out of the butcher shops and bootleggers' establishments and barber shops.

But in the month of March in 1922, my first in the field, I had the lowest quota a salesman for NCR could be given (70 points of $25 a point). And when I just barely squeezed through with that quota my first month out—it was the first month of Frederick Patterson's presidency of the company and, of course, a president's prize was offered to all salesmen who made their quotas—I won a beautiful pair of cuff buttons, from Tiffany's I think, and with my name on them, too, which further dedicated me to salesmanship.

The reason I finally left the cash register company was that they wouldn't send me to Dayton to their special training school because they said I was too young and they wouldn't take a man under 25 years old. That's how I happened to come to New York and beat the pavement of Madison Avenue, until I got a job in the advertising-agency business.

This experience I had in cold canvassing and specialty selling gave me an enormous advantage over many of my competitors in the advertising business of 1922. Too few of them had had this specialty selling and too many of them spent too much time at the typewriters and not enough time in the butcher shops. And later when Chet Bowles and I started our firm—I think Jay Gould and Bayard Colgate, two of our old clients who are sitting here at the head table, will agree here—one of the great assets we had as young men in the advertising business was our willingness to get out into the field, ride Mr. Gould's Best Foods trucks, and travel out in the field with Mr. Colgate's salesmen.

I'm sure a lot of you read the recent article in Time magazine about Paul Hoffman, who is today helping to raise salesmanship to the level of statesmanship. He is the man of whom we can all be most proud today. This Time article said that for many years the salesman, rather than the banker, the engineer, or the industrialist, has been the typical figure of American free enterprise. Time says the Socialist planner in Europe is only an inferior substitute for the American salesman. However that may be, there can be no doubt that the American salesman has been the prime mover in the United States in raising the American standard of living. Our salesmen are today our economy's catalysts. They are as much pioneers as the scientists and the inventors. Studies show that there is an average time lag of 30 years between any major discovery or invention and its use on a mass scale, and only the salesman can cut down that lag.

The salesman, of course, has two jobs (apart from keeping his boss out of jail). First, he must make the prospect want the product. And secondly, he must persuade him to take action.

Our sales work on Britannica is largely an example of this second function—to get people to act on their obvious needs. Almost everybody would like to own a set of the Britannica. And almost everybody doesn't want to do anything about it, and doesn't want to buy it.

In Muzak, on the contrary, we have to stress both functions. First, we've got to convince factory managers of something that is novel to most of them—that the right kind of music will improve employee relations and increase output without added strain. After doing that job we then have the second job of persuading them to act.

I think Muzak can be said to be a business that has been created wholly by salesmanship. There wasn't any market for Muzak—no latent desire for Muzak in manufacturing plants—until we came along and presented our evidence and presented our story.

And similarly the third of the companies of which I am chairman of the board, Encyclopedia Britannica Films, is almost wholly the result of the salesmen's efforts. Schools I think change more slowly than any other human institution, and they never would buy motion pictures or projectors without the constant and reiterated pressure of the salesman.

Unhappily, this word "salesman" is often used to connote a fast-talking, smooth, slick individual who is able to extract from a reluctant buyer too much money for an inferior product. I'd like to hope that an organization of the kind assembled here today, of top sales executives, can learn to devote itself, in part, to making clear to the American people that our salesmen are a

great creative force in American production and distribution, and that the great salesman is the one who not only knows his product but who knows that he can only prosper as his product serves the needs of his customers at a reasonable cost.

Men such as my friends, Paul Hoffman and Roy Larsen, whom you heard today; Jay Gould, sitting next to Mr. Larsen; Harry Houghton, who was introduced to you; Sidney Weinberg, up here (who I hope won't mind being called a salesman; I'll have to go into that perhaps a little bit with him later)—these are men who illustrate the high creative standards of modern American salesmanship and the urge it provides in driving the economy forward.

Now, to get back to Hoffman and the politician. If you read the story in Life magazine, you saw Paul Hoffman quoted as defining salesmanship to some of his European associates as follows: "Selling," said Mr. Hoffman, "is the process of transferring a conviction from the mind of the seller into the mind of the buyer." The Europeans thought this sounded more like a definition of diplomacy or of statesmanship. Because surely that is the great problem of diplomacy and the great problem of statesmanship, and this is because Paul Hoffman puts the emphasis where it belongs, which is on the word "conviction," and this word, of course, leads immediately right into politics.

We are accustomed to thinking of commercial salesmanship as selling goods or services. The politician—at his best—is a salesman of ideas and of convictions. BOB TAFT is a salesman of ideas—even if you don't like them, as I don't some of them—and so is SCOTT LUCAS a salesman of ideas, and so are others who succeed in the environment of politics, and particularly in Congress.

When I left Washington, I was asked by one of our big magazines to do an article on what I thought of Congress. I said, "I don't think you'd want me to do the article because the title to my article would be 'Why I Like Congress.'"

The truth is that the Members of Congress—the five hundred-odd Members of Congress—are the finest group of men that I have ever met anywhere; and on integrity, intelligence, hard work, they rank above any group of men with whom I've ever worked and, believe me, I know the business community pretty well. I know the Board of Trustees of the Committee for Economic Development, and I am not without friends in the Chamber of Commerce and the National Association of Manufacturers. I would trust our United States destiny overwhelmingly to the Members of Congress, judged by intelligence, integrity, competence, and hard work, far ahead of trusting our country's future to the top business leadership as represented in these business associations. That is as great a tribute as I know how to pay to a group of men who are so frequently kicked around, and abused, misunderstood, and unappreciated.

(I'm more delighted at that applause, I think, than any applause I've ever listened to.)

Now suddenly we of the United States find ourselves up to the ears in world politics and these 500 men who are supposed to know everything about the farm problem and the labor problem are now supposed to master and learn everything about world politics. And the problems of our United States international relations are suddenly more important than all these domestic problems in which most of us have spent our lives, including the Members of Congress.

Our commercial salesmen, directed by you men, are superb as merchandisers of goods and services. Our politicians are not bad at all as salesmen of ideas and principles on the domestic scene. In fact, they've got to be consistently very good to stay in office. But all of us are woefully inexperienced and unorganized when it comes to projecting ideas and principles internationally. And that is precisely the crux of today's cold war.

Last week the Herald Tribune quoted a speech by Arnold Toynbee, the world's most eminent living historian, who has charted the rise and fall of 21 civilizations. Toynbee predicts that the cold war will not develop into a shooting war. He says, "I don't believe the Russians will attack the western world in that way because I don't think they're so foolish * * *" Toynbee continues, "We have another kind of war which they are waging, which I won't say they invented. Perhaps advertisers," says Toynbee, "people who invented advertising, invented this kind of war. The Russians have the propaganda kind of war which they are waging, and I think they will go right on waging that war. * * *"

I think this is a very illuminating comment, coming from such an authority, on the situation in which we find ourselves today. He doesn't mention the atomic bomb or the armed forces. He centers his interest on the war of propaganda. And I agree with Professor Toynbee's implication that the skill and energy of the Russians as salesmen, as propagandists—as salesmen of ideas—can be a far greater threat than the Red army.

Now let us get it very clear that the Russians have been succeeding in this propaganda war. They have exploited ideas, while we on our part, thus far, have largely neglected ideas, internationally.

Congress is preparing to vote between 20 and 25 billions for various forms of military and economic national defense this year. At the same time it is preparing to vote one-fifth of 1 percent of that amount for information work on the part of the United States abroad—the salesmanship of ideas and of convictions. If this is an ideological war, what would you, as sales executives, thing of a ratio like that. Would you not think it worth while, for example, to spend $100,000,000 to build a world-wide radio network that could lay a signal into every radio receiver in the world? Yet such an idea, as obvious as it is, today has no advocates and receives no leadership.

It isn't hard, oddly enough—of course, it's easy to understand why this is true against our background—to get support for the building of a giant aircraft carrier that costs far more than $100,000,000, or even to arouse Congress to an extra half billion for more airplanes and for the Air Force. But where are the voices demanding that we provide ourselves adequate facilities and budgets in this war of ideas? I welcome Senator FLANDERS' speech of last Wednesday when he called for a political and propaganda offensive by the United States that would be imaginative but not unfriendly to the Russian people. It is my conviction, as it is Senator FLANDERS', that the problem we face as a country, and which is faced by our political leaders, is not so different from the problem faced by most of you sales executives here today. If you do not win and hold your customers, you go bankrupt. If we as a country do not persuade the peoples of the world to peaceful policies and to the fact that our aim is a peaceful aim, we shall face the cataclysm of war. We must persuade, in my opinion, or we shall perish.

Thus what we require, far more than we require bombs and planes and battleships, is a high level of political salesmanship, the salesmanship of ideas projected at the international level. To get this, even to approach it, we must first show our people and our Congress why we need it. Then we must get them to act—to provide the budget and the facilities.

Perhaps you saw yesterday in the papers that we are preparing to relinquish our radio station in Berlin for lack of funds. Yet at the same time a keel is being laid for an airplane carrier to cost $189,000,000.

I'll conclude by saying that there are more sales skills in this room today than in any room in the world at this moment. I would like to hope that this group, men such as you, will begin to apply these skills and your thoughts to these new problems around which our future will revolve and will apply these skills not only to raising the standard of living, but to raising a nobler standard; a standard which is the finest product of the ages; a standard of personal freedom, civil freedom, and political freedom.

Dedication to Economy Called Sole Alternative to Debt Rise

EXTENSION OF REMARKS

OF

HON. JOHN J. WILLIAMS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Thursday, May 12 (legislative day of Monday, April 11), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article entitled "Dedication to Economy Called Sole Alternative to Debt Rise," written by Mark Sullivan, published in the New York Herald Tribune of May 11, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEDICATION TO ECONOMY CALLED SOLE ALTERNATIVE TO DEBT RISE—MARK SULLIVAN SAYS USE OF TRILLIONS INSTEAD OF BILLIONS MAY SPOTLIGHT UNITED STATES SPENDING

(By Mark Sullivan)

I do not know if it is the first, though I think it may be, and if so it is an interesting landmark. I refer to use of the word "trillion" in a statement about the Federal Government's fiscal operations. The statement was by Senator HARRY F. BYRD, of Virginia. He said the national debt is now "a quarter of a trillion dollars." That way of putting it is new and arresting. The customary way is to say $250,000,000,000, or exact figures close to that.

Perhaps Senator BYRD meant to be arresting. He may have wished to make the country trillion conscious. The purpose of waking us to a danger would be furthered if the press and radio would adopt Senator BYRD's new word. We might become alarmed about a trillion-dollar debt before the actuality of it is upon us, and in time to avert it.

There was much to do when the word "billion" first came into the Government's fiscal operations (about a phase different from the national debt). That was in 1910, when for the first time the yearly appropriations of a Congress exceeded a billion dollars. The phrase "billion-dollar Congress," leaping conspicuously into headlines, became current and important in public discussion for a considerable time.

TRILLION AS A WORD

Trillion, if it should come, will be an awkwardness to the press. As spelled, it is only one letter longer than the familiar billion. But in figures it contains three more zeros, difficult to crowd into headlines. And it is seriously doubtful if the eye of a reader can take in at a glance the difference between the 9 zeros in a billion and the 12 in a trillion. That may be symbolic. What the eye does not take in, the mind does not grasp. Sheer inability of the mind to comprehend may be a reason why billions could pass into trillions without much public

awareness of the consequences, or the resistance the public would surely make if it understood fully.

To treat the emergence of trillion merely as an interesting development would be to miss the solemnity of Senator BYRD's warning. His analysis of the Government's fiscal operations has a thoroughness and convincing precision which make it an important document of our time. A few of the points he makes, or which may be deduced from his analysis, can be stated briefly:

Unless we stop the trend, the expenditures of the Federal Government next year will be larger than this year, and larger still the following year, and yet larger in ensuing years. This is made certain by the fact that many of the spending proposals in the President's legislative program, now or about to be under consideration, are long-term programs, providing for continuing and expanding expenditures next year and in ensuing years.

For meeting increased expenditures by the Government next year and the following year, there are theoretically two possible courses. One is increase of taxation, the largest part of which is from incomes. But incomes are now declining. Hardly any practicable rate of taxation on incomes as they now stand could be enough to meet the increased expenditures next year and the year following, unless the expansion of these expenditures is arrested.

DEBT MAY GO UP

The more likely alternative is to pay the increased expenditures by borrowing, which would increase the national debt. Increase of the national debt, following 17 years of almost continuous increases, and coming at what ought to be a period of peacetime prosperity, would undermine faith that the upward trend is likely to be stopped ever.

The present volume and pace of Government expenditures is such that it can hardly be checked except by intense dedication to economy, to preventing increase in the national debt. Such dedication is not likely to come from the administration. As Senator BYRD says in his analysis, "The President's budget submitted in January contains some 40 spending proposals * * * which require new legislation by Congress." This was exclusive of major military and foreign commitments. Many of the President's proposals open up completely new fields of spending.

Dedication to economy can come only from Congress, and only if dedication by Congress has the support of dedication by the people. The test of any proposal for new spending is not absolute; it is not whether the purpose of the new spending is desirable. The test is comparative, whether the new spending is more desirable than arrests of increase in the national debt, and whether the new spending can wait until increase in the national debt is checked surely. Beneath all lies need of public understanding of the social misery and economic destruction that would come in the final stage of a prolonged increase in the national debt.

Economy and the Public Debt

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. PHILBIN. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include therein an excerpt from a recent article which appeared in the celebrated Clinton (Mass.) Courant.

This statement by the immortal Jefferson and Mr. Babson is timely, cogent, and particularly applicable to conditions in the Congress and the Nation today. We can all with great benefit be guided by the wisdom and sound judgment of one of our greatest American patriots and leaders. I am thankful to the gracious lady from Bolton, Mrs. Sprague, for sending me this article. It follows:

The following was written by Thomas Jefferson, the founder of the Democratic Party, about 150 years ago. Read it carefully, then cut out and send it to your Congressman. It should be printed on the flyleaf of every school book.

"I place economy among the first and most important virtues and public debt as the greatest of dangers. To preserve our independence, we must not let our rulers load us with perpetual debt. We must make our choice between economy and liberty, or profusion and servitude. If we can prevent the Government from wasting the labors of the people under the pretense of caring for them, they will be happy. The same prudence which in private life would forbid our paying our money for unexplained projects, forbids it in the disposition of public money."

The above statement by Jefferson is just as true today as when he made it.

ROGER W. BABSON.

Counting Our Blessings

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Wilkes-Barre Record of May 6, 1949:

COUNTING OUR BLESSINGS

In any discussion of the state of employment in Wyoming Valley we cannot overlook the unemployed and the problem they present. At the same time for the community's welfare we must keep in mind that the employed far outnumber the unemployed.

In Wyoming Valley and the rest of Luzerne County except the White Haven-Nescopeck-Hazelton area we now have 119,000 employed workers. Of that number 82,900 are male and 36,200 are female. Their earnings constitute a mighty force in maintaining spending power and good business conditions in the community.

Also it is not to be overlooked that many of the unemployed receive subsistence payments and have a measure of spending power.

Our mine pay roll alone runs about $110,000,000 a year, and under all these circumstances it is not astonishing that many merchants are reporting that business is on a high level with the results last month comparing favorably with those of the corresponding month last year. Fluctuation of unemployment in the community has not tended to produce a sudden impact. The range of fluctuation has been about 5,000 since the end of the war. Thus, unemployment has become a chronic problem and not one confronting the community overnight. It is a problem demanding solution, but in the meantime it is well to remember that the community has not gone to the bow-wows economically.

On the national basis Dr. Edwin G. Nourse only yesterday told businessmen not to start digging for storm cellars, that the Nation's economic foundations are strong enough to prevent a collapse. He was predicting a future easing of living costs this year. Their gradual decline has made for an orderly retreat from the peaks.

Softening for War Criminals

EXTENSION OF REMARKS
OF
HON. ALVIN F. WEICHEL
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. WEICHEL. Mr. Speaker, strong protest has been raised throughout the country against the impending release from imprisonment of Ilse Koch of Buchenwald, and against the action of Gen. Lucius D. Clay in commuting her life sentence to a 4-year term of imprisonment, and I am including a resolution of protest adopted by the Ohio Senate:

Senate Resolution 48

Resolution protesting commuting the sentence of Ilse Koch, and requesting the proper authorities in Washington to have the matter reviewed in order that the ends of justice may be served

Whereas voices of protest in strong indignation are being heard throughout the United States and Ohio against the impending release from imprisonment of Ilse Koch of Buchenwald, and against the action of Gen. Lucius D. Clay in commuting her life sentence to a 4-year term of imprisonment; and

Whereas Ilse Koch was the wife of the commandant of the Buchenwald concentration camp, and, as such, her trial disclosed that she was responsible for extreme cruelty being inflicted upon prisoners, some of which resulted in their death; and

Whereas Ilse Koch was an active participant in the design of the Buchenwald concentration camp and that is the charge under which she was tried; and

Whereas the revolting atrocities of which Ilse Koch is accused have shocked the civilized world; and

Whereas it is alleged that Ilse Koch took a fancy to tatooed skin and had lamp shades and other articles in her home made of skin taken from prisoners; and

Whereas an investigating committee composed of seven members of the United States Senate has concluded that Ilse Koch should receive no mercy; that she has forfeited her right to associate with society and should spend the remainder of her life in prison: Now, therefore, be it

Resolved by the Ohio Senate, That we protest the action of Gen. Lucius D. Clay in commuting the life sentence of Ilse Koch to a 4-year term of imprisonment, and request the proper authorities in Washington to have the matter reviewed in order that the ends of justice may be well served; and be it further

Resolved, That copies of this resolution be transmitted to President Harry S. Truman, to the Chief of Staff of the United States, Army, to Gen. Omar Bradley, and the President of the Senate and Speaker of the House of Representatives of Congress, and to the Ohio Members in the Senate and House of Representatives of Congress, with the urgent

request that action be taken in memory of those World War II citizens of the United States who made the supreme sacrifice on the battlefields and in prison camps in defense of their country.

I, Dwight L. Matchette, hereby certify that the above is a true and correct copy of Senate Resolution No. 48, adopted by the Ohio Senate on May 5, 1949.

DWIGHT L. MATCHETTE,
Clerk of the Senate.

Social Security as Based on Taxes

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the New York Times of May 8, 1949:

SOCIAL SECURITY AS BASED ON TAXES—BUILDING OF RESERVES TO PAY BENEFITS IN THE FUTURE IS VIEWED AS FUTILE—PROBLEM ONE OF SUPPORT—PROGRESS OF PAY-ROLL LEVIES INTO THE TREASURY AND ITS TRUST FUND TRACED

(By Godfrey N. Nelson)

Whenever proposals are made for the expansion of Federal social-security benefits on the so-called trust-fund basis of financing such plans, proponents take exception to plain talk on the fiscal methods employed in their administration.

The favorite method of approach is to charge those who persist in plain talk with directly or indirectly opposing social security as an institution. This is wholly unjustified. The welfare of our people is a generally recognized social need. It is on the extent to which welfare projects can be supported that there are serious differences of opinion and it is the fiscal method employed which is objectionable; bookkeeping reserves will not save future generations from again being taxed to liquidate bonds in the fund.

In 1939 the original Federal old-age-benefits law created "an account in the Treasury" to be known as the Old-Age Reserve Account. This was superseded by the Old-Age and Survivors' Insurance Trust Fund on the books of the Treasury. The trust fund succeeded to the securities and balances held by the Secretary of the Treasury for the old-age reserve account on January 1, 1940.

COURSE OF PAY-ROLL TAXES

Receipts from social security pay-roll taxes are loaned to the Treasury, for which the fund receives interest-bearing United States obligations. To the extent of such loans the fund has disposed of its cash; instead of cash it holds United States obligations. The moneys so loaned are used by the Treasury for the payment of current Government expenses.

As and when the trust fund should need money for the payment of social-security benefits, the certificates of the United States obligations will be surrendered by the fund for payment and the proceeds used to pay beneficiaries.

Since the Government has only one main source of revenue—taxes—the fund's bonds presented for payment must necessarily be paid out of current tax receipts. If the Treasury should be without a surplus—operating at a deficit—and tax-money is not available out of which to redeem bonds belonging to the fund, the bonds would have to be sold and redeemed at some future time when tax-money is available.

ACTIVITIES OF THE TREASURY

Although in principle the moneys turned over to the fund are funded, in that bonds are issued and delivered to the fund, the Treasury is the only real party to the transaction; it assesses and collects the tax, and issues its obligation therefor. When it needs the money represented by bonds it must either meet such demand out of current funds—tax receipts—or raise the money again by the sale of bonds. Conceivably, if the fund has $50,000,000,000 of bonds (which is anticipated), the Treasury could be seriously embarrassed by large demands upon it. Thus the Treasury's ability to pay social security benefits must again depend upon its ability to raise revenues. The greater the fund, the greater the potential burden.

A different viewpoint can be placed upon these transactions by considering each branch of the Treasury as a separate entity, but basically the facts are not altered. The bonds were not out of the possession of the Treasury; they were not paid for or held by the public; they were only evidence of an indebtedness by and to the Government itself. When the law was amended to change the name of the Reserve Account to Trust Fund, the intrinsic character of the account was not changed.

Even in England, a comparison made some time ago of the Beveridge plan with our own system showed that the British social security system does not involve a huge growing reserve. The British system was practically on a current cash basis. The British policy is quite the opposite to that of our social planners. A study of one of the Beveridge reports rejects the idea that government should create a fund or reserve against liabilities maturing in the future by pointing out that its power of compulsion can bring each successive generation of citizens into the plan and exact from them through taxation enough to cover the benefit disbursements.

To pile up a reserve for future social security benefit payments would result in excess taxation now and would not spare future taxpayers from having to pay the full cost of such benefits.

Being an American

EXTENSION OF REMARKS
OF
HON. HENRY D. LARCADE, JR.
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 2, 1949

Mr. LARCADE. Mr. Speaker, under leave to extend my remarks in the RECORD I wish to call attention to the proclamation of the President designating May 15 as "I am an American Day" and I wish to submit a copy of an excerpt from a radio address delivered by William Randolph Hearst, on September 28, 1932, and reprinted in the Hearst newspapers, as follows:

BEING AN AMERICAN

(From a radio address delivered by William Randolph Hearst, on September 28, 1932, and reprinted in the Hearst newspapers)

I know of no finer title, and I want no higher position, than to be a citizen of the United States of America.

In the ancient days to be a Roman citizen meant to be the equal of princes and kings.

Today the most envied honor in the world is to be an American citizen.

And this is so, not merely because America is the greatest nation in the world, but because it is the freest nation in the world, and the happiest nation on account of its freedom.

We cannot understand how much freedom means in this country until we come back from countries where freedom means nothing.

Here we have freedom of thought, freedom of the press, freedom of speech.

Here we can think and say and do what we please as long as we do not interfere with the rights and liberties of our fellow citizens.

But the great honor and advantage of being an American citizen carries with it an obligation just as great, and that obligation is to preserve inviolate the rights and liberties and privileges which our forefathers won for us in blood and toil and travail, that we may hand this precious heritage of freedom and independence, of liberty and dignity, down to our children and our children's children, undiminished and unimpaired.

Mr. Speaker, it is my opinion that this expression is most appropriate at this time, and is a message well worth reprinting as we celebrate "I am an American Day."

Iraq Urged as Refuge for Arab Refugees

EXTENSION OF REMARKS
OF
HON. OWEN BREWSTER
OF MAINE
IN THE SENATE OF THE UNITED STATES
Thursday, May 12 (legislative day of Monday, April 11), 1949

Mr. BREWSTER. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD an article from the Christian Science Monitor of Tuesday, April 12, 1949, entitled "Iraq Urged as Refuge for Arab Refugees," written by Eliahu Ben-Horin, who lived for many years in Palestine and was head of the Padestine News Service. I may say it is a subject with which I am thoroughly familiar and with which I am in entire sympathy, the solution, I believe, not only of the problem of Israel but of the problem of the Middle East, which can be financed easily by a small portion of the very generous oil royalties which American and British firms are now paying in the Middle East.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IRAQ URGED AS REFUGE FOR ARAB REFUGEES

(By Eliahu Ben-Horin)

What has the future in store for the Arab refugees from Israel? Can Israel reabsorb them? Or can they be permanently resettled in a new land?

Perhaps 600,000 Arabs have fled from Palestine to non-Israeli territory. They are not wanted in the lands to which they have fled. Nor are they able to find a place in the economy of their present home.

Whether the Arabs fled from fear of Jewish fighters or whether they were badly advised by Arab leaders who wished to clear the field, the fact remains that they have gone.

Except for the 100,000 who stayed behind, the Arabs are no longer in Israel. By the time peace is fully restored, they will have been gone at least a year.

HOMES TAKEN OVER

During my recent trip through Israel, I was interested particularly in seeing what had happened to prewar Arab homes and positions. Thus examined, the practical prospects for a mass Arab return emerge as poor.

Let us start with the question of Arab homes, whether in the mixed and strictly Arab cities or in the Arab villages. In Jerusalem, Jaffa, Haifa, Safed, Tiberias, Acre, Ramleh, Arabs owned many modern houses. As a result of the great onrush of Jewish immigrants during the past 9 months, all the houses fit for habitation have been taken over.

Today Katamon, the Arab quarter of new Jerusalem; Ein Karem, a township outside of Jerusalem; the new city of Acre; the modern sections of Jaffa and Haifa are inhabited by Jews to full capacity.

The slum sections in most of these cities either have been destroyed by warfare or dynamited in order to clear the way for city planning. About 30 blocks of houses in Jaffa, adjoining Tel Aviv, now present a mass of ruins and masonry, while a similar picture is to be seen in the Arab parts of Haifa. In other words, if the Arab refugees should return to Israel, not one could reoccupy his former home. The same is largely true of the bigger and more prosperous Arab villages.

Not only Arab homes but also Arab economic positions either have become nonexistent or nonavailable to the Arabs. Arabs used to form the majority in the lower officialdom of the Palestine Government. Thousands of them were in the employ of the railways, the police, or the road repair service. Without suggesting in the least that the Israeli Government will be "Arabless"—in fact, there are already some Arabs in its employ—one must conclude that only a limited number of Arabs can look forward to government posts.

The large decrease in the size of the Arab rural community must cause a decrease in the Arab urban population. The Arab intelligentsia is bound to find a much narrower scope of activity. Arab lawyers, doctors, architects, teachers, or musicians never had a Jewish clientele, though Jewish professional men had many Arab clients. As things now have developed, the prospects of Arab professional workers have shrunk by 90 percent. The same applies to the Arab cafe and restaurant, cinema, newspaper, grocery store, and the entire spectrum of city life.

The Arabs of Palestine are entitled, of course, to financial compensation for property they have left behind them. This means that Arab refugees from Palestine will have money coming to them from Israel. Whether it will be much or little, it will not be homes, jobs, and farms.

It appears from the foregoing that it would be better for them, for the Jews, and for Middle East tranquillity if they used these sums elsewhere.

REFUGEE PLAN CHARTED

And such a possibility exists. A plan has been devised for a constructive solution of the Arab refugee problem. I mean the Hoover plan, set forth by Herbert Hoover long before the Palestine war, and before the Arabs of Palestine became refugees. The fact that the remedy Mr. Hoover prescribed predated the problem in no way detracts from the practicability and urgency of his plan. As Mr. Hoover explained in 1945:

"In ancient times the irrigation of the Tigris and Euphrates Valleys supported probably 10,000,000 people in the kingdoms of Babylon and Nineveh. The deterioration and destruction of their irrigation works by the Mongol invasion centuries ago, and their neglect for ages, are responsible for the shrinkage of the population to about 3,500,000 people in modern Iraq. * * *

"My own suggestion is that Iraq might be financed to complete this great land development on the consideration that it be made the scene of resettlement of the Arabs from Palestine * * *."

MUTUAL BENEFIT

"There is room for many more Arabs in such a development in Iraq than the total of Arabs in Palestine. The soil is more fertile. They would be among their own race, which is Arab-speaking and Mohammedan. The Arab population of Palestine would be the gainer from better lands in exchange for their present holdings. Iraq would be the gainer, for it badly needs agricultural population. * * * It would be a solution by engineering instead of by conflict."

Many millions of dollars have been spent and many more will be spent for the upkeep of the Palestine refugees. The United States has granted $16,000,000 as its share of the $29,000,000 allocated by the United Nations. All these millions will not solve the problem of the Arab refugees or produce any permanent adjustment. To avoid misunderstanding, let it be stated that I heartily endorse the most generous relief for Arab refugees, but I see no reason to ignore the fact that charity unaccompanied by constructive planning is no remedy for a social ill.

President Truman has proposed large-scale aid to undeveloped and underprivileged areas of the world. One hears of plans for a $1,000,000,000 appropriation for the Middle East alone. The permanent resettlement of 500,000 men, women, and children, who lost their homes, fields, and shops, should be an integral part of these plans.

What Mr. Hoover visualized as a one-sided transfer can be developed into a plan for an exchange of populations. About 250,000 Jews live in Iraq, Syria, Lebanon, Egypt, and Yemen. An exchange of population is indicated, and it is seen as a benefit for all concerned.

The formula of Mr. Hoover seeks a solution by engineering instead of by conflict. Unless it is accepted a bad socio-political irritant is preserved, which would prove to be a serious obstacle on the road to peace and stability in the Middle East.

The Case for National Health Insurance

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES

Thursday, May 12 (legislative day of Monday, April 11), 1949

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "The Case for National Health Insurance," written by the distinguished Senator from Minnesota [Mr. HUMPHREY] and published in the New York Times magazine of May 8, 1949. This article supports the President's national health program.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CASE FOR NATIONAL HEALTH INSURANCE

(By Hon. HUBERT H. HUMPHREY, of Minnesota)

As a member of the new Senate Subcommittee on Health, I have just finished my homework—boning up on 10 volumes of testimony gathered by two earlier subcommittees on this question: How can we best bring adequate medical care within the reach of all our people?

To date, 5,890 pages of answers have been accumulated. For Congress, the very soul of caution, has been gingerly weighing the merits of voluntary versus compulsory health insurance ever since 1939.

Admittedly, the task before Congress is difficult. Good health cannot be legislated into existence. Nor can any simple prescription, hastily conceived or carelessly compounded, improve the Nation's health. But after more than a decade of examination and debate, and in the light of experience with voluntary prepaid programs, I believe we can at least agree on a frank diagnosis of what is hurting us.

The cause of our malady is essentially economic. We suffer from the high cost of medical care. American medicine, undoubtedly the world's finest, is priced beyond general purchasing ability. This act was brought out in 1939 by the American Medical Association's own bureau of economics. Its study disclosed that families with incomes below $3,000 could not meet serious illness costs without outside aid.

Bring those figures up to date by compensating for a 10-year spiral in living costs and the $3,000 mark soars to $5,000. Today, four out of five families fall below this standard of medical self-sufficiency. Consequently, the threat of doctor and hospital bills hangs over 80 percent of our people. For most of us serious illness means all to frequently wiped-out savings, unpaid bills, and mortgaged futures.

Medical care is not only expensive; it is poorly distributed as well. Doctors, hospitals, nurses, dentists, and other professionals are often in scarcest supply where the need is greatest. Gleaming doctors' plates crowd each other for space on city apartment houses. (Cities average 1 doctor per 500 people.) But weathered wooden shingles are fast disappearing along with their practitioners from our countryside. Some rural States now average only 1 doctor per 1,700 people.

Where hard cash is short and medical attention scant, high-sickness rates prevail. A few heart-breaking statistics drive home the thesis that low income equals poor health. Only 1 out of 2 southern mothers can afford or receive needed childbirth care. Result: 9 out of 10 States with the highest maternal death rate in 1946 were Southern States. In the low-income States of Alabama, Georgia, Mississippi, and South Carolina, the death rate among women in childbirth, for example, is three times as high as in Connecticut, Minnesota, or Rhode Island.

Infant death rates repeat the same tragedy. In 4 low-income States, 50 to 100 babies died in their first year, compared with 28 to 30 babies per 1,000 live births in 4 high-income States.

Shocking figures? Yes, and all the more so because they stem from the dismal economic cause we have thus far failed to remedy: The price of medicine in the market place is too high.

Let us keep this broad picture of our health needs in mind as we examine the two principal solutions that have been proposed: voluntary versus national health insurance.

The achievements of voluntary plans in most areas of American life are impressive. In fact, I should state that a Nation-wide system of voluntary organizations for medical care with adequate coverage is more consistent with my personal and political philosophy than a Government-established program. I would, indeed, warmly welcome a national network of such voluntary cooperative health plans as the Group Health Mutual in my own State of Minnesota and the Group Health Association in Washington, D. C.

These truly voluntary plans are not, however, what is intended by those who would oppose a national health insurance program on the ground that voluntary plans can fill the need. Rather, many of those, led by the lobbyists of organized medical societies which now champion their own brand of voluntarism, are the very ones who have persistently impeded the growth of cooperative medicine—the very essence of voluntarism. The law reports and legislative hearings provide ample evidence of that. For example, the group health cooperative in Minnesota, because of the opposition of certain spokesmen of the organized medicine societies, has been unable to obtain enabling legislation despite the support of the Governor. Similar opposition is being met by cooperatives in Wisconsin.

In reality therefore the voluntary plans being championed by opponents of the national health insurance program are outlined, prepared, and directed by the doctors and hospital personnel and not by the public, which is most directly affected by the lack of adequate health facilities. Curiously enough the representatives of the medical societies now urging their form of voluntarism are the same ones who not so long ago opposed the plans they now endorse.

Where and how do these voluntary plans fall short? Let us judge them by four important criteria, which should be applied to any program purporting to improve our Nation's health:

1. Coverage: Is it Nation-wide in scope so that all our people are covered?

2. Comprehensiveness: Does it pay for almost all medical services of an average family?

3. Sound administration: Is the plan administered in the public interest?

4. High-quality care: Does it firmly guarantee professional freedom so essential to doctors, nurses, and hospitals? Does it promote better standards of medical care?

Two factual surveys of voluntary health-insurance plans were released recently by the Committee on Research in Medical Economics, a nonprofit group which has pioneered in this complex subject. The first report analyzed the relative scope of voluntary plans, the protection offered, the number and geographical distribution of people served.

The findings may be summarized as follows:

COVERAGE

The general shortcomings in this field may be glimpsed in a few statistics on how many people have what kind of protection.

Hospitalization insurance only: 27,000,000 people.

Hospitalization insurance plus physician's services in hospital: 27,000,000 people.

Comprehensive plans, including preventive care: only 3,500,000 people. In other words, about 1 out of every 40 persons enjoys reasonably complete protection through voluntary programs.

In rural areas, less than 3 percent of the population presently subscribe to the Blue Cross hospital plan.

Eighty-five million Americans have no protection against crippling sickness costs. The reason? Voluntary plans are priced beyond the reach of that great middle-income group which needs such protection most. Since these plans have no sliding scale of payments to match income, their rates are too steep for many pocketbooks. The same conclusion is reached by the Journal of the American Public Health Association:

"Both logic and experience indicate that such a program does not—and cannot—reach the large middle group of the population.

"Nor can the issue be solved by asking families to join in support of voluntary insurance and pay out money which they do not possess."

COMPREHENSIVENESS

Voluntary health insurance, although an excellent aid, does not cover even the major part of the subscriber's annual sickness bills. Hospitalization insurance, such as Blue Cross, covers only 21 percent of an average family's annual medical bill. Add physician's services in a hospital—Blue Shield—and it still remains relatively low—only 35 percent.

These combined plans, the largest in existence, do not meet such important day-to-day medical costs as protection against common illness, periodic check-up, immunization or inoculations, or prenatal and postnatal care. The services of a family doctor or a specialist in his office or at the patient's home are not provided. Preventive medicine is not possible.

SOUND ADMINISTRATION

Sound administration requires a division of responsibility between the professionals who provide the health services and the consumers who pay for them. Certainly all medical matters should be left strictly in the hands of doctors. But by the same token those who foot the bills should have more control over such lay matters as administrative details, scope of benefits, eligibility of membership, subscribers' fees, etc.

To deny the public its proper voice in the administration of voluntary programs is to invest medical societies with all the powers of a monopoly and none of the checks against the abuse of that power. Unfortunately, there is abundant evidence showing how organized medicine is presently exploiting its quasi-monopoly position.

A study by the committee on research in medical economics, recently completed, reports that State and local medical societies use restrictive State legislation, boycotts and other professional pressures to block the growth of health insurance plans providing comprehensive services. These plans, competing with the Blue Cross and Blue Shield, are sponsored by industries, unions, cooperatives, farmers, and other consumer groups. Special laws passed with the approval, if not at the request, of medical societies have been enacted in 22 States. These laws prevent the establishment of voluntary health insurance plans unless they are controlled by organized medicine.

The report of the committee on research further declares:

"The medical societies not only refuse to sponsor the type of health-insurance plan which professional opinion has recommended as able to offer the most adequate medical service at reasonable cost, but also have endeavored to prevent their individual physician members from participating in such plans.

"They have choked the development of * * * comprehensive health services in favor of plans offering only very limited services.

"They have restrained doctors from free experimentation in improved forms of medical service and have prevented the people from experimenting with improved methods of payment for service."

HIGH-QUALITY CARE

The study further declares that the AMA defends its opposition to consumer medical plans on the ground that it is guarding the standards and quality of medical service. But, states the report, the medical societies cannot claim that the health-insurance plans which they control guarantee the quality of professional care. On the other hand, the study points out, many of the consumer-operated plans do provide high-quality medical care through group practice and preventive medicine which have been repeatedly recommended by professional authorities.

The distinguished chairman of the committee on research in medical economics, Dr. Michael M. Davis, once summed up the case against voluntary health insurance in these words: "Voluntary plans do not offer broad enough coverage at low enough rates to a large enough portion of our people to justify serious consideration as a national solution to our national problem."

All of this evidence compels recognition that the four basic criteria of coverage, comprehensiveness, sound administration, and high-quality medical care are not met by voluntary plans. They are at best stop-gap defenses in the battle against medical cost.

But some people ask: "Why not overcome the cost factor by subsidies to voluntary plans for those people unable to meet premiums?"

The proposal is attractive on the surface but further reflection uncovers its many defects. First, it would inevitably require a means test to decide who can or cannot afford the premium. We would thus be turning the clock back to the odious charity principle of the nineteenth century. Second, to protect tax funds from misuse, it would require an army of bureaucrats constantly prying into each family's income and job status to check on eligibility. Third, it would involve Federal subsidies to private plans which are essentially run by organized medicine, not by the public.

Now we come to the heart of the controversy—the national health program the President has requested. Following his special message on April 22, an improved comprehensive health bill was submitted by eight Senators and two Congressmen.

The bill specifically guarantees that payments for benefits shall be in proportion to incomes, and persons "shall, therefore, obtain services as a right and not as a charity; that they shall be insured the free choice of their doctors; that physicians and other professions furnishing services to them shall be assured freedom in the practice of their profession and assistance in maintaining high standards, and that the administration of this act shall be based upon the American principle of decentralization."

Administrative responsibility is accordingly placed "in the hands of local bodies representing both those who pay for and those who render services, and operating within the framework of plans made by the several States." This provision, incidentally, though recognizing the role of volunteer plans and providing for their operation, does not give adequate protection to all volunteer nonprofit plans, such as cooperatives, whose operation may be opposed by State medical societies. I am, therefore, introducing an amendment to correct this weakness.

The bill bans "discriminations because of race, color, or creed," and would allot substantial funds annually for scholarships, grants to professional schools of research, and concrete aid to underdoctored areas, such as ambulance services and subsidies to young doctors.

As drawn, the bill would cover approximately 85 percent of the population. It includes employees, self-employed persons, and their dependents.

As a former practicing druggist of many years' experience and an admirer of the tremendous achievements of the American medical profession, I was particularly critical in examining guaranties of professional freedom. A careful scrutiny of the bill and of the testimony presented on previous measures before subcommittees assures me that there is no danger to the professional freedom so essential to doctors, nurses, and hospitals. None of these is placed under Government control and the patient has the unqualified right to go to the doctor of his choosing or to change doctors. Furthermore, millions of persons who today do not have free choice of physician because of economic

barriers will have that privilege for the first time. The bill also scrupulously protects the private relationship that should exist between a doctor and his patient.

Thus, the national health insurance bill measures up to the four standards by which we have judged voluntary health insurance:

It would cover almost all our people.

They would receive virtually complete protection against all medical hospital bills.

Local control and the principle of decentralization are stressed repeatedly.

High-quality medical care would be stimulated.

What then of the serious objection raised in some quarters that the national health insurance plan is primarily a blueprint, not a working plan?

Some physicians reject the AMA's tactics and recognize that the present fee-for-service system is unsuited to our needs and that voluntary insurance has incurable deficiencies. But, at the same time, they argue: "National health insurance promises more than can be delivered. It would impose crippling demands on our present overtaxed facilities. * * * We need time, more time, to prepare."

These critics have been calling for time for the last 10 years. Yet the desired expansion has not come. Nor can it come so long as medical care is circumvented by restricted purchasing power. We may build more hospitals, train more doctors, and discover new cures. But they must be supplemented by pooled purchasing power to pay for hospital care in each community to be effective.

To wait for promised expansion before we seek to provide pay for health care is to blind ourselves to the hard facts of medical economics. A sound plan strives to create a financial base first and accepts the necessity of a brief "tooling-up period" to train personnel and build facilities.

Foreign experience serves as no necessary criterion, but for those who like to look before they leap, Great Britain's progress under its new National Health Service Act is enlightening. While differing from our proposed program in some respects, the British plan spreads and spaces the costs of medical care. Both work on the tested insurance principle of pooling resources to face a common risk. In the 10 months since the British act went into effect (July 5) professional medical opinion (once opposed), the Conservative Party and the British people have provided evidence of the act's tremendous acceptance.

Said the Lancet, long established independent British medical publication:

"Both doctor and patient are pleased with their new and easier relationship. * * * Patients are also grateful to observe that the new service is truly comprehensive. * * * Complaints are few."

The Conservative Party virtually lost the important by-election at Hammersmith before they could reverse their policy and endorse the British Health Service Act. Official Conservative Party policy is now to promise the act's retention and to point to the important role played by Winston Churchill in sponsoring the program in 1944.

The last and most compelling endorsement of the act comes from the people themselves. The British Institute of Public Opinion reported that British voters named it the Attlee government's best act: "It far outranked any other measure in popularity."

For 10 years we have been diagnosing our problem, studying the operation of voluntary programs here and national programs abroad. Now the urgency of the situation compels us to act.

Civil Air Patrol Doing Fine Job Under Able Leadership of Its Commander, Maj. Gen. Lucas V. Beau

EXTENSION OF REMARKS

OF

HON. LEROY JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. JOHNSON. Mr. Speaker, it was my extreme pleasure to attend the annual banquet of the Civil Air Patrol last evening. It happens that I was the author of Public Law 557, which gave the Civil Air Patrol a legal status in our armed services. My efforts in this regard gave me great personal pleasure. The commander of the Patrol is Maj. Gen. Lucas "Vic" Beau. He presented a report which I am including in my remarks. The work of this group—comprising over 100,000—is inspiring. These people are performing their tasks without any compensation. All they want is to be given a chance to do something for their country. They have adopted aviation activities as their vehicle to express their desire to serve America.

I commend a reading of the national commander's report to Congress to my colleagues in Congress. The commander has a wonderful record as an aviator and Air Force officer. He was one of the pioneers in building air power in America and I am sure you will be thrilled by his message which follows:

NATIONAL COMMANDER'S REPORT TO CONGRESS

There are many tried and true friends with whom I have often discussed aviation and the part being played in its growth by the Civil Air Patrol, so to them, my report will be especially interesting, for without their faith and encouragement CAP would not be as advanced as it is today.

I might say that a year ago Civil Air Patrol was like a ship on the Sargasso Sea. It had its framework but the hull was becalmed for lack of impetus and guidance.

There were then 49 wings—49 individual wings trying to do a job without having a definite, clear-cut outline of the work to be done or how to do it.

The Honorable LEROY JOHNSON, of California, started the ball rolling in the right direction by introducing Public Law 557, which was passed by the Eightieth Congress to become the cornerstone on which today rests the Civil Air Patrol as a volunteer legal auxiliary of the United States Air Force.

With passage of that law we have the Air Force as a guiding light—our big brother to help us and lead us, and the tempo of organizing and correlating the Civil Air Patrol has stepped up.

A previous public law, No. 476, enacted by the Seventy-ninth Congress in 1947, had granted a Federal charter for incorporation as a nonprofit corporate body, and thereby establishing the need of a formal constitution and bylaws. The constitution and bylaws were promulgated and approved at last year's national conference. During this past year the members of the national executive board and the wing commanders have tackled the job of building and organizing anew with the utmost initiative, imagination, and spirit. The effort has been surprisingly consistent and on the whole the Civil Air Patrol wings throughout the country are now knit into an organization of which we are, we feel, justly proud.

In this, my annual report to Congress on the progress and record of Civil Air Patrol, I am not going into too many statistics and dry facts. They are available and have been presented to you in other forms, but I do want you to realize that the progress has been gratifying and that the future looks "clear and unlimited."

As General Vandenberg has told you, the Air Force is prepared to give CAP all the help possible within the limits of the law, and this assistance already has contributed greatly to the securing of additional members and the building of a thriving and healthy cadet program that I hope to see the peer of any in the world.

The wisdom of Congress in making the Civil Air Patrol a legal auxiliary of the Air Force has been amply demonstrated this past year in the increased efficiency and wider appeal of the CAP to the air-minded civilian groups in the Nation. Many wish to keep alive their technical air proficiency in small aircraft. Others strive to promote better citizenship through organization of the youth of the Nation by assisting in giving the teen-age groups a healthy and interesting outlet for inquisitive minds, in a period when juvenile delinquency is on the increase.

A high point in the program is the cadet exchange which General Spaatz and I recently arranged on a quick trip to England, France, and Switzerland. As you know, our cadet exchange program with Canada was put into effect last year and its success prompted us to enlarge our Canadian-American program to include the three European nations.

It is easy enough for me to envisage in the not too distant future a youth organization linking together the airmen of the world in a fraternity that might go further than any of us now see toward establishing a firm basis for mutual understanding and lasting peace.

Air cadets from the three European nations and Canada will be "exchanged" with Civil Air Patrol cadets this summer: living in each other's communities, sharing the exchange cadet's friendships, knowledge and experiences, studying his problems; to be sure, even dreaming some of his dreams.

It seems to me that we could not find a finer means of drawing our world closer, of enlarging the horizons and outlook of the youth of this great Nation of ours than the knitting of the minds and ideals of our boys and girls to those of air-minded youth groups in other nations.

The validity of this thinking was pointedly demonstrated to us when the group of "Marshall plan" high-school-age youngsters were brought to this country early this year. These 34 young people, a boy and a girl from each of the 17 Marshall-plan countries were given a "Cook's Tour" of the United States under the sponsorship of CAP, with transportation arranged from the United States Air Force.

At most of their many stops, these youngsters were house guests of CAP cadet families. Those of you here who had any part in the arrangements along the trip can vouch for the splendid good will that was created. Col. Nancy Tier, our wing commander in Connecticut, accompanied these young folks on their trip, and I think a paragraph from a letter she received from one of them explains the project in better words than I command. I quote: "It does not make any sense for me to try to deliver another one of my unbearable gratitude speeches here, because what I feel towards all you Civil Air Patrol people cannot be expressed in words. Since I came here I have been relating my exciting experiences in the United States of America over and over, and I never got tired

of repeating the details of our CAP trip for dozens of times. True enough, all those details, the planes and their pilots, the picturesque landscapes we flew over and the beautiful clouds we flew under have left a very clear path in my memory, and I wonder if we all will be able to forget them, someday. We will never forget our exciting departure at Mitchel Field; nor our Texas storm, or the Albuquerque paints—but I am confusing things. Maybe I will write a book some day, and I will tell the world how a group of boys and girls, while singing the 'Should Auld Acquaintance Be Forgot' and being 11,000 feet over the ground, discovered the greatest truth of all ages, that people from all over the world are simple, plain people, that can get along together very well." Signed "Very sincerely yours, Anthony Demetriades," from Athens, Greece. * * * Need I say more?

Getting on, in addition to the exchange of cadets, we also are sponsoring between Canada and the United States a marching drill competition which last year stirred the air-minded youths of both nations to new heights of anticipation. The various wings and units of CAP and the Air Cadet League of Canada are striving for the privilege of representing their country in the final drills.

This year, the final drill team from the United States will meet the team from Canada at Toronto and we hope to wrest the marching title from our good cousins for at least 1 year.

A new training manual is being prepared in our organization and will be ready for distribution late this summer. The manual will cover the entire field of aeronautics and is designed to teach fully and clearly these fundamentals to the 100,000 students I hope to see enrolled in CAP by the end of this year.

This manual, by the way, is something new in the field of aviation. This is the first time that this admittedly technical field has been organized and prepared for presentation to teen-age groups. Our training staff has spent countless hours in the preparation and, I am happy to say, we have had invaluable aid and guidance from some of the top educational people in the country.

I would like at this time to offer the heartfelt thanks of Civil Air Patrol to those selfless teachers and educators who have offered suggestions and guidance and then helped to edit and re-do the material for this manual.

During the past year our Civil Air Patrol aeronautics courses were adopted by many secondary schools throughout the country. All arrangements are being made by CAP units in the communities and the benefits of our works are free to any who wish to partake. CAP membership by students and faculty is desirable, but, and I emphasize, CAP membership is not a requirement for use of CAP material in the school systems. We are becoming and we desire all our affiliates to be leaders, not taskmasters.

This is the air age and the science of flying certainly must be considered one of the most important to include in the science courses of our schools.

We have completed plans making the CAP courses available to all the secondary schools in the United States and we expect to urge as many schools as possible to include the course next fall.

This program is predicated on new regulations for organization, administration, and training of the cadets.

Book 1 of the manual will give the cadet a thorough grounding in the history and purpose of CAP and familiarize him or her with such subjects as air marking, search and rescue, communications, photography, and emergency services.

Book 2 goes right into the heart of aeronautics, dealing directly with the theory of flight, meterology, and navigation, and is designed as a 1-year course when taught daily.

However, the senior program is not being neglected completely either, although this year we do seem to be robbing Peter to pay Paul in order to launch our full-scale cadet program.

The purpose of this entire civil air patrol educational program is to teach the theories of flying so that the Nation's youth will be aware of this most modern of sciences and to give them an opportunity to take part in the air development of America by adopting aviation as a civilian career.

I am sure you will all agree with me that this emphasis should properly be placed on our cadet program, for certainly the future of the world lies to a large extent in the hands of its air-minded youths. And we here in the United States owe a duty to the future to provide the training and knowledge of flight to the youth of today.

Not many of us realize the obligation we, the first generation of airmen, owe to the heritage of the air which starts with some of us who are still flying today after pioneering almost as far back as the turn of this century.

Well, to get to another side of the CAP picture, I want to recall to you the terrible blizzards that swept the West this past winter, taking its toll of CAP pilots' lives and destroying equipment and reserves that we could ill afford to expend so quickly. However, we had to be prodigal when the lives and welfare of many isolated families were at stake.

Everyone has heard of the great feats performed by the Air Force and the Corps of Engineers in fighting the blizzard conditions. CAP was caught behind the door and little credit, except among their own neighbors, went to the intrepid small plane pilot cruising for CAP in the worst possible weather conditions.

These CAP pilots flew hundreds of missions week in and week out during January and February, dumping food, medicine, messages, spotting isolated and desperate families and livestock. They acquitted themselves most courageously.

I personally want to thank every man and woman, boy and girl, in CAP who contributed to the magnificent record of the organization.

Incidentally, the CAP growth by leaps and bounds in 1948 also can be attributed to some extent to this excellent record.

After the storms cleared many of these neighbors, who had been voluntarily helped at a critical time, decided that in the next emergency they would be ready, too, and so the requests for new CAP units have come in steadily.

These small-plane CAP pilots flew more than 1,400 official hours in more than 134 aircraft in the seven most severely stricken Western States during the spectacular rescue work in January and February.

In nearly 1,000 sorties CAP flying crews master-mapped and observed thousands of miles of storm-swept country.

More than 23 tons of various relief drops were made by CAP personnel—and that's a lot of weight for small aircraft to distribute.

I am glad to report to you that the efficiency of a national radio network which has really been put into operation by the Civil Air Patrol during the past year was amply demonstrated during last winter's emergency blizzard conditions. The CAP network in many cases was the only link some isolated settlements retained with the outside world for weeks at a time.

This network, a mere outline on paper for the most part at this time last year, has been completed, and now reports are received and correlated at national headquarters every Tuesday and Thursday nights from every part of the Nation and Hawaii and Alaska.

Hundreds of radio units throughout the country tackled the problem of setting up the network using surplus military radio equipment, in most cases, with an enthusiasm that soon started cadet classes humming with potential ham operators.

In fact, my report to Congress will be picked up by the national radio net of CAP and relayed to every point in the Nation. It's a wonderful sense of achievement to realize how far this project has advanced since last I reported to you.

I am aware that we still have many problems to be met in the Civil Air Patrol and its administration, and I am sure that with patience and the guidance of the Air Force we shall meet the needs that emergencies will force us to face in 1949.

In summation, I believe we can safely assume that a year of accomplishment has been completed since we were all together at this time last year, and I am proud to report to you that in 1949, to this date, the total number of new applications processed by national headquarters is close to 6,000, an increase of about 3,500 over the same period last year, and exceeds by several thousands the entire enrollment of new applicants in 1947.

That, I believe, represents the kind of progress we want in Civil Air Patrol and with your assistance and the mutual understanding and exchange of information and ideas possible at such gatherings as this, I hope we will go forward steadily to take our rightful place as the more or less graying, but still vigorous, tutor and guide for the airman of tomorrow.

FBI and the Communists

EXTENSION OF REMARKS
OF
HON. HAROLD H. VELDE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. VELDE. Mr. Speaker, under permission to revise and extend my remarks, I include in the Appendix of the RECORD two excerpts from the editorial column of the Peoria Journal and Transcript of May 6, 1949, entitled "Starting Over" and "Who's a Communist?":

STARTING OVER

Defeated in their effort to ram through Congress a one-sided labor-relations bill, the Truman administration now must start all over again if it hopes to obtain repeal of the Taft-Hartley Act in this session of Congress.

What the administration should have known all along should now be evident to it. This Congress is not going to pass any legislation which will return the country to the free and easy days of the Wagner Act when labor bosses rode roughshod over everyone and everything that got in their way in their drive for power.

The advantages and the advances obtained under the Taft-Hartley Act, admittedly not a perfect piece of legislation, are too evident to allow for its complete erasure, regardless of whether or not President Truman thinks he has a mandate from the people. He forgets that every Member of the House of Representatives also was elected in the November election and that their action can be taken as indicative of the sentiment of the people in their districts.

Had the administration produced a common sense bill, removing some of the obvious defects and injustices of the Taft-Hartley Act but retaining some of its good features, it probably could have passed it without any trouble. It chose instead to go whole hog for the power-hungry union bosses and as a result it wound up with the Taft-Hartley Act still on the books. And it is possible that it will still remain there when this Eighty-first Congress, of which Mr. Truman expected so much, is through its work.

The present Congress can still pass a labor law based on reason and justice, however. It can pass a law designed to give protection to the essential rights of workers and employers alike, not to one or the other. It can pass such a law if the administration forgets its pride and accepts its licking and gets down to work on sensible grounds as it should have done in the beginning.

WHO'S A COMMUNIST?

As the FBI continues to parade witness after witness to the stand in the New York trial of 11 Communist Party leaders, the question arises as to how long this procession of persons planted in the Communist ranks by the Government will go on.

Half a dozen or more persons already have taken the witness chair to tell how they worked as members of the Communist Party whereas in reality they were in contact with the FBI all the time. They have given extremely damaging testimony concerning secret workings of the Communist ranks.

It has reached a point where a Communist doesn't know who to trust anymore. He doesn't know who is a Communist and who isn't. His closest co-worker may be an agent of the FBI. Certainly it isn't doing the morale of the Communists any good.

The efficiency of the FBI coverage of Communist activity, as it is being revealed in the present trial, should be most reassuring to all Americans. Certainly the G-men have been on the job and doing most excellent work.

Federal Aid and the Challenge to Freedom in Education

EXTENSION OF REMARKS

OF

HON. WALTER A. LYNCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. LYNCH. Mr. Speaker, the annual banquet of the Fordham University Club of Washington, which was held in this city on May 3, 1949, was addressed by Rev. Laurence J. McGinley, S. J., the newly appointed president of Fordham University. An outstanding educator, Father McGinley discussed the problem which is now being considered by the Congress, namely, Federal aid to education. I believe the remarks of Father McGinley would be of interest to the Congress and, under the unanimous consent granted me, I am taking the privilege of inserting in the RECORD the remarks of Father McGinley on that occasion, which are as follows:

As an educator with a deep love and a firm belief in the Fordham boy and all he stands for, I would like to talk with you tonight about a cloud that has appeared on the Washington horizon. At present it is not much bigger than a man's hand. But it is rapidly looming larger and it may, unless the winds change engulf not only Fordham and other institutions of higher learning but our whole American tradition of freedom in education.

You know, of course, that just as the battle for men's minds is world-wide, the battle for the schools—in which the minds of the men of tomorrow are shaped—is going on in almost every country. In any dictatorship, schools are the first targets. The beloved Cardinal Mindszenty became intolerable to the Communist government of Hungary precisely because of his staunch opposition to the nationalization of the schools.

Unfortunately, other countries have also been fascinated by the idea of a monolithic educational system in which all training processes are shaped in a single mold designed by the state. In France, Belgium, Holland, and Germany, doctrinaire Socialists are still pressing for a control of education that in the final analysis differs very little from the Nazi or Communist model.

In the United States we are fully aware of this importance of education. We are not satisfied simply to have more schools and colleges than anywhere else in the world—we also want them to be the best. And we are determined that a child's opportunity to obtain an adequate education shall not be conditioned solely by the size of his father's purse.

Our strong feelings on this subject, and the unequal distribution of wealth which makes many communities unable to compete with their more fortunate neighbors in providing facilities, have crystallized this year in various proposals for Federal aid to education.

Now it is perfectly legitimate—particularly with regard to institutions of higher learning—to argue about the desirability of the Federal Government moving into the educational field. But I realize that in Washington you have to face political realities. And from what I am told, some form of Federal aid to education is considered a "must."

The practical concern of all of us, therefore, is that Federal aid—if and when it is granted—shall not interfere with freedom in education. That it shall preserve the right of parents to send their children to any school that provides an adequate education, and that it shall not upset the delicate system of checks and balances that are as important in the educational system as they are in government.

On the first point—for the moment, at least—we do not seem to have very much to worry about. As a general proposition it is true that what the people support through their taxes, they must likewise, through their representatives, to some extent control. Nevertheless, the tradition of educational freedom in the United States is so strong that practically every proposal for Federal aid has contained elaborate safeguards against interference by Government in the educational process.

Unfortunately, there are indirect as well as direct ways in which government can gain control of education, despite the best intentions in the world on the part of sponsors of certain Federal-aid proposals. To illustrate what I mean, let us consider briefly two fundamental concepts in our American education tradition.

The first of these is based on the dignity of the individual before the God who made him. As it applies in this case, it means that every child belongs not to the State but to the parents who act as trustees for Almighty God. And as a corollary of this, that every parent has the right to send his child to any school which provides an adequate education.

No one today seriously quarrels with this concept. It is not only implied in the Constitution but was specifically affirmed by the United States Supreme Court in a famous decision regarding the parochial schools of Oregon.

The second concept follows from the first. If parents have the right to send their children to any adequate school, public or independent, sectarian or nonsectarian, then obviously all these schools must be allowed to exist without unfair discrimination or undue favoritism.

Ours is a pluralistic democracy, not a monolithic one; that is, ours is a political system involving many different groups, and not a system that eliminates or even tries to eliminate all differences. "E pluribus unum" symbolizes this principle of our unity of purpose in diversity of groups. The slogan, "every child in a public school," is therefore a direct attack on this pluralistic system by which we grew strong and stayed free. It is a definitely totalitarian drive for regimented uniformity.

Now in a pluralistic system it is basic that the different groups are entitled to public aid in proportion to public service, to welfare benefits in proportion to need. Our Protestant, Jewish, and Catholic chaplains are paid alike in the armed forces because of the public service they render and because of the welfare need of our soldiers and sailors. In like manner, the children in our denominational schools have a right to welfare benefits not because of their creed but because they are Americans. These principles are basic.

Now we all know that here in Washington a powerful lobby is pressing for a Federal education bill, excluding aid to all except public-school pupils. The passage of that bill would seriously hurt our American education freedom. To begin with, it would officially brand Johnny Jones in the independent school as unworthy of the same help as Willie Brown in the public school. Again, it would tax Mr. Jones for using his right to choose Johnny's school—as if this right were only a privilege graciously conceded by the local school board. Finally, it would entrench in American education those organizations which are excogitating their own brand of nonsectarian ethical culture as the official religion of the public school.

Senator MCMAHON and others have worked out provisions for an equitable compromise. Unless some such principles are embodied in the education law to be passed by Congress, we have just grounds to fear that secularistic legislation will follow in all fields of education, in health, and in welfare. That spells the end of the independent school, the independent hospital, the independent welfare agency, and the beginning of the completely secular totalitarian state.

The issue is as fundamental as that. It touches not only grammar schools but those on the high-school and college level. For the maintenance of the essential variety, diversity, and independence of schooling, it is of the highest possible practical importance that both public and independent systems of education continue to flourish side by side.

As Henry Ford II put it recently in speaking of the problems of higher education, "The existence of a larger number of privately supported colleges and universities seems to be the best guaranty that our whole educational system will stay young and dynamic."

Much of what I have been saying to you here tonight looks to the future. But in one respect at least, we hope with all our hearts to turn back the clock to the Fordham of prewar days.

As Americans, we are trained in the virtues of mass production. This typically American development has helped us win two world wars, and in peacetime—materially, at any rate—it has made us the most prosperous people on earth.

But there are two things at least which we cannot mass produce. One is the human soul and the other is an educated man.

Almighty God does not create an immortal soul as He makes plants or planets—through secondary causes. Each of us in this room is individually created by Him with His fingerprints on each personal soul. God has destined each of us to be with Him

one day face to face, forever. He wills that in this life each of us must learn the truth and love the good and live the life of beauty which is His grace. Toward each of the individual 13,000 souls enrolled in Fordham today you and I have a solemn responsibility.

And that responsibility begins with recognition of the fact that pedagogically we should not, and morally we cannot, educate individual men and women on the assembly line. By right, by common sense and by Jesuit tradition we should have personal contact with every single one of our students.

That is why I say to you in very truth that all of our $10,000,000 physical plant, all of our 500 professors, all our research, our program of education and athletics and campus activities, all our great plans for the future, exist for one individual only.

He is the typical Fordham student, standing alone on the vast campus, looking in turn at the beautiful tower of Keating Hall, the rows of classrooms in Dealy, the gray bulk of the gymnasium, the ivy-covered brick of Collins, the ancient stone and newly paneled beauty of the University Church—seeking for guidance.

It is for him alone that Fordham exists. If figuratively we can take that individual boy by the hand as he enters the main gate on the first day as a freshman and lead him with wise devotion through the next 4 years; if we can give him friendly counsel and personal attention to his particular problems and individuality; if we can teach as though he alone sat in the classrooms, rejoice in his success and help him in his difficulties; if we can hand him his diploma as though the faculty in their black robes and the great throng of visitors seated in the June sunshine were there to do honor only to him; if we can send him forth with the seal of Fordham indelibly stamped on his immortal soul, then you and I, each in our own way, will have fulfilled our mission to God, to our country and to the world.

Funds to Administer the Employment Security Law

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following:

THE COMMONWEALTH OF MASSACHUSETTS,
DIVISION OF EMPLOYMENT SECURITY,
STATE ADVISORY COUNCIL,
Boston, May 9, 1949.

Hon. THOMAS J. LANE,
House of Representatives,
Washington, D. C.

DEAR REPRESENTATIVE: The members of the advisory council of the Massachusetts Division of Employment Security have spent and are still spending considerable time and effort in this current fiscal year in negotiations, discussions, and meetings with State and Federal officials, because of insufficiency of funds granted to Massachusetts for administration of its Employment Security Law.

As you know, Massachusetts was cut sharply in the distribution of funds appropriated by the Congress for the administration of the Employment Security program in the fiscal year 1949. We have made many vigorous protests regarding this cut, which in percentage was the third highest in the Nation. To date we have had only minor adjustments from the original grant, with the result that backlogs have piled up, certain operations have been curtailed, and other operations have been suspended completely.

It was our hope and expectation that the fund situation would be remedied for the fiscal year 1950 so that we could resume again our proper and efficient administration of the Massachusetts law. A preliminary estimate of our fund requirements for the fiscal year 1950 was prepared and submitted to the regional office several weeks ago. After review and discussion, these estimates were sent to the headquarters office of the Federal Security Agency in Washington. We have had brought to our attention this week the comments of the Washington office in regard to this preliminary estimate and the points on which that office disagrees with our request. This is a matter which we feel can be discussed by us with representatives of the Federal Security Agency.

There is, however, a further point which these representatives have brought to our attention. This is of such major importance to us and to the representatives of Massachusetts in Congress that we are bringing it to you immediately for your consideration and for appropriate action. This point may be stated briefly as follows:

Total funds requested in budgets submitted by the States and Territories for administration of their employment security laws in the fiscal year 1950	$203,000,000
These requested funds, after review, will be reduced by the Federal Security Agency by approximately	193,000,000
However, these approved requests must be further reduced by approximately 18 percent in order to live within the present proposed amount of the 1950 appropriation or to	157,500,000

If the Federal Security Agency proceeds as it has in the past, it will reduce each of the approved budget estimates by 18 percent, which means that all the problems with which we are contending at present because of our financial stringency will be continued on through the next fiscal year.

As we know the situation, the failure to have sufficient funds appropriated for the proper and efficient administration of the employment security program can be traced to several causes:

1. Failure on the part of Federal Security Agency to ask for sufficient funds. It is our understanding that funds approximating one hundred and fifty or one hundred and sixty millions of dollars were requested by the Agency, though now it appears willing to approve one hundred and ninety-three millions, based on the States' own estimates of their requirements.

2. Failure on the part of the Bureau of the Budget to approve all of the Federal Security Agency's request.

3. Failure on the part of Congress to appropriate sufficient funds.

Apparently one or both of the first two failures did occur, since we have just been informed that the representatives of the Federal Security Agency have again discussed this problem of 1950 financing with the Bureau of the Budget, and the Bureau is willing to approve a deficiency request for 1950 in the amount of $24,000,000.

The excise tax collected from Massachusetts employers under provisions of the Social Security Act relating to unemployment compensation is collected in order that the Government may have sufficient funds on hand to provide for proper and efficient administration of the act. This tax collection currently amounts to $9,000,000 per annum in Massachusetts, which is an amount far in excess of any annual expenditures by us to administer our State law. For example, our total expenditures for the fiscal year 1948 were $5,284,687 for administering our State law. The total excess of funds collected throughout the country by this tax, over funds appropriated for administration of the Employment Security Law, is now $880,000,000.

Employer associations and individual employers, the Massachusetts Taxpayers Association, labor organizations, and the general public have gone on record to the effect that they want sufficient grants made to this State so that efficient administration may be maintained.

As we stand now, Congress must approve the appropriation request of $157,500,000 and the deficiency request of $24,000,000 in order that Masschusetts may be provided with funds which will approximate its total requirements. Even though these two appropriation requests are approved, Massachusetts will still be faced with a reduction from its estimated requirements, since total provisions of funds will still be 11 or 12 million dollars short of the total of all the State fund requests.

We are requesting that you, as one of our elected representatives in Congress, do all you can to see that these two appropriations are passed.

We will appreciate your comments on the facts stated above and wish you to keep us informed of what steps you or any others have taken to see that adequate appropriation of funds is made.

Very truly yours,

JOSEPH A. DUNN,
Representative of Employers.
JACOB PRAGER,
Representative of Employees.
HERMAN J. DUMAS,
Representative of the Public.
STEPHEN V. DUFFY,
Representative of Employers.
DANIEL J. MCCARTHY,
Representative of Employees.
FRANCIS J. CARREIRO,
Representative of the Public.

Msgr. Alfonso Arcese

EXTENSION OF REMARKS

OF

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. ROONEY. Mr. Speaker, under permission heretofore granted me by unanimous consent of the House I am pleased to include with these few remarks the following article by Violet Brown published in the Brooklyn Eagle of Sunday, May 8, 1949, entitled "Brooklyn's Man of the Week: Monsignor Arcese Begins Second Half Century as Priest."

This article portrays to some extent a most lovable kindly man who once again has assumed the pastorate of the Roman Catholic Church of Sacred Hearts of Jesus and Mary and St. Stephen's which is located in the Twelfth Congressional District.

I had the distinguished honor to be one of those present last Saturday evening at the dinner at the Towers Hotel in honor of Monsignor Arcese. Hon. Henry L. Ughetta, justice of the supreme court, who was host at the dinner, deserves the thanks of all who were present for a splendid celebration marking the fiftieth milestone in what I pray shall be a century of distinguished service by Monsignor Arcese to his God, his adopted

country, and the people of our community.

I am sure that every Member of this great body wholeheartedly concurs in this expression of sentiment and respect for one of God's noblemen, Msgr. Alfonso Arcese.

MONSIGNOR ARCESE BEGINS SECOND HALF CENTURY AS PRIEST

(By Violet Brown)

Benign, humorous, and rich with wisdom, Monsignor Alfonso Arcese celebrates 50 years in the priesthood this month up to his biretta in plans for the years to come.

"All I need is 50 years more in the priesthood," he said the other day, his eyes twinkling behind their rimless glasses, "and you should see what this parish would be like!"

He was sitting in the large rectory of Sacred Hearts of Jesus and Mary and St. Stephen's Parish on First Place to which he returned this year after an interlude at Our Lady of Mount Carmel.

During his first assignment at Sacred Hearts, he built the beautiful 27-classroom school on Hicks Street. Now he has a new project—dear to his own youthful heart—a young people's center at 135 Summit Street.

It opened only months ago, but is already flourishing with a dramatics group, four basketball teams, three baseball teams, four Scout troops, a confraternity. It is going to feature a cadet corps and band.

The center serves the youth of Red Hook, about whom there has been a certain amount of discussion, but Monsignor Arcese will have no truck with "juvenile delinquency."

"Too much talking about that," he said, shaking his head disapprovingly. "All exaggerated! Wait 10 years and your problem will be solved. The juveniles will be adults."

Then, seriously, he added:

"When you think of the conditions some of our boys have at home, the crowded conditions, the wonder is not that some go wrong, but that so many are good.

"Most of the young people are good, so very good I am always being amazed by them. We don't want our center to be a place of reform. We want it to help the many, many good young people stay good."

Monsignor Arcese comes of a remarkable family of priests. Three of his brothers were also elevated to monsignor rank and one sister has been a nun at Grotta Ferrara near Rome for 65 years.

Monsignor Vincent Arcese, the eldest, was a famous and beloved priest in Sullivan County before his death, a builder of many institutions and founder of St. Joseph's camps.

Monsignor Gaetano Arcese, who has a Harlem church, is consultor to Cardinal Spellman (Monsignor Alfonso Arcese is a diocesan consultor himself) and a prothonotary apostolic. Monsignor Leo Arcese, the youngest of the brothers, has a parish in Ozone Park.

They were all born in Arpino, Italy, a proud little town whose people, Monsignor Arcese likes to point out, became Roman citizens 365 B. C. The parish church where the Arceses were baptized was built over an ancient temple of Mercury.

And the town had a flourishing woolen industry prior to Christ, with 36 factories being operated by a population of only 10,000. Arpino was rich and its education heavily endowed. The Arcese brothers had excellent schooling there.

Monsignor Alfonso came to the United States in 1894 as a lad of 17. Just before World War II he went back to Arpino with Auxiliary Bishop Stephen Donahue, who was curious to see the Arcese family homestead. As they neared the place, an elderly blind man came up to them.

"I have been listening to you speak," he said, "and it seems to me this is the voice of our Don Alfonso."

It had been more than 40 years since the man had heard "Don Alfonso's" voice, and the monsignor is astounded to this day by the incident. Obviously, though, Arpino keeps the Arcese memory green.

As soon as he arrived in this country Monsignor Arcese's father, a teacher, sent him to St. Bonaventure's in Alleghany, N. Y., to study. He then went to St. Mary's in Baltimore and was ordained in May 1899.

His first assignment was as assistant at St. Joseph's Church, and his first pastorate was at St. Lucy's, where he started the foundation of the church in his first 3-year stay and finished the upper floors when he was reassigned in 1914.

Then Monsignor Leo Arcese finished the interior in a style which makes his older brother glow with pride. "It took two of us to build that church," he said.

The Arcese devotion to the city's Italian Catholic population follows a tradition set by an uncle, Father Julius of the Friars Order, the first priest to labor among Italian immigrants here.

There has been a startling change in the status of these Italian-Americans during the half century of Monsignor Arcese's priesthood, a change for which last night's affectionate dinner in his honor at the Hotel Towers could well serve as a symbol.

Many of the city's most important men were at that private affair and more of them than the first poor immigrants could possibly have imagined were the sons and grandsons of those immigrants.

"There were few Italian professional or political men here when I became a priest," Monsignor Arcese recalled. "The majority of the immigrants worked as laborers and were very poor, not only supporting themselves but sending their scant savings to their families in Italy.

"I remember some of the laborers at St. Lucy's back in 1905. They made $1.25 a day and tried to send $1 back to Italy to bring their wives and children here.

"Of course, the temptation was great to send their children to work as soon as they could get working papers for them, but we priests carried on a campaign to have the children get as much school as possible.

"At every confirmation Bishop Molloy used to stress that no matter how great the sacrifice, send them to school. And this campaign bore fruit, wonderful fruit."

Nor, under the tutelage of their priests, have the Italians here forgotten their homeland. They take care of their own through the Italian board of guardians, one of the monsignor's special projects, and they carry on big campaigns for relief to Italy, ably supported by Il Crociato, diocesan Italian weekly in which Monsignor Arcese has been greatly interested.

In this way the new generation of Americans keeps close to the best tradition of the old generation of Italians, what Monsignor Arcese calls a tradition of family life.

"You can see it," he said, "in the proportion of divorces in Brooklyn. Its divorce rate is the lowest in the State and that, I am sure, is because there are so many Italian marriages. The number of Italian divorces is negligible; our pride is that it keeps that way."

Reorganization of Franco's Spain

EXTENSION OF REMARKS

OF

HON. EARL T. WAGNER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. WAGNER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Cincinnati Post:

FRANCO SPAIN

The political committee of the United Nations General Assembly has voted 25 to 16 in favor of lifting the 1946 ban on the appointment of ambassadors and ministers to the Franco government in Spain. The question now goes to the General Assembly for final action, and the issue there is in doubt.

Representatives of the United States and 15 other nations did not vote. However, if we dodge the issue again in the General Assembly, our refusal to vote will be counted against the proposal, which requires a two-thirds majority for approval.

Franco's government isn't our kind of government, but if we exchanged diplomats only with those nations of which we approved in every particular, we would be doing business in a very restricted world.

Spain is under a dictatorship, yes, and we detest dictatorships. Yet the Soviet Union, Poland, Yugoslavia, Bulgaria, and Czechoslovakia—with all of which we have full diplomatic relations—also are under dictatorship.

Franco's particular crime is that he gained control of Spain with the assistance of Hitler and Mussolini. We voted to boycott Spain in 1946 largely as a sop to the Soviet Union. Our Government has had friendly relations with Spain since the war of 1898, and Franco has shown every evidenec that he desires to live at peace with the rest of the world. His country occupies a strategic area vital to us and the other members of the North Atlantic group. That is an important consideration which should weigh heavily in a decision to vote to lift this boycott.

Public Health and the Federal Government

EXTENSION OF REMARKS

OF

HON. ALBERT M. COLE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. COLE of Kansas. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution of the Kansas Optometric Association:

Resolution Committee A has formulated a resolution which the committee feels should be discussed at a time when the largest possible number of the membership is present. The resolution has the unanimous endorsement of the committee. Mr. President, I now present to you, and this assembly, the following resolution for your consideration:

"1. Whereas there is before the Congress of the United States a proposed law which contemplates the health needs of most, if not all, citizens from the cradle to the grave;

"2. Whereas such laudable undertaking is a very old history in the world, having been one of the chief planks of Emperor Diocletian of Rome;

"3. Whereas people are prone to give undue consideration to the promises of politicians, when promised gratuities by politicians: Gratuities the politician is not the owner of: Gratuities which only the receipient thereof has, or can produce;

"4. Whereas since the time of Emperor Diocletian, this same fraudulent ruse has been used numerous times in numerous nations, up to the present day, as witnessed in Russia and England, for the purpose of perpetuating political jobs;

"5. Whereas that since all of these past efforts have been, and as of now are dismal failures for all but the politician, at a cost to the producer that is leading to bankruptcy of the nations involved;

"6. Whereas such a program would lead to further regimentation of the Nation, and the loss of constitutional rights and liberities: Be it

"*Resolved*, That the Kansas Optometric Association assembled in the forty-ninth annual convention, April 25 and 26, 1949, go on record as opposed to any and all participation in public health by the Federal Government. That a copy of this resolution be transmitted to each Congressman and Senator from Kansas, and to the president of the American Optometric Association."

The American Motorist a Victim of Prices and Taxes

EXTENSION OF REMARKS
OF

HON. HUGH J. ADDONIZIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. ADDONIZIO. Mr. Speaker, the American motorist has long been the victim of financial exploitation of one variety or another. He has been taxed unmercifully by State and Federal governments. He has been subjected to the greed of conscienceless loan agencies. In general, he has fought an uphill battle since the turn of the century for fair treatment. Only a few weeks ago, the American car owner found himself victimized once again—this time by the oil industry.

Three major companies recently boosted gasoline prices on an average of one-half a cent per gallon. This increase came at a time when prices are sagging all across the economic horizon and oil profits are at their zenith in history.

To my way of thinking, this price rise represents an all too obvious example of economic opportunism on the part of the oil industry. How can the oil companies possibly justify it? The answer is that they cannot.

The injustice of this price increase was first called to the attention of the motoring public by the American Automobile Association, whose president, R. J. Schmunk, asked the industry for an explanation. However, none was forthcoming. William R. Boyd, president of the American Petroleum Institute, said he and the members of his organization were deaf, dumb and blind on the subject of petroleum price increases because of possible antitrust law infringements. He referred the AAA to the individual oil companies.

As Mr. Schmunk emphasized in his inquiry, the price boosts come at a time when gasoline stocks are running over the brim, and crude-oil supply is so plentiful that Texas and several other States have ordered cut-backs in allowable production. They come at a period when profits of the oil industry are jutting above all records in history, and the cost-of-living index is beginning to drop. Moreover, President Truman has just been informed by his Council of Economic Advisers that the Nation may expect yet another fall in the cost of living in the near future.

There is the evidence. Only one conclusion is possible. The oil interests are exploiting the Nation's more than 30,000,000 car owners for the sake of higher profits. It seems clear that this price boost represents the predatory practice of monopolists.

But let us document our evidence further. A survey of 16 major oil companies showed a net increase of $339,000,000 in profits last year, as compared with those of 1947. At the present time, the average price of gasoline throughout the Nation is 26.5 cents per gallon. At the close of the war, it was only 20.6 cents. Motor fuel is now costing the individual car owner $40 a year more than at the 1946 level, according to Mr. Schmunk. Motorists as a whole are paying $1,300,000,000 more each year, as a result of the avarice of the oil industry.

It is apparent that new and drastic steps must be taken to protect the Nation's motorists who stand defenseless before the power of the oil combine. I am convinced that a complete investigation of the oil industry by the Justice Department and the Federal Trade Commission is long overdue. I have sent letters to the Attorney General and the Acting Chairman of the FTC calling for such an inquiry.

The American Automobile Association is certainly to be commended for its forthright stand on this obvious attempt to exploit the American motorist. Its inquiry into the gasoline price increase carries added weight because of the AAA's long past record of impartial service to the entire motoring public.

For the full information of the Members I submit herewith the exchange of letters between the AAA and the American Petroleum Institute:

AMERICAN AUTOMOBILE ASSOCIATION,
Washington, D. C., April 14, 1949.

Mr. WILLIAM R. BOYD,
President, American Petroleum Institute, New York, N. Y.

DEAR MR. BOYD: Several major oil companies have recently increased gasoline prices. This has resulted in a substantial increase in the number of complaints reaching us on the issue of current gasoline prices. It is clear that no statement has been given to the public which has carried conviction as to the necessity for the increase at this time.

Beginning in the spring of 1946 the gasoline price structure started an upward spiral. The price of regular-grade gasoline at retail outlets, less taxes, on April 1, 1946, was 14.12 cents per gallon. On March 1, 1949, the price was 20.12 cents per gallon—an increase of 6 cents per gallon, or 42 percent. During the same period the average tax per gallon rose from 6.07 cents to 6.38 cents per gallon. Interpreted in terms of consumer cost, the price of gasoline during this period rose from 20.19 cents in April 1946, to 26.5 cents in March 1949.

Since the average motorist uses about 650 gallons a year, this increase of 6 cents a gallon means that he is paying about $40 a year more for the same amount of motor fuel than he would have paid at the prices prevailing 3 years ago. This means a total increase of roughly $1,300,000,000 in the cost of operating the Nation's 33,000,000 passenger cars.

There are several elements in the petroleum situation which normally might be expected to make for lower rather than higher prices:

1. The gasoline price increase comes at a time when gasoline stocks are at high levels; the total on April 2 of this year was 127,769,000 barrels as compared with 113,530,000 barrels on the corresponding date of last year.

2. The gasoline price increase comes at a time when crude-oil supply, domestic and imported, is at such a high level that Texas and several other States have ordered cutbacks in allowable production. This is done in the name of conservation, but it is natural that some will see in it an effort to maintain the price of crude oil at present levels.

3. The gasoline price increase comes at a time when profits of the oil industry are at a high level—a factor which naturally enters into public reaction to higher prices.

In addition to these factors within the industry the gasoline price increase comes at a time when the cost-of-living index is showing a downward trend; it has dropped nearly 6 points since last August—and when the prices of many things the motorist buys—notably new and used cars—are being reduced.

According to reports from trade circles, one reason for the recent increases lies in the fact that, because of the mild winter, fuel oil had to be unloaded at reduced prices and, in view of the continuing high price of crude, refineries increased their price of gasoline to make up their losses on fuel oil. I am sure you will agree that the car owners would find it very hard to understand why they should be penalized simply because a mild winter upset calculations as to the demand for fuel oil.

Because of the great public interest in this matter, any comment you care to make or any information you care to give us would be greatly appreciated.

Yours sincerely,

R. J. SCHMUNK,
President, American Automobile Association.

AMERICAN PETROLEUM INSTITUTE,
New York, N. Y., April 15, 1949.

Mr. R. J. SCHMUNK,
President, American Automobile Association, Washington, D. C.

DEAR MR. SCHMUNK: Naturally, I have been interested in reading your letter of April 14. In concluding it, you ask for "any comment you care to make or any information you care to give us."

Because of the Sherman Antitrust Act and its interpretation by the Department of Justice, the president and members of the staff of the American Petroleum Institute are deaf, dumb, and blind about the price at which petroleum or any refined product is sold. No discussions of price are conducted by or under the auspices of the institute and no information is given to us in advance or afterward about a price change or the reason therefor.

Occasionally we receive an inquiry similar to yours from some member of Congress or from representatives of the press or from organized groups or individuals. To all of them we must make the same reply I have given you.

Assuring you of our desire to cooperate fully with the American Automobile Association in matters coming within the proper scope of our activities, and with personal regards to you and your associate officers, I am,

Sincerely yours,

W. R. BOYD, Jr.,
President, American Petroleum Institute.

The Responsibility of Congress With Respect to State Government

EXTENSION OF REMARKS

OF

HON. EDWARD H. REES

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. REES. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Hon. Frank Carlson, Governor of Kansas:

THE RESPONSIBILITY OF CONGRESS WITH RESPECT TO STATE SOVEREIGNTY

(By Gov. Frank Carlson, of Kansas)

Speaking as chairman of the Interstate Oil Compact, I want to assure you that we are grateful to meet here today in your "Land of Flowers" and sunshine. Florida has long been a refuge from our northern winters. We in other States enjoy your fruits and vegetables the year round. The products of your soil seem to have no limit. Florida's favorable conditions for the accumulation of oil and gas should assure your future as a leading oil-producing State of the compact.

We feel that the States of the South command respect for their resolute stand to keep for themselves those rights not granted to the Federal Government by the Constitution. Nearly 90 years ago, Gen. Robert E. Lee, praised by Gen. Winfield Scott as America's very best soldier, refused command of the northern armies. This he did because of loyalty to his native South. General Lee, after the conflict between the North and South ended, refused to commercialize his name, even though it would have brought wealth to him. He accepted instead the direction of a small college. Again, he showed the spirit and integrity inherent to the South.

The War Between the States left the South with its property destroyed, its commerce wrecked, its factories razed, its money worthless, and yet the South struggled upward to recovery. It overcame the corruption wrought by the carpetbaggers without help from outside. In the years that have followed that upheaval, the South has furnished many of our Nation's leaders. They have headed our courts and directed our Nation, even from its highest office.

In recent years, the country united has fought and won two world wars. While in those wars we have been united successfully against a common enemy, I sincerely feel that the country is approaching another crisis from within. This time the division is not one of geographical distinction, but a clash of doctrines which threatens to divide our Nation.

On the one side, we have the adherence to our Constitution, and the rights of the States. On the other, we have growing within our Federal Government paternalism supported by bureaucrats who have pyramided Federal pay rolls. Our Constitution set up the Federal Government to coordinate, but not to dominate the States.

There are constantly increasing within our National Government, as we all know, forces prone to cast aside our Constitution. The compelling motive behind this movement is the urge for arbitrary power and entrenchment in office. The recent move toward encroachment on the rights of the States, so deeply resented in the South, is but one of the objectives of this group.

The future welfare of our Nation, and the maintenance of its position among world powers, in my opinion, depends upon State sovereignty. Unless the States assert and maintain their rights, we shall see history repeat itself. No nation, history records, has ever been able to maintain the freedom of its individual citizens when autocratic power is concentrated in a dictator or a small group of men.

I should like to quote here some recent remarks of General Eisenhower:

"In today's struggle, no free man, no free institution can be neutral.

"Government ownership or control of property is not to be decried principally because of the historic inefficiency of governmental management of productive enterprises; its real threat rests in the fact that * * * final concentration of ownership in the hands of government gives to it, in all practical effects, absolute power over lives.

"When shallow critics denounce the profit motive inherent in our system of enterprise, they ignore the fact that it is an economic support of every human right we possess, and that without it all rights would soon disappear."

Our Nation was founded by a group of individuals who had fled oppression. Under the democracy which they founded and guided by the Constitution they drafted, America became a nation of individuals. Our free government and the rugged frontiers of our country bred in our citizenship a creative spirit.

This creative spirit has led us forward to the highest standard of living in history. It has given mankind most of the inventions that have freed our lives from drudgery. It has given us the means of a fuller enjoyment of living. It has made our Nation a leader of the world. To destroy this creative spirit, developed in an environment of free enterprise, would be to destroy the mainspring of our way of life.

For nearly two decades our National Government has conducted a destructive drive against the system under which our American creative spirit has developed. Free enterprise has been insidiously attacked. Our National Government would now replace the system which has made us what we are with a paternalistic nationalization, which history reveals is a destroyer of human rights and freedom.

Insofar as our oil and gas industry is concerned, the drive of our centralized government now takes the form of three major offensives: The commandeering of tidelands oil of the coastal States; the replacement of State regulation of oil by Federal regulation; and bureaucratic control over the price received for natural gas by independent producers not connected with interstate commerce transportation.

For over 100 years our coastal States had undisputed ownership of their submerged lands. This ownership extended, in most cases, for three nautical miles, but in some cases was extended farther by treaty or otherwise when certain States entered the Union. In June 1947, as the culmination of a court proceeding instituted by the Federal Government, the Supreme Court dispossessed the State of California of its right to oil and minerals in its submerged coastal lands. The Court declared that a paramount right to these lands existed in the Federal Government.

The Seventy-ninth Congress passed a quitclaim resolution, relinquishing the Federal Government's claim to these lands. It was vetoed by the Chief Executive.

A similar quitclaim resolution was passed by the House of the Eightieth Congress by a vote of 257 to 29 in April 1948. The Senate committee voted the bill out too late for action on the floor.

A number of similar resolutions are pending in the Eighty-first Congfess. The general opinion seems to be that a quitclaim resolution might again be passed by Congress. It is also thought that it would again be vetoed by the Chief Executive. It is our hope that the Eighty-first Congress will pass a quitclaim resolution on this subject with such a majority that neither the Supreme Court nor the Chief Executive will deprive these States of their rightful property. The States can then go on to the maximum oil development of these submarginal lands, thus insuring our national safety.

Fourteen years ago, when our Interstate Oil Compact was formed under a provision of the Constitution, the oil industry was in a chaotic state. Oversupply was responsible for a price resulting in flagrant waste of this irreplaceable natural resource. The emergencies at that time were met by the State governments. In the years that have followed, a democratic system of State regulation has been developed. It has operated to eliminate this waste.

Under State regulation, scientific knowledge has developed and regulatory practices have improved. Nature's underground energy, stored in her oil reservoirs, has been conserved. As a result of this conservation through State regulation, our Nation at the beginning of World War II had ample reserves and abundant reservoir energy to produce greatly in excess of normal requirements. It is indisputable that without the potentiality of our oil reserves at the beginning of World War II, our armed forces could not have prevailed.

At the close of the war, owing to no fault of the States or of the industry, localized shortages occurred. They were due mainly to the war's heavy draft on materials and equipment. These shortages set off another drive by the National Government upon State regulation. The temporary local shortages, so eagerly seized upon for criticism vanished into thin air as the oil industry quickly rallied.

The complaint against State regulation, left groundless on this issue, then shifted to the cry that the States limit supply to demand solely for the purpose of maintaining prices. No one familiar with the years of trial and error in the legal and technical development of State regulation in oil-field control can believe this charge. The need for limiting supply to demand was a bitter issue for years, and advocates for and against limiting supply to demand existed both within the industry and in State governments. That preventing waste of petroleum depends upon adjusting supply to demand was learned the hard way, through experience. State statutes evolved only after bitter conflict between belligerent segments of the industry.

My own State of Kansas passed a statute providing for the limitation of supply to demand in order to prevent waste of this vital resource. Other States followed, including Louisiana, Michigan, Oklahoma, Texas, New Mexico, and your own State of Florida.

It has been developed throughout the years that production in excess of market demand means unnecessary storage, resulting in evaporation and waste. This resulted in the huge oil-field conflagrations which were so prevalent in years past. Thousands of barrels burned in single fields during electrical storms. Huge evaporative and leakage losses resulted from excess surface storage. Overflow oil filled the drainage channels and creeks. State regulations have corrected these conditions by limiting supply to demand and necessary working stocks.

It has been conclusively proved that the demand for oil from any source of supply must be scientifically and equitably allocated over the entire area of a field to prevent the dissipation of underground energy and to protect correlative rights. Inefficient utilization or loss of underground energy leaves irrecoverable oil in the oil-bearing strata. Scientific State regulations prevent this.

An adequate price is required to prevent waste. This has been forcefully brought to the attention of the State regulatory bodies.

An adequate price is necessary to keep in operation the multitudinous small oil wells. These wells have often been designated as the backbone of the oil-producing industry because they represent such a large proportion of the oil reserves.

If the price is not sufficient to keep these small wells in operation, they are abandoned. When these wells are abandoned, the reserves they represent are lost to the public. The loss of these reserves may mean future shortages and resulting high prices.

Those in our National Government who would criticize the regulation by the States within the compact give no credit to the record made by the oil industry under State regulation. These criticis do not mention the improvement in products and their universal availability and reasonable price. Nothing is said about oil-product prices having advanced the least among common commodities.

If the oil-producing States faithfully administer the conservation laws of their States, and limit the supply to demand under such laws, an adequate price may or may not result. If an adequate price be attained, and be the means of saving to the public vast reserves which would otherwise be forever lost, then the public interest is undoubtedly served. Is it not better to have ample supplies of petroleum products universally available at reasonable prices than to rely on high-cost synthetic products which cannot be made available except by subsidies from taxes?

Only recently has that portion of our petroleum industry responsible for the production of natural gas with oil furnished nearly one-half of our national gas supply. There is reason to believe that still greater quantities of our natural gas supply will be found in connection with oil production.

Eleven years ago, Congress passed the Natural Gas Act. It gave the Federal Power Commission authority to regulate interstate transportation of gas. Legislative history shows that the act was intended to cover only the transportation of gas in interstate commerce. It specifically prohibited regulation by the Federal Power Commission of the production and gathering of natural gas. This latter has been, and is properly, a function of the State administrative bodies. The States of our compact have so recognized it. Our conservation laws so provide.

Notwithstanding the restrictions placed upon the Federal Power Commission in connection with production and gathering, that Commission has continued to encroach upon this field of regulation. Under a decision of the Supreme Court nearly three years ago, the Federal Power Commission is seemingly given the authority to regulate natural gas back to the wellhead; and the majority members of the Federal Power Commission so interpret this decision.

The present Congress is now considering bills to clarify the original Natural Gas Act, and confine regulation by the Federal Power Commission solely to interstate commerce. These acts seek to leave to the States sole regulation of production and gathering up to transportation in interstate commerce.

Three of our greatest gas-producing States have acted, or have considered legislation to regulate the price of gas at the wellhead. These efforts are being made to avoid the waste of a natural resource being sold at a price conducive to waste.

There is a wide gap between present prices for gas and fuels with which it should be competitive.

Last month, before a congressional committee studying the need for an amendment of the Natural Gas Act, the majority leader of the Federal Power Commission made plain the doctrine of the majority membership. He does not believe in free competition. It is his avowed intent to maintain a low price for natural gas from all producers according to his dictates.

We have now a unique situation. States producing the great bulk of the Nation's gas, through their administrative bodies and legislatures, are seeking to establish a fair price for this natural resource. The price they seek would conserve the supply for the greater comfort and pleasure of the citizens of their own and other States.

At the same time, a Federal Commission, answering only to the President, is seeking to maintain a level of prices at the wellhead which would discourage, according to testimony before Congress, the finding of new gas reserves.

It is my opinion that the actual facts have not been properly presented to the American public. I am advised that the amendment to the Natural Gas Act given greatest consideration for passage, will affect only future arms-length sales of gas from those who produce it to those who transport it in interstate commerce. It should result in a fair bargaining price which can in no case go above the competing price of other fuels.

Against this position, the majority leader of the Federal Power Commission last month told a congressional committee that the Supreme Court's decision giving the Commission administrative power to the wellhead would be followed out. He intimated that the Supreme Court's authority was a proper interpretation of congressional intent in the passage of the original act. But only a few months ago he had joined in a unanimous request by the Federal Power Commission to have Congress clarify the act with respect to production and gathering of gas; and the Commission had issued a directive disclaiming any intent to regulate production and gathering. This majority leader of the Commission, however, last month told Congress that he had changed his mind.

In these three controversial issues before our oil- and gas-producing States, the cards seem to be stacked. We have both the executive and judicial departments of our Government seemingly against States' rights. We are thankful that we still have a Congress close to our people. We feel that Congress is still of and for the people. We feel that Congress looks first to the States in these controversial issues.

We are relying on that Congress to maintain the creative spirit of America. We are relying on that creative spirit, unhampered by Federal directives, to produce the greatest possible amount of oil and gas at the least cost to the public; to continue the administration by the sovereign States of the production of oil and gas so as to maintain an excess potential to produce. And we rely on Congress to leave to the States unchallenged the regulation of the production and gathering of natural gas.

We feel that the Congress of our people, in insuring the States control of their tidelands and the continued regulation of their oil and gas, will act in the best public interest.

Reorganization of the Executive Branch of the Government

EXTENSION OF REMARKS

OF

HON. LEONARD IRVING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. IRVING. Mr. Speaker, and fellow Members of the House, I wish to say that I am truly disappointed that the Senate has not acted upon the bill for reorganization of the executive branch of the Government.

One of my first votes as a Member of the House was in favor of that bill. I was pleased to support it because I was convinced that it would place into motion the machinery for reorganization of the executive branch along the lines recommended by former President Hoover and President Truman.

This legislation is not a complicated, involved matter, and could be acted upon very quickly if the Senate would just make up its mind to do so. Furthermore, any mistakes that might result from application of the provisions of the bill could be easily corrected later for Congress has the right to veto any reorganization changes which it felt the President had proposed which were not for the best interests of the country.

So that you may know the reaction to these delays in the Senate, I wish to call your attention to an editorial which appeared in the New York Times of May 11, 1949, censuring the Senate for delaying action on this important bill which should be the start toward saving the taxpayers' large sums of money annually. The editorial reads:

THE HOOVER REPORTS

Time, money, and an immense amount of genuinely devoted and inspired labor would be wasted if the excellent reports of the Hoover Commission on Organization of the Executive Branch of the Government should wind up as mere reports. There is a danger of this happening. Time and again, in the last half dozen administrations, commissions have been appointed to make studies of the huge bureaucracy in Washington; reports have been filed; recommendations have been made; and precious little, by way of constructive reform, has been accomplished.

It is in the light of this experience that we warmly endorse President Truman's message to Congress asking for authority to make administrative changes in the Government, in the light of the Hoover Commission's findings and in the interest of efficiency. Bills proposing to grant such authority are pending in both houses. Since they provide that no reorganization plan submitted by the President can become effective until it has survived a 60-day waiting period, without receiving congressional disapproval, it is clear that action must be taken soon if any reorganization plans at all are to be submitted to the present session. This adds an element of urgency to the President's request. We hope that Congress will heed this request while the whole matter of the Hoover reports is still fresh in the public's mind, and before these sharply revealing studies become lost in the log-jam of legislation that always piles up at the end of a session.

In conclusion I wish to say that I hope the Senate will heed the message from President Truman urging prompt action. The letters I have received and the editorial comments I have read and heard indicate that the President's mild prodding for action was fully justified in view of strong public opinion in favor of the economy in Government which both the President and the Hoover Commission hope to achieve through reorganization of the executive branch.

Gen. Lucius Clay

EXTENSION OF REMARKS

OF

HON. SAM RAYBURN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. RAYBURN. Mr. Speaker, under leave to revise and extend my remarks in the RECORD, I include an article by Hon. Robert P. Patterson, former Secretary of War, with reference to the services of Gen. Lucius Clay. In my opinion General Clay is an outstanding statesman and soldier. His work in Germany is a tribute to him and to the Government which he represents.

CAREER OF GENERAL CLAY—FORMER SECRETARY OF WAR PAYS TRIBUTE TO RETIRING HEAD OF AMG

To the EDITOR OF THE NEW YORK TIMES:

The announcement that Gen. Lucius D. Clay will retire as head of the United States Military Government in Germany and as commander of the American military forces in Europe prompts me to call attention to the career of this remarkable soldier and to the extraordinary service he has rendered to his country. A soldier all his life, he has given us an example of skillful achievement and fearless devotion to duty that it would be hard to find the like of in our history.

On graduation from the Military Academy in 1918 he was commissioned in the Corps of Engineers and served in various Army posts. In the doldrums of the twenties and thirties he was a captain for 16 long years.

In the reorganization of the War Department after Pearl Harbor General Clay was entrusted with key responsibility for procurement and production of Army weapons, equipment and supplies. The credit for discovering his genius for that work belongs to General Somervell. As soon as he put his shoulder to the wheel, all of us connected with the supply program realized what an indispensable asset we had in Clay. His keen mind enabled him quickly to master the practical problems of industrial production. His driving energy pushed every phase of the program at top speed. His resourcefulness was the answer to innumerable emergencies. His faith in the American people and in their willingness to undergo any sacrifice in order to win the war guided his daily decisions. It is my considered judgment that to him more than to any other individual should go the credit for the success of the armament effort in the war years.

OVERSEAS SERVICE

He was always anxious for service in the field, but his appeals to go overseas simply could not be granted until 1944. He served in the European theater, until Mr. Byrnes in the Office of War Mobilization insisted on getting his services. There he remained until Secretary Stimson chose him to manage military government in Germany in behalf of the United States. The events of the past 4 years have shown how wise that choice was.

No American has ever had a harder assignment. As a soldier subordinate to the civil authority he has scrupulously carried out the directives he received from Washington. At the same time he has been compelled many times to make decisions of his own on the spur of the moment. His policies, whether in the field of political life, of economics, of finance, of commerce, or of military affairs, were those of an enlightened and conscientious statesman and soldier. As for his relations with the Russians, it suffices to say that he went to Berlin prepared to meet them more than halfway. When their provocative tactics were revealed, they found in Clay a man without fears and without nerves.

He had a working schedule that began at 7:30 in the morning and lasted without letup till 8 in the evening or longer. If he has had a rest or vacation in the past 8 years, I do not know of it.

Two years ago I sent a letter to him directing him to take a rest. I had been told that he was looking tired. Some time later someone who knew about the letter and knew also that no rest had been taken asked Clay if the Secretary of War had not ordered him to take a vacation. He said, "Yes, but he did not say when I should take it." If that be insubordination, make the most of it.

In the early days of occupation it was the fashion for writers to take a quick trip to Germany and tear off articles on our failure there. Gradually the articles disappeared. They were replaced by articles that told of steady progress. The latest chapters are the lifting of the blockade on Berlin and the formation of a democratic government for west Germany. The entire record is a credit to the American people, due largely to the fact that our interests there were in the care of the manly, modest soldier who will retire in a few days.

ROBERT P. PATTERSON.

NEW YORK, *May 5, 1949.*

Geological History of Western Colorado

EXTENSION OF REMARKS

OF

HON. WAYNE N. ASPINALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. ASPINALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I submit herewith the last two articles in regard to the geological history of western Colorado. The first articles appeared in the May 4 issue of the RECORD:

TIMELESS PROCESSES OF NATURE ARE MANUFACTURERS OF COUNTY WEALTH

(By Harry Chrisman)

DELTA REGION ONCE TROPICAL

At a time about 50,000,000 years ago, when the Cenozoic (new life) era began, the previous history of the earth had been one of a mild, often tropical climate. This era was no exception except for the cool climatic start and the cool end which foretold the ice age to come, a rare, latter-day exception in geological history. The greater part of the Cenozoic era, a period of several millions of years, was one of lush plentiful tropical plants abounding around the warm seas containing countless species of marine life.

For about 40,000,000 of years this condition existed over most of the earth. Nipa palms flourished where London now stands. All Europe was tropical. The mountain-making upheaval of the Mesozoic era had come to a close, changing the surface of Colorado from low-lying plains country to a broad plateau of 3,000 feet elevation with a mountain zone rising to over 14,000 feet in some areas. The seas that had once lain over the State for countless ages had left their contribution of organic matter, the dead leaves of plants and the bodies of insects, great reptiles we call dinosaurs, and other ancient life forms.

The higher elevation to which the land areas of the continent had risen caused the great salt-laden oceans to recede. During the oil-shale-forming period there were perhaps no salt seas, but rather large freshwater basins. The oil shales appear to be laid down in such basins, worked out by flooded rivers which carried the sedimentation down from high plateau lands and deposited it in the freshly made basins.

OIL SHALES PRODUCE EVEN PERFUME

Though called oil shales, these rocks contain very little, if any, free oil. What is contained in them is the remnant of organic matter which, if left another fifty or one hundred millions of years, would become crude petroleum. Man, however, speeds up the natural process. He puts these oil shales to a fairly high degree of temperature, causing them to yield up the substance which, when refined, gives up a lubricating oil of high quality as well as a gasoline said to be better gallon for gallon than our present gas. The kerosene from oil shales is said to be comparable to present illuminating oils, and other byproducts such as tars, cokes, and paraffine wax can be extracted. Residual products from the breaking down of oil shales are ammonium sulfate, dyestuffs, perfumes, medicines, and flavoring extracts.

The oil shale runs from deep brown color almost to black. The richer shales resist weathering better than the poorer shales and can be seen projecting out from the other eroded matter as cliffs and precipices, such as in the DeBeque area.

DELTA COUNTY HAS OIL SHALE BEDS

Delta County contains workable deposits of oil shales as do Rio Blanco, Garfield, Moffatt, and Mesa Counties. Locally, throughout Colorado, the seams exceed a total thickness of 80 feet, although an estimate of thickness of workable beds is placed at 20 feet. The Colorado oil shale beds have been estimated to contain as much as 56,000,000,000 barrels or more of oil, based upon a total thickness of 20 feet of shale beds yielding 20 gallons per ton. This estimate could no doubt be revised upward greatly, based upon recent discoveries of seams of greater thickness and with modern technical improvements applied to the process of oil extraction and shale mining.

The Oil Conservation Board, in 1928, estimated there was more than 47,000,000,000 barrels of recoverable oil in the Colorado oil shale beds.

In dealing with commercial exploitation of the oil shale lands many things must be taken into consideration—the success of the chemist and inventor to improve mining methods to enable the shale to be treated profitably by the entrepreneur, as well as the initial capital outlay to finance heavy, large-scale production in this field.

GOVERNMENT DEVELOPING OIL SHALE AREAS

The United States Bureau of Mines made tests at the Rulison area as early as 1926–27. The Seventy-ninth Congress enacted Public, 290, in 1944, authorizing $30,000,000 for use in constructing demonstration plants to produce synthetic fuels from coal, oil shale, and other substances. Much activity is present today at the Naval Oil Shale Reserve No. 1 at Rifle, Colo. The Interior Department in June 1944 appropriated $5,000,000 to carry out the provisions of the bill. A Navy appropriation of early 1944 in the amount of $2,000,000 was temporarily suspended and the Bureau of Mines granted permission to use the Navy's oil preserves to carry out the larger project.

With American oil policy driving us into international commercial conflict over the fields of Saudi Arabia and Iran it may bode well for this country to look further into Colorado's natural resources in oil and oil shale, since the outbreak of war abroad could

easily deprive us of the Middle East and its oil reserves.

The entire area of Colorado land classified by the United States Geological Survey as oil-shale land is 952,239 acres. With petroleum demand increasing because of the dependence upon it by our mechanical society, oil shale may easily solve our headache brought about by our utter dependence on marginal production of well oil for lubrication and locomotion. What is needed is not just enough oil from wells to get by, but a sufficient, if not unlimited, supply that may best serve the elastic needs of the Nation both in times of peace and war.

Here we see again how the events that transpired millions of years ago brought to our feet the riches that even a Croesus could scarcely comprehend.

CONSERVATION OF RESOURCES NEEDED

It might be well for us to remember, at this time, that the natural resources which it took a bountiful nature millions of years to create may be used up many thousands of times faster than they can be replaced. A tropical forest flourished many ages ago, leaving a 10-foot vein of coal covering many acres. This strip of coal may be mined out in two short human generations. A deposit of oil shale requiring a hundred million years to form may likewise be used up in a comparatively short time.

It is not wrong to use the natural resources given us by a beneficent providence. It is only wrong to misuse them—to waste them.

WESTERN COLORADO HAS ABUNDANCE OF BUILDING STONE AND MINERALS

(By Harry Chrisman)

We promised last week to take a look at the mineral ores of the western slope. Since no article of such length could possibly do justice to this phase of the natural resources of the State we shall include, as well, a brief history of the other valuable deposits of this and adjoining counties. By doing so it will at least call attention to the many buried treasures of our region rather than do an injustice to a few by such scant appraisal as this brief study could make.

GRANITE, MARBLE, WORKED ON SLOPE

Building stones have played a great part in man's upward climb. So we shall start at this point. We have, both at Aspen and Gunnison, workable deposits of granite. This rock is of great age, rugged strength, and of unexcelled beauty. It is excellently suited to statuary work as well as structural purposes. The Gunnison granite was used in the construction of the State Capitol building at Denver, 230,000 cubic feet being used.

The rich, mottled marbles and the pure white marble resembling the Carrara marble of Italy or the Pentelic of Greece are both found on Yule Creek, near Gunnison. The white is in such massive quantity that blocks of any dimension can be quarried. The State Capitol Annex at East Fourteenth Street and Sherman is constructed of this marble with Colorado travertine and marble interior. Such marbles are the result of dull limestone being twisted and kneaded under exceedingly high temperatures during our mountain-making eras. It might also be mentioned in passing that fine deposits of manganese are found in the Gunnison area and westward at Sapinero.

Limestones and clays, suitable for manufacturing cement, exist abundantly on the western slope. Rock cement is formed by burning the calcareous rocks to a clinker, then grinding it to a powder form. When water is added the mixture will harden into a rock-like mass. The limestone lime is used widely in the manufacture of beet sugar.

Many rock and earth substances suitable for abrasives exist nearby—sandstones for rough grinding such as used in grindstones; pumicide, a volcanic ash, for milder abrasion, and so forth.

There is no dearth of road-building materials on this side of the mountains. There are river sands in abundance as well as gravel, asphaltic sands and sandstones.

HUNDREDS OF MINERALS AVAILABLE

Scrap mica of this region is being fabricated into insulating boards for heat, sound and electrical insulation. Fuller's earth, a material for filtering fats and oils is found near Delta. There are countless chemical materials with a thousand and one different uses which can be found on the western slope—barite, obsidian, native sulfur, pyrite, cryolite, monzanite, alunite, potash and others.

As the writer looks at his Colorado mineral map, showing the natural resources available within 100 miles of Delta, he sees gold, silver, antimony, manganese, coal, oil, oil shale, uranium, vanadium, radium, natural gas, building stones, clays, and hydroelectric power—the widest range of materials suitable for fabricating and manufacturing needs. Here is the potential power and natural resources for a great industrial center.

The lay person can only guess at the richness of this buried treasure of the western slope. It requires the eye and mind of the trained and skilled chemist, engineer, and scientist to comprehend what this vast store of riches means in a functional sense.

Let us take a rock, one picked up at random, and see what it contains. Our geologist tells us it is "dolomite." The chemist says it is " * * * the carbonate of calcium and magnesium. It is used (dolomitic limestone) for lime. If it contains approximately equal proportions of the two carbonates it may be calcined and converted into a highly refractory material." "What would we use it for?" we ask our friend, the engineer. He smiles at us and says, "Why it makes excellent material for lining iron and steel furnaces."

There it is. Dolomite. A rock you step on while out hunting and fishing. Come home and who would ever think to look for it as the lining of their furnace?

GREATER MINERAL DEVELOPMENT NEEDED

The average yearly income from Colorado minerals is not high, yet in a 37-year period more than $2,000,000,000 has accrued to Coloradoans through the mining industries. Most of these raw materials left the State to be manufactured and fabricated elsewhere.

About 40 minerals are produced commercially. Gold ranked first until 1920; it was superseded by coal which, in turn, was superseded by molybdenum in 1939. Colorado in that year ranked sixteenth place among the States of the Nation in mineral production. Our nonmetallic minerals such as coal, petroleum, natural gas, fluorspar, gypsum, feldspar, clay, lime, and so forth, now exceed in value the output of metals. Much of this is now coming from the western slope area.

Western Colorado is the only domestic source of the widely discussed uranium ore. Carnotite, an ore of vanadium and uranium content, occurs locally over a wide area of western Colorado. It is thought to occur under the beds of the Cenozoic era laid down 50,000,000 years ago in Garfield and Rio Blanco Counties. Vanadium is now being mined at Naturita in Montrose County by the Vanadium Corp. of America and at Durango in La Plata County. It occurs as a yellow powder which impregnates sandstone in its seams and pockets. It is said to be commonly underlaid by a thin strata of greenish-colored shale which has influenced the circulation of the waters in depositing the ore.

URANIUM "UNMARKETABLE" IN 1927

An amusing incident concerning the mining of uranium ores appears in Prof. R. D. George's book, Geology and Natural Resources of Colorado, a book to which the writer is greatly indebted for much of the factual material of this series of articles. During the early period of mining of uranium-bearing ores (1918-19) it was the radium and vanadium content for which the vein was worked. The radium content of the ores, it was stated, was roughly proportional to the uranium content, 45,000 tons yielding 165 grams of radium. "Uranium," it was said by the writer, "was rarely marketable, and as a consequence the 900 tons of the oxide added but little to the value of the ore." One wonders where those tons of this useless and unmarketable uranium residue was dumped.

STEEL MANUFACTURING POSSIBLE

Iron ore, the basic metal of our steel age, is found in the mountain area near Aspen. Three to four million tons of the ore, perhaps more, are estimated to lie in this area. Molybdenum, a rare metal used in the manufacture of special steels, is mined at Climax, though not on the western slope. This mine furnishes 72 percent of our domestic output, and the domestic output of the United States (1939) made up 92 percent of the world's production of this metal. Known reserves in the Climax deposit are more than 100,000,000 tons.

In conclusion we might ask, What is the future of the western slope in regard to her valuable mineral deposits?

First, our sketchy inquiry has shown that the geological conditions, necessary to laying down ground riches in the form of ores, oil, coal, oil shales, and other wealth far beyond our present knowledge, have existed over the Colorado area in bygone times. Second, we must realize that man's search for mineral wealth has been severely limited by both his mental and physical vision. His eyes can see only the surface of the earth; the outcroppings alone have told him where to dig. His experience and training are limited further by his mental horizon. Uranium, for example, was once a useless, unmarketable residue left over when radium and vanadium had been removed from the ore.

New uses, however, will be found for old and perhaps easily accessible minerals, just as atomic fission was made possible by application of new knowledge concerning an existing unmarketable ore. About 250 metallic and nonmetallic minerals and compounds are known to exist in the State; many others undoubtedly exist for which new uses will be found.

BURIED WEALTH UNSEEN

The broad forests hide from the eye many of the rock outcroppings. Vast areas of the western slope are still unexplored from the geological point of view. The United States and the Colorado Geological Surveys are filling in these gaps in our knowledge. It is unreasonable to suppose that erosion has, or ever will, uncover the most valuable veins of mineral wealth or that man will find them lying exposed on the surface. New electronic and electromagnetic devices will aid in the discovery of the deeper lying deposits.

It would appear that where the combination of iron ore in plentiful quantity, ample power in the form of coal as well as hydroelectric power, and such a wide variety of accessible mineral ores existed, some use would be found for this potential. Here is the basis for a great plastic industry; here everything for an advanced glass industry exists. The mountain barriers to the east and the distance to eastern population centers may come to be replaced with the shorter transportation hauls to the southern and

western coastal regions. There is, and has always been throughout the history of the State, a natural affinity for trade with the southwest United States. Simple proximity to raw manufacturing materials and power facilities warrant strength of belief in the future of the western slope. War and attendant industrial decentralization in the East would undoubtedly find Colorado's western slope a protective harbor in the atomic storm.

INDUSTRIAL DEVELOPMENT DUE

Industrial development on the western slope will perhaps come slower than many would wish it. It may only supplement our agrarian economy for several years to come. Its slow development, though, should not blind us to the intrinsic importance of our mineral potential. While farming and ranching have sound basis in the rich soil and the plentiful supply of water for irrigation they need industrial development to bring the working population up in numbers to supply them with a broader local market.

We must let our concepts rise ahead of our accomplishments in working toward this industrial development. To make the community wealth more bountiful for all and to leave behind a generous heritage of material wealth in a cultured environment is a worthy and engaging task. To work toward this end with knowledge and understanding requires a sensitivity of the issue before us and intelligence of the tools and materials at hand. The task is to build industrially. The tools are our human resources and the treasures that lie buried on the western slope.

Sources: Geology and Natural Resources of Colorado, by Russel D. George, professor of geology, Colorado University; published by Colorado University, Boulder, 1927; History of Colorado, volume 1, State Historical and Natural History Society, published by Linderman, Denver, 1927; Science of Life, by Huxley, Wells, Huxley, Literary Guild, 1934; Colorado Yearbooks, 1943–44, State planning commission.

Colorado River

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. POULSON. Mr. Speaker, under leave to revise and extend my remarks in the RECORD, I include an article which appeared in the Los Angeles Daily News of Tuesday, May 10, 1949, written by Matt Weinstock, one of the top columnists of the country. All Members should find this article on the Colorado River of interest as the bill to have these Colorado River water rights adjudicated in the Supreme Court is now before the Judiciary Committee of the House.

DON'T BE SURPRISED

(By Matt Weinstock)

In a sixth-floor office of the Colorado River Association on Third Street, there hangs a striking, enlarged color photo of the San Vicente Reservoir 25 miles northeast of San Diego.

It is a beautiful shot photographically but Bob Lee of the association tells you it is not a pretty picture. It was taken late last summer, when San Diego avoided water rationing only by frantic day and night capacity pumping from its Colorado River aqueduct line. The sloping sides of the reservoir, which supplies San Diego's water, are seen in the picture to be dry and the water level is very low—in fact the reservoir is 96 percent empty.

Yet it's safe to state few San Diegans appreciated how near they were to possible hardship, as few of the 3,500,000 persons living in the 28 southern California cities that tap the Colorado River for water realize they're in trouble too if the current water rights battle in Washington should be decided against California, in favor of Arizona. Particularly is this true of the thousands of newcomers to this area, unaware of the vision and planning that have gone into maintaining a water supply adequate for a tremendously increased population.

You turn on the faucet and you take it for granted that water will come out. As things stand, don't make any bets on this happening on a given date some years hence. Few visualize what would happen if nothing came out. Without water, this country would soon revert to desert. It would resemble sections of Mexico, engineers say, where the only greenery around many haciendas is a potted geranium or two. The rest, dust.

Every person in Los Angeles, according to estimates, uses 150 gallons of water daily. It goes for cooking, drinking, bathing, laundry, and plunging. Lawn sprinkling and other outside uses are extra. The figure makes the bottled water companies' formula of 8 glasses a day seem conservative and talk of the great unwashed a mere fiction.

Meanwhile, southern California apparently will continue its dry cycle. Rainfall this year was considerably above 1947 and 1948, driest consecutive years in history, but it was only half the normal 15 inches. Furthermore, it appears we've gotten all we're going to get.

Without imported water from the Owens and Colorado Rivers, Los Angeles would long ago have had water rationing. Even with Colorado River water, Long Beach last summer had to go easy. Along about August the squeeze again will be on. Santa Monica must get all its water from the Colorado; Pasadena and Long Beach about half.

The Colorado River Association doesn't want to alarm people, it wants them simply to be aware of the situation. All California asks is that the dispute be settled legally, by the Supreme Court. All its cards are on the table: The fact that it developed Colorado River water with its own initiative and money to care for 5,000,000 people and now Arizona, by what has been called shotgun rule, wants to swipe it for 25,000 persons living on a few thousand farms. Oddly enough, through legislative sleight-of-hand, Arizona seems to have an edge.

A Shocking Oversight

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. KEATING. Mr. Speaker, upon request, the Government furnishes to the next of kin of one of the fallen heroes of World War II a suitable headstone to be erected over his grave. The mother and father of one who gave his life for his country recently wrote the Department of the Army requesting one of these markers. Their son had never been found. For that reason their request was denied. Under the law, that is probably the only interpretation which could be given to the enabling statute.

After such a sacrifice, however, it is little wonder that this mother has written:

How can one collect the bones of an aviator shot down in action high over a burning city, and is he any less entitled to consideration than one who dies in a hospital? This seems to me * * * almost a deliberate insult to the memory of a brave boy and to his bereaved family.

To remedy this obvious and, I feel sure, unintended injustice, I have today introduced a bill which authorizes the Director of the National Park Service to erect a headstone in any cemetery upon application by the widow or next of kin of a deceased member of the military or naval forces who, during World War II, first, lost his life and is buried outside the United States; second, was lost at sea; third, is officially listed as missing while in the performance of duty. The measure provides that the headstone shall be of durable stone and similar in design, size, and weight to those erected in national cemeteries and shall be inscribed with the name and rank of the deceased veteran.

Certainly in a case where a man has been officially declared missing, after the thorough investigation which is made prior to such a determination, his loved ones should not be deprived of this modest recognition from a grateful Nation.

Employment of Physically Handicapped

EXTENSION OF REMARKS
OF
HON. GEORGE A. SMATHERS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. SMATHERS. Mr. Speaker, because of the millions of persons who, though physically handicapped, could be gainfully employed, the President of the United States created a committee to further National Employ the Physically Handicapped Week. The chairman of that committee, Vice Adm. Ross T. McIntire, recently received a letter from a representative of the committee telling of the highly commendable cooperation in this program by a manufacturing firm in Miami, Fla. In only partial and certainly inadequate recognition of this firm's laudable efforts, I want to introduce in the CONGRESSIONAL RECORD a copy of the letter to Vice Admiral McIntire:

DEPARTMENT OF LABOR,
WAGE AND HOUR AND PUBLIC CONTRACTS DIVISIONS,
Washington D. C., April 12, 1949.

Vice Adm. ROSS T. MCINTIRE, USN,
President's Committee on National Employ the Physically Handicapped Week, Department of Labor, Washington, D. C.

DEAR ADMIRAL MCINTIRE: I think you will be interested in an example which has just come to my attention of what can be done when an employer is motivated by a compelling desire to provide employment opportunities to disabled persons.

The Empire Furniture Co., of Miami, Fla., manufacturers of rattan furniture, is a thriving family business owned by Leo Axlrod and

his wife. It appears that the Axlrod's son was a disabled veteran and he together with his father and mother set out to hire as many disabled veterans as they could fit into their plant. The son recently died but the family still carry on the practice.

Of the 30 employees in the place 9 are disabled veterans whose handicaps are such as to preclude their employment in the usual large factory. The Axlrods make it a practice to start these handicaped workers off at the same rate that is paid nonhandicapped workers in the plant. No one is paid less than 75 cents an hour to begin with and wages are increased in accordance with productivity.

Sincerely yours,

LOUISE MCGUIRE,
Wage and Hour and Public Contracts Representative on Your Committee.

We Must Reduce the Mounting Cost of Government

EXTENSION OF REMARKS
OF
HON. JOHN TABER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. TABER. Mr. Speaker, some Democratic leaders and the President's own economists have finally come to the conclusion that we must reduce the terrific mounting cost of Government.

But actions speak louder than words.

On April 14, 1949, I placed in the RECORD a statement showing that the appropriations so far passed by the Congress exceeded the 1949 appropriations by $4,216,000,000. At that time the record of the House of Representatives was $299,000,000 below the budget. The Senate has now acted upon four regular bills. They add to the increase above last year $574,000,000 making the total increase $4,790,000,000 above last year.

The bills as reported by the Senate committee show an increase above the House bills of $158,000,000 in the civil-functions bill; $40,000,000 in the Treasury-Post Office bill; $22,000,000 in the agricultural bill; $185,000,000 in the Labor-Federal Security bill, making a total increase over the House bills—on just those four items—of $405,000,000. Five other bills are awaiting consideration by the Senate committee.

If those bills are passed by the Senate as recommended by the Senate Appropriations Committee and become law on that basis, they will be $106,000,000 above the President's budget.

In other words, we are playing with nearly $5,000,000,000 increased appropriations, and we are not even limiting ourselves to the President's budget figures.

The United States of America is presently paying in taxes 37 percent of its spendable income. Unless some very drastic action is taken in the Senate and unless the House conferees stand up, the fiscal year 1950 is going to show the United States Treasury in the red to the tune of $4,000,000,000 to $5,000,000,000, and we are going to have to increase taxes next year.

Federal expenditures, according to the Treasury statement for May 9, 1949, are $30,456,000,000—an increase of $2,100,000,000 above last year. The total expenditures last year—after this same date—were $8,800,000,000 so that the total expenditures this year, on the same percentage increase basis, would run our disbursements up to $39,800,000,000. The President estimates receipts of $39,580,000,000 so that we are to have a deficit this year—without the expenditure of $3,000,000,000 from the Foreign Economic Cooperation Trust Fund. Including that figure, we are to have a deficit of $3,300,000,000.

Will America wake up and stop spending before it is too late?

In the Eightieth Congress, we reduced total estimates of the President over $6,000,000,000 in the two sessions. With the Congress this year increasing the appropriations above the President's estimates and talking about appropriating nearly $5,000,000,000 more than was appropriated last year, we are heading for bankruptcy and disaster unless the President and the Democratic Congress heed the warnings of the President's economic advisers and such outstanding Democratic leaders as Senators BYRD and GEORGE and Representative DOUGHTON.

Congress and Labor Issues

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the New York Times of May 8, 1949:

LABOR ISSUES—IN CONGRESS AND SHOP

About 15,600,000 working men and women belong to labor unions. They and their dependents total perhaps 50,000,000—one in every three Americans. Their relations with management are regulated by the controversial Taft-Hartley Act. Their wages—both as purchasing power and as a part of the cost of production—are a vital element in the national economy.

Last week labor was embarked upon a period of trial. Important tests were under way or at hand in the fields of legislation and of collective bargaining.

In the field of legislation, labor and the Truman administration suffered a severe setback in their efforts—pledged in last November's elections—to wipe out the Taft-Hartley Act. The set-back was so severe that there was some doubt that Congress would make any change in the act this year.

In the field of collective bargaining, the big unions in basic industries made ready for their 1949 fourth-round campaigns. In what was taken as a sign of labor's restiveness, Ford's auto empire was shut down by a strike over a relatively minor issue.

These tests seemed likely to react one upon the other. Congress' temper in working on labor law is likely to be affected by what takes place in the fourth-round drives. Labor's temper in turn is likely to be affected by the trend of events in Congress.

STAND-OFF ON TAFT-HARTLEY

During his campaign last fall President Truman said repeatedly:

"The Republicans shackled labor with that awful Taft-Hartley law. We will repeal it."

Last week it seemed certain that the Democratic-controlled Eighty-first Congress would not redeem that pledge on the President's terms. In the first test votes in the House, the administration barely headed off a drive to continue the Taft-Hartley Act largely intact. The result served to emphasize the administration's lack of control over Congress on an issue of deep controversy. It also raised large questions about the future political role of organized labor.

The administration sent its labor bill to Congress on January 29. The bill was approved by labor leaders. It called for repeal of the Taft-Hartley Act and reenactment of the Wagner Act of 1935 with minor curbs on unions. The House and Senate Labor Committees, both administration-controlled, approved the bill intact. The debate began in the House 12 days ago.

As the debate opened, the situation in the House was confused. So far as the party line-up is concerned, this is the picture:

Democrats	260
Republicans	171
American Labor	1
Vacancies	3

But there was deep disunity among the Democrats. Only about 180 could be counted on to go along with the administration. The others—mostly southerners—were either in doubt or firmly opposed to the administration.

As a result two opposing strategies took form in the House. On one side were forces supporting the administration bill, named for JOHN LESINSKI, of Michigan, chairman of the Labor Committee. On the other side were southern Democratic and Republican forces supporting an antiadministration bill named for JOHN S. WOOD, Georgia, Democrat. The Wood bill provided for retention of most of the provisions of the Taft-Hartley Act, but not its name.

DOUBTFUL VOTES

Between these two blocs was a sizable group of Representatives unwilling to vote for either extreme. The two groups bid for these doubtful votes by offering compromises—the Lesinski group by conceding some restrictions on unions, the Wood group by making concessions to labor.

The administration strategy became confused. Ten days ago administration and labor leaders agreed—privately—on five changes in the Lesinski bill. They provided for: Government seizure of plants in national emergency strikes; free speech for employers; and requirements that unions as well as management bargain collectively, that unions file financial reports with the Government, and that management as well as union officers disavow communism. Publicly, however, the union leaders continued to press for the Lesinski bill unchanged.

Last Monday Speaker SAM RAYBURN conferred at the White House, then announced that he was supporting an additional amendment—a provision paralleling the Taft-Hartley Act's machinery for court injunctions to halt national emergency strikes. Mr. RAYBURN said the President had not approved the injunction amendment. Nevertheless, a bill embodying all the amendments became the bill of the House leadership. It took the name of HUGO S. SIMS, JR., of South Carolina.

On Tuesday, as the show-down came, union leaders were still insisting publicly on the Lesinski bill. John L. Lewis and some other independent union chieftains also demanded the Lesinski bill privately. But CIO and A. F. of L. leaders passed the word that they would settle for the Sims bill. Their lobbyists said: "What else can we do?"

SIMS BILL DEFEATED

The first vote was on the Sims bill. It was beaten by 211 to 183. Then, on Tuesday night, there came what seemed to be the decisive test—a vote on the Wood bill. It passed by 217 to 203. This is the breakdown of the vote:

	For	*Against*
Republicans	146	22
Southern Democrats	67	29
Other Democrats	4	151
American Labor	0	1

The administration forces seemed demoralized in the face of a disastrous defeat. But they were reprieved at the last moment by a tactical maneuver by the American Laborite, VITO MARCANTONIO, of New York. As any House Member may do, he demanded that the bill be engrossed (specially printed) before the final vote. The move delayed the final vote until Wednesday.

Overnight, middle-of-the-road Democrats exacted a pledge from the Labor Committee. The pledge was that if the bill were recommitted to the committee it would write a new bill that the party could support. On Wednesday the move for recommittal was made. Because of the committee's pledge a group of southern Democrats who had supported the Wood bill voted for recommittal. These votes swung the balance. The bill was sent back to committee by a vote of 212 to 209. The administration forces burst into cheers. This was the break-down of the vote on recommittal:

	For	*Against*
Republicans	18	147
Southern Democrats	38	61
Other Democrats	155	1
American Labor	1	0

Thus, the labor measure, so far as the House was concerned, was back where it began. There was uncertainty over how the administration would move next. It could either work to get a new bill through the House Labor Committee or wait until the Senate passes a bill of its own and sends it to the House.

In any event, the consensus is that the crucial test will come in the Senate. Indications are that the administration bill will receive even rougher treatment in the Senate than in the House. The administration's Senate majority is proportionately smaller—54 to 42. Senator ROBERT A. TAFT's influence is expected to be strong. On Wednesday he introduced a substitute bill calling for 29 changes in details of the Taft-Hartley Act but retaining its basic structure.

Observers believe much depends on what course labor leaders take. The feeling is that they have been unrealistic in holding out so long for the administration bill, and too late in agreeing to strengthening amendments. Whether they can salvage the situation depends, it is thought, on their legislative policy in the next few weeks—as well as events in the field of collective bargaining.

FOURTH ROUND PRELUDE?

The national wage pattern is set in four great industries in which labor is solidly unionized. The pattern directly affects 3,000,000 workers in four big unions and indirectly affects other millions in other industries. These are the four unions and their timetable for this year:

United Mine Workers—contracts expire June 30; negotiations to start by early June.

United Automobile Workers—key talks expected at Ford, where contract expires July 15; talks start May 16.

United Steel Workers—talks on reopening contract begin about June 15, strike action possible after July 15.

United Electrical Workers—contracts to be reopened toward end of May.

Since the war these unions have won three rounds of wage increases. Each increase was an effort to bring wages into line with a steadily rising cost of living.

This year the climate is different. The cost of living has declined. In many lines production has caught up with demand. There have been lay-offs. As a result the unions' fourth-round discussions have been emphasizing—in the preliminary stage at least—long-range security instead of hourly wages. On last Thursday, for example, the steel workers announced they would demand comprehensive welfare and pension plans as well as a wage increase; the total cost to the companies would be the equivalent of a wage increase of 30 cents an hour.

UNION ARGUMENTS

In making these demands, labor's position is this: Security for the workers means stable purchasing power, and stable purchasing power is insurance against an accelerating recession. Companies can well afford to pay the cost out of their record profits.

Management's position is this: Higher labor costs can be met only by higher prices. At a time of increasing buyer resistance, higher prices would mean falling sales.

Domestic Business Trend Emphasizes Need of Foreign Trade

EXTENSION OF REMARKS

OF

HON. CHESTER A. CHESNEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. CHESNEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include the following article which appeared in the Chicago Journal of Commerce of April 25, 1949, entitled "Domestic Business Trend Emphasizes Need of Foreign Trade":

DOMESTIC BUSINESS TREND EMPHASIZES NEED OF FOREIGN TRADE—UNITED STATES MUST FIND MARKETS FOR STEPPED-UP OUTPUT

(By William Noorlag, Jr.)

There is little doubt about the future need for vigorous United States participation in two-way international commerce in order to keep the economy clicking at home.

The suddenness with which our domestic order backlog was wiped out and the resulting price declines and layoffs are the best indication that our stepped-up production machinery is better geared to serving the world's 2,500,000,000 population than it is for 150,000,000 Americans alone.

AMERICA MUST ASSUME LEADING ROLE

Before such an expanded world market can become a reality, a great transformation must take place in the economically sick world. America must take a leading role in administering the healthy transfusion in such a way that both the patient and the donor not only survive but grow robust.

If our economic success is to be long-lived, it is obvious that the other nations of the world must also be prosperous. An ailing organ affects the whole body. A community without funds would soon ruin its merchants.

Other countries which preceded America in world leadership found their empires crumbling because ultimately, instead of sharing economic success, they exploited and drained others to achieve riches for themselves.

EXPANDED PRODUCTION TO REQUIRE MORE IMPORTS

In the quest for expanded markets for our stepped-up production we must not overlook the fact that the increased tempo also makes us dependent on other sections of the world for an increased volume of raw materials and other supplies.

Records show that America is producing about twice the prewar volume, but imports, despite being at an all-time high, have gone up only 13 percent in the same period. This would indicate that the import volume not only can but must rise still further to sustain our output.

This is indeed a happy circumstance as it is only through a fairly balanced exchange of goods that international commerce can become meaningful. Achieving the balance through gifts, regardless of the stated reason behind them, drains the resources of the giver and makes the recipient suspicious and finally resentful.

Furthermore, the constant outpouring of billions of dollars in foreign assistance of one kind or another not only has made the average American taxpayer resentful but it has distorted his thinking about the possibility of doing a constructive business beyond his own shores.

UNITED STATES SACRIFICE GOES UNNOTICED ABROAD

The average recipient abroad scarcely knows about his benefactors' sacrifice. This is best illustrated by the fact that Marshall plan aid, costing billions to America, averages out to only $18 per capita for western Europe. But it is no gift to the individual there—he has to pay in his own currency for the little he gets directly.

Measured out, like the 2 or 3 ounces of bacon the average Briton gets once a week, the gift fails to make much of an impression in an austere economy.

The regrettable part of our whole foreign program is that it is concentrated in only part of the world. Important as the European area may be, it is not so important as to warrant the obvious side-stepping of economic problems bogging down other sections of the world, particularly among our neighbors to the south.

LATIN-AMERICAN TRADE TOTALS $5,000,000,000 IN 1948

This does not mean more Government loans or gifts. It simply means a greater cooperation between Government and business in helping to solve the dire economic problems of the Latin-American Republics through establishment of a healthy climate for the investment of private capital, encouragement of two-way trade, promotion of travel, removal of trade barriers, research and development of latent natural resources, and other improvements in the development of trade with Latin America.

Last year, despite widespread trade restrictions, Latin-American trade represented about 25 percent of our total foreign commerce, over $5,000,000,000 worth.

INTELLIGENT POLICY CAN BOOST VOLUME HIGHER

Foreign traders at the Fourth Mississippi Valley World Trade Conference at New Orleans last week were exceptionally optimistic that this volume, great as it already is, could grow even larger, if aided by an intelligent trade policy.

Time is of the essence. European exporters, being helped back on their feet with billions of ECA dollars, are actively courting Latin America with products which for a number of years could only be supplied by the United States; hence, the United States cannot afford to remain aloof in helping to solve the behind-the-scenes problems confronting a real customer.

If we do, the results will rebound adversely, and this country will have lost one of its greatest opportunities in its newly found role of world leadership.

FCC and Frequency-Modulation Radio

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. WALTER. Mr. Speaker, I want to report a sequel to a matter which I brought to the attention of the House some few days ago. Since the day I reported that the Federal Communications Commission has been guilty of disservice to the Nation's progress by its hurtful impeding of frequency modulation radio my mail has been not only voluminous but also startling.

I have received requests for 10,000 copies of that speech, but more important, I have received information pointing to deliberate and contemptuous violations by the FCC, of the Federal Administrative Procedures Act.

At about the time I received this information the United States court of appeals reversed three decisions made by the FCC.

And in these cases the conduct of the FCC has been such that the appellate court deemed it necessary to excoriate the Federal agency for violations of this administrative procedures law.

This is a law conceived and enacted to protect the rights and interests of individuals and the public. If this indicting information is correct—and the appellate court apparently is satisfied that it is—then the FCC, operating on the policy of the public and the law be damned, is guilty of a calculating misfeasance in office.

There is no doubt that the Federal Communications Commission represents the ultimate in procrastination, with the result that objectives of the Communications Act of 1934, and the more recent Administrative Procedure Act, are in effect nullified.

Inaction by an administrative agency often avoids compliance with the essentials of administrative justice and allows the agency to regulate by rumor, dictum, and the "lifted eyebrow" technique.

The Communications Commission has had pending before it for many months, and in some instances many years, important matters of radio regulation, both of substance and procedure—yet no final action has been taken, and the general public as well as the radio industry is kept waiting in suspense, ever hopeful that the eventual outcome will not become too deleterious.

I need only refer to such long-standing items as the proposed change of regulations covering so-called clear channels, pending since before the war; the proposed rule on lotteries, on multiple ownership of radio stations, on editorializing, and on the requirement of public advertising for all broadcast applications.

There is also the other type of regulatory maneuver, attempted without proposed rule-making procedure, but by so-called dictum and policy pronouncement.

In this category is included the question of station ownership by newspapers, theaters, moving-picture producers, or the questions of programing dealing with political or religious broadcasts, or with the ethics of horse racing.

Neither a broadcaster nor his lawyer can say with certainty what is banned or what is permitted; yet these matters have been under consideration for years, but without action being taken one way or the other, even after hearings have been held.

Moreover, even in those instances where the Commission itself has suggested a proposed regulation in response to public demand and where there is no opposition to such proposed regulation, nothing happens.

I have in mind, as an example, a rule proposed by the Commission last summer by which the examiner's reports, made after hearing, would be released to the public at once without awaiting preparation of a proposed Commission decision.

It was then and is still now the practice to release the examiner's report simultaneously with the proposed decision. Everyone seemed to be in accord with this proposed change, which would serve to bring the Commission's practice within the intent and spirit of the Administrative Procedure Act.

The Commission wanted it, since it proposed the rule as one it intended to put into effect; the regulated industry wanted it, since it voiced no opposition; the practicing lawyers and bar associations wanted it, since they formally so advised the Commission when the Commission called for comments; the Commission's examiners wanted it, since they for the first time would be afforded the independence guaranteed by the Administrative Procedure Act.

No person or group was openly against it and all appeared to be openly for it.

Personnel of the Commission now engaged in reviewing and preparing proposed decisions would be available for other necessary work, and the costs of mimeographing would be considerably shaved.

Yet in nearly a year's time the Commission has taken no step to make the proposed rule effective as a final order.

It may well be that the Commissioners with the passage of time forget these matters as new ones are presented for consideration by the legal staff, and it may be that the legal staff has decided that the proposed rule would contract its own powers.

In any event it is another instance of inaction contrary to the best interests of the public.

It is a basic declaration of the Administrative Procedure Act that every agency shall proceed with reasonable dispatch to conclude any matter presented to it, and this has been obviously disregarded by the Commission.

I am becoming convinced that there can be no substantial or adequate reason for such procrastination by an administrative agency, and I believe the time has come for a special inquiry to be instituted.

Mr. Speaker, when funds are approved for the functions of the Judiciary Committee of the House, I propose to utilize some of them for the purpose of a thorough investigation of these apparently flagrant and willful violations of the Administrative Procedures Act by the Federal Communications Commission and its staff, in the matters brought to my attention which I have outlined to you.

Indians' Benefits

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. POULSON. Mr. Speaker, under leave to revise and extend my remarks in the RECORD, I include a column of Mrs. Eleanor Roosevelt which calls to our attention some discriminations against the Indians of this country:

[From the New York World-Telegram of April 26, 1949]

INDIANS' BENEFITS

(By Eleanor Roosevelt)

Hidden away in the deficiency appropriations bill, H. R. 2632, reported out on March 22 by the Senate Appropriations Committee, is a provision which excludes the Indians in the States of Arizona and New Mexico from social security benefit payments. This seems to me an extraordinary action.

It establishes the principle of discrimination in social security, but is done in a very complicated way so that it is difficult to detect. The significant passage appears at the end of the last sentence of the committee's explanation, which says: "In striking out the House proviso and increasing the appropriations for the Navajo and Hopi service in the amount of $400,000 and the appropriation, 'Welfare of Indians' in the amount of $150,000, the committee does so with the understanding that the program of welfare assistance in the States of Arizona and New Mexico is to be carried on as in the past and that rates of assistance are not to be increased."

In the past, Indians have been excluded by these two States, Arizona and New Mexico, from the social-security rolls. The Social Security Administration made this clear recently by filing charges against these two States. Now, however, some Senators have decided to establish this discrimination and write it into Federal law. Those last words, freeing the rates of assistance, would mean that even though other people living near by might have their rates increased, the Indians would not be allowed to benefit.

One wonders, in a bill of this kind, whether all of the Senators knew exactly what they were doing or whether those who were interested put it over on their colleagues.

Certain legislation has been pending in Congress for 12 years in matters affecting this Indian situation, and all that Congress ever does is to reintroduced the legislation at every session and let it die. The committee is not honest enough, however, to say that it is putting through a basic change in the social-security law as part of an appropriation bill. It has heretofore been forbidden by law to have racial discrimination in the social-security law.

The President and the Bureau of the Budget recommended an appropriation of $385,000 under the heading of "Welfare of Indians," knowing that there were special emergency needs on the Indian reservations.

Occasionally in the past such emergency appropriations have been used for other than the purposes intended, and so the Budget Bureau proposed a special proviso to prevent this diversion of funds. This was done because in Arizona and New Mexico these emergency appropriations were used to set up a special social-security system under the Indian Bureau.

The House accepted this, but the Senate appropriation now tries to delete this proviso. If it is deleted, no Indian in New Mexico or Arizona will be eligible for old-age assistance, aid to the blind, or aid to dependent children.

Why is it we cannot seem to treat the first citizens of this country with decency and justice? It makes one ashamed.

Ten Big Points

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following from the Chelsea Record, Chelsea, Mass., May 10, 1949:

TEN BIG POINTS

These are days when changes are being made in our ways of life, in our Government at all levels.

The ideals and principles of the past are getting a pretty rugged going over and, unless we are careful to guard some of those ideals on which this Nation was founded, we may wake up some day and find them gone.

Here are 10 points which are vital in the preservation of our sound American way of life:

1. You cannot bring about prosperity by discouraging thrift.
2. You cannot strengthen the weak by weakening the strong.
3. You cannot help small men by tearing down big men.
4. You cannot help the poor by destroying the rich.
5. You cannot lift the wage earner by pulling down the wage payer.
6. You cannot keep out of trouble by spending more than your income.
7. You cannot further the brotherhood of man by inciting class hatred.
8. You cannot establish sound security on borrowed money.
9. You cannot build character and courage by taking away a man's initiative.
10. You cannot really help men by having the Government tax them to do for them what they can and should do for themselves.

Atomic Energy Commission Fellowships

EXTENSION OF REMARKS

OF

HON. CLYDE R. HOEY

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Friday, May 13 (legislative day of Monday, April 11), 1949

Mr. HOEY. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial entitled "Freistadt, Atomic Energy Scholar," published in the Daily Tar Heel, a student publication at the University of North Carolina for May 12, 1949. This article gives the name of the student and discusses his activity at Chapel Hill. I placed in the body of the CONGRESSIONAL RECORD yesterday a letter which I had received from Mr. David E. Lilienthal, Chairman of the Atomic Energy Commission, in response to a letter I had addressed to him giving him the facts about this particular scholar. This editorial indicates what the student body at the University of North Carolina thinks about the action of the Atomic Energy Commission in awarding these valuable fellowships and scholarships to known Communists.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FREISTADT, ATOMIC-ENERGY SCHOLAR

Hans Freistadt, graduate student in physics and the leading exponent of communism on campus, is attending the university on a scholarship—given, amazingly enough, by the United States Atomic Energy Commission. Readers of this page are thoroughly familiar with Freistadt's philosophy, for the Stubbering, Austria, native is the most prolific letters-to-the-editor writer at Carolina. He has consistently attacked the American form of government, its theory, and its practice—the same Government which is giving him $1,600 to study in college.

The fact that it is the Atomic Energy Commission which is making it possible for Freistadt to attend Carolina makes the situation triply disgusting. It isn't necessary to point out that this is an explosive period all over the world, with the United States and Russia invariably on opposing sides. The situation is such that American youth are being drafted into the services for defense of the Nation, presumably against Russian aggression. Meanwhile, back home, the Government is paying a man who for all purposes is a Communist to attend college and further his background in physics for eventual study of atomic energy. If war should come, can't you imagine Mr. Freistadt perfecting some atomic weapon to be dropped on Russia? The idea is ridiculous.

Freistadt has held this atomic-energy scholarship some time. We had heard a rumor to the effect that he was here on scholarship but neglected to investigate the matter. Fulton Lewis, Jr., however, in his radio broadcast Tuesday night, finally unveiled the whole messy situation. Many students on campus disagree with Lewis on various issues and others follow him avidly. But his revelation that Freistadt is attending school on money paid by the Atomic Energy Commission is one which will arouse the entire student body.

The Commission certainly pulled a "boner" in selecting Freistadt for the award. One wonders just how naive a committee can get. Of all the 100 percent Americans with loyalty unquestioned, the Atomic Energy Commission has chosen Mr. Freistadt. Of all the thousands of students scraping to get through college, and the thousands of others never able to attend, Mr. Freistadt gets a $1,600 scholarship. Surely there are numbers of good physics students in the United States who do not have a background entangled in communism. What has happened to the Atomic Energy Commission's reason?

Freistadt came to Carolina from the University of Chicago, where he headed the Communist organization in that school. Here he is the leader in the propagation of the Communist doctrine and heads a little group which he calls the Karl Marx Study Club. He has been investigated by the FBI. We don't know if Hans has a card in the Communist Party or not, but to us it really doesn't matter. The opinions he espouses are enough to type him. He has all the earmarks of a Communist.

Who was responsible for Freistadt receiving his appointment to the scholarship? We don't know, but David Lilienthal and his Commission certainly showed recklessness and incompetence in giving Freistadt a scholarship.

The Atomic Energy Commission can compensate for its poor judgment by depriving Freistadt of his scholarship immediately. If they don't they are not only wasting the taxpayers' money but endangering the safety of the Nation.

We are told that right now Freistadt has no access to the atomic energy secrets. He is in the training period. But he is in line for advancement eventually to a post where he will have access to the secrets. However, we believe Hans Freistadt will never get that far. The American public will wake up one of these days. Still it is the height of foolishness to continue the scholarship which enables him to come to Carolina. It should be given to some person with loyalty unquestioned.

Meanwhile, Hans Freistadt sits back in Chapel Hill, pen in hand, writing out his Communist beliefs for publication in the paper, utilizing to the fullest extent Carolina's liberalism. It is one thing for Mr. Freistadt to go to school and criticize our Government while paying his own expenses. It is a horse of a different color for him to accept a scholarship from the United States and then turn on the hand that helps him. Just how Freistadt can eulogize Russia while exercising the freedom and generosity of America is beyond our comprehension.

And the really great sufferer in the whole affair is the University of North Carolina. Through rumor and exaggeration the word has gotten out that this institution is a hotbed of communism. Nothing could be farther from the truth. Ninety-nine and a fraction percent of the students have no interest in communism whatsoever. The university and students cannot help it if the Atomic Energy Commission sees fit to approve a scholarship to individuals with questionable reputations.

Many say that the best way to deal with communism is through not publicizing it. We are inclined to agree, but when one of its leading advocates is given a scholarship to prepare for eventual work in an atomic-energy laboratory, then the matter calls for action.

The students and Nation have just cause to be indignant. Hans Freistadt publicly brags of being a Communist. He in no way merits governmental assistance. He should be deprived of his scholarship immediately, for the sake of the good name of the University of North Carolina, the taxpayer's money, and the welfare of the Nation.

A Strange Way To Promote Economy

EXTENSION OF REMARKS

OF

HON. OWEN BREWSTER

OF MAINE

IN THE SENATE OF THE UNITED STATES

Friday, May 13 (legislative day of Monday, April 11), 1949

Mr. BREWSTER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "A Strange Way To Promote Economy," written by Arthur Krock, and published in the New York Times of today.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN THE NATION—A STRANGE WAY TO PROMOTE ECONOMY

(By Arthur Krock)

WASHINGTON, May 12.—The President at his press conference today bid for a reputation which it is doubtful contemporary opinion or history will accord him. He said he had always been for rigid economy and pointed to his budget for fiscal 1949 as an example.

If cutting down the amounts which the claimant agencies ask the Bureau of the Budget to recommend to the President is rigid economy, then Mr. Truman can qualify. He did, for instance, reduce to about $15,000,000,000 the $17,000,000,000 which the Budget Bureau allotted to the armed services after bringing down its claims from $22,000,000,000. But every President, including Franklin D. Roosevelt, has made similar reductions since there was any form of executive budget, and among Mr. Roosevelt's achievements rigid economy is not asserted by his most ardent admirers.

There is a better test of Mr. Truman's budget for fiscal 1949. In it he advocated legislation which would create 43 new spending Federal programs, but he did not advocate the curtailment or elimination of any spending program then current. Following this, the President recommended to Congress the spending of billions more for public health and other forms of social security, and for a new farm program, without attempting to estimate how many billions these would add to the Federal budget. And how completely the administration's policy of spending dominates its plans is demonstrated by the official proposal that, if the increased employer-employee pay-roll levies for expanded social security do not produce the estimated revenue of $6,400,000,000 required to finance these benefits, the Treasury will guarantee the deficit.

NO EXECUTIVE ENCOURAGEMENT

These are high points in the administration's fiscal record thus far, and they provide no support for the President's claim that he has always been the practitioner of the rigid economy he preaches. Also, it is the Democrats in Congress who are balking the effort of a majority of the Republicans and a few Democrats to require Federal officials to keep an unexpended reserve of a certain percentage of the funds allotted to their units. Congress is always disposed toward spending, and when it receives no encouragement from the Executive to reduce the costs of the Federal establishment it increases them over the most lavish Executive estimates.

That has been the story of the Eighty-first Congress, with a Democratic Party majority. And that was the story yesterday when three Republican attempts to reserve from spending $157,000,000 of Treasury-Post Office funds for the coming fiscal year were beaten down. The Senate further decided it had gone too fast and far on April 28 when it ordered a percentage saving of about $15,000,000 in the Labor-Federal Security bill. Democrats who had supported this and were backsliders yesterday were represented as being fearful of political reprisals from the widespread network of postal employees. But some Federal job holders stand in the path of economy at every turn.

Senators justified their opposition to the percentage requirement for saving by saying that this is a meat-ax method, and, of course, it is. But no one has suggested any other effective way of cutting down Federal costs. And the Senators who made this pious protest have no records as economizers; in fact two of them identify spending as the road to prosperity and the barrier against depressions.

IT HAS BEEN DONE

Yet what they opposed as a wrongful method has been used effectively without any of the lamentable results they prophesied. The difference, as Senator BREWSTER reminded them, was that the method was imposed by the then President, and without Presidential cooperation there is little prospect of economy. Mr. BREWSTER recalled that President Coolidge notified each department and agency of government that a 10-percent cut was required in the appropriations voted to them. He ordered this reserve set aside at the beginning of the fiscal year and the remainder divided into four parts. In no quarter of the year could a Federal unit spend more than the part allotted unless it could get the approval of the President and the Budget Bureau for the excess.

That system suited him, said Senator PEPPER. But there is nothing in Mr. Truman's record to invite the hope that he will follow the course adopted by President Coolidge. This leads to the conclusion that unless Congress enforces the saving it will not be made. The President does not need legislation to this end any more than Mr. Coolidge did, however, and if he wants to furnish the first substance for his claim that he is a champion of rigid economy this method is open to him.

It did not figure in his press conference remarks today. He clung to his proposal, made in a very different economic atmosphere than the present, for billions more in new taxes and strong Executive controls. And he did not remit his demand that Congress at this session legislate all the new spending programs he has recommended.

This is the sustained White House position at a time when anxiety is growing over the business (which means the Government revenue) prospect; when the anticipated Federal deficit may be larger than the estimates by five billions in the next two fiscal years; and when there are such plain danger-signals as the fact that copper, an excellent industrial barometer, is stagnant on the market at reduced prices.

Reduction of United States Spending

EXTENSION OF REMARKS

OF

HON. HARRY FLOOD BYRD

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, May 13 (legislative day of Monday, April 11), 1949

Mr. BYRD. Mr. President, I ask unanimous consent to insert in the appendix of the RECORD a splendid article entitled "Reversal of Direction Is Noted in Move To Cut United States Spending," by Mr. Mark Sullivan.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REVERSAL OF DIRECTION IS NOTED IN MOVE TO CUT UNITED STATES SPENDING—MARK SULLIVAN ANALYZES PLAN, BEGUN BY BYRD, TO BALANCE BUDGET, CHECK RISE IN DEBT

(By Mark Sullivan)

Within the space of a week has come what at this writing seems to forecast a fundamental reversal of direction. It began with a speech by Senator HARRY F. BYRD, of Virginia, on May 6, in which he called for a check to Government spending—including especially and necessarily a check to the some 40 spending proposals which President Truman sent to Congress last January. The essence of the Byrd plea was that the Government do not spend more than it takes in; that the budget be balanced; that the National debt be not increased. The Byrd speech was, in his words, "an analysis of the Federal fiscal situation." It was so thorough and convincing and its conclusion so ominous, as to be an outstanding event.

Then came, rather sensationally, a news report about a change of position by the Council of Economic Advisers to the President. Previously the council had supported proposals for spending sent by Mr. Truman to Congress. Now, according to the report, the council advised restraint of Government spending, with other policies to the end of balancing the budget, of not increasing the National debt.

REVERSAL OF DIRECTION

If this course is followed, it will be a reversal of direction, and it is reversal of direction that is important. For 14 years, from 1932 to 1946, the national debt was increased every year. Then, for the last 3 years came reduction, easy because of the ending of war expenditures. If, now, after this brief interruption, increase of the national debt should be resumed, the effect is forecast by Senator BYRD in a portentous passage:

"Citizens who own bonds would ask themselves if the Government cannot balance its budget in this period of prosperity and in time of peace, will it ever be balanced again * * * our credit would be wrecked * * *." The ultimate consequence of wrecked national credit would be, in Senator BYRD's words, "our system of government destroyed."

If the reversal of direction now proposed actually takes place, the burden of it will be mainly on Congress. It is not easy for President Truman to recede from his demand for measures that entail increased spending. Suspension of the program of measures that entail increased spending would be in considerable part a suspension of the New Deal—and it is resumption and expansion of the New Deal that Mr. Truman embarked upon after his victory last fall.

The New Deal, the old one and the Truman resumption, is inherently and historically associated with increase of the national debt. Though by no means all the New Deal innovations have entailed Government spending, many have; and the sum and spirit of the whole resulted in an increase of the national debt in every year of the New Deal's birth and growth—that is, from 1933 to 1941, without reference to the war years that brought increase of the national debt for military purposes. With the New Deal philosophy went its politics. That was suggested in a widely current epigram, its authorship attributed to, though denied by, Roosevelt's lieutenant, Harry Hopkins, "We will spend and spend, and elect and elect."

The relation of President Roosevelt to increase of the national debt makes a strange record. The first increase was in the last year of President Hoover's administration, 1932. Under pressure of terrible depression, the national debt increased from some $17,000,000,000 to some $19,500,000,000. The deficit was fiercely denounced by Roosevelt in the 1932 campaign. Derisively he called Mr. Hoover "the greatest spending President in our peacetime history."

ROOSEVELT PROMISED CUT

For himself, Roosevelt promised that if elected he would reduce Government expenditure by 25 percent. This promise Roosevelt tried to carry out. After election he asked from Congress, and got authority to reduce the pay of Government employees, and also veterans' pensions, by the promised percentage. This was done for a time. But after some months Roosevelt adopted a policy of Government spending, occasionally called at the time "priming the pump."

Roosevelt never liked the reversal he had gone through, always hoped to return to economy. Examination of his messages to Congress shows that every message from 1933

to 1938 reflected hope on his part that the budget would be balanced the following year. It never was.

That phase of Roosevelt's administration, what part in it may have been played by his temperament, what part by associates in the New Deal, what part by force of circumstances, some of which were created by the course he took—all that should compose one of the most revealing chapters in any good biography of him or good history of the time.

Socialized Medicine

EXTENSION OF REMARKS
OF

HON. HARRY P. CAIN

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Friday, May 13 (legislative day of Monday, April 11), 1949

Mr. CAIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a provocative and sturdy speech which was recently delivered by Robert Richard Gros before the California Medical Association in San Francisco on April 29, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, distinguished Senators and other guests, my fellow Californians, as the chairman has mentioned, within the past year and a half it has been my privilege to study the "cold war" close-up, first-hand while circumnavigating the globe. And wherever one goes today he sees some evidence of the cold war—all the way from Berlin to Delhi, from the ancient capitals of Europe and Asia to the tiniest pinpoint coral atoll in the Western Pacific. It varies only in intensity and blatancy, but it is there in some form or another.

Like many of you perhaps, I have looked upon the cold war as a foreign affairs problem—removed from our day-to-day problems of keeping our customers happy or your patients healthy, of meeting the pay roll, and drawing our own pay check. This is not a thoughtful view for it dismisses some deep realities.

I did not realize how deeply we are enmeshed in the cold war in our every-day business and professional lives until I began thinking about my remarks on the subject we are concerned with here tonight. I find inescapable conclusions that in this home front cold war our entire system of individual freedoms is being shoved around plenty.

American business and the professions are up to their necks in this domestic cold war. The enemy is clever, ruthless, and effective. His objectives are clear. He makes no secret of them. His aim is to destroy the American way which exalts the individual and champions his economic and political freedom. I don't need to remind you ladies and gentlemen that the stakes are high. Individual freedom has been destroyed in much of the world—and is in jeopardy here at home, as we have heard here tonight. And what better evidence could we have than the fact that the medical profession—traditionally respected and untouched by the shackles of politics—should have to lay down its scalpel and take up the cudgels to fight for its very survival?

The welfare state idea—the negation of what Justice Brandeis called freedom to be let alone—is spreading throughout the world. In Britain people have become more enamored of security than of opportunity. We are living in an era of what I term false truisms. We've become victims of slogans and catch phrases—the Square Deal, then the New Deal, and now the Fair Deal. All piously profess faith in the American system of individual enterprise and government, but always move toward a welfare and a collective economy that stifles initiative and individual freedom.

The noble and much vaunted "four freedoms" is just about the greatest political catch phrase of all. Did it ever occur to you that "the bird in a gilded cage" has all four freedoms? He has freedom from want, for he is fed and watered daily. He has freedom from fear, for in his gilded cage he is safe from his enemes. He has freedom of speech, for he can trill and warble all he wants; and I assume he has freedom of belief. But this bird doesn't have life's most important freedom of all—freedom of individual initiative and action.

I speak to you tonight as a layman and as a citizen. From my point of view I see this question of socialized medicine as something far more sweeping—vastly more serious in its impact upon the lives of all of us—than is revealed by a cursory examination of the compulsory health-insurance bill.

I see it as another threat to American freedom and initiative. I see it as another segment of the socialistic encirclement that for so long, slowly but surely has been closing in upon the free institutions of the world. And, as has been emphasized eloquently here tonight, this is everybody's fight.

I was impressed a few minutes ago with Senator ELLENDER's eloquent tribute to "the sound American spirit of free enterprise and competition," contrasted with what he aptly termed the "government edict * * * savoring of politics."

This is no new subject to me, for I, as you may recall, labor in the public utility field. For many years—and the Senators will bear me witness—the power systems of America have been fighting for their lives against the encroachments of Government in business. The fight is in a decisive battle stage today in the Eighty-first Congress. Believe me, the proposal for socialized medicine is drawn from the identical pattern upon which the advance of statism against the utilities is moving.

I suspect that many doctors have felt that this fight of the utilities did not concern them or their profession. Perhaps some of them have even turned sympathetic ears to the siren lure of socialistic philosophy. Perhaps now you will be convinced that no part of our economic structure is immune from attack. The fight of the utilities is your fight, just as your fight is now ours—and steel's and the railroad's and scores of other basic industries.

After socialized medicine what next? Life insurance would be a natural—possibly merchandising. There is no limit to the greed of bureaucracy.

I don't deny that there is a real problem. I have nothing but praise for those who sincerely seek to raise the level of health in America. There can be no denial that sudden serious illness may mean catastrophe for the average unprotected citizen—results that are crushing in their effect upon pocketbook and morale.

To me, as a potential patient, health insurance is intelligent, common-sense protection against disaster. It is the most economical safeguard against personal bankruptcy in times of serious illness.

The argument then, as Senator CAIN illustrated clearly, is not whether we shall have health insurance but what kind of such insurance shall we have? Shall we continue to develop the already existing programs of voluntary health insurance with their expanding benefits to the prudent and farsighted, or shall we cast off the gains of past experience for a vicious bureaucratic system of compulsory insurance with all the waste, inefficiency, and political evils that inevitably would accompany Government control of the medical profession. The lives of our babies and their mothers, the survival of the critically ill of all ages, should not be made dependent upon the endless red tape, the fine-print acts of Congress, or bureaucratic rules and regulations.

The alternative poses a solemn challenge to the fraternity of doctors and to those of us who believe that except for the poor and indigent, the care of the sick and the treatment of the sick is not a function of government. It is up to us to demonstrate that we can do the job better—that by voluntary health insurance we can provide better health protection and care to our people—and at less cost—than can an impersonal, wasteful, inefficient bureaucratic system.

Senator ELLENDER very appropriately has offered sound advice that you doctors should cooperate with your lawmakers in an effort to remedy the conditions that give rise to the plans now being proposed. By the same motivation, I as a professional public-relations man would be derelict in my duty and should not feel I had earned my supper tonight, unless I offered a similar caution from the public-relations standpoint. "He who seeks equity must do equity," the lawyers tell us. And similarly, public relationswise, we must recognize that good public relations consist not of what we say, but what we do. Bluntly, gentlemen, I mean that before you doctors can make a telling case in the public mind against socialized medicine on the grounds that it destroys the traditional doctor-patient relationship, you must reexamine your own situation to reaffirm that this doctor-patient relationship does exist in your own practice.

By your own Hippocratic oath your profession is dedicated to the public interest. I urge you to police yourselves—to see to it that no single abuse be found in your practice to furnish ammunition to your opponents in this battle of socialized medicine. And surely it must be evident to the medical profession that you can win this fight only through unity in carrying your sound case before the American people—only through unity in alleviating the conditions that have developed this agitation for political medicine.

I am certain that we all agree that no American should be deprived of adequate medical care, regardless of whether he can pay for it or not. But, it just doesn't make good sense to argue that a compulsory insurance system for those of us who are self-supporting will do a better job of looking after our minority of unfortunates.

Certainly, too, there is an area—and a vital one—where Government has a job to do for public health. I refer to epidemic control, to laboratory research and sanitation, to periodic medical and dental examinations of all school children, to diagnostic clinics to immunization, child hygiene, to greater support of local health units in the recognition of the fact that health is not just a local problem. But do we need to create another alphabetical bureaucracy to do that job? I think not. It makes better sense to me to expand Federal aid for the development of hospital and clinical facilities.

From a thoroughly personal viewpoint, I as a patient, don't want to be pushed around. I don't want the factory production-belt method used to diagnose whether my headache stems from my eyes, my teeth, or just my belly. Last fall in England I talked with scores of British people, in all walks of life. Only this week I spent a fascinating hour here in San Francisco talking with a British doctor who broke his ties with England rather than continue prostituting his profession as it is now being practiced in Britain. Straight from the mouths of these Britishers I gleaned certain pearls of wisdom about Britain's experiment in socialized medicine.

In jolly old England there is developing a hypochondriacs' haven where every little squally-wobble, fleeting pain or twitch becomes the need for a free chassis overhaul of your carcass. You just queue up and have a grand old chat with fellow subjects in the long line of sad pans waiting to be processed. Here you learn to develop other symptoms so that you are in a constant state of care and repair. It must be a jolly game.

But, by the beard of Bernard Shaw, the busiest man of all on the tight little island is the dentitian. He has made and filled more craters than all of London had during the peak of blitz bombing. 'Tis wonderful to see how England is smiling through these days—through shiny new teeth, that is.

Under the perfectly human urge of getting all you can while the getting's good, there is a bargain-sale rush to get the tonsils trimmed free, to calm down palpitating ulcers, to have the appendix apprehended, or the very close veins made less varicose. And if you can think up a new painful ailment and practice faking your symptoms, what an opportunity for a free-board vacation with a beautiful nurse in solicitous attendance.

This is England's second ordeal of blood, sweat, and tears, but this time it is in the free clinics where government workers doctor your ills with bitter Laborite Socialist pills. But the real sweat and tears will come when the exchequer goes flat, and more shillings and bobs and pounds are taken from the aristocrats who have a job and work at it.

And as an American taxpayer, I am increasingly worried as to where we are heading with our constantly pyramiding taxes. If we, too, fall in love with this welfare state conception, aren't we likely to end up flat busted before we honeymoon in our utopia? The Truman plan is vague about costs, and I suspect purposely so. The fact remains, however, that at best estimates are at least 400,000 additional bureaucratic personnel would be required to administer the health program. The cost might easily exceed $10,000,000,000 per year. And the British experience is not encouraging. Costs have run 40 percent more than expected during the first 9 months of socialized medicine in Britain. Our own American experience of the past two decades has shown us what happens when you let bureaucrats feel such new intoxication. Would not these witch doctors on the Potomac conjure up further and more expensive means of helping us, extorting more and more dollars under the persuasive anesthesia of social security.

And what is is to become of the numerous voluntary insurance plans that are now rendering such a satisfactory, relatively economical and ever-expanding service? Fifty-five million Americans are now covered under voluntary health-insurance systems and 37,000,000 are insured against surgical and medical bills. In our own State, the California Physicians Service has multiplied its membership eightfold in the past 5 years, and today three-quarters of a million Californians are covered by CPS insurance.

The brand of democracy I have learned as a young American—the brand to which I have rededicated myself as I have seen its opposites in other parts of the world—denies the legitimacy of Government interference, unless a business or profession has got out of hand or failed to do its job.

Heaven knows the practice of medicine, like any other field, has abundant room for improvement. But must we resort to amputation just because the patient manifests mild halitosis? Political medicine men are bad medicine men in my book. I have yet to see any field of business or professional endeavor, outside the scope of normal and intended functions of Government, where bureaucrats have done a job comparable to that of free and unfettered practitioners.

Senator CAIN put his thumb upon the sore spot when he insisted that the paramount consideration is "What would happen to the American patients if they permitted their legislators in Washington to ensnarl them in a scheme of political medicine."

The problem is primarily one of protecting America's individual freedom—here in the last stronghold of individual liberty. Shall we now surrender one of those freedoms to the hocus-pocus of socialism which tries to spoof us into believing we can get something for nothing? Who believes the fraudulent theory of socialism that we could expect the same degree of efficiency and economy under political-managed medicine that we get from unshackled professional practitioners?

British free medicine threatens to bankrupt the nation. The British people are having a free ride but they are receiving inferior and inadequate medical service, and daily they are sinking deeper and deeper into the bondage of their tax collectors.

Without compulsion, here in the United States of America we have the best medicine in the world—and Security Administrator Ewing to the contrary notwithstanding, the health of the American people is good. We couldn't be too sickly a nation if, through the great and worth while EGA and other programs of aid, we are supporting or at least bolstering so much of the Western World today.

This is not a fight of the medical profession alone. It is your fight and my fight, regardless of our professions or fields of business. It's a basic fight between two opposite theories of economics, government, and political morality.

The greatness of America is not confined to our material resources, our productive capacity, our high literacy, or even our better health. We have not become the strongest nation on the earth through regimentation or a system that tends to level off to mediocrity. The strength of America stems from the strength of character of the American people—a character born in freedom, nurtured in American initiative and incentive and brought to its finest fulfillment under a system which assures the dignity of the individual, be he big or little in our scheme of things.

Let us not surrender any of our strength. Let us remain freemen. Let us reject the false philosophies of the welfare state.

Loan to Spain by Export-Import Bank

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES
Friday, May 13 (legislative day of Monday, April 11), 1949

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a press release of May 12, 1949, by the organization known as Americans for Democratic Action. The release has to do with the proposal to extend a loan to Spain through the Export-Import Bank.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

[Press release of Americans for Democratic Action, Washington, D. C., of Thursday, May 12, 1949]

Americans for Democratic Action today informed Secretary of State Acheson that 20 Senators as well as spokesmen for American cotton interests met secretly last Tuesday with a representative of France to arrange a United States loan to Spain, and asked him to resist any deals that would pay tribute to Fascists or to those Americans who would put their selfish economic interests above a successful democratic foreign policy.

ADA disclosed that Francisco Moreno, head of the Hispano-Americano Bank of Madrid and a close friend of Franco, met on Capitol Hill with the Senators and commercial representatives to work out plans for the loan, which would be obtained from the Export-Import Bank and would be used to buy cotton in this country. The information was contained in a telegram signed by Joseph L. Rauh, Jr., chairman of the ADA executive committee.

Declaring that an informal bipartisan committee of members of Congress had already approached the Export-Import Bank to urge approval of the loan following yesterday's conference, ADA pointed out that the loan would have to have State Department approval. ADA asked Acheson to resist this or any other move that would give direct or indirect aid to the Franco government.

The telegram follows:

MAY 11, 1949.

Hon. DEAN ACHESON,
Department of State,
Washington, D. C.:

A secret session of some twenty Members of the United States Senate, the representatives of American cotton interests, and Francisco Moreno of the Hispano-Americano Bank of Madrid took place yesterday on Capitol Hill for the purpose of working out a large United States loan to Franco for the purchase of cotton in the United States.

The fact that the intensified drive in Congress for full diplomatic recognition of Spain followed this conference by a matter of hours cannot be ignored. It is clear that a deal is under discussion which would threaten the basic structure of American foreign policy.

It would be preferable to dump the entire cotton surplus of America into the ocean rather than pay tribute to the Fascists who inspired these negotiations or to those Americans who would put their selfish economic interests above the success of a democratic foreign policy.

Some American statesmen who are publicly committed to United States foreign policy and to the thesis that our Nation must counter the cold war with constructive democratic alternatives, are clearly bolstering the Soviet position when they promote the interests of Franco. Such a deal at this time would provide Russia with the political and economic weapons she needs to capture the initiative in western Europe.

The Franco government has the temerity to seek United States loans amounting to millions of dollars. The attempt to win these loans by appealing to the special interests of public office holders is reprehensible but hardly surprising. It is characteristic of totalitarian governments.

An informal bipartisan committee of Members of Congress has already approached the Export-Import Bank to urge approval of the loan following yesterday's conference. Such a loan would naturally have to secure State Department approval and we most urgently request that our Government resist this or any move to give direct or indirect aid to the Franco government.

JOSEPH L. RAUH,
Chairman, Executive Committee,
Americans for Democratic Action.

Labor Legislation

EXTENSION OF REMARKS
OF
HON. MATTHEW M. NEELY
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Friday, May 13 (legislative day of Monday, April 11), 1949

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter addressed by the President of the United States to Mr. A. F. Whitney, president of the Brotherhood of Railroad Trainmen, setting forth his attitude in regard to pending labor legislation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, May 4, 1949.

Mr. A. F. WHITNEY,
President, Brotherhood of Railroad Trainmen,
Cleveland, Ohio.

DEAR MR. WHITNEY: I appreciated very much your good telegram of May 3.

I've never believed in any compromise on the labor program other than the amended Wagner Act which I sent to the Congress and which was reported out by the Labor Committees of both the House and the Senate.

I am in the same frame of mind you are, that it is much better to go down fighting for what is right than to compromise your principles. The compromises got nowhere, as I was sure they wouldn't, and they never had any consideration whatever from me.

We are going to continue to fight and we are going to win because we are right.

Sincerely yours,

HARRY S. TRUMAN.

American Policy Toward Spain

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Friday, May 13 (legislative day of Monday, April 11), 1949

Mr. O'CONOR. Mr. President, a pungent editorial in yesterday's Washington Evening Star titled "Wanted: A Spanish Policy," was so directly in line with the thinking of many of us in this body that it deserves to receive the utmost possible attention.

It is about time that those who shape our international policies stop trying to draw a distinction without a difference between this country's attitude to Communist Russia, the aggressor overlord of hundreds of millions of helpless persons in Europe and Asia, and the Government of Spain which is struggling amidst poverty and lack of resources to regain both economic stability and a place in the family of nations.

It is generally admitted, I believe, by everyone of reason and intelligence, that the United States and other nations were misled in 1946 in favoring the United Nations recommendation to withdraw ambassadors and ministers to Spain. Under such circumstances the proper thing to do would be to correct the mistake by readjusting our position on the matter.

If we are going to refuse to accord the usual international courtesies to Spain because some of our officials do not like the type of government under which they live, the only logical course to follow would be to withdraw our ambassadors from Moscow and all the Russian satellite countries.

Under present circumstances this may be an ill-timed, ill-judged move but not a bit more ill-timed or ill-judged than was our previous action with respect to Spain or our present refusal to admit that there was a mistake made which should be corrected.

The editorial to which I refer will strike a responsive chord, I know, in the hearts of all who respect consistency, even if they may not be particularly friendly to Spain. I ask unanimous consent that it be printed in the RECORD as a supplement to my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WANTED: A SPANISH POLICY

It is hard to distill anything that remotely resembles a policy from Secretary of State Acheson's latest remarks on our relations with Spain.

In 1946 the General Assembly of the United Nations adopted a resolution calling for the withdrawal by UN members of their ambassadors and ministers to Spain. Prior to that, Poland and the Soviet Union, with others, had tried to induce the Security Council to take drastic measures to bring about the downfall of the Franco government. They argued that Spain was a military threat to its neighbors, but a UN investigation soon exposed the falsity of that claim. The net result was a double-talk finding to the effect that Spain might some day become a threat to peace and, finally, the adoption of the Assembly resolution.

That whole deal was a cynical, fraudulent, and futile piece of international politics. No one in his right mind ever supposed that Poland and Russia had any interest in freedom for the Spanish people. They wanted to get rid of Franco, who has always been hostile to the Communists. If he could be overthrown the new regime, if not controlled by Communists, would at least be less antagonistic to Communist political aims. Presumably our people at the UN were well aware of this. But they went along, perhaps in misguided deference to left-wing sentiment in countries like France, Britain, and Italy. In any event, we lent ourselves to a shabby deal that has accomplished nothing except to reflect discredit on the United Nations.

Now there is an effort under way to rectify the 1946 mistake. Another resolution is before the General Assembly. It would modify the 1946 stand by giving each UN member full freedom of action with respect to diplomatic relations with Spain.

And what are we doing? Why, we are abstaining. The most influential Nation in the world, the Nation which does more talking than any other about international morality, declines to make any choice as between right and wrong. We will not use our influence, one way or the other. Why not? Secretary Acheson says that this is a "family" matter, and that for the United States to take one attitude or the other on the resolution would not lead to harmony.

That is a position which might be called a lot of things. But it cannot be called a policy that is worthy of the name. If this Government still thinks that the stupid, immoral and ineffectual position taken by the UN in 1946 is right, it ought to have the courage to say so. If it thinks the position is wrong it ought to have the courage to say that. We have every reason and justification, within the framework of the UN to take a stand on this matter. To hide behind the device of abstaining is shameful.

The Star, for one, welcomes the forthright stand in favor of sending an ambassador to Spain that has just been taken by men like Senators CONNALLY and VANDENBERG. It it too bad that there are not more like them in policy-making positions at the other end of Pennsylvania Avenue.

The President's Health Program

EXTENSION OF REMARKS
OF
HON. ANDREW J. BIEMILLER
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. BIEMILLER. Mr. Speaker, our distinguished colleague the gentleman from Michigan [Mr. DINGELL] has long been a leader in the fight to establish a system of national health insurance so that the blessings of modern medical science may be brought to all the people. On April 23, along with the eminent physician, Dr. Channing Frothingham, of Boston, chairman of the Committee for the Nation's Health, he discussed President Truman's message to the Congress on health needs of the American people over the facilities of the American Broadcasting Co. Under leave to extend my remarks, I include the text of this very interesting discussion:

THE PRESIDENT'S HEALTH PROGRAM

(By Hon. JOHN D. DINGELL and Dr. Channing Frothingham)

Mr. DINGELL. President Truman's message to the Congress of yesterday again points the way toward the health and happiness that every American deserves. It charts the course under which the best doctors and nurses the world has ever seen will be furnished the finest facilities and the financial incentive to make available their beneficent skills to all the people. The President's health program will strengthen our national defense by insuring that never again, as during World War II, will 5,000,000 men be found unfit for the armed services of their country.

The President recommends to the Congress five major areas in which the people may join together with members of the medical profession to improve the Nation's health:

First, we need more doctors, dentists, nurses, and laboratory technicians. Anyone who has driven long distances, or waited hours, to see a doctor, or who has called vainly for aid in the emergency of night, knows this best. But doctors must first go to expensive schools, and we do not now have enough medical colleges, training schools, and teaching hospitals to do the job. And there is little chance of getting them in your lifetime unless the Federal Government steps in to help build new hospitals and medical colleges, and to provide scholarships for deserving students.

Second, we need more hospital beds in modern, fully staffed, fireproof hospitals.

The recent horrible tragedy of the hospital fire at Effingham, Ill., is a grim reminder that even our best efforts may not be good enough. Every year 325,000 people die needlessly—many of them because their busy doctors did not have the modern laboratories and equipment to diagnose their ailments in time, or because people did not have the opportunity to obtain or pay for medical care. Modern medicine must be made accessible to everyone. People who live in the country and in the small towns are entitled to better than third-rate medical care. And children of low-income families are just as deserving of good health as of good education.

Third, the President also recommends the expansion of public-health programs. An ounce of preventive medicine is worth a pound of cure. Pennies for public-health services will yield a bountiful harvest in health and happiness.

Fourth, medical research must meet the challenge of the dread diseases of cancer, polio, heart disease, rheumatic fever, and tuberculosis. Our laboratories, if given the funds for effective research, will discover new wonder drugs and explore the potentialities of atomic energy in the field of medicine. I think an essential part of an expanded program of medical research is acceleration of the production of newly discovered drugs and appliances.

Upon these four parts of the President's program—Federal aid for medical education, construction of hospitals and clinics, public health, and medical research—there is little disagreement.

The opposition now centers its attack principally upon an equally essential feature—a law under which our people may share the cost of improved medical care through a Nation-wide system of health insurance, and let me reemphasize I said, "Health insurance." Private hospitalization and medical insurance plans do not provide the needed protection against the calamity of extended serious illness. And if they did, the cost still is beyond the price range of two-thirds of the American people.

The leaders of the American Medical Association now champion these private health insurance plans which until recent years they have bitterly opposed. They try to hide the deficiencies of such plans behind such spurious charges as socialized medicine or free medicine leveled against the President's program. I say to you that national health insurance, as outlined in the Wagner-Murray-Dingell bills, is no more socialization than a mutual fire insurance company or the public school system. The people will get just what they pay for.

The application of the principle and purpose of insurance to the unexpected hazard of loss of health is not even debatable.

To argue against health insurance as being unwise or unnecessary does violence to the whole concept of insurance against any and all risks like life insurance, fire insurance, fire and theft, and crop and livestock insurance—all essential but not as important as is health insurance.

As the President said, "Our objective must be twofold: To make available enough medical services to go around and to see that everybody has a chance to obtain those services. We cannot attain one part of that objective unless we attain the other as well."

Under this program there will still be freedom of selection by both doctor and patient, just as today. But there will be more medical schools, more doctors and nurses, more hospitals, more and better clinics, and more laboratories.

By spreading the cost among all the people, we can make the miracles of modern medicine available to all.

In the words of the President: "We are striving in this country to see that the strength and flexibility of our political and economic institutions are used to bring the greatest possible good to our people. I consider this health program as part of that endeavor—to adjust to modern conditions without losing traditional values, to bring to the people of this country the full enjoyment of the benefits which our freedom makes possible."

We now hear from Dr. Channing Frothingham, former president of the Massachusetts State Medical Society and chairman of the Committee for the Nation's Health. Dr. Frothingham speaks from Boston.

Dr. FROTHINGHAM. I want to tell you why I, an active practicing physician for over 41 years, am in favor of the President's national health-insurance program which offers every one an equal chance to obtain good medical care.

During these few minutes I cannot cover all the significant aspects of the President's fine plan, but I wish to emphasize a few of its fundamental features which will extend good quality medical care to those of our citizens who do not now receive it and make the financial burden much less for those who do.

Most important the President's national health program will help eliminate the dollar barrier which now stops so many of our people from obtaining the full measure of the medical care which they need and to which, I believe, they have a right. By spreading the cost of medical care among all the people except the actually indigent on a proportional basis, national health insurance will make medical care available to all irrespective of the amount of care needed in any individual case.

It will enable you and your family to go to the physician of your choice without charge whenever you feel the need of medical care. He will be able to treat you personally and call in specialists to aid when needed, regardless of the cost involved. Your family physician will be available to give you preventive medical procedures to ward off disease without extra expense. Neither one of you need worry about the bills. Just medical care will be available to all on the basis of need, not on the size of your pocketbook. It will make good quality care available for the first time to all Americans, regardless of race, color, or economic circumstance.

The quality of medical care will be improved because high standards of practice will be developed for the plan. Yet the delivery of the care will be at the same local level as at present, which has proved so successful to American medicine today. The doctors would be in full charge of all the professional matters, but the layman will relieve the doctors of administrative burden and aid in solving the problem of the best methods of delivery of the care, which is one of the weaknesses of American medicine today, with the doctors trying to control delivery of care as well as the science of medicine.

As a doctor—perhaps a conservative by nature, after all I am from Boston—and a Republican—I would heartily oppose any plan which might jeopardize our free practice of medicine or dictate to any doctor what, where, when, or how he could practice medicine. The President's plan does none of these things. As a matter of fact he stresses freedom of choice for both patient and doctor. We doctors would have full freedom to serve under the national health insurance plan or not as we choose. We doctors would be free to accept or reject patients under the plan just as we do today. And incidentally, you the patient would have the same freedom to choose your own doctor just as you do now. The private relationship between a doctor and his patient would be fully preserved. The only difference under national health insurance is that neither you as a patient nor I as a doctor need worry about the bills. Those would be paid out of the national health insurance fund.

The President's plan places primary responsibility for the delivery of medical care to the individual upon each community. The role of the Federal Government would be strictly limited. The medical care would not be run from Washington but by the States and the localities. We would continue in private practice as we are now. Any fair-minded doctor, hospital chief, or other medical professional cannot fail to note the safeguards stressed by the President in his message or incorporated in the proposed national health insurance legislation to guarantee a continuance of all that is good in existing American practice and to make it available to all the people. His insistence on these safeguards would make it clear that those who speak of his program as socialized medicine in a derogatory sense are deliberately using smear propaganda.

Lest We Forget—Another Contribution From the Unofficial Poet of Congress

EXTENSION OF REMARKS

OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, April 29, 1949

Mr. WHITE of Idaho. Mr. Speaker, with the consent of the House, I would like to have inserted the following verses contributed by the unofficial poet laureate of Congress, Horace C. Carlisle:

With these verses, I'm hoping to scatter
Through the RECORD, that goes everywhere,
What the Communists seem to be doing
To sink us to the depths of despair—
May our Congress awake to our danger
Before Russia, unheralded, comes
Over here, to wreck civilization,
With her Russian-built atomic bombs.
There is only one hope for the nations
That want war, with its horrors, to cease,
And that is, to wage war by the Golden
Rule of Christ, the Divine Prince of Peace;
For all things will on earth, as in heaven,
Work together in perfect accord,
Everywhere, when the nations, in earnest,
Become nations whose God is the Lord.

—*Horace C. Carlisle.*

Regional Development in the Columbia Valley

EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Monday, May 16 (legislative day of Monday, April 11), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "Regional Development in the Columbia Valley," delivered by Assistant Secretary of the Interior G. Girard Davidson before the National Emergency Conference on Resources, in Washington, D. C., on May 13, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REGIONAL DEVELOPMENT IN THE COLUMBIA VALLEY

I am impressed by the breadth of the program for this conference. In these 3 days you have set for yourselves the task of discussing—and possibly acting on—some of the largest issues and problems in the field of resources development.

All through your agenda I see evidences of your earnest consideration of President Truman's bold new program for making the scientific and technological progress of this Nation in the field of resources development available to other peoples throughout the world. It is evident that you are pointed toward the great United Nations Scientific Conference on the Conservation and Utilization of Resources to take place in this country August 17 to September 6, 1949, at Lake Success. You are considering the significance of the Hoover Commission's recommendation for reorganization of Federal activities in this field to create a single Department of Natural Resources for the more effective development and administration of the basic wealth of the Nation. You will be talking about production of power and minerals which are basic to the expansion of our industrial capacity to assure full employment, maximum production, and national security for our people. You are even broaching the new field of atomic energy and its relationship to resources development.

This conference has gone very far since the Valley Authority Conference held in this same auditorium almost 3 years ago, which was sponsored by many of the same far-sighted men and women who have organized this meeting. While we are discussing these bold new programs, let's not forget a piece of unfinished business which has carried over from the earlier meeting.

The next forward step in carrying out what is now a proven system in river-basin development should be taken. We should promptly apply the lessons learned in the Tennessee Valley to the Columbia River and its tributaries out in the Pacific Northwest. In taking this step we have the support of President Truman and his administration, of a large block in Congress, and of all those sincerely interested in the conservation and utilization of our natural resources.

There is no longer a question about the necessity for speeding up Federal action for resources development in the Northwest. This rich region which promises to be our industrial base beyond the Rockies is now plagued with floods, power shortages, and unemployment, which frustrate its further growth. I need not remind you that last spring the Columbia River went on a rampage which resulted in the loss of at least 51 lives and property damage amounting to over $100,000,000, and that an equally devastating flood could occur again this year. I need not remind you that last winter electric power was voluntarily rationed in the Northwest, that the tremendous regional transmission network was overloaded to the point of breakage, that industries which would have created thousands of new jobs were prevented from locating in the region for lack of power—and that this same situation of power shortage under present development schedules will continue to be severe for at least the next 5 years. I need not remind you that unemployment in the Northwest ever since the end of the war has been running at least twice the national rate because jobs have not been created fast enough to keep pace with the phenomenal migration of people to that area which resulted in a population increase since 1940 of three times that of the Nation as a whole. One State alone—Oregon—increased almost 50 percent in population during that period.

These facts have national as well as regional significance. The spectacular Columbia River if totally developed could produce twice the amount of hydroelectric capacity now existing in the whole United States today. That power put to work in aluminum plants would begin to make up the current shortage of 300,000,000 pounds of aluminum a year, a shortage that has to be made up if we are to have a larger Air Force.

In the Pacific Northwest there is, and has for sometime been, general agreement on the need for more effective and speedier development of the basic resources so that industry and agriculture can go forward with new investments to provide new jobs and greater taxable wealth. There is general agreement that the only fiscal agency large enough to advance the capital needed to finance this tremendous system of multiple-purpose river-control structures is the Federal Government. There is general agreement that the existing Federal agencies working at this task, with the best will in the world, simply do not have the legal authority for the type of comprehensive planning and coordinated and decisive action which is needed. There is general agreement that the administration for regional development shall be located in the region and that there should be a large measure of local participation.

Generally speaking, these points on which people are agreed are the principles which guide the Tennessee Valley Authority in its operations.

The President, in a letter to the executive departments, directed that legislation be prepared for a Columbia Valley Administration embodying the lessons of our prior experiences. Of course, the actual operating practices of the TVA were reviewed so that we could profit from their errors as well as their virtues—for instance, the CVA provides for a solution to the soil-conservation problem which is still pending in the Tennessee Valley. The President also requested that the legislation be especially tailored to fit the peculiar and different requirements of the Columbia Valley region and its people. These objectives have been met in bills for the establishment of a Columbia Valley Administration which are now pending both in the House and Senate.

The CVA bill is, in the real sense of the word, a true conservation measure. For years there have been people who have interpreted conservation to mean locking up our great natural wealth. There have been others who have attempted to use up our resources without regard to the needs of future generations. The CVA bill would spell out in law a balance between these two forces. If the bill were enacted, the region would obtain a comprehensive program for both conservation and the wise use and development of the resources, recognizing their interrelationship.

To the many groups interested in soil conservation, watershed protection, sound management of forest and range lands, protection of fish and wildlife and of recreational areas, the CVA bill offers a tremendous opportunity. These programs are given equal status with the glamorous work of building record-breaking dams which are headline news and which are supported by powerful lobbies. In the CVA bill, a plan is being put forward to redress the balance in Federal investment and expenditure between these two types of conservation activities.

Let me remind you of the existing lack of balance which the CVA is designed to correct.

While the Army Corps of Engineers is spending millions of dollars to build dams to hold back floodwaters in the lower reaches of the Columbia River, in the upstream watershed the snow melt coursing down the hillsides denuded of vegetative and forest cover greatly increases the flood menace and in time will silt up the storage dams. The agencies responsible for upstream forest protection are unable to get appropriations to do their jobs. The Forest Service is anxious to reforest 5,000,000 acres of burned-over alpine forests in the Cascades watersheds. The Bureau of Land Management is seeking to restore 7,800,000 acres of denuded range lands which would take 25 years to accomplish even if the agency were given sufficient funds to move 20 times faster than the present rate.

News pictures are not taken of trees growing and there is little publicity about the cover crops which prevent erosion. Under the present plans which Federal agencies are required to follow, different congressional committees have jurisdiction to appropriate funds for what are thought to be such diverse subjects as dam construction and soil and forest conservation. Thus under the present system even the Congress is frustrated in any attempt it makes to strike a proper balance.

The Bureau of Reclamation is spending millions of dollars to bring into production through irrigation thousands of new farms in the middle reaches of the Columbia, while each year the region is losing its existing farms through soil erosion. Last summer's floods in the Columbia washed off the land 160,000,000 tons of soil, which is equivalent to 1,200 farms of 80 acres each.

There is no relation whatsoever at the present time between the amount spent by the Federal Government in that region in bringing into cultivation new land through irrigation and the amount spent in preventing existing land from washing away. I want to emphasize that, without some type of legislation along the lines suggested by the CVA bill, there can be no proper relationship established by the Federal agencies or by congressional Appropriations Committees.

The proposed construction of dams in the lower Columbia River is threatening the $20,000,000-a-year salmon-fishing industry by preventing the fish from going up river to spawn.

I believe that we can have both fish and dams. I believe that we can protect our existing farms from soil erosion at the same time we irrigate new farms. I believe that we can save ourselves millions by practicing flood control with upstream watershed protection along with downstream storage reservoirs. We can do this, however, only through producing a comprehensive region-wide program such as envisaged in the CVA legislation.

In its preparation the CVA bill was discussed with representatives of many conservation organizations and it embodies a number of provisions suggested by them.

The proposed CVA would absorb the Bureau of Reclamation, the civil works functions of the Corps of Engineers, and the Bonneville Power Administration in the Pacific Northwest. However, all other Federal agencies, including the Forest Service, Soil Conservation Service, Fish and Wildlife Service would retain their independent status.

The CVA bill specifically provides for protection of the fish and wildlife resources in connection with its construction program.

The bill requires that Federal programs and activities in the region be effectively coordinated with established national policies and programs such as those of the conservation agencies.

The bill makes it possible for representatives of conservative groups to advise with CVA directors during the initial planning stages of any projected development. This would be done through advisory boards and councils which would have the right to send their comments and recommendations directly to the President and the Congress through the annual report of the administration.

The comprehensive development program to be made by the Columbia Valley Admin-

istration must be prepared in cooperation with not only the Federal but also the State and local agencies in the conservation and development field. When this comprehensive program is presented to the Budget Bureau and the President, who may present it to the Congress, it will for the first time embody in a single statement the requirements for work to be done not only for power, flood control and irrigation, but also for soil conservation, pollution control, fish and wildlife protection, and forest and range management. Thus, for the first time, the Budget Bureau and the Congress will be in a position to know the real budgetary needs of the different conservation agencies operating in the Pacific Northwest.

There is a further provision in the CVA bill which makes it possible for the CVA to supplement the activities of the conservation agencies. The Administration would be specifically authorized to receive money for development and conservation of forest, mineral and fish and wildlife resources, for conservation of recreational resources, for conservation of lands, and for promotion of sanitation and pollution control. In utilizing these funds the CVA may—and when so directed by the President, must—conduct its activities through or in cooperation with other Federal agencies and it may also operate in the same way through local, public, and private bodies. This is a provision which makes it possible for conservation agencies to obtain the financial wherewithal to do the job they all know must be done.

As one would expect, the opposition to the CVA bill comes from the people who have always been opposed to conservation and who have sought to exploit the resources of the public domain for selfish interest. In the forefront as always are the private utility corporations, the power lobbies. As is their custom, they are operating behind front organizations financed largely by them such as the development associations, reclamation associations and water users protective councils recently organized in the Northwest mainly for the purpose of defeating the CVA bill. The railroads, too, have been contributing to these front outfits and the chambers of commerce, of course, have fallen in line. These are the people who have always said that there is nothing wrong with the situation as it now exists. These are the people who want to be let alone so that they can exploit the wealth which rightfully belongs to all the people.

I want to remind you again, as you set yours sights on bold new programs, not to overlook the unfinished business of extending the tried and true practices which have always promoted the best kind of conservation in the United States. I am sure that you will want to put this bit of unfinished business—the CVA—on your action list.

Editorial Tributes to Hon. Harry Flood Byrd, of Virginia

EXTENSION OF REMARKS

OF

HON. RICHARD B. RUSSELL

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Monday, May 16 (legislative day of Monday, April 11), 1949

Mr. RUSSELL. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD seven editorials based upon the statement recently attributed to the President of the United States relating to the senior Senator from Virginia [Mr. BYRD]. These are only a few of a vast number which have been printed with respect to the statement, in various sections of the country, showing the trend of editorial opinion on the services and character of the Senator from Virginia.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Clarke Courier, Berryville, Va., of May 12, 1949]

ONE BYRD TOO MANY

United States Senator HARRY F. BYRD's position in the Nation was strengthened considerably this week by the statement of President Truman that there are "too many BYRDS in Congress." The President was speaking to a veterans' organization, and if his statement is to be construed that he will attempt to purge Senator BYRD, here again he is doomed to disappointment as he was on the appointment of Mon C. Wallgren whose appointment to the National Security Resources Board was blocked by Mr. BYRD because he didn't think Mr. Wallgren was big enough for the job.

Senator BYRD has always been a champion of sound economy in Government. It is something for which he has preached and fought since he entered the Senate in 1933, but so far his cries have fallen on deaf ears and his has been a voice "crying in the wilderness" so ably depicted by Cartoonist Berryman in the Washington Star Monday. His continual fight has irked the President no end, but he continues relentlessly in what appears to be a vain attempt to put this Nation on a sound fiscal basis. He has opposed wild spending of the taxpayer's money, overlapping bureaus and agencies, Government hand-outs and doles and unconstitutional legislation.

If the President has been irked by Senator BYRD in trying to halt this orgy of spending then he is irked by a true statesman who has forever placed the welfare and the honor of his country above party ties.

If the President has been irked by Senator BYRD who has played a leading role in blocking legislation which the President has seen fit to force upon sections and peoples of the country, notably the civil-rights issue, then he is irked by a man who lives and breathes constitutional government.

There are not too many BYRDS in Congress. There are not enough of them. There should be more, imbued with the same principles and beliefs as the lone Senator BYRD has. Besides the aspect of national bankruptcy if we continue to spend more than we have coming in in taxes, there is another danger of excessive spending which makes us slaves to Government. If we depend on Government for farm parities, education, and the like, one of these days we might be told by the Government which newspaper to read, which radio program to listen to, or what doctor to call in during an illness. This is just not idle chatter. It can easily happen once we throw constitutional government by the wayside, as so many countries in Europe have done.

So far as a purge of Senator BYRD is concerned, the Senator said he will be on hand when the purging starts. He did not say this in a manner of a braggadocio, but simply stated a fact and a challenge. The late President Roosevelt attempted to purge Senator TYDINGS, of Maryland, and Senator GEORGE, of Georgia, but failed miserably when these two men were reelected by overwhelming majorities. The CIO tried to purge Senator BYRD in his reelection in 1946 and failed dismally. Virginians and natives of other States don't like to be told who to elect to posts in their National Government, be he a President or otherwise.

The President, however, is treading on thin ground. During his campaign last fall he kept repeating that his Congress at that time was the worst he had ever seen. His criticism while leveled at Congress was indirectly aimed at the people, for it was the people who elected that Congress, and it is the people who elected the present lawmakers, many of whom like Senator BYRD, can't see eye to eye with him on many legislative matters.

It is good and with a deep sense of satisfaction that we have one BYRD in Congress, and we observe that one BYRD in Congress is worth two in the bush.

[From the Newport News (Va.) Times-Herald of May 11, 1949]

MR. BYRD, THE PURGE, AND WASTE

Senator HARRY F. BYRD and President Truman are feudin' again and here's how it happened:

Last week the Virginia Senator, who is a constant advocate of Government efficiency and economy, brought out some statistical forecasts that indicated a growing deficit of billions in the National Treasury. He made a biting attack against the spending program of the administration in advocating a minimum 10-percent cut in Government outlays.

Mr. Truman came back Monday in a talk to a group of veterans with a crack about there being "too many BYRDS in Congress" (there being only one, Senator BYRD, of course), adding that he wanted Congressmen elected who are able to see things in terms of the national interest rather than local interest and make large plans rather than small plans.

To which Senator BYRD has replied that: "If the President means he intends to purge me from the Senate because I will not accept his dictation in matters of legislation, then I'll be on hand when the purging starts."

Mr. BYRD, on the record, has the better part of the argument. He received wide support for his vote in committee which laid on the shelf the President's appointment of his pal, former Gov. Monrad C. Wallgren, of Washington, as Chairman of the National Security Resources Board. That was the initial move of the recent break. And in his plea for efficiency and economy Senator BYRD has the powerful and authoritative backing of the Hoover Commission on Reorganization of the Executive Branch of the Government.

For an expert of the Hoover Commission in a statement yesterday claimed that "billions of dollars are being squandered on duplicating badly engineered projects" by the Army engineers and the Department of the Interior's Bureau of Reclamation. That is the latest in revelations by the Hoover Commission of waste and extravagance. The charge is made by Leslie A. Miller, Chairman of the Natural Resources Committee, who writes for the Saturday Evening Post with a foreword by Mr. Hoover himself which says: "Opposition to effective corrective measures is already rampant * * *. The battlers for the bureaus must be overcome by sheer force of public opinion if our free system is to be saved for future generations."

Mr. Miller paints a picture of two Government agencies so jealous of each other that they vie for projects by underestimating and in effect "bamboozling Congress into easy acquiescence" in costly projects thereby. He charges that both agencies "stoop to deception in furtherance of their efforts to stake out claims or projects" and that both agencies are guilty of "brazen and pernicious lobbying to achieve their ends."

That isn't a pretty picture and it is the thing, along with a lot of other like practices of waste and extravagance at which Senator BYRD has been aiming his fire for years. That sort of extravagance is a threat to the national welfare. In trying to bring some efficiency out of this welter of charged inefficiency, who is the man thinking of the national welfare, Senator BYRD or his critic?

Who is thinking "big" in trying to get a dollar's worth of service from a dollar's worth of taxes? The answer is obvious. Rare is the bureaucrat who does not try to spend more and expand beyond the public need to give more prestige to his bureau. The legislator who seeks to curb that trend is desperately needed in Washington. We marvel not at Senator BYRD's efforts but the President's criticisms.

[From the New Haven (Conn.) Register of May 11, 1949]

TOO MANY BYRDS?

With his usual unwarranted self-assurance President Truman has now indicated displeasure with the attitudes of Senator HARRY F. BYRD, of Virginia. In Mr. Truman's view there are "too many BYRDS in Congress." But it is the opinion of most careful observers of the Washington scene that there are not enough men like BYRD in any of the branches of Government.

For BYRD has consistently, through almost 16 years in the Senate, fought for the improvement and the advancement of the United States—and has sought to sponsor such progress in a logical, money-wise pattern. In an era in which Government spending has soared to stratospheric heights, this emphasis on economy and financial caution has not made HARRY FLOOD BYRD a popular man with the administrators. Franklin D. Roosevelt as well as Harry Truman found him a serious stumbling block to the blank-check excesses which have masqueraded as Federal business for almost two decades.

On every important issue of the times, from the Federal reorganization schemes of the Roosevelt era, through the war with its massive defense programs, down to the immediate pipe dreams of the Fair Deal's exponents, HARRY F. BYRD has thought first of what was best for the country and secondly of what would be the best, most efficient, and most economical way of doing it. He has followed his own conscience and won wide respect and recogition for so doing.

The veiled Truman threat of a political purge of the Democratic Senator is the latest in the President's long series of ill-considered actions on the national and international scene. Fortunately, it stands about as little chance of success as have some of the administration's more grandiose schemes of late. The Virginia constituents who have sent Senator BYRD to Washington repeatedly since 1933 seem well-content with his representation. Great numbers of Americans from all parts of the country consider him one of the most important "watchdog" legislators in Washington. Only President Truman seems to find Senator BYRD's devotion to efficiency and economy a burden.

[From the Shreveport (La.) Journal of May 12, 1949]

MR. BYRD WON'T SCARE

If President Truman thinks he can frighten Senator HARRY F. BYRD, of Virginia, by shooting criticism at his policy of economy in public spending or any of his other senatorial services, he has another think coming. Mr. BYRD simply doesn't scare, even when the adversary is the United States Chief Executive. He does his duty as he conscientiously sees it, and can be depended upon to serve the public to the best of his ability.

The Byrds of Virginia represent the highest type of American citizenship, and politicians, regardless of the size of their clubs, can't shove them about.

The President let his tongue do some slipping during a visit from Gilbert Harrison, Los Angeles, national chairman of the American Veterans Committee, whose call had to do with housing legislation. According to Mr. Harrison's reported statement, Mr. Truman urged veterans to work for the election of Members of Congress "who think in terms of national, rather than local, interests; in terms of large plans instead of small plans," and then reputedly remarked that the slow-moving Congress contained too many BYRDS. At any rate, Mr. Harrison reported him to that effect, which, as was to be expected of the Byrds of Virginia, brought prompt rebuke from the Senator at whom he was aiming, presumably, as the Virginian accepted it, hinting at an attempting purge.

Mr. BYRD probably would enjoy nothing more than a tangle with Mr. Truman before Virginia Democrats. And those making wagers could place no odds with more safety than to put them on the Byrds of Virginia, who represent their State always with credit and without swerving from the path of integrity.

That Senator BYRD would genuinely welcome a purge which the President may have been driving toward, is seen from his remarks:

"If the President means he will attempt to purge me from the Senate because I will not accept his dictatorship in matters of legislation, then I will be on hand when the purging starts. I owe my allegiance to my constituency of Virginia. So long as I remain in the Senate I will vote as my conscience dictates and to represent the wishes of my constituents."

Mr. Truman had some reason for complaining about their being too many BYRDS in Congress, evidently meaning all Members who oppose his tax-raising and socialistic proposals. Just 3 days before his caustic remark about the anti-New Deal Virginian, Mr. BYRD gave Congress a formula for slashing the Presidential budget by $4,000,000,000, with an appeal to those favoring welfare measures to delay action and a call upon members of congressional committees to defeat proposals for which competent estimates of annual and long-range costs have not been provided."

As reported by the United Press, Senator BYRD, who consistently and fearlessly advocates economy in Government, told Congress that every governmental agency "could absorb a 10-percent cut in administrative costs without impairing essential services. His recommendations for obtaining relief from the uptrend of taxation, especially for slicing the Truman budget to the tune of four billion, are, says the UP story:

"Reduce Government spending by $1,000,000,000 by ignoring or postponing nonessential legislative proposals of the President.

"Save $500,000,000 by eliminating or postponing other nonessentials already authorized.

"Cut $1,000,000,000 through effective unification of the armed services.

"Cut $1,000,000,000 by reducing the Government pay roll.

"Save an additional $500,000,000 through prudent appropriating and efficient administration."

President Truman's demands for upping taxes are opposed not only by the BYRDS but by some of the Truman aides, who, realizing the unpopularity of the President's policy, are advising the lightening of some of the existing tax burdens and the scaling down of the administration's proposal for $4,000,000,000 more from new levies. What these economic advisers now are doing is what Senator BYRD has been urging all along.

President Truman and his administration may consider there are too many BYRDS in Congress, but pray tell us what would happen if there weren't some conscientious, clear-thinking capable BYRDS to fight the people's cause?

[From the Tampa (Fla.) Morning Tribune of May 11, 1949]

GIVE US MORE BYRDS

Mr. Truman is again indulging in his favorite pastime of nagging Congress. This time he directs an ill-tempered thrust at congressional advocates of economy in saying that "there are too many BYRDS in Congress."

The reference is, of course, to the Virginia Senator who for years has been attacking waste and extravagance in Federal expenditures and demanding drastic curtailment in the cost of Government.

Our answer—and the answer of a large majority of American taxpayers—to that blast is that we need many more BYRDS in Congress. It is unfortunate for the people that there are only a few of that species—the forthright Virginian himself and those who join with him in urging governmental economies.

It may be that the President's singling out of Senator BYRD as the target for his latest shot at Congress was provoked by the Senator's masterful speech in the Senate last week, in which he vividly described the Nation's financial situation and again emphasized the necessity of curtailing waste and extravagance.

We quote several passages from Senator BYRD's speech:

"If we are to take the (President's) program in full, we would be called upon—in a period of extremely sensitive economic uncertainty—to exceed all previous peacetime spending records, lay an additional levy of $2,000,000,000 in pay-roll taxes, increase postage rates to bring in an additional $250,000,000, and enact $4,000,000,000 in proposed new general fund taxes on income for the next fiscal year, and more new taxes in fiscal 1951, or, in effect, to authorize a deficit of three to four billion dollars in the coming fiscal year, with prospects of an even greater deficit in fiscal 1951.

"By all the rules, new taxes at such a time as this may easily accelerate a minor business decline into a major depression.

"When we analyze the President's budget requests for fiscal 1950, which begins July 1, we know that the Federal Government is permeated with waste and inefficiency. We know that with the exception of interest on the debt and several other items of similar character, there is not a single category in the expenditure side of the budget that could not absorb a full 10-percent reduction in administrative costs without impairment of essential functions.

"In the year before Pearl Harbor, Federal taxes amounted to 7 percent of income. In the current year they amount to 17 percent of income. If the President's budget were enacted, the Federal tax bill would amount to 21 percent of income.

"If the President's program for fiscal year 1950 is substantially enacted in this session of Congress, the increasing momentum of existing commitments combined with the new ones to be assumed under the President's proposals, are certain to drive Federal expenditures to a dangerous height in fiscal 1951."

Senator BYRD estimated a deficit of 9 to 14 billion by fiscal 1951—and his estimate does not include the expanded Air Force; the farm plan or national health insurance. These will make the deficit much greater.

Such clear and convincing statements prompt the cry: Give us more BYRDS.

[From the Columbia (S. C.) State of May 11, 1949]

PLANNING A PURGE?

President Truman is reported to have remarked, "There are too many BYRDS in Congress."

Senator HARRY BYRD, of Virginia, who has fought valiantly against the President's fiscal policies as well as lavish Federal spending in general for years, accepted any veiled challenge the remark might have carried and retorted that he'd be on hand for the purging.

That we can believe. We cannot imagine a BYRD of Virginia failing to welcome a fight, whether it be in the armed forces, with pistols at dawn over the corners of a handkerchief, in verbal debate, or political.

Nor could we feel much doubt at the outcome if Harry Truman should invade Virginia in an attempt to unseat Senator BYRD. We fancy that in this event the President would come out as nothing more than a little man from Missouri. He would not be taken seriously. Virginia voted for him as the regular Democratic nominee last November, sticking to its traditions. An invasion from outside with an attempt to dictate whom the Old Dominion should send to the Congress would be greeted with the same indignation that awaited other outside influences during the last century and meet the same warm reception that was accorded a certain invader at a place called Bull Run.

There is an old saw, "I'd rather be right than be President." Mr. Truman's attitude shows how wrong a man can be even if he is President. For our money—and do we mean money—there are far too few BYRDS in Congress. There are far too few willing to carry on the same type of militant campaign for economy and against the gimmes in Federal Government.

Now if the President was misquoted in his spelling, and meant to say there were too many birds in Congress, he might have had something on his side.

[From the San Antonio Express of May 11, 1949]

TRUMAN VERSUS BYRD: A SIGHT TO MAKE ANGELS WEEP

When President Truman remarks—as Gilbert Harrison of the American Veterans Committee lately quoted him—that "there are too many BYRDS in Congress," he directly antagonizes the great mass of enlightened opinion.

What this country needs—and in these difficult times needs desperately—is more statesmen of HARRY F. BYRD's caliber in both branches of Congress. Certainly the Nation today has no more conscientious, farsighted, outspoken, and useful public servant than the senior Senator from Virginia. Even though he has failed to stem the rising tide of public expenditure, the people could not spare this watchdog of the Treasury.

When Senator BYRD speaks, the Nation listens because it must. His voice is that of common sense, addressed to level-headed men, who agree with him. Mr. BYRD is the Senate's and the Nation's ablest spokesman for fiscal sanity, as opposed to the fallacies which in this day and time have swept millions off their feet. He stands upon the solid earth, to which, when they shall have had their fling, men and nations must return—to start on the slow, toilsome way to solvency.

A perplexed, tax-burdened, debt-carrying, but dollar-happy America riding at high tide could not do without BYRD. He is the great stabilizer, not only in Congress, but in the Nation's thinking.

It follows that Senator BYRD has no need of apologizing for the allegiance which he pays to his constituency in Virginia. By his unyielding fight on governmental extravagance and the bloated bureaucracy he has served the Nation admirably. Like his great predecessors, he is also serving mankind—for, as he repeatedly has asserted, only a strong, solvent America can save the world.

Truman's Phony Mandate

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, Frank Kent, in the Washington Sunday Star, contends that President Truman had a phony mandate to which he now attributes all the trouble confronting him. Under leave to extend my remarks, I am including the article in question.

BLAMES PHONY MANDATE FOR PRESIDENT'S TROUBLES—POPULAR SUPPORT HELD LACKING FOR MOST CAMPAIGN PROMISES

(By Frank R. Kent)

If it is true President Truman fooled the politicians, pollsters, newspaper editors, columnists, and bettors about the result of the last election, it is also true he fooled himself quite as badly concerning the meaning of the result. If the experts missed the signs that pointed to his victory, Mr. Truman and his advisers certainly misread the significance of the returns.

Proof of this is the exceedingly sick state in which his so-called fair-deal program now finds itself after 4 months of Congress. Chief reason for this is administration acceptance not only of the labor bosses' interpretation of the Truman success as a mandate to repeal the Taft-Hartley Act but the unwarranted administration expansion of the mandate idea to include numerous campaign promises more or less desperately made when there seemed almost no chance of his election. That was a mistake. On this assumption a gigantic program was developed which would have been fantastic even if the Truman victory had been overwhelming and the country ripe for socialistic experimentation.

That program bears no relation to realities and it is not surprising it has bogged down. The flattest failure is the effort to wipe off the books the Taft-Hartley law. It is perfectly clear now that this is not going to be done. Though, in addition to the full weight of the labor bosses and the full weight of the White House, Mr. Truman has used the full weight of Federal patronage, the repeal proposals are stuck. On this issue Mr. Truman and the labor lobbies, despite their belligerent proclamation and claims, are in retreat. On this issue the mandate has been exposed as particularly silly. Although left-wing columnists who speak for the CIO insist that a Truman victory is still possible and are trying to cajole the easily cajolable liberal Republican Senators, such as IVES, MORSE, and AIKEN, this is recognized as propaganda and everybody knows the repeal fight has been lost.

Final result at this session will be passage of a bill modifying the existing law as proposed or agreed to by Senator TAFT but retaining the chief features of the Taft-Hartley Act. Whether the name is changed or not is immaterial. The main point is that the attempt to kill the only piece of labor legislation in 16 years affording the public any protection at all and go back to the original Wagner Act under which the labor bosses wielded—and abused—unrestricted power, has failed. For that, the average American can be grateful. Any other result would have been degrading and devastating.

But other parts of the Fair Deal program seem just as thoroughly mired now as the labor part. For example, the new farm bill, evolved by Secretary of Agriculture Brannan, designed to increase the subsidies to the farmers and decrease the price of food to the consumers by direct payments out of the Treasury. This would be pretty tough on the taxpayer and further unstabilize our unstable Federal finances. Even Mr. Brannan can only guess what the cost would be. In any event the best guess is that the bill will not pass. Nor will the Truman compulsory health-insurance bill; nor the extraordinary Economic Stabilization Act of 1949. Nor the Truman tax proposals; nor the Truman proposals to expand the Social Security Act so as to take in 20,000,000 more individuals at an almost incredible cost; nor his civil-rights proposals.

Altogether, only a negligible part of the President's domestic program seems scheduled to go through this session. The situation, of course, may change but experienced observers do not now think so. As they see it, there was never a more underbaked and untimely program presented nor one more completely stalled. And this is especially remarkable when it is considered that Mr. Truman, a newly elected President with 4 years of his term stretching ahead, has a Democratic majority in both branches of Congress and a great many offices to fill.

The effort to ascribe this failure to a sinister coalition of Republicans and southern Democrats is strained. The word "coalition" is regularly used to explain the fact that a majority in Congress—and in the country—favors neither the subservience to the labor "bullies" exhibited by the administration nor the huge cost and drastic character of the welfare legislation proposed. Above all, what the state of the President's program shows is that there is behind it nothing resembling a popular mandate. Talk from the administration politicians and the labor publicists about taking "our case" to the people in 1950 is "bunk." There isn't any way to arouse the people in favor of this program. They were not for it last year and they are very unlikely to be next.

Making Oil from Coal—Experiments at Gorgas, Ala.

EXTENSION OF REMARKS
OF
HON. CARL ELLIOTT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. ELLIOTT. Mr. Speaker, experiments are presently being carried on at Gorgas, Ala., by the Department of the Interior in cooperation with the Alabama Power Co. to determine whether or not it is practical to convert thin-seam coal into oil and gas.

If these and other experiments are successful, we will have the problem of a diminishing oil supply under control.

These experiments are of the utmost importance to Walker County, a part of the district which I have the honor to represent here. In Walker County we have great deposits of coal. Bigger seams in other sections, and a discriminatory freight rate make it difficult for many of our coal mines to operate with profit.

I hope that the Congress will see these experiments through. The making of oil and gas from coal will open up a great

new industry in this country. It will bring employment to thousands. An adequate oil supply will be assured.

As a part of my remarks I include an editorial on this subject from the Thursday, May 12, 1949, issue of the Mountain Eagle published at Jasper, Ala.:

MAKING OIL FROM COAL

A dispatch from Louisiana, Mo., Sunday reported that a method by which it is hoped to save the Nation from an oil shortage for generations to come, by making oil out of coal, was dedicated in a formal ceremony at that place. The Government is perfecting the process in two demonstration plants at Louisiana. Julius Krug, Secretary of the Interior, was present at the ceremony and made a very optimistic speech on the subject of making oil out of coal. "We have one tremendously important step yet to take—the construction of one of two full-scale commercial plants," he said.

Making oil out of coal, which has been done already, is a matter of great importance to Walker County, which has almost inexhaustible deposits of coal and operators looking for a market for it.

The United States Bureau of Mines has found that gasoline can be made from coal for 12 and 15 cents a gallon, but counting byproducts the cost can be reduced 8 or 10 cents. Plants for making gasoline from coal are very expensive, and it has been suggested that the Federal Government make loans for the construction of such plants.

Extension of Readjustment Allowances; More Hospital Beds—Definition of "Willful Misconduct" Cases for Veterans

EXTENSION OF REMARKS
OF
HON. CARL ELLIOTT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. ELLIOTT. Mr. Speaker, it is with regret that I notice a tendency in this country to minimize the sacrifices made by our veterans in the recent wars.

For instance, readjustment allowances under the GI bill will expire on July 25, 1949.

These readjustment allowances are of particular importance to the veteran of World War II, because he has not had time to become completely assimilated into the labor market. In a great many instances our veterans have not had sufficient employment experience to qualify fully for normal unemployment compensation benefits.

Unless this Congress continues and extends the readjustment allowance benefits provided by the GI bill, the veterans will suffer.

The veterans' hospital construction program has been reduced by some 16,000 beds. These beds are badly needed. I am in favor of this Congress furnishing these beds by way of restoring them to the hospital construction program.

Under present law, veterans are denied benefits for disabilities resulting from so-called willful misconduct. From the letters and expressions which I receive, I believe that mistakes have been made in classifying some disabilities as being the result of willful misconduct. I do not condone willful misconduct on the part of anyone, but I do think that it is very important that we not allow a loose administrative construction of the term "willful misconduct" to bar veterans from benefits, when a close examination of the facts would indicate that they are entitled to the benefits under veterans laws.

As a part of my remarks, I include a letter from Hon. C. C. Horton, director of the Department of Veterans' Affairs of the State of Alabama, together with three resolutions recently passed by the veterans committee of the southern governors' conference, and by the southeastern conference of State service officers:

STATE OF ALABAMA,
DEPARTMENT OF VETERANS AFFAIRS,
Montgomery, Ala., May 10, 1949.

Hon. CARL ELLIOTT, M. C.
House Office Building,
Washington, D. C.

DEAR CARL: I have been requested to forward to the members of the Alabama delegation the enclosed resolutions which were adopted at a recent veterans conference in Mobile. The conference represented 14 Southern States. I am sure that these resolutions will have your careful consideration.

I might add for your information that Mr. Sloan is director of the Veterans' Service Bureau of South Carolina, and Mr. McGovran is the director of the Department of Veterans' Affairs of West Virginia.

Respectfully,

C. C. HORTON,
Director.

"Whereas the expiration date of the readjustment allowance benefits provided by the GI bill, expire on July 25, 1949; and

"Whereas almost one-third of our unemployed are veterans receiving such allowances. Our experience indicates that the veterans have not yet been completely assimilated into the labor market. He lacks seniority—and is consequently the first laid off and the last to return to work. Most of our veterans have not yet acquired such employment experience as to qualify fully for normal unemployment compensation benefits. As a consequence, unless servicemen's readjustment allowances are continued, these veterans and the States will suffer considerably: Therefore be it

"*Resolved*, That the veterans committee of the southern governors' conference and the southeastern conference of State service officers at its meeting at Mobile, Ala., April 14, 15, 16, 1949, go on record favoring the extension of the benefits now provided."

The above resolution was passed by the veterans' affairs committee of the southern governors' conference and southeastern State service officers, in a joint meeting at Mobile, Ala., April 16, 1949.

Attest: R. S. SLOAN,
T. H. MCGOWAN,
Cochairmen.

"Whereas under recent decisions, the hospital construction program was reduced by some 16,000 beds; and

"Whereas it has been determined by a recent survey that these beds are badly needed to take care of the present load: Now, therefore, be it

"*Resolved*, That the veterans committee of the southern governors' conference and the southeastern conference of State service officers, favoring the immediate restoration of the original hospital construction plan, which we feel would only meet the minimum by the time the beds have been constructed."

The above resolution was passed by the veterans affairs committee of the southern governors' conference and southeastern State service officers, in a joint meeting at Mobile, Ala., April 16, 1949.

Attest: R. S. SLOAN,
T. H. MCGOWAN,
Cochairmen.

"Whereas present legislation does not provide for payment of benefits to veterans having disabilities resulting from so-called willful misconduct; and

"Whereas from years of experience it has been clearly demonstrated that many of these claims so classed as willful misconduct are in fact not misconduct at all; and

"Whereas veterans serving in World War I were treated for misconduct disabilities and advised when returned to full duty such conditions were cured; and

"Whereas these men served faithfully throughout the period of war, returning to their homeland and jobs with the belief they had no disease, carrying on their occupation for many years without recurrence of the disease; and

"Whereas at the present time many of these men are found hopelessly disabled with no chance of cure at this late date and are denied benefits on the basis that their disability was due to willful misconduct, thereby working a hardship on the veteran and his dependents: Therefore be it

"*Resolved*, That the veterans committee of the southern governors' conference, and the southeastern conference of State service officers, go on record that immediate steps be taken by Congress to amend the law providing payments to veterans who are otherwise entitled, for conditions now considered willful misconduct, so as to deny only such cases that are definitely proven to be willful misconduct."

The above resolution was passed by the veterans' affairs committee of southern governors' conference and southeastern State service officers, in a joint meeting at Mobile, Ala., April 16, 1949.

Attest: R. S. SLOAN,
T. H. MCGOWAN,
Cochairmen.

Discrimination and Segregation in the Bureau of Engraving and Printing

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Monday, May 16 (legislative day of Monday, April 11), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on the subject discrimination and segregation among employees of the Bureau of Engraving and Printing, delivered by Mrs. Margaret Gilmore, one of the outstanding women in Washington, at a mass meeting at the Bethel Baptist Church in Washington, D. C., on Sunday, May 15, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

We are here assembled for the second time in a mass meeting to protest the continued discrimination and segregation under which the employees of the Bureau of Engraving and Printing are forced to work. There are many of you here this evening who do not

know the extent to which minority groups, particularly Negroes, are discriminated against in this agency of the Federal Government.

We are also assembled here to protest the possible displacement of 1,800 women—1,500 of them Negro women. These young women served faithfully all during the war; some have been employed for 7 years or more; all are highly skilled in their jobs.

Some of you may wonder why we say there is discrimination in the plan of the Civil Service Commission to displace these young women. Let me tell you why:

These women with the exception of a very few must pass a civil-service examination to be certified to the position of printer's assistant at the Bureau of Engraving and Printing. The printers with whom they work, side by side, day after day, have only to file a Form 57 with the personnel office and are immediately given permanent status; no worries at all. Full security from the start. That is one reason why we say there is discrimination. The Bureau claims that the need for printers is so great, they do not have time to wait for them to compete in an examination. Well, isn't the need for these skilled assistants just as great since they must work side by side with these printers?

The United Public Workers of America, CIO, one of the few truly democratic unions in existence in this country, has been successfully organizing our forces at the Bureau. Our plan is to bring this matter before the President of the United States for this is our last resort. We have appealed to all the officials, low and high, who have any jurisdiction whatever over these employees. We have had no success. Now it is up to the President. The fight to save these 1,800 jobs will not only benefit the Negro women but the white women as well because without the fight of the union the question of status would have been decided adversely by the Civil Service Commission without any chance of appeal to the President. Thank God for that success.

Another form of discrimination and segregation is the refusal to hire Negro clerks and supervisors in the production division. The Bureau has also refused to admit Negroes to the crafts which consists of electricians, carpenters, painters, and others. We are segregated in seating arrangements in the various sections—the whites in the front, the colored in the back. There are segregated locker rooms as well. Only through union activity have we been able to make even a small dent in the breaking down of this discrimination. The Bureau has hired a few colored clerks—to be specific: About 6 and 1 assistant supervisor—this out of an enrollment of 3,200 Negro employees.

This is what the Bureau of Engraving considers conforming to the rules of the President's Executive Order 9980 which he stated was designed to eliminate discrimination from all agencies of the Federal Government. We say this agency has not conformed. It has ignored the order completely.

The last and most disgraceful form of discrimination in open defiance of the Presidential order is the refusal to give 35 Negro veterans, who are permanent employees, an opportunity to take an examination to become apprentice printers. This would eventually enable them to become printers. Is this what America promised to Negro veterans, men who honorably answered the "call to the colors" in order to make this country a better place to live in?

Today is: I am an American Day. Why not live up to this motto and make it work by asking the President of the United States to wipe out this disgraceful pattern of discrimination and segregation at the Bureau of Engraving and Printing? Let us make this Government truly a Government of all the people.

The Position of the American Negro in Event of War

EXTENSION OF REMARKS
OF
HON. CLYDE M. REED
OF KANSAS
IN THE SENATE OF THE UNITED STATES

Monday, May 16 (legislative day of Monday, April 11), 1949

Mr. REED. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a copy of a letter received by me from one of the reputable Negro citizens of Kansas, J. E. Henderson, of Independence. I think Mr. Henderson's letter more nearly represents the spirit of the American Negro than did Paul Robeson's traitorous statement at the Communist-sponsored meeting in Paris.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INDEPENDENCE, KANS., *April 20, 1949.*

Mr. CLYDE REED,
Washington, D. C.

DEAR SIR: I was sitting at my radio Wednesday night listening to a broadcast. I heard a commentator say as I listened to the broadcast that the Negroes will never fight the Russians. I would like for you to tell the world that at any time that any country thinks that they can invade America without having hell with the Negro of America, there will be a hot old time in the old town in Georgia.

When any country ties into us and thinks that the Negro will not fight, they are fooled. This is the Negro's country. Germany, Italy, or any other country doesn't belong to the Negroes, but this one does. If anyone thinks that he can lead his army to attack any part of America he will have more hell than hell can offer. The flag of Old Glory will never drag the dirt as long as the Negro of America lives. We have fought every war and will fight again to keep this country free from any Nazi. Don't let them be fooled.

J. E. HENDERSON.

Appraisal of the Welfare State

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES

Monday, May 16 (legislative day of Monday, April 11), 1949

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Appraisal of the Welfare State" by Prof. Henry Steele Commager, appearing in the New York Times magazine section of Sunday, May 15, 1949.

In this article the author describes the growth of liberal legislation in the United States as a solution of the problems of modern industrialism and the paralyzing effects of concentrated wealth and monopoly.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

APPRAISAL OF THE WELFARE STATE
(By Henry Steele Commager)

Mr. Truman has made clear that he proposes to continue the New Deal. That policy, which some critics thought an aberration, which others hoped was merely a temporary concession to the depression, is now seen to be a permanent feature of American political history.

Perhaps the best brief description of the New Deal is the term "welfare state." Beginning in 1933 the state has openly, and as a normal rather than an exceptional policy, taken the responsibility for the welfare of the mass of the American people—for social security, working conditions, farming, conservation and, less aggressively, for housing, civil rights, health, and education. It has taken this responsibility not only by standing between the individual and disaster but in the more positive fashion of protecting and advancing his prosperity and happiness.

Though it is common to regard the welfare state as an invention—or a borrowing—of Franklin Roosevelt and to describe it as a foreign importation, or a Communist plot, it is, in fact, older than, let us say, the doctrine of "liberty of contract," long celebrated by rugged individualists, and more native than the doctrine of laissez-faire, whose very name advertises its foreign origin.

The beginnings of the welfare state may be traced back at least to the decades of the eighties and nineties of the last century, to the rise of modern industry and capitalism and urban life in the United States. In other words, the concept and the practice of the welfare state is about 60 years old—a short period, perhaps, in history, but over one-third the history of the Republic.

In the beginning the Government—first State, then Federal—addressed itself to regulation rather than to control or to creation. This function of Governemnt is now so widely accepted that it seems almost irrelevant to mention it; yet in its day such things as Federal supervision of railroads, the income tax, conservation and agricultural relief were denounced as subversive, socialistic and communistic, and Federal centralization was held destructive of the foundations of the Republic. Indeed, the trumpets and alarms over centralization sounded a good deal earlier in our history:

"The Government," we read, "has been fundamentally altered * * * instead of confining itself in time of peace to the diplomatic and commercial relations of the country, it is seeking out employment for itself by interfering in the domestic concerns of society, and threatens in the course of a very few years to control in the most offensive and despotic manner all the pursuits, the interests, the opinions, and the conduct of men."

Thus Hugh Legaré, at one time Secretary of State, writing in 1828.

What, then, are some of the antecedents of the welfare state? First, perhaps, the program of internal improvements which President John Quincy Adams (it was against him that Legaré directed his diatribe) wanted to make the cornerstone of his Presidential policy. A titanic debate raged, for over half a century, over this program; who now recalls it but the historian, or who questions the propriety of Federal action in this arena?

A second major antecedent of the welfare state is the land grant and homestead policy of the Government formulated in the 1850's and launched during the Civil War. The Federal Government subsidized the construction of western railroads to the tune of about 180,000,000 acres of public land, while

States added additional tens of millions. At the same time the Homestead Act of 1862, and subsequent land acts, gave over 200,000,000 acres of public lands to farmers, ranchers, and timbermen. It was, in a sense, a relief program; it was, too, a welfare program.

A third body of antecedents came during the period when William Graham Sumner was preaching the Spencerian gospel of laissez-faire. But it was the period, too, when the philosophical foundations for the welfare state were being built. Lester Ward, greatest of American sociologists, drew the blueprints; a group of economists and historians, including John R. Commons, Richard Ely, E. A. Ross, Simon Patten, and Woodrow Wilson, proceeded to construct the edifice—construct it with the aid of practical workingmen like the elder LaFollette, Altgeld, Pingree, and Bryan.

Responding to the problems of modern industrialism State after State legislated to regulate railroads and trusts, assist farmers and workingmen. State action soon proved ineffectual, for local regulation could not cope with national problems and the responsibility was inevitably transferred to the Federal Government. Whatever we may think of the speed of the process of centralization today, it is a historical fact that the Federal Government was both slow and cautious in assuming supervisory responsibility, even in those areas where the constitutional authority was clear. Thus it required a century for the National Government to enact general legislation on immigration (1882), interstate business (1887), and restraint of trade (1890).

Leadership in the creation of the welfare state was the monopoly of no one party. The Populists originally took the lead, demanding, among other things, Government ownership of railroads, telephone and telegraph, a graduated income tax, Government-directed inflation; to these Bryan shortly added labor legislation and guaranty of bank deposits. The Republicans, under Theodore Roosevelt, translated some of the Populist demands into legislation; the Democrats, under Woodrow Wilson, carried the welfare program into new fields. And meantime such states as Wisconsin, Oregon, Kansas, and Massachusetts were embarking upon experiments which foreshadowed the legislation of the New Deal years.

There was no great difference between Roosevelt's Square Deal and Wilson's New Freedom, except that Wilson more clearly formulated a philosophy to justify the new role of government and insisted upon Presidential leadership in the translation of these ideas into laws. "There has been something crude and heartless and unfeeling in our haste to succeed and be great," he said, in his first inaugural address, as he called upon the Nation to abandon laissez-faire, reform the tariff, modernize the banking and currency system, remake the industrial system, give new vitality to agriculture through "the instrumentality of science taken directly to the farm," and to embark upon a program of conservation of natural and human resources.

"There can be no equality of opportunity," he added, in words that anticipated those Franklin Roosevelt was to use again and again, "if men and women and children be not shielded in their lives, their very vitality, from the consequences of great industrial and social processes which they cannot alter, control, or singly cope with. Society must see to it that it does not itself crush or weaken or damage its own constituent parts. The first duty of law is to keep sound the society it serves. Sanitary laws, pure-food laws, and laws determining conditions of labor which individuals are powerless to determine for themselves are intimate parts of the very business of justice and legal efficiency."

The first Wilson administration saw more important social and economic legislation than any administration since that of Washington—the Federal Reserve Act, the income tax, the Federal Trade Commission, and the Clayton Antitrust Act, the Adamson Act, a series of acts to help the farmers. Yet it was an advance that did little more than keep up with the mounting problems of modern economy.

The modern period of the welfare state, inaugurated in 1933—not in 1929 as some apologists for the Hoover administration now insist—is familiar enough. Confronted by a depression which business could not surmount, the Roosevelt administration undertook a program which was heatedly denounced by the champions of rugged individualism. But once written into the law of the land and endorsed by the courts, it came to be generally accepted. Nothing better proves that than its endorsement, in substance, by the Republican platforms of 1940, 1944, and 1948. If it can ever be said that anything is permanent in American politics, it can be said that the New Deal is permanent.

Granted that it is permanent, where is the line to be drawn between the welfare state and socialism, between a planned and a controlled economy? Granted that business can no longer remain wholly private, where is the line to be drawn between the regulation and the destruction of private enterprise?

These are valid questions. They are given immediate urgency by President Truman's proposals for the enlargement of the New Deal into the Fair Deal, and specifically by his recommendation of Federal aid to education and to public health, and his suggestion that the Government might find it necessary to construct its own steel plants. Are we, in fact, as Mark Sullivan has charged, slipping into socialism? Is this program in fact, as Senator TAFT has alleged, the program of totalitarianism?

The critics of the welfare state have only themselves to blame if Americans refuse to be excited by these charges or be aroused by rusty clichés and overworked shibboleths. Yet proponents of the welfare state themselves must be concerned by any departure from American tradition or any deviation from the logic of governmental activity in a democracy. How do Truman's three proposals fit—or deviate from—that tradition and that logic?

The principle and policy of State aid to education is, needless to say, very old. Its origins go back, interestingly enough, even before the Constitution. Jefferson's ordinance of 1785 provided for the use of public lands to advance education, and the Northwest ordinance of 1787—one of the basic laws of our history—specifically set aside certain sections in each township and certain townships in each State for the support of public schools, and this on the principle that "religion, morality, and knowledge, being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged."

Thereafter public lands—that is originally Federal lands—were freely devoted to support of public schools and institutions of higher education. In 1862 the Morrill Land Grant Act set aside additional millions of acres of public lands for the support of agricultural and industrial schools, and most of the great State universities of the country are land-grant colleges. In the 1880's the Hatch Act granted public lands to establish agricultural experiment stations. Incidental but not irrelevant to this is the long-accepted use of Federal funds for the support of such educational institutions as the Library of Congress, the Smithsonian Institution, and the Geological Survey. To date there has been no important instance of improper interference by the Federal Government with educational activities.

In the last decade the Federal Government has entered energetically into the field of education. The logic of this is clear enough. Rejections from the Army on account of illiteracy ran to some 4 percent. Future warfare will demand trained intelligence—above all, scientific intelligence. A government which has the responsibility of national defense, and which can conscript all the manpower of the nation for defense, has a legitimate interest in education. It is against the background of this over-all military situation that we can best appreciate the significance of such varying developments as the GI bill, the program of research scholarships, the subsidizing of scientific research, and the Fulbright bill. It is against this background, too, that we must consider the proposal to use Federal funds to equalize educational opportunities and to subsidize brains.

Although the United States Public Health Service dates back to 1798, the antecedents of Federal intervention in the realm of public health are more recent—as is indeed the whole concept of public health. The police power of the State to interfere in matters of public health has never been successfully challenged—the right to establish quarantines, to insist upon compulsory vaccination, to require health certificates for marriage—and States established boards of health as early as 1855.

The Federal Government entered tardily into the field, and almost surreptitiously. The Pure Food and Drug Act and the Meat Inspection Act of the Theodore Roosevelt Administration were early assertions of interest; so, too, the work of the Bureau of Public Health in combating malaria and yellow fever. Under the New Deal Federal contributions to public health expanded—in construction of hospitals by the WPA, for example, in the health work of the CCC, in the programs of maternity aid, aid to the blind and the crippled, and to State public health agencies under the Social Security System.

As yet, however, there has been no such large-scale invasion of the health field as of the field of education. Yet the logic behind Federal interest in public health is at least as convincing as that behind Federal interest in education. For where illiteracy accounted for only a small percentage of rejections from the armed services, health accounted for a shockingly large percentage. In many States that percentage ran as high as one-quarter or one-third; in North Carolina it ran to one-half. A government which has the responsibility of maintaining its armed services and which requires certain physical standards for those services, may well insist upon its obligation to raise standards of public health.

There remains the most perplexing question of all—that of Government competition in the realm of production. It is one thing to assert the public interest in an enlightened citizenry and in a population that is physically fit. It is, perhaps another thing to embark upon a program of industrial production. Here President Truman may have overstepped that intangible line which separates the welfare from the socialistic state.

Yet here, too, there are antecedents, and here some logical support. It is relevant to remember that from an early date States built turnpikes, canals, and railroads. In our own day local governments have commonly entered the field of the public utilities, and public ownership and operation of water, gas, electrical, and even transportation facilities is familiar enough. And if the Federal Reserve System has not actually nationalized the banks of the Nation, it has assimilated most of them to the Federal Government.

Undoubtedly, however, the most obvious peacetime precedent for governmental intervention in the field of production is the TVA. It is probably a safe generalization that Government will, in the future, use the spur of competition either to prevent monopoly or to increase production in those industries intimately and indissolubly related to the national defense.

Nor is there any reason to suppose that the program of the welfare state will be confined to what has been accomplished by the New Deal and proposed by President Truman. Walter Lippmann, who can scarcely be called a socialist, suggested some years ago as part of the agenda of liberalism "large social expenditures on eugenics and on education; the conservation of the people's patrimony in the land and natural resources; * * * insurance and indemnification against the risks and losses of technological and economic change; and many other things such as providing the opportunities for recreation which would not otherwise exist in specialized and congested communities."

To health, education, and recreation will doubtless be added more vigorous support to slum clearance and housing, a positive program in the realm of civil rights, systematic development of scientific research, and especially of the manifold possibilities of atomic energy, a program of conservation and internal improvements dwarfing anything as yet undertaken, and numerous other items.

Historically, what the welfare state undertakes is to give real equality of opportunity so far as that is possible, to undermine monopoly, to equalize actual burdens, to safeguard the common wealth in natural and human resources. It attempts to do this by regulating economy, by planning for economic and social development, by protecting men and women in their civil rights, by safeguarding the health and intelligence of the people.

Whatever this may be, it is not socialism. The essence of socialism is the public ownership and management of the means of production, capital, land, and property, by the state. Soviet Russia is, in large measure, a socialist country; Britain and Scandinavia are as yet far from true socialism. By contrast the United States retains, even after two generations of public regulation, even after 16 years of the New Deal, an economy of private enterprise. By contrast the American program remains a conservative one, and—it is proper to add—a democratic one. We do well to remember the warning which President Roosevelt sounded in 1938:

"Democracy has disappeared in several other great nations, not because the people of those nations disliked democracy but because they had grown tired of unemployment and insecurity. * * * In desperation they chose to sacrifice liberty in the hope of getting something to eat. We in America know that our democratic institutions can be preserved and made to work. But in order to preserve them we need * * * to prove that the practical operation of democratic government is equal to the task of protecting the security of the people."

Polish Constitution Day

EXTENSION OF REMARKS
OF
HON. JOHN J. ROONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. ROONEY. Mr. Speaker, under leave to extend my remarks, I wish to include the following address which I delivered before the United Polish Societies of South Brooklyn, Sunday, May 15, 1949, at Prospect Hall, Brooklyn, N. Y.:

Mr. Chairman, Madam Chairlady, Reverend Father, ladies and gentlemen, I am proud to have the privilege to join with you today in this celebration to commemorate the 3d of May constitution of Poland of 1791. I am grateful to your committee for their cordial invitation to once again address you on this great occasion and particularly to my loyal and esteemed friend, Walter T. Thomas, the chairman of your reception committee.

Throughout the length and breadth of America, Polish societies of sterling American citizens celebrate this historical event of 158 years ago. It was less than two short years after the adoption of our great American Charter of Government that the people of Poland adopted for themselves a similar manifesto of freedom. May 3, 1791, became the Fourth of July for the Polish nation.

The Polish patriots of 1791 can, indeed, be numbered among the advance guard of those who blazed a trail to new liberties. They left living memories stamped in the hearts and hopes of the Polish people through over a century of suppression under alien yokes.

The constitution of May 3, 1791, abolished the abuses from which Poland had for centuries been festering. Through the abolition of the most vitiating political evils of the old regime, the formation of a strong executive, and the granting of increased freedom of action to the middle and lower classes, it marked a great advance upon all previous attempts at reform in Poland. The peasants were placed under the protection of the law, where heretofore they had been defenseless, and their serfdom was mitigated preparatory to its entire abolition. Absolute religious toleration was established. The constitution afforded the possibility of a new, sound, and progressive national life. It was a heroic breach with the past and an eager reach toward the future.

There are many ties between the United States and Poland and one of the earliest is a mutual veneration for a figure bright in the history of both Polish and American independence. Kosciusko had fought valiantly in the American cause and in 1784 had returned to his native land, eager to apply the lessons he had learned overseas in the emancipation of his own country. His experience was put to good use, for the constitutional reforms which had been expected to give Poland a new life soon brought about her complete undoing. A liberal form of government could not be tolerated among the fortresses of unlimited autocracies. In 1792, Catherine of Russia declared war on Poland and after 3 months of an unequal struggle gallant Kosciusko and the Polish Army were defeated. The constitution of the 3d of May did not become incorporated into the life of the Polish people but became a legacy cherished during the long years when the name of Poland did not appear on any of the maps of the world.

As we reflect on those old days of the past and then think back to the present, it is clear that certain basic ideas have always been inherent in the evolution of democratic constitutional government, to the traditions of which both Poland and the United States are heirs: The idea that sovereignty resides in the people and political power is vested in the electorate, which is considered as equivalent to the people; the idea of universal suffrage and the right of the majority to rule; and the idea of certain inalienable individual rights which must be protected and guaranteed. In the last century and a half peoples have embodied their faith in these ideas in written constitutions, which have run into the hundreds. Among these, the good constitutions have provided an adequate law for the government, and safeguarded human rights. They have embodied in precise and enduring language a test for official conduct. They have been, in the words of Macaulay, "infinitely better than the best despot," when upheld.

It was not until the year 1918 that the philosophy of the Polish Constitution of 1791 became a living reality. From then until the iron curtain was rung down, Poland was proudly in the forefront of the ranks of the democratic nations of the world, respected by liberty-loving men and nations everywhere.

It is truly sad to note that the nation which first came under the heel of Nazi oppression should now find itself under the yoke of Communist despotism. But the entire history of the people of Poland has been a continued series of sacrifices and hardships, a valian crusade for liberty.

In the interim between the two World Wars, the liberties of the individual which democratic constitutional governments sought to establish were assailed by economic forces and alien political ideologies. Then—and now—they were attacked at their very roots, which are a respect for humanity, a profound conception of human dignity, of a religious and moral essence.

It was for these very liberties that Poles and Americans fought as allies during World War II. Every right thinking American today share the bitter disappointment of the Polish people over the fact that the communistic tyrants of Soviet Russia through intimidation, force, and chicanery have brought about the enslavement of Poland. People of our Nation, of all religious faiths and creeds are saddended at heart by Poland's present plight, and it is my fervent hope and prayer that the time will soon come when the valiant Polish people will no longer be isolated from us by the iron curtain.

As a nation whose hopes and aspirations have always been closely entwined with those of the United States of America, as a land which generously sent us many heroes to aid us in our own struggle for freedom and independence, the hearts and minds of the people of our great Nation have always felt deep sympathy and keen understanding for the valiant people of Poland. There is no doubt but that that sympathy and understanding shall survive the present Communist regime in Poland.

On this anniversary of the Polish constitution, we salute the people of Poland, not its Red Fascist government. Mind you, the peoples of Poland and America and of the world shall yet witness the day when the godless totalitarian Soviet Government crumbles into dust, when the iron curtain is raised forever, and when the people of that God-fearing country reestablish a free and independent Poland.

When that happy day arrives, and God grant that it is not far away, a new and free Poland, released of the chains of communism which have fettered her independence and freedom, will take her place once again as a bulwark of democracy in eastern Europe.

Michigan Does Something for the Veterans

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, because letters have come in,

complaining that veterans are not being given any consideration, from the Grand Rapids (Mich.) Press of a few days ago the following statement is reprinted.

It shows not what the Federal Government has paid or is paying, but what the State of Michigan has paid or will pay, to assist veterans, who, we all admit, are entitled to generous consideration, but who cannot charge, as a few do, that they have not been given any consideration.

The statement is as follows:

GENEROUS MICHIGAN

The latest report from the adjutant general's department on Michigan's World War II bonus contains this interesting statement:

"Through April 30, 544,127 claims totaling $193,281,980 had been paid to residents of Michigan, out of the grand total of 602,450 for $215,989,115."

This indicates that 58,323 nonresident veterans have shared $22,708,135 of the State bonus. It is estimated that 634,505 veterans are eligible to receive the bonus. Approximately 95 percent of the eligibles, therefore, have been paid. If present trends hold true, an additional 3,000 nonresidents will be cut in on the bonus to the tune of another $1,170,000. That will bring total nonresident bonus payments to approximately $24,000,000

Michigan taxpayers are paying out this $24,000,000 to residents of other States because the legislature stipulated that any veteran who had lived in Michigan for 6 months before induction could qualify for the bonus. At the time, the legislators professed not to know how many nonresidents might benefit from this generous residence requirement. They know now. And without too much effort they could find out how many of the nonresidents who are receiving Michigan-paid bonuses are also receiving bonuses from their actual State of legal residence.

Debasement of the Food Supply

REMARKS

OF

HON. FRANK B. KEEFE

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. KEEFE. Mr. Speaker, from time to time during the present session of Congress I have been trying to call the attention of the Congress and the people of the Nation to what I conceive to be a very, very astounding fact in connection with the debasement of the food supplies of this country. I have a resolution pending before the House Committee on Rules calling for an investigation.

As evidence of the need for such investigation, I ask unanimous consent to incorporate as part of these remarks a speech made on May 5 by Dr. Paul B. Dunbar, Commissioner of Food and Drugs of the Federal Security Agency, on the question: "The Food and Drug Administration looks at insecticides."

Every Member of Congress ought to read this magnificent statement of Dr. Dunbar, and it ought to point the way for action on the part of this Congress before it is too late, so that we may have a proper and suitable investigation by the Congress of this threat to your health and to the health of the people of this Nation.

The speech by Dr. Dunbar follows:

THE FOOD AND DRUG ADMINISTRATION LOOKS AT INSECTICIDES

In the briefest and least technical way I want to tell you of the thinking of the Food and Drug Administration about the use and abuse of poisonous sprays in the production of foods. Our concern, of course, is from the standpoint of our obligation to protect the consumer through the enforcement of the Food, Drug, and Cosmetic Act.

When your Secretary, Mr. Hitchner, asked me to attend this meeting he impressed me with the sincerity of his belief that this association is committed to a policy of safeguarding the distribution and uses of insecticides. I hope that what I have to say will assist you in implementing such a program.

To begin with, let me state a few fundamentals. (1) The Food and Drug Administration recognizes that the use of insecticides is necessary both to bring many agricultural food crops to maturity in a condition suitable for human consumption and to protect many foods against insect depredations during manufacturing operations and storage. (2) By and large insecticides are poisons. If they were not poisonous they would be of no value as insecticides. Their toxicity varies only in degree. (3) The terms of the Federal Food, Drug, and Cosmetic Act do not preclude the use of insecticides but they do make provisions to guarantee that when they must be used consumer safety shall be assured.

In drafting this law Congress obviously had in mind that under modern conditions we humans are exposed to traces of toxic substances from many sources. They recognized that the sum total of our intake of these minute quantities of toxic substances may be hazardous unless appropriate steps are taken to safeguard the public in every possible way. And so when they came to legislate about the purity of foods they held that a food is adulterated if it bears or contains any poisonous or deleterious substance which may render it injurious to health, regardless of whether that substance is a natural component of the food or is added. They went further and said that any poisonous or deleterious substance added to a food shall be deemed to be unsafe, regardless of the amount added, but recognizing that this would outlaw the use of necessary insecticides and severely curtail food production they provided an exception when it can be shown that the use of a poisonous substance is required in production or cannot be avoided by good manufacturing practice. In such cases they directed the Administrator to promulgate regulations setting safe tolerances which have the force and effect of law. They enjoined him when setting such tolerances to take into account, not only the extent to which the use of the poison is required or cannot be avoided, but also the other ways in which consumers are exposed to the same or other poisonous substances.

That provision of the law imposed a heavy responsibility on the Food and Drug Administration. I confess that we have not fully met our obligation. The law was passed in 1938; the war intervened and made it impossible for us to hold the necessary hearings to establish tolerances. We did hold a hearing and set up a tolerance for fluorides on apples and pears in 1944. That regulation was invalidated by a decision of the Ninth Circuit Court of Appeals. Following the termination of the war, we began preparations to reopen the hearings and set up tolerances under the law for a variety of insecticides which were coming into extensive use. Then we were confronted with a difficult situation. During the war a large number of new and very potent insecticides had been developed. Little was known about their toxicity either to the person who applied the sprays or to the consumer who ate the finished food product. In several cases we didn't even have methods for accurate estimation of the residual spray left on or absorbed by the food product. We didn't know whether the residues remained intact, whether they were altered by weathering to nontoxic or more toxic residues, whether they could be removed by washing, or whether they were absorbed into the plant structures and therefore could not be removed. We knew too little about many of these insecticides to hold hearings and establish safe tolerances.

When the toxicologist talks about poisons he views the subject in two ways; first, the possibility of acute poisoning, and, second, the possibility of chronic poisoning. Acute poisoning is something that doesn't worry us very much today in connection with spray residues on fruits and vegetables. Such poisoning occurs only through negligence. What the toxicologist is worried about is chronic poisoning resulting from the long-time consumption of minute amounts of a poison which may eventually build up in the system to produce a serious physical disturbance. That is what they call cumulative poisoning. It has long been known that arsenic and lead have cumulative effects. We are just beginning to acquire knowledge about the cumulative toxicity of a few of the newer insecticides.

To avoid overtaxing your patience, I am going to talk from here on about DDT. It will illustrate the general problem of all insecticides. DDT is a tremendously useful pesticide. You began manufacturing it in enormous quantities about the middle of the Second World War and I don't think there is any doubt but that its use saved the lives of many thousands of our boys who otherwise would have succumbed to typhus and malaria. There wasn't any question, even in those war years, but that DDT was poisonous. Work in the Public Health Service laboratories and in our own, done at the request of the military authorities, proved that; but we were able to reach the conclusion that it was a reasonably calculated military risk to use DDT as a typhus and malaria preventive, and that the risk of poisoning was less serious than the risk of exposure to these diseases. In reaching that conclusion the toxicologists believed that, while exposure to DDT would be fairly heavy, it would not be long-continued, and that the risks of cumulative poisoning would therefore be low. Since the war, DDT has deservedly retained its popularity as an extremely efficient insecticide. But by the same token there is an increasing danger of exposure of the general public to small continued intakes of DDT from many sources and for long periods with the resultant hazards of cumulative effect, particularly since the public has come to believe that it is not poisonous. We don't know how serious this hazard is in terms of human damage. We do know this: that experimental rats fed rations containing very small amounts of DDT, amounts of but one part per million or thereabouts, will in the course of time, and well before the end of a normal rat lifetime, store DDT in the fat and with five parts per million will develop liver damage that is minimal but characteristic; that female dogs exposed to cumulative effects of DDT secrete DDT in the milk; further, that mother rats fed 50 parts per million, or more, in their diet produce smaller weanling rats and fewer survivals to a litter than control animals. Now we cannot perform similar experiments on babies. We cannot exactly translate the results of rat experiments into terms of human effects. Certainly in any study of possible toxicity, if we know that

one species of animal is affected, there is only one course to follow and that is to play safe and assume that the same results would follow if we could use human animals as experimental subjects.

While DDT is an extremely useful insecticide, I am satisfied, as I have said, that the public has been more or less educated to believe that it is completely harmless. That undoubtedly has led to careless use by consumers in the household, and by food producers. The other day I received a pathetic letter from a lady in Georgia who stated that she had a small house and garden in a country area, and that nearby farms were being literally deluged with poisonous sprays. To quote her, "Our home is in a smother of poisons from surrounding farms from early spring until late autumn. Our continued illness, particularly my own during this time, has occurred after being exposed to these poison dusts and sprays." She goes on for several pages to recite the ills which she and her family have suffered and she sincerely believes, and perhaps correctly, that these ills are attributable, at least in part, to these continued exposures. Apparently her doctor believes so, too.

Now, gentlemen, as I said at the outset, poisonous sprays are a necessary and a very valuable part of our program of producing sound and edible food supplies, and of combating harmful and destructive insect pests. But the time has come when I am certain that this industry which you represent should and does recognize that discretion and discrimination must be employed in the use of poisons and that the ever-present objective must be the protection of human beings from undue exposure.

Until a few months ago we didn't have the infomation we now have about the cumulative effect of small doses of DDT. Such experiments require several years. Only recently have the experiments of the Bureau of Entomology and Plant Quarantine been carried to a point where it was necessary for them to say that if dairy cows are fed silage bearing DDT, if dairy cows are sprayed with DDT, or even if DDT is used in dairy barns, the milk from those cattle will contain DDT. Prior to that discovery it was our view that with proper precautions to protect the food from contamination, DDT was a useful and safe insecticide to use in connection with food production of every type. However, when inquiry was made of us, following the report of these results, by the Bureau of Entomology and Plant Quarantine, as to whether DDT was a safe substance for use in dairy practice, there was only one answer to make. Milk is a most important and universal food. It is the principal food of many babies from almost the day of their birth. It is an important food of children, and important as an item of the diet throughout our lifetime. Its purity must be safeguarded in every possible way. The Food and Drug Administration will not and cannot set up a tolerance for DDT in milk. It is plain common sense that dairy practice shall be so conducted as to protect the milk supply. Fortunately, the Bureau of Entomology and Plant Quarantine was ready to suggest alternative and far less objectionable substitutes for DDT. I cannot say too much in praise of the action of that Bureau in promptly adjusting its spray recommendations to fit the new situation. There is no ground for hysteria about our milk supply. The dairy industry will certainly abandon its practice of using DDT in favor of some less objectionable substance. After all, in many areas of the country the fly population is no problem during the winter months, and in summer the cattle are in pasture, unexposed to DDT. The impression that a vast number of our population are consuming harmful quantities of DDT in milk is unfounded. Our spot checks of market milk throughout the United States justify that statement.

But the risk exists; and therefore I can do nothing but to advise you to back up your executive secretary, Mr. Hitchner, in his efforts to encourage the discriminating use of insecticides.

A paper entitled "Pharmacological Considerations of Insecticides" was delivered by Dr. Arnold J. Lehman, Chief of our Division of Pharmacology, at the San Francisco meeting of the American Chemical Society in April. He discussed the results, not only of his own investigations, but also other scientific studies, and then listed those insecticides on which sufficient scientific evidence has now been accumulated to warrant us in believing that hearings can be held under the Federal Food, Drug, and Cosmetic Act and safe tolerances set up. His suggestions are not tolerances. Tolerances can only be set up in legal form after hearings. They are his ideas as to the location of the danger threshold. I am not going to read them all, but I do want to mention his views about DDT. He says that in his judgment the danger point should be under one part per million if a large part of the food consumed is contaminated, but that five parts per million approaches that point if DDT is found only in single items. By that he means that if it can be shown, for example, that the spray schedules can be so controlled by the entomologist and by you manufacturers that the harvested crop of most fruits and vegetables will contain no DDT, but that, perhaps, apples and pears may contain some unavoidable residues, then it may be permissible to set up a legal limit of five parts per million for apples and pears. On the other hand, if it turns out that a great many other foods, in order to be brought to maturity without being destroyed or badly damaged by insect infestation, must contain some DDT, then a wider range of products must be provided with tolerances. In that case, since the consumer intake would come from so many sources, a tolerance as low as one part per million may be required. The Food and Drug Administration will never be able to, nor should it, set up a DDT tolerance for every variety of food product. Certainly milk is one product where we will not do so. In general, baby foods of every type are in this category. Other foods which are less continually and less universally used may properly be permitted to be sold under a tolerance which quite possibly may not be as large as five parts per million but should be sufficiently liberal to permit effective but discriminating spraying.

I am quite confident that, with the determination on the part of insecticide manufacturers so to control their labels and distribution as to protect the consumer, and with the able guidance of the entomologists in the Department of Agriculture and in the various State organizations, it will be possible to work out a program that will not only protect the food supply but also will guarantee consumer protection. Such a program should call for avoidance of the use of insecticides in food production unless a real need for such use exists. It should obviously envisage the abandonment for food production of any type of insecticide which is too poisonous for safe use on foods.

May I close with the suggestion that there is a moral obligation upon each of you to bend every effort toward the synthesis, and economical manufacture, of pesticides which show promise of combining low human toxicity with high insecticidal value. A corollary obligation, it seems to me, is research in your own organization on methods of chemical analysis of new pesticides that will afford an accurate index of residues, not only on, but in our foods, in all those cases where presence of that particular pesticide is necessary. Such methods will also be invaluable to the industry and Government pharmacologists in estimating the effects of the pesticide on human beings. There are heartening indications that certain of you are fully conscious of both these obligations and are conducting research which, while in the short view may not seem to be productive in profits, will, in my estimation, pay tangible dividends in the long run. I heartily congratulate those concerns and, to the others say, "Go thou and do likewise."

Secretary of the Navy John L. Sullivan

REMARKS

OF

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. FEIGHAN. Mr. Speaker, the Secretary of the Navy will soon retire from public life, having rendered years of distinguished service to our country. This dynamic personality so inspired those with whom he came in contact that they, too, became imbued with his patriotic fervor. Possessed of leadership, brilliance of mind, and boundless driving force, his accomplishments were quickly perceivable. His outstanding executive ability, demonstrated in every office to which he was appointed, was readily recognized and he soon was chosen to head the greatest Navy in the world in its gravest conflict.

John Lawrence Sullivan of Manchester, N. H., first Secretary of the Navy to serve under the National Defense Act of 1947, was appointed to that office by President Harry S. Truman on August 21, 1947, and was sworn into office in the Pentagon by Chief Justice Fred M. Vinson on September 18, 1947.

As Secretary of the Navy he succeeded the Honorable James Forrestal, who became the Nation's first Secretary of Defense. Previously, Mr. Sullivan had served as Assistant Secretary of the Navy for Air from July 1, 1945, to June 17, 1946, and as Under Secretary of the Navy from June 17, 1946, to September 18, 1947. In both latter offices he succeeded the Honorable Artemus L. Gates.

ADVOCATE OF NAVAL PREPAREDNESS

During his tenure of office as Secretary, Mr. Sullivan has been the protagonist of strong and efficient submarine and carrier forces for the Navy, of utmost cooperation between the Navy and its industrial suppliers, revision of naval justice procedures and the building up of expanded Naval Reserve components, technically trained and including a Naval Research Reserve, which can be mobilized for instant service in case of emergency. He has been a persistent advocate of naval preparedness as an important factor in national security and as a prerequisite to international stability and peace.

His induction into office as Assistant Secretary for Air took place under dramatic wartime circumstances aboard a fighting aircraft carrier off the Japanese mainland on July 2, 1945 (July 1, 1945, Washington date). The incident was characteristic of Mr. Sullivan's avidity for first-hand information about the problems under his jurisdiction.

A lawyer by profession and a veteran of World War I, in which he served the Navy as a blue jacket, Mr. Sullivan brought to the Navy Department a background of legal activity in his native New Hampshire, 5 years' service as Assistant Secretary of the Treasury, and close association with veterans', civic, and welfare organizations.

TOURED COMBAT AREAS

Mr. Sullivan's trip to the Pacific combat areas in mid-1945, which was high lighted by his taking the oath of office aboard the carrier U. S. S. *Shangri-La*, flagship of the late Vice Adm. John S. McCain, United States Navy, commander of the Second Carrier Task Force, began on June 21, 1945, and was completed on July 15, 1945. He traveled more than 20,000 miles by air and about 5,000 miles by ship, conferring along the route with top Navy and Marine Corps leaders and with fliers and fighters from the ranks. The information and impressions gleaned during this trip and subsequent trips aboard surface and undersea craft have served Mr. Sullivan often in the determination of varied naval problems.

The swearing in at sea was an unusual ceremony, with the deck of the carrier as the setting. Officers and men wore helmets, ready for action. The oath of office was administered by Admiral Aubrey W. Fitch, United States Navy (retired), who was then Deputy Chief of Naval Operations for Air. Aloft, patrol planes dotted the sky, and standing by were other warships of the task force. After he had taken the oath, Mr. Sullivan told the assembly on the carrier's deck:

> We are engaged in so applying our vast sea-air power that this war may be won quickly and with as little sacrifice as possible. And with this war won, we hope that this same sea-air power will be preserved and stand ever ready to prevent new wars.

Mr. Sullivan was born in Manchester, N. H., June 16, 1899, son of Patrick Henry Sullivan and Ellen J. Harrington Sullivan. His father was personal counsel to the late Secretary of the Navy Frank Knox, a newspaper owner in that city, and subsequently Mr. Sullivan became an intimate friend of the late Secretary Knox and served as counsel for Mr. Knox's Manchester papers.

SERVED AS BLUE JACKET

During the First World War Mr. Sullivan entered the United States Naval Reserve Force as an apprentice seaman, being enrolled at New Haven, Conn. He reported for active duty with the naval unit at Yale University at New Haven. On December 22, 1819, he was released from active duty and on September 30, 1921, was discharged from the United States Naval Reserve force in the First Naval District, Boston, Mass.

Mr. Sullivan received his bachelor of arts degree at Dartmouth College in 1921 and his bachelor of laws degree from Harvard Law School in 1924. He was admitted to the New Hampshire Bar in 1923 and entered the practice of law with his father in 1924, as a member of the firm of Sullivan & White, of Manchester, N. H. From 1929 until 1933 he was county solicitor for Hillsborough County, N. H., a post formerly held by his father. In 1930 he became a partner in the firm of Sullivan & Sullivan, of Manchester, and in 1931 he became sole owner. He is now senior partner in the firm of Sullivan & Wynot, of Manchester.

Mr. Sullivan was appointed assistant to the Commissioner of Internal Revenue in September 1939, and became Assistant Secretary of the Treasury on January 17, 1940. At the Treasury Department he was in charge of the Bureau of Internal Revenue, Legislative Bureau and Procurement Division. He left the Treasury post in November 1944.

RECEIVED MEDAL FOR MERIT

Mr. Sullivan on January 27, 1948, was awarded the Medal for Merit by President Truman, with the following citation:

> John Lawrence Sullivan, for exceptionally meritorious conduct in the performance of outstanding services to the United States from January 1940 to December 1946. Mr. Sullivan, as Assistant Secretary of the Treasury from January 1940 to November 1944, displayed great tact, skill, and knowledge in formulating and coordinating the Treasury Department's tax legislation, which gained for him national prominence as an authority on taxation matters. As Assistant Secretary of the Navy for Air, and as Under Secretary of the Navy, he was a vital factor in the operation and administration of the Navy Department, and has made, by his vision, courage, and intelligent approach to the many problems of national significance, a contribution to the administration of the Government of this country which is outstanding in every respect. Mr. Sullivan's forceful performance of his duties has been in keeping with the highest traditions of the United States, and worthy of the greatest praise.

RECEIVED TREASURY AWARD

In February 1947 Mr. Sullivan was awarded the Treasury Department's Distinguished Service Award and Silver Medal for services rendered during the war finance program from 1941 to 1945. In June 1948 he was awarded the honorary degree of doctor of laws by Duquesne University, Pittsburgh, Pa.

Mr. Sullivan has been an important figure in Democratic circles in New England. Interested in civic and welfare organizations, is a director of the New Hampshire Children's Aid and Protective Society; a trustee of the Daniel Webster Council, Boy Scouts of America; and a trustee of Camp Carpenter.

Mr. Sullivan is a member of the New Hampshire Bar Association, the American Bar Association, the American Legion—having served as commander of the New Hampshire Department in 1937.

The service of Secretary John L. Sullivan is keenly appreciated and he has earned the gratitude of the Nation.

Article by the Late Honorable Sol Bloom

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 11, 1949

Mr. CELLER. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article by the late Congressman Sol Bloom which will appear in the June 1949 issue of Coronet magazine:

MESSAGE FROM MY MOTHER

(By the late Congressman Sol Bloom)

There is an ancient saying full of comfort and hope—"One with God is a majority."

This truth was stamped upon my mind by my mother who, in the midst of poverty and hardship, was always sustained by faith in God. I can remember, as if it were yesterday, the music of her voice as she strove to teach me.

"God is goodness, and truth, and right," she said. "You will be a man some day, and you will be asked to do wrong. The wrong will be painted in bright colors. You will be in doubt, not knowing what is right and what is wrong.

"At that time, while you are in doubt, listen to the small voice in your heart. But God does not thunder to you. You will not see the truth flashed across the sky. God will whisper to your heart, 'This is right; that is wrong.'

"This whisper will be very faint, and your temptation will be very strong. If you do wrong, you will have company and support. If you do right, you will seem to be alone and deserted. You may even think you are losing your friends.

"But no, my son, you will not be alone. God will be with you. He is your friend. He is the creator of truth itself. And with God standing with you in the right, you can win against all the world. Do not fear the struggle, my son—you are sure to win, for God and you together are stronger than those who would do wrong, even if they number in the millions.

"In all things, ask your heart, 'Which side does God choose? What does God wish me to do?' "

My dear mother! How often, through the years, have I heard that soft voice telling me: "Listen to the whisper from God."

Youth Assistance

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 3, 1949

Mr. JAVITS. Mr. Speaker, following is a story from the New York Times of Sunday, May 8, 1949, describing the work of the Manhattanville Neighborhood Center which is located at 514 West One Hundred and Twenty-sixth Street in New York. This center is doing a magnificent job of helping youth to avoid delinquency and of dealing with juvenile delinquency where it is found. It emphasizes the need for the national youth assistance bill, H. R. 1760, which I have introduced seeking $50,000,000 for aid to States and cities dealing with the problem directly or through such organizations as the Manhattanville Neighborhood Center. Dr. Harry Emerson Fosdick, pastor emeritus of Riverside Church is chairman of the board of Manhattanville Neighborhood Center, and Prof. Albert C. Jacobs, provost of Columbia University is its vice chairman:

NEW SYSTEM COPES WITH STREET GANGS—MANHATTANVILLE AGENCY'S FOUR FIELD AGENTS USE FRIENDLY APPROACH AS BASIS

(By Douglas Dales)

When teen-agers wrecked the dining room of the Manhattanville Neighborhood Center

at 514 West One Hundred and Twenty-sixth Street, directors of the institution decided it was time to revise their technique in dealing with street gangs.

As a result they began an experiment that has provided a mass of original material on how and why gangs are organized and why they act the way they do. It is expected to furnish valuable guidance to social workers trying to cope with the anti-social behavior of these groups.

The decision made was to send four trained social workers into the streets of the area—one of the most underprivileged in New York—to work intimately with youthful gangs. They were to establish contact where they could—in bars, poolrooms, candy stores, and all-night restaurant hangouts, and on street corners. They were to become gang associates, not "spies" or "policemen."

Jules Schrager, who has been executive secretary since the agency was developed 5 years ago from a wartime child care center, regards the "street club project" as the most advanced innovation in group work in recent years.

"Most organizations use the 'surgical approach' in dealing with bad cases of anti-social behavior within their buildings," he said yesterday in discussing the experiment.

"What usually happens is this," he explained. "Members of a gang are induced to come to the agency's building. They're rough and hostile, but they sign up and are assigned to a leader. Their behavior is good for 3 days, but on the fourth someone decides to heave a chair through a window.

"The result is that the agency, to protect its property, ejects the antisocial youth. That's the surgical approach. You weed the bad one out and let the good ones stay. Those ejected don't mind too much for after all there are more glass, street lamps, and other things to be broken outside than in the center."

The Manhattanville Center directors, faced with the need of preserving its property but at the same time determined to do something for the youths who needed help most, decided to try to work with street gangs outside the four walls of the center.

Manhattanville, sometimes called the valley, lies astride the flow of the migrant Puerto Rican and Negro populations as they spread out from Harlem and the south, searching for space in an already overcrowded neighborhood. It is a 36-block area between One Hundred and Twenty-second and One Hundred and Thirty-fifth Streets, from Convent Avenue to the Hudson. Sixty thousand persons, one-third Negro, one-third Puerto Rican, and the rest representing a score of national backgrounds, live there.

Towering above the tenements of Manhattanville immediately to the south is Morningside Heights, where some of the world's great cultural institutions are located. The contrast between the neighborhoods has pricked the conscience of the hill, with the result that the institutions there, including Columbia University, the Jewish and Union Theological Seminaries, and eight other institutions have joined in sponsoring the Manhattanville Neighborhood Center in a broad effort to redeem the valley.

The street-club project, as the work with street gangs is referred to, is one of the phases of the redemption process.

A set of broad guides for action was adopted before the four workers were placed in the field. They were to introduce themselves to the street groups as naturally as possible and associate informally with them on a nonprivileged basis. When a close relationship had been established and the groups were ready to come into the center, the field worker was to maintain his primary relationship with the group by coming to the center and engaging in activities as a group member. While the worker's role as an agency employee was not to be concealed, neither was it to intrude in the relationship.

When the gangs, now clubs, come into the center and destroy property they are kicked out as before. And this happens frequently.

"But there is this difference," Mr. Schrager points out. When the boys are sent away now, the agency worker goes, too, and contact is maintained between the agency and the club.

In this fashion, working in the field 15 hours a week, the 4 field workers have developed a close relationship with about 150 youths. From their daily reports data have been compiled on the composition and operation of street gangs, the codes and psychology that motivate actions.

The street-club project, only one of many activities conducted by the center, costs $600 a month and has been a heavy drain on the organization's budget, which has grown in 4 years from $30,000 to $98,000. There has been some recent talk that the project may be aided by the city youth board.

The center is being used by 750 persons, about the maximum the present staff can work with effectively. It is housed in the former Speyer School, a five-story structure, that was turned over to the center by Columbia Teachers' College, renovated at a cost of $170,000 and opened early last year.

The directors, of whom Dr. Harry Emerson Fosdick, pastor emeritus of Riverside Church, is chairman, have charted a new plan to begin July 1. On that date Clyde E. Murray, now headworker at Union Settlement, will be added to the staff of Provost Albert C. Jacobs, of Columbia University, who is vice chairman of the Manhattanville Center. Mr. Murray will serve as administrator of the center and will coordinate aid available from "the Hill."

Additional Clerk Hire for Members of Congress

REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, last Thursday when there were less than a hundred Members on the floor, the chairman of the Committee on House Administration, standing over here at my right and down by that desk, offered a resolution granting Congressmen $3,000 additional clerk hire. I intended to object but did not get the opportunity.

Extravagant and wasteful spending in the executive departments increased so rapidly in recent years that it became evident that, if continued, the tax burden would become unbearable. So Congress appropriated approximately $2,000,000 and created the Hoover Commission to investigate and to point out to the Congress in what manner the taxpayer's dollar could be saved and made to give better service.

That Commission made a report which indicated that billions could be saved if the Congress would enact certain legislation. Congressional committees, one of which is the House Committee on Expenditures in the Executive Departments, are now endeavoring to report out legislation which will give the taxpayer more for his dollar. That is all to the good.

But on Thursday last in the House an incident occurred which indicates that the present administration, including the legislative branch, does not intend to economize.

House leaders each week outline the legislative program for the next week, but the outline which last week came to the Republican Members of the House—and it is prepared by the Republican whip on information furnished by the Democratic leadership—did not contain any information which would indicate that the clerk hire of Congressmen was to be increased.

On Thursday, May 13, the chairman of the House Committee on House Administration, going down into the well of the House and standing close to the rail by the stenographer's desk, after calling up four routine privileged resolutions and two resolutions which called for but $500 and asking for immediate consideration, called up a bill providing for the payment of certain telephone and telegraph items incurred by Congressmen, and making available to each Congressman, for additional clerk hire, the sum of $3,000.

That bill was not on any calendar of the House and the Members had no reason to anticipate its consideration. There were less than 100 Members on the floor at the time.

I had learned through the press that such a measure was contemplated and, when the chairman of the committee walked down to the well, I moved to the front so as to be on the watch for that particular bill. Although I listened carefully, I was unable to hear enough of what either the chairman of the committee or the Clerk of the House said to learn that the measure I was watching for was up for consideration.

In the confusion, the bill making available to each Congressman an additional $3,000 for clerk hire passed the House without objection, without a voice or roll-call vote. It will cost the taxpayers of this country over a million dollars. In my opinion, two-thirds of the Members of the House knew nothing of the passage of this bill.

I am endeavoring to have the House rescind the action taken and am offering a resolution for that purpose.

Knowing as we do that there must be a lessening in Federal expenditures, there is, in my humble opinion, no excuse for the Members of Congress not setting the example.

President Truman may think, although I doubt it, that the Eightieth Congress was the second worst in history, but the Eighty-first Congress seems determined to make a record as a wasteful, spending, extravagant, ineffective legislative body. The House should rescind today the action taken last Thursday.

I ask unanimous consent for consideration of a resolution rescinding that action of the House.

The SPEAKER. The Chair does not recognize the gentleman for that purpose; the gentleman has not spoken to the Chair about his desires.

The Same Dean Acheson

EXTENSION OF REMARKS
OF
HON. L. GARY CLEMENTE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. CLEMENTE. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article entitled "The Same Dean Acheson," which appeared in the Tablet Saturday, May 14, 1949:

THE SAME DEAN ACHESON

In December of 1945 the then Under Secretary of State Dean Acheson received two militant anti-Christian Spaniards who were active in perpetrating the foul persecution of religion before and during the civil war in Spain. As a matter of fact one was a brigand of the first order and had escaped from Spain just before the police could lay hands on him. This reception by Mr. Acheson, as well as his sitting down to discuss Spain's future with other enemies of the country, prompted the Tablet on December 29, 1945, to say the following in an editorial:

"All we can say is that Acheson does not represent the American people. His spoiling for additional trouble in Spain may be a sop to the Communist and the other anti-Christian forces, but Americans, whether they support Franco or not, are united in saying it's about time our Department of State minded its own business and if it is looking for action abroad it should stop the appeasement of Red Fascist regimes and uphold the agreements pledged in the Atlantic Charter and the "four freedoms" for the nations upon whose cause we have sacrificed thousands and thousands of American lives and billions of American dollars.

"Spain has not fought the United States, as former Ambassador Carlton Hayes has said; she was benevolently neutral in the recent war and befriended the United States. Neither is Spain any threat to the United States in the future. Let Dean Acheson, the confidant of Spanish anti-Christians, take care that in doing his bit for revolution in Spain he does not bite off more than he can chew. The American people are fed up with progressive acts of betrayal to their basic Christian teaching and morality."

Now, that Mr. Acheson is Secretary of State his seeming prejudice has not changed, nor has his willingness to listen to certain members of the United States delegation to the United Nations—a delegation from which, as an item on page 11 shows, Catholics are barred. On Wednesday of this week he sought to justify the attitude of the United States in not working to renew proper diplomatic relations with Spain—relations which were broken in order to appease the Soviet Union when it was the fashion to kow-tow to the Red dictatorship. It will be recalled that only a few days previously a majority of voting nations in the Political Committee of the General Assembly had voted to withdraw the Soviet-dictated resolution on Spain and leave the issue of sending an ambassador to Madrid up to the individual member nations.

Dean Acheson's statement was an excellent presentation of double-talk and a fitting demonstration of arrant hypocrisy. Spain, he said, did not enjoy the "fundamental liberties" essential to membership in "the family of western Europe." If there was any consistency or honesty in such a position—and there seems to be none—then we would at once withdraw ambassadors from every country behind the iron curtain—every Communist-held nation wherein not only are fundamental liberties denied but hatred of the United States and its people are taught.

The rest of Mr. Acheson's statement followed the usual pro-Communist, anti-Christian line against Spain. Hitler and Mussolini, fascism, jails, etc., were all dragged in but neither Mr. Churchill nor the late President Roosevelt was quoted. Says Mr. Churchill in his memoirs: "General Franco disliked and feared Hitler. * * * Gratitude to Hitler and Mussolini for their help never entered his head. * * * His Majesty's government was content with the attitude of Spain. Nothing was easier than for the Spaniards to mount or allow to be mounted a dozen heavy guns in the hills dominating Gibraltar and the narrow passage to the Mediterranean. Spain held the key to all British enterprise in the Mediterranean and never in the darkest hour did she turn the lock against us." And on November 8, 1942, the then President Roosevelt sent the following letter to the Spanish Government.

"MY DEAR GENERAL FRANCO: It is because your nation and mine are friends in the best sense of the world and because you and I are sincerely desirous of the continuation of that friendship for our mutual good that I want very simply to tell you of the compelling reasons that have forced me to send a powerful American military force to the assistance of the French possessions in North Africa."

Appealing to Franco's "wide military experience," Mr. Roosevelt outlined the scope of the contemplated action and concluded with the promise:

"I hope you will accept my full assurance that these moves are in no shape, manner, or form directed against the Government or people of Spain or Spanish Morocco or Spanish territories—metropolitan or overseas. * * * Spain has nothing to fear from the United States. I am, my dear General, your sincere friend, Franklin Roosevelt."

The fact is, of course, Members of the Senate—Democratic as well as Republican, Protestants as well as Catholics—earlier in the week tore off the mask of hypocrisy which has been covering our attitude toward Spain. They rightly started a move to fully recognize, and rightly assist, Spain as we have a dozen other nations and to restore the words "honor and consistency" in our dealings with a country which is the one nation that has defeated and rooted out communism, which is our friend in Europe and which neither owes anything to us nor begs anything from us.

When one considers the way the State Department has treated Spain—and its people—and everyone notes the rushed recognition, with no pledges of any kind, given the new Israel—which in a matter of a few hours after recognition announced it would support the Soviet-inspired ban on Spain—one wonders why the President of the United States and the Congress do not clear out from the State Department the pro-Soviet coterie who by their contradictory and anti-Christian attitude make of diplomacy a mockery.

Student Program of Atomic Energy Commission

REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, I join with the distinguished gentleman from New York [Mr. COLE] in denouncing the conduct of the Atomic Energy Commission in giving fellowships to two known Communists. From Chapel Hill, N. C., comes the brazen admission by Hans Freistadt that he is a member of the Communist Party.

In view of that admission, Mr. Speaker, I call for the resignation of all members of the Atomic Energy Commission and for an extensive investigation by the proper committee of this House.

Chairman David Lilienthal cannot hide behind the National Research Council in this matter, nor can the other members of the Commission. The record is abundantly clear that these men had knowledge that Freistadt and one other were subversive individuals, yet they were awarded valuable scholarships in a most important field of national defense.

Mr. Speaker, the Congress is on notice; it should act at once by demanding the resignations of those responsible for this attack on our national security. We want action now. I sometimes wonder if we really want to contain communism.

[From the Washington Post of Friday, May 13, 1949]

TWO COMMUNIST STUDENTS GOT AEC AID, HICKENLOOPER SAYS

(By Mary Spargo)

The Atomic Energy Commission was accused in Congress yesterday of giving fellowships for advanced atomic study to two known Communists.

Senator BOURKE B. HICKENLOOPER, Republican, Iowa, a member of the Joint Atomic Energy Committee, further disclosed that the Commission, after agreeing to have FBI investigations made of fellowship applicants, had dropped the projects last fall after only 46 out of 246 applicants had undergone a loyalty investigation.

The Commission, HICKENLOOPER said, never gave a satisfactory or adequate explanation for dropping the investigations although the first 46 disclosed not only 1 known Communist but 4 or 5 other persons who "could never be cleared for confidential work."

The issue of whether taxpayers' money should be used to foot the bill for stipends to known Communists broke loose on both sides of the Capitol yesterday.

HICKENLOOPER brought up the question of the need for thorough FBI investigations of fellowship applicants at a hearing of the joint committee on the confirmation of Dr. Henry D. Smyth, Princeton University physicist, and author of the famous atomic weapons report bearing his name.

In the House, Representative W. STERLING COLE, Republican, New York, in a statement inserted in the RECORD, identified one fellowship student as a "professed Communist" named Hans Freistadt, a native of Austria, now taking postgraduate work in physics at the University of North Carolina, Chapel Hill.

Freistadt, recipient of a $1,600-a-year fellowship, acknowledged at Chapel Hill, according to the Associated Press, that he is a Communist. He told reporters that "nothing was said in the application for the scholarship about political affiliations." There is an FBI report on Freistadt, COLE said.

Another FBI investigation, HICKENLOOPER said, disclosed that a man doing postgraduate work, on public funds of $3,600 to $3,800 a year, was known to be a Communist Party member, and his wife was also known as a Communist.

The Iowa Senator said he would not name the $3,600-a-year Communist at this time,

but he said his name appears in the fifth annual report of the Commission.

HICKENLOOPER told the Washington Post that he brought the matter up privately to the Commission as far back as last fall and had hoped the Commission would take action. When it didn't, he said, it was time to bring the matter out into the open.

He said he had quite an exchange of correspondence with Chairman David E. Lilienthal about the matter but that Lilienthal never gave any explanation for dropping FBI investigations of such persons.

There is no question, HICKENLOOPER said, about the Communist Party membership of the applicant to whom he referred.

"I know the Communist Party cell to which he belongs and the Communist Party cell to which his wife belongs," HICKENLOOPER told the Washington Post.

The Atomic Energy Commission last night issued a statement in respect to its policy in granting scholarships for advanced work in nuclear physics.

The Commission said the selection of fellows for training was delegated to the National Research Council.

COUNCIL SET STANDARDS

"The funds for the fellowship program were made available to the council and it has set the standards for the selection of fellows," the AEC said.

"The Commission believes these standards to be the right ones and it endorses them.

"The Commission does not influence the selection of the fellows and does not require FBI investigation if the training program proposed by the applicant is nonsecret work in such fields as biology, medicine, biochemistry, agricultural sciences, nuclear physics, mathematics, and metallurgy.

"If, however, the program of study proposed by the applicant involves access to data that is secret as defined by the Atomic Energy Act, a full FBI investigation and clearance by the Commission is required in accordance with the terms of the act.

"The award by the National Research Council of an AEC-supported fellowship does not constitute any commitment on the part of the applicant or the commission to employ the fellow after completion of the training."

NONSECRET FIELDS

"The Commission believes that in the interest of science in the United States and the maintenance of a strong program of research in fields related to atomic energy, the investigative and clearance procedures required in the Atomic Energy Act should not be extended into nonsecret fields of science, nor should these procedures be applied to students entering the initial phases of their professional training."

HICKENLOOPER reiterated last night that he will press for full FBI investigation of all applicants for AEC fellowships.

It just doesn't make sense to him, he said, for taxpayers' money to be used to support members of the Communist Party.

Chairman BRIEN MCMAHON, Democrat, Connecticut, said there will be a full public hearing into the operation of the fellowship program on May 23.

Commenting that it certainly would not set well with millions of Americans if they felt their tax money was going to pay stipends to subversives, MCMAHON suggested possibility that applicants might be required to swear to loyalty forms, including all the organizations to which they belong. If they lied, MCMAHON pointed out, they would be subject to prosecution for perjury.

Smyth said he saw no objections to such an oath, but he said he felt full FBI loyalty investigations should wait until the applicant actually wants a restricted job. Young scientists, he said, were prone to be politically naive.

In Chapel Hill, Freistadt said he was perfectly willing to undergo a loyalty investigation.

"You can put it down that I consider myself a loyal citizen of this country," he told the United Press. "I am bound by my oath of citizenship to defend this country against any aggressor."

COLE's statement to the House said of Freistadt:

"He is said to be the means of distributing Communist literature at the university and was a recent host to one of the Communist leaders now on trial in New York City."

Senator CLYDE R. HOEY, Democrat, North Carolina, told his colleagues they would be "amazed to know that the money of the taxpayers is being used to provide scholarships for known Communists through the Atomic Energy Commission."

FREISTADT ADMITS PARTY MEMBERSHIP

CHAPEL HILL, N. C., May 12.—Austrian-born Hans Freistadt, 23, recently awarded a $1,600 fellowship by the Atomic Energy Commission, today said: "I belong to the Communist Party in Chapel Hill, but I consider myself a loyal citizen of this country."

The Atomic Energy Commission awarded the young graduate physics instructor at the University of North Carolina a $1,600 fellowship for advanced atomic study and was attacked for the action in Congress.

Congressmen charged Freistadt was a "professed Communist."

[From the Washington Sunday Star of May 15, 1949]

HICKENLOOPER SAYS ANOTHER RED RECEIVED ATOMIC SCHOLARSHIP

Senator HICKENLOOPER, Republican, of Iowa, charged yesterday that another Communist has received a scholarship of the Atomic Energy Commission—and that the Commission let him have it after its own investigation showed what he was.

The Iowa Senator told a reporter it was a $3,600-a-year science scholarship and that he has protested to the Commission. But he said that so far as he and other members of the Senate-House Atomic Committee can learn, the award has not been canceled.

It is the second case cited by a Member of Congress of a Commission scholarship going to a student described as a Communist.

On Thursday, Hans Freistadt, a physics student at the University of North Carolina, who got a Commission scholarship, acknowledged he was a Communist after this was disclosed to the House by Representative COLE, Republican, of New York. School officials said Mr. Freistadt's study will be relativity and that it is of nonsecret nature.

Mr. COLE said that the Commission had a FBI report on Mr. Freistadt and the scholarship was granted him in the face of that fact. Senator HICKENLOOPER said, however, that his reference was to another student.

Senator HICKENLOOPER refused to identify the second student other than to say he is enrolled at an eastern university. But he said he is prepared to document his charge when the committee opens hearings May 23 on operations of the Commission's fellowship fund.

"I think it is ominously dangerous to help educate people with public money who are subversive and are known to be subversive," Senator HICKENLOOPER said. "The investigation records of the Commission show beyond any shadow of a doubt that the student is a Communist and was known to be a Communist when the fellowship award was made."

The Commission has explained it does not require advance security check-up of a student when the course involves no atomic secrets. It explained this would menace freedom of inquiry and education. It said a full investigation is required if the program of study proposed by the applicant involves access to secret data.

MUST PASS SECURITY TESTS

The scholarship program, intended to combat the shortage of scientists, is administered by the National Research Council and the Commission does not interfere with its selections, the Commission explained. Senator HICKENLOOPER said, however, that the final decision on awards is the Commission's.

Chairman David E. Lilienthal has noted that all who are employed by the Commission must pass security tests.

Senator HICKENLOOPER said some of those being aided by Federal funds, therefore, could not be employed by the Commission. He said the student he refused to name fell in this class.

A Commission spokesman would not comment on Senator HICKENLOOPER's remarks.

The Iowa Senator said that when the Commission started its fellowship program—on which it plans to spend $23,378,000 in the year beginning July 1—security checks were made of all applicants for aid funds.

FORTY APPLICANTS INVESTIGATED

About 40 such applicants were investigated by the FBI and reports made to the Commission before it changed its policy so as not to require future investigations of this sort, he said.

The student to whom he is objecting was included in this group of 40, Senator HICKENLOOPER said, adding that he got the Commission award despite the report on his background.

"The Commission must accept the responsibility for this and other cases," the Iowan declared. "It cannot hide behind the fact that it has set up fellowship boards to make recommendations on the applicants. The final decision on who gets the awards is the Commission's."

Senator RUSSELL, Democrat, of Georgia, joined Senator MCCARRAN, Democrat, of Nevada, in agreeing that it might be wise for the Senate Appropriations Committee to limit the Atomic Energy Commission's use of its fellowship funds unless it agrees to screen out Communists from the program.

Navy Ships Visit Seward

EXTENSION OF REMARKS

OF

HON. E. L. BARTLETT

DELEGATE FROM ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. BARTLETT. Mr. Speaker, not too many weeks ago two ships of the United States Navy visited Seward, Alaska, and the people of that community were so delighted with the cordial relationships that were formed and with the demeanor and behavior of the visitors that they have written me giving written expression of the pleasure of Seward at having been able to act as host to the United States Navy. For those who do not know, Mr. Speaker, Seward is the southern terminus of the Alaska Railroad. It is located on Resurrection Bay, discovered in 1790, and is named in honor of the far-sighted Secretary of State responsible for the purchase of Alaska. It is one of the finest little towns in the world. I have letters from both Mayor Lanier and Mr. W. C. Erwin of the chamber of commerce

pertaining to the Navy visitation. They are reprinted here:

CITY OF SEWARD,
Seward, Alaska.

Hon. E. L. BARTLETT,
Delegate from Alaska,
House of Representatives,
Washington, D. C.

DEAR DELEGATE BARTLETT: The United States Navy visited Seward February 17, 18, 19, and 20, as represented by the personnel of the U. S. S. *Salisbury Sound* and the U. S. S. *Suisun*. Crews of both ships together numbered about 700 and about 50 percent were allowed liberty ashore at one time. Seward residents expressed great satisfaction at seeing the navy blues on the streets, and the city officials stated that the crew members were extremely well behaved and orderly. Seward extends its welcome to the Navy to visit them at any time.

Captain E. J. S. Young, commander of the detachment extended the invitation to an "open house" aboard the ships on the Saturday and Sunday afternoons they were in port to adults and children of our city. The town turned out in great numbers to board the ships and take advantage of the opportunity to see first-hand how the ships of our Navy are manned and equipped. The members of the crews were excellent guides and hosts and made a great impression on the youngsters. When the ships steamed out of the harbor they left behind them a fine feeling of friendliness and mutual hospitality and the people of Seward extend a wholehearted invitation for them to come back again.

Very truly yours,
EUGENE N. LANIER, *Mayor.*

SEWARD CHAMBER OF COMMERCE,
Seward, Alaska.

Hon. E. L. BARTLETT,
Delegate, House of Representatives,
Washington, D. C.

DEAR MR. BARTLETT: We are taking the liberty of writing you relative to the visit to the port of Seward of two naval vessels during the month of February.

As you know, we had the pleasure of entertaining two Navy vessels, the U. S. S. *Salisbury Sound*, Captain E. J. S. Young, commanding, and the U. S. S. *Suisun*, Captain F. A. Brandley, commanding, when they were in the North Pacific last winter and spent some time in Resurrection Bay at Seward.

We are pleased to attach a program which the citizens of Seward arranged for their entertainment, and we are also very pleased to state that the officers and enlisted personnel of these vessels cooperated with us in every way and conducted themselves with the highest deportment of any armed force personnel we have had the pleasure of entertaining. The stay of both officers and enlisted personnel in Seward was a credit to the Navy Department, and we, the citizens of Seward, regretted the necessity that made their stay in Seward so short. We will appreciate it, Mr. BARTLETT, if you would convey to the proper naval officer thanks for a pleasant time and for the excellent conduct of their officers and enlisted personnel while in Seward.

We thank you for your part in arranging for these vessels to call at Seward and sincerely hope that they or similar vessels will be able to call at the port of Seward more often. We assure you that the entire personnel will be welcome, and we will do all we can to make their stay enjoyable.

Asking your cooperation in conveying our best regards to the Commander of the Navy, we are,

Sincerely yours,
W. C. ERWIN,
Committee Chairman.

The Danes Know the Communists—We Americans Had Best Take Heed

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EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. JENSEN. Mr. Speaker, under leave to extend my own remarks, I include an article on the economic condition of Denmark, by Mr. Frank Gervasi which appeared in the Washington Post May 15, 1949. This article gives us a lot of food for thought, especially since it explains the Communist problem in Denmark and which we in America are also facing, as well as is the rest of the world today.

STATE OF DENMARK: AN ILLUSORY CALM
(By Frank Gervasi)

COPENHAGEN, May 14.—Pastoral little Denmark, a butter and bacon kingdom less than twice the size of Massachusetts, is outwardly calm.

Farmers feed their pink pigs, milk the square red cows, coax prodigious quantities of potatoes from their weary acres, eat cabbage soup, drink schnapps and beer and seem content. So do the trench-coated workers as they pedal to and from their jobs through the swept streets of Aarhus, Odense, Aalborg and Copenhagen.

Sustained by Marshall plan dollars, the country gives an impression of well-being and prosperity. Smoke from factory stacks pencils the Scandinavian sky. Shops display quality wares ranging from fine furniture to smart silverware. Stores are bursting with canned goods and staples, and with the innumerable smoked, pickled, dried, and sauced ingredients of the inevitable smorrebrod, Danish equivalent of Swedish smorgasbord.

But the abundance is as illusory as the political calm and the air of contentment. Danes eat less than they did before the war and, of things like butter and bacon, less than under German occupation. Not that the Danes are suffering. They have probably the highest per capita food consumption in all Europe. But they're only eating about 3,000 calories now compared to nearly 3,500 before the Germans came.

They are also short of raw materials for their light industries, and lack machinery for farms and factories, and need fuel. Except for some peat in northern Jutland and a little brown coal, Denmark has no fuel, as it is almost totally lacking in natural resources. Even in first-class apartments there is hot water only once a week. Danes keep clean at the public baths or do the best they can with cold water.

While Danish farmers are well off, there is real hardship in industrial centers like Copenhagen, where nearly a fourth of the country's 4,000,000 inhabitants are concentrated.

PACT IS NO SOLACE

Even when they are full of schnapps, beer, and smorrebrod, uneasiness bleeds out of Danes' conversation whenever the talk becomes political. And that is often. War and peace, the Atlantic Pact and the Marshall plan, the Nazi occupation and the democratic liberation inevitably drop into conversations with businessmen, politicians, factory foremen and farmers.

There is anxiety here, a dread of the future and of the new war it might bring. In Britain there was uncertainty only until the signing of the Atlantic Pact. Then war came to be regarded as a rather remote possibility which could, by sound statesmanship and much keeping of the powder dry, be averted.

The pact did not have the same effect in Denmark. People here talk of war as a real probability.

Many Danes, principally the businessmen and merchants of the Conservative Party and the prosperous farmers of the Moderate Liberal group, favored Denmark's adherence to the pact. But the Social Democrats, who constitute the government although they do not hold a majority in the Rigsdag, were at best lukewarm. The Radical Liberals opposed it outright, as did the Communists.

It was only by clever parliamentarianism and smart intraparty politicking that Social Democrat Prime Minister Hans Hedtoft, an energetic, 46-year-old former printer, was able to sway Denmark into the pact. Most Social Democrats would have preferred continuance of the policy of neutrality adopted back in 1864 when Denmark lost Schlesvig-Holstein to Prussia. Or, if neutrality was impossible, they would have welcomed a Scandinavian defense alliance. Efforts in that direction ran into a wall of Swedish stubborness, but Norway chose to join the Atlantic powers and Denmark tagged along.

The only advantage which Danes see in the pact, aside from a guaranty of continued Marshall aid, is that the country will have arms to defend itself in the event of an attack. Danes will not soon forget the ignominity of being invaded at dawn and conquered by noon as happened on April 8, 1940.

A history studded with defeats, costly sieges, and the gradual contraction of Denmark to its present 16,000 boggy square miles of strategic vulnerability, influences the Danish attitude toward the East-West struggle. Loss of valuable Schlesvig-Holstein, last of many parings of Danish real estate, still rankles, and Danes hope to do something, through due process of law, to regain it. But sharpest in Danish memories is the German occupation. They do not want another.

The Germans drained the country of some $2,250,000,000 worth of food, industrial products, and services, a staggering sum for a nation whose annual budget is less than $500,000,000. Worse than the economic drain was the corruption which the Nazis left behind.

Nearly 12,000 Danes were sentenced for collaborating with the enemy.

For the first 2 or 3 years, most Danes recall, life under the Germans was "not so bad." The Danes ate well. They held out beef, butter, bacon, and eggs on the Nazis. Things grew difficult only when the Allies began to win the war, giving the Danish underground courage to rise and cause the Germans trouble. Then there was shooting, looting, burning, and terror.

"But it will be worse, much worse," said a Jutland pig farmer, "if the Russians come. They will not be so nice to us. They will treat us like they did the Poles and the Finns, the Latvians, and the Estonians."

And how was that? Well, he did not know exactly, but it was "bad, very bad."

Much the same degree of anxiety about the future was expressed by minor government officials, former underground workers, businessmen, and farmers with whom I talked on a motor trip through Zealand, Funen, and Jutland. A few, Copenhagen people, were almost nostalgic about the Germans, violent about the Russians.

"At least we could talk to the Germans," a former newspaperman said. "And they got things done. We argued for years whether the Store Kongensgarde (a main street in the capital) should be a one-way street or not. The day after the Germans arrived it was a one-way street.

"But we couldn't talk to the Russians. They're tougher than the Germans. Be-

sides, the Russians have a strong fifth column here in Denmark—the Communists."

ELECTION BELIED FEARS

It is the presence inside Denmark of a substantial number of Communists, rather than any immediate threat of Russian aggression, which most worries the Danes. Out of a total vote of 2,000,000 at the last election in October 1947, the Communists polled 140,000 and got 9 seats in the Folkeding (Lower House) out of 150. The nine seats represented a serious setback for the Communists—they had held 18 before—but anti-Russian Danes ignore that.

Aksel Larsen, Communist leader, is a bully-boy of the Kremlin school. He has publicly echoed the prediction of Italy's Togliatti and France's Thorez that, in the event of a war with Russia, Danish Communists would side with Moscow. Most of his following is on the docks and in the mills and factories of Copenhagen and vicinity. He and his followers are considered so much a menace by the more conservative elements of Danish society that an actual underground army has been organized to protect bridges, railroad stations, docks, factories, and public utilities against Communist sabotage in the event of war.

One of the leaders of this organization, a man in his late thirties who was an underground fighter against the Germans, described the outfit to me. He admitted that originally the anti-Nazi underground contained many Communists. The Danes, he said, are "very grateful for what they did for us then."

"But that was when the Russians were fighting on our side," he continued. "Then the war ended. They went their way and we went ours. The underground split into two groups, one siding with the West and the other with the Kremlin. We think we have the better organization. But the Communists have many secreted weapons. We have more men, but we wish we had more weapons.

"No, we don't believe that the Marshall plan or the Atlantic Pact will prevent a war. We are told by your officials like Mr. [Paul] Hoffman that if our countries here in Europe become strong enough, war will be avoided. In our opinion, war will begin as soon as Russia is ready for it.

"Yes, the Atlantic Pact is a good thing. We welcome it. But not because it will prevent war. We welcome it because it means that America will be at our side from the moment that war begins and because it means that we will have weapons in our hands and will be able to fight.

"Yes, the Marshall plan is a good thing, but again not because it will prevent war but because it provides us with dollars. These dollars we use to buy feeding stuffs for our animals and raw materials and machinery for our industries. Thus we are able to export more and to keep men at work. And so we are able to fight Communist influence within our country."

MANEUVER DISCOUNTED

The underground leader's point of view was reflected in more or less the same words even by members of the Social Democrat government in unofficial conversations. Not even the lifting of the Berlin blockade and relaxation of West-East tension calmed Danish anxiety.

"The Russian move," said one highly placed Danish official, "is merely a maneuver to kill the Atlantic Pact or, more accurately, to dampen any enthusiasm in America for arming Europe. If the Russians succeed in that, they will then make other gestures of cooperation with the west and lull us all into false security."

That attitude is echoed by large sections of the Danish press. But if the Danes mistrust the Soviet Union, the latter has only itself to blame. Back in 1940, the invasion of Finland, a short bomber run from Denmark, frightened the Danes. Then came the occupation of the neighboring Baltic States, and finally the Russian occupation of Bornholm, Danish soil.

Bornholm is an island about 15 miles long and 10 wide in the Oestersund, midway between Zealand and the Russian-occupied zone of Germany. It is, potentially, the Malta of the Baltic, in the path of Russian sea traffic into the Skaggerat and the Kattegat. The Germans tried to fortify it, but built their fortifications on quicksand, with some encouragement from Danish engineers who quietly left the island when the foundations began to sink.

A few days before VE-day, the Russians subjected Bornholm to severe bombardment. The Danes have never forgiven the Soviets for this. The Russians, they are convinced, bombed the place merely to appear as liberators or conquerors—the Germans had already left.

No one was killed, however. The population was warned of the coming attack by the Russians themselves. The Dancs are still working on the repairs and cussing the Soviets, who stayed on the island only a short time. They cleaned it of wrist watches and mattresses and cleared out. Practical Danes saw no sense in the whole performance.

READY FOR FIGHT

Danish uncertainty about the future is less marked now than it was a year ago. Then it verged on fear. The more well-to-do families were ready to evacuate the country and many kept standing reservations on planes and ships. Some actually did leave.

Now anxiety expresses itself in the fact that farmers are reluctant to sell their horses to buy tractors. Those who had tractors couldn't get gasoline or Diesel oil with which to run them during the last war. Their farms deteriorated. They're hanging on to their horses now.

Probably the best evidence of uncertainty, however, is reluctance to invest. Capital is taking as few risks as possible. Net investments in 1947 were only 268,000,000 kroner, about $52,000,000. They rose slightly to 315,000,000 kroner in 1948. The anticipated 1949 investment of about $90,000,000 has not developed as rapidly as was hoped.

Meanwhile, the task of American diplomacy in Denmark is clear; it is to restore Danish faith in the future. A first-class ambassador might help. He must be something more than a socialite political appointee.

Squandering and Spending

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, Mr. Henry Hazlitt in May 9 issue of Newsweek has a very interesting article entitled "Salvation Through Squandering?" Under leave to extend my remarks, I am including the article in question.

SALVATION THROUGH SQUANDERING?

(By Henry Hazlitt)

We are now being told that our prosperity has been kept going in the last few years by our huge Government spending, particularly on armaments and foreign aid. Any decline in this spending, we are now warned, would bring a recession. We are told, in fact, that if further signs of recession develop the Government must spend still more to keep the boom whipped up.

This doctrine is completely false. Assuming a balanced budget, an increase in Government spending does not on net balance stimulate business activity at all. For every dollar that the Government spends, the taxpayers have been deprived of a dollar to spend. All that a heavy Government spending program can do is to divert spending from one channel into another. If we give Europeans more money to buy American goods, we have just that much less money left to buy our own goods. If we spend more for armament, we have just that much less left for television sets, refrigerators, or food. Even the Nazis knew they were choosing between guns and butter.

A huge Government spending program with a balanced budget not only fails to stimulate economic activity but greatly reduces economic welfare. A $15,300,000,000 armament program, regardless of its military justification, leaves us just that much less resources to build new housing or to increase or improve our tools of production for civilian goods. Whether or not our new $5,000,000,000 ERP donation is now needed in Europe, it must obviously force us either to reduce our own consumption or to retard our own capital development by that amount. We cannot give our cake away and eat it too.

The more sophisticated advocates of a "compensated economy" recognize that huge Government expenditures do not in themselves create prosperity. They put their emphasis on the amount of monetary purchasing power that Government spending adds. This, they point out, is determined by the excess of Government expenditures over tax collections. Put more bluntly, the prosperity would be brought about by Government deficits. It is not the total size of the Government expenditures but the size of the deficits that "adds to purchasing power."

But when the compensated-economy doctrine is clearly stated in this form it has implications that its proponents have never clearly recognized. The official estimate of Government receipts for the 1950 fiscal year is $41,000,000,000. Suppose it were decided that what was necessary to keep the boom whirling was a deficit of $5,000,000,000. This could, of course, be achieved by spending $46,000,000,000 (Mr. Truman has already put forward more than enough schemes to do that easily). But the inflationary deficit could be achieved just as well by holding expenditures to $41,000,000,000 and reducing taxes to $36,000,000,000. Or even by reducing expenditures to $36,000,000,000 and reducing taxes to $31,000,000,000. We could cut expenditures indefinitely, in other words, and still get our added inflation, provided only that we cut taxes still more.

Moreover, taxes could be either reduced or restored quicker than expenditures could be increased or halted. Increased expenditures create determined vested interests and tend to become permanent. Higher taxes to support higher spending destroy incentives and production. Lower taxes increase incentives and production. In short, if we wish to embark upon deficit financing again to keep our inflationary boom going, doing it through tax reductions is more flexible, more effective, and less dangerous than doing it through higher Government spending.

But all this merely emphasizes the bankruptcy of the whole compensated-economy doctrine. Increased Government expenditures balanced by increased taxes do not keep a boom going at all. Only deficits, financed by the creation of more money and bank credit, could do that. But this would mean merely a resumption of monetary inflation. It could prolong the boom only at the eventual cost of a bigger bust.

Is Big Business Too Big?

EXTENSION OF REMARKS

OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Monday, May 16 (legislative day of Monday, April 11), 1949

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a timely and challenging article in the April issue of the Reader's Digest by the distinguished senior Senator from Wyoming [Mr. O'MAHONEY] on the subject Is Big Business Too Big?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IS BIG BUSINESS TOO BIG?

(By JOSEPH C. O'MAHONEY, United States Senator from Wyoming)

Is American big business getting too big to be good for business or for America?

Consider the startling story of what happened to the 10-cent pack of cigarettes. Made from somewhat lower grades of tobacco than standard brands, the 10-cent pack was launched some years ago by enterprising independent manufacturers on the assumption that, to most Americans, a nickel or a dime is worth saving. In less than 2 years, so well did they catch on, one-fourth of all the cigarettes sold in America were these cheaper brands. Then, just as suddenly, they disappeared and smoking Americans were left with only the standard, more expensive brands to choose from.

Last year before a committee of the United States House of Representatives testimony was presented to the effect that, despite consumer demand, the economy brands were killed off by pressure from the tobacco industry's all-powerful Big Three. How the Big Three have grown to such life-or-death proportions is a sample of what is widely happening in American industry.

At the turn of the century the tobacco industry, with thousands of big and little companies engaged in it, was highly competitive. Soon, by merger and consolidation, the big fellows got big enough to swallow up or squeeze out the little fellows. They so completely controlled and monopolized the market that, in 1911, the tobacco trust was dissolved as a result of Federal action.

By 1940, however, the Big Three had become so big that each of these companies, by itself, was larger than the tobacco trust had been. Again the United States Government brought suit for monopolistic practices. Convictions and fines and a severe denouncing by the Supreme Court resulted. But this did not stop the Big Three's growth. When the Government's suit was brought in 1940, these companies did less than 68 percent of the country's cigarette business. By 1948 they were doing 86 percent.

This was the power which the independents, with their economy brands, were up against. Witnesses who appeared before the House committee testified that, to destroy this competition, the Big Three simultaneously reduced prices on their own brands to below-cost figures. To increase the costs of the independents and cut off their source of supply, they went into the market and systematically bid up the price of leaf tobacco; they bought large quantities of the poorer grades used in the 10-cent brands. From having one-fourth of the market, the economy brands, under this pressure, soon dropped to one-half of 1 percent. Their competition thus virtually wiped out, the Big Three promptly boosted their prices to the usual level.

The tobacco industry is not unique in being dominated by a few companies. Three milling corporations produce 38 percent of all flour consumed in the United States; three meat-packing companies produce 43 percent of all processed meat; three dairy companies produce 44 percent of all condensed and evaporated milk and 63 percent of all cheese; three baking companies produce 74 percent of all biscuits and crackers; three companies produce 80 percent of all soap; and three others, 85 percent of all fruit jars.

In Maryland the 5-cent loaf of bread, baked and sold by independents, went the way of 10-cent cigarettes when the organized "big bakers"—later convicted of conspiracy in restraint of trade—told the independents to withdraw their 5-cent loaf or face an all-out price war. Other independents, marketing a longer, heavier loaf than that sold at the same price by the big bakers, refused to be coerced. The ensuing price war threatened to bankrupt them and the long loaf disappeared.

A congressional witness testified that, despite a great increase in the market for bakery products, half the wholesale and retail bakeries in Oklahoma had been swallowed up or run out of business in the last 25 years. A Fort Worth, Tex., soap manufacturer testified that his company, alone, out of more than 25 formerly in business in his area, had been able to survive the price-cutting, discriminatory competition of the soap industry's Big Three.

In our heavy industries, bigness seems to have taken over even more completely. Three corporations in each of the following fields produce from 66 to 91 percent of the total output: chemicals, window glass, farm tractors, rubber tires, copper, tin cans, passenger automobiles, primary aluminum.

The steel-barrel business, up to a few years ago, was almost wholly in the hands of small, highly competitive concerns. Then the big boys began to move in. By denying the smaller companies sheet steel they gradually squeezed them out of the market, some of them out of business. Today six basic-steel companies control 87 percent of the country's steel-drum capacity.

Let me quote from a congressional report last year on the tactics used by automobile manufacturers to expand their control over the auto-parts business: "The practices included removal and destruction from dealers' stock bins of parts not supplied by the car manufacturers; threats of revoking dealers' franchises unless they purchased parts solely from manufacturers; premiums paid to dealers to destroy used parts, thus creating a bigger and more profitable market for new replacements from car manufacturers. Testimony showed that a great many parts which could easily and cheaply be rebuilt and repaired, thus saving the car owner much money, were being destroyed by car manufacturers in order to give them a greater and more profitable turn-over in new part replacements."

In 7 years, 1940–47, more than 2,450 formerly independent manufacturing companies, with $5,200,000,000 total assets, were swallowed up to make big business even bigger. How many more, as part of the same process, were put out of business altogether there is no way of knowing.

The most exclusive club in the world is not, as is sometimes supposed, the United States Senate, but the "Billion Dollar Club," membership in which is limited to United States corporations with assets of more than $1,000,000,000. In 1929 this "club" had 20 members; in 1939, 28; in 1945, 40. Today it has 48 members. Several of these corporations have more employees than the total population of some of our States. Some of them have assets which total considerably more than the assessed value of all property, real and personal, in many of our States.

As such corporations increase in number and in assets the people, through their city and State governments, become less competent to cope with them and so turn to the Federal Government and build up the Washington bureaucracy which business management is so ready to denounce. Central power in business produces central power in government.

"Year after year," declares the Council of Economic Advisers' 1948 Report to the President, "the control of the market is passing more and more into the hands of large corporations, not only by internal growth but by the absorption of smaller firms."

Could it be that some of us have an economic blind spot? We say we don't like big Government. But isn't it true that what we most detest about Government is its adoption of techniques characteristic of many of our business organizations? And isn't it likely that one good way to prevent public regimentation by big Government is to prevent private regimentation by big business?

We say we don't like big unions. But can't the growth of big unions be traced to big business, with which only big unions could deal on an equal footing?

We reject the aims of the collectivists—Fascist, Communist, and Socialist—to destroy competition and control the economy through vast, state-run monopolies. But isn't it evident that their aims are more easily achieved where competition is already being weakened and the economy increasingly controlled by vast, privately run monopolies?

Mussolini called his Fascist economy the corporative state—meaning the state managed according to the pattern of the huge corporation. Germany's vast industrial and financial concentrations were the easy victims of and the natural basis for Nazi collectivism. The extent to which British economy has been dominated by private monopolies and cartels served the collectivist purpose of Britain's Socialist Government to make that economy a monopoly of the state.

A 1948 report of the Federal Trade Commission says: "No great stretch of the imagination is required to foresee that, if nothing is done to check the growth in concentration, collectivism will have triumphed over free enterprise and the theory of competition will have been relegated to the limbo of well-intentioned but ineffective ideals. Either this country is going down the road to collectivism or it must stand and fight for competition as the protector of all that is embodied in free enterprise."

Not only free enterprise but every freedom is at stake in that struggle. For it is the plain lesson of recent history that economic and political freedom are inseparable; that we cannot have free government unless we have a free economy; that, in our time, people have lost their power to direct their own Government after they lost their power to direct their own economy.

Since the loss of freedom begins with the weakening of economic freedom, it is there—in the economic field—that we must act to safeguard democracy. The extension and strengthening of economic democracy does not mean that the modern industrial organization should be scrapped or big business atomized. Without the modern corporation we could not develop or effectively use

the tools and techniques which this industrial age requires.

Modern science and technology require large organization, but economic democracy requires business that is more responsive to the social and economic needs of the people and government which is more responsive to the economic needs and opportunities of business. Government bureaus, for example, should not be permitted to be both judge and jury in the enforcement of administrative laws. That's why, a few years ago, Congress provided standards for the guidance of the bureaus and a method of appeal to the courts from bureau regulations. But neither should national or international business be permitted to be a law unto itself.

If it be thought there is now a developing danger from too much Government meddling and regimentation in our economy, it is largely, I believe, because we have not taken the time and trouble to draw an adequate constitution for the guidance of private economic organizations. That is why I have proposed that there should be national charters for national business. Such charters would establish national standards of power and responsibility for corporations engaged in interstate commerce, and curtail expansion of big business into unrelated fields. Far from hampering legitimate business, this plan—to the benefit of all of us—would make and keep business free. With national standards of power clearly defined, our business organizations would not be at the mercy of what Federal bureaus—at their own discretion—decide the regulations are or ought to be.

Let's not fool ourselves. If collectivism carries the day, it will not be because of plots hatched in the Kremlin. It will be because of what—by our own short-sightedness and delay—we have allowed to happen here in the United States of America.

Thinking People Favor Hoover's Program

EXTENSION OF REMARKS
OF
HON. THOMAS A. JENKINS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. JENKINS. Mr. Speaker, under leave to extend my remarks, I wish to have printed in the RECORD an editorial that appeared in a recent issue of the Cleveland Plain Dealer and an editorial that appeared in a recent issue of the Columbus (Ohio) Evening Dispatch.

[From the Cleveland Plain Dealer]

ELDER STATESMAN AGAIN

The observation of former President Herbert Hoover on the administration proposal to increase the social security pay roll tax should be read and considered carefully by Congress and by all thinking Americans.

Two points of especial importance were made in the former President's letter to Congressman ROBERT L. DOUGHTON, chairman of the Ways and Means Committee.

The first was that with a Federal budget almost five times as large as it was when the Social Security Act was passed we must give serious thought to what we can and cannot support in the way of welfare legislation. Mr. Hoover makes a pertinent comment when he says there are many things every American home would like to have, "but its income compels it to deny them, at least temporarily." A similar situation, he aptly observed, prevails now with the Nation.

At the present time the cost of government is absorbing 30 percent of the national income. When government requires as much as 40 percent, the records indicate, production and investment are impeded and stagnation and deterioration follow as a matter of course. In the face of this fact the importance of holding down over-all Government costs in the United States and of maintaining the present narrow margin between economic soundness and unsoundness, possibly solvency and insolvency, needs little demonstration.

In passing it might be observed that many of the same objections Hoover offers in opposition to an increase in the pay-roll tax argue with the same effectiveness against the compulsory health insurance program which the President recommended to Congress a week ago. By the same token they are arguments against every increase in Government costs that can be avoided without involving demonstrable hardship, or entailing real danger to the Nation.

The second point Hoover made is an old one. Nevertheless it, too, should be the subject of careful study looking toward a change in prevailing practice. It has to do with the fact that the social-security pay-roll tax has produced, and is producing currently, a great deal more revenue than is required for benefit payments, and that the surplus has gone to meet the ordinary expenses of the Government. Thus, as Hoover points out, when benefits increase and the Treasury must "redeem its I O U's from the trust fund * * * the money must come from the general taxpayer. * * * As those who have already paid their pay-roll deductions are also taxpayers, they will, to some extent, be paying for their insurance twice over."

The situation would be met, of course, by reducing the pay-roll tax, of making no more contributions to the trust fund, and of placing the "whole business on a collect-and-pay-as-you-go basis."

Whether this latter suggestion be adopted or not, no serious exception can be taken by anyone to these two propositions; first, that the Nation should assume only such public obligations as are consistent with its income; second, that the security afforded by evidences of public debt, which is money already spent, is at best transitory and uncertain.

[From the Columbus (Ohio) Evening Dispatch]

HOOVER'S STATEMENT

Politics is no respecter of arithmetic. Being expedient in nature it does not depend on logic for its successful practice. Yet if it would best serve those men and women in whose interest it is most hotly played it must at times recognize the fact that, no matter how you arrange them, the numbers two and two always add up to make four. Sometimes good sense is necessary.

It was in support of this simple and obvious proposition that former President Hoover spoke the other day when he gave it as his opinion that already our economy is up to the limit of endurance under this—the tax—load. I believe we should go slow and hold further additions to this burden to the absolute minimum.

In looking around the world it is evident that much of the economic grief being suffered by such nations as Great Britain has come from an effort to be overgenerous in governmental benefits and governmental spending projects at a time when bankruptcy as a result of a long, dreadful, and exhausting war was threatening. Britain would have needed far less of our billions and perhaps none of the Marshall funds at all had she tightened her belt after the war and decided to live within her income. Certainly she would not have needed to load down her own people so heavily. Instead she went on an unprecedented spending spree which she could not and cannot now support. America consented to finance her in large part, and thus placed herself in the same position of being overgenerous with her funds at a time when every circumstance called for caution and economy.

Mr. Hoover was asked by Chairman DOUGHTON of the House Ways and Means Committee to comment on the President's demands for a vast expansion of the social-security program. In replying he pointed out what is clearly obvious, namely, that social-security taxes, like any other kind of taxes, still are taxes and must be collected out of the earned incomes of those who work and produce; that the American tax burden already is up to the limit of its endurance and that to add further to this burden at a time when the cold war demands so large a part of our resources is unwise and dangerous.

It isn't likely that any of the Washington spenders will listen for a moment to Mr. Hoover's warning. Yet, as a result of his long and productive efforts in behalf of Mr. Truman to find ways and means of organizing the Government on a more economical basis he probably knows more about the Nation's economy at this time than any other individual in the United States.

The Basing-Point System and the State of Iowa—Six Cement Mills in Iowa but Only One Basing Point—Iowa and Iowans Pay Fancy Figure for Phantom Freight—Basing-Point Bidders Attempt Face-Saving Device To Make Bids Look Competitive—Cement Trust Arguments on Justification for Identical Prices Were Struck Down by Supreme Court—Small Business Gains by Abolition of Basing-Point System

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. PATMAN. Mr. Speaker, out where the tall corn grows, and men and women with hearts of gold are noted for their spontaneity in extending a helpful hand to neighbors far and near, the basing-point system operated with unparalleled viciousness. Iowa was a leader in the movement to assist her neighbors in Europe with quantities of seed, food, and clothing for the children, and many other items badly needed, immediately after the devastation wrought by World War II. For Iowans, like all Americans, are a freedom-loving people with a progressive history unmatched in our country. Iowans are strong for individual initiative and enterprise—free enterprise—but like all of her sister

States, Iowa has had to pay the price exacted as ransom by the exponents of the basing-point pricing system. Iowa's well chosen and stirring motto is: "Our Liberties We Prize and Our Rights We Will Maintain."

In Iowa's recent history of progress no better evidence is to be found than her adherence to the program of good roads. To build highways of permanence is an expensive operation. Not only to be considered is the grading and draining of the road bed, but the miles upon miles of concrete containing cement, steel, fine and coarse aggregates and all of the essentials necessary to highway construction. The bridging of rivers, the spanning of creeks and even the tiniest culvert in these days of modern road building require cement and steel. Prior to the Supreme Court decision in the Cement case April 26, 1948, all of the steel and the cement used in Iowa's good road system was purchased under the basing-point system of pricing.

BASING-POINT SYSTEM PERFECTLY OPERATED IN IOWA

Iowa is possessed of many types of natural resources for the manufacture of cement. Limestone, chalk, marl, shale, and clay are found in great quantities in Iowa, in practically every section of the State, and coal is mined in abundance from her many seams. Six cement mills have been built within her borders. Two of these cement mills are located in the heart of the State at Des Moines and nearby; one mill is located on the eastern border at Davenport and three other mills in the north central section, one at Gilmore City—dismantled in 1943—and two at Mason City. In addition, right across her western border at Louisville, Nebr., is another cement mill, so for all practical purposes Iowa had the great advantage of location and production—cement-wise. But, prior to the outlawing of the basing-point system, this natural advantage was destroyed through the use by the cement trust of the arbitrary and artificial basing-point pricing system.

All cement mills in Iowa, with the exception of the two located at Mason City, were nonbasing-point mills and the mill across the western border at Louisville, Nebr., was also a nonbasing-point mill. The basing-points other than Mason City for shipment into Iowa were La Salle and Oglesby, Ill., in the north central section of the State; Hannibal and Sugar Creek in Missouri, some distance south of the Iowa border; and Bonner Springs in Kansas. Iowa was so divided up by the basing-point and monopoly boys, that a cement map of the State looked like the proverbial crossword puzzle.

The Mason City basing-point was not in reality installed for the benefit of Iowa. Historically, it was merely a coincidental feature of the Lehigh Portland Cement Co.'s bid together with the Ideal Cement Co. for the control of territory west of the Mississippi River. Mason City was included as a basing-point by Lehigh together with Lehigh's mills at Iola, Kans., and Metaline Falls, Wash., and Ideal's two Colorado plants. This tie-up effectually accomplished the control of all cement prices and markets in our great Northwestern States.

IOWA PAID PHANTOM FREIGHT TO CEMENT TRUST

In docket No. 3167 in the matter of the Cement Institute et al., in a brief before the Federal Trade Commission, it is stated:

> Respondents Pennsylvania-Dixie and Hawkeye, with nonbase mills at or near Des Moines, Iowa, during April 1938, both made delivered price quotations to their customers in Des Moines of $2.42 per barrel in paper and $2.67 per barrel in cloth sacks, based on the basing-point price of $1.70 Sugar Creek (Kansas City), plus freight therefrom to Des Moines, Iowa, with resulted mill nets at Des Moines of more than $2.15 per barrel.

That statement in the record of the cement case meant that during the period stated every barrel of cement shipped to or near Des Moines had included in the price 45 cents per barrel phantom freight. With two cement mills in the heart of the State, one in the city of Des Moines and one nearby, the Highway Department of the State of Iowa, highway contractors, cement dealers and all other users of cement paid freight from Sugar Creek, Mo., thereby paying for cement nearly one-third more than they would have paid had not the Des Moines mills been a part and parcel of the basing-point system.

Over at Davenport on the eastern border was the cement mill of the Dewey Portland Cement Co.—a nonbase mill. Cement should have been cheap in the vicinity of Davenport and it would have been if the customers of the Davenport mill of the Dewey Portland Cement Co. had been allowed to purchase cement f. o. b. that mill. But no—Davenport's nearest basing point was La Salle, Ill. Docket No. 3167 recites the fact that Dewey, in April 1938, with a $1.80 La Salle base, forced its customers to pay a fictitious freight charge of 30 cents per barrel from La Salle to Davenport. However, proximity of a basing point to any given destination was no criterion that the close-by basing point was in fact the basing point for such destination. Many, many times, unfortunately for the purchaser, it may have been some more distant point, selected for strategic or tactical purposes.

BASING-POINT PROPONENTS CLAIM CEMENT MUST SELL AT SAME PRICE AT ANY DESTINATION

In the docket and the brief referred to above are these words by a spokesman for the Pennsylvania-Dixie Cement Corp.:

> Because of your familiarity with the cement business you realize that cement, being a standardized product, must be sold to all customers of the same class, at the same place, at the same time, at the same or substantially the same price.

If this fallacious argument of a spokesman for the Cement Trust was true, it would even then be no argument for the basing-point system but an argument for a better distribution of cement producing facilities. Of course, what the gentleman did not say was that by the Cement Trust continuing its business on the basis he described had first, restrained trade; second, destroyed competition; third, created a monopoly; fourth, overcharged its customers by the inclusion of phantom freight; fifth, prevented the development of further productive capacity; sixth, divided the United States up like a checkerboard in order to reap the highest price possible in the sale of cement; seventh, on every sale discriminated against customers of the same class by depriving them of a free and open competitive market; eighth, subverted the antitrust laws and the Clayton and Robinson-Patman Acts; ninth, used the basing-point pricing system to eliminate possible competitors, and tenth, had aided and abetted the destruction of free enterprise in the United States. The gentleman might as well have gone a step further and stated that the aggregates that went into concrete—the sand, the gravel, the crushed limestone, the traprock, the slag—are all standardized products subject to rigid specifications when purchased by Federal, State, county, or municipal governments. Architects and builders as well have standardized specifications for concrete aggregates. I am sticking to concrete for comparison but one could, as a matter of fact, easily name many other products which are standardized but nevertheless are sold freely in open competition on the basis of f. o. b. shipping-point or at f. o. b. destination prices.

The Supreme Court, in the cement case decision handed down April 26, 1948, in this connection said:

> The belief is prevalent in the industry that because of the standardized nature of cement, among other reasons, price competition is wholly unsuited to it. That belief is historic. It has resulted in concerted activities to devise means and measures to do away with competition in the industry. Out of those activities came the multiple basing-point delivered price system.

Thus, the arguments of standardization by Cement Trust spokesmen were effectively disposed of by the Supreme Court and the real purpose of the claim of standardization was shown to be merely a plea for the grant of a charter for fixing prices and controlling markets through the use of the multiple basing-point system.

ABSTRACTS OF BIDS FOR ANY YEAR SHOW IDENTICAL PRICES

On December 5, 1929, the Iowa State Highway Commission received bids on approximately 2,000,000 barrels of portland cement to 44 destinations within the State. These bids show the identity of prices inherent in the basing-point system which were encountered in any day, month, or year during the operation of the basing-point system—the system that has now been outlawed—April 26, 1948—but which the cement and steel industries hope to put in service again in the very near future.

A casual inspection of the table which will follow of bids to the Iowa State High-

way Commiss.on will create the feeling that the prices bid to the different destinations are in some cases higher or lower as between the bidders. It is necessary, in order to get the real picture, for the reader to examine the table closely and to note the variety of bidding methods in this particular tabulation. Some of the destination prices are bid on a net-price basis. Other bidders bid with 10 cents per barrel discount and still others bid 10 cents and 10 cents, a total of 20 cents, discount. There were 15 bidders bidding, as follows:

Name of bidder	Method of bidding destination price	Total discounts
Monarch Portland Cement Co.	Discount per barrel, 10 cents and 10 cents.	$0.20
Lone Star Cement Corp.	do	.20
Northwestern States Portland Cement Co.	do	.20
Missouri Portland Cement Co.	Discount per barrel, 10 cents.	.10
Universal Cement Co.[1]	Discount per barrel, 10 cents and 10 cents.	$0.20
Consolidated Cement Corp.	Discount per barrel, 10 cents.	.10
Dewey Portland Cement Co.	do	.10
Ash Grove Lime & Portland Cement Co.	Discount per barrel, 10 cents and 10 cents.	.20
Medusa Portland Cement Co.	Net price	
Lehigh Portland Cement Co.	Discount per barrel, 10 cents and 10 cents.	.20
Pennsylvania-Dixie Cement Corp.	do	.20
Atlas Portland Cement Co.[1]	do	.20
Nebraska Cement Co.[2]	do	.20
Hawkeye Portland Cement Co.[2]	do	.20
Marquette Cement Manufacturing Co.	Net price	

[1] Universal and Atlas now Universal-Atlas Cement Co., a division of the United States Steel Corp.
[2] A division of the Ideal Cement Co.
[3] Now a division of the Marquette Cement Manufacturing Co.

It is rather apparent that the different methods of bidding were in all probability for the purpose of concealment. No doubt with 2,000,000 barrels of cement at stake the bidders hoped that variety in bidding methods would produce a semblance of competition in the eyes of the public. Of course, no one familiar with cement bids, such as are the trusted officials of our highway departments, will be deceived for even a split second. It really borders on the naive for perpetrators of the basing-point system to trot out such obviously sleight-of-hand tricks when bids are submitted to intelligent officials of governmental agencies. While in the case of such bids it makes no difference insofar as the buyer is concerned, it does show the lengths to which exponents and users of the basing-point system of pricing will go to create the impression that competition exists where there is in fact no competition. The Iowa table follows:

Cement—Bids by manufacturers to Iowa State Highway Commission on Dec. 5, 1929 for 2,000,000 barrels of cement

[Source: FTC Docket 3167—Commission's exhibit 1651-A through L]

	Monarch	Lone Star	Missouri Portland Cement Co.[1]	Northwestern Portland Cement Co.[1]	Universal	Consolidated[1]	Dewey[1]	Ash Grove	Medusa[2]	Lehigh	Penn-Dixie	Atlas	Nebraska	Hawkeye	Marquette[3]
Shipping plant or plants	Humboldt, Kans.	Bonner Springs, Kans.	Prospect Hill, Sugar Creek, Mo.	Gilmore City, Iowa	Buffington, Ind., Steelton, Minn.	Mildred, Kans., Fredonia, Kans.	Davenport, Iowa	Louisville, Nebr., Chanute, Kans.	Dixon, Ill.	Mason City, Iowa	Valley Junction, Iowa	Hannibal, Mo., Independence, Kans.	Superior, Nebr.	Des Moines, Iowa	Oglesby, Ill.
Discounts per barrel	10¢ and 10¢	10¢ and 10¢	10¢	10¢ and 10¢	10¢ and 10¢	10¢	10¢	10¢ and 10¢	Net[2]	10¢ and 10¢	10¢ and 10¢	10¢ and 10¢	10¢ and 10¢	10¢ and 10¢	Net[2]
1. Adam	$2.01	$2.01	$1.91	$2.01	----------	$1.91	$1.91	$2.01	----------	$2.01	$2.01	$2.01	$2.01	$2.01	$1.81
2. Atlantic	1.98	1.98	1.88	1.98	----------	1.88	1.88	1.98	----------	1.98	1.98	1.98	1.98	1.98	1.78
3. Oakland	2.01	2.01	1.91	2.01	----------	1.91	1.91	2.01	----------	2.01	2.01	2.01	2.01	2.01	1.81
4. Avoca	1.98	1.98	1.88	1.98	----------	1.88	1.88	1.98	----------	1.98	1.98	1.98	1.98	1.98	1.78
5. Villisca	2.05	2.05	1.95	2.05	$2.05	1.95	1.95	2.05	----------	2.05	2.05	2.05	2.05	2.05	1.85
6. Red Oak	2.03	2.03	1.93	2.03	----------	1.93	1.93	2.03	----------	2.03	2.03	2.03	2.03	2.03	1.83
7. Afton	2.03	2.03	1.93	2.03	2.03	1.93	1.93	2.03	----------	2.03	2.03	2.03	2.03	2.03	1.83
8. Bedford	2.03	2.03	1.93	2.03	----------	1.93	1.93	2.03	----------	2.03	2.03	2.03	2.03	2.03	1.83
9. Moravia	----------	1.98	1.88	1.98	1.98	1.88	1.88	1.98	----------	1.98	1.98	1.98	----------	1.98	1.78
10. Donnellson	----------	2.01	1.91	2.01	2.01	----------	1.91	2.01	$1.81	2.01	2.01	2.01	2.01	----------	[3] 1.76
11. Indianola	----------	1.96	1.86	1.96	1.96	1.86	1.86	1.96	----------	1.96	1.96	1.96	1.96	----------	1.76
12. Knoxville	----------	1.96	1.86	1.96	1.96	1.86	1.86	1.96	----------	1.96	1.96	1.96	1.96	----------	1.76
13. Sigourney	----------	1.98	1.88	1.98	1.98	1.88	1.88	1.98	1.78	1.98	1.98	1.98	1.98	----------	1.78
14. Crawfordsville	----------	2.01	1.91	2.01	2.01	----------	1.91	2.01	1.81	2.01	2.01	2.01	2.01	----------	1.81
15. Muscatine	----------	1.99	1.89	1.99	1.99	----------	1.89	----------	1.79	1.99	1.99	1.99	1.99	----------	[3] 1.74—
16. Wilton Junction	----------	1.98	1.88	1.98	1.98	----------	1.88	----------	1.78	1.98	1.98	1.98	1.98	----------	[3] 1.73—
17. Williamsburg	----------	1.96	1.86	1.96	1.96	----------	1.86	1.96	1.76	1.96	1.96	1.96	1.96	----------	1.76
18. Victor	----------	1.96	1.86	1.96	1.96	----------	1.86	1.96	----------	1.96	1.96	1.96	1.96	----------	1.76
19. Colfax	----------	1.96	1.86	1.96	1.96	----------	1.86	1.96	----------	1.96	1.96	1.96	1.96	----------	1.76
20. Perry	----------	1.94	1.84	1.94	----------	1.84	1.84	1.94	----------	1.94	1.94	1.94	1.94	----------	1.74
21. Dallas Center	----------	1.94	1.84	1.94	----------	1.84	1.84	1.94	----------	1.94	1.94	1.94	1.94	----------	1.74
22. Adel	1.98	1.98	1.88	1.98	----------	1.88	1.88	1.98	----------	1.98	1.98	1.98	1.98	----------	1.78
23. Charter Oak	1.98	1.98	1.88	1.98	----------	1.88	1.88	1.98	----------	1.98	1.98	1.98	1.98	1.98	[4] 1.80+
24. Arcadia	----------	1.96	----------	1.96	----------	1.86	1.86	1.96	----------	1.96	1.96	1.96	1.96	1.96	1.76
25. Traer	----------	1.90	----------	1.90	1.90	----------	1.80	----------	----------	1.90	1.90	1.90	----------	1.90	1.70
26. Center Point	----------	1.94	----------	1.94	1.94	----------	1.84	----------	1.74	1.94	1.94	1.94	----------	1.94	1.74
27. Monmouth	----------	2.01	----------	2.01	2.01	----------	1.91	2.01	1.81	2.01	2.01	2.01	----------	2.01	1.81
28. Hubbard	----------	1.90	----------	1.90	----------	----------	1.80	----------	----------	1.90	1.90	1.90	----------	1.90	1.70
29. Blairsburg	----------	1.88	----------	1.88	----------	----------	1.78	----------	----------	1.88	1.88	1.88	----------	1.88	[4] 1.74+
30. Moorland	----------	1.88	----------	1.88	----------	----------	1.78	1.88	----------	1.88	1.88	1.88	----------	1.88	[4] 1.76+
31. Badger	----------	1.88	----------	1.88	----------	----------	1.78	1.88	----------	1.88	1.88	1.88	----------	1.88	[4] 1.76+
32. Hampton	----------	----------	----------	1.80	----------	----------	1.70	----------	----------	1.80	1.80	1.80	----------	1.80	[4] 1.74+
33. Oelwein	----------	1.90	----------	1.90	1.90	----------	1.80	----------	----------	1.90	1.90	1.90	----------	1.90	1.70
34. Clermont	----------	1.90	----------	1.90	1.90	----------	1.80	----------	----------	1.90	1.90	1.90	----------	1.90	1.70
35. Guttenburg	----------	1.96	----------	1.96	1.96	----------	1.86	----------	1.76	1.96	1.96	1.96	----------	1.96	1.76
36. Elkader	----------	1.94	----------	1.94	1.94	----------	1.84	----------	----------	1.94	1.94	1.94	----------	1.94	1.74
37. Ridgeway	----------	1.90	----------	1.90	----------	----------	1.80	----------	----------	1.90	1.90	1.90	----------	1.90	[4] 1.74+
38. Algona	----------	1.84	----------	1.84	----------	----------	1.74	----------	----------	1.84	1.84	1.84	----------	1.84	[4] 1.76+
39. Arnolds Park	----------	1.94	----------	1.94	----------	----------	1.84	----------	----------	1.94	1.94	1.94	----------	1.94	[4] 1.80+
40. Guthrie Center	----------	2.01	1.91	2.01	----------	1.91	1.91	2.01	----------	2.01	2.01	2.01	2.01	2.01	1.81
41. Iowa City	----------	1.96	1.86	1.96	1.96	----------	1.86	----------	----------	1.96	1.96	1.96	----------	1.96	1.76
42. Luther	----------	1.94	1.84	1.94	----------	----------	1.84	1.94	----------	1.94	1.94	1.94	----------	1.94	1.74
43. Clear Lake	----------	----------	----------	1.77	----------	----------	1.67	----------	----------	1.77	1.77	1.77	----------	1.77	1.74+
44. Iowa Falls	----------	1.82	----------	1.82	----------	----------	1.72	----------	----------	1.82	1.82	1.82	----------	1.82	1.70+

[1] All bids same as other producers when difference in discounts per barrel is considered.
[2] Net amounts bid are identical with net amounts of others after discounts except as footnoted 3 or 4.
[3] Low bid.
[4] High bid.

ANALYSIS OF BASING-POINT BIDS TO IOWA STATE HIGHWAY COMMISSION SET FORTH IN TABLE ABOVE

It is well to analyze these particular bids in order that the significance of bids under the basing-point system may be clearly portrayed when attempt at concealment, however clumsy such concealment may be, is so apparent. Of the 15 bidders, 10 named a price with two discounts of 10 cents per barrel, a total of 20 cents per barrel. Three bidders named prices with one discount of 10 cents per barrel, and two bidders, Medusa and Marquette, submitted prices at destination with no discount, in other words, net prices.

When all discounts are deducted from the bid prices the following degree of identity in the bid prices is discovered:

Total identical bids—all destinations	460
Nonidentical bids lower than basing-point prices, all of which were bid by Marquette	3
Nonidentical bids which were higher than basing-point prices, all of which were made by Marquette	8
Total of bids	471

Percentage of identical bids, 97.7 percent.

In order to give a complete and lasting picture I am including the following table which gives a complete break-down of bids to each destination. This table follows:

Cement—Summary of identical bids by manufacturers to Iowa State Highway Commission, December 5, 1929, for 2,000,000 barrels for delivery at 44 destinations

[Source: Federal Trade Commission Docket 3167, Commission's exhibits 1851—A through L

	Total number of bids	Number of identical bids	Number of nonidentical bids	
			Low bids	High bids
1. Adair	13	13		
2. Atlantic	13	13		
3. Oakland	13	13		
4. Avoca	13	13		
5. Villisca	14	14		
6. Red Oak	13	13		
7. Afton	13	13		
8. Bedford	13	13		
9. Moravia	12	12		
10. Donnellson	12	11	1	
11. Indianola	12	12		
12. Knoxville	12	12		
13. Sigourney	13	13		
14. Crawfordsville	12	12		
15. Muscatine	11	10	1	
16. Wilton Junction	11	10	1	
17. Williamsburg	12	12		
18. Victor	11	11		
19. Colfax	11	11		
20. Perry	11	11		
21. Dallas Center	11	11		
22. Adel	12	12		
23. Charter Oak	13	12		1
24. Arcadia	11	11		
25. Traer	9	9		
26. Center Point	10	10		
27. Monmouth	11	11		
28. Hubbard	8	8		
29. Blairsburg	8	7		1
30. Moorland	9	8		1
31. Badger	9	8		1
32. Hampton	7	6		1
33. Olwein	9	9		
34. Clermont	9	9		
35. Guttenburg	10	10		
36. Elkader	9	9		
37. Ridgeway	8	7		1
38. Algona	8	7		1
39. Arnolds Park	8	7		1
40. Guthrie Center	12	12		
41. Iowa City	10	10		
42. Luther	10	10		
43. Clear Lake	7	7		
44. Iowa Falls	8	8		
Total	471	460	3	8

Percentage of identical bids, 97.7.

Of course I cannot attempt to fathom the Marquette Cement Manufacturing Co.'s reasons for making the three low bids, all to destinations in eastern Iowa which would be nearby territory to Marquette. Two of these bids were to the destinations, Muscatine and Wilton Junction, in the Dewey Portland Cement Co.'s territory near Davenport. Dewey's Davenport plant, you will recall, was a non-basing-point plant while Marquette's plant at Oglesby, Ill., was basing-point plant. But, Marquette's munificence was only to the extent of 5 cents per barrel to the three destinations—a very small difference on a barrel price of around $1.80. This departure from normal by Marquette may have been motivated by a feeble resolution to jump the fence on the basing-point system, or it may be that the business to the points mentioned was particularly desirable. On the other hand, it may have been a potshot at the Dewey Portland Cement Co.

Whatever Marquette's reason was for being low at three destinations in eastern Iowa, Marquette entered high bids for eight other destinations which, with one or two exceptions, were destinations in the western half of the State, thereby, indicating a disinclination for that business. Marquette used the same system—the basing-point system—as the rest of the bidders and these bids may have been mistakes but I doubt it very much.

BASING-POINT SYSTEM CONTROLS PRICES AND MARKETS

The basing-point system as a monopolistic device to control prices and markets had no better illustration of its effectiveness than the way the system operated in Iowa. Operate has several different shades of meanings but the meaning I have in mind today is the skillful operation to remove something. No surgeon ever grasped his scalpel and operated with more skillful precision than the basing-point and monopoly proponents when using the handy instrument of the basing-point system to remove unearned dollars from the body politic. The Supreme Court in its decision in the Cement case so described the basing-point system—"A handy instrument to bring about the elimination of any kind of price competition." Mr. Justice Black, who delivered the majority opinion of the court, after an exhaustive review, said in his concluding paragraph:

> Many other arguments have been presented by the respondents. All have been examined, but we find them without merit.

Thus came to an end the basing-point system in Iowa and every other State in the Union. Thus, the good-roads movement, the reclamation program, our flood-control projects, and all of our public works were placed in a competitive position. A position where "the lowest and best bid" took on its old familiar meaning in the purchase of cement, steel, and other construction materials, and the indefinable twaddle, regarding the alleged competition in the basing-point system of pricing, was quieted for a time.

BASING-POINT SYSTEM WANTED BACK BY CEMENT AND STEEL TRUSTS—NEVER ABSORB FREIGHT

In the inception of the move to return the basing-point system to the American scene, it was frankly stated by industry proponents of the basing-point system that the legalization of the system was the objective. As opposition has grown against legislative action which would in anywise weaken our antitrust laws, there is indication of a different attack. Now industry spokesmen are quoted in the press as being eager to pay freight charges and to absorb such charges. I do not believe any more deceiving or ridiculous arguments could possibly be devised. Neither the Cement Trust nor the Steel Trust ever made a practice of prepaying freight. Historically, the buyer always paid the freight on steel and cement. That he was glad to do, but what the purchaser did not like to pay was the freight charge that was not there. The freight charge which made him pay freight from Pittsburgh when he bought the steel from a steel plant in his home town. Nor did the purchaser of cement like to pay freight charges from a cement mill 200 miles away when he could see the cement mill from his office window.

No; there will be no general rush to prepay freight charges on steel or cement, come either the moratorium or the millennium. These industries just do not do business that way and never have undertaken to do so. The only thing these monopolies want at the moment is some excuse, valid or otherwise, to return to the basing-point system. Iowa, nor any other State within our United States, neither needs nor desires this unfair system in the sale and distribution of our basic commodities.

SMALL BUSINESS IN IOWA GAINS THROUGH ABOLITION OF BASING-POINT SYSTEM

As the competitive forces in business come back into action, the abolition of the basing-point system will prove to be a great boon to small business in Iowa and elsewhere. As manufacturers are able to purchase non-basing-point system, the savings will be reflected in the prices of manufactured products. Since fictitious freight charges have been abolished, small merchants, as well as manufacturers, may have a competitive choice in purchases of steel and other products for sale and resale. Small manufacturers of farm supplies and equipment, and distributors as well, in Iowa, may feel secure from the punitive effects of the basing-point system. This is because purchases of steel, cement, and other commodities, may now be made from the nearest source of supply without payment of phantom freight. It places such manufacturers and distributors in a much better cost position and allows a greater cushioning effect against their giant competitors.

I do not feel that it would be repetitious to again quote Iowa's motto for it is one to be remembered in these days of monopolistic aggression and assaults upon our national existence. It is good, I repeat, to remember and treasure Iowa's flaming words of courage, "Our liberties we prize and our rights we will maintain."

Why Not a PVA for Potomac Area?

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. SANBORN. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include an editorial from the May 1, 1949, issue of the Idaho Sunday Statesman:

A NEIGHBOR TO THE NORTH APTLY PROPOSES THAT THOSE WHO WOULD DOCTOR US BE GIVEN THEIR OWN MEDICINE

Just about everybody in the Northwest has a slant on topic A for these days: The proposed Columbia Valley Administration. If there are those who haven't, their numbers will diminish as time goes by, since President Truman and his bigger-Government boys are determined to saddle us with a CVA, and a lot of northwestern people who are doing all right without Federal advice and control are just as determined to keep their States free of the proposed governmental intrusion on these parts.

After a few more months of the controversy, it will be a rare Idahoan or Oregonian or Washingtonian who doesn't have an opinion on the subject, so much will have been said about it pro and con.

Meanwhile, most of the sentiment in favor of the CVA comes, ironically enough, from points east and generally outside the area to be affected by a CVA. Along this line, the Spokesman-Review, of Spokane, taking note of the peculiar situation, has a suggestion about it in an editorial entitled "Why Not a PVA for Potomac Area?" which we think hits the nail on the head.

It goes like this:

"One of the several Government officeholders who constitute the chief backers for the idea of a Columbia Valley Administration has sent the Spokesman-Review copies of editorials from three Washington, D. C., newspapers and the New York Times. Those editorials support the CVA idea and are all for putting it into effect promptly.

"In almost the same mail there arrived another budget of editorials, all clipped from Pacific Northwest newspapers and forwarded by the Pacific Northwest Development Association. They were all as uniformly skeptical as the eastern newspapers were satisfied with the idea.

"To the Spokesman-Review this is significant of the whole alinement on the CVA question. The push and the promotion for CVA all comes from outside the region, save for the little group of Democratic Members of Congress from here who are working with the administration to create a CVA. The fact that spokesmen in Washington, D. C., and in New York City want a CVA is not convincing evidence that we here should open our arms to it. On the contrary, it is reason why we should examine it still more closely.

"The Governors of the States most affected by the CVA proposal are against it. Most of the region's Congressmen will probably be against it. Most of the area's newspapers are either against it or await further evidence that it is necessary or desirable.

"Suppose we in the Northwest should start a move for a Potomac Valley Administration, to be managed from here, but with some members of the governing board to be chosen from the population of Washington, D. C., in order to give them a voice in management. From many sources we hear that the Potomac region is backward, wasteful, and inefficient. Our Potomac Valley Administration would see to it that things were changed in the National Capital. We would coordinate the existing agencies and shape things to the pattern of our own ideas.

"If we were to propose that, perhaps the people who are sponsoring the CVA from the National Capital would understand a little better the feeling that we have for their proposal."

The Battle That Squanders Billions

EXTENSION OF REMARKS
OF
HON. GUY M. GILLETTE
OF IOWA
IN THE SENATE OF THE UNITED STATES
Monday, May 16 (legislative day of Monday, April 11), 1949

Mr. GILLETTE. Mr. President, in the Saturday Evening Post of last week there was published an article entitled "The Battle That Squanders Billions." The article was written by Leslie A. Miller, chairman, Natural Resources Committee, Hoover Commission, and ex-Governor of Wyoming. The article was referred to by the senior Senator from Wyoming [Mr. O'MAHONEY] in a statement he made on the floor of the Senate last week. I ask unanimous consent that the article, as excised, on which I have received an estimate of cost of $225, be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BATTLE THAT SQUANDERS BILLIONS

(By Leslie A. Miller, chairman, Natural Resources Committee, Hoover Commission; ex-Governor of Wyoming)

When former President Herbert Hoover asked me to serve on the Natural Resources Committee, one of the task forces of his Commission on Organization of the Executive Branch of the Government, I went into the job with my eyes open. I knew it would be a sort of surgeon's job. And I suspected just enough about the swollen, pork-fed condition of our two principal prospective patients—the autocratic Army Engineers and the Department of the Interior's spendthrift Bureau of Reclamation—to know they would scream loudly when we sank the surgeon's knife into some of their diseased tissues.

I said I went into the job with my eyes open. They are open a lot wider now. As close as we thought we were to the problem of how the taxpayers money is being spent for irrigation, flood control, and power development, my seven committee colleagues and I were amazed and dismayed to learn how bad the situation really is—how billions are being squandered on duplicating, badly engineered projects.

John Q. Taxpayer doesn't realize it, but efforts are being made to place his name as cosigner on a note for $52,706,500,000—or, to break it down, about $1,500 in tax obligations for the average American family. That is the staggering amount estimated as the cost of water-resources-development projects now in the construction and planning stages, and it does not include the $4,779,700,000 spent on projects already completed. All but a fraction of these projects originate with the Engineers or the Reclamation Bureau:

As a westerner who has been in public service for a good part of my life, I yield to no reasonable man in my appreciation of water resources and what their proper development can mean to my part of the country and to the Nation as a whole. But $52,706,500,000 worth is a terrific water bill.

* * * * *

The principal charges I must bring against the Army Engineers and the Bureau of Reclamation, as result of my investigations as chairman of the Hoover Commission's natural resources task force, are these:

1. The two agencies are so violently jealous of each other that an extravagant and wholly senseless competition has sprung up. They will encroach on each other's territory and stake out rival claims simply to beat out each other in the race to construct expensive projects. Naturally, it is the taxpayer who suffers.

2. In their indecent zeal to extend their empires, both agencies are guilty of underestimating—apparently deliberately—the cost of the projects they propose to build. This underestimating has the effect of bamboozling Congress into easy acquiescence to proposed projects. Then, after the first batch of concrete is poured, the engineers and reclamationists always can come back with a request for a supplemental appropriation. For instance, if the whole $52,706,500,000 water-development program should be approved by Congress, the entire job when completed, on the basis of past performances in estimating by the Engineers and Bureau of Reclamation, probably would cost more than double that figure.

3. Both agencies stoop to deception in furtherance of their efforts to stake out claims on projects. The Engineers will use navigation and flood control as a guise for a hydroelectric project; the reclamationists use irrigation as their alibi for hydroelectric development. While there may be much to say in favor of Government construction of hydroelectric projects, it is my impresssion that the United States still is not a socialistic country and that the production and sale of electricity remains a matter for private enterprise. I say this with full appreciation of the Tennessee Valley Authority experiment, which has served a useful purpose, but which, our task force concluded, should not serve as an excuse for setting up similar independent authorities throughout the Nation.

4. Both agencies are guilty of brazen and pernicious lobbying to achieve their ends.

Of course, I must plead guilty to a certain amount of bias in expressing my opinions. When I became Governor of Wyoming in 1933, I inherited a $1,000,000 overdraft that had been on our books for some 20 years. I got rid of it simply by not spending money on certain projects that would have been nice, but unnecessary. I never have believed in living above our means, and never shall.

Let me cite two cases which our task force uncovered as examples of wastefulness and bad planning on the part of both agencies. First, the case of the Reclamation Bureau and Boysen Dam: Out in the central part of my State of Wyoming is a rugged canyon through which the Big Horn River runs. To the head of this canyon some 30 or 40 years ago came an enterprising Minnesotan, one Asmus Boysen, who built a small power dam. It was strictly a private enterprise. Then came the Burlington Railroad, which built a track alongside his dam, and the State followed suit with a paralleling highway.

Boysen overlooked one thing: silt—the curse of all dam builders, even the mighty engineers and reclamationists. In a relatively short period of years, the silt had built up behind Boysen's dam so thoroughly that his power production was seriously impaired. He built a superstructure on his dam to raise the water higher. With that, the railroad went into court and charged that the dam

was a menace to its roadbed. After a long and expensive suit, which almost broke Boysen, the courts held the dam was a nuisance and ordered it dynamited.

Now, a few years ago, when Reclamation plunged into the wild race to stake out projects in the Missouri Basin ahead of the rival Engineers, it hit upon the idea of again damming up the Big Horn at Boysen's old site. A reconnaissance survey fixed the cost at $8,200,000. Reclamation started building a mighty structure designed to aid flood control, supply irrigation water and produce power; in my opinion the need, if any, for additional power in that area could be provided more consistently by enlarging the capacity of existing installations or of projects already under way. The structure was designed at least 10 percent larger than its purposes required, in order to cope with the siltation problem.

But the railroad and highway people were no more anxious to be flooded than they had been 30 years before. So Reclamation had to shoulder the cost of relocating the railroad and highway. To relocate the highway alone, I am informed, will cost $1,642,000. The cost of relocating the railroad will be staggering—$15,096,000 at the latest estimate. It calls for several miles of construction work through solid rock, including the blasting of a tunnel, well over a mile long, through armorlike diorite and granite.

At last count, Reclamation itself was admitting that the project would cost $29,726,000; only time will tell how much more it will run. The budget request for the 1950 fiscal year alone is $8,000,000. If I were the arbiter, I'd say let's wash out the eight to ten millions that Reclamation already has squandered and not pour another $20,000,000 or more into this ill-starred silt trap.

Now for an example of how the Army Engineers, in their zeal for pouring concrete, persist bullheadedly in spending money for projects of doubtful necessity. At the city of Denver, Colo., an inconsequential stream known as Cherry Creek flows into the South Platte River. Cherry Creek ordinarily is placid, but occasionally it floods, causing relatively minor damage in portions of Denver. Some years ago, Kenwood Dam, a structure designed for a maximum flood discharge of 70,000 second-feet, was built as a PWA project to protect Denver against Cherry Creek floods. According to a committee of the Colorado Section, American Society of Civil Engineers, the worst Cherry Creek flood ever measured in Denver occurred in 1885 and had a peak discharge of some 20,000 second-feet.

The Engineers have stepped in, however, and, by a decidedly roundabout means of figuring, have come up with the conclusion that a flood of 113,000 second-feet—a figure that is 5.65 times as great as the maximum flood of record—is theoretically possible.

So now the Engineers are engaged in a truly massive project on this trifling creek—a dam 14,300 feet long and 140 feet high, with a control structure 174 feet in height. Needless to say, it will eliminate the existing dam, which local engineers think is adequate. Cost: $15,700,000 for the dam alone; about $21,000,000 if storage and operating facilities for irrigation-water storage, now being eyed by the Bureau of Reclamation, are included. The Engineers went ahead with this project despite the forthright opposition of the Denver engineers, who declared that, by even the most generous figures, the project was not worth the cost. The local engineers significantly pointed out that if the Denver taxpayers instead of Uncle Sam were directly footing the bill they never would commit themselves to such a project. But, it would appear, nothing can stop the Army Engineers.

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The great public fallacy concerning the Engineers is an impression that the Corps is a peacetime group of Army officers and soldiers gaining valuable experience for war while working on construction projects. That is a lot of brass-encased baloney. The truth of the matter is that only some 215 Army officers are assigned to this inland-water-development program. They are the "brass" who supervise the tasks of more than 40,000 civilian Government employees.

Among these civilians are highly educated, efficient engineers who ordinarily would be granted advancement to top posts which their achievements warranted. But the way the Engineers have the system organized, the Army "brass" holds all the top positions and takes all the credit for the accomplishments. So the notion that Army personnel is getting valuable training for war through the Corps of Engineers is plain silly. Furthermore, in wartime Army engineers are not called upon to build dikes and dams for flood control and power production—their job with respect to such structures is to blast them out of existence.

To put it mildly, the Engineers seem to have gone hog-wild in lining up projects. There is a segment of the engineering mind which seems to gaze on a God-made landscape with a critical eye. A river must be dammed. A beautiful natural lake must be converted into a reservoir. A swamp which may be a major factor in maintaining water tables in adjacent areas must be drained. If it is "engineeringly feasible," something must be done forthwith, because God didn't do a proper job in the first place and the Engineers can improve on His handiwork.

In the past few years, the Corps of Engineers has started muscling in on the field of power-producing and irrigation dams, which properly is the responsibility of Reclamation. This has produced considerable agitation within the Reclamation Bureau. The Engineers may bestow a project upon an area at low cost to the local citizens, while Reclamation is supposed to set up contracts whereby those who glean the benefits eventually repay the Government. Naturally human nature being what it is, most communities begin favoring the cheaper projects offered by the Engineers over the quasi-pay-as-you-go projects of Reclamation. Reclamation's only weapon, if it is to maintain its hallowed bureaucratic status as the do-gooding, easy-spending patron of the west, is to think up and execute projects faster than the Engineers. So a ruinous and costly competition has developed, particularly in the Missouri Valley and the Central Valley of California.

Can I back up these accusations with figures? I'll let Lt. Gen. Raymond A. Wheeler, the recently retired Chief of Engineers, do it for me. In response to a request last fall from one of the rivers-and-harbors-bloc Senators, General Wheeler, then Chief of the corps, prepared an analysis of what all the Federal agencies—Engineers, Reclamation, Department of Agriculture, and the Federal Power Commission—had spent and were planning to spend on water-resources development. By far the lion's share, of course, were Engineers and Reclamation projects. The figures, as taken from the CONGRESSIONAL RECORD, are:

	Cost
1. Work already completed	$4,779,700,000
2. Projects under construction	4,593,000,000
3. Projects definitely planned	18,980,900,000
4. Projects planned for the long-range future	29,152,600,000
Total	57,506,200,000

It is highly significant to note that by far the largest single amount—$24,086,900,000—is earmarked for Government development of hydroelectric power. The amount is twice the expenditure planned for flood control, and nearly three times as much as is planned for irrigation. If the Government agencies got the green light on all their plans for power development, the new facilities thus constructed would provide more than three times the amount of hydroelectric power that exists in all the United States today.

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The Reclamation Bureau was established in Theodore Roosevelt's time to save western farmers from ruinous drought. Though a younger agency than the Corps of Engineers, it has grown up fast. Its activities are principally in the 11 Western States. Because of the popular illusion that all reclamation projects are on the side of the angels, whenever anyone in Congress lifts a questioning voice about this Bureau's expenditures, 22 western Senators—Republicans and Democrats working as brethren—and their colleagues in the House rise as a phalanx to beat down the opposition.

Originally, the Reclamation Bureau was supposed to be a self-sustaining project; now it is drawing appropriations from the Treasury that run up as high as $246,619,139 a year—not counting the supplementary appropriations which the Bureau regularly wheedles or blackjacks from Congress. The Bureau's budget request for the coming fiscal year, pending before Congress as this was written, was a record $373,328,500. Personnelwise, the Bureau has grown from 2,853 employees in 1935 to 16,522 in 1948.

Naturally, two such powerful and pork-dispensing organizations have drawn the support of potent lobbies. The National Reclamation Association is one of the more powerful lobbies doing yeoman service for the Bureau of Reclamation. The Engineers have a whole string of lobbies behind them, including the aggressive Mississippi Valley Association and the wealthy, influential National Rivers and Harbors Congress.

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It would be arrogant and intolerant of me to say that no good has come of any projects of the Engineers and Reclamation Bureau. The early projects, before they began to dream in the grandiose, wholesale manner, were particularly inspired and beneficial. But I do charge that the performance record now is shot through with examples of rotten planning and wasteful execution.

The most shameful example of piecemeal planning, wasteful competition and political compromising on the part of both the Engineers and Reclamation is the Missouri Basin story. For years, the Missouri Basin, approximately one-sixth of the Nation's land area, scene of flood and drought disasters, and a prime example of the need for carefully planned conservation and development, has been the battleground for various bureaus and private pressure groups with axes to grind.

The Engineers finally had come up with the ambitious Pick plan, prepared by Lewis A. Pick, now a major general and the new Chief of Engineers. Reclamation produced its equally ambitious Sloan Plan, fathered by W. G. Sloan. The trouble with the two plans was that in many respects they were bitterly contradictory of each other. The engineers, downstream, would be dredging a channel to serve the needs of unnecessary river traffic; upstream, Reclamation would be building a storage dam for irrigation that would deprive the channel of water it required.

In 1944, President Roosevelt recommended a Missouri Valley Authority similar to the Tennessee Valley Authority. That did the trick. The President didn't get his MVA, but the bitter rivals, Engineers and Reclamation, were driven into each other's arms for self-preservation. "A shameless, loveless, shotgun wedding!" James G. Patton, president of the National Farmers Union, termed it.

Anyway, a Pick-Sloan plan was agreed upon—a conscienceless bit of political compromising. For example, whereas Sloan formerly objected to two proposed Engineers

dams—Garrison and Gavin in the Dakotas—as wholly unnecessary and wasteful, he now agreed to the two projects, which will cost some $211,000,000. Garrison already is under construction, and Gavin is planned for the future. The Pick-Sloan plan, which is under way, will cost the taxpayers some $6,300,000,000 an "estimate"—and it will not serve the needs of the Missouri Valley adequately as it still is a crazy quilt, nonintegrated program.

I will go a step further and predict that, unless firm steps are taken, President Truman will have trouble in bringing about his proposed Columbia Valley Authority plan. Both Engineers and Reclamation have staked out claims on this area. I have seen the fourteen volumes of plans that the Engineers have prepared for Columbia River development; the documents weigh forty-one pounds and make a stack more than a foot and a half high. Unless the President can be effectively tough—and the Engineers have sabotaged the wishes of Presidents many times in the past—another Pick-Sloan deal may result for the Columbia Valley.

The Colorado-Big Thompson project is still another example of malodorous planning of an undertaking designed to consume millions of the taxpayers' dollars—this one on the part of Reclamation. Big Thompson is a colossal scheme to pump water from the western slope of the Rockies to the Eastern slope by tunneling thirteen and one half miles through the mighty Continental Divide, that granite backbone of the American continent. Reclamation went blithely ahead, estimated the project would cost $44,000,000, obtained congressional approval on that basis, and even made contracts with the eastern-slope farmers to deliver water for supplemental irrigation.

The project got under way; then it began expanding. Those usual difficulties and modifications that were not anticipated began cropping up. At last count, the $44,000,000 job and grown into a $144,581,000 project, of which $68,000,000 already had been expended. And the latest development is the discovery that Colorado-Big Thompson will not provide the amount of water Reclamation has guaranteed to deliver to the eastern slope after all, so a new study will be launched to discover other water sources and develop them. We'll be lucky if we get off for $200,000,000.

This building of great irrigation dams by Reclamation without determining whether water will be available is, unfortunately, common. To mention just one example, Kendrick project, in Wyoming, a $24,000,000 job, was built in 1934–35, and no surplus water was available for it until 1947. The Federal Government, according to a survey which has been made for me, has lost at least $9,000,000 on various projects through just this kind of unreliable estimating, and farmers have lost many millions more. As far back as 1936, the National Resources Committee reported that "abandoned farms * * * now stand as pathetic monuments to misplaced confidence in fragmentary data."

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Our task force made three principal recommendations designed to correct the particular evils which I have discussed. They were:

1. That the Corps of Engineers be stripped of its civil river-development functions; that a consolidated water development service be established to take over these functions, plus all functions of the Bureau of Reclamation, plus other power-marketing and river-development functions administered by the Departments of Interior and State, the Federal Power Commission and the Bonneville and Southwestern Power Administrations. In this connection, we recommended retention of TVA, but opposed establishment of additional valley authorities.

2. Abolition of the Department of Interior and creation of a new Department of Natural Resources to administer the consolidated Water Development Service and other affiliated Federal activities now loosely administered in various departments.

3. Establishment within the President's office of a Board of Coordination and Review to pass on every major water-development project from the time it is first proposed, in order to make certain that "boondoggles," frills, and duplicating activities are chopped off before they sprout.

Even before our task-force report was made public, the fight was launched to keep the Army Engineers firmly entrenched in the civilian contracting business. The Engineers' lobby got to work, and soon contractors, civic groups, and Congressmen were deluged by thousands of identically worded telegrams and resolutions, asking them to join the fight to save the Engineers. One of the ridiculous arguments advanced was that only the Army Corps of Engineers had the engineering know-how to carry out these projects. "Bunk." As I pointed out earlier, there are only 215 Army Engineer officers supervising the work of 40,000 civilians, and the civilians could carry on beautifully without the brass.

The situation became so bad that Mr. Hoover found it necessary to make a public denunciation of these propaganda efforts by the Engineers. The Chief of Engineers thereupon disclaimed responsibility for the pressure campaign; nevertheless, the Hoover Commission has in its files transcripts of antireorganization speeches made throughout the country by district engineers.

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No one realizes better than I that it is almost a Don Quixote gesture to tilt a lance at the solidly anchored windmill that is the Army Engineers' lobby. But I feel that if the long-suffering taxpayers can be aroused through publication of this article, perhaps enough blows can unsettle that expensive windmill.

The most brazen example of autocracy on the part of the Army Engineers is related in the portion of our task-force report dealing with the Kings River project in the basin of the Central Valley of California. Our committee is indebted to Arthur A. Maas, of Harvard University, who served as one of our consultants on water resources, for his thorough and documented case history of the Kings River project, wherein the Army Engineers repeatedly—and successfully—defied two Presidents of the United States to achieve jurisdiction over a construction job which was not rightfully theirs.

The Central Valley basin, containing more than one-third of California's acreage for years has been faced by an increasingly urgent water-development problem. Though the flood factor is present, the problem primarily is one of irrigation for the farmers of the area. Thus, the responsibility fell squarely within the jurisdiction of the Bureau of Reclamation. Notwithstanding this, the Corps of Engineers in 1937 entered into competition with Reclamation to grab off a $20,000,000 project in the Kings River area.

President Roosevelt's attention was called to this senseless and costly conflict, and he took time from his more pressing duties to order that the conflicting surveys be cleared with the Water Resources Committee of his National Resources Planning Board and then sent to him before being submitted to Congress. Reclamation followed his instructions. The Engineers, who traditionally have felt they are responsible to Congress rather than to the President, sidetracked the Water Resources Committee and sent the report directly to the White House. Through some unexplained circumstance—believed to be a clerical error—Roosevelt's wishes were frustrated by the White House administrative machinery, which slipped up and forwarded the report to Congress.

Thus, in 1940, Congress received the two conflicting and nonintegrated reports.

Then began a seven-year struggle over the project. Roosevelt repeatedly and often curtly warned his Secretary of War that he wanted the Kings River project built by Interior. Just as repeatedly, the Corps of Engineers went to Congress and were able to balk the President's wishes. The point at stake was that, under the Reclamation system of repayment by the consumers for water supplied by the Government, the Federal Treasury would receive a greater return than under the Engineers' plan of relatively insignificant participation by the consumers.

All during the war, President Roosevelt had to take time out to battle with the Engineers. After Mr. Roosevelt died, President Truman took up the fight just as firmly. These efforts by two Commanders in Chief bothered the Engineers not one bit. Their will prevailed: Congress gave the Engineers authority and funds to build the Kings River project, and the Federal Treasury is going to suffer considerably as a result of this.

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It's no wonder that both Presidents Hoover and Roosevelt used to exclaim privately that, if someone only could show them how to curb the Army Engineers, they really could save some money for the United States.

The whole thing is as fantastically ridiculous as if General Eisenhower, on the eve of the Normandy invasion, were to have been overruled by his sergeant chauffeur, who might have wanted to spend the next week end in London instead of France.

But it is no laughing matter, I submit that, when agencies such as the Army Corps of Engineers or any others can whip Presidents and Congress all around the stump, there's something vitally wrong with our system of democratic government.

Why Labor Hates Injunctions

EXTENSION OF REMARKS
OF
HON. GEORGE D. O'BRIEN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. O'BRIEN of Michigan. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include the following article from the American Federationist entitled "Why Labor Hates Injunctions," by George Meany:

There are many features embodied in the Taft-Hartley Act which are obnoxious and which have caused millions of fair-minded citizens, apart from the members of organized labor, to decide that this statute must be eliminated as quickly as possible.

Of all the distasteful provisions of the Taft-Hartley Act, there is one which stands forth as particularly vicious. This is the provision under which government by injunction, one of the foremost evils recorded in American history of the late Nineteenth and early Twentieth Centuries, has been brought back to life.

Labor hates the injunction. Working people of this Nation can never be reconciled to the use of judicial writs in disputes between labor and management. No other practice is so universally reviled among men and women who depend for life upon what they earn by their toil. And many millions of

other Americans who believe in fair play join with labor in this detestation of government by injunction. Represented in this group are a substantial number of enlightened employers.

Why is it that labor hates the injunction process? Is labor's attitude toward injunctions the result of some inexplicable emotion? Or is there a good reason—or many good reasons—for labor's resentment of the injunction? Why does labor feel the way it does?

In order to understand why American labor will never accept the employment of judicial injunctions in labor-management controversies, it is necessary to dip back into history. The record must be studied—and when once this has been done, the answer becomes clear.

Our Nation is a nation of free men. We are governed by the Constitution of the United States and by the laws enacted by Congress within the framework of the Constitution. The most fundamental principle of our American governmental process is that the laws are written solely by the legislative representatives of the people—in other words, by men and women sitting in Congress and the State legislatures who have been elected by the people. As a corollary of this principle, there is the rule that the law-making prerogative must never be usurped—not even to an infinitesimal degree—by the courts. The courts have their important work to perform—but this does not embrace the taking unto themselves of extra-legal powers.

It is also important to recall that the Constitution under which we live guarantees to each one of us certain rights—rights which are most precious and which are not to be set aside or nullified either by Congress or by a judge or by any other person or institution. These rights, whose exercise has helped tremendously in making the United States the great Nation that it is, are freedom of speech, freedom of assemblage, freedom of the press, and freedom of religion. In the defense of these rights, which enable human beings to be free and protect human dignity against those who scorn it, the founders of this land fought and died. Since that day other Americans have demonstrated an equal willingness to sacrifice without limit in order to defend these precious rights that accompany American citizenship.

Nowhere does the Constitution speak of any right to issue injunctions to throttle the aforementioned freedoms and to crush the lawful associations which wage earners form to protect themselves against the arbitrary, brutal acts of greedy and ruthless employers. There is no such right under the Constitution—but in the latter part of the nineteenth century and for the first three decades of the present century a flood of antilabor injunctions, compelling workers to desist from the exercise of freedom of speech, freedom of assemblage, and freedom of the press, poured from the courts of the Nation.

The courts which issued the injunctions were taking sides in the contest between workers and employers. And almost without exception, they took the side of the employer against the workers. Seldom, if ever, did a court hand down an injunction ordering an unscrupulous, grasping employer to deal fairly with his employees, to sit down around the table with the representatives of his workers and practice collective bargaining. Seldom if ever did a court hand down an injunction ordering an employer to stop employing children 8 to 12 years of age for 50 to 60 hours a week in the mills, as children were employed in Massachusetts and other States for decades. No, injustices perpetrated by employers were not of interest to the same courts which were ready to issue sweeping injunctions against workingmen.

Equal justice under law is a concept which may be regarded as the very cornerstone of our democracy. But in the half century of the antilabor injunction's heyday this principle was constantly flouted by the courts themselves. Instead of equal justice under law, the judges' writs of injunction represented unequal justice under an absence of law.

With the courts available for duty as highly effective strikebreakers, the antilabor corporations laughed at labor's struggle to bring the working people of the Nation out of the mire of the 14-hour day and wages of a few pitiful dollars a week. In some industries the worker often had only a slip of paper at the end of the week showing that he owed the company money—after deductions for rent of a company-owned hovel and for purchases at the company's food store.

It takes little imagination to appreciate the jubilation of the mighty antiunion barons when they discovered that their dirty work was gladly performed for them by lawless judges. The Fricks and the Pullmans, whose aim was not only to block any betterment of the workers' conditions but to smash and destroy the workers' unions, slashed wages, fired union members, did everything imaginable to provoke their employees to strike action and then they sent their lawyers into court.

The corporation's attorney would pull out of his pocket a sweeping injunction against the workers. The document would be all ready for the judge. Usually the judge would affix his signature without the change of a comma. The injunction would go into effect. Immediately, the news would be spread over the front pages of the newspapers. The law-abiding citizen, with his deep respect for the law, would conclude that the workers were in the wrong, that they were to be regarded as criminals whom the law had to restrain.

The newspapers, even more sweepingly biased against labor in those days when it was easier to hoodwink the public than it is now, would never carry a line to intimate that the true lawbreaker was the judge himself, since his action in issuing an injunction was without any basis either in the Constitution or in the enactments of Congress. This was the truth, of course, but to tell the truth would be to spoil a colossal swindle which was highly profitable to big business.

The evil of government by injunction was a cancer. For half a century it ate at the vitals of our democracy. Had it not been excised, as it finally was in 1932, the consequences to this Nation would undoubtedly have been extremely serious.

Just think how the wage earners of the injunction era felt. Driven by low wages, long hours, and health-shattering working conditions, they would join with their fellow workers to form a union. Acting with their fellows and through their newly established organization, they would appeal to their employer for consideration of their grievances. The employer would refuse to talk to them. He wouldn't negotiate. He wouldn't arbitrate. He wouldn't do anything of a reasonable nature. Not infrequently his answer would be to fire his work force and lock them out. Sometimes he would just fire some and slash the wages of those remaining.

The workers would meet at their union hall. They would discuss the situation. Given no alternative, they would vote to strike.

But the employer, having a powerful ally in the court, would quickly confront the strikers with an injunction. This is how a typical injunction would read:

"The workers aforesaid are hereby restrained from combining together or with others with the design or purpose of causing a strike at the John Doe Co., and from ordering, recommending, or approving or advising others to quit the service of the John Doe Co.

"The workers aforesaid are hereby further restrained from carrying, or in any manner or in anywise, exhibiting any banner, sign, reading, printing, dodger, card, or notice of any character having upon the same any statement that the John Doe Co. is unfair to said workers.

"The workers aforesaid are additionally restrained from conveying, directly or indirectly, by means of any act or statement, or printing of any kind, in any publication of said defendants, any statement of the facts, or from which such facts could be reasonably inferred, that the plaintiff and his firm were or are unfair to organized labor."

Such an injunction was shattering to the workers and their legitimate cause. It is no wonder that sometimes, after the issuance of such an injunction, a trade union was destroyed, not to reappear at the employer's plant until decades later.

One does not have to be a lawyer to note, in a quick scrutiny of the typical injunction recorded above, that the court had wiped out the workers' freedoms of speech, assemblage, and the press.

The American Federation of Labor fought the injunction disease from the very beginning. The unfairness of the use of injunctions against workers was pointed out time and again. Appeals were made to public opinion. And eventually the tide began to turn.

Long before 1932, when the Norris-LaGuardia Act was put on the Federal statute books by a Republican Congress and a Republican President, voices against the injunction evil began to be heard. Even judges spoke out against this criminal abuse of the power of the judiciary which was undermining public confidence in the courts and the administration of justice.

Thus, Justice Howard of the New York State Supreme Court, writing many years before the passage of the Norris-LaGuardia Act, said:

"The courts should not carelessly cast the weight of their mandates into the strife between employers and employees.

"In an evenly balanced labor struggle, an edict of the court leveled at the strikers shakes the morale of the workingmen. This is not the purpose of an injunction, although it is frequently, and perhaps generally, the purpose of the employer who seeks it.

"The moral effect of an injunction order in such cases is tremendous. At once it gives the impression in the community that the strikers have violated the law. The court seems to have taken a hand in the struggle. This is the layman's view. The injunction, thus shaping public opinion, is often decisive."

The National Association of Manufacturers, the National Metal Trades Association and other defenders of antilabor corporations and their nefarious practices fought stubbornly to preserve the best strikebreaking tool in the book. They argued insistently that the injunction merely maintained the status quo. They averred that labor could appeal, and if labor was right, the injunction would be vacated.

Of course, these arguments were specious. One of the most objectionable features of the antilabor injunction was that the injury which it did to the workers could not be repaired. In one memorable case, the Hitchman case, 10 years elapsed between the issuance of the injunction and the final determination by the Supreme Court. Long before 10 years had passed, the fight was over. In another case, there was an interval of 7 years. Invariably, a long period of time elapsed between the issuance of the original injunction and the final decision of the Supreme Court.

While the weeks and months and years rolled on, the employer operated his plant and collected his profits. His workers, whom he had abused and induced to walk out,

either crawled back, unfairly defeated, or they starved. This was called justice.

At last, after the open-shop drive of the 1920's and then the Wall Street crash of 1929, the country felt that it could not permit this cancer to continue—this system of one kind of justice for the employer and another kind of justice for the worker.

The Seventy-second Congress, with Republicans in the majority, and with President Herbert Hoover, a Republican, occupying the White House, took action to restore the average citizen's confidence in the fairness and justice of the American system. That Congress, in the year 1932, passed a bill sponsoring jointly by Senator Norris of Nebraska and Congressman LaGuardia of New York.

From 1932 until 1947 the Norris-LaGuardia Act continued in effect. It was a boon not only to working people. It was a boon to the Nation as a whole. It was a valuable asset to the Nation in its conduct of foreign relations, demonstrating to the world that the United States did not oppress and persecute its working people.

Then, in 1947, in a fit of hysteria and stupidity, the reactionary Eightieth Congress turned the clock back. It restored the tragedy of government by injunction. This provision of the Taft-Hartley Act is surely one of the most malicious and destructive features of the entire law.

Now, when a new law is to be written, a law which all reasonable citizens hope will make it possible for American labor and American management to live and work together, it is imperative that the ruinous action of the Eightieth Congress shall be corrected.

Equal justice under law must ever prevail in the United States. If there is to be equal justice in the realm of labor-management relations, employers must not have an unfair weapon.

Let us put government by injunction back in the grave—for all time.

Compulsory Health Insurance

EXTENSION OF REMARKS
OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 11, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following brief on compulsory health insurance under Federal legislation. This will become an increasingly troublesome subject of controversy in the months ahead. The brief is a comprehensive analysis of the facts, as contrasted with theories, opinions, and propaganda. I believe Members will find it of greatest value in getting the data necessary for sound and reasoned conclusions.

The article is by Kenneth C. Crain, an editor of Hospital Management, and is reprinted from the January 1949 issue of that journal:

TO THE CONGRESS OF THE UNITED STATES: A BRIEF ON COMPULSORY HEALTH INSURANCE UNDER FEDERAL LEGISLATION

(By Kenneth C. Crain)

It is proposed to examine in this discussion, in such detail as may be necessary, the following points:

1. The reasons advanced in support of the proposal for a compulsory health insurance system, and their fallacy, including the matter of rejections for Selective Service.

2. The fashion in which the present system of individual health care operates, as to both medical and hospital services; the care of those who cannot pay for such services, and the methods of arranging prepayment.

3. The record of government-controlled health care, in this country and in others, including Germany, Great Britain, and New Zealand.

4. The cost of a compulsory health-insurance system under Social Security, and the difficulties already confronting Social Security and the taxpayer, without this added burden.

The above outline indicates that this is an attempt to place before the Congress, fully but as briefly as possible, all of the considerations involved in the proposal to adopt by Federal legislation a compulsory system of health insurance. The reasons advanced in support of these proposals will be examined, as well as the arguments against them. The subject not only deserves, but demands, the most serious attention of this Congress, because the Federal plan transcends partisan political considerations, and approaches the revolutionary in its theory and its probable effect upon American life.

It should be emphasized at the outset, especially in the light of the necessity for the most careful examination of the whole matter strictly on its merits, that it was in no accurate sense subjected to a referendum of the people in the recent election. While health insurance was mentioned in the Democratic national platform and in the campaign, the 21-point legislative program submitted to Congress by the President in his message of September 6, 1945, which on November 16, 1948, he indicated still to contain what he termed the main bearings of the course of his new administration, conspicuously omits the subject. It might reasonable be inferred that some of the serious difficulties involved, financial, administrative, and ethical, led to this omission.

It is pertinent in this connection, moreover, without any attempt at detailed and controversial analysis, to refer to the fact that out of a total of around 95,000,000 possible voters, only 48,690,075 actually did vote, and that of this total about 24,100,000, or less than one-fourth of the possible grand total, voted for the winning national ticket. Under the American constitutional system, this decided the result; but it conferred no mandate for any purpose, and it would be the gravest injustice to the country to press for passage a compulsory health-insurance plan on the plea, so obviously ill-founded, that the people demand it.

Let us therefore examine the concept of a Federal compulsory system of health-care insurance, to see whether it should for sound reasons be enacted into law, or whether it should for sound reasons be rejected. This is the responsibility of the Congress to the whole people, as well as to the professional groups who have as their personal and professional responsibility the care of the people's health.

THE ARGUMENTS FOR A FEDERAL PLAN

The reasons advanced in support of the idea of taking all individual health care under permanent Federal control have become so well known that it is necessary to refer to them only briefly. They rest upon the general assertion that the American system of care, with the free practice of medicine, dentistry, and nursing, and various types of hospital care, including especially the voluntary nonprofit community hospitals used by most people, while good in many respects, has become inadequate. They refer particularly to the fact that many people are unable because of limited resources to pay the costs of their health care, and therefore propose a compulsory insurance system to be paid for by Federal taxes levied upon all who work and their employers. They compliment the present extensive and rapidly expanding nonprofit and commercial prepayment plans, but again, condemn them as inadequate. They appear to agree that the utmost possible degree of freedom, except the freedom not to be taxed for it, should under a Federal system be left to the individual citizen as well as to those who must render the required services, and promise that no real deprivation of liberty will result, whereas on the other hand they confidently assume a great improvement in individual health care.

An enormous mass of conflicting evidence, of statements pro and con, has been accumulated in the course of the attempts of Congress for several years to examine this subject in connection with the several bills which have been introduced relating to it; and undoubtedly many conscientious Members of both Houses have mined this mass for information. Eight volumes of reports of the hearings on the general subject of the so-called national health program before committees of the Seventy-ninth and Eightieth Congresses alone offer nearly 5,000 pages of material to the investigator, and search will produce valuable results. Some reference will be made later to specific material in these volumes.

The total is mentioned only to show how extensive and earnest the investigation has been. It is also true that a large part of the material consists of material from Government employees in the offices which would be greatly expanded in authority and power by the enactment of such a law, and there are also extensive contributions by some of the legislators strongly in favor of it. Numerous organizations with no actual knowledge of the subject have recorded their views, as well as representatives of organized labor and of the medical, hospital and other professional and technical groups interested.

The scope of the proposal is virtually unlimited, in view of the present plan, which will have to be examined and converted into legislation in advance of the health-insurance idea, to extend the coverage of the social-security system to all who work, including the self-employed such as farmers, professional and small businessmen, and members of the armed forces. Directly connected with this extension of social security is the conceded necessity for increasing the present painfully inadequate benefits under the old-age and survivors' insurance set-up which at present comprises a major part of the social-security system. The costs which this will involve are very large, and this and other aspects of the extension plan will be considered later in some detail. The scope of the health-insurance plan, in this light, would add to the social-security problem the individual health needs of the entire present population of about 147,000,000 persons, and the plan must be thought of in that light.

THE PRESENT SYSTEM OF INDIVIDUAL HEALTH CARE

How do Americans, for the most part self-supporting and self-respecting, see to their own and their families' health as things now are? Well, they must in the first place always use some judgment as to what to do, notably as to whether to visit or to call in the doctor, with such factors involved, stressed by the advocates of Federal care, as the nature of the illness, the accessibility of facilities, and the cost. Under a national health-insurance scheme the matter of cost would not be a deterrent, since the bill would go to the Government, with certain results which will be examined later. Accessible facilities would not automatically follow Government insurance and control, either, though this has been lightly assumed.

While it is true in some cases necessary care is at present not sought because of the cost, it is certainly also true that virtually everywhere a serious need is attended to by doctors and hospitals, regardless of the patient's ability to pay. This fact is not challenged. A survey conducted by Hospital Management in 1943 revealed no instance where a hospital would refuse to care for a

person needing care, regardless of his lack of money. The free work done by most doctors as a part of their professional duty to the community is extensive but unadvertised, and is accepted as a matter of course.

Medical care

The medical needs of the country are served by the largest and best-trained corps of physicians and surgeons in the world, of whom the great majority, about 140,000 are members of the American Medical Association, which is strongly opposed to working under a Federal compulsory health-insurance system. Other practitioners of the healing art, including dentists, may produce a grand total of 250,000, while registered nurses number about 435,000. These men and women are scattered all over the country, roughly in proportion to the population.

Some of them work for hospitals or other institutions, governmental or otherwise; but the majority of the physicians and dentists are engaged in private practice under what is known as the fee-for-service system. That is, they treat the patient according to his needs, and charge him as a rule according to his ability to pay; which means that in some cases he pays little or nothing, while in others he pays too much. The latter kind of case has impressed the average cautious citizen with the desirability of negotiating in advance in case of the danger of an excessive bill.

In general, it may be asserted that the system works. In defense of it, it may be stated with emphasis that it is a great deal better, both in the availability and in the quality of the services rendered than any other system in the world, and that it shines with special brilliance by comparison with the systems of care operated by government, here or anywhere else. One important point is that, contrary to the assertions which have been made by the advocates of Federal care, the number of physicians is increasing steadily, and at a more rapid rate than the general population. According to reliable authorities, 10 years ago there was one doctor to every 800 persons in the country. There is now 1 to every 760 persons, and by 1960 there will be 1 for every 700 persons. More physicians are being trained than ever before in the country's history. This situation is worth comparing with the recent British permission for a doctor to handle a maximum of 4,000 patients, under the National Health Service.

The Blue Shield plan

Medical men themselves have recognized the desirability of making it possible for the self-supporting citizen to provide for his medical care by some form of insurance prepayment, as bills have grown larger with the advance in medical knowledge and scope of treatment, and major surgery, with its unavoidably high costs, has become fairly common. The Blue Shield non-profit prepayment plan was therefore inaugurated a few years ago, with the active sponsorship and cooperation of the doctors, and like Blue Cross, has grown so rapidly that it already has over 10,000,000 members.

Operating in effective liaison with the Blue Cross hospital-care plans, and in many cases administered and sold by the same organization, it promises eventually to make available to the whole country, at moderate cost, the opportunity to secure protection against the cost of medical care, as well as assurance by the doctors themselves, as sponsors of the plan, of the availability of such care. Of course, only the compulsion of a Federal statute can force people to buy medical and hospital-care insurance, and the widespread objection to such compulsion, enforced by an income tax in addition to all other taxes, is entirely sound.

This objection is characterized by the advocates of the Federal plan as emotional, which it may very well be, since the American people have a strongly emotional feeling about their personal liberty; but it happens to be based on the principle of individual responsibility which is the very root of the American national character, and which will be lost or destroyed at grave risk to the country's future.

The doctors and dentists themselves are of course among the most vigorous opponents of Federal compulsion, to be exerted not only on them and their fellow workers in individual health care, but upon virtually the entire population. Their objections are based upon a variety of sound reasons, some of which will be dealt with in detail elsewhere.

The professional man is above all an individualist, or he would not enter work which calls for ten years of intensive study following his secondary schooling, and for sufficient initiative thereafter to enable him, in the typical case, to select his location in some American community, settle down in it, and eventually to earn a living as an independent doctor or dentist. His objection, therefore, to being placed permanently under the intensive regulatory control of a government bureau as to his practice, including who may and may not be his patients, his fees, records, reports, method of billing, and so forth, is easy to understand. He can point, moreover to the fact that such a system has recorded unvarying failure in other countries.

He recognizes the desirability of aiding the public, including his own patients, to pay for his services, and for that purpose he has cooperated in the establishment of the Blue Shield plan. He does not want this plan controlled in any respect by others than doctors, and this, too, can be understood. He and his fellows are making this plan workable and generally accessible to the public, at reasonable cost. That is all that may properly be asked of him.

Has this system of medical care been the costly failure which is alleged by those who declare that only Federal compulsion can produce good health? On the contrary, American health is actually the best in the world. A current bit of convincing evidence is the recent report by a leading life-insurance medical authority, Dr. Louis I. Dublin, of the Metropolitan Life Insurance Co., indicating that the American people were never healthier than in 1948, and that prospects for the coming year are for continued improvement. The 1948 death rate established a new all-time low, with a figure slightly below 10 per 1,000 population, according to Dr. Dublin, despite such changes in the population structure as a large increase in the number of infants, on the one hand, and the proportion of old people, on the other, both tending to increase the death rate. Mortality rates in 1948 fell at every age level.

The increase in hospital service from 1931 to 1947

	General hospital		All hospitals	
	Beds	Patients admitted	Beds	Patients admitted
Totals:				
1947	592,453	14,665,195	1,425,222	15,829,51
1946	641,331	14,051,508	1,468,714	15,153,45
1945	922,549	15,228,270	1,738,944	16,257,40
1944	925,818	15,060,403	1,729,945	16,036,84
1943	850,576	14,454,628	1,649,254	15,374,60
1942	594,260	11,634,288	1,383,827	12,545,61
1941	533,498	10,646,947	1,324,381	11,596,18
1940	462,360	9,219,496	1,226,245	10,087,54
1939	444,947	9,018,316	1,193,026	9,879,24
1938	425,324	8,545,930	1,161,380	9,421,07
1937	412,091	8,349,773	1,124,548	9,221,51
1936	402,605	7,752,848	1,096,721	8,646,88
1935	406,174	6,875,182	1,075,139	7,717,15
1934	393,425	6,291,556	1,048,101	7,147,41
1933	386,713	6,071,512	1,027,046	7,037,98
1932	395,543	6,303,573	1,014,354	7,228,15
1931	384,333	6,321,861	974,115	7,155,97

This is by no means a picture which condemns the present system of free medical practice and of independent community hospitals. Those who would risk the destruction of that system by deliberately enforcing its exchange for one whose unvarying record in other countries has been bad in every respect may be motivated by a real desire to improve American health; but they must nonetheless meet the suggestion that the methods which they propose appear to be founded on ignorance and a failure to understand all of the implications of their proposals.

The selective service rejections

So much has been made and continues to be made, in many cases by those who should know better, of the alleged 5,000,000 rejections in Selective Service because of remediable defects, that the facts on this matter should be recorded here, in order that this false but persuasive argument may no longer have any weight with Congress. Conclusive and detailed evidence, by medical men of the highest character, has been placed before the Senate committees which in the past 2 or 3 years have been holding the exhaustive hearings referred to, to the effect that these rejections for remediable defects are several million less than charged, when analyzed, and that there is in the whole matter no relationship to the question of the character, cost, and availability of medical care. In fact, one of these medical men, Dr. Maurice H. Friedman, of Washington, D. C., pointed out that in many large groups of rejectees their handicaps, instead of being due to lack of medical care, were due precisely to the fact that they had had medical care. Said Dr. Friedman:

"In the first place, a great many of the defects discovered and listed have very little significance to health. That is not only my opinion, but it was repeatedly pointed out in the official bulletins of the selective service statistics.

"Over one-half of the defects listed are structural abnormalities rather than diseases. They might be minor things. A man might have the tip of one finger knocked off or something of that sort. Of the remainder of all these defects, a significant number are related to education rather than to medicine or health.

"Considering only the structural abnormalities, it is a bit ironical that rather than being the result of a lack of medical care, many of these defects are the direct result of medical care. For example, amputations are frequently done as a lifesaving measure or for surgical or medical purposes. Amputations, therefore, are the kind of defect which is a direct result of medical care, not the absence of medical care. Surgical perforations of the middle ear are another example of a medical care which produces a defect for the relief of a disease. We have many other examples.

"The fact that diabetics live long enough to be registered by a draft board is only due to our medical services. They are then recorded as a defect. Every child with rheumatic fever nursed into adult life by skillful medical care will live with a defect. Every invalided infant who survives the tetralogy of Fallot by skillful surgery will increase the recorded number of rejectees. We might ask ourselves: Is a corpse healthier than a rejectee with diabetes?" (Pt. 4, hearings before a subcommittee of the Committee on Labor and Public Welfare, U. S. Senate, p. 2129.)

Dr. Lowell S. Goin, of Los Angeles, Calif., appeared before the Senate Committee on Education and Labor on April 17, 1946, and made a statement on this and related subjects which is reported in part 2 of the committee's report of hearings, beginning at page 623. He pointed out many obvious factors contributing to the actual total of

4,217,000 rejectees which have no relation to the need for or quality of medical care, such as the inclusion of 444,800 "manifestly disqualified," the armless and the legless, the totally blind, the totally deaf, and the like, with this comment:

"What medical care could have made this group whole? How shall the amputated leg be restored, and who knows how to cure optic disease? The modern concept is that mental disease is largely a constitutional inborn inability to cope with reality. What has medical care to do with it, 582,100 were rejected for mental deficiency. * * * Even a very slight knowledge of eugenics will persuade anyone that this group does not constitute a medical-care problem. Together, these three groups (idiots, imbeciles, low-grade morons) reach a total of 1,727,600, or more than a third of the rejectees. If they are now excluded, there remain 2,426,500, a little less than one-half of the famous 5,000,000.

"Three hundred and twenty thousand of those were rejected for musculo-skeletal defects. That is the congenitally short leg, the clubfoot, the withered arm, the absence of a half vertebra and the consequent crooked back. How, I ask, would medical care have restored these unfortunates to usefulness? Two hundred and eighty thousand were rejected for syphilis. Treatment for syphilis is offered freely everywhere. As a matter of fact, our statute books are simply loaded about syphilis prevention. I doubt that there is a community in which a syphilitic may not receive treatment from a department of public health. One wonders how compulsory health insurance would have eliminated this group.

"Two hundred and twenty thousand were rejected for hernia, probably for hernias so severe that the Army was unwilling to attempt repair. I mean by that that likely these were bad hernias, because I did think the Army repaired some. Hernia is the result of a congenital defect in the inguinal or femoral canal, presumably due to a defect in the germ plasm. If such a defect exists, its bearer is likely to have a hernia, and medical care has nothing whatever to do with the occurrence of hernia."

Pointing to the eye defects which are largely congenital, and computing a total of about 1,000,000 men suffering from these last three groups of defects causing rejections, Dr. Goin commented:

"The rejections which might be due to a lack of medical care are thus reduced to about 1,500,000, or about one-third of the shocking figure of 5,000,000. Although it is quite problematical whether any program of medical care would have altered substantially this figure, we may rest upon it, confident that the figures fall a good bit short of establishing an urgent need for the enactment of compulsory health insurance."

The detailed analysis by these brilliant medical men of the Selective Service figures destroys completely any save an imaginary basis in these figures for the Federal plan, and justifies the suggestion that any person who hereafter refers to them in support of compulsory health insurance does so either in ignorance or in bad faith. None the less, such references will undoubtedly be made. Informed Members of Congress will know how to evaluate them.

Medical care in these United States is not perfect; it is only the best in the world. It is, of course, not everywhere instantly available, without money and without price, to all comers; but it can be had. Its superiority to any government-controlled plan is literally beyond expression.

THE AMERICAN HOSPITAL SYSTEM

The hospital system of the country is essentially simple, but is not always fully understood, although the facts are authoritatively and in great detail recorded each year in the study published by the American Medical Association entitled "Hospital Service in the United States." Most of the figures referred to herein are taken from that work covering the year 1947.

For most people the only need for hospitalization arises in connection with serious illness, surgery, or maternity. These cases are cared for in general hospitals, and it is in this category that the great majority of the group of community institutions known as voluntary nonprofit hospitals falls. In addition to these nonprofit voluntary hospitals there are also general hospitals operated by various governments (Federal, State, county, city) and those operated by private owners for profit.

Since, as stated, it is the general hospital, regardless of ownership, in which most people receive needed service, it is these hospitals which handle much the greatest part of all hospital service, in terms both of numbers of patients and of patient-days of care. They handled in 1947, 14,665,195 patients, who received 166,717,765 days of service, a handsome total for the 4,539 hospitals involved. That patient-day total is considerably over one hospital day for every man, woman, and child in the country.

There is another large group of hospitals which cares for the chronic or long-term patient, the two largest classes involved being tuberculosis and mental cases. Typically these hospitals are operated by Government, chiefly by the several States; and since for various obvious reasons the care of these patients has long been recognized as a governmental responsibility, this entire group of 1,737 hospitals is not taken into account in this study, nor is their 1947 record of 1,164,319 patients.

How about payment?

The question of payment for hospital care thus narrows down to the nearly 15,000,000 patients who were cared for in the general hospitals; and since it is this same question of payment, by or for the patient, which looms largest in the broad proposal that for all who work payment should be insured through a Federal tax, one point should be emphasized. It is that for the large number of patients cared for in the general hospitals operated by various governmental agencies the taxpayer pays. The patient in such hospitals (the Veterans' Administration hospitals, for example, or the typical city hospital) is virtually always there as the word of the Government operating the hospital. He is cared for without charge, therefore, in the proper discharge of the Government's responsibility to him and to the community.

In 1947 the volume of general hospital care handled in these tax-supported hospitals ran to the following figures:

Government	Hospitals	Beds	Average census	Births	Admissions
Federal	317	132,258	96,294	46,048	1,179,560
State	57	21,599	15,484	50,134	353,899
County	267	43,994	32,662	109,332	717,921
City	286	51,736	41,278	191,539	1,144,613
City-county	42	8,297	5,958	32,605	184,429
Total	969	257,884	191,676	429,658	3,580,422

These totals are impressive, especially when considered, as they should be, in relation to the fact that they relate almost entirely to the groups which cannot afford to pay for service in the voluntary nonprofit hospitals. This is true of very nearly all of these patients except veterans entitled to service without charge in veterans' hospitals because of service-connected disabilities. The entire costly and generally efficient system of tax-supported hospitals was established and is being continually expanded and operated for the purpose of caring for that part of the public with low or no income, including the group known as the medically indigent, which consists of the self-supporting to whom the cost of so-called catastrophic illness is too heavy a burden.

This care is universally accepted as a community responsibility, and in all of the larger cities and the more thickly populated counties it is met by the facilities of the hospitals established and maintained for that explicit purpose, as the above figures indicate. In addition to this extensive care for the patient who cannot afford to pay, the voluntary hospitals also provide a widely utilized service for the low-income group, free or below cost, with some payment either by the patient or from tax sources. Since it is largely to the group thus especially provided for that much of the concern expressed by proponents of the Federal plan is directed, it is reasonable to suggest that the Congress take all of these facilities into account.

The fact is that while the plight of those who cannot afford to pay has been cited as one of the strongest reasons for the Federal plan, this plan would have a rather painful effect upon such of them as are employed to the extent which would subject them to the proposed gross income taxes, since they would lose this much of their inadequate incomes for the purpose of providing payment for hospital care which they now receive to a very considerable extent for nothing. The problem offered by these who have no income at all—the completely indigent—has not yet been given any considerable degree of attention by those who think that the Federal Government has a responsibility for the care of individual health. It is a subject which may be commended to the attention of Congress, and it is not in any necessary degree related to the imposition of a compulsory health-insurance plan upon those who are not indigent.

A factor which also deserves serious consideration by Congress is that which is involved in the Federal proposal to make eligible for care in other than Government hospitals, through compulsory insurance, many thousands who are now adequately and properly cared for in their local tax-supported institutions. These institutions, which are naturally jealous of their long-established function and of their place in the hospital field, must be taken into account from all of the angles involved. There will always be a need for their services, even under the Federal plan, but this need would certainly be diminished to the precise extent that low-income patients were unfairly taxed and then thrust into the voluntary nonprofit hospitals.

Should taxpayers everywhere, large and small, be asked to contribute through new and potentially unlimited taxes to a system which would to a considerable extent, remove responsibility and control from local taxpayers. The answer may depend upon the point of view, but the American point of view has always been that local self-government and local responsibility for the care of those in the community unable to look after themselves are for every possible reason to be preferred to the distant authority and the distant tax collector.

The reasonable conclusions on the general subject are admirably stated in the Brookings Institute report of February 1948:

"The United States has some individuals and families not possessed of the resources to enable them to pay for adequate medical care. In the future, as in the past, provision must be made for them through public funds or philanthropy. The evidence suggests that many of them are elderly, impaired, or underendowed, or are widows or deserted women or their dependents. It is

doubtful if they could be effectively covered by compulsory insurance because they would lack the means to attain and maintain an insured status.

"The large majority of American families have the resources to pay for adequate medical care if they elect to give it a high priority among the several objects of expenditure. The issue is not whether they can afford medical care, but whether they should be compelled by law to pool their risks and to give payment for medical care a top priority. The major alternative for people with ability to pay is to leave them free to determine for themselves what medical care they desire and whether they will pool their risks through voluntary arrangements."

THE VOLUNTARY NONPROFIT HOSPITALS

The voluntary nonprofit community hospitals, as stated above, are those which care for most of the self-supporting population when hospital care is needed. They comprise the group most completely independent in every way, most characteristic of the American spirit in that they were in every instance founded by leaders of the community to meet the needs of the community, and they are virtually unanimous, in the same spirit of independence and community control in which they were founded, in their opposition to a Federal plan which would make practically all of their patients Federal patients.

These hospitals fall into two groups—the church hospitals and the local nonsectarian community hospitals. Their service in 1947 is shown by the following figures:

Type	Number	Beds	Average census	Births	Admissions
Church	924	130,653	109,648	946,158	4,454,767
Nonsectarian	1,578	167,390	131,686	1,118,280	5,297,145
Total	2,502	298,043	241,334	2,064,438	9,751,912

It might be added here that another group of general hospitals comprises those under private ownership, operated for profit, and performing a useful service in many localities. They number 1,067, and in 1947 served 1,332,498 patients, this very considerable number presumably paying their own way, with or without some prepayment assistance.

As the figures relating to the great nonprofit group clearly indicate, these hospitals, founded and operated as independent community services, and having about 300,000 beds, are actually carrying the lion's share of the general-hospital load. Of the total admissions to general hospitals, 14,665,195, these church and nonsectarian community institutions handle, for example, just about two-thirds, as against the one-third handled by all other general hospitals, governmental, and proprietary. Of the total of 2,837,139 births in hospitals of all types, their proportion is even higher—over 72 percent. Incidentally, official estimates declare that 82 percent of all live births in the United States in 1947 were in hospitals, as eventually, of course, it is hoped all births may be; but the present record is a magnificent achievement of the American system of hospital and medical care as it is, and eloquent proof of the fashion in which it is serving the people.

The patients in these hospitals are for the most part pay patients, sent by their physicians or surgeons. Some have private rooms, for which they pay more than actual cost to the hospitals because they want complete privacy or some other aspects of luxury care. A large proportion, to an increasing extent, Blue Cross subscribers, since these prepayment plans now cover the country, occupy beds in rooms with one to two or three other patients, where the charges are lower than for private rooms; and others are in the large wards, where many of them are cared for without any charge, or at rates considerably below cost. But all who enter the doors of these hospitals are cared for; and their doors are never closed.

For some people, notably those who occupy private rooms, the bill involved in the complex of services offered by the hospitals—bed and board, general nursing service, laboratory, X-ray, operating or delivery room—may be taken in stride. For most, however, either careful saving in advance of the contingency or some form of prepayment is highly advisable. People save for vacations, for Christmas; they do not always save for serious illness or surgery because these matters are not predictable, and, of course, are not anticipated with pleasure, if at all. Nonetheless, the citizen who knows that accidents may happen and that death and taxes—especially taxes—are certain is to an increasing extent taking care of the needs of his family for hospital care by some form of insurance.

Blue Cross plans and the commercial insurance companies offer various means of prepayment which are everywhere available, the latter also covering medical and surgical care, for which on a voluntary nonprofit basis the Blue Shield plans sponsored by the doctors are increasingly available. Taking into account all of the methods by which the self-supporting and self-respecting American may, exercising his own choice and consulting his own means, arrange for the insurance of his hospital, medical, and surgical care in case of need, over 61,000,000 persons are thus to some extent protected.

An estimate of the total situation might be attempted along these lines: Covered in some sort of prepayment plan, 61,000,000; indigent or medically indigent who actually received hospital care (1947 admissions to government hospitals plus care in voluntary hospitals) about 5,000,000; able to pay without insurance protection, perhaps 10,000,000; total, 76,000,000. Subtracting this from the total population of 147,000,000, that would seem to leave about 71,000,000, including heads of families and their dependents as well as the unmarried adults, or in the neighborhood of 20,000,000 families. It should not be forgotten, either, that included in the total population are the 24,000,000 persons who according to the recent Hoover report receive more or less medical and hospital care from the Federal government. It is a question, therefore, how many members of the 20,000,000 families estimated above have needed medical or hospital care, or, needing it, fail to secure it, out of their own resources or from the facilities at their disposal as citizens. Roughly one in nine of the population actually did receive hospital care in 1947. In any event, only a relatively small fraction of the group would need the protection they had deliberately refused to provide for themselves; and in case of need the typical case is certainly that they are cared for—at their own expense, as a ward of Government, or as part of the free service accorded by the present system.

National income, taxes, and debt, 1929 to 1949

Year	(A) National income (in billions)	(B) Federal budget (in millions)	(B) as percent of (A)	Federal debt (in millions)
1929	$87.4	$3,300	3.8	$16,931
1933	39.6	3,900	9.9	22,539
1934	48.6	6,011	12.3	27,053
1935	56.8	7,010	12.3	28,701
1936	66.9	8,666	12.9	33,778
1937	73.6	8,177	11.2	36,425
1938	67.4	7,239	10.7	37,165
1939	72.5	9,027	12.4	40,440
1940	81.3	9,297	11.4	42,968
1941	103.8	13,765	13.3	48,961
1942	136.5	34,290	25.2	72,422
1943	168.3	79,702	47.5	136,696
1944	182.4	95,573	52.3	201,003
1945	$181.7	$100,398	57.2	$258,682
1946	179.3	63,714	35.5	269,422
1947	202.5	42,523	21.0	260,400
1948	[1] 227.3	42,200	19.2	260,200
1949 (estimated)	(220.0)	(45,000)	(20.5)	(260,200)

[1] Projected figure.

As to those of the working population whose incomes are so limited that it is said, with sympathy, that they cannot afford either to pay as they go or to pay Blue Cross and similar premium charges, they are to be compelled to pay Federal charges, which may count to 5 or 6 percent, or more, of their pay, out of their own pockets, in addition to all other taxes, whether they can afford it or not. Of this seriously illogical and self-contradictory proposal, more later.

The Blue Cross plans

Speaking of prepayment arrangements, look at Blue Cross, because it is by all odds the most successful and popular of all hospital prepayment methods—guaranteeing the needed service instead of providing a limited cash payment—and because it is hospital-sponsored and nonprofit. The total coverage of the Blue Cross (United States and Canada) is now 31,841,136, of which total 29,468,675 are in this country. The growth of Blue Cross from 1937 to 1948, from 1,164,126 to the total indicated, is certainly responsible for the fact that during the same period general hospital admissions rose from 8,349,773 to 14,665,195. In 1947 Blue Cross plans paid the hospitals for services rendered to subscribers $211,392,000, covering 21,700,000 days of care.

When it is considered that this has been accomplished in about 12 short years, and that every State excepting Nevada is now represented in the roll of some 90 approved plans, it must be said at least that it is a remarkable and commendable achievement. Even "the enemies of Caesar must say this," and the Federal Security Administration's representatives have from time to time paid tribute to the accomplishment, which, however, they regret they must brand as inadequate, and which must, they feel, be wiped out by the compulsory blanket substitution of a Nation-wide Federal system.

They suggest some such employment for Blue Cross plans, thus rendered futile, as their use in collections or bookkeeping; but such suggestions need not be taken seriously. The enactment of Federal legislation setting up a tax system for the support of national health insurance would by necessary consequence destroy Blue Cross, for the obvious reason that nobody would need to be twice protected against the cost of illness, nor would anybody voluntarily pay twice for such protection. Blue Cross would be dead, slain by the deliberate action of the Federal Government. Surely Congress will desire to think of this long and seriously before signing the death warrant.

There is another factor, characteristically American also, which will have to be taken into account while universal health-tax legislation is being considered. It is the fact that organized labor (which in general officially favors the Federal plan because half the cost would be taken from the employer) is rapidly leaning not only to the idea that arrangements for health and retirement purposes are appropriate items in collective bargaining, but that Blue Cross gives the best hospital deal; as it does.

The United Mine Workers, for example, have been conspicuously successful in this

respect, with a welfare tax per ton of coal mined which has produced a very handsome fund. Just as the pensions made possible by this fund ($100 a month) are very considerably in excess of the pathetic retirement payments of social security, its ability to provide medical care for eligible workers, through Blue Cross or otherwise, might well be much greater than that of even a Federal tax-based fund. Certainly the case for welfare arrangements in collective bargaining would be seriously weakened should a Federal plan be adopted, for here, again, the employer, who would have to pay both ways, would be well within reason in objecting to paying twice. Thus the Federal plan would inevitably tend to destroy welfare provisions arrived at through collective bargaining by organized labor, precisely as it would destroy Blue Cross and other voluntary plans.

An eloquent tribute was paid recently to the part which Blue Cross plans have played in enabling organized labor to bargain for protection against the costs of hospitalization, by Harry Becker, director of the social security department of the International UAW-CIO, Detroit. Mr. Becker said:

"What labor wants for the one out of four families who are going to have a hospital bill this next year is a slip on leaving the hospital which reads: 'Your hospital bill has been paid in full.' There was a time when this goal was 'skypilot' thinking; but today this idea does not belong in the stratosphere—we have demonstrated that through collective bargaining we have a practical approach to the problem of financing on a prepaid basis full prepayment of the costs of hospital care for every workingman and his family. This demonstration has been made possible because of the kind of joint labor-Blue Cross cooperation existing in such instances as the Michigan Hospital Service and the International UAW-CIO."

In the light of a very recent development, the completion of plans under which employers operating in more than one State will be able to enroll their employees in Blue Cross on a national uniform basis, if desired, as in commercial insurance plans, Mr. Becker's further remarks are especially interesting:

"As unions move into social security as a major collective bargaining issue we are looking to Blue Cross to take the next important step. This step is a national Blue Cross plan which will provide for universal coverage with the same standard of full-payment benefits for all of the employees of a single employer even though the employees may be living in a number of different States. This means Nation-wide cooperation among all Blue Cross plans to assure national coverage of workers, wherever they may live, when a national labor-management program is set up under collective bargaining contracts whether negotiated in Detroit, Pittsburgh or Los Angeles. Labor is expecting that Blue Cross will not delay taking this next step—now."

Blue Cross has taken this step, as stated, largely in direct response to the reasonable demands of labor for national Blue Cross coverage, with complete service contracts guaranteed (as they are) by the voluntary nonprofit hospitals who are the actual partners of Blue Cross. The destructive effects of a compulsory Federal plan would thus involve directly not only Blue Cross, but the results gained in its utilization in industry through collective bargaining for hospital-care arrangements.

Would this be wise, or just? Is it necessary? Is it desirable?

THE FAILURE OF GOVERNMENT MEDICINE

Henry, the young Virginia orator of the Revolution, remarked on an historical occasion: "I have but one lamp by which my feet are guided, and that is the lamp of experience. I know of but one way of judging the future, and that is by the past."

This is a sound view. Holding up the lamp of experience, therefore, in connection with the question of whether under Federal control a compulsory system of individual health care should be imposed, and attempting as well as may be to judge the future by the past should such a system be established, several matters suggest themselves for consideration. One concerns the operation of hospital and medical care by Government, particularly by the Federal Government, in this country, and another concerns the operation of social-insurance systems, including health care, in other countries, such as Germany, Great Britain, and New Zealand; all of which have furnished a record of experience in this line.

Remember the Navajos?

In this country there is an exceptionally impressive example of Government medicine as it actually works, in the case of the Navajo Indians, as reported about a year ago to the Department of the Interior by Dr. Haven Emerson, one of the country's most widely known and experienced physicians, on behalf of the Association of American Indian Affairs. This report, which was widely publicized, covered in detail the disgraceful conditions prevailing as to health among the 81,000 Navajos, wards of the Federal Government ever since their final conquest in the seventies.

Dr. Emerson's report stated that with grazing for their flocks arbitrarily reduced, also by Federal authority, the Navajos are existing on 1,200 calories a day, less than the Germans received immediately after the war; that many of them are so weak because of this inadequate diet that they cannot stand sustained exertion; that there is one social-service worker for the entire tribe; that more than 10,000 are eligible for old-age assistance, aid to dependent children and aid to the blind, but are not receiving these services; and that mortality rates are so high, resulting from the total or partial lack of the medical services they need and are therefore entitled to, that Government economy in this respect appears to be purchased routinely with Navajo lives. A tuberculosis infection rate 14 times the average of the country as a whole is one pointed index of the situation.

The number of hospital beds in the generally excellent institutions operated by the Bureau of Indian Affairs appears to be adequate; but roads are almost entirely lacking, and the Navajos do not possess cars. The situation, in brief, has been and remains perfect for the kind of active public and individual health care, outside of or in the hospital (including out-patient care), of which the Federal authorities think they should be given permanent and exclusive charge for everybody. But medical care, in particular, has hardly been given at all to the Navajos, the very special wards of the Government.

Apprised of the situation somewhat belatedly, Congress has taken steps to remove this disgrace from the Government's continuing record of ineptitude in health matters; but the facts constitute an unanswerable challenge to the ability of a distant central Government to give even minimum health care to the Nation as a whole, since it has failed so miserably in this limited area.

Aside from this curious, significant and depressing instance, and with the qualification that, of course, there are good hospitals operated by Government, including the Federal Government, and without raking up old ashes—some not so old—to start fresh fires, it must be said that as a rule the voluntary nonprofit community hospital, of which this country fortunately has so many fine examples, averages very much better indeed than the Government hospital. There have been and doubtless still are some hospitals in the voluntary group which are not as good as they should be; but there have been among them no such scandals of corruption, mismanagement and bad service as has risen to the horrified view of the public from the institutions operated by Government at all levels.

It is not always remembered, as an outstanding example of an important aspect of medical care chiefly under Government control, that mental cases are almost entirely hospitalized in tax-supported institutions, State or Federal, and that the record of these institutions, for whatever reasons, has furnished the unpleasantly authenticated background for such recent studies as The Snake Pit. As a leading psychiatric authority commented 2 years ago (Dr. C. Charles Burlingame, Hartford, Conn.). "For over a hundred years 95 percent of the practice of psychiatry has been State medicine," adding that "before going farther along the road toward political handling of medical care, the people should demand that the ability of State medicine be demonstrated first in its present responsibilities." Said Dr. Burlingame further:

"Why ask for new worlds to conquer when the obligations already belonging to socialized medicine have been so scandalously neglected? Why ask for more when a concentration of all efforts and resources in this one field, which is already the Government's, offers the greatest single opportunity to bring health to the greatest number?"

There has been no adequate answer to this logical question, from any quarter.

The painstaking investigation of the veterans' hospitals, for example, by the American Legion and other organizations of former servicemen, occurred not too long ago for the memory to be quite fresh of the conditions which they revealed. The mess, once revealed, was finally cleaned up by the prompt and aggressive action of the new head of the Veterans' Administration and his able assistants; but the record of what miserable conditions had accumulated over the years, under complete and undisputed Federal control, should not be forgotten. The tendency of hospitals operated or in any sense controlled by Government toward such conditions will always remain, for reasons which everybody understands. The curious thing is that, this being the case, there are people who are not only willing, but anxious and determined, to turn over to governmental control, in the fullest sense of the word, all individual health care. Congress will have to consider with the utmost seriousness this tendency, which was explicitly referred to some time ago by a great hospital authority, the late Dr. S. S. Goldwater, a personal friend of the late President Franklin D. Roosevelt.

Dr. Goldwater was Commissioner of Hospitals in New York City long enough to find out something about the effect of political control on hospital care. He spent the last years of his life as president of the vast Associated Hospital Service, the metropolitan New York Blue Cross plan, and incidentally in fighting bitterly the then new threat of a Federal compulsory plan. In an address on this subject delivered in Philadelphia in 1942, the year of his death, he said:

"Local organization and control will produce the best results in hospitalization, and any Federal approach to interference with the fiscal affairs of hospitals, leading eventually to control by a central government bureau, would be a tragic affair for the people of this country. There is justification for the interest of a humane government in the question of whether hospital service has been made available on suitable terms to the great mass of the people, but this inquiry should also take into account the fact that the voluntary, locally directed hospital service plans have made Government intervention unnecessary.

"Assumptions that we must do as other countries have done, regardless of our achievements, are certainly not justified,

especially in a country where freedom is valued and where the principle of local self-government is supposed to be sacred. Even the different sections of our country differ in various ways, so that an actually even performance, uniform everywhere, could hardly be secured if it were desired. I don't want it; we could have it only under strict Government control, and it would be on a level far below what can be achieved under the system we have been developing for so long and so successfully.

"Moreover, failure in a locality, if it must occur, is not the tragic thing that a country-wide failure would be. Hospitals must be left free to take such action as their communities require, without having to wait for approval from Washington based on imperfect knowledge of local conditions and needs."

Speaking specifically of hospital conditions under Government control, of which his experience in New York gave him ample knowledge, Dr. Goldwater said, with the utmost earnestness.

"My own experience in New York showed me how far short Government hospitals can fall from the perfection which has been attributed to them. Perfect conditions do not exist anywhere, and even in New York, where as head of the city's hospitals, I worked under conditions as favorable as can be expected in Government, the story has not been told of the impediments placed by Government circumlocution in the way of anybody attempting to administer a large group of hospitals from a central office. The system as a whole failed to accomplish what I had in mind for the city because of the onerous conditions under which Government work of all sorts has to be done. It could hardly be otherwise if the Federal Government attempted to exercise any measure of control over the voluntary hospitals, as it would inevitably do, sooner or later, under the plans proposed by the Social Security Board."

The fact is that not enough has been said about the tendency of medical service to degenerate under Government control, in this country as well as everywhere else. Dr. Goldwater's comments are to the point, and they are supported strongly by some 1946 remarks by Dr. Frank H. Lahey, of Boston, the famous head of the Lahey Clinic who ran the system of medical officer procurement for the Federal Government during the war. After pointing to the fact that the great loss in medical care under Government is the disappearance of quality competition, Dr. Lahey said, addressing a group of surgeons:

"Veterans' care is an example of Government-directed medicine. I say this with regret, because after all, who is responsible for veterans' care? We are. It is only recently that we have shouted about it. We have known how bad it was, and we have not done anything about it. It has been under our eyes for years. I doubt if there is a surgeon here who has not been rescueman for a veterans' hospital, and has undone and done over things that have made him know that the medicine and surgery in many of them were not good. It has been excellent in some of them, and therefore we must not damn the whole thing for a relative percentage. But the point is this: If you want a living example of Government-directed medicine look at the Veterans' Bureau as it was. It was Government-directed medicine at its worst. It is not fair to say that it was Government medicine as it will be under the present national program of veterans' care, but it is an actual completed experiment of what a national program of Government-directed medicine did degenerate to. It is for that reason that I plead that it is so easy to promote a plan and not foresee its possible future consequences.

"I should think that this country after its experience with trying to legislate morals and sex and an appetite for alcohol would have learned by now that there are some things that must come by evolution and education and not by compulsion. They cannot come by compulsion."

The Congress will undoubtedly give evidence of this character, coming from men of great ability, wide experience, and unimpeachable standing, the thoughtful consideration which it demands; and in this connection, the personal observation of many Members of both Houses will stand them in good stead as to the quality of Government operation or control of various activities.

It is of course true that the Federal Government would not at first literally take over the operation of the voluntary nonprofit hospitals, although the British experience shows clearly that eventually that would have to be expected. It is asserted by those who favor the plan that it concerns only the payment of the bill, and that otherwise the people and the institutions rendering individual health service would remain precisely as now. Both President Truman and the Federal Security Administrator, among others, have declared that they do not wish to injure or interfere with the voluntary hospitals, and that a compulsory Federal plan would not do this.

Unfortunately, that view takes no account of the fact that with the payment of all medical and hospital bills, for everybody who works, in the hands of a Government agency, control would follow as a matter of inevitable direct consequence. It is not only that "he who pays the fiddler calls the tune." It is the fact that where a Government agency disburses tax funds it has a duty to inspect the goods or audit the services for which the funds are paid. Whether this duty is intelligently and ably performed or not, it must be performed, and the fact of its performance would constitute effective control.

The mass of Federal regulations having the force of law which would necessarily flow from the attempt to operate a Federal health-care plan would be enormous, detailed, explicit, and crippling. The fees and charges allowed would be only the beginning. Every move of the patient, the doctor, the dentist, the nurse, the hospital admitting office and the rest of the personnel engaged in its necessary activities would have to be covered in detail, as would the whole record of many millions of workers and their employers. That is why estimates of the additional Government personnel run as high as 1,500,000, based on actual experience abroad indicating one additional employee for each 100 persons covered by the system.

There is actually no way under a government system to avoid this. It has to be attempted, wherever government payments and controls enter. It includes the inescapable fact that functionaries almost automatically try to broaden their scope and importance, regardless of efficiency and cost. It is always confusing and hampering and in the peculiarly and essentially individualistic work of caring for the sick it has always proved to be deadly. It is known as red tape. It repels the best type of professional man, and the simple fact is that any such system in this country would prevent the expansion and improvement of medical care, instead of aiding it, because the men who would make the best doctors would not under such a system choose to become doctors at all.

Hence the opposition

It is of course this consideration, with all that is implied in it, which accounts for the consistent and uncompromising opposition to any compulsory Federal health insurance plan of the American Medical Association, the American Dental Association, the American Hospital Association, the American Protestant Hospital Association, the Catholic Hospital Association, and innumerable allied organizations. They have in their meetings, at public assemblies, in the press and before committees of Congress, stated repeatedly and in detail the explicit and reasonable grounds on which they most earnestly believe that Federal compulsory health insurance would mean Federal control, and that Federal control would mean inferior service to the American people, at vast and unpredictable cost.

There is no question about this virtually unanimous opposition on the part of the professional and technical groups who under the Federal plan as now would have to do the work of caring for the health of the people. It has been urgently, eloquently, and repeatedly expressed. Why have the views of these people, who must be regarded as the only available experts in medical and hospital care and the means of paying for it, been so deliberately and extensively ignored by the advocates of the Federal plan? This is a question which demands an answer, if there is one.

In all other affairs where national legislation is considered, the advice of the people who know, the people who do the work, is not only sought but followed. In the legislation concerning farms and mines and factories, Congress would consider itself, and would properly be considered, as failing in its constitutional function as representative of all the people, and in its duty to consult the facts and the wisest counsel on the situation, if it did not secure and act upon the views of the qualified and experienced workers in the field involved. Would a completely new and radical farm program be adopted by Congress against the advice and wishes of farmers and farm-organization leaders? Would a system of control and payment covering all coal mining be imposed under Federal legislation over the opposition of both mine operators and coal miners? Of course not. The questions are ridiculous.

But it has been proposed time and again, for reasons which on their face are entirely inadequate to support the idea, to impose upon the hundreds of thousands of experienced, able, and intelligent people whose lives are devoted to the medical, dental, hospital, and other individual health care of Americans a system to which they are utterly opposed, on what must be accepted as sound grounds. And this system, condemned as inefficient and costly by the professional and technical personnel most intimately acquainted with the whole subject, is also to be imposed upon the people as a whole, with all of the risks involved of inferior service and increasingly burdensome cost.

Would Congress be wise to do this, in any situation short of a national emergency? Should not the informed opinion of the whole group of workers in the field be consulted and heeded, even against the weight of whatever pressures and arguments may be brought forth by the Government and other interested groups supporting the Federal plan? Should not the unhappy experience of other countries, far gone in paternalistic and collectivist controls of all sorts, be sufficient in itself to bar such moves in a nation conceived in liberty?

Germany, a pioneer in social insurance, Britain and New Zealand have all furnished examples of what happens under government control of individual health care, and these are worth a brief review, since it may give some additional warning against the dangerous folly of imposing a compulsory health-care system in the United States.

GOVERNMENT HEALTH INSURANCE IN ACTION

The experience of other countries, ranging from that of Germany for over 60 years

to New Zealand's much more recent but similar record, shows that—

1. Costs skyrocket to incredible levels, due to over-use and other abuses.

2. Those who render the service tend to become cynical and careless in their role of government dependents, as users do in their desire to get everything they have paid for, and the quality of all services deteriorates rapidly.

An authoritative study of the German system by Gustav Hartz, a Berlin labor economist, was published in 1935 by the Pennsylvania Self-Insurers Association of Philadelphia, and its statement of the record has not been challenged seriously. Since the war began in 1939, the study is probably the best prewar examination of the German system before the Hitler regime consumed everything. It is, of course, a matter of historical fact that the beginnings of social insurance in Germany were made by Bismarck, probably for the purpose of defeating the Socialists by outdoing them in this respect. At any rate, the system was established.

A broad introductory comment by the author is worth quoting, since it applies to the whole idea of social insurance, where Germany's experience was so long and so discouraging:

"Of all the risks in social insurance, only old age, death, and the number of dependents can be exactly established. These are therefore the only cases in which an unobjectionable actuarial basis and an unquestioned legal claim are possible. Everything else is hazy and uncontrollable."

Thus, with an average payment to those receiving old-age or disability insurance of $7 per month, the system also produced a rise in the average number of days of sickness (inability to work) from 5½ to 28 per year. Some of the very human factors contributing to this result are described in the following language:

"The sick insurance provides the workman with medical attendance free of charge, with medicine and other necessities, and with an allowance. Anyone will at first sight consider this as a great blessing for the workmen, as well as for national health. The reality, however, is very different.

"Dread of illness obsesses most people, and this has been pressed into a system 'illness made easy' by which the will to be well is strangled. The doctor is consulted a dozen times where once would be sufficient—the insurance pays. The prescribing of medicine, bandages, etc., is desired. When they have been obtained they lie about until they are no longer fit to be used and must be thrown away—the insurance pays. Besides, it is nice to get something in return for the premiums paid year in and year out. Excessive 'overdoctoring' is the result and fear of illness that shakes the will for recovery, the best aid to health. Pretenders and hypochondriacs are bred and the use of medicine becomes excessive."

As a result, efforts at regulation were naturally made, with the cause and the result of the situation reported in these words, following the comment that the "social budget amounted to 2,100,000,000 marks in 1913, but in 1930 this budget reached 18,000,000,000 marks":

"In the first months of the year the applications for cures to the disability and employees' insurances pour in because many are anxious to take their summer holiday at the expense of the social insurances. Matters soon made an extensive controlling system necessary. This ended in badgering all persons concerned. Patients are visited in their homes by controlling officials who have to convince themselves that the patient is really ill and not doing any work. The patients are therefore allowed certain hours for going out by the doctors.

"The sick insurance engages so-called confidential doctors who have to submit the patient to a final examination to see whether he is too ill to work. The results of such examinations are to a great extent startling. Here is one instance from among thousands: 2,008 patients were ordered to appear for a final examination. Eight hundred sixteen of them at once declared their complete recovery; 289 were found to be well by the confidential doctor. So nearly 50 percent were not ill at all.

"The confidential doctor is, so to say, the medical policeman, who not only controls the patients but also his fellow doctors who are treating them. The genuine patient is justly indignant to find that the existence of his illness is doubted, and that he who has always paid his premiums regularly and has a right to demand conscientious attendance is considered a cheat.

"This system, together with the rest of the bureaucratic apparatus, has wedged itself between doctor and patient, completely destroying the patient's confidence in his physician, which greatly retards all recovery. The sound idea of sick insurance has become thoroughly unsound, and the harm it does far outweighs its advantages."

But here is the net result in terms to be borne clearly in mind when the modest cost estimates are heard for an American Federal social-security system expanded to cover all individual health care:

"Premiums started on a modest basis. The first were 1½ percent for the employee and ¾ percent for the employer. Today, the entire premium averages almost one-fifth (20 percent) of the amount of the wages, and for miners it is nearly 30 percent."

What right or logic is there in any assumption, by anybody, that results in this country would be different, either in cost or in the deterioration of service, should the United States, in a supreme ironical about-face, follow Germany's old example?

And in Great Britain—

It should be remembered that while health insurance was initiated in Great Britain in 1911, under David Lloyd George, with a system of pay-roll taxes to support it, the recent complete socialization of all medical and hospital care in that country discards all pretense of insurance, and makes individual health care something like a government monopoly, which incidentally stopped short only of taking over the Catholic hospitals. While this result may be assumed to be a part of the rapid trend toward state socialism in Britain, it may also be inferred that the first step, compulsory health insurance, leads by natural consequence to the last, government monopoly.

At any rate, some dispatches from London since the new system went into effect are at least informative, and bear a strong family resemblance in their report of what is now going on there to what happened in Germany. For instance, according to the Journal of the American Medical Association's London correspondent, August 14, 1948:

"In their enthusiasm for medical socialism its advocates entirely overlook its drawbacks. In a letter to the Times a physician who has had much experience with it in the panel system shows how much time is wasted. At least one-third of his patients come in for no medical purpose at all. They come for certificates of a great variety or for the repeat of a prescription. Here lies the main difference between panel and private practice and the main reason for so much unnecessary work, which clutters up the office and prevents good work for those needing a physician's care. The private patient, having seen his doctor, can get his prescription repeated as often as necessary by simply going to the pharmacist, but the panel prescription can be dispensed only once. For every fresh bottle the panel patient must visit the physician to obtain a fresh prescription, wasting his own time and the physician's time. It may be asked: 'Why not make a new regulation abolishing the difference?' The answer reveals another drawback of medical socialism. The panel patient gets his medicine free, and with the universal craving for a bottle of medicine of the hypochondriacs of the English masses, the waste which exists under the panel system would be multiplied."

Commenting on this situation, admittedly a disturbing proof of the unfortunately general eagerness to claim too much of anything that is offered without limit, Minister of Health Bevan is quoted as saying:

"Because things are free is no reason why people should abuse their opportunities. This is a very great test of the maturity of the British people, insofar as they have all of the resources of the medical profession at their disposal without charge. The general practitioner has a very great responsibility. Overprescribing can be as bad as underprescribing. Some general practitioners are very conscious of the impressiveness of the long lists of drugs in their prescriptions on the psychology of their patients. We want the general practitioner to prescribe what he believes is necessary, and put nothing in his way. But we want to impress on him that it is not a good thing to evoke merely a psychologic response by prescribing too expensive drugs."

"We want to impress on him?" A stern warning from the Minister of Health, himself not a physician, to all general practitioners, about prescribing "too expensive drugs"? This is indeed government medicine in operation. But, after all, with expenses going up and excessive use of both doctors and drugs recorded, naturally the Minister of Health is concerned at the situation, as well he may be. The reader is inescapably reminded of the pathos of Sir Stafford Cripps' weary restatement of the facts of life to the British unionists, when he pointed out that wages had to come out of production, and that wiping out profits entirely would add only fourpence a week, or some such trifle, to wages.

It is reported that "the rush for spectacles has been so great that it has overtaken productive capacity," and that (this too according to Mr. Bevan) the number of prescriptions of all sorts dispensed has reached a phenomenal level, at a rate twice that under the former national health insurance plan. An annual total of 140,000,000 to 150,000,000 prescriptions was estimated in consequence. The demand for dental care, a comparatively minor item in the health system, it was thought, has reached a cost of over $600,000 a day, or $180,000,000 a year, as compared with the estimated cost of $28,000,000 a year. In brief, all of the estimates, of use and therefore of cost, were far too low. This is the sort of thing which must be taken into account in any reasonable effort, if indeed such an effort can be made reasonably, to estimate the cost of complete individual health care in this country.

Among the resulting complications, entirely aside from the matter of the effect on Government finances, now substantially supported by contributions from this capitalistic land, is the overcrowding of all facilities, with some consequences of the most tragic sort. It is a curious reflection on the operation of a compulsory health-care system in England for 37 years that it did not produce by direct result enough hospital beds, enough doctors or enough dentists for the country. Thus a question anxiously placed before the legal department of the British Medical Journal, according to its issue of November 22, 1947, growing out of the grave shortage of hospital beds after 36 years of compulsory health insurance:

"Question: A. B. is referred by his medical attendant to a particular consultant at a

hospital. A diagnosis of early carcinoma of the stomach is made and confirmed. The patient is advised to have an operation, to which he agrees, and he is put on the waiting list for admission. Presumably the consultant has entered into a contract with the patient and his doctor to carry out the treatment. The patient is not admitted for 6 or even 12 months, and the growth becomes inoperable."

The legal obligations involved are not such; the Journal's expert is said to have advised that any liability results, since "neither the consultant nor the hospital is required to do the impossible." But the patient, it must be assumed, died without the benefit of the surgery which might have saved his life. Perhaps such a case could occur in this country, but the odds are against it. American hospitals, voluntary and tax-supported together, rendered in 1947, 444,288,585 days of patient care, and handled in addition at low or no charge over 40,000,000 out-patient calls, where dangerous conditions calling for further treatment, including surgery, can be caught in time. In this country if a bed is needed for a serious case, the bed is there. This does not appear to be so under the highly socialized British system. So much for government control.

Still, there is something to be said for the National Health Service, compelled, both by the excessive and unnecessary demands which free service always produces and by the same inadequacy of facilities which, under similar handicaps, would certainly appear in this country, to let a cancer patient die when he might have been saved. It has recently been announced that the Ministry of Health, no doubt after consulting both its financial situation and the demands of the public, is issuing an average of 200 utility toupees weekly, at a cost of $40 each. To meet this demand for the toupee as an indispensable health adjunct, 23 wig makers, participating gleefully in the scheme, are working night and day, with an estimated total potential production of approximately 100,000 wigs. That is $4,000,000; and another $400,000 out of the apparently unlimited resources of the national health account (if not unlimited, why this absurdity?) will be devoted to the cost of cleaning wigs for those beneficiaries fortunate enough to have two, since one of these may be cleaned and dressed at government expense every 2 months. Wigs are supplied by the Health Ministry in all sizes and colors, and women are offered five different models.

But people wait until they die for hospital beds, and this, too, is government medicine.

And in New Zealand

In this small and highly-socialized country, with a homogeneous population (except for the remaining native Maoris) which it might be supposed would have a fair chance of avoiding the major difficulties of placing all medical care under Government control, 7 years of experience have shown once more that there are no exceptions to the rule of increased cost due to excessive use of all facilities, and decreasing standards of care. So serious, in fact, have these and related defects in the system become that the Government and the medical profession are earnestly attempting to arrive at some practical revision of the program. Meanwhile, the major problem facing Government and people is indicated by the single simple fact that the tax bill for medical services rose from less than $8,000,000 in 1942 to over $20,000,000 in 1947. The cost of drugs rose from $2,000,000 in 1943 to over $4,000,000 in 1947. Thus the medical-care program contributes a growing share of the social-security budget, which is now one-third of the national budget, and therefore of the total tax load.

Moreover, while reports indicate that many doctors, and not by any means the best or the leaders of the profession, were earning fantastic incomes by vigorous exploitation of the system, both the profession as a whole and the public have found it unsatisfactory. A striking omission from it, also, is that even the excessive cost being experienced does not cover the cost of major surgery, the most serious burden to the average citizen, and the one which he is typically most anxious to cover through some form of insurance. Medical care, hospitalization, and drugs are the items covered.

A chief complaint in New Zealand is related to the fact that while all may resort to the doctor at will, with most (but not all) of the cost covered out of the insurance fund, there is no way of making the doctor stay in his office on holidays, week ends, and at night. This is attributed in part to the fact that there is no incentive for the doctor to work harder or longer because of his own income taxes, as well as to the amount of work forced upon him during the week. The demand for medical services tripled from 1941, when the system was put in force, to 1945, while many doctors were still with the armed forces, and there were not enough at home to meet the demand. When the war was over, with the demand for care still rising, the costs rose to the serious level referred to. Whether the Government will find a solution satisfactory to its financial advisers as well as to the public and the medical and dental professions remains to be seen. Suggestions from the Government to the doctors, in a semiconfidential vein as contrasted with its promises to the public, of reduced care, were properly rejected by the doctors. Recall Mr. Bevin's peevish comment about excessive use of expensive drugs in Great Britain. These systems seem to work the same way everywhere. That is to say, they produce excessive use, a correspondingly serious and unwarranted drain on contributors and the Government finances, and unsatisfactory service.

The present American system shines brightly by comparison with anything they have or have ever had in medical care in Germany, in Great Britain, or in New Zealand.

THE COST OF A FEDERAL SYSTEM

There is literally no way of finding out what the proposed compulsory Federal system for the care of individual health would cost, especially when the inevitable tendency toward excessive demands on the free services promised is considered. Estimates may be made, however, and these of course should be based upon such facts as are available, and not upon sheer optimism or a desire to make the prospective bill seem less than it will probably be.

Even with the health-insurance plan in mind, or perhaps with it especially in mind, the first necessity confronting the Congress is that of framing the legislation under which the coverage of existing social security system will be expanded to take in the groups not now included, among which are the farmers and other self-employed, members of the armed forces, and the employees of nonprofit institutions. This, it is estimated, will produce a total under the system, including dependents, of about 120,000,000 persons, or 85 percent of the population. This is to all intent universal coverage.

At the same time the problem is to be faced, as it must, of making the system meet more nearly, if possible, the broad promise of social security implied in its title, by providing benefits which are not so low as to compel the beneficiary, as at present, to apply for old-age assistance in order to avoid starvation. On this there is no argument whatever, as the facts on the OASI payments now made speak for themselves, and the Federal Security Administrator was very recently quoted to the following effect: "Today the average amount of old-age insurance paid to elderly couples is $39.30 per month. The present scale of payments was fixed in 1939, but since then the cost of living has increased nearly 75 percent, and the cost of food over 100 percent. Today old people who are entirely dependent upon their social-security payments are actually enduring slow starvation."

That estimate of the situation is not exaggerated. It should be added, moreover, that in the case of the elderly couples mentioned, unless both man and wife are over 65, which, of course, is not always the case, the only payment is to the man, and that its average is now around $25 a month. No such amount would have furnished as much as a bare subsistence in 1939, either, so that even then the promise of security under the system was a delusion. The delusion has merely become more evident with the increased cost of living. The whole situation has been recorded in immense and painstaking detail in Issues in Social Security, the report of the Calhoun social-security technical staff to the Committee on Ways and Means, ordered by the Seventy-ninth Congress. None of the facts can be disputed.

This is all emphasized, for the attention which it powerfully demands from Congress, not only because it happens to be true, and because the proposed remedial legislation will heavily increase the individual's and the Nation's tax burden, but because it offers an immediately relevant and striking proof of the failure of Government performance to live up to the glowing promise. Here, as elsewhere in the world, the promise is broad, the performance is meager, and while the costs go up and the burden on the economy increases, the individual is progressively deprived of any chance to protect his own future. Meanwhile the control of Government becomes steadily greater as its provision for its wards becomes more difficult and more expensive.

Figuring the taxes

The present social-security tax of 1 percent each on employer and employee will have to be increased immediately to not less than 1½ percent each, on a base of $4,800 instead of the present $3,000, according to the Social Security Board's own figures. The self-employed, including farmers, may be let off with a tax of only one and one-half times the employee rate, instead of double, as it should be, so that this group would be asked to pay 2¼ percent of income up to $4,800 for the present system, providing only OASI and related benefits.

These taxes, chiefly for retirement benefits, on a grossly inadequate basis even if the proposed 50 percent rise is approved, are estimated to produce over $4,000,000,000 a year instead of the present $2,750,000,000; and they will add to the present $10,000,000,000 reserves in the system about two billions a year, up to the time when payments will exceed income, with the growth of the number of beneficiaries, and the Government will have to pay about one-third of the total out of general taxes to be levied on all alike. The board's own estimates, again, point to an annual cost for the OASI system of five to six billions in 1960, seven to nine billions in 1970, and nine to twelve billions in 1980. It becomes clear, as these figures are considered, that it really makes little difference how the taxes are levied, since all will have to bear them in one way or another, and the so-called reserves are in simple fact only Government obligations, for the payment of which, when cash is needed, the Treasury will have to provide.

Add to this, then, the proposed health-insurance system. The board estimates its cost in the first year at four billions, with an additional two billions should a disability insurance coverage be provided. These estimates appear to be in line with a conservative view of limited use of medical and hospital-care facilities, but not at all with the generally recorded fact of excessive use, when the Government is compelled to make good on its promises of unlimited care and medicines for everybody. In Great Britain, for example, in

spite of the country's experience of 37 years with health insurance, the cost of the Government's operation of all health care was underestimated for the first 3 months alone at the rate of $872,000,000 a year. An equivalent error in similar estimates in this country, on the basis of relative population, would mean over $2,500,000,000 a year; which might matter.

However, taking the estimates as a basis, at least, of the tax which will in the beginning be asked of Congress for health insurance alone, with increased rates later as rising costs force the issue, 1½ percent each for employer and employee will be added to the social-security taxes, and presumably, for the self-employed another 2¼ percent, all applying to pay or self-earned income up to $4,800. Thus for the farmer who can be shown to have netted that amount, and there are a good many of them, there will be a gross income tax, in addition to all other taxes, of $216 a year—at the beginning. At the higher rates which will almost certainly become necessary as time goes on, the tax will be proportionately higher.

Thus at the very least and lowest, and without taking into account the depressing indications, in the experience of other countries, that health-insurance cost will be double or triple the highly conservative estimates, the Social Security Board itself believes that taxes will have to be levied annually for its operations, in addition to all other taxes, to the amount of not less than $8,000,000,000, with $2,000,000,000 more for disability insurance. That makes $10,000,000,000.

The Congress is to be faced immediately, aside from all this, with the tax and other problems related to a general budget of $45,000,000,000 or thereabouts. The tax bill which will be drawn to meet that enormous sum, without repeating the dangerous resort to deficit financing, will necessarily rely chiefly upon individual and corporate income taxes. These taxes, burdensome as they are when raised to the levels designed to meet such vast budget figures, will receive the most earnest scrutiny from Government experts, including Members of Congress, concerned both for their effect upon the general economy, especially upon industrial productivity and employment, and their impact upon the individual taxpayer.

With the country's now extensive experience in meeting enormous Federal governmental costs at least in part by taxes—the debt of $250,000,000,000 has accumulated in addition to taxes and remains as a continuous threat—realization has become general that there are no new sources of revenue. The only source of revenue is the American citizen. He pays and will continue to pay the entire bill, in his daily expenses, in his production, in the effect upon his and his family's standards of living and their arrangements for the future, as well as in direct taxes.

He has been paying in direct taxes for social-security purposes his half of the current take of $2,750,000,000. Under the new plans for the expansion of the system, not including health insurance, he will be asked to pay half of the increased levy of $4,000,000,000; and yet the payments to the OASI beneficiaries, it must be remembered, will remain so small (50 percent over the present average would be $37.50 a month) as still to force the lucky recipients to accept old-age assistance or stop eating.

Then ask him to pay half of an assessment of another four billions for health insurance, whether he wants it or not, and whether he needs it or not; and still another two billions for disability insurance. Ask him.

There is no need to doubt that many of the proponents of the idea of the Federal Government assuming full charge of individual health care, as of individual security in old age, mean well. But to mean well is not enough, if the results should be disastrous in terms of promises not kept, of the encouragement of abuse of medical facilities, the degeneration and discouragement of the profession of healing, and rising taxes and Government debt. Even the supporters of the Federal plan estimate an eventual cost for the program of somewhere between 15 and 20 percent of pay rolls. (Readings in Social Security, Cohen & Haber.) The Congress will have to bear all this in mind in attempting to decide wisely whether to embark upon a course so radical, so costly in both money and in the human factors involved, and so unlikely to accomplish the desired results, if experience both in this country and elsewhere means anything at all.

SUMMARY

The reasons advanced in favor of expanding the social-security system, admittedly a failure in its operation up to now, to cover individual health care, are not sufficient to warrant the serious risks involved.

Government plans for individual health care in other countries have produced uncontrollably excessive demands upon doctors, hospitals and auxiliary services, without any possibility of reasonable check once the deterrent of individual cost has been removed, and with resulting excessive cost to the insurance fund and to government.

Medical, hospital and related individual health services in this country are now the best in the world, under a system which has developed according to the best traditions of the American character; and these services are available to the vast majority of the people, at charges they can pay with or without the increasing scope of voluntary prepayment plans, or without charge. Government may assist, but should not be permitted to destroy, this magnificent system.

Something must be said, in addition to all of the above, of the destruction of traditional liberty which is directly and unavoidably involved in the plan to bring individual health care under government control by compulsory legislation. There is a point at which the right and the duty of government to legislate, even for the general welfare, conflicts with the right of the citizen to be let alone. "Stop" signs are necessary on the public highways; but no citizen would permit them to be placed by government on his private road.

The parallel alleged between compulsory health insurance and compulsory school attendance is not accurate. School attendance is required of children, not adults; and it exists only under State law, not under Federal law. When every citizen is required not merely to submit to heavy deductions from his pay for Federal health insurance, but to call upon his doctor and his dentist on such dates as may be fixed by the Federal authority, the parallel will be complete, and the compulsory system will have developed to its logical conclusion. Such compulsion as to visits for medical and dental examinations is in fact the only possible way in which the results promised may even hope to be achieved. Will Congress go this far?

Under the still free American system, education of the individual to the desirability of proper professional advice on health matters, so that he may himself voluntarily take advantage of the available facilities, including prepayment for health care, is the only sound and practical and acceptable method.

Liberty is still the dearest possession of the American. Liberty always implies responsibility; and the exercise of responsibility develops ability to meet it, in every aspect of existence, including the care of one's health. The alternative of destroying personal and professional liberty is the alternative of the paternalistic and collectivist State. It is unacceptable to the traditions and the spirit of a free people. It should not be imposed for the purpose of taking over the control of individual health care or for any other purpose.

The Hoover Commission

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. REED of New York. Mr. Speaker, it is with pleasure that I introduce as a part of my remarks under unanimous consent heretofore granted an address delivered by Dr. Robert L. Johnson, chairman of the Citizens Committee for Reorganization of the Executive Branch of the Government, before the Massachusetts Federation of Taxpayers Associations, Inc., at Boston, May 7, 1949.

I am glad to see that the citizens of this country are becoming aroused over the delay in taking legislative steps to carry out the recommendations for greater efficiency and greater economy in the Federal Government, as recommended by our former President, Herbert Hoover. I commend the reading of Dr. Johnson's address to all who are interested in the great work of the Hoover Commission on Reorganization of the Executive Branch of the Government.

We are meeting today to honor the work of the Commission on Organization of the Executive Branch of the Government and its chairman, former President Herbert Hoover.

There is something to ponder in the fact that your federation, meeting here in Boston, should have chosen this theme at this time.

Certainly there are tides in the affairs of men and these tides have often broken first on the shores of New England. The destiny of a new Nation was shaped here, in no small part, by men whose nearby monuments remind us of a great heritage.

To do justice to the memory of men like Samuel Adams, Paul Revere, and Hancock we need to remember some of their greatest qualities. No matter how they differed individually, the colonial patriots united freely in their resistance to tyranny. They faced facts without fear. And they always looked a new idea squarely in the eye.

Ever since those early days Americans everywhere have shown that they will unite in a crisis, meet facts head-on, and look to the future together.

Today we face the danger of a new tyranny. It is not the tyranny of a greedy and stupid monarch 3,000 miles away. It is a more dangerous tyranny of our own making.

To face it is the task of tough-minded citizens whose sense of the future is strong.

Something of this sort must have been in the mind of your distinguished Senator LODGE when, in July 1947, he sponsored the measure which brought the Hoover Commission into being. It is notable that in these times of quarrels and dissensions the action of the Congress in creating the Commission was unanimous.

It is also notable and gratifying that here in Massachusetts there has been founded a bipartisan commission, similar to the national commission, under the chairmanship of a former Democratic Governor, Joseph B. Ely.

I like to think of the Lodge-Brown Act as "An act to give the American people one more chance to master their Government before they become its slaves." Under this act, the Commission's assignment was to find ways of limiting Government expenditures to essentials, by eliminating duplication and overlapping of services. I like

to think of that assignment as "the construction of a guidepost on the road to freedom."

Destiny placed us on that road originally and destiny may have had a hand in the unanimous congressional approval of the act and in the appointment of six Democrats and six Republicans as members of the commission. Destiny, inspiration, or both may have moved Speaker JOE MARTIN of Massachusetts to choose Mr. Hoover as a member and President Truman to propose him as chairman with Dean Acheson, now Secretary of State, as vice chairman.

After that it seemed for a time as though destiny had forgotten this particular bit of handiwork. For many months thereafter the commission was inconspicuous. It was busy, however, in organizing its research.

You will recall that some 25 major problems of government were selected for study. Research committees, called task forces, were appointed to get to the bottom of each problem. Some 300 task force members, specialists all, worked from 10 to 14 months, gathering facts, analyzing figures, delving into history, and preparing voluminous reports. The contribution made by Massachusetts to the expert personnel of these task forces was unusually large.

The task forces finally presented their reports to the Commission which, in turn, set about fashioning its own report to the Congress.

The task force reports alone totaled over 2,000,000 words of concentrated fact and thought—by far the most monumental work of government research in all history. For some months the Commission met as often as three days a week in almost complete obscurity. There must have been times when they felt as lonely as the little band of men who met long ago to frame an unheard-of document called the Constitution of the United States.

There must have been times, too, when the Commissioners felt more like the little girl to whom Mr. Hoover referred in a recent talk. This little girl had expressed an interest in penguins to an elderly friend who thereupon sent her a book on the subject. At a much later date she duly acknowledged the gift.

"Thank you for the book about penguins," she said. "It tells more about penguins than I really want to know."

Nevertheless, the Commission hewed hard to its task. In this the members had an excellent example. Mr. Hoover, a lifelong enemy of idleness, worked throughout that period at a pace that would have exhausted most men half his age. He presided at all meetings and throughout each day, including week ends; he devoted 10, 12, and even 14 hours to shaping the reports into what he called an orderly pattern of government.

On February 7, 1949, the Commission sent the first section of its official report to Congress. In 17 subsequent sections it unfolded a complete blueprint for lasting good government.

Somewhere deep down in the hearts of the American people a responsive chord was struck. As news of the report went forth, it captured public and editorial attention to a degree never before achieved by anything so drab as a report on Government reorganization.

Mind you, men have been trying to reorganize the executive branch since the days of Andrew Jackson. The first full-length report on the subject was filed during the Taft administration, when most of us were still in grade school.

But the Hoover report was news. It was big. It was different. And why did it arouse so much interest? I believe that we, as a people, have been growing uneasy about our Government. We are baffled by its complexity, frightened by its size and cost. The Hoover report offers us a chance to examine it in Town Hall terms.

A free people must have confidence in their government, after all, if they intend to stay free. And they can have confidence only in a government which they can understand and afford to support.

Now there would have been no reassurance in the diagnosis provided by the Hoover report had there been no prescription for a cure. The diagnosis, stated clinically without a trace of emotion, is one of advanced galloping bureaucracy. The facts speak for themselves.

Fact 1. We have big Government. We have willed it so. How big is it? In 20 years of depression, war, crisis, and cold war its cost has risen from $4,000,000,000 to $42,000,000,000, its total civilian employment from 600,000 to 2,100,000, to say nothing of a military force of over 1,000,000.

Fact 2. Big Government reaches deep into our pockets, takes one dollar in five of the national income. Its debt amounts to a mortgage of about $7,000 on every family in America. This is not fictional. This is our promise to pay.

Fact 3. Big Government, as we have it, is a universally acknowledged mess. No one in or out of Government would dream of defending as an organization the unholy hodgepodge of 1,812 departments, agencies, boards, and bureaus which comprise the executive branch.

Fact 4. The executive branch lays a perfectly intolerable burden on the Executive. In no well-run business, university, labor union, or other enterprise would more than a handful of executives report directly to the presiding officer. But in Government, 65 heads of agencies, some of them bigger than General Motors, report directly to the President. If he were to give but 1 hour a week to each one, he would have no time left for matters of broad policy and affairs of state.

Fact 5. In operation, the executive branch ignores the simplest principles of good management. Any private business or household would go broke overnight if run on Government lines. There is lack of executive authority and responsibility everywhere. Thousands of people are hired by personnel people they have never seen, to work under frustrating conditions for people they have never seen. All this takes place in a haze of pointless red-tape paperwork. Budgeting is a series of mathematical mysteries which usually tell what things the money will buy but rarely what purpose they will serve. Accounting sometimes lags years behind expenditures and is neither assembled in terms of complete costs nor reveals results in terms of performance.

These are a few, a very few, of the basic findings of the Hoover Commission and its task forces. You will note that in reciting them I have made little attempt at interpretation nor have I referred to the remedies.

And now, what remedies are prescribed and what savings can be made? In essence, the the report recommends just what you would expect—the application of the simple principles of good management. But these are spelled out in detail, department by department, and function by function. Suffice it to say that the Commission's recommendations, taken together, make a glorious amount of simple common sense.

As to potential savings, the Commission itself refrained from making an estimate, so great are the variables when projected very far into the future. Mr. Hoover has personally expressed belief that at least $3,000,000,000 a year could be saved without damage to essential services. This is based on some of the estimates of the task forces and I feel sure that it errs on the conservative side. An estimate of $4,000,000,000 might be closer to the truth, if reorganization is vigorously prosecuted.

Moreover, the biggest savings are the ones we cannot estimate. Suppose we simply succeed in stopping the constantly-climbing curve of Government cost? You can't put a price tag on the saving because you can't tell how much more might have been spent.

Suppose we create the conditions of opportunity and reward, under which good Government workers get a better chance to do a job, instead of just hold a job? You can't begin to guess the cash results. But you know that the answer must be stated in billions.

At any rate, $4,000,000,000 is 10 percent of the tax bill. When do we start saving that? The answer isn't wholly encouraging and it comes in two parts:

1. Reorganization will take time, thought, work, and determination. It calls for extensive legislation. To be sure, much can be accomplished by administrative orders—but only if Congress gives the President the authority he asks in the pending Reorganization Act of 1949. Even that would be only a beginning. Large bodies of law surround every major activity of Government. A score of major bills must be passed, after hearings and debate, before real reforms can be accomplished in the armed services, the Post Office, the State Department, and so forth.

2. Reorganization faces many obstacles—mechanical, procedural, and human—and of these the greatest is human. Resistance to change is not a monopoly of government. It is natural to defend what you are doing. This results, however, in what might be called the "Yes—But" psychology of government. "Yes," says this department head or that agency chief, "I believe heartily in reorganization. * * * But reorganize the other fellow—not me." This, in turn, results in pressures on Congress for exemptions here and exceptions there in reorganization laws. These are what Mr. Hoover has termed the little "grasshopper bites" which have doomed one reorganization plan after another.

Now the Hoover Commission will cease officially to exist on June 12. Obviously reorganization will face hard going after that, unless it is given continuous public encouragement and support.

Hence today we have the Citizens Committee for Reorganization of the Executive Branch of the Government, of which I have the honor, one I feel more deeply than I can say, to be chairman.

The Committee is, of course, nonpartisan and seeks no profit. It is a temporary organization and its aims are primarily educational. Perhaps we are naive but we believe that the most direct means to effective action is through an informed public.

President Truman views it this way. In a recent letter he told me of his disappointment at the reception of certain reorganization plans which he (like other Presidents before him) had proposed.

"Unless some educational program is put on by those interested in efficient government," the President warned with respect to the present plan, "we shall have the same results."

Since the President's letter was received, I am glad to say, many of America's foremost leaders in every walk of life have joined the citizens committee. I wish time permitted me to name a tenth of them. They are the national heads of organizations representing agriculture, business, the churches, education, labor, the professions, the veterans, the women's groups, and, in fact, every major force in the national community. They include many who have served with distinction in public life, among them former Vice Presidents, Cabinet Officers, Members of Senate and House, Governors of States, and many others representing both political parties.

Such unanimity is practically unprecedented. Isn't it just about the most heart-

ening thing that has happened in America in years? How shall we account for it?

First of all, I believe the need for interpretation of the Hoover Commission report in all of its true meaning is widely realized. Let me repeat that. We want to understand the Report in its true meaning.

The facts are clear enough. For example:

Do you realize it costs the Post Office 2½ cents to print and deliver a penny post card?

Is it not absurd that the paper work on 1,500,000 purchase orders each year costs more than $10 per order? And, by the way, half the purchases are for items costing less than $10.

Do you realize that thousands of tons of obsolete, useless records and documents are kept in steel cabinets on costly office floors at maintenance charges of $29 a year, when they might be stored in cardboard containers in warehouses at $2.15 a year?

Is it not ridiculous that 47 Federal agents representing 7 different agricultural field services should be devoted to the service of 1,500 farmers in a single county in Georgia?

Is it not fantastic that the Army should request budget funds for 829,000 tropical uniforms at $129 apiece—to say nothing of 910 houses for military personnel in Alaska at $58,000 apiece?

Is it not more than absurd that the Government should pay interest on its own money—which is just what happens when Government corporations invest their surplus funds in Government securities?

Is it not distressing to note that veterans' insurance death claims take four times as long to be paid as private insurance claims? Yet, the Veterans' Administration employs four times as many insurance workers per policy as do private companies.

These are a handful of governmental absurdities, little and big, selected from hundreds of examples. They are disturbing, but I think you will agree with me it is startling that two different agencies can survey construction sites for dams half a mile apart on the same river—at a cost of around $250,000 per survey—and come up with estimated costs that are $75,000,000 apart. It is fantastic that the cost of a reservoir should be estimated at $44,000,000 in 1 year and only a few years later at $132,000,000. It is appalling that only 4 percent of the $1,250,000,000 which the Government now spends for medical services should be devoted to research when medical science stands at the threshold of so many new conquests of disease; if we spent more for research we might never need the vast veterans' hospital construction program which threatens to overtax the Nation's short supply of physicians and nurses.

These, too, are random examples of the larger absurdities of government. I am sure you set the same high value that I do on executive judgment and ability. To me the highest caliber of personnel is needed to staff a government whose activities can have such vital effect on our daily lives—and on the destiny of the whole Nation. Government decisions touch every area of civilized life from animal husbandry to atomic energy. To me, therefore, it is alarming that sheer administrative chaos should so burden Government executives, from the President on down, that wise and thoughtful decisions on matters of the highest importance are difficult to make. It is a shame that Government work is so unrewarding and frustrating that good men are hard to get for posts of vital importance to the national safety, health, and welfare. It is disturbing that 45 out of the sixty-odd top agencies of the executive branch today engage in operations affecting foreign policy and that communications among them are so confused that the President and the State Department must sometimes make decisions of the gravest nature without adequate information. It is actually frightening that the armed services should be split by dissension and threatened by rule of a military clique; that the Army, Navy, and Air Force which together spend $15,000,000,000 a year—one-third of the total Federal budget—should demand twice ($30,000,000,000) as much while wasting at least $1,000,000,000 a year.

Again those are just a few of the most disturbing results of lack of organization. Consider that last one more closely. The Nation is undertaking for the first time to maintain large standing military forces in peacetime. This means a great drain on our resources, financial, material, and human. Too great a drain may render us unfit to defend ourselves against the very forces, at home and abroad, which seek our downfall. Here is what the task force on national security said about that:

"Victory by bankruptcy may be the Machiavellian aim of the Kremlin. Burdens such as we are now bearing, if substantially increased, might become intolerable. The premium upon economy, therefore, becomes higher than ever before in our history; it may be said that our national security depends on it."

Need I remind you that this task force report was signed by nearly all the foremost figures of World War II, military, industrial, and political? I believe this brings us closer to one of the true meanings of the Hoover report.

No wonder Americans are uniting, facing facts, and greeting Government reorganization as an immediate necessity to safeguard our future. We are government and government is part of us. Today we are all taxpayers, for taxes not only affect our income, they enter heavily into the cost of the things we buy and build. And it is not as taxpayers, finally—nor as businessmen, educators, farmers, or trade unionists—but as citizens, that we will die in a war or live in peace, suffer in an economic collapse or prosper in a role of constructive world leadership.

We are learning, I believe, that taxes are not derived from static wealth. They are taken from income which in turn derives from production. All the things we want and need come primarily from this source—not only Government services and military protection but schools, hospitals, universities, libraries, museums, and all the things we value.

When taxation reaches the saturation point, production falls and with it our living standards. Perhaps we are learning, too, that free peoples all through history have yielded their freedoms when bureaucracy overwhelms them economically. This is not necessarily because of any plot or plan. It rarely happens suddenly. But we can drift into slavery if we fail to swim against the tide.

It is in the light of these thoughts that I ask you to view the Hoover Commission report and to support the educational program of the Citizens' Committee. We face alternatives. One way lies orderly government, productivity, and the successful discharge of huge new world obligations incurred in behalf of peace and freedom. The other way points to the bleak fate of the wastrel.

And I ask you finally, Can we long stand before the world as a symbol of democracy and successful self-government if we cannot properly manage our own affairs?

That is the challenge. We meet in the twilight of the Hoover Commission's official existence. A great and precious document has been given into our hands, not for respectful safekeeping, not for future reference, not for the academic adulation of scholars yet unborn, but for action—now.

If this document dies in the dusty pigeonholes of Washington, the America we know may well die with it. And its passing will then be recorded by gleeful totalitarians dipping deep into the ink which has recorded the downfall of more than one big, rich, foolish nation.

We as a people have been free because we have been willing to think. Let us think now, and think well. Let us think how best to build for the future. Let us think how best to govern ourselves.

I invite you, therefore, to a vast, national, continuing town meeting in the New England tradition. I invite you to hard, unsparing thought and study. I invite you, moreover, to a good, rousing fight. I invite you to a struggle against indifference. I invite you to a modern revolution against entrenched complacency. I invite you to an all-fired, tough, determined battle against waste and mismanagement wherever they occur.

In this battle there will be "summer patriots and sunshine soldiers." There will be defeatists to remind us that past efforts at Government reorganization have met with scant success. The "yes-buts" will have their day. But over them all there will finally arise a chorus of "ayes" announcing a national determination to have and keep a pattern of lasting good government.

Victor Hugo once said: "The only thing greater than armies is an idea whose time has come." We face now an opportunity, which may well be our last, to revitalize our heritage.

We are in this to win. With your help and that—first of thousands, then of millions—of good citizens in every walk of life throughout America, we will win

Newspapers—And Government

EXTENSION OF REMARKS

OF

HON. JOHN KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. KEE. Mr. Speaker, the question of readjusting second-class postal rates is agitating the press. I notice that the newspapers of my State are concerned for fear that excessive rates will result in losses and even suspension of publication. The fact that the press performs a valuable public service in informing the people on matters of government is urged as a reason for keeping newspaper-mail rates moderate. A thoughtful editorial on this line appears in the Williamson Daily News, of my State, from the pen of Editor Earl L. Sampson. Under the permission granted me to extend my remarks I include this editorial, as follows:

NEWSPAPERS—AND GOVERNMENT

A famous American once made this rather striking statement: "Were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter." That was the voice of democracy speaking; in fact, that at one time, was the voice of the Democratic Party. For the man who spoke these words was Thomas Jefferson, called the founder of the Democratic Party in principle.

The newspaper is more than just sheets of paper upon which words are printed; the newspaper is an emblem of freedom—a daily exponent of the amendment to the Constitution which so many quote so glibly: "Congress shall make no law * * * abridging the freedom of speech or of the press."

By and large, the newspapers of America are not propaganda sheets. There may be a few organs dedicated to the proposition of furthering their own selfish interests, but these are few. The vast majority of newspapers of this country are concerned with the well-being of their communities, their States and their Nation, regardless of self-interests, or of politics. So, with newspapers such a vital part of the life of the American citizen, we are concerned with the proposal of the Postmaster General in asking for increases in postal rates which could conceivably imperil the publishing and distribution of many newspapers now reaching subscribers regularly.

Newspapers do not ask subsidy—do not want subsidy; but, if and when increased postal rates go into effect, the cost of the newspaper must necessarily go up, else many small papers may be forced to cease publication. Therefore, it stands to reason that perhaps only the larger papers will be able to exist, thereby concentrating the power of the press in fewer, more powerful hands, and depriving the rural and small-town readers of their daily, and, or weekly paper. Such a move would defeat the very purpose of the Post Office Department in its attempt to overcome its operating deficit by hiking mail rates on newspapers. It would be much better to consider the newspaper for what it really is: one of the key pillars in the temple of democracy—an integral and potent part of Government, although all risk and venture is private and it is paving its own way.

We suggest that instead of raising rates, a thorough study be made into the existing cost of administration and operation of the Department, and our closing thought is to refer the reader to the opening paragraph of this comment.

President Truman Misleads the Public

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. REED of New York. Mr. Speaker, under a unanimous consent heretofore granted I am inserting an article by David Lawrence which appeared in the Washington Star, May 16, 1949, as follows:

MISLEADING OF PUBLIC BY PRESIDENT OVER DEBT REDUCTION SEEN—USE OF IDLE BALANCES STORED FOR WAR USE HELD CAUSE OF CUTS

(By David Lawrence)

President Truman is still the politician in the White House—he considers it proper to mislead the public on certain facts in order to make a political boast.

Thus, Mr. Truman told his press conference that he had retired more debt than any other President in the history of the United States. He said he had retired about $26,000,000,000, which is more than the total national debt after World War I.

But the facts are that when the war ended, the balances which had been developed by a war loan drive that proved unnecessary were almost immediately paid back to the borrowers. This amounted to $20,000,000,000. In the book issued last month by the Committee on Debt Policy—a group of eminent economists—the following explanation is given about debt retirement to date:

"From the peak of $279,000,000,000 reached in February 1946, the total debt by April 1948 had been reduced to $252,000,000,000, or a decrease of $27,000,000,000 over a period of 26 months. The debt then remained almost the same for the rest of 1948.

REDUCED TWENTY BILLION IN '46

"Of this debt reduction, $20,000,000,000 occurred in 1946 and represented largely the use of excess Treasury balances built up by the victory loan in late 1945.

"Contrasted with 1946, the debt retirement in 1947 and the early part of 1948, amounting to $7,000,000,000, was financed by an excess of receipts over expenditures in the Federal budget."

The Republican Congress was in charge of the purse strings in 1947 and 1948.

The President gave his listeners the impression that he had done something which no other President was able to accomplish. Actually, however, the use of idle balances stored up for war purposes was not an excess of receipts over expenditures in the usual sense. So it is amazing to find Mr. Truman claiming credit for the removal of these balances as a political achievement.

The President might have gone further and claimed credit for having raised the money when, in truth, patriotic citizens of both political parties participated in the victory-loan drive.

QUESTIONED ON DEFICIT

In the same press conference at which Mr. Truman boasted of his achievements in reducing the debt, he was asked why he supposed that "those people who were worried about a deficit 10 years ago are the least worried about it now." He answered that he didn't have any idea but it would be an interesting psychological study.

Now the facts are that the people who worried about deficit financing 10 years ago are still worried about it today. All the Democratic leaders of Congress who have expressed themselves, including Senator GEORGE, of Georgia, and Representative DOUGHTON, of North Carolina, have said that, of all the alternatives available, deficit financing would be the worst.

Businessmen generally feel the same way. What was misinterpreted in the President's presence was the attitude of most business people toward increased taxes. The question which should have been asked was why those people who were against deficit financing 10 years ago and are against it now are opposed to an increase in taxes.

The simple answer is that there is a better alternative available—and that's reduction of expenses, but this, of course, is unpalatable to a spending administration which has requested from Congress the highest Federal budget in all peacetime history. It has also asked for authorization of projects that could conceivably mean even bigger budgets annually hereafter. If expenses are reduced, there will be no deficit to finance, so the question could be academic.

Election Mandates

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include this editorial from the Wisconsin State Journal of Madison, Wis.:

LABOR FACTS, LEST WE FORGET

Roscoe Drummond, the distinguished and competent Washington correspondent for the Christian Science Monitor, has an unusual knack for putting his finger on oft-forgotten facts at a time when those facts should not be hidden by the dust of battle.

In the light of the battle in the House of Representatives over disposition of the Nation's basic labor law, these comments by Mr. Drummond are very much to the point:

"It should not be overlooked," writes Correspondent Drummond, "that a Congress was elected as well as a President, and that in many instances the Congressmen were elected by majorities as large or larger than Mr. Truman's.

"And it should not be overlooked that a majority of the present Members of the House of Representatives voted in favor of the Taft-Hartley Act in the Eightieth Congress and were reelected last November either because of their voting record or despite it.

"A third factor in appraising this election-mandate business is that while President Truman was always very clear in his opposition to the Taft-Hartley law, he was always pretty vague as to what he proposed to put in its place."

Mr. Drummond states the case quite well, and at the right time.

Booms and Busts—Inflation by Legislation—the Farmers and Miners Have Been Selected as the Sacrificial Goats in the Present Price Decline

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. SANBORN. Mr. Speaker, booms and busts are not the fault of free enterprise or American capitalism, as the Communists, fellow travelers, One-Worlders, and pseudo "Liberals" would have you believe, but are the direct result of unsound monetary and fiscal policies of government.

Not by accident, but by design—by the enactment of "must" legislation sent to the Congress in 1945—were prices skyrocketing and strikes generated in 1946.

The Gold Reserve Act of 1934—Public Law 87—depreciated the dollar 41 percent and give us, in effect, a 59-cent dollar.

Public Law 84, enacted in 1945, brought about a 37½-percent depreciation in the already depreciated dollar, giving us, in effect, a 37-cent dollar, thereby causing commodity prices to advance 60 percent. It was the enactment of this law which started the vicious cycle of rising prices and the resultant demand for higher wages.

Public Law 84 of 1945 is probably the most vicious piece of legislation ever placed on our statute books because it not only reduced monetary reserves from 40 to 25 percent but because it left the door wide open for further reduction of reserves, even below the danger point of 21 percent, which precipitated the 1929 depression.

Probably the greatest danger to our economy lies in the fact that the price of our gold was not advanced to $56 per ounce to compensate for this dollar depreciation, for, by permitting foreign na-

tions to buy our gold at $35 per ounce when, based on the value of the dollar, it should be $56 per ounce, foreign currencies are overvalued 60 percent, which means we are subsidizing imports 60 percent and discounting exports 37½ percent.

DOUBLE-TALK AND MARXIST JARGON

Pseudo-economists of the administration have hailed the recent decline in farm prices and in other raw materials as a healthy sign of stabilization when just exactly the reverse is true; for so long as the value of the dollar stays down where it is, any reduction in the prices of raw materials comes out of the pockets of the farmers and miners.

That the value of the dollar is down, even lower than the 37 percent referred to above, is evidenced by its position in foreign exchange. On page A-2718 of the May 5, 1949, issue of the CONGRESSIONAL RECORD, I quoted the Wall Street Journal of September 16, 1948, to prove that our present dollar is worth only one-third of our pre-1934 dollar. In this quote you will note that on that date an American $20 gold piece would buy 26,200 francs, or 1,310 francs to the dollar; whereas our 1948 dollar would buy only 440 francs. In other words, our pre-1934 dollar, which was redeemable in gold, would buy three times as many francs as our present dollar, which is not redeemable.

Lest you are tempted to think this was an isolated occurrence, I am inserting an article from the Wall Street Journal of May 7, 1949—just a few days ago—which shows that the same ratio of approximately 3 to 1 still exists between our dollar, which was redeemable in gold, and our present irredeemable dollar—the only difference being that our dollar will buy less francs than it would seven short months ago.

[From the Wall Street Journal of May 7, 1949]

NEW FOREIGN CURRENCY, GOLD RUSH IN PARIS SENDS PRICES OF COINS, BARS, AND PAPER MONEYS UP SHARPLY

PARIS.—Another rush for gold and foreign currencies got under way yesterday.

It carried the price of bars, coins, and foreign paper moneys in the black market to the highest levels since the end of March.

The 2.2 pound gold bar jumped to 607,000 francs despite Government intervention in the market to arrest the upward surge.

On Thursday the price was 571,000 francs, while at mid-April it had been as low as 542,000 francs.

The American $20 gold piece brought 20,520 francs, compared with Thursday's price of 19,400 and a figure 2 weeks ago of 18,300 francs.

BLACK MARKET DOLLAR

In the black market the American paper dollar brought 372 francs, up 22 from Thursday and 30 francs from mid-April.

The "free" franc rate on the Government-controlled market on the Bourse remained unchanged at 328.8 to the dollar.

The British pound at 1,100 francs was up 20 francs, and 40 francs higher compared with a couple of weeks ago.

At the end of March the 2.2 pound gold bar brought 605,000 francs; the $20 gold piece 20,700 francs; the paper dollar 375 francs and the British pound 1,125 francs.

Precipitating the new demand for gold and foreign currencies has been a fresh wave of social unrest coupled with an unfavorable budget outlook.

BIG DEFICIT SEEN

A deficit of at least a hundred billion francs is forecast for 1949, unless energetic Government action can cut expenditures and restore the equilibrium of the nationalized railroads and gas industry. The railroad and gas industries are expected to show a 50,000,000,000 franc loss.

The sudden reversal in the value of the franc in terms of gold and foreign currencies contrasts with a movement earlier this year which had carried it steadily forward to higher values in terms of gold and foreign currencies.

This reflected a steady drop in agricultural prices and growing supply of goods for public consumption.

It cut the gold and dollar terms for the franc from more than 800,000 francs for the gold bar in mid-January to the April low of around 540,000. In the same period, the paper dollar dropped in terms of the franc from 507 to 342.

With our present dollar worth only one-third as much as our pre-1934 dollar, this means that the present price of $2 per bushel for wheat is equivalent to only 66⅔ cents 15 years ago. The farmers and miners should thoughtfully ponder these facts.

And labor, which was tricked into supporting New Deal monetary and fiscal policies with promises of increased wages and social gains, should carefully appraise the situation. For example, just how much better off are the Ford employees today than they were 30 years ago when Henry Ford gave them a minimum wage of $5 per day?

INCOME OF ALL AMERICANS AFFECTED BY THE INCOME FROM AGRICULTURE AND MINING

This dangerous situation is not only the concern of the farmer and the miner, it is the concern of all the American people because agriculture and mining form the arch which supports our entire domestic economy. Agriculture's income, including lumber, is always one-seventh of our national income; and every dollar loss to agriculture means a reduction of $7 in our national income. That follows just as surely as night follows day.

Under normal conditions, the income from our mines, including oil and coal, is always one-half of agriculture's income and one-fourteenth of the national income; but because of unsound governmental policies, which favor foreign mineral production over domestic production, our percentage of mining income is considerably below normal.

My bill, H. R. 2573, would add a minimum of $2,000,000,000 to mining income, thereby adding $28,000,000,000 to our national income. In the process, thousands of men would be employed at good wages in newly created productive jobs; and new markets for farm products, machinery, and other supplies would be created. Rather than costing the American people anything, it would reduce the cost of production of such essentials in our economy as lead, copper, and zinc, thereby benefiting the mine operator, the manufacturer, and the ultimate consumer.

PIE IN THE SKY BY-AND-BY

But then I presume we should not worry, for Mr. Brannan has submitted a plan whereby all of us—farmers and city dwellers alike—will have pie in the sky by-and-by. We are to have high prices for farm products and low food prices for city dwellers. It is all so very simple. All we will have to do is tax all people to subsidize the producers of food—a mere bagatelle of some $8,000,000,000.

Where are you going to get the money, gentlemen? Probably from the same source as other New Deal spending, whereby 63 percent of the people's savings, pensions, and life insurance have been filched from them. I am surprised that the 75,000,000 people who carry life insurance to protect themselves and their families have accepted this situation so docilely.

If the farmers and laborers have confidence in Mr. Brannan's scheme, they are gullible, indeed, for when the United States goes into that economic tailspin toward which we are heading, and which will be 10 times as disastrous as that of 1929, because we have 10 times as far to fall, who is going to pay the taxes with which to pay the subsidies, the unemployment insurance, the other forms of social security? The Government can give the people nothing that it does not first take away from them in taxes.

FOLLY OF FREE TRADE—HOW TO AVERT DISASTER

There is a real way to prevent disaster. That is by adopting a sound monetary system and restoring the protective tariff. Under the destructive policy of free trade, American capital is financing industries in other countries where the products of low-priced labor can flood the American market. But American labor is not so fortunate. They will have to sit idly by in the shadow of empty smokestacks. However, American investors in foreign factories are not nearly so smart as they think they are. They cannot have their cake and eat it, too; for while they temporarily reap huge profits and evade the payment of United States taxes, they will eventually destroy the American market by causing widespread unemployment in the United States; and when the American people realize what is being done to their economy, they will demand that tariffs be restored; and many of the foreign factories, built with American dollars to flood our market with slave-labor goods, will be abandoned to become monuments to greed and folly.

THE AMERICAN MARKET IS THE BEST MARKET IN THE WORLD

With only 6 percent of the world's population and 6 percent of the world's land area, we produce and consume more goods than 1,000,000,000 people residing in Russia and the Orient. Why? Because of our system of government; our free competitive enterprise; our freedom of opportunity for the individual; and the fact that we had sense enough—until recently—to protect our market, our labor, and our industry from the competition of slave labor throughout the world.

It was this system which created our pool of purchasing power—a people's capitalism, if you please—which financed our business and industry, and made mass production possible, because mass

production is possible only where the people have the means for mass consumption.

Why should we not protect this market? We took it from no one. We created it ourselves. The other 94 percent of the world's people have 94 percent of the world's land area in which to create sound economies of their own.

If the people of other lands persist in following strange isms and ideologies which, wherever tried, have succeeded only in slowing up production and increasing the misery of their people, should the American people be penalized for the folly of others?

Yet we have among us those who would have us follow the same destructive isms and ideologies. Whether they are impractical do-gooders, political opportunists, or traitorous conspirators—I leave to the judgment of the American people.

OVEREMPHASIS ON FOREIGN TRADE

The value of foreign trade is greatly overemphasized. While a certain amount of foreign trade is beneficial and desirable, foreign trade secured at the expense of destroying our own market, wrecking our domestic economy, and lowering the standard of living of our own people, certainly is not beneficial to us or other people.

The United States is the last hope of the world, but unless we keep ourselves economically strong, we can save neither others nor ourselves.

The following quote from John McBride's book, Money Makes the Mare Go, carries some interesting comments on foreign trade:

FOREIGN TRADE, OTHER THAN NATURAL TRADE, IS A DELUSION AND A SNARE

The United States always has had a certain amount of foreign trade and probably always will have—trade best described as natural trade. We have imported the things we either (1) do not produce, (2) produce only in inadequate quantities, of (3) can produce only at prohibitive costs. Among such imports are raw rubber, tin, bauxite, coffee, tea, and silk. We export such products as we have in surplus and other countries have in short supply; and products in which we excel—like modern machinery and heavy equipment—which do not compete with producers in the countries to which they are exported, but help those countries to develop their natural resources, create new wealth, and raise the standard of living of their people.

If we import commodities that compete with our own producers, we lessen employment at home and reduce the national income. If we export commodities, like consumer goods, that are in direct competition with producers in the country to which they are exported, we further tend to pauperize the peoples of those countries.

The United States already does 45 percent of the world's business, most of it right here at home among our own people. If we attempt to expand our foreign trade to the extent of taking a portion of the 55 percent now done by all other nations combined, we will make it more difficult for other countries to exist and develop a sound economy of their own. The more of our own products we can consume, the higher will be the standard of living of our own people.

Some idea of the immensity of our domestic commerce can be glimpsed by comparing the tonnage carried on the Great Lakes with our ocean commerce and the tonnage passing through the Panama Canal. Approximately 65 percent of our tonnage is carried on railroads, 12 percent in pipe lines, 7 percent on highway trucks, 3 percent on rivers, and 10 percent on the Great Lakes. Yet more tonnage passes through the Soo locks between Lake Superior and Lake Huron than passes through the Panama Canal; and a considerable portion of the latter is between our east and west coasts. The total traffic on the Great Lakes exceeds all our ocean commerce. Through the Soo locks passes 85 percent of the iron ore mined in the United States, plus much coal and grain.

THE REAL BUSINESS OF THE UNITED STATES IS CONDUCTED HERE AT HOME

The real business of the United States is within our own borders, and the more we concentrate on and develop it, the higher will be our standard of living and the greater our national wealth. The far hill may look greener, but the greenest pastures of the world are right here at home. England's industry was built on foreign trade and commerce, but many of the countries with which she traded have developed industries of their own and their markets are now closed to her. The same thing could happen to us if we put too much reliance on foreign trade.

Profits on foreign trade average only about 5 percent, and chiefly benefit the exporter or importer. When we export commodities that can be used advantageously by our own people, we are injuring the many for the benefit of the few. For example, if we export the material for a $10,000 home, the exporter makes a profit of $500 or less, while our national wealth and income are proportionately reduced because our country loses the asset of a $10,000 home and labor loses the wages which would have been paid to build the home. Why should we attempt to export more goods when we have many people here in the United States who need and can use such goods? Are there many among our people who would not like a better home, a better car, more and better clothes, and the many other things we are capable of producing?

It has been fully demonstrated in the past, that under a sound domestic economy, the United States has been able to maintain a higher standard of living for all of our people than exists anywhere else. There is no reason why this standard of living should not be steadily improved, but it can be maintained and improved only by increasing production; and repudiating a regimented economy, managed currency, and free trade; and returning to a sound domestic economy.

United States Marine Corps

EXTENSION OF REMARKS
OF
HON. R. WALTER RIEHLMAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. RIEHLMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

FAYETTEVILLE, N. Y.

HON. R. WALTER RIEHLMAN,
House of Representatives,
Congress of the United States,
Washington, D. C.

DEAR CONGRESSMAN RIEHLMAN: The petty bickering, snide remarks, and childish jealousies existing between the Joint Chiefs of Staff of our armed services since the birth of the so-called Unification Act have left me cold and nauseated.

I am a major in the United States Marine Corps Reserve. This commission, which I now hold, is one of the prize possessions of my life to date. I, therefore, feel exceedingly alarmed and disturbed when I note the attempts of the Army, Air Force, and even the Navy, to reduce us to the status of Navy policemen or get rid of us entirely. A typical remark on this subject was made last year by Brig. Gen. Frank Armstrong of the Air Force. He said, "As for the marines, you know what the marines are. They are a small, fouled-up Army talking Navy lingo. We are going to put those marines in the Regular Army and make efficient soldiers out of them." A remark of this kind, particularly from a general officer, should have been reason enough for a general court martial.

Let us briefly look at the record of the Marine Corps during World War II. Ninety-four percent of the corps served outside of the continental limits. (Army and Air Force 70 percent.) The total Marine strength during the past war was 599,693, of which 15,130 were killed in action, 3,392 died of wounds received in action, and 901 were missing and presumed dead. The accomplishments of this relatively small outfit is beyond belief starting with Guadalcanal and ending with Okinawa. In spite of hell and high water the war in the Pacific against the Japanese Empire was won by this small band known as the Marine Corps. We fought and won 14 major engagements against 14 different and strongly fortified enemy-held islands. In the Marianas (Saipan-Tinian-Guam) our casualties were 25,500, of which 4,678 were killed. These losses seem small when compared to 56,000 of the enemy who met their death in this campaign for the Marianas.

Aside from these major battles waged by the Marine Corps numerous lesser campaigns were fought concurrently in paving the road for the Army and General MacArthur to make so glorious an entrance into Tokyo. With the exception of the Marshalls (Kwajalien-Eniwetok) and the Marianas (Saipan-Tinian-Guam) the initial landings of these major offensives were made by Marines alone. In the case of the Marshalls and Marianas our forces were aided by Army units. At Saipan the Twenty-seventh Army Division (New York National Guard) was destined to take its part along with the Second and Fourth Marine Divisions. However, this Army division eventually had to be withdrawn from battle, and many of its officers, including Maj. Gen. Ralph Smith, divisional commander, relieved of duty and replaced. You undoubtedly are familiar with this disgraceful affair, so I will not go into it further. The Seventy-seventh Army Division at Guam, with Marine leadership, was a credit to itself and our country.

The Marine Corps has always been an amphibious force. We are specialists in this field the same as brain or heart surgeons are specialists in their field. Amphibious warfare is a definite and exacting science developed and prosecuted by the Marines in its present form for the past 25 years. The grand master of this present form of warfare is Gen. Holland M. Smith, USMC, who was directly responsible not only for the training of seven of the twenty-eight Army amphibious divisions, but who personally supervised the training and subsequently attended the landings of Army troops in Alaska when the Japs were driven from this area. And yet we are "a small fouled-up Army talking Navy lingo."

As a taxpayer I naturally am interested where and how my money is being spent. With the brief history of the most recent successes of the Marine Corps just cited above I wish further to bring to your attention the fact that the cost of maintaining a marine is $4,000 per year, while it costs the Government $7,000 for a soldier. To summarize, therefore, our country cannot only boast of a successful and fearless fighting corps, they can also boast of an efficient and economical corps.

How quickly the American people forget what has been done for them by so few is best expressed by a remark made by the former

Secretary of the Navy James Forrestal as he watched the raising of the Stars and Stripes on Mount Suribachi (Iwo Jima) from the bridge of the U. S. S. *Eldorado:* "Holland (Gen. Holland M. Smith, USMC), the raising of that flag on Suribachi means a Marine Corps for the next 500 years." And yet less than 4 years later an all-out effort is again being made to junk this glorious corps by individuals less glamorous or heroic not only in the public eye but in their own hearts.

As our representative in Congress, Mr. RIEHLMAN, I sincerely hope you will do everything within your power to put an end to this disgraceful affair, and once and for all guarantee the rightful and useful position of the Marine Corps for which it has so nobly fought during the past 174 years of its being.

With kindest personal regards, I remain,

Sincerely yours,

CHARLES S. ESTABROOK, Jr.

Report of Housing Committee of the Archdiocese of Boston

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following report:

REPORT OF HOUSING COMMITTEE OF THE ARCHDIOCESE OF BOSTON

The housing committee of the archdiocese of Boston, composed of a score or more diocesan priests designated to study community housing needs by His Excellency, Archbishop Richard J. Cushing, D. D., held its initial meeting on October 13, 1948. During the course of the succeeding 2 months the committee met weekly to consider special phases of the problem with the advice and enlightenment offered by housing experts. It respectfully submits herewith some conclusions gathered from these meetings and studies, with a sketch of the philosophy and needs of our current housing situation to aid in the public appreciation of what is involved in this huge problem. It hopes that this outline will be accepted as a preliminary survey, with practical recommendations, to which later observations will be added from time to time.

PREAMBLE—FUNDAMENTALS ON THE HOUSING SITUATION

As shepherds of souls, these priests were conscious of the fact that our housing conditions constitute a social problem whose evils the church must not only expose but in whose remedying the church must give assistance. A decent home in which a growing family can live within its means, in comfort, security, and without being overcrowded is certainly a prime necessity for a stable, wholesome, and happy society.

The committee, consistent with the principles of our God-fearing democracy, assumes that private enterprise has the primary obligation in providing decent housing for all our citizens. However, the committee was composed of realists who recognize that private enterprise, alone and unaided, is not and will not in the immediate future be in a position to solve the entire housing problem, and that the Government therefore will serve the interests of social justice if it supplements sufficiently the efforts of private groups.

This traditional American tenant—which summons the Government to intervene in economic and social life only to the extent that the Nation is faced with problems which individuals and private associations are unable to cope with on their own initiative—harmonizes with persistently reiterated papal announcements.

In the encyclical on Christian marriage, given to the world by Pope Pius XI on New Year's Eve 1939, His Holiness declared:

"If for this purpose (the removal or decrease of material obstacles in the way of family life) private resources do not suffice, it is the duty of the public authority to supply for the insufficient forces of individual effort, particularly in a matter which is of such importance to the commonweal, touching as it does the maintenance of the family and married people. If families, particularly those in which there are many children, have not suitable dwellings * * * if the necessaries of life cannot be purchased except at exorbitant prices * * * it is patent to all to what an extent married people may lose heart, and how home life and the observance of God's commands are rendered difficult for them; indeed it is obvious how great a peril can arise to the public security and to the welfare and very life of a civil society itself when such men are reduced to that condition of desperation that having nothing which they fear to lose, they are emboldened to hope for chance advantage from the upheaval of the state and of established order."

Pope Pius XII in his Christmas message of 1942 observed that:

"He who would have the star of peace shine out and stand over society * * * should strive to secure for every family a dwelling where a materially and morally healthy family life may be seen in all its vigor and worth."

The present housing crisis demands the unselfish, full contribution of private enterprise and the adequate, continuing, supplementary collaboration and contribution of governmental agencies.

In attacking the pressing housing problem great care must be shown for such considerations as city redevelopment, including slum clearance, and the reduction of population density; the matter of suburban housing and the provision of commodious quarters for families blessed with more than three children.

Indeed all programs designed to provide decent housing for the American people must be considered primarily in terms of housing for families with children, especially for low-income groups which private enterprise has never adequately reached.

I. MIDDLE-INCOME GROUP HOUSING

In a division of the needs of those affected we will consider first the so-called middle-income group, which is a very large one. The acute conditions that bear so drastically on many within the low-income group do not prevail in this upper bracket. That is because these middle-income people are often from families that can afford to house married sons and daughters and even a few of the third-generation children. Yet, this doubling up of families frequently makes for friction and marital strain because of the particular differences that commonly arise from such close living. The younger couples want to get out by themselves to lead their own lives in privacy and independence. To this, they have a right. On the other hand, many parents recognizing the natural ambition of grown-up sons and daughters do not want to force postponement of marriage for the latter and agree, as a result of the housing shortage, to allow the newlyweds to start family life under the paternal roof. When little ones are born the grandparents are subjected to a new upset in their program of life at a time of ordinary tranquillity.

For this middle-income group, sound authorities generally agree that home building should be done by private capital. Unfortunately, a wholly inadequate program has been developed, or rather just happened, for the meeting of this need. Only 900,000 homes for investment were built in this country in 1948. This is 600,000 short of the estimated annual need of 1,500,000 for that year and the three following years. Much of this construction is beyond the reach of the so-called middle-income group.

In spite of governmental incentives by way of national and local legislation stimulating certain financial groups to aid in this grave social problem, very little has been done by banks, insurance companies, and limited-profit organizations. Only one insurance company has made such an investment in this State. With this sole exception of 800 units in West Roxbury, both insurance companies and banks have failed to share leadership in the movement to solve the housing difficulties of these years in Massachusetts.

There is, however, hope held out by the executive committee of the United States Savings and Loan League meeting in Chicago on December 15, 1948. The committee issued a statement as follows: "It is recommended that savings institutions give precedence to loans on new construction priced under $10,000 and to channel 50 percent of the 1949 mortgage funds into this low-priced construction." The committee also urged the associations and member banks to give moral and financial leadership to rehabilitate slums in their communities. If our banking fraternity follows out these recommendations, we should expect a great improvement in providing for the growing number of families affected.

Government assistance to private capital for this middle-income group is provided in limited measure now. An expansion of this help in the way of lower taxes and fees, reduced rates on public utilities provided by Government such as water supply and street construction, and other like means could undoubtedly be worked out on a basis of financial safety to the investing capital group to provide greater inducement for building homes.

At the same time it must be recognized that the cost of materials and of labor weighs heavily on the purchase price of these new homes for the middle-income group. The current market for both is at an all-time high. Efforts should be made on the part of all concerned in the production of housing to effect all possible economies as a necessary contribution to the solution of this vexing problem of housing families.

There are evidences of such wholesome collaboration. Organized labor has representatives on many housing boards. That the American Federation of Labor and the Congress of Industrial Organizations have built some cooperative housing projects in such places as New York and Ohio and are exploring the problem on all levels offers much hope for labor leading the way in an effort to compromise with industry on the matter of reduced costs of home construction.

The structural quality of the building is a most important consideration. So many frail dwellings have been erected that grave injustice can be done home purchasers by offering for sale homes that will prove unsound in a short time. Another unfortunate feature is that such investing families find that unexpected expenditures for major repairs come at a time when medical bills for growing families are at the highest. This matter of giving lasting value for money paid for homes by these young families is a concern for all the community.

As a transition to the consideration of the low-income-group housing a typical situation throughout the cities and towns of the archdiocese may be found in the figures for public housing in Boston. Due to lack of Government underwriting of bonds for housing prior to April and June 1948, the total

number of public-housing units erected and occupied since the end of the war, 1945, is only 1,582. Of these only 817 are of permanent construction. Against this meager postwar home-units building there stands a soundly estimated emergency need of 6,000. The $200,000,000 housing credit bill passed by the Massachusetts Legislature in April and June of 1948 relieved a crucia' tension. Because of it we are encouraged to look forward to completion soon of the major project of 972 units in south Boston and 72 in the South End, for a total of 1,044 homes. Likewise our Boston housing authority is working on plans for 3,186 other definite units already proposed or in the stage of actual planning, under the 1948 act. There still remains a very sizable gap to be filled in public housing needs for Boston, and the same is true of every city in the archdiocese.

This legislation of 1948 is, however, restricted to housing for World War veterans. With priority consideration for this magnificent group of our citizens being heartily commended by our committee, we do seriously suggest that there is now arrived urgent need of providing for suffering families of the nonveteran citizens whose little children should be accorded their start in life under decent shelter.

II. LOW-INCOME GROUP HOUSING

The committee further emphasizes the urgent need of assistance to those in the low-income group. Members of the low-income group may be designated as families which by reason of their earning capacity are unable to secure proper housing facilities. The committee is strongly of the opinion that the Government must meet this need through subsidization. Private home builders, as well as Government agents, admit this necessity.

A thorough study of the housing need has not been made in recent years. The only real attempt in the past was made in 1940, when a housing census was carried on simultaneously with the population census.

There is no definite single yardstick for measuring housing demand. There is always a large potential housing demand on the part of slum dwellers. Admitting the lack of much factual information, the committee estimates something of the extent of the need for housing from the number of substandard units found during the housing census of 1940.[1]

In 1940 there were 1,221,252 dwelling units in Massachusetts. Of the total number reported, 262,538 were considered substandard homes. Substandard homes were defined in the same document as in need of "repair and plumbing equipment * * * dwelling units * * * classified as 'needing major repairs,' when repairs were needed on such parts of the structure as floors, plaster, walls, or foundations, the continued neglect of which would impair the soundness of the structure and create a hazard to its safety as a place of residence."[2] The average for Massachusetts, of those reporting, was 23 percent, almost one-quarter, as substandard. Comparative figures seem to point out that there is less need for housing in smaller towns than in large cities.

The actual need for housing at the present time may be indicated in part by giving as accurate a report as possible of the number of veterans seeking homes who have filed applications with the local housing authorities. There is, of course, a large number of nonveterans for whose aggravated and unrelieved situation no report is available.

Compiled from applications submitted from many cities and towns of Massachusetts, we find applications for houses received from 32,035 veterans. Of this number, 29,666 were applications from veterans receiving less than $3,000 yearly.

An official of the Boston Housing Authority has submitted the following data: From VJ-day, August 15, 1945, to November 1, 1948, 21,200 applications were received, including 16,000 from veterans. Of these applicants, 3,000 were accommodated in new houses built under the chapter 372 program and in vacancies occurring in Federal projects. Applications were being submitted at the rate of 150 per week and it seems the demand would have been greater, but many did not file because of the futility of the situation. Authorities finally stopped taking applications because of the current hopelessness of the work. In this report no division of applicants by income was made.

The housing authority of another large city in this archdiocese has on hand 2,511 applications including those of veterans. Of these applicants, 1,718 received an income of approximately $2,500 or less.

This is but a sampling which demonstrates urgent need of an immediate solution for the housing problem in general, and in particular for those of the low-income group, who, it is admitted, must receive aid from some governmental program.

III. SLUM CLEARANCE AND PREVENTION

The slum areas of the cities and towns within the archidocese of Boston are a thoughtless and serious mistake. That this mistake is a responsibility of the past does not exempt the present citizens from the terrible effects of overcrowding the land. One of the most malignant defects in our social system is the tolerance of the American city slums.

Slum areas are easily recognized by their congestion, loss of responsibility of ownership, decaying houses, obsolete and substandard living conditions, disease, crime, delinquency, and civic corruption. These evils considered only from the economic standpoint of the amount every responsible citizen must pay to maintain them should be a sufficient incentive to arouse all to positive action.

The continued existence of these slums and the inability or unwillingness of private citizens or groups or city and town governments to do anything effective are evident. The emergency is so great and the need of absolute and decisive action is so pressing that this committee calls upon the Federal Government through its Public Housing Agency to take immediate action. This is particularly true of Boston and other old cities in our archdiocese in which many residences are still in use that were erected long before most of our western and midwestern cities were founded.

The committee recommends that the Federal Government take steps to clear city slums and to provide homes for those who live in them now, because this is required by the public welfare. In doing this the population must spread out so that the land will not be overcrowded again. Town and city governments of the archdiocese of Boston must maintain proper and efficient town and city planning boards. Moreover, Federal low-cost housing and slum-clearance projects, now interrupted because the increased building cost has placed them outside the law, should be reinstated by new law and should be started as soon as possible. There are now almost 50 such projects in the Nation.

The committee insists that the problem of slum clearance is the responsibility of every citizen. The present overcrowding of our land is a challenge to all religious, social and economic thinking and activity. Our families, our communities, our businesses all suffer from the evil of the slums. No city or town anywhere is rich enough to afford a slum area.

CONCLUSION

It is a matter of considerable significance that the report and recommendations of this committee are presented during the month dedicated to the Holy Family. This is at once indicative of the high place that religion and the family have taken in these deliberations and the persuasion that the altar and the home are fundamental to the health of society. It is true that this report is the work of priests, but more particularly parish priests whose constant interest lies and must lie not merely with the exclusively spiritual state of their people, but with every factor which affects the soul of men. It is with this in mind that the whole question of housing has been considered and while not at all unmindful of the extraordinary efforts, under private and public auspices, which have already been brought to this problem, we feel that much greater endeavor is required for the present crisis. Consequently we recommend:

1. That in all housing programs primary consideration be given to the matter of homes for families with children so that adequate provision be made for the security and comfort of the whole family, and especially for the large family which up till now has been almost completely neglected. One and two bedroom units have proved totally inadequate for the most needy families.

2. That home owners make no restrictions on tenants which are prejudical to the family with several children.

3. That adequate housing for low-income groups be provided by Government subsidy.

4. That every possible economy be effected to reduce the cost of material and labor and to utilize new methods of construction so as to bring the cost of building and purchasing homes within the reach of more of the middle-income group.

5. That whenever possible single or duplex homes be provided for family housing rather than the more confining units of the larger projects.

6. That slum clearance receive immediate attention from Federal authorities and carefully planned low-cost housing be provided for those now dwelling in slum areas.

7. That insurance companies, limited profit organizations and banks assume a position of leadership in housing by utilizing Government aids and incentives already available and by encouraging individual builders to this same end.

8. That further Government incentives be provided for private-home building through such methods as reduced property taxes and public utility charges.

9. That legislation by State and Federal Governments be enacted as speedily as possible to provide for the above-mentioned needs and that all housing provisions be administered impartially as well as with justice.

Housing Committee of the Archdiocese of Boston: Very Rev. Daniel J. Donovan, P. P., Chairman; Rt. Rev. Augustine F. Hickey, P. P., V. G.; Rt. Rev. Thomas F. Markham, P. A.; Rt. Rev. Francis A. Burke, P. P.; Rt. Rev. Frederic J. Allchin, P. P.; Rt. Rev. Patrick J. Lydon, P. P.; Rt. Rev. Patrick J. Waters, P. P.; Rev. James H. Doyle; Rev. Ladislaus A. Sikora, P. P.; Rev. Francis A. Virmaukis, P. P.; Rev. James H. O'Connell, P. P.; Rev. Cornelius J. Donovan, P. P.; Rev. Oscar R. O'Gorman, P. P.; Rev. James A. Donoghue, P. P.; Rev. John J. Joyce, P. P.; Rev. William J. Daly, P. P.; Rev. Arthur O. Mercier, P. P.; Rev. Joseph A. Robinson, P. P.; Rev. Albert A. Jacobbe, P. P.; Rev. William B. Foley; Rev. Guido L. Pallotta, P. P.; Rev. Daniel T. McColgan; Rev. Francis J. Lally, Secretary.

JANUARY 20, 1949.

[1] Cf. tables IV and V, pp. 8 to 17, Bureau of the Census, U. S. Department of Commerce.

[2] Cf. Housing—First Series—Massachusetts, p. 5 (Bureau of the Census), 1940.

The Eighty-first Congress Can Halt the Administration's Socialist Program

EXTENSION OF REMARKS

OF

HON. ROY O. WOODRUFF

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

THE EIGHTY-FIRST CONGRESS CAN HALT THE ADMINISTRATION'S SOCIALIST PROGRAM

In his speech at Massachusetts Institute of Technology, Winston Churchill said that America's possession of the atomic bomb is all that has kept Soviet Russia from overrunning Europe and bombing London.

Our State Department knows that there has been another deterrent to aggressive warfare by Russia and a deciding one. That deterrent is the superior industrial strength of the United States. But once Russia approaches our industrial strength, then watch out. For Stalin or no Stalin, there will be trouble. Therefore, the simple table below is worth every American's careful reading. It shows in percentages what Russia did with her national income in 1948 and what we did with ours:

	U. S. S. R.	The United States
	Percent	*Percent*
Civilian use	60	79
New capital equipment and public works	21	12
Foreign aid		2
Defense	13	5
Building of inventories and war stock piling	6	2

These figures for Russia come from The (London) Economist, Britain's influential economic jour. al.

These figures are estimates based on information from beind the iron curtain, and so cannot be checked directly. But they fit with what is known of Russian development.

The table shows that Russia is straining every resource to build up its industrial strength. When Russia's effort is measured in dollars, and compared to ours, the figures show:

Where we spent $20,000,000,000 to $21,000,000,000 for new industrial plants and equipment last year, the Russians spent $12,000,000,000 to $14,000,000,000.

But while we used about $9,000,000,000 of this to replace old equipment, the Russians spent no more than $2,000,000,000 for replacing old equipment. The Russians had much less worn-out and obsolete equipment to replace. They could concentrate their efforts on expanding their industries and buying new equipment.

So—we used only $11,000,000,000 to $12,000,000,000 to expand our industries.

And the Russians used almost as much to expand theirs—$10,000,000,000 to $12,000,000,000.

Russia is gaining industrial strength as fast as we are—and may soon be gaining faster. The more she gains and the faster she gains on us, the greater is the danger of war.

American industry is pushing modernization and expansion hard. It is doing an heroic job. McGraw-Hill's recent survey shows that industry already has in hand plans to build plants and buy equipment in the next 5 years adding up to $55,000,000,000. Industry plans that investment—and much more—if it can get the money.

On those plans of industry depend our national security.

If these plans of ours are cut back, the Russians will be years closer to their goal of industrial equality—the strength that they need to wage aggressive war successfully.

But more and more our industry's plans are being menaced by socialist policies in Washington. The President continues to urge a further increase in the tax on corporate profits, even though Federal taxes alone now take 38 cents of every dollar of profit. He wants $3,000,000,000 more in taxes on corporate profits now, plus added personal taxes.

Last year corporations spent almost two-thirds of their profits—about $13,000,000,000—for new plant and equipment. This year corporation profits will be lower than last year's $21,000,000,000, perhaps by 20 percent. Subtract a fifth or more from last year's profits. Then adopt the President's proposal and take $3,000,000,000 more in corporate taxes and you raise havoc with planned expenditures for new plant and equipment.

Approval by Congress of the President's tax program would cut industry's program of plant and equipment development by a third or more. That means a major blow to our prosperity as well as our national security. For as capital investment goes, so goes general prosperity.

Further serious damage would be done by congressional approval of the President's industry-control bill. The so-called Stability Act of 1949 (the Spence bill) would severely check industrial progress. That bill would put the Federal Government in the business of providing the added industrial capacity which the tax program would prevent private industry from doing for itself. It would be hard to conceive a better and surer way to dry up private investment in new plant and equipment. For every dollar of Government investment will scare away many times more dollars of private investment.

People will not want to risk their money in businesses competing with the United States Treasury. At the same time it will attack private investment in another way. It means that Government would spend your income for you instead of allowing you to spend or invest for yourself. That is the high and quick road to socialism.

American industry needs right now great courage and incentives if it is to carry out its tremendous building program. It needs also a release from the program of a socialist administration in Washington with its systematic discouragement of enterprise and risk taking.

Above all, industry needs assurance by the actions of the Eighty-first Congress itself that there is a future in this country for a system of dynamic capitalism, functioning in a free society. By acting now to strengthen the American people's faith in their industrial system, by providing needed incentives for management and investors, by protecting industry's capacity to buy new equipment, the Eighty-first Congress can sustain American industrial progress and keep us united and strong.

But if we kill freedom of industrial planning and action by unneeded taxes and Government controls, we put ourselves, and our friends all over the world, in dire peril.

Nothing would please the Communists more.

JAMES H. MCGRAW, JR.,
President, McGraw-Hill Publishing Co., Inc.

Compromising With Communists in China Opposed on Principle of National Integrity

EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following communication from the Washington Evening Star of May 12, 1949:

COMPROMISING WITH COMMUNISTS IN CHINA OPPOSED ON PRINCIPLE OF NATIONAL INTEGRITY

To the EDITOR OF THE STAR:

Owen Lattimore, an exadviser to Generalissimo Chiang Kai-shek, is preaching the gospel of defeatism and conciliation in our struggle with communism in China. Claiming that no government exists to which we can extend aid, he advocates a policy of reconciliation with the Communists and even an implementation of President Truman's point 4 techniques of extending know-how aid to Communist China's industries, as well as to the industries of neighboring Asiatic countries to strengthen them against Communist infiltration. He points out that the situation in the Far East differs from that in Europe, where ECA is proving successful in combating "boring from within."

Mr. Lattimore's advice seems the logical concomitant of the advice which Alger Hiss gave President Roosevelt at Yalta. There the argument effectively was used that John Hay's open door of equal opportunity for all in China had long since been closed by events themselves; that Russian help in defeating Japan was absolutely essential; and that the only practical way to obtain such help was to yield to Russian demands for control of Port Arthur and Dairen, cession of Saghalien and the Kuriles and occupation of Korea north of the fifty-eighth degree of latitude.

President Roosevelt, it now turns out, was swayed by the same arguments which the "fellow travelers" have used effectively in every country. "You better go along with communism; it is going to succeed anyway and you better get on the bandwagon."

Similar arguments have been used at all crises in our national history. George Washington was so advised in the dark days of Valley Forge. "The jig is up," he was told. "You better surrender and let the Tories take over." Abraham Lincoln was told the same thing when he secretly met the vice president of the Confederacy at Willoughby's Point the day before the evacuation of Norfolk. "Let us end this struggle, now," he was told. "All we ask is to keep our slaves." And Woodrow Wilson met the tempter in the form of the German ambassador in 1914 who urged him to submit to unrestricted submarine warfare as the price of peace with Germany.

Our great men in history all have been measured by their moments of decision. When Theodore Roosevelt delivered the ultimatum to Germany in the Venezuela dispute and later sent the fleet around the world, he struck mighty blows for peace. Franklin D. Roosevelt, sick and ailing at Yalta, and surrounded by sycophants of subversion, had not the strength to stand firm for our traditional China policy, "the Open Door." For the sake of help we did not need against Japan, he forced Chiang

Kai-shek to sign a treaty with Moscow that gave Moscow all it wanted. The success of communism in China is the logical result of this weakness and this treachery, just as surely as the success of the American Revolution, the victory of the Union, and the safety of the Western Hemisphere, were the results of the innate strength of Washington, Lincoln, Theodore Roosevelt, and Woodrow Wilson.

Franklin D. Roosevelt listened to Alger Hiss and probably later regretted it bitterly. It is hoped that Harry S. Truman will not listen to Owen Lattimore and those he speaks for. We already have waited too long for the dust to settle in China.

REALIST.

Reckless Public Spending Incites Taxpayers' Revolt

EXTENSION OF REMARKS
OF
HON. RALPH E. CHURCH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. CHURCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Chicago Daily News of May 14, 1949:

RECKLESS PUBLIC SPENDING INCITES TAXPAYERS' REVOLT

The era of the profligate tax spenders is nearing its end.

On every side, from each section of the country, the long-suffering taxpayer, overburdened with back-breaking levies, assessments, deductions, and fees, is beginning to rebel.

To be sure, he is responsible in some degree for his present plight. He has voted for the tax spenders in national elections; he has endorsed the President's plans for enlargement of the welfare state; he favors bigger pensions on the principle that his own future is being insured.

In local and State affairs the taxpayer with a social conscience has advocated more pay for school teachers and greater aid to institutions attempting to rehabilitate delinquent juveniles and the mentally sick.

He believes in a strong Military Establishment as the price of his own security; he approves of aid to Europe because he has been convinced that we cannot maintain our own prosperity with the rest of the world in economic disorder.

Lured by the siren voices of the Fair Deal's soothsayers, he has, until quite recently, been persuaded that his country possesses such a vast reservoir of wealth that all of these expenditures are possible without making any serious inroads upon his individual solvency or mode of living.

But now, as soft spots are appearing in the national economic pattern, as he sees unemployment rising and the profits of all but a few of our major industries gradually declining, the truth is finally beginning to dawn upon him as he feels the economic pinch.

In every hamlet, village, town, and city the taxpayer is questioning the manner in which his money is being spent. True enough, he has in the past demanded the additional services which he now finds are inflating his tax bill out of all proportion to his income.

Everyone wants better police and fire protection, wider streets, grade-crossing elimination, adequate garbage collection, and public parks. Yet these improvements are seldom considered on the basis of what the community can afford, but are carried out because of the public's increasing clamor for better service.

Now that the bloom is off our war-inflated prosperity, every family is confronted with its own budgetary problems, and the price of government, as reflected in the tax bill, is undergoing very careful scrutiny indeed.

It is needless to remind anyone of his vote for public improvements and social reform because it is human nature to forget the past and gripe about the future.

The griping is now rapidly reaching the proportions of a national clamor against extravagance. It is a healthy manifestation of the people's will to curb wasteful and unnecessary expenditures both at home and in Washington, lest we find ourselves hopelessly insolvent within a few years.

GRASS-ROOTS REVOLT NEEDED FOR RESULTS

The question is, What can be done about it?

As I see it, the problem has to be attacked on both a local and a national level. Since public opinion is usually months ahead of congressional thinking, a grass-roots revolt against waste is the best way to convince our Senators and Representatives that the spending party is over.

For the last 16 years it has been unfashionable to talk economy. Men like Senator HARRY F. BYRD, of Virginia, have been pilloried as reactionaries because they fought the loose fiscal policies of our National Government. Demagogs who promised to spend fantastic sums for social progress had little difficulty in being elected. It was probably the only time in American history when it was unpopular to preach economy.

The country simply went on an emotional binge without thought of the day after. Now we have the headaches that always follow.

What can be done about it? Well, a start has been made in Illinois where the newly elected Governor, Adlai E. Stevenson, is under fire because of disclosures that his budget provided for the expenditure of $1,504,000 for new automobiles for State officials.

Governor Stevenson frankly admits that he has been embarrassed by newspaper stories revealing this overlooked item in his budget and promises to make a full investigation of all the facts.

The Governor, it seems, did not analyze his own budget with sufficient care before submitting it to the legislature, even though he was extremely critical of his predecessor's incompetence.

Revelation of Governor Stevenson's laxity is the best reason why the spotlight should be constantly turned upon the acts of all public officials, no matter how fully they may be trusted.

WISECRACK INDICATES PRESIDENT'S ATTITUDE

In the national field, ex-President Herbert Hoover has shown how at least $3,000,000,000 can be saved by consolidating and streamlining Washington bureaucracy.

Yet, the President who gives lip service to the Hoover reports, quipped the other day that there are "too many BYRDS in Congress."

He was referring to Senator BYRD, of Virginia, who has been trying for years to give effect to many of the recommendations now contained in the Hoover studies.

To quote Washington correspondent Jay Hayden, "BYRD's arch offense, in the eyes of his fellow Democrats, is that he had stood up against vote-buying with taxpayers' money."

BYRD rightly sees that if the budget cannot be balanced now, it may never be balanced again. He would eliminate or postpone all unessential activities, reduce the Federal pay roll by cutting appropriations and slash at least $4,000,000,000 from next year's contemplated expenditures.

Unless drastic action is taken, BYRD predicts the national debt of $252,000,000,000 will be increased by deficits of $9,000,000,000 to $14,000,000,000 in 1951, without including the additional cost of a 70-group air force, adoption of the Brannan farm plan, enactment of national health insurance, or the building of new valley authorities.

And that means bankruptcy.

SENATOR DOUGLAS JOINS PARADE FOR ECONOMY

As an indication of how thinking is changing with regard to our free spending policies of the past, even Senator PAUL DOUGLAS, of Illinois, a sincere liberal, has called for a curb on "waste of money and personnel."

"To be a liberal," said DOUGLAS, "one does not have to be a wastrel. We must in fact be thrifty if we are to be really humane."

It is to DOUGLAS' credit that he sees the situation so clearly.

Senator WALTER GEORGE, chairman of the Senate Finance Committee, recently told a newsman: "If the national income is shrinking because business is shrinking, it would be nonsense to clap more taxes on a falling economy. Our only hope is to cut expenditures."

It is also significant that President Truman's economic advisers are now suggesting that some tax burdens be lightened and that the administration scale down its request for $4,000,000,000 in new levies.

This is the first time that all three members of the Council of Economic Advisers have been in substantial agreement on the Government's fiscal problems.

Only President Truman, it appears, is proceeding blithely with his recommended expenditures as though nothing had changed since election day.

Only Truman and a few of his professional messiahs in Congress still believe there is no limit to the country's resources.

Only Truman, and the vote-buying demagogues who place politics above patriotism, refuse to recognize, or are unable to comprehend the Nation's financial plight.

The protests against extravagance in government are gaining momentum throughout the country. You can give effective help and make your voice be heard by asking your Senators, Representatives, and other public officials one simple question:

Why are you wasting my money?

JOHN S. KNIGHT.

The Finances of the Nation

EXTENSION OF REMARKS
OF
HON. THOMAS A. JENKINS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. JENKINS. Mr. Speaker, in the issue of the New York Times of Sunday, May 15, there appears an article by Mr. Forrest, the financial editor of that great paper, which is as follows:

STOCK TRADING DORMANT AS LABOR AND TAX LEGISLATION DRAGS—OUTLOOK REMAINS UNCERTAIN

(By John G. Forrest)

Financial markets remained in a stalemate last week as Federal legislation pertaining to labor laws and taxes lagged and business uncertainties continued. Mixed price trends

were the rule on the New York Stock Exchange, where trading was at a slow pace.

There was little news that might be construed as helpful in alleviating the strain on the national economy. The inaction of Congress on issues of importance to business, and the adamant attitude of the administration on its program for higher taxes and credit controls were a source of disappointment to the financial community.

Coming at a time when urgent action is needed to arrest the deflationary movement, which is all too evident to many people outside of Washington, it was not surprising that a detached attitude on the part of investors prevailed. Indicative of the apathy was the action of the stock exchange's governors in refusing to extend daily trading hours, which they felt would not result in more business.

Slight encouragement was gleaned from trade statistics during the week, which showed a further cut in prices of nonferrous metals and another drop in electric power production for the fourteenth consecutive week. It is now a contra-seasonal decline, however, and for the last 2 weeks reflects increasing curtailment of heavy industry throughout the Middle West. If it were not for increased demands for pumping water in California, which has received no rain since the first week of March, the decline in power production would have been sharper.

Uncertainty over the labor outlook, particularly in the steel and automobile industries, is becoming more acute. The industrial picture pivots around the steel situation—which affects so many other industries—where backlogs are being eaten into as operations at 96.2 percent of capacity established a new low mark for 1949. Meanwhile, the automobile industry, handicapped by the Ford, Chrysler, and Bendix labor disputes, is finding that used cars are backing up and leaders are less sanguine about demand for the latter half of the year.

There were the usual optimistic views of Government officials, but at the same time there were the usual conflicting opinions of Congressmen as to what should be done regarding vital legislation. A refreshing note was struck by James K. Vardaman, a member of the Federal Reserve Board, who said that too many Federal officials talk too much and listen too little. "In many cases," he said, "those who talk so much and would have our Government control everything and everybody are listening to the sound of their own voices rather than to the voice of the great people, as they would have you believe."

Although the question of higher taxes has not met with a very favorable response in Congress, President Truman is still for his original request of a $4,000,000,000 increase in levies. The contention made for higher taxes seems to be that because of declining incomes Federal tax revenues are likely to drop $1,000,000,000 in the coming fiscal year and a larger budget deficit than expected is in prospect. But it is questionable whether revenues will be increased by higher taxes. They are more likely to accelerate the decline in business and incomes, thus reducing Government receipts even further.

Meanwhile, consumer income, as distinguished from that of corporations, dropped $2,000,000,000 in March to an annual rate of $214,300,000,000—the third successive month of decline. It may come as a surprise to those who feared the worst that in the first quarter of 1949, publicly reported cash dividend payments as compiled by the Department of Commerce, totaled $1,441,700,000, an increase of 7 percent over the period in 1948.

On the New York Stock Exchange, the indecisive state of trading continued. Prices on Monday sagged on a turn-over of 610,000 shares, the smallest for a full session since March 3. On the following day, modest pressure against prices was renewed, making 5 days of successive decline. A somewhat firmer tone developed later in the period. On the week, however, prices were little changed despite the firmer tone.

Mr. Speaker, also in the same issue of the New York Times is an article giving the views of the best tax authorities in the country on the present tax situation and the budget estimates:

TWO AND NINE-TENTHS BILLION DEFICIT FEARED BY EXPERTS—CONGRESS STAFF SEES BUSINESS DIP CUTTING UNITED STATES RECEIPTS UNDER TRUMAN ESTIMATE

WASHINGTON, May 14.—Prospects of a continued decline in the country's economy that would reduce Federal revenues $2,000,000,000 below President Truman's January budget estimate for the next fiscal year were reported today by Congress' professional staff of fiscal experts.

If the calculations are reliable, as they have been in the past, this means Congress must raise its budget-cutting sights by that amount to avoid a deficit without increasing taxes. There is little hope for economies of such magnitude.

The new revenue estimates were presented to a closed meeting of the Joint Committee on Internal Revenue Taxation by its staff chief, Colin F. Stam. The joint body is composed of senior members of the House Ways and Means and the Senate Finance Committees, which have jurisdiction over taxes.

The staff report was made public afterward by Representative ROBERT L. DOUGHTON, Democrat, of North Carolina, chairman of both the Joint Committee and the Ways and Means Committee.

"The figures speak for themselves," was all that either he or Senator WALTER F. GEORGE, Democrat, of Georgia, Finance Committee chairman, would say for publication when the meeting ended.

Later Mr. DOUGHTON said his position was well known, that "when it looks like we are going to spend more money than we've got, economy is in order and important."

Neither would say what effect the staff estimates would have on President Truman's request for a $4,000,000,000 tax increase. Both have said in the past, however, that higher taxes would be preferable to deficit financing.

The budgetary prospect for the fiscal year beginning next July 1, according to Mr. Stam's report, is as follows:

Expenditures	$41, 858, 000, 000
Receipts	[1] 38, 900, 000, 000
Deficit	[1] 2, 900, 000, 000

[1] Rounded figures only were presented by Mr. Stam.

The expenditure estimate, taken from the President's January budget, did not allow for the cost of the proposed western European arms program and other prospective expenses, unanticipated in January, such as additional veterans' benefits and increased agricultural price-support payments. If they were included, the deficit figure might stand at $4,000,000,000 or more.

Mr. Stam's estimates compare with the following in President Truman's January budget:

Expenditures	$41, 858, 000, 000
Receipts	40, 985, 000, 000
Deficit	873, 000, 000

For the current fiscal year, in round figures, the Joint Committee staff's new estimates compare with the President's January estimates as follows:

	Staff	Budget
Expenditures	$40, 200, 000, 000	$40, 200, 000, 000
Receipts	39, 300, 000, 000	39, 600, 000, 000
Deficit	900, 000, 000	600, 000, 000

The staff pointed out, however, that Economic Cooperation Administration expenditures for European recovery in May and June would have to exceed those in the same period of last year by $1,600,000,000 to reach the budget estimate.

"Should this not occur," the report stated, "the deficit (for the current fiscal year) would be smaller than $900,000,000 and might disappear altogether."

Explaining why the staff's revenue estimates for both years are so much lower than those made by the President in January, the report said "the primary reason" was that they were based on a lower level of business activity.

The staff assumed a personal income level of $212,000,000,000 in the calendar year 1949 and an annual rate of $198,000,000,000 in the first 6 months of 1950. The present rate is $214,300,000,000. Thus the staff foresees an accelerated deflationary trend, running into 1950.

The President's budget estimates of revenues were based on annual personal income rate of $215,000,000,000 over the entire 18-month period.

The staff also assumed that corporate profits would drop about 11 percent—to about $29,000,000,000—in the 1949 calendar year. In 1948 they were $32,200,000,000, according to preliminary Commerce Department figures.

"The lower level of business activity," the report stated, "was assumed by the staff only after consultation with a number of outstanding economic analysts, both in private business and in the Government."

Without saying whether he would put the question of increasing taxes to his committee, Mr. DOUGHTON remarked that it would be "very regrettable to have to return to deficit financing in peacetime, especially when we owe $250,000,000,000 and the business outlook is reasonably good."

Lo, the Poor Farmer

EXTENSION OF REMARKS
OF
HON. JOSEPH P. O'HARA
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. O'HARA of Minnesota. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial by Uno A. Nelson which appeared in the Fairmont Daily Sentinel, of Fairmont, Minn., on May 10, 1949:

LO, THE POOR FARMER

The Federal Government has never been a bright and shining example of efficiency whenever it has taken over private industry, and has admitted defeat in most instances. But it is a stubborn organization and refuses to say "Uncle." It has had a toe hold on agriculture for a good many years, but now wants to get into the front line of the chorus. Few want to see the Federal ownership of railroads, and when it started meddling with medicine the doctors began howling like banshees. But with agriculture it seems to be different. There has been little serious public opposition to the Government's giving the farmer a helping hand and paying him money he didn't earn. One hears little talk about socialized farming as Federal influence and control become more and more pronounced in the field of agriculture. But if the farmer wants to enjoy some measure of independence in the operation of his business, he'd best be on the alert, as the screw is being turned

tighter and tighter with each new proposal to help the farmer.

The latest scheme of the Department of Agriculture contains a few basic changes in policy, but will result ultimately in more rigorous Government control of farm products. It offers a minimum income guaranty to producers by paying subsidies, representing the difference between market prices and the income-support standard. Under the proposal price supports would be continued only on basic storable commodities while other crops would sell at unsupported market levels. There would be no Government purchases of such commodities as potatoes and eggs, which would be allowed to seek their own market levels. Some persons feel there's so much politics connected with the farm situation that some kind of subsidy is inevitable, and that the proposal of direct cash payments to producers is better than the present program of Government buying to support market prices.

The cost of such a program would be tremendous as this plan would attempt to guarantee a certain minimum income to producers of all farm crops, and a relatively high income at that. Farming would cease to be an individual enterprise which has to pay its own way. It would be a Government enterprise, and no doubt operated at a loss. The farmer would actually become a Government employee.

The Agricultural Department's newest proposal would include the strictest controls of farming operations, much more so than at present. The farmer, to enjoy the benefits of the program, would have to agree to acreage limitations, marketing quotas, and reasonable conservation practice requirements. Thus a part of his income is to be spent as the Government dictates. According to an editorial in the Produce Packer, the most significant of all features of the program is the discrimination against large producers, as the Government will not give its support to farms above a certain specified size. It is a symptom of bureaucratic desire to control the size and nature of farming operations. If the program at the outset is to be used to penalize larger farming operations, what further social experiments may come later?

The public shudders at the thought of socialized medicine, but how strange it concerns itself so little over the same fate for agriculture. It may be smart politics to offer alms with one hand while grabbing the reins with the other, and the immediate results may seem pleasing to the farmer. But once he has lost control over his seeding, planting, marketing, and acreage, it will be an entirely different story.

If the farmer wants to remain somewhat independent, he'd better shy away from too much Government help, as he'll soon discover that he can't have too much financial assistance from the Government without surrendering some of the bossing.

The Princess Pays a Visit

EXTENSION OF REMARKS
OF
HON. EARL C. MICHENER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. MICHENER. Mr. Speaker, a constituent has forwarded to me an editorial carried in the Jackson (Mich.) Citizen Patriot with the suggestion that the same be included in the Appendix of the CONGRESSIONAL RECORD; therefore, pursuant to the consent given by the House, I include the editorial, which is as follows:

THE PRINCESS PAYS A VISIT

The visit which Princess Margaret of British royalty paid Pope Pius XII at the Vatican while touring Italy is attracting general notice and comment. Her father, King of the British Commonwealth, has among his many titles "Defender of the Faith"—the faith of the Church of England, of which he is the official head, and not the faith of the Roman Catholic church.

Britain's royal family broke its bonds with the Church of Rome back in the years following 1529 when Parliament confirmed Henry VIII's separation over family matters, and there has been no common meeting ground between the two since that time.

While the British are great respecters of custom, it must be recognized that the call Princess Margaret paid to the Vatican was not sightseeing by an ordinary tourist. The decision to make such a visit was a weighty matter of state, with the conclusion reached by the cabinet after due consideration of custom, precedent and all the implications involved.

But even after the friendly visit between the favorite and popular princess and the head of a great church, there is to be no move toward a reunion of the two churches. In matters of faith they will continue widely separated.

The British Labor Government is cognizant of the common ground on which the British Commonwealth of Nations and the Church of Rome now find themselves in their relations with Moscow and the forces massing behind the iron curtain. But there are still the differences between the Vatican and Westminster.

However, the Pope and the British King have a common faith in the dignity of the individual and the processes of democracy, which are under threat by the attempt to spread communism through world revolution. After all the Church of England and the Church of Rome, in spite of their centuries-old differences and long separation, worship the same Master and stand for His principles of life. The visit of the princess was not only a gesture of good will and understanding, but it was a notice to the men in the Kremlin that all Christian nations join in mutual support of their rights against the common threat.

United States Soldiers' Home

EXTENSION OF REMARKS
OF
HON. HARRY R. SHEPPARD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. SHEPPARD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Tony Siminoff:

A SHORT STORY OF THE UNITED STATES SOLDIERS' HOME

(By Tony Siminoff)

Our story may well be called The Trials and Tribulations of the Enlisted Personnel in Our Regular Establishment, better known to the people as the Army of the United States.

Their lives are filled with adventure, romance and patriotism. Who are these men? They are ordinary American citizens who have chosen the military career in preference to all others. Most of these men enlist in the Army at an early age and after one or two reenlistments would not exchange the life of a soldier for any other. An added incentive is the prospect of looking forward to the day when they can complete 30 years with its ensuing retired pay.

The public, as well as members of both Houses of Congress, should know something of the background of the United States Soldiers' Home where many of our old soldiers are spending their time and a few of the things they have done in their Army careers.

In most cases Regular Army soldiers are kept on the frontier, whatever is left of it. Since 1898, when we acquired the Hawaiian Islands and the Philippine Islands, as well as the outpost of the whole of Alaska, it was necessary for each Regular Army soldier to put in a tour of duty in Hawaii, the Philippine Islands, or in some cases, individuals or entire groups returning from the Philippines would be ordered to Alaska, which is the opposite extreme in climate; that is, from the tropics to the arctic. In spite of these hardships our men have liked their job and have taken it very seriously, more so because it was a chosen profession.

In time of war it is naturally the Regular Establishment to which the entire Nation looks for defense. It is the career man who drills the recruits, takes them to the battlefront, and fights with them. When the smoke of battle has disappeared the duration-of-war soldier returns home to be feted with parades, receptions, and other things, which is altogether fitting and proper. Anyone who faces the brunt of war deserves recognition from the public. But what becomes of the career man? The Regular Army enlisted soldier? He forms the army of occupation. When it is time for him to come home he does not receive the honors as the fanfare and glory of the returning hero is by then forgotten. He goes back to his frontier post to serve out his 30 years. When he retires he receives retired pay according to the rank he holds at the date of separation, from which retired pay he has to pay income tax. In most cases retirement comes to him in the twilight of his life, in some cases in the evening of his life.

Due to the various climates in which he has lived and worked and because of the sudden changes in climate, almost always the retired Regular Army soldier has to have medical attention. When he applies to the Veterans' Administration, he is informed that he cannot be admitted to any of the facilities or hospitals, but must make his application to the United States Soldiers' Home at Washington, D. C. That is not altogether out of line. An actual case that can be seen in the files of the War Department is that of Patrick F. Noonan. He enlisted in the Army of the United States in 1887 and saw active service on the frontier in the Indian campaigns. In 1898 we served together as members of K Company, Eighteenth United States Infantry, where he served as sergeant and I as a private. When his time was up, he went back to the United States, reenlisted in the First Infantry, and was sent back to the Philippines, where he transferred to the Ordnance Corps, being a plumber by trade. He remained there until the termination of his enlistment. In fact, he took advantage of the "double time" of that period. In the days between 1898 and 1912 every enlisted man was given 2 years for each year served in foreign service—this was known as double time. When finally separated from the service as sergeant, Patrick Noonan came back to El Paso, Tex., where he married and raised a family. In 1937 he looked me up in Los Angeles, and we became very friendly. In November of 1938 he became desperately ill. On applying to the veterans' facility at Los Angeles, his family was told that the application would have to be made to the United States Soldiers' Home at Washington.

To begin our story as to the creation of the United States Soldiers' Home at Washington, D. C., it is not generally known to the public, nor to the Houses of Congress, that not a penny of taxation collected by our Government is being used to maintain this home for our old soldiers. The home was established by an act of Congress passed August 3, 1851. The original purchase of the home site was from funds collected by Gen. Winfield Scott from the Mexican Government, a sum of approximately $100,000. This amount was levied by General Scott at the conclusion of the Mexican War, for destruction of property of soldiers during the Mexican War. The act above referred to so read that General Scott was authorized to spend that amount for the procurement of land and buildings to make an asylum for old Regular Army soldiers. The land, with such improvements as were made, was purchased from Corcoran and Riggs, both familiar names in Washington. An assessment was made at that time on each soldier's pay. This has been changed on numerous occasions, even going as high as 25 cents a month. At the time of its establishment it was 25 cents every other month, or 12½ cents a month. It is now 10 cents a month, plus all fines, fees, and forfeitures from summary courts.

Additional land was purchased later so that the home now has approximately 503 acres. There are insufficient buildings to house the number who are now applying for admission to the home. The latest figures of the barrack's capacity is 1,560. Three hundred and thirty-six old soldiers are waiting for admission and more will follow.

Ample funds for the expansion are on deposit at the United States Treasury. No appropriation of taxpayers' moneys is required. All that is needed is that Congress, the trustees of these funds, release them for additional construction of such facilities as are needed and improvement of existing facilities.

The most recent construction of barracks at the United States Soldiers' Home took place in 1911, nearly 40 years ago. The latest and most recent improvement is the hospital which is now old and obsolete, took place in 1920, almost 30 years ago. The hospital buildings should be increased to a capacity of 500 beds (its capacity is now only 300). Additional barracks should be provided to increase barrack's capacity to at least 1,800.

Additional quarters should be provided for doctors who are detailed for duty at the hospital from the Medical Corps. Additional structures, improvement of roads and sewers, electric lights in buildings and grounds, increase in operating personnel, rehabilitation of existing structures, some of which were completed in 1874, are all urgently needed. There are sufficient funds in the Treasury to cover all expenditures in any improvements and new buildings without any assessments from any other source.

At the close of the Civil War, the War With Spain, and even at the close of World War I, we lived in a land of make believe—that there would be no more wars. The first thing we did after each of these wars was to scrap our military, both Army and Navy. When war again came along we not only had to replenish all of this but in most cases it became too expensive. The cause of most regret was the suffering from the lack of adequate officer personnel to command the ever-expanding Army and Navy that are required in modern wars. Let us hope we shall not repeat the same error. Today our Army is nearly three-fourths of a million, and added thereto are three very important component parts that did not exist in the past, viz, the mechanized army, used for mobile purposes; paratroopers, and the Air Force, all of which add up to the following facts: Casualties in time of peace are bound to increase greatly, therefore these buildings and hospital facilities must be cared for immediately. If this is not done, we may find ourselves in the position whereby the defenders of Old Glory in time of peace will have to stay on waiting lists indefinitely for admittance to the United States Soldiers' Home. This would, indeed, bring disgrace on the Regular Establishment and certainly is no inducement to our young men with the possibility of such a fate awaiting them at the end of 30 years' service. At a time when our services are recruiting enlistments with every possible inducement to make the Army their career, including highly specialized training as technicians, it becomes even more important to expand the facilities of the United States Soldiers' Home. As it now stands, even special training in technical fields does not appear too great an advantage since such training can be obtained in schools and colleges, but what is not offered in schools and colleges is the refuge of a home after a certain age. Therefore these improvements and expansions must be done immediately as an added inducement to enlistment in the Regular Army.

It is well to point out that although there are a number of veterans' organizations with units scattered throughout the land, this issue has never been taken up by them. The only veterans' organization which has not only endorsed the idea but is wholeheartedly crusading for it is the Regular Veterans Association, 1115 Fifteenth Street NW., Washington, D. C., which has in its folds not only career men but veterans of three wars during the past 50 years, and they know how essential it is to have this done, particularly when it does not call for one penny of the taxpayer's money. It will help at this time to keep our Regular Army Establishment satisfied.

Preservation of Our Natural Resources

EXTENSION OF REMARKS

OF

HON. EDWARD deGRAFFENRIED

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. DEGRAFFENRIED. Mr. Speaker, with reference to H. R. 2296, under consideration by the House of Representatives today, providing for appropriations for the development and maintenance of adequate forest resources, and with reference to other conservation bills now pending in Congress, the strength of a nation lies in its possession of natural resources. This fact is so generally accepted today that it would be almost impossible to find anyone who would question its truth. Our own Nation has achieved her position of world leadership because of her good fortune in having within her far-flung boundaries unmeasured quantities of every form of natural wealth. Our often-praised American skill and industry, without such resources, would not have been sufficient to enable us to achieve our present position.

Natural resources may be divided into four categories: metals, fuels, nonmetallic minerals, and—most important of all—land, both agricultural and forest. Everything we produce is dependent upon one or more of these natural resources.

America has been so generously endowed, with so much of so many different kinds of natural resources, that we have come to regard them as being inexhaustible.

We have gouged great holes in the earth and plucked with a careless hand the booty and riches therefrom. The iron, the coal, the oil, the lead, the zinc, the natural gas have been seized and utilized. Their utilization made us the greatest industrialized nation the world has ever seen, and the highest standard of living in the world is our proud boast.

We have chopped our wonderful forests down, we have plowed and cultivated our land, and grazed our ranges. So we have eaten better, we have been housed better, and we have been clothed better than any other peoples on the earth. What matter if the land has become exhausted? We moved on to other, maybe even better land. When the trees were all cut down in one area we just moved on a little farther. There always were more trees, more open range.

This is the story of our growth from the 13 little colonies hugging the Atlantic shores to the continent-straddling colossus of a century later.

We have been a happy people, with only a few little setbacks. Maybe a flood here and there, maybe it did take us a little longer to find more metals when our mine was exhausted, but no matter—there was plenty more.

But of recent years the question has begun to arise—is there plenty more? A few serious-minded souls began to wonder about this. They looked around them and saw that we had chopped down so much of our wonderful forests that instead of covering half the country, there are only a pitiful few thousand square miles of virgin forest left. They saw that we had used our land wantonly, overgrazed our ranges, and were exhausting many of our minerals.

We did not pay much attention to them, they were nice enough folks but maybe a little "off" on this one subject.

Lucky for us they not only realized these facts that we as a Nation largely ignored, but did something about it. They were the nucleus of that group of people we are happy to refer to now as "conservationists." Perhaps now we as a Nation will become conservationists, too, since we are beginning to see clearly what our situation really is.

It is to the early efforts of those few voices crying in the wilderness that we owe the existence of such respected Government agencies as the Forestry Service, the Bureau of Reclamation, the Army engineers' civil activities, the Soil Conservation Service and, in most instances, their counterparts in the several States.

Today we face the need for making a decision as to our future policy concerning the proper use of our natural resources, but first we must have the facts.

The Forestry Service and the American Forestry Association tell us that approximately 22 percent of the timber stand of the Nation is "old forest." It is from this old or original forest that the best timber is secured. Throughout our history, from the log cabins of colonial days to the present, wood has been one of the most useful of raw materials. Think of the number of things you see

and use every day which are made of wood. Most towns and portions of all of our great cities have been built of wood, and even today much construction is of wood, in spite of the increased use of many other types of building material.

Now, however, we find that three-fourths of our forests are gone. There is just barely enough left to see us through a transition period to the time when we will be completely dependent upon second growth, that is if we conserve and use wisely what we have left and if we replace the more valuable species.

During the years when timber was cut as needed no thought was given to replacement. Great areas were cut over to the ground and logging was often followed by fire. Natural reproduction followed in many instances, but recurring fires and destruction of seed trees devastated much formerly excellent forest land. The result was that, the Nation's forest resources progressively deteriorated, virtually without check until the turn of the century. In spite of all efforts since then only a portion of the forests of the country have been provided with adequate protection and systematic management.

No country has ever been known to be completely self-sufficient in mineral resources. America, however, has been richly endowed with some of the richest deposits in the world. It has been estimated that the United States and Great Britain before the war owned three-fourths of the mineral resources of the world. However, as we saw during the war, there are serious gaps between what we have and what we need of several very important minerals. Great as our own resources were, with the tremendously expanded production of the war period when we became the arsenal for democracy, we now find the United States' reserves of some important minerals have been depleted, and normal development of new resources has lagged seriously behind.

We live in a complicated, machine-run world and we have had a great deal to do with its creation. Our great wealth of mineral resources has been the keystone upon which our high standards are based. Our highly industrialized society depends on the fuels, coal, oil and gas; iron ores; iron-alloy metals, such as chromium, manganese, molybdenum, nickel, tungsten and vanadium; the nonferrous metals such as copper, lead, tin, zinc, and aluminum; metallurgical and chemical minerals; fertilizers; ceramics; abrasives; and the precious metals, gold and silver. As you can see, they are many in number, but we have been fortunate in possessing most of them—within our own borders.

First, consider the fuels. So far as coal is concerned, the experts tell us we have nothing to worry about, at least for a while. There is enough to last for nearly 200 years at the rate we are using it. Then there are petroleum and its cousin, natural gas. Here we are not so lucky. We all know how important petroleum is as the source of gasoline, Diesel fuels, heating oils and many, many other things. Without oil our cars would not run and much of our machinery would stop. The amount left in the earth in the United States has been estimated many times by many people, but there still seems to be some confusion about its extent. But they all point to one thing, we are running out of oil. At the present rate of consumption, now even greater than during the war, we will have no more left in 17 to 20 years. While we have only 6 percent of the world's population, we use nearly two-thirds of all the oil that is produced. When those reserves we know we have are used up, there will be no more. Petroleum cannot be replaced. No one knows exactly how petroleum came into being, but the best scientists tell us that Mother Nature stopped producing it many thousands of years ago.

Other experts tell us we have natural gas reserves of some 160,000,000,000,000 cubic feet. Even in these days when billions are mentioned casually, trillions seems like a tremendous amount. But, at the rate we are using natural gas, it will last at the most 60 years. In years gone by this important resource was so little regarded that it was allowed to escape into the air—gone forever, and even now there are instances where waste has been estimated at 75 percent. Gas also is an exhaustible resource.

In the case of both petroleum and natural gas—new discoveries, on which we have depended, have been fewer and harder to come by. Some of you here today can remember the great excitement of new oil discoveries you read about. But few new sources have been found during the war or since then. Men are drilling as much as 2 miles down, and even under the sea, in frantic search for more. We are fighting a losing battle.

The Department of the Interior through its Bureau of Mines tells us that within our lifetime, in less than one generation, we will have exhausted entirely our reserves of the better aluminum ores, chromium, copper, lead, mercury, silver, vanadium, and zinc. All of these metals are vital to our modern industry. Of the 39 commercially important metals we are told that America will be totally lacking in 21 within a generation. There have been no really big discoveries in minerals in 20 years.

The remaining great resources for our consideration is land. A century ago no one would have thought of questioning whether we had an endless supply of land. Consequently, we were careless, with little thought of tomorrow; we plowed and furrowed and exhausted our land. And what is the result? The Soil Conservation Service tells us that in the past 150 years we have allowed something like half of our farm land to be damaged by erosion. Millions of acres of cropland have been ruined for further immediate use; approximately a hundred million acres of cropland alone, not counting a tremendous acreage of damaged range land. Other millions of acres have been damaged in varying degree. Nearly a third of our topsoil has been allowed to wash or blow away, while we carelessly or thoughtlessly pursued a policy of plowing up, wearing out, and moving on. We can no longer do that. We have at last caught up with the frontier. And in the closest possible relationship to this fact is another realization. With our increasing population in future years there will be many million more mouths to feed.

Why have I told you all of this? To show you that from being a Nation blessed with seemingly inexhaustible resources we have come face to face with a decision which is all-important. Shall we become a declining Nation, with ever dwindling resources until, having lost our strength, we become like Babylon of old, a lost civilization? Or, rather, shall we continue to be a vigorous, growing Nation? Can there be any doubt about our answer? Any true American would say we must continue ever more strong, more prosperous. We must continue to raise our standard of living. Now that we know our problem, let us set about solving it, as only Americans can do.

The solution, in one word, is "conservation." And who is to be responsible for conservation? Everyone. Government can do its share, but individuals must all do their part. For example, the Federal Government can make an inventory of our minerals, finding out exactly what we do have. There are vast areas of the United States which have never been mapped or surveyed, much less prospected. A truly scientific search might uncover new deposits. But the real, the most effective course to take, is that of conservation.

Conservation begins as soon as a mineral deposit is discovered. The most efficient of productive methods should be used. This applies particularly to oil and gas. New means of utilizing lower grade ores can be developed, thus postponing the early exhaustion of the better grade ores. We should import and stock pile certain indispensible ores such as copper, lead and zinc, as well as tin. These are some of the ways in which Government can help.

Our forests can be managed in such a way as to provide us with needed timber almost in perpetuity. Selective cutting, replacement and careful conservation of our remaining virgin forests will see us through. Government can help us in this. The Forest Services of the Federal and State governments are ever ready to give us a helping hand and show us how to conserve our forests.

But in the last analysis our land resources are our most important resources. By land, I simply mean the soil—the base for everything we do. Food comes from the land, our leather, wool, wood, vegetable fibers and oils and other raw materials for industry all come from the soil. Wars have been fought over food, civilizations have fallen for lack of it. We have only to look at the great barren wastelands and deserts of the old world to see what happens when the land is exhausted. We cannot let that happen to America.

The Chief of the Soil Conservation Service of the United States Department of Agriculture tells us that all over the world the productive land resources are shrinking. On the average there are only two acres of productive land per

person to produce all of the food and other products on which life depends. Some nations have less than 1 acre per person. The inevitable result is that many people in the world, even in normal times, will not have enough food.

Even in America, one of the most recently settled parts of the world, when the first comprehensive survey was made about 1930, a hundred million acres of formerly good cropland had been ruined by erosion. Another 100,000,000 had been seriously damaged and other millions of acres of pasture, range, and woodland were damaged to some extent. Already half of the land of the country had been damaged and the estimated annual cost was nearly $4,000,000,000. Yet as late as 1930 little or nothing had been done about it.

Why was this man-made destruction largely ignored? There are a number of reasons, and the Soil Conservation Service tells us that the following are probably the main ones.

There always seemed to be more land available—in fact, it appeared to be limitless and inexhaustible. Our land was settled from ocean to ocean before our people began to have any doubts on that score, and few realized it even then.

Furthermore, our leaders seldom gave it thought. They had been trained in fields other than agriculture and they had little knowledge or understanding of the land. Until recently, with a few notable exceptions, they had neither the training nor the incentive to understand what was happening.

Much of the land was in the hands of inexperienced, untrained people. Even in the United States the farm has rarely produced a surplus capital. The farmer has been preoccupied with the business of garnering a living from the land, and few farmers have had the personal resources or training to undertake research or seek technological improvements. They have had to depend on outside help for improvements in machinery, materials, and methods. Too often the farmer has not even thought of including in his calculations any cost for depreciation of his basic plant—his farm land.

Even our agricultural scientists failed to recognize fully the important and complex nature of land as a resource. They looked on it as a fixed quantity and disregarded such vital elements as all its component parts of soil, slope, climate, susceptibility to depreciation by erosion and other causes.

The bitter truth, in summary, is that we did not prevent a major catastrophe from happening. The result is that now we must diagnose and cure a seriously infectious malady which has stricken our land—a malady known as erosion. Just how serious is this condition?

When our country finally woke up, in the early 1930's, it was found that in all the United States there were only four hundred and fifty to four hundred and sixty million acres of really good cropland left. About 100,000,000 acres of this needed clearing, drainage, irrigation, or other improvements to bring it into productive use. All but 100,000,000 acres of this good land was subject to erosion. Even today, despite all that has and is being done, we are still losing a minimum of a half million acres of farmland each year, while a much greater acreage is being damaged to some extent. A survey as recently as 1945 has shown that 90 percent of our farmland still needs complete soil- and water-conservation treatment.

In 1929 there was authorized by the Congress of the United States a technical estimate of the national problem of land damage by erosion. Suggestions were to be made as to the first steps needed to get under way a Nation-wide program of soil and water conservation. In the 1930's, when results of the estimate were made public, we had a better conception of the facts, and we knew how fast and under what conditions erosion took place. We were ready to undertake an effective program of soil-erosion control and prevention, and in 1933 the Soil Erosion Service was established in the Department of the Interior. It was early recognized that speed, cooperation with farmers that would win their active support, and effective work were the three essentials of success.

The act of 1935 establishing the Soil Conservation Service directed it to conduct surveys and research on soil erosion; to find ways to prevent and control erosion, and to help farmers plan, apply, and maintain effective soil and water conservation programs. It also provided that the Service should conduct demonstration projects. There is not time to review the great achievements of this Service.

In 1937 Congress provided for financial aid to the farmer to help finance soil-conservation work and the Agricultural Adjustment Administration was designated to carry this part of the conservation program to the farmer. The name of this agency was later changed to the Production and Marketing Administration.

Great strides have been made in the last several years for the development, maintenance, and preservation of our natural resources, and the passage today of the bill presently under consideration, and our careful attention to other conservation bills now pending in Congress, will be steps in the right direction. Let us work together in the common cause of preserving our great and strong country. Let us show the world that we at least appreciate the bounty of nature sufficiently to guard it by working together in the American way.

No Ivory Tower Here

EXTENSION OF REMARKS
OF
HON. THOR C. TOLLEFSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. TOLLEFSON. Mr. Speaker, under leave to extend my remarks the appendix of the RECORD, I include an editorial appearing on May 11, 1949, in the Seattle Post-Intelligencer which calls attention to the high caliber of men on the faculty of the University of Washington.

NO IVORY TOWER HERE

There is a tendency in certain quarters to adopt a rather patronizing air toward institutions of higher learning.

The feeling is that university professors are disposed to hold themselves aloof from mundane affairs and to devote their attention to the abstract and the recondite.

Everyone in Seattle should be aware, however, that such an impression is completely false as far as the University of Washington is concerned.

The most recent demonstration of the manner in which the University of Washington is taking an important part in practical matters of national and international scope is supplied by Prof. Vernon McKenzie of the school of journalism.

At the close of the present quarter Professor McKenzie will go to the American zone in Germany as an Army adviser to work for the establishment and maintenance of a free and responsible press by the German people.

This is a matter of the utmost importance to world security, and Professor McKenzie's selection for the difficult assignment is as much a tribute to the university as it is to him.

His is by no means an isolated case. He is, in fact, only one of many members of the faculty whose assistance has been sought in solving problems of the most vital significance to the country and the world.

At the head of the list, of course, comes President Raymond B. Allen whose off-campus responsibilities are too many to enumerate.

To mention only two, Dr. Allen was a member of the Eberstadt committee of the Hoover Commission on the Reorganization of the Executive Branch of Government, which was entrusted with the task of recommending improvements in our national security organization, and he serves on the Armed Forces Medical Advisory Committee, which is seeking to increase the efficiency of medical service for the Army, Navy, and Air Force.

Then there is the work of Dr. Nathanael H. Engle, director of the university's bureau of business research. In addition to having had charge of the greater Seattle housing survey and similar enterprises in Yakima, Kent, and other cities of the State, which have established a precedent for the rest of the country, he is constantly being consulted on business matters affecting the entire Nation. He is a member of both the Department of Commerce Small Business Advisory Committee and the United States Senate Advisory Committee on trade policies.

Another notable figure is Dr. William F. Thompson, director of the fisheries research institute. He goes to Alaska every year to study problems of fish conservation and propagation which have a very direct bearing on practically everyone's household budget. The fisheries industry thinks so highly of his work that it has contributed hundreds of thousand of dollars to permit him to continue his research.

In the same field, Dr. Wilbert M. Chapman, director of the school of fisheries, is on a 1-year leave of absence, having been loaned to the Secretary of State for the purpose of supplying expert advice on world fisheries problems.

Dr. Lauren R. Donaldson, director of the applied fisheries laboratory, is doing a job for the Atomic Energy Commission which may have results that are almost beyond conjecture. Under him, the university has become the coordinating center for all practically applied research on the effects of radio activity on marine life.

Of much more immediate benefit are the efforts of Prof. F. Burt Farquharson, director of the engineering experiment station, who is constantly at work on practical industrial problems of the Pacific Northwest.

Of a similar character is the practical research of direct benefit to the area which is done at the college of forestry.

There is also the method of extracting alcohol from wood pulp, which was worked out by the chemical engineering department and which is returning actual dividends to the region.

It would be possible to go on citing examples almost indefinitely.

But surely these are sufficient to show that the University of Washington faculty is not cloistered in an ivory tower.

Passenger Transportation Tax

EXTENSION OF REMARKS
OF
HON. E. L. BARTLETT
DELEGATE FROM ALASKA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. BARTLETT. Mr. Speaker, I offer here a letter written to the chairman of the Ways and Means Committee by Admiral F. A. Zeusler, executive assistant to the president of the Alaska Steamship Co., illustrating forcibly the situation which results when the United States Government demands a 15-percent passenger transportation tax when there is no such tax exacted by the Canadian Government in a competitive service:

ALASKA STEAMSHIP CO.,
Seattle, Wash., May 10, 1949.

Hon. ROBERT L. DOUGHTON,
Chairman, House Ways and Means Committee,
House Office Building,
Washington, D. C.

DEAR SIR: At the present time the United States steamship companies in the Alaska trade are faced with a very serious situation that cannot be adjusted without specific action of your committee.

Although shipping laws prohibit foreign lines from transporting passengers or freight between United States ports or between ports in the United States and its territories, including Alaska, Canadian lines have for years given the American operators very strong passenger competition in the Alaska trade. This has been possible because their Alaskan voyages originate and terminate in Vancouver, B. C., while a local service is used between Seattle and Vancouver. There is therefore no violation of our coasting laws. Consequently, no objection has been raised to this competition.

During the wartime period, in an effort to reduce unessential travel to a minimum, a 15-percent tax was placed on passenger transportation and at the same time a 3-percent tax on freight transportation (subch. A of ch. 30 of the Internal Revenue Code). The Canadian Government assessed identical taxes which kept the competitive relationship stable.

Now, however, this balance has been completely overturned, Canada has repealed the 15-percent tax on transportation of passengers as well as the 3-percent tax on freight while our taxes run on. From the point-of-view of the American operator, this gives the Canadian lines a very serious competitive and unfair advantage. Prior to this tax repeal, because of the subsidization of their lines, the Canadians were able to offer fares somewhat below ours. A comparison of the Canadian Pacific Steamship Co. fares with our own for the same class of accommodations without including the tax on a trip, Seattle, Wash., to Juneau, Alaska, shows a $62.25 fare on their vessels against a $68 fare on ours.

This differential was a definite advantage, but didn't present too serious a threat. But now that we must continue to add the tax while they do not, our fare for the sample trip is $78.20 against $62.25. This represents greater than a 25-percent differential and unless some relief is provided we may expect to lose our passenger business over competitive routes to the Canadian lines.

In addition to American steamship companies, American railroads, bus lines, and air lines are seriously affected by the Canadian tax repeal. This is outlined in enclosed copies of recent editorials which appeared in the Seattle Post-Intelligencer and the Marine Digest.

Because of the seriousness of this situation, three measures have already been presented to the House of Representatives, i. e., H. R. 205, H. R. 1895, and H. R. 1228, each of which has been referred to your committee for action. Passage of any one of these measures would effect the necessary relief by repealing the transportation taxes. In order to meet the present pressing need for adjustment of a situation wholly unfair to American transportation companies, we urge your early, favorable action on this legislation.

Respectfully yours,
F. A. ZEUSLER,
Executive Assistant to the President.

Expanding Three "R's"

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Boston Sunday Post, Boston, Mass., May 15, 1949:

SCHOOLS HOLD KEY TO FUTURE—EDUCATORS FIND CONSTANT NEED TO IMPROVE SYSTEM—MANY SOFT SPOTS IN NATIONAL SET-UP

(By Thomas F. Downey)

Americans can be justly proud of the greatest educational system in the world which this Nation boasts, but leaders in the ever-broadening scholastic field warn there is urgent need for improvement and expansion.

Just as new ideas, methods and instruments are developed in the fast pace of the modern world, the faithful three R's have to be further expanded to prepare today's children to cope with the increasingly complex problems of the future.

Education from the first grade up must prepare young Americans for the tomorrow of their lives and not merely the present era. The day when schools had to keep abreast of the times is passe for they must push forward into the future.

In the far-reaching and probing annual report of the National Education Association of the United States, Executive Secretary Willard E. Givens, of Washington, points out, "Human nature often resists change. It is most likely to do so in the institutions which are vital to success and happiness.

"IMPORTANT YEARS

"The criticisms leveled at the school are a recognition of education as one of the most important experiences of life. Those who find fault with the school should try also to understand it.

"Increased understanding of how children learn has brought marked improvement to the teaching of school studies. Instruction has advanced most in those subjects often referred to as the fundamentals—reading, writing, and arithmetic. To these we might add spelling and oral expression. All of them are essential tools in acquiring knowledge and passing it on to others.

"BETTER TAUGHT

"A Nation-wide survey reveals that 6 out of 10 adults hold the opinion that children today are better taught in reading than they themselves were. Positive evidence of the effectiveness of teaching reading is abundant. Last year the American people purchased 52,285,000 newspapers daily."

The era when children were told not to bother their little heads with world matters and controversial issues is blending with the dust of the horse-and-buggy days.

TAKE AWAY SHIELDS

Differences of opinion have always existed, and will continue to exist, even among people who are sincerely trying to understand and cooperate with each other. Thus today educators feel it is unrealistic to shield children from important and controversial issues.

"Intelligent youth cannot be expected to preserve a vacuous indifference toward conflicting issues," Executive Secretary Givens stressed.

"These should be discussed by our youth with those who are deeply concerned with their welfare and for the welfare of the American people. In the social studies such issues are selected and studied with consideration for the maturity of the students, who in turn acquire knowledge and skills that will be helpful to them in arriving at their own decision throughout life."

NEED GOOD TEACHERS

It was pointed out that the modern shifting of emphasis and the use of new methods and materials of instruction call for highly skilled, competent teachers of keen judgment who are loyal to the ideals of our democracy and the American way of life. New schools, modern equipment, advanced methods and more teachers are greatly needed to educate properly the youth of today.

Community leaders are needed today who are sensitive to the needs of youth. Cooperation by the school, home, and community builds the foundation of good citizenship and produces useful and healthy lives happily adjusted to the society which expects more of the American of today and tomorrow.

HEALTH PROGRAMS

Physical education and health programs are becoming an increasingly important part of American school schedules, but in many schools there is still a need for more expansion in this necessary phase of modern education.

World War II brought out the startling revelation that city-bred youth were healthier and stronger than those from rural sections. When young America began pouring into induction and draft centers it was discovered that physical education and health programs enjoyed by city youngsters gave them a good health edge on farm boys who did not benefit by such programs.

Dr. Belmont Farley, a member of the executive board of the National Education Association, pointed out that the schools have made important contributions to the longevity and good health of the American people.

EXTEND LIFE SPAN

"The life span has nearly doubled in one generation," he said. "In 1879, the expectation of life at birth was approximately 34 years. In 1946 it was 67. The death rate dropped from 17.2 persons per 1,000 of the

population in the United States in 1900 to 10 in 1948. The young people of today will enjoy better health and live longer than any generation before them."

"Much credit for this achievement goes to the medical profession and to the many auxiliary services that care for the sick. Credit goes also to a high standard of living which makes possible sufficient food, adequate clothing, comfortable housing, cleanliness, and the increased hours of leisure which permit opportunities for wholesome outdoor exercise and relaxation."

SCHOOL AIDS HEALTH

"The school, however, has played a significant part in the advancement in physical welfare. The school begins in the early years to lay the basis for good habits of sleep, eating, and exercise. It builds appreciation for the science of medicine. It turns the ignorant from superstition and quackery. It establishes the ideal of periodic physical examination."

Dr. Farley stressed that the school makes a contribution to health that can be made by no other institution. It deals with human being at a period of life when normal physical development takes place with great rapidity.

HEALTH CHECKED

In childhood many physical weaknesses are still remediable. Prevention is still a choice over cure. The health and physical education services of the school are daily and systematic over a long period of time. Health records follow the children through school years.

There is dire need for the improvement and expansion of health and physical education services in hundreds of school systems where they are now poorly developed, Dr. Farley asserted.

"Less than one-fourth of American school children have the benefit of satisfactory services," he said. "They are notably absent or of purely academic character in many rural schools where community services of this kind are also entirely lacking or below standard.

MENTAL ILLS

"The American people are not bringing to bear the full effect of scientific knowledge and effort upon what has been described as the Nation's number one health problem, that of mental health.

"It is estimated that one out of every 20 children in our schools today is destined to spend some time in a mental hospital. The cure of mental ills must be left largely to the specialist. Prevention depends upon diagnosis of early symptoms, in which the teacher can help.

"The growth of mental health as a positive, robust quality takes place in association with intellectual and emotional development—a function of the school.

"PROVIDE PROGRAM

"An important step toward improving the welfare of all of our children is the provision of a mental-health program. Mental hygiene should be introduced more generally in our school studies and the principles of mental health should be recognized in the organization and administration of the school program. Mental-health specialists should be available to those who need treatment.

"The school is childhood's highway to health. It has already contributed much to physical welfare and longer life. It can contribute more. The schools should become the strong ally of the attacks now being made against the disease enemies of mankind."

LEADERS OF FUTURE

Leading educators warn Americans not to be complacent about the modern American school system. They point out that for every modern building there are hundreds which are ancient, inadequate, and behind the times.

While taxpayers may grumble about school expenses, they must realize that part of the responsibility of citizenship is to prepare the children of today to become the leaders of the Nation tomorrow. In the keen international competition America, through its schools, must continue its forward march.

The schools must be kept ahead of the times to safeguard the future of the Nation.

Anniversary of George Washington's Inaugural

EXTENSION OF REMARKS
OF
HON. JAMES J. MURPHY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. MURPHY. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following from the ceremonies commemorating the anniversary of George Washington's inaugural sponsored by the New York Chapter, Sons of the American Revolution, subtreasury steps, New York City, April 29, 1949:

Mr. GARDNER OSBORN. George Washington is our country's finest examples of distinguished public service—he could never say "No" when his country called him from the peace of his Mount Vernon home.

Therefore, each year the New York Chapter of the Sons of the American Revolution will pay tribute to that rare trait by the public presentation of a medal especially designed to symbolize public service.

This medal, to be presented today to Mr. George McAneny, bears the likeness of Chauncey M. Depew, the founder of our society in the State of New York. Depew, a name to conjure with; Depew, the modern symbol of public service.

We have invited the Honorable James Farley to recall for us a bit of the greatness of Chauncey Depew. Mr. Farley is a member of the board of directors of the New York Central System, which Mr. Chauncey Depew served for many, many years as president and then as chairman of the board, until his death.

We are indeed privileged to welcome to this inaugural observance a great American, best known to us all as Jim Farley.

Mr. JAMES FARLEY. On this commemorative occasion, when we seek to capture again the spirit of those noble days of Washington and the other great colonial leaders, we are perforce impressed with the great debt we owe to the past. We are reminded, too, of the continuing lessons which we may learn by pausing now and then to glance backward while carrying on our steady march to the fore in every field of activity.

With this thought in mind, I would speak today of an inspiring figure from the recent past, the founder of the Empire State Society of the Sons of the American Revolution, Chauncey M. Depew. The memory of Chauncey Depew is still fresh in the minds of most of us here present today, and the unique message of his distinguished life of service is one it behooves us frequently to recall to mind.

It is no severe accusation of our contemporaries to say that there exists today no counterpart of Chauncey M. Depew. To expect men of such rare qualities, in such a happy combination, to appear frequently among us would be asking too much of our already overtaxed good fortune. I suggest, however, that we can with profit seek out and cultivate those attributes which won for this great man his deserved place in our social, political, and commercial history.

Let us remember that Chauncey M. Depew was, first among all things, a man of faith. By his own repeated affirmation, he was a man who trusted in God, who knew how to place trust in others, and who knew how to be true to the trust that others placed in him. Throughout every aspect of his long and full life, he kept faith with the simple, basic creed which for him summed up the entire relationship of man with God and with his fellow men.

Let us remember also that Chauncey M. Depew was a man of balance. If there is any one answer to the question of how a man could concentrate so much and such varied activity into a single lifetime, I submit that the answer lay in his remarkable ability to see things in their true perspective and to weigh them according to a clearly established scale of values. From a study of his life, it would appear that to him nothing was unimportant. By the same token, he allowed no consideration, however pressing, to loom beyond its true proportions. He had the unfailing judgment of a specialist in a wide variety of fields, but never did he make the specialist's common error of total submersion in one line of thought to the exclusion of all others.

If we may select one other mark from the long list of those which distinguished this eminent American, we may well ponder his uncommon gift of human sympathy. For a man who moved continually among what we might call the elect of his time, he commanded a remarkable grasp of the viewpoints of all walks of life. His surpassing refinement, growing out of a firm conviction of man's worth and dignity, won him a position in the public esteem untarnished by any trace of bitterness or malice. In carrying out his avowed purpose of making as many friends as possible, he displayed a singular incapacity for earning the enmity of any one. His stated view that the essence of friendship is "reciprocal attachment and contribution" represents a philosophy of human relations that the world would do well to heed.

Paying tribute to the memory of Chauncey M. Depew, while I consider it a great honor, is not an easy thing to do. From a character so rich, from a life so replete with accomplishment, it seems almost impertinent to select points which at best must appear random observations. And, when one considers the matchless eloquence which crowned his other gifts, the futility of speaking mere words in his honor is the more overwhelming. Therefore, it is not in any further honor that we can here confer upon him, but rather in the enduring regard with which his memory is already invested, that we hail him today as founder of the Society here gathered, and as an outstanding member of the society that is America.

This New York chapter of the Sons of the American Revolution are honoring themselves when they present this medal named after Chauncey M. Depew to one of New York's most distinguished citizens who for upward of 50 years or more of his life in this city, gave freely of his time and of his efforts to advance the best interests of the people of the city of New York, and I know of no man of my acquaintance who has earned, and justly so, the respect of his fellow citizens to any greater degree than has the recipient of the reward here today.

May I congratulate you, George, and also the society, and express the wish that you will continue to enjoy many, many years of health and happiness to enable you to continue to do for the city of New York what you have been doing for so many, many years.

Stamp Proposed to Honor Lawyers

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. KLEIN. Mr. Speaker, the preponderance of lawyers in the Congress leads me to bring to the attention of the House a proposal I have just made, in the form of a bill introduced today, for the issuance of a special stamp honoring lawyers for their contribution to the American way of life.

Mr. Speaker, lawyers fill an essential role in a government founded on the rule of law. Laws are made by fallible men, and disputes must and will arise as to what the men who made the laws meant. Lawyers, more than members of any other profession, have expounded and developed the meaning of democratic government in classic issues. Lawyers, like other men, are sometimes constrained to argue against their own convictions; and more than one great corporation lawyer has eased his conscience by handling important cases without charge, standing for what he conceives to be the right, and directly opposing the principles which his wealthy clients pay him to uphold with equal skill.

A press release describing the proposed lawyer stamp, and referring to the legal survey now under way, will make clearer the occasion for this proposal; I include the press release as a part of my remarks.

[From the office of United States Representative ARTHUR G. KLEIN, of New York]

A stamp honoring the American lawyer will be proposed in the House of Representatives this coming week by introduction of a bill by United States Representative ARTHUR G. KLEIN, Democrat, of New York, himself the head of a widely known law firm, Congressman KLEIN has announced from his Washington office.

By the terms of the bill, the stamp would be issued in conjunction with the research reports of the Legal Survey of the American Bar Association and would commemorate the work of the legal profession in the preservation of liberty, justice, and democracy.

Congressman KLEIN said that he would propose to the Committee on Post Office and Civil Service and to the Postmaster General that the lawyer stamp contain the photographs of four outstanding American jurists whose likenesses have yet to appear on United States postage. These are former Chief Justice Charles E. Hughes and former Associate Justices Oliver Wendell Holmes, Jr., Louis Brandeis, and Benjamin N. Cardozo. The background would show the United States Supreme Court building.

The only Supreme Court Justices whose pictures have thus far appeared on postage stamps are former Chief Justices John Marshall, William Howard Taft, and Harlan F. Stone.

First day sale of the new lawyer stamp would be at Chicago, Ill., headquarters of the American Bar Association.

The Legal Survey which is now being conducted by the ABA will show the role played by the lawyer as an advocate and counsellor, the part he plays as a public servant, and the tasks he performs in the selection of judges and the modification of the rules of law in order to facilitate the cause of justice.

In 1937, Congressman KLEIN pointed out, a 3-cent brown-violet stamp was issued in similar tribute to the doctors of America and the work of the American Medical Association, reproducing the painting, The Doctor, by Sir Luke Fildes.

Marine Corps Demonstration at Quantico

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. VAN ZANDT. Mr. Speaker, in company with many of my colleagues in the Congress, it was my pleasure to attend a combat demonstration presented by the Marine Corps schools at Quantico, Va., on May 9. I am happy to report that the marines in Quantico are efficiently pursuing their congressionally assigned mission of developing new methods and techniques of amphibious warfare in a most commendable manner. While their existence as a corps is again the subject of much discussion, I venture the prediction that in the future, as in the past, their efforts will be saluted with enthusiastic approval by the citizens of this country.

It is no secret that the atomic bomb has introduced a new and deadly threat to the success of landing amphibious forces across a defended beach. To circumvent and perhaps overcome this threat, the Marine Corps has been experimenting with helicopter-borne invasion, landing amphibious troops over and behind enemy lines. These experiments are not being just talked about; they are being carried out in fact. My colleagues and I were dramatically shown how helicopters carried by aircraft carriers within flight range, but outside range of gunfire, of a hostile beach were able, even at their present stage of development, to take off, fly, and land a sizable body of infantry troops behind enemy lines. Again, in a matter of minutes, they were able to return with ammunition, water, food, and even with weapons as large as a 75-millimeter pack howitzer. All these developments we saw executed by the marines.

I believe the development of the use of helicopters in amphibious operations is the most revolutionary concept in battle method to emerge since the end of the war. The full impact of its complete development will be of a magnitude that few conceive today. The limit to which this helicopter concept can be developed is, however, also dependent on operating income and to this requirement I commend the attention of my colleagues. Our marines have again taken the lead in devising new concepts of war. I hope the Marine Corps will be provided with sufficient funds to fully develop this new theory of amphibious warfare.

At Quantico we saw examples of effective integration of air and ground effort. Marine infantry, aviation, tankmen, and artillery worked in the closest possible cooperation. The demonstration of close support of ground troops by marine air units produced the most amazing bombing accuracy I have ever seen. Twenty-foot-square targets were repeatedly pin-pointed. One cannot see such perfection of close air support of ground troops without being a little bewildered by recent reports of efforts to eliminate marine aviation.

The spirit of teamwork that prevailed in all marine units in Quantico is the kind of spirit I hope will one day be installed in all our armed forces.

California's Colorado River Story

EXTENSION OF REMARKS
OF
HON. HARRY R. SHEPPARD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. SHEPPARD. Mr. Speaker and Members of the House of Representatives, as chairman of the California congressional delegation, I feel completely justified in presenting the following.

The Members of the entire California delegation have definitely indicated to this Congress their attitude pertaining to this Congress permitting the enactment of House Joint Resolution 3 which authorizes the settlement of the water controversy presently prevailing between the States of Arizona and California.

For a period in excess of 20 years there have been many conferences and attempts to settle the Colorado River compact problem. Those conferences and attempts have all failed. Today we in California are confronted with a tremendous increase in our population and a tremendous increase in requirements for water. It is impossible for us to take an inventory of our ability to provide water without first knowing our definite participation under the Colorado River compact; hence every member of the California delegation has filed a counterpart of House Joint Resolution 3. We feel we are not asking the Congress to bestow upon us any special privilege or any special appropriation, but we are merely requesting the Congress to give us the right to have this controversy adjudicated by the highest court of our land. This Court was instituted for purposes of this character. Our Federal Government is a component part of this controversy, and the right of adjudication, if justice is to prevail, should flow through the channels requested in House Joint Resolution 3. The Congress functions as a legislative body and not that of the judiciary. We of California have no way of knowing what the decision of the Supreme Court may be, but whatever it is, we will abide by it and then be able to adjust ourselves to the economic necessity of the future by developing such water projects as are necessary through sources that are then available.

I can see no legitimate objection to a request of this character emanating from any source which wishes to deal with

economic facts instead of political aspirations.

The following story as written by Mr. Evan T. Hewes, president, board of directors, Imperial irrigation district, tells the story of the Colorado River in a very interesting manner. I call specific attention to the subject matter under the title of "Obstructions."

CALIFORNIA'S COLORADO RIVER STORY

(By Evan T. Hewes, president of the board of directors, Imperial irrigation district)

Shortly after California was admitted to statehood, the use of Colorado River water became important to its development. The limited supply of water in the southern half of the State caused all of southern California to turn toward the Colorado River for a future water supply. Water filings on the river under State law, and the use of Colorado River water, increased until the river became an issue of national importance in the early 1900's.

SANTA FE COMPACT

California's increased use of water caused concern upstream on the Colorado where development was slower, and resulted in the agreement of 1922 known as the Santa Fe compact, which apportioned part of the estimated yield of the Colorado River system between the two geographical areas of the river basin commonly referred to as the upper basin, composed of the States of Colorado, New Mexico, Utah, and Wyoming, and the lower basin composed of Arizona, Nevada, and California. The 1922 agreement did not divide the water between the States, but did lay the foundation for the development of the river.

Subsequent Federal and State statutes opened the way for, and the Boulder Canyon Project Act authorized the construction of, Hoover Dam and the All-American Canal project. The Boulder Canyon Project Act recognized the existing rights for the use of water, and authorized the Secretary of the Interior to enter into contracts with agencies representing a great part of the population and farmable area of southern California, to develop power and store and deliver water, provided these agencies guaranteed repayment to the United States of all moneys advanced by the United States for the construction of Hoover Dam, and the All-American Canal project. In addition, these southern California agencies constructed works for the use of water and power that required an investment of over $400,000,000.

Depending on the sanctity of the contracts with the United States for the delivery of this water and power to southern California communities, cities have been built, industries have moved across the Nation, and thousands of acres of farm land have been developed.

OBSTRUCTIONS

To obstruct this development of the Colorado River, Ariz., resorted to the Supreme Court on four occasions, once the Arizona State Militia was called out, and continuous political battle has been waged by Arizona. Although that State benefits by millions of dollars of power rights, and all the water that can be used on self-supporting projects, Arizona has not contributed 1 cent to repay the United States for any money spent on the development of the main stream of the Colorado River.

Arizona tried to prevent, and now tries to destroy, the development of southern California. In the political arena today Arizona is (1) seeking authorization by the United States Congress of a project to irrigate 75,000 acres of land at a cost of not less than $738,000,000 to be financed by the taxpayers of the Nation as a whole, and which would cause water dedicated for use in California to be taken away from California and used in Arizona, and (2) opposing enactment of a bill by the United States Congress which would permit the controversy between the two States over their rights to the use of Colorado River water to be submitted to the Supreme Court.

FUTURE PLANS CLOUDED

The situation causes a cloud to hang over the plans for the future development of the entire southern half of the State of California, and has strained relations between the two States to such an extent that the tension is felt throughout the United States.

Under our form of government, the controversy can be settled only by one of two ways—agreement or litigation. Over a period of 25 years all efforts to settle the issue by agreement have failed; therefore in the interest of the entire Nation let us hope that the Congress will enact the legislation to make possible settlement in the only remaining way, the way that has been traditionally respected and honored since the beginning of our Government—that is, by decision of the United States Supreme Court.

United Mine Workers of America Oppose the St. Lawrence Seaway Project

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EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. VAN ZANDT. Mr. Speaker, recently Mr. Thomas Kennedy, secretary-treasurer of the United Mine Workers of America, reemphasized the opposition of his organization to the St. Lawrence seaway project. In doing so, Mr. Kennedy developed the following point which should not be lost sight of in considering the St. Lawrence seaway project.

Mr. Kennedy said in a recent issue of the United Mine Workers Journal:

If Russia is successful in its coal-producing plans, then we can expect it will eventually export coal to Canada and the United States, and the seaway is right down the Russian alley. If it were built, we could look for a repetition of export coal from Russia-Poland, subsidized in order to compete for American markets and for trade-balance purposes.

Mr. Kennedy also said:

Advocates of the seaway have argued that it would be a source of employment.

But Mr. Kennedy pointed out it would at best offer only temporary jobs to construction labor, mostly Canadian. On the other hand he said it would create unemployment among coal miners, railroad men, and other workers whose jobs would be undermined by imports via the seaway and this unemployment would be permanent.

Mr. Kennedy's statement which follows, definitely proves the St. Lawrence seaway project is destructive of jobs for coal miners, railroaders, and others:

KENNEDY REITERATES UMWA OBJECTIONS TO SEAWAY AS UNECONOMIC, UNNECESSARY

Opposition of the UMWA to the St. Lawrence seaway project, that uneconomic scheme that bobs up again year after year despite repeated defeats, was reiterated by Secretary-Treasurer Thomas Kennedy in a communication to a Senate Foreign Affairs Subcommittee which is considering a bill to approve the 1941 Canadian-United States agreement to build the seaway from the Great Lakes to the Atlantic.

Observing that the UMWA had consistently opposed the project as being without sound economic justification and a menace to the coal, railroad, and other industries, as well as being destructive of many important east-coast ports, Kennedy said:

"We opposed it in 1934 when it was rejected as being unnecessary for either power or commerce. We opposed it in 1941 when it was dressed up in the cloak of patriotism, as being necessary for national defense and the winning of the war. We opposed it in 1946 when similar reasons were advanced in favor of the project. However, the record shows that we not only built up our own national defense but also furnished our allies with necessary supplies. We won the war without the seaway project."

Summarizing the mine workers' objections to the project, Kennedy said there is no good reason from either the standpoint of power or commerce to justify the project. It would work a hardship on coal-producing areas, especially Pennsylvania's anthracite region, by offering a low-cost transportation service for coal exports from Russia, which now controls Polish and some former German coal mines.

"If Russia is successful in its coal-producing plans," Kennedy explained, "we can expect it will eventually export coal to Canada and the United States, and the seaway is right down the Russian alley. If it were built, we could look for a repetition of export coal from Russia-Poland, subsidized in order to compete for American markets and for trade-balance purposes."

WOULD CREATE MINE UNEMPLOYMENT

Advocates of the seaway have argued that it would be a source of employment, but Kennedy pointed out it would at best offer only temporary jobs to construction labor, mostly Canadian. On the other hand, it would create unemployment among coal miners, railroad men, and other workers whose jobs would be undermined by imports via the seaway, and this unemployment would be permanent.

Kennedy declared that an economy-minded Congress could hardly justify the expenditure of the millions the project would cost when it refuses funds for veterans' housing, increased social-security benefits, and other measures to assist in development of the internal economy of the Nation. If the United States has Government money to spare, Kennedy added, let it go to underpaid teachers and to the building of schools. These are lifetime projects of value all year round, while the seaway would be closed, due to ice, 5 months each year.

Even though the seaway might offer some advantage to certain Midwest and upper New York State communities, it cannot be classified as a project for the general welfare of all the people of all the States, though the funds to build it will come from all the States. He concluded by asking that the "rule of reason" apply and Congress again defeat the project.

Witnesses from eastern and southern port cities also attacked the project, with Mayor De Lesseps S. Morrison, of New Orleans, especially indignant that Congress should cut military funds and then consider throwing millions into a project on foreign soil. Morrison said if Congress had funds for expensive navigation and power projects, they should go into maintenance of United States ports and harbors in this time of international uncertainty.

Walter P. Hedden, of the New York Port Authority, centered his fire on claims by advocates that the seaway would eventually pay for itself. He said it will fail by 75

percent of being self-liquidating and that no toll charges could change the grim prospect that it will be an economic millstone about the necks of United States taxpayers.

Southworth Lancaster, spokesman for the port of Boston, joined in complaints that it would divert traffic from Boston, New York, New Orleans, Baltimore, and other eastern ports. It was also brought out that New York's all-water route from the Great Lakes to the east coast is 80 percent completed and would cost half as much to finish as the seaway on the St. Lawrence.

First Deficiency Appropriation Bill, 1949

EXTENSION OF REMARKS
OF

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. ALBERT. Mr. Speaker, the inclusion in this bill of an appropriation to pay the Choctaw and Chickasaw Indians for their segregated coal and asphalt lands is the culmination of a long history of negotiations between these original Americans and the Government of the United States. This appropriation simply provides the funds to consummate a sale already agreed upon both by the tribes involved and by the Government and approved by the Congress (Public, No. 754, 80th Cong.).

This is not a bonus. It is not a relief measure. It is a sale based upon a good and valuable consideration at a price agreed upon between the Government and the Choctaw and Chickasaw Tribes. These tribes own in fee simple the mineral deposits in question. The Choctaws received their title by virtue of a patent issued by the United States on March 23, 1842, under the name of John Tyler, as President of the United States, and Daniel Webster, as Secretary of State. The patent provides as follows:

THE UNITED STATES OF AMERICA

To All to Whom These Presents Shall Come, Greeting:

Whereas by the second article of the treaty, began and held at Dancing Rabbit Creek, on the 15th day of September, in the year of our Lord 1830 (as ratified by the Senate of the United States on the 24th of February 1831), by the commissioners on the part of the United States, and Mingoes, chiefs, captains, and warriors of the Choctaw Nation, on the part of said nation, it is provided that "The United States, under a grant specially to be made by the President of the United States, shall cause to be conveyed to the Choctaw Nation" a tract of country west of the Mississippi River, in fee simple, to them and their descendants, to inure to them while they shall exist as a nation and live on it: Beginning near Fort Smith, where the Arkansas boundary crosses the Arkansas River, running thence to the source of the Canadian fork, if in the limits of the United States, or to those limits; thence due south to Red River, and down Red River to the west boundary of the Territory of Arkansas; thence north along that line to the beginning. The boundary of the same to be agreeably to the treaty made and concluded at Washington City in the year 1825.

Now know ye, That the United States of America, in consideration of the premises, and in execution of the agreement and stipulation in the aforesaid treaty, have given and granted, and by these presents do give and grant, unto the said Choctaw Nation, the aforesaid "tract of country west of the Mississippi," to have and to hold the same, with all the rights, privileges, immunities, and appurtenances of whatsoever nature thereunto belonging, as intended "to be conveyed" by the aforesaid article, "in fee simple to them and their descendants, to inure to them, while they shall exist as a nation and live on it," liable to no transfer or alienation except to the United States, or with their consent.

In testimony whereof, I, John Tyler, President of the United States of America, have caused these letters to be made patent, and seal of the General Land Office to be hereunto affixed. Given under my hand at the city of Washington, the 23d day of March, in the year of our Lord 1842, and in the independence of the United States the sixty-sixth.

JOHN TYLER.

By the President.

DANIEL WEBSTER,
Secretary of State.

The Chickasaws got title under the treaty of 1837 (11 Stat. 573), which reads in pertinent part as follows:

ARTICLE 1. It is agreed by the Choctaws that the Chickasaws shall have the privilege of forming a district within the limits of their country, to be held on the same terms that the Choctaws now hold it, except the right of disposing of it (which is held in common with the Choctaws and Chickasaws), to be called the Chickasaw district of the Choctaw nation; * * *; and the Chickasaw people to be entitled to all rights and privileges of Choctaws * * *.

ART. 2. (Description by metes and bounds of the Chickasaw district).

ART. 3. The Chickasaws agree to pay the Choctaws, as a consideration for these rights and privileges, the sum of $530,000.

In an effort to explain the significance of this measure, I ask your indulgence while I reiterate briefly the history of the various laws, treaties, negotiations, and agreements involving the Government of the United States and the Indian peoples involved.

When the Spanish explorers discovered the Western Hemisphere, they found the Chickasaws and Choctaws living in what now constitutes a portion of the States of Mississippi, Alabama, and Tennessee. They had been living there with their families, running their own affairs for at least 1,000 years. When those Territories later became States of the Union and as their populations began to increase, it became increasingly difficult for the Indian Tribes to carry on with their tribal customs and under their tribal governments. The result was that the Government of the United States virtually forced them to agree to the treaty of removal of 1830 (7 Stat. 333) under the terms of which they were to move to the Indian Nation and to settle a portion of the land now embraced within the State of Oklahoma.

To give you an idea of the circumstances under which they moved, I would like to read the preamble of this treaty:

Whereas the General Assembly of the State of Mississippi has extended the laws of said State to persons and property within the chartered limits of the same, and the President of the United States has said that he cannot protect the Choctaw people from the operation of the laws; now therefore that the Choctaws may live under their own laws in peace with the United States and the State of Mississippi they have determined to sell their lands east of the Mississippi and have accordingly agreed to the following articles of treaty.

When the Choctaws agreed to this treaty, they were given this understanding in explicit terms; that the Government of the United States agreed and obligated itself that, if they would move west to lands which they accepted in exchange for their homes east of the Mississippi, it, the Government of the United States, would secure to these people the government and jurisdiction of all the persons and property that may be within their limits, so that no territory or State would ever have the right to pass laws for the government of the Choctaw people or their descendants, and that no part of their new lands would ever be embraced in any territory or State.

With faith in that obligation of the United States, these original Americans left their traditional homes and built new homes and new churches and new schools in the West. Thereafter they conducted their own affairs as a sovereign nation until the Atoka agreement was ratified in 1898. After more than a half century in their new homes, they again felt the impact of the encroachment of the white man. What had happened in the East was beginning now to take place in the West. White settlers clamored first for territorial status and then for statehood. The result was that, notwithstanding the solemn agreement of our Government that no part of the Indian nation should ever be in any territory or any State, the Congress of the United States, in response to new demands for statehood, directed the President to appoint a commission to negotiate with the Indian tribes to extinguish their national or tribal status so far as was necessary for the creation of another State in the American Union (27 Stat. 645).

This legislation was followed by the Atoka agreement which provided, among other things, as follows:

And all coal and asphalt in or under the lands allotted and reserved from allotment shall be reserved for the sole use of the members of the Choctaw and Chickasaw Tribes exclusive of freedmen (30 Stat. 495).

From that day on the mineral interests, which are the subject of this appropriation, have been known as the segregated coal and asphalt lands of the Choctaw and Chickasaw Tribes.

The Atoka agreement was followed by a supplemental agreement, ratified by act of Congress on July 1, 1902 (32 Stat. 641). This agreement provided, among other things, that within 3 years these segregated lands should be sold at public auction for cash. Sales were to be made in tracts not exceeding one section but no limitation was placed on the number of sections that could be sold to any one purchaser. Now, what did the Government do about this undertaking with the Choctaws and Chickasaws?

By the act of April 21, 1904 (33 Stat. 189) the Congress inserted a limitation into the law under which not more than

960 acres could be sold to any one person, and a further limitation that all leased lands should be withheld from sale until the further direction of the Congress. The effect of these provisions was virtually to withdraw these lands from every possible favorable market. But that is not all. By act of Congress, approved April 1906 (34 Stat. 137), all coal lands, whether leased or unleased, shall be reserved from sale until all existing leases had expired. The effect of this, of course, was to abrogate the act of Congress under which the supplemental agreement had been ratified.

What was the effect of all this? First of all this meant, of course, that the Choctaws and Chickasaws could not sell their tribal property. Why had there ever been a decision to sell their common holdings? The answer is simple. These new citizens of the United States, whose nation had been extinguished by agreement, were all given individual allotments of land. They were now operating under a new government. They needed cash to improve their lands and to get their start as full-fledged American citizens. They had, therefore, reserved their coal and asphalt lands from individual allotments, intending to sell them and to divide the proceeds so that their members would have the necessary cash to begin operating their individual holdings.

From that day until 1944 the situation remained unchanged. In that year the Stigler Act was passed (Public Law 369, 78th Cong.). This law directed the Secretary of Interior to negotiate with the Choctaw-Chickasaw Nations, looking toward the sale of these lands to the Government, and bringing to a conclusion, after all these years, a matter that had hung fire for such a long period of time. Many of those, of course, who expected to receive a share of the proceeds of this sale, which was to have been made in the early part of the century, have passed on. I hope the remaining few will not suffer similar and further disappointments.

Pursuant to the Stigler Act, negotiations were had between the Secretary of the Interior and the tribal officials, as a result of which the tribes agreed to sell and the Government agreed to buy these lands for $8,500,000. That agreement was ratified by an overwhelming majority of the living enrolled members of both tribes. It was later ratified by act of Congress, approved June 24, 1948 (Public Law 754, 80th Cong.) The matter is now here for an appropriation to carry out the purposes of these various acts and negotiations. This is the last step in a long history of negotiations between the Government of the United States and the Choctaw and Chickasaw Indians. This is our opportunity to enable these tribes to wind up their affairs more than 40 years after our Government first promised them it would be done. The agreement has been made with these people. It has been ratified by the Congress. If we fail to follow through with this appropriation, what do you think these original Americans will have the right to think of the Government to which they now proudly pay their full and unswerving allegiance?

Franco Spain Is Still a Fascist State

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. KLEIN. Mr. Speaker, I am greatly disturbed, as I believe most Americans are, by the powerful propaganda wave rolling over this country in favor of restoring Franco Spain to a position of trust and confidence in the global family of nations.

I shall have more to say on this in the future.

At the moment I wish to draw attention of the House to two significant comments which reached my office in the same mail.

One is a beautifully prepared magazine, consisting of 40 lithographed pages, plus cover, called, and I am quoting from the front cover, "The International Review of the International Telephone and Telegraph Corporation."

The printer's imprimatur on the inside cover shows that this expensive, even luxurious, publication, was printed by Kennerly Press, Inc., New York; but the magazine was delivered in a plain white envelope postmarked Washington; postage was paid by an undated meter stamp carrying the number 112530, and my name was affixed by a stencil addressing machine.

DELIVERED IN MAY, BUT DATED JANUARY

It is a fair inference that this number belongs to a commercial mailing house here.

In other words, this luxury publication was shipped to Washington and then mailed here by a business service.

I go through all this to give you the background of the significant points, which are: (1) 17 pages of this publication are devoted to a eulogistic article about Spain, which makes the bloody rebellion of Franco against the liberal and constituted Republican government of Spain in 1937 sound like a holy crusade, and makes abject apology for Franco's invocation of foreign aid from Mussolini and Hitler; (2) although this magazine was delivered to my office Saturday morning, May 14, it is dated January 1949, volume 5, No. 1.

The other comment, delivered in the same mail, is a biting editorial from the New York Post of Friday, May 13, giving an incisive review of Franco's active alliance with the Axis Powers, which I am including in my remarks.

IS MAILER REGISTERED AS FOREIGN AGENT?

Now, Mr. Speaker, I want to know who paid for the copies of the International Review which came to Members of Congress, and who paid for the mailing, and whether that person is properly registered as an agent of a foreign government with the Department of Justice.

I find myself in full agreement with the Secretary of State, the Honorable Dean Acheson, in his position on Franco Spain. My only regret is that his delicate position as head of a department dependent on congressional appropriations for efficient operation forces him to soften his statements.

We must not be dragged into friendly association with such a regime as General Franco's.

There follows the text of the editorial referred to and I am prepared to turn over to the Attorney General the copy of the International Review I have described.

[From the New York Post Home News of May 13, 1949]

A CASE OF MISTAKEN IDENTITY

Ten years ago Francisco Franco was a distinguished member of Adolf Hitler's ring. There was nothing furtive about his role. In Berlin the heavy thinkers of the Fascist International agreed that Franco was a little less talented and adroit than A. Hitler, but he was nevertheless an esteemed character in the mob. He took orders. He never tried to get out of the racket. He didn't talk back. He practiced what Hitler preached.

When the gang was finally smashed after 6 years of war, the least promising partner in International Murder Inc. ironically emerged as the only significant survivor. Of course he owed a vast debt to his accomplices; for reasons of military convenience they had let him occupy a safe seat during the shooting. But he had run all their errands. He had tried, sir, to promote the new Fascist world. When his associates were dead he didn't quit. He stuck to the Fascist system. It was the only one he could understand.

Yet now, as in a nightmare of mistaken identity, General Franco is being boomed for admission to all democratic societies. It seems that he is really a scholar and a gentleman who momentarily fell in with evil companions.

Francisco Marino, chairman of the Banco Hispano Americano, is throwing intimate luncheons for groups of Senators in an effort to persuade them that a loan to Franco is the world's best hope.

And at Lake Success the climax of the first phase of the campaign to lift General Franco's face is at hand. Technically the issue before the General Assembly is a resolution to return ambassadors to Madrid and end the ostracism voted in 1946.

The real issue is whether Franco is to be given a new place in the western sun.

The real issue, as Secretary Acheson stated it, is whether the United Nations will bow politely to the regime that remains the most dramatic symbol of fallen fascism.

We believe the United States should have proclaimed a vigorous no when the resolution was first proposed in committee. Instead we abstained. Our moral position would have been infinitely stronger and our voice clearer if we had fought the move. But our absention at least helped to deprive Franco of an affirmative diplomatic triumph.

Now, as the decisive vote nears in the Assembly, there are ominous reports that the American position is shaky and ambiguous, that some members of our delegation are quietly lobbying for the resolution and that small countries which look to us for guidance are slipping into the pro-Franco camp.

In the world-wide battle for the minds and hearts of men a Franco victory at Lake Success will mean a major defeat for the democratic faith. Throughout western Europe it will be cited as new proof that democracy has embraced fascist allies. It will embitter millions who hate all totalitarianism. In the perverse logic of history, it will aid the Communist drive on every front.

The question is not whether we shall send an ambassador to a villa in Madrid. It is whether we will betray the conscience of mankind.

Reorganization of Government Agencies

EXTENSION OF REMARKS
OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Tuesday, May 17 (legislative day of Monday, April 11), 1949

Mr. O'CONOR. Mr. President, it was my privilege yesterday to speak briefly on the floor of the Senate in favor of H. R. 2361, the Reorganization Act of 1949.

It is my conviction that the critical state of our economy, in view of the huge expenditures to which we are committed both at home and abroad, and the complete dependence of many Nations of the world upon us for financial assistance, require a redesigning of the departmental structure of our Government.

In support of the many arguments that suggest themselves in this connection, a masterly article by the very competent Comptroller General of the United States, Mr. Lindsay C. Warren, appears in the May issue of the American Magazine.

Mr. Warren's article poses the question: "Will the wasters win again?" and goes on to say that "we have reached a crisis in Government. If Congress and the President are now unable to put through an effective reorganization, they and the taxpayers might as well surrender. If the bureaucrats win again, as they have before, we are through."

Mr. Warren's article is so authoritative in its treatment of this vastly important subject that I believe it deserves the attention of all who are interested in effective, economic Government. I therefore ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WILL THE WASTERS WIN AGAIN?

(By Lindsay C. Warren, Comptroller General of the United States)

The President of the United States, the Congress, and the taxpayers once more are engaged in the bitter battle of bureaucracy, a war that has been waged for years. Arrayed among the opposition are the pressure groups, the local interests, the special classes, who have come to demand as a right a continuance of payments, benefits, betterments, exemptions, priorities, preferences, and special services, ultimately a charge upon the taxpayer. In the forefront, and deeply entrenched, are the heads of some of the 1,800 Government bureaus, divisions, agencies, and authorities, who are fighting fiercely to protect their jobs, their departments, their red tape, their functions, and their right to spend in their own way the taxpayers' money. In 20 years Government divisions and units have increased from some 300 or 400 to as high as 1,816 (depending on who counts them). The Federal pay roll now numbers more than 2,000,000 civilian employees.

As Comptroller General of the United States, and head of its General Accounting Office, I am concerned at the amount of waste, extravagance, and duplication which shows up in many quarters, and most especially at the tenacity with which the bureaus continue their jobs and their spending after there is no longer any need for them.

An outstanding exception is the Home Owners' Loan Corporation, which, born in the throes of depression, saved the mortgaged homes of thousands of our citizens. Of late, HOLC has been liquidating and doing a remarkable job of cutting down its force as rapidly as could be, with the result that the Treasury has every prospect of getting back every dollar which ever went in that project. But a vast number of Federal bureaus should be the object of a vigorous, uncompromising, but scientific and discriminating application of the bush-ax treatment, which I have urged for many years. That there will be snarls from those whose powers are curbed, and louder ones from those whose benefits, payments, and services are discontinued, will be music to the ears of the taxpayers at large.

Government reorganization is a major topic today because of the exhaustive report of the Commission headed by former President Herbert C. Hoover, and the action by Congress to put into the hands of President Truman the authority to streamline the Government. Mr. Hoover estimates that the adoption of his Commission's recommendations would save several billion dollars a year. He has said the 65 bureaus and agencies reporting directly to the President ought to be cut to one-third of that number.

Now, this and similiar estimates of extraordinary savings from reorganization must be taken with a grain of salt, for reorganizing is more than the reshuffling of agencies. It is also the abolition of the useless and outmoded function, and it should bring to light those far too many cases existing where the function itself must be continued but where the staff "working" on the job is far too great to do what may be needed. Everybody knows that some Government agencies are overmanned and, like sin, everybody is against it. But putting the finger on the particular spot is a task for experts.

In general, what Mr. Hoover is now saying has been said before. President Roosevelt, in 1937, called our Government set-up "a higgledy-piggledy patchwork."

Congress after Congress, President after President, almost from the birth of our Nation, have added to the crazy quilt of bureaus. Once established, they are loath to die. Instead, every year the heads of these bureaus go before Congress and swear they need more money than they had in the previous year. If Congress should set up a temporary bureau for an investigation to learn whether the three blind mice really ran, and how far, the bureau would come back the next year with a glowing report as to how the bureau's mouse survey helped prevent war, or reduced the national debt, or increased farm income, and would ask that the bureau be made permanent and the appropriation increased. If lobbyists managed to put up a convincing fight, the bureau might win.

Bureaucracy was increased and strengthened tremendously during the war by catch-as-catch-can laws and emergency agencies that were necessary in the days when fast action was more important than economy and efficiency. The end of the fighting brought an end to too few of these agencies.

Thus has been built a monstrous Frankenstein that in many instances has become stronger than Congress, which created and nourished it. At times it snaps its fingers in the face of Congress and openly defies it to reorganize, consolidate, or abolish agencies. The foremen are dictating to the Board of Directors; the tail is wagging the dog.

In some departments are bureaus that have been so set up by Congress that they are able legally to defy the Cabinet officer who is supposed to be in supreme command. These bureaus go direct to Congress over the head of the top officer. Too often have we seen the brave efforts of the President and the Budget Director, in trying to balance the budget, go for nothing when the bureau heads and the pressure groups they serve clamor for more appropriations, appealing to Congress against the recommendation of Cabinet officers.

We have reached a crisis in government. If Congress and the President are now unable to put through an honest, widespread, and effective reorganization, they and the taxpayers might as well surrender unconditionally. If the bureaucrats win again, as they have before, we might as well concede that we are through. We shall be forced to confess that governmental affairs cannot be conducted on a businesslike basis, that we cannot set up clean-cut operational systems, eliminate red tape, or promptly discharge department heads who put their own interests above those of the taxpayers. It will be proved that shocking Government extravagance is as much a part of democracy, and as indestructible, as the Supreme Court.

As the head of the General Accounting Office—which has the biggest auditing job in the world—I am responsible only to Congress, not to the executive branch, and it is my duty to see that the money Congress appropriates is spent, as the law puts it, "for the purposes for which appropriated and no other." I was appointed Comptroller General in 1940 for a 15-year term, after serving nearly 8 terms in Congress as a Representative from North Carolina. Reorganization has been a major interest of mine for years; I worked particularly closely with President Roosevelt in his efforts to get authority to let him streamline Government operations.

I have no voice in the policy-making job of the Congress of deciding what Government services should be established, and of course I should not have. In a representative government that is the job of the people's elected spokesmen. But I have seen—in 1932, in 1939, and in 1945—the passage of reorganization bills that were aimed to bring efficiency to the unsegregated, sprawling groups of Government functions and functionaries—to make only one or two grow where dozens grew before. I have helped write those bills, I have joined with others in an effort to make them work. So far as they have gone, the job done under those acts have been noteworthy, but they have not gone far enough. Consolidation has been stressed. Abolition ought to be stressed as well.

I plead for a change in the administrators' point of view toward the money Congress gives them to spend. Too many bureau heads actually believe that appropriations belong to them and they must spend every cent, even though it may take superhuman planning to be extravagant enough to get rid of it all. Sometimes the state of the agencies' bookkeeping prevents Congress from learning the financial facts of life and matching appropriations with the agencies' real needs.

When Congress set up the Federal Savings and Loan Insurance Corporation it called upon the Home Owners' Loan Corporation to provide capital for it, but since this meant, in effect, adding to the over-all public debt an interest burden, the law required FSLIC to reimburse Home Owners' Loan Corporation its outlay for interest by payment of dividends out of net earnings. That interest cost amounted to $25,000,000 by last June, but the Federal Savings and Loan Insurance Corporation ignored the law, even though it had total earnings of $90,000,000. It is true that such payment would be made from one of Uncle Sam's pockets to another, but FSLIC is still holding $25,000,000 that should be handed over to the Treasury. Instead of being used to

make FSLIC look more prosperous, it should be applied as a reduction of the public debt.

The Federal Prison Industries, Inc., we found, piled up nearly $12,000,000 that the corporation didn't need. As a result of our recommendations the agency gave it back to the Treasury. Our office discovered that the Panama Railroad, a Government corporation, had $10,000,000 to spare. That agency, instead of giving the Treasury larger dividends, had invested this money in United States Government bonds. Thus the Treasury, and the taxpayers, were paying interest upon money that belonged to the people. That device may be good management—from the standpoint of the agency alone—but it is pretty fancy bookkeeping. Thus the Production Credit Corporation (an offshoot of the Farm Credit Administration) had, through 1946, piled up $33,000,000 from the income on excess Government capital, which they invested in various types of interest-bearing Government bonds, and this income was used to pay expenses, make up losses, and establish a neat surplus.

That bookkeeping fantasy is not only perfectly legal but is common in Government corporations, which operate with capital furnished by Congress instead of upon annual appropriations. The corporations put their excess dollars into Government bonds, and thus collect interest that sometimes is enough to pay their operating cost. The vice, of course, lies in the obscurity—when Congress appropriates the money it is for interest on the public debt (an obvious "must"), not for operations of its corporate agencies.

In reorganization, the big job, of course, will be to reduce duplication, to abolish and consolidate. Ten years ago I pointed out such facts as that 28 agencies were engaged in welfare matters and 75 were buying transportation from railroads and ship lines. I note from a recent story that the Hoover Commission reports that 28 are still dealing in welfare matters, and 75 spending more than a billion dollars a year, are still buying transportation. One of my cynical associates contends that anyway it shows progress, because the number has not increased. In welfare and transportation, at least, we have held the line.

Our purchases of transportation were so badly handled during the war that the Department of Justice is now attempting to get a total refund of about $2,000,000,000 which is said to have been overpaid to the carriers. Although we cannot set up one bureau to buy all transportation, coordination would reduce the annual cost by millions of dollars.

In 1946, Senator HARRY F. BYRD listed 951 Government agencies operating within 358 departments and independent establishments and concerned with 24 fields of activity There were 27 handling labor relations, 37 concerned with public health, 24 were making maps, and 93 were concerned with Government lending. Some of these have been reduced or merged, but generally the picture remains the same. As Senator BYRD discovered, if a bureau is abolished, the employees and usually the functions turn up in another department under another name. In postwar reorganizations, 793 employees went into the State Department from the Office of Strategic Services, and 3,718 from the Office of Inter-American Affairs, the Office of War Information, and the Foreign Economic Administration.

Even if reorganization didn't reduce Government appropriations a dollar, it would give us tremendous returns in increased efficiency. And it would save money and time for all who do business in Washington—including Government employees, who often are bewildered, themselves, when they try to discover what bureau is handling what.

I have before me a sheet of paper—almost half as large as a bed sheet—that lists the Federal executive departments and agencies. The average citizen who comes to Washington to sell goods, or check a veteran's problem, to borrow money, or to do anything else, goes cross-eyed and dizzy when he examines this list and attempts to find which agency is supposed to handle his problem. No wonder hundreds of men and women in Washington find good profit in guiding citizens to the right bureau. Without a guide a citizen may spend weeks before he finds the department he wants. Because the agencies so overlap, even when he gets to a destination, the department, itself, may not be sure whether he is in the right office.

Experienced as we are in the General Accounting Office, often we must search the 722-page Government Manual for half an hour and make a dozen calls before we find what bureau handles a certain function.

A citizen who comes to Washington to find out something about public lands discovers that his problem might be handled by any 1 or more of 10 bureaus in several departments. In the Department of the Interior, the right office might be the Bureau of Land Management (which includes the General Land Office and the Grazing Service), the Office of Land Utilization, the Bureau of Indian Affairs, the National Park Service, the Fish and Wildlife Service, the Bureau of Reclamation, or the Geological Survey. If he doesn't find the right bureau there, he can go over to Agriculture and try the Forest Service, Soil Conservation Service, and the Farmers Home Administration. If he is still at sea he may find other bureaus concerned with the administration of public lands.

Suppose the citizen comes to study the Government system for retirement of workers. You'd expect that the United States Government would have one retirement system, so that no group of workers would have more advantageous retirement pay than others and that the details would be all in one office. But really to cover the subject he will have to examine at least 10 different plans that are in force, covering the civil service generally, the Army, the Navy, the Coast Guard, the Alaska Railroad, the Lighthouse Service, the Naval Academy Staff, the Tennessee Valley Authority, the Coast and Geodetic Survey, and the Public Health Service. Why? Because each of those offices has a special system, with its own rules, authorities, and funds, and so forth.

In the General Accounting Office our audits frequently turn up a mighty careless attitude toward the taxpayers' money. Some agencies are well organized and perform efficiently, and my criticisms by no means apply to all of them. But the prevailing attitude in many agencies—that they should have the right to handle their funds as they choose, that close supervision is to be resented, and that no changes can be made—often inspires too much carelessness and indifference right down to the bottom drawers in the bureaus. Streamlining, I believe, would help sharpen the wits of all the employees, give them new respect for economy, and cause them to be on the alert to save those hundreds and thousands of dollars that add up to millions.

In 1948, our auditors clamped down upon erroneous and illegal payments by various Government agencies that totaled $106,798,213. Every cent of that was collected for the Government from persons and corporations that had been overpaid. In the last 8 years, and up until January 1, 1949, we collected and put back into the Treasury over $608,000,000 which, largely through carelessness and indifference, had been paid out wrongfully.

One auditor found that a contractor had been paid the startling sum of $135,300 more than the contract called for, but most of the mass of erroneous and illegal payments are comparatively small. We are not directed to make a special waste and extravagance survey, and hundreds of these payments don't show up in the regular audits. The actual waste may be twice as much.

I choose items at random from a foot-high pile of reports on my desk: Failure of a Chicago agency to collect rent for Government property used by a contractor for a cafeteria—$6,019; commission paid to a dealer for a canceled sale—$1,347; one division paid a bill twice—$20,250, and the same division did the same stunt again for $1,078; carelessness of a Government inspector who accepted what was supposed to be a 25-ton crane but later was found to be an 11-ton crane—$6,534; paid for tires that were smaller than the kind billed—$2,160; neglect to collect on land-purchase program—$15,264; failure to deduct cost of transportation included in contract price—$1,110.

The waste in salaries because of overemployment in Government is insignificant compared to the waste caused by the actions of those employees. What it totals in dollars must be simply incalculable. We, of course, are postauditors, which means that when we find them, the deeds are done and cannot be undone. We can collect back illegal payment or erroneous disbursements, but we can do nothing about waste and extravagance except report it to everyone concerned and hope it will not happen again.

For instance, again selecting at random, in Alaska the War Department paid $2,619 for the rental, for 5 months, of two tractors that cost, when new, $500 each. The owners collected $1,619 more than the cost of the tractors, and still owned them.

The American Legation in Canberra, Australia, sent to the State Department a straight cable message that cost $1,022. A night letter, which would have served the purpose, would have cost only $373. Another similar report involves excess expense of $10,000. The office of the Veterans' Administration in San Juan, P. R., in 1 month sent 341 cablegrams, at a cost of $1,480. The messages could as well have gone air mail special delivery at a cost of $71.61.

A station wagon, damaged in an accident, was sold by the Government for $105.90. The purchaser at once resold it for $510 to a man who sold it for $675. The third man spent $400 on it for repairs, and sold it for $1,200 to a man who, in a few days, sold it for $1,350. One of our most startling discoveries was the approval of an excessive payment of $203,000 in commissions on the purchase of parts. The agreement to pay the commission was in the contract. Proper negotiation would never have allowed it to be in there.

In nearly every Government office, employees and visitor constantly note the extravagant use of long-distance telephone calls. Public business appears to be a terrific emergency that cannot be attended to by mail. Since telephone calls, unlike telegrams, are unrecorded, usually one must take the employee's word that terrible things would have happened if he had used the mail instead of spending $46.30 for a long talk with somebody in San Francisco. One excuse for so many long-distance calls is that it takes days to get an answer by mail.

So widespread and so flagrant are the examples of waste and incompetence in Washington that picking up examples is child's play. The Hoover Commission, Senator BYRD's Committee on Reduction of Nonessential Federal Expenditures, the House and Senate Committees on Expenditures, the investigating staffs of the Appropriations Committees, our General Accounting Office, and others, list them by the hundreds and total the waste in millions.

Mr. Hoover's investigators found that the total value of stock piles held by agencies is $27,000,000,000. Some agencies have enough of some items to last 50 years. Reckless buying, of course, should be curbed.

Federal departments spend millions of dollars a year for printing and publications. Tons upon tons are finally sold as waste paper, while other quantities are stored at the expense of the Government. There are millions of obsolete forms which should be sold as waste but are still occupying valuable storage space.

The War Assets Administration offered for sale in 1945, 1946, and 1947, a Government-owned building in Baltimore, after first clearing with the Public Buildings Administration. During those years, other Government agencies paid out about $1,000,000 for rental of less desirable space in the same area. The building was finally sold to a private person at a time when the Government Printing Office was paying over $200,000 annually for equivalent, but less desirable, storage space in Baltimore.

Bureau heads are too often inclined to shrug off such examples as these by stating they are only rare exceptions and are far outweighed by the incalculable value of their work to the Nation. Bureau heads are tempted to become empire builders.

Though motivated by an honest belief in the importance of their work, back of it all, with some, is a desire for more power. Agency heads persist in believing that the more money they spend, the more employees on the pay roll, the more important they are. Rarely does one hear an agency saying, "The Government can't afford this."

What Thomas Jefferson said in 1802 (he had his troubles with bureaucrats, too) is a good thought for today: "Let us deserve well of our country by making her interests the end of all our plans and not our own pomp, patronage, and irresponsibility."

Reorganization efforts under the acts of 1939 and 1945 were hamstrung, in great part, because certain agencies were strong enough to get themselves exempted.

In 1945, full exemptions from any reorganization were granted by Congress to the Interstate Commerce Commission, the Federal Trade Commission, Securities and Exchange Commission, National Mediation Board, National Railroad Adjustment Board, and the Railroad Retirement Board. The civil functions of the Corps of Engineers of the United States Army—work on rivers and harbors, dams, flood control, irrigation, reclamation, etc.—were exempted. Certain restrictions were put upon the reorganization of the Federal Communications Commission, Federal Deposit Insurance Corporation, the United States Tariff Commission, and the Veterans' Administration. Those exempted agencies, today, employ 253,000 persons and spend billions of dollars a year.

Already, powerful forces have attempted to obtain special treatment for the National Military Establishment, the Interstate Commerce Commission, the Securities and Exchange Commission, the Federal Reserve Board, and Federal Trade Commission. Now, a great many Government agencies are doing first-rate jobs and should not be harassed. I do not pretend to judge the merits of any particular case, but I am sure of one thing—once the President is restricted by even one exemption, to that extent the plan will fail.

When James F. Byrnes was a United States Senator, speaking for the reorganization bill that became a law in 1939, he said, "I have yet to talk with reference to reorganization to one man in the Government service who did not make this answer: 'Of course, it should be done.' And then, when he joins the great old order of 'butters,' he says, 'But do not touch my department.'"

When President Roosevelt came into office in 1933 he found a reorganization act that had been passed under the Hoover administration which gave him unrestricted power. He even could have abolished his Cabinet. While he consolidated a few bureaus, dozens of new ones were created. President Truman wants to accomplish a genuine reorganization, and he can do it if Congress gives him a chance, and the lobbyists, and the pressure groups, and the bureaucrats are thwarted. Congress has not given up its veto power over the President's actions. The current bill provides that: Each reorganization plan of the President must lie before Congress 60 days, and it will not go into effect if the two Houses of Congress join in a resolution turning it down.

Congressmen have favorite departments; pressure groups who are gaining favors support the bureaucrats who give them these favors. Lobbyists for certain functions and agencies inspire floods of letters to Representatives and Senators, and the letters, backed up by pleaders at hearings, violently protest any changes. Every bureau has backers to testify that it is absolutely essential, that it is operating efficiently and economically. Once one bureau is exempted, that will be the crack in the dam. "You exempted, such-and-such," the plea will be, "why shouldn't you exempt us?"

If the taxpayers rally to back up the President and Congress, we shall have, this time, a genuine reorganization, the mishmash of Government can be cleaned up, the bushaxes and the meat cleavers can begin to swing. If we don't do it this time, we're through.

Responsible American Citizens—Their Job in National Politics

EXTENSION OF REMARKS
OF
HON. GEORGE D. AIKEN
OF VERMONT
IN THE SENATE OF THE UNITED STATES

Tuesday, May 17 (legislative day of Monday, April 11), 1949

Mr. AIKEN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "Responsible American Citizens—Their Job in National Politics," delivered by me before the Fourth National Conference on Citizenship in New York City on May 16, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

RESPONSIBLE AMERICAN CITIZENS—THEIR JOB IN NATIONAL POLITICS

The cross currents of our national life and of world affairs are such that there was never a more urgent need than now for American citizens to assume a responsible role in national politics.

Too often laymen take too lightly not only their responsibilities as citizens but also their job in national politics.

Whether we admit it or not the trend of events on the national political front shapes the course of our future welfare.

We have come to associate government with politics, and vice versa.

I am not speaking of politics in the narrow sense, but rather in the broad sense of government, involving the enactment and administration of laws.

It is a fact, nevertheless, that governmental policies are projected, tested, and weighed in the political arena. It is in the political arena that the spotlight is turned on the stand taken by parties and by candidates. It is in the political arena that citizens endorse or reject the policies espoused by parties and candidates.

As our Nation increases in population there is the danger that control of government may become further and further removed from the people. This danger takes on added significance when we realize that big government, by comparison with previous standards, is here to stay. Our Government is one of the largest enterprises on earth. The complexity of our domestic problems and our increased responsibility in international problems have given rise to greater centralization of government than we have heretofore experienced in this country.

The problem now is to keep Government from getting so big, so unwieldy, and so powerful that it will get out of hand. The best way to prevent this from happening, or from letting it topple of its own weight, is to streamline it and operate it efficiently. We must either mold Government and shape it so that it will serve the people or the time will come when the people will be serving the Government. So long as we have government somebody will be running it.

It is up to the citizens of the Nation to decide whether they want to take more responsibility in politics and have a say in how things are run, or whether they want to give centralization a free and unfettered hand. If the citizens make the latter choice, they can blame nobody but themselves for what happens.

I do not mean to disparage or belittle those whom some choose to call bureaucrats because I think nearly all Federal servants are honest, hard-working citizens truly seeking to improve their Government and their country. Let us keep them that way. Let's not tempt them by giving them too free a hand or too much power. Let us make them even more responsible and more responsive to the will of the people.

In considering this question of good citizenship, we should bear in mind that there is a vast difference between being just an American citizen and in being a responsible citizen. The responsibility that goes with citizenship in this country is what distinguishes democracy from totalitarianism. In the latter ideology, responsibility is usurped by the state and is not reserved to the citizen.

In the United States, we cherish the philosophy that the Government is responsible to the citizen instead of the citizen being responsible to the Government. This philosophy is inherent in our Declaration of Independence which held that "Governments are instituted among men, deriving their just powers from the consent of the governed." At the time that these words were written the rights of the citizen were little respected in the world. It was not popular or safe to even talk about the rights of the individual. To work for the founding of a government based upon the protection of such rights required the courage of deep conviction and fearless disregard for personal welfare.

Fortunately, our forefathers had the courage to found a Nation that was conceived in the spirit of freedom and nurtured by the ideal of democracy, where the rights of the individual still reign supreme.

Lincoln, in his Gettysburg Address, expressed the same philosophy when he said: "We here highly resolve that these dead shall not have died in vain—that this Nation under God shall have a new birth of freedom—and that government of the people, by the people, and for the people shall not perish from the earth."

The liberty and freedom which have been our proud heritage—and which have been kept alive by Jefferson, Lincoln, and the other towering figures of our history—are still the bulwark of our democracy. This is an inheritance that we must preserve and perpetuate, and never take for granted.

We must never get into the rut of accepting the privileges of being an American citizen without sharing the responsibility of that citizenship. The fact that we have grown into a Nation of great influence, with one of the highest standards of living the world has ever known, does not mean that the responsibility of the individual has diminished in any way. The individual is still the cornerstone of our way of life. To be a good citizen enlarges and enhances the scope of the individual. Being just a half-hearted citizen not only retards the development and growth of the individual but it also serves as a brake on the progress of the Nation.

The problem of fulfilling one's responsibility in the field of national politics is admittedly a challenging one and one that is not easy. It does not mean just dropping a ballot in the box every 2 or 4 years and then shifting the entire responsibility to those who receive the highest number of votes. It means almost daily study of the issues by each citizen so that conflicting viewpoints can be weighed, and public opinion formed, which will bring about proper decisions.

In order for public opinion to be intelligently formed, the people must have access to information upon which an intelligent opinion can be formed. Government itself must be made to assume its share of the responsibility for seeing to it that the citizens are frankly confided in and consulted with in the operation of the Government.

There have been many cases when our own Government has exceeded the bounds of security caution in withholding information from the people. How can the citizens of this country arrive at proper conclusions, no matter how much they try, if they cannot get the basic facts of a situation—or if the facts are one-sided or biased? The difficulty of obtaining basic information often arises in connection with foreign-policy issues, but is by no means confined to this field. Concealing expenditures, misinterpreting laws, using funds appropriated for other purposes for the spread of propaganda are other evils of government which grow progressively worse unless corrected by a generally aroused citizenry.

An aroused public opinion is the most potent influence in our democracy. That opinion, when marshaled, is the majority voice of the American people. An indifferent public permits the unscrupulous executive, political or pressure group to attain selfish objectives.

If democracy is to be strong, and meet the challenge of other forms of government, it must have an alert, intelligent, and unselfish citizenry. It is incumbent upon the citizens of a democracy to be well enough informed to see the proper relationship between the welfare of the individual and the welfare of the Nation.

I am fully cognizant of the citizen's responsibility to his community and to his State. It is entirely proper for him to fulfill that obligation. But that does not free him from his responsibility as a citizen of the United States.

Our Federal tax laws, our Federal courts are examples of our legal identity as citizens of the United States. Our obligations in the national political field, while not legally imposed, are equally binding if we discharge our duties as good citizens.

The reason the political decisions we make are so important is that these decisions influence and permeate our whole national life. We cannot segregate the political from the economic phases of democracy. A democracy cannot remain strong if the economic structure of the Nation is weak. Neither can the social problems of the Nation be partitioned off from the economic and political problems. Each must mesh with the other in the gears of democracy.

We know from our experience in the depression years of the thirties what it means to have people denied the opportunity of being useful citizens because of lack of employment, training, health, or morale. It is incumbent upon us as good citizens not to permit a repetition of that sad experience.

In world history if we ferret out the root of political upheaval, it is traceable in most cases to economic or social maladjustment. So the scope of the citizen's responsibility is broad. The challenge for him to keep informed, and to do something about what he knows and believes, is ever-present.

It is a sad spectacle to see a citizen, who might wield constructive political influence in the Nation, sit back and wait for his fellows to do the job. The first and foremost way to demonstrate that we are responsible citizens is to go to the polls and vote. We have never exercised anywhere near our voting potential in this country. In the last national election, the President of the United States was elected by only about one-fourth of the people who could have qualified as voters. By their failure to vote nearly 45,000,000 Americans have forfeited any full moral right to criticize the present administration of our Government.

Discussion of the topics of the day with our neighbors is another earmark of good citizenship. I am thankful for the privilege of growing up in the atmosphere of the New England town meeting. That is a tradition that Americans everywhere can well afford to emulate.

Group action, through affiliation with some worth-while organization, is almost a necessity in this day of bigness. The voice of the individual may be a voice crying in the wilderness unless it is backed by the force of numbers. I should like to sound this warning note, however. Careless citizens and careless groups can be used for bad purposes. The forces of evil do not dare to organize as such. They cannot afford to be open and above board. Their strategy is to bore from within, and thereby to use respectable fronts for less respectable purposes.

It is extremely important that good citizens and desirable groups be on guard against letting themselves be used to provide a cloak of respectability for schemers and plotters.

If you cannot take an active interest in the organization to which you belong you had better keep out of it.

I would also warn groups against the endorsement of resolutions without having accurate knowledge as to the content and real purpose of the petition. Sometimes chambers of commerce, and even State legislatures, endorse resolutions they do not know the full meaning of. In this day of organized groups, and a flourishing business in the lobbying field, it is difficult even for a Member of Congress to separate the wheat from the chaff. There are so many pressures and so many viewpoints.

No one can tell how many groups are formed for the purpose of giving lucrative jobs to enterprising and sometimes unscrupulous men. These men frequently organize and solicit funds on a commission basis, establish lucrative incomes for themselves, and make sure that the purpose for which the organization is ostensibly set up is never quite achieved. Very busy businessmen are sometimes the most susceptible victims in this field of questionable group operations.

The problem of the legislator is to weigh the different viewpoints, in the light of the national welfare, and then decide how to vote. I may say that it is a soul-searching experience in deciding how to vote on vital and controversial issues.

Of course, if the legislator is too often at variance with his constituents in his stand on these issues, his exit from the political scene is a very likely consequence.

One of the most important problems confronting the responsible citizen is to be able to draw the line between vested local, and perhaps personal, interests and the national welfare. This problem is particularly noticeable in connection with matters involving money. There is a tendency for each group or each class of petitioner to want all it can get, apparently with little or no thought that somebody has to pay for it. The theory seems to be that everybody is getting, so let's insist on our turn at the grab bag—the grab bag in this case being the Federal Treasury. This is a dangerous trend. We should realize that, in the long run, we get only what we pay for.

If we, for very long, get more than we pay for that means deficit financing and increased national debt. We cannot build a lasting nation on the sands of paternalism. To help maintain a solvent and responsible National Government is a cardinal requirement of good citizenship. In all that we do, in all that we strive for in our role as good citizens, let us not sacrifice liberty and freedom on the altar of expediency or selfishness. Let us remember that liberty and freedom are not only to be talked about but also to be lived.

The seeds of good government are always rooted in the fertile ground of responsible citizenship. We are not just citizens of a State or political subdivision; we are citizens of the United States. National politics is the medium through which American citizens can work in building a stronger, happier, and better nation. It is through this medium that we can meet the challenge of assuring "one Nation indivisible, with liberty and justice for all."

There is no other nation on earth where the individual has as many privileges and as much responsibility as has the American citizen. To realize and appreciate this is the first step toward becoming a responsible citizen. From this realization will come the inspiration and the impelling desire to keep America, as a Nation, strong politically, economically, and morally.

That is our job in national politics.

A Tribute to Norway

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, May 17 (legislative day of Monday, April 11), 1949

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a tribute to Norway, paid by me on this day, May 17, 1949, the anniversary of Norwegian independence.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

A TRIBUTE TO NORWAY

I am happy to convey my warmest greetings to His Excellency, King Haakon, and to all the people of Norway on their celebration of Independence Day. Last Friday

night it was my pleasure to participate in a Sons of Norway May 17 festival here in Washington. The American people have always felt the deepest bonds of friendship with the heroic Viking land from which so many of their fine citizens are descended. As allies during the Second World War, we came to know more than ever before the valor of Norwegian fighting men and women, and of the Norwegian population. Now in peace, we have learned to an ever greater extent the courage and fortitude of the Norwegian people in working out their economic reconstruction so largely by their own belt-tightening efforts. Moreover, during these troubled times, we have been thrilled by the brave spirit of Norway in boldly entering into the North Atlantic Pact along with her sister country, Denmark.

In paying tribute to Norway, our thoughts naturally, too, turn to the other Scandinavian lands whose fierce love of freedom and individual liberty have always been an inspiration to all peoples. During the Second World War, Sweden, of course, rendered invaluable assistance to the Allied cause, and her fraternal bonds with enslaved Norway were never severed. Moreover, we recognize the situation in which this indomitable land has found itself, practically in the mouth of the Russian bear, yet holding on determinedly to its independence and to the traditional freedoms of its citizens.

So, across the seas we congratulate the good people of Norway and their great monarch, and we wish for them a greater prosperity, a more lasting peace than ever before known.

Norway today symbolizes the industry, the energy, the national pride, and the cooperative spirit which are so desperately needed during these chaotic times.

Long live King Haakon, and long thrive the Norwegian people.

Can Farmers Afford Irrigation Under the Pick-Sloan Plan?

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Tuesday, May 17 (legislative day of Monday, April 11), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Can Farmers Afford Irrigation Under the Pick-Sloan Plan?" from the Bismarck (N. Dak.) Leader of May 13, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CAN FARMERS AFFORD IRRIGATION UNDER THE PICK-SLOAN PLAN?

North Dakotans are becoming agreed on one thing concerning the current Pick-Sloan plan for development of the Missouri Valley Basin—that is that it is not a plan at all but a conglomeration of projects that usually conflict with each other.

Even at this late date with construction well along on the giant Garrison Dam there is no agreement as to what priority farmers in North Dakota will have on the water stored therein. Will it be used for navigation or for irrigation? No one knows how much power will be generated or what rate will be charged for it.

The charges that will be loaded on prospective users of water for irrigation can only be guessed at. It is just about certain that even when estimates are available the costs will run much higher than planned. The amount of land that will be irrigated is a matter of guess work and may not run as high as the present projects anticipate. How many farmers will accept irrigation is an unknown quantity. When they became aware of the terrific costs involved many of them will prefer to take a chance on dry-land operations.

One of the first irrigation projects that will get under way in North Dakota is the Heart River project near Mandan. Landowners there have been unable to find out how much the proposed project is going to cost them. The only thing they have found out is that the contract proposed by the Bureau of Reclamation stacks all the cards in favor of the Secretary of the Interior and his agents. The landowner has little to say about what happens in the proposed irrigation district.

The Hoover report on the Pick-Sloan plan reports that similar projects in Kansas involve a repayment cost of $263 per acre. It has been estimated that in Nebraska the costs may run as high as $500 per acre. The costs on the Heart River project may well equal or exceed the totals on the Nebraska project. Any farmer knows that no farm, even if irrigated, can carry such a terrific overhead. Power contributions and flood-control assessments on the Heart project will be very small so the landowners will have to carry the major portion of the construction costs of this development. And then there is some doubt as to whether sufficient water will be available in dry years when the need is greatest.

Farmers who have been sold on the good points on irrigation, the crops that can be raised and the practical certainty of a good yield had better look the deal over pretty carefully before they sign any contracts for the construction of irrigation works on their property. The costs may be so high that the farmer will never have a chance to break even on the deal. Will the Heart River project go down in history as another Pick-Sloan plan blunder? From all appearances it will unless the landowners in that area get water on their acreage at a lower cost than the present estimates. A Missouri Valley Administration could accomplish that by charging the costs over the entire project and letting irrigation carry only its proportionate share of the construction expense instead of the major portion of the cost.

Editorial Comment Regarding Hon. Harry Flood Byrd, of Virginia

EXTENSION OF REMARKS
OF
HON. JOHN W. BRICKER
OF OHIO
IN THE SENATE OF THE UNITED STATES
Tuesday, May 17 (legislative day of Monday, April 11), 1949

Mr. BRICKER. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD, several editorials, some from my State, dealing with the recent rather unfortunate experience of the President of the United States in reflecting upon one of the most distinguished Senators of the United States Senate. One of these editorials is from the Cleveland Plain Dealer, and is entitled "Foot in Mouth Disease." There is not a newspaper in Ohio but what has editorialized unfavorably to the position of the President and commending the distinguished Senator from Virginia in this matter. I have a few editorials which I have picked at random. One is from the Pittsburgh Post-Gazette, entitled "BYRD Out of Hand." Another one from the Scripps-Howard newspapers, which are published in my State also, but this particular one is from a Pittsburgh newspaper. It is entitled "More Byrds Needed." Another article is from the Knoxville News-Sentinel, entitled "More Byrds Needed." I have another one from the Nashville Banner entitled "Distinction for BYRD," and another from the Standard-Times, of New Bedford, Mass., entitled "Not Enough Byrds."

I ask unanimous consent that these editorials, dealing with our distinguished colleague from Virginia, may be printed in the Appendix of the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Cleveland Plain Dealer of May 11, 1949]

"FOOT-IN-MOUTH" DISEASE

Ordinarily the spectacle of a Democratic President openly declaring political warfare against a Democratic Senator would be merely amusing, at least to Republicans, or at most would be dismissed as a personal feud between two rival politicians.

But the issues and implications inherent in President Truman's remark that "there are too many Byrds—B-y-r-d-s—in the Congress," meaning Senator HARRY F. BYRD, of Virginia, are of such a nature that they are bound to have wide repercussions during the remainder of the President's term of office.

For BYRD is not an ordinary run-of-the-mine politician. As chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, BYRD has become a symbol of economy in Washington. And as one of the most influential Members of Congress from below the Mason and Dixon's line, he is a respected spokesman of the Southern Democrats.

Thus, whether he planned it that way or had other motives, President Truman has put himself in the position of opposing the leading advocate of economy in the Federal Government, and he has stirred up a new controversy with the southern bloc which may keep Congress in a turmoil as long as Truman is President.

As might have been expected, the southerners have rallied to BYRD's support, claiming the President's remark was a gratuitous insult to the entire South.

The incident also dramatized the issue of economy versus extravagant and reckless spending of the taxpayers' money. For years BYRD has been urging the Government to discontinue unnecessary expenditures, and his committee has kept a running total on the number of employees on the Federal pay rolls, which it publishes from time to time. President Truman has never shown any disposition to reduce Federal expenditures, but, on the contrary, has advocated Federal spending on a scale so lavish as to make the late Harry Hopkins look like a piker.

One reason the President believes there are too many Byrds in Congress may be found in the fact that the Virginia Senator cast the deciding vote which blocked the appointment of Truman's pal, Mon Wallgren, as Chairman of the National Resources Security Board. BYRD declared he voted against con-

firmation because he did not believe Wallgren was qualified to hold such a responsible position.

President Truman seems to have an unerring instinct for saying things that will get him in trouble with Congress, especially with Members of his own party. A short time ago he announced that Congressmen who didn't vote as he wanted them to on the repeal of the Taft-Hartley Act would be denied Federal patronage, while those who followed his wishes would be rewarded. This statement aroused considerable animosity in Congress and is believed to have cost the administration many votes.

Last Saturday the President appeared to have repudiated the policy of White House dictation over legislation. At the luncheon at which Senator VANDENBERG and Speaker RAYBURN were the recipients of the Collier's congressional awards for distinguished service to the Nation in 1948, Truman said that Members of Congress should do what they think is the right thing to do, even though others, including their constituents or the President himself, might disagree with them.

But 48 hours later the Presidential blast against Senator BYRD came from the White House, although BYRD is certainly an outstanding example of a Member of Congress who does what he thinks is the right thing to do, regardless of what anyone else thinks about it.

This newspaper cannot agree with the President that there are too many Byrds in the Congress. On the contrary there are too few. But on the basis of the record to date, a good argument could be made for the proposition that there are too many Trumans—T-r-u-m-a-n-s—in the White House.

[From the Pittsburgh Post-Gazette]

BYRD OUT OF HAND

President Truman has undertaken a labor that would shame Hercules if he is serious about trying to dislodge HARRY F. BYRD from the Senate. Senator BYRD has sat in the upper Chamber continuously since 1933, and he now enjoys unquestioned control of the Democratic Party in Virginia. As for purging him, the Chief Executive might better follow the songwriter's hint and try lighting a penny candle with a star.

Fact is, the President has indeed lighted a candle with his offhand remark about there being "too many Byrds in the Congress." But in this case it's a Roman candle, which should add to the sound and fury of the fireworks which Congress has showered on Mr. Truman of late.

Senator BYRD is highly respected in the Senate, especially by his colleagues from the South. Many of them may well take the President's challenge to the Virginian as personal affront—which, coming on top of the White House's ill-advised threat to deny patronage to recalcitrant Democrats, could mean more trouble for the administration's program.

Quite aside from Mr. Truman's own troubles within his party, we must heartily disagree when he says that there are "too many Byrds in Congress." For our part, we would there were more men in Washington these days like Senator BYRD, who sees that economy and a sound fiscal program are vital to the future of this Government and this society. Any number of lawmakers will talk about holding down Government spending and about paying off the public debt, but Senator BYRD is one of a very few of them who will try consistently to vote in accord with these laudable objects.

A Senator BYRD preaching economy on the floor of Congress is worth two Senators preaching it at a banquet back home. Which, of course, is precisely why Mr. Truman, who has promised all things to all men, would like to bag him.

[From the New York World-Telegram of May 10, 1949]

MORE BYRDS NEEDED

Officers of the American Veterans Committee, who called on President Truman yesterday, said he told them there were too many men in Congress like Senator HARRY F. BYRD, of Virginia.

Mr. Truman, according to the AVC officers, admonished them to go back home and see to the election of Members of Congress who think in terms of national rather than local interests, of large plans instead of small plans.

Senator BYRD, in a speech the other day, said that the national interest urgently required a large plan for Government economy.

He predicted that, in the present fiscal year ending June 30, the Government would spend $800,000,000 more than it takes in.

He estimated that present Government activities, plus new activities proposed by Mr. Truman, would increase Government spending from $40,300,000,000 this fiscal year to $44,300,000,000 next fiscal year and to $47,400,000,000 in the fiscal year after that.

He said that boosting Government revenue enough to cover such spending would require a large tax increase—but that a large tax increase, imposed at a time when business is already receding, might turn a minor decline into a major depression.

He asserted that the higher individual and corporate income taxes for which Mr. Truman has asked, plus Federal excise taxes, plus higher pay-roll taxes for expanded and new social-security programs advocated by Mr. Truman, would mean a take for the Government of $49,300,000,000 next fiscal year.

It would mean, he argued, the Federal, State, and local governments taking nearly 30 percent of the total national income—even if the national income stays as high as it is—and imposing a heavier burden than the economic machine can carry safely.

Deficit spending, Senator BYRD said, would be even more surely ruinous. For, he said, if the Federal budget cannot be balanced in this period of prosperity and peace, there is grave doubt that it ever can be balanced again and that the Government's credit and our system of Government can be saved from destruction.

Mr. Truman, it seems, did not admire Senator BYRD's speech. He probably was more favorably impressed by the remarks of Senator J. C. O'MAHONEY, of Wyoming, who has just warned of dire peril if the Government starts trimming its spending too deeply or firing too many employees.

So it's likely that a chorus soon will be shouting that O'MAHONEY, the liberal and progressive, is the true prophet, and that nobody should listen to BYRD, the conservative and reactionary.

But what Congress really needs just now is more men like BYRD, of Virginia—more men who react against danger of national insolvency and dare to advocate conserving the Government's credit.

[From the Knoxville News-Sentinel]

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Deficit spending, Senator BYRD said, would be even more surely ruinous. For, he said, if the Federal budget cannot be balanced in this period of prosperity and peace, there is grave doubt that it ever can be balanced again and that the Government's credit and our system of government can be saved from destruction.

The only safe way to balance the budget, he contended, is to retrench—to eliminate or postpone all new activities not absolutely essential, to reduce the Federal pay roll, to trim appropriations, to cut $4,000,000,000 from proposed spending for next fiscal year. That, he said, was the imperative duty of Congress.

Mr. Truman, it seems, did not admire Senator BYRD's speech. He probably was more favorably impressed by the remarks of Senator J. C. O'MAHONEY, of Wyoming, who has just warned of dire peril "if the Government starts trimming its spending too deeply or firing too many employees."

So it's likely that a chorus soon will be shouting that O'MAHONEY, the liberal and progressive, is the true prophet, and that nobody should listen to BYRD, the conservative and reactionary.

But what Congress really needs just now is more men like BYRD of Virginia—more men who react against danger of national insolvency and dare to advocate conserving the Government's credit.

[From the Nashville (Tenn.) Banner of May 11, 1949]

DISTINCTION FOR BYRD

Senator HARRY BYRD, stanch Democrat of Virginia, should welcome the distinction of being singled out by Mr. Truman as the target of a personal tirade. It is for him a personal vindication as the exponent of policies with which Mr. Truman is in violent political disagreement; incidentally, the same policies, in general, on which Congress stands arrayed against the White House. Actually, it is the stand of Congress—as representative of the whole people—against the assault of pressure groups, and the inroads of a squanderbund which hopes to perpetuate the New Deal's policy of spending, spending, taxing, taxing, and electing and electing.

Senator BYRD has no apology for that, any more than other southern Democrats have any apology for resisting and defeating thus far the Truman force bill encroachments. Mr. Truman declares there are "too many Byrds in Congress." He has also declared in

substance that there are too many southern, or Jeffersonian, Democrats. Like Jake Kroll, high priest of the political cult known as the CIO-PAC, he regards these as "not good Democrats." He has threatened to purge them.

Perhaps now the CIO-PAC will concentrate on Virginia in its Operation Dixie. It shares Mr. Truman's dislike of Senator BYRD. No more than Mr. Truman does it like his preference for constituents as the will to be consulted, his drive for economy to terminate the plunge toward national bankruptcy, his belief in basic Democratic policies, his opposition to the force bill, his decision that Mon C. Wallgren was not the man to head the National Security Resources Board.

There is every evidence, on the other hand, that the vast majority of the American public stands with BYRD on these issues—and that in that stand he honestly and honorably represents that majority.

Senator BYRD has met this challenge with characteristic courage and frankness. "If the President means he intends to purge me from the Senate because I will not accept his dictation in matters of legislation, then I'll be on hand when the purging starts."

[From the New Bedford (Mass.) Standard-Times]

NOT ENOUGH "BYRDS"

President Truman's reported censure of Senator BYRD's demand for a reduction in Government spending was so badly timed as to place the President in an embarrassing position. On the day he said there were too many Byrds in Congress—men who are "unable to see things in terms of the national interest"—his own Council of Economic Advisers was revealed as having recommended adoption of a fiscal policy almost identical with that proposed by the Senator from Virginia.

Through its Chairman, Edwin G. Nourse, the Council warned against the danger of "red ink" financing. Senator BYRD, who called it deficit financing, sounded the same warning. Mr. BYRD voiced opposition to increased taxes as recommended by the President. So did Mr. Truman's economic experts, who said wartime taxes that basically affect business should be reduced. They proposed that the date of the increase in social-security pay-roll taxes be postponed from June to next January. This levy, they said, would take a bite out of pay checks and increase business costs.

In the existing economic situation the Council expressed the view that large-scale spending on public works was not warranted, because such outlays would make it harder to reach the goal of lower Government costs. As for the $4,000,000,000 increase in taxes, the attitude was that such a boost might wipe out private capital needed for industrial expansion, or cause business to retrench so severely that the present healthy disinflation might turn into a serious recession.

Senator BYRD's demand for reduced spending, reduced taxes, and no deficit spending evidently got under Mr. Truman's skin. It seems to have intensified the irritation previously caused by Mr. BYRD's vote in a Senate committee to table the nomination of Mon C. Wallgren for the chairmanship of the National Security Resources Board. Yet what Mr. BYRD recommended as sound financial policy is so completely in line with the report of the Council of Economic Advisers as to leave the President out on a limb. Instead of there being "too many Byrds" in Congress, it appears there are not enough of this species.

Europe Relieved by Opposition to Franco Spain

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 17 (legislative day of Monday, April 11), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "U. S. Stand on Spain Calms Moderates," written by C. L. Sulzberger, and published in the New York Times of May 15, 1949.

There being no objection, the article was ordered to be printed in the RECORD as follows:

UNITED STATES STAND ON SPAIN CALMS MODERATES—FRENCH THIRD FORCE RELIEVED BY RECENT FIRM STATEMENT OF SECRETARY ACHESON

(By C. L. Sulzberger)

PARIS, May 14.—Considerable relief is felt by circles of the politically moderate Third Force over Secretary of State Dean Acheson's declaration on Spain in which he publicly insisted upon the liberalization of the Franco regime and the restoration of civil rights.

During the last weeks there has been increasing anxiety about the possibility that the United States for what it seemed to think were valid strategical reasons, had been gradually abandoning its opposition to the Spanish Government.

It is well known that certain military leaders in western union countries as well as in the United States have argued that Spain must gradually be worked into a position of cooperation with North Atlantic Pact members. Furthermore, Nedjmeddin Sadak, the Turkish Foreign Minister, is understood to have urged the inclusion of Spain in a Mediterranean pact that Turkey and Greece have been unsuccessfully promoting.

Basing their views upon fundamental political assumptions, Third Force leaders not only in France but in other Western European lands have been extremely worred about what seemed to have been a shift in United States policy on Spain.

They held the view that were Generalissimo Francisco Franco at last to be accepted as a friend of the democracies it would tend to confirm Soviet propaganda allegations and would weaken the political philosophy position of the West, which insists it is against all forms of dictatorship.

In fact officials of the Force Ouvriere, non-Communist union group, and of Catholic trade unionists in France privately advised the United States Embassy that should Spain be accepted on an equal basis with the democracies, they feared it might crumble the structure of popular support for the Marshall plan and the North Atlantic Pact—especially that vital segment of support by the non-Communist left.

These fears were enhanced when the State Department permitted the Chase National Bank to grant a private loan to Spain. When Secretary Acheson followed this up by stating that Washington had no political objections to loans to Spain and that Madrid had applied for aid to the Government's Export-Import Bank, confusion grew.

While Mr. Acheson stated that Spain was not a good risk economically, this was hardly news, and the declaration that political objections no longer existed appeared to indicate a fundamental shift in United States policy.

Spanish economy, as is well known in Europe, is at rock bottom. The famous Basque Bank of Urquijo estimated last year that Spain required $777,000,000 in loans to get on her feet.

Whether Mr. Acheson's press conference statement on Wednesday will allay fears in Europe about basic changes in Washington's Spanish policy remains to be seen. There is still considerable skepticism.

Doubts remain as to the true line of United States policy because of the basic fact despite Mr. Acheson's two statements that the United States had definitely removed its political embargo on loans to Spain.

The Chase National Bank lent $25,000,000 against gold deposits in London 6 weeks ago. Now Andres Moreno of the Urquijo Bank, representing both his organization and the Spanish Government in Washington, is seeking $300,000,000 from the Export-Import Bank.

It is dubious whether he will completely succeed. Nevertheless State Department policy has clearly changed despite Mr. Acheson's latest statement. The green light was given to the Chase Bank for its small loan to test United States public reaction, which does not appear to have been violent.

Many Europeans, who realize what a tenuous political balance still prevails in the coalescing Western bloc, are nervous, however, lest the State Department fail to take into sufficient account the public opinion of these countries.

Although their anti-Communist majority seems to be growing, they have not lost their distaste for the Spanish system, which Mr. Achesor himself described as Fascist.

Evidence of Uncontrolled Budget

EXTENSION OF REMARKS

OF

HON. KENNETH S. WHERRY

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 17 (legislative day of Monday, April 11), 1949

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Evidence of Uncontrolled Budget," written by Raymond Moley and published in the Lincoln (Nebr.) Journal of May 10, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EVIDENCE OF UNCONTROLLED BUDGET

(By Raymond Moley)

The proposal to cut the costs of all Federal bureaus, departments and activities by a horizontal 5 percent, now meeting favor among conservative Democrats as well as Republicans has several advantages. It is simple, it is reassuring to the country, and it is fairly equitable to all services concerned. It puts the burden on each agency to apply the cut. And anyone familiar with the padding of budget requests by bureaucrats knows that such a cut will not result in the public's loss of any essential service.

Moreover, under conditions as they are now in Congress, with unfinished business piled up everywhere and no major legislation yet enacted, and with a real impasse between the President and the GOP-Dixiecrat coali-

tion, this over-all cut is about all that can be done.

Since several immense proposals, such as arms for western Europe, which involve billions may be added to the President's earlier budget, the total cost of our Federal Government in the year beginning in July may run close to $50,000,000,000. The 5 percent cut, therefore, would save nearly $2,500,000,000 and cover five-eighths of Truman's proposed tax increase.

The taxpayer, who has attained the mood in which he is thankful for very small favors indeed, should realize that such a small horizontal cut is a clear confession by Congress that it has failed utterly in achieving any really constructive budget action. It has failed to live up to its own rule, adopted in 1946, to produce a legislative budget by May 1.

The simple and appalling fact is that the Federal Government is completely out of financial control. The thing is so big and so complex that methods of control established when we were spending one-tenth of present amounts are not adequate for the task. We are all like passengers in a bus which is rolling down a steep hill with brakes built long ago for a vehicle one-tenth its size.

The Hoover Commission pointed out in a remarkable report that the present Budget Bureau, which has grown enormously in personnel, is not organized to provide the President with real control over expenditures.

Heart and Cancer Research

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE SENATE OF THE UNITED STATES

Tuesday, May 17 (legislative day of Monday, April 11), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an advertisement entitled "Senators, Please Think This Over!" sponsored by the National Heart Committee and published in the Washington Post and the Washington Times-Herald of May 16, 1949.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

SENATORS, PLEASE THINK THIS OVER

While you are voting tens of billions of dollars for other important needs—please vote the few millions of dollars necessary to help prevent over half the United States population from dying prematurely.

This advertisement is being paid for by American taxpayers, who are as anxious as you are to hold down our national budget.

At the same time the expenditure of a comparatively few millions of dollars for adequate appropriations for the National Heart Institute and the National Cancer Institute can held prevent millions of premature American deaths. These dollars are necessary for research, construction of research facilities, and training of research workers.

Nearly 64,000,000 Americans now alive will die too young of heart diseases—and over 19,000,000 Americans now alive will die of cancer, unless new treatments and cures are found. Approximately half of all heart and cancer deaths occur in people under 65 years of age. In addition to the tragedy and heartbreak of this—the economic loss is incalculable.

We who help to supply the money for our $41,000,000,000 national budget—including over $5,000,000,000 for European aid—urge you to sustain the amendments passed by the Senate on April 27, 1949, for heart and for cancer research.

The amount of money involved for both the heart and cancer amendments is approximately $32,000,000.

Leading heart and cancer doctors have testified before the Appropriations Committee that this is a minimum amount required. Much more has been requested by outstanding medical institutions, and could be used effectively.

The lives of over half of our population are at stake.

We are for economy, just as you are, but we urge that this amount of money—which is substantially less than one-tenth of 1 percent of our total national budget—be applied to these vital life-saving projects.

Senators, please think this over.

Millions may live longer—if you vote in favor of the heart and cancer amendments to the Labor-Federal Security Administration appropriations bill.

ANNA M. ROSENBERG,
EMERSON FOOTE,
Cochairmen.
T. DUCKETT JONES, M. D.,
PAUL D. WHITE, M. D.,
Mrs. WENDELL WILLKIE,
Gen. WILLIAM J. DONOVAN,
TED R. GAMBLE,
ROBERT COYNE,
Executive Committee.

The National Heart Committee, 237 Madison Avenue, New York, N. Y.

Sponsors of the National Heart Committee: James S. Adams; Julius Ochs Adler; Mrs. Arthur (Bugs) Baer; Joan Bennett; Seymour Berkson; Barry Bingham; Miss Leonora Corbett; Gov. James Cox; David C. Crockett; Miss Jessica Daves; James Douglas; David Dubinsky; Irene Dunne; James A. Farley; Don Francisco; Mrs. Bernard Gimbel; Bernard F. Gimbel; Harry Goldblatt, M. D.; Maurice Goldblatt; Samuel Goldwyn; William Green; Mrs. Harold Guinzberg; Harold Guinzberg; Siegfried F. Hartman; Bob Hope; John R. Kimberly; Edgar Kobak; Miss Eleanor Lambert; Mrs. Albert D. Lasker; Art Linkletter; Leonard Lyons; Ernst Mahler; Mrs. Daniel Mahoney; Daniel Mahoney; Bleeker Marquette; Hugh Martin; Ben May; Alfred McCoskey; Fibber McGee and Molly; Merrill Meigs; Lois Mattox Miller; Frank Mullen; Philip Murray; Mrs. Dorothy Norman; Mrs Peter Rathvon; Grantland Rice; Mrs. Franklin D. Roosevelt; Elmo Roper; Howard Rusk, M. D.; M. Lincoln Schuster; F. J. Sensenbrenner, Henry Simms, M. D.; Henry Stampleman; Frank Stanton; Robert E. Straus; Gerard Swope, Sr.; Mrs. Ted Thackrey; Lowell Thomas; Walter Wanger; George W. Weber, Jr.; Lewis Allen Weiss; A. F. Whitney; John Hay Whitney; Matthew Woll; Benjamin Wood; Robert W. Woodruff; Mark Woods.

First Anniversary of Establishment of Israel

EXTENSION OF REMARKS
OF
HON. MILLARD E. TYDINGS
OF MARYLAND
IN THE SENATE OF THE UNITED STATES

Tuesday, May 17 (legislative day of Monday, April 11), 1949

Mr. TYDINGS. Mr. President, last Sunday evening, in the Fifth Regiment Armory, Baltimore, the distinguished junior Senator from Maryland [Mr. O'CONOR] delivered one of the principal addresses at the exercises commemorating the first anniversary of the establishment of the State of Israel. The interest manifested by the people of Baltimore in the affair, and the splendid reception accorded the Senator upon his address, evoked city-wide comment.

I ask unanimous consent that the distinguished Senator's address be published in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is an honor, indeed, to have been asked to speak to you on such a historic occasion as this. In grappling with our personal problems of everyday life we are apt to overlook the fact that great events of far-reaching significance sometimes take place before our eyes. One of these events, which will have its world repercussions throughout all the years to come, we are memorializing here tonight—the completion of the first year of the resurrected Jewish state. And, as if that were not enough to justify a rousing celebration, the fact that this lusty infant state has been received officially into the United Nations renders joy complete for every friend of Israel, and every lover of freedom.

Truly, the past 12 months have been months of gratifying achievement for the people of Israel. They also have been months of heartfelt satisfaction to many millions of persons throughout the world who had watched the launching of this new Jewish homeland a year ago with foreboding. What desperate odds they faced, those warriors and leaders of Israel, with the whole Arab world ranged solidly against them, with British troops stationed among them to prevent armed preparations for the onslaught they knew would be launched against them; and with an arms embargo against them while their enemies were free to procure arms without limit.

To add to their troubles, there were thousands of newly arrived immigrants to house and feed, there were problems of internal organization, and all the while their vital port cities were being bombed and their settlements attacked. Stout hearts were needed, and stout hearts there were, a plenty—young men, older men, veterans of bitter fighting in all the theaters of World War II and lads of high-school age—young women, too, supplementing the all too meager ranks of the military, or toiling in the fields to produce the vital crops needed to sustain the fighting forces, the workers, and the new arrivals.

The history of our own land records the long years of travail, of suffering, and of effort, during and following the Revolutionary War, that were required before the Thirteen Original Colonies could honestly claim to be a nation in fact as well as in name. Israel had to encompass all this within the space of a single year. And well may you take pride in the fact that Israel did it magnificently, including the holding of its first general election, and drafting of its constitution, a model of the most advanced thinking in this field, in which the basic principles of our own great American Constitution are well reflected.

Conceive, if you can, what a task it was for the citizens of this newly formed state to carry to successful conclusion a bitter war against great odds, to set up a workable and smoothly functioning government, and to receive and assimilate at the same time more than 100,000 new citizens, many of them utterly destitute, and so ravaged by their sufferings in the carnal houses of Nazi savagery, as to be complete liabilities, for whom rehabilitation facilities were necessary.

Indeed, you have every right to rejoice tonight, for it was your backing and support, multiplied many times over in similar communities of our great land, which made it possible for the men and women of Israel to carry their momentous venture to its present happy situation. It was through the aid you furnished that this first-born child of the United Nations was able to survive the agonies of birth, and of prodigious growth. With the impetus thus given, and with a continuation of the loyal support evidenced here tonight and at the many other gatherings of this kind it has been my privilege to attend in the past, we may be sure this thriving homeland of world Jewry will justify increasingly the hopes of its founders, and the confidence of its well-wishers in America and in every land where freedom flourishes.

The outstanding leaders of Israel have been so intelligent as to realize that the country was on trial, so to speak, before the bar of world opinion. This was so for several reasons. First, it owes its very existence to the United Nations, and so its fortunes and those of the UN are inseparably allied. For it was the action of the World Organization in 1947, approving the partition of Palestine, which made possible the establishment of the state of Israel. Likewise, it was through the good offices of the United Nations that, following Israel's victories in the field, the currently existing armistices were arranged. And again it was the United Nations which placed the seal of official approval on Israel only this past Wednesday, by voting to admit her as a full-fledged member of the great world group.

All these supporting actions of the UN were carried through, as you well know, against violent opposition. The Arab States, were so bitterly opposed to partition that they tried, desperately, by force of arms, to wipe this new nation of Israel from the face of the earth. And that this opposition still exists was demonstrated vividly following last Wednesday's favorable vote, when the Arab representatives walked out of the UN session in protest.

What does that signify? Simply this—that Israel must set an example of national rectitude, of progress and of internal and international fair-dealing, or its antagonistic neighbors will be ready to proclaim its failings to the entire world. Israel, perhaps more than any other nation that ever came into being, must develop to be a great instrument for good, must seek in unusual measure to bring human liberties and enlightened concepts of social welfare to its own citizens of Hebrew origin, as well as to the members of other races dwelling within its borders.

That this will be the constant and passionately held purpose of the new state, of all its officials, and of its entire population, we can predict with utmost confidence. The same desire for truth and justice which characterized the Jewish prophets of old will, we know, be the paramount characteristic of this new state.

But just as there is this great responsibility resting upon Israel so is there a corresponding opportunity for its progressive people to demonstrate in dramatic fashion the social and political benefits it has to bestow upon this critical area of which it is the core.

The Middle East, with whose fortunes Israel now is bound so intimately, presents a particularly unattractive picture. Its social, economic and hygienic standards are pathetically low. Its political framework is outmoded. Its conceptions of liberty and self-government are so perverted as to be almost nonexistent.

More than anything else, that part of the world, in its own interests, must take advantage, under Israel's tutelage and leadership, of the vast opportunities which freedom and modern economic methods can bring in their wake. The cause of freedom, the cause of justice, the cause of decency toward one's fellow human beings, all are undergoing a difficult struggle all over the world against the forces of greed and selfishness. But in the Middle East the situation in these respects is particularly acute.

Not only the people of Israel, many of whom have had all their old concepts of justice and morality battered by tragic treatment at Nazi hands; but the people of the neighboring countries, and indeed the world at large, are in need of such an example of national nobility as Israel, with its basic moral virtues, and under the inspiration of its recent accomplishments, can supply.

And we may be sure that her leaders, her people, are aware of their opportunity. They know that what they do will affect the standing of their fellow Jews throughout the world. More than that, it will add to the prestige of the UN among these nations who are so critically watching, and judging, Israel's progress. They know that if Israel is to achieve, and maintain, the high standards of culture, of social welfare and of health that her people so fervently desire, she must help also to raise and maintain comparable standards among her neighbors in this poverty-stricken, disease-ridden sector of the world.

America heartily salutes the State of Israel on the occasion of this first anniversary of its founding. As one free nation to another, we say: "God speed you." May its problems that now loom so grave, be but a challenge to the initiative of its people, and may they be resolved with all the courage and determination that has signaled this first great year of Israel's development and growth.

May this new democratic state forever cherish the ideals of freedom and justice that are the basis of its national creed. And hand in hand with our own great country and with all those nations where freedom rules, may it go forward in peace and prosperity to help establish and maintain that universal peace and international good will that is the fervent hope and final goal of free men everywhere.

The Worker Pays

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, March 25, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, many working people think that, if the Federal Government inaugurates a program, it will not cost them anything; that the cost will be borne by the so-called rich, by the employer.

As a matter of fact, the consumer always pays the cost of a Federal project—he pays it whether he buys a loaf of bread, a pair of shoes, a package of cigarettes, or a bottle of whisky.

While many people think that Truman's health program, so-called, will not cost them anything, will be a benefit received without payment, some of the editorials of the smaller weeklies are telling the folks the truth.

Such an editorial comes from the Allegan Gazette, published at Allegan, Mich.:

TRUMAN'S HEALTH PROGRAM

In his successful effort to win the Presidency Truman, among other things, promised the people free medical care. Now his health program has been submitted to Congress. No one, not even its sponsors, can with any degree of accuracy, estimate its cost to the taxpayers of this country. It has been conservatively estimated that its initial annual cost will amount to $6,000,000,000. It will be financially supported by a 3-percent pay-roll tax.

Briefly, the bill is designed to tax everybody to provide free medical aid to every person in the United States and to subsidize the medical profession, and, like the rest of Truman's program, is socialistic in nature.

The medical profession has, from the beginning, fought the bill, as they have no desire to be subsidized—realizing that in the end they would lose much of their independence of action, and would be subjected to governmental controls and red tape.

Truman seems to think that through the medium of taxation he can force the individual worker and private industry to support and finance his program to socialize this country. Social security, old age pensions, unemployment compensation, farm subsidies, and now medical aid are all to be included in one form or another in the cost of producing consumers goods to be paid for by the public.

In this country today, anyone with any kind of initiative can enjoy conveniences and luxuries to a greater extent than at any time before or in any other country. Most of us own automobiles, radios, bathtubs, electric stoves, hot water heaters and all the rest of the pharaphernalia that makes life easy. Most of us earn enough to buy food to keep us healthy and to afford a modest vacation.

This condition was brought about through private industry producing consumer goods at as cheap a price as possible and at the same time paying as high wages as possible. The purpose was to produce a buyers market through employment and high wages and cheap goods produced by mass production.

Truman, who doesn't really know what a pay roll is, has invented a scheme that operates in reverse. His purpose is to lower the workers wage by a pay-roll tax and to increase the cost of consumers goods by a tax on the employer. The result will be to force out of business the smaller industries, to aggravate strife between the unions and industry, to increase unemployment and the cost of living and eventually to destroy private industry.

Already to a large extent the worker has been deprived of a substantial part of his pay. Already industry has been required to increase the cost of its product to take care of Government taxes. Already business in our bankruptcy courts is on the increase. Truman and the rest of his social advisers is a bigger menace to the welfare of this country than all of the Soviet Union. We trust that Congress will retain its common sense.

L. W. H.

Program for Government Economy

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Tuesday, May 17 (legislative day of Monday, April 11), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me entitled "Program for Government Economy."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PROGRAM FOR GOVERNMENT ECONOMY

There has been a good deal of talk in the Senate about the Federal budget. On several occasions attempts have been made to exact a 5-percent appropriation cut. Attempts were made in the instance of the appropriation bill for the Department of Labor and Federal Security Agency, and also in reference to the Department of the Treasury, Post Office, and the Export-Import Bank. It should be noted that the economy efforts were made on the floor of the Senate despite the fact that the Senate Appropriations Committee, which is a bipartisan committee, had held extensive hearings on each and every item of the budget for the departments which the Senate considered. Possibly no two agencies more directly affect the life of the American citizens than the Federal Security Agency and the Department of Labor. Both political parties in their conventions complained about the drastic reduction of the Department of Labor in both its personnel and its functions. Both parties pledged that this Department would be strengthened—as it well should be.

The Post Office Department is obligated under the law passed by Congress to perform essential services. It is already operating at a deficit, and to reduce its appropriations at this time would be closing our eyes to reality and jeopardizing the services of the Post Office. Some of the Members of Congress that are now calling for a 5-percent cut in Post Office appropriations are the same Members who only a year ago voted to increase salaries of postal employees.

The Treasury Department appropriation includes such essential services as the Bureau of Internal Revenue and the Reconstruction Finance Corporation. I know of no two agencies in Government that are more vital to the well-being of the Nation's financial and economic structure.

It would be well to take a look at the budget; or better, let us say at the budget dollar. Out of every budget dollar collected 34 cents is directed to national defense; 16 cents to our international programs of rehabilitation and relief; 13 cents for veterans' benefits and veterans' care; 13 cents for interest on the public debt, which is primarily a war debt; 6 cents of every budget dollar goes for social welfare, health, and security; 18 cents of the budget tax dollar is required for the general administrative expenses of Government, including such Departments as Treasury, Labor, Interior, Commerce, Federal Works Agency, Interstate Commerce Commission, Federal Trade Commission, Securities Exchange Commission, and others. It should be noted that in this 18 cents of the budget dollar all of our programs for agriculture, soil conservation, land reclamation, flood control, REA, and public works are included.

Possibly a regrouping of these figures will be helpful. Seventy-six cents out of every budget dollar is dedicated to national defense, European recovery, veterans' benefits and hospitalization and interest on the public debt. Only 24 cents of the budget dollar remains for the essential public services required by the people.

To be sure, all of us want economy in government, but it is strange to me that the political play for economy begins on the 6 cents of the budget dollar in social welfare, health and security. The question might be well asked whether or not the real economy that is needed, which will provide relief to the taxpayers and permit balancing of the budget, ought not to come in the bigger items, such as national defense, which takes 34 cents of the budget dollar.

Lest there be any misunderstanding of my remarks, may I point out that the Hoover Commission has categorically stated that a minimum of $1,000,000,000 can be saved in the national defense establishment without in any way jeopardizing the defense of this Nation. The more optimistic members of the Hoover Commission insisted that a minimum of $3,000,000,000 could be cut upon the national defense budget without in any manner weakening or jeopardizing the security or defense of the Nation.

Possibly the answer to our economy drive is in constructive and intelligent application of the basic recommendations for governmental reorganization and economy as suggested by the Hoover Commission in its exhaustive reports. This, however, will require congressional action. It will mean reshuffling Government agencies and eliminating some. It will require direct unification of the armed services. It will necessitate modern budgeting, accounting and purchasing practices on the part of the Government. It will mean civilian control of the armed services with careful scrutiny of the budget requests of the admirals and the generals. It is my opinion that here will be the test of the courage in the Congress and the direct test of economy.

I am happy to report that the Senate Committee on Expenditures in the Executive Departments, of which I am a member, has been diligently working on the Hoover Commission recommendations. The general bill for reorganization of executive departments has been approved by that committee. This bill is now up for debate in the Senate. It was considered to be essential to any sound reorganization or economy program. I am supporting the bill. In fact, I had some part in the drafting of the measure.

The second proposal of the Hoover Commission called for a general revision and reorganization of the management functions of Government. By management we mean such things as budgets, accounting, purchasing, inventories, disposal of surplus properties and control over Government stocks and materials. The Hoover Commission placed great emphasis upon these functions of Government and insisted that they should be coordinated under one department to be known as the General Service Agency, headed by a single administrator directly responsible to the President. Today these functions that I have mentioned are scattered all over the Government. Department after department acts as if it were a separate government unto itself. There is no uniformity of purchasing. There is a glaring lack of sound inventory practices and there is definitely improper budgeting by the several agencies of Government.

I am happy to report that I have worked diligently day after day as a member of the committee entrusted with the preparation of this important legislation. This bill is known as S. 1809, a bill to simplify the procurement, utilization, and disposal of Government property, and to reorganize certain agencies of the Government. There is no doubt but what the enactment of this bill will save millions of dollars in Government expenditures through the creation of responsible and efficient administrative management of these vital services of Government.

The Senate Committee on Expenditures in the Executive Departments will continue its work in writing into law the basic recommendations of the Hoover Commission. I repeat—here is the practical manner and the constructive means of promoting efficient administration and sound economy. Over-all budget cuts that are taken without study and without due consideration to essential services are at best haphazard measures. Waste in Government and inefficiency in administration can only be eliminated by proper reorganization of the executive departments. Those who are proposing budget cuts would be performing a real public service if they spent their enthusiasm and their effort upon improving and reorganizing the basic structure of Government. These reports and this reorganization have been given careful study by a tremendous force of investigators who represent the trained talent of public administration in this Nation. The Hoover Commission, bipartisan in its make-up and representative of all walks of all areas of American economic and political life, is to be commended for its intelligent approach to the problems of Government administration. That Commission visualizes economy not merely in budget cuts but rather in the efficient use of the taxpayers' money for the services which are required of Government by the people.

California's Governor Warren Recommends Public Development of Electric Power

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EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. DOYLE. Mr. Speaker, in the Los Angeles Daily News of Wednesday, May 11, 1949, the distinguished Governor of my native State of California is quoted as to some of his remarks before the First Far Western Conference of the American Public Power Association, recently held in Los Angeles. I recommend that you read the same, for it draws lines which will aid in the delineation of the thinking of the American people on this important subject:

WARREN URGES MORE PUBLIC POWER, SO AS TO MAKE JOBS

Gov. Earl Warren yesterday recommended public development of electric power to promote expansion of basic industry through which jobs can be provided for California's half million unemployed workers.

The Governor, speaking at the Ambassador Hotel before the first far western conference of the American Public Power Association, said:

"California now has 528,000 unemployed, or 14 percent of the State total of employables, which is about twice the national percentage.

"This proportion may increase to our great detriment unless we can have more basic industry to develop our national resources.

"And the foundation for this industry is power. We have insufficient power now to attract new industry, and at times even to serve the present customers."

New power, the Governor said, must be produced from water, and by public agencies.

California's only other power source is oil, Warren said. He said estimated oil reserves in the State will last only for 20 years. But within the next 2 years, the private utility that serves northern California (Pacific Gas & Electric Co.) will be producing more power from oil than from water, he said.

Warren said that most of the upstream sites suitable for power development by private companies already are in use.

"On the other hand," he went on, "most of our power potential is inseparably connected with water conservation for all purposes: irrigation, flood control, navigation, salinity control, municipal purposes, recreation, and conservation of wild life. It must be developed in projects that serve all these purposes."

The Governor said no private utility has the means, the jurisdiction, nor the urge to do such a job.

"No private interest could integrate these functions," Warren said. "Only public agencies, acting in cooperation where jurisdictional lines are transcended, can do such a job," he told the conference.

Following the Governor, Northcut Ely, general counsel for the association, spoke on the proposed central Arizona reclamation and power project.

He warned that Californians would have to pay for most of the project through contracts for the power output, although $400,000,000 of the $738,000,000 project would be spent on irrigation in Arizona.

Irrigators, he said, are unable to pay the capital costs of construction, so the project will be paid from a 60 percent sales tax on the power. Arizonians can use one-third of the power. California will have to take the rest.

"This is particularly obnoxious because California public power users are thus blandly expected to pay for an Arizona aqueduct which will take water already claimed by California, and on which California works, already built, are dependent," he said.

The delegates were welcomed by Mayor Fletcher Bowron, who spoke pridefully of the city's publicly owned water and power utility, describing it as the world's greatest municipally owned enterprise. It has been responsible, he said, for the growth and development of the city.

The association's president, Maj. Thomas H. Allen, Memphis, Tenn., complimented the work of E. F. Scattergood of the Los Angles department of water and power for his pioneer work in the formation of the National Municipal Utilities Association.

Another speaker was L. J. Richardson, president of the Washington Public Utility Commissioners Association. Public power developments on the Skagit and Columbia Rivers in his State, Richardson said, made possible the Northwest's great industrial growth.

Keen Johnson, Louisville, Ky., spoke of the superiority of aluminum cable for electric power transmission, saying it had the advantages over copper of being lighter, cheaper, and capable of taking greater stress.

Secretary of Defense Johnson Emphasizes the Importance of Small Business in the National Defense Program

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. PATMAN. Mr. Speaker, in an address before the annual meeting of the chamber of commerce, at the Statler Hotel, Washington, D. C., on May 5, 1949, Secretary of Defense Louis Johnson spoke of the importance of small business in the national defense program. Since the volume of the procurement of the National Military Establishment will continue to be of such magnitude as to have a marked effect on the American economy, it is very reassuring to hear the comment from Secretary Johnson that small business will receive consideration in that procurement. Here are some excerpts from his remarks which will be of interest to the Members and to the friends of small business:

SMALL BUSINESS—OUR BASIC SAFEGUARD AGAINST THE DANGERS OF STATISM

Those of us who are engaged in the business of national defense realize that a sound program of preparedness calls for the utilization of our entire productive business system—big business and little business.

We have big business. We need big business. We can thank our lucky stars that we had mills and plants big enough to handle the big war production jobs of basic metals, and to mass produce and assemble such large items as tanks, and trucks, and ships, and planes.

We have small business too, and they too played a vital role in the victory. For them we can thank the wisdom of our forefathers whose political economic system made possible the establishment and healthy growth of hundreds of thousands of these smaller units, the so-called small business of America.

These hundreds of thousands of small businesses, scattered throughout our land, together with our millions of independent farmers, are the essence of our democracy—they are our basic safeguard against the dangers of statism. It is high time that those few power-seeking and merger-mad corporation officials in our midst realize that the enemies of our economic system are gambling on a hope that American big business, by concentrating more and more economic power in fewer and fewer business enterprises, will finally drive us into some form of the corporate state which can readily be seized by a small group of ruthless men to spell the death knell of freedom.

The National Military Establishment appreciates the value of small business to our whole economy and to production of military items particularly and is bending every effort to have it share in its defense program. Let me tell you what we are doing to get orders for small business.

But first, what is small business?

The Military Establishment accepts the definition in the Selective Service Act of 1948, which says a business is small if it does not occupy a dominant position in the trade or industry of which it is a part, if the number of its employees does not exceed 500, and if it is independently owned and operated.

Under this definition 99 percent of the 4,000,000 American business enterprises of all kinds would be classified as small. Since we in the National Military Establishment are interested primarily in production, let us take a look at the industrial business population.

DISPERSED INDUSTRY—A NECESSITY IN ATOMIC WAR

There are approximately 320,000 manufacturing plants in the United States. Again, approximately 99 percent of them are small. The workers in these small businesses comprise 65 percent of all manufacturing employment. They produce 62 percent of the total industrial output.

You will find these small plants in many industries and widely dispersed all over the country. More and more of them are moving to the outskirts of large metropolitan areas or to towns which were formerly only shopping centers in agricultural regions. Their very dispersion offers a special incentive in an atomic age for giving procurement orders to small business.

None of us wish war, but we must prepare for all contingencies. And if war does come and it proves to be an atomic war, we must assume the big industrial centers of our country will be among the first targets. The main burden of producing war material will then fall on the smaller plants which are scattered in the smaller cities and towns. It is therefore good procurement planning for peace or war to give orders to small business now. In this way we will be developing our potential national assets, strengthen ourselves defensively and alleviate the evils of the huge overcrowded industrial city—and award more annd more contracts to the backbone of our free enterprise system, the small-business man.

The National Military Establishment is interested in small business because it wants to know that the productive capacity of all plants, including the small, is available. It is interested because it feels that small business is one of the institutions we Americans believe in and want. We must not forget that practically every American business in existence today once started as a small business.

SALESMANSHIP—NOT INFLUENCE, NEEDED

The National Military Establishment is proud of its record with small business. We are not saying that our procurement equals, exceeds, or falls short of being a fair proportion which is the goal we are seeking. That term has never been defined. We can say, however, that it is substantial.

As I have been talking about the billions being spent for national defense, some of you undoubtedly have been thinking, "Why am I not getting some of that business?"

The fault is not with us. The Army, the Navy, and the Air Force want more companies to do business with us. They tell them so—the Navy in its pamphlet, Selling the Navy; the Army in its booklet, Purchased Items and Purchasing Locations; the Air Force in its Guide for Selling to the United States Air Force; and the Munitions Board in its guide on Military Government.

Getting business from national defense is a selling job. Far be it from me to give this group of past masters of salesmanship a lecture on the art and science of selling. You know far better than I that its main points are knowing what the customers want, how and where they buy, and then showing how your product fills their needs, when and where they exist.

The salesman who performs these functions, be he owner, employee, or bona fide sales agent of a manufacturer, is always welcome because he renders a valuable service to the National Military Establishment.

But there are others who prostitute the profession of salesmanship who seek to convince the small-business man that only by buying through them can he get orders from the Government. To the small-business man I must emphatically say, "That is not so. There is no need for special brokers, for 15-percenters, for 10-percenters, for even 5-percenters. There is no need for anyone to intervene between small business and the Government to procure Government contracts."

And to those who claim to sell influence at the right spots I say, "We will drive you out of the National Military Establishment." And let those who engage in questionable brokerage activities heed this warning.

Let me repeat: There is no need to have any broker between small business and the Government to procure Government contracts.

The Army, Navy, and Air Force with the cooperation of the Munitions Board, are intensifying their efforts to make certain that every manufacturer knows how to do business with the National Military Establishment, what is being bought, and what offices do the buying.

Our coordinated procurement program is designed to expedite selling. Of course, the objective is increased efficiency in military procurement, but when the responsibility for buying total military needs in certain items is placed in either the Army, Navy, or Air Force, the results should be good. Right now the Munitions Board is studying the efficacy of this program. Many businesses have indicated that they like our coordinated procurement operation; but one purpose of the Munitions Board survey is to determine its acceptability to small business.

Eighty percent of all procurement is now coordinated through the Munitions Board.

We are planning for an all-out effort to assure the national interest—if war is ever forced upon us. Knowing the nature of our potential enemies, anything short of an all-out effort would be criminal; it would be suicidal.

And the greater the all-out effort; the more important small business becomes.

FLEXIBILITY OF SMALL BUSINESS PAYS OFF

There is a special role for small business which I particularly want to stress. These small businesses are often the firms that can produce the last 10 percent which may spell the difference between victory and defeat.

Say we need 100 items. Our regular sources can produce 90. Ten more are needed for successful operations. We cannot wait for our major suppliers to expand or reorganize their production lines. We have to get the goods and get them quickly.

Here is where the flexibility and organizational simplicity of small business pays off. Frequently, these small-business men can get production on the needed 10 percent while a big company is tooling up.

Out-of-pocket expenditures may be higher for that fraction. In time of war we might have to pay more. But in many cases costs might be less. In any event, in terms of the benefits obtained it would be cheap.

I have heard rumors that small business believes that the National Military Establishment is confining its industrial mobilization planning to a few large companies. These are unwarranted. Let me give you the facts.

The Munitions Board and the three Departments have an industrial capacity allocation program. They are developing specific and realistic production schedules for a substantial number of manufacturing facilities. At present 22,000 have been cataloged, 17,500 of these are small business.

Small-business men may need special help when we call on them for all-out war production. They will encounter technical, managerial, engineering, research, and financial problems which never occur in their normal peacetime operations. How far any outsider, even the Government, can or should go in helping them is a serious question. We are developing plans to review this entire area. You can be sure that in this inquiry we will seek the advice of industry and finance, and particularly that of small business.

In emphasizing our policies to make the maximum use of small business I want to point out that we are not unaware that additional burdens may be put on the three Departments to place orders, supervise, inspect, and store. That is a burden I think we all will recognize as warranted and which the Departments will gladly accept in the case of maintaining free enterprise and in order to keep our economy in diversified shape against any possible emergency.

Republican Paper Admits Frequently Critical of President Truman, but Compliments Him Also on Reorganization Emphasis

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. DOYLE. Mr. Speaker, the following editorial, appearing in the Long Beach Press-Telegram, Long Beach, Calif., Wednesday, May 11, 1949, is deserving of the utmost consideration by all Americans. I hope that every colleague in the Congress will read it:

FOR REORGANIZATION

This newspaper frequently is critical of President Truman, but credit is due him for his message to Congress this week urging quick passage of a bill giving him power to reorganize the executive agencies of the Government. One such bill already has passed the House. A slightly different version still is pending in the Senate.

As Mr. Truman pointed out, the proposed legislation requires that any reorganization plan he submits must, before becoming effective, lie before Congress for 60 days without disapproval. Hence, there will be no reorganization this year unless Congress acts quickly.

Members of Congress may reply that if Mr. Truman had been less belligerent in his dealings with that body, the present legislative stalemate would not exist. Nevertheless, his latest request is legitimate. The only controversy over the reorganization bill concerns details. As passed by the House, the bill exempts certain agencies. The Senate version would exempt none. While the Senate proposal is preferable, it would be better to pass the House measure than none at all.

Mr. Truman also acquits himself well in recognizing the Hoover Commission's recommendations as a "landmark in the field of government organization." The real test of his attitude toward the Commission, however, will come when the President and his staff draft specific reorganization orders. If they follow the Commission's suggestions, large savings can be effected with an improvement in efficiency. Congress should give the President an immediate opportunity to show what his intentions are.

The last sentence of the editorial, however, reading: "Congress should give the President an immediate opportunity to show what his intentions are" leads me to just briefly make the observation that I increasingly feel it is not constructive of our American way of life when the opposition political party, or its leaders, or papers who support the opposition party theory of government, always have to end their compliments to the President of the United States with a reservation as to his actions being in good faith or his intentions being what he says they are.

The records will show that President Truman not only considered it an honor but a privilege to name former President of the United States, Herbert Hoover, as Chairman of this strategic Commission on the Reorganization of the Executive Agencies of the United States Government. Furthermore, the records speak out clearly that President Truman has on many occasions complimented the Hoover Commission for the work it has done. The other day he sent a special message to the United States Congress commending the achievements of the Hoover Commission.

The studies under Mr. Hoover's direction have cost the taxpayers hundreds of thousands of dollars. It certainly is not constructive of the democratic processes of the American way of life for the leading political opponents to always throw into the thinking of the American people doubts as to the good faith or sincerity of the declared intentions of the leaders of our public affairs. Why not wait until there is clear evidence to substantiate and prove a point instead of, in advance, throwing the fear of insincerity and poor faith or lack of good faith into the thinking of the people. For, Mr. Speaker, if the Democratic Party leadership of our Nation habitually throws an emphatic element of doubt of good faith or appraises the action of Republican leadership as always in bad faith or lack of good faith, then that sort of action is weakening and is not constructive. And, in like manner, if the Republican leadership or if the Republican newspapers habitually disseminate into the thinking of Americans a feeling of mistrust or of lack of good faith or of lack of sincerity toward the President of the United States—no matter which party he may be elected from—then in whom are the just ordinary, plain Americans to have faith and have confidence of the sincerity of their intentions.

I do not add these comments or remarks in any thought of criticism of this splendid editorial, but I add them in the hope that they will be constructive toward the thinking of those who may read both the splendid editorial and my humble remarks.

Citizenry Should Give Dignity to Career of Public Service

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. DOYLE. Mr. Speaker, the heading at this column is reproduced from the heading of one of the most constructive and inspiring editorials, in my judgment, I have ever read. It appears in the Long Beach Press-Telegram for Tuesday, May 10, 1949, as follows:

CITIZENRY SHOULD GIVE DIGNITY TO CAREER OF PUBLIC SERVICE

The working of a democracy presupposes an intelligent electorate to make it function successfully.

When he was President, Woodrow Wilson said that democracy proceeds on the assumption of extraordinary qualities in the ordinary citizen. To this President Coolidge added that the business of democracy is to choose good leaders and then have the good sense to trust that leadership.

The reason why some of our representatives in public office do a bad job is that the public generally is too careless, too indifferent as voters to send the best men to Congress or to put them in other public places. Carelessness in voting or failure to vote is not the whole trouble. It is sometimes difficult to get good men in office because of blind, unreasonable and unjust criticism of those who are willing to step out in front and risk their reputation by becoming candidates.

Many a good man who would do a fine job in making democratic government function fears the various lines of attack and abuse to which he may be subjected.

The history of nations proves that the people get the kind of leaders they deserve. For instance, it was the custom to put the German people in a pathetic light and refer to them as the victims of Hitler. The German people, however, created Hitler, nourished him and allowed him to grow from a

small beginning. It was largely because of their discouragement and cynicism brought on by the 1918 defeat and the terms of the Versailles treaty. But they, the people, were responsible for the cancerous growth of Hitler.

An intelligent electorate is the explanation for a democracy which works well. So far, that intelligence has not proved high enough in the United States, especially in the years since World War I. If it were higher, more young men and young women would be encouraged to enter public life, to run for office, to make public service a career.

It is the fashion with many to discourage the young from political activity. The common advice runs: "Politics is dirty. Keep out of it; you will never make any money. It is not a good career." As a matter of fact, there is no finer career than one in public service. Congress has wisely adjusted the remuneration for many of the administrative positions, bringing salaries more nearly in line with those paid for similar responsibility in private business. Even so, part of the reward remains a sense of making the most progressive and enlightened form of government prove itself capable of meeting the people's needs. This feeling should be frankly encouraged rather than deterred by the smear dogma that it is impossible to hold public office and retain one's honesty and self-respect.

That is the way a really intelligent electorate should think, and the result is a democracy which provides the greatest good for the greatest number. It sometimes appears that little enough thought is given to the need of a better educated American citizenry which can be held to a greater responsibility for maintaining our democratic institutions at home.

If our democracy is to survive it is time for millions of Americans to begin thinking along this line. The public schools and colleges can be a vast aid in this effort but the influence of the individual adult citizen is of first importance.

I hope that the above editorial will be read and reread by millions of the young people of America who are thinking in terms of choosing a career. I hope, too, that it will be read and reread by the cynical and by the chiselers and by those who charge men and women in high public office as being as "dirty as they are."

May I remember when I was a boy in high school at Long Beach, Calif., that my own father used to say to me frequently that folks who always appraised a man or woman in public office as being dishonest or crooked were only appraising their own habits and their own mental attitudes. I also remember he used to tell me that, if men and women in public office were anywhere near as crooked and dishonest as many members of the public tried to buy or get them to be, that they certainly would be habitually dishonest and deceitful.

It has already come to pass that many sound, patriotic men and women hesitate—yes, refuse—to be candidates for public office because they fear they will be appraised in public office as seeking only selfish gain; or as accepting bribes; or as doing "dirty politics"; and so forth. Likewise, I am aware that many sound, patriotic men and women refuse to stand for election to public office because their neighbors, who have previously respected them and held them in high esteem or have been close personal friends would thereafter probably feel that they, in accepting public office, had degraded themselves or had lowered their ideals of personal conduct.

Mr. Speaker, men in high public places are but the product of the people who put them there. They are but the product of the local level or standards of "politics." I think of politics as the science of government and regard it as high a calling under God as man can have. The sort of political seed which the people at the local level plant is what later ripens into the crop of harvested politics. City councils, State legislatures, the Congress of the United States are but the creation of the political participation—or lack of political participation—by the folks at the grass roots.

What our Nation is to be, it is now becoming. What the youth of America is to be, the adulthood of America is now becoming. The present generation of adults cannot escape making its own destiny and largely the destiny of the youth of America by describing politics as "dirty." They cannot strengthen the sinews of the American way of life by declaring to American youth that the science of government is not "a good career." It is true that men and women who enter public service with the highest of motives and who live up to those highest of motives "never make any money." But money is the least of the needs of livelihood in the highest sense of the word. Men voluntarily offer to die for their country. Women flocked to register as nurses or Red Cross workers during the last war in order to save life or aid the sick and needy. And, Mr. Speaker, the time is present and now when our American democracy needs a shot in the arm by way of regeneration of our attitudes toward public servants. That shot in the arm can best come by the dedication of men and women of habitual honesty and integrity and with patriotic motives and with a spirit of humility and decision to serve mankind recognizing and choosing the science of government—"politics," if you please—as their choice of careers.

Report of United Mine Workers of America Welfare and Retirement Fund, Showing Beneficiaries and Disbursements to May 1, 1949

EXTENSION OF REMARKS

OF

HON. JAMES S. GOLDEN

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. GOLDEN. Mr. Speaker, under leave to extend my remarks, I insert in the Appendix of the CONGRESSIONAL RECORD a complete and detailed report of the United Mine Workers of America welfare and retirement fund, which shows all beneficiaries and all disbursements to May 1, 1949.

This report shows clearly the need for Federal legislation to give Federal mine inspectors the power to withdraw workingmen from the mines when they find conditions to be dangerous and thereby prevent many accidents.

REPORT OF THE UNITED MINE WORKERS OF AMERICA WELFARE AND RETIREMENT FUND, SHOWING BENEFICIARIES AND DISBURSEMENTS TO MAY 1, 1949

This is a report that cannot be considered fairly without background. Disbursements are not related merely to the 1946–49 period, but have to do with a great backlog of human misery built up by human neglect over a full 50 years. In 1945, when John L. Lewis first made the creation of the fund a major issue, he cited these figures: From 1910 to 1945, inclusive, 68,842 coal miners were killed outright, an average of 1,912 fatalities a year, and the dead men left approximately 211,468 widows and orphans; 2,061 miners were permanently and partially disabled annually. Every year throughout the period, 65,000 men were so injured that each lost an average of 40 days. From 1930–45 alone over 1,000,000 men were injured in the mines.

Although deductions from pay rolls were supposed to provide miners with modern medical and surgical care and hospitalization, conditions constituted a national disgrace; the company doctors' system prevailed; medical care was far below professional standards, and hospitals were not only grossly inadequate but in some instances as far as 160 miles from the mines. Workmen's compensation laws, elective in 13 coal mining States and Alaska, permitted operators to escape liability.

Due to lack of pensions, men of 65, 70, and even 80 were still toiling underground. At least 50,000 miners, incapacitated by broken backs, amputations or other major injuries, rotted in dreary homes, denied the treatment necessary to rehabilitation. In many communities the gloom of the picture was deepened by tumble-down cabins, polluted water and disease-breeding latrines.

The United Mine Workers of America has assumed the position over the years that the cost of caring for the human equity in the coal industry is inherently as valid as the cost of replacement of mining machinery or the cost of paying taxes, or the cost of paying interest indebtedness, or any other factor incident to the production of a ton of coal for consumers' bins.

On May 29, 1946, the Krug-Lewis agreement, approved personally by the President, recognized the justice of a welfare and retirement fund, and established a royalty of 5 cents a ton for its support.

Provision was also made for a "comprehensive survey and study of the hospital and medical facilities, medical treatment, sanitary and housing conditions in the coal mining areas" to be conducted by the United States Navy Medical Corps. The report of Admiral Joel T. Boone, rendered March 17, 1947, sustained the charges of the UMWA.

Even with the Government's contractual obligation, it was not until after the Centralia disaster in March 1947 when the killing of 111 miners shocked the Nation, that the fund began to function. Pensions were still denied, but disability and death benefits began to trickle out.

Government control ended June 30, 1947, and on July 1 a new contract with the operators raised the royalty from 5 to 10 cents a ton. Nevertheless, a fresh series of suits prevented the disbursement of the 1947 fund for any purpose. The funds remained frozen by continuing suits even after an agreement to pay pensions had been reached April 12, 1948.

As a result of the Goldsborough decision, June 28, 1948, the funds finally became available and a new national bituminous coal wage agreement was signed on July 1. Not only was the welfare and retirement fund

confirmed and continued, but the royalty was raised to 20 cents a ton.

Such, in brief, is the background of the welfare and retirement fund.

BENEFITS AND DISBURSEMENTS CUMULATIVE TO MAY 1, 1949

The fund now aids beneficiaries through four services: Death benefits; disability and widows' assistance grants; pensions; and medical, health, and hospital care.

All applications must be filed through and certified by local union officers, further attested by the district officers, and are then subjected to careful examination and review by the fund office.

Death benefits

The sum of $1,000 is paid to wives or dependents of UMWA members deceased subsequent to May 21, 1946.

Number of death benefits paid	12,500
Children and other dependents included in death benefit gratuities	18,008
Total number of beneficiaries of death benefits	30,508
Total disbursements	$12,320,524

Disability and widows' assistance grants

Disability benefits, granted to members deprived of their earning power by injury or illness, provide a maximum of $60 per month for the disabled miner, $20 for his wife, and $10 for each dependent child.

The maximum amount for widows is $60 a month with $10 for each dependent child.

From all maximum allowable amounts in both disability and widows' assistance grants, deductions are made of money received from social security, old-age and survivors' insurance, workmen's compensation, and any regular income.

Disability and widows' assistance grants have totaled 106,937. Including the wives and children for which provision was made in these grants, a total of 266,722 beneficiaries have been aided by these payments amounting to $67,976,452. The duration of all grants ranges from 1 to 12 months and payments average $576 for the total amount of the grant.

Disabled miners' applications must have certification by a physician stating the nature of the applicant's disability and a prognosis of its duration. The grant is made to correspond with a period of disability, but even if the disability is permanent, the grant cannot exceed 12 months.

An extension application, with a new medical certification as to disability must be filed at the end of the year before further assistance can be given.

During the first year of its operation the fund began to make inroads into the huge backlog of miners and widows whose needs had been neglected for over 50 years. Over 73 percent of the miners receiving disability benefits were suffering from illness or injuries of many years. The workmen's compensation awards for almost three-fourths of these men had run out and these disabled miners, crippled by the industry, had been living on charity.

Both disability and widows' assistance grants are subject to constant revision or cancellation. If a temporarily disabled miner is able to return to work before the expiration of his grant it is canceled. If a widow remarries, her grant is canceled. If there is any change in the income status of either a disabled member or a widow receiving a grant, or in the number of their dependents, the grant is revised accordingly. Numerous grants have also been terminated as a result of the death of the applicant.

Thus, out of the 266,722 beneficiaries who have had assistance under disability and widows' grants, more than 72,000 are no longer receiving aid due to the grants being discontinued. Many of these have been physically or vocationally rehabilitated so that they can once again earn their own living either in the industry or another occupation.

Pensions

Retirement benefits for aged miners, first set forth in the Krug-Lewis agreement of May 29, 1946, did not become a reality until September 9, 1948, when President Lewis presented the first pension check, although on April 12, 1948, the trustees had adopted the Bridges' resolution providing $100 a month pensions for UMWA members who had served 20 years in the industry, who had retired subsequent to May 29, 1946, and who had reached 62 years of age. (Amended to 60 years on April 7, 1949.)

The Goldsborough decision of June 22, 1948, ended obstructive litigation but there was a further delay occasioned by the necessity of formulating rules, regulations, application forms, and instructions to local and district union officers, through whom all applications must be sent to the fund.

Pensions granted	19,188
Wives included in pension grants	14,866
Total number of beneficiaries of pensions	34,054
Total pension payments	$23,754,637

Included in the first pension checks, as provided in the Bridges' resolution, are payments retroactive to the date of the applicant's retirement. Thus a liability running back to May 29, 1946, is being met. These past due amounts constitute 86 percent of the first pension-check payments made up to May 1, 1949.

Seven months of pension experience proves conclusively that miners do not hasten to retire when they reach the eligible age. Analyses show that the average years of service are 36, while great numbers have been in the mines for 50 years.

The average age of applicants is 66.1 and 16 percent of them were over 70 at retirement. Only 10.6 percent retired at 62; 10.8 percent at 63.

Only 27 percent of the total retirements have been since October 1, 1948, when the program became fully activated. All other applicants had retired prior to that date.

Also of the 27 percent who applied for and received pensions after October 1, 50 percent had been receiving disability grants. Nor did the reduction of the eligibility age from 62 to 60 result in accelerated applications. Only five applications were received from men 60 years of age during the 4 weeks following the adoption of the resolution, and six from miners 61 years old.

Medical, health, and hospital service

The most recent service of the fund is its medical, health, and hospital care program, which ultimately will provide a prepaid form of hospital and medical care for UMWA members and their families. Only as this far-reaching service is developed and extended can the present shocking backlog of neglected illnesses and injuries with their incapacitating and costly consequences to miners and their families be reduced.

When the fund first started, it found over 400 miners who were paralyzed from the waist down as a result of accidents in the mines that had literally broken them in two and severed their spinal cords. Many of these men had lain in hill cabins or in small mining camps without medical care for more than 25 years. When first seen by the fund's doctors, these men were almost unrecognizable as human beings. Their needs were so urgent that they had right-of-way over all other considerations.

There were instances where men were twisted into an S shape so that stretchers could not be used and they had to be carried on their beds by neighbors down several miles of mountain trail to the nearest highway. The following two cases, however, may be regarded as absolutely typical:

Charles Everett, Wheeling, W. Va., age 44, had back and legs crushed in mine accident January 17, 1928. Bilateral amputation and permanent spinal injury. Inert for 28 years without control over bowels and bladder.

Grover Bailey, Sipsey, Ala., age 31, with wife and two children, had his back broken by falling rock January 15, 1942. Complete paralysis from hips down. Fracture of left hip and shortening of right leg. Compression sores developed into deep ulcers. A wheel-chair existence in his home, attended only by his family, until hospitalization by the fund in 1948.

Because of the extremely limited facilities for caring for this type of patient, it took all the efforts of the limited staff of the fund, at that time, a full year to get these men provided for. Many had to be sent as far as California to be treated. Three hundred and eighty have now been hospitalized and almost half of these hopeless and neglected men are beginning to walk again. Because they had been neglected for so long their care has been very costly.

Not until late in the fall of 1948, following the appointment of Dr. Warren F. Draper as executive medical officer of the fund, was the organization and staffing of this service possible. By the first of the year 10 area medical offices covering the 26 bituminous coal-mining States, had been established and Dr. Draper had secured the services of outstanding physicians to be in charge of them. The area medical administrators working under Dr. Draper, are responsible for working out with hospitals and physicians and surgeons in their areas, arrangements for the hospital and medical care for UMWA members under conditions guaranteeing high standards of care at as reasonable cost as such quality could be furnished under any system to be devised.

Dr. Draper and his associates have been successful in obtaining remarkable cooperation from the leading members of the medical profession and from national, State, and local medical associations.

In its initial stages, the medical, health, and hospital service has necessarily been limited to providing this care only for members receiving disability grants and pensions and for their dependents.

Through the area medical offices, 12,504 of the members receiving disability grants or pensions and their dependents have now received urgent or specialized hospital and medical attention. The total spent for medical care is $2,788,526.

One illustration out of hundreds showing the constructive and cost eliminating results to come from an adequate medical and hospital care program is furnished by this quote from an eminent surgeon who recently performed a long-needed operation on a beneficiary of the fund:

"I felt happy about this patient, because he had been drawing welfare checks for 14 months on account of these easily remedial defects, and I presume he has already returned to work."

Some idea of the enormous economic saving that the fund hopes to bring about is given by a study of compensable mine injuries in 22 States. After allowance for all compensation payments, the average annual wage loss is $44,322,922. The toll of untreated illnesses would undoubtedly exceed this figure.

Summary of total benefits

In order to keep down its length, many important items have been omitted from this report, but the sweep and vital necessity of the fund may be measured by these figures: Total beneficiaries to May 1, 1949, 344,168; total expenditures for death benefits, disability, and widows' assistance grants, pensions,

medical, health, and hospital care, $106,840,-139.

Of the money collected from coal royalties, 98 percent is available for benefits. This record for low cost in the administration of any fund has been made possible by the work and time contributed by local union officers and district officials.

Aside from the humanitarian, many other values have been created by the fund. By reason of benefits, the family of a killed or disabled miner has had a status change from that of a community liability into a community asset. Widows, orphans, and dependents, lifted above beggary, are now self-respecting citizens with purchasing power.

Another value has to do with the manpower of the mining industry. It used to be that the son of a miner followed his father's calling as a matter of course, but that has not been the case for years. As a result, the average age of coal miners today is now above 41. The reforms made possible by the fund are inducing younger men to go down into the pits.

Why the Navy Wants Big Aircraft Carriers

EXTENSION OF REMARKS

OF

HON. W. STERLING COLE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. COLE of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following interview with Fleet Adm. W. F. Halsey (retired) appearing in the United States News and World Report of May 20, 1949:

WHY THE NAVY WANTS BIG AIRCRAFT CARRIERS

(An interview with Fleet Adm. W. F. Halsey (retired))

(EDITOR'S NOTE.—Because the recent cancellation of the contract for the supercarrier has stirred up so much interest in the Navy's future, the editors of United States News and World Report invited Fleet Admiral Halsey to come to our conference rooms and discuss the problem from the viewpoint of a combat commander who actually operated carriers over a wide expanse in the last war.

(The admiral, who commanded Task Force 58 in the Pacific, discusses the significance of carrier action and points out that the war in Europe might easily have been prolonged if the Japanese carriers had not been defeated by the U. S. Navy in the Battle of Midway. He outlines also the Navy's experience against shore-based planes of the enemy and makes a plea for the widest possible use of airplanes by all armed services. The views expressed are the personal opinions of Admiral Halsey and are not to be construed as the views of the Navy Department.)

Question. Inasmuch, Admiral Halsey, as you have commanded the most powerful task force of aircraft carriers that any navy has ever had, what is your opinion about the future of the aircraft carrier as a weapon of war?

Answer. I think it has a tremendous future. The carrier has proved its offensive value even when attacked by a vast number of shore-based planes. It is by no means a very vulnerable, easily sunk, or easily destroyed weapon of war. The figures and records prove it. Of all the carriers in all the navies in the world, no single carrier was lost solely through the attack of shore-based air. Those that were lost were victims of other carriers or submarines. We never lost a big, fast carrier at all after we developed our task-force system of protection, and we operated against land-based planes of the enemy, including their suicide planes.

Also, there were some 25,000 Japanese planes destroyed during that war, and of this number 15,000 were destroyed by our Navy and marine aviation, chiefly by carrier planes. That's a rather conclusive figure.

Question. In discussing the future of the carrier, aren't we really discussing the future of the Navy as you see it today?

Answer. Very definitely so. The carrier is the most essential weapon of today's and tomorrow's Navy. Any likely antagonists will have forces of sufficient size to prey on our commerce, to pose a threat, and to be a continual nuisance.

Question. Wasn't the function of the British Navy, irrespective of whether it had a likely antagonist, for many, many years, the preservation of peace?

Answer. That's right. And in my idea it is a very distinct function of the Navy, and, in a lesser degree, a function of all armed forces. The Navy is free to go to all parts of the world and cover a great expanse of the globe, and our ships can move in any direction, any place they want to, and make demonstrations of force when necessary. In peacetime they are essentially a police force.

OBJECT: TO WIN WAR, NOT GLORY

Question. Should the weapons of war be provided on the basis of a fixed concept and restricted use?

Answer. The concept of what each weapon can or cannot do theoretically is very ridiculous. The only thing I can think of that is more ridiculous is the fact that you have a weapon and, through legislative or other act, you cannot use that weapon because it might interfere with the glory of some other person who has a similar weapon. I think the object in war is to strike with as many weapons as possible as often and as fast as possible. I think that is the surest and best way to terminate a war. I would go further than that, and say I do not think any weapon should be in any way restricted, whether it belongs to the Army, Navy, or the Air Force, or is used only for a special purpose. In other words, they should be used where they are most needed.

Question. Should an over-all amount be decided on and then certain sums allocated to each service, or do you think that each weapon should be examined by all services or a single authority in relation to its particular expense?

Answer. We should decide first on an over-all sum that we can afford and then let each service allocate its weapons according to its needs. That, I believe, is the best way.

Question. Are the lessons of the last war being disregarded now in the discussions of future wars?

Answer. When I read of attempts to shove the carrier into the background I think that we have not only failed to read the lessons of the last war but have failed to profit by the mistakes of other nations.

I have particular reference to the fact that the British took their air force away from the navy and merged it into the Royal Air Force and at the beginning of this last war the British Navy was all but ruined. The British carriers which finally joined us out in the Pacific late in the war were about two-thirds as effective as ours. Their pilots were splendid—fighting fools. But they did not have the planes that our pilots had, nor could their carriers embark as many.

Question. Would the course of the war have been materially affected if Great Britain had had carrier task forces like ours?

Answer. I can't see how it could have helped but be materially affected. I don't see how the German Navy could ever have done anything if the British had had carrier task forces. I don't see how, for instance, those two battle cruisers could have gotten out of Brest and back to Germany.

MIGHT OF CARRIER TASK FORCE

Question. Could the Germans have invaded or kept Norway if British carrier task forces had been as large and effective as ours?

Answer. No, I don't believe they could have begun to do it.

Question. Do you think that any other kind of weapon, any other type of navy, could have swept across the Pacific as far as Japan, as many thousands of miles as that, without the carrier task forces?

Answer. It would have been impossible. I don't think anybody who was present would argue that the task forces could have gotten where they did if it hadn't been for the carrier.

LIMITATIONS OF ISLAND BASES

Question. The argument is sometimes made that land-based planes could have accomplished it if we had bases strung along on smaller islands in the Pacific. Could the land-based planes have defended such bases?

Answer. No, I don't believe they could have. In the early days our own land-based planes were unable to stop the Japanese in the South Pacific. The Japanese Fleet made forays against us continually which the land-based planes were not able to stop and it wasn't until we built up our surface fleet, centered around carriers, that we got control of the sea and the air.

Question. What do you think might have been the course of the war if the Japanese carrier planes had sunk our carriers with their carrier task force off Pearl Harbor in 1941, or if they had won the Battle of Midway?

Answer. I don't see what could have stopped the Japs from going right on to the west coast, bombing out cities and taking Alaska.

Question. Then, if our carriers had been put out of commission, the Japs would have swept the Pacific?

Answer. Yes. We would have been compelled to shift a good deal of our defense facilities and our war effort to the Pacific Coast and thereby would have been able to render less aid to Europe.

If the war had been prolonged 1 year more and the Germans had developed their V-rockets and their Schnorkel submarines, as they were giving promise of doing, the early loss of our carriers in the Pacific might have affected the whole course of the war. If the west coast was being attacked, I doubt if we would have sent as many troops over to Europe. If the Germans had developed and were using carriers, it would have been practically impossible to have gotten troops to Europe. It might have blocked our supply lane to Russia through the Persian Gulf and might have given Stalingrad to the Germans.

We can put any enemy on the defensive in the same way today and sweep any ocean if we have adequate carrier forces to augment the Air Force and spread the enemy's defenses.

Question. But what about land-based air forces?

Answer. I think the best way to visualize that is to look at our original attacks on the Philippines. We went in there fully knowing that the Japs had a pretty strong air force. We stayed in there for 3 days, attacking, and the sinkings of ships and the destruction of Japanese planes were practically unbelievable.

Question. Done by Navy air?

Answer. All of it.

Question. At that time, didn't we have a base near enough from which land-based air of our own could have operated?

Answer. We had a base in New Guinea from which B-17's and B-24's could attack as far as Mindanao. However, their bombing was mostly high-level bombing, anyway. Our bombing was dive or pinpoint bombing.

And in a study of global warfare you will see that our carriers have many more areas from which to attack than do land-based planes, which are restricted to the bases you hold.

Question. That brings us to intercontinental bombing. The public has been told that it is possible to defend the United States from the territory of the United States, and perform all the necessary functions of offense with long-range bombers of the new types that we have developed. What is the practical aspect of this, as you see it?

Answer. Well, area-bombing destruction as we saw it in the last war depended, of course, on where the bombs landed. In a great many cases the bombs landed where there was nothing of value to destroy. You could not destroy any airfield by bombing. You could not destroy troops on the ground—you could burn up a lot of stuff, but the people went underground very easily. And the figures I have seen—from the studies in both Europe and Asia—of the results of area bombing indicate that they were very far from accomplishing their mission of destroying the enemy's ability to produce munitions.

Question. Would you say that the long-range bomber, because it flies so high, is unable to do pinpoint bombing?

Answer. I would say that most distinctly, because we saw that time and time again.

NAVAL PLANES' AID TO TROOPS

Question. Does the Navy have any instances in which its air arm performed the service of tactical air with ground troops in the Pacific?

Answer. The Navy did nothing else but this in every island we landed on. Our carrier planes, and shore-based planes when a field was available, preceded the troops, covered them while they landed, covered them while they advanced, and were used for pin-point bombing and strafing. This was very difficult in the jungle in particular, because it was very hard to see where our front lines were established. But despite that, with Navy, Marine, and Army air, in the Solomon Islands we supported a vast movement of our troops. As I remember it, we used to come within 150 and 200 yards of our front lines. On the completion of the Solomons campaign, practically all landings were covered by carrier-based planes only.

Question. They were used to locate enemy artillery?

Answer. Yes; and we would put rockets in their defensive caves, and so on.

LESSONS OF PACIFIC LANDINGS

Question. Therefore, if you have carriers that can carry adequate airplanes for use in tactical warfare in supporting ground actions, you have an entirely different use from what is generally conceived as the purpose of the carrier?

Answer. I don't think that any man who has had anything to do with the landing of troops or support of troops after they had landed in the Pacific would dream of going into a landing unless he had the support of carrier-based air.

Question. Isn't it also true that high-level strategic bombing by itself couldn't capture bases?

Answer. It would be perfectly ridiculous to say it could. I don't believe even the most ardent advocates of strategic bombing believe for one second that they can capture any bases.

Question. Do you believe that because one service has the mission of strategic bombing, another service should be prohibited from using the same type of weapon from a carrier in tactical air operations?

Answer. I think the stupidest thing that was ever done in this country, or one of the stupidest, was when we tried to restrict the use of planes between the Army and the Navy. I'm talking about the rule whereby the Army flew land-based planes and were not supposed to fly over the ocean, and the Navy flew seaplanes and were not to fly over the land. It didn't work—it never can work.

Question. Now, this order to which you refer and which restricted the use of land-based planes to land areas and planes from the Navy to flying over large bodies of water, it originated, did it not, in the days before we had any such institution as the Joint Chiefs of Staff? Wasn't it one of the early concepts of the joint operations that Army and Navy worked out together?

Answer. Yes, but I know there was a lot of criticism in both the Army and the Navy. The majority of people in the Navy thought the restriction was completely unworkable and would be fatal in time of combat.

Question. The Navy at the time, in other words, wanted the Army planes to be able to fly over the ocean?

Answer. I won't say that, because the people who negotiated that paper in 1935 must have come to some compromise. I was not in on the negotiation. But I know that the general service opinion was that it was not a workable thing and should not have been so written.

Question. Wasn't this order rescinded when war broke out?

Answer. Yes, or else it was just disregarded. Of course, the Army Air Force had a great deal of trouble at first in learning to fly over water because it had had no experience with it.

What happened was that, when in actual contact with the enemy, we had to come to a common-sense solution and make use of everything we had. I don't think there was any formal abdication of the agreement, but my forces in the South Pacific had just so many planes and so many people, and some were Army, some Navy, some marines, some New Zealanders, etc. They were all pooled, and every weapon was used in the fight.

Question. In reference to tactical air support of ground troops, did the absence of an adequate airfield on Okinawa mean that we could not operate any tactical support for the ground troops except from the decks of carriers?

Answer. We certainly could not. That is one of the reasons why the fleet suffered so greatly up there. They didn't have the airfields to take care of the pursuit or fighter planes and defend the island against the Japanese air attacks.

Question. What would you say about the future of strategic bombing in a big land area? Would you assume that such a country would have its factories nicely concentrated for the benefit of strategic bombers, or would it disperse those factories and its stock pile of bombs?

Answer. It seems to me there is no question about it that everybody, except possibly our own country, would disperse factories and production plants. I suppose if we were to get bombed in this country, we would do it too. It's my understanding also that the German production was not slowed down appreciably from the effects of strategic bombing until after the Allies had complete control of the air.

Question. Was that accomplished by strategic bombing?

Answer. It was not. It was accomplished by pursuit planes.

Question. And pursuit planes have shorter range. No intercontinental pursuit planes have been developed yet, have they?

Answer. No.

PURSUIT RANGE AS LIMIT

Question. So that the range, as you get it, of the pursuit plane is the range of operation as we will see it in the next war?

Answer. Yes. They say these bombers fly so high no fighter plane can get after them, but I saw a couple of planes the other day which can climb to 40,000 feet in a short time interval. Those were planes flown from carriers.

Question. In your opinion, then, there is no question about the fact that planes from a carrier, on detecting by radar the approach of hostile planes, could get up 40,000 feet in a few minutes—in time, for example, to intercept the B–36?

Answer. That's right. I am amazed that anyone should make the statement that there is such a thing as invulnerable high-flying strategic bombing today in view of everybody's knowledge about the power of pursuit planes.

Question. Can you suggest any method whereby the services will be able to retain their right to decide how to fight with their own weapons, provided there is enough money available for each of the services?

Answer. I think that is about the hardest thing to decide. Each service has its own specialized equipment that it needs, and no other service can possibly be in a position to dictate what the others should use and what they shouldn't use, and the same is true about their specialized research.

When you have a mission, you shouldn't be denied the tools to execute your mission. If the Air Force has the job of delivering the A-bomb, they've got to have the tools to do it. But, if the Navy has the job of controlling the sea, we've got to have the equipment to resist any threat to that control. Whether it be bulldozers, or carriers, or whatever, we've got to have the weapons to resist any challenge to our control of the sea, and I think that is basic. The same is true of the Army; if the Army finds they need tactical air under the command of the ground commander, they should have it.

Question. In other words, just the fact that it's an airplane doesn't make it exclusive property of any of the services?

Answer. It has nothing to do with it at all. But I do think planes should be pooled centrally and allocated to this place and that place in a specific command area.

Question. What about the size of carriers?

Answer. The question of whether you should have a carrier 100 feet longer than a previous carrier is something that ought to be decided by the Navy itself, because it's the same as the question of whether the Army shall have a tank larger than the present tank—provided you have the money.

Question. Do you think the whole concept of unification falls apart if two services are going to decide what the third service shall have?

Answer. Yes. You've then got the inexpert making a decision. Now we could line up, 2 to 1, against the B–36. Or we could put the Army's tank program out of business. And they can put our programs out of business. Yet the people who are inherently best qualified to say what is needed in the war are outvoted. If each service is charged with a certain mission but is restricted as to weapons by the order of the two other services, your operation will hardly be effective.

WEAKNESS OF A GENERAL STAFF

Question. What would you say about the suggestion that has been made that we have a General Staff—abolish the Joint Chiefs and have a General Staff which will not be part of any service but which will be taken from members of the different services and will operate as an over-all high command, functioning at all times in making decisions for the three armed services?

Answer. You would then have what Germany had and what Japan had.

I don't think anybody can become a master of the thinking of all three services. To build a General Staff which has authority but has no responsibility for what happens through their decisions, would be disastrous. One thing which is being badly overlooked is that the military service is a peculiarly personal service. You must have a strong competive spirit or you don't have a fighting man. You see the fierce, fanatic spirit

of the Marine Corps. You can't buy that—it's a great national asset and to abolish it would be a stupid thing—you would be throwing away a sharp and tempered weapon.

On that same point, I am always a bit amused and at the same time worried when I hear something said about the Army-Navy game being abolished. I don't think there is anything that is better for the spirit of the Army and the Navy than that football game. I think it does more to build up the spirit of both services than any other one thing that happens. I played on the football team and I hate to see the Army win today, but some of my best friends are among the men who rubbed my nose in the mud of Franklin Field.

Question. Isn't the problem really whether you are going to abolish specialization?

Answer. Yes. Suppose you did it in industry. Suppose we stopped giving E awards for the finest factory production in the war. We give decorations to individuals to bring out the spirit of competition. If the incentive to excel is dropped you don't have specialization. Also, you can't throw away all your weapons of the past. In the landing in Normandy, supposing we didn't have those old-fashioned battleships on the Normandy coast with their 14-mile-range guns to protect the inland invasion, what would have been the cost in lives on the Normandy Beach without those guns? It would have been terrific.

Question. What is the basic question, then, as you see it?

Answer. The basic question at this time is really the needs of the Navy, and this is definitely something that is being challenged at the time. It's being challenged on the ground that Russia doesn't have as yet a significant Navy and it's being challenged on the ground of a fixed concept.

I've heard people of high military attainment say that we should stop everything now except the support of our strategic air bases. They think we will be stock piled and all the rest of the commerce of the world could stop. There couldn't be a more suicidal idea. With respect to submarines, what they don't realize is that submarine warfare is so global in character that we had to centralize the anti-submarine command in Washington the last time. Submarines don't respect anybody's command boundaries. Also, we are not adequately stock piled, and we will never be.

The whole history of strategic stock piling indicates that the best minds in modern industry were not able to forecast what the demands for strategic materials were going to be or what strategic materials you could find substitutes for. But in war there will always be changes in industrial demands, and this means changes in the demands for basic materials. We've got to keep our supply lines open to all parts of the world where raw materials may be. That's why we need the most powerful Navy that we can afford.

Also, the Pacific situation is rapidly changing from what it was on VJ-day, when we dominated the Pacific and there was no opposition. The sweep of communism along the Asiatic coast and down into Indochina is going to have its effect on the Philippines, on Indonesia, in the Netherlands East Indies, and all through the Pacific, and we may find ourselves again in the position where hostile forces are going to be occupying Pacific areas.

I feel there is going to have to be a reorientation in our military thinking to take real cognizance of the Pacific. The Communists have within striking distance the development of a very powerful body politic throughout Asia today, and that situation has been radically changed from what it was when we walked off the field in 1945.

As long as we have big ocean areas to protect we need submarines and carriers and the supporting ships of a well-integrated naval organization.

Less Than Nothing at All

EXTENSION OF REMARKS
OF
HON. CHARLES H. ELSTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. ELSTON. Mr. Speaker, under leave to extend my remarks, I include in the RECORD the following editorial which appeared in the Cincinnati Times-Star of May 10, 1949.

LESS THAN NOTHING AT ALL

A rather common notion, which became current under Franklin D. Roosevelt, is that the Federal Government is a sort of almoner, the States of the Union its worshipful beneficiaries. Federal aid for State roads, for education, for unemployment, for old-age pensions, for hospitals, medical treatment and so on—either as actualities or as present projects, these terms are all familiar, too familiar.

Fact is that among a considerable group of States, in which Ohio is well toward the front, it is just the other way around. New York, of course, is the outstanding example. As Thomas S. Holden sets forth in The Great Illusion, a new study of Federal aid, every $100 in Federal aid received by the Empire State in 1948 cost it $243. That $100 was not a gift, but in effect a partial, an inadequate restitution. As to Ohio, a reasonable guess is that whenever it pays in $100 to promote the various forms of Federal aid, it gets back possibly $58.

Under the Constitution, Ohio has the right to lay every tax now laid by the Federal Government—save one on imports. Income taxes, corporation taxes, excise taxes, real-estate taxes, sales taxes, inheritance taxes, estate taxes, industrial compensation taxes, old-age taxes, unemployment taxes—these are all within its powers, and some of them in its body of law. Except military defense, Ohio could, at a great savings to itself, do everything within its own borders for itself which the Nation now does for it—if the Nation took its hands off State revenues.

What doesn't come back to Ohio stays in Washington, part of it to build up the bureaucracies there. The rest goes forth again to help out a group of less fortunate States, and that use we do not deplore. What we do deplore is the notion that Ohio owes a lot to the Federal Government and the policies based thereon. It owes less than nothing at all.

Mr. J. Edgar Hoover—A Great American

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include an editorial from the Boston Daily Record of May 13, 1949:

A GREAT AMERICAN

It was most appropriate that the twenty-fifth anniversary of Mr. J. Edgar Hoover's induction as Director of the Federal Bureau of Investigation occurred on May 10.

For this was in the midst of the Nation-wide observation of "I Am An American" Week, and Mr. Hoover's quarter of a century of service to his country constitutes one of the great American achievements of all time, and he himself is respected and honored by all of his countrymen as a great American.

Under his direction, the Federal Bureau of Investigation has developed into the most powerful agency for the prevention of crime in all human experience.

It has made the evil enterprises of organized crime, once rampant in the country and threatening total extinction of the resources of the country, hazardous and futile on an increasing scale.

It has given the country hope and assurance that the ultimate eradication of these vicious enterprises, so destructive of the moral and spiritual resources of the country as well as its wealth, may be achieved.

No better expression of the meaning and purpose of "I Am An American" Week could be offered than by the tender of the good wishes and the gratitude of the people of the United States to J. Edgar Hoover on this silver anniversary of his great career in the service of his country.

North Atlantic Pact

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following from the Boston Daily Record, Boston, Mass., of Wednesday, May 11, 1949:

A STRANGE OMISSION

A new and unexplained and very strange aspects of the North Atlantic Pact, which pledges American aid in the defense of other nations and their colonial possessions and which now awaits ratification in the United States Senate, has been brought to national attention by Senators WATKINS, of Utah, and DONNELL, of Missouri.

In the course of testimony concerning the pact by Robert A. Lovett, former Under Secretary of State, before the Senate Foreign Relations Committee, the two alert Senators elicited the startling acknowledgment that no provision is made for assistance to the United States by the other nations in certain very vital circumstances.

While there seems to be no exception to the obligation accepted by the United States to assist any other signatory to the pact, in the event of attack upon the United States or its possessions in the Pacific none of the other signatories would be under any obligation to assist the United States.

Since war with Russia is the only conflict likely to involve the United States in the foreseeable future, and since a Russian attack upon the United States would almost certainly be launched in the Pacific, the evidence seems to be that the United States would have to fight such a war entirely alone, although the American Government is undertaking through the Atlantic Pact to underwrite the wars of other nations in almost any conceivable circumstances.

As the proposed Atlantic alliance is now written, Senator WATKINS asserts, it seems to be "based on the assumption that attack can come only from Russia into Europe."

Actually, the shortest and quickest and most effective way for Russia to launch an attack against the United States is across the Pacific.

And it is a matter of record that Russia has already installed vast military works in Siberia for this purpose, and is intensively developing her aviation and submarine installations along the entire Pacific seaboard under her control.

In amazing contrast, the American military establishments in Alaska are even less formidable than those at Pearl Harbor when the Japanese struck across the Pacific.

Accordingly, it is with good reason that Senator WATKINS injects the following facts into the Senate ratification debate:

"It is highly conceivable that during the life of the treaty an attack could come from Asia across the Pacific.

"Under the treaty this country would be left alone to defend Hawaii, Guam, the Philippines, and our troops in Japan.

"Practically all of our defenses would be directed toward Europe."

It is a strange omission, indeed, if the Atlantic Pact upon which America is being asked to rely for international assistance in the event of war with Russia takes no account of Russian aggression in the Pacific.

Senators WATKINS and DONNELL are to be commended for disclosing this phase of the most vital matter, and for their determination to seek clarification of the matter prior to ratification.

It is not a sufficient answer to their questions that inclusion of Hawaii and the major part of the Pacific basin within the range of protective provisions of the Atlantic Pact will require new negotiations.

If past negotiations were conducted without sufficient regard for American interests, there is hardly such haste for ratification that there is no time to repair the weak spot in our security system which might ultimately be tragic, if not disastrous.

Too much of what America does at such enormous cost in behalf of world assistance and rehabilitation is done in such haste that vital American interests are neglected.

It would be a grave mistake for the United States Senate to ratify the Atlantic Pact in that hasty manner.

The "Upper" Branch

EXTENSION OF REMARKS
OF
HON. FRANCIS CASE
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. CASE of South Dakota. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Daily News of today.

THE "UPPER" BRANCH

An ancient wheeze has it that the Senate is called the upper branch of Congress because it is always upping appropriations.

Some Senators—mostly Republicans and a handful of Democrats such as BYRD, of Virginia and DOUGLAS, of Illinois—are agitated now about the urgent need for Government economy. And well they may be.

Congressional tax experts have just estimated that, at present tax rates and on the basis of President Truman's spending proposals, a $3,000,000,000 Federal deficit is probable in the fiscal year beginning July 1. They think declining business activity will reduce Federal revenue.

Many authorities warn that higher tax rates could cause a sharper business decline. Latest is the Committee for Economic Development, public-spirited organization of businessmen. It advocates cuts in expenditures to avoid a deficit.

But the Senate, as usual, is upping.

The House has passed nine big regular appropriation bills. So far the Senate has passed only one of them—the bill providing funds for the Treasury and Post Office Departments. Mr. Truman asked $3,173,000,000; the House voted $3,072,818,000; the Senate boosted it to $3,113,000,000, then defeated a move to cut the total 5 percent.

For the Labor Department and the Federal Security Agency, Mr. Truman asked $2,235,000,000; the House made it $2,212,000,000; the Senate hiked that to $2,410,000,000, then sent the bill back to committee for a 5 percent cut of reducible items, which would save only about $15,500,000. And majority Democrats now are trying to cancel the order for even that.

The Senate Appropriations Committee has finished work on two more of the nine bills. For the Agriculture Department, Mr. Truman asked $727,000,000; the House voted $943,118,000; the Senate committee raised it to $965,000,000. For Army Civil Functions (flood-control work, etc.). Mr. Truman asked $768,000,000; the House voted only $593,300,000; the Senate committee increased that to $751,500,000.

A tenth major appropriation—the first deficiency bill for the current fiscal year—got final approval in Congress yesterday. The House had voted $471,000,000; the Senate jacked it up to $524,000,000.

A few Senate Democrats are talking of waiting until all appropriations for next fiscal year are passed, then trying to slash two billion or three billion from their total. That, however, is a most doubtful prospect.

And yesterday, Republican and Democratic Senators passed the Government-reorganization bill after amending it to make a veto by either House or Senate enough to kill any plan, submitted by the President. If that amendment stands, it will greatly lessen and may end hope for really important savings through adoption of the Hoover Commission's recommendations.

Address of Stanislaw Mikolajczyk

EXTENSION OF REMARKS
OF
HON. JAMES V. BUCKLEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday May 17, 1949

Mr. BUCKLEY of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include the following speech of Stanislaw Mikolajczyk, president of the International Peasant Union, president of the Polish Peasant Party and former Prime Minister of Poland, delivered at the meeting sponsored by the Georgetown University Polish Club, held in Washington on May 9, 1949:

Mr. Chairman, ladies and gentlemen, a few days ago at Carnegie Hall in New York City there took place a rally sponsored by the American organization Common Cause. At that meeting the representatives of 350,000,000 people who have succeeded in escaping liquidation by the Communists, resolved to coordinate their efforts in the common fight for freedom until final victory over communism is secured.

The list of the European peoples suffering under the yoke of Communist oppression is tragically long. At Carnegie Hall speeches were made by the representatives of the Albanian, Bulgarian, Croatian, Czech, Estonian, Hungarian, Latvian, Lithuanian, Polish, Rumanian, Serbian, and Slovak nations as well as by representatives of the Russian, Beylorussian and Ukrainian nations.

The resolution adopted at this meeting states that the oppressive tyranny of communism is contrary to religion and to the most fundamental rights and freedoms of man. It goes on to say that aggressive world communism extends its dictatorial powers ever further into Europe and Asia, and plainly divides the world between the nations which still preserve their freedom and independence and those who live in subjugation under the organized minority of world communism, so that the greatest military victory in world history has been transformed into an outright political defeat for the forces of freedom.

I mention this because, if I am to speak today on the subject of the problem of Poland and the peace of the world, it is worth recalling the facts which brought about the present state of affairs—a state of affairs that not only Poland finds herself a victim of Soviet aggression but so many other countries—in spite of the fact that in none of these the Communists are in the majority—find themselves under their bloody rule, and that the world divided into democratic and Communist parts is certainly not enjoying peace.

This regrettable state of affairs did not come about by accident; it resulted from a strict application of the plans of the Kremlin aimed at Communist domination of the world. These plans, elaborated long before and during the war, are being carried out today. The peace of the world depends upon the ability of the free nations to oppose and fight these plans effectively.

When in 1939 the Polish nation was fighting Hitler, the Red army stabbed it in the back, and the Ribbentrop-Molotov pact cut the living body of Poland into Soviet and German spheres. Speaking about Poland in this connection, Molotov told the world with satisfaction that "nothing is left of that monstrous bastard created by the Versailles Treaty." It was the view of the Kremlin then that Hitler should be encouraged to drench in blood and destroy also western and southern Europe in order to facilitate the establishment of Communist dictatorship on their ruins.

Before Tehran the possibility of another Stalin-Hitler pact was used as blackmail to obtain in Europe further expansion of the Soviet sphere of influence to the west. Thus at Tehran, supposedly applying pressure for the opening of a second front, Stalin gained a de facto recognition of his imperialistic designs on Europe and Asia.

It is worth recalling also that before Hitler's attack on Russia, the Communists represented the war in Europe as such of the Germans against capitalism and British imperialistic aggression. The French Communists organized sabotage aimed at weakening the resistance of France, while American Communists argued the neutrality of the United States, opposing war production and the supplying of weapons to the democracies needed in the fight against Hitler. I myself, visiting the United States in 1941, was attacked by the Communists for alleged attempts on my part that American neutrality be brought to an end. In this respect the Communists went so far as to demand my deportation from the United States.

According to the Communists, nazism and fascism became pernicious and the war against them began only after Hitler's attack on the Soviet Union. In fact they became impatient in their demands for a second front which then appeared to them being necessary.

At Tehran Stalin obtained, among others, the following concessions:

1. The consent of the Western Powers to the incorporation into the Soviet Union of 48 percent of prewar Polish territories, that is to say, the line of division of Poland under the Ribbentrop-Molotov Pact was accepted insofar as the Soviet Union was concerned.

2. The consent of the Western Powers as to a Soviet sphere of interest extending over a considerable part of Europe, including the Balkan states, central European states, the whole of Poland and a part of Germany reaching to the Elbe River.

3. In spite of Soviet neutrality toward Japan, at Tehran Stalin gained also a sphere of interest in Asia: political and economic concessions which enabled him to seize Manchuria and a half of Korea as well as to make preparations for the invasion of the whole of China.

In my book—The Rape of Poland: The Pattern of Soviet Aggression—already published in the United States and in the process of publication in several other countries, I describe in detail how the conquest of Poland was prepared politically by the Kremlin during the war, and how after the war the actual occupation of Poland took place—the Red Army, the NKVD and the bloody terror of Communist agents committing the rape of Poland.

This is not the time nor the place to tell the whole story, therefore I shall call your attention only to few facts which will remind you of the fate of Poland at a time when we are preoccupied with the problem of world peace.

Poland was first in the fight against the German aggressor, and was justly called the inspiration of the world by President Roosevelt. As a faithful ally, Poland obtained the promises of the Great Powers that she will be free, independent and strong, yet she is under the yoke of another aggressor, subjugated by another fascism, this time a red one, symbolized not by a swastika, but by a red star and a hammer and sickle.

The new totalitarian oppressor continues the work of destruction initiated by the Germans. The Germans tried to destroy the whole Polish nation physically; the new oppressor tries to destroy also its soul and to bring about such a state of serfdom as is the fate of all nations subjected to the Communist dictatorship. Poland is the largest nation of those being ground down to fragments behind the iron curtain and is made to subserve Soviet aggression in the west.

The Polish people are known as resolute and romantic people who can endure a great deal if the prospect of liberty remains on the horizon. They believe in the principles of Christianity—the opposite to Communist doctrine and practices. The Poles, in spite of Communist terror, violence, and assassinations, have proved their political and democratic maturity.

In 1939—a most tragic year for my country when Hitler attacked us—Soviet troops, assisting the Hitlerite armies, occupied almost half of Poland, and the two governments, in accord with the terms of the Ribbentrop-Molotov Pact, settled the question of the western frontiers of Russia. On this territory, thus taken and incorporated into Russia, things started happening which went counter to divine and human laws. About one million and a half Poles were deported into Soviet Russia and made inmates of slave labor camps. Under horrible conditions, devised to exterminate the elements hostile to the Soviet system, hundreds of thousands of people perished.

On the other hand, in the part of my country occupied by the Germans, the Polish people was being exterminated by mass murder in the concentration camps, and by plunder, hunger, and forced labor, in the ghettos. The Polish underground movement had at that time to blow up the Soviet trains loaded with oil and grain speeding through Poland toward Germany to help Hitler.

Nevertheless, when Germany attacked her former ally, Poland put aside all her grievances and General Sikorski's government stretched the hand of friendship. In July 1941 animated by the will to fight the Hitlerite foe, we concluded a pact with the Soviet Union. This accord and the fight in common against the Germans lasted until the crisis in the war against Russia passed and Socist leaders perceived the distant prospect of a victorious march to the west. Then, using the well-known Katyn case as a pretext and aiming to cover the killing of about 15,000 Polish prisoners of war, the Soviet Government broke diplomatic relations with Poland. And so it came to pass that we Poles, who had lost 6,000,000 people in the war against the Germans, were now accused of helping them, of disrupting the unity of the Allies and were called Fascists.

I regret having to say that at that time public opinion of the West not only admired the bravery of the Russian soldiers but also, under the influence of aggressive propaganda, through radio and press, believed that the changes occurring in Russia were transforming her into a democracy. In my letter to President Roosevelt, I gave warning of the dangers of such an attitude:

"I fully share the admiration inspired by the heroism of Soviet soldiers fighting in the defense of their country against the German invader.

"I am afraid, however, that public opinion may be bitterly disappointed should it discover that the widely publicized social changes and the alleged democratization of the Soviet Union are in fact but a combination of old Russian imperialism with Communist totalitarianism which has not abandoned its former ambition for world rule.

"Therefore it appears to me wrong to lead public opinion to believe that democracy exists where in reality it does not and cannot exist for a long time, as this is fraught with the danger of causing deep disillusionment and even unhappiness in nations who may be subjected to a rule which, while recognizing the freedom of the state, denied that of the individual.

"It may also create disillusionment in business circles which expect freedom of trade relations in the future. The deepest disappointment, however, will be that of the working classes now rightly impressed by the fighting valor of the Soviet people, but misled to believe that labor's greatest aspirations and democratic ideals have been achieved in the Soviet Union."

The Polish people, in spite of the grim prospects for the future and consciousness as to Soviet intentions in relation to Poland, gave no Quislings. The Polish soldier, airman and seaman, true to his western allies, fought on their side to the last moment while the Polish underground state, thanks to its excellent organization and heroic efforts, resisted Hitler's occupation forces until the bitter end.

The sabotage and the fighting of the insurgents against the retreating German armies had to cease as soon as the Red Army came in contact with the Polish forces. The home army and the peasant batallions were decorated for their heroism. But this was as far as Soviet collaboration went. The next day the Polish fighters were disarmed, isolated, and deported to Russia.

When the Warsaw uprising began the Soviet armies halted on the other side of the Vistula; for a long time Stalin refused to grant to the American Air Force, which could have supplied the fighters of Warsaw with ammunition, the right to land on Polish soil behond the Soviet front. After 63 days of unequal fighting, Warsaw, that stronghold of Polish freedom and heroism, being without food and water, surrendered.

For several months the Germans were blowing up the houses which had escaped destruction while the Soviet armies remained inactive on the other side of the river. When the Germans had finished their work of destruction the Soviets entered Warsaw and installed a Communist regime known as the committee of national liberation.

Then came the Yalta Conference. The big three confirmed the Teheran agreement to surrender to the Soviet Union 48 percent of the prewar territories of Poland, reaffirming the condition of a free, independent, and strong Poland. It was decided that the three ambassadors were to assist in the creation of a provisional government of national unity, and that by means of democratic procedures the Polish people were to elect the members of the government in free and unfettered elections.

Moscow acted in contravention of these decisions. It had 16 of the leaders of the Polish underground state arrested. Under an explicit promise of safe conduct, they were invited for consultations with the Soviet authorities: a Soviet general swore on his honor that they will not be molested and that even they will be allowed to consult with the Polish Government in London.

The arrest of these leaders was kept secret for a long time. After the Assembly of the United Nations at San Francisco had ended, on the very day of opening the negotiations for the formation of the Provisional Government of National Unity, they were put on trial in Moscow.

Nevertheless, we considered that, in spite of the greatest sacrifices imposed on Poland, we should try to fight for what is most important and most valuable for man and country—independence.

We went back to Poland, entertaining no illusions that our position would be easy—on the contrary, I was fully aware that the Soviet Government was unscrupulous and that it would ruthlessly aim at securing the victory for the Soviet Union. We know that the term "compromise", so well known to all and without which international relations would be impossible, in the Soviet vocabulary means only a respite before a new attack.

For 2½ years we fought at the head of the Polish Peasant Party. We stretched our hand in friendship, we showed good will, we arranged for the emergence and disbanding of the underground army, we gave assurances of loyalty and friendship. In return, we demanded for the Polish nation only the right to run its own affairs according to its unfettered will.

The referendum held on June 30, 1946, showed that only about 16 percent of the voters followed the instructions of the Communist bloc while some 84 percent acted in accordance with recommendations of the Polish Peasant Party. To conceal this the Soviet dominated regime falsified the results.

After the referendum, in preparation for the coming elections, the Polish Communists and Socialists went to Moscow for confidential political discussions and it was there that the decisions concerning the elections in Poland were made.

We were invited to join the Communist elector bloc, being told that in case of refusal we would be liquidated. We realized that Moscow was behind all this. It was made unmistakably clear that the existence of opposition in Poland would no longer be tolerated. On the other hand, we realized that in a free election the Communists would not get even 5 percent of the votes cast. Consequently, there was no hope at all of honest elections.

The overwhelming majority of the nation had confidence in the Polish Peasant Party. We were, as somebody remarked, the conscience of the nation. We were the only hope of the people, the source of moral inspiration and the sole independent organization in the legitimate fight of our people for the rule of law, the freedom of the individual, and his right to independence of

thought. We were looked upon as the only chance of salvation from chaos and ruthless shedding of Polish blood in fratricidal strife.

Having survived the German occupation, the Polish nation—nearly one year and a half after the cessation of hostilities—desired to express its will in a free election. We refused to join in the electoral bloc of the Communists.

I shall not attempt to describe to you in detail the conditions prevailing in Poland during the electoral period. In its general outlines, the world has a picture of the way the elections were "cooked up," mainly from the honest and objective reports of the foreign correspondents who visited Poland at the time. During the electoral period over 100,000 members of the Polish Peasant Party were arrested. Among them were all of the active members of the provincial executive committees and some members of the national executive committee as well as of the central council of the party. Out of a total of 52 electoral districts, the lists of candidates of the Polish Peasant Party were invalidated in 11 districts.

The secrecy of the vote was frequently violated by pressure being brought to bear on the voters to cast their votes openly or to vote in groups under supervision. Meetings of the Polish Peasant Party and campaigning were made impossible by the authorities.

By order of the chief of the general staff, the Russian General Xorczyc, special military detachments were entrusted with the task of fighting the Polish Peasant Party wherever possible.

Here, I must state most emphatically that in spite of the terror exercised against them, the Polish people stood firm and would not be intimidated. The genuine results of the elections which came into our possession prove that the Polish Peasant Party received 85 percent of the total number of votes cast, but the official announcement asserts as 11 percent of the seats in the Parliament.

Whatever the end of the election farce, I have to stress that the Polish nation showed great political maturity and sincere attachment to democratic ideals.

The Polish citizen wanted to express his will legally through the polling box and not by means of revolvers and assaults on fellow nationals. Workers and officials were threatened to be dismissed, traders to lose their workshops, and at the same time asked just only to declare their readiness to vote publicly and to march in groups to the polling stations. These ordinary people accustomed to German terror and to use of revolvers, were ready to take all these hardships for only the right to cast their vote according to their conscience and their political creed. Members of the party were visited by police gangs, which arrested them or their wives—often their sons or daughters—and deprived them of their workshops, their farms, threatened them with prison or deportation to Siberia. They knew that witnesses would always be found to accuse them, that they might be sentenced to death or imprisonment for many years, that all their property might be confiscated. They were well aware that their families might be left without a home and without means of living. And all this could be avoided simply by leaving the party and declaring to condemn everything they believed and were proud of. But most of these ordinary people rejected these suggestions and remained faithful to their ideals.

I am proud to belong to a nation which during the war knew how to die for freedom and in peace knows how to fight legally under terrible conditions for the freedom of man, for his creed, for true democracy.

At the end of 1947 political terror made any independent political activity in the country impossible. We came into possession of reliable information that the decision was to hand some of us to the military tribunals on the day of the reopening of parliament, information that these tribunals had been instructed to pass death sentences. There was no choice but to flee the country.

Nobody can accuse the Poles and their leaders of prefering to live a comfortable life abroad and from there defend the rights of Poland. If we failed—we failed because of the brutal methods of the Communist dictatorship.

Today everyone can see and feel how in Poland the vises of the Communist dictatorship tighten, how every day it is more difficult to live and to breathe freely because of the quickening tempo of the sovietization of the country and the exploitation of the Polish economy for the purposes of the Soviet economic system and the military preparedness of the Red Army.

What does this quickening tempo of the sovietization mean? I shall mention here briefly only a few of the methods used: The liquidation of the independent Polish Peasant Party, the so-called fusion of the Socialists and Communists, the liquidation of all independent newspapers which appeared until recently in spite of the censorship and the want of the necessary quantity of newsprint, the liquidation of all the remnants of the independent cooperative movement, the quickened tempo of the liquidation of the remnants of private enterprise, the introduction of the Soviet slave labor system for the workers, the beginning of the collectivization of agriculture, the increased number of arrests and the compiling on Kremlin orders of lists of people of up to 1,200,000 who are to be done away with in the event of a crisis, the placing at the head of the regime and the army well-known and experienced international Communist agents, the speeding up of the Communist indoctrination of the youth and, instead of the hitherto disguised struggle with the church, an open fight against it.

I think it is our duty to warn the free peoples in the west—those who still do not believe or still do not want to see the Communist danger for the whole world. It is absolutely necessary to experience and to see what is happening under the Communist regime because actually it is more terrible than one can describe. It is difficult to understand and imagine it from a distance. It is difficult to see even for a stranger visiting in Poland. The first impression of a stranger would be a spring in full bloom—the sun shining, people working, when questioned they either avoid an answer or reply that everything is all right. In the Communist press there is plenty of statistical data about the success of production plans, enthusiastic testimonial letters signed by people, public squares are filled with manifestating crowds, books and newspapers shout about the emancipation of man, about the happiness of the worker and peasant, about the right of free enterprise, about religions, about the equality of all people, and about the longing for peace. Only the exploiters, black-marketeers, profiteers, rich peasants, and saboteurs are being condemned.

It is proclaimed that the Communist government is a government of the workers. But ask the worker what he thinks about it. His right to life depends upon his work and the results of his work are imposed from above. The state provides work and gives him right to have his home.

His wages depend upon a fixed minimum of work done. When recently the Polish miners in Silesia were unable to reach the prescribed norms of production, their wives were ordered to come and collect their wages. They were told that if the wages were insufficient the fault was with their husbands. A strike is considered as sabotage against the state because the latter owns the industry. The trade-unions are ruled by the Communists and their duty is to assist management rather than assist the worker in gaining a living wage, because a government of the workers is incapable of doing injustice to anyone.

If the worker does not submit, he will be left without employment, without living quarters, even without a starvation wage, he is not accepted for employment elsewhere, he will have to die on the street from starvation or be obedient to the Communists, attend their manifestations and applaud enthusiastically suppressing his bitter tears.

The peasant, if he has not already been deprived of his land—and some times he is deprived of it in the course of 10 minutes—has the duty to pay his taxes in produce and these are often higher than the total yield of his land. If there is anything left it is preempted at fixed prices which are but fractions of the market prices. In addition, he has to pay a sum to the savings fund which is at the disposal of the Communists. When the peasant is doing well, he is condemned as a rich kulak, village exploiter, and therefore must be liquidated because Lenin teaches that an independent peasantry threatens the Communist system with the revival of capitalism. That is why the peasants must be liquidated, must be forced into the system of kolkhoses and reduced to the status of serfs to the state.

When a small-business man opens a private shop he receives his merchandise from the public store at fixed prices and fixed margin of profit. These stores sell better merchandise at better prices and with a higher margin of profit to the state-owned shops.

If one were able to pay the tax fixed arbitrarily one would have to face a special commission which has the unlimited authority to confiscate all of your merchandise and send the owner to a forced-labor camp without trial. A craftsman has to wait until he is allotted raw materials and he has to deliver his products to the cooperative where the Communists will pay for it whatever price they choose.

A high school student has to live in town, and the Communists decide whether he can obtain lodgings and at the examination he has to show his political maturity and confess whether he loves the "liberator of mankind," Stalin.

A citizen looks for consolation in God, is a believing Christian, and he is forced to attend manifestations against his pastor or bishop, to accuse him falsely, that he is a traitor, that he supports the bandits from the underground, "corrupts the youth, misappropriates public funds," and that he is a saboteur of the new order.

If such a worker, peasant, craftsman, clerk, teacher, businessman, or professor has stood all this, and his spirit has not broken down after becoming a modern slave completely dependent economically, then there comes the political terror.

A man has not broken down, he has lost his temper, he has said something rash, the security police picks him up in the night and he disappears. Sometimes he disappears without trace, or his body is found floating in the river, thrown in the field or in the forest. Sometimes he stays in prison for months without trial. After that they release him and place him under the close observation of spies. Sometimes in the prison cell he is sentenced secretly for several years. Later beaten and tortured, he is starved in an overcrowded prison cell. And sometimes a secret sentence, a pistol shot in the back of his head, and only by accident a dog may dig out his corpse. It was not buried deep enough in the ground.

If it is necessary, a political trial will be staged, always before a military court, rendering sentences according to the orders of the NKVD. First of all, they will try to break him down. Then they make him appear at a public trial and accuse himself. He is

made to disgrace his good name, to accuse falsely his friends, to deny all that he has believed in throughout his life. Then he is given a sentence and will never be free again so that he cannot disclose how they did force him to accuse himself and to denounce his friends.

In this way, by means of slave labor, complete economic dependence on the state, and poisoning of the soul of the nation, 1,000,000 armed men of the Communist Party, of the security police, of the NKVD, of the so-called Polish Army led by Soviet officers in Polish uniforms, and of the Soviet Army stationed in Poland, govern 24,000,000 Poles of anti-Communist views, known for their love of freedom and of the independence of their country.

Five families are forced to live in two rooms, while at the same time, to show off, there are being built palaces, government buildings, party quarters, Communist press buildings, prisons, highways and railways from the east to the west for Soviet military purposes. In addition an unheard of splendor and luxurious living of those who govern allegedly in the name of the proletariat. The difference in the living standards between the ruling class and the rest of the people is so enormous that you cannot find a similar disparity in any capitalist society of the west.

Such are the conditions in Poland, in Rumania, in Hungary, and in Bulgaria. And in spite of the so-called Tito rebellion the same conditions exist in Yugoslavia. Conditions are similar also in Czechoslovakia, in Lithuania, in Estonia, in Latvia, and, because of the longer period of Communist government in Russia, the conditions there are even worse. The same is to be expected in China, as it would take place in any country in which the Communists succeed in seizing the power.

The lessons derived from such experience show that at this moment the lifting of the blockade of Berlin is not the issue, but that—after placing under dictatorship 350,000,000 people in Russia and the countries behind the iron curtain—the Communists aim to impose their power over 400,000,000 Chinese in order that tomorrow they could threaten India and Japan in the east and the rest of Europe in the west.

I do not say this to frighten you but to assist you to face the truth and to appraise the actual state of affairs calmly. I say this so that we entertain no illusions that the world can enjoy peace divided into halves of freemen and of slaves, that the two halves—one democratic, strong, powerful—a part of which is the United States, the strongest world power today, but the half always running the risk of diversionary action and involved in costly armaments, a nonaggressive half wanting peace at any price and alongside a second aggressive half of bloody and perverse dictatorship not counting the price of human lives and not concerned with human dignity—these two halves cannot live peacefully the one alongside the other.

There would be no lasting peace, while the world is divided into Communist and democratic parts. Communism is not only a terrible police dictatorship, it is at the same time an economic system based on purposely created wretchedness, on economic dependence of every man on continuous confiscation of the fruits of human labor, on enslavement of worker and peasant.

Communism is a system based on lies, hatred, human indignity, national treason, and continuous unscrupulous manipulations against peace in the world.

The fate of Poland and of the other countries behind the iron curtain shows that those who deprived our nations of their freedom did so merely in defense of their dictatorship and not in defense of any ideology—murdering and imprisoning their countrymen, not letting them live in peace even in poverty, that those keeping in every country their agents ready to betray their own peoples and to murder them with the hands of their own brothers, those are the ones who do not want peace. They want only to gain time for the solution of the secrets gained through espionage and in order to produce the weapons of mass murder.

Is there then any hope? I would not say there is none. The Marshall plan inspired new life and new hope in western Europe. The Atlantic Pact united the countries of western Europe for the purposes of common defense against armed aggression. The Communist wave is receding and the Communist attempts to seize the power in Italy and France have failed. These are positive achievements. I believe that the time of easy conquest of one country after another by the Communists has passed. I believe that the period of appeasement has come to an end. I think that if another appeasement came to pass and the nations behind the iron curtain were forgotten and left to their fate, besides the guilty conscience of the western democracies, it would not bring to disturbed humanity a lasting peace.

Perhaps you will still disregard what we say today, distrust us, thinking that we speak with the bitterness of political exiles and that we want to provoke a war. My answer is, we do not want war or human suffering but we speak with the voice of those who have witnessed their own nation being put into the irons of oppression and feel with it the brutal injustice of this act. We give warning with the voice of those who having experienced the misfortune of, and the injustice done to, their own people would like most sincerely only one thing: that a misfortune similar to ours be not the lot of other nations.

Therefore the systematic enlightenment of the public of the free nations of the world about communism in practice is as necessary as the expansion of alliances in order not to tempt the Kremlin to attack the still weak spots. That is why moral help aimed to sustain the spirit and hopes of those now forced to remain silent and merely listen to the Voice of America is so important. That is why a world plan coordinating all the forces of democracy is necessary in order to lead a moral crusade against the bloody terror, lies and hatred that communism represents. That is why it is important that free peoples entertain no illusions and do not get caught unawares.

The ultimate goal should be the destruction of communism everywhere, as it is a doctrine contrary to the spirit of real liberty—a doctrine which violates innate human rights and is antagonistic to the Christian teachings of love and social solidarity.

We Poles believe that finally justice, freedom, and democracy are bound to win in the whole world and so also in Poland.

We believe that the democracies will win because they have the will to win and are in position to be victorious in the whole world, assuring lasting peace and happiness to humanity.

In the meantime, guard your freedom, guard your democracy, as you guard your own life. And do not forget the freedom of other nations.

Spain

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mrs. DOUGLAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by Secretary of State Dean Acheson at his press conference May 11, 1949, on the subject of United States relations with Spain. It is a timely explanation of the situation which I hope all Members will read with interest.

What I should like to do is to try to put this present matter, which involves a vote in the United Nations as to whether or not the 1946 resolution is to be modified, in its real setting. As you know, the resolution was passed in 1946 by the General Assembly of the United Nations, and it recommended to the member nations that they withdraw their Ambassadors from Madrid. At that time the United States did not have an Ambassador in Madrid because Mr. Norman Armour, who had been the Ambassador, had resigned and no one had been appointed to take his place. Therefore, in carrying out the spirit of the resolution no one has been since appointed to take Mr. Armour's place.

The argument revolves around the question of whether that resolution should be changed and whether the Ambassadors should be restored. Now, in the first place, I assume it is everybody's belief that a recommendation by the General Assembly of the United Nations should be followed until it is changed. I do not think there would be any argument about that. Argument might arise about whether we should attempt to change it.

Another preliminary observation: I should like to say that in and of itself this question of whether or not Ambassadors, as distinct from Chargé d'Affaires, are in Madrid is a matter of no real importance at all. This resolution was adopted by the United Nations in the belief that it would lead to certain reforms on the part of Franco which would make the relations with his government by other free governments more happy. It has not had that effect.

Now, why was the resolution passed and what are the issues which grow out of it, and what is American policy?

In the first place, let us state what the policy will be on that resolution. Our policy will be to abstain from voting upon that resolution, which is to the effect that the question shall be left to the judgment of each individual member of the United Nations. We shall not vote on that. We shall abstain.

Now this question, if it has any importance—and it obviously has, because it arouses a great deal of emotion, both in this country and in other countries—is because it is a symbol of something else. The reason the 1946 resolution was passed is rooted in history. The Franco government was one which was established with the active support, and only with the active support, of Hitler and Mussolini. The republican government in Spain received the support of the Soviet Union. There were charges at the time that the republican government was Communist. Those charges were denied. It is unimportant at this point to go into what if any substance they had. The fact of the matter was that a government was established in Spain which was patterned on the regimes in Italy and in Germany and was, and is, a Fascist government and a dictatorship.

The importance is not in throwing words around in talking about Fascists, because other people call us Fascists, too. We do not get anywhere merely by using that word. The important thing is what goes on in Spain. It is also important what the western European governments think of what goes on in Spain because, as I have said, the important matter is not whether we send an ambassador instead of a chargé d'affaires; the important thing is what can be done to bring Spain into the community of free nations in Europe in both the economic and the defense fields. When you

think about that you discover at once that the western European governments are opposed, and have publicly stated their opposition, to this collaboration with Spain in the economic and military fields.

Now why is that so? I say we get nowhere by using such words as "fascism," but if we look at the situation in Spain, we will see some perfectly simple fundamental facts which cannot be obscured. I presume that the foundation of liberty—individual liberty—is not in great phrases at all but in certain simple procedures and simple beliefs, and I should put first on the list of essentials for individual liberty the writ of habeas corpus and an independent judiciary. One of the things that all dictators do—from the time of the French Revolution and before the French Revolution down to the present time—is to take anyone that they do not like and throw him in the oubliette and there he stays until he dies or until they shoot him or until they take him out. The fundamental protection against that in free countries is the writ of habeas corpus.

Now what does that mean? That means that anybody who is detained against his will may at any time get an order from the court that he shall be produced in person before the court and that those who hold him must justify the fact that they are holding him under the provisions of law. There is nothing more fundamental in the preservation of human liberty than that ancient British tradition which is now incorporated in most of the procedures in the free world. That right does not exist in Spain.

I suppose a second fundamental right, which is useful only if you have the first, is that if you are tried—and, of course, it follows from the writ of habeas corpus that you cannot be sentenced to prison unless you are convicted of some crime—the second right is that in being convicted of a crime you are convicted not by employees of the State but by your own fellow citizens. That is the right of trial by jury. It means that no judge, even though he be independent, certainly no administrative official, can order you put in jail. The only people who can do that are 10 in some parts of the world, 12 in others—citizens just like yourself—and if they listen to the testimony and say Joe Doakes goes to jail, then he goes to jail. If they say he does not go to jail, then he does not go to jail. That is fundamental. That right does not exist in Spain.

Then there is the question of religious liberty, which is fundamental to a free exercise of the human personality. That right does not exist in Spain.

Then there is the right of association—association in political activities, association in trade-union activities, association in benevolent activities—that right does not exist in Spain.

I could go on, but what I want to draw to your attention is that these certain fundamental basic rights of the individual which make the difference between what we call free Europe and the iron-curtain countries—these rights do not exist in Spain, and the Spanish people are prevented from enjoying them by action of the Spanish Government.

It seems perfectly clear to the western European countries that you cannot have an intimate working partnership with such a regime in the economic field and in the defense field. There must be some move to liberalize that. None of them say, nor do we say, that Spain, which has never been a full-flowered democracy, must become so. But they all say that there must be some move toward that situation, because if there isn't, what is the use of having ambassadors? We have someone with a different title. It may raise the prestige of the individual a little bit, but what is the use of it all?

It is important only if it becomes a symbol, and if it becomes a symbol of the fact that after all we don't care much about these rights, then it is a bad symbol. If it ceases to be a symbol it wouldn't make any difference to anyone whether you had an ambassador or whether you didn't.

But the fundamental thing is that American policy is to try to bring Spain back into the family of western Europe. That is a family matter. You have to convince the Spaniards that they must take some steps toward that end, and you have to convince the Europeans that they have to take some steps. So that it isn't fundamentally a matter which can be brought about by American action, and, therefore, the policy of the American Government is one which I am quite sure is calculated to please neither group of extremists in the United States—either those who say that we must immediately embrace Franco, or those who say that we must cast him into the outermost darkness. But it is a policy directed toward working with the Spaniards and with the western Europeans, bringing about a situation where these fundamental liberties do exist in Spain and where the western European can bring Spain into the community.

I have spoken at some length on this subject because it is so easy to confuse form with substance.

Is the Cry of Regimentation a Cry for the Benefit of the Wolves or the Sheep?

EXTENSION OF REMARKS

OF

HON. EUGENE D. O'SULLIVAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. O'SULLIVAN. Mr. Speaker, the following editorial comment in the Farmers Union Herald of St. Paul, Minn., under date of May 9, 1949, is, I think, one of the most correct, enlightening, and timely statements which I have read in many months.

It is also an almost complete answer to the recent wailing cries of certain ruthless and selfish interests and people of our country, against a part of the Fair Deal program of our great humanitarian President, Harry S. Truman. These self-styled "Save the United States from ruin and bankruptcy" lobbies and groups are masquerading about as asses under the lion's skin of conservatism, but the asses' bray and the asses' ears expose them, and brand them very definitely as master hoaxers on a lobby lark.

They do not desire to preserve the liberties of the people of the Republic, but on the contrary they want to perpetuate their own self-issued licenses to help themselves first.

The editorial I mention is as follows:

REGIMENTATION—BY WHOM?

There are some who say the new farm program suggested to Congress by Secretary Brannan would regiment the farmer. This argument comes from virtually the same people who oppose national health legislation, labor legislation, social-security laws, national housing legislation. In short, the same people who say that any sort of planning on a national scale for the welfare of the great mass of people is regimentation.

Perhaps they are right. We live in a regimented society because we are regulated by laws which govern our actions around the clock. From birth to death, we are required to conduct ourselves according to the rules laid down for us. To that extent we are regimented.

But without laws, without national planning for the public welfare, we would live in a state of anarchy. Every individual would be a law unto himself and the result obviously would be disastrous. The strong would overwhelm the weak. The devil would take the hindmost.

The farmer lives under the same laws as anyone else. But because of his isolation in the past not much attention has been paid to him so far as planning for his welfare. He has been the chief victim of drought, the first victim of economic depression. Proper health facilities have been denied him through lack of national planning. Proper schools have not come his way for the same reason. And his economic position has been one of inequality because he has been left alone to fend for himself in the midst of organized monopoly and speculation.

That is the reason farmers have built their own cooperative businesses. That is why farmers have organized—to market collectively, to purchase collectively, to furnish their own power collectively, to build health co-ops collectively, and to engage in many other activities—together.

But there must be a further step—if farmers are to achieve their fair position in the economy. There must be a national agricultural program which protects farmers against bankruptcy for producing in abundance. Such a program must take into consideration the consumer of food and fiber products of the farm. Such a program must provide for the future of the Nation by providing for conservation of our greatest national resource, the soil.

There have been attempts to do this in the past. The McNary-Haugen bill was a starter. The Agricultural Marketing Act was a step along the road. The Aiken Farm Act, passed by the last Congress was another attempt. But the New Farm Act, proposed by Secretary Brannan, is the latest and the best plan for agriculture. It corrects and brings up to date the concept of parity. It provides for flexibility but not so rigid as that in the Aiken bill which would penalize farmers with depression prices for surplus production.

If this is regimentation, perhaps we need some of it. As long as it's a farm program by and for farmers, the farmers will not be in great fear of the term.

It would be far better than the regimentation of isolation imposed on farmers in the past, by special interests with axes to grind. So, if there is any fear about regimentation let's be honest about it. The question is—Regimentation—by whom?

Cahokia's Two Hundred and Fiftieth Anniversary

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the St. Louis Post-Dispatch of May 15, 1949:

CAHOKIA'S TWO HUNDRED AND FIFTIETH ANNIVERSARY

"The noble achievements of the founders of the first settlement in the Mississippi Valley are a source of pride to us, who honor the traditions of the French pioneers, just as they are to our American brothers, who have

so often fought side by side with us in the struggle for freedom. Cahokia is a valued relic of our past as it is of yours."

These words of the French Ambassador, Henri Bonnet, go far to explain why there is such a to-do over a small, almost forgotten village on Illinois highway 3, below MacArthur bridge, just beyond the edge of the St. Louis industrial area. They suggest the one way in which to think of the quiet settlement, usually disturbed only by the whir of passing automobiles or the hum of planes from the nearby airport.

Cahokia's distinction is that it is "Old Cahokia," to borrow the simple title of a new book of its narratives and early documents. It was founded the same year as Williamsburg, in tidewater Virginia. But with that common birth date, 1699, all kinship ceases. Williamsburg and its Governor's palace and formal gardens were Old World. Cahokia was built of logs cut from the wilderness. It was the New World—its spirit, its adventure, its hardship, its persistence. A series of "bad breaks" in history kept Cahokia itself from growing, but its victory came as thousands and then millions passed its way, crossed the great river and spread out over the vast reaches to the Pacific.

Not only St. Louis, whose first settlers came via Cahokia, Fort de Chartres and Kaskaskia, and the West, but all the country owes Cahokia kindly remembrance as it lights up its 250 candles. Many historians believe that the Revolutionary War was won in large part by George Rogers Clark in the Illinois country. If that is true, Cahokia's Fort Bowman was a turning point. The brave pioneers who built the village church, set up its courthouse, made friends with the Indians and put out the lines of trade along the rivers, were the founding fathers of our valley. No wonder an Ambassador comes to pay tribute as Cahokia takes on new meaning this Maytime.

National Constitution and Bylaws of the Auxiliary of AMVETS (American Veterans of World War II)

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the national constitution and bylaws of the Auxiliary of AMVETS—American Veterans of World War II—as revised and adopted at the fourth annual national convention of the Auxiliary of AMVETS, September 1–5, 1948, at Chicago, Ill.:

NATIONAL CONSTITUTION AND BYLAWS OF THE AUXILIARY OF AMVETS (AMERICAN VETERANS OF WORLD WAR II)

(As revised and adopted at the fourth annual national convention of the Auxiliary of AMVETS, September 1, 2, 3, 4, 5, 1948, Chicago, Ill.)

PREAMBLE

We, the mothers, wives, sisters, and daughters of AMVETS (American Veterans of World War II), fully realizing our responsibilities to the community, State, and Nation, associate ourselves for the following purposes: To uphold and defend the Constitution of the United States of America; to safeguard the principles of freedom, liberty, and justice for all; to promote the cause of perpetual peace and good will among nations; to maintain inviolate the freedom of our country; to preserve the fundamentals of democracy and Americanism; to perpetuate the friendship and associations of the great war of liberation; and to dedicate ourselves to the cause of mutual assistance—this by the grace of God.

ARTICLE I. NAME

The name of this organization shall be the Auxiliary of AMVETS (American Veterans of World War II).

ARTICLE II. OBJECTIVES

The aims and purposes of this organization are as follows:

1. To serve our country in peace as in war; to build and maintain the welfare of the United States of America toward lasting prosperity and peace for all of its inhabitants.

2. To encourage, in keeping with the policies of our Government, the establishment of a concrete plan to secure permanent international peace, and to assist in the maintenance of international peace.

3. To inspire in our membership a sense of responsibility and to develop leadership, for the preservation of our American democratic way of life.

4. To help unify divergent groups in the over-all interest of American democracy.

5. To train our youth to become purposeful citizens in a republic with full knowledge of the responsibilities as well as the privilege of citizenship.

6. To cooperate with all duly recognized existing veterans' organizations in the furtherance of the aims of World War II veterans.

7. To keep the public forever reminded that the veterans of World War II fought, served, and died to preserve peace, liberty and democracy for their Nation.

8. To aid in the fulfillment of the aims and purposes of the AMVETS, our parent organization.

9. To promote the welfare and fellowship of our own members and their families.

10. To expedite and assist in the rehabilitation of the veteran by sponsoring and giving support to educational opportunities; to recreational advantages, to hospitalization and personal problems, and to support the veteran in all legislation for veterans' benefits.

11. To recognize in all auxiliary activities—national, State, and local—that the organization known as AMVETS and chartered by congressional action on July 23, 1947, is the parent organization, and that all organizational divisions of the auxiliary exist solely to promote the interests of the parent body of AMVETS; therefore cannot act independently except as it favors the objectives of the parent body.

ARTICLE III. ORGANIZATION

SECTION 1. The AMVETS Auxiliary shall be organized with a national headquarters, and State and Territorial departments. Under the departments there shall be local auxiliaries—intermediate administrative local units—may be created by the national executive committee where such action is deemed advisable.

Regional territories of the auxiliary shall correspond to the regional boundaries set by the AMVETS. The United States is divided into the following six districts:

District I: Maine, Vermont, New Hampshire, New York, Rhode Island, Massachusetts, Connecticut and New Jersey.

District II: Pennsylvania, Maryland, Delaware, West Virginia, Virginia, North Carolina, Kentucky, Tennessee, and the District of Columbia.

District III: South Carolina, Georgia, Florida, Alabama, Oklahoma, Mississippi, Louisiana, and Arkansas.

District IV: Ohio, Indiana, Illinois, Missouri, Iowa, Michigan, Minnesota, and Wisconsin.

District V: Kansas, Nebraska, South Dakota, North Dakota, Wyoming, Colorado, and Montana.

District VI: Texas, New Mexico, Arizona, Utah, Nevada, Idaho, Oregon, Washington, and California.

SEC. 2. The national headquarters shall be composed of officers hereinafter described, one department representative from each department, and such other members as the national convention shall specify. It shall be the duty of the national officers to advance the cause of the AMVETS Auxiliary, carry out its aims and purposes, provide the machinery of organization, and carry out the national policies and plans of the entire organization as established by the national convention.

Departments

SECTION 1. Each State or Territorial area of the United States shall constitute a department, which shall be organized in a manner similar to the national organization. It shall be composed of officers and representatives selected by local auxiliary delegates to a department convention, which convention shall be held not less than 30 days before the annual national convention. The department shall have an executive committee and shall conduct its own convention, at which time it shall elect its officers, its delegates, and alternate to the national convention, and elect its national committeewoman and alternate.

(a) A minimum of three local auxiliaries shall be required to organize a department.

(b) A national regional vice president, or, if for any reason she cannot be present, a deputy appointed by the national president and approved by the national executive committee shall call a meeting of all local auxiliaries within the State or Territory within 60 days from the receipt of a petition for a State organization signed by not less than three local auxiliaries petitioning for the organization of a department. At such organization meeting the national regional vice president or her deputy shall open the meeting and preside until the election of officers; she shall then install the elected officers and thereupon surrender the chair to the newly elected president and her staff of officers.

(c) Departments shall have the authority to create intermediate administrative groups, such as district and county organizations, for the promotion and administering of local auxiliaries, where the department deems such action advisable.

(d) No member shall hold two elective department offices at the same time, but she may hold one elective office and one appointive chairmanship at the same time.

The term of office of chairman of departments and standing committees shall run concurrently with the term of office of the department president.

All department offices shall be held only if and while the person remains in good standing in the auxiliary of which she is a member.

The department installing officer shall be a member who has held the rank as department president, or one who has held any elective office in the national auxiliary. She shall be chosen by the retiring department president.

The Department delegate and alternate to the national convention shall not be considered department officers.

(e) It shall be the duty of the department to aid in organization and maintenance of local auxiliaries and to carry out the policies and plans delegated to it by national headquarters, and to adhere to the provisions of the national constitution.

(f) Each department auxiliary shall be subordinate to the corresponding department of AMVETS.

Local auxiliaries

SECTION 1. Local auxiliaries shall be chartered by national headquarters and administered by the department headquarters, but shall be governed locally by their own offi-

cers, chosen according to the constitution and bylaws. The policies, activities, and actions of the local auxiliaries shall never be at variance with those prescribed by the national headquarters. All local auxiliaries setting up local bylaws shall have them approved by the respective department executive committees before considering them effective and operative in their local body.

(a) Local auxiliaries may be formed on the application of not less than 10 persons eligible for membership. Application for a charter shall be approved by the department, and if there is no organized department, application shall be made direct to national headquarters. If the department approves, the application shall be forwarded to national headquarters and a charter will be issued within 90 days after approval by national headquarters.

The application for a charter shall be made in writing on a blank form provided for that purpose by national headquarters; and shall contain the name, number, and location of the proposed auxiliary, which shall be the same as the name, number, and location of the AMVETS post to which it is to be attached.

The charter application for a new auxiliary shall be approved by the AMVETS post commander and shall be presented to the department president, where a department exists, for her approval and then forwarded to the national headquarters for written approval of the national president.

All auxiliary charters shall be signed by the national president, countersigned by the national secretary, and bear the national seal.

At the organization meeting called for the purpose of making application for an auxiliary charter, temporary officers shall be elected who will carry on the work until the charter has been received. After the charter has been received these temporary officers shall continue to serve until the date of the annual auxiliary election, as provided for in the department bylaws, at which time permanent officers shall be elected. Temporary officers shall be eligible for election as permanent officers.

After its receipt, the charter shall remain open for a period of no longer than 6 months, at the end of which time the names to appear thereon shall be furnished to the national secretary.

(b) No auxiliary shall be formed where no AMVETS post exists.

(c) As of October 2, 1947, if auxiliaries exist where there are no AMVETS posts, they shall be established as branches of an auxiliary to an AMVETS post, and entitled to representation through that accredited auxiliary, so that there will be no more auxiliaries in the department than the number of AMVETS posts having auxiliaries.

All auxiliaries holding charters and not attached to an AMVETS post as an accredited auxiliary as of October 2, 1947, shall surrender their charters, so that each auxiliary shall be entitled to official representation at the national convention.

SEC. 2. Disposition of properties: In the event of the surrender, cancellation, or forfeiture of an AMVET auxiliary charter, all moneys, official records, property, and other paraphernalia shall be surrendered to the respective department auxiliary to be held in trust for a period of no longer than 3 years. Provided, however, in case such auxiliary is reinstated or recognized within the period of 3 years, such moneys, papers, etc., originally forfeited by said auxiliary shall be delivered to such reorganized or new auxiliary in connection with the charter. At the end of the said 3 years if the auxiliary remains inactivated, all properties of said defunct auxiliary shall become permanent possessions of the respective department auxiliary.

ARTICLE IV. MEMBERSHIP AND DUES

SECTION 1. Membership in a local AMVETS auxiliary is limited to the mothers, wives, sisters, and daughters, not less than 18 years of age, of regular members of AMVETS, and mothers, widows, sisters, and daughters not less than 18 years of age of deceased veterans of World War II who would have been eligible for AMVET membership.

The term "mother" shall be interpreted so as to include any female member of the family or any female guardian of such person or deceased veteran who has or is exercising the care and responsibility for the rearing of such person or deceased veteran.

No person who is a member of, or who advocates the principles of, any organization believing in, or working for, the overthrow of the United States Government by force, and no person who refuses to uphold and defend the Constitution of the United States shall be privileged to become or continue to be a member of this organization.

SEC. 2. There shall be three forms of membership.

(a) An active, regular membership.

(b) Honorary membership granted in instances where circumstances and/or qualifications merit such distinction.

The granting of honorary memberships shall be limited to persons who are not eligible for membership in the auxiliary, and all dues, national, State, and local, shall be waived.

(c) A life membership.

The national, the department, and any local auxiliary may grant one honorary membership each year.

The national auxiliary shall bestow an honorary membership at the discretion of the national executive committee.

Each division shall grant its honorary memberships independently of any other division.

(d) A life membership may be granted for the sum of $50. This amount shall be prorated according to the allocation of annual dues as provided by the constitution of national, department and local. There shall be no extra per capita tax on a life membership. The application for a life membership shall go through the regular channels. The national auxiliary headquarters shall issue all life membership cards.

SEC. 3. No person shall be a member of more than one auxiliary at any one time. No person expelled by one auxiliary shall be eligible for membership in any other auxiliary without the consent of the expelling auxiliary or the consent of the department executive committee, after hearing an appeal.

(a) Any member in good standing may transfer to any other auxiliary on presentation of a completely executed transfer card to be furnished by the respective department, her annual paid-up dues card for that year, and acceptance by the auxiliary to which she makes application.

Report of the transfer shall be made to State and national headquarters by the treasurer of the accepted auxiliary, showing the name and number of the auxiliary from which the member transfers.

(b) A member seeking a demit shall be in good standing in the local auxiliary from which she asks a demit. She shall have in her possession an annual paid-up dues card for that year showing her dues paid in full to the next December 31.

For the purpose of maintaining continuous membership the demit shall be recognized for a period of 5 years at the end of which time it shall be void.

The demit holder shall pay annual dues for not to exceed one year immediately preceding the year in which she reinstates, and the dues for the current year.

SEC. 4. Dues: (a) Dues shall be payable annually or for life.

(b) The annual membership fee for each member shall not be less than $2.50.

(c) Each local auxiliary shall remit annually to the national headquarters the sum of $1.00 for each member as national dues; each State department shall determine the amount to be paid annually per member to State headquarters for State dues; and each local auxiliary shall determine the amount to be assessed each member for local dues.

Auxiliary fees for district or other department-governing group shall be determined by the department executive committee.

Membership shall be based on the last membership report of the preceding year.

(d) Annual dues, from renewals or new members, received after October 1 of any year shall cover the next year's dues.

A member whose dues for the fiscal year have not been paid by January 1 shall be classed as delinquent. If her dues are paid on or before April 1, she shall automatically become a member in good standing. If she is still delinquent after April 1, her name shall be dropped from the auxiliary membership list. If she desires to have her membership restored within a period of 2 years, she shall pay any back dues and dues for the current year. After a membership lapse of more than 2 years she may return only as a new member.

No member shall be dropped without having been notified officially of her delinquency and the impending action.

(e) Dues shall be remitted to State and national headquarters once each month by the local auxiliary, preferably immediately after the regular monthly business meeting of the auxiliary.

(f) An auxiliary shall be considered in good standing when both national and State dues have been paid with proper report of membership and correct remittance of dues, providing there is a paid-up membership of at least 10 members.

ARTICLE V. NATIONAL CONVENTION

SECTION 1. A national convention shall be held annually at the same time and in the same city as the national convention of AMVETS.

SEC. 2. The members of the national convention shall consist of all national officers, department, and auxiliary delegates. The department shall elect its delegates and alternate at its convention held at least 30 days prior to the national convention. The department delegate to the national convention shall not be considered a department officer. The department president shall be eligible for election as delegate to the national convention. Each AMVETS auxiliary shall have a delegate and alternate elected, to attend the national convention, providing the paid-up membership is not less than 10 members.

SEC. 3. Each delegate shall be entitled to one vote. The vote of an absent delegate may be cast by her alternate. Alternates shall have all the rights and privileges of the delegates except that of voting.

SEC. 4. The department representative and her alternate to the national executive committee shall be elected at the department convention, and by such election shall also become one of the delegates to the national convention, without vote for the department. However, as a member of the national executive committee the department committee woman will have a vote at the national convention.

SEC. 5. Sixty percent of the voting delegates shall constitute a quorum to conduct business.

SEC. 6. The National AMVETS Auxiliary having furnished to each auxiliary member a copy of the National AMVETS Auxiliary Constitution as revised, from that date forward all existing State and local auxiliary constitutions shall be null and void. There shall be but one constitution and that shall be a national constitution which shall be the governing instrument.

It shall be understood that all rules and regulations governing the national body of the AMVETS Auxiliary shall apply equally to the policies and proceedings of all department and local auxiliaries.

Department and local auxiliaries shall have bylaws by which to govern their respective requirements but these shall not conflict in any way with the national constitution.

ARTICLE VI. OFFICERS

SECTION 1. The national convention shall elect a president, senior vice president, junior vice president, recording secretary, treasurer, sergeant at arms, historian, chaplain, and parliamentarian, public relations officer, and liaison officer. The corresponding secretary shall be an appointive office.

In addition to the above officers six regional vice presidents (areas to correspond with the six districts outlined by AMVETS) shall be elected at the national convention by their respective districts. This provision shall apply to national regional vice presidents only.

SEC. 2. No president, national, State, or local, shall succeed herself for reelection. All other officers may be reelected, but shall not serve for more than two consecutive terms of 1 year each.

SEC. 3. All auxiliary members in good standing for no less than 6 months shall be eligible for a national or State office, and if elected, shall hold the office only so long as she remains a member in good standing.

SEC. 4. Nominations for officers, national and department, shall be made only from the floor of the annual convention. Officers shall be nominated from the floor only at the annual auxiliary election. They shall be elected by a majority vote at the following convention session. Election shall be by ballot. Each delegate or alternate representing a delegate shall cast her own vote.

SEC. 5. On the first ballot the name of the candidate receiving the lowest number of votes shall be dropped, and so on in successive ballots until an election is made.

Whenever there is but one candidate for an office the presiding officer shall instruct the secretary to cast the elective ballot of the body for the candidate.

SEC. 6. The officers shall be installed by the retiring national commander of AMVETS, or someone delegated by him, at the last session of the convention. The new officers shall enter on the duties of their respective offices immediately after the adjournment of the meeting at which they were installed, and hold office until their successors are duly elected and installed.

SEC. 7. In the event the office of president is vacated the senior vice president shall serve as the president for the unexpired term. In the event that both president and senior vice president cannot serve, the junior vice president shall be next in line to serve. All other vacancies occurring in the elective offices of the national auxiliary shall be filled by the national executive committee in the following manner:

The national president shall notify all members of the national executive committee that the vacancy exists, and after 30 days shall send to them the names of persons presented to fill the office. Members of the executive committee shall cast a ballot vote of their choice, mailing same to the national secretary. At a time specified by the national president the ballots shall be opened by tellers appointed by her, in the presence of such national officers of either the AMVETS of the national auxiliary, as the national president shall name. The member receiving the highest number of votes shall be declared elected to the vacant office.

Having completed a term of office by having filled a vacancy shall not constitute an election. She shall therefore be eligible for election to this same office.

ARTICLE VII. DUTIES OF OFFICERS

SECTION 1. The national president shall be the executive head of the AMVETS Auxiliary and shall be responsible for the successful functioning of all the other national auxiliary officers and other members of the national executive committee. It shall be her specific duty to:

(a) Officially represent the national auxiliary at all functions where such representation is advisable.

(b) Preside at all meetings of the national executive committee and she shall preside at the annual national convention.

(c) Appoint officers, committee chairmen, and committees with the approval of a majority of the national executive committee.

However, no appointment of whatever nature shall be announced by the national president until after action has been taken by members of the national executive committee and she shall have been authorized to make the appointment. After such action by the national executive committee the national president shall invite the person approved to accept the appointment.

(d) Enforce the provisions of the national auxiliary constitution and bylaws and the decisions of the national executive committee.

(e) Approve and countersign all vouchers drawn by the recording secretary, approve and countersign all checks drawn by the treasurer, when such approval is justified.

SEC. 2. Senior Vice President: The senior vice president shall assist the national president in the performance of her duties and preside at any meeting or function in the absence of the national president. She shall also serve as chairman of the membership committee.

SEC. 3. Junior Vice President: The junior vice president shall assist the president and senior vice president in the performance of their duties and preside in their absence. She shall also serve as chairman of organization and legislation.

SEC. 4. Regional Vice Presidents: The duties of these respective vice presidents shall be to foster organization of auxiliaries in their respective areas; to serve as directors of the respective areas; and to submit a quarterly report to the national president advising her of the work being accomplished and of the needs of the respective area.

SEC. 5. Recording secretary: The recording secretary shall: (a) Keep and record the minutes of all executive committee meetings. The services of a public stenographer are advisable for all national conventions.

(b) Keep a file of the national financial record of all members.

(c) Draw and keep a record of all vouchers.

(d) Keep records and duplicates of all official national headquarters correspondence.

(e) Send out notices of all national executive committee meetings.

(f) Perform any other duties as prescribed by the national president or the national bylaws.

(g) The recording secretary shall prepare before each national convention a list showing the accredited auxiliaries attached to an active AMVET post, and in good standing with the national auxiliary; she shall also certify the list of auxiliaries entitled to a voting delegate at the national convention. The list shall be submitted to the preconvention national executive committee meeting and if approved shall be given to the convention credentials committee as their guide.

(h) Within 30 days, subsequent to the closing of the national convention she shall send to each member of the national executive committee, to each delegate, and to each auxiliary president, the minutes of the proceedings of the national convention, and within 30 days after a meeting of the national executive committee, to each department president, and to each auxiliary president the minutes of the proceedings of the said national executive committee meeting.

SEC. 6. Corresponding secretary: The corresponding secretary shall help the national president with any or all correspondence where the president desires aid, and assigns the responsibility to her.

SEC. 7. Treasurer: The treasurer shall:

(a) Receive and account for all money of the national AMVETS auxiliary.

(b) Report on the financial condition of the auxiliary monthly to the national president.

(c) On receiving properly signed vouchers, prepare and sign all checks, disbursing funds of the auxiliary and send same to the national president to be countersigned.

However, when funds allowed by the budget for any certain item, such as postage, etc., have been exhausted, the treasurer shall issue no checks for further expenditures on that item, but shall wait for action of the national executive committee.

(d) Present a complete financial report at the annual national convention; at each meeting of national executive committee, or on request within a reasonable time.

(e) She shall send to the members of the national executive committee and to each department treasurer an itemized statement of receipts and disbursements at the end of each fiscal year, and her financial balance as shown on her books at that time, as of December 31, of each year.

SEC. 8. Sergeant at arms: The sergeant at arms shall preserve order at all national meetings and at the national convention and shall prevent unauthorized persons from attending such meetings. She shall see that the room is in proper order for all executive committee meetings and at the national convention. In addition she shall perform such other duties as assigned to her by the national president.

SEC. 9. Historian: The historian shall be responsible for maintaining an accurate written history of the auxiliary and she shall present a written summary of same annually at the national convention.

SEC. 10. Parliamentarian: The duties of the parliamentarian shall be:

(a) To serve as chairman of the legal advisory committee.

(b) To advise the president and other officers on all matters of legal significance.

(c) To interpret the constitution and bylaws in regard to legal matters.

(d) To assist the national executive committee in prescribing proper disciplinary action for members and departments disregarding said provisions of the constitution and bylaws.

SEC. 11. Chaplain: The chaplain shall offer prayer at the beginning and end of all meetings and at the annual convention. She shall represent the auxiliary in all religious affairs.

SEC. 12. Public relations officer: The public relations officer shall serve as chairman of the publicity committee and as such shall keep the public informed through the press and other available channels of all national auxiliary affairs. She shall cooperate with the national AMVETS projects and with other patriotic and veterans' organizations when opportunity presents.

SEC. 13. Liaison officer: Her duties shall include cooperation with the national AMVET headquarters in all matters of mutual interest between the AMVETS and the AMVETS Auxiliary.

ARTICLE VIII. NATIONAL EXECUTIVE COMMITTEE

SECTION 1. The administrative power between national conventions shall be vested in the national executive committee, which shall be composed of the national president, all other national elective officers, and one national executive committeewoman from each State, to be elected by the respective State departments. All national presidents shall serve on the committee for 2 years following the term of their office. This ruling shall also apply to all presidents of departments and auxiliary boards. An alternate shall be elected by each department to serve in the absence of the committeewoman.

SEC. 2. The term of office of each national executive committeewoman and alternate shall be 1 year, which shall commence im-

mediately, on adjournment of the department convention at which she was elected.

SEC. 3. Members of the national executive committee shall be delegates to the national convention, each with one vote. The president shall vote only in the event there is a tie.

SEC. 4. (a) Expenses of all elected national executive committee members, with the exception of the department national committeewoman, whose expense shall be paid by the respective departments, shall be paid from the national treasury, due consideration being given the general welfare of the national auxiliary in the first instance.

(b) No money shall be advanced to any national executive committee member to attend meetings or the national convention, but action shall be taken by the members of the national executive committee present at any meeting of the committee, to determine how much, if any, funds shall be distributed among the committee members present to defray their expenses. The amount distributed shall never exceed the actual expenses incurred by any member.

(c) Stated meetings of the national executive committee shall be held immediately preceding the national convention, and within 24 hours after the adjournment of the national convention. Special meetings of the committee shall be held on reasonable notice at the call of the national president.

(d) A majority of the members of the national executive committee shall constitute a quorum to conduct business.

SEC. 5. AMVETS, national headquarters, shall be authorized to call a national executive committee meeting of the auxiliary for the purpose of handling emergency matters requiring the joint action of both AMVETS and the AMVETS auxiliary.

ARTICLE IX. FINANCE

SECTION 1 (a) All finances of the National AMVETS Auxiliary shall be under the control of the national treasurer and the finance committee.

(b) The treasurer shall make an annual report at the national convention.

(c) The treasurer shall receive and properly account for all moneys.

(d) The treasurer shall disburse funds only on presentation of a proper expenditure voucher, designated clearly to whom payment is made, itemized as to what the expenditure is for, and she must make sure that the expenditure is within the approved budget allowance.

(e) The treasurer's books shall be audited by a certified public accountant previous to the national convention and the report of the auditors shall be read to the national convention body. The certified public accountant shall be employed by the national executive committee and the expense of the audit shall be paid from the national treasury.

SEC. 2. (a) Revenue shall be derived from annual dues and other sources approved by the national executive committee.

The National AMVETS Auxiliary recognizes the sale of the AMVET flower, the white clover, as a legitimate source of income; the proceeds from which shall be used exclusively for veterans' hospital and service work, and for veterans and their families, general welfare work, and child welfare.

Regulation of annual dues shall be determined by a majority vote of the delegates at the annual national convention.

(b) The treasurer's books, together with those of the national secretary, shall be at all times open for inspection by the national executive committee.

SEC. 3. (a) An annual budget shall be submitted for approval at the first meeting of the national executive committee following the national convention. It shall be prepared by the retiring treasurer and the finance committee, who shall have received estimated budgets from the several national departments and other retiring national officers and shall have consolidated same.

The tentative budget having been submitted, after due consideration, shall receive final action at said post convention meeting. When adopted, it shall be the expenditure guide for the year. In the event that the budget is not approved, a special finance committee consisting of five members of the national executive committee shall be appointed by the new national president to prepare the budget.

(b) After adoption of the budget the national treasurer shall issue no checks above the specified amounts set forth in the budget, except with the unanimous consent of the executive committee. If a request is made for additional funds on any item, the amount needed and the reasons for making the request shall be given to the body of the national executive committee.

SEC. 4. (a) The national treasurer and national secretary shall be bonded with an indemnity company as surety in a sum double the amount of funds for which, so far as can be anticipated, they will be held accountable.

(b) The bonds of the national treasurer and the national secretary shall be held by the national president.

(c) The national auxiliary shall provide a medium for bonding, for the convenience of departments and local auxiliaries.

(d) All books and records of the national AMVETS Auxiliary shall be made available to the AMVETS, national headquarters, on request for either examination or audit.

ARTICLE X. DISCIPLINE

Section 1. Disciplinary rules relating to local auxiliaries shall be prescribed by the department.

(a) Members may be suspended or expelled by an auxiliary on a proper showing of cause. Written charges shall be based on disloyalty, neglect of duty, dishonesty, conduct unbecoming to a member of the AMVETS Auxiliary, or disregard of the provisions of the constitution and bylaws.

(b) Officers found guilty of any of the foregoing misdemeanors by a two-thirds vote of the respective executive committee shall be automatically deprived of their office, due notice of such impending action having been given the offender.

(c) Any member of an auxiliary has the right of appeal to her department executive committee, and if not satisfied, she has the right of appeal to the department convention body.

SEC. 2. If in the judgment of any AMVET department or local AMVET post the respective department auxiliary or local post auxiliary shall have ceased to comply with State requirements of the AMVET body, thereby failing to be an asset to said AMVET department or AMVET post, it shall be recognized as within the jurisdiction of the AMVET body to withdraw the auxiliary charter. This action having been ratified by the AMVET department, said AMVET department shall notify the national AMVET commander, the national AMVETS auxiliary president, and the national liaison officer of the auxiliary.

ARTICLE XI. AMENDMENTS

SECTION 1. This constitution may be amended at any national convention by a majority of the total authorized delegates present. Proposed amendments shall be submitted through the national secretary to the several departments and members of the national executive committee by mail at least 30 days prior to the opening of the next national convention. This constitution, may, however, be amended at any convention, without notice, by a unanimous vote of all registered delegates.

SEC. 2. No proposed amendment shall be submitted through the national secretary unless it shall be submitted by a department convention, department executive committee, or the national executive committee.

SEC. 3. This constitution shall automatically be amended by any action taken by a national convention of AMVETS, governing changes in the AMVETS constitution affecting the constitution of the AMVETS auxiliary.

SEC. 4. All amendments adopted at any national convention of the AMVETS auxiliary, according to the provisions of this article, shall take effect only on the approval of the AMVETS national executive committee.

SEC. 5. Except for provisions as herein stated, all amendments to the constitution of the national AMVETS auxiliary become effective and operative at the close of the convention at which they were adopted.

SEC. 6. Roberts' Rules of Order, Revised, shall be the authority which shall govern procedure of the national AMVETS auxiliary and all its subdivisions.

Postal Rates on Second-Class Mail

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a letter written by Matthew Woll, second vice president, American Federation of Labor, to the members of the House and Senate Committees on Post Office and Civil Service in regard to bills H. R. 2945 and S. 1103. He opposes an increase in postal rates on second-class matter for the reasons set forth.

The letter follows:

MY DEAR CONGRESSMAN OR SENATOR: I am writing you, not only as a vice president of the American Federation of Labor and in its behalf, but am writing as well as president of the International Labor Press of America and as vice president of the International Photoengravers' Union and in behalf of the American Labor Press Publications and the Allied Printing Trades Unions of America.

I wish I could have appeared before your committee personally to advise you why the officers and members of the foregoing organizations are gravely concerned and most strongly opposed to section 2 of H. R. 2945 to readjust second-class postage rates. Since this is not possible, I submit the following for your consideration.

Our opposition is based on four premises, viz:

1. We do not believe the provisions of section 2 of H. R. 2945 are in the public interest.

2. They will work an undue hardship on newspapers and magazines, including labor publications and labor organizations which are important publishers of both types of publications.

3. They will result directly in unemployment of engravers, electrotypers, stereotypers, printers, binders, mailers, and other employees of publishers and printers and indirectly in unemployment of people engaged in the manufacture of paper, ink, machinery, and other supplies bought by printers and publishers.

4. They will not produce the estimated increases in second-class postage revenue, but they will result in reduced volume of second-class matter distributed through the post office and may cause unemployment in the postal establishment.

The congressional policy, which established low second-class postage rates for the wide dissemination of information, has been in effect for more than a hundred years. As

a result, citizens in every part of the country, no matter how remote, are able to keep well informed on every subject in which they are interested, at nominal cost. Indeed our whole national economy has been founded on an ever widening dissemination of knowledge of commodities and articles of commerce available to meet the wants and needs of our people.

As you know, the strength of our form of government depends largely on degree and extent of understanding by our citizens. We cannot overestimate the importance of wide dissemination of information at this time. I believe it is of greater importance today than it was when the policy of low second-class postage rates was first established. Newspapers and magazines are of interest and importance in furthering knowledge and education in every field of life.

I have read the testimony of newspaper and magazine publishers before your committee and I have studied the effect of the proposed increases on our own publications. There is no doubt that they would work an undue hardship on all publishers and probably would force many out of business.

They would hurt nonprofit labor publications more than those owned by corporations or individuals, because they would do away with present exemptions and would place all publications on the same basis. Therefore, the percent of increase would be much greater and would cause more hardship to the nonprofit organizations.

Any increases in distribution costs of labor organization publications would, of necessity, be paid by their members. This would tend to restrict dissemination of information among members. It would be harmful to the labor organizations, because they too must have an informed membership.

It is apparent from the testimony of publishers before your committee and from our own knowledge of publishing costs that these proposed increases in second-class postage rates would cause reduction in circulations and fewer pages in each copy.

This would mean less work for engravers, stereotypers, printers, pressmen, binders, and other employees of commercial printers and publishers. It would also cause a decrease in consumption of paper, ink, and other supplies. Fewer new presses and other machinery would be bought.

It does not require a fortune teller to foresee the danger of widespread unemployment in such a situation. The loss in wages and salaries and in Federal taxes would far exceed the possible gains in postal revenues.

These possible gains in postal revenues are extremely doubtful because decreases in circulation, reduction in number of pages per copy, and diversion of newspapers and magazines from the mails probably would cause a decrease rather than an increase.

Decrease in tonnage, resulting from undue increases in second-class postage rates might cause unemployment in the Postal Establishment. Some postal employees are now forced to work at outside jobs because they are not getting sufficient hours of work in their postal jobs.

Thus increases, such as are proposed in section 2 of S. 1103 would cause undue hardship to publishers; unemployment among printers and allied trades, including paper, ink, and machinery; and probably would produce less money for the Post Office.

We all know that full employment is essential to the prosperity of our country and must be maintained to produce Federal-tax revenues, sufficient to carry out the national and international programs to which we are committed.

Reports indicate that unemployment is approaching 4,000,000 and is increasing. We are entering a "buyers' market," when manufacturers in many lines, again must sell, promote, and advertise, in order to keep their plants operating at full productive capacity.

I urge you not to make a decision which may tend to deter manufacturers from intensifying their sales, promotion, and advertising efforts.

Prior to deciding on new postal rates, I believe the Congress should determine whether the postal establishment is primarily a business organization or a public service. In our judgment, it is a public service of the highest order and of utmost importance in the whole of our national life.

The postal establishment serves practically everyone, at home and in business, every working day. It provides the communication means through which business advertises, promotes, and sells its products and services. From sales, wages and salaries are paid, profits are made, and taxable income (personal and corporate) becomes available to the Government for the benefit of all the people.

It is difficult to understand why the postal establishment, with many thousands of small post offices, rural routes, subsidies to air lines and steamship companies, etc., should be expected to be self-sustaining.

As the Postmaster General has pointed out, Congress determines the extent of service to be rendered by the postal establishment and salaries to be paid. Postal laws and regulations curtail the Department's authority and place important powers in the hands of other agencies. These conditions favor operation of the postal establishment as a public service.

I believe this is the first question to be determined by Congress and I hope you will recognize that the postal establishment is primarily a public service, which should be operated as efficiently and economically as possible.

I hope you will continue the long established congressional policy of low second-class postage rates to encourage the widest possible dissemination of information.

Because of the foregoing we all are most strongly opposed to section 2 of H. R. 2945. We hope and trust you may concur in that point of view.

Very truly yours,

MATTHEW WOLL.

Progress in Supersonic Research

EXTENSION OF REMARKS
OF
HON. CARL T. DURHAM
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. DURHAM. Mr. Speaker, under leave to extend my remarks, I include the following editorial from the Washington Evening Star of May 17, 1949:

The recent annual report of the National Advisory Committee on Aeronautics covers what is probably the most important period in its 34 years of aviation research. For it was during that eventful period that supersonic flying became a subject of intensive study and development. It was largely as a result of pioneering studies conducted by the NACA scientists that man first achieved the long-sought goal of flying faster than sound, in October of 1947.

The NACA regards supersonic flight as the greatest achievement in aviation since the first flights of the Wright brothers in 1903. For its part in piercing the so-called sound barrier, the NACA last December shared in the 1948 award of the Collier Trophy, emblematic of the outstanding contribution to aviation during the preceding year. The trophy went jointly to John Stack, NACA research scientist; Lawrence Bell, whose company designed and built the supersonic X-1 plane; and Capt. Charles E. Yeager, Air Force pilot who first flew the X-1 faster than sound.

That victory over the mysterious sound wall was followed last year by numerous supersonic flights, in some of which speeds of close to a thousand miles an hour are said to have been recorded. Such terrific speeds pose new problems for the designers, builders, and pilots of supersonic planes. The NACA is concentrating on solution of these problems at its research stations at the Langley Air Force Base in Virginia, the Navy's Moffett Field in California, and the Lewis Flight Propulsion Laboratory in Ohio. At these stations the NACA is striving to find more durable and lighter metals for jet and rocket engines, better surface materials for wings, improved air-foil designs, more efficient fuels and fuel systems and more effective safeguards for the men who are pioneering in this new field of aviation. These researches already have led to the conclusion that the planes of the future will grow more and more to look like projectiles with fins. They probably will be powered by ram-jets or rockets developed from the models now being tested in the NACA laboratories.

This important work is costly. Congress in the past has recognized this importance by granting substantial appropriations to carry on the studies. It is more important than ever that the NACA should be granted the money it needs to keep America in the forefront of supersonic progress. This will be a sound investment in security.

Power Crisis in New England

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address by Assistant Secretary of the Interior C. Girard Davidson at the tenth anniversary banquet of the Textile Workers Union of America, in Worcester, Mass., Saturday, May 14, 1949:

THE POWER OF NEW ENGLAND

I am pleased to be able to celebrate with you the tenth anniversary of the Textile Workers Union of America. You have every right to be proud of your union's accomplishments since its founding and of its fight for enactment of progressive measures in city, State, region, and Nation.

Your broad interest in the affairs of the world is in striking contrast to the attitude of the first textile factory workers in England who some 150 or 200 years ago hoped to set back the clock by stoning the first power machinery because they thought the machines would take away their jobs.

Today your interests and your union's activities range far beyond the negotiation of wage rates and working conditions. You have fought for more housing, better education, and cheaper electricity. Your able Washington representative, John Edelman, is widely respected in the Nation's Capital for his advocacy of these and other progressive causes.

While we are meeting here, the whole Nation is experiencing soft spots in the economy, with the softest of them in the so-called soft goods field, which includes New England's vital textiles industry. Almost half of the recent slump in manufacturing employment in New England has been in

textiles. Indeed, the whole of New England is suffering from what one of the region's outstanding economists, Seymour Harris, of Harvard University, has called "the decline of New England."

There is no single reason for such a decline in New England. Indeed, there is no really sound reason for it at all. This area of the country has the conditions for and the tradition of the balanced economy that other regions strive for. It is a lovely place to live; its democracy, its level of educational opportunity, its climate and natural beauty are world famous.

The factors making for decline may lie in the worship of the tradition of progressive democracy rather than the current practice of it. The reverence for the abolitionists of a hundred years ago might properly be rehabilitated in the form of a new abolition movement.

The new abolitionist would look to abolishing slums not by waiting for them to fall down but by supporting programs for building houses that people can afford to live in. He would look to the abolition of unemployment not by extending breadlines but by creating new jobs through industrial expansion. He would look to the abolition of high-cost electric power not by cutting out demand but by increasing the supply.

It is this last subject, the power problem and how it affects the decline of New England, that I should like to discuss with you tonight.

A long look at the electric power situation in New England makes one wonder how industries can afford to remain here. New England seems to be out of step. In other parts of the country, power rates have dropped consistently year after year, unquestionably stimulated by the yardstick example of federally constructed power plants. In other parts of the country, the use of electric energy per person has steadily risen, unquestionably stimulated by the lower rates. New England, however, has lagged farther and farther behind the rest of the Nation in this respect, until today it boasts the highest residential and industrial rates for electric power of any section of the country. It boasts, too, that no federally constructed power plants have been allowed within its borders.

The results of this general trend have recently become painfully apparent and the unhappy effects have been felt in the homes of many a textile worker. Not so long ago, the Congress of the United States was stimulated to inquire into the reasons for the exodus of industries from New England. Reading the statements made at the public hearings, New Englanders heard the detailed stories of what was happening to them.

At these hearings, Mr. Royal S. Little, president of Textron, Inc., told the Congressmen why textile manufacturers preferred to locate their plants in the South. If the cotton-textile industry of the South had been located in New England, Mr. Little said, it would have had to pay $27,000,000 extra each year for the electric energy to run its spindles and looms.

Mr. Little went on to show why his own company was moving South. He compared power costs in Textron plants in New England and in the South. In his Nashua, N. H., plant, he reported, the average cost of a kilowatt-hour of electricity was 12.4 mills, compared to 7.1 mills in Anderson S. C. In Manville, R. I., the cost was 17 mills, or almost three times as much as the 6 mills charged in Charlotte, N. C.

The facts brought forth by Mr. Little were no surprise to those familiar with the electric power situation.

Month after month people here in Worcester, Mass., and elsewhere in New England, have been paying high electric bills. The average householder in Worcester, using 100 kilowatt hours a month, pays an electric bill which is more than twice as large as the same man would pay if he lived in Tacoma, Wash. The Worcester man pays a half more than a citizen of Chattanooga, Tenn., or Cincinnati, Ohio, or Lincoln, Nebr., or Los Angeles, Calif., pays for the same thing.

The private utility companies will tell you that it costs more to generate electric power in New England. But they don't tell you the reason why. With a few exceptions, the utilities companies in New England are using expensive, outdated, and wasteful, methods of generating power. The utilities companies have left undeveloped most of the potentialities of New England's fine rivers which could be turning more turbines to produce power. Instead of using this inexhaustible water supply, they have been burning in their power plants oil and coal, neither of which is native to New England and so must be shipped in at considerable expense.

In New England three-quarters of the electric energy is generated in steam plants burning coal and oil. In the Pacific States, for instance, the situation is exactly reversed; three-quarters of the energy is generated in hydro plants using water power, and the electric rates are much lower.

New England today has about three and one-third million kilowatts of installed electrical generating capacity, only one-quarter of which is in water power plants. But the undeveloped water power in New England rivers—all alone and without assistance from steam plants—could be harnessed to produce the same amount of additional capacity, three and one-third million kilowatts.

New England's private utilities hate to be reminded of these 3,000,000 undeveloped kilowatts. The utilities still think scarcity is a great thing because it keeps prices high, and profits too. Even now they are saying that New England does not need any more electric power. With power-consuming industries moving away, the utilities may be right. At this rate, there won't be many left to buy power, or to hire workers, for their factories.

I would recommend to the utilities that they take a lesson from their friend Henry Ford. Ford discovered that you can make cars cheaper and that more people will buy them if you make them in large quantities. This has always been true in the electric power business too. The lower the rates, the larger the consumption; and conversely, the larger the consumption, the lower the rates. But in New England the utilities seem to prefer the Rolls Royce instead of the Ford psychology. As a result, the people who can't afford Rolls Royces—which includes most of us—are going elsewhere to buy Fords.

Statistics plainly show the relationship between high electric rates and too little use of electricity. In New England, for instance, the average residential customer uses only slightly more than 1,000 kilowatt-hours a year, whereas in the State of Tennessee he uses twice as much. In some of those areas where power is the cheapest—around Tacoma, Seattle, and Chattanooga—the average customer uses between four and five thousand kilowatt-hours annually.

New England consumers are obviously discouraged from buying all the power they might use at the right price. While generation of electricity in the rest of the country increased 6½ percent in the first quarter of 1949 compared to the same period last year, generation in New England decreased 2½ percent. New England was the only region to show a decrease, thus quickening the pace at which the rest of the country passes it by. While in the last 6 years the United States increased generation about 50 percent, New England utilities suffered power production to increase less than 30 percent. During the same period, electric generation on the Pacific coast increased 80 percent.

New England has had its opportunities to remedy this situation and distinguished New Englanders have tried to take advantage of them. But their efforts have met with continual failure because of the opposition of the private power monopoly. In 1926 all six governors asked for construction of dams which would both control floods and generate power. But even the $52,000,000 flood on the Merrimack River which followed the next year could not move the people to action. Again in 1936 the governors moved to take advantage of an offer of $24,000,000 from the Federal Government for flood control and power dams on the Merrimack and Connecticut; but the power lobby blocked acceptance. For more than 20 years, the power lobby has fought the St. Lawrence Seaway which could provide large blocks of cheap power for New England.

Other sections of the country have not missed similar opportunities. The Tennessee Valley Authority has realized practically the full power potential in its valley so that this one river basin now produces more power than is generated by the utilities in all New England. In the Pacific Northwest, two dams built by the Federal Government—Grand Coulee and Bonneville—alone will generate ultimately almost as much electricity as there is in all New England.

These advances in other regions were not made without continuous opposition from the power lobby. The TVA system and the great Northwest dams were dubbed "white elephants" by the utility spokesmen, who said the power could never be used. If it weren't for these Federal dams, however, God knows how we would have powered the aluminum plants, the airplane plants, and the atomic-energy plants which helped us to win World War II. As recently as 1946 the private utilities in the Northwest were testifying that there would be plenty of power immediately available. Since that time, however, the region has experienced a severe power shortage every winter and will continue to do so for at least 5 years to come. That shortage would have been lessened had not the utilities prevented construction of Federal dams from going forward on schedule.

Now even the utilities in the Northwest have joined other industries in the clamor for speedier work on the Federal dams which alone can relieve the shortage. In the Tennessee, chambers of commerce and industrialists hail the accomplishments of TVA and speak with pride of the economic growth of the valley since TVA started operations. Wendell Wilkie, who led the fight against TVA in its early days, later publicly praised it. Private utilities in the TVA area, such as the Georgia Power Co., have prospered since they cut their rates to match TVA's low-cost power. The Georgia Power Co. has grown faster than most utilities in recent years and has consistently won national awards for the number of electricity-using appliances it has sold to its customers.

Meantime, New England has prided itself on excluding the Federal dam builders from within its borders. High power rates have continued. Industries have fled. Unemployment is rising above the national average.

But that is only the power part of the story. Meanwhile, too, floods continue annually and semiannually to kill and destroy. Soil erosion continues to leech New England soils. Pollution of New England rivers increases, presenting a menace to health and driving off the fish and wildlife. The fine rivers of the region remain untamed, when they might become highways for commercial ships and pleasure craft.

How are these various evils related to the power problem? The answer lies in what is called multiple-purpose use of the rivers. It means controlling the rivers to prevent floods, to promote navigation and to protect fish, as well as to produce electricity. It is a modern technique we have learned since the days when New England power companies built

their scattered and unrelated single-purpose hydropower plants.

Throughout the country—except in New England—multiple-purpose development of river-control structures is widely practiced. In the TVA area the same dams which generate power also regulate the flow of the river to prevent floods and to create an all-year-round navigation channel. In the Pacific Northwest, Grand Coulee Dam will not only generate almost 2,000,000 kilowatts of power, but will also store water to irrigate almost a million acres of desert wasteland. Bonneville Dam provides a half million kilowatts of electrical energy and at the same time includes navigation locks and a fish ladder to let both the ships and the salmon pass up and down the river.

In addition to multiple-purpose design and use of river-control structures, the new technique includes coordinated development of all the resources of the watershed. Soil conservation practices are encouraged to prevent further erosion and to rehabilitate eroded farms. Forests are put on a sustained yield basis so that growth of new timber each year equals the amount cut and lost to fire and disease. Recreational areas are developed at the newly created reservoirs. Pollution is controlled and eventually eradicated.

Works of this magnitude cannot be done in connection with a single dam. They are part of a large program which covers an entire river basin at least. In New England, which is a comparatively small area, a single program might well include all its river basins, that is, the entire region. Perhaps New England too needs its valley authority or regional development administration.

By ignoring these new methods, the power companies have failed to provide New England with low-cost power generated in the cheapest fashion, and have been unable to develop economically the bountiful power sites on New England rivers.

A case in point is the recent survey of hydropower potential conducted by an engineering firm for the New England Council. The staff of the Federal Power Commission had already made a similar survey and discovered more than 3,000,000 kilowatts of undeveloped hydroelectric capacity. But the New England Council could find only 420,000 kilowatts. The different estimates represent the difference between the nineteenth and twentieth centuries.

The New England Council was thinking of isolated scattered power sites. The Federal Power Commission was looking at entire river basins as units, relating the various possible sites to each other, noting how an upstream dam by storing water could firm up the flow and thus increase the power capacity of another dam farther down river. The New England Council was thinking of separate operation of the dams by different utility companies. The Federal Power Commission was thinking of operating all dams in a river as a unit and linking their power plants into a single region-wide transmission network. The New England Council was thinking of dams for power purposes only—how much they would cost to build and how much consumers would pay for the power. But the Federal Power Commission was looking at all the benefits to be obtained from river basin development—flood control, pollution control, navigation, restoration of fish, and conservation of soil—and how much each of these benefits would contribute to paying off the cost. On the broader basis used by the Commission, a greater number of dams and other projects became economically possible.

It is surprising that these engineers and industrialists, who represent the new mechanized industrial system for which the United States is justly famous the world over, should be so hide-bound in considering the New England power situation.

Fortunately, distinguished New Englanders, again in the last 2 years, have been taking steps toward meeting the power crisis which threatens the region's decline. In his inaugural address, your Democratic Governor, Paul A. Dever, called for "development of our rivers for the production of cheap and abundant electricity * * * and enlisting the aid of the Federal Government so that we may be assured of our rightful share of all national appropriations for low-cost electricity, improved navigation, pollution elimination, flood control, and enhanced recreational opportunities."

"We have no coal mines, no oil fields, or reservoirs of natural gas," Governor Dever stated. "We do have water power—the historic basis for our great industrial centers. It should be utilized."

The new Democratic Governor of Connecticut, Chester Bowles, has written that "the possibilities of public power are beginning to be accepted even in New England. There is a great deal of talk," he says, "on how we can bring down our power costs through public developments—and I have stated clearly that I am in favor of anything that can be done."

The other New England Governors have joined in a study of the problem, and the New England delegation in Congress has met together for the same purpose.

I hope that this time these present-day patriots win the battle. The resources of the Federal Government are, as always, available to help them, if they care to call on them. The power-monopoly Tories can be defeated in their efforts to prevent New Englanders from realizing the promise of comfortable and prosperous living which this still great and still rich region offers.

International Interest Shown in Mando-Aquatennial Canoe Derby

EXTENSION OF REMARKS

OF

HON. HAROLD C. HAGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 4, 1949

Mr. HAGEN. Mr. Speaker, under leave to extend my remarks in the RECORD and include an article from the Bemidji (Minn.) Pioneer of April 21, 1949, I should like to call the attention of my colleagues in the House to a forthcoming event of international interest. I refer to the tenth annual Mando-Aquatennial Canoe Derby.

Ten years ago the citizens of Minnesota living in the cities and towns along the Mississippi River between Bemidji and Minneapolis, contributed funds to provide a purse to stimulate interest in canoe racing, which prior to that time had been only an event of local interest. From this modest beginning the derby has become the world's greatest canoe racing spectacle with entries from several foreign countries in addition to the best in the United States. This year's prizes will total $13,000; $8,000 in regular prizes and $5,000 added money.

The canoe has great historical significance in the State of Minnesota. It was the principal form of transportation in many sections for nearly a century. The early pioneers and trappers used it to the exclusion of the horse. There were no roads and only a few Indian trails through the dense-forest areas. The water courses were the highways of travel and commerce.

This year, thousands will again come to the Paul Bunyan country of Minnesota to view the thrilling spectacle provided by the derby, and revel in pioneer lore concerning the exploits of the early settlers, who struggled unceasingly to open this great area to the Nation. Hundreds of great athletes from all sections of the North American Continent will participate in the world's largest and most gruelling water race—450 miles down the Mississippi River—from Bemidji to Minneapolis, and which will require 8 days to complete.

This year's derby will begin on July 15 and continue through July 22. The spectators will gather at the starting point—Bemidji, and travel each day to the control points at Lake Winnebigoshish, Grand Rapids, Jacobson, Palisade, Aitken, Brainerd, Little Falls, St. Cloud, and the finish point at Minneapolis.

Mr. Speaker, I shall now include in my remarks an article concerning this event from the Bemidji (Minn.) Pioneer of April 21, 1949:

CANOE DERBY HOLDS WIDE INTEREST IN UNITED STATES AND CANADA

According to the Mandonian, a magazine published by the Minnesota & Ontario Paper Co., interest in the forthcoming aquatennial canoe derby, from Bemidji to Minneapolis, continues to mount as the running of this year's $8,000 national sporting event draws closer to reality.

Wishing to select the top flight canoeists in all parts of the United States and Canada, and having received numerous inquiries and entries from such widely separated points as Maine, Mississippi, Washington, Manitoba, Quebec and Ontario, this year's canoe derby committee is establishing regional run-offs in various sections of both countries.

In Canada, arrangements have been made to hold a regional contest in Winnipeg to select Manitoba's best paddlers. Canoeists in the Lake of the Woods and Rainy Lake districts will qualify in contests to be held in Kenora and Fort Frances as a fitting climax to Dominion Day celebrations, and canoeists of northeastern Minnesota will vie for a spot in the aquatennial derby line-up in a contest at Ely which will be a highlight of the annual Roaring Stoney Days celebration in that city

In the United States also, teams from some western sections wishing to enter the classic will compete for places in the McKenzie River Derby, to be conducted on the McKenzie and Willamette Rivers, from Rainbow to Salem, Oreg. Other possible regional sites include one in the New England area, one on the historic Hudson River for New York canoeists, and one in Wisconsin, as well as a sectional event in the Sault Ste. Marie area. Other areas which have indicated some interest in holding preliminary contests include Toronto and Fort William, Ontario, and the Province of Quebec.

For the first time in the derby's history, Minnesota entrants will be required to qualify for places in the derby, owing to the keen international interest shown, which limits the number of places available for local canoeists. Two, and possibly three, regional races will be conducted in the various sections of the State prior to the running of the derby.

Believing that Minnesota has the world's best canoeists, Gov. Luther Youngdahl has issued a personal challenge to each governor of the 47 other States, as well as to each premier of the Canadian Provinces, to send their best contestants.

"As Governor of Minnesota," Youngdahl said in a wire to the governors and premiers, "I maintain that our Minnesota canoists are the best in the world and challenge you to pit your best against ours in this race."

Further, Governor Youngdahl has offered a horn of plenty to the governor or premier whose entry wins this year's event. This horn of plenty will consist of nationally marketed food and other products, grown or manufactured in Minnesota which, according to Governor Youngdahl, "are the best produced in the world."

Following up the State chief executive's challenge, the canoe derby committee has sent attractive aquatennial canoe derby brochures to newspapers, magazines, sporting and canoeing clubs, and canoeing enthusiasts in both countries. Over 11,000 copies of this brochure listing the prizes, a digest of the rules and regulations, the daily race course, and a series of pictures of this sporting classic have been mailed.

I Flew for Israel

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following article which appeared in Collier's for April 30, 1949. Julian Swing, a veteran of our Air Force with Jewish blood, tells why he fought for Israel, and why the Israelis, hopelessly outnumbered, won the war with the Arabs. His experiences taught him that the Palestinian Jews have been badly treated by the outside world, and he says, "The people of Israel are the most democratic in the world."

The article follows:

I FLEW FOR ISRAEL

(By Julian Swing as told to Quentin Reynolds)

The Brindisi Airport looked nice from the air, and this should have been just another routine landing. There was a long concrete strip, no cross wind, and the Norseman plane I was flying had no bad habits. I got my clearance and circled the field. Then I circled it again and Alfredo Malpine, my Italian-American copilot, looked at me strangely.

I went around a third time and then straightened out, lowered my flaps and made my final approach to land. The controls seemed heavy and the whole plane wobbled sluggishly, but I knew this wasn't the fault of the plane. The white concrete runway stretched in front of me but I wasn't seeing it.

I was seeing the quiet smile on Lennie Cohen's face and hearing Buzz Beurling chuckle as he stepped up into the cockpit. That had been only 4 hours ago at the Rome airport. There were three Canadian single-engined Norsemen on the field, and we were to fly them into Israel. I was to fly with Beurling, the leading Canadian fighter pilot during the war, but at the last minute we shifted assignments and put Lennie Cohen, the ex-RAF pilot, in with Buzz.

They had taken off for a quick check flight around the field before heading for Israel and on the landing approach the engine backfired; the flame caught the fabric of the fuselage and within 4 seconds the plane was nothing but a sheath of flame plummeting down.

The airport commander and I ran toward the inferno. Lennie and Buzz were strapped in there. Soon the flames died down and we went as close as we could and saw the two charred bodies. The airport commander turned to me and said, "Swing, your ship is ready to take off."

Dazed, I walked away toward the Norseman, climbed in and took off. It was all automatic. I looked straight ahead, changing course when Malpine, who was navigating, told me to change. Brindisi is down in the heel of Italy not far from Bari. We would refuel there and head for Israel.

They called Buzz Beurling "Screwball," but I never saw anything screwy about him. He was quiet and soft-spoken. He didn't even drink the wine they gave us with our meals in Rome. He earned that nickname when he was flying Spitfires during the war. They say there was no crazy chance he wouldn't take in the air. Lennie Cohen, the Englishman was quiet too, but he was intense and a great idealist. He believed that Israel's fight was his fight just as England's fight had been his fight.

Instead of seeing the runway as we came into Brindisi I was seeing their faces, but again instinctively I eased the stick back and we hit the concrete strip, bounced badly and then settled. I taxied to the small administration building, climbed out of the ship and went behind the building and got very sick. I leaned against the white wall and looked at my hands. They were shaking.

I leaned there trembling all over, and I knew that I could never fly again. I tried to rationalize my condition and decided I was suffering from delayed shock. The full impact of what had happened to Beurling and Cohen was hitting me now. My rationalizing didn't make it any better. Like every other pilot who had flown in the Pacific, I'd had my quota of close calls. I'd had them in the Philippines and in flights over Okinawa and Japan, but nothing had ever hit me like this.

I asked for a telephone and called the Haganah representative in Rome. To my surprise he seemed to understand.

"I can't fly," I told him a bit hysterically, "I'm through."

He said soothingly that that was all right, and told me to return to Rome and he'd have transportation for me back to Los Angeles. I flew to Rome as a passenger. I went to the Mediterraneo Hotel where Buzz and Lennie and I had stayed. For 3 days I brooded. Then one morning I woke up and my hands were no longer shaking, my head was clear, and I realized that I was all right again.

I called the Haganah man, told him I was ready for duty, and he said there would be a plane waiting for me the next morning. And from that time on I was a full-fledged member of the volunteer Israeli Air Force.

What makes a normal 33-year-old American quit his job to travel 7,000 miles to a hunk of desert, and fly all sorts of broken-down crates under all sorts of conditions? There are those who think we did it for money. Money? My salary as an Israeli pilot was $100 a month. Was it a search for excitement, an escape from the boredom of routine everyday life? Not for me it wasn't. I was perfectly happy living in Los Angeles working as a salesman, going to the movies twice a week, going bowling on Saturday night, occasionally lifting a stein of beer with the gang and in the summer rooting for the Los Angeles Angels. I wasn't bored. Why did I enlist in the Israeli Air Force?

WHY PILOTS JOINED UP

Often we'd sit in the ready room at an airport in Czechoslovakia or Yugoslavia or at our Israel base at Aqir and we'd ask one another that question. Most of us were Americans but there were British, Canadian, and South African pilots, also, in our volunteer group. Three of us had joined up together in Los Angeles: Bob Vickman, Stanley Andrews, and myself. Bob and Stanley had been AAF pilots, too, and they'd been doing all right as civilians. They didn't want any excitement either, but something within them impelled them to fight for Israel.

It was early in 1948 when I joined the volunteer group. For months I'd been reading about the fight the Jews of Palestine were making. During the war we knew what we were fighting for all right, and reading the newspapers out in L. A. I had got to thinking that the Jews were fighting for the same things that we had fought for. They wanted a democratic country of their own, the sort of country our forefathers had fought for.

The League of Nations had given them the world's blessing, but in recent years the world had turned against them, had repudiated the promises it had made. The world seemed more interested in power politics, in economic stability for well-entrenched Middle East interests, in maintaining the status quo. The world seemed more interested in oil beneath the ground than in people above the ground.

I'd been educated in the New York public schools, and then I studied engineering at Cooper Union. You get an awfully good training in democracy in New York schools. I kept reading the papers and watching the United Nations evade its responsibilities toward struggling little Israel. I got madder and madder and one day a thought occurred to me. I, too, was a Jew.

I'd never thought much about that because it didn't seem to matter one way or another in school or college or in the Fifth Air Force. I had no kinship with the Jews of Europe beyond a historical relation. Back in 1921 a million or so Americans came to the sudden realization that although they owed allegiance only to this country they had Irish blood in them, and they poured forth their money and their efforts to help Ireland become a free state.

This is no way compromised their loyalty to America. Their only ties with Ireland were historical ties, but they arose in fierce anger to support and establish the De Valera regime. Now I felt as they had felt then.

It was that simple, and 3 weeks after I'd enlisted I found myself ferrying a bomber over Arab positions.

I felt very much at home in Israel, not because I was a Jew (non-Jewish members of our group felt the same way) but because the Israeli fighters of the Palmach and the Haganah and the civilians who were fighting in their own way were so much like men I'd trained with in the Air Force and had gone overseas with. The native-born Palestinian is called a Sabre. To my surprise the ordinary Sabre looked exactly like Hitler's definition of an Aryan. He was usually blond, regular-featured, blue-eyed and tall.

Sabre is the name given to the fruit of the cactus plant. This fruit is tough outside but sweet inside, and that about sums up the native Palestinian. In battle he was tough and he could embark on overnight marches carrying a pack and his gun and be fit to fight when he ended the march, and he could endure any degree of suffering.

They are definitely our kind of people, these Palestinians. That was the verdict of every one of the 300 volunteer members of the Air Force I knew. We were also surprised to find that the majority spoke English.

The military victory won by Israel contradicted every textbook ever written by the experts. On paper they had no right to win against the strength of five sovereign Arab nations. On May 15, 1948, Palestine became Israel, and immediately the fury of the Arab attack broke. On that date Israel didn't have a single fighter plane to defend her cities from air attack; she had no antiaircraft weapons—just machine guns, Bren guns and small-caliber stuff. Every day the

Egyptian Spitfires and Dakotas came over to drop their bombs on defenseless cities, towns, and villages.

Eventually, though, we had an air force of a sort. At its very greatest strength it consisted of 3 B–17's (flown illegally from America); 25 single-engined Norsemen (flown illegally from Canada); 15 Messerschmitts (bought in Czechoslovakia); 30 Spitfires (given to Czechoslovakia by the British as a gift and sold by the Czechs to Israel); 2 Mosquitos (bought by an English film producer ostensibly to use in the making of a picture but smuggled out of England to Israel); 6 Osts (two-engined British training planes smuggled out of England); 2 C–54's (flown illegally from the United States); 10 C–46's (flown from America) and a fleet of Piper Cubs, which, so help me, were used for bombing.

That was our air force. It was this tiny group of planes that cleared the skies, gave air cover to ground troops, and in the final analysis turned the tide of history.

I returned from Israel a short time ago, and already I've been shocked at some of the ideas people have of how the Israel army managed to get arms. A great many people have the idea that Russia backed the fight made by Israel, supplying arms and planes through Czechoslovakia. Here's how that deal was worked: There was an air base at Zatec, about 60 miles from Prague, and we would fly our C-46's there, pick up a load of guns, ammo and Messerschmitts and head for Israel.

Israel had tried desperately in the world market to buy guns and planes, but following the policy of the British Foreign Office, the world had declared an arms embargo against Israel. Only Czechoslovakia and Switzerland would sell to Israel, and Switzerland didn't have much to sell. The Czechs were in a nice spot. They had a virtual monopoly of the market and could name their own price. They agreed to sell Israel 15 Messerschmitts, and crated these up and flew them to Israel in our C-46's. Czechoslovakia had acquired these Messerschmitts for practically nothing as part of Germany's war-surplus stocks left in Czechoslovakia. She sold them to Israel for $40,000 each.

Ben-Gurion was so desperate for fighter planes to protect his civilian population from bombing that he had to submit to the hold-up. These were very old, tired Messerschmitts. The guns were poorly synchronized and more than half the time they jammed.

The Egyptian air force had plenty of Spitfires and Fiats (a pretty good fighter sold to them by Italy) and dozens of C-47's given to them by the British. But the Gyppos were clumsy pilots, and even with their enormous advantage in aircraft they couldn't do any real damage to Israel.

One afternoon one of our lads was stooging along in his Spit when he saw seven Gyppo fighters (five Spits and two Fiats) below him. He dived at the formation and got one Spit, which went down in flames. Two of the Gyppo Spitfires lit right out for home, leaving four to battle it out. Our boy made another pass and hit two of them. They fell out of formation. The remaining two planes lit out for the south. Our pilot was about out of gas so he had to come back to the base.

Now no pilot, no matter how good, has any right to disperse a squadron of seven fighters. This happened time after time, and we couldn't figure it out. I suppose the answer was that the Arab pilots really didn't have anything to fight for. They were just going through the motions.

Once the B–17's and the C–46's began to arrive we were able to do a little bombing of our own. We used to laugh at the pretty blue uniforms the crews of the American ships arrived in. They were like the ordinary uniforms worn by transport pilots at home, but they had the letters LAPSA on their caps. That meant Lineas Aéreas de Panama Société Anonyme, which was a Panama air line chartered for Central American trips.

LARGER PLANES FROM THE UNITED STATES

This was a dummy company and it bought 10 C–46's in the United States. American volunteers donned the pretty, official-looking uniforms and flew the planes to Mexico City and then to Panama. They stayed in Panama, too—long enough to refuel. They then headed for Israel via Natal (Brazil), Dakar, and Catania (Sicily).

Not all of them arrived. One C–46 crashed at Mexico City because of overloading, killing its crew of four. Another B–17 stopped at the Azores, and State Department officials requested the Portuguese authorities to impound the plane and return the crew to the United States.

Israel's chief enemy was always the combination of the British Foreign Office and our State Department. The Arabs were easy enough to handle, but it was hard to understand or cope with the hatred displayed toward Israel. It was also a mystery to us why the world jumped through a hoop when our State Department cracked the whip.

If it hadn't been for the State Department, the fighting in Israel would have ended long before it did, and hundreds of lives would have been saved. Let me explain that one. Last summer Israel needed ammunition desperately. We shuttled back and forth from Czechoslovakia to Israel as fast as our planes would fly. When we'd reach the limit of our endurance we'd often collapse into bed and sleep for 24 hours.

There was one man, though, who never collapsed, an iron man, Raymond Kurtz, who had been a B–17 pilot during the war. Ray, a New York policeman before he joined the Israeli Air Force, became a legend in the Israeli Air Force. While the rest of us were dropping from exhaustion he kept right on flying. During one stretch of 10 days last September, Kurtz flew exactly 200 hours. figure that out.

And the stuff that Kurtz and the rest of us were bringing in from Czechoslovakia was the only thing that kept the Palmach and the Haganah fighting there in the Negeb. Then it came to an end.

A VISITOR FROM PRAGUE

One day we were all sitting around our shack at the Zatec airport playing bridge. Our planes were all loaded with those wooden boxes marked "glass" or "fragile," and we were waiting for a weather clearance. A pleasant sort of chap—an American—walked into the room and started to talk to us. He said his name was MacDonald and that he was from the United States Embassy in Prague.

We dropped our cards and felt sick. Obviously he'd come to investigate this airport. He knew that most of us were American citizens, and he knew what we were doing.

"I guess we've had it," I said, and MacDonald smiled almost apologetically. It seemed awfully funny to us that he was fighting on one side, and we other Americans were fighting on the opposite side. Anyhow, the next day the Czech Government got a strong request from our State Department to close up Zatec. And the Czech Government meekly obeyed.

Occasionally a plane did make a quick trip into Czechoslovakia and return with a load of supplies, but as a main artery of supply the route no longer existed, and we confined our activities to bombing Arab military positions at Gaza, Rafah, El Majdal, and Falujja.

We usually bombed at night. The Arabs for some reason or other seemed afraid to fly in the dark. The nights were usually clear, and our heavily loaded transport planes would have been sitting ducks for their Spitfires, but they never bothered us. They depended entirely on flak, and sometimes that was pretty good, because they had fine antiaircraft weapons which they had obtained from the British.

A few days after Bob Vickman had got it—he was killed when a defective Messerschmitt he was piloting crashed—my other Los Angeles pal, Stanley Andrews, was killed when flak brought down the Mosquito he was flying.

It was the Pacific all over again. You'd come back from a mission, go in the mess hall to have some coffee and look around rather surreptitiously to see who was missing. There were plenty who didn't come back, and we always hoped they had died quickly. This was after we found out what Arabs occasionally did to prisoners. Two of our men didn't return one night—we found their horribly mutilated bodies a week later.

The bombing we did was hardly in the American Air Force tradition. To begin with, we had no bomb racks. When we got over the target the pilot would yell and the bomb chuckers—that's what we called them—would roll the bombs out of the open door. We usually had to make three runs over the target.

We didn't use bomb sights or the usual aids to accurate bombing we had during the war. When our instruments went haywire we couldn't replace them. Our fleet of bombing planes would have shocked an American Air Force CO.

In addition to a few heavies, we used single-engined Norsemen and Piper Cubs. It was quite a sight to see a little Cub stagger off the runway under the weight of three bombs and a pilot, but they did it every night.

And the war was won. Israel not only had to fight the whole world on the diplomatic front and the five Arab nations on the military front; she had to fight broken-down, inferior equipment. Col. David Marcus, the West Point officer whose memory is now revered in Israel, once explained to me that there never had been a war like this.

"Before we can start a real offensive," he told me, "we have to go out and capture the weapons we need. We start off with Sten guns and ?-inch mortars, machine guns, Bren guns and some ammo. Then we are ready to make a real attack. These boys I command can do more with fewer weapons than any fighters I've ever seen. And they never know when they've had enough."

WAR WON BY MEN—NOT WEAPONS

David Marcus never knew when he had enough either. A few days after I talked to him he was killed. Marcus was right; the war was not won by weapons but by people. Everyone you met in Tel Aviv or Haifa was doing a war job. One night they put a new bomb chucker on my plane. He laughed when I recognized him, I'd seen him the week before behind the desk of a hotel on Hayarkon Street in Tel Aviv.

One day a high-ranking Haganah military commander came to our air base. I asked him the size of the Israel Army. He said, "We have an army of 750,000."

"But that's the entire population of Israel," I said, puzzled.

"That's right," he said calmly.

This was a war for survival and it was too important to be fought only by military men. Everybody old enough to walk was old enough to fight in one way or other. I was with the Israeli Air Force for 9 months, and my admiration for the people of the country grew greater and greater the longer I stayed in the country. They had the same spirit of independence that our pioneers had. They were wise, too, and were not to be fooled by smooth promises.

Russia made a big point of supporting Israel at United Nations meetings, but the Israeli people only chuckled at the transpar-

ent attempt by the Communists to show friendship for the new country.

The people of Israel are the most democratic people in the world. They know what fascism did to millions of their brothers in Europe. They know that thousands had fled communism in Russia, Poland, Czechoslovakia, and Hungary because they wanted to live the life of true democracy which they could find only in Israel. Israel is the only bulwark of democracy in the whole Middle East, and it is our kind of democracy.

The Israel Cabinet includes a Minister of Minorities, whose job is to safeguard the rights of Arabs and other minority groups in the country. As citizens they are guaranteed the same political and economic freedoms given to Jewish citizens of the country. Employers by law must pay Arab workers the same wages paid to Jewish workers. The Cabinet also includes a Minister for Religious Affairs, whose job is to see to it that no one of a minority faith is discriminated against.

Now I'm back home ready to go to work again. Friends of mine say, "You wasted 9 months of your life flying for Israel." I laugh at them. I learned an awful lot in those 9 months. I saw communism in action in Czechoslovakia and did not like what I saw. I saw democracy in its finest form working in Israel and I couldn't help being thrilled at that. I read the Israeli Declaration of Independence which made the country a sovereign nation last May, and the wording of it seemed familiar to me. Then I realized that it was closely patterned after our own Declaration of Independence.

The Communist propagandists like to rant about the decadent democracies and the virtues of the totalitarian state. They forget that Thomas Jefferson wrote the basic rules for a democratic state more than 170 years ago and the rules are still working today. They've worked pretty well for us here at home and they're working well for the newest democracy on earth. This is what I learned in Israel and it had made me a better American and a more fervent believer in democracy than ever. No; those 9 months were not wasted.

Multiple Sclerosis

EXTENSION OF REMARKS
OF
HON. ALVIN F. WEICHEL
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. WEICHEL. Mr. Speaker, I am today introducing a bill which I hope may be a step in helping to some day solve one of the mysteries still baffling modern medical science as it has baffled medical men since it was first identified 80 years ago by a neurologist.

The disease is one which respects no one. It is a disease which attacks the healthy. At one time so little was known about it that it was considered so fatal that little or nothing was done by scientists to investigate the cause and cure. At least 80 percent of those affected by the disease become helpless invalids within 5 years.

With an estimated quarter of a million of our people in the United States afflicted by this crippling disease termed "multiple sclerosis"—sometimes referred to as Charcot's disease—people who might otherwise have lived useful and happy lives with their loved ones are doomed to helplessness; they become helpless cripples, wasting away as this disease wrecks their bodies and yet we are powerless as we stand by and unable to cure these sufferers.

With all our great advancements in the sciences, it is my belief that we have the know-how—the brains and facilities to combat this scourge. By properly focusing the sights of medical science upon the disease to coordinate and evaluate findings and results of the research contemplated in such legislation we can some day hope to fortify our medical practitioners throughout the country with the necessary knowledge and help an estimated quarter of a million afflicted people to lead useful lives again and to prevent such occurrences in untold millions more in the future.

Smith Black

EXTENSION OF REMARKS
OF
HON. CLARENCE CANNON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. CANNON. Mr. Speaker, under leave granted to extend remarks, I desire to include the citation conferring the Superior Service Award on Smith Black, of Mexico, Mo., for exceptional service rendered the Farmers Home Administration and the farm families in his administrative territory.

The award was presented at an annual ceremony held yesterday at the Sylvan Theater here in Washington. Only two similar awards were made, the three representing the total number selected from the entire United States.

The citation was delivered by Secretary of Agriculture Charles F. Brannan in the presence of an audience which taxed the capacity of the stadium.

Secretary Brannan presented the parchment certificate accompanied by a silver medal, and as he affixed a service lapel button, said:

To Smith Black, for outstanding leadership and ability in assisting borrowers of the Farmers Home Administration to plan and carry out improved farming methods and business practices which have raised materially their standard of living and secured for them a more stable place in their community.

May I add, Mr. Speaker, that in my considered opinion Mr. Black has contributed more to the prosperity and well-being of the farm families in his administrative territory than all the Governors, Congressmen, and Senators and Federal judges who have served during his incumbency. There are farmers all over that territory who own their homes and farms today—or are well on the way to owning them—enjoying an American standard of living, who otherwise would still be tenants or driven from the land to congested city tenements.

And it should not be forgotten that in promoting home ownership and a productive agriculture he has helped not only the producers of the Nation's food and fibre but its consumers as well.

This annual program, at which are commended those officials from the Department of Agriculture whom the Nation desires to honor, is held each year on May 15, or the nearest working day thereto, the anniversary of the date on which President Abraham Lincoln signed the bill establishing the United States Department of Agriculture, May 15, 1862.

It is an appropriate commemoration of the day and a deserved recognition of important service rendered to American agriculture and to the Nation.

Antidefamation League Cites Truman for Civil Rights

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. MULTER. Mr. Speaker, when I observed the unfounded and unwarranted attack made upon the Antidefamation League as a Communist outfit, as it appeared in the Appendix of the RECORD on May 9, I did not understand what prompted the attack. When I stated the true facts concerning the Antidefamation League to this House on May 11 I still did not know what had motivated that statement. I think that I have since discovered the cause for it. The following article entitled "ADL Cites Truman for Civil Rights" appeared in the May 1949 issue of the National Jewish Monthly, the official publication of B'nai B'rith, which sponsors the ADL:

ADL CITES TRUMAN FOR CIVIL RIGHTS

For his "distinguished contributions toward the enrichment of America's democratic legacy," the Antidefamation League of B'nai B'rith presented President Truman with its annual "America's Democratic Legacy" medallion in a special ceremony at the White House. Last year five distinguished personalities received the award, but President Truman was the sole recipient this year, for "his program to secure full civil rights for all his countrymen."

The presentation was made by Justice Meier Steinbrink, national ADL chairman. With him in the ADL delegation were A. G. Ballenger, national vice chairman; Bernard Nath, Chicago board chairman; Max J. Schneider, another national vice chairman; Edmund Waterman, treasurer of the joint defense appeal; and Benjamin R. Epstein, national ADL director.

In presenting the medallion to the President, Judge Steinbrink said:

"Toward the enactment of the President's civil-rights program, the Anti-Defamation League, as an organization, once more pledges its wholehearted support. Beyond that, however, ADL pledges itself to a program of education that men in this great country of ours may learn to live in peace and understanding."

In accepting the award, President Truman declared:

"I am sincerely grateful to have been selected as the recipient of the America's Democratic Legacy Award. I am aware of the vigorous educational program and the practical efforts by your organization to foster an understanding of democratic rights and responsibilities. Your definition of America's democratic legacy is admirable. It

is indeed a force in the hearts and minds of the people.

"Our goal should be the protection and security that can be given all our people under a civil-rights program designated to meet the needs of our time. Such a program I have placed before the Congress. In the effort to have it translated into law, I shall look forward to the support of organizations such as yours."

Judge Steinbrink also presented to the President the first copy off the press of the ADL's annual survey of anti-Semitism, published in book form by Doubleday & Co., under the title, "How Secure These Rights?"

The same evening, a dramatization based on the book was broadcast over the CBS coast-to-coast network. Called "The Goal Is Freedom," it starred Claude Rains, and dealt with actual incidents involving intergroup relations.

Mr. Speaker, despite all name calling the work of spreading the godly teachings of brotherhood will continue.

Is Arizona Rightfully Entitled to That Much Water?—One Man's Opinion, Based on Physical Fact and Supreme Court Holdings

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EXTENSION OF REMARKS

OF

HON. JOHN R. MURDOCK

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. MURDOCK. Mr. Speaker, do I believe there is at least 1,200,000 acre-feet of firm or apportioned main stream water in the Colorado River belonging to Arizona and available to her for the central Arizona project? Yes, I am convinced there is at least that amount, which does not belong to any other State, and it is both physically and legally available to Arizona. My present bill, H. R. 934, is based on that assumption—which to my mind is a fact. Such is also the position of Arizona officials and her Representatives in Congress as a reason for their sponsoring identical bills.

Does anyone take a contrary view and deny this? Yes, the representatives of certain water agencies in southern California deny that there is any water available for this Arizona project from the main stream of the river. Furthermore, those southern California officials contend that the question of legal availability of water for the project called for in H. R. 934 is not a matter of congressional determination, but can only be determined by the Supreme Court. Therefore, they sponsored in the Eightieth Congress and again in the Eighty-first Congress different resolutions referred to committees of the House and Senate having the intent of directing a settlement of the dispute between Arizona and California in the Supreme Court of the United States.

Now, some years ago Arizona herself sought to get into the Supreme Court for a settlement, because at that time, which was prior to another kind of settlement that culminated in 1944, it did seem to Arizona officials that litigation was the only proper solution. However, under the circumstances existing then and still existing, it was impossible to get the case squarely before the Supreme Court, and the Supreme Court refused to take jurisdiction.

WHAT HAPPENED IN 1944 BEARING ON IT?

Since 1944 and the culmination above referred to, it is Arizona's contention that the Court has already settled the main part of the dispute which needs to be settled concerning the availability of water for the Arizona project, and now only the enactment of proper legislation by Congress is necessary. In 1944 Arizona through her legislature acted to bind herself through a legislative compact so that no other kind of settlement is necessary. If there be a basis of a legal controversy over the meaning of the law after Congress has authorized the project, then before any money has been spent on the project by way of construction, litigation can begin on the part of either Arizona or California. Competent lawyers say it cannot begin unless or until some such authorization act as H. R. 934 shall have been passed.

I am expressing my own opinion with the best power of reasoning that I have, based on obvious physical facts, together with unambiguous Supreme Court language, to the effect that there is at least 1,200,000 acre-feet of water in the main stream of the Colorado River for this project in Arizona. My contention is that there is more than that amount, of course, but I specify 1,200,000 acre-feet because that is the amount called for in the bill. How do I reason thus? To be valid, we must show that there is at least 1,200,000 acre-feet of firm or apportioned water in the main stream rightfully belonging to Arizona and not belonging to anyone else. Can a valid argument of that kind be made? I assert that it can.

As a basis for our thinking we must understand that the basic law of the river—including the Santa Fe compact of 1922, the Boulder-Canyon Project Act, passed by Congress in 1928, and the required California self-limitation statute passed by the California Legislature in 1929—classifies the water of the Colorado system into two classes. So far as division among basin States is concerned, most of the total flow of the river is apportioned water, and that means apportioned between the upper- and the lower-division States in perpetuity. The second class of water, so far as the division among the States is concerned, is known as surplus water. This second class is small in amount and is only the water in the river over and above the apportioned water.

But it is only a part of the apportioned water to which I now refer, that is, of the virgin flow of the Colorado River at Lee Ferry 7,500,000 acre-feet apportioned from the main stream to the upper division above Lee Ferry and 7,500,000 acre-feet apportioned from the main stream to the lower division below Lee Ferry. I am not referring in this discussion to any water classified as surplus.

It should be said that the water apportioned in article III, subsection (a) of the Santa Fe compact is not all of the water which is apportioned by the compact, but it is this particular part of the apportioned water to which I refer, containing water called for in H. R. 934. I want to show that the 1,200,000 acre-feet asked for by Arizona in H. R. 934, while not all of Arizona's main-stream quota, is to be found in III (a) water. With this understanding, let us see if this part of Arizona's share is legally and physically availab'e.

The compact provides that 7,500,000 acre-feet of apportioned water must be delivered to the lower division States at Lee Ferry. The California Self-Limitation Act restricts California's use of it to not more than 4,400,000 acre-feet of apportioned water. By simple subtraction 4,400,000 taken from 7,500,000 leaves 3,100,000 for division between Arizona and Nevada of the water deliverable at Lee Ferry by the upper basin. According to the Boulder-Canyon Project Act and Nevade's contract with the Secretary of the Interior, Nevada is entitled to 300,000 acre-feet. Subtracting the 300,000 acre-feet from the 3,100,000 acre-feet leaves Arizona's quota of this apportioned water 2,800,000 acre-feet, which is the amount indicated for Arizona by the Boulder-Canyon Project Act of Congress in 1928 and agreed to by California in its Self-Limitation Act in 1929. The Supreme Court has said that no part of this 7,500,000 acre-feet deliverable to the lower-division States at Lee Ferry can be regarded as surplus. All of that 7,500,000 acre-feet is apportioned water. True, the California opponents of Arizona try to make it appear that a portion of the 7½ million acre-feet is surplus, for if it is surplus, California would be entitled to one-half of it. However, on that the Court has spoken in clear and unmistakable language—the Court says no part of it may be considered surplus.

Thus what has been said here shows conclusively that Arizona has apportioned to her in perpetuity more than the 1,200,000 acre-feet of water which she calls for in H. R. 934. This conclusion is based upon the several facts as follows:

First, that amount of 1,200,000 acre-feet is mathematically included in the 7,500,000 acre-feet of water deliverable by the States of the upper division at Lee Ferry, no part of which, according to the Supreme Court, can be considered surplus.

Second, under the California self-limitation statute, naming a maximum of 4,400,000 acre-feet of this same apportionment, California voluntarily precludes herself from the remainder of that apportioned water. Therefore, Arizona may rightfully claim all of it as a gross amount over and above the acknowledged 300,000 acre-feet for Nevada. While there are certain small deductions from the 2,800,000 acre-feet which pure mathematics indicates for Arizona as the third State of the lower basin, it makes 2,800,000 acre-feet a gross amount for Arizona, just as the 4,400,000 is a gross amount for use in California. However, when these recognized deductions are made from the 2,800,000 acre-feet of this main stream water, there is yet more than the 1,200,000 acre-feet rightfully belonging to Arizona as called for in the bill.

This is a brief answer to an important question arising out of committee consideration of H. R. 934. I believe the answer which I have given here, in condensed form, is the answer contained in the testimony already given before the committee in more extended form. In other words, while this expresses my view, I believe it is the same view revealed in the extensive testimony of certain supporting witnesses.

Israel Is Reborn

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following article by Frank Kingdon, which appeared in the New York Post of May 13, 1949:

TO BE FRANK
(By Frank Kingdon)

Twelve months ago five Arab nations stood armed at the borders of Israel. Today Israel stands as a working member of the United Nations.

The events of the year have been like a sharply lighted moving picture unfolding the twisting ways of nations and men. Lights and shadows have been in sharp contrast. In a little country not as big as the State of New Jersey the forces that shape the world have been revealed in undisguised nakedness.

Israel itself has demonstrated a truth as old as the prophets which so-called statesmen refuse to learn. There is one force in the world stronger than any armor and impervious to any artillery. It is a people aroused to liberty and fighting for their independence.

Nations calling themselves great mobilized guns, terror, and invasion to subdue a people called little in their dictionaries of power. They have been shown that there are no great nations except such as are possessed of the spirit which makes them unconquerable. It was not by might nor by power but by an inner strength that Israel prevailed.

In striking contrast with Israel, Britain has demonstrated the tricky ways of empire, the ruthless maneuverings of those who think to manipulate the weak because they believe that some prerogative of superiority is theirs. Bevin has been a trumpeting bully behind whom the wily conjures of Whitehall have smoothly operated to stir strife in the interests of oil profits and military bases.

The people in our State Department who would consider an invitation to a Buckingham Palace garden party as the climax of their careers, the intellectual colonials of Britain and lackeys of our own oil interests, tried to shape our policy to flatter London. Their memoranda were models of hiding intentions within a sparkling robe of phrases.

In contrast to them and greatly to their discomfiture, President Truman saw the struggle of a freedom-loving people as a plain man would see it. They showered him wih documents formally drawn. They argued with subtlety against his simpler insight. He cut through their verbiage and kept his private rendezvous with liberty by recognizing Israel as a Nation.

If Britain could no longer hold our policy in thrall it still believed it could make puppets of the Arab people. But these demonstrated no more than the weakness of mercenaries. As governments they were suspicious of each other. As individuals they fought like men protecting only their own skins. Their valor was less than their vituperation.

The clashing forum of rival interests became the United Nations, showing its weakness when contest bred hesitation, revealing its strength when, regardless of expediency, it became the instrument of armistice and agreement. Israel's flag flying with the others in the United Nations courtyard is now the reminder of the imponderables by which at last, the success of the United Nations itself will be weighed.

History will long remember that a wrong of centuries was righted in our time. The conscience of the world revives since Israel is reborn.

Infantile Paralysis

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by Commissioner John A. O'Donnell, United States Philippine War Damage Commission, over Station DZRH of the Manila Broadcasting Co. on Thursday, May 5, 1949:

More than a year ago it became tragically apparent that there was a scarcity of iron lungs throughout the Philippines. At that time several cases of infantile paralysis had developed and respirators were sorely needed as a last hope in the fight for the lives of the victims. One or two lungs were in the Manila area but they were not enough.

Fortunately the people of the Philippines are not often confronted with the dread disease of infantile paralysis that far too frequently leaves those whom it strikes maimed for life and far too frequently claims their lives. But it afflicts rich and poor alike. It knows no class distinction and when its victims need the mechanical respiratory aid that an iron lung provides to help their tired and wracked bodies they require them badly and must have them quickly. The child or adult who requires this device to pump oxygen into his weakened lungs cannot wait for one to be transported from Manila to Cebu or Zamboanga, or to Baguio. His urgency insists that it be near at hand.

Consequently, last year when the scarcity of these devices became appallingly obvious, the Commission determined that at least seven of them should be purchased under an award made to the Philippine Government and, in conjunction with the Department of Health, agreed that they should be distributed to hospitals in Manila and the provinces where they would be readily available to those who might require them.

The award for this vital hospital equipment was only one of many awards that have been made for the general benefit of the Filipino people under one part of the Philippine Rehabilitation Act which created the War Damage Commission. This one part authorizes the Commission to make awards totaling nearly ₱114,000,000 to the Philippine Government for the restoration of war-torn public property. The amount of money authorized is insufficient to pay for all public property damaged. It already has done much to improve conditions generally, however, and when our program in this regard is completed it will have afforded considerable additional assistance.

For example, in the rehabilitation of schools made possible by War Damage Commission awards, educational facilities will be afforded 2,000,000 students. This is particularly gratifying to the Commission, and to the people of the United States whom it represents, when we consider that so many children have been attending classes in the open air, seeking the learning that is the desire of every Filipino boy and girl. Similarly we are highly pleased to know that 2,300 hospital beds will be furnished for the sick, that necessary water facilities for irrigation and household use will be made available for nearly 6,000,000 people, and that some 15,000 or more skilled and semiskilled artisans and laborers will be given direct employment on the projects undertaken in connection with Commission awards.

Manila will have a sorely needed fire-alarm system. Transportation is the lifeblood of any nation and new locomotives soon will pull trains carrying passengers and freight on the Manila Railroad. Quarantine facilities are being restored and improved.

In every province, in every city, and in most municipalities new or rehabilitated public buildings are rising from the ruins of war and the vast majority display a sign or plaque bearing the legend, "Rehabilitation Project Aided by the People of the United States of America under the Philippine Rehabilitation Act of 1946."

The awards made for damaged public property constitute only one phase of the Philippine Rehabilitation Act which was adopted by the President and the Congress of the United States as a manifestation of good will for the people of the Philippines and to express in part our appreciation of our mutual friendship and our mutual war against aggressor nations—or mutual insistence on survival and furtherance of democratic ideals.

The public-property program, however, does not provide the major benefits of the Rehabilitation Act. These are afforded in those sections which deal with the payment of private claims for war damage.

You will recall that the Philippine Rehabilitation Act authorized the appropriation of ₱800,000,000 for the payment of private war damage claims in the Philippines and for the administrative expenses of the Commission necessary to adjudicate and pay them. I stress that these funds were authorized under the act because that basic law which created the Commission did not appropriate any money; it merely authorized its appropriation. That is normal legislative procedure in the United States Congress and each year it is necessary for the Congress to approve an appropriation for every agency's expenditure for the following fiscal year. An authorization for the expenditure of money could be on the statutes for a long time but if Congress did not approve appropriation under that authorization, not one penny, not one centavo, could be spent.

I emphasize these facts because there is considerable misinformation about them. Many people think that the money for payment of private claims, and for public claims as well, has been appropriated in its entirety whereas the Rehabilitation Act merely authorizes its appropriation.

As I mentioned previously, every agency of the United States Government receives an appropriation from the Congress each fiscal year so that it may carry out its functions. It is necessary, therefore, for every agency to send its representatives to appear before the Appropriations Committee of the House of Representatives and the Senate at least once annually, and perhaps more frequently, to substantiate the agency's budget request for the next fiscal year.

Unlike other agencies of the United States Government which have their principal offices in that Nation's Capital, the Commission has its headquarters outside the country in which it functions. For that reason it is essential that members of the Commission go to Washington one or more times each year to testify with regard to the Commission's fiscal needs and to justify its estimates of proposed expenditures.

Several weeks ago I returned to Manila after appearing before members of the House Appropriations Committee with my colleagues, Chairman Frank A. Waring and Commissioner Francisco A. Delgado. At the present time Chairman Waring is in Washington to appear before the Senate Appropriations Committee. Our purpose in testifying before those committees has been to demonstrate to their satisfaction that this Commission will need approximately ₱370,000,000 for the payment of private-property claims and Commission administrative expenses in the fiscal year which begins July 1 and ends July 1, 1950.

The ₱370,000,000 would be a part of the ₱800,000,000 authorized for private claims payments under the Rehabilitation Act. Again, to clarify misinformation, this amount would not be in addition to the original authorization as some people seem to believe.

To date, that is since the Commission was created in the early summer of 1946, a total of ₱350,000,000 has been appropriated for private claims payments and expenses incident to their payment. Incidentally, with regard to administrative expenses, they are fixed by law and not more than ₱24,000,000 may be expended by the Commission for such expenses during its entire life from 1946 to 1951.

When making its request for ₱370,000,000 for the next fiscal year, the Commission predicated its needs on the fact that it is moving at the most rapid rate in its history in the payment of private claims.

It is true that there probably will be some curtailment of the Commission's current rate of processing claims because we have been adjudicating 3,000 claims a day. Many of these claims are for less than ₱1,000 which, of course, is only normal because, of the one and a quarter million claims filed, about 1,000,000 were for less than ₱1,000. At the present time we have processed well over half of the claims of ₱1,000 or less, whereas larger claims, for obvious reasons, have not been adjudicated in comparable ratio. The daily peso volume of ₱1,000,000 per day will continue until the Commission nears the end of its task which probably will be in September 1950, so that all of the agency's affairs can be concluded by the legal dead line of April 30, 1951.

In our appearances before the House Appropriations Committee this year, as on previous occasions, we were given the utmost consideration by the membership. As you are aware, the United States has been faced with the almost impossible task of providing financial assistance and daily sustenance for millions of people in war-ravaged areas throughout the world and the burden has fallen on the United States Congress to appropriate these funds in the most fair and just manner. I do want to stress the fact that the Members of the Senate and House of Representatives with whom I came in contact are keenly aware of the sufferings endured by the Philippine people during the war years and are most sympathetic to the budget requests we have made to aid in the economic rehabilitation of this young republic. You know, I am sure, of the great interest of the President of the United States in your welfare. President Truman has repeatedly expressed his admiration for the Filipino people and has voiced the fervent hope that Philippine economic conditions, aided in part by American financial assistance, will be improved so that this country can continue to stand as a bulwark of democracy in the Orient.

The President and the Congress, I can assure you, are alert to the encroachments of communism in the Far East. Like you, they do not want it to engulf the Philippines. Because of this and because of their feeling of admiration and friendship, I am convinced that the Commission will receive their full cooperation in obtaining its authorized appropriations rapidly and in time to relieve some of your economic plights.

It has been stated repeatedly, and I agree, that the ₱800,000,000 authorized for private claim payments will be insufficient to meet all losses. The 30 percent payments that the Commission now makes on claims approved in excess of ₱1,000 amounts to only about 15 percent of the actual loss sustained by the claimant because present-day costs are three to four times as great as in prewar days. It may be possible for the Commission to increase the 30 percent payment slightly but the final settlement will fall far short of the 75 percent payment contemplated by the act. And it is also true that even if the Commission were able to pay the full 75 percent of the amount of the claims approved in excess of ₱1,000, the claimant would receive only about 37½ percent of his present-day replacement cost because of present-day prices.

We are well aware that payment of the full amount contemplated by the act is sorely needed by those businesses, industries, and agricultural enterprises which contribute most to the Philippine economy. We know that 80 percent of the ₱800,000,000 is being disbursed to claimants whose claims were approved for ₱1,000 or less. But we also know that it is impossible to increase the present percentage payment materially with the ₱800,000,000 authorized for appropriation.

There has been some discussion regarding the possibility that the authorization would be increased. It is not my prerogative to speak for the President or the Congress of the United States in this matter. The taxpayers of the United States are carrying a heavy burden as their country seeks to extend aid to foreign lands. Whether they will be asked to assume additional responsibilities, I cannot say. And I assure you that war-damage payments are derived from taxes imposed on the American taxpayer and not from Japanese reparations as some people erroneously believe. Consequently, it is my conviction that the people of the Philippines should exert every effort to attract private capital here for the development of those commercial enterprises which would enhance their opportunities for economic stability based on private industry, trade, and commerce.

Much has been said of the failure of American capital to make extensive investments in the Philippines. Many of the reasons for the reluctance on the part of American investors are readily apparent. Capital will come only when it can be assured of equal treatment, equality of enterprise, and above all—full assurance of adequate safeguards for peace and order.

In this connection, labor and capital should go forward together hand in hand, with a mutual understanding of each other's problems. Manifestly, since the anticipated foreign capital has not been forthcoming, sacrifices will have to be made since it will be up to the present industries, through expansion, to make material dents in the already large surplus market of labor. Industrial strife should be held to a minimum. Needless to say, business is so steeped in endeavoring to finance its rehabilitation to a point approximating prewar production that it appears to me to be in a very poor position to meet round after round of wage increases or the constant obstruction of labor disputes.

While seeking to attract additional private capital from foreign lands, every possible means should be utilized to put the money that is currently available in the Philippines to work. It is obvious that existing basic industries and agricultural enterprises should be developed as rapidly as practicable to bolster this Nation's economic position. Putting off until tomorrow what can be done today reaps no benefits for man or business.

In this regard I would like to point out that many claimants waited until the last few weeks of the 1-year filing period to submit their claims. Many of them are now vociferous in their insistence that the Commission should promptly adjudicate their requests for compensation although they were warned throughout the entire filing period that claims, insofar as practicable, would be processed on a first-come first-served basis. Furthermore the Commission has encountered claimants who are reluctant to forward to it with reasonable promptness the papers and documents requested by its officers and staff members so that they might expedite settlement of their claims.

The Commission is well aware that many records were lost and that there is difficulty in proving the existence of property claimed in numerous instances. Consequently it has been accepting much less evidence than ordinarily would be required in a court of law or court of claims. It has endeavored from the outset to match the good faith of each and every claimant. Nevertheless, if claimants unnecessarily hinder the machinery by which it operates they must bear the consequences. Unless they cooperate by expeditiously forwarding any and all papers, documents, and other data of probative value as requested, settlement necessarily must be made on the basis of what is before the Commission. The detrimental effect on claimants of such settlements should be obvious to all.

At the present time we have processed nearly two-thirds of the 1,250,000 claims presented. We have channeled into the Philippine economy more than ₱300,000,000 of the ₱800,000,000 authorized for private claim payments. Of the amount expended, nearly ₱30,000,000 has been paid to claimants whose claims were for more than ₱50,000 and a considerable portion of this money was disbursed to basic industries which contribute to employment and other phases of the economic structures here. The small claimants, that is those whose claims were for ₱1,000 or less, have received more than ₱180,000,000. Big business and tao are receiving equal consideration before this Commission and will receive it as long as the agency continues its functions.

We have endeavored to protect all legitimate claimants against the unfair and unscrupulous practices of the few and I would be remiss in my duties if I did not take this opportunity to sound a warning to prospective claimants under the War Claims Act of 1948. As was pointed out in an editorial recently published in a morning paper, certain unscrupulous persons are allegedly representing that this law covers persons other than American citizens. Nothing could be further from the truth.

In this connection, please be advised that the War Claims Act of 1948 was passed by the American Eightieth Congress. This act sets up a War Claims Commission, consisting of three members to be appointed by the President. At the present time, there is pending before the present session of the Congress appropriation requests for this agency of the Government. However, the President as yet has not, I repeat has not, appointed the members of this Commission. As soon as these members are appointed, I am certain, one of the first things they will do is to prescribe rules and regulations including a time for the filing of claims as the law provides. In the interim, do not be

fooled. Wait until you get the authoritative word from the Commission itself.

The President of the United States and the Congress have been assured repeatedly that we would conclude our task by April 30, 1951. Those promises will be kept. And when the Commission's work is finished and its funds for private and public claims have been disbursed, it is our fervent hope that we will have aided the people of the Philippines in the rebuilding of their country so that they may continue on their path toward their rightful prominence among democratic, free, nations of this world.

Defense of Western Provinces of China

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I am including the following article by Constantine Brown which appeared in the Washington Star on Monday evening, May 16, 1949.

The State Department's policy of waiting until the dust has settled in China is in fact a do-nothing policy. It is a policy which dangerously jeopardizes American national security. I hope that the State Department will soon abandon its defeatist attitude and will submit to the Congress an affirmative practical program for action. To do nothing is to help the Communists. If the Communists win the hot war in China we may well lose the cold war in Europe. If we lose the cold war we shall have war.

The question is not, Can we afford to aid China? It is, Can we afford not to?

The article follows:

CHINA NATIONALISTS SEEN ABLE TO DEFEND FIVE WESTERN PROVINCES WITH UNITED STATES AID

(By Constantine Brown)

If the State Department were willing, a Chinese Nationalist resistance area could be maintained even today against the Communist forces which are sweeping from the Yangtze River toward the borders of Indochina, Burma, and Malaya.

Unfortunately, however, for reasons clear only to the high priests of our diplomacy, there is not the slightest indication that anything toward that end will be done, although the National Security Council, Congress, and our top-ranking strategists, deeply concerned over the strides of Russia's puppets in the Far East, favor such an ente prise.

We have won half a city through the lifting of the Berlin blockade but are losing a whole continent in Asia.

A documented study of what could still be done in China has been worked out with great care. The provinces of Ningshia, Kansu, Tsinghai, Szechwan, and Yunnan, representing a territory about half the size of the United States, are still under the control of strong non-Communist leaders. This area offers an ideal defensive position, which could stand against any Communist attack if it were provided with assistance by the United States.

COST UNDER $100,000,000

A careful examination has brought the estimate that less than $100,000,000 would be needed to bolster the present military forces and the economy of that area over a period of 2 years.

The Japanese made desperate efforts for several years to penetrate and conquer the five provinces where Chiang Kai-shek found refuge with his government during the darkest period of the Japanese occupation. Although the Tokyo warlords put 27 divisions, equipped with modern war material and a sizable number of planes into the battle to exterminate the rump Chinese Government, the area's natural defenses—a desert as large as Texas and impassable gorges on the upper Yangtze—made their efforts fruitless.

In his reports on the allied victory in the Far East, General MacArthur pointed out emphatically that if it had not been for the Nationalist armies, fighting from this natural fortress, the Japanese could have had at their disposal, at the most critical time of the campaign against Australia, divisions which were being employed against Chiang. The results could have been pretty serious for the Australians and the Allies who were fighting with them.

INDOCHINA SUPPLY ROUTE

Our military men admit that neither Canton nor other portions of Southern China can be held successfully by the demoralized Nationalist troops, which the Communists have kept on the run for months. But the troops in the five western provinces have not taken an active part in the recent Nationalist disaster. They have been guarding those provinces behind the screen of their impassable desert and gorges.

The sending of some military equipment—artillery, light arms and ammunition—together with fertilizer and seed for next year's crops could make that area an almost impregnable bastion, according to those who have made a thorough study of the situation.

The cost over a period of 2 years would represent less than 2 weeks' expenditures under the European Recovery Program. The goods sent to China can be transported by rail from Indochina. In the event that Russia's Chinese stooges reach the confines of that French possession and succeed in interrupting the supply line, a miniature airlift could do the job at very small cost.

This plan has merit in that, besides requiring a very modest outlay of money, it would involve only a handful of officers from the United States Army, principally specialists in transportation and supply.

For the time being, however, the State Department, waiting for the dust to settle in China and for British de facto recognition of the Chinese Communist regime, maintains a do-nothing attitude.

Fighting the Spenders

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Palladium-Item of Richmond, Ind., for May 13, 1949:

FIGHTING THE SPENDERS

Budget balancers in the Congress are fighting the spenders.

Backing up the demands of Senator BYRD, Democrat, Virginia, for cuts in Federal expenditures are Senator GEORGE, Democrat, Georgia, and Senator TAFT, Republican, Ohio.

Senator O'MAHONEY, Democrat, Wyoming, is opposed to big cuts in Federal expenditures. He is supporting President Truman's proposals for more and more spending.

The President originally estimated a deficit of $900,000,000. But economy-minded Members of the Congress say the prospective deficit is nearer $2,250,000,000.

In the face of this deficit, the President has outlined new spending proposals that will call for a tax increase of $4,000,000,000.

The New Deal spenders do not worry about deficits nor about tax increases. They still believe in the old Roosevelt theory that there is no limit to the amount of money the Government can spend.

They are not worrying about the plight of the people who have to raise the money. Neither are they worrying about the threat to the soundness of the Government's financial position.

Members of the Congress who insist on a balanced budget are serving their country well.

They are convinced that less spending is the proper way to balance the budget. They see no need to boost taxes when Federal expenditures can be cut without damaging essential services.

Concordia College Choir Will Give Concert in Washington, D. C.

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. HAGEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I desire to call to the attention of my colleagues the forthcoming concert by the Concordia Choir from Concordia College, Moorhead, Minn., at Constitution Hall in Washington, Wednesday evening, May 25, 1949.

This choir is one of the outstanding a capella musical organizations in America. Its many appearances throughout the Midwest and West have evoked the acclaim of noted critics wherever the group has been heard. Its director, Mr. Paul J. Christiansen, is the head of the music department of Concordia College and is recognized for his fine work with young people. In his own right he is a contemporary composer of note. His scores are standard works for many choral groups.

Concordia College is one of the leading Lutheran institutions of higher learning in the United States. Its student body is composed of young people mostly of Norwegian descent from the States of Minnesota, North Dakota, South Dakota, and Montana.

The choir is en route to Norway for an 8-week concert tour and its Washington appearance will be one of the final concerts before the group embarks at New York on May 28 on the Norwegian-American liner *Stavangerfjord*. This tour is truly a good-will tour of international significance as these young people will sing 31 concerts in the native land of their forefathers, and will visit with many close relatives of their families. The inspiration for the trip is a true

spiritual and cultural bond between this segment of our Scandinavian population and their native land.

The Washington concert is being sponsored by the Greater Washington Area Alumni Association of Concordia College. Members of Congress of Scandinavian descent and the entire Minnesota congressional delegation have joined the alumni as cosponsors of this event.

May I urge all of my colleagues to encourage this group of fine young people by attending their concert at Constitution Hall the evening of May 25.

Saving the Taft-Hartley Act

EXTENSION OF REMARKS
OF
HON. CHARLES A. HALLECK
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. HALLECK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Post of May 17, 1949:

SAVING THE TAFT-HARTLEY ACT

Several visitors at the White House have come away with the impression that President Truman intends to fight to the last ditch for his labor bill—a bill that is already buried beneath the adverse votes of the House of Representatives. Their impression coincides with Mr. Truman's own recent comment to the effect that there will be plenty of time in his 4-year term in which to make good his pledge to labor. The impression grows that the President recognizes a vested political interest in the Taft-Hartley Act and would be loath to lose that seeming advantage by the enactment of a less controversial labor law.

The White House explains that the President's letter to his "old friend," A. F. Whitney, president of the Brotherhood of Railway Trainmen, was not a slap at Speaker RAYBURN and other administration leaders who are trying to produce a labor-management relations bill that will have some chance of being enacted. Typographical errors in the letter had made the President seem to strike out at the "compromisers," although he intended to strike only at their "compromises." That may in some measure soothe Mr. RAYBURN'S feelings, but the explanation leaves the President clinging as vigorously as ever to the carcass of a dead policy.

"I am in the same frame of mind you are," the President wrote to Mr. Whitney, "that it is much better to go down fighting for what is right than to compromise your principles." Those who remember the railroad strike of 1946 are doubtless a little puzzled by the spectacle of these two men standing shoulder to shoulder on a matter of great principle. For the sake of these bewildered citizens the President would do well to let the people know what principle he is talking about. We had supposed that the issue was simply one of getting on the statute books a law that would be fair alike to labor and management; that would promote good relations between them and aid them in the settlement of their disputes. To get such a law, it is now unmistakably clear that the administration's one-sided bill must be discarded and a fresh start made.

Even the AFL and CIO now agree that some compromise will have to be made. Congress simply will not revert to the old discredited idea that, while labor is protected against the abuses of management, management and the public must not be protected against the abuses of organized labor. The inevitable consequence of Presidential adherence to this shabby principle will be to keep the Taft-Hartley Act on the books. Is that really his purpose? Undoubtedly the Taft-Hartley Act did yeoman service for Mr. Truman in the last campaign. Is he now conserving it as the best possible issue to be trotted out in 1952 and possibly 1954? That would be a harsh conclusion. Yet Mr. Truman ought to see that it is a conclusion which will and must be drawn if he persists in a policy that will defeat any reasonable modification of the maligned labor law.

Monopoly Sidetracked

EXTENSION OF REMARKS
OF
HON. FRANK FELLOWS
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. FELLOWS. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include the following editorial from the Bangor (Maine) Daily News of May 9, 1949, entitled "Monopoly Sidetracked":

Congress has debated the question whether labor monopolies are to replace freedom and after a series of frantic jockeyings, has decided against it—temporarily, at least.

That, in substance, was the result of Wednesday's recommittal to committee by the House of Representatives of the Wood bill which would have replaced the Taft-Hartley Act.

It seems to make little difference what original bill is introduced to supersede this bug-a-boo to union racketeers, for amendments have been added to make it a reasonable facsimile, if not an identical twin to the act now on the books. That would lead to the natural conclusion that Congress sees nothing wrong with the act itself, but with the sponsorship. The Eighty-first Congress said in substance: "Give the purposes of the act Democratic sponsorship and we'll give it our blessing."

But, regardless of the outcome, the end of the controversy will be reached only in infinity.

This Congress, like every other Congress, faces constantly some political or industrial or labor or other group striving for monopoly power and advantage over the inarticulate unorganized mass known as the "peepul." They will not organize to defend their freedom, so it is being taken away from them.

For example, the Wagner Act granted unlimited power of monopoly to one group over the electorate. That was the first time in our history that a group was given power legally to organize a closed shop that determined who could work and when and at what price and the amount of tribute to be paid for the privilege.

No other group of citizens had a legal right to conspire in concert on an industry-wide basis to strike and commit violence to maintain and fix prices and destroy absolutely all competition. No group had ever before claimed legally the power to endanger and render helpless the whole public.

At common law such claims of power were held to be against the public interest and illegal. There was no such thing as the right to strike in such concert as to amount to a studied conspiracy against the public.

The right to quit work was obvious in a free society. But the right to strike in concert and use violence to stop all opposition or competition, so that the public had no choice but to submit to terms, was unthinkable in that it constituted an arbitrary, evil monopoly. It was a crime to strike against society.

Such madness and crime flourished for 13 years after the Wagner Act that the Taft-Hartley Act, or the new Labor-Management Act, became inevitable in 1947.

But the labor dictators want their monopoly power returned to them under the Wagner Act, which the Taft-Hartley Act took away. The fighters for freedom in Congress have objected. They point out that after 16 months of freedom and destruction of the evils of monopoly, production of food and shelter has risen and strife and crime in labor-management relations has been cut in half.

Freedom to work or not to work has been restored to the individual. He suffers from much less tyranny from gangster bosses. He votes in secret once more in the management of union affairs.

These rationalists in Congress contend that if labor monopoly is restored to industry, it will also immediately monopolize the political power. In fact, to grant such power as the restoration of the Wagner Act would give to labor dictators is to acknowledge in effect that they have already taken over political power.

It boils down to the question whether they are to rule manufacturing and transportation by the closed shop, strikes and violence, and to fix prices and wages by compulsion. If they have the power now to do that, the next step must follow in the nature of things. They will fix rents and exploit the little property owners.

They will build houses at taxpayers expense and rent to themselves at half price. They will compel the farmer to grow food at prices set by them. And the miners, doctors, lawyers, teachers and preachers, big- and small-business men as well, will render their services under the control and compulsions of the Government that will be run in the same way the monopoly power of labor runs its affairs.

It is not fantastic. It is certain as the labor socialist monopoly of political power, British variety. If the Labor Socialists now in Congress working for repeal (and there are well over a hundred of them) succeed, their number will increase.

But, for the moment at least, the House has shown itself of sterner stuff.

It's now the Senate's turn to show its mettle.

Why the Field Day?

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. RABAUT. Mr. Speaker, under leave to extend my remarks, I place in the RECORD an extract from the weekly publication, the Machinist, wherein it is forcibly noted the attitude of the press in its treatment of the recommittal of the labor bill. The article follows:

WHY

The daily newspapers are having a field day reading meanings into labor's defeat in Congress last week.

Certainly, every workingman should know the answer to the $64 question: How come a majority in the new Congress which we elected last fall would vote for a bill written by the same union-hating crew that wrote Taft-Hartley?

It's a fair question. We think the answer ought to be given straight away without any quibbling. We lost that important vote on Taft-Hartley because labor doesn't have enough friends in this new Congress. A switch of eight votes would have changed the verdict. Two years ago, we had less than 100 friends in the House of Representatives. We couldn't even muster the one-third vote necessary to sustain President Truman's veto. Today we have 203 friends willing to stand up and be counted.

We can get those additional votes if we get to work now supporting our friends and lining up some strong candidates to replace our enemies in 1950 when every Congressman will be up for reelection.

FEPC Proposals

EXTENSION OF REMARKS
OF
HON. LAURIE C. BATTLE
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. BATTLE. Mr. Speaker, a few days ago I testified before the Labor and Education Subcommittee in opposition to FEPC legislation. The Birmingham News has written an excellent editorial on this important issue and I ask unanimous consent to include it in the RECORD so all Members of the House of Representatives may have the benefit of this enlightened analysis. I am most appreciative of the kind words relating to my testimony.

THE FEPC PROPOSALS AGAIN

The FEPC issue, unhappily, again has come to the front in Washington. A House labor committee has opened hearings on nine bills directed against discrimination in employment on account of race, religion or color.

There seems very little chance that any legislation of this kind will be passed at this session of Congress. Sentiment among the lawmakers apparently continues to be against setting up a fair employment practices commission with compulsory powers. It is plain—as polls and other indications have shown—that there is no strong demand among the people as a whole for the enactment of such legislation.

Compulsory powers for a Federal body to use in local situations certainly would lead to an intensification of the problem of discrimination.

State and local groups working on a voluntary, advisory basis conceivably might do considerable good in this complex field, although even such programs would have to be very carefully conceived and executed in order to avoid an intensification of minority tensions.

Representative BATTLE, testifying at the hearing, said that the delicate problem of race relations must be met by enlightened action from within—not by coercion from without. Legislation having to do with the problem, he maintained, should be local in origin and spirit, grounded in the good will of the people who are to carry it out. There is much of reality and force in that position.

How much can be done by legislation of any kind to overcome injustice against members of minority groups seeking economic opportunity and betterment is questionable. This paper does not believe that justice or freedom would be well served by an FEPC law which would have the effect of forcing employers to hire particular persons.

Hearings on legislative proposals are in the line of regular and proper procedure. This issue will now get a good verbal going-over, as it has in so many other discussions. But the Truman administration will be wise, in our opinion, to avoid in this instance again, centering too much of its attention on a very widely and strongly opposed proposal virtually certain to fail of passage.

General Pulaski Memorial Day

EXTENSION OF REMARKS
OF
HON. CHESTER C. GORSKI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. GORSKI of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and resolution:

BOARD OF SUPERVISORS,
COUNTY OF ERIE,
Buffalo, N. Y., May 11, 1949.

The Honorable CHESTER GORSKI,
House of Representatives,
Washington, D. C.

MY DEAR MR. GORSKI: We are forwarding for your consideration a certified copy of a resolution passed by the Erie County Board of Supervisors at their meeting on April 12, 1949.

Very truly yours,
ALFORD J. FARLEY,
Deputy Clerk of the Board.

STATE OF NEW YORK,
BOARD OF SUPERVISORS OF ERIE COUNTY,
Buffalo, N. Y., May 10, 1949.

To Whom It May Concern:

I hereby certify that at a session of the Board of Supervisors of Erie County, held in the county hall, in the city of Buffalo, on the 12th day of April A. D. 1949, a resolution was adopted, of which the following is a true copy:

"Whereas a resolution providing for the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski is now pending in the present session of the United States Congress; and

"Whereas the 11th day of October 1779 is the date in American history of the heroic death of Brig. Gen. Casimir Pulaski, who died from wounds received on October 9, 1779, at the Battle of Savannah, Ga.; and

"Whereas the State of New York and the greater portion of the remaining States of the Union through legislative enactment designated October 11 of each year as General Pulaski's Memorial Day; and

"Whereas it is fitting that the anniversary of this day be commemorated with suitable patriotic and public exercises in observing and honoring through commemoration of the heroic death of this great hero of the Revolutionary War; and

"Whereas the Congress of the United States of America has by legislative enactment designated October 11, 1949, to be General Pulaski's Memorial Day in the United States of America: Therefore be it

"Resolved, That the Board of Supervisors, County of Erie, State of New York, earnestly urges the Congress of the United States to pass and respectfully requests the President of the United States to approve the General Pulaski Memorial Day resolution now pending before the United States Congress; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the chairman of the board of supervisors to the President of the United States, to the Presiding Officer of each branch of Congress, and to the Members thereof of this county."

Attest:

ALFORD J. FARLEY,
Deputy Clerk of the Board of Supervisors of Erie County.

American Freedom

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include the address I delivered last Sunday at Worcester, Mass., on the occasion of the city's first observance of I Am An American Day The ceremony was sponsored by the Worcester Veterans Council and took place on the city hall plaza.

The address follows:

It is a real honor and pleasure for me to return to my home city, from the Nation's Capital, and take part in this program today.

On May 3, 1940, by resolution of the Congress of the United States, and a proclamation by the President, the third Sunday in May, of each year, is set aside as I Am An American Day.

This Sunday, May 15, 1949, marks the time for us as Americans, whether native born or naturalized, to express particular appreciation of our country, even while we go about that most important task of improving it.

Just prior to World War II, when the rights of human beings almost the world over were being subjugated to the will of dictatorships, a few public-spirited American citizens fell upon the idea that there should be a day designated in this country when special attention should be directed to the rights and duties of our citizens.

It was thought appropriate that those who had earned the privilege of full suffrage, either by becoming of age or through naturalization during the preceding year, should be honored, and, at the same time, be made conscious of their national responsibilities.

So, this year the President has called upon the Governors of all States to proclaim, "I Am An American Day," because as he says, "The strength of our Nation lies in unity of all of our people of whatever race, creed, culture, or national origin—a unity that can be built only upon a full realization of the worth and meaning of American citizenship."

As you well know, there is an element in the world today that propagandizes us as a Nation of hypocrites who profess belief in human rights, while denying them in practice.

You and I know that this accusation is untrue, because we Americans not only believe in the principles underlying human rights, but we do indeed practice them in the highest measure of any place on this globe.

Although we enjoy the greatest freedom of any people, we must not become so accustomed, or so lethargic in that freedom, that we take it as a matter of course.

To really appreciate our freedom, we should pause on this day to consider how desperate we would be if that freedom were suddenly taken from us.

How would you feel if, without warning, your right to speak out was denied to you?

If your right to worship God was suppressed; if your right to assemble peacefully, as we are now, was interfered with by security police?

How would you take it if you were not permitted to supervise the education of your own children, or to change your job; to own property or a business, or, if in the event you were accused of a crime, to have a speedy and fair trial by jury? How would you regard the invasion of your home without a warrant or strict censorship of radio and press by the state; or the presence of dictators' spies in your office, your factory, your farm, your school, your church, and even your home.

Nothing like this is happening in the United States because American principles forbid it, and American practice is sufficiently in accord with our principles to make it impossible.

We have a great country and we should be grateful to God for it.

In the face of so much Communist propaganda designed to make us disparage all things American, we need on this day, the encouragement which arises from realizing how mightily America has fought for human freedom in the past, and how bravely and effectively America fights for freedom in this living present.

This is a time for rebirth of American patriotism; a time to protect our inalienable rights of life, liberty, and the pursuit of happiness against the designs of communism; the time to esteem the sacrifices and the triumphs of the patriots who have gone before us; to acclaim the good in America which lightens our day; a time to prepare the way for that greater America, which, by God's grace, shall be hereafter.

A relentless conflict of ideologies seeking to gain mastery over the minds of men rages in the arena of world thought and action today It has never been more true than now that eternal vigilance is the price of liberty.

The spirit and purpose of I Am An American Day should not be permitted to subside with the conclusion of a formal celebration. The force, power, efficacy, and virtue of a democracy, as a living and dynamic force at work, must be our answer to every atheistic philosophy which seeks to overthrow our system and supplant our way of life.

Americanism means many things, but it is most a link that ties together upward of 140,000,000 people. It is a way of life that can be found in no other place on this universe. It is something in which we as a people have believed devoutly ever since we were a Nation born of sacrifice for an ideal.

Men of all creeds and colors have died for it in costly conflicts, and now, lest it be cast aside for want of champions, unless it be adulterated by subversive infiltration, let there be on this day of observance of the priceless heritage of our citizenship a voluntary, spontaneous outpouring of loyalty by all of our people.

Everything that has made this country a haven for the downtrodden and all of the hope for a future of continued freedom in the world are symbolized in those glorious words—I am an American.

The Escape of Gerhart Eisler

EXTENSION OF REMARKS
OF
HON. MONROE M. REDDEN
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. REDDEN. Mr. Speaker, yesterday on the floor of the House several Republican Members criticized the Attorney General because of the escape of Gerhart Eisler. I think this criticism is unjustified and that the motive is purely political.

These critics knew that the Attorney General insisted that Eisler be required to give bond in the sum of $100,000 instead of $23,500, as required by the court. They knew also that the Attorney General insisted that aliens of this character be not allowed bond at all, and that they should be required to remain in jail until disposition of the charges pending against them.

What more could an alert and competent Attorney General do? He certainly cannot be expected to place an FBI man on the trail of every person charged with a crime who is released on bail. The fact, however, that he did not do this moves some to criticize the Attorney General.

When a person is charged with a crime and gives bail for his appearance, the United States Supreme Court has held that the defendant is thereby released to the custody of his bondsman. He is not subject to arrest on the same charge again, or for the purpose of giving an additional bond unless orders to that effect are issued from the proper court.

The evidence in this case clearly shows that the Attorney General fully carried out his duties, and that his critics blame him for the escape of Eisler because the Attorney General happens to be a Democrat.

Curtis Calder

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Buffalo (N. Y.) Courier-Express of May 17, 1949:

DREW PEARSON'S WASHINGTON MERRY-GO-ROUND

WASHINGTON.—Today will be unfolded the inside story of why Curtis Calder, tall, handsome head of giant Electric Bond & Share, delayed 60 days in accepting President Truman's bid to be Secretary of the Army.

It will be unfolded before the Securities and Exchange Commission in what on the surface may appear to be humdrum hearings, but which beneath the surface, means mil-ns in dividends to stockholders.

Beneath the surface also lurks the most important economic question placed before either F. D. Roosevelt or H. S. Truman. In fact, it goes to certain root differences between Roosevelt and Truman.

In 1932 Roosevelt picked the big banks and utilities as his principal target of economic attack and, of them, Electric Bond & Share bore the brunt of battle. After election, F. D. R. made good on his campaign promises, and despite murderous pressure from big business lobbies, he got Congress to pass the Banking Act of 1933, the Securities and Exchange Act of 1934, the Holding Company Act of 1935, and the Investment Company Act of 1940.

Not only did F. D. R. put these laws on the statute books, but he appointed his ablest men to enforce them—Justice William O. Douglas, now of the United States Supreme Court; Justice Ferdinand Pecora, now of the New York Supreme Court; Leon Henderson, James M. Landis, and Justice Jerome Frank, of the United States Court of Appeals.

The company which fought hardest against these laws, especially the Holding Company Act, was Electric Bond & Share, which took to the Supreme Court almost every SEC move to protect small investors.

Then came the administration of Harry Truman, and F. D. R.'s crusading policy was changed almost overnight when Truman selected the head of the corporation which so bitterly fought Roosevelt, Curtis Calder, to be Secretary of the Army.

Actually Truman continues to be the great advocate of public power—at least on paper. But as in so many other cases, Truman's selection of personnel undercuts his policy. For, as Secretary of the Army, Calder would control the Army Engineers, who build the big dams, and who swing powerful influence against Government power projects.

Reasons for Truman's sudden reversal of Roosevelt policy by selecting Calder for this vital post probably were:

1. Calder is the intimate friend of the big investment banker, Floyd Odlum, largest contributor to the Truman campaign fund, and head of the world's largest investment trust—the Atlas Corp. Atlas has long dominated Electric Bond & Share, while Odlum served as its attorney and vice president. Odlum's motto is: "If you can't lick 'em, join 'em"; and he has maneuvered to put his men in various key spots.

2. Odlum's Consolidated Aircraft had paid a legal retainer to Louis Johnson and kept him as a director before Johnson became Secretary of Defense. Johnson is sometimes naive and superfaithful to his friends.

Whatever the reasons, all you have to do is read the records of the Federal Trade Commission to see how far Harry Truman strayed from the policies of the man who made him.

FTC records contain chapter and verse on Calder's activities. They tell how Calder, then head of Texas Power & Light, led the Power Trust propaganda drive in the Southwest. They tell how Calder was the first utility executive to advocate lining up school teachers to promote the utilities. (Later the Power Trust even subsidized professors and tried to eliminate textbooks which failed to laud the utilities.)

Calder delivered talk after talk before schools and civic groups in the Southwest, extolling the great blessings of utilities and the evils of municipal ownership. He did such a good job that he was promoted to be president of American & Foreign Power (1927–44), then went on to head up the parent company, Electric Bond & Share.

What Curtis Calder runs up against before the SEC today is a battery of irate stockholders who point out that American & Foreign Power has defaulted on both first and second preferred stock dividends. In addition, it hasn't paid dividends on common stock since 1930.

As a result of these defaults, a United States district court in Maine recently ordered the SEC to hold a hearing and listen to stockholders' complaints. At first the SEC had appeared loath to do this—possibly because Truman had listened to Boss Ed Flynn of the Bronx and appointed certain friendly Democrats to the SEC. But faced with a court order, the SEC is now very much on the spot.

If it takes favorable action for the stockholders, and against Calder and Odlum, then the SEC may incur the ire of a gentleman who doesn't relish opposition to his candidates for office. (Witness his stubborn defense of Mon Wallgren.)

What happened was that Electric Bond & Share proposed floating a $35,000,000 bond issue to reorganize American & Foreign Power.

The reorganization was opposed by some stockholders, some of whom claimed this was merely the old game of borrowing money to pay dividends.

At first, the courts sided with the company, and against the stockholders—until something unexpected happened. The big bank and insurance companies refused to buy the new bond issue. Also the once "sucker" public shied away from buying. Result: American & Foreign Power went into default on dividends on both first and second preferred stock, causing the United States district court in Maine to reverse itself and order the SEC to reconsider the entire case.

That is why a battery of lawyers for stockholders and utilities has descended on Washington, and why some of Truman's biggest campaign contributors will be in the spotlight during the hearings.

Infantile Paralysis

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial which appeared in the Manila Bulletin of April 30, 1949:

INFANTILE PARALYSIS

A malady that strikes with a certain amount of fury, attacking children and adults alike, is destined to find itself somewhat checkmated in the Philippines. Importation of seven iron lungs, to be distributed to various hospitals in the archipelago, will lend a ray of hope to those whose loved ones are threatened with death from polio.

Infantile paralysis comes into a community without fanfare or advance heralding. It just appears, and before the community realizes its presence children, and frequently adults, are taken ill, some to be crippled for life, some to be claimed by death.

It is a mysterious malady, and has baffled science over these many years. There have been found ways and means of arresting the disease, and of protecting children from its extreme ravages. Its death toll in America is not as great as formerly. Much discussion has been passed around, from scientific centers to the common walks of life, as to causes, remedies, and all that, but medical science is still looking for the complete answers.

Polio in America makes its attack during the hot summer months. These are June, July and August. In 1948 the opening of schools was postponed many weeks beyond the regular opening dates, because of the persistent hanging-on of polio. When polio epidemics hit various States, or communities, the American Red Cross sends out the call for special nurses. Polio centers are set up, and the best in medical science and in nursing are brought forward to combat the malady.

Bringing the iron lungs or respirators to the Philippines is a step in the right direction in saving young lives, and the War Damage Commission may be thanked for recognizing this need and of taking steps to meet it. And it is natural that all health organizations and health authorities in the islands will be as appreciative as the boy or girl who may be fated to use one of the lungs.

Child Health Bill

EXTENSION OF REMARKS
OF
HON. M. G. BURNSIDE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. BURNSIDE. Mr. Speaker, the school-health bill recently passed by the Senate would make a great contribution to the health of our Nation. Providing for examinations of school children between the ages of 5 and 17 will allow many diseases and physical handicaps to be discovered early, when it is easiest to cure them. But limiting the application of this bill to children attending school will eliminate some of the ones who need the service the most—children who are not attending school because of some illness or handicap. Examinations will often prove that some simple medical treatment will make it possible for these children to return to school and live normal, useful lives.

For this reason I have introduced a bill to apply the benefits of S. 1411 to all children between the ages of 5 and 17.

A similar plan was used by West Virginia when my secretary, Maj. Francis Turner, was director of the department of public welfare of that State. I include here a letter from Mr. Harry L. Flournoy, associate managing editor of the Charleston Gazette, Charleston, W. Va., and a copy of an article in the Literary Digest of January 18, 1936, which explain how the plan worked:

MAY 7, 1949.

Hon. M. G. BURNSIDE,
House of Representatives,
Office Building, Washington, D. C.

DEAR SIR: It comes to my attention that your right-hand man, Maj. Francis W. Turner, is interested in getting part of the $35,000,000 in Federal aid to States for examination of school children used in restoring the sight of blind children.

During 1938, when Major Turner was director of the West Virginia department of public welfare, he put through a project for blind destitute children of the State that was the most startlingly successful thing I have ever heard of. I have mailed him copies of two news stories of the time that cover the details. Please by all means read them carefully. Every word in them is authentic.

Major Turner gave sight to 802 out of some 900 children examined. The cost to the State was less than $10,000. The economic value of the sight of these children was over $27,000,000.

You could do no finer thing than back Major Turner in promoting through Congress and other agencies a similar project covering the whole United States. Of course it would require your organizing influence back of it.

Every success to both of you.

Very truly,

HARRY L. FLOURNOY,
Associate Managing Editor, the Gazette.

[From the Literary Digest of January 18, 1936]

GIFT OF VISION TO BLIND

The new year brought a larger measure of happiness for 802 destitute children of West Virginia than they had ever hoped to see. They are the fortunate ones to whom sight has been restored through the energy of the State department of public welfare, headed by Maj. Francis W. Turner, and the charity of doctors, optometrists, clubs, courts, and the junior league.

"The project," writes Harry L. Flournoy in the Charleston Gazette, "is packed with human interest—tears of joy, the reaction of the opening of sightless eyes upon a beautiful world, incidents that have their humorous side.

"The survey was made by county agents of the department, and all blind destitute children were listed. Clinics were established at convenient centers and the children were passed through them for examination by specialists who gave their time and talents gratis. A total of 948 passed through these clinics. Only 145 were found to be hopelessly incurable."

CLUBS COOPERATE

Helping were Kiwanis Clubs, women's and parent-teacher clubs; the Masonic Order, the Junior League and the county courts. Civic organizations cared for 300 cases, and the welfare department attended to 648. Here are two instances:

"A few months ago a little Negro girl was led along Charleston streets by her mother. She was not allowed to play alone in the yard because she hurt herself so much by walking or running into unseen objects. Yesterday a department agent called at the home. The little girl was sitting in the home reading the funny papers. She was one of the 802 successful cases.

"A specialist from Montgomery called at the department offices in the statehouse. When asked about a little boy in his home town he smiled broadly—and gulped down a lump in his throat. 'I just can't help choking up when I think of that grand little fellow,' he said. 'His unbounded joy at regaining his sight is pathetic.'"

What has been done in West Virginia, says Mr. Flournoy, can be done in every State in the Union and at a saving to the State. West Virginia saved $3,171,850 in educating the children whose sight has been restored.

A Friendly Analysis of the Columbia River Bills

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. HORAN. Mr. Speaker, since the writing and publication of my analysis of the employee provisions of the Truman administration's bill for a Columbia Valley Administration, the Assistant Secretary of the Interior, Mr. C. Girard Davidson, has called to public attention certain changes in that bill which were made between the time my colleagues, the Honorable HENRY M. JACKSON and the Honorable HUGH B. MITCHELL, introduced it in the House on April 14, and April 19, when Senator MAGNUSON and several other Senators introduced a companion bill in the Senate.

In the House bills, section 15 (a) contained the following two sentences which were removed in the Senate version:

Any employee of the administration may be removed in the discretion of the Board. No regular officer or employee of the administration shall receive a salary in excess of that received by the directors.

These two sentences have been part of every previous CVA bill introduced in Congress. There never has been any question in my mind that the former sentence would have destroyed any possible protection to the rights of employees stated in other provisions of the bill. I am glad the bill's sponsors have seen fit to eliminate it from the new proposal. However, I can see no good reason for not retaining the second sentence.

There are two other significant changes, which were not publicized. In subsection (b), dealing with tenure, the House bill said employees would have "rights with respect to security of tenure comparable to those provided by the civil-service laws." In the Senate version, there has been inserted an important word to make it read "rights reasonably comparable," in other words, giving the administration wider leeway in determining what those rights would be. There is no such double-talk in my Columbia Interstate Commission bill, which says employees shall have "rights with respect to security of tenure as provided by the civil-service laws."

The third change is in the provision for penalizing political discrimination of employees. In the House version, it was provided that any director who violated the provision should be "guilty of an offense against the United States and upon conviction thereof shall be fined not more than $5,000 or imprisoned not more than 1 year, or both." By the time the Senate version was introduced, someone must have decided this was too stern treatment for political skullduggery, because it was changed to read merely that any director who violated the rule "shall be removed from office by the President," with no criminal implications.

Finally, I should like to call attention of the Congress and the public to the fact that no valid reason still has been offered for excluding the CVA from civil-service supervision. On May 10 of this year, President Harry B. Mitchell of the Civil Service Commission wrote me that—

> The Civil Service Commission believes that only such appointments as are made by the President and confirmed by the Senate should be exempted from the requirements of the civil-service laws and Classification Act.

Apparently, the Civil Service Commission was not consulted when the administration CVA bill was drawn up because it completely excludes the CVA from civil service laws or supervision.

To conclude my remarks, Mr. Speaker, I would like to insert a letter I have written to Mr. E. M. Weston, president of the Washington State Federation of Labor, discussing these points in greater detail:

HOUSE OF REPRESENTATIVES,
Washington, D. C., May 16, 1949.

Mr. E. M. WESTON,
President, Washington State Federation of Labor, Seattle, Wash.

DEAR MR. WESTON: Following our meeting last week at Wenatchee, during which we discussed the labor provisions of the several bills before Congress relating to coordinated Columbia region development, I have seen a copy of the letter written to you by Assistant Secretary of the Interior Davidson on this subject. Since both Representative TOLLEFSON and I have made some strong criticisms of the employee provisions of the administration CVA bill, as it was first introduced, I do want to recognize the changes made in the Senate version which Mr. Davidson pointed out.

I am glad the sponsors of the CVA bill have removed the line which read: "Any employee of the administration may be removed in the discretion of the Board." This action certainly removes one of the prime objections we voiced to the bill.

This action high lights, however, the basic conflict of ideas regarding employees of any Columbia regional agency—that is, whether they are to be given the full protection of existing laws covering civil service and/or the employee relationships of private industry or whether they are to be left at the mercy of a board of directors which is told by law only to devise its own personnel policy.

If the employees of a CVA are to be given rights reasonably comparable to those guaranteed by Civil Service, then why not put them under Civil Service and avoid the unnecessary administrative machinery that goes with setting up a separate system? On May 10 of this year, President Harry B. Mitchell of the Civil Service Commission wrote to me in this same vein—and his argument carries a great deal of sense. The only possible reason is that the business activities of the CVA required an operation more similar to those followed by private utility industries. In that case, why not put the CVA under the same laws as govern those relationships in private business?

The answer lies in the fact—fully demonstrated by our experience with the Bonneville Power Administration—that a CVA would have, generally, two types of employees: the clerical and administrative types which could easily fit under full civil service and the construction and maintenance workers who are in the utility business. It was in recognition of this fact that the BPA caused to be enacted in 1945 a series of amendments to the Bonneville Act (Public Law 201, 79th Cong.) setting up an employee system which has been eminently successful and which satisfied organized labor, Civil Service, the needs of the Bonneville Administration, and the general public. Mr. Davidson, then general counsel for BPA, was the chief witness at the hearings favoring the present Bonneville labor regulations.

Actually, the Civil Service Commission on many occasions has insisted that it was perfectly capable of caring for the needs of any agency of the Federal Government under the civil-service laws. I think the experience of the BPA shows that Civil Service is satisfactory and desirable for clerical and administrative employees but that the laws of private business are better suitable for those employees doing work similar to that performed by private utilities.

In either case, there is absolutely no valid reason which has yet been put forth for not including employees of any regional agency under one system or the other or both. I think—and my mail recently shows that there are those who agree with me—that members and leaders of organized labor would be very foolish indeed not to insist upon a legal basis for their relationships with what potentially would be the largest employer in the Pacific Northwest, instead of taking their chances upon the continued indulgence of political administrators who, for the moment, happen to look kindly upon labor.

To make my position absolutely clear on "point 5" of the eight labor points made by Representative TOLLEFSON, all of the proposals before Congress, as well as present laws, agree that contractors operating under contracts with the agency would be subject to the Federal labor laws. The category of workers under discussion here includes those laborers, mechanics, and workers on maintenance crews, operating facilities of completed projects and force-account construction workers who would be direct employees of the CVA.

Under point 4 of the Tollefson memorandum, Mr. Davidson has correctly pointed out that the administration CVA bill "authorizes" the agency to bargain collectively with its own employees. That word may be sufficient. But I want to stress that my Columbia Interstate Commission bill not only "authorizes" but also "directs" the agency to bargain collectively—and then specifies the rules under which such bargaining is to take place. The administration bill leaves it entirely up to the agency to determine on what terms it will bargain, how employee representatives shall be recognized, and all of the other important factors in such bargaining.

In short, reviewing the eight points against both the CVA and CIC bills, the CVA bill gives nothing to labor in benefits that it does not already enjoy under the Bonneville Act. The CVA bill takes away specific Civil Service protection for administrative employees, comes only half-way on collective bargaining, and makes none of the guaranties to labor in its utility activities such as are taken for granted in private business. Each of these objections is fully met in my CIC bill.

On this basis, I think you will agree with me that some major amendments are in order before section 15 of the CVA bill should be accepted by organized labor. I will appreciate your comments on these provisions.

Sincerely,

WALT HORAN,
Member of Congress.

Why Trade-Unions?

EXTENSION OF REMARKS
OF

HON. AUGUSTINE B. KELLEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. KELLEY. Mr. Speaker, under permission to extend my remarks, I wish to include an editorial entitled "Why Trade-Unions?" which appeared in the magazine America of May 14, 1949.

This article sets forth the basic reason and necessity for unionization and points up the utter helplessness of laborers who are denied the benefits of joint action. Too, it points out the defenselessness of such workers against inhuman employers. Perhaps those reading this editorial will be more inclined to see labor's viewpoint.

WHY TRADE-UNIONS?

"After the old trade guilds had been destroyed in the last century * * *," wrote Pope Leo XIII in 1891, "and when public institutions and legislation had cast off traditional religious teaching, it gradually came about that the present age handed over the workers, each alone and defenseless, to the inhumanity of employers and the unbridled greed of competitors." Therein, the Pope explained, lay the origins of modern industrial conflict.

Much better than the generation to which the encyclical Rerum Novarum was addressed, we understand that secularism is indeed a basic cause of social strife and class warfare. One may reasonably doubt, however, whether we see today the significance of the Papal reference to the medieval guilds any more clearly than did the highly individualistic men of the 1890's.

How many of us have a real appreciation of the nature of trade-unionism, which is the modern form of the old craftsmen guilds, or of its function in society? Is it not true that many industrialists still regard a trade-union—any kind of a trade-union—as a sort of necessary evil which they must live with only because the law coerces them to do so? Even people who sympathize with trade-unionism, despite the defects of trade unionists, sometimes do so for the wrong reason, or at least for one that is inadequate. They look upon unionism as a necessary defense against the unjust, antisocial employer. If employers were generally fair-minded and benevolent, these friends of the workingman would, apparently, see no need or justification for trade-unionism. They miss almost completely its wider social significance.

The immediate occasion of these remarks is an article, Social Function of Trade-Unionism, which appeared in June 1947 number of the Political Science Quarterly and is reprinted in part in the current issue of the Catholic Mind. Though the author, Prof. Frank Tannenbaum, of Columbia University, is not a Catholic he reveals that profound understanding of our social philosophy which one occasionally finds in scholars who sincerely seek the truth. His article is one of the best commentaries on Pope Leo's reference to the destruction of the guilds that we have ever seen.

Professor Tannenbaum finds that the great crime of the industrial revolution was to isolate the individual and leave him helpless and exposed in our machine society. He writes:

"What the industrial revolution did to the individual, and especially to the individual laborer, was to disrupt his society, tear him loose from a traditional family and communal mooring and throw him upon his own resources. The timeless custom of being a member of a community, of belonging to a landed estate, of carrying on one's work in a family, or a cottage industry, of being identified with a guild, of having a mystery, in short, of being interlaced within a society as a moral person and having a specific status, wore away more or less rapidly and in varying degrees. Man, for the first time in his history, was individualized to an extent he had never been previously."

Anyone with a knowledge of history, or of human nature, could have foretold the reaction of workers to this process of atomization. Grouped together physically in the industrial process, they discovered a moral dependence upon each other and a basis of common faith, interest, and objective. This they expressed through trade-unionism. Dr. Tannenbaum truly observes:

"The trade-union movement represents a return to an older and socially normal way of life on the part of the men, skilled and unskilled, who do the labor of the world. If the historical record has any meaning, then we must assume that a sense of identity among men engaged in a common craft, trade, industry, or occupation is an organic relationship to the function. Men functionally identified develop a sense of their part of the social universe which is peculiarly their own and which they, in fact, can share with no one else. How otherwise explain the fact that the guild for traders, craftsmen, and artisans is a seemingly universal phenomenon?"

Trade unionism came because it was in the nature of things, not because outside agitators stirred up otherwise contented workingmen. Man is a social and moral being. He is a member of a society, and society is, or ought to be, organic. He is not an isolated individual moved solely by thought of gain or loss. The concept of economic man is a myth, as Dr. Tannenbaum rightly says—and therein lies the real meaning of unionism:

"If there is any meaning that can be derived from the persistent grouping of men about their tools or within their industry, it is the very clear attempt to reassert human experience, namely, that work must fill a social, a moral, as well as an economic role."

That is what Leo XIII said a half century ago.

Amendment of Railway Labor Act To Cover Shipping to Territories and Possessions Asked by Hawaii as Protection Against Interruption in Steamship Service

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EXTENSION OF REMARKS

OF

HON. JOSEPH R. FARRINGTON

DELEGATE FROM HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. FARRINGTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the text of a joint resolution adopted by the twenty-fifth biennial session of the Legislature of the Territory of Hawaii and approved by the Governor asking that the provisions of the Railway Labor Act be amended to cover shipping from the continent to the Territories and possessions, the text of the bill introduced by myself on May 16 to carry out this request, and the text of a statement issued to the press covering this action.

Joint resolution requesting the Congress of the United States of America to enact legislation in regard to the stoppage or curtailment of sea-borne commerce between ports of the continental United States and ports of the Territory of Hawaii due to labor disputes

Whereas the Territory of Hawaii, not being self-sufficient and being located over 2,000 miles from the continental United States, and deriving much of its food and other essential supplies therefrom, as well as shipping much of its products thereto, is largely dependent upon sea-borne commerce between ports of the continental United States and ports of the said Territory for such food and essential supplies, as well as for the transportation for such products; and

Whereas such commerce has been stopped or greatly curtailed from time to time, by reason of labor disputes between employers, on the one hand, and labor unions representing maritime workers or harbor workers, on the other hand, as a result of which labor disputes the economy of the said Territory has been injured, its productive effort has been damaged, and its people have suffered from protracted shortages of food and other essential supplies; and

Whereas the best interests of the said Territory and its people are served by the prompt and orderly settlement of the aforesaid labor disputes; and

Whereas the Congress of the United States of America enacted the Federal Railway Act (title 45, U. S. C., chap. 8) for the prompt and orderly settlement of labor disputes between railway employers and railway employees, but has enacted no similar legislation for the settlement of labor disputes between the aforesaid employers and the aforesaid maritime workers and harbor workers, although both classes of labor disputes equally affect the public interest and the health, welfare, and safety of the people: Now, therefore,

Be it enacted by the Legislature of the Territory of Hawaii:

SECTION 1. That the Congress of the United States of America be, and it is hereby, respectfully requested to enact legislation similar, in principle, to the said Federal Railway Labor Act for the prompt and orderly settlement of labor disputes between employers, on the one hand, and maritime employees on ships engaging in commerce between ports of the continental United States and ports of the Territory of Hawaii and harbor workers in said ports, on the other hand, to the end that such commerce will not be stopped or curtailed, and all such disputes will be settled as promptly and orderly as possible.

SEC. 2. That certified copies of this joint resolution shall be transmitted to the President of the United States, to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior, to the Secretary of Labor, to the United States Maritime Commission and to the Delegate to Congress from Hawaii.

SEC. 3. This joint resolution shall take effect upon its approval.

Approved this 5th day of May A. D. 1949.

INGRAM M. STAINBACK,
Governor of the Territory of Hawaii.

A bill to amend the Railway Labor Act

Be it enacted, etc., That all the provisions of title I of the Railway Labor Act approved May 20, 1926, as amended (45 U. S. C., 1946 ed., sec. 151), except the provisions of section 3 thereof, are extended to and shall cover every common carrier by water engaged in commerce between the continental United States and the Territories and possessions, and to every person in the service of such a carrier who is subject to its continuing authority to supervise and direct the manner of rendition of his service, and to every person engaged in the loading or unloading of such carrier.

SEC. 2. The duties, requirements, penalties, benefits, and privileges prescribed and established by the provisions of title I of said act except section 3 thereof shall apply to such carriers by water and to such persons in the same manner and to the same extent as though such carriers and persons were specifically included within the definition of "carrier" and "employee," respectively, in section 1 of said act.

STATEMENT OF J. R. FARRINGTON, DELEGATE TO CONGRESS FROM HAWAII, MAY 16, 1949

I have introduced into the House today a bill which would extend the Railway Labor Act to cover surface transportation between the continental United States and the Territories and possessions.

The bill amends the Railway Labor Act "to cover every common carrier by water engaged in commerce between the continental United States and the territories and possessions, and to every person in the service of such a carrier who is subject to its continuing authority to supervise and direct the manner of rendition of his service, and to every person engaged in the loading or unloading of such carrier."

This legislation is requested in a joint resolution which was passed by the twenty-fifth biennial session of the Territorial Legislature and was approved a few days ago by Gov. Ingram M. Stainback. The resolution was delivered to me last Friday.

The Railway Labor Act was adopted originally in 1926. It was amended in 1936 to include air transportation.

Under the terms of this act, the services of a mediation board, consisting of three Federally appointed officials and their staffs, are made available when agreement on wages, working conditions, and rules cannot be

achieved by the normal process of collective bargaining.

The law provides that in the event mediation fails that arbitration be offered. This follows a well-established pattern for settling disputes. Under it, management chooses one representative, another is chosen by labor, and a third is chosen by them both. In the event they cannot agree on the third person, he is selected by the mediation board.

The parties to the dispute are not obligated to accept arbitration, but in the event they accept it, they are obligated to accept the results.

In the event arbitration is refused, provision is made for the selection by the President of the United States of an emergency board and a cooling-off period. This device is employed in extreme disputes where a stoppage of work is threatened.

Some of the principal features of the operation of this law are well described in the report of the National Mediation Board for fiscal 1948 as follows:

"For many years the act has been heralded as a model statute for preventing strikes. This view is based upon the effectiveness of the act in past years in facilitating peaceful settlements and the fact that the procedures as enacted were agreed upon by railroad management and unions representing railroad employees. In providing for settlement of disputes over changes in rates of pay, rules, and working conditions the act stresses the obligation on both parties to endeavor diligently to settle such matters across the conference table in direct negotiations. Failing to effect a settlement in this manner the law provides for mediation service at the request of either party to the dispute. Mediation serves to continue negotiations between the parties with the Government assisting toward amicable settlement of the dispute.

"If no settlement can be made in mediation section 7 of the act requires that the Board use its best efforts to induce the parties to submit their dispute to arbitration. Acceptance of arbitration is not compulsory under the law.

"However, when arbitration is agreed to by the parties, the award of the Arbitration Board is final and binding. When settlements cannot be effected through mediation, arbitration is often found to be a satisfactory method of disposition of a troublesome dispute. If all of these procedures have been exhausted and the dispute still persists, the law provides, in cases where in its judgment interruption to interstate commerce is substantially threatened, that this Board shall so report to the President, who may then, in his discretion, create an emergency board under section 10 of the act, to investigate the dispute and report its findings to the President. The time limitations for proceedings under section 10 have been described in the preceding section of this chapter.

"Review of these procedures shows that the so-called cooling-off principle is abundantly provided for in the law. The provisions for direct negotiations and mediation serve to extend the cooling-off period far beyond the 60 days provided by section 10. These procedures assume that if the facts of a dispute are thoroughly considered and made public, the pressure of public opinion will form in favor of a fair and square settlement of the dispute.

"Nowhere in these procedures is there any compulsion on either party to settle the dispute. On the contrary, the law is based upon the principle of free and untrammeled collective bargaining. There is nothing in the law which abridges the right of employees to strike. In exchange for preserving the right to strike, employees are subjected to delaying procedures during which the nature of the dispute can be fully explored in negotiations and publicly aired by emergency boards. These procedures take advantage of the fact that as long as negotiations continue between disputing parties there is chance of an agreement being reached. These procedures also recognize that the American people are fair and reasonable and that the working forces of our country should have a fair and square deal. There is nothing in the law which requires either employees or carriers to accept the conclusion of a Presidential emergency board. There is nothing binding in such conclusions except the force of public opinion. However, having had access to all the processes of collective bargaining, and then having had the dispute heard and considered by an impartial fact-finding board, the implications are strong that the recommendations of such a board should in good grace be accepted by both parties as a proper basis for settling the dispute.

"This lack of compulsion in the law is at one time its strength and its weakness. Its strength is measured by the effectiveness of the law in facilitating amicable settlements in thousands of disputes since its enactment in 1926. Its weakness is that too often in recent years emergency board recommendations have been circumvented in one way or another. Such action weakens the law and strikes at the very spirit which led to its enactment and effective application for so many years.

"The act is the product of more than 60 years' experience in the field of Federal legislation dealing with the settlement of railway labor disputes. As early as 1888 there was national concern over the danger to public health, safety, and welfare caused by tie-ups in railroad transportation. The product of this concern was the act of 1888. Continuously since that date there has been Federal law on the statute books for peaceful settlement of railway labor disputes in the interest of preventing interruptions to essential railroad transportation service. In its present form the essence of the law is to avoid interruption to the Nation's railroad transportation without resort to force. Our Nation could not afford such interruptions in 1888 and we can afford them even less in 1948."

Outlawing of Communist Party in the United States

EXTENSION OF REMARKS
OF
HON. KARL M. LeCOMPTE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. LECOMPTE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I desire to include therein a resolution adopted recently by the Russell E. Marshall Post, No. 68, American Legion, Corydon, Iowa, urging the adoption of legislation to outlaw the Communist Party in the United States.

Whereas, for God and country, we have again assembled to renew our pledge of allegiance to the principles upon which the American Legion was founded, to consolidate the victories already won, and to organize our resources for the battles still ahead; and

Whereas the events of the passing year have emphasized more than ever before those dangers to our liberty which spring to life during the slightest relaxation of that eternal and self-sacrificing vigilance which keeps men free; and

Whereas William Z. Foster, national committeeman, and Eugene Dennis, general secretary of the Communist Party in America, have stated, according to the public press, that in the event of war between the United States and Russia the Communist Party in this country would try to "defeat the predatory war aims of American imperialism" and that all Communists in the United States would "cooperate with all democratic forces to defeat the predatory war aims of American imperialism and bring such a war to a speedy conclusion on the basis of a democratic peace": Therefore be it

Resolved, by Russell E. Marshall Post, No. 68, Corydon, Iowa, in regular meeting assembled, That we urge Congress to enact enabling legislation toward outlawing the Communist Party in the United States of America, in order to stamp out this Kremlin-controlled menace; and be it further

Resolved, That a copy of this resolution be sent to our Congressman and to both our United States Senators.

E. D. LAMMERS,
Post Commander.

The Nazis Are Creeping Back

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. MULTER. Mr. Speaker, the following article entitled "The Nazis Are Creeping Back" appeared in the National Jewish Monthly for May 1949. It was written before the Western Powers decided to merge the American, British, and French zones of Germany into an almost autonomous republic.

Harry N. Sperber was chief German interpreter under Justice Jackson at the Nuremberg trials of Goering, Hess, Schacht, and company. Born and reared in Germany, he was awarded a doctorate in law at the University of Berlin, but came to the United States in 1925 and has been an American citizen since 1930. His parents fled Germany in 1933 and settled in Jerusalem, where Captain Sperber, too, lived in 1938. He served as a private in the Haganah at that time. After the outbreak of war he broadcast into Germany for the BBC, for which he was beaten up by bund members in New York. He entered the United States Army as a private, was commissioned after 7 months, and served 3½ years overseas with Military Intelligence. Now a newspaperman and radio commentator, he has lectured to nearly 200 B'nai B'rith lodges and many other groups. He speaks from time to time on the United States State Department Voice of America to Germany, and he directed the March of Time documentary film, Germany: Handle With Carp.

THE NAZIS ARE CREEPING BACK

(By Harry N. Sperber)

"We must build up a strong Germany. It will be a buffer state between us and the Russians in the next war."

How many times have you heard this argument during recent months? Every dilettante Acheson, cocktail in hand and just brimful of international wisdom—culled from Winchell, Pearson, Pegler, or Kaltenborn—is rarin' to lick the Russians pronto—provided the Germans will do the bleeding for him.

The hapless main loser in this diplomatic roulette game is, as usual, the Jew.

He—Hitler's first and most wretched victim—has been abandoned again, while those who created the Nazi monster are on their way to what they hope will be a greater, more glorious repeat performance.

It is perplexing to discover how many Jewish people dumbly echo the treacherous German buffer state speculation. None of them seem to realize that they are helping to crack the whip over the back of their fellow Jews, with every expression of this sentiment.

NAZI REFORM AN ILLUSION

War with Russia has become a fixed part of our daily conversation. Millions of Americans accept it as a coming certainty. The same millions, their memories as substantial as a sieve, are willing to climb onto the bandwagon of those German men who had poured the life blood into the veins of Hitler's monstrous movement. Many hard-bitten Yanks, their heads in a cloud, wallow in the serviceable day dream that the sadistic Nazi dictators of 1945 have suddenly turned into shining crusaders for democracy in 1949. Just because we'd like to have it that way.

This very convenient wishful thinking on the part of the masses has made life easy for those willful men who are in a position to shape America's foreign policy toward defeated Germany. After the hanging of the Goerings and Ribbentrops, the Streichers, and Seyss-Inquarts, after the execution of the SS men who ran the concentration camps, and some of the physicians who used prisoners as laboratory guinea pigs, a strange thing has happened. The roster of industrialists who populate the executive offices of the huge steel and coal empires in Germany again reads like a Who's Who in Nazidom. While America's eyes were kept glued to the Kremlin, the steel, coal, and dyestuff barons of the Ruhr slipped smoothly from the butter fingers of military government courts. With superior propagandistic skill these men then sold the western Allies the same shoddy line of goods which they had unloaded so successfully after the First World War: "We Germans are your last line of defense against the bloody danger from the East." Hitler ran this line into a vast fortune, before fate tripped him up.

STRASSER IS QUITE FRANK

Of course, as soon as the Germans take their tongues out of their cheeks, they sing a different tune. One of the most brutally frank tunesmiths of them all is Hitler's former pal, the notorious Otto Strasser, now a resident of Bridgetown, Nova Scotia. In a recent newsletter Strasser gave the world an X-ray insight into present Teutonic thinking. He wrote:

"The Marshall plan will be built on sand until Germany has become a full partner of the western powers.

"We will talk Russian to the east and English to the west, but at heart we will remain Germans.

"Any tactial measure to help Germany will be justified.

"America's and Russia's battle is not our concern, except insofar as it helps our comeback."

Thus speaks Strasser. He can afford it. He lives in Canada. He is far away from the censorships of occupied Germany, which seal the lips of many who think the same way, but are too cautious to say so.

In permitting Hitler's robber barons to return to power, no matter for what honest or pretended reason, both America and England have reopened the floodgates of vicious anti-Semitism. Feeling important again, the Nazi elements in Germany needed no other encouragement. Synagogues and Jewish cemeteries again ceased to be safe. Insults and attacks upon Jews on open streets lacked only the brown shirts and swastika armbands of 10 years ago. In the "Oliver Twist" incident, most citizens of liberal Berlin sided against the Jews. In Schwaebisch-Gmuend, a city in the United States zone, ex-Nazi Franz Konrad was elected mayor. His opponent, Franz Czisch, a Catholic by religion, but half-Jew by origin, found his home decorated with the star of David. His campaign posters were smeared with wildly anti-Semitic slogans. All this in the third year of American occupation and enlightenment.

Pogrom-like excesses of this sort would have been impossible during the months following VE-day. Then every German sought to obtain a letter from any Jew available, attesting to the fine character of said German. The defeated cringed before every American uniform.

In Nuremberg the writer was shown a long list of Hitlerites by a German man. Grimly he said: "We had picked a tree for each one of these criminals. If only you Americans had let us hang them." Germans then insisted that Hitler had been the greatest misfortune which had ever befallen their land. Living up to Winston Churchill's terse portraiture, "The Germans are either at your throat or at your feet." they licked GI boots until their tongues hung out.

OPPORTUNITY WAS MUFFED

There, then, was our golden opportunity to show the Germans what we meant by democracy. We had bought this opportunity so dearly with the lives and health of hundreds of thousands of our young men.

What did we do with it?

We threw it away.

In no time the Germans looked through the American soldier. They found that he neither knew nor cared why he really was in Germany. As long as the beer, the women, and the black market held out, he was happy. The question: "When will you Americans fight the Russians, so we can help you," made the rounds and hit the mark. It was a simple German trick, to win friends and influence people.

After the public horror, following the discovery of Auschwitz, Buchenwald, and Mauthausen, had died down, the Germans proceeded with the second switch. This time the target was the Jew. There were Jewish DP's, some unable to get a job, others not willing to become part of the German economy, who engaged in the black market. Quickly the cry rose: "The Jews run our black market." Actually their number was insignificant when compared with that of the Christian black marketers, some German, some American, including a heap of embarrassingly high-ranking brass.

By pounding hatred for both Russians and Jews into American minds the Germans nimbly hopped the psychological fence, which had separated winner and loser. The number of AMG personnel, both military and civilian, who suddenly discovered that we had the Germans all wrong, grew by leaps and bounds.

KNIFE CUTS BOTH WAYS

Of course, the Russians did their share in destroying their popularity among their American Allies. The friendship so fervently expressed when fighting GI's and Mujiks met in the heart of burning Germany, has rotted away. Ill will on both sides is rampant. How much the cynical needling by zealous Germans had helped in pushing America and the U. S. S. R. into opposite corners will never be known. It has had one rather ironic result. Some of the cooler heads in Germany have suddenly realized that their contribution toward the present powder-keg atmosphere may backfire. In another war Germany again will become the battlefield. The thought of what the new weapons will do to the remnants of their cities sends shivers down their backs.

The nasty resurgence of Jew-hatred among Germans is not surprising. Twenty years of Hitler propaganda are bound to leave their mark. The occupation byproduct of this resurgence is shameful. During recent months a considerable number of American civilian AMG employees were dismissed. The large majority among those who lost their jobs were Jews. This may be purely coincidental. But it does fit into the pattern of thinking which has been blooming during 40 months of occupation.

We are calculating on the German buffer state as a cushion between us and an attacking Russia. To create this state we have permitted the most treacherous Nazi elements among the Germans to move back into key positions. We believe they will be on our side. Or at least we claim to believe this. There is nothing to substantiate this belief. Walter Lippmann recently revealed that a number of leading western Germans had engaged in secret meetings with the Russians. Strasser tells us: "America's and Russia's battle is not our concern, except insofar as it helps us come back." With arrogant self-assurance he adds: "Any tactical measure (read 'swindle') to help Germany will be justified." Strasser is a good pupil of Dr. Wilhelm Frick, Hitler's Minister of the Interior. Whenever Goebbels or Himmler planned a new robbery or mass murder, Frick would invent and publish a brand new law authorizing the intended act. This self-made law made the crime "legal." In spite of all this obvious trickery we are naively gambling on the western buffer state in Germany, even if it means playing post office with our worst enemies of a few years ago. That the Jew gets hurt in this not very democratic process is just too bad.

TIP OFF THE GERMANS

Scrutinizing the evolution of this diplomatic maneuver, we find one fly in the soothing ointment. There is no responsible German on record as saying that Germany has been informed of the buffer role which has been assigned to her in the cocktail salons of New York and Washington. If Hans is to pull our chestnuts out of the Russian fire, it might be wise to tip him off.

As it stands, we are reminded of the story of little Jake, who was scared stiff of a huge barking dog. Said Abe: "Why be scared, Jake? Don't you know barking dogs don't bite?"

Said Jake: "I know! But does the dog know?"

We all know that the Germans are supposed to be the buffer state. Do the Germans know?

Rent Control

EXTENSION OF REMARKS

OF

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. BENNETT of Florida. Mr. Speaker, under leave to extend my remarks, I wish to include the following article written by Cecil Wright Pemberton in an analysis of his observations on rent control. The article is included at the request of the Florida Tax Information

Association; and its inclusion here indicates neither approval nor disapproval by myself:

In this discussion we ought to be, and must be, guided by a frame of reference. Real estate covers a very considerable field as a broad term and is entirely too broad to be used. For practical purposes, the field must be limited to an area which we can all recognize together and at the same time. This can be done by recognizing that the subject of real estate covers three main divisions: (1) Property which is downtown and business, as well as rural, which is not under Federal control; (2) a second class, which is new housing, also exempt from Federal control, for the time being at least.

In the third and last class, we find our subject residential rental controlled property. It may also be designated investment rental-controlled property. This property is a prisoner of war in 1949, although the fighting war has been over almost 4 years. The control feature is technical and is accomplished in its legal sense by a simple omission. The President of the United States has not yet declared the war ended officially.

Decontrol has been engineered in every phase of our economy, meaning that the rights of property and to property have been restored to their owners, save one—investment rental-controlled realty. This device has been fostered and promoted in ways and means which have been accompanied by waves of improper propaganda, half truths, dangerous distortions, and barefaced misrepresentations.

It is unfortunate indeed there has been so much heat, so very little light. Because of injuries already inflicted, a state of frustration and near desperation in many quarters has invited extreme measures on both sides of the question, which of course has done violence to the real facts of the situation. The case has been accompanied here and there by an earnest effort to get the record straight, and in this effort the Florida Tax Information Association has done, or attempted to do, its level best.

As we face the parity system to keep the farmers happy, labor-management deals to advance labor position, and we see the industrialists of this great Nation being subsidized in effect by Marshall plans and other grandiose schemes, let it be said that residential rental property under control does not view this with desire or envy. It wants no part of it, even if it could get it. Indeed, if any paternalistic governmental scheme of creating what the experts call flexible inner cushions—if any such scheme could be applied at this late date it could not now undo the damage already done, nor lessen the losses which are gone, and which have been sustained by patriotic, hard working, and frugal Americans who have suffered the misfortune to invest their money in such properties in the hope it would serve others and also serve them under the good old American system of doing things.

This association is already of record in November 1947 with a comprehensive statement of this situation, and a complete coverage of the monstrosity in Jacksonville and Duval County, Fla. Nothing said then is to be unsaid now. None of the hardships, misfortunes, or nightmares then endured are any less at this time. They are more—much more—14 months later.

If the inflation has subsided, it will be happy news for investment rental controlled property but in the real order of things it will be impossible for them to appreciate in any predictable future time. The cost sheet has been up—up—up. And then up some more; and there it is going to stay. This is asserted in the face of soft price spots here and there in some lines. Property managers, who attempt to struggle with cost sheets and try to keep their despairing clients at the same time, know what I mean.

THE TAX PICTURE OF ALL REAL PROPERTY, DUVAL COUNTY AND JACKSONVILLE, WITH EMPHASIS ON RENTAL-CONTROLLED PROPERTY

A prior observation before this Board on a former occasion is important again: Real-estate taxes are hardly ever clear to the layman. The layman may be a renter, who lives in a controlled property, and is thus indifferent; it may be the owner, who is vitally concerned, but who is confronted with a tax bill and is uncertain how it is put together. Even property managers with long experience and seeming intimate contact with such problems are hazy about it, and must content themselves with a declaration to their clients—"It's simply awful."

It was further observed 14 months ago that a straight look at the tax picture is neither welcome nor pleasant, a tax picture that is obviously more burdensome now. As the full story is unrolled in all its horror, these facts do no discredit to either city or county budget-making authorities, who have accomplished, in our view, the most economic and best budgets in the circumstances. We have indicated in other places, and always publicly, that the budgets themselves have gone the full distance in serving both taxpayer and public interest alike.

It is the sources from which city and county budget revenues must be drawn, mainly the real-property tax base, which is the point of this analysis and how its burden is brought directly down upon residential rental-control property.

Anybody with any property of any kind who foots a tax bill knows only too well that taxes are not the whole load but it is a prevailing one. In business, which is competitive, the break-even point is widely published. In property matters, taxes are a fixed item with all implications added. This added implication is that taxes are a fixed expense but always variable, moving into higher and higher levels year after year. This is occasioned by the larger and larger drafts made against property by local taxing authorities.

With respect to controlled-rental property, returns have been arbitrarily fixed. Taxes, together with all other costs, have risen without halt. This rise has wiped out the margins between income and outgo, diluting the original investment, spreading distress with increasing cruelty in the ranks of such investments.

Taxes, the city of Jacksonville

In the period between 1941 and 1949, city of Jacksonville taxes have advanced 87 percent—in dollars from $1,326,000 to $2,475,000. For every dollar paid when rent control began, $1.87 in 1949.

Taxes, Duval County, Fla.

In the period between 1941 and 1949, Duval County taxes have advanced 119 percent. In dollars from $3,077,000 to $6,752,000, an increase of $3,675,000. For every dollar of property taxes paid in 1941–42 through the tax collector's window $2.19 in 1948–49 tax period. And this assumes the assessment was the same in both periods, which it often is not. As a matter of fact, all too many instances are found where the tax bill is 150 percent to 200 percent increased, or more, because of assessment changes.

Combined city-county property taxes

In this same period of review for city and county independently, the combined dollars increased from $4,403,000 to $9,227,000, a dollar increase of $4,824,000 or more than all the taxes paid 7 years before by 110 percent. Since both city and county taxes must be paid this last analysis is vitally important. The load becomes $2.10 in 1949 against $1 7 years before.

The tax base from which taxes are drawn

A property owner feels his own property situation acutely, for he must dig the money to pay the taxes assessed against him. This reality loses its identity when swallowed up in the total, meaning the total of all property, both real and personal, which makes up the total tax base. It is in the tax base itself we find reflections of the injustice, the cruelty and economic nonsense of placing a rigid ceiling in one single department of the tax base. For practical purposes, the fixed propaganda, the dire distortions and misrepresentations with respect to this matter ought to be ignored, and only the reality recognized.

This stark reality becomes more evident in the tax base, its casualties and the wreckage its represents.

The tax base means what and who pays the taxes, that is property taxes. It is an inventory of both real and personal property brought together in one heap. After the tax bill has been decided, then assessments are made against it, but not all of it. The system is rigid and inflexible, and the exemptions—those who do not pay—are becoming greater with each succeeding year while the property left to carry it is practically at a standstill. Nobody can debate this, for the tax base which pays the bill has advanced only 9 percent while the taxes against it have gone up 119 percent (Duval County). The record speaks on this more as an epitaph than as eloquence.

More specifically, the tax base on which taxes were laid in 1942 was $206,000,000, in 1949 $225,000,000, up 9 percent.

A lot of people pay personal property tax bills, both small and large. Many of the smaller personal-property-tax payers in lower brackets carry a comfortable feeling with them that they are a taxpayer. Such indeed is not the case, for when all the personal property taxes are in—both big and small together—they make up only 24 percent of the total that must be raised to carry the cost of city and county government.

This means that somewhere the money must be raised, so it makes real property the beast of burden in the proportion of 76 percent. To be precise, these properties were the following in dollars in 1949: $155,200,000 of nonexempt realty, $54,300,000 of personal property, and $15,500,000 rail and telegraph.

The changed complexions of these figures must of necessity be studied on the schedules themselves. This documented material accompanies this presentation.

The $155,200,000 of nonexempt property contains within it your rental-controlled properties. Note this:

We have said the over-all tax base has advanced only 9 percent. In the same period the nonexempt real estate, which is $155,200,000 in 1949 was $159,400,000 in 1941–42 period, a loss—note this—of 3 percent. This means liquidation and a squeeze which can be recognized by anybody. There have been new stores, renovations and other improvements adding greatly to the roll, but with it all, the loss is still 3 percent. This trend is significant and convincing to even the most partisan.

THE HOMESTEAD EXEMPTION SITUATION IN FLORIDA WIPES OUT TAX BASE

It is the law of the State of Florida that the first $5,000 of assessed value of every Florida homestead is to be declared exempt. A total tax roll in another State without this exemption when compared with a Florida tax roll, city, county, or the State-wide roll as a whole, can lead to dangerous conclusions. Our total roll is something different in Florida from the nonexempt tax roll. Our total roll, with the homestead exemptions included, totals $325,000,000, but with the homestead exemptions removed—which it has to be for tax purposes—is shrunken to $225,000,000. This means that $100,000,000 worth of homestead valuation in Duval County stands outside the tax base—which is 31 percent of the potential—and pays not 1 cent for operating cost of either city or county government.

Expressed another way, Duval County had $58,000,000 of exempt homes in 1941–42, $100,000,000 7 years later.

Where does the tax burden rest? With nonexempt property—what there is left of it to pay the rising tax load put on it.

Documents in chart and graph form are all included with this presentation.

THE RENT CONTROL INDEX

It has already been said that every form of property ownership has been returned to its rightful owners except residential rental control properties. On January 3, 1949, the report by the Council of Presidential Advisers was made public, specifically directed to the Congress of the United States, the Eighty-first. This is a most voluminous and technical report. Its study is impossible to more than a fractional number of our citizens for reasons of technical phases and time required in such a study. In this report are numerous charts and graphs which are understandable for the most part by even the layman.

Chart No. 4 of this report, headed "Consumer's Prices" is important to this discussion. Four subjects are given graph treatment—food, apparel, all items of the combined index, and rents. 1935–39 average equals 100 and is base point. The chart begins January 1946, ends December 1948, showing monthly changes.

The rent index or line is practically flat on the chart. Other items move upward and almost off the page. In fact the food index in August 1948 was 216.6. The rent contrast is revealing, 117.7.

To be even more precise I have prepared this same chart since 1939, which is the way it ought to be done. Price indexes during the war were under OPA and therefore not fully accurate. But prior to the war they were not, nor since. Although controls were abandoned except for rental control property, the White House appealed for over-all controls without success. It appears now the appeal has been watered down and will settle for standby control in the implication the inflation is tapering off. Having said this, there is certainly no implication in this implication that controls should be put on our economy because residential property is federally controlled. Quite the contrary.

The right to reasonable profit has always been a part of the American system heretofore. It ought to be sustained and enforced. Why the present disparity and denial? Can it be shown that residential controlled property earns 6 percent over-all?

SUMMATION

In January 1948, 10 percent over-all increase was authorized for this area by Federal Expediter Tighe E. Woods. This was in response to request for 25 percent by rental advisory board. In considering the decision, the Federal Expediter stated frankly that tax factors were the basis for it, and the study and presentation by this association, documented then as it is now, were the exclusive guide.

The 10-percent over-all increase was granted in this area under a method which the Federal Expediter has not revealed. It was our conviction that 25 percent was a reasonable minimum, which was denied by 15 percent. During the past year, the situation, taxwise and otherwise, has materially worsened. If the 25 percent was a reasonable area for consideration then, it is even more so now. It is respectfully suggested to this board as No. 1 channel. The urgency of the request is directed again to the Expediter and his associate advisers. The submission herewith is fully documented. On the basis of prior accuracy by this association, with which the Expediter is entirely familiar and has so expressed himself, we offer this latest submission in a full spirit of cooperation and clarity to the end that economic principles may not be entirely ignored but upheld and justice be done in the right place.

Respectfully submitted.

FLORIDA TAX INFORMATION ASSOCIATION, INC.

World Government Now, a Delusion

EXTENSION OF REMARKS
OF

HON. LEONARD W. HALL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. LEONARD W. HALL. Mr. Speaker, I submit for inclusion in the RECORD, under the leave granted me, an address by Hon. Hamilton Fish, our former colleague from New York, on the occasion of a debate on the question, "Should the United States now assume leadership in establishing an effective world government?"

It was my opportunity and privilege to serve as moderator in this debate, held at Great Neck, N. Y., on March 8, 1949.

The address by former Representative Fish follows:

WORLD GOVERNMENT NOW A DELUSION

I do not question the sincerity, the idealism, or the desire for enduring peace that motivates the One Worlders and World Government Now groups in America. I do not subscribe to the unfair criticism of World Federalists and Union Now organizations that they are largely made up of ardent internationalists and pink intellectuals. It does not make any difference who the 40,000 members are, where they come from, or what their politics or international views may be.

The real issue is: "Can world government be achieved now or in the near future?" The answer is an emphatic "No" and I propose to present sound and undeniable reasons why it is impossible of attainment, subject always to a third world war in which we may emerge victorious over Soviet Russia.

In case of our being defeated, God forbid, as we are the most powerful bulwark left against Red fascism, a world communism state would be inevitable. I take an emphatic and unequivocal stand that, without another war, the formation of a world government now is a snare and a delusion. I even go further and submit that, unwittingly, the World Government adherents are indulging in sophistry, false reasoning, and misrepresentation by leading the peace-loving American people into believing that world government is feasible and possible now. Unfortunately, it is not, not even a limited world government for purposes of military defense against aggression.

It is no more possible nov than growing oranges in the Arctic Circle.

The World Federalists, blinded by their understandable passion for peace, refuse to see the pitfalls and insurmountable obstacles. They glibly talk of world government now and ignore the fact there is an irrepressible, an irreconcilable contest being waged by totalitarian Soviet Russia and its Communist satellites against the United States and all free nations.

Soviet Russia, aspiring to create a world Communist government, would naturally refuse to join a world government dominated by free nations whose main object would be to stop Communist aggression. By the same token, we could not join a world government dominated by the Communists, as it would mean sacrificing human freedom without a contest.

We are further from world government today than at any time since the Hague Conference in 1907, when the fundamental principles of international law were accepted by most nations. Unfortunately, many of those accepted principles, particularly relating to prisoners of war and neutrality, were scrapped or ignored during the last two World Wars.

The only way we could entice Soviet Russia and its Communist bloc into a world government would be to establish representation on the basis of population. It appears most likely that the Communists will take over all of China within the next 6 months. This would place the control of 480,000,000 Chinese under the hammer and sickle. The next step will be for the Communists to infiltrate and overthrow the French Government of Indochina, sovietize Malaya, Burma, Siam, Indonesia, and parts of India, and thereby place 200,000,000 more Asiatics under the Red yoke.

Soviet Russia is on the march toward setting up a world Communist government of 1,000,000,000 people within the next few years unless stopped by another world war. The free nations will probably not muster one-third of the Communist-dominated population by 1951. Communists everywhere, under the direction of the politbureau at Moscow, have been planning and plotting for a world government of their own for 30 years, and do not propose to scrap their main objective just as they believe they are about to achieve it to placate One Worlders or World Federalists in America.

I am not arguing against the theory of a limited world government, restricted to military purposes to prevent aggression and promote world peace. That is a noble ideal that should have the support of all who cherish peace and abhor war. No sacrifice is too great to obtain world peace, except the betrayal of individual liberty and human freedom.

I am vehemently opposed to the establishment of any kind of world government except one specifically restricted to stop aggression and provide world-wide peace and security. I cannot conceive of anything more disastrous to the economic welfare and happiness of the American people than to delegate our constitutional powers to a world government over trade, immigration, and control of our money.

Lenin once said, "Give me the power to spend the currency into destruction and I will determine what sort of a social and economic system will be established." The United World Federalists of America are divided into right and left wings groups. The left wing is not satisfied with merely providing a world government with a sufficient armed police to enforce peace, but wants control over such domestic issues as trade, immigration, and money.

In any world government the United States would be in a minority. If we should transfer our control over exports and imports, immigration, and money to a world government, a combination of Nations, jealous of our wealth, resources, and prosperity, could ruin us economically in a short time and we could not even defend ourselves against such wanton and ruthless acts.

A world government, empowered with control over immigration, might transplant 50,000,000 Chinese and 50,000,000 East Indians to the United States despite any protests from our Government or people. I doubt if a single Member of Congress would vote even to submit a constitutional amendment for ratification by the States or people providing for the transfer of such domestic powers to a world government. The proposition is utterly fantastic. However, the fanatical proponents of world government advocate just that.

An actually realistic world government could not exist without such powers. I

question even the minimum proposals of the United World Federalists who insist on direct taxing power for maintenance of a world government and police force, and the right to set up courts composed of foreigners in every nation to try and punish alleged violations or crimes against world peace.

Can any sane man envisage a court composed of British and American judges functioning in Soviet Russia by her consent to try members of the Politburo for aggression and offenses against world peace?

No. Not even the minimum requirements, which is the cloak under which the left-wing "do-gooders" cover up their aspirations to remake the world by leveling America down, and Asia and Africa up, is attainable in our day and generation without a Third World War. The fanatical left-wing visionaries want to wipe out all national sovereignty throughout the world.

If nations might, in this atomic age, be willing to surrender their war powers to a world government to enforce peace by use of a powerful police force, the left-wing One-Worlders claim it would be merely the first step, to a dream world or utopia, supported by a universal UNRRA where the lion lays down with the lamb, and where unselfishness and good will will reign supreme forevermore. God help the United States if we have to finance any such economic delusion. We will be bankrupt before the blueprints have been completed.

The Soviet Union continues to insist on the right of veto over inspection and control of the atomic bomb. It would be the height of folly and criminal stupidity to surrender the atomic-bomb secrets on any lesser guaranties than provided in the Baruch plan. Whenever Soviet Russia turns from aggression and world revolution to the paths of peace and sincere international cooperation, then and then only, should we agree to outlaw the A-bomb. In the meanwhile we should retain the atomic secrets for our own defense and for the preservation of world peace and freedom.

World peace is not only desirable, but it is a must that should head the list of all human efforts. Another World War would cause chaos and unprecedented destruction of life and property, and might well end our civilization, and depopulate large parts of our planet. The destructive capacity of modern warfare, with guided missiles, huge rocket airships loaded with tons of bombs, and the possibility of wiping out half the civilian population by more powerful atomic weapons compels thinking people to concentrate their main efforts on achieving world peace.

Peace should be uppermost in the minds of every statesman. It should be encouraged by the press, the Congress, and the executive department of our Government.

World peace should be proclaimed a holy mission from every pulpit of every church in America. For 24 years in Congress I participated in every legitimate peace move made by the Congress. I fought for such legislation as outlawing war, known as the Kellogg Pact, the abolition of the use of poisonous gas, the World Court, the limitation of armaments, a referendum on war, the neutrality bill, and against every attempt to involve us in war except for defensive purposes. The old contest between noninterventionists and interventionists was largely obscured by the fatal blunder we made in using the atomic bomb which left the United States (hitherto invincible against all attacks) naked and defenseless.

The lingering differences between the 1939-41 interventionists and internationalists have been finally swallowed up by the openly proclaimed objectives of the Red plotters at Moscow to set up a world Communist Government by revolution or by armed force. There is no such thing as appeasing, bribing, or compromising with the Communist plan for world revolution and world domination. That is part and parcel of their fundamental ideology to achieve subjugation of all noncommunistic nations.

I quote the following from the Communist Manifesto by Karl Marx and Friedrich Engels which is the bible of all Communists.

"In short, the Communists everywhere support every revolutionary movement against the existing social and political order of things. In all these movements they bring to the front as the leading question in each case the property question, no matter what its degree of development at the time. The Communists disdain to conceal their views and aims. They openly declare that their ends can be attained only by forcible overthrow of all existing social conditions. Let the ruling classes tremble at a Communist revolution. The proletarians have nothing to lose but their chains. They have a world to gain."

As a former noninterventionist leader in Congress, and proud of it, as every statement I made has been vindicated many times over by time and events, I find myself now compelled, because of the rotten mess we made in Europe to urge our joining the North Atlantic Pact in defense of the remaining free nations of Europe against Soviet aggression. Having helped to wreck and ruin half of Europe we have certain moral obligations toward the nations of western Europe not to let them be swallowed up one by one by the Red octopus. In addition, our own national security is involved with half the world already Communist. The place to stop the Red armies is at the Elbe and the time is now.

Judging the future by the past, Communists everywhere taking their orders from Moscow, show no signs of changing their ideology or abating their relentless attacks on all existing non-Communist political and social orders. I repeatedly warned, back in 1940-41, that if we entered the war the Soviet vulture would swoop down in the last analysis and pick up the bloody remains of most of Europe.

Let us be realistic and understand once and for all that the Russian Communists have a definite plan of world revolution and armed conquest. The Marshall plan is merely a relief and rehabilitation measure providing food and equipment for Europe. It does not protect or defend the free nations of Europe from Soviet armed aggression. It does not achieve security for ourselves or any other nation. Without a western European defensive union our foreign policy is useless and bankrupt. The Marshall plan is nothing more than a paper blockade, and as ineffectual. It opposes a paper curtain to the "iron curtain." It neither frightens, checks or stops the Communist plans for revolution and conquest. It assumes that the nations receiving our gifts automatically increase production and acquire moral force and physical power to withstand the Communist colossus.

No nation has ever restored its stability and strength by depending on hand-outs. That can only be done by their own efforts and hard labor, but even then a defensive military alliance is necessary without further delay. The Communist aggressors fear and respect only military might. We should immediately reinforce the Marshall plan by staff agreements with Britain, France, Italy, Spain, Belgium, Holland, Switzerland and the Scandinavian countries, and probably with Canada, South Africa, Australia and New Zealand. It should be done openly and at once so that there will be no doubt of a united military front of all western democratic nations to oppose and crush any attempt by the Red army to violate the peace of the world by overt acts of aggression in western Europe. It is their only chance to survive as free nations. Let them pool their armed forces under a single general staff. Once the Communist armies over-run Europe it will be the end of Great Britain, and we will be confronted with an aggressive and militant Communist Europe, followed quickly by a Communist Asia and North Africa.

Although world communism is on the march in Europe and Asia it is not inevitable here. It must be stopped; it can be stopped. The words of Patrick Henry apply today more than ever before:

"Is life so dear, or peace so sweet, as to be purchased at the price of chains and slavery?"

That is the paramount issue in the world today—freedom and democracy or slavery and totalitarianism.

A New Maginot Line?

EXTENSION OF REMARKS
OF
HON. HENRY J. LATHAM
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. LATHAM. Mr. Speaker, under permission granted to extend my remarks in the Appendix of the RECORD, I wish to include a very pertinent article by James J. Haggerty, Jr., which appeared in American Aviation magazine in the issue of May 1, 1949.

The article is as follows:

A NEW MAGINOT LINE?

(By James J. Haggerty, Jr.)

We are building a new Maginot line.

It's not a steel and concrete fortress such as the one the French took such pride in before Hitler showed them how foolish it was to place such confidence in it. Ours is a mental Maginot, a supreme confidence in the ability of a new weapon to win a war single-handedly. The new weapon is the long-range bomber—the Convair B-36.

We discovered that this new Maginot Line was under construction when we paid a visit to the House of Representatives last week and listened to debate on defense appropriations—debate which brought about a whopping six-billion-plus appropriation for the Air Force, but which reduced naval aviation to a token force.

Foreman of the new Maginot construction is Representative CLARENCE CANNON, a Missouri Democrat who happens to be chairman of the House Appropriations Committee. CANNON came out point-blank and said there was no need for a strong naval air force. CANNON said that the next war could be determined decisively in 3 weeks by atomic warfare—and he added that the only way to end this war in 3 weeks is by B-36 warfare.

"Why should we waste vast sums of money on naval planes tied down to a radius of 500 or 700 miles?" asked the distinguished gentleman from Missouri, where they used to have to be shown, but are now apparently gullible in the extreme and highly susceptible to Air Force propaganda. (Navy planes have radii up to 2,000-plus miles.) "A smaller amount of money can supply land-based planes about the effectiveness of which there can be no question," he continues. (He should check his price lists again.)

DANGEROUS BELIEF

If some other armchair general had uttered these sentiments, we would have dismissed them with a gentle curl of the lip. But CANNON's position makes them extremely dangerous remarks, for he is the chief of the group which decides how much

money will be spent on defense and how it will be spent. And this business of concentrating our entire defense on one weapon, to the detriment of all others, can be serious.

In his speech on the House floor, CANNON also said that the Navy cannot reach Moscow with an atomic bomb. He stated further that the launching of atomic bombs is not a Navy function. With that we are in full accord, as we have stated before. We don't think the Navy has any business in long-range atomic bombing and we think it made a serious error in tactics when it tried to muscle into that territory, for such tactics cost the Navy a lot of friends.

But CANNON seems to have missed the basic point—that the Navy's aviation is not intended, as it is constituted today, to deliver atom bombs to Moscow. It is intended to protect the surface fleet from air or sea attack, so that the fleet can perform its assigned function of mastery of the seas. And, therefore, the question of whether Navy planes can reach Moscow is totally irrelevant.

CANNON'S whole argument hinges on the ability of the B–36 to deliver atom bombs from bases in North America. He concedes that Russia would occupy the entire European continent within 90 days after opening of hostilities. Therefore, the B–36 would be our only offensive weapon, since no other land-based planes have sufficient range to operate from North American bases.

NOT ENOUGH

Now we believe, as Mr. CANNON apparently does, that the B–36 is capable of these ranges. We also believe it will have a measure of success comparable to that of World War II heavy bombers. But is this enough to win a war? Should we concentrate all of our defense appropriations on the belief that we can sit back securely at home and dispatch B–36's from home bases which will end the war in 3 weeks?

Paradoxically, CANNON himself doesn't think so. We quote the gentleman from Missouri: "Of course, a war could not be won by air power alone."

Such being the case, Mr. CANNON will have to admit that we will reqiure some sort of service from the Navy. He says that its function is the maintenance of lines of communication and transportation. We think it would be something more than that. In any event we do need a Navy—we're agreed on that. Ergo, we'll need aviation support if that Navy is to function effectively.

"We have the greatest Navy in the world," said Mr. CANNON, "And we will keep it the greatest Navy in the world."

KNIFING THE NAVY

Well, speaking air-wise, here's how CANNON'S committee intends to maintain the greatest Navy in the world. The money appropriated for naval aviation for the coming year will require:

(a) cancellation of every airframe and engine research and development project scheduled for the coming year;

(b) construction of only 843 planes (380 less than this year);

(c) operation of 2,930 planes less than the minimum required;

(d) deactivation of three attack carriers, nine naval air stations, and four antisubmarine patrol squadrons;

(e) a 16-percent reduction in aircraft overhauls; and

(f) discontinuance of Naval Reserve air groups on fleet carriers.

In addition, it lowers the naval aircraft manufacturers' ability to produce, since few companies build planes for both Air Force and Navy. The procurement cutback will reduce naval-plane manufacturers to a far lower level of preparedness for emergency production than the current level. Further, it means a gradual decline in total air strength, for if you buy only 843 planes yearly, and each has a life of 6 years, then in 6 years you have only 5,058 planes, instead of the 7,783 authorized for the coming year.

Does that sound like maintaining the world's greatest Navy?

REALLOCATION NEEDED

We think the House has made a serious error in thus crippling naval air power. We hope the Senate will do something to rectify it. It wouldn't require any increase in the already staggering (sixteen billion) defense budget—just a more careful scrutiny of the proposed expenditures and a little reallocation. But more than that, we hope that this Maginot line type of thinking doesn't spread, for if it does we may be in trouble someday.

Strangest part of Mr. Cannon's remarks is the following:

"How can we forget the fatal decision of the French Chamber of Deputies on precisely the same question which is facing us here today? They were urged to build airplanes. But they declined on the ground that the airplane was useful only for reconnaissance, and their matchless army, protected by the impregnable Maginot line, was invincible. * * * Let us not make the same mistake."

W. Stuart Symington, Secretary of the Air Force, got caught with his hand in the jam pot. Representative ALBERT J. ENGEL, Republican, Michigan, ranking Republican on the military subcommittee of CANNON'S House Appropriation Committee, is the guy who caught him.

It seems as how Mr. S. had tried to pad the budget a few odd billions. Lt. Gen. Edward Rawlings, the Air Comptroller, had totted up the money the Air Force thought it would need to struggle through the coming year and it came to eight billion-odd. But Mr. S. said uh-uh, he wanted 11 billions.

"In fact," he said, quite candidly, "Gen. Rawlings and I had a little argument."

Symington admitted his guilt in testimony before the Appropriations subcommittee on the Air Force's 1950 budget.

"I would like to absolve the Air Force and take full responsibility for that myself," he said. (The printed hearings do not report whether he blushed.) The reason for his padding act, the Secretary explained, is that he had heard that the Army and Navy were going to ask for a big bundle, so he thought he would go along too, with a sublime disregard for military requirements and the poor benighted taxpayer. Of course, he shrugged, he knew it would never go through. "It was my thought that the higher the figure the more ridiculous it looked; and therefore it would force the services to buy and operate instead on the basis of an integrated plan."

ENGEL took a dim view of the padding attempt. He said he "cannot appreciate a policy of the armed services which will inflate the budget hoping to get something."

Dedication Address of Leonard A. Scheele, Surgeon General, Public Health Service, Federal Security Agency

EXTENSION OF REMARKS

OF

HON. RALPH E. CHURCH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. CHURCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following dedication address by Leonard A. Scheele, M. D., Surgeon General, Public Health Service, Federal Security Agency, delivered at the dedication luncheon of the laying of cornerstone of Goldblatt Memorial Hospital, Chicago, Ill., May 12, 1949:

The opening of this magnificent clinical center is the climax of several years of work, which the United States Public Health Service has watched with the keenest interest, and in which we are proud to have had a part. The Goldblatt clinical center is the fruit of combined effort. It is made possible by the generosity of a distinguished citizen of Chicago. It will carry forward the cancer research of a great, privately endowed university, aided by the voluntary gifts of many citizens—individually, through the Chicago Cancer Research Foundation, and through the American Cancer Society. This research has also been assisted by tax-funds extended through Federal grants-in-aid. This clinical center therefore belongs to the whole country, as well as to the people of this city and the University of Chicago.

It will offer new hope to sufferers everywhere, not only because of the additional beds which it makes available but especially because of its fine research facilities. The laboratories occupy five whole floors of the building. And because the clinical and research activities support each other, every square foot of this building is truly dedicated to the search for more knowledge about the cause and cure of cancer. It does not even provide space as most hospitals do for dining rooms and living quarters. It is all cancer research, conducted by a staff which gives full time to this purpose.

That, to me, is the great significance of this occasion. This clinical center comes as the gift of the right man, at the right time, and in the right place to be of maximum effectiveness in our Nation-wide battle against cancer.

Maurice Goldblatt, the Chicagoan who has provided the larger part of the funds for this great building, came to this country as an immigrant boy with his three brothers. He has had a successful career in business. This is a familiar and well-loved American story. It is part of the meaning of America. But Mr. Goldblatt has carried the story through to a higher level. He has come to see beyond the frontiers of material success into the limitless territory of human sufferings and human needs.

This clinical center, a memorial to one of his brothers who died of cancer, is only one of his interests. He is a member of the boards of the American Cancer Society and American Heart Association and he has played a prominent role in the cancer and heart fund raising campaigns in Chicago during the last several years. He is well known and well loved in the Public Health Service. He is a member of our National Advisory Heart Council, which assists and guides the Service's effort against heart disease, parallel to the campaign against cancer. Mr. Goldblatt has given generously not only of his money, but of his time and strength. His foresight has made possible advances in clinical medicine on many fronts. It is noteworthy to find a man who, besides working himself in the front line of money-raising activities, takes an enlightened interest in the long-range objectives of scientific research.

For a number of reasons, the opening of this clinical center is especially timely. Cancer research has now reached the point where it functions best in close cooperation with the basic sciences, on the one hand, and on the other with clinical medicine. This hospital with its university affiliations promises that integration. It was not always thus. In the past, outstanding contributions have been made by those working in such isolated fields as pathology, radiology and surgery. The pathologists, for example,

have given us microscopic examination of tissue, by far the most widely used test for cancer at the present time. Surgery gave us radical excision of tumors. Biophysics gave us radiation. Surgery and radiation are the basic treatments for cancer.

Specialization was—and still is—essential. But now, as science grows, we are witnessing a new development—a unified approach to the complex problem of cancer. This approach draws upon almost every branch of science.

Our present crossing of departmental barriers marks an important advance in our search. It also means that the time is ripe for just such an institution as the Goldblatt clinical research center. For even while this building has been under construction, developments in chemotherapy, in radiology, in other fields have moved forward almost as in a mystical harmony. Here they can all be used to their fullest advantage.

I understand that this building will have a section devoted to the evaluation and development of diagnostic tests. This is especially timely, for the number of possible tests for cancer which require evaluation and development at the practical service level is increasing. Tests which are successful here will be released for general use throughout the country.

From the particular viewpoint of the Public Health Service, the opening of this center is helpful, because of our own future plans. The Congress has authorized construction of a clinical center near Washington, D. C., where research into the cause and cure of various diseases, including cancer, will go forward in laboratory and the clinic under the same roof. The experience gained here in Chicago will be helpful to us in our center, and to research workers and physicians everywhere.

Mr. Goldblatt's gift is a demonstration of the continuing vitality of the American voluntary system. I believe deeply in our voluntary system. The Government cannot possibly do the whole job, in cancer research or in other fields of human welfare. The success which crowns the efforts of Government scientists and public-health workers is directly related to the voluntary interest and the progress in the institutions outside of Government.

There are many examples at this university of cooperation and accomplishment. Dr. C. B. Huggins, who is present today, has a long history of accomplishment in this university and he has worked closely with the Public Health Service. For the past 3 years he has been a useful member of the National Advisory Cancer Council, which has helped to direct the work of the National Cancer Institute. His scientific acumen enables him to see the usefulness of other people's work and the significance of very small advances, and carry them further. To the far-flung, scattered work of laboratories across the whole country, he brings the gift of a constructive imagination.

In addition to Dr. Huggins' research on the anomalous behavior of blood proteins in cancer and other degenerative diseases, which has recently attracted Nation-wide attention as a possible lead to a diagnostic test, he has given his name to other accomplishments. I should like to mention his work in prostatic cancer. After preliminary studies on animals Dr. Huggins was able to show that prostatic cancer, one of the most baffling forms of the disease, could be controlled at least to some extent by the administration of female hormones or by surgery. The Huggins treatment often resulted in marked and prolonged remissions to the disease. Moreover, he found the progress of the disease to be measurable by determination of the level of an enzyme, acid phosphatase, in the blood.

Another University of Chicago scientist, Dr. G. Gomori, has developed highly sensitive tests which detect processes of the enzymes within the cells and tissues. Chemical reactions that take place within the body are influenced by a large variety of enzymes, agents which are indispensable to growth and to life. The development of modern medicine in histo-chemistry and cyto-chemistry owes much to Dr. Gomori. Enzymes as a fundamental base in the study of all malignant diseases have been investigated here by Dr. E. S. Gusman Barron.

Dr. Leon O. Jacobson, whose work in malignant blood diseases is well known, has helped to develop methods for the administration of nitrogen mustards. Those now have a place in the treatment of Hodgkins' disease, leukemia, and other difficult diseases. Dr. Jacobson has also been active in the medical aspects of radiation. Dr. Paul Steiner, of the department of pathology, has done excellent work in the study of cancer, both experimental and epidemiological.

I should like to mention many other names if time permitted. These men and their many colleagues will continue and extend their work with the increased facilities now being made available.

We remember hearing it said frequently during the early years of the last war, while the country was still in the process of rearming for defense, that 14 men would be needed behind the lines to support every man at the front. In the same way, the treatment of cancer patients is supported by the research work in the laboratories. It is indispensable to their welfare, just as clinical work is indispensable to research. To have them united in this clinical center will be highly useful to the whole United States.

No better situation could have been chosen. The city of Chicago is on its way to becoming one of the world's greatest medical centers, with many research institutions, medical schools and hospitals. And here on the campus of the University of Chicago, the Goldblatt clinical center is close to those other laboratories from which so many great discoveries in basic science have come. The most famous of these was the first development of nuclear reaction.

Now the Argonne Laboratory of the Atomic Energy Commission is building a research center adjoining this one we dedicate today, especially for research with radioactive materials and multimillion volt radiation equipment. Of necessity, the Atomic Energy Commission building, constructed especially for safe work with very high-energy radiations, must be a separate institution but it will be connected physically and intellectually with the Goldblatt clinical center. From their close future cooperation we may anticipate great things to come.

Nuclear energy, with all that it has meant and will mean in the future to clinical medicine and research, is only one of the fruits of basic research applicable to cancer. From the departments of chemistry and biology, from the facilities of the medical school, it may safely be predicted there will come in the future a flow of increasingly integrated research discoveries. These will be applicable here, at the bedside of patients in this center, to the relief of present suffering and the prevention of future disease. This building is a symbol of the coordinated approach the American people have determined to make in the fight against cancer.

To the medical staff, the research people, the nurses, and all who will take part in this work at the Goldblatt clinical center, I offer congratulations and best wishes for success in the long battle which lies ahead. The people of Chicago are to be congratulated today for the gift which the far-sighted generosity of one of their citizens has made possible. To those of us outside Chicago, the continuing growth of integrated research activities in cancer, here at the heart of our country, is inspiring to behold. It is inspiring and it is meaningful. For the whole United States is enlisted in this fight against cancer, and some day we are going to win it.

A Tribute to Mrs. Zula Loggins, of West Columbia, Tex., Who for Many Years Worked Tirelessly and Effectively in the Movement To Establish a National Father's Day

EXTENSION OF REMARKS
OF
HON. CLARK W. THOMPSON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. THOMPSON. Mr. Speaker, I have before me two newspaper articles briefly describing the splendid and successful effort made by Mrs. Loggins to recognize the fathers of our country. Mrs. Loggins, whose family has long been prominent in Brazoria County, Tex., is beloved by many people residing in all parts of the United States for her unselfish devotion to mankind, and I feel it will be a most fitting and appropriate tribute to place the two articles in the CONGRESSIONAL RECORD, which appear below:

FOUNDER OF FATHER'S DAY STILL A "PIN-UP" GIRL

When our dads throughout the Nation are given homage Sunday, Father's Day, great tribute should be paid to Mrs. Zula Loggins here in West Columbia. For it is she who originated the idea more than 30 years ago.

In 1945, Zula Loggins was voted the "pin-up" girl of the steamship *W. B. Rogers* while the ship was on duty in the waters off Tunis, North Africa. The shipmates, in writing Miss Zula, as she is affectionately called by her friends, had this to say:

"For the beauty of the thought and heart that you, Zula Loggins, gave our Nation's fathers, sons, and daughters, in creating a day of acknowledgement and gratitude to our American dads, we wish to announce that you have been unanimously voted the pin-up girl of the *W. B. Rogers*."

Today, Zula Loggins is still straight as an arrow, and walks with the graceful posture of a young girl. Her hair, though no longer brown, has turned a silver-blond, and tiny lines have formed around the twinkling blue eyes. But her lilting laugh stills rings with the zest of a life that has been fully and well lived.

Miss Zula's family tree was rooted in the earth at Valley Forge. Her maternal grandfather was General Washington's flag bearer.

In 1891 Miss Zula came to this Brazos River country to make her home. She has been honored by governors and kings. Kipling once wrote: "If you can walk with kings and not lose the common touch," and Zula Loggins is that kind of person.

As we celebrate Father's Day this year, and through all the years, let's never forget to pay tribute to this great lady who founded it.

MRS. ZULA LOGGINS, FOUNDER OF FATHER'S DAY MOVEMENT, GETS GOVERNOR'S RECOGNITION THROUGH STORY APPEARING IN ANGLETON TIMES

When fathers throughout America and in the far-flung battle areas as well are paid homage Sunday, Father's Day, credit for the thoughtful remembrances and tribute must

go to Mrs. Zula Loggins of West Columbia, who 30 years ago conceived and originated the idea.

Reading the story of Mrs. Loggins' continuous efforts and persistence in fostering this day for father and of her ultimate success published in the Angleton Times, Gov. Coke Stevenson wrote the author of the observance the following letter:

EXECUTIVE DEPARTMENT,
Austin, Tex., May 10, 1945.

Mrs. ZULA W. LOGGINS,
West Columbia, Tex.

DEAR MRS. LOGGINS: Judge Williams came by the office yesterday and presented me with a framed copy of the article taken from the Angleton Times with reference to the splendid work done by you toward the proper recognition of an annual Father's Day. I read this article with a great deal of interest and appreciate Judge William's interest.

I think this article is a very fine tribute to you and to the fathers in recognition of them on their special day.

With kindest regards and best wishes, I remain,

Sincerely yours,
COKE STEVENSON,
Governor.

"I Am An American Day," Sunday, May 15, 1949

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the radio address I delivered over Station WLAW, Lawrence, Mass., in observance of "I Am An American Day":

Fellow citizens, I am speaking to you on time contributed by the management of WLAW as a public service to observe "I Am An American Day." President Truman has called upon all of us to stop and think of the blessings we enjoy as members of the American family. In his words we should do so, "because the strength of our Nation lies in the unity of all of our people, of whatever race, creed, culture, or national origin—a unity that can be built only upon a full realization of the worth and meaning of American citizenship."

We are the freest, happiest, and most prosperous people on earth. We do not say this boastfully; far from it. There is much work to be done to make it better. Some nations point to the wealth of our natural resources—the timberlands, the great rivers, the fruitful earth, the coal and petroleum and ores beneath it—as if this were the only factor in our progress as a people. But Russia, and China, and other countries also possess these resources. The material difference is measured by the fact that some quality in our way of life has inspired men to make the best use of these resources for the good of all. No magic wand transformed them into the comforts and conveniences of life which we enjoy. Only freedom, freedom of opportunity which stirs a man with hope and encourages all the energies of his body, his mind, and his spirit, is responsible for our development.

One hundred and seventy-five years ago, our pioneer forefathers made a new beginning in a new world. Their first step was to throw off the shackles of king and class and creed. All men were to be considered equal—free to choose any job or profession which they were willing to work for; free to express their honest opinions; free to select those who would represent them in government; free to worship God according to their conscience.

This is America, rich not only in the wondrous buildings and machines which have been fashioned from the raw products of the earth itself, but wealthier by far in the diversity of talent and personality and character and skill evoked by respect for self, working side by side with respect for others.

In the plain and simple virtues of neighborliness we find the essence of Americanism.

For the basic law of our land, we have no constitution imposed from above by the self-appointed few. Our Constitution was built to last, from the ground up, and was the work of the people. In it are defined those inalienable rights which 140,000,000 cannot take away from any one American. In addition to these, are other laws to meet the changing needs of our Nation but laws made by your chosen representatives. And these cannot contravene the basic rights which are guaranteed to you.

The organization of our Government flowed from this primary sense of neighborliness.

It is found in our schools, our churches, and in every activity of our national life.

It is the consideration of my right and your right, freely aired so that all sides of every question shall be heard, matched by our duty to fairly resolve differences in the name of harmony.

And by this example we show our children the great and effective truths of neighborliness, which is but another word for mutual respect and mutual understanding.

I have seen men and women of middle age who could speak but little English, as they became naturalized citizens of this Nation. They were leaving behind them the second-class citizenship or less of the lands from which they emigrated to this country. They were graduating to full dignity as human beings. And as I observed their expressions of pride and joy, I knew that they would be fine citizens because they had earned the right as everything worth while in this life must be earned.

It was then that this thought came to me. Are many of us who were born to citizenship really earning it?

This is the question for each one of us to answer as we take searching inventory of ourselves.

That we have enjoyed many opportunities is above contradiction. We know not from the history of the far-away past but from the sacrifices of friends and neighbors in our own time what some have given to preserve our liberties.

But what have we contributed to American citizenship?

In the quiet confessional of the heart it is for us to make an honest reckoning and resolve from this day forth to live up to the full meaning of I am an American.

It is the pledge in all our endeavors to be good neighbors.

Marines March Again

EXTENSION OF REMARKS
OF
HON. CLARK W. THOMPSON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. THOMPSON. Mr. Speaker, under leave granted to me, I take great pleasure in placing in the RECORD an article concerning the forthcoming parade of the justly famous Fourth Marine Division. On Saturday morning, June 11, every normal human being along the route of the parade will be thrilled as they watch this organization and escorting units of the Regular Marine Corps.

Old soldiers will forgive me if I mention with particular pride that the parade will be led by my old comrade and one-time commanding officer, Maj. Gen. Franklin A. Hart, with whom I, myself, have marched in numerous parades.

MARINES MARCH AGAIN

The first all-Marine parade in 25 years will march down Constitution Avenue Saturday morning, June 11, as the Fourth Marine Division holds its annual reunion here.

President Truman and ranking national dignitaries have been invited to review the veterans of the Fighting Fourth which saw four major actions in a period of 1 year during the last war.

Maj. Gen. Franklin A. Hart, USMC, commanding general of the Second Marine Division at Camp Lejeune and president of the Fourth Marine Division Association, will lead the troops which will include marching units from Quantico and the Washington Barracks. Bands from Lejeune, Quantico, and the Washington Drum and Bugle Corps will furnish music along with the President's own Marine Band. Washington's Fifth Marine Reserve Battalion, commanded by Lt. Col. John E. Fondahl, a Fifth Division veteran, also will march.

The parade will be the high light of the 2-day affair, June 10–11, and will conclude with an address in the Sylvan Theater. Unit dinners, a fashion show for the wives at Statler Hotel headquarters, and a moonlight ride down the Potomac also are planned.

Col. E. A. Pollock, USMC, convention chairman, expects this year's attendance to top the Kansas City reunion, the division's first.

The Fourth Division was led by Gen. Clifton B. Cates, Commandant of the Marine Corps, in its last two Pacific campaigns, Tinian and Iwo Jima.

THE FOURTH MARINE DIVISION

The history of the Fourth Marine Division is recorded in the annals of the Nation's central Pacific offensive against the Japanese in World War II which saw the division committed 4 times in only 13 months, each time against bitter enemy opposition.

During 21 months in the Pacific, the Fourth engaged the Japanese first at Roi-Namur, Kwajalein Atoll, Marshall Islands, next at Saipan and at Tinian, Marianas Islands, and finally at Iwo Jima.

Early elements of the Fourth were formed in 1942 and the East Coast Echelon had received considerable training at Camp Lejeune, N. C., before it was merged with trained units on the west coast and the Division finally activated at Camp Joseph H. Pendleton, Oceanside, Calif., August 16, 1943.

In January 1944 the Division sailed from San Diego, Calif., for Kwajalein Atoll and on the first day of the following month, its assault units received their baptism of fire, wresting Roi-Namur Islands from fanatical defenders in 72 hours of fighting. Artillery units emplaced on adjacent islands in the Atoll, provided D-day operational support.

The Fourth Division set three new records at Roi-Namur. It was the first division to go directly into combat from the United States; it captured the first Japanese mandated territory in World War II; and captured its objective in less time than that of any other important operation since the war's start.

From Kwajalein, the division went to the island of Maui in the Territory of Hawaii,

which became the Fourth's rest camp and staging area between Pacific campaigns.

The initial stay at Maui was short-lived. On June 15, 1944, just 4 months after Kwajalein, the Fourth and Second Marine Divisions struck at Saipan, capital and stronghold of the Japanese in the Marianas Islands.

The marines of the Second and Fourth and soldiers of the Twenty-Seventh Army Division which joined in the fighting, overcame stubborn enemy resistance on Saipan only after 25 gruelling days which began with the beach landings.

Maj. Gen. Harry Schmidt, who had commanded the division since August 1943, was succeeded by Gen. C. B. Gates, now the nineteenth Commandant of the Marine Corps, then also a major general, on July 12, 1944. General Cates led the Fourth at Tinian and continued as division commander until the division was disbanded late in 1945.

On July 24 the Fourth landed in assault on Tinian, an island adjacent to Saipan, over the narrowest beaches ever used for amphibious combat operations. They were joined by the Second Division on the following day. Together, the marines secured Tinian in 9 days.

The Presidential Unit Citation was awarded the Fourth Marine Division for action at Saipan and Tinian. After the Mariannas operations the division returned once again to Maui to rest and reorganize for future action. Iwo Jima was next on the Fourth's timetable.

The historic seizure of that island fortress began February 19, 1945. The Fifth Amphibious Corps, including the Third, Fourth, and Fifth Marine Divisions, required 26 days of fighting for victory at Iwo Jima.

Most of the Fourth's members added a star to their Presidential Unit Citation ribbon when it was announced later that the coveted citation had been awarded to all assault units of the Fifth Corps for action at Iwo Jima.

The Fourth was the first marine division selected to return to the United States after peace was declared. The division was deactivated at Camp Pendleton November 28, 1945, 2 years, 3 months, and 13 days from the date it became a division.

In 63 days of actual combat the famed Fourth beat the enemy where he was strongest, contributing greatly to victory in the Pacific. Ten members from its ranks received the Medal of Honor, the highest military honor this Nation can bestow. This, perhaps, is a partial indication of the caliber of officers and men who made the Fourth's victories possible.

Proceedings on the Occasion of Dedication of Plaque to John Tyler at Richmond, Va.

EXTENSION OF REMARKS

OF

HON. HARRY FLOOD BYRD

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mr. BYRD. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD the proceedings of a service held in Richmond, Va., on April 12, by the Woodmen of the World in dedicating a plaque on the capitol grounds of Virginia to John Tyler, the tenth President of the United States.

There being no objection, the proceedings were ordered to be printed in the RECORD, as follows:

DEDICATION OF PLAQUE TO JOHN TYLER, TENTH PRESIDENT OF THE UNITED STATES, CAPITOL GROUNDS, RICHMOND, VA., APRIL 12, 1949, PLACED BY HEAD CAMP, JURISDICTION OF VIRGINIA, WOODMEN OF THE WORLD

The following program was presented with E. L. Smither, Jr., head consul, jurisdiction of Virginia, Woodmen of the World, presiding:

Singing of America, accompanied by the Thomas Jefferson High School Band.

The meeting was then opened by an invocation prayer by Dr. T. Rupert Coleman, pastor, Ginter Park Baptist Church.

Dr. COLEMAN. Let us pray together.

Our Father, we acclaim Thee as the eternal and omnipotent of all creation and life, and we lift our prayers unto Thee who art the God of our fathers. We thank Thee for America, our country of freedom and our land of liberty. We thank Thee, today, for our divinely endowed heritage secured and left to us by our fathers who loved justice and brotherhood more than their own life. Grant us this day, heart so humble and committed to Thee, that we may worthily honor Thee in this very unique privilege of dedicating this plaque to the memory and life of one of our Nation's leaders. Grant to us, we beseech Thee, oh God, eyes that may see, ears that may hear, and hearts that are sensitive to those virtues and qualities which have made men sterling and powerful in leading our Nation.

We praise Thee, our God, for John Tyler, his life, his service, his leadership, his love for and promotion of peace and brotherhood among all mankind; grant to us, our God, the ability to keep alive in our hearts those virtues that make for selfless service for the sake of others and for the glory of God. We lift our hearts to Thee now in behalf of these men.

We are gathered in our city, representing the Woodmen of the World, whose ideals are those of brotherhood among men, love for the needy, and service to those who are sick and less fortunate. Bless the officers and leaders of this camp, that the coming year will bring to reality those accomplishments that will praise Thee; grant to every member the ability to lose self for the sake of others, that none may every speak so wickedly as did that first brother of the human family when he asked, "Am I my brother's keeper?" Instead, however, may every Woodman faithfully emulate that one who said, "Whosoever doeth the will of my Father in heaven is my brother, my sister, my mother." Make us daring, that we may speak and act when cowards are silent, and help us to exemplify those qualities of life which make for peace and good will among all men; empower these who speak and we who hear with the ability to hear the voice of the eternal, and willingness to obey that voice, in beholding Him who died for the sins of all mankind.

We humble ourselves before Thee, our Father, and ask that Thou wilt forgive us for every known and secret sin; revitalize our fellowship with Him whom death could not hold, so that we may be faithful to the end of our earthly journey, and then share with Him, who arose from the dead, that life that shall endless be. To these ends, our Father, we make our prayer, through worship, in the name of and for the glory of our Lord Jesus Christ. Amen.

Mr. SMITHER. We of the head camp, jurisdiction of Virginia, of the Woodmen of the World, are gathered here today on these historic and hallowed grounds for the purpose of dedicating and presenting a plaque honoring the memory of one of our native sons, John Tyler, who in the yesteryear made such a noble contribution to the life and welfare of our beloved Commonwealth and our great Nation. It is with a great deal of pride and pleasure that I present to you at this time the national president of the Woodmen of the World of Omaha, Nebr., the Honorable Farrar Newberry, who will make the presentation of the John Tyler plaque on behalf of our society. Mr. Newberry.

Mr. NEWBERRY. Head consul Smither, your Excellency Governor Tuck, your Honor Mayor King, one of the greatest of Americans, Senator BYRD, my friends of the head camp, ladies and gentlemen; the fraternity in action program of the Woodmen of the World, of which this exercise illustrates a part, began really in the local lodges, 9,000 of them, of our society some 5 or 6 years ago. It featured the honoring of veteran members. It recognized the efficiency of officers in ritualism. It had for its object the development of the uniform rank, which is the degree team branch of our society. It paid special tribute to veteran members of 25 and 50 years' standing in the society. It organized public programs to honor the veterans of our society who were in World War II, and presented 30,000 certificates to those boys. It organized programs for family night and nights for church relationship. Then the program branched to service of the community in which the camp is located, for indeed a Woodmen lodge, like any other fraternal organization, is or should be a good citizen in the community in which it is situated. And so our camps began the organization of such projects as furnishing of rooms in the local hospitals, the giving of such equipment as blood banks, plasma banks, iron lungs and wheel chairs, to hospitals. Then it began the organized program of calling attention to the children of America of the things for which the flag and Nation were begun a long time ago; and so more than 5,000 new United States flags were presented to public and parochial schools throughout this Nation by our local camps. And this year in all of the States except 2 or 3 our head camps—the State organizations—are presenting flags and beautiful flagpoles to the city, or library association, or to some worthy organization. For instance, on yesterday we presented the flag and staff to the Boys Club at Macon, Ga.

We organized a program honoring the scoutmasters of Boy Scout troops and cub packs with public programs honoring these young men and the girls who give their time to the Girl Scout movement, with the presentation of such awards as compasses. The awarding of medals to boys and girls in elementary and high schools, who are most proficient in American history, has been one of the important projects of the fraternity in action program.

Then we come to the contributions made by the national service fund of the society, through its local camps, to the cancer, arthritis, and infantile paralysis funds, and such great organizations as the American Red Cross; the establishment and maintenance of parks and playgrounds, the election of drinking fountains, the giving of school auditorium seats, kitchen equipment for community houses, books for the school library, basketball and other athletic equipment, athletic trophies, and chairs for American Legion halls. These are some of the miscellaneous items of the great program.

We come for a moment now to do a thing which illustrates another project of fraternity in action; to keep alive the memory of America's great men. Our largest camp, at Omaha, Nebr., recently put a bronze plaque to mark the site of the first house or residence ever built in the home city of our society. Gov. Harris Flanagan, of the State of Arkansas, was similarly honored. We went out and placed a memorial to mark the home of the great commoner, William Jennings Bryan, who gave his property to a church,

and on it today stands one of the great hospitals of America. We similarly honored August H. Garland, Attorney General in the Cabinet of Grover Cleveland; Mark W. Izard, the second Territorial Governor of Nebraska; Nathaniel Massey, the founder of Chillicothe, Ohio; Andrew Johnson, the seventeenth President of the United States; Richard Pearis, first white settler of Greenville County, S. C.; Uncle Joe Cannon, for many years Speaker of the House of Representatives, born in North Carolina near the city of Greensboro; Pvt. John Allen, the noted Congressman, of Tupelo, Miss.; the great evangelist, Sam Jones; and our own immortal Morris Sheppard, dean of the Congress when he passed away, and for 43 years the national treasurer of this society.

Two others in preparation at the present time are to commemorate the author of Suwannee River, Stephen Foster, at Live Oak, Fla., and the great family of the Bankheads in the State of Alabama.

These are symbols of the great program of fraternity in action of the Woodmen of the World.

Today, my friends, we present a plaque and dedicate it to the tenth President of the United States. Speakers are here to tell us about that great man. It is my pleasure, on behalf of the head camp of the jurisdiction of Virginia, to present for them to you people of the Commonwealth of Virginia this memorial to the great American, John Tyler, and ask that his great grandchildren, Anne S. and George K. Tyler, now unveil the plaque. Thank you.

Mr. SMITHER. The grandchildren of John Tyler are kneeling behind the plaque, and they have pulled the white curtains from the plaque sitting planted here on the ground. [The assembly applauds.]

I have the honor to present His Excellency, William M. Tuck, Governor of Virginia, who will accept this plaque on behalf of the Commonwealth. Governor Tuck.

Governor TUCK. Fellow sovereigns of the Society of the Woodmen of the World, ladies and gentlemen, the place of our tenth President in history has been neglected and even at times misrepresented. Certainly his stature as a man and a public servant of the very highest principles deserves to be recognized and glorified.

President John Tyler revered those fundamental principles upon which the Nation was founded and which guided it through the difficult years of its formative history. His character embodied the strongest qualities of courage and determination. He was never one to compromise with principle. Many episodes in his career demonstrated a strict adherence to principle and an unwavering loyalty and devotion to duty which have been unsurpassed by any American of his or any other generation; his actions were without regard to what effect they may have had on his personal and political fortunes.

John Tyler did not hesitate to voluntarily relinquish the high office of United States Senator when a resolutions of instructions from the General Assembly of Virginia as to his vote ran contrary to his convictions and his sense of public duty. In recording his decision, he wrote these memorable lines: "I shall carry with me into retirement the principles which I brought with me into public life, and by the surrender of the high station to which I was called by the voice of the people of Virginia, I shall set an example to my children which shall teach them to regard as nothing place and office, when either is to be attained or held at the sacrifice of honor."

No man ever stated the case for principle and public duty in a more forthright manner.

President Tyler served in the Congress, in the office of Governor of the Commonwealth, and in the Senate of the United States. In these and every other position of trust he labored faithfully and steadfastly for the common weal and in accordance with his conscientious convictions.

No matter how capable and desirous an individual may be to serve faithfully and well in public position, if he is to succeed, it is indispensable that he have the courage and the fortitude to make and execute his decisions with a firm hand and a resolute will.

Too many of our public men of the present generation are more concerned with their tenure of office than the type of service they render. They possess none of the qualities of statesmanship characteristic of our early Americans. In comparison with them, if this trend continues unabated, our leadership soon may be reduced to mere manikins, shaped from the wasted fiber of our Nation's progenitors. While such men may be colorful and gaudy in their new freshness, their qualities may be likened to some of our modern clothes which cannot stand the wear and tear and strain of continuous use and soon become faded and threadbare. America is in desperate need of being shielded and delivered from such men.

Our national welfare demands towering leaders who will stand firm as the rugged oak. John Tyler was such a man in an age noted for the strength of character of its leaders. He is entitled to and no doubt is accorded in the heart of every patriotic Virginian a place high in that galaxy of American statesmen contributed by the proud Commonwealth of Virginia, the mother of States and of statesmen.

In behalf of the Commonwealth of Virginia, I accept this monument, a manifestation of the patriotism of the officers and members of the donor, the head camp jurisdiction of Virginia, of the Society of the Woodmen of the World.

Mr. SMITHER. Thank you, Governor Tuck. I am now privileged to present the Honorable W. Sterling King, mayor of Richmond, who will accept this plaque on behalf of the city of Richmond. Mr. King.

Mr. KING. Thank you, Mr. Chairman, your Excellency Governor Tuck, Senator BYRD, distinguished guests, ladies, and gentlemen, I had the pleasure of addressing this group of men this morning on the opening of their meeting, and I took occasion to say to them something that I want the residents and citizens of Virginia to hear. In Richmond we are prvileged to have many guests and visitors because we have hallowed and historic grounds in this city. The fact that we are standing in the shadow of the capitol of Virginia at this time perhaps brings many, many guests and visitors to this city. I think they all enjoy it thoroughly, but there are far too few occasions when these people will leave something to contribute to the city to be remembered after they leave. This ground on which we are standing today does not belong to the city of Richmond, and I might even say it hardly even belongs to the State of Virginia. It belongs to America, because no ground as hallowed as this could belong really to any group of citizens, and I hope that the occasion this afternoon may be emulated by others.

To me it seems to be the very genius of citizenship when people will give something to the community in which they live rather than to continually be striving to take something away. And to you Woodmen of the World, I want to say that you have presented a most gratifying occasion to me as mayor of the city of Richmond to accept this plaque on behalf of the city and to express my gratitude for the citizens of this city for enriching our traditions and our history by giving this permanent evidence to a great man who contributed to his country far beyond the call of duty. I thank you gentlemen for making this occasion possible, and I promise you that this marker will be cherished by our citizens and pointed out with pride to the many visitors that we have in this historic city. I thank you gentlemen for coming here and for this act of courtesy, and express my gratitude for our citizens. I thank you.

Mr. SMITHER. Thank you, Mayor King. I have the pleasure to present the Honorable D. Gardner Tyler, grandson of former President Tyler, who will accept this plaque on behalf of the Tyler family. Mr. Tyler.

Mr. TYLER. It is quite appropriate for us to pause here today to do homage to John Tyler, who was at one time Virginia legislator, Member of Congress, United States Senator, member of the congress of the Confederate States, Governor of Virginia, Vice President, and President of the United States. His long and distinguished public career manifested that he need abandoned principle for political expediency. At this time in Virginia we are indeed fortunate to have the beloved and distinguished HARRY F. BYRD as our senior Senator, and the courageous, able, and resourceful William Munford Tuck as our Governor, both of whom (like John Tyler) have always fought for the best interests of the people of Virginia, regardless of popular notions to the contrary.

The Society of the Woodmen of the World has graciously seen fit to honor our great ancestor by erecting this plaque in historic Capitol Square, Richmond, Va. It is a privilege for me to express our appreciation, and it is with distinct pleasure that I accept the plaque on behalf of the descendants of John Tyler, Tenth President of the United States.

Address by Hon. Harry Flood Byrd, of Virginia, on Occasion of Dedication of Plaque to John Tyler at Richmond, Va.

EXTENSION OF REMARKS

OF

HON. HARRY FLOOD BYRD

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mr. BYRD. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a speech made by me, at the invitation of the Woodmen of the World on the occasion of the dedication of a plaque on the capitol grounds of Virginia to John Tyler, the tenth President of the United States.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. SMITHER. Thank you, Mr. Tyler. I am gratified indeed that I am privileged to present the Honorable HARRY F. BYRD, our senior United States Senator, who while in the midst of pressing business in our Nation's Capital, graviously consented to address us on this occasion. Senator BYRD.

ADDRESS BY HON. HARRY F. BYRD, UNITED STATES SENATOR FROM VIRGINIA

Few men in American political history have been more maligned than John Tyler. Yet, in 1949—against the background of provocative situations of the present and recent past—to review his life and works, and the times in which he lived, is to be more than ever impressed with the greatness of the man who came out of nearby Charles City County, through State and National legislation and the governorship of Virginia, to become the tenth President of the United States.

It is a wonderful thing which is being done here today by the head camp convention of the Woodmen of the World. For it is only natural that these ceremonies unveiling a plaque to a man who died before this great fraternity was founded will cause many to search out for themselves the reasons for this tribute. And, under the stimulation of this occasion, the search of those interested surely will lead them straight to the kernel of the reasons where they will find Tyler's granite-like principles and his impregnable faith in Jeffersonian fundamentals.

To President Farrar Newberry, head consul E. L. Smither, Jr., and Chairman T. G. Smoak, we are deeply indebted for this opportunity, here at the capitol of Virginia, to rededicate ourselves, in these turbulent times, to those principles and fundamentals which John Tyler learned at the knee of his father who was an intimate friend of Thomas Jefferson and a man of strong convictions.

As a suggestion to those who would take the time to do justice to John Tyler by studying his record and the circumstances under which it was made, it may be said that no biography in American politics is more interesting or more revealing of an indelible era in our national history. He was a steadfast leader in unstable times who has withstood unkind—and sometimes grossly unfair—treatment by many of his contemporaries, some historians, and some biographers. His story will be even more interesting to those who think they detect some similarities in the times—then and now.

They will find that Tyler lived and worked in a period when our Nation was in the throes of profound change—even as it is today. And they will find marked evidence of the friction generated by the clashes of his principles and fundamentals with the impatience and intolerance which invariably characterize the more publicized incidents in an era of change.

They will find an historical example of a State and National figure—a man born to honorable behavior, high principles, and deep fundamentals—who was caught in the tensions of a cold war—even as we are involved in one now. But the impact upon the fine qualities of Tyler was probably more resounding than it would be upon one of comparable character in our time, because the cold strife then was being waged within the confines of our own land. Proximity made tempers short. The attending controversies invaded families and rifts severed strong bonds of close friendship and fraternity.

Aside from such similarities between the 1840's and the 1940's as may exist, those who would do justice to Tyler will recognize that political parties in his time were almost as changeable as the times themselves. They will be aware that party tenets were not founded in traditions arising from tried and proved policies.

And they will recognize also that the Nation itself, even if it were not so terribly torn by its own sectional strife, had not attained the stability of maturity.

This is by no means an adequate description of either the Tyler characteristics or the circumstances under which he labored, but perhaps it may dispel some of the misrepresentation concerning him and clear away some of the confusion of his complex times.

It is our hope that these ceremonies—in a measure—will promote better understanding and more tolerance of conscientious adherence to principles and fundamentals in periods of emotional demands. Perhaps it will help demonstrate the wisdom of tediously testing the vehicles of transition with the requirements of tradition. If we can do that, then, in our time, John Tyler will have made another contribution to the lasting good of his country.

While the minds of some of our people may be prejudiced by the vitriolic writing of his day, it must be said in fairness that not all the historians and biographers have been critical. Several recent works on his life are to the contrary. The eminent Claude G. Bowers is author of the statement that "Tyler loved Virginia, but no man loved the Union more truly."

How accurate this statement is may be seen from a quick résumé of Tyler's life and public service. It included service at three different times in the Virginia Legislature, speakership of the house of delegates, membership on the powerful council of State, governorship of Virginia, membership in the United States House of Representatives and the United States Senate, membership in a State constitutional convention, election as Vice President of the United States, service as President of the United States, membership in the convention of border States, membership in the Provisional Confederate Congress, and election to the Confederate House of Delegates.

He was born the son of John Tyler, Sr., who, himself, was Governor of Virginia, a judge of State and Federal courts, a member and speaker of the house of delegates and, as previously mentioned, an intimate friend of Thomas Jefferson.

Born to such parentage, Tyler was steeped in American statecraft. Public service came naturally to him. And, it is no wonder that in the 72 years of his life John Tyler made a public record seldom equaled in the history of this Nation. He was graduated from his beloved college of William and Mary at the age of 17, and before reaching his majority he engaged in an exceptionally profitable practice of law here in Richmond.

When we fill in this sketch of Tyler's life we get a vivid picture of one of the most complex political periods in our history. The country was expanding across the continent. The slavery issue was rising to war proportions. Political giants like Clay and Calhoun in Congress were virtually at each other's throat over the tariff and other issues. The Nation's fiscal system was forced to the forefront of politics by President Andrew Jackson in the so-called bank issue, and Jackson, himself, was no balm on the times. International affairs—some of them dating back to the Republic's infancy—had been allowed to drag out to a danger point.

These were some of the elements of national politics which filled the career and influenced the actions of John Tyler who was born a Jeffersonian Democrat—or a Republican as they were known then. In him was bred the principle of States' rights. In his environment strict construction of the Constitution was fundamental. A stern father taught him to guard his principles and the Nation's fundamentals with his honor.

Most of the criticism heaped upon him was drawn by the conflict of these characteristics of the man with the issues of his times. But history fails Tyler, as it fails many others, by its lack of emphasis upon his many constructive contributions which precipitated no political storms.

If there are those today who doubt that progress is consistent with Jeffersonian Democracy, let them look to the State and national record of Tyler and give it a twentieth century application.

Both in the State legislature and as Governor, his record was progressive indeed—while adhering to States' rights and strict construction. He was one of the earlier—and effective—advocates of stripping away the sectionalism which impeded the progress of Virginia. He implemented this advocacy with a State-wide program of public improvements, and he worked prodigiously for a full and free system of public schools. Actually, he was impelled even more in these programs by his unqualified belief in States' rights and the State responsibilities which went with them.

In Congress, Tyler's rigid conformance to fundamentals and to his principles drew him into numerous difficult situations, but in the Senate he revealed a new attribute—and ability to conciliate. He was credited with bringing about the tariff compromise of 1833 which broke the long deadlock between Clay and Calhoun and fixed the Nation's tariff policy for many years.

The distance of his perception is evident from his attitude in the Missouri Compromise debates. Future implications were his principal concern. He foresaw the War Between the States, and anticipated the Dred Scott decision by 37 years. Some believe the slavery question could have been settled without war, if the South had embraced his early congressional position.

It is interesting—if not vital to the story—to note that he opposed a congressional pay raise despite the personal sacrifice required of him while in public office. And perhaps it should be noted also that he voted consistently against increasing Federal taxes.

In summary of his record in Congress—he was a moderate on the tariff issue, favoring tariff for revenue, but not for protection and, as such, he probably rendered his most valuable legislative service. He was a consistent opponent of slave trade and wished for its end through action by the States and, as chairman of the District of Columbia Committee, he implemented this principle, by writing abolition of slave trade and sale into the law for the Nation's Capital. He opposed the United States bank on constitutional grounds and to the extent of his convictions he supported Jackson on this question.

In 1840 the Whigs nominated William Henry Harrison of Ohio for President and John Tyler of Virginia as Vice President, and both were natives of Charles City County, Va. Harrison had become a general, and his popularity was due to some extent to his military successes. Tyler was chosen in favor of the southern supporters of the party.

Harrison died a month after his inauguration, and Tyler became the first Vice President to succeed to the office of President through vacancy. He set the precedent for Vice Presidents assuming the Presidency in their own right, rather than merely presiding as an acting President. And, despite almost insurmountable political handicaps, his critics to the contrary, he made a brilliant record as a Chief Executive for his one-term administration.

He met domestic issues with exceptional ability. Some of his more constructive achievements in this field included reorganization of the Navy with development of the National Observatory, and testing Federal use of the magnetic telegraph with a variety of possibilities such as the development of the Weather Bureau. His vetoes destroyed the United States Bank monopoly for all time, but a highly partisan Congress denied him the substitute he proposed. The result left him with only makeshift fiscal machinery, but he operated the Government without loss or fraud, curtailed the debt, and reduced Federal spending by 25 percent.

There had been 7 years of fighting in the Seminole war. With his tact and dispatch, Tyler finished it in a few months. He dissipated the so-called Dorr Rebellion by smiting it with a firm attitude.

The high mark of his administration probably was in foreign affairs, for it was under Tyler's guidance that the Washington Treaty of 1842 was negotiated. With this he settled numerous potentially dangerous controversies between this country and Great Britain. Some of them had been subjects of dispute for years. Among other agreements

reached under the treaty were those concerning the northeastern boundary which had come down unsolved through six administrations. Others included the right of search claimed by the British under the pretext of suppressing slave trade, and the sanctity of territory and protection of the flag involved in the cases of the *Caroline* and *Creole*. Many believe that, without this treaty, another war with England would have been a certainty. Its successful negotiation, on the other hand, probably sealed the bond between the two English-speaking nations which was to make them victorious allies in two great world wars against the freedoms of democracy.

Tyler's invocation of the Monroe Doctrine when the British seized the Hawaiian Islands in 1842 extended American influence into the Pacific, and beyond these islands he opened the doors of China to the United States by the treaty of 1844.

He fought tenaciously for the annexation of Texas, and, despite British, French, and Mexican intrigues, and considerable political opposition in the United States, he virtually brought this great State into the Union before the expiration of his administration.

These were the remarkable achievements of a President who was said to be without a party. They were wrought while his image was being burned in effigy, while he was being scorned by those who once claimed his friendship, while he was absorbing the most carping criticism ever piled upon a Chief Magistrate of this Nation.

The hotbloods of two political parties called him traitor. The partisan press lashed him unmercifully. A whole Cabinet—save one—walked out on him while he was President. He was threatened with impeachment. Even people in his own county turned upon him.

Patriotic citizens of our time have a right to ask why such malediction was heaped upon a man of admitted personal charm, obvious intellect, and documented achievement. By the same token, justice to a President of the United States requires us to make our own estimate of his greatness, based upon an unbiased study of his life, his acts, and his times.

Briefly, the excitement of sparks flying from the brakes of strong will, high principles, and deeply rooted fundamentals applied to the impulsiveness, impatience, and political ambition in an era of profound changes magnified the controversies and hid the achievements. The moral is that we should recognize similar situations when we see them again.

Actually, Tyler—although agreeing with Jackson on many issues—did break with the head of his party in the more extreme nationalistic aspects of the General's administration, such as his force act crackdown on South Carolina which violated Tyler's States' rights principles. And, although agreeing with Jackson on the unconstitutionality of the United States bank, he also opposed the sudden withdrawal of Federal funds as a detriment to business. And, indeed, he opposed some of Jackson's appointments. The result was that he found himself outside the Jackson party.

The Whigs were such a conglomerate group they couldn't even adopt a platform. They nominated Tyler, who at the time was unaffiliated, for his States' rights background. They knew what he stood for, because there is no reason to underrate the Virginian's political prominence. And, as President, it was inevitable that his convictions, principles, and his adherence to fundamentals should clash with the multi-hued political complexion of the tariff men and antitariff men, the States' rights men and nationalist men, the bank men and the antibank men, etc., of whom the Whig Party consisted. And it should be noted that not all of these men were without high political ambition; that many of them were noted for their cunning; some were among the political towers of their time. Perhaps the press has never been more biased in political harangue. Tempers were short. Issues were at white heat. Tongues were sharp. Under such conditions justice to a man of unbending principles and fundamentals could not be expected.

But, at the end of his administration, on a pledge from his old associates in the Democratic Party to bring Texas safely into the Union, Tyler renounced his own nomination for reelection in favor of James K. Polk and led a great many of his followers back to their original political affiliation.

It is to his final glory that ex-President Tyler exerted himself in his declining years to the preservation of the Union which he loved, but when the break came he followed his lifelong principle that he owed allegiance to the Union because he owed allegiance to his State which by its own choice had become a part of the Union.

He lived to see much of the malice toward him mellow, and his old friends were friendly again. What we have to erase today is the injustice which was written about him to prejudice posterity.

For those who respect their fellowmen for their will to have principles—and to cherish and defend them—no greater tribute can be paid to John Tyler than to quote from his own letter of resignation from the United States Senate, which was forced upon him by his adversaries. In that letter he said: "I shall carry with me into retirement the principles which I brought with me into public office, and by the surrender of the high station to which I was called by the voice of the people of Virginia, I shall set an example to my children which shall teach them to regard as nothing, place and office when either is to be attained or held at the sacrifice of honor."

Descendants of John Tyler are in this audience today, and I salute them. We in Virginia know that they are carrying forward the Tyler tradition of good citizenship and fine public service. In many instances the deeds of the present Tyler generation are to be found recorded in high places throughout the State. And they will be grateful for the service in justice which is being done this day for their illustrious ancestor.

Mr. SMITHER. Thank you, Senator BYRD. Let me, on behalf of Virginia Woodmen, express our grateful appreciation to those who appeared on this program; our speakers; the Thomas Jefferson High School band, directed by Mr. Frank G. Wendt; the John Marshall High School band, directed by Mr. W. Donald Berky; and to Mr. T. G. Smoak, chairman of arrangements; and his committee; and to the radio stations WRNL, WLEE, WRVA, and WMBG; and to C. G. Lamb, our parade major; and to all others who have contributed so unselfishly of their time and talents for this occasion.

Ladies and gentlemen, our national anthem, played by the John Marshall High School band.

National anthem.

Address by Hon. Hubert H. Humphrey, of Minnesota, Before National Conference on Citizenship

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EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD the address delivered by me before the National Conference on Citizenship, at New York City on May 16, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Lycurgus once said that "Citizens are the best walls of a free city." It is strange how true the words of this great Spartan lawmaker of the ninth century B. C. are today. Today we live in a world which has no physical barriers. It is a world which can be traversed in a matter of hours. National boundaries are no longer safe. National interest is no longer secure. In a world such as this, where physical weapons no longer have any meaning, the only dynamic yet constant force upon which a nation can rely is its citizenship.

Yet this thing which we call citizenship is capable of many qualities. Citizenship can be a prison, or it can be a portal. It can enslave man in his loyalty to a totalitarian state, or it can free man through a realization that government and loyalty to a democratic ideal can provide for him the opportunity for individual growth and the expression of individual personality.

The state is an invention of man. It has neither intellect nor conscience nor morals. Yet our world is characterized in the minds of many by a conflict of states one with another. Why this conflict? It is sensible that man should allow his own invention, the state, to destroy him and his possessions in conflict? Is it sensible that many should allow a doctrine of citizenship to lead him and his civilization down the road to chaos and to the destruction of that civilization?

It must be, then, that the conflict the world faces is not a conflict between states. It must be then that this conflict has another interpretation. The interpretation I suggest is that the conflict is not one between states, but rather is one between ideals and ideologists. The state, as an invention of man with no intellect, conscience, or morals, is an inanimate machine. As such, therefore, it relies upon fuel provided for it by the loyalties of citizenship to give it strength, purpose, and direction.

With this perspective, we can better understand the differences between the ideology of democracy and the ideology of totalitarianism. The democratic state is one which is mastered by man; a totalitarian state is one which is master of man. The struggle our world faces is a struggle between both ideologies.

The forces of totalitarianism which we face are not quiet. The very nature of their principles calls for agitation, activity, and fanatic dedication. Their philosophy is not an attractive one. Man does not willingly submit himself to mastery by a machine of his own creation. Yet the bitter lesson we have learned is that those of us who believe in democracy cannot remain passive in the confidence that totalitarianism has no future because man desires freedom. Man desires freedom, but man also desires security. Self-government is not a luxury on which men may grow fat and indulgent. Rather it is an instrument by which men can, if they have the wisdom, safeguard their individual freedom and employ that freedom in the pursuit of happiness. It is true that democracy cannot be defeated in the theoretical struggle of ideologies, but democracy can be defeated by default. Democracy can lose if those of us who believe in it remain indifferent and neglect our personal responsibility for its security and growth. The strength of totalitarianism lies in the indifference of its people. Democratic self-government tries its people with a stronger challenge than any other system in the world. Scorning the brutal coercion of totalitarian states, it asks justice and brotherhood of its people; it asks that they cooperate well and voluntarily

for their common welfare in order that each may benefit equitably according to his merits.

Democracy is an easy ideology to take for granted. We seldom consider its basic principles in a critical light, in order to formulate our reasons for upholding it. It is a tragic fact that American youth which went abroad in the war to save democracy was totally unprepared to spread its message of democracy. General Bradley, in a recent article, said that throughout Europe, wherever our armies were stationed, the people of Europe were bewildered by our American soldiers who appeared indifferent to the political and philosophical origins and nature of our democracy. Unhappily, when driven into a corner intellectually, our soldiers were forced to fall back on American wage scales, automobiles, our refrigerators, and eventually and triumphantly on the American bathroom for their defense. Here then is the danger signal. Here then is an indictment of the indifference which has led our Nation to permit this vacuum to remain.

Our democracy is much like a tall stand of timber. We cannot cut from it more than we plant in it without imperiling its survival, and forests like gardens cannot be bought. They must be cultivated by toil and nourished by the sweat of those who would keep them. We quickly forget that if freedom is to flourish, our society must reexamine its principles of education and rededicate itself to the conviction that education is that strength for freedom of democracy. It must take strength from the understanding that an educated people is easy to govern, difficult to lead, impossible to enslave. Only the educated man is a freeman.

In 1945 your distinguished organization, the National Educational Association, issued a statement which said:

"Citizenship implies the effective use at every level from childhood through adulthood of the rights and responsibilities of democracy. It is based upon clear understanding and purposeful skilled action in attaining democratic goals. It is based on faith in the power of people to work together toward the solution of common problems. Democracy seeks to provide increasingly equal opportunity for all, regardless of race, creed, national origin, or social and economic status."

Education as a major social institution is the medium through which citizenship can be translated into loyalty to democratic ideals. Education for democratic citizenship means the practice of democracy. Education for democratic citizenship in the school means democratic practices in the school. Education for democratic citizenship in the community means democratic practices in the community, in the homes, churches, businesses, industries, labor organizations, community agencies, patriotic and service groups. It means direct participation in social and civic affairs. It means the training of young citizens with service responsibility in running for office, voting, jury duty, and the study of our institutions. Education for democratic citizenship means the development of knowledge and the understanding for increased participation in local, State, national, and world affairs. If America and democracy are to come of age, it means that we must expand our concept of the school to include not merely the formal periods of classroom instruction but also the training of the whole man, the whole individual. It means that our schools must be directly tuned to the need for vocational guidance and aptitude. It means that our schools must relate themselves to the need for psychiatric assistance even on the school level. It means that our schools must indeed be laboratories for democracy.

A generation ago Americans had a philosophy of personal and public life which said, "Take care of number one." This idea was very simple. If everyone devoted himself to his own success, if everyone took care of number one, then obviously the sum total of the success of all numbers would be prosperity and happiness for all people. This would bring an end to poverty not only in the United States but everywhere else in the world.

How wrong we were. We were wrong and that philosophy was doomed to failure because it ran counter to moral law in its glorification of selfishness; its failure was foretold by the teachings of the Bible. That philosophy is wrong because it ran counter to the democratic principles of human brotherhood, to the declaration that all men are created equal. It was wrong because it ran counter to the true nature of Americanism and American democracy. It was our country which was the first to present to the modern world a coherent political faith based upon the dignity of the individual, the equality and fraternity of mankind. We were the first to pattern a structure of government and to form a society which denied selfishness as a pattern for behaviour, and which emphasized democracy and human solidarity. This ideology was more powerful than the arms of conquest. This ideology upset thrones in Europe and convulsed a continent. It is now convulsing another. This ideology put into the hearts and breasts of Colonial people, the underprivileged, and the subjected, a consuming desire for liberty, a desire which today is emphasized by such rebellions as those in Indo-China and Indonesia, and in the fact of India's freedom. We never moved a battalion or a regiment, in the eighteenth or nineteenth century, yet the idea of the Declaration of Independence produced the doctrine of the rights of man, the equality of man, and broke the back of oppression and the power of kings.

For a period we in the United States have forgotten the basic roots from which this democratic idea has come. We forgot that to take care of "No. 1" is a principle which runs counter to the principle of human brotherhood and of mutual obligation one to another, which is the basis of democracy.

We forgot and thus we failed. Proof of that failure was the frustrating depression followed by a terrible war.

Part of our neglect was translated into an indifference to political life. Why bother with veterans' hospitals, or Government research laboratories, or public administration, or public works, or Government-paid education?

Yet when depression and war came, the whole science of self-government, the whole process of government which had seemed so irrelevant and so inconsequential to us who thought we had found the golden way, became suddenly the center of our greatest concern. Many of our leading citizens who had never before given a thought to Government except as a minor irritant, volunteered or were forced to give up their business to devote themselves entirely to government in order to pull us out of economic havoc and later in order to win a war.

Let us not repeat the errors of our generation. Instead of "take care of No. 1," I propose this phrase: "Take care of all." Take care of human brotherhood; take care of democracy; take care of self-government.

By that I suggest that our young men and young women be trained to qualify to spend a part of their lives in some form of public service. I suggest that the youth of our Nation be educated so that they can be qualified to set aside a number of years voluntarily for service in legislative or executive branches in our local or National Government, for service in our engineering, medical, administrative, social, educational or foreign services of our Government. I am proposing that out of the best and most productive years of each man's life he carves a segment in which he puts his private career aside to serve a community and his country and thereby his fellow men and the cause of democracy and freedom. I am proposing that throughout his life each citizen dedicate himself to active political participation. Aristotle once said that the truest definition of a complete citizen that can be given is probably this: that he shares in the judicial and executive part of the Government.

We face a crisis. This crisis is not one which military forces alone can conquer, that military forces alone can protect us from. Nor is our crisis of brief duration. Our crisis calls not only for steadfastness and faith but for great skill in self-government. We must summon all of our talents for citizenship, for self-government, for public service.

I am not urging that everyone pursue public service in some form as a life career. Not at all. What I do urge is citizen participation in politics. Only this way can democratic institutions continue to prosper and flourish.

I have stated above that citizenship can be a prison or a portal. Citizenship can confine a man within the narrow limits of the customs and traditions of his own community, or it can make him an active, productive, and responsible part of a political entity much larger than the community with which he has physical contact.

In the Middle Ages, the obligations of citizenship controlled a man's relationship to the city in which he lived. By collaborating with a man from a neighboring city he could be in violation of his citizenship obligations and thus be guilty of treason.

As modern society grew more complex, and as means of communication and transportation cut distances and eliminated frontiers, the concept of citizenship and responsibilities of citizenship has grown and developed. When the American Colonies federated themselves and formed a United States, citizens of several States expanded their loyalties to include the new federation. A Virginian was no less a Virginian when he became an American.

Today our concept of citizenship is further expanded. It is further expanded because of our realization that democratic citizenship is a loyalty to an ideal and not just to a State. Democratic citizenship is a dedication to the democratic ideal, to the ideal of human rights, civil rights, freedom from insecurity for all people.

Out of every bitter experience of history, out of every tragedy, man learns in his sorrow. Out of the sacrifice of two world wars we again come back to the immortal idea of the oneness of man, of his essential unity. It was out of this conviction and out of the recognition of this eternal truth that man, with all of his limitations, his prejudices and his inabilities, created the United Nations. The United States of America is dedicated to the United Nations. The world is moving closer to one, becoming a true United Nations. It seems likely that within the next few weeks the Senate will give force to the Atlantic Treaty which by implication throws our lot in with the fortunes of the nations of Europe. And while discussion of the Atlantic Treaty is dominating our press and air waves there is even now a most serious and specific discussion of European federation—of the political and economic federation of Western Europe.

Overshadowing and running through the discussions of Europe federation, alliances and plans for internationalism, there is a rapidly increasing volume of discussion about something called world citizenship and world government. The idea of world citizenship is beginning to take form in the minds of men everywhere. The people of the world are coming to realize that they are one, that their interests are one, that our law must be one. The people of the world are coming to realize and must come to realize that if we

want a society free of the agonies of war and preparation for war, free of devastation and the fear of tomorrow, then they must accept the principle that every American, every Russian, every Indonesian, every South African, is in a real though limited sense a citizen of the world, and hence should be subject to a world law.

Democratic citizenship means a realization that democracy is not a fixed, a static, and an unchanging stereotype, but that it is a vital, dynamic, and constantly growing force. Democratic citizenship must mean concern with the community and as our community has grown to encompass the world, so must the concept of democratic citizenship grow to encompass the world.

The idea of a world order and the United Nations is now new. It has its own immortality. Mankind from the very beginning has sought a society in which he can live in peace and security. The United Nations is a summarized expression of the desire of mankind to live in a world of law and order. American participation in the United Nations is proof of the fact that America is ready to accept its world obligations and that American citizens are ready to accept their new responsibilities as world citizens, because world law is the only ultimate hope for the survival of our ideal, and because Americans understand that democracy is an objective as a world of free and equal men who will, in their freedom, create and secure a just and enduring society.

The Basing-Point System and Blackjack Methods of Competition in Steel—Giants of Steel Industry Earnings Unmasked—Basing-Point System Retarded Regional Development—Small Business Cannot Grow and Prosper Under Basing-Point System—Moratorium on Antitrust Laws Would Be a Major Disaster to Our Economy

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EXTENSION OF REMARKS
OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1949

Mr. PATMAN. Mr. Speaker, different opponents of the basing-point pricing system have different reasons for opposing the system. Our eminent legal advisors oppose the basing-point system on the very sound ground that the system is monopolistic in nature. In fact, through its use monopolies have been created in the cement, steel, and other industries. Government officials, Federal, State, municipal, and others oppose the basing-point system for the reason that it destroys competition as between supplies of basic commodities. Wholesale and retail dealers oppose the basing-point system for the reason that they are subjected to rigorous price control, and little or no profit on basic construction items, which they must necessarily carry in stock as a convenience for their customers if for no other reason. General contractors; heavy, highway and building, oppose the basing-point system because the prices are often rigged for big jobs and they too, like dealers and Government officials, are unable to obtain competitive prices on cement, steel, pipe of all kinds, and many other construction materials, which in the past have been sold under the basing-point system. The taxpayer opposes the basing-point system because many of his tax dollars are paid to monopolies for products used in public improvements, bought at a much higher price than such products could have been bought had the basing-point system not been in operation. Practical and experienced economists oppose the basing-point system because it violates all the rules of the free enterprise system and is a burden on the economy of our country. Small business opposes the basing-point system because the small businessman is aware of the prohibitive effects upon his right to buy and sell in open markets and to realize upon his initiative and ability in the field of trade and commerce. The courts had decreed that the basing-point system does all of these things and more, and that the system as it was applied in the cement industry was a collusive practice in which the defendants "cooperated in carrying out the objectives of the basing-point delivered price system." The Supreme Court further said in the Cement case:

> We sustain the Commission's holding that concerted maintenance of the basing-point delivered-price system is an unfair method of competition prohibited by the Federal Trade Commission Act. In so doing we give great weight to the Commission's conclusion, as this Court has done in other cases.

The passage of any legislation, which even remotely would place the approval of Congress on unfair trade practices and subvert our antitrust laws, places a club in the hands of monopoly that will long be used to beat down small-business enterprise. Congress has long taken the position that combinations in the restraint of trade are dangerous to the well-being of small-business enterprise. The passage of any moratorium bill I sincerely believe will encourage the disregard and subversive attitude now held by great corporations toward our antitrust and fair-trade-practice laws. We cannot honestly speak of free enterprise, free markets, and free trade in one breath and in another speak of a moratorium upon our antitrust laws. We must necessarily take a firm position on one side or the other. Either we intend to strengthen and support our antitrust laws or we do not. It is as simple as that. We cannot in good faith ourselves strike down that which we have built up in good faith for the protection of our economy. There is no doubt that passage of moratorium legislation will strike a blow at our antitrust and fair-trade-practice laws which will require years of fighting to recover the lost ground if we ever recover it.

BASING-POINT SYSTEM CONTROLLED MANY COMMODITIES

Of course, cement is only one of the many commodities which has been sold under the basing-point system of pricing. Steel and steel products were in fact the first of our basic commodities sold under this system. Among the many steel products was rigid steel conduit, used as a safety device for enclosing conductors of electricity in our buildings and homes. The rigid steel conduit industry used the basing-point system to perfection even to the extent of controlling the wholesale outlets for its product, and so on through to the retail electric goods store and the electric contractor. The Supreme Court recently affirmed the decision of the Seventh Circuit Court of Appeals in the Rigid Steel Conduit case, which was handed down by the court of appeals on May 12, 1948, and a petition for a rehearing denied on June 19, 1948. The court said in part:

> The record clearly establishes the fact that conduit manufacturers controlling 93 percent of the industry use a system under which they quote only delivered prices, which are determined in accordance with a formula consisting of a base price at Pittsburgh or Chicago plus rail freight, depending upon which basing-point price controls at any particular destination or in any particular section of the United States; that as a result of using that formula the conduit producers were enabled to match their delivered-price quotations, and purchasers everywhere were unable to find price advantages anywhere.

Please note the words of the court that "purchasers everywhere were unable to find price advantages anywhere." In other words, by the use of the basing-point pricing system a monopoly was created which effectively and drastically eliminated all competition from the industry. The court further said:

> That purchasers at or near a place of production could not buy more cheaply than from producers located at great distances, and producers located at great distances from any given purchaser quoted as low a delivered price as that quoted by the nearest producer.

BASING-POINT BIDS TO PANAMA CANAL CONFIRM SOUNDNESS OF FEDERAL TRADE COMMISSION'S POSITION

It is well at times to reiterate for the purpose of emphasis. The whole story of the rigid steel conduit industry, its unfair trade practices, its monopolistic control over vital construction material nor its unwarranted and high-handed methods of operation can all be told in one paragraph or one article. But, it was all told by the Federal Trade Commission to the Seventh Circuit Court of Appeals and on the basis of the whole story the system was overthrown by the Court of Appeals and its decision was affirmed by the Supreme Court.

Several years ago bids on rigid steel conduit in relatively small quantitites were received by officials of the Panama Canal. One of the bidders, the Laclede Tube Co., filed a low bid which was thrown out as not being strictly in accordance to specifications. This bid, as set forth on the table which will follow under project I, resulted in the award of this project by lot.

On the second project, listed on the table as project II, there were 29 bidders with three deviating from absolute identity. One of these, Steel Tubes, Inc., was $160 higher; one bidder, Louis Electric Co., was $800 higher; and the third among the deviators was S. Weinstein Supply Co., which was $379.05 less than the basing-point system price offered by the 26 other bidders.

On project III listed on the table there were 16 bidders, of which eight bid identical prices of $687 for the lot. The other eight bids were lower than this amount. Of these low bidders the differences in prices range from 20 cents to $49 under the eight identical bids of $687. The 20-cent under bid was by General Electric Supply Corp., a subsidiary of the General Electric Co. The Panama Canal table follows:

Table of identical bids to the Panama Canal, 1935–38

Bidders	Project I bids (111,000 feet, June 7, 1935)	Project II bids (100,000 feet, Jan. 6, 1938)	Project III bids (2,000 feet, Dec. 21, 1938)
1. American Electric Supply Co.	$8,188.90	$6,200.00	$687.00
2. Associated Hardware & Supplies Corp.			[1] 656.00
3. Austin Co. (M. B.)	8,188.90	6,200.00	
4. Baitinger Electrical Co., Inc.	8,188.90	6,200.00	
5. Baltimore Electric Supply Co.	8,188.90		
6. Cass Co. (Philip)	8,188.90		
7. Central Tube Co.	8,188.90		
8. Clayton Mark Co.	8,188.90	6,200.00	687.00
9. Electrical Industrial Equipment & Supply Co.			[1] 640.00
10. Enameled Metals Co.	8,188.90	6,200.00	
11. Gaffney-Kroese Electrical Supply Co.	8,188.90	6,200.00	
12. Garland Manufacturing Co.	8,188.90	6,200.00	687.00
13. General Electric Supply Corp. (subsidiary of General Electric Co.)		6,200.00	[1] 686.60
14. Germantown Electric Supply Co.		6,200.00	
15. Gertler Electric Supply Corp.	8,188.90	6,200.00	[1] 666.80
16. Gold Seal Electric Supply Co.		6,200.00	
17. Goodman Co., Inc. (Nathan)		6,200.00	
18. Graybar Electric Co.	8,188.90	6,200.00	687.00
19. Greene-Wolf Co., Inc.	8,188.90	[1] 6,000.00	687.00
20. Home Lighting Co., Inc.	8,188.90		
21. Hudson Electric Supply Co.	8,188.90		
22. Laclede Steel Co. and its subsidiary Laclede Tube Co.	[1] 8,147.70	6,200.00	
23. Latham & Co. (E. B.)		6,200.00	[1] 686.60
24. Lavenson & Savasta	8,188.90		
25. Lee Electric Co.	8,188.90		
26. Loman Electric Supply Co.	8,188.90	6,200.00	
27. Louis Electrical Corp.		[1] 7,000.00	
28. Monumental Electrical Supply Co.			[1] 638.00
29. National Electric Products Corp.	8,188.90	6,200.00	687.00
30. National Electric Supply Co.	8,188.90		
31. Noland Co., Inc.	8,188.90	6,200.00	
32. Shell Electric Supply Corp.	8,188.90	6,200.00	
33. Somerville Co. (Thos.)	8,188.90		
34. Steel & Tubes, Inc.	8,188.90	[1] 6,360.00	[1] 685.80
35. Steelduct Co.	8,188.90	6,200.00	
36. Triangle Conduit & Cable Co., Inc.	8,188.90		
37. United States Electrical Export Corp.	8,188.90	6,200.00	
38. Walker Bros.	8,188.90	6,200.00	687.00
39. Weinstein Supply Co.	8,188.90	[1] 5,823.95	
40. West Philadelphia Electrical Supply Co.	8,188.90	6,200.00	
41. Westinghouse Electrical Supply Co.	8,188.90	6,200.00	
42. Williamsburg Electrical Supply Co.			[1] 666.40
43. Youngstown Sheet & Tube Co.	8,188.90	6,200.00	687.00

[1] Bid deviating from the system price.

BASING-POINT SYSTEM MANUFACTURERS PUT PRESSURE ON THE WHOLESALERS USING BLACKJACK METHODS

History records that lack of strict observance of the basing-point system such as is indicated by the diversity of bids in this list of abstracts led to pressure from manufacturers on their wholesalers who did not maintain system prices in the bidding. The Rigid Steel Conduit Association advised its members that they should insist upon wholesalers maintaining the manufacturers' "published position." Some manufacturers wrote to their wholesalers regarding the matter. For example, Garland Manufacturing Co. stated in a letter to an agent under date of June 8, 1938:

We do not wish to threaten, but we definitely are going to cancel some of our distributor agency contracts if they do not carry out our instructions, and if they are known as price cutters, it is going to be very hard for them to sign up new agreements with ourselves or others.

Some distributor contracts were cancelled for nonobservance of basing-point prices. To keep the system's vicious price controls effective it became necessary thus to coerce independent merchant distributors. Only by such methods can the system be made to work where distribution of products is carried on through independent wholesaling channels.

This blackjack method of selling merchandise illustrates perfectly the evils inherent in the basing-point pricing system. Not only is it a monopolistic system but one fraught with danger to decent law abiding merchants and manufacturers. No industry that would subscribe to such business methods is entitled to move in business circles where fair dealing, honor and honesty are key words. Rather the perpetrators of such unethical and perverted price and sale controls should be stricken from the lists of those who look upon trade and commerce as an obligation to serve with honor and integrity.

BASING-POINT SYSTEM RETURN GOAL OF STEEL INDUSTRY

Recently the Wall Street Journal and other newspapers have told of the expectancy with which the steel industry awaited the green light to return to the basing-point system. The cement decision outlawing the basing-point system has now been effective more than a year. Yet, the giants of our industrial fabric have made greater profits than ever before in the history of industry.

The stupendous earnings during the first quarter of 1949 of that colossus of the steel industry, United States Steel Corp., the initial account of which I have already placed in the CONGRESSIONAL RECORD, May 6, actually contain a hidden joker. This joker is in the form of an unspecified amount of accelerated depreciation deducted arbitrarily by the company, and not recognized under the tax laws of the United States nor allowed by the Bureau of Internal Revenue. Moreover, even when openly presented, this type of convenient though dubious bookkeeping has been much criticized and frowned upon by the Institute of Accountants. Indeed, but for this extra deduction, inserted without mention by this father and perfecter of the basing point, its earnings for the first quarter of 1949 would stand at an all-time high.

Indicative of how large these extra and unrecognized deductions bulk are the figures for the year 1948, which showed that of $145,986,681 in charges for depreciation and depletion, over $55,335,000 or 37.9 percent of the total represented accelerated depreciation. Therefore, net income after taxes for the full year 1948 amounted not to the $129,627,845 reported—$12 per share—but 42.7 percent more, or $184,962,289—$18.35 per share—under the law of the land. If we unmask these fictitious extra charges in the first quarter 1949, we would find reported earnings of $49,928,670 were understated by over $13,500,000 and actually reached the staggering total of $63,555,000, or in excess of $254,000,000 at an annual rate—$26.30 per share. Thus, without benefit of the basing-point system, the United States Steel Corp. earnings per share as properly computed under the law—without accelerated depreciation—would show earnings per share in the first quarter, 1949, of $6.58 instead of the $5.01 reported by the company. In the light of these stupendous earnings and the latest increase in dividends, it is not surprising to find that the corporation at its recent annual meeting decided to split its stock three for one, one major effect of which will be to conceal the high level of earnings per share.

BASING-POINT STEEL AND MONOPOLY BOYS RETAIN EARNINGS IN EXCESSIVE AMOUNTS

The Wall Street Journal report on United States Steel's first quarter earnings shows that the $52,000,000 of additions to and replacement of facilities for this period fell $14,500,000 short of the total of undistributed profits and the funds set aside as a charge for depreciation and depletion. This is what breeds recessions; excessively high prices and the retention of large profits in excess of dividend payments and expenditures for plant and equipment, piling up idle surpluses and draining away purchasing power from all income groups. In light of these facts, statements on prices by Mr. Olds, major domo of United States Steel, and Mr. Grace, of Bethlehem Steel, second largest in the industry, reflect the cynical attitude of these leading exponents of the art of merger, integration, price control, and monopoly. Despite the highest rate of return on its capitalization in history, over 12½ percent, Mr. Olds stated, according to the Journal of Commerce of April 27, that United States Steel was not contemplating any reduction in steel prices or in output in the near future, and warned that any substantial rise in costs would have to be reflected in still higher prices. At the same time he sought to minimize, almost to extinction, the importance of sharp declines in scrap and fuel material costs.

Mr. Grace, according to the Wall Street Journal of April 29, 1949, saw no prospects of any immediate reduction in steel prices, asserting that "lower prices can't come until costs are lower." He offered no explanation as to how Bethlehem's earnings in the first quarter of 1949 could skyrocket 114 percent over those of the corresponding 1948 quarter, unless prices had been increased excessively compared to costs. According to a compilation appearing in the Wall Street Journal of May 10, 1949, earnings of 27 leading steel producers during the first quarter of 1949

increased 66 percent over the already fabulous profits enjoyed in the comparable quarter of 1948.

BASING-POINT ORIGINATORS LONG FOR RETURN OF GREATER PROFITS BY WAY OF PHANTOM FREIGHT

The same giants of industry which, in cement, steel, and other commodities, have made the greatest profits in history, desire the return of the basing-point pricing system to perpetuate their control over industry and the prices which you and I must pay for the necessities of life, health, convenience, and comfort. For more than a year since the cement decision the basing-point and monopoly boys have been sounding the battle cry of "moratorium." They do not want a moratorium to tell them what is legal in carrying on their business, they want a moratorium to hide behind and set up outlawed systems of pricings. The cry "confusion" has been heard. They long for clarity. A moratorium on our antitrust laws can only be for the purpose of furnishing corporation lawyers further legal grounds for argument. Arguments which would be strung out in the courts for years and years while monopoly and unfair pricing methods and trade practices would reign supreme. The real moratorium they desire is a moratorium against those who would protect and foster open competitive markets for small business as against industry concentration, integration, and control. The only confusion they operate under now is how best to stifle competition and regional development.

WITHOUT BENEFIT OF BASING-POINT SYSTEMS NEW PLANTS ARE SPRINGING UP

Already in the short period of a year word is coming in that new plants to produce cement, steel, and many other commodities are being built at locations beneficial to our regional development. Basic commodities should be available at points throughout the country which will enable purchasers to buy with the lowest possible freight charges. It is a ridiculous premise that our basic industries should be concentrated in any particular area and in order to have complete distribution to set up arbitrary pricing systems such as is the basing-point system.

Seriously, this situation has retarded development in many sections of our country and should not be tolerated by the several States. Without artificial pricing systems which set up price discrimination against whole regions and control all prices our industry would develop normally where it should be developed. Small business is vitally interested in regional development. Small business is vitally concerned with its sources of supply of raw materials and its finished products and should not be made to pay freight half way across the continent in order to have these supplies available. Small business should not be at the mercy of a few large manufacturers of products necessary to small business survival; manufacturers who can, by withholding raw materials, absolutely wreck any small business institution. Small manufacturers of fine tools and other products in New England are as much affected as are small manufacturers of agricultural machinery in the Middle West or small manufacturers in the South, trying to establish trade by using raw products available in that section. Small business in the whole Rocky Mountain and Pacific coast area is in the same position of having giant corporations control both sources of materials and the prices of these materials.

If normal commerce is carried on in our country without benefit of basing-point systems and other pernicious and artificial pricing systems, authorized or not authorized by law, free enterprise and small business will survive. Otherwise I am fearful of the consequences. I repeat that a moratorium on any phase of our antitrust laws will be a major disaster to our economy and it is my earnest hope that the Congress will not be the author of any such legislation.

Military Brass Provides Liberally for Self in Kilday Bill

EXTENSION OF REMARKS

OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. BURDICK. Mr. Speaker, it seems we are going top-heavy in everything we do, and quite forget that the thousands and thousands at the bottom of of the retirement pay groups of retired veterans are quite forgotten. To advise the public how this plan works, I desire to submit herewith the following statement by Hon. J. H. Hoeppel:

MILITARY BRASS PROVIDES LIBERALLY FOR SELF IN KILDAY BILL—THOUSANDS OF AGED AND DISABLED RETIRED ENLISTED MEN RECEIVE NO INCREASE WHATSOEVER

(By J. H. Hoeppel)

In order that the American public may know how "unselfishly" our military brass operates against the welfare of the taxpayers, we submit herewith a summary showing the monthly retired pay received by officers who retired after 30 years' service or who were retired for disability after a few days or perhaps a few months of service only.

Comparatively, we also give the retired pay, present and proposed, as well as the increases which are proposed in H. R. 4591 for both officers and enlisted men who served 30 years to retirement. The pay of officers of similar grade and rank in the entire service, including their cash allowances for subsistence and quarters is approximately 40 to 60 percent more grade-for-grade than the pay which is proposed for retired officers in column 2.

For instance, the compensation of a major general in active service with 30 years' service is $1,200 per month, of which amount $195 allowances for quarters and subsistence is income-tax exempt.

The present pay received, the proposed pay, and the increase under the proposed pay are shown in columns 1, 2, and 3, respectively:

Monthly pay of retired officers

	Present pay	Proposed pay	Increase
Major general and higher	$350.00	$724.25	$204.25
Brigadier general	412.50	652.50	240.00
Colonel	412.50	551.25	138.75
Lieutenant colonel	360.93	461.25	100.32
Major	309.38	405.00	105.62
Captain	258.75	348.75	90.00
First lieutenant	225.00	275.62	50.62
Second lieutenant	202.50	247.50	45.00
Warrant officer	202.50	230.62	28.12

Monthly pay of retired enlisted men

	Present pay	Proposed pay	Increase
Enlisted men:			
First grade	$185.63	$225.00	$39.37
Second grade	151.88	191.25	39.37
Third grade	129.38	174.00	54.62
Fourth grade	112.50	146.25	33.75
Fifth grade	101.25	112.50	11.25
Sixth grade	90.00	90.00	None

The increases here shown are not actually take-home increases as 20 percent of the increases are substracted as withholding (income tax). As there are approximately 40,000 retired enlisted men who did not serve 30 years to retirement, all these in this category receive varying retired pay predicated upon length of service, disability, and so forth.

For instance, 7,000 aged and disabled retired enlisted men of the Navy and Marine Corps, who, because of disability were unable to serve in World War II, will receive a monthly increase of only $5.75 per month.

Ten to fifteen thousand (30-year) retired enlisted men of the Navy and Marine Corps, who were too disabled to serve in World War II, under the proposed bill will receive absolutely no increase in retirement pay.

Approximately 20,000 retired enlisted men of the Navy and Marine Corps with 20 years' service, who served in both World War I and World War II will receive only a small increase based on their increased longevity. Outside of increased longevity they receive no increase under the proposed bill.

Enlisted men retired from the Army for disability after 20 years' service will continue to receive the same pay they now receive. No change in present pay.

Enlisted men retired from the Navy after 20 years' service (not disabled) under the Fleet Reserve Act of 1938 will receive an increase in pay from $82.50 to $135.50 per month.

From the foregoing it will be seen that enlisted men who served 30 years to retirement will receive a minimum increase of $11.25 per month to a maximum of $54.32 per month

Officers who served 30 years, or who were retired after short service for disability, will receive a minimum increase of $45 per month to a maximum increase of $240 per month

From the foregoing, it will be readily seen that the officers are munificently provided for with the minimum increase any of them receive being $45 per month.

The Hook bill, as originally introduced, was fair and square to the taxpayers from the standpoint of the disabled officers. The provision in the original Hook bill, making the retired pay of officers retired for disability subject to income tax, was not included in H. R. 4591. It is our contention—and was once the view of Members of Congress—that officers retired for disability who have lucrative employment should be forced to pay income tax on the disability retired pay which they receive.

We contend further that it is unfair to give an officer of short service 75 percent of the pay of his rank and then permit him to enter

civil employment to earn a large salary and, at the same time, to absolve him from paying tax on his easily obtained high retired pay.

The Hook bill also contained an outstanding provision to provide that the easily promoted officers of World War II, who were given an advance in rank with their terminal leave, should not receive retired pay predicated on such advanced rank but that their retired pay should be based on a rank which they held for at least 6 months. This provision to safeguard the taxpayers was also stricken and is not contained in H. R. 4591.

It is unfair to the taxpayers, we repeat, to force them to pay from 40 to 50 years unusually high retired pay to officers who were given such undeserved increased rank on their terminal leave so that many of them could strut the streets of our cities as colonels, etc.

This adds an undue burden on the taxpayers, who are forced to pay retired pay predicated upon rank which was never exercised in command of men but which was only held while the officer was on terminal leave. We contend that the requirement of forcing an officer to have served 6 months in grade before he can receive retired pay on such grade should be reincorporated in H. R. 4591 in respect to all those who served in World War II. As promotions were difficult and few and far between and none given on discharge (World War I officers received no terminal leave), therefore, the 6 months' prohibition should not apply against those who served in a higher rank in World War I.

In our opinion, it savors somewhat of the form of a racket to grant such abnormal increases in pay to lieutenant colonels, colonels, and brigadier generals. These ranks were easily attained during World War II and as a consequence, thousands of young disabled officers have been, and will be, retired at these high ranks, which means that for years and years the taxpayers will be called upon to pay undue retired pay to these men, many with only World War II active service.

In addition, let us not forget that under title III, Public 810, Eightieth Congress, thousands of lieutenant colonels, colonels, and brigadier generals from the National Guard and Reserve Corps, after only a few years of active service (the balance of their service was as civilians) are also to receive such high increases in retired pay as we show herein.

BENEFITS TAKEN FROM ENLISTED MEN SO THAT OFFICERS MAY GRAB MORE

When H. R. 4591 was before the committee, we sought to have it amended to restore to retired enlisted men allowances which were taken from them arbitrarily on War Department recommendation in the Pay Act of June 16, 1942.

Under the original act for enlisted men, they were promised by the Government that if they would serve 30 years to retirement they would be granted allowances for the balance of their lives. This solemn unilateral contract of the Government with the aged and disabled enlisted men was repudiated so that officers could grab more for themselves (as they did) in the Pay Act referred to.

Inasmuch as thousands of retired enlisted men are to receive no increase under the Hook bill (H. R. 4591), we, therefore, appeal to the Congress to restore allowances of $30 per month to all enlisted men who retired with 30 years of service so that the Government may again live up to its promise in the original Retirement Act to pay allowances to all such retired enlisted men for the balance of their lives. In order that this may be effected, we propose an amendment to H. R. 4591 to provide:

"That enlisted men of the Army, Navy, Marine Corps, and Coast Guard heretofore or hereafter retired from active service with credit for 30 years' service shall, in addition to retired pay, be entitled to allowances of $30 per month in lieu of allowances in kind heretofore authorized under provisions of the act of 1885 establishing military retirement."

If this amendment is adopted, then all retired enlisted men will be assured of an increase in retired pay of $30 per month, which is not an exorbitant request considering the high cost of living and the fact that most of these men have received but very little increase in retired pay since 1922. To increase the monthly income of such retired enlisted men $30 per month would not be disproportionate—or would it be—compared with the maximum increase of $240 per month which is provided in the Hook bill for retired brigadier generals.

The undersigned submits the foregoing for the consideration of the Congress and the American public so that they may see for themselves how generously the officers of the armed services are to be provided for while, at the same time, such niggardly consideration is being extended to the most of the retired enlisted men and especially to those who were so aged and disabled that they were unable to serve in World War II.

Believing as we do that the Members of Congress are interested in fair play when true facts are presented to them, we shall endeavor to have this information incorporated in the CONGRESSIONAL RECORD. To our subscribers who read this true statement of fact in our publication, we request that they mail this article to one of the Senators from their State calling his attention to the discrepancy between the increase provided for officers and enlisted men on the retired list of the armed services under the provisions of H. R. 4591.

Gerhart Eisler

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. BROOKS. Mr. Speaker, I do not agree with the criticism uttered on the floor of this House yesterday regarding the handling of the Gerhart Eisler case. Gerhart Eisler, leader of the Communist movement in the United States, was arrested and, under the Constitution and laws of our land, was entitled to make bond at the discretion of the court. The Attorney General insisted on a bond not less than $100,000; but the court chose to set the bond at $25,000 and thus made it possible for Gerhart Eisler to furnish suitable sureties for his release on bond. Had Eisler been in trouble in Russia, no such fair treatment would have been extended by the Kremlin.

Gerhart Eisler is out of this country now, and sometimes I am prone to believe the best course would be to let him go and prevent him and any of his ilk from ever coming back to this country. Since the Attorney General has asked to bring him back, I join with his office in rejoicing that we will be able to prosecute this man to the full extent of the law. He sought to undermine our Government and he should expect nothing but grim justice, and no leniency, from the Government which he sought to destroy. I believe the bail which Gerhart Eisler made was handled by the Kremlin. I think he would have made $100,000 bond as quickly as $25,000 and in cases like this, regardless of the amount of bail, the defendant is apt to jump bond.

The duties of the FBI are to track down criminals and to make available for use proper witnesses at the trial. These duties cease after an arrest has been made and bond furnished by the defendant. The FBI is under no obligation to follow an accused who has made bond as set by the court, and in accordance with its terms, as long as the bond remains unforfeited. The criticism against the Attorney General and the FBI therefore is certainly unfair. On the contrary, our prompt action in obtaining help from the British Government in arresting this man, and the effort to bring him back to the United States at an early date, would indicate a definite intent on the part of the Justice Department to insist on summary justice at an early date.

Maurice H. Thatcher

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks, I wish to include the following speech I delivered at a dinner of the Panama Canal Society of Washington on May 14, 1949, at the Broadmoor, honoring Maurice H. Thatcher, former Member of the House:

Mr. President, our honored guest, ladies and gentlemen, Maurice H. Thatcher grew up in Butler County, Ky., where he was elected clerk of the circuit court upon attainment of his majority. He studied law in Frankfort where he held official posts during the Bradley administration, and was licensed to practice under examination by the court of appeals at Frankfort. He located in 1900 in Louisville and entered on the general practice of his profession. He served as assistant United States attorney for the western district of Kentucky from 1901 to 1906 after which he again engaged in the general practice in Louisville. He was State inspector and examiner for the State of Kentucky for 2 years.

Maurice Thatcher was appointed on March 26, 1910, by President Taft, as a member of the Isthmian Canal Commission made up of seven members and having in charge the construction of the Panama Canal. He was confirmed by the Senate on April 7, 1910, thus filling the vacancy caused by the resignation of former Senator Jo S. C. Blackburn, of Kentucky.

He was married to Miss Anne Bell Chinn, daughter of Attorney Frank Chinn, a Confederate veteran of Frankfort, Ky., and granddaughter of Mrs. Prudence Blackburn Hunt, a cousin of Senator Blackburn, on May 4, 1910, and they sailed from New York for the Isthmus on May 6, 1910, arriving there on May 13, making their first home in Acon, Canal Zone, adjoining Panama City. On arrival Commissioner Thatcher became civil Governor of the Canal Zone. Under his immediate supervision were grouped all the civil activities of the Canal Zone.

In addition, Governor Thatcher was the official representative of the Isthmian Canal Commission in all its dealing with the Government of the Republic of Panama and the foreign diplomats accredited to Panama, and never did he fail to receive the fullest aid and cooperation concerning any request made in behalf of the Canal work or interests. In addition to his other duties, Governor Thatcher, in association with the other members of the Isthmian Canal Commission, performed certain legislative work in the enactment of laws or ordinances dealing with local matters—major legislation being enacted by the Congress.

Governor Thatcher served as a member of the Isthmian Canal Commission and Governor of the Canal Zone until near the completion of the building of the Canal, or until August 8, 1913. The Commission was abolished as of March 31, 1914, under congressional act providing for the government and operation of the Canal. The Commission was made up of seven members. The other six with whom Governor Thatcher served have all died—Colonel Gaillard, Generals Gdethals, Gorgas, Sibert, and Hodges, and Admiral Rosseau.

Governor and Mrs. Thatcher returned to Kentucky and made their home in Louisville, where he again entered upon the practice of his profession and so continued until his election to Congress in November 1922. He was elected altogether to serve five terms in Congress, from March 4, 1923, to March 4, 1933. Since his retirement from Congress, he has practiced law in Washington, but Louisville and Kentucky remain his permanent home.

In 1928 he received what is believed to have been the greatest majority any candidate for a major office in Louisville and Jefferson County has ever received, something over 33,000. In his last race for Congress he had no opposition from either party.

It may be fairly said that in all his public career, Governor and Congressman Thatcher sought to serve his constituents and his country without regard to partisan consideration. During his Isthmian incumbency, running about 3½ years, Governor Thatcher conducted the civil affairs of the Canal Zone with efficiency and economy.

During the fateful years of Canal construction, all roads led to Panama. People from all over the world flocked there, and the Thatchers did much to contribute to the enjoyment and pleasure of these visitants, and to the promotion of international good will. Mrs. Thatcher mastered the Spanish tongue, and this, together with her fine qualities as a hostess and neighbor, greatly endeared her to the Panamanian people, while Governor Thatcher, by his unfailing habits of sympathetic consideration and fair dealing, won and has ever held the high regard of Panamanians. It is but just to say that Mrs. Thatcher greatly contributed to the success her husband achieved in his Isthmian role.

In 1930, Governor Thatcher, then dean of the Kentucky House delegation in Congress, was appointed by President Hoover as a member of a commission of three to voyage to Caracas—accompanied by Mrs. Thatcher—and there present to the United States of Venezuela the statue of Henry Clay, the great protagonist of Latin-American independence and the friend of Bolivar, the George Washington of South America.

When Governor Thatcher came to Congress, his Isthmian experiences were of value to him, the Panama Canal, and the Republic of Panama. He was always ready to respond to any appeal or request for aid in these directions. Thus he assisted in bringing about the enactment of the permanent Civil Service Retirement Act for Canal Zone employees, and was the author of the legislation establishing a permanent ferry across the Panama Canal at its Pacific entrance. This ferry and the highway from the west terminus of the ferry to the zone line were named in his honor, and each now bears his name.

The Thatcher Ferry and the Thatcher Highway, it may be noted, constitute links in the great inter-American highway system, stretching from Alaska to the city of Panama, which, within a reasonable time, will be fully completed.

While he was in Congress, Governor Thatcher was author of the legislation establishing the Gorgas Memorial Laboratory at Panama City, an outstanding institution devoted to research touching the cause and prevention of tropical disease, both human and veterinary. Congress now annually appropriates $100,000 to maintain and operate this institution. Governor Thatcher, since his retirement from Congress, has served the Gorgas Memorial Institute of Tropical and Preventive Medicine—the parent organization in charge of the laboratory—as general counsel and member of the executive committee and board of directors, and, in addition, is now serving the institute as its vice president. He is rendering important services in these connections, altogether without compensation.

For his Isthmian services, and for his long-continued efforts in behalf of pan-Americanism, Governor Thatcher has been the recipient of the highest civic honors from three Latin-American countries: The Order of Vasco Nunez de Balboa, from Panama; the Order of Al Merito, from Ecuador; and the Order of del Libertador, from Venezuela.

During his congressional service, Governor Thatcher made an unusual record of achievement in obtaining the enactment of important public measures dealing with highways and bridges, books and schools for the blind of America, and for conservation. He was author of the legislation creating the Mammoth Cave National Park, in Kentucky; the Zachary Taylor National Cemetery, also in Kentucky; a new and much needed $3,000,000 Federal building in Louisville; a new United States marine hospital for Louisville; and a million and a half dollar veterans' hospital for the Kentucky region. He was also the author of the measure under which the new $5,000,000 bridge across the Ohio River at Louisville was built, and largely through his efforts the structure was officially named as the George Rogers Clark Memorial Bridge in honor of the immortal conqueror of the Northwest Territory in the War of the American Revolution. He procured the naming of the U. S. S. battle cruiser *Louisville* for his home city, and made the dedicatory address at her launching and christening at the Bremerton Navy Yard on Puget Sound in 1930, Mrs. Thatcher acting as hostess for the occasion. He was also author of the legislation providing for the improvement and perpetual maintenance of the Lincoln birthplace farm in Kentucky. These and various other efforts of his, put forth while he was a Member of Congress, were highly praiseworthy and stand as monuments to his outstanding ability.

At the outset of his congressional service, Governor Thatcher was placed on the all-important and powerful House Committee on Appropriations, serving thereon for the full 10 years of his tenure, and there rendered fine and constructive service in behalf of the taxpayers of the Nation.

I know that during his congressional career, and ever since, he has been active in his efforts to serve the Panama Canal, the Republic of Panama, the interests of those who built the great waterway, and those who have operated it; and that through the years he has sought to promote cordial relations among the countries of the Western Hemisphere. He has always been a most earnest advocate of pan-Americanism.

In addition, ladies and gentlemen, Mr. Thatcher, during his entire career, has interested himself in every worthy activity coming to his attention. He has given of his time freely and has, by his unselfish efforts, contributed much to the comfort and happiness of many of those among whom he has lived. We find him and his charming wife in splendid health, and I know I speak the sentiments of everyone present when I say we wish for them both many more years of health, and the happiness that comes only from living from day to day under the precept of the Golden Rule, which has characterized their entire lives.

Power of the Press

EXTENSION OF REMARKS

OF

HON. MARGARET CHASE SMITH

OF MAINE

IN THE SENATE OF THE UNITED STATES

Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mrs. SMITH of Maine. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address which I delivered at the annual dinner of the American Newspaper Publishers Association in New York City on Thursday, April 28, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Part of my training for membership in the United States Senate was in the newspaper business. For a few years I was the circulation manager of a small weekly Maine newspaper. In that position I learned what circulation meant to the advertiser and what the advertiser meant to the publisher. About the nearest that I ever got to being a publisher was as assistant to the publisher of that weekly.

All through my service in Congress I have kept my hand in the newspaper game, even if in a limited and removed manner. While in the House of Representatives, I wrote a regular column for all of the weeklies in my Second Congressional District. That column was of tremendous value to me, because through it I interpreted and reported my work and actions in Congress to the people. By it they learned to know me better and what made me tick the way I did. They might not like the way I voted on some issues—but they found out at the time of the voting, instead of waiting until campaign time, why I voted as I did.

I still write a column for the Maine weeklies, but now it is a monthly column, and goes to all Maine weeklies instead of just those of the second district. But I have taken on another writing chore. I have joined the ranks of "five-day-a-week" columnists. I am scribbling my daily thoughts for some twenty-five newspapers throughout the country.

So I can still claim some kinship to the newspaper fraternity. With the self-acquired delusion that printer's ink flows through my veins, I read with a great deal of admiration the official, public admissions of the American newspaper editors at their meeting in Washington last week. In self-appraisal they found themselves guilty of "Ivory Tower" thinking and reporting, and of completely missing the boat on the national election.

I got a greater thrill out of reading this than I did of Dr. George Gallup's recent letter to me asking me how I arrived at my September 1948 election prediction that the Republicans would get only 45.6 percent of the presidential vote and saying, "This is by far the most accurate forecast that has come to my attention to date, and I wish to extend to you my heartiest congratulations."

There are no truer attributes of greatness than admission of mistakes and self-appraisal. By these standards, American newspaper editors showed their greatness with their public frankness in Washington last week.

Freedom of the press is one of the cornerstones of our American democracy. As long as those who write the news, interpret the news, edit the news, and publish the news do not abuse the freedom of the press, they will constitute one of our greatest bulwarks against communism or any other "ism" that seeks to destroy our way of life. But they must continue to write, interpret, edit, and publish in the fearless and objective manner they have followed in the past. This means maintaining a delicate balance between caution and courage. I think the American press has done this admirably. I have complete confidence that the American press will do it in the future.

The only fear I have about the American press is that it may be becoming too sophisticated. Perhaps the fault is with me. Perhaps I am lagging behind, in my naïveté. This may stem from a feeling that the American people are becoming more sophisticated, that they like their news with a sophisticated slant. And it may be true that as America grows older as a Nation, so its people increasingly acquire sophistication.

At the last Lincoln Day dinner in Washington, on the same program with Governor Dewey, I said that we must recognize that the American electorate has matured, that it has developed an intelligence and an ability to discriminate in the selection of its representatives on the basis of their records rather than their promises.

The American press has contributed greatly to the development of political maturity on the part of the American people. It has done so by printing the records of our political leaders, by reporting and interpreting major issues to the public, and by exposing otherwise subtle political alliances, coalitions, and maneuvers.

That is good. But I am afraid that this searchlight-of-the-press technique has inadvertently bred cynicism and hard-set impressions. For example, once the press places the label of conservative or liberal on a public figure, it is difficult for that public figure to shed that label in the eyes of the public. He is faced with "You can't fool us; we're wise to you" attitude.

Because one Member of Congress has his name on a particular piece of legislation or law that has been branded as reactionary or conservative by the liberals, his record of sponsoring so-called liberal legislation on housing, health, and education is either ignored or discounted. He is accused of changing his spots for fear he will not be reelected—even though he may have sponsored the liberal measures before his conservative measure was passed.

In the free democracy that America is, there is no more powerful force than public opinion. And no element controls public opinion more than does the press. Such power carries with it a grave responsibility. To some extent, it can be said that the United States Government is only what the press makes it—for it is only what the people make it—and the actions of our people are greatly guided by what they read in the papers.

Outside of our home town, the rest of the world to us is what the press makes it—what the press tells us the world is. Outside of our next door neighbors and the people we see, hear and touch, other people are what the press makes them to be—what the press tells us they are.

Walter Lippmann has stated this thesis much more profoundly than I ever could. He calls it "pseudo environment," and his most impressive example is our conception of war in a foreign country. To those of us who did not experience combat, war was only what the newspapers told us it was.

It has been said that "things are what they seem, not what they are." We do not all see things the same way. For example, it is rare that two people relate an event, such as an automobile accident, in the same detail. Often we see only that which we want to see. That is a normal, human frailty.

The point I am trying to make is that since the world and people and events and conditions are largely what the newspapers report to us—and since we do not all see things the same way—the American press has an almost superhuman responsibility in conveying the truth to the public. The only way it can do this, as I see it, is by giving the public as many views or conceptions as is practicable within the space of a paper so that the reader may judge for himself.

In the searchlight process, care must be taken to avoid reading hidden meaning into simple facts—to avoid looking for the "gimmick" or the "catch"—just as much as care should be taken to avoid slanting the news. On the point of avoiding slanting the news, I must salute one of our northern Maine newspapers for one of its editing jobs in eliminating a slanting of the news. In one of his mid-February columns, a national columnist referred to me as the "gracious Mrs. MARGARET CHASE SMITH of Maine." The northern Maine paper apparently felt that the word "gracious" was slanting the news, so it deleted the word "gracious" that was carried by all of the other papers. That I call admirable, conscientious editing of slanting news. It was objective, regardless of one's views.

As I am sure that many people dislike my little column and disapprove of my views, so I have pet peeves in columnists and commentators. But I read and listen to those with whom I differ because I want to know the other side of the argument. There are times when they have changed my mind. And even though this is not often, it is often enough to pay me to read and hear the other side.

It is unfortunate that some papers have brought upon themselves the charge of iron curtain because they have failed to report both sides of the news, because they have withheld the news which they did not like.

We need news reported, interpreted, and edited in earthy, simple, and commonplace terms. Many papers are doing a good job in reporting, interpreting, and editing the news on the level of the average American instead of down to him. That is the kind of journalism I admire—the kind I think the people want.

It is true that the radio and television have entered the field of news and share the power of shaping public opinion with the press. But in so many instances do the American publishers own and control the local radio and television stations along with the newspapers, that these new media of expression have served to increase, rather than dilute, the power of the American publishers.

Whether you like it or not, you publishers have in the palm of your hand the most powerful force in the world's most powerful Nation—the public opinion of America.

A Great Opportunity for American Cities

EXTENSION OF REMARKS

OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. GARMATZ. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a speech made by the Honorable Thomas D'Alesandro, Jr., mayor of Baltimore, chairman of the standing committee on legislation of the United States conference of mayors, on the housing bill of 1949, at the National Public Housing Conference held in Washington yesterday.

The speech follows:

Most of the talk about the housing bill of 1949 has been concentrated on its benefits to those who are forced to live in slum homes and blighted areas. These benefits are considerable. However, this bill has wider implications—implications which could easily affect the entire physical structure of our cities.

The American cities of today are sick at their core. The great scientific and industrial advances that have enabled them to grow to impressive proportions have failed to protect them from the blight that is spreading with epidemic speed. For years we have all been battling with the problems caused by haphazard development, streets not designed for the varied purposes that they serve, confused zoning laws which offer little protection to either neighborhood or property, congestion that is forcing too-rapid decentralization, and residential developments which offer shelter only, and little opportunity for neighborhood living. We have known for years that people are leaving the central parts of the city as though they were plague spots to make their homes in outlying communities, and that these new developments have been filling our valued green spaces without any planned relationship to the needs of the city as a whole. The end result has been a drain on city finances that has been growing to alarming proportions. Not only do we sink millions each year into the slums and blighted areas, but property values are showing a consistent and sharp decline. National estimates show that the greatest part of all city revenues is derived from taxes on real estate, yet we have failed to protect from the depreciating effects of blight this important source of city income. In Baltimore we know the score all too plainly. During the 15 years between 1930 and 1945, $55,000,000, or about 32 percent in assessed valuation, was lost to Baltimore's downtown business area alone. Although there has been a slight rise since, there was again a decline in 1948.

Maybe some of you think that I am speaking very bluntly for a city executive and that I should speak more gently and protectively about my own city. I have two answers for any who subscribe to this view. The first is that Baltimore's problems are not unique, and I am not therefore exposing difficulties that had best be kept within the municipal family circle. Our problems are the problems of all of you who live in urban centers, and enlightenment on them comes through open and frank discussion. My second answer is that to ignore a bad situation is to perpetuate it and fail to recognize the means for help when it is at hand.

There are no insurmountable technical difficulties involved in preparing plans for modernizing a city to meet present problems and present standards. For years city planners have been ready with their maps and blueprints showing just what could be done to revamp obsolete patterns. But for the most part, these plans have been gathering dust in musty file cabinets, because there was no way of putting them into effect. Every change that was in any way significant or comprehensive collided head on with the problems of the blighted areas and the people who live in them. So rather than attempt impractical compromises, we attempted nothing—and waited.

It looks as though our waiting has about come to an end. The Housing Act of 1949 is a tool which, if properly used, can be of great help in overcoming the obstacles to comprehensive planning. It provides the

means, long sought, of getting rid of the old to make way for the new. We have never had an opportunity of this kind before. The old United States Housing Act of 1937 was a good bill, and we owe a lot to the pioneer principles it embodies and the experience it gave us. But, it provided for a very limited amount of slum clearance. The number of housing units it made possible was comparatively small, and the only slum clearance it provided for was the razing of slum sites on which the projects were to be built. There were no provisions whatsoever for redevelopment with private funds. As you know, the present bill not only provides for at least four times as many public-housing units as did its predecessor; it also offers aid to private developers by making it possible for them to buy or lease land at discount prices. The extensive amount of slum clearance which can be accomplished under either the redevelopment or public-housing provision will make it possible not only to substitute decent new housing for dilapidated old structures but also to reclaim whole areas.

The way is now open for city budget makers to start thinking in terms of far-reaching changes. Street systems can be redesigned to speed up traffic and facilitate the transportation of goods. (Business has been badly handicapped by the amount of time it has taken goods and merchandise to travel from one place to another.) Neighborhoods can be planned so that major thoroughfares bypass rather than intersect them, thus minimizing the dangers that threaten every child who plays on a city street. All new development can be so planned that open spaces are available for parks and playgrounds, and new zoning laws can be passed to protect residential areas from the smoke, noise, and dirt that have had such depreciating effects in the past.

I think it's important, at this point, to emphasize the fact that it's not enough to erase the blight and start afresh. It is equally important to profit by the expensive lessons of the past and plan for the prevention of future blight. To this end land should not be abused but used to its best advantage. Population density should be controlled, building coverage should be limited, new construction should allow for plenty of light and air, and there should be provision for permanent green spaces. Burdening the land with too many people or too many buildings will lead us right back to the conditions we are now trying so hard to remedy.

I'd like to hope that as we replan our cities, we will give a little thought to the need of people for the companionship of other people. I don't have to tell you of the loneliness that overtakes individuals, or even families, in the midst of densely populated cities. This condition has been intensified in recent years by the fact that many people have broken their old neighborhood ties and moved to outlying or suburban communities. At the same time, transportation problems have become much more complex, and people are reluctant to make the effort of traveling from one end of the city to the other. I believe that the new developments should include opportunities for neighborly contact such as now exist in the public-housing projects. Housing authorities have found that people respond eagerly to the chance to work together on common problems and to plan for social and recreational events that take in the entire community. Furthermore, the full recreational programs that have been developed for children of all ages have had a stabilizing effect that has attracted public comment.

I think it is important for all of us to remember that while the Housing Act of 1949 offers great opportunities to our cities, it does not provide for any automatic process. It is up to the cities, themselves, to know how to use these opportunities. We can and must plan on a broad scale and not limit our accomplishments to spotty developments which are really no more than islands of order and good living surrounded by chaos and blight.

Actually spot progress in a city is insignificant, because each city is a unit, with the well-being of one group bound up with the well-being of all other groups. The time is past—if it ever existed—when we can consider our cities in terms of different sections or different interests. If progress is to be real and enduring, we could favor one group at the expense of another. Our interests are interrelated and we might just as well recognize this fact now—as we approach a new era in the city's life. This concept would be self-evident if we consider the fact that it has received world recognition. If the well-being of this country is so bound up with the well-being of other countries that we share our resources with them, how much more evident the relationship becomes in the comparatively small area of a single city.

I believe that I can say, with pardonable pride, that my city is ready to participate in the benefits of legislation of the extent and significance of the Housing Act of 1949. The Baltimore City Planning Commission, the Baltimore Redevelopment Commission, the Housing Authority of Baltimore City, and the Baltimore City Health Department realize the importance of coordinated operations, and between these four agencies, united by a common objective, there is continuing contact and consultation.

The cities of this country are chafing at the bit. They are eager to have this opportunity, which promises them so much, securely within their grasp. Let us hope that Congress recognizes their impatience by passing without further delay the Housing Act of 1949.

Marshall Plan Aid and Socialization

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "ERP Hasn't Financed Socialization" which appeared in the Washington Post of May 1, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ERP HASN'T FINANCED SOCIALIZATION

(By Frank Gervasi)

LONDON, April 30.—There may be good reasons for reducing Marshall aid to Europe for the next 15 months, but one often advanced in Congress, that nations like Britain are using European recovery program dollars to spur socialism, does not appear to be among them.

Had it not been for Marshall aid, of which Britain received $1,316,000,000 last year and is asking $940,000,000 for the next, the Labor government might not have been able to boast a phenomenal recovery record. It probably would have had to delay its biggest Socialist venture, the national health service.

But the notion that capitalist dollars are being used to finance British socialism is one of several misconceptions of what ERP is. Another is that the program is some sort of relief activity, to feed the hungry and succor the sick.

Such Socialist enterprises as nationalization of the Bank of England, of transportation, of electric light and power, and of the coal industry were purely internal transactions involving sterling, not dollars. Nationalization of the bank, which was little more than the creation of a British version of our own Federal Reserve System, was accomplished by issuance of $232,000,000 in Government bonds to the former stockholders.

So it was with the other enterprises which were transferred by the Government from private to public ownership. The shareholders received stocks and bonds paying from 2½- to 3-percent interest. No dollars changed hands.

The evidence is that Marshall aid has slowed up rather than accelerated British socialization. Without it the resultant chaotic conditions would have encouraged far more Marxist experimentation with the nation's economy than is now the case.

UNRRA A LIFESAVER

But to understand what might have happened in Britain—and the rest of Europe—had it not been for Marshall aid, we must go back and examine the situation as it existed at the end of World War II. Then it looked as though Hitler's prophecy that when he fell he would take Europe with him to a hell of communism might be realized.

Thanks to the 20,000,000 tons of food, fuel, medicine, machinery, and raw materials poured into Europe by the United Nations Relief and Rehabilitation Administration immediately after the war, Europe began to revive. European eyes began to turn westward toward America, whose taxpayers pay for two-thirds of the UNRRA help, and away from Moscow.

Smoke poured from factory chimneys again. Wheels turned. The throngs of unemployed grew smaller. A semblance of economic vitality and stability was restored. But hunger, disease, joblessness still prevailed. Europe needed more food and fuel, more steel and more machinery, railway cars and tractors, fertilizers, and a thousand other things.

Europeans needed more of those goods than they were able to produce or to obtain in trade for their own products. The war had destroyed or damaged normal sources. The only possible supplier was America, and to a smaller degree, Canada.

But to buy from America dollars were needed. Together America and Canada poured more than $8,000,000,000 in cash and credit into the tills of Britain, France, and others to keep them buying. Still it wasn't enough. The buyers used up the loans and drained their own reserves of dollars and gold. By August 1947 Britain, richest of all the war victims, was near the bottom of the barrel.

A BREAK IN RHYTHM

In Lancashire, the rhythm of the spindles and looms of the cotton mills slowed. Cotton stocks were down, and cotton could only come from the United States. Britain's big electrical supply industry was crying out for copper, another dollar material. The tire industry, so dependent on lamp black as a rubber catalyst, was about to close up, and with it factories, which needed rubberized belting to keep them operative or tires to put on cars, tractors, and trucks.

Coal production dipped for lack of timber props for new tunnels. The vital housing program, which produced some 200,000 units a year, was to be reduced to 50,000 for want of lumber, and the railways desperately needed ties for repairs.

Worst of all, the British faced new reductions in an already reduced diet. Britain must import half of all the food it consumes even in the best of times. Deprived of the rice of Malaya and the sugar of the East

Indies, unable to import meat from any of the usual European sources, hunger stared at Britons from every cupboard.

The basic conditions for political unrest were the same in Britain as in France, Italy, and elsewhere. They differed only in degree. Britons would not have turned to communism only because they are too fond of freedom. But who can say how much freedom they might have relinquished in exchange for promises of full stomachs?

Out of the chaos which would have been generated by a continuance of the conditions prevalent only some 20 months ago, a far more Socialist Britain than is now the case would, in the opinion of competent observers, have most certainly emerged. Marshall aid prevented that, as it avoided for Frenchmen and Italians the necessity of choosing communism as a way to economic well-being.

MILLS ARE SHORT-HANDED

Specifically, this is what Marshall aid has meant to Britain:

Where unemployment and all that it means threatened Lancashire in the winter of 1947, today the mills are begging workers to come in. Some 278,000 are working, 50,000 more are needed. The spindles and looms consumed, in 1948, 300,000 bales of cotton from our Southern States and converted it into goods which earned dollars and sterling.

Shipments of copper from the Western Hemisphere enabled the manufacturers of generators, cable, motors and electrical equipment of all kinds to achieve the dual goal of stepping up production of goods for export and of expanding the country's industrial plant. Marshall aid financed the purchase of 300 tons of copper a day, a total of $49,000,000 worth in 1948.

A mere 5,000 tons of lamp black, ordinary soot of a kind produced only by the United States, saved the tire industry in the first weeks of 1949. Eight hundred firms faced disaster until the stuff arrived.

About 2,000 miles of railway were laid or relaid with ties bought with ERP dollars in 1948. But nearly half of the imported lumber, most of it American, went into construction of factories, power plants, and housing, and for urgent repairs to schools and hospitals. A fraction went into packing cases for the goods which Britain delivers overseas to earn the dollars of economic independence. The rest went into pit props in the mines.

A GENERATION RESCUED

But, perhaps, in the long run, the most important contribution to British recovery made by ERP was that to British stomachs. In the first year of ERP, nearly half of the British allotment was spent for food. Eighty-five percent of it came from Canada, the rest from the United States. Without the food which Britain was able to buy with ERP money, its people today would have not merely a monotonous diet but one approaching near-starvation level.

Marshall aid has helped to provide the milk, sugar, glucose, and orange juice which have given Britain a lowered infant mortality rate and the healthiest children in all Europe. If it had done nothing else, the Marshall plan would still have been a success, for upon the healthy youngsters of today the nation's and the continent's destiny depends.

Not all ERP aid is a free gift. As far as Britain is concerned, only 75 percent of the total represents a grant. The rest is in the form of a loan, to be repaid starting in 1952 at 2½ percent interest, with repayment on principal to begin in 1956.

If a cut is made in the over-all figure for Europe, as is envisioned as a result of price drops in the United States, Britain may be confronted with serious problems. Its estimated needs for 1949-50 already took into account lower American prices.

Some further cuts in food imports may have to be made. A bit may be shaved off here and there on raw materials. But those who decide such things in Washington will need to consider (1) whether we can afford to allow the British to reduce their already skimpy rations, and (2) whether we can afford to allow British production to go down and so risk all of the gains already made.

Moderation for Republicans

EXTENSION OF REMARKS

OF

HON. MARGARET CHASE SMITH

OF MAINE

IN THE SENATE OF THE UNITED STATES

Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mrs. SMITH of Maine. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address which I delivered at the Lincoln Day dinner of the Republican committee in Washington on Tuesday, February 8, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Toastmaster, Governor Dewey, Speaker Martin, Miss Hunter, distinguished guests and fellow mourners, I feel rather special tonight. It is quite an honor to speak on the same program with the two Republicans who have come the nearest since 1933 to being the President of the United States—one missing that honor by only 4 percent and the other by only a life—less than 100,000 votes difference could have made one President and a death could have made the other.

But it seems that the Democrats got in both of their ways.

I feel privileged to be coupled, or tripled, with them tonight for other reasons. I once said that I thought that one of them would be the 1948 Republican Presidential nominee. But I was wrong. This time they got in the way of each other and one had to give way. The other I proposed for the post of Secretary of State. This time a prominent Democrat didn't agree with me—so that didn't jell either.

But like most Republicans at some time or other, Governor Dewey and Speaker MARTIN, Republican Speaker that is, and I have had our set-backs and disappointments. Even that greatest of all Republicans, Abraham Lincoln, had his set-backs and disappointments. There are those who say that the Civil War he had to contend with was somewhat mild in verbal comparison with the recent Republican uncivil war in Omaha. The unity which we praised and paid homage to so much last summer and fall seemed to be without representation at Omaha.

Today we meet in observance of the memory of the greatest of all Republicans—Abraham Lincoln. A man who not only held his party together but also held his country together. In Lincoln's days the Republican Party did stand for unity—it was a Republican President that kept the country unified.

But today we don't have that unity in the Republican Party or in the Democratic Party—or in the Nation. I am afraid that it would take a national emergency to bring unity overnight.

These are strong words. But let's face and examine the facts. We do not have a majority President—he is a minority President. The winning Democratic Party is split up with its reluctant Trumanites, Dixiecrats, and Wallaceites. What is left of the Republican Party is split up among at least three leaders—all of whom have tasted defeat. That was altogether evident at Omaha.

Wheels within wheels—division within divisions. And why?

It is not only a result of personal ambition; it is a direct result of pressure-group ambition. All of the division within divisions stems from the fact that ours has become a pressure-group government—a government that yields special privileges to the demands of those minorities which can bring the greatest pressure on it.

And we Republicans are not invulnerable on this point. After all, we did control the legislative branch of our Government for 2 years.

What both parties have lost sight of is that they were given the power by the people and they took the power because the people did not like the catering that the particular party at the particular time was doing to particular minority groups.

In 1946 the people took the control of Congress from the Democrats and gave it to the Republicans because they didn't like the strikes that kept food and heat from their homes and they didn't like rationing and price control.

But their dislikes were not hatreds that demanded punitive measures for some and the return to "the good old days" for others. That's where the Republicans missed the boat from 1946 to 1949.

In 1948 the people took away that which they had given to the Republicans, and the Democrats were back in the saddle, because they didn't like what they interpreted to be punitive measures and "do nothingism" on the very things that affected their daily living.

And now there is strong indication that the Democrats are going to use their regained power in an extreme manner to the special privilege of the articulate groups that felt the Republican Eightieth Congress did them an injustice—for which they kicked them out.

In short, the Democrats went to extremes for special minorities until 1946 when the majority of the voters became fed up and elected a Republican Congress. Then the Republicans went to the opposite extremes for opposing special minorities and attempted a backward return to the "good old days"—they clung steadfastly to the long-outmoded notion that it is not the business of the Federal Government to intervene in the economic affairs of people. Like the Democrats, they had ears only for those vocal minorities which they felt had elected them. Like the Democrats, they forgot the majority—they failed to see that they had won on a protest vote of the majority rather than a positive vote of pressure minorities.

The answer to what has brought these 2-year shifts of power is simple and basic—extremes and articulate pressure minorities. This has given rise to a growing fiction that the Democratic Party is the party of labor and that the Republican Party is the party of big business. The real fact is that both parties are essentially the parties of the people—and when they cease to be the parties of the people, the people throw them out. That's what happened to the Democrats in 1946 and the Republicans in 1948.

The Republicans have steadily been making a comeback in the off-Presidential elections for the last three times in 1938, 1942, and 1946. We have just been unfortunate enough to have the 2-year swinging pendulum of the extremes swing on the Democratic side in the Presidential election years.

But we can win not only 2 years from now in the past normal Republican swing of the pendulum, but also 4 years from now in the normally Democratic swing of the pendulum. We can do it by convincing the electorate that the Republican Party is the party of all the people at the very time that the Demo-

cratic Party is swinging to the extreme of pressure government for the favored few.

We can do it by living daily the creed of Abraham Lincoln—of the people, by the people, and for the people. We must recognize that the American electorate has matured; that it has developed an intelligence—an ability to discriminate in the selection of its representatives on the basis of their records rather than their promises. If anyone ever had any doubt of this, all they need to do is to look at the record number of split ballots in the 1948 Presidential election. Before we use easy hindsight to conclude that anyone did not wage as vigorous a campaign as he should have, let's remember the burden of a lot of dead weight on some of the State and Federal tickets.

And where can we convince the people that the Republican Party is the party of the people? The first and foremost place is in Congress. Congress can be supplemented by the Republican governors.

And how can we convince the people? By a record; a record of moderation; a record that refuses the extreme right and the extreme left—a blend of true liberalism and intelligent conservatism; a record that is not a monotonous shout of defiance just because we are in the minority party; a record that is not "me tooistic" just because the Democrats defeated us; a record that accepts the good of legislation bearing Democatic names, but a record that offers a positive substitute for that which we oppose in legislation bearing the names of the Democrats.

I propose that the only way we go back is to Lincoln's moderation.

And you can rightly say this is all beautiful theory, but how can you put it into practice?

And I'm just naive enough to try to give you the answer to that. I propose the creation of a Republican Party policy committee with representation from the major segments of the party—three representatives from the United States Senate, three representatives from the United States House of Representatives, three representatives from Republican governors, and two representatives from the Republican National Committee—and of those representatives from the Senate and the House there definitely should be included someone from that block of Republicans identified with the 13 "Young Turk" rebels or liberals.

I propose the majority of the places for Republicans in Congress because, after all, in the next 2 and 4 years, the Republican Party will have to stand principally on its record in Congress. Responsibility must be accompanied by authority. Republicans in Congress have the major responsibility; they must have the major authority. Too much policy authority in the past has been vested in the Republican National Committee. That is not realistic. The Republican National Committee is basically an administrative agency to carry out, not formulate, the policy of the party. The Republican National Committee should do what Republican leaders tell it to do—instead of Republicans doing what the national committee tells them to do.

In short, if we are ever to approach Lincolnism in our party again, we must make a fresh start. We must organize the party so that it will be responsive to the people. We must organize the policy makers so that they will represent the major segments of the Republican Party as identified in the minds of the electorate—and all of the major factions of the party, the liberals, the conservatives—and the growing ranks of moderates. They must meet in an atmosphere of friendly compromise. They must resolve their differences in a spirit of give and take—with an emphasis on party objectives instead of party personalities.

They must make both the proposed policy committee and the Republican Party a Lincoln party—"of the people, by the people, and for the people"—not just favored minorities, but all—and, I repeat, all—the people. To achieve victory in 1950 and 1952 we must first gain victory within our own ranks—a victory of the muchly maligned unity rather than of personalities.

Tiny Pitcher Molded by Texas Potter

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Tiny Pitcher Molded by Texas Potter," published in the Marshall, Tex., News of May 10, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MATCH-SIZED TINY PITCHER MOLDED BY TEXAS POTTER

MARSHALL, TEX., May 10.—What is believed to be the world's smallest ceramic pitcher ever shaped and fired by the usual methods left Marshall Tuesday for the collection of Mrs. Edward Martin, wife of the United States Senator from Pennsylvania.

The pitcher, a tiny piece of work smaller than the head of a match, was executed by John H. McKinnon, owner of the McKinnon pottery in Marshall, from clay mined within the city limits.

It was mounted on a small ceramic table, also designed and executed by the local potter, for mailing.

Address by Ralph E. Becker Before the New England Council of Young Republicans at Portsmouth, N. H.

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES
Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mr. BRIDGES. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address by Ralph E. Becker, chairman of Young Republican National Federation, before the New England Council of Young Republicans at Portsmouth, N. H., on May 14, 1949. This is a very analytical and sound appraisal of our basic problems and solutions.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE REPUBLICAN RESPONSIBILITY

It is indeed a pleasure to be here in Portsmouth today and participate in this meeting of the New England Council of Young Republicans. You, young Republicans here in the American cradle of free enterprise, are asking yourselves the same questions that are being asked by young Republicans all over the country. But there is one thing of which everybody is profoundly aware in these troublesome and disturbing times, and that is that the people in the middle and lower income brackets are demanding a better share of the material things of life. This is a problem which everybody and every political party must squarely face. It involves the desire and determination of such vast numbers of people that the true solution will necessarily be recognized by increasing numbers of people as time goes on.

What is the true solution? Well, there are only two basic solutions which are advocated at all. One is the solution of the welfare state, that is, the welfare state of Communist Russia; the welfare state of Socialist England; and the welfare state advocated by the Truman administration in Washington. The other solution is our Republican system of free enterprise based upon individual opportunity, individual responsibility, individual development, and hard work.

Now, let us examine these two systems and see which provides more material things of life for the people in the middle and low income brackets. First, let us examine the welfare state and its basic theory. The welfare state theory is this, that through central planning by a "great brain" in the Nation's Capital, effectuated by a rigid system of legal controls, the Government will give more and more material things, free, to people in the middle and low income brackets, and that somebody else will have to pay for them.

This welfare-state central-planning theory, in its essence then, is that the people will be getting something for nothing. And as such, it certainly is attractive to most of us. Something for nothing always sounds good.

And there is something else which sounds good about the welfare state and central planning, and that is the illusion that there is something scientific and efficient about it—about a great brain in the Nation's Capital and running everybody's affairs for them. But when we analyze central planning and the welfare state, not as a vague theory, but in the light of the experience of the people who have had to live under it, we find something entirely different. First, we find that nobody gets something for nothing under the welfare state, and second, we find that it is crude and unscientific, and hopelessly inefficient.

So, let us see how it works. In Russia, we see the welfare state based on central planning in a true state of perfection, developed to its utmost, with no hampering restrictions of any kind on the practical application of the theory. But what are the results in Russia? There, strangely enough, we see a tremendous gap between the rich people on the one hand, and the people in the middle- and low-income brackets, on the other. In Russia, the rich people are the politicians, and the hard and disturbing fact is that practically everybody else is poor. The people in the so-called middle- and low-income brackets in Russia, that is the white-collar worker, the skilled worker, the school teacher, the technicians, and the so-called masses, live in circumstances of utter horror and misery. The middle- and lower-income brackets, the staple of society, everywhere, are the downtrodden and crushed, the people without material things. The welfare-state central-planning concept in Russia has given the people a raw deal, and we cannot expect the welfare state to do any better anywhere else. We can, however, definitely expect the welfare state to be overthrown eventually, in Russia, as it always has everywhere else.

Now let us turn to England. The Labor Party in England has had a free hand for almost 4 years with socialism, which is only another name for the welfare state and central planning. There we see the nationalization of enterprise after enterprise, the

banks, the transportation system, the public utilities, and now the steel industry. The Labor Party in England has been advocating the same welfare state propaganda, namely, that government officials will give the material things of life out free to the people in the middle- and lower-income brackets, and that somebody else will pay for it.

There is no question but that the socialist government there has been giving free handouts. There are various types of subsidies to keep prices down, and they have a system of socialized medicine there in which everything of a medical nature is given out absolutely free.

But the difficulty with all this is that we live in a practical world and somebody has to pay for the production of things which are useful. Somebody has to produce them and the people who produce them have to be paid, one way or another. The rich don't have anything like the vast sums necessary to finance the free hand-outs of the welfare state. From that standpoint, their wealth is only a drop in the bucket.

Today, in England, 40 percent of the national income goes for taxes. That means that, one way or another, the middle- and lower-income brackets are paying 40 percent of their income in taxes, or very close to it, for these groups earn the great bulk of the national income.

Now, let us turn to our country. We do not have a welfare state here in a substantial sense. We still have a free-enterprise economy based on individual responsibility, opportunity, and development. But we do have, in Washington, a definite movement of the New Deal, Fair Deal theorists who, for the last 17 years, have been advocating, one way or another, the failure of capitalism and the need for conversion to the socialism of the welfare state. We can look back to the NRA, a comprehensive plan for the control of all business. Today, the administration is still advocating a peacetime OPA, with even further regulation of business. The administration-sponsored Spence bill, now pending in Washington, provides for rigid controls of the economic system of our country in a manner and to a degree that we scarcely dare comprehend unless we actually read the bill itself.

Yet, so far, the people have resisted most of the advances of the welfare-state theorists in Washington. But we have not completely resisted them. The New Deal-Fair Dealers have spent vast sums of money on welfare-state and boondoggling projects, all without tangible results except to increase the national debt and the burden of taxation on people in the middle- and lower-income brackets as well as those in the upper brackets. When the present administration started in Washington in 1933, the national debt was some $23,000,000,000. It is now $252,000,000,000, over 10 times as much. The interest on the national debt alone amounts to $5,400,000,000 per year. The wealth of the rich is not even worthy of discussion as a source of paying such astronomical indebtedness. The only people who can pay are those in the middle- and low-income brackets, for theirs is the great bulk of the national income.

So when the welfare-state people in the administration in Washington tell you that they will provide all sorts of things for the middle- and low-income brackets, free, and that someone else will pay it, don't you believe it. The administration is making false promises—promises so false that they constitute a gigantic fraud on the American people. The truth is that everything has to be paid for, and that it is the people in the middle- and low-income brackets who earn the great bulk of our national income and who have to pay for the great bulk of the expenditures of any Government.

Now, that is the first fraudulent representation of the welfare-state administration—that there will be all these free handouts which somebody else will mysteriously pay for. But the administration is responsible for a second gigantic fraud. The New Deal-Fair Dealers actually tell people that we can maintain our individual liberties as they advance with the legal controls of the welfare state. The hard fact is that the welfare state can only exist on a rigid system of legal controls which regulate the everyday affairs of the people and subordinate the individual to the state. Look at Russia. There the system of legal controls and the constriction of the activities of the people is complete. Look at England. There we have a system of rationing and controls over the lives of the average individuals which is increasing daily as the welfare state proceeds. Look at the things the administration has tried to do in the United States—the NRA, the OPA, the Spence bill, and all the other things to bring the individual under control and to subordinate the individual to the state.

And also let us not forget what some of these people have said. We may, indeed, go back as far as 1931, when Rexford Guy Tugwell, later Under Secretary of the Interior of the administration, wrote that our system was "not so satisfactory to the rational faculty as revolution and rebeginning on the Russian model." Think of it. Mr. Tugwell thinks we should have a revolution and a rebeginning on the Russian model. Henry Wallace, former Vice President of the United States in the administration, stated frankly that "Capitalism must collapse unless something is done to bring the individual under control." And when running as the Democrat candidate for Governor of California, Upton Sinclair actually went so far as to say that, "Capitalism has served its time and is passing from the earth. A new system must be found to take its place. Our opponents have told you that all this is socialism and communism. We are not the least worried."

Now, it is perhaps fortunate that there is a great wave of unrest going through the peoples of the world in the middle- and low-income brackets, for we do not have to speculate as to some new solution for giving them more material things. We have, right here in our own country, under our Republican system of free-enterprise individualism based upon individual opportunity, individual responsibility, and the possibilities of individual development, a system which has already produced more of the material things of life for people in the middle- and low-income brackets than has ever been produced by any system anywhere in the world. I repeat, our principle of free-enterprise individualism, which has made our country great and lavishly productive, is essentially a Republican principle.

Moreover, under our Republican free-enterprise system based on individual responsibility, we have the very system which is best calculated to produce genuine social reform. We have produced more genuine social reform in the country, and we are better off as a people than any other country in the world.

Also, let us not forget that the theory of the welfare state, with its lack of faith in the individual, is the theory of cynicism and disillusionment, while our free-enterprise-individualism philosophy is the philosophy of eternal youth. Youth is not afraid of responsibility and hard work. All we young people ask is an opportunity to develop ourselves and to be productive. And through our Republican free-enterprise system we have that opportunity.

Now, what is the real responsibility of the Republican Party with respect to all this? In my opinion, it is something which we must face squarely and not delude ourselves about through fear or cowardice. The responsibility of our party, as I see it, is this: We must make the people in the middle- and lower-income brackets of this country, which constitutes the vast bulk of our population, realize that the welfare-state propaganda of the administration is only a gigantic fraud and delusion, and that the welfare state has only produced poverty and misery where it has been experienced. We must make them realize, through the experience of Russia and England, what will happen if the administration proceeds here with its welfare-state plans. We must help them to see the pitfalls of the welfare-state theory, through the experiences of others, rather than to insist upon a disastrous experience for the United States.

We must also make them realize that there is only one real solution which experience has ever provided for giving more of the material things of life to people in the middle- and low-income brackets, and that that solution is our Republican system of free-enterprise individualism. This is not something on which we have to speculate: Our Republican system of free-enterprise individualism has already produced results for the people of this country which exceed those of any other country anywhere.

To repeat, our real Republican responsibility is to face the facts, and to make the people of our country realize that their true salvation rests not in wild and theoretical speculation about the welfare state which has already been tried out in Russia and England with disastrous results; but in the hard facts of the lavish production of our Republican free-enterprise system.

Moreover, our Republican responsibility is not something negative in character. Ours is an affirmative responsibility to make the people of our country realize that their own real future lies, not with the crude welfare state and its attitude of disillusionment and cynicism, but with our Republican philosophy of free-enterprise individualism and its faith in the individual. It is up to our Republican Party to sell the lavish experience of free enterprise as against the poverty and misery of the welfare state.

Finally, this affirmative program is essentially a program for young people, for our futures depend the most on it. Hence, it is primarily up to us young Republicans to go out and sell it. Go out and do it. For the future of our country is in your hands.

Conflicting Jurisdiction in Federal, State, and Local Governments

EXTENSION OF REMARKS

OF

HON. JOHN J. WILLIAMS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the editorial which appeared in the Journal-Every Evening, Wilmington, Del., for Tuesday, May 10, 1949, on the conflict of jurisdiction in Federal, State, and local governments.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BACKING FOR BOGGS BILL

Powerful and distinguished support is rallying behind the proposal of Representative J. CALEB BOGGS, of Delaware, for a commission to study the problems of conflicting jurisdiction in Federal, State, and local gov

ernments. At the first session of a joint House-Senate hearing on the Boggs bill, held yesterday, five governors endorsed the measure. Governor Knous, of Colorado, came all the way from Denver to give his testimony; Governors Lane, of Maryland, and Driscoll, of New Jersey, also appeared in person, and Governors Lausche, of Ohio, and Stevenson, of Illinois, sent their hearty endorsement.

The legislation introduced by Delaware's Congressman has attracted this immediate backing because it meets a real and crying need. The sprawling, Topsylike growth of the Federal Government during the past decade and a half and the accompanying rise in Federal taxation have created urgent problems for all the States. Overlapping of functions and activities and duplication of taxes have created hardship and confusion for States, cities, counties, and—last, but not least—the citizens themselves. It is time to straighten out the tangle, and adoption of Representative Boggs' bill would be a good way to begin.

The North Atlantic Pact

EXTENSION OF REMARKS
OF
HON. ARTHUR V. WATKINS
OF UTAH
IN THE SENATE OF THE UNITED STATES
Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "The Loaded Automatic," published in the Wall Street Journal of May 17, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE LOADED AUTOMATIC

The Atlantic Pact is advertised as a means of preserving peace.

It will be a strange peace, achieved by turning the western world into an armed camp face to face with an armed camp in the east.

The administration proposes to send more than a billion dollars worth of guns to western Europe—the first year. How many billions there will be in all has not been revealed, but unofficial estimates range as high as 20. This is not likely to discourage the Russians from the increased manufacture of arms.

If the administration's military-aid program successfully wages peace, it will be the first such peace.

Guns have an odd habit of getting used. Perhaps there is an innate fascination about them. Rare is the child or man who can resist the temptation to play with them. The more guns there are the more likely they will find employment.

The history of Europe is the history of armaments races. Peace was never the victor.

British policy for generations sought the balance of power in Europe. The theory was that strong military nations would not attack other nations which were equally or nearly equally strong. This was extended to blocs of nations, and there were ententes of various sorts.

But the power often got out of balance, the ententes collapsed, and the almost invariable result was war. Power built on guns invites the extension of power by means of guns.

World War I was not the first explosion of the balance of power in Europe, but it was the biggest till then. After it, the nations, realizing where the trouble lay, decided to throw their loaded automatics out the window. The idea was sound, but the nations retrieved or replaced their guns.

By 1939, they had enough to start shooting again. Hitler broke Germany's balance of power with the nations to the west. On the other side, the Nazi-Soviet pact epitomized the balance of power principle: two powerful opposing forces agreeing to mutual nonaggression because it did not seem realistic for one to attack the other. But one did.

To suppose that billions of dollars worth of guns, matched as nearly gun for gun as the Russians can, will remain idle in Europe is to misread history. There is no special magic attaching to a balance of power armaments race just because it is now an Atlantic Pact bloc on one side and a Soviet bloc on the other. War remains a more tempting way of settling differences than the conference table, when the means are at hand.

The Atlantic Pact started out as a simple declaration that Soviet aggression in western Europe would not be tolerated by the United States. That would have been a clear warning, which the Soviets could be expected to heed. The administration has turned that into a dangerous policy based on an exploded principle.

If the nations of Europe wish to challenge the Soviet Union to an armaments race, that is their unfortunate business. But it is not the business of the United States to provide them or anyone else in time of peace with the means of war. And it is confounding confusion to do so in the name of peace.

Near East Survey Commission

REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. MULTER. Mr. Speaker, this morning we are introducing under the joint sponsorship of approximately 50 Members of the Congress a joint resolution to establish a Near East Survey Commission.

The establishment of a Near East Survey Commission is a necessary preliminary to a Near East economic development program. This resolution provides for a comprehensive inquiry with respect to the action which it may be necessary or desirable for the United States, in cooperation with the United Nations or otherwise, to take with regard to the economic development of the states and countries in the Near East and neighboring states and countries economically interrelated to them.

Its purpose is to stimulate industrial and agricultural production and trade among the Near East countries, the improvement of standards of living and of conditions of health and education. It points the way in which point IV of the President's inaugural address seeking to make available our technological skills to underdeveloped countries may be implemented in the Near East.

The bill emphasizes particularly public works developments creating power and water for irrigation. Vast potentialities for this purpose exist in the valleys of the Jordan, the Tigris, and Euphrates, and in the area of the White Nile—including parts of Uganda and Belgian Congo—in Syria, in Lebanon and in Jordan—these areas which at one time supported great civilizations and population centers with large cities of a million and more people now lie neglected yielding but a small fraction of their potential. It is estimated that 10,000,000 to 15,000,000 cultivatable acres could be created by projects costing about $500,000,000. A great deal of preliminary work has been done in surveying these projects by the British High Commission, by Lowdermilk and Hays and by other authorities, but these proposals have not been coordinated in terms of the whole region nor have questions of financing and resettlement been dealt with. It is important to recall that the various plans for Palestine partition, the Grady-Morrison plan and the plan adopted by the United Nations General Assembly on November 29, 1947, all called for this kind of economic development for the region as a whole. It is also emphasized that such projects could enormously facilitate the resettlement of the 750,000 Arab refugees from Palestine.

The Commission to be formed under the bill is to be composed of 15 members, 5 to be appointed by the President of the Senate, 5 by the Speaker of the House of Representatives, and 5 by the President. The Commission is temporary in character and is to cease to exist 90 days after submission of its final report, although it is instructed to make interim reports.

The Commission is authorized to draw on executive departments and agencies of the Government both for personnel and for information.

The Near East is defined as including the following countries: Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Palestine, Saudi Arabia, Syria, Turkey, and Yemen. Kuwait is an independent sheikdom at the head of the Persian Gulf. The Commission will not visit any such countries except on the invitation of the government or the administration thereof. The resolution also warns that "it is not intended or to be construed as an express or implied commitment to provide any assistance, whether in funds, commodities, or services, to any state or states, country or countries."

It also encourages the maintenance of international peace and security by eliminating the potential of the Near East as one of the world's foremost tinderboxes for war and revolution due to chronically low standards of living, bad conditions of health and education, and feudal traditions of government. The presence of Israel in the Near East as a bridgehead of democracy and as an industrial workshop built on democratic foundations can furnish the nucleus for technical and skilled manpower, making an ambitious program for the development of the whole region practicable. The fate of Israel is now unalterably linked with the fate of the whole region and this bill is one way to bring permanent peace and neighborly relations between Israel and the other Near East countries. The program is a Near East development program rather than a Near

East recovery program. It is not intended to initiate an international PWA, but to instigate efforts to improve the economy of that region by self-liquidating, wealth-creating projects.

The following Members of the Congress sponsor the resolution:

California: CHET HOLIFIELD, NORRIS POULSON.

Connecticut: RAYMOND E. BALDWIN, JOHN DAVIS LODGE.

Illinois: PAUL H. DOUGLAS, BARRATT O'HARA, ADOLPH J. SABATH.

Massachusetts: CHRISTIAN A. HERTER, THOMAS J. LANE.

Michigan: JOHN D. DINGELL, GEORGE D. O'BRIEN, GEORGE G. SADOWSKI.

Minnesota: JOHN A. BLATNIK.

New Jersey: HUGH J. ADDONIZIO, EDWARD J. HART, PETER W. RODINO, JR.

New York: WILLIAM T. BYRNE, EMANUEL CELLER, JOHN C. DAVIES, ISIDORE DOLLINGER, LOUIS B. HELLER, JACOB K. JAVITS, KENNETH B. KEATING, EUGENE J. KEOGH, ARTHUR G. KLEIN, ABRAHAM J. MULTER, JAMES J. MURPHY, ADAM C. POWELL, JR., ANTHONY F. TAURIELLO.

North Carolina: CHARLES B. DEANE.

Ohio: FRANCES P. BOLTON, MICHAEL J. KIRWAN.

Pennsylvania: FRANK BUCHANAN, ANTHONY CAVALCANTE, EARL CHUDOFF, HARRY J. DAVENPORT, HERMAN P. EBERHARTER, DANIEL J. FLOOD, JAMES G. FULTON, WILLIAM T. GRANAHAN, WILLIAM J. GREEN, JR.

Texas: CLARK W. THOMPSON.

Virginia: TOM B. FUGATE.

Washington: HUGH B. MITCHELL.

West Virginia: E. H. HEDRICK.

Wisconsin: ANDREW J. BIEMILLER.

Mr. Speaker, I ask unanimous consent at this time that the revision of my remarks, being beyond the usual limit, may be extended and appear in the Appendix of the RECORD, and that I may include therein a copy of this joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The resolution is as follows:

Joint resolution to establish the Near East Survey Commission

Resolved, etc., That the purpose of this joint resolution is to provide for a comprehensive inquiry with respect to the action which it may be necessary or desirable for the United States in cooperation with the United Nations, or otherwise, to take with regard to the economic development of the States and countries in the Near East and neighboring states and countries economically interrelated therewith.

SEC. 2. (a) There is hereby established the Near East Survey Commission (in this joint resolution referred to as the "Commission").

(b) The Commission shall be composed of 15 members, as follows: Five Members of the Senate to be appointed by the President pro tempore of the Senate; five Members of the House of Representatives to be appointed by the Speaker of the House of Representatives; and five members to be appointed by the President. Any vacancy on the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(c) The Commission shall elect a chairman from among its members. Eight members of the Commission shall constitute a quorum.

SEC. 3. Members of the Commission who are Members of Congress or officers or employees of the United States shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission. Members of the Commission who are not Members of the Congress or officers or employees of the United States shall receive per diem compensation so long as they are engaged in the work of the Commission at the rate of $50 per day.

SEC. 4. The Commission shall have the power to appoint and fix the compensation of such technical, professional, and clerical personnel as it deems advisable in accordance with the civil-service laws and the Classification Act of 1923, as amended: *Provided,* That to enable the Commission to make the investigations herein provided for it is hereby authorized to employ engineers and to fix the compensation of any and all such engineers without regard to the civil-service laws or the Classification Act of 1923, as amended. The Commission shall have the same privilege of free transportation of official mail matter as granted by law to officers of the United States Government.

SEC. 5. Ninety days after the submission to the Congress of the final report provided for in section 6 (b), the Commission shall cease to exist.

SEC. 6. (a) It shall be the duty of the Commission to carry out the purposes declared in the first section of this joint resolution and to that end the Commission shall conduct full and comprehensive investigations and studies, and shall make studies, reports, and plans relating to (1) the immigration and resettlement of displaced persons and refugees, (2) the improvement of standards of living, social services, and educational opportunities, (3) the establishment and development of agricultural and industrial projects which are capable of increasing productivity and improving health and living standards, (4) the improvement of opportunities for primary and secondary education and for technical and university education, (5) the integration of all such projects with similar projects initiated or sponsored by the United Nations.

(b) The Commission shall make interim reports to the Congress from time to time, and shall make a final report which shall include recommendations for such legislation as it shall conclude to be necessary or desirable.

(c) In the performance of its duties the Commission shall cooperate with the governments or administration of the states and countries of the Near East and with the governments or administrations of such other states and countries whose economic development is interrelated with that of the countries of the Near East. The term "Near East" as used herein is defined to include, but without limitation, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Palestine, Saudi Arabia, Syria, Trans-jordan, Turkey, and Yemen: *Provided,* That the governments or administrations of the states and countries of the Near East shall be responsible for all authority necessary to carry out the Commission's duties in their respective states and countries and that the Commission shall visit any such states and countries only upon the invitation of the government or administration thereof: *and provided further,* That nothing contained herein is intended or shall it be construed as an express or implied commitment to provide any assistance whether in funds, commodities, or services to any state or states, country or countries.

SEC. 7. There is hereby authorized to be appropriated such sums as are necessary for the purposes of this joint resolution.

SEC. 8. (a) The principal office of the Commission shall be in the District of Columbia, but it may sit and act at such other places, whether within or without the United States, as it deems advisable. The Commission may conduct such hearings as it deems advisable, and any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) The Commission is authorized to secure directly from any executive department, independent establishment, or instrumentality of the United States information, suggestions, estimates, and statistics for the purposes of this joint resolution; the Commission is authorized to arrange with any such executive department, independent establishment, or instrumentality of the United States for the temporary assignment to it of personnel and for the payment of the compensation and reimbursement of travel, subsistence, and other necessary expenses incurred by such personnel; and each such department, independent establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the chairman if possession of such information, suggestions, estimates, and statistics by the Commission will not endanger the common defense and security.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. JAVITS. I would like to state to the House that this resolution which is being introduced is bipartisan and is being introduced in the other body under bipartisan sponsorship. It is the first effort that has been made to treat the whole Middle East as a region and to deal with the conditions of suppression of disease and illiteracy there.

Socialized Medicine

EXTENSION OF REMARKS
OF
HON. ARTHUR V. WATKINS
OF UTAH
IN THE SENATE OF THE UNITED STATES

Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Socialized Medicine," published in the Price (Utah) Sun-Advocate of May 12, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SOCIALIZED MEDICINE

Men who like to call themselves liberals have one outstanding trait. They are always kicking and anyone who opposes their wild-eyed schemes is classed as an obstructionist or a conservative. Right now the target of this particular brand of so-called liberalism is the medical profession, and a drive is under way to make the people believe they're being denied medical attention which only the Government can provide.

Doctors have struggled for centuries to learn the secrets of keeping the human body alive and healthy. Many dread diseases have been eliminated and the span of life has been doubled in a few decades. Not so long ago appendicitis was treated with opium pills, poultices, and castor oil. The treatment was cheap but most of the patients died. Diabetics were given codeine and put on a diet, but as the obituaries read, the patient soon departed this world. Ever-growing complexity of treatment has added to the cost—as does everything which contributes to modern living.

Some liberals, whose blood pressure would have killed them long ago if a few competent physicians had not been at hand, are telling the people that the medical profession has got to do better or Uncle Sam will have to step in and take care of all their needs from the cradle to the grave at a cost of six to eight billion dollars a year to be taken out of pay checks.

Of course, private medical costs are high. So are services of skilled lawyers, architects, or engineers. But few patients ever get sued for doctor's bills. Right here in Price we know of physicians who have done thousands of dollars worth of service without ever expecting to be paid.

Socialized medicine would do no more than make the Government a bill collector for the doctors, payable in advance, with part of the money retained for bureaucratic services. Uncle Sam has no degree in medicine and medical advancement will be achieved in the future by the doctors, as it has been since the days of Hippocrates, in spite of the self-styled liberals who are trying to woo votes by making the health of the Nation a political issue.

Home Ownership Under the American Incentive System

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include essays written by boys and girls in the high schools in my district on the importance of private enterprise in business.

HOME OWNERSHIP UNDER THE AMERICAN INCENTIVE SYSTEM

(By Joanne Spurk, senior class, Academy of Notre Dame, Tyngsboro, Mass.)

Home ownership is a matter of predominant concern to all people in all the countries of the world. However, here in the United States of America more than anywhere else has the thrill of realizing this innate and noble dream of home ownership seen its most complete fulfillment.

To a young American like myself, the subject of home ownership is most fascinating because the choice of a home is one of the real adventures of a lifetime. That home, selected after careful consideration, will be the permanent shelter of a growing family who will share its friendly warmth and love its enduring beauty for many years.

Due to the sound economic system of free enterprise that is an integral part of our way of life, that home can be comfortable and it can be beautiful. This is because the citizens of this country have been given, to a marked degree, a greater distribution of the material wealth that gives concrete form to the spiritual urge which motivates the building of a true home.

And it is not only material wealth but also a wealth of material that has prompted the creation of more and better homes for Americans. This happy fact is primarily due to the vast natural resources with which our Nation is enriched coupled with the technical know-how of the lumber industry which is constantly striving to better the thousand and one essentials necessary to a finished home. The prospective owner, upon a visit to the warehouse of his local lumber dealer, finds his incentive to build greatly strengthened. There, displayed before his interested eye, are the components of a home. He marvels at the genius of an industry capable of producing such fine materials at such reasonable cost. His fingers thrill at the touch of the smooth flooring as he traces its delicate grain. He looks appreciatively at the exquisite workmanship of doors that would befit a castle but which serve equally as well on Main Street, U. S. A. Also there to arrest his gaze are windows, sturdily constructed and beautifully designed which will allow him to view the beauties of nature from the security of his abode. Nor can he overlook those sturdy beams, heavy studs, and colorful shingles that will all be needed. After having viewed this amazing wealth of available materials, he is ready to take advantage of the friendly service offered by his lumber dealer whose broad experience in the field of housing enables him to assist the prospective buyer in planning for the specific needs of his future home. The advice of a man, so experienced, is invaluable to the home investor. These advantages of reasonably priced, high-grade materials and consultation with men of housing background immeasurably increase the incentive to home ownership. The work of the retail lumber dealer is most indispensable to the progress of his community.

Home ownership bears many fruits. Among these is the comforting sense of security which envelops the man and his family as they place their possessions in what is indisputably their own domain. There is the opportunity of expressing his creative instincts in lending an added personal charm to his shelter that could not otherwise be achieved. Home ownership automatically places the individual in high standing for when one has such a substantial stake in the community, credit is readily available to him. This is because he is converting his money into a sound investment, of which there is no better.

The home owner, and rightly so, sees himself as a contributor to the establishment of fine communities for it is a known fact that neighborhoods which have the highest percentage of home owners are invariably ideal sections in which true Americans desire to live. It is the character of these proud and industrious citizens to promote high living standards and this is reflected in well-kept homes, fine schools, good roads, sufficient lighting and efficient water systems. Home owners bring to government a keen awareness to civic needs and in this way bring about more conscientious management of public affairs. Thus home owners and civic leaders work in unison so that better communities shall flourish wherever these groups meet on the common ground of making America great.

Yet, this very day, there are those who would destroy this splendid spirit of initiative that has prevailed since America was founded. These are the proponents of mass Government housing who would, if they could, crush the incentive for the building of individual homes. The projects which they sponsor would remove all the individuality and privacy that make a house a home. Still these ideas do have a certain appeal to that irresponsible segment of the population which regrettably can be found in any society. Federal housing caters to the weaknesses in men by asking the doers of the Nation to contribute to the support of institution-like living quarters for the shiftless element which does not have the necessary gumption to acquire, through its own efforts, the comforts of modern living. These propositions are harmful to the American ideal of independence which has predominated the thinking of our citizens since the birth of this glorious Nation and which now must not be tampered with if we are to continue as a powerful people.

As one young American, looking into the future in which all the young Americans of today will soon take their places, it is my fervent wish that we, just as our parents, will be able to share in and enjoy the benefits that swell from an economic system which stimulates incentive, recognizes ability, and rewards hard work with every material and spiritual blessing attainable to mankind.

HOME OWNERSHIP UNDER THE AMERICAN INCENTIVE SYSTEM

(By Jerome Wetmore, Westford Academy Westford, Mass.)

In the United States of America we believe that anyone who wants to get ahead may do so if he has the ambition and incentive needed. America has always given its citizens the incentive to better themselves. These ideas form what is known as the American incentive system, in which no man is barred from the top.

Now what about home ownership under this idea of the American incentive system. Figures show that 51.4 percent of the American people own their homes. This is by far the greatest record for home ownership in the world. Yet in the United States should not more people own homes? Yes, they should if they want to and have the ambition to work for home ownership. But do the people who do not own homes want to own them? Yes, basically they do. Great pride has always been taken by Americans in home ownership. Our colonial ancestors found that owning a home meant security for all the members of the family, and we have inherited their idea. Then, as this seems to lead to the fact that the American people do want to own their homes, why don't they under the American incentive system.

There are many obstacles in the path of home ownership. The main obstacle is the housing shortage and from this stems many of the other difficulties, such as high prices, and so forth. These obstacles discourage many people from working toward the goal of home ownership, especially those in the lower income brackets. They find it easier and seemingly cheaper to rent. It is claimed that this group of people lack the necessary ambition to forge ahead in this field.

There is also a second group of people in the United States that doesn't own homes but wish to. They have ambition and want to get ahead, and to them ownership is a step on the way to the top. They have the money necessary for home ownership but find none for sale.

What is to be done about the shortage of housing? The housing shortage is not new in the United States. Never has there been enough housing for the increase in population. During the depression years of the thirties, little or no housing was done simply because few families had incomes to warrant their buying homes. At that time they were content to live in unsuitable rented buildings. In the war years of 1941–45 few houses were built for the general public. In 1942 the coordinated Government housing program came into being. This was to oversee war housing which was for the Army and Navy. This shows that for a period of time, approximately 20 years, no housing to speak of was done. Not even enough to supply the old demand let alone the new.

Figures show that 47.8 percent of the American people in 1890 owned their own homes. Then interest in home ownership slowly slackened until 1940 when only 43.6 percent of the people owned their home. From 1940 to 1947 this rate increased to 51 percent. What do these figures mean? During the thirties there was very little interest in home ownership and no housing was done; then, suddenly in the forties the interest became very great, greater in fact than ever before, but still no houses were built.

What caused this great increase in the interest of home ownership? During the war for the first time, those people who had been contented under bad living conditions in the thirties found home ownership within their reach for the first time in their life.

Also the marriage rate increased and strengthened the demand for more housing. This means that we are faced with a great shortage of housing far greater than ever before. Besides the new demand created by the war there is also the demand created by those people who should and would have had houses a few years back if conditions allowed.

What are Americans doing to supply the need for housing? Many magazines and speakers have advocated public housing. What is public housing? It is subsidized housing which in turn means Government in business. In England and Russia where government has control of housing there is a far less number of houses built than in the United States. In England where the people have more rights than those in Russia there is a far greater number of homes completed than there is in Russia. If in the United States we have Government in such a great business as housing which is our second largest industry there is no doubt that it would lead to Government in other business. But even if we did have Government in the housing business would it aid the people? Public housing would mean giving homes to the needy at a far lower price than cost. Therefore it is up to the American public to pay for these homes out of their own pockets. Not only would they be paying for their own homes but for thousands of others as well. That does not seem fair to the American who has the ambition to own his home and find because of that he has to pay for other people's homes.

The Public Housing Act of 1937 states that those in the lowest income group would be the ones entitled to new homes. This has been interpreted as meaning the group that has a maximum income of $1,200 to $3,000. Not only do these people have admittance to these homes but may continue to live there with incomes up to $13,000.

The families in the United States who have received public housing have incomes averaging $2,200. Therefore, under the Housing Act of 1937 there are 20,000,000 families in the United States who are entitled to new homes. At today's cost that would be $150,000,000,000 to $200,000,000,000. A great part of that sum would have to come from the taxpayers' pocket. Even without money problems it would take a century or more to build houses for all in this group. When these houses had been produced there would be a clamoring for more subsidized housing for other income groups and in the end Government would own more than half the homes in America. This is defeating the ideas presented under the American incentive system. There will be families that have an income above the maximum set for public housing and they will try rather than raise their income to lower it so they will qualify for housing. This results in negative incentive. These families would increase the number dependent on the Government whereas before they were independent. The plan of public housing will not solve the housing situation without ill effects that would be disastrous to the American incentive system.

There is nothing to show that Government in housing can build houses faster and cheaper. In fact it is private industry that builds houses faster and cheaper. In 1946 Government controls and regulations reduced home construction to a rate of 218 per hour, whereas in the last half of 1947, when the industry was free, it produced homes at the rate of 457 per hour. For 4 months the industry broke all records for housing. This trend is continuing. In the first 4 months of 1948, 51,800 more homes were built than in the first 4 months of 1947. This proves that it is individual incentive that brings results.

We are now building houses at the rate of a million a year and it is said that if we keep up with this record for the next 10 years that we will be able to supply all demands for housing.

It would seem to me that it is necessary to supply those people that have money enough to buy their homes without aid from the Government before we supply those who need help from the Government. Why should we meet the demands for these people if they are sitting back and expecting the Government to do everything for them.

Under the American incentive system it is the people who do things themselves who get ahead, so why should we change things around and give those who lack ambition to get ahead, housing before we give it to those who are ready for housing? If we built a million a year we will be able to supply houses to those who want them enough to work for home ownership and then will be the time to think of those who do not care about bettering themselves.

If we do not do this there will not be any more American incentive system. The United States of America will become as many countries of Europe where all the common people have to live under the same conditions regardless of which has the most ambition. No American citizen should want that.

HOME OWNERSHIP UNDER THE AMERICAN INCENTIVE SYSTEM

(By Katherine Graham, Acton High School, Acton, Mass.)

One of the largest problems facing the American people today is housing. We all know this statement to be true, but exactly what is everyone doing about the housing situation? Let me tell you what they are doing.

People are reading their newspapers and talking to their neighbors about it, and the main plan of thinking seems to be "Let the Government do it." Why do people think that Government control and action is the only way out? Here is something that they all have apparently forgotten—and unless they begin remembering it, it will mean the loss of personal liberty and individual freedom—the power of Government is always a dangerous weapon in any hand.

Before there were 48 stars on our flag, thousands were arriving here from Europe. They did not come because of any high hopes they had entertained concerning "government-guaranteed securities. To them that was no panacea—they had had enough of that sort of thing. No, they came because they wanted their personal freedom. Today, we still say that we want our freedom, but along with it, we want the Government to do everything for us. Because people do not want or like individual responsibility, they are going back to the old idea of government for security. This is where Government housing versus personal home ownership enters the picture. Do the American people want to have their Government build their houses for them? Do they lack the incentive to build houses for themselves? It is easy to own your home today.

Everything is in favor of private building. Home ownership has long been held up as an ideal that everyone should aspire to. It is the mark of a stable and respected citizen to own his own home. People have more pride in homes they own than in rented houses, and the difference is apparent in the care they give their homes. Home ownership makes for settled residences, so that the owners become a part of the neighborhood and community in a sense that is not usual with temporary residents.

If a person decides to buy his own home, there are several factors to be considered. The house should be selected in a location that will improve with the years rather than deteriorate. Other factors to be considered are the proximity to employment, churches, schools, and transportation. The right time to buy should not be overlooked. Some who bought during the last inflation saw their property slowly diminishing in value before their eyes.

There are new and better products on the market every day. For example, the insulating, electrical, plumbing, heating, and ventilation systems are far better than ever before.

It has been proved that the rate of home construction is doubled by free industry. Government-operated housing projects do not work. No system has ever excelled private enterprise.

It is very apparent that our largest needs are:

1. We need better quality materials.
2. The taxes on privately owned homes should be reduced.
3. We must regulate the production per man-hour of labor.
4. We must provide loans for those who wish to build, but cannot without financial aid.
5. We need to establish a sounder and more stable economic government.

Wholesale prices of building materials in December 1948 showed the first decline in prices in 8 months. Lumber and softwood prices weakened by 8 percent. The only increases were cement, brick, and tile by 3 percent; and paint materials, plumbing, and heating by 2 percent. Totally this gives the prospective builder a saving of 3 percent.

Here are the ideas that the Department of Commerce has for shaving building costs:

First. Use lumber precut to sizes specified in the plans so that a lot of hand work will be eliminated.

Second. Put walls together on the floor, and then tip them up into position.

Third. Erect the outer walls and roof first, before beginning the inside work.

These suggestions, they claim, would save home builders up to 20 percent.

Compared with other countries, in 1946–47, the United States built 1,288,900 houses. Russia only built 564,506 houses for their homeless millions; this is 29 percent of our number; and England built 164,878 houses, 38 percent of ours. These percentages are, of course, in proportion to their size and population.

Although we should be proud of our record that we own the biggest building industry in the world; annually the American public spends $12,600,000,000 for housing. However, the same people spend $12,700,000,000 for personal care, recreation, and travel. That amounts to $100,000,000 more than is spent on any housing unit or plan. And $12,100,000 is spent each year for liquor and smoking. Still there are people wondering why they do not have sufficient money to build their homes.

Here in America, we are guaranteed nothing except life, liberty, and the right to own whatever you have honestly acquired. You can do what you please as long as you do not violate the right of others to do as they please. As it stands today, the choice rests with us as individuals. No one can tell us what to do or how to think. It is only right that we do our own thinking and acting. Others have done it before us, and America stands as a symbol of their thinking and foresight. By doing likewise, we shall set an example for those who will follow in our footsteps.

Now, with ample supplies, costs are sure to fall, and if we have enough efficient home-building financing, I think that 1949–50 will be boom years. Truly, all that the American people need now is the ambition to work and plan and save.

We should be eternally grateful that all this is made possible by the American incentive system, and that as long as Old Glory is flying in the breeze, this system will remain in power.

My sources for all statistics were as follows: Bureau of Labor Statistics, Weekly Builders Bulletin, National Retail Lumber Dealers Association, and Bill of Rights by Russell.

Multiple Sclerosis

REMARKS
OF
HON. JAMES G. FULTON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. FULTON. Mr. Speaker, I would like to say to the House two alarming words—two of the most alarming words that have come up since this war has ended.

Those are the words that are used to describe the new progressive paralysis which is now hitting 300,000 in this country and particularly the veterans of the last war. That is the disease called multiple sclerosis. These two words are causing untold misery, as it is a disease with no known cure.

The most famous case of this disease, of course, was the tragic case of Lou Gehrig, of baseball fame. Another case very close to us is that of the daughter of the Senator from New Hampshire, Senator TOBEY. I have a young veteran working in my congressional district who has been stricken recently by this terrible plague, and another Senator has an office employee similarly afflicted. This disease is now attacking more young servicemen than infantile paralysis.

This disease often hits people who have been subjected to great strain, so it might happen to anyone here. It is a progressive paralysis which often results in death in from 2 to 8 years, and at best is completely crippling. Doctors have no cure for it. There has been no real research done on it. In the last year 17 separate bills have been introduced by Congressmen with reference to it. Senator TOBEY has introduced a bill this year to investigate this disease, and I am glad to have followed his leadership, among other Congressmen, in introducing in this House, a bill to combat this menace.

Changing Relations of Business to Government

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. DAVIS of Georgia. Mr. Speaker, the March 1949 issue of the magazine The Controller carried an article written by Prof. Ernst W. Swanson, a member of the faculty of the school of business administration of Emory University, Georgia.

The subject of Professor Swanson's article was "Changing Relations of Business to Government," a subject which year by year becomes more important, not only to those who are engaged in business, but also to the average citizen.

I have been impressed by the clarity with which Professor Swanson has presented some great truths in this article. One of the paragraphs of the article reads:

We are surely all agreed on the generalization that the true private-enterprise system demands that we take risks, that we act as enterprisers, not as mice. It demands that we abolish group practices of running to governments for sanctions. It demands above all that we do not abuse the privilege of acting as individuals.

Another paragraph deserving special emphasis is:

Fortunately for us, there are still many in America who want to work hard and who want to take risks of enterprise. Therefore we have not traveled the whole road to collectivistic oblivion, and we still can reverse our engines. Let those of us who see things in this fashion hang on with the grimmest of determination, and it may come that we shall again have our day.

In this day of running to the Government for everything "from the cradle to the grave" it is refreshing to read a sound, common-sense presentation of facts such as are set forth in Professor Swanson's article. I believe it is worth while for the Members of Congress and the readers of the CONGRESSIONAL RECORD to have this article in its entirety, and under leave previously granted, I insert the article herewith.

Professor Swanson received his doctor of philosophy degree from the University of Chicago. He has served on several university faculties, has been research fellow at Brookings Institution, Washington; Research Economist and Assistant Director of Economic Research, United States Chamber of Commerce, Principal Fiscal Analyst of the Bureau of the Budget, Washington. He is a prominent lecturer on public and private finance, as well as the author of numerous economic publications.

CHANGING RELATIONS OF BUSINESS TO GOVERNMENT

(By Ernst W. Swanson)

I suppose that every town has its "character." In my home town it was Ol' Man Mose. He lived long before Al Capp's creation of a character of the same name, and gained repute for one other capacity than that for consuming corn likker. In one of his more sober moments, when politics were being cussed and discussed on the court house square, Mose in a fit of exasperation spot out a stream of tobacco juice and muttered a phrase that became a local byword: "The Guvment is a dam' fool."

From that day on cussing the Government always took on the flavor of: "The Guvment is a dam' fool."

But Ol' Man Mose and others of us who so regard our Government overlook a cardinal point. In these United States we are collectively the Government. By taking Ol' Man Mose's view, whether we are businessmen, farmers, or staunch members of the CIO, we set aside our responsibility—the greatest of them all—to be and to act as members of a government which is of the people, for the people, and by the people.

Today, more than ever, we are losing sight of this fundamental principle of democratic society. We are letting ourselves believe that our world is becoming so complex that we must leave government to the expert.

But in a democracy we dare not let this become our way. Indeed, that view is sheer folly, for by adopting it we deny the possibility of democratic society. What is even more pertinent for our purpose, we thus foster developments which are destined to make society complex.

Our Government cannot be made to rest on the view that there are people who know the right answers to our social and economic problems. In democracy no one knows the right answer. Solutions to such problems can come only from discussion of them by all. The experts, the right answer boys, may submit their conclusions but in the end their views can only be compounded with the others to derive the solution. No one group, no one individual provides the solution.

It is, moreover, essential to understand that the truly free enterprise system cannot survive under conditions other than those of free discussion of issues.

But then how did we come to turn to Government, to the "right answer" boys? That is a long story. I shall try to outline it as briefly as possible.

The American Revolution was in a large sense the fruition of the awakening and the rise of the western world. The eighteenth century brought into bloom the age of enlightenment and liberalism. The seeds were transplanted with the colonists into American soil and there the flower grew as it had not grown nor would grow in England, France, and Scotland, where the species originated. America provided the ideal soil. It was the soil of the truly democratic view, of a fertility that came from the general exchange of views and ideas and not from dependence upon authority.

A new social order flourished and that social order created the competitive private enterprise economy for the organization of production and the economic well-being of the individual, who then truly became an individual, not a yeoman, a villein, or a townsman, but a member of a democratic society.

True, the man who gave us the philosophy was a European, Adam Smith, a Scottish professor of moral philosophy who had studied in France. Yet his thinking was far more attuned to the New World than to the Old, and in the New World its tap roots grew deep.

Adam Smith stated a fundamental relation of business to government. It would be wrong to contend, as some did, that he sought complete freedom of business from government or that he would put government into the hands of business or any other producer group. Rather government and business should stand in such relation to each other that government insures the nearest thing possible to competition among producers and sellers of goods for the money of the consumer and for labor and capital.

Government's role was to be not that of Santa Clause, but the policeman who saw to it that the rules of competition were followed by all. No one would be permitted such powers as would significantly affect the prices of goods and services. No one was to be permitted to abuse the sanctions given him, when sanctions were necessary. There would be freedom of investment, of job, and of choice among the many goods produced by competing firms and industries. But that freedom could not be anarchistic, nor could it be a freedom to take from others by preventing the operation of the market-price structure.

To be sure, England looked quite early to the new philosophy. There, in the search for wider and wider markets, the factory owners were bursting at the seams to get away from the heavy hand of government. They wanted laissez faire—to be let alone. The new philosophy appeared to them most apropos.

But they never really did adopt the philosophy as Adam Smith had stated it. They took such portions of it as were convenient for their purpose. It was this defection which helps explain what is happening in England today. Let us therefore fasten our attention upon the English experiment. It may teach us much.

The factory owners and financiers sought rights which would permit them to act on

their own account. Government interference was reduced to a minimum so that factory owners and others could pursue their own interests. It was wrongly presumed that these interests, while selfish, would carry with them sufficient reason to prevent the abuse of the rights granted.

Nothing was really said about the obverse to such rights, the responsibility that was coequal with the rights. It was ignored that no society can grant rights to anyone without exacting from him responsibilities which prevent his abuse of the rights and remain an organized society. Instead the English people granted individuals powers such as no government ever before had done. The abuse of the powers, moreover, was most unconscionable.

The factories, the mines, and much of industry in general shortly made virtual serfs of the working men, women, and children. They were worked long hours. They were fed barely enough to keep body and soul together. The conditions under which they lived were described as "animal-like."

Worse, children 8, 9, and 10 years of age were chained together to drag coal trucks out of mine shafts so narrow that few adults could squeeze through them. Many died before they reached adolescence, and not many of the survivors reached maturity with a body fit to cope with the rigors of the new industrial world.

Such were the beginnings of enterprise economy and industrialism in England. And to what purpose? To provide "cheap labor."

The concept of competition taken over by the English factory owners was not the competition of finding the best process of manufacture but the cheapest possible labor. Mind you, laws were enacted to insure continuing sources of cheap labor supply. There was absolutely no understanding that cheap labor would eventually become truly cheap by its bespoiling.

After a time England sadly learned the folly of its ways. Working conditions were improved and wages were raised, but only after a severe toll upon manpower.

But England never did awaken to the truth that competition is not a struggle to see who could gain the greatest advantage through the abuse of the free enterprise privilege. After closing the chapter on the abuse of labor, English factory owners sought to prevent the operation of the price-market structure through trade agreements, price control, and cartelistic practices. Had it not been for her necessity to practice free trade so that there might be adequate imports of raw materials, England would long ago have passed into the limbo of the highly collectivistic economy. Free trade forced a measure of competition upon its industries.

The First World War broke the industrial back of England. Rigged prices and cartel-controlled markets and sales had become fairly general. Prices had gone up during the war and because of the monopolistic controls did not decline much after the war. By that time, too, the trade-unions had become quite powerful and they added to the price floors by putting in wage floors and raising the ceilings on wages.

England's chickens had come home to roost. Had there not been the early abuse of labor, it is doubtful that there would have been nation-wide trade-unions. Had it not been for the misbegotten philosophy of looking for advantages rather than for low-cost production, there would never have been reason for unions to seek wage control. Prices and wages would have been set in the competitive market. But it was inevitable, under the practices pursued, that both wages and prices of goods should be put on a political basis. And England priced itself out of the world markets.

Norman Douglas, in his then contemporary novel, South Wind, described the British as a people who were largely concerned with the preservation of a measly 2 percent on their investments, rather than with things that really mattered. They were blind to the folly of their ways; on nearly all sides they sought security for security's sake alone.

By the middle of the 1920's England was coping with extensive permanent underemployment. Hers had become a very sick economy. In spite of our efforts to aid, it remained sick until the Second World War began to make itself heard in No. 10 Downing Street.

What has happened since then I need not review. I do want to observe that—as Jacob Viner, one of America's great economists, not long ago remarked—England today is a case of a country which has pursued security to to the point where it is paradoxically an overpopulated country, suffering from a scarcity of labor.

In seeking to preserve their 2 percent, the English came to expand less and less their capital and they failed to adopt new ways of production. They preferred to sit on what they had but, in sitting, they began to consume what they did have.

It is, then, unavoidable that labor is scarce, because more and more men had to be moved into the government to find the answers to the many problems which arose simply and solely from the fact that security was preferred—and because there are too many doing the work that one should be doing. Capitalism of its own accord turned into socialism. (I have been told by an English economist of orthodox private enterprise faith that there were businessmen in England who actually welcomed the socialist government. They were then able to get out from under the mess which they had helped create, but which they were unable to recognize as their own creation until after the event.)

We thus find a moral in England's case: Let anyone seek security against the change which the private enterprise system must bring if it is to remain highly productive, and we soon shall all be seeking to escape from security itself.

To seek security is to turn to the government for right answers—but to turn to others than ourselves for the solutions to problems means the substitution of authority for democratic discussion.

England permitted industrialism to become a social evil. Today the ghost of Karl Marx hovers above, happily and ghastly content.

Certainly, you will remark, we here have not carried the abuse of the competitive principle to the point that the English did. We never treated labor in the same fashion. Nor is big business necessarily an indicator of monopoly, price-rigging, or other follies against private enterprise.

For the sake of argument let us concede the point. Nevertheless I am worried that we have taken steps in the same direction. Consider, for example, the passage of so-called fair-competition laws; they are actually designed to preserve the status quo rather than to spur business on to a bigger and better future. Is not that the first step?

As an adjunct, we seek protection of our industries against foreign trade and foreign cheap labor through increased agitation, by business and labor both, of tariffs that are far removed from the purpose of merely raising revenues. We really want to take fewer and fewer risks. Consider how we clamor for the blue-chip stocks and yell for the control of security issues and the stock exchanges—still another step away from the risk-taking of private enterprise.

Do we not also advocate and provide price supports of a number of agricultural commodities? It does seem reasonable to suggest that supports are a long step in the direction of turning to the "right-answer" boys. Do we not, moreover, seek guaranties of employment and wages—without the responsibility on the part of labor for maintaining an increasing production and productivity? For those purposes we advocate and enact laws to give us bigger and better unions and full employment and social security. The late Henry Simons termed this purpose the drift toward labor syndicalism.

I honestly believe that these are the facts of life, that our drift toward the collectivism of the English is upon us. The joker of it all is that we are being forced to do so because we took the very first steps. Never once should we have gotten on the road; it then became inevitable that others should become advocates of security.

What is really puzzling about these developments is: Why did it happen in America? Why has the competitive spirit been laid low in some segments of our great economy? We were going along beautifully until the close of the 1920's and then we did a reverse.

Some blame it on the First World War. We had to drop competition because after the war no other countries of any size remained truly competitive. Yet why should such circumstance affect us at home?

Others blame it upon economic stagnation. But we can argue with equal validity that it was the reversal of our competitive spirit which brought stagnation—certainly, the great depression.

My position is that for the most part we have become careless, just as did the English, in the assumption of risks of enterprise but in a different way and at a later date. We thought that the transfer of some risks to government would actually mean their elimination. Thus the suddenness of many of our technological developments and the search for expanding markets brought us increasing uncertainty. We hoped that the government could reduce the impact of these changes, and soon we were trying to transfer other risks. It was only natural that government turned to the "right answer" boys in its effort to meet this new demand upon it.

I'll let you take the argument from there.

Understand that what I offer is a proposition, not a conclusion, for I have not provided full supporting evidence. At least we may agree that by turning to government and the "right answer" boys we depart from the competitive spirit. But if we admit that much do we not concede the remainder of the argument?

We are surely all agreed on the generalization that the true private enterprise system demands that we take risks, that we act as enterprisers, not as mice. It demands that we abolish group practices of running to governments for sanctions. It demands above all that we do not abuse the privilege of acting as individuals.

If we can relearn those simple but most essential principles, we can save our industrial economy from going completely into collectivism. Going to government for handouts is the essence of collectivism, whatever name it goes by.

The one thing which we learn through the study of economics is: No economy can lift itself by its bootstraps. Laws to bring security against change, whosoever makes them, will not in themselves prove fruitful, for they in themselves cannot increase production and productivity. That is a most essential fact of life.

Fortunately for us, there are still many in America who want to work hard and who want to take risks of enterprise. Therefore we have not traveled the whole road to collectivistic oblivion, and we still can reverse our engines. Let those of us who see things in this fashion hang on with the grimmest of determination, and it may come that we shall again have our day.

I'll admit that there are times when I get pessimistic, but I go on placing my faith in Americans, that they will again see the issues in their proper light and go back to the solutions gained from joint discussion of issues and not from the right-answer boys.

Today we may not know what we want but we're willing to go to hell to get it; but tomorrow we may find out what we were looking for all along—that we are again willing to assume our responsibilities as individuals, whether we be consumers, investors, workers, or enterprise.

How About an Arizona-California Compact?

EXTENSION OF REMARKS
OF
HON. JOHN R. MURDOCK
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. MURDOCK. Mr. Speaker, in their dispute over sharing Colorado River water why do not Arizona and California work out a compact which would effect a settlement of the claims of each? It is my contention that the two States have already made such a compact. My contention is based, as will be explained presently, on certain legislative agreements which constitute this compact, and which are binding upon all parties.

There are two kinds of interstate compacts known to our American practice, one being a negotiated compact to which Congress gives its approval and the other being a legislative compact which, under certain conditions, is equally effective. The existing, binding compact between Arizona and California is of the latter class, it being a legislative compact. It is nonetheless binding, because the essential elements of the agreements were adopted by the acts of both State legislatures of these two sovereign States. While our Public Lands Committee has recently approved several interstate compacts during the present session of Congress, indicating that our committee certainly thinks well of such negotiated compact settlements, yet me must not deceive ourselves that such is the only kind of compact.

Binding Arizona and California is a legislative compact which is just as binding as the other kind. This divides the water apportioned to the lower basin by article III, subsection (a), of the Santa Fe compact. Now article III (a) apportions 7,500,000 acre-feet of water to the three States of the lower basin—namely, Arizona, California, and Nevada. What does this binding law contemplate?

There is no question but that the basic compact provided that 7,500,000 acre-feet of water shall be delivered annually to the lower basin at Lee Ferry for use in those three States. Undoubtedly Congress intended that Arizona, California, and Nevada should get together immediately after 1922—the year the compact was drawn—and agree upon a proper division of that water thus apportioned to them in perpetuity by the Santa Fe compact. Saying nothing about who is to blame for their not getting together in agreement during the following 6 years, I will state the fact that they did not work out a negotiated compact, although many conferences were held. The opening question in this statement, then, applies to a negotiated compact which has never been worked out and implies a lack of knowledge of the existence of one of another kind. One answer to that question is that since 1944 such a negotiated compact is unnecessary, for we have an equally binding legislative compact which I will now explain.

Six years passed after the basic compact was unanimously signed, and seeing that the three States of the lower basin were probably not going to arrive at a negotiated compact, the Congress took a hand in the matter in the passage of the Boulder Canyon Project Act of 1928. Since this act of Congress was intended largely for the benefit of California, Congress in its wisdom saw the need not only of legislating for California but also in protecting the future of the other basin States. Therefore, this great act conferring tremendous benefits upon California also imposed conditions upon California for the protection of her neighboring States in the basin.

The two parts of the act which imposed those conditions are: First, that California must, as a condition precedent, limit her maximum use of water from the 7,500,000 acre-feet of the III (a) main stream apportioned water to 4,400,000 acre-feet; and second, that California should recognize that Arizona was to receive 2,800,000 acre-feet of apportioned water out of the water to be delivered at Lee Ferry; and that Nevada was to receive 300,000 acre-feet of the same. Thus, the Boulder Canyon Project Act, which is the first great act of Congress making a legislative beginning on the Colorado River development, aimed to help California and at the same time to protect the future of the younger States whose utilization of the water might be years in the future.

This was an exceedingly wise provision so that the fast-growing and powerful State of California could not get all, or too much above a rightful share, of the river in her rapid development. The Legislature of California accepted the terms of the congressional act by the act of her legislature on March 4, 1929, known as the California Self-Limitation Act. This was declared to be an irrevocable covenant between the State of California and the United States Government for the protection of Arizona and the other six basin States named in alphabetical order. The California act, in accepting the conditions imposed in the congressional Boulder Canyon Project Act, used the very language of the congressional enactment, thus showing plainly that it was the intention of the sovereign State of California to enter into this irrevocable covenant for the protection of the other basin States on the terms laid down by Congress.

Arizona brought along her end of the bargain toward agreement by two acts of her legislature. It was in 1944 when Arizona ratified the Santa Fe Compact and at the same time entered into a contract with the Secretary of the Interior for Arizona's share, namely, 2,800,000 acre-feet of water out of Lake Mead on the main stream of the Colorado River. Nevada likewise entered into contract with the Secretary of the Interior for 300,000 acre-feet of water, which everybody understood to be her quota of water apportioned to her in perpetuity. These various statutes and contracts by California, Arizona, and Nevada are acts of sovereign States and are binding in the same way as if all were imbedded in a compact signed by all three. Arizona has accepted the congressional terms of settlement and California has also accepted the terms of congressional settlement.

Rural Electrification Administration

EXTENSION OF REMARKS
OF
HON. JOSEPH R. BRYSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. BRYSON. Mr. Speaker, the Rural Electrification Administration has just celebrated its fourteenth birthday. It is astounding to know of the progress that has been made toward lighting up the rural sections of our country during this comparative short time. I was amazed to learn that certain other countries, including Japan, had made electricity available to more of their people before the recent war than we have even to this day.

We congratulate the Rural Electrification Administration on its outstanding accomplishments but must resolve to accelerate this vital service needed to lift the burdens from both man and beast.

The Honorable Harry Slattery, former Administrator of REA and former Under Secretary of the Interior, a native of my district, spoke at the recent annual dinner meeting of the REA. I include his address together with a copy of a letter dated April 16, 1949, which the President addressed to the Honorable Claude R. Wickard, the present Administrator.

ADDRESS BY HON. HARRY SLATTERY, FORMER REA ADMINISTRATOR AND FORMER UNDER SECRETARY OF THE INTERIOR

The initials REA have now become known Nation-wide. It means much to many people throughout this Nation, especially in rural America. I know a story about the initials REA that I think has some significance. When I was with the REA 1 year I made a trip to my native State of South Carolina. We were looking at the new rural REA lines around Walterboro in the coastal country, not far from the country known amusingly as Hell Hole swamp. One Saturday afternoon we stopped at a cross-road store to get some gas and a coke. The superintendent of the REA cooperative who was along in the car said, "Mr. Slattery these boys here at the store want to ask you a question to settle an argument." Up stepped an enormous fellow, a spokesman for the group that had assembled, and he said, "Captain, we wants you to settle this question. Some says one thing and I say another. I says these little silver markers on the REA poles—R-E-A—stands for 'Roosevelt Electric Association' and others."

The REA co-ops in Topeka, Kans., once held a meeting at the Jay Hawker Hotel. The principal guest was Sir Ronald and Lady Lindsey, the British Ambassador and his wife. They were making an auto trip in the Midwest, coming out from Washington through Ohio, Indiana, Missouri, and Kansas. He made a talk and said this: "When

I came through this country I observed the signs reading 'Watch the Fords Go By,' but after traveling these many miles I think the slogan should read 'Watch the REA Poles Go By.' "

REA symbols on these poles have in every State meant a lot to the rural people. They have meant a new farm life through the blessings of electricity.

When the war came after Pearl Harbor we had to curtail much of REA, including the markers on the poles, because everything was aimed at the reduction of strategic materials down to even the aluminum markers for war purposes, so we then ceased marking REA poles with the little symbols. Many of you here tonight may recall the fake alarm from Texas—that we were hoarding copper wire in the cotton fields—and I have always believed that this was the fine Italian hands of the Texas Power & Light publicity boys. Of course, as you say in Texas, it was a copper-riveted damn lie.

Now, I am coming to my point. I want to ask the Administrator, Mr. Wickard, to resume the wide marking of the REA poles with the symbols REA—either aluminum, copper, ceramics, or what have you. It has a mighty good pulling publicity point and an appealing power, and much good in it. I noticed in South Carolina in my native heath, around Greenville, Pickens, and Spartanburg Counties, last year that while before the fine Blue Ridge Cooperative organization had markers with the recent new plans, they are not marked. Mighty good can come from these markers. I can recall once when in Texas for the dedication of the Buchanan Dam—traveling from Fort Worth to the dam by auto, in Senator LYNDON JOHNSON'S district, we lost our way at night, but finally the REA signs showed up, and we knew we were near our dam. REA symbols often point the way that I know.

This might be called conservation week in Washington. This REA birthday meeting tonight—and now the 3 days' conference of the National Emergency Conference on Resources, May 12, 13, and 14. It is significant for the great White House Conference of Governors under Theodore Roosevelt to launch the conservation was begun on that day, May 6, 1908. It may interest you to know that the word "conservation" was coined by my old chief and friend, Gifford Pinchot, who was a prime leader in the resource movement. He had been horseback riding with Overton W. Price, associate forester in the nearby Virginia hills. They were working on the coming conference, tieing in the various plans for forestry, irrigation, waterways, and mineral resources. The name came to Pinchot, "conservation" as the significant one—and he carried it to Theodore Roosevelt—and T. R. with his quick mind for names, said "conservation it will be"—and it was—so that is how the name "conservation" was born.

Many of you will recall Gifford Pinchot spoke at our REA sixth annual birthday dinner, April 18, 1941—and other speakers were Speaker Sam Rayburn, Mrs. Franklin D. Roosevelt, Senator George Norris, Congressmen John Rankin and Clarence Cannon, and Secretary Wickard. Pinchot then said:

"You members of the REA are bound together not only by a great common purpose of vast importance to the Nation—you are bound together also by a common enemy—an enemy whose effort to break down your great work is a most dangerous part of the efforts of monopolies to control this country. You are organizing against power, the power of the people against the power of electricity.

"You are doing it in the cooperative way. And cooperation in my opinion has a future in this country which it would be almost foolish now to attempt to describe."

The National Emergency Conference on Resources which begins at 9:30 tomorrow morning in the Interior Department auditorium will be headed by the first Administrator of REA, the highly respected and regarded Morris L. Cooke. And Mr. Administrator, to show him respect, why not ask the members of the REA to attend this meeting? And they will get much from the meeting.

The rural electrification movement and the conservation movement have both gone far under the leadership of men like Franklin D. Roosevelt, George Norris, Gifford Pinchot, Sam Rayburn, and Harry Truman. All you faithful and loyal men and women here tonight under the leadership of Secretary Brannan and Administrator Claude Wickard, together with his aides have made a notable contribution—and his aides are these: Deputy Administrator, William J. Neal; Assistant Administrator, George W. Haggard; Arthur W. Gerthm, Chief, Application and Loans; Frank A. Dawes, Chief, Management Division; James B. McCurley, Chief, Power Division; Joseph F. Marion, Chief, Finance Division; Joseph Edward O'Brien, Chief, Technical Division; Kermit O. Overby, Chief, Information Division; John W. Asher, Personnel Division; John W. Scott, Chief, Administrative Division; K. Wilde Blackburn, Associate Solicitor—and many others, like Dr. Harlow S. Persons, Bob Beale, Alayn Walters, and Franklin K. Wood.

And there should be added all the hosts of co-op workers, in every section of the Union—plus the earnest group under the generalship of Clyde Ellis and his national organization who have become valiant workers for REA.

The friends of REA everywhere wish you many happy returns!

THE WHITE HOUSE,
Washington, April 16, 1949.

Hon. CLAUDE R. WICKARD,
Administrator, Rural Electrification Administration, Department of Agriculture, Washington, D. C.

DEAR MR. WICKARD: Please convey my greetings to the REA staff on the occasion of the agency's fourteenth anniversary. All are to be congratulated on the splendid progress that has been made in bringing electricity to rural people on an area-wide basis.

In developing and extending your program during the past year, you frequently have been faced with the difficulty of obtaining adequate sources of electric power at rates the people can afford. Your problem in that regard is, of course, part of the Nation's problem. We can leave no stone unturned in our efforts to develop to the utmost all existing facilities for producing electric energy and making it readily available not only to those served by the rural electric cooperatives but to all of our people.

Perhaps one of the most striking things about the REA program is the pattern which it has set for extending to our countryside the facilities for better living so common to most urban dwellers. The program has resulted in a new and most effective pattern showing how Government can help the people to help themselves.

Very sincerely yours,

HARRY S. TRUMAN.

Governor Lee, of Utah

EXTENSION OF REMARKS
OF
HON. ARTHUR V. WATKINS
OF UTAH
IN THE SENATE OF THE UNITED STATES
Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Answer to Taxpayer's Prayer?" published in the Omaha Daily Journal Stockman of April 25, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ANSWER TO TAXPAYER'S PRAYER?

From this distance Governor Lee, of Utah, appears to be the answer to the taxpayer's prayer. He was elected on economy pledges, and much to the surprise of everybody is setting out to make good on them, slashing spending wherever he can, and in opposition to the legislature with which he has to work. So, according to report, he is in wrong with the job holders, with the farmers, with labor, and with suppliers of materials on State contracts, sundry of whom declare that they will get him come another election. He just goes on his serene economy path, and gives his detractors the "hoss laff," declaring that he is not even interested in a second term. What the country needs is more administrators not interested in a second term. But it will be interesting, and most disconcerting to the spenders, if it turns out that the road to political preferment is paved with economy, and it just might.

Unity for Atlantic Pact Shown by Votes in Two European Nations

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following editorial which appeared in the Brooklyn Eagle of May 16, 1949:

UNITY FOR ATLANTIC PACT SHOWN BY VOTES IN TWO EUROPEAN NATIONS

The vote in the House of Commons for ratification of the North Atlantic Treaty and the result in the Belgian Senate are impressive as evidences of the unity of the people of these two nations in support of this alliance as a means of preserving the integrity and the freedom of their respective nations.

Votes in the two governing bodies were significant, too, as reflecting the character and the source of the opposition to the treaty. In the House of Commons the vote was 333 to 6, the negative votes having been cast by 2 Communists, 2 Laborites, and 2 left-wing Laborites who have been expelled by the Labor Party. In the Belgian Senate 127 votes were cast for ratification and 13 in opposition.

Abroad, as well as in the United States, the opponents of the North Atlantic Treaty are recruited in the main from those who are quite unashamed in their loyalty to Russia. This circumstance should have the effect of intensifiying sentiment in its support and hastening affirmative action by the United States Senate, where the question of ratification is pending.

Surely, the testimony of Mr. Dennis, the acknowledged leader of the Communist Party in this country, and of Mr. Wallace, who finds so much in the policies of his own Government to condemn and so much in those of Russia to defend, strengthens the case for speedy ratification.

Moscow's hostility was explained in indisputable terms by Foreign Secretary Bevin, speaking for approval. Those nations adhering to the pact can no longer be considered as weak, divided nations, dependent upon their own limited resources. They cannot be singled out for destruction one at a time,

depriving a potential aggressor of an advantage the Nazis enjoyed when they set forth to conquer Europe.

This alliance has enabled like-minded neighborly people, whose institutions have been marked down for destruction, as Mr. Bevin has described them, to get together. Their union is disheartening to the forces whose designs call for conquest.

Businessmen Take Rosy Peek at Future

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. SABATH. Mr. Speaker, under leave to extend my remarks, I insert an article in the RECORD which was published in the Chicago Daily News on May 3, 1949. This article resubstantiates my statements in yesterday's RECORD to the effect that businessmen are taking a rosy peek at the future.

BUSINESSMEN TAKE ROSY PEEK AT FUTURE
(By Paul R. Leach)

WASHINGTON.—Sure, they have troubles. Businessmen always have 'em. But delegates to the thirty-seventh annual meeting of the United States Chamber of Commerce say on the whole business is good, and looking up.

Among their principal worries are what Congress might do to them. New taxes, they say, will set them back. So the "regimentation" legislation President Truman wants. Cotton and wool textiles are the main industrial worry.

The farm States are not enthusiastic about Agriculture Secretary Brannan's plan to subsidize prices and make 'em lower for consumers at the same time, the businessmen say.

Several delegates declare "we've had our recession, it seems. It is leveling off well."

Here is a hop, skip, and jump across the country on interviews with regional chamber of commerce officials, men whose business it is to keep a finger on the pulse of business:

James H. Lucas, Pittsfield, Mass.: "On the whole business in New England is good. Retail slowed down for awhile but is picking up. The textile industry is having trouble but it is not serious yet. The General Electric Co. in my city has gone on a 4-day week but is not laying off anybody. It is spreading the work. New England is holding its own."

Donald Marcellus, New York City: "The northeastern region, for the long pull, is definitely sound. Textile employment is a problem at the moment; it remains to be seen how that works out. The Northeastern States are well mobilized to maintain a competitive standing."

Walter T. Brown, Empire State Association: "New York City and State are picking up in retail sales and employment. Business complains it is overtaxed. We are making a survey this summer to see if we can't recommend to Governor Dewey a different or reduced tax base."

Spencer Shaw, Chicago: "The north central area has had a little recession but is on the way up now. I think it is quite a stable picture. People don't have as much money as they did a couple of years ago, there's not as much buying, people are more conservative. It's a buyer's market now, and business is adjusting to it."

L. P. Dickie, Atlanta: "Business is fine in the southeastern section. Businessmen are adjusting themselves to a buyer's market."

H. Hodson Lewis, Dallas: "We're pretty happy generally. Merchants have found that the free spending days are over. We're going to have a buster of a wheat crop. Pay-roll income is increasing with new branch plants."

J. B. Pratt, Minneapolis: "Farm prices are off in the Northwest and there is some worry. Crop prospects are fine, but we need more rain. Employment is holding up well and retail business is good."

William E. Hammond, San Francisco: "The Western States are in pretty fair condition. There has been some falling off in business and employment but nothing serious as yet. All business indications, while under the immediate postwar period, are well above those of 1939."

Address Before Pilgrims Society of Hon. Frederic R. Coudert, Jr., of New York

EXTENSION OF REMARKS
OF
HON. FREDERIC R. COUDERT, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. COUDERT. Mr. Speaker, under leave to extend my remarks, I include a speech delivered by me at the annual meeting of the Pilgrims Society in New York on January 26, 1949:

Mr. President, Bishop Manning, distinguished guests who represent Great Britain, and our great neighbor to the north, Canada, and fellow Pilgrims, it is a great privilege, gentlemen, rather a frightening privilege, to stand on this platform in the place of the great Pilgrims that have stood here before. I think of one in particular who, on innumerable occasions, has graced these meetings, one who was a friend of my grandfather, who was a trustee of Columbia, a friend of my father who is still an active trustee, and I am proud to say in later days a friend of mine. I refer to our great friend whose voice was so long the leading beacon in this community, Nicholas Murray Butler.

The fact that I am here, however, my friends, gives me no delusions of grandeur. I strongly suspect that I stand in loco parentis of a parental vice president who was probably scheduled for this job. As a matter of fact, I would only be too glad to stand in his shoes, or perhaps I should say bathing trunks, at this very moment because he is happily gamboling on the sands of Florida and I should like very much to be with him. But if I can't be with him and if I have to be in New York on this unpleasant, rainy day, I can think of no better company than the company of my fellow Pilgrims.

The Pilgrim Society was founded to promote friendly relations between the English-speaking peoples. These relations have been unique in history. Since the Treaty of Ghent, Anglo-American peace has been maintained despite important and difficult problems which have arisen to plague our friendly relations—the Alabama, the Bering Sea and the Fisheries' Arbitrations, the Venezuela and Canadian boundaries controversies. It so happens that my grandfather was a representative of the United States on the Bering Sea Commission and on the Venezuelan Commission. I happened to serve in an American Division in 1917 and 1918 that was under British command, and, furthermore, I happened to vote for the Marshall plan last year. Therefore, so far as the Coudert tribe is concerned, we have a long record of Anglo-American cooperation. We are really Pilgrims.

Since 1917 the English-speaking peoples have stood shoulder to shoulder in active cooperation, in peace and in war, for the common purpose of resistance to aggression and the settlement of international controversies through diplomacy and law.

Today we stand united in defense of western civilization against an onrushing communism that knows no law but that of force and international class struggle. If that form of aggression, internal and external, should be successful, it would rob mankind of the efforts made through so many generations to achieve the reign of liberty and law.

Doubtless a long, rough road lies ahead, but we have faith in our cause and in our combined strength.

Our capacity for cooperation has been the result of a common background of ideas, largely born in Britain, transplanted and fostered on the virgin soil of America—liberty under law, the freedoms of worship, speech and assembly, security of person and property, trial by jury, representative government, and all those great guarantees embedded in our own Bill or Rights.

It is impossible to speak of anything before the Pilgrims that will be more than a postscript to earlier observations of Pilgrims' sages. In three of Dr. Butler's last addresses his theme was the industrial civil war menacing free institutions in the United States. He referred, of course, to the ever-swelling power of labor unions as a threat to the equilibrium under law so vital to survival of democracy. After his last speech in 1946, there was a fitting postscript in the form of the Taft-Hartley law, passed by an unjustly maligned Congress, of which I happened to be a Member. Now a brief 2 years later a post-postscript appears in the offing—repeal or emasculation of that law. Such action would put the country back where it was in 1946, wholly at the mercy of such labor leaders as might choose to exercise their great power without regard to the public welfare. Surely we cannot have forgotten certain of the strikes which threatened the very life of the people of the country as in coal, railroads, and shipping. A sure way to destroy free government is to permit the existence of groups within the community strong enough to successfully defy government itself and to hold the community to ransom. The Taft-Hartley law was an honest attempt to bring organized labor fairly within the law, as are other citizens. If these organizations are again freed from all orderly restraints, it will be a sad day indeed for America.

Maintenance of orderly labor relations within the framework of fair and equitable laws is essential to the survival of a free democracy. No person or group must be allowed to rise above the law.

For my own part, humble as is that of a minority Member of this Congress, I shall resist all efforts to weaken the Taft-Hartley law.

Failure successfully to integrate organized labor within the American democratic system of law is not the only way for Americans to lose their precious liberties—liberties are so easily taken for granted. The radical changes which have taken place in the past 3 years in Britain should warn us against taking too much for granted.

Superficially, at least, nationalization of major activities from steel making to the practice of medicine does not seem like free economy. And dressing bartenders in taverns in the livery of civil servants does not look like an extension of the liberties of the subject. Nor, I imagine, will it improve the taste of the beer. While, of course, that nationalization is Britain's own problem, I certainly hope that example is not going to

be contagious and I agree with former Ambassador Gerard, speaking before the Pilgrims in 1948, when he stated that "Nationalization can have no place in our economic vocabulary." Nationalization, of course, means the end of economic freedom and the substitution of a totalitarian economy. I have always supposed that economic freedom was the very foundation of individual liberties which could not live without it. Paper guaranties of liberties cannot be very convincing in the face of complete government control of the necessities of daily life. The power to deny a ration card is more persuasive than any constitutional guaranty of free speech. I hope indeed that our own United States is not going to embark upon the primrose path leads to statism. But we have in recent years moved far in that direction.

The American people, I am confident, would not knowingly surrender their liberties for the deceptively seductive mess of false security offered by totalitarianism. If the issue were squarely posed, there would be no doubt of the outcome. There would be instant and resounding repudiation.

There is, however, a very effective, though indirect, road to the same end. A people can unwittingly or recklessly spend themselves into bankruptcy and totalitarianism. There lies the danger to America.

No matter how worthy or appealing objectives may be, they cannot be attained by driving to the breaking point the dynamic free economy which has built this great country. No Government economy can match in production a free economy like our own, but it can and it invariably does suppress all personal liberty.

The United States is attempting to rebuild a shattered world and at the same time to rebuild a home establishment that has suffered from the neglect and postponements of war. Either assignment alone would be a large order. To attempt both at the same time without great restraint or too rapidly would be to court disaster. The survival of our essential liberties is dependent upon maintenance of a healthy, free economy. That demands restraint in public spending with its attendant inflation and taxation.

Americans are in substantial agreement upon ultimate objectives. We all want peace in the world. We all want to see a progressively higher standard of life for all Americans at home. But to wreck the free, productive economy by imposing unbearable burdens upon it will accomplish neither.

Aid to the world—yes, but within the limits of our means. Federal spending for various programs of domestic reconstruction—yes, but again only so far as the economy can stand it. Americans would like to see better and more housing, better and more schools, better and more hospitals, but let us not forget that the only sure source of these good things is the freely, productive economy that has made the United States what it is; that production alone can provide the goods and services necessary.

No one can surely say how much spending and taxation the Nation can safely endure over a long period. My own guess is that we cannot now stand any increase in taxation and that the Government should be forced to live within its present income [applause] and very soon, indeed, plan to reduce all along the line. The Franklin D. Roosevelt of 1933 understood these things very clearly and did not hesitate to say so. Listen to him for a moment. Many of you will remember it, but I am frank to say I had forgotten it until I looked over some of the old speeches:

"Too often in recent history liberal governments have been wrecked on the rocks of loose, fiscal policy. We must avoid this danger.

"All the costs of local, State, and National Governments must be reduced without fear and without favor. Unless the people through unified action arise and take charge of their Government, they will find that their Government has taken charge of them. Independence and liberty will be gone and the general public will find itself in a condition of servitude to aggressive, organized, and selfish minorities.

"For upon the financial stability of the United States Government depends the stability of trade and employment and of the entire banking, saving, and insurance system of the country."

Gentlemen, that is not a humble minority member of the Eighty-first Congress speaking. That is the President of the United States, elected in November 1932, Franklin D. Roosevelt. What he said then was true then, and it was never as true as it is today.

Just think for a moment, in 1933, when those words were uttered, the Federal budget was in the neighborhood of $5,000,000,000, representing an insignificant proportion of the total national income. And yet today the total Federal budget plus local budgets are in excess of one-third of the total income of the people of the United States. If President Roosevelt's view was right in 1932, good heavens, how right it must be now. We have gone a long way since 1933.

The budget message of January 10, which is only the first installment of the 1950 demands, makes it abundantly clear that we now stand at the crossroads. If we cannot soon reduce national spending, it may be too late to avert disaster. We can expect very little help from the new Congress, certainly not from the House. Rank and file Members of Congress are largely spenders. That is not surprising. Some 104 Members of the present House were elected by very narrow margins. They are naturally sensitive to the demands of pressure groups.

Heretofore the Appropriations Committee of the House has been relied upon to act as a wholesome and necessary brake upon these spending proclivities. In earlier Congresses the committee acted with surprisingly little regard for party politics. The members of the committee stood largely shoulder to shoulder whether Democratic or Republican. In a great many cases the appropriation bills came out of a unanimous committee. As a result, this committee has in the past saved untold billions of taxpayers' money and exposed enormous losses resulting from bureaucratic incompetence, such as the $8,000,000,000 for which the Maritime Commission is still unable to account.

I happen to have been a member of that committee, and I am still a member of that committee, and if I am proud of anything in my life it is the part I was able to play in a small way in the work of the Appropriations Committee of the ill-fated Eightieth Congress.

Last week the Democratic majority undertook ruthlessly to wreck that committee, to render it quite incapable of fulfilling its traditional and highly necessary role. This operation undoubtedly was performed for the purpose of assuring passage of administration spending bills without interference or independent scrutiny. Unfortunately, it will also clear the way for spending bills that even the administration may not want.

Consider for a moment the Veterans' Committee of the House, of which Representative JOHN RANKIN now becomes the chairman. The Appropriations Committee will be in no position in this Congress to exercise any influence on the bills that come out of that committee, among others. The subcommittee set-up that had functioned well for years has been completely scrapped and replaced by an utterly unworkable system. For example, two of the new subcommittees of that committee, consisting of five members each, three majority, two minority, will be loaded with 60 percent of that total Federal budget of $43,000,000,000. In the past 4 subcommittees of 7 members each, 28 in all, carried that stupendous load. Obviously, there can be no serious examination of appropriation requests under those circumstances, nor, in my humble opinion, is there intended to be. The reorganization of the committee, furthermore, will remove minority members in large measure from the fields of Government with which they have become familiar by their service on the committee in past years. But the Democratic majority is taking no chances. They are not running the risk that overly energetic members may overcome those handicaps. They have discharged highly competent investigators and accountants who have acted as the eyes and ears of the committee in their investigations of the operations of the departments and the agencies. Without them, the committee will be quite helpless. But they are going to be replaced by others, gentlemen, and such others. The committee is going to borrow employees from one department of the Government to investigate the operations of other departments of the Government in order to find bureaucratic waste—a perfect subject for a musical comedy.

Mr. Chairman, I don't know how much longer the United States can stand the pace of public spending without collapse. That is anybody's guess. I should guess that we have very definitely reached the breaking point. If citizens do not now rise against increased taxation, if they do not now effectively demand that their Government live within its present enormous income, then those same citizens will have only themselves to blame if their cherished personal liberties are swept into oblivion with the economic freedom that alone makes them possible.

Poison of Prejudice

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following article entitled "Poison of Prejudice" by Henry Seidel Canby:

POISON OF PREJUDICE

It is curious that most worthy people who have been attacking racial prejudice in this country have not used one argument which history has proved again and again to be true. They think only of the victim of racial prejudice, his suffering, his wrongs, and the damage done to his dignity as a man. They forget what happens psychologically to the prejudiced man or woman.

The abolitionists before the Civil War were equally narrow-sighted. They talked only of the harm done to the Negro by slavery. They said little or nothing of the normal damage to the white man who owned him. It was the subtle corruption of the owners of the slaves by irresponsible hands over human beings. For there is no snake in the breast more dangerous than unreasoning hate and nursed contempt. It is the most poisonous kind of compensation for failure or for lack of self-confidence. Despise a race, hate a race, or dislike a race, and the poison will come out like invisible boils. Whatever goes wrong irritates the haters first. The hated get the blame for everything. And a really prejudiced man becomes a center of infection. But he infects first himself.

Racial prejudice has killed the bodies of millions in the last few years. We cannot forget that. But it is still warping the spirits and cramping the minds of tens of millions of the prejudiced.

HENRY SEIDEL CANBY.

The SEC, the American Bar Association, and the Tucker Fiasco

EXTENSION OF REMARKS
OF

HON. WALTER A. LYNCH
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. LYNCH. Mr. Speaker, I was so impressed by an article that appeared on April 30 last in the weekly magazine America that under the unanimous consent granted me, I am including it in these remarks. The article, entitled "The Tucker Fiasco," was written by David C. Bayne, S. J. It pays a well-deserved tribute to the Securities and Exchange Commission which is so ably headed by Chairman Edmond M. Hanrahan and takes to task the American Bar Association for its opposition to the extension of SEC activity. However, even more important are the sound recommendations that are made for the further implementation of the powers of the SEC. Chairman Hanrahan and his colleagues on the Commission are doing a splendid administrative task. They could do a better one for the protection of the American investing public and to the great advantage of the securities business if the recommendations in Mr. Bayne's article were put into law.

The article follows:

THE TUCKER FIASCO AND THE SEC

Causes for depressions—and market slumps—are sought vainly under every rock and behind every hedge: Economic causes, sociopolitical causes, international finance, and so on ad infinitum. Yet 4 years ago, and every year before and since, the Securities and Exchange Commission has been asking us to look just a little in the direction of decay at the base of our national corporate structure. Can our American system take another $25,000,000,000 loss in this decade? The SEC would prefer that it didn't. But the American bar, through the American Bar Association, would prefer—well, at least not to discuss it. These cries for reform from the SEC and the countercries for the good old way from the American bar set the tone—when into the cacophony screeches Tucker, the car of the future, and $20,000,000 in public-investor losses. The Tucker affair answers some questions and poses some problems. It high lights the SEC and suggests some questions for the American Bar Association. (Where not otherwise identified, quotations in this article are from SEC Release No. 3236 under the Securities Act of 1933.)

TUCKER

Less than 2 years ago the American public was treated to full-page ads of the "car of tomorrow." The public read about the spectacular new rear engine, the cockpit protection, the revolving safety lights, the top-flight executives recruited from every major automotive firm. The result? Twenty million dollars in American investment.

Today the $20,000,000 is gone. The Tucker Corp. is in bankruptcy. Tucker and friends are faced with the Department of Justice, a Federal grand jury, a Federal bankruptcy court. And the American investor is faced with no return whatsoever on his $20,000,000.

The tale of Tucker is lurid enough in summary, but the step-by-step procedure from beginning to bankruptcy is fantastic. The whole story covered a little over 2 years, and first came into the full light in June of 1947 when Tucker and company decided to share their fortune with the American investor. The plan was—besides revolutionizing the car industry—to offer the public investor 4,000,000 shares of Tucker class A common stock at $5 a share, for a good beginning of $20,000,000. There was to be no other foreseeable financing. The American public was to have all of a good thing.

Since the Securities Act of 1933 requires every large corporation to file full information on any such sale of stock in an amount exceeding $300,000, Tucker reluctantly complied by filing his registration statement. "Reluctantly" seems to be the word, since Tucker was very hesitant about actually revealing anything concerning this car of tomorrow or the corporation behind it. In fact, so hesitant was he that he simply failed to inform. The result of this bashful approach was an SEC investigation. And the results of the investigation were some rather startling revelations. Remember that all these revelations came long before the American investor laid a dollar on the line for stock, long before any of the $20,000,000 left the hands of the American public. These revelations came because Federal statutes force disclosure of information on securities before a large sale. But the Federal statutes do not empower the SEC to require anything beyond mere disclosure. The SEC does not pass on the merits of any security, does not recommend or dissuade; it simply pries out the truth, lays it bare and then departs, leaving the public investor to whatever may befall him through his eternal desire to be duped. Thus it was with Tucker: revelation, but no recommendation, no warning beyond the facts.

SEC INVESTIGATES

And the facts? The SEC investigation disclosed some interesting facts to the public investor—facts, incidentally, of which the full-page ads in the New York Times gave not an inkling. Facts, too, which Tucker had nowise indicated in his first filing with the SEC. Not everything was new, but just about everything.

The first stage of the active plan had begun with the advertising. There was a regular rash of full-page ads, sales brochures, company advertisements. It was clear that these cost a goodly sum, and that they were designed not to sell the car but to sell the stock. As Floyd O. Cerf, president of the firm that was to float the issue of stock, said, there was "no doubt the present issue could be sold merely on the basis of the widespread public interest that had already been created." And he was right. That this was the purpose of the ad campaign, the public could have known and should have known, but probably did not fully realize. So it was with many of the other facts that the SEC forced Tucker to disclose.

1. It did not seem to dampen investor ardor that even before the Tucker Corp. was to touch its $20,000,000, a good slice in the amount of $2,800,000 was to be lopped off and handed over to Mr. Cerf for his efforts in offering an avid public its chance to join the Tucker venture. This left Tucker and the investor-owned company with $17,000,000 ere a beginning had begun.

2. Since Preston Tucker personally had complete control of the company from its inception, he had made arrangements most congenial to Preston Tucker. There were 333 days on the expense account, at $40 per diem "exclusive of hotel bills and transportation charges, to cover taxis, tickets, limousines, racing tickets, etc." There was the matter of the $15,000 of corporate funds that appeared suddenly in Tucker's personal checking account, the personal loans of corporate cash to Tucker, the rubber check for $150,000. And, finally, as the SEC forced Tucker to sum it up in the prospectus issued before the sale: "Mr. Tucker has made no net cash contributions to the company," and, in fact, "Mr. Tucker has received directly or indirectly * * * payments from the company aggregating $217,669.60."

3. Woven in and around the misty background of the Tucker deal is the shadowy figure of Harold A. Karsten, alias A. H. Karatz, possessor of a much discussed record, and a prominent though clandestine figure in the Tucker promotion. Karsten alias Karatz had been in and out of the affair during the whole period, but mostly in. His was the negotiation towards rental of the huge War Assets plant in Chicago. His was much of the brain work and master-minding of the promotional scheme. When the odor of his presence in the foreground became too stifling, he was moved to the background. Ostensibly he was completely out of the corporate picture, and henceforward, as a blind, received his $2,000 a month through the firm of Russell, Tripp and Neuwerth, Inc., who were being paid the while $1,500 a month to handle the public-relations services. As Mr. Karsten alias Karatz blithely puts it, he feels "all of his services to the registrant corporation for the entire period were worth approximately $1,000,000." Such a bill indeed would ill serve the incipient corporation. The corporation, however, would make this a bill personal to Mr. Tucker. At present who is to say?

4. Then there is the sprawling government-built war plant, so big and so costly in upkeep that the rental and maintenance alone drained the corporation of thousands of dollars. Never was it used, never equipped. Yet under the first contract with the War Assets Administration a total of $1,000,000 was to be paid during the first part of 1946. All this was preparatory to a definitive lease for a 10-year period.

5. At this stage the public investor might sigh a bit, and console himself, perhaps, with the promise of the car of the future. But no. The next step finds Tucker admitting, under SEC prompting, that the original ads, the original stock prospectus, the original registration, had all failed to disclose the true status of development of the car. Actually there had been no substantial testing of the automobile. None of the new and radical features which screamed across the Times had been tried at all. There really was no knowledge of just what experimentation yet remained to be done. Even the pilot model faced extensive testing. There might, it appeared, be material changes in engineering design. And as a climax came the admission that the very features which were untested were the ones which represented such startling departures from the conventional automobile, the very features headlined in the ads, the brochures, the company booklets.

6. As somewhat of a final fillip to the whole, Tucker and company confessed that even had the testing been done on these radical features, there still was the matter of patents, and Tucker had no patents on the various features of its product representing radical departures from conventional automobiles. And to get them would cost money, both in initial investment and in royalties.

7. Side by side with the patent difficulties appeared threatened litigation. Mr. Tucker had made many arrangements. He had promised just about everyone concerned just about everything. He had issued promissory notes, promised options on stock at half the market, distributorships, stock participations. In short, lawsuits in the neighborhood of $2,000,000 were threatened by a varied list of claimants with assorted claims.

So went much of the $20,000,000. The rest went in a multitude of ways—Italian jet experts, plant open houses, salaries to friends, triumphant Tucker tours with handmade models—but never a car came off the line, and nary a dollar remains.

THE SEC

That the story of Tucker. Yet, as the SEC puts it, these are only the major items of information which were either misstated or completely omitted in the registration statement and prospectus originally filed. Yet what is startling and alarming about this whole story of the Tucker affair is not the facts alone. There are much deeper questions, much deeper conclusions to be drawn from the Tucker case. The facts might astound, but thought on the facts leads much further.

The Tucker fiasco has a two-pronged implication. The first prong has a sharp jab, is readily felt. The SEC has done a good job. The full machinery was used—a special investigation, a special release to the public available to all, an amended prospectus issued by Tucker as demanded by the SEC, with the major revelations in black and white. These revelations did accomplish much, no doubt saved many, no doubt reduced the gullible to a minimum. What a chaos without any SEC at all, without any investigation, any release, any amended prospectus. And yet, with the SEC in full operation, Tucker was still able to happen. The American investor insisted on investing $20,000,000. Hence the second prong, Why could not the SEC have gone the whole way and averted the Tucker losses even for the most innocent, the most gullible?

To note the first implication of the Tucker story is not difficult. It is readily admitted that the disclosure work of the SEC has been a godsend. It is the second implication that gives us pause and is the nub of this discussion. The real question does not concern the clear merit of the present procedure. The question is, Why did the SEC not avert the Tucker disaster under its present procedure?

There are two reasons. The first reason, or cause, is perhaps justified. The SEC is limited to enforcing mere disclosure. Under the two main acts relative to investor protection, the Securities Act of 1933 and the Securities Exchange Act of 1934, it cannot pass on the merits of a stock, can set up no standards of stock excellence. Under its disclosure power the Commission has done a tremendous work. During its first 10 years, information was supplied on over 200,000 security reports. But beyond disclosure it cannot go. No matter what the state of corporate affairs, what the state of corporate risk, of accounting chaos, of disorganization, of fantastic schemes—short of actual fraud—so long as the material facts are disclosed, the SEC is helpless. Beyond this the SEC's hands are tied.

No doubt this limit of control is healthy. Some might say that delay-periods could be imposed by SEC, pending adjustment of irregularities. By and large, however, and certainly for the present, the SEC is well restricted to enforcing disclosure and disclosure alone. But, none the less, this is the first cause for the SEC's failure to avert the Tucker disaster.

The second cause of SEC failure, however, is remediable. The American investor bought Tucker. But it cannot be said that he bought Tucker with a full knowledge of all the information, of all the facts disclosed by the SEC. And why? Because the SEC disclosure is a formal disclosure only. It is almost passive. There is no attempt at broadcast, no attempt to effect publicity in contradistinction to mere publication. What it comes down to is this: the American public must be forced to be informed. Its tremendous facility for being duped must be counteracted by positive steps. The form this broadcast may take is not important—perhaps a public service of the American press in the form of specially boxed announcements of every SEC release pertinent to informed investment; perhaps donated ads in regular spots in the financial sections; perhaps prospectuses that really inform. The point is that investor inertia and indolence must be overcome by vigorous measures. The investor must be informed in spite of himself.

WHAT THE FACTS MEAN

There is a second problem—the inherent complexity of the disclosed information. The investor simply cannot understand what has been disclosed. To overcome this obstacle will require great finesse and a delicate hand. But it can be done, and without going beyond the mere statement of the facts. There must be some correlation of the information disclosed with the value of the stock, the state of the corporate business, the prospects for future business, the effect on dividends. In short, there must be a factual interpretation that will render the information, once disclosed, intelligible. Had there been an intelligible analysis and interpretation of the facts disclosed in Tucker, and this understandable factual presentation been effectively broadcast, how many American investors would today be watching the bankruptcy of their company, the last dribbling away of their $20,000,000? Such an extension of SEC practice would have eliminated the second reason, the second cause, of SEC failure and would have appreciably lessened the jolt Tucker gave to the American economy. Nor are these extensions a new grant of power. This is merely the logical use of a power of disclosure already granted. Certainly Tucker suggests at least these extensions.

In fact, to an interested observer there are many other logical extensions of SEC activity that Tucker suggests—extensions that may not be so immediately apparent, but extensions long desired and long advocated. Extensions, indeed, that are as inevitable as tomorrow and clearly within the intent of Congress in initiating SEC disclosure regulation. There is, above all, the anomalous double standard of SEC regulation under the Securities Exchange Act of 1934. The Commission can force disclosure of corporate activity by periodic reports only in the case of those companies which have seen fit to use the national securities exchanges for trading their stock. If there is no use of an exchange, there is no embarrassing SEC disclosure of corporate affairs. Thus there are two great classes of American corporations: those desiring exchange facilities, and hence subject to the SEC disclosure; and those preferring the shadows, which hence forego the use of the exchange. In the Securities Act of 1933, disclosure of initial stock issues is restricted to larger issues of stock only. If a promoter wishes to escape Federal disclosure of his activity, he limits his issue to less than $300,000. These have been the major subjects of proposed extension of SEC power.

THE AMERICAN BAR ASSOCIATION

But the minute there is mention of extension of SEC activity, brows are knitted and raised, fingers are wagged. And if this for the expected, inevitable extensions—extensions not in a new field, but merely for uniform coverage of an old one—what is there for such proposals as broadcast publicity and intelligible interpretation?

It was just a bit over 2 years ago that the SEC last came forward with thoughts of an extension of its activity. (There had been an attempt before World War II.) And this proposal contemplated only the filling out of the field already covered in part. It was just a bit thereafter that the American Bar Association replied to this proposal. In full plenary session the American bar went on record: *"Resolved,* That the American Bar Association is opposed to the amendment to the Securities Exchange Act recommended to Congress by the Securities and Exchange Commission."

More important, however, than the bald statement of the resolution is the supporting reason and the expressed attitude of the American Bar Association to SEC activity. It indicates the regard the bar has for the type of prevention the SEC supplies. The report accompanying the resolution had this to say:

"As far as concerns sharp practices by officers of unregistered corporations, your committee would prefer not to increase regulation but to permit the courts, as they have in the past, to provide the remedy."

It should be rather evident just how much of a remedy the courts can now give to the investor in Tucker. The horse has long since gone out of the barn. It is a bit late for the courts to try to close the door. The courts are of necessity after the fact. The stitch in time must come from the SEC. It is prevention by disclosure that will: first, warn the investor against bad risks and apprise him of just what he is buying and, second, act as a healthy incentive to corporate promoters and managers alike to see that what does reach the light of day is conducive to further public investment. But the American Bar Association does not feel that promoters and managers are dissuaded from indiscretions by enforced light on their operations:

"Abuses of confidence by corporate officers are as likely or unlikely to occur in the cases of registered companies as of unregistered companies. Registration cannot change the officers' proclivities in this regard."

Perhaps the American Bar Association is overlooking the fact that with every registration there is full disclosure of corporate activity. In any event, it might be added with Brandeis that "Publicity is justly commended as a remedy for social and industrial diseases. Sunlight is said to be the best of disinfectants; electric light the most effective policeman."

But the point is not to quibble with the American Bar Association. The point is their opposition to the extension of SEC regulation even toward uniformity. The point is their desire and preference to leave such matters to the courts, as they have in the past, to provide the remedy.

The Tucker fiasco helps much in explaining the public investor's hesitancy to invest. The Tucker fiasco points up the good work of the SEC in calling to light the Tucker facts. The Tucker fiasco cries for more of the same from the SEC—in broadcast publicity, intelligible interpretation. The Tucker fiasco begs the American investor, as well as the American Bar, to cock a more ready ear to the SEC and its recommendations, and to give some serious thought to the extension of its powers.

Doctors and Dentists Educated at Government Expense Are Not Fulfilling Their Obligation to the Armed Services

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. VAN ZANDT. Mr. Speaker, on July 1, 1949, the Armed Services will be short 1,600 physicians and 1,160 dentists. By December, 1949, they will be short 2,200 physicians and 1,400 dentists.

This acute situation affecting medical and dental care for 1,700,000 men and women in our armed services, is brought about by the fact that by July 1, 1949, almost one-third of the physicians and

dentists in the Armed Forces will have been separated and returned to civilian life.

Last February, then Secretary of National Defense, James Forrestal called this situation to the attention of the American Medical Association, pointing out the Armed Forces were faced with a shortage of physicians and dentists and that the situation was critical and would be more so by July 1, 1949.

Mr. Speaker, let us look at some basic facts that are responsible for this situation.

In the United States today, there are thousands of young physicians and dentists who were deferred from the draft and excused from combat in order for them to complete their professional education. Of this group, many received all or part of their training at Government expense—the others paid for their own education but were excused from the draft and combat service.

Under the Army specialized training program: (a) Eleven thousand, eight hundred and ninety-eight medical students were enrolled. Of this number 10,098 graduated. These medical students spent on an average of 1.7 years in training. The cost per year for one student was $2,131. (b) There were 7,774 dental students of whom 2,435 graduated. These students spent on the average of seven-tenths year in training at an annual cost per student of approximately $1,758.

Under the Navy V–12 program (a) about 10,000 medical students were trained, spending on an average of 2½ years at an annual cost per man of $2,500; (b) about 3,500 dental students were trained, their length of training being about 2½ years at an annual cost per man of $2,500.

During the spring of 1948 when the House Committee on the Armed Services was considering the selective service bill, provisions were contained in the bill providing for the drafting of doctors and dentists into the Armed Services. This provision was written in the bill because of the necessity of providing adequate medical and dental care for our armed forces.

Testifying before the committee and against the provision to draft doctors and dentists, Dr. James C. Sargent in behalf of the American Medical Association said:

> Special provision in the law is both unnecessary and unwise.
>
> And in the end, if neither of those means are to be employed and experience proves that soldiers and sailors are in need of medical care, the profession of America will see they get it, draft or no draft. They did it handsomely in the last war, as indeed they always had before. And the would do it again.
>
> The special provisions for the drafting of older doctors in H. R. 6274 not only are completely unnecessary but they are palpably unwise.

After receiving the assurance from Dr. Sargent that it would be unnecessary to draft doctors and dentists the committee struck from the bill the provision for drafting members of the medical and dental profession.

Mr. Speaker, Dr. Sargent was wrong because of the fact that regardless of the effort of the armed forces they were unable to obtain doctors and dentists.

Let us at this point recall the following statement of Mr. W. Stuart Symington, Secretary of the Air Force, when he said: "The situation in the medical services of the Air Force has been rapidly deteriorating due to the shortage of doctors. There has been a decrease of 27 percent in Medical Corps officers and the outlook for the months ahead on this score is dark. The Air Force is in a critically serious situation with respect to its medical component. We are in grave trouble and it is getting worse."

Faced with this acute situation, Secretary of Defense Forrestal in February 1949 named a committee consisting of the Surgeon General of the Army, Navy, and Air Surgeon together with 11 distinguished civilian physicians. This committee launched a joint undertaking of the armed forces, American Medical Association, American Dental Association, and other allied professional groups. This committee was furnished the names of all doctors and dentists who received their professional training at the expense of the Government either as an Army or Navy student.

The purpose of furnishing these names was to contact these doctors and dentists at a local level and urge them to return to military service. The key-note of the program was "moral suasion."

While this committee was functioning, the then Secretary of Defense, James Forrestal, wrote a personal letter on March 1, 1949, to approximately 10,820 men who had been trained by the armed forces at the expense of the Government and had given little or no military service in return. Using moral suasion as the theme, he invited them to accept commissions in the Medical and Dental Corps of the armed services.

As of March 31, 1949, the response to Secretary Forrestal's invitation was as follows:

Letters sent	10,820
Replies received (May 5, 1949)	8,165

Of the total number of replies received, 1,011 were favorable and 7,154 were in the negative with the following reasons cited:

	Medical Corps	Dental Corps	Total
(a) Not interested	3,707	1,877	5,584
(b) On duty with the United States Public Health Service	122	83	205
(c) On duty with the Veterans' Administration	15	2	17
(d) Did not complete medical or dental school	415	----	415
(e) Deceased	23	----	23
(f) Students	278	----	278
(g) Applied for participation in the Army resident training program	33	----	33
(h) Applied for participation in the Navy resident training program	3	----	3
(i) Completed obligatory service with the Navy:			
Medical Corps	12	----	----
Dental Corps	----	445	457
(j) Completed obligatory service with the Army:			
Medical Corps	18	----	----
Dental Corps	----	143	161
Total	4,567	2,550	7,154

Of the 1,011 favorable replies, 662 were already in service, as outlined in the following table:

	Medical Corps	Dental Corps	Total
(a) Already on active duty with the Army	240	39	288
(b) Already on active duty with the Navy	62	32	94
(c) Already committed for service with the Army	107	11	118
(d) Already committed for service with the Navy	140	22	162
Total	558	104	662

Out of the 10,820 letters sent and the 8,165 replies received, a total of 349 doctors and dentists requested active duty, in addition to the 662 already on active duty:

The following table provides a breakdown of the 349 doctors and dentists requesting active duty:

	Army		Air Force		Navy		Total
	Medical Corps	Dental Corps	Medical Corps	Dental Corps	Medical Corps	Dental Corps	
(a) Number requesting active duty, 1949	100	27	34	18	88	39	306
(b) Number requesting active duty, 1950	16	----	3	----	22	2	43
Total	116	27	37	18	110	41	349

Mr. Speaker, as I said in the beginning of my remarks, the situation is acute, and unless these thousands of doctors and dentists who received their education at the expense of the American taxpayers, decide to accept a commission in the armed forces, there is nothing left for Congress to do but to draft them. I feel I speak for every Member of Congress when I express the hope that it will not be necessary to draft doctors and dentists.

Before concluding my remarks, I feel it is only fair to point out that at the moment, there are 4,000 doctors and dentists educated by the Government who have finished their 2-year tour of duty in the armed forces. They were promised to be returned to civilian life at the expiration of 2 years of military service. The young doctors and dentists in civilian life today who owe their education to the Government of the United States, should respond to the needs of our armed forces and replace those 4,000 young men who have discharged their obligation to their Government.

Commodity Credit Corporation

EXTENSION OF REMARKS

OF

HON. WALTER E. BREHM

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. BREHM. Mr. Speaker, I was not privileged to be a Member of Congress when the original Commodity Credit Corporation was set up in 1933 in an effort

to combat the depression in commodity prices. However, I recognized the importance of this agency to the farm population of America and, because of that fact, I have periodically voted to support the Commodity Credit Corporation on each and every occasion that it has come before Congress during my term of service.

I was particularly pleased during the last, or Eightieth, Congress to support legislation which gave official recognition to the CCC as a permanent Government agency. The service which it has rendered in the support of farm prices has in my opinion justified its existence as a permanent agency of our Government.

A few days ago I was pleased to support legislation which extended the service of the CCC to the grain farmers of America and particularly to my farm constituents in the Eleventh Congressional District. I refer to the loans of 17½ cents per bushel which the farmers may borrow from the CCC in order to build storage bins on their own property.

Money advanced to build these bins is about equal to the cost of storing their grain in one of the terminals of this country for a 12-month period. However, under this farmer-loan provision grain growers will own the bins they construct with Government loans. It should also be pointed out that within 2 years the Government will get back every penny of the loan, whereas under existing terminal storage arrangements the Government gets back nothing. Any money which is paid the farmer from subsequent farm-support subsidies will be used to liquidate these loans.

In my opinion the extending of this authority to the CCC to grant loans for bin construction should help materially in preventing an overloading of grain terminals at harvest time and alleviate the acute transportation problem which we have experienced in the past due to freight-car shortage.

I was therefore pleased, Mr. Speaker, to support this legislation which grants loans to farmers for bin construction as I am convinced that storage on the farm, or as nearby to the farm as possible, will solve several major problems which have confronted the grain producers in the past.

The Truth Is Always Important

EXTENSION OF REMARKS
OF
HON. J. GLENN BEALL
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. BEALL. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to place on record the facts about my friend and constituent, Dr. Joseph F. Thorning, associate editor of the Americas and World Affairs. The people of the Free State of Maryland admire Dr. Thorning not only as a sincere apostle of the good-neighbor policy in South America, but also as an honorable, upright gentleman, who is on friendly terms with many Members of the Congress of the United States. His reputation is one of the glories of our State and of my district. Consequently, whenever his name is mentioned, whether in the newspapers or over the radio, I wish to have the facts related accurately. "The truth, the whole truth, and nothing but the truth" is a good principle, as the following facts reveal.

THE FACTS ABOUT AN INCIDENT OF THURSDAY, MAY 12

First. Contrary to the United Press and Daily Worker story, the Reverend Dr. Joseph F. Thorning, associate editor of the Americas and World Affairs, did not accost Representative WRIGHT PATMAN, Democrat, of Texas, either to talk about Spain or about any other topic;

Second. Mr. PATMAN, who passed Dr. Thorning in front of the Parliamentarian's office, made a remark, not a formal complaint, to Mr. William M. Miller, Doorkeeper of the House. When the latter approached Majority Leader JOHN W. MCCORMACK on the subject, he was told not to bother Dr. Thorning, who had come to the House door, where he had a perfect right to be, in response to Congressman MCCORMACK's invitation. Consequently, Mr. Miller, although mentioning to Dr. Thorning the fact that a remark had been passed by "a Member," did not order Dr. Thorning from the place where he was waiting; nor would he have had any reason or authority to do so. When Mr. Miller saw the United Press story in the Washington Times-Herald, he assured Dr. Thorning that "there was not a word of truth in it." In other words, there had been no order issued; and there was no ouster of a priest from the Speaker's lobby. Majority Leader MCCORMACK described the story as "low, cheap, and contemptible."

As further evidence that there had been neither an "order" nor an "ouster," it is certain that Dr. Thorning waited in the lobby in front of the Parliamentarian's office until Mr. MCCORMACK came out to talk with his friend. Both Majority Leader MCCORMACK and Dr. Thorning, subsequent to the alleged "order" and "ouster," or the "ejection," as the Daily Worker put it, conversed for about half an hour in the aforesaid Parliamentarian's office. All this was completely in accord with the rules of the House, and no one would have any right to object on this score.

After Dr. Thorning had finished the conference with Majority Leader MCCORMACK, the former was approached by Mr. Bill Arbogast, head of the Associated Press Bureau on Capitol Hill. As soon as the Associated Press correspondent heard the facts he declared that " the Associated Press would not touch such a story," even though a writer for some Texas newspapers had tried to "peddle" the so-called report to the House Press Gallery.

It was Representative THOMAS J. LANE, of Massachusetts, who advised Dr. Thorning, as he was standing in front of the Parliamentarian's office, that several Members of the House were giving speeches on the floor in favor of the restoration of full diplomatic relations with Spain. Dr. Thorning, who was there to confer with Mr. MCCORMACK, not to lobby, expressed satisfaction with regard to these speeches. He did not even touch the doors that lead onto the House floor, much less enter the House Chamber.

In summary, therefore, it may be emphasized that the United Press and Daily Worker stories were essentially untrue. Dr. Thorning did not address himself to Mr. PATMAN; he was not ordered from the House floor or from the Speaker's lobby; he was neither "removed" nor "ousted," nor "ejected"; he was present, in the proper place, at the invitation of a personal friend, who wished to consult him; he was not lobbying, as the several Members of the House who were in conversation with him are ready to testify. It was a final indication of the slovenly manner in which this story was handled that the priest's residence was given as Washington. The fact is, as most Washingtonians know, that Dr. Thorning resides at Carrollton Manor, Md. Truth is better than fiction.

Brannan Farm Price Plan

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. WOODRUFF. Mr. Speaker, Mr. Clark L. Brody, executive secretary of the Michigan Farm Bureau, is among the soundest, wisest, and most patriotic gentlemen in our great State of Michigan. For many years he has been an outstanding leader in agriculture. He knows the problems of the farmer and he knows the solution of those problems.

I have received a statement entitled "A Summary of the Brannan Farm Price Plan," and under unanimous consent to extend my remarks in the RECORD, I include this statement.

If they will read this splendid summary, it will be helpful to those who are interested in preserving the freedom of the farmers of this country.

The statement follows:

A SUMMARY OF THE BRANNAN FARM PRICE PLAN

(By Clark L. Brody, executive secretary of the Michigan Farm Bureau, from a television discussion of the Brannan farm price plan with Mr. Maurice Doan, Michigan director for the Production Marketing Administration, WWJ, Detroit, May 11, 1949)

I regard the Brannan plan as a dangerous step toward further socialization of our Government and regimentation of the American farmer. It is a political-economic philosophy of government that would destroy the farmer's initiative and incentive to solve his own problems and meet the ever-changing demands of the consumer as registered in the market place.

The Brannan plan places a ceiling on opportunity for the American farmer. The Government support price should not be the price we expect to live on. It is valuable insurance. It is not and should not be the farmer's chief incentive.

It would tend to regiment the consumer as well, for the President's advisers—I hope we shall never be compelled to refer to them as the "elite" of Government or the "palace guard"—could to a considerable degree really determine the kinds and amounts of food that would be available to the urban purchaser. They could tell the consumer what was good for him.

The cost to the taxpayer would be exorbitant. This is estimated by competent authorities to be from $5,000,000,000 to $10,000,000,000 annually. This staggering amount would have to come from the pockets of both consumers and farmers through higher taxes. Neither do the consumers want the Government to determine what they shall buy.

Our farm people do not want to become wards of the Government supported by subsidies from the Federal Treasury as contemplated in the Brannan plan. Under a free, competitive economy our farmers have developed an agriculture that is feeding much of the world's population. The initiative and incentive of the American farmer is the best insurance that the consumer will have an adequate food supply of the kind he wishes to buy and at prices he can afford to pay.

Why a Depression?

EXTENSION OF REMARKS
OF
HON. CLINTON D. McKINNON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. McKINNON. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the RECORD, I include an article by Oscar Cox entitled "Why a Depression?" This article was published as a public service by the International Latex Corp. of Dover, Del., in the New York Times of Sunday, May 8, 1949.

WHY A DEPRESSION?

(By Oscar Cox)

There are many who still think that economists, Government officials, and business executives can tell definitely in advance whether or not we shall have a depression in the United States. This is far from the truth, although some of the prophets themselves labor under this false belief.

Forecasting of our economic trends is useful. Forecasting can indicate some of the straws in the wind, and there are many such straws available today. But forecasting is not yet advanced enough to predict with accuracy exactly what is going to happen to employment, production, prices, and the other important aspects of our economy.

The fact that we do not know with certainty whether or not a depression is coming does not mean that effective action cannot and should not be taken now. If a depression comes, we should have in readiness those measures which can minimize such a depression.

There can be reasonable differences about what measures can counteract or forestall a depression, but basically there are fewer differences on this score than in forecasting with certainty whether there will be a depression.

The better part of practical wisdom is to have ready as soon as possible those measures which can be used to counter a depression if it does result. If it does not come, we simply do not have to use the measures, and we shall have lost little by having them ready. If a depression does result and we do not have adequate measures ready, the toll in unemployment and human suffering, the threat to our security position, and the weakening of our political structure may be devastating. If a depression is coming, the longer we wait before making ready intelligent measures to combat it the greater will be the costs to us in human and money values.

Instead of waiting to see if a real depression sets in, when the tendency will be to act in hysteria and panic, we should begin to plan and act now. To think out, to debate, and to put into effect the necessary measures will take plenty of time, anyway. It is not too soon to begin now. The strong indications are that production is falling off and unemployment is increasing. These may snowball rapidly. In preparing and acting now to fend off a possible depression there is no need to develop the type of psychological jitters which will make matters much worse. It is far better to face the situation ahead of us with knowledge and without fear than to do nothing effective and be blindly afraid.

In principle the area and time of action to try to forestall a possible depression are clear: Instead of make-work or leaf-raking projects, the central focus should be on working out as promptly as possible those measures which increase the real wealth and productivity of our country and its people and at the same time generate the creative employment that assures the purchasing power upon which all business and agriculture depend.

Instead of relying too much on imperfect forecasting—and then sitting—we should concentrate now on those purposeful measures which not only can forestall a depression, but can expand our useful production and employment.

Those purposeful measures can be positive and effective. They include further relaxation of export and credit controls; Nationwide building of soil-conservation dams that can also expand our supply of much-needed hydroelectric power; the rebuilding of our schools and hospitals which, during the last 20 years, have become shamefully obsolete; meeting our housing needs with the mass-production techniques for which we are famous; speeding up capital investment in our industrial plant by tax incentives or other means. American ingenuity can provide socially and economically valuable projects. It is merely a matter of intelligent thinking, discussion, action, and legislation. The important thing is that the thinking, discussion, action, and legislation should be begun right now and with all the vigor at our command.

If our Government, our businessmen, our labor and farm leaders join together now to meet those problems head on with the same spirit in which we prepared for and waged the war, we can be sure that we can defeat any coming depression. Depressions do not have to be. Depressions result from the individual or combined actions of great numbers of human beings. Human beings with intelligent foresight and effort can prevent any depression.

National Temperance Day

EXTENSION OF REMARKS
OF
HON. JOSEPH R. BRYSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. BRYSON. Mr. Speaker, I am introducing a joint resolution calling for the establishment of a National Temperance Day by proclamation of the President.

This project is the outgrowth of a resolution adopted last June at the convention of the National Grand Lodge of the International Order of Good Templars, of which Dr. J. Raymond Schmidt, of Washington, is national superintendent of legislative work. Fred Eklund, of Chicago, is national chief templar and Alfred Abrahamson, of West Hartford, Conn., is national secretary-treasurer.

The order is the second oldest temperance society in America and the centenary of this widely flung organization, operating in many nations throughout the world, is to be celebrated at Chicago on June 18, 19, and 20, 1951. This international convention, composed of eminent delegates from many lands, will be presided over by Senator Ruben Wagnsson, of Sweden, international chief templar of IOGT and governor of the royal province of Kalmar.

The designation of a National Temperance Day for the United States of America would therefore be a timely and gracious act greatly appreciated by the temperance forces of all classes throughout America and the world.

Boys' Clubs of America

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. SABATH. Mr. Speaker, under unanimous consent, I insert in the RECORD an address by Hon. James A. Farley, delivered at the dinner meeting of the annual convention of the Boys' Clubs of America, at the Drake Hotel, Chicago, Ill., on May 5, 1949. It was a most inspiring address on the work of Boys' Clubs in the interest of the youth of our Nation and I commend its reading by the membership.

It is indeed a source of refreshment and encouragement to enjoy the opportunity to meet with people whose program of activity and interest is so far removed from the area of controversy. In the entire field of man's relation to man, it has become axiomatic that in the interest of things to come, worldly and spiritual, youth must be served, for youth will be of service.

Those of us who have been privileged to share the burden have been faced constantly with the challenge of a wide range of earthly maladies, from insidious conspiracy in governments to mass deprivation and degradation, from stark madness to misguided genius, from arms to armistice, and back to arms again. While we have enjoyed some degree of success, I am often fearful that in the process of solving our immediate pressing problems, we have lost sight, from time to time, of that sphere of life and living toward which all of our energies are directed. In effect, in dealing with the complex affairs of men, we have tended to overlook the intricate affairs of youth. That is precisely what I meant when, in expressing my opinion on the outlook for the world a short time ago, I said, "When I look on the older generation, now so largely in power,

the generation to which I belong, and reflect on the problems which have been ours, and the crises we have met successfully, the present uncertain future of all peoples, all things, my heart is heavy. But when I fix my attention on a group of boys, the new generation, my heart leaps with faith and hope."

I should like to say here and now—thank God for the thousands upon thousands of self-sacrificing loyal Americans who have all these years devoted a good portion of their lives to the mental, moral, and physical welfare of the youth of our country. But for the untiring efforts of our schools, our churches, and our youth-serving organizations, this democracy of ours might indeed have been threatened by a bankruptcy in sound citizenship with its rightful place of influence in things to come. In particular, I should like here to pay tribute to the men and women who devote their lives to the training and guidance of boys. I wish to express my appreciation to the more than 30,000 of them who give their time and thought to the management of boys' clubs and to promote their interest in boards of directors, women's auxiliaries, alumni associations, and other organizations pertaining thereto.

In singling out the Boys' Clubs of America, I should like to be sure that you understand I am not merely adjusting my personal opinion to the exigencies of the occasion. As a matter of fact, I have more than a passing fancy to substantiate my opinion. I, as a member of the national board of Boys' Clubs of America, am proud to be among this army of laymen who believe in the soundness of boys' clubs.

As you are probably aware, it has been my good fortune to travel into every State in the Union and to have met thousands of men and women in every walk of life—a true cross section of the population of this country. I have enjoyed the opportunity to observe at first hand the fruitful effects of the untiring efforts of our schools, our churches, and our social agencies and institutions. Furthermore, I have come to learn from personal experience that if there is one thing upon which we can base our confidence and hopes of a better day to come, it is the youth of our Nation.

I ask you to bear with me while I read a poem that I have carried in my pocket for years. It is The Boy, by Edgar A. Guest:

"A possible man of affairs,
A possible leader of men,
Back of the grin that he wears
There may be the courage of ten;
Lawyer or merchant or priest,
Artist or singer of joy,
This, when his strength is increased,
Is what may become of the boy.

"Heedless and mischievous now,
Spending his boyhood in play,
Yet glory may rest on his brow,
And fame may exalt him some day;
A skill that the world shall admire,
Strength that the world shall employ,
And faith that shall burn as a fire
Are what may be found in the boy.

"He with the freckles and tan,
He with that fun-loving grin,
May rise to great heights as a man
And many a battle may win;
Back of the slang of the streets
And back of the love of a toy,
It may be a Great Spirit beats—
Lincoln once played as a boy.

"Trace them all back to their youth,
All the great heroes we sing,
Seeking and serving the Truth,
President, poet, and king,
Washington, Caesar, and Paul,
Homer, who sang about Troy,
Jesus the greatest of all,
Each in his time was a boy."

Think of the unexhausted energy of youth. What boundless vitality, enthusiasm, devotion, and greatness are wrapped up in youth. Consider the average American boy—think of his unspoiled powers, the agility of his muscles, the quickness of his eye, his ear undulled, his curiosity keen, his memory sharp, his unspoiled emotions ready to admire, and his will power to be directed.

But think, too, how easily he is affected by the influences that we offer him. Bad influences all too often. Statistics tell us that the average age of men who are inmates in prisons and reformatories is 26, or even younger, and even more serious is the fact that five-sixths of these young men had had the seeds of weakness, that later caused their downfall, cast across their character in the period of their boyhood or early youth. This has tremendous significance to you and to me, and to all who are interested in the future welfare of our country.

But thank God boys are even more easily affected by good influences than bad. The result of my many conversations with young people in the course of my lifetime and experience justifies me in going on record to say that boys are far more responsive to high and noble ideals than to those forces which are demoralizing, provided, of course, that those ideals are presented in a way that the boys can understand and that appeals to them as worth while.

Should you have any doubt of the fact that the chief asset of this Nation is its youngsters, reflect for a moment on the things that you feel makes a nation great. Mere extent of territory does not constitute greatness. Russia has more square miles of territory than any other nation on earth. Nor does the volume of population indicate greatness. China has the numbers—some 400,000,000—but that is not what constitutes the greatness of the Chinese people. Nor does the volume of public or private wealth or of natural resources constitute true greatness. Am I not right when I say that neither education nor technical training by themselves made a nation great? Germany was one of the best trained nations of modern times, but the experience of Germany is illustrative only of the fact that education and training can teach to build armaments and be skillful in their use, but that is not greatness.

No; the real greatness of a nation is in its people. It is their ideals, their character, their spirit, that makes it great. And these are determined largely by the influence that we bring to bear on the boys and girls, the youth of our country. What America, this land we so much love, will be 30, 40, or 100 years from now depends implicitly upon what is happening to those boys who are shooting marbles in the streets and lanes of our cities and villages right now. Consequently, if we are to prepare this country adequately to meet the tests of the trying years ahead, we must strive toward the adequate preparation of our citizens who will be at the helm.

The responsibility for this great task cannot be placed entirely within the walls of our schoolrooms. The field of education has made tremendous strides in behalf of our children. I believe their efforts and accomplishments have earned our fullest admiration and respect. But, actually, mere schooling is not education. Whereas a boy is influenced by his school for a few hours daily, during a few years of his life, every other experience that he encounters is also educational in nature. Often the most vital part of his education, for better or for worse, is received outside of the school.

And the value of a good home is impossible to estimate. A boy's greatest educational experiences, affecting his entire life, are found within the home. Is it not a fact that most young men who get into trouble with the authorities are products of an inadequate home environment?

And is it not true that the church is a major factor in a boy's education? Too often, unfortunately, this factor is minimized or not brought into play at all. They tell me that an alarming number of boys of America do not have any church affiliation. To any serious-thinking person, that is a frightful indictment of the parents of those boys. Every youngster needs to be taught that if he is to be rewarded in the world to come, he must do two things in his life; first, he must honor the divine command to "love the Lord, thy God, with thy whole heart, thy whole soul, and thy whole mind." And then, he must do something else; he must "love thy neighbor as thy self."

This thought brings me to a specific reason for my belief in the work of the Boys' Clubs of America. Somewhere, outside of the home, the school and the church, there must exist a proving ground, a workshop, as it were, where a boy may exercise and develop the ideals which have been expounded to him. I can think of no better way for the boys of our Nation to occupy their free-time hours than participation in the safe and constructive program of a boys' club.

Here he is given full opportunity under the guidance and protection of competent, qualified leadership to learn self-reliance, to aim for leadership in competition in the spirit of fair play, and to develop bodies, hand and brain skills in preparation for the future. Here he finds an opportunity to prove his skill, to satisfy his hunger for adventure, to give and take in full consideration of others, and to stand on his own feet. And, what's more—he likes it.

I am convinced that if we are to interest boys in worth-while activities we must offer something that they will enjoy doing, and, further, something they think is worth doing. To my way of thinking, boys' clubs are satisfying this prerequisite.

Multiply these invaluable influences by 322 clubs and a total boy membership in excess of 300,000, and you have an infiltration each year into the citizenry of the Nation, of thousands of graduates of boys' clubs, who will not only have a direct effect for good in their community, but will work like a leaven in influencing thousands of others the world over, with whom these boys' club alumni come into contact. This admirable picture is in itself a monument to you who are giving years of devotion to the management and promotion of boys' clubs.

I wish to compliment all the men and women in America who voluntarily contribute toward the benefit of the people. This concern of the individuals for the welfare of their neighbors has been traditional in America. It is just as much a part of the American way of life as our desire to improve our own conditions. It would be a tragic day for America if all responsibility for the welfare of the people were to be thrown on the Government. It would be equally tragic for us as individuals if we could discharge our responsibility to our neighbors by filling out an income-tax blank.

I know full well that in our struggle upward as individuals and as a Nation, there have been those who needed the helping hand of their neighbors. We have made a great advance in our concern and efforts for the unemployed, the aged, the sick, and the disabled veterans, and all who, because of misfortune or for any reason, cannot make the grade in the upward struggle.

These people are the great concern of all of us and the most of us will approve sound measures for meeting their needs. I believe, however, that we should and can best meet their needs without destroying the initiative and self-reliance of the individual. In a state where there is complete so-called se-

curity, it is security on a very low level and the opportunity of the individual to rise and create for the benefit of all the people is not only limited, but the lack of incentives is deadening to individual initiative and enterprise.

One of the principal reasons for the prosperity and standard of living in America is this—that from the time of our Pilgrim Fathers, it has been a land of opportunity. Every parent, as he looks at his child in the cradle, has at least the hope that the child will be better off than he has been and may have the American dream that their sons will become important figures in the business, professional, and political world.

With this thought in mind we must never permit our outlook on life, our American skyline, if you please, ever to become obscured by the cloud of social and economic problems. We must never allow the fabulous wealth of this Nation to deprive us of the simple virtues that have made this Nation the hope of all mankind. We must never permit the ideals of this Republic to sink to a point where every American father and mother, regardless of race, color, or creed, cannot look proudly into the cradle of their new-born babe and see a future President of the United States.

I am speaking now of human realities—human realities that we can hand down to our children, if we will but keep the faith of our fathers and cherish the bonds of unity that are so necessary, so essential for our continued progress. Give America a united front, and there is no power on earth, within or without, that can weaken or destroy our democracy.

This hope and dream is firmly based on the life stories of thousands of men and women who from limited beginnings rose to important places in our economic, professional, and political life. Because men in America had the incentives to work and strive, they have brought about the highest standard of living in the entire world.

America is still a land of opportunity, and I believe that the opportunities for our youth are greater now than ever before in our history, but it is my contention that with every opportunity a responsibility emerges. It is squarely up to us to do the most important thing we can for our youth and for our country, and that is to teach boys and girls that they can have more than mere security if they will learn and strive. On large scale, the Boys' Clubs of America are meeting that responsibility.

Herein lies another reason why I am so anxious to support the work of boys' clubs. While they serve boys of all classes where there is need, they have always been especially concerned with boys whose family and neighborhood resources are limited. Many boys whose formal education, too, must be limited find their opportunity for advancement in the boys' club.

Boys' clubs are geared to meet needs unmet by other organizations. While they are completely nonsectarian, they are not godless. As a matter of fact, they are fountain springs of tolerance—enemies of bigotry. They are possessed of no magic formula, but, on the contrary, are simple and direct in pattern. They are the best means I know for a sound investment of our interest, efforts, and money toward insurance of the future well-being of our country.

The only fault that I can find with boys' clubs is the fact that there are not yet enough of them. We can and must make the fruits of this tried and true movement available to every boy in every sizable community. I know of no other way in which, as individuals, we can proffer our boys and girls the incentives to work upward in the American tradition and the opportunities for their self-development.

The Hoover Commission

EXTENSION OF REMARKS
OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following letter that I have received from Mr. Henry P. Kendall, president and treasurer of the Kendall Co., Boston 10, Mass., bringing to my attention an article regarding the Hoover Commission:

THE KENDALL CO.,
Boston, Mass., May 16, 1949.

Hon. THOMAS J. LANE,
House Office Building,
Washington, D. C.

DEAR MR. LANE: You, I am sure, must have given some thought and study to the recommendation for a reorganization of the executive branch of the Government on the basis of the Hoover Report. I have tried to familiarize myself with the principles involved, and with many others, I share a deep concern that this masterly, objective study has not been implemented. The enclosed clipping expresses better than I can the importance of action.

It would seem to me that a bill instructing the President to carry out the Hoover report completely, and as expeditiously as possible, should be drawn. If the report is torn to pieces by bureaucrats without having been given a trial, it is likely to be emasculated. No superficial reading of this exhaustive report without the background of time put into it by the various task groups is likely to be anything but harmful.

If the report is passed as a whole, any weaknesses will show up, and improvements or beneficial modifications growing out of the experience of operation can be undertaken, which will be a far wiser and safer course to follow.

New England, as well as the rest of the country, has much to gain from the adoption of this report. I am therefore sending this letter and clipping to all New England Congressmen and Senators and also to such other Congressmen and Senators with whom I am personally acquainted.

Men like myself, I can assure you, who have developed sound and efficient organizations and comprehensive budgetary controls, feel deeply concerned by the lack of progress toward implementing this report.

Cordially and sincerely yours,

HENRY P. KENDALL.

THE GREAT GAME OF POLITICS

(By Frank R. Kent)

DANGEROUS INERTIA

WASHINGTON.—The sluggish indifference in Congress to the Hoover Commission's recommendation for reorganization of the Federal Government, grotesquely swollen and incredibly bungling, wasteful, and inefficient, is a direct reflection of the inertia and unintelligence of the American people. There is no other way to explain it. The present situation is as complete an indictment of our unfitness to govern ourselves as has been made.

These may seem harsh words but they are justified by the facts. If this Nation were free of debt; if its citizens were lightly taxed; if there were a dependable surplus in the Treasury; if there were no war clouds in the foreign sky; if peace were assured, our defense armament reduced to the minimum and the rest of the world on its economic feet (an ideal condition which, of course, will never occur but may be assumed for the sake of argument), even then it would be inexcusably stupid not to enact the Hoover recommendation, which not only would save $3,000,000,000 a year but, through the elimination of duplication, waste, and absurdities, restore reason and efficiency to a machine close to bogging down of its own weight.

Even under the ideal conditions above described there could be no defense for inaction, no argument against adoption, no sense in refusal. But, under conditions as they really are, not to act swiftly and favorably is more than stupid—it is wicked. It comes close to national insanity. It would be the most shocking demonstration of popular incapacity in all history. It would exhibit this Nation as having, first, gone on record as realizing the necessity of regaining control of its governmental machinery; second, as having its request to be shown the way fully complied with; third, with full knowledge of the danger, as having turned its back, shut its eyes and done nothing.

These statements are by no means too strong. The truth is they cannot be made too strong. For here are the facts—far, indeed, from those ideal conditions, financially, the Nation is in an appalling state. Instead of being free of debt, the debt—now more than two hundred and sixty billions—is far greater than anyone dreamed could be sustained. The annual interest alone is twice as much as the total cost of government 20 years ago. Instead of being lightly taxed, the tax burden is unprecedently heavy. It bears grieviously upon rich and poor alike. It has reached the point where to gain acutely needed revenue, economists generally fear the result of adding to it. Instead of a dependable surplus for nearly 18 years, we have consistently run increasingly large deficits. Under such conditions any business, big or little, would be marked "insolvent," branded as bankrupt. In other words, our Federal fiscal structure is strained to the limit.

Instead of permanent peace, for 2 years we have been engaged in a frightening cold war with Russia and no man can be sure it will not become a shooting war. Instead of reduced armaments at vast cost, we are forced to build up a gigantic defense machine. And billions are being poured into the friendly countries of western Europe to promote their economic stability and strengthen our position. Finally, we have just concluded the North Atlantic Pact, under which in the next 12 months we will furnish to the other signers $1,500,000,000 worth of military supplies. This one and one-half billion is not provided for in the President's budget and must be added to the five and one-half billions necessary for the Marshall plan in the coming year. On top of all this, before the session has ended Congress will have appropriated several other nonbudgeted billions for a variety of purposes. The drain upon the Treasury will be terrific. We have got to get more revenue or go under. Where is the money coming from? Even if more taxes are levied, we will still be far short of our needs. In face of these facts, which no one disputes, one would think the Hoover proposal to eliminate waste, increase efficiency, and save three billions annually would seem heaven-sent.

Literally, there is everything to commend it. It is not as if the Hoover Commission were trying to sell it. The idea was not originated by Mr. Hoover but by Congress itself. It was Congress which unanimously passed a resolution creating the commission and asking it to do the job. The commission has done the job. Neither the accu-

racy of the report's figure nor the soundness of its recommendations are questioned by anyone. Practically every newspaper in the United States has approved. There isn't so much as a trace of politics anywhere. No one connected with the commission has anything even remotely to gain. No one in any party disputes the vital necessity of the proposed reorganization, which every President since Theodore Roosevelt has urged. Informed men know that if it fails this time it will never be done. This is the last chance.

Opposition comes from the entrenched Federal bureaucracy and the labor lobby. Powerful as these are, they should be easy to override on so tremendously essential a matter as this. Yet, incredibly, it lags. Already it is being said that Congress will evade responsibility itself and merely authorize Mr. Truman to reorganize to the extent he desires. That, of course, means nothing at all. Most Congressmen shrink from doing anything to disturb the constituents whom they have on the pay roll. Their disposition is to run away from the drastic steps they are now asked to take in the national interests. If some way is not found to save this report from the lingering death which its opponents predict, this country's future is not pleasant to contemplate. Easily, it is the most important matter before Congress. Its fate will affect every project upon which we are engaged, abroad as well as at home. It is a dreadful thought that the people are incapable of being aroused on so vital and simple an issue.

Northwest Support of CVA

EXTENSION OF REMARKS
OF
HON. HUGH B. MITCHELL
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. MITCHELL. Mr. Speaker, some die-hard opponents of CVA and their editorial spokesmen are attempting to depict President Truman in the role of foisting CVA on the Pacific Northwest against the wishes of our people. Outstanding citizens of my State have answered these unfounded attacks and misrepresentations. I include with these remarks a statement made jointly by E. M. Weston, president of the Washington State Federation of Labor; Henry P. Carstansen, master of the Washington State Grange; Roy W. Atkinson, regional director of the Congress of Industrial Organizations; and Harold J. Gibson, president of Aero Mechanics Lodge, No. 751, and president of the Washington Council of Machinists, International Association of Machinists.

I also include a letter to the Tacoma News-Tribune, written by State Senator John T. McCutcheon, which effectively sets forth the benefits that will accrue to the Pacific Northwest by establishment of a CVA.

The statement and letter follow:

Recent newspaper reports quoting anti-CVA spokesmen as saying that there is no support in the Pacific Northwest for the Columbia Valley Administration bill is an insult to the many Northwest organizations which have actively favored this legislation for years.

The organizations we represent have a combined membership of a half million persons plus their families. We have consistently backed CVA and have helped organize the League for CVA to bring forth the facts to the general public. We challenge the CVA opponents to name the people they represent when they claim to speak as the voice of the Pacific Northwest.

We believe that the misguided opponents of CVA are fighting against the greatest opportunity ever presented to the people of the Pacific Northwest. We remember that these same groups were among those opposing construction of Bonneville and Grand Coulee Dams, which have proved to be of great benefit to this region.

CVA will bring greater benefits to the Pacific Northwest by hastening the development of the Columbia, America's greatest source of power. It will be done in a completely democratic manner, and the people of the Pacific Northwest will have more to say in their future destiny than they have ever had before. By democratically working together with the CVA, we will be able to work out the particular details of Northwest development to the satisfaction of all concerned.

The enthusiasm of our members convinces us that were the CVA issue put to the test of a vote, the people of the Pacific Northwest would be overwhelmingly in favor of this legislation. The manner in which the people of our region are rallying to the support of CVA further convinces us that the Pacific Northwest wants a CVA and will have a CVA.

E. M. "ED" WESTON,
President, Washington State Federation of Labor.
HENRY P. CARSTANSEN,
Master, the Washington State Grange.
ROY W. ATKINSON,
Regional Director, Congress of Industrial Organizations.
HAROLD J. GIBSON,
President, Aero Mechanics Lodge, No. 751, and President, Washington Council of Machinists, International Association of Machinists.

MAY 5, 1949.

To the EDITOR,
Tacoma News-Tribune,
Tacoma, Wash.

The opposition to the CVA bill is totally illogical. It seems to be based on an imaginary surrender of some vague power or freedom to the Federal Government which we are now supposed to possess over the navigable streams of the State. Even in politics, logic and common sense have some place. What power do we now or did we ever possess over Coulee, Bonneville, McNary, and the other great dams to be built on the Columbia River, or over the great reclamation project in the Columbia Basin? None whatever. Their future progress and development are completely at the whim of the Federal Government as it is. The only difference is that under the present system the policy of the Federal Government may change overnight if the private power interests get control of a new Congress and inspire it with their peculiar ideology. We have everything to win and nothing to lose by the establishment of a permanent regional authority that will fix the policy as one of development and not of stagnation. It will unify the conflicting claims of the Reclamation Service, Bonneville, and the Army engineers, and coordinate the protection of fish and wildlife.

The CVA bill now before Congress does not take away any of the power or authority of any city, town, or public utility district, or arrest their expansion in any way. Anyone who says otherwise is not telling you the truth. These local agencies, which are the backbone of local control in the distribution of power, will be tremendously aided by a CVA, not hindered. They will be enabled to buy more cheap power and distribute it. Industry will thrive and floods be brought under control.

The city of Tacoma cannot help but benefit, the mutuals cannot help but benefit, and the districts cannot help but benefit. Their present powers to expand are in no way limited. A CVA means unity of Federal effort; it means greater appropriations; it means continuity of policy and more rapid development of power, which will pay off the costs of the investment.

No one who believes in the development of the Northwest can logically oppose a CVA. No one who has fought the battle for public power over the years will.

Very truly yours,
JOHN T. MCCUTCHEON,
State Senator.

Trade and Cold War

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New Orleans Times Picayune of May 16, 1949:

TRADE AND COLD WAR

Three men well qualified to speak on world economics had their say this past week. Will Clayton warned that on balance the Russians are still winning the cold war and will continue to win so long as western Europe clings to self-containment trade and economic policies. Paul G. Hoffman, director of the ECA, told an Italian audience that although the Marshall plan had halted the Communist offensive for the moment, the job will not be done until 1952, and then only if European recovery is accomplished. W. Averell Harriman, special ECA representative in Europe, tied up these two statements by strongly reaffirming American support for world-wide reduction of trade barriers and establishment of a sound multilateral trading system. He insisted that the time has come for Europeans and the Western world generally to do something more than talk about economic integration.

All of this suggests that after 1 year of Marshall plan operation, which has been mainly concerned with priming the pump of European production, the time has come to proceed toward the real goal of the program: The economic reintegration of opposed nationalistic economies of even the Atlantic pact countries.

The reciprocal trade agreements act, which Congress is once more to consider soon and free, we hope, from the crippling amendments imposed last year by the Republican majority in the Senate, is one step in freeing world trade. United States foreign economic policy is firmly behind the Havana charter of the international trade organization which would help to remove barriers and establish unrestricted facilities for monetary exchange.

Mr. Harriman correctly warned Europe that it is far better for nations to take the risk now in giving up restrictive devices than to wait until American aid no longer is available. Although it is true that steps should be taken slowly and carefully it nevertheless is also true, as Mr. Harriman said, "that if a man too long postpones moving from his chair, his legs may atrophy to the point where he cannot even walk."

Reserve Officers and the National Security

EXTENSION OF REMARKS
OF

HON. W. STERLING COLE
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. COLE of New York. Mr. Speaker, one of the outstanding younger officers of the United States Air Force, Maj. Gen. Thomas D. White, recently addressed the State convention of the Reserve Officers' Association of New York State, held at Elmira, N. Y., and it is my pleasure to offer his remarks made at that time:

It is a great pleasure for me to be here tonight. Believe it or not, I owe the privilege to General Baron von Hammerstein. I haven't been able to get any historical data on him but the amiable baron evidently was an astute observer of human nature. Hanging on my office wall in the Pentagon is a quotation from the baron. It seemed so apt that, in the course of my business of keeping Air Force contact with Members of Congress, I had some photostats made. I gave one of them to Representative STERLING COLE, distinguished Congressman from this district. I thought Congressman COLE would particularly appreciate it. He did.

General Baron von Hammerstein said, "I divide my officers into four classes: The clever, the stupid, the industrious, and the lazy. Most officers possess at least two of these qualities. Those who are clever and industrious are fitted for high staff appointments. Use can be made of those who are stupid and lazy. The man who is clever and lazy, however, is destined for high command for he has the temperament and nerve to deal with all situations. But, whoever is stupid and industrious is a danger and must be removed immediately."

Congressman COLE alleged that "use could be made" of me and suggested to your committee that I appear here tonight.

It was a pleasure to accept your kind invitation, because I was anxious to have the opportunity to be present at this gathering and meet the members of your group. My interest was aroused immediately when I learned that this association included Reserve officers of all three services. Unification is one of the most important issues that the Military Establishment must resolve, and your association is a healthy sign of spontaneous unification that is highly encouraging. In addition, I have always been interested in the vital role of Reserve officers in the national defense. This organization, then, composed of Reserve officers of all our armed forces and dedicated to the support of a suitable military policy for the Nation, is to me a tremendously important group. Its potentialities for constructive effort in the national defense program are practically without limit.

I often wonder if enough Reserve officers are aware of their vital function in our national life. It sometimes seems to me that many of these men are not fully aware of their own importance and strength, but regard themselves, certainly in peacetime, as filling an essentially static role. It is, of course, perfectly clear that that could not be true of you gentlemen gathered here. Your actions prove otherwise. You have formed this organization. You have given freely of your time and effort. You are here now, in fact, sitting out there listening to me talk while both trout and golf are newly in season. Now I find that highly flattering, but I also regard it as ample evidence of a serious understanding of your importance, as Reserve officers, in our national life.

This importance can hardly be exaggerated. It is far from true, as some believe, that the reserves are active only in wartime, and even then do no more than those other citizens who join the armed forces. Our reserve forces are a vital element of our military structure, in peace as in war. Our military policy, and indeed our national economy as well, are predicated on the repudiation of the totalitarian doctrine of the constant maintenance of armed forces at full wartime strength. Our prosperity and many of our liberties would vanish if we attempted such a thing. Instead, the traditional American doctrine has long been to maintain standing forces adequate to provide a training corps and to meet the initial impact of hostilities with the capability of immediate expansions to wartime strength. This matter of expansion to full strength is the key to the success or failure of the entire policy. It could never be done without the existence of a trained and organized body of reserves ready at all times to assume the full duties and responsibilities of professional military men. I have used the expressions "at all times" and "full duties and responsibilities" deliberately and with a purpose. Modern war strikes swiftly. Our ranks must be filled at once with trained men. Other millions of men must be adequately and promptly brought to a high state of training. In both cases the professional competence of our Reserve officers is a vital and decisive factor. We cannot tolerate a "guns or butter" economy. We certainly must never suffer military conquest. Our ability simultaneously to avoid both these contingencies depends primarily upon you men here today, and upon your counterparts throughout the country. That is a great responsibility. To meet it would seem to be enough to ask of any man. There are, however, many other important functions that a reserve officer can and does perform in his dual role as soldier and civilian. His understanding of matters of defense significance is that of a military man but his daily life is that of a civilian. In this he enjoys a unique advantage. In this position he can be of the greatest service to his fellow citizens, his service, and his country.

The American citizen today is vitally interested in defense matters. He is naturally and properly concerned about the security of his country. He is concerned about taxes. He certainly wants the maximum for his defense dollar. He wants unification of the armed forces. Above all, he seeks information about and understanding of all these things. Neither are always easy to obtain.

Now, of course, there are no clear-cut answers to many such questions. However, a man with the background of military training and experience necessary to be a Reserve officer, is at least in a position to weigh these matters intelligently. He can usually tell fact from rumor. He knows his own service intimately and is doubtless familiar with the needs and purposes of the others. He is respected by his friends and neighbors for his military knowledge, and if he keeps himself well-informed professionally he can be of immeasurable assistance to his civilian associates. This is more important than it might appear. Military matters do not lie outside the province of the private citizen. He exerts a very real if indirect influence on all matters of national policy. It is proper and essential that he should. It's his safety and his money that are involved. His free speech, his vote, and his influence upon his elected representatives are the means by which he exercises the prerogatives of a free citizen. Experience has shown that when he does not exercise those prerogatives vigorously and wisely they are lost.

Many Americans are apathetic toward the powers and responsibilities of citizenship and in defense matters often find it difficult to know what to believe or do. The Reserve officer, a private citizen himself, can be a very powerful influence in his community; an influence working toward the active, enlightened, and vocal concern of every citizen with defense measures. Such concern is important to our very survival. Foster it upon every possible occasion.

Probably the most important issue involving the armed forces today is that of unification. Certainly this is what the public currently hears the most about. It is the score upon which they are most confused and most alarmed. Everyone knows that effective working unity between the Army, Navy, and Air Force is essential to both military effectiveness and economy. Yet people hear that the military establishment is rent by conflicting doctrines and ambitions, that vast waste and petty quarrels hopelessly impair efficiency and economy. Because of its importance and because of the confusion and misrepresentation that are so common, I want to talk a little about this matter of unification.

In the first place, we do have our differences in the National Military Establishment. It would be silly to deny it. I think it's a good sign. What people don't think about, however, is that these very differences are evidence of the degree of unification that has been attained. If the Army, Navy, and Air Force each went its own separate way their doctrines and principles could be wildly divergent. That was largely true for many years. It was not until we faced up to the problem of establishing uniform and realistic concepts of strategy and tactics that the differences that do exist become apparent. These differences are inevitable, but they are being resolved. They are being resolved by discussion in the Joint Chiefs of Staff. They are being resolved by experience, by the experience of the recent war supplemented by joint exercises and maneuvers. Out of all this discussion, out of joint experience, and out of an ever-growing familiarity with each others' weapons, methods, and capabilities, there is growing at all levels in all services, a new, integrated, and realistic understanding of the very art of war itself. This understanding, and the new and vital concepts that are taking shape in the light of it, will form the basis for the future strategic and tactical doctrine of the unified United States forces.

This new doctrine and the resulting new methods in warfare may well be our salvation in any future war. At present, however, their birth pangs are being felt in consternation and worry over the alleged interservice feuding. Feuds, of course, make good copy, just as one airline crash is news but several million passenger-miles flown in safety are not. One of the biggest feuds we read about is that over the primary function of the services. Principally, we hear of the Air Force's right to strategic bombardment.

The Air Force, of course, is concerned with its strategic bombing role. We feel it's important, and we feel that we have a grave responsibility to do it as effectively as modern weapons and methods permit. We realize, however, that when the Air Force drops a bomb, atomic or otherwise, the performance is far from being wholly an Air Force show. It is a joint operation, as is any other military activity. On a strategic bombing mission the Air Force is carrying the ball. In a carrier strike the Navy carries the ball. In a land campaign the Army has taken the pass from center. But in every one of those activities every member of the team has a vital function to perform. To bring any type of force to bear on the enemy in modern war requires the coordinated effort of all land, air, and sea forces and is a highly intricate team function. It will no longer suffice to think in terms of Army, Navy, and Air Force roles. It is no longer sufficient to think in terms of cooperation. Modern war planning must include all the involved

relationships and intricate functions of every weapon and arm of service from the very beginning. This integrated planning must be done on one level—at the top. This is the new concept of war that I mentioned a moment ago. Simple as it sounds, its effect on our future military operations will be revolutionary.

Let me illustrate what I mean by every military activity being a joint operation. The Air Force, when carrying the ball in strategic bombing, is dependent upon the Army for ground defense, airdrome construction and maintenance, and common supply. It is dependent upon both the Army and Navy for the all important transportation of bombs, fuel, and personnel. The attack starts here at home. By the time the bombs are delivered all units of our Defense Establishment have become involved. The Air Force is aware of this, and is equally aware of its responsibilities in an operation where the Army or Navy performs the ultimate application of force.

The Air Force is responsible for air support of the Army. Our fighter groups devote at least half their training time to activities designed to perfect their ability in the tactical support of ground troops. Dive bombing, ground gunnery, and tactical reconnaissance are vital and major parts of our fighter-training program.

The delivery of parachute and airborne troops is, of course, one of our primary responsibilities. We have developed the aircraft and tactics to perform this function. We train constantly with the Army to perfect our techniques. This is a joint operation in every sense of the word, and the Army and Air Force have developed common doctrines and tactical procedures that represent the very essence of unification. We have developed the means to supply by airlift any Army operation that requires it.

Another quite important aspect of the definite progress that is being made is the joint Navy-Air Force planning of mining operations. It was found in the war with Japan that the Air Force could make a valuable contribution to the Navy's minelaying campaign. As a result, this activity is now being planned on a joint basis.

I mentioned a moment ago the value of joint maneuvers. These are currently possible and are being held on a scale that was never before dreamed of in the United States. Before the recent war it was the custom of any service holding a maneuver to invite participation by the others. This participation could consist, however, of little more than observation. Money was the principal obstacle. If the Army held a field exercise, for example, the Navy could not take an active part because their budget wouldn't permit it. The budget had been prepared a year or more before, and the funds for such a maneuver had not been included. As a result, in any maneuver simulating a situation where more than one service would be involved in actual warfare, a vital ingredient of the situation had to be simulated. Naturally, such simulation was on an unrealistic basis. The maneuvers themselves were highly unrealistic and of doubtful training value.

In the recent war, therefore, when joint operations became necessary, it was largely a matter of cut and try. Tactics were evolved on the spot. The services were unfamiliar with each other's terminology, weapons, and capabilities. We ad libbed, in short. It was a difficult and often costly process.

As a result, the Unification Act of 1947 gave the Joint Chiefs of Staff the responsibility for formulating all plans for joint field exercises. Maneuvers arranged by this body are not only devised to give the maximum benefit to all participating services, but they are considered in the budgets of these organizations so that full-scale participation of all is possible for the first time. It is the policy of the Joint Chiefs to hold these exercises at least once yearly and more often when possible. The result on American strategic and tactical thinking is enormous. Just as great will be the growth in each service of an appreciation of the abilities and problems of the others. A valuable consequence will be the elimination of duplicate functions.

Naturally, it will take time for the full benefits of the very real progress made and to be made to become fully apparent. Already, however, we have numerous encouraging examples of what can be expected in the future. The Berlin airlift is such an example. The airlift, like a bombing raid or charity, starts at home. There can be no airlift without gasoline, and Navy tankers have transported approximately 100,000,000 gallons of it from the United States since the airlift began. When the Navy delivers the gasoline in European ports, the Army Transportation Corps carries it, along with other airlift supplies, to the airdromes in Germany—airdromes, incidentally, which are maintained by Army engineers. The supplies are then flown into Berlin by Air Force and Navy aircraft and crews. The two Navy squadrons on the operation have delivered, by the way, an average of over 750 tons of these supplies daily. In Berlin, the supplies are once more in the hands of the Army, this time for distribution. The picture is not complete without mention of the fact that the Army Quartermaster provides logistic support for all Vittles personnel. The personnel of all three services on Vittles have functioned for nearly a year as a close-knit unit to bring to success the most momentous and intricate air transport operation in history. It would have been incredible a mere decade ago. I have every confidence that such confusion and conflict as we still have will seem equally incredible in less than another decade.

Those of us who are in the service today, Regular or Reserve, are privileged to service in a critical and interesting era. Like all periods of change, it is challenging and filled with interest. It makes many great demands upon us all. You Reserve officers, as both civilians and officers, face double responsibility. As we all meet the challenges and soberly fulfill our responsibilities, we are hastening the day when our unified forces will be prepared to deal with any contingency as they have the Berlin blockade. When they can do that, the Nation will be secure.

I thank you all for permitting me to be here. In closing I cannot refrain from quoting once again from Baron von Hammerstein and in so doing to hope that I have not entirely accomplished his definition of training (which can well include a talk before a Reserve officers association).

Said the baron: "The art of military training lies in so exasperating the soldier in times of peace, that when confronted with war conditions he is inclined to regard the whole thing in the light of a holiday."

The UN and Spain

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of May 18, 1949:

THE UN AND SPAIN

The long debate over Spain in the General Assembly of the United Nations has ended in a somewhat inconclusive result. A majority of the States voting on the question approved a resolution that would have sanctioned the return of Ambassadors and Ministers to Madrid while the Franco regime is still in power. But on this question most of the democratic nations of the West—Britain, France, the United States, Canada, Sweden, Denmark and Belgium—abstained; and the favorable vote itself fell short by four of the two-thirds majority necessary to its acceptance. Meantime, while the result of the vote is to leave in effect an earlier UN resolution of 1946, calling for the withdrawal of Ambassadors and Ministers, eleven member States of the UN have already sent chiefs of mission to Madrid or have announced plans to do so. All this leads to anything but a sharply defined conclusion.

In fact, it might be said that the one thing that did emerge from the whole affair is the demonstration—again—of how valuable an asset Franco is, as a debating point, for the Communist bloc in the UN. He is a perfect foil for their purposes. They denounce his government as antidemocratic and as a creature of fascism—both of which things undoubtedly it is; and in so doing they blur the record of the thousands of tons of petroleum and manganese and grain that Communist Russia delivered to Hitler Germany, under the Ribbentrop-Molotov pact, when Hitler made war on democracy and Britain stood alone. They run the gamut of criticism of Franco's suppression of civil liberties, his press censorship and his concentration camps; and they manage thereby to convey, at least to some innocents, the impression that they, who outmatch him in all these things, are in fact the defenders of a democratic tradition. They dwell upon the congratulations which they accuse Franco of sending to Japan, at the time of its attack upon Pearl Harbor; and they thereby thrust further into the background of popular memory "the warmest congratulations of the Soviet Government on the splendid success of the German armed forces" which Molotov sent to the German Ambassador in Moscow when the German armies entered Paris.

To the Soviet-Communist bloc Franco is worth his weight in at least a semiprecious metal. They would have a hard time getting along without him.

Opposition of William M. Chadbourne, of New York, to Statehood for Hawaii and Alaska Based on Misapprehension of Facts and Unsound Conclusions, Edward R. Burke, Counsel of Hawaii Statehood Commission, Says

EXTENSION OF REMARKS
OF
HON. JOSEPH R. FARRINGTON
DELEGATE FROM HAWAII
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. FARRINGTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to extend the text of a letter addressed to myself and to all Members of Congress by former Senator Edward R. Burke, who is at present counsel for the Hawaii Statehood Commission.

The latter is an agency created by act of the Legislature of the Territory of Hawaii and supported in its entirety by public funds.

The text of Senator Burke's letter constitutes a complete and final answer to arguments against statehood advanced by William M. Chadbourne, of New York, in a memorandum circulated to Members of Congress.

The letter follows:

TERRITORY OF HAWAII,
HAWAII STATEHOOD COMMISSION,
Washington, D. C., May 16, 1949.

Hon. JOSEPH R. FARRINGTON,
Delegate to Congress from Hawaii,
House Office Building,
Washington, D. C.

DEAR MR. FARRINGTON: Mr. William M. Chadbourne, of New York, recently submitted to the Eighty-first Congress a memorandum in opposition to the admission of Hawaii and Alaska as States. This statement is limited to the case for Hawaii, although in considerable part the arguments apply with equal force to Alaska.

Mr. Chadbourne is a distinguished citizen of recognized probity and ability. It may be accepted that his desire is to do, as he says, "what is best for the United States as a whole and thus for the world." We submit, nevertheless, that he is laboring under a misapprehension of the facts, and that his conclusions are not well-founded. There is abundant evidence to support the claim that Hawaii now meets every legitimate qualification for statehood. The broader view will disclose that in Hawaii, to use the words of an eminent American, there is "the finest example under the flag of the welding of alien peoples of diverse racial strain into Americans."

It is important to remember that 50 years ago Hawaii voluntarily surrendered its independence at the urgent invitation of this country in order that it might be, as officially stated, "incorporated into the United States as an integral part thereof." It was understood that the language used and the action taken was an assurance that when Hawaii became able to meet the requirements it would be welcomed as a State.

Numerous congressional committees after personal investigation certify that Hawaii has fulfilled its part of the bargain. It has a substantial population and a sound economy. Its civic ideals and institutions are in every respect in accord with the best American tradition. Examine its schools and colleges and you will find a system of education that compares favorably with the best in any State on the mainland. Illiteracy is so slight as to be practically nonexistent. The newspapers of Hawaii are free, alert, and forceful. There is complete religious freedom. Courts of justice function exactly as they do in New York State or Washington. The elective franchise is dearly treasured even though its citizens are denied the right to participate in the choice of their president, governor, or Federal lawmakers. Regularly a larger percentage of voters go to the polls in Hawaii than in any State in the Union. It is not too much to say that its people have displayed a marked genius in self-government, and have set a splendid example of how men and women of divergent races may live and work in harmony and good will.

The Chadbourne memorandum asserts that to grant statehood to Hawaii and Alaska would set a precedent that would require that Puerto Rico also become a State, and, presumably, other outlying possessions. There is no substance to that allegation. Hawaii and Alaska are organized territories, the only ones in that class. Congress need not, and probably will not, ever establish another organized territory, in legal view the first step toward statehood. Puerto Rico and all of the unorganized territory over which the United States exercises some measure of control, in their present status, lie entirely outside the realm of statehood possibility.

The precedent which Mr. Chadbourne fears is rightly not the final act of granting statehood. In the case of Hawaii, the precedent was established 50 years ago when it was made an organized Territory and thereby authorized to qualify itself for statehood. If the request should ever come from Puerto Rico that it be organized as a Territory as the first step toward statehood, Congress would again have to decide whether it were willing to follow the precedent, established 50 years ago in Hawaii's case, of organizing a noncontiguous territory in preparation for its admission as a State.

However, this is really beside the point. In no respect is there any resemblance between the position of Puerto Rico, on the one hand, and of Hawaii and Alaska, on the other.

The memorandum of opposition stresses what the author seems to feel as to the "remoteness" of Hawaii. That argument has been completely demolished by modern methods of transportation and communication. Today Hawaii is in actuality closer to the National Capital, more intimately in daily—even hourly—contact with Washington, than were New York or Boston—or even Philadelphia—when the seat of government was located there. Distance in miles has ceased to be a barrier.

The memorandum states that many Americans travel from State to State and thus come to know their fellow citizens. Hawaiians know their fellow citizens, too. They are probably more widely traveled than even a New Yorker. Think of the amount of contact the people of Hawaii must have had last year, for example: More than 93,000 passengers flew across the Pacific to or from Hawaii and the west coast; passenger ships from Hawaii to the coast accommodate more than 3,700 passengers; Hawaii is a regular port of call for some 70 ships. Hawaiians not only rub elbows with their fellow citizens on the mainland, but, like New Yorkers, with many races from all parts of the world.

Finally, the argument against statehood for Hawaii rests upon the alleged unfairness of adding two United States Senators who will represent a State with less than 600,000 population, whereas New York, with its nearly 15,000,000 people, is likewise restricted to two Senators. This is the crux of the opposition. It is an attempt to arouse the hostility of the more populous States against those of small population. In reality, this is a challenge to the wisdom of the framers of the Constitution. With infinite care they worked out the compromise of equal representation of all States in the Senate, whereas population should determine the number of Representatives.

Hawaii will have two Senators just as New York. But it will also elect two Representatives to sit with the 45 chosen in New York. The combined voting strength of 18 States in the House does not equal that of New York. All this is as it should be. It is all a part of the great compromise without which there would have been no United States.

We submit that it is improper for States with large representation in the popular branch of the National Legislature to oppose the grant of statehood to an otherwise qualified organized Territory solely because the new State would have equal representation in the Upper House. It was anticipated that new States with small population would be admitted. Hawaii will be the fourteenth State with not more than two Representatives, yet now, for the first time, serious objection is urged to compliance with the Constitutional requirement of equal representation in the Senate. There is no evidence that the less populous States combine to defeat the will of the large States.

In conclusion, Hawaii has become a strategic outpost of immeasurable importance to the United States. In the recent World War, its citizens displayed an heroic devotion to the American ideal. To accept Hawaii into the Union now would be not only heartening to its loyal citizens, but it would add greatly to the prestige of the United States among the millions of inhabitants of the Pacific and around the world.

Sincerely yours,
HAWAII STATEHOOD COMMISSION,
EDWARD R. BURKE, *Counsel.*

The North Atlantic Pact

EXTENSION OF REMARKS
OF
HON. EDWIN C. JOHNSON
OF COLORADO
IN THE SENATE OF THE UNITED STATES

Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD the statement made today in the hearings before the Senate Foreign Relations Committee by Rev. Edgar M. Wahlberg. For many years Mr. Wahlberg was pastor of a large community church in Denver, where he made a great record as a humanitarian and spiritual leader.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Honorable members of the Foreign Relations Committee, first of all, I wish to congratulate the members of this committee and the Senators from my own State, namely, Senators ARTHUR H. VANDENBERG and HOMER E. FERGUSON, who in conformity with our democratic tradition have provided for an extensive hearing on this most important issue of the North Atlantic Defense Pact.

I have the privilege of representing the social action commission of my own church, a group of ministers and Christian laymen of the Detroit area whose names are attached, and the Detroit Peace Council, and the Michigan Council Opposing Peacetime Conscription.

The following statement is my own. The motivation for it is in my Christian faith and basic desire to serve the Prince of Peace. It is my contention that Christianity and its teaching of love for all mankind is the third alternative to the alternatives of appeasement and war.

We believe that no one sincerely desires war. We should do everything to prevent a third world war and the destruction of our way of life. The deepest desire of mankind is peace. The American people desire to maintain a democratic way of life and to lead the way to world security.

Peace depends upon an understanding between the United States of America and the U. S. S. R. and a satisfactory working relationship in a pattern of world responsibility and concern for the people of the world.

Fear and unfriendly acts by both Nations have deepened the division between them and have generated hostility. Both Nations are burdened with expenditures of a military nature that have endless and exhaustive proportions.

If the present pattern persists there is danger of a violent war at any time. It is only logical to assume that the present cold war can lead to an outbreak of actual war.

Yet a further step is now being prepared in the form of a North Atlantic Defense Pact to be followed by a huge and costly program of arming western Europe.

We contend that in practice, if past experience is a guide, the very nature of this alliance and the process of rearmament will generate fears which still further rearmament will be needed to allay, creating a mounting spiral of expenditures in which military estimates will prevail over considerations of economic and social recovery. In this way we will be perpetuating the very conditions of misery, want, and dissatisfaction, at home and abroad, which according to the State Department analysis itself, foster communism and thus play into the hands of the U. S. S. R.

We contend that we must put a general settlement with the U. S. S. R. ahead of the North Atlantic Defense Pact. We feel that the State Department and the administration should provide an answer to this question. We believe that it is preferable to set up standards of conduct rather than standards of geography in which we militaristically divide the world into two warring camps.

We are of the opinion that the Atlantic Pact is a second-best attempt to provide for world security. It is not unlikely that a series of regional pacts and agreements will take precedence over the facilities of the United Nations and will in time overshadow the United Nations' universal character and aims. It would seem that such arrangements will hamper and further weaken the United Nations. In actuality the pact is a substitution for the first best alternative, the United Nations, and will lead to the "bankruptcy of the political and legal system for which the United Nations was created."

We believe "that it will prove impossible to restore a sense of security regarded by the United States as essential to western European recovery, no matter how much we arm the nations along the Atlantic seaboard, until Russian troops are withdrawn from Germany and Austria."

Our problem is to relax the tensions which make it essential for us and others to keep troops in Europe. Let us rather demonstrate our good faith in the possibility of the ultimate adjudication of the real difficulties dividing East and West by making a thoroughgoing overture through the United Nations of universal disarmament with the obviously necessary sanctions.

We are deeply convinced that capitalism and communism not only can, but must, live together in the same peaceful world. No dispute between the United States and Russia need be resolved by force, and there are nc differences between them which in time cannot be settled by peaceful negotiations. We are of the opinion that all of the possibilities for such negotiations have never been fully explored.

We petition for the discharge of our responsibililties as a peaceful nation to the end that all mankind may be freed from the threat of total war. Confidence in an enduring peace will be created in a series of friendly acts so directed as to bring understanding between the United States of America and the U. S. S. R.

We, therefore, urge you to oppose the Atlantic Pact and the rearmament of western Europe by the United States; and we urge you to give consideration to every genuine opportunity in which it is possible for the United States and the Soviet Union to enter into relationships of understanding and agreement, as regards the settlement of international disputes, and to a speedy end of hostilities as related to World War II and also to the so-called cold war. We urge the strongest support of the United Nations and the use of its facilities for world understanding and social and economic recovery and disarmament.

As I have said, Christianity is the third alternative to the tragic pathways of appeasement and war. The sheer hypocrisy of security by preparing for an atomic war faster than any other nation .s seen in the desperate way that atomic scientists are trying to get the American people to do some clear, honest thinking about human relationships. This kind of thinking does not call for atomic armaments and the militarization of the West. If we wish to save the world it calls for God's plan for our lives.

The early Christians went into the world with a plan. It was God's plan. Because it was better than the Roman plan and other plans, the people turned to the Christians and laid the foundations for the humanitarian efforts of mankind which led to the expansion of democracy and man's dream to save the world. Man found the stuff for a new world in His divine nature. The power came from God.

We see this in the establishment of our own nation, the first best democracy on earth. When things were confused in the Constitutional Convention, our forebears recessed to pray. They reconvened and found the way to agreement.

God gave us the world with all its abundance. God gave us life and a nature that can be good and helpful. God gave us Jesus Christ, who more than any other has shown us the way to live. In Christ, we have the teaching of faith and love. We have the power of God and the grace and discipline of prayer. God's plan is adequate. Here we have that added greatness of soul which drives out fear and in which we can work together for the common good.

This is the glory of God's plan for our lives. God made us in His image and through Christ has lifted us to the greatest knowledge known to man. We belong to God in the fact of our birth. Let us belong to God twice in our response to His love and our unhurried love for all the children of men. We pray that our Representatives in Washington may implement this universal faith in the support of these universal institutions and values which alone will direct us to world peace, understanding, and security.

Dr. Henry Hitt Crane, Central Methodist Church; Rev. Earl Sawyer, Epworth Methodist Church; Rev. Herbert Fink, North Detroit Methodist Church, Detroit, Mich.; Rev. W. R. Moorhead, Ferndale, Mich.; Rev. William B. Spofford, Jr., Detroit, Mich.; Rev. and Mrs. William Bostick, Inkster, Mich.; Rev. Charles A. Hill, Hartford Avenue Baptist Church, Detroit, Mich.; Rev. Robert D. Braby, Highland Park Presbyterian Church, Highland Park, Mich.; Dr. J. Perry Prather, First Church of the Brethren, Detroit, Mich.; Margaret R. Ranson, St. Francis Xavier Church, Ecorse, Mich.; Rev. I. Paul Taylor, Detroit, Mich.; Lucy Mae Piotrowski, Rita Goodall, Lottie M. Beck, Muriel Robison, Ruth Luttrull, Rose Peterson, Dearborn, Mich.; Marian Hoag, Detroit, Mich.; Gwendolyn Dunsmore, Violet Toles, Alice Crosley, Sophia M. Hayes, June Boblish, Joan White, Dearborn, Mich.; Mrs. Forest Hammond, Mrs. Bessie Gulliver, Detroit, Mich.; Claude William, Harry Goodall, Elmer E. White, Stella Ballard, Dearborn, Mich.; Mary Talmadge, Detroit, Mich.; Dale A. Dunsmore, Dearborn, Mich.; Geraldine Washington, Detroit, Mich.; W. D. Mooney, Dearborn, Mich.; Dr. Paul Morrison, minister, Trinity Methodist Church and president, Michigan Council Opposing Peacetime Conscription.

Respectfully submitted.

EDGAR M. WAHLBERG.

Brotherhood of Man

EXTENSION OF REMARKS
OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me at the Brotherhood Day dinner of the Philadelphia chapter, National Conference of Christians and Jews, at the Bellevue-Stratford Hotel, Philadelphia, on Tuesday night, May 10, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Perhaps never before in man's whole history has the concept of brotherhood been more necessary to the existence of man's freedom. We are our brother's keeper—not just in our family—not just in our community—not just in our Nation—but we are our brother's keeper in a world-wide sense. Brotherhood embraces all the 2,000,000,000 people with whom we share the planet.

Today, the act of any man in the world may touch off a chain reaction of tragedy which will ultimately affect great segments of the world. All of us here tonight are keenly aware that Hitler's persecution of Germany's Jews was not an event isolated in time—and unrelated in space—with respect to happenings elsewhere in the world. We remember the swastikas scribbled on American synagogues. We remember the legacy of hatred Hitler left behind in Europe—how that poison swept east into Poland, and resulted in the unbelievable and terrible pogroms that decimated the ghettoes into which Jews had been herded for slaughter.

Beneath this thin veneer we call civilized decency lies a latent and explosive reservoir of misunderstanding and hatred, of bigotry, and unreasoning self-pity. This reservoir is everinflammable, ready for a spark which might be struck, perhaps, in a distant part of the world. And the only way this reservoir may be drained off is through the spread of understanding, and through the eradication of those things which give rise to blind fear and self-pity.

This reservoir cannot disappear entirely until all men understand that their freedom depends upon the freedom of every other man in the world. A race riot in South Africa, a fiery cross on a southern hillside, star-chamber trials of Catholic churchmen and prelates—any one of these—is as grave a threat to man's freedom as a standing army of 10,000,000 men.

Many, many things must be done to achieve true brotherhood among men. The success of the National Conference of Christians and Jews affords gratifying evidence of what can be done—and is being done—among religious and lay institutions to promote understanding through education, and cooperation among men.

Even if we were to attempt to limit brotherhood to its establishment here in America alone—and, as I have said, we realize that brotherhood cannot be limited just to America—there is, nonetheless, a great deal which remains to be done right here at home.

I don't believe there would be any real disagreement among us here tonight as to the imperative need of basic civil-rights legislation.

But civil-rights legislation isn't going to abolish discrimination or establish the brotherhood of man overnight—and all by itself. There are, I am convinced, some basic weaknesses in these laws when they are left standing by themselves. For one thing, such laws seek primarily to punish a result, and not to remove the factors which caused the trouble in the first place. For another, they seek to legislate in the field of beliefs and misunderstanding. Now we can make misunderstanding a crime, perhaps, but the real answer to misunderstanding is understanding, and to a large extent, that is a matter of education, and ending the causes of misunderstanding.

But the best organized society from the standpoint of guaranteeing civil liberties and civil rights remains a shaky society unless each member of the society can feel freedom from the gnawing fear of economic disaster. Much of our racial and religious tension has its origin in, and derives its sustenance from, economic tension, fear of the loss of one's job. We've been relatively free of this for some years, because of the shortages of skilled labor beginning 9 years ago.

If we were to have a sharp downturn in our economic levels, however, I fear for what might happen. When men compete for a square meal for their families, or for a decent home—when there aren't enough jobs to provide adequate living standards for large groups of our citizens—the soil is fertile once again for the spread of racial and religious hatreds. Hitler used the technique with devastating effectiveness, but he didn't invent it. It was used in this country many times against each new wave of immigrants. It was the technique of the Black Legion, and of similar terroristic organizations. The technique is ineffective, however, when men feel secure in their ability to maintain their families on a decent American standard of living.

That poses many problems, and reasonable men and women, willing to practice reason in working out these problems, can certainly find solutions. There is no objective more in keeping with the spirit of brotherhood than in the establishment of decent social and economic conditions here at home.

The better we succeed here in that effort, the better are our chances for encouraging the spread of decency throughout the world.

Progress toward international brotherhood is slow, it's true. But there are many hopeful signs. America turned its back on the League of Nations—but we haven't turned our back on the UN. There are a lot of doubting Thomases where the UN is concerned, but I am certainly not one of them. I never have believed, though, that you could take the sovereign nations of the world—with their conflicting interests, beliefs, and misunderstandings—and put those nations into a single organization with the expectation that all our troubles would be over. But the UN is forging ahead. The UN is bringing problems out into the open. It is breaking down misunderstandings. Its achievements in helping Israel and the other governments of the Middle East to work out their misunderstandings represent a tremendous boost in its prestige—and it is a heartwarming demonstration of what the UN can do, and of what it will be able to accomplish on a much larger scale in the future. To increase the effectiveness of the UN will take a lot of patience, a lot of understanding, a lot of time—and an awful lot of work. But the will to make the UN effective is there, and I have great hope for its success.

In addition to the UN there are for the present many other ways that we can foster brotherhood in the world. The bold, imaginative point-4 program, suggested by President Truman in his inaugural address last January, is a fine example of what I mean. The very spirit behind it is that of lending an understanding hand to all the peoples in the world—to help them work out the most effective utilization of the world's resources for the benefit of mankind. Here again is a measure directed toward a relief of tension, toward an increase in understanding.

It is in this same spirit that we have undertaken the European recovery program—not in a spirit of promoting an American imperialism, but rather to help the people of Europe work out the vexing problems of postwar reconstruction and revival of trade, to help them create an atmosphere of mutual trust and understanding, to help them achieve security, and to put at an end the economic and spiritual chaos left in the wake of war.

In the present anxious tension which pervades the minds of people everywhere, in this uneasy state of half-peace, the brotherhood of man is indeed still but a dream. But we are making progress. We can turn this dream into substance.

Just as latent bigotry and discrimination lie beneath the veneer of civilization, so, too, is there a latent spirit of decency in all men. We all have our little prejudices, but many of us are honest enough with ourselves to be ashamed of those prejudices. We have found ways of communicating with each other, and gradually overcoming our own prejudices by coming to know each other. We are trying now to communicate with other peoples, to talk their languages, and to have them talk ours. As compared to the world of 10 years ago, we have made tremendous strides in human understanding. It took a war to achieve much of this progress—a horrible price to pay for such little achievement.

We have given ourselves a new chance, a new opportunity to provide a world which conforms to the goals which mankind, through its greatest spokesmen, have sought over thousands of years. If each of us wants that kind of a world sincerely enough, and is willing to work for it hard enough—at home in our own communities through efforts like those sponsored by this organization, on a State-wide basis and nationally, through a constant interest in, and influence on the day-by-day activities of our Government, and internationally through the many channels now available to us individually, and collectively as a nation, perhaps we yet will see the day when the brotherhood of man takes on the stature of real meaning. Then we will have found true brotherhood of man under the fatherhood of God.

General Pulaski's Memorial Day

EXTENSION OF REMARKS

OF

HON. J. CALEB BOGGS

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. BOGGS of Delaware. Mr. Speaker, in 15 of the last 20 years the Congress has adopted joint resolutions calling upon the President to proclaim October 11 of those respective years as General Pulaski's Memorial Day. These proclamations have properly caused the people of this Nation to remember and revere, on the anniversary of his death, the valor and bravery of Casimir Pulaski, who gave his life in our fight for freedom.

In view of the respect and high regard the people of this country have for General Pulaski, certainly it should not be necessary, Mr. Speaker, for the Congress to act each year on the matter of a Pulaski memorial day. Consequently, I have introduced into this House a joint resolution authorizing and directing the President of the United States to issue a proclamation calling upon officials of this Government to display our flag on all Government buildings on October 11 of each year, and inviting the people of the United States to observe October 11 of each year in schools and churches and other suitable places with appropriate ceremonies commemorating Gen. Casimir Pulaski.

Born in Poland on March 4, 1746, Pulaski grew to manhood during one of the darkest periods of Poland's tragic history. When Pulaski and his freedom-loving compatriots were crushed by a cruel conspiracy against the fundamental rights of man, he managed to escape from his subjugated homeland and made his way to France. It was there that he met Benjamin Franklin, who, impressed by this young count and his deep love of freedom, enabled him in 1777 to come to the United States of America, which was then a Nation only 1 year old and struggling for survival.

General George Washington recommended to the Congress that Pulaski be commissioned in the American Army. Impatient, however, and without waiting for confirmation of his commission, Pulaski served in the American Army as an ordinary volunteer. A few months later he was commissioned a Brigadier General and placed in command of our cavalry forces. Later, however, with the permission of General Washington he formed and commanded the renowned Polish Legion.

After more than 2 years of inspiring leadership and fearless fighting for American freedom, General Pulaski was mortally wounded at Savannah and died on October 11, 1779.

No words of mine, Mr. Speaker, could state the deep purpose which General Pulaski had in his heart as his own words in his last letter to Congress only 2 months before his tragic death. General Pulaski wrote at that time:

> I could not submit to stoop before the sovereigns of Europe, so I came here to hazard all for the freedom of America.

And since that day in October 1779 there has continued to be a very close bond between the people of the United States and the freedom-loving people of Poland. During the 170 years which have intervened, thousands of Americans of Polish extraction have shown that they, too, were willing "to hazard all for the freedom of America."

Mr. Speaker, we find a sorrowful comparison between the Poland from which Pulaski escaped to fight for America and the Poland of today. History has recorded that in the eighteenth century under the guise of a friend, Russia imposed kings upon Poland, maintained them there and spread intrigue throughout the country. And now we find, almost two centuries later, that Russia

again has spread intrigue through Poland, and by infiltration has subjugated the Polish people.

But all of us know, Mr. Speaker, that no nation can subjugate the spirit of the freedom-loving people of Poland. I feel confident that out of Poland's present suffering there will arise another Casimir Pulaski, and that by reason of his dauntless and fearless leadership there will come forth again another Polish legion, to gain the renown and the respect of the world. I believe that Americans of Polish extraction have faith that these things will come about.

And so, Mr. Speaker, I urge the Members of this Congress to follow the example of the Congress in the United States in 1777, by conferring honor upon Casimir Pulaski and his love of freedom, for which he was willing to die. This Congress can do so by passage of this joint resolution, providing that one day, October 11, shall be set aside in each year by the United States of America to do honor to General Pulaski and to pay homage to a man who gave so much for human rights and for the preservation of our Nation.

House Joint Resolution 241 is as follows:

House Joint Resolution 241

Joint resolution authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski

Resolved, etc., That the President of the United States is authorized and directed to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11 of each year, and inviting the people of the United States to observe the day in schools and churches, or other suitable places, with appropriate ceremonies in commemoration of the death of Gen. Casimir Pulaski.

Land Reform in Italy

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I am including an editorial from the Washington Star of May 17 with regard to the program of land reform drafted by the De Gasperi government in Italy.

This is another welcome indication of the determination of that government to combat poverty and to eliminate social injustices. This is one more excellent result flowing from the Italian elections of April 18, 1948, in which the godless forces of communism went down to defeat.

LAND REFORM IN ITALY

The program of land reform drafted by the De Gasperi government is a development whose implications are important politically and socially as well as in the strictly economic field. The project envisages the transfer of some 3,000,000 acres of agricultural land from large estates to peasants now either wholly landless or working on especially onerous share-cropper tenancies.

Such a reform has long been overdue. Italy is an overpopulated country with insufficient fertile land to nourish its people. Even under ideal conditions there would not be enough farming acreage to satisfy the needs of its rural population, which numbers approximately 20,000,000—about one-half of Italy's total inhabitants. But the situation has been made worse by the existence of vast estates in several sections, especially in the south, where birth rates are highest and population pressures are therefore most intense. The result is a class of landless agricultural laborers who live in chronic poverty. Their plight has been exploited politically by Communist agitators, who have built up an agrarian radicalism strongly revolutionary in character. Indeed, those rural Communists are as much of a threat to Italy's democratic evolution as are the urban workers of the industrial north. Even an amelioration of the hard lot suffered by these landless proletarians would do much to undermine communism's hold on the Italian masses. It is a notable proof of the wisdom, foresight and political courage of the De Gasperi government that it undertakes this agricultural reform, since the Christian Democratic Party which is the mainstay of the Cabinet includes most of the big landowners whose class interest will suffer from the projected land distribution. Premier de Gasperi has told them, however, that they must make the required sacrifices for the good of the nation as a whole. He has also pointed out to them the danger of a social revolution from which they would be among the worst sufferers, since they would then lose everything.

The reform program appears to be soundly conceived. The land earmarked for distribution will be carefully studied and brought under control of a special organization which will make sure that the new owners are capable of operating their allotments efficiently. It will not be a hit-or-miss process. The peasant proprietors will be enabled to obtain on suitable credits the tools, fertilizer, water and other services which were formerly supplied by the big landowners. Furthermore, the large proprietors will not be expropriated. They will receive compensation, mostly in the form of special government bonds. Thus their losses will be minimized. Furthermore, the reform program will take effect gradually.

This is not the first time such a program has been undertaken. Right after World War I, when Italy was going through a similar period of revolutionary unrest, about 2,500,000 acres were turned over to small landholders. The growth of population during the ensuing three decades, however, has rendered a fresh land distribution imperative. And the present program appears to be better conceived than its predecessor. The success of the venture will promote the stability of Italy perhaps more than any other measure that could be inaugurated.

Come in, Alaska

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Times-Herald of May 17, 1949:

COME IN, ALASKA

Separated from the 48 States of this Union by a strip of Canadian territory is a huge chunk of land bought by this country 82 years ago. It covers 585,000 square miles which is about one-fifth the size of the United States.

It was purchased from Russia in 1857 for $7,200,000 or for less than 2 cents on acre. The purchase treaty was signed at 4 a. m., March 30, 1867, in Washington by Secretary of State William Henry Seward and Baron Edward de Stoeki, ambassador from Russia.

For years thereafter this territory was known as Seward's folly. Its population and natural resources were sneered at or forgotten.

Seventeen years later in 1884, Alaska was given a civil government. And then in 1897 and 1898 during the Yukon gold rush, civil and criminal codes were established. A Homestead Act was passed for the Territory in 1903. In 1906 Alaska residents were permitted to elect a Delegate to Congress and in 1921 the present territorial form of government was set up.

And now, 28 years later, the Public Lands Committee of the House has approved a bill to make this territory the forty-ninth State in the Union. This bill, introduced by Alaskan Delegate Bartlett, is the result of a referendum held in 1946 when the residents voted, 3 to 2, in favor of full Statehood.

The people of Alaska want their full rights as citizens of this Nation and we can't for the life of us think of any reason why they shouldn't get them. On the other hand, however, from a purely selfish standpoint we want Alaska in because this country needs the undivided loyalty of every one of the 94,000 inhabitants of this big, rich territory and needs it bad.

WE NEED ALASKA

The reason this need is so great now is because Alaska is separated from Siberia by only the 56 miles of water in the Bering Strait. And we cannot allow our last frontier to be left dangling in a halfway atmosphere. It should be bound to the rest of this country by the strongest ties.

The military chiefs became only too aware of this during the last World War when the Aleutian Islands were invaded by the Japanese and defense construction was rushed by the Army and Navy.

Since then the importance of building up this part of our country with increased population and the exploitation of its natural resources into industrial expansion has been a paramount object of the Interior Department.

In the past 2 years the foundation for this advancement has been laid. At Fairbanks and Anchorage two international airports have been started. They have runways 7,000 feet long and strong enough to hold the largest planes. Approximately $13,500,000 is being spent to construct these fields. At the same time the Air Force has built one of the largest airfields in the world at Fairbanks. Others are located at Anchorage and Nome.

The Alaska Railroad is being modernized. Twenty-one million dollars was spent on this job last year. Forty million dollars have been set aside in appropriations and contract authorizations to build up the highways.

President Truman and the branches of the Government under his control are going all out to develop this land as a bulwark against any fancy ideas our disgruntled neighbors across the Bering Strait might have about reannexing that Territory.

RUSSIAN MENACE

And Russia does have such ideas. Russian planes now fly over our Territory at will.

And many Russians who have come in contact with the natives and our Government officials have grumbled aplenty about the Seward deal and are still claiming the land as Russian soil.

We have too much at stake in Alaska to leave any uncertainty in anyone's mind as to whether we consider Alaska a full-fledged part of these United States. We need to build up Alaska to protect the rest of the Nation. And in the words of Interior Secretary Krug:

"Alaska has formed a part of this Nation for over 75 years. It is time that the period of apprenticeship served by the people of Alaska be brought to a close.

"My own firm conviction is that statehood for Alaska would link it more closely in every respect to the continental United States."

The Part the Pulp and Paper Industry Has Played in Southern Forest Development

EXTENSION OF REMARKS
OF
HON ROBERT L. F. SIKES
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. SIKES. Mr. Speaker, I take particular pleasure in calling to the attention of the House an important address by James H. Allen of my State. Mr. Allen, one of the foremost industrialists of the South, has, in showing the courage and the foresight to build on the natural products of the South, pointed the way to the future security of a great part of our land:

THE PART THE PULP AND PAPER INDUSTRY HAS PLAYED IN SOUTHERN FOREST DEVELOPMENT

(An address delivered by James H. Allen, vice chairman, St. Regis Paper Co., before the Southern Forestry Conference of the Forest Farmers Association, Montgomery, Ala., February 18, 1949)

It has been asked: "What part has the pulp and paper industry played in southern forest development?"

My answer is: A major part. For it has provided the market for pulpwood, which is the foundation upon which the economic structure of the pulp and paper industry rests.

In supporting this statement, I will refer to October 1933, when a group of interested persons met in Fernandina, Fla., and organized the National Wood Fiber Growers' Association. I was elected president, and recall the ambitious eight-point program adopted for the organization.

These eight purposes were:

1. To capture your own forest products market.

2. To coordinate the efforts in forestry of the National and State forest services, of the private forest owner and of the United States Forest Products Laboratory.

3. To combine the wood-fiber processing plant and the forest farm, just as the cotton gin and the cotton farm are combined.

4. To operate on the sustained-yield basis.

5. To create public wood markets for the farmers.

6. To extend quickly semicommercial experiments for the processing of wood fiber into commercial runs.

7. To create sound forestry products at economic locations, and to seek financial aid for the protection and development of the forests.

8. To endeavor to capture for the woodsmen of the United States the 70,000 jobs now held by foreign employees working in foreign nations.

For the first issue of our organization magazine, I wrote an article entitled "An Imaginary Fact-Finding Conference on Forest Conservation." It portrays vividly today the situation that existed 15 years ago; and against this background of accomplishment, demonstrates clearly what a group of thoughtful men working together can do in writing a prescription for an ailing economy.

The cast of characters in this imaginary conference included: The American consumer of wood products, the banker, Canada, the chemical industry, the coal operator, the coordinator, the farmer, the State, the lumberman, NRA code provisions, the newspaper owner, the pulp and paper engineer, the private forest owner, the pulp and paper industry, the railroad, the Secretary of the Interior, unemployment, and United States Forest Products Laboratory, and United States Service.

The lumberman of the South from 1893 to 1933 had performed a constructive task of industrial development. They had converted virgin timber into lumber, supplying material for homes at an economic level. After most of the virgin timber had been cut, the second-growth stand did not take its place in the market, because it was lacking permanent qualities unless given preservative treatment.

The lumber industry in 4 years has sustained a shrinkage in sales volume from $1,500,000,000 gross in 1928 to $155,000,000 in 1932. This was nearly a clean wipe-out. A certain amount of this was caused by the depression, but a large part was due to lumber users turning to other materials. Certainly the market for immature timber was distinctly curtailed in the lumber field.

I could dwell at some length on the situation of the lumber industry, but have purposely directed my remarks to the point that some other outlet for young trees was vitally needed.

In the magazine account of our "fact finding" conference, I quoted Carlisle P. Winslow, director of the United States Forest Products Laboratory, Madison, Wis., as making the following statement:

"As pointed out under Timber Requirements, the quantity of foreign wood used in producing the paper consumed in the United States has increased steadily until in 1930 the proportion in the United States was equivalent to approximately 13,000,000 cords of wood. Of this quantity, the equivalent of nearly 7,300,000 cords was imported. In terms of land use, this means that perhaps 12,000,000 acres of forest lands in the United States were deprived of not less than $50,000,000 contribution to the national market. In terms of labor employed, our 1930 imports of pulp and paper could be considered as equivalent to the exportation of full-time jobs for 70,000 American citizens."

This quotation of Mr. Winslow can be found in the Copeland Report, page 1380, volume 2.

The fact that 56 percent of all of the wood used in making paper that was consumed in the United States was grown in foreign countries struck men interested in the development of the forests of the South very forcibly.

Many of us resolved to change this percentage to a much lower figure, and to change it perceptibly. Of the success that followed, I will refer later. At this point I would like to emphasize that the Copeland Reports spread forest seed thoughts that lodged in the minds of the characters represented in our conference, all of whom have given a good performance. For this, the United States Forest Service should be lauded for its best work.

The private owner, in 1933, was quoted as saying: "We private owners are forest farmers. We raise wood-fiber and naval-stores products. We produce five times as much wood fiber as the Nation consumes. We are practically without a market, while 56 percent of our national needs are supplied from wood-fiber farms of foreign nations. We desire to compete for this business but have no processing plant. What would the cotton farmer do without his processing plant—the cotton gin?"

The conference's pulp and paper engineer summarized potential advantages that might be found in reclaiming that part of the domestic market for wood and pulp products held by foreign sources by pointing to the volume of imports, the three and half million tons of paper or the equivalent fiber weight of 13,000,000 bales of cotton. The import value was placed at $237,000,000.

Translated into raw material, this import quantity could create an annual demand for 6,840,000 cords of wood if produced within the United States. This production could absorb the perpetual yield of a timber farm equivalent to 13,680,000 acres, or equivalent to 36 pulp and paper mills producing 400 tons daily 320 days per year.

New mills required to convert this pulpwood to pulp and paper would provide employment for 44,000 men; their construction cost (1933 basis) would be between one hundred and seventy-five and two hundred million dollars.

The combined projects would create new freight revenue amounting to $37,500,000 annually. They would provide a market for 855,000 tons of chemicals. The additional steam demand would have an equivalent B. t. u. value of 5,000,000 tons of coal. Based on $8 per ton, annual labor pay rolls of $27,000,000 would be established.

The construction program itself would exercise far-reaching beneficial influences.

The Railroad's conference representative was quoted: "Mr. President, you understand our problem; you know where most of our securities are placed; you understand how badly we need business. So we can be brief. Many of our systems traverse woodland States where wood fiber has an annual growth alongside our rails."

There is more detail, but it all sums up to the statement of the United States Forest Service "that a market is an essential part of forestry."

For my part, I said then and repeat now: "Without income forestry stands at a dead issue. If through our own forestry we fill consumers' orders for forest products, the Nation will have a lively forest plan through the centuries."

What I have said up to this time goes to show that in 1933 we men who were undertaking to develop southern forestry realized that a prescription had been written. It was up to us to interest wholeheartedly the leaders of the pulp and paper industry and their bankers to come into our midst for the purpose of making a market for the trees we were raising or proposed to raise.

Now, the two questions for consideration are: (1) How successful were we promoters of forest development in attracting the attention of the pulp and paper industry, with its trade and capital; and, (2) How successful has the pulp and paper industry been in the development of our southern forests?

That the pulp and paper industry responded to our invitation to come South is well borne out by the figures. We have had two rounds of mill construction and expansion.

LET'S LOOK AT THE RECORD

In 1933, I estimated southern mill capacity at 3,000 tons per day, with a capital investment of $105,000,000.

At the close of 1948, productive capacity had attained 19,500 tons per day, with capital asset value of $624,000,000.

In 1933, over-all sales of paper out of southern mills would not have exceeded $85,000,000, whereas in 1948, the production volume may be placed at $822,000,000. Even

after making allowance for a higher market price, the increase has been tremendous.

During the same span of years, the 18,000 men employed in mills and woods in 1933 expanded to a combined employment of 128,000 men.

The pay roll is about $190,000,000 compared with not over a mere $10,000,000 when our 1933 expansion campaign was launched.

What is more, we now in the South export some pulp, paper, and board.

This brings us to the direct return enjoyed by southern forest farmers as a result of pulp and paper mill expansion since 1933.

Well, here it is. In 1933, wood consumption amounted to 1,800,000 cords, which, at a valuation of $5 per cord, brought a return of $9,000,000. In 1948, pulpwood consumption in the South approximated a valuation of better than $170,000,000.

There actually is more to this picture than just a few figures. In 1933 in the Southern States, millions of acres of cut-over and second-growth pine had lapsed into tax delinquency; owners felt the properties were not worth paying taxes on. Today, these acres have been converted into one of the most salable assets possessed by the South.

How many folks in the South realize that the annual crop of wood fibers used by the pulp and paper mills is actually equivalent to a 24,000,000-bale cotton crop? Or, that the mills, with all the properties set aside for their use, far exceed $1,000,000,000.

The figures which follow have been adjusted to a 100-percent basis. The totals are not absolute, as in some cases estimates have been used.

Upon being invited to make this talk, I sent a questionnaire to owners of 19,500 tons daily capacity of pulp and paper production in the South, asking for supporting data for the information I have laid before you. It gives me pleasure now to give you a summary of details furnished by two-thirds of the productive capacity from which information was requested.

1. Number of employees in plant, 62,250.
2. Number of employees in office, 3,787.
3. Number of wood dealers, 1,327.
4. Estimated independent wood producers, 61,500.
5. Hourly average rate of employees, $1.31½.
6. Over-all gross annual pay roll, $190,000,000.
7. Gross annual cost of wood, $173,000,000.
8. Capacity of mill—paper, 19,500 tons daily.
9. Gross annual sales, $822,000,000.
10. Cords (128 cu. ft.) used annually, 9,000,000.
11. Estimate freight in-bound annually, $59,188,000.
12. Estimated freight out-bound annually, $66,642,000.
13. Annual chemical cost, $43,210,000.
14. Electric power required, 500,000 kilowatts.
15. Steam required to operate, 20,000,000 pounds per hour.
16. Fuel, equivalent to 5,000,000 tons of coal.
17. Gross taxes 1948, $84,000,000.
18. Estimate time plant will operate in present location, perpetual.
19. Gross investment in south, $624,000,000.
20. Asset value of timber and land owned and controlled, $112,000,000.
21. Asset value of timber and land by timberland owners who sell stumpage to mill contractors, $200,000,000 (estimated).
22. Working capital, estimated to equal 4 months' sales, $274,000,000.
23. Total—estimate value, $1,210,000,000.

It is common practice now for the pulp and paper industry not only to protect natural land reseeding of forest, but also supplement nature's work by planting seedlings, from its own nurseries. We in St. Regis, for example, are planting two and one-half million seedlings on our own lands around Pensacola, besides giving or selling an equal number of seedlings to our neighbors. In 1948, we consumed two and one-half million trees in pulpwood, but planted back twice that number. We also are spending more than 50 cents per acre protecting and managing our timber farms. We have permanence of operation, and we intend to keep this permanence.

We might also say that 90 percent of trees we used last year came from timber farms not company owned.

Now, what we are doing, many other pulp and paper companies in the South are doing, some of them possibly a little better, and some not so well. But the average of forest management, as far as the pulp and paper mills are concerned, is A-grade.

The paper industry has been conscious of the need for sound forestry practices, including such developments as tree farms, that will lead to the goal of sustained yield. St. Regis, through its president, Roy Ferguson, last year took steps to acquaint the public with its forestry program, by means of institutional advertising, spending several hundred thousand dollars in 1948 to tell its story.

I believe no one in the South can claim that the pulp and paper industry has ever paid too little for labor, in any department of its operations. There has been some complaint that the wages we pay are too high. I don't agree with this latter philosophy, but I do know, and I wish to emphasize this statement, that there has never been a time in the wood market of the South when, if the pulp and paper companies had chosen to do so, they could not have bought the wood at a price below that which was paid for it. What has been true in the past is true now. Every mill in the South is well supplied with wood, but so far prices have been stable. As it should, wood is selling at a reasonably profitable price. As long as that continues, we will have a lot of folks in the South accepting as their responsibility the raising of timber as a crop.

The question arises as to whether or not we shall have too much timber in the South at the end of another 15-year cycle. I say most emphatically, "No." The market for wood fiber from the South is still in its infancy. Its potential markets, for example, can be found in supplementing supplies in textiles with rayon, aluminum and steel with plastics, and in containers made of other materials with paper.

The adaptability of pulp and paper mill products for extended uses not considered in the past was most dramatically demonstrated during World War II. And here, let me ask: If it had not been for the South's added production of pulp and paper how much longer would the war have lasted?

How many more of our young men would have been killed, because we would not get pulp for powder; pulp, paper, and board for packaging; pulp and paper for printing maps, and pulp and paper for all the necessities in life? This additional 5,000,000 tons of pulp, paper, and board, I know, is largely responsible for the shortening of the war. This we owe to the pulp and paper industry, and we should be grateful for it.

Recently the Marathon Corp., of Rothschild, Wis., published valuable information about the pulp and paper industry. To illustrate, in 1933 the population of the United States was 126,000,000; the consumption of paper per capita 174 pounds; the national income $45,000,000,000. The production of paper throughout the United States and the consumption of paper and paperboard was 11,000,000 tons.

In 1948 all of these figures had materially changed. The population changed to 145,000,000, an increase of 19,000,000. The per capita consumption of paper had increased to 357 pounds, or nearly double. Paper consumed had increased to 26,000,000 tons. The national income had increased to $221,000,000,000. The national income, you will note, increased 5 to 1. The production of paper had increased 2½ to 1.

The population had increased approximately 15 percent. This increase in 16 years, amounting to 19,000,000, and with the per capita consumption over 350 pounds, causes a new demand for paper, in fiber weight, of 3,325,000 tons which would require new plants and new wood supply to take care of 10,000 tons of pulp and paper daily. In the past 16 years the South's increased paper and board production equals 5,000,000 tons; the rest of the Nation's increase was 11,000,000 tons.

It is well to remember at this point, too, that other nations are learning to use paper economically. This demand will require new production and this presents a problem.

New mill locations in Canada are very limited, and as the Scandinavian countries have cut timber well ahead of their growth program, no great new production can be looked for there. The future timber supply must come from the South and Northwest. In the South, with intensified forestry programs and on selected lands, we can produce large acreages of timber farms that will raise 15 cords per acre in 15 years. We have learned a lot about intensified forest management during the past 15 years; this, every tree owner in the South realizes.

It is axiomatic in life that where there exists a great need, the manpower to meet the necessity is forthcoming. In this tremendous expansion in the South's great forest-product industry—in both forest and mill—we were blessed with outstanding men of action, creative genius, and courage. Men who were willing to strive vigorously against great odds. Men whose whole thought was the job at hand, with no time for public acclaim.

The most representative of this type of men included Dick Cullen, Ed Mayo, George Hardy; also Charlie Luke, of West Virginia; Charlie Smith, of Champion; Ed Gates, of Crossett; Charles Herty, H. E. Westervelt, of Gulf States; J. G. McGowan and others. These men have left the scene of battle.

Within this group, the late Richard J. Cullen will in time be chronicled as the South's greatest business executive to this date. Possessed of a dynamic mind and personality, he had the ability to build efficient mills; to inspire men in his organization; to find markets; to pay debts; and to create capital surpluses.

I estimate that the market Dick Cullen built in board and paper and boxes and bags in the South requires the production of better than 3,000,000 cords of wood per year to fill.

He gathered wood fiber for his processing plants, that I estimate had a fiber weight equivalent to 5,000,000 bales of cotton. I consider him one of the outstanding executives of our time; not only in the South but in the Nation. We folks of the South should sponsor a monument to Dick Cullen and his late associates named above.

The present management of our great southern pulp and paper industry now includes such far-seeing leaders as Roy K. Ferguson, John Hinman, Alexander Calder, Jim Camp, Ernest Kurth, Lou Calder, Robert Fitts, R. E. Hartman, Ruben Robertson, and Generals Goodyear and Gaylord, and many others representing a mighty general staff of planners, that make their plans come true.

It is up to the younger men in our industry to continue the growing of timber and the operation of the mills, to maintain the present high level of wages, improve the technical staffs, and to improve research. This group must understand that our Nation, State, county and city governments are operated by the men who give their lives to politics. Similarly, our woods and mill labor

must understand that management of business is the task of those trained for that purpose.

It is up to management to search the field of labor for those who can later become management. We must recognize, too, that while labor and management are on the same team, the consumer must be considered. Not one of these can be exploited without friction, loss, and general disappointment. The consumer, however, for his own good, must realize that he must pay a reasonable price for that which he buys, or he may bargain-buy himself out of a job. Each of us must learn to attend to his own stewardship.

President Truman has planned a budget of $40,000,000,000 a year, for 2 years. In 1933, the total national income was only $45,000,000,000. We must realize that commodity and farm prices, and the labor wage scale should be maintained, if the Government is to get anything like the $40,000,000,000 it requires to operate.

I believe that the present price structure is not impairing the living standards of any single group and, unless we become frightened, no one can be seriously injured if values remain at present relative levels. It would be well for us to remember that the price of the dollar that put us where we are today should be the same as the price of the dollar that gets us out of debt. You cannot deflate too much and pay the national debt or continue to pay the present wages.

I could heartily support a Government-imposed stabilization, for, say, the next 2 years, until a formula could be worked out by which the right-sized dollar is found, and the proper division of that dollar determined as between labor, cost of materials, taxes, interest, dividends.

I believe that in the pulp and paper industry, which now plays an important part in the management of the forestry program for the South, we have men capable of keeping the forest industry on an even keel. In our industry, all shores of commerce are touched. The economists of Washington, taking note of the management we have in the southern pulp and paper mills and the forest farms today, might well find the solution for stabilization in our midst.

The forest farmer must keep the trees growing, must enlarge the crop, and must have adequate fire protection. The pulp and paper companies must enlarge their markets for trees. In the pulp and paper industry, labor must see that their jobs depend upon the forest farmer.

It it well to note that the basic factors in our social and commercial success are: (1) Good pay and permanent jobs for labor (the forests can supply this); and (2) a profitable price to the farmer for his crop.

The farmer who raises the trees, labor that produces, and management that creates the project, finds the capital, and the trade, and does the managing, all have a common purpose. Unity between the three is a prime requirement.

Does it not appear that the pulp and paper industry has played a major part in southern forest development?

Unemployment

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. PATTERSON. Mr. Speaker, we are facing a period of serious unemployment in this Nation. This is not scare talk, but a realistic appraisal of economic conditions.

United States News and World Report states that official estimates of unemployed are 3,100,000 now as compared with 1,730,000 6 months ago. The forecast is that the number seeking work in 1950 will reach well over 6,000,000 or one in every 10 of those who are employable. The number of unemployed in Connecticut is approaching the 100,000 mark with no relief in sight.

We have already reached a position where our national income has decreased $9,000,000,000 in the first quarter of 1949. This is a serious deflection, and means that we may expect a corresponding decrease in Federal revenue. To offset this decrease there must be a curtailment of Government spending and a realization of the great problem facing our citizens in maintaining a decent living standard. Our people are not half so concerned with programs to combat a nonexistent inflation as they are to obtain work at fair wages.

Let us face the problem squarely and plan to care for those who are in need of work.

I have requested of the Secretary of Commerce, the Federal Works Administrator, and the House and Senate chairmen of the Small Business Committees suggested action to forestall any greater decline in our economic position and should have this information available sometime this week.

The Airlift Victory

EXTENSION OF REMARKS

OF

HON. CHESTER E. MERROW

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein an editorial from the Portsmouth Herald, published in Portsmouth, N. H., entitled "The Airlift Victory." This appeared in the issue of May 17, 1949:

THE AIRLIFT VICTORY

The men who flew the airlift rate a cheer, and a big one, from the whole country as well as from Defense Secretary Johnson, who sent them a commendation through General Clay.

"Undaunted by time and weather, working hour after hour, day and night, you have demonstrated to the world unified American national defense in action," Mr. Johnson said. "Your achievement takes its place beside the great American victories of all time."

The Secretary was not exaggerating. It was indeed a great victory. And more than that, it was typical of the process leading up to other great American victories, especially those in World War II.

The United States did not expect this major battle of the cold war, which is what the Berlin blockade was. It was not prepared for it. It did not want it. But when the job clearly had to be done, the armed forces did it—and, we might add, how!

The beginning was tentative, uncertain, maybe a little hopeless. First one C–47, then another, and then a few more. Ten months later, when agreement was finally reached to end the blockade, "flying boxcars" were in service on a round-the-clock schedule.

The airlift crews had flown more than 50,000,000 miles. At great expense to their country, at great danger to themselves at times, they had done the unprecedented and the seemingly impossible. They had sustained a divided city of more than 2,000,000 people. They had not only brought in the bare necessities of food, clothing, and fuel, but also enough more to keep up what passes for normal life in the battered German metropolis.

It was a feat as impressive as it was unprecedented. It could scarcely fail to increase American prestige among the Germans. And, like them or not it is better to have the Germans for us than against us. It must have given a comforting assurance of latent American power to the friendly governments of Europe. Most of all, it must have provided a lesson which the Soviet Government will ponder and remember.

The Russians started out with the heartless, cruel purpose of starving the population of Berlin, if necessary, in order to force the western powers out of Berlin. Well, the Berliners did not starve and the western powers did not leave. With a determination that never flagged, they not only thwarted the cynical Soviet plot but also turned it against the Russians with a counter-blockage of their own.

Here, in miniature, was World War II all over again. America started slowly and reluctantly. It started with two strikes against it. But once under way, the potential might of the Nation and the resoluteness of its citizens were not to be matched.

If Russia ever undertakes armed aggression, it may expect early success, as it did in the blockage. But it may also expect to be overtaken. And in the Marshall plan and the North Atlantic Treaty, Russia has been given notice that this country will not again take the costly and precarious chance of total good faith and almost total unpreparedness.

America can do it the hard way, as the war and the Berlin blockage showed. But the hard way is not the best way. Today this country is more alert and prepared than ever before in time of peace. It is determined to achieve the best by being ready for the worst.

The Problems of National Housing

EXTENSION OF REMARKS

OF

HON. JOHN J. SPARKMAN

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Thursday, May 19 (legislative day of Monday, April 11), 1949

Mr. SPARKMAN. Mr. President, last night it was my privilege to attend a dinner which marked the closing of the eighteenth annual convention of the National Housing Conference. The conference was made up of hundreds of persons from all over the United States who are vitally interested in an adequate housing program. There were two able addresses delivered at the dinner meeting last night, one of which was by our esteemed colleague, the Senator from New Hampshire [Mr. TOBEY]. I ask unanimous consent to have printed in the Appendix of the RECORD the address delivered by the Senator from New Hampshire at the meeting to which I have referred.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Two years ago, I had the great pleasure of meeting with you in Chicago to discuss the acute problems of national housing and the chances of passage of the Taft-Ellender-Wagner Act.

So I was pleased to be invited to speak to you again tonight.

I shall not review the trying hours of the past several years, when our labors and our Senate triumphs in the housing field were set at naught by a handful of willful men who prevented the House of Representatives from exercising its constitutional and democratic privilege of voting on the Senate measure. I am convinced that the efforts of that little oligarchy of men had considerable to do with the defeat at the polls last November of a party whose views they did not truly represent.

What is most important, the powerful Rules Committee in the House now finds itself with its wings clipped, so it is hoped the Members of the House may finally be able to assert their democratic prerogatives and pass the bill into law.

But enough said of the past.

Tonight is a night of near victory. We are on the threshold of winning a great battle. We are near victory because the great majority of the American people are decent and humane. We are near victory because you people have fought such a valiant fight, because you have helped the decent people of this country, and those of us who represent them, to understand that there can be no decency in the kind of ramshackle, vermin-ridden, dim-lighted and evil-smelling tenements and shacks in which several million Americans are committed to live. I pay tribute to the selfless devotion which you have given to this great cause. I pay this tribute on behalf of the millions of mothers and fathers and children throughout this country who can now begin to have hope of liberation from the slums.

I cannot let this occasion pass without paying tribute to some of the leaders in the Senate in this fight on housing who have demonstrated a high degree of public interest and parliamentary skill in successfully bringing this legislation through the Senate. First, to a great Christian gentleman and a great Senator, whom I delight to call friend, JOHN SPARKMAN, of Alabama; then to a new Senator from Illinois who has already made a place for himself, a keen student of government and economics, PAUL DOUGLAS; then to my friend and colleague from a neighboring State, an economist, successful businessman, and devoted public servant, RALPH FLANDERS, of Vermont; to the senior Senator from Louisiana, whose name has been on this housing bill, with others, since its inception, and who fought valiantly down through the years, ALLEN ELLENDER; to BURNET MAYBANK, chairman of the Banking and Currency Committee, whose vote was the deciding vote in reporting the housing bill out of committee to the floor last year; to BOB WAGNER, of New York, who, while not present, deserves our acclaim for his continued and loyal interest in the matter of public housing; and, last and far from least, to my friend and colleague from Ohio, the man who perhaps has done more than any other man to fight this bill through, a man of extraordinary ability, Senator BOB TAFT. Each of these men has been outstanding in his efforts in behalf of public housing and deserve your appreciation.

I wish I could say tonight that we have actually achieved a great victory, that this could be a real celebration dinner. But, as a Republican and having in mind November 1948, I think I have full justification in warning you that we cannot safely acclaim victory, until all the votes are counted. We can be sure that the campaign of misrepresentation and obstructionism will not stop. It will continue right through the debate in the House of Representatives, through conference, and through the final consideration of the conference report by both Houses of Congress. We have seen how the opposition has endeavored to inject into this housing fight another great, but separate issue, that of civil rights; an issue on which many of us have deep and strong convictions; not because the opposition had any sudden pangs of conscience, but because they saw an opportunity to defeat this legislation or, at the least, to make it inoperative in a large section of this country. We can be certain that if the opposition sees no hope of winning the major battle, it will continue its efforts to dope up this legislation with a liberal dose of sleeping tablets, liberally coated with sugar, in the form of amendments to make it ineffective.

When I speak of the opposition, I am talking about those who make their living out of trumping up false issues, so that they can build up memberships and create a steady flow of campaign funds. I am not talking about the great body of businessmen back in our home towns, who make their living in the conduct of a legitimate real estate and building business. Those of us who have seen the kind of propaganda put out by professional lobbyists to the businessmen back home, who pay the costs of maintaining their office suites, know that the campaign of misrepresentation works both ways. How many of you realize that when one of the great veterans' organizations recently testified before a congressional committee, that the only part of the testimony which the most powerful of the lobbies distributed to its members, through its trade journal, consisted of two paragraphs, pointing out the disagreement of this veterans' group on the details as to how the slum clearance program authorized in this legislation was to be carried out. There was not one word as to the general endorsement of the American Legion, of the legislation as a whole, including the major objectives of slum clearance and low-rent housing.

I am informed that this real-estate organization has never mentioned in its membership publication the resolutions which the Legion presented in support of this bill. Half-truths, omissions, and distortions. It is small wonder that the members of the organization cannot form independent judgments on issues of this kind, when its own people in Washington fail to give them the most elementary information.

I do not say that private builders are to blame for the present housing situation. I am a great believer in the system of free enterprise, but this happens to be a field where it has failed to find a solution. And this is very understandable. Private builders are not interested in building low-cost houses, because there is not enough profit in this field. Profits are not obtainable in low-cost, low-income housing. There is more money in building houses in the higher-price range.

After you leave this dinner tonight, you must continue the fight that has been carried thus far so successfully. You must make sure that we not only get this housing legislation, but that the victory will be one of substance, and not merely of form. We must have a good bill that will really clear slums and provide good housing for the people.

I am certain that my friend, Congressman MCCORMACK, will echo my sentiments, that there is much to be done before we can really celebrate a great victory. But with your continuing help, we hope to shortly write on the legislative books of this Nation the principle that every American has a right to a decent home, in a good environment, and we shall have the weapons to bring about that great objective, through the joint efforts of the Federal Government, the local community, and of private industry.

One of the charges most frequently leveled at the whole housing program, since its inception, has been that it is socialistic.

On the floor last year, a Senator from the Middle West was speaking, and he charged that the housing bill was a piece of socialistic legislation. I asked him to yield, which he did, and I queried:

"Did you vote for flood control down in your district?"

"Yes," he answered.

"Did you vote for soil conservation and for free lime for farmers?"

"Yes."

"Did you vote for irrigation and drainage for farmers?"

"I did," he answered.

"Then," I said, "will the Senator kindly point out to me wherein those votes were not as socialistic, according to his understanding, as this legislation on housing, wherein the Government advances money for public housing and slum clearance which, God knows, is sorely needed in municipalities throughout the country?"

Of course, he could not. His charge was inconsistent with his own recorded votes.

A common criticism lies in that we are taking Federal funds from all the people to spend for certain parts of the country. One must consider that criticism with the understanding that while we are a Union of 48 States, yet, the weak points in any State, whether in education or flood control or irrigation or drainage or the basic problems of agriculture, if not taken care of, are a liability on all the country.

What I want to talk to you about principally, tonight, is the bigger and more difficult job ahead of you after this legislation is enacted. We must not confuse our approaching victory, with total triumph, in the war on bad housing. This is only the beginning of our long march out of the realm of housing bondage, into the promised land we seek which still lies far ahead.

Those who fought so bitterly against this program to free the people, will continue to obstruct, misrepresent, and condemn the efforts that you here, and those charged with the responsibility throughout the country, make to bring its benefits to those who so sorely need them. But these will not be your only enemies. Your other enemies will be indecision, bad planning, the snarls of red tape, personal aggrandizement within your own ranks, and petty bickering. The Congress is entrusting you with a great responsibility that will require real statesmanship, in Washington and in your local communities. It is to you who will be charged with carrying out this mandate in the local communities, that I address these remarks, in particular. You have stated, and we have stated, that this is a local job that must be undertaken locally. If you falter, if you in any way fail to fulfill the solemn obligations that are written or implied in this legislation, no administration in Washington, no matter how effective, can make amends. It is up to you not only to do your own part, but also to see that the administrative agencies fulfill their obligations in this great undertaking. It is up to you to work unceasingly, not only to assure the accomplishment of the particular responsibilities assigned to you, but also the total objectives of the legislation. Remember that this legislation contains not only slum clearance, low-rent public housing, and farm housing, but also research, designed particularly to reduce costs, and that one of the ways in which costs may be reduced, is through the modernization of building codes, and other regulations, and intelligent enforcement.

I say these things first, because your efforts will be under constant scrutiny. They will be scrutinized not only by those whose primary purpose is to find fault, but also by the great body of the people for whom the

effectiveness of such a great cooperative enterprise is yet to be demonstrated. There are many doubting Thomases. You can be sure that we in Congress will hear about any mistakes, real or fictitious. We who have supported this legislation through the long fight, will have to answer for your efforts, and you will have to supply the answer in positive accomplishments, that will fulfill the purposes of the bill, and reflect good planning, good management and integrity.

I say these things primarily, because of the hopes of the people who live in the slums, and under bad housing, in our cities and towns and on the farms. Their present deplorable conditions are the things which have inspired us in carrying on this great fight. Their urgent needs must continue to furnish the inspiration that will assure the accomplishment of the needs.

We must continue to have a sense of alarm about the fact that a great many people, regular wage earners of modest income, have been pushed out of the housing market and into the slums. We must continue to be alarmed, when an increasing segment of our population is losing ground in housing, when we urgently need to gain it. We must continually be alarmed with the voice of bitterness, and desperation, speaking from overcrowded rooms and dismal, inadequate flats, in nearly every large city in the country; with the fact that children are growing up in them now, and that 5, 10, or 15 years from now, if we do not do this job, the damage to that part of our future generation will have been done.

These are the voices that you have heard, that I have heard, that all who have not stopped up their ears nor drowned out their pleas, with the clamor of their own selfish protests, have heard. They are the voices of the people who must endure this situation, of plain Americans in cities and towns throughout the country, who frantically and desperately write their mayors, their Government, their Senators and Congressmen, or anyone they can think of to pour out their plight and plead for relief.

These are the voices of workers and veterans, many with the Purple Heart, who leave their jobs at the end of the day to come home to a state of family chaos, because they cannot afford a decent place to live. They are the voices of mothers, at their wits' end, to bring up their children with a decent chance of development. They are the voices of families long separated for lack of a place to live together, and other young families who have tried to stick it out, but whose hopes of a happy family life are cracking up under the strain. They are the voices of doctors, of teachers, or welfare workers, and many others who attend these families, and are dismayed at the human waste and corrosion that comes from bad housing.

Hear then the voice of a young wife in Atlanta who writes: "Ours is a lost generation, 4 or 5 years behind on living, on furthering careers, establishing homes, and beginning families, with no one to help us. This generation does not want charity; all we want is a chance to lead normal lives, and who can live normally when he has no home?"

Hear also the voice of a mother in California who says: "We love our children, and are very proud of them, and want to provide a decent home for them. We are living, eating, and sleeping, four of us, in a hotel room."

Hear the voice of a 15-year-old girl who says, "My mother and daddy are so worried because they are going to put us out of our home. I don't like to see my mother and daddy so worried. They just don't know what to do."

Hear the voice of a husband in New York who says, "My married life has been threatened to its taxing point due to the lack of a home of our own."

Hear the voice of a returned GI who writes: "Our son is 4 years old and has never lived in a decent home. We realize that communism means the end of our traditional American freedoms, but what good are freedoms if one is too weak from starvation to exercise them?"

It is these voices that we are at last about to heed, at least for a start, in the enactment of this housing bill. These are the voices that at last have shouted down the loud cries of a few, who have, and who still will, seek to preserve the homes of America as their private hunting ground, for personal profit.

This Nation of ours is a growing thing. It is not static. We now have 140,000,000 population, and it will increase materially in the next decade. The Nation is long since out of swaddling clothes, and it is now mature.

In every proposed matter on a national scale, we must give consideration to this increased growth.

For many years, I have been repeating, in public addresses, the famous words of Lincoln to Congress which will bear repetition many times:

"The dogmas of the quiet past are inadequate to the stormy present; as our case is new, we must think anew, and act anew."

Certainly our case is new today; therefore, we must think anew and act anew.

Since this bill has been under study and discussion, going back 4 years ago, I have heard a lot about costs. We have been told that this bill may cost from $13,000,000,000 to $16,000,000,000 over a period of 40 years. That is nearly as much in 40 years as we are contemplating spending on military needs in 1 year today. The latter we must spend to protect our freedom to have homes and to enjoy them. The former is designed to provide homes that we can enjoy and that are worth such a defense.

As you move ahead with this program, you must think about these costs, but you must think also about your mission of eliminating the slums that drain off the revenues of the citizens and that create untold losses in human resources. I have heard of the high costs and rates of crime and disease that mark the slum areas of our cities from coast to coast.

I have heard that the slums are costing the city of Newark $14,000,000 annually. I have heard that in Atlanta, Ga., slum areas contributed 5½ percent of that city's property but cost 53 percent of its police, fire, health, and other service costs. I have heard that in Cleveland the per capita deficit of a slum area was $51.10—at prewar prices. I have heard that in St. Louis tax delinquence ranged from 25 to 40 percent in slum areas, compared to 2 to 5 percent in newer districts.

I have heard that in Chicago a slum area of less than 3 square miles, chiefly because of bad housing, accounted for 21 percent of Chicago's murders, 12.3 percent of its robberies, 24.9 percent of its rape offenses in the years 1943, 1944, and 1945.

There is no lack of such statistics that multiply where the evils of slums propagate, and these, too, are a part of our national balance sheet.

But though figures and statistics, in their cold sort of way, can give us some idea of the extent of the deficit we have to meet, they do not reflect an even more important aspect of the housing problem—one that is not so easy to tabulate or add up. That is the housing problem in terms of human beings, in terms of its threat to our way of life and our aspirations as a people and a democracy, and in terms of the next generation—the children of today—whose lives and attitudes and minds are being formed for the future in today's homes.

During the housing debate last month, I had the occasion to visit our local slums with some of my colleagues in the Senate, just a few blocks down toward the river from the Capitol. I was shocked that such conditions could exist in this country. I cannot convey to you the absolute squalor of life for many thousands right here in our midst. High disease rates combine with high crime rates to create a threatening and dangerous condition. Public health and police officials feel they can do little to fight the filth and crime of this section. There are too many people living in too small an area—in houses too old and neglected for salvation. These people have no place to go. They cannot within any stretch of the imagination afford new housing built by private enterprise. The rents they must pay now consume 30 or 40 percent of their incomes. Many of them are prevented from moving to other sections by restrictive covenants.

I immediately had some inquiry made into the ownership of slum properties in southwest Washington, an area where the so-called alley dwellings are the epitome of squalor and human misery. I have found that a prominent local bank holds mortgages on a substantial portion of one slum area. I have found that it is extremely difficult to track down some owners who rent, for example, one room, minus any toilet or cooking conveniences at all, for some $20 and permit as many as 11 human beings to exist in that room in the midst of lice and disease. I have found out enough to tentatively decide that some persons listed as owners are in reality "fronts" for other bigger persons and investment houses who would rather not be known. The same charge has been made in the past about certain areas in New York City.

Fortunately, there is a more cheerful side to this story. At one end of this area, there is a public housing project. The buildings in the project are low-cost brick structures of simplified design. They are spaced apart to allow plenty of light and air. Lawns give ample areas for play. Although the units house families from some of the worst slum sections, they are immaculate.

A District health officer reported that the transfer of these people into clean quarters brought an almost incredible drop in the crime and disease rates. What was of equal importance, it brought a new-found pride in being a human and an American citizen. Many of these people who had previously been shiftless and unsettled when living in the sordid atmosphere of the slums gained a new sense of responsibility and ambition.

So I implore you that in the performance of the job ahead of you, you keep before you the millions of families who are pleading to be lifted out of the misery of the slums, that in using the dollars that are being made available, you remember that you are wiping out the great toll that is being exacted every day by slums and bad housing.

If you continue to have the inspiration of the great humanitarian purposes you are serving, I have no doubt that we shall have, indeed, accomplished a great victory. I am confident that 4 or 5 years hence, when Congress reviews the accomplishments under the mandate we have given you, a great swell of approval will rise from the American people, to drown out the small voices of those who continue to think of the home merely as a source of profit and exploitation. With that kind of approval, we shall be able to set out for higher goals, and to move ahead toward their accomplishment.

So, men and women of the National Housing Conference, you and I are participants in this great crusade for better living conditions, and higher living standards for all our people, through the initiation of this great program. It will make a beginning, at least, toward the elimination of slums, and thereby combat crime, juvenile delinquency, and other evils that thrive in unhealthy, unhappy surroundings.

But, I must point out that the building of houses for people of low incomes is not all there is to do. Those houses must become homes.

It was Calvin Coolidge who well said: "Look well to the hearthstones of America; there lies the safety of the Nation."

As one observes life today, it is clearly manifest that the masses of our people are imbued with a widespread passion "to get rich quick," and to get something for nothing, to find the golden mean.

As we contemplate this, we are reminded of the line of the popular song, "I'm Always Chasing Rainbows."

When will the people realize that money, mere wealth, does not in itself bring happiness or contentment, and that oftentimes it is not even a blessing, but a curse. The fallacy and transient values in mere wealth are dramatically and tragically illustrated in an article I read recently in the CONGRESSIONAL RECORD.

"In 1923 a very important meeting was held at the Edgewater Beach Hotel in Chicago.

"Here were gathered a group of the world's most successful men. At least men who had found the secret of making money. Twenty-five years later, let's see where those men are.

"The president of the largest independent steel company—Charles Schwab, died a bankrupt and lived on borrowed money for 5 years before his death.

"The president of the greatest utility company—Samuel Insull, died a fugitive from justice and penniless in a foreign land.

"The president of the largest gas company—Howard Hopson, is now insane.

"The greatest wheat speculator—Arthur Cutton, died abroad insolvent.

"The member of the President's Cabinet—Albert Fall, was pardoned from prison so he could die at home.

"The greatest 'bear' in Wall Street—Jesse Livermore, died a suicide.

"The head of the greatest monopoly—Ivor Krueger, died a suicide.

"The president of the Bank of International Settlements—Leon Fraser, died a suicide.

"All of these men learned well the art of making money, but not one of them learned how to live."

How temporary was the great fortune and the power that these men amassed. And what did it avail them?

Remember the words of the Master of Men: "For a man's life consisteth not in the abundance of the things which he possesseth."

Men and women, hear again the words of the man of God, who thundered: "Beware of what you make of life, America."

When we see the record of crimes of violence which appear daily in the press, when we find such a woeful lack of common honesty and integrity, when we contemplate the tragic increase in juvenile delinquency throughout our land, and when we see the mounting divorce rate, it must be apparent to thoughtful men and women that something is wrong in this country. Perhaps it is because, as I see it, the American home and the Christian church have lost a large degree of their influence. Can such be recaptured? It can and must if America is to go on to a great destiny under God.

In that powerful sermon on the mount, Jesus gave a great admonition to the people of all ages: "Seek ye first the kingdom of God and His righteousness." There is the formula for success and progress, and salvation for man.

And you who are engaged in this great work of practical Christianity, of providing adequate homes for people, as you effectively carry on, will be making your contribution, in harmony with this word of God.

I join with you in yearning that wrong and evil may be overthrown, and that this Nation may become a Nation wherein dwelleth righteousness, the righteousness that exalteth a nation. May that be the prayer of every heart.

To make this effective, the only real remedy is the application of the teachings of Jesus to the sickness of our human society, so beautifully expressed in the words of the hymn:

"Where cross the crowded ways of life,
Where sound the cries of race and clan,
Above the noise of selfish strife,
We hear Thy voice, O Son of Man.

"In haunts of wretchedness and need,
By shadowed thresholds, dark with fears,
In paths where hide the lures of greed,
We catch the meaning of Thy tears.

"From tender childhood's helplessness,
From women's grief, man's burdened toil,
From famished souls, from sorrow's stress,
Thy heart hath never known recoil.

"The cup of water given for Thee
Still holds the freshness of Thy grace,
Yet long the multitudes to see
The sweet compassion of Thy face.

"O Master, from the mountain side,
Make haste to heal these hearts of pain,
Among our cities' throngs abide,
Oh, tread our cities' streets again.

"Till sons of men shall know Thy love
And follow where Thy feet have trod
Till glorious from Thy heaven above
Shall rise the city of our God."

God speed the day.

Subversive Activities

EXTENSION OF REMARKS

OF

HON. EUGENE D. O'SULLIVAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 19, 1949

Mr. O'SULLIVAN. Mr. Speaker, at this time there is nothing which I know of that is more important to the loyal citizenry of the United States of America, and their most wonderful country, than to do something to stamp out or to stem the tide of communism and kindred "isms", at the earliest possible date, by enacting laws which will effectively take out of circulation, permanently if I had my way about it, every subversive group and individual owing any allegiance, fealty, or service whatsoever to Marxism or any of its equally debasing and slave-making offshoots, one of which is spreading now, like a diseased, foul ulcer, over parts of the world where chaos has reigned supreme, and is also endeavoring to bring about every type of chaos in our own country today.

Much hue and cry has been raised in certain quarters that to pass drastic legislation would be to deny to this new though old-time slavery group, firstly, certain rights inuring to them under the Constitution of the United States, and secondly that to enact prohibiting legislation would have the ultimate effect of driving these groups underground, where their activities could not be observed and easily thwarted. Many patriotic, distinguished and able Americans have written and spoken much about these two matters, but in spite of all they have said and written I am of the sincere opinion that they have been in error grossly in their various contentions and conclusions.

During my campaign for Congress I told the people in my congressional district that I would, if elected by them to Congress, not only talk against communism but would deliver to it every body blow I could, and make every effort to destroy it wherever and whenever found. I still adhere to this policy and am for the necessary legislation which would accomplish the afore-mentioned objectives.

Communism like alcoholic liquors is not a "builder-upper," but it is a leveler. Everyone who has partaken of alcoholic liquors to excess, or indulges in serious communistic thought, becomes as low-down as the lowest in his immediate group. The clean aristocrat puts his arm around the dirty bum, and they are equal until the intoxication wears off. In the alcoholic, Mr. Aristocrat most generally sobers up the next day, but the aristocratic Communist steps up and becomes an overlord for sure only when the revolution is a reality.

As has been very ably stated by Attorney H. J. Pinkett, of Omaha, Nebr., to a meeting of people of his color some time ago, "Every lowly American is and should be fired by his ambition to rise above the particular status of society in which he was born, and not seek to drag down everyone he chances to meet, to his own lowly level, as is the case in a land which becomes a communistic country."

In America progress is the order of the day. Treadmill antics and the march of retrogression are not in keeping with American ideas and ideals. As a forward-looking Nation we should move upward and onward along the lines contemplated by the founders and preservers of our great Republic.

We should also remove the causes in our country which foster and bring about the desires to espouse communism. Employers and those in higher places and religion could lend a very helping hand in this field.

If communism is in truth and in fact a political ideology then it has a right to exist and carry on without let or hindrance the same as any other political party in the United States.

If communism is a religion with Nikolay Lenin as the savior, and Josef Stalin as its titular head, then ridiculous and unthinkable as it may seem, it has a right to exist and carry on also without let or hindrance the same as any other religion in the United States.

If, however, it is what I think it is, a criminal conspiracy to commit treason—the highest crime known to the law of the land—then each and all of us must bend every effort to crush it out wherever we find it, be it in the sky, on the water, on the earth, or underground, and never relax our efforts until it is put underground in an unnamed and unmarked grave for keeps.

We should all remember that nothing good or wholesome could ever come out of the dwarfed, twisted, debased, and criminal minds of the old robber and mass-murdered minds of Nick Lenin, Joe Stalin, and others. These men are not instrumentalities from Heaven, but blood brothers from an opposite place in shadowland.

I now place in the RECORD one of the best contributions which I have been privileged to read in many days on the subject of communism and pending legislation dealing with same:

STATEMENT OF JAMES F. GREEN, CHAIRMAN, NATIONAL AMERICANISM COMMISSION, THE AMERICAN LEGION, BEFORE SENATE JUDICIARY COMMITTEE ON S. 1194, S. 1196, EIGHTY-FIRST CONGRESS, MAY 18, 1949

I am James F. Green, Omaha, Nebr., chairman of the National Americanism Commission of the American Legion, appearing here today in behalf of the American Legion to support S. 1194 and S. 1196.

It is not necessary for me to consume time in a recitation of the many resolutions adopted by national and department conventions of the American Legion in support of legislation to expose and control Communist activities and legislation of the type being considered in particular. Nor would it serve any useful purpose to recount the years of faithful activity by the organization I represent in vigilant opposition to the spread of liberty destroying atheistic communism. Many of the resolutions heretofore have been introduced at hearings by this committee and by the House Committee on Un-American Activities. They are a part of the record. The history of American Legion activitiy is too favorably known to be improved by words of mine.

S. 1194 and S. 1196 are identical in their general purpose differing only in detailed mechanics. For that reason I will treat them as one in this discussion except to point out portions of one which might be preferable to portions of the other.

The legislation is intended to implement present law and to provide specific controls to prevent and stop a real present danger to the security of the United States.

At this late date extended argument as to the nature of the Communist conspiracy is not required. In times past we have had to look to Communists' own doctrines, interpretations, and declarations of intent to show the party's true nature as the slavishly obedient, willing instrument of a foreign power. That is no longer necessary. Today in the files of this committee, the House Committee on Un-American Activities, and in the domain of public knowledge, there is an increasing record of acts and betrayals in attempted fulfillment of the conspiracy. The Chambers-Hiss incident has more closely associated the pumpkin with spies and stolen secrets than with the traditional observances of Halloween and Thanksgiving.

Those who lament this legislation as an intrusion upon fundamental American rights of free speech and free assembly completely ignore the nature of communism. Communism is not an idea. Communism is not a club. Communism is not a political party. It is an organized international conspiracy. It is directed from Moscow according to a central plan based upon Stalin's version of Lenin's version of Karl Marx' 101-year-old plan of world conquest. American Communists are bound by iron discipline to carry out the orders given them from abroad. They are not formulating ideas. They are carrying out orders. They are not expressing ideas. They are handing out Soviet propaganda. Won't ideological legal obscurationists learn that they are not dealing with individual thoughts or individual ideas or individual acts. They are dealing with a criminal conspiracy. These are not the free ideas of free individuals. They are the imposed directives of foreign schemers. Unquestioning acceptance is a condition precedent for party membership. Those who join the party surrender individual status. They accept puppet status intentionally and knowingly. They become a part of a foreign intelligence corps to carry out the orders of their commanders. This is not a debating society for expressing ideas in the public forum. It is a conspiracy criminal in its nature and damnable in its intent. The principle of free speech is nowhere involved. We are not dealing with the expression of thoughts or ideas. At the risk of being redundant, please let me point out again this is conspiracy in execution. Acts pursuant to the conspiracy are ordered acts. Thoughts pursuant to the conspiracy are ordered thoughts. They are imposed; not freely conceived.

How can those who would argue otherwise ignore compelling recent evidence? Only recently French Thorez and Italian Togliatti, obedient to their orders, blithely announced that another war would find France's Communists and Italy's Communists teamed with their Bolshevik compatriots on the side of Russia. The sound of their voices had scarcely been stilled when the American stooges in Stalin's international act obediently picked up the theme and meekly echoed in effect, "We too will play with Russia." Let us quit kidding ourselves. We cannot permit ourselves to be confused. We can't afford to be mistaken. Communists, their aides and dupes are not welfarers seeking to correct the world's ills. They are not debators arguing abstract ideas. They are coldly scheming revolutionists and betrayers; bent upon a mission of liberty destruction; lured by a dream of personal power.

Free speech is of the essence of freedom. It must be protected, true. But you cannot permit it to be prostituted. Argument against these bills in the name of free speech is not argument to protect free speech. It is argument to extend it. Again let me repeat we are dealing with a conspiracy, not with a debating society. Eight hundred millions of enslaved peoples covering one-fifth of the world's surface are strong argument for us not to be mistaken. Paraphrasing Mr. Justice Jackson's learned statement in his recent Supreme Court decision, we should not convert the Bill of Rights into a suicide pact.

That specious argument about driving Communists underground is so frivolous as to deserve no rebuttal. In its nature this conspiracy is underground. Witnesses in New York who were underground with it testify to the fact that only the false facade of pretended American loyalty shows. The rest is hidden. Schemes of betrayal are laid in secret. Acts are executed in stealth. Stolen secrets are handed over in darkness. What is above ground now? The Mundt and Ferguson bills are calculated to expose, not to conceal.

Exposure is necessary. Organizations should be identified. Literature should be marked. The migration of international contact men and messengers should be stopped. We cannot permit Americans to be victimized. Again we are not dealing with idea salesmanship. Were we, fears could be set at rest. Communism would be overwhelmingly rejected. The selling of Communists is the criminal salesmanship of confidence men and crooks. Americans are entitled to be protected from such fraud just as they are protected against offers of fraudulent securities.

One word about limitations upon employment. No man has an inalienable right to be employed in Government. Government, like the individual, has a right to select its employees. Employees of Government who, in the course of their daily work, are entrusted with the intimate affairs of Government must be absolutely reliable and trustworthy. We have already had too much proof that Communist adherents and sympathizers are not. Sound judgment dictates that they be barred from such employment. No legal right is being abridged. In a humorous vein, I might remark that millions of Americans don't even recognize the right of Republicans to be employed in Government. I know of no reason why tears should be shed over Communists being deprived of the opportunity. It seems laughable that they want so much to earn their bread at the expense of the Government to which they admit no obligation of fidelity.

Legislation like S. 1194 and S. 1196 is needed. To argue that laws now on the books which heretofore have proved inadequate are sufficient is to ignore the fact that until now conspirators have escaped penalty for their participation in the conspiracy. Even known Communist spies have escaped indictment though they have been tried and convicted in other lands. The Mundt or Ferguson bill or a combination of them should be adopted.

They Came to Washington To Meet

EXTENSION OF REMARKS
OF
HON. JAMES V. BUCKLEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. BUCKLEY of Illinois. Mr. Speaker, with my distinguished colleagues from Illinois and my good friends, Mr. LINEHAN, Mr. MACK, Mr. SIMPSON, Mr. O'HARA and Mr. CHESNEY, I attended with other Members of the House the reception graciously tendered the Congress by the National Lumbermen's Association. At that delightful gathering a most unusual event occurred, which I am sure will be of interest to the Members of the House and which is well-told in the following dispatch in the Springfield (Ill.) State Journal of May 16, 1949:

TWO FORMER LIEUTENANT GOVERNORS MEET FIRST TIME

WASHINGTON, May 15.—Two of three living former lieutenant governors of Illinois met for the first time Saturday.

They are Hugh W. Cross, of Jerseyville, and Barratt O'Hara, of Chicago. Cross is a Republican, O'Hara a Democrat. The third ex-lieutenant governor and also a onetime Democratic Governor of Illinois is John Stelle.

O'Hara was the youngest lieutenant governor in Illinois—just 30 years old—when he was elected in 1912 on the Democratic ticket when headed by the late Gov. Edward F. Dunne. He served in Springfield from 1913 to 1917.

In 1916 he was Democratic candidate for United States Senator, in 1920 for governor and in 1936 for Congress-man-at-large, but failed of election in those vote races. Nominated for Congress from the new second district in Chicago last year, he unseated Republican Representative Richard B. Vail, a one-termer.

A former Chicago newspaper editor, he had been practicing law until he reentered politics.

Cross, with four terms in the State legislature, and as speaker in 1939, was elected lieutenant governor in 1940 and reelected 4 years later on the G. O. P. State slate headed by former Gov. Dwight H. Green.

He announced himself as a primary rival of Green last year but shortly thereafter withdrew. He was appointed to a Republican vacancy on the Interstate Commerce Commission by President Truman this year on the recommendation of Senate Majority Leader SCOTT W. LUCAS, Democrat, Illinois. His term expires at the end of 1952.

This data and reminiscences were exchanged by the two former lieutenant governors after their introduction to one another here by Illinois Representative SID SIMPSON, Republican, Carrollton, from the Cross twentieth district.

O'Hara remarked that though a Member of Congress, he was still called "Governor," the typical salutation to a lieutenant governor.

"They address me the same way around the commission offices," Cross said.

Swivel-Chair Martyrs

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by H. C. Brady, United States Chamber of Commerce, at the citizenship luncheon, Statler Hotel, Washington, D. C., May 2, 1949:

The Associated Press announcement of this meeting stated that the speakers would be Democratic Congressman JOHN W. McCORMACK, of Massachusetts, the House majority leader, and Republican H. C. Brady, small-business man from Wichita, Kans. That practically makes Congressman McCORMACK and me political bedfellows. Few people today can see any appreciable difference between the programs of the Democratic and Republican Parties.

I appreciate this opportunity to share in a discussion of the challenge to heroic citizenship which our times present to the business and professional men and women of America. Our feats of industrial mass production and our growing mastery of the sciences have brought to our people a fuller life. They stand proof-positive of the incentives to progress that exist in a free society. Accompanying this progress have come threats to our political processes. What these threats are and how business and professional people may become more effective in combating them will be the subject of my remarks. Keep in mind these are but the opinions of one man, and that one man fresh from the prairies of Kansas where things never seem as critical as they appear to be in Washington.

Few of us realize the significance of the difference between the United States of 1949 and the infant Republic of 1787 as it affects our representation in the National Congress. In 1787 we were a struggling sea-coast Republic, supported by a simple, individualistic, agrarian economy. We imported but 10 percent of our needs and consumed 90 percent of what we produced. The primary problem in the administration of a Central Government at that time was the problem of distances. We were limited in transportation and communication by the ox cart and the pony express. Distances made the divisions of interest among our people largely geographical in character. Under such circumstances, it is quite natural that the pattern of representation in our National Congress was fixed upon a geographical basis. In the meantime, we have experienced a transition from a simple agrarian Republic into an industrial world power.

Radio has made communication instantaneous. The airplane has erased geographical barriers. It is but 4½ hours now by plane from Wichita in the heart of America to the Federal Capitol at Washington. In fact, you can fly from Wichita to Washington almost as quickly as you can get your baggage after arriving at the Washington airport. The unfettered individualism of simple farming communities has disappeared before the complex interdependencies of an industrial society.

What effect has this had upon Federal legislation? Geographical divisions of interest have almost disappeared. This is why our Senators and Representatives are seldom called upon by delegations pleading the interest of the State of Kansas or the State of Washington. They are surrounded by delegations pleading the legislative interests of the miners, the farmers, the bankers, the school teachers, the doctors, or the realtors. The aircraft riveter in the Boeing plant in Wichita has more in common with the aircraft riveter in the plant at Seattle, in matters of Federal legislation, than the Wichita riveter has with his neighborhood grocer down the street. Thus, the horizontal geographical divisions of interest of the Republic of 1787 have disappeared before the vertical occupational divisions of interest of industrial America of 1949. We are confronted with the problems of a geographically representative Congress struggling with the legislative needs and demands of an occupationally divided society.

This explains the growth of the pressure-group lobbies in Washington. They are a natural expression of occupational-group interests seeking legislative advantages over or protection from the legislative advantages of other occupational groups. The temptation and danger of this situation is the disparity of political strength of the different occupational groups. There are from fifteen to twenty million members of organized labor, all conscious of their special interests in matters of national legislation. There are more than 5,000,000 farmers; a million school teachers. My professional group, the realtors, number about 45,000. In a voting contest, we would about tie the preachers. This explains why certain occupational groups feel strong enough politically to abandon a policy of peaceful persuasion and threaten political assassination in their ruthless invasion of the rights of minority groups. Smaller occupational groups, pleading for their economic lives, discover themselves to have been written off by political strategists as being politically expendable. In the days of geographical divisions of interest among our people, the small States enjoyed protection from the numerical superiority of large States by equal representation in the Senate. The minority of occupational groups of today enjoy no such protection from the domination of large occupational groups. This situation constitutes a recognized peril to our constitutional guaranties of minority rights. How are we to be saved?

To expect a geographically representative Congress to save us from these mounting threats of occupational pressure groups is to betray our ignorance of the nature of modern politics. Politics is a business. Politics is a big business and politics is an expensive business. The business of politics is to win elections. Simplicity and individualism in politics vanished along with the simplicity and individualism of our oxcart, town hall, agricultural society. Politics has taken on the specialization, mass organization and merchandising techniques of our industrial age. In politics, as in business, the organization rises in importance and the individual recedes. In politics, as in business, men must work their way up the organizational ladder. Those who rise to the stature of candidacy for Congress or other high office carry upon their shoulders not only their own political hopes and ambitions, but the political fortunes and livelihood of hundreds of career men and women in lesser offices, scores of precinct party workers and financial contributors. They are bound together in the mutual purpose of victory at the polls. To expect a public office holder to defy the majority of his constituency is as unrealistic as to expect a business man to offend his principal customer. All we can realistically expect of public office holders in resisting unreasonable group pressures is resistance short of defeat at the polls.

To further understand the challenge to heroic citizenship which confronts us as business and professional men and women, we must recognize an essential difference between private and public administration. In private business when a problem confronts us, we assemble the facts, analyze them, conclude what should be done and then do it. In public administration when a problem confronts a legislator, he must assemble the facts, analyze them, conclude what should be done, and then determine in his own mind the answer to the public administrator's eternal quandary, "Are the people ready for it?" When business and professional men and women understand and appreciate this special problem in public administration, we will become more constructive in our efforts. We will spend less time badgering public administrators into premature implementation of sound public policy and more time educating the public mind to understand its wisdom.

When we consider the power of these pressure groups, when we consider the obligation of a political candidate to win the battle of ballots for his organization, when we appreciate the folly of legislation in advance of public acceptance, we realize our public office holders have manifest more character and courage than is generally accorded them in their defense of the poorly championed public welfare. To me, the term "politician" has never carried the odium which many attach to it. There are rascals in public office as there are rascals in business; but to me, the politicians of this country represent a group of people doing the best they can to meet the mounting problems of a hazardous, thankless, and underpaid profession.

These facts of political life are strictly nonpartisan. Any party in power will accord the people as good government as the people demand. Any party out of power will curry favor from as many pressure groups as it feels essential to victory.

The late John Fields was defeated for the governorship of Oklahoma in the twenties by the colorful Jack Walton. In explaining his defeat before the Rotary Club of Oklahoma City, Mr. Fields said, "I do not want you to think I was defeated because I did not know how to be elected. All that is necessary to be elected Governor of Oklahoma, or any other State, is to call upon each organized group within the State and promise each of them something they hadn't ought to have."

The creation of the demand for sound government is a responsibility of nonpolitical leadership. If the politician must seek to win the public ballot, the businessman must seek to win the public mind. A change in the public mind will change the public ballot. A change in the public ballot will alter the program of any party in power. This is the very heart of our challenge to heroic citizenship. How can we become more effective in meeting it?

Many people believe the answer is for more businessmen to run for public office. If politics is a profession that requires special training, I believe we should generally leave office holding to trained politicians or career men. I believe success in a mercantile enterprise is no greater evidence that a man would succeed as a public officeholder than I do that a successful county commissioner is qualified to operate a department store. Businessmen should make available to public official their technical knowledge and counsel, encourage efficient public administration, but devote themselves most earnestly to the responsibility of educating the people

to appreciate and demand sound public policy.

This requires organization. A weakness of American business has been the tendency of component groups—the realtors, the bankers, the doctors, the manufacturers, the railroaders, the builders, and others—to pursue their independent ways in national affairs. They have logically concerned themselves with the fields in which they are best informed, which also is the field in which their self-interests lie. However sincere purpose, it has made them vulnerable to the accusation of special pleading. If all business and professional groups could unite under the leadership of their local chambers of commerce, they could more effectively champion the public interest involved in preserving the individual incentives and the personal liberties of a free society. Local chamber of commerce membership cuts across business and professional group lines and could give a unity of purpose and presentation which is more effective. A similar unity of leadership could be achieved on a national level through the United States Chamber of Commerce.

The integrity of our leadership must be recognizable. We must be more forthright in repudiating those elements of the business community who embarass legitimate enterprise by shabby demonstrations of unrestrained greed. The vision of our leadership must recognize the specializations and interdependencies of an industrial society make untenable the great freedom of personal action and social irresponsibility which characterized frontier life. The fruits of industrial mass production are not without price, but the people will not turn back. The task of our leadership will be to harmonize the essential guaranties, restraints, and regulations of such a society with the preservation of vital spiritual values and economic incentives that have been our heritage. There must be charted a new course between the extremes of personal license and statism. It can be done and it can become the significant contribution of our generation to the science of government.

However, the true challenge to heroic citizenship is not organizational, but personal in character. Businessmen have too generally attempted to meet their citizenship responsibilities by proxy. They have sought the services of political mercenaries. They have preferred to contribute dollars rather than hours. They have been inclined toward swivel-chair martyrdom.

There is nothing I enjoy more on a Kansas winter evening when blizzard winds are blowing than to come home from the office, eat a warm dinner, get into some slacks, stretch out on the davenport in the drowsy comfort of my overheated living room, pick up Carl Sandberg's Remembrance Rock and read about the privations of the Pilgrims and the suffering of Washington's men at Valley Forge. I read of businessmen, lawyers, and farmers gathered in Philadelphia, about this time of year, drafting a Declaration of Independence. I read that remarkable document. They didn't draw up a beautiful resolution and hire an executive secretary to fight the war while they went about their business. They closed their immortal document with their personal pledge, "In support of which we pledge our lives, our fortunes, and our sacred honor." Then with shame I reflect upon my own indifferent citizenship. Never in these momentous years, in my alarm over social and political trends, have I yet developed a concern that carried with it a consecration that has prompted me to pledge in its behalf my life, my fortune, and my sacred honor, or any part of them. The men at Philadelphia did. As a citizen of my times, I have never been even personally inconvenienced.

We pass resolutions in our local chambers of commerce to be published in the newspaper with no names attached. That wasn't the John Hancock approach. At Philadelphia, the boys all signed individually. They didn't yield to the cowardice of anonymity.

The public-affairs committees of chambers of commerce have been constructive influences. Their influence will grow as they overcome the tendency of cautious businessmen to yield to the considerations of propriety in conflict with principle. Wendel Phillips once said, "How prudently most men sink into nameless graves, while now and then a few forget themselves into immortality." It's time for American businessmen to forget themselves into immortality.

Frequently from the ranks of business leadership come suggestions of compromise with collectivist thought. They advocate the sponsorship of lesser evils to avoid greater evils. They feel we can best develop an immunity to the spreading contagion of world communism by administration to the body politic of small doses of socialism. Such thinking supports much of the legislation now before our National Congress. I am not of that school of thought. I believe that if such legislation is enacted we will discover we have not administered a vaccine but an opiate. We will not have developed in the body politic an immunity but a dependency upon the drug which calls for constantly increasing doses.

It is the responsibility of business leadership to recommend solutions to the problems of our times. But let us advance only solutions which we honestly believe to be sound economically, socially, and spiritually. Someone must be the custodian of truth while others experiment with folly.

This challenge to heroic citizenship has another personal aspect. Each of us as a businessman is a test tube in this social laboratory of a world in which we live. Does your private secretary's knowledge of you lead her to believe your expressed political views are in the public interest? Do your employees have reason to respect your political views because of treatment received under your management? Have we manifest the spiritual restraints that alone can save men from antisocial exploitation of economic incentives? Let none of us believe a newspaper advertisement or a campaign contribution can offset our failure to live a decent social philosophy among our employees and our neighbors.

Yes, this is an age of organization. We must study organizational techniques and employ them. But the priceless ingredient in organizational excellence is not numerical strength nor material resources, but personal consecration. It's nature's way of enabling the pygmy to topple the giant. When our concern for the preservation of our way of life prompts us to pledge our lives, our fortunes and our sacred honor, we will become effective in public affairs. Out of such consecration will grow an intensity of conviction that will persuade those who cannot comprehend the logic of the issues involved or distinguish fact from demagogery. We will discover the secret of democracy—the intuitive ability of the people to detect an honest man.

In 1878 my grandfather left the State of Iowa to take up the life of a homesteader in Kansas. He was possessed of a wife, two babies, a team and wagon, $100 in cash, and a few miscellaneous tools. He had no social security, no unemployment insurance, no guaranteed market for his produce. He knew of the prairie hazards of drouth, grasshoppers, and the absence of a doctor for his babies. Yet he moved westward. He was a possessor of the faith that "God helps those who help themselves." He expected to encounter nothing beyond those horizons which God and he couldn't handle.

He constructed his sod house, two windows, and a dirt floor. The family subsisted upon a diet of cornbread, beans, and sorghum molasses. A social welfare worker of our time would have been appalled. There was substandard housing for you. There was deficiency in diet. There was an environment from which, judged by any standard she knew, nothing could emerge but juvenile delinquency and bitter antisocial attitudes.

It didn't work out that way. Why? The children emerged from that humble environment exalted by the inspiration of a father and mother whom they had seen hurl a matchless courage against the adversity of their environment and, in that courage, triumph over it. My grandfather never felt underprivileged. Before him was the hope of proprietorship. In his heart was the pride of self-sufficiency.

We are overlooking in these days an historic sociological truth. A family before whom is the hope of proprietorship and who possess a pride of self-sufficiency will rise above the deficiencies of their physical environment. The finest public housing which money can buy will not arrest the moral disintegration of a family before whom the hope of proprietorship has vanished and who have lost their pride of self-sufficiency. More deplorable in America than the shortage of homes is this shortage of hope.

I have not capacity or desire to predict the outcome of our struggle against the mounting tide of revolutionary thought which flows in upon us. Will we have the courage to stand up to it? When our grandchildren read the record of this period, will they have reason to hold us in reverent admiration or will they write us off as a group of sniveling swivel-chair grumblers?

The Dairy Industry

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Thursday, May 19 (legislative day of Monday, April 11), 1949

Mr. WILEY. Mr. President, one of the vital issues pending before us at the present time is the substitute version of the amendment to H. R. 2023 which the Senator from Iowa [Mr. GILLETTE] and I offered on behalf of ourselves and 24 other cosponsors. The purpose of that amendment, as my colleagues know, is to protect our great dairy industry, while repealing all Federal excise taxes on oleomargarine. There have recently been many editorial comments on this issue in my own and other States.

I ask unanimous consent that there be printed in the Appendix of the RECORD two such editorials, one from a great newspaper in the heart of Wisconsin, the Fond du Lac Commonwealth Reporter, and the other from the famous dairy magazine, Hoard's Dairyman. Both these editorials comment graciously regarding my own efforts on behalf of the dairy farmer, but whether they praised me or criticized me, I feel that they shed light on this issue. I am particularly glad that Hoard's Dairyman commented on the splendid efforts of my good friend Charlie Holman and two of our ablest Congressmen, the Honorable AUGUST ANDRESEN of Minnesota, and the Honorable REID MURRAY of Wisconsin.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Fond du Lac (Wis.) Commonwealth Reporter]

NATIONAL DAIRY MONTH

Senator ALEXANDER WILEY, of Wisconsin, is introducing a resolution in the United States Senate asking that President Truman proclaim June as National Dairy Month in honor of the American dairy industry.

Dairy month, itself, is not a new idea. The several governors each year set aside a month to honor the great dairy industry, but the observance is not Nation-wide and does not attract the importance to which it is entitled to.

In discussing the objectives of National Dairy Month, Senator WILEY says:

"We will be impressing upon the American people the importance of the purchase of adequate, nutritious, wholesale dairy products, particularly for the Nation's youngsters. Unfortunately, in the past, even when our people have had sufficient money to spend for food, they have not always invested it as wisely as they should in nutritious products. Dietitians have pointed out that the American people could stand a lot of improvement in their eating habits. Particularly, they should drink more milk, eat more butter, more cheese and other products so essential for health."

There are many other reasons for observing National Dairy Month. It would call attention to the critical problems faced by the huge dairy industry. Some people have erroneously assumed that the farmer is in a wonderfully prosperous condition, that he has no worries. A close look at the dairy industry, however, will disclose that prices have fallen considerably, particularly in those milksheds not close to the metropolitan centers. Sometimes prices are made to look high by merely lumping together the prices the farmer receives in the prosperous New York milkshed and those in northern Wisconsin where farmers do not have available a major city consuming population readily at hand.

The purchasing price of the farm dollar has declined sharply because the farmer still must pay artificially high prices for feed and machinery, while the prices of his products are declining. There was a day when the farmer could keep a hired man for $30 a month. Today the average for Wisconsin is $106.

Dairy exports also have been skidding and at present there is a serious threat in Congress of further inroads being made in the butter market. As important as cotton oil and soybean oil are in the production of oleomargarine, it must be admitted that in the principal cotton and soya producing centers dairying actually accounts for a greater proportion of the farmers' income than the former two items.

Senator WILEY is the leader of a group of 25 dairy State senators who have introduced an amendment in the congressional butter-oleomargarine fight. Actually, they are not seeking an unfair advantage for butter over oleo. On the contrary, they seek repeal of the Federal oleo taxes and simply ask that artificial oleo not be given an unfair advantage over butter. The Wiley bill permits States that want yellow-colored oleo sold within their borders to have it. It bans, however, interstate shipment of yellow-colored oleo.

Observance of National Dairy Month will impress upon the country the importance of butter in the national diet. It will tend to increase the consumption of all dairy products.

[From Hoard's Dairyman of May 25, 1949]

WASHINGTON DAIRY LEADERS

Before many days or weeks have passed the yellow oleo-butter controversy will have been resolved in Congress. We take this opportunity to recognize four of the most prominent men who have devoted their untiring efforts on behalf of the dairy farmers of the United States.

There are many other men who have worked long and hard to prevent oleo's masquerade as yellow butter. The following, however, deserve special consideration and appreciation from all dairy farmers:

Charles W. Holman, National Cooperative Milk Producers' Federation: Representing over 430,000 American dairy farmers, Mr. Holman has over a long period of years worked untiringly to give adequate representation of dairy-farmer problems before the United States House of Representatives and the United States Senate. This work, incidentally, is only a part of his administrative responsibilities as secretary of the National Cooperative Milk Producers' Federation.

Few of us will ever appreciate the tremendously long hours and gruelling effort that Mr. Holman has put forth to maintain and preserve the identity of butter.

ALEXANDER WILEY, United States Senator from Wisconsin: Although burdened with many pressing administrative responsibilities, Senator WILEY in recent years has been one of the United States Senate's most vigorous defenders of the dairy farmer. His work in the Eightieth Congress last year was primarily responsible for the failure of pro-oleo legislation to pass prior to adjournment.

At the present time he is leading a bipartisan coalition of 27 United States Senators in a hard-fought effort to prevent the passage of the House-approved pro-oleo measure. He hopes to substitute the dairy compromise legislation on the Senate floor and secure approval from both Houses of Congress.

AUGUST H. ANDRESEN, Congressman, First District, Minnesota: Mr. ANDRESEN for many years has been the acknowledged leader of friends of the American dairy farmer in the United States House of Representatives. He has consistently sponsored realistic dairy-farmer legislation, designed to be of specific benefit to the dairymen of the Nation and to the country at large.

An influential and highly respected senior member of the House Committee on Agriculture, Congressman ANDRESEN has been an outstanding proponent of the dairy-industry compromise legislation designed to solve the long-time conflict between oleo manufacturers and dairy farmers.

REID F. MURRAY, Congressman, Seventh District, Wisconsin: Mr. MURRAY, drawing on a wide range of experience, including that of professor of animal husbandry, county agent, and various other fields of endeavor, has become the most colorful and persistent champion of dairy farmers in the United States House of Representatives. Carrying the brunt of pro-dairy debate on the House floor, his aggressiveness and determination have marked him as one who will be long remembered in the annals of American dairying.

Abolition of Electoral College

EXTENSION OF REMARKS

OF

HON. HENRY CABOT LODGE, JR.

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Thursday, May 19 (legislative day of Monday, April 11), 1949

Mr. LODGE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a condensation of a statement by Basil Brewer, publisher of the New Bedford Standard-Times, which he made before the Judiciary Committee on May 3, 1949, in regard to Senate Joint Resolution 2, which proposes the abolishment of the Electoral College and that the electoral votes of each State be divided in proportion to the popular votes in presidential elections.

There being no objection, the condensation of the statement was ordered to be printed in the RECORD, as follows:

CONDENSATION OF STATEMENT BY BASIL BREWER, PUBLISHER, NEW BEDFORD (MASS.) STANDARD-TIMES, MAY 3, 1949, IN ANSWER TO THE REPLY OF SENATOR HENRY CABOT LODGE, JR., ON APRIL 18, 1949, TO MR. BREWER'S FORMER STATEMENT TO THE UNITED STATES SENATE SUBCOMMITTEE ON THE JUDICIARY OF MARCH 9, 1949, ON S. J. RES. 2, A BILL TO ABOLISH THE ELECTORAL COLLEGE AND TO DIVIDE THE ELECTORAL VOTES OF EACH STATE IN PROPORTION TO THE POPULAR VOTES IN PRESIDENTIAL ELECTIONS

In submitting my reply to Senator LODGE and other material, I wish to state, as I did on the occasion of my former appearance, I am appearing as a patriotic duty and in no sense as a partisan, nor am I concerned with personalities.

The first of my statements of March 9, 1949, before this committee, which Senator LODGE challenges in his reply, is the following: "I am astonished to find the Congress in process of considering changing the electoral system of the country without thorough study of its implications."

The answer is that I did not make the statement the Senator attributed to me. My statement was: "Yet I am astonished to find the Congress in process of considering changing the election system of the country without thorough study of its implications."

The Senator changes my words "election system" to "electoral system," an entirely different matter. By changing my language, the Senator is enabled to accuse me of alleging the "electoral college" has not been previously and fully discussed, and to reply at length to a statement I did not make.

Senator LODGE also selects for comment, my statement that "This is the election machinery which, on the whole, has worked well for 150 years."

The Senator then comments: "The contention that the electoral college procedure has 'worked well' during the term of its existence has been so thoroughly refuted over the years by historians, students, lawyers, experts in political science, journalists, statesmen, and the plain facts of history that no useful service would be served by reviewing all the manifest defects of the system here."

Here again the answer is, I made no such statement as the Senator attributes to me. I did not say that "the electoral college procedure has worked well during the term of its existence." I said the "election machinery, on the whole, has worked well for 150 years."

Who can gainsay the fact the American election system has worked well, on the whole, and in spite of minor defects? How otherwise can we explain the progress of the American people, the still free and untrammeled ballot, the fact America is today the world's most powerful and most peaceful Nation?

Only the United States has made the tremendous changes from the civilization of the eighteenth century to the present era without impairment of its form of free government.

Were Senator LODGE engaged in a simple expedient to abolish the fiction of the electoral college there would, I believe, be little opposition.

It is here proper to say many, and perhaps a very large majority of the American people, who know at all about Senate Joint Resolution 2, are under the impression its main purpose is to abolish the electoral college. To most Americans the electoral college is a

useless appendage, which "elects" the President and Vice President long after the country knows who are elected and by what popular and electoral votes they have been elected.

Senate Joint Resolution 2, as is well-known, eliminates not only the electoral college but revolutionizes the entire Federal election system.

From misquotation of my language and misconstruction of my meaning Senator LODGE proceeds to ambiguity:

"Mr. Brewer asked: 'Should it not be the duty of Congress to make the most searching investigation into the future implications, as well as the immediate effects, of proposals as fundamental as this?' And immediately afterwards, Mr. Brewer said: 'Senator LODGE's statements in behalf of his amendment are full of inferences and speculations.'"

"Frankly, it is somewhat difficult to reconcile these two propositions. In one breath the witness (Mr. Brewer) calls for 'future implications,' and in the next breath chides the sponsor of this amendment for doing that very thing."

What is there to be "reconciled" between a statement that it should be the duty of this committee and the Congress and all concerned to study carefully the "future implications as well as the immediate effects" of this constitutional amendment, and the charge that Senator LODGE—already fully committed to this bill—is trying to justify the bill by assumptions and speculations?

No one, including the Senator, denies the importance of the bill, the need for studying its effect from every possible standpoint.

Is there any inconsistency between urging the committee to make searching investigation before acting and charging that Senator LODGE's conclusions as to the benefits are speculative and not well-founded?

Need I remind the committee that on March 9, 1949, in defending his first edition of The Electoral College versus the Will of the People—the Case for Reform, Senator LODGE said, "Mr. Brewer, when I wrote that booklet I did not know there was any other side."

This booklet was dated July 1948, 7 years after Senator LODGE proposed his first bill to change the election system of the country.

In no respect are the views of proponents and opponents of Senate Joint Resolution 2 more divergent than as to the resolution's effect on splinter and so-called nuisance parties.

Senator LODGE believes that nuisance parties, such as he designates the Wallace party of 1948, are a product of what he calls the all-or-nothing system by which a successful candidate for President in a State gets all its electoral votes.

Nowhere can I find in any of Senator LODGE's arguments evidence to support his oft-repeated claim that Senate Joint Resolution 2 would eliminate the Wallaces and reduce the danger of splinters.

The nuisance party, as Senator LODGE calls it, is as old as our election system. In the main, they are protest movements, spearheading revolt in one form or another against the ruling parties. While generally short-lived, they make an impression large or small, for good or evil, before being absorbed. They are in my opinion, unobjectionable in a democratic system, and may be useful.

The name splinter parties more properly applies to the type which have sprung up in almost every European country where democratic government has been attempted, especially since World War I.

A splinter party system is the opposite of the two-party system which in general has controlled American politics since the formation of our Government.

Recognizing the dangers inherent in "splinter" parties, Senator LODGE said on March 9, 1949, in discussion following my statement: "Now, on this coalition party business, I have lived a great deal in France and I have seen the dreadful damage that a rainbow alinement of ideological parties does to a country. It makes it utterly impossible for a citizen to fix responsibility. It tends constantly to stress divisions in the community and split the whole thing up."

Under the Lodge plan, no longer is it necessary for a successful candidate for President or Vice President to have a majority of the electoral vote. Nor is there any limitation on the percentage of electoral vote necessary to win. Any percentage of the electoral vote, and, by the same token, any percentage of the popular vote can, under the Lodge plan, elect President and Vice President.

Those with experience in municipal elections, wherein plurality vote only is required, know the result of such a system; a multiplicity of parties and candidates, the more candidates the more chance to cut down the vote of leading candidate or candidates. In most cities operating under such a system, and in some State elections, notably Texas, run-off elections have been the only answer. No run-off provision is contained in the current Lodge amendment.

"Splinter" parties thrive on "proportionate" voting, which is started at the Presidential and Vice Presidential level by LODGE's election plan. They thrive on plurality voting systems where there is no defined percentage of total vote required for election and no provision for run-off. They cannot exist for long where a majority of all votes cast is required for election.

If, under the Lodge system, the electoral vote is split 40–30–20–10, how long will these "splinter" parties be content to be counted out when together they have a majority vote? They very well may push for representation at the congressional level, the bipartisan Government board level, and in court and other political appointments.

Prof. Lucius Wilmerding, Jr., noted economist and author, says in the Political Science Quarterly for March 1949:

The Lodge proposal "carried to its logical extreme would require the creation of a plural executive—as recommended by Benjamin Franklin and others in the Federal convention—in order that the several parties might share in it in proportion to their numbers * * * It is, to be sure, unlikely that the adoption of the Lodge amendment would actually lead to the creation of a plural executive. There is more danger that it might give countenance to a move for some form of proportional representation in our legislative bodies, National, State, and local."

In the detailed answer which Senator LODGE filed with the subcommittee on March 18, 1949, of the most important matters covered in my statement, the effect of the proposed amendment on the Republican Party, on the two-party system, and ultimately on the Democratic Party, was largely ignored by the Senator.

In a thoroughly documented statement I had showed, under the pending bill, and using the four elections of Roosevelt as criteria, the Republican Party would have been required to have a 7,000,000 to 8,000,000 popular vote plurality in each election in the 37 States outside of the South to elect the President and Vice President.

Subtracting the popular vote plurality of the Democratic Party in the 11 States of the solid South in these same elections, the Republican plurality in the Nation, as a whole, would have had to have been 4,000,000 to 5,000,000 to secure election in any one of the four presidential elections of the Roosevelt era.

It seems clear that so far as his own party, the Republican Party, is concerned, Senator LODGE admits the terrific handicap it would face under his bill and with this the danger to the two-party system. He stakes all on the ability of his bill to "change the voting habits of the American people," notably in the South.

That the southern Senators, whom Senator LODGE secured as cosponsors for Senate Joint Resolution 2, do not share his views as to the possibility of changing "voting habits" in the South is shown by the record of subcommittee hearing of April 26, 1948.

It is grossly unrealistic, in my judgment, for Senator LODGE, or anyone else, to put faith in this bill's working a revolution in voting habits of the crucial South.

I applaud Senator LODGE's statement, "If the thing is right, it ought to be done, no matter what party is helped or hurt by it." It also is true, in the course of our history, parties rise and fall. Perhaps the day of the Republican Party, Senator LODGE's party, soon is to be over.

But if the Republican Party is to go, let it not be at the hands of its supporters. Let it not be legislated out of business, by friends as well as foes, under some misguided idea they are bringing about a Utopian improvement in our election machinery.

If the Republican Party is to go, let it not be brought about by supporters of the two-party system, whatever party they belong to.

Said Senator LODGE on March 18, 1949, in replying to my statement to this committee, "I subscribe entirely to Mr. Brewer's conclusion that you cannot destroy the Republican Party without destroying the two-party system."

In further support of the threat in Senate Joint Resolution 2 to the two-party system, I quote from a letter dated April 20, 1949, to Mr. Edward Simmons from Robert G. Dixon, assistant professor of government and politics of the University of Maryland.

Referring to Senate Joint Resolution 2, he says:

"My own reasons for doubting the wisdom of the proposed change spring not so much from fear of the rise of a multiparty system—which is unlikely in the foreseeable future—but from the fear that it would tie the solid South, like a millstone, around the neck of the present Republican Party. Senator LODGE apparently desires and expects that the so-called proportional representation plan of assigning electoral votes in each State would restore the two-party system in the South. While I share his desire I cannot go along with his expectation. The anti-Republican conditioning runs too deep. Instead, I should expect the voting habits in the South to remain about as they are with the result that the proportional representation plan would cause the Republicans to lose far more electoral votes to the Democrats in the close Northern States than they would pick up from the Democrats in the South. Thus, the full political burden of that historical accident—the solid South—would fall upon the present Republican Party and it would be doubtful that that party, weakened as it already is, could survive as an effective national force. Instead of strengthening the two-party system the Lodge-Gossett resolution might go far toward strengthening the one-party domination of the presidency of the last 17 years."

It is clear that not only in the four Roosevelt elections must any candidate other than the Democratic candidate have a lead of 4,000,000 to 5,000,000 votes to win elections to the presidency, but also, under normal conditions in the South in the 1948 election, the same would have been true; this, of course, had the Lodge-Gossett plan been in effect in these five elections.

Any materially less lead in popular vote for the party other than the Democratic Party, and this party is defeated.

This, of course, is the answer to Senator LODGE's oft-repeated claim his bill would lessen the chance of a candidate for President being elected without a popular vote plurality.

Another striking instance of the working of the Lodge plan is the election of 1900. In this election, President McKinley was elected over William J. Bryan with an electoral vote of 292 against 155 for Bryan and a popular vote lead of 851,459 over Bryan.

Under the Lodge plan, Bryan would have defeated McKinley by an electoral vote of 218.8 against McKinley's 214.5; this in spite, of course, of McKinley's lead of 861,459 in popular vote, the largest popular vote majority ever given a candidate for President up to that time.

An outstanding and curious feature of the pending bill is the phenomenal publicity campaign which has been and is being conducted in its behalf.

I have spoken of a booklet which has been widely circulated, entitled "The Electoral College versus the Will of the People, the Case for Reform, Statement of HENRY CABOT LODGE, Jr., etc."

The title of the booklet itself is prejudicial, suggesting the electoral college mainly is involved, and forecloses any possibility the booklet is a dispassionate statement of the facts of both sides. The contents of the booklet fully confirm this.

Confronted with the above facts on March 9, Senator LODGE said, "Mr. Brewer, at the time I wrote that booklet I didn't know there were two sides to this subject." And a few moments later he said, "In my new edition of this pamphlet, which I put out in January 1949, I have put in on page 5 the objections which have been raised. * * * This will show I have tried to make every effort to be fair."

I now have before me the booklet of January 1949, carrying the same title as the booklet of 1948. This 1949 edition is equally one-sided as the first edition of 1948. In fact, but for rewording the introduction and adding the names of the new sponsors, the early pages are almost identical with the former issue. No editorials nor any articles opposing the bill are included in the booklet.

Far from giving the other side of the subject, the objections which Senator LODGE stated he included in edition 2 are identical with those listed in edition 1, except that one is added. In both booklets Senator LODGE minimizes the objections to his bill rather than answers them.

If this bill is right, why is this volume of support material necessary? Why the urgency?

This can hardly be the mood of seasoned statesmanship which, having made a full and fair presentation, should be willing to rest its case with the people.

It is well known Senator LODGE supported for 7 years an entirely different electoral bill from the one he now urges.

As late as March 19, 1947, Senator LODGE reintroduced in the Senate a joint resolution entirely different from the one he now sponsors. He proposed a constitutional amendment to provide for the popular election of the President and Vice President of the United States, a resolution which previously had been introduced in the House and was the same as Senator LODGE had introduced in the Senate in 1941.

Under this bill, the electoral college would have been abolished, as well as unit voting by States, and whatever candidate for President or Vice President had a plurality of the popular vote cast would be elected.

A few months later, Senator LODGE abandoned his bill providing for election of President by direct vote and endorsed the current bill.

It is quite clear Senator LODGE switched his position from direct election of President and Vice President by popular vote to the present bill, Senate Joint Resolution 2, because, as he and Representative GOSSETT agreed, there was no chance of getting the former bill, providing for direct election, approved by the smaller States and the States of the solid South.

Is the Senator's urgency a result of a deepening of his convictions for the present bill as the debate progresses?

Or is the Senator less certain as to the wisdom of this bill now he sees other able and patriotic men opposed?

These are questions that cannot help but occur under the circumstances, and only Senator LODGE can answer them.

What electoral reforms are really needed and what are the means to accomplish them?

What changes are advocated in the pending bill which either are impractical or carry with them evils worse than those which they seek to cure?

We have discussed the so-called "all or nothing" system by which the popular vote of the State decides which party secures the State's electoral vote. Even if this relic of State's rights were outmoded and wrong, we have showed it cannot be abolished without grave threat to the two-party system.

Another danger pointed out by the critics of our present system is that of a President being elected by an electoral majority, but without a plurality of the popular vote. If we assume such a contingency is basically wrong—what is the remedy?

We have showed the "remedy" provided in the current bill is to abolish the requirement for a majority of the electoral vote for election and substitute election by plurality, however small.

Another objection to our present system is the supposed evil lurking in the constitutional provision by which the House of Representatives, voting by States, is called upon to decide an election where no candidate for President receives a majority of the electoral vote.

This was emphasized by some in connection with the 1948 election where it could have developed neither President Truman nor Governor Dewey had a majority of the electoral vote.

I am one of those who believe such a situation, fully covered by the Constitution, had it occurred, would have been taken in its stride by the American people without protest, affording again to the world an example of self-government at work.

The current bill attempts to remedy the danger by abolishing majority of electoral vote as a requirement for election. Plurality of electoral vote, however, small, under the Lodge bill, is the only requirement. But, as has been proved, even by such complete abandonment of majority rule, the possibility of a President being elected by a plurality of electoral vote and without a plurality of popular vote still exists.

There remain for summation only such minor considerations as the alleged "disfranchisement" of votes at the national level, under the "all or nothing" system of State voting, and the alleged evil of the "electoral vote majority" being often much greater than popular vote majorities or pluralities.

These are nuisances rather than evils; they are academic rather than real.

As aptly expressed by Herbert Weschler, of the Columbia University School of Law, "an electoral showing does not augment that (an election victory); it only modifies the mathematics of the failure."

There are two changes of the American elections machinery which should be made.

One is to abolish the fiction of the electoral college and individual electors, retaining the number of electoral votes and formula for determination as now in the Constitution, and retaining the present method of election.

The other is to revise the plan for congressional referendum in elections for President and Vice President where no candidate secures a majority of the electoral vote.

The present plan calls for a decision in the case of President by the House of Representatives voting by States and in the case of Vice President, by the Senate.

This should be amended, by providing that the House of Representatives and the Senate by joint vote should make the decision both for President and Vice President, with each Congressman and each Senator voting as individuals and not by States.

The Senate and House of Representatives combined have the same number of Members as there are electoral votes in the States. Congress is the logical and only body to which the country can turn to umpire undecided elections.

If majority government still is desirable in America, this is the best way, and perhaps the only way, to resolve the most controversial feature of the country's election plan.

No revolution of voting habits is involved, nor in my opinion is any required at this stage of the Nation's history.

These two changes would, I believe, correct what 90 percent of the American people are thinking about when they endorse reform in our election system.

These changes are, I believe, largely uncontroversial. I could wish that Senator LODGE would change again his position on electoral reform and support these two simple and satisfying provisions.

Gentlemen, the bill you have been so patiently and carefully considering should not become law.

In its place, I earnestly hope your committee or some other Member or Members of the Senate will reduce to clear legal terms the two suggestions I have outlined above and submit a constitutional amendment embodying them for approval of Congress and the States.

Heavy Taxes and Socialism

EXTENSION OF REMARKS

OF

HON. JOHN L. McCLELLAN

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Thursday, May 19 (legislative day of Monday, April 11), 1949

Mr. McCLELLAN. Mr. President, I ask unanimous consent to insert in the RECORD an editorial entitled "Heavy Taxes Bring Socialism," from the Arkansas Democrat of Monday, May 16, 1949. I should also like to have printed along with the editorial a letter from Mr. R. B. Nunnery, addressed to me on May 17. I wish to state that the editorial very fully expresses my own personal views.

There being no objection, the letter and editorial were ordered to be printed in the RECORD, as follows:

R. B. NUNNERY & CO.,
Little Rock, Ark., May 17, 1949.

Senator JOHN L. MCCLELLAN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MCCLELLAN: It seems hard to convince the Congress, and the President, that our citizenship urgently needs a stopping of Governmental spending and a relief from the onerous, confiscatory taxes of war times that I am wondering if your placing the enclosed editorial from the "Arkansas Democrat" in the CONGRESSIONAL RECORD might not somehow find its way to their attention? The price which our people and our country is having to pay and will have to pay through the degeneration and ultimate destruction of our form of government is too serious to allow indifference to continue at the sentry post in Washington.

May I join with others of your friends and constituents in the plea that you will exert every ounce of your powerful influence to

save our country from what this profligate adandonment and indifference is absolutely, certainly leading us into.

Sincerely yours,

R. B. NUNNERY.

[From the Little Rock (Ark.) Arkansas Democrat of May 16, 1949]

HEAVY TAXES BRING SOCIALISM

Vote yourself some more Government hand-outs, aids, and boons. This is the political rallying cry in every campaign. It has been growing in audacity and brazenness for more than a dozen years. Yet even now millions do not seem to realize what a malignant swindle they are buying.

First of all, Government has no money to give anybody, except the money it takes from the people. We can get from Government only the revenue we pay it in taxes, less the cost of maintaining a horde of bureaucrats, and the waste that flourishes on huge spending of other people's money.

Second, and the deadliest part of it all, is the fact that heavy taxing, and more and more Government regulating and bossing, are a sure road to socialism. Almost never is socialism brought in by the Socialists themselves. The swap is made, as it was in most of Europe, by well-meaning liberals in the orthodox parties, with their spending and taxing to help the little man.

Over and over again, freedom has been destroyed to the battle cry of protecting the people's freedom. Socialism has been the result—let us think of what it means.

It is the end of a nation's great days. For it kills ambition by wiping out the rewards that a man may win under private enterprise, by inventing something new, by doing an old thing better, or taking a long chance on some risky project.

When socialism takes over, there are no more Rockefellers, Edisons, and Fords to enrich life with conveniences and luxuries never heard of before, to create millions of new jobs, add enormously to the wealth for investment and to pay taxes, and thus build greater vigor and strength into the Nation.

This blight on our economic life is what we are buying with our rapacious taxes to provide more Government services and regulations. The seat of the trouble is in Washington, which has set a reckless spending pattern for the States and local governments to follow.

And there will be more of the same, with the deadening hand of socialism closing upon us, unless we tell our Congressmen to stand against it. Enormous new Federal spending is urged. Senator MCCLELLAN says it would add twenty-five billions to the annual cost of the Federal Government, now rising above forty-two billions.

Are we going to let the politicians bribe us with our own money to accept the socialistic government which wrecked Europe, and finally made it a charity case for Americans to help back onto its feet? Either we stop now, or we continue a political joy ride with disaster at the next bend.

Quality in Education Exemplified at New England College, Henniker, N. H.

EXTENSION OF REMARKS

OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Thursday, May 19 (legislative day of Monday, April 11), 1949

Mr. BRIDGES. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial entitled "Hard Things Must Be Endured; High Places Must Me Sought," which appeared in the New Hampshire Morning Union of May 11, 1949, and which describes the new New England College in Henniker, N. H.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HARD THINGS MUST BE ENDURED; HIGH PLACES MUST BE SOUGHT

Anyone discouraged by the state of education in this country who happens to be driving through Henniker would do well to stop and visit New England College. His spirits will be raised.

There, in Henniker, is an educational institution whose emphasis has been placed on the quality of the faculty and the quality and intelligence and character of the students, not on the quantity and quality of the bricks and stones of the college buildings.

This writer has often felt that in the last 40 years American education has suffered from a brick and mortar cancer. Beautiful and lofty structures have crowded up all over American college campuses. They would be most attractive in themselves if one did not have to pause and consider that they consume, very much as cancer does, money which would have been better spent for the real educational purpose, which is to give the students the very best type of intellectual stimulation and instruction.

Of course, the reason for this is simple. Wealthy individuals seem to delight in perpetuating their names on buildings which they hope will last as long as the pyramids. It is true also that in the United States more emphasis is placed on material than on intellectual or spiritual matters, or matters of character.

A visit to New England College reminds one of the great days of New England teaching. Then magnificence of thought and not of building was the sign of a great educational institution. It was once said of the great president of Williams College that the perfect education was Mark Hopkins on one end of a log and a student on the other.

At Henniker that sort of philosophy seems to be the order of the day. President Laurie Davidson Cox himself represents an interesting, challenging approach to life. After retiring from one successful career, at a time when many men want to sit in the sun and reflect on the past, he began hustling around building a future and doing it without the pomp and ceremony usually attached to college presidents, and yet with a quality of culture and wisdom so often missing in some of the high-pressure executives now running our large educational factories.

Finally, in an age of fancy and pretentiousness, modest New England College has for its motto the Latin words, "Dura duranda, alta pentenda." For people such as this writer, who has long ago forgotten his Latin, the translation we find is "Hard things must be endured, high places must be sought." This, too, is reminiscent of the traditional American philosophy upon which the greatness of this Nation has been built.

This newspaper wishes New England College and Dr. Cox every success for the future. The only question is what will happen when some of the alumni are spectacularly successful in the world of finance and begin to give the college elaborate piles of masonry and brick? The real test of New England College and Dr. Cox will be how they can then rise above material symbols and maintain their present lofty plane.

W. L.

More Byrds in the Senate

EXTENSION OF REMARKS

OF

HON. JOHN J. WILLIAMS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Thursday, May 19 (legislative day of Monday, April 11), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD six editorials to the effect that more Byrds are needed in the Senate.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Columbus (Ohio) Sunday Dispatch of May 15, 1949]

TRUMAN IS NOT JOVE

The politics behind President Truman's uncalled-for attack on Senator BYRD last week are quite simple. The important point about that outburst, however, is that it illustrates, as few things have, the centrally evil fact of the New and Fair Deal which has endangered the American system of government continually since the first must legislation submitted to Congress by President Roosevelt in 1933.

"There are too many Byrds in Congress" was typical of the President's bludgeoning wit. And had he gone only that far he might have indulged his vanity of political Jupiter confounding his foes with a terrifying thunderbolt or two. But he went on. "What this country needs," said Mr. Truman, "are Congressmen able to see things in the terms of national interest rather than local interest and make large plans rather than small ones."

We may lay aside for a moment any consideration of whether or not Senator BYRD's concern with economy in Government is a matter of national or local interest, or whether his constant and courageous work in behalf of economy is planning in a large or a small way. The fact is that Senator BYRD gave the President the logical and the dignified answer his irresponsible accusation merited. "I will not accept his (the President's) dictation in matters of legislation," the Senator replied. "I owe my allegiance to my constituency of Virginia. So long as I remain in the Senate I will vote as my conscience dictates and represent the wishes of my constituents."

Senator BYRD, therefore, obviously sees his task in the brightest and clearest possible light. He was not elected to betray the voters who sent him to the Senate. Nor was he elected to follow docilely the leadership of the President. He was elected, in fact, to resist the domination of any interest which might threaten the welfare and safety of Virginia. He, and every other Senator and Representative in Congress are spokesmen first for the interest of those at home who sent them to Washington. And specially are they spokesmen against any action or policy which threatens the solvency, the political independence, the constitutional freedom or the lawful security of their folks back home.

President Truman, as did President Roosevelt before him, often loses sight of this basic fact. President Truman's attempted ridicule of Senator BYRD revealed a shocking trend of thought, a trend which happily must have its limits simply because the whole fabric and tradition of government is exactly contrary to it. The American system of checks and balances with its separation of powers was devised to bar completely any development along this line.

When and if the legislative branch of our Government becomes permanently secondary to the executive branch, the whole system of individual guarantees of freedom is in danger. And in that event neither Senator BYRD nor any other Congressman would have anything to do in Washington. President Roosevelt carried this threat as far forward as possible. And, under him the traditional liberties of the Nation were weakened by the gargantuan Federal juggernaut he erected. Today it costs more, it demands more and it restricts more than do all the State governments.

Surely, President Truman cannot really know what he is doing when he openly expresses a desire for the liquidation of such stalwart men as Senator BYRD. Virginia's Senator has been long in the forefront of those patriotic Americans who have battled ceaselessly—and effectively—to restrain the encroachments of Federal bureaucracy, Federal greed, and Federal power into the lives of individual American citizens.

President Truman's rightful place is solidly behind the men in Congress, who like Senator BYRD, would protect not only the individual citizens of the Nation but the Nation itself from the dangers of overfederalization and uncurbed and dangerous extravagance.

[From the Danville (Va.) Register of May 1949]

TOO MANY HARRYS

Coming out of the White House offices after a call on President Truman, Gilbert A. Harrison, national chairman of the American Veterans' Committee told reporters that the President had expressed the opinion that "There are too many Byrds in Congress" and that the President wants the veterans to help elect Congressmen who see things in the national interest, rather than local interest, and make large plans rather than small plans.

The difference between Harry Truman and HARRY BYRD is wide indeed. They represent two wings of the Democratic Party so far apart that it is difficult to conceive of both as Democrats. HARRY BYRD is a Democrat in tradition of the Party, when it was totally American in concept. Harry Truman represents the wing of the Party which has gone hunting for the socialized state that will relieve the individual of responsibility and guarantee security from the cradle to the grave.

HARRY BYRD consistently has fought in Congress and in the conventions of the Democratic Party for the independence of the individual, local government, and State government. He also has waged a consistent, although losing fight, for national solvency and for a measure of economy that will not force Uncle Sam to dip into the pocket of the working man for one-fifth of his weekly pay to maintain the bureaucracy Mr. Truman would expand further.

Harry Truman is under the delusion, and is doing his utmost to convince the people, that passing a law is the remedy for everything, provided it carries an appropriation.

HARRY BYRD, who was poorer than Harry Truman, started work at 16. He learned early that work, only hard work, ever got anybody anything worth having.

Harry Truman thinks Congress can legislate equality.

HARRY BYRD knows that equality has to be deserved and earned; then, and only then, can it be protected by law.

Harry Truman thinks Congress can legislate full employment.

HARRY BYRD knows that Congress can do no such thing. He knows that if business is restricted and hampered it will be able to hire fewer and fewer people, and that eventually business will not pay enough taxes to finance the "benefits" given in the form of Government subsidies and compensations.

Harry Truman thinks his Fair Deal can share the wealth.

HARRY BYRD knows that wealth is production and that production must be increased if there is to be more to share with anyone.

Harry Truman thinks everyone can have high wages by passing a law establishing high wages.

HARRY BYRD knows that wages have to be earned by production great enough to pay them or else there soon will be no wages. A bankrupt corporation pays no wages; a closed factory provides no jobs.

Harry Truman believes the Government can do everything for the individual.

HARRY BYRD believes that making him dependent upon his Government cannot do anything basic for the individual because the Government has nothing except what the working taxpayer gives it, and the Government is nothing but the will of the people.

Which of the Harrys is the more democratic?

Which of the Harrys is seeing things in terms of national interest?

Which of the Harrys is making large plans for the good of the people of the United States?

Where does the planning of Harry Truman—as expressed in his promises and his proposals to the Congress—lead? To a debt that soon may have fixed charges equal to the national income? Is he strengthening the moral fiber of the individual American by making him dependent upon his Government for everything?

What about the course of HARRY BYRD? He stands for policies which have proved themselves in every situation; policies reflecting the courage and independence of the American, the resourcefulness of men and women who have built a great Nation out of a wilderness. HARRY BYRD believes in thrift, in paying one's way, in working to have more of life's good things. He did it himself; Virginians always have done it. HARRY BYRD is unwilling to see Americans become public wards. His fight is an unpopular one among those seeking to escape individual responsibility for the welfare of themselves, their families, their communities, and their State.

Because he has pride in his Nation, in his people, and in himself, HARRY BYRD contends for these policies against VITO MARCANTONIO, against CLAUDE PEPPER, against HUBERT HUMPHREY, against Philip Murray, against Francis Pickens Miller; yes, against all comers who look to Government for things the individual should do for himself. That is why HARRY BYRD finds himself so often opposing the recommendations of Harry Truman.

Posterity will look back upon 1949 and determine which Harry was right.

[From the Staunton (Va.) Leader of May 10, 1949]

BYRD PURGE?

"If the President means he intends to purge me from the Senate because I will not accept his dictation in matters of legislation, then I'll be on hand when the purging starts."

This statement by Virginia's Senator HARRY F. BYRD was a prompt and proper retort to a reported remark by President Truman yesterday that there are "too many Byrds in Congress."

Of course there is only one BYRD in Congress, and the President must have had him in mind; and the statement credited to the White House is not at all out of line with what that source might be expected to say. Senator BYRD never has failed to differ with any President he thought was wrong, Roosevelt and Truman included.

Mr. Truman's crack about the Virginian appears certain to stir fresh speculation over whether the President will use his influence in an effort to defeat for reelection those Democrats who take a leading part in opposing his program. Senator BYRD's present term does not expire until 1953, so Mr. Truman's remark scarcely is open to interpretation as made with intent to influence a Virginia election. The late President Roosevelt tried, without success, in 1938 to purge Democratic Senators TYDINGS, of Maryland, and GEORGE, of Georgia.

Mr. Truman's remark reportedly was made under these circumstances: Mr. Gilbert A. Harrison, national chairman of the American Veterans' Committee and one of those who called on Mr. Truman yesterday, told reporters: "He told us there were too many Byrds in the Congress. He wants us to see that Congressmen are elected who are able to see things in the terms of national interest, rather than local interest, and make large plans, rather than small plans." The veterans calling at the White House were among a group interested in pushing congressional consideration of housing legislation.

Senator BYRD repeatedly has charged the Truman administration with waste and extravagance, and more recently figured prominently in preventing committee approval of the Presidential nomination of former Washington Gov. Mon C. Wallgren to be Chairman of the National Security Resources Board. So the President has no great affection for the outspoken senior Senator from this State.

Virginians, who know Senator BYRD for his independence of thought and action, will applaud his summation of the case in these terms: "I owe my allegiance to my constituency in Virginia. So long as I remain in the Senate, I will vote as my conscience dictates and to represent the wishes of my constituents."

[From the Northern Virginia Daily, Strasburg, Va., of May 11, 1949]

TRUMAN'S FLANK ATTACK

The Northern Virginia Daily is not in position to state that there is a definite connection between President Truman's violent outburst against Senator BYRD on Monday and the bitter anti-Byrd campaign that is being waged in connection with the current gubernatorial campaign in Virginia. But the timing of the President's attack on Virginia's senior Senator, and the fact that his statement was so similar in tone and spirit to the speeches and statements of Senator BYRD's political foes in Virginia, suggest that the President was not unmindful of the political situation in this State when he made his flank attack on Senator BYRD in Washington.

Senator BYRD is not the only United States Senator who is fighting the dangerous pension grab which the administration is now seeking to bludgeon through Congress. He is not the only Member of Congress who fears that our country is headed toward national bankruptcy and seeks to stay the tide of reckless spending and reduce the enormous cost of Government. The necessity for economy if we are to survive is gaining increased recognition daily. Senator BYRD has been a leader in this fight, but he is by no means the only Senator who holds these views. Yet the President went out of his way to tell a veterans' committee that there were "too many Byrds in Congress" and to advise them to go out and elect Congressmen favorable to his tax-and-spend program.

Looked at from any standpoint, that was a rather vicious dig. It was especially vicious and ugly coming from the President of the United States at a time when Senator BYRD's foes were "ganging up" on him in his home State. But Mr. Truman's blast is not likely to hurt Senator BYRD, either in Congress or in Virginia. Such statements usually react against those who make them and those

whom they are intended to benefit. Certainly the voters of Virginia would resent any attempt on the part of the President to intervene in Virginia politics or even to influence indirectly political sentiment in the State. Senator BYRD is not a candidate in this election, but he is the recognized head of the State Democratic organization and he has been the chief target of the anti-organization spellbinders, most of whom follow the Roosevelt-Truman party line.

[From the Roanoke (Va.) World News of May 11, 1949]

FOOT-IN-MOUTH HARRY AGAIN

It is well known by now that President Truman and our Senator BYRD do not see eye to eye. In fact, no two fellows named Harry were ever further apart in their perspectives of government and economics.

Senator BYRD came up the hard way. He made his own fortune through diligence, intelligent application, and old-fashioned work. While he may represent a political machine after a fashion, it is his own organization. That machine has given Virginia good government for more than two decades. No man, even his most bitter enemies, has ever dared to suggest a lack of honesty in that government. He believes in a fundamental principle of spending no more than can be collected in proper taxes.

President Truman came up in politics via the notorious Pendergast machine. Beside it the Byrd machine is as a lily or a rose. The record does not show that Mr. Truman ever was any great shakes as a businessman, although he did work hard at it. Having no appreciation of the relationship between earnings and taxes and having been "finished" in the New Deal school of "tax and tax and tax, spend and spend and spend," he is unable to understand a man who insists on preventing outgo from exceeding income.

The speech Senator BYRD made last week excoriating the present trend of excessive spending which he said will lead to more taxes or a huge increase in the national debt angered the President no little. Placed atop BYRD's successful maneuver in blocking confirmation of the President's pal, Mon C. Wallgren, to be Chairman of the National Security Resources Board, this was a bit more than the man from Missouri could stand without sounding off. And, Truman-like, he picked the wrong place to sound off.

As UP Correspondent Lyle Wilson points out, it isn't considered cricket for a White House visitor to repeat Presidential conversations. However, Gilbert Harrison, national commander of the American Veterans' Committee, an extremely liberal body, didn't know the rules. He blurted out what Mr. Truman supposedly said:

"He told us there were too many Byrds in Congress. He wants us to see that Congressmen are elected who are able to see these things in the terms of national interest, rather than local interest and to make large plans rather than small plans."

Overlooking the fact that Congressmen are elected to represent their constituents and skipping the business of trying to find out what the President might have meant by "large plans" and "small plans," we can observe that Mr. Truman definitely was guilty of a serious error of tact and decorum when he said there are too many Byrds in Congress. He might have recalled if his temper was not so short, that his predecessor once thought there were too many Georges and Tydings in Congress, but he got his ears pinned back trying to purge them from the Senate.

Senator BYRD's reply was dignified but it was to the point and it leaves no room for doubt:

"If the President means he will attempt to purge me from the Senate because I will not accept his dictatorship in matters of legislation, then I will be on hand when the purging starts. I owe my allegiance to my constituency of Virginia. So long as I remain in the Senate I will vote as my conscience dictates and to represent the wishes of my constituents."

The Senator had intended retiring when his present term ends in January 1953, but in case Mr. Truman decides to run again about the same time in 1952, he will find BYRD in there pitching again. A man of honor can do nothing else.

The gratuitous insult of the remark and the plain threat to all Southern Congressmen last week by Senator MCGRATH, Democratic Party chairman, only serve to widen the breach between real Democrats and the left-wing element from North and West now in control.

If the President had in mind developing better cooperation in the Eighty-first Congress he picked a most miserable way of showing it.

We gather from the irritated snapping of President Truman that somebody has been giving him the Byrd about some of his plans and nominations.

[From the Nassau Daily Review-Star of May 11, 1949]

GOVERNMENT WOULD GO OVERBOARD WITHOUT MEN LIKE SENATOR BYRD

President Truman's desire to see Senator HARRY F. BYRD, of Virginia, and others who oppose his program defeated when they come up for election is not illogical. In politics the only way an individual can achieve his objective is to muster more votes than the opposition.

There is, however, strong sentiment throughout the country for the cause espoused so ably by Senator BYRD during his years in the Senate. We have on our desk a full-page advertisement sent by the Omaha World-Herald, one of the influential newspapers of the West.

Accompanying the advertisement is a letter from Publisher Henry Doorly in which appears this tribute to the Virginian:

"Senator HARRY BYRD for 15 years has been one of a few Senators who have protested strongly against the waste and extravagances of a spendthrift administration. The situation has become so serious, with projected appropriations of many billions of dollars each year for social welfare, subsidies, etc., etc., that unless a real effort is made to stop it, it will be too late, and we will all be sunk."

The Review-Star cannot imagine any greater tragedy than a full Congress dedicated to all the things President Truman has proposed. Without the restraining influence which even a minority can exercise, the Federal Government would go overboard on a great many projects.

Experience has shown that the social planners are insatiable. Few would begrudge the expenditure of a few hundred millions for slum clearance to clean up some of the worst spots in our largest cities, but they know that the objective of the advocates of public housing calls eventually for about 80 percent public housing and 20 percent private housing in the United States. England has already reached a ratio close to that and it is not solving its housing problem as rapidly as we have solved ours since the war.

There might be some advantage in a Federal appropriation of $300,000,000 for public schools in areas where local resources are totally inadequate, but the admitted goal of advocates of Federal aid for education is about $2,000,000,000 a year and it runs all the way from free lunches in kindergarten to free tuition in tax-supported colleges and universities for all.

These issues involve more than a question of how much we can afford, although obviously there is a limit to that. They involve a complete change in our economy and perhaps total replacement of our representative government and free enterprise system with some kind of a regimented welfare state. Unless we are prepared to go all the way with President Truman and the left-wingers from whom he gets a lot of his inspiration, the Byrds are vital in Congress.

Republic of Korea Determined Not To Surrender to Communistic Totalitarianism

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EXTENSION OF REMARKS

OF

HON. JOSEPH R. FARRINGTON

DELEGATE FROM HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 18, 1949

Mr. FARRINGTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a statement made by Dr. Pyung Ok Chough, special representative of President Rhee, and Chief Korean Delegate to the United Nations under date of May 16.

The statement follows:

By mutual agreement between the Government of the Republic of Korea and the Government of the United States, and in consultation with the United Nations Commission on Korea, measures are being promulgated for the final withdrawal of the American armed forces in Korea. The withdrawal will be effected within a reasonably definite period of time. On that eventful day the Korean people will recall with sad but grateful memory the three full years in which they and the American people fought, shoulder to shoulder, with patience, understanding, and cooperation, for the noble ultimate objective of establishing a unified, democratic, and independent Korea.

This coming withdrawal bears important significance for both countries. As for the United States, it will testify to the world that in spite of all destructive communistic propaganda, she has had no other motive in occupying south Korea than to redeem her solemn promises pledged in the declaration of Cairo in which the United States, China, and the United Kingdom pledged to make Korea free and independent. The withdrawal of United States forces is not to be construed as implying that the United States has no further interest in Korea. On the contrary, it means only a change of form and method in assisting Korea to the realization of her complete independence and sovereignty.

On the part of Korea, the withdrawal of the American armed forces will prove to the world that she is capable of managing her own affairs, provided that she is not overrun by hostile foreign forces, or foreign-supported domestic elements. The Korean people will witness the withdrawal of American forces with gratitude to those American friends, military and civilian, who assisted in laying the political, economic, and educational foundations upon which the modern democracy of Korea is built. They also firmly believe that continued political, economic, and military support will be forthcoming from the United States.

The Republic of Korea will face the new situation with greater determination and a sense of greater responsibility. It realizes that its responsibility is great and its path is strewn with great obstacles. The nationally compelling task, the unification of Korea, is still an unsolved tragic problem. It has to achieve democracy in both political

and economic life. The south Korean economy has to be further strengthened even before achievement of unification. Political stability must be maintained.

To insure the stability of the Government is the most urgent problem. The communistic forces have been, are, and will be carrying on activities to overthrow the Government. Even under American military government, hundreds and thousands of good citizens were killed by communistic terrorists. In the period from February 1948 to February 1949, in Jei Ju Island alone, 12,000 people were murdered, and 15,000 houses or buildings were burned. On another occasion more than 3,000 people were massacred within a week's time. Even now, by utilizing mountain and sea-coast entrances, illicit persons, and contraband are smuggled in to carry on guerrilla warfare and terroristic activities. At least 30 to 40 citizens are being killed every day. To this, an unfortunate international situation has been added. The Russians and the northern regime have entered into a practical alliance, north Korea being assured of military and economic aid. Further the north Korea regime and the expanding Chinese Communists have made a military alliance. Three divisions of the north Korea army are fighting in China now, and aggression from the north into south Korea is expected any time.

In the face of these dangers, I believe the American people will realize how critical and important are south Korea's problems of national defense. Present armed strength is far less than that of the north. All our armed services have to be strengthened. The withdrawal of the American forces and our national preparedness must go hand in hand. The Korean people are grateful for American economic aid, but they must also have further military aid.

We Koreans feel that the United States, and the United Nations have a joint responsibility in the destiny of the Republic of Korea. It was through the leadership of the United States that the problems of Korean independence were laid before United Nations. It was the United Nation that sponsored its birth; the Government of the Republic of Korea looks to that august body for collective security, and it is hoped that all the member nations of the United Nations which supported the General Assembly resolutions of December 12, 1948, will accord full recognition to it. Already the United States, China, the Philippines, the United Kingdom, and France have granted their full recognition. My Government also expects from the United States a definite assurance of military support in case of aggression by foreign forces or by foreign-supported domestic elements.

It also urges that a new military agreement be made between the Republic of Korea and the United States, reviving the friendly spirit and tradition embodied in the Treaty of Friendship and Commerce of 1882, which was entered into with Korea under the administration of President Arthur, the first clause of which reads:

"If other powers deal unjustly or oppressively with either Government, the other will exert their good offices, on being informed of the case, to bring about an amicable arrangement, thus showing their friendly feelings."

The only existing military agreement, which was signed on August 24, 1948, by President Syngman Rhee and Lieutenant General Hodge, must be replaced with a new one.

The Republic of Korea desires to assure all democratic nations of the world that the Korean people are determined not to surrender to Communist totalitarianism. They will fight to the end. They will faithfully discharge their duty as the bastion of democracy in the Far East.

Scholarships to Communists

EXTENSION OF REMARKS

OF

HON. JOHN L. McCLELLAN

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Thursday, May 19 (legislative day of Monday, April 11), 1949

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a telegram addressed to me under date of May 17, 1949, from Mr. Med Cashion, of Fayetteville, Ark., regarding the employment or the financing of a man named Freistadt, who is a Communist, and who is now under investigation by the Joint Committee on Atomic Energy.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

FAYETTEVILLE, ARK., *May 17, 1949.*

Senator JOHN L. MCCLELLAN,
Senate Office Building,
Washington, D. C.:

Think the Freistadt atomic scholarship an astoundingly scandalous instance of flagrant misuse of tax money that we all work hard for and pay. Lilienthal's statements to committee May 16 relative to these scholarships show him to be unfit to head Atomic Commission. I say put him out and anyone else who agrees with him. Such scholarships should go only to loyal, sincere American citizens. Why throw billions around all over the world to stop Russian communism only to permit and even foster their steady boring from within here at home? If that is the way tax money is to be used, I think it time the taxpayers went on strike. Every Russian sympathizer should be peremptorily put out of Government service. I do not like it all a damn bit.

MED CASHION.

Teaching of American Ideology in Los Angeles City Schools

EXTENSION OF REMARKS

OF

HON. DONALD L. JACKSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 19, 1949

Mr. JACKSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement of policy adopted by the Los Angeles City Board of Education:

STATEMENT OF POLICY

THE TEACHING OF THE AMERICAN IDEOLOGY IN LOS ANGELES CITY SCHOOLS

Introduction

The Los Angeles City Board of Education believes that the greatest contribution public schools can make at a time of national crisis is a program of education dedicated to build an America united and strong behind the principles of her democratic heritage.

America will only be united and strong when her citizens, and especially her youth, reaffirm and live out the passion and faith in the declaration of democracy which inspired the founders of our Nation to pledge to each other, under divine Providence, their lives, their fortunes, and their sacred honor in its support.

To meet this national responsibility, we submit a three-point program.

Program

Point 1: The Los Angeles City Board of Education recognizes that we are living in an ideological age. This is a new factor in world affairs that education must meet. Los Angeles schools must play their part in this.

Nations are mobilized behind systems of ideas. They are engaged today in a globe-encircling ideological war.

The materialistic ideologies of fascism and communism have been on the march with power, plan, and purpose in this twentieth century. Democracy, as conceived by Washington, Jefferson, Lincoln, and other early statesmen, can only survive if we affirm boldly the ideology that will put the democracies on the offensive in this war of ideas.

Yet, it has been said that the democracies, ideologically, are at the bow-and-arrow stage in the era of the atomic bomb. Gen. Omar N. Bradley, Army Chief of Staff, says, "A tragically divided world is engaged in a contest of perseverance and in a conflict of ideas. Despite the opportunities of free education in these United States, too many young men come into the Army appallingly ill-informed on the issues and crises that warrant their service." General MacArthur puts it that the democratic nations must become equipped with the moral weapons to repel the totalitarian advance.

Point 2: To build a united nation the citizens of democracy must know their ideology. This becomes the duty of the schools.

The followers of Marxism and Hitlerism have long been trained in the ideology of godless materialism and ruthless totalitarianism for world conquest. The Communist revolutionary leaders in every country today are the product of the Moscow schools for training in ideological warfare. Hitler trained his youth proficiently by putting ideas in their heads before he put guns in their hands. These militant, undemocratic ideologies have gained power out of all proportion to their numbers because their proponents had been skillfully educated in their principles and doctrines based on class and race warfare.

The schools of the democratic nations must, therefore, teach their future leaders the democratic ideology which is based on moral and spiritual concepts.

We look to our educators to teach these concepts by developing, in every area of learning, the simple basic principles of (a) sound, moral standards; (b) faith in God; (c) respect for human dignity.

Life service and not lip service to these principles is our great national need.

Point 3: The Los Angeles City Board of Education is confident that schools can meet this new factor in the world today and fulfill their responsibility to our Nation. This can only be done, however, if our personnel are committed to the American ideal. Only those who accept and believe in the American principles can successfully teach them to others.

To this end, the Los Angeles City Board of Education directs that our personnel reaffirm their loyalty to this Nation, as evidence of their personal devotion to the principles of our democratic ideology as set forth in the Constitution of the United States of America.

Conclusion

Thus, Los Angeles will lead the way in this forthcoming critical year with her school system fortified to meet the need of an ideological age. Her children will be trained in the ideals of our great American heritage in schools manned by people whose undivided

loyalty has been proudly proclaimed. They will be the responsible citizens who, loving our way of life, will make this Nation united and strong, and keep her free.

Then, what Lt. Gen. Albert B. Wedemeyer, Director of Plans and Operations, United States Army, called for in speaking in Los Angeles will become a reality. He said:

"The most powerful influence for peace on earth today is the spiritual force exerted by a strong America of free peoples who have the will to remain free and who are determined to assist free men everywhere to protect their cherished freedom.

"If all Americans firmly resolve to take every measure necessary to indicate to the world that we are determined, we will then have the strength and unity to creat a spiritual resurgence in which the dignity of man receives full recognition."

Adopted by the Los Angeles City Board of Education.

Members of the board: Olin E. Darby, president; Mrs. Eleanor B. Allen; Roy J. Becker; J. Paul Elliott; Lawrence L. Larrabee; Mrs. Gertrude H. Rounsavelle; Maynard J. Toll; Alexander J. Stoddard, superintendent of schools.

Small Business and Unemployment

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. PATTERSON. Mr. Speaker, the gentleman from Texas [Mr. PATMAN] who is chairman of the Select Committee on Small Business, has acted with his usual dispatch in answering my inquiry concerning the action contemplated by his committee in bringing to the attention of Congress the necessity for legislative assistance to small business.

Unemployment is not in itself an end result of depression, but rather the moving finger which brings about economic doldrums. The first hit by lack of consumer capital and the last to recover is the small-business man. When the financial and civic contributions of small industrial, retail, and service establishments decline, so does our whole economic future.

I wish to include in my remarks the exchange of correspondence with the chairman, the gentleman from Texas [Mr. PATMAN], on the efforts of his committee in relieving the burdens upon small business:

MAY 13, 1949.

Hon. WRIGHT PATMAN,
Chairman, Select Committee on Small Business, House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: Our Nation is now facing a period of rising unemployment. It is evident throughout the land that production has decreased in industry—bringing about a subsequent recession in retail and service establishments. Leading economists predicted many months ago that a trend of increased or decreased employment would be definitely established by the end of April. This date has come and gone with unemployment and consequent individual hardship upon the rise.

It goes without serious argument that the economic welfare of America is dependent upon the continued successful operation of small business. From this field of endeavor comes a great portion of the middle-class group which is the backbone of our Nation.

It would seem entirely within the jurisdiction of your committee to, at this time, recommend to the Congress for appropriate action legislative proposals to stimulate small business activities.

Particularly appropriate, in my mind, would be measures effecting a revision of the tax structure so that incorporated and unincorporated small business might seek, with some success, greater amounts of venture capital for necessary maintenance and expansion. Bankruptcies in small businesses have tripled in the State of Connecticut over the previous year, and this foreshadows serious economic dislocation. Many veterans of World War II, who have established enterprises of sound foundation, have suffered severe business casualties in recent months, arousing serious concern in our State.

Any action by your committee, predicated upon relief for small business, would receive my whole-hearted cooperation during the legislative process, and I am certain the commendation and support of all members of the Congress.

Please be assured that I am grateful for any consideration given to these views by your honorable committee.

Sincerely yours,

JAMES T. PATTERSON,
Member of Congress.

SELECT COMMITTEE ON SMALL BUSINESS OF THE HOUSE OF REPRESENTATIVES,
EIGHTY-FIRST CONGRESS,
Washington, D. C., May 17, 1949.

Hon. JAMES T. PATTERSON,
House of Representatives, Washington, D. C.

DEAR MR. PATTERSON: I am in complete accord with your statement of the situation which confronts the small-business men of this country today. Our committee has under consideration several items of prospective legislation, some of which are as follows:

1. A requirement that small business be given a fair and substantial share of all Government procurement.

2. An increase in the fines for violation of the antitrust laws.

3. Modification of royalty oil contracts providing for premium payments between the Government and independent refiners.

4. A study of a revision of the tax and finance structure for the purpose of producing legislation that will increase venture capital and banking facilities.

5. A bill to establish a Federal statute of limitations on treble damage actions brought for violation of antitrust laws.

6. A study to determine what effective and equitable legislation could be passed to divest certain large corporations and chains of the power of bigness, whether actions are legal or illegal.

I want to assure you that your views will be submitted to our committee and I only wish that a greater number of the Members would view with alarm the situation which you have so adequately and logically pointed out.

Sincerely yours,

WRIGHT PATMAN.

Your Job, Young America

EXTENSION OF REMARKS
OF
HON. HENRY J. LATHAM
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. LATHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by Ralph E. Becker, chairman of the Young Republican National Federation, before the annual convention of the Council of Young Men's Republican Clubs of Massachusetts, April 2, 1949:

YOUR JOB, YOUNG AMERICA

It is a real pleasure for me to be talking to you young people of Massachusetts. We are meeting in convention in a challenging and adventuresome period.

This is a period of confused thinking. Americans and people the world over are confused about human rights, States' rights, and economic rights. People are beginning to define and restrict the word "freedom" so that it means only certain things. To some, the only thing that freedom typifies is the right to breathe free air. Freedom has come to mean that a man should be free of his right to think and act for himself. That's why I'm happy to be in Boston.

Traditionally, this area has typified basic freedom. Such rights as political freedom, constitutional freedom, and economic freedom have their roots deep in the history and soil of Massachusetts.

You may recall that 174 years ago this very month the Minute Men of Lexington and Concord fired the shot symbolizing freedom and liberty which was heard around the world. This was your State's sublime and everlasting contribution to the establishment of our Nation.

Therefore, it is fitting that my theme tonight be about the necessity for young people to participate in politics. Why? Because you must actually participate in politics to preserve these basic and fundamental freedoms which have made our country the greatest country in all the world.

I have traveled the length and breadth of this country for almost 3 years to the extent of over 150,000 miles. This contact with people in all walks of life has convinced me that young people, in particular, still want the type of government that was envisioned by our forefathers right here in Boston.

It is always interesting to hear young people talk about the future. They all want the opportunity to progress according to their own individual initiative. They want the opportunity to earn their own money by hard work. But we must recognize that many young Americans have fallen prey to political Pied Pipers. This group has developed a curious attitude. They say, "We want security and a good job, and the country owes it to us." They don't care what they do, nor how far they sell their souls and their freedom for it.

But on the other hand, there is the other kind of young people who really want to get out and work. They want to make something of themselves, and most of all, their country. These young people are constantly thinking, planning, and working for better things, both for themselves and for all people everywhere.

It is odd that both of these groups of people will call themselves liberals. You should be concerned with the misuse of the word liberalism. As I read and reread my history, I find that our development of the free enterprise system and the meaning thereof has always been representative of the most advanced thought in the world. It has been shocking to people in many foreign countries, and still is. Free enterprise, free initiative, and all of the principles laid down by our political ancestors right here in the capital of Massachusetts, has been the most liberal thought in politics since the beginning of time.

I find people every day calling themselves liberals who would destroy this free-enterprise system, replace it by the same statism and state monopoly or controlled industry, as Truman and his administration proposed for steel, for medicine, et cetera. And what

concerns me about this is that it has attracted youth and young people all over the land and, yes, all over the world, under the guise of the word "liberalism." This is nothing but demagoguery.

In Russia the young Communist leaders recently met in conclave. This is the same Communist Party which operates so effectively right here in the United States under the same name, "liberal." Secretary Nikolai A. Mikhailov called on the young Communists to take a more active role in combating a certain revival of church activity which seeks its influence among youth. He went on to say that the young Communists cannot be neutral about religion, which he says in direct contradiction to science and to this new liberalism. He said the young Communist must increase the propaganda of natural science in combating religion. The word "liberalism" has been much used. This is just one of the groups who are calling themselves liberal today. Watch for it and be on your guard.

The practical facts are, that our Government functions solely through the work of political parties—and inevitably so. Now, these parties, or groups of men, have all the vices, superfluities of life, and virtues with which all men, everywhere, have been endowed by the Creator. The future of our life is ever being decided by political parties.

It is a universal fact that young people are idealistic, ambitious, imaginative, and energetic. It is also axiomatic that they are aware very early of the imperfections of the society in which they live. It is equally a fact that their ambitions and their ideals and the products of their imagination are of absolutely no worth to anyone but themselves, unless they take some action toward putting their ideals and the products of their imagination into effect. Practical application is what counts.

Politics is the dynamo of democracy! The continuous fight of one party attempting to oust the other party will always continue to protect our democratic form of Government and the preservation of the two-party system. It is our generation that must preserve the two-party system.

Let me ask you this: Do you know of any way that you can get something for nothing? When we look at the record of the last 16 years—and some of you will not be able to vividly remember from personal experience the last 16 years—we find that under the "New Deal," the "Fair Deal," and in my estimation, the "fast shuffle," the trend has been to stack the deck against initiative, individual enterprise, and talent. More and more our Go ernment has reached into the lives of people and told them what they should do, how they should do it, and where. It is becoming more and more difficult for young people to achieve the future which has always been the American dream. The only way that you know you can get something is by hard work. No one is going to give it to you.

Take a look at the political record of the last 16 years. Many things were given away in the form of outright relief. There were many wasted dollars and gift dollars. Also look at the national debt and consider that somebody, some day, is going to have to pay for it.

Let me quote Abraham Lincoln. He once said:

"1. You cannot bring about prosperity by discouraging thrift.

"2. You cannot help the wage earner by pulling down the wage payer.

"3. You cannot establish sound security on borrowed money.

"4. You cannot keep out of trouble by spending more than you earn.

"5. You cannot build character and courage by taking away a man's initiative and independence.

"6. You cannot help men permanently by doing for them what they could and should do for themselves."

Therefore, how much has the New Deal given you for nothing?

I don't for 1 minute believe that everyone would not like to get something for nothing if it were possible. Quiz programs on the radio will give you the moon if you will only eat the green cheese. Pyramid clubs, which have been striking the major cities throughout the country with lightning speed, indicate our human frailty of trying to get something for nothing. However, I know, and you know, that there are very few people here in America that would like to have their Government run like a quiz program or a pyramid club. Certainly, no one honestly believes that a government can be run that way.

You young Republicans can find some wonderful examples right here in Massachusetts. The Congress of the United States has been served, and is being served, by no more distinguished and able men than your Senators LODGE and SALTONSTALL, and our good friend, the Honorable JOE MARTIN, the former Speaker of the House and the present minority leader in the Eighty-first Congress. I could not pass by this opportunity without at least mentioning the names of your other representatives in the Congress who also are doing a magnificent job—JOHN W. HESELTON, Mrs. EDITH NOURSE ROGERS, GEORGE J. BATES, ANGIER L. GOODWIN, DONALD W. NICHOLSON, CHRISTIAN A. HERTER, and RICHARD B. WIGGLESWORTH.

We also have a most capable and dynamic leader at the helm of the Republican National Committee in HUGH SCOTT. He is a real fighter and those of you who saw him in Boston recently know first-hand that he is a real fighter which is just what we need in our party. It is a great pleasure to work with him and I am glad to report to you that he is cooperating in every way with our young Republican program and its leadership.

We young people do not need something for nothing. We have the enthusiasm, the talent, the ingenuity, and the ideals to build our own individual lives, and to build our great country into something magnificent. In order to do this, we must be allowed to use these talents and to spend our energies in a system and spirit of free enterprise.

Senior leaders of the Republican Party are turning to the young people for guidance and help. They realize that young people are the growing hope of not only the Republican Party but of the country. We now, in effect, have the complete job in our hands to do. It is up to us, ladies and gentlemen, to take the action.

I think your great Bostonian, Justice Brandeis, was absolutely right when he said: "The greatest menace to freedom is an inert people. * * * Public discussion is a political duty. * * * This should be a fundamental principle of the American Government."

We must take our country out of the mire, the rut, and the socialism of state enterprise that restricts or curbs individual ingenuity, and preserve the great country which was envisioned right here in Boston almost 200 years ago. Our famous New England forefathers believed in this dignity of the individual and his intuitive ability and the freedom of the mind. The old, old traditions instilled with the young enthusiasm of ours can take us a long way. Let us not shirk our duty. Let us continue on our way, and we can and will be an enormous power.

At this point let me give you a few facts in terms of the number of young people who are of voting age. At the present time there are 46,000,000 voters between 20 and 39 years of age in the United States. This is over 50 percent of all the eligible voters. There are 2,500,000 college students in the country, of whom 65 percent are qualified to vote. This vast group represents a great potentiality of present votes, and a potentiality which will increase as years go on.

No person younger than 38 has voted for a winning Republican President. No person eligible to vote for the first time in the next election will have even been alive the last time a Republican President was elected. There is a deep and vital need to interest and hold this group of young people, and there is no other instrument of the Republican Party equipped to reach them except the young Republican movement and its component clubs.

We young Republicans of today are destined to be the future leaders and creators of good government. The future is increasingly in our hands, so let us use our hands well.

Let us then state our principles clearly. Let us stand squarely on them. Let us young Republicans work hard for the right of the individual and the dignity of man. Let us not only exercise our rights but let us assume the duties imposed by those rights. Let us go to work for a greater America now.

The Veteran's Stake in Reclamation

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mrs. DOUGLAS. Mr. Speaker, after every war that has engaged this country, from colonial times to World War II, we have said that veterans ought to have every chance to get a farm that it is possible to give them. Of course, no one proposes any change in that declared policy. But it is not enough that we leave our formal declaration on the statute books. We are in danger of overlooking ways to make our national reclamation program serve effectively as an instrument to provide qualified veterans with farms. Veterans are trying to point this out to us.

Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement to the Eightieth Congress, dated May 21, 1948, made by Mr. M. C. Hermann, quartermaster-adjutant, department of California, Veterans of Foreign Wars of the United States. Mr. Hermann defines the interest of veterans in reclamation, not only in the Great Central Valley of California, but in all of the Western States. I think we should give serious consideration to what he says here and to these views of the Veterans of Foreign Wars.

The statement follows:

My name is M. C. Hermann, and I speak as quartermaster-adjutant, department of California, Veterans of Foreign Wars of the United States. Our department has membership of more than 100,000 veterans, all of whom have seen foreign service in the armed forces. My office is at 107 Veterans' Memorial Building, San Francisco.

Before urging your committee to appropriate for the United States Bureau of Reclamation as generously as you can see your way to do—for reclamation is a productive investment, not a wasteful expenditure—I want to say just a few words about the validity of the stake of veterans in reclamation, particularly in reclamation of the Central Valley within my State. I feel it is necessary to do this, because in reading the news dispatches coming out from Washington, and in examining the propaganda in

California of those who are attacking reclamation by seeking to undermine the bureau personnel, and otherwise to obstruct enforcement of the law, it is apparent that Senator DOWNEY and some others wish Congress to believe that the interest of veterans in reclamation is something trumped up, and that we are misled in thinking that reclamation law has something to offer veterans.

In a country which from colonial times has used land to recompense its veterans, it seems hardly possible that anybody would seriously entertain the thought that a great program of watering arid land, with provisions carefully drawn to spread the benefits and stop speculation, is a program of little interest to veterans. Yet you are asked to believe exactly this, and it seems fitting to say a few words about it now, when you are deciding how much money to appropriate for reclamation, and whether to tie strings to that appropriation which would pull from office * * * the particular officials who have been distinguishing themselves by their adherence to the principles of reclamation law.

Except for the fact that I have read in the published record of previous hearings on acreage limitation a number of the things which Senator DOWNEY has to say on the subject, I could not believe that the Washington staff writer of the Sacramento Bee was telling the truth when he reported on May 11, 1948, that "DOWNEY maintained that only about 700 farms suitable for veterans could be carved out in California from excess lands, and said the Bureau was issuing propaganda about the break-up of lands to secure veterans' support."

We are glad to have from so distinguished an opponent this much of an admission, that there may be even 700 farms for veterans at stake in this great issue of sustaining and enforcing acreage limitation and reclamation law. For the sake of 700 veterans and their families, the Veterans of Foreign Wars are willing to take up the cudgels anytime, anywhere.

But we wonder whether the Senator seriously expects us and seriously expects you to believe that in protecting reclamation law there are only 700 farm opportunities for veterans at stake.

From previous statements by the Senator, and from observation of his habitual technique of concealment of the magnitude of the public stakes in this issue, I assume that his figure of 700 farms is arrived at from consideration of the extent of excess landholdings in the first unit only of the Central Valley project. Assuming for the sake of argument that his estimate is correct for the first unit only, then it appears that he hopes we will conveniently overlook the fact that the full reclamation of Central Valley will bring water to around 3,000,000 acres not now irrigated; and the additional fact that in areas ultimately to be irrigated, as everybody in California knows, are very substantial stretches of excess landholdings. That particular stake of the veterans in California we are expected to overlook.

But we are interested, also, in the excess landholdings on many reclamation projects that lie outside California, and in the excess landholdings on projects not yet under active development. We expect to protect veterans' rights on excess landholdings among the millions of acres to be irrigated in the Missouri Valley. So to us it doesn't seem quite frank that you should be told there are only about 700 farms for veterans at stake, and that veterans' organizations, in fighting to maintain reclamation law, are simply misled innocents. The truth is that we are fighting for huge acreages upon which we hope that veterans may farm, acreages so widespread and so great that we have not yet been able to attach a proper number to them, even as an estimate.

I can understand why these opponents of reclamation want you to think that the number of veterans to be hurt by amending the reclamation law is only a few—I do not think that 700 veterans are only a few—but their own record makes it crystal clear that what we are debating is the question: What are to be the chances of veterans in valley after valley, from North Dakota to Texas to the Pacific coast?

This is not the fiction of my imagination. It stands on the record as the opponents of reclamation themselves have made the record. They strive to conceal their motive of repeal by calling their attempts "exemptions," and by other devices, but the record totals up to "repeal." They began their campaign for exemptions in Colorado. Then they moved their attack to Nevada. Next they assaulted the first unit of the Central Valley project, using the ill-fated Elliott rider. Now they are trying to make a wider breach, and hope to logroll their way through the defenses of reclamation by tossing in at one and the same time exemptions in California, Colorado, and Texas.

Not satisfied with working for exemptions from the reclamation law itself, they have already begun to extend their sapping operations to the reclamation clauses which Congress insisted on placing in the Flood Control Act of 1944. A few days ago the San Francisco News exposed this move, which is included in the new river and harbor bill, just reported to the House by the Public Works Committee. The News used the headline: "Sneak reclamation attack bared." The project is in Texas. We ask the Congress not to let its own legislation, written into authorization bills, to be undermined by this new tactic.

Whenever open hearings have been held, Congress has been unwilling to repeal the reclamation law. Having failed through open hearings, the opponents of reclamation now are trying to make as unpopular as they possibly can, through one-sided hearings, these particular officials who insist on taking seriously their oaths to support and defend reclamation law. As we in California well know, the desire to make a breach in enforcement of reclamation law, by threatening the job of officials with the courage and will to enforce it, underlies the request made recently to your committee by Congressman HARNESS. His flimsy disguise of requiring that certain offices be filled by qualified engineers does not conceal his pin-point bombing of those key reclamation officials who take their obligations to the law and the people seriously.

We think that officials ought to be commended for enforcing the law, and for informing people of their stakes in the law. The veterans have gradually been learning that their stakes in preserving both the letter and the enforcement of reclamation law are high, probably just about as high as are the stakes of land monopolists and speculators in tearing it down.

We ask you to support officials who dare to enforce their fundamental laws, and to reject the flimsy and partisan attacks which seek to replace them with men who may be more complaisant.

In conclusion, I want to present excerpts from two resolutions passed by our national encampment at Cleveland in 1947. The first one reads:

"Resolved, That the Veterans of Foreign Wars of the United States ask Congress to apply the reclamation law to every publicly financed irrigation development, and to authorize Government purchase of excess landholdings under the 160 acre water limitation, in order that the existing veterans' preference may be changed from an empty gesture into a measure of prompt and substantial help to large numbers of veterans; and be it further

Resolved, That we protest any administrative relaxation of the 160-acre limitation under pressure, whether it be a weakening of the law by acquiescing in mere technical compliance, or by interpreting it to permit publicly financed water for 320 acres to man and wife, which is an obvious distortion of the original intention of Congress, and an injustice to those veterans and others for whom acreage limitation was intended to create opportunities to farm.

The second resolution reads:

"Whereas special interests which seek to avoid enforcement of the 160-acre water limitation of the reclamation law in Central Valley of California are making deliberate use of the Army Engineers as a tool to accomplish their purpose: Therefore be it

"*Resolved,* That the Veterans of Foreign Wars of the United States ask Congress to enact legislation that will place all water resource development in the Central Valley unequivocally under reclamation law and charge the United States Bureau of Reclamation with sole and entire responsibility for enforcing the law."

Gentlemen, * * * we think that these resolutions cover the old dodges, specifically. In spirit they cover the new ones, too, including the proposal that you pass a rider to drive certain officials from their posts. The propaganda of special interests in California against the law and its officers is tremendous. We believe that officials paid from the Public Treasury ought to be able to tell the people about the law, too, and without fear. We veterans want reclamation officials who will not keep silence when their law is being undermined. We oppose the attempt to force silence upon them through fear of losing their jobs. We are astonished that anyone would propose to Congress that it ought to place a premium upon nonexecution of the law. * * * May we count upon you to protect reclamation from every attack in whatever guise?

Whose Business Was It?

EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 19, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Fulton Oursler from the Reader's Digest for May 1949:

WHOSE BUSINESS WAS IT?

(By Fulton Oursler)

When a woman jumped, one summer's day, from a high window of the Russian consulate in New York, the crash of her body on the pavement was heard around the world. But at that time the world heard only a part of the truth.

No outsider knew that Madame Oksana Stepanovna Kasenkina would never have taken that spectacular leap if a young Connecticut farm wife and her brother, a novice lawyer, had not first intervened in an affair that seemed to be no business of theirs. This brother and sister set in motion a chain of events whose climax did more than anything else, before or since, to bring home to Americans the reality of Soviet duplicity and ruthlessness.

Now, with their permission, the story can be told.

It begins in a farmhouse at Ridgefield, Conn., on August 8, 1948, a sultry Sabbath morning.

Home from early church, the family surrounded the breakfast table, where Daniel McKeon was dividing Sunday comics among the children. Louise, blond young wife and mother, scanned the New York Times. "A terrible thing is happening" she suddenly

exclaimed, and read aloud from the front page. On Saturday, a 52-year-old widow had been kidnaped by Soviet officials from an estate near Nyack.

"Just listen to what went on!" gasped Louise.

Ten days before, Madame Kasenkina, in this country to teach the children of Russian delegates to the United Nations, had been ordered to return to Moscow. Her passage was arranged on the Soviet steamship Pobeda. Instead of going aboard, she hid herself. When the vessel sailed without her, she fled for protection to Valley Cottage, home of the anti-Communist Countess Alexandra Tolstoy, aging daughter of the great novelist. Madame Kasenkina's purpose was to remain in the United States and become a citizen. But Soviet raiders pounced on her sanctuary, and now it was feared she was being shanghaied to Russia, to be liquidated.

These accusations were denied. According to Jacob M. Lomakin, Soviet consul general, who now was holding the woman under "protection" in his New York house, he had merely "rescued" her from bondage in the household of Countess Tolstoy. Known to newsmen as a churlish fellow, the dour-faced Lomakin was today all smiles. He protested that he wanted everybody to know the whole truth.

Reporters crowding his office were introduced to a pale-faced woman garbed in black, with red rings around her brown eyes. Lomakin said:

"Here is Madame Oksana Stepanovna Kasenkina. She came with us willingly. She wants to go to Russia."

These assertions were obsequiously confirmed by the woman herself. To experienced newspapermen, however, her assent seemed only an act of terrified obedience; they noticed her uneasy glances, her frightened air and plucking hands.

On that humid Sunday morning, this same ugly news story was being read in millions of safe American homes, yet it did not occur to any of us that we should or could do anything about it.

But Louise McKeon, looking across at her husband, was deeply moved:

"Prisoners of Russian officials always agree with their jailers. There are horrible ways of making people do that. I believe that woman is really going to her death."

"Probably," agreed her husband.

"Won't anything be done about it?"

"Well, after all, that consulate is technically Soviet territory——"

"Why don't we do something about it?" blazed Louise.

Dan McKeon blinked in astonishment. A new light was shining in his wife's eyes, a glow of dedication. With all her duties as mistress of a large house, mother of six children, and with club and church duties besides, why was Louise McKeon thus suddenly on fire? As the explanation dawned on him, Dan smiled. This was what came of talking recently to one of their oldest friends, Father James Keller, founder of the Christophers, who goes about inspiring ordinary people with his belief that they can by selfless acts bring about extraordinary changes in the world.

"But what can I do?" Louise had asked Father Keller. "A busy housewife, buried in Connecticut, can't help change the world."

"I don't care if you are buried in Alaska," Keller had replied. "Drop that feeling of personal futility and just try something sometime. When you do you will not be alone; the good Lord will be right there helping you."

And now, on this Sunday morning, Dan McKeon realized that for his wife this moment was her "sometime" and she was going to try something.

"But what can you or I possibly do in a case like this?" he argued. "Only the State Department can deal with Soviet Russia."

"Just the same, I'm going to do something," cried Louise. Dan McKeon rose and put his arms around her. "All right, darling, I'm with you," he said. "Now let's see—what could we do? * * * Why not talk to your brother about it? Pete's a lawyer. And he's coming up from New York today."

Now Peter W. Hoguet was a very new lawyer; only a year out of law school, he had just recently passed the State bar examinations. When he arrived at the McKeons' home they found that he was as indignant as they about the Kasenkina case. However, he didn't see that there was anything he could do.

"But no American could kidnap another American and get away with it, could he?" Louise argued. "Are Russians allowed to break our laws?"

"Sis, it's not our business."

Louise McKeon's retort was a searching question: "Well, if it's not our business, whose business is it?"

Peter Hoguet shrugged and gave no answer—then. But on Monday night as he rode the train back to Manhattan the question would give him no peace: "If it's not our business, then whose business is it?" Tuesday morning he dropped in on a friend, an experienced attorney.

"Women get queer ideas, don't they?" Peter began, offhandedly, and told of his sister's excitement. But the other man exclaimed: "She's right. Whose business is it—if not yours?"

From that moment young Peter Hoguet found his days a living melodrama.

First he decided to rely on a principle in law older than Magna Carta—habeas corpus ("that you have the body"), which is the right of any citizen believing that another is illegally detained to bring that person into a court of justice where the facts may be ascertained.

Rather than sue alone for such a writ, it would be more impressive, Peter felt, for him to appear as representative of some patriotic organization. Accordingly, he went to Christopher Emmet, of Common Cause, Inc. With Mr. Emmet's cooperation, the application was drawn, and on Wednesday afternoon Peter Hoguet held his first professional conversation with a judge in chambers; to Justice Samuel Dickstein, of the New York Supreme Court, he offered papers alleging that a woman was being held against her will in the Russian consulate "through power, deceit, and terror being exercised upon her."

So cogent were his arguments that when he left he clutched a document commanding Jacob M. Lomakin, Soviet Consul General, to be in Manhattan Supreme Court at Foley Square at 10 a. m. the following morning, Thursday, and to have with him "the body of Oksana Stepanovna Kasenkina by you detained and imprisoned, as it is said."

Now all Peter had to do was to lay hands on Lomakin, one of the most elusive men in New York. He studied newspaper photographs, to fix in memory the image of his quarry—lean, pale face; jutting, cliffiike brow; eyes like deep cisterns, almost empty of light.

In legal protocol a lawyer of record does not serve his own summons. So Peter called a friend, another young lawyer, Hugh Donohue, New York commander of the Veterans of Foreign Wars.

Their rendezvous was the lobby of the Hotel Pierre at Fifth Avenue and Sixty-first Street, across the street from the stately marble-front mansion occupied by the Soviet consular staff. Almost at the instant of their arrival, as if unseen forces were already helping, a black limousine drew up before the consulate, and a lean, pale man with jutting forehead sprang to the sidewalk.

"Lomakin!" cried Peter. The writ was in his pocket; no time now to pass it to Donohue; legal etiquette would have to go hang. Peter ran across the street as a cluster of reporters deployed around the Russian consul. Furious at the ambuscade, Lomakin raked his pockets and belabored his own doorbell; lucklessly for him he was without a key. Peter sprang up the marble steps, brandishing his paper.

"Mr. Lomakin? This is a writ of habeas corpus for Mrs. Kasenkina."

Lomakin locked his hands behind his back. But Peter pushed the court summons down inside the consul's buttoned coat. Lomakin seized the detested thing to throw it into the street, and that angry act betrayed him; the order of the court was in his hands.

"Mr. Lomakin," exclaimed Peter, mopping his face, "you are now served. I'll meet you in court."

At 10 o'clock next morning the youthful attorney appeared in Foley Square. He, who had never before had a case, found himself surrounded by cameramen. In the courtroom he assembled his witnesses, Countess Tolstoy and her associates from Valley Cottage. But where were Lomakin and Madame Kasenkina? Would the Russian official disregard an order of the New York Supreme Court?

When Justice Dickstein appeared on the bench, Peter Hoguet arose and announced: "Your Honor, I am ready to proceed."

But Russia was not ready. Indeed, it looked as if Peter Hoguet was beating his head against an iron curtain. In Washington the Russian Ambassador, Alexander S. Panyushkin, had declared that the entirely inadmissible assumption that Lomakin could forcibly detain Madame Kasenkina was incompatible with the dignity of the consular office. And the United States Department of State had telegraphed Gov. Thomas E. Dewey, suggesting that Justice Dickstein defer further action. To this plea Justice Dickstein agreed for two wholly sensible reasons:

1. Word had been received from Lomakin that he needed time to consult with his embassy. Under the fair play of American courts he was to be given that time.

2. There was need to consult with the State Department on whether Madame Kasenkina had been brought to this country under diplomatic privileges or as a mere consular employee. That technical point might determine the whole issue.

What the judge did not know, nor did Hoguet, was that a Soviet ship was to sail at midnight of this same Thursday; within a few hours, Madame Kasenkina was to be shipped out. Then the habeas corpus writ could never be enforced.

Madame Kasenkina knew that she was to be a passenger on that ship. While Peter Hoguet stood glum and forlorn in court, the pallid woman in the case was being held in a third-floor room of the house on Sixty-first Street.

Through an open window came the noises of the city: cars, trucks, the shrill voices of children in Central Park nearby. Fantail pigeons fluttered on her window sill, but Stepanovna did not see. Overcome with lassitude, lost in a mental cloud land, she slumped in a rocking chair. She has told friends that she scarcely heard the music coming from a portable radio on the bureau. If guards had suspected that Madame Kasenkina understood a little English there would, of course, have been no radio in the room.

Madame Kasenkina's mind had gone back to the year 1937. In those days she was a teacher in a biological institute in Moscow and her husband was also a science teacher. In the middle of night, heavy blows on the front door aroused them from sleep; Soviet troopers broke in, seized her husband and dragged him off. She never saw him again; never even learned his offense.

From that moment Madame Kasenkina dreamed of escape from the Soviet Union. But she had gullefully concealed her hope

as she played the role of a fanatic servant of the totalitarian state. At last she had been brought to the United States. She had determined never to go back to Russia. Yet, here she was, trapped like an animal—and, so she believed, no one, anywhere, cared what happened to her.

Presently she stood up and walked to the window. Looking out toward the street, she saw a sight that startled her, even in her misty state of mind. A crowd was staring at the front of her prison house. Police had to hold them back. What had brought all those people here? She must try to understand, try to clear her head. Last night a nurse had come to her bedside, thrust a needle into her arm, spurting into her veins the narcotic often used by Soviet police. Under its influence the mind of the drugged person becomes a dream world and all resolution fails; it was the purpose of the drug, Madame Kasenkina has stated, to break her will.

Still blear-eyed from the dose, confused when she so desperately wanted to think, Madame Kasenkina swayed dizzily toward the bathroom. She fumbled with the cold-water spigot, bent over and splashed the chilly stream over head and cheeks. Now she began to think more clearly. Again she started toward the window, when she heard a voice from the radio uttering her name. What was the man saying, the newscaster with the excited voice? Intently she listened, hearing her name repeated, mispronounced but unmistakable. She was overpowered with emotion. A little part, at least, of what she heard she could translate.

There had been court action on her behalf. This news rekindled her mind and soul. Now she knew why crowds filled the street below. She was not abandoned; the fate of an individual still meant something in America. Somebody had tried; somebody did care. All those people cared.

In that ineffable moment of realization, Madame Kasenkina was inspired to any sacrifice that might blazon the truth unmistakably to the people. She turned resolutely to the open window. Leaning far out on the projecting ledge she looked down three stories to the concrete pavement of a walled-in yard. It was a moment of Gethsemane. Two floors below she saw a telephone line strung across the court. She aimed her body at that wire, and jumped. The wire, though it nearly severed her hand, broke her fall and saved her life.

All America knows the rest of the story. From a bed in Roosevelt Hospital, the crippled Madame Kasenkina was a more effective witness against tyranny than she ever could have been on a witness stand. And with what world-stirring results.

Consul General Lomakin had to leave this country in disgrace. Other officials were also called home. In the pillory of international news they, and the mighty Molotov with them, had been exposed as arrant liars. Not only in the United States but throughout Europe the Kasenkina case galvanized public opinion against Soviet lawlessness.

Today, Louise McKeon knows that her old friend, Father Keller, was right; that a single individual can set far-reaching events in motion. The pattern of her brother's life is altered too. Putting aside his ambition to have a private practice, Peter Hoguet has taken a Government post in Washington.

And Madame Kasenkina? Wounds and broken bones largely healed, she now lives in retirement in a lonely corner of Long Island, and spends her time writing a book of her experiences for those whom, one day, she will be able to call her fellow Americans. Never again can she feel alone; for she is one in spirit with all those who, like herself, would offer to die that freedom may live.

Pacific Northwest People Do Not Want CVA

EXTENSION OF REMARKS
OF
HON. HARRIS ELLSWORTH
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. ELLSWORTH. Mr. Speaker, the proponents of the proposal to bind most of five States in the Pacific Northwest in the chains of a Columbia Valley Authority are apparently attempting to make us believe that the people of those States want this legislation passed. Nothing could be further from the truth. The Governors of the five States all oppose the CVA. Many leading newspapers are actively opposed to the CVA and most newspapers have printed editorials either expressing doubt about the advisability of it or in opposition. Nearly all of the Chambers of Commerce of the region have voiced disapproval of CVA and numerous regional organizations have been outspoken against it. The Legislature of the State of Oregon in the 1949 session overwhelmingly defeated a proposed memorial to Congress favoring CVA.

Mr. Speaker, under leave to extend my remarks I wish to include the following editorial printed in the Portland Oregon Journal, January 7, 1949. The Journal is one of the great newspapers of the West:

A CVA NOT THE ANSWER

President Truman will find no quarrel with residents of the Pacific Northwest when he says "we must push forward with the development of our rivers for power, irrigation, navigation, and flood control." He is talking our language.

Nor will the President get any argument in this region over the necessity for basin-wide development of the Columbia River. That, too, has been our objective for, lo, these many years.

When he says, however, that "we should apply the lessons of our Tennessee Valley experience to our other great river basins," he will find plenty of argument from the Pacific Northwest if by that he means that he favors a TVA or regional authoritarian type of development for the Columbia Basin.

The question of a Columbia Valley Authority has bobbed up again and again in the past 10 years. It has been advocated in various forms by former Secretary of the Interior Ickes, former Senator (now Representative) Mitchell, former Senator Bone, of Washington, Senator Taylor, of Idaho, Representatives Horan, Smith, and Rankin, and others.

While these proposals have ranged from the independent superstate type like TVA (with control not only of power development, flood control, navigation, and irrigation, but also of schools, highways, various industries, and social work) to an advisory agency representing local interests, there has never been agreement. And bills implementing these proposals have gotten nowhere.

Frankly the Journal does not believe, until he clarifies the point, that President Truman favors another TVA for the Columbia, Missouri, and other basins. Two years ago when he recommended a $250,000,000 program for Missouri Valley, he indicated that he expected the program to be carried out by the Army engineers, the Bureau of Reclamation, and the Soil Conservation Service of the Department of Agriculture, much as Columbia Basin projects are handled.

The President also made it clear that speed, rather than involvement in ideological arguments over the administrative pattern, was the important thing. He seemed to favor the Missouri Basin Interagency Committee as a democratic compromise. And it may be assumed, until he indicates a change of heart, that he favors the same sort of approach (through the Columbia Basin Interagency Committee) for the Columbia.

The inter gency committees, composed of field representaties of the interested Federal agencies, with the governors of the varicus States as advisers, have done much to alleviate the conflicts between such agencies as the Army engineers, the Bureau of Reclamation, the Departments of Agriculture and Commerce and to unite these regions on a basin-wide development program. The Missouri Valley committee, quite frankly, has done a better job than the Columbia Basin committee because the Governors of Missouri Valley States have taken a much more active part in committee deliberations.

The Columbia Basin Interagency Committee would be materially stronger and more useful in evolving a comprehensive and unified river-development program if the governors of the various Pacific Northwest States were made actual, rather than advisory, members of the committee, and took more active part in its deliberations. If advisory members were then named from organized agriculture, industry, and labor, we would have something workable and locally controlled. And there would be less agitation for a super-State type of authority such as TVA.

A Columbia Valley Authority is neither wanted nor needed in the Columbia Basin.

Who Do You Believe?

EXTENSION OF REMARKS
OF
HON. THOMAS A. JENKINS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. JENKINS. Mr. Speaker, the Athens Messenger of Athens, Ohio, asks, "Who do you believe?"

The editor of this widely read newspaper sets forth some very interesting sentences in an editorial on this subject which appears in a recent issue of that paper.

This editor is an intelligent man and his paper has probably a wider circulation than any paper in the country published in a city of less than 10,000 population.

This is the editorial:

WHO DO YOU BELIEVE?

The present clash between Herbert Hoover and a Federal bureaucrat over social security funds needs clarification. The ex-President says the worker will have to pay twice for this beneficence, while the do-gooder says Mr. Hoover does not know what he is talking about when he warns against creeping socialism.

Mr. Hoover points out that because the Federal Government is using social-security funds for operating needs and replacing the borrowed funds with Government bonds, we will have to pay for social security twice. First there is the pay-roll tax called social security and second we must pay off the bonds with general taxation. The social security

director insists Mr. Hoover does not get the point in the new program, he does not understand modern social ideas.

It seems to depend on how you feel about socialism in its various aspects. Some people seem to have the idea that pay-roll taxes are not taxes at all nor are they burdensome. As a matter of fact they are passed on to the people in the form of higher prices and increased wages, which bring higher prices. But the serious thing, in the minds of most of us, is the fact that the social-security collections are not available to those who pay it in. Right now Americans are paying more into the fund (which is replaced by I O U's in the form of bonds) than is being taken out, but in a few years experts say this will end and the Federal Government must then redeem its bonds and to do this, the taxpayer must provide the money.

This is the sort of financing that those who favor advanced social ideas have been able to carry out because the whole thing is so befogged and hidden behind Federal screens the people who expect to profit by social security believe they are going to get back the money they pay in. They will get this money back but they will pay it twice instead of once if Herbert Hoover is right. And nobody in Washington can be found who will not admit the ex-President has made the most thorough study in Goverment operation in a century.

Basing-Point Decision Important to Worcester

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD to include therein a recent very timely and well-considered editorial which appeared in the Worcester (Mass.) Telegram on the question of the basing-point decision.

There is pending before the House a bill introduced by me to clarify this decision and therefore this editorial is particularly significant.

BASING-POINT DECISION IMPORTANT TO WORCESTER

The United States Supreme Court last week upheld a Federal Trade Commission order which outlawed the basing-point pricing system for rigid steel conduit manufacturers. The manufacturers are in the Mid-West but the decision could have as immediate an effect in Worcester as in Pittsburgh or Cleveland.

"Basing-point," in and out of the news for the past 2 years, is the simple device by which a manufacturer averages out the freight charges in figuring the selling price of his manufactured product. Then he sets a uniform delivery price, so that the buyer in a distant city pays the same as the buyer in the very city where the manufacturing plant is located.

The method was outlawed for the cement industry in a Supreme Court decision handed down last year. Since that time the steel industry, the major industry using the basing-point system, has been seeking to test whether the ban would apply to it also. This decision on the conduit manufacturers could be the test the steel industry sought.

The Federal Trade Commission ruled that the conduit manufacturers—as the cement manufacturers did before them—violated the Fair Trades Act by fixing prices in restraint of trade.

Since the Cement decision, the steel industry has been using the f. o. b. delivery system, awaiting such a test before the Nation's highest tribunal. It would appear at this point, that the f. o. b. system will have to remain in effect.

This means that steel delivered in Worcester costs more than steel delivered in any one of two dozen major manufacturing cities located nearer the steel-producing plants in Pennsylvania, Ohio, and Illinois and that it costs more to sell Worcester-made steel products in the major distant markets of the country. It puts Worcester, indeed all of New England, at a technical competitive disadvantage which could seriously affect jobs. Two bills now before Congress call for the legalizing of the basing-point method.

Effects of the decision will not be felt immediately. Gradually, through the years, there will probably be a shift of manufacturing emphasis in the heavy industries. One of two things could happen in this natural evolution: steel-producing industries could decentralize toward the steel-using markets (of which Worcester is one) or the steel-using industries could move toward the steel-producing centers.

Address of Hon. George J. Bates, of Massachusetts

EXTENSION OF REMARKS
OF
HON. CARL VINSON
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. VINSON. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include an address made by the Honorable GEORGE J. BATES, Member of Congress, at the ceremonies incident to the commissioning of the U. S. S. *Salem* at Boston, Mass., on May 14, 1949.

Admiral Denfeld, Captain Daniel, officers and members of the crew, ladies and gentlemen: Since most of my life has been interwoven in the development of Salem, I am particularly pleased to have this opportunity to participate in the commissioning of this modern cruiser perpetuating the name of Salem.

The Navy, and the people of America who are its stockholders, are proud of the great seafaring tradition which had its inception in the port of Salem, and which in the early days, was the principal source of our earliest maritime power. There lies the legend of American prowess on the seas. From that port sailed our early privateers, the ships which helped to win our freedom in the Revolution. At the beginning of the Revolution, there was no American navy.

It is well for us, on this occasion, to pay tribute to the men of old Salem who wrote such outstanding chapters in the city's maritime history They were men of daring initiative, willing to take risks and whose skillful execution brought great success. These men organized the shipbuilding industry in old Salem and brought in the greatest shipbuilders. Most of the vessels used in the Salem trade were built in Salem. They came and went from Salem, and were in charge of Salem masters with crews from Greater Salem. They were men who were proud of their home town and contributed in many ways to make it one of the leading communities in the Nation. They brought great wealth to Salem and made it a great maritime and world market center. These were the captains and the seamen who played such vital roles in the Revolution and made it possible for the United Colonies to be free and independent. These early merchantmen suffered much as they were plagued with ferocious pirates and lawless privateers haunting the trade routes of the world. Hundreds of American merchantmen were seized in their own harbors and carried off before the eyes of their owners who could only stand by in speechless rage and sorrow at the loss of the labor and investment.

The old sea chronicles of Salem are filled with episodes of misfortune, encounters, battles, and escapes. The soaring men and boys of Salem had never known peace or safety on blue waters. When danger threatened their country, the men of New England, and Salem particularly, swiftly and eagerly turned to the building of privateers as a weapon to harass and injure the foe. Such men as these were trained in a stern school to fight for their own. When the time came they were also ready to battle for their country. Salem sent to sea 158 privateers during the revolution. They carried 2,000 guns and were manned by more than 6,000 men—a force equal in number to the population of the town of Salem. These vessels captured 444 prizes, or more than one-half the total number of prizes taken by all the Colonies during the war. Their astonishing adventures were all in a day's work and were commonplace to the actors. The merchant explorers and fighting seamen of old Salem sailed where no other ships had dared to go. The chronicle of its past greatness afloat must be cherished as a previous asset and illustrious heritage as we salute the new *Salem* of the new era, confident of the glory and accomplishment that will be hers in the years to come as she sails the seven seas with the Stars and Stripes, symbolic of free democratic people, flying high.

In this age of speed, atomic energy, and twentieth-century progress, it is well to recall the deeds of a race of red-blooded Americans who won the honor for the flag and renown for the city and Nation during the era of its struggle for very existence. The records written by these men who made Salem one of the most famous ports of the New World a century ago are more than local annals. They are a brilliant chapter of American history.

During the war years, occasions such as these never failed to stir our hearts because the connection between the event and the ultimate defeat of the enemy was readily seen. In these years of uncertainty such occasions appear, of necessity, much less frequently. Their dedication, however, is nonetheless pertinent—dedicated as they are to the ultimate winning of the peace throughout the world.

This modern cruiser, upon whose decks we stand today, reflects the handiwork of the men and women of the Fore River Shipyard. Like the humans who created her, she must have a name. The world will know her as the U. S. S. *Salem*, a name she will bear with pride. We are all proud of her, and I know we will follow her career with a paternal interest, as she becomes a unit of the greatest navy in the world. She is the third of a class of three cruisers who have the distinction of being the heaviest "heavys" in the world and is comparable in size with some of the famous dreadnaughts of the First World War. This colossus of steel and skillful planning will be unsurpassed by anything afloat, in modernity, efficiency, and seaworthiness.

She is a completely air-conditioned warship designed to increase the fighting efficiency of her crews and to improve living conditions on board.

Among the primary tasks of ships of this type, as vital today as they have ever been, are the protection of our trade upon the seas.

and the seizure of bases from which our soldiers and our airmen can effectively operate against the enemy. This protection of our sea-borne commerce and seizure of overseas bases, against enemy-organized resistance, are tasks which the Navy, and only the Navy, can accomplish.

The Fast Carrier Task Force, of which this cruiser will become a part, is the most flexible, mobile, and economical weapon we have. It establishes the conditions under which long-range amphibious operations are possible, and no other agency of the armed forces is able to establish those conditions. Measured by any standard, hits per gallon of gasoline, hits per pound of plane weight—reflected in time and effort of airfield construction, hits per dollar invested in flight crews, hits per hour flown, and above all, in hits per ton dropped, the aircraft of the Fast Carrier Task Force were superior weapons.

If unfortunately we should become involved in another great war, we will undoubtedly have better and more powerful weapons, but the over-all strategy will probably not be very much different than in wars of the past, for the ultimate objective will be to break the will of the enemy to resist; in simple words, to make him cry "Quit." New weapons will engender new tactics to a degree, but we must remember that new weapons have definite limitations and that push-button warfare is not here. There is no cheap and easy way to win wars, and we cannot place too much reliance upon unproved weapons. No one, I am sure, is justified in predicating our present conduct upon an uncertain future. It is far better for those in whose hands rests the military security of the country to stand on the firm ground of demonstrated capabilities and, rising to their tiptoes, to see as far toward that future horizon as they can. This is a far better method than going to a soothsayer or looking into a crystal ball to establish a pattern of conduct upon which the security of the Nation may depend.

Here on this continent our forefathers established a system of government, and a way of life which has proved to be the world's greatest contribution to human freedom and the dignity of man.

It must not perish.

With the greatest combination of sea/air power that the world has ever known, forged stronger and stronger through the addition of modern warships like the U. S. S. *Salem*, we can best insure that it shall not perish.

As our paths turn homeward and the bow of the *Salem* points toward the open sea and world, we leave Captain Daniel and his men with sincere wishes for smooth sailing and good luck from Americans everywhere, confident that under divine guidance, the new *Salem* today is destined to a career of service and glory matched only by the rich traditions of old *Salem*'s maritime history. God speed you and guide you.

Missouri Governor Punctures Poor Joke

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith an editorial which appeared in the Saturday, May 21, 1949, issue of Labor entitled "Missouri Governor Punctures Poor Joke":

MISSOURI GOVERNOR PUNCTURES POOR JOKE

Judging by an article in the St. Louis Post-Dispatch, we think Missouri's Democratic Governor Forrest Smith deserves a word of commendation.

The chamber of commerce of the State's capital, Jefferson City, gave an elaborate dinner, with various skits which were supposed to be funny.

The feature of the evening was a shabbily dressed man. He was to come in three times, putting on an act ridiculing the Governor's past attempts to get bigger pensions for more poor old people in Missouri.

Governor Smith saw through the intended ribbing when the man made his first appearance, and hit at that brand of fun-making.

"I think it is poor taste for capitalists and bankers to sit here at this fine feast and poke fun at our unfortunates," the Governor declared. "We should not make fun of poverty, at the expense of the unfortunate poor people, for they are part of us.

"There is a public responsibility to feed the hungry and clothe the naked. I am proud I recommended a social-security program liberalizing pension payments and eligibility requirements."

After that blast, the chamber of commerce called off the second two appearances of the shabbily dressed man.

Fiscal Window Dressing

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. REED of New York. Mr. Speaker, under leave to extend heretofore granted, I am inserting in the Appendix of the CONGRESSIONAL RECORD an editorial which appeared in the Wall Street Journal on May 18, 1949, as follows:

REVIEW AND OUTLOOK

FISCAL WINDOW DRESSING

Representative MILLS, acting for the majority members of the House Ways and Means Committee, yesterday introduced a bill to change the way corporations pay their income taxes.

The Mills bill would require that taxes on 1949 income, which corporations normally pay in March, June, September, and December of 1950, be paid instead in two installments in March and June of 1950. Thereafter corporations would pay twice a year instead of four times a year.

This plan, if approved, would neither increase nor decrease the amount of taxes a corporation has to pay, nor in the long run would it change the Government's revenue picture. The plan, on its face, is neither more nor less logical than the present four-installment method.

But there is more to the plan than might meet the casual eye. It was conceived as a clever method of making the Federal Government's budget picture look better than it is, at least temporarily. It's a rinky-dink for getting a pretty set of account books in which the red ink doesn't show up.

The trick works like this: The Government runs its fiscal year on a cash basis beginning each July. Thus two of the tax payments made by corporations for a calendar year now fall in one fiscal year and the other two payments in the succeeding fiscal year. For the fiscal year 1949–50, under the present system, the Government would get only the March and June payments of the taxes to be paid in 1950. The payments received in September and December 1950 would be credited to the Government's 1950–51 fiscal year.

The effect of the proposed change would be to allow the Government to take credit for all the corporation income taxes payable in the calendar year 1950 in its fiscal year which ends June 30, 1950. The effect is like drawing an advance on salary—it makes you seem flusher for a while but you are really no better off than before.

Now look what this does. For the first year—i. e., the fiscal year ending June 30, 1950—the Government picks up nearly $4,800,000,000 more in receipts. With $4,800,000,000 more in receipts, what's all this fuss about a deficit or more taxes? Why, the Government will have money to burn.

Mr. MILLS says proudly this would more than wipe out the anticipated deficit of $3,000,000,000. He and some other lawmakers even talk about how it will open the way for tax cuts. One would think that $4,800,000,000 had been produced from the air, possibly by spontaneous generation.

What of the 1951 fiscal year? How does it get repaid the $4,800,000,000 it lost to the 1950 fiscal year? Why it borrows from 1952. Uncle Sam goes on indefinitely living on a salary advance.

Suppose something happens in 1951 or 1952? Suppose business falls off and there isn't $4,800,000,000 to shift? Well, that way a 2 years' deficit could show up in 1 year, but since that possibility is in the future the legislators won't worry about it. Anyway, in the long run the Treasury would really be no worse off than under the old system; it would all come out even in the wash

It would indeed. Changing the bookkeeping system, setting up two pay days instead of four, won't change anything else. The evil in the Mills' method does not lie there.

The Mills' plan is bad because it is an opiate, because it can lull Congressmen into thinking they have cured the budget cancer when all they really do is postpone necessary surgery. It's like the morphine that makes the patient think he doesn't need an operation after all because the pain has gone.

Whenever a shaky company starts jiggling its books it is time for the stockholders to watch out.

Nixon Not Fooled

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Richmond (Ind.) Palladium-Item for May 17, 1949:

NIXON NOT FOOLED

There are no illusions about the threat of Communism in the thinking of Representative RICHARD NIXON.

This California Congressman and member of the House Un-American Activities Committee made his position clear here before the Earlham Institute of Foreign Affairs.

Russia is committed to a policy of using any means, including war, to bring the world under its thumb, NIXON said.

He cited the failures of appeasers in dealing a decade ago with the leaders of both Fascist and Nazi aggression.

NIXON is a young forward-looking lawmaker. He believes in dealing with world problems in a realistic manner.

Communist treachery is not to be underestimated. The goal of communism is plain. There is no place for wishful thinking while

living in a world where cold facts must be met.

The Communist regime in Russia is maintained by fear and violence.

Blood purges nip off every threat within their own boundaries. The Russian people themselves are kept in virtual slavery. Ironclad censorship by the government keeps the people ignorant of the truth behind world events.

Subversive forces are at work in the United States and other democratic countries. Always the purpose is to stir up strife, create discontent, and foment riots and confusion.

The soft handling of Communists and their fellow-travelers in this country goes back to the Roosevelt family and the New Deal.

President Truman's administration inherited much of this attitude.

It was Truman who repeatedly labeled the Red spy hunt in this country as "red herring" dragged out for political purposes. He ignored the findings of congressional investigators.

Not until the American people demand and get an unyielding policy from the Congress and the White House against Communists will the Communist menace be met adequately.

Our national mind has been poisoned with the hope that Dictator Stalin will mend his ways in Moscow.

Everyone familiar with communism knows that it depends on revolution to achieve its goal of world conquest.

NIXON'S appearance here served to reemphasize the need for unrelenting prosecution of the drive against the enemies of democracy.

Pros and Cons of the North Atlantic Security Pact

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Edgar Ansel Mowrer:

PROS AND CONS OF THE NORTH ATLANTIC SECURITY PACT

(By Edgar Ansel Mowrer)

As the North Atlantic Security Pact comes nearer, various groups in the United States are trying to prevent the Senate's acceptance of it. It is proper that their arguments should be met.

First objection: The NASP is a military alliance; the United States has never accepted a military alliance in time of peace since the original alliance with France (which we broke). To enter one today means: (a) that we repudiate George Washington's warning; (b) that we put ourselves at the mercy of allies whose acts we cannot control; (c) that we commit ourselves to the use of force.

Answer: The world of George Washington is gone forever. America is no longer protected by distance. It is a prominent part of a single world neighborhood. What was valid in 1800 is invalid in 1949. To refuse an alliance with European countries because we cannot control their (possibly imprudent) actions is to suppose that Europeans know less about the horrors of war than we do. Those who argue this way are isolationists who have not accepted the Truman doctrine. Today American armed force is all that stands between the Red Army and its goal of world-wide Communist domination. If we are not ready to use force, we must first resign ourselves to watching our possible allies (like China) swallowed one by one.

Second objection: Since we cannot enter an automatic alliance (meaning, go to war without a declaration by Congress) we are falsely raising the hopes of our European friends who may count on our support and then find themselves let down.

Answer: Our European friends are better aware of the American constitutional limitations than most Americans. If they nonetheless want a written pact with us, it is because they feel safer with it than without it. To question their wisdom is to presume that we understand their national interest better than they do.

Third objection: We do not need the iron bands of a military alliance in order to go to the aid of a European friend that is being attacked. The silken threads of common interest will be strong enough.

Answer: It is not only necessary that we be ready to fight beside our allies, it is also necessary that we make common military preparations with them in advance. The Netherlands and Belgium refused to ally themselves with Britain and France until they were actually attacked by Hitler in June 1940. By that time it was too late. The advancing French and British troops were caught in a bad situation in the middle of Belgium and defeated by the Germans. If a military alliance had existed before the war, these British and French troops would have started the war in carefully prepared positions. They might well have beaten off German attacks.

Fourth objection: To conclude the NASP is to provoke the Soviet Union. How would we like to see Russia have a military alliance with Mexico right on our borders?

Answer: To imagine that the U. S. S. R. is a nervous old lady is to misunderstand the nature of the Soviet church state. Not strength but weakness provokes Stalin. Soviet Russia had an armed Poland on its borders for nearly 20 years and never attacked anybody. Soviet aggression does not result from suspicion but from the Soviet belief in the need to conquer and communize the world.

Not all of those who fear lest we provoke Russia are as innocent as they sound. Some of them inwardly hope that the United States will not be ready to fight to defend western Europe. Others secretly welcome further Soviet grabs as more liberation.

Fifth objection: In creating the NASP the United States of America should move slowly, and not expose almost defenseless countries such as Norway to premature attack at a time when we are not yet ready to defend them.

Answer: This seems to me valid. I should have liked to see, first, an agreement between the United States of America, Canada and the five original European countries; then, the needed military plans and preparations for common defense; and only after that the extension of the pact to exposed countries like Norway and Denmark, and to weak countries like Italy and Greece.

CONCLUSION

The NASP is a step toward a solution of the European security problem. For, so long as Europe remains disarmed and weak, the Soviets will be tempted to strike. Making Europe militarily independent is even more important than making it economically prosperous.

These are the two sides of a common problem. Once Europe and Asia have been stabilized, the real problem, which is the elimination of war, can perhaps be solved. Without such stabilizations, this problem is insoluble.

Reorganization of the Government as Recommended by the Hoover Commission Urgently Necessary

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. McDONOUGH. Mr. Speaker, the Hoover Commission report is receiving the thoughtful attention of the average citizen because it has ferreted out the truth about the colossal waste, inefficiency, duplication of services, and lack of unity in the agencies of the executive branch of our Government which are costing the taxpayer billions of dollars each year.

Only through the elimination of wasteful pointless spending and adherence to the simple principles of good management can the taxpayer hope for future relief from present high taxes. If economy in Government does not become a major factor in Government spending at home and abroad, not only will tax relief be impossible but sooner or later higher taxes will be required to meet Government obligations under a program of unlimited spending.

Today we have big government in the United States. In the last 20 years our Nation's expenditures have increased from $4,000,000,000 to $42,000,000,000 annually. Our total civilian employment has jumped from 600,000 to 2,100,000. Our national debt has fastened a mortgage of approximately $7,000 on every family in America, and taxes absorb about $1 from every $5 produced in the national income.

In the Executive Branch of the Government, the Hoover Commission reports 1,812 departments, agencies, boards, and bureaus operating without regard to the simple principles of good business management. Sixty-five heads of agencies report directly to the President, a process which would leave the President no time at all for matters of broad policy and affairs of state if he were to devote but 1 hour a week to each agency report.

Budgeting in these agencies ignores the basic principles of economy and indicates what money will buy but not what purpose expenditures will serve. Accounting sometimes lags years behind expenditures. Any private business or household would go broke if run on the same lines as the agencies in the Executive Branch, and the need for sweeping changes is evident.

The Hoover commission was assigned the task of investigating the situation and recommending corrective measures to limit government expenditures to essentials by the elimination of duplication and overlapping of services.

Some 25 major problems of government were selected for study, and research committees were appointed to get to the bottom of each problem. Some 300 workers, all specialists in their field, labored from 10 to 14 months getting facts, analyzing figures, searching his-

tory, and preparing detailed reports. Each research committee presented a final report to the commission, which in turn, prepared the final report to the Congress.

The reports of the research committees alone totaled over 2,000,000 words, the most monumental work of government research in all history.

Mr. Hoover set the pace for tireless labor presiding at all meetings throughout each day including week ends. He devoted 10 to 14 hours a day in the shaping of reports into what he termed "an orderly pattern of government."

The report already sent to Congress justified the effort expended in its preparation, and sets forth a complete blueprint for good government.

We need good government today as recommended by the Hoover Commission not only as a measure for economy but to secure our fundamental personal freedom and to preserve our national security.

Today Government decisions touch every phase of our lives from agriculture to atomic energy, and a personnel of the highest caliber should be required to staff a government that has such a decided effect on the daily lives of all of us.

Our resources, financial, material, and human, must be expended wisely and in limited quantity to fulfill our most important obligations both foreign and domestic so that too great a drain on them does not result rendering us unfit to defend ourselves against the very forces, at home and abroad, which seek our downfall. In the words of the Hoover Commission Committee on National Security:

> Victory by bankruptcy may be the Machiavellian aim of the Kremlin. * * * Burdens such as we are now bearing, if substantially increased, might become intolerable. The premium upon economy, therefore, becomes higher than ever before in our history; it may be said that our national security depends upon it.

If the recommendations of the Hoover Commission are put into effect in the executive branch of the Government, the potential savings to the Government cannot be estimated. Mr. Hoover personally has expressed the belief that at least three billions a year can be saved without the loss of any essential service to the people. If the upward trend in Government spending is checked, this in itself would bring an inestimable saving to the Nation.

Congress has already acted to clear the way for the reorganization. Legislation has passed both the House and the Senate to empower President Truman to begin the task. As soon as the minor differences between the House and Senate bills are resolved and the legislation is approved by President Truman, he will assume the responsibility for initiating the necessary changes in the executive branch.

In my opinion, the report of the Hoover Commission is a challenge to our democracy. It points the way toward good government and away from wasteful spending which could undermine our democracy. And only good government can serve the people most efficiently and extend the maximum benefits of government to our citizens.

I wholeheartedly approve of the recommendations of the Hoover Commission, and I urge that the Congress in the future take whatever action may be necessary to facilitate the actual work of the reorganization.

Hoover Commission Report

EXTENSION OF REMARKS
OF
HON. WILLIAM M. McCULLOCH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. McCULLOCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Cleveland Plain Dealer of May 17, 1949:

IT MUST NOT MOLDER

The Hoover Commission report is something more than a revelation of the indefensible waste and the administrative confusion that exists in the executive branch of the Federal Government.

It constitutes a momentous challenge to the American people.

Are they capable of developing a national will to bring about a more efficient, more responsive, and less costly Federal Government? Or will they surrender to a change-resistant bureaucracy, which is counting on public apathy and the running of time to protect the enormously expensive and inefficient status quo that exists in Washington and in the Government's operations across the face of the Nation?

A test is at hand. President Truman is again asking for the enactment of legislation giving the Executive the power to carry out, subject to congressional veto, many of the far-reaching improvements in the administration of the Federal Government that were recommended by the Hoover Commission.

Sentiment in favor of the passage of this legislation must be made apparent to Congress. Passage of this measure is imperative to a start in translating the monumental undertaking of the Hoover Commission into actions that will stop at least some of the waste and untangle the confused chain of governmental command extending down from the President. It is necessary, also, to pin-point the responsibility for instituting major improvements in the sloppily administered Federal Government. Mr. Truman has asked for that responsibility; it should be given to him.

It is easy to find recruits for tax-spending projects, and for projects that add another dangling function to the Federal Government, from among the intended beneficiaries of such projects. But it is difficult to obtain recruits for a project such as sound reorganization of Government that will benefit all the people, not just a few special segments of the population.

Fortunately, a recruiting agency for this high purpose has come into being. It is the Citizens Committee for Reorganization of the Executive Branch of the Government, which is dedicated to the proposition that the Hoover Commission findings and recommendations are far too valuable, too essential to the health of the Federal Government, to be allowed to molder, as those with a vested interest in the status quo would like to see them do.

The committee is headed by Dr. Robert L. Johnson, president of Temple University, who has already shown that he will give energetic, competent direction to the committee's task of preventing the Hoover Commission report from being filed and forgotten, to the herculean task of trying to develop a national will to achieve a less wasteful, better organized National Government.

The committee has enlisted as members of its Board some of the outstanding leaders of agriculture, organized labor, education, business, and political affairs in the United States. It seems to us to be a hopeful sign that Dr. Johnson's committee has obtained the participation in the formulation of its program of such men as William Green, president of the American Federation of Labor; Philip Murray, president of the Congress of Industrial Organizations; former Secretary of State James F. Byrnes; former Postmaster General James A. Farley; Capt. Edward V. Rickenbacker, president of Eastern Airlines, who counts mills as well as pennies in conducting a financially successful commercial aviation system, and former Vice President John N. Garner, to say nothing of a group of the foremost industrialists of the country.

The Commission that served under former President Hoover and conducted the most intensive inquiry ever made into the functioning of the executive branch of the Government, provided a blueprint that must be utilized. Not to do so would mean that, at a time when their burden of taxation has become oppressive, the American people have lost a priceless facet of the American character; the power to carry into intelligent, constructive action righteous indignation against sloth in government and insidious extensions of government into their lives and into their purses.

The man who performed a magnificent service for his country by directing the survey which brought strikingly to light the worst deficiencies in the administration of the Federal Government will be an honored guest of Ohio next month. Mr. Hoover will come to Delaware on June 11 to speak at the inauguration of Arthur S. Flemming, a member of the Reorganization Commission, as president of Ohio Wesleyan University. We hope Mr. Hoover will, in his address there, convey, as he ably can, a sense of the crying need for cleaning up an administrative morass.

Memorial Day Prayer

EXTENSION OF REMARKS
OF
HON. EARL C. MICHENER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. MICHENER. Mr. Speaker, on March 4, 1949, I introduced House Joint Resolution 185. This is in keeping with a resolution passed unanimously by the Congress a year ago.

It has been my hope that this resolution would be favorably reported by the committee and passed by the Congress. While the time is getting short, I am yet hopeful. In this connection, I am pleased to include an editorial from the Jackson (Mich.) Citizen Patriot of May 15, 1949, which is pertinent. The editorial reads as follows:

MEMORIAL DAY PRAYER

Senator HOMER FERGUSON'S resolution to make a prayer for peace a permanent feature of our National Memorial Day commemoration is due to come before the Senate

soon. In the House, Representative MICHENER's similar resolution has been held up in committee. Yet it is difficult to see why such a measure should lack unanimous consent in both Houses of Congress.

As we said a year ago in suggesting the first Memorial Day peace prayer, the United States calls itself a Christian nation. If we are correct in that designation, then we as a people believe in prayer. Certainly a day devoted to memory of Americans who have given their lives for their country is a proper occasion to pray for peace. In fact, no other observance of that day is more fitting.

There are before Congress numerous other bills calling for various prayer days and similar observances. We hope that we have no stubborn pride of authorship in this particular idea, but we are a nation striving for peace, and Memorial Day is an occasion which reminds us of the tragic cost of war.

A year ago when this newspaper first suggested that Memorial Day be thus observed—a suggestion which brought forth a Presidential proclamation so designating a period of the day—a year ago the whole world seemed close to war. Tensions were severe in Europe. Today the world seems more relaxed. The blockade of Berlin by Soviet Russia has been abandoned. The Marshall plan and the Atlantic Pact appear to be cooling Red ardor for strife.

Who is there to say that the prayers which went up last Memorial Day were not answered?

But if we are a Christian nation, as well as a peaceful people, isn't it logical that at least 1 day of the year should be especially dedicated as a time to intercede with the Supreme Being in behalf of peace?

Should We Abandon Our Freedom?

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Los Angeles Examiner of April 10, 1949:

SHOULD WE ABANDON OUR FREEDOM?

(By E. F. Tompkins)

Hardly observed by the vast silent majority of the American people, a spreading and seductive movement is progressing across the country to repeal the Declaration of Independence and to nullify the Constitution of the United States.

The undeclared objective is to be accomplished by establishing a form of world government based upon the existing organization of the United Nations.

At the very least, if the enterprise succeeds, this country would be required to abrogate a large part of its national sovereignty.

Eventually, we would probably be compelled to merge our citizenship with alien and distant races, who do not share our language, our customs, our principles of law, our traditions of individual liberty or our ancestral experience in the arts and qualifications of democracy.

Obscure in its origin, the movement was initiated some years ago by Mr. Robert Lee Humber, a lawyer of Greenville, N. C., who formulated a proposal, for submission to State legislatures, to "declare that all the people of the earth should now be united in a world federation."

Since the formation of the United Nations, the movement has been carried further by new organizations, supported by notable names.

One of the most active groups is the United World Federalists, Inc., headed by Mr. Cord Meyer, Jr., which has a global prospectus and which claims the backing of Gov. Chester Bowles, New Deal Democrat, of Connecticut; Gov. Alfred E. Driscoll, Republican, of New Jersey; United States Senator Robert C. Hendrickson, of New Jersey; Gov. Luther Youngdahl, of Minnesota; and Associate Justice William O. Douglas, of the United States Supreme Court.

Another group is Federal Union, Inc., represented by Mr. Clarence Streit, a former Rhodes scholar, which as a beginning would recombine the United States into the obsolete British Empire.

Still another group, led by former Supreme Court Justice Owen J. Roberts, would start with an Atlantic Union, and progressively include all of Europe, the Americas, Asia, Africa, and Australasia.

Former Secretary of War Robert P. Patterson and former Under Secretary of State Will L. Clayton like the Roberts approach.

Then there is the American Association of the United Nations, of which former Under Secretary of State Sumner Welles is an honorary president.

Since the movement was instituted by Mr. Humber—way back yonder and way down in Dixie—the legislatures of 17 States have been deluded into adopting formal resolutions favoring limited world government, which is the basic idea.

Efforts are now being made to join Alabama, California, and Maine to the list.

Developing this aspect further, the United World Federalists, Inc., has devised a new model resolution for the legislatures directly seeking a change in our Federal Constitution and calling upon Congress to summon a national constitutional convention for the purpose.

Furthermore, the United World Federalists has established local propaganda chapters in 600 communities and colleges; has won the support of the pretentious American Academy of Political and Social Science; and has under way a $500,000 expansion campaign to transform the United Nations into a limited world government.

The danger that this backward step in freedom and civilization may be brought about by well-meaning faddists is growing imminent.

The legislatures of 36 States can compel Congress to call a constitutional convention for a specified purpose; and nearly half of the requisite number of States have already sanctioned, in effect, this procedure which would ultimately result in their own political extinction.

The old and defunct League of Nations was an attempt at limited world government which started in the travails of one global war and expired in the bloodshed and anarchy of another.

The existing United Nations, with its 200 or more commissions and councils, is developing into a scheme of world socialism, sustained chiefly by American taxpayers and providing notably a sheltered haven for foreign espionage and intrigue in this country.

Experience thus proves that a limited system of world government must either dissolve itself in disappointing futility or else become unlimited government over all the diverse peoples of the earth.

Under such a system—

The American people would no longer be permitted to write their own tariffs or immigration laws, or to regulate their own banking and currency practices for the free movement of goods and persons across national boundaries is an essential idea of world government. International monetary controls have already been set up in the United Nations and Congress has already scuttled our protective tariff system and repealed the statutes prohibiting Asiatic immigration.

Under such a system—

Our natural resources, and the fruits of our productive free enterprise, could be exhaustively looted for the benefit of covetously less able and less industrious populations elsewhere.

Under such a system—

American labor would have to compete at home and abroad with alien pauper labor, and the American standard of living would vanish.

Under such a system—

We would have to share our privileges of citizenship with the aborigines of Africa and the hordes of the Orient, and in the end be overwhelmed by their migrations.

Under such a system—

We could maintain no national defense without the express assent of foreign powers.

Under such a system—

Our flag would cease to command respect, our institutions would become degraded, and an American would never again inherit the pride of our ancestors in being an American.

Polish Church Fights Odds

EXTENSION OF REMARKS
OF
HON. CHESTER C. GORSKI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. GORSKI of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the New York Sun of May 10, 1949:

POLISH CHURCH FIGHTS ODDS—RED-RUN REGIME, HOLDING ADVANTAGES, IS OUT TO END THE CLERGY'S INFLUENCE—BOUNDARIES TANGLE DISPUTE

(By Judy Barden)

WARSAW, May 9.—"Let the church look after the welfare of the people in a future world. Our job is to look after them here." This is the way a Polish official today summed up the war which is going on between the church and the state.

The state long ago decided to give up, as far as the old people were concerned. It wants children and is determined to have them no matter what fight the church puts up.

The state has all the advantages. It is playing its hand slowly, but it is steadily chipping away the church's ancient prerogatives. The controlled press keeps up a constant flow of vicious attacks against the priests, but it is not anticipated that anything similar to the Mindszenty trial will happen here.

HITLER'S METHODS

Hitlerite methods are being used in an effort to break the clergy's power. Priests are arrested on obscene charges. Many have been tried and sentenced for being active collaborationists of the underground. There doesn't appear to be any organized underground movement, but anyone against the Government is considered a traitor wishing to overthrow it. At least two priests were recently sentenced to death on this charge.

Religious instruction is optional for school children and must not be enforced by teachers. Marriage and divorce are under civil control. If a Pole wishes a church wedding, he can have it, but he must also go through a civil ceremony or his marriage is not recognized.

Politics complicate everything. The church in Rome has refused to recognize the border changes in the west which gave Poland territories which had been under German control before the war. The Allies have all but given up in this matter, but the church hasn't. Most of these territories still form parts of German dioceses. Polish priests in these areas technically remain under the supervision of German bishops.

The Vatican has expressed sympathy for these people, and the Germans interpret this as support for their claims to get the regions back. Churchmen find the situation awkward. The Government never ceases to take advantage of the church's dilemma.

Nevertheless there are Poles who apparently see nothing wrong in going to confession in the morning and a Communist rally in the afternoon. These two loyalties are bewildering to a western visitor. Many believe that church and state could cooperate in the rebirth of the country—a sort of peace-at-any-price attitude.

The generally acknowledged leader of this school is Cardinal Sapieha, of Krakow.

POLES RESPECT CARDINAL

This 80-year-old cardinal, who remained in Krakow throughout the German occupation, has the respect of every Pole for the manner in which he stood up against the Nazi Governor-general, Hans Frank. However, leadership in the church is not in the hands of Cardinal Sapieha. Bishop Wyszynski of Lublin, a younger man, is Achbishop of Warsaw and Primate of Poland.

For a time, after his election in January, it appeared that an agreement might be reached. The church asked to be left alone. All it wanted was an atmosphere of good will. However, the government reply was almost an ultimatum. It demanded that the church cease complaints that it was being attacked by the government; that it instruct bishops and clergy to cut themselves off completely from the underground, and that the church bring pressure to bear on the Vatican to recognize the new western boundaries of Poland.

The church agreed to punish any clergymen whom the government could prove were criminals, but refused to have anything to do with the boundary problem, saying this was a matter between the government and the Vatican.

Things were quiet for a short time. Then recently a pastoral letter warned churchgoers not to believe everything they may read against the church. Apparently the church anticipated another attack.

The problem of the church appears hopeless. It it comes to an agreement it will lose centuries-old influence. If it doesn't make an agreement, more restrictions will be placed upon it.

General Pulaski's Memorial Day

EXTENSION OF REMARKS

OF

HON. FOSTER FURCOLO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 19, 1949

Mr. FURCOLO. Mr. Speaker, under the leave to extend my remarks in the RECORD, I am pleased to call the attention of Congress to the following resolution passed by the Board of Aldermen of the City of Chicopee, Mass.:

Resolution relative to General Pulaski's Memorial Day

Whereas a resolution providing for the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski is now pending in the present session of the United States Congress; and

Whereas the 11th day of October 1779 is the date in the American history of the heroic death of Brig. Gen. Casimir Pulaski, who died from wounds received on October 9, 1779, at the siege of Savannah, Ga.; and

Whereas the States of Arkansas, California, Connecticut, Delaware, Illinois, Indiana, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, Nevada, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, West Virginia, Wisconsin and other States of the Union, through legislative enactment, designated October 11 of each year as General Pulaski's Memorial Day; and

Whereas it is fitting that the recurring anniversary of this day be commemorated with suitable patriotic and public exercises in observing and commemorating the heroic death of this great American hero of the revolutionary war; and

Whereas the Congress of the United States of America has, by legislative enactment, enacted from October 11, 1929, to October 11, 1946, to be General Pulaski's Memorial Day in the United States of America; Now, therefore, be it

Resolved by the Board of Aldermen of the City of Chicopee, Mass.

1. That we hereby memorialize and petition the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in the United States Congress,

2. That certified copies of this resolution, properly authenticated, be sent forthwith to the President of the United States, the Vice President of the United States, the two United States Senators from the Commonwealth of Massachusetts, and to the Representative in Congress from the Second Congressional District of Massachusetts.

Adopted by the Board of Aldermen of the City of Chicopee, at a meeting held on April 5, 1949.

Attest:

ARTHUR BALTHAZAR,
City Clerk.

Postal Reclassification Bill Should Be Taken Up By Congress Now

EXTENSION OF REMARKS

OF

HON. HAROLD C. HAGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 19, 1949

Mr. HAGEN. Mr. Speaker, on May 9 I introduced H. R. 4595. The measure applies to the field service of the Post Office Department and is in the form of a postal reclassification bill. It is identical with measures introduced by my colleagues, the Honorable JOHN E. LYLE, JR., of Texas, and the Honorable GEORGE P. MILLER, of California.

The basic objective of this proposed legislation is to correct a number of the inequities existing in the act of July 5, 1945. It is a most reasonable proposal and I am convinced that its modest cost will permit enactment in the current session of Congress.

A similar proposal, known as S. 1772, has been introduced in the Senate by Senators MCKELLAR, of Tennessee, FREAR, of Delaware, HUMPHREY, of Minnesota, KEFAUVER, of Tennessee, LANGER, of North Dakota, BALDWIN, of Connecticut, ECTON, of Montana, and HENDRICKSON, of New Jersey.

Public Law 134, the Postal Reclassification bill, is definitely in need of correction in several sections. I believe that my bill, H. R. 4595 is the key to the solution of several of these inequities.

For many years past postal workers have been discriminated against in the matter of annual leave and sick leave. Section 1 of the bill would amend section 6 of the Postal Salary Classification Act to provide postal employees with sick and annual leave on the same basis that such leave is now provided for most other employees of the Government. The section which it is proposed to amend now provides 15 days of annual leave and 10 days of sick leave each year for postal employees, while employees other than postal, subject to the general leave system, receive 26 days of annual leave and 15 days of sick leave each year. The principle of this legislation has been endorsed by the United States Civil Service Commission.

Moreover, the measure would establish a genuine longevity system in the postal service by granting full credit for all past service in the allocation of meritorious grades. Under present law, employees in the field postal service must wait 3, 5, and 7 years—a total of 15 years additional—before becoming eligible for the longevity grades. My bill establishes four longevity grades and full credit is allowed for all past service.

Another gross inequity gravely in need of correction is the extremely low entrance grades given postal employees. My measure proposes to eliminate the four lower grades in all categories by placing employees in those grades automatically in grade 5. Most of the employees in the lower grades are military veterans who entered the service following World War II. They are definitely entitled to this timely recognition.

The measure also provides for a horizontal pay increase of $150 per annum to those employees granted increase of $450 under the provisions of Public Law 900, Eightieth Congress. This justifiable action is prompted by the testimony given by the Postmaster General before the House Appropriations Committee earlier this year. At that time the Postmaster General indicated that if Congress had granted a $600 increase in 1948, the employees would not be demanding additional increases this year. The Postmaster General is held in high esteem by all employees and I wholeheartedly concur in his views on this vital subject.

Additionally, the measure proposes to establish a $100 annual uniform allowance for letter carriers and other employees designated by the Postmaster General to wear such uniforms. Such allowances are generally granted policemen, firemen, guards, watchmen and others required to wear uniforms by the various departments and agencies of the Government. Simple justice demands

that similar allowances be granted uniformed postal employees. As a matter of fact, I have long felt that uniformed letter carriers and other postal workers were entitled to a uniform allowance. On the first day of the present session, January 3, I introduced H. R. 397 which would provide a $100 uniform allowance for these employees. I am advised that Postmaster General Donaldson on more than one occasion has indicated the attitude of the Post Office Department to be one of complete sympathy with this type of legislation.

Finally, the measure proposes to abolish the out-moded Efficiency Rating System in the field service of the Post Office Department, but authorizes the Postmaster General to remove any officer or employee whose services are unsatisfactory. This feature will undoubtedly save hundreds of thousands of dollars in printing meaningless forms and time consumed establishing equally worthless efficiency ratings. Elimination of this obnoxious system would be most helpful in building employee morale.

It is estimated that the measure will cost approximately $162,600,000. However, it must be borne in mind that the complete elimination of the highly controversial Efficiency Rating System will greatly reduce this cost estimate.

The National Association of Letter Carriers and all other postal organizations are solidly supporting these amendments to the Postal Reclassification Act. The employees' representatives have already appeared before a subcommittee of the Senate Post Office and Civil Service Committee in behalf of the companion measure in the Senate. They undoubtedly will express similar words of approbation in connection with my bill, H. R. 4595, and similar measures if and when public hearings are held before the House Post Office and Civil Service Committee. I strongly urge that such hearings be scheduled immediately and that the measure be acted upon favorably in the House of Representatives at an early date.

Medical Care Not All in Health

EXTENSION OF REMARKS
OF
HON. J. GLENN BEALL
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. BEALL. Mr. Speaker, under leave to extend my remarks, I include in the RECORD the last of a series of articles on Maryland Solves Health Program. This article was written by Dr. Maurice C. Pincoffs, professor of medicine, Maryland University School of Medicine. This article is in connection with those written by Agnes E. Meyer and published in the Washington Post. It follows:

MEDICAL CARE NOT ALL IN HEALTH

(By Dr. Maurice C. Pincoffs, professor of medicine, Maryland University School of Medicine)

Before commenting on the medical-care program in Maryland which has been described in the preceding articles in this series, I wish to draw attention to the fact that a medical-care program is only a part of a health program. Since medical care is delivered by practicing physicians, dentists, nurses, and other professional people, it is flattering to us to have our functions considered all that is necessary for good health, but it is not true.

The incidence of physical and mental disabilities in the population depends as much upon the living conditions, character, intelligence and education of the individuals in the population as it does upon the medical care they receive when they fall ill or are injured. Such factors as adequacy of diet, housing, recreation, working conditions, avoidance of accidents in the machine age, community sanitation and other protection against infectious diseases are all important factors in health. So also are confidence in the future, stable nervous systems, temperance, moral stardards, education and common sense. A health program must aim to influence as many of these factors as possible. It is well to remember in these days that measures to provide for the care of illness do not insure health.

Although medical care is not the sole important factor in a nation's level of health it is of vital importance to those who are ill or injured since it can often save or prolong lives, shorten a period of disability, prevent or minimize residual handicaps, restore peace of mind, or, in other words, cure or alleviate illness or the results of injury. Moreover, the same physician who treats the disability serves as adviser as to the importance of measures which the patient must himself undertake in order to maintain his health in the future.

The delivery of adequate medical care to the patient has become increasingly complicated and expensive as medical practice has become more specialized and more dependent upon hospitals, trained assistants, special equipment and tests. How to make all of these as widely available as possible is one problem that equally concerns the public and the physician.

A further important consideration is that advances in medical knowledge are being made at a steadily increasing rate and there is no reason to feel that this rate will slacken. Adequate medical care is dependent upon the efficient and rapid transmission of this new knowledge to all medical personnel and the interpretation of its significance to the public.

MORE PERSONNEL NEEDED

A third problem arises from the fact that as medicine has acquired methods for attacking successfully more disease conditions, a larger number of medical personnel is required than when watchful waiting and palliative drugs were all that could be done. Moreover, the medical personnel now requires more years of training. There is at present a real shortage of physicians, dentists, nurses, dietitians, and clinical pathologists.

There has been a growing understanding on the part of physicians and laymen that, in view of these problems connected with the provision of medical care, it is necessary that the medical resources we have should be organized to the best advantage, and that systematic planning for their further development be undertaken. The program of medical care in Maryland arose in response to this need for better organization in order to meet the problems (1) of wider distribution of costly medical services to those unable to pay, (2) of enabling practicing physicians to keep more in touch with advances in medical knowledge, (3) of utilizing our limited resources to the best advantage.

To those in the medical profession who were studying the situation it was evident that both the public who received medical care and the professions and institutions involved in giving medical service should take part in the planning of a program of medical care. Moreover, the planning body should be permanent, not temporary, since there would be constant need of adjustment to new conditions. Finally, the planning body should have official sanction if its recommendations were to be fruitful of results. These requirements were met when, at the request of the Medical and Chirurgical Faculty, the Governor of Maryland authorized the addition to the State planning commission of a standing committee on medical care with representation in its membership of the general public, physicians, dentists, nurses and all agencies concerned in giving medical service or education.

A permanent planning body so composed and with official standing is an essential feature in a State organization for medical care. It can undertake studies of special problems, bring together in conference the different health agencies and initiate action to have new programs put into effect. The medical care programs for the counties of Maryland and for Baltimore City, which have been described in this series of articles, followed upon recommendations from the committee on medical care. Prior to these recommendations, the support of the medical and dental professions and of the hospitals had been obtained. It has been our experience that if a program for improvement of medical care has the support of all those concerned with medical service and of the representatives of the general public, it will receive support also from the State legislature.

To administer these county and city medical-care plans the State and city departments of health were designated. Advisory councils were appointed to each, and in the counties the local health officer who administered the program in his area also had an advisory committee. Those who have read the Administration bill S. 1679 will note that this same pattern of State administration for the benefits of so-called national health insurance is prescribed in that document. It is, we believe, a good pattern to follow, but in order to function it requires full-time health officers who can give adequate time to this aspect of their duties. It will be a number of years before many of our States have a sufficient number of such personnel. This is not only a question of available funds but of the shortage of trained public health officers to fill such positions. To attempt to put into effect a complicated Nation-wide program of the kind envisaged in S. 1679 without being able to man it with trained administrative personnel is sure to lead to confusion and inefficiency.

INTEGRATION OF CARE

The departments of health are the natural agencies to administer a medical care program, since they are manned by physicians who have an understanding of medical problems not possessed by welfare workers and also because the health departments administer a number of other clinic programs (cancer, tuberculosis, venereal diseases, maternal and child welfare, etc.), which must naturally be integrated with medical care in the home and the doctor's office. The integration of these activities leads to their housing in a health center. The manning of these special clinics by local physicians brings them in contact with the consultants in special fields, chiefly from the medical schools in Baltimore. As this feature of the program develops it is felt that it will do much to keep the practitioner in rural areas abreast of medical advances. This effort is supplemented by postgraduate extension courses given by the University of Maryland in the smaller cities of the State.

In the city of Baltimore the principle of integrating all existing facilities with the new medical care plan has led to a radically different program in which under the health

department the large outpatient clinics of the hospitals assume medical responsibility for a given number of indigent patients residing in their area of the city, and associate with themselves for this purpose practicing physicians of the area concerned. This is an example of the flexibility of medical care planning on a local level and of its adaptation to bring into working combination all the existing medical facilities.

In both the counties and the city of Baltimore, participation in the program is voluntary, both on the part of the patient and the physician. Patients choose their physician and can change physicians. Doctors can accept or reject patients. Stress has been laid on reducing paper work to a minimum.

The Maryland plan of medical care is still in evolution. It still does not cover the medically indigent. It must have larger financial support from the State before the gap can be closed between those who can afford insurance coverage and those indigents who are now provided for by the present plan. The medically indigent do not now lack free hospitalization in serious illness, and in the cities they form a large proportion of the free outpatient clients. In the rural districts their home and office care is still dependent on the physicians' generosity. I feel that our medical care program should be extended to cover them.

Those who have read this interesting series of reports on the Maryland program of medical care to which I have added this closing statement must have noted the fact that Maryland has been cognizant for some years of defects in the provision of medical care and has taken energetic action to remedy these defects.

The physicians of Maryland and the people of Maryland have accepted the principle that those who cannot pay for medical care must be provided with it at the expense of the taxpayer. They have agreed to the administration of the medical care program by Governmental agencies, the health departments. Why then, it may be asked, do the people of Maryland and the physicians of Maryland oppose compulsory "national health insurance"? Why did the Maryland Legislature pass a resolution opposing it? Why did the physicians of Maryland in a recent questionnaire vote 1,602 to 62 against it?

PATERNALISM SHUNNED

The people of Maryland like to refer to their State as the "Free State." They do not favor a paternalistic form of national government which forces people to do what it considers wisest for them. They have a considerable distrust of the efficiency of Federal bureaucracies as administrative agents. They prefer more local control over the expenditures of tax funds. Furthermore, the doctrine that those without means have a right to livelihood or medical treatment at the expense of others appears to them illogical and un-American. They believe firmly in the older, opposite doctrine of the duty of those who have, to help those in need. As for medical insurance, they believe in it heartily and over a third of them are insured in the Blue Cross plan alone, not counting commercial insurance policies. However, they want to take it or leave it as they wish. Marylanders do not like compulsion. It may be recalled that they never ratified the Volstead Act.

As for the physicians of Maryland, they not only greatly dislike the principle of compulsion in regard to medical care, but in addition feel that the program will further overburden them and result in a lowering of medical standards. They resent the inevitable paper work attached to Federal administrative methods which will reduce their time available for care of patients. They fear the type of burdensome regulations which may result.

It seems to me quite true that entirely apart from the step toward socialism which national health insurance carries with it, part of the bill which deals with the administration of medical care is wholly impractical under present conditions. All practitioners are overloaded with work now and young men shy away from general practice because the number of patients often spells hasty, inadequate diagnosis and treatment. Free medical care, as has been shown in England, multiplies calls on the physician for entirely minor complaints. The patient given a hasty examination, a slap on the back and a prescription may be satisfied, but the physician knows he is doing a poor job.

The present complement of medical personnel and of hospital facilities would have to be greatly expanded to handle the demands that would be made upon it by free medical care without lowering intolerably the quality of medical care.

It is my belief that every encouragement and if necessary Federal assistance should be given to States to assist them to set up tax-supported medical-care plans for the indigent and medically indigent in accord with the principles of the Maryland plan. For those in higher brackets of income, insurance against the cost of serious illness is available. Federal assistance for the expansion of training of medical personnel and for rural hospital and health-center construction will greatly assist in increasing the number of physicians and of other medical-service personnel, and in locating them in smaller communities. These practical measures will cover our serious immediate needs and are far sounder in principle, far more economical in administration, and far better insurance of good medical care than the socialistic program proposed by the President.

Chicago's City Council Endorses H. R. 4009

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. O'HARA of Illinois. Mr. Speaker, in the second city of America, Chicago, the people are looking forward hopefully to the passage by this body of H. R. 4009. Approximately $55,000,000 of municipal and State moneys have been contributed to the cause of slum clearance and the decent housing of families in the low-income classification in Chicago. Chicago and the State of Illinois, having so magnificently participated in the great task of bringing sunshine into the lives of the less fortunate, welcomes the anticipated participation of the Federal Government as a partner in completing the job of converting the slums of despair into islands of hope, gladdened with the laughter of little children growing up in a clean and wholesome environment.

No one in Chicago has worked with greater zeal and industry for the clearance of the plague spots of the slums than the young and brilliant Alderman Robert Merriam, the great son of a great sire, who on his return from the battlefields of Europe was elected to the seat in the City Council of Chicago once occupied by his father, the distinguished and beloved Charles E. Merriam, and by the great junior Senator from Illinois, the Honorable PAUL DOUGLAS.

Under the leave granted me, I insert the resolution of Alderman Robert Merriam which was passed by the City Council of Chicago on May 12, 1949:

Whereas the city of Chicago faces an acute shortage of housing accommodations for its many citizens; and

Whereas the lack of adequate housing is a continual threat to the health and well-being of many of our citizens; and

Whereas the people of the city of Chicago have expressed their determination to assist to the limit of their financial ability in the construction of new housing and the eradication of slum areas; and

Whereas the mayor's program for housing, approved by the City Council of the City of Chicago, calls for liberal Federal assistance in carrying out this program: Therefore be it

Resolved, That the city council do hereby endorse House bill No. 4009 known as the Housing Act of 1949, which provides (1) Federal aid to localities for the clearance of slums in blighted areas; (2) Federal assistance for a low-rent public housing program; (3) an expanded program of housing research, designed to stimulate new methods of construction; and (4) a farm housing program; be it further

Resolved, That copies of this resolution be sent to all of the Congressmen from the Chicago district.

Assails United States Attackers

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. PHILBIN. Mr. Speaker, under leave to revise and extend my remarks in the RECORD, I include the following article which appeared in a recent edition of the Clinton (Mass.) Daily Item concerning the speech which I made at the dedication of the new American Legion home at Maynard, Mass., last Sunday:

ASSAILS UNITED STATES ATTACKERS—CONGRESSMAN PHILBIN IN MILITANT ADDRESS HITS SOCIALISTIC AND COMMUNISTIC SYSTEMS

Speaking at the dedication of the new American Legion home, in Maynard, Sunday, Congressman PHILIP J. PHILBIN, of this town, sharply assailed the proponents of socialistic and communistic systems working to regiment the American Government and economic system.

Praising the Legion and other veterans' organizations for their peerless service to the Nation in war, Congressman PHILBIN stated that it is no less important that they should strive militantly to protect the Nation at peace.

"There is a great deal of unsound and visionary political thinking in this country today," he said, "and most of it stems from sources which are un-American and militantly opposed to the American way of life.

"It is for us to recognize before it is too late that freedom in all its ramifications is the central theme of the American political and economic organization. To the greatest extent achieved in history, our Nation has managed through struggle and turmoil to protect the great basic rights of the individual which derive from freedom.

"This one fact, more almost than any other save the favor which the Almighty has bestowed upon us, has been responsible for the phenomenal growth, power, plenty, and

high standards of the Nation. A free economy unhampered by but a minimum of governmental edict contributed more to build up America and make it a land of unparalleled opportunity and abundance than all the bureaucratic regulations in the world.

"Let us recognize that this free economy and freedom itself are interwoven, that we cannot have one without the other, that where a super regulated government comes in, freedom and all that it means goes out.

"Many nations overseas have discovered this sad reality and everywhere that the genius of man has been shackled, there is servitude, poverty, and economic privation.

"A free government can also be destroyed by indiscriminate and uncontrolled taxation prompted by the unsound idea of spreading bureaucracy over the field of free individual enterprise. Americans are a tax-ridden people today in local, State, and national affairs. Unquestionably, we must continue to assume vast and necessary obligations, both at home and abroad.

"But if we would survive as a great dynamic force dedicated to the freedom and happiness of our people and the welfare of a peaceful world, we must absolutely avoid discouraging and stifling the initiative of the individual through oppressive taxation. The all-embracing and all-vital thing is to keep alive the spirit of enterprise and to keep open the doors of opportunity in this country.

"The Communists are hoping and waiting for the collapse of our economy and are doing everything to load it down with expenditure and debt so that it cannot possibly endure. It is the duty of the veterans, every other patriotic group and every patriotic citizen militantly to assail and oppose the proposals which radical thinkers are making to induce us to change our free institutions, our way of life, our abundant human and material resources for the oily promises and blandishments of the advocates of the totalitarian state.

"Regimentation violates the very intent of every true American. We cannot permit any class of our citizens, whether it is labor, management, small-business men, or doctors and professional men to be converted by law from the free status they enjoy as American citizens into civil servants and puppets just as in the Marxist or socialistic superstate, under the pretense of social reform.

"The noble veterans, with unmatched bravery and sacrifice, have dispatched Hitler and Tojo and all the other dictators who were seeking the destruction of American freedom. Now, in this crisis that confronts us affecting the perpetuation of our cherished freedoms, political, social, economic and civil, I am confident that the veterans joining with all other liberty-loving, clear-thinking patriotic Americans will defeat those who are seeking to inaugurate the slave police regimented state in this country and thus fasten an abominable servitude upon the American people."

Congressman PHILBIN praised and lauded the leaders of the American Legion at every level who, he said, have labored unselfishly with other veteran groups and the Congress to effect a proper rehabilitation of our veterans, and to assure that those who had fought to save the Nation, their families and dependents would be treated considerately by the Government in accordance with their just desserts for the great sacrifices which they have made.

"In wartime," he said, "When the flags were flying and the cannon were roaring and the planes were droning and these gallant boys were offering their all to the Nation so unselfishly and magnificently, we said that we would never forget them.

"Now let us keep that promise. Let us continue to keep it in the future so that the veterans and their dependents will not be sacrificed at a time when the Nation is dispensing unbounded largesse upon foreign countries, or at any other time."

How About a Little Justice at Home?

EXTENSION OF REMARKS
OF
HON. CLAIR ENGLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. ENGLE of California. Mr. Speaker, under leave to extend my remarks in the RECORD I wish to include a letter which points out that the War Damage Commission awarded the Balatoc Mining Co. in the Philippines $4,500,000 as damages sustained during the last war. The letter further points out that similar treatment has not been given the gold miners in this country whose mines were closed down during the war by an unprecedented Executive order which caused millions of dollars in damage. Moreover, similar treatment has not been accorded miners of strategic and critical minerals and metals who suffered losses when the Government, after inducing them to go into production, preemptorily and without notice cut off purchasing contracts. The Rules Committee has just granted a rule on a bill which I introduced [H. R. 834] which will correct this latter injustice. Another bill is pending now before the Judiciary Committee of the House to secure just compensation for the American gold miners.

The letter referred to follows:

CALLAHAN ZINC-LEAD CO., INC.,
New York, N. Y., March 23, 1949.

Mr. JAMES WHITE,
Care Senator Patrick McCarran,
Washington, D. C.

DEAR MR. WHITE: On the very unlikely chance that it has not been previously brought to your attention, I quote as follows an article which appeared in the New York Sun day before yesterday:

"BENGUET UNIT GETS WAR-DAMAGE AWARD

"The War Damage Commission has awarded the Balatoc Mining Co. $4,500,000 as damages sustained by the last war and has made a down payment of $1,500,000, it was announced today.

"This down payment enabled Balatoc to liquidate its debt to the Benguet Consolidated Mining Co., the parent company, and Benguet in turn paid off its debt to a bank and the four Haussermann family trusts. Benguet and Balatoc are now free of debt. The mining properties are in the Philippines."

I imagine that I need not comment on the facts disclosed above. In our instance, our Alaskan properties were as directly damaged by the war as were those in the Philippines. We are faced not only with loss of previous investment but also with loss of the property to RFC whose loans cannot be repaid because the war and its aftermath have prevented operations since 1941. I enjoyed the privilege of meeting you in Washington last week and want you to know again that we stand foursquare behind you in your efforts to obtain redress for losses suffered by gold-mining companies because of the war and to remove the gold-mining industry of the country from the class of "untouchability" which makes it as high a crime to a United States citizen to touch gold as for a Hindu to touch an untouchable. Not even uranium ore is so discriminated against.

With best wishes.

Sincerely,

JOSEPH T. HALL.

Behold Our Protectors

EXTENSION OF REMARKS
OF
HON. THOMAS A. JENKINS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. JENKINS. Mr. Speaker, probably the most important problem that our country faces now is the problem that comes to us by reason of the activities of the Communists outside our country and of those within our country.

I think that no fair-minded American agreed with Mr. Truman when he said in effect on many occasions during the campaign last fall that the disclosures then being made by the Congressional Committee on Un-American Activities were merely "red herrings." No one has ever been justified in suggesting any defects in the President's Americanism. At least, I never questioned it and I would defend him against any such imputation. But the President was unwise in making that statement.

Recently some light has been shed on this subject by the press which implies strongly that the President had poor advice from his Attorney General, Mr. Tom Clark.

However that may be, the editor of the Columbus Evening Dispatch, one of the leading newspapers in the country, has something to say on that subject.

In view of the fact that the Columbus Evening Dispatch has an able editorial staff, and in view of the fact that this great paper "covers central Ohio like a blanket," I am extending my remarks with a copy of that editorial:

BEHOLD, OUR PROTECTORS

Last Wednesday evening, Attorney General Tom Clark came to Columbus to address local Democrats at the Jefferson-Jackson Day $25-a-plate dinner. Of all things, he said the administration was "alert to the perils of communism and * * * intensely fighting it on every front." He also claimed that the administration has done more to stamp out subversive influences than any other administration.

Indeed. We submit that the whole problem of subversion, communism, and the world Communist menace has received greater impetus, comfort, and abetting under the administration and its predecessor New Deal administration than under any other in our history.

It was the New Deal administration which recognized Soviet Russia in the first place.

It was under New Deal aegis, or at least indifference, that Communists were able to gain control of many strategic American labor unions.

It was under the New Deal brand of diplomacy that the Allies lost the early peace through New Deal concessions to Soviet imperialism at Tehran, Yalta, Cairo, and Potsdam.

It was under New Deal diplomacy that once-free Baltic, east European, Balkan, and Asiatic nations were deliberately and literally sold out to the Communists of Russia as part of the Roosevelt "grand design."

It was under the New Deal administration that Communists infiltrated one important Federal Government agency after another—and even the administration has owned to having had to discharge many because they

were belatedly (after much public pressure) "discovered" to be Communists.

It was under New Deal diplomacy that millions of dollars' worth of American wealth and property were handed over free of charge to one Communist country after another.

It was during the New Deal administration that leftists enjoyed White House bed and board and an agency, now branded as subversive by Attorney General Clark's own Department, enjoyed the sponsorship of the wife of a President.

It was the wife of a New Deal President who repeatedly and personally intervened to force the admission, over State Department protests, of a notorious Communist to this country.

It is under a New Deal administration that an indicted Communist, Gerhardt Eisler, enjoyed freedom of movement under bond to ply his trade and to skip the country while ordinary citizens, like any of the rest of us, would have languished in jail for a comparatively minor offense.

Alert to the perils of communism? Attorney General Clark might better have said, aware of the fruits of our sins.

The blood is on the head of the New Deal. While the claim that the administration is doing "more to stamp out" subversion than any other is open to debate, it is true that recent administrations are responsible, more than any others, for a situation requiring that any "stamping out" be done.

Congress Must Make Decision in 60 Days on Deficit Financing—Budget Balance Unlikely for Many Years to Come if Spending Forces Win

EXTENSION OF REMARKS
OF
HON. CHARLES B. HOEVEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. HOEVEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by David Lawrence taken from the Washington Evening Star of Wednesday, May 18, 1949:

Within 60 days America must make a fateful decision. It may affect the course of our economic life for a decade or more. It may weaken America as a world power or it may strengthen America's position as the bulwark of the postwar world.

The decision relates to whether the United States is to embark on an era of deficits in the Federal budget. If it does, there may not be another balanced budget for many years to come. If deficit financing comes, economic troubles will multiply and then aid to Europe will be jeopardized.

The struggle is between the forces that want to spend and those that want to save.

MEANS BUYING OF VOTES

Politics and selfish lust for continuance in political office are back of one, and fear of economic chaos is back of the other.

In such a contest—which, in reality, means buying votes by bribing a minority segment of an uninformed electorate that can hold the balance of power in elections—the chances favor the politicians who want to do the bribing. An informed majority can overcome any such minority.

The Federal budget which President Truman recommended last January is close to $42,000,000,000. He now wants to increase it by nearly $2,000,000,000. There are projects pending which have the administration's blessing and which could add several billions more. Receipts are estimated at $39,000,000,000.

In the White House is a practical politician. If Congressmen don't vote for administration measures, Mr. Truman threatens to withhold appointments they favor. When the Federal Government votes money that benefits a particular group of voters, Mr. Truman exacts his price-support at the polls. If a group of citizens doesn't vote for him though it has received financial benefits, he calls that group ungrateful.

Mr. Truman's speech accepting the Democratic nomination at Philadelphia last summer, in which he said labor and the farmers would be ungrateful if they didn't support him, could be regarded as a bit of campaign oratory but for the fact that as late as 2 weeks ago, in talking with a group of agricultural editors, he again adopted the same meretricious approach when he said that in the last election "the farmers apparently realized which side of their bread was buttered."

As long as a President of the United States sets the pattern in the handling of public funds and gives the impression that it is his own money and not the taxpayers' that is being spent, it will be difficult to get a budget cut.

ACTION UP TO CONGRESS

Congress, by a coalition of Republicans and Democrats, must therefore do the budget cutting. It seems passing strange that this Nation, which managed to live without hardship only 2 years ago under a Republican Congress with a $38,000,000,000 budget, should now have to spend many billions more.

The cry of Mr. Truman for more taxes at this time is at variance with the advice of his own party leaders and the President's own economic advisers. Whatever were the mistakes in reducing taxes a couple years ago, a greater mistake would be made now in increasing tax rates. The true answer is to prune the budget. It can be done. One way is to pass all appropriation bills now pending but require the head of every agency or department to regard its appropriations as an over-all sum and to require that 10 percent be cut, leaving it to each agency to determine from which of its many items the 10 percent should come. The agencies and departments know best where cuts can really be made.

Some such approach is imperative if the budget is to be balanced. It is no longer a job to be expected from the Executive, for he wants to spend and spend. The country can be spared an economic catastrophe only if Members of Congress are alert to the dangers that lie ahead, and that's where an aroused public opinion becomes essential.

Unemployment and the New England Power Compact

REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 18, 1949

Mr. FOGARTY. Mr. Speaker, I was very happy to listen to my colleague, the gentleman from Connecticut [Mr. PATTERSON], talk about the unemployment situation that exists not only in Connecticut but in all of New England. I think he remembers that Gov. John O. Pastore, of Rhode Island, a few months ago instituted a new program proposing that all the New England States get together and form a New England Development Authority. Three States have ratified this program, but the States of Vermont and Maine have seen fit not to ratify it because of the power lobbies that exist in the legislatures of those States at the present time. If a program like that could have been worked out it would do much to relieve unemployment in New England. We find that we are now paying three times the power rates that are paid in the TVA area or on the west coast where they have public power projects. If we could get one for New England, if all the States in the New England group would follow the leadership of the Governor of Rhode Island in such a compact I think we could do something about the unemployment that exists there.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. McCORMACK. I may state that what the gentleman has said is absolutely correct.

The SPEAKER. The time of the gentleman from Rhode Island has expired.

Those Snow-White Chinese Reds

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by James F. Kearney from America for May 14, 1949:

THOSE SNOW-WHITE CHINESE REDS

(By James F. Kearney)

(Father James F. Kearney, S. J., has years of personal experience of the Chinese people in general and of Chinese Communists in particular to qualify him as a critic of Edgar Snow's journalistic gyrations on the present Chinese tragedy. Fr. Kearney spent 18 years working in the Chinese mission field, as teacher, editor and radio-league director.)

With world Communist "peace" congresses cheering the news of Red victories in anguished China, here in America there are still men trying to soothe us with the idea that maybe things aren't so bad out there after all. Take the case of Edgar Snow. In answer to the question: Will China become a Russian satellite? (Satevepost, 4/9/49), Mr. Snow says he believes there is a good chance that Red China will not play Stalin's game.

The Post editor's statement that the author of the article knows the Chinese Communists perhaps better than any other American warrants examination of the record of this authority on the China Reds. In the beginning of the article in question, Mr. Snow says: "It has never been my contention that the Chinese Communists are not really Communists." If he will consult his own book, People on Our Side (Random House, 1944, p. 290), he will read: "For Americans with little background on China the term 'Communist' may be misleading. The fact is that 'communism' was never established in China * * * and Chinese Communists never claimed otherwise." In the course of

years we find that Mr. Snow has contradicted himself half a dozen times on this particular point. When the Party line says these Chinese are Red, then for Edgar Snow they become really Red; if Moscow calls for another color, he complies in his cheerful, dogmatic statements. In quoting Mr. Snow, therefore, one should give the exact year, month, day—perhaps even the hour—he held that particular opinion. It is all so reminiscent of the Communist policy of confusion.

A couple of thousand Catholic missionaries have lived in Chinese Communist-held areas for quite some time. If Mr. Snow or the editors of the Post wish to inform themselves of real conditions in those territories, they should condescend to consult the nearest Catholic editor. The Catholic press, for years, has faithfully reported eyewitness accounts by bishops, priests and sisters, and has published reliable news items gathered by NCWC correspondents.

The facts Mr. Snow and the Post editor might learn are as follows: in Red areas, although the people are told they are sovereign, they have nothing to say. The Red regime has promised heaven, and has given the poor people hell. To date the Chinese Communists have piled up a hideous record of murder (almost a hundred missionaries since VJ-day) terrorism, pillage, land confiscation; denial of free speech, free press, free worship; suppression of mission schools; violation of every basic principle an American holds dear.

In case Mr. Snow should say these reports are exaggerated, or unauthenticated, we refer him to quotations from the China Weekly Review (Nov. 15, 1947, p. 350), a leftist Shanghai magazine for which he used to work. On the land-reform program, we read: "Article 2: Land ownership rights of all landlords are abolished." "Article 3: Land ownership of all ancestral shrines, temples, monasteries, schools, institutions and organizations is abolished." "Article 11: All land deeds and all notes on debts contracted prior to the reform of the agrarian system shall be declared null and void." This is the program Mr. Snow is asking Americans to subsidize, as the Post article reveals.

The following statement by P. Joliet, a Frenchman, is merely one of hundreds that could be quoted to indicate the feeling of the Chinese toward the Reds:

"Having lived constantly in close contact with the peasants in North China for 10 years and experienced every stage of the conquest of that region by the Eighth (Red) Army, I have been a witness of the attitude of the population in regard to them and can give my word of honor that 99 percent of the population (others say only 95 percent) curse the Red regime in their heart, and even openly when they are assured of privacy and can speak in Chinese to a foreigner whom they trust. All praise the regime in words, hide their resentment and show themselves satisfied when they have to speak through an interpreter to foreigners. This is out of fear of reprisals: torture, pillage, forced labor. Hence, the testimony of any foreigner accompanied by Communists has no value as an indication of the true mentality of the people."

M. Joliet, who knows the Chinese language and mentality thoroughly, singles out Edgar Snow's Red Star Over China as a book that definitely does not represent the Chinese peasant's real reaction to communism. He and all China residents know that during the past year, at the mere rumor of a Red advance, even the poorest in a Chinese village would drop everything and run. The thousands of destitute refugees from Red areas, who have been cared for by missionaries, and others near the large cities are eloquent proof of what the people think of China's Reds.

In his Post article Edgar Snow has summed up his reasons for believing we can deal with Chinese communism. We select a few points for examination.

1. The contention that Moscow can't hope to control China is based on the belief that China's Marxists have been internationalists in theory but nationalists in practice. This is the present theme song of most United States leftists. Back in the early 1920's Moscow's leaders argued: "World revolution isn't progressing very well in Europe. It will begin effectively only when Asia's hundreds of millions of oppressed peoples have been put into motion. Far-off China is the key to Bolshevist success." There is little attempt by leftists to deny Moscow's influence in the early days of the Chinese Red party, but they deny it is clear after 1927. Before the House committee in March 1948, however, Mr. William Bullitt testified:

"In 1934, when I was Ambassador in Moscow, the Soviet Government issued a book [we bought copies for the United States Government] entitled 'The Strategy and Tactics of Communist Revolution in China,' in which it listed 40 directives it had given the Chinese Communist Party on how to conduct its affairs. In 1935, when I was at Moscow, representatives of the Chinese Communist Party were prima donnas at the meeting of the Third Internationale in Moscow. The party line has never been broken by the Chinese Communist Party. * * * The same man, Mao Tse-tung, is conducting the Communist Party of China today who has conducted it for the past 20 years."

To show how the Chinese Reds have always veered with the party line: Early in 1935 they were instructed by Moscow, says Freda Utley (who once worked in the Moscow bureau directing China Red affairs), to cease fighting Chiang Kai-shek and the Kuomintang and try to make an alliance with them against Japan. They did so. After the Russo-Japanese pact in April 1941, the Chinese Reds obediently followed Russia in recognizing Japan's Manchukuo, and denounced all Chinese who objected. In the 1944 Japanese drive south, which almost lost the China war for the United States and Chiang, the Chinese Reds did nothing serious to prevent this or to cut the Japanese communications. Our missionaries lived in those areas and report that one-tenth of the Red effort was expended against the Japanese, the other nine-tenths to consolidate their own position for postwar work against the Chinese Government.

2. Mr. Snow goes on to say: "Except Yugoslavia, China has the only Communists who actually came to power without direct political or military dependence upon Russian arms." By Russian arms he doubtless means arms manufactured in Russia. In his article he never mentions the well-known fact that Russia turned over to her Chinese satellites the huge supply of Japanese arms they captured, and which by treaty should have gone to the Chinese Government. Major General Chennault, who should be a better authority on this point than Edgar Snow, estimates that there was enough Japanese matériel to equip a million Chinese Reds for 10 years of fighting. This single item represents Moscow's huge stake in the outcome of the China war, and far outweighs anything the United States has contributed to stave off a Kremlin victory. Yet it does not prevent Mr. Snow from asserting: "From the best information I could get when I was in Korea in 1946, the Russians had given little help to the Chinese Reds. The latter were rather inclined to look upon their 'loyal allies' as an obstacle."

3. The next affirmation of note is this: "It is doubtful if 10 percent of the Chinese Central Committee are Soviet-educated. In the rank and file not one in 10,000 has been sent to Russia." That is just about the right proportion needed to take over any nation for the Kremlin. "They have learned their Marxism largely from the history of the Chinese party, the textbooks and doctrines worked out in the writings of Mao Tse-tung." If Mao were not an orthodox Marxist, that might be dangerous; but in 1945 he stated categorically to newsman John Roderick: "Chinese Communists are completely, irrevocably, and aggressively Communist in the full sense of the Marxian and Leninist word." General Wedemeyer before the House committee in March 1948, was asked: "Are the Chinese Communists primarily Communists, or Chinese patriots?" His reply: "Mao Tse-tung, through Chou En-lai, stated categorically to me that they are Communists as such. They are definitely Communists as we understand the term Communist. I asked them: 'If you had to choose between the Communist movement and your country, China, which would you choose?' Chou En-laid said: 'the Communist side.'"

Further, when the Cominform denounced Tito last year, Mao denounced Tito; when Reds in all the big countries made their open profession of loyalty to Stalin in case of war against the Soviet Union, the China Reds, according to an April 3 Associated Press dispatch from Shanghai, obediently followed suit by denouncing the North Atlantic Pact and declaring they would "march forward hand in hand with the ally of China, the Soviet Union * * * to overthrow the entire imperialist system and realize the liberation of all mankind."

In this question of the strained relations between Mao and Stalin that Mr. Snow has conjured up, where does America come in? Mr. Snow thinks of everything: "So long as it is true that the United States is the main support of the old regime in China * * * Americans will easily hold their present position as foreign enemy No. 1." How can we escape that odious title? It's all very simple. Mr. Snow pictures it thus: Mao Tse-tung has outlined a huge reconstruction program. But the new Communist state is really in a bad way and deserves American sympathy—"It starts off with a nation that is bankrupt * * * its cities ruined, its railways wrecked, its machinery antiquated or useless, its river and canal systems broken down, its people hungry, weary, and ragged, eager to work but lacking tools." That's where Uncle Sam comes in. "If the new regime is to make a speedier success of modernizing China than its predecessors, it will have to seek aid wherever practical, rather than abide by ideological preferences."

One has to admire the temerity of Mr. Snow in asking the United States taxpayer to finance a needy Red regime in the midst of the cold war between us and Russia. To see its absurdity, it is only necessary to ask what our reaction would have been to a similar request from a pro-Hitler American asking us to finance a newly conquered puppet state. The British in Hong Kong, who held much the same opinion as Edgar Snow about the Chinese Communist desire for trade with non-Soviet states, have already been sadly disillusioned by their experience in newly captured Tiensin and Peiping and have had to close down their offices. The recent naval incident on the Yangtse augurs a speedy end to such ideas.

Were Mr. Snow a real authority on the Chinese Reds, he would know what everyone who has lived with them for a long period knows, that they have no desire to build up the living standard of their people. On the contrary, as a foreign doctor who got caught in Chefoo when the Reds moved in told me over a year ago in China: "The aim of the Reds is to reduce everyone, rich and poor, foreigner and Chinese, to the level of the Shanghai beggar." Edgar Snow, having lived in Shanghai, knows what that means. My guess is that if there is any important foreign trade going out of the newly conquered China ports, it will go to Soviet Dairen and Port Arthur, so generously handed over to Moscow by an ailing President Roosevelt without previously consulting Chiang Kai-shek, head of an allied government.

If there is any important element in our State Department taking Mr. Snow's ideas

seriously, this may explain the disastrous Far Eastern policy the Department has been following. Mr. Snow's opinions may be due to ignorance, but the State Department has been kept well informed on the real character of China's Reds. American Catholics could help by backing up those Senators who demand a quick investigation of those responsible for engineering the collapse of the only group resisting Red domination of China. Those who sold Chiang down the river would like to do the same for General MacArthur; and their master plan also calls for turning the Philippines and southeast Asia over to Moscow. It ought to be possible to replace these men with Americans.

Railway Safety

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

STATEMENT OF HON. MELVIN PRICE, REPRESENTATIVE IN CONGRESS FROM THE TWENTY-FIFTH ILLINOIS DISTRICT, BEFORE THE SUBCOMMITTEE ON RAILWAY SAFETY OF THE HOUSE INTERSTATE AND FOREIGN COMMERCE COMMITTEE, CONSIDERING H. R. 530 AND H. R. 378

Mr. Chairman and members of the committee, I appreciate very much an opportunity to appear before you this morning. I am here for the purpose of supporting and urging you to support adequate legislation in the field of railway safety.

There is a general conception on the part of the American railroad passenger that his safety is fully protected by Federal legislation. Unfortunately this is not so and I hope that the Congress can now proceed to the correction of some of the obstacles in this important field. One of my primary interests as a Member of Congress has been the promotion of passenger and employee safety on the Nation's railroads.

I come from a railroad family and I represent here in Congress one of the largest railroad concentration points in the whole world. The subject that you are discussing here today is not a matter of statistics with the people of the Twenty-fifth District of Illinois. It is small comfort to the widow of a victim of a railroad accident to know that that tragedy is duly recorded in some statistical volume prepared by the Federal Government. On the basis of these statistics, we must move toward a broadened and enlarged safety program that will more than pay for itself when viewed in terms of long-range gain.

Upon being elected to Congress for the first time in 1945 I introduced legislation requiring carriers by rail to install and maintain adequate electronic communications systems. In each succeeding Congress I have reintroduced this legislation in the hope of obtaining action. You are today considering my latest bill, H. R. 530, which I introduced in this Congress.

In addition to my bill you are considering H. R. 378 introduced by the distinguished chairman of your committee, our beloved Uncle BOB CROSSER. This bill is substantially the same legislation that I have introduced with certain refinements found necessary in view of the administrative problems inherent in carrying out this program of electronic installation.

I am informed that Chairman CROSSER and the members of the Interstate Commerce Commission have satisfactorily worked out with the Federal Communications Commission certain procedural obstacles involved in the licensing of radio equipment in the railroad field. Based on these conferences, Mr. CROSSER had worded his bill in such a way as to carry out these agreements. In addition to the licensing difficulty solution, your chairman has incorporated in his bill some legislative recommendations contained in the latest annual report of the ICC which that agency felt advisable in the field of safety. Although at times in the past I have been somewhat critical of the Interstate Commerce Commission in the field of railway safety, I am glad to note that the agency is now determined to move forward in this vital undertaking. For these reasons I am here today not in behalf of my own bill, but rather to urge your committee to report favorably to the House Mr. CROSSER's bill, H. R. 378.

Someone once said that figures can't prove anything but that anything can be proved with figures. In the field of railway safety this is generally true. Statistics in railway accidents can be interpolated in many different ways. There are some who say that accidents per passenger mile should be the basis. Other observers insist that the number of accidents per train mile should be the basis. For my purposes, I will confine myself to simple and easily understood figures that I hope will be helpful in this discussion. In the years 1938 to 1948, inclusive, 50,501 American men, women, and children were killed on the Nation's railroads. In this same period 583,123 people were injured. There are 225,000 miles of operating railroad trackage in this country. Although the following percentages are very difficult to obtain and sometimes not clearly shown, we can get some idea as to the protection that is afforded American rail traffic. Of these 225,000 miles of tracks, 105,000, or approximately 47 percent, are protected by some type of signal equipment; 120,000 miles of American railroads, or 53 percent, have absolutely no safety protection. This 47 percent protected trackage is distributed as follows: Thirty-three percent is protected by automatic block-signal equipment; 14 percent is protected, and I use this word guardedly, by manual block-signal equipment. In addition to this block-signal protection, a small percentage, roughly about 9 percent of the Nation's rail trackage, is protected by train-control and train-stop equipment.

From these figures we see that roughly half the railroad trackage in this country has absolutely no protection. H. R. 378 which you are now considering provides that the carriers be required to install certain electronic train communication and control equipment. I am frankly amazed that the railroads have not done this on their own motion a long time ago. Certainly the radio has proven advantageous in all other related transportation fields.

Immediately upon invention of the radio in the early years of this century oceangoing ship operators adapted it to their usage. Aviation transport has long since recognized radio as fundamental in the field of passenger and employee safety. As a matter of fact, both oceangoing traffic and air traffic have long since regarded radio as basic and are moving ahead in the field of radar and other electronic development.

Obviously there is great dissimiliarity between railroad, aviation, and water transportation. Financing is dissimilar and usage is dissimilar. On the other hand, the limited experimentation in the field of radio communication that has been carried on in the American railroad systems prove that this medium has many advantages in the railroad field. The Pennsylvania railroad has installed radio on an experimental basis between Harrisburg and Pittsburgh, Pa., and are working toward its development on other stretches of track. The Missouri Pacific has 150 miles of radio intallation at Alexandria, La. It is my hope that this beginning can be carried forward to the benefit of all of us.

In my opinion, the significant value of radio is that it affords a very cheap means of communication between train-control towers and locomotive cabs on stretches of right-of-way that are not now protected by block-signal equipment or train-stop equipment. Obviously the cost per track-mile of covering this unprotected right-of-way will be substantially lower than the cost of installing block-signal equipment.

At this point I should like to emphasize my belief that radio cannot be used to displace automatic block-signal equipment. Rather I feel that the two mediums should be used in conjunction with one another. I believe that the installation of automatic block-signal equipment should continue at an accelerated pace because it has proven to be one of the most dependable of all safety devices.

There are many other serious problems inherent in the field of railway safety. The matter of track construction, bridge standardization, crossing protection, the safe and efficient operation of hand and motor cars, and many other problems require our attention. I am sure that your committee will agree with me that the Congress should leave no stone unturned in this continuing effort to improve safety on our railroads. Let us give to the Interstate Commerce Commission the tools with which to do this job. In my opinion Mr. CROSSER's bill, H. R. 378, is a long step forward in the right direction and I hope that the Congress will enact it with dispatch.

Secretary Brannan's Farm Program

EXTENSION OF REMARKS
OF
HON. ED GOSSETT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Friday, May 20, 1949

Mr. GOSSETT. Mr Speaker, my district, the Thirteenth District of Texas, has long been one of the leading cattle-producing areas of our States. Among our most enterprising citizens have long been the ranchers and cowmen.

The new proposed farm program, as announced by the Honorable Charles F. Brannan, Secretary of Agriculture, is being debated and discussed throughout the country. Mr. Bryant Edwards, president of the Texas and Southwest Cattle Raisers Association, has recently testified before the House Committee on Agriculture concerning the views of the Texas cowmen of the proposed plan as it affects their industry. The cowman is a rugged individualist and wishes to remain as free as possible of Government regulations and controls. Mr. Edwards' testimony should be read by each Member of Congress. I therefore am placing it herewith in the CONGRESSIONAL RECORD:

Mr. Chairman and gentlemen of the committee, my name is Bryant Edwards. I am president of the Texas and Southwestern Cattle Raisers Association, for which organization I am now appearing. The principal office of the association is located in the Burkburnett Building, Fort Worth, Tex.

For our organization and for myself I thank you for the privilege you are extending us in allowing us to appear at this

time and express our views concerning the proposals that have been made recently to you by the Secretary of Agriculture.

At the outset I want to make one thing perfectly clear. I speak only as a cowman—a producer of range beef cattle and the organization I represent is composed of that type of people. My remarks are confined strictly to an expression of the views of range producers of beef cattle. I do not, in any way, make any representation to you relative to any other segment of agriculture. But the views I express here today is believed by me to be the view of the beef cowmen of the Nation.

We have read Secretary Brannan's proposal in its original form and have seen his supplemental explanatory remarks. We are also aware of the testimony given by the Secretary before this committee. And we have seen many comments on this plan in the country newspapers in the range country. Our remarks are founded on these items. We have not seen the proposed bill which Secretary Brannan stated had been prepared in the Department of Agriculture.

We are opposed to Secretary Brannan's program insofar as it relates to beef cattle and beef. We want no part of it.

Among the reasons for our opposition to the Secretary's plan are the following:

I. HISTORICAL

At no time in the history of this Nation has our industry ever sought governmental support of prices. Nor has our industry ever been subjected to any character of program even resembling such a plan.

Even at the time when other segments of agriculture were recommending to the Congress the adoption of programs of price supports our industry consistently asked to be left out of all such movements. The production of cattle has never been classified by the Congress as a basic industry largely because the people engaged in that industry have uniformly opposed such classification. For the same reasons beef cattle have never been classified as a basic commodity. And beef, which is the ultimate form of our production, has likewise always avoided classification as a basic commodity. These statements refer both to the basic law and to the Steagall amendment.

The position of our industry is unchanged. We realize that, regardless of whether we are included in or excluded from artificial definitions, the importance of our industry is well known and appreciated. And we realize that our industry contributes substantially to the general agricultural income. We have neither the desire nor the intent to allow that contribution to decrease. But we know that the basic character of our industry, and the nature of the people engaged in it are such that the prosperity of our branch of agriculture is better served by allowing us to live and operate in our historically independent but self-sustaining way.

II. INDEFINITENESS OF THE PLAN

One thing that bothers us is the fact that we, and apparently the Secretary also, do not know how his program would work with reference to beef cattle.

I refer you to the Secretary's testimony as evidence of the fact that he had not thought this item out thoroughly. Until it was so thought out it should not have even been suggested to the Congress or to the industry. And Secretary Brannan told you he had not consulted the beef-cattle industry at all. The Secretary, in answer to questions asked him by members of the committee, stated that he had not worked out the proposed program with reference to beef cattle in detail. He also made frequent reference to the fact that many items important to the industry had not been worked out and that "we will have to take a good look at that."

As illustrating the indefiniteness and uncertainty of the Secretary's position on items of essential importance, even his contradictory position, we point out that he stated in referring to hogs that the subsidy would be paid by buying pork. He then stated, in his supplemental filed statement, that an analagous program would be carried on in beef cattle, leaving the inference that the beef cattle subsidy would be paid by buying beef. Then he stated that the subsidy on beef cattle would be paid to the producers directly but modified this plan by saying that this subsidy would be paid to the last handler of the live animal, with the hope and expectation that the subsidy would be passed on back to the original producer. Experience has taught us, and should have taught everyone, that such hope and expectation is not realistic.

The Government has had experience in the payment of consumer beef subsidies. In the first place the Government was never able to evolve a workable plan for the direct payment of subsidies to beef-cattle producers. It could not even evolve a plan it would try out. And when payment of such subsidies was attempted by indirection through the processors of beef, the friction of travel wore out the payment before it reached the producer.

Let us look at just one problem involved. It was stated that subsidies would be paid according to grades of the cattle. Who would grade these cattle? Where would they be graded, and when? An army of graders would be required to cover all the cattle markets. What would be done with reference to the substantial number of cattle sold for small-town slaughter? Who would grade or count them?

In selling cattle the producer tries to hold the grades up. The buyers try to press the grades down. Difference in judgment makes trades. But the ultimate grading is done on the carcass after slaughter. Would the Government attempt to follow every animal from the range to the rack? If so the task would be gigantic and the employees in this industry alone would outnumber the armed forces.

It is no wonder that the Secretary was both contradictory and uncertain when he was questioned about the application of his plan to the beef-cattle industry. We feel that when he takes a good look at this problem he will strain both his optic nerve and his patience before he comes up with a practical, workable plan of operation. It is certain that he has none now.

In any event it is expecting entirely too much to ask our industry to accept a plan, program, or proposal when even the author and proponent of that plan does not know how it is supposed to work. Our business cannot, and in fact no business can, operate on guesses, hopes, and dreamy expectations. In any plan of operations in any endeavor success depends on details carried out. Here we cannot know the details.

We people in the business of producing beef cattle are independently ambitious. We trade with each other all of the time, trying to outguess each other. We like this system and we do not want it interfered with. The proposed plan, with its accompanying controls, would take out of our economic life factors we like. We want to preserve our system and our independence.

Even if the basic philosophy of the program was not repugnant to us, which it certainly is, we could not accept a plan that is as indefinite and uncertain as is the Secretary's plan with reference to beef cattle.

III. NO NECESSITY FOR THE PLAN

In the Secretary's supplemental statement given to this committee on April 25, 1949, the following statement is made:

"I don't suppose anyone on the committee expects us to be in a program of supporting the price of beef cattle or lambs in the near future; but if and when we are, the operation would be analogous to the hog example I have just given."

We are sure that no one expects the Government to support beef-cattle prices at any time soon. We are equally sure that no one in the business of producing beef cattle wants any such thing now or ever.

We have always been able to supply the demand for beef in this country without governmental price supports. We can still do so, and unless the Government intrudes too much into our business we will do so.

It may be interesting to point out some facts to the committee that are not generally known. We cattle producers of the United States are now producing, and for many years have produced, one-third of all of the beef produced in the world. The whole world annually produces about 65,900,000,000 pounds of meat. Of this total production from thirty-seven and one-half to thirty-nine and one-half billion pounds is beef and veal. The annual beef and veal production of the United States is 12,000,000,000 pounds, or approximately one-third of world's total. And the remarkable thing is that we Americans eat all of our own production, together with a small amount imported from Canada.

The American people are real beef eaters. Fortunately, the American ranchmen are real beef producers. And these ranchmen have been able to supply the demand for beef for many years without the necessity of governmental subsidies. They do not now want this hand-out. They do not need it to make them produce. And they do not want to be forced to accept a subsidy instead of a fair market price.

The statement has been made that it is desirable to increase the beef cattle population of this country. With time, which such a movement requires because of the laws of nature, this can and will be done. The sometimes ridiculed law of supply and demand will accomplish the desired result. There is already a trend in the industry to increase this beef cattle population. The record shows that approximately 200,000 more 1- and 2-year-old heifers were kept on the range this year than last year. This means an increased breeding herd with resultant increased cattle population. The trend is not panicky. There is no big plunge. It is a gradual, healthy movement. It will continue to the saturation point. And we do have a saturation point. Range land will support only so many cattle, and when that number is reached no more can be successfully grazed. Fortunately that point of saturation is well above the possible demand or requirement of this country. We now have about 78,500,000 head of cattle in this country. About 42,000,000 of these are beef cattle. During the war we had 85,000,000 head of cattle, with half of them dairy cattle. Now we have 5,500,000 more beef than dairy cattle. And the number of beef cattle is again increasing. From wartime emergency demands we expected a reduction. We had it. We expect some further reduction in effective demand and we are attempting to adjust ourselves to such changes.

It is obvious that, insofar as the beef cattle industry is concerned, the proposed plan is unneeded.

IV. FUNDAMENTAL OBJECTIONS

We ranch people do not like the basic philosophy of the proposed plan.

We do not believe in hand-outs, call them subsidies or production payments or anything you like. We believe that we, as a part of the citizenship of this Nation, should do our full part toward supporting our Government. We do not expect the Government to support us.

Our fathers built our industry on the American principle of free enterprise and

independence of thought and action. We can imagine the graphic language that would have been used by one of our trail-driving ancestors to a proposal of a subsidy by the Government. And we can imagine what would have happened to some economist who would have had the temerity to tell an old cowman that the Government, or in particularly the Secretary of Agriculture, would tell him how many cattle he could raise, or how many he could sell or where or when he had to sell them. And the character of the cowman has not changed.

And that is what the Brannan plan means. Perhaps not just yet, but it is the beginning of complete, unqualified, and absolutely controlled economy. This is strong language, but this conclusion is logical when you study that plan.

The plan now calls for immediate unlimited production with support prices applicable to only a part of such production. But the Secretary asks for authority to impose production controls and marketing quotas, either or both, as he may see fit. Imposition of the subsidy plan necessarily involves such controls. The Secretary has so stated and some members of the committee have agreed to this proposition. It is said that no one wants to impose complete controls—that producers should have faith in their officials and in their Government. Perhaps the present or even the next set of officials might not want to exercise this system of complete controls if given the opportunity, but some day there will come on the scene an individual who would not waste his given opportunity. And we do not want to give to anyone that opportunity. I am reminded of a statement made by Thomas Jefferson, the philosophy of which is applicable to the proposed plan. He said:

"Free government is founded in jealousy and not in confidence; it is jealousy and not confidence that prescribes limited constitutions to bind down those whom we are obliged to trust with power."

We may sound old-fashioned, but we still believe in the philosophy of Jefferson and we know no person in whom we have such confidence that we would entrust him with the power now requested by the Secretary of Agriculture.

While Safety Is of Essence and Prime Concern in Commercial Aviation, National Defense and Security Dictates That Air Power Pilots Obtain the Maximum War Service Performance Out of Every Type of Military Plane, Even at the Risk of Personal Safety

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EXTENSION OF REMARKS

OF

HON. FRANK W. BOYKIN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 20, 1949

Mr. BOYKIN. Mr. Speaker, it was with profound interest that I have listened to the debate presented in these halls with respect to the career compensation bill, H. R. 4591, now before the Committee of the Whole House.

The bill, I am happy to record, applies with equal weight to the Army, Navy, Air Force, Marines, Coast Guard, the Reserve components thereof, the Geodetic Survey, the National Guard, and the Public Health Service.

Mr. Speaker, I want to say that having read the records of the hearings held before Mr. KILDAY's committee that that committee and this House are to be congratulated upon the splendid work performed in bringing forth, in curing and in perfecting the original bill as presented.

I doubt if there was a single pertinent fact of any consequence that was not fully investigated, probed, and every facet of the question exhibited, discussed, and disclosed before the bill was reported out of that committee.

Likewise, Mr. Speaker, I want to express my own appreciation—and I know I bespeak the appreciation of every House Member—to the members of the Advisory Pay Commission, commonly known as the Hook Board.

That Board, made up of a set of estimable and totally disinterested business executives, gave unstintingly of their time for upward of a year and a half—to an intimate study of these pay requirements.

Their studies comprehended not alone a cross section of civil as well as military pay standards in the United States—but those of foreign governments in their relation to civil pay as well as the foreign military standards of compensation.

It so happened, Mr. Speaker, that on Wednesday last, May 11, I was in attendance at the hearings before the Committee of the Armed Services of the Senate. The committee was that day holding hearings with respect to a bill authorizing the construction of transonic and supersonic wind tunnel facilities for the United States Air Force.

The Honorable W. Stuart Symington, Secretary of the Air Force, was in attendance and testifying. He made one prophetic expression which in challenging the imagination seemingly thrilled the newsmen and the photographers present, for upon concluding that statement, the cameras began to click.

Since the end of the war—

Secretary Symington stated—

We have felt both the full impact and the full meaning of jet and rocket power—the achievement of speeds far in excess of those ever before attained by man—speeds in the transonic and supersonic ranges. Since the initial break through the sonic barrier by Air Force in the fall of 1947, our pilots have flown hundreds of miles per hour beyond the speed of sound.

It is not necessary for me to point out the guarded manner in which Secretary Symington expressed the speed at which our airmen are flying through the heavens as of this very hour.

You will note that he said "our pilots have flown hundreds of miles per hour beyond the speed of sound," and, Mr. Speaker, I am advised that at sea level—sound travels at a rate of 760 miles per hour.

At any rate, Mr. Speaker, the young intrepid Americans of our Air Force are now hurling through space at something more or less than 1,000 miles an hour or at a speed that will enable them to take off from our country and set down on European shores in the space of but several hours.

Mr. Speaker, in the early part of February the Honorable FRANCES BOLTON, in addressing this House, told of the new P–47 jet bomber that crossed the continent in 226 minutes.

Vision with me—

Said Congressman BOLTON—

this latest type bomber plane of our United States Air Force. Built to carry a 10,000-pound bomb load, it is itself a giant fabrication of 125,000 pounds of iron and steel, aluminum, copper, magnesium, lead, tin, zinc, glass, plastic, fuel, and a host of other organic and inorganic materials, flying through space nearly 7 miles above the earth, and at an average speed of 607 miles an hour in a nonstop transcontinental flight.

I am happy to see this Congress give such profound consideration to a career compensation bill which will insure to our Nation the retention of men trained to fly such aircraft and administer the tremendous funds which are being expended in behalf of national security and defense.

I am thus concerned because the safety of this Nation, as well as the national economy, dictate that those charged with the expenditure of billions of dollars in the management of our armed services should be the best personnel obtainable in these United States. To effectuate the policies of economy as declared by this Congress those now in charge should either possess or be given the best business and administrative training that can be devised.

Mr. Speaker, as you well know, the newly created United States Air Force has no academy comparable to West Point and Annapolis. In order to reduce the cost of training young officer personnel the Air Force attempted to secure college graduates by offering direct commissions as second lieutenants in that service. The particular need was for young men educated in the fields of business administration, finance, personnel management, communications, physics, chemistry, electrical, civil and mechanical engineering.

Considerable publicity was given to that offering through various media—newspapers, magazines, articles and by posting notices thereof on bulletin boards of various schools and colleges throughout the United States.

In the city of New York, where more than 100,000 young men eligible for commissions are enrolled in colleges, and after 2 weeks of advance publicity, only six inquiries were made by personnel who were qualified under the regulations specified in the announcement.

Of the six young men who did apply—after learning the pay scale, the potential earning power and other factors relevant to making a career of the United States Air Force—five of the six who had inquired—immediately lost all interest. The other completed his application. This was forwarded to the proper headquarters and accepted. However, when this successful applicant received notice to report at Air Force offices—he replied in writing and stated in substance that he had given further consideration to the opportunities available in civilian life and was no longer interested in an Air Force career.

I am particularly anxious to see how the Committee will undertake to permanently establish in all Government departments of our armed services men

trained in business administration and be expected to continue in those services in the years which are to come.

May I suggest to the consideration of my colleagues in this House that any pay bill or schedule of pay that we here legislate which renders a future in the armed services conducive to men of good character and high business ability would increase the value of every dollar that is to be spent under their direction and administration.

Hon. Robert P. Patterson, former Secretary of War, in addressing the Committee on Military Affairs of this House with respect to pay increases for the armed forces said:

> To maintain an Army capable of insuring the defense of this Nation, it is imperative that its leaders be obtained from among able young men of broad vision. The best-qualified men of our country must be induced to seek the Army as a career. It will be impossible for the military service to procure or retain the more outstanding men who are competent to assume positions of great responsibility unless they are compensated on a basis similar to that provided for responsible civilian positions.

Hon. W. John Kenney, Assistant Secretary of Navy, in discussing the same, spoke as follows:

> But there is another and equally important reason supporting this requested increase, the need to attract and hold keen and intelligent officers and men. Modern war needs more than brawn—it calls for men capable of quickly mastering complex skills, and the very men who have the requisite education and aptitudes are the men who are wanted and well paid in civil life. If we are to have competent volunteers, we must compete for them, for they are an essential factor in our national security—and to compete successfully we must offer remuneration that a good man can afford to accept.

Since the termination of hostilities in World War II a great number of good officers have resigned their commission. For the first time in history West Point Academy has had many vancancies. While there has been no official explanation of this issued by the military, in all likelihood it has been occasioned by the belief that the future offered to graduates of these great military academies is not comparable to that offered to graduates of other schools of higher learning either by private industry or the private practice of their chosen professions.

Mr. Speaker, it has always intrigued my mind to understand the basic reason for the establishment of what are called occupational hazards to professional soldiers and others in the military departments of our Government

It is because of that I determined to make specific inquiry with respect to the section of H. R. 2553 having to do with hazard pay and learned that remuneration and payments are made additionally to regular compensation for men engaged in highly dangerous occupations. Among these are deep-sea diving, operating submarines, mine-destruction crews, under-water demolition, to men in crews engaged in digging up unexploded bombs, and those engaged in flying aircraft in the United States Air Force.

Now, Mr. Speaker, the information I received with respect to what is called flying pay is a method of compensating, or should I say, reimbursing the average flying personnel, at least in part, for the personal loss which he suffers and which the average nonflying personnel does not suffer.

Among other losses which accrue to our flying personnel—and for which I hope proper provision will be made—the most clearly defined and readily understandable is what is called the lesser total career pay.

Mr. Speaker, the lesser total career pay is defined as being the sum of money that an Air Force pilot, bombardier or other flying man or his family will never get because of the shorter life expectancy of all military flying men.

Mr. Speaker, I would not for a moment attempt to say that what we have read in the daily press, in our magazines, and hear over the air about the ever-increasing safety of civilian airplane travel is not true.

The facts are that commercial airplane accident fatality rates as reported by the United States Civil Aeronautics Board clearly show that accidents in commercial flying have steadily declined from 20.9 per 1,000 employed flying personnel in 1931 to 2.8 per 1,000 in 1941 and for the year 1948 was 1.7, or less than 2 persons per 1,000 flying personnel employed.

It is unfortunate, however, that the marked steady decline in accident rates in commercial flying is not true of military aviation. Unlike commercial flying, military aviation constantly requires maximum performance even at the expense of safety factors. In the ascertainment of total career pay, it is necessary to determine the aircraft accident fatality rate of our military aviators because the 12-year shorter life expectancy is caused by, and directly measurable from, the rate of fatalities incurred in aircraft accidents.

Let us now contrast the deaths occurring in civil aviation with those of our Air Force.

The records disclose those accident fatalities to be as follows:

Noncombat death rates of flying officers and enlisted personnel, Air Corps and Air Force

	Mean strength	Rate per 1,000 per annum
1930:		
Regular Army Air Corps officers	1,125	13.3
Extended-duty Reserves	153	39.2
Enlisted personnel	11,134	.8
1931:		
Regular Army Air Corps officers	1,224	5.7
Extended-duty Reserves	241	33.2
Enlisted personnel	11,845	.3
1932:		
Regular Army Air Corps officers	1,243	8.9
Extended-duty Reserves	270	55.6
Enlisted personnel	13,150	.7
1933:		
Regular Army Air Corps officers	1,264	5.5
Extended-duty Reserves	208	59.7
Enlisted personnel	13,112	1.1
1934:		
Regular Army Air Corps officers	1,283	10.1
Extended-duty Reserves	259	46.3
Enlisted personnel	13,821	1.0

Noncombat death rates of flying officers and enlisted personnel, Air Corps and Air Force—Continued

	Mean strength	Rate per 1,000 per annum
1935:		
Regular Army Air Corps officers	1,291	7.0
Extended-duty Reserves	311	41.8
Enlisted personnel	14,245	.8
1936:		
Regular Army Air Corps officers	1,352	14.1
Extended-duty Reserves	316	44.3
Enlisted personnel	15,238	1.1
1937:		
Regular Army Air Corps officers	1,406	10.7
Extended-duty Reserves	369	19.0
Enlisted personnel	16,020	1.1
1938:		
Regular Army Air Corps officers	1,433	9.1
Extended-duty Reserves	515	25.2
Enlisted personnel	18,536	.7
1939:		
Regular Army Air Corps officers	1,620	7.4
Extended-duty Reserve officers	660	19.7
Enlisted personnel	18,839	.7
1940:		
Regular Army Air Corps officers	2,040	8.8
Extended-duty Reserve officers	842	22.6
Enlisted personnel	36,418	.8
1942–45:		
Officers	122,823	22.5
Enlisted personnel	100,332	14.5
1947:		
Officers	25,538	10.8
Enlisted personnel	11,711	9.3

Explanatory: Graduate cadets on duty with organization during 1934-37 included in the extended-duty Reserves. Enlisted strength excludes flying cadets. 1930–40 data on fiscal year basis; calendar year basis thereafter.

It thus becomes apparent that while the hazard of civil aviation declined from 20.9 to less than 2 per 1,000 persons, the death rate of military-flier personnel in the postwar period, 1945 to 1947, is approximately 10.05 per 1,000.

Mr. Speaker, further computation at hand clearly disclosed the fact that due to his 12-year shorter life expectancy, the average flying officer will receive $64,744 less lifetime pay than will a nonflying officer in any of the several air arms of the different services.

This is a measure of but one type of loss suffered by our military aviators because of their choosing that career in the armed services of our country. It takes no account whatever of their known losses resulting from cumulative physical and nervous strain, injuries resulting in early retirement, and 12 years less of life. It, therefore, becomes apparent there is no compensation whatever—at the present time—provided for the shorter expectancy, the extra hazard of major or minor injuries, the physical and nervous strain, or for the significant, even though incalculable loss of 12 years of life for the average military flier.

For many years past the New York Life Insurance Co., one of America's largest, oldest, and most important insurance companies, has provided flying coverage to all our military flying personnel at a premium of 60 cents per month per $1,000 of insurance and payable for a period of 10 years.

Now, Mr. Speaker, I am authoritatively advised that due to the high rate of losses in life and based upon the recent experience of flying personnel, this company on April 15 of this year has altered its insurance rate. Henceforth the payment of 60 cents per month per $1,000 will be applicable to the entire life of the policy.

Now, Mr. Speaker, let us assume that a man carried an average of $10,000 insurance in our flying forces in the New York Life Insurance Co.

Immediately upon receiving flying status his life insurance premium would be increased a matter of $6 per month or $72 per year. Assume now that he continued his flying service for a matter of 20 years. In such an event, the increase in his life insurance premium directly chargeable to his flying status would then be in the round sum of $1,440 for a $10,000 policy.

Of a certainty, such a surcharge is highly indicative of the hazards of flying service—in our armed services—as proven by the experience tables of the actuaries of the New York Life Insurance Co.

Mr. Speaker, in conclusion may I say that I hope this Congress will legislate a pay bill that will spell out in clear concise, understandable language just what each man in every grade and rank of our armed services will receive as annual compensation.

I do not mean that we legislate as to the amount in dollars that each grade and rank will collect from the pay officer and then immediately, under the same law, be compelled to pay some portion back to some other pay officer or internal revenue man.

For us in Congress to tell a man that we will pay him $3,000 per year for doing thus and so, then pay a man to hand out that legal remuneration—and then pay still another man or group of men to take back some of the pay which we authorized the first man to pay out—is to my way of thinking the most highly organized and legalized bureaucratic stupidity imaginable.

I am hopeful that at long last we will determine a just and fair rate of pay—and then pay it—to those who fulfill their duties.

We in Congress can ourselves begin to economize and save millions in the appropriations that we make to the Army and to the Internal Revenue Bureau out of the Treasury of the United States if we do not pay the Internal Revenue to collect from the armed services some given percent of what we in Congress determined should be paid to them.

Divided Parties

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 20, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following timely editorial which appeared in the Worcester (Mass.) Telegram of May 18, 1949:

DIVIDED PARTIES

Congress may be unduly slow just now—just as it has sometimes been in the past—but that is not sufficient reason to abandon the American system of divided powers. Of course, the British parliamentary system occasionally works better than our form of government. The British method is the more unified and the more flexible. In England the legislature and the executive are virtually one, and when party leaders disagree about policies, they can have a general election and find out what the people want.

Yet there are certain advantages in the more rigid American way. The elections at fixed intervals give Presidents a good chance to carry out their ideas; and they also protect the people from excessively long periods between elections. The people cannot remove a President or choose a new Congress whenever they may wish to do so; they can, surely, retire a President at the end of 4 years and they can choose a Congress every other year.

So the country is not going to the dogs merely because President Truman is having trouble with the Dixiecrats. Disputes within parties are not new. In the early months of the Hoover administration the insurgent Republicans of the West teamed up with the Democratic Party. The late Senator Moses of New Hampshire called them "sons of the wild jackass." But there is no East-West split in the Republican Party today.

Physician, Cure Thyself

EXTENSION OF REMARKS

OF

HON. EUGENE D. O'SULLIVAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 20, 1949

Mr. O'SULLIVAN. Mr. Speaker, there used to be a time in this Nation's history when everyone was quite mindful of the old directive, "Physician, cure thyself." Nowadays, very few seem to know about it at all, or if they do, they brush the thought aside and rush pell-mell and headlong into the attack against the other fellow, who is no more vulnerable than they themselves are. Indeed, they may be likened to the Biblical person who sees the mote in the other person's eye and ignores the beam in his own eye. Too many persons are in that class of human beings who want to enforce all laws, including the law of economy, upon the other fellow. They seem to be loath, oh, so very loath, to first set a good example themselves, and then call upon the other person or group to square up to the example which they have properly and nobly set. When an improper or unwarranted act is committed by a person or group, it returns to plague and haunt them. The old adage used to express this thought is that chickens come home to roost, but this is the first time that the chickens came home to roost in broad daylight before the clucking, the cackling, and the crowing had gotten well under way.

A few days ago I received from Hon. Hugo F. Srb, clerk of the Nebraska Legislature, the following document memorializing the Congress of the United States which, in toto, is as follows:

Legislative Resolution 27

Resolution memorializing the Congress of the United States in respect to the budget for the next fiscal year

Whereas it is the general consensus that sources of Federal revenue are seeking lower levels and this consensus is supported by all official calculations which have been made of the economic developments of the first calendar quarter of 1949; and

Whereas new taxes at such times as these may accelerate a minor business decline into a major depression; and

Whereas if the President's budget were enacted, the Federal tax bill would amount to at least a fifth of the individual's income: Now, therefore, be it

Resolved by the members of the Nebraska Legislature in sixty-first session assembled:

1. That the Legislature of the State of Nebraska respectfully request the Congress of the United States to make a 10 percent cut in all Federal expenditures possible.

2. That Nebraska Senators and Representatives now in the Congress of the United States be and hereby are respectfully requested to use every effort at their command to obtain the reduction in the Federal budget for the next fiscal year.

3. That copies of this resolution be transmitted by the clerk of the legislature to the Vice President of the United States as presiding officer of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to each Member from Nebraska in the Senate of the United States and in the House of Representatives of the United States.

CHARLES J. WARNER,
President of the Legislature.

I, Hugo F. Srb, hereby certify that the above is a true and correct copy of Legislative Resolution 27, which was passed by the Legislature of Nebraska in sixty-first regular session on the 13th day of May 1949.

HUGO F. SRB,
Clerk of the Legislature.

From the foregoing you would naturally presume that ideas of economy would surely have been put into practice at home, but unfortunately such is not the case as the following recent news items from the Omaha World-Herald will abundantly prove:

UNITED STATES CUT IN SPENDING URGED BY LEGISLATURE—MOVE IS TAKEN IN RESOLUTION BY STATE BODY—NORMAN INTRODUCER OF PLEA TO MAKE SLASH IN GOVERNMENT COST

The Nebraska Legislature Friday added its voice to the growing cry for a slash in Federal spending.

By a vote of 26 to 5, the legislators adopted a resolution urging Congress to make a 10 percent slash in all Federal expenditures possible. The resolution had been offered by Senator W. J. Norman, Omaha.

Voting against it were Senators Lester Anderson, Babcock, Carson, Cretsinger, and Schroeder.

Commented Senator N. F. Schroeder: "It's silly? How can we ask Congress to cut down? Look at our budget."

The 1949–51 State budget bill now under debate by the legislature is the largest in Nebraska's history.

Senator Norman's resolution declares:

1. If President Truman's proposed budget is accepted by Congress, the Federal tax bill would amount to at least one-fifth of the individual taxpayer's income.

2. New taxes at such times as these may accelerate a minor business recession into a major depression.

3. It is the general opinion that sources of Federal revenue are seeking lower levels. This opinion is buttressed by all official calculations of economic developments for the first quarter of 1949.

The resolution urges Nebraska's Representatives in Congress to use every effort at their command to reduce the Federal budget for the 1949–50 fiscal year.

Senator Norman earlier Thursday had warned his colleagues of the trend in Federal spending and taxation.

STATE COST DOUBLES IN 10 YEARS—NUMBER OF EMPLOYEES APPROXIMATELY TWICE IN SIMILAR PERIOD

(By Harold Andersen)

The State of Nebraska is spending approximately twice as many of the taxpayers' dollars as it did 10 years ago.

In the same 10-year period, the number of State employees also has approximately doubled.

These figures came to light Saturday in a check of records in the office of the State tax commissioner and the legislative council:

For the 1937–38 fiscal year, total expenditures channeled through the State government were $29,062,986.

In the 1947–48 fiscal year the figure had climbed to $61,387,320.

The totals include money from all sources—taxes, fees, and other cash receipts and Federal funds.

There were 4,724 State employees on January 1, 1939.

By December 1948, the pay roll listed 9,184 employees.

Bulk of the jump in spending has come since the end of World War II.

SPENDING $61,387,320

In fiscal 1945–46, for example, the State spent $35,920,563, compared to the $61,387,320 total for the 1947–48 financial year. The total for 1940–41, the last prewar year, had been $31,907,105.

(The State property tax levy has increased 93 percent in the 3 years since the war, Robert Armstrong, president of the Association of Omaha Taxpayers, Inc., reported Saturday.)

Increased Federal-fund allotments account for part of the higher rate of expenditures.

In 1941–42, the State got $9,598,247 in Federal funds. In fiscal 1947–48, the Federal Government allotted the State $15,719,657.

Lion's share of the increased expenditures have come in four State agencies—department of roads and irrigation, State assistance department, the University of Nebraska, and the board of control, which has charge of State institutions.

TWO REPORTS ON THE TAX TAKE—NEBRASKA'S DOUBLES; UNITED STATES TOTAL 37 PERCENT—CALLAN VOICES PLAN TO STEM INCREASE; BLANK CHECKS CUT

(By Harold Andersen)

The State government is spending at approximately twice the rate it did 4 years ago.

State Senator John Callan, of Odell, called attention to that fact Saturday, then declared:

"I just wish we could make the people realize what is happening."

The Odell lawmaker, veteran chairman of the legislative budget committee, offered these figures:

In the 1943–45 budget period, State spending totaled approximately $61,000,000 for the 2 years.

During fiscal 1947–48, expenditures had zoomed to $61,387,000 for the single year.

The $120,911,000 appropriation for State government for the 1947–49 budget period more than doubles an allotment of $55,200,000 for 1937–39.

The capitol reporter for the Journal newspapers had this to state about the bulging Nebraska budget:

RECORD-BREAKING BUDGET OFFERED—CUTS GOVERNOR'S PROPOSALS BY MORE THAN $6,000,000

(By Burt James)

A record-breaking State appropriation of $130,471,251 for the 1949–51 biennium was recommended Monday to the legislature by its budget committee. Of this total about $20,685,000 will be from property-tax funds. The balance of the money for operation of State government for the period from July 1, 1949, to June 30, 1951; will come from these sources:

Cash funds (sales taxes and license fees), $54,881,118.

Federal funds, $39,125,970.

Reappropriations, $4,309,162.

The national pattern of the Republican leadership seems to have seeped into Nebraska. Their policy is to howl about economy and do nothing helpful to bring it about.

Since the Republican Party has been in control in Nebraska the word "economy" has been an obsolete word and the whole State programs for roads and improvements have gone to pot. Money has been spent with the raging passion of a wastrel, and the people have nothing to show for it as far as getting the worth of their money is concerned. The highways are in a deplorable state. A costly building was built by a Nebraska State department near the State penitentiary almost secretly and without authority, the property of the State has been grabbed by State officers and servants, and raids upon the taxpayers have been made with impunity. Gasoline taxes have melted away like snow would in Nebraska in mid-August. The great saving administrations of Govs. Charles W. Bryan and Ray L. Cochran are but a memory. The voters, though not approving, permit the merry old wastrel elephant to forage and forage where he will, and devour the substance of the people. How long, oh how long will the Republicans be permitted to run hog wild in Nebraska. I pray heaven that the voters will not be gullible enough to ever repeal the constitutional amendment prohibiting the creation of a bonded debt. If that ever happens Nebraska will have to be given back to the Indians, if they will take it.

The belly groans from the Nebraska Legislature remind me of the old fable about the mountain laboring and bringing forth a mouse.

In conclusion, I wish to say that it behooves us to practice economy not only in our homes but also in the Nation, State, and in every other entity of government, but we should not by so doing cripple the Nation in this very crucial period. Let us not do now what a Congress did before World War II, and economize to the extent of almost getting our Nation destroyed just to plague and spite a Democratic President.

The reports of the Hoover Commission should be adopted into law and all overlapping, duplication, and waste should be stopped.

The present administration is doing all that it can to cut expenses. Did not the Veterans' Administration lop off 8,000 from its pay roll? Are not the other bureaus waiting to do likewise if our friends in the Senate ever get through raving?

In this connection, let us look at the Federal side of the expense ledger: Former President Herbert Hoover last week estimated that twenty-three billions of the forty billions to be appropriated by this Congress will go to keeping communism from spreading all over the world. He said that other billions go for paying for the last two great wars. That would leave our actual expenditures just about double of what they were before Pearl Harbor.

I certainly hope this effort of mine alerts Nebraska before it is too late.

Radio Broadcast of Albert L. Warner

EXTENSION OF REMARKS

OF

HON. ALVIN E. O'KONSKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 20, 1949

Mr. O'KONSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following copy of broadcast by Albert L. Warner, Mutual Broadcasting System, Washington commentator, on the program Congress Today, originating in the radio galleries of the House of Representatives, Capitol, Washington, D. C., May 19, 1949:

Here now is a different story about economy. It's the story of the way in which the Veterans' Administration has put into effect a cut of 8,500 in its personnel.

It is a story of 45 young men, veterans from New York City, now employed by the Veterans' Administration in its regional office. All of them are either amputees with a leg or arm, or minus two limbs, or they are blind.

All of them have been told they are to be fired from their jobs. Seven of them, including two blind boys, have already received their notice to quit. It is not because they haven't been doing their work. It is simply because the VA has decided that to keep in line with the Budget Bureau's recommendation to Congress as to what its appropriation should be, people must be fired. These and other disabled veterans are on the list.

They went around to various offices on Capitol Hill today, swinging on crutches. A blind boy rested his arm lightly on the arm of a friend whose hand was artificial.

They got little more than a run-around. The only one who really looked after them was Congresswoman EDITH NOURSE ROGERS, Republican, of Massachusetts, a member of the House Veterans' Affairs Committee.

She took them all to lunch in the Senate restaurant. They weren't her constituents; they were from New York. But they were disabled veterans and her boys.

Senator IRVING IVES, Republican, of New York, and Representative ARTHUR KLEIN, Democrat, of New York, dropped in and said a few words. Mr. KLEIN talked about possible legislation to give amputee veterans in the civil service special preference. A representative of the VA was there. He was sympathetic, but he didn't offer tangible help on the firings.

A slim young fellow with thinning black hair sat next to me as I visited with the group. You wouldn't know he was a blinded veteran with both his eyes gone. His name is Robert E. Lackey. He was 2 years in the Army. He has worked for 3 years in the Veterans' Administration as an information clerk.

He has all the information at his tongue's tip for other veterans who come to the VA office and need to be told what are their rights and what to do and where to go. He has a very good civil-service rating for the 3 years work.

Then, out of the blue sky—which he cannot see—he got this formal notice, "To

Robert Lackey, one, because of reduction in the personnel ceiling, the New York regional office is forced to reduce its staff, etc. Your active service must be terminated June 11, etc. We appreciate the contribution you have made to the Federal service."

Mr. Lackey was upset. He asked to be put in another VA job. He was offered a reduction in grade and a job as a clerk-typist. That job offered to a blind man, which, of course, he could not fill.

"I have a wife and two children," he told me. "We have just started buying a home. I've got to have my job. This is my second trip to Washington in a week," he went on.

"I left New York at 3 a. m. last Saturday morning and spent all day trying to see Congressmen or VA people. It wasn't any use. I went back to New York at 5 a. m. Sunday. Now I'm back here again. I've hardly slept. I have been desperate. I've been filling this job to everyone's satisfaction, but I'm afraid I can't get any other.

"If no one else will help me," he said, "I've got to see the President."

The strain of the past week was too much for the boy. It brought on a searing headache behind his blind eyes. One of his friends helped him out of the dining room. Mrs. ROGERS called a doctor.

The Veterans' Administration budget for the next fiscal year is $5,500,000,000. If they can't make that cover continued employment of badly disabled veterans in VA jobs, some people think there needs either to be a shake-up in the top leadership of the VA, or a reshuffling of the way the Federal Government proposes to spend its money on domestic and foreign programs.

A blind veteran and his job are perhaps more important than anything else.

Hocus-Pocus

EXTENSION OF REMARKS
OF
HON. THOMAS A. JENKINS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, May 20, 1949

Mr. JENKINS. Mr. Speaker, a few days ago a bill was introduced in Congress seeking to amend the law providing for corporate taxes. This bill would accelerate the payment of taxes that are paid by corporations. In effect, this bill would call for the payment by corporations of the first half of their taxes much sooner than they would otherwise be paid. The purpose of this amendment would be to enable the administration to keep from showing such a large deficit. This is a most unusual procedure. It is not honest financing.

The Washington News, one of Washington's leading newspapers, has expressed its views in a clear and forceful editorial, which I include as a part of my remarks, as follows:

HOCUS-POCUS

A man already up to his ears in debt and living beyond his income, which was large, wanted to buy a yacht. So he drew 6 months' salary in advance and blew that in as a down payment.

"I'm a financial genius," he said. "I've discovered a painless way to balance my budget and still have the good things of life." And he enjoyed that pleasant delusion until the sheriff showed up with a summons to bankruptcy court.

That's fable. This is fact:

Representative WILBUR MILLS, of Arkansas, and other Democrats on the House Ways and Means Committee have proposed a painless way to balance the Government's budget without any disagreeable necessity to cut spending or levy higher taxes.

Congressional tax experts estimate that, at present tax rates, the spending proposed by President Truman would mean a Federal deficit of about $3,000,000,000 in the next fiscal year, running from July 1, 1949, to June 30, 1950.

Under present law corporations would pay Federal taxes on their 1949 incomes in four instalments, due in March, June, September, and December of 1950. The Mills scheme is to change the law and make them pay up those taxes earlier, half in March and half in June.

That would concentrate a full year's collection of corporation taxes into the last 6 months of the Government's fiscal year. In those 6 months the Government would collect about $4,600,000,000 more than it expects to collect under the present system.

So, instead of a $3,000,000,000 deficit, the Government would end its next fiscal year with a surplus of around $1,600,000,000 on its books.

This scheme is dangerous hocus-pocus. In the long run, it would not add one cent to the Government's revenues. It would merely create a brief bookkeeping illusion of a balanced budget, and, while that illusion lasted, it would discourage efforts in Congress to cut spending and encourage reckless demands for more spending.

The Secretary Has the Power and the Funds and Controls This Situation

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, May 20, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, the following article appeared in the May 4 issue of the Washington Times-Herald:

NEW ORLEANS, May 3.—A deeply shocked priest charged today that 150 displaced persons resettled on Louisiana sugarcane plantations are so ill-paid that their babies "are crying for food and milk."

But the priest, the Reverend Carl Schutten, said the DP's are no worse off than native-born Americans who plant, cultivate, and harvest sugarcane in Louisiana. A total of 25,000 to 30,000 persons is officially estimated to be working in the cane fields now.

PAID $2.90 A DAY

Men—American and foreign—are paid $2.90 each for a 9-hour day. Women are paid $2.80 each for an 8-hour day. Father Schutten said that when they can't work because of rain, they aren't paid. He estimated that cane-field workers average about four full days a week—a wage of less than $12.

Father Schutten and the Reverend J. Stanley Ormsby, of the national Catholic bishop's resettlement program, inspected the homes of DP's on four plantations last Saturday. Father Ormsby has returned to New York.

"Officials of the national Catholic bishop's resettlement program will probably take some action after receiving his report," Father Schutten said.

"I'm interested in the plight of them all—American or DP, white or black," he said. "My going to see the DP's merely opened my eyes to what exists."

Father Schutten said homes furnished for the DP's and other sugarcane workers are "not bad." But they have to furnish their homes, pay their electric and gas bills, and buy their food and clothes, he said.

CALLS IT SEMISERVITUDE

"The plantation commissary is the only place where the DP can cash his check. As a result, he has to do all his dealings there, where prices are considerably higher than they are in New Orleans," he said.

"When he gets into debt for $100 or $200, he finds that he can never leave the plantation because he will never have enough money to pay his debts."

Father Schutten said it amounted to semiservitude.

He said most sugarcane workers can't afford to wear shoes during the week; if they had shoes they have to save them for Sunday. He said he suspected that during rainy spells, some women went without food, so their children could eat.

"I was shocked beyond words," he said.

In connection with this situation, I also include a letter from Mr. Ralph S. Trigg, Administrator of the Production and Marketing Administration, United States Department of Agriculture, dated March 25, 1949, which follows:

UNITED STATES DEPARTMENT OF
AGRICULTURE, PRODUCTION AND
MARKETING ADMINISTRATION,
Washington, D. C., March 25, 1949.

Hon. REID F. MURRAY,
House of Representatives.

DEAR MR. MURRAY: This is in response to your telephone request to the Sugar Branch for information concerning features of the Sugar Act and its administration.

One of the basic features of the Sugar Act is the provision for making conditional payments to growers who comply with certain conditions. Appropriation requirements for these payments are more than offset by excise tax collections authorized by a provision in the Internal Revenue Code with respect to sugar processed or imported for direct consumption in the United States. This tax is equivalent to five-tenths cent per pound, raw value, or 0.535 cent per pound, refined value. Revenues from this tax amounted to approximately $71,247,000 in fiscal year 1948, and it is anticipated that they will approximate $72,800,000 in 1949.

The rates of payment under the Sugar Act are established in section 304 of the act and vary from 80 cents per 100 pounds of raw sugar produced for the smallest growers, to 30 cents per 100 pounds for the largest growers. Payments have averaged around $60,000,000 per year in recent years and are expected to be around $65,000,000 annually when production is equivalent to the quota in each of the domestic areas.

One of the conditions growers must comply with in order to obtain Sugar Act payments is the payment of wages not less than those determined by the Secretary of Agriculture to be fair and reasonable. The Secretary is required to consider differences in conditions among the various producing areas, and the standards established by him under the Agricultural Adjustment Act in making these determinations. Among the conditions considered in the establishment of minimum wage rates are the price of sugar and net returns to growers, as well as the cost of living. The degree of mechanization and the productivity per man-hour varies greatly for the different areas. To illustrate, Hawaii with an annual production of close to 1,000,000 tons of sugar employs only 25,000 workers to operate its plantations and raw-sugar mills, whereas Puerto Rico, with only a slightly larger production, employs 135,000 workers. A part of this difference can be explained by the fact that the Hawaiian harvesting and grinding season runs throughout most of the year, whereas the Puerto Rican harvesting and grinding season is much shorter. Nevertheless, the difference in degree of mechanization is primarily respon-

sible for the difference in the labor requirement per ton of sugar between the two areas.

The small sugar-growing enterprise in the Virgin Islands should be considered more in the nature of a work-relief project than a commercial undertaking. Prior to the establishment of the Virgin Islands Company, private mills in that area had all closed and the population on the island of St. Croix was left without a major means of livelihood. Although both the yield per acre of cane and the sugar content per ton of cane are very low, the reestablishment of the sugar industry has afforded employment to a large number of workers on the island. Efforts are also being made to develop more remunerative enterprises.

In Louisiana and Puerto Rico the wage determinations provide escalator clauses requiring that wages paid farm labor in the production of sugar be increased with increases in the price of sugar. In the case of Hawaii, the wage rates are actually determined by the terms of the contracts between the various plantations and the labor union. Since such wage rates are high enough to meet the standards provided under the Sugar Act the determination amounts to little more than the requirement that persons employed on the farms be paid in full for all such work as required in section 301 (c) (1) of the act.

The 1949 basic hourly rates for the several areas are as follows:

	Nonharvest	Harvest
	Cents	*Cents*
Sugar beets	60	65
Louisiana	32	39
Florida	45	45
Hawaii	78.5	78.5
Puerto Rico	29	29
Virgin Islands	25	25

It should be pointed out that the basic hourly rates shown above are for the lowest rate worker. Higher rates are provided for skilled or semi-skilled workers in all areas except for the Virgin Islands.

In addition to the above cash payments, farmers in all of the domestic areas, except Hawaii, are required to provide laborers without charge the customary perquisites. These usually consist of housing, garden plots, and in some cases vegetables, meat, milk and medical services. In Hawaii, the labor unions demanded and received in wages the cash equivalent of perquisites. In most of the areas piece work rates are used to a large extent. Payments to laborers per hour under piece work average about 50 percent higher than minimum rates established for work on a time basis.

You also asked for information on the restriction of imports of refined sugar and the way that such restrictions tie into the Sugar Act as a whole.

As a means of providing a supply of sugar that will be consumed at prices which will not be excessive to consumers and which will fairly and equitably maintain and protect the welfare of the domestic sugar industry, Congress provided in section 201 of the act that the Secretary of Agriculture determine for each year the amount of sugar needed to meet the requirements of consumers in the continental United States. In section 202 of the act Congress then established the maximum quantities of sugar that may be supplied by each of the domestic areas and the Republic of the Philippines. The remaining quantities required must, accordingly, come from Cuba and other foreign countries.

Although the Sugar Act is designed largely to maintain and protect the domestic sugar growing industry, it also provides for the maintenance of our mainland refining industry. Accordingly, Congress established quotas on the importation or shipment into the mainland of direct-consumption sugar (primarily refined sugar) as follows:

	Short tons
Puerto Rico	126,033
Hawaii	29,616
Philippines	56,000
Cuba	375,000

For a similar reason, quotas were established for the importation of liquid sugar in terms of wine gallons of 72 percent total sugar content as follows:

Cuba	7,970,558
Dominican Republic	830,894
Other foreign countries	0

Essentially the quotas on importation and shipments to the mainland of direct-consumption sugar were established at the levels such imports or shipments had attained prior to the enactment of the Jones-Costigan Sugar Act. Major attention was given to this feature of the legislation in the enactment of the Sugar Act of 1937. Without undertaking to review the matter in detail, it appears that Congress concluded that such imports and shipments reflected conditions prior to the enactment of special sugar legislation and that, since the major objective of the Sugar Act was to protect and maintain a limited domestic producing industry, it would be inconsistent to permit the market improvement anticipated from such legislation to result in an expansion of foreign and offshore refining industries at the expense of the established mainland refining industry.

You also ask for our comments on the degree of industry cooperation we have received in the administration of the Sugar Act. The Sugar Act is recognized to be of vital importance to the domestic sugar industry and we have received a very high degree of industry cooperation in its administration.

Sincerely yours,

RALPH S. TRIGG,
Administrator.

My only comment at this time is that the official letter from the Agricultural Department definitely shows that the Secretary of Agriculture has the power, authority, and funds to remedy this situation.

Appalachian Electric Power Co. Nationally Recognized for Rural Electric Program

EXTENSION OF REMARKS
OF
HON. TOM B. FUGATE
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Friday, May 20, 1949

Mr. FUGATE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article printed in the Bristol Herald-Courier, April 7, publicizing the Appalachian Electric Power Co. for national recognition in receiving the Thomas W. Martin award for 1948.

The Appalachian Electric Power Co. is to be congratulated in rendering service to the area that they serve in such manner to be selected from among more than 500 electric companies in the Nation for this honor. Service rendered to rural communities and agriculture, generally, is the basis of qualification. From my own observation, the Appalachian Electric Power Co. has done a good job in supplying the electric needs of southwest Virginia.

The article follows:

AEP NATIONALLY RECOGNIZED FOR RURAL ELECTRIC PROGRAM

ABINGDON, April 7.—Appalachian Electric Power Co. received national recognition yesterday for its rural electrification program when the power company was presented the Thomas W. Martin award for 1948 at the Edison Electric Institute meeting in Chicago.

Offered by Thomas W. Martin, president of the Alabama Power Co., and established in 1932, the award is given to the company from among the more than 500 electric companies in the Nation, whose activities contribute most successfully to rural electrification and agricultural advancement.

L. L. Koontz, system rural supervisor of Roanoke who compiled the report of activities for Appalachian, received the award on behalf of the company from H. M. Sawyer, chairman of the awards committee for Edison Electric Institute, which sponsors the contest annually.

Appalachian received the award for its outstanding job nationally, not only in the extension of its rural lines, but also in the agricultural advancement and development of the area in Virginia and West Virginia which the company serves.

During 1948 Appalachian constructed a total of 3,414 miles of rural line to serve 24,453 new rural and farm customers in 51 counties in Virginia and West Virginia. The 1948 activity brought Appalachian's total number of miles of rural lines to 16,601 and the number of rural and farm customers to more than 148,000 at the end of the year.

Appalachian's rural organization, consisting of agricultural engineers, rural representatives, power engineers, and home economists, carried out an extensive and planned program of service to the rural areas. This service included such things as cooking schools, demonstrations of proper wiring for the farm and home, and the use of time and labor saving devices both in the home and on the farm to increase efficiency and productivity.

In the Abingdon district, which includes the counties of Washington, Scott, Dickenson, Russell, and part of Wise, last year Appalachian built 437 miles of rural lines to serve 2,564 new farm and rural customers. The 1948 rural line-building program in the five-county area brought the total number of miles of rural lines to 1,842 serving 13,224 farm and rural customers at the end of the year.

$8,000,000 PROGRAM

Appalachian's rural-line program during 1949 calls for an expenditure of more than $8,000,000 throughout the entire area. Of this amount, plans call for more than $1,000,000 to be spent in the Abingdon district in the construction of 486 miles of rural lines to serve 2,904 more rural-area residents.

The power company's rural-service program touched many of the people in the five-county area during 1948, always endeavoring to improve methods of the individual farm and home, as well as the general welfare and economic stability of the community.

Demonstrations of fluorescent lights for use in tobacco grading were functions carried out by Appalachian in the Abingdon area. This was the beginning of a program to help tobacco farmers increase their net profit from the area's biggest money crop.

The company's agricultural engineers helped A. D. Herald of Greendale solve a problem of watering cabbage plants more than 400 feet from the water source. The construction of a dam and the installation of a 1-horsepower motor to run a pump solved the problem and helped Mr. Herald financially.

COOKING SCHOOLS HELD

These are but two of the ways Appalachian helped the people of the five-county area during last year. Housewives in this section

thronged to cooking schools at Damascus and several other places in the area, in which Appalachian cooperated with dealers and distributors.

Appalachian's rural supervisors and agricultural engineers worked closely with 4-H club, FFA, FHA groups, home demonstration clubs, and other groups in the five-county area. Wire repairing demonstrations were held for many of these groups.

Appalachian cooperated with VPI extension service in conducting the Claytor Lake lamp sale in the five counties of the Abingdon district to raise funds for the development of a camp site for youth and farm groups at the lake.

Appalachian's rural lines are being extended as fast as labor and materials become available.

Dependence, Not Security

EXTENSION OF REMARKS
OF
HON. WILLIAM M. McCULLOCH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, May 20, 1949

Mr. McCULLOCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Cleveland Plain Dealer for May 1, 1949:

DEPENDENCE, NOT SECURITY

Security is the magic word that is being used to entice Americans into the treacherous labyrinth of the welfare, or hand-out state.

It is a powerful lure, because everyone is in favor of security. Who doesn't want it? Who, especially what politician, would be so rash as to advocate insecurity?

The dictionary definitions of security include the following: "the condition of being protected or not exposed to danger; freedom from fear, anxiety or care; freedom from uncertainty or doubt; confidence; assurance."

Thus, to most people nowadays security means a steady job, an adequate income, a comfortable home, a nest egg for emergencies and old age, and provision for a decent burial.

Before the New Deal came to the United States these were the objectives that men worked to attain through their own efforts. Some achieved various stages of success, while others failed because of misfortune or their own incapacities.

In those days the victims of temporary or permanent insecurity either relied on relatives or friends to support them or tide them over, or their minimum needs were supplied by charity and local governmental agencies.

But during the depression the strain on relatives, friends, local governments, and charitable organizations was too great. The New Deal first took over the relief job and then secured adoption of the principle that it was the duty of the Federal Government to help those who, for one reason or another, were prevented from attaining security or who lacked the ability or the ambition to strive for it.

Now, however, something new has been added to the New Deal. It is President Truman's so-called Fair Deal, which has emerged in the form of various legislative proposals as an attempt to make everyone—the rich as well as the poor, the capable as well as the incapable, the industrious as well as the shiftless—dependent on the Federal Government for security.

So you want a steady job? Under the Truman program it would be up to the Government to provide it. The so-called full-employment act is supposed to guarantee everyone a job, and the Government Employment Service is supposed to find one when you want it.

So you want an adequate income? The Government will establish a minimum wage. It may not be much, but after the Government increases the taxes sufficiently, everyone will take home the same pay, and it will be pretty close to the minimum wage for the kind of work you are accustomed to doing.

So you want a comfortable home? The Government will build you a house or an apartment and, of course, tell you where to live and how much rent to pay.

If you happen to be a farmer, the Government will also guarantee your income, provided you plant what the Government tells you to plant, run your farm the way the Government tells you to run it, and fill out all the forms. You won't have to worry about floods, droughts, or surpluses.

So you want a nest egg for emergencies and old age? Forget it. If you get sick or have an accident the Government will pay your doctor and hospital bill. The Government will also provide you with false teeth and a toupee if you need them. If you happen to be out of a job, in case the full employment idea doesn't always work, the Government will see that you get unemployment compensation. When you get too old to work, or reach the compulsory retirement age, the Government will give you a pension. And when you die the Government will bury you.

This is what is called social security by the exuberant Fair Dealers. Actually it would be a system of universal dependence on the Government. Nobody would have to plan and save for the future, be industrious or resourceful or work hard because the Government would take care of everything.

But before the Government could ladle out all these benefits, it would have to reach into your pay envelope to get the money to pay for them. Part of this money would be used to pay the salaries of the hundreds of thousands of Government employees who would be required to keep the records, administer the program and enforce it. The rest of the money extracted from your pay envelope would be borrowed by the Government to help meet its general operating expenses. When the time came to pay out the security benefits, the Government would take the money out of the regular taxes. So you would pay twice for what you got.

Of course, the Government wouldn't take everything out of your pay envelope. After deductions for income tax, old-age assistance, socalized medicine and a few other things, including union dues, you would still have some pocket money left, assuming that your employer was still in business after he had paid all his taxes and pay-roll assessments, and that he still had something left to put in the pay envelope in the first place.

Whatever pocket money you had left you could spend in any way you pleased. But there would be no assurance that it would buy the same amount of groceries or fertilizer tomorrow that it would buy today, or indeed that there would be any groceries or fertilizer to buy.

Security, it's wonderful.

Comments on the Proposal To Increase Postal Rates

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, May 20, 1949

Mr. KEATING. Mr. Speaker, under leave to extend my remarks, I include the following testimony which I have today given before the House Committee on Post Office and Civil Service in opposition to certain of the provisions of H. R. 2945, a bill to increase substantially postal rates:

STATEMENT OF HON. KENNETH B. KEATING, OF NEW YORK, BEFORE THE HOUSE COMMITTEE ON POST OFFICE AND CIVIL SERVICE, MAY 20, 1949

Mr. Chairman and members of the committee, I appreciate this opportunity to appear before your committee to express opposition to certain of the provisions of H. R. 2945. I am particularly concerned over the provisions for the greatly increased rate on second-class mail. According to information which has been furnished to me, the enactment of this legislation would result in forcing to the wall many of the religious periodicals, nonprofit publications, and the small weekly newspapers. The increase in their costs necessitated by this drastic upward revision in potsage rates would create such a burden that they would not be able to continue in business without greatly increasing their subscription rates, which in turn would reduce the number of their subscribers so greatly that they would be forced out of business. In other words, they would be impaled on the horns of a serious dilemma.

The managing editor of the Rochester Catholic Courier Journal, for instance, has given me an analysis of the effect of the legislation on this valuable and useful religious publication. The weekly increase in mailing costs would amount to $172.75. Putting it another way, the present mailing cost is $3,432 a year, whereas under this bill the cost would be $12,415. Divided between the 27,500 subscribers the present mailing cost is 12½ cents per subscriber, whereas under this bill it would be 45 cents per subscriber. To meet this added cost would require an increase in each subscription of 32½ cents, which in and of itself is a sizable item. Then on top of that, if the publication contains between 25- and 50-percent advertising, the postage is increased 25 percent, and if between 50 and 75 percent, it is increased 50 percent.

I am told that it is impossible to publish a weekly newspaper of this kind which carries less than 48- to 55-percent advertising content. That means that the subscription price would have to be increased somewhere between 40 and 50 cents, in order to meet this charge. The result, of course, would be to lose a large number of subscriptions which have been built up over a period of years by hard work and quality performance.

I have cited this as a typical example of the problem faced by religious periodicals. Many others have been in communication with me on this subject. They urge that if the provisions of this bill with reference to second-class mail matter are enacted, an exemption be included for non-profit publications or those which are solely designed to advance the religious or cultural interests of our people.

Similar strong cases against these postal increases are advanced by various fraternal organizations, which publish magazines for circulation to their membership. Typical of this situation is a resolution which I have received from the Rochester Lodge of Elks, opposing this bill.

Another proposal which disturbs me in this legislation is the suggested substantial increase in the cost for carriage of books. It seems to me this may constitute a serious interference with the dissemination of educational matter, which is so essential to the public welfare. Rates on books, I am informed, have already been increased more since 1942 than other postage rates. A great many constituents, active in the educational field, and students in various grade and secondary schools have communicated with me

on this subject. I hope the committee, as it gives consideration to any increase in this field, will take into serious account the importance of maintaining the free flow of informational and educational media.

It is important to bear in mind that the theory behind postal concessions is that they facilitate the spread of information and public enlightenment. It must be frankly recognized that low rates aid the growth of large and profitable publishing ventures, especially magazines, but they also have been an important contributing factor in the establishment of the position of the United States as among the most literate of nations.

There is another factor in this question of postal increases which is particularly pertinent just at this time. The effect of the enactment of this bill on a large number of small businesses would be extremely serious. Many of them have written me in great alarm over the increase in their expenses which would thus be effected. If we were facing the likelihood of a continued upward swing in business, if we had prospects of the continuance of a seller's market, this problem would not be so pressing. Unfortunately, that is not the economic outlook. One small manufacturer of greeting cards points out that the effect on his business of passing this bill would be to increase his postage costs 43 percent. Another, in a similar line of business, which is highly competitive, calls attention to the fact that postage rates were already raised 25 percent as of January 1 this year, and that under this proposal it would increase his rates an additional 26⅔ percent. I am very much worried over the effect which the hasty passage of this legislation would have on the various businesses, most of them of modest volume, engaged in this line of endeavor and fear that it might be the cause of throwing out of employment a substantial number of workers all through the country.

It is appreciated that the cost of carrying mail has increased over the years along with everything else. Some modest increase may be entirely reasonable. The particular legislation before this committee now, however, provides for a schedule of increases which I feel sure is not warranted by a full and fair consideration of all of the factors involved. I hope, therefore, that if any bill is reported favorably it will be one which drastically differs from the measure now before this committee.

The Late Honorable George Gordon Battle

EXTENSION OF REMARKS

OF

HON. JOHN H. KERR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 20, 1949

Mr. KERR. Mr. Speaker, under unanimous consent, I include in the RECORD a tribute paid to Hon. George Gordon Battle, a native of North Carolina and my congressional district, by that great Democrat and great American, James A. Farley.

George Gordon Battle will rank high in the galaxy of great men his native State has contributed to this Nation.

Mr. Farley said:

The death of George Gordon Battle on April 29 in Fredericksburg, Va., has been noted with deep regret by his many friends, both in the South and in New York where he was in active law practice for more than 57 years.

Born in 1868, at Cool Spring Plantation, Edgecombe County, N. C., he received his preparatory schooling at Hanover Academy in Richmond, and his college training at the University of North Carolina, and the University of Virginia. He then came to New York, served a law clerkship, and attended Columbia law school. This fine background formed the basis for his successful legal career. He was admitted to the New York Bar in 1891. Although he served as deputy assistant and assistant district attorney of New York County during the early years at the bar, he will chiefly be remembered as a distinguished lawyer, outstanding citizen, and a valuable and loyal member of the Democratic Party.

He formed an early partnership with Bartow S. Weeks, who later became a justice of the New York Supreme Court. When H. Snowden Marshall, who was later United States Attorney for the Southern District of New York, joined them, the firm became Weeks, Battle and Marshall. In 1911 James A. O'Gorman, who had resigned from the New York Supreme Court to become United States Senator, became a partner in the firm and the name was changed to O'Gorman, Battle and Marshall. At the time of his death the firm was Battle, Fowler, Neaman, Stokes and Kheel.

He was an outstanding public figure, known with affection and respect by every New York judge and lawyer, and by thousands of laymen, interested in good government, politics, philanthropy and religion. In court he was a worthy opponent and his name inspired confidence in the cause he advocated; but his passing will especially be felt by those who knew and loved him for his courtly manners and personal charm.

Through the years of personal achievement and success which he spent in New York he not only always preserved the attributes of a southern gentleman, but all things pertaining to the South were at all times close to his heart. One of his hobbies was history, and many volumes about the South adorned his law office as well as his residence. Indeed, he died while on his way to his summer home in Orange County, Va. It was perhaps in accordance with his wish to go, with the knowledge he had come home.

His wide interests in New York, as well as in the South and in the Nation are reflected by a glance at the organizations of which he was a member; the Association of the Bar of the city of New York and the New York County Lawyers Association; the New York Southern Society (of which he was a former president), the Virginians, and the North Carolina Society of New York; the Society of the Friendly Sons of St. Patrick, the Kane Lodge of the Masonic Order, and the St. Nicholas Society; the Down Town Association and the University, Church, Metropolitan, Calumet, Manhattan, and the National Democratic Clubs.

Taft-Hartley Disgrace

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Friday, May 20 (legislative day of Monday, April 11), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article by Mr. A. F. Whitney, president of the Brotherhood of Railroad Trainmen, which appears in this week's issue of Trainman News.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TAFT-HARTLEY DISGRACE

(By A. F. Whitney, president, Brotherhood of Railroad Trainmen)

Some pollsters have asked why the Brotherhood of Railroad Trainmen is so vigorous in demanding repeal of the Taft-Hartley Act. There are several reasons.

First, the Brotherhood of Railroad Trainmen is a liberal, progressive organization. It has the vision to know that if certain segments of the American labor movement are weakened by the Taft-Hartley law, it cannot hope to escape discrimination.

Secondly, it represents several thousand employees of intercity bus and industrial railroad companies who come under the terms of the Taft-Hartley Act.

Thirdly, its members recognize, as was pointed out by the Federal Trade Commission, that America is in grave danger of losing its free enterprise economic system and its basic traditional freedoms unless the monopoly problem is solved. The essential purpose of the Taft-Hartley Act is to weaken labor unions, and thereby strengthen the giant monopolies in this country.

In 1926, the Congress enacted the Railway Labor Act which established the legal right of railroad workers to form and join labor organizations of their own choice without employer interference. In 1935 this right was accorded to industrial workers by the Wagner Act. Many fascist-minded leaders of corporations employed crafty lawyers who declared in an undemocratic chorus that the law was unconstitutional. But their predictions were rebuffed by the highest courts of the land, and delayed by this legal procedure, the law did not become effective until 1937.

The Wagner Act was superseded by the Taft-Hartley Act August 22, 1947, and during the 10 years of its existence, more than 7,000,000 employees voted in representation elections conducted by the National Labor Relations Board, with 80 percent voting in favor of union representation, creating a favorable atmosphere for collective bargaining which greatly strengthened the arm of democracy in our Nation.

In 1937 60 percent of the workers were involved in strikes which included the issue of union recognition, but in 1946 but 12 percent were so involved. Prior to the adoption of the Taft-Hartley law there were but few union-busting employers who stood out against collective bargaining. The enactment of the Taft-Hartley law was an invitation to the near-Fascist industrialists to attempt to crush the unions; as a matter of fact, many of the supporters of the law, with brazen effrontery, admitted that its purpose was to weaken labor organizations and strengthen monopolistic industries at the bargaining table and this, according to the records, was accomplished in 1946, when the profits of industry went to approximately $21,000,000,000.

The Wagner Act stimulated the organization of workers, improved wages and working conditions, and increased the badly needed purchasing power which was helpful to every segment of our society. The proportion of national income going to corporate profits increased from 5.3 percent in 1935 to 12.2 percent in 1947, and the proportion going to employees in wages decreased from 65.3 percent to 63 percent during the same period.

From 1935 to 1947 the over-all increase in corporate profits after taxes was 687 percent as compared with an increase in employee wages of but 244 percent. Corporate profits have become so staggering that the propagandists no longer estimate them on the

basis of capital investment, but, to veil the truth, they now estimate profits in relation to total sales.

While these blood-curdling facts stagger the minds of our patriotic citizens, the money-hungry Donald R. Richberg, who got his start through labor unions, recently proposed that the size of labor unions be curbed to keep them from growing too powerful. Richberg alleged, in a speech delivered to the annual convention of the Chamber of Commerce of the United States, that many unions had grown out of hand, and further alleged, with brazen effrontery, that some unions are strong enough to dominate national as well as local industries. We imagine that his audience was pleased with his remarks. Richberg's wretched sterility of good American philosophy is shameful, and causes those of us who knew him when he was advocating the uplift of democracy, to blush.

The repeal of the obnoxious Taft-Hartley law is in the interest of American labor, American businessmen, educators, the clergy, the medical profession, and every person in our great Nation. The supporters of the Taft-Hartley law ignore the lessons of the 1929 debacle which preceded one of the worst panics in American history, and further ignore the fact that the Wagner Act, which gave the working people the right to organize and bargain with the great industrialists of the Nation, brought about prosperity through an increase in purchasing power.

The maintenace of high purchasing power is necessary to preserve our free enterprise system, and at this particular time is imperative if we are to meet our interest obligations and liquidate our public debt.

These are some of the reasons why the Brotherhood of Railroad Trainmen, a democratic American institution, has a vital interest in the repeal of the Taft-Hartley law.

The anonymous editorial writer of the Cleveland Plain Dealer, in his article of May 15, 1949, disregards the fundamental principles involved in the repeal of the Taft-Hartley law and in his effort to smear the President of the United States goes into ancient history.

With the record before us, how can any honest man criticize the President of the United States for remaining steadfast in demanding the enactment of the administration's labor bill which would repeal the Taft-Hartley slave-labor law?

This bill has the support of the labor committees in the Senate and the House, and this support was given after an exhaustive investigation of the iniquities of the Taft-Hartley law. Who can justly criticize the President for insisting that the administration's labor bill be not watered down?

The stalwart Members of the Congress who are insisting that the bill be made a law without amendments are to be applauded by the patriotic people of the Nation, since they are adhering to the voice of the people who effectively determined the issue on November 2, 1948.

The pollsters who predicted President Truman's defeat during the 1948 campaign were slapped down by the voters on November 2, 1948, but they have not quit. They now hope to defeat the administration's bill by their propaganda against the people, but this psychology of iniquity will not be effective except with the few gullible, and those in the Congress who are carrying the banner of Wall Street.

To water down the administration's labor bill would be to surrender to TAFT, BYRD, and WHERRY in the Senate, and to BURTON, COX, HALLECK, BOLTON, HAGEN, HOFFMAN, JENKINS, JUDD, O'HARA, ST. GEORGE, and others who supported the Wood bill in the House.

The strength and vigor of a democracy rests upon the courage of the President and the Members of the Congress to carry out the will of the people. To repudiate the rights of the American working men and women by yielding to the amendments to the administration's labor bill would be a betrayal of duty to the American people and a surrender to the Republican Party, the author and supporter of the notorious Taft-Hartley law.

Iowa's Contribution to Chemurgy

EXTENSION OF REMARKS
OF
HON. HENRY O. TALLE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1949

Mr. TALLE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith an interesting article written by Gordon R. Coleman, a student of chemical engineering at the University of Iowa and printed in the bulletin of the Iowa Development Commission under date of May 15, 1949, as follows:

IOWA'S CONTRIBUTION TO CHEMURGY

(By Gordon R. Coleman)

In past years the corn cob was a nuisance in the Corn Belt States. Millions of tons of cobs were produced in a normal year for which there was only limited use. During World War II, however, finely ground cobs were found useful as a nonabrasive cleansing agent for metals. Now organic matter and rust can safely be cleaned from engine parts which were formerly damaged when blasted with an abrasive such as sand.

Furfural, the magic chemical so valuable in petroleum refining, is primarily produced from oat hulls but can be made from cobs. Furfural has a score of industrial uses. When reacted with carbolic acid, for example, it yields a plastic such as those used in automobile steering wheels. Another use is in the manufacture of abrasives.

Nylon can be made from cobs. One bushel will provide enough nylon to make 40 pairs of hose, a synthetic feat made possible by the genius of the late Dr. Wallace Carruthers, of Des Moines. Even the cornstalk has uses in the manufacture of wallboard and associated fiber products.

The golden oil grown in Iowa's soybean crop is becoming important in the chemurgic field. One-fifth of the soybean is oil. Currently, the primary use of the oil is in food products. It is also used in making soap, linoleum, paint, resins, insecticides, printing ink, salad dressing, rubber, and butter substitutes, and additional products.

Scientists during World War II found that a mixture of pure protein from soybean meal mixed with water had amazing fire extinguishinging qualities. Fire foam, as it came to be known, was adopted as standard fire fighting equipment on all naval vessels, and was used extensively in all branches of the service. Another important use of soybean meal is as glue. It is water resistant and has many industrial uses such as in the manufacture of plywood.

The primary products and the waste materials of Iowa's agriculture have only begun to star in the amazing drama of chemurgy. Ideas from scientific research at Iowa State College and the University of Iowa may serve as the basis for many new industries in Iowa.

The day may come when we will drive home from our work in an automobile using fuel produced from corn products. The auto may run on tires of synthetic rubber made from substances obtained from corn. The auto's paint may be lacquer produced from corn. Synthetic fibers from corn may form the basis of our clothing. The house in which we live may be built with wallboards made from corn fibers. Our furniture and floors may be protected with a finish in which corn products play a part.

The corn which we eat as a vegetable and indirectly as meat may well represent only a small fraction of our actual consumption of the products of the cornfield used in the making of the thousands of things which enter into the daily life of every one of us.

Statement of Carl H. Wilken, Economic Analyst, Raw Materials National Council, Sioux City, Iowa

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. WOODRUFF. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement of Carl H. Wilken, economic analyst, Raw Materials National Council, Sioux City, Iowa, before the House Committee on Agriculture, May 18, 1949:

Mr. Chairman, members of the committee, I appeared before the House Committee on Agriculture in 1947 with a fairly comprehensive statement as to a long-term farm program with my recommendations. Nothing has happened since then to change the basic factors which enter into our economic problem. Instead, the record since then substantiates my analysis at that time.

I am going to be brief and specific as I know the committee is about ready to close the hearings. The question you have to answer is, What are we going to do after hearing all the different groups? My purpose in appearing before the committee is to set forth as simply as I can the key factors which will determine whether any farm bill will do what is required.

First of all I want to point out that gross farm income is based on two factors, the number of units of production and the price per unit.

In 1947 and 1948 we produced approximately 140 percent of our 1929 agricultural production. At the price which prevailed, this resulted in a gross farm income of approximately $32,500,000,000 from the sale and use of crops on the farm.

As a result of this production and price level, we had a national income of approximately $225,000,000,000, the highest employment in ratio to population that we have ever had and a balanced national budget. Stated simply, our production and price level was sufficient to operate our economy on a sound basis.

Our first need then is to keep up the unit production in order that we may have the physical materials to employ labor and second, we must maintain our price level to generate the income to consume and distribute our products.

A 10 percent curtailment of our current production would cause a loss of 10 percent in our income and at the same time disemploy 10 percent of our labor. In other words, when we talk about parity of income for the farmer, we must bear in mind that parity prices alone are just part of the problem. We need parity prices and at the same time we must have the unit production to employ all of our labor. Ninety percent of physical production will require approximately 110

percent of the parity price to create parity income.

I feel that most of our confusion in regard to the so-called farm problem is due to the failure of interested parties to dig deep enough to get out the real facts.

Several times in appearances before the House Committee on Agriculture I have pointed out that for approximately 25 years each $1 of gross farm income has created $7 of national income. This has been true in spite of prosperity, depression, war, reconversion, and legislation. I have attached a table showing the record from 1929–1948, the past 20 years.

This simple relationship cannot be refuted except by the use of generalities based on theory rather than a thorough analysis of our economy.

With the definite knowledge that we will lose $7 of national income for each $1 that gross farm income drops, we are forced to the conclusion that we cannot afford to permit farm prices to drop below an average of 100 percent parity. We hear a lot about the cost of maintaining our farm-price structure. That is not the question we should be asking. We should be thinking of the loss we will take if we don't maintain farm prices.

For example, the drop in farm prices since last September has wiped out approximately $4,500,000,000 of potential gross farm income even though we maintain the same unit production in 1949 as in 1947 and 1948. Through the 7 times turn of gross farm income this means that we have kicked over $30,000,000,000 of potential national income out of the window.

What effect has this had? We are faced with a Federal deficit, we have disemployed some of our labor and the end is not in sight unless steps are taken to keep up the farm income, the gear wheel of national income.

In discussing the matter of prices, the term parity has been used. Parity is in reality the average cost of production plus the average profit for all business. A study of our economy will reveal that the comparison of prices the farmer pays as compared to the price he receives is a very accurate equation. For each 10 percent of parity we have at stake 10 percent of gross farm income, 10 percent of national income, 10 percent of retail sales, 10 percent of total wages and salaries, 10 percent of employment, and 10 percent consumption of goods.

If we permit our farm prices to average only 90 percent, then we must be content to have only 90 percent for the other segments that I have mentioned. I would like to illustrate that in this way. In the 10-year period 1930–39, using 1929 as 100, farm prices were 82 percent of parity. Employment averaged 81 percent of parity.

Last year the Senate passed what was known as the Aiken bill, which provides for a sliding-down scale of 60–90 percent of parity. In testifying before the Senate Committee on Agriculture, I told them that if the bill ever became law it would legislate the country into a depression. Why did I make that statement? The Raw Materials National Council has been impartial and we think in terms of facts only.

Here are the facts. The record of the Bureau of Agricultural Economics as published in their pamphlet, the Agricultural Situation, reveals that using the current method of calculating parity, the farmer in the 5-year period 1930–34 averaged 66 percent of parity or 6 percent more than the floor price under the Aiken bill. What was the result at that time? We had about one-third of our labor unemployed and were suffering a loss of about $45,000,000,000 a year in national income.

Then we started in with farm legislation, WPA, etc. But we were afraid to provide legislation to give the farmer parity. In the 5 years, 1935–39, the farmer received 84 percent of parity as an average. In 1939 we were still running a national deficit of over $3,000,000,000 and still had 8,000,000 unemployed. In other words, with 16 percent below parity for agriculture, approximately 16 percent of our 1939 labor force was unemployed. With this definite ratio of farm prices and income to employment and other factors, the Aiken bill, if it is permitted to operate, will force a depression. I know that was not the intent, but 2 times 2 makes 4, and arithmetic pays little attention to theory or legislation.

WHY 60 PERCENT OF PARITY?

Why did we have the Aiken bill with its 60-percent price floor? Why have we failed to solve the farm problem after 20 years of legislation? Primarily because society does not like to pay its board bill.

All of last year everyone was discussing the high cost of living, and many of our efforts, especially over in the Agricultural Department, were directed toward reducing farm prices. As a result we have lost a potential of over $30,000,000,000 of national income since September last year. The interesting thing about it all is that the American public didn't have an increase in their real cost of living in 1947–48. They merely had an increase in the price level, which in turn increased the income of the Nation in proportion.

For example, in 1939 the gross farm income was approximately $10,000,000,000, we had a national income of $72,500,000,000, and the public spent $15,800,000,000, for food. In 1948 the gross farm income was $32,500,000,000, our national income approximately $225,000,000,000, and the public spent $48,800,000,000 for food, or 21.8 percent of their income in both years.

In 1948, however, because of the increased per-man production as compared to 1935–39, the consumer received approximately 15 percent more food for the same percentage of income. The simple facts are that the real cost of living is lowest when the farmer receives an average of parity for sufficient production to fully employ our labor force. Until this committee realizes that simple fact, the various pressure groups will create a state of confusion that will make sound farm legislation an impossibility unless the committee has the courage to force the public to pay the farmer the price he must have if the United States is to avoid bankruptcy and chaos.

In connection with what I have stated up to this point, I want to give you a brief picture of two other segments of our economy, total wages and salaries and retail sales volume, to prove that these groups did not suffer from the level of farm prices that prevailed in 1947–48.

In 1939 retail sales were approximately $42,000,000,000, and in 1948 they totaled approximately $130,000,000,000. On the other hand, total wages and salaries in 1939 were $45,000,000,000, and in 1948 they approximated $137,000,000,000. You will note the balance between the rise in retail sales and total wages. This is the natural result of the laws of exchange which govern our economy. Wages go into the price of goods and wages are the market for goods. They have to be in approximate balance if trade is to continue.

I might also point out that in the past 20 years, in spite of all the legislation, depression, war, and reconversion, these ratios in 1929, in 1939, and 1948 were in almost exactly the same balance.

Starting now with the basic assumption that society cannot afford not to pay the farmer an average of parity, without having society suffer in proportion, what can we do about it? Theoretically we have a problem such as that of law and order. Everyone should be a good citizen and a police force should therefore be unnecessary. But time has proven that we need a police force.

In the same way if society wants to eat, live, and work, it must be compelled to pay its board bill. Society, having the facts properly placed before it should cooperate to maintain an average of 100 percent of parity for agriculture, thus in turn avoiding the need of having a policeman on every man's farm and in every market place.

Stated simply, if society is willing to pay the farmer at the rate of $2.20 per bushel for wheat and 80 cents per pound for good steak, we can have a national income of $225,000,000,000, a total pay roll of approximately $135,000,000,000, and a retail sales volume of about $130,000,000,000. This would mean prosperity.

If, on the other hand, society, in its desire to obtain cheap food, insists that we have $1.10 wheat and 40 cents per pound for beefsteak, then society must accept one-half as much in wages and have only one-half as much retail sales volume, only one-half of the 1948 national income, bankruptcy, and unemployment.

With a full realization that we cannot afford not to pay the agricultural industry an average of 100 percent of parity, what steps can be taken to get the job done? Before giving my recommendations, I would like to briefly set forth our relationship to the balance of the world.

As I have pointed out, in the United States we have a seven times turn of our gross farm income into national income. This is due to our efficiency under which approximately one farmer produces enough for six other workers. In the balance of the world it takes one agricultural worker to produce enough for himself and one other worker. The rest of the world, therefore, has an income approximately two times its farm production. As a direct result, the 6 percent of the world's population, living in the United States, has 45 percent of the income in terms of dollars.

Because of this difference in efficiency, on the basis of an hour of work, the cost of living in the United States is about one-half that of England and about one-eighth that of Russia.

In the 20-year period 1929–48, the United States has required approximately 3.1 percent of its national income in imports to supplement our own needs. In the war period, 1942–48, when we had automatic tariff protection because of the lack of production in other countries, we imported only about 2 percent of our national income. During that period we had a 90-percent support price for many agricultural products at practically no cost to the Government and in turn to society. They suffered only from the pangs of prosperity.

The situation, however, has changed and the world is coming back into production. The imports have had a definite effect on our farm price structure. For example, in the years 1947 and 1948 we permitted the importation of approximately 840,000,000 pounds of fats and oils in excess of our exports.

As a direct result, the price of fats and oils has dropped an average of about 15 cents per pound. On the basis of 10,000,000,000 pounds of fats and oils produced in the United States, this has reduced the income from fats and oils about $1,500,000,000 and in turn was the leading factor in reducing our potential national income over $30,000,000,000 since last September.

The low price of lard, which is now selling on a basis of 11 cent hogs, has had a repercussion on the livestock market. The result of it all is that we are now faced with the problem of losing money on peanuts, soybeans, flax seed and other items in the support program. Elimination of the net imports, with a tariff or import fee at the parity level, would have maintained the fats and oils prices, and in turn the price of other products which were indirectly affected.

The fallacy of trying to curtail our production to meet this competition can be illustrated by tung oil, produced from tung nuts in six of our Southern States. Tung oil is a strategic material for war, and in

recent weeks the Communists have taken over the tung oil area in China, our principal source of supply.

Our domestic industry produces only about 20 percent of our needs. But, in spite of this limited production, importations from China have forced the price down from 38.6 cents per pound under OPA price ceilings to 19 cents per pound. Our producers face bankruptcy and, if they discontinue their production, we will lose this source of strategic material and become dependent on Communistic Russia for our supply. An import fee, quotas or tariff, whatever you wish to call it, would have maintained the price without any cost to the Government or society. In fact, with the ratio of $7 of national income for each $1 of gross farm production, the increase in our national income from a proper price for tung oil would have greatly exceeded any possible benefit from buying cheap tung oil from China.

Without a tariff or equalization fee to protect our domestic price level, we are forced into the position of supporting the price structure of the entire world to provide parity for agriculture and in turn, national solvency for the United States. With a tariff as a support price, our problem is relatively simple.

An equalization fee or import fee at the parity level would automatically and indirectly support the price of 85 percent of American production without any further legislation. A tariff at the parity level protects our domestic trade volume and also, by protecting our ability to consume, protects our volume of foreign trade. Commodity loans on eight basic, nonperishable crops, which take up 85 percent of our harvested crop acres, would support directly a sufficient foundation of price for our internal market. These loans should be callable at parity.

Reserves of at least 50 percent of these nonperishable crops should be carried at all times to protect our source of supply in peace and war and to protect our livestock industry which processes more tonnage of raw materials than all of our other factories combined.

With such a reserve any further increase in production can be controlled by a soil conservation program. Crop acres can be shifted to grass. Our harvested crop acres total about 365,000,000 acres. At a cost of about $10 per acre, 10 percent of this acreage could be shifted to grass at a cost of $365,000,000. This would remove any possibility of surplus production. The amount thus spent is not a cost but an investment in a source of future materials and income for the Nation.

Last year our total exports of agricultural products amounted to $3,420,000,000. The extreme cost, even if we gave these exports to other nations, while at the same time protecting our price structure at a level of $225,000,000,000, would be a minor item of costs to the American people.

If this committee will draft a program providing for price supports at the parity level, which should be at 169 percent of the 1925–29 price level in order to be at par with the increase in the price of gold, through tariffs or equalization fees, commodity loans at 90 percent of parity, and make provisions for a soil conservation program, such as I have suggested, you can underwrite, weather permitting the production, the national income of the United States at $225,000,000,000 a year and pay off the national debt in 50 years.

For each 1 percent that average farm prices are permitted to go below parity, the Nation will lose approximately $2,000,000,000, and all segments of our economy—agriculture, labor, business, trade, service and government—will lose its proportionate share.

In closing, our foreign economic policy, if it is to be successful, must start with parity prices for agriculture in the United States. From that as a foundation, we should help bring about a reorganization, in the years to come, of foreign exchange and wage levels at a par with the American dollar and price level. In trading with other nations we must realize that in the same way that economic laws of exchange require parity for our own farm production, we must be willing to pay parity for any imports which we may need to supplement our own production.

World economic problems are the result of too low a price for farm products, and we cannot bring about world recovery by reducing our price level to that of the rest of the world. To do so will mean a depression, national bankruptcy and world poverty as a stepping stone for communism.

[Prepared by Carl H. Wilken, economic analyst, Raw Materials National Council, Sioux City, Iowa]

Year	Gross farm income (billions)	Percent gross farm income of National	Mineral production (billions)	Combined or total raw material income (billions)	National income (billions)	Percent of raw material income to National
1929	$13.0	14.8	$5.8	$18.8	$87.3	21.4
1930	10.5	14.0	4.7	15.2	75.0	20.4
1931	7.6	13.9	3.1	10.7	58.8	18.2
1932	5.7	13.6	2.4	8.1	41.7	19.2
1933	6.4	16.2	2.5	8.9	39.6	22.4
1934	7.8	16.0	3.3	11.1	48.6	22.8
1935	9.0	15.8	3.6	12.6	56.8	22.1
1936	10.0	14.9	4.5	14.5	66.9	21.6
1937	10.6	14.4	5.4	16.0	73.6	21.7
1938	9.4	13.9	4.3	13.7	67.3	20.3
1939	9.9	13.6	4.9	14.8	72.5	20.4
1940	10.3	12.7	5.6	15.9	81.3	19.5
1941	13.1	12.6	6.8	19.9	103.8	19.1
1942	17.7	13.0	7.5	25.2	136.4	18.5
1943	23.0	13.6	8.0	31.0	168.2	18.5
1944	23.6	12.9	8.5	32.1	182.2	17.6
1945	24.0	13.1	8.9	32.9	182.8	18.0
1946	27.1	15.2	9.1	36.2	178.3	20.3
1947	33.0	16.2	12.4	45.4	202.5	22.4
1948 [1]	32.4	14.4	15.6	48.0	225.0	21.3

[1] Estimated for 1948.

NOTE.—Gross farm income is total farm production sold, plus farm products used on the farm. Total average percentage of gross farm income to national income 14.3 percent or approximately $1 of gross farm production to $7 of national income.

Average percentage of total farm and mineral production 20.2 or approximately $1 of raw material income, farm and mine, for each $5 of national income. Percentage of parity for raw materials determines the percent of prosperity and each 1 percent of parity for raw materials represents approximately $2,000,000,000 of national income. Society cannot afford to permit raw material prices to go below parity and employment and national income will ratio directly to raw material income in ratios set out above.

Year	National income (billions)	Total imports (billions)	Percent of national income	Retail sales in billions	Percent of imports to retail sales
1929	$87.3	$4.4	5.0	$47.0	9.3
1930	75.0	3.0	4.0	41.3	7.2
1931	58.8	2.1	3.5	34.5	6.0
1932	41.7	1.3	3.1	26.5	4.9
1933	39.6	1.4	3.5	25.7	5.4
1934	48.6	1.6	3.3	30.9	5.1
1935	56.8	2.0	3.5	34.5	6.0
1936	66.9	2.4	3.6	39.4	6.0
1937	73.6	3.1	4.2	42.2	7.3
1938	67.3	2.0	3.0	39.8	5.0
1939	72.5	2.3	3.1	42.0	5.4
1940	81.3	2.6	3.2	45.4	5.7
1941	103.8	3.3	3.1	53.7	6.1
1942	136.4	2.7	2.0	59.8	4.5
1943	168.2	3.4	2.0	67.7	5.0
1944	182.2	3.9	2.1	73.9	5.2
1945	182.8	4.0	2.2	83.3	4.7
1946	178.3	4.3	2.4	101.7	4.2
1947	202.5	5.5	2.7	117.4	4.7
1948	[1] 225.0	[1] 7.0	3.1	[1] 131.0	5.3

[1] Estimated.

Source of data: U. S. Department of Commerce.

Now You See It, and Now You Don't

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, May 20, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, many a man has lost a coin because he believed that the eye is faster than the hand and that under one of the three half walnut shells manipulated by the circus hanger-on was a little black ball.

The administration has a somewhat similar game it is playing with the American people. Through the expenditure of billions of dollars it is trying to fool the American people into believing that it really fears and wants to rid this country of the Communists. But some of us who watch its manipulations doubt whether it really has any such purpose in mind. Some think that, like the circus grifter who never leaves the ball under any shell, the administration has no real intention of ousting the Communists.

An editorial from the Chicago Tribune of May 19, 1949, calls attention to the administration's strange behavior. The editorial is as follows:

STRANGE BEHAVIOR

A citizen trying to find some rule to cover the Truman administration's conduct toward subversive characters would be greatly confused. In the same day's news he would find two administration leaders defending the grant of a tax-free Atomic Energy Commission fellowship to an avowed Communist, while the Federal parole board was refusing parole to an unwavering anti-Communist who also happened to have been anti-New Deal and anti-Semitic.

The Communist, Hans Freistadt, a naturalized Austrian, was awarded a $1,600-a-year Government fellowship at the University of North Carolina for research in supposedly nonsecret fields of science. It is admitted that his loyalty was not investigated in advance of the award. Chairman David Lilienthal, of the AEC, and Dr. A. N. Richards, president of the National Academy of Sciences, defended the award of public money to this Communist and others. They said they did not want to deter "sensitive" radicals from doing scientific work by investigating them.

William Dudley Pelley, former Silver Shirt leader, was denied parole on a wartime conviction for sedition, although he has been eligible for parole for the last 21 months. Both the trial judge and two of the three Federal prosecutors who appeared against Pelley urged his release, but the parole board, which is responsive to the wishes of Attorney General Tom Clark, held that he must remain in prison.

Pelley and others who have felt that his conviction was unjust have contended that his writings—to the effect that the Roosevelt administration deliberately solicited war although knowing our 1941 defenses were inadequate—have been vindicated by history. They assert that he committed no crime against the United States, and that all that he did do was arouse the animosity of the administration, incur the enmity of Communists who sought to put this country into war as Russia's ally, and offend a religious minority.

The contrary aspects of the Freistadt and Pelley cases evoke the not unnatural question: How Communist is the Truman administration? The public by now is acquainted with the fact that the Roosevelt administration was an ally of Communists both domestically and in external policy. It admitted many Communists into responsible Federal posts and permitted them to be commissioned as officers in the Army. It extended lend-lease to Russia before the United States was at war and then embraced Russia as a wartime ally.

The Truman administration has a mixed record. In foreign affairs it poses as an opponent of Soviet Russia, building military and economic alliances against communism. In domestic matters it protected Communists and sympathizers with communism in the bureaucracy, and now it defends the award of tax money for scientific research by Communists. But, in doing these things, it insists that an anti-Communist who also attacked the administration must remain in prison, while at the same time it seeks to jail the 11 top leaders of the Communist Party for advocating the violent overthrow of the Government.

This record, as confused as the mind of Truman himself, can only, we repeat, evoke the question: How Communist is this administration?

Mixing Politics With Medicine

EXTENSION OF REMARKS

OF

HON. THOMAS A. JENKINS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, May 20, 1949

Mr. JENKINS. Mr. Speaker, the question of whether our country should be put under socialized medicine is one of lively interest. If we adopt this program when a baby is born it will be met by a Government inspector of some kind who will stamp and catalogue it so that its actions will in some respects at least be restricted from the cradle to the grave.

The National Republic—a widely circulated patriotic magazine—in one of its recent issues contains an article written by Dr. Dan W. Gilbert which I wish to have printed in the CONGRESSIONAL RECORD. The article is as follows:

MIXING POLITICS WITH MEDICINE

(By Dr. Dan W. Gilbert)

An all-out drive is now under way to impel Congress to enact a compulsory health insurance program, entailing the political distribution of medical services to the American people.

The background of this high-pressure campaign is very interesting, even amazing, when thoroughly understood by our people and Congress it is certain to contribute greatly to discrediting both the political medicine program and the socialist-minded theorists who are sponsoring it.

Although launched on the highest level of solicitude for the general welfare, the social reform movement for compulsory health insurance soon got all snarled up with the personal political ambitions of certain bureaucrats. Without even getting on the statute books, the political medicine program has already got completely bogged down in petty and sordid politics. In view of what has happened so far, we can only shudder as we contemplate the terrible damage that would be done to the health of our people if medical care were actually made a political football, to be distributed under political rule and bureaucratic red tape.

The kick-off for the present political medicine drive was supplied, innocently enough. The President of the United States wrote a letter to Mr. Oscar R. Ewing, the Federal Security Administrator, asking him to "undertake a comprehensive study of the possibilities for raising health levels" among our people.

The President's letter was dated January 30, 1948.

On September 2, 1948, Mr. Ewing submitted a 186-page report, entitled, "The Nation's Health—a Ten-Year Program." One of the most important members of the Ewing Commission, which presumably approved Mr. Ewing's report, was Dr. Paul R. Hawley, medical chief of American forces in the European theater of war, later returning to the United States to become chief of the Medical Bureau of the Veterans' Administration.

In a letter to Senator Lodge, reprinted in the CONGRESSIONAL RECORD, Dr. Hawley charges the Ewing report is filled with untruths and borders on sharp practices. Dr. Hawley declares that the Ewing Commission was not consulted, and had no voice in compiling the Ewing report.

Meanwhile, to the accompaniment of Nation-wide beating of left-wing propaganda tom-toms, the much-ballyhooed Ewing recommendation for a compulsory health insurance system was presented to Congress substantially in the form of Senate bill 5 (H. R. 783).

Covering 84 pages, S. 5 bears the impressive title "A bill to provide a national health insurance and public health program." It was introduced by Senators WAGNER, PEPPER, CHAVEZ, TAYLOR, MCGRATH, and MURRAY.

What does Senate bill 5 really do?

It makes Mr. Oscar R. Ewing a virtual political czar over the distribution of medical care to our people.

This is the way it is done.

The bill provides for establishing a National Health Insurance Board of five members. The bill states, "All functions of the Board shall be administered by the Board under the direction and supervision of the Federal Security Administrator."

To advise the Board, there is established—under the bill—a National Advisory Medical Policy Council.

The 16 members of the Council shall be appointed by the Federal Security Administrator for 4-year terms. Senate confirmation of these appointments is not required by the terms of the bill.

Thus, Senate bill 5—which is intended to carry out the recommendations of the Ewing report—makes the Federal Security Administrator (Oscar R. Ewing) the one who directs and supervises the National Health Insurance Board, while he appoints (without the advice and consent of the Senate) the 16 members of the National Advisory Medical Policy Council.

The Board and the Council are the two agencies established by the bill to administer the whole National Health Insurance and Public Health program.

Since the proposal to distribute medical care to our people under the political direction and supervision of Mr. Ewing gives new power and prestige to the Federal Security Agency, it is not surprising to learn that there is also proposed a new political elevation for Mr. Ewing and the department of government which he heads. The United States News, January 28, 1949, says, "The President and his Federal Security Administrator want to give FSA full departmental and Cabinet status. The new Cabinet member, of course, would be Mr. Ewing. If their plans work out, he would be dealing out billions for aid to perhaps as many as 125,000,000 people, with a lot of votes involved."

It is the custom of Cabinet members to do heavy electioneering for the reelection of their chief. The Secretary of Labor will campaign among union members. The Secretary of Agriculture will campaign among the farmers. Would the Secretary of Health and Social Welfare—or whatever he is called—spread political propaganda among the hospitals?

We are not trying to answer such a question.

It is enough to take note of the manner in which public health reforms—through the proposed legislation—are made to serve personal political purposes.

In transmitting his report to the President, Mr. Ewing declares that it is intended to present plans to raise the national level of health during the next decade.

The Taylor-Pepper-Wagner-Chavez-McGrath-Murray bill proclaims as its purpose the preservation and improvement of the health, vigor, and security of the American people.

But, in pursuit of this purpose, Mr. Oscar R. Ewing is virtually made a bureaucratic overlord in control of the two agencies that will distribute medical care to our people on a compulsory political basis.

The late Harry Hopkins was a powerful political force, by virtue of his role as head of WPA. To him was attributed the coining of the slogan, "We are going to tax and tax, spend and spend, and elect and elect."

At one time, WPA provided livelihoods (and political propaganda and pressure) to more than 5,000,000 families in America. But no one was forced to go on WPA—it was left on a voluntary basis.

Under the proposed compulsory health insurance plan, all holders of social-security cards—60 percent of all our people—will be obliged to submit to taxpaying participation at the very beginning. Mr. Ewing promises the other 40 percent of our people will be brought into the system on a compulsory basis later on.

The manner in which political medicine opens the door to political regimentation of all our people was clearly described by Prof. Rexford G. Tugwell, at one time head of the so-called Brain Trust and more recently a leading sponsor of the Wallace-Taylor Presidential ticket.

Dr. Tugwell said, "There is a little group of a quarter-million men in this country who visit each and every family in the home at least once a year or who are called on in their offices. They have in their charge the most precious thing that each and every individual citizen has—his or her health. They are chosen because they are the one person in all the world that these citizens, who are their patients, will trust their most cherished possession to.

"Those men are the physicians and the dentists of the country. If we can ever control the medical and dental professions, we will control the thinking of the entire United States."

Need we say more?

Whether deliberately designed for that purpose or not, the Taylor-Chavez-McGrath-Murray-Wagner-Pepper bill appears to be a long step toward the Tugwellian goal of political control of the people's thinking through bureaucratic degradation of the medical and dental professions.

Informed—yes, outraged—public opinion in America should require congressional defeat of this bold and insolent move to impose totalitarianism upon our people under the guise of a health and welfare program.

Prayers-for-Peace Crusade

EXTENSION OF REMARKS
OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Friday, May 20 (legislative day of Monday, April 11), 1949

Mr. BRIDGES. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD the translation from French of the article published May 5, 1949, in Le Travailleur, Worcester, Mass., entitled "Prayers-for-Peace Crusade," by Jean de Luz.

The prayers-for-peace crusade is an outgrowth of a suggestion made by Mr. Herve J. L'Heureux, of Manchester, N. H., before the William H. Jutras Post of the American Legion at Manchester, October 28, 1948.

Very fittingly the movement has taken hold not only in the various States of our country but in countries abroad. It is an encouraging sign at a time when so many other efforts for peace are being frustrated by forces more interested in imposing their philosophy upon free peoples everywhere. I commend the article for the reading of my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRAYERS-FOR-PEACE CRUSADE

(By Jean de Luz)

(Translation from French of article published May 5, 1949, in Le Travailleur, Worcester, Mass.)

The DuBois Courier Express of DuBois, Pa., published the news that the Montgomery Post of the American Legion has endorsed a program which calls for every citizen to pause daily at noon, to lift his heart and mind to God, and to utter a short prayer for universal peace.

In making this appeal the Montgomery Post of DuBois joined a spontaneous movement, originated at Manchester, N. H., October 28, 1948, at the Last Man's Club, William H. Jutras Post No. 43 of the American Legion.

Mr. H. J. L'Heureux is the originator. On October 28, 1948, the William H. Jutras Post of the American Legion, at the suggestion of Mr. L'Heureux, formulated the following resolution:

"Having complete confidence in the ability of our fellow men, with the aid of Almighty God to establish a just and enduring peace in the world,

"We, the members of the Last Man's Club, William H. Jutras Post No. 43, American Legion, do hereby unanimously resolve to pause for 1 minute in the midst of our daily task, at 12 o'clock noon each day, and, raising our heart and mind toward God, ask Him to help us adjust our international differences to enable the nations of the world to secure an equitable and abiding peace; further,

"We urge that this movement be endorsed by all the spiritual, civic, and business leaders in the United States, and that a similar resolution be adopted and implemented by every organization in our country to the end that this custom may become universal in effect."

Mr. L'Heureux is a career consular and diplomatic officer, a veteran officer of the Department of State, who has spent 10 years in Europe. What he saw and heard implanted in him an unshakeable conviction that in addition to being adequately prepared, and having the determination to fight with force of arms, if necessary, to preserve liberty, the United States should undertake something concrete to correct false impressions prevailing abroad which, at the same time, should be a clear manifestation of the true character and ideals of the American people. Who cannot foresee good effects from this custom if it is developed on a national scale? From this practice of a moment of prayer for peace would spring a unity of thought, a unity of purpose. It would give moral encouragement to the millions who, for a brief space after the war, enjoyed the illusion of liberty but who now, instead of building their lives in security and peace, look to the future with dread. It would demonstrate that the American people are God loving, God fearing, and peace minded.

Through the Voice of America, for example, peoples in other lands could be increasingly encouraged to join us, spiritually, in the accomplishment of our commonly desired objective—peace.

This crusade, conceived and implemented by war veterans, is affiliated with no particular sect; it has no affiliation with any particular denomination or faith. Each person is invited to offer his prayer in the silence of his heart in his own chosen manner, without any prescribed form. Each person, regardless of race, color, or creed, is urgently requested not only to endorse the plan personally but also to bring it to the attention of every group with whom he associates "to the end that this custom may become universal in effect." The resolution quoted above may be adapted to any group by substituting its name for "The Last Man's Club, William H. Jutras Post, No. 43, American Legion." Business firms and other organizations are urged (1) to adopt this or a similar resolution, (2) to reproduce a circular (which may be obtained from Mr. L'Heureux) or a similar circular, and (3) to circulate it as widely as possible.

Since October 28, 1948, this prayers-for-peace crusade has spread to many States and to several foreign countries. Scores of organizations, including American Legion Posts, the Americanism Committee of the Army and Navy Union, individual units of the Gold Star Mothers and of the Blue Star Mothers, the Manchester Rotary Club, private firms, student bodies of schools and universities and church groups have adopted the above or a similar noon-day-prayer resolution. Commendatory editorials have been published. The Governor of the State of Michigan in a proclamation endorsing the movement stated: "I * * * do urge that the people of Michigan adopt this proposal and that individuals, schools, churches, and civic organizations join in this Nation-wide daily prayer program for peace and good will."

Additional information regarding this movement may be obtained from Mr. H.J. L'Heureux, chairman, Prayers-for-Peace Resolution Committee, 5201 Thirty-eighth Street, NW., Washington 15, D. C.

I have a copy of the resolution which was adopted by Barton's Bonbonniere, Inc., 80 DeKalb Avenue, Brooklyn 1, N. Y., on December 9, 1948, and which was put into effect immediately among its employees. Upon request Barton's Bonbonniere, Inc., will send copies of its resolution which carries a space for the insertion of the name of the group who desires to join the Prayers-for-peace crusade. Personal endorsements and comments, as well as copies of any similar resolution that may be adopted, may also be sent to Mr. H. J. L'Heureux.

The Manchester Evening Leader, in commending the Last Man's Club for adopting the prayers-for-peace resolution, stated: "It is fortunate for all mankind that there are those among us whose spiritual faith still stands as a formative bulwark against the rise of materialism and godlessness. There has never been a time in our history in which man was in greater need of spiritualistic inspiration and help in meeting the grave problems that have become a part of our day-by-day life."

It was an extreme pleasure for His Excellency Bishop Brady, of Manchester, N. H., "to endorse and encourage this movement which leads men to realize the power of God and the dependence of all humanity upon His divine omnipotence in a matter which so vitally concerns their present lives and the lives of future generations. May the King of Peace listen to prayer so devoutly recited and grant the favor of peace to the disturbed minds of all."

A prominent professor at the University of Notre Dame wrote: "The plan is so easy to understand; so plain and simple; so brief to carry out; so true to man's nature as a child of God; so terrifically needed for life, liberty, and the pursuit of happiness. This clear-cut, naturally and supernaturally, understandable, workable, personally appealing plan captured and captivated me. It seems also to be catching the considered fancy of people all over the land. May it win everybody everywhere."

Addressing its congratulations to the members of the Cissel-Saxon Post, No. 41, American Legion, Silver Spring, Md., for having adopted a similar resolution, the Takoma Park Journal wrote: "We commend the Legionnaires for this action in a day when wars, people, and plans seem only to beget the very thing we seek to avoid. Magnificent as we are in war, so futile are we in peace. * * * Is it not time all citizens put aside wishful thinking and, united, call in the Master Planner?"

Master Planner. What a profound expression. God created the universe and rules it with order, number, weights, and measure. If one would understand or grasp the depth of these four words which may be found in the Bible, I invite him to read the work of Monsignor Paulot, Spirit of Wisdom, in which this eminent writer strives to give a clear and comprehensive exposé of the vast import of their meaning.

The good, toward which the world aspires, is peace. Universal peace is the tranquillity of universal order through justice and charity.

All good, all perfect gifts come from above through Jesus Christ. All who invoke the name of Jesus, the Lord, will be saved, as expressed in one of the anthems of the first vespers of the Feast of the Holy Name of Jesus. Saint Bernard assures us that the name of Jesus is "light * * * nourishment * * and medicine * * *" and in the Acts of the Apostles, chapter 4, verse 12, it is affirmed that "there is no other name under heaven which has been given to man, by which we are to be saved." For, Christ is "the only saint! the only Lord! the only All High: tu solus sanctus, tu solus Dominus, tu solus Altissimus, Jesu Christe * * *!" according to these expressions which terminate the chant of "Glory be to the Highest, and, on earth, peace to men of good will" of the Ordinary of the Mass.

Strengthened by these convictions, the heart adapts itself easily to the uttering of an ejaculatory prayer like this:

O Jesus, priest and victim, resurrection and life, God of Peace, establish peace in our family and in all the families in the entire world. I place my trust in Thee, have mercy on us, forgive us, save us!

I hope that this prayers-for-peace crusade will spread rapidly throughout the entire world. And I congratulate, with all my heart, Mr. H. J. L'Heureux, who was its heavenly inspired originator.

Let Us Be Cautious; the Russians Are Clever

EXTENSION OF REMARKS
OF
HON. PHIL J. WELCH
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Friday, May 20, 1949

Mr. WELCH of Missouri. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial from the St. Joseph (Mo.) News-Press of May 17, 1949:

LET US BE CAUTIOUS; THE RUSSIANS ARE CLEVER

There is rejoicing at the lifting of the Berlin blockade. We are sorry to be a Cassandra instead of a Pollyanna, but let us watch our step in our dealings with Stalin & Co.

The Berlin blockade was lifted for one reason. Stalin & Co. saw the blockade was a failure, and that the longer it continued, the lower the prestige of the Soviet Russian Republic.

The Council of Foreign Ministers will meet this month. America must watch its step. Let us not for 1 minute be deceived by the mentality or the obvious aims of the people who have been running Russia since the overthrow of Kerensky, the mild democrat who held power for a brief period after the overthrow of the Czar more than 30 years ago.

We shudder at the hazards from the international diplomacy of the man from Missouri. He ranks far below most of the Presidents in understanding the intricacies of dealing with foreign powers. And in dealing with Stalin, the Missouri President is confronted with a man who has all the shrewdness of a Richlieu or a Metternish or a Tallyrand, and with just about their share of virtue.

Let us face the picture as it is. Red Russia hates us. Red Russia dreams of a day when American capitalism will crash and communism will rule the world. To us this man Stalin is still the smartest swindler in the world and he will outsmart us if we give him one-tenth of a chance.

Right now Russia is strongly urging a united Germany. "All out, leave Germany alone," says Stalin. Dean Acheson should be smart enough not to agree to set up an independent Germany that would instantly succumb to Communist control. Look at some of the other European countries where Britain and America stood smiling while independent governments were set up. Those independent governments today are Russian puppets.

Watch for this too. Russia talks peace. She wants the Marshall plan to fail. Russia knows that America is geared to a cold war and in the 1 year beginning July 1 will spend $15,000,000,000 on defense and $8,000,000,000 on foreign aid. Who knows, but were it not for that, the peacetime economy of America might crash and bring another depression. Does anyone think for a second Stalin and all his tribe are not waiting and hoping for an American depression?

Watch for Russia to tell America there no longer is need for American aid to Europe. So many Americans would like to think this is true. There is real danger in one of the smartest international chess moves by Russia that the world has seen since the Congress of Vienna.

Red Russia wants western Europe. Red Russia has never once wavered from her goal of world domination. The lifting of the Berlin blockade is one tiny incident in the larger picture so far as Stalin and company are concerned. Let us be happy the blockade is lifted. But let us not overnight become convinced that Russia has been converted and is going to be a good boy hereafter. The past of Red Russia since 1918 is too clearly written in words of blood to deceive even an administration as naive as this Truman administration at times seems to be.

Endorsement of Mr. Eberharter

EXTENSION OF REMARKS
OF
HON. HARRY J. DAVENPORT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Friday, May 20, 1949

Mr. DAVENPORT. Mr. Speaker, under unanimous consent to extend my remarks, I insert in the Appendix to the RECORD an editorial which appeared in the Pittsburgh Post-Gazette on May 9, 1949; and also an article which appeared in the Pittsburgh Sun-Telegraph on May 7, 1949, on the subject of the endorsement by the Allegheny County Bar Association on the nomination of our colleague, Mr. EBERHARTER, to be a judge of the United States District Court for the Western District of Pennsylvania.

[From the Pittsburgh (Pa.) Post-Gazette of May 9, 1949]

THE BAR SPEAKS UP

One happy result of the efforts of John G. Buchanan and his Old Guard colleagues to sandbag Democratic Congressman HERMAN P. EBERHARTER may be a rebirth of the Allegheny County Bar Association.

Mr. Buchanan, a corporation lawyer and past president of the local bar, is now chairman of the judiciary committee of the American Bar Association. You would imagine, therefore, that he spoke with great authority.

At the eleventh hour, with Mr. EBERHARTER'S appointment as a Federal judge here up for approval by the Senate, Mr. Buchanan lifted his voice in pious protest. The Congressman, he believed, has blots on his escutcheon. And he, John G. Buchanan, intended to expose them, as indeed he tried to do before a record turn-out of the bar association on Friday.

Perhaps Mr. Buchanan, who objected that Congressman EBERHARTER had little or no courtroom experience, forgot that the celebrated Justice Oliver Wendell Holmes never had a client. Or perhaps he couldn't document his charges of Mr. EBERHARTER'S past faults or proclivities. At any rate, Mr. Buchanan, to put it bluntly, got his ears pinned back.

Following testimony made in behalf of Mr. Eberharter by former Congressmen James A. Wright and Judge Samuel A. Weiss, and by Congressman James G. Fulton, the bar association roared down a resolution that would have practically condemned Mr. EBERHARTER. Instead the association voted overwhelmingly to endorse Mr. EBERHARTER for the local judgeship, thus nailing the lid on Mr. Buchanan's coffin.

The most encouraging feature of this episode is that members of the bar association's rank and file, who have generally been lax in the past, turned out in force to assert themselves. In effect, they proved that Mr. Buchanan and the association's then president, W. Denning Stewart, could not presume to speak for them as a whole.

By repudiating Mr. Buchanan's proposal and by going on, as they later did, to elect a slate of "New Guard" officers, these members have raised hopes that the Allegheny County Bar Association may become the progressive force within this community which it can and should be.

[From the Pittsburgh (Pa.) Sun-Telegraph of May 7, 1949]

EBERHARTER GIVEN BAR GROUP BACKING AT STORMY SESSION

The appointment of Congressman HERMAN P. EBERHARTER to the Federal bench here today had the official approval of the Allegheny County Bar Association.

A group of young attorneys turned the tables on the Old Guard and swung association support behind the veteran Democrat at a boisterous meeting yesterday.

Only the approval of the Senate Judiciary Subcommittee and the Senate itself now stands between EBERHARTER and the $15,000-annually lifetime post.

The youthful faction first howled down a resolution questioning EBERHARTER'S fitness for the job. A moment later, they jammed through a resolution expressing confidence in his qualifications for the judgeship.

OLD LINE LOSES

It was a stunning defeat for the old-line lawyers, who tossed a variety of undocumented charges at the Pittsburgh attorney-Congressman.

Among other things they claimed unverified reports that EBERHARTER had a reputation for drinking heavily, driving recklessly, and getting tough with police.

The anti-EBERHARTER forces were led by John G. Buchanan, past president of the association and chairman of the judiciary committee of the American Bar Association. Buchanan declared:

"Stories have come to me from lawyers—many lawyers—that indicate his (EBERHARTER'S) unfitness for the appointment."

But Buchanan's charges made little impression on the youthful rebels. They were spearheaded by former Congressman James A. Wright, who drafted the pro-Eberharter resolution, Common Pleas Court Judge Samuel A. Weiss and Edward V. Buckley.

FULTON ACTS

Lined up with them was Congressman JAMES G. FULTON, South Hills Republican, who flew here from Washington to defend EBERHARTER.

FULTON told the 700 lawyers assembled for the annual meeting:

"There are two routes to the bench—one, as a practicing lawyer; another as a man who makes the laws."

The South Hills Congressman was replying to Buchanan's contention that EBERHARTER dabbled too much in politics and didn't practice enough law.

After the tumultuous 2½-hour debate, the session settled down to the routine business of electing new officers. Chosen president for the coming year was Robert Van der Voort, first assistant district attorney.

Van der Voort defeated Eugene B. Strassburger, Jr. He will succeed W. Denning Stewart. Elected vice president was J. Garfield Houston.

Executive committee members elected were Paul W. Brandt, Edward V. Buckley, Thomas N. Griggs, Ira R. Hill, and Arthur L. McLaughlin, Jr. Horace J. Thomas, Sr. and Robert T. Houlden were unopposed for secretary and treasurer.

Signs of the Times

EXTENSION OF REMARKS
OF
HON. ELBERT D. THOMAS
OF UTAH
IN THE SENATE OF THE UNITED STATES

Friday, May 20 (legislative day of Monday, April 11), 1949

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted

in the Appendix of the RECORD an address which I delivered over radio station KSL, Salt Lake City, Utah, May 18, 1949, entitled "Signs of the Times."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Many things are happening in the world which show changed attitudes; things which can bring about different habits of thought in such a way that we can hope for progressive steps for a world organized for peace. Contrast 1949 with 1948.

First, the Palestinian government of Israel is a year old. All is not lovely and international conflict has not come to an end, but Israel has weathered a year of trial and tribulation. Her greatest problem is not the clash with the Arabian states but is her ability to absorb the thousands of refugees who know no other place to go but to Palestine. To me, the most promising feature of the whole Palestinian episode is that what has been accomplished has been accomplished under the auspices of the gentile nations. To persons who have read long the literature of the west that has a deep and significant meaning.

When I was in Palestine in 1913, before the First World War, there were less than 75,000 Jews in all of that country. Most of them were poverty stricken or old people who had gone back to die in the Holy Land. Tel Aviv, the great Zionist experiment, seemed doomed and Zionism in Europe was not gaining strength. The Jews in Palestine were no better off than the other people. Planning had not become a part of their activities. There had been no survey made of the industrial and agricultural possibilities of the land. No one then felt that in our lifetime they would see the beginning of the return of the Jews to the Holy Land.

For several hundred years the outstanding curse of Europe has been its tense nationalism. Division in Europe seemed to be natural, yet students of history know that nationalism itself was a rationalization in support of those who were responsible for the break-up of the Holy Roman Empire. That the division of Europe was not healthful and was an open invitation to war and conflict between the nationalistic states was recognized by many of the people in Europe. And attempts at some kind of unification have been tried many times.

When Benjamin Franklin wrote to one of his European friends telling them about the meeting of our Thirteen Original States in the Constitutional Convention he described that convention as a meeting of notables who were filled with the spirit of good Henry IV who attempted to bring about unity in Europe. An attempt to unite Europe is, therefore, not a new idea.

Unity by force has never been successful. Napoleon tried it. Hitler and Mussolini dreamed it and then tried it themselves. The Kaiser undoubtedly had in his mind the theories of making himself a second Napoleon. After the First World War Premier Briand of France proposed, as a natural outgrowth of the peace and the creation of the League of Nations, the establishment of the United States of Europe. That idea has never waned. Churchill is advocating it today. When the European Recovery Program was instituted Senator FULBRIGHT and I introduced a resolution hoping that the ideas of the resolution would be incorporated in the European recovery legislation. The resolution provided that the nations of Europe would so cooperate that this cooperation would result in the United States of Europe. We failed in that but we did get in the act the promise that whatever America did she would act looking toward the unification of Europe. And by unification we all meant the breaking down of those nationalistic attitudes of the various Western European States. Now the European recovery program is operating in such a way that all of the states who are party to the program know what the others are doing. That is a great step toward unification. In addition to that there has been organized a Council of Ambassadors and a Consultative Council. What will come from these I do not know. But the germs of possible unification are planted.

Before you hear this message there will have come and gone from Washington 18 representatives of parliaments of the commonwealth nations, men who sit in the national assemblies of Great Britain, Canada, South Africa, New Zealand, Australia, Malta, Pakistan, Bermuda, and the Bahamas. This group is spoken of as representing the English-speaking peoples of the world. English, of course, is not the native language of Pakistan, but it is the official language. One sees when one hears these men talking about their constitutions and democracies and their guaranties for liberty the fulfillment of a statement made by William Jennings Bryan when he visited India and he told his Hindu listeners who were then beginning their struggles against England to remember that no matter how much they may dislike the mother country they should ever be grateful to it for giving them access to the English language, for "It is," said Bryan, "in the English language that the literature of liberty and freedom and democracy ruled by law has been written." These men came up to our Capitol and went to our shrines, such as the Lincoln and Jefferson monuments, and they read the language of their own heart's strivings in the words of those great men which are written on the monuments.

In the east we are faced with great troubles. But we would have greater troubles if we just operated on a theory of hate. Thank goodness we have turned our minds toward constructive building and away from the notion of building our whole foreign policy on a hatred of one given state. The whole world moves and we must never forget that.

We have responsibilities in Japan because we have imposed a constitution on Japan.

The other day I was asked by the Voice of America to give a salute to Burma, the new little republic of Asia which is 1 year old. I did it in words like these:

In this world of great thrills and unexpected happenings on such a grand scale, sometimes we fail to note very important events. When I saw the first delegation from the new state of Burma come to the International Labor Organization Conference in San Francisco last summer, I realized that I was seeing what I have often thought the French people saw when they noticed for the first time our Benjamin Franklin and our Thomas Jefferson.

The birth of a new free nation means much to the people of the world, as much as to the people of that nation. Burma's growth and her past history both teach us that an independent Burma can and will take her proper place in the sisterhood of nations. She has much to contribute and also much to learn. What nation has not?

My hope for the great cosmopolitan world is that each nation will retain those things which have made it great, but also be in a position to receive from other nations those things which have made them great. The different cultures of the earth should be preserved. A unified spirit should be sought.

I congratulate Burma on her first anniversary. I believe that she and her people will preserve their own culture and lend to the nations of the world what in it is good, and that she and her people, in turn, will take the good things which the other peoples of the world have to offer.

Another fine sign is the coming to America of Nehru's wonderful sister to be India's ambassador to America. I hope this will mean a returning to the good old ideas that Ambassadors should be great persons, representing the best that their country has to offer in intelligence and accomplishment.

It is one thing to see the mighty changes taking place in the world. It is another thing to catch the spirit which is the inspiration for those changes. The world can never grow better unless we can imagine the possibilities of a better world. We will never have peace by fiat. It will come only through day-to-day strivings. That we may find ourselves on the side of those who are working for the better world speaks more for our faith than for us to display the spirit of the cynic who wants perfection in all things before he will recognize the success in anything. There are lots of things happening in the world today that are worthy of note if we could just have a chance to be free from the shrieks of those who live their life in fear and hate. Men, women, and children of the world must be here for some purpose. Let's make it possible for at least some of them to attain the fulfillment of those purposes.

We are now in the midst of the opportunity drive (United States savings bond drive). I know of no better way to benefit the individual and the purposes of democracy as we live it in America than to participate in this drive. Let's put Utah on the top.

District of Columbia Golf Courses Debacle

EXTENSION OF REMARKS
OF

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 20, 1949

Mr. RIVERS. Mr. Speaker, when I demanded an investigation into and between the activities of the Interior Department and one S. G. Loeffler, who allegedly operates the golf courses in the District of Columbia, many Members of this House thought I was talking through my hat when I stated "among other things Loeffler's franchise was more valuable than an interstate license to steal." Even segments of information coming to light on this fabulous set-up indicate now that in the neighborhood of $200,000 may be owed by Loeffler to the Government. Mind you this information is brought to light as a result of audits from the few records that the Interior Department has so generously and beneficently kept of the public's money which Loeffler had been able to handle like a drunken sailor.

It is interesting to know that in the past 10 years his company has owned and operated the private business of Riverside Stadium, with interchanges of supervisory and labor personnel between the golf courses and the private business. I hope the audit will reveal what part of the cost of such personnel was allocated to the private business and what part to the golf concessions.

The Interior Department has demonstrated beyond peradventure of a doubt their indifference to the general over-all management of these golf courses. They have forfeited all right to the future handling of these lucrative facilities. Loeffler has been permitted to remain as de facto operator for 5 months and God only knows what he is doing with the money and everything connected

with these courses. It is certain that the Interior Department does not know.

The Committee on Public Lands which has been holding intermittent hearings on this matter has been most generous in giving the Interior Department every possible consideration. I think it high time now that the hearings come to an early close and I trust that the committee will tolerate no more double talk from the Interior Department or its representatives.

I hereby call on the Interior Department to forthwith impound all moneys being derived from the operation of the golf courses and their facilities, and immediately take steps to terminate Loeffler's operation. The public has suffered long enough. The Congress must no longer tolerate such a scandalous condition to obtain in the District of Columbia.

Address of Hon. John W. McCormack, of Massachusetts, at National Public Housing Conference

EXTENSION OF REMARKS
OF
HON. JOHN A. CARROLL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Friday, May 20, 1949

Mr. CARROLL. Mr. Speaker, under unanimous consent, I insert in the Appendix of the RECORD an exceptionally able speech given by the majority leader, Representative JOHN W. MCCORMACK, of Massachusetts, to the delegates and distinguished guests attending the closing banquet of the National Public Housing Conference.

It is highly significant that at the same meeting and just preceding the remarks of Majority Leader MCCORMACK, those who attended were privileged to hear another exceptionally splendid speech by an outstanding Republican statesman, the Honorable CHARLES W. TOBEY, United States Senator from New Hampshire. These capable leaders, although belonging to different political parties, revealed in their remarks a political philosophy which transcends party lines and is concerned only for the public good and in the public interest.

The speeches concerned the housing bill which recently was passed by the Senate and soon will come before the House of Representatives for approval. Every Member should find the time to read carefully both addresses.

President Weinfeld, delegates to the National Public Housing Conference, my colleagues of the Congress, ladies and gentlemen, it is a pleasure for me to be with you on this occasion and to participate in the closing banquet of your eighteenth annual meeting.

You have every right to be proud of your organization's accomplishments since its founding and its efforts for the enactment of progressive legislation in the interests of the people of our country, and particularly legislation relating to solving the housing problems that confront our people and our Nation. Your constructive interest is in striking contrast with the attitude of many who blindly oppose.

In the public-housing program that has been constructed to date, and that includes low-cost housing projects, sometimes referred to as slum-clearance projects, and in the projects of a similar nature that will be constructed in the future, your organization has played a most prominent and important part. In doing this you have rendered a great public service.

As you know, an effective housing bill has already passed the Senate and one more effective in its provisions has been reported out of the House Committee on Banking and Currency and a rule is now being sought from the Rules Committee. As soon as the rule is granted, it is my intention to program the housing bill for immediate consideration. To the members of the Committee on Banking and Currency, under the leadership of Congressman BRENT SPENCE, the chairman, who voted to report out the housing bill, I want to express my words of commendation and of praise. The same also applies to those Members of the United States Senate who supported the bill as it passed that body. Without injecting party politics, I am particularly pleased as a Democratic Member of the House, that every Democratic member of the Committee on Banking and Currency voted in favor of the bill as reported out of committee. I hope that when the bill comes up in the House of Representatives that it will receive the wholehearted support of both Democrats and Republicans. One thing I can assure you, and I say this with confidence, that this legislation will receive the support of the great majority of the Democratic Members of the House. I might also say that the House leadership is aware of the hostile amendments that will be offered and that we are confident that we will be able to defeat them. One thing is certain, however, that an effective housing bill will become law in this session of Congress. Such a bill will include provisions for the construction of public housing and low-cost housing projects. It has been a long fight and a hard fight and we are now coming to the end where success will be brought about, and in this success you and the members of your conference can derive great consolation in the knowledge that you played a very important part.

Speaking in Detroit recently, Ralph K. Kaul, acting director of the community facilities division, had the following to say concerning the legislation that is now before us:

"The Congress at this moment is considering legislation which would substantially increase our housing resources during the next few years and give aid to States and localities in eliminating blighted areas. The purposes of both national welfare and national security are served by this program. Slums in urban centers are noted for their excessive population density. Slums not only offer potential targets, but they also reduce the ultimate efficiency of communities in performing mobilization tasks. These slums should be demolished and the sites on which they stand redeveloped in accordance with sound city planning standards."

In that brief, terse statement Mr. Kaul made out a clear case for the passage of the legislation now pending in the Congress.

The records show that from 1900 to 1920 about 8,000,000 dwelling units were added to the Nation's housing supply, and some 7,000,000 more in the 1920 to 1929 period, about 15,000,000 in a period of 30 years, an average of 500,000 new units a year.

During the war years of this decade, building supplies and other critical material had to be used in priorities for military and naval purposes. Production of housing, as we know the term, was quite negligible. For example, in 1943, 1944, and 1945, total housing is computed at 749,000 units. However, about 30 percent of these units having been publicly financed, they thus include temporary wartime housing.

The production record of new housing for a span of 16 years from 1931 to 1946 is about 5,000,000 units excluding temporary and publicly financed housing.

In all of that period, what has been happening in terms of those things that make housing shortages such as demolition and obsolescence of existing structures coupled with the inevitable increase of demand for housing represented, for instance, in the estimated number of social families? Hauser and Jaffe, of Duke University, show that in a period from 1930 to 1945 there was an increase in social families in America of 10,000,000. You will note that this is about twice the amount which I have just mentioned as a housing credit for the period 1931 to 1946.

In appraising this problem and the changes in demand for housing we must consider the fact of increase in births, or increases in marriages, and of the large numbers who have left the farm for the city. We must consider that veterans families alone are estimated at 3,200,000—the new births in 1946 were at an all-time high of 3,153,137 an increase of about 30 percent over 1940. In 1947 there were 3,700,000 new babies, an increase of about 500,000 over 1946. Marriages are, fortunately, on the increase. Migration from the farm since 1940 is estimated at around 4,000,000 persons.

It is incontestable that we have a grave, an acute housing shortage. While it appears everywhere, it particularly does with tragic impact upon our city populations. Housing is immobile. A shortage in Boston is not alleviated by a surplus in Birmingham, or elsewhere.

Industry, the development of which is such a proud American accomplishment, tends to follow labor supply.

The great social strength of America lies in its people and its family life. Is not that strength sapped and continually threatened if housing inadequacies produce elements to cause its disintegration? This latter is no figure of speech. We cannot afford the price which inevitably we will pay if we do not as of now recognize our present ineptitude in preserving social strengths and security and adequate measures of stability, of constancy and of permanence.

Where can those social strengths survive or thrive if domicile for the family is unsatisfactory? Is the family forced by economics to be one of the fifty-odd percent that become nomadic if they do not know when or how they can obtain adequate accommodations in which to house the family?

It is the moral aspect of the present lack of housing and its effects upon our Nation that I think has been overlooked in the consideration of the legislation, which I stress tonight.

Must not we appraise realistically the prices we are paying for present underhousing and overcrowding of families? Does it need demonstration that where families live doubled up and trebled up society ought to recognize the potentials? Must not society recognize the extent to which newly married couples are forced to live with their in-laws? Does it need demonstration that stresses and strains, clashes, tenseness continually, are present in the very place that is supposed to be a haven? Certainly the psychologist and psychiatrist don't dismiss this factor in the studies which they must make in the rising number of distressing cases which come before them for professional attention. Can our approach disregard the impact upon children whose normal behavior might be a threat to preserving tenancy in even the most inadequate of quarters? Isn't it natural for the growing

generation to seek diversion outside those quarters which they are forced to call home? We must look at and note what are those diversions in locality after locality where the early teen-ager seeks and finds distraction from cramped, tense, and inadequate home conditions. Have we as individuals and as a Nation the right to overlook the mental unrest of the parents of that growing generation, of the mothers who, while observing the trend, are somewhat parentally sympathetic with an escape desire. In their wisdom they may even foresee many of the dangers, but still remain impotent to avert. For those children, the parents would willingly slave, and yet they may watch the fruit of that union speckling before their very eyes—all by reason of locality, environment, squalor, and the surrounding vice and crime which are appurtenant to the locality and the housing in which necessity, not choice, forces them to live and rear their offspring.

This Nation notes and is alarmed at divorce statistics. Is it any wonder if the rate is accelerated by reason of doubling up where a husband might feel like a boarder or a wife might feel like a mother's helper? Certainly, broken homes present problems recognized in every single medical and penal circle in this country. Some 3,000,000 families are living doubled up, but some two and a quarter million of them are represented by man and wife. Those figures present a direct challenge to any unselfish, social, or economic down-the-road thinking.

None of us should confess to atrophy when it comes to moral evaluations. Can we be unaware of the threats to morality which are inevitable in living conditions which cause grave mingling of preadolescents and of adolescents? Time does march on, and the preadolescent does become adolescent and adult. To state it very mildly, the incidental, the accidental, the casual domiciling of yesterday and of today may lead to the nasty soul-destroying promiscuity of tomorrow. Police, judges, penal authorities, corrective agencies have that problem continually. The dollar cost to society is tremendous. The cost in terms of moral values, however, just cannot be calculated. Who can appraise the tragedy to parents and to children where the rearing of the children must take place under conditions which produce continual threats to happy home life and to family development? Who can appraise the tragedies to parents and to children if the rearing of the children must be in an atmosphere which is a constant threat to the virtues? Mere subjection to the threat is inexcusable and well might be on the conscience of each member of our body politic. I maintain that no security of their own, nor their isolation, nor their insulation is any shield against the charge which I can make with respect to their responsibility.

I believe I may, with propriety, ask you to consider whether there is a real danger in the inevitable contribution which inadequate housing makes in the field of birth prevention. Families, and sometimes several couples, are living in a room, or two or three, under conditions where the addition of a baby would be a definite and absolute threat to the security of the domicile, whether it be with their own relatives or in a multiple-unit apartment block, in a hotel or rooming house. Editors have stated, and I accept their figures, that of doubled-up couples alone, of whom there are some two and one-quarter million, over half of them have no children. I submit that under other conditions one might naturally expect such couples to be initiating their own family development. I state without fear of contradiction that the housing situation contributes to that picture. No person who has convictions in this matter may be unaware of, or callous to, the obvious fact that inadequate housing is enticing, encouraging, or enforcing the practice and enlargement of said birth prevention.

Many agencies, social workers, and medical centers can furnish us with data in connection with health, the physical health of those persons who suffer from our inadequacies in the handling of our rental housing picture. I believe that we have dealt altogether too frequently with arguments based upon financial considerations—and upon theoretic arguments as to the sanctity of individual industry versus collective or Government activity in the field of housing. We have not, in my opinion, given due consideration to the moral aspects, which if we allow our standards to evaporate, will be but preliminary to the disintegration of the Nation through destruction of its moral fibers.

I join with most of our students on the subject of housing in wishing that private industry could solve the problem. I do not join with them in saying that if private industry cannot, then the Government may not. There may be many reasons why private industry will not pick up the practice apparent some 40 years ago. I do not despair in this matter, however. I believe we have not exhausted all of the possibilities for private industry to do a job which I would prefer to have them do. Perhaps we have not appropriately studied the factors of cost. Perhaps we have not adequately covered the field of inducement for large institutions to enlarge in this field. We should never let up on our efforts in this regard. If material production and the outputs of labor can permit of reduced costs, we should search for those resultants. If failures for inducements taxwise, or in zoning and community psychologies, if these are barriers, then we should examine the possibilities of their removal. However, my concern lies in the fact that it is demonstrated in tragic fashion that we have not solved the problem. Hence, my profound conviction that in the demonstrated absence of its solution, or any real nearby hope, then the aggregate of the people, the Government must do the job. I have no apprehensions as to our moral responsibility. I have no such apprehensions because I recognize the current attacks upon our morals and our moral fibers, which are generated in our present housing deficiencies. I believe that I may quote with propriety words of the spiritual leader of a great religious group. Some 18 years ago words were written by Pope Pius XI which could be uttered today with even greater force. He said, with particular reference to opportunity for family life, "If, however, for this purpose, private resources do not suffice, it is the duty of the public authority to supply, for the insufficient forces of individual effort, particularly in a matter which is of such importance to the common weal, traversing as it does the maintenance of the family and married people. If families, particularly those in which there are many children, have not suitable dwellings: if the necessities of life cannot be purchased except at exorbitant prices: indeed, it is obvious how great a peril can arise to the public security and the welfare and very life of civil society itself, when such men are reduced to that condition of desperation that, having nothing which they fear to lose, they are emboldened to hope for chance advantage from the upheaval of the state and of established order."

My answer to the problem is more housing, more public housing—and with all speed—most certainly low-cost rental housing—and certainly with units large enough to house normal families with two and three children.

A nation is no stronger than the strength of its family life. The family life is the basis of society and of government. Anything that tends to diminish the spiritual strength of the family life of a nation is harmful to a nation itself.

The pending housing legislation strengthens the family life of America. It brings new hope to millions of fine Americans, both economically and morally. In strengthening the family life of America, as it will, such legislation and the results that will flow therefrom will bring strength and vigor to our Nation and inure to the best interests of all our people.

Prayer for Peace

EXTENSION OF REMARKS

OF

HON. LOUIS C. RABAUT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 19, 1949

Mr. RABAUT. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I would like to give a brief biographical sketch of a man who worked his way through college by operating an elevator in the Senate wing of the United States Capitol. Hervé J. L'Heureux was born in Manchester, N. H., March 6, 1899, and received a bachelor of arts from George Washington University, 1925; and a bachelor of laws degree from the University of Detroit, 1935. He has been a member of the American Foreign Service since 1930; served abroad at many posts from 1937 to 1947, his last assignment being Consul General at Marseille; member of the American Bar Association and one of the founders of the American Legion; served with distinction in World War I as sergeant and received the Silver Star, being wounded in action.

A suggestion by this distinguished citizen made in the closing months of the past year has enjoyed far-reaching spiritual influence, which recently again was recognized in Oklahoma City. The following article by Don E. Hall, published in The Little Flower Magazine of April 1949, in Oklahoma City, Okla., is worthy of recognition and I take pride in placing it in the CONGRESSIONAL RECORD:

MINUTE-A-DAY PRAYER

Last October 28, Mr. Hervé J. L'Heureux, Chief of the State Department's Visa Division, made a suggestion before the Manchester, N. H., American Legion Post that is rapidly developing into a national movement in the interest of world peace.

In his address, Mr. L'Heureux stated that it would be fitting if a custom sprang up whereby in every town and city in the country, all traffic, industry, and other activities cease for just a minute at noon and simultaneously every man, woman, and child offer up a prayer to God to grant the world a lasting peace.

The idea went over big with the local club. A resolution was adopted and within a few days, that resolution was endorsed by the local bishop, mayor, and Rotary Club.

Little by little the suggestion spread. Members of an American Legion Post down South—a civic body out West—and a fraternal order in the East were among its first promoters. Today scores upon scores of veteran and church groups, civic and fraternal clubs, schools and institutions, are pausing briefly each noon. And big and little people all over the country, each in his own individual way are supplicating heaven for protection of the world from the ravages of another war.

If you're a member of a group or organization why not try to put the idea over with it? There is no prescribed prayer—no general organization. It's just an idea that may help save mankind from the ravages of another war.

Bosses Who Joined New Deal Now Find Their Power Gone

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, May 20, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Thomas L. Stokes, from the Buffalo Evening News of May 12, 1949:

BOSSES WHO JOINED NEW DEAL NOW FIND THEIR POWER GONE

(By Thomas L. Stokes)

WASHINGTON, May 12.—It would be rash to seize the occasion of Boss Frank Hague's overthrow in Jersey City after 32 years to forecast an end to strong city and State bosses in American politics with the power of the Hagues, Ed Kellys, and Ed Crumps.

The essence of successful politics is organization, and there always will be ambitious, clever men who will apply it to politics and seek to entrench themselves in long careers at it in the realm of city and State. It can be profitable, too.

But the pattern will be different. An era plainly is over. No better evidence is at hand than the fact that the three most powerful local bosses of the old-fashioned type in our time have fallen in the space of 2 years. There was Mayor Ed Kelly of Chicago, who retired 2 years ago when he read the signs, and Ed Crump, long-time boss of Memphis, who saw his star go into eclipse with defeat of his hand-picked candidate for the United States Senate in last year's election, and now Boss Hague, whose nephew and political heir as mayor of Jersey City was turned out of office by the boss' one-time right-hand lieutenant.

All three were powerful beyond their cities and in the State at large, and, because of that, influential in national politics. All three are Democrats, and all were always factors in their party's national conventions.

Something clearly has happened to such bossism.

Three developments of our times would seem to be responsible. One is the extension of benefits of all sorts by the National Government down to the individual citizen to supplant the favors by which local political bosses won and kept allegiance. Another is the organization of labor and its education in politics with the consequent rise of the union hall in politics to replace the old-time rallies and ward clubhouse get-togethers and bull sessions over the beer. In the 1944 campaign city bosses complained because practically nobody showed up at their ward and precinct rallies, while the union meeting down the street was overflowing. An influence also is more education and more alertness in civic affairs among citizens.

With the spread of the depression of the early thirties the Federal Government moved in with WPA to assume the big relief burden in our great cities which local bosses could not pretend to handle. The little charities promoted traditionally by local bosses, the basket of food, the sack of coal, a job for the boy, could not compete. The Federal Government was the benefactor, not only to meet these primary needs, but later in other ways through successive New Deal reforms affecting the daily lives of the boss' constituents.

City bosses recognized this and capitalized it under the old formula, "when you can't lick 'em, join 'em," and so they allied themselves with the New Deal. It was a strong sort of alliance for which both sides apologized for their own and different reasons, but a very effective one politically for both parties. It kept the bosses in power and it helped to keep the New Deal in power, for the big cities furnished the margin of victory in the big electoral-vote States when the farmers went back to the Republican Party after they had been rescued and were again prosperous.

But the bosses were the riders on the new political wagon, no longer its drivers, and their power waned gradually in the era of federally provided benefits for their constituents and the new independence of labor in their cities.

The Airlift

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Friday, May 20, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Telegram-News, Lynn, Mass., Wednesday, May 18, 1949:

VICTORY IN "COLD WAR"

The agreement between the Soviet Union and the western powers to lift the blockade of Berlin and to reopen mutual discussions of the German problem, is generally considered to be a major victory for the west in the "cold war." It would be manifestly unwise to believe that the situation is susceptible to no other interpretation—the Kremlin has pulled many a clever trick in the past, and things are not always what they seem to be on the surface. However, the Russian blockade failed entirely to get the planned result, and the Soviet policy makers have apparently accepted that as a demonstrated fact and are embarked in a new tactical direction.

The Berlin blockade will make a colorful page in history if for only one reason—the way the air lift broke it. No one, save a few American military experts—and they had their doubts—believed that a great city, war-torn and with few resources of its own, could be indefinitely supplied by air. But the air lift did the near impossible. Food, coal, and all the rest of the necessities came in by thousands of tons each day, weather notwithstanding. The British helped materially. Every possible plane was pressed into service and kept flying. The job was done without regard to cost or risk. At times planes arrived and departed from Templehof Airdrome at 2-minute intervals day and night; Berlin was fed and sheltered.

The air lift was the weapon that made the blockade untenable. But, if Russia has really decided it is necessary to come to terms with the West, there must be other reasons back of it. One may be that the Bear has bitten off all and perhaps more than he can chew for the time being. The job of consolidating the countries behind the iron curtain is incredibly difficult. It is no secret that millions of people in Czechoslovakia, Hungary and elsewhere are restive under Soviet dictation. Russia is making an all-out effort to increase her industrial production, particularly in the heavy-goods field. The drain of her military establishment on her resources is enormous. Under these circumstances, the Politburo may have understandably decided that a prolonged truce with the West, if not a real peace, is desirable.

No one should minimize the reverses the West has received in China. It will be a miracle if the Nationalist Government survives as an effective influence. However, it is doubtful if the Chinese Reds will do much for their Russian friends. Stalin is said to have compared Chinese Communists to a radish—red outside and white inside. They have a job on their hands within China, without trying to help extend the Soviet ideology throughout the world.

Loss of Plutonium Cannot be Minimized

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. SHAFER. Mr. Speaker, the competence of the New Dealers or Fair Dealers to handle the grave and vital problems posed by America's possession of the atomic bomb becomes more and more a matter of doubt, as instance after instance of blunders in security are ferreted out.

Loss of a relatively small portion of plutonium from a Government atomic laboratory may be pooh-poohed by the liberals, the Truman apologists and the weak-minded, but it cannot be minimized by intelligent Americans who want to be dead sure that the Russian spies get nothing but trouble. Intelligent Americans know that if they are not dead sure about atomic secrets, they are going to be dead, period.

But actual espionage in atomic energy plants and laboratories is no more dangerous and reflects to no greater degree on the New Dealers administering the program than does the fact that the Atomic Energy Commission, as presently constituted, actually O. K.'d the expenditure of Federal funds for use of a self-confessed Communist to specialize in atomic training in an American university.

When it was first disclosed—by a Republican Senator—that this Communist student was enjoying a $1,600-a-year scholarship paid for by Uncle Sam, David E. Lilienthal, chairman of the Atomic Energy Commission, issued a statement defending the group that had cleared the student and said that we must be careful about limiting educational freedom.

But when a Democratic Senator—a well-known fair dealer himself in certain respects—pointed out vehemently that educational freedom was hardly the issue, and that the real issue was whether or not the Federal Government would subsidize the education of a dues-paying Communist, Mr. Lilienthal hastily backtracked. He said that the Atomic Energy Commission would cut this student off from its subsidy.

All of these developments may be handled well—from a press standpoint—by the New Dealers and "fair dealers." But they cannot help but reflect on the integrity and administrative ability of men who have long been accused of being "soft" on communism and now are proved to be either soft-hearted or soft-headed. It is difficult to tell which appellation fits them most accurately.

Back when he was being confirmed as head of the Atomic Energy Commission, Mr. Lilienthal was under great suspicion in many quarters about his essential patriotism and his faith in the ultimate workings of representative government. Many Senators of his own political party fought his confirmation bitterly, but a Republican Senate actually confirmed this man in his post.

Now the chickens are coming home to roost. Instance after instance showing either sympathy for the Communists who would make over America or revealing extreme carelessness and laxity insofar as security of atomic secrets is concerned, are coming out. They reflect on Mr. Lilienthal, for if there is one man responsible, he is the man.

At the same time, the ability of the entire Fair Deal administration to ferret out Communists in Government service generally also is in question. A Department of Justice analyst who was arrested by the FBI and is now on trial in Washington, has been accused of collaborating with a Russian diplomat on espionage. Whether or not she is guilty depends upon the outcome of the fair trial she is enjoying in a free country.

But, of course, she is not the only person still employed in the executive branch, more than a year after the loyalty program began, who is maintaining friendly and confidential relations with Russian visitors, agents, diplomats, or Soviet representatives. Maintenance of such friendships between the nationals of America and Russia is a dangerous practice, for it promotes in many ways the possibilities of espionage by either accident or design.

If we are to prevent such liaison—and its possible disastrous consequences—we must withdraw official United States recognition of Russia. They will then have to take their thousands of agents home. We will have only 10 or 12 families to bring out of Moscow. The Russians come and go at will in this country. Our few representatives in Russia are cooped up in Moscow, unless they get special permission to take a trip and even on such jaunts they are followed by NKVD agents.

Washington's Most Successful Lobbyist

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Friday, May 20 (legislative day of Monday, April 11), 1949

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article entitled "Washington's Most Successful Lobbyist," appearing in the May 1949 issue of the Readers' Digest.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON'S MOST SUCCESSFUL LOBBYIST

(By Alfred Steinberg)

(Condensed from the Sign)

Two years ago Mike Masaoka did not know beans about lobbying. Today he stands without peer among the thousands of lobbyists in Washington. His record in the Eightieth Congress was monumental—the passage of five public and 12 private bills for his Japanese-American constituents.

Mike Masaoka practices a kind of personal lobbying that is entirely new. He can't promise votes or money. His success is bound to his maxim, "Sell yourself first and then sell your cause."

Of his unbelievable record Mike says with characteristic modesty, "Anyone can sell fair play and justice." Prodded by Mike, the Eightieth Congress passed bills to provide the following: Financial relief to 110,000 Japanese Americans for losses suffered when they were evacuated from our West Coast in 1942; payment for fire damage in evacuation camps; permission for GIs to bring their Japanese brides to the United States; cancellation of deportation orders against deserving Japanese aliens; American citizenship for Japanese aliens who served honorably with our armed forces during the war. The 12 private bills which Mike obtained for individual Japanese Americans required almost as much effort as these more inclusive public bills.

In his work Mike feels that deep down he is the conscience of America; he typifies all minority groups in their struggle to win acceptance as equal partners in America.

The fourth eldest in a family of eight children, Mike was born in Fresno, Calif., of Japanese parents. A few years after he was born, his family moved to Salt Lake City, where his father, a fish-peddler, was killed by a hit-and-run driver.

Mrs. Masaoka, left penniless, managed to support her family by running a fruit-and-fish stand near the State capitol. Mike came to know many of Utah's chief politicians who were her customers. They fostered in him a deep interest in civic affairs. Today both the mayor of Salt Lake City, Earl J. Glade, and Senator ELBERT D. THOMAS, of Utah, feel personally responsible for Mike's success.

Working his way through the University of Utah, Mike still found time to become an exceptional student, public speaker, and debater. On a trip to the west coast after graduation he realized for the first time the unhappy living conditions of most Japanese Americans. College graduates worked at menial jobs. Restrictive covenants created little Tokyos. Influential newspapers directed propaganda against the Japanese Americans, who, they said, were in cahoots with Japanese warlords.

Shocked, Mike realized that the problems of Japanese Americans on the west coast could not be solved without organization and direct representation. He became active in the Japanese-American Citizens League (JACL). In 1940 he was elected Japanese American of the year.

On December 7, 1941, in a meeting hall in North Platte, Nebr., Mike was urging a group of Japanese Americans to pledge loyalty to the United States, when police entered, guns drawn. Pearl Harbor was already a fact and these were Japanese. Mike was hustled off to jail. Three days later, after Senators Thomas and Murdock, of Utah, burned up the wires to North Platte, he was released.

The darkest moment of Mike's life came in 1942, when the evacuation of all persons of Japanese ancestry from the west coast was ordered. More than 110,000 persons, including Mike's mother and his fiancée, Etsu Mineta, were taken to inland prison camps. Two-thirds of the evacuees were native-born American citizens.

Mike went up and down the coast urging the evacuees to cooperate with the Army in the evacuation, even though their constitutional rights were being violated. His listeners had misgivings. And when they found themselves in wretched camps behind barbed wire, with little to keep them occupied, they blamed him personally for their plight. Some camps hanged him in effigy and one camp erected a Masaoka tombstone.

Mike was not evacuated. In return for urging their people to cooperate in the evacuation, several JACL leaders were given permission to do what they could to improve the lot of the evacuees. Mike traversed the country, explaining their loyalty and persuading church groups and others to urge their re-establishment as a going part of the Nation. In the process, he was thrown into jail eight times and was often roughed up by police. Radio Tokyo broadcast that as soon as Japanese troops landed in San Francisco Mike would be the first American hanged.

In 1942, Mike went to Washington to ask that Japanese Americans be permitted to leave their camps and volunteer for the Army. Not until January 1943, however, were Japanese Americans permitted to do so—and then only because Assistant Secretary of War John J. McCloy took up their case. The Japanese-American 442d Regimental Combat Team was activated as a unit in Camp Shelby, Miss. Mike was the first continental volunteer.

When the Four Hundred and Forty-second originally went into action in Italy, it had a complement of 3,000 men. After 4 months in the line, its casualty rate was over 300 percent. The Four Hundred and Forty-second won more major decorations for time spent in combat than any other comparable unit. Its men won more than 9,000 combat medals. Gen. "Vinegar Joe" Stilwell best summarized the war record of the Japanese Americans: "They bought an awful big hunk of America with their blood."

From her bleak prison camp Mike's mother advised her sons to volunteer "because this is my country." Five Masaoka boys saw service in Italy and France. Four were wounded; one was killed.

When the war was over and Mike was mustered out, he knew his job had just begun. The Japanese Americans had dropped their resentment against him when he turned down a commission to become an enlisted man. Later the feeling had become general among them that cooperation in the evacuation had been wise.

Some time before the Eightieth Congress went into session in January 1947, Mike and Etsu, whom he had married just before going into the Army, moved to Washington. They opened an office in their two-room apartment. Then they walked over to the Clerk of the House of Representatives and the Secretary of the Senate and gingerly registered as lobbyists. The JACL had decided that writing letters to Congressmen and sending petitions to the President were not enough. Mike's job was to convince a majority of the 435 Representatives and 96 Senators that his proposals were worthy of passage at a time when the international scene was cloudy and inflation, housing, and labor problems loomed large at home.

His most important assignment was to remove the racial discrimination still remaining in our immigration and naturalization laws. Mike's mother and Ginzo Nakada, for example—who had come to this country decades ago, and who between them had had 12 sons in the Army—were ineligible to become United States citizens. Mrs. Nawa

Munemori, mother of Sadao Munemori, winner of the Congressional Medal of Honor, not only was unable to become a citizen but was unable to receive a California old-age pension because of her alien status.

Many of the evacuees from the west coast were now destitute. The farms of some had been foreclosed while they were away. The Government had not stored their belongings as promised. Some had been forced to sell their property for practically nothing.

About 2,000 Japanese were awaiting deportation because their temporary visas had run out. Many had worked for OSS, OWI, or the War Department. They had drawn most of the maps by which our B–29's bombed Japan. Many had taught in our military language schools. Others had broadcast or monitored radio programs to and from Japan. By helping us they had committed treason to Japan. Deserving European aliens could have their deportations canceled; these Japanese aliens could not.

Such matters constituted Mike's must legislation. Usual lobbying procedures were useless. The people he represented had no effective voting power, political influence, money. Mike looked about for a new approach. He read everything he could lay his hands on pertaining to the legislation in which he was interested. In a month he knew more about both sides of his proposals than anyone else in Washington.

He directed his first attack at the subcommittees. Few Members saw Mike the first time he called. But he got to know the secretaries of the subcommitteemen, and when they found he had something worth while to say they scheduled appointments.

There were lucky breaks, too. One secretary had just turned down Mike's request for an interview when the Senator shouted from his inner sanctum: "Wait a minute. Mike's an Irish name."

"Yes, sir," Masaoka replied quickly. "I'm part Irish—at least, I have Irish blood in me."

The Senator's eyebrows climbed and Mike hurried to explain. "When the Germans shot me up overseas I got a transfusion at an aid station. An Irishman from Boston gave me his blood."

The Senator laughed and invited Mike into his office. When they emerged an hour later the Senator had his arm around Mike's shoulders and was saying, "Now, don't worry, son. We'll do everything possible to help your people."

Mike drafted many of his bills himself, then looked for Congressmen who would sponsor them. It was a matter of selling himself and then his cause.

While he was busy with subcommitteemen and sponsors, Mike was also presenting his cause to church, veteran, and other groups. At hearings his speeches were gems of clarity, logic, and delivery. Many Congressmen affirmed that they dropped their last lingering opposition after listening to him.

Letter to Mike from Japanese aliens who had lived as long as 40 years in this country showed that State laws barred them from a great variety of jobs. Many State laws permitted persons with first citizenship papers to work at some of these restricted jobs, but the Justice Department customarily refused to issue first papers to Japanese aliens on the ground that they could not eventually become citizens.

Here again Mike decided on personal lobbying. He went to Ugo Carusi, then Commissioner of Immigration and Naturalization. Among the data he presented was the information that the Four Hundred and Forty-second had liberated Carusi's home town of Carrara, Italy. It was not long before Japanese aliens were permitted to take out first citizenship papers.

In recent weeks Mike has seen his lobbying successes crowned by House passage of the bill which, from the beginning, was his top priority—a bill permitting some 85,000 long-resident Japanese aliens (including his own mother) to become eligible for American citizenship.

Though the JACL, supported by contributions, pays him less than $5,000 a year, Mike has turned down as much as $1,000 a month just to advise other groups. To his supporters he is known as "Messiah" Masaoka. No matter how much he protests that he cannot promise success, they scoff at him. And no wonder.

Loans to Germany and Dillon, Read & Co.

EXTENSION OF REMARKS
OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 18 (legislative day of Monday, April 11), 1949

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled, "Loans to Germany and Dillon, Read & Co." published by the Society for the Prevention of World War III, Suite 825, 515 Madison Avenue, New York 22, N. Y., a nonprofit educational organization, in its March–April and May–August 1949 issues of the magazine Prevent World War III.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOANS TO GERMANY AND DILLON, READ & CO.

Must we always make the same mistakes? There was a time when we thought we had definitely decided not to do so. In fact, there were several times when we learned our lesson. In 1932, after we woke up to the sad realization that we were very foolish in the twenties, we were sure that we would never make the same mistake again. For instance, in 1933, the outstanding British economist and financier, Sir Arthur Samuel, said: "Germany will not be able to receive money again in Great Britain, France, or the United States during our lifetime." Sir Arthur was very upset because of the unreliability of the German borrowers. What he thought of them he summed up in one single sentence: "Abuse of credit by foreign borrowers has developed into abuse of confidence amounting to nothing less than vulgar dishonesty."

That was in the early thirties. The full impact of the loans was not felt until the German military might showed what it could do during World War II. There was no longer any doubt that the Western World had unwittingly contributed to its own misery. This time the Western World was sure it could never make the same mistake again. Having learned its lesson, the United States Government told the Commander in Chief of the United States Forces of Occupation in no uncertain language, that "no extension of credit to Germany or Germans by any foreign person or government would be permitted except that the Control Council may, in special emergencies, grant permission for such extension of credit." (Par. 50, Directive to Commander in Chief.)

The man in the street was sure that the directive meant what it said, but, as usual, he was wrong, for he was not able to see the day-by-day developments in the financial world. He is now being informed. On January 24, 1949, the Wall Street Journal broke the news to him gently when it told him "American and other foreign capital will soon be allowed to invest in western Germany, said Norman Collison, Economic Corporation Administrator for trizonia—the American, British, and French Zones." Presumably the word "allowed" was used to make the offer attractive. More details came 2 days later, when the New York Herald Tribune reported the result of a survey of American observers in the Ruhr regarding the plans of German industrialists to develop their industries. As the New York Herald Tribune stated: "Ruhr industrialists, the survey shows, are looking at the moment to the United States as the best prospect for new private funds." The amount of money mentioned by the survey was estimated at 2,000,000,000 western marks. In addition, there was also mention of 1,500,000,000 marks to expand the electrical energy in the Ruhr in order to build 22 new power plants at the coal mines.

What is the nature of the attraction Germany is exercising again? What magic is Germany using to make people forget so quickly her past record? Students of German affairs have tried to find the source of German attraction. So far they have failed. If today the world is ready to forget the past so quickly, and to add good money to bad money, will serious-minded investors not ask themselves: Was Germany such a good risk in the past? Did the American investment houses take the necessary precautions to make sure that the money loaned to Germany was wisely spent? Did they ascertain the ultimate purpose of the money? Did they make an analysis to find out whether Germany needed the money so badly?

The answer, obviously, to all these questions, is a resounding "No." The financial literature of the twenties is replete with the most glowing statements and alluring prospectuses, telling the American, British, and other investors how sound Germany was. However, it must be stated that the literature dealing with the loans made to Germany also contains numerous analyses intended to warn the foreign investors.

An extensive investigation was conducted at the end of 1931 and the beginning of 1932 by the United States Senate Committee on Finance, which attempted to find an answer to the all perplexing question: Why did the foreign investors throw away their money so eagerly and and what was the attraction Germany exercised over the Western World?

American investment houses were subpenaed to appear before the United States Senate committee. They were asked to show how much money they loaned to Germany, how much profit they made, what efforts were made to ascertain that the loans made were not in contravention of American foreign policy, and what efforts were made to protect the lenders.

The most outstanding fact that was unearthed in the course of this extensive investigation was that American investment houses were completely oblivious to the realities of the economic and financial situation of Germany. What is even worse, most of the witnesses, as late as 1932, stoutly maintained that they were not wrong in making the huge loans. To be sure, there were exceptions to this attitude. Some of the investment houses, indeed, learned their bitter lesson. Some followed the warning issued by the State Department and other responsible persons, but by and large, instead of admitting its mistakes, the financial fraternity defended itself stoutly before the Senate Committee on Finance.

As early as 1922 the United States State Department began issuing letters of warning to American investment houses, in the form of public releases. The records show that

many other letters were written directly to the banking houses by the State Department from 1922 to 1929, wherein attention was called to the large amount of American credit granted to Germany. The paragraph most often used read as follows: "Those risks which obviously concern the investing public should, in the opinion of the Department, be cleared up before any action i. taken." Since these warnings resulted in many inquiries, the State Department invariably cautioned Wall Street as follows: "If they cannot be definitely eliminated, the Department believes that you should consider whether you do not owe a duty to your prospective clients, fully to advise them of the situation." In each case, however, the State Department made it clear that it did not "positively" object to the loans contemplated.

As a result, Wall Street went on bringing out, in ever-increasing numbers, German bond issues to German states, German cities, and German industries. In fact, anything German was quickly absorbed without question. Not only that, but the record reveals that American investment houses paid handsome commissions to hundreds of American representatives in Germany whose duty it was to solicit more and more loans from all possible German sources in order to dump them quickly into the American public. And, contrary to the admonition of the State Department to take proper precautions to explain to the investors the true situation of the German economy in the twenties, the American investing fraternity made it very plain that it was not interested in making any effort to attach any conditions concerning the way in which the money was spent in Germany, nor was an effort made to obligate the recipients in Germany to buy any goods in the United States, nor force them to establish relations with American business firms.

Nor did the American investment houses make any effort to insert a provision whereby some American control over the expenditure of American money would be imposed upon the German borrowers, in order, for instance, to prevent the rearmament practiced by the Weimar Republic.

There was a time when those who suffered as a result of their folly were prone to blame the scheming Germans for their misery. They must have studied the German methods of enticing the American investors. As a result, they believed that the Germans must be blamed and no one else. Here again, the records will show that even some Germans in some cases were against the indiscriminate dumping of good American money in their country. The State Department, in one of its letters dated October 25, 1926, in an answer to an inquiry emanating from a Wall Street firm, definitely warned the latter that even the Germans did not want the money. But this warning, too, went unheeded. This is the way the State Department put it: "In this connection I feel that I should inform you that the Department is advised that the German federal authorities, themselves, are not disposed to view with favor the indiscriminate policy of German loans in the American market."

Indeed, there is evidence to show that even Dr. Schacht was amazed at the waste of good American money. But the German warnings, too, fell on deaf ears. The best way to describe how some German officials felt about the American investment houses' attitude is to quote the Prussian Minister of Finance, Dr. Koepker-Aschoff, who, on December 8, 1931, described the German reaction as follows: "During 1925 and 1926 not a week went by that a representation of a group of American banks did not come to see me for that purpose (making loans). German authorities had been virtually flooded with loan offers by foreigners."

Special mention must be made of the splendid work done by Mr. S. Parker Gilbert, American Agent General for Reparations in Germany. Mr. Gilbert cannot be accused of any animosity toward the financial fraternity, since he came from it and since he was sent to Germany by the American originators of the Dawes plan.

Mr. Gilbert was fully acquainted with the drive going on in the United States to play fast and loose with the people's money. On numerous occasions he received inquiries from investors asking him to give them his opinion regarding the soundness of proposed loans.

Mr. Gilbert's attitude was clear and unmistakable. On November 11, 1925, he flatly stated, "that the Transfer Committee on Reparations is not in a position to give assurances concerning the payment of interest or amortization on the German loans floated abroad."

Two years later Mr. Gilbert made it even more emphatic by issuing a public warning saying as follows: "Recent developments in public finance do not appear to be in the interests either of German economic life, or of the execution of the experts' plan (the experts on reparations). The evidence, in fact, is accumulating on every side that the German public authorities are developing and executing constantly enlarged programs of expenditure and of borrowing with but little regard to the financial consequences of their action."

Apparently, Mr. Gilbert despaired of being able to enlighten the American bankers at all, for a year earlier, on November 3, 1926, he openly told his honest opinion about the nature of the German loans. He expressed himself in very forceful language, but failed. He said on November 3, 1926: "I am constantly amazed at the recklessness of American bankers in offering to the public the securities of German states on the basis of purely German views."

Some outstanding experts assumed that Germany, in addiiton to the $300,000,000 to be derived from her railroads, could pay an additional $120,000,000 as a maximum. This being the case, the total German payments could not have exceeded $420,000,000. How did the New York Times arrive at an annual figure of $625,000,000?

The moral of this story is plain: While it could be reasonably argued that at the beginning of the loan spree the American public knew very little about the state of affairs of Germany, there was no doubt—on the basis of the evidence above—that the financial fraternity did nothing to enlighten the American investor and to guide him properly. Here are the results of the famous "metaphysics" mastered in the United States, according to the felicitous description of the New York Times. Since the Dawes plan—1924—Germany, according to her own figures, paid a total of $2,350,000,000 to cover her reparation payments and to service her other foreign debts.

In the same time—still according to Germany's own statistics—she borrowed from other countries the incredible sum of $3,750,000,000 with which to pay reparations. In other words, Germany borrowed $1,400,000,000 more than she paid in reparations. Two-thirds of the borrowed money came from the United States.

According to the British Royal Institute of International Affairs, between the years of 1924 and 1930, some 18 to 19 billion marks of capital were imported into Germany. Of this total, between 9 and 9½ billions were the proceeds of long-term loans and investments, and 5 to 6 billions of short-term borrowing, the remaining 3½ to 4 billion marks being the proceeds of the sale of domestic mark securities.

The above sums do not take into consideration the loans made to Germany prior to 1924, nor those floated privately. Needless to add, most of these loans are still outstanding. Which brings us back to the question we raised above: What is the nature of Germany's magic attraction? No adequate answer can be found in the tomes of literature dealing with that period.

It has been often stated that this magic attraction was due to the fact that American investment houses honestly believed that it was good business to invest in Germany. We are sorry to disagree with this interpretation, since the evidence does not bear it out.

In fact, a careful analysis of some of the activities of American investment houses will clearly prove that not only did some of them not even protect their own interests, but they clearly acted against their own interests.

For instance, on January 5, 1932, Mr. Clarence Dillon, of the house of Dillon, Read & Co., appeared before the United States Senate Committee on Finance to give an account of his firm's loans to Germany. When he was asked whether he knew that at the time the extensive loans were made to the German industrialists, the latter were already overborrowed, he replied: "I do not think any of the German industrialists to whom we loaned money were overborrowed." When he was further asked by Senator JOHNSON: "Do you remember the statement that was made by Gilbert in 1927 regarding Germany being overborrowed?" Mr. Dillon replied, "I heard you talk of it yesterday, sir."

Under further specific questioning whether he, himself, knew of Mr. Gilbert's warnings and of the fact that it was against the interests of American business, Mr. Dillon finally admitted that he understood such warnings were made.

Why did Mr. Dillon claim that the German industries were not overborrowed? Since Mr. Dillon denied, as late as 1932, that the German industrialists were overborrowed—and this in the face of all the evidence accumulated in the years prior to the Senate investigation—it behooves us to discuss Mr. Dillon's activities.

There is a pertinent reason why Mr. Dillon's case must be discussed here. To begin with, unlike most of the loans floated by the other Wall Street investment houses, those floated by Dillon, Read were made largely to the German heavy industry. These loans helped Germany to build up her war potential.

Since VE-day the name of Dillon, Read has been mentioned prominently in connection with Germany. The public at large has learned in recent times that former members of the Dillon, Read investment house have been very active in public affairs and in making our German policy. We ourselves have made an extensive analysis of the activities of Mr. Paul Nitze, former vice president of Dillon, Reed, and Deputy Director of the Office of International Trade in the State Department some 6 months ago, (Published in Prevent World War III, No. 25, May–June 1948, The Right Men in the Right Places.)

Since we are very anxious to find out why Germany has been the ever-recurring object of solicitude on the part of some American banking houses and presently of some high Government officials, we feel that the only way to answer this query is to go back to the source itself—the German industrialists. The reader will not find it all in published materials.

But we will tell something about it: Fritz Thyssen, the notorious Ruhr industrialist who has contributed so much to Hitler's coming to power, was asked at the time why he was in favor of the Dawes plan, and why he was so much opposed to the Young plan, which was the second attempt made after World War I to salvage something from the wreckage of the German reparations program. "In my judgment," Mr. Thyssen replied, "the financial debt thus created was bound to disrupt the entire economy of the Reich." And why did Thyssen take such a negative attitude toward the Young plan?

We will let him say it in his own words: "My position was largely determined by what an American banker told me and Voegler. (Voegler was the brains behind the Germans' biggest steel cartel, the United German Steel Works. He committed suicide shortly before the Allies entered Duesseldorf in 1945). I refer to Mr. Clarence Dillon of the firm of Dillon, Read & Co., a Jew, with whom we were on very friendly relations. Mr. Dillon expressly said: 'If I may give you a piece of advice, don't sign.' I have never forgotten this, and I have always remained particularly grateful for his advice for he gave it against his own interests and for the good of Germany."

We believe that the secret of Germany's magic attraction over some of the investment houses in the United States can be found in the last few words of Thyssen's confession. From this statement is it not quite clear that Mr. Dillon must have had a special soft spot for Germany? When Mr. Dillon stated before the Senate committee in 1932 that he did not think the German industrialists were overborrowed, he obviously knew full well that his statement was not correct and that the loans did not protect American interests. And when Mr. Thyssen candidly confessed that Mr. Dillon advised him not to agree to the Young plan, it is quite obvious that Mr. Dillon did not care to help the American investor or else Mr. Dillon would have advised Thyssen to agree to the Young plan and thus help salvage the American interests in Germany.

And yet it would be wrong to say that the Dillon, Read house did not profit from its relations with the German heavy industry. We will let Mr. Clarence Dillon tell it in his own words. (From his testimony before the United States Senate Committee on Finance, January 5, 1932): "In the period since the war, the total amount of those issues that we have handled, and I have not included issues where other banking houses or banks have handled the account, and where we may have participated for small amounts, but I am giving you, Senator, the figures where we have handled the account—the total of such issues amounts to $1,491,228,543."

A break-down of the total number of German loans floated in the United States by some of the most prominent Wall Street firms, reveals that the Dillon, Read & Co. shares first place with the National City Bank. This can be seen from the following partial list:

Investment house:	*Number of loans*
Dillon, Read & Co.	20
National City Bank	20
Harris Forbes	16
Speyer & Co.	8
Blair & Co.	3
J. P. Morgan	2

As regards the total amount of all foreign issues handled by the two houses most prominently connected with German loans, it is also worthy of note that the Dillon, Read & Co. and the National City Bank again are tied for first place. While the former claims of having floated a total of $1,491,228,543, the latter can boast that it floated a total of $1,500,000,000.

Since some former prominent officials of the Dillon, Read firm have been strong advocates of the rebuilding of Germany, the question is: Have they learned the lesson of the twenties? We shall let the reader judge for himself. But before doing so, let him ponder the following sentence culled from former Dillon, Read vice president—Gen. W. Draper's testimony before the congressional committee. "I personally have been one, for 2½ years, who has been attacked in the papers probably more than anyone else for trying to build up Germany and for trying to reduce the reparations program. I admit that I have had that point of view." (P. 811, hearings before the subcommittee of the Committee on Appropriations, House of Representatives, 80th Cong.)

Vengeance, Not Justice

EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Friday, May 20 (legislative day of Monday, April 11), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article which appeared on May 18, 1949, in Human Events entitled "Vengeance, Not Justice," by William Henry Chamberlin.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VENGEANCE, NOT JUSTICE

(By William Henry Chamberlin)

I

With the recent conviction of 19 out of 21 defendants, the thirteenth and last of a series of so-called war-crimes trials, held with American participation or under American auspices in Germany, has come to an end. As a result of these trials, 1,539 persons were found guilty and 444 were condemned to death. Most of these sentences have been executed; some have been commuted; a few are still pending.

The cost of these unprecedented trials to United States taxpayers is estimated at from nine to twelve million dollars. The cost in the sacrifice of basic ideals of equity, legality, and sound international relations is immeasurable. For these trials were not, as Supreme Court Justice Robert H. Jackson and others have asserted, a vindication of eternal principles of law and morality.

On the contrary, the whole organization and procedure of these trials represents a negation of some of the most essential elements in the Anglo-Saxon conception of the rule of law. Senator TAFT put his finger on a fundamental defect when he said recently:

"My objection to the Nuremberg trials was that, while clothed with the forms of justice, they were in fact an instrument of government policy, determined months before at Teheran and Yalta."

Other points of criticism, which future objective historians and legal commentators are not likely to overlook, may be briefly summarized as follows:

(1) There was no pretense of equal responsibility before the law. Only Germans were punished, in many cases for actions which were also committed by some or all of the victorious powers. Yet what distinguishes a genuine court of justice from a lynching mob is the observance of the principle that law is applied universally and objectively.

(2) The very important principle that judges and juries should have no personal interest or prejudice in the cases they conduct was not and could not be observed in a trial of vanquished by victors.

(3) This defect of the trials was aggravated by the excessive participation of American citizens of very recent origin—German political and racial refugees who in some cases were animated by an altogether understandable desire for revenge.

(4) The conduct of at least some of the trials was vitiated by the extortion of confessions by methods of extreme brutality and deceit.

(5) Like many other developments of the twentieth century these trials of vanquished by victors represent retrogression, not progress. They recall the practices of 20 centuries ago, when captured rulers were strangled after being led in Roman triumphs. They are more likely to promote wars of extermination than to serve as war deterrents.

(6) The trials set dangerous precedents and violated such known principles of national and international law as the rule that there can be no ex post facto punishments. Among the precedents are the holding of military and civilian officials responsible for carrying out the orders of their superiors.

Under this precedent every military or naval officer who takes part in framing war plans may be indicted as a promoter of aggressive war—if his country is on the losing side.

II

These considerations hold good quite irrespective of the fact that acts of horrible cruelty were committed by the Nazis before and during the war and that many of those who suffered death or imprisonment in the war trials are entitled to no sympathy on the basis of their records. The real case against the war trials is not what they did to some 1,500 Germans, but the serious injury they inflicted on Western standards of impartial justice and moral consistency.

One of the counts in the indictment against the Nazi leaders at Nuremberg was the planning and waging of wars of aggression. It is now a matter of public historical record, and was well known at the time of the Nuremberg proceedings, that the German attack on Poland on September 1, 1939, closely followed a secret agreement with the Soviet Union dividing a large part of Eastern Europe between the two powers. In accordance with this treaty the Soviet Union invaded, annexed, and oppressed the eastern half of Poland, and later overran the three independent Baltic Republics, Latvia, Lithuania, and Estonia.

If the punishment of aggressive war was the purpose of the Nuremberg tribunal, then the place of the Soviet representatives was in the dock with the accused, not on the bench with the judges. In view of the markedly different treatment metered out to Nazi aggression and to Soviet aggression, it seems a reasonable deduction that the Germans were punished not for waging aggressive war, but for losing it.

Many moral inconsistencies and legal non sequiturs of the Nuremberg judgment are pointed out in Montgomery Belgion's excellent work, Victors' Justice (now available in an American edition, Henry Regnery Co., Hinsdale, Ill.). One is especially worth noting. This is the verdict in the case of Admiral Karl Doenitz. The tribunal stated:

"In view of all the facts proved and in particular of an order of the British Admiralty announced on May 8, 1940, according to which all vessels should be sunk at sight in the Skaggerak, and the answers to interrogatories by Admiral Nimitz stating that unrestricted submarine warfare was carried on in the Pacific Ocean by the United States from the first day that Nation entered the war, the sentence on Doenitz is not assessed on the ground of his breaches of the international law of submarine warfare."

The implications of this ruling are breathtaking. A German naval commander was granted immunity if he committed only breaches of international agreements about submarine warfare which had been consistently practiced by the Americans and the British.

However, this principle was not observed in many of the war-crimes judgments. For, apart from the maniacal extermination of

the Jews, almost every Nazi war crime was committed by all or some of the victorious powers. This is true as regards forcible annexation of foreign territory, launching of aggressive war, rape, looting, and other excesses committed against civilians, mass uprooting and expulsions, large-scale exploitation of war prisoners for slave labor. Such actions are either criminal, regardless of who commits them, or they are not. The war-crimes tribunals meted out punishment only to Germans.

III

The moral value of the war-crimes trials was further nullified by the methods often used to extract confessions. Most notorious and unsavory was the third-degree treatment applied to the defendants in the Malmedy trial, a large group of German soldiers charged with killing American prisoners during the Battle of the Bulge.

An Army commission, headed by Justice Gordon Simpson of the Texas Supreme Court, investigated this matter recently and came to the conclusion that highly questionable methods which cannot be condoned were used in obtaining the evidence and confessions on which the Malmedy verdicts were based. Judge Edward L. van Roden, a member of the commission, spelled out these methods as: Beatings and brutal kickings; knocking out teeth and breaking jaws; mock trials; solitary confinement; posturing as priests; very limited rations; promises of acquittal.

Col. Willis M. Everett, an American officer in the two world wars, appointed counsel for the defendants, submitted a long affidavit to the Supreme Court which contains the following statement, among many other allegations of torture and improper pressure:

"The American prosecutors would make many threats of violence and torture directed toward the mothers, fathers, sisters, wives and children of various accused unless they signed complete dictated confessions of acts and deeds never committed by them, and acts and deeds of other accused never witnessed by them."

Methods frequently employed by investigators in the war crimes trials may be judged from the stenographic record of the interrogation of Dr. Friedrich Gauss, former legal expert of the German Foreign Office, by Robert Kempner, former official of the Prussian Government, now an American citizen. Trying to extort a confession, it was hinted by Kempner that if Gauss did not say what the prosecution desired he would be handed over to the Russians. The following expressions were also used in the examination of Dr. Gauss:

"You must think it over. * * * You know the old German law—Mitgefangen-mitgehangen [captured together—hanged together] * * * If I had to save my neck, I would commit any kind of perjury. You must help us to clarify the matter."

IV

The war crimes trials were as politically inexpedient as they were lacking in consideration for basic principles of law and equity. Cold-blooded reprisals inflicted by victors on vanquished, after hostilities are ended, leave a far more rankling sense of resentment than ruthless acts in the heat of combat. There seemed to be a concerted effort in the trials, whether by accident or design, to get representatives of German groups who were most opposed to Communism, notably businessmen.

The most hopeful redeeming feature of this ill-judged experiment in one-sided vengeance, masquerading under the forms of justice, was the outspoken courage of those Americans who risked abuse and misrepresentation by speaking out vigorously on the issues of principle involved.

Honorable mention should go to Colonel Everett, to Judge van Roden and to Judge Charles F. Wennerstrum, of the Iowa Supreme Court. After sitting on a trial of German generals Judge Wennerstrum sharply criticized the spirit and methods of the prosecution and summed up the whole case against the war trials when he remarked that "the victor in any war is not the best judge of war crime guilt."

Such individual criticism would not have been possible, or at least would not have been heard, under totalitarian regimes. The best policy now would be to wind up this "victors' justice" as quickly as possible, to redress immediately the grossly unjust sentences, to leave to the new West German State a wide latitude in reviewing sentences, and to hope—against the probabilities—that the precedent set will not aggravate the ferocity of the next war—should such a catastrophe occur.

The Senate and the Filibuster

EXTENSION OF REMARKS

OF

HON. JOHN C. STENNIS

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Friday, May 20 (legislative day of Monday, April 11), 1949

Mr. STENNIS. Mr. President, the current issue of the magazine Survey contains an article entitled "The Senate and the Filibuster," by Lindsay Rogers, Burgess professor of public law at Columbia University. Mr. Rogers is one of the most highly regarded international authorities on political science, and I believe that his views are worthy of the Senate's attention. I ask unanimous consent that the article be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SENATE AND THE FILIBUSTER

(By Lindsay Rogers)

"That remarkable body, the most remarkable of all the inventions of modern politics, the Senate of the United States." Thus Gladstone described the upper branch of the American Congress. This remarkable body has now done one of the most remarkable things in its entire history. After a long discussion of the extent to which limiting debate should be made easier, the Senate in the end relaxed—extremists say wiped out—the not-too-effective cloture rule which it had adopted in 1917.

Senatorial captains and kings of parties and sections now quarrel about other matters, but Federal civil-rights legislation was the sacrifice, and the tumult and the shouting will not die. The sincere advocates of civil-rights legislation will continue to be furious and will bring bills up again on the first possible occasion. Then the battle will recommence. Cassandras with different preoccupations foretell grave harm to the Republic, because any "fanatic minority" will be able to use an "archaic and perverse" instrument of obstruction—that is, the filibuster. "A few arrogant men will frequently tie up all public business." What should be a democratic parliament "has shackled its own hands with stubborn knots." "Just suppose that there is another Pearl Harbor," it is asked, "could there be speedy congressional action?" Are these portents of doom justified?

In a mild voice, I venture to suggest that black is not the only color at which we have to look; that, as Edmund Burke said, "all government is founded on compromise and barter" and, I suggest further, that this is especially true of the American governmental system with its separation of powers and its Federal basis. Whether or not we like all of the ways in which our Government works, it is nevertheless the system under which we now live. And, save from quarters where the Kremlin is more honored than the White House, there is no advocacy of change in principle. It is in an American setting, therefore, that we should consider the filibuster, and this, I suggest, is what the Cassandras have omitted to do.

Before I specify their sins of omission, it is necessary to explain the present situation—the parliamentary position, so to speak, and how it was reached. Legislative procedure is a dull business and a matter about which few, save members of the legislatures—and by no means all of them—know very much. Hence, it is not surprising that there has been a good deal of confusion in the public mind. That this has been the case clearly appears from the results of one of Dr. Gallup's polls which, indeed, must have increased the confusion.

"Most voters like Truman's proposal to curb filibusters," Dr. Gallup announced from Princeton on March 10. This was not quite accurate since the text of his release disclosed that on the basis of the replies of the sample interrogated, barely more than half of the voters of the country knew the simplest meaning of filibuster: "Delaying tactics such as speaking to consume time." Those who claimed to know were then asked a question which either carelessly or to achieve simplicity misstated the position: "It has been suggested that the Senate change its rules so that a simple majority can call for an end to discussion instead of a two-thirds majority as is now the case. Do you approve or disapprove of this?" It was not the case that a two-thirds majority could call for an end to discussion. That was the whole point of the agitation in the Senate.

In answer to Dr. Gallup's misleading question, there were approving majorities (from 51 to 62 percent) in four sections of the country. In the South, however, 43 percent approved, and 50 percent disapproved, and only 7 percent had no opinion, whereas, in the New England and Middle Atlantic States, 12 percent had declined to answer. These percentages for the South—an area bitterly opposed to the Federal civil rights legislation—are inexplicable save in terms of the sample not knowing the meaning of the question it was being asked.

What, with all nonessential factors being put to one side, was the situation that Dr. Gallup failed to make clear? Before 1917, it was impossible to end debate in the Senate so long as any Senator wished to speak. There were frequent filibusters, for the most part engineered by individual Senators with whom sympathizing colleagues occasionally joined. A Senator, or Senators, sought to hold up Rivers and Harbors, or Public Building appropriation bills because they failed to contain items for the benefit of their States; or, as watchdogs for the Treasury, endeavored to prevent dips into the pork barrel.

This kind of obstruction was rarely successful save in the closing days of the short session of Congress that is, the one which came to an end on March 4 in odd years and which a constitutional amendment has since abolished. In a long session of Congress which had no terminal date, filibustering was much more difficult. A Senator, or Senators, could be tired out. Even in the short

session it was rare that any meritorious legislation was defeated. The public looked upon filibustering as a political stunt with some obscene features, but it seldom became excited, and never effectively so before 1917 when a filibuster began on Friday afternoon, March 2, and continued until noon on Sunday, March 4, when the Congress had to adjourn. That filibuster prevented the passage of a bill giving President Wilson authority to arm American merchant ships.

More than 500 of the 531 Members of the two Houses were in favor of the legislation, President Wilson declared. The House of Representatives had passed the bill "by an overwhelming majority but the Senate was unable to act because a little group of 11 Senators had determined that it should not." There was one remedy, the President declared—the rules of the Senate should be so altered that it could act. Public opinion was aroused, and in special session March 8, 1917, the Senate by a vote of 76 to 3 adopted a cloture rule. This provided, in brief, that if 16 Senators signed a motion to bring debate on a pending measure to a close, the presiding officer should at once state the motion to the Senate and should on the following calendar day but one lay the motion before the Senate and order a roll call. If two-thirds of the Senators present and voting wanted debate brought to a close, the "said measure shall be the unfinished business to the exclusion of all other business until disposed of." Thereafter, no Senator could speak more than 1 hour.

Since 1917 the Senate has voted 19 times on whether debate should be brought to a close but the necessary two-thirds majority of the Senators present has been obtained in only 4 cases—the Treaty of Versailles (1919), the World Court (1926), a branch banking bill (1927), and a bill creating a Bureau of Customs and a Bureau of Prohibition (1927). The 15 other motions failed to secure the necessary two-thirds majority. Eight motions have been filed but were withdrawn before they were voted on. In the last 20 years there has been no case of the Senate restraining itself by using the 1917 rule.

Meanwhile, however, it developed that there could be filibustering in parliamentary situations to which the cloture rule might not apply. In 1922, for example, after the House of Representatives had passed the Dyer Anti-Lynching bill, southern Senators tied the Senate up completely through the use of a new device. They refused unanimous consent to dispense with the reading of the Journal, insisted that it be read and then offered amendments and corrections on which they made speeches. Such items as the exact minute that the Vice President entered the Chamber, and the question of whether the prayer should be included textually in the Journal were the pegs on which Senators hung their orations. The majority leaders admitted defeat and withdrew the antilynching measure. Hence, the Vice President did not have to rule on the question of whether the rule adopted in 1917 could be used to limit dilatory tactics on a procedural question, namely, the approval of the Journal.

When the Senate yielded to public pressure and framed its cloture rule in 1917, no one gave any thought to possible obstructionist tactics in respect of such a matter as approval of the Journal. It was thought that the Senate could, by a two-thirds vote, bring a filibuster to an end. To be sure the language of the rule only provided for closing debate "upon any pending measure," but if this language did not cover all it should have covered, the neglect was inadvertent and not Machiavellian. In the Seventy-ninth Congress, when the majority leaders in the Senate desired to bring up a measure making the Committee on Fair Employment Practice a permanent government agency, there was a ruling that the cloture rule did not apply to a motion to amend the Journal. Then in the second session of the Eightieth Congress (1948), there was a filibuster on a motion to bring up an anti-poll tax bill. Senator ARTHUR H. VANDENBERG (as President pro tempore) ruled that a motion to bring a bill forward was not a "pending measure" and that the rule of 1917 could not be invoked.

In the Eighty-first Congress (March 1949), the parliamentary situation was substantially similar. Senators interested in civil-rights legislation knew that in order to get it before the Senate they would have to amend the cloture rule so that it would apply not only to pending measures but to motions to consider and to everything else. On a motion to consider proposals of amendments from the Senate Rules Committee, there was another filibuster. Vice President BARKLEY (who had not agreed with Senator VANDENBERG'S ruling of the previous year) held that the 1917 rule covered motions as well as pending measures, and that the Senate could therefore vote on whether it desired to bring debate to a close. But southern Senators garnered enough votes from the North to secure a majority to overrule Vice President BARKLEY'S decision. Hence, the filibuster continued and ended only when there was an agreement between southern and other Senators on a new rule that was satisfactory to the former.

The Senate is now able to bring debate to a close on any measure, motion or other matter, except a motion to bring up proposals for further amendment of the Senate's rules. On this a filibuster can impose a veto. On everything else there can be cloture.

But to those who wish to put an end to debate by a majority or by a two-thirds vote, this is no victory at all. For the rule provides that there must be an affirmative vote of two-thirds of the Senators duly chosen and sworn, not two-thirds of a quorum (that is, one more than a majority of the Members of the Senate), which was the requirement of the 1917 rule. On only three occasions—the first (and the important) three in my list of four successful closure petitions—has a constitutional two-thirds majority of the Senate been in favor of closing debate.

Does this shackling of the Senate threaten disaster? Are there occasions when inability to secure the two-thirds constitutional majority may do harm to the Republic? Or is it true, as many Senators have said, that "a determined majority can break a filibuster if it really tries"?

One's views of senatorial reluctance to restrict debate may, in part at least, be connected with opinions on legislation which filibusters may kill or delay. Thus, advocates of civil-rights legislation view the filibuster with distaste, even horror. On the other hand, economic royalists may think that some day filibustering Senators could prevent the socialization of a great industry. I suggest that the issue should be viewed more in the large and that there are special considerations which justify the fact that, alone among the world's legislative assemblies, the Senate of the United States cannot end debate when a majority of those present and constituting a quorum wish to do so.

With the American Executive holding office for a fixed term and never appearing before the legislature to account for his actions, it is essential that there be some place in the congressional system where the party steam roller will meet an effective barrier. The House of Representatives cannot serve this purpose. There debate is more severely limited and freedom of decision is more restricted than in any other legislative chamber in the world. A two-thirds majority can suspend the rules and, after 40 minutes of discussion, can pass a measure with no amendment being permitted. A special order from the Rules Committee can allocate time for debate between the majority and minority and provide for a vote without any opportunity for amendments. The House must accept or reject the draft the leaders have agreed to.

Since they number only 96 and show more qualities of prima donnas than do Representatives, Senators would refuse to shackle themselves as do Members of the House when they approve a special order from the Committee on Rules. Senators would insist that amendments be voted upon. But without the possibility of parliamentary obstruction—that is, filibustering—the party steamroller, driven by a President, could move as ruthlessly on the Senate side as it does on the House side of the Capitol.

More than 20 years ago, in a book called "The American Senate," I made an argument for freedom of debate and said there was a case for filibustering. I began to write in the administration of President Harding and finished when President Coolidge was in the White House. Senator Thomas J. Walsh's committee had inquired into the Teapot Dome scandals. The Republican Party machine was powerful enough to prevent any investigation by a House committee, and Republicans in the Senate were not anxious to be inquisitors. Only because the Senators who insisted on an investigation could hold up all business until their request was granted did the Senate consent to an inquiry. As to whether Senator Walsh's investigation was in the public interest, it is sufficient to remark that 3 out of 10 Cabinet members were permitted or pressed to resign and that there were several indictments and two suicides. Although in recent years the House has done some investigating which the White House did not favor, I still think that this aspect of the Senate's refusal to limit debate is of high importance and that there would be dangers in a rule permitting debate to be closed at any time by a majority or two-thirds of those present.

More recently, the issue has arisen in a different form. Freedom of debate—which I hold to be a useful weapon when it is used against a too powerful executive—has been used to hold up important legislation which presumably a majority of the Senate desired. Should I, therefore, change my view of the filibuster? I see no reason why I must answer this question in the affirmative.

Those desiring Federal civil rights legislation have, as I have said, talked a great deal about the high-handed behavior of a minority. The southern Senators, it is charged, were able to defy "not only a majority in the Senate but a majority in the country at large." Probably a majority in the country at large was willing for the civil-rights legislation to be passed. That at least is a fair inference from the attitude that the Republican and Democratic political parties expressed in their platforms and during the campaign of 1948. Whether a majority of the majority cared much is a different matter. Moreover, it is clear that a number of Senators constituting the Senate majority wished to avoid voting for the civil-rights legislation and it was for this reason that they joined with the Dixiecrats in approving the amendment of the Senate rules which I have explained above and which will prevent any Federal civil rights legislation that is not satisfactory to the South. Senators who may be only mildly in favor of drastic legislation will not be found in the two-thirds majority of "Senators duly sworn" who must agree on bringing debate to an end. As justifying such an attitude they will point to the fact that in more than a dozen State referendum votes the electorate has always rejected proposals for fair employment practices legislation—on several occasions by a three to one majority.

But it will be asked: "How can you believe in democratic government if you are willing for a minority to prevent action that a

majority is ready to take? Are you not advocating government by a minority rather than government by majority?" My reply is that there may be matters on which a minority feels so deeply that a majority should pause and say to itself, "It is not proper for us to insist"; and that if the majority does not do this, the minority has the right to use every means of obstruction that the rules of a legislative chamber allow.

Those passionately interested in the civil rights program denounce such reasoning, but there are some lines in Shakespeare's "Measure for Measure" that apply:

"Oh, it is excellent to have a giant's strength
But it is tyrannous to use it like a giant."

It is easy to say that a minority has no right to defy a majority, but there are situations in which a majority should refrain from insisting on legislation which it knows will be passionately resented by a sizable minority, particularly when it comes from one great section of the country. On these grounds, some Senators committed to the civil-rights legislation had doubts as to whether it should be passed. Instead of frankly acknowledging their doubts and saying that they would not be tyrannous, the Senators accomplished the same result be conniving with the filibusterers and giving the Senate a rule that will make it difficult, if not impossible, for the Senate to pass any measure objectionable to a similarly constituted minority.

To protect sections was one of the reasons why the framers of the Constitution provided two Senators for each State, large or small. Happily we have had no important political issues on which the populous States have had opinions opposed to those of the smaller commonwealths. We do not worry about the fact that 23 States with 23,000,000 inhabitants have the same voting strength in the Senate as 24 States with a population of 108,000,000. But although the Southern States have less than a quarter of the representation in the Senate and far less than a quarter of the population of the country, they constitute, I maintain, a great section whose opinion should be taken account of in framing legislation principally designed to apply to its inhabitants. There should be further attempts to get part of the civil-rights program agreed to. That, I think, is not impossible, and on the basis of results, there can be later agreements on further steps.

Moreover, in the case of civil-rights legislation, there is another important consideration. Many intelligent observers, who are just as much concerned about racial discrimination as are the sponsors of the legislation, believe that Federal action would do more harm than good; that it would be so bitterly resented in the South that discrimination would increase rather than decrease. Of course, one cannot be certain of this, but the history of the experiment which President Hoover described as noble in purpose should give pause to those urging an experiment with an even nobler purpose. In forcing prohibition on areas that did not wish it, the temperance advocates turned into defeats victories that they had already won. Of course, I realize that while certain areas condoned tippling, no area of the country can have a word to say in defense of lynching. But the situations are sufficiently similar to persuade the giant to wonder whether it would be wise to use its strength.

"But," it has been asked, "will not the country face grave risks if, in some emergency, legislative action is needed quickly and a little group of willful men representing no sizable minority, no great area of the country, but only themselves, proceed to make the Senate helpless and contemptible? What if there is another Pearl Harbor?" The group, I note, would have a number 32, but I think that if such a situation arose and the national interest were imperiled, there would be an easy way out.

In 1881 the Irish Nationalists tied up proceedings in the House of Commons which was then unable itself to bring debate to a close. Mr. Speaker Brand consulted with the leaders of the Government and of the Opposition and decided to end the domination of the House of Commons by Mr. Parnell and a minority of 24.

"The dignity, the credit, and the authority of this House are seriously threatened," said the Speaker, "and it is necessary that they should be vindicated. Under the operation of the accustomed rules and methods of procedure, the legislative powers of the House are paralyzed. A new and exceptional course is imperatively demanded; and I am satisfied that I shall best carry out the will of the House, and may rely upon its support, if I decline to call upon any more Members to speak, and at once proceed to put the question from the Chair. I feel assured that the House will be prepared to exercise all its powers in giving effect to these proceedings."

If, unhappily, the United States confronted an emergency in which the safety of the Nation was at stake and the Senate filibustered, a courageous Vice President could follow Mr. Speaker Brand's course: find that he had support from leaders on both sides and then announce: "The debate has come to an end, and the clerk will call the roll." If there were a real emergency, there would be no majority to set such a ruling aside.

Endorsement of Hon. Herman P. Eberharter of Pennsylvania

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Friday, May 20, 1949

Mr. BUCHANAN. Mr. Speaker, under unanimous consent to extend my remarks, I insert in the Appendix to the RECORD two newspaper articles dated May 7, 1949, one from the Pittsburgh Post-Gazette and one from the Pittsburgh Press, on the subject of the endorsement by the Bar Association of Allegheny County on the nomination of our colleague, Mr. EBERHARTER, to be a judge of the United States District Court for the Western District of Pennsylvania:

[From the Pittsburgh (Pa.) Post-Gazette of May 7, 1949]

EBERHARTER IS ENDORSED BY BAR GROUP—RESOLUTION OFFERED BY EX-CONGRESSMAN LOUDLY ADOPTED

(By John E. Jones)

The Allegheny County Bar Association gave Congressman HERMAN P. EBERHARTER a resounding vote of confidence Friday after beating down attempts to forestall his appointment as Federal judge.

A newborn majority of young lawyers that helped swell attendance to record proportions upset Old Guard attempts to put the membership on record against Mr. EBERHARTER'S confirmation.

They did it with two thunderous voice votes. The first was against a nonconfirmation resolution. The second was for a resolution that expressed confidence in the qualifications of the Pittsburgh lawyer-Congressman for the $15,000-a-year job.

A COMPLETE VICTORY

It was a complete victory for Mr. EBERHARTER, whose fitness for the job was questioned by senior members of the association in a 2½-hour session.

NOMINATED APRIL 26

Only remaining hurdles to his appointment are approvals in sequence by the Senate Judiciary Committee and the United States Senate. He was nominated April 26 for the bench by President Truman.

Leading the new majority at the Friday bar session were former Congressman James A. Wright, author of the pro-Eberharter resolution; Common Pleas Judge Samuel A. Weiss; Congressman James G. Fulton, Mt. Lebanon Republican, and Edward V. Buckley, Pittsburgh lawyer.

They saw nothing inconsistent with Mr. EBERHARTER'S qualifications for judge ("A judge is made by experience; he's not born," said Judge Weiss) and the off-side performances attributed to EBERHARTER in the past by the association's officers.

UNFITNESS IS CHARGED

The performances were read into the record by John G. Buchanan, past president of the county bar group and chairman of the American Bar Association's judiciary committee.

"Stories have come to me from lawyers, many lawyers," Mr. Buchanan declared, "that indicate his [EBERHARTER'S] unfitness for the appointment."

Traffic court documents of Pittsburgh and Washington, D. C., and newspapers of Washington and Newark, N. J., indicate Mr. Buchanan said, the Pittsburgh Congressman has been addicted to reckless driving; to resisting arrest when apprehended, and to imbibing to extents which caused police here and in Newark to raise eyebrows and hale the suspect before magistrates.

There was another and more serious charge, undocumented in its presentation, and not privileged for publication. The bar association is not a privileged body. It is a private corporation. Mr. Buchanan said the case is known to the Attorney General's Office in Washington which is assumed to have O. K.'d Mr. EBERHARTER for the Federal bench.

All of this had no influence on the EBERHARTER defenders, one of whom—Congressman FULTON—made a special trip by plane to Pittsburgh to speak on his colleague's behalf.

"There are two routes to the bench," Mr. FULTON declared. "One, as a practicing lawyer; another, as a man who makes the laws."

That was in response to Mr. Buchanan's assertion that Mr. EBERHARTER'S interest in politics had been "so absorbing as to keep him out of the practice of law."

Mr. Wright forecast that Mr. EBERHARTER will bring to the bench "an experience that very few men can equal."

More than 700 of the 1,100-member bar association overflowed the association's assembly hall in City-County Building for the session. W. Denning Stewart, president, presided.

[From the Pittsburgh (Pa.) Press of May 7, 1949]

CANDIDATE GIVEN GREAT OVATION—COUNTY BAR ENDORSES EBERHARTER FOR JUDGE—LAWYERS DEFEAT RESOLUTION ASKING NOMINEE TO ANSWER CHARGES

With a wall-shaking roar, the Allegheny County Bar Association yesterday endorsed Congressman HERMAN P. EBERHARTER for the Federal bench here.

A moment before, it had voted down with equal volume a resolution which was in effect an ultimatum.

The defeated resolution would have required Mr. EBERHARTER to ask within 5 days for the right to appear before the association and answer serious allegations made against him.

EIGHT HUNDRED ATTEND MEETING

If he failed to make such a request, the bar association would have been on record as opposing his confirmation by the United States Senate.

The high-ceiling bar association room on the ninth floor of the City-County Building was jammed to overflowing with about 800 perspiring and impatient attorneys when President W. Denning Stewart called the meeting to order at 3:30. They represented three-fourths of the membership.

Fifteen lawyers paid back dues in order to put themselves in good standing so they could vote on the EBERHARTER question and to take part in the annual election.

BUCHANAN MADE CHARGES

John G. Buchanan, past president of the county bar and at present chairman of the judiciary committee of the American Bar Association, made the charges against Mr. EBERHARTER.

James A. Wright, former Democratic colleague of Mr. EBERHARTER in Congress, led the fight to defeat the Buchanan resolution. He also made the motion which brought Mr. EBERHARTER the association's endorsement.

He was backed up strongly by Judge Samuel A. Weiss, also a former congressional colleague of the judicial candidate, and by Republican Congressman JAMES G. FULTON, who flew in from Washington to attend the meeting.

APPLAUD SPEAKERS

Quite a few office-holding Democratic attorneys were in the crowd and they cheered and applauded vigorously when Messrs. Wright, Weiss, and Fulton gave their answers to some of the Buchanan charges.

While the members listened in strict silence, Mr. Buchanan detailed for nearly an hour the reasons why he believed the association should pass his resolution.

He said Mr. EBERHARTER lacked the legal knowledge, through failure to practice law, to sit on the Federal bench—that he had talked to many lawyers who said they had never heard of him in their practice and who advised him of "his unfitness for the office."

CITES COMMITTEE'S POWER

He said that, as a member of the judiciary committee of the American Bar Association, he and his fellow committeemen have passed on the qualifications of many candidates for the Federal bench. The committee has the power, he said, to approve or oppose confirmation of candidates in the name of the entire association.

"Never has the committee heretofore been confronted with such reports as it has received in the Eberharter case," Mr. Buchanan said.

He carefully pointed out that he did not have full, docketed information on some of the charges he made, though he had tried to obtain it. He said he was told when he inquired of the United States Attorney's office that the information he sought was confidential.

ALLEGED ARREST

He said one report goes back to prohibition days when a complaint was made before a United States Commissioner that Mr. EBERHARTER resisted a Federal officer while he (Mr. EBERHARTER) was transporting moonshine. He said he was told the charge was dropped when Mr. EBERHARTER paid for repairs to the agent's car, damaged during the incident.

"When I asked for the record in that case," Mr. Buchanan said, "the United States district attorney told me they were secret but will be available to the Senate Judiciary Committee."

Mr. Wright, Judge Weiss, and Mr. Fulton did not refer to this alleged arrest during their defense of Mr. EBERHARTER.

ANOTHER CHARGE

"The other charge was far more important," Mr. Buchanan said. "The administrator of the Public Works Administration asked the Department of Justice to investigate to see whether Mr. EBERHARTER, then a Congressman, should be prosecuted. If found guilty, he could be fined $10,000, sent to prison, and forever barred from holding a position of honor and trust in the Federal Government.

"The story as it came to me was that a bid was submitted by a contractor for a PWA job. The bid was the low one received but the financial responsibility of the contractor was questioned.

"Mr. EBERHARTER interceded for him and he got the contract. Mr. EBERHARTER is said to have charged the contractor $5,000, but when the contractor complained, he reduced the charge to $3,500 but actually was paid only $1,000."

DID NOT PROSECUTE

"The United States Attorney, after investigation, I am told, decided there was nothing to prosecute.

"But should not Mr. EBERHARTER now publicly state whether he made a $5,000 charge, later agreed to accept $3,500 and whether he received $1,000—in short, was he guilty as charged?"

Judge Weiss replied to this charge by stating that, in the first place, the contract was for the Highland Park Bridge and was given out by the county commissioners and not by the Public Works Administration.

ENGAGED EBERHARTER

He said that when the county commissioners apparently intended to give the job to a higher bidder, the contractor with the lowest bid engaged Mr. EBERHARTER as counsel. And by threatening to get an injunction against the commissioners, the judge said Mr. EBERHARTER was able to get the low bid accepted.

"He asked for $1,000 for his legal service and he received $1,000," Judge Weiss said.

Judge Weiss, Mr. Wright, and Mr. Fulton all praised Mr. EBERHARTER's service in Congress, emphasizing that he was almost always present for roll calls and missed very few meetings of the important Rules Committee of which he is a member.

STRESS QUALIFICATIONS

All three men made a point that Mr. EBERHARTER's studious interest in his work in Congress has qualified him for the Federal judiciary.

To the report that Mr. EBERHARTER was taken off a Pennsylvania Railroad train at Newark, N. J., in 1945 because he was drunk and creating a disturbance, Judge Weiss, who said he is a tee-totaler, shouted:

"Who says that only tee-totalers are eligible to sit on the bench?"

And he added that after the last bar association party for the superior court judges, some of those present were lucky they didn't crack up their cars while driving home.

READS NEWSPAPER CLIPPINGS

Mr. Buchanan read clippings from Pittsburgh and Washington papers to show that Mr. EBERHARTER had other brushes with the law in traffic matters.

One of these was in 1939, he said, when an officer arrested him on the Boulevard of the Allies and reported he had liquor on his breath. A police physician reported he was not under the influence of liquor and he was fined $10 for a traffic violation—reckless driving.

Mr. Buchanan also read news stories concerning a traffic incident in Washington which resulted in "someone paying a $25 forfeit after the Eberharter car had made a wrong turn and the driver refused to stop, dragging a protesting officer for 30 feet or more."

COMMITTEE HAS DATA

Just before the vote was called for, Mr. Buchanan said all of this information is in the hands of the Senate Judiciary Committee, which reports to the Senate whether or not it believes the entire body should confirm a nomination of the President.

He also said that he tried to give the information to a secretary to President Truman but was told the man was "too busy" but would call back. He never did, Mr. Buchanan said.

TWO RESOLUTIONS

The Buchanan resolution was:

"I move the adoption of the following resolution: That this association opposes the nomination of HERMAN P. EBERHARTER as a District Judge of the United States for the Western District of Pennsylvania, and requests that the United States Senate reject his nomination, unless within 5 days from this date the said HERMAN P. EBERHARTER shall request an opportunity to be heard personally at a meeting of this association to prove his qualifications and fitness for the office of district judge."

The Wright resolution was:

"*Resolved*, That the Bar Association of Allegheny County express itself as having confidence in the qualifications of Congressman HERMAN P. EBERHARTER for the office of judge of the District Court of the United States for the Western District of Pennsylvania."

North Atlantic Pact

EXTENSION OF REMARKS

OF

HON. KATHARINE ST. GEORGE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 20, 1949

Mrs. ST. GEORGE. Mr. Speaker, under unanimous consent to revise and extend my remarks in the Appendix of the RECORD, I include the following speech made before the Senate Foreign Affairs Committee by former Representative Hamilton Fish:

At the outset of my remarks I desire to congratulate Chairman CONNALLY for urging full diplomatic recognition of Spain. It is sheer humbug to maintain an American Ambassador in Soviet Russia, the most despotic and tyrannical government in the world, and refuse to send an Ambassador to Spain. What is sauce for the Communist goose is sauce for the Fascist gander.

While Soviet Russia is conducting a cold war against us and directing Communist expansion by propaganda, revolution, and force in China and throughout the world, Spain is on our side against world communism but is powerless to promote fascism beyond its borders. It is none of our business what forms of government exist in Soviet Russia or Spain as much as we may disagree and deplore them. How long will Secretary Acheson abuse the patience of the American people in relation to China and Spain? How long must the American people endure his ineptitudes and blunders?

The attainment of world-wide communism is still the guiding policy of the Red plotters in the Kremlin at Moscow. As a result of our tragic policy of appeasement toward the

Chinese Communists and our ignoring of the Wiedemeyer report, China is being turned over to world communism and the rest of Asia will fall like a ripe plum. Within the next decade when Soviet Russia is prepared and has a supply of atomic bombs I predict she will start World War III and unleash at least 2,000,000 highly trained Chinese soldiers to march on the Suez Canal and fight at Armageddon.

The Communists throughout the world have never deviated since 1917 from their fundamental objective of achieving world communism.

I quote from the Communist manifesto by Karl Marx and Friedrich Engels which is the bible of all Communists:

"In short, the Communists everywhere support every revolutionary movement against the existing social and political order of things. In all these movements they bring to the front, as the leading question in each case, the property question, no matter what its degree of development at the time. The Communists disdain to conceal their views and aims. They openly declare that their ends can be attained only by the forcible overthrow of all existing social conditions. Let the ruling classes tremble at a Communist revolution. The proletarians have nothing to lose but their chains. They have a world to gain."

As a former noninterventionist leader in Congress, and proud of it, as every statement we made has been vindicated many times over by time and events, I find myself now compelled, because of the rotten mess we made of it in Europe, to urge our joining the North Atlantic Pact as a peace measure in defense of the remaining free nations of Europe against Soviet aggression. Having helped to wreck and ruin half of Europe we have certain moral obligations toward the nations of western Europe, including Germany, not to let them be swallowed up, one by one, by the Red octopus. In addition, our own national security is involved with half the world already Communist. The place to stop the Red armies is at the Elbe and the time is now.

Let us be realistic. The Russian Communists have a definite plan of world revolution and armed conquest. The Marshall plan is merely a relief and rehabilitation measure providing food and equipment for Europe. It does not protect or defend the free nations of Europe from Soviet armed aggression. It does not achieve security for ourselves or any other nation. Without the North Atlantic Pact our foreign policy is useless and bankrupt. The Marshall plan is nothing more than a paper blockade and as ineffectual. It opposes a paper curtain to the iron curtain. It neither frightens, checks, or defeats the Communist plan for revolution and conquest. It assumes that the nations receiving our gifts automatically increase production and acquire moral force and physical power to withstand the Communist colossus. No nation ever restored its stability and strength by depending on hand-outs. That can only be done by their own efforts and hard labor, but even then a defensive military alliance is necessary.

The Communist aggressors fear and respect only military might. We should immediately reinforce the Marshall plan by the North Atlantic Pact together with Britain, France, Italy, Belgium, Holland, Norway and Denmark. If I had my way Spain would also be included. It should be done at once so that there will be no doubt of a united military front of all western democratic nations and Spain to oppose and crush any attempt by the Red Army to violate the peace of the world by overt acts of aggression in western Europe.

It is their only chance to survive as free nations. Let them pool their armed forces under a single general staff. Once the Communist armies overrun Europe it will be the end of Great Britain and we will be confronted with an aggressive and militant Communist Europe. The Communists are on the march in China and will probably overrun all Asia within a few years. Our own security is at stake, and if western Europe falls before the Communist juggernaut, it would leave us almost alone to wage an irrepressible war with world communism.

Although world communism is on the march in Europe and Asia, it is not inevitable here. It must be stopped. It can be stopped.

The words of Patrick Henry apply today more than ever before: "Is life so dear, or peace so sweet as to be purchased at the price of chains and slavery?"

That is the paramount issue in the world today—freedom and democracy or slavery and totalitarianism.

There can be no compromise between freedom and slavery, nor between communism and Americanism.

Buffalo Harbor Improvement

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, May 20, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and resolution of the Common Council of the City of Buffalo:

CITY OF BUFFALO,
May 19, 1949.

Hon. ANTHONY F. TAURIELLO,
House of Representatives,
Washington, D. C.

DEAR SIR: Pursuant to directions of the Common Council of the City of Buffalo, I enclose to you herewith copy of a resolution adopted by that body at a regular session held May 3, 1949, in relation to Buffalo Harbor improvement.

Respectfully submitted.

JOSEPH J. TRONOLONE,
City Clerk.

Resolution 218

Resolution on Buffalo Harbor improvement

Whereas the deepening and improvement of the Buffalo Harbor is a matter of deep concern to the citizens of the city of Buffalo and particularly to business and industry using its facilities; and

Whereas certain improvements to said harbor were authorized by act of Congress, dated March 2, 1945, as set forth in House Document No. 352, Seventy-eighth Congress, first session; and

Whereas it has been indicated that the improvement as authorized would not at present be adequate to meet future navigation requirements; and

Whereas Hon. ANTHONY F. TAURIELLO, Member of the House of Representatives, introduced a bill to review the reports on Buffalo Harbor as submitted in said House Document No. 352, with a view to determining if any further improvements in said project should be made. Now, therefore be it

Resolved, That the Congress of the United States is hereby memorialized to approve and pass Congressman TAURIELLO's bill, known as H. R. 3823, Eighty-first Congress, first session; and be it further

Resolved, That copies of this resolution be transmitted by the city clerk to the President of the United States, the majority leaders of the House of Representatives and the Senate, the Members of Congress from western New York area and the United States Senators from the State of New York.

Slack-Water Route From the Gulf of Mexico to the Great Lakes by Way of the Tennessee-Tombigbee

EXTENSION OF REMARKS
OF
HON. JOHN E. RANKIN
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Friday, May 20, 1949

Mr. RANKIN. Mr. Speaker, we have moved one step nearer to the development of a slack-water route from the Gulf of Mexico to the Great Lakes, and to all points on the Ohio, the Monongahela, the Allegheny, the upper Mississippi, the Missouri, and the Illinois, as well as the Tennessee, the Tombigbee, and the Cumberland Rivers.

The Senate, after a thorough investigation, and extensive hearings, included in the appropriation bill the small amount of $2,500,000 to begin work on the Tennessee-Tombigbee inland waterway which will supply the missing link in the greatest inland-waterway system in the world.

It will furnish a slack-water route from the Gulf of Mexico to the Tennessee River, at the mouth of Yellow Creek on the Mississippi State line, and a downstream route from that point 215 miles to Paducah, Ky., on the Ohio River, and then a downstream route on the Ohio 47 miles to Cairo on the Mississippi.

This will mean more to the people in the States of Ohio, Illinois, Indiana, Kentucky, Pennsylvania, West Virginia, Michigan, Minnesota, Wisconsin, Missouri, Kansas, Nebraska, Iowa, North and South Dakota, and all the other States of the great Northwest, as well as to the people of Arkansas, Louisiana, Mississippi, Alabama, Florida, Texas, Georgia, Tennessee, and Virginia, and many other States than any other project of its kind ever proposed.

It is the only possible way in which a slack-water route can be provided connecting the Ohio River, the upper Mississippi, the Missouri, the Illinois, and the Great Lakes with the Gulf of Mexico.

The Army engineers say that nowhere else on the face of the earth can the traffic be transferred from one major watershed to another with so much ease, so little expense, and such tremendous savings in transportation costs and distances.

This project has already been authorized by Congress. This is merely a small appropriation to begin the work on it.

I appeared before the Senate committee on this proposition, at which time I inserted four tables worked out by the Army engineers showing what this project would mean in savings to the people

along the Ohio, the Mississippi, the Missouri, the Illinois, the Cumberland, the Tennessee, the Monongahela, and the Allegheny, as well as the Tombigbee Rivers.

At the beginning of my testimony I was interrupted by the distinguished Senator from South Dakota, Senator GURNEY. Beginning at that point I am inserting the rest of my statement in the RECORD.

I hope every Member of the House will read it, and help us to hold this small item in the bill.

The matter referred to follows:

Senator GURNEY. Congressman RANKIN, let me say that I have been, since I have come to the Senate, always a supporter of the north-bound channel of the barge line there that takes in the Tombigbee. I feel that it is worth while.

Representative RANKIN. I know that and I am grateful, Senator. I remember your support of it all through the years, and I remember your statements for it on the floor of the Senate.

Now, let me say to you in the beginning that the Army engineers say they would like to have $5,000,000 to start this project now. I am not quoting anybody, individually, but that is what they say they would like to have to start with.

If this amendment is inserted in the Senate, I do not have the slightest doubt but that it will be retained in the House.

Let me show you where we are. I brought this map down to show you. You can see from those rivers there that it is almost a duplicate of this map except the lines are made heavier in order that you might more easily see what we have at stake.

Somebody said the other day that there is only a foot or two of water in this river. Where I am pointing is the confluence of Browns and Mackys Creeks, which join to form the Tombigbee about 25 miles from the Tennessee River. My father used to go to Walkers Bridge just below that point on steamboats that came all the way up from Mobile.

There is a slight sand ridge between those two rivers, the Tennessee and the Tombigbee, and for more than a hundred years the Army engineers refused to approve this project, because they said they would have to have lifts both ways, and there was no water supply at the summit.

PICKWICK DAM

But in 1938, the Tennessee Valley Authority built the Pickwick Dam on the Tennessee just below the mouth of the Yellow Creek, and raised the water level 55 feet. The Army engineers made a new survey and came back and said that would solve the problem. They could cut through that sand ridge and put the summit of the project in the Tennessee River.

That would give us a slack or still water route for returning or upstream traffic to the Tennessee River, and a downstream route from that point 215 miles to Paducah on the Ohio River or 262 miles to Cairo on the Mississippi.

Mr. Chairman, in order that the members may have these figures before them, I am inserting four tables here as part of my remarks, which show the savings this project will provide.

As I said, they have been worked out by the Army engineers, and can be thoroughly relied upon.

MULTIPLE PROJECT BENEFITS

Here is a table showing the cost per ton and the savings per ton this project will provide on the fuel bill alone, for upstream traffic:

TABLE 1.—*Comparison of costs per ton of upstream traffic*

From—	To—	Cost via Mississippi per ton	Cost via Tennessee-Tombigbee per ton	Average savings per ton
New Orleans, La.	Cairo	$2.02	$1.32	$0.70
	Paducah	2.10	1.26	.84
	Tennessee-Tombigbee junction	2.42	.99	1.43
Mobile, Ala.	Cairo	2.39	.95	1.44
	Paducah	2.47	.89	1.58
	Tennessee-Tombigbee junction	2.79	.62	2.17
Port Birmingham, Ala.	Cairo	2.96	.95	2.01
	Paducah	3.04	.89	2.15
	Tennessee-Tombigbee junction	3.36	.62	2.74
Demopolis, Ala.	Cairo	2.68	.67	2.01
	Paducah	2.76	.61	2.15
	Tennessee-Tombigbee junction	3.08	.34	2.74
Columbus, Miss.	Cairo	2.83	.51	2.32
	Paducah	2.91	.45	2.46
	Tennessee-Tombigbee junction	3.23	.17	3.06
Aberdeen, Miss.	Cairo	2.88	.46	2.42
	Paducah	2.96	.40	2.56
	Tennessee-Tombigbee junction	3.28	.13	3.15
Fulton, Miss.	Cairo	2.92	.41	2.52
	Paducah	3.01	.35	2.66
	Tennessee-Tombigbee junction	3.33	.08	3.25

Here is a table showing the cost, and the savings, on a barge load, or tow, of 3,500 tons.

I might say here, that except on the traffic from the larger cities such as Pittsburgh, Chicago, and Detroit, a majority of the traffic, at least until recently, was handled by these 3,500-ton tows.

TABLE 2.—*Table showing cost per tow of barges carrying 3,500 tons, and showing savings via Tennessee-Tombigbee*

From—	To—	Cost via Mississippi per tow of 3,500 tons	Cost via Tennessee-Tombigbee per tow of 3,500 tons	Average savings per tow of 3,500 tons
New Orleans, La.	Cairo	$7,070	$4,620	$2,450
	Paducah	7,350	4,410	2,945
	Tennessee-Tombigbee junction	8,470	3,465	5,000
Mobile, Ala.	Cairo	8,365	3,325	5,040
	Paducah	8,645	3,115	5,530
	Tennessee-Tombigbee junction	9,765	2,170	7,595
Port Birmingham, Ala.	Cairo	10,360	3,325	7,035
	Paducah	10,640	3,115	7,525
	Tennessee-Tombigbee junction	11,760	2,170	9,590
Demopolis, Ala.	Cairo	9,380	2,345	7,035
	Paducah	9,660	2,135	7,525
	Tennessee-Tombigbee junction	10,780	1,190	9,590
Columbus, Miss.	Cairo	9,905	1,785	8,120
	Paducah	10,185	1,575	8,610
	Tennessee-Tombigbee junction	11,305	595	10,710
Aberdeen, Miss.	Cairo	10,080	1,610	8,470
	Paducah	10,360	1,400	8,960
	Tennessee-Tombigbee junction	11,480	455	11,025
Fulton, Miss.	Cairo	10,255	1,435	8,820
	Paducah	10,535	1,225	9,310
	Tennessee-Tombigbee junction	11,655	280	11,375

Some of the operators I am told are now using 10,000 tons. So here is a table showing the cost and savings this project would provide on a tow of barges carrying 10,000 tons:

TABLE 3.—*Table showing cost per tow of barges carrying 10,000 tons and showing savings via Tennessee-Tombigbee*

From—	To—	Cost via Mississippi per tow of 10,000 tons	Cost via Tennessee-Tombigbee per tow of 10,000 tons	Average savings per tow of 10,000 tons
New Orleans, La.	Cairo	$20,200	$13,200	$7,000
	Paducah	21,000	12,600	8,400
	Tennessee-Tombigbee junction	24,200	9,900	14,300
Mobile, Ala.	Cairo	23,900	9,500	14,400
	Paducah	24,700	8,900	15,800
	Tennessee-Tombigbee junction	27,900	6,200	21,700
Port Birmingham, Ala.	Cairo	29,600	9,500	20,100
	Paducah	30,400	8,900	21,500
	Tennessee-Tombigbee junction	33,600	6,200	27,400
Demopolis, Ala.	Cairo	26,800	6,700	20,100
	Paducah	27,600	6,100	21,500
	Tennessee-Tombigbee junction	30,800	3,400	27,400
Columbus, Miss.	Cairo	28,300	5,100	23,200
	Paducah	29,100	4,500	24,600
	Tennessee-Tombigbee junction	32,300	1,700	30,600
Aberdeen, Miss.	Cairo	28,800	4,600	24,200
	Paducah	29,600	4,000	25,600
	Tennessee-Tombigbee junction	32,800	1,300	31,500
Fulton	Cairo	29,300	4,100	25,200
	Paducah	30,100	3,500	26,600
	Tennessee-Tombigbee junction	33,300	800	32,500

Here is another table which the Army engineers have worked out showing the cost per tow of barges carrying 14,000 tons, and also the savings which these barges would provide.

As I pointed out, these larger barges are being used more and more as time goes on.

TABLE 4.—*Table showing cost per tow of barges carrying 14,000 tons and showing the savings via the Tennessee-Tombigbee*

From—	To—	Cost via Mississippi per tow of 14,000 tons	Cost via Tennessee-Tombigbee per tow of 14,000 tons	Average savings per tow of 14,000 tons
New Orleans, La.	Cairo	$28,280	$18,480	$9,800
	Paducah	29,400	17,640	11,760
	Tennessee-Tombigbee junction	33,880	13,860	20,020
Mobile, Ala.	Cairo	33,460	13,300	20,160
	Paducah	34,580	12,460	22,120
	Tennessee-Tombigbee junction	39,060	8,680	30,380
Port Birmingham, Ala.	Cairo	41,440	13,300	28,140
	Paducah	42,560	12,460	30,100
	Tennessee-Tombigbee junction	47,040	8,680	38,360
Demopolis, Ala.	Cairo	37,520	9,380	28,140
	Paducah	38,640	8,540	30,100
	Tennessee-Tombigbee junction	43,120	4,760	38,360
Columbus, Miss.	Cairo	39,620	7,140	32,480
	Paducah	40,740	6,300	34,440
	Tennessee-Tombigbee junction	45,220	2,380	42,840
Aberdeen, Miss.	Cairo	40,320	6,440	33,880
	Paducah	41,440	5,600	35,840
	Tennessee-Tombigbee junction	45,920	1,820	44,100
Fulton, Miss.	Cairo	41,020	5,740	35,280
	Paducah	42,140	4,900	37,240
	Tennessee-Tombigbee junction	46,620	1,120	45,500

Now let me show what all this means.

Let us take the river systems that are affected above this project. Just forget us local people for the time being. As I said to a man the other day, this project would be worth more in dollars and cents to Detroit, Mich., than to the district I represent. It will be worth far more in dollars and cents to Pittsburgh, Pa., or Cincinnati, Ohio, than to the district I represent. It will be worth far more in dollars and cents to the city of St. Louis or Chicago or Kansas City or Minneapolis or St. Paul or to Memphis or New Orleans than it will to the district I represent.

This bottleneck of our whole internal waterway system just happens to be in my district.

LOCKS AND DAMS

Now, there are 47 locks and dams on the Ohio River between Cairo and Pittsburgh. Then there are 13 locks and dams on the Monongahela and 8 on the Allegheny. All that traffic is simply stymied behind the swift current of the Mississippi River, so far as their returning, or north-bound, traffic is concerned.

In addition to that, on the upper Mississippi we have 26 locks and dams providing a splendid navigation channel all the way up to Minneapolis and St. Paul, Minn.

On the Illinois River we have seven locks and dams, extending our inland waterway system into the Great Lakes.

All those locks and dams together cost more than $400,000,000, and yet they are virtually isolated for want of the very connection this project will provide.

On the Missouri River, a 9-foot channel is being developed up to Sioux City, Iowa. This project will be worth untold millions of dollars to the people of that area.

We get our grain from that section. The State of Mississippi, and I dare say the State of Alabama, raises no wheat. The same thing is true of Louisiana, Georgia, Tennessee, and all the other States in that part of the South.

They ship it down to us in barges. Those barges can come down the Mississippi flying, and so can these barges from Pittsburgh, Chicago, Minneapolis, and St. Paul; but when they start back here is the trouble. It is 869 miles from Cairo to New Orleans. That is the finest inland waterway in the world for downstream traffic, and the worst for upstream traffic.

You see, when that river is running 5½ or 6 miles an hour your barges cannot move against it. All they can do is stand still and burn up gasoline. A barge only moves about 5½ miles an hour in still water. We have an intercoastal waterway protected by a chain of islands here, extending all the way from Florida to the Mexican line. It is 156 miles from New Orleans to Mobile along this intercoastal waterway—which, of course, is in slack or still water.

This Tombigbee inland waterway is already completed up to Demopolis, Ala., at the mouth of the Warrior River, where I am pointing on the map. Eighteen locks and dams are to be provided between Demopolis and the Tennessee River.

It will be 481 miles from Mobile up this Tombigbee route to the Tennessee River. That will be in still water, just as this is still water up the Ohio River behind those 47 locks and dams between Cairo, Ill., and Pittsburgh, Pa. When you get to the Tennessee River, it is downstream 262 miles to Cairo, Ill., or 215 miles to Paducah on the Ohio River.

So the traffic will come down the Mississippi River to New Orleans and then go across to Mobile along this intercoastal waterway, then back up inland waterway to the Tennessee River, then downstream to Paducah, that is the traffic going up to the Ohio River, or downstream to Cairo for the traffic going to the upper Mississippi, the Missouri, the Illinois, or the Great Lakes.

This project was unhesitatingly approved by the Ohio Valley Improvement Association, of which Mr. Walter M. Larence, of Cincinnati, I believe, is the chairman. He was down here the other way. When the Rivers and Harbors Congress met here, Mr. Larence was on the committee, and they put at the end of the projects they recommended this Tennessee-Tombigbee inland waterway.

There is a firm in Pittsburgh that is engaged in the transportation business. They own a string of barges that come down the Ohio and the Mississippi Rivers bringing materials produced in Pittsburgh, such as steel, farm machinery, and other manufactured products. When they go back they take oil, bauxite, sulfur, salt, lumber, cottonseed meal, and other materials they need.

This firm is tremendously interested, because they realize what it would mean for their returning traffic.

I am going to give you the figures on that in just a moment, but first I want to say one other thing.

Nobody need kid themselves; if we ever have another war, it is going to be fought with airplanes and atomic bombs. The greatest defense project the world has ever known is the Oak Ridge project on the Tennessee River. This inland waterway will cut the water distance between Oak Ridge and New Orleans by 650 miles, and between Oak Ridge and Mobile by 806 miles, and at the same time give us two outlets to the sea instead of one.

In addition to that, it will give us slack-water route into the Tennessee River and cut the cost of transportation from the Gulf to the Tennessee by more than 75 percent or from $2.79 to 62 cents a ton.

Now, I am going to take some of the barges they handle here, the big ones, because they are drifting rapidly toward the use of 14,000-ton barges. However, I am going to insert some tables showing the savings on smaller loads also.

DISTANCES INVOLVED

Senator STENNIS. Before you leave that, will you retrace your route there from Cairo, Ill., to New Orleans and back to Cairo, and give us that mileage?

Representative RANKIN. Yes; let's take the traffic going downstream from Cairo, Ill. We will say a barge comes down the Missouri River, or down the upper Mississippi, or down the Illinois River, or down the Ohio River. They all come through Cairo.

Going from Cairo to New Orleans, you go downstream 869 miles. That is said to be the finest inland waterway on earth; and I think it is. I have never found one to equal it.

Then it is 156 miles across along the intercoastal waterway from New Orleans to Mobile. If I make a mistake, I want Colonel Jewett, the Army engineer who is sitting near me, to correct me. I do not want to mislead the committee.

It is 481 miles from Mobile to the Tennessee River, of which portion 221 is already developed up to the mouth of the Warrior River at Demopolis.

When you get to the Tennessee River it is 215 miles downstream to Paducah on the Ohio, and 47 miles from Paducah down the Ohio River to Cairo.

In other words, the round trip is 1,768 miles. Of that 1,768 miles, 1,131 or approximately two-thirds of it is downstream, and the rest of it is in slack water. The Army engineers tell me—and I am quoting every engineer that has studied this question from General Reybold, General Feringa, General Wheeler, to our distinguished company here today, Colonel Jewett—they tell there is not another place on the face of the earth, nor can they find a place on the face of the earth where a project of this kind can be constructed so that you can transfer the traffic from one major watershed to another with so much ease, so little expense, and such tremendous savings in transportation costs and distances.

Some fellow up in the House got up and said, "My God, JOHN RANKIN is the only man on earth that could have found a project that would be downstream both ways."

But I did not make this project. I did not build these rivers. De Soto discovered the upper Tennessee River more than 400 years ago. He came down it to where Guntersville now stands. He left it there and went down to Tuscaloosa, got into a fight with the Indians and came back across to the site of the present city of Memphis.

He thought it was the same stream. De Soto's map shows the Tennessee River curving southward and making the Mississippi. I have a copy of his map in my files now.

Now let us see what this project will mean. Let us take the 14,000-ton barges. Here is one [pointing to the picture on the map] coming down from Detroit, Mich. It is loaded with automobiles and accessories. It is evidently coming from Detroit. It is coming out of the Great Lakes down the Illinois River.

Here is one coming from Pittsburgh, Pa., loaded with the manufactured products of Pittsburgh.

Here is one over here that is coming, I believe, down the Missouri. I do not know what it is loaded with; probably with grain

or beef or other products that those people out in that area produce.

Suppose that 14,000-ton barge gets to New Orleans; what does it cost to go back? If it goes back by way of the Mississippi River to Cairo, it will cost $28,280, for its fuel bill alone.

Going back via Tombigbee and the Tennessee to Cairo the cost would be $18,480, or a saving of $9,800 on its fuel bill alone.

Senator GURNEY. That is about one-third.

Representative RANKIN. That is about right.

Suppose it is going back to Pittsburgh or to Cincinnati or Wheeling, or to any point on the Allegheny, or the Monongahela, it would cut the cost from $29,400 to $17,640, saving $11,760 on its fuel bill alone going back to any point on the Ohio River, or its tributaries.

Suppose it is going into the Tennessee, suppose we are in an emergency and it is going back to Oak Ridge, on the Tennessee River; it will cut the cost from $33,880 to $13,860, or a saving of $20,020, on the fuel bill alone. That is from New Orleans.

Every 14,000-ton barge that goes into the Tennessee River from New Orleans via this route would save $20,020 on its fuel bill alone, or two-thirds, as Senator Gurney said.

Suppose it is going from Mobile, carrying a load of that bauxite, we will say, that they are bringing in from South America, or salt, or lumber, or cottonseed meal, hulls, anything that they take back in those barges; going back from Mobile to Cairo, the cost would be reduced from $33,460 to $13,300 just on the fuel bill alone, a saving of $20,160.

Now, that means every barge that is going, not only to Cairo, but to Chicago, any point on the Great Lakes, or the upper Mississippi, all the way up to Minneapolis, St. Paul, anywhere up the Missouri River to Sioux City, Iowa.

Suppose it is going the other way. We will say that it is going to Pittsburgh, Pa.

The fuel bill would be cut from $34,580, to $12,460 or $22,120. That would be the saving on its fuel bill alone. That is a 14,000-ton barge going from Mobile all the way up to Pittsburgh, or to any other point on the Ohio or any of its tributaries.

Suppose it is going into the Tennessee River; your cost would be cut from $39,060 down to $8,680, or a saving of $30,380 on its fuel bill alone. That is for material, we will say, that is going to supply our defense plant at Oak Ridge or any other point on the Tennessee River.

Now, let us go a little further. We have this Tombigbee developed up to Demopolis. I want to say, too, that one of these things these barges take back is oil. A man from Pittsburgh, talking to me the other day, said, "We are hauling this machinery and other manufactured articles down. We are hauling oil back."

One of the biggest oil fields that has been discovered in recent years is just to the west of Demopolis, Ala. The biggest oil well ever brought in east of the Mississippi River was in Jasper County, Miss., about where I am pointing at this time. It produced a thousand barrels of oil a day, and I am told that no other well has ever been brought in east of the Mississippi that produced that amount.

By the way, this is the saving that the Birmingham traffic would enjoy, because every vessel from Birmingham has to come down the Warrior to Demopolis to go either way. These things I am referring to will apply to traffic going from Birmingham or Demopolis. Let us see what they amount to.

Going from Demopolis to Cairo, the cost will be cut from $37,520 on one of these 14,000-ton barges to $9,380, or a saving of $28,140 on its fuel bill alone.

In other words, that barge going back to Detroit, Mich., would save $28,140 on its fuel bill alone. That barge going to Pittsburgh would save $34,440, or have its fuel bill cut from $40,740 to $6,300, a saving, as I said, of $34,440.

These figures are worked out by the Army engineers; they are not my figures.

If it were going into the Tennessee, supplying oil, or other materials we will say to the Oak Ridge project, the cost would be cut from $43,120 to $4,760, or a saving of $38,360 on its fuel bill alone.

Now, you talk about water development, traffic transportation development, but nowhere else on earth can the same amount of money bring the same benefits to the people of this vast area, all the Missouri River Valley, all the way up the Mississippi River, all the way up the Illinois into the Great Lakes, and along the Great Lakes, all the way up the Ohio River to Cincinnati, Wheeling, Pittsburgh, and up the Monongahela or the Allegheny, and then along the Tennessee River all the way up to Oak Ridge or to Knoxville. There is not another project on earth and there cannot be one found or constructed that will produce such benefits. The nearest we have ever found was a connection between the Don and Volga in Russia, and it does not have the benefit of the downstream traffic both ways for two-thirds of the distance.

The Senator from South Dakota asked what would happen to it if it went back to the House. I do not have the slightest doubt but that the House will sustain it. I have talked to many Members since this bill was up before. They say that, if the Senate gives us an appropriation for this project, it will be sustained in the House.

All we are asking is that you give us a reasonable amount. I would like to see you provide 5 or 10 million dollars. I think we ought to have that amount. The Army engineers could start with a smaller amount.

But I think it is imperative that we construct this project now as rapidly as possible.

ESTIMATED TOTAL COST

Senator THOMAS. What will it cost, all told?

Representative RANKIN. The latest estimate I see is $116,000,000. Someone said that the advance in the cost of labor and also the advanced cost of materials would probably run it up to $136,000,000 all told.

By the way, they would employ 5,000 people, and we seem to be leading into unemployment in this country, in every section of it.

Senator ELLENDER. What size channel is that?

Representative RANKIN. Nine-foot channel with a 12-foot base, you understand, in the locks, so that if you want to increase it to 12, that could be done.

Senator ELLENDER. According to the figures you have just given us, I would assume that if goods are to be sent from Pittsburgh to Mobile, it would be more profitable to go by way of New Orleans.

Representative RANKIN. That is right.

Senator ELLENDER. Although there is about 200 miles difference.

Representative RANKIN. You can go from Pittsburgh to New Orleans without spending a nickel, if you go with the current, and that current is pretty fast after you reach the Mississippi. That stream sometimes runs 6 or 7 miles an hour. That traffic would go down the river, down the Mississippi River to New Orleans, and then it would go back through this slack-water route. In other words, the traffic would move counterclockwise.

Senator ELLENDER. You said there are several locks up there?

Representative RANKIN. Eighteen locks and dams between Demopolis and the Tennessee River.

PROPOSED CHANNEL WIDTH

Senator THOMAS. How wide would the channel be?

Representative RANKIN. I believe it is 170 feet.

Senator STENNIS. Is that large enough to take care of all normal traffic?

Representative RANKIN. Yes.

By the way, when this project was first before the Senate and the House, they recommended locks 75 feet long and 475 feet wide, and there was a good deal of complaint about it by people along the Ohio and the Illinois and the upper Mississippi for the simple reason that all the locks on those streams, and the locks at Pickwick and at Gilbertsville on the lower Tennessee, are 110 by 600 feet. So the Army engineers went back, made a new survey at the request of the Members of the House, and they have made these locks all 110 by 600 feet, so that they will carry all the traffic that can travel any of the rest of these streams.

Senator GURNEY. The only difference we would be short if we approved this $136,000,000 project would be the difference between the 9-foot and 12-foot channel. We would later have to deepen it to 12 feet probably.

Representative RANKIN. We might do it, but we could do it; there would be no trouble about that.

The project has already been approved. It was approved in the Senate by a vote of 44 to 21 and by the House by a good majority, in 1946.

It is already written into the law.

Senator GURNEY. For a 9-foot or 12-foot channel?

Representative RANKIN. Nine-foot, with 12 feet over the sills, so it can be deepened to 12 feet if necessary. That will put it as deep as the current stream along the Mississippi, the Ohio, the Illinois, and the intercoastal canal.

As I said, we people in my district will probably get less benefit out of it than St. Louis, Pittsburgh, Memphis, New Orleans, Chicago, Minneapolis, or St. Paul. It will not only benefit all these areas here along these streams that are now seeking an outlet; the people on the Ohio River during last year or 2 years ago had a mass meeting to figure out some way to get an outlet to the sea.

Well, this will provide exactly what they are seeking.

Senator STENNIS. Will this 9-foot channel take care of all these barges about which you are talking?

Representative RANKIN. Yes; it will take care of every one of them.

Then, in addition to that, it will take care of all this traffic along the Great Lakes from Detroit and Cleveland. In addition to that, it will take care of the traffic along the Gulf of Mexico from Florida clear around to the border of Mexico. We have that intracoastal waterway that is protected behind a string of submerged islands, and these barges can go down and go either way. It simply completes the missing link in the greatest inland-waterway system in the world.

I want to thank the committee for your kindness. I do not want to take up all your time. You have been very generous. We have some more gentlemen here who would like to be heard.

Senator ELLENDER. It has been most interesting.

Representative RANKIN. Thank you, Senator.

I do want to say this. The last time I discussed this project with the President, he said, "John, I am just as much interested in that project as you are."

Thank you.

Senator THOMAS. Thank you, Congressman RANKIN.

It Can Happen Here

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Monday, May 23, 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "It Can Happen Here," published in the Oil City (Pa.) Derrick of May 17, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IT CAN HAPPEN HERE

Raids on the United States Treasury have become such a common pastime since the advent of the first New Deal that the public generally is apathetic to each new demand for funds.

Every time any organization starts a new raid for its own benefit, it starts with the argument that a few additional millions or billions will not break us.

And right they are.

For instance, Federal aid to education, by itself, will not break us.

Neither will free medical treatment, a socialistic housing program such as that now being railroaded through Congress, expanded social security, price supports for potatoes and other farm products, more aid to Europe, the most expensive armed forces in peacetime history, etc., etc.

Not one of these alone will break us. It's the whole load that threatens the financial stability of these United States.

This year the Federal Government is spending some 42 billions of dollars. Estimates for the coming year indicate an expenditure in excess of 50 billions. And the end is nowhere in sight, unless the public becomes fully aware of the danger and insists that Congress call a halt to the spending orgy by which the present administration is out-dealing the New Deal.

The theory that one more expense will not hurt is what put England, once the financial pillar of the world, behind the eight ball. Now Great Britain endures austerity taxes. Its lowest income-tax bracket is 45 percent on all incomes above $500.

In Britain, the sales tax on a box of matches equals the cost of the box. Similar 100 percent taxes are levied on telephones and many retail items in a poverty-stricken nation that followed the assumption "one more expense won't hurt."

Here, too, we can suffer austerity taxes—and quickly. Suppose our national income should decline. Already taxes take one-third of the national income. They would rise rapidly if incomes should fall.

It is true that millions of homes are needed. It is true that many of our schools are substandard, that many communities have deficient medical service, that many potato and other growers have low incomes.

These conditions have always been with us. Their correction undoubtedly is a worthwhile objective. But such corrective measures should cover a long-range program and should be handled at State and local levels where credit conditions, because less used, are better than that of the Federal Government.

In critical times like these, it is unthinkable that more burdens should be added to an already overloaded Federal Treasury.

Here in Oil City there are many families who would like in some manner to improve their homes and living facilities. These things are not done because the families in question cannot afford them.

It is high time that citizens take stock of the critical threat posed by continued raids on the United States Treasury and advise their Congressmen and Senators that they approve application on a national level of the old-fashioned economics being practiced by these families.

Address by Hon. J. Caleb Boggs, of Delaware, Before the Association of New York State Young Republican Clubs

EXTENSION OF REMARKS
OF
HON. JOHN J. WILLIAMS
OF DELAWARE
IN THE SENATE OF THE UNITED STATES
Monday, May 23, 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address made by my colleague, Representative J. CALEB BOGGS before the seventeenth annual convention of the Association of the New York State Young Republican Clubs on Friday, May 20, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, distinguished guests, and friends, let me first express my thanks to you for the honor and privilege you have extended to me by enabling me to meet with you tonight. It has been a pleasure to come here and to meet and talk with so many of you.

The enthusiasm I have found here added to your sincere and businesslike approach to the important problems of government, encourage me greatly and speak most eloquently for the future of the Republican Party and the welfare of your great State of New York and of our Nation.

All New York Republicans should have great pride in the outstanding Republican Members of Congress from your State. I could start with your distinguished and able Senator IVES, whom I know well, and then mention each Republican Member to the youngest and most recent. That, however, would take a long time, because you have so many Members, and each is performing outstanding public service. I know each one personally, and I am proud of the privilege and opportunity to serve with such able and sincere Representatives. Do you realize that in the United States House of Representatives your State has 45 Members, while the State of Delaware, which it is my privilege and honor to represent, has only one Member? I mention this because I think it will impress upon you most forcefully the important responsibilities the citizens of your great State carry in the conduct of our national affairs. You have one or more Representatives on each committee in the House, while the State of Delaware is only represented on one committee. Very few important matters are decided by just one vote, but many important national policies are determined by less than a 45-vote margin. I mention this simply to let you, the Young Republicans of New York, realize that many of us from other parts of our Nation are watching and relying upon you as you carry out your important and potentially decisive responsibilities with respect to our national well-being.

Yes, the Republicans of New York State will depend greatly upon their young Republican leadership, enthusiasm, energy, and organization. I said they will depend, but I should say they are depending, because I know of the important assignments many of you carry in your State and party affairs. I know the young, able, and distinguished Congressman BILL PFEIFFER, who is the New York Republican State chairman. With BILL PFEIFFER the young and old should work in perfect harmony for real advancement in good government.

I know, too, that a splendid job is being done by the Young Republican National Federation. With my friend Ralph Becker as chairman, this Federation of Young Republicans is certain to achieve excellent results in New York State and throughout the Nation.

All of us, I feel sure, have reached the conclusion that it is necessary and essential for us to make an audit or take an inventory of our Republican Party. As in any other endeavor, we cannot seriously hope to achieve success and victory at the polls unless we ourselves know not only our assets but also our liabilities and our shortcomings.

In spite of what happened last November I am one of those who honestly believes that such a self-imposed audit will bring encouraging rather than discouraging results. Although we cannot hope to make a complete analysis here tonight, it is my thought that we might make a beginning and that we may raise some questions which can be answered here and others which collectively and individually we may continue to seek answers to.

We all know from the number of votes cast for Republican candidates last November, and I know from the large volume and content of the correspondence I have received since that election, that a vast number of thoughtful American citizens are deeply concerned about the trend which is taking place in our fundamental form of government. These millions of people are looking to Republican legislators with the hope that as a minority party they will actually constitute much more than merely the so-called loyal opposition. Paradoxically as it may sound, they are looking to Republicans for actual leadership. For my part I think they have a right to do so, and I think that we have not only the responsibility but the opportunity to provide leadership in defining and in actually charting the Nation's legislative course of action.

Such leadership will not be provided, however, if we as a party merely acquiesce or simply take a negative position. We will not be providing such leadership unless we formulate and then adhere to our own policy and program in the Nation's interest and the welfare of all the people. Such a program must not be based upon any philosophy of "me, too," but must be stated forthrightly at all points, so that the issues involved are clearly defined. Only then will we be giving our citizens a real choice between policies, programs, and objectives, and not merely a choice in which the difference is only a matter of degree.

To do that which I propose takes courage—deep, undeviating courage. As a matter of fact, it is partly because it takes such courage that I suggest it. I say this because it is my opinion that if there is any single thing above others which the American people respect and support, it is the unmistakable evidence of courage in others. This, I believe, has been ably demonstrated.

I suggest that we have the courage to formulate a program which is based on the sound principles upon which our Government was conducted for decade after decade—and not any fallacious, fanciful, or foreign philosophy under the guise of appealing names or titles.

I suggest that it be a program which has full cognizance of the changes which have

necessarily taken place by reason of world events and of industrial and economic growth—but which is within our constitutional framework and our concept of a Republican form of government by which that government serves the people, but does not seek surreptitiously to be their master. I suggest that we adhere undeviatingly to that program. We must not fear the reaction and the threats of political reprisals from any special interest groups. Instead, we must have an abiding faith and confidence in the fair-mindedness, good judgment and desire for justice to all, which I definitely believe exists in full measure in the vast majority of American citizens.

As a single individual, I do not presume to be capable of outlining in detail such a program as I have recommended. Nevertheless, I would like to pass on to you for what they may be worth, a few thoughts along this line.

I think that we Republicans might very well consider the advisability of reviewing our expressions of willingness to cooperate with the administration in certain fields in order to ascertain that such cooperation is really a two-way affair and not a mere deception and delusion. For example, we might find it desirable to declare that an end has come to the so-called bipartisan foreign policy. Simultaneously, we might state that henceforth our foreign policy will be either nonpartisan or strictly partisan.

I make this suggestion because I believe our foreign policy should be one in which there is freedom of expression as well as unity of thought and understanding in actual practice, and not in name only. I believe that the term "bipartisan foreign policy" has been used cleverly as a device to prevent Republicans from having a real part in formulating it, while at the same time causing them to share the blame for such failures as have taken place in foreign policy, of which the situation in China is merely a single example. I believe it is advantageous for us as a Nation to have full agreement and a united front on the principles and policies which constitute our foreign policy, for such a condition is important to our security and the maintenance of peace. But I believe that such agreement should be arrived at on a truly nonpartisan basis after full discussion in formulating the policy and not be thrust upon us as a result of any high-sounding terms which in actual practice are meaningless.

Another suggestion pertains to domestic affairs and policies. Almost everyone agrees that government costs are too high; that there is inefficiency, waste, and duplication. Yet year after year, and especially this year, demands are made for more and more Federal expenditures. And accompanying these expenditures are more Federal taxes and greater centralization of government.

It is my opinion, from correspondence I am receiving from day to day, that the American people are rapidly becoming more concerned about this state of affairs and the dangers inherent therein. An increasing number of citizens are seriously questioning the wide variety of free services and free benefits provided by the Federal Government. There is a growing realization that nothing is free and that government has nothing which it does not first take from the people.

My point is this: Now is the time for Republicans nationally, but principally on the local level, to draw attention constantly to examples of waste, extravagance, red tape, and bureaucracy, and to the effects and dangers of concentrating in Washington more and ever greater powers over the lives and freedom of action of the individual citizen. And such examples are not hard to find.

Now is the time to help our citizens analyze and scrutinize the gifts and benefits offered by a big, benevolent Federal Government. Take, for example, the euphonious social-security program for the expansion of which great pressure is now being applied.

Is it not time that the American people are told what actually happens to their social-security taxes, on the safekeeping of which they rely in all good faith for future benefit payments? Do they know that the social-security taxes which they and their employers pay are not kept in a trust fund carefully invested? Do they know that the United States Treasury spends that money for current expenses and that the trustees of the old-age and survivors trust fund hold only the Government's own I O U's? And do they know that they actually pay higher income taxes to pay interest on their money which isn't there?

We Republicans are for social security, but I consider it our responsibility to see that the people have real protection and security and not just a promise of it based on the Government's ability to raise for a second time the benefit payments.

I am sure that you can all find many other examples of benefits needing closer scrutiny and reappraisal.

A further suggestion is that we apply without fear this simple test to all legislative proposals. Is the matter under consideration in conformity with our traditional concept of government? Is the objective sought actually beneficial to the welfare and security of our Nation and our people, irrespective of whatever high sounding or appealing title may be given it? Is the proposal economically sound, and will it protect or contribute to our stability as a nation?

I have said before that such a program will take courage—deep, moral courage—and a conviction that it is fair and just and proper. Perhaps this could be said in another way. Can we Republicans take it and still adhere to our convictions and stand up and be counted? We know from experience that all kinds of charges will be hurled at us whenever we take a forthright stand on proposals which we do not accept and which in protecting our basic American principles we dare not accept. We can expect that these charges will be glib, witty, or vicious, and that they may be without foundation in fact, if not actually untrue. In that connection, I would further suggest that we refrain from replying in kind and that instead we present to the people constantly, consistently, concisely, and clearly, the plain truth.

I believe that the Republican Party has courage, that it can take it when necessary, that it can provide not only opposition but real leadership and that the Republican Party can and will profit from its past shortcomings and mistakes, and thus emerge victorious as the really representative party of the people and of American principles of government.

Poison of Presidential Politics Kills Employment Act of 1946

EXTENSION OF REMARKS

OF

HON. ROBERT A. TAFT

OF OHIO

IN THE SENATE OF THE UNITED STATES

Monday, May 23, 1949

Mr. TAFT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Poison of Presidential Politics Kills Employment Act of 1946," written by J. A. Livingston and published in the Washington Post of May 20, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POISON OF PRESIDENTIAL POLITICS KILLS EMPLOYMENT ACT OF 1946

(By J. A. Livingston)

Not since 1929 has there been a greater need for economic understanding between Democrats and Republicans in Congress. Maybe we're not on the brink of another depression. Maybe we're on the brink of another expansion like that of the twenties (after a temporary readjustment). But we can't be sure. And we ought to be prepared for any economic eventuality.

But what do we get? Loggerheads. That, in spite of the fact that the Employment Act of 1946 was designed to get Democrats and Republicans to work in harmony on legislation affecting the Nation's economic health. Specifically, the law set up the Joint Committee on the President's Economic Report to guide congressional committees on economic legislation.

But to date, instead of taking economics out of politics, it has put politics squarely into economics. Last year the Democratic minority, headed by Senator O'MAHONEY, of Wyoming, put out its own report on the President's Economic Report. It was ready and leaked out to the press 2 weeks before the majority report was finished.

This year again there were two reports. The majority report, issued March 1, was an all-out endorsement of President Truman's legislative proposals. It even included a demand for a $4,000,000,000 tax boost, which one of the signers, Senator PAUL H. DOUGLAS, of Illinois, has subsequently declared inadvisable.

The report of the Republican minority not only rejected the President's report and the majority report, but went on to question the way the Employment Act has functioned, saying:

"When the joint committee was established it was the hope of many that it would not be a piece of machinery representing those temporarily in control of Congress, and functioning only to approve and praise the Economic Report of the President. In our opinion, the law requires the joint committee (relying on expert economic advisers) to make a complete study of the report and report its own independent findings and recommendations.

"One may search the present majority report in vain, however, for a single word of criticism, a single evidence of disagreement, or a single reservation, explicit or implied. This is an amazing result, when the report deals with matters on which economists themselves are so often in disagreement. The use of our report as a political forum by an uncritical majority threatens the long-run usefulness of the joint committee and of the Employment Act itself."

To carry out the intent of the act it isn't necessary for the Members of Congress to surrender their party loyalties or principles. But they could make an earnest effort, as trustees of both parties, to agree on the objective facts which determine the state of the economy.

In the latest report the majority of the joint committee glossed over the decline in the cost of living, the drop in carloadings, the lack of demand for nonferrous metals. They were intent on justifying anti-inflation controls promised in a political speech of President Truman 8 months earlier.

Ordinarily, this would be unimportant—something to be set down as politics. But in this case, Congress sought to supersede politics with economics. Congress wanted members of the joint committee to set aside party loyalties and individual quests for power. Congress wanted, in effect, a committee of the whole for the whole.

And so, to date, the Employment Act has failed, and largely because of President Truman, himself. The President's economic reports are hardly the type of documents which engender the self-negation of others. He, himself, has failed to rise above politics. The minority members of the joint committee are not engaging in partisan comment when they declare that the "present economic report reads in many respects like a political argument. We see no reason why it should not state the argument on both sides where economic issues are inextricably involved in politics."

Thus, practice has made the Employment Act far from perfect. Or was the concept of cooperative action too idealistic in the first place?

Facts Relevant to the Bendix Aviation Corp. Strike at South Bend, Ind.

REMARKS
OF

HON. THURMAN C. CROOK

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. CROOK. Mr. Speaker, recently, on the floor of the House, an erroneous conception relative to labor difficulties in the Bendix Aviation plant at South Bend, Ind., was set afloat. The motive behind said actior was obviously tempered in keeping with the continuous practice of special interests to undermine the foundation of organized labor.

I know of no controversial issue, debatable question or labor disturbance that is void of two sides and, if we desire to gain a comprehensive understanding of any perplexing question, it is deemed necessary that we study both sides of it with microscopic nicety. Neither a one man investigating committee nor a general one man observation, fired with prejudice, has ever been practical, reliable or conducive to intelligent compromise in controversial matters.

Mr. Speaker, under leave to extend my remarks in the RECORD, I include the facts relevant to the Bendix Aviation Corporation strike as exhibited in the Thursday evening, May 19, 1949, edition of the South Bend Tribune by the employees of Local No. 9, UAW-CIO, who, at all times, harbor the spirit of justice and fair play in labor-management relations.

THE PURPOSE OF THIS AD IS TO CLARIFY FOR THE PUBLIC THE ISSUES INVOLVED IN THE STRIKE OF BENDIX LOCAL NO. 9, UAW-CIO, AGAINST THE BENDIX CORP.

Today, in very plain words, we the affiliated local unions of the St. Joseph County Industrial Union Council, intend to tell you just how the Bendix Co. spokesmen and the columns of the local press are trying to pull a gigantic hoax. We know that the newspaper accounts of the dispute at Bendix are most bewildering to you. We can only assume that because they are very bewildering to us—and the St. Joseph County Industrial Union Council has been close to the heart of these problems for many months.

As you know, the main issue involved in the Bendix strike is the speed-up program that was put into effect by the Bendix management.

The Bendix Corp.'s adamant position has been: (1) Your arguments have no merit; (2) take it to arbitration; and (3) gentlemen, we've been damaged, and we will see you in court.

Now friends, the hoax involved is the newspaper's stress of the company's desire to go to arbitration. The company is very much aware of the fact that under the Bendix contract, the only issue that you can submit to arbitration is one that comes under the jurisdiction of the umpire. Under the Bendix contract, the arbiter would have no jurisdiction over this issue. Let us refer you to clause No. 42 of the master national agreement with the Bendix Corp.: (42) The umpire shall have no power to add to or subtract from or modify any of the terms of this agreement or any agreements made supplementary thereto, to establish or change any wage, or to pass on any matters arising under paragraphs 80—wages; 88, 89 and 90—production standards; and 91 and 92—new jobs of this present agreement or any paragraph in any of the local supplemental agreements dealing with wages, production standards, and new jobs.

What is there to arbitrate in that issue? Absolutely nothing. After being pushed around for a long time, the Bendix employees refused to any longer be hoodwinked by the company's stalling program. These employees had a right to take strike action under their contract, and they have taken it. The Bendix employees have followed not only the terms of their contract, but also the requirements of their own bylaws and international constitution.

THE SPEED-UP ISSUE MUST BE SETTLED—AND SETTLED NOW

The rate question in department 5-C was in dispute as far back as 1945 and the union files contain a complaint from that time showing company disposition and labeled unsatisfactory across the complaint by the union. Over the last several years, the phrase "The rate is fair and equitable" has become the company's famous last word.

The rates in this department were never satisfactorily adjusted but the company, apparently realizing the inadequacy of the rates, following a survey of some 3 months or more consisting of stationing a man in this department from the industrial relations office during this period, did grant sufficient downtime to the operators to bring their earnings up to the average of other incentive departments. This was done through direct management representatives, the department foremen. For the benefit of those of you who may not be familiar with the incentive system, downtime is time paid at the operator's guaranteed rate for periods during which the operator is unable to work through machine troubles, lack of stock, power failure or similar reasons. This downtime is not charged against the operator's production, and its purpose is to prevent his being penalized by loss of earnings for these times when he is unable to work. There can be no question of downtime having been used to supplement inadequate rates for the downtime was issued daily in a lump sum in the amount needed to supplement production earnings under the rates. Understand that this downtime is authorized on a form provided for that purpose, and must be approved and signed for by the foreman before being paid. These forms are then sent to the office of the superintendent, and in addition, daily and weekly records and break-downs of this expense are maintained by the company. The union has long contested this practice as it not only leads to an untrue evaluation of the rates, but past experience has shown that it is a common practice to attempt wage cuts and speed-ups by later removing such bonus downtime. This is exactly what has happened in this instance here. Precedent has been established with other firms where such procedure has been arbitrated and the rulings were that where such allowance has been made as an incentive or bonus it becomes a part of the incentive wage structure or rate and as such is a fully negotiable wage issue.

This arbitrary attitude has not been confined to this one department. The union has a stack of complaints marked with management's famous last words and labeled "unsatisfactory" by the union. And this one-way street also extends through the day work departments with attempts at speed-up being the order of the day. In fact, it has been an accumulation of these little evils affecting only a few people at a time that built up the general feeling among the people that resulted in strike action following this latest and most flagrant example of this policy.

The UAW-CIO and Bendix Local No. 9, as a part of that great organization, have always maintained a policy of a fair day's work for a fair day's pay and that policy is, and has always been wholeheartedly subscribed to by the membership. The point that too many firms, including Bendix, seem to have missed is that the person who is to do the work also has some idea of what a fair day's work amounts to and if any degree of harmonious relations are to be maintained, the fairness must be mutually agreeable to all concerned.

Here is what has transpired since the strike went into effect at 10 a. m. Wednesday, April 20, 1949. Orderly picket lines were established and have been maintained. In the beginning, an adequate force of electricians, plumbers, maintenance men, timekeepers, and powerhouse employees were sent into the plant as a convenience to the company, but following the rejection of, first the timekeepers and then the electricians and maintenance people by the company, the union then declined to supply power house workers after first taking the safety precaution of pulling the fires. On Saturday, April 23, an attempt was made to remove four boxcars which were supposed to contain brake dies. This was resisted and on Monday, April 25, Lincoln and Cadillac dies and a quantity of Lincoln backing plates were allowed to be removed by truck. This was in compliance with a court order and was advised by legal counsel. Since this first psychological move did not have the desired effect of sending the people rushing into the plant crying for peace at any price, the parade started: Thursday, April 28, Hudson attempted to remove their dies and material. This move was resisted and resulted in further legal maneuvers culminating in the issuance of a temporary restraining order by the Federal District Court in Fort Wayne, Ind., against the union. This restraining order was issued Friday afternoon, April 29, following a hearing which was attended by President Ladd and other officials of the union as well as by legal counsel for the union. President Ladd E. Styers, and V. Nick of the local 9 bargaining committee, met with the International Executive Board in Detroit on Thursday, April 28, and conferred with Emil Mazey and Walter Reuther relative to the then current situation and other matters relative to the strike. On Saturday, April 30, the Hudson Motor Car Co. sent trucks into Bendix to remove dies and material with no opposition from the picket line. The Kaiser-Frazer Corp., who had made no attempt to secure any of their dies or material and Kaiser-Frazer Local No. 142, UAW-CIO, whose bargaining committee visted South Bend to offer their help and to gain first-hand knowledge of local 9's situation, were notified that removal of any of their dies or material would not be opposed by the union, and as a result they removed

a quantity of material and one die on Saturday, April 30.

COMPANY FORCED K-F TO GET A WRIT

Naturally, a number of Bendix employes and their families are concerned about the removal of these dies and material and the company's claim of losing business is not entirely without foundation, but there are two important points to remember; first of these is the fact that a strike is an economic weapon and that its use to compel consideration and arbitration of disputed issues can only be effective if and when it reacts economically against the company to provide this compulsion. True this also has an effect against the workers, and that is one of the reasons why a strike is a last resort method. The second thing to remember is that wide publication of this loss of business and possible loss of job opportunities is used by the company as a psychological means of weakening the determination of the workers and of building up public sympathy against the strikers.

Another very important point to remember is that responsible officials of the Ford Motor Co., General Motors Corp., Hudson Motor Car Co., Kaiser-Frazer Corp., and the Nash Motor Car Co. have all assured the Union that all of the dies and work will be returned to this Bendix plant following settlement of the dispute and the resumption of work.

The Bendix local has filed unfair labor practices charges against the Bendix Co. and other automobile manufacturers. We feel sure that the National Labor Relations Board will smoke out this subtle but vicious attempt on the part of the automobile industry to help Bendix coerce the union into submission by removing and farming out manufacturing equipment and parts during the course of a legal strike.

At the request of the United States Mediation Service, the Bargaining Committee of Bendix Local No. 9 and officers and representatives of the International Union, UAW-CIO, have repeatedly attended meetings with the representatives of the Bendix Corp., but to no avail, as the representatives of the management immediately and flatly stated their position was unchangeable.

The representatives of the union have gladly attended all of these meetings, and they are more than willing to meet with management at any time that the company will meet in an honest effort to resolve the issues in dispute.

Affiliated local unions of the St. Joseph County industrial Union Council: Studebaker Local No. 5, UAW-CIO; Amalgamated Local No. 8, ACWA-CIO; Bendix Local No. 9, UAW-CIO; Bike Web Local 50, TWUA-CIO; Hygrade Local No. 51, UPWA-CIO; Ball Band Local No. 65, URWA-CIO; Insurance Local No. 105, UOPWA-CIO; Amalgamated Local No. 106, ACWA-CIO; Oliver Local No. 112, UFEMWA-CIO; Oliver Office Local No. 153, UFEMWA-CIO; Amalgamated Local No. 155, UFWA-CIO; Sibley Local No. 183, UAW-CIO; Clerks Local No. 188, URWDSEA-CIO; Office Local No. 207, UOPWA-CIO; Campbell Box Local No. 234, UPWA-CIO; Memorial Hospital Local 207-E, UPWA-CIO; South Bend Brewing and Kamms Local No. 272, UBWA-CIO; Ward Bakery Local No. 273, URWDSEA-CIO; Drewry's Local No. 275, UBWA-CIO; Amalgamated Local No. 278, ACWA-CIO; Oliver Local No. 296, UAW-CIO; Amalgamated Local No. 319, ACWA-CIO; S. B. Screw Products Local No. 418, UAW-CIO; Bennett Feragen Local No. 420, UAW-CIO; Bantam Bearing Local No. 590, UAW-CIO; S. B. Wood Parts Local 591, UAW-CIO; Edwards Iron Works Local 631, UAW-CIO; Mastic Asphalt Local No. 799, UAW-CIO; Singer Local No. 917, UERMWA-CIO; Electro Voice Local 927, UERMWA-CIO; Wheelbator Local No. 995, UAW-CIO; Reliable Dairy Local 996, LIU-CIO; City Dairy Local No. 1039, LIU-CIO; Musicians Local No. 1091, LIU-CIO; Municipal Local No. 1101, UAW-CIO; Dodge Local No. 1191, USA-CIO; Construction Local 1525, LIU-CIO; Oakridge Dairy Local 1612, LIU-CIO; Studebaker Cafeteria Local 1648, LIU-CIO; S. B. Lathe Local No. 1722, USA-CIO; Malleable Steel Range Local 2108, USA-CIO; Armco Steel Tube Local 3956, USA-CIO.

Tribute to American War Dead

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Monday, May 23, 1949

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a most eloquent and impressive sermon and tribute to all our war dead, regardless of race, creed, or color, delivered by the Rt. Rev. Msgr. Maurice J. Sheehy, of the Catholic University of America, Captain, Chaplain Corps, U. S. Naval Reserve, at the Eleventh Annual Military Memorial Field Mass, celebrated at the amphitheater, Arlington National Cemetery, Washington, D. C., Sunday, May 22, 1949.

There being no objection, the sermon was ordered to be printed in the RECORD, as follows:

SYMPHONY OF SILENCE

" 'But here an American soldier
Is lying dead.

" 'There is no blood in the hollow cheek,
There is no light in the darkened nerve,
Or in the head.

" 'Is there none in our midst who can speak?
None to say what there is to be said?
None to set forth what the dead deserve
Concerning the dead?

" 'Lest he lie forever, killed in vain,
Lost in the dust of the wasted land,
Dead as the shape of his hollow cheek'—
"I speak."

These words from Russell Davenport's poem of America give me courage to raise my voice in this hallowed ground. Today a symphony in silence rises heavenward from Arlington Cemetery, a symphony in which we first hear the tramp, tramp, tramp of shoeless feet at Valley Forge; the violin notes of lonely pioneers; the trumpet's blast warning us of doom when division enters our holy land and brother slays brother; then like rhythmic throbs come the voices of World War I; and like the echo of distant drums, drawing closer and closer, with a mighty roar, rises from freshly-sodded graves the dirge of the cavalcade of World War II—all joining in that majestic symphony which is an echo from hearts that are true and free and brave.

Are there not some voices missing? What of my young shipmate whose broken body, found on a mountain top in Espiritu Santos, now keeps its vigil beneath a homely cross? What of the young seaman whose final rest is in the bosom of the ocean? Many a time I prayed at the lonely burial of a lonely lad at Habana Cemetery in Pearl Harbor when you, my friends, were absent, and there was no one—no, not one—to shed a tear as a gallant hero was laid to rest. One day a beautiful rainbow seemed to rise from that spot and I thought, "Heaven is drawing up earth's tears." These men, too, must blend their voices with ours today.

I

"But here an American soldier
Is lying dead."

Let him speak. Let him speak for all our dead.

"We who were fearless in life have yielded to death. We learned its lesson at Gettysburg and on the *Maine;* we clasped its hand at Belleau Wood and Iwo Jima. Strange that some should learn the mystery of death too late to master life.

"We, the dead, know what the Saviour meant when He said, 'I am the resurrection and the life. * * * I am come that they may have life, and have it more abundantly.' Yes, too often when we were living, we did not know that our lives were like tapestries, revealing their design only when viewed from the underside. Now we know—and are glad.

"Once upon a time a thief, dying on a cross, stole heaven with his last gasp. We died because we, too, were thieves who had stolen from heaven a dream, a dream of a free land, and a holy land, in which all men were sons of God and brothers. Over our lives and above our crosses gleam these words: 'All men are created equal * * * They are endowed by their Creator with certain inalienable rights.'

"We, the dead, sought not the glory of dying well. Nor did we covet another's land. For us, death was a duty, and we heard its call. Over our bodies is a cross, symbol of Him who conquered death. For those who believe, death is no wasted land; for those who love, death is no bombed and blasted field.

"Today fresh tears may come from our mother's eyes. Let them be not for their sons, but for the evils we fought. Today our orphaned children may weep. Let them rejoice that our deaths are not in vain, that today the laughter of little children in our native land is a heaven-born song. Our crosses speak of Him who said, 'Greater love hath no man, than that he give his life for his friend'."

II

"But here an American soldier
Is lying dead."

Again let him speak.

"In God we trust. So sings out our symphony of the dead. How vain are those who say, 'Not in God, America, not in God, but place your trust in an atom bomb.'

"God will not be mocked. We, the dead, are the betrayed unless you, the living, dedicate your lives, your hearts—not to war, but to peace. Must we once again hear the cry, 'Give us men, more men. Throw them against the foe. Cast blood upon the beaches. Send planes and ships and more men into the flames.'

"Our country, brave and bold in war, must be brave and bold in pursuit of peace. The peace which the world cannot give comes from the wedding of the heart to Divine love. That peace which the world can give comes from the quest of teen-age boys and girls; of sunburned laborers on the farm; of grimy miners, and Broadway clerks; of professors and students; of black and white; of all those living who can assure the dead, 'You have not died in vain'. For the soldier lying dead there is only one success: Peace on earth.

"We died to the echo of murderous gunfire—or crashed in air or sea. Most of us died in the springtime of life. And our deathbeds were dimmed by hate, not cush-

ioned by love. In vain will our beloved country trust in pacts or United Nations unless the instruments of peace are sanctioned by the hearts of men.

"'For we who fought that the world be free
We are not easy in victory.
We have known each other too long, my brothers,
And fought each other—the world and we.'

"In our symphony of silence, victory is the prelude—a mere prelude—of peace, and we who are no longer actors upon an earthly scene ask all to join us in our constant prayer, 'God, give peace'."

III

"But here an American soldier
Is lying dead."

Let him speak. Speak, dead soldier, speak.

"Our creed is the creed of life. 'I believe in God the Father, Creator of Heaven and earth.' In a moment, a living choir will ring out those words. Until the world bends its knee to God, there will be no peace. Only upon the cornerstone of faith can we build our peace.

"Soon you, too, who hear our silent symphony will be the dead. We know that our Redeemer liveth. You are given a few hours, a few days, a few years to help Him redeem the world. You, too, can change the world. In our symphony there is naught of defeat or despair. You can do all things in Him who strengthened us to die.

"You can redeem the world by giving fair play to all in your own land, regardless of race or creed or color. You, the living, can redeem the world by setting first things first, by seeking the Kingdom of God and His justice. You can redeem the world by truth, that truth which can pierce any curtain, which can destroy ignorance and malice. Love, not atomic threats, will win the hearts of men. Men who will die for the faith in their hearts can speak—even from beyond the grave.

"We, the dead, pray that America's children, playing in dusty backyards or on village greens, need never look fearfully to the sky; and that those enjoying the gift of breezes of ocean or lake, need never fear the deep; that mothers, today cradling their infants to their breasts in their lullabies, will not dream of Arlington's scene. Let our country be strong in the depth of its faith, in the breadth of its love, in the heights of its prayer to God. Then we have not died in vain."

"For here an American soldier
Is lying dead."

One last echo from his symphony.

"Our Master's voice has led us on
The perfect bliss am I.
I made thee for Myself alone,
Naught else can satisfy."

His song is finished. Sleep, dead soldier, sleep.

Government Spending

EXTENSION OF REMARKS

OF

HON. CLYDE M. REED

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Monday, May 23, 1949

Mr. REED. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on Government spending delivered by our former colleague, Senator Arthur Capper, on Sunday, May 15, broadcast from Station WIBW, Topeka, Kans.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I noted with interest last week that President Truman declared there were "too many Byrds" in the Congress of the United States. President Truman was alluding to Senator HARRY FLOOD BYRD, of Virginia. I believe he said what he wants in Congress are Members in favor of large plans, not small plans. I presume he means those who think in global terms, instead of in terms of the individuals in small communities who make up the bulk of the population of the United States.

I think it only fair to add that President Truman, in spite of all his homely virtues and his knack of hitting hard at those who oppose him, plus his skill in name calling, really has in mind that Congress should think in terms of larger and larger powers for the Executive.

Personally, I think most of us find a lot to like in the personality of Harry S. Truman, the man. I always have liked him, personally. He is a good husband and a kind father. The Trumans would be fine neighbors.

But we cannot always go along approving the public life and policies of a man, just because he would be a good neighbor and likeable companion.

In the matter of Senator BYRD, I would go along with President Truman in his wisecrack about too many Byrds in Congress—with two amendments.

First I would say that the President got it backward.

He should have said there are not enough Byrds in Congress, for the protection of the Treasury and the good of the country.

And then I would add a second amendment, in the nature of a proviso: Provided further, That there may be one too many Harrys in Washington. And I don't mean that the one too many is HARRY BYRD, either.

I want to say that I have, in addition to a genuine liking, a great respect for the intelligence and integrity and fiscal common sense of Senator BYRD.

HARRY FLOOD BYRD is a former Governor of Virginia, whose fiscal system and governmental structure he revamped to the great advantage of the citizens of Virginia. And for 16 years he has led a forlorn hope crusade in his own party in the Senate against extravagant spending and against the centralization of power in the hands of the New Deal crowd in Washington.

President Truman's jibe at Senator BYRD only confirms my impression that this Virginia Democrat is one of the most valuable servants the people of the whole United States have in public life today.

My guess is that President Truman will be unable to "purge" Senator BYRD. Anyway, Senator BYRD's present term does not expire until 1953—and by 1952 President Truman will have worries closer home than Senator BYRD in Virginia.

Senator BYRD is one of us who never has fallen for "The Great American Illusion" of this generation.

The great illusion to which I refer is the widely propagandized belief that money received from the Federal Treasury is "free money," that these Treasury checks and benefits and grants do not cost anybody anything. Or that if there are any costs in the Federal spending programs, they must and will be paid by the wealthy only.

The idea that there is an inexhaustible public purse certainly is an illusion.

The Europeans who are benefiting from the Treasury of the United States know better. So does Soviet Russia. They know that Uncle Sam is throwing away his inheritance in a grand manner, and that the end must come sometime. Meanwhile, those getting the benefits of course propose to make the most of it while the getting is good. And the Soviet lives in hopes that of the inevitable collapse that has wrecked all other peoples who have fallen for the same illusion in much lesser degree.

But there apparently are a great many Americans who believe in the illusion; and those who so believe are not confined to the lower income groups. The list includes nearly all chambers of commerce—where projects for their own community are concerned.

The list includes also many governors of States, and mayors of cities, and leaders in the fields of education, agriculture, labor, and business. In each instance, just as it is with the local chambers of commerce, those who suffer from the illusion believe that they themselves can derive some immediate benefit.

Included in the give-away programs are grants-in-aid from one governmental unit to another, such as Federal grants-in-aid to that State, and State grants to cities and counties and other municipalities.

Another form of giving away public money is the subsidy, which means the payments made to individuals, groups of individuals, and nongovernmental beneficiaries generally.

A recent report from Mr. Molden deals only with grants-in-aid. It is most illuminating, and very important, but so full of statistics and figures that I shall not attempt to give it to you over the radio.

He calls attention to the fact that the conference of mayors now has established a lobby in Washington to promote Federal grants to municipalities. This was done to some extent in the 1930's; now it is to be revived.

"The readiness of States and cities to accept Federal grants indicates a willingness to live in a world of illusion rather than reality," Mr. Holden declares in his analysis of the study.

"It implies that the Federal Government has resources outside those available to States and local governments, and that Federal money is free."

Hard-headed State and local officials really know better than this, of course. And many of them would prefer to meet their responsibilities without Federal aid.

"But any grant or hand-out program promptly demoralizes everyone, because of the urge for each to get a share of the hand-out for his community, since the money is available and will be spent anyway," Mr. Holden sagely observes.

"Actually, all governments, Federal, State, and local, must be supported by the wealth and income of the same people.

"The Federal Government has no resources other than these, and every dollar that it gives or offers to give must be taken from someone.

"All kinds of government can obtain funds by borrowing, but as long as we adhere to the principle that public debt shall be honored by repayment, the money from debt redemption must be taken from the pockets of the people."

Another phase of the great illusion is that somehow or other "the other fellow"—generally thought of as the well-to-do and rich—will pay all the taxes.

Britain is having an interesting experience along this line. The British have gone much farther than we in extending "free social services," with some aid, by the way, from our own Federal Treasury.

But, payday is coming for them, it is warned by no less a person than Sir Stafford Cripps, Chancellor of the Exchequer. In his recent budget message Sir Stafford put

it bluntly that just about all the wealth of Britain already has been redistributed.

But the cost of social services continues to rise, in Britain as in the United States.

"We must recognize the unpleasant fact that these services must be paid for, and they must be paid by taxation," says Sir Stafford Cripps.

"Total taxation, national and local, is now 40 percent of the national income, and at that level the redistribution of income entailed in the payment for social services already falls, to a considerable extent, upon those who are the recipients of such services."

Of course, the British Chancellor was speaking to the British people. But we in America, under the influence of the Great Illusion that Government money is free, and national resources inexhaustible, are going the same route with unprecedented speed.

The Record Debt Reduction of 1945–49

EXTENSION OF REMARKS
OF
HON. ROBERT A. TAFT
OF OHIO
IN THE SENATE OF THE UNITED STATES
Monday, May 23, 1949

Mr. TAFT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "The Record Debt Reduction of 1945–49," written by Edward H. Collins and published in the New York Times of May 16, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE RECORD DEBT REDUCTION OF 1945–49
(by Edward H. Collins)

Ignoring the protests of economy-minded Members of Congress—and even the friendly warnings of his own economic advisers—President Truman told newsmen last week that, business recession or no business recession, he would neither withdraw nor modify his demand of last January for $4,000,000,000 in new taxes for fiscal 1950.

This statement of White House policy was not, in itself, particularly surprising. But in the course of his interview with the press Mr. Truman made one statement that was so remarkable, and which created, however unintentionally, such a completely erroneous impression that it seems imperative to submit it to crtical analysis and clarification. That is the statement indirectly quoted in the following passage from the New York Times of May 13:

"Mr. Truman stressed that during his tenure the national debt had been reduced by some $26,000,000,000, a record held by no other President."

Now if this statement really meant what it seems to mean on the surface, it would be enormously important. A great debate is presently raging in Washington on the issue of economy. Some Members of Congress who are particularly well equipped to judge such matters—men such as Senators BYRD, GEORGE, and TAFT, and Representative DOUGHTON—are of the opinion that the 1949–50 budget can be substantially trimmed. A number of them believe it can be trimmed sufficiently to eliminate the necessity of new taxes entirely. If we accept the opinion of these men, then obviously the burden is squarely on the administration to show why it should not participate wholeheartedly in the economy effort, thereby heading off the threat of either an increase in taxes or a return to the budget deficits of 1931–46.

On the other hand, what is likely to be the reaction of the casual reader to the President's statement of Thursday, which seems to say that the present administration has been the most economy-minded in the Nation's history? The answer is obvious. He is going to say to himself: "Here is an administration which has not only lived within its income, but saved $26,000,000,000 in the short span of 4 years, and used it to pay off debt. If the head of an administration with such an astonishing record of financial efficiency says spending can't be reduced next year, that's good enough for me." In other words, if the President's remark meant what the average reader thinks it meant, the administration has a prima facie case for leaving the budget as it stands, and an almost unbearable burden of proof is placed upon those who demand a reduction of spending.

That is why it is important to point out the actual facts, regarding this achievement in debt reduction under the Truman administration.

First. If we take the entire 4 years of Mr. Truman's Presidency we find that there has not been a decline in the debt, but an increase. The figure was $235,100,000,000 on April 30, 1945, the month Mr. Truman took office; it stands today at $251,500,000,000. That is a rise $16,400,000,000.

Second. It is true that there has been a reduction in the debt from its peak of $279,200,000,000, reached February 29, 1946. But the debt was first raised to that unprecedented level under the Truman administration itself through the flotation of the Seventh War Loan of July 1945, and the Victory Loan of February 1946. The proceeds of these two borrowing operations were in round figures, $26,000,000,000 and $22,000,000,000, or some $48,000,000,000 all told.

Third. The fact that the debt today happens to be lower than it was at the extreme peak to which it was inflated in the first year of Mr. Truman's tenure of office is no more to be interpreted as evidence of sound fiscal housekeeping than would be the achievement of a balanced annual budget by any reader of this newspaper as a result of holding a winning ticket on the Irish sweepstakes. The reduction of the debt has been the result of two developments which the administration not only did not engineer, but plainly did not even foresee.

The first of these fortuitous occurrences came when the Government found that in the Victory Loan it had borrowed vastly more money than it could possibly find use for. The Treasury usually carries a working balance of $3,000,000,000 to $4,000,000,000. But at the end of February 1946, it found itself with the prodigious sum of $26,000,000,000 in its petty cash box. In applying $20,000,000,000 of this, as it did to debt reduction, it was simply acknowledging the obvious fact that it had overborrowed.

The second windfall that has helped make possible a reduction of the debt since February 1946, has stemmed, curiously enough from the administration's own amazing ineptitude in its budget forecasting.

In his budget message of January 1946, the President set up his estimates for 1946–47 on the assumption the receipts would amount to $31,500,000,000. Actually they came to $43,300,000,000, so that this was an underestimate of $11,800,000,000, or more than 27 percent. Insufficient allowance had been made for the upward spiral of the national income, which climbed from $179,300,000,000 in 1946 to $202,500,000,000 in 1947. The mistake was repeated the following year when the income figure soared to $224,400,000,000. When Mr. Truman anticipated receipts for 1947–48 of $37,700,000,000 (or $37,100,000,000 after the tax reduction of that year became effective) they actually totaled $44,700,000,000.

Probably no one was more surprised than the Mr. Truman of 1947 when he saw his predicted deficit of $3,600,000,000 blossom into a surplus of $754,000,000—no one, that is, unless it was the Mr. Truman of a year later when his estimate of a modest $202,000,000 surplus was swollen as a result of circumstances quite beyond his control to a record $8,400,000,000.

No Jail for Debt in Vermont

EXTENSION OF REMARKS
OF
HON. GEORGE D. AIKEN
OF VERMONT
IN THE SENATE OF THE UNITED STATES
Monday, May 23, 1949

Mr. AIKEN. Mr. President, inasmuch as erroneous stories have been widely circulated by the press services and certain columnists regarding imprisonment in Vermont for debt, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial published in the Brattleboro (Vt.) Reformer of Friday, May 20, 1949, which sets forth the situation very clearly and shows that there simply is no provision in Vermont law for imprisonment for debt, except for absconding debtors and failure to pay taxes.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO JAIL FOR DEBT IN VERMONT

There has been another rash of stories in the metropolitan papers to the effect that debtors are thrown into jail in Vermont. This rash, like those before it, apparently was started by the Rutland Herald and given wide currency by the Associated Press in spite of our attempts to set the AP straight on the procedure.

The stories likened Vermont debtor law to that of medieval England, which of course is utterly false. There is no jail for debt in Vermont except for absconding debtors and tax delinquents without property. However, we do have a process called close jail execution which can be used against defendants in actions of tort.

If you are sued in an action of tort—one in which it is claimed that you have wronged somebody else—you must post bond to guarantee your appearance when the case is tried. If you do not post the bond you can be confined in jail until the case is heard. If a judgment is returned against you and if you do not pay it the plaintiff can get a close jail execution, on which you are confined until you pay or satisfy the judges that you can't. Then you may take the poor debtor's oath and go free.

Anybody so confined could be freed immediately and a deserving case would be in this county, we are sure. Oftener than not the persons so confined are dead beats perfectly able to right their wrongs but unwilling to. It has been a practice to let them languish about six months.

Oftentimes it happens that a defendant lacks money to pay a judgment obtained against him but he is of honest intent and makes a satisfactory arrangement with the person he wronged. He may pay part of the verdict and be released by agreement. Or he may continue under bond and pay in installments. If he utterly refuses to satisfy the judgment the close jail execution can be

invoked and it has had a salutary effect in a great many cases.

Most States do not have the close jail execution. Thirty years ago it might have seemed archaic but today, in the absence of universal automobile liability insurance, it is a powerful weapon for justice. Without it, uninsured drivers from down country could kill and maim our people, then walk out without paying a cent. As a matter of fact there was a case in this county recently where, we are confident, only the close jail execution got a verdict into the hands of a girl horribly hurt by a wanton driver.

The close jail execution does not exist in actions of contract, which are suits to collect debts, and it would be barbarous if it did. Jail is provided only for those who do not right the wrongs they do to others and it is entirely compatible with the Vermont sense of responsibility and justice.

V. L. M.

What's Wrong With Mr. Brannan's Idea?

EXTENSION OF REMARKS

OF

HON. HUGH BUTLER

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Monday, May 23, 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "What's Wrong With Mr. Brannan's Idea?" published in the June 1949 issue of the Farm Journal.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHAT'S WRONG WITH MR. BRANNAN'S IDEA?

If Congress follows the advice of the top farm leadership of the country, Secretary of Agriculture Charles Brannan's farm program is a dead duck.

Seldom, if ever, has an administration-endorsed farm plan been so roundly denounced as has this one.

Up to the time Farm Journal went to press, only one national voice had been raised in favor of the plan. That was the National Farmers Union's, and even that group had its criticism. It complained that the Brannan proposals did not go far enough, and the union offered the committee a draft of a bill of its own.

Main criticisms of the Brannan proposal were these:

1. It would regiment farmers to a far greater degree than ever before.

2. It would cost taxpayers too much, and they would soon rebel.

3. It would make farmers dependent upon Congress for a large part of their income, a highly dangerous spot for a minority group to be in.

4. It would substitute subsidized low prices for fair prices in the market place, and fix a low-price food policy on the country.

5. It is hazy on details.

6. It would be a big step toward the "welfare state," where the Government tries to take care of everybody and everything.

Here are typical comments taken from hearings of the House Agriculture Committee:

Wool growers: "Nothing in the Secretary's statement is definite enough to encourage livestock men to grow more sheep. There should be no controls of any kind until wool production in the United States arrives at the 360,000,000-pound yearly level."—Howard Vaughn, president, National Wool Growers Association.

Cattlemen: "Apparently the Secretary himself does not know how his program would work with beef cattle. Ranchmen have been able to supply the demand for beef without Government subsidies. They do not want this handout. They do not want to be forced to accept a subsidy instead of a fair market price. The Brannan plan is the beginning of complete, unqualified, and absolutely controlled economy."—Bryant Edwards, president, Texas and Southwestern Cattle Raisers' Association.

Dairymen: "The Secretary's proposals embody more rigid controls of farmers than have ever been experienced. The Hope-Aiken bill should be given a fair trial before it is abandoned. Dairy farmers generally wish to avoid the complete control of production and marketing by the Government. We do not desire to be placed in a position of pleading of subsidies continually."—Charles W. Holman, executive secretary, National Co-operative Milk Producers Federation.

National Grange: "We do not like the subsidy approach. Subsidies once accepted are very hard to abandon. Subsidies would throw agriculture directly into politics. The annual cost would run into the billions, and there would be the constant necessity to besiege Congress to make sure that funds were available for payment. Each year great uncertainty would rule until Congress acted."—Albert S. Goss, National Master.

Farm Bureau: "The proposal by the secretary repeals the philosophy of fair farm prices. It means Government-administered farm prices and farm income, with Government control of all land and livestock production. It seeks to establish the principle that taxpayers should pay a considerable portion of the grocery bill of consumers. The proposal would place a ceiling on opportunity in agriculture. The cost would be staggering. The income of American farmers should not be made dependent upon annual appropriations from the Federal treasury."—Allan B. Kline, president, Farm Bureau Federation.

Farmers Union: "The National Farmers Union is strongly back of the Secretary's proposals. It is sound, statesmanlike, and by far the best of the general alternatives before Congress. It is a milestone both in the struggle to maintain and preserve the family-type farm and in the effort to tie together the interests of producers and consumers. The proposal does not go as far as we had hoped, [but] it is an excellent beginning, and a long step in the right direction."—James G. Patton, president.

Potatoes: "We object to the treatment proposed for potatoes [by] the Secretary of Agriculture. These proposals would have the effect of taking away from potatoes any definite assurance of price support. We feel potatoes are entitled to the same consideration given any other commodity."—Harold E. Bryant, manager, Maine Potato Growers, Inc.

In addition, a number of farm leaders who did not testify in Washington gave their views directly to Farm Journal.

Said Marvin H. Walker, general manager of the Florida Citrus Commission: "Most citrus growers realize that the Government can never solve their marketing problems as well as they can themselves under cooperative marketing and marketing agreement programs. They don't like subsidies of any kind. But when they see other farmers getting free hand-outs in Washington they want some of the gravy, too."

Walter Meers, Illinois corn grower: "Instead of stabilizing a fair price level for farm products, [the Brannan program] would tend to stabilize poverty by subsidizing inefficiency and penalizing initiative."

Ole A. Flaat, North Dakota potato grower and dairyman: "Under this plan, the farmer will receive Government aid only on what the Government refers to as 1,800 units. This is far too low to permit operation of even an average size farm in many areas. That would mean ruin to the farmers of these average size farms."

Memorandum to Members of the Eighty-first Congress by Al Anderson and Frank Lilly

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Monday, May 23, 1949

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a memorandum to Members of the Eighty-first Congress, prepared by Al Anderson, executive secretary of the Alaska Miners' Association, Seattle, Wash., and Frank Lilly, executive secretary, Prospectors' and Mine Owners' Association, Spokane, Wash., dated May 3, 1949.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM TO MEMBERS OF THE EIGHTY-FIRST CONGRESS

It is the consensus of this meeting of representatives of the Alaska Miners Association and the Prospectors and Mine Owners Association that every United States citizen is entitled to own gold because such ownership does not in any way infringe upon the rights of any other United States citizen or in any way impair the functioning or stability of this country's economy.

It follows from the foregoing that the miner who produces the gold should have the right to sell his gold to another United States citizen and/or to anyone anywhere in the world at whatever price the buyer is willing to pay.

We are sensible of the fact that because there was not enough gold to maintain the Nation's economy in 1930 et seq. it was necessary to nationalize gold then just as it became necessary to ration many things during both the first and second World Wars; but, although it may not be expedient to return to a gold standard immediately, there seems to us to be no valid reason why the sale of a comparatively small amount of newly mined gold should now continue to be restricted to the United States Treasury at an arbitrary price which has little relation to its real value either as a commodity or money.

In this connection, we call attention to the fact that the premium paid on gold by the public in the free market that existed during the Civil War period, except for about 2 weeks, was the incentive that lead Western miners to look for gold; and the country was rewarded by the opening up of the Comstock and other rich mining areas which, within a few years, made it possible for the United States to resume specie payment. Incidentally, most of the major base metal mining districts whose output enabled us to win two World Wars were originally discovered as a result of the early prospector's effort to find gold deposits.

We are mindful of the fact that under a Treasury ruling "natural gold" may be bought and sold within the United States, but in this connection we point out that

the Director of the Mint, in answering inquiries, throws cold water on such transactions with the warning that "The Gold Regulations may be revoked or modified at any time"; and the Assistant Secretary of the Treasury has, on at least one occasion, contended that the sale of such "natural gold" at above $35 an ounce "might contribute to a public loss in confidence in the dollar and aggravate inflationary pressures."

We are also mindful of, and greatly appreciate, the fact that several bills have been introduced in Congress providing for a free market in gold, and we trust that these bills will be given favorable action within the very near future because we believe that any unnecessary delay in their consideration will serve to accentuate the present trend toward what could become a disastrous depression.

AL ANDERSON,
Executive Secretary, Alaska Miners Association, Seattle, Wash.
FRANK LILLY,
Executive Secretary, Prospectors and Mine Owners Association, Spokane, Wash.

MAY 3, 1949

Budget Slash Needed To Halt Federal Pay Roll Rise

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Monday, May 23, 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Budget Slash Needed To Halt Federal Pay Roll Rise," published in the Philadelphia Inquirer of May 20.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BUDGET SLASH NEEDED TO HALT FEDERAL PAY ROLL RISE

Senator HARRY F. BYRD'S latest report on Federal spending affords the strongest sort of argument for continuing the fight to reduce the appropriation bills now pending before Congress.

Every day for the past 15 months, Byrd reports, 322 persons on the average have been added to Government job lists within the United States. Every day an additional $750,000 is added to the annual pay roll. The total increase, in jobs and money, for the past year is stupendous.

If this process continues the Government will have constantly increasing budgets and constantly rising taxes or deficits. And it is obvious that it will continue unless Congress takes a firm, consistent stand against waste and extravagance in any part of the Government.

It is highly doubtful that many of these new jobs being filled daily have been proved necessary to the satisfaction of Congress. Authority for them is buried away in lump sum items in the appropriation bills which few Congressmen have the time to study in detail.

But once the positions have been authorized, or Congress has shown its willingness to pass deficiency bills to pay for them, no one familiar with the ways of Washington bureaucracy can expect the department heads to refrain from filling them.

The rise in the Federal pay roll to a point where there are now twice as many civilian employees as before the war clearly shows that the administration is not interested in halting this trend. If it is to be done Congress will have to do it.

In spite of set-backs, the fight to slice appropriation bills for next year should be pushed. If department heads are not given the money they will have a harder time building up pay rolls. And every Congressman knows there is plenty of room for reduction in any budget estimates submitted by the administration.

As a long-range economy measure the reforms urged by the Hoover Commission should be put into effect. But economy should not wait for this; it should start right now with vigorous moves to force retrenchments in all of the executive departments.

Awards to Communists

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Monday, May 23, 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Awards to Communists," published in the Evening News of Harrisburg, Pa., of May 16.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AWARDS TO COMMUNISTS

Patriotic Americans cannot escape becoming impatient or even suspicious about parts of its Federal Government when smack in their faces comes the news that an Atomic Energy Commission scholarship for study in nuclear physics has been awarded to a confessed Communist.

The Commission's explanation aggravates the matter by emphasizing that nothing must be done to interfere with "freedom of inquiry and education." It is time this nonsense stops. This is the front used so often in defense of academic freedom. Too often, one fears, there is used the mandate "and ye shall know the truth, and the truth shall make you free" as a cover for some purpose never intended.

It is scarcely credible that a Communist in pursuit of atomic knowledge would, upon finding it, give it to his own country alone rather than share it with nations which live under the Red formula he endorses. There is no warrant under any consideration for an agency of the Federal Government to be so careless in administration as this award to a Communist illustrates.

Members of Congress are acting for their fellow citizens in protest against such a transaction. It is bad enough to have America sold down the river consciously but if done unknowingly then it is even worse.

Will South Asia Go Red?

EXTENSION OF REMARKS
OF
HON. WILLIAM E. JENNER
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Monday, May 23, 1949

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Will South Asia Go Red?—A Roving Correspondent Reports on How Communist Gains in China Stir Up Eight Countries."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Newsweek of May 9, 1949]

WILL SOUTH ASIA GO RED?—A POVING CORRESPONDENT REPORTS ON HOW COMMUNIST GAINS IN CHINA STIR UP EIGHT COUNTRIES

(By Harold Isaacs)

As China passes under Communist rule, a new question becomes acute for Americans: How about the rest of Asia? South of China there are eight countries with a total population of 500,000,000. Is it only a matter of time before they too are in the Communist orbit? Rarold Isaacs, Newsweek associate editor, who has just completed a tour of the area, reports on the repercussions of the Chinese events and on the present status of the various south Asian Communist movements:

Even before the Communists crossed the Yangtze River, all of south Asia was feeling the tremors shaking the good earth of China. As I traveled from India across little Burma and littler Siam, down through Malaya and across the islands of Indonesia and the Philippines, the readings were plain to see on the political seismographs everywhere.

They frequently showed up in local jitters. In Manila, newspaper scareheads reported unidentified submarines landing Chinese Communists and arms along the Luzon coast. In Malaya, the British police said the local Communist rebellion was being led by special operatives imported from China. The French reported from Indochina that a Chinese Communist army had crossed the frontier to join the Vietnamese Nationalists. In Siam, Marshal Phibun Songgram, the local pocket-edition generalissimo, arrested scores of Chinese on charges of Communist conspiracy.

But there was no need to look for bogeymen. The sober truth was overwhelming enough. The impact of Mao Tse-tung's victory was already enormous, psychologically and politically. Every thoughtful person to whom this reporter spoke, from New Delhi to central Java, seemed aware in some degree that his future was being shaped to a large extent by the Chinese Communist advance.

Most of them understood that these victories would be more fateful and of more lasting effect than the Japanese war of conquest. That war began in a corner of northeastern Asia in 1931 and in little more than a decade spilled across the entire continent and engulfed the whole Pacific world. Now it was becoming clear that Japan's drive was only a beginning. Asia, home of 1,000,000,000 people, was shedding its past and trying to acquire a new identity. Japan had attempted to dictate its shape. The West defeated Japan, but has failed, so far, to offer an alternative way out. Did the events in China now point the road that the rest of Asia would follow?

RUMBLINGS

To this question few people in south Asia could or would make a categorical answer. They could only try to clarify, first of all for themselves, the factors that will be operating from now on. The following is a cross-section of their views:

Communist China, no matter how great its internal difficulties, will soon be the most dynamic political fact in postwar Asia. To a continent that is undergoing great changes and is straining in all its parts to find the best way of emerging from its backwardness, China will now offer a compelling example and high-pressure leadership.

South Asia is in convulsive turmoil and is vulnerable to pressure. Lands which had

been colonies for generations are trying to become nations and in a world inhospitable to new nationhood. The whole economy has to be transformed if the standard of living is to begin improving. This means intense social struggle in each country. It means radical agrarian reforms and industrialization under difficult conditions. Any degree of Chinese Communist success along these lines will exert profound influence beyond China's borders.

Anti-imperialism is still a major factor in South Asian politics, largely because of the French and Dutch efforts to retain footholds in Indochina and Indonesia. It is the universal conviction that the United Nations, and the United States in particular, have in effect sided with the imperialists against the nationalists. Hence there is a profound mistrust of the West, even among those nationalists who are disposed, on social and ideological grounds, to be friendly toward the United States rather than toward Russia. Russia, on the other hand, has successfully created the impression that it is the only friend of colonial nationalism among the great powers.

The most basic fact of all is that the new nations of south Asia cannot get anywhere as nations. They need a regional—and ultimately a world—approach to their problems. If the West fails, as it has failed up to now, to provide the framework for such a partnership, internal pressures will drive south Asia toward coherence imposed in the Communist manner. The leadership will obviously come from China.

A secondary but important facet of the effect of the Chinese events has to do with the presence of large Chinese minorities in the major southeast Asian countries. Each of these has its local Communist segment which is winning influence as the star of the Kuomintang fades.

The Chinese are, after all, practical people. Besides, all Chinese who live outside China have always yearned for a strong government in China that would protect them from discrimination. These minority groups may well become, as a kind of Asian Volksdeutsche, the focal points of future Chinese national-Communist expansion.

The Communist Parties in south Asia have all risen in the last 3 years from comparative insignificance to considerable influence. Chinese Communist victories cannot fail to give them great impetus and win them many new adherents attracted by the magic of success. They can count on the indirect pressure of a strong Communist China. In some border states they may even receive direct military assistance if they should ever need it. For many strongly nationalist Communists in south Asia, in fact, there may be more help forthcoming than they want.

The Communist Parties in South Asia wield their greatest influence as apostles of an ideology which promises the end of western imperialism. Internally, social and political conditions favor their criticisms and their attacks. In international relations, thanks to the French and Dutch wars in southeast Asia, they can identify Russia's enemies as Asia's enemies. Many nationalists have arrived at this conclusion without Communist help. Even men like Nehru, of India, and Sjahrir, of Indonesia, are influenced by these facts.

RED ROSTER

On the other hand, as practical politicians, the Communists have been remarkably inept in exploiting the favorable climate. They are nowhere in a position to win early political power, except possibly in Viet Nam. Under external dictation at a conference in Calcutta, in March 1948, they switched from their earlier policy of cooperation within the nationalist movements and became independent agents of opposition and insurrection. Only the Viet-Namese Communists resisted this turn, and they alone have grown stronger. In Indonesia, Malaya, the Philippines, and Burma they are waging armed struggles without much gain to themselves. The present position can be summarized by country as follows:

INDONESIA

The Communists were, in the summer of 1948, in a strong position in various Indonesian nationalist mass organizations. The Republican government was faltering from its own mistakes and failures. In September that year Muso, newly returned from Moscow, led the Communists into a sudden insurrection against the Government. They were successfully crushed by Republican troops, many of their leaders killed, and their forces dispersed, in small bands, to the hills. Today Communist guerrilla bands form a separate but relatively small segment of the guerilla forces fighting the Dutch in Java. The mass organizations they had previously led collapsed and have not been reconstituted.

MALAYA

Between 1945 and 1948 the Communists organized a labor movement, largely through methods of intimidation and violence, with which they were paralyzing the Malayan economy. As the British authorities began to put on pressure, the Communists turned, in June 1948, to armed insurrection. Their labor movement collapsed. The Communists became a band of guerrillas fighting a bootless war in the jungles against the British. Their number is estimated at not more than 7,000. Theirs is a purely Chinese movement, with little or no contact with the majority Malay population. By retiring to fight in the jungles, they lost their ability to hinder tin and rubber output. With Communist-inspired strikes at an end, production is zooming.

SIAM

The Communist Party in Siam is largely a creature of official Siamese propaganda designed to serve two purposes: To provide an excuse for putting the screws on the Chinese community and to win sympathy and support (preferably in cash) from the United States. There are some Chinese Communists in Siam and a few Siamese, but no movement of any significant proportion has yet appeared.

BURMA

The Communists, in two bitterly divided factions, are in rebellion against the Burmese Government. They are reported to have a combined total of about 5,000 men under arms, with a limited following in a few rural districts. The government, which has been trying to apply a progressive land policy, is violently nationalist and leftist in orientation. The Communists' insurrection in this case, even more clearly than in the others, was a deliberate rule-or-ruin proposition.

PHILIPPINES

Main Communist strength is centered in the insurgent peasant movement known as the Hukbalahap, which grew out of the anti-Japanese resistance during the war. The Huks reputedly number 20,000 to 30,000, with a supporting periphery in the provinces of central Luzon of about 200,000 Filipino peasants. The government continues to wage an indecisive struggle against them, while its own inner corruption wins more and more popular sympathy for the Huks from people who do not in the least regard themselves as Communists or Communist sympathizers.

VIET NAM

Here, uniquely in the whole area, the Communists are still operating within a coalition of all parties and groups in the nationalist movement. They appear to be in a leading position without as yet enjoying complete control. Ho Chi-minh, leader of the Viet Nam Republic, is a man with a long Communist background but also an intense, almost religious nationalist preoccupation with his own country. The crumbling position of the French and the rise of Communist China on Viet Nam's northern frontier seem to dictate Ho's future orientation: To pass under the wing of Communist China without being swallowed up by it.

INDIA

In this largest of the countries of South Asia, the Communists control a minority labor federation and lead small peasant organizations in several scattered areas. They have come into conflict with Pandit Nehru's government and are under ban in various provinces. The party is still small and without early prospect of winning decisive influence. On the other hand, India's present government offers little promise of effective attack on Indian social and economic problems. Nehru's great personal prestige is out of all proportion to his real capacities as a leader. The grim social realities in divided India offer little support for the thesis that India is or could become a bulwark against communism.

Forrestal's Death Laid to Effects on Him of Political Intrigue

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. SHAFER. Mr. Speaker, under permission to extend my remarks I include an article by David Lawrence which appeared in today's issue of the Washington Star.

FORRESTAL'S DEATH LAID TO EFFECTS ON HIM OF POLITICAL INTRIGUE—WRITER SAYS HE BROKE WHEN HE SUSPECTED A LOSS OF CONFIDENCE

(By David Lawrence)

The vicious rules of present-day politics in America killed a great public servant—James Forrestal.

For here was a young man who had made a success in private business—investment banking—and who came to the Government anxious to give the best years of his life to the service of his country. As wartime Secretary of the Navy under President Roosevelt he performed his duties with truly heroic zeal. He coordinated the greatest naval organization in world history.

When James Forrestal became Secretary of Defense under President Truman, his appointment had been urged by all three armed services as the man who, if anybody could would make progress toward unification. It wasn't this task which killed him. He had a zest for the work and would gradually have achieved his goal. It was loss of confidence in him by the President which broke down Jim Forrestal's nerves and frustrated his whole career.

The inside story goes back to last summer when the political campaign was on. James Forrestal believed that as Secretary of Defense he should not participate in the Presidential campaign. He held this view as keenly as did General Marshall, who was then Secretary of State. No speeches, therefore, were made by either Secretary during the campaign that could in any way be related to politics.

During this summer and autumn period, Secretary Forrestal felt that, just as the Secretary of State had kept Governor Dewey informed about the bipartisan foreign policy through John Foster Dulles, so also

should the Republican nominee be kept informed about what was happening in the Department of Defense. At that time there was a theory prevalent that the Russians might take advantage of the period between election and inauguration to try a military move of expansion. Some military observers even thought of a possble sudden attack by Russia. Since it seemed certain to so many people that Governor Dewey would be elected, Mr. Forrestal's precautions were in the highest interest of his country.

GOSSIP INVOLVED

But, as it turned out, this was resented. It is not known whether President Truman made a point of it, but insiders on the Truman side immediately after election began to hand out gossip stories emphasizing the episode as an example of disloyalty to Mr. Truman. To this was added the canard that Mr. Forrestal had contributed to the Dewey campaign fund. When this was refuted, the gossip changed to charges that Mr. Forrestal had refused to contribute to the Truman campaign fund.

Coincidentally, the friends of Louis Johnson began to boom him for Secretary of Defense. In a public speech, Mr. Truman paid tribute to Mr. Johnson's services as a money raiser. The word was passed out that Mr. Johnson was in line to be chosen Secretary of Defense.

Mr. Forrestal was perturbed. He did not see why he was being attacked so bitterly unless it was the usual scheme of politicians to needle a man into resigning voluntarily so he wouldn't have to be asked to resign. He was quite willing to resign. He wanted, however, a clarification of his position and a graceful exit.

He waited for weeks but no word came from President Truman. Finally, unable to stand the strain any longer, Mr. Forrestal asked for a chance to talk with Mr. Truman at Key West. He flew down there expecting to have an opportunity to get his status clarified. But Mr. Truman didn't see him privately. He always had other people present. It was mentioned to the press pointedly afterward that Mr. Truman had not seen Mr. Forrestal alone. The idea seemed to be to make it clear that Mr. Forrestal was not in favor. It is a kind of humiliation not infrequently practiced in high places.

ASKED ABOUT CONTRIBUTION

This correspondent asked Mr. Forrestal last November if he had or had not helped on the financial side of the Truman campaign. He said he had done so indirectly and that it was not his custom to make direct contributions. He implied that he had, however, persuaded friends to contribute on the Truman side.

When this correspondent asked him also if failure to contribute or to match the financing work done by Louis Johnson had brought the Secretary into disfavor he was at first noncommittal. Then when it was explained to him that an article was in preparation on this very subject for one of these dispatches, he begged that nothing be said at that time as he had hoped to have a conference with the President.

Mr. Forrestal, however, added rather prophetically:

"You might want to return to that same theme a little later."

Among his close friends, it is known that he really wanted to leave the Government service. He had told this correnpondent in the summer of 1948 that if Governor Dewey were elected he certainly would not accept appointment. He felt that a new Preident should appoint his own Secretary of Defense.

WOULD HAVE QUIT

It goes without saying that Jimmy Forrestal would have gladly given up his job in the Truman administration, but he found that the initiative was not his. He was being needled out—forced out by a gossip campaign that was inspired either by people close to the President or by those who wanted to see Louis Johnson rewarded for his campaign financing.

Whatever the origin of the smear campaign, it hurt. Mr. Forrestal began to lose weight and to lose sleep. He was alone far too much. Close friends tried to counsel with him. It was they who flew him to Hobe Sound, Fla., where his break-down occurred, and then to the Bethesda Naval Hospital.

And now the sad story of his tragic end will be attributed wholly to overwork and exhaustion. It was, of course, due in part to this. It was doubtless due primarily to the crushing blow to his pride and to his spirit dealt him by an ungrateful administration in which ward politics and the amount of money a man contributes evidently determine who shall be appointed to or continued in high office.

When President Garfield was assassinated by a disappointed officeseeker, civil-service reform began in America. The assassination of Mr. Forrestal's character for failure to play politics in high office should institute a moral reform. If it does, his death will not have been in vain.

Controlled Agriculture

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, under permission to extend my remarks in the RECORD, I would like to have this editorial reprinted from Hoard's Dairyman, of Fort Atkinson, Wis.:

SECRETARY BRANNAN AND FARM SURPLUSES

Since the days of Joseph the problem of caring for surpluses has been baffling. No nation has ever found a completely satisfactory method of carrying surpluses. It must be borne in mind that surplus is a great blessing to all the people. We must also remember that farmers who produce these surpluses have been severely penalized by prices going far below cost of production. When these periods take place not only the farmers suffer but the men in the shops also pay penalties, for the farming industry is one of the big purchasing powers of the Nation. When their products are selling at a low level, below cost of production, every other industry suffers.

This condition is generally recognized and has brought about price supports. During the war no one questioned but what Uncle Sam was wise in setting the price of farm products at a level that would stimulate production, but in times of peace this procedure causes deep concern.

In this Nation where we have had free enterprise we have prided ourselves on our accomplishments. We are 6 percent of the people living on 7 percent of the land and producing half the wealth of the world. The individual has had freedom of opportunity to very largely choose his own job. If we are to have parity prices or income, as many are demanding, it means governmental control. It means the farmer will not be in a position to plan his own method of doing things. Further, we might as well bear in mind that it will mean heavier taxes. Even today many people are saying "why put forth extra effort because Uncle Sam simply takes it away from you."

The Secretary of Agriculture, Charles F. Brannan, has just offered a new farm program—one that is popular with those who do not think, for it offers to give farmers good prices for their products and provide cheap food to the consumer. This is an ideal condition but somebody has to bear the expense. This, as the Secretary has said in a straightforward way, will be very costly.

The principal thing that we can commend in Secretary Brannan's presentation of a new plan is his straightforward, frank statement. There didn't seem to be any hedging as there has been in the past when presenting ways and means to maintain farm prices on a level with other commodities. In his program Secretary Brannan also suggests better prices so that meat and milk production will be increased. He recognizes that the land needs the cow and that the people need more dairy products.

The problem, however, is a most difficult one and, unless properly handled, trying to support farm prices may bankrupt the Nation. Let us give an example. This winter we asked a cotton farmer in the South why he did not milk cows. The section where he lives produces only 45 percent of the milk that is consumed. Milk is shipped in a distance of 1,500 miles and a freight rate of $1.98 a hundred is paid to bring in the milk. In answering the question this cotton farmer said, "Why should I milk cows when I can get $100 an acre net for cotton and I only have to work 4 months in the year, whereas the cow ties me up 12 months in the year?" Of course, the Federal Government cannot and will not continue to pay parity prices if farmers grow all the cotton, wheat, and corn that they desire.

We might as well face the fact that Secretary Brannan's plan means a controlled agriculture. If it is successfully done, free enterprise has been destroyed. Isn't it better for us to pay a little penalty rather than to destroy an economy that has permitted such liberty for the individual and has led to such high production as this Nation enjoys?

The Hope-Aiken law that becomes effective in 1950 will support farm prices from 60 to 90 percent of parity. This will protect the farmer against ruinously low prices and give him an opportunity to modify his system of farming in keeping with the demands of the consumer.

Rather than have the Government take over the control of our farms, would it not be better for farm and dairy organizations to form institutions for taking care of surpluses? This would keep the farmer master of his own enterprise and lead him to see that he must produce what the consumer demands.

The Unemployment Picture in One Connecticut Area

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. PATTERSON. Mr. Speaker, it might be of interest to the Members of Congress to peruse the facts and figures contained in the Waterbury Labor Market Letter for April, with complementary

statistics gleaned from this communication.

In the Waterbury area, which has a total population approximating 150,000, there are now 9,400 unemployed; 5,200 of this number are men—2,100 of them veterans. An additional 4,200 women are without jobs. Of the 12 communities in this area, 7 are principally, and almost totally, farming areas. As agricultural employment is not computed in the 9,400 figure, it may be realized that almost 10 percent of the total area population is without employment. It is safe to say that an additional 5 percent are employed on a part-time basis.

The seriousness of this problem cannot be overemphasized when we find that a decrease of 3.7 percent in employment has occurred in the last month.

The action of Congress adopting the amendment of my distinguished colleague, Mr. SADLAK, appropriating $14,000,000 in the first deficiency appropriation bill from which the Connecticut Unemployment Compensation Service also receives funds, is further evidence of the need which exists for a program for the future. The original amount contemplated to be appropriated was less than $5,000,000, and it would have been insufficient to pay for the necessary personnel to expedite unemployment claims.

The people are awaiting the decision of the Congress and the administration in supplying the remedy for this problem.

The Labor Market Letter follows:

WATERBURY LABOR MARKET LETTER, APRIL 1949

MANUFACTURING EMPLOYMENT TAKES SHARP DROP

Manufacturing employment in the Waterbury area took its sharpest drop since the end of the war. Employment in April was 36,990, a decline of 2,320 from the 39,310 employed in manufacturing in mid-March. The decline was concentrated in the metallic groups, with the brass industry alone accounting for 1,250 of the drop. Substantial lay-offs were also reported in machinery and metal fabricating plants. The chemical and rubber group had the largest reduction, 300, among the nonmetallic manufacturing group. In addition to lay-offs, a number of plants continued to reduce their workweeks, and some went on a week-on, week-off basis.

TEXTILE EMPLOYMENT RISES

The only sizable gain reported was in the textile and apparel group which employed 1,460 workers in April, a rise of 70 over March. The measuring and controlling instrument and food groups reported slight gains, while printing remained stationary. The recent reduction in the price of copper has encouraged the brass industry and, toward the end of April, one plant rehired some workers in its castings department. A slight upturn was reported in orders by the chemical and rubber industry. These developments, however, were not sufficient to affect the general trend in the area and, at the end of April, employment continued downward.

CONSTRUCTION HAS SEASONAL RISE

Nonmanufacturing employment reported a gain in April due mainly to seasonal factors but moderated by the drop in general business activity in the area. Construction employment rose by 240 workers to a total of $1,760 in April. Home construction picked up during April but is lagging behind the level of a year ago, while commercial building activity is about the same as a year ago. Public-housing construction comprises a substantial part of home-building activity in the area and will continue so at least for the remainder of the year. Construction on the superhighway through Waterbury is again underway and should employ a substantial number of workers during the summer. Construction labor is in good supply and a surplus of most skills was available in April to meet expected rises in activity. Little change was reported in other nonmanufacturing groups with trade taking a moderate increase and service a moderate decline.

UNEMPLOYMENT INCREASE

Unemployment continued to climb, reaching 9,400 in mid-April as industrial layoffs mounted. Men predominated the ranks of the unemployed, accounting for 55 percent of the total in April as compared with 44 percent last February. Veterans unemployed totaled 2,100 and women unemployed totaled 4,200.

Tables of employment and unemployment follow:

Private nonagricultural employment, Waterbury area, April 1949

Industry	April 1949	March 1949	Percent change April over March	April 1948
Total	53,360	55,430	−3.7	61,500
Manufacturing	36,900	39,310	−6.9	45,420
Food	1,140	1,130	+.9	1,310
Textiles and apparel	1,460	1,390	+5.0	1,290
Printing	660	660	0	660
Chemicals and rubber	5,880	6,180	−4.9	6,410
Brass	12,990	14,240	−8.8	15,520
Metal foundries	650	710	−8.5	80
Metal fabricating	4,360	4,560	−4.4	5,150
Machinery	1,870	2,110	−11.4	2,200
Clocks and watches	3,030	3,150	−3.8	6,420
Measuring and controlling instruments	1,130	1,120	+.9	940
Other manufacturing [1]	3,820	4,060	−5.9	4,730
Nonmanufacturing	16,370	16,120	+1.6	16,140
Construction	1,760	1,520	+15.8	1,780
Transportation	1,510	1,500	+.7	1,520
Communication and utilities	1,090	1,100	−.9	1,070
Trade	8,530	8,480	+.6	8,410
Wholesale	1,490	1,480	+.7	1,450
Retail	7,040	7,000	+.6	6,960
Finance, insurance, and real estate	1,170	1,160	+.8	1,140
Service	2,310	2,360	−2.1	2,220

[1] Other manufacturing includes clothing accessories, plastics, paper, stone, clay, and glass, and other minor groups.

Unemployment in the Waterbury area

Mid-month	Total	Men		Women
		All	Veterans	
April 1949	9,400	5,200	2,100	4,200
March 1949	7,500	3,900	1,700	3,600
February 1949	6,300	2,800	1,200	3,500
October 1948	2,000	1,100	500	900
April 1948	2,200	1,300	600	900

Federal Aid Highway Act

REMARKS

OF

HON. TOM PICKETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. PICKETT. Mr. Speaker, I have just introduced a bill to supplement the Federal Highway Aid Act, as amended. The bill lays emphasis on an authorization to augment the construction of rural roads. As a part of my remarks I am inserting in the RECORD a statement of the purposes of the bill and a table showing the apportionment of the funds authorized to be appropriated.

The matter referred to follows:

The original Federal Aid Highway Act was passed in July 1916. Since that date the Federal Government has been engaged in a program of assistance to the States in various types of road construction.

The Federal Aid Highway Act of 1944 extended Federal financial assistance to secondary rural roads and to urban arterial highways, in addition to the primary Federal-aid highway system that was previously the recipient of the major portion of Federal assistance funds.

The Federal Aid Act of 1948 authorized the continuance of this program at the annual rate of $450,000,000 for a 2-year period.

The purpose of the bill is to authorize regular appropriations for a 2-year period for the construction of rural roads. The bill authorizes the appropriation of the sum of $150,000,000 for the fiscal year ending June 30, 1950, and a like sum for the fiscal year ending June 30, 1951, to carry out the provisions of the act for the construction of rural or farm-to-market roads.

The appropriations provided under this act will be apportioned among the States in the same manner as provided in past Federal-aid road legislation. The assistance to the States will be on the basis of the same participating percentage as has heretofore been prevalent in Federal road legislation, namely, 50 percent assistance by the Federal Government, except in public-land States.

The bill provides for administration of the act on the Federal level by the Public Roads Administration, which agency has administered the road aid to the States from the Federal level since the inception of the Federal-aid principle. The success of this agency in building a great system of roads for this country has been in no small part due to its guiding principle of the recognition of State's sovereignty. This is essential in the efficient and sound administration of our form of government. The bill establishes definite lines of authority all of the way down to the local level in administering the provisions of the act.

The bill provides a national policy for rural or farm-to-market roads and establishes the objectives to be accomplished under the provisions of the act. The bill specifically avoids the details of accomplishing such objectives, since such details must be worked out by the administrative agencies defined in the act in order to best adapt the program to the varying needs of the several States. It should be borne in mind that the problem on rural roads is different in almost each and every State, varying from the State of Massachusetts, which has no area that is not included within the limits of a town or city, to the strictly rural States such as Texas, Alabama and Mississippi.

The need for the improvement of rural roads in every part of the Nation in order to bring our rural areas out of the mud and dust is a well known fact. Some progress has been made in the improvement of feeder roads, farm-to-market roads, school bus routes, rural mail routes, milk routes, etc., especially since the close of World War II, but it is felt that additional impetus must be given to this type of road improvement if we are to prevent our national economy from suffering a severe setback due to the lack of proper transportation facilities into our rural areas. This fact is particularly accentuated by the expansion and improvement of our school system. It is needless to further our improvement of school facilities unless we provide all-weather roads in these rural areas to permit the movement of these students to and from such schools.

Attached is the apportionment of the annual authorization for rural roads under this bill in accordance with the allocation among the States. This contemplates the Federal allocation for 1 year of the proposed 2-year act and generally it should be multiplied by two when matched by the State or local authorities, in order to indicate the annual program on rural roads within a State that would be provided under the provisions of this act.

APPENDIX I

Apportionment of annual authorization for rural roads

Alabama	$3,768,209
Arizona	2,244,783
Arkansas	3,113,136
California	5,172,012
Colorado	2,714,529
Connecticut	766,521
Delaware	731,250
Florida	2,182,180
Georgia	4,316,106
Idaho	1,950,789
Illinois	4,725,882
Indiana	3,594,321
Iowa	3,957,708
Kansas	3,931,898
Kentucky	3,428,272
Louisiana	2,555,084
Maine	1,396,276
Maryland	1,175,030
Massachusetts	786,555
Michigan	4,123,910
Minnesota	4,153,797
Mississippi	3,377,898
Missouri	4,556,370
Montana	3,113,380
Nebraska	3,142,506
Nevada	1,934,474
New Hampshire	731,250
New Jersey	1,043,434
New Mexico	2,519,910
New York	4,264,211
North Carolina	4,483,563
North Dakota	2,394,972
Ohio	4,615,927
Oklahoma	3,708,468
Oregon	2,557,667
Pennsylvania	5,267,292
Rhode Island	731,250
South Carolina	2,528,434
South Dakota	2,496,096
Tennessee	3,690,330
Texas	10,052,085
Utah	1,693,449
Vermont	731,250
Virginia	3,193,007
Washington	2,396,971
West Virginia	2,090,327
Wisconsin	3,661,695
Wyoming	1,889,857
Hawaii	731,250
District of Columbia	731,250
Puerto Rico	1,133,032
Total	[1] 146,250,000

[1] This figure excludes the administrative allowance (2½ percent) from the annual authorization. It is not the exact total of all the State items due to rounding.

The Pope's War on Communism

EXTENSION OF REMARKS
OF
HON. JOHN J. ROONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. ROONEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Francis Cardinal Spellman, from Look magazine for May 24, 1949:

THE POPE'S WAR ON COMMUNISM—IN DEFENSE OF ALL PERSECUTED PEOPLE—PROTESTANTS, JEWS, AND CATHOLICS—THE POPE HAS EMBARKED ON A SPIRITUAL CRUSADE AGAINST THE ATHEISTIC PHILOSOPHIES OF COMMUNIST RUSSIA

(By Francis Cardinal Spellman)

In his war against atheistic communism Pope Pius XII has neither military armies nor armaments, for his is a spiritual crusade; his armaments the weapons of wisdom and justice and truth, his armies the God-loving peoples of the earth. Armed only with God's grace and a martyr's will, the Holy Father stands ready in the shedding of his heart's blood to become seed for the redemption and rebirth of those nations now enslaved.

The pontiff's fears and sorrows are for all persecuted peoples—Protestants, Jews, and Catholics alike—who, weakened by starvation, sickness, and fear, have become victims of the Marxist cult of atheistic communism.

Pope Pius urges us to raise our voices against the enslavement of peoples everywhere; for one tactic of Communists, fatal to freedom, is to make men fear publicly to proclaim the truth and to protest against cruelty, tyranny, and injustice.

What has happened to the hearts of freemen that they can be so soon unmindful of the sacrifices made by Cardinal Mindszenty, Archbishop Stepinac, Bishop Ordass, and countless hosts of other innocents?

For weeks now, the name of Cardinal Mindszenty has almost completely disappeared from the news. The thought has somehow come to me that Hungary's great priest and patriot might come to accidental death or might already be dead. Is he, with other unnamed, unhonored victims of communism, rotting away forgotten, abused—awaiting only the mercy of death?

When Cardinal Mindszenty was received into the Sacred College of Cardinals only three years ago with 31 other priests and myself, he arrived in Rome one week late. Communists had delayed his coming. Placing the Cardinal's hat on each of the prelates, the Holy Father spoke an ancient formula with a prophetic message:

"Receive this red hat, the sign of the unequaled dignity of the Cardinalate, by which it is declared that thou shouldst show thyself intrepid even to death by the shedding of thy blood for the exaltation of the blessed faith."

In but a brief span of time, Cardinal Mindszenty was brought to mock-trial for his life and condemned by the lords of communism—men among whom there is no honor, love, or trust either for one another for their neighbor, or their God. Thus the symbolic red of his Cardinal's robes literally became the blood red of martyrdom, just as the Holy Father predicted it might well be when he whispered to him these words: "You may be the first to see these blood red colors turn red blood!"

The Church of Hungary stands out today in the midst of a world torn and divided, an example unto nations, as Pius said, "that without God there cannot be any true unity or just peace."

Throughout the war and postwar years, the Pope has worked and prayed for peace with justice, warning and beseeching the victors not to offend God by sinning against His mercy. But men have locked their hearts against God, resisting, profaning, and denying Him. And today we have no peace. We have only a war-wrecked, sickened, weakened, forlorn world still tragically "talking peace" while the madness called atheistic communism storms the earth, endangering peace-loving, God-revering humankind in every corner of the globe.

THE EVILS HAVE INCREASED

We were told that the war was fought for certain principles, one of which was freedom from fear. The war was fought and blood was spilled and bitter years are passing; but is it not a fact that each evil from which these freedoms were to liberate mankind has but become intensified? Religious persecution, like the octopus, spreads its tentacles wider and digs them deeper. And as those of the Jewish or Catholic faith were the special prey of Nazism, so now are all men who follow God viciously victimized by communism.

Denouncing religious persecutors and all tyrants, Pope Pius proclaimed to the world that the church is now and forever, as always it has been, the implacable enemy of communism.

The aim of atheistic Communists is not merely the liquidation of the church or of any earthly power. They seek the destruction of man's faith in God, determined that their atheism shall prevail throughout the world. They are contemptuous of the belief that "unless the Lord build the house they labor in vain that build it."

But no paganism or atheism is too formidable for the Pope to try to overcome. He knows not the meaning of the word despair. His profound piety, kindliness, and humility dwell in men's memories as they recall their audiences with him. The Pope listens to his many daily morning visitors with deep interest and patience, and sympathetic understanding finds reflection in his smile and dark, soul-searching eyes.

HE FOLLOWS THE VOICE OF THE LORD

The dominant quality of the Pope's character is his intense spirituality. To be privileged to see him pontificate in St. Peter's is an unforgettable experience. His mind and heart are enrapt in the divine sacrifice. Even when the ceremony is over, he seems to be entirely alone with his Lord God, as he offers his prayers of thanksgiving, kneeling before the altar. Within the privacy of his own quiet chapel, within his own holy heart and cloistered soul, the simple priest, Father Pacelli, hearkens to and follows the voice and the teachings of the Lord. Constantly he prays that Almighty God will once again come to the world's salvation; quicken men with charity and faith, inspire them to truth and justice, that hatreds shall forge no more the chains of nations and sickles shall reap only the fruits of peace.

It was on March 2, 1939, the day of Cardinal Pacelli's sixty-third birthday, that St. Peter's big bell pealed its joyous news that Cardinal Pacelli had become Pope Pius XII. And as I write, the clock of history is again marking off the passage of other spiritually significant events in the life of the gentle, simple Roman priest who, all the years of his long and fruitful life, has fought atheistic communism, the fatal plague which insinuates itself into the very marrow of human society, only to bring about its ruin.

Now it is the year of the Pope's seventy-third birthday, the fiftieth year of his ordination to the priesthood, and the tenth anniversary of his succession to the Chair of Peter. His heart's one wish is that this golden jubilee year of his ordination be observed only by redoubled daily devotions and prayers. He pleads that lovers of the Lord from earth's end to end join their prayers with his own for the resurrection of the world, and that God's enemies be forgiven their crime of recrucifying Him. He implores the godless to recognize, repent, and mend the evil of their warring ways that soon may come the peace for which multitudes have sacrificed and died, for which other sick and suffering multitudes still yearn and pray.

HISTORY REPEATS ITSELF

In this same month, time ticked off three-score years and ten of another man's

life, a great man of science, a man who claims to be an agnostic—Albert Einstein. When Hitler threatened to dominate the world, Einstein is quoted to have said: "Only the church stood squarely across the path of Hitler's campaign for suppressing truth. I never had any interest in the church before, but now I feel a great affection and admiration, because the church alone has had the courage and persistence to stand for intellectual truth and moral freedom. I am forced thus to confess that what I once despised I now praise unreservedly."

History repeats itself, and the godless tyranny and brutality of Hitler has given way to the godless tyranny and unmatched brutality of Stalin. Pius XII has warned, waited, faced, and resisted them both.

These are his words of counsel today:

"The hour of Christian conscience has struck, calling mankind to waken. In our conscience there can be no room for blind credulity toward those who at first proclaimed their respect for religion, only later to show their true colors as deniers of all that you hold most sacred. In our conscience there can be no room for the weakness, complacence, or indecision among those who in this crucial hour believe they can serve two masters.

"You must realize that social justice and peace among nations can never be effected and assured if men close their eyes to the light of the Lord and instead open their ears to false prophets.

"Therefore we pray you—awaken—lest civilization perish in violence and iniquity while mankind, wavering in its spiritual framework, poisoned by the plague of militant atheism, continues to defy and scorn the laws of a just God and the just laws of man. And may God forbid that men become so enslaved to tyranny and godlessness as to have no longer any will or power to resist.

"Humanity's hope and world peace rest in the Lord who alone is civilization's salvation, for no society can long endure when God is driven into exile."

Until the very eve of the Second World War, Pius XII attempted to make belligerent nations realize what well he knew and repeatedly begged them to believe, that "nothing is lost through peace, everything can be lost through war."

The wisdom of that warning was challenged. But relentless years of war's blood, agony, and death, followed by more embittered years of playing at peace, have proven its truth.

Against the Pope's pleas for peace rang out the Marxist battle cry: "Religion is the opium of the people."

THE ECHO GREW

The cry bellowed throughout the hills and plains, towns and villages of Europe, finding its echo upon the lips of weak or willful men, uprooting faith from hearts, paralyzing hopes for peace. The echo became a trumpet call blaring out the death agony of men and nations whose blind following of atheist tyrants sealed their own doom.

And all this while the Pope continued to beseech the leaders of nations and the faithful of the world to counteract the peril of this doctrine by concerted, constant prayer, and action as the Marxist religion, taught to Nazi-enshackled youth, spread like a malignant disease, capturing hearts and minds, uprooting Christianity, kindling a war against religion and the very souls of men."

During the First World War, Archbishop Pacelli was Papal Ambassador in Munich. Revolution broke out, hungry, fear-stricken mobs milled through the streets. Spartacist gangs plundered the city as the hammer and sickle flew over Munich, and Embassy Row was deserted except for one priest, Eugenio Pacelli. Machine-gun bullets sprayed the lower floor of his residence and Archbishop Pacelli was warned to leave Munich at once. But the Archbishop remained to console and help a terrorized people, to feed and protect hungry, helpless children. Wild-eyed men of madness, bent upon murder, screaming and waving daggers, invaded his residence. Wearing his episcopal robes and clasping his pectoral cross, Archbishop Pacelli met them face to face. "Why have you come armed?" he asked. "There is no one here to attack or harm you. This is a house of peace, not a den of murderers. * * * Please leave at once."

CARDINAL MINDSZENTY WAS NOT AFRAID

This is one of a hundred examples and is the design from which was cut the pattern of another priest to whom death for God's sake is dearer than life—Joseph Cardinal Mindszenty.

Only a year ago, on his way to a church function in central Hungary, Cardinal Mindszenty passed through the Communist-dominated suburb of an industrial town. His car was surrounded by threatening, shouting men who stoned his automobile. Bidding the chauffeur stop, the Cardinal stepped out, and holding his cross in his hand, addressed the hostile mob:

"Men, please do not stone my faithful chauffeur. He is a good man, a good husband, the loving father of five children. And a father cannot be replaced. Do not stone and wreck my miserable little auto, for you know these days parts are near as precious as gold and cannot be replaced.

"If stones you must throw, I beg you to stone me, for—I can be replaced."

These simple words shamed the crowd to silence and it dispersed.

"GOD HAS ORDAINED MY FAITH"

Before his arrest by the Communists, Cardinal Mindszenty told a visitor: "The lamb has more security in the forest than an honest Christian in the Hungarian Communist state today. In 4 months, I shall probably be waiting my turn in a hangman's cell. But I shall never change my policy or take back any of the things I said against the Communist government. God has ordained my fate and I give myself into His hands."

Cardinal Mindszenty would not wish us to grieve at the thought of his death, for he knows that man is not completely born until he dies to live in God. Love of the Lord that is Cardinal Mindszenty's will never forsake him, for it is love that sustains the spirit, pressing its way upward, passing through all dangers to salvation in God. No harm upon this soul can any atheist inflict, no matter how merciless the torturings to his body and mind. Thus will Cardinal Mindszenty defeat his God-hating enemies.

Little wonder is it then that Communists fear such shepherds as Cardinal Mindszenty and Pius XII, for theirs are voices speaking not only for persecuted Catholics but for all believers in God. "The enemies of religion have this time smitten a Prince of the Church, a priest venerated by the overwhelming majority of his people," said the Pope. "This is not an isolated case. It is one of the links of the long chain of persecutions which some dictatorial states are pursuing against Christian doctrine and life. The modern persecutors show themselves docile pupils of the inglorious school of the foes of humankind under Nero. They copy their masters and models, and even surpass them in cruelty, skillful in the art of employing the most recent advances of science to the end of dominating and enslaving whole peoples, which would have been inconceivable in past times.

"It is well known what the totalitarian and antireligious state demands and expects of the church as the price of its tolerance. It would like a church silent when it should speak; a church that would dim the light of God, adapting it to the desires of human wills when she should loudly proclaim it and defend it; a church that does not resist oppression of the conscience and does not guard the legitimate rights and the just liberties of the people; a church that, with servility, remains a church only within the four walls of the temple.

"The Church of Christ follows the path marked out by the Divine Redeemer. She knows herself eternal. She does not beg favors. The threats and the injuries of terrestrial powers do not intimidate her. She does not meddle in problems purely political and economic. She gives to Caesar that which is rightfully Caesar's but she cannot betray or abandon that which is God's."

HIS STRENGTH COMES FROM GOD

Shield to the imperiled, poor and persecuted, the Pope of Peace fearlessly, unsparingly spends himself for the welfare of his children and brethren, and the inspiration and source of his strength comes from kinship with God Himself, to Whom all men are brothers.

And when the Supreme Pontiff today reproaches dictators for their crimes against humanity, he is but following in the footsteps of the Master; for Pope Pius XII is the heir of a long and venerable tradition that had its origin in Saint Peter, the first Pope. Threatened by a perverted, imperial power, Pope Peter cried to his people, "Resist, be strong in your faith," as he too warned the rules of his time: "Our Master is God, not man!"

Michigan Legislature Requests 5-Year Extension of Servicemen's Readjustment Act

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EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks, I wish to include a resolution adopted by the Michigan Legislature, requesting that veterans' readjustment allowances may be extended for at least five additional years.

House Concurrent Resolution 20

Concurrent resolution memorializing the Congress of the United States to amend the Servicemen's Readjustment Act so that veterans' readjustment allowances may be extended for at least five additional years after July 25, 1949, as proposed in H. R. 1374 of the Eighty-first Congress

Whereas section 700 of the Servicemen's Readjustment Act of 1944 provides for the payment of unemployment allowances to the veterans of World War II, and such allowances have been of immeasurable importance in protecting the economic security and welfare of veterans in Michigan and other States; and

Whereas the Servicemen's Readjustment Act at present provides that such allowances shall be payable for no more than 2 years after the termination of the war, which has been set by Congress for this purpose as July 25, 1947, so that such rights expire on July 25, 1949; and

Whereas 700,000 Michigan veterans are at present eligible for such allowances, but only 400,000 of these veterans are in employment which qualifies them for unemployment compensation under existing State law; and

Whereas less than 3 percent of Michigan's veterans have exhausted their entitlement to allowances under the Servicemen's Readjustment Act; and

Whereas the number of veterans currently receiving such allowances is more than 40,000, representing the highest volume of claims from veterans in the past 2 years, and the number of veterans needing such benefits is expected to increase because of increasing unemployment and completion of school by 42,000 veterans now attending college under Federal legislation; and

Whereas termination of the servicemen's readjustment allowance program in July 1949 would impose an additional burden of an estimated $20,000,000 per year upon the Michigan unemployment compensation fund, and would at the same time involve an additional loss of some $10,000,000 per year to Michigan veterans not protected by the State unemployment compensation fund; and

Whereas this situation would create a serious additional burden upon State welfare funds and facilities and upon the veterans' trust fund, and would impair the living standards of veterans entitled to recognition for their services to their country: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the members of the Michigan Legislature do hereby urge and recommend that the Congress of the United States amend the Servicemen's Readjustment Act so that veterans' readjustment allowances may be extended for at least five additional years after July 25, 1949, as proposed in H. R. 1374 of the Eighty-first Congress; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, President of the Senate, Speaker of the House of Representatives, and to the Michigan Members in the Senate and House of Representatives of Congress.

Adopted by the house March 4, 1949.

Adopted by the Senate May 4, 1949.

NORMAN C. PHILLEO,
Clerk of the House of Representatives.

FRED I. CHASE,
Secretary of the Senate.

Compulsory Health Insurance

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. HILL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution:

Be it resolved, That the Board of County Commissioners and Board of Health of the County of Larimer and State of Colorado, as the local agency of county government charged with the duty of administering health laws, managing the county hospital, and exercising general supervision over the activities of the county welfare department and county physician, in their relation to public medical care and hospitalization, is diametrically opposed to the plan of compulsory health insurance now advocated by the President of the United States, and now being urged upon the Eighty-first Congress of the United States, for the reasons that—

(1) Such plan, if enacted, would not make available in this county additional medical or hospital services that are not now available to those unable to pay therefor;

(2) Would not improve the medical or hospital services now offered;

(3) Would stultify the relation between the doctor and his patient;

(4) Would encourage the unnecessary use of hospital and medical services;

(5) Would tremendously increase the cost of medical and hospital services without corresponding benefits, largely at the expense of those in less than moderate circumstances;

(6) Would take away from the local branches of government and give to a national agency the management and control of a function of government regarded since the foundation of the Republic as local in character; and be it further

Resolved, That copies of this resolution be sent to all the representatives of the people of the State of Colorado, and the Congress of the United States, and to the President of the United States.

I hereby certify that the foregoing is a copy of the resolution adopted by the Board of County Commissioners and Board of Health of the County of Larimer at its meeting held May 18, 1949, as appears from the minutes of said board.

GERALD SOLT,
Clerk of the Board.

Japan Will Be Lost if China Goes Communist

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein the following editorial which appeared in the New Hampshire Morning Union, published in Manchester, N. H., under date of May 22, 1949, entitled "Japan Will Be Lost If China Goes Communist":

JAPAN WILL BE LOST IF CHINA GOES COMMUNIST

With attention focused on developments in Europe, many people may be startled by the statement of former Under Secretary of State Will Clayton that "on balance, Russia is winning the cold war." The truth of this statement, however, becomes apparent if we consider some of the results of our stupid policy in China.

For if Stalin is allowed to control China, he will eventually control Japan as well. This is not conjecture. It is the logic of cold fact. Japan depends economically on the continent of Asia for its existence—that is, on China, Korea, and Southeast Asia. This dependence, as Stewart Alsop has pointed out from Tokio in his syndicated New York Herald Tribune article, is even greater today than it was before World War II for two important reasons:

1. Before the war the United States took about one-quarter of Japan's exports, the bulk of which was in raw silk. Since then nylon and other silk substitutes have supplanted raw silk which is now piling up in Japanese warehouses.

2. Japan's population, now 80,000,000, is increasing at an alarming rate. It is conceded that Japan proper cannot feed more than two-thirds of the 80,000,000. This means that Japan must get food for its people, raw materials for its industries, and a market for its finished products—all of which must logically be found in China and southeast Asia. This is her logical trading area.

Without such a trading area, there is only one alternative—that Japan remain an economic colony of the United States, supported by United States subsidies, which is unthinkable both from the American and Japanese viewpoints.

Thus the force of Alsop's reasoning becomes apparent, that if China and southeast Asia is allowed to succumb to Soviet Communist domination, an economic dagger will then be permanently pointed at Japan's throat. It is nonsense to suppose that a non-Communist Japan could hold out indefinitely alone in a Communist Far East.

This means that somewhere, somehow, the Communist drive in China must be halted if Soviet Russia is not to win the whole Far East. And yet the State Department continues its disastrous policy of "wait and see." Only this week Secretary Acheson dismissed the idea of a security pact for Asia as not ripe for his attention. Whom the gods would destroy, they first make mad. Does he not see that if Japan adds her vital industrial potential to Stalin's vast far eastern empire, we shall then have thrown away our victory in World War II in the Pacific, and that we will be confronted with a menace far greater than we fought that war to overcome. It is time the American people made themselves heard and demand that the march toward this tragedy for our Nation be stopped.

Florida State Senate Memorial 37

EXTENSION OF REMARKS
OF
HON. DWIGHT L. ROGERS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. ROGERS of Florida. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I desire to include therein a resolution adopted by the Senate of the State of Florida known as Senate Memorial 37:

Senate Memorial 37

Memorial to the Congress of the United States against the passage of any legislation providing for socialized medicine and compulsory health insurance

Whereas strong pressure and propaganda is being used to urge the passage of socialized medicine and compulsory health insurance; and

Whereas such legislation would seriously impair and practically destroy American enterprise and free initiative: Now, therefore, be it

Resolved by the Legislature of the State of Florida:

(1) That the President and the Congress of the United States are hereby petitioned to vigorously oppose all legislation for the enactment of socialized medicine and compulsory health insurance.

(2) That copies of this memorial be transmitted to the President of the United States, to the Speaker of the House of Representatives, and the President of the Senate in Congress, and to each of Florida's Representatives in both the House and Senate in Congress.

(3) That a copy of this memorial be spread upon the journal of both the senate and house of representatives of the State of Florida and sufficient copies thereof be furnished to the press.

Became a law without the Governor's approval.

Filed in office secretary of state May 9, 1949.

The Leftist Slant of American Journalism

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following portion of a recent issue of the biweekly newsletter, American World Intelligence, edited by D. C. S. Norborg:

First, we must call your attention to new evidence of the leftist slant of American journalism.

How can we hope to defend and enrich our American tradition of Christian liberty and positive democracy when a dangerously strong group of American newspaper people openly favor and elect officers in the guild who are leaning to the left, if they are not outright Communists?

Intelligence analysis of the recent election in the New York Guild give food for thought and reason to worry over the surprising strength which the leftist groups showed in this newspaper election in New York City.

We build our statement upon a most revealing tabulation which appeared in the January issue of Frontpage, the guild's official house organ.

Red thunder in the skies of American journalism: Taking our cue from the votes cast by the workers of the Daily Worker, we find that the leftist candidates for a guild office were accepted by the red journalists of the Daily Worker, New York, in typical Moscow vote fashion. The votes were 57 to 0. The zero vote fell on any and all candidates who stood for American principles.

The Daily Worker vote surprises nobody. That's the way the Communists interpret the freedom to vote.

The shock comes, however, when we turn our analysis to other newspapers, magazines, and news services. If you ever wondered why it is so difficult to get unslated news in your newspapers, you will not be so surprised any longer when you realize how deeply penetrated our American journalism and newspaper world have become by leftist forces, and that this is so even as late as January 1949.

The fact is that the leftist-Communist group, which was perfectly acceptable to the Daily Worker's personnel (by a 59 to 0 vote), showed a frightening strength even in what we generally accepted as honest-to-goodness American newspapers. American World Intelligence has always called the attention of its readers to the inroads of Red Moscow in Asia, Europe, Africa, and South America. It is our painful duty to give you the accurate situation in the newspaper world of New York's guild as shown by the guild's own tabulation of leftist votes.

One discovers how unbelievably strong the leftist infiltration today is even in such newspaper undertakings as Look, Newsweek, Associated Press, Time, and New York Times. The votes cast and tabulated indicate that in some of these offices the leftist fellow travelers won a majority vote and that they in the cases here named did at least pull 40 or 50 percent of the vote, the other votes falling to the non-Communist American candidates.

Had a few more votes fallen to the leftist office seekers, American citizens could have told their own unbelieving eyes that fellow travelers who were perfectly acceptable to the Communist Daily Worker's personnel (party members), in a free and secret election, also were accepted by the personnel of the leading magazines, newspapers, and press services mentioned above. The reds did not take over the guild, but the pinks are everywhere in New York journalism.

No wonder that America gets her news slanted.

No wonder that anyone who distrusts such pink journalists as potential traitors to democracy and truth and American Christendom is labeled a "Fascist," a "reactionary," or a "tool of monopoly."

In fact, if the American people had been as cynical and pro-Communist as the pinkos of the New York newspaper world, the United States would soon have become another Czechoslovakia, sold down the river by men who chose Gottwald rather than martyrdom.

Knowing the continuing influence which a myopic and provincial but very vocal New York has upon our State Department, we begin to understand the tragedy which overtook us in China.

Michigan Legislature Requests Elimination of the 15-Percent Transportation Tax

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a resolution that was adopted by the Michigan Legislature, requesting the repeal of the 15-percent transportation tax on rail, air, and bus tickets.

For my part, I am strongly in favor of the repeal of this tax, and likewise, of the special taxes on jewelry, fur coats, perfumes, luggage, ladies' handbags, etc. These special taxes are unfair and discriminatory against business. Today we should be expanding and promoting the production and sale of merchandise in every line. I voted against all of these special taxes, and I am still opposed to them on the same grounds, that they are unfair and discriminatory.

The resolution follows:

House Concurrent Resolution 34

Concurrent resolution making application to the Congress of the United States for the elimination of the 15-percent Federal transportation tax on rail, air, and bus transportation

Whereas the Dominion of Canada has repealed the 15-percent transportation tax on rail, air, and bus transportation in that country and it is now possible for a resident of the United States in the border cities of Detroit, Port Huron, and Sault Ste. Marie, Mich., to cross the border into Canada and purchase, tax free, rail, air, or bus tickets between two points wholly within the United States; and

Whereas numerous Michigan residents engaged in the sale of rail, air, and bus tickets in the border cities of Detroit, Port Huron, and Sault Ste. Marie are now faced with the loss of employment as a result; and

Whereas the high tax on transportation which in most cases is a necessity, bracketing it with jewelry, fur coats, perfumes, and other luxuries is not equitable; and

Whereas the transportation tax was enacted largely for the purpose of discouraging travel on the country's overburdened transportation system during the war years and as this condition no longer exists: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the members of the Michigan Legislature request the Congress of the United States to repeal the transportation tax on rail, air, and bus tickets; and be it further

Resolved, That copies of this resolution shall be transmitted to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of Congress, and to the Michigan Members in the Senate and House of Representatives of Congress.

Adopted by the house April 29, 1949.
Adopted by the senate May 4, 1949.

FRED I. CHASE,
Secretary of the Senate.
NORMAN E. PHILLES,
Clerk of the House of Representatives.

Housing for Chicago—Now

EXTENSION OF REMARKS
OF
HON. SIDNEY R. YATES
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. YATES. Mr. Speaker, under leave granted me to extend my remarks, I wish to insert the following speech which I delivered in Chicago, Ill., on May 21, 1949, before the Public Housing Association:

Mr. Chairman, ladies, and gentlemen, I'm deeply grateful and honored for the opportunity of being with you again tonight. I say again, because I've encountered most of the organizations which are sponsoring this housing conference before. I met you last October when I was a candidate for Congress and had to cope with the questionnaires which your organizations sent out to every candidate. Among the questions which were asked was: "Are you in favor of the principles of the Wagner-Ellender-Taft bill?"

I had no difficulty with the question because, of course, I was wholeheartedly in favor of the principles of the W-E-T bill. And I am more than ever today in favor of the principles of that bill.

But I am disturbed about one thing. At the time that you were sending me the questionnaires, the Ninth Congressional District was adorned by billboards which cried "Down with prices. Up with houses. Send YATES to Congress."

YATES was sent to Congress and apparently, with respect to the first part of the phrase, I've already been much too successful. I keep getting letters from businessmen to stop whatever I've been doing; I've reduced prices too much. I assume, however, that if houses go up you will not be nearly so critical of my efforts.

But I do want to pay tribute to the Public Housing Association for calling this conference. Action is still neded. Only partial progress has been made and this conference will be a great impelling force for good. The organizations which have made this conference an outstanding success have been recognized for their interest in the community, for the promotion of the democratic ideals and traditions we hold most dear. It is a distinct pleasure to participate with you in your work.

Two years ago, just about this time, I attended the meeting of the National Public Housing Conference at the Palmer House. I remember very well the speeches made by

two veterans who had recently returned from service and had been elected to the Congress—Representative JOHN CARROLL, of Colorado, and Representative JOHN KENNEDY, of Massachusetts, two of the most able and hard-working men I've ever known. I remember very well their hopes and aspirations for passage of a realistic housing program by the Congress and their expectation that it would be passed immediately. The need was so obvious—so overwhelming, it was unthinkable that no action should be taken.

Tonight I stand before you as a Member of Congress to report to you as did they 2 years ago—with the same high hopes and the same aspirations which characterized them—and with a knowledge of the operations of the insidious forces which frustrated them and the people of this country—because I have seen them in action—and I say to you that victory is in sight. The selfish, grasping, reactionary lobbies which successfully stymied the hope of America will be beaten and there will be a Housing Act—a realistic Housing Act passed by this Congress, and soon.

The Senate has already approved S. 1070—and in this respect, thank God for Senator PAUL DOUGLAS. He did a job and fought a fight in the Senate rarely undertaken by a newcomer and was one of the true champions who won the victory. And while speaking of PAUL, I can't pass the opportunity of paying tribute to the man whom he has described as his conscience and his good right arm—Frank McCulloch.

The House Banking and Currency Committee has already approved its housing bill and is awaiting the issuance of a rule to calendar it for the floor.

And 2 nights ago, at the final banquet of the National Public Housing Conference, I heard majority leader JOHN MCCORMACK state unequivocally that as soon as a rule is issued, the first thing he will program for immediate consideration, will be the housing bill—and that it would be passed.

Thus we stand at the threshold of our first major victory. We have a bill which contains for the first time as a congressional declaration, a new policy—a precedent making policy. It is stated specifically that the resources of the Federal Government will be utilized to provide the aids necessary to achieve a decent home and suitable living environment for all American families. No more do we subscribe to the trickle-down theory that those least fortunate in our society shall take the left-overs in homes after they shall have ceased to be fit for human habitation, like the outgrown suit which has been handed down, with patches, from the first child in the family to the tenth. Congress is now on record that all American families are entitled to a decent home and decent living conditions.

Secondly, the bill provides for a 5-year slum-clearance program under which $1,000,000,000 in Federal loans and $500,000,000 in grants is authorized. This is the clause which should do much to lift the face of Chicago.

The Ninth District which I represent has been the subject of many comparisons, few, however, as picturesque as this one: the lake front and the Gold Coast along Lake Shore Drive has been referred to as the beautiful skirt of Miss Chicago, while the area half a mile inward from the lake has been called her dirty petticoat. This provision of the bill now gives us the soap to launder the petticoat.

Thirdly, we have a realistic contribution by the Federal Government for construction of low-rent housing for low-income families. The Senate bill provides for Federal gifts of $308,000,000 a year to build 810,000 housing units over a period of 6 years. The House version, which I shall support, goes much further and increases Federal contributions to $400,000,000 a year to finance the construction of 1,050,000 units.

Under the Housing Act of 1937, which was the basic legislation for the development of low-cost housing throughout the country, there were only 172,000 units constructed. Chicago built only about 8,000 such units under the act. But now, with the impetus of this provision—if Chicago goes to work, it should have between 40,000 and 50,000 units within the next 6 years.

Here again is soap for the dirty petticoat. The Mother Cabrini housing project lies in my district in the heart of one of the worst slum areas in the country. It stands as the shining symbol of what may be done under such a program by offering comparison of the progress made under the act, to the filthy, broken-down, overcrowded firetraps which lie on the other side of the street. The families who live in Cabrini come from the same economic level as those living in the slums and but for the creation of the project, the families now enjoying decent living conditions would be doomed to the despair and bondage which is now the lot of their next door neighbors.

I have been informed that clearance of the slums surrounding Cabrini is one of the first which will be undertaken under the new program—and I am very pleased. I truly have an incentive to work for passage of this bill.

Fourthly, the new bill provides for Federal aid in the form of construction loans to low income farm families. Two hundred million dollars is allocated for this program to permit owners of farms who now cannot finance adequate homes from the earnings reaped from their toil, to obtain decent accommodations. While this, of course, is not of primary interest to city dwellers, its necessity cannot be overestimated. Many of you have seen the pictures of Margaret Bourke White taken of the farm homes in the South. This act offers hope to such people.

Lastly, and very important, the new bill contains provision for Federal research into the possibility of new design of mass production homes, of improvement of the archaic methods still utilized in home construction. This clause was written into the law because study after study revealed that a major obstacle to housing progress is the high cost of production. The results of research undertaken now will benefit the home builders, the mortgage investors, the leaders of our communities and the Federal Government. There is no earthly reason why the formula of progressively higher production and lower unit costs which has been exploited so successfully in all other American industry, should not work comparably in the field of home building. A short time ago Walter Reuther suggested that the empty war plants which had been devoted to turning out the tools for war, be converted to the construction of low-cost homes on a mass production basis. Many people gasped when the suggestion was made but I, for one, would not be willing to dismiss his hope as being purely visionary. The mere fact that it goes against traditional methods of producing living units is not sufficient reason to cast it aside. The research clause of this new bill could very well be used to test theories such as his.

This bill is a good bill. It gives promise, at long last, of providing the base for housing for Chicago and for the Nation if we can successfully prevent the crippling amendments which will be offered.

That is the job of those of us who are on the congressional firing line because amendments will be offered to gut the bill. Many of you have heard and sensed in a vague, disturbing manner about the operations of the real estate lobby. Those of you who are here tonight and who have attempted to give implementation to the housing program have felt its influence—but none of you until you sit in a legislator's chair will ever feel the full impact of the bruising power of this pressure group.

I received my first battle scars in the fight to continue rent control. I was deluged—literally flooded—with tons of letters and pamphlets from those who would kill the act. Landlords visited my office in droves to convince me that the need for rent control no longer existed. They packed the galleries during the debates so that the Congressmen were aware of their presence during the deliberations on the floor. There is no doubt in my mind that this was a concerted drive organized and executed under a program initiated by the real estate interests. And I remember Representative COLE, who sits with JESSE WOLCOTT on the House Banking and Currency Committee, challenging us on the Democratic side from the floor during the debate, to show him one tenant who had sufficient interest in the result of the legislation to come to Washington. "No," he said, "the only ones who are suffering are those who are here, whom you have seen and whom you have spoken to. They are here because they are the only ones who are interested and they are being crushed by the monster of rent control." Shortly after that Representative Wolcott's amendment to extend rent controls for only 90 days, which to all intents and purposes would have killed the rent control bill, came up for a vote and it was defeated by only three votes.

That was the voice of the real estate interests and you may be assured that in the debates in the House on the Housing Act it will speak again. Their representatives will offer arguments and amendments to cripple the act.

Perhaps the principal amendment which will be offered will be to limit the cost for construction of public housing units to unrealistic levels. This argument will be predicated upon the so-called economy house which has been peddled in tremendous quantities through the mail, if not through the real estate market. Here we have a cracker box, built in Texas, Florida, or California, roughly the size of a three-car garage and constructed of the cheapest material. This is exhibit A to prove that private industry can, in fact, built desirable living units at a low cost. And the argument will be made that public housing units should be in turn proscribed by the cost of constructing the economy house—no matter where the construction is undertaken, whether it be in New York, Minneapolis, or in Chicago.

Here, indeed, is the amendment which would convert the program from one of home building to slum building. A tinder box will be presented as the shining example to deprive the public of permanence and livability in the construction under the act.

Perhaps the best answer to this argument was made by my friend, HUGH MITCHELL, Congressman from Washington, and a truly able Representative. He dug up an article printed in the Doane Agricultural Digest for April 1949, which laid down the minimum standards for housing accommodations for cows. It pointed out that 75 to 100 square feet of stabling, plus another 75 to 100 feet for hay and bedding storage, was absolutely essential. The model plan showed 180 square feet of building per cow. For four cows, 720 square feet would be needed. And this, my friends, is almost 50 percent more than the space allotment for a family of four in an economy house.

One thing is certain, if this amendment goes through we will be shackled with shacks to the shame of the entire country. No, even

in this period of high building costs and severe housing shortage the pressure for lower standards must be resisted, and under no circumstances can we accept any reduction in the ideals and living standards we have set for the future. We must not do away with slums in one section to transplant them to another section of the city.

There will be other amendments offered to cripple the program such as the one which requires that for every new house built, an old one shall be repaired or demolished, or another amendment which would do nothing more really, than delay the program by requiring a referendum of local voters. But these will be defeated.

I have the greatest faith in our Chicago Democratic Congressmen. They fought ably and well on your behalf when the rent-control bill was up for consideration and I am certain that they will be steadfast in support of the housing bill. And here I want to give special commendation to Congressman BARRATT O'HARA, of the Second District, who, as a member of the Banking and Currency Committee, has done a brilliant job on the housing bill.

You can be most helpful to us in our fight in Washington. You may be sure that we will be surrounded by the paid representatives of those who are opposed to housing progress. We want to know that we have your encouragement and your assistance. Only the extremely brave or foolhardy person disregards aid. You have no idea of your power over Congressmen. You are a tremendous force. You are the voice of the people, and Congressmen will pay attention to your letters.

But with the passage of this bill we are taking only a step in the direction of achieving housing for Chicago now. Slum clearance and low-cost housing are a good base for progress but under no stretch of the imagination can it be stated that these are the sum total of what must be done. And here I think it should be pointed out that many people suffer from the delusion that the entire answer lies in slum clearance. Nothing is further from the truth, because a well-planned housing program for a municipality does not rest entirely with such a project. Slum clearance brings with it tremendous problems of relocation of the families and an incident long passage of time before completion of a housing replacement. More than that, the slums are so overcrowded that the number of families living in a slum area cannot possibly be housed within the same area in decent new construction.

No, for housing now, we must use the vast areas of vacant land in the city—land that is blighted and tax-delinquent and which must be reclaimed and cleared, because it is one of the short routes to immediate relief. The clearing up of tax-delinquent land by foreclosure for nonpayment of taxes should have been undertaken years ago and perhaps it is not too late, but the slow processes of foreclosure law require the expiration of a period of redemption before any action can be taken.

It seems to me that a much better approach is afforded in legislation now being used to clear title for construction of the Congress Street and other arterial highways. Municipal corporations are given the power to condemn land by eminent domain and the decision of the court is final, even though there should be disagreement as to price and a resultant appeal. Title to the property is acquired quickly.

The same power to condemn land and obtain clear title quickly should be granted to public agencies engaged in promoting housing for the public. In this manner vacant land within the city can be used almost immediately.

Other municipalities have broken the grip of the paralysis which has seized our city. VJ-day was August 15, 1945. In November of that year, 3 months after the end of hostilities, New York City advertised for bids for its first housing project and went to work. Since that time it has completed and will have completed by the end of this year 67,000 housing units. It is thrilling—it is breathtaking to view the new homes which have gone up, with nurseries and playgrounds for the children.

And recently New York City has appropriated over $200,000,000 of its own funds, unsubsidized by State or Federal funds, for the construction of middle-income housing, to rent for $12.50 to $15 per room per month.

This is progress. This is dynamic democracy. This is true acknowledgment of the principle that every American family is entitled to a decent home in decent surroundings—not only for the limited-wage earner, but for another group which requires assistance desperately.

In this picture we must not disregard the forgotten families of housing, the periphery people who dwell in the twilight on the edge of the darkness of the slums and on the edge of the sunshine of good living conditions, who are wealthy enough to disqualify themselves for low-cost housing residence and too poor to scrape together funds needed to purchase homes on the market today.

It has become increasingly apparent under our economy that only the very poor and the very rich are provided for, almost to the complete neglect of the great middle class. These groups which constitute 42 percent of our population, have incomes between $2,500 and $4,000, and they have been priced right out of the housing market.

With the other Chicago Congressman, I have introduced a bill to provide Federal assistance for the middle-income groups. It will make possible direct Federal loans to cooperatives and other nonprofit corporations, in order to provide privately owned housing for purchase and rental.

Perhaps the salient feature of the bill is its proposal to reduce financing costs. Financing costs will be reduced by direct Federal loans at the going Federal rate of interest. It will be claimed that this idea will destroy private enterprise, but there is no truth in such assertion. We propose only to permit the Government to enter financing territory into which private agencies cannot and will not tread. If they have no desire to finance such construction because other types of building are more profitable, they can have no legitimate objection to Government assistance to meet this real need.

The bill will create a new agency to administer the program—the Cooperative Housing Administration. I, for one, feel that it is about time the public got a break in the administration of the programs which Congress sets up. Congress passes legislation presumably to meet public need. But Congress may pass the most perfect bill to take care of every conceivable circumstance and yet the purposes of the bill can be sabotaged by faulty administration.

The Federal Housing Administration, when originally created, performed a necessary function in a most creditable manner. Mortgage financing was paralyzed. Banks and credit institutions refused to take risks and construction was at a standstill. The FHA assumed the risks which the financial companies were unwilling to assume and gave momentum to the home construction which was undertaken in the prewar years.

But, like a great many other governmental agencies which retreat into conservative ruts after a noble and liberal start, the FHA has refused to continue to pioneer in the housing field. It now, in many instances, refuses to guarantee loans which private agencies have approved, because it disapproves of modern architectural design, or the risk may be a little too great, or because a scheme may not fit its regulations.

The FHA was created to help build houses. That is its purpose today. It is not in the banking business as a private institution to make a profit; it is a governmental institution which can afford to take marginal risks and possibly lose money in the process, because it must spark the building of homes.

Veterans, who have attempted to obtain FHA approval for cooperatives have given up in despair. Their stories remind one of the magnificent statue of Laocoon and his two sons, struggling within the coils of the serpents.

That is why we propose to create a new agency—a Cooperative Housing Agency—to help build cooperatives, with veterans getting preference—and I hope it remembers that its purpose is housing—not hindrance.

Housing for Chicago—now, depends more than anything else on polishing up the shield of Chicago—of giving life to its motto—"I will." I am impressed by the lack of integration between the governmental agencies—Federal, State, and municipal, and their essential partners—industry and labor. The construction trade-unions in Chicago have received an enormous amount of criticism for being the stumbling block in the picture. I don't believe the criticism is entirely warranted, because I know the labor unions are interested in building homes for their members and the public. Why not appoint a progressive labor official from the building trades to a position of leadership, and assign to him a portion of the responsibility for making progress?

Why not appoint a liberal builder to work with labor and the governmental representatives? Therefore, I would propose immediately the creation of a commission—officially or nonofficially, upon a voluntary basis—comprised of representatives of public housing agencies, trade unions, and private builders, to integrate a program for progress in housing.

This commission, like all active groups, will depend upon the people who comprise its membership, and I hope that people comparable to Elizabeth Wood will be appointed—people who have the public interest at heart.

The time for frustration is over. We must have action from the Land Clearance Commission and the Chicago Dwellings Association. We must have concerted action by strong-willed liberal men of labor, of construction and Government forcing progress or telling us why progress is not being made. And to head this commission we must have a strong leader, like General Farrell, of New York City.

The programs we espouse will be denounced as socialism. The cry of socialism is always raised whenever an attempt is made to find reasonable solutions for public problems with governmental help. But in answer I want to cite the invocation of Rev. James Meyers, which he uttered in 1943:

"Give us, we pray Thee, a vivid sense of little children condemned to live in crowded quarters and to play amidst the traffic of the streets, deprived of the simplest elements of human health and happiness, robbed even of the common heritage of pure air and sunshine. Make us conscious of the preventable disease which breeds in the narrow alleys, and in the dark inner rooms where sunlight never comes.

"By our hope of Thy mercy as we sit concerned by the sickbeds of our own little ones, may we be willing in love to share the anxiety, the anguish, and the grief of the parents of the poor as they watch by their sick or mourn the death of those who need not have sick-

ened or died but for the conditions in which they are obliged to live."

It is not socialistic to be conscious of these things and to try to alleviate them. On the contrary, it is maturity of the great American democratic ideal.

We in Washington will do our job, but again let me urge you to remember that you are our partners. This is a job for all of us. It is a campaign as vital as any election campaign. You must help us in the fight. You must tell your friends and neighbors to get into the fight, by ringing door bells, by writing letters, by building an irresistible force which can bring us victory. Only in this way can we have housing for Chicago—now.

Minimum-Wage Bill

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. HESELTON. Mr. Speaker, in accordance with instructions of the Republican delegation in the House of Representatives from Massachusetts to insert in the Appendix of the RECORD copies of resolutions, petitions, and memorials, which may be sent to the entire membership of that delegation, and, under leave granted me to extend my remarks in the RECORD, I now insert resolutions of the General Court of Massachusetts memorializing Congress to enact the 75-cent minimum-wage bill:

Resolutions memorializing Congress to enact the 75-cent minimum-wage bill

Whereas a large number of persons engaged in industry are receiving compensation much lower than 75 cents an hour; and

Whereas the high cost of living makes such compensation inadequate for adequate support of such workers and their families: Now, therefore, be it

Resolved, That the General Court of Massachusetts respectfully memorializes the Congress of the United States to enact speedily a law providing that the minimum rate of compensation shall be 75 cents per hour; and be it further

Resolved, That copies of these resolutions be sent forthwith by the State secretary to the President of the United States, to the Presiding Officer of each branch of Congress, and to the Members thereof from this Commonwealth.

In senate, adopted, May 12, 1949.

IRVING N. HAYDEN, *Clerk.*

In house of representatives, adopted, in concurrence, May 17, 1949.

LAWRENCE R. GROVE, *Clerk.*

A true copy. Attest:

EDWARD J. CRONIN,
Secretary of the Commonwealth.

Labor Unions "Catching On"

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 16, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, from the February-March 1949 issue of Associated Farmer comes the following news story from California:

STRIKE AGITATION FAILS THIS YEAR IN ASPARAGUS

Attempts to agitate a strike in the asparagus fields this season have failed as growers prepared to cut the grass for canneries. Most of the asparagus activity centers in the delta regions in San Joaquin and Sacramento Counties.

Refusing to recognize or support a strike of asparagus cutters, in case of strife, the Sacramento Cannery Workers and Warehousemen Union announced last month through their spokesman that attempts to call a strike by outsiders is not a legitimate labor dispute.

"Instead of this being a legitimate labor dispute, it is a Communist-led agitation of a minority group, which will result in no benefits to the workers," the spokesman for the AFL unit said. "It will result only in disruption of the agricultural economy of the State, an aim which is pleasing to the Moscow Communists," he added.

The labor spokesman said the agitation was being led by a small group of CIO leftwing union of some 600 workers who belong to the Food, Tobacco, and Agriculture-CIO fish canners union in Seattle and are linked to Bridges' longshoremen on the San Francisco waterfront.

In the meantime, growers have provided extra housing for their workers and are planning to progress with the work when the season opens. At the same time, Filipino leaders asserted they would likewise repulse any trouble in the fields.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution:

RESOLUTION OPPOSING FEDERAL AID TO EDUCATION

Whereas the board of directors of the Minneapolis Chamber of Commerce has consistently for many years supported all sound efforts to obtain adequate funds for the Minneapolis schools from local and State revenue sources; and

Whereas it is our belief that in order to preserve and strengthen our democracy the local community cannot pass its problems to the Federal Government but must find ways and means within available resources to solve them; and

Whereas the board of directors of the Minneapolis Chamber of Commerce, after careful consideration of the report of its committee dealing with the subject, has arrived at the conclusion that the bill pending in Congress for the purpose of providing Federal aid for education in the several States is unsound in principle, and would almost certainly lead to serious and grave abuses; and

Whereas we believe that the primary responsibility for education, as between the Federal Government and the States, is upon the States, as indicated by provisions in the constitutions of all, or practically all, of the States of the Union, in recognition of the principle that a republican form of government can be maintained only if education is adequately provided for through public funds; and

Whereas it has been asserted that some States are not now, or may hereafter be unable, although willing so to do, to provide adequately for education in such States: Now, therefore, be it

Resolved by the board of directors of the Minneapolis Chamber of Commerce:

A. That it opposes pending legislation in Congress establishing a program of Federal aid to education in all States.

B. That we recognize the desirability of Federal aid to education by grants-in-aid to such States as may now or hereafter be unable to adequately support education in such States.

C. That if such a situation exists now or hereafter to warrant such Federal aid in such States, the same should be granted only insofar as it may be determined, with reasonable certainty, that such lack of adequate education in such States is due to inability, rather than unwillingness, on the part of the government in such States to furnish such adequate education.

D. That we have grave doubt as to whether Congress can or will formulate a basis on which to determine, with reasonable certainty, the inability of States to adequately support education; and, unless a technique can be developed to determine need and inability with reasonable certainty, we would oppose the entire program.

Adopted by the board of directors, Minneapolis Chamber of Commerce, May 10, 1949.

Why, With Your Tax Money, Educate One Whose Loyalty Is Questioned?

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, a high administration official has described the Communist Party as a conspiracy organization which advocates the overthrow of your Government and mine by force. For several years, the administration has given Communists and Communist Party sympathizers important jobs in policy-making positions in the Federal Government.

The Army has been forced to discharge individuals who were Communists—the State Department has been forced by Congress to kick out some of the Communists and Communist sympathizers on its pay roll.

Ever since the creation of the Dies committee, which was created by the House of Representatives to expose and oust Communists, there has been a bitter fight between the administration and the House of Representatives—the administration consistently opposing the efforts of the committee to expose and discharge Communists holding public jobs.

At one time, a resident of the White House appeared publicly with Communists before the Dies committee, and by so doing gave them support, encouraged them, entertained some of those Communists at the White House.

Yet, since the November election, President Truman charged that the House committee, which was then exposing Communists and their spies, was merely drawing a red herring across the trail of campaign issues.

At the same time he demanded appropriations calling for the expenditure of

billions of dollars of the taxpayers' money on the theory that it was necessary to spend that money in foreign lands to fight communism abroad. This administration spent billions to, as it said, contain Communists in Russia, but watered, fed, cultivated, and nurtured them here in Washington.

Those developing the atomic bomb were given billions of taxpayers' dollars to prepare for world war III and prevent Russian aggression. So necessary to our national security was the secrecy of the Atomic Energy Commission's work considered by the Congress that few, if any, restrictions were imposed upon the spending of those billions.

On the other hand citizens, newspaper reporters, and Members of Congress are not permitted to learn what goes on inside the Atomic Energy Commission's development plants. That Commission was made the sole custodian of our terrific death-dealing bomb.

David Lilienthal was appointed Chairman of that Commission. His fitness for the position was questioned and his leftist leanings discussed. Nevertheless, he was confirmed and now we find that an avowed Communist Party member is receiving $1,600 a year of your money to be given special training in advanced studies of nuclear physics.

The morning press charges that Lilienthal insisted on awarding an Atomic Energy Commission fellowship costing the Government $3,750 a year, to another scientist, Isador S. Edelman, even though he had been refused an atomic job on security grounds.

Mr. Lilienthal attempts to justify the administration's expenditure of your money to educate the avowed Communist, Hans Freistadt, on the ground that he is not now engaged in secret research. Mr. Lilienthal seems to feel that we need trained men—even Communists?—to provide a pool of knowledge and skill from which will be chosen the men to engage in secret atomic-energy work. It seems to be admitted, however, that this man, Hans Freistadt, would not, because he is a Communist, be chosen for such a job. Why, then, should you educate him?

My simple thinking tells me that it is folly to spend good, hard-earned American dollars to educate a Communist who advocates the overthrow of our Government by force; to put him anywhere near our means of defense.

College and university training and degrees are wonderful and desirable, but common sense and good judgment are sometimes more valuable.

Alcohol Fuel for Gasoline Motors

EXTENSION OF REMARKS

OF

HON. JAMES C. AUCHINCLOSS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. AUCHINCLOSS. Mr. Speaker, under permission to extend my remarks and include a statement made by Dr. Armand Hammer, president of the United States Distillers of America, Inc., before a subcommittee of the Senate Committee on Agriculture and Forestry, I would like to call the attention of my colleagues to the progress being made in the manufacture of a new alcohol fuel for gasoline motors. Dr. Hammer points out in his statement that if surplus wheat were made available for the manufacture of alcohol, there would be an ample supply for the manufacture of this new fuel. It is now in commercial use in Cuba, and our Department of Agriculture might well devote some attention to the consideration of this proposal. By using a substitute fuel we could build up our oil and gasoline reserves, which are so necessary in our industrial life.

Dr. Hammer, who is an old friend, has a brilliant mind, and I can testify that his statement should be treated with the highest respect. His statement follows:

STATEMENT OF DR. ARMAND HAMMER, PRESIDENT OF THE UNITED DISTILLERS OF AMERICA, INC., BEFORE THE SUBCOMMITTEE OF THE SENATE AGRICULTURE AND FORESTRY COMMITTEE

My company, of which I am president and the principal stockholder, is privately owned and is the largest independent distilling company in this country, owning nine distilleries in the States of New Hampshire, New York, Pennsylvania, Kentucky, Louisiana, Maryland, and Missouri.

The total daily grain mashing capacity of our plants is 47,673 bushels of grain—or a total of 1,240,000 bushels of grain per month. We also distill alcohol from potatoes when same are available and from molasses.

Our company was the first company in this country to distill alcohol from surplus potatoes on a substantial commercial basis. This was in the summer of 1944. Since that time we have used annually millions of bushels of surplus potatoes for making alcohol whenever same were available.

I am appearing here at the kind invitation of Senator GILLETTE. I understand from newspaper dispatches that your Senate subcommittee has begun an investigation to find new uses for surplus farm crops. It has also been brought to my attention that one phase of your investigation will be to determine whether Government alcohol plants can be more fully used in this direction. In this connection I hope that your subcommittee will investigate the possibility of making alcohol out of surplus grain. This alcohol when mixed with gasoline will make an excellent motor fuel. This has been done successfully in Europe and Asia.

I personally investigated this matter in Cuba where I found that when properly made the mixed motor fuel was more efficient that the type of gasoline generally used. I talked to the owners and chemists of the Arechabala Distilling Co., of Cardenas, Cuba. They produce a motor fuel made of a mixture of gasoline and alcohol called Mufoco. This is not in an experimental stage but is actually in commercial use. The cost was higher than gasoline but the company was able to get more for this product because gasoline was rationed in Cuba at that time. They showed me the results of extensive tests which were convincing that this new motor fuel of gasoline and alcohol is more efficient and economical than gasoline alone. Their customers obtained more mileage per gallon from the mixture and had no trouble with carbon in their motors. At one time when the shortage of gasoline was most acute I understand that the Cuban Government made it mandatory that alcohol be mixed with gasoline in the proportion of 20 percent alcohol to 80 percent gasoline. The quality of the alcohol produced by some of the small Cuban distilleries was of an inferior grade and this caused some difficulty at first. However, I was convinced from the experience of the Arechabala company that when properly made there is no difficulty whatsoever in using this mixture. This is especially true in this country where the distillers have excellent equipment and fine types of stills, and are able to produce alcohol of very high quality. This was proved during the war when all the distilleries in the country were making alcohol for Government use in war industries.

The grain-distilling industry can use approximately 200,000,000 bushels of grain a year which could be turned over for making alcohol for motor fuel. This would produce about 500,000,000 wine gallons of alcohol. The total gasoline consumption in this country per year is about 40,000,000,000 gallons. If alcohol were added to gasoline in the ratio of 1¼ percent, a surplus of 200,000,000 bushels of grain could be disposed of in this form. If the grain were delivered to distillers at the support price of $1.25 per bushel the total cost to produce a gallon of alcohol would be about 70 cents a wine gallon. Using this alcohol in the amount of 1¼ percent in gasoline would raise the cost of a gallon of gasoline by about one-half cent. This does not mean that the consumer would necessarily have to pay one-half cent more per gallon since the increase could be offset by a decrease in the Federal tax on gasoline. However, what the Government might lose in taxes would be more than made up by avoiding the losses which are sure to be incurred in the grain support program. If the surplus of grain should prove to be greater the production of alcohol could be stepped up by increasing present plant capacity at an approximate cost of $15 per bushel per day. In other words if the surplus of grain were to be 1,000,000,000 bushels instead of 200,000,000 bushels it would require additional plant capacity of approximately 2,000,000 bushels per day or a total capital outlay of $30,000,000.

Considering all the benefits to be obtained this is a comparatively small item against millions for increased grain storage which does not in itself solve the problem.

Long storage of grain which is under Government loan is not a sound practice economically or technologically. Storage space for grain is now insufficient to handle the production and there is talk of a $200,000,000 subsidy program so that more storage space can be built and the farmers can get Government loans on their grains. If the grain were converted to alcohol the resulting alcohol would occupy only one-quarter of the volume of the original grain, and the storage space for this alcohol already exists. Likewise, it is a matter of common talk that unredeemed grain which has been stored has become infested with weevils or has been consumed by rats, and is in large measure, lost as a useful commodity.

Assurance to the farmer that there is an immediate and continuing outlet for his grain surpluses will lend stability to farm operations and help prevent violent fluctuations between periods of great prosperity and periods of loss.

It seems to me that, with ever dwindling reserves of natural oil, it is folly to use these previous reserves more than we have to. On the other hand farm surpluses such as grain are beginning to pile up and as long as there is a possibility that this surplus may become a burden to our economy some legislation ought to be introduced in Congress to make it mandatory for the use of a certain percentage of alcohol in motor fuel. This would not only solve the problem of the full utilization of Government alcohol plants but would relieve the present grain situation which may upset the economy of this country.

The Thousand-Dollar Car

EXTENSION OF REMARKS
OF
HON. THOMAS H. BURKE
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. BURKE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following talk delivered by James D. Mooney, president and chairman of the board, Willys-Overland Motors, Toledo, Ohio, at the seventh annual luncheon of the Metropolitan Council, Automobile Old Timers, New York City, April 28, 1949:

THE $1,000 CAR

Mr. Chairman, distinguished guests, automobile old timers, ladies and gentlemen, it is a great pleasure to be here today with the men who have played such an important part in the making of modern history. Here of all places there is no need for me to review the tremendous accomplishments of the automobile during the past fifty-odd years. We have seen it alter the face of the Nation. We have witnessed the profound changes it has caused in our economic and social life. And we have seen it raise the standards of living of the American people to new heights.

We who have been a part of the automobile industry from its early days, share many happy memories. Not the least of these is the memory of the day when you could get a good standard-sized car for $1,000 or less. A large segment of the motoring public remembers that day, too. Today's automobile manufacturer is reminded of it constantly by letters which demand to know "When are we going to get that $1,000 car we heard so much about during the war?"

I have the answer to that one. We are going to get the $1,000 car when we get a 5-cent glass of beer again. And when I say a 5-cent glass of beer I don't mean a thimbleful of watery brew. I mean a man-sized glass of real draught beer.

By the same token, when we talk about the $1,000 car we don't mean motor scooters. We mean full-sized standard vehicles required by this country's vast distances and varying road and climatic conditions.

$1,000 CAR POSSIBLE

My thesis is that we can have the $1,000 car in this country again. Nothing would please the automobile manufacturer more than to be able to deliver a full-scale well-styled product of American automotive know-how to your door for less than $1,000.

It is my firm belief that the American people can have a $1,000 car if they want it badly enough. Sitting around and wishing for it isn't enough. If they really want it, they are going to have to do something about the factors that are depriving them of low-priced standard-sized cars.

GREAT TECHNOLOGICAL ADVANCES

Since it's an old timer's special prerogative to look back at the record, let's take a look at the automobile industry's record of the past 20 years. In 1929, after a steady and rapid growth from its early beginnings, the American automobile industry sold more than 4,600,000 cars and trucks in the domestic market. We sold another 750,000 cars and trucks to the export market.

In the 20-year period that has elapsed since that time American industry has made amazing technological advances. We have learned how to make our products better. We have developed greatly, improved productive equipment, and have learned how to operate our plants and machinery far more efficiently.

The production miracles of 1940 to 1945 are testimony enough to the extent of the advance of our technical skills.

Yet, with all this remarkable progress that the automotive industry has made in the past 20 years, one startling fact stands out. The industry has not yet been able to equal its 1929 record of production and sales. Twenty years after reaching that high level of 1929, we are still thinking in terms of a maximum of 5,000,000 cars a year.

THE 10,000,000-CAR YEAR

That limit has not been set by our ability to produce. It hasn't been set by our population growth or our normal increase in standards of living. On the basis of transportation needs and the previous history of automotive development, we should today be thinking in terms of the 10,000,000-car year.

There is a potential market and need for 8,000,000 cars and trucks a year in the United States. There is certainly the need for 2,000,000 more American-made cars and trucks a year for the rest of the world.

Why, then, are we scratching along trying to equal a goal we reached easily 20 years ago instead of striving to meet today's needs?

PLANNERS MOVE IN

To anyone who has kept watch on the course of business affairs for the past few years, the answer is obvious. It is not hard to find the forces which are pressing us into an economy of scarcity, as exemplified by our inability to build the thousand-dollar car or reach for the 10,000,000-car year.

For 20 years commerce and industry have been hobbled with economic experiments and bureaucratic controls.

The free interplay of the basic forces of supply and demand in the market place have been tampered with by all sorts of restraints and inane planning. Management has been denied the right to make the decisions necessary for the proper functioning of its business.

And to complete the confusion, even the monetary system has not escaped the meddlers. We've been subjected to a so-called managed currency that manages to do nothing but keep us in utter darkness concerning the true value of our savings and investments.

THE TAX BITE

As if this weren't enough, we've got to pay for it, too. What is left of our competitive economy is in a fair way to be taxed right out of business. The bite of Federal corporate taxes today amounts to 38 percent before the residual earnings can be made available to the people who put up their savings for the business as a return for their investment and the risks involved.

In addition, the investor is taxed so heavily on his dividends that it is becoming more and more difficult for industry to find the risk capital in needs for healthy growth. This difficulty of obtaining new capital is reflected in the ridiculously low prices of stocks on the New York Stock Exchange.

SHORTAGE OF RISK CAPITAL

When corporations had to go to the market for new security issues, they were able to raise less than one-fifth of their funds through the sale of stocks in 1948. The other four-fifths had to be raised through the sale of bonds.

In other words, corporations in 1948 were able to raise only 19 percent of their outside capital funds out of equity or risk capital compared to the already low 30 percent of 1947.

This is a pretty clear picture of what high tax rates are doing to the business structure of the Nation. The sources of new capital, so necessary for the healthy growth of industry, are being dried up.

Of course, it's rather difficult to get the man in the street concerned about the tax woes of corporations. But let's see what tax rates are doing to the standards of living of all our people.

TAX RATES AND SELLING PRICE

Anyone who is even slightly dry behind the ears in economic matters knows that in the end all taxes must come out of the pocket of the consumer. When the Government slaps a heavy tax on a corporation it is really taxing the man who buys the corporation's product. This is because of the simple economic fact of life that all costs that enter into the manufacture of a product must be covered by its selling price.

The man who buys a car usually knows that he is paying a Federal excise tax of about $90 or more. He knows that he is paying a State or city sales tax that usually runs about 3 percent of the price of the car.

But what he doesn't usually think about is that there are a lot of other taxes he is paying, too. The income and withholding taxes paid by the men who make and sell the vehicle are also a part of the car's selling price. So are the corporation taxes, the property taxes, and all other taxes that are imposed upon the manufacturing and distribution organization. Today's average car in the lower price brackets contains about $450 worth of direct and indirect taxes.

Four hundred and fifty dollars in taxes. Is it any wonder that the world market cannot buy the 10,000,000 cars annually that it needs?

Unrealistic tax rates are seriously cutting back our standards of living. And other unrealistic economic meddling is curtailing industry's ability to produce, prosper, and offer stable employment.

RESULTS OF "PLANNING"

For the past 20-odd years, assorted groups of stargazers and bureaucrats in Washington have attempted to direct the course of this Nation's economic affairs. Their ingenuity in finding ways to spend our money has been truly amazing. They have succeeded in running the public debt to astronomical heights. They have watered our currency and nurtured the philosophy that the way to get more is to work less. They have driven investment capital to cover. And they have completely disrupted the orderly conduct of our day-to-day business.

THE DEPRESSION

Now, nearly everybody in the country seems to know that there's a depression moving in on us. Everybody, that is, except a few of these long-haired bureaucrats in Washington.

What are we going to do about it?

I have spent 50 years of my life in industry and by now have been through several wars, revolutions, panics, depressions, inflations, and recessions. In the meantime, during the past 20 years, the professional managers, the economic group to which I have the honor of belonging, have been pushed aside in the discussions of economic problems by left-wingers and Pied Piper politicians.

In spite of this, I am going to make a few suggestions today for arresting further movement into depression. There are still some things that we can do to give us the $1,000 car and a $5,000 6-room house of decent enough quality for a young American GI and his wife to raise their kids in.

WHAT WE MUST DO

Here are five steps which we can take to get our economy on an even keel again:

1. We've got to quit yammering, yapping, and griping about how badly off we are. This country possesses the best industrial facilities ever known. We are rich in natural resources, skilled workers, and experienced managers. All we need is a little common sense in making full use of these advantages.

2. We must repudiate, once and for all, the philosophy of the hand-out that has grown

up in the past 20 years. Let's think and talk more about what we can give and less about what we want to demand from the other fellow.

HARD WORK NEEDED

3. We must all take off our coats and go to work again. No economy has ever yet been able to survive on a take-all and give-nothing basis. The Romans learned that to their sorrow several centuries ago, and later on, so did the Spanish conquistadores.

During recent years we have seen various pressure groups organize raids on the United States Treasury under the guise of subsidies, stabilization payments, bonuses, or just plain relief. These groups have not been looting conquered races, as did the Romans and Spaniards. They have been looting themselves and all of us. But the result will be the same that befell the earlier looters—political and economic chaos and collapse.

It is certainly high time that we, who have spent years of hard labor to build this great industry of ours, raise our voices in protest to the "gimmie" boys. We know that this country was made great by hard work and honest sweat. And we know that that is the only way it can stay great.

I repeat, it is time that we all take off our coats and go to work again—the guys in blue jeans and the guys in white collars. Cost of goods and services cannot be brought down with a 40-hour week and a short measure of work for high hourly rates. The only way we can build the $1,000 car is with an honest day's work at an honest day's wage.

DEMAND LOWER TAX RATES

4. We must demand lower tax rates. We are not going to get the $1,000 car and $5,000 home with tax rates at their present level. Sure, we have to pay off the public debt. But I am quite convinced that the way to get more money for servicing the debt and paying for essential government services is through lower tax rates.

Every successful merchant is familiar with the technique of lowering the rate of his return to get a higher return in total dollars. The same principle applies to tax rates. At present rates, taxes are killing the goose that lays the golden eggs.

Last year's investment figures tell the story. If industry is to attract the capital necessary for it to grow and perpetuate itself, we've got to lower the tax rates that are discouraging new investment.

And if consumer purchases are to stay at a level that will maintain and improve our standards of living, we've got to lower the tax rates that are inflating the prices of goods.

CONTROLS AND LAWS OF ECONOMICS

5. We've also got to rid our economy of other meddling by the planners. After 20 years of experimentation, we should by now have learned that you can't control the laws of economics by legislation any more than you can legislate away the law of gravity.

We must demand that the Government quit pegging interest rates and generally monkeying around with the credit structure. Let's challenge the Government to release American business, banking, and industry from the bedlam of controls. American business must get out of this snakepit of interference with the daily processes of production, distribution, and the use of money and credit in the production of goods and their flow to the American consumer.

Let's demand that the Government start moving back to the use of gold in our monetary affairs. You just can't have a stable economy built on a paper base of unstable money.

SUMMARY

To sum up, in the past 20 years we have imported a lot of crackpot methods of running our economy. We have seen where these methods have led our neighbors abroad, and we can see pretty clearly where they are leading us.

There is still a way for us to duck the depression that threatens to move in on us and to obtain the things we have come to expect from our American system, as symbolized by the $1,000 car and the $5,000 home.

Let's try that way this time.

It means hard work and honest sweat for all of us. It means chucking out the economic star-gazers and meddling planners. It means sound money and interest rates established in free money markets. It means a reasonable tax structure and common-sense public expenditures.

In short, let's go back to the American way of running our country.

A Churchman Opposes "Do Nothing" Policy on China

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 23, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter sent by Bishop Fred Pierce Corson, of the Methodist Church, to the chairmen of the House Committee on Foreign Affairs and the Senate Committee on Foreign Relations. Bishop Corson has been in China recently and knows how great and how unnecessary is the disaster to which our lack of effective policy of resistance to Communist subjugation is inevitably leading:

THE METHODIST CHURCH,
Philadelphia, Pa., May 9, 1949.

Hon. JOHN KEE,
Chairman, Foreign Affairs Committee,
House of Representatives,
Washington, D. C.

MY DEAR MR. KEE: In view of the statements coming to your committee from certain churchmen, in regard to the Government's present policy toward China, I feel compelled to inform you that there are many Protestant churchmen who have never endorsed the Government's "do nothing" policy in regard to China and who look upon it as one of the major blunders in our foreign policy, a betrayal of the only democratic hope for China, the defalcation upon a debt incurred to the Chinese Government for its splendid resistance to the Japanese at a time when the release of those Japanese troops to fight us would have jeopardized and prolonged the outcome of the war, and the endorsement of the deepest tragedies which could have come to the cause of democracy in Asia.

It has been well known that clever propaganda has slanted much of the news which has come out of China. We have been told that the Chinese Reds were not like the Russians—that they were only concerned in an agrarian movement, that as soon as they took over, corruption would cease and freedom as we know it would be established. Every reliable report coming out of China indicates that none of these claims for the Chinese Reds are true. Step by step they are following the occupation pattern of their colleagues in Europe. They have failed to solve the land problem where they have gained control. Their civil administration has also followed the pattern of the European Reds by being both cruel, inefficient, and corrupt. They have suspended the guaranties of real freedom and liberty and have again followed the European communistic pattern by taking away from the people they rule any right to protest or the assertion of democratic choices.

The church is not concerned with the politics involved. Its chief concern is its witness to the Christian truth about man and God, and the necessity of maintaining it if human freedom is to continue to exist anywhere. An emasculated church subservient in every respect to a godless government which denies to man the right of private judgment and free choice, while it seeks to destroy the Christian ethic, is a travesty which deceives no sincere and intelligent churchman, and its far-reaching implications for all life should be evident to all who are in a position to know what has happened to religious freedom in Communist-controlled countries.

I have recently returned from China. While there I had opportunity to consult with all classes of people. In connection with this tour of duty to China, I spent time in Japan and the Philippines. I know with what deep concern the leaders of Japan and the Philippines looked on the Communist domination of China. What they said is becoming more evident every day, namely, that if the Communists took China, then Japan and the Philippines must rearm at terrific expense to the United States of America and that in the Far East all that would be left to democracy would be the islands.

Never in the whole consideration of help for China has the necessity for sending American troops to China been recommended nor predicted by the ablest and soundest advisers. The Chinese Government still has plenty of manpower. They needed the moral support of their war ally, the United States of America, and when it was withheld our action had the effect of giving support to the Comumnists. While in the Orient I heard many of the top leaders, Nationalists and Americans in China, Japan, and the Philippines, say that less than $500,000,000 given in the right type of supplies, and administered efficiently by our Government, would have insured the stabilization of the Chinese Government in China, maintained the basis of a free constitutional government, which is to be totally abrogated in the peace demands of the Reds and saved the United States billions of dollars in the rearmament of Japan and the Philippines. The Chinese Government had also accepted the principle of supervision by the United States of these needed supplies. All of the United States demands upon China seemed to have been met except the impossible one of coalition with the Communists.

It is not too late to save the Orient from complete Red domination which is bound to happen if the Chinese Communists gain control of all China. Do not underestimate the ability nor the patriotism of Generalissimo Chiang Kai-shek, nor the response of the Chinese people if given any hope or encouragement. A democratic foothold in China can still be maintained.

Also do not blind yourselves by wishful and unrealistic thinking, nor by the testimony of those who seek an alibi for past blunders, nor by a refusal to see clearly the pattern of the Reds developing in China so analogous to the European Communist program, to the ultimate price of Red domination of China.

Trade rights, mining rights, transit and landing rights will favor Russia. Billions for rearming Japan and the Philippines will be required. There will be no more chance of democracy reasserting itself in China than in Russia or the satellite countries of Europe. The Christian church will be denied its opportunity to witness to its Christ and to serve the people in His name. The communistic pressure on India and her neighbors will grow stronger. The discouragement of

groups holding out against communism in the Far East, because of the present do-nothing attitude of the United States, will be inevitable. The reduction of the economic opportunities of the United States upon which our property and the ability of the United States to help the world depend, will weaken world democracy and strengthen world totalitarianism.

The hour is late. Help should be granted the Chinese Government at once. Honor and sound sense should be given precedence over an expediency which if heeded now will prove, as it did in Europe, a costly and tragic compromise.

Yours sincerely.

Missoula Girl Awarded State Honors for Singing

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. MANSFIELD. Mr. Speaker, a very good friend of mine has been signally honored by the Montana State Music Festival. Donna Nooney, though only 15 years old, is an old friend and a real artist. Her parents are to be commended for the interest and responsibility they have shown; the Sacred Heart Academy is to be commended for the fine training she has received; and Donna herself is to be congratulated for the ability and aptitude she has shown.

Donna, we are all proud of you and we expect great things in the future. Good luck and Godspeed.

The articles below are from the Missoulian of Missoula, Mont., and the Western Montana Register.

[From the Daily Missoulian, Missoula, Mont., of May 9, 1949]

HIGH HONOR FOR DONNA NOONEY

A 15-year-old Missoula girl, Donna Nooney of Sacred Heart Academy, was chosen from among about 200 soloist contestants to sing at the public concert which ended the State music festival at Great Falls, it was learned Sunday.

Miss Nooney received a superior A rating, highest awarded, and sang a grand opera selection in French before approximately 4,000 persons in the concluding event of the festival Saturday night. She sang "Ah Je Veux Vivre" from Gounod's Romeo and Juliet.

She is a sophomore student at the academy, Catholic girls' high school, and is a daughter of Mr. and Mrs. William F. Nooney, 326 LaVasseur Street.

Miss Nooney, who also received a superior A rating at the 1948 State music festival, when she was 14 years of age, has been chosen to represent the academy in little theater and declamation events in the Montana interscholastic meet this week.

She placed high in two talent contests sponsored commercially in Missoula recently. Her ambition is to become a star in grand opera.

[From the Western Mountain Register of May 22, 1949]

MISSOULA GIRL AWARDED STATE HONORS FOR SINGING

MISSOULA.—A 15-year-old Missoula girl, Donna Nooney of Sacred Heart Academy, was chosen from among about 200 soloist contestants to sing at the public concert which ended the State music festival at Great Falls.

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Northern Ireland

EXTENSION OF REMARKS
OF
HON. JOHN J. ROONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. ROONEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter from Hon. Sean Noonan, Irish Minister to the United States:

IRISH LEGATION,
Washington, D. C., May 12, 1949.

Hon. JOHN J. ROONEY,
House of Representatives of the United States, Washington, D. C.

MY DEAR MR. ROONEY: I am sure that you will have seen from newspaper reports that the British Government have introduced a bill entitled "Ireland Bill" which, inter alia, "declares and affirms the constitutional position and territorial integrity of Northern Ireland" and provides that "Northern Ireland or any part thereof will in no event cease to be part of the United Kingdom without the consent of the Parliament of Northern Ireland," and inasmuch as Ireland's attitude toward this measure is likely to be played down in dispatches emanating from London, I thought it well to let you know how the Government and people of Ireland regard this utter negation of democratic principles on the part of the British Government.

As Mr. Macbride, Minister for External Affairs, stated in London on Thursday last, the Irish people and government view this new attempt by Britain to legislate concerning a portion of Ireland, as a clear usurpation of the fundamental right of the Irish people to determine their own affairs without outside interferences—which right is the very essence of democratic rule. This action of the British Government in seeking to impose its will regarding the partition of Ireland is comparable with the action of Germany before the war and of Russia since the war in seeking to impose their systems of government in central Europe.

The gratuitous guarantee by the British Government of the territorial integrity of a portion of Ireland can only be taken as an attempt to reinforce the unjust partition of Ireland which was imposed against the will of the overwhelming majority of the Irish people, and to encourage the Belfast Government to persevere in its intransigeance.

The territorial integrity which this bill proposes to guarantee even includes areas in the Six Counties, such as County Tyrone and County Fermanagh, where there is an overwhelming majority in favor of unity with the rest of Ireland, and precludes the population of those areas from exercising their undoubted democratic right to vote for unity.

Apart from its obvious denial of the fundamental democratic right to national self-determination the bill can only be damaging to Anglo-Irish relationship which had improved tremendously in recent years, and is likely to inflame an already highly dangerous situation.

So far as Ireland is concerned there is a real desire to end for all time the age-long struggle which has marred Anglo-Irish relationship and it is therefore, most unfortunate that at this time, when unity among the democratic nations is so imperative, a more constructive approach should not have been adopted by the British Government. Even in the short time since the introduction of the bill there has been a marked deterioration in Irish sentiment toward Britain which is spreading not alone in Ireland, but in other countries having people of Irish descent among their citizens. This is an attitude which is to be deplored, but it is an understandable one in view of the proposed intention of the British Government.

The Irish people are fast coming to believe that the high sounding statements regarding the principles of democracy heard from many sources are but lip service and are not intended to apply to Ireland.

It seems to me that true believers in democracy should take note of a denial of democratic rights—not only when such are denied by Russia—but also when denied by any other nation.

Very sincerely yours,
SEAN NOONAN, *Irish Minister.*

Peace Business

EXTENSION OF REMARKS
OF
HON. CHARLES E. POTTER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. POTTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article, entitled "Peace Business," by Col. Hugh A. Kelly, of Jersey City, who attended the first Peace Conference in London as security officer to then Secretary of State Byrnes. I believe the thoughts set forth in this article should be read by everyone interested in peace.

PEACE BUSINESS

Wars and rumors of war fill the earth. We live in an atmosphere of suspicion and hate. The conflict of ideas, of cultures, of philosophy we see going on in the world, and of which we are a part, leads only in one direction—open, bitter conflict—perhaps a war of annihiliation. Men may cry "Peace, peace," but there is no peace. In our generation there have been more war, more slaughter of the innocents, and more destruction through war than in all recorded history to our time. Three years after V-Day in Europe and Japan, when the world should be at peace and absorbed in the works of peace, conquest, war, famine, and death tower over the defeated peoples of both the eastern and western world, cowering amid the ruins of war's havoc. The Four Horsemen are galloping on, and the children of men are hungry and afraid. No wonder some question our faith in ourselves, our institutions, our capacity for survival,

and our progress. No wonder we ask, "Whence our vaunted civilization and whither are we bound?"

Yes, the world is in a fearful state, but it is not the world, it is the peoples of the world. We have advanced far in material things from the cave and club to the comforts of the American home, but we have failed tragically in our moral, ethical, and spiritual progress. It is these failures that account for the miseries of the world, and it is greater progress in these things that we must seek for. Failure here means almost certain extinction.

Some time ago I stood in the great Redwood forest in California. I felt as though I was in a cathedral. As I looked at those majestic trees, my mind ran back over the centuries of man's struggle toward the light. There was the forest primeval. There the enduring things of earth. Centuries before the white man set foot on this continent the Redwoods were there. When Christ was born in Bethlehem these trees spread their branches in majesty over this valley. The surrounding mountains are timeless. In flying over a large portion of the world I have been impressed with this same feeling. The puny efforts of man have changed the world very little after all. We have made great improvements by digging canals here, tunneling mountains there, connecting great areas by highways and railroads, but comparatively we have done little. It is a sobering thought when we consider the little progress, after all, compared with the ends we might obtain in this business of living together peaceably and unafraid as nations in one world.

Stalin has said in effect that the government which first accomplishes satisfactory feeding, clothing, and housing of people will be the kind of government which will survive. There is more to this observation than mere propaganda. It is close to basic truth. Much of the distress of mankind grows out of too little food, clothing, and shelter. There are 2,000,000,000 people on this planet who seek food, clothing, and shelter. The struggles growing out of this seeking are the basis of rivalry and war. The urge for power springs, perhaps, from these struggles. We in America have found the solution of our problems in these vital elements. Can we not and must we not devote more of our thought and our energies to seeking similar solutions, at least in part, for other peoples, not as an altruistic undertaking but as insurance of our own existence.

In 1917 many of us marched away amid cheers and tears bound on the mighty mission to make the world safe for democracy. We came back, those of us who did come back, with the thought that our problems of enduring peace were settled. As our own boys reached the threshold of manhood we were obliged to join in the cheers and tears as they marched off again to finish the job we had done a generation before. This time we were to establish the four freedoms, ancient as the aspirations of man, but dressed in twentieth-century garb and presented as something new. As a veteran of both these wars, as a father and citizen of this greatest Nation of them all, I am concerned about the endurance of the American way of life, and I am convinced that this depends upon international good will and understanding. In his great speech before the House of Delegates at Richmond, Va., on March 23, 1775, Patrick Henry said, "I have but one lamp by which my feet are guided, and that is the lamp of experience." We have no guide to the future but our experiences of the past. History tells us on every page that these are not sure guides. It tells us too of the tragic consequences of the failure of each succeeding generation to chart and pursue the right course. In retrospect we can see how these disasters could have been avoided. Our literature and State papers are full of such material.

In 1918 the old Tiger of France pled with Woodrow Wilson and Lloyd George to declare that both Governments would defend France if she were attacked by Germany. He predicted if there was no such declaration Germany would again make such an attack. There was no such declaration and there has been a Second World War.

Winston Churchill says in his World Memoirs, "that as early as January 1938, President Roosevelt was deeply anxious at the deterioration of the international situation and proposed to take the initiative by inviting the representatives of certain governments to Washington to discuss the underlying causes of present differences." He adds, "No event could have been more likely to stave off, or even prevent, war than the arrival of the United States in the circle of European hates and fears," and that no one would have been so rash as, "to wave away the proffered hand stretched out across the Atlantic." The meeting was arranged. We lost sight of the lamp.

We cannot undo the things of the past, of course. I am pleading for the future. We shall not always have another chance—not in the next war, perhaps, if it must come. For me, my anxiety is lightened by a great hope. We in America have accomplished so much, I believe that we need not fail if we will only set our hearts and mind to the tasks of peace. The people of America, from all lands and from the common folk of the world, who in 300 years have built this Nation, need not now despair because the way is long and the task difficult. Here we have gathered the hopes and longings of all peoples for home and food and safety, for freedom in thought and action, and from the tyrant's lash, and made them real for the first time in human history. We have lighted and carried aloft the torch of freedom far along the pathway to a better world. It is our task, for there is none other to undertake it, to lead the way so that all the sons of men may hope for the same opportunities that we have secured for ourselves. The Pilgrims' way in which we must do this job is beset by dangers and difficulties greater than those of other days, for we must fight against the evil and selfishness in man and not merely against material and natural foes.

Writing in Harper's magazine for May, Jerome Feiner reminds us that when one dozen eggs can generate enough psittacosis virus to provide an infective dose for every man, woman, and child on earth, and that a thousand times as much can be produced by one saboteur in a small laboratory, the threat to our civilization becomes apparent. The threat is not lightened when our high-ranking Army officers tell us, as they hinted recently, that 10,000,000 people and hundreds of square miles of land can be destroyed overnight by weapons already in hand or in the making. International good will and cooperation are the only weapons against these things. We have hardly begun to forge these weapons, and the outlook for success is dim indeed.

When then must we do? Men and women more brilliant than I have speculated on these problems. They have sensed the basis for peace. They have warned us of the alternatives, but we have not been moved. I am not willing to leave it there. I agree with great numbers of our thinking citizens when I say that the time is here—it is growing late—when something must be done. I propose a new, a strong, and a never-ending crusade for peace and understanding that will eventually encompass all people, and that drive must start in America because there is no other place or nation where it can be nurtured. It will be difficult, but I dare not think that it is impossible. I do not mean by this that we shall strip ourselves of our own defenses and plead in weakness with other nations for good will. I am for a strong America, strong in peace and invincible in power to compel peace when such action is required. I propose that we work for peace in season and out, as we work for victory in time of war.

On the flyleaf of my copy of Speaking Frankly is inscribed, "To Hughie Kelly, who accompanied me on many of the trips in search of peace."

Leaving London in the fall of 1945, our big plane roared down the runway, then through the mist that clung to the English countryside. Suddenly we were above the cloudbank; brilliant sunshine filled the world, but my companion sat slumped beside a window and saw, it seemed nothing in the sunlight. With a hand over his eyelids he seemed burdened with great weariness. As I looked at Secretary Byrnes, I thought again what a difficult, shortsighted thing is this whole business of making peace. We were on our way home after the first meeting of the council of foreign ministers. Failure almost complete was the only obvious result of that meeting, and there was no peace. The same men who had labored shoulder to shoulder to wage a mighty and successful war could find no meeting of minds in the business of peace.

As I had watched the proceedings at that meeting I was impressed again and again with what seemed to me to be unpracticed and ineffective efforts in planning the peace. Peace, not war, is the sublime task, yet these giants in war became dwarfs in the pursuit of peace.

It was with a great hope that we set out for this first meeting. My experiences in two world wars had shown me the futility of fighting for permanent accord and the necessity for evolving a pattern for making peace before the world destroys itself upon the weapons of its own creation. Here was an opportunity, I thought, though my part was to be small. Maybe the awful waste of two terrible wars was not all waste after all. The tragic truth of the failure of this first conference, and the repeated failures of those that have followed, is that we know better how to make war than we know how to make peace. We fought and built the tools with which to fight at the same time, and our accomplishments in both wars have been marvels of history. We lost the peace in World War I and we are doing no better in World War II. We have not built the tools with which to make effective peace. We do not have now the equipment required.

These things and others traveled with us on that fighting plane homeward bound. Our failure was not the blame of our representatives. Secretary Byrnes brought unquestioned ability, unflagging zeal, and complete devotion to the job. Those who have represented us in subsequent meetings have labored with the same devotion, yet we have made no appreciable progress. Indeed, our prospects for real peace in the world grow steadily less. The results of eventual failure are frightening. Yet the man who continues to race toward the precipice does come to the brink and goes over.

I know something of the causes that made peace difficult at our first try, and yet make it so. Suspicion, inability to understand the other person's point of view, and the unceasing drive for food and shelter and security are ever present though unwelcome guests at the peace table where earnest men seek a just and lasting peace. But added to these must be the acknowledged failure of the peacemakers, our failure, too, to see the need for unity in peace as in war, and to prepare in times of peace the way for that unity. It was that lack of a definite policy, that riding-in-all-directions-at-once policy, which emboldened first the Kaiser and then Hitler and Mussolini to plunge the world into war. It is the same lack of forehanded thinking

and planning which weakens our position now and which inspired the New York Herald Tribune to say editorially, April 1, 1947, 2 years after the close of recent hostilities, and at the convening of the second Moscow conference:

It has been suggested here more than once that the United States was going to the Moscow Conference without a considered, concrete and agreed policy on the future of Germany." And to add:

"On the eve of yesterday's meeting of the Big Four to take up directly the economic organization of Germany it was apparent that France, Britain, and Russia would present views mutually irreconcilable and irreconcilable with those of the United States."

Many Americans, I am afraid, missed the shocking significance of these statements, and miss them yet today. Yet the editorial writer expressed a significant truth and a deep warning. Nations whose leaders are convinced that there is no common ground give lip service only to peace while preparing new plans for the war they see as inevitable. We Americans have been brought to see that we must have preparedness to wage a successful war. We have not yet learned, or at least we will not seem to see that preparedness is equally essential in waging a successful peace.

"As early as the middle of September 1944, the President was contemplating a second conference with Stalin and Churchill. * * *

"By this time we had agreed upon our full-out and final assault on the German citadel and yet there were no firm agreements as to what was to be done with Germany once she was defeated. * * *

"On the political side there was no agreement as to reparations against Germany * * * there was no agreement as to zones; nothing as to whether or not we were going to encourage or discourage a central German government or, indeed in what way the Allies were going to utilize German machinery. * * * The earmarks of trouble in Poland were already obvious. * * * Our whole policy toward the Far East needed a thoroughgoing understanding, particularly so far as the Soviet Union was concerned. * * * France wanted to have a full part in world affairs and the decision on this point, if not made at an early date, would cause endless troubles.

"Furthermore, there was the hangover of the Dumbarton Oaks United Nations Conference. The voting procedure had not been settled. * * * I told the President * * * that there was not a chance of getting Stalin out of Russia * * * in the light of the military situation on Germany's eastern front and that if he did not look out we would wind up with a lot of * * * irritating cables back and forth, getting exactly nowhere and that we might as well make up our minds first as last to go to some convenient point in Russia—preferably in the Crimea." (From the Hopkins' papers.)

We have established a Secretary of National Defense, which means of course, a Secretary for war. The end product and purpose of all military training is success in war.

We have established schools for war preparation, armed forces, national guards, and other agencies, and we provide the billions of dollars we consider to be required for success in battle. We have no schools, no established departments, no specific agencies whose purpose for being is success in peace. In our system it is no one's official business to maintain peace.

When Lincoln went to a martyr's tomb his plans for peace went with him. In the place of the amnesty and patience and understanding which he would have certainly contrived, the carpetbaggers and despoilers marched in. The chasm of hate and suspicion between the North and the South has not been bridged to this day. Something of the same nature occurred when President Roosevelt died. His thinking and planning for peace went with him to the grave in Hyde Park. We were obliged to make a new start when new hands took the reins. We had no definite plans or policy.

"We pondered over the effect the President's death might have upon the future peace. We were certain that there would be no interference with the tempo of the war because we already knew something of the great measures afoot in the Pacific to accomplish the smashing of the Japanese. We were of course ignorant of any special or specific arrangements that President Roosevelt had made affecting the later peace. But we were doubtful that there was any other individual in America as experienced as he in the business of dealing with the other Allied political leaders. None of us had known the President very well; I had, through various conferences, seen more of him than the others, but it seemed to us, from the international viewpoint, to be a most critical time to be forced to change national leaders. We went to bed depressed and sad." (From Eisenhower's Crusade in Europe.)

And, we have no definite plans or policy today.

I am sorry that I have to say this. I regret it very much more, however, because it is true. We must find the way to peace. Is it not time that we acknowledge the obvious truths—that it is easier to start a fight than it is to settle the differences that caused it. Is it not time that we learn that the making of peace must be taken out of the sphere of dreamy altruistic idealism and brought down to the same realistic, practical basis upon which we make war? Are we not yet ready to see that we must prepare for the making of peace with the same industry and effort and foresight that we use in bringing about victory?

It must be somebody's business to prepare for peace. Somebody must be trained in the history of peace making, in the negotiations that have been successful in peace undertakings as the centuries have run, and in dealing with all of the scheming, machinations, and indirections that crowd the peace table. Peacemaking is not an amateur's job. It is not to be entrusted to untrained men, however high their purposes or complete their devotion. It is not something to be dealt with on rare occasions by statesmen, however wise, whose thought and energy have been devoted to war and the successful prosecution of war. It is as important to win the peace as it is to win the war.

If these things are true, and I offer you the history of war and peace in their support, then preparedness for peace must take its place in our philosophy of government, in our Government itself, and in the minds and hearts of all our people beside the other great divisions of our national administration.

Peace as a policy must be made as fixed and as well defined as war. Peace as the end of our hopes and actions must dwell in the hearts of our people.

We have never had the courage, or at least the forethought, to write the word "Peace" in our governmental hierarchy. We had a Secretary of War, and now of defense. Why not a Secretary of Peace? General Marshall says that the United Nations was designed to keep the peace, but is it not clear that peace must be made before it can be kept? Surely, we of this country and Russia would not be as far apart if we had had a Secretary of Peace. We would have had, in that case, a policy toward peace, a formula for seeking it. That policy and the plans made thereunder would have run beyond the lives of men and administrations. I am confident that under such a policy for peace the conferences in London, and Moscow, and New York, and now in Paris, would have produced results looking toward peace instead of disclosing merely new reasons why peace is impossible.

I was an observer in the London, Moscow, and New York conferences, and what I saw and heard convinces me that failure would not have been inevitable had we been prepared. I insist that there is a place in our Government for a peace portfolio, under whatever name it may be called. I insist too that this is not an unworkable vision of a confused mind, but that it is a practical, possible, and necessary agency.

Anyone who had opportunity to observe the efforts of the allied governments to bring order out of destruction immediately following the fighting war, as I have, will know what I am talking about. It is more difficult to train men to operate in the field of peace than it is in the field of war.

I take nothing from our military authorities. I have the greatest devotion to and respect for our military forces and our military leaders, but these men trained in the arts of war are not skilled in handling the implements of peace. If we had had a Secretary of Peace with adequate personnel trained for the task of restoration and administration, this group would have been sent as civil administrators instead of our military governors. I believe that the results would have been widely different, and would have contributed mightily to peaceful settlement.

"First, I urged that civilian authority take over military government of our portion of Germany at the earliest possible date. I pointed out to the President and the Secretary that, while the Army would obviously have to stay in control until order was assured, the government of individuals in their normal daily lives was not a part of military responsibility.

"When I returned to the United States in late 1945 as Chief of Staff of the Army, I continued to urge the wisdom of this move upon Secretary Byrnes, but learned that he had undergone a change of heart. Though always agreed in principle, he would not agree to implement the idea because of the administrative and financial burdens that would thus be placed upon the State Department." (From Eisenhower's Crusade in Europe.)

I recognize that these suggestions, were they accepted now, could not apply to our present situation. We must finish the job now before us with the tools which we have at hand, and with courage, conviction, and good will. We cannot and must not fail. But I am thinking of the years ahead. I am unwilling to risk the same dangers which we now face at the end of another war. The burden of my plea is that we waste no time in providing forces skilled in peace, as we are providing and must provide forces strong and unconquerable in war.

History has been taught to the beat of the drum and the sound of marching feet. We must add something more to that, because history is made in the field, in the factory, in the home, and in the quiet places as surely as it is made in the military maneuvers and on the field of battle. The children must be taught that the peacemakers follow the war makers; that war comes in the trail of peacemakers who have failed, and that peace is as honorable and essential as war.

We owe this obligation and this effort to minimize, if not abolish war, and to raise the standard of peace to all our heroes who fought to make our country safe—those who died at Valley Forge, at Gettysburg, in Flanders Field, at Bastogne, Corregidor, and Okinawa. We owe this obligation and this responsibility to the generations of Americans yet unborn, and to all the peoples of the earth who long for release from the tyrant's heel.

It is my hope, my unending prayer, that God may grant to us in this generation the

determination and the common sense to dedicate our lives, our fortunes, and our sacred honor to wage successful peace, as we waged successful war, against all the foes of God and humanity.

I plead for preparation for war if it must come again, and it will sometime. I plead also with equal earnestness for preparation for peace. I believe that we must be prepared to make peace our business, when the fighting is ended, that we must recognize this officially and that this can be done most effectively through a Secretary for Peace. We shall always honor our heroes whose deeds inspire us to love our country and protect it in times of peril. We will honor them best if we recognize that after war comes peace. We should now strive for peace with all our might All honor to our warriors, but make no mistake about my own position in this matter. My own training and experience is in our military and not in our diplomatic forces. I urge preparedness for any emergency. I know all too well that strength at the peace table is the only argument that will now prevail. But I am thinking beyond today, I am thinking of tomorrow and the long future. "Blessed are the peacemakers for they shall inherit the earth."

David Dubinsky Honored for Distinguished Service

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. MANSFIELD. Mr. Speaker, under unanimous consent, I am inserting in the RECORD an article from the American Federation of Labor Weekly News Service. Mr. Dubinsky has had a long and honored career in the labor movement and has been a recognized leader in that field. This added recognition is not only timely but is a real tribute to a man who has contributed so much to the welfare of the working men and women of this country.

David Dubinsky has always been an implacable foe of racial and religious discrimination, racketeering, totalitarianism, and all other undemocratic practices and theories. Because of all these factors he has been honored by his colleagues. He is indeed a great and good American.

DAVID DUBINSKY HONORED FOR DISTINGUISHED SERVICE

(By Arnold Beichman)

NEW YORK.—The 20 years of David Dubinsky as an executive officer of the International Ladies' Garment Workers' Union was celebrated here by his friends, associates in the labor movement, distinguished public servants, and liberal spokesmen.

It was an occasion which not only was a personal triumph for President Dubinsky, but also during which speaker after speaker stressed the need for democratic planning in order to achieve security with freedom and thereby halt the march of Communist totalitarianism.

The climatic moment of the celebration came with the presentation of a scroll by President William Green to the ILG executive. Before presenting the scroll, President Green said:

"I am now participating in one of the most pleasant experiences in all my life. I am moved deeply by the significance of this wonderful occasion." And then President Green read the scroll's citation, prepared by the League for Industrial Democracy, which sponsored the celebration:

"During the last 20 years you have served as secretary-treasurer and for most of that period, president of the ILGWU. You have given the union the best of your great ability, rare common sense, constructive imagination, and unflinching devotion.

"Under the inspiration of your leadership, and with the cooperation of its host of loyal officers and members, the ILGWU has become one of the Nation's most powerful and socially visioned labor unions in the country. It has raised to a remarkable degree the living standards of its members. It has helped to bring increasing order and efficiency into the industry. It has developed a sound and constructive machinery for the settlement of disputes. It has been the implacable foe of racketeering, racial and religious discrimination, and totalitarianism of every type.

"While playing a monumental part in the above achievements of your union, you have contributed much outside the union to countless causes for the public good."

A major tribute was paid by President Harry S. Truman, who, in a letter to Prof. John Dewey, distinguished philosopher and honorary head of the League for Industrial Democracy, declared that in "honoring Mr. David Dubinsky * * * I feel that you do more than felicitate one man. David Dubinsky is a man of vision, integrity, and courage. I feel that he, too, will value the testimonial to him as recognition of the valiant work of many thousands of workingmen and women of this country who, while seeking to advance their mutual interests, have served the democratic well-being of their country. His career is a living witness of the forward progress of collective bargaining through a score of years."

Speeches by Premier T. C. Douglas of Saskatchewan, Canada, Gordon R. Clapp, head of the Tennessee Valley Authority, and Francis Williams, British journalist, on the theme of Democratic Planning for Security With Freedom, were followed by the day's major address by President Dubinsky, who called for the reinstitution of a "quarantine the aggressor" policy against the Soviet Union as once it was suggested by President Roosevelt against Nazi Germany.

"Communism, like fascism, is a fatal disease," said Mr. Dubinsky. "But it is also, like fascism, a highly contagious disease. It is injected into other states by spies and saboteurs. Its germs are carried by dozens of organizations with sweet-sounding titles. It strikes with the quiet of slander or with the thunder of the Red Army. Because this totalitarian regime, like all others, insists upon infecting all the world with its peculiar sickness, communism is not a Russian problem; it is a world problem.

"To maintain our health and freedom, we must put communism in quarantine. And that means more than just placing geographic limits on the expansion of Russia's empire. We must deny the Communists in our midst the cloak of respectability and the stamp of approval. We must take positive steps to defend and to strengthen democracy. We must give democracy economic strength. That is the meaning of the ECA. We must give democracy spiritual strength. That is the meaning of our aid, financial and moral, to the free trade-unions of Europe; and that is why we must permit the free growth of democratic socialism where the people of Europe so desire.

"We must give democracy material and military strength to defend itself against a Soviet offensive or to discourage such an offensive from ever being undertaken. And that is the meaning of the Atlantic Pact. Finally, we must strengthen world democracy by setting a worthy example. We must get rid of our own black sheep. And that's why we must repeal the Taft-Hartley law. We must end degradation and discrimination. We must provide means to educate all our youth, to care for all our sick, to give work to all who want to labor."

Spain—Inconsistent Mr. Acheson and a State Department Policy That Lacks Sense

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 12, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, on May 11, 1949, at a called press conference, the Secretary of State made an attempt to clarify State Department policy toward Spain. His verbatim remarks were inserted in the Appendix of the CONGRESSIONAL RECORD, page A3010. The United Nations Assembly recently rejected Spain's application for membership and our delegates abstained from voting by direction of Mr. Acheson as Secretary of State.

I hold no brief, Mr. Speaker, for the Spanish Government, but I am surprised at the argument that was made by the Secretary in support of his position. If consistently followed, many countries in Europe and South America would not be recognized by this Government.

Now what was Mr. Acheson's argument? He said:

First:

The Franco Government was one which was established with the active support of Hitler and Mussolini, and that is a Fascist government and a dictatorship.

Second:

The first on the list of essentials for individual liberty is the writ of habeas corpus and an independent judiciary.

Third:

A second fundamental right is that if you are tried and convicted of a crime, you are not tried by employees of the State but by your own fellow citizens. That is the right of trial by jury.

Fourth:

Then there is the question of religious liberty, which is fundamental to a free exercise of the human personality. That right does not exist in Spain.

Fifth:

Then there is the right of association—association in political activities, association in trade-union activities, association in benevolent activities. That right does not exist in Spain.

There, Mr. Speaker, is the list of objections made by the Secretary of State against the admission of Spain to membership in the United Nations and our recognition of the Franco government.

Now let us assume that all the charges made by Mr. Acheson are true. Is it fair

or consistent to charge that Spain is the only nation that is guilty of the charge of fascism or dictatorship? What about Russia, Poland, Portugal, Yugoslavia, and other European countries behind the iron curtain? What about the military dictatorship in Venezuela, Peru, and Argentina? Do any of these countries honor or provide for a writ of habeas corpus under a free and independent judiciary? Do any of them have a free trial by a jury system such as our own? In these nations is there the right of free organization by groups of people for any purpose mentioned by the Secretary of State? Is there religious freedom in these countries, as we know it? The answer is, emphatically, "No," and Mr. Acheson is aware of it.

Yet, Mr. Speaker, we are doing business with all the countries I have named. Less than a year ago we recognized a military regime in Peru which overthrew an elected government and then dissolved the parliament. It did not take many days to give our blessings to those who got power by force. In Venezuela also, the regular government was forced to abdicate by a military clique. We recognized it in a hurry, too.

And now, Mr. Speaker, let us get a little closer to Spain and take a look at Portugal, that sister state in the Iberian Peninsula.

Olive Holmes, writing in Foreign Policy Reports, May 1, 1949, makes this significant statement about Spain and Portugal:

> That strategic neck of land is ruled by the last two formally organized Fascist regimes.

Continuing she states:

> The intensification of the cold war coincided with the economic crisis in Spain and emboldened the Franco regime to demand American aid. In the same period, Portugal, being in the greater good graces of the Western Powers, asked for financial help under the European recovery program.

And she got what she wanted and is the recipient of American dollars.

But what kind of a government does Portugal have? Olive Holmes, in the article referred to, says, and I quote:

> In order to have a government which really functions in the national interest, according to Salazar, it has been necessary, in practice, to limit civil liberties, although these are theoretically guaranteed by the constitution.
>
> Censorship is exercised with considerable rigidity by the Ministry of the Interior. It also administers the regular police force and the secret police which some believe is linked up with the Spanish security police. Arrests without specific charges are authorized when offenses against the safety of the State are in question. Without due process of law, imprisonment, sentence and deportation to concentration camps in the colonies for revolutionary activities are visited upon members of the clandestine opposition.

Mr. Speaker, Olive Holmes has made the indictment of Portugal and obviously there is little difference between that country and Spain. Yet the inconsistency of Secretary Acheson's statement is very apparent. Why this double standard and hokum?

Last week when the Secretary appeared before a Senate committee preceding his departure for the conference in Paris, he is reported to have stressed the importance of steadiness and consistency in American foreign policy, unswayed by Russian maneuvers.

Mr. Speaker, I do not speak in a manner antagonistic toward the Secretary, but the time has come when there must be consistency in our foreign policy. There has been a total lack of it for the past 10 years. Mr. Acheson's statement about Spain does not sound like steadiness and consistency in our policy.

We have talked loud about containing communism. Then we look at the situation in China where we have suffered the most devastating diplomatic defeat in all our history. The Secretary of State has said we will let the dust settle there for a while. And in the next breath admits that if a Communist government brings order out of chaos in China, that we might do business with it. What a record of discordant diplomacy: Tehran, Yalta, and Potsdam.

Labor Extension Service

EXTENSION OF REMARKS
OF
HON. CLEMENT J. ZABLOCKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. ZABLOCKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to including the following resolution, adopted by the Wisconsin State Industrial Union Council, relevant to the Labor Extension Service legislation as embodied in the Senate bill 110, and its House companion measure, H. R. 1339, introduced by the Honorable ANDREW J. BIEMILLER, Representative from Wisconsin.

Inasmuch as there is a need for, and lack of, public facilities for labor education, I sincerely urge this Congress to heed the resolution and give prompt consideration to legislation necessary to make possible the educational services.

RESOLUTION ON LABOR EXTENSION SERVICE

Whereas the United States Congress enacted the Morrill Act on July 2, 1862, donating public lands to the several States and Territories to provide colleges for the benefit of those engaged in agriculture and mechanical arts; and

Whereas American workers suffer a gross inequity due to the almost total lack of public facilities for labor education, while American farmers have long enjoyed millions of dollars' worth of educational benefits through the Federal Agricultural Extension Service, and business and management representatives receive training and services through publicly supported universities and other institutions; and

Whereas a labor extension service bill has now been introduced in both Houses of Congress making specific provisions for research, information, and educational services for workers through our universities, colleges, and research agencies: Now, therefore, be it

Resolved, That this organization support the immediate establishment of a labor extension service, to be administered by the Department of Labor to provide research, information, and education services to organized workers throughout the Nation.

New Farm Plan

EXTENSION OF REMARKS
OF
HON. JAMES G. POLK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. POLK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and editorial:

BREEDER'S GAZETTE,
Stockyards, Louisville, Ky., May 11, 1949.
Hon. JAMES G. POLK,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: Not all livestock men, not all farm leaders, and not all farm paper editors are against the Brannan plan.

I would be gratified if you would read the enclosed editorial from the May issue of Breeder's Gazette which goes into 210,000 of the best farm homes in America.

Your friend,

SAMUEL R. GUARD.

SAM GUARD'S ROUNDUP

NEW FARM PLAN

What would you say if you had a new Federal law that would support the price you will receive for beef cattle, whole milk, hogs, lambs, eggs, and farm chickens, as well as corn, wheat, cotton, and tobacco? The support prices in 1950 would be based on the purchasing power of your cash receipts from 1939 through 1948, and then each year the base would move along to the first 10 years of the last 12. If you and your family do the bulk of the work on your modern, mechanized, efficiently operated farm, with some hired labor of course, during peak periods, you could produce up to 1,800 units and be eligible to get your production payments whenever the market sagged below the income standard floor.

THREE HUNDRED AND TWENTY ACRES, MORE OR LESS

Now a unit is reckoned as 10 bushels of corn, 76 pounds of hogs, 86 pounds of beef cattle, 346 pounds of whole milk, 21.82 pounds of butterfat, 79 pounds of lambs, 29.32 pounds of wool, 31.88 dozen eggs, 50.34 pounds of chickens. Or 17.7 bushels of oats, 7.77 bushels of wheat, 5.75 bushels of soybeans. If you want to figure out a balanced livestock farm, you can think in terms of a place capable of producing 18,000 bushels of corn, or keeping 75 good milk cows, saying that is all you did. It happens to be just about the typical Breeder's Gazette farm.

FAMILY-FARM BASE

This is the essence of the administration's mighty new farm plan. It would, in our opinion, put the emphasis where it belongs—on the production of livestock instead of cereals, on animal agriculture instead of agronomic soil mining. It would put the ever-normal granary on four feet, as we have long advocated. It would stabilize farm prices and give you about what your stuff is really worth. It would tremendously stimulate consumption—3 percent milk, at 15 cents a quart retail. It would let all Americans be on a diet of meat and milk rather than rice and soybean souffle. It would conserve the soil, improve our national herd, make farm life very much worth living, and it would help stabilize the economy, prevent depression, build markets for industrial goods, keep labor highly employed, and make our Nation secure in peace or war as to food to eat and clothes to wear. Or so we honestly believe.

WHAT BRANNAN SAID

Now I want to quote some things that I think Secretary Brannan meant specially for you in his historic statement: "It should be clearly understood that the support price standard is not a ceiling. * * * When it is necessary to apply support to any of these nonstorable commodities I recommend that we rely mainly upon production payments. The term means exactly what it says—a payment to the farmer to go on producing to meet genuine consumer need rather than restricting output short of that need. Under this system, the farmer would be paid in cash the difference between the support standard for commodities which he produced and the average selling price for those commodities in the market place. * * * Farmers consider themselves to be partners with each other and with other people in operating a program for the benefit of all. I believe they expect to and should accept responsibility. I do not believe that full benefits, if any, should be extended to producers who operate without regard to the welfare of the general public or of their fellow farmers."

WE VOTE "AYE"—AND YOU?

We endorse the Truman-Brannan farm plan wholeheartedly. How could any sincere livestock farmer do otherwise? Not that it is perfect. Not that it will not be hard to swallow some of the controls, quotas, and directives from Washington. But those items of regimentation we accepted with the first benefit checks on the United States Treasury. It seems now better to accept some discipline with progress than to be entirely free to reject all sulfur and molasses and stay young and wormy. More practically, the livestock producer will wonder: Why support the price of corn at all? Wouldn't it be better to support the price of feed grain after it is converted into meat and milk?

Petition for Redress of Grievances

EXTENSION OF REMARKS
OF
HON. JOHN E. RANKIN
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. RANKIN. Mr. Speaker, never in the history of America has there been so much insidious subversive propaganda as is now being disseminated in a hundred different ways, from school textbooks down to crossword puzzles, to poison the minds of the youth of America.

One of the most patriotic organizations in this country, the Sons of the American Revolution, is making a drive against the circulation of these subversive materials.

Under permission granted me to extend my remarks in the RECORD, I am inserting a petition adopted by the Sons of the American Revolution at their national convention at Jacksonville, Fla., and ratified by the board of directors and executive committee of the Sons of the American Revolution of the State of Mississippi.

The matter referred to follows:

PETITION FOR REDRESS OF GRIEVANCES

To the Senate and House of Representatives of the Congress of the United States:

We hereby petition for an independent and impartial investigation of the interstate traffic in subversive textbooks and teaching materials as requested in the petitions now on file presented by the national society and the California society of the Sons of the American Revolution, and we do hereby join in and make ourselves a party to those proceedings.

We request the Congress to grant us all relief possible in this matter by determining the facts and giving them to the people with appropriate recommendations.

Dated this 20th day of May 1949, in the city of Greenwood, State of Mississippi.

MISSISSIPPI SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION,
By H. T. KITCHELL, *President.*
W. GUY HUMPHREY, *Secretary.*

National Maritime Day

EXTENSION OF REMARKS
OF
HON. SCHUYLER OTIS BLAND
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. BLAND. Mr. Speaker, on May 22, 1949, the American merchant marine had a birthday. One hundred and thirty years ago, in 1819, America staked its rightful claim as a leader on the seas when the *Savannah* started on its history-making voyage as the first ship to use steam to cross the Atlantic.

By Presidential proclamation, based on congressional resolution, May 22 honors that date as National Maritime Day to pay tribute to the contributions the American merchant marine has made in both peace and war.

In these 130 years the American merchant marine has enjoyed success, decline, and uncertainty. The 1850's witnessed the golden age of the American clipper ship, with the stars and stripes flying in every major world port. American ships then carried nearly all the Nation's foreign trade. By World War I, however, the American merchant marine had almost disappeared from the high seas and foreign ships were carrying about 90 percent of the Nation's foreign trade.

In 1936 the Congress of the United States enacted a fundamental law, the Merchant Marine Act, which has since been hailed as the Magna Carta of the American merchant marine. By means of this act, American shipping has constantly grown and expanded.

Today's merchant fleet, despite serious shortcomings, is more modern, efficient, and speedy than ever before. It provides unexcelled services to American industry and agriculture. Since the end of World War II private capital has invested nearly $1,000,000,000 in ships and maritime facilities. American steamship companies have contracted for or are building at present six large passenger liners and a number of tanker vessels.

As important as these facts are, the American merchant marine still has grave deficiencies. There is an urgent need for passenger ships to provide adequate facilities for both travel and national security. According to testimony by the armed forces, we have today only one-half the troop-lift capacity necessary to meet a major emergency.

Before World War II our coastwise and intercoastal services employed more than 400 privately owned dry cargo ships. Today less than 100 such vessels are engaged in these trades. These are the vessels that ply our home waters which can be pressed into immediate service in event of emergency.

To help overcome these and other detrimental factors, the House Merchant Marine and Fisheries Committee has before it now a long-range program designed largely to bring up-to-date the 1936 Merchant Marine Act, necessitated by the changes which have occurred in shipping during the last 13 years. This program is one designed to create a healthy atmosphere for the development on an American merchant marine adequate to meet this Nation's responsibilities as a world leader. I am hopeful that when our committee has concluded hearings on this important program the legislation we recommend will have the support of the Congress.

Since the beginning of our history Presidents, Congresses, and our most important military leaders have stressed the essentiality of keeping the United States strong on the high seas. Fortunately, today, all segments of the Nation's maritime industry are aware of and are working toward that objective. Congress itself in the legislation it has enacted during the last few years has shown its understanding of the need of an American merchant marine adequate for trade, travel, and defense. On this forthcoming observance of National Maritime Day, we should rededicate ourselves to keeping America strong upon the seas.

There is imperative need that those of our people who live at a distance from our coast lines and waterways shall study and know the importance of the American merchant marine and do all that is in their power to preserve and promote it. They can be of immense help.

The New York Times had an editorial in its Sunday, May 22, issue, entitled "Maritime Day." It is so sound, comprehensive, and complete that I wish every one would read it. There would be a better approach to the solution of our problems which means more than I can say to the permanence, prosperity, and safety of our country. Emphasis is usually made upon its importance for our national defense. All that is said is true, but its importance to trade promotion and leadership is not generally recognized as much as it should be. The interior of our country must recognize that the merchant marine is as necessary to their welfare as it is to our national security.

I insert at this point the editorial which appeared in the New York Times:

MARITIME DAY

This is the week when the Nation looks at its merchant marine. Today is National Maritime Day. It offers a good occasion to remind ourselves that in years of peace as well as in emergency periods we need a strong merchant fleet to carry our goods, to maintain high standards of shipper services and in the larger sense to symbolize, in the farthest reaches where the sea lanes lead, the ideals of free exchange in which we ardently believe. That reminder carries the ever-present implication that the emergency and the peaceful needs are inextricably bound together. We have to be ready; we cannot

create the skills for an emergency unless we have sustained them up to the point of crisis.

Despite the several studies that have been devoted to the merchant marine since the war, the definitive survey of its role remains to be achieved. We have a particular place in the world maritime picture. We built the greatest merchant fleet in history in the course of the war years. That fleet is now dwindling under the erosions of those familiar elements; supply and demand. Yet we cannot permit supply and demand to be the only determiners. Shipping is not exclusively a business in the usual sense but an instrument of national policy. The majority of American-flag lines cannot compete without substantial Government aid, and postwar cost increases have emphasized that need.

Contrary to popular misapprehensions on the subject the shipping subsidy is not heavy. The initiative and courage of the operators have contributed tremendously to this country's development; they have plumbed and created new markets; they have developed the highest skill in the handling of vessels and cargoes, a skill that paid dividends in the war. To them and to the ships and seamen the Nation this week accords a deserved "well done."

Safety in Coal Mines

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Daily News of May 23, 1949:

TO SAVE MINERS' LIVES

For the fourth time in 6 years Congress is studying proposal to give the Federal Bureau of Mines more authority to promote coal-mining safety.

This time, Congress should do more than study. It should act.

The bill now under consideration was introduced by Senator M. M. NEELY, of West Virginia, and Representative MELVIN PRICE, of Illinois, and the United Mine Workers—John L. Lewis' union—is urging its passage.

Present law gives Bureau of Mines inspectors authority to go into coal mines and, when they find dangerous conditions, to recommend safety measures. But it gives them no power to close unsafe mines or enforce their recommendations. Enforcement is left up to the States. And in too many instances—notably the 1947 Centralia, Ill., blast, which killed 111 miners—State enforcement has proved deplorably lax.

The Neely-Price bill would authorize Federal inspectors to order immediate withdrawal of all miners from mine areas in which they find "imminent danger." Mine operators or managers could be penalized for refusal to obey such orders.

This proposal would not increase Government costs, since the Bureau of Mines inspectors already are on the job. The fact that they are on the job gives them a responsibility for mine safety—a responsibility which, under the present law, they are handicapped in discharging because their recommendations can be ignored with impunity.

The Neely-Price bill would do much to correct this condition. Congress should enact it.

Press Takes Dim View of Newsmen in State Jobs

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Washington Sunday Star of May 22, 1949:

PRESS TAKES DIM VIEW OF NEWSMEN IN STATE JOBS—ILLINOIS EXPOSÉ OF 51 CARRIED ON PAY ROLL STARTS ROUND OF CENSURE REGARDLESS OF ETHICAL DEFENSES

CHICAGO, May 21.—A series of newspaper reports that some Illinois newspapermen have been on the State's pay roll has stirred up widespread interest, criticism, and controversy.

The pay-roll stories were first carried April 14 by the St. Louis Post-Dispatch and the Chicago Daily News. They have been printed by many newspapers across the Nation.

The stories were written by Roy Harris, of the Post-Dispatch, and George Thiem, of the Daily News.

They reported that 51 editors, executives, or other employees of 14 daily and 33 weekly newspapers received State pay checks totaling nearly $480,000 between 1943 and 1949, while they were directly or indirectly associated with their newspapers. (There are 90 daily and 687 weekly newspapers in Illinois.)

Some newspapers editorially have called the "revelations" a disgrace to journalism and a newspaper "family scandal." Some comments criticized newspapers and news services which failed to carry the reports or delayed carrying them.

On the other hand, comments from State officials and newspapermen involved stated that there was nothing disgraceful, that the newsmen earned their State salaries and had no apologies to make, or that the reports were distorted.

ALLEGES POLITICS

Dwight H. Green, the Republican ex-Governor whose 1940–48 administration hired the newsmen, called the reports politically inspired. He lost to Democrat Adlai E. Stevenson last November 3 in his bid for reelection, after a campaign in which the Post-Dispatch and the Daily News editorially opposed him.

While some newspapers differed editorially on whether earning of the State salaries was pertinent, many deplored the two-job practice by some newsmen as a serious breach of professional ethics and as damaging to the integrity of newspapers and of journalism as a whole.

Editor and Publisher, newspaper trade magazine, said the reports are "a stink as unhealthy and corrupt as any that has ever soiled the reputation of American journalism." It added:

"No man can serve two masters."

Some of the newsmen held major State jobs, put in full time, or were generally known to the Illinois public as having newspaper affiliations. Some of those named said they were no longer with newspapers.

Some were listed on the pay roll as clerks, messengers, or investigators. Some worked part time, and some were not generally known to be State employees. All contended they earned the State salary they got.

Most of the newsmen named still are working for their newspapers. Three on one paper have resigned. They were the executive editor, the sports editor, and the advertising manager of the Danville (Ill.) Commercial News.

Most of those named in the reports no longer work for the State.

Mr. Green denied that any of them were hired to further his political interests. He referred to the various editorial charges and to the Post-Dispatch and Daily News stories that many newsmen rode "the gravy train" and printed editorials and news stories "from the Green publicity mill * * * to keep the Green machine oiled."

Mr. Green said: "The charges are untrue and unfair to Illinois newspapermen. They earned their money. They were not paid to write canned editorials in favor of my administration. They were paid to perform certain jobs. I am proud of what they did."

Some newspaper editorial comments declared that whether the newsmen earned their State salaries was beside the point.

But the Daily News said editorially: "To us it seems to make a great deal of difference. Moreover, it seems to us that one ethical factor in the situation is whether the employment was open and public, as in the case of several well-known officials, while it was going on."

RANGE IN PAYMENTS

The reported pay-roll payments for the varying periods ranged from $50.50 to $21,399, exclusive of a $41,281 total reported paid to one State worker who said his only connection with a newspaper was as a minority stockholder and as an uncle of the publisher.

Some of the newspapermen were reported to have State jobs classified as field investigators for a State department, such as highways, revenue, labor, or public safety.

Some said they did various kinds of writing or reporting in the State work. Some said they did messenger or clerical or public relations work. One said he worked five and one-half days a week in a State oil laboratory while his son put out the paper.

Several editors or publishers of weeklies held major jobs. Their State appointments were well-known and publicized within the State from the time they entered service.

Among these were the director of the State department of agriculture, the superintendent of printing, and the superintendent of multigraphing. The fact that the sports editor of a large down-State daily was a salaried member of the State athletic commission also had been officially announced and reported.

The Republican State auditor, who supervises the pay roll records and who recently retired, told a reporter he saw nothing unusual in the practice of having newspapermen on the State pay roll.

The ex-auditor, Arthur C. Lueder, said: "It is my personal opinion that the practice of hiring newspapermen to work for the State always has been done, although I never was in office under any other governor."

Several members of the legislature, which has not taken formal cognizance of the reports, also said the practice was not uncommon under previous administrations.

Mr. Lueder was asked why some newsmen were listed as highway messenger clerks on the pay-roll records under his supervision, although some said they did other types of work.

He said the practice is similar to one "in the post office, for instance. Lots of times there were no openings in one classification, under which they were hired, so they were put in another department." He added:

"The work didn't correspond to the title, therefore. But it made no difference as long as they did the work for which they were assigned."

The State's attorney general and chief law-enforcement officer, Ivan Elliott, a Democrat who took office in January, said after the

reports were published that he had "the matter under consideration." He added:

"I am making a study of the list, but no one has approached me to do anything about specific cases." Later, on May 13, he said:

"I still have the matter under consideration. If the time comes when I am convinced I should take some action, I will act."

The Post-Dispatch and Daily News reports of April 14 were carried by the Associated Press on its national news wires on April 27, after newspapers outside Illinois asked the Associated Press for the story. Later stories, including one which named three Albany newspapermen as being on the New York State pay roll, were also carried by the Associated Press. In all cases, the reports included comment from the newspapermen who were named.

The United Press said the first story it carried was the announcement of the resignation of the Danville men by Gannett newspaper headquarters in Rochester, May 10.

The International News Service said it had made no exhaustive check of its files, but one of its responsible editors said the first story he could recall was also the Rochester announcement, May 10.

CRITICISM IN EDITORIALS

The delay in transmission of the reports by the wire services, and the further delay or failure by some newspapers to publish the reports after they were received, resulted in criticism.

The Washington Post said that "at best this looks like crass indifference to a particularly juicy bit of news; at worst it looks like a cover-up of scandal within the family."

The Post-Dispatch said that with the blow caused by this Washington Post editorial "the conspiracy of silence cracked wide open." It added: "This is a shameful chapter in American journalism, and the failure of the press nationally to take it up is a second blot."

The Daily News said: "We deplore the initial hesitation of the major news service to put the story of the editorial pay-rollers on the wire. We deplore the failure of some papers to print the story when the news services belatedly did get around to it." The Daily News has its own wire service to other United States newspapers and it carried the pay-roll story for the first time on May 21.

The Evening Star said editorially that "whether planned or not [referring to the absence of immediate publicity] the performance was one for the press to be ashamed of." The Star continued, in reference to the practice of newspapermen holding State jobs, that "it is a practice * * * that ought to be stamped out wherever it exists, and the newspaper ought to take the lead in seeing to it that the practice is exposed and eradicated."

The California Newspaper Publishers' Association said in a resolution that "neither the majority of the newspapers nor the major wire services in the area gave adequate coverage to the incidents following the disclosure" and that the association "condemns the withholding of such information from the public."

PREELECTION STORY

The Milwaukee Journal said in a May 1 news story: "One reason the people of Illinois have been so little aroused by the stench is that most of them haven't even heard about it. Whether it's a case of glass houses or sour grapes, or something else, the press of the State has been strangely slow and indifferent about telling its people just what has been going on."

Aside from the Daily News, none of the major Chicago dailies carried the pay-roll stories about the newsmen. The Sun-Times mentioned the case in an editorial commenting on the State budget.

The Post-Dispatch carried a story last fall, a few days before the election, saying that the managing editor and a reporter on one Springfield daily were on the State pay roll as clerks. Harris said he dropped the matter then because of the press of other stories.

Months later, one of his Springfield news sources, whom he did not identify for publication, asked him why he didn't write about other editors known by some State-house people and others to be on the pay roll.

Working with them, Harris said, he began the investigation.

Christian Principles, Not FEPC, Will Achieve Justice for Minorities

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. HAYS of Arkansas. Mr. Speaker, as everyone knows, one of America's great newspapers is the Christian Science Monitor. On May 16 the Monitor carried an editorial entitled "Southern Liberalism." It does not mention the FEPC, but it contains one of the best short arguments against that proposal I have seen. The editorial contains this sentence: "When the Christian spirit, rather than a doctrinaire radicalism brings about changes in long-established customs, then the good gained is not swallowed up in the bitterness generated." Proponents of FEPC should ponder this comment. Under leave to extend my remarks, I include the entire statement, as follows:

The belief that there is a fixed pattern for race relations in the South is a misconception held by many long-distance northern critics and fostered by some backward-looking southern apologists.

Actually, the vitality of southern liberalism becomes constantly more apparent, modifying and changing old patterns not by doctrinaire fiat but by organic growth. A recent report of the committee on Christian relations of the Presbyterian Church of the United States (South) accents this with its assertion that "the present-day claims of American minorities to full civil rights have a moral and historical basis," as well as constitutional guaranties.

Written by southerners for southerners, it urges a fuller knowledge of the Negro, including the talented teachers, artists, poets, scholars, and statesmen of that race now hidden behind the "curtain of segregation." This—and the comparable positions taken by other church groups and Christian leaders throughout the South—is a far cry from the period in American history when the churches of both North and South hotly defended the institution of slavery.

A Negro pastor in Chattanooga, commenting on the opening of the public library in that city to Negro adults, declared recently:

"Some day, every closed door against the black man will swing wide open, not by pressure of law but through the spirit of Christianity, which is on the march."

When the Christian spirit, rather than a doctrinaire radicalism, brings about changes in long-established custom, then the good gained is not swallowed up in the bitterness generated.

West Holds Upper Hand at Paris

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from New Orleans States of May 21, 1949:

WEST HOLDS UPPER HAND AT PARIS

The western states of Germany yesterday ratified the constitution which ties them into a federal republican government, assuring basic guaranties of human rights. With that ratification the western allies have won a race against time which will prove valuable at Monday's opening of the Paris foreign ministers' conference.

Russia's sudden overtures on lifting the Berlin blockade found the Western Powers off balance. Drafting of the Bonn constitution had been allowed to drag and the Atlantic Pact had not shaped up as rapidly as desired. Now intense work has achieved results before the Monday deadline.

The question of Germany's future at the Paris meeting is subordinate. Both west and east are thinking of their own futures. With which side will the German people take their stand?

Four years ago this month Germany surrendered. Today, by the whim of global power politics, it is being courted by rival ideological camps. Former enemy is sought as ally; former ally is now enemy.

So Germany will have a commanding voice at council sessions and that voice will call for a unified Reich.

In this bidding for German support the west has considerably the better of it. Western Germany has staged a come-back under the Marshall plan in sharp contrast to the miserable showing, economically and politically, in the Soviet zone. Western Powers have moved to unify the western zones and set up self-government. Moreover, the west has the advantage of the traditional German distrust for Russians and all Slavs.

Stalin would have the world naively believe that Russia is the champion of German unity. What happened in the polling places of eastern Germany earlier in the week punctured that boast with a bang that will echo loudly in conference halls.

The scene for the dismal London conference nearly a year and a half ago was cluttered with distractions about reparations. After 3 weeks of disagreement it came to a weary halt. Russia's hand was strong then but the cards are now on the other side of the table.

At the London meeting Foreign Minister Ernest Bevin made this observation: "We want a genuine agreement among the four powers, and we do not want a sham agreement. We want a unity of Germany, we do not want a pretense of unity in a country still divided by zonal barriers. We want a democratic Germany, but we do not want a bogus democracy where a few men exercise tyrannical powers and bend the people to their own needs.

"We want a central government, but we do not want a centralized German government in the sense that it can become a dictatorship again. Above all, we do not want a puppet government incapable of governing except as the strings are jerked by the occupying powers."

The summary is still consistent with the west's position at Paris. Firm in the conviction that what it wants is right and just, the west is ready for a show-down. Of the outcome of that show-down, Secretary of State Dean Acheson spoke wisely when he cautioned fellow countrymen against "the luxury of either undue pessimism or premature optimism."

Judicial Review of Decisions of the Board of Veterans' Appeals Should Be Provided

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. EVINS. Mr. Speaker, there is pending before the Committee on Veterans' Affairs a bill known as H. R. 2690, which I have introduced, providing for judicial review of certain decisions of the Board of Veterans' Appeal. The decisions and actions of all Federal administrators, boards, bureaus, and commissions of our Government are subject to review by the Federal courts except the decisions of the Administrator of Veterans' Affairs in certain compensation cases—in such instances the Administrator has delegated adjudication of compensation decisions to boards of veteran appeals.

A judicial review of the decisions of such boards, in many instances, is greatly needed. A number of our veterans' organizations and the veterans themselves of our country recognize the need and necessity for providing a system of an impartial judicial review and the bill which I have introduced in this connection, if enacted into law, will provide for appellate review in specified instances by our Federal courts.

In this connection, Mr. Speaker, I was pleased to note that the National Tribune and Stars and Stripes has recently published an editorial calling attention to the merits of this proposed legislation and urging that the same be enacted into law.

Under unanimous consent, Mr. Speaker, I include this editorial, together with a copy of this bill—H. R. 2690—in the Appendix of the RECORD.

The editorial and bill are as follows:

MERITORIOUS LEGISLATION

Pending in the House Committee on Veterans' Affairs is a proposal by World War II veteran JOE L. EVINS, of Tennessee, to set up a council which would have the authority to review decisions of the VA Board of Veterans' Appeals. Composed of six members, the council would be made up of an outstanding physician, a crack lawyer, and representatives of the American Legion, Veterans of Foreign Wars, Disabled American Veterans, and the AMVETS. It would, on application, rehash cases that the Board of Appeals has denied, make whatever recommendations it deems proper, and, if the Veterans' Administrator does not see eye to eye with the council, claimants would be granted the right of court action.

Anybody who has followed our thoughts on such matters as this must agree that this measure, H. R. 2960, is worthy legislation. We have time and again pointed out that the Board of Veterans' Appeals is the most arbitrary in its methods of any section in the veterans' agency. Many is the case that can be recited where veterans have suffered injustice at its hands. In brief, it is not worth the powder to blow it up. Even in those few cases of appeal in which the existing Board finds merit, so-called consultants, who are VA hirelings, may take the folders into a back room, look over the evidence, decide against the judgment of the Board, and make their findings stick. Actually, and regardless of how they first found, the Appeals Board members usually sign without question whatever the consultants place before them.

We know of no greater service the Congress can perform than to enact the Evins bill. However, we would offer the author a suggestion and we would seek to press it. No group of veterans has ever suffered more at the hands of the Board of Veterans' Appeals than veterans of the Spanish-American War. Let them take an appeal for service-connection, and it is denied before it is reviewed. No representative of a major veterans' organization knows much about the conditions of service back in 1898–1902. Set up a council, if the Congress will, and it can perform an outstanding service, but, by all means make it representative. Include in the membership a man who knows Spanish War cases. There are still living many able men who saw service in that conflict and who are associated with the United Spanish War Veterans. * * * Let us get this bill out on the floors of the Congress, but let us round it out so it can best perform the service intended.

H. R. 2690

A bill to provide for the review of certain decisions of the Board of Veterans' Appeals

Be it enacted, etc., That part II of Veterans Regulation Numbered 2 (a), as amended, is hereby amended by adding at the end thereof the following new paragraph:

"XII. (a) There is hereby created in the Veterans' Administration an Administrator's Advisory Council (hereinafter referred to in act as the 'Council'), to be composed of a chairman and five other members appointed by the Administrator with the approval of the President. Of the six members, one shall be appointed from among the outstanding practicing physicians of the United States, one shall be appointed from among the outstanding practicing attorneys of the United States, and, of the remaining four, one shall be appointed from among persons recommended by each of the following organizations: The American Legion, the American Veterans of World War II (AMVETS), the Disabled American Veterans, and the Veterans of Foreign Wars of the United States. No person who has at any time served as a member of the Board of Veterans' Appeals, or who has served at any time during the preceding 12-month period as an officer or employee of the Veterans' Administration, shall be eligible for appointment as a member of the Council. The Administrator shall fix the compensation of the members of the Council in accordance with the provisions of the Classification Act of 1923, as amended, but in no event shall any such member be compensated at a rate lower than the highest rate paid to any member of the Board of Veterans' Appeals.

"(b) The Administrator shall furnish such personnel, office space, equipment, and supplies as may be necessary to carry out the functions of the Council.

"(c) Upon application by any person whose claim for any benefit under the laws and regulations administered by the Veterans' Administration has been disallowed, in whole or in part, by a decision of the Board of Veterans' Appeals, the Council shall have the functions of (1) reviewing such decisions, and (2) advising the Administrator as to what action he should take with respect to such decision. In performing such functions, the Council shall apply the most equitable and liberal provisions of the laws and regulations administered by the Veterans' Administration; and, in cases relating to the service connection of disease or injury, the Council shall give especial consideration to the provisions of Public Law 361 of the Seventy-seventh Congress.

"(d) Notwithstanding any other provision of law with respect to the finality of decisions of the Board of Veterans' Appeals, the Administrator may confirm, reverse, or modify any decision, or part thereof, of the Board of Veterans' Appeals which has been reviewed by the Council.

"(e) Application for review by the Council of any decision of the Board of Veterans' Appeals shall be filed within 1 year from (1) the date of mailing of notice of such decision, or (2) the date of enactment of this act, whichever is the later."

SEC. 2. (a) If the action taken by the Administration of Veterans' Affairs with respect to any claim for benefits under the laws and regulations administered by the Veterans' Administration is contrary to the advice of a majority of the members of the Council created by the first section of this act, a suit on the claim may be commenced against the United States in the district court for the district wherein the plaintiff is resident; and jurisdiction is hereby conferred upon any such court, sitting without a jury, to hear and determine such suit. The liability of the United States with respect to any such claim shall be determined on the basis of the facts and evidence of record presented to the Council. The judgment or decree of any such court shall be final and shall not be subject to any administrative or judicial review.

(b) No suit shall be allowed under this section unless the same shall have been commenced within 1 year after the date of the mailing of notice of the action taken by the Administrator contrary to the advice of a majority of the members of the Council. No other statute of limitations shall be applicable to suits commenced under this section.

(c) Those provisions of section 500 of the World War Veterans' Act of 1924, as amended (38 U. S. C., sec. 551), which relate to attorney's fees, and the penalties prescribed in such section for violations of such provisions, shall be applicable with respect to suits commenced under this section.

Socializing the Merchant

EXTENSION OF REMARKS
OF
HON. EARL C. MICHENER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. MICHENER. Mr. Speaker, pursuant to unanimous consent of the House, I include herewith an editorial from the Michigan Tradesman. The editorial follows:

SOCIALIZING THE MERCHANT

What is to become of the corner grocery, the drug store in the middle of the block, the repair shop in the side street, the doctor who has brought most of the neighborhood babies into the world, when the American community goes socialistic? The trend is in that direction.

Much of the advance guard of socialism is already with us, rent control, regimentation

of labor by unions, and there has been no serious outcry by the public against President Truman's suggestion that the Government enter the steel manufacturing business.

But here we are concerned with the merchant, the storekeeper, large and small, whose gigantic arm has preserved our way of life because he has had the freedom and will to supply us with our needs.

In the free enterprise state the storekeeper is also to a large extent the keeper of American enterprise, free enterprise. He has been the life of the community's march toward progress. He is a man of ideas and, next to the farmer, the most chance-taking gambler in the world. He believes in his country and in himself. To him country and enterprise and chance-taking are inseparable.

In the socialite state this same storekeeper becomes more a mechanical automaton than a pulsating, energetic, hard-hitting man of affairs. He will then be called upon only to carry out the orders of his Government.

Socialism does not reckon with personality or with ideas. Its primary allegiance is to the socialistic state as the Communist allegiance is to a single party. Both rob the individual of initiative because he has nothing to plan and work for but the state into whose service he is automatically pledged. No longer is there in his life that incentive which during 173 years made his country strong and self-reliant, eager and unafraid. No longer has he an individual aim, a personal goal, because the first thing that is crucified in the socialistic and communistic state is individuality in dealing one citizen with another.

National Health Program

EXTENSION OF REMARKS
OF

HON. ANDREW J. BIEMILLER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 20, 1949

Mr. BIEMILLER. Mr. Speaker, the distinguished gentleman from Michigan [Mr. DINGELL] gave valuable testimony before the Interstate and Foreign Commerce Committee Subcommittee on Health this morning which sheds valuable light on the propaganda campaign being carried on by the American Medical Association against the President's health program. So that all Members may have an opportunity to read his very enlightening statement, I am including it and the memorandum on the AMA educational program, to which Mr. DINGELL refers, with my remarks:

TESTIMONY BY REPRESENTATIVE JOHN DINGELL BEFORE THE HOUSE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, MAY 20, 1949

Mr. Chairman and members of the committee, I am delighted to have this opportunity to appear before you on the bills Representative BIEMILLER and I have introduced proposing a national health program including a Nation-wide system of health insurance. I have had bills of this kind pending in Congress for many years, but this is the first time hearings have been held in the House for their consideration. These hearings, therefore, mark a long step forward in the march toward enactment of health insurance legislation. I believe we are on the way—and the road ahead will be much shorter than the road we have already traversed—particularly in view of President Truman's strong personal support for this legislation.

Most of you have heard my speeches on the subject of national health insurance and so I will not take up your time now by making another one. A representative of the Federal Security Administration will follow me and go into some detail on the bill and the need for it. Instead, I want to talk about something else in connection with this bill—the tremendous, multi-million-dollar campaign of propaganda and misrepresentation—as well as high pressure lobbying—being conducted against it by the American Medical Association. It is important for you to consider this in order to weigh the testimony you will receive in these hearings.

I believe you all know the background. The AMA, along with many others, was surprised and shocked when President Truman won the election last fall. In view of the fact that he had campaigned at least partly on the issue of national health insurance it became panicky and decided that the legislation was sure to be enacted. So the ruling element within the AMA set out deliberately to thwart the will of the people.

In order to do that, it levied arbitrarily an assessment of $25 against each of its 140,000 members, in an effort to raise the biggest slush fund in American history—a lobby and propaganda fund of $3,500,000 that would make even Mark Hanna a little ashamed. Raising that money was not easy. Many doctors resented the assessment and the secret way in which it was levied. But the AMA brought terrific pressure on doctors individually, and on recalcitrant local societies, to force them into line. Senator WAYNE MORSE, of Oregon, has described in the Senate how one doctor, who protested the assessment, was punished, and along with him, many mothers and babies whose lives might have been saved by his skill and knowledge were punished.

But the reason I am going into this now is that the AMA millions are being spent for one of the shrewdest, one of the most calculating, and one of the most cold-blooded lobbying operations in American history—and a lobby which I cannot deny might have an effect on Congress if not exposed. So I want to do what I can now to expose it and to show Members of Congress how it is operating to make it appear as though the country is opposed to this legislation.

I can speak authoritatively on this subject because I have in my hand, and I will pass around to all of you, copies of the lobby program worked out by the high-pressure public-relations firm hired by the AMA to do this job. It shows just how this lobby is operating to try to make it appear to Members of Congress that there is a grass-roots revolt against the President's health program.

When I called this one of the shrewdest, one of the most calculating, and one of the most cold-blooded lobbying operations in American history, I was not exaggerating. I was basing that statement on the evidence. This evidence, from the files of the American Medical Association itself, shows that the doctors of this country are being asked to take advantage of their special, confidential relationship with their patients—including particularly Members of Congress—to lobby against what President Truman and many Members of Congress feel is a health program in the interests of the Nation.

Doctors enjoy a closer relationship with the average man than anyone else with the possible exception of the spiritual ministry. The average citizen in America looks to his doctors for guidance in the most important thing in his life—his health—not only because of his skill in medicine, but because he has learned that in most cases the doctor is a man of high character, integrity, and intellect. So this is a very close, intimate relationship—a very confidential relationship—that usually exists between doctor and patient. But I have evidence here indicating that the doctors are being asked by the AMA to capitalize on that relationship for the political purpose of defeating the President's health program and to retain the monopoly the AMA and the local medical societies hold over the economics of medicine.

This document here is the outline of the lobby and propaganda campaign presented to the conference of State medical societies in Chicago by the AMA's high-powered public relations firm of Whitaker & Baxter. Let me read to you, as a starter, a single paragraph of that lobby blueprint:

"We need to locate the personal physician of every Congressman and every United States Senator (the county society secretary probably should take on that job) and have him (the Congressman's doctor) send a personal letter to his patient, the Congressman, telling him of the danger of socialized medicine, and asking for his help in defeating any compulsory health-insurance program which may be submitted."

Let me add that the words "personal physician of every Congressman and every United States Senator" in that sentence I have just read were printed in italics. But here is the pay-off on the way this confidential relationship between doctor and patient is being exploited by this propaganda and lobby machine. The paragraph continues:

"We will provide form letters, but the society secretary should help the doctor, if necessary, in rewriting and personalizing the letter in each instance. This letter also should ask for a reply—and again, the information in the replies should be sent to the national campaign office and the AMA Washington office." That shows how this close personal relationship between doctor and patient is being exploited by an outside firm of commercial lobbyists and propagandists.

Now this is the campaign, may I remind you, that the AMA has insisted in its alibis to rebellious members, was not a lobby campaign but an educational campaign. If that is so, then why is the Washington office to be kept informed of the correspondence with Members of Congress—the confidential correspondence between Members of Congress and their doctors?

This idea of using the doctors to influence their patients prevails throughout the AMA's lobby program. Each doctor is to be furnished with a color reproduction of the famous Fildes painting "The Doctor" to be posted in his office with several paragraphs of straight political propaganda and misrepresentation typed under this touching picture.

Now the AMA is not even kidding the doctors into thinking they are making this a great crusade for the benefit of the American people and for better medicine. In their proposal to post these pictures in doctors' offices they outline it as "the first step in making doctors campaigners in their own behalf." I might add that those words "in their own behalf" are also in italics. In other words, the doctors are being asked to use their personal, confidential relationships with patients to make a selfish political battle for their own benefit. Suppose the ministers of this Nation undertook such a campaign? What would be the public reaction?

The whole AMA campaign, as I have said, is based on using selfishly this trusting and confidential relationship existing between doctors and patients. Pamphlets are being printed, this campaign outline states, in lots of at least 7,500,000 each so that each doctor can have 50 copies for distribution to his patients. A "small, sparked-up human interest folder" is being furnished "to satisfy the need among doctors for a simple piece that can be given to patients, mailed with statements or placed in waiting rooms."

To be sure that this propaganda gets to all doctors and through them to their patients, machinery has been set up in every

State to see, as this document says, "that shipments of materials from the national headquarters offices actually get into doctors' offices and finally into the hands of doctors' patients."

Some of the material is not designed for distribution to the public. It is aimed at the doctors, to key them up to fight for the cause, and to show them confidentially how to do it. It contains "simple instructions on how to practice on the body politic," as this campaign outline expresses it. This means, in actual practice, the use of the "scare technique" popularized in Germany by Hitler. Patients are being told by their doctors to whom they feel they owe their lives that "if this socialized medicine legislation goes through I will quit my practice." A man who has relied on a certain doctor to carry him through a tough medical crisis is likely, after a hint of that kind, to rush to the mailbox with a letter to his Congressman opposing what the doctor has described as "socialized medicine." But the chances are that neither the doctor, nor the patient, could give even a rough approximation of the terms of the legislation.

In that connection I would like to make it perfectly clear to the committee at this time that I am opposed to socialized medicine as much as I am opposed to the strangling effect of commercial medicine. Both are corrosive and detrimental to the peoples' welfare. On the other hand, health insurance, in the form which I am advocating, is wholesome and desirable in leveling the hazards of health.

Some doctors are passing out cards to their patients to be signed and sent to Members of Congress protesting against this legislation. I have in my hand here, for example, a copy of a letter received recently by our colleague Representative DWIGHT L. ROGERS of Florida. Mr. ROGERS had sent to one of his constituents an acknowledgment of a protest against this health legislation. In reply the constituent wrote:

"I wish to state that this card was signed by me on what you might call 'pressure.' At the time I signed this card my wife was in the hospital for an operation, and while at the doctor's office I was handed this card to sign, under the circumstances I felt that I was compelled to sign even though I am 100-percent for compulsory health insurance.

"It is my belief that thousands of other persons are handed these cards to sign under similar circumstances, and is very unfair to all parties concerned.

"It is requested that this card signed by me be stricken from your records or returned to me."

I hope the next time you members of the committee go through a batch of letters and cards opposing this legislation you will remember this incident I have just described to you. I am delighted to note that the Rules Committee has approved an investigation of lobbies. One of its first tasks should be an investigation of these high pressure tactics by the doctors—tactics which I believe are a disgrace to the medical profession.

The high-powered personal approach of doctors to patients, which I have been describing to you, is just one of the tactics of organized medicine under the leadership of this public relations firm which has taken the campaign out of the hands of the doctors, and turned the AMA into a professional political lobby instead of a scientific organization committed only to the public welfare.

This personal approach is retail lobbying. But the AMA lobby directors have worked out a scheme also for lobbying on a wholesale basis—to make it appear to Congress that whole communities are opposed to this legislation. This is done by railroading through every conceivable organization—whether of a political nature or not—resolutions opposing "socialized medicine."

Usually this is done by doctors or their wives who are members of such groups—and usually members of considerable standing. They arrange for a speaker to tell the club or civic organization, or professional group, without any regard for truth that "socialized medicine" as they label health insurance, would erect a huge bureaucracy, create new taxes, and break down the practice of medicine. Rarely is an opportunity provided for the organization to hear a speaker favoring the legislation. On the basis of this one-sided presentation endorsed by their respected colleague, Dr. So-and-so, the organization rushes through a resolution opposing "socialized medicine" and sends it on to Members of Congress.

Specific directions are provided for getting resolutions adopted by organizations of all kinds, even those which have a "policy of not taking action on public issues" or which "profess 'no interest'" in the issue. In order to get action out of such groups, form speeches "geared to different types of audiences" are prepared by the propaganda machine in Chicago. Detailed directions also are provided for getting these resolutions forwarded to Washington with "covering letters asking for a reply, in order to keep advised, if possible, of the position of your legislative representatives." Once more, I remind you of the claim that this is an educational and not a lobbying campaign.

This lobby campaign plan, which I hold in my hand, outlines the detailed machinery for the operation of this false-front lobby for the doctors. It virtually dictates to every county medical society orders to adopt strong resolutions and even suggests what these resolutions should say. The presidents of these local societies are told to ask their Congressmen for replies, so that "his position can be made known to the doctors of his district." This document tells the doctors that the "combined political strength of all the doctors in a congressional district is impressive—and we need to put every Congressman on notice of the position taken by his doctor constituents." To counter this, I hope the millions of average people will give their expression which will be even more impressive.

Now, mind you, this is all part of the "educational campaign" not lobbying campaign—as the AMA has described it to its members.

Speakers, committees are being organized in every county society to propagandize on this issue and in some areas the doctors are even taking courses in public speaking so that they can spellbind their audiences with the propaganda written for them in the "emotional fighting prose" which the press agents themselves said they would use. Form speeches are provided from the campaign headquarters in Chicago, but the publicity directors have urged the speakers to localize them to meet local conditions.

One of the most interesting angles of this so-called educational campaign is that it is aimed at presenting to the public only one side of the issue—the discussion is staged behind an iron curtain just as the Journal of the American Medical Association has done for many years. No medical journal has ever presented to the doctors a fair article by an advocate of the President's health program—quite contrary to the record of British and Canadian doctors. In line with that policy, this document warns the doctors against engaging in debates because they make a forum for the opposition. Obviously this is an issue on which the propaganda machine does not want both sides presented.

Campaign committees have been created in each State and in most counties to conduct this campaign. The instructions for the formation of these committees say that laymen may be added but warns that committees should be kept close-knit and controlled by the profession's own chairman. Apparently organized medicine wants to control this campaign just as tightly as it controls the organization of medical practice.

Another interesting angle of this educational campaign is the approach to the press. The campaign directors have ordered that their words of emotional, fighting prose shall reach the people through normal newspaper and magazine channels, rather than through direct publicity releases. They propose to work with the great newspapers and the national magazines to get them to do special jobs, with real reader interest and assert that this work already is well started. Judging from the tone of some of the articles I have noted recently in the popular magazines I am afraid it is correctly stated—they have started.

What Whitaker and Baxter mean by reaching the press through normal newspaper and magazine channels, rather than through direct publicity releases I can only guess. But my guessing is influenced to some extent by what happened in a similar campaign conducted by this firm in California against Gov. Earl Warren's proposal for a State health-insurance program. After that campaign was started the California doctors reported to the AMA that the newspapers had been cool and unreceptive to them at first but this attitude was changed by taking advertisements in every newspaper in the State. They reported naively that after the advertisements were inserted "we found that the response from editors in publicity has been far beyond anything we expected."

Their success in that campaign was what won for Whitaker and Baxter their present juicy contract with the AMA. We can assume that they will put their experience in California to good use in the national campaign, and any day now we may expect to see advertisements in the newspapers and magazines on the issue of national health insurance. In fact it was recently reported that the advertising is to be paid for by the local societies quite outside of the $3,500,000 campaign fund being raised by the AMA. So unless there is a thorough lobby investigation by Congress, we may never know how many millions of dollars are being thrown into this special-interest fight by organized medicine.

On the other hand, most newspapers and magazines already are so friendly to the doctors' cause in their campaign against the Fair Deal program that organized medicine may decide the expenditure of money for advertising is unnecessary.

Mr. Chairman, before closing, I would like to say a word or two of explanation about this story I have been telling. No one has a higher regard than I have for most of the doctors who constitute the great medical profession. They have shown through the years their devotion to the public welfare by their widespread practice of charity medicine, by their research in the public interest, and by their high professional standards. But I want to distinguish between the doctors and what I called organized medicine—as represented by the hard core now in control of the AMA and many of the local medical societies. Organized medicine is controlled by political doctors. A study has shown that the house of delegates of the AMA is composed chiefly of specialists and high-salaried urban physicians who are in no way representative of the bulk of hard-working doctors in the United States.

These political doctors are of a different character. They are engaging today in tactics which I am sure most doctors do not approve, and about which I am sure many doctors are deeply ashamed. The most dangerous part of this situation is that the political doctors are in complete control of the machinery of organized medicine. They are dictating its policies, and are using pressure as well as direct disciplinary action to enforce their will on the practicing physicians of this country. I know many doctors who favor national health insurance but are

unwilling to risk retaliation from their medical societies by speaking out for it.

Few doctors are in a position to buck their medical societies. In order to retain access to the hospitals of their community, they must belong to the medical societies—and many of them are dependent for their run of patients upon other doctors. There is no way to tell how large a proportion of the medical profession would be in favor of this legislation if free thinking and free speech prevailed in medical circles today—but I am sure, after years of talking with doctors on the subject individually, that the number would be large.

This is a dangerous situation in a democracy, and I want every member of the committee to be fully cognizant of the situation. Here is a close-knit group of political doctors which borders upon a dictatorship in control of a vast propaganda machine and using every possible pressure to enforce their will on a great and humanitarian profession. The propaganda machine even writes the speeches and the letters for the doctors. I hope you will recognize when the so-called spokesmen for the AMA appear here that the statements they deliver are probably not their own—but statements written by the highly paid publicity firm of Whitaker and Baxter. The doctors are merely serving in this campaign as Charlie McCarthy's for Whitaker and Baxter. The evidence I have presented proves this charge.

How many practicing physicians they really speak for, no one can know. I cite again the case described by Senator MORSE in the Senate—of a doctor on the faculty of Louisiana State University who dared to protest the AMA assessment along with almost 200 of the leading doctors in America. Soon after his protest was published he received the following letter from the State health officer of Arkansas relating to some lectures he had been asked to deliver in that State:

"This letter is being written to you as a result of a special request made by the Arkansas State Medical Society and the Pulaski County Medical Society, with reference to your appointment as special consultant in pediatrics for the Arkansas State Board of Health for the postgraduate pediatrics course to be conducted at the University of Arkansas School of Medicine in Little Rock during the period from March 10 to 12, inclusive, 1949.

"The Arkansas State Medical Society and the Pulaski Medical Society have been advised through authoritative sources that you were one of the 136 (later nearly 200) signers of certain papers and documents severely criticizing the American Medical Society. Through this action on your part the Arkansas State Medical Society and the Pulaski County Medical Society request that you not appear on the postgraduate pediatric course to be conducted on the above-referred-to dates.

"This department sincerely regrets that this most embarrassing situation has arisen and further regrets that it is necessary to cancel your appointment as special consultant for the Arkansas State Board of Health."

The doctor who received that letter—Dr. Myron E. Wegman—wrote to a friend as follows:

"While I am, of course, shocked that an expression of opinion on a controversial question before the profession and the public should be carried over to education and scientific work, I am afraid that it is not unexpected."

Mr. Chairman, that is a shocking commentary on the atmosphere prevailing today in the medical profession of this great democracy. But I am afraid the criticism is fully justified. May I add, Mr. Chairman, in closing that the punishment in that case was not administered to Dr. Wegman so much as to the people of Arkansas, who need his advice on the saving of babies' lives—and to the people of America, who, because of this incident, are less likely to get the real sentiment of the medical profession on this pending legislation. I hope you will remember that fact in assessing the testimony in these hearings.

[From the Dallas Medical Journal of April 1949]

WHAT WILL WE DO WITH THE DOCTOR'S $25?—THE NATIONAL CAMPAIGN PLAN OF PROCEDURE

(Presented by Clem Whitaker and Leone Baxter, directors of the national education campaign of the American Medical Association for the Conference of State Medical Societies, Chicago, February 12, 1949)

Mr. Chairman and ladies and gentlemen, every minister preaches from a text—and every campaign, if it is a successful campaign, has to have a theme.

The theme, if it is geared to reach more than 100,000,000 people, as we must in this campaign, should have simplicity and clarity.

Most of all, it must high-point the major issues of the campaign with great brevity—in language that paints a picture understandable to people in all circumstances.

EVERY DOCTOR A CAMPAIGNER

That's one of the reasons we have a large, blown-up color reproduction of the famous Fildes painting, the Doctor, on exhibit here today, with the simple caption under it: "Keep politics out of this picture."

The picture and the caption, even without elaboration, focus attention on one of the most important arguments against government-controlled medicine.

Smaller color reproductions of this famous painting soon will go up in doctors' offices all over America as one of the first steps in dramatizing our case to the American people—and more important—as the first step in making doctors campaigners in their own behalf. For this purpose we have added a hundred words of text which help to establish the theme of this campaign.

I'm going to read you that text, because it stresses, in simple language, the essential points of the case which we believe will turn the tide against compulsion and in favor of voluntary health insurance.

The text is as follows:

KEEP POLITICS OUT OF THIS PICTURE

"When the life—or health—of a loved one is at stake, hope lies in the devoted service of your doctor.

"Would you change this picture?

"Compulsory health insurance is political medicine.

"It would bring a third party—a politician—between you and your doctor. It would bind up your family's health in red tape. It would result in heavy pay-roll taxes—and inferior medical care for you and your family. Don't let that happen here.

"You have a right to prepaid medical care—of your own choice. Ask your doctor, or your insurance man, about budget-basis health protection."

This is signed: American Medical Association.

These smaller posters will be sent under the signature of the AMA to show medical men throughout the country that the association is resolutely behind the national campaign. They will be sent to doctors only at their own request. Return postal cards will be in the mail shortly.

The dimensions of the posters are approximately 18 x 20 inches. They are dignified—but carry a strong message—stronger, we are aware, than most doctors are accustomed to display in their waiting rooms. Their final cost, including the right to reprint the famous picture, art work, stock, printing, and mailing comes to about 30 cents each. If we can light the crusading fires, and tie into the campaign the majority of the doctors of this country, for the cost of 30 cents each, the results will be well worth the price.

For the information of some of you who are wondering just when these will begin to show up in doctors' offices—here is the production schedule: This poster has been in the works for 3 weeks. It was out of our hands on February 7. The press proofs will be submitted to us on March 3. The schedule calls for delivery to the bindery on March 15; cut and drill sheets, March 21; production completed March 25; inserting, addressing, and mailing completed on April 4.

That's a lot of time—60 days; a lot of effort; a lot of money. And we look for real results.

THE REAL AMMUNITION

The major portion of the campaign budget will be spent for production of materials—the campaign ammunition. We are not going to waste any campaign funds on faulty ammunition. Any general pamphlet produced will have to be printed in minimum lots of 7,500,000—just to put 50 copies into each doctor's hands alone. To make the smallest trickle beyond that outlet to the public, we shall have to print a minimum of 10,000,000 copies of any piece produced. That means simply that we can't afford to experiment. We can't afford to throw our next-best or divided efforts into print and hope it will suffice. What we produce must be brief enough to read—dramatic enough to create sentiment—and sound enough to produce action from the thinking people of this Nation.

Some very excellent basic material has been produced by men of medicine and mean close to the profession, long before the National Education Campaign was initiated—and that will give the production of the new material the most helpful impetus.

One of the pamphlets in the planning and production stage is a small, sparked-up human-interest folder to satisfy the need among doctors for a simple piece that can be given to patients, mailed with statements or placed in waiting rooms. It will be suitable as well for general use by allied professions and industries. This will be a special appeal, illustrated public pamphlet, geared to the interests of the average citizen—the veteran, farmer, mother, businessman, wage-earner, etc.

The doctors will receive their first copy of that pamphlet direct from AMA headquarters, with a brief letter telling some of the high lights of the proposed campaign and advising the doctors that they can get the pamphlet in quantity through their State or county medical societies.

A question-and-answer pamphlet, which actually will serve as the doctor's campaign handbook, also is in process. The handbook should give every doctor not only the facts he needs to argue his case effectively but also simple instructions on how to practice on the body politic.

The small leaflet will be a general public piece and can be distributed through many channels. The handbook, while beamed to doctors, also will be used for distribution among members of our lay committees. We believe that the dentists' associations, the druggists' organizations, the hospital associations, the medical auxiliaries, and various other closely related groups should be urged to turn out smilar material, or use ours under their own imprints.

We also plan to assist many cooperating national organizations—veterans' groups, for example—to produce pamphlets slanted to their own memberships and emphasizing the arguments which will have special appeal to them.

A third pamphlet is in preparation, whose title will be "Calling Every Doctor—This Is an Emergency." This, too, will go directly to physicians, with a letter from the American Medical Association. It will be a briefly presented statement of the issue, the objectives, and the procedure to accomplish those objectives. Its purpose will be similar to

that of the poster—to get every doctor who believes in the private practice of medicine working enthusiastically with his local campaign committee.

A PAMPHLET CAMPAIGN

Actually, this issue is made to order for pamphlet presentation, and we plan heavy use of pamphlets, running into many millions of copies, to tell medicine's story dramatically and effectively to both leaders of public opinion and rank-and-file citizens throughout the country.

With new developments and changing conditions in the campaign, there likely will be need for frequent revision of the text of early pamphlets, or the production of entirely new material. As a consequence, a heavy load will fall on our writing and production department and one of the first problems of course is to produce copy fast enough to satisfy the press, AMA members, State and county societies, and the literally hundreds of business and civic groups which all require special servicing.

Above all, the written material in this campaign must be emotional, fighting prose. We cannot win an audience with dry, statistical copy. We have to give the people facts, but in very readable form. The surest way to break down apathy and public disinterest is to turn out copy that stirs the emotions—and in doing so, opens closed minds.

It is vital, too, that much of this flow of words should reach the people through normal newspaper and magazine channels, rather than through direct publicity releases. We intend to work with the great newspapers and the national magazines to get them to do special jobs, with real reader interest, and that work already is well started. The story of British medical practice today, as an example, is actually one of the most important stories of this era. AMA already has started the wheels moving to get the truth and publicize it before this campaign began. It is a story which must be told and retold by staff writers of American magazines and newspapers.

Once it has been printed in a magazine or newspaper of national importance, reprints of the article will be placed in the hands of key people throughout the country.

ORGANIZATION PHASES OF THE CAMPAIGN

There are two distinct phases of organization activity planned.

First is the plan of organization and operation for medical groups, which involves the relationship of the State and county societies to the AMA in the conduct of the campaign. This calls for a definite division of work, with fixed responsibility in each area, so that a vigorous grass-roots campaign can be developed.

Second is the plan for mobilizing the strength of the major public organizations, local, State, and national—groups like the farm organizations, the more powerful business and civic associations, fraternal, religious and veterans' organizations.

The program with respect to the medical organization structure, has been discussed carefully with the campaign coordinating committee members in order to reach practical and intelligent decisions. The job must be done with as little friction as possible, so that doctors in the field will be directing their energies to winning converts, and their fire to the opposition. It is usually difficult to get 150,000 individualists (and most doctors are individualists) to agree an anything, but if ever the members of the medical profession needed to pull together, this is the time.

STATE MEETINGS

A number of States have reported that within the next 30 to 60 days after the national meeting of State representatives (February 12, in Chicago), they are calling meetings of county society representatives in their own States, for the purpose of passing along to them the national plan of compaign, and determining on their own procedures in relation to it.

Accordingly, for their help and guidance at this time, we will chart some of the important work which needs to be done within the States.

COUNTY SOCIETY ACTION

1. Every county medical society in the United States should adopt a strong resolution against compulsory health insurance within the next 60 days—and should then direct the president of the society to communicate its action, by letter or telegram, to the Congressman (or Congressmen) representing the district; also to the State's two United States Senators. The society's resolution should emphasize the inevitable deterioration of medical care and the danger to the public health, once Government medicine is in operation, and should stress the tremendous growth of the voluntary systems and that the American people are taking care of the problem in the American way. The President's letter to the Congressman or Senator should ask for a reply, so that his position can be made known to the doctors of his district. Copies of all replies should be forwarded to the national campaign offices and to the Washington office of AMA as rapidly as they are received. We will provide several form resolutions as a guide to the societies.

The combined political strength of all the doctors in a congressional district is impressive—and we need to put every Congressman on notice of the position taken by his doctor constituents.

LAWMAKER'S DOCTORS

2. We need to locate the personal physician of every Congressman and every United States Senator (the county society secretary probably should take on that job) and have him send a personal letter to his patient, the Congressman, telling him of the danger of socialized medicine, and asking for his help in defeating any compulsory health insurance program which may be submitted. We will provide form letters, but the society secretary should help the doctor, if necessary, in rewriting and personalizing the letter in each instance. This letter also should ask for a reply—and again, the information in the replies should be sent to the national campaign office and the AMA Washington office.

SPEAKERS' BUREAUS

3. We need an active speakers' committee in every county society to cover local meetings. The executive secretary of each of the State societies should aid in organizing this work. We will provide form speeches, but in many cases they will need to be localized to meet local conditions.

One of the very great requirements is for every State to develop top-bracket speakers both in the profession and apart from it, who can be called on for important meetings, both State and national.

DEBATES

We do not believe it a sound campaign practice to sponsor too many debates. They make a forum for the opposition which would be difficult for them to secure otherwise, and they are too easily stacked. This is particularly true of broadcasts of debates open to the public. Our speakers will stick to the facts. But already in this campaign the opposition has begun to use the facts very loosely. Their claques in the audience are briefed to applaud wildly every trick phrase their speaker utters. And the public has no way of knowing which is fact and which is fancy. If our case were so poor that we had to stack meetings, it would not be worth the effort we shall all put into this campaign.

PRESS COMMITTEE

4. We need a press committee in every county society to make personal calls on the editors of all newspapers in the county and urge their support of medicine's position. This work, again, should be coordinated by the State society.

ENDORSEMENT DRIVE

5. Since our first objective is making the position of the people on this issue known and recognized by our representatives in Congress, much of our first campaign effort must continue to be devoted to getting organizations on record in opposition to compulsory health insurance.

In this connection, one of the first mailings from the National Campaign Headquarters to the States, will be a list of conventions scheduled in each State during 1949. This should reach you during the coming week. This is not to be considered a complete list, but we sincerely hope it will be helpful in beginning the drive for resolutions in your area. It will include all conventions reported at this early time; you will need to add to it as others are scheduled. The list will contain the following information:

Name of organization.
Town where convention is scheduled.
Estimated attendance.
Person to contact, to our best knowledge.
Whether convention is national, State or local.

Some organizations on the list may have a policy of not taking action on public issues, or will profess "no interest." When an issue is of fundamental importance, as ours is, however, and when somebody takes the time to explain the honest facts and drive for a resolution, virtually all the important organizations do take action.

As fast as they are produced, form speeches geared to different types of audiences will come along to you; also suggested form resolutions which can be localized or particularized as you see fit; also the question-and-answer pamphlets, providing brief, factual answers to the most commonly asked questions concerning the issue of compulsory health insurance. Armed with this material, a good speaker will have little trouble making a splendid, positive case before even a difficult group.

ENDORSEMENTS—PROCEDURE

Since the value of formal action from any group is in exact proportion to the work done to capitalize on it, these are some of the things which must be done, once a good resolution is in your hands:

If it is from a strong, State-wide organization you should send copies of the resolution first thing to:

Your two United States Senators.
Your Congressmen.
Your State legislators.
The AMA office at 1302 Eighteenth Street NW., Washington, D. C.
The national campaign headquarters, 1 North La Salle, Chicago.

Every county medical society, immediately it has acted, should send copies of its resolution to:

Its two United States Senators.
Congressmen from its own district.
State legislators from its own district.
Its State campaign chairmen at the State medical association office.
The AMA office at 1302 Eighteenth Street NW., Washington, D. C.
The national campaign headquarters, 1 North La Salle, Chicago.

Action of other county or city organizations should be reported to United States Senators only when deemed of sufficient importance to merit such handling, but should be reported at once to all others listed above.

Resolutions sent to all Congressmen should be accompanied by covering letters asking for a reply, in order to keep advised, if possible, of the position of your legislative representatives.

Originals of all resolutions should be kept in the originating office, unless otherwise requested.

Copies of resolutions should reach the press and radio on the same day action is taken if possible, through your State or county publicity channels, as determined by your campaign chairman.

When an organization has acted it should really be asked to go to work in the campaign—

(a) Getting literature to its membership, either through meetings or by use of its mailing lists, or both.

(b) Using its house organ or news letter for both news and editorials on the issue of compulsory health insurance.

(c) Offering its talented members as volunteer speakers on the issue of compulsory health insurance.

(d) (Members on record in one organization can help, too, in presenting resolutions to other organizations of which they are members, and helping to steer them to favorable conclusions.)

Most of the State medical associations have working organizations long in existence and thoroughly ready and able to handle their part in the campaign.

6. Machinery will have to be set up in the few States where it is not already operating, probably under the direction of the State society office, to see that shipments of materials from the national headquarters actually get into doctors' offices and finally into the hands of doctors' patients.

NAME YOUR STATE CONTACT WITH NATIONAL HEADQUARTERS

It is important to name the person, presumably in your State association office, to whom the national headquarters will channel supplies of literature and other materials for fast distribution in your State. His name, address, and telephone number should be sent at once to the national campaign headquarters.

In some States it may be desired that supplies go directly to the county society offices. However, it is the feeling of the national campaign directors that campaign materials in general should channel through the State medical association machinery and down to the county societies under the directives of the State itself. That, we believe, should be determined within each State.

AUXILIARIES ARE EFFECTIVE

Obviously the women's auxiliaries of the medical societies will be able to carry a big share of the load. As some of the California representatives will tell you in that State's campaign on the issue of compulsory health insurance, the women accomplished some of the most effective work done in speaking before women's organizations, in literature distribution, in securing endorsements, and in keeping the club and women's editors enthusiastic on the issue.

COMMITTEES

It is important within the States, to organize committees of doctors, both on the State and the county basis, who are able to give their time to the campaign objectives, to handling speaking engagements and to working on endorsements.

Laymen may be added to committees as time goes along, as the work gets heavier and as laymen become more interested in the issues. (Committees should be kept close-knit, however, and controlled by the profession's own chairman.) In any case, help from leaders outside the medical profession should be sought and welcomed. Not only will such aid lighten the load on doctors, but it will help build the broad public picture of the danger of socialized medicine, to every other element of our national life.

CONCLUSION

We recognize that AMA's permanent staff, headed by Dr. Lull, has a full load of work in just maintaining its normal activities. We will need a tremendous amount of help from them, however, and we have had many warm assurances of their desire to be in the front lines of the battle, as they have been for years past.

We visualize that they will serve in many capacities, giving the national campaign the aid of their counsel and guidance, as required, providing the background material and the knowledge of the vast medical organization which we so badly need, flying into key States to carry the message to Garcia, maintaining lines of communication with all the State and county societies, opening doors everywhere that are vital to the success of medicine's campaign.

The public-relations department of the AMA, under the very capable hands of Larry Rember and his staff, is going to have a tremendous task to perform. Its work will be vastly heavier as a direct result of the campaign. The States, incidentally, probably will see more of Mr. Rember, Mr. Bach, and Mr. Doscher than ever in the past, for part of their work will be trouble shooting in areas where the campaign at one time or another may bog down and require a jet-propulsion assist.

Their work will coordinate closely with the national campaign and in many respects will overlap it.

They will make an intensified, affirmative campaign to drive home to the public the vital part the medical profession plays in the lives and the health of Americans. They will intensify their efforts to interpret factually—and dramatically—the work of the departments of the AMA—work that daily reflects highest credit on the profession and which has made the entire world deeply respectful of the AMA.

We are confident, gentlemen, that the campaign which has been laid out is a practical, workable, effective campaign, and will produce the results we must have. We are confident that working together, the fight against Government-controlled medicine can be won—and that when it is over, medicine will have pointed the way for the whole Nation, at a time when the Nation might easily travel either road—toward a controlled economy or toward a free economy.

We sincerely believe that the individual doctors throughout the Nation, who have paid $25 each to tell their story to America, will feel proud, as the story unfolds toward its conclusion—proud of their part in writing one of the greatest and most significant sagas of American history.

Slum Clearance and Public Housing

EXTENSION OF REMARKS

OF

HON. GEORGE D. O'BRIEN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. O'BRIEN of Michigan. Mr. Speaker, under leave to extend my remarks, I herewith include the following editorial from the Detroit Free Press, a traditionally conservative Republican paper, in which they favor the pending bill, H. R. 4009:

PUBLIC HOUSING THREATENED

Government has no business invading fields commonly served by private enterprise. It is essential to the welfare of this Republic, even its very life as we know it, that Government expenditure be curtailed.

These things we have always maintained, still do, and always will.

But where the need for action is vital and private enterprise does not show itself able to do the job, we believe it is the Government's business to step in. And we do not believe that in such sectors Government parsimony is a virtue. There are plenty of other places and ways in which public funds may be conserved.

These things we cite in connection with the report the House Republican leaders are preparing to kill the public-housing bill. This city and every city is scarred with fetid slums. Americans by the thousands live in an environment which breeds crime, hopelessness, and whole-hearted willingness to try the political panacea of any charlatan who comes along with a promise.

This is no new condition. It isn't an emergency situation which has caught private enterprise and civic conscience by surprise. We have turned our backs on it and pretended it wasn't there. It is there, and it underlies a great deal of the very manifestations which the men who want to kill public housing decry and view with such alarm.

If there were any prospect that this very real danger to America could be eliminated in any other way, we would side with the men who want none of public housing. But they do not and never have shown us that other way.

I Am an American

EXTENSION OF REMARKS

OF

HON. CARL ELLIOTT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. ELLIOTT. Mr. Speaker, we all feel a deep sense of pride in being able to state, "I am an American."

I include as a part of my remarks a most excellent editorial from the May 12, 1949, edition of the Stars and Stripes, entitled "I am an American":

Just prior to World War II, when the rights of human beings almost the world over were being subjugated to the will of dictatorships, a few public-spirited American citizens fell upon the idea that there should be set apart a day in this land when special attention could be directed to the rights and duties of citizenship. It was thought appropriate that those who had earned the privilege of full suffrage, either by becoming of age or through attaining naturalization during the preceding year, should be honored, and, at the same time, should be cautioned about their national responsibilities. So, on May 15, we shall observe I Am an American Day. The President has called upon the Governors of all States to proclaim it "because the strength of our Nation lies in the unity of all of our people, of whatever race, creed, culture or national origin—a unity that can be built only upon a full realization of the worth and meaning of American citizenship."

Certainly the war veterans of this country have as full an awareness as anybody of the meaning of Americanism. They have lived their loyalty by service to the Nation in times of stress. With few exceptions, they have continued their devotion to the national service, yet they are disturbed greatly in these days of uncertainty to see so many demonstrations of disloyalty, so much disagreement over the fundamentals of our own security and so much of a tendency to water

down the very essentials that have drawn to our shores the oppressed of the world. In a land where all people know we are free to agree or free to differ with one another, and free to express our differences and dissent, it is shocking to find persons who cannot be loyal to the very institutions that preserve and guarantee those freedoms.

In New York, and in the National Capital itself, American citizens are undergoing court trial for betraying their country. In Paris, recently, an American Negro and others who have had all of the privileges a freedom-loving people could offer had the audacity to pronounce in the name of millions of their races that none of them would fight for the country that afforded them the opportunity to be fully emancipated and free men. There have been some who have renounced citizenship in favor of a foreign power whose ideals are the very opposite of our own. Our Government continues to employ persons of doubtful loyalty and who continue ceaselessly to strive to alter our form of life by any means at hand.

Estimates are that fully a million persons, who live in the United States, have given their allegiance to alien masters, and that more millions could be depended upon to help overthrow the country by force and violence if opportunity offered. With discord rife in Europe and in Asia, with the Soviet seeking openly to spread the doctrine of Red revolution throughout the world, and with pressures being brought to bear on the ignorant in our homeland, some of them in the name of civil rights, it is no wonder that the Chief Executive warns that on this May 15 "it is necessary for each citizen, native born and foreign born alike, to meet his responsibilities of citizenship with intelligence, courage, and unselfish devotion to the principles upon which this Nation was founded" and, we may add, which have sustained it in abundance for the 175 years since its birth.

Whenever it becomes necessary in a so-called free country such as this to prepare legislation to test the loyalty of citizens, when it is deemed essential legally to protect its flag from defilement and mutilation, it appears that a point has been reached when loyalty cannot be taken for granted. There was a time when both native and adopted sons loved this land. Now, it is evident that some constitute a vicious and dangerous fifth column that serves a foreign leader. It is a constant peril, and only an informed and loyal public opinion, supported by law, can save what it has taken generations to build. In the face of a tyranny that is creeping over the world, there must be a rallying cry of freedom, and expedited action should be taken on legislation to strengthen enforcement officers. We have been too easy on those who plot our destruction. The time has arrived to outlaw those who seek to destroy us. This thing is too real to permit our temporizing with it longer.

Perhaps the people of America should devote this year to a moral and religious awakening. One prominent educator recently demanded as much from our school systems that have stressed individualism to the point of national decay. He said that any child who has completed his penny catechism knows more about this atom-studded, jet-propelled, televised and United Nations-riddled universe than the assembled faculties of some of our modern universities. That might be an exaggeration of the pressing problem before us, but it is clearly evident that the people of America, if safety of our institutions is to be assured, must unite on a solution of our political ills which prejudice and unconcern are combining to make for complete destruction.

A nightmare of uncertainty has been manufactured abroad and loosed stealthily upon this country. It has to be obliterated. We must devote ourselves to the reconstruction of a kindliness that we knew before we were encompassed by international intrigue. Just human relations and the association of man and man as individuals, as somebody wiser than we put it, are needed rather than congregations looking to the prolongation of distorted attitudes. We are too preoccupied with being against something instead of being for an objective that has proved its soundness. If we were now to unite ourselves for the preservation of civilization and improve on it, perhaps our faults and weaknesses and our prejudices would be lost with all others of our failings.

Americanism means many things, but it is most a link that ties together upward of 140,000,000 of our people. It is a way of life that can be found nowhere else on the universe. It is something in which we as a people have believed devoutly ever since we were a nation born of sacrifice for an ideal. Men have died for it in costly conflicts regardless of creed or color. Lest it be cast aside for want of champions, unless it be adulterated by enemy infiltration, let there be on this day of observance of the priceless heritage of citizenship a voluntary and spontaneous outpouring of declarations of loyalty by all of our people. All of everything that has made of this country a haven for the down-trodden and all of the hope for a future of continued freedom are symbolized in those words—I am an American.

Cooperation In Armed Forces Needed—Service Bickering Deplored

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. EVINS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I desire to include an editorial from the Nashville Tennessean, dated May 20, 1949, concerning the proposed air flight contest between the air arms of the Air Force and Navy. This editorial is well written and I commend it to the reading of the Members of the Congress as well as officers of our Defense Establishment.

The editorial is as follows:

CALL IT OFF

The proposed mock battle between the Air Force's B–36 bomber and Navy jet interceptor planes should be called off immediately.

Representative VINSON, of Georgia has long rated as one of the sharpest military experts in Congress. For years he was the Navy's best friend in the Nation's legislature. In recent years he has apparently switched his allegiance to the Air Force.

But whatever his ties and predispositions, he should know better than to propose such a contest with Congress and the public looking on.

In the first place, the imponderables of air combat are so great that the tests might not prove anything, no matter how exhaustively conducted.

In the second place, we should ask ourselves what we are trying to prove, and to whom. We certainly do not wish to advertise to the world that our mightiest air weapon cannot defend itself against fighter planes. On the other hand, we should be equally reluctant to broadcast the secret that our vaunted jet fighters are so inefficient that they cannot attend to the B–36. Either way, we would lose.

The whole matter should be kept secret. Undoubtedly, in due time during Air Force war games and fleet battle maneuvers, the matter can be investigated properly. But it certainly has no place in the current Navy-Air Force squabble over which arm of the services is to have which weapon.

The Army and Air Force Chiefs of Staff stepped far beyond their province when they outvoted the Navy's plan to build a giant carrier. The Navy should be allowed to spend whatever funds it is allocated in the best way it knows to do its share of defending the country.

The Air Force and Army should have equal independence with their funds. If these tests are held in connection with the contest and the Navy proves it can take the B–36 into camp, would the Navy and Army leaders then be justified in telling the Air Force it must junk its B–36's and spend its money for something else?

The contest between the big bomber and the navy jets is beside the point anyway. Navy fighter planes presumably are designed to defend the fleet against attacks by quite different type planes. They might dispose of the B–36 and still not be adequate for their regular job.

On the other hand, the B–36 might well prove incapable of sinking a capital ship. Certainly none was sunk during the war by horizontal bombing at high levels, which is what the bomber is designed to do against strategic land targets.

The ludicrous enormity of the proposed contest ought to teach all branches of the service to quit running each other down and fighting over which branch of the service is to have monopoly rights on which function of the defense mission.

Their responsibility is to complement each other.

References, the Hulbert Flag

EXTENSION OF REMARKS
OF
HON. W. KINGSLAND MACY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. MACY. Mr. Speaker, under leave to extend my remarks, I include a list of documents supplying original authentic material anent the Hulbert Flag, supplementing and verifying the historical piece that I introduced into the Appendix of the CONGRESSIONAL RECORD of May 2.

The documents that appear below are available in the Long Island collection at East Hampton. Still others may be found in the Suffolk County Historical Society building at Riverhead. Mr. Morton Pennypacker, who lives at East Hampton, is the historian of that township as well as historian of Suffolk County. East Hampton is the easternmost town of the 10 townships comprising Suffolk County, Long Island, N. Y.

John Hulbert Document Book

Capt. John Hulbert and his flag of 1775.
Long Island Revolutionary War news from contemporary Philadelphia newspapers 3–7
Battles of Chambly and Ticonderoga, newspapers 7–9
Philip Schuyler's original letter to John Hulbert about Chambly prisoners 9
Maj. Joseph Stopford's list of names of Chambly prisoners, 1775 11
Chambly prisoners at Philadelphia, 1775 13

Silas Cooper's note to John Hulbert, 1775 17
Appraisement of guns in Hulbert's company, 1775 17
Alexander McDougall's letter to John Hulbert, 1775 21
Pay roll of Hulbert's company, 1775 23
Return of missing in Hulbert's company, Aug. 31, 1775 23
Col. Van Schaick's order to John Hulbert 25
John Hulbert's muster roll, October 1775 27
Petition for pay of Captain Hulbert's company, 1775 29
Fort Ticonderoga 31
Disbursements of Hulbert's company on march from Fort Constitution, Jan. 8, 1776 39
Account of money paid to Hulbert's company, 1776 41
Pay roll of Hulbert's company, 1776 43
Journal of the Provincial Congress Records of 1775 47
Hulbert's letters, 1777–89 (originals) 49
Hulbert letters, 1785–1806 53
Nathaniel Woodhull's original letter to Col. Josiah Smith, 1776 61
Hulbert's letters of 1779 63

Address by Hon. John J. Sparkman, of Alabama, Before National Public Housing Conference

EXTENSION OF REMARKS
OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 24 (legislative day of Monday, May 23), 1949

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by my colleague [Mr. SPARKMAN] before the eighteenth annual meeting of the National Public Housing Conference, at Washington, D. C., on May 17, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, and members of the National Public Housing Conference, let me say to you people from all over America that I am glad to be here this morning and to participate in the opening session of your eighteenth annual meeting.

At the very beginning, I want to give due credit to your able and loyal executive vice president, Lee Johnson. I can tell you that he and his office staff have spent many long hours in championing the cause of better housing in America. I say sincerely that his contribution has been exceedingly helpful.

Frankly, I feel very much at home with this group. As one citizen who has been working long hours with you in our common effort to convince the Congress that the General Housing Act of 1949 should become law promptly, I find it stimulating to review with you just where we stand in housing today.

Since I was first elected to the Congress in 1936, I have taken a keen interest in the development of a national housing policy that aimed to achieve a decent home in a suitable living environment for every American family. I realize that many of you in the audience this morning are old-timers in housing. That does not necessarily make you old in years. Personally, I feel very young as a houser, yet it was my privilege to vote for the Wagner-Stegall act in 1937—the basic legislation under which all of us here today have operated, and on which the Housing Act of 1949 is built.

The United States Housing Act of 1937 was, in my opinion, a great piece of legislation. I believe that it has been well administered. Of course, the war years presented obstacles that impeded the administration of the law and caused criticism as to how the law worked.

You know what these criticisms have been. To be quite frank, it is such criticism with which you are familiar that has made the task more difficult for your friends in Congress, and has heretofore helped to defeat public housing and slum clearance legislation in the House of Representatives.

Personally, I understand both the source of the most extreme criticism and the handicaps under which you have worked. One of the most prominent charges with which we all are familiar is that some public housing homes have been occupied by high income families. We know that when these families moved into the projects they were of necessity earning wages that qualified them for the projects.

It is common knowledge that during the war the average earning capacity of the American family was increased. The tenants of public housing were no exception. We know, too, that many projects which were in the construction stage at the beginning of the war were converted into war-housing projects wherein the limitations of the United States Housing Act of 1937 were not incumbent on you administrators in the admittance of tenants.

Further, we know that at the end of hostilities the United States Congress prohibited you by specific statute from evicting high-income tenants. It was only last year that the Congress gave its blessings to moving those families elsewhere, and then only if private enterprise could provide them housing of equal quality.

All these things were known to us, but the foes of public housing either did not understand them or they knowingly helped to confuse the picture.

Now that more normal times are returning, I realize that you are taking steps to remove these causes for complaints about your program. It will be better for all of us when you have completed the job. In the meantime, there is a challenge to private industry to provide homes at prices those who are forced out of public-housing projects can pay.

I know what the Housing Act of 1937 has meant down South, the part of the country from which I come. I know what it has meant to thousands of families who had never known anything but shot-gun houses, jammed together into filthy wallows of human misery, degrading both the body and the spirit.

To be sure, since 1936, it has not been possible to hurry along the job of cleaning up slums, because in recent years the House of Representatives has refused to act on basic legislation which had passed the Senate. No one knows, however, what chapter might have been written had the war not intervened. I honestly believe, that had we been given the opportunity to carry on the fight for social gains without interruption, we would not be here today on the threshold of one of the finest housing programs ever attempted by any nation in history. We would have crossed that threshold long ago. Our program would have been well along toward completion.

But the fact remains—we were interrupted. We went through the bloodiest and most costly war in history. We emerged victorious, but with deep scars on our national being. You and I know that when men and women returned to pick up their life threads where they had been forced to drop them, there would be varied and difficult adjustments. You and I knew, long before VJ-day, that this Nation was certain to face a housing problem that might well jeopardize our best laid plans for readjustment.

We were aware of the vast increase of the number of families in America. We were thoroughly conscious of the fact that for several years no new homes were produced, except for those that were essential to care for the needs of a shifting wartime population.

May I say here to those of you who represent local housing authorities, and local management of war housing projects, that had it not been for your valiant efforts in cooperation with Federal officials, we could not have accomplished the staggering job of providing shelter to house the workers who manned our great industrial war machine. I know that there were no medals for your efforts. I am well aware of your heartaches through those trying years, under scorching criticism from every side. I know also that because of your untiring work and your faith in America the time of the war was reduced immeasurably, and no doubt many lives were saved.

You may not have been thanked for that splendid job—probably you do not want thanks. But I say sincerely that millions of your fellow citizens are grateful, and I join with them in expressing appreciation to you.

Yes, those of us who lived close to the housing problem anticipated the troubled years through which we have passed since April 1945. I know that the National Public Housing Conference was recommending a legislative program 5 years ago that was identical in its objective, and similar as to machinery, to S. 1070 which passed the Senate overwhelmingly less than 4 weeks ago.

Your disappointments have been many, because in your position you are so deeply conscious of America's housing needs, and because you have been continuously frustrated in your efforts to meet those needs.

Now, it is my firm belief that your disappointments will soon be alleviated. You have been thwarted again and again and you refused to give up. Now you are about to be called upon to carry out a job of staggering proportions. You face a challenge to which all America thrills. The tools to provide homes for those families in America who need them most are about to be placed in your hands. Congress soon will, I trust, have done its basic job. It will be just as effective as you make it.

It must give you pause to realize that you are about to receive the responsibility for which you have asked so often. You know that you can do the job, or you would not have had the temerity to request it. Those of us who have worked with you share your confidence in your ability to produce.

When we have been through difficult times together it is only human to reminisce, and to check up on our own reactions to a given set of experiences. For example, nothing has so sharpened my interest in the subject of housing nor given me the insight into the individuals and groups endorsing—and attacking—housing legislation as has my appointment to the chairmanship of the Senate Banking and Currency Committee's Subcommittee on Housing and Rents. For a period of 13 days in February of this year our committee held hearings on housing bills.

No one who examines the more than 1,000 printed pages of transcript can help but be impressed with the thoroughness and fairness of those hearings. A substantial majority of the members of the subcommittee as well as the full committee are proud of the bill which we reported and at the speed and overwhelming vote with which the Senate acted when, on April 21, it passed S. 1070 and sent it on to the House. As you know,

the Banking and Currency Committee of the House approved the bill last Thursday.

You at this conference are, of course, familiar with the provisions of S. 1070. You know that it would establish a national housing policy, and that it would build on the United States Housing Act of 1937 in continuing and expanding public housing and slum clearance.

Of interest to you also, I am sure, are the strengthened housing research aids which would be provided in title III. This part of the bill aims to bring about an increase in housing construction at better quality and at lower costs than we now enjoy. Low-cost quality housing is one major requirement in our economy that continues to lag behind the progress made in filling other vital needs.

You are not administratively concerned with another part of the bill—farm housing in title IV—but I know you agree that it would fill an important need among our farm people. For some time, I have been giving consideration to trying to do for the rural farm people what our housing legislation has done and is now aiming to do for urban population. With this in mind, I introduced in the early days of the present Congress the farm housing bill that would help farm owners to provide decent housing and buildings essential to a complete farm unit for themselves and their tenants. When S. 1070 was reported from our committee, the farm bill which I introduced was incorporated in it as title IV.

Under the terms of this title, long-term loans at 4 percent interest rates would be loaned to farm owners for their housing and their tenants' housing needs. A total of $250,000,000 for loans and $25,000,000 for grants is provided over a 4-year period. I believe that this part of the housing bill would be a great step forward in filling the housing requirement of our long neglected farm families.

It is an interesting commentary on the legislative process that opponents of certain legislation are inclined to shift the emphasis of their attack from time to time. In one session, although all the usual arguments are advanced against public housing, one detects a slightly greater emphasis on the cost of the program. In another session, it might be the familiar where-will-you-draw-the-line? In another session (or before a different body) it might be the competitive nature of public housing with private enterprise. Sometimes it is the construction cost, etc., etc. This year, it seems to me, the underlying argument is that a public housing program is socialism. Perhaps this is the year when public housing opponents think that argument will meet with its greatest receptiveness.

I do not intend to impugn their motives. Some of my closest friends disagree with me on the issue, and by and large I believe those who oppose public housing do so with sincerity. I submit that their fears are unfounded and that they have not given full consideration to certain basic factors which instead of promoting socialism serve as security against it.

While on the subject, I want to say a few more words about public housing and socialism.

I do not profess to be an authority on socialism, but I suspect that I am just as qualified to speak on the subject as are those who oppose public housing. I like to think that it is a fortunate strength in our system that our Government, responsive to an admitted need for shelter by a large segment of its citizenry—a need not being fully met by private enterprise operating in a profit economy—should, can and will step in to help meet that need. I conceive of this not as socialism but as Americanism.

The truth is that the housing bill specifically guarantees that private enterprise is to do just as much of the job as it can and will do. More than one private builder testified before our committee that private industry could not do the job alone. It is only in cases where this is true that Government is to help.

For the Federal Government to assist in providing decent housing for the Nation's citizens is no different in principle than to grant huge subsidies to the air lines carrying mail; to insure lenders against loss on home loans; to appropriate funds to builders of merchant ships; to make crop loans; and to participate in a public-roads-building program. When we engage in so many of these and other activities, I submit that we are responding to a need.

It is for the duly elected Congress, provided for in a democratic Constitution, and acting as a democratic assembly, to assess the demands for governmental assistance against the object of that assistance. If the result is to strengthen the economic or moral fiber of the citizens; if it protects American industry; if it does any of these things, then if the Congress authorizes it, it is merely additional evidence of American democracy in action.

When we come to public housing I should say it is as socialistic as the 24 Republican and 33 Democratic Senators who voted for it; as socialistic as the New York Herald Tribune; as socialistic as the veterans' organizations; as socialistic as the American Municipal Association or the United States Conference of Mayors; as socialistic as organized labor; as socialistic as the National Conference of Catholic Charities or the Congregational Christian Churches. Yes; it is just as socialistic as the women's, educational, farm and civic organizations, as well as the industrial leaders who endorsed the bill.

Of course, there have been many other arguments leveled against S. 1070 by its opponents. It is significant, however, that in 1949 not one new thought has been presented to frighten the American people away from the housing bill. The arguments have been the same as when public housing was first mentioned out loud more than a decade ago.

Once again, the Senate has refused to retreat from its stanch support of public housing, and I have every confidence that the measure will pass the House in substantially the same form it was approved by the Senate. May I caution, however, that none of us go to sleep at the switch before we have pulled in at the last stop.

Now, I wish to revert to my original observations and once more stress the fact that the American people are counting heavily on you, those of you employed as housing administrators, and those who legitimately speak in the public interest, to make the housing program work.

It may be trite to say that laws are not self-operative; that they do not plan; condemn land; design; let contracts; operate and maintain projects. Laws authorize; enable; prescribe conditions; set forth limitations; describe penalties; and declare policy. We have all worked long and hard to develop a housing law that will enable you to achieve our joint objective.

Of course, there has never been a perfect law, but insofar as possible we have endeavored from the very first to supply you with the best tools possible, forged in the "give and take" of a legislative body. Where there have been questions of intent we have endeavored through legislative history written in committee and on the floor of the Senate to provide guides so that housing administrators will know precisely what Congress had in mind in writing the Housing Act of 1949.

Let me say to you, in conclusion, that throughout my many years in Congress I have never enjoyed a more satisfying relationship with all parties concerned with the development of a single piece of legislation. Our own committee staff has worked in harmony with your representatives; we have had the advantage of counsel from technicians in the Administration; we have worked with all of those who offered their assistance. I do not wish to indicate that we enjoyed just one long love feast. Many times we had healthful differences of opinion, but always we were able to reach conclusions as adults. Our singleness of purpose has been a great factor.

You will understand me, I know, if I offer a warning not a lecture. The housing program will be on trial from the hour the Congress completes action. On every level of administration effort may be made to discredit your work. We have attempted to make the Housing Act one piece of legislation that by its very nature demands the maximum degree of local autonomy. There must be a locally administered program which will be characterized by soundness, integrity, and speed. There must be a Federal administration that is marked by vision and statesmanlike leadership. If our efforts to meet the housing problem should fail, and they cannot be permitted to fail, you and I may not be afforded another chance.

In my remarks today I have not wished to indicate that America's housing problems have been met completely when S. 1070 becomes law. We will then have taken our first great step. This session of the Congress still has to deal with the urgent question of providing aids to families of middle income in order that they also may have an opportunity to secure decent homes at monthly costs they can afford.

Our Senate committee is wrestling with the problem of the middle-income family at this time. Before many days have passed we hope to report from committee a broad measure, with bipartisan support, that will attack this problem. I am assured also that the House Committee on Banking and Currency will commence hearings promptly on legislation proposed to meet the housing problem for middle-income families.

The National Public Housing Conference has been consulting with our committee, and we are now considering your specific recommendations which you have made jointly with veterans, labor, religious, and other citizen groups. We in the Congress invite your continuing counsel. We depend on you to help us interpret to the Nation what is meant by the legislation that comes before us.

We are presently on the verge of one victory, but more important we are on the threshold of assuming the responsibility of playing a major role in making democracy work. Stated in one sentence: Our job is just beginning. When we meet again we must be able to report great progress—we shall talk of homes completed—our report will be one of housing progress to the Nation. Please know that when legislation is finally law your many friends in Congress will not desert you. Our partnership continues until our objective is a reality. We shall be your friendly, constructive critics.

Let me say again that I am pleased for this opportunity to participate in your opening session. I wish for you all a pleasant and productive annual meeting.

A Very Great Tragedy of Our Times

EXTENSION OF REMARKS

OF

HON. HARRY FLOOD BYRD

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 24 (legislative day of Monday, May 23), 1949

Mr. BYRD. Mr. President, I ask unanimous consent to insert in the Ap-

pendix of the RECORD a very brilliant and eloquent column in the New York Times of today, by Mr. Arthur Krock, entitled "A Very Great Tragedy of Our Times."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A VERY GREAT TRAGEDY OF OUR TIMES

(By Arthur Krock)

WASHINGTON, May 23—"The testimony of statesmen of all parties to Castlereagh's gifts and charm is in strong contrast with the flood of calumny poured out by those who knew him not."

This is the concluding paragraph of the biography in the Encyclopedia Britannica of the great Minister of the United Kingdom at the Congress of Vienna, the architect of unity among the three European powers which overthrew Napoleon. Today it could be said of the first Secretary of Defense of the United States, who, like Castlereagh, took his own life.

Like Castlereagh, James Forrestal shattered a muscular body and weakened the props of a noble mind through overwork in the service of his country, and died with a sense of failure that the shining record controverts. Disloyalty, malevolence, and withdrawal of high favor proved too heavy a burden for his sensitive nature to surmount when the support of physical strength was demolished by 9 years of unbelievable labor, and by the incessant weight of grave problems which had to be decided day and night. On some of these decisions may have rested the fate of the Nation.

The parallel with Castlereagh is startling. In 1821 that statesman, after exhausting struggles in Parliament and overwhelmed with work at the Foreign Office, was importuned by his assistants to have a care for his health. Though Tsar Alexander's course filled him with forebodings that the three-power unity he had achieved was nearing its end, Castlereagh planned to attend at Verona in August a final conference designed to maintain it and went to his country house for a rest. His clear handwriting had become distorted; increasing irritability replaced his usual calmness; he suspected spies and plots against his life, and complained to a passer-by of the torment of public life where his own colleagues proved ungrateful or treacherous. In the Congress of Vienna (Harcourt Brace & Co., 1946) Harold Nicolson completes the tragic story:

THE HISTORICAL PARALLEL

"On * * * August 9 * * * he went up to London [where] His Majesty [George IV] was so much alarmed by the disordered nature of Castlereagh's conversation that he scribbled a hurried line to [Lord] Liverpool. Castlereagh then drove to Apsley House and found the Duke of Wellington in a library on the first floor. * * * Wellington was so apprehensive that he at once sent a note to Dr. Bankhead. * * * Castlereagh returned to North Cray Farm, where he was rejoined by his wife and Dr. Bankhead. * * * He was given sedatives and bled. * * * Dr. Bankhead was unaware of a small penknife which Castlereagh had concealed in the drawer of his washstand.

"Early in the morning of August 12 he sent a message asking Dr. Bankhead to come to his dressingroom immediately. On entering the room Dr. Bankhead saw him standing by the window looking out, with his hands above his head and his throat cut. * * * 'Bankhead,' he gasped, 'let me fall on your arm; I have opened my neck; it is all over.'"

The surface rapidity and character of this decline could not have been a greater shock to the generation. If his contemporaries, a year before, had been asked who among them would suffer such a fate they would have mentioned almost any other name but Castlereagh's, and there the historical parallel recurs and ends between two great patriots of amazing achievement.

UNANSWERED QUESTIONS

In the realm of theory will remain the answers to these questions which are being asked on every hand in the shocked and anguished capital: "What part in bringing the tragic climax was played by those who, in the press and on the air, steadily aspersed Forrestal's official record, his courage, his character, and his motives while he was Secretary of Defense and followed him to the sick-room with every fragment of gossip that could nullify the treatment his doctors hoped would restore him? What part was played by those around the President who, from the moment the election was won, inspired the stories that he would be the first Cabinet member to be dismissed for disloyalty and administrative weakness? What part was played by his own agonized soul-searching into whether, in his zeal for the national interest, he allowed delay and indecision toward the Air Force program to supplant the firm, clear judgment that had always distinguished him?"

None can answer any of these questions with finality or in exact degree. The most that can be said with confidence by those who knew Forrestal well from the years of his private occupations is that ceaseless abuse of his physical and mental powers left an opening for any of the influences to bring him to collapse and suicide. When, a few days after his retirement from office, a friend persuaded the wasted, distracted man to go to Hobe Sound for a rest, Forrestal informed him that for months he had not known unbroken sleep and for weeks his body had not functioned normally. And words that before would have evoked the quick, gay laugh that was so familiar in him he heard unsmilingly.

The iron had entered deep into his heart and mind, and both the will and the strength to pluck it out were lacking when science lent its most enlightened and skillful aid. The end was the final scene of a Greek tragedy, such as he was pondering when it came.

The President's Welfare Budget and Elimination of Subsidies

EXTENSION OF REMARKS

OF

HON. CLYDE M. REED

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Tuesday, May 24 (legislative day of Monday, May 23), 1949

Mr. REED. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a most unusual and common-sense letter from Warren E. Walker, of Wichita, Kans.

Mr. Walker discusses a number of very important subjects in which he is interested. He also expresses an attitude that, I regret to say, is not generally found on the part of a large number of our people. Mr. Walker urges elimination of subsidies of all kinds and opposes some of the most-talked-of subjects in the President's so-called welfare budget.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WICHITA, KANS., *April 27, 1949.*

Hon. CLYDE M. REED,
Senate Office Building,
Washington, D. C.

DEAR SIR: I suppose that I am a rather rare individual. I am not looking to the Government for a handout.

I am a veteran, but I am opposed to a veteran's bonus and a veteran's pension. I do not own any real property, but I am opposed to rent controls. I am not wealthy and I do not have a large income, but I am opposed to the "soak the rich" confiscatory tax structure. I pay my doctor bills, and I do not want the Government to assume this function for me. In short, I am just a common, garden-variety taxpayer, and I am opposed to the above practices because I am selfish. I am selfish enough to see that these extensions of Government power will not be in my best interests or in the best interests of the country in general. If my opinions are worth anything and will in any way assuage the influence of the pleas of the special interests who want special privileges at the expense of me and others like me, I will feel highly gratified.

The farm legislation now under consideration is an excellent example of special interest legislation. Being from a predominantly agricultural State, you will doubtless be subjected to numerous pressures to vote for the Brannan subsidy bill. While this bill is undoubtedly a masterpiece of political subterfuge which will make both farmers and consumers happy until they pay their income tax, it is the basest form of pandering to voters. Anyone who is just half-bright can see that if the farmers get a high price for their products and the consumers pay a low price for the same products, the difference is going to have to come from somewhere; namely, the seemingly inexhaustible United States Treasury. The potential cost of this chicanery is immense, and even the Secretary of Agriculture is either unable or unwilling, or both, to estimate the probable cost. I hope in the interests of us plain old taxpayers you will vote against the socialization of the farm industry in this country. This proposition in addition to being a costly experiment, will take the management of farms away from the farmers and place it in Washington, thousands of miles away.

The proposed International Trade Organization is another monstrosity. The precepts of this organization as set forth in the charter, are supposed to stimulate free trade among the nations. Instead of that, it would seem to me to have the opposite effect. While giving lip service to the removal of trade barriers, the exceptions given to participating nations would seem to include all of those ever used to justify high tariffs; i. e., national defense, protection of infant industries, and 13 others. If there are any advantages at all to this organization, they certainly would not accrue to the United States, because our tariffs are now much lower than those of other countries and this charter would serve to justify the raising of trade barriers by other countries, even higher than they are now.

The administration-sponsored health insurance bill now being considered meets with my disapproval and the bill sponsored by Senator TAFT would seem to be little better. The difficulty in our health problem if we have one, can be traced to the number of doctors in the country. This in turn can be traced to the desire of the medical profession to maintain high standards for their membership. Neither an expenditure of $6,000,000,000 a year by the Federal Government or the lowering of educational standards for doctors will enhance the health of the Nation.

Personally, if I were seriously ill, I would much rather be able to get a doctor immediately and pay the bill myself, as it is now, than stand in line waiting for 100 neurotic women to get free sugar-coated pills while I expire.

I hope Congress will scrutinize the Hoover report and notice how the Federal Government has wasted millions of dollars by duplicating hospital facilities and operating them inefficiently, before endowing the Government with more billions to dispense in the same way.

I am grateful for the opposition which the Republican Party is providing in Congress. I wish sometimes that the Republican leadership and influence were a little stronger and that the reins on public spending were drawn tighter. I am concerned about the prospect of expanding Government power and the prospect of a continued policy of deficit financing. An individual cannot for a sustained period of time, spend more than his income, and history demonstrates that nations cannot either. It seems too bad that we may be following England down the path toward economic disaster.

Yours very truly,

WARREN E. WALKER.

Speak Up for Democracy

EXTENSION OF REMARKS
OF
HON. MILTON R. YOUNG
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Tuesday, May 24 (legislative day of Monday, May 23), 1949

Mr. YOUNG. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a speech entitled "Speak Up for Democracy," delivered by Mr. Ulric M. Gwynn, Jr., vice president of the North Dakota Junior Chamber of Commerce.

Mr. Gwynn's speech won first-place honors in the State contest sponsored by the United States Junior Chamber of Commerce.

In these days of international unrest, it is refreshing to find our young people further examining and speaking out for our great democratic form of government.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

My fellow Americans, we, as young men of America and as members of the United States Junior Chamber of Commerce, are, through this contest, trying to build a larger army of our people to further the cause of democracy. You have heard from the toastmaster and my fellow speakers that we are trying to instill into the minds of the people of this great Nation of ours that this thing called democracy is not something to be taken for granted but instead is something that we, as Americans, have to fight to uphold just as our forefathers fought to get and uphold it for us.

In the little town of West Branch, Iowa, one of our elder statesmen and one of the greatest men ever to sit in the White House, Herbert Hoover, recently remarked: "At the time our ancestors were proclaiming that the Creator had endowed all mankind with rights of freedom as a child of God, with a free will, there was being proclaimed by one Karl Marx a satanic philosophy of agnosticism that the rights of man came from the state. The greatness of America comes from the one philosophy and the despair of Europe from the other."

The principles of Government of the United States are the most effective yet devised by mankind. By any form of measurement, this Government has returned the greatest amount to the largest number—yet how few of us as individuals who have profited by this system recognize the reasons for its success. How many of us are convinced that we have no reason to fear that some day this form of government could disappear and in its place come the form of government and the principles advocated by Karl Marx? It is true that those people who believe in these doctrines of socialism and communism are few in number, but they are tightly and efficiently organized. They are ruthless, subtle, and unprincipled, and once in power, they brook no interference and they tolerate no criticism. It is both tragic and surprising that people who enjoy the sacred privilege of moral and spiritual freedom are willing to trade that hard-won heritage for the wicked concepts of communism and socialism. But there are some—yes, even here in this great country of ours—who are willing to make the trade. As we stand here this beautiful May evening, I can recall another May evening when one of those self-proclaimed Communists stood on a corner in Times Square and gave a speech degrading our loved American flag. This symbol of our freedom was run down in its meaning as we know it. This man very brazenly remarked that the red, white, and blue stood for something that we do not recognize. The red was supposed to stand for the revolutions to come and the blood to be shed to throw out our democratic form of government; the white for the cowardice and surrender of our leaders, and the blue for despair of our people in the hour in which they see the light. You and I as Americans know here tonight that these theories are false and instead, we believe the red in our flag stands for the blood of those great American forefathers and for the blood of our fallen comrades who have given the supreme sacrifice to uphold our democracy; the blue stands for the sky above, with the great Creator giving us courage to uphold our heritage, and the white for the purity of all that we know to be right in this freedom-loving land of ours.

I would like to tell you a story that has its beginning in a northern province of Czechoslovakia and concerns two brothers. Two small boys were sprawled on the banks of the Elbe River. This afternoon was not unlike many others, for often they sat by the river and talked, sometimes until sundown.

"I'm going to be rich when I grow up," Karel would vow. "I'll own much land and everyone will point to me and say, 'There is Karel Mahousek. He is the richest man in all Czechoslovakia.'" But brother Jan Mahousek had dreams, too—dreams that he dare not even tell Karel because he would surely think them strange. He just sat there and looked out into the horizon. Somewhere beyond the Elbe there was an ocean, and beyond that? Well, one day he would know.

Old Eduard Mahousek considered his sons and what the future held for them. He even prophesied it many times, "Jan is a dreamer. He is one with imagination, but he is not as ambitious as Karel." Yes; even at an early age, Karel was marked for success. As for Jan, well, maybe it was an accident that he happened to be on the village dock when a river boat stopped for cargo. Maybe it was fate when, on an impulse, he took a job on the boat and found his way to the sea—to a different way of life—for Jan came to America.

It wasn't easy at first, this new world. He used to write home about the strange American ways. Yet, there was always something wonderful to tell. He was making progress. He had a good job, with good pay. As for Karel, his letters were different; filled with uncertainty. He couldn't save to buy the land he had promised himself he'd one day own.

What does the story of these two brothers mean, and why are their lives so different today? The answer is simple, for both are symbols of America and Europe. Actually, there is no difference in the people here and there. We are all brothers under the skin. Like Jan and Karel, we are Czechs, or we're English, French, German, Norwegian, Spanish, or any of many other nationalities. We are the same people, with the same blood, the same native ability, but there is one essential difference. Here in America we have the opportunity and the privilege to use to the fullest extent our native ability. Yes; here in America all have been free to express themselves and to use and develop talent and ability.

This freedom to grow and build for the future isn't something to be considered lightly. It is something all of us must guard, even with life itself. Yet, in the abundance that surrounds us, we sometimes forget. We forget that with all this comes an obligation—an obligation to work. For if we do not work to preserve it, we do not deserve it. This great power that we have in America was gained and grew because of work. It became the great thing it is because men bent to the task to accomplish an end.

Remember this one bit of philosophy before I close: "It's not what you have but what you want that makes you what you are. Whether your heart is down to earth or riding on a star; whether your dreams have all come true or still remain afar. It's not what you have but what you want that makes you what you are. No task is too large and none too small to receive exacting care in all."

Let us all want a great America; great for its freedoms in all that we do; for ourselves, for our children, and for all mankind. Let us all be salesmen; let us all speak up for democracy and trust in the great God that in the words of the emancipator, Abraham Lincoln: "That this government of the people, by the people, and for the people shall not perish from the earth." That this government of you and I, for you and I, and by you and I shall endure forever for all mankind.

Is Drew Pearson Happy?

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, a man who gratuitously smears innocent, defenseless individuals in order to sell his wares, advance his own financial interests, no doubt derives pleasure from the squirming and the suffering of his victims.

Drew Pearson, who seldom misses an occasion to throw out a falsehood and insinuation or by innuendo to injure some innocent victim, if he runs true to form, must be chagrined by the death of James V. Forrestal, whom he so vigorously and meanly attacked, because Forrestal is dead and no longer will be humiliated or suffer because of Pearson's slanderous, libelous statements.

Like the little boy who tortures a fly on a pin, then casts him away because the fly is dead and can no longer squirm, Forrestal's death deprives Pearson of the pleasure which he otherwise might have had by continued vilification. Pearson will have to seek another victim. James V. Forrestal is beyond his reach.

Yesterday the gentleman from Michigan [Mr. SHAFER] placed in the RECORD the comment of David Lawrence concerning Forrestal's passing.

Printed herewith and from the morning paper is an article on Pearson by Westbrook Pegler.

When will the Congress enact the legislation proposed by me several years ago making these cowardly radio commentators subject to suit in the United States district court in the district where the victim lives and the broadcast is heard or the publication circulated? There are several of these commentators and columnists who make it a business to benefit out of other people's misery, who should be brought to task.

Moreover, the law should make liable to similar legal action, men like Frank Lee, of Danbury, Conn., who is Pearson's present sponsor.

The radio station where the broadcast originates and the publisher of the paper who prints these libelous articles should also be brought within the terms of such a law.

If some of these character assassins were made to answer in court, they would be less free with their false accusations.

The Pegler article follows:

FAIR ENOUGH

(By Westbrook Pegler)

James V. Forrestal, a loyal, brave and self-sacrificing servant of this republic, certainly was, as President Truman said on hearing of his sudden death, a casualty of the Second World War. He was also a victim of the wanton black-guardism and mandacity of the radio which has been a professional specialty of Drew Pearson.

Pearson has become a man of great power and special privilege because other decent men like Forrestal go in fear of fantastic lies to be spread over the Nation by radio, all to stimulate the sale of a brand of hats or laxative.

Pearson's current sponsor, Frank Lee, of Danbury, Conn., cannot escape a share of the responsibility for his false statements blackening the character of good men or implicating innocent citizens in discreditable or merely embarrassing episodes.

The American Broadcasting Co., which leans to this kind of radio material, most of it motivated propaganda thinly disguised as news, once tried to disown responsibility and frankly advised a citizen who was the victim of a fictitious incident not to demand a retraction or an apology.

Ed Noble, the chief owner of the company, a professional New Dealer who prospered greatly by his political adherence in radio, said the amend, if it were made, would be made in such manner as to aggravate the original falsehood and make the victim wish that he had taken it lying down.

Pearson's motives are seldom apparent. But, whether ulterior or, possibly, aboveboard, the fact is nevertheless that he has habitually "got on the wheel" of this or that defenseless personality in public life and inflicted such personal hurt as to deter decent men from entering public service.

In the case of Forrestal, Pearson made a false charge of disgraceful cowardice. Forrestal, in the role of Under Secretary of the Navy, a civilian job, made four landings with the marines, behind the assault waves, on Pacific islands held by the Japanese.

Franklin D. Roosevelt held a similar position during the First World War. It is no disparagement of him to point out that Roosevelt's only experience anywhere near the front in France consisted of tours of inspection amid considerable panoply and privilege, not personal intimacy with danger.

The contrast does favor Forrestal nevertheless.

On January 16, 1949, over Station WJZ of the American Broadcasting Co.'s network, Pearson purported to read a dispatch direct from the White House vilifying Forrestal.

At least his voice said, "The White House: Well, President Truman was about to accept the resignation of Secretary Forrestal when, last Sunday, he heard Walter Winchell's broadcast about Forrestal's income-tax finagling in the 1930's."

In newspaper and press association language, that term "the White House" at the start of an item is called the date line.

The date line is the source or the ostensible source of the facts or falsehoods which then ensue, and, in this case, clearly implied to the p blic that he was reading a dispatch direct from the White House. As to whether this was a truthful representation, the individual citizen may draw his own conclusions.

"Whereupon," Pearson continued, "Truman sent for a transcript of the Winchell broadcast and literally hit the ceiling. 'I'm not going to let that little so-and-so,' he stormed, 'tell me who I'm going to keep in my Cabinet.' And a day later he told Forrestal he could stay on, at least for the time being."

There ensued a paragraph of artful smear concerning Forrestal's income tax based on Pearson's own independent charge which for its credibility relies on Pearson's own record of erroneous, not to say false, statements.

Then Pearson said: "For my part, I personally think Mr. Forrestal is a very nice and charming gentleman. But I agree with Walter Winchell that a man who avoids taxes by concealing his money in a foreign country cannot command the respect of boys who are drafted into the Army."

You are invited here to note that Pearson does not charge that Forrestal was guilty of any wrong but does a job of logrolling for another equally mendacious, ulterior, and malicious radio terrorist whose high, moralistical posture is fantastic.

No facts ever were presented to prove that Forrestal had been guilty of any act which was not accepted practice in complicated international tax matters. And the fact is glaringly apparent that Winchell, the source of this smear, was a professional idolator of F. D. Roosevelt, who overlooked no chance to refer to himself as commander in chief of the boys who are drafted into the Army.

It will be remembered that Roosevelt was guilty of a flagrant swindle in beguiling John Hartford to surrender $200,000 of his son, Elliott's notes and $200,000 worth of stock to him, President Roosevelt, on the deliberately false representation that the stock was practically worthless. This was felonious fraud without question so the sanctimonious subterfuge about the respect of the boys who are drafted into the Army was merely a sly approach to an oblique insinuation against Forrestal's moral character.

Now, finally, Pearson came to the foulest smear of his evil text.

"And I would go further," he said, "and state that a man who runs out the back door of his house into the alley, leaving his wife to cope with a jewel robbery alone, would not appear to have the courage or chivalry to be the best Secretary of National Defense."

I have personal knowledge of the Forrestal jewel robbery of July 2, 1937, because Mike Lomars, the mastermind of the hold-up, was a union racketeer with AFL charter controlling many workers in the tobacco trade in New York.

The case was broken by detectives Tom Tunney and Ruddy McLaughlin through a confession by a thief whom they arrested in another case. Not that he need rely on his brother's fame, Tom Tunney is a brother of Gene.

Not trusting my memory or even my old notes, when Pearson charged Forrestal with deserting his wife in the hands of gunmen, I called on Herman Stichman, the chairman of the New York State housing authority, who had handled the prosecution in November 1940.

Mr. Stichman said there was absolutely no excuse to impugn Forrestal's conduct because he was asleep inside the house at 27 Beekman Place when the stick-up took place on the street outside at about 2 o'clock in the morning.

Mrs. Forrestal had spent the evening at the Persian room at the Hotel Plaza with several friends. About 1:45 she and her escort, Richard B. W. Hall, got into Mr. Hall's car, driven by his chauffeur, and drove to Beekman Place. When they pulled up at the curb, Mrs. Forrestal said:

"Instead of the chauffeur opening the door, a man jumped in the car in back with us. He said, 'This is no joke; it's a stick-up.' I told him it was a silly way to make a living.

"He had a gun. The gun was pushed up at Mr. Hall. There was another man with the chauffeur. At one point there were two men in the back of the car. Both had guns."

After they got Mrs. Forrestal's jewelry, valued at more than $50,000, the men ran to a car that was parked just ahead, leaped in, and got away. Mrs. Forrestal saw four men altogether. When they had left she rushed into the house, notified her husband, and called the police.

Mrs. Forrestal had been "fingered" by a woman named Dorothy Stirrat, alias Dolly Turner, a criminal known as "The Lady Finger." With her own escort, a member of the gang, "The Lady Finger" left the Plaza when Mrs. Forrestal and Mr. Hall left, followed the Hall car in her car, pointed it out to the gunmen who were waiting in another car close by, and wished them luck as they took out after the quarry.

The stick-up was so quiet that, far from awakening Jim Forrestal, it escaped the notice of a special watchman for the block who, for the moment, chanced to be conversing with a taximan out of sight around the corner.

"The Lady Finger" got 10 to 20 years, Lomars 10 to 20 years, and Joseph Weiss, alias Morris Seitchick, 30 to 60 years. Lomars held a union meeting and passed a resolution appropriating $5,000 for his defense on the ground that he was a labor spokesman and a victim of a Wall Street plot.

The Forrestal house is on the east side of Beekman Place. There is no alley through or behind the block through which Forrestal could have fled if he had been the coward that Pearson said he was.

North Atlantic Pact

EXTENSION OF REMARKS

OF

HON. CLEVELAND M. BAILEY

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. BAILEY. Mr. Speaker, under leave to extend my remarks, I wish to include a statement made May 18, 1949, by Donald R. Wilson, department commander of the American Legion for the State of West Virginia, on the Legion's stand on the North Atlantic Pact.

Mr. Wilson, a veteran of World War II, is one of the outstanding citizens of my district and has done much to promote the American Legion in our State. I am

genuinely proud to claim him as my constituent. His statement follows:

Mr. Chairman and members of the Senate Foreign Relations Committee, the American Legion has eagerly accepted this opportunity to appear before this committee for the purpose of expressing its views on the North Atlantic Treaty.

In the light of some of the charges which have been made to the effect that the treaty is a prelude to war, it may be interesting and helpful to this committee to have an expression from the largest veteran's organization in the world, with over 3,000,000 members, giving its considered view that, far from being an instrument of war, the treaty in fact does much toward the accomplishment of its announced objectives of obtaining peace and security for the world.

There is no organization of individuals more devoutly interested in the cause of peace and security than an organization of veterans who have had the experience that can only come from participation in a global armed conflict. They have seen and felt the destruction that comes with war; they have observed at first-hand the dislocations which result; they have seen the suffering not only of their comrades in arms but of all peoples.

As a result of their experiences in the first great world conflict, the organizers, leaders, and members of the American Legion during the year 1919 to 1941 urged time after time that the United States of America keep itself militarily strong and cooperate with the peoples of other peace loving and democratic nations, to present a united front against the aggressive designs of nations whose leaders were mad with a lust for conquest and power.

It was with a sense of impending doom during those years that the members of the American Legion, veterans of World War I, watched the United States destroy its military effectiveness, encourage aggressors by displaying only weakness, place its confidence in high-sounding but meaningless and nonimplemented declarations of policy, sit idly by while Japan plunged the dagger of conquest into a prostrate China, refuse to be alarmed and effectively cooperate to deal with Mussolini's blatant aggression against Ethiopia, and fail to see the significance of Hitler's relentless measures of conquest against Austria and Czechoslovakia. Perhaps the attitude of mind of the American people during those tragic years was best expressed by our announced policy of neutrality, which amounted to a complete abandonment of our sense of obligation toward peace, freedom, democracy, and the human dignity of man.

Partially as a result of our abandonment of the responsibility in international affairs, another generation of Americans was called upon to secure in bloody conflict the peace that had been so carelessly thrown away. Another generation of Americans was called upon to participate in the destruction of a malignant way of life. Upon the conclusion of hostilities, there were then two generations of American veterans, members of the American Legion, who possessed an overwhelming desire to secure to future generations what had been denied to them, namely, a peaceful and secure world. They had seen and understood that war, even when conducted in a righteous cause, left behind it untold misery. Particularly after the Second World War was it apparent that the peoples in many nations in the world were disheartened, exhausted, and practically devoid even of a will to live.

It is out of that background of experience that the American Legion sees adherence to the North Atlantic Treaty not only as a desirable step, but as an imperative step for the United States to take if we are to be consistent and progressive in our endeavors to build an edifice of peace. The participation of the United States in the North Atlantic Treaty is not an isolated step; it cannot be considered alone; it must be considered only as one further advance along the road upon which we are now marching.

I have spoken of the peoples of some of the nations of the world losing their will to exist. In our opinion, that will was partially recreated by the hope that was held out to them when the United States joined in the proclamation of the Atlantic Charter. That served to sustain them during the difficult years of war.

At the conclusion of the struggle, with the promulgation of the Charter of the United Nations there was recreated in the hearts of the peoples all over the world a desire not only to live, but to struggle upward toward a goal which for so many years had seemed completely beyond reach and was now within the realm of the possibility of attainment. It was significant that so many nations which had gone through the experience of war could unite and struggle together for enduring peace through the framework of a world organization.

After the first enthusiastic acceptance of the United Nations it became apparent that there were defects in the structure, defects which would be difficult to remedy. Because of those defects the Soviet Union has been able to expand its power and influence over practically half of Europe and much of Asia. It has been possible for the Soviet Union to contemplate the enslavement of the remaining portions of the world. Her obstructionist and aggressive designs brought about a situation which too closely parallels that which existed in 1939.

To meet Russian encroachments, and to fortify ourselves against enslavement from whatever source it might come, we came to believe that it was not enough for the people of the world merely to have the will to live and an ideal goal to struggle toward, but it was necessary for us to build within them the desire to prosper, to build up their businesses, their trade, and their economic security. To that end the United States announced what might be called the most unselfish act in the history of nations. We proclaimed the Marshall plan. We have been enthusiastic in our participation in it. We are proud to know that it is accomplishing its purpose, and we delight in the evidences of the increasing domestic strength of our friends.

After thus acting to do our part in creating the will to prosper, we observed with warm approbation the rebirth of the will on the part of these nations to protect what they and we were building; to resist all further efforts to deprive them of the progress they were making. It was for that reason that we so strongly approved of the Brussels Pact, which announced on behalf of five nations in western Europe that they would protect and preserve themselves and their way of life against all aggression.

Upon this background of history, we come to the North Atlantic Treaty. It is not only an expression of the will to resist, but it is an expression of the desire to work with others in maintaining that which is noble, good, and desirable.

As I previously indicated, therefore, the American Legion does not view the North Atlantic Treaty as an isolated step. It is merely one further imperative step along the road we have been traveling since we were brought to a realization that we have an obligation to shoulder our responsibilities in international affairs.

It indicates our community of interest with other peoples having the same heritage of freedom and democracy that we possess. It indicates our desire to be helpful to them and likewise to expect them to discharge their obligations to us, to all other signatories of the Treaty, and to the other peace and freedom-loving nations of the world. It reaffirms our belief in the ultimate success of the United Nations. Created within the framework of the United Nations, it strengthens that organization by strengthening the members in it. It places us on record as having learned the lessons of two wars, namely, that aggression against our friends so endangers our own security that we cannot permit that aggression to go unchallenged. Our participation in the Treaty will proclaim to the world that the United States of America is not this time withdrawing from its international responsibilities.

We do not view the North Atlantic Treaty as a mere play on words. The pledges we will have given should be considered as solemn ones, so solemn as a matter of fact that we are willing to work with others in building up strength against aggression, strength in the diplomatic as well as in the military spheres. We do not recoil from the use of strength if strength should become necessary. The treaty leaves it open to us to ascertain what strength we must begin to build now and what strength we should call into play if our cooperation with our friends or their cooperation with us is ever challenged.

It is our sincere hope and belief that the participation of the United States in the North Atlantic Treaty will help us to build a stronger and more peaceful and a more secure world for ourselves and all generations to come. It is for that reason that the American Legion, through its national executive committee, in session on May 4–6, 1949, unanimously and enthusiastically passed the following resolution:

"Whereas the treaty known as the North Atlantic Pact is now before the United States Senate for ratification; and

"Whereas this pact was formulated under articles 51 and 52 of the United Nations Charter for the peace and security of the member nations to his pact: Now, therefore, be it

"*Resolved*, That we urge early ratification and implementation as provided in the articles of the pact."

I have the honor to transmit this resolution to you in the hope that its terms will be met and in the hope that by taking the step recommended we will have built peace, security, and prosperity, and will have advanced considerably toward our goal of a strong and effective United Nations as the enduring foundation of world peace.

The Present Crime Picture

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Tuesday, May 24 (legislative day of Monday, May 23), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the RECORD an address on the subject of the present crime picture, delivered to the student body at chapel, Central High School, Chattanooga, Tenn., by Mr. J. Pope Dyer, head of the social science department, on April 28, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am honored to be invited to speak before this tremendous student body on the subject, "The Present Crime Picture." The late William Allen White, of Emporia, Kans., attended a Democratic convention on one oc-

casion as a reporter. The chairman called the convention to order and immediately asked Dr. White to pronounce the invocation, which request he instantly declined with the following explanation: "I won't pray here for two reasons, first, I am not trained in the fine art of public prayer and secondly, I don't want the Lord to know I am here." I am pleased to be here.

I would insult your intelligence if I were to state that crime is a new problem, suddenly showing its ugly head for the first time. Historians tell us of the great number of notorious criminals of a century ago. In our own area the dangerous murderers Murrell, Hare, and the Harps brothers are too well known to require any emphasis. It is said that the Harps brothers were so insanely criminal that they killed all whom they met.

In our Nation the crime picture today is serious. Last year there were over 1,600,000 major offenses perpetrated. Each day 36 persons were slain, 150 were robbed, over 1,000 places were burglarized and over 450 automobiles were stolen. Rural crime increased in 1948 over 1947, whereas urban crime made no appreciable change.

Crime is an expensive luxury. It costs our Nation, according to Mr. J. Edgar Hoover, fifteen billions annually or each person in the Nation $10 a month. It costs on an average, in our Nation, $600 a year to institutionalize a criminal.

A few years ago I was asked by the chaplain of our State prison to go with him to the death house to make the farewell preparations for electrocution of two young men who had committed a heinous crime. Our visit preceded the execution only a few hours. The boys were ready, physically, for the experience. Their heads had been shaved. Their final meal had been given them. The singers had tried to comfort them and now the minister was about ready to read the Bible and give the last prayer. I asked for permission to briefly interview them. I found three things that characterized them.

They were about the same size, physically, as average persons outside the walls would be. They were several grades lower educationally than the average citizen of our State. They were weak emotionally and they admittedly had had relatively no moral or religious training as children. One of the prisoners expressed the regret that his father had not disciplined him as a youth and criticized his parents for not indoctrinating him in the principles of right living.

There are many causes of crime. One of the chief causes is poor educational training. I have a friend in prison who is very keen mentally but had little opportunity as a youth to attend school, who claims that the lack of education is indirectly the main cause of crime. It has been my good fortune to study the educational status of thousands of criminals and I find that they rank, on the average, from five to six grades lower than the average person who is not in prison.

Another important cause of crime is the poor economic conditions of the criminal. It is an admitted fact that this is a complex age and that our wants are many. Poverty drives the weak in the wrong direction. A well known criminologist has aptly said that the average criminal is underprivileged, underclothed, underfed, undereducated and under-understood by parents and society. I have interviewed numbers of prisoners who explain that their downfall was due to an inward urge for the better things of life without the willingness to earn them. A few years ago, I visited Sing Sing Prison in New York. The warden at that time was Lewis E. Lawes. I visited the small prison within the prison where the condemned are housed awaiting execution. The guard told me that Mr. Lawes had stated that a prisoner by the name of "Two Gun" Crowley was the only prisoner who ever ate the last meal shortly before execution. Crowley is reported to have said, "When I was a child, we were too poor for me to eat a decent meal. As a youth I was too busy evading officers to eat one but now that I am going to die, I'm going to eat at least one decent meal." If it were possible to interview the thousands of prisoners within the gray walls of our prisons we would find a disproportionately large percentage who would be classified in poor economic circumstances before they entered prison.

One of the main causes of crime today is the increasing number of undiscovered psychopathic and insane people in our population. Our age is full of tensions and frustrations. Many persons have been turned out of the military service because of mental and emotional incompetence. Many of these men are dangerous and will perpetrate many of the robberies, rapes, and murders in the future.

The chief cause of crime is poor home training. This is an age when it is dangerous for a large percentage of children to be born. One great writer has said that many children are damned into the world and not born into it. Many parents are eager today to be educationally alert, civicly active, politically progressive, socially prominent. Some are just plain incompetent. The multitude of activities of our society lends itself admirably to a neglected home and children and later a large number of criminals.

I have listed some of the conditions and causes of crime. What are some of the cures? I will briefly list a few.

Mr. J. Edgar Hoover and the late Father E. J. Flannagan have been voices like the prophets in the wilderness warning the parents of our Nation the dangers that face us if parents go on neglecting their God-given responsibilities of rearing children who know how to pray as well as play, who put Sunday school and church attendance above dancing and drinking. I repeat an old statement that the time to train a child is in the high chair and not in the electric chair. Mr. Hoover has said, "Parents are not enough, they must be Christian parents."

Our society must recognize early the mentally ill and provide treatment for them before some atrocious crime is committed by those who will be legally declared mentally incapable of distinguishing between right and wrong. We must be willing to do early that which we will be compelled to do later.

Our school attendance laws must be more strictly enforced. The parents who are careless about permitting their children to attend school must be dealt with more swiftly and severely. An illiterate person in this age is in as much danger of violating the laws as a blind person would be in getting injured if he attempted to cross Broadway in New York without assistance. Our society may neglect adults and their needs but no child must be denied the advantage of an education in this age. It is not only dangerous, it is near disastrous.

The first offender must be sent to prison only if it is an absolute necessity. There are certain major crimes which are so serious that some first offenders must be sent to prison or even be executed but many young offenders are sent to the prisons prematurely. Few prisoners are ever reformed or rehabilitated in prisons. The first offender must be given the second chance, unless the offense is so serious that it calls for the complete wrecking of a life. We should be absolutely certain that a prison term is best for the person before he is sent. Seventy-five percent of the prisoners will be out in 3 years and about 80 to 90 percent will return to prison after they have served a term. We may be ready for a new day in prison administration.

The present crime problem is not pleasant to view. It is a problem of giant proportions. It cannot be reduced by talk or criticism. It is our mutual responsibility. I dare you to reduce it.

The American Way of Life

EXTENSION OF REMARKS
OF
HON. ZALES N. ECTON
OF MONTANA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 24 (legislative day of Monday, May 23), 1949

Mr. ECTON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "An Old and Evil Scheme Seeks To End Our Liberty," written by E. T. Leech, editor of the Pittsburgh Press, and published in the Pittsburgh Press of April 17, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AN OLD AND EVIL SCHEME SEEKS TO END OUR LIBERTY

(By E. T. Leech, editor, the Pittsburgh Press)

Those who love and want to keep our way of life forever are making a bad error. They talk about getting back to the American system, or returning to the American way, or similar phrases. They mean well; but such talk is harmful and inaccurate.

It carries the idea of retracing our steps, of returning to something which is past. Actually just the opposite is meant. For the American kind of government has involved constant change—always going ahead and making progress. Never going backward.

It is the strong central state—the one which runs people's affairs and upon which they must depend for benefits and decisions—which represents going backward. The American scheme is the easiest in the world under which to go forward.

No other government ever has changed so rapidly or so much as ours has under the Constitution. Immense alterations have been carried out. Only once—in abolishing slavery—did these reforms come through violence. No other nation can show such a record.

OLDEST FRAUD

But now we are beset by what is called a new philosophy. It calls for a powerful central state to do our planning, run our affairs and dole out our benefits—the latter by collecting and spending our money. This scheme, which has swept much of the world, is pictured as something new and progressive. It is nothing of the kind. It is the oldest fraud in history.

From the time when man emerged from savagery he was under the rule of the state. The whole story of civilization has been one of individuals struggling to free themselves from the tyranny of government. Not until the American Constitution was established did this ever happen on any large or long-time scale.

Under this system of free individuals, America out distanced the whole world. Yet now we are asked to give it up—to go back to the ancient plan of the all-powerful state; to let government run our affairs and assume responsibility for our security.

NEW FRILLS

The scheme is dolled up with new frills and fancy phrases. Tempting bait is used

to attract public support. Government, we are told, will give us security through law. It will pay our doctor bills, give us bounties and bonuses, guarantee our jobs, care for our old age, and grant special favors to special groups.

To do all this, government has to run things. It must take more and more of our income through taxes to pay for what it thinks we should have. The price of this system is surrender of personal freedom.

Most of the world never had freedom, or has surrendered it. Much of it looks to us—who still have the strength which only freedom can give—for help and support. It is our rugged, free economy which today bears the burden of keeping liberty alive.

Yet even at home we are under great pressure to kill the goose that laid the golden eggs—to go far backward to the old curse of the all-powerful state. Loud voices cry for us to adopt some form of the old plan which has done, and is doing, such a miserable job elsewhere.

IT ALWAYS FAILS

The biggest problem in combatting this scheme is to get Americans to realize that it isn't either new or liberal. It has been tried under every variety of names and trimmings. But basically it's always the same—State control. And it always has failed in the end.

America's first radicals and liberals knew this. They feared government. They wanted the bare minimum of it. Jefferson, Paine, Jackson, and Lincoln were of that school. Liberalism in this country was founded on supremacy of individuals over the state.

Young people in particular are tempted by change. The swing to an all-planning, all-bestowing state is in truth a vast change. But not a liberal one. It means going back—far back—to the sort of thing which this Government was created to prevent.

Preservation of our basic way of living, of our personal freedom and our sense of individual self-reliance and responsibility, is a great cause. It is a noble and progressive cause. For it means defending the dignity of man and his personal freedom to improve and go forward.

Yet this cause of late has lacked strong leadership. No party has upheld it. Politicians have been flirting with State controls as a lure to get votes. But there are many signs that millions of Americans yearn for leadership in a struggle to save our free life from a plunge into the old morass of state domination.

Skyrocketing Federal Funds Pose Problems for Schools

EXTENSION OF REMARKS

OF

HON. FREDERIC R. COUDERT, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. COUDERT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article from the New York Times of May 23. This appeared under the by-line of Benjamin Fine, the Times education editor, a gentleman of the highest ability and intellectual integrity. Mr. Fine's startling analysis of the Federal Government's existing commitments in the field of education should be most helpful in guiding members through the heretofore obscure maze of Federal activities in this field. Perhaps an almost inevitable conclusion from the facts here assembled is that before embarking upon any new education programs involving the expenditures of additional hundreds of millions of dollars, Congress should review with care the enormous existing commitments for education, and their repercussions upon the national budget and upon the educational activities of the several States and communities.

SKYROCKETING FEDERAL FUNDS POSE PROBLEMS FOR SCHOOLS—EDUCATORS, WITH $3,400,000,000 UNITED STATES AID FOR '49, SEE VAST WASTE IN DUPLICATION BY BUREAUS—FEAR FOR INDEPENDENCE

(By Benjamin Fine)

Federal funds for education have skyrocketed to the record sum of $3,400,000,000 this year, jumping from $100,000,000 in 1940. Two hundred separate educational programs are sponsored by more than a score of Federal departments and agencies.

Millions of dollars a year have been lost meanwhile through duplication of effort, inefficiency, overlapping of programs, and maintenance of unnecessary administrative staffs. Many responsible educators and laymen are alarmed at the threat to the independence of the Nation's schools and colleges as a result of this unprecedented outpouring of Federal money into education.

A survey by the New York Times indicates that the funds are provided on a piecemeal basis, with no coordinated pattern. Few educators or even top Government officials know how much money is spent on education or in what ways it is utilized. Like Topsy, the educational projects simply have grown, until the design is a crazy-quilt pattern of confused, overlapping, and frequently weird school programs.

Paradoxically enough, virtually none of the Federal funds goes for the development of an over-all general education program. The United States Office of Education, ostensibly the clearinghouse for educational activities, has been almost completely bypassed. Whenever a new educational program is advanced by a governmental department, whether it be Labor, Agriculture, Commerce or the Military Services, the school project remains under the jurisdiction and direction of that agency.

Many colleges and universities are uncomfortable at this growing trend toward governmental support. They do not object to the money that they get, but they do feel concerned at the large number of agencies with which they have to deal. One midwestern university, typical of many others, is operating federally sponsored programs from 25 Federal agencies and subagencies. It is not unusual for a university to get 50 percent or more of its income from Federal sources. A few years ago the Federal support was negligible.

Federal funds are going today to support various activities on every educational level. The major item, however, deals with the scholarships and maintenance grants provided to the veterans. Of the total sum, about $2,500,000,000 is handled through the Veterans' Administration.

Scholarships and fellowships for college and university students also represent a major financial item in the total education budget. During 1949 the Government will spend $160,000,000 for research to be conducted on the Nation's campuses; for the most part the studies will be in technical, scientific, and military fields. This sum has almost doubled in 2 years, and may even go higher within the next year or two.

All these programs are connected with a special Federal interest or cause. Actually, nine Federal departments or independent agencies, dealing through numerous other subagencies, are sponsoring research programs among the colleges and universities. For example, the National Military Establishment has $53,000,000 available for research and development in 1949, the Atomic Energy Commission has $81,400,000, and the Department of Agriculture has $18,600,000.

It is difficult to trace the various ramifications of the Federal program in America's schools and colleges. A study of the relationships of the Government to education indicates that frequently the term "education" is loosely used. For example, the Agricultural Extension Service, working through institutions of higher learning, has increased its funds from $19,000,000 to $31,500,000. Public health fellowships, teaching grants and construction increased from $70,000 to $10,579,000 between 1940 and 1949.

MILLIONS FOR FEDERAL TRAINING

For in-service training of Government personnel through colleges and universities the Federal Government has earmarked $33,700,000. Several departments and agencies conduct activities of an international interest that operate through colleges and universities; funds for this purpose average $1,000,000 annually. Hundreds of millions of dollars worth of surplus property have been donated or sold at a fraction of the original cost to schools and colleges.

Nineteen Federal departments and independent agencies operate educational programs in the colleges and universities. In addition, scores of subagencies deal independently with the institutions. A list of the major departments includes the following: State, Army, Navy, Air Force, Justice, Commerce, Treasury, Agriculture, Interior, United States Maritime Commission, Federal Works Agency, Veterans' Administration, Federal Security Agency, Tennessee Valley Authority, Housing and Home Finance Agency, National Advisory Committee for Aeronautics, Atomic Energy Commission, War Assets Administration, and the Institute of Inter-American Affairs.

The effect of this mushrooming of governmental aid for specialized branches of education on the total educational scene is analyzed by Dr. Hollis P. Allen of the Graduate School of Education, Claremont College, in California. He prepared a task force study on education for the Hoover Commission on Organization of the Executive Branch of the Government.

With few exceptions, Dr. Allen notes, the Federal interest in education centers on special groups of individuals, special programs, or on research and training to promote some Federal concern such as national defense. The vast majority of these programs are administered by noneducational Federal agencies interested in the promotion of their own points of view. They frequently permit their method of direct operations to undermine State educational authority.

This is particularly true in respect to elementary and secondary education. Sixteen executive departments and independent agencies of the Government, through dozens of subagencies, conduct programs dealing with elementary and secondary education. The bypassing of State departments of education has meant an overlapping of functions on the State or local level.

OVER-ALL POLICY IS LACKING

According to Dr. Allen, the Federal funds are not in themselves dangerous to the independence of educational systems and institutions. The major complaint is that the Government has not adopted an over-all policy in regard to its educational activities; legislation has been piecemeal and educational programs have not been coordinated.

"A substantial saving would be possible if the educational activities of the scores of departments and agencies could be coordinated," Dr. Allen told this writer. "We could

avoid duplication of effort and eliminate outmoded services. I'm not too greatly concerned with direct Federal control of education. But I am concerned with the more subtle control that will take place in the long run if the Government provides support for special programs."

Dr. Allen and other responsible educators emphasized that the huge sum now spent by the Government for educational activities does not in any way help solve the serious school problems that exist. None of the billions appropriated in various departments goes for general education. The Federal aid bill, recently passed by the Senate, calls for a $300,000,000 grant to the public schools, through the States. This would be the first allocation designated for general school purposes.

Although the greatest interest has been centered around the research and scholarship programs sponsored in colleges and universities, the Government has entered the elementary and secondary field of education. It sponsors the promotion of four special curricular fields, which call for an expenditure of $28,000,000 in 1949. These include: Citizenship education, under the Immigration and Naturalization Service of the Department of Justice; aviation education, under the Civil Aeronautics Administration of the Department of Commerce; school savings, under the Savings Bonds Division, Treasury Department; and vocational education, under the United States Office of Education.

"We have overlapping and independent curricular promotion on the Federal level," the Hoover task force report notes. "It has no semblance of the over-all curricular coordination considered essential at State and local educational levels. As other agencies of the Government realize the potency of the public schools of the country in promoting their individual causes, this situation could easily become chaotic."

Through the Production and Marketing Administration of the Department of Agriculture, the Government will spend about $90,000,000 for the school-lunch program during 1949—compared with $12,000,000 in 1940. The program operates in public, private, and parochial schools, with the United States Office of Education effectively bypassed. It is evident that needless overlapping exists.

Taking note of the hit-and-miss method by which educational programs have been developed in this country, the Hoover Commission's report dealing with education, said:

"With respect to elementary and secondary educational activities there has been overlapping and independent promotion of curricula in highly specialized fields, while the general curricular needs of the country have been neglected. Direct aid to local schools, with respect to curriculum development and the school-lunch program, has circumvented State departments of education."

During 1949 the Government will give the States $27,000,000 for vocational education, an increase of $7,000,000 since 1940. For many years the Government has stressed the importance of vocational education, while almost completely neglecting other aspects of education. This year, for example, the United States Office of Education has received $363,000 for the elementary and secondary education divisions—in contrast to the more than $27,000,000 for vocational education.

Because of this emphasis, the State divisions of vocational education have been built into powerful agencies. In 14 States the number of employees devoting full time to vocational education in State departments of education either equals or exceeds the number of full-time employees in all other phases of education within these departments. In 19 other States more than half as many employees of State departments of education are in the vocational field as in the other fields combined.

TENDENCY BRINGS WARNING

The confused patchwork system of Federal participation in education is particularly noticeable on the higher level, where an almost startling increase in Federal funds has taken place since the war. A warning that this growing tendency to look to the Government for more and more funds may spell the doom of the independent college and university was voiced by Dr. Henry M. Wriston, president of Brown University.

As president of the Association of American Universities, Dr. Wriston has taken a leading role in warning against the controls that may come with Federal aid to schools and colleges. At present, he asserted, Government exercises little control over the educational system. But if the present rate of assistance continues, the Government will gradually assume more and more control, even if it is done indirectly at first, he believes.

Decrying this multiplicity of contracts, Dr. Francis J. Brown, consultant for the American Council on Education, warned that the dangers of Federal control increased as the various independent agencies received funds for their own educational activities. As long as special legislation is endorsed for special purposes, it will be difficult to get a program of general Federal aid to higher education.

The vastly expanding program of the Department of State in the exchange of students and technical pensonnel is a matter of deep concern to colleges and universities, Dr. Brown declared. The Army, Economic Cooperation Administration, and other Federal agencies are now entering the field of higher education, each with its own specific program geared to its own needs.

ILLUSTRATIONS ARE PROVIDED

The task force report cites two illustrations, typical of what is happening elsewhere, to show how the various Federal programs now have become embedded in the colleges and universities of the land.

A midwest land-grant university estimates in 1947–48 receipts from the Government to be $211,000 for the agricultural experiment station; $611,000 for its agricultural extension service; $157,000 for training of vocational teachers and general support, and more than $500,000 for contract research and development from nine Federal agencies or subagencies. The Veterans' Administration pays tuition and fees for 8,500 veterans.

Added contracts for student instruction included fees for 3 officers from Army Corps of Engineers, 2 officers from Army Service Forces, 5 officers from the United States Military Academy, 1 officer from Army Quartermaster Corps, 23 officers from Air Corps Air Matériel Command, 150 naval officer students under NROTC and NACP (through Navy Bureau of Supplies and Accounts), 14 postgraduate officers from the United States Naval Academy, and 2 students under United States Public Health Service.

In respect to equipment, the institution dealt with the Air Corps, Navy, Army (Ordnance, Signal Corps, and Engineers), War Assets Administration, United States Office of Education, and the Federal Works Agency. Miscellaneous contracts were obtained from various Federal agencies.

A Great Lakes area State university in addition to ROTC and NROTC, reports:

Vocational education	$31,310
Veterans' Administration rent for consultation service	2,250
United States Public Health Service grants	232,151
Instructional contracts	94,252
Veterans' Administration GI benefits to students	4,456,700
Sixty-two research contracts, largely science	6,099,159
Total Federal funds	10,916,159

Added activities include: United States Forest Service makes forest lands available for experimental work; Bureau of Entomology and Plant Quarantine makes a truck available for work in forest entomology; a professor collaborates with the Bureau of Plant Industry; Federal funds for crippled children come directly to the university hospital; a staff member is consultant in medical matters to the Navy which pays $1,000 annually to the Serological Service; the rapid-treatment center of the hospital, directed by the State's Department of Health, is financed by the United States Public Health Service; the Fish and Wildlife Service has quarters for five individuals; departmental members who manage the weather station are unpaid observers of the United States Weather Bureau.

EVERY INSTITUTION AFFECTED

According to Emery C. Wine, fiscal analyst of the Bureau of the Budget, the present programs and policies of the Government directly affect every institution of higher learning. Hundreds of institutions are participating in educational, research, and training programs financed by the Federal Government. Exclusive of the Atomic Energy Commission projects, a dozen agencies and departments will in the current year finance research activities to the sum of $100,000,000 in 175 institutions of higher learning.

The academic fields most affected by Federal research programs are the physical, biological, medical, and engineering sciences. Hundreds of graduate students are assisted in continuing their education by being employed as assistants on these projects. However, a preponderance of this research is far removed from the traditional educational and cultural objectives of American colleges and universities.

Despite the record amount now spent by the Government on educational activities, the outlook for the future is that the unprecedented sum will go up instead of down. Even though the bulk of the Federal funds now go for veteran education, plans are being advanced to provide huge sums for other aspects of education. A score of bills now before Congress call for the expenditure of $5,000,000,000 or more annually.

The bill commonly known as the Federal aid to education measure, sponsored by Senator THOMAS of Utah, calling for $300,000,000 to the public schools, has passed the Senate and now awaits House action. Another bill, introduced by Representative LESINSKI for the American Federation of Labor, would cost the Government $2,000,000,000 annually by 1956. A health education bill for schools comes to $35,000,000 a year. The bill calling for a National Science Foundation would run into millions. A bill on labor extension education, another on aid to medical health fields and one on Federal help for school building construction would add many more millions.

What is the answer to the issues raised through Federal support of education? Is there any way to eliminate the overlapping of agencies and the resulting confusion? The Task Force recommends the creation of a National Board of Education to advise the Commissioner of Education, review Federal policy in education, safeguard State and national educational interests and bring better balance into the Federal educational activities as they affect the schools.

COORDINATION IS ADVISED

All Federal activities that concern elementary or secondary schools in the States should be the responsibility of the Federal educational agency unless the evidence is clear-cut to the contrary, the Task Force study concludes. This should include matters involved with instruction and educational services. Similarly, the recommendation is made that wherever feasible the agencies dealing with colleges and universities should be coordinated.

Federal control of education is not the paramount issue, the Times survey indicates. Rather, the danger to education is shown to lie in the vast, sprawling, uncontrolled programs springing up in scores of governmental departments and agencies. Only 1 percent of the Federal funds to be spent for education in 1949 is available to the United States Office of Education—yet this office presumably is responsible for the general educational leadership in this country. It is apparent that the Federal Government does not have a coordinated approach to the general problems of education.

A proposal that the United States Office of Education be established as an independent agency headed by a national board of education has been made by the National Council of Chief State School Officers, the American Association of School Administrators and the National Education Association. These groups, representing the majority of public school teachers and administrators, urged Congress to make the education office an adequately financed, independent agency.

Although education must remain largely under the control of local groups, it is equally essential that there be some degree of coordination among our schools to achieve certain goals, the three associations held, saying that the great need today is for planning, and, in turn for expert advice and leadership.

There is divided opinion as to the best way to coordinate the various educational programs. In its report to Congress, the Hoover Commission, after noting the vast spread of education agencies, concluded, "This Commission believes, however, that these educational programs must be administered by the agencies whose functions the particular programs serve to promote."

On the other hand, Dr. Allen, who headed the task force study upon which the Hoover recommendations were based, urged that a National Board of Education be established to help coordinate the various projects.

A bill has been introduced in the Senate by WAYNE MORSE, of Oregon, to coordinate the educational functions of the Federal Government in a single agency. The bill observes that "educational functions are widely scattered through many agencies in the Federal Government with resultant confusion and duplication of effort, and that because of this diffused organization State education authorities and other officials find it necessary to work with and through numerous Federal agencies and officials with respect to education programs authorized under a number of unrelated Federal statutes."

This is the conclusion reached by many responsible persons both in and out of the educational profession.

INVENTORY OF UNITED STATES AID TO SCHOOLS

The diverse nature of the various Federal activities and programs in the field of education and the extent of their diffusion throughout the Government is noted from the following table. It is taken from the task force report prepared for the Hoover Commission under the direction of Dr. Hollis P. Allen, of Claremont College, Calif.

	1940	1949
DEPARTMENT OF AGRICULTURE		
Production and Marketing Administration: School-lunch program	$12,646,000	$92,000,000
Agricultural Research Administration	3,719,000	5,168,000
Extension Service: Cooperative extension work in agriculture and home economics	19,143,000	31,498,000
Research and Marketing Act	----------	4,211,000
Production and Marketing Administration: For salaries of Federal employees with extension services at land-grant colleges	94,000	256,000
DEPARTMENT OF AGRICULTURE—continued		
Office of Foreign Agricultural Relations: Training Latin-American agriculturists	----------	$132,000
ATOMIC ENERGY COMMISSION		
Operation of public schools in Federal communities	----------	4,399,000
Construction of such schools	----------	11,107,000
Research contract with universities, on campus	----------	28,342,000
Research, groups of universities off campus	----------	10,421,000
Construction of research facilities for university groups	----------	3,400,000
Fellowships to increase supply of trained scientists	----------	36,322,000
DEPARTMENT OF COMMERCE		
Civil Aeronautics Administration: Promotion of aviation education	----------	127,000
Philippine Rehabilitation Act: Technical training in Philippines	----------	404,000
Inter-American exchange of persons program	----------	222,000
FEDERAL SECURITY AGENCY		
Office of Education: Vocational education	$20,297,000	27,128,000
Cooperation with American Republics: Smith-Mundt and Fulbright Act	----------	403,000
Public Health Service: Research grants to educational institutions and fellowships in medical and related sciences	162,000	17,481,000
Division of Nursing: Training professional nurses	----------	350,000
Mental Hygiene Division: Grants for training in psychiatry and related work	----------	2,500,000
Mental Hygiene Division: Demonstrations in professional education	----------	108,000
Bureau of State Services: Training to Federal, State, local, and foreign health department personnel	----------	495,000
Office of Vocational Rehabilitation	882,000	2,207,000
FEDERAL WORKS AGENCY		
Bureau of Community Facilities: Lanham Act aid to public schools where financing was adversely affected by the war	----------	3,000,000
INSTITUTE OF INTER-AMERICAN AFFAIRS		
Cooperative education programs with other American republics	----------	1,100,000
DEPARTMENT OF THE INTERIOR		
Bureau of Mines Safety Branch: Training for accident prevention	----------	250,000
DEPARTMENT OF JUSTICE		
Federal prison industries: Vocational training and education of prisoners	20,000	380,000
DEPARTMENT OF LABOR		
Apprentice training service: To promote labor-management agreements on apprentices	85,000	2,444,000
American Republics program: Intern training	----------	153,000
NATIONAL MILITARY ESTABLISHMENT		
Adjutant General's Office, Reserve Officers Training Corps	4,868,000	21,175,000
Military Academy: Training of cadets	3,349,000	7,575,000
Special staff: Troop information and education	----------	4,025,000
Civil Affairs Division: Re-education in liberated and occupied areas	----------	14,064,000
Navy: Research and development	----------	26,311,000
NATIONAL MILITARY ESTABLISHMENT—continued		
Bureau of Naval Personnel: Naval Reserve Officers' Training Corps	----------	$7,638,000
[illegible]ational services to per[illegible]el	----------	663,000
[illegible]aduate school in tech[illegible]l and professional sub[illegible]s	$218,000	937,000
DEPARTMENT OF STATE		
Foreign Service Institute: Special training of Foreign Service officers	----------	71,000
International exchange of persons: Fulbright program	----------	231,000
UNESCO	----------	3,636,000
DEPARTMENT OF THE TREASURY		
Savings Bonds Division: School savings program	----------	251,000
Coast Guard Academy: Cadet training	606,000	1,666,000
VETERANS' ADMINISTRATION		
Department of Medicine and Survey: Residency training in VA hospitals	----------	3,613,000
Office of Assistant Administrator for Vocational Rehabilitation and Education	----------	2,509,880,000
Vocational rehabilitation benefits for disabled veterans	----------	297,098,000
Administration of programs of Public Law 346 and Public Law 16	----------	77,516,000
EXECUTIVE OFFICE OF THE PRESIDENT		
Bureau of the Budget: American Republics interchange in field of public administration	----------	30,000
NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS		
Research in universities	----------	500,000
NATIONAL ARCHIVES		
American Republics program: Training of foreign internes in archival technique	----------	6,000
PANAMA CANAL		
Operation of schools	483,000	1,327,000
SMITHSONIAN INSTITUTION		
American Republics program: Research in anthropology	----------	114,000

Texas Potatoes for Langlade

REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, the following article appeared in the Wausau Daily Record-Herald on May 17, 1949:

TEXAS POTATOES FOR LANGLADE

Langlade County has been sending certified potato seed stock to southern potato-growing areas. Now the process is being reversed.

Langlade County is now receiving potatoes from Texas, which State has sent 16 carloads each containing 30,000 pounds of sacked potatoes, into Wisconsin for distribution for the school lunch program.

The consignment was from Brownsville, Tex., and the potatoes are turned over to the school-lunch authorities without charge.

Part of a carload is being parceled out in the Milwaukee-Racine-Kenosha area, while others are going to Antigo, Stevens Point, and Waupaca.

EXPLAINS REASON

Gordon Gunderson, Madison, in charge of the State's school lunch program, said the reason for bringing in Texas potatoes is that there are no more surplus potatoes available in Wisconsin, and that all attempts to fill the order from Wisconsin-grown stock failed to bring an offer from Wisconsin growers. "Their stock, eligible for support prices, was depleted," he explained.

Records in the Federal Production and Marketing Administration office at Madison show that last year a total of 3,089 carloads of so-called surplus Wisconsin potatoes were purchased by that Federal agency and that much of these surplus potatoes went to feed livestock.

The support price paid growers was $2.05 per hundredweight in September and advanced to $3.05 in March. Out of the tonnage purchased by the PMA in Wisconsin, 316 cars were allotted for school lunches. The rest went for livestock feed and for manufacture into potato flour. Potatoes purchased by farmers for livestock feed cost the farmers 25 cents per hundredweight in sacks, the new sacks each costing 23 cents.

Now this supply of surplus potatoes is exhausted and Texas potatoes are being imported, Gunderson stated. The freight rate from Texas, according to traffic agents of the Milwaukee road, is about $465 per car. It helps the railroad and the Texas growers are being paid the support price for their potatoes. Samples of the potatoes shipped are said to be of good grade, but there have been some who contended that there is a "bit of smell" when potatoes have to be shipped into Langlade and Portage Counties from the oil State of Texas.

This assuredly is an example of "carrying coals to Newcastle," if there ever was one. Langlade County, Wis., is one of the leading potato-growing counties in the United States. Think of the unnecessary expense involved, including the $465 freight per car.

It appears to me that there must be a desire to see just exactly how much public money can be wasted by such performances. How can one explain that Judge Marvin Jones disposed of 458,000,000 bushels of potatoes in 1943 at a cost of $21,000,000, when Secretary Brannan spends $200,000,000 to dispose of the 445,000,000-bushel 1948 crop?

This potato program has been administered without economic sense.

The three requisites for "a Fairy Deal" program are (1) Is there a chance to buy votes? (2) Will it increase the Federal pay roll? (3) Will it waste public funds? The potato program, as administered, fulfills all requirements.

The Dodgers and Their Fans

EXTENSION OF REMARKS

OF

HON. LOUIS B. HELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. HELLER. Mr. Speaker, for years the word "Bum" has been a term of endearment in Brooklyn for "Dodger" fan and player alike, whereas in all other baseball centers it constitutes the nadir of mediocrity and the zenith of opprobrium. Defiantly cognizant of the scorn held for them and their borough by "Giant" Manhattanites—and citizens the country over—the Brooklyn fans glory in their eccentricity. Just so long as their fellow "Bums," the Dodgers, stay at or near the top in the league, they are utterly indifferent as to what the rest of the world thinks of them.

The frenetic enthusiasm of the Brooklyn supporters is not confined to the male of the species. An American soldier who had just survived a Banzai charge on Leyte described the attack in language any Dodger fan could understand. "They make," he said, "the weirdest sound as they rush at you, screaming. It sounds like Ladies' Day at Ebbets Field."

Brooklyn players have long justified their reputation for being out of this world. The very fact that a Dodger could always be expected to pull something bizarre, whether brilliant or bonehead, tended to inspire a uniquely fierce loyalty on the part of the Brooklyn fans. Over two decades ago occurred perhaps the dizziest play in all baseball history. On August 15, 1926, Brooklyn, under the managership of Uncle Wilbert Robinson, was playing Boston at Ebbets Field. In the seventh inning of that game, DeBerry smashed a double, and was advanced to third when Dazzy Vance followed with a single. The bases were filled when Fewster was hit by a pitched ball. The next man was out on a pop fly. Now it was Babe Herman's turn to bat. When Herman, great player and greater screwball, cracked a hit to right field, DeBerry scored; but Vance, fearing that the ball might be caught, held up until he saw that it would fall safely. Puffing into third, he rounded the sack, but then, believing that he could not reach home before the ball, dived back to third. Fewster, seeing that Herman's drive would be at least a double, sped around second and headed for third, with Herman, determined to stretch his hit into a triple, hard on his heels. All three—Vance, Fewster, and Herman—found themselves piled up at the same base.

Herman, awakening ever so slightly, decided to backtrack to second; but he merely loped toward that bag while looking over his shoulder to observe how his equally daffy mates were faring. Fewster, thinking that he himself was automatically out, stepped off third and was tagged out by the Boston third baseman, Taylor, who had grabbed the relay from the outfield. Taylor then shot the ball to the second baseman, who gleefully dispatched the lumbering Babe. By this time the fascinated fans were hysterical; significantly, those who laughed outnumbered those who wept. Nothing like this play had ever been seen before by mortal man. The Brooklyn manager, all too familiar with the zany potentialities of his players, merely remarked: "Well, what next?"

Needless to say, Dodger followers have never forgotten the episode. One day a taxi driver asked his fare, who had been forced to leave the park early, how the Dodgers were doing. "Good" replied the fan. "The Bums are leading, and they have three men on base." Without cracking a smile, the cabby asked: "Which base?"

Herman was constantly proving himself a character. One day in 1932 Manager Max Carey attempted to signal the Babe to shift his position slightly in the outfield, but Herman was too absorbed in watching the flight of a bird to see or hear his frantic manager. It is little wonder that the Babe was always fair game for the sports writers, or that the latter loved to chronicle his incredible acts on and off the field. Tiring of his role as the Dodger clown prince, Herman asked Joe Gordon, who covered the Dodgers for a local paper, to stop picturing him as an incorrigible, if lovable, buffoon. The scribe promised to do so, but it was a short-lived pledge. As he turned to leave Gordon, Babe pulled out a lighted cigar butt from his pocket. The flabbergasted reporter ultimately recovered his breath, and declared: "It's all off. Nobody who carries lighted cigars in his pocket can tell me he isn't a clown."

Whereas the acts of the Bums and their worshippers have usually been on a comedy level, a fan once permitted his passionate allegiance to the team to result in stark tragedy. On July 12, 1938, the Dodgers dropped a game to the Giants, their traditional and bitterly hated foe. That night Robert Joyce, a rabid Brooklyn rooter, glumly sipped his beer in a Flatbush tavern. Joyce was never able to take Dodger defeats lightly; this particular night he was inconsolable. Several of the patrons began to kid him; and when a Giant fan joined in the fun, something snapped within Joyce's tortured brain. He dashed out of the saloon, only to return with a gun. He thereupon shot to death the Giant rooter, and severely wounded another heckler.

In a game at Ebbets Field late in September 1940, a Dodger fan proved once again that a supporter of the Bums can be completely uninhibited. All during the contest the Flatbush players and fans alike rode umpire George Magerkurth. As the game ended, with a Brooklyn defeat, Magerkurth trudged to the showers, still beset by the snarling players and their followers. Without warning, one of the fans, a paroled convict named Frank Germano, attacked the umpire. Caught by surprise, Big George, who weighed 230 pounds, and was an ex-heavyweight fighter, found himself on the turf with the short, but stocky Germano, beating out a rhythm of hate on his chest. Magerkurth was finally rescued when another umpire pried the raging Germano loose. The fan paid for his all-out loyalty by being returned to custody, but at least he had the satisfaction of realizing that his sacrifice had been warmly appreciated. His fellow fans took up a collection and hired a lawyer to defend him. Appropriately enough, the lawyer's name was Wacke.

Expressions—and proof—of undying devotion to the Bums have never been wanting in Brooklyn. Early in 1943 Dolf Camilli threatened to sit out the baseball season on his ranch. Asserting that he could find no one to ride herd on his cattle, he informed President Rickey that he would have to do the

chores himself. When the fans heard that Camilli was planning to desert, they sent an avalanche of protesting letters to the big first baseman. An Italian barber was prepared to make almost any sacrifice if Camilli would only play ball. "I will lay down my scissors," he wrote, "and learn to ride a horse and do your work, if you will come here and hit home runs for the team."

An even goofier example of the awe-inspiring fanaticism of the Brooklyn fan was furnished by a condemned murderer. On April 21, 1941, a Flatbush baseball nut was walking his last mile, in payment for the killing of a Boston policeman. As he was strapped in the electric chair, he asked a guard, "Did the Bums beat the Giants today?" Other Dodger fans were not surprised by the convict's last words. The typical comment was: "What did you expect the poor guy to say?"

Even the clergy were not immune from the fever. In September 1946, as "Dem Bums" and the St. Louis Cardinals raced neck and neck in the stretch drive for the pennant, the Reverend Bennay J. Benson, of the Brooklyn Reformed Church, led mass prayers on the steps of Brooklyn's Borough Hall for Dodger success. The Reverend was distinguished also for chartering a plane and praying for divine assistance as the craft cruised over Ebbets Field.

A deathless description of the way the fans take their baseball in Flatbush was supplied by Billy Herman, Dodger infielder. In 1941 the awed Billy, a Bum of only a few days, declared: "Every day it's like a world series game around here. What a town."

CARE AND PROTECTION OF DODGER FANS, VOLUME II

(Ten safety and sanity commandments for Brooklyn baseball addicts)

(An accident prevention manual for the 1949 baseball season for ball park spectators, for radio listeners, for video viewers. Published as a service to the people of Brooklyn and elsewhere by the public information department, Brooklyn Chapter, American Red Cross, 57 Willoughby Street, Brooklyn, N. Y., and by radio station WMGM, 711 Fifth Avenue, New York, N. Y.)

Because the reduction of accidents and the promotion of safe and healthful living has long been a goal of the safety services department of the Brooklyn Chapter of the American Red Cross, the Brooklyn Red Cross again joins with radio station WMGM in combating the injurious—to self and to others—effects of that peculiar combination of exuberance and excitability known as "Ebbets Mania."

The many dangers inherent to the manner in which Brooklyn Dodger fans support their baseball team are applicable almost equally to the fan in the ball park, the radio listener at home, and to the television viewer, at home or elsewhere. Therefore, the Red Cross addresses to these three groups of fans, in the hope that they will come through the 1949 National League baseball season unscathed, the following 10 safety and sanity commandments for Dodger fans."

1. Ye must not get overexcited. So someone drops a third strike. So someone steals home with two outs and the score tied in the nineteenth inning. So just relax. Give vent to your feelings vocally, but with restraint. Don't jump up and down or flail the air wildly. You can fall over the seat in front of you and break an arm, or hit someone nearby and blacken his eye. Try to remain calm at all times, even when the doings on the diamond make you feel as explosive as an atom bomb.

2. Ye must not lose your temper. The Dodgers are only human (it says here), and so are, if you'll pardon the expression, Giant fans. So don't let exasperation or annoyance turn you to teeth gnashing or face mashing. By holding on to your temper you will ward off the possibilities of broken teeth, jaws, noses, and will save yourself many an abrasion and contusion.

3. Ye must remain seated. The springs in the knees of Dodger fans have caused peculiar happenings. They have been known to jump over the railing to attack umpires and players, they have become entangled in their seats while jumping up and down, winding up flat on their faces while everyone else enjoyed watching the game or listening to the WMGM broadcast. So, avoid accidents, eliminate the risk of sprained ankles, broken bones, and shaken dignity by remaining seated at all times except during the seventh inning stretch. Remember this cardinal principle; down in front, at all times.

4. Ye must take refreshment in moderation. If the hot sun beats down unbearably on your bleacher seat, or hunger overcomes your resistance to the blandishments of ball-park or kitchen supplies of foodstuffs, watch your diet. Too many cold drinks on a hot day can upset your stomach, or even aid and abet a case of sunstroke. Too much of anything is harmful. So take it easy. Excitement and a full stomach are not the best of friends.

5. Ye must not throw things. Leave that to the ballplayers. A bottle or even a folded score card, can be a dangerous weapon. And, besides, you might hit a fellow Dodger fan, instead of an umpire or rival player. Only when you are close to the recipient of the missile are you likely to feel some of the after effects yourself, but remember your responsibilities to others in your community, and protect them from bruises, concussions, and damaged eyes by refraining from throwing things in the heat of enjoying a ball game.

6. Ye must keep thy excitement to thyself. Don't share your feelings with your neighbor by pounding him on the back or head. He might be eating a frankfurter at the time, and he'll just choke on your joy. Just because Jackie Robinson or Pee Wee Reese steals home or hits a three-bagger is no reason to give your neighbor a concussion. Besides, he might hit back.

7. Ye must eat carefully, while rooting. Don't eat and cheer at the same time. In the excitement, you could bite your thumb instead of a hot dog, or send a swig of cold soda down the wrong tube. Do one thing at a time, and you'll wind up happy, and well fed. You won't spend the afternoon nursing a thumb or choking until help arrives.

8. Ye must not stay too long in the sun without a hat. Whether you are in the ball park or standing alongside a taxicab with its radio going, wear a hat of some sort on hot, sunny days. This way, you can avoid sunstroke. You can't hear that home run with bases loaded if you're out cold because of the heat.

9. Ye must retain control of your senses at all times. Don't let despair over Dodger fielding or an unexpected victory by men who follow the dicta of Branch Rickey and Burt Shotton daze you. If they do, stay seated until the fog lifts. Otherwise you are a setup for automobile, subway, and other accidents. Confusion is a leading cause of unnecessary mishaps.

10. Ye must prepare thyself for any eventuality. The Dodgers are unpredictable, and so are Dodger fans. Even with the best of intentions, something might well go wrong. Therefore, it is wise to be prepared. Do the following. Take a Red Cross first aid course now. And, if you want to be really farsighted, why not protect yourself completely by giving a pint of blood to the Red Cross, so that one will be available for you if you need it.

To be serious, this is really not a laughing matter. Overexcitement does lead to serious accidents. Thousands of safety-conscious residents of Brooklyn have protected themselves with the training and knowledge that come from Red Cross first aid courses. Thousands more have protected themselves and others by joining the Greater New York Red Cross blood program. The Brooklyn Red Cross chapter and WMGM urge you to enroll in these programs today. Telephone MAin 4-6001, for information.

Acquiring Sites and Making Plans for Post-Office Buildings To Be Built in the Future

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EXTENSION OF REMARKS
OF
HON. CARL ELLIOTT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. ELLIOTT. Mr. Speaker, I will support the present bill authorizing the Federal Government to acquire a site and prepare plans for building one public building in each congressional district in this country. My decision is based upon the following facts:

First. There is a great need for public buildings in the United States at present. It has been almost 10 years since the Federal Government stopped its post-office building program. Over 4,000 new post-office buildings are needed immediately in this country.

Second. This bill is the first step in a planned program of Federal buildings. I believe in economy in Government. We can have no economy in building post offices and other public buildings unless we first give attention to making careful and detailed plans. I think it is a sound principle that public buildings should be built during periods of widespread unemployment, when the Government will not be in competition with private business for labor and materials. Unless we make plans and acquire sites for these buildings now, we are liable to be caught with widespread unemployment and no plans on which to launch a public building program.

In the Seventh Congressional District, which I have the very great honor to represent here, there is a great need for Federal post-office buildings. Almost every day I receive letters describing the great need for post-office buildings.

Under the formula fixed by law, the following cities and towns in the Seventh Congressional District are eligible for consideration: Aliceville, Carbon Hill, Cordova, Hamilton, Red Bay, and Winfield. These cities and towns are eligible because their post-office receipts are in excess of $10,000 yearly.

When this bill becomes law, a site will be acquired in one of these towns, and plans drawn for the construction of a post-office building in that town.

This building will be constructed at a later date, when the Congress provides the funds with which to construct it.

This bill provides a beginning. It is the first such legislation in 10 years. It is to be hoped that this Congress will pass a similar bill next year providing for the acquisition of at least a second post-office building site in each congressional district in the country.

How will these sites be selected? The Public Buildings Commissioner and the Post Office Department will select the sites. This is a wise provision. The Public Buildings Commissioner and the Postmaster General are the best advised and equipped persons to make this decision. I would hate to have the job of choosing one site from among the eligible towns in my district, in each of which there is, to my personal knowledge, a great need for a post-office building.

Someone has said in the debate here that the acquisition of only one site in each congressional district will be politically hurtful to each Congressman, in that the eligible towns where no site is acquired will be resentful. I do not believe that will be true of the district which I represent. Post-office buildings are needed so badly that I believe our entire district will be happy that a start, however meager, is being made toward a solution of the entire problem. I personally expect to support legislation next year to authorize the Federal Government to acquire an additional site in each congressional district. I think the program should be broadened so as to authorize the acquisition of an additional site each year until sufficient sites have been acquired to satisfy the needs in all eligible towns. Marion and Lamar Counties in my congressional district have no Federal post-office buildings. Franklin County has a Federal post-office building at Russellville. Likewise, Winston County at Haleyville; Cullman County at Cullman, though this building is inadequate for present needs; Blount County at Oneonta; Fayette County at Fayette; Pickens County at Carrollton; Walker County at Jasper, which building is too small for present needs. Thus we have three courthouse or county-site towns in the Seventh Congressional District that do not have Federal post-office buildings. These county-site towns are Vernon in Lamar County; Hamilton in Marion County and Double Springs in Winston County. Vernon and Double Springs are not eligible for consideration under present law.

Mr. Speaker, I supported an amendment to this law, which amendment had for its purpose the making of county-site towns eligible for consideration even though they did not have postal receipts of $10,000 per year. I am sorry that this amendment failed, because I feel that where the people of a county have dug down into their pockets and built a nice courthouse for the transaction of State and county business that the Federal Government should build a post-office building in that town.

Mr. Speaker, I also supported an amendment to this bill providing that the Federal Government actually construct one post-office building in each congressional district each year until the great need is met. I am also sorry that this amendment failed. I personally am of the opinion that employment conditions are rapidly becoming worse. I know that there is now fairly widespread unemployment in the Seventh Congressional District of Alabama. We are going through a leveling-off process that might become severe. A new generation has grown up since the depression of the late twenties and early thirties, and I hope this new generation will not have to experience another such depression as this was. Be it always remembered that in that depression homes and farms in this country were sold by the hundreds of thousands under the dreadful impact of the auctioneer's hammer; banks closed by the thousands; people starved and did without the necessaries of life. A government attuned to an outworn view failed to act. The people of this country arose in their democratic might and elected a new government which placed its foremost emphasis on the fact that this Nation is comprised of 140,000,000 human beings.

Mr. Speaker, when a post-office building program comes it will make sense—hard, economic sense. This Government is now paying rentals for the use of buildings it does not own, of some $13,000,000 per year. Thirteen million dollars would build 130 buildings costing $100,000 each in 1 year. The rental saving brought about by building post-office buildings would be enormous.

But having lost that argument on the floor of this House today I still believe that we should vote for this bill authorizing that one site be acquired and one set of plans drawn for a post-office building in each congressional district. It should pass.

Standard of Living Can Be Raised for Every Citizen; Government Spending Will Not Raise It

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 12, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, every thinking person in this country is greatly concerned about the possibility of another depression. Prices are falling and unemployment is increasing. This is cause for alarm and requires the constructive genius of every citizen to the end that the future be protected against economic collapse. All of our people have a considerable stake in this situation and hence it is not the responsibility of public officials alone but of citizens everywhere.

Once again, Mr. Speaker, Mr. James H. McGraw, Jr., president of the McGraw-Hill Publishing Co., has made a valuable contribution to public thinking on the subject of the economic future of this country in a statement just released. Briefly, his theme is that our only chance of getting ahead—of raising our standard of living and beating a depression—is to produce more of the goods that we and the world needs. In short, if we are to raise our standards of living—and we surely want to do that—then we must produce more wealth, which means more of the things that people need and want.

Mr. Speaker, the figures show that since the end of the war the American worker has not increased production per hour over what he produced in 1941, and this in spite of the fact that our population has increased and we have given generous assistance to people all over the world. Obviously, if this situation continues, we are faced with a lowered standard of living and not an increased one. There is also a danger in this connection if we spend our natural resources and productive effort in building a super-duper military machine. Billions spent for armaments will not increase our wealth but instead will deplete it. The sad fact remains that American industry's ability to turn out more and more goods—with less of each worker's time and effort—has been stymied for eight long years. Mr. McGraw says the biggest block to progress is the fact that industry in the United States has been unable to provide our workers with all the new tools that they need. Only with efficient tools can we expect to increase this standard of living. Let us not forget that the United States has led the world in building labor-saving, wealth-producing machinery. The worker, plus his tools, determines how much goods he can turn out and just how much his paycheck will be every week or month and all this adds up to his standard of living.

Mr. Speaker, this brings us to the heart of our problem. We have seen that the worker without his tools could not achieve a high living level and the question is how does he get these tools? The highly important fact is, Mr. Speaker, that investment capital gives the worker his tools. Business itself invests in capital equipment from the profits it makes; money is plowed back into the enterprise. Then, too, ordinary people who have money and want it to produce some income for them invest in sound business concerns. This is sometimes referred to as venture capital. It is this kind of investment that has enabled the United States to become a productive industrial giant, the envy of all the civilized world. It is not generally known, Mr. Speaker, that since the end of the war business men have spent $60,000,000,000 for new plants and equipment. Translated this spells new tools for the American worker which means greater efficiency in his productive effort.

Mr. Speaker, people in business are always looking ahead. In a competitive economy they must be on the alert. If American industry is permitted to earn the money to buy the equipment and tools, it can raise the American standard of living 50 percent in the next 25 years, according to Mr. McGraw, and he should know. Does any other nation promise its people so much? Absolutely not.

Now you may say, "all right, why doesn't industry go ahead—what's to stop it, for we all want a higher standard of living?" There is a simple answer.

Mr. Speaker, today the Democratic administration is taking a course which will make investment by industry, in new tools and facilities, impossible. Government spending programs and wasteful bureaucratic spending is becoming an unendurable burden which eventually calls for more and more taxes, not only from industry but every taxpayer. It will not be denied by Socialists or Government officials that Government spending cannot improve American living standards. Let me repeat, Mr. Speaker, that Government spending will not raise the standard of living of our people. Excessive taxation has always destroyed the initiative and expansion of business, so let us not be victimized by those who advocate the elimination of corporate profits and high excessive taxes on business. Let us not kill the goose that lays the golden egg.

Better living can only be paid for, Mr. Speaker, with more production. We can only get more production by increasing productivity—each one of us producing more for each hour of work. The first thing is to get production—in peace and in war—for better living—for security. Industry is planning to provide it—and is using $13,000,000,000 of its profits this year to improve and expand its facilities.

Mr. Speaker, the only sensible, the only safe national policy is to make it possible for American industry to do its job. Business must not be terrorized with proposals of ruinous taxation, controls, and threats of nationalization. American business and industry is the people. It is not something apart from the social, economic, and political life of this great Nation.

Mr. Speaker, just one final statement which is an eternal truth. Whatever makes industry do its work better contributes more to the common welfare than a socialistic bureaucrat Government can ever do.

Pay of the Armed Services

EXTENSION OF REMARKS
OF
HON. JAMES B. HARE
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. HARE. Mr. Speaker, I have listened to the debate on this bill with a great deal of interest and the clear explanation by the members of the Armed Services Committee has impressed me with the tremendous amount of study and work which is behind this piece of legislation. As has been pointed out, H. R. 4591 is the culmination of some 18 months of study by a very prominent civilian committee and by the very capable members of the Armed Services Committee of this House. I understand that these studies, particularly those by the civilian committee, embraced the over-all picture of pay within the armed services and in considering this matter it took into consideration the allied questions of procurement, promotion, and retirement. It seems to me that before any Member of this Congress should oppose this legislation in the face of the recommendation of the Hook commission and the unanimous report of the Armed Services Committee, he should first advise himself completely upon all the studies that have been made and the facts which they have developed.

I fully realize that the Congress is becoming more and more economy minded and with this I am in complete accord, but I have always been a firm believer that in the long run economy was best served by the wisest utilization of our financial resources. I also realize that it is a natural reaction after every war, and the history of this country bears it out, that the armed forces should be whittled to the bone. On the other hand when war comes we are ready then to spend our every resource in defense of our country. It seems to me that it would be wisest in time of peace to maintain the most efficient trained military personnel so that in the event of war our armed forces may be quickly expanded into the necessary defense required. In this age of science, I do not think that the next war, which we all hope will never come, but which we have no reason to think will not, will give us much time within which to marshall our manpower and economic resources. Personally, I prefer to see a military service maintained in time of peace which is ready to fight immediately upon any attack made on this country. In order to do this the armed forces require leadership. Just as important, however, are those who are able to immediately put into practical operation the plans and orders of those who are in command. I can gladly go along with some economies which might be made in the Military Establishment but I am not yet convinced that economy is to be achieved by penalizing those upon whom we depend for our defense. Such an attitude on the part of the Congress or the American public does not promote military efficiency.

Since debate started upon this bill there has been an undercurrent of doubt and possibly opposition among many of the Members. I still am unable to determine what the main points of this opposition are. There has been some criticism which I did not feel went to the merits of the matter whatsoever, but even were this criticism justified, I see no point in trying to destroy a constructive piece of legislation simply because there may be minor changes called for. Undoubtedly no bill could be written which would please every Member of this House and possibly all of us could make some criticism of the armed forces as we could any other branch of the Government, even the Congress. Some criticism has been levied at the elimination of the family allowances.

It has been pointed out very clearly that the law which established family allowances for enlisted men was a wartime measure and a definite termination date. No enlisted man in the service expected this type of compensation to continue indefinitely. I, for one, do not consider that the military service is a relief organization. It was not established and it should not be maintained as a governmental agency which puts a premium upon the number of children which a man may have. Certainly from the standpoint of military efficiency, no justification can be made for encouraging large families within the armed services. The necessary changes of duty, sea duty and foreign duty, do not lend themselves to large family life and development. Of course I do not advocate that people in the military service should not have families but I am not willing to put a financial premium or an inducement on military personnel to increase them at the expense of the taxpayer and of military efficiency. On the whole, I think the committee's approach to the problem of family allowances has been fair and wise from the standpoint of building a strong military organization with the efficiency which the people of this country have a right to demand at all times.

Any effort made to send this bill back to the committee for further study is nothing more than an effort to kill it altogether. I do not know what further study could be given. If all the legislation which comes before the Congress had as much study as this one, certainly the Members of this House would be in position to vote more intelligently on the matters which are presented to them. Should there be items in this bill which the House feels should be changed, an opportunity is given us to amend them. There may be some changes that I will support but I, for one, do not intend to vote to kill this bill either outright or by sending it back to the committee and neither do I intend to go back to my constituents and say to them that I am willing to gamble with the defense of their homes. Some of you may delude yourselves into thinking that we are today smoking the peace pipe with Russia, but for my part I prefer to keep our Nation ready for the next knife that will be buried in our back.

Voice Blockade Goes On

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely editorial entitled "Voice Blockade Goes On," that appeared in the magazine America under date of May 21, 1949. The editorial follows:

VOICE BLOCKADE GOES ON

Jamming a radio program is like interrupting a speech by hooting and catcalls. A radio transmitter, broadcasting on the same frequency as the station to be jammed, broadcasts, at equal or greater intensity, a constant shrill noise which drowns out or

makes unintelligible the program to be interfered with.

Since early in 1948, stations within the Soviet Union have been interfering with the Voice of America programs. Protests direct to Russia and to the International Telecommunications Union at Geneva (of which Russia is a member) have got nowhere. By April 24—the day before the announcement by Russia of the Berlin blockade talks—no less than 60 Russian stations were engaged in this other type of blockade.

The Voice of America and the British Broadcasting Corp. accordingly decided to combine their forces and break through the jamming. Programs beamed to Russia were extended from 2 hours a day to 24 and the power of the transmitters was stepped up. The Soviets retaliated by marshaling 150 stations to step up the jamming. They were so anxious to prevent news of the free world from getting in that they even canceled the usual daily program in English from Moscow. Even so, it is estimated that a steady 12 percent of the Voice-BBC broadcasts get through to the Russian people regularly, and as high as 35 percent when Soviet jamming is foiled by western frequency changes.

Why this frantic effort to keep out news from the west? The average Russian by this time surely knows about the lifting of the Berlin blockade and the signing of the Atlantic Pact. It is vital in Stalin's mind, however, that the average Russian know the news only and exclusively in its Communist version.

This is a tactic that could be adopted only by a police state. It is the same tactic that was employed by the Nazis in jamming short-wave broadcasts during the war.

But, more than that, it is a tactic inspired by fear. As the voice program says, "Obviously, somebody considers it dangerous to permit the Soviet people to listen to truthful information from a free radio." Yet a considerable number of Russians must be listening. The secret police could easily smash up a few radio sets and liquidate the listeners. But what if they number millions?

It is admittedly a long way from even millions of Russians hearing the news from the free world to the liberation of the Russian people. It begins to look, however, as if this propaganda is paying off. When the daring ingenuity of the air lift proved that we would not submit to the Berlin blockade, the prestige of the west was enhanced mainly in the eyes of the Germans. If we prove that we are not going to submit to this newer blockade of the air waves, our prestige will grow in Russian eyes.

Programs to break through the jamming must be sustained and even expanded. Their result will be that when the regime of tyranny in Soviet Russia collapses (and it will in God's time), there will be millions who will not have to be taught from scratch the meaning of the words "truth" and "freedom."

Japanese Reparations and the American Taxpayer

EXTENSION OF REMARKS

OF

HON. KARL STEFAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 1949

Mr. STEFAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement made by Gen. Carlos P. Romulo, Philippine Ambassador to the United Nations and chief delegate of the Philippines to the Far Eastern Commission. It is a statement of vital interest to the American taxpayer. It gives us a new light on present-day conditions in Japan.

Recently, our State Department announced a reversal of American policy regarding Japanese reparations. The Far Eastern Commission was told that the United States is against Japan paying any reparations at all. Needless to say, this announcement was received with dismay by our allies, such as the Philippines, China, and other devastated countries in Asia.

Ambassador Romulo, who, as we all know, is a war veteran, a brigadier general in the United States Army during the Second World War, holds the highest American decorations, and whose loyalty to American ideals is unquestioned, addressing the Far Eastern Commission the other day, made a statement that is an eye-opener and should be read by all Americans. Ambassador Romulo has been our colleague in this House and we all know that his words carry the stamp of truth and sincerity.

His statement follows:

PRELIMINARY STATEMENT ON THE QUESTION OF JAPANESE REPARATIONS BY AMBASSADOR CARLOS P. ROMULO, CHIEF DELEGATE OF THE PHILIPPINES ON THE FAR EASTERN COMMISSION

Mr. Chairman, on March 17, a little over 2 months ago, I made here on behalf of the Philippine Government a general statement on the problem of Japanese reparations. I deplored the prolonged delay in the solution of the problem of reparations, pointing out that this in itself was the result of our vacillation in defining the basis upon which a Japanese peacetime economy should be built. Because of its special responsibilities as the occupying power in Japan, I addressed an earnest appeal to the United States to help break the vicious circle in which the Commission was doomed to travel so long as we could not make up our minds as to the future of Japan.

On May 12, the United States representative on the Commission made a statement on Japanese reparations and level of industry. In that statement he announced that the United States Government was impelled to rescind its interim directive of April 4, 1947, bringing to an end the advance transfer program called for by that directive, to withdraw its proposal of November 6, 1947, on Japanese reparations shares, and to state that it has no intention of taking further unilateral action under its interim directive powers to make possible additional reparations removals from Japan. He gave four reasons for this action: First, the need of stabilizing the deficit economy of Japan and permitting it to move toward self-support; second, the reluctance of American taxpayers to continue underwriting this deficit; third, the failure of the Far Eastern Commission to agree on a schedule of national reparations shares; and fourth, the fact that Japan has already paid substantial reparations through the expropriation of its former overseas assets and under the advance transfer program.

Out of our anxiety and perplexity, we addressed 2 months ago a question to the United States Government. Today we have the answer before us. When first informed of the decision of the United States Government, my immediate personal reaction was as reported in the press. I said that I was flabbergasted. I used a colloquialism which those who are familiar with the nuances of the American idiom know to signify a combination of chagrin, astonishment, and unbelief. My reaction was personal and individual, like that of a man who, having pleaded with his friend for help and received some assurances that it would be given, is informed in the end that while his need is indeed great, that of the common enemy of the two of them is greater still.

But this problem, Mr. Chairman, is of vital importance to the people of my country and I would be recreant to my duty if I did not try to establish before this Commission by means of this preliminary statement the basis, beyond the level of personal sentiment, upon which the attitude of my government rests. Candor, therefore, compels me to state that the people and Government of the Philippines are greatly disturbed by the decision of the United States Government, that they protest in the strongest possible terms against it, and that they continue to have faith that this decision, whatever its immediate effect, will not bar the Commission from reaching a just and satisfactory solution through the means that are still open to it.

The effect of the United States statement on May 12 is that there is now neither a policy nor a program on Japanese reparations. The slate has been wiped clean. The vicious circle to which I have previously referred has not been cut; it has been swept away altogether. The partial, makeshift solutions have been discarded, and we are now face to face with the basic problem as we were in the beginning.

The basic principles governing the question of reparations are familiar to the Commission. They were reviewed in the United States statement of May 12, and I do not propose now to make an extended exposition of them.

At the core of these principles stands paragraph 11 of the Potsdam Declaration, issued on July 26, 1945, defining the terms of the surrender of Japan: "Japan shall be permitted to maintain such industries as will sustain her economy and permit the exaction of just reparations in kind, but not those which would enable her to rearm for war."

This general principle was spelled out in detail in part IV of the Basic Post-Surrender Policy for Japan adopted by the Far Eastern Commission on June 19, 1947. While making provision to avoid "acute economic distress" among the Japanese people which might militate against the long-range objectives of the occupation itself, the Commission laid down the principle in section 1, part IV, that: "The existing economic basis of Japanese military strength must be destroyed and not be permitted to revive." The Commission then decreed in section 4, that one aspect of this principle would be carried out by means of reparations: "For acts of aggression committed by Japan and for the purpose of equitable reparation of the damage caused by her to the Allied Powers and in the interests of the destruction of the Japanese war potential in those industries which could lead to Japan's rearmament for waging war, reparations shall be exacted from Japan."

Standing like an arch over the whole structure of reparations policy is this solemn declaration to be found in section 3: "The plight of Japan is the direct outcome of its own behaviour, and the Allies will not undertake the burden of repairing the damage. It can be repaired only if the Japanese people renounce all military aims and apply themselves diligently and with single purpose to the ways of peaceful living. It will be necessary for them to undertake physical reconstruction and basically to reform the nature and direction of their economic activities and institutions."

The whole policy on reparations, therefore, was based on a philosophy of stern justice tempered by a sober regard for the welfare of the Japanese people themselves and the success of the Allied occupation.

Accordingly, the Far Eastern Commission took several steps toward an over-all reparations settlement, including a series of policy decisions establishing an interim removal program, selection of plants for reparations, setting up criteria to be used in determining shares for each claimant country, and determining the peaceful needs of Japan.

The Commission, Mr. Chairman, has worked hard and long at these policy decisions. It is true that it has not always been possible to work out a satisfactory formula on every aspect of the reparations problem, and that on one point in particular, that of the schedule of national percentage shares, we have so far failed to come to an agreement. But I beg to point out that the Far Eastern Commission has reached agreement on a number of vital matters much more often than have the analogous bodies concerned with the occupation of Germany or, indeed, than similar political organs of the United Nations with whose work I happen to be familiar. When, therefore, the United States Government gives this instance of our failure as one of the reasons for its decision, I am constrained to suggest that while such a show of impatience may confirm one's sense of virtue and satisfaction, in the end it accomplishes nothing. I refer to the Commission as a whole when I say that a good surgeon does not amputate a whole arm because of an infected finger; nor is it a good thing as the saying goes, for a man to cut off his nose in order to spite his face.

Strangely enough, the spirit underlying the interim directive unilaterally issued by the United States Government on April 4, 1947, was also one of impatience—impatience, that is, with the members of the Commission who could not agree on their respective shares quickly enough to suit the generous temper of the United States. The United States Government was anxious to get on with the business of reparations, and in order to give it a firm push forward, the advance transfer program was established. That was fine and logical; but now, we are virtually being told that one and the same fact, namely, the failure of the Commission so far to adopt a schedule of reparations shares, may justify two completely contradictory acts.

As a matter of fact, therefore, while there may be various subsidiary factors that have contributed to the new United States policy on reparations, there is only one reason behind it; namely, the desire to stabilize the deficit Japanese economy in order to permit it to more toward self-support. The argument has been angled to catch the eye of the American taxpayer, that anonymous yet politically potent being who has carried on his broad shoulders the herculean burdens of lend-lease, the Marshall plan, the Atlantic Pact, and the Berlin airlift, but who is not prepared to carry one moment longer the crushing burden of the deficit Japanese economy. The further argument that a strengthened Japan would be a factor of some importance in the struggle for power in Asia may, of course, be assumed as corollary to the first.

The desire to prop up the Japanese economy is understandable, and far be it from me to wish that there shall be no diminution in the heavy financial commitments of the United States. But I believe that the American taxpayer is entitled to know all the facts about the economic condition of Japan, particularly the reasons why its economy is not recovering as fast as it should. The American layman who reads in his newspaper that Japanese reparations are being stopped because otherwise the United States would have to support Japanese economy to the tune of $1,000,000,000 every year, is apt to jump to the conclusion that the American people are in fact supporting Japan in order that she in turn may be able to pay reparations to other countries.

As is well known, Mr. Chairman, the total reparations so far removed from Japan and delivered to the four countries amount to about $70,000,000. These have included for the most part machine tools and laboratory and pilot plant equipment. Not one single industrial plant has been removed. Now we are told that successive surveys conducted by various American investigators have necessitated progressive upward adjustments of earlier estimates of Japan's future industrial requirements, and therefore correspondingly progressive downward adjustments of earlier estimates of the excess plants and equipment that could be earmarked for reparations.

With all due respect for the opinions of these American experts, I would like to say that so long as vital and far-reaching policies affecting not America alone but other countries as well were to be based on the findings and recommendations of these investigators, it would have been a wise thing to have sent mixed multi-national missions to Japan and thus ensure a certain degree of controls and counter-checks on their findings. It should be noted that three different American surveys have given three different estimates of the peacetime industrial requirements of Japan. Apart from the objective factors that could so markedly affect the estimates of three different groups, all of them composed of Americans, there would have been a certain insurance against error and partiality in the participation of non-Americans in such surveys. It is reasonable to suppose that the estimates of Chinese or Filipino experts who come from their little industrialized and devastated countries would serve as a corrective factor in the estimates of American experts who are apt to judge Japan's peacetime requirements on the basis of the massive and prosperous industrial plant of the United States.

My first point about these survey reports, therefore, is that there is no way of checking them, and the fact that they vary so considerably from one another leaves the accuracy and validity of any one of them open to serious doubt.

My second point concerns the internal pressures within Japan itself that have contributed to her critical economic condition. I have already stated that the basic post-surrender policy for Japan lays down the stern doctrine that "the plight of Japan is the direct outcome of its own behavior, and the Allies will not undertake the burden of repairing the damage." The policy goes on to state: "It will be necessary for them (the Japanese) to undertake physical reconstruction and basically to reform the nature and direction of their economic activities and institutions."

Now, we are told that the Japanese economy is in so critical a condition that the whole reparations program must be scrapped, since, in the words of the United States delegate, "the Japanese people must be enabled to support themselves at a tolerable standard of living," and since "no one could reasonably suggest that Japan should be abandoned to economic despair."

No, Mr. Chairman; we could not reasonably suggest such a thing, but we could more than reasonably suggest that the critical economic condition of Japan is due to its own behavior in a war of its own making, and furthermore, that its failure to revive economically is in large measure due to a deliberate conspiracy of its own industrial leaders, the Zaibatsu, and their political agents in government to sabotage such industrial recovery.

The responsibility of Japan for the critical condition of its economy is thus a double responsibility: The original one of being fully responsible for the consequences of its own criminal act of aggression, and the secondary one of being mainly responsible for the deliberate attempt to create financial chaos and to slow down production in order to embarrass the occupation authorities and win the sympathy of the Allies, especially the United States of America.

There was no reference to Japanese responsibility in the United States statement of May 12, and I feel, therefore, that this responsibility must be stated and fixed in order that it might become utterly clear to the world that what we ought to do is not to give the impression that Japan must be protected from the greedy reparations claims of other countries but rather that Japan needs above all to be saved from its own folly.

There is a chapter in the book, Prospects for Democracy in Japan, by T. A. Bisson, recently published under the imprint of the Institute of Pacific Relations, which the Commission will find interesting reading. Mr. Bisson has written with considerable authority on Far Eastern subjects and he brought to the writing of this volume first-hand knowledge and experience which he gathered as an important member of the Government Section of General MacArthur's headquarters in Tokyo. The Commission will find highly pertinent to this question of Japanese responsibility certain observations of Mr. Bisson. I quote from chapter 6 on the Struggle on the Economic Front:

"The occupation authorities were well aware of the necessity for far-reaching changes in the Japanese economic structure. But while they were drafting long-range programs * * * it soon became apparent that the old guard (the Zaibatsu, that is) was waging its shrewdest battle against the occupation on the economic front.

"As far as reparations were concerned, virtually no removals of Japanese industrial plants had actually occurred, and here again it was the old business groups that were most disturbed by the prospect of such removals. * * *

"The economic crisis in Japan reflected the operation of a more broadly determining factor. * * * Stated in its simplest terms, this was the failure of the occupation to achieve a sufficiently rapid and thorough destruction of the Zaibatsu's power, with the result that the leaders of these great combines were left in a position where they could effectively sabotage efforts to expand productions and curb inflation."

The author continues, and I am still quoting:

"To obtain production of essential basic materials and consumer goods, strict allocations of materials to essential industries were obviously necessary. Prudent fiscal policies were also needed. * * * Such a program, however, did not suit the requirements of Japan's business leaders, and they had the power to prevent its application. As the occupation began, the Zaibatsu concerns had control of Japan's industrial plant and the bulk of her commodity stocks. * * * Their power included not only operational control of fiscal measures, but also the ability to block any program looking toward the controlled allocation of materials. * * *

"From these vantage points, they even fought to secure government indemnities for the losses suffered in destruction and damage to their munitions plants. * * * The Zaibatsu firms had made vast profits during the war, and it was obvious that by seeking indemnities, they also hoped to escape the burden of paying for a war that they had lost by shifting the burden to the shoulders of the Japanese people."

I should add, at this juncture, Mr. Chairman, that, having passed the burden on to the Japanese people, the Japanese industrialists would indeed be very happy to see that the burden is next passed on to the victims of Japanese aggression in other lands.

In the next chapter on Recent Economic Trends, Mr. Bisson goes on to say: "Inasmuch as the economic machinery of Japan was left in the hands of Japanese that were bent on sabotaging industrial recovery so

long as American control remained in force, this policy imposed a continued financial drain on the United States. * * * This situation gave American Army and banking interests a plausible excuse to deplore the heavy financial burden placed on the United States as a result of Japan's failure to achieve industrial recovery and economic stability. * * * Their proposed solution of the problem was to restore Japan to what was, in essence, her pre-World War II industrial status, with one notable difference * * * henceforth American capital would be a partner of the Zaibatsu in prewar-style international cartels, or would simply take over certain key Japanese industries by means of large direct investments."

I have given rather extensive quotations from this timely book, Mr. Chairman. Of them I am not in a position to state that they are in all respects accurate or true, but only that they are pertinent to the question of whether it is reasonable to ask the Far Eastern Commission to accept as fact the statement that reparations must be discontinued because Japan is an impoverished country, so long as there is evidence that the Japanese economic crisis has been deliberately brought on by the Japanese themselves in order to arouse American sympathy and insure American assistance.

The Commission does not need, I am sure, to be told with what jubilation the news of the new United States policy was received in Japan. The Mainichi of May 13 had an editorial saying: "The latest Washington announcement has saved Japan's face in relation to the world. We feel that we can stand square-shouldered in front of the countries which may suspect us of attempting to rearm ourselves."

Nor need I tell you, Mr. Chairman, that in Manila the same news was received with dismay, even with bitterness. The Philippine Under Secretary of Foreign Affairs was quoted as saying over the radio that the Philippine Government considers itself specially entitled to Japanese reparations, and that the United States and other members of the Far Eastern Commission will readily see the justice and fairness of our claims. The Philippines, he said, has not lost hope of winning its case before the Commission. Somewhat more realistically, the National Economic Council of the Philippines met in a hurry to study the effect on the industrialization program of the American decision to curtail Japanese reparations.

I can recall, sir, only one instance in recent years of a report which created jubilation in Tokyo and consternation in Manila, and that was the news of the Japanese sneak attack on Pearl Harbor. Times must indeed have changed very much since then to produce this curious duplication of events in reverse. Or perhaps, we should say that this is a sneak attack, only an infinitely more insidious one—a delayed action attack that will someday explode in the very faces of those who now deplore the cost of the Japanese occupation, in the form of another massive effort of containment and perhaps war that will cost a billion dollars for every ten millions that are now being spent to sustain the Japanese economy.

If I speak with some bitterness, I would beg you, Mr. Chairman, to understand that I but reflect in moderation the sentiments of the Filipino people. I beg you also to believe that these sentiments spring from no blind vindictive passion directed against the Japanese people. Our interest in their political and economic reformation is genuine, just because they are our immediate neighbors and we are eager in the future that they shall live at peace with us. The United States can stay or pull out of the Far East as it pleases, but we have no choice, we shall always be there. In a very important sense, therefore, we have a stake in a peaceful and democratic Japan far more intimate and real than yours. For us it is not, as it is for you, a mere matter of forgetting the past and overcoming a deep and justifiable resentment toward Japan. It is rather a question of making absolutely certain that Japan will never again be a menace to our security and liberty.

With the whole world clamoring for American products, the United States has no reason to fear, now or in the predictable future, the revival of Japanese industry. But we have. The United States can regard without alarm the prospect of Japan becoming the "workshop of Asia," but we can't. For we know that military power is a concomitant of industrial power, and the willful and wily Zaibatsu class which is engineering the reemergence of Japan as an industrial power will soon, we have no doubt of it, be clamoring for an army and navy. The time to stop them is now, before we become weary of the burdens of the occupation, specially of the thankless task of watchdog and overseer. And the way to stop them is to take away the instruments of power from their hands. If we do this resolutely and refuse to fall into the snares and deceptions which are their stock in trade, we shall be serving not only our own interests but the interests as well of the Japanese people. For us there shall be no security and for the Japanese people themselves no peace and no prosperity while these ambitious and ruthless men remain in power.

The problem of reparations is not a problem of Japanese-American relations. It is not a question of Soviet-American power relations. It is a question of grave international concern to all of the States on the commission that have a stake in the future of Asia. It must, therefore, be solved on that basis, and a just solution must start not on the premise that reparations must be curtailed in order to permit Japanese industrial recovery, but rather on the premise that the remedies which lie within resources of the Japanese economy itself must first be explored and exhausted in some such manner as I have indicated. The Japanese must first help themselves to the utmost before we are asked to help them through abstention from reparations.

Mr. Chairman, I will conclude. No one can question the right of the United States Government to rescind the program of interim reparations which it initiated unilaterally, of its own free will. This offer, for which my government is endlessly grateful, was a gesture of magnanimity and as such may be withdrawn at any time by the same hand that bestowed it. However, in international relations, there are considerations beyond those of legal rights that ought, in our opinion, to be taken into account in questions of this kind. A decision, even if unilateral and voluntary in the beginning creates in the course of time a whole system of relations between the parties which subsequently limits the freedom of action of either of them. Neither may then withdraw from that new system of relations with the complete freedom, the arbitrary liberty of choice with which they first entered into the relation.

If I should seem to draw a thin line of moral responsibility across this question, I beg you, Mr. Chairman, to believe that I do so with the greatest diffidence and only because it is difficult for me to be completely objective and to cast out of my mind the special ties of affection and loyalty that bind my country to yours. My country was one of the four that benefited from the United States program of interim Japanese reparations, but it was not the first act of the kind that had taken place during the period of our long association, in peace as well as in war. It is not out of place, I trust, for a Filipino to express, even in this gathering of various nations wherein the United States must speak impartially on a question of high policy, the hope that since this policy gravely affects the interests of my country, some means will ultimately be found to make it conform to the established pattern of generous American action toward the Philippines.

I have made this preliminary statement on behalf of my government, reserving my right to make subsequent submissions to the commission either on the proposals that the United States representative has announced he will advance at a later time or on proposals of our own that we hope to be able to bring to the attention of this body.

Some Wisdom Is Contained in Truman's Stubbornness

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Thomas L. Stokes from the Buffalo Evening News of May 18, 1949:

THOMAS L. STOKES SAYS, "SOME WISDOM IS CONTAINED IN TRUMAN'S 'STUBBORNNESS' "

WASHINGTON, May 18.—The longer you watch what goes on here, the more the design of politics remains the same.

Here 4½ months ago, for example, we had a President go into office to carry out a program he had pledged in the campaign. It is a reform program.

This is just about the time, according to the design, that opponents of reform Presidents adopt familiar strategy to checkmate them and, sure enough, we are beginning to get it now. There are pleas for economy and for the President to be reasonable about reforms.

Just now opponents of the Truman program are able to capitalize upon economic conditions, upon a slowdown which may be temporary or not. There is no intention here to diagnose current conditions. The experts, themselves, disagree. Anyhow, the situation lends itself readily to arguments against new ventures.

There is a close parallel with the period when the late President Roosevelt inaugurated his New Deal reform program. This parallel concerns tactics but not economic conditions, for we were then in the midst of depression. Then the cry, as some will remember, was recovery first, reform later.

President Roosevelt went right ahead. And a good thing it turned out to be, not only because some of the reforms helped recovery, but also because we got on the books a number of statutes that will be very useful if we run into another depression.

Some people are getting annoyed with President Truman, as they did then with President Roosevelt, because he wants to go ahead. He is stubborn and unrealistic.

Economy then became a slogan of those who wanted to stop reforms. This is not to disparage economy. It's always a good thing and we could use more of it of the right sort. It has sincere advocates. But, if you've watched the show here long enough, you learn that the economy for which some interests and their spokesmen call so loudly is something else.

Economy can be used as a cover for cutting appropriations for purposes which they don't like, as, for example, in the Eightieth Congress, when funds for reclamation and

public power were reduced. This raised a clamor from the West that reacted for President Truman in the election. Also, certain functions of the Labor Department and other departments and agencies were sharply curtailed or stopped entirely by withholding appropriations.

In so many cases of the latter type, it was not economy at all, for the amounts involved were small. The aim was to hamstring or stop certain functions of government. It is so now with such measures as housing, education, and health, in which the amounts involved are very small compared with the total budget. Furthermore, housing, education, and protection to health are things we need whether there is a depression or not. We can afford them.

Some of those who promoted economy of the sort mentioned in the last Congress and are clamoring for 't now are those who benefited so largely from tax reduction in the last Congress and also from the Taft-Hartley labor law.

Modification of the Taft-Hartley law, on which President Truman is standing solidly, also has a depression angle, incidentally. The law as it stands has worked to make union organization more difficult and in a depression this would militate against labor. Labor unions always have suffered in depressions, as the economic history of our country shows.

President Truman's stubbornness on some points has its wisdom.

Proposed New Farm Plan

EXTENSION OF REMARKS
OF
HON. EDWARD H. REES
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. REES. Mr. Speaker, under unanimous consent granted me by the House, I am including herewith a statement from the National Grange Monthly entitled "The Proposed New Farm Plan."

It is written by Mr. Fred Brenckman, who has been associated with the Grange organization for many years and who is quite familiar with farm problems. I believe the Members of this House will be interested in Mr. Brenckman's views.

THE PROPOSED NEW FARM PLAN

(By Fred Brenckman)

After several months of intensive study and investigation on the part of the top-flight officials of his department, Secretary of Agriculture Charles F. Brannan on April 7 submitted the outlines of a new farm plan at a joint hearing before the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry. At subsequent hearings before the House committee, Mr. Brannan was questioned at length regarding many angles in connection with the workings of the plan he advanced.

Basically, it may be said that the new plan is in harmony with the pledges given by President Truman during the last campaign, when he proposed high prices for farmers, coupled with lower costs of living for consumers.

NEW SUPPORT FORMULA

The plan advanced by Mr. Brannan would abandon the price parity system established in the early days of the Agricultural Adjustment Act. It would provide as a substitute a formula to set a total cash income goal every year. Then the Government would use loans and direct payments or subsidies to attain this income goal for farmers.

Mr. Brannan calculated that the income goal for farm cash receipts in 1950 should be $26,234,000,000, based on March 15 costs. That would be somewhat less than the $27,500,000,000 estimated cash income of farmers in 1949, and it would be well under the 1948 level of $31,000,000,000.

In discussing his plan, Secretary Brannan said:

"The standard of support has been established with reference to income criteria rather than price criteria. A recent 10-year period has been selected as the base. Simplicity of computation and application has been a constant aim.

"The recommended price support standard for any specific commodity does not represent a parity price nor does the composite average represent parity income as those terms are statutorily defined and commonly understood. This income standard simply represents a realistic minimum below which it is not in the interest of farmers or consumers to allow farm prices to fall, and above which I hope to find most farm prices most of the time. It is the minimum level from which we would be working toward narrowing, and eventually closing, the historical gap between farm and nonfarm income."

Taking as a moving base the average annual purchasing power of cash receipts from farm marketings for the years 1939 through 1948, the plan would set up an income-support standard, together with a specific price-support standard for individual commodities.

SOME ATTACHED CONDITIONS

Mr. Brannan emphasized the point that under his plan price supports for farm products could not be separated from the acceptance by farmers of reasonable undertakings to advance or accomplish the overall objectives of the plan. Among the conditions he enumerated were the following:

1. The observance of minimum and sound soil-conservation practices.

2. Compliance with or adoption of whatever programs are found necessary to curtail wasteful production or disorderly marketing. Included in this would be such measures as acreage allotments, marketing quotas, and marketing agreements which might be adopted from time to time through referendums or by the authority of the Secretary of Agriculture under terms of specific legislation such as is now on the statute books.

3. The limitation of eligibility for price support to a stated volume of production on each farm. This limit would be set at a point that would not encourage the development of extremely large industrialized farming.

Under the plan advocated by Mr. Brannan, for perishable commodities, such as milk, eggs, and meat, a new system of direct payments would be used. Under this scheme, the Government would allow the market prices for these perishables to vary with supply and demand. The difference between the market price and the sum calculated to be the support level would be given to the farmer in cash.

That it would call for a degree of regimentation far greater than anything that the farmers of America have heretofore known appears to be a safe assertion to make.

The plan is adroitly put together to appeal at one and the same time to both producers and consumers of farm products. Farmers are to get a high income, while consumers are encouraged to expect lower prices.

However, it must not be overlooked that both farmers and consumers would be taxed to raise the money necessary for payment of subsidies. They would also have to pay the administrative costs. There are those who declare that the CIO and the Farmers Union exercised a potent influence in the formulation of the plan, which is supposed to have the sanction of President Truman.

LONG-RANGE THINKING NEEDED

In the development of a long-range farm program it would be well for the farmers to do some long-range thinking. In the early days of the Republic, about 90 percent of the people lived on farms, and they molded the policies of the country. But from decade to decade the farm population has shown a relative decline as compared with the population as a whole. In 1940 only about 22 percent of the population was directly engaged in agriculture. According to estimates of the Census Bureau, only 19 percent of the people of the United States live on farms today. The other 81 percent are consumers.

In the long run, what the majority of the people want in a democracy, they are likely to get, if it is in the power of the Government to give it to them.

It is a fundamental trait in human nature that we try to satisfy our wants in the line of least resistance. While wishing the farmer well in a general way, what consumers want is cheap food. If prices of farm commodities are to be determined at congressional and presidential elections, where majority rules, then the farmers of the country will some day find themselves in a predicament from which it will be difficult if not impossible for them to extricate themselv-

Unemployment in California

EXTENSION OF REMARKS
OF
HON. RICHARD J. WELCH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. WELCH of California. Mr. Speaker, pursuant to unanimous consent granted me to extend my remarks in the RECORD, while necessary in the circumstances, I reluctantly include the following United Press news dispatch from Salt Lake City, Utah, under date of May 18, 1949.

California is confronted with a condition over which it has no control. The fact that California now has over one-half million unemployed, including 170,000 World War veterans, is only too true and calls for serious attention by the Federal Government.

"KEEP OUT OF CALIFORNIA," JOB-SEEKING VETERANS ADVISED

SALT LAKE CITY, May 18.—Urban F. Stewart, of San Francisco, veterans' employment representative for California, advises the Nation's veterans, "In the name of common sense, stay away from California."

Mr. Stewart spoke at a regional economic conference here of American Legion leaders from the 10 Western States.

California now has 528,000 unemployed, Mr. Stewart said, including 170,000 veterans, and 15,000 more veterans descend on California each month in search of work.

"Most of them hit California without a red cent in their pockets," he added. "They add human tragedy to an already miserable picture."

He said more complications will come early this summer as 26,000 veterans finish school under the GI bill.

"For instance, enough watchmakers will be graduated from California colleges this summer to supply the Nation," Mr. Stewart

told the conferees. "Even if everybody in California had his watch repaired every week, there wouldn't be enough work for these watchmaking graduates."

He said California's public facilities are "so overtaxed that a man has to be dying on his feet to get into a hospital and he has to commit a major crime to be sure of a cot in a county jail."

Veterans Want Constructive Program

EXTENSION OF REMARKS
OF
HON. JOHN A. WHITAKER
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. WHITAKER. Mr. Speaker, under leave to extend my remarks, I am including a letter which I have received from Mr. William T. Pendleton, Jr., president of the Daviess County World War II Veterans' Association, and which expresses very clearly the sentiment of that organization with respect to various matters affecting the veterans:

DAVIESS COUNTY WORLD WAR II
VETERANS ASSOCIATION, INC.,
Owensboro, Ky., May 8, 1949.

Hon. JOHN A. WHITAKER,
Member of Congress,
Washington, D. C.

DEAR MR. WHITAKER: Due to numerous bills pertaining to veterans' legislation and changes and procedures of the United States Veterans' Administration, this organization, by popular discussion and vote, has set forth its views on various and sundry matters affecting the veterans, as follows:

We still oppose the bills recently discussed by Congress which would have granted a pension to World War I veterans only, regardless of disability, at age 65. Only the disabled should be pensioned, and existing laws already provide for nonservice-connected disabilities. The cost of such legislation would be excessive, and unless adequate and separate appropriations were made it would doubtless force the Veterans' Administration to exercise economy measures in compensating younger veterans with legitimate war disabilities.

To substantiate our viewpoint, the Economy Act of a past administration is cited. Already it is noticed that veterans who suffered war disabilities have been reduced in pension, or else are not receiving adequate pension for the pain or lack of employability incurred. Many men with legitimate disabilities have never received suitable settlement of claims because of lost service records or slowness on part of the VA and the military to produce the service record. Some men have no service record of their disability because of being in fast-moving combat units that had little time for record keeping. Others failed to register ailments with service medical units because they did not "ride the sick book." The Veterans' Administration is obviously not cognizant of the esprit de corps and discipline in combat units which caused servicemen to keep ailments to themselves unless of a very serious nature, and not to "give over" to aid stations or hospitalizations.

The settlement of claims and the reviewing of cases is very slow in VA in general. Letters and inquiries from veterans likewise are not always given detailed answers as requested, but rather, short and fragmentary answers. Widow's claims are slow and harassing in detail, especially when handled from Washington or the Ohio office. The insurance service also needs reorganization on a commercial-type basis.

We oppose any curtailment in our VA hospital building program in Kentucky or any reduction of appropriation for the medical program. It is noticed that the VA can still spend millions of dollars in Kentucky for GI flight training disguised as nonavocational by claimants. Yet in the same year VA tried to reduce the hospital program. Congress legislated against avocational pleasure courses such as flight training under the GI bill, yet flight training goes on to the detriment of other VA funds. We do need our medical program at full strength, for each year will bring greater disabilities as age increases.

Along the educational phase of VA administration we opposed the edict of VA which prevented VA field personnel from supervising the GI bill training on the job. Veterans training in firms and schools received professional up-to-date assistance from VA field personnel; whereas the State agencies are not adequate in this respect. Adequate supervision periodically by VA personnel would protect the veteran from employers who attempt to use his benefits as cheap labor rather than as helpful training.

Furthermore, the difference in administration by the VA in respect to the two training laws (Public Law 346 and Public Law 16) has resulted in a definite disadvantage for the employment of the disabled veteran. A firm now, more than ever, prefers to hire a veteran not disabled—under the GI bill.

We favor the local field-office arrangement of the Kentucky Veterans' Administration and oppose any move to transfer records or services into centralized State or regional offices. The impending reduction of personnel mentioned by the press would thus be more practical in larger offices. Veterans like personalized service on a local basis rather than to have to resort to lengthy correspondence with some larger office. As we see it—what success the VA has had lay in its decentralizing program of records and services—right down to the individual veterans' community. So, whether it be disability or education a veteran likes to get expert, exact, and prompt information, and this at local level with adequate records available to discuss the problem professionally.

The GI bill loan provisions are fairly "dead" for all practical purposes. Lending institutions apparently have accepted all the 4-percent loans they can discount and are reluctant to accept additional straight GI loans, unless very small ones. Other lenders oppose the red tape, negotiation, and delay involved. The only way the GI loan can be made really effective is for Congress to legislate the necessary amplifications to the present law, or to provide a separate loan act, sufficiently effective.

In general summary:

We would like ample pensions for legitimate war disabilities, on a more presumptive basis, with less emphasis on finding service records that oftentimes do not exist. Expedite payment of claims for widows and dependents. We like the VA set-up with records and services at local offices and not in one centralized large office. We dislike the time, delay, and loss of work required when one has to negotiate by mail or travel to a large office. The GI loan bill must be amended so as to be workable, or other loan legislation should be enacted. The education program for the GI bill should be administered similar to the disabled training, so that the employment of disabled vets will not be jeopardized. The veteran training on the job under GI bill is entitled to better training with more adequate supervision. Veterans owing the VA money due to overpayment while in training, should have more leniency from the VA in the waiving of settlements, especially since it was not usually the fault of the trainee. Due to rising unemployment the unemployment pay for veterans should be extended beyond July 1949; however, stricter administration and disbursement by States should be exercised. In general, VA regional offices should instruct all of their staff personnel, especially those adjudging pensions, to give more adequate detailed answers to veterans' inquiries, rather than the old "run-around," cryptic, official-sounding, brief letters. Some should be reminded that they are public servants and are accountable to the people and Congress, who legislate for the people.

We shall appreciate your consideration of our viewpoint and for your referral of this material to the necessary congressional committee and agencies.

By direction of the membership.

Yours very truly,
WM. T. PENDLETON, JR.,
President.

Our Nation's Foundation

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. JENSEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial by A. M. Piper, editor of the Council Bluffs (Iowa) Nonpareil:

OUR NATION'S FOUNDATION

The foundation of our Republic is faith in the capacity of the common man—which means most of us—to discern truth, to see and accept, and live by ideals.

Where do these characteristics come from? Out of the Bible where we find the commandments of God and the teachings of Jesus.

The American belief is that people have a high moral dignity because of their relation to their Creator. As sons of God, they are entitled to freedom of speech and action, and their personalities are entitled to respect.

We Americans believe that man with such splendid origins and capacities can be inspired to put the general good above his own selfish interest and ambition—and find his greatest happiness in service.

This is the American creed. It is based on religion. Every American, citizen who believes in God, who is disciplined by prayer, who is taught and who teaches Christian morality, and takes seriously his responsibility to society, is strengthening the foundation upon which our Republic rests.

Conversely, those Americans who neglect religion, who do not seek the will of God for their lives, are weakening our Nation.

We cannot play at religion and keep the American way of life.

Dr. Daniel L. Marsh, president of Boston University, has indicated what he calls the American canon—comparable in secular literature to the canon of the Bible. It is composed of seven documents:

1. The Genesis is the Mayflower compact which began "In the name of God, Amen."

2. The Exodus is the Declaration of Independence—the going out into the promised land of liberty and self-government.

3. The book of law is the Constitution and Bill of Rights. "Thou shalt not" is spoken not to individuals but to their Government.

4. There are many major and minor prophesies, but the best is Washington's Farewell Address.

5. Our national psalm—the Star-Spangled Banner.

6. The gospel was spoken by the savior of the Nation, Abraham Lincoln, in his second inaugural address. It was and is still good news.

7. The epistles are many, but among the best is Woodrow Wilson's, The Road Away From Revolution. That memorable address concludes:

"The sum of the whole matter is this, that our civilization cannot survive materially unless it be redeemed spiritually. It can be saved only by becoming permeated with the spirit of Christ and being made free and happy by the practices which spring out of that spirit. Only thus can discontent be driven out and all the shadows lifted from the road ahead."

All these documents begin and end with God. Freedom can be maintained where the people are committed to belief in the value of human personality and have an invincible faith in the providence of God.

Our kind of government can succeed only in a Christian nation.

Constructive Effort To Save World From Atomic War Perils

EXTENSION OF REMARKS
OF
HON. CLYDE DOYLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. DOYLE. Mr. Speaker and colleagues, I take pleasure in presenting for your consideration, the following editorial which appeared in the Long Beach (Calif.) Press-Telegram as an editorial on Wednesday, April 6, 1949.

Long Beach, Calif., is my home town, and the Press-Telegram is one of two daily papers printed in that important city of my native State of California. It is the largest city in the Eighteenth Congressional District, which I have the honor to represent in this the Eighty-first Congress as I also did in the Seventy-ninth Congress:

CONSTRUCTIVE EFFORT TO SAVE WORLD FROM ATOMIC WAR PERILS

There is much tumult in the world, but also a lot of constructive thinking.

This is evident in the statement of Clark Eichelberger, director of the American Association for the United Nations, who does not view the North Atlantic Security Pact as injurious to the United Nations, nor out of keeping with it.

Mr. Eichelberger, writing in the Nation magazine, says this:

"The effect of the Atlantic Pact upon the United Nations will partly be determined by the arguments used in presenting it in the Senate. There will be universal support of the major objective of the pact—to give assurance to the nations of western Europe that if they are attacked, this country will not wait for a Lusitania or a Pearl Harbor.

"Such assurance, however, must not be given in a way to increase insecurity in the rest of the world for that would weaken the security of the Western Hemisphere. On the other hand, if the pact is so defined and presented as to strengthen the security systems of the entire world, the security of western Europe will be doubly enhanced."

Fundamentally, the Atlantic Pact is an effort to avert war. If it succeeds in this it will be a long-range blessing to the United Nations, giving the latter another opportunity to get its feet on the ground.

Any step to prevent war is of immeasurable benefit, be it taken by the United Nations or signatories to the North Atlantic Pact.

The Second World War cost the lives of 40,000,000 people and 4 trillion dollars. This is the conclusion of C. Hartley Grattan, economist and writer, in summarizing the economics of destruction, in the current Harper's, a report which taxes human comprehension.

Even if $4,000,000,000,000 could be clearly perceived in relation to economics, no tabulation or figures could tell the entire story. Still not included is the moral cost of what men so systematically and purposefully did to man.

It may shock folk to be reminded that 20 out of every 100 residential buildings in Germany were destroyed, that every fifth Greek was left homeless, that 28,000 houses in Rotterdam were knocked down, that the British had 460,000 houses destroyed and the Japanese 2,250,000.

Mr. Grattan says that no earthquake, no hurricane, no flood known to record matched World War II in its destructiveness. No previous war did anywhere near so much damage. Even World War I was one-seventh as destructive.

The sardonic joke about the front line being the safest place in war became true. Three civilian casualties were chalked up for every military one. Total deaths, says Mr. Grattan, were just about equivalent to all the children in the United States under 19 years old.

A third world war would be much more destructive. One bomb killed one and one-half as many people in Hiroshima as died in the air bombardments throughout the entire war in England. The atom-bomb destruction in a third world war would advance not a mere 7 times from World War I to World War II, but on the order of 70 times and perhaps spell the end of civilization, and even life.

In the face of Mr. Grattan's data, how can any one dare assume a third world war is inevitable? Every possible means to prevent it must be explored. The North Atlantic Pact constitutes one of the road blocks to possible war.

Robert Nathan wrote in his "Winter In April":

"Yet in the midst of all the violence and unreason, something tells me not to despair. Perhaps it is because, when I was a child, the world was filled with a sense of God; and I have not altogether forgotten it."

Representative Abraham J. Multer

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article which appeared in the Brooklyn Eagle of Thursday, May 19, 1949, with reference to our distinguished colleague, Representative ABRAHAM J. MULTER. Representative MULTER was recently honored at a large dinner in Brooklyn marking his 25 years of active service toward the furtherance of brotherhood, tolerance, and understanding among peoples of all faiths. I know that all of his colleagues join in commending him for his splendid service on behalf of mankind.

MULTER HONORED FOR INTERFAITH WORK

An appeal for world peace through the furtherance of brotherhood, tolerance, and understanding among people of different faiths was voiced by Representative ABRAHAM J. MULTER of Brooklyn's Fourteenth Congressional District last night.

Culminating his 25 years of active community service in the fields of interfaith and brotherhood, Representative MULTER was honored at a dinner in the grand ballroom of the Hotel St. George. The dinner was sponsored by a committee of 100 prominent Brooklynites and was attended by more than 350 borough public officials and civic leaders.

Funds raised at the $50-a-plate testimonial will be used toward support of the "Eternal Light" radio program, sponsored for the past 4 years by the Jewish Theological Seminary of America. The broadcast is carried over the national NBC network every Sunday at 12:30 p. m., Brooklyn time.

GETS CERTIFICATE

Representative MULTER was awarded a certificate of appreciation "for the devoted service he has given his community in advancing the cause of the religious and cultural traditions of Judaism, and for his able leadership in mobilizing public interest in the program of the Jewish Theological Seminary of America." The presentation was made by Controller Lazarus Joseph, a close friend of the Congressman, on behalf of the committee.

In thanking the assemblage for the honor, Representative MULTER declared, "By your presence and support of the cause of brotherhood the vast importance of spreading knowledge and understanding throughout the world is clearly shown."

He extolled the abundance of brotherhood and tolerance in New York City, and urged its widespread application all over the globe. "Behold how good and pleasant it is to live at peace in our community. May it ever be with us," he concluded.

BARKLEY HAILS MULTER

Federal Judge Leo F. Rayfiel, who headed the sponsoring committee and introduced the speakers, read a telegram from Vice President ALBEN W. BARKLEY congratulating Mr. and Mrs. Multer and the seminary as well. Another congratulatory wire was received from former Court of Claims Judge Emanuel Greenberg, who was out of town.

The principal guest speaker was Dr. Louis Finkelstein, president of the seminary, who described the functions of the organization. "Our primary function is one of interpretation," he said. "We must interpret the relationships between parents and their children; the traditions of Judaism to its followers and their fellow Americans; and the values of brotherhood to everyone. The seminary is the Jews' spokesman to the world," he said.

SPECIAL PERFORMANCE

"The Brotherhood of Man is a paper organization," asserted United States Attorney J. Vincent Keogh, "unless each individual practices these principles in his daily actions. It is not enough to say that we are brothers, but to prove that we are by actions," he said, in singling out Representative MULTER as "one typical of this achievement."

The dinner program included the presentation of a specially prepared "Eternal Light" performance entitled "When Abe Lincoln Went to Sinai," written by Morton Wishengrad and narrated by Eddie Dowling, prominent actor, director, and producer. The cast included Cantor Robert H. Segal, Leon E. Janney, Karl Swenson, Mitzi Gould, Guy Repp, and Henry Norell, and the performance was directed by Walter McGraw, of the NBC.

Former Supreme Court Justice Mitchell May was honorary chairman of the dinner. Others on the committee included H. Sidney Landau, cochairman; former Judge Greenberg, and United States Commissioner of Jurors Morris J. Solomon and Dr. Abram Kanof, associate chairmen; Sidney Squire, secretary; Louis Rothbard, treasurer, and Rabbi Halpern, of the East Midwood Jewish Center, rabbinical chairman. The latter delivered the invocation.

Among those present were Maximilian Moss, president of the Board of Education; Supreme Court Justice George J. Beldock, Deputy Boxing Commissioner Jack J. Doberstein, State Senator Louis L. Friedman, Representative Louis B. Heller, Aaron L. Jacoby, chief clerk of the Surrogate's Court; State Senator J. Sidney Levine, and Corporation Counsel John P. McGrath.

Also, Supreme Court Justice William T. Powers, Benjamin C. Ribman, member of the Board of Higher Education, Abe Stark, former Commerce Commissioner and prominent borough merchant; Burton B. Turkus, former chief assistant district attorney, and City Councilman Edward Vogel.

To What End?

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, May 20, 1949

Mr. REED of New York. Mr. Speaker, it must be becoming clear to even the most ardent spenders and wasters of the taxpayers' funds that their honeymoon will have to come to a close unless they wish to drive this country into deficit financing and ultimate ruinous inflation.

Under leave to extend I am inserting in the RECORD an editorial which appeared in the Wall Street Journal for Tuesday, May 24, 1949:

TO WHAT END?

It must be clear to our Washington policy makers that there are now but two choices in fiscal policy; either cut Government expenditures or run the risk—it is almost a certainty—of deficit financing.

The so-called third choice of raising tax rates is illusory. The effect of such action would be to so reduce the activities which produce taxes that the total of tax collections would fall even further below the contemplated level of Government expenditures.

The situation is that this Government must save or go further into debt. The sources of more income are just not there.

Deficit financing might have either of two results.

It might again result in increasing the money supply and send prices and wages on another whirl upward. There are signs that the policy makers believe that would happen.

More likely deficit financing in a period of high business activity would have a psychological effect which, in spite of the inflationary implications, would lead to a full-scale depression.

Whatever happened, inflation or deflation, there would be set up powerful demands for Government controls over the economy. Such measures as proposed in the Spence bill, large programs of public works, Government-directed output are what we could expect.

In face of those clear prospects, there is resistance to any moves for economy. And along with that resistance is the continued and persistent demand for legislation to give the Government the measures of control which it demands.

There is a quotation from the House Divided speech of Abraham Lincoln which we think bears on this situation. It follows:

"We cannot absolutely know that all these exact adaptations are the result of preconcert. But when we see a lot of framed timbers, different portions of which we know have been gotten out at different times and places and by different workmen—Stephen, Franklin, Roger, and James for instance, and we see these timbers joined together, and see they exactly make the frame of a house or a mill, all the tenons and mortises exactly fitting, and all the lengths and proportions of the different pieces exactly adapted to their respective places, and not a piece too many or too few, not omitting even scaffolding—or if a single piece be lacking, we see the place in the frame exactly fitted and prepared yet to bring such piece in—in such a case we find it impossible not to believe that Stephen and Franklin and Roger and James all understood one another from the beginning and all worked upon a common plan or draft drawn up before the first blow was struck."

Coalition Meat Ax

EXTENSION OF REMARKS
OF
HON. JAMES G. POLK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. POLK. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include therein a very timely editorial from this morning's Washington Post entitled "Coalition Meat Ax."

COALITION MEAT AX

The House Appropriations Committee has just dealt another thoughtless and thoroughly irresponsible blow at the foreign policy of the United States. A coalition of Republicans and Dixiecrats on the full committee has proposed an arbitrary slash of 15 percent in next year's ECA funds, thus discarding the work of its own subcommittee, disregarding the testimony of every competent witness, and playing politics with world recovery. The committee has proposed a colossal waste in the name of economy, for its action would almost certainly make the ECA program ineffective. Unless Speaker RAYBURN and the other House leaders rouse themselves and get this misguided decision reversed on the floor, the world will conclude that American foreign policy is at the mercy of every political wind that blows.

The full committee's action is all the less defensible because careful study had led its subcommittee to a different conclusion. The subcommittee held day-long hearings for two and a half weeks. It went into every relevant aspect of the recovery program; it resisted every temptation to make cuts that could not be justified. The administration itself had asked for $157,000,000 less than the authorized amount, in view of falling prices; the subcommittee proposed an additional cut of one hundred and eighty-two million from the authorized figure. It would thus have made substantial savings without endangering the ECA program. Yet the full committee, wielding the meat ax as blindly as Mr. TABER did a year ago, threw its subcommittee's work into the ashcan, on the theory, blithely expressed by Representative ALBERT THOMAS of Texas, that prices could be counted on to fall by that amount by June of next year. If the 435 Members of the House permit this kind of crystal gazing to take the place of statesmanship, the House might as well forfeit its claim to be a partner in shaping and controlling American foreign policy.

Much more is at stake here than the reputation of the House. There is a cynical belief abroad, and in some parts of our State Department, that Congress simply will not do what is needed to check Soviet pressure unless it is whipped up by a sense of crisis. Possibly one of the calculations behind Moscow's new reasonableness is the thought that a little sunshine will cause Congress to take off its cloak and drop its guard, like the traveler in Aesop's fable. Mr. Acheson must have been fearful of the same thing just before he flew to Paris last week for his meeting with the Russians. He said it would be tragic to have American efforts slacken now, just when they seemed for the first time to be succeeding; and he added that there was "nothing more important in the world today than the steadiness and consistency of the foreign policy of this Republic." The Appropriations Committee has thrown doubt on this steadiness of purpose just when American negotiators at Paris need it most.

The full House can still save itself and save the country from the folly of its committee. We hope the 118 new Members, in particular, will see to it that the cuts made by the full committee are reversed and the figure approved by the subcommittee is allowed to stand. A quick reversal will show that the House knows the meaning of world leadership.

Address of Hon. James P. McGranery

EXTENSION OF REMARKS
OF
HON. WILLIAM A. BARRETT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. BARRETT of Pennsylvania. Mr. Speaker, under leave to have my remarks extended in the CONGRESSIONAL RECORD, I would like to have inserted the following address delivered by the Honorable James P. McGranery, judge of United States District Court for the Eastern District of Pennsylvania, at a luncheon meeting of Delta Epsilon Sigma, on Thursday, April 21, 1949, at the Bellevue-Stratford Hotel during sessions of the National Catholic Education Association convention in Philadelphia, Pa., April 19–22, 1949:

It is a singular privilege to speak before this distinguished group composed as it is of the representatives of a national association whose members "bear upon themselves in an eminent degree the impress of Catholic higher education through the liberal arts." Many here present are of great note not merely because of their "effective scholarship"—not only because they bring "the principles of Catholic philosophy to bear upon the problems of a modern free society"—but even more because they have valiantly dedicated their entire lives to the apostolic mission.

The name of your scholastic honor society, Delta Epsilon Sigma, is a constant reminder of the golden words of Saint Thomas: "It is for the wise man to set things in order."

If "peace is the tranquillity of order," as another great saint has stated, then the wisdom that is yours forms the treasure for which men of our time and men of all time are forever searching whether consciously or unconsciously.

It is true that in each generation of mankind the water level of progress has reached no higher than the level of its most inspired scholars.

Fortunately for America, our Declaration of Independence was written by men whose minds reached the spiritual level of eternal principles. Hence the inspired statement: "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness."

And in each succeeding generation of our Nation there have always been reared some children who learned in their first catechism days the answer to that essential question: "Why did God make you?" The answer to which is the most simple—the most profound truth of all: "God made me to know Him, to love Him, to serve Him in this world—and to be happy with Him forever in the next."

St. Gregory once said that those who are very close to our Lord do not need much explanation, much explicit statement of the first principles: they see in them all the other truths, even as the angels see all other truths in the first principles of natural thought.

Nevertheless there have always been men who have benefited—even after acts of faith—from the clear-cut definitions uttered from time to time by holy mother church. The investigations by theologians have made use of the progress of philosophical and scientific thought to illustrate and more clearly present the hidden beauties of supernatural truth.

If faith is indeed "the act of pondering with assent"—then it continues to be a virtue perfecting the mind of man.

And in proportion as the minds of our Catholic youth are developed in conformity with the principles of Catholic philosophy—in the same ratio may we see the arts and sciences—whether of pedagogy or government—continue to shape a world where all men can use their freedom for the only purpose of lasting importance—for the purpose of finding their way to God.

The greatest menace of our time is not intellectual progress in our universities—but rather moral decay among those faculty members who would destroy the patriotism, the high ideals, the religious faith of our youth.

Progress means literally "taking steps forward"—and so I distinguish between true intellectual progress—(which is forever one with true Christian education)—and so-called progressive education which too often means letting the mind wander loosely about as does a cow munching clover in a field—for so-called progressive education completely ignores the need to train the will and to exercise the intellect according to rules of order.

The intelligentsia who infest the faculties of many colleges and universities are so lacking in mental and moral discipline—that they attempt to enlist our youth in the ranks of the Communists—actually—in the foreign legion of Soviet Russia.

Their aim is not to educate—not to develop even the natural faculties of youth. Their aim is to discourage, to confuse, to destroy youth's capacity for right thinking and good living. These false teachers would erase youth's faith in his fellowmen, in his Government, in his God.

Communism can conquer only where there is chaos. And chaos follows in the wake of confusion.

When the minds of our young citizens are confused by false charges—then only is there a wavering of loyalty to country and the final loss of respect for authority.

Authority—we know well—comes from God to the elected representatives of our people. And so our Nation has been greatly blessed that the men legally entrusted with judicial, executive, legislative functions of our Government have been and are preponderantly honest, able, and fearless Americans—with the same philosophy of life that characterized our founding fathers.

If this is to continue to be true—if our democratic form of government is to continue to be based upon the Bill of Rights safeguarding the dignity of the individual—if our Republic is to survive the insidious attacks of the totalitarian state, then the price of eternal viligance must be paid over and over by the men and women endowed with Christian scholarship and entrusted with molding the minds of the men and women of tomorrow.

The precious heritage of Christian "love of wisdom" must be shared by more and more of the boys and girls of today.

Then only can we hope for the lasting peace which is the tranquillity of order. Then can we be sure that the world in which we live will be the kind of world that it was meant to be—one where every child will have the opportunity to know and to love and to serve God here—and to say when approaching that further world—in the hallowed phrase of St. Augustine: "Thou has made us for Thyself O Lord—and our hearts are restless till they rest in Thee."

Let the Marines Keep Telling It

EXTENSION OF REMARKS
OF
HON. GEORGE A. SMATHERS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. SMATHERS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New Orleans States of April 14, 1949:

LET THE MARINES KEEP TELLING IT

"Louis Johnson, the new Secretary of Defense, is giving the Army renewed hope that it might be allowed to gobble up the Navy's Marine Corps as unification of the armed forces is pushed. The marines had figured that they were assured of continued life."—From the April 15 issue of United States News and World Report.

The United States Marines?

If the Marine Corps lives that long it will be 174 years old on November 10.

Its life is threatened by interservice jealousies, and the inability of the Secretary of Defense to make the military establishments of this country work hand in hand as the Congress has decreed and common sense dictates.

But must the marines go?

They fought at the battle of Trenton in the Revolutionary War.

They fought with muskets and cutlasses aboard *Old Ironsides*.

They marched with Eaton and O'Bannon across African deserts to capture Derna and raise in 1805 the Stars and Stripes for the first time in a foreign land.

They have fought in the West Indies against pirates. Their proud ranks marched through Korea and fought in the Boxer Rebellion. Their battle honors include the Aisne, the Marne, Chateau Thierry, and the Argonne.

They were the first American troops to be sent to Iceland in 1941. Their defense of Wake Island was an epic of courage.

They landed at Guadalcanal, 8 months after the war and before any other service was ready, and gave the Japanese their first defeats. They saved our life line to Australia, then.

Does Tarawa mean anything to the American people? Those were marines.

Does Iwo Jima mean anything to the slide-rule civilians and jealous opponents who would eliminate the marines?

Is there no more use for the stoutest amphibious fighters this Nation has ever developed? Is there no more need for a corps which always prided itself on being a volunteer outfit?

Are there no more islands on the face of the globe? Are there no more beaches to be captured, anywhere, ever? Or are the marines just too damn good?

After Wake Island, President Roosevelt said:

"The courageous conduct of the men and officers who defended Wake Island against an overwhelming superiority of enemy air, sea, and land attacks from December 8 to December 22, 1941, has been noted by their fellow countrymen and the entire civilized world, and will not be forgotten as long as gallantry and heroism is respected and honored."

Is jealousy and partiality going to make that their epitaph?

Reduction of Federal Expenditures

EXTENSION OF REMARKS
OF
HON. WILLIAM M. McCULLOCH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. McCULLOCH. Mr. Speaker, in times of prosperity the careless spenders justify their actions on the ground that the people can well afford high taxes and larger and larger Federal expenditures.

In times of disinflation, or recession, or depression the careless spenders justify their actions on the ground that huge expenditures and deficit financing result in a lasting stimulant to business.

In good times and bad times their program is to tax and tax and spend and spend.

The fiscal year ending June 30, 1949, will be the most prosperous in our history. Unbelievable as it may seem, we will end the fiscal year with a deficit.

Furthermore, responsible administration spokesmen admit that disinflation is now taking place. Others believe that we are now experiencing a minor recession.

In any event, the time has come to reduce appropriations and cut expenditures.

If there be a Member of Congress who has not decided on a course of action in the matter of appropriations and expenditures, I would suggest a careful reading of the editorials from the Christian Science Monitor of May 18 and May 21, and the editorial from the Washington Post of May 20, which follow:

[From the Christian Science Monitor of May 18, 1949]

GOVERNMENT, TOO, CAN RECONVERT

Economizing may yet become popular in Washington. Increasing talk of saving by

Congressmen reflects not only budget necessities but an aroused public interest.

Like a good many businesses which are no longer able to raise prices when costs go up, the United States Government is feeling the pinch. Declining business spells a lower level of national income and a reduced return from income taxes. But at the same time the expenses of Government have increased.

In this situation businessmen are tightening their belts, trimming out dead wood, hunting new and more efficient methods, cutting costs. In this situation President and Congress have been proposing to buy new governmental equipment and services which will add billions to a budget already unbalanced.

In strict accuracy we should say that Congress and President still are proposing extra expenditures. Mr. Truman's expanded social welfare program would add at least $1,500,000,000. Plans for arming America's allies call for something like another billion. The Senate has recently added several hundred millions for housing and education bills and the House tacked more than a billion on to the defense appropriation.

The Committee for Economic Development points to roughly $3,000,000,000 in extra Federal expenses to which the Nation is not yet committed, but which it is in process of contracting. The CED has just released a comprehensive and useful report by its research and policy committee, pointing out that it is in this area of proposed new expenditures that savings should be most feasible. It favors taxes rather than a deficit but declares economy can remove the need for new taxes.

At the same time Congress has got from the staff experts of the Senate-House Tax Committee a jarring estimate that the Government will go $3,000,000,000 into the red next year. Three billion is repeated once again. It is roughly the amount the Hoover Commission reported could be saved by streamlining the administrative departments. This is not exactly a magic figure, but it may be one at which the public should ask Congress to aim.

Another demand the people might make on Congress and President—that any addition to costs be accompanied by provisions for paying the bill. It is altogether too easy to "charge it."

From Washington in the last few days have come some signs that the wind is shifting. Government is beginning to feel the pinch, too—and to hear from the people. If the public demand is strong enough Government will also "reconvert" to a more efficient and economical operation. If business can do it so can Government.

[From the Christian Science Monitor of May 21, 1949]

FEDERAL FINANCES OUT OF CONTROL?

In face of a prospective deficit Congress continues to add to rather than subtract from appropriation bills. In face of a business decline President Truman continues to call for increased taxes. This unrealistic behavior indicates that the American people will soon have to insist on drastic measures to meet a fiscal crisis or frankly recognize that their Government is unable to control its finances.

Latest developments in the Senate confirm the impression that Congress can't or won't deal firmly with the situation created by rising costs and falling revenues. Within 10 days the Senate has rejected attempts to trim three giant appropriation bills. Administration supporters have led the way in turning down Republican proposals to cut these bills by a straight 5 percent. Now Democrats are putting forward an economy plan of their own. Senators TYDINGS and RUSSELL have introduced a resolution which would require the President to slice that much from the total of appropriations for administrative departments.

This proposal partly abdicates that primary function of the people's elected representatives—control of the purse strings. But it does leave Congress fixing the total for expenditures. And there is something to be said for leaving to the Executive a good deal of flexibility in making the adjustments required by economies. There is also some justice in putting over-all saving up to the President since his followers in Congress have opposed specific savings.

Mr. Truman so far has made cuts in Marshall-plan aid — permitted by lower prices—but otherwise has taken the position that his original budget had been trimmed to the bone. He has also urged Congress to give him authority to reorganize the administrative departments. The Senate and House have moved in this direction, but in divergent bills and with strings attached which could largely limit the economies the Hoover Commission declared possible through reorganization. Adoption by Congress of the Hoover proposals would be a more straightforward procedure.

Meanwhile, we begin to hear warnings against saving. Some of these may be induced by the political difficulties of economizing. Others come from those who hold that deficits are better than depressions. This view is widely accepted. Certainly if adding $20,000,000,000 to the debt would prevent a depression, few citizens would oppose it. It has been estimated that the United States lost $200,000,000,000 in potential production in the depression that followed 1929. Under some conditions balancing the budget could be a mistake.

But has the United States really come to that situation? The Nation is still in a period of relative prosperity and high employment. If it must resort to borrowing in order to give the economy a shot in the arm at such a time, then Federal finances are indeed already out of control. We cannot believe that is the situation, although political pressures are toward irresponsible spending. More emphasis on economy would be helpful in counteracting these temptations. It would also save funds with which to lighten the burden of taxes and improve Government's ability to meet the demands which a continued business decline might present.

[From the Washington Post of May 20, 1949]

ECONOMY

Commentators stand accused of inconsistency who, while the national economy is in a period of readjustment, back one spending program after another and at the same time render lip service to the cause of retrenchment. Yet, if it be agreed that economy is a necessary Government contribution to the readjustment, there must be more than lip service to retrenchment. On Capitol Hill economy is winning, more and more advocates, and without regard to party. There are the 5 percenters—those who would pare administrative costs by a method which at the most would save the Government $1,500,000,000. Others are said to be lining up behind Senator RUSSELL's proposal for a $3,000,000,000 slash as a final amendment to the concluding appropriation. And, of course, there is always Senator BYRD, who wants to repeal the exemption of the military agencies, the Veterans' Administration, and other bureaus from the current Federal personnel ceilings set up several years ago by Congress, and fix new over-all ceilings. As yet, the only bill of the dozen huge appropriation bills that has been acted upon is the Treasury-Post Office measure, and this got no special economy treatment.

Over-all reduction of appropriations on a percentage basis is admittedly a crude device for reducing governmental costs. But it appears to be the only feasible method of effecting substantial economies until accounting reforms and changes in methods of handling appropriation bills are introduced that would enable Congress to determine the cost of specific functions and activities and obtain a comprehensive picture of all governmental spending programs. It will take a long time to bring about these much-needed reforms, even if Congress consents to make them. Meanwhile, expenses are likely to reach unmanageable proportions unless drastic action is taken soon.

The 5-percent reduction in Labor-Federal Security appropriations proposed by Senators BRIDGES and FERGUSON, which has now been rejected in the Senate, was not as undiscriminating as it superficially appeared to be. For the amendment provided that cuts could be made in varying percentage amounts at the discretion of the heads of the agencies concerned, with the approval of the Director of the Budget, if the aggregate required amounted to 5 percent. Moreover, appropriations for public assistance grants-in-aid, unemployment compensation, and other outlays that represent obligations to which the Government is committed would have remained untouched. The reductions, confined to administrative outlays, according to Senator FERGUSON's estimates, would not have exceeded $15,000,000. There may still be a chance of effecting economy by the method advocated by Senator RUSSELL.

The fact that economy in actual practice entails hardship for some people is another reason why Congress hesitates to take strong action to bring down Government costs. Nevertheless, no employer, not even the Government, can for humanitarian reasons spend for the sake of providing jobs for men and women when the costs are not justified by the results and, in the case of the Government, lead to the overburdening of the taxpaying public—at a time, moreover, when the state of the national economy calls imperatively for retrenchment. There would be no hope of Hoover reorganization—the wisest economy measure of all—if such an inhibition were to prevail.

Lessons From the Orient

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 20, 1949

Mr. REED of New York. Mr. Speaker, I believe that the experience of the Chinese war lords in collecting taxes in advance threatened with a deficit is worthy of consideration by those who wish to do a little finagling in order to keep up their spending and wasting program.

Under leave to extend I am inserting in the RECORD an editorial which appeared in the Wall Street Journal of May 24, 1949:

LESSONS FROM THE ORIENT

Every schoolboy knows that there was civilization in the East, particularly in China, when our own Occidental forebears were still primitive barbarians. Despite our primacy in many matters, it seems we can still pick up subtle tricks from the antique East.

There is the matter of taxes. The Chinese war lords long ago thought up the idea of collecting taxes in advance whenever they ran short of money. They began by collecting them only a little bit ahead. This seemed

such a good plan that before long the peasants were being hit for their taxes 5 and 10 years in advance.

The idea has been slow to catch on in this country, but we are making progress. Under certain circumstances, a man is legally supposed to pay income taxes on money he just hopes to earn in ensuing months. It can be a case of pay first, earn it later.

A proposal in Congress, the Mills bill, opens the way for the same thing on corporation income. This bill would speed up the payment of corporation income taxes so that a whole year's bill would be paid in 6 months instead of 12. The thought is that the quicker the Government can get the money the quicker it can spend it.

It seems illogical for the Mills bill to stop at this point. If quicker payment is good, why not have companies pay their taxes not just faster but in advance? Of course, not having earned anything yet they might be short of cash, but if so they could borrow it. Lots of times the Government has to borrow ahead and pay interest because it's short of cash. It's just a question of who does the borrowing.

For that matter, why should our individual income tax pre-payment be restricted to a quarterly basis? Is it any more illogical to have a man pay a year's taxes on money he hasn't earne' than to pay 3 months' taxes on money he hasn't earned? The yearly plan would be merely an extension of the principle.

The Chinese, with incontrovertible logic, saw that the principle need not stop even with 1 year's taxes.

It is true that such a system would load our children with a heavy burden of debt and poverty as it did the Chinese peasants. But it would be a great boon for present taxmakers, and not a great many of our legislators seem unduly concerned over posterity anyway.

Facts About the Wood Bill

EXTENSION OF REMARKS

OF

HON. CHARLES W. VURSELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. VURSELL. Mr. Speaker, there has been so much misrepresentation about the Wood bill which failed to pass in the House by only three votes that I want to give the facts about this bill largely for the benefit of the laboring men who have not been given the facts by their big labor leaders.

When the administration leaders put on every possible pressure and recommitted this bill to the committee, it is my honest opinion that this action was a serious blow against the best interests of labor and the economy of the entire Nation.

The facts are, when the Wood bill was finally completed, it had gone as far as it seemed necessary or possible to go in solving the differences between management and labor. We had developed a bill fair and just to all, under which both labor, management, and the entire economy of the Nation could move forward in a more harmonious manner into a greater era of constant employment and prosperity.

We had written a piece of legislation so beneficial to labor that it appears this bill was recommitted largely to prevent the Republicans, supported by some Democrats, from taking the credit of having written a bill so fair to labor, that both labor and management could really accept it. The Republicans were, in fact, carrying the ball in the best interests of labor. That was too much for those who wanted to keep labor legislation as a political issue.

REPEAL EFFORT DEFEATED

The laboring men should know that when a straight vote to repeal the Taft-Hartley law and institute the Wagner Act in its place was taken, that only 31 Democrats out of 260 voted to keep the promise of the President and the labor leaders to repeal the Taft-Hartley law. The laboring men should further know that after this vote, their leaders and the administration leaders accepted the Sims amendments to the Lesinski bill which constitutes about 50 percent of the important provisions in the Taft-Hartley law which they had been damning for the past 2 years.

The amendments are as follows:

First. To provide for the use of the injunction by the President to protect the public health and safety of the Nation.

Second. Prohibition of secondary boycotts.

Third. Prohibit by injunctions jurisdictional strikes.

Fourth. Free speech for the employer.

Fifth. Provide that labor unions shall make a financial accounting to their members and to the Government.

Sixth. To let the State governments retain the power to outlaw closed shops.

Seventh. Labor leaders and employees as well must file non-Communist affidavits.

Now I want to explain to you just how far we went in the Wood bill in an effort to meet, if we could, every objection that had been made to the Taft-Hartley law. I think the rank and file of labor will agree we did meet the real objections of labor to the Taft-Hartley law with the following amendments:

First. It provided for the repeal of the Taft-Hartley law.

Second. Union-shop election requirement eliminated.

The Taft-Hartley Act provided that before a union-shop contract could be negotiated, a majority of the employees in a plant were required to vote in favor of it. The Wood bill eliminated this requirement so unions could bargain with management for union-shop contracts without first having received the approval of a majority of the employees in the plant.

Third. Union hiring hall recognized.

Considerable criticism of the existing law has developed on the ground that the traditional union hiring halls under which employers gave unions the opportunity to fill requirements for new employees could no longer operate. In order to meet this objection, the Wood bill was amended to specifically provide that it shall not be an unfair labor practice for an employer to submit his requirements for new employees to a union and to give the union a reasonable opportunity to fill those requirements.

Fourth. Increased authority for unions to discipline their members.

Under the existing law, an employer with a union-shop contract could be required to discharge an employee who did not belong to the union, "only if the union had expelled him because of nonpayment of dues." Union leaders have objected to this provision on the ground that it did not give them sufficient disciplinary authority over their members. The Wood bill, as amended, adds five additional grounds under which a member expelled from the union must also be discharged from his job where a union shop contract is in effect. These grounds are: (a) engaging in wildcat strikes; (b) engaging in Communist activities; (c) disclosing confidential information of the union; (d) conviction of a felony; (e) engaging in any activity which subjects the union to civil fines or criminal penalties.

Fifth. Relaxing of secondary boycott ban.

The existing law prohibits all secondary boycotts. Union leaders have objected that this provision is too broad in that it illegalizes struck-work clauses in contracts and indirectly requires union members to act as strikebreakers. This objection was met in the Wood bill by an amendment which specifically legalizes struck-work clauses in collective-bargaining contracts and allows employees to refuse to work on orders being performed for the account of an employer whose own employees are engaged in a lawful strike.

Sixth. Anti-Communist affidavit required of employers.

Union leaders have objected to the anti-Communist affidavit since it applied only to union officers. The Wood bill meets this objection by extending the requirement to representatives of employers as well as representatives of unions.

Seventh. Economic strikes given right to vote in representation election.

One of the major objections which union leaders made to the Taft-Hartley Act is that it denied the right to vote in representation elections to economic strikers. It has been pointed out that the employer could theoretically replace the men who were out on strike with new employees and manipulate an election so that the new employees would vote out the union since the employees on strike would not be entitled to vote under the law. The Wood bill as perfected by an amendment meets this objection by providing that economic strikers shall be permitted to vote in representation elections for a period of 6 months after they have been replaced by other employees.

Eighth. Restricts use of injunction in labor disputes.

There has been considerable misunderstanding and misrepresentation concerning the possible use of injunctions under the Taft-Hartley Act. Only Government officials are given the power to obtain injunctions and they can do so only in cases involving national emergency strikes, jurisdictional strikes, secondary boycotts, and unfair labor practices. The Taft-Hartley Act does not

authorize the use of injunctions against economic strikes unless a national emergency is involved.

Union leaders have particularly objected to the fact that the Taft-Hartley Act made the use of injunctions mandatory against unions in secondary boycott cases and discretionary in all cases against employers. The Wood bill, as perfected by an amendment by the gentleman from Texas [Mr. BENTSEN] meets this objection by making the use of injunctions against both employers and unions discretionary rather than mandatory and by providing that injunctions can be issued only after charges have been investigated and a complaint filed.

Ninth. Free-speech section clarified.

The Taft-Hartley Act provided that no statement by an employer could be introduced as evidence in unfair labor practice cases unless the statement itself was coercive. Union leaders have objected to this provision and have contended that statements by employers should be admitted in evidence where, under all the circumstances, those statements could be found to be coercive. The Wood bill, by an amendment, meets this objection by providing that statements by employers shall be admissible in evidence before the Board.

Tenth. Possibility of union liability for unauthorized acts of members removed.

Under the Taft-Hartley Act, it has been claimed that a union could theoretically be held liable for the acts of its members even where those actions were completely unauthorized. The Wood bill, as perfected by an amendment, removes this possibility by providing that in no event shall the union be held liable for the actions of its members solely on the basis of union membership alone.

Eleventh. State laws legalizing closed-shop recognized.

The Taft-Hartley Act recognized the validity of State laws banning the closed-shop. The Wood bill, as perfected by an amendment, recognizes the reverse of this proposition and provides that where a State law specifically legalizes the closed shop, that law shall supersede the Federal law in that State.

Among other amendments to the existing law which the Wood bill contains are the following:

Twelfth. The elimination of the requirement that employees vote on management's last offer in national emergency strikes.

Thirteenth. Clarification of the existing law so that reopening provisions in contracts are recognized.

Fourteenth. Allowing unions 120 days to file financial reports.

Fifteenth. Clarification of the section on jurisdictional strikes, so as to expedite settlement of disputes.

Sixteenth. Recognition of the validity of closed-shop contracts which are in effect at the time the law is passed.

MORE FALSE PROPAGANDA

Mr. Speaker, you will note that about 16 amendments were written into the Wood bill, all at the suggestion of union men, and every amendment giving greater protection and benefits to the laboring men. In other words, we who supported the Wood bill sought to take out every valid objection raised against the present Taft-Hartley law to make certain that these objections could not be raised against this bill.

Notwithstanding, we wrote these amendments into the bill meeting the objections of labor, yet some of the big labor leaders through labor publications immediately condemned the Wood bill as nothing more, and nothing better than the original Taft-Hartley law. They know these statements are false.

Having joined with the Administration leaders in the campaign last fall, and, in their further attempt to dominate and control the Congress, they continue to misrepresent the intent and acts of Congress, and the provisions of the Wood bill.

The administration leaders in combination with the big labor leaders had their chance to repeal the Taft-Hartley law outright and failed miserably. They then accepted the Bentsen amendments which I have referred to. Then when we made the bill far better for labor by adding 16 other amendments, certainly the administration leaders and the labor leaders could have, and should have supported the perfected Wood bill.

Instead, they made a Dunkirk retreat to take the bill back to the committee. The responsibility rests fully upon the Administration.

It is time the workers demand their leaders lift the cause of the rank and file of labor above partisan politics.

By returning this bill to the committee, the administration leaders, in cooperation with the labor leaders, defeated a good bill, temporarily at least, and by such action they have kept the Taft-Hartley law on the statute books, preventing new legislation that had taken nearly every objection by labor out of the old law. This was a mistake against the best interests of labor. Some members of Congress believe they want to continue the Taft-Hartley law for use again in next year's campaign.

Community Swaps Rights for Water

EXTENSION OF REMARKS

OF

HON. NORRIS POULSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. POULSON. Mr. Speaker, this article which I am inserting, which appeared in the Los Angeles Times on May 19, written by Mr. Ed Ainsworth, Times staff representative, gives a good word picture of what is happening in the San Joaquin Valley at this time:

ORANGE COVE, IN SOLEMN CEREMONY, WILL ACCEPT FEDERAL DOMINATION

ORANGE COVE, May 18.—Day after tomorrow, in a solemn ceremony, this little farming community against the foothills of the Sierra will sign away part of its American birthright.

It will be surrendering, from necessity, to the whip hand of the Interior Department in Washington, D. C., in order to obtain water it must have to survive.

Just what is happening is not quite clear in the minds of many residents here.

CONTRACT SIGNING

They know that Richard L. Boke, regional director of the Bureau of Reclamation at Sacramento, is going to come down here Friday to sign a contract with them on water from the Friant-Kern Canal.

They know that a vigorous fight has gone on to prevent the Bureau from imposing its original demands in regard to the 160-acre limitation of ownership.

They know that their water rate is going to shoot up more than 100 percent when the project is completed (about 1951).

SURRENDERS REQUIRED

But they undoubtedly have not realized the significance of some of the surrenders they have been required to make to obtain water from the canal.

This little area now including about 25,000 acres extending from Mount Campbell on the north to El Monte Road on the south, was founded by E. M. Sheridan who, spry and alert in his late eighties, still owns the townsite, the waterworks and many other properties here.

Dwindling water supplies and constantly lowering well levels have caused great worry. When the Friant Dam on the San Joaquin River, with its appurtenant Friant-Kern canal came along, the district naturally wanted to obtain irrigation water.

LONG NEGOTIATION

Negotiations for a contract with Secretary J. A. Krug's Interior Department began. In fact, they have extended over a period of 11 years or so. The district has come to be known as a kind of guinea pig in negotiations over Central Valley project terms.

M. N. Jensen, president of the Orange Cove Irrigation District, in explaining today the stand of the people here, declared, "We won't submit to dictation—we intend to run our own affairs."

In the face of this statement, however, certain facts stand out.

The 160-acre limitation clause is in the contract to be signed day after tomorrow, although certain modifications have been included.

LEASE AGREEMENT

The contract is of the so-called 9–E type which is, in effect, merely a lease agreement.

The district is refused the right to buy any second-class water, which would cost only $1.50 an acre-foot as contrasted with the $3.50 an acre-foot to be charged after completion of the project; although some large landholders in the Mendota district are getting second-class water at a low rate.

Reluctance of the board of directors of the district to surrender on the 160-acre land-limitation matter is shown in a resolution passed March 5.

RIGHT TO PETITION

The resolution included this statement: "*Be it further resolved*, That in approving this contract, this board does not approve the principle expressed in the contract as to the excess lands (160-acre limitation) and reserves the right to petition Congress for the repeal of the excess-lands provision insofar as it affects this district."

Jensen said today that the excess-lands provision is to be ignored, and that the Reclamation Bureau has been so informed.

In actuality, the 160-acre limitation as applied here—presumably on the principle of breaking up large holdings and aiding the little man—is going to work just the opposite way and help the big boys.

EXCESS OWNERSHIP

Of the 25,000 acres in the district, about 5,000 acres are held in excess ownership by 27 owners, according to Jensen.

The district is entitled to 31,800 acre-feet of water annually. But it is estimated that

another 10,000 acre-feet will seep into the underground basin to replenish the dwindling water supply and raise well levels.

The seepage will occur because the portion of the canal in this area will not be lined with concrete as it is on both sides of Orange Cove.

SEEPAGE WATER

Now, it works this way:

The seepage water goes in and replenishes the water supply. Wells can pump effectively again. And a man who, say, owns 500 acres can pump all he wants on the lands in excess of 160 acres and not pay for the privilege.

The little fellow on the other hand must pay not only a $3.50-an-acre-foot rate for his water but also must stand the heavy cost of the new lateral system which has to be put in to distribute the water, a cost which the excess landholder escapes.

It is estimated that when lateral costs are tacked on the water may cost as much as $19 a foot for the little fellow—but the big boys get all they want merely for the price of shallow pumping.

Included in the excess landholders are George Zannovich, Jensen, and a score or more of others.

About 9,000 acres in the whole district are developed now, and other land no doubt will come under production as water is available.

Considerable dissatisfaction with the contract—in spite of the dire need of the farmers here to get water—was shown in the vote by which the contract was approved April 22, the ballot being 438 for and 122 against.

The town of Orange Cove itself is excluded from the irrigation district and depends upon its own wells for water.

At any rate, the contract is scheduled to be signed Friday and water supposedly will begin to flow to the land through some existing facilities this summer. Meantime other districts are watching Orange Cove's experience with the Interior Department in becoming a part of the federally dominated Central Valley project.

TRYING HARD

The adjacent 1,000,000-acre Kings River Water Association is particularly concerned. The Interior Department is trying hard to get the districts making up the association to join the Central Valley project, because the facilities, wealth, and prestige of the group are needed in the Federal project.

But Charles L. Kaupke, watermaster and spokesman for the Kings River Association, made it doubly clear again today that his groups want no part of any deal such as has been forced upon little Orange Cove by the Interior Department—and that they will not sign up on similar terms.

The Need for Old-Age Pensions

EXTENSION OF REMARKS

OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. BLATNIK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a most significant radio address delivered May 23, 1949, over the American Broadcasting Co.'s coast-to-coast network by our distinguished and able colleague from Ohio's Fifteenth Congressional District, the Honorable ROBERT T. SECREST. This speech, which relates to the problem of old-age security, is a most able presentation of the case for the adoption of a liberal and comprehensive old-age pension system for the benefit of our senior citizens, the fathers and mothers of America. I therefore urge every Member of the House to read this speech by Congressman SECREST:

The problems of old age are as old as the human race. Man lives by work and when his capacity for work decreases, or when profitable employment cannot be found, many individuals cannot purchase the bare necessities of life.

In ancient times when man wandered from place to place in search of game and other foods he had little time to care for the aged. He had less inclination to share his meager food supply with those no longer able to join in the chase. Old people were left to die alone by the side of the trail.

Under the influence of the Christian admonition to "Honor thy father and thy mother that thy days may be long upon the land which the Lord thy God giveth thee," the peoples of much of the world developed a new appreciation of older people.

The wisdom of our elders was sought after and the contribution they made to the wealth of the world by a lifetime of toil was considered worthy of the right to live out their days in happiness and security. Each family attempted to care for its own. Those without family or friends were cared for by the township, county, or municipality.

Great discoveries of medical science and the practice of modern sanitation has doubled the span of human life. Where few reached the age of 60 a hundred years ago, today millions live far beyond that age. In fact, there were less than 1,000,000 people over 60 years of age in the United States in 1850, less than 100 years ago. Today there are 17,000,000 and the total increases continually.

The advent of the machine age resulted in widespread industrialization and mass production. The fast pace in factories, mines, and other industries required alert, young, and strong workers. Year after year the older segment of our population found it increasingly difficult to secure employment. Except for the period of World War II, when the labors of all our people were required, there have been millions over 60 who could not find gainful employment, even if they were physically able to labor.

The depression made our people conscious of the needs of older people. Widespread unemployment, decreased wages, shrinkage of local taxes, made it impossible for either individuals or local governments to support the older unemployed. State after State adopted laws to provide old-age pensions.

Finally the Social Security Act as passed by Congress, and for the first time the Federal Government had a plan whereby a portion of our people could lay up a reserve to be paid them in old age. Everyone realized that this act was only a step toward a full solution of the problem. We must move ahead, either by expansion of the existing system or by a substitute system that will better serve the needs of our people. I prefer the latter course.

I have always been profoundly convinced that this country needs a universal national system of old age security. That is why I voted for the revised Townsend plan in 1939, along with 100 other of my colleagues in Congress; and that is why I have, during the subsequent decade, signed discharge petitions entreating the Ways and Means Committee to release national pension bills for debate and a vote on the floor of the House. I feel as strongly today as I have ever felt. Indeed, I believe the need for a national insurance system covering all the people is even more compelling now than ever before.

As I have stated, the proportion of aged persons to the total population is increasing rapidly and medical science is steadily prolonging the life span of our people. At the same time, industry is constantly inventing new machines to do the work previously performed solely by manpower. It is not fantastic to envision for the future a sort of Jules Verne push-button economy in which a relatively few number of workers will be able to produce all that the rest of us can reasonably consume.

This combination of increasing age and technological progress poses a challenge we cannot ignore. Suppose a depression comes? That is no idle threat. Or suppose that, short of depression, our economy enters a state often described as "recession." In such an event, it appears reasonable to assume that marginal workers will further find themselves among the ranks of the unemployed. And I think we can all agree that the marginal labor force consists primarily of the overaged, the disabled, the blind, and widows with small children to support. These are the people a national pension plan proposes to protect.

But we do not have to fear a future depression to justify the need for the legislation today. The need is already great. Total living costs have just about doubled over the past 15 years. I for one do not see how many families can live in decency today on the earnings they receive, and I don't see how a single man or woman—especially those who must buy their meals in restaurants—can do more than exist.

Yet millions of Americans are doing just that. Old-age assistance paid an average of only $42.02 per month to individual recipients as of December 1948. This program affects about 2,000,500 aged men and women past 65 years of age. Many of them, of course, received far less than the $42 average. Moreover, the amount paid depends to a great extent upon where the recipient happens to live. For instance, the December average in Mississippi was only $16.38. The most generous State, Colorado, granted an average of $78.18.

Those citizens drawing benefits under old age insurance, title II of the Social Security Act, are in even worse circumstances. They average only about $25 a month. As a result, thousands entitled to draw a few dollars under old-age pensions have been forced to seek supplementary aid under the old-age assistance section of the act in order to keep body and soul together.

Meanwhile, the old-age insurance reserve fund has reached the unprecedented total of some $11,000,000,000 (most of which, of course, is represented by bonds, or I. O. U.'s). Thus, we have the curious spectacle of billions collected and unused while millions of humans struggle to make ends meet on a pittance, and at a time when living costs are at an all time high.

In terms of per capita income, the old folks of America are truly forgotten people. For the Nation as a whole, per capita income for 1947 amounted to $1,323, according to the Department of Commerce. Contrast this with the average of $504 ($42 a month for 12 months) paid to old age assistance recipients, and the $300 paid to old-age insurance beneficiaries under social security.

We cannot gloss over the obvious conclusion that the present program is completely inadequate. It offers a mere pittance, not security at all. Its other shortcomings are legion. It fails to cover millions of useful citizens—farmers, farmhands, domestics, small business men, professional men and many others. It pins the stigma of charity on those obliged to rely upon old-age assistance, and thus strips the individual of his dignity.

The American people have shown that they recognize the failure of the present set-up. No fewer than eight thousand busi-

ness and industrial concerns have established private pension programs of their own, in an effort to supplement social-security payments. Labor unions are beginning to take an avid interest in the pension field, as witness the United Mine Workers success in getting $100-a-month pensions for retired members of that organization. And then, of course, we have civil-service pensions, railroad-retirement pensions, and special pensions for judges, school teachers, and war veterans. The list is endless.

But out of this confusion one undeniable fact emerges: Most of the people—ordinary, everyday American people—either have no old-age protection at all, or are forced to apply for the $42-a-month old-age assistance.

And so today we find ourselves meshed in a hodge-podge of pension systems, many of them overlapping, many of them contradictory, even, and at the same time we find a vast area in which there are millions of people who enjoy no protection at all. I do not want to destroy existing pension systems, but I do want a better system for old-age pensioners and I want a sound system for the millions of farmers and others that are not now covered by social security.

I want a system on a pay-as-we-go basis. Let us enact a program of social security that will be truly comprehensive—one that will take in all the eligible people of this Nation, and one that will grant equal benefits to all. Let us enact a program that will pay benefits high enough to enable recipients to live in decency rather than in poverty.

It is my belief that a social-security system worthy of the name should do far more than provide mere subsistence benefits. It should guarantee reasonable purchasing power to the retired, aged and disabled, and the blind. A cancer in a man's body is not an isolated thing; unless cured, it will eventually destroy the remainder of the healthy tissue in his body. So it is with poverty. If a substantial segment of our people—the old and the disabled and the blind—are forced to remain in poverty their poverty will eventually spread and infect the rest of us.

People without basic purchasing power cannot buy the goods that industry produced and dealers have for sale. And when lack of purchasing power dries up the market, depression is on its way. We help ourselves by helping the aged. By helping them become buyers in the marts of trade, we help ourselves remain prosperous because we help protect the health of the market.

I have urged the Ways and Means Committee of the House of Representatives to examine with care H. R. 2135 and H. R. 2136, now before this session of Congress, and to report one of them with such amendments as may be wise and desirable. They call for a national insurance system covering all people and providing liberal enough annuities to make healthy purchasers of those no longer wanted by industry. The bills are identical; one was introduced by Congressman John A. Blatnik, Democrat, of Minnesota, the other was introduced by HOMER D. ANGELL, Republican, of Oregon.

These bills embody the major features of the original Townsend plan, namely a 3 percent gross income tax from which would be paid a pension to every eligible person over 60 years of age. Contrary to popular opinion, the Townsend plan does not, and never did provide a $200 per month pension. It provides that the money collected in 1 month will be distributed 3 months later to those persons who are eligible to receive it. These bills provide for an adequate pension on a pay-as-you-go basis. In good times, when prices are high, the pension would be greater. In bad times when income and prices are low, the pension would be less.

The great advantage of this system is the elimination of social-security taxes and reserves. To date $11,000,000,000 have been paid in social-security taxes. This money is invested in Government bonds. In a few more years this reserve will be over $100,000,000,000. This means that when a worker is ready to retire all the people must be taxed to pay the bonds to get the money to pay the social-security benefits. It means a double tax for every pension paid. How can we be sure the money can be raised 20 years from now by normal taxation? The only safe step is to put the whole pension system on a pay-as-you-go basis and make all persons, including farmers, eligible for the pension if their income is below a specified amount. That amount is not stated in the bill, but should be inserted in accordance with the judgment of the Ways and Means Committee or the Congress.

Furthermore, this system will make it unnecessary for the State to tax its own people for approximately one-half of old-age pensions, as all States must do under the present law. In Ohio alone this would save $34,683,000 in taxes. This amount would permit Ohio to give teachers a real raise, contribute fully to distressed municipalities, replace condemned school buildings, and balance the State budget. In 10 years Ohio would save $346,830,000.

A national system of old-age security is certain to come and the sooner it is adopted, the better it will be for the Nation as a whole. Such a system will include millions not covered by social security, it will eliminate the tremendous reserves being built under the present law, it will produce sound economy by paying the bill as we go, and it will provide an adequate pension for all who deserve it. Furthermore, it will enable millions of elderly people to retire in comfort thereby assuring employment for all those who are younger. It is our greatest insurance against depression.

I hope this Congress will act.

Labor

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address by Assistant Secretary of Labor John W. Gibson on the celebration of the tenth anniversary of the Textile Workers Union of America, CIO, Lawrence, Mass., May 14, 1949:

FREE LABOR WILL HELP STABILIZE NATIONAL ECONOMY

This occasion is an auspicious one for members and officers of the Textile Workers Union of America as you reach another milestone in the courageous and successful campaign you have been carrying on for the past 10 years to better the wages, hours, and working conditions of workers in textile mills throughout the United States.

I am glad to join you in celebrating your birthday in the heart of the textile industry in New England.

Textile workers have been going through a very tense period in the last 2 years. Your organizational task has not been an easy one. And the major obstacle which has been placed in your path, in the unorganized section of the South, has been antilabor, Taft-Hartley law. I am confident that if the liberal forces stand firmly together that the Taft-Hartley law will be repealed in this session of Congress.

It is un-American because it has seriously hampered the freedom of American workers. While its full impact may not have been felt in this particular textile area, your organizers in the South realize full well what happened when they endeavored to provide representation in collective bargaining to southern workers. A clear and concise report of the chaos the Taft-Hartley law created among southern workers was presented to a Congressional Committee on Education and Labor by your very capable vice president, Mr. George Baldanzi, several weeks ago.

The Textile Workers of America, which was formed in 1939 in Philadelphia, has made considerable progress in serving its membership of several hundred thousand textile workers. Your gains have not been won lightly. You have had to go on the picket line many times in the years preceding the Wagner Act to obtain simple recognition of your union by the mill owners.

The migratory tendencies of some northern mills whose creed had long been high profits at the expense of underpaid workers, led them into low-wage areas in the South.

This shift by the employers from New England to the South created industrial chaos in the 1920's and early 1930's. Unemployment was rampant with thousands of people being thrown out of work as mills were closed and the equipment moved to low-wage areas of the South. The city of Fall River, long recognized as a major textile center, went bankrupt in 1931, and the Commonwealth of Massachusetts was obligated to assume financial control.

We do not want history to repeat itself. We have got to have a stabilized economy in each of our 48 States and comparable wage rates, standard of living, purchasing power, if we are to continue as a free, happy, and prosperous people and enjoy high levels of employment plus peaceful collective bargaining.

The first and most important step to take in achieving the desired objective is to return to the worker his inalienable right to freedom in the field of collective bargaining. Repeal of the handcuffing Taft-Hartley law will be a step in the right direction.

No man alive can deny that honest trade-unionism has made long strides toward building up a strong economy. It is to the betterment of every segment of our population, the farmer, the small-business man, as well as the industrialist.

I can see partial solution to the problems which now confront you in the death of the Taft-Hartley law and the establishment of a minimum hourly wage of at least 75 cents.

Unemployment figures recently issued by our regional office of the Bureau of Labor Statistics in Boston report that in the last year, 30,000 workers have lost their jobs in the textile industry in Massachusetts. This presents a serious problem which will require real labor statesmanship.

I am glad to hear that textile workers in the greater Lawrence area have been enjoying a good relationship with management. This section of the country gave birth to the textile industry. The industry long ago reached maturity in age, but in some instances, chiefly in other sections of the country, it has failed to learn the primary lesson that a well-paid, well-fed, well-clothed, and well-housed worker is a happy and productive worker.

I feel strongly that self-legislation, through the extension of collective bargaining, rather than political legislation, is the thing that will do more than any other factor to stabilize the textile industry. There is little doubt that the real objective of those responsible for making the Taft-Hartley Act the law of the land was the desire to weaken and destroy the American labor movement.

In the last 2 years, your representatives have been experiencing the same kind of coercion, intimidation, and even violence that characterized the period previous to the passage of the Wagner Act. You fine people in Lawrence and in New England deserve great credit for banding together as a solid unit for the betterment of textile workers. A dozen years ago many of you workers resided in communities in which almost your whole life was dominated by the mills in which you worked. You were faced by a lot of little feudalisms. Workers lived in houses owned by the mill owners; they were obliged to make their purchases at a company store, and they even sent their children to the company school; attended services at a company church and were buried in the company cemetery. Under these conditions, American citizenship was merely a mockery.

Your union has accomplished a great deal, but the goal set forth in your constitution, adopted in the historic city of Philadelphia in 1939, has not yet been reached in some textile areas in the United States.

You have got to continue your fight to give these workers the protection and representation they so richly deserve. You have got to continue to tell the public what is going on in those textile areas where workers are intimidated and coerced by company foremen who bluntly tell them not to join the union.

We have just emerged from the first round of a terrific legislative struggle in Washington, which would go a long way to make that possible. We came out of it bloody but unbowed when we won a partial victory in recommitting the Wood bill to the House Labor Committee.

The second round will begin any day now, and I am certain we will emerge with a satisfactory and fair labor bill which will again allow unions freedom of organization and collective bargaining. However, we will not triumph without a fight because we still have some reactionary forces in the Congress who would retain most of the antilabor provisions in the Taft-Hartley law.

These forces are planning to drop the name of Hartley in the new bill, leaving only the name of TAFT. It is a bad bill and retains most of the bad points of the Taft-Hartley Act which were pointed out by Secretary of Labor Maurice J. Tobin in his appearance before the Senate Labor Committee last January. It is substantially the same old antilabor bill with only half of its original identification tag.

Even the Washington Post in an editorial appearing in its May 6 issue pleaded with Senator TAFT not to be identified with this new bill.

TAFT'S current proposals still contain many of the same union-busting provisions couched only in softer language which fails to take away the sting.

Nobody in the Congress, with a sense of fairness and justice uppermost in mind, will be fooled by the new Taft bill. I would like to review for you some of the major antilabor points that those who would continue to stifle organized labor want to keep.

The Taft-Hartley law bans the closed shop.

The time-wasting and disruptive injunctive processes are likewise retained. The Federal Mediation and Conciliation Service as an ineffective independent agency outside of the Department of Labor remains unchanged.

Slightly watered down language still retains the provisions outlawing peaceful picketing in many situations and some of the restrictions on the check-off.

It retains a Taft-Hartley provision for employers to secure representation elections. Let me point out the danger. The employer may find a point in which he thinks the unions in his plant are in a weakened condition. He can step in at that point with a no-union proposition and request an election. Under the new Taft bill, the employer can get this election.

Restrictions on health and welfare funds are still in the current Taft bill, slightly modified.

The law still allows damage suits to be brought against unions.

I have taken time to mention just a very few of the still damaging sections remaining in the new Taft bill. I don't have to tell you what that means to any attempted organizational progress in the South. In pointing out this problem in New England, one could hardly be charged with being a partisan for labor.

New England, as in the early twenties, is faced with the prospect of again having ghost communities.

Plant migration, industrial disruption, mutilated community life, exhausted small business, makes this not alone a problem of labor, but a most serious problem for all of the people in New England.

While your average hourly wages in New England in organized textile mills are at a good strong point, we must remember that thousands of workers elsewhere are still getting less than 75 cents an hour. Collective bargaining brought your rates in general up to more than 75 cents an hour. But it is absolutely necessary to provide protection for the unorganized workers and at the same time stabilize the competitive market by establishing a Nation-wide minimum immediately of at least 75 cents an hour.

As you know, in a recent new hourly minimum-wage determination in the textile industry for workers employed on Government contracts under the Walsh-Healey Public Contracts Act, an increase from a former rate of 40 cents an hour to a new rate of 87 cents an hour was allowed. I can assure you that this has resulted in even competition in bidding for Government contracts. This same fair competition would be realized in civilian production by elevating the present obsolete 40-cent minimum hourly wage under the wages-and-hours law to the proposed 75-cent-an-hour figure.

Amendments to the Fair Labor Standards Act of 1938 are now being considered by the Congress. These amendments, if enacted, would provide an extension of coverage to thousands of workers not now within the scope of the wages-and-hours law. The wages-and-hours law was a godsend to the low-paid worker more than a decade ago. It helped him to support himself and his family and it established a floor under wages and a ceiling over straight time hours. It is a natural sequence that the economy will be greatly increased if additional workers are brought within the coverage of the law.

The House Labor Committee has already reported out a bill which would increase the minimum to 75 cents an hour and would bring substantial numbers of workers within the application of the minimum.

One of the amendments would cover any employee of a retail or service establishment whose employer had a total volume of sales or services of more than one-half million dollars in the preceding year.

The House committee had this to say in reporting out the new wages-and-hours bill, and I quote:

"In this regard, it should be noted that the recommended coverage would in no event extend to any employer who does not have employees engaged in commerce or in the production of goods for commerce within the meaning of the 1938 act."

The committee report further said, in discussing retail and service establishments, and I quote:

"The bill would deny the exemption, however, to retail and service establishments operated by an employer whose total annual volume of sales or servicing (and all such establishments operated by him as a single enterprise) in the preceding calendar year was more than $500,000."

The small-business man who operates a corner grocery store or service establishment need not have any fear of these amendments because no attempt would be made to cover his employees.

Some of my listening audience may get the impression that the repeal of the Taft-Hartley law and the improvement of the Wages and Hours Act would only help the workers of New England. Such an impression is completely erroneous. Every small mercantile establishment has as great a stake in this legislative fight as the workers who trade at his counter. The stockholders and managements of New England industries likewise have a tremendous stake in seeing adequate revision to these two vital laws.

In general, throughout New England, labor and management through a peaceful medium of collective bargaining, have established high wages and good working conditions. The fact that these standards and the purchasing power of these workers will be undermined by some low-paid southern industries will affect them adversely also.

The problem of minimum wage and the problem of fair labor standards is now a community problem in New England. The prosperity of New England is dependent upon raising the living standards in mills throughout the country.

Your New England congressional Representatives are going to have an opportunity to decide whether they are going to legislate for the industries, the workers, the communities, and the citizens of New England, or whether they are going to indulge in skullduggery, and political coalition demands. They are going to have to legislate as statesmen upon the question of whether or not they are going to put the low economic areas of the United States up to the standards now existing in New England, or whether they are going to drag New England and other high-standard areas of the United States down to the low starvation level that now exists in some parts of the country.

I think I can speak for your workers here in New England when I say you do not want partisan prejudiced legislation, you want fair legislation, you want other workers to enjoy the freedom of collective bargaining and improved economic standards in your community. You want a fair minimum-wage law that will place purchasing power in the hands of lowly paid workers in the country so that they in turn can purchase the necessities of life and the textiles they need today but can't afford.

I hope that the rest of the community will band together with your leaders of labor, not in Lawrence where you have forward-looking congressional representation, but in other segments of New England where people seem at times to forget that the interest of New England in this respect is the interest of an entire nation.

If we are to build a stronger America, we must go forward in a progressive manner.

Social and economic legislation enacted under the leadership of our late great President, Franklin D. Roosevelt, in the early days of the New Deal Administration, brought to this country prosperity for the worker, the farmer, and the businessman. It snapped us out of the worst depression we ever had and it restored faith and confidence to our millions of wage earners and their families. The Truman "Fair Deal" continues this broad humanitarian approach to the Roosevelt program.

We must continue to set the pattern for the rest of the world to follow. Our standard of living, which can only be based on the amount of purchasing power each worker acquires through his labors, must be placed

on a solid foundation to keep our national economy stabilized.

The heavy anchors of reactionary forces must be removed from the backs of the workers on the production line. A worker shackled by the handicap of bad labor legislation is neither a happy nor contented worker. He becomes discouraged and it naturally follows that his work suffers and production slows down.

The worker has never wanted more than his fair share of the profits made from the goods he produces. Wages have not kept pace with the high profits made by our major industries. Leadership in the Textile Workers Union can help to secure for the worker the wages rightfully belonging to him by carrying on your brilliant campaign to organize the unorganized workers.

A free and strong economy in all the United States will be our strongest ally, helping to spread the cause of democracy in other countries throughout the world which will, in turn, aid in producing a lasting peace.

Doctors in the Armed Services

EXTENSION OF REMARKS
OF
HON. H. CARL ANDERSEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. H. CARL ANDERSEN. Mr. Speaker, it has long been my contention that the hue and cry raised by the military relative to the shortage of doctors in the services was unnecessary if the proper use was made of those already on their rolls. I was glad to receive a copy of a letter which a constituent of mine wrote to the Secretary of Defense along this line and I include it in the RECORD at this point. May I commend it to the serious study of the Members of the House. There is good, honest, clear thinking and some very fine constructive criticism in this letter:

OLIVIA, MINN., *May 21, 1949.*

Hon. LOUIS JOHNSON,
Secretary of Defense,
Washington, D. C.

DEAR SIR: I have read your urgent appeals to young doctors in last Sunday's newspaper and I have seen some of Secretary Forrestal's telegrams and letters to doctors who have been in the V–12 program and have not yet seen active service. I have talked to many doctors who have been in active service and they are almost unanimous in their opinions that the armed services have too many doctors. They also agree that many doctors with much rank do not do much medical work and are always crying about the shortage of doctors. I am sure that many of these young men who have not seen active service feel that there is very little need for them in the service and that it would be a waste of time and that their time would not be utilized in a medical way. Many of the doctors in the service resent spending so much of their time caring for the civilian employees of the Government or their dependents who are well paid and in the States could have private physicians.

I think that in the event of emergency, sufficient doctors would immediately offer their services if they felt that their services would be well utilized.

Why don't you inquire of the men who are now in active service and who are leaving the service as to what they think about better utilization of their time and the need for medical men in the service? I believe you would get some enlightening information which would be helpful to you in maintaining adequate medical care for the services.

I have heard that while the civilian population in many areas were short of medical care, there were many doctors doing little in the armed services during and after the war. There were many civilian doctor casualties from overwork.

I hope that my constructive criticism will be of help to you.

Respectfully,

J. A. COSGRIFF, M. D.

Message to Labor Leaders

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 5, 1949

Mr. FEIGHAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following address delivered by me at a testimonial dinner sponsored by the Cleveland Federation of Labor and affiliated locals honoring officers of the American Federation of Labor at the Hotel Carter, Cleveland, on May 17, 1949:

It is a privilege to meet with you tonight in the district which I have the honor to represent in Congress. Cleveland is a union city. The friendly relationship existing between management and labor has been due to the high principles of the leaders of unions and industry and their ability to deal amicably for their mutual benefit which inures ultimately to the good of the general public. I might add that Bill Finegan, Ed Murphy, Jack Burns, Phil Hannah, Mike Lyden, and others, in many instances, had to inculcate those high principles. The AFL industries show which opens tomorrow will present evidence of superior skill employed, and perfection of products in union made goods. It will present another singular example of cooperation between industry and labor.

It is unnecessary for me to review the provisions of the present Taft-Hartley Act. Suffice to say that even its stanch protagonists have since recognized many of its inequities and have agreed to accept some amendments to correct the injustices inherent in it. The House Committee on Education and Labor is now drafting a bill which should recognize the just rights of the employer and employee and the general public. They should not offer concessions or compromises, but rather should insist on the protection of the rights of all. No legislation should endanger or jeopardize the basic rights of labor or our democratic freedom. I can make no prediction, but I am hopeful that a measure will be presented for which not only I, but those who have heretofore failed to recognize the moral rights involved, can support wholeheartedly.

Both capital and labor are entitled to a fair share of their product. Neither can attain such without the benefit of consumers who are also entitled to benefits by being offered goods at fair prices; just as charity and reason demand that industry be run for the common good of the purchasing community as well as the private good of the employer and employee. The rights of labor, capital, and consumer will not be served unless there be first a family living wage for the male worker, and second, that reward which the common estimation of just men and the fair competition of markets allow to capital, and third, a just price for the commodity produced. The first is most neglected. There should be an absolute family-living wage: Not a subsistence wage, but what would suffice for the reasonably decent maintenance of a worker, his wife, and dependent children; not an "individual" wage considering the worker alone, nor "relative" considering the actual number of his children, but "absolute" reckoning the family a worker would have in the ordinary course of nature if he exercised his right to found a family. A reasonably decent maintenance allows for a truly human way of life to every member of the family: The care of body and soul, the provision for ordinary contingent sickness, old age, and the education of children; a living wage means a "saving wage," affording to the frugal worker the opportunity to acquire a modest fortune and the avoidance of a hand-to-mouth existence.

Such necessary objectives cannot be realized when a Federal act hampers labor's right to organize and to bargain collectively.

Several months ago, Business Week magazine, which is recognized as the voice of big business in this country, in an article on the labor legislation, stated in its column:

"The Taft-Hartley law has failed—it went too far. It crossed the narrow line separating a law which aims only to regulate, from one which could destroy."

The Taft-Hartley Act must be repealed and the philosophy behind it repudiated. Labor should never be deprived of its right to strike in order to attain its just demands.

Thirty dollars a week is a pitifully small sum with which to rear and educate a family, yet Congress is experiencing difficulty in enacting legislation to require the payment of 75 cents an hour, which for 40 hours' work means only $30 a week. On the moral side alone, we should pass that legislation. Besides, its enactment will increase purchasing power of more consumers than I would care to mention. It is surprising the tremendous opposition to extending the coverage of any minimum-wage legislation.

The protection of the laboring man is important to the general welfare of our national economy as is the protection of the farmer. When the prices of farm products fall, the workers in the city, while they may receive the benefits of lower food prices, they feel the impact of the farmers' lower purchasing power by reduced hours of work or lay-offs.

The depression of the thirties was not confined to any particular industry or section of the country. Farmers and laborers alike were equally affected. Their welfare is inexorably bound together. The present administration farm policy has endeavored to maintain the income of the farmer. The farm program is of vital interest to the welfare of the country, and naturally, the workingman. In the closing days of the second session of the Eightieth Congress the Aiken bill passed. It provides for a reduction of farm subsidies and will become effective January 1, 1950. The Republican leadership supported that measure, believing that the farmers were getting too much Government aid and that farm price supports were too high. The farmers were not fooled—they were alert. Their votes last November proved it.

The Republicans now face a dilemma—how to keep the farmers in their ranks and at the same time lower their income.

It is my belief that the present Congress will enact legislation postponing the effective date of the Aiken bill, or substantially modifying its provisions. This bill lowers the farmers' income by lowering the Government price supports which are the farmers' minimum wage. As I say, the Aiken bill does not go into effect until January 1, 1950. Meanwhile, the wartime 90 percent of parity Government guaranteed farm prices remain in effect.

The President's program provides for the development of the West. It includes the power program, the reclamation and the land-use program as well as flood control. Besides protecting our natural resources, this program will provide employment. It envisages billions in construction work and more billions in private capital to equip the newly developed areas. The Republicans again face a dilemma. How can they oppose these vast public power projects which will bring lower rates and provide power to many new consumers, and then expect their loyalty to the Republican Party?

Of vital interest to the people of our Nation is legislation to provide for slum clearance and low-cost housing, and also of paramount importance is the increase in payments and extension of coverage of social security. The amounts paid now are penurious and wholly inadequate.

These measures are not just the President's program, or just the Democratic program, they are the people's program, as was forcefully enunciated last November.

Labor unions have the opportunity to join forces with the farmer, with the beneficiaries of the rural electrification program, and with all who are intent upon a progressive program for the development and welfare of our Nation. Working together you can elect to public office men and women who will support legislation which provides for the general welfare of the entire Nation, rather than to protect the enormous profits of the privileged few.

Union Leaders' Problem

EXTENSION OF REMARKS
OF
HON. CLYDE DOYLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. DOYLE. Mr. Speaker, I take pleasure in presenting for your consideration the following editorial which appeared in the Long Beach (Calif.) Independent, on Tuesday, May 17, 1949.

Long Beach, Calif., is my home town, and the Independent is one of two daily papers printed in that important city of my native State of California. It is the largest city in the Eighteenth Congressional District, which I have the honor to represent in this the Eighty-first Congress as I also did in the Seventy-ninth Congress.

The editorial follows:

UNION LEADERS' PROBLEM

Honest union leaders who despise radicalism have a problem greater than that of most industry managements. The problem is how to combat radicalism and not appear reactionary. In some unions conservative leaders have had to appear radical to hold their leadership. Often a conservative becomes harder to deal with because they feel a show of conservatism will be used as a sign of giving in to management.

Management should carefully analyze the problems of such leaders. If management attempts to take advantage of the conservatism of a union organizer or negotiator, it will strengthen the hand of the radicals. Where a union throws out Communist leaders, as many have, that union deserves special cooperation by management. Otherwise, the conservatives will have unnecessary difficulty in maintaining leadership in the union.

Thus, the conservative labor leader often finds himself between the forces of radicals in the union and reactionaries in management. The radicals are the most active in most unions. They are tireless workers and attempt to intimidate the less active members. It is they who attend all meetings, stay until the last vote is taken, and thereby hold control of many unions. To dislodge them is difficult because of the apathy of the great number of union members who are not active.

Many CIO unions have, during the past year, thrown out Communist leadership. Conservative leaders by courageous action accomplished this purpose. But to hold this leadership the new leaders must show results. In some cases the new leadership is inexperienced in negotiations. They fear the charge of management domination. The result is the new leaders may attempt to seem tougher than their predecessors.

These are problems management, who must deal with unions, should consider. It is to management's benefit that radicals be kept out of union leadership. It is also to the benefit of rank-and-file members. But the radicals will be watching every move with the idea of saying the new leaders have sold out to management. The new leadership should be looked upon as a strengthening influence of unions and not as a weakening influence.

Rank-and-file members of unions should understand these problems and support the conservative leaders they elect. The great majority of members are themselves conservatives and despise the radicals as much as does management. There needs to be greater activity by the rank-and-file members to protect their own interests. The radicals must be beaten by using their own weapons. Those weapons are constant attendance and the use of parliamentary rules in voting on resolutions. The members who attend and stay until the meeting is over are those who control a union. That is the answer to the kind of leadership a union may have.—L. A. C.

The Merchant Marine From a Legislative Viewpoint

EXTENSION OF REMARKS
OF
HON. L. MENDEL RIVERS
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. RIVERS. Mr. Speaker, under leave to extend my remarks, I include herein an address delivered by our distinguished colleague of the upper body on the occasion of the celebration of National Maritime Day in the city of Washington:

THE MERCHANT MARINE FROM A LEGISLATIVE VIEWPOINT

(By Hon. EDWIN C. JOHNSON, of Colorado, chairman of the Senate Committee on Interstate and Foreign Commerce)

Since my home State of Colorado is a thousand miles from the ocean, my knowledge of the high seas is very limited. Reared as I was in the land-locked States of Kansas, Nebraska, and Colorado, freighters, tankers, colliers, tugs, and barges prior to the war did not appeal to me as implements of vital concern. Perhaps there is no person in this great audience tonight who knows less about these things than I. Nevertheless, here I am to discuss with you the importance of a "bridge of ships" to serve us in peace and save us in war. At least one thing is certain no one can point to a spot in this great country of ours tonight and truthfully say it is not affected by ocean-borne shipping.

Denver, a thousand miles from the sea, was a shipbuilding center during the recent war. Vessels of considerable size were constructed in segments, shipped by rail to the Pacific coast, and assembled there. Several thousand Coloradans served in the merchant marine. Farmers and ranchers of the Midwest are conscious now of the role which our merchant fleet play in their lives, carrying as it does their products to the far corners of the earth.

The primary effect of water transportation upon our economy and security is known to every schoolboy everywhere. This great Nation borders on three of the world's five oceans. Fleets of freighters swarm the Great Lakes. The Gulf of Mexico which serves so well our southern coast is almost an ocean, and our numerous bays, sounds, and harbors establish us as an important maritime nation.

Your Propeller Club has been doing an exceptional job informing the people of our inland cities and towns and farms of the importance of the maintenance of an adequate American merchant marine. You shipping folks have earned the confidence of the entire American people. Continuation of that confidence is the single most important factor in the development and maintenance of an adequate American merchant marine. Do not endanger that public confidence. While the merchant marine is an industry which both requires and deserves Government support, be careful to avoid trying to swallow the hand that feeds you. Temper your thinking along subsidy lines with horse sense. Endeavor to have the country understand your problems but at the same time be very sure you understand your country.

Some subsidization is essential because we are forced to compete directly against state-owned foreign carriers where the standard of living and the costs of operation are substantially lower. The expense of the national defense features which we have incorporated in the construction of many of our ships should properly be borne by the American people. However, any help that we offer the industry dollarwise must be given as an adjunct to private capital now available for shipping investment. We must neither be parsimonious to the point of undermining a justifiable maritime program, nor should we be liberal to the degree of retarding the best possible effort from the industry to stand on its own feet. It is the duty of the Congress to give reasonable aid, and to assure itself that commensurate value is derived from that aid.

The Merchant Marine Act of 1936 is the Magna Carta of the American shipping program. It was a wise and timely step, charting our course as it did toward assuming political and economic world leadership. In the public interest it sought to give the maritime industry a minimum of support and protection to enable it to share a very modest portion of world commerce. But it left to private management the privilege of applying its ingenuity, its know-how, and its varied ability to live and to grow. No one can expect government to take the place of imaginative private management. Neither must you who are engaged in this enterprise expect the Government to guarantee you profits. You must not push Government subsidization so far that it will endanger public support. It is the business of Government only to create a favorable atmosphere of opportunity and in the public interest do for you merely the things you cannot do for yourselves.

Despite the fact that there is substantially more tonnage afloat today than ever, the waters ahead do have some reefs and some

shoals. No phase of our economy experienced a greater dislocation during the war than did American shipping.

A particularly disturbing trend which has jeopardized many independent American-flag operations, causing serious unemployment among our maritime workers and posing a serious prospective competitive threat to American-flag carriers is the practice of certain shipowners of this and other countries to transfer their vessels to flags of convenience such as those of Panama and Honduras.

After 6 years during the war in which their ships were in the service of this Nation the coastal and intercoastal water carriers are finding the going exceedingly tough to reestablish their services. Serious operational cost and rate problems are faced by them. This segment of the industry has a particularly vital role to play in our domestic economy in providing relatively cheap transportation services essential to domestic industries.

Less efficient ships, commonly called obsolete tonnage, have not been retired. Instead they are being sold at junk prices to the sweat-ship operator and retained in competition. While this tonnage may be uneconomic to operate under the higher cost maritime flags, in the hands of the sweat-ship operators, contradictory as it may seem it can and is driving modern and more efficient tonnage into the status of laid-up fleets.

Too, the large-scale cargo movement engendered by the Marshall plan will dwindle rapidly as western Europe revives. The expectation that European recovery would lead to a great volume of international trade on the Atlantic has small chance of being realized.

Because of these and the many other problems facing the American merchant marine the Senate Committee on Interstate and Foreign Commerce has launched a major maritime study. We want to find the solution to these problems. Is the 1936 act doing the full job? How best can it be brought up to date and improved? How can we effect a policy of encouraging the retirement of older tonnage and replacing it with modern and efficient ships? What steps are necessary to effect the revival of our coastal and intercoastal fleet? How can we encourage the maintenance of a tramp fleet under the American flag? What are the real reasons for American-owned operations under foreign flags, and how can we return these vessels to the American flag? And most pressing of all how can we take the armed forces out of the commercial shipping business?

The Congress, in passing the Merchant Marine Act of 1936, recognized the necessity of an American merchant marine suitable for speedy conversion in an emergency to national defense and to develop the foreign and domestic commerce of the United States. The underlying philosophy of the act was that our higher standard of living, which is reflected in both the operating and construction costs of the American merchant marine, made it impossible to build in our yards American-flag ships which could compete in world trade.

My committee wants the cooperation and the constructive suggestions of the Propeller Club in meeting maritime problems. We seek solutions, not headlines. We enter upon this serious study with only one purpose in mind; how can we best accomplish the mandate laid down by Congress in its 1936 declaration of maritime policy.

The act authorized the establishment of 32 world-trade routes, essential to our foreign commerce, and it permits ship operators to contract with the Maritime Commission for a minimum number of sailings per year over these routes. The Government pays to the operators who have contracted to serve these trade routes, a differential that proposes to reduce the American operator's cost to a parity with his foreign competitors. In addition, in order to maintain a current construction program, the Government permits these contract operators to build the ships needed for these routes in domestic yards, and pays the excess American cost to afford the contract operator a parity in the capital investment necessary for his operation. The Government has also given these contract operators substantial tax advantages in the form of tax-deferred and tax-exempt deposit of earnings during their respective contract periods.

In 1937, shortly after its creation, the Maritime Commission began a well-conceived, long-range shipbuilding program designed to produce 500 ships in 10 years, at the rate of 50 ships a year. When World War II suddenly burst upon a cockeyed world, that program was doubled and redoubled again and again until virtually it became a shipbuilding crusade. Truly it was a race with death and we won. Nearly 6,000 ships were constructed in 5 years, instead of the original goal of 500 in 10 years. In 1939, American-flag vessels carried 22 percent of our export trade, but for the years 1935 through 1939, this domestic fleet showed an operating deficit aggregating $4,000,000. At the close of World War II we had practically all of the world's merchant fleet, and the world-wide need for consumer goods, plus our extensive rehabilitation programs, have made the shipping business admittedly good for the American operator up to the present time.

Since the war the Maritime Commission has made an extensive effort to dispose of surplus tonnage to private enterprise and to restore the American merchant marine to a traditional peacetime footing. Seventeen hundred and eighty-four vessels of the war-built fleet have been disposed of under the Merchant Ship Sales Act of 1946. American operators bought 671 of the best types of vessels available for American-flag operation, and after 1,113 ships were sold them, sales to foreigners were discontinued. In addition to vessels sold, over 1,900 were preserved in national defense reserve fleets. These laid-up vessels have been available for charter under the Merchant Ship Sales Act of 1946, and have moved in and out of the reserve fleets as needed. Bareboat chartering by the Maritime Commission in the postwar period has ranged from a high of 1,510 vessels on June 30, 1947, to a low of 354 on December 31, 1948, and has brought revenue of approximately $285,415,470 into the Treasury.

During the recent year we have witnessed a trend toward stabilization of world shipping, and foreign maritime nations are becoming equipped to resume their prewar positions in that trade. In an effort to assist world recovery we have sold more than a thousand ships to foreign operators. Some of these nations are putting ships into the world trade which excel our vessels in size and speed. And, because of their lower wage rates, their labor overhead ranges between a minimum of 22 percent and a maximum of 60 percent of our labor costs.

Our national maritime policy dictates that the American merchant marine shall be privately owned and privately operated insofar as is practicable. Restoration of the merchant marine to private ownership and private operation has been, therefore, one of the principal objectives of the Maritime Commission in this postwar period. There are now 1,566 vessels in the active American merchant marine. One thousand one hundred and thirty-four of them are privately owned and operated. Three hundred and eighty-nine are Government-owned, but operated under charter or general agency agreement by private American owners or operators, and 43 are Government-owned under charter to the Department of the Army.

These 1,566 ships, comprising the present-day active American merchant marine, total 17,730,000 dead-weight tons, compared to 1,092 privately owned ships of 9,300,000 dead-weight tons in 1939.

Although we have a bigger fleet today than prewar, we have an unbalanced fleet, due to the fact that during the war we built thousands of cargo ships but no passenger ships. Our present fleet of 1,566 active units consists of 1,036 cargo ships, 468 tankers, and only 62 passenger-carrying vessels having accommodations for 19,370 passengers which, for the most part, are the so-called austerity type. Our 1939 fleet, on the other hand, included 609 cargo ships, 352 tankers, and 131 passenger-carrying vessels with a capacity of 38,000 passengers.

Now, in 1949, American ship operators realize that the war boom is over. The shipping industry, in facing the future, meets a market in which cargo offerings are dwindling, and competition is becoming increasingly keen. Foreign-flag fleets have grown far beyond their 1939 levels and the United States insofar as active fleets are concerned now occupies second place among the maritime nations of the world. The United Kingdom has 2,547 vessels in operation compared to our 1,566, and other nations such as Norway, the Netherlands, France, Italy, Sweden, Russia, and Greece have come back relatively strong. Many bills designed to preserve, for the American merchant marine, the carriage of a fair proportion of our foreign commerce have been submitted to this Congress. Several of them propose to equalize what is felt to be a disparity now existing between American operators who hold subsidy contracts and those who do not. Other aspects of these legislative efforts tend to rehabilitate our dwindling domestic water-borne trade.

Long before ECA was authorized, the Maritime Commission was helping European nations to rehabilitate their shipping industry. Our purpose was to assist them to bring their fleets back to their 1939 levels, and when we were certain that that purpose had been accomplished, Congress by law discontinued foreign sales.

We have been generous in binding up the wounds of a war-torn world. Even though we owe more money than all the rest of the world combined, we have clothed the naked and fed the hungry everywhere without stint. It has been our policy to rehabilitate and restore the economy of all of our neighbors with little regard for the preservation of our own economy. Perhaps it is better to give too much than too little, but there must be a stopping place somewhere. There must be a point at which we discontinue depleting our resources. There must be a point at which we consider our own grave responsibilities to our own people and retain for them, and I might add for the sake of the world, the strength to provide wise and constructive leadership in world affairs.

Surely no adult American needs be reminded that it is necessary that the United States have a merchant marine sufficient to carry a modest portion of its own domestic and foreign commerce in peacetime so that it may be capable of serving the world as a military auxiliary in time of war.

The future well-being of the world requires a strong, self-reliant United States in all of its phases, able to cope with any emergency on short notice. In this respect our responsibilities are tremendous. We cannot meet them even halfway without American-flag shipping.

Unless we are reckless beyond word description, we will hold a substantial portion of our shipping for world insurance if for no other reason. Putting American seamen ashore without ships in which to sail cannot help a confused world. Idle domestic shipyards and smokeless domestic factories and millions of our own people walking the streets in search of a job is a poor way to serve mankind.

The most serious defect in the American merchant marine today is our glaring lack of passenger ships. This situation has put us at a serious competitive disadvantage in the international travel field and constitutes a grave danger, should an emergency arise suddenly.

The American merchant marine cannot compete with foreign-flag services unless it is equipped with fast, efficient vessels of the most modern design. Improved ships must keep coming off the ways year after year to replace vessels which become overage and obsolete. Most of the ships now in our fleet were built within a 5-year period during the war and will become obsolete as a group and at one time.

Recently contracts were signed for the construction of a 48,000-ton superliner which is to be the largest commercial vessel ever built in this country. It will be 980 feet long, will carry 2,000 passengers and maintain trans-Atlantic schedules equal to the best. As the result of patient and intensive cooperation over a period of many months by the Maritime Commission, the Navy, and the United States Lines, this vessel is on order. It will cost something over seventy million, a substantial portion of which will be spent for its national defense features, such as speed greatly in excess of commercial requirements, extraordinary cruising range, special safety hull design, independent engine rooms, special strengthening for gun platforms, and certain navigation features.

This superliner will go a long way toward putting the American flag back into a competitive position in the North Atlantic passenger service. Should we ever be so unfortunate as to need her for a troop ship she will carry 14,000 men at high speed.

Also under contract are five other vessels which will do much to restore our passenger fleet. Two of these are large passenger vessels for the Mediterranean service on the American Export Lines. They are being built by the Bethlehem Steel Co. at Quincy, Mass., at a cost of about $23,000,000 each. The other three are combination passenger-cargo ships, carrying 225 passengers each, for the round-the-world service of the American President Lines. These are being built by the New York Shipbuilding Corp. at Camden, N. J., and will cost about ten and a half million each. Other ships are in various stages of negotiation between the Maritime Commission and the steamship companies.

There is much in recent maritime history today that parallels the period following the war of 1812, the epochal era in which the *Savannah* made its historic voyage. We are again taking the lead in developing radically new and more efficient ships. Bids are being asked by the Maritime Commission on a prototype cargo ship speedy and economical to operate which could be produced in mass quantities in the event of a future emergency, and design to form the backbone of a modern peacetime freighter fleet. Our shipyards are turning out giant new tankers, the size and speed of which were undreamed of just a few years back.

It is important to the economy of the country, to the merchant-marine industry, and to our national defense, that we continue to build ships. For shipbuilding is essential to the maintenance of shipyard facilities and, even of greater importance, to hold the skilled and experienced personnel they employ. If shipbuilding should be permitted to dry up in this country, our shipyard facilities would of necessity be dismantled and our shipbuilding workers absorbed by other industries and scattered to the four winds. Then, if a crisis arose suddenly, we would lack even the nucleus of the facilities and the nucleus of the personnel from which to expand quickly into an adequate ship-construction program such as became so urgent in the World War II emergency.

At present, the skilled and semiskilled workers employed in private shipyards on the Atlantic, Gulf, and Pacific coasts and on the Great Lakes number about 74,500. There has been an increase of a thousand workers in new building since the first of the year, but a decrease of about 4,300 has occurred in ship repairing so there has been a serious net loss. It has been estimated that approximately 100,000 skilled and semiskilled workers should be employed in the Nation's private shipyards constantly to maintain the minimum nucleus which would be required in the event of war.

Also an adequate merchant marine contemplates and security requires a sufficient seagoing and shoreside personnel to constitute a nucleus force which can be expanded quickly in time of emergency. There are now 17,200 officers and 63,800 seamen employed in the American merchant marine, and an estimated total of 150,000 steamship company shore employees, stevedores and longshoremen which is far below minimum security requirements.

No one can deny the important part American shipping played in both World Wars. It has been said that without the substantial transportation factor which America provided World War II would still be raging. Certain it is that if America is to accept the challenge of suffering humanity to keep the world at peace, the logical approach is through a healthy shipping industry operating under the free enterprise system.

Admiral Louis Denfeld, Chief of Naval Operations, bluntly says: "Our merchant marine and our national existence are inseparable." Unless we want to return to the status of outmoded isolationism, certainly he is correct. Louis Johnson, Secretary of Defense, says: "The importance of the merchant marine to the well-being of our country cannot be overestimated. These ocean highways are in truth our country's lifelines." There you have it straight from the top military leaders of this Nation.

The United States is spending vast sums of money for national defense annually. Perhaps we are spending more than is warranted and more than we can continue to spend year after year. But whatever we spend for defense and world leadership, and the two are inseparable, a good proportion should go directly into domestic and ocean-borne transportation facilities. Congress must realize that if we would keep American ocean-borne shipping in the game it too must have support.

The free enterprise system has disintegrated throughout the world. State trading and socialism have replaced private shipping almost everywhere beyond our borders.

By Presidential proclamation today is National Maritime Day. It marks the first successful and epochal transoceanic voyage under steam propulsion. We have observed this day since 1933, with fitting ceremonies. I suppose the Russians, when they hear about it, will claim that it was not Capt. Moses Rogers who made this historic voyage but that it was Capt. Mosevitch Rogerisky; that the seaport was Leningrad and not Savannah, Ga., and the date was April 1, 1818, and not May 22, 1819.

Nevertheless, 130 years ago American genius cast the shadow of things to come when the old *Savannah* steamed into Liverpool on its historic voyage. America cannot rest on those laurels, magnificent and significant as they were. But all of us must hold fast to that spirit of adventure which surged in the breast of the intrepid American captain 130 years ago. For the sake of struggling humanity our national objective and aim must be to keep out in front.

The American mariner of today has the Moses Rogers tradition to uphold. During the last catastrophic war he measured up to his responsibilities with much to spare, but the peace he helped win in turn demands much today from Congress. America cannot improve herself in maritime effectiveness without helping humanity all over the world. Where goes our flagship, there goes our trade, and where goes our trade there goes our system of free enterprise and our determination to deal fairly as an inspiration and a goal for a totalitarian plagued world to contemplate.

With patience, understanding, and firmness, we should proceed with our mission of peace and our spirit of good will, determined to win the respect of all mankind and remain a dominant influence in the world for peace and international integrity.

In every harbor and in every port of all the world, day in and day out, should be seen ships flying the American flag. To a few this flag is the symbol of high purpose and generous friendship. To others it signifies a tough competitor, but a fair one. To still others, it may spell Santa Claus but I warn them that our barrel has a bottom. To some, who unfortunately are misinformed, confused and frustrated, the Stars and Stripes may carry the challenge of commercial imperialism. Positively that is not an American objective, but before we ask others to subscribe to our good motives, we must be convinced ourselves; we must wave our own flag; and we must take great pride in what it symbolizes and we must be certain that we ourselves are worthy of its noblest conception.

Unless administered with great caution and reserve, the European recovery plan, our substantial aid to China, and our free-will offerings to bolster decadent and indifferent economies wherever they may exist, are dangerous to us and to them. Friendship cannot be purchased, and men cannot be bribed to fight on our side. A wise Creator has decreed that man shall earn his bread by the sweat of his brow. If we continue our silly campaign to repeal this divine law at home and abroad we have a right to anticipate divine wrath and decadence ourselves. No one has any right to expect anything from us other than a fair opportunity to earn his own way. If he has goods to sell which we want we will buy them at a fair price; if he wants our wares he must pay for them out of his own production. Under no other system can we expect to survive.

True world prosperity can only be served by sharing through trading. Let us make it plain, therefore, to all that American shipping is operating on a fair and square business basis. That its mission is to transport goods from places where they are surplus to points where they are needed.

On this day and on every day with modest pride let us display our flag throughout the world. Let us honor the men who carry our national colors on the high seas, and sustain them in their honorable career of honest service. So let us support American shipping to the end that we have what the world need most—a strong and influential United States of America.

States' Rights

EXTENSION OF REMARKS

OF

HON. WINT SMITH

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. SMITH of Kansas. Mr. Speaker, sometimes in our reading we come across an article that in our opinion deserves wide attention. Such is the article I include herein—not for the names it mentions but for the fundamental American truths so vividly set out.

I have never met Strom Thurmond, the Governor of South Carolina, but I saw him once. I saw him leading the South Carolina delegation in the inaugural parade last January 20. As he came up the street to turn into Pennsylvania Avenue a series of boos started. The Governor demonstrated that great American trait of fair play. When the booing started he stood up, bowed, and smiled at his hecklers. That is the American way. But, I am informed the American way smile at the hecklers was not observed at the other end of Pennsylvania Avenue.

As a Republican who strongly believes in human freedom and liberty, States' rights, and above all a solvent constitutional form of government, I commend this article for your reading:

Mr. Chairman, Governor Thurmond, fellow Americans—or shall I say fellow American Democrats?—in all this broad land none are so entitled to be called American. In all this broad land none are so entitled to be called Democrats. If the name of that synthetic splinter over which Mr. Truman presides, for which Senator McGRATH is overseer and Senator HUMPHREY philosopher, the splinter that stands for federalism-gone-mad and socialism-come-creeping, if the name of that is national Democratic, then all the more is your name American Democratic. You are as American as George Washington. You are as democratic as Thomas Jefferson and John Calhoun and Woodrow Wilson.

I am proud to speak for you tonight in salute to another man of history. Because he is a living man, and young, and lives in a State where politicis never cease, he is destined to much political rough and tumble. But let it never be forgotten that he is also this man of history, part of the South's great story, the Nation's own song, and that whatever you do to him or for him politically in days to come he is entitled to your eternal respect and salute.

Salute then, fellow American Democrats, to a gallant leader, a right honorable gentleman, a man of courage that shames all cravens, a man of States' rights liberalism and light—Strom Thurmond. The salute which President Truman refused to give in return for your own loyal one, Governor, as you rode by him with the wise and beautiful young woman who is South Carolina's first lady, yours as a loyal American, a veteran of your country's military service, governor of this sovereign State, that salute your fellow countrymen tonight and throughout this South offer you in million-handed substitute.

You rode by the inaugural stand as an American, as we of your States' rights cause ride by. This is no movement of secession, any more than John Calhoun's was. It is a move against what makes for secession, as Calhoun's was. It is a movement of participation. We propose to go on being our Uncle Sam's nephew more than ever. We mean to go on contributing our taxes, our songs, and our fighting men in greater percent than any other Americans. We are for all the aids and all the obligations that belonging to this greatest Nation means. We are weary of lost causes and thin red lines. We are for a nation "one and indivisible."

And we know that what makes our Nation one and indivisible, as Calhoun said and as, in this day, that wise philosopher, Walter Lippmann, in pointing out, is respect for the regions making it up. And we know that of all the differing regions ours is the one that differs most. It differs because of cotton, because of climate, because of a more greatly surviving agriculture, and because ours is the only region ever devastated by war and the stamp is on us still. It differs even more because of the most delicate and difficult race problem with which any people anywhere ever had to deal.

And, if only we can be free enough of our nest foulers at home to make the rest of the country see it, this southern regionalism makes us the most American of all Americans now. Our sense of what an uncomprehending and all-controlling Government at Washington can do to our specially circumstanced civilization in the South lets us see more clearly and fervently than any other Americans what this same sort of Government can do to America itself, to the whole great way of liberty and self-government and man in an image.

The Communists are clear about their party line. They know its very dotted "i" and crossed "t," and they are religious about it, too. But we are dim about ours. We've had it so long, been sure so long it was the right and great line, that we have half forgotten what it says and how it feels. What is the party line of America? What is the philosophy for which the specially circumstanced South most stands at this hour? What is the basis of our magnificent American proposition that men can be free and have human welfare, too? It is a line in two points. A point against too much government. A point against government too far from the people.

It is a point against too much Government. We believe that democracy and controlled economy are incompatible, that beyond a certain point a government can control a great nation's economic life, with all the intricacies and wheels within wheels, only by making itself a dictator government—and that even then it won't work. Mr. Justice Douglas—and he and Senator HUBERT HUMPHREY are the two most likely successors to Mr. Truman in 1952 as nominee of the National Democratic Party—says the great invention of the twentieth century is "the human welfare state." All of us who are decent are for human welfare. All of us who are open-eyed know there must be more and more, even though Americans, whatever their race or region, or class, have more than any others on earth. But the human welfare state. That is something else. That is welfare sought to be achieved by the passing of laws, and more laws, by the sending around of policemen, by the setting up of bureaus and commissions, by the making of rules and regulations and the filling in of questionnaires in triplicate forever. If this human welfare state is the invention of the twentieth century, it was not invented in Washington. It was invented in Moscow. For that is what the Russians have. And Russia is what comes of having it. Look at her tonight with her human welfare state—a nation without democracy, without liberty, without God, and without human welfare. Democracy and controlled economy, beyond a limit we have begun to reach in our country, are incompatible.

Ours is a point, also, against government too far from home. Democracy and a too centralized government are incompatibles, too. When you have people governed too far from home, you have them governed without understanding and without support of the governed. You have a government that must operate through policemen, through force bills, through arbitrary rule and regulation. We talk of civil liberties, and it is precious talk. But the most civil of all our civil liberties is this one, the liberty to be governed at home on problems belonging at home. People all over this country believe it. Some call it home rule. Some call it local self-government. Here in the South we call it by the quaint old name of "States' rights." But whatever you call it, it is one of the two basic principles for America now, one of the two great points in America's party line against forces of despotism and enslavement that are challenging in the name of welfare all that is American and all that is light. Democracy and the too controlling state are incompatible. Democracy and the too central state are incompatible.

And, yet, ladies and gentlemen, you can be told that it is backward to stand for such things. That is because they have indeed been used at times in sorry causes by agents of reaction. But rightly used, they are liberalism in the word's real sense. The case against the too controlling state, as Senator TAFT makes it, for example, is not a case against Federal concern for human welfare. He is for a Federal floor to misery and underprivilege. He is for Federal aids and equalizations without Federal controls. He is for Federal umpiring of business competition. He is for opposing totalitarianism in business as in Government and in labor organization. But he is, also, for being free.

And the case against the too central state, as Strom Thurmond makes it, is no case for the abuses of States' rights which we know exist. Strom Thurmond is for States' rights, but he doesn't mean the right of the strong to prey upon the weak. He doesn't mean the right of the selfish to be let alone in selfishness, of the backward to hold the forward back, or of the chain gangs of prejudice to stop the march of time. He doesn't mean heyday for our Negro haters and baiters and cheaters and exploiters. We love that race as Henry Grady said we do. They are our companions through history, our brothers under God and the southern sun, and they are behaving admirably today in spite of humiliations and misleads imposed on them from outside. If there have attached themselves to the States' rights movement some of these exploiters, along with some political hacks and has-beens, and some reactionaries who don't know what time it is, that is the lot of all great political movements. Such men are no kinfolks to Strom Thurmond, and it is Strom Thurmond alone who has the South's mandate. It is he alone who has been voted for by a million southerners, and it is he alone who must and, I believe, will, stamp the States' rights movement with the liberalism and modern light to hold its place in the great new national political line-up forming dimly but surely now from the creeks and inlets and grass roots of this green land.

It is a time for identifying the South with great American principles. It is a time for holding these principles above party or personality, and for being brave and honest and believing enough to go wherever the principles take us. We may be thankful that the Democratic Party we own with these principles in the deep South today and mean to go on owning is not the party Vice President Barkley calls on us to support. It is not the party in whose name President Truman and Senator Humphrey and Chairman McGrath are proposing to eat the South and have it, too.

It is a party based on eternal principles and holding itself, let us resolve, subordinate to those principles. One of the great contributions the South can make in this hour of flux and confusion is its faith in things eternal, principles that do not change. That faith cursed us once when we stood too still, but today, with motion everywhere, and most of all in Southern States, it is our stabilizer, our balance wheel, our heart of progress. There are things eternal, and we know it. Eternal right and wrong, eternal love of liberty and excellence, eternal God, and, yes, an eternal South.

The eternal South. Made of the land and the way our people love it. Made of the climate, and what it does to the blood, bone and bright fancy of those who breathe it. Made of the latitudes and longitudes, the shore lines and elevations, the rocks and trees and running streams. Made of this miracle of southern springtime, the fertilities of

summer, the technicolors of autumn, the generosities of rain, the multiplying pines, the wine-making sun, the love-making moon—and what these do to you and me, and have done to all who went before and will do to those who come after.

The eternal South. In its sign, in its serenity as atoms split and planets boil, let's take our stand with Strom Thurmond—for freedom of American enterprise, for States' rights, and for men in the image of God.

The Fraternal Order of Eagles and the Gosselins—the Living Memorial

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. MANSFIELD. Mr. Speaker, a young war widow and her two children arrived here yesterday from the West to begin an exciting visit in Washington which will include many high lights of happiness but with overtones of remembrance and sorrow.

They are Mrs. Henry George Gosselin, of Butte, Mont., whose husband was killed in action with the Fourth Marine Division on Saipan in 1944, and her little son and daughter, Henry, Jr., 8, and Lorraine Ann, 5.

The Gosselins are the central figures in the living memorial created by the million and a half members of the Fraternal Order of Eagles to honor Eagles who died in World War II—and they represent 1,258 sons and daughters who are being given health care and educational opportunity by the Eagles' Memorial Foundation.

This living memorial, which Gen. George C. Marshall, among other distinguished Americans, has commended as "one of the greatest humanitarian activities ever undertaken," is dedicated to the education and welfare of all children of Eagles who gave their lives in the recent war. The Gosselin family symbolizes the mother and children pictured on a special memorial foundation seal issued by the Eagles to add to the $3,000,000 foundation fund, raised by Eagle subscription, for benefits ranging all the way from treatment for simple childhood ailments to major surgery and university tuition.

The family will remain in the East through May 30, when special Memorial Day celebrations will be held in 2,000 communities throughout the United States and Canada as a climax to the foundation drive. While here, they will be guests of honor at a reception in Washington, represent Eagles in Memorial Day exercises, and participate in several radio programs.

The father of Henry and Lorraine Ann was a marine who enlisted in Butte in January 1944. He sailed from San Diego for the Pacific a few months later as an automatic rifleman with Company A of the Twenty-second Regiment of the Fourth Marine Division—saw service at Roi-Namur, and was killed in action June 18 of the same year after 3 days in the fighting on Saipan.

Henry, Jr., a bright and responsive lad, has been a victim of spastic paralysis since childhood, but is now greatly improved after treatment at Shodair Hospital in Helena, Mont. His young sister has needed little more than routine childhood health attention, which she has received through the Eagles' Memorial Foundation.

DeVere Watson, of Council Bluffs, Iowa, national president of the Eagles, who will join the Gosselin family in the East, said the memorial foundation was first conceived early in 1944.

There were 170,000 of our members in uniform—

Watson said—

Many of them had already lost their lives. Before the war ended, in fact, more than 3,000 Eagles had been killed outright, or had died as a result of war injuries or war-incurred ailments. Since our organization is made of down-to-earth, common people—our casualties were high because our men were in the thick of it everywhere.

We Eagles chose to feel that we had a deep and proud responsibility for the children of these men who gave everything. So we established the memorial foundation to care for them.

The fund grew steadily through enthusiastic voluntary contributions of our membership. It is probably the largest fund of its kind in the world—if, indeed, there is one anywhere to match it in motive and inspiration.

The first actual case handled by the foundation, Watson said, was in June 1947—a tonsillectomy for a 7-year-old boy in Ohio whose father was killed in the Battle of Bastogne.

Today he said:

More than 1,250 boys and girls are on our eligibility list. Every one of them has been given complete medical and dental examinations; those who need it are getting treatment from doctors, and in hospitals, of their own choosing. The Eagles gladly pay the bills.

The eligibility list is growing. Many cases are still unreported. New cases are constantly added as other Eagle fathers succumb to ailments or injuries which originated in the war. Also, educational demands increase as these children grow older. Eighty percent of those eligible have indicated a desire for college education—17 of the foundation's charges are already being helped through higher education and our college list will grow each year.

That is why we have issued a memorial seal—to carry on this humanitarian movement. Eagles everywhere are enthusiastic about this unique and satisfying service they have brought into being. To them, and to the proteges of the foundation, Memorial Day this year will have special significance.

Mr. Speaker, the Members of the United States Congress and the Supreme Court paid their tribute to the Gosselin family last evening at a reception sponsored by the Fraternal Order of Eagles at the Mayflower Hotel. To the Gosselins and to the Eagles I want to say that both will remain enshrined in our hearts and in the hearts of our country forever. The Gosselins will never forget their sacrifice; the Eagles will always remember.

Skipper Ignores Storm Warnings

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. PATTERSON. Mr. Speaker, I believe it particularly appropriate to insert in the RECORD the column by Joseph Alsop, appearing in the Washington Post on Sunday, May 22. Mr. Alsop, in his usual accurate manner, relates to the inefficiency and disorganization of the executive branch of the administration in handling the problem of unemployment.

Even though the economic advisers to the President, in their quarterly report were, as is unusual, unanimous in the opinion that some Government program should be considered to meet this problem, no action is, as yet, forthcoming from the President or any of the administrative agencies. I might note at this point that there is one exception—in that last Friday, Major General Fleming, the Federal Works Administrator, publicized the fact that his agency was considering a public-works program to cushion the shock of our business decline. Under date of May 13, 1949, I had inquired of General Fleming as to the policies of his department in this respect and have not, as yet, received a reply. His action, in publicly releasing information about a policy being formulated, would indicate that when and if a reply is made to my communication, I might be able to inform the Members of the House in more detail as to what is being considered.

It is significant to note that there is an increasing tendency on the part of those in the administrative branch to recognize the necessity for measures to cushion a downward spiral and to plan for such an eventuality. It now seems evident that the only person in Government worried about inflation is the President himself. All economists, whether they be connected with business, labor, or Government, agree that the trend is deflationary rather than inflationary and, consequently, it seems ridiculous for the President to persist in his refusal to accept reductions in expenditures by governmental departments and, at the same time, to insist upon a $4,000,000,000 increase in the tax burden on our citizens.

The article follows:

SKIPPER IGNORES STORM WARNINGS

(By Joseph Alsop)

Possibly the noise the business forecasters and economists are hearing is not the crash of surf on a reef of bad times. But it must be said that when so many of the chart studiers think there is depression ahead, it is a bit alarming to find that the cast, cumbersome old Ship of State is perilously close to drifting.

What is frightening is not that the President and his advisers have adopted bad plans for coping with a business recession, but rather that there should be no plan at all.

The President is known to feel that the increasingly widespread predictions of depression contain an element of big-business propaganda, intended to defeat his economic program in Congress. Probably there is some justification for this view. But that does not justify ignoring the problem altogether.

The treatment accorded the quarterly report of the President's Economic Advisory Council is highly symptomatic in this connection.

UNANIMOUS ON RECESSION

After frightful internal wrestlings and disputes, Messrs. Nourse, Keyserling, and Baldwin submitted a unanimous report containing one major admission and four significant recommendations. The admission was that the inflation danger was past, and that a business recession must now be regarded as a definite possibility.

The two most important recommendations, which have been much misrepresented in the press, were as follows:

A, since they were not immediately needed, the inflation control provisions of the President's January request to Congress should be temporarily shelved. B, to encourage business, the President's January demands for new taxes should be revised downward.

Specifically, the Council suggested jettisoning the $2,000,000,000 of proposed social-security tax increases, and lowering the original proposed increase in corporate and income taxes well below $4,000,000,000.

In addition, the council urged the President rather significantly to extend present provisions for unemployment benefits under social security, and to provide limited funds for planning public works programs in areas where serious joblessness is already appearing.

Although these last two recommendations give a certain grim emphasis to the whole report, the President's decision was simply to stand pat on his January program. He is said to have reasoned that he would only undermine confidence still further by admitting the possibility of a depression at this juncture.

Considering how seldom his experts are unanimous, it is rather surprising that the President should have ignored them when they agreed for once. For, in fact, there are four separate and distinct theories current in the highest administration quarters, about how to deal with depression.

SNYDER HAS HIS OWN

Theory 1 is that of Dr. Leon Keyserling. Keyserling is a New Dealer, believes in a managed economy, and advocates stabilizing the economy at its present high level by major governmental efforts, if necessary. Theory 2 is that of Dr. Keyserling's chief, the Chairman of the Economic Advisory Council, Dr. Edwin Nourse. Dr. Nourse advocates the policy popular with businesses, of drastically reducing both Government expenditures and taxes.

Theory 3 is that of Treasury Secretary John Snyder. He is close to Nourse, but differs from him in insisting that business is still good and the prospects are not alarming.

Finally, theory 4 is that propounded at the Federal Reserve Board by Marriner Eccles. He is close to Keyserling, but believes the present economic level cannot be maintained and accepts the inevitability of considerable disinflation.

Since Eccles thinks the bump must come some day, he would prefer it to happen now. But he, too, wants the Government to intervene massively before the readjustment becomes a serious slump, to stabilize the economy at a level lower than Keyserling advocates.

These are extremely brief and crude summaries of complex and expert viewpoints. Inevitably, they distort a little. (Keyserling, for instance, wants price readjustments as much as Eccles, but insists they must be accomplished with no transitional hard times.) Nonetheless, the divergence of the viewpoints is sufficiently indicated to show that the administration has nothing like a master plan for dealing with a possible depression.

There cannot be a master plan, when the men who should be making it are all traveling in different directions, without higher direction from the President. In the end, of course, political pressures are likely to recommend Dr. Keyserling's approach to the White House.

If the forecasters are correct, and bad times really come, the administration will seek to promote recovery by spending. But even the spending theory will not be given a fair trial, if it is applied haphazard and in crisis.

Military Pay for Technical Competence

EXTENSION OF REMARKS

OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. BROOKS. Mr. Speaker, we are confronted with a great responsibility; the urgent, insistent, continuing need to maintain the best military organization in the world. It need not be the largest. Weight of numbers is no longer the sole measure of power. It must be the smartest; the most skillful at every technical talent related to the complexity of all-out war. It must be the best.

It must be able to defend the United States today or tomorrow against any force that can be assembled or developed by scientific research.

No single weapon or combination of weapons can achieve this national security for us. This year, next year, and in the foreseeable future this Nation will be defended by people.

People operate and direct the weapons we have today. People will direct and operate the weapons of tomorrow. It will be people who will convert tomorrow's scientific developments into weapons that may decide whether this country can survive. Those weapons, too, will be directed and controlled by people. By our people, I hope.

Even in a robot world such as fiction writers dream of, the robots would be controlled by people.

Our security rests, therefore, in keeping our defense organization supplied with the best qualified technical servicemen our country can produce. To some extent we can create them. In our military schools and research laboratories we train experts in a hundred branches of advanced technology. We equip them with the mental capacity to make scientific discoveries of their own.

But in order to benefit from their skills we must be able to retain these men after they have finished training. We must offer them a reasonable inducement instead of a career of genteel poverty.

The national defense ceases to benefit when an electronics engineer resigns and uses his technical knowledge to devise an improved automatic method of dispensing soft drinks.

Most of the officers are engineers, of one classification or several. All of them have talents valuable to private industry and many of the most accomplished go into private industry. This is not surprising in a civilization where achievement is so frequently measured by the financial reward it receives, and where the differential between service pay and that offered by industry is so great.

In the Navy alone, and the other services have suffered similarly, almost 3,000 Regular officers—career officers, that is—almost 3,000 resigned during the first 3½ years after World War II. More than a third said flatly that the pay was inadequate. Most of the others said the same thing indirectly. Most had jobs waiting for them in private industry.

Most of us have encountered the situation. We have appointed talented young men to the military academies; have watched pridefully when they graduated with honors, only to discover a few short years later that they have left the military for an adequate living in business.

The basis for our present military pay scale was established in 1908 and has been meagerly increased since then to correct only a few of its most glaring hardships.

There was no Air Force 40 years ago; the Cavalry was the glamor service. There were no armored divisions; no guided missiles. Navy ships were slow, coal-burning vessels with low-pressure steam and simple machinery. Gunnery was a matter of simply pointing the weapon at a visible target. Radio, a crude combination of sparks and crystals. Radar, Sonar, Loran; the new sciences of electronics and nucleonics were all in the future.

These and other new sciences influence our daily lives, and new developments in any of them may completely alter our future. We need and must have in our National Military Establishment the men to carry on the development and operation of our modern weapons. We must provide an emolument commensurate not only with the increase in actual costs of living, but one which will be attractive to the capable, ambitious officers who are qualified right now for positions outside the military service; positions where they could rear their families on a scale of relative luxury compared to the living we offer them.

Many of them are awaiting congressional action on this measure before they decide what they must do. Generally, they are highly efficient, battle-seasoned officers who are devoted to the service and anxious to remain on active duty if their economic security is reasonably assured.

Passage of this measure will insure that economic security to our servicemen and I consider its passage by the Congress essential to our national security.

Trouble in the Paradise of the Pacific

EXTENSION OF REMARKS
OF
HON. JACK Z. ANDERSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. ANDERSON of California. Mr. Speaker, the following self-explanatory communication from my good friend, Arthur C. Schoen of Honolulu, should be of interest to every Member of Congress.

We in California are deeply concerned over any extensive work stoppage which results in a lack of trade and shipping between the Territory of Hawaii and the mainland. I think it is high time that the Department of Labor, using the authority which has been given it by the Congress, look into this situation and make every possible effort to stop the strike of the ILWU which threatens the Hawaiian Islands with bankruptcy if continued.

ATHLETIC SUPPLY OF HAWAII, LTD.,
Honolulu, Hawaii, May 20, 1949.

Hon. J. Z. ANDERSON,
House of Representatives,
Washington, D. C.

DEAR MR. ANDERSON: I hate to pile the burdens of an outlander on your shoulders but as we have no one to vote for us and as California is our nearest neighbor and one of our principal suppliers, I am turning to you for help.

I am, as you know, an American citizen and taxpayer (also one of Uncle Sam's unpaid tax collectors). Hawaii is my native land and the birthplace of my mother and grandmother. My father was a Californian. I am a veteran of World War II, having served in the Navy from July 1942 until November 1945. I saw action as shore based Navy in the battles for the Marshalls (Majuro, Eniwetok) and the Marianas (Saipan). I am a married man with two sons. The businesses, which I built and operate, have 27 full-time employees, many of whom are stockholders. I was special assistant to the NRA administrator for Hawaii in 1934 at his request and while in this position also served as president of the Retail Merchants Association.

I believe the above qualifies me to be heard by the elected Representatives of the American people. My request is for immediate action by the Federal Government to give us relief from this strike of the ILWU which is seriously damaging the economy of this Territory of over half a million Americans and threatens many of us with bankruptcy if continued.

This is no ordinary strike nor should uninformed or partially informed people decide hurriedly that it is. The only means of supplying this Territory with food, clothing, and all other merchandise is by ocean freight. The only means of exporting our sugar, pineapples, and manufactured products is by ocean freight. A glance at a map will show that truck and railroad service are not available. Therefore one union, dominated by a few men, absolutely controls our commerce. At any time that they decide that conditions are not to their liking, our commerce is brought to a complete standstill.

This union is a complete monopoly—in fact a perfect one as it is protected by Federal law. Other monopolies are prosecuted. Obviously, such a union has no place in the American system and since it was brought to power by Federal law, the Federal Government must regulate it.

Hawaii is a Territory, not deemed capable by Congress of governing itself, so Congress must now act to prevent a small group of men from dominating and ultimately destroying what has been built up here by a half century of the American system.

The stevedores are continuing to unload Army and Navy cargo at the old rates of pay because if they didn't the Army and Navy would unload their own ships. There are a good many people here willing to unload the cargo on ships in the harbor other than Army and Navy ships but that is considered strike-breaking. Doesn't it sound funny that the Government can unload its ships and its citizens can't. Doesn't this sound a little on the Russian side—in other words "the Government can do no wrong."

The Honorable WAYNE MORSE, Senator from Oregon, says the employers should arbitrate. Others involved say don't. Arbitration is not the answer; at best it would be a temporary solution as the wage issue could be reopened any time by the union and as long as they have a Government-protected monopoly we are at their mercy.

Let us give an example of the unfairness of this monopoly which says give us so much or we won't work or let anyone else do the work. If the electric light company said "pay us 5 cents per kilowatt hour more or we shut off your lights," how long would they be allowed to keep them off and how soon would their franchise be revoked? The same would hold for the gas company.

How long would the Federal Government allow a monopoly to exist on all the oil produced in the country or any other key product? And yet it protects a monopoly so complete that it can in effect shut off not only lights and power but the very food we need to sustain ourselves.

As an American citizen without the power to vote for regulatory laws because I reside in Hawaii, I ask that you, one of the fortunate ones, bring our plight to the attention of the Government. We need relief from this monopoly now and protection against a repetition of this situation.

Sincerely,

ARTHUR C. SCHOEN.

P. S.—My 27 employees have asked me to be their spokesman.

James Forrestal

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following extract from a broadcast of William Hillman:

The tragedy of James Forrestal is an American tragedy. The tension and the fatigue that come from overwork, paved the way for the climax. Forrestal gave unsparingly of his energy and his nerves. He gave in greater measure than many men in the service of their country those resources of strength and skill that set men apart. But at the hour of his greatest effort—he was denied a distinction he deserved—freedom from base and slanderous questioning of his motives. No man in public life is above criticism. No nation would be safe without criticism of its leaders. But the American tragedy is that our public men are subjected to such vicious and such baseless calumny that the wonder is any decent men want to serve their country.

Reporters and commentators and editors are busy tonight trying to find out how many times in recent months Forrestal attempted suicide. Good reporters have done their job admirably in giving all the details of Forrestal's plunge to death. But this death of Forrestal is more than a story of a tragic event. It should be the hour of deep soul searching by Americans—of questioning of how far we can go in pillorying and crucifying men in public office. It is one thing to say that Forrestal made a mistake, if mistake he did make, in following this or that particular course of action in his heartbreaking job as first Secretary of Defense. Democracy requires full information and a balancing of views and no man's plan is God's plan. But to have subjected Forrestal to the charge that he was a tool of Wall Street, that he was a vicious warmonger, that he was using the crisis of the world merely to enhance his own power or his profit—and yet to have withheld proof of such a charge—is a crime that some journalists and radio commentators have been guilty of; guilty in a way that taints American sense of fair play.

Washington and this country need a shaking up—a reorientation of our public life. There is too much slander and too little debate. The forces of the mud slinger are more potent than the forces of reason. It is getting more and more difficult to discuss public problems, because it is easier for the vicious, for the unscrupulous, for the special interests—whether minority or majority interests, whether financial or economic interests—to attack rather than to argue. Rumors and gossip fill the air and the columns of newspapers to an extent that social historians some day will look upon with amazement. Decent reporters and commentators everywhere must combat the few raucous-voiced, insinuating, villainous men who are setting the fashion, which has gone into legislative halls and public offices everywhere, the fashion of villification. President Truman said a man had to be a man of iron and have elephant skin to be in public office. The President may well have added that a man in public office today has to be without a heart and nerves. And pity the nation that eventually gets rulers without heart and nerves. But we are asking for it. Too many want to listen to the vicious gossip and battering criticism of verbal assassins, because, perhaps, it is too much work to listen to debate or argument. Who are these self-appointed slanderers and critics, who but by the grace of a microphone and a typewriter set themselves up to judge the public weal and pillory public men? I think the time has come when certain men at the microphone and at the typewriter should be subjected to the same public scrutiny and criticism that public men are subjected to. Incidentally, have you ever tried to criticize any of these so-called public tribunes, and see the howl they set up, declaring the freedom of speech or of the air are violated? The death of Forrestal is a moment in which Americans ought to begin to examine the record.

Up in Montreal today the American Psychiatric Association meeting in annual session described the suicide of Forrestal as a "familiar reaction to excessive stresses and strains." The association issued a statement tonight expressing regret at the public attitude toward Forrestal's illness. The statement said: "We see in the papers the notice of Mr. Forrestal's death from the result of an acute attack of depression that is so common in middle life. The war has shown that there is a breaking point for every one of us, if the pressures are great enough. No one is immune from the effects of stress and exhaustion. To ridicule such sickness is to

revert to the dark ages of superstition when such illness should be understood in the light of present scientific knowledge as a familiar reaction to excessive stressses and strains. The accomplishments of such people as former Secretary Forrestal speak for themselves. If this man's heart had given way first, beneath the burden, instead of his overcharged emotions it would have fallen into the round of any ordinary illness and no special emphasis would have been given to it. The fact is that the outlook for recovery from such illness is as good as for other illnesses from which we recover completely and carry on as effectively as before. It is too bad that while Mr. Forrestal was being given the finest kind of medical care he was subjected to the destructive influence of unenlightened attacks. It is regrettable that in this day and time such conditions cannot be looked upon as any other illness by the public at large."

This is a timely statement. It needs to be repeated to every corner of the land. And lest foul gossip get the upper hand in this tragic hour—as tragic to the Nation as it is to the man—let me say this—nothing was done by Mr. Forrestal as Secretary of Defense—that has not been thoroughly reviewed for any errors that might have arisen in moments of stress. The greatest stress and strain that Forrestal suffered came when he left office—when he left feeling as though he had not been understood or appreciated—for that is the meaning of those lines of poetry on the open page of the book of poems found at his bedside—that passage from Sophocles—

"That deeds that he hath done
Seem hostile all to hostile eyes."

This is an American tragedy as old as Greek tragedy. I think the time is come, too, for an end to vicious political debate—to hysteria among the people invoked by unsubstantiated or half-supported accusations against individuals who haven't even been given trial. Communism has no greater ally in this country than the half-backed hysterical charges against leaders of this country by political opponents. Breaking down proper respect for certain officials, too, is doing more to help anarchy and communism than all the muddled-brained extreme left-wingers who are tools of cunning and dangerous men. Let's get back to debate and put an end to evil tongues.

Coddling of Nazi Cartelists by AMG Shapes Into Explosive Issue

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. MULTER. Mr. Speaker, the following column, written by Charles Van Devander, which appeared in the New York Post of May 20, 1949, is further proof that we are building another Frankenstein in Germany. It is not too late to insist that President Truman's policies be carried out in that area:

CODDLING OF NAZI CARTELISTS BY AMG SHAPES INTO EXPLOSIVE ISSUE

(By Charles Van Devander)

WASHINGTON, May 20.—The coddling of Nazi cartelists by the American military government in Germany is rapidly becoming the most explosive issue in Washington. President Truman is watching the situation closely and may eventually have to intervene dramatically. The Army Department, temporarily headless since the resignation of Secretary Royall, is strictly in the middle. Apparently it is helpless to guide events or to persuade AMG officials in Germany to carry out announced United States policy, which is to smash the big Nazi combines once and for all.

The history of recent events in this field is almost too fantastic to be believed. Yet, the story of sabotage of United States policy by United States representatives in Germany is now completely documented.

Best place to pick up the story is with the appointment of a civilian committee late last year by then Secretary Royall to conduct an impartial investigation of charges that the decartelization program had broken down. The committee, headed by Garland Ferguson, of the Federal Trade Commission, held hearings in Germany. Three weeks ago this committee reported that the charges were true. The men in charge of breaking up the German cartels were unsympathetic with the program; therefore there was no record of achievement in carrying out the job.

The world-wide I. G. Farben trust, whose main plants at Frankfurt were miraculously spared by British and American bombs which leveled the rest of the city, is still functioning. The Ruhr industrial combines are untouched. Proceedings have been dropped against the German subsidiary and affiliate of SKF, the Swedish ball-bearing combine.

In effect, the committee recommended that three men responsible for this sabotage of United States policy be fired. It named Richardson Bronson, chief of the decartellization branch of AMG; Lawrence Wilkinson, his economic adviser; and Philip Hawkins, deputy to Wilkinson. Hawkins, incidentally, is the son-in-law of Gen. William H. Draper, Jr., New York banker, who, as Under Secretary of the Army, first charted that soft policy on cartels.

These men have not been fired. Instead they are now carrying out flagrant reprisals against subordinates in AMG who testified before the Ferguson committee at its invitation. Wilkinson brazenly described the official Army report criticizing his activities as "low comedy."

The recall of Military Governor Gen. Lucius Clay was directly connected with the failure of the decartelization program, which has the support of President Truman. The Ferguson committee had let Clay down easily with the probably accurate statement that he had been misled by AMG aides. Clay's lack of understanding of the whole problem was indicated, however, by his comparison of the situation in Germany to laborious antitrust prosecutions here at home and his statement that "we must expect constant efforts to circumvent the law in Germany."

Without notice to the Army Department, General Clay suspended one AMG critic, Alexander Sacks, as his last act before leaving Berlin. The suspension was promptly lifted by Acting Army Secretary Gordon Gray. Immediately after Clay left the trio which had misled him—Bronson, Wilkinson, and Hawkins—turned on another critic. Under guise of economy—which may preclude review or reversal by the Army Department—they fired Charles H. Collison, deputy chief of the decartelization branch. Collison, like Sacks, had testified critically before the Ferguson committee. The Army Department first learned of Collison's dismissal from press dispatches.

President Truman has repeatedly declared that the German cartels, which did so much to bring Hitler to power and to provoke World War II, must be broken up and never permitted to revive as they did after the first war. There are indications that he has been quietly incensed by what has gone on in American military government during the past 3 years. The Army is now making an analysis of the Ferguson report.

John H. McCloy, as newly appointed United States High Commissioner for Germany, is stepping into the midst of this malodorous mess. The only convincing evidence that the Truman program finally is to be carried out will come if he sends the Bronson-Wilkinson-Hawkins trio home on the next boat after he arrives.

Walkerville Fire Department Has Been In Service Almost 50 Years

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. MANSFIELD. Mr. Speaker, it is with a great deal of pride that I call to the attention of the House the outstanding record made by the Walkerville, Mont., fire department.

Many of the members of this organization are personal friends of mine and I value their friendship highly. They have made outstanding contributions to their city, to Butte, and to Montana. Their community spirit is remarkable and their efforts to make their city outstanding are recognized by all.

To Chief Walter Murphy and all the members of the department, I want to say thanks for your work over the years and to all of you I want to extend my personal congratulations and best wishes for a job well done.

The article from the Montana Standard for April 11, 1949, follows:

WALKERVILLE FIRE DEPARTMENT HAS BEEN IN SERVICE NEARLY 50 YEARS

Walkerville's volunteer fire department is entering on its forty-seventh year of service to the hill city, and at a recent anniversary meeting and dinner members reviewed an enviable record and then turned to the future with plans to continue the improvement of the home neighborhood.

At the banquet meeting, presided over by Chief Walter Murphy, who was taking office for a third consecutive term, and with Garfield Harris as master of ceremonies, it was recalled that the original fire department was formed in 1903 by a group of civic-minded residents who feared the scourge of fire.

During the organization meeting Mike Murray was elected chief, a position he held until 1907, when he declined to continue in office. The department's equipment at that time, it was recalled, consisted of a handcart, a minimum amount of hose, an ax, one nozzle, and one hydrant wrench.

Fire fighting in those days amounted to a simple task of pouring hundreds of gallons of water on the burning area and more often than not the water damage was far greater than would have resulted from the flames. Nevertheless, the fire fighters did the best they could with the tools at hand and happily the fire losses were held at a minimum.

At about the same time the department was organized, old timers recalled, the membership seeking to avoid a drenching in cold

weather—that was when most fires occurred—instituted an educational campaign, one that is being carried on today on a national scale—"prevent fires."

The department progressed through the years, and in 1936 a second-hand automobile was procured. The machine had been the private car of the late L. O. Evans. Funds were limited at the time, and designs for motorized fire-fighting equipment were scarce—but the membership relied on ingenuity and initiative to rebuild the machine.

However, with such craftsmen as Raymond Fontain; Henry Sullivan, who designed the body; Francis Holland; Mike Peters; Joe Church; Garfield Harris; Walter Cannon; Dominick Ravazon; and Joe McNulty on pipe, carpenter, and tin work; and Frank Carney, while not a resident of the city, as mechanic, a first-class truck was turned out.

This rebuilt machine served the city well until 1939, when it was called into service for a big fire. The truck reached the scene of the blaze without mishap—a fortunate situation because it had no brakes—and was brought to a stop within a few feet of a hot burning fire only by losing momentum on an uphill run.

Fearing for the safety of the firemen and not overlooking the value of property that could be lost in an emergency, members of the department took steps to procure a new truck. With the aid of friends, who sympathized in the cause, and through benefit socials, enough money was realized to purchase the truck now in use.

The present truck was added to the department in 1939 but improvements have been added as they were developed by manufacturers of fire-fighting equipment. While the truck is 10 years old, it compares with those of the current era in performance and reliability and is seldom out of service for repairs.

Members of the department serve without pay but they seldom miss a regular meeting or practice session to keep in trim for an emergency.

In seeking out and eliminating the causes of fire the firemen naturally find other conditions in the community that can be improved and these matters are discussed and steps taken to develop and improve the neighborhood. As a consequence the department plays a vital role in city affairs.

Among improvements in Walkerville contemplated for the current year and backed by the firemen is a proposed new lighting system. Lights presently in use are to be replaced with modern fixtures and when the project is completed will make Walkerville one of the best lighted communities in this region.

The Walkerville department is the possessor of an electric hose drier, believed to be the only one in this region. It was purchased from funds provided by the firemen from social activities. The department has also taken steps to protect the membership in the event of injuries suffered while fighting fires by purchasing insurance.

In addition members of the organization have perfected a relief association in accordance with State laws—an organization that devotes its efforts to the welfare and protection of members who risk their lives that the lives and property of others can be protected from loss and destruction by fire.

Besides Mr. Murray, first officers of the deparment were John Purcell, assistant chief; J. W. Wilcox, secretary; Mike Peters, treasurer; John McGraw, captain No. 1; Pat Gleason, captain No. 2; Ed Finnegan, foreman No. 1; William Cuff, foreman No. 2.

Chiefs of the department following Mr. Murray and their terms of office included Jack Whelan, 1907 to 1909; Joe Briney, 1909 to 1912; Jeff McNamee, 1912 to 1914; Frank Dent, 1914; Jerry Hurley, 1914 to 1917; Al Davis, 1917 to 1918; Virgil Vacherie, 1918 to 1919; Harry Blewett, 1919 to 1920; Ed Matthews, 1920 to 1922; Elmer Duhame, 1922 to 1924; John Bowden, 1924 to 1930; Ed Matthews, 1930 to 1932; Francis Holland, 1932 to 1940; Pat Murphy, 1940 to 1942; Ed O'Neill, 1942 to 1946; and Mr. Murphy, incumbent, who was elected first in 1946.

Mr. Dent resigned his office after he volunteered for duty with the armed services in World War I and was succeeded by Mr. Hurley.

Officers now serving the department are Mr. Murphy, chief; Joe Church, assistant chief; William Hodge, captain No. 1; Al Schonsberg, foreman No. 1; John Casagrande, captain No. 2; William Buzzo, foreman No. 2; Geno Levi, treasurer; Thomas Quale, secretary; William Foy and John Lester, trustees.

By virtue of his office as chief, Mr. Murphy is president of the relief association. Other officers are Al Schonsberg, secretary; John Casagrande, treasurer; John Giop, Jack Lester, Joe Church, William Johns, and Jack Church, trustees. The association was formed in 1928 at a meeting by Charles Cortese, Joe Actis, Garfield Harris, John Casagrande, and Walter Murphy.

Walkerville's department has turned out for all spring clean-up campaigns and through their efforts last year assisted in bringing recognition to Butte as the first-place winner for cities its size. The department also holds membership in the Volunteer Firemen's Council of Silver Bow County, an organization ending its first year of service to the community as a whole.

AMG Firing Saves "Food Hitler"—Crack-Down Is on Foes of Cartels

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. MULTER. Mr. Speaker, the following articles which appeared in the New York Post of May 22, 1949, one by Arthur Massolo, and the other by Ernest Leiser, again directs attention to the serious situation extant in Germany with reference to the rebuilding of its industries:

AMG Firing Saves "Food Hitler"—Crack-Down Is on Foes of Cartels

(By Arthur Massolo)

Charles H. Collison, fired last Thursday as deputy chief trustbuster in the American zone of Germany, charged on Saturday that he was dismissed as he was preparing to crack down on a "little fuehrer" who operates a multimillion-dollar food monopoly in Hesse.

Collison identified the German as Fritz Dietz, a former Nazi whom he has had under investigation since September.

In a radio telephone interview from Frankfort, Collison told the Post Home News that his inquiry had disclosed that Dietz made $3,000,000 on American food shipments to Germany when the currency reforms were instituted a year ago.

"I had been working on this case since last September," Collison said. "I had it cracked and I was trying to present it when I was fired. I have 100 witnesses, but they are being intimidated by Dietz. The United States Government is doing nothing about it."

Collison said that he had been released because of his testimony before the special Army investigating committee, headed by Garland F. Ferguson, that recently accused high military government officials of not having carried out the antitrust program in Germany.

PUT ON SURPLUS LIST

Collison was given 30-days notice last Thursday and put on the surplus list by Richardson Bronson, United States Chief of Decartelization. He was the first of the 44 employed by the trust-busting division fired for economy.

"Bronson told me that I was fired because of my testimony before the Ferguson committee. It's no coincidence that I have just come out with discomforting disclosures about Dietz and the food monopoly," Collison said.

Collison said Dietz has broken practically every decartelization law on the books. He has been a member of the Nazi Party for "3 or 4 months," he said.

GOT A KEY JOB

In 1945, Collison declared Dietz got a job in the German food office, and was put in charge of issuing licenses to distributors of food shipped to the zone from the United States.

"He was supposed to hand out licenses to other distributors," Collison explained. "In fact, three companies were supposed to share, but he took the work on himself."

Collison said that Dietz invested 100,000 marks, and in the first 3 weeks made 125,000. Within 2 years he made 835,000 marks, a "neat profit of 696 percent."

Collison, a former New York City corporation lawyer associated with United States Steel and Electric Bond & Share, explained how Dietz made the $3,000,000.

"Before the currency reform," he said, "Dietz paid United States banks a dollar for a dollar's worth of food. After the reform he had to pay only 10 cents, but the food was still worth $1."

Collison said that Dietz "openly bragged that if I continued the case I would be fired." He said that three witnesses, working in the food office, have been declared surplus. Others are being intimidated, he said.

THEY'RE AFRAID OF HIM

"One witness told me the other day," Collison said, "that 'I am more afraid of Dietz than I am of the United States Government. He has more power here than the Americans.'"

"Who is protecting Dietz?" Collison was asked over the phone.

"That's the $64 question," he replied. "I'm a lawyer and I can't talk until I have sound proof."

Collison said he meets with an Army grievance committee soon but asserted, "I plan to fight this out as long as I can. I won't leave here until I receive some satisfaction."

"Do you see any evidence of a revival of Nazism?" he was asked.

"I can't tell you over the phone," he said. "but I've got one case that's a beaut."

(By Ernest Leiser)

FRANKFURT, May 20.—Gen. Lucius D. Clay, former United States military governor of Germany, acted in direct opposition to the Army Department when, on the eve of his departure for home, he reopened the proceedings against a military government official for criticizing that body's asserted failure to break up German industrial trusts in the American Zone, that official charged today.

Alexander Sacks, former member of the military government's decartelization staff, now employed in its democratization branch,

accused the military government of "illegal proceedings" in seeking his dismissal.

Sacks said he had just learned that on May 13 Gordon Gray, acting secretary of the Army, had notified his lawyer, Wendell Berge, former United States assistant attorney general, that the case against him had been definitely closed.

"However, General Clay on May 14 ordered the case against me reopened," Sacks said.

He made no attempt to deny that he had sharply criticized a number of military government officials for failure to implement the United States Government's policy on deconcentrating the giant trusts in western Germany. That criticism was made in testimony to the investigative committee headed by Garland S. Ferguson, of the Federal Trade Commission, which probed the decartelization program of the military government here last December.

"The military government has not questioned thus far, and I doubt if it ever will question the accuracy of my criticisms," he pointed out. He noted that the Ferguson committee report "has confirmed" the charges against a number of Clay's aides.

Sacks said that as a loyal public servant, he felt he could not have acted otherwise than criticize the decartelization policy when called on to testify before an official body. He remarked that he had left the decartelization staff before the initial attempt last January to discharge him.

The proceedings were then dropped on orders of Secretary of the Army Royall, and he was fully reinstated, Col. James Duke, military government personnel officer, told him then that Clay "disagreed" with the order, and was filing an appeal from it.

Sacks has been ordered to appear before a military government grievance board hearing next Wednesday. "I have been given only 9 days advance notice," he said.

President Truman's Socialistic Program—the Record to Date

EXTENSION OF REMARKS

OF

HON. NOAH M. MASON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. MASON. Mr. Speaker, Candidate Truman promised the voters that he would, if elected, repeal the Taft-Hartley Act; prevent falling farm prices; pass the civil-rights bills, including FEPC; extend rent control 2 years; reenact legislation covering price control, allocations, priorities, and rationing; pass a Fair-Labor Standards Act; pass a Public Housing Act; and extend the social-security program to include socialized medicine. After 5 months what has he accomplished?

So far not one of these promises has been kept, and it begins to look as though not one of them can be kept in full. President Truman will be lucky if he gets a greatly watered-down version of any of his promises. Certainly his request to increase taxes by $4,000,000,000 will be turned down flatly.

What is wrong? Why cannot President Truman deliver? The Eighty-first Congress is composed of 54 Democratic Senators and 42 Republican Senators; 263 Democratic Representatives and 171 Republican Representatives—a substantial working majority in each branch of the Congress. If the Democrats in Congress voted together they could pass President Truman's entire program. But President Truman's program is very largely a socialistic program, and Jeffersonian Democrats do not believe in a socialistic program. Today there is little, if any, difference between a Republican and a conservative Democrat in the face of a program that threatens to hamstring private enterprise, discourage savings, and place the national economy in the hands of Government bureaucrats. So Jeffersonian Democrats team up with Republicans to block the march toward socialism. I predict that President Truman will have more reason to call the Eighty-first Congress names when the record is complete than he had to call the Eightieth Congress names.

THE TRUMAN DEPRESSION

Mr. Speaker, the Truman depression is with us. Its seeds were planted last November when President Truman was elected on a Socialist platform that he swiped from Henry Wallace. Cutting the margin required on the stock market to 50 percent will not save us. The trouble is not one of dollars and cents, it is one of human emotions and faith in the future. What is needed to bring forth investment dollars is confidence in the Government. Potential investors want assurance that whatever is earned in profits will not be branded as "ill gotten gains" and confiscated by punitive tax policies.

The way to get venture capital back into the investment market is to repudiate the Socialistic promises made by the President in his campaign speeches, and repeated as recommendations in his messages of last January to the Congress. This is a responsiblity facing the Eighty-first Congress. If Truman's socialized medicine, his socialized public housing, his greatly expanded Social Security program, his request for power to control prices, make allocations, and establish priorities, his program for higher taxes, and so forth are blocked by the Eighty-first Congress, then and only then can we expect confidence in the future to start the flow of venture capital back into the investment market so it can be put to work producing the goods needed by a hungry consuming public.

The Truman depression is growing in depth and scope. It is the direct result of the Truman program. Call it "Socialism," "redistribution of wealth," "economic democracy," "the era of the common man"—call it by any fancy name you will—it boils down to the silly theory that everyone can live comfortably with no more exertion than voting himself a check from the Government.

Under President Truman's program the creation of wealth through private initiative becomes immoral; and the chief function of Government will be to take from the "haves" and give it to the "have nots." The question today is, "Will the Eighty-first Congress be able to hold the line?"

Mr. Speaker, the method for achieving this socialistic program is so clearly pointed out and analyzed in an editorial taken from the Richmond Times-Dispatch dated May 18, 1949, that I include the editorial as a part of my remarks. I recommend it for the careful consideration of my colleagues:

THE PIECEMEAL MASTER PLAN

Rome wasn't built in a day, and socialism can't be imposed upon the American economy overnight. Washington planners are fully aware of this. That's why they plan to accomplish their ultimate objective "by dribs and drabs," piecemeal, one step at a time.

The master plan's principal advocates are reported to be Vice Chairman Keyserling, of the President's Council of Economic Advisers; C. Girard Davidson, an Assistant Secretary of the Interior, and Louis Bean, an economist in the Department of Agriculture.

Basically the master plan envisions an eventual control economy that will mean perpetual full employment, full production and full consumption as well as personal and national security. These goals are not now achieved, the planners believe, because too many people are uneducated, in poor health, living in slums, and exploited by businessmen who are motivated by an instinct for profit rather than the national interest.

Any attempt to impose the plan as a whole at one fell swoop would meet with determined resistance. So the planners plan to impose it a little at a time, through subsidies to various blocs, such as the farmers; through allocation of materials as part of the defense plan; through Federal construction projects; Federal housing, Federal loans to favored industries; easy Government credit to industries in need of expansion either in the public interest or to meet defense needs; gradual nationalization of major utilities, such as light and power; price guaranties to encourage new business enterprise; extensive Government buying and steeply increased taxes on corporations whose undistributed profits are too high; tax easement for essential industries, etc., etc.

Although mass production of a greater food supply and higher production through greater efficiency have thus far been achieved only through the incentive of profit expectancy, the planners hope to stimulate individual effort by legislation, one law at a time. They will bide their time and strike when fear of war or of unemployment during a threatened depression, or both, bring mass pressure to bear upon Congress.

They also feel that they can win price support in Congress for piecemeal welfare legislation as the concomitant of their economic master plan—by cheaper food prices (such as the Brannan farm-support plan proposes); by cheaper, tax-subsidized Federal housing; by higher minimum wages, medical-care insurance, great grants to education; by free lunches to millions of pupils, investments in national park and recreational areas, and other such projects too numerous to mention.

Apparently the planners believe that it would be possible (in a free country) not only to bring about this intricately interlocking and interdependent social-economic structure—but to cut each piece of the jigsaw puzzle so cunningly that with half of them in place the others would drop in snugly and almost automatically.

Even agreeing—for the sake of this discussion—that the plan were humanly feasible and that it would be implemented without political exploitation and favoritism, and without destroying individual enterprise—granting all these fantastic assumptions—two questions still remain to be answered:

"How much will it cost?" and "Who will pay for it?"

The first question has been ignored by the planners; some of them are said to believe that no matter how exorbitant the cost, government spending always aids prosperity.

But there is no doubt as to the answer to the second question.

All of us would pay for it—and at a rate that would more than neutralize any theoretical benefits we could possibly derive from a federally harnessed and regimented economy.

Pattern for Middle East Prosperity

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. MULTER. Mr. Speaker, the following article written by John C. Henry and which appeared in the Washington Star of May 22, 1949, contains a great deal of factual material showing the necessity for the early passage of House Joint Resolution 257, which I introduced on May 18, 1949, and which is being cosponsored by some 50 Members of this Congress:

PATTERN FOR MIDDLE EAST PROSPERITY—PUBLIC WORKS PROGRAM AWAITS POLITICAL STABILITY

(By John C. Henry)

Establishment of a reasonable political stability in the Middle East could set the stage for a program of public works in that area which would bring to it a prosperity it has not known for centuries.

If attempted and achieved quickly it could solve the desperate problem of nearly a million Arabs, displaced by creation of the Jewish State of Israel. On a long-range basis, it could bring not only economic prosperity, it could bring social rehabilitation to countries that are strong in ancient culture but weak in modern democracy. It could bring more fully into the orbit of the western world a group of countries and peoples whose inclination is to be in that orbit, but whose own internal weaknesses have left them relatively powerless in the face of any threatened aggression from Communist force or infiltration.

Engineering studies for many of the potential project developments already have been made, some in preliminary form and some in more advanced degree. The over-all cost, for a program that might accomplish with pennies what the Marshall plan is attempting to do in Europe with dollars, does not appear great. For the projects already engineered in one degree or another, $300,000,000 would finance them to near completion,

And on Wednesday of this past week 50 Members of the House joined in sponsoring a resolution calling for establishment of a Near East Survey Commission to study these and other development projects. Pointing toward what it termed "self-liquidating and wealth-creating" projects without commitments on the part of this Government for financial or service assistance, the group proposed a 15-member Commission to make the study. It estimated that at a cost of $500,000,000 another ten to fifteen million cultivable acres could be developed in the various countries involved.

OIL INVESTMENT PLANS

By contrast, the network of American oil interests alone in the Middle East already have projected capital expenditures of nearly $2,000,000,000 in that area in the next 5 years if the requisite of political stability and cooperation is achieved. Some of this sum would be expended in the United States on machinery and other facilities, but its end use and benefit would be directed to the Middle East. The accompanying table shows a break-down on these projected expenditures. Some of this sum already is being expended—without the assurance of stability. And even this projected total does not include the additional millions flowing eastward each year in royalties and normal operating expenditures.

One of the major projects in the over-all program of the oil interests received the go-ahead signal only this week when the Syrian Government ratified the proposal for extension of the 1,100-mile trans-Arabian pipe line across Syrian territory from the Saudi Arabian border to the frontier of Lebanon and its eventual terminal near Sidon. The Syrian action, incidentally, is an interesting development in that it may signify an intent on the part of the recently reconstituted Syrian Government to follow a positive pro-American policy.

The initiation and accomplishment of any or all of these contemplated works, either the privately or publicly financed ones, fit rather logically into the bold new program enunciated by President Truman in point four of his inaugural address of last January.

Obviously, the problem of accomplishing the condition of stability is not a simple one. The Middle East is in a torment over the establishment of Israel and the military victories which the young country has scored over its neighbors. Both the governments and the people are baffled, wounded in pride, distrustful of the United States in particular, and confused as to even what their own internal policies should be. Along with this newer torment is the older one of rivalries and jealousies among each other. It is an old pattern and probably will exist until today's poverty is translated into tomorrow's prosperity—in terms of greater agricultural production, a lesser development of industrial potential, and improved standards of health and living conditions.

STUDIED YEARS AGO

The major public works projects thus far considered involve the great and small river valleys of the Jordan, Tigris, and Euphrates with some of their tributary streams. Since the flow of each of these river systems crosses international boundaries there must be international agreements. International agreements presuppose conditions of peace between the affected countries and reasonable foundation of good faith in years to come. Obviously then the first step is establishment of a firm peace between Israel and the neighboring countries; the next step a series of agreements between the various governments involved. The further step is financing, probably on limited term loans to be liquidated eventually through American capital expenditures in the area and through the hoped-for raising of the internal economic fortunes of the countries affected.

The projects considered for the three great river systems were studied in most concrete form in years prior to and during the war. Each of them involves several steps and alternatives.

The beginning of the Jordan Valley scheme contemplates the diversion of the Litani River in Lebanon, now flowing uselessly into the Mediterranean, away from the mountainous Lebanese coast through a tunnel into the Jordan Valley. A further step contemplates utilizing the waters of the Yarmuk River which arises in Syria and Transjordan and flows into the Jordan just below the Sea of Galilee. For these two steps agreement would be needed between Lebanon, Syria, Transjordan, and Israel.

An additional project considered is that of raising salt water from Haifa by about 80 feet and then taking advantage of a natural 700-foot drop to Beisan and thence down the Jordan to the Dead Sea. Installation of electric pumps and flow controls could thus build up pressure for hydroelectric power and a continual supply of salt water into the Dead Sea. The benefit would be in power, potashes, and other chemicals for manufacture of fertilizers and similar products.

Tentative estimates for these various parts of the Jordan scheme total about $190,000,000, but a livelihood for nearly a half million people is envisioned as an end result.

For the Tigris, three major projects have been studied. The most costly probably would be at Bekhme Gorge in Northern Iraq where the waters of the Greater Zab River, major contributor to the Tigris, would be harnessed behind a 300-foot concrete dam to provide both hydroelectric power and controlled irrigation. An estimate of $50,000,000 has been placed on this project and agreement would be necessary between Turkey, where the Zab rises, and Iraq. Southward, a less costly irrigation system has been studied for the confluence of the Lesser Zab and the Tigris.

LOW-COST CONSTRUCTION

More typical of the relatively low-cost construction seen as effective in most of these projects is the plan for the Fatha Dam, an earthen structure about 40 miles south of Mosul on the Tigris. Located near Ashur, one of the earliest cities known to world history, the construction there would take advantage of the Jabal Hamrin, a range of low hills. Another low-cost project has been engineered near Samarra on the Tigris, calling for a dam and irrigation channels into the marshes of Wadi Tharthar. An additional control dam has been studied for the Diyala River, another Tigris contributory, northwest of Baghdad.

In Syria, a small independent project which could provide power and reclaim land for agricultural purposes would involve the Orontes River, now flowing uselessly from its point of origin in Syria across into Turkey and thence to the Mediterranean.

Involving the Euphrates and its tributaries are several projects extending from control of the Khabur River in northwest Syria (rising in Turkey) to a rebuilding of an ancient canal system near where the Tigris and Euphrates join to flow into the marshlands at the head of the Persian Gulf. Flowing for the most part in an easily sloping valley, hundreds of miles of the Euphrates offer no serious engineering problems or costly construction for more effective utilization.

A pattern for this general type of improvement was established in some of the development projects undertaken by the British and French in the Middle East before World War II.

In a general way the development and improvement potentialities of Syria and Iraq are similar. Both are primarily agricultural countries where the lack of controlled water leaves a disproportionate amount of their acreage out of production entirely or with very low yield. The fertility of their land under conditions of scientific irrigation has been proven and all or a substantial portion of the developments mentioned above would add millions of acres to production. Syria's principal crops are wheat and other grains, while those of Iraq are grains and dates.

OTHER SPECIAL PROBLEMS

Lebanon, already intensely cultivated within its small area, does not offer great possibilities for further agricultural development. With one of the most advanced populations of the Middle East, however, the country has industrial possibilities and great attractions as a tourist and vacation area.

Egypt and Saudi Arabia offer special problems in themselves.

Ninety-seven percent of the area of Egypt is desert, leaving a cultivated area of about 5,000,000 acres in the Nile Valley. While

these acres have a high yield of crops, particularly cotton and corn, even the further development of Nile River controls promises little more than an additional 1,200,000 acres. With a fast-growing population rate, the long-term improvement of the country is believed to lie more on industrial than agricultural lines.

On Thursday, Foreign Minister Bevin announced in London that agreement had been reached between the British and Egyptian Governments for further development and control of the Nile waters. The initial project, estimated to cost about $40,000,000, calls for construction of two dams on the White Nile at the outlet of Lake Victoria in Uganda. Both power and flood control are expected to result from these works.

GOOD LABORATORY

Saudi Arabia, emerging in a few years from the Middle Ages to the twentieth century, provides a laboratory in which almost any kind of experiment might arrive at success. Its income in oil royalties already approximates $30,000,000 yearly and are projected to $60,000,000 in 1953. It has sizable potentialities in mineral deposits and it has substantial yearly income from the Moslem pilgrimages to Mecca and Medina.

Up to now much of this income has been channeled into the beginnings of improvements in transport, communications, and health facilities. Experiments in scientific agriculture have indicated astounding possibilities and the Bedouin of a few years ago has contributed his share of surprise by proving an adaptable and industrious worker under the guidance of American oil technicians. Saudi Arabian national prosperity seems assured for a long time to come but perhaps the most fortunate development for the country on a long-range basis would be further experimentation in irrigation and farming.

Israel likewise is a special problem. A small country, already being flooded with immigrants, it probably possesses more technical skill per unit of population than any other in the Middle East. With financial support coming in large quantity from the United States its industrial and agricultural development are expected to progress at a high rate of speed.

In its proposal for a Near East survey commission the congressional group on Wednesday remarked significantly:

"The fate of Israel is now unalterably linked with the fate of the whole region and this bill is one way to bring permanent peace and neighborly relations between Israel and the other Near East countries."

Development of the smaller countries—such as Transjordan, Yemen, Kuwait, Bahrein, and others—is less subject to prediction. Some have proven oil resources and should benefit substantially; others may benefit only indirectly from their location as and if the Middle East nations demonstrate the vision to develop and utilize their natural wealth.

The following table breaks down the tentative projected plans of American oil interests for capital investments in the Middle East during a 5-year period. The companies and projects listed are either wholly or in majority part owned by American firms. Some of the projects are already under way.

Trans-Arabian pipe line	$200,000,000
Mediterranean Refining Co	69,000,000
Iraq Petroleum Co	180,000,000
Refinery additions, Haifa	25,000,000
Aramco producing facilities	520,000,000
Middle East pipe line	230,000,000
Kuwait eastern pipe line	200,000,000
Producing facilities in Iraq, Kuwait, Neutral Zone, Bahrein, Qatar, Trucial Oman	700,000,000
Total	1,924,000,000

The Forrestal Tragedy

EXTENSION OF REMARKS
OF
HON. JOHN E. RANKIN
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. RANKIN. Mr. Speaker, the tragic death of Secretary Forrestal has aroused the sympathy of decent Americans everywhere for this great man who gave his life for his country.

It has also aroused, and intensified, the indignation of decent Americans everywhere against those slime mongers of the air whose vicious attacks undoubtedly contributed to his untimely death.

Under permission granted me to extend my remarks in the RECORD, I am including a statement by Mr. Hanson W. Baldwin that appeared in this morning's New York Times, and excerpts from an article by Westbrook Pegler and a 1-minute speech which I made to the House on April 11.

Mr. Baldwin's article reads as follows:

THE FORRESTAL TRAGEDY—SECRETARY'S STRAIN, HIS FAILURE TO RESIGN EARLIER, AND ATTACKS ON HIM ARE BLAMED

(By Hanson W. Baldwin)

The tragedy of Jim Forrestal had its origins in what Freud described as "the great subterranean pool of the subconscious mind."

An extremely sensitive, very shy and thoroughly conscientious person who held emotion at arm's length, Mr. Forrestal had built around his inner soul a wall of toughness and reserve that seemed to some to amount to brusqueness. But behind that Irish jaw and broken nose lay a rare intellectual warmth and eagerness for new knowledge, and a heart kindly and selfless.

He was as unselfish an administrator as any public servant Washington has seen, and his driving, restless energy—which gave him no rest—his powerful mind and his real intellectual humility made him in the Nation's Capital a rara avis, a man who sought for himself nothing save the knowledge of a job well done, an official who had no truck with crass political machinations or petty maneuverings.

TRAGEDY STEMS FROM PAST

Mr. Forrestal's tragedy stems from the past, but its last acts were rooted deep in the soil of political Washington. The nervous strain of war, the exhausting regimen of unending work and the heavy sense of responsibility that he bore always with him combined, as President Truman has said, to make Mr. Forrestal a war victim as surely as those who fell in the front lines. But this strain, severe though it was, was not the final straw.

The shooting war was succeeded by cold war, and in Washington the inner-service battle raged without intermission. Mr. Forrestal was subjected to almost intolerable pressures; he was never at peace, even on rare social interludes the people who saw him usually wanted to influence him.

During this period he made perhaps his greatest mistake. He should have yielded—some 6 months after the Unification Act went into effect and after he had set the National Military Establishment on the right course—to suggestions from friends that he resign. His contribution had been made, and it was a great one; he had worn himself out for the Nation; he deserved his rest. But he felt that his job was not done—he was to come increasingly to feel this toward the last; the driving energy that kept him working incredible hours made him feel the job was never done.

Mr. Forrestal probably made his second great mistake last year; he has made other mistakes, of course; what man has not? He should have cracked down and made heads roll. But Mr. Forrestal was not sure of his own final judgment in the schisms that divided the services; he wanted with certainty, to be right before he took definitive action, and in any case lopping off official heads would, as he said, merely make a political and service martyr out of the deposed and would not contribute to that teamwork that he was so desperately striving to achieve.

ATTACKS ON HIM INCREASE

Before and after the election, as the name of Louis Johnson, who had long wanted the job of Secretary of Defense came to be more and more mentioned as a possible successor to Mr. Forrestal, vicious attacks upon Mr. Forrestal increased.

Drew Pearson and Walter Winchell and some others maligned and traduced and attacked him in various commentaries—unfortunately not very different in tenor from similar outrageous attacks made upon others in our day and age—commentaries for which the radio and the press must bear the burden of shame. These attacks seared deeply a very sensitive man.

Such is the brief background of a personal and a national tragedy. It is a background that cannot fill any American with too much pride, for the dirty in-fighting of politics and the corrosive personal abuse of gossip and keyhole commentators—both products of the national environment—had their share to do with the final acts of the Forrestal tragedy.

Mr. Forrestal died believing he had failed in his great responsibilities to the Nation, fearing he had imperilled the national defense. Not he, but lesser men are to blame for the feuds and frictions that still plague the services. He performed mightily for his country; lesser men must not wear the laurels that are rightly his.

The excerpts from the article by Westbrook Pegler, which appeared in the Times-Herald this morning, follow:

FAIR ENOUGH

(By Westbrook Pegler)

James V. Forrestal, a loyal, brave, and self-sacrificing servant of this Republic, certainly was, as President Truman said on hearing of his sudden death, a casualty of the Second World War. He was also a victim of the wanton blackguardism and mendacity of the radio, which has been a professional specialty of Drew Pearson.

Pearson has become a man of great power and special privilege because other decent men like Forrestal go in fear of fantastic lies to be spread over the Nation by radio, all to stimulate the sale of a brand of hats or laxative.

Pearson's current sponsor, Frank Lee, of Danbury, Conn., cannot escape a share of the responsibility for his false statements blackening the character of good men or implicating innocent citizens in discreditable or merely embarrassing episodes.

The American Broadcasting Co., which leans to this kind of radio material, most of it motivated propaganda thinly disguised as news, once tried to disown responsibility and frankly advised a citizen who was the victim of a fictitious incident not to demand a retraction or an apology.

Ed Noble, the chief owner of the company, a professional New Dealer who prospered greatly by his political adherence in radio, said the amend, if it were made, would be made in such manner as to aggravate the original falsehood and make the victim wish that he had taken it lying down.

Pearson's motives are seldom apparent. But, whether ulterior or, possibly, aboveboard, the fact is nevertheless that he has habitually "got on the wheel" of this or that defenseless personality in public life and inflicted such personal hurt as to deter decent men from entering public service.

In the case of Forrestal, Pearson made a false charge of disgraceful cowardice. Forrestal, in the role of Under Secretary of the Navy, a civilian job, made four landings with the marines, behind the assault waves, on Pacific islands held by the Japanese.

Franklin D. Roosevelt held a similar position during the First World War. It is no disparagement of him to point out that Roosevelt's only experience anywhere near the front in France consisted of tours of inspection amid considerable panoply and privilege, not personal intimacy with danger.

The contrast does favor Forrestal nevertheless.

On January 16, 1949, over Station WJZ, of the American Broadcasting Co.'s network, Pearson purported to read a dispatch direct from the White House villifying Forrestal.

At least his voice said, "The White House: Well, President Truman was about to accept the resignation of Secretary Forrestal when, last Sunday, he heard Walter Winchell's broadcast about Forrestal's income tax finagling in the 1930's."

In newspaper and press association language, that term "the White House" at the start of an item is called the date line.

The date line is the source or the ostensible source of the facts or falsehoods which then ensue and, in this case, clearly implied to the public that he was reading a dispatch direct from the White House. As to whether this was a truthful representation the individual citizen may draw his own conclusions.

"Whereupon," Pearson continued, "Truman sent for a transcript of the Winchell broadcast and literally hit the ceiling. 'I'm not going to let that little so and so,' he stormed, 'tell me who I'm going to keep in my Cabinet.' And a day later, he told Forrestal he could stay on, at least for the time being."

There ensued a paragraph of artful smear concerning Forrestal's income tax based on Pearson's own independent charge which for its credibility relies on Pearson's own record of erroneous, not to say false, statements.

Then Pearson said: "For my part, I personally think Mr. Forrestal is a very nice and charming gentleman. But I agree with Walter Winchell that a man who avoids taxes by concealing his money in a foreign country cannot command the respect of boys who are drafted into the Army."

You are invited here to note that Pearson does not charge that Forrestal was guilty of any wrong but does a job of log-rolling for another equally mendacious, ulterior and malicious radio terrorist whose high, moralistical posture is fantastic.

* * * * *

Now, finally, Pearson came to the foulest smear of his evil text.

"And I would go further," he said, "and state that a man who runs out the back door of his house into the alley, leaving his wife to cope with a jewel robbery alone, would not appear to have the courage or chivalry to be the best Secretary of National Defense."

I have personal knowledge of the Forrestal jewel robbery of July 2, 1937, because Mike Lomars, the mastermind of the hold-up, was a union racketeer with AFL charter controlling many workers in the tobacco trade in New York.

The case was broken by detectives Tom Tunney and Ruddy McLaughlin through a confession by a thief whom they arrested in another case. Not that he need rely on his brother's fame, Tom Tunney is a brother of Gene.

Not trusting my memory or even my old notes, when Pearson charged Forrestal with deserting his wife in the hands of gunmen, I called on Herman Stichman, the chairman of the New York State Housing Authority, who had handled the prosecution in November 1940.

Mr. Stichman said there was absolutely no excuse to impugn Forrestal's conduct because he was asleep inside the house at 27 Beekman Place when the stick-up took place on the street outside at about 2 o'clock in the morning.

Mrs. Forrestal had spent the evening at the Persian room at the Hotel Plaza with several friends. About 1:45 she and her escort, Richard B. W. Hall, got into Mr. Hall's car, driven by his chauffeur, and drove to Beekman Place. When they pulled up at the curb, Mrs. Forrestal said:

"Instead of the chauffeur opening the door, a man jumped in the car in back with us. He said, 'This is no joke; it's a stick-up.' I told him it was a silly way to make a living.

"He had a gun. The gun was pushed up at Mr. Hall. There was another man with the chauffeur. At one point there were two men in the back of the car. Both had guns."

After they got Mrs. Forrestal's jewelry, valued at more than $50,000, the men ran to a car that was parked just ahead, leaped in, and got away. Mrs. Forrestal saw four men altogether. When they had left she rushed into the house, notified her husband, and called the police.

Mrs. Forrestal had been fingered by a woman named Dorothy Stirrat, alias Dolly Turner, a criminal known as the Lady Finger. With her own escort, a member of the gang, the Lady Finger left the Plaza when Mrs. Forrestal and Mr. Hall left, followed the Hall car in her car, pointed it out to the gunmen who were waiting in another car close by, and wished them luck as they took out after the quarry.

The stick-up was so quiet that, far from awakening Jim Forrestal, it escaped the notice of a special watchman for the block who, for the moment, chanced to be conversing with a taximan out of sight around the corner.

The Lady Finger got 10 to 20 years, Lomars 10 to 20 years, and Joseph Weiss, alias Morris Seitchick, 30 to 60 years. Lomars held a union meeting and passed a resolution appropriating $5,000 for his defense on the ground that he was a labor spokesman and a victim of a Wall Street plot.

The Forrestal house is on the east side of Beekman Place. There is no alley through or behind the block through which Forrestal could have fled if he had been the coward that Pearson said he was.

Mr. Speaker, the fate of Mr. Forrestal illustrates what may happen to any man in public life who openly challenges communism at home, as well as abroad.

The House will remember that on April 11, I took the floor to defend Mr. Forrestal against these vicious attacks. For your information, I am reinserting that speech in the RECORD at this point. It reads as follows:

DREW PEARSON'S VICIOUS ATTACK ON SECRETARY FORRESTAL

Mr. RANKIN. Mr. Speaker, Secretary Forrestal needs no defense at my hands. He is one of our greatest living Americans. We all regret to learn of his illness, and pray for his early recovery. Practically every Member of the House I have talked to this morning, as well as employees of the House, including page boys, have expressed their indignation at the vicious attack made upon him by Drew Pearson last night.

I wonder how much longer that loathsome slime monger of the air will be permitted to carry on his filthy diatribes against decent individuals who are unable to defend themselves.

As I said, Secretary Forrestal is a very sick man, and probably delirious at times, as a result of the agony through which he is now passing; but for this smear monger to go on the air and broadcast his outrageous attack on him to all the American people is enough to arouse the resentment of every decent human being throughout the entire country.

I am calling for a copy of this vicious speech; and I am going to call upon the Federal Communications Commission to take steps to prevent such inhuman abuses as this being broadcast over the radio.

It is about time the Government stepped in and put a stop to such ghoulish practices.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Public Housing Facts

EXTENSION OF REMARKS
OF
HON. JACK Z. ANDERSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. ANDERSON of California. Mr. Speaker, with the rather fantastic provisions of H. H. 4009 staring the Congress in the face, the following article from Practical Builder is worthy of attention:

CHICAGO.—There is something very fishy about a public (or charity) housing program that contemplates housing poor families in $12,000 to $15,000 apartment homes with money taxed away from workmen who are struggling to pay for and own $8,000 homes, says Practical Builder, authoritative building publication in Chicago.

"If you think that's exaggerating, look at the record," continues Practical Builder. "Even before the war, when prices were low, public housing units cost as much as that and more. No one knows what they will cost now. Yet, the ordinary taxpayer who is paying off $50 and $60 every month on a modest little home can't help but wonder why he should be called upon to support someone else in more expensive quarters."

All over the country are examples of what private enterprise builders are doing to provide low cost, and good shelter. Take for example the 8-unit rental built in Long Beach, Calif., at a cost of $29,000. Each unit in this 8-family project contains: living room, dinette, bedroom, kitchen and bath; renting at $45 a month with a profit to the investors. Labeled as good construction by Gilbert E. Morris, Los Angeles superintendent of building, this project could not get FHA approval. According to Rollins MacFayden, technical liaison housing adviser for the American Legion of California, no plausible reason could be given although the building passed the uniform building code of the Pacific Coast Building Officials' Conference. "There are myriads of arbitrary restrictions on building today," says Mr. MacFadyen, "which are preventing the construction of decent low-cost housing. The comparable FHA requirements (excessive and unnecessary) in bills now before Congress could run the cost of such a project as high as $80,000. Legislation before Congress today would have Government paying as high as $2,500 per room. Walter H. Wilson, builder of this rental unit was forced to seek 100-percent private financing. His courage and initiative prove that private enterprise can produce low-cost housing. Government

thinking and regulation should change to permit more of this."

In Birmingham, Ala., the Russell Realty Corp. has completed 100 rental units for Negroes (64 still underway) to rent for $35 per month. Units include living room with dining space, one bedroom, kitchen, full size standard bathroom and equipment supplied, consists of gas space heater, automatic gas water heater, kitchen sink cabinets, and small 3-burner stove. The duplex units are set on lots 55 by 120 located in close proximity to school, church, and shopping.

In the Memphis, Tenn., area Wallace Johnson, Inc., has built duplex homes for Negroes renting for $37.50 (2 bedrooms) and $30 (one bedroom). In the same section H. Diugach & Co. has furnished Negroes with units that rent for $30 to $38.50. These and other builders in Memphis are also offering homes ranging in price from $4,950 to $6,200.

"Maybe some form of Government help in housing the very poor is needed," continues Practical Builder, "but there certainly is a need for house cleaning in the kind of thinking that so far has resulted only in furnishing very ordinary shelter at about twice the cost of comparable private industry jobs."

Cominform Plots New Conquests

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following article written by Karl H. Von Wiegand, which appeared in the New York Journal-American of May 20, 1949:

COMINFORM PLOTS NEW CONQUESTS

(By Karl H. Von Wiegand)

ROME, May 20.—While the Chinese Nationalist ribs in Shanghai are cracking under the increasing pressure of Mao Tse Tung's and Gen. Chu Teh's Communist armies and while American and other western statesmen are sharpening their diplomatic swords in Paris to "stop Russia," the Soviet-dominated Cominform is working on plans for further conquests by its visible and invisible well-trained forces in many countries.

The enterprising Swiss daily "Die Tat" gives the first description yet printed of the general headquarters on the outskirts of Bucharest of the Cominform central organization of international communism and "world revolution," obtained, it is claimed, "through indiscretion."

The Cominform headquarters is as mysterious and more difficult to enter than once was Lhassa, the forbidden capital city in Tibet of the Dalai Lama.

Just as the UN headquarters now being erected in New York City will be the capital of the world, so is the Cominform the capital of world communism—an "extraterritorial" and tiny state within a state.

Unlike the UN headquarters, the Cominform headquarters is hermetically sealed off from outside contact.

The complex of buildings is described as "comparable to a small Vatican City."

The Cominform capital, says the report, is guarded day and night by a strong force of Soviet MVD secret police.

The Cominform central world headquarters has a picked personnel of about 700 who live with their families in the compound and have no contact with the outside world.

It is independent—from its own administration, its own school, post office, telegraph, telephone, radio, and cooperative store down to a cleaning brigade.

The Cominform organization is divided into five divisions, like ministries. They are connected in an executive bureau.

George Dimitrov, until recently Premier of Bulgaria, was, until recently, chairman of this bureau—thus head of the Cominform.

DRAFT PLANS

The political division or section is the first of the five. It has a personnel of 150. Here specialists and experts in tactical and strategical matters work out plans and issue instructions to Communist Parties in various countries the world over.

This section is divided into four departments.

The first of these is the foreign political department, something like a foreign office. It is looked upon as the espionage or intelligence service center of the Cominform and of international communism.

The second department deals with the organizational work and directives for Communist cells, parties and trade-union infiltration, penetration, and camouflage in the different countries. This department also is alleged to keep book on all chief enemies of communism in each country.

YOUTH SECTIONS

The third department has the international youth organizations. Youth is the hope of the Cominform.

The fourth department has to do with the war of communism against religion or the use of religion to further communism.

The largest division of the Cominform is the second division. This is the military division. It has a trained personnel of 350 and is divided into 6 departments.

The first department has recruiting and the creation of "international brigades," such as participated in the Spanish Civil War and which are reportedly active in the rebellion in Greece. Arming of Communist groups and forces also comes within the scope of this department.

SEEK ATOM DATA

Next comes the military reconnaissance and intelligence service department. Obtaining information on atomic energy is one of the chief functions of this department.

The third, fourth, and fifth departments have transport, arms, and liaison.

The sixth is the operations department.

The third division has two departments: One handles the central accounting and bookkeeping, and the other economic matters.

The latter has charge of the economic planning for southeastern Europe and for the Far East. It could be called the anti-Marshall plan aid section because it has the undermining and frustration of Marshall plan aid under its directives.

PROPAGANDA SECTION

The fourth division is the globe-wide propaganda section of the Cominform.

According to Die Tat, this section is divided into a department for world revolution and another for internal affairs.

The former department has branches in Vienna, Prague, and elsewhere. Its special function is propagation of class warfare, the mobilization of the poor against the rich and of communism against capitalism.

The internal affairs section has four subdivisions: Pan-Slavic, Germanic, Latin, and Colonial. Each chair is filled by specialists and experts from representative countries.

EXECUTIVE BUREAU

The executive bureau comprises the fifth division.

Communist parties in all countries come directly under the directives of the highly organized general headquarters of the Cominform at Bucharest.

All of these directives have been so well formulated and carried out, notably in China and in Greece and elsewhere, that the Soviet regime in Moscow can say, "it's not me."

And that is going to make things even more difficult at the Paris Big Four conference.

One-worlders are agitating for a one-world government—a kind of heaven on earth with the difference that heaven is supposed to be ruled by God, who is almighty and therefore a dictator.

In the Cominform, communism already has a one-world government with its own god—Stalin—who also may not be openly criticized but ever praised.

Tennessee Valley Authority

EXTENSION OF REMARKS
OF
HON. GUY CORDON
OF OREGON
IN THE SENATE OF THE UNITED STATES
Wednesday, May 25 (legislative day of Monday, May 23), 1949

Mr. CORDON. Mr. President, during the current session of the Congress the President has committed his administration to the advocacy of the creation of a Columbia Valley Authority, or, as it is termed, I think, in certain proposed legislation, a Columbia Valley Administration, modeled along the lines of the Tennessee Valley Authority. Several bills have been introduced to effectuate the recommendation. Other areas have also been interested in recommendations made at one time or another for the creation of authorities in their sections, particularly the Missouri Valley, as to which bills are pending for the creation of the Missouri Valley Authority. I understand thought is being given to the creation of numerous other authorities, which might conceivably, in the end, blanket the United States.

The introduction of bills on this subject with the strong backing of the President has created intense interest, in the whole Columbia Basin, and in the Pacific Northwest generally. As a result of the public interest in the matter, one of the members of the editorial staff of the Oregon Journal, one of the two metropolitan dailies in the city of Portland, Oreg., was commissioned to make a study of the history and operation of the Tennessee Valley Authority. He did that. He reported his findings in a series of 12 articles published in the Oregon Journal. The articles represent a comprehensive and factual study of the Tennessee Valley Authority. They are readable, meaty; they deserve the attention of every Member of this body and of the House of Representatives, and also the attention of all citizens who may be interested in the question at hand. The purpose of the study was to furnish information with reference to TVA, which might be used in connection with proposals for broadening the authority area of the United States. Because of the comprehensiveness of the study, its objectivity and its conclusions, I ask

unanimous consent that the articles be incorporated in the Appendix of the RECORD. They will fill some 10 or 11 pages. I have an estimate from the Printer that the cost of printing the articles will be $825.00. I believe the articles should appear in the Appendix of the RECORD, so that all may read them. I may say, Mr. President, that the junior Senator from Oregon [Mr. MORSE] joins me in this statement and in this request.

The PRESIDING OFFICER. Is there objection?

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

TVA: MIRACLE OR MONSTER?

(By Tom Humphrey)

TENNESSEE RIVER VALE FOUND FABULOUS SPOT

(One of the livest issues in America today is that of valley authorities. Tom Humphrey, associate editor of the Journal's editorial page, who gave Journal readers More Power to You and more recently Kilowatt Crisis, has just completed an on-the-ground study of TVA, an accomplished fact, what it has done for and to the Tennessee Valley, and what current agitation for Columbia Valley Administration might do for and to the Columbia Valley. The resultant series of articles will be run daily in the Journal.)

TVA is a shield. A shining shield against flood and erosion and poverty and hopelessness. A shield held aloft by power.

Across it is emblazoned (just as one finds emblazoned across the walls of all TVA powerhouses) this legend:

"Built for the people of the United States of America."

It was to see this shining shield and, if possible, to see the other side of it, that recently I flew to the great, the legendary Tennessee Valley.

This is the land of De Soto, would-be Spanish conqueror, the land and the river of the Cherokee Nation; the land of countless conflicts—man against the elements, tribe against tribe, white hunter against Indian, North against South, brother against brother, river boat against railroad, government against private enterprise. It is a fabulous place, reeking with history, a land whose people were more than once almost annihilated by savages, a people who survived an obliterating civil war, and, more recently, a devastating depression.

I found that TVA lived up to its advance billing. Every bit of it. Believe me.

For TVA, like the valley it dominates, has size and scope and grandeur.

It makes one proud to see this glittering new thing in its ancient setting, this product of engineering genius, this evidence of calculated daring, this master plan in action. It is strictly dream stuff, yet you can see it, feel it and get your hands on it.

You almost want to stand and salute every time you see one of those soul-lifting, block-lettered slogans, every time you see another dam, every time you remember how some of your fellows tamed this most ribald and brawling of rivers after a century of failures. They've turned the "unconquerable Tennessee" into a string of placid lakes, chained it at last to do man's bidding. They're turning an eroded, one-crop land into a pastoral paradise—at least they're trying.

And you want to salute again when you think of Oak Ridge, the atomic energy giant where Hanford plutonium is processed, and see the great electroprocess industries which cheap and abundant power has drawn to the region like a mighty magnet—industries with magic names like ALCOA, and Monsanto Chemical, Victor Chemical, and Reynolds Metals.

You fly over or drive to some of the dams. You see the sprawling industries. You talk to the people. You remember this country as you saw it 30 years ago when you were a brash young army flyer, looking down upon the cotton fields and the red hills of Georgia and Alabama and Tennessee. The Tennessee was a narrow ribbon then. Today it is a region of man-made lakes. You are amazed at the change.

Then you stand in front of the monument to John Sevier beside the picturesque Knox County courthouse. "Nolichucky Jack" they called him. The pioneer, soldier, statesman, Governor of the "Lost State of Franklin," six times Governor of Tennessee, four times Congressman. Dead since 1815 he is, yet he symbolizes the tough-fibered independent fighting men who wrested Tennessee from the savage wilderness, and whose descendants, just as tough-fibered and independent are again making history in the valley.

You stand there, thinking of the past, trying to project yourself back to the days of the old Tennessee River, trying to imagine what this land was like when Hernando De Soto was there in 1541, when the Cherokees and Creeks and Chickasaws were kings of the valley, when the Tennessee was just "the great bend," so wild and turbulent that the first white men had to be "half horse, half alligator" to negotiate it.

You stand there and you think of the wilderness campfire tales of the "first" inhabitants of Tennessee Valley—the legendary "Welsh Indians" with their blue eyes and fair skins, and of the mound builders, offshoots, perhaps, of the great Mayan stock of Mexico and Central America, with its maize civilization, or survivors, perhaps, of sunken Atlantis. And you wonder about the Roman coins dug up in Tennessee Valley and what became of the "Stone Age Indians" who, unlike the later more energetic and warlike Cherokee tribesmen, were too lazy to hunt or farm or make war, but were content to live upon the mussels and snails along the river, tossing the shells into heaps that must have smelled to high heaven.

A fabulous place, the Tennessee in those olden days. As fabulous, almost, as it was when the first hunters came with their long rifles—and the Carolina traders after. Or as the Scotch baronet, Sir Alexander Cuming, who tried to create an Indian empire in the Tennessee wilderness—and darned near did it.

As fabulous, almost, as the days when Christian Gotlieb Priber, first radical to appear in the southern mountains, tried to establish a communistic-type federation, a "Kingdom of Paradise," a wilderness utopia for the Indians.

As fabulous, almost, as the later days of the flatboats and keelboats and steamboats which plied the upper and lower Tennessee and which found their passage blocked by Muscle Shoals, the Suck, the Boiling Pot, the Frying Pan and the Skillet, which defied progress (until TVA came) much as the Cherokee warriors blocked the westward movement of American civilization for more than a century.

As fabulous, you reflect, as TVA with its shining shield and its power and its dream of a pastoral-industrial civilization.

You turn back to your hotel, the swank Andrew Johnson, property of Jack Reynolds, the tobacco king. You take another quick look at the old Chisholm tavern, just below your hotel, built by John Chisholm in 1792, Knoxville's first hotel. A dreary ruin, in which four or five white families live amid squalid surroundings. Symbolic of the river-boat days that are gone. You think of gleaming white McLoughlin house at Oregon City and hope the Knoxville Journal's project to restore the old Chisholm tavern to its former glory is successful.

You turn away. Enough of history.

You have a date with chairman Gordon Clapp of TVA and with Bill Sturdevant, information director.

You want to know a lot of things, what TVA has done for and to a great valley, what an imprint of TVA could do, if anything, for a greater valley, the Columbia.

Tomorrow you're going dam hunting with Van Court Hare, TVA engineer.

And you're a right smart piece from home, as several have reminded you.

Time's awastin', even in this hydroelectric paradise.

TVA: MIRACLE OR MONSTER?

(By Tom Humphrey)

DEVASTATING STREAM CONTROLLED BY DAMS

(Art. No. 2)

TVA, in its original intent and purpose, is an instrument for controlling one of the "orneriest," most exasperating, most unpredictable, most devastating rivers in all America.

It has done just that. Done it with neatness and dispatch.

The Tennessee's development into a great hydroelectric power stream is supposedly incidental. Actually, it is a tail-wags-dog phenomenon, planned all the way.

TVA engineers—and TVA was able to grab some of the smartest boys in the business during the depression—now have nine great barriers across the main stem of the Tennessee. They start with Kentucky Dam near the confluence of the Tennessee with the Ohio near Paducah, Ky., and they end with upstream Fort Loudon Dam named for the famous French fort, the ruins of which may still be seen near Knoxville.

These dams, including Wilson which was inherited from the Army engineers, and Hales Bar, picked up from a private company, aren't big by western standards. Grand Coulee is bigger than all of them put together.

But they're called high dams in Tennessee Valley, and they really do a job for navigation. They drown out the treacherous shoals or "hogbacks" that spelled pure "hell" for rivermen for almost two centuries.

Each supplied with a lock, they provide a year-round, slack water channel 9 feet deep from the Ohio to Knoxville, some 630 miles upstream. And they've turned the old Tennessee River into a miniature Great Lakes (from the air the country seems to be half water) and as a byproduct their stream-flow plants pour a terrific jag of power into TVA's 2,500,000-kilovatt pool.

Take a look at the accompanying pictograph of the TVA water-control system and you see what we mean. Lakes, like Paul Bunyan steps from Paducah to Knoxville. Above them, on the Tennessee's brawling tributaries—the Little Tennessee, the French Broad, the Holston, the Clinch, the Nolichucky, the Watauga and the Hiwassee—is the great fan of storage or flood-control dams. Eighteen in all, including the five ALCOA dams tied into TVA's string, and with a storage capacity of 11,500,000 acre-feet.

These upper drainage basin dams, where the rain pours down at a normal rate of 60 inches a year, have no locks, but they have powerhouses, every one of them. They produce great gobs of power, too, and incidentally firm up the energy of the lower river plants.

It's really something. Holding a river in check. Using it over and over. Taming it for the Diesel-driven tugs and barges that have replaced the pole and sweep-driven tugs and barges that have and the picturesque steamboats that once plied the river and are now no more.

Don't be misled by the oversimplified pictograph of this great river system.

The Tennessee doesn't run in a straight line. It meanders every which way. It's really shaped like a fish hook. No one knows where it rises, though the confluence of the French Broad and the Holston near Knoxville is its official starting point. And the river certainly didn't know where it was going, once it started. There were no TVA-planned rivers in those days. It simply wandered off in a southeasterly direction, as though starting for the Gulf, then changed its mind, made a great bend and, contrary as ever, finally headed northward to the Ohio and Mississippi.

Twice it passes through Tennessee, dipping into parts of Alabama and Mississippi and finally cutting through a corner of Kentucky.

The lower reaches of the Tennessee, therefore, become one of the few north-flowing rivers of consequence in the United States, the Willamette being another..

So you fly over a flock of these dams and look down on the placid lakes backed up behind them. You stand at the bases of other dams, gawking upward. You look at the maps. And you reflect that here, almost completed—the South Holston and Watauga Dams are still under construction—is the most complete system for controlling an unruly river ever devised and executed by man.

This is an engineer's dream—a comprehensive plan and a blank check with which to effectuate it. This is multi-purpose planning in its ultimate form. This is a model of what the Columbia may someday be—on a much grander basis, of course, on a 10-to-1 scale.

And you wonder about it, as well as wonder at it. The countless millions of man-hours that went into it. The $850,000,000 of Uncle Sam's money that made it possible.

You wonder about its benefits versus costs ratio and the cost per kilowatt of installed capacity of its beautifully engineered power plants (no expense spared).

You wonder about its impact upon the people of the valley—upon their transportation pattern, upon their agriculture, upon their income, and upon their vaunted independence and their way of life.

You think a bit nostalgically of the golden days of the steamboats, of their struggles with the rapids. You recall that it was John C. Calhoun, Secretary of War back in 1824, who first suggested the taming of this river by the Federal Government. Those were the days when, as President Andrew Jackson forcibly pointed out, it simply wasn't fittin' for the Federal Government to spend good money for the benefit of a local community or region. And you think of the abortive efforts that followed, all miserable failures.

You think of the record flood of 1867, when the Tennessee, sometimes a mere trickle, thundered down upon Chattanooga at a hundred times its low-water volume, a monster of destruction.

You think of the current wrangle over flood control at that same Chattanooga and the predictions of Army engineers that if the city doesn't bestir itself about local levees and flood works, it risks a $100,000,000 flood—for all of TVA and its vaunted flood-control system. TVA itself estimates the possible damage at $80,000,000. And you think about that.

Then you get out the Tennessee River survey maps prepared by Maj. Lewis H. Watkins, Hugh B. Hooper and the Corps of Engineers at Chattanooga back in 1928—5 years before TVA was anything but a frustrated dream. You compare it with the latest map you picked up at TVA. And they are so much alike that at first glance you think they are the same.

You ask about that and find that TVA simply picked up the Army engineers' program for the comprehensive development of the river, refined it a bit, put a TVA label on it, and had at it—after the great depression gave the plan urgency and Messrs. Roosevelt, Norris, and McKellar and the Congress gave it the nod.

You wonder about that too, and what would happen to the Army engineers' main control plan (308) for the Columbia Basin, a plan that makes TVA with all its glitter look like kid stuff. Would it, some day, bear a CVA label?

And you wonder about the five ALCOA plants that have finally been integrated into the TVA system after 5 years of resistance. ALCOA really did the hydroelectric pioneering on the Little Tennessee, you know, starting way back in 1916 and perhaps it had some pride of authorship, besides a need for great blocks of TVA power.

You ask, finally, if TVA really does what it is billed to do, that is, really controls floods in Tennessee Valley and really serves as a boon to navigation. You are assured by everyone in TVA that it does. Here are the figures to prove it right here in black and white in TVA's latest report to the President and the Congress:

"Flood control by the multiple-purpose system of dams averted about $13,000,000 in damage at Chattanooga, Tenn., (in 1948) and about $1,600,000 damage to agricultural areas in the lower Ohio and Mississippi Basins," it says.

"The new 630-mile navigation channel carried 350,000,000 ton-miles of traffic in 1947," it says, "with volume increasing about 30 percent in the first 6 months of 1948. Freight savings in 1947 were estimated at nearly $3,000,000 or about a third of those foreseen when traffic reaches full development."

All this and 15,000,000,000 kilowatt-hours of electricity, too.

There it was again, that shining shield—dulled a bit by pictures you'd seen of last spring's floods in the streets of Knoxville and Chattanooga, blurred a bit by the lonely looking tug you'd seen nudging its barges toward the deserted looking docks of Port Knoxville. Dulled and blurred a bit, but gallantly shining still.

So you ask how they do this flood control trick, this trick no one has been able to do since Calhoun, not even General Goethals, builder of the Panama Canal. And they show you. And it's really something to see.

A weather expert, imported from Washington, has devised a special weather reporting system for TVA. He can tell the head river control engineer days in advance how much rain to expect in each of the six districts that comprise the 40,000-square-mile Tennessee watershed.

This weather man also gives the river control engineer daily rain gage reports from 150 places, 40 of them from clever automatic radio gages in remote areas. When it rains, they broadcast—just like that. Taking these predictions and precipitation reports the engineer makes his decision each day of the flood season, sending orders to the various dams for releasing or storing water.

The chief load dispatcher can then give his power orders to the various control rooms at power plants all of which are instantly available over carrier current systems.

It's a sweet deal, with absolute control of the flow of a river in one man's hands and two and one-half million kilowatts of power for another to play with.

That river control engineer is like a train dispatcher, but instead of dispatching trains he dispatches rivers. It must seem like playing God, but you feel sorry for him just the same when the rains are booming down and he's on a three-shift basis, and he must be wondering if this is another record buster. You see, if he makes an error, the ensuing wreck is worse than it would have been without any master-control plan whatever. Thank you, and how are your ulcers?

So you shake your head in wonder.

You're still in the conducted-tour phase, you see, in which many a big-eyed reporter before you has become entangled for weeks on end. So you resolve to break the spell and barge out on your own.

There's the other side of the shining shield, remember—if you can just get around to it.

TVA: MIRACLE OR MONSTER?

(By Tom Humphrey)

PRIVATE POWER LOSES BATTLE FOR CONTROL

(Art. No. 3)

TVA is now an accomplished fact—big, real, seemingly impregnable.

But TVA had need for its shining shield in the early days when it was fastening itself upon a region.

It had a magnificent plan. It had great and good friends in Washington—friends like Roosevelt and Norris and McKellar of Tennessee. It had a brand new, nay a revolutionary, tool to work with, a flexible private corporation with the power and wealth and prestige of the United States Government behind it. It had a backward, dirt-poor region bigger than the British Isles to work on. It had a mission, a mandate, and a blank check. Its burning purpose was to wipe all sins away, social and economic. And but quick.

But it had opponents, too. Plenty of them. It had a fight on its hands.

It was dealing with a stubborn river, a stubborn land and a proud and stubborn people.

Thus while TVA engineers went at their jobs hammer and tongs, TVA attorneys and their triheaded boss, the TVA board, had plenty on their minds. TVA was in the courts all the time, it seemed, either suing somebody or being sued by somebody. Directors complained that they couldn't get their work done for suits.

TVA had to have land—more than a million acres of it—for dams and reservoirs, for transmission lines and towns. So if it couldn't negotiate deals with owners, it exercised its powers of eminent domain. It sued.

It even evolved an ingenious technique for blanket take-overs. Individual suits were too time consuming. TVA, therefore, worked out its nontrading scheme, ostensibly to protect the Government against land speculators.

The scheme was simple and effective. Appraisers set the price. TVA made the offer. There could be no trading. The owner had to take it or leave it. Most of them took it, but many went to court to defend themselves against condemnation.

Remember, the war hadn't come with its insatiable demand for the light metal and chemical industries and for explosives. So TVA had to have customers, preferred customers. The TVA Act had directed that preference be given municipalities, rural electrict cooperatives, and other public agencies. And there simply weren't any worth mentioning in the Tennessee Valley area. Ergo, TVA had to promote them. And it did so.

It used as weapons (a) its broad bond-issuing powers, (b) the relatively high rates of the private companies of the region—the southern power companies weren't as far-sighted about rates as those of the Pacific northwest—(c) the PWA grants Mr. Ickes held out to any public power group that was interested, and (d) TVA's own wholesale and retail rate structures. Yardstick rates, they called them. And they were so low, by then current standards, that they made people's eyes stick out.

It made little difference that these rates were subsidized rates pulled out of a hat before TVA had figured its costs and that allocations to power on multiple-purpose dams were later arbitrarily made to fit these rate structures.

All the people cared to know was that the hydroelectric kingdom was coming. So municipal power boards and rural coops bounced up all over the place. They grabbed Mr. Ickes'—40 percent grant—PWA handouts—Tennessee communities $5,000,000, Alabama $2,600,000, Mississippi $2,000,000—and either started to build competing systems or to hack existing privately owned systems to pieces. Yes, just as Washington PUD's are hacking Puget Sound Power & Light to pieces.

The private companies, which had tried unsuccessfully to make a deal to buy TVA power and distribute it at rates fixed by the Federal Power Commission—just as Henry Ford had tried unsuccessfully to buy in the old Muscle Shoals project for $5,000,000—didn't take it lying down. They faced extermination. So they fought back. They and their stockholders in the Tennessee Valley filed about 50 suits, injunctions, and pleas for dismemberment damages. They charged conspiracy, coercion, and fraud. They won a few lower-court decisions, lost others.

Finally 19 companies joined together in the famous Ashwander case which attacked the constitutionality of the TVA Act and all that it implied. Their case made Supreme Court history, the dissenting opinion was caustic, but they lost it just the same.

The Congress, after a bitter fight, amended the TVA Act to permit the Authority not only to acquire the transmission lines and water-power properties of Wendell Willkie's Commonwealth & Southern group, but also to acquire its steam plants. TVA could do anything from then on.

Ana Mr Roosevelt obligingly called Mr. Willkie to the White House and laughingly told him that he'd better sell Tennessee Electric Power Co. while he still had something to sell.

That did it. Willkie sold for $78,600,000—about 80 percent of the real value of the properties. The other power companies gave up, either selling or making deals to cede parts of their territories to TVA distributors. They were paid $116,000,000, lost 288,000 customers in the deal The TVA team had won. It had an unbeatable hand.

Soon Knoxville, Chattanooga, Memphis, Decatur, Meridian, and everyone else was in the public power business. TVA and its retail outlets had an undisputed power monopoly over 80,000 square miles of the South, twice as much as the Tennessee Valley watershed over which the original TVA Act gave it jurisdiction.

Today TVA has 140 municipal and cooperative distributors, all bound to TVA by 20-year contracts, all committed to buy from no one but TVA, all selling at the TVA retail rate, all bound by law to use power revenues for nothing except expanded service or reduced rates. Between them they serve a million customers, customers formerly served by 32 private companies.

It was a clean sweep. The kilowatt kingdom had come.

But there were other than land acquisition and power company problems to be ridden down by TVA in TVA's hectic, formative years.

From time to time nosey congressional committees cluttered up the place, probing into TVA's funny accounting system, its "carpetbagger" personnel policies and what have you. These hearings took months, filled volumes, were very annoying, but they didn't stop TVA.

States, counties, and cities and outfits like the Tennessee Taxpayers Association began to shout for in-lieu payments to make up some of the millions in taxes the private companies had been paying. They had to be hushed up. Displaced persons had to be taken care of some way. But these things were merely petty annoyances to TVA.

TVA was really rolling.

Then, suddenly, up jumped the devil, internal strife.

F. D. R. had named Arthur E. Morgan, distinguished engineer-educator, chairman of the TVA Board. He naturally assumed leadership in the engineering phase. David E. Lilienthal, Harvard law school graduate, brilliant young New Dealer and leader in Wisconsin's fight to regulate power companies, was also named, despite Senator McKellar's strenuous objections. Passionate advocate of public power and social reform, he naturally assumed leadership in this field. And Dr. Harcourt Morgan, president of the University of Tennessee and no relative of A. E. Morgan's, shared their great power. His chief interest and concern was the fertilizer and agricultural phase.

Thus with a kingdom divided, a clash was inevitable.

It came while the Tennessee Electric Power Co. case was still pending and the claims of Maj. George L. Berry and associates for $5,000,000 for marble mines inundated by Norris Dam were a noisy issue.

Chairman Morgan broke openly and vocally with Lilienthal and the other Morgan. He really threw the book at them. He charged they were guilty of "evasion, intrigue, and sharp strategy," that they had not supported him in his drive for "honesty, openness, decency, and fairness" in the conduct of TVA affairs. He tossed in the matter of altered Board minutes in connection with the Commonwealth & Southern deal. He charged that Lilienthal and Harcourt Morgan had gone around him on power and fertilizer policy matters. He demanded a congressional investigation.

There was hell to pay—an internecine war in a hydroelectric heaven.

TVA opponents were delighted.

Lilienthal and Harcourt Morgan took their case to F. D. R. himself. F. D. R. first told all three directors to compose their differences or quit. They did neither. Then he ordered A. E. Morgan to the White House. Morgan held out. Finally F. D. R. fired him outright. Morgan refused to be fired. But Morgan lost his fight. He was curtly dismissed as Chairman and director. He was destroyed. And the men he had accused of "undemocratic behavior" were retained.

Idaho's Senator James P. Pope got A. E. Morgan's job. But Lilienthal and his boys were in the saddle. They still are. You see, aging Dr. Harcourt Morgan has quietly retired and has been replaced (while I was there) by the scientist-educator Dr. Harry Curtis, former chief chemist for TVA. Mr. Lilienthal, of course, has become Chairman of the Atomic Energy Commission, again over the strenuous objections of Senator McKellar. But Gordon R. Clapp, who became Chairman of TVA when Lilienthal switched to AEC, is a Lilienthal-trained man. He was also persona non grata to Senator McKellar in the beginning, though McKellar has since relented.

Anyway, TVA is still a Lilienthal show and that TVA shield is a Lilienthal shield. Your reporter instincts tell you so. You can certainly feel his presence there. You have a hunch that if a CVA were ever established in the Pacific Northwest, it too, would be in the Lilienthal pattern, no matter who the nominal directors might be.

You have a feeling, too, that while TVA professes to have learned a lesson from the famous Morgan-Lilienthal feud (board members say they don't divide the kingdom as they once did, confining their activities to policy-making and working through a general manager) the TVA board is again unconsciously doing just that.

Pope, the politician, devotes most of his time and energy to community relations.

Curtis, the scientist, is taking over the fertilizer deal. Incidentally he is thoroughly familiar with the phosphate situation in the Pacific Northwest.

That leaves Clapp a free hand on power policy and that, despite all protestations, is the real TVA show.

TVA: Miracle or Monster?

(By Tom Humphrey)

HUGE POWER PROJECT SUBJECT TO NO CONTROL

(Art. No. 4)

Down in the Tennessee Valley you find they still preserve the polite fiction that TVA is primarily a flood-control and navigation project. With free fertilizer a major sideline, of course. But with power a minor incident.

Maybe it's because the original legislation establishing the Authority back in 1933 didn't even mention power in its title and stated purpose, which read:

"An act to improve the navigability and to provide for the flood control of the Tennessee River; to provide for reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of said valley; to provide for the national defense by the creation of a corporation for the operation of Government properties at and near Muscle Shoals in the State of Alabama, and for other purposes."

(Note that "for other purposes." It later came to cover everything under the Tennessee sun.)

You have to dig way down to item L of section 5 of the TVA act to pick out the first direct authorization to produce, distribute, and sell electric power. Even so, the act directed the TVA Board to operate its dams and reservoirs "primarily for the purpose of promoting navigation and controlling floods."

Well, TVA has tried to promote navigation and to control floods and to promote the agricultural well-being of a region. It has tried to do good on a grand scale. It has given away hundreds of thousands of tons of fertilizer. But make no mistake about it, TVA is primarily a power show.

Power has enabled TVA to extend its influence outside the Tennessee watershed—to double its former size. Power, cheap power subsidized by interest-free tax funds, has proved very attractive indeed to the people of a vast area. Power from TVA plants accounts for fabulous Oak Ridge and the great light-metal and heavy-chemical industries in Tennessee Valley. It's power that holds aloft that shining TVA shield, as I said at the beginning.

It's ironic in a way, that the power program which was mentioned only in whispers in the early TVA days and always last, even today, is by far the most successful operation in the TVA book.

People may say that TVA reservoirs have flooded more valuable agricultural land, flooded it permanently, than floods ever touched in the pre-dam days. And the record seems to sustain them.

People may say that the navigation channel provided at such great cost came 100 years too late.

They may even argue about cost of the plushy TVA dams and powerhouses. But the fact remains that Messrs. Morgan, Lilienthal, and Clapp really did a job on power. They may have bent the TVA act a bit (particularly in formative years) in the doing, but they did it. Witness this:

TVA's 27 hydro and 6 steam plants produced 14,250,000,000 kilowatt-hours of energy last fiscal year. TVA sold it for almost $49,000,000 to distributors who sold it in turn to almost 1,000,000 customers for more than $60,000,000.

That's a lot of power from a lot of plants for a lot of customers.

It's a lot of power, even by northwest standards.

TVA has taken this power and created a power empire, the greatest power monopoly in the United States, bar none. For, you see, TVA is the sole supplier of power for 80,000 square miles of territory containing 5,000,000 people. This is power, king size.

TVA is answerable to no one (except nominally to the President) for its costs, its rates, or its methods of operation. It can plow its earnings back into system improvements or fertilizer or recreation or fish or seedling trees or traveling libraries or towns, or what have you—without going back to Congress for permission.

It has had to go to the Congress for permission to build the new $54,000,000 New Johnsonville steam plant, an unprecedented proposal that makes many Congressmen, many United States Chamber of Commerce members very unhappy, but that's another story and another issue.

TVA controls the rates and the operations of its 140 public power outlets, controls them absolutely. States and municipalities have nothing to say about it. Neither has the Federal Power Commission or any other Governmental regulatory body. TVA and its affiliated distributors can do anything and everything with power—anything but eat it.

Of course, by Northwest standards, TVA's power installations are pretty expensive. And their production is limited by the demands of comprehensive control of a river for flood control and navigation purposes.

Our two great power projects, Bonneville and Grand Coulee, have a combined capacity three-fourths as great as all of TVA's 34 power plants, yet they cost only 55 percent as much as TVA has cost. They produced almost 11,000,000,000 kilowatt-hours of power last fiscal year.

In engineering terms, Bonneville and Grand Coulee cost only $171 per kilowatt installed, including transmission lines, whereas TVA's cost, including cheaper-to-build steam plants, is $214 per kilowatt installed, also including $125,000,000 worth of transmission lines.

Of course, TVA lists 14 of its dams as multiple-purpose projects, that is, they combine flood control, navigation and power features. But Bonneville and Grand Coulee are multiple-purpose projects, too, though we in the Northwest don't kid ourselves or the Congress about such things. We think of them first as great power projects, secondly as navigation or reclamation or flood control jobs.

TVA has a lot of angles. Here's one:

It can allocate costs on its multiple-purpose projects any way it pleases. And it has done just that.

For example, TVA's last report shows that it had spent more than $811,000,000 altogether up to last July 1. Of this, $579,000,000 was spent on multiple-purpose projects like Bonneville and Grand Coulee. But TVA has allocated only $277,000,000 to power at these multiple-purpose dams. That's only 48 percent, by our slide rule. Try to figure that one out.

In the Northwest, allocations to power, navigation, reclamation, flood control, fishways, etc., must be approved by the Federal Power Commission, according to long-established formulas. As a consequence, 71 percent of the total cost of Bonneville and Grand Coulee Dams (about $317,000,000) was allocated to power. But only 59 percent (it was 40 percent originally) of the total cost of TVA has been allocated to power. See what we mean?

Bonneville power administration's rates, based upon these allocations, are not only subject to approval of the Federal Power Commission, they must also be high enough to pay interest on the total power investment at 2½ percent and to amortize this investment in 50 years. TVA doesn't worry about interest, and it didn't worry about amortization either—until the Eightieth Congress directed that it do so, starting this year. In short, up to this year, TVA hadn't paid a dime back on the $777,000,000 in direct appropriations made to it by the Congress.

It's only money, apparently—Uncle Sam's money.

Bonneville Power Administration has paid back into the Federal Treasury a total of $122,700,000 in 9 years, or approximately its gross power revenue. Like other Federal agencies, however—all but TVA, that is—it must go back to the Congress each year for maintenance and operation funds and for appropriations for new projects. But it pays the money back, with interest. To date, BPA has paid more than $38,000,000 in interest, plus $32,000,000 net, over and above operating expenses and depreciation, for amortization purposes.

By contrast, TVA uses whatever revenues it needs for capital improvements and services, and also goes back to the Congress each year for more money. Meanwhile it has paid back into the Federal Treasury only $30,970,333. And it still has $54,000,000 worth of bonds outstanding. The only interest TVA pays, incidentally, is 1 percent on these bonds.

In simple terms, power users of the Northwest are paying for the power installations at Bonneville and Grand Coulee. They're amortizing the allocation to power, helping pay for the reclamation of 1,200,000 acres in the Columbia Basin project and paying interest, too. They're going to do the same thing on McNary Dam and other great projects. They can do so, of course, only because these plants are among the most efficient in America. They carry themselves, but permit a very low wholesale rate, too—lower than TVA's wholesale rate.

Power users of the Tennessee Valley do nothing of the kind. They've got themselves a deal. And they weren't and aren't going to spoil it by talking to me or anyone else about costs arbitrarily allocated or rates pulled out of a hat.

Power is thus the big show in TVA-land. Flood control, navigation, and free fertilizer are window dressing.

Again tail wags dog.

TVA: Miracle or Monster?

(By Tom Humphrey)

TVA is a land of displaced persons, displaced agencies

(Art. No. 5)

No one is stupid enough to assume that a great multiple-purpose project like TVA—with its vast construction program and its regionalization of 80,000 square miles of America—can be consummated without dislocations of various sorts.

You can't spend almost a billion dollars anywhere or in any manner or for any purpose whatsoever without touching a lot of lives, without pushing people around.

You assume all this when you enter the Tennessee Valley.

So you try to put preconceptions behind you. You try to evaluate these dislocations dispassionately. You weigh them against benefits, and against dislocations you have seen in the Pacific Northwest. You classify them, insofar as it seems reasonable, among the prices of progress.

You make careful inquiry as you move around. How many displaced persons has the TVA program produced? What happened to them? How many acres of rich farm land lie on the bottoms of those 22 beautiful man-made lakes? How many dislocated homes and businesses are there? What's happened to the old-line Federal agencies that operated or still operate in the Tennessee Valley? Things like that.

You find some reticence on the part of TVA officials and the defenders of the faith. They hedge a bit. But you finally dig out the facts. And they aren't pretty.

TVA, you find, is a land of displaced persons and displaced agencies.

These persons, these agencies, didn't ask for TVA, you find, yet they got it, superimposed from outside the valley. And they have felt its ruthlessness as well as tasted its largesse.

You ask at TVA and at the University of Tennessee and elsewhere how many people TVA had to move to get that more than a million acres for dams, locks, and reservoirs, for fertilizer plants, and construction towns. How many pieces of property?

They sidestep a bit (just as they look blank when you ask about self-liquidating projects such as those of the Pacific Northwest). But finally they reduce it to families—about 14,000 of them, they say, counting some 225 displacements at South Holston and Watauga Dams, still under construction. More than 30,000 different tracts of land, averaging about 40 acres. About a half million acres of it agricultural land (the Extension Service estimated) that produced $27,000,000 worth of crops annually—at prewar prices.

Do a little mental arithmetic and you see that at least 75,000 persons were actually forced to leave their homes, farms, and businesses to make way for the taming of a river. And this does not include the thousands of persons who lived on higher ground and worked on lowland farms or in lowland canneries, flour mills, and other small establishments.

I imagine what would happen in Oregon if 75,000 persons were told they must leave their homes to make way for progress—any kind of progress. Remember what a howl went up when it developed that one of the Willamette Valley project dams would flood out picturesque Sweet Home in Oregon—and how the Army engineers changed their plans accordingly? Imagine what would happen if the Army engineers were to attempt to move as many people as now reside in Eugene, Albany, and Oregon City. There would be hell to pay.

And there was hell to pay in Tennessee Valley, particularly in east Tennessee where the people are every bit as independent and home loving and as adverse to being pushed around as are the people in Oregon.

Of course, TVA handled the displaced persons things with kid gloves. It persuaded the Extension Service and the county agents—they knew these about to be displaced people, these victims of progress, personally—to do the job and they did it skillfully. TVA didn't haggle over prices, either, though it had to take some cases to court.

Nevertheless there was big trouble in Tennessee Valley, particularly over Douglas Dam which became a cause celebre and still is. You see, Douglas took some of the richest bottom land in Tennessee out of the picture. It necessitated removal of 759 families—1,000 full-time and 1,150 part-time farmers. It eliminated five canneries and four flour mills employing more than 2,000 persons. Altogether it affected more than 20,000 persons who depended either directly or indirectly upon that area for a livelihood.

These people didn't like any part of it. The farm bureau didn't like it. Dr. C. E. Brehm, now president of the University of Tennessee didn't like it. Dr. James D. Hoskins, then president of the university, didn't like it. And doughty Senator McKellar—for my money, more than Senator Norris, the father of TVA, but sometimes its severest critic—didn't like it. And they said so. Said so loudly. So loudly that they were heard in Washington.

Dr. Hoskins put his university experts on it, and determined exactly how many people, how many jobs, how much agricultural income were to be destroyed.

But TVA engineers went right ahead with their plans. They wanted more power.

They wanted it right there. No other spot would do. The hill land to which the people could be moved could be made as productive as the bottom land, they said—if you used enough free fertilizer. And they promised to provide the free fertilizer.

This line didn't satisfy Dr. Brehm who said: "The concentration of so many reservoirs in such small areas as east Tennessee where there is a small amount of good farm land to support the population presents a serious problem, not to mention sentimental attachments that people have for homes. Could not these reservoirs be distributed over a wider area of the United States? There is no price that can compensate people for these values in a home."

Dr. Hoskins demanded: "What provision can be made for these dispossessed? Is a Government check or ready cash any solution of their problem or of the community problem? When good soil and farm homes are destroyed, the loss may be irretrievable."

And Senator McKellar made a caustic attack upon Mr. Lilienthal and J. A. (Cap) Krug, then TVA power manager, now Secretary of the Interior. He charged them with "indefensible and vindictive obstinacy" and demanded that they resign.

The critics were making headway, too, when suddenly the war came. All their protests were swept aside by the national emergency. The people were moved to red hill farms, the rich bottom lands inundated. Pearl Harbor built Douglas Dam. It also bailed TVA out of one of its most embarrassing situations.

And what of the existing agencies?

Remember that TVA makes a fetish of cooperation. It denies flatly and hotly superstate charges. It likes to work through other groups, at the grass roots, whenever it can and whenever it suits TVA's broad objectives. Witness the things with land-grant colleges and the extension service on test demonstration projects and the use of county agents to relocate displaced persons—a ticklish job if there ever was one. TVA calls these arrangements "partnerships." It has hundreds of them and says "more than a score of Federal agencies and bureaus make their specialized services available in the valley program."

Remember, next, that other Federal and State agencies had done a great deal of work in Tennessee Valley before TVA came—not as much by far as TVA has done or half the amount needed—but a great deal just the same.

The Corps of Engineers, for example, had built Wilson Dam, started Wheeler Dam when TVA took over. It had evolved a comprehensive high-dam plan for the multiple-purpose development of the Tennessee. Among other things, it had located 149 hydroelectric sites and indicated they could produce 25,000,000,000 kilowatt-hours of power a year.

The Soil Conservation Service had its program, too. So did the Forest Service, the National Park Service, and other agencies. The Bureau of Reclamation had little to do with the valley which needs little irrigation and has never been irrigation-conscious. The States all had their various programs. Not coordinated, but they had them.

What of them now?

The Army engineers (who thought of the whole thing first) have been elbowed out of the Tennessee Valley. Oh, they were allowed to complete some of the locks they had designed. And TVA still graciously permits them to operate these locks. The Bureau of Reclamation was asked to design Norris and Wheeler Dams and did it, just to save TVA time. But the Army engineers are out of the valley.

The Soil Conservation Service also is out of the valley, frozen out by TVA. It still has nominal responsibility for soil conservation in that area, as it has elsewhere in the United States, but it isn't exercising it. Not any more. And William Vogt, in his Road to Survival charges that "soil conservation therefore has lagged far behind much of the rest of the country."

This is hard to verify on a brief stay in the valley, but this is for sure: The Department of Agriculture is very unhappy about the treatment accorded the Soil Conservation Service in Tennessee Valley, and will seek a better deal if and when a CVA is established.

Secretary of Agriculture Charles F. Brannan told the Senate Committee on Public Works, in connection with proposed amendments to the TVA Act last year, that:

"It would not be appropriate to leave the committee with the impression that the TVA and Department of Agriculture have reconciled all of their policy or operational differences or difficulties. To date the Soil Conservation Service program is operative with respect to less than 5 percent of the farm lands within the Tennessee watershed. It is now operative with respect to approximately 66 percent of the farm lands of the Nation."

Mr. Brannan also indicated that there is waste and duplication of effort in the forestry program, but told the committee "we are doing, and TVA also, our very best to eliminate any possible waste as to the result of exercise of our duplicate authority."

The Forest Service, with headquarters in Atlanta, still operates in TVA territory, though national forests are relatively unimportant there as compared with the Pacific Northwest. It trades lands with TVA, plants TVA seedlings, cooperates with TVA on experimental work, reforestation and fire-protection work. TVA hasn't encroached on the Forest Service as yet, but Forest Service people, noting what has happened to other agencies, have a feeling that their time may come. They concede that TVA has the authority to push them around any time it feels like it. As for the Coast Guard, TVA still permits it to patrol the chain of lakes that was once a river. The National Park Service is hacking it all right with TVA, one reason, perhaps, being a 40,000-acre gift of land near Fontana, Great Smokies National Park.

The Army engineers at Atlanta and Nashville watch their language.

Officially they say their working relations with TVA, at the operation level, are very pleasant. They deliver power from Dale Hollow Dam to TVA. They keep very busy with the comprehensive development of Cumberland Basin, with projects on the Savannah, the Alabama-Coosa, the Apalachicola-Chattahoochee, the Etowa and Pearl Rivers, and with plans for controlling the unruly Lake Okeechobee in Florida. They have some magnificent jobs under way.

They do point out, however, that up to last year the Cumberland, despite its obsolete locks, carried more tonnage than the Tennessee. They do have projects on this great river that will produce 850,000 kilowatts of power, even with the low dam at Eureka, a concession to the wishes of the Governors of Tennessee and Kentucky.

They keep busy and they aren't talking. But they know the signs of another takeover by TVA when they see them. And despite denials hedged by statements that the people will decide the issue—pro-TVA papers in the Tennessee Valley are demanding action. They're saying the Cumberland could be another Tennessee, that TVA needs it.

It's just a question of time.

Thus time and regionalism march on.

The other side of the shield is appearing.

TVA: Miracle or Monster?

(By Tom Humphrey)

CLIQUE RULE CHARGED IN LABOR RELATIONS

(Art. No. 6)

The TVA Board has absolute control over the hiring and firing of its employees—13,581 when I was in Tennessee Valley last month, more than 42,000 at the peak of construction. And when I say absolute, I mean absolute. The TVA Act sees to that.

Once the TVA Board is appointed (for 9-year terms at $10,000 a year) by the President and confirmed by the Senate, they're the works.

The law specifically exempts all TVA employees from the Civil Service Act.

It says: "The Board shall, without regard to the provisions of the civil-service laws applicable to officers and employees of the United States, appoint such managers, assistant managers, officers, employees, attorneys, and agents as are necessary for the transaction of its business, fix their compensation, define their duties, require bonds of such of them as the Board may designate, and provide a system of organization to fix responsibility and promote efficiency."

Then, as if that weren't enough, the act says: "Any appointee of the Board may be removed in the discretion of the Board." Period.

True, the Board is directed to pay the prevailing rates of wages for work of a similar nature and to take into consideration such wage rates as have been secured through collective bargaining in the area. But the Board is not directed to make contracts with established labor unions, nor has it done so. And if workers are not satisfied with the wage rates established by the Board, their only appeal is to the Secretary of Labor, whose decision is final.

So in TVA you have no civil service, no formal agreements with organized labor. Each year TVA holds a conference with the 15 or so representatives of organized labor in the region. At this conference, wage scales and working conditions are determined. TVA then hires its men on an individual basis, without consulting union leaders or employing union hiring halls.

Nearby, at the Oak Ridge atomic energy plant, all Atomic Energy Commission construction workers are hired by private contractors through the unions, under union contracts. Over the ridge in the Cumberland Valley, workers on Army engineer projects are hired by the contractors through the unions, under union contracts. The Pacific Northwest also. On Government jobs all over America, in fact. But not at TVA.

So TVA has worked out its own unique labor-relations program. No political or racial discrimination.

You find, however, all major construction work is done on a force-account basis. TVA makes its own plans and specifications, does its own engineering, hires its own workers direct. No advertising for bids, no private contracts—except an occasional tunnel or highway or installation job that TVA doesn't want or can't handle.

There's no civil service to bother with, so TVA has set up its own merit system, its own training program, picking up or developing skills wherever found. It has set up its own retirement plan (it applies to workers on an annual basis only). You see, TVA employees also are specifically excluded from the benefits of the Social Security Act. That means, of course, that workers on an hourly basis can work for TVA for 10 or 12 years, as some of them have, and they have no old-age retirement insurance whatever and they're not covered by TVA's own retirement program.

You remember the strong position taken by the Portland labor-management committee against force-account work. (Incidentally it commissioned me to check working conditions in TVA-land.) You remember the consistent fight made by the League of Women Voters and others for extension of civil service. So you ask about these things everywhere you go in Tennessee Valley.

Senator Pope (TVA board member for a decade) tells you that TVA does its own con-

struction work on a force-account basis for three reasons:

1. TVA had such a big construction program (three times greater than the Panama Canal) that it was found better to acquire its own equipment and skilled personnel and move them from job to job.

2. TVA thinks this procedure more economical (private contractors have to make a profit, you know).

3. TVA wants to deal directly with all its employees, not through contractors, not through the unions.

And on at least one basis the matter of peaceful labor relations, this system seems to work in Tennessee Valley. There were no work stoppages during the war and only one short-lived strike to date, while Oak Ridge has had several.

You ask Van Court Hare, the TVA engineer, about this as you drive up to Fontana and ALCOA's string of dams on the east Tennessee.

Hare thinks force account operation is good in an emergency such as TVA faced. He said TVA didn't have time to contract big TVA jobs. There were no large, heavy construction outfits in Tennessee Valley like Morrison-Knudsen, Kaiser, and the Big Six outfits in the West. (Outfits, incidentally, that build anything anywhere on earth.) And he estimates TVA saved $20,000,000 during the peak construction period by accumulating a reservoir of equipment and trained personnel and moving them from job to job.

So you ask B. J. Hannifin, business agent of the Building Trades Council at Knoxville. He tells you how the Tennessee Valley Trades and Labor Council, made up of TVA and representatives of various internationals, confers over wages once a year. This understanding runs for a year, he says, seems to work pretty well. TVA hires its men from its own personnel files, not through the unions. It operates on an open-shop basis (as it must under the Tennessee law). An employee of TVA for 10 years, he feels that TVA has been friendly and fair with labor.

"The bad feature," he admits, "is the fact that there is no social security for any men working for TVA on an hourly basis. You can work for 10 years on TVA construction jobs and not be covered by old-age retirement insurance."

You look at the new wage schedules in TVA's office memorandum covering 1948. They're not bad. Not quite as good as those of the Pacific Northwest, but not bad—good, in fact, for Tennessee Valley where wage rates once were notoriously low. For example, carpenters working for TVA get $1.90 an hour, those in Portland $2.10. Machinists get $2.12½ there, $2.15 here. Electricians get $2.25 there, $2.13 here. Painters get $1.85 there, $2.10 here. Unclassified labor gets 95 cents there, $1.70 here.

TVA also tries to employ Negro workers in about the same ratio they bear to the population of the region.

But the point is, TVA has the authority to fix both wages and working conditions. It's take it or leave it.

That's about all, except this:

You talk to some former TVA employees who got enough of TVA and took a walk, men like L. B. Bolt, Jr. and Arthur L. Davis, prominent Knoxville attorneys. Both are fugitives from TVA's legal staff. Bolt was on condemnations and Davis on patents. Both since have told congressional committees what they think of TVA's merit system, its land-acquisition program, its fertilizer program, its methods of handling patents. They have nothing to lose. They speak frankly.

The merit system, they say, is one of the most highly propagandized aspects of TVA. But there is no such thing. TVA is run by a small clique. "If you aren't a member of the Lilienthal-Clapp lodge, you're out," they say. "And most of the good technical people, who didn't get the gospel, were out of TVA by 1946."

Appointments and advancements to or in the good jobs are on a personal, political, and ideological basis, they charge.

"TVA merit system? What's that?

"If TVA could get rid of 20 or 30 of the lodge brothers," they add, "it would be all right. Ninety-five percent of its employees are O. K."

There it is. All sides of the case for you to judge.

You look back at the copy of the TVA Act Senator McKellar sent you. You find at least a partial answer to a question that grows in your mind: How is this thing? It's in paragraph (h) of section II. It sets forth the only qualification for appointment to the TVA Board that you can find. It says simply:

"All members of the Board shall be persons who profess a belief in the feasibility and wisdom of this act."

They and their employees like them.

TVA: Miracle or Monster?

(By Tom Humphrey)

REVERSAL OF ONE-CROP CYCLE OVER-ALL OBJECT

(Art. No. 7)

TVA does everything in a big way, with a flourish.

Thus, its fertilizer program is one of heroic proportions.

Great chemical plants at Muscle Shoals, Ala., and Godwin, Tenn. Between them they produce almost 350,000 tons of highly concentrated phosphate and ammonium nitrate fertilizers.

More than 15,300 test-demonstration farms using free TVA fertilizer—13,200 of them in Tennessee Valley States; 2,100 of them in 18 other States; covering 1,800,000 acres.

Fertilizer research going on all the time. Experts coming from all over the world to see TVA's miracle fertilizer operation and to study its newly developed electric-furnace processes for converting lower-grade phosphate ores into higher-grade plant nutrients.

A beautiful show, and one of particular interest to the Pacific Northwest, with the greatest deposits of phosphate ore on earth.

It's all a part of TVA's soil- and water-conservation program, the over-all object of which is to reverse the one-crop, soil-erosion cycle, and restore, at least in part, the bountiful cover of pasture herbage, or Indian pasture, that Daniel Boone and his contemporaries found in the central basin of the Tennessee.

Ostensibly, TVA's fertilizer operation is a pilot-plant deal.

TVA was directed by the Congress to take over the Government-owned nitrate plants at Muscle Shoals—a $100,000,000 white elephant—salvage what it could, then provide much-needed pilot plants for the production and testing of new more concentrated, more efficient fertilizers.

Once TVA got hold of the problem and determined that phosphate was the key to its design for plenty in the valley, and test-demonstration farms the instrument, it needed fertilizer—plenty of it—so it produces plenty of it.

Witness last year's production record: 153,00 tons of triple superphosphate, 6,000 tons of calcium metaphosphate, 27,000 tons of fused tricalcium phosphate, and 155,000 tons of ammonium nitrate.

If this is pilot-plant operation, I'll go back to my cage.

It's fertilizer production, in a big way. About one-sixth of the national production, it appears from recent figures. In any event, it's a $16,000,000 business. Not as big as TVA's $49,000,000 power business, but big business just the same.

So much publicity has been given this fertilizer and test-demonstration program that one gathers that all the fertilizer TVA makes is for free.

It isn't.

TVA last year furnished 34,000 tons of fertilizer for test-demonstration purposes, the farmers selected to receive it paying the freight and signing up on a 5-year soil-building program. That's a lot of fertilizer—about $3,000,000 worth—but it isn't $16,000,000 worth. TVA sells the rest of its production at manufacturing cost. All TVA's domestic sales are to farm cooperatives, but it keeps a string on this distribution by requiring the co-ops to place it with farmers who, like the recipients of free test-demonstration fertilizer, are willing to follow the TVA pattern of soil conservation and land management.

While soil-conservation service experts say this is a fertility program rather than conservation fitted to the needs of the land, TVA is proud of this pattern. It cites the resultant shift of more than 1,000,000 Tennessee Valley acres from soil-depleting row crops, such as corn and cotton, to hay, small grain, and pasture. It points to the terracing of another million acres and the increase of 800,000 acres in pasture coverage.

This, coupled with TVA's tree-planting program (10,700,000 seedlings planted on 3,300 farms last year) is called just a beginning by Mr. Lilienthal, but a good beginning, one indicative of a new way of life in the valley.

The University of Tennessee likes it, too. It recites that the cash income from farm marketings in Tennessee, once shamefully low, showed an increase of 312 percent from 1939 to 1947, or somewhat higher than the 283 percent increase for the Nation as a whole.

(Oregon had an increase of 600 percent from the 1935–39 average to 1947 and, of course, Tennessee has never been strong on exporting farm products as Oregon is.)

Like everything else that TVA does—power production, navigation, flood control, recreation, reforestation, conservation of fish and wildlife—you find the fertilizer, test-demonstration program is highly controversial.

The United States Department of Agriculture, for example, says in effect that TVA has placed all its eggs in one basket—a phosphate basket—and that Tennessee Valley farmers are being denied the broader benefits of the Soil Conservation Service.

This program, familiar to the West, involves helping farmers in soil-conservation districts with their responsibility to adapt combinations of conservation measures to the needs of the land. The United States Department of Agriculture also provides limited payments for certain soil-building crop practices, such as contour plowing, ditching, and terracing. For some reason, perhaps political, TVA has never refused these cash payments, in addition to free fertilizer, even though it has denied the farmers the know-how of the SCS and the democratic processes of soil-conservation districts.

Secretary of Agriculture Charles F. Brannan bluntly told the Senate Subcommittee on Flood Control hearing testimony on the McKellar bill, to amend the TVA Act, that:

"The farmers within the Tennessee Valley are being denied all of the benefits of the soil-conservation service program which has proved a very valuable program elsewhere in the United States and, I am sure, will when it is projected into the valley."

Mr. Brannan said TVA virtually had told the Soil Conservation Service to stay out of the valley and as a consequence there were only three soil-conservation districts in the entire TVA area. This checks with what George Will, assistant to the Secretary of Agriculture, told me privately when he was in Portland recently with Charles Murphy, executive assistant to the President, to sound out sentiment on a CVA bill. Will stated frankly that the Soil Conservation Service

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hoped to get a better deal in the Pacific Northwest, if and when a CVA bill is adopted.

Senator JOHN S. COOPER, of Kentucky, a friend of TVA and member of the Flood Control Subcommittee, made this comment after looking at a national map showing soil-conservation districts:

"I was astounded in view of all the testimony heard here (about TVA cooperation with other Federal agencies) to see that Tennessee is the one area in that whole belt of States down there that has very little soil-conservation practices going on, or districts. I know in my own State of Kentucky they are covered by soil-conservation districts, but in Tennessee there is just one small area."

Senator MCKELLAR, who has helped get more money for TVA than any other Congressman, but whose Senate bill 1277 would require TVA (among other things) to quit giving away fertilizer, had this to say at the hearing:

"They give away a million and a half to two million dollars each year as prizes to farmers, for fertilizer."

While farm bureaus of Pacific Northwest generally oppose CVA, witnesses for the American Farm Bureau Federation defended the TVA free fertilizer program.

The National Grange, however, took sufficient notice of charges that test-demonstration farms are selected on a political-influence, discriminatory basis (you hear these charges in various parts of the valley) to include this resolution in its 1949 legislative program under the heading, "TVA fertilizer distribution":

"Present methods of distribution of fertilizer by TVA should be investigated, and any changes that will insure distribution without discrimination against or in favor of any farm organization or group should be made."

TVA maintains that its test-demonstration program has created a greater demand for commercial fertilizers throughout the country. It points out that its new electric furnace processes are made available to manufacturers and are used by Kaiser's Permanente Metals of California, the Simplot Fertilizer Co. of Idaho, and others.

Not all fertilizer manufacturers are happy, however. Take James W. Dean, of the Knoxville Fertilizer Co., Tennessee, who charges that TVA's invasion of the fertilizer manufacturing field and its policy of limiting distribution to members of cooperatives has meant that many farmers of Tennessee Valley are denied the types of fertilizer they need.

A large part of the farmers, perhaps 60 to 70 percent, are unable to get any of the TVA products, as they have no connection with the cooperatives and are not close enough to make it practical to get TVA fertilizer from them," he says. He estimates that TVA's fertilizer distribution system has encouraged the organization of 57 cooperatives in Tennessee, then says:

"The big cooperatives are getting wealthy and the farmers are being penalized for a considerable take-out."

Of course, Mr. Dean may be a bit prejudiced, as he sought to purchase 4,000 tons of ammonium nitrate fertilizer from TVA and distribute it through 700 dealers at prices equal to or below those charged by the TVA cooperatives. But he was told, in effect, by agents of TVA that they didn't like his attitude or philosophy and couldn't do business with him. "There's nothing in the TVA law to prevent it, either," he complained, then added:

"Owing to the fact that the TVA has gotten into the ammonium nitrate business heavily, independent manufacturers of ammonium nitrate have declined to ship their products into certain parts of Tennessee and Kentucky. As a result this section of the country has suffered for solid nitrates perhaps more than any other section in the United States in the last few years."

Senator MCKELLAR shed this further light on the situation:

"I have been advised that in selling fertilizer to cooperatives they (TVA) charge such cooperatives $10.26 less per ton than they charge themselves to give it away. In other words, on page A27 of the 1947 annual report of TVA, it is stated they charge cooperatives $79.73 per ton and charge themselves $89.99 for the privilege of giving it away. Is this good business or good government?"

There it is again, the other side of the shield.

TVA: MIRACLE OR MONSTER?

(By Tom Humphrey)

REBELS FOUND—FRANK ANTI FEELING VOICED

(Art. No. 8)

If you want to get your teeth kicked in, just get up on your soap box in downtown Knoxville, Chattanooga, or Nashville and start a harangue against TVA.

Everyone is for TVA—on the surface, that is. The workers to whom TVA has meant jobs; the merchants to whom it has meant unaccustomed prosperity; the chambers of commerce, to which it spells industrial development; the land-grant colleges, to which it signifies interesting projects with grants, additional teaching staff, more students, and greater prestige.

The municipal power boards and rural electric co-ops naturally like it or they wouldn't be in the deal. The hotel men like it, since it has given the Great Smoky country millions of dollars' worth of free publicity and brings in more tourists.

The governors like it for the help it gives State agencies; besides, it's a nice political tie-up. Most of the newspapers plug it because most editors think it's good for the region, though you find in talking to some of them that they have some honest doubts about its ultimate effect upon home rule, the self-reliance, and autonomy of the people.

You begin to wonder if it's unanimous. Can that be? So you dig around a bit.

You find, if you persist, if you are patient, if you promise not to quote them directly, that some of the organizations and people who pay lip service to TVA and what it has brought to the valley, admit privately that some of its do-good phases, some of its socialistic implications, frankly scare the living daylights out of them.

For instance, more than one chamber of commerce official who cited the fact that his board was on record for TVA—yes, including the highly controversial New Johnsonville steam plant that has become a national issue—tells you that if his board members, free-enterprisers for the most part, could vote secretly on the New Johnsonville steam plant matter, they'd snow it under.

Finally you begin to uncover some of the irreconcilables, some of the unreconstructed rebels—(don't be misled, the ancestors of a lot of these east Tennesseans fought for the Union). And they don't mind being quoted. In fact, they demand it.

Here are a few of them:

Guy L. Smith, editor of the Knoxville Journal, one of the few newspapers in Tennessee Valley that still doubts the wisdom of TVA:

"If State socialism is what you want, that's what you get with TVA and will get with CVA if it is fastened upon the Pacific Northwest.

"We're human enough down here not to be sore at having a billion dollars dumped into the Tennessee Valley. We admit that TVA has created a certain amount of economic momentum. I could create momentum myself with a billion dollars.

"We know that if you have to do flood-control and navigation work, the Federal Government is the only agency with enough money and authority to handle it. And it would be stupid not to generate power, once you dam a river, but you can do these things without an agency like TVA.

"The greatest loss due to TVA is the loss of political independence. No man in Tennessee Valley, from constable to United States Senator, dares run unless he declares he is first, foremost, and always, for TVA.

"There's another thing. The same people who own the city of Knoxville also own the city power board. One would assume that they could operate both as they see fit. But they can't. The power board's contract with TVA is so airtight that the city government could be broke and the power board could have $50,000,000 and we couldn't use a cent of it for city purposes.

"TVA's fertilizer operation also has strong political implications.

"Most business people and newspapers are afraid to express their real sentiments—reprisals, you know."

Now let's take L. B. Bolt, Jr., TVA attorney from 1935 to 1946: handled land acquisition in early phases, defended TVA against condemnation, damage, and constitutionality suits:

"TVA has done a job that was too big for private industry—even the power companies admit that. But Lilienthal's appointment was unfortunate. He has a ruthless lust for power.

"We had a potentially good set-up, but it was ruined by the Lilienthal-Clapp management and propagandists, who attempted to warp the functions of the professional men who were interested only in doing a good job. It took several years for the Lilienthal-Clapp crowd to unload them.

"TVA has been good for the region, but it needs a good housecleaning, more businesslike methods and more simple honestly.

"As a policy, TVA acquired twice as much land as it really needed (more than 1,100,000 acres) for its various projects. This seemed to be part of the TVA philosophy of pushing paper and people around without their knowing the score."

Now listen to an educator, Dr. James D. Hoskins, president emeritus (still active) of the University of Tennessee, including the college of agriculture, the man who helped set up the TVA test-demonstration program through the extension service:

"At first there was a great revolt against TVA taking over the farms in the valleys and moving more than 40,000 people. At one time a group living in the Norris Dam area, where the first dam was constructed, threatened to move to Brazil in a body.

"When I opposed the building of Douglas Dam, because it destroyed great stretches of the richest land in the State, I was charged with being anti-TVA. I wasn't. This was the only TVA dam that I opposed. I supported the remaining TVA program.

"My primary interest was in the production from land, and I had to speak out against this unnecessary destruction of farm property and food canneries in the Douglas Dam area. North Carolina now produces a considerable part of the fruits and vegetables used in the canneries.

"I said Douglas Dam could be built elsewhere, and Senator MCKELLAR agreed. But the war came and we lost the argument.

"TVA said the hill farms to which many people were moved could be made as fertile as the rich alluvial bottom land, but I said it was impossible. I still think so. Douglas Dam was a great error. Erosion isn't the only way to destroy land.

"Every time the Federal Government comes in, State rights suffer.

"I also warned the governor that TVA could generate power here and use it anywhere it chooses.

I think other regions should wait until the success of TVA is proved. It is one of the greatest experiments in history. Time will have to tell. I hope TVA is worth what it costs. An experiment of this magnitude cannot prove its value in a short period of time."

Now listen to Arthur L. Davis, of Knoxville, patent attorney for TVA from 1934 to 1948, former chemistry instructor at the University of Missouri and William Jewell College, former chief chemist for Standard Oil Co., of Indiana, and Empire Oil Refining Co., of Oklahoma.

"This tri-headed Government corporation set-up is no good. One man could give TVA more efficient administration. There should also be accountability to someone. TVA can thumb its nose at the Congress. It would be the same with a Columbia Valley Authority. The boys would move in with a well-oiled propaganda machine and go to town.

"TVA got control of the land-grant colleges and the extension service by subsidizing experimental work and paying assistant county agents. The TVA crowd sneers at the old-line agencies it can't control. It has built an iron curtain around the valley, ruling out the Army engineers, the Soil Conservation Service, the REAs. Result: We're dropped from 34th to 44th place in rural electrification. It's the hand-picked farmers with political influence who get the free fertilizer. The little fellows who really need it are out of luck.

"TVA is not self-liquidating. Its allocations to power were made to fit arbitrarily low rates. Bonneville Power Administration pays 2½ percent interest on the money Congress appropriates for power plants. Boulder pays 3 percent. TVA doesn't bother.

"All this talk about the great new chemical fertilized discoveries by TVA is malarkey. Private industry produced triple-superphosphate commercially back in 1892. Lilienthal called TVA calcium metaphosphate 'a modern miracle.' I handled the purchase of the patents on calcium metaphosphate from a Czechoslovakian firm back in 1937. Defluorinated phosphate is also an old product, TVA merely improved the process.

"As for patents, the TVA act is so tight that a TVA employee can't invent anything without TVA claiming it, whether or not it is related to the TVA program or was worked out at home. My prize example: One of the TVA employees invented a tackling dummy for football. TVA grabbed it—said it had to under the TVA act."

You talk to people in four States.

You talk to a former governor, the president of a big coal company, the president of a life insurance company, the president of a neighboring power company, the president of a State chamber of commerce.

They speak freely to you—off the record.

One says the socialistic implications of TVA are "appalling."

Someone else says, "it's a definite threat to local self-government."

Another says "you couldn't run for a dog catcher and win if you oppose TVA; it's insidious stuff."

"The average voter down here is convinced he is getting the benefits of TVA at the expense of the rest of the country, so he keeps his big mouth shut or beats the drums for TVA," says still another.

"Can I quote you on that?" you ask hopefully.

"Don't be silly," comes the answer. "We didn't ask for TVA. But we got it. And we've gotta live with it. You'll know what we mean if you get a Columbia Valley Authority. Good luck to you; you'll need it."

Thus some of the unreconstructed rebels think plenty. But they won't talk—not for publication, that is.

TVA: Miracle or Monster?

(By Tom Humphrey)

YOU CAN'T OPPOSE TVA IN TENNESSEE VALLEY

(Art. No. 9)

You make a deal with yourself when you enter the Tennessee Valley.

Try to do a reporting job. Look at both sides of that shining TVA shield. Divide your time equally between pro and con—if that be possible. Subject yourself to the standard TVA treatment, then break away and talk to the opposition, if there is any. Soak up as much of that fascinating Tennessee Valley history as possible. Work days, fly nights. Move around.

So you do just that.

First, you make an interesting discovery.

The pro side of the TVA story is a lead-pipe cinch. It's all around you—the dams, the electro-process industry, the navigation, and flood-control angles. Just like the Pacific Northwest. Easy for a Pacific Northwest reporter to grasp. Made easy by Bill Sturdevant and his information division. Look at the physical plant, check the figures, ask questions. Talk to people. Engineers, policy people, power boards, the works. Four full days of it. TVA is running out your ears.

Then you write out a series of questions—not weighted questions, either—and arrange to come back for a "clean-up session" with Mr. Clapp. Now for the seamy side, if any. Now to get behind that shining TVA shield.

Some of it comes easy. City and rural slums amid charm and plenty in a hydro-electric garden of Eden. Per capita income coming up, but still miles and millions below the Pacific Northwest. Low power rates canceled out by high property tax rates (while you are there the charge is made in the papers, and not denied, that Chattanooga has the highest property tax rate in America, bar none. Knoxville tax rate, 45 mills—"very high." City's bonded debt, $18,300,000.

Rural electrification record in Tennessee the fourth worst in the country, due in part to those arbitrary, too-low TVA rates. Damaging floods last spring in both Knoxville and Chattanooga. Crime and comic book problems (all the same home). Unfamiliar bootlegging troubles (they crack wise in the South that Knoxville has more churches and more bootleggers per square inch than any other city). Things like that. Obvious things.

Then the going gets tougher as you try to get at the intangibles: States' rights, ideologies, politics, personal freedom, effect on initiative and private enterprise, moral fiber of the people, treatment and reactions of labor, bureaucracy in action, education and health and what have you.

On the surface, everything is lovely. Governors (all but Governor Talmadge, of Georgia) on record in favor of TVA. Fine for the State. No interference with State sovereignty. TVA benefits not just the region, but the whole country. Greatest experiment in empire building.

Most of the TVA-area Congressmen are for it, too. Representative Whittington, of Mississippi, who opposes all valley authorities, being the principal exception.

All the land-grant colleges are for it. All the county agents are for it. Good for education and agriculture. All the farmers are for it, too, it seems. The test demonstration program, with its free fertilizer, you see. Everyone for TVA. A good deal. Cheap power. More money for everybody.

Most of the editors are for it—Ralph McGill, of the famous Atlanta Constitution and Colman Harwell, of the Nashville Tennesseean, men like that. Good men.

Even the power company and Army engineers of the South keep a civil tongue in their heads despite the bad deal they got and get. TVA is a good engineering job, no argument—gold plated, but good. Cooperate with TVA. Get along.

All the municipal power boards and rural co-ops for it a million. Making money, selling power like mad. Managers well paid (Max Bartlett, manager of the Knoxville Utilities Board, makes $18,000, $8,000 more than TVA directors, thinks it's fine.)

A beautiful picture, altogether. Maybe this thing is perfect. Maybe absolutely everyone's for it. Maybe it's for us up in the Pacific Northwest.

But the seeming unanimity of opinion challenges your reporter instincts. You gulp and try again.

Then tiny cracks appear in the shining shield. Some of the irreconcilables begin to talk. Editors, former TVA employees, labor leaders, chamber of commerce managers, city councilmen who can't understand why their power boards are flush and their city government floundering in high taxes and debt. Some of them can't be quoted, they say, but they refer you to others who can.

Businessmen members of chamber boards who vote for pro-TVA resolutions, including the New Johnsonville steam plant, but privately hate TVA's gaudy guts. Former employees who took all the TVA guff they could stomach, then took a walk. Some of them talk freely. Labor leaders and employees who pay lip service to TVA's force account policy and its merit system, admit privately their unhappiness over having wage rates and working conditions handed down from on high—no contract, no social security, no civil service, no appeal.

Some educators who subscribe to the tenets of the TVA program admit to their close friends that its socialistic implications "scare the hell out of them."

Editors like Guy L. Smith of the Knoxville Journal and Brainard Cooper of the Chattanooga News-Free Press who sometimes blast away at some phases of TVA, admit that every time they do so the heat's on. They tell you quite frankly, however, that they are concerned about the autonomy of the region. They indicate their abhorrence of the capping of the moral fiber of the Tennessee country, by arousing its selfish sectionalism, by appealing to its desire for subsidized power, subsidized fertilizer, subsidized recreation.

Others break down and confess that you couldn't run for dog catcher and win—not on an anti-TVA platform, not in Tennessee, anyway.

Gov. Gordon Browing, who, like Senator Kefauver, ran on a pro-TVA-anti-Crump platform (the governor after a stretch in the Army and a break with Crump), confirms this openly.

Governor Browing says TVA is "free of politics," that it has speeded the agricultural and industrial progress of the State and valley, that it cooperates very well with State agencies and doesn't try to run State shows. But he grins and admits, in answer to your question at a press conference:

"It would be like coming out against the Ten Commandments to come out against TVA."

Finally, you come to the conclusion that no one in Tennessee (and to a lesser degree, in bordering States) can say a word against TVA or any of its works and get away with it—no one, that is, but Senator McKellar.

You see, Senator McKellar has been in the Senate so long, he has done so much for TVA (Norris Dam should have been named for him, not the late Nebraskan) that he can take Lilienthal apart and get away with it. But no one else can—not in Tennessee.

Even so, the rabid TVA fans almost flayed McKellar alive when he dared to suggest in his S. 1277 to amend the TVA Act, that it might be all right for TVA to quit giving away fertilizer, that it might employ civil

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service and keep books like all other Federal agencies, and might even come back to Congress each year for appropriations like every other Federal agency, instead of putting its power money in the TVA kitty and spending it as it darn well pleases.

As we say, they almost skinned McKellar alive. At least Senator Kefauver and the pro-TVA papers tried. They accused him of everything under the sun, including an effort to sabotage that beautiful TVA structure. They accused him and Senator Stewart of teaming up with the private electric-power lobby for the purpose of crippling TVA. Of all things.

Anyway, you begin to get the picture.

You simply don't oppose TVA any more. Not in Tennessee Valley. Not if you want to stay in business and in one piece.

You try to analyze this. You talk it over with people. You take a look around, a good look, and you find part of the answer—TVA in everything.

First, TVA has undisputed control of the water resources of the Tennessee watershed and in large measure its land resources.

TVA is in absolute control of the manufacture and distribution of power for 5,000,000 people.

TVA has the bordering power companies buffaloed; companies like the Southern Co. system (Georgia Power, Mississippi Power, Gulf Power, Alabama Power), companies like Birmingham Electric.

Oh, they'll talk about their operating relations with TVA. Very good. They'll talk about their own power plants, services, and community relations. Very sound. Georgia Power Co. is particularly proud of its annual home-town contest, and with reason; it's a honey.

They'll even talk about their rates—TVA rates plus taxes, in general terms. But they won't talk about challenging TVA—not after what TVA did to Willkie's power empire. They know that if they want a fight, Mr. Clapp and his boys will be glad to oblige—the minute TVA has the power capacity to do so and despite gentlemen's agreements dividing service areas.

TVA is in the fertilizer business in a big way—$16,000,000 a year. It's one of the biggest manufacturers and distributors of phosphate fertilizers in the world. It isn't worried about costs. And it controls its distribution to test-demonstrations farms, which it supplies with free fertilizer, and selects the cooperative which get it at cost and pass it on under TVA rules.

TVA is in all the land-grant colleges, their extension services and the offices of their county agents. It sets up attractive research projects in the universities, paying all the bills. It allows the extension service and their county agents to handle the free fertilizer, test-demonstration deal. It pays the salaries of assistant county agents where needed to carry on the TVA land-use program.

And TVA is in the planning commissions of the various States. It set up most of them, manned them, still helps some. And some of them are excellent, don't misunderstand me, particularly the Tennessee State Planning Commission which is certainly doing a job (wish we had as good in the Pacific Northwest).

TVA provides free seedling trees for State forestry departments, as well as thousands of privately owned farms, helps set up fire districts, makes good deals with Federal, State, and local agencies on fish and wildlife projects, parks and recreation sites along its chain of man-made lakes. All under contract, all according to the TVA pattern.

You recall that list of 30 businesses TVA was supposed to be in a few years ago. You find, on checking, that TVA has unloaded some of them. It's disposed of Norris and Fontana villages, for instance. It doesn't run drug stores or service stations any more. But it's still engaged in a lot of enterprises, besides power and fertilizer, flood control, and navigation.

TVA has a big malaria control program, a successful one, despite the fact that much of the malaria problem was of its own devising—those man-made lakes and mosquitoes, you see.

It's in the banking business. It may issue bonds up to $100,000,000 for its own use or to finance its public power distributors. It competes with the private contractors by doing all its own construction work. It quarries limestone and marble. It does engineering work both inside and outside the valley. It is in the recreation business, either on its own or through contracts with private operators. It builds and operates river terminals, docks, and piers. It promotes food processing and marketing associations and cooperatives to handle TVA fertilizer. It engages in widespread research and development projects, such things as deep freeze, wood products, agricultural machines.

TVA has contracts with other Federal agencies, with States, cities, counties, cooperatives, utility boards, industries, schools, libraries, and universities—hundreds of them. And its work is well publicized, in reports, booklets, special brochures, movies, news and radio releases. They go everywhere.

As we say, TVA is in everything—all within the broad terms of the TVA act, all on a cooperative, grass-roots basis, all very smoothly handled.

TVA doesn't engage in personal politics.

TVA doesn't interfere with State and local governments of the Tennessee Valley.

TVA doesn't have to. For TVA is the government in Tennessee Valley.

There is nothing, no one above it.

TVA: Miracle or Monster?

(By Tom Humphrey)

TVA chief answers clean-up questions

(Art. No. 10)

After you've milled around Tennessee Valley, pestering everyone with questions, you come back by prearrangement to the final authority, Gordon R. Clapp, Chairman of the TVA Board, with your "clean-up questions." Here they are, with Mr. Clapp's answers:

Question. Why doesn't TVA pay interest on its power investment, as does the Bonneville Power Administration, as well as amortize the capital investment over a period of years?

Answer. As a matter of sound accounting, TVA pays interest on only that part of its power investment which has been set up as interest-bearing debt in the form of bonds. TVA considers the rest of its power investment, whether provided by appropriations or from earnings, to be the property of the Federal Government and considers the equity owners to be the people of the United States. Therefore, rather than assuming that the people have borrowed from themselves the TVA power system, and that they wish to repay themselves over an arbitrary period of years after which they will continue to own the property as before, TVA considers it more businesslike and more informative to evaluate its earnings in the simple terms of the return which the people are earning on their investment. This return has averaged about 4 percent, and if any of the owners prefer to think in terms of earmarking a part of the return for interest and another part for amortization, the return is ample to cover such assumptions.

Question. What about TVA's expansion plans, that is, do you intend to embrace the Cumberland Basin area or encroach any further on surrounding territory now served by private companies?

Answer. TVA has no program for expanding its power-service area and we have no desire to encroach on territory now served by private utility companies. Communities outside the area presently served which own their own distribution facilities or which may see fit to acquire them are entitled to request any surplus TVA power. Whether or not any such additional communities will obtain TVA power in the future will depend upon their own wishes in the matter and upon whether it appears to be feasible for TVA to stretch its power resources over any larger area. We have been discouraging any hopes for TVA power on the part of communities which have an alternative supply of power in adequate amounts and at low cost.

Most of the Cumberland Valley has been within the TVA service area for 10 years; as to the remainder, the same comment as above. We have made arrangements to purchase the power generated at the dams which the Army engineers are building in Cumberland Basin.

Question. How cheaply can you produce power at the proposed New Johnsonville steam plant? Please compare this cost with the kilowatt-hour cost at your hydro and older steam plants.

Answer. The New Johnsonville steam plant will be a modern and efficient plant which will be able to produce power at low cost. If it were necessary to use the plant continuously, in order to add to the firm power of the TVA system, the cost would be somewhat higher than the present cost of producing TVA power; however, the operation of the plant will be integrated very closely with the rest of the system and the additional firm power created will be produced only in part by the steam plant and in considerable part by the use of seasonal secondary hydro power. As a result, the total cost of the additional power will be approximately the same as the cost of power presently produced (0.718 mill for multiple-purpose hydro, 4.689 mills for steam, average for multiple-purpose and single-purpose hydro and steam, 1.47 mills, as compared with 0.82 mill for Bonneville, 0.849 mill for Grand Coulee). The cost at New Johnsonville plant will be only a fraction of the cost per kilowatt-hour of energy generated in older TVA steam plants (Watauga steam plant, highest of all, 19.315 mills).

Question. What is your firm capacity now (for the TVA system) and what will it be in 1952?

Answer. The firm peak-load-carrying capacity is now 2.5 million kilowatts and is expected to be 3.55 million kilowatts by the end of 1952. (Ratio of average gross generation to install capacity, 64.68 percent.)

Question. What is the over-all ratio of costs to benefits for the entire TVA system?

Answer. TVA has made no studies leading to an over-all ratio of that kind. It is difficult in view of TVA's range of activities. On power we are producing net revenues from operations which are averaging over 4 percent on the net average investment in power facilities. Estimated direct benefits of TVA flood control are about $11,000,000 annually, not counting indirect benefits. Navigation benefits in terms of direct savings in transportation charges only are estimated at $9,000,000 annually after a reasonable period of development based on the experience of other improved streams. Incidentally, preliminary figures for 1948 show more than 410,000,000 ton-miles of traffic as compared with 350,000,000 ton-miles the year before. Estimated benefits for both flood control and navigation are sufficient to cover the costs of operation, including depreciation, plus a margin which could be likened to a return on the respective investments.

Question. What is the installed cost per kilowatt for your entire system? Also hydro and steam.

Answer. Entire system, as of June 30, 1948, $158 per kilowatt installed; $173 for multiple-use dams, $223 for single-use dams, total

hydro $178. Fuel-burning plants, $68 per kilowatt installed. Over-all fixed assets, hydro and steam, $352.8 million, not counting allocations to navigation or flood control or ALCOA plants operated as part of TVA system.

Question. Have you a power shortage now and have you had to curtail deliveries to any of your customers, particularly ALCOA?

Answer. The power supply situation in this (TVA) area is already very tight and while our curtailment of power deliveries has been limited to secondary power, it is a fact that some of our customers have not been able to obtain at all times all the power they have wished to buy. This has been true of all our large directly-served customers, including ALCOA. The Oak Ridge atomic energy plant, now the largest consumer of TVA firm power, has recently announced substantial expansion. TVA is expected to supply an additional large block of power for this purpose.

Question. I note your recent statement that by 1952 "sales to private utilities will practically disappear." Does this mean cancellation of existing contracts with privately owned electric utilities, that is, that you won't have enough power to go beyond your preferred-customer list, or that the private companies won't need TVA power?

Answer. The reason that TVA firm power sales to private utilities will practically disappear before 1952 is that no surplus firm power will be available and these sales are therefore being canceled in accordance with the cancellation provisions in the contracts.

Question. Percentagewise, how are your over-all costs allocated to power, flood control, navigation, recreation, fish and wildlife, etc.?

Answer. The TVA allocation of investment applies only to navigation, flood control, and power facilities. Allocation is provided for in the TVA Act to flood control, navigation, fertilizer, national defense, and development of power. Actually, allocation is made only among flood control, navigation, and power, none to national defense, none to fertilizer. The distribution is approximately 20 percent to flood control, 19 percent to navigation, and 61 percent to power.

Question. Would a TVA-type CVA be better for the Columbia Basin than our existing program of working through existing agencies like the Corps of Engineers, the Bureau of Reclamation, the Soil Conservation Service, etc.?

Answer. I do not hesitate to say that I believe an intelligent adaptation of the TVA idea—and autonomous agency with a clear assignment fixed upon it, an agency decentralized into the region and committed to real cooperation with State and local agencies—would work successfully in any great river valley in this country. But whether you should seek to adopt it for your own region is a question irrelevant to my responsibility. It is a part, an important part, of TVA's responsibilities to report its experience so that you may assess the quality of its stewardship and so that you may consider its applicability to your problems.

TVA: MIRACLE OR MONSTER?

(By Tom Humphrey)

REGIONAL PUNDITS FIND NEW TOOL IN TVA

(Art. No. 11)

The doctrinaires of regionalism are on the march.

You find them in the Tennessee Valley, in Washington, in the Columbia Valley, in the Missouri Valley.

They believe they have in TVA a bright new tool with which to carve out a new way of life—a corporation clothed with the power of government, but possessed of the flexibility of private enterprise, and with none of the limitations of either, of course.

They would imprint this new tool, like a biscuit cutter, upon other great valleys. And at the moment they seem to have selected the Columbia Basin as next on the list, using last spring's flood, the regional power shortage, and what they interpret to be a Presidential blessing as hooks on which to hang it.

Most vocal of the current pundits of regionalism—besides David E. Lilienthal, former Chairman, and Gordon R. Clapp, present Chairman, of TVA—are the following:

Representative HUGH MITCHELL, of Washington, author of a long string of Columbia Valley Authority bills, head of the CVA League.

Senator GLEN TAYLOR, of Idaho, Henry Wallace's running mate, famous for sounding off out of turn and entering wrong doors.

Representative RANKIN, of Mississippi, author of H. R. 3522, a Missouri Valley Authority Act, introduced March 14.

Senator MURRAY, of Montana, cosponsor of S. 1160, his latest and somewhat modified MVA bill.

Representative JACKSON, of Washington, who couldn't wait for the administration bill and introduced his own measure, a replica of the TVA Act for the Columbia Basin.

Some of these measures (including the new administration bill, written but still under wraps) are substituting the word "administration" for "authority" to avoid what Senator MURRAY refers to as the "taint of odium" that has come to be attached to the word "authority." But despite titles and numbers and polite bows toward local advisory committees and State laws, they all provide exactly the same thing—a three-man authority in the image and likeness of TVA, with virtually limitless powers over the electricity and water and land of these vast regions.

Some of the more important advocates of regionalism (Senator TAYLOR frankly admits it's socialism, for whatever that's worth) are for blanketing the entire United States with regional authorities—seven of them in most cases, six or nine in others.

As far back as 1937 they were introducing omnibus bills authorizing regional authorities all over the place—a Columbia Valley Authority, a Missouri Valley Authority, a Southwestern Authority, including the Colorado and Central Valley, a Great Lakes-Ohio Valley Authority, an Arkansas Valley Authority, and a Tennessee Valley Authority that would take in everything to the Gulf of Mexico, an Atlantic Seaboard Authority, taking in everything on the east coast, including the St. Lawrence.

More specific proposals, however, deal with the Columbia, Missouri, St. Lawrence, Colorado, and Arkansas valleys on an individual basis.

Some States, like Colorado, Utah, Nevada, Wyoming, Montana, California, and New Mexico may find themselves in several different authorities at once, if the regional planners have their way.

The proposed Columbia Valley Administration would affect more than 4,000,000 people, 8 States, and some of Canada. Its tentative boundaries would embrace all of Oregon, Washington, and Idaho, western Montana, and parts of Wyoming, Utah, Nevada, and California—287,000 square miles in the United States, 39,000 square miles in Canada, that is, in the Columbia watershed or the proposed power-service area.

The MVA deal would affect 9,500,000 people in 10 States—585,000 square miles in the United States, 9,000 square miles in Canada. Most of Montana and Wyoming, parts of Colorado and North Dakota, most of South Dakota and Nebraska, the northern part of Kansas, and corners of Missouri, Iowa, and Minnesota.

The Colorado Valley (or Southwest) Authority would cover all of Arizona, parts of New Mexico, California, Utah, Colorado, and Wyoming.

The Arkansas Valley Authority would affect 7,500,000 people in 7 States—New Mexico, Colorado, Kansas, Oklahoma, Arkansas, Texas, and Missouri.

In short, a Missouri Valley Authority would rule over an area equivalent to 15 TVA's, a Columbia Valley Authority over 8 TVA's, an Arkansas Valley Authority over 4 TVA's, and so on. Half that much if you figure it on an expanded power service area basis.

You have to go back a bit to get at the ideology of the doctrinaries of regionalism.

One of the best authorities, naturally, is Mr. Lilienthal. You find the best quotes in his book TVA—Democracy on the March. He says:

"The use of the region as an autonomous unit of development was a deliberate experiment.

"Congress in creating TVA broke with the past.

"For the practical purpose of Federal legislation, this is a country of regions, not states.

"Modern regionalism * * * rests squarely upon the supremacy of the national interest. The particular and limited concerns of private individuals or agencies in the development of this or that resource were disregarded and rejected in favor of the principle of unity.

"The idea that the Tennessee Valley region was set up as a kind of testing ground for the Nation has been expressed often and appears in the President's (FDR's) original message: 'If we are successful here,' he said, 'We can march on, step by step, in a like development of other great natural territorial units within our borders'."

Then you come to Mr. Clapp, a Lilienthal-trained man (like "Jebby" Davidson and "Cap" Krug, J. Lawrence Fly, et al.) who says:

"I do not hesitate to say that I believe an intelligent adaptation of the TVA idea—an autonomous agency with a clear assignment fixed upon it, an agency decentralized into the region and committed to real cooperation with State and local agencies—would work successfully in any great river valley of this country."

Mr. Clapp hastened to assure me, too, that while Mr. Lilienthal declared in his book that the TVA region "ought not to be substantially enlarged"—beyond the Cumberland Basin which Mr. Lilienthal says should be incorporated into TVA, that is—"he did not mean that this necessarily was an indication of what the size of other regions ought to be to be suitable for a TVA-type development."

And let's not forget the old curmudgeon, Harold Ickes. He went for the valley authority thing in his time—with a Department of Interior string on it, of course. But he realistically told a congressional committee:

"You have before you not merely a question of establishing a single authority, for eventually the Congress will not do less for one watershed than for another. Therefore, there is before you a major step in the reorganization of the Government of the United States as we have known it for the last 150 years."

And, for once, Mr. Ickes was guilty of an understatement.

This, then, is the pattern of regionalism which has been implanted upon the Tennessee Valley and which may be implanted upon other valleys.

R. L. Duffus, who wrote a book about TVA, the Valley and Its People, expressed it very well, as well almost as Mr. Lilienthal. Mr. Duffus puts it this way: "The principle, if not the exact pattern, can be applied elsewhere. It might be applied in the basin of the Colorado—a river flowing deep in the earth through arid highlands. It could be applied to the Columbia, with its two mighty dams, the irrigable lands of its headwaters. It might be applied to the Connecticut, the Delaware, the Arkansas, and other valleys still. We need not even stick to rivers. The

Great Plains; for instance, New England is a region. California is a region."

It took President Truman's recent and less lyrical statement to the effect that "we should apply the lessons of our Tennessee Valley experience to other great river basis," and his order to a five-agency committee to come up with a CVA bill; however, really to set the valley authority pot boiling.

It's still boiling. It has become the hottest issue in the Pacific Northwest, if not the whole country. People asked me about it everywhere I went in Tennessee Valley, and in Chicago, Atlanta, Birmingham, and Los Angeles.

And it didn't cool off any when the President's five-agency committee—two members of which were very enthusiastic and three less enthusiastic, shall we say—came to the region with a ready-drawn bill and blandly gave residents of the region a Hobson's choice: A TVA-type CVA or a TVA-type CVA.

Anyway, you think of these things as you tour the Tennessee Valley, as you talk to Chairman Clapp, as you reread Mr. Lilienthal's book. You wonder if you can credit rumors that Washington has cooled off a little on CVA.

You think of the seven governors of the CVA States, five of them openly antagonistic, the other two pegged with the opposition by their representatives. You wish you could talk to the governors of the 10 MVA States, having been told that 9 of them prefer their Pick-Sloan plan of interagency development to the authority approach.

You recall the unalterable opposition of the National Reclamation Association.

You read the unanimous adverse report on MVA (sent to you by Representative D'EWART of Montana) by the Senate Subcommittee on Irrigation and Reclamation which says in part: "The creation of an MVA would amount to the welding of economic and political powers resulting in nothing short of autocracy. It would mean the substitution of arbitrary power for democratic processes."

This doesn't indicate that the people of the Middle West and Pacific Northwest are panting for another TVA to make another paradise of the Columbia basin.

Then you think of wise old Dr. Hoskins, president emeritus of the University of Tennessee (no foe of TVA he), and his admonition:

"I think other regions should wait until the success of TVA is proved. I hope TVA is worth what it costs."

TVA: MIRACLE OR MONSTER?

(By Tom Humphrey)

PROS AND CONS OF TVA AS THEY APPLY TO PROPOSED CVA

(Art. No. 12)

Well, you finish 8 days of intensive research in the great Tennessee Valley. You do another 8 days of reading—eight books, a flock of reports, congressional hearings, speeches, and news releases. (The eights have it, it seems.)

You give the nearest TVA dam a final pat—after all, you helped pay for it, didn't you? It's part yours, too, on account of it was "built for the people of the United States of America."

Then you more or less cheerfully pay excess poundage on those books, pamphlets, and other TVA impedimenta you've accumulated—besides the ones you mailed—and take off for home, "a right smart piece" away.

You know the answer to that miracle or monster question, all right.

TVA is some of each, but neither—though many people you talked to and much of what you've read indicate that old white or black approach—either unmitigated success or abysmal failure, either brave hero or foul villain.

But you find you still have two other $64 questions to answer:

1. Has TVA been good for the Tennessee Valley?

2. Would a TVA-type CVA be good for the Columbia Basin?

You start weighing the evidence, reading your notes, and perusing your mail, particularly that from Pacific Northwest Congressmen to whom you've posed the same question you sought to answer in the Tennessee country.

The answer to the first question is found fairly readily.

TVA has been good for the Tennessee Valley, particularly the State of Tennessee; it has helped bring a backward, eroded, dirt-poor, one-crop region out of the doldrums, giving it hope and purpose. TVA has given some 5,000,000 people cheap power. It has provided flood control, navigation, and soil fertilization projects that the several States could not or would not provide. It has done so by pouring almost a billion dollars into 81,000 square miles of seven different States. TVA has given Tennessee and portions of six adjoining States something brand new to America, a controlled river, a planned economy.

But TVA, the evidence says, has cost too much. It has cost too much in money—almost $1,000,000,000 in tax funds—virtually none of which has been or will be returned to the United States Treasury.

It has cost too much in terms of power capacity, when you compare it with installed-capacity cost of western projects like Bonneville and Grand Coulee, Shasta and Boulder.

It has cost too much, for the benefits so far returned or possible, to provide that navigable 9-foot channel from Knoxville to Paducah.

TVA's flood-control program has cost too much in terms of rich agricultural land permanently flooded by TVA dams—some 500,000 acres, half of it good bottom land.

Most important of all, it has cost too much in the priceless coin of regional and local autonomy. When you give an agency of Government as much power over people and water and land and hydroelectric resources as TVA has, and impose that authority upon a region, you pay for it, no matter how benevolent its purpose.

The second $64 question raises an entire group of correlative questions.

What do we want when we talk in terms of a TVA-type CVA?

Is it a comprehensive plan for the region?

We have, in the recent Corps of Engineers master control plan for the Columbia and its tributaries, the most comprehensive plan for multiple-purpose development ever devised for a river basin. Not to mention the previous Bureau of Reclamation program for the West, parts of which have been embraced in schedule R which has the approval of the Corps of Engineers, the Bureau of Reclamation, and the Bonneville Power Administration.

The Corps of Engineers drew the original plans for the comprehensive development of the Tennessee, remember. TVA merely put a label on them. Would it help to put a CVA label on these Columbia basin plans, as TVA did in the Tennessee Valley back in 1933?

Do we need a CVA to provide more power faster?

The Corps of Engineers, the Bureau of Reclamation, and Bonneville Power Administration say schedule R will give us the most power in the shortest possible time, regardless of what agency does the job. And that raises a related question:

Would CVA get more money for us, as TVA did for the Tennessee Valley?

There are several answers, of course. First, the Congress poured money into Tennessee Valley in two great emergencies, the depression and World War II. There is no depression now, certainly, and we hope we don't have a war. That demands evaluation.

Second, the Congress has shown more willingness recently to appropriate money for self-liquidating western projects than ever before, and it is also showing some impatience with TVA which returns no interest on power investment and has only begun, at the insistence of Congress, to make payments on the principal—after 15 years.

Actually, while TVA has spent about $850,000,000 in the last 15 years, and has plans that would make the cost $1,200,000,000, the seven Northwestern States, much larger in area but smaller in population, have received and spent approximately $750,000,000 in the same period, without benefit of an authority. On a money basis alone, we haven't done badly.

Could CVA solve our flood problem, as proponents claim?

Perhaps, in time. But for that matter so can the corps of engineers and the Bureau of Reclamation. They have coordinated plans, they have a good start. All they need is time and money, the same tools a CVA would have to have.

We have floods, sure. That 1948 flood was no spring freshet. But TVA has floods, too—it had them last spring—despite allocation of $160,000,000 for flood control. And remember, TVA dams have flooded more agricultural land permanently than was formerly ravaged by periodic floods.

Would a CVA speed navigation on the Columbia?

First, it's unfair to compare the Tennessee with the Columbia. God gave us a majestic river to start with. But TVA's vaunted man-made channel carried only 2,800,000 tons of freight in 1947, whereas the Columbia carried 42,400,000 tons, 2,100,000 tons of it through Bonneville Dam. And the little Cumberland River, with its obsolete locks, carried more tonnage than did the Tennessee up to last year, despite TVA's navigation system.

Would a CVA bring interagency harmony?

TVA hasn't brought peace to that valley. Its feuds with the Soil Conservation Service and the Army engineers are historic.

Finally, is it cheap power we'd be getting by imposing a CVA upon this region?

We have that already—cheaper than they have in the Tennessee Valley. Bonneville Power Administration can sell power produced by the Corps of Engineers and the Bureau of Reclamation cheaper than TVA, and make interest and amortization payments, too. And power consumers of the Pacific Northwest enjoy lower retail rates than consumers in TVA territory. They use more power here and pay less for it and have more power available per customer than do consumers in any other region. Here's the proof:

Domestic consumers in TVA territory paid an average of 1.58 cents for their power last year; Oregon consumers paid 1.52 cents, Washington consumers 1.36 cents. TVA power-system consumers (domestic farm) used an average of 2,519 kilowatt-hours of power; Oregon consumers used 3,385, Washington consumers 4,206. Portland domestic customers of Pacific Power & Light used an average of 3,925 kilowatt-hours, 56 percent more than the TVA-system average; Portland General Electric customers used 4,300 kilowatt-hours (71 percent above TVA average) paid an average of 1.33 cents.

Incidentally Oregon distributors of electricity (mostly private utilities) sell almost as much power as TVA's 144 public power distributors—4.3 billion kilowatt hours here, 4.9 billion kilowatt hours there.

True we have a serious power shortage in the Pacific Northwest, due to our unprecedented growth. But so has TVA, which estimates a 250,000-kilowatt shortage by 1951 unless steam can be brought in quickly.

What about the economic well-being of the two regions? Would a CVA help? We're in the top per capita income bracket. TVA States barely rate 60 percent of the national average.

Rural electrification?

Again Pacific Northwest States are at the top of the list. Tennessee is fourth from the bottom. Our privately owned distributors pioneered in rural electrification; still lead the field.

To summarize:

Pacific Northwest States have come farther faster, in the past 15 years, than have Tennessee Valley States. And some States bordering Tennessee, States barely touched by TVA's cheap power and free fertilizer, have progressed equally as fast as Tennessee. Boosters from North Carolina, most prosperous of them all, and Georgia, show you statistics which tend to prove that they've done even better, agriculturally and industrially—despite Oak Ridge, ALCOA and Victor Chemical.

That's the record.

Now for that shining shield—both sides of it.

Glittery side first:

TVA has done a terrific job in a large segment of the South, a job that cried to be done. Its engineering is beyond criticism. Its agricultural fertility program, built around great phosphate plants, and its tree planting program are changing the face of the land, bending farm practices away from soil-eroding row-crops toward soil-building cover crops and livestock. Its coordinated program for controlling a rampaging river and making it navigable has also permitted development of 2,500,000 kilowatts of cheap power, power that has attracted light metal and heavy chemical industries. Its spending program has been beneficial to business, particularly in Tennessee.

Think of this when you think of the proposed Columbia Valley Administration.

Now the drab side and this too must be evaluated in considering CVA:

TVA's tri-headed administrative set-up has spelled trouble. Its personnel policy gives no protection to workers. Its fertilizer program is not well balanced, is susceptible to favoritism. Its power policy, without checks of any kind, is wide open to criticism. Its bookkeeping system, its arbitrary allocation of costs do not follow standard practice and discriminate against other public power agencies. Its treatment of landowners, competitive private enterprise, and other Federal agencies has been high handed and capricious. TVA has too much power over human beings, their lives and fortunes and independence. And that, undoubtedly, would be obnoxious to the freedom-conscious Pacific Northwest.

There it is, all wrapped up, paragraph by paragraph. All but this:

What's TVA got that we haven't got?

You, the reader, must answer that one—and soon.

Two views

Representative RUSSELL V. MACK, Washington: "More unified management of power, navigation, flood control, and irrigation development will eliminate the confusion certain to result where the authority over these four purposes of river control is divided, as is presently the case. I am convinced, however, that in any boards or commissions created for a CVA, if we have a CVA, provision should be made requiring that the membership on such boards be confined to western men who know western conditions." Representative LOWELL STOCKMAN, Oregon: "I do not think that just because TVA has been successful in the South that it necessarily follows that a similar plan would be advantageous for the Pacific Northwest. Our people in the Pacific Northwest are different and our country is different. Flood control is a paramount issue on the Tennessee, while hydroelectric energy and irrigation are the important items on the Columbia. It seems to me that the Bureau of Reclamation and the Corps of Engineers are making most satisfactory progress on the Columbia, and their administrative direction is such that we do not assume the risk of having a bureaucratic commission to govern our policy."

Official opinions varied

The so-called administration bill, for the establishment of a Columbia Valley Administration, is still under wraps. Meanwhile, here's what Congressmen think of TVA and TVA-type valley authorities:

Senator GUY CORDON, Oregon: "I am unreservedly opposed to any regional authority operated by remote control from Washington. I am strongly committed to the proposition that a representative government should have those charged with high responsibility, such as are necessarily included in such an authority, directly responsible to the people themselves, and that can be gained only by election of such officials."

Representative WESLEY A. D'EWART, Montana: "I have opposed valley authorities and expect to do so, because to me they are contrary to our form of government. This concentration of political and economic power in the hands of a few is not, to my way of thinking, the best process for developing the resources of our great country."

Representative HUGH MITCHELL, Washington, author of several CVA bills, head of the CVA league: "I think the overwhelming majority of people in TVA States and elsewhere are satisfied with TVA's operations, and I share that feeling. In applying the lessons of TVA to the Pacific Northwest, it does not follow that the imprint of TVA in the rigid sense, must necessarily be imposed. Certain differences in development and special regional problems must be taken into account. An objective and disinterested appraisal of TVA should prove helpful in enabling other valley authorities to avoid some of the pitfalls that TVA may have encountered."

Senator JAMES MURRAY, Montana, author of the MVA bill: "In the overall, I believe that it is agreed that the TVA has done a splendid job."

Senator WAYNE MORSE, Oregon: "I think the regional representation issue is fundamental. I am not in favor of rushing a CVA bill through this session without adequate time for careful consideration. There are great differences in the social attitudes and economic needs of the people in the Columbia River region from those of the people in the Tennessee Valley."

Representative HARRIS ELLSWORTH, Oregon: "I disagree with and disapprove of the whole philosophy upon which the CVA is based. I do not believe the administration bill or any other authority bill should be seriously considered by Congress until we first know why we need a bill and what kind of a bill, if any, is required."

Senator ZALES N. ECTON, Montana: "I do not believe the TVA principles can be adequately applied to either the Columbia or the Missouri Valleys. Unless so-called valley authorities can be set up to place much of the direction, supervision, and planning in the hands of the people living within areas involved, instead of being directed by a small group of men who would have almost unlimited authority, I shall be forced to oppose them."

Representative WALTER NORBLAD, Oregon: "I am definitely opposed to any program that would place control in the hands of a few men who are nonresidents of the Pacific Northwest and who would operate from Washington, and I likewise am opposed to granting broad economic powers over our region to a supergovernment agency."

Senator LESTER C. HUNT, Wyoming: "As Governor of Wyoming, and now as Senator, I think I represent by far the majority sentiment of my State. The citizens of the State of Wyoming have on many occasions gone on record as opposed to all 'authority' legislation and in favor of over-all development of our river basins by the Bureau of Reclamation, the Corps of Engineers, and other Federal and State agencies. We must protect the principle of State control of our water resources."

Senator KENNETH MCKELLAR, Tennessee: "I think the New Johnsonville steam plant is absolutely essential to firm up the power of the Tennessee Valley system. Yes, I am satisfied with the present manager of TVA, Gordon Clapp. It is true he was appointed by Lilienthal, but notwithstanding that he was thus appointed, Mr. Clapp seems to be a man of most excellent ability, of genuine fairness, and tremendously interested in the TVA system. It is true that Douglas Dam and Reservoir covered up some very good land in Tennessee, but I think the dam was needed. At the time, you may remember, I was opposed to putting the dam at that particular place, but no one could change Lilienthal."

Representative WALT HORAN, Washington: "I have some differences with the present operation of TVA which are borne out in my own Columbia interstate commission bill. Among them are the lack of local control of the corporation, the refusal of the corporation to cooperate with specialized Government agencies like the Soil Conservation Service, the lack of effective guaranties of labor rights to employees, inadequate accounting methods, lack of local representation on the governing board."

Senator GLEN TAYLOR, Idaho: "I agree with President Truman that the logical change is to a CVA. I want to cite two sentences of that editorial which sums up the opinion of the Times: Now we face the problems of other possible river authorities, and they are not simple. What TVA has done is to show that they can be solved in a democratic way, with few or none of the evils of a centralized bureaucracy.' "

Home Rule for the District of Columbia

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Wednesday, May 25 (legislative day of Monday, May 23), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the RECORD a thoughtful editorial entitled "Home-Rule Hope," published in the Washington Post of May 25, 1949, setting forth the great importance of early congressional consideration of a bill for home rule for the District of Columbia.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HOME-RULE HOPE

Senators MCGRATH and KEFAUVER appear to have breathed a new breath of life into the District home-rule bill by carrying their appeal for its enactment at this session of Congress before the majority policy committee of the Senate. Senator TAFT, too, has again expressed his deep interest in the measure. Senator HOLLAND has done some excellent behind-the-scenes work in behalf of the bill, and Majority Leader LUCAS, with the support of the Policy Committee,

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has promised to try to sandwich it into the Senate's schedule this week or next. This is extraordinarily good news. It indicates that the leaders of the Senate have thoughtfully surveyed the situation confronting themselves as well as the District. If Congress as a whole will examine the home-rule problem in this spirit, we suspect that the conclusion will be that it cannot afford to ignore this issue through another year.

The muddle in Congress over the sales tax dramatized one aspect of the issue. In spite of the great pressure of national and international legislation, the Senate spent nearly a week on the District's revenue bill. To be sure, some Members are saying that because of this there will be no time for the home-rule bill at this session. But that is a very short-sighted view. For in the wake of the tax bill come many other local measures that Congress ought to enact. For example, the Senate has just approved and sent to the House bills to permit continued operation of six child-care centers and to let the District government kill weeds on private property. These must be followed by various others of similar nature. Often when such comparatively minor bills have been enacted by both houses they have to go to conference, and of course they always have to be signed by the overworked President. It is incredibly wasteful to force measures of this sort through our national law-making machinery. Yet so long as Congress clings to its burden as city council for the District, it cannot dodge petty issues without disastrous local consequences.

If Congress looks at only this one aspect of the situation from its own selfish point of view, it cannot fail to pass a home-rule bill at the present session. We do not suggest, however, that this is the heart of the matter. It is not. Even the extra burden upon Congress is insignificant beside the continued deprivation of this community of its right to participate in its own local government. Let Congress remember that it is sponsoring a great celebration in Washington next year under the title of the Freedom Fair. Unless the home-rule bill is enacted at this session, the United States will be inviting all the world to a festival of freedom in a city in which the right to vote does not exist. The very suggestion of freedom without the franchise is a mockery of the word.

Visitors of the Freedom Fair would be constantly reminded that a government of its own was included in the vision of the founding fathers for this Capital City; that home rule actually existed in the District for more than 70 years when only a handful of people lived here; that now upward of 900,000 persons are deprived of suffrage rights. Such a record of retrogression, with nothing done about it in Congress over a period of many decades, would make the sesquicentennial Freedom Fair a hollow sham. We beg the Congress to look seriously at this flagrant contradiction of American principles in its own home bailiwick before casually assuming that there is no time to enact the home-rule bill.

The question boils down to belief or disbelief in our own American principles. If the right of the people to govern themselves means anything, it ought to have the same meaning in the District of Columbia as it has in Virginia or Minnesota. Sometimes emergencies make temporary suspension of suffrage imperative. But to perpetuate such an emergency measure over three quarters of a century, as Congress has done in the case of the District, and then to invite the world to a Freedom Fair in the spot where the chief badge of freedom has vanished, would be a dose of cynicism that no Congress could reasonably defend before the people. Yet that is precisely the predicament in which Congress and the Capital will find themselves if the home-rule bill is not enacted.

How Much Must We Spend for Real National Security?

EXTENSION OF REMARKS
OF
HON. EDWIN C. JOHNSON
OF COLORADO
IN THE SENATE OF THE UNITED STATES
Wednesday, May 25 (legislative day of Monday, May 23), 1949

Mr. JOHNSON of Colorado. Mr. President, last night, May 24, it was my privilege to appear on America's Town Meeting program with the Senator from Maryland, Mr. Tydings, Representative Dewey Short, and New York Times Correspondent Hanson Baldwin. I ask unanimous consent to insert my remarks in the Appendix of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

HOW MUCH MUST WE SPEND FOR REAL NATIONAL SECURITY?

Mr. Baldwin seems disturbed and worried over the "new isolationism" which he says I epitomize. He should be disturbed and worried instead over the current waste of American money and resources by the armed forces.

Recently, before the Senate Armed Services Committee, former President Hoover stated:

"Our military budget system has broken down.

* * * * *

"Congress allocates billions without accurate knowledge as to why they are necessary and what they are being used for.

* * * * *

"The Defense Establishment of this country is permeated with waste and inefficiency and duplication of effort."

And former Secretary of War Robert P. Patterson, referring to what he termed "the extremely expensive and pernicious practice of empire-building" by the Army, said, "I would hesitate to say how much money has gone down the drain just due to that single factor. It is very large."

There you have the testimony of two greatly respected Americans.

I do not like to be a penny-pincher or a wet-blanket, but I am alarmed by the certainty of the indescribable world misery which must follow our national bankruptcy if we stretch our economy too far. We must remember that whatever expensive military program we adopt this year we must be able to maintain at an accelerated tempo, years after, from this day henceforth. We better keep it within our means and we better start it off on that basis. Senator TYDINGS says if we throw out a 15-foot rope to a drowning man 30 feet from shore it will do no good; but, what I fear is, that we will get caught out of rope.

America has gotten herself into the fool habit of trying to solve every problem with dollars borrowed from future generations. We just love to spend other people's money. We owe more money three times over than all the rest of the world combined. Our Government "blows" in every cent it can lay its hands on and when cash runs low we raise additional funds by placing American infants not yet born in hopeless bondage.

We just love to kid ourselves, too, with pretty names for disagreeable things. The current borrowing spree all too cleverly is named the opportunity bond drive. Liberty loans and victory loans and opportunity loans roll off our tongues with all the sweetness and lure of singing sirens. We should be honest with ourselves and call these loans what they are—great-grandchildren loans—for we ourselves have no honest intention of ever paying one cent toward their retirement. Deliberately and nonchalantly we pass them on to succeeding generations to be paid by them out of their blood, their sweat, and their tears.

The President has requested, and Congress is planning on, spending $15,000,000,000 for domestic rearmament and $6,000,000,000 for the Marshall-plan aid during the next fiscal year. Furthermore, in addition, the President insists that Congress ratify a military alliance which cannot cost less than $20,000,000,000 over the next 3 years.

For 10 years I have been a member of the Senate Finance Committee, and that committee and its staff of tax experts are in substantial agreement that taxes cannot be increased this year without running into the probability of diminishing revenue returns. A deficit of three to five billion dollars is freely predicted for the next fiscal year. That would touch off a new wave of uncontrolled inflation that might shake the very foundation of our Government and push our economy off the deep end into a devastating depression.

Slap-happy we flounder about the brink of the very disaster Stalin has been predicting so gleefully for us. If we fall into his booby trap, which we ourselves have built, the whole world may go communistic.

Little wonder then that George Denny asks, "How much must we spend for real national security?" While a price tag can never be placed on real national security, further reckless indulgence in deficit spending and loose Federal fiscal policies can result only in frightful insecurity.

The Hoover Commission has called attention to the extravagance and the waste of the armed forces. The Bureau of the Budget, the President's own fiscal agency, has pointed out with graphic charts that 75 cents of every tax dollar goes to pay for past wars or to prepare for the next war. There is something radically wrong with the judgment of a nation that plans to spend three times as much for guns as for education.

Ordinary prudence dictates that we reduce our military budget and Marshall-plan expenditures one-third to make certain that we maintain a balanced budget, which is so necessary right now to restore confidence to our sagging economy. Our military expenditures for the next fiscal year should not go one dime above $10,000,000,000 and Marshall-plan aid should be held to a total of $4,000,000,000 in the interest of security and solvency.

America should get on its collective knees this very night and pray to God with earnestness and fervor to pound some sense into Congress and give us the courage to do what we know is right.

Tribute to the Late Harlan J. Bushfield

EXTENSION OF REMARKS
OF
HON. MILTON R. YOUNG
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, May 25 (legislative day of Monday, May 23), 1949

Mr. YOUNG. Mr. President, I ask unanimous consent to have printed in the RECORD a brief memorial address prepared by me on a distinguished son of South Dakota, the late HARLAN J. BUSHFIELD, with whom I had the privilege of serving in the Senate for a number of years.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A man who has strong convictions and who has the courage to stand up for them is a man among men.

Such a man was the late Honorable HARLAN J. BUSHFIELD, of South Dakota, who served his State with distinction as a private citizen and later in life as one of its public servants.

It was my privilege to know Senator BUSHFIELD before he came to the United States Senate, during his tenure as chairman of the South Dakota Republican Committee and as governor of his State. A staunch Republican of the old school he never once during his political life wavered from the principles and standards which he was convinced were for the best interests of his State and Nation.

I was also privileged to serve with him on the Senate Agriculture Committee where he strove hard to solve the many problems confronting the farmers of our Nation. The farm problem was ever uppermost in his mind and farmers had no better friend in the Senate.

Senator BUSHFIELD was a kindly man—a trait which welled from his early life in Miller, S. Dak., when pioneering the then new State called for close human relationship.

As a printer's devil in his father's newspaper shop at Miller, Senator BUSHFIELD developed an early interest in public affairs—an interest to which he clung throughout life. His political philosophies were the product of individual thinking while puttering around type cases and based on his observations of life among rugged sons of the soil. He was constantly guided by these philosophies during his long political career, never compromising for political expediency. In this last he set a worthy example in this august body.

Although his colleagues here did not always agree with the Senator's convictions, they did respect his unwavering adherence to principles of government he believed were right and just.

And this, in my opinion, is one of the highest tributes which can be paid to any man.

The Republican Party's Program

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Wednesday, May 25 (legislative day of Monday, May 23), 1949

Mr. WILEY. Mr. President, in the newspaper, the Northwest Republican, published in Minneapolis, it is my pleasure to contribute a regular column on Republican Party affairs.

I ask unanimous consent that the text of my column for the May–June issue on the theme of the GOP program be reprinted in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

What should the Republican Party's specific program be? What issues should it advance and on what points should it fight the administration? There is a tremendous amount of agreement as to the specific points in a national GOP program. But, there is, however, considerable disagreement among our fellow Republicans, particularly on those points involving Federal aid of one sort or another.

Let me respectfully submit various points on which I feel we can and should have unanimity of Republican opinion:

1. Backing of the Hoover Commission Reports on reorganization of Government to the greatest extent possible (in order to achieve Government economy and efficiency).
2. Fighting for a balanced budget and in opposition to deficit financing.
3. Fighting against the administration's tax-crazy program which would saddle our people with more burdens and which would only serve to encourage a business recession.
4. Supporting worth-while bills for self-liquidating investments such as the Great Lakes-St. Lawrence seaway, which has been pending for 30 years and which has been backed by every Republican and Democratic President in that time.
5. Endorsing continuation of the basic provisions of the Taft-Hartley law with modifying amendments in those instances where such amendments are necessary.
6. Opposing the administration's fantastic postage rate increase bill which would completely kill many weekly newspapers, church publications, farm periodicals, fraternal journals, etc.
7. Seeking complete unification of the armed forces in order to achieve the highest possible efficiency for America's fighting arms.
8. Fighting any tendencies toward wishy-washy appeasement of the Soviet Union while seeking to find a basis for realistic understanding with the Soviet Union.
9. Supporting efforts for cooperation between the western European nations and the United States in the form of the North Atlantic Pact.
10. Supporting equitable increases in the minimum wage but limiting such increases to only those businesses involved in actual interstate commerce, rather than intrastate commerce.
11. Support of constitutional versions of the antilynching and antipoll tax bills.
12. Opposition to the Brannan catch-all farm program with its undetermined costs; but endorsement of assurances to farmers of their cost of production plus a reasonable profit.
13. Increases in present inadequate old-age pensions.

Now, my fellow Republicans, what do you think?

Civil Rights

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Wednesday, May 25 (legislative day of Monday, May 23), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a digest of addresses delivered by me on civil rights on the floor of the Senate on March 14 and 16, 1949.

There being no objection, the digest was ordered to be printed in the RECORD, as follows:

DIGEST OF SPEECHES ON CIVIL RIGHTS MADE BY HON. HUBERT H. HUMPHREY, OF MINNESOTA, ON THE FLOOR OF THE SENATE, MARCH 14 AND 16, 1949

Mr. President, we have had many comments from our distinguished colleagues during the course of the debate of the past few weeks. I have patiently listened to those comments and as a new Member of this body chose not to participate in the deliberations. I remained silent also because I knew that the American people wanted more action and less talk. Events of the past day, however, led me to stand and express my views.

We have had a long debate, Mr. President, and many issues have been raised. The rules of the Senate are inadequate to meet the needs of our day. Under the rules it has been possible for a determined and organized minority of Senators to keep this body from taking any action at all, by refusing to stop talking and thus preventing the Senate from voting. In most cases the talk is not even pertinent to the issues. Our inability over the past few years to pass civil-rights legislation in the Senate, even though it has received the approval of the House of Representatives, the majority of the Senate, and the overwhelming support of the American people, is an indication of the way the rules have permitted a form of minority control. Since this is a violation of the principle of majority rule on which our democracy is based, it was generally agreed that some change in the rules was desirous and in fact necessary.

Many proposed changes were introduced: Some favored allowing debate on any issue to be curtailed after a reasonable period by a majority of the Senate; others by a constitutional majority; some by a two-thirds or three-fourths; others by a constitutional two-thirds. The Rules Committee, under the leadership of the distinguished Senator from Arizona [Mr. HAYDEN], held full hearings on this question. Out of these hearings came a compromise, the Hayden-Wherry resolution, allowing a two-thirds vote to prevent a filibuster from continuing endlessly on any matter before the Senate. The old rule allowed a two-thirds cloture only on a bill itself.

Mr. President, I felt the Hayden-Wherry resolution was too mild and did not face up to the problem of minority control of this body; but I welcomed the opportunity to discuss the resolution and perhaps support it if it seemed the best compromise we could now get. A number of our colleagues from the South also opposed the Hayden-Wherry resolution on the ground that it was too stringent a rule for them, and also probably because under this rule it was likely that civil-rights legislation could pass the Senate. But, unlike those of us who opposed the resolution for other reasons, our southern colleagues chose to filibuster and thus keep us from discussing the Hayden-Wherry resolution, thereby demonstrating again the evil of filibuster and the necessity for a change in our rules.

After listening patiently many days while our colleagues from the South held the floor, our distinguished majority leader [LUCAS] circulated a petition to end the debate and allow the Hayden-Wherry resolution to be discussed on the floor. Vice President BARKLEY accepted the cloture petition on the ground that Senate rule XXII passed in 1917 allowed such cloture on a measure and the motion to discuss the Hayden-Wherry resolution, which was being subjected to filibuster, was a measure and hence subject to cloture.

Mr. President, I need not add my views to the respected authorities introduced by Mr. BARKLEY in support of his ruling. It is inconceivable to me how any other interpretation can be valid after studying the legislative history of this question since 1917, listening to the scholarly debate on this floor, and even examining the standard dictionaries in the field. Nevertheless by a vote of 46 to 41 Mr. BARKLEY's ruling was overruled last Friday night.

The significance of this vote last Friday, Mr. President, cannot be exaggerated. There were many honest differences of opinion on this question, but it is significant that of the 46 Members who voted against Mr. BARKLEY's ruling, 23 Republicans, the majority of the

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Republican delegation, joined the 19 Members from the South and 4 from border and southwestern States. It is also interesting to note that of the 23 Republicans who voted against our Vice President's ruling and thus dealt a body blow in turn to civil rights, only 5 were elected or reelected last November.

The vote last Friday was a blow to civil rights as well as to the dignity of the Senate, Mr. President, because it meant that this body could not proceed to discuss legislation so long as there was a determined minority ready to prevent consideration by continuing to talk. In the face of such a minority, our choice is either to submit or make a farce of the legislative processes by allowing weeks of valuable time and many thousands of our taxpayers' dollars to be spent as a few Senators hold the floor and talk on. The problem is a particularly crucial one because of urgent rent control, Marshall plan, agricultural price supports and labor legislation awaiting action which would necessarily have to be sidetracked to outlast our colleagues from the South. After much thought those of us on this side of the aisle came to the decision that the danger of minority control was so great and was so threatening to the whole of the President's program that it was important for us to break that control now and change the rules of the Senate to conform to democratic practices. We believed we had a good chance of winning, even though each member of the minority could speak twice at any length, because we were assured by our Republican colleagues that they too were interested in enacting the civil rights program and were opposed to unlimited filibuster.

Mr. President, those of us on this side of the aisle interested in civil rights acted in complete good faith. Even our distinguished colleagues from the South acted in good faith in that their position against civil rights and against cloture was always clear. But in the midst of these events, rumors and talk of informal meetings began to fill the air; then suddenly a petition was brought to the floor signed by 52 Members of the Senate.

It is this petition which we are now discussing. It is this petition and the so-called Wherry compromise proposal which I raise my voice against and which I know the American people will rise up against.

First as to the nature of the petition. It was signed by 52 Members who agreed, Mr. President, not only to the fact that they were in favor of the Wherry proposal, but also that they would not accept any amendments to it. Those who signed this petition, Mr. President, the overwhelming majority of whom are Republicans and Senators from the South, have their minds made up and closed. They never consulted us and they tell us now that nothing we say can change their position even though we represent the program for which President Truman campaigned and which was supported by the American people. This is an outrage against the legislative processes, Mr. President. It is a blow to the democratic principles of discussion, debate and compromise.

Second, as to the effect of the Wherry resolution. It provides that a filibuster can be stopped only when 64 Members of the Senate, two-thirds of the whole membership vote for cloture. Much has been said about the Constitution in the course of this debate. Mr. President, I speak not only as a member of the United States Senate, who has taken an oath to uphold and defend the Constitution, but also as a former professor of political science when I say that the Wherry resolution is both unconstitutional and a defeat for democratic forces.

The Constitution is based on the doctrine of majority rule. It provides in article 1 that a majority of the Senate shall constitute a quorum and be sufficient to conduct business. Whenever the framers of the Constitution intended that more than a majority would be necessary for action they specifically so stated in the Constitution. On four different occasions for example a two-thirds vote is required: to impeach the President of the United States and other Federal officers; to expel an elected Member of the Senate; to ratify a treaty; to override a Presidential veto. It will be noted that these steps are most serious and for that reason require more than a majority vote. Yet even with these extraordinary acts a simple two-thirds or a possible 33 out of a quorum of 49 can act. Yet, the Wherry resolution would rule that 64 Members must vote to stop a filibuster. These gentlemen, Mr. President, would have us take a backward step and adopt a rule more stringent than any ever conceived by our Constitution and in fact contrary to the Constitution and they would call it a compromise. This is no compromise. It is a desperate defeat for the forces of human brotherhood, decency, and democracy. It is an unholy alliance against civil rights.

Our country escaped from minority control back in the days of the Articles of Confederation. At that time we operated under a plan whereby the approval of 9 out of 13 States was required for passage of any legislation. The chaos resulting from such an arrangement was so great that government under the Articles of Confederation became impossible. This led to the Constitution with its provision that a majority would constitute a quorum to do business.

The Wherry resolution therefore runs counter to the whole intent and philosophy of our Constitution.

In a practical sense, moreover, it probably means the end of civil-rights legislation. It means that 64 Senators must agree before a filibuster can be stopped. It means that where 33 Senators out of 96 decide that the Senate should not consider an issue, their will is superior to the will of 63 other Senators who may be in favor of the bill. It means, furthermore, and this is one of its most dangerous ramifications, that where a Senator is absent from a vote on cloture his absence is equivalent to a vote against cloture and in favor of the filibuster.

Mr. President, those of us who oppose this unholy, unconstitutional Wherry resolution do not propose to ignore the rights of any minority in this body. I know of no suggestion to prevent their right to express themselves—even at length. We only propose that there be some time limit to this speaking which would prevent a minority from controlling and permanently preventing majority action. The question is not one of allowing men to express their opinions but of allowing a majority to act. The issue, moreover, is more than one concerning a Senate rule. Basic to this discussion is our obligation to conform to the Golden Rule. I do not know whether after a discussion and debate we could in this body pass civil-rights legislation, but I do know that we owe it to the people to discuss it and stand up and be counted on it. The Wherry resolution will prevent us from even considering the legislation.

We are told by the gentlemen on the other side of the aisle that there is a difference of only one vote requirement between the Wherry resolution and a proposal to allow a simple two-thirds vote to apply cloture which we now have under rule XXII. Let's not be deceived. There is a difference of at least eight votes. Since 1917 we have had 19 roll-call votes on cloture. The average attendance at those roll calls was 84. Under the Wherry resolution, which we are now asked to swallow, 64 votes would have been required. It is a step backward. I must therefore say I will never vote for this proposal. I would rather lose 100 percent now and come back another day after another election. I know some Senators will go forth and say, "We got cloture." I say to them: "No, you did not get cloture. You got some kind of concoction that might deceive somebody into thinking it is cloture."

The coalition of Republicans and Southern Democrats being formed before us today has serious consequences for Americans. By refusing to face the need for civil rights, we have given strength to the totalitarian forces within our society from the right and the left. I have had a great deal of experience, Mr. President, fighting subversive forces. I know that the Communist Party will now exploit this step we take today and against which I fervently protest. They will spread their tales not only in our own country, but to the people of the world. They will say that America is not interested in the democratic principles of liberty and equality. They will say that Soviet Russia and not America is the true friend of the millions of colored people in the world. They will say, and we will have presented them with the ammunition to say, that America is insincere and that our political parties are insincere.

We have a responsibility to the principles for which we stand to pass civil-rights legislation. We have a responsibility to the people of the world to assure them we are their friends regardless of their color, that we believe in democracy. We have a responsibility to the Catholics, Protestants, and Jews who suffer from discrimination in community after community to assure them that we are not going to forget the evils of our society and that we are going to correct them.

Mr. President, I have before me a resolution pledging those in this body who sign it to hold the Senate of the United States in session until the civil-rights program set forth in the platform of both the Democratic and the Republican parties is voted upon. The people have a right to know where each of us stand. My position in this matter is clear. I shall vote for majority rule in the Senate and for the right of a majority of this body to employ cloture so that every Senator has the opportunity to debate and express himself on all issues. I shall vote for civil-rights legislation in accordance with the platform of our party and the program of President Truman. These are my convictions. I am prepared to stay all summer to vote in accordance with my convictions. This body can do no less.

Memorial Day

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the National Tribune, Stars and Stripes, May 26, 1949:

IN REDEDICATION

On May 5, 1868, Gen. John A. Logan, then the second commander in chief of the Grand Army of the Republic, issued his famous General Order No. 11 which first established Memorial Day. Since that day, on each May 30 it has been read and reread. It called upon the people everywhere in this Nation to decorate the graves of those who had defended their country in a great civil conflict. It sought to preserve the memory of the vast

sacrifices they had made, and it asked that there never be forgotten the cost of a free and undivided republic.

During the course of its existence, the Grand Army and its membership wielded a great influence on American life. Of two and a quarter million men who served in the Union armies in the Civil War, it had as organization members in its heyday less than 410,000 veterans, but it assumed its rightful place in the political and economic structure of the country. It was a force for good, and it contributed far out of proportion to its numbers to the advancement of the national interest. From its rolls came those who assumed leadership in all walks of life, those who led their people in civil affairs at the country crossroads, in the States and the Congress, and in the Executive Mansion. Indeed, nobody today could possibly overestimate the wealth brought to the well-being of our land by those who fought for and preserved the United States as one Union.

When General Logan proclaimed Memorial Day 81 years ago, he spoke for less than 10,000 souls. Although his command in time had been 400 times multiplied, there are living today only an even score of members of the GAR in some 15 States. Indeed, there survive now only 30 Union veterans of the Civil War and about the same number of their adversaries of the Southland. They average in age well over 102, and those ages range from 100 to 107 years. When the final roll is called at the eighty-third and last campfire in Indianapolis 3 months hence, it is doubtful if more than three or four will be on hand physically to answer to their names.

One of the great heroes of the North in the war of 1861–65 was the principal speaker at Arlington National Cemetery on May 30, 1868. He later was to become the twentieth President of the United States, only to die a few months later at the hands of an assassin. Time has in part erased the thoughts he uttered on that first Memorial Day, but it is remembered that he stressed the meaning of some of the timeless words of the then commander in chief of his veterans' organization. He repeated a sentence of General Logan's order that for all time should serve as injunction to new generations of veterans of later wars: "Let us in this solemn presence," he recited, "renew our pledges to aid and assist those whom they left among us as a sacred charge upon the Nation's gratitude." He referred, of course, to those who lay lifeless beneath the green and carefully tended mounds before him.

Nowhere can be found a simpler definition of the reason why service men and women of all wars should organize in strength. Never was it more essential that their potential might and their vast resources be held at the disposal of their Government. At no time in history has it been more necessary to be welded together for self-preservation and for the protection of the widows and orphans of the honored dead than it is now, more than four score years since Memorial Day was first established.

When, on the coming Monday orations are intoned from public platforms throughout this country, and, in fact, from other rostrums the world over, patriotic men and women will voice warnings that Americans everywhere must search their consciences and renew their interest in civic duty if there are to be preserved the great principles that have made possible the freedoms they enjoy. They will be reminded that there is real danger of revolutionary changes in their way of life through infiltration of alien influences that have been instilled in younger minds under the guise of liberalism. And no doubt in many a locality the memorial occasion will afford the opportunity, in the name of freedom of expression, to preach sedition in honeyed phrases and double talk. Our people must be able to distinguish between good and evil, and we know of no better medium than a strong and forceful campaign—and a continuing one—led by veterans who have organized to defend the Americanism for which they have fought in war.

At some period in almost every generation during our existence as a Nation a notorious element of this citizenry has sought to destroy the usefulness of veterans as a preferred class by legislative attacks upon their privileges. Until recent months no onslaught has achieved success since the black days of the so-called Economy League of nearly two decades ago, but today there is a well-organized attack in progress. Aided by improved channels of communication, the enemies of "those whom they left among us as a sacred charge upon the Nation's gratitude" are striving desperately to destroy so-called veterans' benefits and lump them together with other social outlays. The greatest propaganda drive of all times is being carried right to the ramparts of servicemen's organizations and those of their auxiliary bodies. The defeat of veteran proposals in recent weeks and months has been the reward of carelessness and lack of unity among veterans and as between their societies. Unless they awaken to a realization of the dangers that face them, and unless they repair their systems of defense and reinforce their redoubts, all that has been won over the years can be lost. These are the themes most to be accented on this Memorial Day.

America must continue to live as a Nation of free and undivided people devoted to ideals that have stood the test of time with all of the changes it has wrought. The first citizens of America, those who have served their country in uniform and have bared their breasts to a foe that would have destroyed everything they most cherish, must become stronger and must reassert their purpose to assume their leadership in affairs closest to their hearts. They are called upon to save their people from stealthy enemies both within and without these borders. Theirs is the right to show the way to a stronger national life and a vaster program for good, and theirs is the duty to destroy the forces that would forget the country's responsibility to those who have borne the battle. On this coming day, devoted to the sacred memory of the warriors of this land, its war veterans rededicate themselves to the reasons for banding together in associations for God, for country, and for fellow being. With all that is in them they will strive to protect their own.

The Other Side of the Merger-Monopoly Issue

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, from time to time the Federal Trade Commission has issued reports on the merger of corporations and a creation of monopolies.

So far as I have been able to learn, no wide publicity has been given to the views of those who do not agree with the conclusions of the Federal Trade Commission.

Because of this situation, there is printed herewith a recent review and analysis of the Federal Trade Commission's report on the merger movement, prepared by the research department of the National Association of Manufacturers. That report is as follows:

FEDERAL TRADE COMMISSION'S REPORT ON THE MERGER MOVEMENT [1]

In this review of the Federal Trade Commission's report, we are not going into the merits of the legal proposals with respect to mergers. We are addressing our analysis entirely to that portion of the report which surveys company acquisitions during the period from 1940 through 1947 for the purpose of indicating the growth of the merger movement and its economic effects.

The FTC has made a study of some 2,062 acquisitions for the period from 1940 through 1947. These acquisitions are studied in considerable detail. The report points out, however, that there are in addition to those tabulated in the report 388 cases of acquisitions reported in special surveys made by the Textile World, which would bring the total to 2,450.

The 2,062 mergers tabulated in the report are presented in various tables and charts with textual discussion for the purpose of indicating that an alarming merger movement is under way which, if uncorrected, will lead to serious consequences. The Commission closes its report with the following warning:

"In practice, competition has proved to be a somewhat crudely working but, on the whole, highly effective theory and system. Yet, it would be blindness not to recognize the obvious fact that the effectiveness of competition, as the protector of the public interest, has been seriously weakened during the last several decades. In industry after industry, prices, production, employment, and, in fact, all forms of economic activity have come under the domination of the Big Four, the Big Six, or in some cases, the leader."

The Commission pleads for "some effective means of preventing giant corporations from steadily increasing their power at the expense of small business."

In other words, the Commission believes that on the basis of the data on which it has analyzed the recent increase in acquisitions of subsidiary companies presents a serious monopoly threat. In the brief time at our disposal it is utterly impossible to ascertain the full facts regarding the 2,062 acquisitions as to their relative size in the industry in which they have taken place, as to the nature of the activities to be carried out through these mergers, and as to whether or not each of these so-called mergers represents a reduction of competition and the building up of monopoly power. These problems are treated in general terms throughout the report, but the information provided in the FTC report is too inadequate for an appraisal of the acquisitions from these points of view.

One of the most serious defects of the presentation is that the assets of the acquired firms are not given by industry groups. Therefore it is impossible to determine to what extent the properties acquired by various companies represent increasing concentration in the various industries indicated. This omission is inexcusable because from statements made in the text of the report, it is apparent that the information as to the value of the assets acquired in each case was available to the Commission.

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[1] Report of the Federal Trade Commission on the Merger Movement—A Summary Report, U. S. Government Printing Office, 1948.

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Even on the basis of the number of firms acquired, the acquisitions are exceedingly small in relation to the total number of firms in the manufacturing and mining industries. As shown in table 1, attached, the 2,062 acquisitions represent a yearly average of less than one-tenth of 1 percent of the total firms operating in these two industrial fields. It will be recalled that these acquisitions were made over a period of 8 years, i. e., 1940 through 1947. Even if acquisitions continued at this rate, it would take over 1,000 years to merge all industrial and mining concerns into one great monopoly—the private supergovernment indicated by the FTC.

It is stated many times throughout the report that this recent resurgence of the merger movement will have a stifling effect on small business. Throughout the report all of the emphasis is placed on the acquisitions purchased. The implication is that large and powerful corporations are forcing the small and weak companies out of business through outright purchases. No recognition is given to the fact that many companies find it to their advantage to become part of a larger corporate unit or to join with another small company, because the smaller unit alone often lacks the necessary capital or technical skill to develop, manufacture, and market its product effectively.

The implication that small business is "disappearing" is hard to believe in view of the fact that the over-all figure of the number of firms in operation in mining and manufacturing has actually increased 49 percent from 1939 to 1948. These figures, calculated by the Department of Commerce, are given in table 2. In 1939, there were 235,600 firms in these two major fields and in December 1948 there were 351,400 such firms. The FTC statements about the "disappearance" of small business firms are absurd in the light of this upward trend.

The merger movement, as described in the FTC report, is never clearly related to the long-term trend of mergers throughout American business. In the TNEC report on mergers (TNEC monograph No. 27, The Structure of Industry) figures are given for mergers throughout the years 1919 to 1938 by quarters. In the TNEC study, mergers are referred to under the misleading title of "concerns disappearing." For all practical purposes, the classification is comparable to the one used in the FTC report. It might be well, therefore, to compare the recent trend in mergers with that exhibited in earlier years. As indicated in the FTC report, the Commission states that there were 2,450 mergers from 1940 through 1947. This would be at the average annual rate of 306 throughout this 7-year period.

According to the TNEC study, as shown in table 3, there were 1,245 mergers in the peak year 1929 alone. In fact, although the average annual rate during this recent 8-year period is about twice that prevailing from 1932 through 1938—a period of very low rate of merging—it is far below the average of the decade ended 1929. In the 10 years ended 1929 the mergers averaged 682 per year compared with 306 per year during the past 8 years.

Only incidentally does the FTC report deal with the factors that were responsible for mergers during the war period. In order to get a supply of materials during the war period and during the price-control period following the war, it was imperative for many companies to obtain through vertical acquisitions facilities of other plants in various regions. For example, in discussing the mergers in the field of textiles and apparel, the FTC report points out that:

"A modern example of this type of movement is that which has occurred in recent years in the textile industry, a field in which the merger movement is nothing less than spectacular. According to the Cotton Textile Institute, in the years 1940–46, inclusive, approximately one-fifth of the productive facilities in the cotton-textile field changed ownership. The commonly recognized underlying causes of this wave of mergers were: (1) shortage of gray goods, caused by enormous demands during the war and the immediate postwar period; (2) more favorable profit margins, particularly under wartime price controls, in the finished-goods lines; (3) consequent assumption of the finishing operations by gray-goods mills; and (4) responsive efforts of converters, selling agents, dry goods wholesalers, etc., to gain access to gray goods through mergers."

Later the report discusses recent cases of acquisitions of "tight cooperage" firms by distillers, and makes the following point:

"In the case of the purchase of tight cooperage facilities, it is apparent that the distillers were motivated not so much by a desire to make this a captive industry as by the competitive necessity of securing whisky barrels. Without whisky barrels, whisky cannot be aged, and without aged whisky to sell, the large distillers would soon have found themselves in the extraordinarily difficult position."

Undoubtedly a careful analysis of many of the mergers in other industries would reveal the same type of acquisitions.

The over-all statistical record and chart provided by FTC clearly indicates that the recent increase in acquisitions is a purely temporary phenomenon brought about by the war and its aftermath. There is no statistical indication that the long-term trend of mergers is upward. As already indicated, a considerable number of acquisitions were made during the period of acute shortages under war conditions and price control in order to insure a supply of needed materials. Probably a careful examination of the facts of each individual case would reveal this, but such information, even though available to the FTC investigators, has not been disclosed. In addition, it is likely that one cause for the recent high rate of mergers grew out of the tax situation. Under the excess-profits tax, which was in effect through 1945, corporations were allowed to take an exemption which in many cases was based upon invested capital, and this fact lent a special impetus to the acquisition of other concerns.

There are many assertions, although little proof, throughout the report that these mergers stifle competition. Even if the over-all figures supported the claim that the merger process has resulted in a reduction of the number of firms operating, there still would not be conclusive proof that these combinations actually restrained competition. As already indicated, throughout the period under review the number of firms in mining and manufacturing actually showed a large net increase. In other words, the 2,450 companies which "disappeared" through mergers were rather heavily offset by the net addition of over 100,000 firms in operation. (See table 2.)

But there is a fundamental error in assuming that all acquisitions and mergers reduce competition. In fact, mergers and acquisitions frequently intensify competition. Obviously, if there were only two companies in a field, the acquisition of one by the other would eliminate competition. However, if there were three companies—one large and two small—a merging of the two smaller ones might provide formidable competition for the top company. The fanning out of this process of elaboration clearly indicates that more effective units of competition are frequently created by logical combinations of a number of small units which might otherwise fail to be effective as individual concerns.

Nowhere in the report has the FTC demonstrated that these mergers have injured the consumer either through monopolistic prices or poor service. In many cases, even according to the FTC report, the mergers, particularly those of the vertical type, have resulted in more effective production and distribution. This will doubtless lead to relatively lower costs and prices.

Another example of the specious type of reasoning in the report is that the financial condition of the 78 largest manufacturing companies put them in a position as of June 30, 1947, to acquire 90 percent of the total number of manufacturing companies in the United States. For example, it is stated that the 78 largest manufacturing corporations have enough net working capital to purchase the assets of 90 percent of all manufacturing companies in the United States. If the 78 corporations were to spend all of their working capital for acquisitions, as suggested by the FTC, then they would cease to operate for lack of current funds to meet pay rolls and other requirements. It could be said that the Reconstruction Finance Corporation has enough billions to purchase the assets of approximately 90 percent of all manufacturing corporations in the United States, thus indicating there is just as much concentration of power in a single Government corporation as there is in the 78 largest manufacturing companies. This view, although unrealistic, is not as impractical as the absurd observation made by the FTC, because RFC money is easier to spend for such purposes than the working capital of industrial concerns.

In the FTC report, considerable emphasis is placed on the fact that a few large companies have a large proportion of the output of the heavy steel drum capacity of the steel industry. Nowhere does the report point out that heavy steel drums and barrels represent only a minute fraction of the steel industry. The implication of the report is that a few large steel companies have acquired a large proportion of the steel output of the country—not measured by total production but by the production of one item.

According to the figures compiled by the American Iron and Steel Institute, total fabricated-steel shipments in 1947 were 63,057,150 tons. In that year the shipments of steel barrels, drums, and shipping pails, 18-gage and heavier, were 616,788 tons. This represents less than 1 percent of all steel shipments in 1946.

There is much confusion in the analysis as to the relation of these acquisitions to small business. If the companies acquired had generally been large units, the charge of monopoly and restraint of competition might have been sustained. However, since apparently most of the companies acquired were relatively small, the report lays great stress on the effect of these mergers in driving small companies out of business. For example, it is stated that "fully 93 percent of all firms bought out since 1940 held assets less than $5,000,000 and 71 percent had less than $1,000,000 of assets. On the other hand, only 4 percent of the total number of acquired firms had assets of over $10,000,000." Because of the predominant number of small units in business, these acquisitions have had no effect in reducing the over-all number of small businesses because their slight number is offset many times over by new businesses starting.

The report makes a distinction between horizontal acquisitions, vertical integrations, and conglomerate acquisitions. The report does not give a break-down of the acquisitions by these three leading types, except as to their over-all number. Since no asset figures are given for the acquisitions, it is impossible to determine the relative importance of the various types of mergers as to the restriction of competition.

TABLE 1.—*Mergers and acquisitions, 1940–47, as percent of number of firms in existence*

Industry of acquiring company	Number of firms merged or acquired, 1940–47	Number of firms in operation Dec. 31, 1947	Merged or acquired firms as percent of total
			Percent
Food and kindred products	369	57,400	0.6
Textiles and apparel	154	40,000	.4
Paper and allied products	84	3,000	2.8
Printing and publishing	28	41,800	.1
Chemicals	212	9,000	2.4
Rubber products	25	1,500	1.7
Leather products	19	5,100	.4
Metals and metal products (not elsewhere classified)	241	24,700	1.0
Nonelectrical machinery	167	17,200	1.0
Electrical machinery	105	4,100	2.6
Transportation equipment	140	4,200	3.5
Lumber and furniture	50	64,600	.1
Stone, clay, and glass products	64	14,700	.4
Other manufacturing	220	31,600	.7
Mining and quarrying	71	29,000	.2
Nonmanufacturing	104		
Total or average	2,062	348,500	.6

Source: Federal Trade Commission Report on the Merger Movement and U. S. Department of Commerce.

TABLE 2.—*Increase in number of mining and manufacturing firms*

	Number of firms in operation (thousands)		
	Mining and quarrying	Manufacturing	Total
1939, Sept. 30	21.4	214.2	235.6
1940, Sept. 30	22.0	215.5	237.5
1941, Sept. 30	23.4	225.8	249.2
1942, Sept. 30	25.9	224.1	250.0
1943, Sept. 30	26.2	228.6	254.8
1944, Sept. 30	25.7	206.2	231.9
1945 Dec. 31	26.3	262.5	288.8
1946, Dec. 31	27.8	305.1	332.9
1947, Dec. 31	29.3	317.4	346.7
1948, Dec. 31	31.6	319.8	351.4

Source: Department of Commerce.

TABLE 3.—*Mergers and acquisitions in manufacturing and mining, by quarters, 1919–39*

[Net number of concerns absorbed][1]

Year	Quarters				Total[2]
	I	II	III	IV	
1919	57	82	147	125	438
1920	209	186	188	166	760
1921	184	99	80	122	487
1922	86	53	82	76	309
1923	84	67	44	105	311
1924	110	71	87	85	368
1925	124	104	127	175	554
1926	286	236	171	146	856
1927	161	247	220	213	870
1928	197	315	242	274	1,058
1929	349	395	312	160	1,245
1930	204	237	156	189	799
1931	163	142	87	71	464
1932	7	102	46	40	203
1933	19	43	33	12	120
1934	19	25	34	23	101
1935	36	27	38	24	130
1936	39	25	27	32	126
1937	32	27	29	31	124
1938	32	20	22	33	110
1939	24	22	16	25	87

[1] Number of concerns merged less number of mergers plus concerns acquired.

[2] Annual totals are larger than the sum of the quarterly figures, because they include a small number of cases where exact dates were not available.

[3] Includes 1 merger of 60 concerns.

Source: TNEC, Monograph No. 27, The Structure of Industry, p. 233.

ORT—Passport to Freedom

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. JAVITS. Mr. Speaker, the work of this great organization should be recognized and understood. Its objective is threefold: To train DP's in the displaced persons camps to work with their hands; to train those DP's who have been resettled in western European and other countries in specialized skills of particular use in the countries where they have settled; and to train DP's who are emigrating to Israel and who have already emigrated there for the maximum usefulness to Israel's economy.

ORT trains white-collar workers, professional and businessmen and farmers, principally Jewish, in specialized skills. In 1948 it trained 43,000. In 1949 it expects a big increase in its training program. It is estimated that in France alone there are 100,000 resettled DP's who need training; already 20 percent of them have been trained by ORT.

The work of knowledge and education about ORT has been carried on in the Congress by the ORT congressional committee whose officers are: Senator BRIEN MCMAHON, chairman, and my distinguished colleague, Representative EMANUEL CELLER, and myself as secretaries.

There is appended as of interest an eloquent prose poem from the New York Journal-American on the occasion of the annual convention of the American ORT Federation, held in New York this past week end:

ORT—PROLOGUE TO FREEDOM

(By Harry H. Schlacht)

In New York today we greet the delegates to the ORT convention who have come from every part of the Nation. We salute them and we hail them for service to our fellowmen.

ORT (Organization for Rehabilitation Through Training) is a great Jewish institution, a symbol of devotion to long-suffering Jews, a bridge to their economic independence, a link between American abundance and European poverty, a passport to their freedom in the lands of their choice.

ORT has been an institution without trumpet, a name men have heard from continent to continent, an organization spoken of quietly in the cruel years.

ORT is a name that has survived the unholy pogroms, the death camps and crematoria, the tortures of tyrants.

ORT remained with the law and the prophets. It remained with the Talmud and Midrash. It remained with the Ark of the Covenant. It remained with the candles on Shabbos.

ORT believes—that there is dignity in labor; that it is the inalienable right of every man to work; that it is the best way to teach people to help themselves; that it is the tools and training that are a refugee's best passport to peace and security.

ORT seeks to aid Jews—through opportunity—not pity; through security—not charity; through tools and training.

Trainees today, workers tomorrow.

ORT has helped restore the Jews' shattered lives. It has helped to make them self-sustaining. It has helped to lead the war-weary out of idleness into ORT schools and onto farms and into factories.

ORT has helped the uprooted people of Europe to find their roots again and live as men. It has helped prepare them for a life of self-reliance in the new State of Israel or in any other land.

ORT has created unprecedented opportunity for bringing within reach an era of freedom, security and dignity to Jews wherever they choose to make their lives.

It believes that vocational training is the key to world security.

It is to that end that the ORT is striving. It is for that end that the ORT is working.

We in America should help them.

If we will dedicate ourselves to these objectives, if we will have the understanding of the size of the problem, we could help the current ORT membership drive.

If there is one simple truth in all history, it is that men need the comfort and aid of their fellow men.

We recall the poem For Whom the Bell Tolls. It comes from the pen of the great religious poet John Donne. It tells of the ringing of church bells on the death of a native. It tells of people seeking to ascertain for whom the bell was tolling.

The poet's answer is one of the finest passages in literature:

"No man is an island, entire of itself;
Every man is a piece of a continent, a part of the main;
Any man's death diminished me, because I am involved in mankind;
And, therefore, never send to know for whom the bell tolls;
It tolls for thee."

Whenever you hear the bell toll for the death of justice, brotherhood, religion or democracy, "never send to know for whom the bell tolls; it tolls for thee."

So here's an all-American toast from coast to coast to the American ORT Federation on their glorious celebration. Whoever we are, wherever we are, let us contribute to the United Jewish Appeal. Let us join the American ORT Federation for a happy civilization.

America in the Eyes of Russia

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Christian Science Monitor, Tuesday, May 24, 1949:

THIS WORLD—RUSSIAN IMPRESSIONS OF NEW YORK

(By Edmund Stevens)

(How does the average Russian picture the average American? What does he think of the United States economic system, its social institutions? To answer these questions one would have to make a comprehensive and objective poll among the 200,000,000 citizens of the Soviet Union.

(Obviously, this could not be done. But there is little secret about what the Soviet Government would like the Ivans and their wives and children to think of the United States.

UNIVERSITY OF MICHIGAN LIBRARIES

(The following dispatch from our Moscow correspondent is a good example of the technique the rigidly controlled Soviet press uses for stripping American achievements.)

Moscow.—First of the returned Soviet delegates to the Communist-sponsored New York "peace" conference to publish his impressions from the trip is cinema director Sergei Gerasimov. His article appears in the weekly Literary Gazette, a publication editorially dedicated to "unmasking the reactionary culture of the bourgeois west."

Gerasimov's account describes New York City as a collection of cities each quite unlike the other. Manhattan impresses him as a gaudy advertisement for the whole country which undeniably attempts an overwhelming impression. The height of the skyscrapers and the flash of the electric signs are intended to astound the unprepared man, to upset accustomed concepts of normal scales natural to man.

He feels prompted to ask: "Can one live in such a city?" and he answers: "Evidently not, since the residents of Manhattan, as soon as their business day is over, rush to get out of it, and breaking their necks, speed to the suburbs, leaving Manhattan with its famous Broadway to glitter for habitual idlers, visiting yokels, and foreign tourists."

He further remarks that the view of New York from atop the Empire State Building is obstructed by a grating erected to keep people from jumping off.

DIRT AND POVERTY IN BRONX

Gerasimov finds Brooklyn and the Bronx totally different from Manhattan. Brooklyn and the Bronx, he explains, are where the less well-to-do and not at all well-to-do Americans live, "where the Negro and Chinese districts are located." There, states Gerasimov, "dirt and poverty reign." The inhabitants of these boroughs, he reports, never leave their own neighborhoods as they have nowhere to go; instead they mill around the streets concerned with something else: "They simply have nothing to eat."

Gerasimov declares that the American press is always on the lookout for sensations and always prepared to misconstrue, often with deliberate malice. Thus, he remarks that when he and his comrades were stepping out of the plane at LaGuardia Field, the fact that he held Shostakovitch's arm was promptly reported: "Shostakovitch steps onto American soil. An unknown Soviet guard, specially assigned to him, holds him firmly by the arm."

At the same time, Gerasimov describes America as a country of sharp contrasts. He reports attending a Madison Square Garden rally at which 20,000 Americans "unanimously demonstrated their genuine sympathy for the Soviet Union." But, he adds that at this point the State Department intervened and "with indecent haste annulled the hospitality and showed the entire world the extreme degree of fear of its own people who had warmly rallied in defense of peace."

Gerasimov reports that the intelligent, honest, and educated Americans whom he met at the Waldorf conference all shared in bitter, ironic deprecation of the vaunted American living standard and of that culture which obtrudes everywhere in a murky wave of mechanized pornography and savage superstitution. These thinking, honest people, he adds, "cannot reconcile themselves to the present course of American foreign and domestic policy."

TEEN AGERS: CAPITALIST DECADENCE

Depraved morals and manners were attributed to American gilded youth in another recent Literary Gazette article. Material for this commentary was provided by the photographic essay on American teen agers in an earlier issue of Life magazine.

The commentator, Evgeni Dolmatovsky, began by pointing out that the youngsters in question evidently are the offspring of wealthy parents, thus giving the correct Marxist approach.

Anent the boogie haircut which Life pictures as fashionable in Detroit, Dolmatovsky drew a meaningful parallel with the tonsorial fads of Nazi hoodlums.

He saw striking evidence of capitalist decadence in the various complicated teenage handshakes, described and photographed in Life.

One of the other pictures, showing a high-school boy pouring all the prepared chemicals into one retort while the chemistry teacher was out of the room, made Dolmatovsky exclaim: "Such a hooligan ought to be expelled from the class, but in America he is photographed for a magazine. He is the worthy pupil of those elder Americans who put their feet on the desk of Americanized Europe."

What renders these teen-aged shenanigans truly sinister, in the opinion of Dolmatovsky, is his added information that in Des Moines the boys put on soldiers' boots once a week. "On the seventh day (he writes) we hear military heel clicking, and through the idiotic grimace of the idol of American youth there appears the savage snarl of the young warmonger."

Proposed World Calendar

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Wednesday, May 25 (legislative day of Monday, May 23), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the RECORD a compelling editorial entitled "When Is the Holiday?" published in the Washington Times-Herald of May 25, giving the importance of adopting a world calendar.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHEN IS THE HOLIDAY? (OR, WORLD CALENDAR, PLEASE)

When is Memorial Day? Go up to the first man you see in the street and ask him that question fast, and see how long it takes him to figure it out. Hmmm, he will say, it's Sunday, isn't it? No; it's Monday. No; it's the last Thursday in the month. No; that's Thanksgiving; it must be the 30th. Yes; that's it, the 30th; so that makes Memorial Day Sunday, I mean Monday.

Of course, if he is a Government worker he may have the date at his finger tips because he has a week-end holiday arranged, and thus be able to answer your question in a hurry. If he does, then ask him when is Labor Day and watch him flounder.

What a mess our calendar is.

Every month is different from every other month. Every year is different from the one before and the one after. And as if that weren't enough, every 4 years we throw in an extra day just to hash things up worse.

Every year the holidays fall on different days of the week—the immovable ones, that is, the movable ones fall on different days of the month. Holidays, like Easter, are so hard to determine in advance that it takes the aid of astronomers.

What a slapdash, haphazard, rickety mess.

When are we going to throw out the old makeshift calendar that has plagued us since 1582? When are we going to adopt a world calendar?

The proposed world calendar

FIRST QUARTER

January							February							March						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7				1	2	3	4						1	2
8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
29	30	31					26	27	28	29	30			24	25	26	27	28	29	30

SECOND QUARTER

April							May							June (W [1])						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7				1	2	3	4						1	2
8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
29	30	31					26	27	28	29	30			24	25	26	27	28	29	30

THIRD QUARTER

July							August							September						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7				1	2	3	4						1	2
8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
29	30	31					26	27	28	29	30			24	25	26	27	28	29	30

FOURTH QUARTER

October							November							December (W [2])						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7					1	2	3	4						1	2
8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
29	30	31					26	27	28	29	30			24	25	26	27	28	29	30

[1] The leap-year world holiday, W or June 31 (an extra day), follows June 30 in leap years.
[2] The year-end world holiday, W or Dec. 31 (365th day) follows Dec. 30 every year.

A calendar such as here pictured, which gives us all years alike, all quarters equal, all holidays unvarying?

Look at this picture, please, and see if you can find any fault with the system of counting our days thus set forth. If you can find such a fault, you will be alone in your glory, because no one, no businessman, scientist, priest, or housewife has ever yet objected to this new calendar.

The only objections ever raised have been the usual barriers that oppose new ideas no matter how sound and necessary—ignorance and laziness.

There is no reason, no reason at all, for this country not to adopt this calendar right now, and let the rest of the world tag along at its leisure, which would not be very prolonged once it was demonstrated practically what a tremendous advantage the new system gave.

Notice how simply the new calendar handles the odds and ends of time which no calendar can ever get rid of so long as the earth rotates around the sun once in 365.24219 days and not 365 days precisely. The world calendar does it by merely slipping in once every four years, between June 30 and July 1, an extra Saturday called June L or 30, Leap Year day. Between December 30 and January 1 every year comes another extra Saturday, December Y or 31, Year End Day.

Except for these two "bonus days," which harm no one and benefit everybody—everybody who likes a holiday, that is—the new calendar rocks along, year after year after year, with each month the same, each quarter the same, each year the same. Each holiday falling on the same day of the same week of the same month.

All holidays, by the way, would be fixed by law, and would be placed on the week end.

Businessmen particularly favor the new calendar. It takes the buckles and kinks out of accounting and interest periods, it makes possible accurate calculations of worktime arrangements, it puts an end to approximations.

Insurance companies, banks, governments, all going concerns which employ any kind of accounting system, have been plugging for the world calendar for years.

There is no real opposition.

Why don't we get it?

Only because of habit—laziness—a certain feeling that there is something sacred about our old Gregorian calendar.

But the time for the new time is coming. At present there is a bill in Congress which would authorize United States adoption of the world calendar. Senator ESTES KEFAUVER, of Tennessee, introduced it "to alleviate the calendar chaos now existing throughout the world."

Chaos is right, Senator. Illogical, unwieldy, expensive, useless chaos which has ruled our lives nearly 400 years. The old calendar must go, the new world calendar must come. Why not now?

They Served Illinois and the Republic

EXTENSION OF REMARKS
OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1949

Mr. O'HARA of Illinois. Mr. Speaker, in the 131 years since the admission of Illinois to the Union there have been 24 distinguished Members of this historic body who have preceded me as Representative in the Congress of the people of what is now the Second District of Illinois. Of the 24 but 3 are now among the living, 2 of whom, to the great good fortune of the Nation, are still in the service of the Republic, holding with outstanding distinction positions of high prestige—the Honorable Raymond S. McKeogh, Chairman of the Maritime Commission, and the Honorable William A. Rowan, collector of the port of Chicago. The third of the survivors of the 24—the Honorable Richard B. Vail—is the head of a large manufacturing company and is prominent in civic affairs and in the councils of his party.

It seems to me appropriate that on this day set aside as one of memorial for the great men of the past who contributed to the traditions of this Chamber I should mention the names and recall to memory some of the brilliant achievements of the 21 who are gone.

From 1818 to 1839, one Representative at Large for all of Illinois.

First. John McLean, born in North Carolina in 1791, moved with parents to Kentucky in 1795, went to Illinois territory in 1815; admitted to the bar; elected to Fifteenth Congress in 1818 as Democrat, unsuccessful candidate for Sixteenth, Seventeenth, and Eighteenth Congresses; member of State House of Representatives in 1820–26–28, serving as speaker; elected to United States Senate—vacancy—in 1824 and again in 1829. Died in office 1830 at the age of 39. One of the counties of Illinois is named for him.

Second. Daniel Pope Cook, born in Kentucky in 1794; started law practice at Kaskaskia, Ill., in 1815; newspaper publisher, auditor of public accounts, circuit judge, first attorney general of Illinois, and elected to the Seventeenth, Eighteenth, and Nineteenth Congresses; defeated as candidate for Twentieth Congress; died in Kentucky in 1827 at the age of 33. Cook County, in which is located the city of Chicago, was named in his honor.

Third. Joseph Duncan, born in Kentucky in 1794, served as infantry officer in War of 1812; moved to Illinois in 1818; farmer, justice of the peace, major general commanding Illinois State troops in Black Hawk War in 1831; member Illinois State Senate in 1824–26; elected to Twentieth Congress in 1826 as Jackson Democrat; reelected to Twenty-first, Twenty-second, and Twenty-third Congresses, resigning in 1834 on election as governor of Illinois. Reelected governor in 1838. Died in 1844 at age of 50.

Fourth. William L. May, born in Kentucky; moved to Illinois; lawyer, justice of the peace, captain State militia, member Illinois House of Representatives; appointed by President Jackson as receiver of public moneys for United States Land Office; elected to Twenty-third Congress to fill Duncan vacancy, reelected to Twenty-fourth and Twenty-fifth Congresses. Died at San Francisco in 1849.

From 1839 to 1873 all of Cook County, including the present Second District, was in one congressional district.

Fifth. John T. Stuart, born in Kentucky in 1807; graduate Centre College in 1826; admitted to bar in 1828, commencing practice at Springfield, Ill., and becoming law partner of Abraham Lincoln; major in Black Hawk War; member Illinois House of Representatives in 1832–36; elected as Whig to Twenty-sixth and Twenty-seventh Congresses; member Illinois State Senate in 1848–52; defeated for Governor in 1860; elected as Democrat to Thirty-eighth Congress—but not from district at that time including Cook County; died in Springfield, Ill., in 1885 at age of 78.

Sixth. John Wentworth, born in Sandwich, N. H., in 1815; moved to Dover, N. H., 1819, and attended public schools there and an academy; graduated Dartmouth 1836; moved to Chicago, engaged in newspaper work; attended Harvard University Law School; admitted to Illinois Bar in 1841; elected as a Democrat to Twenty-eighth, Twenty-ninth, Thirtieth and Thirty-first Congresses, 1843–51; elected to Thirty-third Congress, 1853–55; served as Republican mayor of Chicago 1857–63; elected as a Republican to the Thirty-ninth Congress, 1865–67; died in Chicago 1888.

Seventh. Richard Sheppard Moloney, born in New Hampshire 1811; studied medicine and was graduated from Dartmouth Medical School 1838; commenced practice of medicine in Belvidere, Boone County, Ill., 1838; delegate to the Democratic National Convention in Baltimore 1852; elected as a Democrat to the Thirty-second Congress, 1851–53; not a candidate for reelection; moved to Nebraska. Delegate to the Democratic National Convention at Chicago 1884. Died in Nebraska 1891.

Second of nine districts all of Cook County 1853–61.

Eighth. James H. Woodworth, Member of Congress, 1855–57; born in New York, 1804; taught school in Fabius, N. Y.; inspector of common schools, 1826; moved to Chicago, 1833, and went into the dry goods business. Served in State senate, 1839–42; member of State house of representatives, 1842–47. Was owner and manager of the Chicago Hydraulic Flouring Mills; member of Chicago City Council, 1845–48; mayor of Chicago, 1848–50; elected as a Republican to the Thirty-fourth Congress; appointed by Governor Yates to serve on the board of auditors on war claims. President of Merchants and Mechanics Bank of Chicago; president of the Treasury Bank; one of the founders of the University of Chicago. Died 1869.

Ninth. John F. Farnsworth, Member of Congress, 1857–61; born in Canada, 1820; settled in Ann Arbor, Mich., studied law and was admitted to the bar, 1841. Moved to Chicago and was elected to the Thirty-fifth and Thirty-sixth Congresses as a Republican; did not seek renomination. Served in the Union Army during the Civil War; commissioned Colonel of the Eighth Regiment Illinois Volunteer Cavalry, 1861; Brigadier General of Volunteers 1862; resigned March 4, 1863, to take up duties as Congressman, but due to redistricting he no longer represented the area which now comprises the Second District. He remained a Representative from March 4, 1863, to March 3, 1873. He was defeated for reelection in 1873; resumed the practice of law in Chicago, but in 1880 moved to Washington, D. C., where he continued the practice of law until his death in 1897.

Tenth. Isaac N. Arnold, Member of Congress, 1861–65; born in New York, 1815; attended district and select schools and Hartwick Seminary; taught school, 1832–35; studied law and was admitted to the bar, 1835. Moved to Chicago, 1836, and continued the practice of law. Delegate to Democratic State Convention 1842. Member of State house of representatives, 1842–43. Presidential elector on Democratic ticket of Polk and Dallas, 1844. Delegate to the Free Soil National Convention at Buffalo, 1848. Again member of State house of representatives, 1855. Elected as a Republican to the Thirty-seventh and Thirty-eighth Congress. Declined renomination, 1864. During the Civil War he served as aide to Colonel Hunter at the Battle of Bull Run. From April 1865 to September 1866 he was the sixth auditor of the United States Treasury, from which position he resigned to resume his law practice. Died, Chicago, 1884.

John Wentworth was elected to the Thirty-ninth Congress as a Republican, 1865–67.

Eleventh. Norman B. Judd, Member of Congress, 1867–71; born in New York 1815; studied law and was admitted to the bar 1836 and commenced practice in Rome, N. Y. Moved to Chicago 1836. City attorney 1837–39; member of State senate 1844–60. Delegate to the Republican National Convention and nominated Abraham Lincoln for President 1860. In 1861 Lincoln appointed him Minister Plenipotentiary to Berlin, where he served until 1865. He was elected as a Republican to the Fortieth and Forty-first Congresses. He declined renomination in 1870. President Grant appointed him collector of the Port of Chicago, in which capacity he served until his death in 1878.

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Twelfth. Charles B. Farwell, Member of Congress 1871–73, born in New York 1823; attended Elmira Academy; moved to Illinois 1838; settled in Mount Morris, where he was employed as a Government surveyor and farmer until 1844, when he went into real estate and banking in Chicago. He was clerk of Cook County 1853–61; engaged in dry goods business; member of State board of equalization 1867; chairman of the Board of Supervisors of Cook County 1868; National Bank examiner 1867. Elected as a Republican to the Forty-second and Forty-third Congresses. He presented credentials as a Member-elect to the Forty-fourth Congress and served until 1876, when he was succeeded by John V. LeMoyne who contested his election. Mr. Farwell was elected 1887 to the United States Senate to fill the vacancy caused by the death of John A. Logan and he served until 1891. He died 1903. Mr. Farwell represented the Second District for one term only. As a result of redistricting Illinois representation was increased to 22 districts and Mr. Farwell after his first term was succeeded as Representative of the Second District 1873 by:

Thirteenth. John B. Rice, Member 1873–74, born in Maryland 1809, received limited schooling, went by stage to New York and moved to Chicago 1847. Became a manager of theaters in Chicago; Bangor, Maine; Buffalo, N. Y.; and Milwaukee, Wis. He retired from the stage 1857 and from theater management 1861. He was mayor of Chicago 1865–69; elected to the Forty-third Congress but died in office at Norfolk, Va., 1874.

Fourteenth. Bernard G. Caulfield—elected to fill the vacancy occasioned by the death of Hon. John B. Rice; born in Virginia 1828, graduated Georgetown College, Washington, D. C., 1848, and from the Law School University of Pennsylvania 1850. Admitted to the bar and started practice of law in Kentucky; moved to Chicago 1853. Elected as a Democrat to the Forty-third Congress to fill vacancy; reelected to Forty-fourth Congress; was not a candidate for reelection and moved to Dakota Territory 1878. Died 1887.

Fifteenth. William Aldrich, Member of Congress 1877–83; born in New York 1820; attended common schools and local academy; taught school until 1846 when he moved to Jackson, Mich., and later to Two Rivers, Wis.; merchant and lumber manufacturer; superintendent of schools 1855–56; member of State House of Representatives 1859. Moved to Chicago, 1861, and went into wholesale grocery business. Member of Chicago City Council 1876. Elected as Republican to Forty-fifth, Forty-sixth and Forty-seventh Congresses. Unsuccessful candidate for renomination 1882. Died 1885.

Sixteenth. Ransom W. Dunham, Member of Congress 1883–89, born in Massachusetts 1838, attended common schools and high school at Springfield, Mass. Clerk for life insurance company 1855–57. Moved to Chicago 1857; became grain and provision commission merchant; president of the board of trade of Chicago 1882. Elected as a Republican to the Forty-eighth, Forty-ninth and Fiftieth Congresses. Died en route to attend the centennial of his native town 1896.

Seventeenth. Abner Taylor, Member of Congress 1889–93, born in Maine 1829; moved with his parents to Ohio, 1832; thence to Fort Dodge, Iowa, and subsequently to Chicago, 1860. Was a contractor, one of the contractors for building the Texas State capitol. Member of Illinois House of Representatives 1884–86. Delegate to the Republican National Convention at Chicago, 1884. Elected as a Republican to Fifty-first and Fifty-second Congresses; not a candidate for reelection. Died in Washington, D. C., 1903.

Eighteenth. James Franklin Aldrich, Member of Congress 1893–97 (son of William, M. C., 1877–83), born at Two Rivers, Wis., 1853; moved with parents to Chicago, 1861; attended public schools and University of Chicago; graduated Rensselaer Polytechnic Institute, 1877. Manufacturer of linseed oil; subsequently went into gas business. Member of board of county commissioners, 1886–88; president of board, 1887. Member of county board of education, 1887; commissioner of public works, Chicago, 1891–93. Elected as Republican to Fifty-third and Fifty-fourth Congresses; not a candidate for renomination in 1896. He was appointed Consul General at Habana, Cuba, 1897, but did not reach his post owing to the outbreak of war with Spain. Died, 1933.

Nineteenth. James Robert Mann, Member of Congress, 1897–1922; born near Bloomington, McLean County, Ill., October 20, 1856; educated public schools; graduated University of Illinois, 1876; graduated Union College of Law, Chicago, 1881; admitted to bar, 1881; practiced law in Chicago. Member Oakland Board of Education, 1887; attorney for Hyde Park and South Park commissioners; member of citizens association which secured the adoption of Jackson Park as a site for the 1893 world's fair; master in chancery of the superior court of Cook County; member Chicago City Council, 1892–96. Proponent of the lower level sewer system for Chicago. Chairman of Illinois State Republican Convention, 1894; chairman of Republican county conventions, 1895 and 1902. Elected to the Fifty-fifth Congress and to the 13 succeeding Congresses. Served in Congress from March 4, 1897, until his death before the close of the Sixty-seventh Congress. Minority floor leader from Sixty-second to Sixty-fifth Congress. Died in Washington, D. C., November 30, 1922, interment, Oakwood Cemetery.

Twentieth. Morton D. Hull, Member of Congress, 1923–33, born Chicago, 1867; attended public schools and Phillips Exeter Academy, 1885; graduated Harvard University, 1892; admitted to bar 1892; practiced law in Chicago. Member of State house of representatives, 1906–14; member of State senate, 1914–18. Delegate to Republican National Convention at Chicago, 1916 (convention nominated Hughes and Fairbanks); delegate to State constitution convention, 1920. Elected as Republican to Sixty-eighth Congress to fill vacancy caused by death of James R. Mann, his plurality over Barratt O'Hara, Democrat, being 8,255; reelected to Sixty-ninth Congress over Frank A. Wright, Democrat, by a plurality of 75,867; reelected to Seventieth, Seventy-first, and Seventy-second Congresses. Died 1937.

Twenty-first. P. H. Moynihan, Member of Congress, 1933–35; born Chicago; attended public schools; four terms as alderman of Chicago; Republican committeeman of tenth ward. Served 8½ years as chairman and member of Illinois State commerce commission. In printing and publishing business; vice president of Calumet Coal Co.; elected as a Republican to Seventy-third Congress. Died 1946.

Following Mr. Moynihan were, twenty-second, the Honorable Raymond D. McKeogh, Democrat, in the Seventy-fourth, Seventy-fifth, Seventy-sixth, and Seventy-seventh Congresses; twenty-third, the Honorable William G. Rowan, Democrat, in the Seventy-eighth and Seventy-ninth Congresses; and twenty-fourth, the Honorable Richard B. Vail, Republican, in the Eightieth Congress.

Mr. Speaker, I feel a pride, and with it a leveling sense of humility, to serve in this Chamber as the successor of men of such stature and of such illustrious achievement. Interesting it is, in the light it throws upon the manner in which one State has contributed its youth to other States in the merging of our people to make one American people, that the first of my distinguished predecessors as Representative in the Congress of the United States was a native son of North Carolina, the next four in unbroken line were native sons of Kentucky, and that of the others five were born in the State of New York, two in the State of New Hampshire, one in Canada, and one each in Maryland, Virginia, Massachusetts, Maine, and Wisconsin. Not until Mr. Mann's election was a native son of Illinois included in the list, and at the time of his birth the county of his nativity bore the name of the first Representative from Illinois, a son of North Carolina.

Three of the 21 who are gone and in whose memory I speak with reverence today it was my happy fortune to know. Congressman Mann was in this Chamber when war with Spain was declared, and when a few years after the war I came to live in Woodlawn on the South Side of Chicago I was his constituent and he was my Congressman. He was a man of large abilities and a national figure of importance. When shortly after his last reelection he died; the sense of loss was keen, not only in Chicago, but throughout the Nation.

The Honorable Morton D. Hull was the Republican nominee and I was the Democratic nominee in the special election in the spring of 1923 to fill the Mann vacancy. Although during the long incumbency of Mr. Mann the district had been overwhelmingly Republican the contest between Mr. Hull and the speaker was close, this attributable in part to the circumstance of a concurrent mayorality election in which the Democratic nominee, Judge Dever, was the popular choice. Nevertheless there was no bitterness of

personal nature in the campaign and Mr. Hull retained my high esteem as a man of lofty character and devotion to public duty. He was a member of the Illinois State Senate during the 4 years that I presided over that body as lieutenant governor. No member of any legislative body ever could have worked harder and expended more hours of study in familiarizing himself with pending legislation. It was said of him, and I believe with truth, that every bill and resolution introduced in the senate he read and analyzed with thoroughgoing attention to all details. His especial interest was in the protection and strengthening of the civil-service laws. Although we belonged to different political parties, and our philosophies were not the same, I had for the Honorable Morton D. Hull a deep affectionate regard and with all the people of the Second Congressional District, as well as of the city of Chicago as a whole, experienced real grief at the news of his passing.

Mr. Moynihan I knew for many years and liked so very much. He had many friends to whom his democracy of manner and generous nature endeared him. His career in the City Council of Chicago might have been continued in the Congress but for the changing tide of political sentiment coming with the depression, the advent of Franklin D. Roosevelt, and the great popularity of the brilliant Raymond D. McKeogh. As it was, Mr. Moynihan's one term ended the long reign of Republican domination of the old Second District and for the six succeeding Congresses a Democrat came to Washington as the choice of the people of that district.

Mr. Speaker, I feel strongly that a useful purpose is served by the holding of these annual memorial services in this historic Chamber. It is strengthening to pause in the activities of what we are doing in the present to contemplate upon what was done in the past and how well the public servitors who are gone did the work of their respective generations. I am glad to have had this opportunity of paying tribute to the memory of the departed Members of the Congress who represented the people in the area of Illinois which now is the Second Congressional District.

Robert Lewis Coffey, Jr.

MEMORIAL ADDRESS
OF
HON. JOHN J. ROONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 25, 1949

On the life, character, and public service of Hon. ROBERT LEWIS COFFEY, JR., late a Representative from the State of Pennsylvania

Mr. ROONEY. Mr. Speaker, we were all shocked to hear of the sudden and tragic passing of our beloved colleague, the gentleman from Pennsylvania, ROBERT L. COFFEY, JR.

It was my pleasure and privilege to meet "BOB" COFFEY just before he took his oath of office as a Member of this House of Representatives. From that time on I learned to admire him for his sterling character and unusual ability.

"BOB" died at the beginning of a great career in this body and at a time when every Member of this House felt that here was a real leader of men and one whose future looked extremely promising.

As we all know, "BOB" COFFEY was one of the most outstanding and brilliant combat officers to emerge from World War II. Despite his distinction as one of our foremost pilots, he was extremely modest and reluctant to dwell much on his war experiences. The records of the Air Force show that he had completed many missions and participated in many dangerous experiences in his unselfish devotion to the cause of his country. He attained the rank of colonel at a very youthful age, which in itself is a great tribute to his ability and leadership.

His sense of fairness and his ability to make friends was such that he would undoubtedly have gone far in the Congress of the United States. It is indeed a great tragedy that his successful legislative career was cut short by such a terrible accident.

We shall miss Representative COFFEY, and I am sure that the sorrow that is his family's is shared by every one of us. My heartfelt sympathy goes out to his parents, wife, and children. May our good Lord comfort them in their hour of sorrow and grief.

John Holmes Overton

MEMORIAL ADDRESS
OF
HON. F. EDWARD HÉBERT
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 25, 1949

On the life, character, and public service of Hon. JOHN HOLMES OVERTON, late a Senator from the State of Louisiana

Mr. HÉBERT. Mr. Speaker, I rise to pay tribute to the memory of one of Louisiana's most beloved citizens and most brilliant statesmen. In the death, just a little over a year ago today, of former Senator JOHN H. OVERTON I lost one of my dearest friends, a man for whom I had the greatest admiration and respect.

I knew former Senator OVERTON from the time I was a boy. His long career of honest and faithful public service stands out as a monument on a hill, enshrined by noble deeds and noble thoughts and measured, mature judgement. I shall never forget that it was in the political arena more than a score and 10 years ago that I first came to know JOHN OVERTON. He was a candidate for the United States Senate. I was a youngster in my teens working for the summer in the headquarters of one of his opponents, Governor Luther E. Hall. In the immaturity and impetuousness of my youth—I was 16 then—I wrote my first political speech, which, incidentally, was never delivered. I remember, however, the profound respect I had for this man and how I was impressed with what I had read and heard about him. I never knew at that time that we would eventually walk down the same political path.

In my later and more mature days of newspaper reporting and political writing, I again crossed JOHN OVERTON'S path. Although the newspaper on which I labored disagreed with JOHN OVERTON'S political affiliations, neither the newspaper nor myself ever lost respect for the man or admiration for his ability. The integrity of JOHN OVERTON could never be questioned.

It was an education to have covered part of his political career as a newspaper reporter. It was a privilege to have served as a colleague in the Congress of the United States.

In his death the Nation, and the South in particular, lost a valiant champion who was always ready and able to defend, in a magnificent and courageous manner, any attack upon the South. Frequently and effectively his voice was raised in Congress in opposition to those who would destroy States' rights for which the South stands and upon which the South was founded.

Everyone who was fortunate enough to have been associated with Senator OVERTON during his lifetime had the most profound respect for his fairness and ability. Quite naturally the people of Louisiana had great confidence in his integrity and demonstrated this sincere belief by selecting him as the man among men to represent them in the Senate of the United States for three terms.

Prior to 16 years of conscientious and devoted attention to his duties in the Senate he had served in the House of Representatives from the Eighth Congressional District of Louisiana.

Mere words are inadequate to express my admiration and high regard for JOHN OVERTON. His thousands of real friends in the great State of Louisiana were proud of his distinguished career, and his unblemished record of fine accomplishments will continue to live and shine like a beacon, lighting the way for those who aspire to follow in his footsteps.

While he had many individual achievements to his credit, Senator OVERTON will probably be best known and long remembered for his outstanding work for flood control. He was a recognized leader in this field, and the results that he accomplished for Louisiana and the lower Mississippi Valley are engraved in history.

During his long tenure in the Senate he made the study of flood control, not only as it affected Louisiana and the Mississippi valley but as it affected the country as a whole, a living and vital objective. He was thoroughly familiar with and well versed in all waterway matters and became the recognized authority on this subject not only in the Senate, but throughout the Nation.

The contributions he made in this respect will be cherished through the years because of the prosperity and safety it brought to the people of Louisiana.

When JOHN H. OVERTON first became a Member of the House of Representatives and later, was elevated, through the

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good-will of the people he served so faithfully, to the Senate of the United States, the progress of Louisiana was being retarded and held back in business and commerce because of recurrent and devastating floods when the angry, muddy Mississippi River and its tributaries overflowed the unprotected banks.

In fact the whole lower Mississippi Valley was suffering and practically stalemated by this torment of nature. From the very outset of his career on the national scene, Senator OVERTON practically plunged into the great problem of flood control. And it is because of his fine work and determination of purpose that we have the magnificent Federal flood and conservation programs which today are helping the South to advance businesswise comparable to any other section of the country.

Senator OVERTON was born September 17, 1875, at Marksville, La., then a small country village in the central part of the State and only a few miles from where the Red River joins the mighty Mississippi. During his early life it was only natural that he would witness the great damage, loss of life and property caused by floods, because the district in which he was raised was in the direct path of Louisiana's worst flood areas.

As a young man he attended and was graduated from Louisiana State University with the degree of bachelor of arts. Following this he studied law and received his degree from Tulane University Law School. For many years he was recognized as one of the most brilliant lawyers in the South.

On May 12, 1931, he was elected as Representative from the Eighth Congressional District to fill the unexpired term of James B. Aswell. He was elected on November 8, 1932, to the United States Senate, reelected to this high office again in 1938 and in 1944.

As many of his friends know he was rather reluctant to run for reelection in 1944, feeling that he would like to retire from the arduous duties and responsibilities he felt he must assume during the great World War. But his inherent loyalty to his country and his State was the ruler of his decisions rather than his desires.

All through his early childhood he personally witnessed the ravages of floods in the early spring when the turbulent Mississippi and Red Rivers swept over the section in which he lived. That he would dedicate his life to a fight for flood control was just one of the characteristics that made Senator OVERTON a distinctive public servant.

It was not an easy victory. Year after year Senator OVERTON fought for greater flood control and continual improvements of river and harbors. To repeat that he was a recognized authority on these two subjects is not just an idle use of words. He had at his command the facts and figures concerning the need, the cost, and benefits to be obtained by an adequate system of flood-control work.

And as he had lived so he died. For his last thoughts and actions were directed toward the approval by the Congress of a measure to advance and improve the flood-control operation of the country. But even though he became universally regarded in this great task on which he concentrated and worked so hard, it was by no means all of the attributes and services of former Senator OVERTON.

He was broadly and liberally informed and to a great degree familiar with all public questions and problems, and especially with issues which directly affected his own State.

Throughout his entire life Senator OVERTON was noted for honor, honesty, candor, and his firm stands for rights and justice. His loyalty and devotion to the best interests of his country and the State of Louisiana was unquestionable. He stood for decency in politics and Government.

He was always forceful and forthright in his opposition to issues which he did not believe reflected the best for America and the American people. He was steadfast in his devotion to principles, loyal to his friends, and forgiving to his opponents. He possessed a warm, friendly disposition and was always cheerful and willing to help and guide the younger Members who came to Congress to represent the State of which he was justly proud.

Senator OVERTON possessed a great quality of humility, tolerance, and understanding which endeared him to his friends and caused his opponents to respect and admire him. Even when the arguments over national issues in the Senate became highly controversial and involved he remained a true gentleman of the South, always courteous, but firmly decisive.

With unusual ability and rare insight into national and international events, Senator OVERTON was one of the leaders in the Senate in the matter of preparedness. He supported and fought for legislation which would build up our national-defense program and make this country strong. Before and all during the last World War he made every sacrifice that his health and energy could contribute so that America could always be the champion for free and independent people everywhere.

He gave unstintingly of his time and ability to help others. He gave his services unselfishly and vigorously to State, National and international problems up to the very hour of his death.

My respect and admiration for Senator OVERTON cannot be wholly expressed in just a tribute to his memory. He was a real friend and his death was a great loss not only to his family, his legions of friends, and admirers, but a great loss, too, for the State of Louisiana and the Nation.

Members of Congress and people in the State and over the Nation who were fortunate in having the opportunity to know and work with Senator OVERTON will always cherish his memory and hope that by following the fine example he set during his life that we in turn may be able to improve our services to mankind and make this a better world in which to live.

Senator OVERTON'S great contribution to history and advancement of his State and the Nation will live long after many of the issues for which he fought and won have been forgotten.

In humble tribute to a great man and fine leader, I also want to extend my sympathy to his family, to whom he was devoted. I know the loss they suffered, just over a year ago, cannot be compensated for by tributes or monuments, regardless of how great or significant they may appear to be at the moment.

In His wisdom our Almighty Father saw fit to take Senator OVERTON from among us but we will always have the memory of his great character and personality to guide and help us.

Sol Bloom

MEMORIAL ADDRESS
OF
HON. JOHN J. ROONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 25, 1949

On the life, character, and public service of Hon. SOL BLOOM, late a Representative from the State of New York

Mr. ROONEY. Mr. Speaker, gone from our midst is that lovable and outstanding American, the late Congressman SOL BLOOM, whose death filled all our hearts with sadness.

Congressman BLOOM served continuously in this House from March 4, 1923, to the time of his death on March 7, 1949. As a member of the House Committee on Foreign Affairs for over 20 years and as chairman of that great committee, he was a leader in the field of foreign affairs and a potent influence in the development of the foreign policy of our country during the most critical period of our international relations.

The intensity of his convictions and the spirit with which he gave his best to every cause that he championed will long be remembered in this body. He was respected by his neighbors and colleagues and deeply loved by his many friends.

SOL BLOOM labored for the welfare of all races, and in the Twentieth New York Congressional District, which he represented, one could find inhabitants of many racial strains. He gave his services to humanity irrespective of race, and it did not make any difference to him what a man was as long as he was decent and devoted to our American institutions.

The arduous duties of his office, and the sincerity with which he discharged them, unquestionably contributed to SOL'S passing. We have lost an able and conscientious legislator, and a fine gentleman. He shall, however, remain in our loving memory as one who enriched our association and experience in this House. We mourn his memory; we must strive to emulate his example.

In the years to come I shall remember his ability, his accomplishments, his constructiveness, his noble character, and all that he stood for, and in my memory I shall always cherish his friendship.

I extend my deepest sympathy to his daughter upon her great loss. May he rest in eternal peace.

Thomas Leonard Owens

MEMORIAL ADDRESS
OF
HON. EDGAR A. JONAS
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 25, 1949

On the life, character, and public service of Hon. THOMAS LEONARD OWENS, late a Representative from the State of Illinois

Mr. JONAS. Mr. Speaker, the 7th day of June 1948 recalls to our minds the untimely and sudden death of the former Congressman, THOMAS L. OWENS. This unforeseen tragedy was a great shock to his family, friends, and constituents. TOM, as he was affectionately called by those who knew him best and those intimately acquainted with him, was on the threshold of a formative and successful career as the Representative from the Twelfth District of Illinois when death overtook him.

For TOM OWENS life was real and life was earnest. As a young man he mapped out the course that he wished to pursue by hitching his wagon to a star. At the time of his death, TOM was an outstanding personality in the community where he made his home. He had been elected as the Congressman from the Seventh District of Illinois, which, prior to the reenactment of the State reapportionment act, was the most heavily populated district in the United States.

THOMAS L. OWENS was born in Chicago, Cook County, Ill., on the 21st day of December 1897. His life as a boy and as a young man was symbolic of what perseverance, courage and an abiding faith in prevailing opportunities can ultimately achieve in this great country. He was educated in the parochial and public schools of Chicago, including advanced study at Northwestern and DePaul Universities, all of which culminated in his enrollment as a law student at Loyola University from which school he graduated in 1926 and had conferred upon him the degrees of bachelor of laws and master of laws.

His intellectual and spiritual training as a boy can best be evaluated by his conduct as a man, a father and a public citizen. TOM OWENS was respected and held in high and affectionate regard by all who came in close contact with him. He was known to despise bigotry, intolerance, sham and hypocrisy. In his personal conduct and demeanor he evidenced traits of character that expressed frankness, sincerity, courage and a pleasing and congenial personality that left a lasting impression on all those who were privileged to associate with him. His inherent abilities extended beyond those appearing on the horizon of the average individual. Quite frequently his attainments and outstanding ability displayed in his profession reflected in no small measure his intellectual capacity for grasping and coping with intricate problems, both of a private and public nature.

Subsequent to entering the practice of law, he elected to specialize in the field of labor-management relations at a time when research and explorations in that particular field were comparatively new and rather limited. Nevertheless he applied himself most assiduously to the tasks before him and by the reason of the results that he obtained, and for the untiring efforts that he put forth, he was repeatedly sought out to act in an advisory capacity or any other helpful manner on committees dealing with labor laws by such outstanding institutions as the Chicago, Illinois, and American Bar Associations. Unfortunately his brilliant career in this particular field of endeavor and specialty in labor law was brought to a sudden close by his untimely death. During his first term in Congress, he was given considerable recognition because of the special knowledge and talent that he possessed and by means of which he was able to make a valuable contribution in the formulation of legislation dealing with labor relations.

In private life, TOM was always ready to make a valuable contribution to society in that he took an active part in matters pertaining to the welfare of the community where he resided with his family.

He was a man of fine and high ideals who believed in the American way of life. He became interested in local civic functions, playgrounds, schools, parks, and other constituent elements that go to make up a law-abiding community. In advocating or supporting civic problems, he never hesitated to implement in the thoughts and minds of his neighbors, friends, and associates, the ideals for which he stood and to which he fully subscribed.

He participated actively in political controversies and campaigns and was a dominate and outstanding leader in Republican politics in the ward where he made his home. Regardless of the many arduous duties that he assumed, he always had time for creating a little happiness and laughter in life. He was endowed with a rare gift—in all probability inherited from the great race from which he sprung. He had a pleasing tenor voice, and this gift together with his affable personality made him a popular figure in organizations where his talents were fully appreciated. TOM always had a song in his heart for the crowd when the program began to lag or tended to become boresome or too serious.

His untimely passing in the full bloom of manhood coupled with his useful, promising, and brilliant career, made his unexpected death all the more lamentable. He will be long mourned and not soon forgotten. His exemplary conduct as a lawyer, citizen, and public official was not only highly commendable, but inspiring as well. The close, confidential, and affectionate relationship that existed between Congressman OWENS and his brother John, with whom he was associated since his admission to practice law, presented a picture of love, confidence, and esteem between brothers that won the admiration of all those who were privileged to observe this relationship.

Words, no matter how well chosen or sincerely spoken, cannot wipe out the heartache and sorrow that is visited upon the loved ones who remain to mourn the departed. TOM left surviving him a kind, dutiful, and highly respected wife who is the mother of his three growing and attractive children. Unfortunately the death of TOM OWENS deprived his family of the love and protection which he showered upon them as a kind and thoughtful father and husband. Naturally, his demise has left a void that is irreplaceable in that family and hearts upon which will rest the heavy hand of sorrow for many years to come.

The eulogy due TOM OWENS as he sleeps and lives again in the Great Beyond is not spelled out alone by fine-spun words or phrases. The acts and deeds that he molded into living realities during his life transcend anything in importance that might be said of him now. His life is best typified in the record of constructive service, his aggressive and dynamic personality, his courage and forthrightness, and a dominant and driving force that never knew defeat. Because of these respective attributes and his spiritual and moral concepts of life he militantly, and with confidence, traveled the long and winding road that ultimately led to success and fame.

His departure from this earthly sphere was all too sudden. Where others are called to eternal rest amidst the shadows that accompany the twilight of life, he departed all too soon in the glorious light of a rising sun. Divine providence has decreed that TOM OWENS should be taken from our midst and to forever reside in that celestial home, which we know to be a house not built with hands.

It is most fitting and proper that we honor his memory today and I am proud and privileged to join this distinguished audience assembled here in paying tribute to TOM OWENS, who, I am sure will always be remembered as a man of outstanding qualities; a patriotic and loyal American; a veteran of World War I; a capable, industrious, and able lawyer; a constructive and outstanding civic-minded citizen; a courageous and talented public official; and a loving, considerate, kind, and protecting husband and father.

John Joseph Delaney, Sol Bloom, and Andrew Lawrence Somers

MEMORIAL ADDRESS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 25, 1949

On the life, character, and public service of Hon. JOHN JOSEPH DELANEY, SOL BLOOM, and ANDREW LAWRENCE SOMERS, late Representatives from the State of New York.

Mr. MULTER. Mr. Speaker, on occasions such as this words rarely express in adequate measure our full feeling of respect and esteem for those who have passed on. With the passing of JOHN J. DELANEY, SOL BLOOM, and ANDREW L.

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SOMERS the country lost three great Americans; New York City lost three of its most valued citizens; and we, who had the pleasure of serving with them in Congress, lost three very good friends.

The following quotation from Rudyard Kipling is apropos:

L'ENVOI

When earth's last picture is painted, and the tubes are twisted and dried,
When the oldest colors have faded, and the youngest critic has died,
We shall rest, and—faith we shall need it—lie down for an eon or two,
Till the Master of all good workmen shall set us to work anew.

Andrew Lawrence Somers

MEMORIAL ADDRESS
OF
HON. JOHN J. ROONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 25, 1949

On the life, character, and public service of Hon. ANDREW LAWRENCE SOMERS, late a Representative from the State of New York.

Mr. ROONEY. Mr. Speaker, the recent passing from this earthly scene of our beloved colleague, the Honorable ANDREW L. SOMERS, has given me a keen sense of personal loss. My close association with him gave me a deep insight and a grateful appreciation of his many wonderful qualities and abilities.

ANDY SOMERS had been a true friend of mine for many years. His record in the Congress is filled with great achievement. He was an able legislator and a fine statesman, serving the Tenth District of New York with honor and rare distinction for almost a quarter of a century. He was first elected to the Sixty-ninth Congress and reelected to each succeeding Congress. At the time of his passing, he was chairman of the great Public Lands Committee of the House. His long experience afforded him many opportunities to wield his influence as a legislative strategist in the consideration and passage of important national legislation.

Long before the Reorganization Act of 1946, Congressman SOMERS served as chairman of the Committee on Coinage, Weights and Measures and sponsored the Gold Reserve Act of 1934 and the $2,000,000,000 Stabilization Fund Act. He served as chairman of the Committee on Mines and Mining during his tenure here and drafted the mine safety inspection law. These are just a few of his contributions to the enactment of legislation which has meant so much to our Nation's progress and economic welfare.

Because of his great modesty and disdain of ostentation, I doubt very much whether many Members of this body ever actually realized that ANDY SOMERS was one of the foremost authorities on international monetary problems. In recognition of his talents and intellectual achievements in this field, our late President Roosevelt appointed him as a delegate to the International Monetary Conference which was held in London a short time before the outbreak of World War II.

I have never heard anyone express an unkind or derogatory word of ANDY SOMERS. He was humble, friendly, and solicitous for the welfare of all who served with him and the people of his district whom he represented so long and faithfully. He was always a gentleman and held in the highest esteem and effection by his constituents, who showed their genuine appreciation in returning him to Congress for 13 consecutive terms.

I remember well his good and distinguished father, who for many years served as president of the board of education of the city of New York. Like his father, ANDY SOMERS was a man possessed of great intellectual integrity. Throughout his successful career as a public servant he exemplified everything that a statesman should be. As an aviator in the United States Marine Corps during World War I, he served with honor and distinction. It was only fitting that two of his sons should participate in World War II in like capacity, thus adding to the brilliant lustre of a family richly imbued with unique public service and patriotism.

In these turbulent times, when men of character and proved ability are so much needed, the passing of ANDY SOMERS is a great loss not only to all of us in this body, but to the people of the State of New York and the Nation as well. I have lost a good friend. I express to his devoted wife and five children my sincerest and heartfelt sympathy. May God have mercy on his soul.

Robert Lewis Coffey, Jr.

MEMORIAL ADDRESS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 25, 1949

On the life, character, and public service of Hon. ROBERT LEWIS COFFEY, JR., late a Representative from the State of Pennsylvania

Mr. FLOOD. Mr. Speaker, I, too, wish to use these moments to say a word about BOB COFFEY, whom I think I have known perhaps, with the exception of my distinguished colleague from Pennsylvania [Mr. KELLEY] much longer than the other Members of the House. I first met Col. BOB COFFEY when he was the handsome, dashing, and distinguished Air Force attaché of the Embassy of the United States in Santiago, Chile. My colleagues in the past few moments have said gracious, and gentle, and fine things of BOB; but let me assure you that Colonel COFFEY loved life. BOB did not want to die then, or today, or tomorrow. He was handsome, "a mirror of fashion, the mold of form," yet a skilled and brilliant fighter pilot—oh, not one of the kind that in the musical plays did it "without hands"; no; he was a student of aerial dynamics, a student of the game. He had been through the mill and he knew other things had to be done for the generation of fighter pilots now in service and yet unborn.

Mr. Speaker, this is the first breach in the Pennsylvania delegation on the third floor of the Old House Office Building. We are a clannish crowd, the Pennsylvania Democratic delegation. We are very proud of each other. We work very, very closely together. BOB COFFEY's office was right next to mine and right across the hall was the distinguished dean of the Pennsylvania delegation, the Honorable FRANCIS WALTER, where he could keep his eye on the several of us in that corridor. Day after day in the past 3 or 4 months we would gather in my office or in that of Congressman WALTER and there settle great and momentous problems of state. I remember that in the first weeks of the session BOB wanted very much to be on the Committee on Armed Services; he felt that he could bring to that committee all of his experiences. He was a red-hot pilot and a red-hot Congressman. But it was pointed out to him that in accordance with the great and beloved traditions of this honorable and distinguished body, one had to be a good soldier, one had to take one's place in line, and one had to bow to seniority and abide one's time.

We said to him, "It will not be long, BOB; you will be on there next term."

Well, BOB will never serve on the Armed Services Committee of the House of Representatives. It is our loss and the loss of the Nation.

Some people say that they do not care whether they are Members of this House or not; some say, "Maybe I will not run this year, it was not my idea anyhow"; but not COFFEY. He loved every minute of the few—sadly few—weeks and months that he was with us as a Member. Let me assure you again, Mr. Speaker, every minute he loved.

It so happened, as several of my colleagues have reminisced in this eulogy, that BOB and I had dinner the night before he left on recess because I was leaving by plane the next morning at 9 o'clock for Cuba. He took the pains to bring to me a little present of greeting that he wanted me to deliver to a husband and wife who had served with him in Chile, Commander Hal Thompson and his lovely wife, Julie, a gracious Chilean lady. It was on Thursday in Habana at the American chancelry offices that the American Ambassador brought to me BOB COFFEY's friend and said, "This is the fabulous friend of your fabulous friend."

So, today, for the few of us who had the chance to enjoy the intimacy and the humor and the friendship of BOB COFFEY, I am privileged to add these few words. Progress and a jet pilot are words that in themselves are synonymous. I said to COFFEY time and time again, "BOB, you are no boy any more. Why not stop fooling around with those things? You will kill yourself someday. Jet fighters are for kids." He said, "LOOK, FLOOD, there are bugs in those things. I am going to find out where they are."

He did and he died.

"Better love hath no man."

Mr. Speaker, I have lost a good, good friend, not a gentleman by an act of

Congress or as an officer of the Air Force, but a born gentleman, a great soldier, ah, let me assure you, a wonderful father, a loving husband.

He is not dead,
As we that are left shall die,
Age shall not weary him,
Nor the years condemn,
At the going down of the sun,
And in the morning,
We shall remember him.

My heart breaks to think of his lovely and gracious wife—his children. But how proud these young ones can be—a noble heritage, a hero father, a great name—he will come to them out of the east on the wings of morning—until the day when they join him in "the wild blue yonder."

I am sad today at his passing. May God have mercy on his soul.

John Joseph Delaney

MEMORIAL ADDRESS
OF
HON. JOHN J. ROONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1949

On the life, character, and public service of Hon. JOHN JOSEPH DELANEY, late a Representative from the State of New York

Mr. ROONEY. Mr. Speaker, all our hearts were saddened upon the passing last November of our dear friend and distinguished colleague, the Honorable JOHN J. DELANEY, who represented the Seventh Congressional District of New York for many years.

Congressman DELANEY, affectionately known to virtually all of us as JACK, has left behind him a record of which any man may well be proud. Through the many years of my personal friendship and close association with JACK DELANEY, I was happy to learn on countless occasions the warmth of his heart and the gentleness of his spirit. From the very first day I became a Member of this great body he was exceedingly kind and considerate to me. He willingly offered me his good counsel and sound advice on the multitude of problems and intricate legislation procedure with which I became confronted. As a new Member, I greatly profited by his sane advice and friendly counsel and have always profoundly appreciated his kindness in extending to me the benefit of his wisdom and experience gained from many years of devoted and valued service in the Congress of the United States.

It was my great misfortune to be totally physically incapacitated and confined to the Naval Medical Center at Bethesda, Md., when my beloved friend and colleague passed away. I was quite ill at the time and overcome with a feeling of despair and frustration when I realized that it was impossible for me to pay my last respects in person to my friend whose memory will always linger with me throughout the remaining days of my journey through life.

JACK DELANEY loved life and good fellowship. Due to his ready Irish wit and congenial manner it was only natural that he had many close and loving friends. It is indeed a great personal satisfaction to me to feel that I was included in that category.

In his long and distinguished career JACK DELANEY served 10 terms of faithful service in the House and only 2 weeks prior to his death had been reelected to serve in this Eighty-first Congress. The substantial majority he received from the people of his district clearly demonstrated the confidence and respect they had for a man who had given so much of his time and unselfish efforts in furtherance of their needs and welfare. The Borough of Brooklyn, the State of New York, and the entire Nation have lost in the death of Representative DELANEY a great statesman, a loyal American, and a true Christian gentleman.

Mr. Speaker, in conclusion may I say that JACK DELANEY was a good husband, a devoted father, and a warm and loyal friend. He has left to his fine family the heritage of a good name and the achievements of a career upon which the people of the State of New York and the country can look with pride. May Almighty God in his wisdom and mercy grant him the peace and rest which he has so richly earned. May his faithful and loving wife, his fine son, and his lovely daughter, be consoled by the fact that "Pop's" life was dedicated to serving his fellow man. Because of his sincerity of purpose and greatness of character he enriched the lives of all who were fortunate enough to be touched by his fine and ennobling influence. May his soul and the souls of all the faithful departed, rest in peace.

Soil Conservation

EXTENSION OF REMARKS
OF
HON. A. WILLIS ROBERTSON
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES

Thursday, May 26 (legislative day of Monday, May 23), 1949

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an essay by Robert Marshall, of the Woodstock, High School, Woodstock, Va., which won the top award of a $50 savings bond in the soil-conservation essay program for 1949 sponsored by supervisors of the Lord Fairfax Soil Conservation District, comprising the counties of Frederick, Clarke, Warren, and Shenandoah.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

SAVE THE SOIL—THERE IS NO SUBSTITUTE FOR PRODUCTIVE SOIL

(By Robert Marshall, Woodstock High School)

"It's my land. I am going to keep it," says the farmer, as he looks across the rolling countryside which stretches forth mile after mile. "My crops are growing. They'll grow next year."

But wait a few years—perhaps 30, perhaps 15, maybe only 3 or 4. One day it will be noticeable that the stand of corn on the slopes is not so good. There'll be a patch of subsoil on the hump of the field where there used to be nothing but good topsoil. Thieves have been at work here. Silent, sinister, unnoticed; the rain and the wind have picked up many tons of the farm's most precious possession and hauled it away. He then robs the rest of the farm of manure, lime, and fertilizer in an effort to make the subsoil productive and to heal the ugly scars of erosion.

Look a little further and a small gully will be noticeable in the cornfield—and another, and another. Small gullies grow swiftly into large gullies, and all gullies are ugly searing scars on the earth; unhealed scars which proclaim that the lifeblood of the farm is washing away—polluting streams and silting reservoirs and harbors.

This isn't some vague problem one can shrug off and leave for the people of the dust bowl to worry about. It cannot be dismissed as a predicament of the hill farmer. It happens on more than 90 percent of our farms. Sheet erosion can do its work on a very slight slope as can be seen all about us.

Erosion is a poison which can easily kill the farm. But there are medicines with which to fight that poison. Grasses and legumes, trees, shrubs, contour farming, ponds—these will immunize the land against erosion's attacks, and nurse it back to health if the poison has begun to take hold. The farmer is the doctor, armed with tried and true techniques developed over the years by the Soil Conservation Service with farmers and other agricultural agencies. Six million farmers must believe this.

Soil conservation is the youngest of all agricultural sciences—applying all scientific knowledge to the land. Farmers have organized over 2,000 soil-conservation districts for the quick application of this knowledge to their farms. This is of vital importance to all.

Some 10,000 farmers reporting from all parts of the country report an average of a 36-percent increase in crop yields of better quality due to the application of soil-conservation measures to their farms—3 acres doing more than 4 acres, and best of all they are keeping the fertile topsoil on their farms.

Erosion not only affects the farmer and his crops, but it also has its effect on roads and adjacent lands. There are 3,000,000 miles of public roads in the United States. These roads necessarily cut the terrain at all angles, and divert run-off from its natural flow. When the natural course of water is intercepted and proper protection is not given to the highway ditch through applied soil-conservation measures, deep gullies are formed parallel to the highway from smaller gullies on the land above. Often the erosional debris from these gullies and highway ditches is deposited on good agricultural land. Unless special precaution is exercised in the protection of drainage ways, and the design and location of culverts, the run-off from roads will cut gullies into the land along the roadway. In recent years progress has been made in the control and disposition of run-off waters on highways, roads, farm lanes and adjoining fields and forest—observation will show we have only begun, but we do have much of the know-how.

Man has a habit of wasting nature's gifts to him. Nowhere has our waste been greater than in the misuse of our land. A survey which was taken in 1934 showed that we had let erosion badly damage or ruin about 282,000,000 acres of our crop and grazing lands. Another 775,000,000 of crop, grazing, forest, and other kinds of land had eroded to some extent. This is tragic, because so many

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farm families have lost their means of earning a living. It is tragic because productive land is the basic resource from which future generations as well as present must live. Generally the worst erosion has taken place on the farmlands of southern United States, where erosion goes on all seasons. Much of the topsoil has been removed from large areas across the Nation and the less productive subsoil is being farmed in many places.

About 500,000 acres of good land is being allowed to go down to ruin each year—10,000 50-acre farms. And we now have the soil conservation techniques to prevent it.

Soil conservation is everybody's job. A new ethical attitude is required by all, in which the proper use and conservation of natural and human resources is regarded as a moral duty—a correct and lasting economy will follow.

Today the Corn Belt is one of the larger areas being damaged. Old Man River carries some 750,000,000 tons of this fertile soil into the Gulf of Mexico year after year—to say nothing of its devastating floods. The funds to repair the damage must come from the land that is left. Throughout the country about 100,000,000 acres of cropland on farms that cover around 250,000,000 acres are now being damaged at a critically severe rate. This means that yields from about a fourth of the land now being used for crops will be considerably lower within 10 or 12 years unless soil conservation measures are adopted. But prompt action can prevent most of this potential damage. We must have the will to do it.

The United States has much high producing soil, compared with other food-producing areas. It is a shame that it has had such poor care. One hundred million acres of cropland have been lost completely by allowing water to wash it away. There are only 460,000,000 tillable acres of land left. This is less than 3½ acres per individual for our ever-increasing population of some 140,000,000. Our number of acres will not increase. These are being lost at the rate of half a million each 12 months to the same enemy—soil erosion. Nine acres out of every ten are subject to this damage.

First, we must all make our contribution to the wise use and conservation of our natural resources wherever we are. I quote from the Southern Planter of March 1947: "Pictured on this page is the soil and moisture saving program of the Lord Fairfax Soil Conservation District, embracing Frederick, Clarke, Warren, and Shenandoah Counties in Virginia. This is the most concise statement of the over-all problem of conserving and using productive soil and rainfall that has come to our attention. Every agency, civic and educational, interested in the agriculture and people of the district, has joined with the Soil Conservation Service in one big effort to have the plan put into operation on farms of that rich agricultural region.

The record of accomplishment of the Soil Conservation Service is one of the finest in American agriculture. Farms in this program are yielding more at less cost.

For larger yields of better crops for better living, erasing the handwriting of erosion, apply correct land use and vegetative land cover using simple soil conservation patterns and practices:

(1) Good crop rotations built around good sods of grasses and legumes.

(2) Crop rotations in alternate contour strips on sloping cropland.

(3) Contour tillage, all farming operations on the level, on the contour.

(4) Productive meadows and pastures of grasses and legumes, soil protection and soil building, most economic production of nutritious feed.

(5) Correct use of lime, fertilizer, manure, and crop residues.

(6) Cover crops, soil protection and enrichment.

(7) Grasses, waterways, drainage, diversions, carrying surplus rainfall safely.

(8) Farm ponds, storage of rainfall on the farm, water for livestock and wildlife, fire protection, spraying, irrigation, fish, and recreation.

(9) Woodland conservation and management for sustained yields of woodland products, protect from fire and grazing.

(10) Vegetate gails and gullies, cuts, and fills.

(11) Wildlife protection and conservation, vegetate borders for erosion control and wildlife food and cover, bicolor and sericea, also multiflora rose.

We now have the agricultural know-how. For the country generally about 10 percent of the needed work has been done and it is spreading from farm to farm because everyone benefits.

Second, we must export agricultural know-how. Other countries in the past years have come and got it and they are welcome to this scientific knowledge. We should make every effort to extend all benefits of our agricultural research to all countries. We've already made a good start with students from China, India, Brazil, and Argentina attending our leading agricultural colleges. Special missions of top-flight American agricultural specialists have responded to the call from many parts of the world.

There, work is badly needed, for don't let anyone tell you we can feed the world. We can't come anywhere near it even if it were wise to try. We must make certain our own production potential is maintained and increased.

To arms, farmers of America! In the past, when foreign nations invaded our country, we would immediately rise to the defense of our land and our way of life. We would defeat the enemy, regardless of cost. Now we must go to war against soil erosion. Save the soil, nature's indispensable gift to man—the soil on which all life depends.

To the 140,000,000 Americans—

Lives of great men all remind us
We can make our lives sublime,
And departing leave behind us
Soil conservation patterns on the sand of time.

The Challenge of the Inter-American Ideal

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Thursday, May 26 (legislative day of Monday, May 23), 1949

Mr. MUNDT. Mr. President, in these days of bitter controversy and jealous armaments, it is good at times to reflect upon the manner in which the people of the Western Hemisphere have come to live at peace with one another and to cooperate with each other for the common good. It was my pleasure recently to address an inter-American seminar of the Pan American Union, and I offer the text of that address for printing in the Appendix of today's RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Distinguished platform associates, fellow Americans, all, I appreciate sincerely the thoughtfulness of the chairman in asking you to establish a more balanced appearance out in the audience instead of having collected yourselves exclusively to the left of the room, as you had originally, because as one who feels that too many people are now going too far to the left in too many places, I am glad to see you keep close to the center of the aisle; and it also makes it easier, of course, for a person having the privilege and the opportunity of addressing this fine assemblage. I am mighty happy that I was chosen to come down from the Hill to represent the United States Congress, and the United States Senate, to think out loud with you for a while about some of the problems which are close to the hearts of everybody in the Western Hemisphere.

I think that you have started something of great importance in this Latin-American Trainee Seminar which you are just concluding. I was surprised to learn that this is the first time that you have ever been brought together, here, under the auspices of the Pan American Union, and in this building, to conclude your individual training courses with a collective organized interchange of experiences and ideas such as that in which you are now participating.

Prophecy, as you all know, is something rather dangerous for a man to engage in who earns his living in the tricky art of politics. Nevertheless, I dare prophesy that this will not be the last time that the Pan American Union invites you to use its buildings, its resources, its personnel, and its guidance to conclude such a series of training experiences by having group discussions and general plenary sessions such as you are now having here today.

In fact, I dare to hope that this movement grows and expands and becomes even more significant than it is today. I can certainly envision in my mind that next year, and perhaps in the years after that, you will add many days to the three which you are utilizing in this particular session for this seminar.

I hope that you will add additional speakers, additional discussion opportunities, additional challenges to your minds and your hearts and your souls growing out of conferences of this type, and that they will steadily expand in significance and in usefulness.

I would think that we might well add to an organization chart, such as the one I was privileged to inspect a few minutes ago here on the platform, something which should become a regular recurring experience for you, and for others who follow after you to study here in our Government offices and in the schools of the United States; something which you might call an inter-American citizenship institute or an inter-American leadership institute or conference, in which, instead of for 3 days, perhaps for 2 weeks or more you would be brought together as representatives of all the countries in this hemisphere to exchange ideas and to study techniques of self-government.

I am not sure whether Canada is included in this seminar; if not, I think Canada might well be included to make the thing completely universal for the Western Hemisphere. I can envision out of 2 weeks spent together, representing all the countries of the hemisphere, at the citizenship level, and at the level of young people most of whom expect to dedicate their lives to public service and government service, that tremendous dividends can come flowing down the corridor of time in the years ahead if we held here such an annual institute of leadership for the Western Hemisphere. We could spend at least two full weeks on the job of meeting together and discussing in round-table conferences the problems that people must meet these days, the ways to solve them, and ways to cooperate together to continue to keep the Western Hemisphere God's chosen area of opportunity. I just throw that out to you as a challenge and as a hope for the future.

We have had 3 days of it this year. I believe if you could have had 2 weeks of this experience, you would have achieved even more, and that the friendships that you formed, the associations that you make, the contacts that you develop, the understandings that evolve from meetings of this type would be certain to pay dividends to every country represented here, and to the collective enterprise that we like to call the Pan American Union or pan-Americanism, or just simply the great family of free governments that inhabit the Western Hemisphere.

If I understand the situation correctly, most of you are what we would refer to in American governmental slang as "bureaucrats," and there are more complimentary terms, I must concede, that you can attach to a citizen these days than to call him a "bureaucrat." But bureaucrats have had a great break in America—in the United States, I should say—a great break, this week because in every echelon of government, on every radio, and in every newspaper, and the magazines that followed, in the Halls of Congress, and the executive departments, good alert citizens throughout the country took time off this week to pay tribute to the man that I have frequently referred to as the world's best bureaucrat. I refer to the remarkable experience that we jointly underwent this week when J. Edgar Hoover, Director of the FBI, commemorated 25 years of consecutive leadership of the Federal Bureau of Investigation.

I think J. Edgar Hoover's record should be a challenge to young men and women like you whom I hope, whom I sincerely hope, expect to devote your lives primarily to being bureaucrats—because bureaucrats, after all, are the people who make government operate—they make it work. Fellows in jobs like mine can appropriate the money and can pass the laws and establish the guide posts—then we go home and go fishing or go out and campaign for reelection if it's an election year.

Fellows like President Truman and the members of the Cabinet can take the guide posts that we establish in Congress because ours is a representative government where the guide posts are established by Congress and not by the President, but the Executive in the White House, and those in the departments at the top levels take our guide posts and assign them and parcel them out to other people under them in order that the goals are attained. So the people who actually do the work that make governments run are the bureaucrats who get these eventual operational assignments and responsibilities. You couldn't any more have government without bureaucrats than you could go fishing without fishhooks. Thus, being a bureaucrat is an honor and a distinction because it offers a great field for constructive responsible service.

GOOD BUREAUCRATS VERSUS BAD BUREAUCRATS

You have been doing something practical and constructive in making a direct contact with the problems and people who are working in the bureaus in Washington. You have worked with some mighty fine ones and you have seen some mighty poor ones because we have both kinds. The thing you are trying to do is to discover why it is that there are bad bureaucrats in the Government of the United States and what they are doing that you should avoid doing, and why it is that there are good bureaucrats in the Government of the United States and what they are doing that you should try to imitate and that you could try to improve upon. We are happy and proud that you do us the honor to study our system of government in this manner.

I think you can carry back to your respective countries the fact that you were meeting here in Washington, at a time many of the intelligent and well-informed people of the country took time off to pay tribute not to a Senator or to a Representative or to a President or a Cabinet Member, or a diplomat, but they took time off to pay tribute to a bureaucrat—J. Edgar Hoover—who has established as successful a record of public service as anybody in the history of the country which you are now visiting. A man who is certain to be longer remembered in history books than many American Presidents have been. A man who has contributed more to the success of his country than a number of just average ordinary Presidents of the United States because Hoover has demonstrated that by skill, and energy, and fair play, and devotion to duty, and courage, he was able to establish a division of government that members of both the two great political parties of this country honor, support, and applaud with equal vigor and enthusiasm. It should be a real inspiration to you to realize that Hoover did all this while serving in the capacity of a bureaucrat. Go thou and do likewise.

FOUR GREAT FACTORS IN THE WESTERN HEMISPHERE

I suppose those of us who live in the Western Hemisphere are so fortunate in so many ways that sometimes we sort of think that if we could just protect the things we have, things would be good enough because it certainly is true that by comparison with the sorry conditions prevailing in so much of Europe and with the sad conditions prevailing in so much of Asia and Africa and other areas of the world that we, in the hemisphere known as the Western Hemisphere, are exceedingly fortunate.

We have peace which is one thing of tremendous importance as anybody connected with either of the late wars can well understand; we have more of peace than is available to people living any other place under the whole canopy of Heaven.

We have freedom in the Western Hemisphere; we have more of freedom than is available to people living anywhere else in the whole wide world. True, everybody isn't equally free. The Western Hemisphere doesn't stake out any claim as to going into competition with God's Heaven, but aside from that, we approximate that wonderful area of freedom and fair play more closely than the people of other hemispheres or other areas.

We have more of opportunity in the Western Hemisphere than is available to people in any other region of the universe; more people have more chances to have more success in the Western Hemisphere than anywhere else.

We also have more security in the Western Hemisphere than they have anywhere else in the world; fewer people have to shudder at night that somebody's going to come in and rout them out of their beds and trundle them off to jail; fewer people have to worry about that here than in any other area of the world. Fewer people have to worry about starvation; fewer people have to worry about unemployment—we have more of security of every kind in this Hemisphere just as we have more of peace and more of freedom and more of opportunity.

Now, I think, despite those facts, despite the fact that any honest umpire of the game of life would have to conclude that the Western Hemisphere has more of those four essential fundamental elements of happy living and good fortune than people anywhere else. All of us would quickly testify that even so we do not have enough of them. We wish we had more. We wish it were unnecessary to maintain armies and navies and air corps at great expense. We wish that unpleasantness never developed between any of the neighbors of our whole family of Western Hemishpere countries, but people being human, and human beings what they are, we can't hope for perfection. We just have to move in that direction, and so we establish inter-American conferences, Pan-American unions, and a seminar like this which I hope will grow to even greater proportions, as I have said, and become an institute of inter-American leadership bringing people into these conferences who are going to lead the American Republicans 10 years from now instead of always bringing in the people who have probably already had the jobs 10 years too long.

I like to look ahead. Let us bring in the young leaders of each country to plan and to propose new programs. We will—we must have armies. We must have navies—but we must also have conference rooms—inter-American agreements, and boards of arbitration, and folks who utilize peaceful methods of understanding instead of wartime methods of destruction in order to attain a common area of agreement. Freedom we have in great abundance here, but one can almost never get too much freedom and if we can make it available to certain elements on our continents, not now having it, if we can make it increasingly available to all despite any differences they may have in politics or economics or color or race or religion, the further we can expand freedom the better we build I think upon a sound and firm foundation.

THE MAGIC FORMULA—SECURITY AND OPPORTUNITY

I think those other two terms I have talked about—opportunity and security—are probably the magic formula by which the world progresses. I think one of the reasons why the people of the iron curtain countries are so unhappy is because they have neither opportunity nor security. Human beings, generally, no matter how humble their place in life, no matter how limited their education, just hate to be pushed around by someone else all the time. I suppose along with all the other difficulties of living in a land of tyranny, of living under conditions such as I saw the people living under when I visited Russia, and when I visited Czechoslovakia under the Communist regime where men are afraid to say anything, afraid to go anywhere, afraid to do anything because some politician is going to come along and push them around, is the fact that such a life makes cowards out of human beings.

I think that we, in the Western Hemisphere, must cling closely to freedom, must cling closely to opportunity, peace, and security. Pretty much, I think, civilization marches up a ladder in which the rungs are alternately marked, security and opportunity—and opportunity and security—and security and opportunity, again. Every now and then some government or some age of civilization emphasizes one too much, and deemphasizes the other too much. We must avoid that.

If we emphasize security too much we kill off opportunity. We then give security to everybody at a level nobody wants. We then give security to everybody under conditions that nobody desires. We then give the kind of security that people enjoy at Alcatraz, out in San Francisco Bay, and Atlanta, Ga., in the Federal penitentiary—the kind of security that is safe enough if you are locked up for life in a penitentiary. You are pretty safe there from being shot at by anybody else. You are pretty secure against losing your job because you can't get out if you want to when you are in jail. You have complete security from the standpoint of getting meals because the Federal law provides you must feed the prisoners. Nobody is going to steal anything from you in jail because you haven't got anything and can't get anything—so you have got security. But that kind of security, the kind of security that Hitler gave his victims and that Stalin gives his political prisoners, and that the dictators around the world give people in prison is not what we want in the Western Hemisphere as our goal. It is not what we

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provide. It is precisely what we collectively resist.

Now, you can also overemphasize opportunity. You can give people the kind of opportunity that a tiger has in the jungle to do anything that they want to anybody who crosses their path. You can make opportunity so free and so general that the strong can always attack the weak and so that the law of the tooth and the claw becomes the law of the land. You can enlarge opportunity so that those who work hardest, it is true, get the best rewards, but so that those who have the most power can also cause all other people in the community to suffer. That kind of opportunity is as bad as the kind of security which denies man freedom of expression and locks him up in a slave camp. So, I think the secret formula that we are trying to make work for everybody in the Western Hemisphere is to get the proper balance between security and opportunity—trying to bake a cake which will be a good government cake because we mix the ingredients of the recipe in exactly the proper proportions and balance. That means that we try to give people in our hemisphere every single opportunity which can be made available to a free citizen which will not in any way injure opportunity that other people also have a right to exercise.

We of this hemisphere are trying to give people the opportunity and security of law; the security of a fair chance for a free people; the security of being protected against acts beyond their own control; the security that comes from orderly government—solvent government—well managed government; the security and opportunity that comes to a civil-service employee who holds his job regardless of what political party is in power, who holds his job as long as he fulfills his duty carefully; the security and opportunity that enabled J. Edgar Hoover to move from a young student in the law schools of Washington, a poor boy, to the head of the greatest protective organization the world has ever seen, and to hold that job for a quarter of a century while we have had all kinds of changes of administration—politically—all kinds of swings and ebbs and flows of social, political, and economic thought in this country.

THE AMERICAN WAY

J. Edgar Hoover holds his job because he has the security we like to say is the American grant. A secure opportunity to make good if you have the stuff in you to make good, and the kind of security that says if you can't make good you have to move over and let someone move up on the bench. I think in meetings of this type we can get together and discuss these problems and the folks from one country can say to the folks of another country, "How do you protect security and opportunity for your people in your country?" "How do you protect freedom?" "How do you protect peace?" You can ask these questions of each other and there isn't any of us but what can learn something from the most backward country here, and I wouldn't name it if I could, and I don't know which one it is. Maybe, it's ours, I am not sure, but there isn't anybody but what can learn something from another country by discussing those things frankly and by setting certain goals we try to reach as free people in a free hemisphere—the only free hemisphere left in the world.

We have a chance to work out a program of action, I think, that is mighty important. I am mighty proud to have my name associated as the author of the UNESCO legislation, and the so-called Voice of America Cultural Exchange program. I believe in these programs wholeheartedly. I am now in the process of trying to get the Senate Appropriations Committee to appropriate $50,000,000 a year to expand these programs. That's less than a third of the cost of a modern battleship, and I think, 8 years of genuine exchanges among peoples of the world with nothing to hide—who are willing to exchange—I think 8 years of that will do more for peace than 6 or 7 battleships. I want the countries of the world to exchange people and ideas generally—around the globe—with just one single simple rule of inter-American fair play—we welcome to this country, as you do I am sure to yours, students and visitors and young authorities in government; we welcome them to come here in exchange for those from our shores they will permit to visit their countries, but if they have something so bad they must conceal it behind some kind of fictitious curtain, if they dare not let free people visit their country because of the tyrannical conditions there existing, then, I would say, the rest of us might well speed up and expand our exchange with each other and not seek visitors from those unhappy lands. Folks who are not ashamed of the fact that everything isn't perfect in any of our countries should exchange ideas. Folks who will say, "Of course, we have some slums; of course, we have some poor people; of course, we have some criminals; of course, we have some people who can't read and write, but come in, neighbor, and look us over—we have some things of which we are also proud. Just look us over as we are." You people come from countries like that. You have no barbed wire fences or iron curtains nor stone walls that keep folks from looking at you, as you are, and we are that kind of country, too.

We of the Americas have great big open windows and doorways and arches through which people can move in both directions. The legislation I have sponsored is simply to take countries which divided themselves from their neighbors by arches and windows, and build paved roads under the arches so we can move people and ideas back and forth in greater numbers and more quickly. I have no desire at all to build some kind of an overpass through an iron curtain by which people can walk only on a one-way street. I am interested in reciprocity. I never saw anybody make any friends by shaking hands with himself. Hand-shaking is a two-way proposition, and so is cultural exchange—so is the business in which you people are here engaged. That is why we always welcome so heartily the folks from Latin America because when one of us gets a chance to go down to any of your countries we feel mighty welcome there. I think that builds for peace and progress and it builds for expansion of those things that I like to sort of consider, as I have said, the lode stars of the Western Hemisphere—peace and freedom and security and opportunity.

I think that the great Mexican leader and philosopher and educator who is the present head of UNESCO was eternally correct when he said up in Cleveland, not long ago, at the UNESCO Commission meeting that "Wars can be started between the capitals of great countries, but that peace has to be built in the slums and villages and among the people of the country."

I don't imagine any of you have found any people in this group from some neighboring country that you dislike so much you would like to go to war when you get home to exterminate them. You found them to be pretty good folks—to have about the same number of ears and eyes and legs and opinions as you have, and that it is pretty easy to get together and discuss things and come out with some kind of working combination. So, I think Dr. Torres Bodet was exactly right—that great Mexican, when he said this is the way to build peace among people here.

I am afraid my time is about concluded. I might say one other thing, as a proud son of the United States who was born out in the Middle West in South Dakota—no Latin American should ever go home and say he has seen the United States unless he has visited South Dakota because there you will find the beautiful Black Hills and there you will find the shrine of democracy which means so much to us all with those great democratic figures carved in the mountainside. There, in South Dakota, you will find friendly, hospitable people and a ready welcome. There you will see farmers at work and businessmen engaged in their activities and we urge you to come to a typically midwestern community of the United States—really to see how folks live up here north of the Rio Grande. I invite you to visit South Dakota.

THE AMERICAN CHALLENGE

I will conclude by saying I have always been impressed as a son of South Dakota by the fact that everybody in this room, because he comes from one of the American countries, can take, I think, a certain amount of pride in the fact and also recognize some challenge in the fact that the last two syllables of the great family name that encompasses us all—those four letters which conclude the word "A-mer-i-can," separated by themselves spell out "I can"—A-mer-i-can. I want to say in conclusion just a word about those two syllables—I think it was a happy thought that someone had to name our great area America, and to call us North Americans, South Americans, and Latin Americans, because that "I can" somehow has come to typify what we stand for in this hemisphere. Think of the number of people in eastern Europe, and in Asia, and in Africa, who never are permitted to say "I can"—who always are compelled to say, "You can," as they point to the dictator, as they point to the generalissimo, as they point to the Kremlin—or as they pointed to Hitler. I think each of you in government should keep that in mind as you start back home. Let it be a constant challenge to each of you to do your best.

Each of you in government should keep that in mind as you start back to your respective duties and responsibilities; I think each of you can get real inspiration and gratification from the fact that you are workers in government on a continent and in a hemisphere where every citizen constantly has before him the challenge of "I can" as he participates in the political and economic life of any one of our great American Republics.

It has been a pleasure to address you this afternoon. I wish you all the greatest possible success in the important positions which you hold. I rejoice in the friendly neighborliness which exists among all the peoples of the Western Hemisphere, and I hope that the example of good will and good teamwork that we are seeing here may take hold and catch on in other areas of the world so that once again we can look forward to an era of social and economic progress made possible because we are living in an environment of permanent peace.

Hugh L. McArthur

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Thursday, May 26 (legislative day of Monday, May 23), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Know Your Department Officers," wherein high tribute is paid to Hon. Hugh L. McArthur, a veteran of our foreign wars.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

KNOW YOUR DEPARTMENT OFFICERS

Though a young man, Hugh L. McArthur, department judge advocate of the Veterans of Foreign Wars, has already assumed a place of outstanding prominence in the affairs of Hillsborough County and the city of Tampa, where he is practicing law and is an active leader in social, church, fraternal, civic, legal, and veterans' affairs.

Both the State of Georgia and the State of Florida had a hand in turning out Hugh L. McArthur, one of the finest products that ever set foot on its red or white soils.

It was in Dalton, Ga., on October 15, 1907, that Hugh Lynn McArthur first saw the red clays, blue skies, and green hedges of his native State. For, as one of his friends said, on his first day in this world his nurse carried him to the window and recited Beaumont and Fletcher's words of ambition: "Our natures are like oil; compound us with anything, yet will we strive to swim at the top."

Five years later the McArthur family moved to Sarasota. After graduating from the high school there McArthur chose the University of Florida as the place to take his college work. He graduated, with honors, from the university with an A. B. degree in 1929 and completed all requirements for his M. A. degree. In 1933 he received LL. D. and J. D. (juris doctor) degrees from the University of Florida at Gainesville. During his academic years at the university he served as student instructor in psychology for the years 1928, 1929, and 1930. He also took postgraduate work at Georgetown University in Washington, D. C. He holds membership in Kappa Phi Kappa, Pi Gamma Mu, Phi Kappa Phi, and Alhpa Phi Epsilon, honorary fraternities, and this shows his ability and versatility. The fact that he is a past president of the John Marshall Debating Society at the University of Florida sums up his early achievement in oratory. His speaking ability was testified to when the National Safety Congress, attended by some 10,000 people, in Chicago invited him to appear before it as a speaker a second time. After completing his education at the University of Florida, he taught and coached in Pinellas County schools, including the St. Petersburg Junior College where he was a favorite among students and teachers. But in 1933 McArthur decided to take a new step toward his career, so he moved to Tampa, hung out his lawyer's shingle and has since made a brilliant record in his profession. Judge Himes, a Tampa judge before whom McArthur has practiced said, "McArthur is a lawyer of unusual ability." And J. Rex Farrior, State attorney at Tampa, whom McArthur has opposed many times in the courtroom said, "I have observed Hugh McArthur under real test and he is capable, resourceful, and tireless. He quickly grasps facts as well as law. As State attorney, I have handled cases in which McArthur was the opposing counsel and he prepared his cases thoroughly. On several occasions I have employed him to assist the State. McArthur has made an excellent record. He possesses the trait of loyalty to an unusual degree, has a good education and good traits of character, is courageous, persistent, and a good speaker."

McArthur served as attorney for the Florida State department of public safety with distinction from 1940 until he entered the Navy during the recent war and as such was special assistant to the attorney general of Florida. At the request of Governor Spessard Holland, McArthur prepared and wrote the act creating the present department of public safety or chapter 20451, Laws of Florida, acts of 1941. He also prepared chapter 20378, Laws of Florida, acts of 1941, the same being the prevailing, all-inclusive traffic act regulating traffic upon the highways of the State of Florida.

J. J. Gilliam, who was then director of the State patrol, said "McArthur is an attorney of great ability and talent and absolutely truthworthy." When some of the law-enforcement officials over the State interpreted the 1941 model road-patrol law to mean that reports of highway accidents must be kept confidential, it seemed for a time as if newspaper reporters would not get much information from the records. Even lawyers preparing to defend clients from court action growing out of traffic accidents found reports closed to them, but Hugh McArthur rendered an opinion, for the State public safety department, that accident reports are public property. This cleared the haze considerably. Thanks from all sections of Florida went to the safety department's attorney for his prompt and clarifying opinion.

McArthur, probably more than anyone else, contributed to the general explanation that the traffic laws and regulations of the department of public safety is not a law-enforcement agency as much as it is an agency to prevent accidents as well as arrests through securing cooperation of the public by education, not by the use of force.

He is a member of the Hillsborough County, State, and national bar associations, a member of the Tampa Exchange Club, the Elks Lodge, president of the Tampa Propeller Club, worthy president of the Fraternal Order of Eagles, Knights of Pythias, and the chamber of commerce. When SPESSARD HOLLAND, now United States Senator, was Governor of this State, McArthur was a member of his personal staff. McArthur, who has an education far beyond that of many people, entered the Navy in June 1943, closing his law offices at Tampa and Tallahassee for the duration of the war. The Army rejected him because he had three physical defects, including being color blind, but somehow, he persuaded the Navy to waive these defects and, according to Vice Adm. E. S. Land, it was the first time in the history of the United States Navy that three physical defects were waived. He held a commission as lieutenant commander in the USNR, reporting for active duty on January 1, 1943, and remaining on active duty, with service in the Pacific, until February 1944. He was wounded and placed on an inactive status on January 13, 1946. While in the Pacific he served with the Seventh Service Fleet and Sydney, Australia, was base headquarters.

While McArthur was in Sydney a banquet was held at one of the leading hotels at which he and Gen. Douglas MacArthur were guests. Hon. Walter Sykes, of the King's Council, and Hon. Bob Menziers, ex-Prime Minister, collaborated in the preparation of the following toast:

"THE TWO M'ARTHURS

"Here is the story of one McArthur
American through and through.
'You, of course, are referring to Douglas?'
'No, you fool—to Hugh.'

"Truth 'twas by Washington's inspiration
To the Anzac zone he flew.
'Now, of course, you refer to Douglas?'
'No, you fool—to Hugh.'

"He, by singular charm of manner
Captured our hearts anew.
'Now, of course, you speak of Douglas?'
'No, you fool—of Hugh.'

"We have seen that fighting figure,
War-worn, battered, and blue.
'Now we know you speak of Douglas?'
'No, you fool—of Hugh.'

"We have watched at headquarters
Inspiring his sweating crew.
'Are you, by chance, referring to Douglas?'
'No, you fool—to Hugh.'

"Let's drink a toast to Australia's saviour;
With me, lift your jug.
'Are you still referring to Hughie?'
'No, you fool—to Doug.'"

Before reentering the practice of law at Tampa, McArthur served as assistant to Commissioner Edward Macauley of the Maritime Commission at Washington. While in the National Capital he hobnobbed with many of the big wigs on intimate terms. When he left Washington James Forrestal, Secretary of the Navy, in telling him good-by, said, "For your part in the achievements of our Navy, you deserve to be proud as long as you live." And after he returned to Tampa to resume the practice of law, the United States Attorney General, Tom Clark, wrote and said, "You have my best wishes for success in all the profession has to offer." Later on, when McArthur announced for state senator from Hillsborough County, Commissioner Edward Macauley wrote: "I do hope your campaign will turn out successfully."

Soon after McArthur returned to Tampa and reopened his offices there and at Tallahassee, he was reappointed attorney for the State department of public safety and holds that position today.

He is commander of the Veterans of Foreign Wars Post 121 at Tampa, a member of the Disabled World War Veterans, a member of Post No. 5 of the American Legion at Tampa, and is judge advocate for VFW district No. 1 and also the department. He was recently given a major assignment, as department judge advocate of the VFW, to investigate Drew Hospital at Tampa with a view of deciding whether or not it would be advisable to ask the Veterans' Administration to withdraw therefrom all veteran patients. His negative decision closed the matter with complete satisfaction to a vast majority of all concerned. He is also an active member of the First Christian Church. He married Lady Weeks Phillips, of Bartow, and they have three children: Hugh Lynn, age 8, Sarah Lynn, age 17 months, Nancy Lee, age 71 days, and a stepdaughter, Lady Margaret Phillips, age 11 years.

Many outstanding articles have recently appeared in the Florida press as to McArthur's possible candidacy for the office of attorney general for the State of Florida, but he has reached no definite decision as to this matter, although pressure from friends over the State is being brought to bear on him to get in the race.

Mrs. Jeannette M. Mitchell, President, Somerset County Women's Republican Club

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EXTENSION OF REMARKS

OF

HON. OWEN BREWSTER

OF MAINE

IN THE SENATE OF THE UNITED STATES

Thursday, May 26 (legislative day of Monday, May 23), 1949

Mr. BREWSTER. I ask unanimous consent that an article from the Portland Sunday Telegram dealing with the interested citizenship of one woman in this country, in connection with my repeatedly pointing out the failure of both Democratic and Republican organizations to present effectively their programs, as a result of which 45 million citizens of America did not vote, or practically 49 percent, be printed in the Appendix of the RECORD. This one woman, at 78 years of age, enrolled 360 women in a political club, in 2 or 3 months' activity, and expects to extend

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it to 500. I commend that to both Republicans and Democrats alike as something that indicates the extent to which we are failing in our task.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SHE IS TOPS

Attention Republicans who head any type of a political organization be it local, county, or State. If your group is dying on its feet, just don't fret and worry because Mrs. Jeannette M. Mitchell, of Skowhegan, perhaps has the cure.

I pen this without so much as consulting Mrs. Mitchell, yet I feel safe in offering her services, advisory of course to GOP groups the State over.

She's a most remarkable woman. Two years ago, despite her 76 years, Mrs. Mitchell was one of a very small group to organize the Somerset County Women's Republican Club. It immediately affiliated with State Federation which had been a going organization for many years.

Last Tuesday, the Somerset club celebrated its second anniversary and Mrs. Mitchell, the group's first and only president, reported a membership of 360, which is one-third of the entire membership of the State Federation.

Today, at 78, she's more enthused over Republicanism than any one person in Maine.

You might suspect that the enrolling of 360 members in 2 years to give her county group the No. 1 listing in Maine would suffice. You might suspect a woman of 78 would retire on her record.

You might be right were we not talking about Mrs. Mitchell. She plans, in October, to step down as president, but her work will not end there. She has set a goal of 500 members and I'll wager a pretty penny it is met before she retires.

All praise to a most remarkable woman.

Europe's Recovery

EXTENSION OF REMARKS
OF
HON. JAMES P. KEM
OF MISSOURI
IN THE SENATE OF THE UNITED STATES

Thursday, May 26 (legislative day of Monday, May 23), 1949

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter addressed to the editor of the New York Sun by Mr. F. C. Nichols, an American, living in Berne, Switzerland. The letter was printed in the New York Sun of May 23, 1949.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EUROPE'S RECOVERY—CORRESPONDENT IN BERNE ALARMED AT POLICY OF AID FROM AMERICA

To the EDITOR OF THE SUN.

SIR: To an American living in Europe who knows conditions far better than biased investigators from back home—so easily influenced by European politicians—it is evident that there is absolutely no longer any call for the scandalous waste of American money and goods here.

If you will check back over 12 months you will find that the industrial and agricultural production as well as exports of England, France, Belgium, Holland, Denmark, Sweden, and Norway have in most products surpassed the prewar figures. That being so, and since in prewar days Europe lived well, had all the dollars required and equipped armies, why is there the need to pour in United States dollars and supplies?

Even last summer the stores in France, Belgium, Holland, and Italy were loaded with food and luxury items. In these countries the finest food could be eaten in restaurants and the average well-to-do homes, better food than could be found in the United States. In Holland and Belgium thousands of the very best and biggest automobiles were imported, at a time when there was still a shortage in the United States.

In most countries in western Europe there is no shortage of food and dollars. There have always been as many dollars available as needed; all one had to do was to get out into the black market to get them. This only serves to prove that what Europe needed was not a Marshall plan at American expense, but a reorganization of distribution of what was available, as well as governmental control of the dollar situation.

The United States Government is deaf to the pleas of American exporters, who are aware that through the Marshall plan we are building up European factories and putting such factories in a position, with their cheap labor and lower overhead, to undermine American exports for all time. It is really heartbreaking to see American machinery and equipment pouring into European factories so that they can eventually compete with American products and also eventually put millions of our intelligent workers on the dole. Our Government is not only not satisfied with this state of affairs, but is sending over groups of technicians at tremendous expense to show Europeans our latest methods. Have we gone crazy?

We are so stupid in what we are doing that many Europeans have frankly asked me whether our leaders are blind to the dangerous outcome of our present policy, or as blind as our leaders who sold us down the river to the Russians by agreeing to postwar conditions which enabled the Russians to overrun half Europe. We showed lack of foresight then and we have not learned our lesson.

Western Europe, now that it feels secure in the Marshall plan, is asking us to spend further billions in reequipping its armies, which they always managed to do in prewar days without any outside assistance, and at a time when industrial production was not as high as it is now.

You have a very good man on your staff who is more American-minded and has clearer vision than 75 percent of our present leaders—George E. Sokolsky. Send him to Europe to investigate; let him tell the American people how they are really taken for a ride.

We are so generously overfeeding Europe, overequipping factories, that these pampered countries are rewarding our generosity by exporting millions of dollars of critical items to countries back of the iron curtain. England recently made a deal in truck tires, Belgium sold thousands of reconditioned American Army trucks to Russia (we gave them the trucks in the first place); millions of dollars of American ball bearings are getting through to Russia.

F. C. NICHOLS.

BERNE, SWITZERLAND.

Address on States' Rights

EXTENSION OF REMARKS
OF
HON. WINT SMITH
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. SMITH of Kansas. Mr. Speaker, on May 24, I included in CONGRESSIONAL RECORD the reprint of a speech on States' rights which I felt should be called to the attention of the Congress—page A3210—I regret that in reproduction, the authorship of this commendable article was omitted.

I would like to say that the author of this speech was John Temple Graves, well-known speaker, writer, and columnist of Birmingham, Ala. He made an excellent statement of the fundamental principles of States' rights in this speech given on May 11 at Columbia, S. C.

Intergovernmental Relations

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES

Thursday, May 26 (legislative day of Monday, May 23), 1949

Mr. O'CONOR. Mr. President, as the author of the pending legislative proposal for the establishment of a commission to give consideration to intergovernmental relationships, I am particularly interested in enlightened discussion regarding this subject matter. A particularly intelligent statement on this question has been presented by Mr. Stanford Schewel and, because Members of Congress will be benefited by considering it, I ask unanimous consent to have the statement inserted in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF STANFORD SCHEWEL, MADE ON WEDNESDAY, MAY 11, 1949, BEFORE THE SENATE AND HOUSE SUBCOMMITTEES ON INTERGOVERNMENTAL RELATIONS, WASHINGTON, D. C.

I would like to thank the committee for its invitation to present my views on the proposed bills to establish a Commission on Intergovernmental Relations. As I understand it, the Commission will be charged with the task of investigating the field of National, State, and local governmental powers and making recommendations to Congress regarding them.

My interest in and knowledge of this subject was heightened by my work with the Committee on Federal-State Relations of the Hoover Commission. As an assignment from that committee, I was engaged during 1948 in study and research on the birth, growth, and development of State and National governmental powers. I then prepared a monograph entitled "The Development of Governmental Powers in the United States," which was used as background material by the Committee on Federal-State Relations. A copy of this monograph is attached hereto.

My studies in this field have made me keenly aware of the tremendous expansion of both National and State powers during the past hundred years, the manner in which they have grown in all directions, and the frequency with which they overlap and conflict. The average American, constantly beset by a multitude of governmental regulations, is not likely to reflect on the source of the power being exercised upon him, or to wonder if today's new regulation is a rightful exercise of National power or should more properly be left to State control. His uppermost thought in contemplating the blessings of life under a Federal system is that he is

twice regulated, twice conformed, and twice taxed.

It should be apparent to every American that one of our keenest contemporary needs in the field of government is a comprehensive plan to channel the mushrooming and overlapping governmental powers of Nation, State, and local unit into their appropriate areas. If the present trend is allowed to continue unchecked, it will undoubtedly accelerate, and in another generation this Nation may well find itself strangled by a maze of intertwining and conflicting governmental functions even more appalling than exists today. Were this calamity to occur, it would not only make for ever-increasing taxation, but would also seriously endanger the system of division of powers between Nation and State which has heretofore been the basis of our Republic. In these days when the Congress is so eagerly searching for ways to reduce the crushing burden of taxation upon our people, it seems obvious that the elimination of duplicating governmental functions would be one of the most efficient ways of accomplishing this vital purpose. It is plainly the duty of Congress to begin a thorough untangling of this fast-thickening jungle of our Nation's governmental powers.

The Federal-State Committee of the Hoover Commission has already spent months of time and many hundreds of hours of thought and labor on this problem and has come forth with excellent recommendations. If the establishment of the Commission proposed by these bills is a necessary prerequisite to congressional implementation of the recommendations of the Hoover Commission, then, by all means, let the Commission be established and begin its work as quickly as possible.

There are three specific suggestions I would like to make in connection with the proposed bills:

First. The terms of reference of the Commission: I note that one of the proposed bills would establish a Commission to study only intergovernmental fiscal relations. I note that the other two bills set out more or less general terms of reference for the Commission. If the bill finally introduced into Congress by you gentlemen sets up one Commission to cover the entire field, I urge that the scope of its activities be not circumscribed. It is my feeling that the Commission should be given complete freedom to investigate and make recommendations concerning the entire field in which governmental authority affects the citizen. The actual and potential area of conflict of power and functions between National, State, and local governments runs the entire range of governmental activity. Let the proposed Commission have power to investigate and make recommendations concerning any problem over which the functions, power, and responsibility of National, State, and local governments presently or potentially conflict, or overlap.

This suggestion may perhaps be criticized on the grounds that the duties it gives the Commission are too general, and that more effective work might be done were the Commission's scope of operations somewhat limited. This may be true; and, after the Commission has begun its work, it may decide on its own initiative to limit its investigations to fields in which its recommendations are likely to have some practical effect. But, I believe it important that Congress let the Commission itself determine whether it should at any future time limit its own activities. This, in my opinion, would be far preferable to a limitation in advance by the bill setting up the Commission.

Second. Submission of the recommendations of the Commission: I note that the proposed bills give the Commission authority to submit its recommendations to Congress. Some, if not all, of the subjects on which the Commission is likely to make recommendations, may require State as well as national legislation. Therefore, may I suggest that the bill also authorize the Commission to pass on its recommendations to the 48 State governments as well as submit them to the national Congress?

Third. Avoiding duplication of effort: I note that the bills propose that there be a Director of Research for the Commission, and also makes provision for other staff. Anybody casually connected with Government knows that if the office of director of research is established the setting up of a staff to assist the director is thus impliedly authorized.

I earnestly hope that this does not mean that the proposed Commission will repeat the spade work and research work in this field already undertaken by the Hoover Commission. If the Commission utilizes these background studies already completed with painstaking care, this does not mean that it would necessarily have to agree with the conclusions of the Hoover Commission. But it would mean that the work which has already been once adequately completed, will not be repeated at the taxpayers' expense. To avoid so unfortunate a possibility, may I suggest that you insert into the bill either a directive or a recommendation that the investigation and research of the proposed commission not duplicate similar work already done by the Hoover Commission.

Geological and Geophysical Mining Claims Act of 1949

EXTENSION OF REMARKS
OF
HON. WALTER S. BARING
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. BARING. Mr. Speaker, Senator JAMES E. MURRAY, of Montana, and I have introduced identical bills, S. 1793 and H. R. 4750, termed the "Geological and Geophysical Mining Claims Act of 1949." This bill was drafted after an 18-month intensive study of the needs of the mining industry by the Subcommittee on Mining and Minerals Industry of the Senate Small Business Committee, which issued an exhaustive report on the bill.

The Hoover Commission task force, after studying the natural resource situation in the United States for some 16 months subsequent to the Senate Small Business Committee study, proposed several changes in the general mining laws. It is a well-known fact that as the surface has been well combed over, noncropping or "blind" ore bodies constitute major possibilities for future ore reserves and the discovery of such deposits depends upon modern scientific methods of prospecting beneath the surface. Scientific prospecting requires expensive equipment and the highest grade of technical skill to interpret the results and no one is going to put in the money and time unless they have some rights to the surface of the lands being explored.

The Hoover Commission recommends that the mining laws be amended so that there be recognition of the validity of claims without the requirement of "discovery" of valuable minerals so that ground without surface exposure or other positive evidence of ore or valuable mineral deposits may be held for sufficient time to complete exploration or to secure evidence indicative of its prospective value. At the same time, we do not want large areas of the public domain encumbered for a long period of time or permanently so as to exclude bona fide prospectors by holding the area for sheer speculation.

Mr. Speaker, I believe the Murray-Baring bill, H. R. 4750, solves the issues raised in the Hoover report. It would give up to a year to do geological or geophysical work. If positive results are found, a further year may be had in which to do physical work such as diamond drilling or shaft sinking. If, thereby, an actual discovery of mineral is made, the new type of location may be resolved into the usual unpatented type of mining claim and patented in due course. If any of these steps is nonproductive, the located area returns automatically to the public domain.

I have not the time to go into all the details of the bill now, but I expect to discuss it more fully at a later date. It answers a number of other issues raised by Mr. Hoover, and, I believe, will be an important step in making it safe to invest liberally in modern scientific exploration projects.

I believe, Mr. Speaker, that this bill represents a major improvement in our mining laws, which date back to 1872 and which did not contemplate the situation in which we now find ourselves. I understand the bill has in principle at least the blessing of the Interior Department and the National Minerals Advisory Council. Speaking for myself, and I feel sure Senator MURRAY is of like mind, I am open to any suggestions which would improve this important piece of legislation.

Modifications in the President's Legislative Program

EXTENSION OF REMARKS
OF
HON. OWEN BREWSTER
OF MAINE
IN THE SENATE OF THE UNITED STATES
Thursday, May 26 (legislative day of Monday, May 23), 1949

Mr. BREWSTER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD editorials published in yesterday's New York Times and the New York Herald Tribune of today, dealing with the modified program of the President for this session of Congress.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 25, 1949]

THE PRESIDENT'S PROGRAM

On January 4, in his state of the Union message, President Truman recommended to Congress the enactment of 24 major measures in the field of domestic legislation. Nearly 5 months have passed since then. It is a striking fact that only one of these 24 measures—the extension of rent control—has reached the President's desk for his approval, and in this case success was achieved only at the price of a compromise permitting the lifting of Federal controls on the

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initiative of State and local governing agencies.

To a minor degree the slow progress of the President's program has been due to accidental factors: the illness of Senator George, for example, has postponed consideration of Mr. Truman's recommendation with respect to the reciprocal trade agreements bill, on which the House has already acted and on which favorable action by the Senate seems assured. A more important factor has been the reemergence of a successful coalition of southern Democrats and northern republicans to block action on such issues as the civil-rights program. But these factors alone do not explain the administration's near-zero record for the first 20 weeks of the present session. An additional factor, and a powerful one, has been the inflexibility of the President's own position in the face of a changing situation.

Thus, Mr. Truman has continued to stand steadfastly by his proposal for a $4,000,000,000 tax bill, though Congress has plainly made up its mind that in view of the trend of business since January 4 this is no time to impose new taxes. He has continued to insist on unprecedentedly broad powers to prevent inflation, at a time when the problem of inflation has yielded place, at least temporarily, to the problem of deflation. He has used his influence to prevent acceptance by the House of Representatives of an acceptable substitute for the Taft-Hartley Act, and stood inflexibly for reenactment in its place of the Wagner Act, with a few unimportant improvements. He has forced postponement until the next session of Congress of any legislation in the field of public health, because he has not been willing to make a modest start in this direction but has asked Congress instead for the immediate enactment of a costly prepaid compulsory health insurance plan, at a time when both Government revenues and private payrolls are declining.

In these matters, and others, Mr. Truman has insisted on his own interpretation and his own sense of timing of the pledges given in the Democratic platform. This is one reason why a legislative deadlock now prevails in Washington.

[From the New York Herald Tribune of May 26, 1949]

CONFESSION OF FAILURE

The ineptness and lightheadedness of the Democratic leadership has at no point been more blatantly revealed than in Senator LUCAS'S announcement of the wholesale postponement and virtual abandonment of the Fair Deal. With adjournment of Congress set for July 31, the administration is content to press for repeal of Taft-Hartley, enactment of reciprocal trade laws, and ratification of the Atlantic Pact. Presumably not even the supporting arms program is included. The completion of bills dealing with housing and Federal aid to education—already far advanced in the legislative mill—is left in doubt.

Only a short while ago the social reforms of the Fair Deal were being proclaimed as the substance of an irrevocable mandate, to be enacted posthaste and without change. But all that is now quietly ignored. The grandiose health program, the new minimum wage law, the widened social-security system, the complex farm program, the new taxes—they are all put to one side, as if they had always been but an idle, wishful dream.

The charges against President Truman and his administration would thus seem to have been substantiated at one stroke. It has been claimed that the President was taking a dogmatic stand on measures which had been imperfectly worked out and combined; that he was claiming the support of the people for reforms which in fact they only partially understood; that he was heaping commitment on commitment without counting the ultimate cost. And now, as if he suddenly saw the void beneath him, he retreats hastily. Not being able to get everything, he wants nothing at all.

The reaction of the Republican Party must be one of understandable relief. Not only have the Democrats admitted the bankruptcy of their leadership, but they have withdrawn from a fight which (with the exception of civil rights) would have brought in proportion to its success pyramiding costs and dangerously mounting controls. But this confession of failure by the Democratic majority has the effect of placing new responsibilities on Republican leaders. They have heretofore been faced with the necessity of checking the extremes of the Fair Deal program; now they must increasingly take the initiative. Senator TAFT and others have made it clear on behalf of their party that action cannot indefinitely be postponed in such fields as housing and medical facilities. They have provided convincing suggestions that such action can be realistic, moderate and comfortable to establish principles of local responsibility and decentralized control. In the vacuum left by the Democrats they may have a chance to put these suggestions to the proof.

Equalizing Educational Opportunity

EXTENSION OF REMARKS

OF

HON. JOHN W. BYRNES

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. BYRNES of Wisconsin. Mr. Speaker, last week, I testified before the Barden Subcommittee on Federal Aid to Education. I appeared in opposition to S. 246, the Federal aid-to-education bill which recently passed the other body, and in favor of Federal aid to education as provided for in H. R. 4711, a bill I recently introduced. I would like, at this time, to explain to the Members the reasons why I have taken such a position.

GENERAL

The prime purpose of Federal aid to education should be to equalize educational opportunity. In view of our traditions against Federal control of education, we cannot advocate such aid on any other basis. There can be no doubt that the great disparity in educational opportunity because of varying economic conditions and varying numbers of children to be educated among the States justifies an attempt at Federal equalization—the only immediate remedy.

The heart of any Federal aid-to-education bill which seeks more nearly to equalize educational opportunity is in the formula devised to distribute Federal aid. Unless this formula is objective, impartial and consistent, the legislation's purpose—equalization of educational opportunity—may well be thwarted.

In any formula attempting to equalize educational opportunity dollarwise, the two basic questions involved are (1) the size of the job to be done in each State and (2) the capacity of each State to do the job. The necessity of establishing eligibility for Federal aid introduces another factor, (3) the State's willingness to do its share.

It is important that any formula speak in like terms throughout. If our answer is to come out in apples, we must subtract apples from apples. We cannot use peaches as a subtractor and expect the result to make any sense. Similarly, we cannot use one kind of factors to determine the size of the educational job to be done, another to determine the ability of the States and a third to determine eligibility and expect to arrive at an intelligible answer. In addition, our factors must have some relation to reality. They must be related to criteria which provide a basis for measurement. Abstract figures designed more to determine the final result rather than to establish a sound basis for Federal assistance have no place here.

Briefly, my suggestions to establish a formula along these lines are:

First. The size of the job should be determined by (a) the number of children being educated and (b) the amount we believe should be spent on each child. Any other basis, as I shall attempt to show later, leads us into traps and pitfalls which seriously undermine the purpose of the legislation.

Second. The capacity of the State to do the job should be measured by (1) the most accurate available information we have on the relative incomes of the States and (2) the percentage of their income which States can reasonably be expected to expend for education.

Third. Eligibility for Federal funds should be based solely upon proof that a State is unable to meet the minimum requirements established by any formula. If the basic factors in that formula are properly determined, then a State is shown either to be in need of Federal funds to meet minimum standards or not to be in need. If it is in need of Federal assistance, it should be aided. If it is not in need, it should not be aided.

It is upon these principles that H. R. 4711, a bill I have introduced, is based. For the rest of this presentation, I shall discuss the operation of the formula which I propose in detail, comparing it with the suggested formula in S. 246, the Federal aid to education bill which passed the Senate. I believe there are serious defects in this latter formula.

THE APPORTIONMENT FORMULA

The principle in the apportionment of Federal aid for education may be simply stated as "size of the job minus capacity to do the job equals Federal assistance." An attempt is made, by formula, to determine the dollar need for education and the dollar ability to meet that need. The latter is subtracted from the former and the result is the Federal allotment. Coupled with minimum requirements for effort by each State, this formula is the principle behind the apportionment of funds under most Federal aid to education bills. It can readily be seen the importance which the factors used in the formula assume. If any one factor is unrealistic, unsound, or unreasonable,

the entire determination of Federal assistance loses its validity.

SIZE OF THE JOB—UNDER S. 246

The size of the job, under S. 246, is determined by multiplying two factors: First, the number of children 5 to 17 years of age in each State and second, a dollar amount, currently $50.

Both of these factors are defective and make the determination of the size of the job in each State totally unrealistic.

First. As a first factor, the number of children 5 to 17 years of age.

It is important to remember that an increase in either factor of the size of the job portion of the formula operates to increase the Federal aid payable. It should also be remembered, however, that the problem is not solely to increase the amount of Federal allotments by choosing the largest factor available; basically, it is to provide a method which will equalize educational opportunity.

S. 246, by basing its determination of need upon the total number of children of school age, would not encourage, through financial incentive, any State to bring more children into its school system, particularly those not in attendance at the present time. On the contrary, since the State would always have its need—the size of the job to be done—determined by the number of school-age children within the State irrespective of the number in school, it would have little incentive to extend educational opportunities to those not receiving them. Furthermore, the use of this factor might very well encourage some States to curtail educational opportunities to certain groups already being educated since the State would be assured of a constant factor, in the years ahead most likely an increasing factor, in determining its need. By so doing, it would increase the amount of Federal assistance available per child in attendance.

Furthermore, it must be remembered that most States require school attendance only for age groups between 6 or 7 to 15 inclusive—Federal Spending Facts, Bulletin No. 47, April 29, 1949. Of 4,000,000 children between the ages of 5 to 17 not attending school in 1947, 3,467,000 were either 5, 16, or 17 years of age. It would seem strange justice to base Federal aid upon the children a State was not educating by reason of lax school-attendance laws. Such action would only serve to penalize those States which have stricter attendance requirements.

In addition, there is a strong moral argument against using the number of children attending private and parochial schools as an important part of this particular factor thus increasing the potential Federal assistance, then denying, as Supreme Court decisions apparently require, any assistance to the schools which are educating those pupils at present. The same moral argument holds against using pupils not attending any school as a basis for determining the amount of aid to those in attendance.

Most important of all, use of this factor prevents any accurate determination of the size of the job to be done. We cannot determine the number of unemployed men by taking a count of all men whether they are working or idle; neither can we determine the number of children to be educated by the State by counting all of its children, regardless of whether they will ever attend State schools or not.

The basic weakness of this statistic can be illustrated by a table showing the tremendous difference in the percentages of children of school age actually in daily attendance in public schools:

Percentage of children 5–17, in average daily attendance 1947–48 (5 highest and 5 lowest ranking States)

	Percent
Nevada	92.4
California	90.2
Wyoming	82.9
Utah	82.3
Idaho	82.1
Kentucky	64.1
Massachusetts	63.3
Rhode Island	63.0
Louisiana	62.4
New Hampshire	61.6

From The 48 State School Systems, Council of State Governments, 1949

The basic unfairness of the use of this statistic can further be illustrated by comparing 2 States, each with about the same number of children 5–17 years of age and with about the same level of incomes but with different size educational jobs because of a great difference in attendance:

Comparison of treatment under S. 246 of Utah and Arizona

[Data from Senate report on S. 246]

	Utah	Arizona
Children 5–17, 1947	161,000	155,000
Average daily attendance, 1946–47	130,000	105,000
Size of job ($50 x children)	$8,050,000	$7,750,000
Income payments (1945–47)	$688,000,000	$625,000,000
Aid under S. 246	$1,170,000	$1,500,000
Aid per child in attendance	$9	$14

Under S. 246, Utah, educating 25,000, or 23 percent more pupils than Arizona, is computed to have a dollar job only $300,000, or 4 percent greater than Arizona's. Arizona has only a 10 percent less capacity to support education, yet she would receive under S. 246, 40 percent more aid per child in attendance.

Second. As a second factor, a fixed dollar amount, currently $50.

It is difficult to find any justification for the present dollar amount, $50, being used as a second factor. The Senate report contains no explanation of its derivation. On the floor of the Senate, the chairman of the committee, Senator THOMAS, merely stated, "the bill authorizes * * * Federal aid to assist the States in establishing a foundation program of public elementary and public secondary school education equal in quality to that which can be provided by a current expenditure of $50 each year per child of school age in the State." Equal in quality to what?

I submit that $50 per year per child of school age means absolutely nothing. Is it too much? We do not know. Is it too little? We do not know. We do not know because $50, alone, means nothing to us. It is not related to anything real or concrete in our experience. Does $50 multiplied by all children, whether attending school or not, equal a foundation program for those the State must educate? The question defies answer.

It might be pertinent to point out that this dollar factor has historically been juggled, as Federal aid bills have been introduced from year to year. At various times, it has been $40, $45, and $50. The history of these bills shows that the advocates of this formula have tended to increase this amount as income payments within the States have risen thus tending to reduce the potential aid available.

Use of this meaningless fixed amount as a second factor raises the question as to whether the Congress wishes to amend the law each year as economic conditions vary the amount of aid payable. Certainly, as events have proved, this would have been the case had the bill become law 3 years ago.

Most important of all, however, if we are to write a formula establishing the size of the job to be done, one of the most important factors in that formula should be based upon something more than guesswork, visual attractiveness, or the case by which it can be multiplied.

Third. Summarizing, there are serious objections to the formula used to determine the size of the job under S. 246. It does not exactly determine current need; it weakens the States' incentive to educate the uneducated; it penalizes States with high educational standards; it may encourage States to lower the number of children being educated; it lays the act open for yearly amendment.

SIZE OF THE JOB—UNDER H. R. 4711

My bill attempts to remove the objections to S. 246's formula for computing the size of the educational job by (1) determining more exactly the educational burden in each State; (2) providing incentives for States to bring to more children the benefits of education; and, (3) tying the determination of need more closely to minimum educational standards. The two basic factors used are (1) the number of children in average daily attendance in each State, and (2) a fixed percentage of current United States average expenditure per child in average daily attendance.

First. As a first factor, the number of children in average attendance in public elementary and secondary schools.

This is an exact determination of the present burden of the State school systems. It does not represent what the State's burden might be if all of its school-age children were attending school and if all of its private and parochial schools should close. It represents the number of children for which the State school system is actually responsible.

If children in attendance is used as a factor, it is immediately apparent to each State that the amount of Federal assistance will increase as more children, not now in attendance, are brought into

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its school system. It reduces the possibility of curtailment of opportunity for those being educated at present, because if a State denies opportunity to any group, it will lower the number of children in attendance and simultaneously, the amount of Federal assistance. Furthermore, the use of this factor removes the moral argument against using private and parochial school students as a basis for computing Federal aid which they will not receive.

Objections have been raised to the use of this statistic as a factor claiming it is not accurate and is subject to variation in different States. It should be pointed out that the Office of Education has compiled this statistic for years and that it has heretofore been considered reliable. In addition, it is considered reliable enough to be used in two different places in S. 246 (sec. 7 (A) (2) and sec. 7 (B)). Furthermore, it must certainly be considered more accurate from a statistical standpoint than the Census Bureau's estimates, which are only estimates of the total number of children of school age in each State—the basis for the formula used in S. 246.

Second. As a second factor, a fixed percentage of the current United States average expenditure per pupil in average daily attendance.

If we are to multiply the number of children by a dollar amount to determine the dollar size of the job to be done, it would seem wise to fix upon a dollar amount which has some relation to reality and to our educational experience.

Since the major purpose of this legislation is to equalize educational opportunity through financial aid, it appears only sound to search for this second factor in the place where we might logically expect inequality to show itself. The most realistic statistic in this connection is the compilation of amounts currently being expended from State and local sources per child in average daily attendance.

If we wished to obtain absolute equality, we would seek to cause an identical amount to be expended in each State per child in average daily attendance. We would try, in other words, to determine the average expenditure per pupil in the United States from local and State sources, and attempt to expend an identical amount on each child being educated in the United States.

It is not our purpose, however, to drag the highest-ranking States down to the average level, nor do we believe it possible to bring the lowest-ranking States up to the average level solely through Federal aid. We are primarily interested in seeing that the lowest expenditure per pupil in any particular State is not so low as to be below minimum educational standards. The major contention of this legislation is that there is too great a spread between the lowest State—approximately $54 per pupil—and the national average—approximately $148 per pupil.

It would seem obvious, then, that the dollar determination of the size of the job to be done is intimately connected to current expenditures from State and local sources per child in average daily attendance in the United States. Our second factor, in this portion of the formula, should have some relation to this figure.

H. R. 4711 proposes that the second factor be an amount, rounded to the next highest whole dollar, equivalent to 60 percent of the current expenditure from State and local sources per child in average daily attendance in public elementary and secondary schools in the United States. Currently, this figure is 60 percent of $148.60 (the national average), or $89.16, or rounded to the next dollar, $90.

There is nothing sacred about the percentage figure used, but it seems to be sound from the standpoint of accomplishing our major objective—removing the great discrepancy that exists between our lowest ranking States and the national average. In conjunction with other parts of the proposed formula, it insures that no State shall fall more than 40 percent below the national average in expenditures per pupil, providing it makes the proper effort on its own part. Eight of our States were below that level in 1946.

Furthermore, the use of a fixed percentage of a variable average should remove the necessity for yearly amendments to the proposed legislation. Current expenditures per pupil from State and local sources represent a figure that is realistic in relation to changing economic conditions. In a sense, it may be described as representing the educational equivalent of national income statistics or the cost-of-living index. If it continues to rise, it may be taken as evidence that educational needs, in the dollar sense, are greater. If it should level off, or fall, it may be taken as evidence that educational needs, from the dollar standpoint are not as great. In either case, the proposed second factor will rise or fall yearly with the current national average expenditure per pupil from State and local sources.

Third. Summarizing, the proposed revision of this portion of the formula more exactly determines actual current needs in the individual States; provides incentives for the States to increase their enrollments; ties the dollar factor to a realistic base, and removes the necessity for year-to-year reappraisals of the apportionment formula. It more accurately estimates the size of the job to be done.

CAPACITY OF THE STATES TO DO THE JOB UNDER S. 246

The capacity of each State to do its educational job is measured in S. 246 by multiplying the average of the State's annual income payments over a 5-year period by 1 percent. By no standard does the result provide any realistic measurement of the capacity of the States to handle their educational task.

First. As the first factor, the 5-year average of annual income payments.

It has been contended that it is impossible to determine the relative wealth of the States through use of this statistic. Admittedly, it is imperfect, but it is certainly the best available and, as a general indicator, of comparative wealth, it is fairly accurate. No quarrel is found with its use as the first factor in this portion of the formula.

Second. As the second factor, 1 percent.

This factor has no apparent tie to reality.

If we are to determine a State's ability to support education by measuring its expenditure as a percentage of its annual income, then that percentage should reflect the percentage which our experience shows States are able to devote to educational purposes. The measurement of how much of its income a State can afford to devote to education should be related to how much of their incomes our States are now able to spend for this purpose.

It would be difficult to justify the use of the 1-percent figure in the light of current statistics, which show that the national average percentage is 1.88 percent, that no State is spending less than 1.22 percent, and that the top State is spending 3.36 percent of its income payments for education.

S. 246 tacitly recognizes the unreality of the 1-percent figure as a basis for determining the capacity of the States to perform. Other sections of the same bill penalize States for spending less than 2.25 percent of their income payments for educational purposes and make a State ineligible for apportionment of funds under its formula after 4 years if it spends less than 2 percent.

It should be emphasized again that unless the formula is realistic, which means that all of its factors are realistic, its usefulness is seriously limited and apportionment might better be determined by some other means.

Third. Summarizing, use of an unrealistic percentage figure in this portion of the formula threatens to nullify the entire purpose of the formula—a mathematical determination of the amount of Federal aid necessary to equalize educational opportunity.

CAPACITY OF STATES TO DO THE JOB UNDER H. R. 4711

This bill attempts to set up a realistic evaluation of the ability of the States to support education by making use of a percentage figure in the second factor of the formula which has intimate relation to the actual experience of the States.

First. As a first factor, the 5-year average of annual income payments.

No change is suggested in this factor, except that the 5-year average is based on statistics for the five most recent years available, rather than the third, fourth, fifth, sixth, and seventh years preceding.

Second. As a second factor, 2 percent.

Two percent is within 0.01 percent of the median of percentages of State income payments being used for educational purposes. Relating expenditures in 1946–47 to income payments during the years 1943–47, and including the Dis-

trict of Columbia, 24 States have percentages higher than 2 percent, 24 States lower. The mean was 2.01 percent.

Of the 24 States lower than 2 percent, 18 may be classified as among the wealthier States, indicating that a smaller percentage of their higher incomes meets their educational needs. Of the 24 States higher than 2 percent, 17 are expending over 2.1 percent, 12 are expending over 2.4 percent, 5 are expending over 2.6 percent, and 1 is expending over 3 percent.

The foregoing facts would indicate that, first, 2 percent is the approximate median percentage of income payments being expended from State and local sources for educational purposes; and second, where the need exists, States have no apparent difficulty reaching and exceeding this percentage point.

Two percent is therefore suggested as the second factor in this portion of the formula. It is believed that this figure establishes a realistic appraisal of the States' ability to support education.

Third. Summarizing, having attempted to establish a realistic appraisal of the size of the job to be done, the proposed formula attempts, in the second portion, to be realistic in its measurement of the capacity of each State to do the job.

THE STATE'S WILLINGNESS TO DO ITS SHARE

The most serious weaknesses in Senate bill 246 are found in its determination of eligibility, its penalty provisions, and in its minimum-payments theory. These provisions are:

First. Any State, regardless of the working of the formula, receives at least $5 per child.

Second. If a State otherwise eligible for apportionment under the formula fails to expend 2.25 percent of its income payments during the first 2 years of the act, 2.5 percent thereafter, its Federal allotment is proportionately reduced, but in no case below $5 per child 5 to 17 years of age.

Third. After 4 years' operation of the act any State which spends less than 2 percent of its income payments is ineligible for apportionment funds, except for the minimum payment of $5 per child.

These provisions will be taken up, one by one, in conjunction with suggested changes included in H. R. 4711.

1. THE MINIMUM PAYMENT THEORY

(a) Under S. 246: No State, regardless of wealth or capacity to do the job, would receive less than $5 per child under the terms of S. 246.

Having attempted to write a formula to more nearly equalize educational opportunity, S. 246 here proceeds to discard it summarily, for what sound reason it is difficult to fathom. The absurdities involved in this provision are best illustrated by an actual example:

Using the factors in S. 246's formula and the data in the Senate report on S. 246. Take California—1 percent of its income payments amounts to $141,420,000. This is equivalent to approximately $80 per child 5 to 17 years of age.

On the other hand, 1 percent of income payments in North Dakota amounts to $6,340,000. This is equivalent to approximately $44 per child 5 to 17 years of age, a little more than half of California's figure.

Yet, under the minimum payments provision in S. 246, California would receive $5 per child 5 to 17 as Federal aid, and North Dakota, under the formula, would receive $1 more, or $6 per child 5 to 17. This is strange equalization.

The inequity is further illustrated, in this case, by the fact that California, through an effort equal to 1.68 percent of its income is spending approximately $140 per child 5 to 17, while North Dakota, through an effort equal to 2.45 percent of its income is spending $33 less, or $107 per child 5 to 17. If North Dakota were to expend 1.68 percent of its income as California is doing for education, it would have available for each child 5 to 17 approximately half of California's amount, or $74.

The same inequities could be shown by comparing California or New York, or any of the highest income States, and their treatment under the minimum-payments provision, with Arizona, South Dakota, Utah, and Vermont who come under the working of the formula.

The point is this. Either we should adopt a formula which will attempt to more nearly equalize educational opportunities by making Federal payments to States we can demonstrate as incapable of attaining fair standards, and stick to it, or we should abandon our efforts to write an equalization formula and search for some other principle.

The sole argument thus far advanced for minimum payments to each State regardless of their capacity to support education is that "they can use it." We are not attempting in this legislation, however, to meet optimum standards; we are attempting to raise our minimums up to more acceptable standards, and we are using Federal assistance as the most practicable method of doing so. In the final analysis, the richer States, through Federal assistance, will contribute the bulk of the money necessary to accomplish the equalization. To require the richer States, as we would be doing, to contribute, through taxation, additional funds to the Federal Government to support the minimum payments to which they would be entitled under S. 246 is to deny logic and to compound confusion. There is no wealth in the Federal Government that does not reside within the several States.

Finally, since over one-half of the cost of S. 246 results from the minimum payment of $5 to States regardless of need or ability, the question immediately arises, "If we have additional money beyond basic equalization to spend for Federal aid to education, where shall we place that money—in States that are far above the national average without Federal aid, or in States that will remain far below the national average in spite of the Federal aid this bill provides?"

(b) Under H. R. 4711: H. R. 4711 removes the minimum payment of $5 per child, and bases its payments solely upon the operation of the formula, coupled with minimum requirements for effort—described later.

To use the example of North Dakota and California, cited above:

Using the factors in H. R. 4711 and data from the Senate report: 2 percent of California's income payments yields $282,840,000, or the equivalent of $212 per child in average daily attendance. Two percent of North Dakota's income payments yields $12,680,000, equivalent to $124 per child in average daily attendance. Neither would receive any aid under the Byrnes bill, because the operation of the formula reveals that 2 percent of their income payments will yield more than $90 (60 percent of the national average) per child in daily attendance. In other words, neither State needs aid to meet our established minimum standard.

It might be argued that North Dakota, as the formula reveals, has only half of California's capacity to support education, and hence, should be aided. This is true only if we believe it possible to bring all States, through Federal payments, up to the level of our most able States.

My bill, by removing the minimum-payment provision, says to each State, "If it can be proved that you need Federal assistance, we will give it to you," instead of "Everybody can use more money, here's some for you."

2. THE INCENTIVE PROVISION

(a) Under S. 246: Purportedly to encourage States to make a greater educational effort, and to penalize those who do not, S. 246 proportionately reduces the Federal allotment of any State otherwise eligible under the formula if it fails to expend 2.25 percent of its income payment during the first two years of the act, and 2.5 percent thereafter.

If this provision's purpose is to provide incentive and to penalize lack of effort, it could not have been more ill-devised for the purpose. A concrete example will illustrate this point.

Using data from the Senate report, let us take the case of Alabama since it is one of the States which would have its allotment cut under this provision.

Alabama is spending $38,125,000 currently for education. This is 1.8 percent of her income payments. She would thus be entitled to 83.1 percent of her allotment of $17,390,000. Her Federal aid, under S. 246, would then be $14,451,000.

Alabama's penalty, thus, is $2,939,000, for expending only 1.87 percent of her income in contrast to the standard of 2.25 percent set under S. 246. But, Alabama has lost nothing she had before; Alabama instead has gained $14,451,000, even though she is failing to make the minimum individual effort established in the bill, a fact which puts a different light on the severity of her penalty. The crucial test of the effectiveness of the penalty, however, is the determination of how much incentive it gives her to meet the minimum standard. This can easily be computed, and no doubt will be by Alabama's shrewd State legislators.

To win $2,939,000 more, Alabama must raise her level of educational expenditures from 1.87 percent to 2.25 percent,

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or from $38,125,000 to $46,922,000. For $2,939,000 additional Federal aid, Alabama must spend $8,797,000 of her own money. The game is scarcely worth the candle.

The penalties in this provision of S. 246 are scarcely penalties and the incentives are almost nonexistent.

(b) Under H. R. 4711: H. R. 4711 proposes that no aid shall be forthcoming to any State otherwise eligible if it fails to expend 2 percent of its income payments during the first 2 years of the act, the requirement increasing by 0.1 percent each year until 2.5 percent is reached, at which time it remains constant.

This provision provides severe penalties and concrete incentives.

Using Alabama as an example again (under the Byrnes formula and with data from the Senate report):

Alabama, currently expending $38,125,000 or 1.87 percent of her income for education, would be ineligible for any aid, under the Byrnes bill, unless she increased expenditures to at least 2 percent of her income payments, in which case she would be eligible for $8,130,000 under the Byrnes formula.

Alabama's legislators are thus presented with two choices. They can continue their present rate of expenditures and receive nothing. This would be a severe penalty. Or, they can increase Alabama's expenditures by $1,695,000 and receive $8,130,000 in Federal aid. I submit that this would be a real incentive.

Furthermore, the bill I have introduced contemplates a fairly low minimum requirement at the beginning of the act, rising gradually over a period of time, and reaching a fixed level in 5 years. It provides the States with time to meet the minimum standards for effort and warns them that Federal aid will be dependent upon continuous improvement in effort at the State and local level.

3. THE ELIGIBILITY CLAUSE

Under S. 246, after 4 years' operation of the act, any State which spends less than 2 percent of its income payments for education is ineligible for apportionment funds, except for a minimum payment of $5 per child.

No serious quarrel is found with this provision except that it allows too much time leeway in the light of present levels of effort and except for the minimum payment which only serves to reduce the incentive to meet attainable standards.

No similar provision is placed in my bill, eligibility under its provisions being determined solely by the operation of the formula and the penalty and incentive clause discussed above.

4. SUMMARY

S. 246, through use of minimum payments, threatens to pervert the purpose of the legislation. H. R. 4711 eliminates minimum payments.

S. 246, in the name of incentives and penalties to encourage additional State effort, sets up a system which minimizes penalties and seriously reduces incentive. H. R. 4711 provides severe penalties for failing to make real effort and concrete incentives to reach established standards.

EQUALIZATION WITHIN THE STATES

Under S. 246: S. 246, seeking to equalize the distribution of Federal funds within the States, requires each State receiving funds, after 1953, to make available to each local public-school district, from all sources, at least $55 per child in average daily attendance.

In passing, it should be noted that S. 246, in this instance, uses the only practical method for establishing educational dollar standards—the amount spent per child in average daily attendance. Since S. 246 apportions Federal aid upon the basis of children 5 to 17 within the State, to be consistent it should probably require distribution within the State on the same basis. When the problem is reduced to the district level, however, this method immediately reveals its absurdity. In one district, 80 percent of the children of school age might either be attending private, parochial, or no school at all. The remaining 20 percent would receive aid, in this case, way out of proportion to other children in the State.

No particular quarrel is found with this provision, except that it presents a case of common sense arriving too late.

Under H. R. 4711: H. R. 4711's formula, it is to be remembered, seeks to make sure that each State has available per child in attendance 60 percent of the current national expenditure per child in attendance. If this is sound, it would seem equally sound to require States to equalize their expenditures, in order to be eligible, to insure that each school district has available at least 60 percent of the amount the apportionment formula makes available from all sources. H. R. 4711 so provides, and each State is required to make available, after 3 years, at least 60 percent of the minimum standard established in the formula. Currently, this is 60 percent of $90, or $54.

It should be pointed out that those States not receiving aid will not be subject to this requirement. S. 245, because it gives aid to all States, subjects every State to mandatory equalization. It can well be argued as to whether this is good or bad. Certainly, it is one foot inside the door of Federal control.

COSTS

No one would deny that the element of cost in any legislation which the Congress might enact is of the utmost importance, particularly during this fiscal year. In any legislation, we normally consider the relation between the benefits to be derived and the cost involved. The comparison between S. 246 and H. R. 4711 proves interesting.

S. 246, it is estimated, during its first year, will cost approximately $268,000,000, taking into consideration the penalties which would be applied to 10 States. Its allotments, before penalties, are estimated to total $284,000,000.

H. R. 4711, it is estimated, during its first year, will cost $50,000,000, taking into consideration the penalties which would be applied against two States. Its allotments, before penalties, are estimated to total $58,000,000. The cost of H. R. 4711 is thus about 20 percent of the cost of S. 246.

In relating costs to benefits, the Congress will undoubtedly wish to determine what additional benefits they will achieve by authorizing some $200,000,000 additional annual expenditures under S. 246, and whether those benefits have any relation to the major objective of the legislation—the equalization of educational opportunity. Those benefits might be described as follows:

First. Every State, rich and poor, will receive $5 per child 5 to 17 years old. This will, in no way, equalize educational opportunity.

Second. Aid will be based upon the number of children 5 to 17 rather than the number of children attending school. This defeats any attempt to determine the needs of any particular State with any degree of accuracy.

Those two questionable benefits are the principal causes of the tremendous difference in cost between S. 246 and the Byrnes bill. As for the other benefits in S. 246, it is submitted that they are present in H. R. 4711, with the difference that they have been placed upon a sounder basis.

As for projected costs, each bill contains within it the seeds for future increased Federal assistance. In S. 246, the factors which might lead to increased costs in the future are, (1) an increase in the number of children 5 to 17 years old, (2) any possible future increase in the $50 payment per child through congressional action, and (3) any possible decrease in income payments within States. In H. R. 4711, these factors are, (1) an increase in the number of children being educated by the State, (2) an increase in the national average expenditure per child in attendance, and (3) a decreas in income payments within States. The increase under (1) is liable to be greater in H. R. 4711 than in S. 246, as is the case in (2). In each case, it will be noted however, the increase will stem from causes which will contribute to the equalization of educational opportunity.

In any case, it is deemed likely that the future cost of H. R. 4711 will remain roughly 20 to 25 percent of S. 246.

So that we may better gage the future impact of this legislation upon our fiscal affairs, I asked the committee to furnish estimates of the cost of both S. 246 and H. R. 4711 during periods of low business activity when income payments are considerably less than their present levels. Since these bills increase considerably in cost as the level of income payments falls, it is important that we know their estimated cost per year if income payments should be 10 percent, 20 percent, or 30 percent lower than they were during the period 1943–47, the period upon which all present costs are computed. In any case, it is deemed likely that the future cost of H. R. 4711 will remain roughly 20 to 25 percent of S. 246.

In conclusion, Mr. Speaker, if it is the object of this Congress to write legislation more nearly to equalize educational opportunity, I respectfully urge that H. R. 4711 be made the basis for any Federal-aid-to-education measure which we might enact into law.

As part of my remarks, I include two tables explanatory of the workings of H. R. 4711:

TABLE 1.—*Operation of formula, H. R. 4711, for fiscal 1949–50*

State	Children in daily attendance, 1946–47	Size of job (column 1×$90)	5-year average income pay, 1943–47	Capacity (column 4×2 percent)	Current effort, 1946–47	Total allotment (columns 3–5)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Thousands	*Thousands*	*Millions*	*Thousands*	*Percent*	*Thousands*
Alabama	545	$48,950	$2,041	$40,820	[1] 1.87	[1] $8,130
Arizona	105	9,450	625	12,500	2.58	----------
Arkansas	336	30,240	1,202	24,040	2.03	6,200
California	1,329	119,610	14,142	282,840	1.68	----------
Colorado	181	16,290	1,329	26,580	2.06	----------
Connecticut	226	20,340	2,837	56,740	1.49	----------
Delaware	37	3,330	417	8,340	1.46	----------
District of Columbia	81	7,290	1,265	25,300	1.27	----------
Florida	352	31,680	2,385	47,700	1.70	----------
Georgia	580	52,200	2,454	49,080	2.01	3,120
Idaho	90	8,100	572	11,540	2.21	----------
Illinois	981	88,290	11,213	224,260	1.82	----------
Indiana	544	48,960	4,218	84,360	2.06	----------
Iowa	396	35,640	2,547	50,940	2.71	----------
Kansas	276	24,840	2,039	40,780	2.13	----------
Kentucky	447	40,230	2,001	40,020	[1] 1.98	[1] 210
Louisiana	375	33,750	2,033	40,660	2.25	----------
Maine	136	12,240	896	17,920	1.82	----------
Maryland	259	23,310	2,796	55,920	1.22	----------
Massachusetts	518	46,620	5,852	117,040	1.68	----------
Michigan	886	79,740	7,380	147,600	1.89	----------
Minnesota	398	35,820	2,774	55,480	2.57	----------
Mississippi	458	41,220	1,212	24,240	2.05	16,980
Missouri	516	46,440	3,958	79,160	1.77	----------
Montana	81	7,200	614	12,280	2.84	----------
Nebraska	198	17,820	1,372	27,440	2.33	----------
Nevada	23	$2,070	$224	$4,480	1.44	----------
New Hampshire	60	5,400	484	9,680	2.05	----------
New Jersey	547	49,230	6,231	134,620	2.02	----------
New Mexico	104	9,360	462	9,240	3.36	$120
New York	1,590	143,640	21,006	410,012	1.75	----------
North Carolina	734	66,060	2,738	54,760	2.40	11,300
North Dakota	102	9,180	634	12,680	2.45	----------
Ohio	1,026	92,340	9,458	189,160	1.64	----------
Oklahoma	406	36,540	1,845	36,900	2.40	----------
Oregon	194	17,460	1,706	34,120	1.97	----------
Pennsylvania	1,353	121,770	11,974	239,480	1.79	----------
Rhode Island	81	7,290	999	19,980	1.43	----------
South Carolina	373	33,570	1,327	26,540	2.15	7,030
South Dakota	99	8,910	607	12,140	2.95	----------
Tennessee	524	47,160	2,418	48,360	1.81	----------
Texas	1,060	95,400	6,771	135,420	1.93	----------
Utah	130	11,700	688	13,760	2.64	----------
Vermont	52	4,680	348	6,960	1.95	----------
Virginia	489	44,010	2,870	57,400	1.78	----------
Washington	313	28,170	3,112	62,240	1.88	----------
West Virginia	376	33,840	1,534	30,680	2.48	3,160
Wisconsin	433	38,970	3,572	71,440	2.03	----------
Wyoming	44	3,960	305	6,100	2.52	----------
Alaska, Hawaii, etc.	----------	----------	----------	----------	----------	1,800
Total	----------	----------	----------	----------	----------	58,050

[1] Would be subject to penalty.

Basic data from S. Rept. No. 153, 81st Cong.

TABLE 2.—*H. R. 4711, in operation*

States ranked in order of expenditure per child in attendance	Expenditure per child in attendance, 1946–47 [1]	Current effort as percent of income pay, 1946–47 [2]	Aid per child in attendance, H. R. 4711	Total available per pupil, (B)+(D)	Total, if effort is raised to 2 percent in all States below national average expenditure per child
(A)	(B)	(C)	(D)	(E)	(F)
		Percent			
New York	$233.79	1.75	----------	$233.79	$233.79
New Jersey	231.74	2.02	----------	231.74	231.74
Montana	216.50	2.84	----------	216.50	216.50
Illinois	211.65	1.82	----------	211.65	211.65
District of Columbia	199.81	1.27	----------	199.81	199.81
Massachussets	192.91	1.68	----------	192.91	192.91
Connecticut	191.34	1.49	----------	191.34	191.34
Washington	189.94	1.88	----------	187.94	187.94
Wyoming	185.74	2.52	----------	185.74	185.74
California	184.95	1.68	----------	184.95	184.95
Minnesota	183.99	2.57	----------	183.99	183.99
South Dakota	182.48	2.95	----------	182.48	182.48
Rhode Island	179.89	1.43	----------	179.89	179.89
Iowa	178.52	2.71	----------	178.52	178.52
Oregon	177.25	1.97	----------	177.25	177.25
Wisconsin	172.17	2.03	----------	172.17	172.17
New Hampshire	167.19	2.05	----------	167.19	167.19
Delaware	166.63	1.46	----------	166.63	166.63
Nebraska	164.92	2.33	----------	164.92	164.92
Indiana	163.28	2.06	----------	163.28	163.28
Michigan	161.52	1.89	----------	161.52	161.52
Kansas	160.79	2.13	----------	160.79	160.79
Pennsylvania	159.96	1.79	----------	159.96	159.96
Arizona	158.02	2.58	----------	158.02	158.02
Colorado	155.04	2.06	----------	155.04	155.04
New Mexico	$153.43	3.36	$1.00	$154.43	$154.43
Nevada	153.12	1.44	----------	153.12	153.12
Ohio	153.08	1.64	----------	153.08	153.08
North Dakota	152.79	2.45	----------	152.79	152.79
Utah	144.70	2.61	----------	144.70	144.70
Idaho	142.07	2.21	----------	142.07	142.07
Missouri	136.93	1.77	----------	136.93	148.93
Maryland	135.99	1.22	----------	135.99	189.99
Vermont	135.60	1.95	----------	135.60	137.00
Texas	130.14	1.93	----------	130.14	132.14
Louisiana	129.86	2.25	----------	129.86	129.86
Maine	122.95	1.82	----------	122.95	131.45
Florida	118.14	1.10	----------	118.14	133.14
Oklahoma	110.97	2.40	----------	110.97	110.97
Virginia	108.64	1.78	----------	108.64	117.65
West Virginia	104.76	2.48	8.50	113.26	113.26
North Carolina	95.72	2.40	15.00	110.72	110.72
Kentucky	94.03	1.98	[3] (.50)	[3] (94.53)	95.53
Georgia	91.40	2.01	5.50	96.90	96.90
Tennessee	84.47	1.81	----------	84.47	92.97
South Carolina	82.18	2.15	19.00	101.18	101.18
Arkansas	79.97	2.03	18.50	98.47	98.47
Alabama	72.28	1.87	[3] (14.90)	[3] (87.18)	90.28
Mississippi	58.52	2.05	37.00	95.52	95.52

[1] From Office of Education Circular No. 255, 1949. Equals current expense per pupil in full-time day schools, including present Federal assistance but excluding capital outlay and interest costs.

[2] From S. Rept. No. 153, 81st Cong.

[3] Not payable unless effort is raised to 2 percent.

Concurrent Resolution Relating to China

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include therein House Concurrent Resolution 6 to express the sense of Congress that the national interest demands that immediate and effective aid should be given the Republic of China.

The resolution is as follows:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that the continued existence of the Republic of China is threatened, and that the national interest demands that prompt and forceful measures be taken by the Government of the United States to provide assistance to the Republic of China. Therefore, the President is respectfully requested to formulate a program to furnish assistance to the Republic of China in meeting its present crisis. In order that the assistance given the Republic of China shall be both immediate and effective, it is requested that the program so formulated include (1) provisions for the initial expenditure of $1,000,000,000, (2) provisions for the immediate dispatch of increased military missions to China to advise the Government of the Republic of China as to the conduct of its military operations, (3) provisions for the immediate mustering of sufficient transportation facilities,

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both surface and air, to insure that assistance to the Republic of China shall not be delayed for lack of such facilities, and (4) provisions for the immediate expenditure, without regard to the restrictions imposed under existing law, of such unexpended funds as have been heretofore appropriated for the aid of China. The President is further respectfully requested to submit to Congress as soon as possible the program so formulated, together with proposals for the legislation necessary to effectuate such program.

Comments of the National Customs Service Association on the McKinsey & Co. Report Covering the Bureau of Customs, Treasury Department

EXTENSION OF REMARKS
OF

HON. ANTHONY F. TAURIELLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. TAURIELLO. Mr. Speaker, some time ago the firm of McKinsey & Co., management consultants, of New York City, made a survey of the operations of the Bureau of Customs, upon authorization of the Treasury Department, and at the direction of the Congress.

Many of the recommendations contained in the firm's report, submitted to the Department, and subsequently to the Congress, are far reaching in character, and, if adopted, would drastically alter the operational methods of the customs service and the traditional concept of its obligations and duty, both to the importers and the public at large.

Therefore, the pros and cons of these recommendations should be considered with complete objectivity, both by the Congress and the administrative heads of the Customs Bureau and the Treasury Department.

The National Customs Service Association, composed of officers and employees of the United States customs service, has not been officially invited to comment on the McKinsey report. The rank and file, the thousands of men and women who have made careers in customs are, in a very real sense, the customs service, and these people, who collectively are the reservoir of experience, knowledge, and ability that make the customs service tick should, in all fairness, have an opportunity to report on the recommendations which so vitally affect them.

The employees' group, entirely at its own expense, and on its own initiative, has prepared a commentary on the McKinsey report which is herewith transmitted to the Congress:

FOREWORD

In making this commentary on the McKinsey & Co. report and recommendations, we have not had the funds or the facilities made available to McKinsey & Co., nor have we commanded the resources of manpower and time which the Bureau of Customs and the Treasury Department have expended in their study of the report. All of the work that has gone into these comments has been at our expense, by our own customs people, working on their own time. Despite these handicaps, we consider that we have done a first-rate job and that our conveniently cataloged, succinctly stated comments on each of the McKinsey & Co. recommendations are a valuable contribution to any study of the subject matter.

We have no great concern over those recommendations which require legislation for we are sure that Congress will give them adequate consideration before adopting them. However, there are many recommendations which require only administrative acceptance to become effective.

There is a tendency to treat the recommendations as something akin to revealed truth. In fact, we hear that the Department's attitude is that, unless the various study committees it has set up can demonstrate the unsoundness of any proposition to a degree that even a prejudiced jury would be convinced, the recommendation is to be adopted. When it is recalled that the McKinsey & Co. surveys was ordered by Congress as a result of severe congressional criticism of certain aspects of customs management, this defensive attitude, this predisposition to go along with the report, is wholly understandable.

Many customs people have characterized the McKinsey & Co. report as a waste of money. Having in mind the circumstances which gave birth to the survey, we don't think the money has been entirely wasted. Certain useful recommendations have been made, customs has been giving a clean bill of health by an outside group, and a great deal of consideration has been given to ways and means of improving the customs service.

It is significant that the McKinsey report does not find any fault with the customs service so far as the employees are concerned. Practically all recommendations made in the report will require a change in the law or regulation, although a few may be put into effect administratively.

Many of the recommendations lose sight of the fact that it is the duty of customs to collect, as well as protect, the revenue. Some of the Customs Bureau operations lose money if one looks at them from a cost accountant's point of view. However, the operation is not carried out for the money obtained, but as a deterrent to attempts to evade the law. A policeman is not paid according to the number of arrests he makes or the amount of fines which are assessed as a result thereof.

The report is superficial in some respects and many of the recommendations are extremely short-sighted. Further, there is a tendency to make whipping boys out of systems and procedures rather than individuals where it is thought that work is not being performed as efficiently as could be, but the fundamental fault we find with the report is its preoccupation with the dollar sign. Cost cutting is all to the good when it is not accomplished at the expense of the scope and effectiveness of necessary activities. This is of particular importance in enforcement work where a negative record is frequently a badge of success. McKinsey & Co. lose sight of this circumstance at times in their zeal to save a dollar. This preoccupation with cost is evident through the report and appears to impair their judgment when the necessity for certain activities and services are being reviewed.

Chapters I and II of the McKinsey report are not discussed in these comments, which have been limited to specific recommendations contained in the report.

CHAPTER III. ENTRY AND INSPECTION OF IMPORTED MERCHANDISE

In discussing this chapter the same procedure is used as will be found in our discussion of most of the subsequent chapter; i. e., the McKinsey & Co. recommendations are set forth and our comments, if any, follow immediately thereafter.

Extending the use of informal entries

This recommendation is divided in the text with three subdivisions and our comments follow the same pattern.

The difference between informal and formal entries has been exaggerated. The use of informal entries on a complicated transaction involves complicated work. The use of a formal entry on a simple matter does not make the transaction more complicated, it still remains a simple matter. The difference in complexity rests with the merchandise covered by the transaction, not in the form of transaction. Expanded use of informal entries will not result in any appreciable savings to the Government. In fact, it will be necessary to have a larger number of highly trained personnel (higher classifications and salaries); examinations will necessarily have to be done away from normal customs facilities causing delays in traveling to individual importations whereas, at present, merchandise is brought directly to the examination room (at low cost per importation) permitting numerous examinations per man-hour of the higher trained personnel.

Unconditionally free merchandise

Except in the case of a limited number of seaport or border ports the majority of free entries are not of the class that can readily be determined to be unconditionally free of duty, the reverse is true.

The distinction between a crude product and the same product in one of the initial stages of processing or manufacture, which is often the difference between a free material and a dutiable one, is frequently a very fine one requiring the use of highly specialized personnel. The distinction between crude drugs and those advanced in condition, has frequently required litigation for determination.

A proposed list of specific rate merchandise

This is equally impractical for the same reason. With specific rate merchandise, the identity of the merchandise is the most important consideration. Any casual reading of the specific rate provisions of the tariff will suggest this even to the inexperienced. Expecting each of a large number of customs inspectors (over 500 at New York) to be able to accurately identify by visual examination a lengthy list of commodities and materials in addition to his already numerous duties is blue printing slipshod work. It poses an impossible training program. The recommendation envisages (and it probably applies also to the unconditionally free merchandise) that if the inspector is in doubt he may require the making of a formal entry. This means that the importer who is thus required to make formal entry has already wasted a good deal of time. Further since he may not have the same officer in subsequent shipments he is uncertain from one shipment to the next whether informal entry can be used. The effectiveness of the proposed system varies with the confidence and assurance of the individual inspector. The possibilities by loss through honest error would be enormous to say nothing of the loss through deception by unprincipled importers.

Ad valorem merchandise not exceeding $500 in total value for any one item of an entry

This proposal has not been thought out else it would never have been made. Department store and chain store entries totaling thousands of dollars are frequently made up of many invoices for individual commodities each of which is under $500. Then, too, the value with which customs deals is wholesale value and a shipment valued at $500 for our purposes represents approximately $1,500 at the retail level.

The adoption of this plan would be tantamount to the abandonment of the cardinal customs principle of uniformity of treatment. Because it is uneconomic to assign

highly trained and specialized appraisers personnel to handle informal entries, the appraisement and classification of merchandise covered thereby is largely on a rule-of-thumb basis. The inspector is an employee of multitudinous duties, and he cannot be expected to appraise and classify merchandise with the preciseness and uniformity that the importing trade expects. The opportunities presented in this set-up are alarming. In the absence of the sworn statements as to value and identity which are part of a formal entry, the unprincipled importer has nothing to lose by attempting to defraud the revenue.

There is a very significant statistical loss involved in these proposals. The Tariff Commission would lose much of the data which it secures from the statistical copies of formal entries, data on which it relies in making its recommendations or answering congressional inquiries. Further the absence of data in shipments aggregating a large (but unknown) volume would raise doubt as to the accuracy of any of its import data.

All of the proposals under this heading are so completely impractical that we wonder they were made. We think if the business community, domestic and importing, were apprised of these proposals and advised of their effects, they would be up in arms.

Combining documents used for immediate transportation entries

Recommendation would result in another customs form, rather than elimination of several, because such consolidated form would be limited to certain cases only. Impractical in one feature. The law provides that the carrier bringing the merchandise within the limits of the port of entry and so forth, has the right to name the owner or consignee for customs purposes. However, such right is exercised both at the border port and at the port of destination. The action of the carrier at the port of arrival in naming the consignee does not extend beyond that port. The carrier at the port of destination has the ultimate right to name the consignee at the port of destination. Therefore it would be necessary to have a form with two carrier's certificates. This recommendation also overlooks the right of a holder of a properly endorsed bill of lading to make entry, without the use of a carrier's certificate. The expanded use of informal entries would require the handling of customs moneys by many persons, compared to the very limited number under the present systems.

Simplifying warehouse ledger records

Approved as to elimination of notarization but not as to combination entry and invoice. There would be no over-all benefit here. The suggested document would be of limited usefulness and would constitute just one more form of which there are enough already.

Discontinuing amended entries

This should result in considerable simplification in paper work and decreased handling with substantial savings all round. Provision would have to be made in cases where the appraised value is higher than the entered value to distinguish between advanced values and those which would normally be covered by an amendment.

Simplifying warehouse ledger records

This recommendation has no particular merit. The additional copy of the entry would provide, in most cases, a poor carbon copy for ledger purposes: Any possible benefits being offset by the likelihood of indistinct records and the time lost in referring from the entry to the ledger record when they are on reverse sides of the same sheet.

Abolishing or charging for warehouse transfers

This is fundamentally a question of policy for Congress, though it might be said in passing that the saving contemplated appears exaggerated. In taking up the policy question here, the National Legislature might consider, in addition to the transferee problem (see 557, Tariff Act) and the heavy burden of work it imposes in customs, the manipulation provision of section 562. Even if the policy implicit in this provision is to be continued, some effort should be made to keep manipulations within bounds. For example, an importer may make a warehouse entry of 10,000 dozen handkerchiefs in perhaps 100 or more styles or qualities. Under the repacking provision of this section he may repair to the warehouse and make up an assortment of, say, one-half dozen of this quality in this color, one-half dozen of that quality in a different color, and so on, for withdrawal.

A single shipment can in this way produce hundreds of separate withdrawal entries. The private warehouse charges the importer each time for access to the merchandise and its labor, but the customs, under the necessity of computing the exact duty on each lot withdrawn, in effect maintains an inventory for him and keeps his books free of charge. The same situation is common in the repacking of spirits, with, in addition, very large losses in duty and internal revenue.

Eliminating affidavits and evidence of exportation

This suggestion is of limited practicability. Where draw-back is involved it is not feasible.

A certificate of exportation is important where the question of draw-back on exportation is involved. The suggestion as to "lists of manufacturers and articles, as well as the amount of draw-back claimed on such articles when exported," is not sound. The draw-back on atricles, even in the case of individual manufacturers, varies from lot to lot, month to month, or other period, according to the various factors involved in each case. Any such list would be subject to continual amendment, and another record to be prepared and kept up to date. The compilation of such a list would be a tremendous job; standardization of amounts of draw-back impossible under the law; the suggestion indicating a complete lack of understanding of the subject of draw-back.

Expanding the use of special-delivery permit

These permits are in general use at present. Further, their use is at the choice of the importer, not the customs. Section 8.59b of the Customs Regulations of 1943 provides that entry must be made within 48 hours after release of the merchandise which is what the recommendation contemplates.

Simplifying baggage declaration form

Instructions are necessary as indicated but there isn't a great deal of room for change in the form; there is no duplication of arrival date, the space for the number of pieces of baggage is necessary to account for the stamps used by the inspector.

Modernizing baggage inspection

The gist of this recommendation is that the practice in effect at border ports—i. e., spot check examination of baggage rather than a check of each passenger's baggage—be extended to the seaports. Entirely ignored are the differences which make the spot check useful at border points but extremely risky at seaports. The nature of border traffic and its volume, large numbers of people, Sunday traffic lines of cars, most travelers with but one or two pieces of small hand luggage, the short duration of the foreign trip, all operate to make a system of spot checking a necessary expedient but a reasonably effective one.

Spot check examination as outlined by the report, if put into operation at a seaport such as New York, would be little better than no examination at all. Not only does it have the appearance of discrimination and engender a suspicion of the examined passenger by his fellow travelers, but it would tend to make people dishonest. For, as the system became known, travelers would realize that there is no percentage in showing purchases over the exemption since that would insure the examination of their baggage where, if the declaration showed nothing of a dutiable nature, the chances are 10 to 1 that the traveler would "get away with it." Such would be the dilettante smuggler—the lady who "forgets" to declare all her purchases. How about more unscrupulous travelers? Even with the present complete examination known to be in vogue, there is hardly a vessel of any consequence arriving at New York on which several passengers are not caught trying to "put one over" either by failure to declare purchases or by undervaluation of them.

The proviso that an inspector may examine the baggage even though it is marked for nonexamination might lead to some very unwholesome situations.

Authorizing inspectors to classify and determine value within a limit

There is no "Yes" or "No" answer to this since the usefulness of this proposal depends on the nature of the baggage. A system very much akin to that suggested is followed successfully at border points. Where a very limited variety of merchandise is normally encountered there is no reason why the inspector cannot be trained to appraise and classify up to the limit indicated. But the staggering training problem and the highly doubtful effectiveness of such a procedure make it impractical at a large seaport where the variety and volume are sufficient to justify the detail, as the need arises, of trained appraisers' personnel. The large seaports where the need exists have appraisers' personnel readily available. Why not use specially trained personnel when you have them? Where the volume and variety warrant their use as they do at seaports it is more efficient to use the specialists.

The purpose of the recommendation is to cut down the manpower presently employed at large seaports for baggage work. This remedy is a roundabout method of achieving that result. The direct method, already taken in part by Congress, is to increase the exemptions. This will pare manpower needs to the bone and still enable the customs service to do its work in an efficient manner by having each man do the job for which he is best fitted.

Adopting modern business machines at border ports

Appears to be a worth-while suggestion.

Instituting a crew baggage declaration form

The Bureau of Customs is already working on such a form.

Changes in exemption limits

Returning Residents

Congress has gone beyond the recommendation of the committee and made the exemption for a return after extended foreign travel $400 per person. However, we do not subscribe to the committee's view that the "to follow" privilege should be eliminated. It smacks of discrimination against air and auto travelers, the nature of these types of transportation precluding bulky articles from accompanying the passenger.

Nonresidents from nothing to $10, provided duties and taxes do not exceed $3

We should suggest raising this to $25 and including commissions and other noncommercial items. This coupled with the $400 exemption for residents would limit the function of appraisers personnel on the majority of vessels to a stand-by role. It would decrease the requirements for inspectors also by making baggage examinations much speedier. Nor would any training program on value and classification be required in view of the margin these generous exemptions would provide.

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These two exemptions combined would be a panacea for most of the personnel problems in seaport baggage examination.

Crew members from nothing to $10, provided duty and taxes do not exceed $3

This is impractical. Crew members with purchases over $10 would have fellow crew members declare and have passed the excess over $10. A crew baggage declaration is all that's needed here.

Unaccompanied importations from $1 to $10, and so forth

No comment.

Recommendations 4 (a) to 4 (d) and 4 (f) to 4 (k), pages 70 and 71

These recommendations are minor improvements.

Elimination of dock books 4 (e)

Dock books are not used extensively at many ports, except possibly some of the larger ports visited by the survey. Their use should be discretionary. Some sort of work sheet is necessary on large shipments and there would appear to be no reason to rule out a convenient form for some improvised work sheet. On large shipments, particularly where shortages, bad order, etc., exist, the information in the dock books prove valuable, particularly in litigation. The problem, if any, appears to be a local one.

Experiment with the use of the Inspectoroscope 4 (l)

Even the partial testing outlined in the text is sufficient to indicate that this contraption is a useless gadget as far as customs is concerned. A determination that a package contains a "foreign" object is not of much value.

Recommendations 5 (a) to 5 (e) on page 71

There is not field for comment here for this is merely a listing of situations at New York which should be studied for possibilities of improvement. No specific suggestions are made.

Consolidating collectors' liquidating activities

We thoroughly disapprove this recommendation.

Experience has shown that decentralization of such activities is necessary. Prior to the 1922 Tariff Act, auditing of customs entries was done at a central point. The conditions resulting from the use of such system resulted in the establishment of the present decentralized system of comptroller offices. The recommendations made reflect the impression, gained from casual observation, or otherwise, that liquidating functions are purely mathematical and mechanical, bordering on the clerical. Nothing could be further from the truth. The recommendation to consolidate appears to be principally for the purpose of savings in dollars and cents. The estimated saving is questionable. Certain amounts claimed as possible savings would be offset by increased costs in handling, record keeping, much additional correspondence certain to result from removal of the transaction from the locale of the origin of the transaction. Frequent interviews between liquidating officers and other customs personnel and importers, brokers, etc., are necessary to develop all the facts required to effect a liquidation of an entry. It is an indisputable fact that in personal interviews facts can be developed and procedures explained in a very small fraction of the time required to accomplish the same result by correspondence. The serious delays would be from this source not from the 4-day transmission period conceded by the committee. This system now exists between headquarters ports and subports and the consequences are as we have outlined. Consolidation of such liquidating activities would remove the present know-how from the collection district and compound the problems arising and the resulting correspondence. Liquidating officers perform many duties in addition to the liquidation of formal entries. Such other related duties could not be performed at a central liquidating office as economically, and would require a mass of papers continually moving through the mails. Personal contact, in such cases, between liquidating and entry or other divisions is practically indispensable, otherwise much correspondence would be required. Consolidation of liquidating activities would result in the removal from the jurisdiction of the collector of customs of the final classification of merchandise and place it in an independent office not concerned with actual handling of the merchandise imported. Protests would, of necessity, be directed against the decisions of such independent office, and the authority of the collector to entertain and decide protests, and the handling of all protests, except those foreign to the ascertainment of duties, would also be removed from the jurisdiction of collectors. Much confusion of jurisdiction would result. With reference to the planning and handling of the work load it should be noted that no charge is made that customs is overmanned. On the contrary, practically all districts are understaffed. Consolidating the work at any given office or offices will mean nothing more than a redistribution of the work now being done. If a full day's work is now being exacted from each employee in the liquidating divisions no additional work can be expected by changing the location of the activity. It would be necessary to have experienced personnel to assemble all documents for each entry prior to forwarding to the liquidating office. Such assembling, at headquarters ports where most entries in a district are filed, is now done in the process of liquidating the entry. In view of the present fairly uniform methods and practices in liquidation the so-called benefit of more uniform liquidating methods and practices that would result are not worth commenting on.

Centralizing certain draw-back activities

This recommendation is likewise unsound.

First, an error should be corrected relative to filing draw-back claims, as it appears in the report. It is said that draw-back entries are filed at the headquarters port. This is incorrect. This may be true in New York and, possibly, several other districts; however, there is no provision of law or regulation, or established practice which requires that entries may be filed only at a headquarters port. In practice claimants file entries either at the port nearest their place of business, or, particularly where a broker is employed, at some port of their own, or their broker's choosing. To require that all draw-back be handled at one office, New York, would work a hardship on many draw-back claimants in various sections of the country. The distances involved would prevent personal visits at the customhouse to obtain necessary advice and information. Claimants outside New York would be severely handicapped in securing the draw-back of duty they were entitled to. This is just as absurd in the case of draw-back entries as it would be in the case of import entries. The taxpayer should be privileged to transact his customs business at the port of his own choosing, to suit his particular needs. To centralize such activities at one port would remove all the present widespread draw-back knowledge in the customs service from the various collection districts to New York as a result of which all draw-back contacts outside of that city would have to be made by mail, a slow and costly method. Experience has shown that much time is required to deal over the counter with draw-back claimants covering highly technical and intricate problems. Handling such problems by mail would be a costly and slow process. Most manufacturers are not conversant with technical draw-back requirements and it is necessary to frequently consult with customs draw-back liquidators relative to draw-back matters. Such opportunity would be denied claimants except those located in the vicinity of New York. It would be economically nonfeasible, and because of the time limit involved, practically impossible for claimants under section 313 (c) of the Tariff Act to file draw-back claims at New York on transactions originating throughout the country. The same condition applies to merchandise exported with benefit of draw-back from continuous customs custody. Under the present system claimants can check draw-back data at the customhouse quickly and with little expense inasmuch as the records of exportation, etc., are located at ports in the areas in which their business is located. Personal contact enables claimants to obtain required information from the customhouse at one time, whereas much time on the part of both the claimant and the Government would be consumed in correspondence with resulting costly delays in consummating transactions. Claimants located at points away from the liquidation center would be deprived of the privilege of checking draw-back data from the notices of intent filed in the customs office. Many manufacturers file hundreds and thousands of notices of intent each year. At the present time the claimant can refer to such records, at no cost, when they are on file in such office in his area. Many minor discrepancies or inaccuracies now solved by city phone calls, personal routine calls, etc., would involve lengthy correspondence, costly long-distance phone calls, or telegrams, etc. It should be understood that only in rare cases are draw-back rates (authorizations to claim draw-back) of two manufacturers similar. Therefore no standard replies can be evolved to cover questions arising in involved draw-back rates. It would also be impractical to attempt to set standards of draw-back to apply to items of similar nature. Many factors enter into the basis for the allowance of draw-back depending on the actual conditions found in each case, in many cases peculiar to each manufacturer. To set up such standards, and properly protect the revenue, many manufacturers would be deprived of considerable amounts of draw-back to which they are rightly entitled under the law, because of conditions prevalent in the establishments of competitors. Maintaining information, at one central office, frequently found necessary for duty calculations on importations of American goods returned would cause a flood of additional correspondence from all sections of the country to the central office to ascertain such information. It is noted that, despite the apparent fact that the majority of companies or corporations claiming draw-back either have offices in New York or are represented by agents or brokers there, the majority of such companies actually have chosen to file their claims at other ports throughout the country. The likely explanation of this is that the New York offices are primarily sales or promotion offices, whereas the offices outside New York possess the manufacturing and bookkeeping employees where technical data are required for the companies' draw-back work.

The centralization of the draw-back activities would have a very odd appearance. It would look as though the policy of Congress was to chisel a bit on small draw-back refunds by making them burdensome to collect. We would be in the position of providing excellent facilities for the collection of duty by the strategic placement of ports of entry all over the country while making ourselves relatively inaccessible for proper refunds of duties.

There are consequences here which may not have been apparent to McKinsey & Co. Taken alone or in conjunction with the proposal to consolidate liquidation activities, this scheme operates to make all ports outside New York second-class or third-class

ports, ports with limited functions. Expressed another way, it is a partial closing of these ports, as they become inoperative for these vital activities.

The consolidation of liquidation activities requires legislation and Congress will have an opportunity to consider whether such partial closures are in the public interest. Not so, however, with the consolidation of drawback activities. Despite its drastic effect on some business operations and despite the fact that it involves the same question of service to the public, draw-back activities can be consolidated by the stroke of an administrative pen.

We have no knowledge of the position taken by the Bureau of Customs or the Treasury Department, but it appears to us that the sensible thing to do would be to wait until Congress has indicated its attitude on the consolidation of liquidation activities. Premature administrative action, though perfectly legal, might well bring a storm of protest such as aroused Congress last year in connection with the patrol dismissals.

Improvements in facilities

Such specific suggestions as are made on this subject have to do with organizational changes and are treated in another chapter as are our comments.

CHAPTER IV. CLASSIFICATION AND APPRAISEMENT

In making our comments hereon we have set out each of the recommendations made (pp. 52–54 of the report) and immediately following it our observations thereon.

1. *Review schedules of the tariff act and make legislative changes as are necessary to reduce the present complexity and to simplify the methods which cause high administrative costs*

There is room for improvement here, but it is foolish to expect any spectacular overnight transformation of the tariff act. Any changes that are made will be the result of slow, plodding work. It is all very well to inveigh against the complexity of the tariff, but it should be realized that complexity is a necessary accompaniment to preciseness in an economy such as ours. Using the tariff provisions to fit imported articles into the desired relationship with the number and variety of our domestic products and material cannot be accomplished with the use of catch-all provisions. Simplicity of tariff along the lines suggested is accomplished at the expense of precision. Even the proposal to substitute an equivalent specific rate of duty for ad valorem rates on merchandise where it appears that the values of the commodities are within a relatively narrow range should be approached with caution. (There is a certain flexibility to an ad valorem rate which should not lightly be cast aside.) There is nothing static about values; foreign prices (and therefore values) are predicated not only on the sum of the producer's or seller's costs and expenses (all variables) plus a reasonable margin of profit but also on a consideration of what the merchandise will land for in the United States and how high a price the market will pay for it. A striking illustration of the operation of this factor can be seen in the case of screenings. During the feedstuff shortage during the war years, screenings were made free of duty by Executive order. On the effective date of the decree, foreign shippers with almost perfect uniformity raised their prices by the amount of the duty abrogated.

There can be no dispute with the report in the comments on tariff provisions based on the presence in an article or commodity of a trivial component. Paragraph 1529 of the present act is an outstanding example of this type of thing. Some of the rates of duty which legally apply to merchandise because of the wording of this paragraph cannot be justified on any basis whatsoever. For example, the presence of a braid elastic instead of a woven elastic in a knitted cotton boy's suit, a difference which does not affect the cost of the article or its sales appeal, changes the applicable rate of duty from 35 percent (par. 917) to 50 percent (par. 1529). Prior to January 1, the change was from 45 percent to 90 percent. Many other kindred situations could be cited where the difference in rates of duty is even greater.

It seems to us that the best way to study the tariff for possible changes along these lines is to set up a committee with members from customs and the Federal Trade Commission, and possibly the State Department, to survey the possibilities for improvement systematically and thoroughly, reporting their recommendations from time to time to the Treasury Department for transmission to the appropriate committees of the Congress.

2. *Insure that customs personnel with administrative experience have more opportunity to participate in the formulation of future trade agreements*

This is a thoroughly sound and workable proposal. The surprising thing is that action has not been taken along these lines previously.

3. *Eliminate the present duplication of responsibility between the collector and the appraiser in the classification of merchandise*

There is no merit in this proposal. The present system is thoroughly practical and effective. All of its ramifications and implications are thoroughly understood by customs brokers, importers, and customs personnel. All legal questions concerning it have long since been resolved. To overthrow this well-established system would be extremely foolish. There would be no genuine saving from the change and the confusion and uncertainty which would result would be costly in the long run. There is no duplication of responsibility as such. Under the law the collector is solely responsible for classification. The activities of the appraiser in this respect are auxiliary to the collector's and do not lessen that officer's responsibility or enlarge that of the appraiser. What apparent duplication exists is not overly significant and is not so much duplication as the close working together of the two officers.

The classification of merchandise is an integral part of the process of computing the exact amount of duty payable on an importation. Its natural place in the customs sequence is after the quantity of the shipment has been established and its value ascertained. The logical time to determine the applicable rate of duty is when all is ready to figure the importer's dollar and cents duty. At this point all subsidiary questions of shortage, exemption, quote restrictions, etc., have been resolved and any relevant Bureau rulings or judicial decisions which have been issued subsequent to the examination of the merchandise by the appraiser (examiner) can be taken into consideration by the collector (liquidator). The time of the appraiser's examiner is now fully occupied with the examination of merchandise and the appraisement. To shift the responsibility of classification to him from the collector's liquidator should be to put a further burden on him and make the determination of the classification more expensive. The examiner is a highly specialized technician whose salary grade is anywhere from one to three grades higher than that of the liquidator, depending on the port. Further, the work of classification will not be performed any better than it is under the present system. The examiner works under a good deal more pressure than does the liquidator. The determination of the applicable rate of duty, especially among provisions with fine shades of difference, can best be performed under the conditions under which a liquidator works. Free of interruptions and given the benefit of the examiner's expert knowledge of the merchandise and its uses, by his description of the merchandise, the liquidator is in the best possible position to classify the merchandise.

The fact that in a large or small number of instances the liquidator agrees with the examiner as to classification is beside the point. That is a commentary on the competence of the appraiser's staff at the particular port. It does not justify a change from a system which is not only cheaper but which can logically be shown to be better. Even a small percentage of error amounts to a good deal of money when the sums involved in customs collection are being considered.

Though at the outset of the report, the text indicates an intention to shift the responsibility for all classification to the appraiser—that attitude undergoes a change and it is realized and conceded that on some types of merchandise, viz, those requiring involved computation to determine the appropriate rate of duty or those requiring some documentary data such as affidavits, etc., to establish the applicable rate, the responsibility for classification would have to remain with the collector. Though in the report this type of classification is referred to as involving only a small number of formal entries, the fact is that a very large number of entries would be involved. We wholly disapprove of transferring all responsibility for classification to the appraiser but the proposal to divide the responsibility is even worse. It is foolishness compounded. In many instances of composite entries covering a number of different commodities such a division of responsibility would prove downright impossible in operation.

There isn't space here to do more than hint at the legal difficulties that would ensue from any change such as is recommended. It is sufficient to say that they would be numerous and perplexing and would complicate customs administration considerably, costing both the Government and the importer time and money. Fortunately any change along these lines would require legislative approval and if the recommendation were taken seriously enough to be presented in a bill, Congress would have ample opportunity to acquaint itself with all the unsought and undesirable consequences of the change.

4. *Speed up the Bureau rulings on classification problems*

This is all right as far as it goes but a reading of the text shows that one of the ways in which it is contemplated that this speed up will be achieved is by taking less pains to furnish an exact perfect answer. This is a very shortsighted view of the matter. A prospective importer who asks the Bureau for the rate of duty on a certain article will be delighted, of course, with a prompt reply (and the reply usually is prompt). However, after he has made his calculations, bought the article and contracted to resell it on arrival, his satisfaction will be shortlived if the customs informs him that a mistake was made, that on more mature consideration, a different and higher rate of duty will be assessed on the article. Nor will his wholly justifiable wrath be lessened when it is explained to him that the classification of this article is a very technical and difficult matter involving lengthy consideration and it was thought better at the time of his inquiry to give him a rate based on what information was then at hand rather than delay replying to his letter to get all the information necessary.

5. *Eliminate foreign value as a method of valuing merchandise and broaden the application of the remaining valuation methods. Review further the possibility of using the price-paid basis of valuation*

There is room for improvement in section 402 of the Tariff Act. Much of the difficulties which the report sets forth stem from the

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literal interpretation by the courts of the words "freely offered for sale to all purchasers." If the interpretation of this language were more realistic—few commodities are freely offered in a completely literal sense any more, here or abroad, many suppliers protect their brand names and products by price fixing and other restrictive practice—most of the difficulty and delay which sometimes occur in connection with value investigations would vanish, since if certain types of restrictions are acceptable and do not affect the market value the scope of the inquiry is considerably foreshortened.

The price-paid system hasn't much to recommend it. With most of our highly competitive imports on an ad valorem duty basis—this system would have the effect of giving the big fellow, the mass buyer, the volume buyer, an additional advantage. The tariff would become an instrument whereby small business would be put under an additional economic hardship by operation of law.

The whole problem of changing the customs valuation methods is one for Congress. There are very many factors to be considered and questions of policy to be settled. Any changes made should not be made until all the consequences of the changes are thoroughly explored and understood.

So far as avoiding in any new law, language which complicates customs administration and has no particular effect on the policy underlying the provision, there need be no problem. There are any number of men in the Customs Service who could prevent that by reviewing the draft of proposed revision, once the policy adopted by Congress has been made clear.

6. Provide customs service with currency conversion rates which will make it possible to clear the present backlog of unliquidated entries and prevent further accumulations

This is somewhat outside our field but from a layman's view it does seem that even without a change in the law, the Federal Reserve bank could give more data than it does.

7. Liquidate entries on the appraiser's valuation where required information on values is provided by the importer to the best of his ability

There is the germ of a good idea here. A workable plan can be developed along these lines which will eliminate a good deal of paper work and expedite the disposition of many entries.

8. Eliminate a finding of presumptive fraud when the appraiser's value exceeds the entered value by 100 percent

We see no merit in this proposal. It is highly unlikely a businessman will misjudge the value of his merchandise by 100 percent. In the unusual case where an honest mistake of such magnitude is made, no lasting harm is done; the presumption of fraud can be rebutted by a showing of the facts to the customs authorities and thereafter the transaction is put back into the normal status of a routine importation.

9. Simplify procedures in the collection and dissemination of data by the customs information exchange

Much of what is contemplated here has already been put into effect or is in the process of adoption.

10. Discontinue the use of the consular invoice in favor of an adopted commercial invoice prescribed by the Secretary of the Treasury

There is sufficient existing authority to expand the list of commodities on which no consular invoice is required, but we think it would be poor business to eliminate the consular invoice altogether. The consular invoice is of great value in establishing the probity of the transaction. Experience has shown that many foreign shippers and suppliers can be pressured by their customers into issuing false or misleading commercial or private invoices as an accommodation but refuse to swear falsely on a consular invoice. The American consul is usually fairly well acquainted in the business community in which he is located, and this fact plus the knowledge that discovery of a false statement will be reported back to the consul with consequent damage to his reputation and standing in the business community tends to make foreign shippers and suppliers quite careful about the statements they make on consular invoices.

11. Defer customs action under antidumping provisions until evidence of injury has been established with the Secretary of the Treasury

The procedural mechanism of the Antidumping Act needs a thorough overhauling. As presently set up it is the greatest begetter of paper work, most of it ultimately of no consequence, that can be imagined. The least that should be done is as recommended in the survey: defer any customs action until the fact of injury to domestic industry has been established. We suggest that whenever the subject comes up either by congressional study or administrative review, the parties involved study closely the operation of this law as it was applied to cotton manufactures from Japan in the years prior to World War II. It is a saga of wasted effort and enmeshing red tape.

12. Provide for the immediate release of examination packages from public stores notwithstanding the fact that increased duties may be applied

Either of the alternate plans proposed in the text would be a useful improvement in service with no danger to the revenue.

13. Require the declaration of antiques at time of entry and prohibit amendments

This proposal designed to avoid the necessity for examiners making detailed study of all items on invoices of antiques is a good one. However, we do not think, as is recommended in the text, that the penalty for an incorrect declaration of antiquity should be reduced. The present 25-percent penalty is a good stiff penalty and is a real deterrent. There is a certain amount of leeway in the field of antiques. Hard and fast determinations are not always possible. Conceivably, therefore, the 25-percent penalty could be visited on an importer whose incorrect declaration results from an honest and wholly understandable difference of opinion. This situation could be taken care of by requiring the examiner to certify that in his opinion the incorrect declaration was not motivated by an intent to defraud the revenue and that there was a reasonable basis for the claim of antiquity made. In this way hardship cases could be eliminated and the penalty provision would retain it's deterrent value unimpaired.

14. Merge the handling of mail entries under a single supervisor reporting to the appraiser and combine present functions

In our judgment the foregoing recommendate could only have been arrived at on the basis of a superficial examination of the problem. There is nothing wrong with the present system whereby the appraiser's staff takes care of the appraisement activities and the collector's men handle the balance. From what we understand, the objectionable situation the McKinsey people found was overstaffing and underproduction in the mail division at certain of the large ports. These are not the fault of the system—they are the result of poor management by a local administrator which the Bureau either condoned or was in ignorance of.

The comments in the McKinsey report relative to mail divisions indicate a lack of perspective as to the functions of the collector's and appraiser's personnel performing work in the Mail Division; their relation to applicable laws and regulations, etc. The method suggested complicates rather than simplifies the administration of the Mail Division, when all aspects of the subject are understood and given full consideration.

It should be understood that large mail divisions in the custom service are few in number, and, with the exception of New York and a few others, even such so-called large divisions would consist of probably less than 10 employees in each. In this respect they are somewhat similar to the many ports of entry throughout the country. In our opinion, if a change in administration of the mail divisions appears necessary, although we believe otherwise, they should be considered on the same basis as the many smaller ports of entry in the customs service.

Mail divisions, particularly at large ports, are ports of entry in microcism. Through the transactions are limited in value and somewhat narrower in scope than those represented by the formal entry transactions, these divisions are very much like little ports themselves. The same type of work, the same interplay of reports, the same system of collection and accounting are found in the large mail divisions as are found in ports of entry. There is no more reason for combining the two separate functions of the collector and appraiser in mail divisions than there is in the ports themselves. There is no inherent inflexibility in the system which proper management cannot overcome.

We don't think these large mail divisions should be placed under either the collector or the appraiser. The employee suffers in either event. If the division is shifted to the appraiser, the collector's entry writers and clerks are shut off from their normal avenue of promotion to liquidator and entry clerk in the main office. If the shift is to the collector, the appraiser's personnel find themselves in a dead end.

Another unsound feature of the recommendations, contrary to the statement made in the report, is that the operation will actually become less flexible and more expensive. Under the present system it is the rule to operate the Mail Divisions with the minimum number of personnel required to perform the necessary activities during normal times. During peak periods, particularly the Christmas rush from October or November to the end of January, it is necessary to detail additional personnel to the Mail Division, usually openers and packers and entry clerks. Appaiser's personnel are relatively few in number in most districts. At the time of peak loads it has been possible for collectors of customs with much larger forces to find it possible to absorb the additional work falling upon his force in the Mail Division by drawing upon personnel in other divisions of the custom house and under his jurisdiction and assign them to temporarily assist in the Mail Division whenever possible. With the relatively few in the appraiser's forces, as many as half of which are stationed in some mail divisions, it will be necessary to either carry a much larger force than is normally required for appaiser's functions or hire additional temporary employees, who, incidentally, will not have the required experience to perform many of the functions in connection with mail entries.

At the smaller ports throughout the country, and in all probability they are in the majority, all the work in connection with customs, including examination and appraisement of all classes of merchandise covered by all types of entries, regardless of value, is performed by personnel under the supervision of the collector of customs, no appraiser's personnel being stationed at such ports. The functions in connection with examination and appraisement are under the nominal supervision of the appraiser located

within the collection district, the collector's personnel being designated as examiners and appraisers. This practice is in effect in those ports where the work load does not require a full time examiner and appraiser. The work is carried out economically and successfully.

It would seem therefore, that based on experience either a split force as we have now at the large ports or a force entirely under the collector as is found elsewhere in the country is feasible under the proper conditions.

Due to the limited activities of appraisement personnel, limited to examination and appraisement, at no port in the Customs Service are all customs functions under the supervision of appraisers. The activities in mail divisions are similar in nature to those at any port of entry, and involve questions concerning all phases of customs laws and regulations, therefore, for the sake of uniformity and consistency, the supervision of such mail division should be similar to ports of entry. With a full knowledge of the many complications of administration involved sound judgment should dictate that, if it is felt necessary to place such mail divisions under one head, there would be no sound reason for deviating from the normal set-up now in effect in similar cases and adopting the suggested method of placing such functions under the supervision of appraisers, with consequent dual designations and resulting time-consuming problems of administration.

However, we do not think that placing all mail divisions without exception and without regard to the amount of appraisement work required under the collector is a good idea either. We say it is the lesser of two poor choices. Better management under the present system is the real solution.

15. Require the furnishing of packing lists for certain classes of merchandise

This is a good idea. However, in the absence of such packing lists, instead of doing as the text suggests, we recommend rejecting the entry and sending the merchandise to General Order until the importer receives packing lists or makes them up himself. The method suggested in the text is that the importer be required to pay for the carting of the additional cases or packages to public stores made necessary by his failure to submit packing lists. The objection to this is that while it would be a deterrent of a sort, it would not in all cases relieve Customs of the unnecessary handling, opening, verifying, and examination of the extra cases or packages which is sought to be avoided through this recommendation.

16. Liberalize provisions for marking imported merchandise and give greater discretionary powers to collectors

We agree that the marking laws should be reexamined. Some of the special marking requirements are specially harsh and have no apparent reasonable basis today.

We think further that the responsibility of enforcing the Wool Labeling Act of 1939 on imports should be lifted from Customs. The purpose of this act is to protect the ultimate consumer, the retail-store customer, by making certain that the wool product he buys is properly identified in terms of its component material or materials. Imports form but a portion of the total wool products sold in the United States and there appears to be no reason why whatever system of checking at the retail level the Federal Trade Commission employs for domestic wool products cannot be considered as sufficient to cover imported articles. A sizable amount of paper work would be taken from Customs and irritating, and in some cases, meaningless delays, to importers would be avoided. A common example of meaningless detention of imported merchandise is where finished merchandise, for example, wool blankets, are imported by a retail store or chain without marking to indicate the name of the manufacturer or distributor, Customs is compelled to hold delivery of these packages until the importer marks the merchandise under Customs' supervision. Yet in the normal course of trade these blankets will be marked by the store with its own label or ticket before being placed on the counter for sale, a marking which would have satisfied the Wool Labeling Act requirements had it appeared on the merchandise at the time of importation.

17. Extend the time limitations on segregating commingled merchandise

We agree.

18. Extend the use of inspectors for classification and appraisement of simple entries

(1) Inspectors are designated inspector-examiners at certain ports and do perform examiner's duties in addition to their own duties. There is no single answer here which will fit all ports. The feasibility of such dual designations depends on the nature and volume of the work at the port or ports of entry within the district. A port or station whose volume consists largely of merchandise readily ascertainable as free merchandise or where the flow of dutiable merchandise is limited to a variety of merchandise where the problem of dutiable value is simple is the place where this type of operation is efficient. On the whole, we think the Bureau of Customs has used this method of dual designation wisely and has made effective use of its authority to make such designations.

(2) Increased baggage exemption: The law raising this exemption to $400 for extended foreign travel is now in effect and is likely to have the beneficial effect mentioned by the McKinsey report. The proposal to organize a permanent baggage squad at large ports may or may not be a good idea. If the squad is large enough to avoid an excessive number of calls for help from the roster of regular examiners, the likelihood is that, vessel movements being irregular as they are, there will be times when a number of these men will be standing idle. This is a local administrative problem in each port effected. Some of these ports have had permanent baggage staffs before and presumably have some experience data with which to evaluate this proposal. Whether or not a permanent staff is established, there exists a small field for improvement in the pooling of information as to the exact time of arrival of vessels. This with the judicious use of a station wagon type of vehicle could ensure that examiners would not arrive so long in advance of the actual commencement of the work as to waste perhaps an hour or more standing by.

CHAPTER V. PHYSICAL HANDLING OF MERCHANDISE

In this as in most of the chapters our comments follow the restatement of each individual recommendation.

Eliminate unnecessary package weighing by amending regulations

Approved.

Reduce weighing costs by requiring that all invoices show individual package weights, and using scientific spot checking to verify reported weights

This is already in practice in some form but the further emphasis of it in the report will have the salutary effect of prompting its broader application where possible.

Eliminate the redetermination of wool clean content and weight since there are simpler and cheaper means of accomplishing the same results

This is a practical recommendation and is already the practice at most ports outside New York.

Maintain accuracy and reduce costs by establishing a sound scientific spot checking policy and developing practical, simple techniques

We concur in the recommendation insofar as it looks to the standardization of spot checking and test weighing techniques and the extension of the practice where it can be done without danger to the revenue. Excellent too is the suggestion that a simple manual be prepared to fully acquaint the personnel with the application of this policy. The report envisages the accomplishment of these results through a newly created Department of Weighing and Engineering. Since this matter is discussed in some detail in chapter IX we reserve our comments on the method for our treatment of that chapter.

Further reduce costs by extending the use of bulk weighing

Bulk weighing is already well established and its extension waits only on the adoption of other recommendations for elimination of package weighing, invoice weights, etc.

Extend the use of public weighers and public laboratory results, thereby eliminating the need for customs work on some commodities

Public weighers: The report contemplates the use of public weighers weights for Customs purposes on certain commodities such as sugar where the public weigher presently weighs drafts alongside the Customs officer. There would certainly be no harm in further study of the matter but we would suggest great caution in adopting such a practice. The sugar scandal along about 1910 involved the collusion of public weighers. We can't see why as a matter of policy Customs should allow private persons to do its work for it. Officially determining the weight of imports is an essential part of revenue work. If the importer chooses to make his own check independently for his own purposes—that's his business.

Public laboratory results: As stated this is closely related to the plan for the adoption of public weighers weights and we disapprove of it for the same reason. Laboratory work involves considerable exercise of judgment. Many laboratory analyses are not by nature empiric. It is not at all uncommon in Customs Court litigation to find the Government analyst and the analyst retained by the importer drawing differing conclusions from their tests. There is a good deal of opinion yet as distinguished from mathematical exactness in many branches of analysis and it is difficult for the private analyst not to have, even unwittingly, a certain slant toward the opinion which is most advantageous to his client. The private analyst would have no obligation to the Government. He usually enters the picture after the importer has decided to contest a classification. It is clear to him from the start that he is being engaged to assist in upsetting the ruling. The situation is different with our own analysts. Usually their analyses are sought before a decision as to classification has been made; there has been no stand taken at this stage on which he can take a position pro or con. The Government wants the analysis as a matter of information no matter which way it cuts. The importer wants it to buttress or corroborate an opinion he has already formed. There is a tremendous difference in the two approaches.

Eliminate duplication of effort by having all sampling performed by inspectors

This applies virtually to New York since there alone is there a separate samplers' force of consequence. A curious aspect of this recommendation is the statement on page 8 of the report:

"We are of the opinion that Customs sampling is performed quite efficiently and that it cannot be greatly improved."

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In a port such as New York where the merchandise handled by the sampler is of the greatest variety requiring considerable experience and training in the identification of merchandise and distinctions in grades and qualities "sampling of merchandise is of the utmost importance to the customs service. No directions for sampling, however explicit, can take the place of judgment, skill, previous experience, and conscientiousness on the part of samplers.

"The degree to which a sample may be representative of a shipment will depend, not only on the method used, but on the care exercised by the sampler.

"Careless sampling often leads to improper classifications or appraisement, loss of revenue, and to litigation. It is obvious that costly disputes may arise if samples are not properly taken.

"The taking of samples is a problem of considerable difficulty."

All the foregoing are excerpts taken from the introduction of the Sampling Guide issued by the United States Treasury Department, Bureau of Customs in 1938.

At the present time there is no duplication of work between the sampler and inspector at the port of New York.

The inspector samples only such merchandise as he weighs, gages, or measures, while the sampler draws samples from all other merchandise whether dutiable or free. If an inspector was weighing merchandise and got a call to perform a sampling operation that did not require weighing, he would be forced to leave his laborers (usually from 2 to 4 in gang) idle, while he went to draw the sample.

The inspector, after a few years, does discharging work and a new group of inspectors has to be taught sampling in addition to learning to weigh, gage, measure, baggage duties, and other work incidental to their position. They have to teach sampling when they are just beginning to become familiar with all phases of sampling themselves.

It is practicable at other parts to have an inspector do the sampling since the variety and volume of merchandise requiring sampling is not extensive as at New York. There are certain types of complete cargoes that require on weighing at all. A ship from the Far East brings crude drugs, crude rubber, gums, skins, coffee, hemp, tapioca flour, tea, etc. This type of ship keeps a sampler quite busy. A weigher could hardly do any weighing if he were assigned to this type of cargo.

Sampling, in a port like New York, being a technical position, is more efficiently and expeditiously performed by a stable, experienced force like the samplers force rather than by the inspector with his many other duties.

The sampler is on the piers available at all times. He does not trek back and forth to the public stores. His samples are sent in by means of the messenger system which picks up permits, etc., from inspectors' offices on the piers. There are 15 samplers' offices suitably located on or adjacent to the piers. It does not appear that the committee realizes that the flow of sampling and weighing work is not as the cargo flows from the ship but as various importers make entry of their merchandise at the Custom House and the sampling and weighing orders (or permits) thereon are forwarded to the piers.

Combining sampling and weighing as suggested would be most inefficient. The work would proceed in fits and starts without any semblance of order. An inspector weighing cargo on one pier could not efficiently be interrupting his weighing to dash over to an adjacent pier to do sampling. The tendency would be to finish whatever weighing or sampling he had permits for on one pier before going elsewhere; this regardless of the fact that some of the permits on the second pier might have been lodged long before those on the first pier and the importer might be incurring heavy demurrage charges without justification.

Reduce weighing time by simplifying the automatic scale-testing procedure and eliminating marking weights on bales—Eliminate unnecessary weighing operation of tobacco which is to be manipulated

Both recommendations approved.

Increase the effectiveness of all physical handling by establishing a Methods Engineering Section in the Weighing and Engineering Department

The report gives the impression that what work of this nature is now performed is done in a haphazard, aimless manner. Without denying the plausibility of improvement, it should be pointed out that collectors are always consulted with regard to new or altered customs facilities at piers, terminals, and air fields; that automatic scale experts set up electric scales at advantageous points after consultation with pier owners and operators, instruct their use and keep them in proper condition and repair.

The creation of the Methods Engineering Section is discussed in connection with chapter IX.

Develop expeditious equipment and methods, such as the Mobilscale, fork and grab trucks conveyors, pallets, and other similar labor-saving devices

Mobilscale: From the description of this device it would be impracticable at New York. Since it is not even in existence it is difficult to comment on this mobile weighing machine. The cost of designing, developing, and constructing this piece of equipment should be considered. It would be interesting to see such a piece of weighing apparatus in operation and we would welcome the opportunity to try one here in New York. We do not believe that it would be as mobile as the present beam-type scale when operating in the close quarters and congested areas which are the rule rather than the exception on New York piers. The present type scales are always available. Unless every beam scale were replaced with a "mobilscale" these machines would often be where they were not needed. There would be delay in bringing them to the point of operation. From the description they would require an operator licensed by the State and carry plates issued by the motor vehicle bureau. It would not eliminate the need for laborers in taking tares. The elementary hammer and chisel would still be a necessity. The gasoline would have to be drained from the gas tank each night if they were to be left on the piers otherwise special garaging facilities would be necessary. The danger and ease of injuring such delicate and intricate piece of equipment as the one described would be a constant hazard and the cost of maintenance and repairs should be considered as well as the initial cost. To be effective in New York it would require at least 50 of these machines.

Fork or grab trucks: Many of the same objections we make about the mobilscale can be repeated here.

Universal weigher: Many of the same objections we make about the mobilscale and fork or grab trucks can be repeated here and in addition the use of these machines presupposes that idea that merchandise is always easily accessible and in weighing condition. Such conditions rarely exist in New York.

Conveyors and pallets: Since this equipment is already being experimented with no comment is required. Experience will provide its own comment.

There is a fundamental oversight or misconception in this report concerning the time and place when weighing and kindred activities can commence.

The writers of the McKinsey report forget that the inspector must await the arrival of a permit ordering him to weigh certain merchandise before he can start weighing. All commodities are not weighable and some that are, are not always weighed because of the type of permit issued. Cargo cannot be identified as it is removed from a vessel. Sling loads are not uniform nor do they always contain the same kind of merchandise. The difficulties and hazards of weighing in close proximity to the unlading activities must be considered. The scientific spot check is all right in theory, but to use it, the inspector must have the specified weights. Weighing against specifications has been practiced in many instances but in the normal course of business permits and specifications do not arrive until after the vessel has been discharged. In some degree these recommendations recall those made by a similar committee several years ago when it was suggested that all public store packages be put in one hatch.

CHAPTER VI. FISCAL ACTIVITIES

This chapter is so organized that it is not practicable to discuss it line by line or even page by page, but an effort has been made to tie these comments as closely to the report as possible.

The core of this chapter is the recommendation that the existing offices of comptrollers of customs be abolished and that there be substituted therefor a mobile field audit organized on a regional basis under the overall direction of a Chief Customs Auditor who would be part of the Bureau staff in Washington. It is also recommended that a system of operating checks be set up in each collector's office. However, this latter is not so much intended to serve the purpose of an independent audit as to afford some measure of assurance to certifying officers. Aside from the fact that it creates the new additional supervisory job of Chief Customs Auditor the plan of organization of the new set-up is not basically different from the present system where the various comptrollers of customs are responsible for all audit and verification work in their respective districts or regions and report directly to the Deputy Commissioner in charge of fiscal affairs.

The heart of the scheme is the proposal that procedures be instituted to prevent errors and the audit be done by spot check rather than as a thorough and complete audit and review as is presently the case. It is claimed that a sufficient audit can be provided in this manner and at less expense.

We will examine the savings first using the figures from exhibit 1 of the report. These figures show the projected cost of the customs audit at $400,000 per annum as against the current cost of $900,000 per annum, a purported saving of $500,000 per annum. It is axiomatic that the initial cost of a spot check is less than the cost of a thorough check and the spottier the check the greater the disparity in cost. No indication is given in the report as to the scope of the spot check the McKinsey people regard as adequate. There are no suggestions as to the size of the permanent staff contemplated nor is there anything to show how the estimate of $250,000 for the internal field audit unit was arrived at. However, it can be demonstrated that this figure presupposes a rather sketchy spot check with a staff of no more than 27 field auditors for the entire country.[1]

[1] Figuring seven field audit regions each staffed by a regional auditor, a stenographer and a clerk accounts for $80,119. The balance of $169,881 must provide the salaries, travel expenses and per diem of the auditors. The travel and per diem have been estimated at $1,000 per man annually. This figure and the staffing and salary estimates used are very conservative.

This small and necessary valiant group will be the force to spot check the 1,370,421 import collections, totalling almost $500,000,000, refund payments aggregating approximately $10,201,378, the 14,943 draw-back entries involving payments of more than $5,000,000 in duties and refunds as well as expenditures and disbursements involved in an annual budget of upward of $30,000,000, which are annually verified by comptrollers of customs.[3]

We will consider the suitability of spot checks for this type of audit further on, but it must be evident from the foregoing analysis of the figures that even as a spot check the projected arrangement is weak and that the saving of $500,000 on that basis is exaggerated. As a matter of fact, the entire savings is illusory for the amount of additional revenue collected annually by reason of the complete audit now performed is over $800,000 annually.

In the nature of things, even a much better implemented spot check than the McKinsey report contemplates could not be counted on to pick up anything approaching the more than 12,000 erroneous, illegal or improper liquidations and adjustments that are sifted out by the Comptroller offices yearly. Presumably, too, when an error was picked up on a spot check the field auditor would feel bound to extend his check until satisfied that all the ramifications of the error had been run down or that the error was an isolated one—a monumental, well-nigh impossible task and one which would certainly minimize the saving to be gained by use of a spot check system; nor does the proposed arrangement make as efficient use of the manpower employed as the present one. A substantial part of the field auditor's time would be spent in necessary travel within the region, time which his prototype in the Comptroller's office spends in productive work. Further, these traveling field auditors could not possibly transport with them all the reference material and data necessary to do a good job. Each of the existing Comptroller offices is equipped with a comprehensive library containing, in addition to the bound volumes of judicial rulings and Treasury decisions, complete files of Bureau rulings, Customs Information Exchange circulars, GAO letters, etc., all of which are in constant use in carrying on the work of the office. This material is kept current and suitably catalogued and, in consequence, the personnel is able to run down the authorities on a given point in short order. The traveling field auditor operating on his own in unfamiliar field offices would not have this advantage and would frequently find it difficult to determine that the authorities proffered on disputed matters were in truth the last word on the subject.

A question arises, too, as to the accuracy of the $150,000 estimate of cost of the proposed internal operating checks of Collectors' offices. We think that such operating checks in sufficient detail to be of benefit for the purpose intended would cost more than does the present system without being as effective. Several factors must be borne in mind in considering this subject. Chiefly they are, (1) such checks must include merchandise as well as financial checks, and (2) only about half of the present force of Comptrollers of Customs, exclusive of the present field audit unit, is required to maintain the present merchandise and financial checks.

1. Accountable officers should have the benefit of adequate controls over all merchandise for which they are responsible. This includes not only warehoused, general order, and seized merchandise, but also shipments received by transportation entry, and also merchandise received direct from a foreign country by highway, railroad, aircraft, vessel, or otherwise. In many instances these controls would have to be maintained at each port of entry as well as at the headquarters port.

At the larger ports these merchandise controls perhaps need not be so elaborate on account of the number of employees involved in each transaction, but controls over the smaller ports would necessarily be much more elaborate and detailed due to the greater opportunities for misappropriations, defalcations, and conspiracy. The present system of controls of merchandise has been devised to prevent such malpractices discovered in the past. The question naturally arises as to what satisfactory merchandise controls can be devised which are less elaborate and expensive than those now in use, bearing in mind that these internal controls must be maintained at each headquarters port and in many instances, at each port of entry. Such controls over actual money collections only would be comparatively simple if they were not so closely tied in with the merchandise controls.

2. Approximately half of the present comptrollers of customs employees, exclusive of the field auditors, or about 110 employees, including the proportionate share of supervisory officers, file clerks, stenographers, etc., are at present engaged in maintaining these controls. This breaks down to an average of approximately 2½ employees per collection district to maintain these controls under the present system. Any adequate system of internal control would certainly require at least that many additional employees in each collection district, with a consequent lack of savings to the Government.

All of which points to the fact that the lowered audit cost which motivates the McKinsey recommendation is a mirage—that the lowered staffing costs (based, be it noted, on a decidedly skeletal unit) would be offset by the loss to the Government of the increased duties annually collected by reason of the Comptroller's present complete verifications and liquidations, to say nothing of the loss occasioned by the less efficient use of personnel which would be characteristic of a mobile audit unit in customs work. In short, the McKinsey people would substitute for the present complete audit by the Comptroller a triple tier of spot checks (collector, internal audit, GAO) and the price or cost of this "jerry-built" structure would not be less than the cost of the present system evolved through 150 years of practical experience.

Some of the references to the General Accounting Office in the report indicate a possible confusion as to its function with relation to customs matters. The GAO performs no verification work as the term is used in our service. They may check to see if the amount of refund is computed correctly and properly paid, but GAO auditors do not possess the technical training and customs knowledge required to check the decisions and calculations entering into the ascertainment of the amount of duty, on which subsequent payments, refunds, etc., are dependent. The specialized work of liquidating (and verifying liquidations) requires considerable training and a GAO auditor equipped for auditing receipts and expenditures for all types of Government agencies could not be expected to have the technical knowledge required for verifications of liquidations in the customs service.

It may be said, of course, that the present complete audit by the Comptroller turns up decrease errors as well as those which realize the collection of additional revenue of some $800,000 annually. It is quite true that the Comptroller's work frequently results in refunds to importers and that these run in the aggregate to very large sums, sums which in many years may approximate the additional revenue collected by reason of increase errors. It may be argued, therefore, that without the present complete audit the Government would save these refunds and this saving would make up for the loss of the additional revenue the complete audit produces. This argument is not only fallacious, it is morally and ethically unacceptable.

Import trading is as old as our country and in the course of years there has grown up to service it, groups of attorneys and brokers who specialize in customs work. Most customs litigation is on a contingent basis and the gentlemen who engage in it depend for their livelihood upon overturning Customs assessments. No one at all familiar with this phase of the work would expect any significant number of these decrease errors to go unchallenged. Not only would most of the saving vanish, but the necessity for collecting the refunds by recourse to the courts—thereby increasing the work of the customs courts, the Customs Division of the Department of Justice, and the Customs personnel who process protests and appeals to the customs courts—would make the payment of these deserved refunds an unnecessarily burdensome and expensive procedure to all concerned.

Customs, as an arm of the Federal Government, is obligated to treat all with scrupulous fairness, to administer the laws entrusted to it impartially and uniformly, to make certain, as far as is humanly possible, that given the same conditions of time and commodity, each importer pays the same amount of duty, at the rate prescribed by Congress—no more, and no less. The Tariff Act is a lengthy and intricate statute, full of fine distinctions and the subject of a multitude of judicial and quasi-judicial interpretations. It is against this background that the liquidator in a collector's office makes the initial determination of the duty payable. He has before him the shipper's invoice, the entry papers (including the bill of lading and any affidavits or other documents that the circumstances of the particular shipment may require), the appraiser's description of the merchandise and report of its value and condition, the inspector's tally of over-all quantity or weight, and perhaps a chemist's analysis. Initially, he must satisfy himself that the various reports before him are sufficient for his purposes and seek supplementary information when they are not. Then he determines the quantity and condition of the merchandise to be assessed and the dutiable value thereof, resolving any differences among the shipping papers and the miscellany of official reports supplied him. Then, from the complex of interacting and overlapping provisions which is the tariff, he selects the one rate which alone is applicable to this shipment and computes the duty down to the penny. This, in bare outline, is the process for each commodity in the shipment. Many liquidations involve invoices of numerous commodities. The intricacy and complexity of his work and the pressure under which it is most frequently performed are such that no reasonably prudent man would dream of permitting work of this kind charged with a public interest, involving huge sums of money, and containing the seeds of economic unbalance, to go unreviewed. Duty assessments are meant to be precise and accurate. Unless they are, the congressional intent which gave rise to them is nullified and the tariff becomes a guide rather than a rule.

There are two other generalizations found in the report which should be dealt with at this point, i. e., (1) the criticism that the approach of the comptroller's offices is geared over much to error finding and (2) that the knowledge that the Comptroller will closely check his work tends to make the Collector's man less careful in making his original liquidation or other assessment and

[3] These figures as well as other figures used and not further documented are based on the annual averages of each of the seven comptroller offices as far as available.

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that many, if not all, of the errors now caught by the Comptroller would not have been made in the first place had the Collector's man known he was on his own and could not be sure that a subsequent check would catch any errors.

With regard to error finding it should be borne in mind that the fundamental purpose of the Comptroller's work is the protection of the revenue. This is done in twofold fashion, (1) by verifying the Collectors accounts and, (2) by verification of the liquidations to check his duty assessments. Mechanical errors, and mathematical errors are insignificant. The value of the review lies in bringing to light other types of errors, oversights, mistakes in judgment, interpretation, application, etc. Since principles and precedents are frequently involved, the monetary difference arising from a particular error is often of secondary importance—the basic concern being that the law or rule be understood and correctly applied.[3] We think that the most effective way to straighten a man out on a specific matter is to point out to him just what he has done that is wrong and why it is wrong. We know of no more pragmatic method of educating against error. The McKinsey people missed the point here. Error finding is not an end in itself, it is a means to an end.

Lacking any foundation in fact or reason is the contention that were the present complete audit of the collectors' accounts and transcations removed, the collectors' personnel would do a better job and avoid most of the errors which are now grist in the comptroller's mills. This is pure nonsense. Collectors' personnel do an excellent job and the errors found are of importance only because the aggregate sums involved are so large that even the small percentage of errors[4] that occur cause revenue differences running into seven figures annually. The quality of the work is extremely high and the complete review by the Comptroller is a factor in keeping it high. The efficiency and performance of a liquidator are judged in great measure in his error record, and this, plus the humiliation naturally attendant upon receiving error tickets routed through channels from the Comptroller, tends to keep the employee on his toes. To say that the removal of the checks would have anything but an opposite effect is running counter to human experience. In this connection the McKinsey people manage to carry water on both shoulders for in another portion of the report, in citing the advantages of a proposed system of checks of collector's fiscal accounts, they mention as one of the benefits to be gained from the system the increased alertness and efficiency that will characterize the work of collectors once they are aware that it will be the subject of semiannual review and report.

The most cogent argument against substitution of the spot check for the present complete review is the character of Customs work. It is our opinion that spot checking would not provide sufficient safeguards in an operation of this kind. To an astonishing degree Customs transactions, even in the same commodity, are different one from another. The rate of duty applicable to a commodity is the most stable factor entering into the duty assessment on that commodity. And even this may vary with the weight and value of a particular shipment as well as being subject to change through judicial or other authoritative interpretation. Factors of weight, value, quantity, conditions, and even time of entry all enter into the calculations and most frequently differ from one shipment to the next. The Tariff Act contains some 732 paragraphs, many of them so further subdivided that there are well over 3,000 specific provisions, many of these in turn interrelated in such a fashion that a modification of one broadens or narrows the application of others. The act as a whole is as broad in scope and as diverse in the range of items covered as American business, industry, and agriculture. Consequently, there is a minimum of uniformity in the subject matter of Customs transactions. There is no pattern to them which generally permits a check of one to be a check of the others. The spot-check method is not only impracticable here, but it will produce confusion and delay in the conduct of Customs business and open the door wide to fraud and collusion. Consider how the system would operate in these specimen phases of the work of a comptroller's office.

Accounts current of collector's and supporting schedules and vouchers

At present a preaudit is made at the end of each month. Before transmission to the GAO, balances on hand, current collections, deposits credited within the month, and balances carried forward are verified from supporting schedules. Erroneous deposits, as such, are called to the attention of the Division of Bookkeeping and Warrants for correction. Errors are brought to the Bureau's attention when transmitting the accounts. The whole transaction is on a current basis, resulting in prompt adjustments of differences.

Under the proposed system, the field-audit group would visit a port (except New York) not more than twice in a calendar year. The accumulation of differences during this interval would be almost impossible to straighten out. For example, many times collections are scheduled under one symbol or account and deposited under another symbol; fines and penalties incurred are not always billed; refunds due to overpayment or mitigation are sometimes neglected; incorrect rates for reimbursable services are applied, and so forth.

Draw-back and import entry liquidations

Draw-back entries are, in effect, applications for refunds of duties paid on imported materials which have been used in products made in this country and then exported. For example, imported manganese ore used in the manufacture of steel, or lead used in the manufacture of certain gasolines. Normally they involve the refund of very large sums. They are usually highly intricate in nature and customarily are handled by employees who specialize in draw-back work. The draw-back liquidator must be thoroughly familiar with the processes by which the imported article is employed in the exported product. This is necessary so that he can identify the imported material and, by following it through the manufacturing process, protect the revenue against unauthorized diversions or substitutions and determine the amount of duty to be refunded.

The nature of import entries has been sufficiently discussed hitherto to require no further outline in this connection.

When liquidations are completed in a collector's office the entries are posted in a conspicuous place in the custom house as legal notification of their liquidation. This starts the statutory period running in which the liquidation and any or all of the decisions entered into it may be reconsidered. Under section 514 of the Tariff Act such liquidation becomes final[5] and binding on all parties, including the United States, within 60 days after such posting.[6] Under the McKinsey system, even if the spot check turned up something in its semiannual check, the likelihood is that because of the passing of the 60-day period no correction could be made. Consequently, the spot check would be waste motion in most cases even when the long chance of this type of audit developing something paid off. The alternative might be to extend the 60-day period to 7 months. The difficulty here is that this would delay the final disposition of all customs transactions with consequent disservice to the business community, and in the very few occasions when the spot check produced an error, it might be too late to close the barn door.

Manifest liquidation

Under existing laws and regulations the Comptroller receives independent information as to all merchandise arriving in his district. This information is contained in plane or vessel manifests forwarded direct by masters or pilots; by carriers in copies of I. T. entries or other forms of transportation entries where merchandise entered in one district is sent to another for disposal. The Comptroller therefore knows of all imported merchandise in his district, and he is in a position to see to it that it is either entered under some type of entry or exported, or if neither, sold at public auction or abandoned.

To account for the disposition of all merchandise coming into a Comptroller district or its equivalent by spot check would invite fraud and collusion on a gigantic scale. Were a vessel manifest to be suppressed or altered and the merchandise delivered without benefit of customs, no spot check could ever uncover the transaction, as there would be nothing to check. Moreover, it would be extremely difficult and costly to follow up merchandise unaccounted for if the field auditors visited a port only twice a year.

The proposal to do away with comptrollers of customs is by no means new. The usefulness and desirability of the present system of comptrollers' offices have been examined thoroughly many times, both by Congress and by the executive department, and in every instance the conclusion has been that the system is necessary, effective, and efficient.[7]

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[3] Sec. 16.2 (d), C. M. 1943, requires comptrollers to suspend the collector's liquidation for a manifest error in computation or for an error in rate regardless of the amount involved. Other differences under $1 are ignored.

[4] Despite the volume and extreme complexity of the work and the everpresent human factor, the national average is under 2 percent and local administrative offices are constantly striving to hammer it down further.

[5] Except in cases of clerical error.

[6] Sec. 514, Tariff Act. This section makes provision whereby importers by filing suitable protest within the 60-day period may keep the specific issue raised alive until it is settled by the courts or other authority.

[7] Over 20 years ago the then Secretary of the Treasury, Andrew Mellon, commenting on a proposal to transfer the comptrollers of customs to the General Accounting Office, wrote as follows: "It (the comptrollers' function) has been proven necessary by long years of experience and I am satisfied that if the comptrollers and their present organizations were to be transferred to the General Accounting Office, which in the nature of things would be limited to auditing functions and could not act in an administrative capacity, it would be necessary for the Treasury to erect in their stead a new organization to discharge the administrative duties which the comptrollers now perform." (Letter of March 7, 1923, to the Comptroller General.)

Extract from the Annual Report of the Secretary of the Treasury to Congress at the opening session, December 5, 1927:

"The legislation prescribing the procedure to be followed in connection with the audit by the General Accounting Office of customs accounts, referred to in the last annual report as pending in the Congress, failed of passage, as did also a substitute bill. Through conferences between representatives of the Comptroller General and the Department, however, an understanding was

It is our considered opinion that the McKinsey recommendations with regard to the work of comptrollers of customs are shortsighted in the extreme and, if adopted, would inevitably and in a short time work irreparable damage to the effectiveness, efficiency, and probity of customs operations, ramifications of which would be felt in important segments of American business and industry.

These comments have not been extended to cover that portion of the chapter which deals with the managerial aspects of the audit work. Some of the suggested changes have already been adopted—the consolidation of forms and the improvement of the internal-revenue rules regarding withholding-tax payments on pay rolls, for example. Others, such as the recommendation that the liability of certifying officers be reduced, are matters of policy for Congress to decide.

CHAPTER VII. PROTECTION, INVESTIGATION, AND ENFORCEMENT

The recommendations contained in this chapter as set out in pages 33 to 35, inclusive, and our comments are as follows:

1. Port patrol operations

(a) Reduce the amount of merchandise guarding where study indicates that other agencies should do more of this work.

The fuller treatment in the text shows that what is referred to here is the assignment of port patrol officers to prevent pilferage of private property on piers, etc. We know of no general practice of making such assignments and presumably they are local matters made as an accommodation to importers and exporters for purposes of good will. It is easy to understand the private parties' approval of such assignments. It costs nothing and because the port patrol officer can search on mere suspicion, his guarding is more effective. However, there is no justification whatever for assignments of this nature. Protection afforded private property by the assignment of a port patrol officer should never be more than an incidental benefit flowing from the assignment, never the motive for it. This is so clearly a noncustoms activity that there should be no time lost studying it. A peremptory order discontinuing such a practice, where it prevails, is called for.

(b) Increase the use of mobile patrols where practicable, thereby reducing costs.

The use of the phrase "where practicable" in this recommendation makes it incontestable. However, the text indicates that McKinsey & Co. consider that mobile patrols are practicable in large ports where they are not being used.

The port patrol force is a screen through which all articles taken from vessels arriving from foreign ports and from piers and terminals used by such vessels must pass. It is a screen, too, for all persons arriving on such vessels or having access to them. The searching of crew members, longshoremen, etc., leaving a pier is much more of a regular routine than the report suggests, and it is highly effective. Some notable seizures have been made in just this fashion, and seizures of one kind or another are made daily. To be effective at all, this screen must be operative day and night every day of the week. The limitations of mobile patrol under these circumstances are obvious. Mobile patrols are not sufficient for pier areas where vessels are moored unless there exists very favorable physical circumstances, such as the segregation of a number of piers within a high fence or other suitable barrier with but one point of exit from the area. The fact that city police use such patrols is beside the point. The problems and needs are entirely different.

(c) Expand the use of modern equipment and training to make patrols more flexible and effective.

Anything in the way of equipment and training which will increase efficiency is worth while. But care should be taken lest time and money be wasted on equipment that, while modern and the best of its type, has little practical value for customs. Training programs should be scrutinized closely to this end also. The proposal to send selected men to the Federal Bureau of Investigation schools seems to us inadvisable. The work of the port patrol officer is highly specialized. Much of the police work taught in these schools—viz, fingerprint work, criminal identification, the law of warrants and searches and seizures, investigative work—is without any value in the daily work of the port patrol officer.

(d) Change New York roll-call practices. Test out operations with no roll call. Until results of test are known, decentralize roll call and require supervisors to prepare themselves to drive cars in order to facilitate speedier coverage and inspection of personnel.

The trend is toward decentralization of the roll call. As far as possible supervisors should be required to drive their own cars. It can mean a saving in personnel with no impairment of the effectiveness of the patrol force. It might be a good idea to have another test of operations without roll call as suggested. The question could be settled for good, perhaps. On the other hand, twice in the past has the roll call been discontinued, only to be reestablished. There should be sufficient data on hand without the necessity of a third test.

(e) Standardize vessel searching practices to achieve more uniform coverage and practices.

We read "as far as practicable" into this recommendation so as to allow for local conditions and the difficulty of confirming illegal activities into rigid patterns. Standardization would require a common knowledge of varying methods and procedures so that the technique best adapted for familiar situations would be known to all. Improvement along these lines should be self-starting and not require the prodding of an efficiency survey.

(f) Deploy port patrol officers in accordance with work load to obtain greater uniformity and lower costs.

This is another way of saying that the responsible officer in the Bureau should examine staffing requirements in the various Port Patrol forces throughout the country to see that the work load and the staff maintain a proper relationship. This has probably been done now annually as part of budget preparations. If it isn't, it should be.

2. Customs Agency Service

Transfer responsibility for draw-back rate-application investigations from this organization to the Fiscal and Budget Division.

This transfer would be ill-advised, in our judgment. This work has long been easily and satisfactorily performed by the Customs Agency Service. The only reason for the proposal apparently is the feeling that this work is more closely allied to auditing and production engineering work. Actually, these investigations are, at base, fact finding in their nature, as are most investigations. The experience of men who have performed this work for years is that the requisites are simple accounting, a knowledge of customs laws and procedures, and an ability for investigative work.

3. Border operations

(a) Initiate action which will eventually organize a Federal border enforcement agency to combine the activities of all enforcement units now on the border.

This is a first-rate idea. There is opportunity for greater coordination of border enforcement work along these lines without any impairment of efficiency.

(b) Watch for evidence on the Canadian border of increased professional smuggling in the future. If this develops, increase the organization to combat it, either through the customs agency service or by reinstating a border patrol, depending upon the extent of the smuggling.

This is all right as far as it goes. It is no more than keeping tabs on the trend of illegal activities and deploying your forces most advantageously to cope with them. However, there is a certain complacent acceptance of the present virtually wide-open Canadian-border situation which we think is dangerous. On page 23, after relating the seizure at Vancouver, British Columbia, of a large quantity of opium which the smugglers were apparently intending to run in over the open Canadian border after being frustrated in attempts to land it undetected at various United States ports—the following statement is made: "This may be the start of a trend but it does not establish clear-cut evidence of increased professional smuggling." The point is that smuggling is by its nature clandestine. It does not proceed with bands playing and banners flying. Particularly with regard to narcotic smuggling does it seem to us that the reasonable probability of increased activity on the Canadian border should spur us to appropriate countermeasures at once without waiting for clear-cut evidence that such activity is and has been taking place. And that probability has existed for some time. Organized dope running is big business and it is reckless, indeed, to act on the assumption that the gentry who manage this traffic have failed to realize the remarkable opportunities implicit in our emasculated northern-border set-up. Nor should we bank too heavily on the fact that such smugglers have to get past the Canadian authorities before they menace us. Generally speaking, the final step in the illegal narcotic traffic, the distribution to the addict, takes place in large cities. Areas of dense population are the natural terminal points for this unsavory business. Sparsely settled Canada, with some 12,000,000 inhabitants in a land area greater than the 48 States and with relatively few large cities, is not the golden market for the dope-runner that the United States is. Consequently, narcotic smuggling is not the problem for the Canadians that it is for us, and we are not measuring up to our needs when we rely on their preventive measures to do our work for us.

(c) Obtain more funds so that greater use may be made of purchased information to combat smuggling.

To the extent that additional funds for informants will purchase useful information, funds should, of course, be supplied. However, it seems to us that before any such sum as the $100,000 recommended is disbursed, a study might be made in the Bureau going back over the figures for the last 10 years to see if there is any relationship between the amount of money made available or spent for this purpose and the amount of useful information obtained. The McKinsey recommendation is that emphasis on bought

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reached for the making of audits of customs accounts in the field by the General Accounting Office. Accordingly auditors from the General Accounting Office traveled to all the ports in the United States and periodically examined the accounts of collectors of customs. The differences and disallowances resulting from these field audits were negligible and such as were reported had in practically every instance been developed by the audit at the seat of government from papers submitted to the General Accounting Office with the collectors' accounts in support of expenditures from annual appropriations. It is gratifying to have the thoroughness and efficiency of the Department's administrative examination of customs transactions through the comptrollers of customs thus confirmed."

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information as against patrolling will make possible a 25- to 35-percent reduction in the patrol force, without, however, eliminating patrolling which would be done irregularly between entry points. Having in mind the necessity for men traveling in pairs and the 24 hours a day, 7 days a week character of this type of work, it is difficult to see how any such reduction could be made without making the patrol feature of border enforcement a farce. The practice of buying information is a necessary one but it should be used carefully lest it become a crutch which will in time rob the investigative and enforcement force of its vigor and alertness.

(d) Test radar as preventive of smuggling by airplane across the Mexican border.

Good idea.

4. Organization

(a) Establish two assistants to the Deputy Commissioner to allow for closer supervision and better coordination of all Customs enforcement work.

This recommendation would create two unnecessary supervisors in an organization that is carrying a peak load of such positions. Larger allocations for speedier communication such as telephone and teletype would be more useful.

Pending the establishment of a unified Federal Border Patrol, the Patrol might well be placed under the direction of the Collectors of Customs for the districts involved. These are the officials with whom their activities are directly associated. This was the arrangement previously.

To prevent duplication and conflict, payments for information should be the responsibility of the Customs Agency Service only.

(b) Give the Deputy Commissioner increased functional responsibility over port patrol operations so that practices may be kept uniformly modern and deployment of men can be made on a basis better related to work load.

There can be no objection to this provided the responsibility for the effective operation of the port patrol force in each district is kept where it belongs in the hands of the Collector of Customs for the district. The Deputy Commissioner can be of great assistance here in coordinating the port patrol work and acting as a clearing house for information as to new methods, techniques, and procedures.

(c) Reorganize the Border Patrol in keeping with the expanded use of informants, eliminate its present military nature, and call it Border Enforcement Unit.

This subject has already been treated in part in our comments on 3 (c). Neither the change in title nor the proposed demilitarization of the Patrol are matters of major consequence though before the uniform is dropped altogether some thought should be given to the deterrent effect that the appearance of a uniformed enforcement officer has on some potential lawbreakers. A uniformed man can always work in civies if the detail requires it. In line with the comment is the report on page 33 that because of the arduous nature of this work requiring above-average physical stamina an effort should be made to staff this outfit with young men with transfer or retirement of older men; this might be the appropriate time to consider these men in connection with the 20-year retirement plan just approved by a subcommittee of the House Post Office and Civil Service Committee.

It seems to us that throughout their study of the activities covered by this chapter, McKinsey & Co. have been obsessed with the mirage of money. Naturally their function being that it is a certain preoccupation with costs is to be expected and is necessary. But they have gone farther than that. It appears as if when they approach a proposition they are predisposed toward it if it promises to be a money saver so much so that they fail to give equal consideration to the pros and cons.

The proposals for extensive use of mobile patrols in the port patrol and spot patrolling by the border patrol are designed to save money. But they cannot be justified unless they provide adequate protection. The McKinsey people justify the thinning out of these patrolling activities by accepting (p. 6) from some unidentified source the statement that most of the big seizures are made, not as the result of patrolling, but on tips from informants. This is an important point, one which cannot but influence one's attitude toward patrol work. Further, it is a point which can readily be checked. Yet primarily we think because it is a palatable fact, it is accepted without check. Actually the truth lies in the other direction.

The report mentions savings up to $100,000 per annum as possible when the roll call is abolished. The saving comes from elimination of the half-hour overtime which is an incident of roll call. It is fairly reasonable to assume that the lure of this saving is the reason for the great hullabaloo raised over the roll call. Actually this saving could be made without changing the roll-call practice at all. A simple change in the regulations permitting the port patrol officer a half-hour lunch period within his tour of duty would do the trick. Staggering of lunch periods of officers on adjacent piers and other administrative devices could prevent any lessening of the effectiveness of the patrol thereby.

CHAPTER VIII. CUSTOMS OPERATIONS AT AIRPORTS

Chapter VIII of the McKinsey report concerning customs operations at airports is wordy and critical but sketchy and inconclusive. It is critical of conditions at airports, but offers very few constructive suggestions to improve existing conditions. Most of its 39 pages are concerned with the handling of the baggage of air travelers, but it fails to even scratch the surface insofar as cargo operations at airports are concerned. The report indicates very plainly that the committee didn't learn very much about air-cargo operations in the course of their study. Anyone who is conversant with the subject knows that the handling of air cargo is a much more important and urgent problem than the handling of the baggage of air travelers, so far as customs are concerned, yet the report is eloquent in what it leaves unsaid on this subject. While air travelers are more numerous than importers of air cargo, nevertheless the latter pay far more in customs duties and the handling of their imported merchandise entails the services of two or three times as much personnel. For instance, 6 or 8 inspectors and 1½ or 2 examiners can handle the baggage situation at LaGuardia Airport, whereas it requires the services of 17 inspectors, 4½ examiners and 2 customs verifiers to cope with the cargo situation during 8 hours at the same airport. The McKinsey report (p. 4) states that, in some instances, air cargo is handled expeditiously while at other airports the procedures in effect are cumbersome. It also reports that (p. 4) exasperating delays to travelers or importers were observed. However, it never once indicates what importers suffered the exasperating delays, or where the air cargo is handled expeditiously, or what procedures are cumbersome, or where such procedures are in effect. Except for recommending the revision of "Immediate Transportation Procedures" and extending the use of informal entries, the report offers nothing to improve air-cargo operations.

LaGuardia is the largest airport of entry in the United States. At LaGuardia Airport each air line has its own space for handling imported cargo with the result that there are 21 different places where air cargo is received, examined, and delivered. These individual cargo spaces are small and lack the facilities necessary for the expeditious handling of cargo. Seventeen customs inspectors are required to supervise the receipt and delivery of cargo under this arrangement and customs examiners waste time and energy running from place to place to perform their duties. If one large cargo space with facilities adequate to handle the air cargo carried by all the air lines was provided, more cargo could be handled at considerably less expense to the customs service.

The McKinsey report is completely silent on this subject.

Several suggestions of the McKinsey committee are self-evident and should be adopted, but others are of doubtful value if not actually dangerous and should be considered carefully before being adopted. The following suggestions fall within the first category and should be adopted:

1. Air lines should be induced to improve the baggage-unloading operations (p. 12 of McKinsey report).

2. Customs policy with respect to facilities should be reinforced by establishing standards as to size, lay-out, and auxiliary facilities, and employ a competent industrial engineer to develop these standards (p. 13).

3. Modernize or add buildings (p. 13).

4. Simplify baggage declarations and provide adequate instructions to guide passengers in the preparation of these forms (p. 15).

The following suggestions of the committee are doubtful or dangerous and should not be adopted at all or not until their effects are carefully weighed:

1. Institute spot-check baggage inspection methods (p. 16). This is an open invitation to smugglers and other dishonest travelers and would be a very dangerous innovation. There is no justification whatever for spot-checking the baggage of air travelers. Because of weight and other restrictions on the amount of baggage that may accompany the passenger, the air traveler never has a great amount of baggage. The physical examination of his baggage never takes more than a few minutes unless there is something out of order. The McKinsey people concede that most of the wasting at airports is not connected at all with customs, though we bear the onus of it. Even what waiting is incident to customs would be pared to an insignificant minimum if the physical facilities were made adequate as suggested.

There is nothing in this situation that warrants adoption of spot-checking. We should not buy spurious good will by failing to do an adequate job. Further the adoption of a spot-check system, as suggested, would actually foster ill will and resentment toward the customs. The travelers whose baggage was picked for examination would feel that they were being picked out as the ones most likely to be crooked. No amount of explanation that they were the guinea pigs in a scientific spot-check would wholly mollify them nor would it dispel the idea from their minds that their more fortunate fellow passengers thought their baggage was chosen because they were suspect. To say nothing of the general impression that those who went unexamined knew someone or greased someone's palm.

2. Place one supervisor in charge of all operations at an airport (p 17). On the face of it this is a good recommendation if it really could be done. If a supervisor was created who would have charge of all operations including customs, immigration, public health, plant quarantine, etc., it might make for improvement, but inasmuch as such a supervisor could not be created in view of the number of departments of the Government involved, this recommendation does not have any merit whatever. The McKinsey recommendation merely envisages a supervisor who would supervise the activities of the appraiser's staff as well as the collector's staff at the airport. There has never

been any criticism of lack of coordination between these two groups. In fact the only difference cited by the committee is that the inspectors at LaGuardia Airport, who work for the collector, are available regularly two shifts per day, while the examiners, who work for the appraiser are only regularly on duty one shift per day. This suggestion of the McKinsey group would merely create another job with a high sounding title, with a higher grade and salary, but with little additional responsibility to go with it.

3. Combine certain inspection and appraising operations (p. 17). This recommendation contemplates training certain personnel both in inspection and examination so that one man can be authorized to perform both operations up to a given value level. This appears to be a worth-while suggestion so far as airports are concerned where relatively few inspectors are required for baggage examination and where examiners are readily available if a difficult problem arises. Its feasibility elsewhere is something else again.

In pages 20 through 23 a number of suggestions are advanced for temporary measures which will immediately relieve unsatisfactory physical conditions at LaGuardia Airport. The suggestions are quite good and their adoption would benefit the traveling public, the airlines and the customs. However, these are the stuff dreams are made of unless the air lines change their attitude overnight or unless our own administrators drop their hat-in-hand attitude toward the air lines and treat them with proper firmness where supplications are unavailing. The air lines have had this unsatisfactory physical layout pointed out to them many times but have shown no disposition to do anything about it. Of course it may be because the traveling public blames customs for their delays and discomfort and does not realize that the carriers are largely responsible through their failure to provide proper facilities.

Revise immediate transportation procedures—public store packages

On page 25 under the above headings the survey makes useful suggestions:

4. Expand use of immediate delivery permit: The survey finds that we are not taking full advantage of our authority to release merchandise to an importer immediately. As far as we know we are giving the immediate delivery permits as wide a use as possible but we are open to suggestions, specific suggestions.

5. Extend the use of informal entries (p. 25): The customs regulations authorize the use of informal entries for shipments such as samples valued at less than $100. The McKinsey committee recommends the expanded use of this type of entry up to the amount of exemptions granted a returning passenger. There are only two things wrong with this suggestion and it serves to indicate how the committee merely skimmed over the situation at the airports. In the first place the recommendation endeavors to avoid the use of formal entries rather than to improve them. Secondly, it attempts to put cargo shipments of regular merchandise in the same class as passengers' baggage. This is an erroneous idea for the reason that passengers are restricted by the customs regulations in the number of exemptions they are entitled to, whereas no such restriction applied to importers in the use of informal entries. By enabling an importer to enter larger shipments of merchandise on informal entries it enables him to escape the consequences of undervaluation, for it is only in a formal entry that an importer is required to make a sworn statement attesting to the correctness of the value shown on an invoice. With several planes arriving at LaGuardia Airport each day from Paris, London, Rome, Stockholm, etc., it would make it easier for an importer to split his shipments so as to avoid ever making a formal entry. The recommendation indicates that the committee did not attack the problem in the proper manner. If it had cared to investigate it could have very readily ascertained that the customs are examining and releasing merchandise at LaGuardia Airport on the same day or on the day following entry, whereas it is usually a week after the arrival of air shipments before an importer makes his entry. Customs certainly has nothing to be ashamed of in this record. Any criticism in this connection would seem to lie at the door of the air line, the importer or his customs broker. The time which elapses between the arrival of air shipments at the airport of entry and the release to the importer is accounted for by the slowness of the air line in issuing arrival notices and/or the slowness of the importer or his broker in making the entry, the latter in many instances based on the former.

From page 26 through to the end of the chapter are set forth a number of recommendations for bringing up to date the tariff and other laws and regulations pertaining to handling of aircraft operations, also suggestions for cost analysis of operations, etc., all of which are of a general nature and not particularly controversial. Others which deserve comment are dealt with elsewhere and our comments will be found in those chapters. Before concluding, however, we should like to point out a few statements in the text which in our view illustrate very forcefully the superficial nature of most of the surveying done on the airport work. On page 23 the following appears:

"There appear to be more passengers and more bags per plane arriving at LaGuardia than at any airport in the country. Our study showed an average of 33 passengers and 81 bags per plane compared with 11 passengers and 16 bags at Burlington, Vt." The committee would not have to study very hard to ascertain that the passengers at LaGuardia are chiefly from Europe, Africa, or South America where they stay for longer periods and require more baggage than the passengers at Burlington, Vt., who are chiefly from Canada where they stay for shorter periods and therefore require less baggage. Based on this observation and the statement that a lower percentage of passengers pay duty at LaGuardia than at Miami or Washington, the committee concludes that spot checking the examination of baggage would speed operations at LaGuardia. Apparently the committee did not undertake to study the type of passengers, the countries from which they came, or the number of undeclared or undervalued items at LaGuardia as compared with other airports before making their spot-checking recommendation.

Another example of the depth of the committee's study is found on page 19 where it is stated "that approximately 30 minutes in process time is required for the Canadian section and 100 minutes for the overseas section" in the customs handling of passengers baggage at LaGuardia Airport. Not one word is mentioned in the report about the wide difference in the problem at the two sections. Any kind of a fairly exhaustive study would have shown that only two air lines are involved in the Canadian section, that there are comparatively few simultaneous arrivals from Canada, and that the passengers present practically no immigration or public health problem, as compared with 15 or more air lines involved at the overseas section with two, three, or more planes arriving simultaneously with passengers from almost every country in the world, many of whom present the immigration and customs officers with problems of a difficult nature to handle.

CHAPTER IX. EFFECTIVE MANAGEMENT FOR THE CUSTOMS SERVICE

For the most part our comments are set out immediately beneath the recommendation. Some of the recommendations in this chapter, however, are extremely general in nature though sweeping in character and cannot be thus categorically treated.

Simplify and streamline headquarters organization—Establish regions and realine activities to attain faster, better service in the field at less cost

These two recommendations are the principal features of a drastic change proposed in the organization of the Customs Service. Generally speaking, authority is now exercised at the top (the Customs Bureau in Washington) and locally in the various collectors' offices, etc. The proposal is to drain off much of the authority from either end and concentrate it on an intermediate level in newly created regions, nine in all, each complete with regional director and staff. The proposal itself is regarded by the committee as tentative and suited for further study. It is not an economy measure since comparatively it would cost $525,000 per year more than the present system. Its special appeal to the committee lies in their conclusion that it will free the top management of customs of the burdens of administration and thus create a corps of headquarters executives who can devote the majority of their time to top-echelon planning or staff work. The effect expected is an over-all improvement in customs work. Since the committee considers that customs is now run as efficiently as the average business organization, the changes and the $500,000 or more additional cost would be counted on to improve the service to a point where its efficiency would be measurably superior to that of the majority of enterprises run for private profit.

Since the proposal is labeled tentative and subject to further study it is probably fairer to make observations concerning some of the premises and conclusions rather than express either criticism or approval.

Much of the cited work load on the Commissioner is perfunctory, not real. The number of persons cited as reporting to him personally is misleading. Most of this reporting is irregular and much of it through channels. The real work load could be lessened very appreciably by the delegation of authority to and the assumption of responsibility by the existing staff. Managerial skill would be as effective here as certain phases of the proposed reorganization.

The suggestion that collectors be given greater leeway to deviate from the regulations is an excellent one and if backed as suggested by occasional check of its use would give useful flexibility to certain customs operations. It is not true, however, to say (p. 15) that collectors lack authority. They possess great authority and their deficiencies on the score of experience in customs are compensated for in the assistant collector's background.

The principles of good organization outlined on page 17 would place certain inhibitions on the organization and location of regional offices. Because they are so closely related and occasion so much intercourse between customs offices and importers, brokers and attorneys, appraisement, classification, and liquidating activities should be located together. The logical place for such location is a port city, in most cases a seaport. It is desirable that the regions set up be roughly equivalent in area and the volume and scope of their activities. But this factor combined with emphasis on location of regional headquarters at a seaport city in most if not all instances, would mean a grouping of areas without regard to size, geographical association or similarity of

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problems and conditions which is itself a recognized principle of good organization. Of the two alternate plans for the regional organization we think that which confines the regional office to supervisory duties and leaves the administrative work at district levels, as it is presently, is the better.

The emphasis on freeing what is called the top management of the customs service from the burdens of administration so as to free them for high-level planning betrays a fundamental misconception of the nature of Government operations and more particularly customs operations. There is no parallel between the problems of industrial or commercial top management and those of the customs executives. The businessman must explore possibilities which are not open to the customs executive. He is relatively a free agent. At bottom the only limitations upon him are that he operate a legal enterprise and do so profitably. The scope for planning, for staff work is limitless. The customs administrator has no such continuing need for absorption in planning. His activities are sharply circumscribed, the work he is to do, and many of the methods and procedures which he employs, are prescribed for him by higher authority. The scope of his planning is sharply limited. On a permanent basis, therefore, the plan to divorce planning from operations by giving one Deputy Commissioner full responsibility for field operations would be wasteful.

A similar statement might be made of the various new technical jobs created. After the heavy original work of standardizing and improving spot checking and setting up useful statistical data, developing plans and lay-outs for customs facilities at airports, etc., improving the lay-out of customs houses, developing and improving material-handling devices, etc., etc., had been disposed of, the large staff of expert professional consultants employed would no longer be needed. The systems instituted could be carried on by fewer persons with much less skill. This suggests that the better arrangement would be not to add sections or divisions of such professional personnel to the customs organization but to use them on a consultant or fee basis while the need for their special services exists. Some consideration might be given to borrowing such talent for short periods from other Government agencies, engineering help from the Public Buildings Administration, airport engineers from the Civil Aeronautics Authority, just as McKinsey & Co. borrowed Dr. Deming from the Bureau of the Budget. We should be careful lest in creating more top brass we staff the customs service with Mexican generals.

Improve personnel administration, especially with reference to training, promotional opportunities, and handling of personnel actions

There is room for great improvement here along the lines suggested. The establishment of personnel policies and the issuing of directives thereon should be in the hands of a central authority with provision for review of important personnel changes and adjustments. Authority for routine personnel matters should stay at the district level subject to occasional spot check from above to insure uniformity of action.

The spirit the committee found in the Customs Service is all the more noteworthy since it exists despite gross abuses and inequities in personnel administration by some local administrators and the Bureau. When the rank and file of a competent outfit like the Customs Service are generally suspicious of the good faith of the organization's top command, personnel matters are being handled badly.

Establish a work measurement and simplification program for constant review and improvement of organization procedures and methods.

This will provide useful managerial tools.

Undertake a comprehensive public relations program to correct misimpressions concerning customs laws and regulations and to generally improve the reaction of the public to the customs service.

A useful idea. The idea of emphasizing the theme that it is American to be honest might be productive of improvement. In noncommercial matters, the weakness has been not that people are dishonest but that they regard the observance of customs laws as outside the scope of their normal moral code. Persons who are scrupulously honest and fair in all their other dealings frequently think nothing of trying to beat the customs. It is regarded as a game. In commercial matters while dishonesty exists the great problem is that of securing necessary information from unwilling or reluctant sources.

The recommendations proper do not mention a revision of the so-called 1911 act overtime which is called for in the text. Although any revision of this act will be made by Congress with full opportunity for all sides to be heard and thus there is no driving necessity for correcting the report's misstatements, the committee's treatment of the employees' side is so superficial and hostile that we cannot forego the opportunity to set the record straight in a few particulars.

To begin with, the table of overtime pay compensation shown on page 36 is not correct. The correct figures for work other than on Sundays and holidays are as follows:

Working time:	*Equivalent pay received*
Less than 3 hours but not less than 1 hour.	½ day.
Less than 5 hours but not less than 3 hours.	1 day.
Less than 7 hours but not less than 5 hours.	1½ days.
Less than 9 hours but not less than 7 hours.	2 days.
15 hours or less but not less than 9 hours.	2½ days.

The committee cites an apparently extreme instance of what it calls excessive pay for 1 hour's work. In the absence of all the facts it is difficult to know whether the charge is an excessive one. The time spent on duty is only part of the story. If an employee has to hold himself in readiness for a call all evening and must spend an appreciable part of the early morning hours traveling to the assignment, the fact that he actually worked only from 2 a. m. to 3 a. m. loses some of its importance. The committee could easily have cited another case where a custom officer working 24 hours around the clock receives as overtime 2½ days' pay, the equivalent of time and one-eighth. Further, this is not an isolated or uncommon case. It happens regularly every night in the week except on Sundays and holidays.

Comparison is made between the so-called time and one-half rates of the FEP Act and those of the 1911 act. The differences in the circumstances of the work are ignored. The FEP provisions are patterned after industrial standards of a 40-hour week with time and one-half for overtime. They are based on orderly scheduled overtime of an hour or two per day performed immediately after the ending of the normal work period, at the same desk, machine or location at which the day's work has been performed, with no necessity for traveling elsewhere for the overtime assignment. Such overtime is limited in duration so that the employee is not deprived of his normal family life at home. Its coming and duration are known well in advance and the employee has ample time to make his plans. The customs officer on the other hand is given his assignment but a few hours in advance. He may be on duty half of the night—he may be on duty all the night. The work to be performed may be at a point so distant as to disrupt all his traveling schedules and multiply his traveling time. The duration of the usual assignment and the scheduling of it are such as to have a deleterious effect on his home life.

The survey committee evidences little perception when it makes this comparison. Either that or it was sold a gold brick.

Capper Says Welfare State Is Only Short Distance From Police State

EXTENSION OF REMARKS
OF
HON. ALBERT M. COLE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. COLE of Kansas. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Topeka Daily Capital of May 9, 1949:

CAPPER SAYS WELFARE STATE IS ONLY SHORT DISTANCE FROM POLICE STATE

Reviewing an address made before young Kansans in Topeka to study and practice government, former Senator Arthur Capper gave his weekly WIBW radio audience his philosophy of government and pointed to current trends. The complete text follows:

Last Monday I was honored with an invitation to address the Sunflower Statesmen's meeting in Representative Hall at the Statehouse. This is the alumni association, so to speak, of the Boys' State Government, which was making a practice run at governing Kansas for the day.

I decided to talk to these youngsters who will be running the State of Kansas in fact in a few years from now on the subject Man and His Government. I am going to tell you this afternoon the substance of what I told the Boy Staters.

My excuse for this kind of a discussion is my keen interest in the relationship of the individual to his government. Also, that in my more than four-score years—nearly half in official capacities in government—I believe I have got some ideas on what it is all about, underneath the surface struggles for position, power, and, I am sorry to say, control.

I want to talk to you as one person to another; individual to individual; not as a member of some group to a group or to members of a group.

The life, liberty, and pursuit of happiness written into the Declaration of Independence are the life, liberty, and pursuit of happiness by, for, and of the individual.

In my own collection of great Americans I carry three as the great ones. One of them, by the way, is a woman.

The three great Americans are: George Washington, who led us in our fight for liberty; Abraham Lincoln, who preserved and extended liberty; and Miss Susan B. Anthony (sister of our own Col. Dan Anthony, of Leavenworth), who fought gallantly all her life, and finally successfully, to liberate the women of America.

These are the three great ones in my book.

Abraham Lincoln believed, as did other heroes, that the purpose of government is not just to serve the people; but, above all, to preserve the liberty, the freedom, of the individual.

Government is just a means to that end.

When the functions of government are diverted to other ends, whatever the professed objectives may be, then that government is a failure, and that government should fall.

Lincoln left many words of wisdom; many epigrams that are worthy of our consideration and our following. Perhaps his greatest contribution to thought was in his Gettysburg Address.

That address was not delivered just to those of his own day and generation. It was delivered to us. It will fit our children and their children, I hope, through countless time to come.

Abraham Lincoln spoke these words to Americans of all time:

"Fourscore and seven years ago our fathers brought forth upon this continent a new nation, conceived in liberty, and dedicated to the proposition that all men are created equal."

There, my friends, in 29 words is the history of a thousand years of the Anglo-Saxon struggle toward a government that is the servant, not the master, of the individual; that preserves for the individual the inalienable right to life, liberty, and the pursuit of happiness—the principle of individual human liberty.

Man and his government, as contrasted to government and its men.

The basis for true liberalism is this liberty of the individual. The true liberal, of course, has a decent and conscientious regard for the liberty of other individuals—and not just for other liberals, either.

I did not always find myself in agreement with former Senator Ball, of Minnesota, but I think that upon one occasion he spoke words worthy of the attention of all of us who love liberty. He said:

"I mean liberty, not for any particular group in society, whether it be workers, farmers, business, or professional men, but liberty for all individuals as individuals. You will never find a liberal, according to my definition, talking about the masses, or the common man, or even the average man. To my kind of liberal every individual is uncommon. He is a human being with a soul, not merely a complex assembly of appetites and fears."

That is the kind of a government we have had in this country; the kind of government our forefathers created, at tremendous sacrifices.

Shall we today sacrifice this Government, because in the Old World whole peoples have surrendered themselves to dictatorships, to the still older theory that the individual as an individual has no rights, no liberty of his own, but as only one of a group, an atom in the conglomeration of a juggernaut machine known as the state—even though they call it a welfare state?

The welfare state, my friends, please keep in mind, is only a generation or so removed from the police state. As immutably as night follows day, the welfare state is succeeded by the police state. Read world history.

Do we want that?

I say no, a thousand times no.

My young friends, I told the Boy-Staters, we today, in the New World as well as in the Old, are facing a supreme struggle to maintain the kind of a government that Lincoln described.

We face a determination whether these principles, planted upon our shores some 328 years ago; emerging as a free Union of States fewer than 200 years ago; reforged in our own Civil War more than fourscore years ago, shall survive the deluge of political and economical fallacies poured into and poisoning our system from overseas these past two generations—

Or whether surrendering our own strength through the freedom and liberty of the individual, we shall perish as a Nation and return this world to another age of darkness and despair.

Government by dictatorship—the police state—is not new, whether it be dictatorship by an individual, or by a selected group, or dictatorship by the proletariat. It is older than the divine right of kings; old as the doctrine that the minority, like the individual, is absolutely at the mercy of an unrestrained majority; old as the false doctrine that might makes right.

The road to stateism, the road to serfdom, has evolved, however, a slightly different technique from that which prevailed in the Western World after the fall of the Roman Empire.

Rather the technique is that which was used to change the Roman Republic into the Roman Empire, which went after world leadership, and got world leadership—at the price of liberty and freedom of the Roman citizen.

First, the people are deprived of just a little of their freedom of choice, through being cajoled or purchased or coerced into surrendering little pieces of their individual liberty to the control of a party or a group. They are seduced by the promise that in return for surrendering some of their individual liberty (which they can get back any time they want by voting it back) they will be given security by the Government.

This so-called security is in the economics field. To provide it the state—the government—will furnish an ever-increasing amount of money to provide this economic security. This will take the form of grants, subsidies, benefits, free food, free medical services, free lodging for more and more, free recreation facilities. The Romans lumped it under bread and circuses.

Generally these promises are made in a time of depression. The accompanying controls are fastened on during a war emergency, and riveted in the postwar period in the name of preventing a depression precipitated by war and postwar inflation.

Such programs require, and encourage, huge government expenditures. Since they are started in depression periods, government rarely starts out by footing the bills through increased taxes. Instead, deficit financing (borrowing money from the people) is resorted to.

But sooner or later, increased taxation is necessary to meet the government expenditures. In the end, such taxation amounts to confiscation of the property of the individual.

Next the government resorts to price controls and rationing of goods, and undertakes to direct the operations of agriculture, and business, and industry, and the use of labor—

At this stage of the game, the individual definitely loses his liberty and becomes the serf of the State.

From that time on, the transition from the welfare state to the police state is a matter merely of time—not a great extent of time, in the life of a nation.

The point I am making is that the first steps toward depriving the individual of his liberty are taken when the individuals are cajoled, purchased, or mildly coerced into the position where the individual becomes accustomed to depend upon government instead of upon himself, to take care of his needs and provide his wants.

The Gethsemane of David Lilienthal, a Great American

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. KLEIN. Mr. Speaker, a truly great American, a man who has devoted his life to the effective practice of democratic ideals, is today walking in a Gethsemane of his own, as vague and shadowy interests of sinister shape prepare for his public crucifixion.

There are newspapers which, for the sake of selling a few more newspapers, have been willing to indulge in an orgy of sensationalism with little regard to facts.

The victim of their campaign of vilification is David Lilienthal, Chairman of the Atomic Energy Commission.

That there are employees of the Commission who gab too much is proved by the sensational headlines which have assailed the American public ever since the Atomic Energy Act was passed; that those employees have no access to secret information and cannot be trusted is proved by the wild inaccuracy of rumor after rumor flaunted on front pages.

Just to show that there is another side to the story, I am inserting as a part of my remarks an editorial from the New York Post, an article by Max Lerner published in the New York Post—from which I have made several deletions—and an editorial from the Washington Post.

[From the New York Post of May 24, 1949]

BEHIND THE ATTACK ON LILIENTHAL

New York's Hearst and McCormick newspapers, valiantly echoed by the World-Telegram and the Sun, with other voices in the wings, have enlisted in the crusade against Atomic Energy Commissioner David Lilienthal. They are contributing headlines, editorials, and bedtime stories.

This isn't a local enterprise.

It is important that the country understand the nature of the drive against Lilienthal:

1. This is an attempt to destroy a man whose name and works symbolize civilian—rather than military—control of atomic energy.

2. This is an attempt to destroy a man whose personal credo is liberalism and who has refused to surrender his principles to obtain congressional favor.

In the campaign against Lilienthal the overtones of intolerance are inescapable.

The ugly weapon of religious prejudice is being cynically exploited in the cloakrooms and barrooms of Washington.

We make this charge with full awareness of its solemnity. We don't believe in looking for bigotry under beds. Nor do we believe that all of Lilienthal's critics are deliberately using this device. There is honest dispute about some phases of the AEC's activity.

But we are convinced that this furiously fake hysteria could not have been engineered without whispered words of prejudice.

It was an open secret in Washington that the weapon of anti-Semitism was used in the initial fight to block Lilienthal's confirmation.

It is being used again.

The campaign against him is cloaked in charges that he is soft toward Communists and negligent in the protection of atomic secrets. His anti-Communist convictions are well known; and J. Edgar Hoover has conceded that no espionage was involved in the recent mystery of the missing ounce of uranium.

On their merits the current accusations against Lilienthal would be 1-day newspaper escapades.

But he is a liberal. He is an independent public official who refuses to play Washington parlor games. He is a Jew. In the real world these are explosive political qualities.

So the slanders are intense and commonplace, the atmosphere of frame-up grows and the lynch spirit rises.

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The big brass and the Republican politicos are playing for great stakes. They are fighting to revive military domination of the atomic program and to crucify a conscientious liberal commissioner.

That is the real story behind the scare headlines.

[From the New York Post of May 25, 1949]

LILIENTHAL AND THE GOBLINS

(By Max Lerner)

WASHINGTON.—The Washington landscape is thick with congressional investigations of David Lilienthal. They are such eager beavers that they get in each others' way and stumble over each other. Why are they after the scalp of the Chairman of the Atomic Energy Commission?

The most persistent explanation you get in Washington circles is that there is a combined senatorial and military clique that wants to take atomic energy away from civilian control and turn it over to the military, as in the palmy days of General Groves.

Since the air here is filled with inquiries, I decided to do some inquiring of my own. The only man who can make an authoritative statement on this issue of military control of atomic energy is the National Defense Secretary Johnson. I knew that he is a square-shooter who doesn't mince words in his statements.

I went to see Secretary Johnson. I told him that in the whispering galleries of the Capitol the issue of military control was being used in an underground way. It is being used as a stick with which to beat the Lilienthal civilian dog.

Secretary Johnson was forthright in his answer. "You can say for the National Military Establishment," he told me, "that we have had no desire to handle the matter. We have none now. We want none of it in the future." He added with a grim smile, "We have plenty of jobs of our own to handle." And finally, "If there is anyone in this organization who is sabotaging this policy of ours, I'd like to know about it."

That is straight enough. I hope it silences at least one of the arguments of the hate-Lilienthal movement.

The get-Lilienthal crowd distrusts something else in him even more than his pride and his New Deal past. They fear his emphasis on the unfettered scientific spirit, his own creativeness and the creativeness of the men with whom he surrounds himself. The typical Lilienthal-hater knows that we are maintaining our pre-eminence in the world on all atomic research, but that knowledge galls him all the more. Since he cannot fight Lilienthal on the level of creativeness, he fights him with the brass knuckles of politics.

For once the get-Lilienthal crowd may succeed. The big weapon they have against him is the awe in which everyone stands of anything atomic. "I appeal to you," Lilienthal pleaded with the subcommittee on the question of the isotopes exported to Finland, "not to let this get to be a matter of public fear." He had put his finger on the core problem. Whenever a magic word like "isotopes" or "uranium" was uttered, the eyes of everyone in the committee room took on the glazed look that the worshippers in the exotic cults of Isis and Cybele must have had centuries ago in Asia Minor.

The religious mysteries of today have become the atomic-energy mysteries. The incalculable destructive power of the atom bomb has become merged in our minds with the incalculable destructive power of God. Very few, except the scientists, know the present power of fissionable material. None, not even the scientists, know its potential. We prostrate ourselves before the unknown and the unknowable. And, as so often happens, behind the screen of this mysterious cult we go about tearing savagely into shreds the men and causes we hate anyway.

Atomic research and atomic security are no longer, as other things are, matters for fallible men to discuss with fallible men. They have been taken out of this world. The American people are being told that unless they get superhuman perfection, with never the slightest error and never the slightest leak, the goblins will get them. That is the heart of the Lilienthal story. It is a goblin story.

[From the Washington Post of May 26, 1949]

SECRETS OR SENSATIONS

To the extent that the congressional inquiry into atomic security serves to put the Atomic Energy Commission on its toes, the current rash of finger pointing may have a useful result. Chairman Lilienthal now has admitted that the Commission was derelict in not reporting to the FBI at once the loss of a minute quantity of uranium. Certainly this indicates lax security checks. But Mr. Lilienthal hardly can be charged personally with a violation of security regulations about which he was not even informed until late. In this respect his willingness to assume guilt merely furnishes ammunition to the vindicative sensationalists who are out to crucify him—and civilian control of atomic energy.

The point to remember—and it cannot be emphasized enough—is that the security value of the missing uranium is almost precisely nil. No atom secrets can be learned from it. Most of the lost U–235 has been recovered and positively identified through analysis of laboratory wastes. It is probable that there is a perfectly natural explanation for the disappearance of the bottle originally containing the smidgeon of U–235. The bottle was similar to thousands of other bottles at the Argonne laboratory. It could easily have been broken or accidentally discarded. Laboratory personnel were negligent in trying to clear up the mystery themselves instead of immediately notifying the FBI. But this was carelessness, not conspiracy.

It is disingenuous to attempt to magnify these circumstances into a full-blown security scare. Likewise, it is pure maliciousness to imply, from an off-the-cuff remark by AEC General Manager Carroll Wilson, that atom secrets have been stolen. Mr. Wilson was asked a hypothetical question whether any AEC plans have been stolen. He replied that out of millions of documents probably some have been taken. Certainly such a statement involving vast numbers of nonsecret papers cannot fairly be regarded as an admission that atomic secrets have been stolen.

Altogether, the attacks on Mr. Lilienthal and the irresponsible and undocumented charges that the AEC is shot through with Communist sympathizers are indicative of a fear obsession with a new force that the inquisitors know very little about. There is a great need for more intelligent criticism of the Atomic Energy Commission—and in this respect the Joint Commission on Atomic Energy has been a suppliant rather than the watchdog intended by the Atomic Energy Act. But more intelligent criticism—and understanding—depend on limiting, rather than enlarging, the areas of secrecy. The danger, from the sort of hysterical nonsence now being spread, is that atomic energy may be walled off permanently from the people in a military preserve from which it cannot be extricated.

Progress and Perils in Flood Control and River and Harbor Improvements

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EXTENSION OF REMARKS

OF

HON. WILLIAM M. WHITTINGTON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. WHITTINGTON. Mr. Speaker, under leave to extend my remarks, I include the following address delivered by me at the annual luncheon of the National Rivers and Harbors Congress, Washington, D. C., Mayflower Hotel, 12:30 p. m., Friday, April 8, 1949, to wit:

The advance of the United States in flood control since the policy was adopted in 1936 has been marvelous. The planning and construction of improvements have been declared, in all the flood-control and rivers and harbors acts passed since 1928, to be the function of the Corps of Engineers of the United States Army. I am glad to report that the last session of the Congress made the largest appropriation in dollars for flood control, rivers and harbors, and reclamation in the history of the country. While the appropriations are large, the benefits are still larger.

But progress is always subject to attack. It has opposition today. The adopted policy and the progress that has been made under that policy are under attack.

APPROPRIATIONS

First, there is the peril of inadequate appropriations. Whenever the Committees of the Congress on Appropriations consider flood-control and river and harbor improvements, the spokesmen for economy are vocal. The advocates of improvements must take nothing for granted. The appropriations for the next current year have just been passed by the House. There was an arbitrary reduction of 15 percent, and I put it mildly when I say that the reduction was wholly unjustified. The reasons assigned were not even ordinary excuses. The committee admitted that all the projects were sound; that the budget requests were in order. They undertook, first, to eliminate unencumbered balances contrary to the policy that has always obtained. Secondly, under the guise of reduction in the cost of construction, the House Committee on Appropriations arbitrarily reduced budget recommendations 15 percent. There is one silver lining in the sky. The House committee definitely promised that in the event additional appropriations were necessary, deficiency appropriations would be made for the 15-percent reduction. The committee overlooked the fact that costs have been increasing for the past few years and that less work could be done therefor. The committee, instead of discouraging, should encourage more work being done for the dollars appropriated now. A second and a more serious error was committed by the House Committee on Appropriations. They arbitrarily reduced the budget estimate by what they determined to be the amount of the unencumbered balances of previous appropriations. For nation flood control there was a reduction of $50,000,000; for rivers and harbors a reduction of $25,000,000. I emphasize that the peril of unreasonable and inadequate appropriations must be met.

The appropriation bill for civil functions is now pending in the Senate. The members of the National Rivers and Harbors Congress

should contact their Senators in behalf of making at least the appropriation recommended by President Truman in his budget message.

The program in flood-control and river-and-harbor improvements has another peril. Four years ago the advocates of a Missouri Valley Authority were on the march. Today the superficial planners, following the floods along the Columbia River in 1948, are again on the march. They sound a lesser note on the Missouri Valley Authority but a higher note on the Columbia River Authority. The constructive provisions of the Flood Control Act of 1944 repudiated a Missouri Valley Authority and wisely provided for reclamation works of the upper Missouri River and its tributaries to be planned and executed by the Bureau of Reclamation, and the flood-control improvements in the lower stretches to be planned and executed by the Corps of Engineers. The adopted policy in the Columbia River Basin, as well as in all other river basins, provides not only for navigation but for the generation of electric energy and for furnishing water to arid lands by irrigation. The policy also provides for cooperation by the Department of Agriculture and the War Department.

The Bonneville Dam with its power, and Grand Coulee with both power and reclamation, have been constructed. Other projects are under construction by the Corps of Engineers and Bureau of Reclamation. A valley authority would deprive these established agencies of their functions in the Columbia River Basin. The proposals for other valley authorities have been repeatedly rejected by the Congress. I believe that Congress will reject again the proposal of bureaucracy to ride the rivers. There are many reasons why the adopted policy of flood control and reclamation in the Columbia River Basin should not be supplanted and replaced by an authority. The control of Congress would be surrendered. Bureaucracy would be increased. Revolving funds would be provided over which Congress would have no control. Activities would be promoted which many patriotic Americans do not consider proper governmental functions. A valley authority is unnecessary to coordinate the activities of the Bureau of Reclamation and Soil Conservation or the activities of the Corps of Engineers and Soil Conservation.

But there is another reason why I oppose valley authorities. The Corps of Engineers and the Bureau of Reclamation would be deprived of their functions.

Bills for the reorganization of the executive departments are under consideration. It is proposed to strip the Corps of Engineers of their civil functions. Such efforts have been made for 20 years. President Hoover submitted a reorganization plan to Congress in 1932. It was disastrously defeated. Congress has rejected all suggestions for placing the Corps of Engineers under any supervision except the Department of the Army. Such proposals, wherever and whenever they appear, should again be defeated. There are many reasons why the Corps of Engineers should continue to execute flood-control and river-and-harbor improvements under the Department of the Army and why their functions should not be transferred to another agency. Their record is unexcelled. That record is fair and spotless. It has never been tainted by fraud or corruption. Their experience in peacetime construction is essential for their construction in time of war. They have the experience but they also have the character and the ability. I do not believe that Congress will strip the Corps of Engineers of their civil functions.

NATURAL RESOURCES

The natural resources of the United States have made possible the growth and development of this country as the most powerful nation in history. Among the most important of these resources are rivers and lands. When they are exhausted they will not renew themselves; they are lost forever. The arid lands of the Middle East and of China, which were once fertile and well-watered, are a warning that our resources must be preserved.

The conflict between the use and misuse of land and water is as old as the Biblical contest between light and darkness, and it is as new as atomic energy.

We are acutely aware that our natural resources are imperiled. We know that our soils are being neglected. We know that our minerals are being exhausted. We know that our petroleum reserves are being depleted in excess of new discoveries. We are determined to preserve and conserve our natural resources.

AMERICA

When we improve our rivers, when we conserve our lands, we are building America. In the Middle Ages magnificent cathedrals were built in Europe. They were not only artistic wonders but represented the spiritual aspirations of the peoples who contributed to their construction. They symbolized the yearnings of the great body of people of the Middle Ages toward high and noble ideals. They confirmed the people in their faith to build always upward toward the stars.

When we build America we are building the great cathedral of freedom, for freedom is the hope of peoples in all the world. As we build America we are building toward a fairer day. As we build America we are promoting the hope and faith of the lovers of freedom in all lands that they too, as they look toward the stars, may build the cathedral of freedom in their own lands.

Fifty years ago it was a proud boast of an Englishman that he was a citizen of Great Britain, on whose possessions the sun never set. Today, as the United States has reached the highest pinnacle of power of any nation in human history, the proudest boast of any man is, "I am an American." As we build for ourselves and for the future, we must build wisely and well. Above all, America must be preserved.

Questions and Answers on Proposed Price Support Program

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Thursday, May 26 (legislative day of Monday, May 23), 1949

Mr. HUMPHREY. Mr. President, at a joint hearing of the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry held on April 7, 1949, Secretary of Agriculture Charles F. Brannan presented recommendations for changes in the price support program. I have requested from Mr. Brannan further explanation of his program. In response I received 46 questions and answers which serve in the nature of an explanation. I ask unanimous consent to have these printed in the Appendix of the RECORD.

There being no objection, the questions and answers were ordered to be printed in the RECORD, as follows:

BRANNAN FARM PROGRAM

1. What is the purpose of the proposed price-support program?

Briefly, it is designed to provide American farmers with a sounder and more effective farm program than is now available to them. At the same time it aims to assure consumers of plentiful and steady supplies of agricultural products at reasonable prices.

2. What are the main features of the proposed program?

It offers a strong attack against national depression, which is apt to start in the farm segment of the economy. It offers a way to start bridging the wide gap between the incomes of farm people and the incomes of town and city people. It offers a direct attack on the problem of surpluses.

The proposed program is largely based on evidence that there is a level of farm income below which it is not in the public interest to permit that income to fall. It would establish what that level is, in actual dollars, each year and provide price supports reflecting that minimum income standard. As a direct attack on surpluses, it would encourage the consumption of farm production, which has been and is still being expanded by means of the indivdual enterprise and scientific knowledge of American farmers. The program would encourage farmers to increase the efficiency of their production, improve the quality of their products, and market in an efficient and orderly manner.

3. What is the main difference between the approach of the program now in effect and that of the program that is now proposed?

The program now in effect concerns itself primarily with the prices of individual farm products. The program that is proposed carries a definite and realistic income objective and uses price support as a means to that end.

4. Why does the proposed program place so much emphasis on farm income?

It is income that counts with any farmer, worker, or businessman. A farmer spends out of his total income and everybody profits by that spending. Experience has demonstrated that farmers need to have a reasonably stable income at a fair level in order to maintain a healthy agriculture, which is necessary to all economic groups.

5. Why is maintenance of farm income and purchasing power in the public interest?

It is a major positive step that can be taken to help prevent depression, build bigger markets for industrial goods, assure jobs for workers, maintain high-level production of farm commodities, conserve natural resources, maintain reserves for national security, and strengthen the rural community and the Nation as well.

6. Isn't the idea of gearing price supports to a minimum level of farm income something new?

There is nothing new about this income idea except the degree of emphasis in the proposed program. Parity income as a desirable objective has been stressed repeatedly in agricultural legislation enacted by the Congress since 1933. However, programs have had to work toward this objective indirectly, pending the development of more direct methods. The proposed program is the first atempt to establish price support levels in terms of an income objective.

7. What means would be employed to prevent farm income from falling below the desired minimum level?

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All of the devices now being used to support prices would be available for use in the proposed program. These include commodity loans, purchase agreements, marketing quotas, acreage allotments, marketing agreements and orders, direct purchases for school lunches and other related distribution, diversion of excess supplies to byproduct uses or to encourage new uses or develop new markets, and encouragement of exports. The proposed program also provides for the use of production payments, particularly in the case of perishable commodities, so as to encourage maximum consumption by consumers without depriving farmers of a reasonable return from their products.

8. In what specific ways does the proposed program differ from the program now authorized by the Agricultural Act of 1948?

The essential differences are these: (1) The proposed program concerns itself with income from farm production, whereas the Agricultural Act of 1948 emphasizes price without regard to any minimum level of income; (2) the proposed program would provide effective support for more commodities at a generally higher level than is available under present legislation. Specifically, it would afford more definite assurance of support for certain perishable commodities, such as meats, whole milk, eggs, and others which have major importance in the farmers' income and in the consumers' diet. The Agricultural Act of 1948 has a general prohibition on the use of Commodity Credit Corporation funds for the support of perishable commodities. Both the proposed program and the Agricultural Act of 1948 assume continued use of section 32 funds for surplus disposal operations; (3) the proposed program puts more emphasis on encouraging shifts in farm production, particularly toward livestock production, as one important means of overcoming the problem of surpluses. It puts more specific emphasis on conservation as a requirement for price support; (4) the proposed program follows the long-established national policy of encouraging family farming, and in order to avoid the use of public funds to encourage big-scale, industrialized farming, it introduces the idea of placing an upper limit on the amount of commodities on which any one farm can get price support.

9. Does this proposed program mean more Government control and regimentation of farmers?

Definitely no more than farmers are willing to impose on themselves by referendum and certainly no more than will be required under the Agricultural Act of 1948. Moreover, the proposed program offers a better opportunity of avoiding the use of controls than is now the case. In the first place, it aims at a balanced agriculture. It would provide the incentives and the assurances that many farmers need in order to modify their production pattern in keeping with good business and farming practices. Secondly, controls would be avoided for many farm products by the use of production payments paid to farmers who voluntarily complied with the conditions that would be specified for the particular crop or product. Those farmers who did not choose to comply would simply forego receiving the payment. It should also be noted that the proposed program would seek directly to encourage consumption and thus delay or prevent the accumulation of surpluses which call for the use of production or marketing controls.

10. Does the proposed program actually guarantee a specific level of income to farmers?

No; neither to an individual farmer nor to all farmers as a group. This would, of course, be impossible unless weather and other crop conditions could be guaranteed. If a farmer is unable to produce a crop, price supports are meaningless to him. The program would, however, establish a minimum income standard as a goal, and price-support standards for individual crops would be set in line with the aim of achieving the income standard.

11. Why should agriculture as an industry need this proposed farm production and price-stabilization program?

Agriculture is basic to our free enterprise system, our democratic way of life, and our very existence. It is a major segment of our economy and affects all other elements involved in the prosperity of the Nation. It is conducted by millions of individuals operating independently, with only limited bargaining power. Farmers hold production much more even than do other producers generally. In consequence, farm prices are far less stable than industrial prices. When farm prices and income go badly out of line, the entire economy feels adverse effects. These facts, and others, make it desirable and necessary to develop an effective national program for maintaining a healthy agriculture.

12. Would this proposed program subsidize consumers?

No; this is a price-support program and not a consumer-subsidy proposal. It provides methods for supporting prices so as to overcome the problem of commodity surpluses by encouraging consumption. There is a considerable difference between (a) subsidizing consumption with the hope that the benefit will trickle down to the farmers and (b) supporting farm commodity prices in ways which will give consumers the most for their money. This proposed program aims to serve both the farmer and the consumer on a basis that is fair to each group.

13. What would be the effect of the program on the city workers?

A fair and stable level of income to farmers would add to the demand for the products of labor. It would make industrial jobs more secure by building a better market for manufactured goods. Also, a larger volume of farm produce will increase the jobs of processing, distributing, and otherwise handling the resultant food.

14. What would be the effect on the taxpayer?

By strengthening the Nation's defense against depression, the proposed program could help to save the taxpayer the enormous expenses of relief and other measures to overcome the effects of depression. The proposed program is frankly on the side of preventing rather than curing depression.

Except in case of depression, prices of most farm commodities should usually be above support levels, and of course it is only when prices are actually supported that public funds are used.

With supports in effect on perishables, the proposed program methods would offer taxpayers a great advantage over other methods. Under the present system, prices for perishables are supported through Government purchases which take supplies out of the market and raise market prices for the balance remaining for sale. Therefore, when the consumer buys he not only pays this higher market price, but also, as a taxpayer, pays for the cost of the Government purchase operation. Under the proposed program, however, market prices would be permitted to seek their own level. The consumer would thus get the advantage of the plentiful supply on the market at the price established by supply and demand conditions. The producer would then receive a production payment representing the difference between the average market price and the support price level.

15. Is the proposed program a complete program for agriculture?

No; but it is the core. The whole farm program applies not only to farm production and income, but also to farm credit, rural electrification, scientific research, and extension work, crop insurance, soil conservation, forestry, rural housing, and other matters.

GENERAL MECHANICS OF PROGRAM OPERATIONS

16. What is the base period used in calculating the income-support standard under the proposed program?

The first 10 of the most recent 12 years.

17. Why is a 2-year lag suggested in the base period?

To give Congress opportunity to examine the plans for operations, and to give farmers ample advance notice of the program that is to be followed for the year.

18. Why is a changing base period proposed?

In order to keep the price and purchasing power relationships on a moving, up-to-date basis.

19. Would the level of price support be announced in advance of the season?

Yes, the price-support level for specific commodities would be announced in advance of the marketing season for the commodity, and, if possible, before the planting season. This is desirable if the program is to have its full effect in securing proper adjustments in production.

20. Would all commodities be supported at the full support level?

A priority group of commodities would be supported at the full support level; others would be supported in line with or in relation to the full support level, depending upon the funds made available by Congress, the ability of producers to keep supplies in line with demand, and other relevant factors. The commodities that would have priority in the expenditure of funds are corn, cotton, wheat, tobacco, whole milk, eggs, farm chickens, hogs, beef cattle, and lambs.

21. Through what means would the farmer get price support?

Generally through loans and purchase agreements at support levels on commodities which are storable, and through production payments on perishable commodities.

PRODUCTION PAYMENTS

22. What is meant by production payments?

It is a direct payment that would be made to farmers and would represent the difference between the average market price for a commodity and the price-support level for that commodity.

23. Would all producers of a commodity supported through production payments get the same rate of payments?

As a rule, all eligible producers would get the same rate of payments. Any farmer who could exceed an average market price by quality of product or good bargaining would benefit to the extent that his selling price exceeded that average market price.

24. Where and how would production payments be made to producers?

At country offices of the Production and Marketing Administration upon presentation of required information and approval by the county committee.

25. How would it be determined who is eligible for payments and for how much? Who would check?

The already established county and State farmer committees would perform these operations.

FARMERS' RESPONSIBILITIES UNDER THE PROGRAM

26. What are the farmers' responsibilities under this program?

Farmers would be responsible for reasonable undertakings to accomplish the over-all objectives of a sound farm program in the

interests of the public and of their fellow farmers.

27. Would farmers be required to carry out soil conservation work to be eligible for price support?

Yes. To be eligible, farmers would meet reasonable conservation requirements locally adapted and approved by local committees. This would encourage conservation farming and help increase output of meat animals, dairy products and other commodities needed to improve consumer diets as well as maintain farm income, which is an aim of the proposed programs.

28. Is the proposed requirement that a farmer adopt minimum and sound soil-conserving practices in order to qualify for price support something new in agricultural programs?

No. The principle was embodied in the Soil Conservation and Domestic Allotment Act of 1936, which conditioned payments upon the observing of reasonable soil conservation requirements. The same principle prevailed in the Agricultural Adjustment Act of 1938. It should also be noted that an effective income-price support program should enable a farmer to operate with more regard to soil conservation than he could otherwise.

29. Would the proposed program lessen the farmer's responsibilities for producing and marketing his products?

No. The farmer would sell his products to a market of his own choosing. To the extent that he could grow quality crops or otherwise make his product attractive to the consumer he could command premium prices.

30. Would marketing quotas be imposed without approval by producers?

No. Such devices for assuring orderly production and marketing would not be imposed without approval of two-thirds of the producers voting in a referendum.

31. Under the proposed program, would there still be a danger that guaranteed prices would cause farmers to produce perishable commodities for which Government purchases provided the only market?

No. The use of production payments would stop that. Under the proposed plan, prices received by farmers for perishables would seek their own level through the forces of supply and demand in the market, and the Government would make up the difference between the average market price and the support level. This payment would go only to those farmers who complied with the conditions as to production that were specified for the particular commodity.

STORABLE COMMODITIES

32. Would all storable commodities be supported?

Storable commodities that would have first priority for price support would be corn, cotton, wheat, and tobacco. Other storables would be supported in line with or in relation to the priority group, taking into account the available funds, the ability of producers to keep supplies in line with demand, and other relevant factors.

33. What methods of support would be used for storables?

Generally, the same methods as are now used—loans and purchase agreements.

34. Would it be necessary to continue the authority for imposing marketing quotas and acreage allotments?

Yes, marketing quotas and acreage allotments should continue to be available or provided for commodities such as tobacco, cotton, wheat, rice, corn, and peanuts, with improvements based on experience. These are a fundamental part of the program and should continue. Authority should be available to extend such controls to other commodities as circumstances may require and with the approval of producers.

Acreage allotments and marketing quotas would be applied only to commodities for which price-support programs were in effect—and then only when they are necessary to keep supplies in reasonable balance with demand.

NONSTORABLES

35. What are considered nonstorables?

This term is intended to include highly perishable commodities and also those for which storage is extremely costly. This would include most fruits and vegetables, and meat animals, and dairy and poultry products.

36. How would nonstorable commodities be supported?

Farm returns on these would be supported primarily through production payments. Direct Government purchases, however, could be made to relieve the price-depressing effects of local market gluts, particularly for those commodities not directly supported through production payments or other devices. Purchases of commodities supported by production payments may also be made to prevent waste or total loss of products. Diversion programs could be used in certain circumstances. In general, purchases would be made only to the extent that satisfactory outlets were available. Such outlets include school-lunch programs.

37. At what level would perishables or nonstorable commodities be supported?

Certain items such as whole milk, eggs, farm chickens and the meat animals—hogs, beef cattle, and lambs—would be included in the first priority group. As such they would be supported at not less than the full support-price standard, except as adjustments might be required to maintain desirable feeding ratios. The level of support for other nonstorables would depend upon the funds available, the ability of farmers to maintain supply in relation to demand, and other relevant factors.

38. What devices would be utilized to curtail wasteful production or disorderly marketing of perishables?

The primary devices would be production payments, conditioned on compliance with production goals, or the use of marketing agreements and orders such as those currently utilized for many fruits and vegetables and for fluid milk.

39. How would production payments assist in increasing consumption of perishables?

The use of production payments would allow free interplay of supply and demand in the market place, thus resulting in lower prices to consumers on items in abundant supply than would be possible under a program of artificially maintained prices. Lower prices would permit consumers to utilize more of these products.

ENCOURAGEMENT OF FAMILY FARMS

40. Is there any limitation under the proposed program on the quantity of production from any farm that may be eligible for price support?

Yes, support would be limited to a prescribed volume of production, or 1,800 comparative units per farm, except under some conditions. More than 98 percent of the farms would be eligible for support on their entire production.

41. What is the meaning of the term "comparative unit"?

A comparative unit of any commodity is that amount of the commodity which has a value, at its support-price standard, equivalent to that of 10 bushels of corn.

42. Why is such a limitation desirable?

So that public funds will not be used to encourage the development of extremely large-scale, industrialized farming contrary to the long-established national policy of encouraging family farming.

43. Is the limitation on the amount of support per farm something new?

Not in principle. Congress in previous agricultural programs has set limits on the amounts of aid that could be given any one farm. The proposed program merely sets the limits on price supports in a way which will not foster the development of something other than family farming.

44. Why is the 1,800-unit figure fixed as the point beyond which the benefits of the program would not be provided?

This is the figure that approximates the present maximum size of those efficient farms on which the family provides a considerable part, if not the bulk, of the labor supply.

45. If acreage allotments and marketing quotas are in effect for a commodity, would full support apply to quantities in excess of 1,800 units?

If the allotment and quota permitted a production by a specific farmer in excess of 1,800 units, the entire amount for that crop would be eligible for support. However, under these circumstances, nonquota crops produced on this farm would not be eligible for support.

46. What would be the effect on desirable diversification of production in certain areas of the extension of support to all units produced under acreage allotments or marketing quotas?

Until the maximum-sized family farm, as defined by the 1,800-unit limitation, is reached, the program would tend to encourage diversification by broadening the group of commodities being supported. The program is designed to be of greatest service to the family farm. The great bulk of farms are smaller than 1,800 units. However, the program would not adversely affect the diversification practices of large-scale producers.

Novel Case Under Taft-Hartley Law Shows the Danger of Legal Mix-Ups

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. MULTER. Mr. Speaker, I commend the following editorial which appeared in the Brooklyn Eagle of May 23, 1949, to the attention of my colleagues:

NOVEL CASE UNDER TAFT-HARTLEY LAW SHOWS THE DANGER OF LEGAL MIX-UPS

A most interesting case under the Taft-Hartley law has come up. It gives an indication of the potential for legal mix-ups contained in the provisions of the law. This hidden danger of future legal embroilments is one of the reasons why we believe the law should be changed.

In the first ruling of its kind a Labor Board examiner absolved the AFL National Farm Labor Union from charges made by General Counsel Robert N. Denham. The General Counsel obtained an injunction against the union for picketing the DiGeogio Fruit Corp. in a long and bitter strike that has been going on at Bakersfield, Calif. The charge was that the picketing violated the secondary boycott provision of the law.

Previously, Denham had denied the union the right to file an unfair labor practice against the company on the ground that its members have no rights under the law. Farm workers are excluded from protection or use of the Taft-Hartley law.

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The examiner, A. Bruce Hunt, ruled that if the workers could not violate other sections of the law, because they had no standing under it, they could not violate this single section concerning secondary boycotts.

In effect, the examiner held that if, for no fault of their own, these workers are denied protection under the law they could not be subject to its penalties.

What the outcome of the controversy may be is not yet discernible. The one point we would stress in regard to it is the fact that it might have been 2, 5, or 10 years before this booby trap would have been discovered if the current case had not brought it to light. There are other hidden possibilities in the law as it stands today. The potential cause should be removed by substituting for it is a well-rounded and evenly balanced piece of legislation.

Even so obvious a part of the law as the ban on the closed shop is not without this dubious characteristic. Some smart attorneys, knowing the cumbersome and slow-moving process of the Labor Board brought on by the increase of cases under Taft-Hartley, came to an agreement for management and the unions on a compromise closed-shop contract. The assumption was that the article in the contract was at least legally doubtful. The contract would run but 1 year. By the time the Labor Board got around to considering any case that might come up the year would be up and the life of the contract would be renewed in the light of whatever developments might have taken place in the meantime.

Any law that makes such subterfuges necessary or feasible stands in need of correction.

Forgotten Guam

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. MILLER of Nebraska. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include an article entitled "Forgotten Guam," by Doloris Coulter, editor of the Guam Echo.

Mr. Speaker, the Public Lands Committee has had before it legislation relating to Guam and Samoa. It would seem that this great country has neglected these fine people. There are many complaints that the Navy and our Government have not been meeting their responsibility to these people and extending to them the rights that they should have.

FORGOTTEN GUAM—INVESTIGATION BY OUR LEGISLATORS IS URGED, OR ENACTMENT OF LEGISLATION

To the EDITOR OF THE NEW YORK TIMES:

Since 1901 the people of Guam have been petitioning the United States Congress for definition of their political status. The most recent of such petitions was personally presented by Guam Assemblywoman Concepcion Barrett to the House Subcommittee on Territories and Insular Possessions at an open hearing on May 5. A few of our Congressmen are keenly aware of the need for answering that petition with enactment of an organic act. But for the most part, as you state in your editorial of May 16, "Congress has not yet come to grips with the need for adopting an organic act for Guam." This is an anomaly to the 26,000 Guamanians.

For years civilian administration, as would be provided under all organic acts now pending, was actively opposed by the Navy, which since 1898 has governed Guam. But since the war, agreement has been reached between the Departments of Navy, War (this was before unification of the armed forces), State, and Interior to transfer the administration of Pacific island peoples to a civilian agency. Testifying before the House subcommittee on May 5, Capt. P. G. Hale, Chief of the Office of Island Governments, supported organic legislation which would do exactly that. No one opposed the legislation, at least in principle.

The committee, however, seems reluctant to act until it sees things for itself. There is no indication that action, favorable or otherwise, will be taken until after a trip is made.

A joint investigation of Guam, Samoa, and the Trust Territory was planned by the House and Senate last year. Plans were all set for the committee to depart, November 9. Then, suddenly, a week before election, the trip was called off. In view of this experience Guamanians are wondering what assurance they have ever of being visited by United States legislators.

Resolutions for separate investigations by the House and Senate have been introduced in the Eighty-first Congress. To date they have not been heard by either side.

If an investigation is all that Congress can promise Guam this year, then that investigation should be set up and secured beyond doubt. If busy legislators are lukewarm to a 9,000-mile trip to spend a few hours on an island, then it might be suggested that organic legislation for Guam, to which there is no known opposition, be enacted without further delay.

Guamanians, tired of waiting for Congress to come to them, now are considering a resolution that would appropriate $10,000 for two delegates to go to Washington. This should indicate how the people feel about their island, which the New York Times 3 years ago called forgotten Guam.

DOLORIS COULTER,
Editor, Guam Echo.

WASHINGTON, *May 16, 1949.*

Aid for China Better Late Than Never

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks I include an article by Joseph Alsop from the Washington Post of May 23, 1949. If this article is correct in its report that the Administration is at last waking up to the magnitude of the disaster to which its do-nothing no-policy in China is inevitably leading and has decided to find a way to do something effective about it rather than just try to justify its failures, it is the best news out of the State Department since VJ-day.

If it has been decided to prevent the other parts of Asia besides China from falling into Soviet hands, one wonders why the Department insists on doing things the hard way. It is certainly better to begin to resist on our 10-yard line, or even on the 1-yard line than not at all; but why did we not resist when we were on the 50-yard line? And why do we not start resisting in earnest now while we are still on the 20-yard line with the easiest part of China to defend still in the hands of friends? It does not make sense to deliberate further or stall around when every day lost makes the task that much harder.

AID FOR CHINA BETTER LATE THAN NEVER

(By Joseph Alsop)

For four long, sorry years American policy in the Far East has floated, to put it plainly, like a chip of driftwood on a sluggish open sewer. The result has been the disaster in China. But this disaster has at least had a certain shock value. It has at least just led to the decision to formulate a clear, non-floating far eastern policy. And this is a great gain, even although it is not yet known precisely what the new policy will be.

The decision has just been taken with the blessing of President Truman. Ever since he took office, Secretary of Defense Louis Johnson has been pressing for a positive definition of our far eastern interests and program. Last week he is understood to have raised the question again, pointing out the need for some sort of action before policy making was suspended by the departure of Secretary of State Dean Acheson for the Council of Foreign Ministers.

Concurrently, the State Department was also moving away from its previous hand-wringing passivity toward the Far East. Other influences were no doubt at work as well. At any rate, Acheson wisely agreed that we could no longer go on "waiting for the far eastern dust to settle," as the earlier attitude was euphemistically described.

The chances are rather heavy that this does not mean any serious effort will be made to save the remains of non-Communist China. The task in China seems to be regarded as too difficult, even although Maj. Gen. Claire L. Chennault's visit to Washington, to urge aid for China, helped to bring the matter to a head. On the other hand, the new decision very definitely means that all the rest of Asia will not be permitted to fall into the grip of the Soviet Union without protest or obstruction from this country.

This was, hitherto, the great danger. As General Chennault very cogently argued, the loss of China directly threatens all of southeast Asia. And of the wide, rich territories of Indochina, Siam, Malaya, Burma, and Indonesia should all be permitted to go the way of China, then both Japan and India would also be directly imperiled. Now, however, a line will be drawn somewhere to halt this process of Soviet conquest in the Far East. This is a great turning point, like the turning point when a line was drawn at the Greek and Turkish borders, to halt the process of Soviet aggrandizement in Europe and the Mediterranean.

So far as is known, the difference between the situation 2 weeks ago and the situation today is simply that the need to draw such a line and defend it has at last been agreed upon in principle. It seems unlikely that the line itself can be chosen without further study. The places to watch, however, are Indochina, which is the political key to southeast Asia, and Formosa, which is the strategic key to our own island Pacific defense line of Japan-Okinawa-Philippines.

Better late than never is the only possible comment. But why so late? is a question that may well be asked. The answer goes back to the period of 1941–44. That was the time when Gen. Joseph W. Stilwell and several of the most influential members of the State Department Far Eastern Division were, for varying reasons, pursuing a sort of private war against the government of Generalissimo Chiang Kai-shek.

The battles of those days ended with Stilwell's replacement by Gen. Albert C. Wedemeyer. But their effects lived on. On a lower level, the majority opinion in the State Department Far Eastern Division continued bitterly opposed to any effective aid to the anti-Communist forces in China. And on the highest level, General Stilwell's bitter personal hatred of Chiang Kai-shek and his government also left its heritage.

General Stilwell's friends and sponsors were Secretary of War Henry L. Stimson and General of the Armies George C. Marshall. Neither would listen to anyone but Stilwell about China in the 1941-44 period. Because of his China mission and his subsequent appointment as Secretary of State, General Marshall dominated our Far Eastern policy from the end of the war until last January. And in Nanking and in Washington, General Marshall adhered equally inflexibly to the opinions he had previously formed.

In Nanking, the representations of General Wedemeyer went unheard. In Washington, although Under Secretary of State Robert A. Lovett was allowed a free hand in all other fields, he could do nothing to secure decisions on Far Eastern policy. Marshall simply sat on the whole problem.

Secretary Acheson took office under the influence of the views of General Marshall, whom he deeply and very naturally admires. There was grave danger that our Far Eastern policy would continue to float, even after China had been lost. But now, fortunately, a different course has been chosen. Thus it is time to let bygones be bygones, and to prepare for the arduous and probably extremely disagreeable tasks of the future.

Blue Mold in Tobacco Plants

EXTENSION OF REMARKS

OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. BURDICK. Mr. Speaker, as the years pass it is becoming increasingly difficult to produce healthy tobacco plants. A few years ago, blue mold in these plants was unknown in many sections of the country. Today, it seems to be spreading and literally millions of dollars are lost annually by the tobacco growers of the South.

Those who have continued to use natural fertilizer have escaped this scourge in a large degree, but those who rely on commercial fertilizer as now manufactured are increasing their troubles. The fault lies in the fact that the commercial fertilizers now manufactured contain too much acid content and not enough animal matter. Fertilizers can be manufactured more cheaply by limiting the animal and plant life matter and increasing soluble nitrogen; and profit, and not the success of the planter, is what concerns the manufacturer. If this kind of fertilizer is not outlawed, the tobacco raiser will eventually find himself entirely out of business.

William G. Holman, 305 B Street NE., Washington, has spent years investigating this important matter, and has developed a fertilizer that is blue-mold proof, but he has been unable to convince Congress that he should have some financial assistance in putting this product on the market. Trial after trial has been made of this product, and in each and every case, the plants come through without blue mold. He is rendering, at his own expense, a great service to the tobacco growers of America, but has reached a point where he must have some assistance, or give up the fight for the preservation of the great tobacco fields of the South. Even experts in the Department of Agriculture have turned thumbs down on his getting any assistance from Congress, when they know that through his efforts several fertilizer manufacturers have been indicted for dishonesty in representing their products and have been found guilty. Scientific experts, generally, do not always have common sense in matters of practical importance.

In the Richmond Times-Dispatch of May 24 there appears an article by Mr. Holman that deserves public attention. It is:

HOW TO PREVENT BLUE MOLD FROM DESTROYING TOBACCO

EDITOR OF THE TIMES-DISPATCH:

Reports have recently come to me from county agents indicating that more tobacco plants are being destroyed by blue mold this year than was the case in 1945, when a large majority of the farmers in twenty-odd Virginia counties were forced to drive 100 to 150 miles into North Carolina to get the plants with which to plant their crops. They may not be able to do that this year because of a shortage of plants in North Carolina.

Isn't it about time the farmers asked their Representatives in Congress to help me get a hearing on my bill, and an opportunity of proving that I know how to prevent the destruction of tobacco plants by blue mold by the proper feeding of the plants?

I wrote and had introduced in Congress a fertilizer-labeling bill patterned after the Pure Food and Drugs Act and the Wool Labeling Act, which limits the amount of soluble nitrogen in fertilizer and enables the farmer to know what materials are used in making it, and how many pounds of each material, and I have been waiting for 4 years for an opportunity to prove that an excess of soluble nitrogen in fertilizer is the cause of plant diseases, is forcing the farmers to use entirely too much fertilizer per acre, and that it is believed by eminent medical scientists that food crops grown with it may have something to do with the great increase of vascular and degenerative diseases.

Wouldn't it be a good idea to ask our candidates for governor whether they would be willing to use the influence of their office to help me get a hearing on this bill, that means so much to the health and welfare of the people?

WILLIAM G. HOLMAN.

WASHINGTON, D. C.

Proposed Columbia Valley Administration

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Thursday, May 26 (legislative day of Monday, May 23), 1949

Mr. KEFAUVER. Mr. President, it recently was my pleasure to visit the vast Pacific Northwest. There I had the honor of speaking at banquets and other meetings in Spokane, Tacoma, Seattle, and Portland. My subject was the great Columbia Valley Administration, as proposed by the President of the United States and sponsored now in the Senate and House by a considerable number of Members of the Congress.

The enthusiastic responses which I met everywhere, Mr. President, indicated to me that the men and women of the Northwest are eager to have their region receive the benefit of CVA. These people were anxious to hear of what has been accomplished by the Tennessee Valley Authority. They hope to see the Northwest aided, as the watershed of the Tennessee has been aided.

I hope that I was able to bring a message which enlightened the people of the Northwest on the great strides made by the TVA. I met people throughout the region who are working hard for CVA—ex-Senator C. C. Dill, of Washington, a former distinguished Member of this body; State Senator Austin F. Flegel of Oregon, one of his State's leading industrialists; associates of Senator Magnuson, Representatives Hugh Mitchell and Henry M. Jackson; yes, and many others who are enlisted in the cause of the CVA.

At this point I ask unanimous consent to have printed in the RECORD a somewhat extensive article on the entire Columbia Valley Administration proposal by Richard L. Neuberger, a well-known Northwest writer and analyst. The article appeared in the Sunday editorial section of the St. Louis Post-Dispatch for May 15, 1949. It cites the genuine need in the Northwest for an agency such as CVA, which will coordinate activities on that great hydroelectric stream, the Columbia.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the St. Louis (Mo.) Post-Dispatch of May 15, 1949]

RIVER AUTHORITY FOR THE NORTHWEST—YOUTH BATTLES OLD EXPLOITERS IN COLUMBIA VALLEY—FARM LABOR GROUPS UNITE IN SUPPORT OF CVA MEASURE NOW BEFORE CONGRESS—CONTROVERSY FOLLOWS PATTERN OF THE MISSOURI VALLEY AUTHORITY FIGHT AS ARMY ENGINEERS AND RECLAMATION BUREAU FORM NORTHWEST INTERAGENCY

(By Richard L. Neuberger)

SEATTLE, WASH., May 14.—From the continental divide to the sea, the administration bill for a Columbia Valley Authority has become the dominant political and economic issue in the Pacific Northwest. This measure, patterned after the TVA and personally endorsed by President Truman, has been introduced in both branches of Congress under a sponsorship which included notably three youthful New Deal Democrats from the State of Washington.

Adherents of CVA discern significance in the fact that Senator WARREN MAGNUSON is only 44 years old, while Representatives HUGH B. MITCHELL and HENRY M. JACKSON are a mere 42 and 33, respectively. These men claim that the issue of a regional authority for the vast basin of the Columbia is a struggle between the new generation of northwesterners and the groups which have exploited the resources of the area for more than half a century.

In general, the controversy fits a pattern familiar to the Missouri Valley and other sections of the Nation where coordinated

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river administrations also have been advocated.

All branches of organized labor in the Northwest favor CVA. So do the two largest farm organizations, the Grange and the Farmers' Union. The Democratic Party, once somewhat reluctant, supports the project without reservation, now that the President has made it an objective of his second term. Indeed, party committees in Portland and Seattle, given their choice of a wide variety of Democratic speakers for Jefferson Day banquets, quickly united on Senator ESTES KEFAUVER, of Tennessee, and insisted that he talk about TVA.

The Republican Party is alined nearly as solidly in opposition. Even before the President's bill took final form, the GOP Governors of Washington, Oregon, and Idaho held a conference at Pocatello and contended the region could best be served by existing agencies. By this is meant a quartet consisting of the Corps of Engineers, the Bureau of Reclamation, the Bonneville Power Administration and the Fish and Wildlife Service.

However, the quartet does not always sing in harmony. Dr. Paul J. Raver, Bonneville chief and former Illinois State commerce commissioner, is on record for CVA. The Engineers and the Reclamation Bureau have formed a Northwest Interagency Committee reminiscent of the Pick-Sloan plan in the Missouri Valley, yet these two temporary allies have not settled their quarrel over which should construct the Hell's Canyon Dam on the Snake River, main tributary of the Columbia.

Furthermore, biologists of the Fish and Wildlife Service are charging that Army proposals for a series of navigation projects on the Snake could mean the complete destruction of the $15,000,000 annual Chinook salmon runs.

DUPLICATION OF EFFORT HAS BECOME A FINE ART

Along the Columbia's picturesque 1,200-mile course, duplication of governmental units has become a fine art. Three separate agencies are directly involved in the operation of Bonneville Dam. The Army engineers have charge of the physical functions, such as the ship locks and powerhouse. The Bonneville Power Administration, in turn, wholesales the energy produced under Army supervision. And the Fish and Wildlife Service advises on the effectiveness of the $8,000,000 salmon ladders and elevators.

Upstream on the same transmission network, another influence is added—the Bureau of Reclamation, which manages the world's largest generating plant at Grand Coulee. An exchange of orders among these bureaus is required when more power is needed on the 230,000-volt lines to the factory at Hanford producing plutonium 239 for atomic energy. It took several days of interagency memorandums to float free a wheat barge impaled on rocks at low water, midway between Bonneville and Grand Coulee.

This sort of confusion is cited by Senator MAGNUSON and Congressmen JACKSON and MITCHELL as the most pressing argument for CVA. They have as a prominent ally Senator JAMES E. MURRAY, Montana's 73-year-old Democrat, who hopes someday to see both CVA and MVA functioning in the two great watersheds which divide his State.

The first break in the straight party division on the issue of CVA occurred recently when 43-year-old HARRY P. CAIN, flamboyant Republican Senator from Washington, surprisingly joined in sponsorship of the administration's bill. This astounded friend no less than foe, for CAIN has been hostile to virtually every objective of the Democratic regime. Adversaries of CVA obviously were caught off base.

CVA's regional adherents immediately claimed CAIN was getting on the bandwagon. "Senator CAIN never introduced a Truman proposal before, so this shows how popular CVA is with the people," said Ronald E. Jones, of Brooks, Oreg., Farmers' Union president and a director of the League for CVA.

Some strange alliances have taken place in an effort to stave off CVA. Appearing before a committee of the Oregon State Legislature, a delegation from the Portland Chamber of Commerce praised the Bonneville Power Administration and urged that it be left in charge of marketing Columbia River water power. Yet the State Grange pointed out that when the late President Roosevelt proposed creation of the Bonneville Power Administration in 1938, the Portland Chamber of Commerce sent a delegation 3,000 miles to the National Capital in an attempt to defeat his proposal. This delegation wanted the Army engineers to rule power sales.

"Whenever an advance is suggested in the regional development of the Northwest," claims Morton Tompkins, Willamette Valley tomato grower who is master of the Oregon Grange, "those resisting the progress ask extra authority for the Army engineers. Yet I, for one, know accurately that the Army engineers have failed utterly in checking floods in the Willamette Valley."

Although some local differences are visible, the CVA bill of the Truman administration follows closely the route pioneered on the opposite side of the continent, in the valley of the Tennessee River.

Three directors, each paid $17,500 annually, would have sovereignty over the project. They would be appointed by the President and confirmed by the Senate. Labor, industry, and agriculture would be represented on local advisory boards. Western water rights would be protected; this means CVA could not intervene between a rancher and his contract to divert water from a tributary of the Columbia for irrigation. Immense areas of the Northwest are sagebrush uplands. They will grow crops only when threaded with canals.

In dimensions, the pupil would be greater than the master.

The watershed of the Columbia encompasses 259,000 square miles, compared with 41,000 drained by the Tennessee. The Columbia carries down to the ocean 160,000,000 acre-feet of water; this exceeds by four times the annual discharge of the Tennessee. Furthermore, the Columbia, champing in granite gorges, locks within its valley 40 percent of all the potential hydroelectric power of the United States.

COLUMBIA POTENTIALLY GREAT PRODUCER OF POWER

Because the last lingering headwaters of the Columbia rise at nearly 10,000 feet and surge all the way to the brackish tides of the Pacific, it is the Nation's greatest stream for the production of kilowatts. Its ultimate capacity is 25,000,000. The Tennessee and its feeders, on the other hand, are limited to a maximum output of approximately 4,000,000 kilowatts.

The Pacific Northwest Development Association is the principal organization devoting all its energies to denunciation of CVA. Its directors include leading figures in business and industry. Appearing before legislative committees, officials of the group have declined to reveal their specific sources of financing.

However, Bonneville officials maintain that a preponderance of the development association's funds stems from private utility corporations. In 1946 and 1947, according to Nelson C. Hazeltine, director of information for Bonneville, the Pacific Northwest Development Association received substantial contributions from the Washington Water Power Co., Idaho Power Co., Northwestern Electric Co., and Portland General Electric Co.

The principal speaker appearing under the auspices of the association has been a novelist named Robert Ormand Case. A few years ago Mr. Case wrote River of the West, a propaganda tract about the Columbia paid for by the Pacific Power & Light Co. Mr. Case denounces the CVA bill as "socialism," and predicts that two of the three directors appointed by President Truman may be Henry Wallace and GLEN TAYLOR, the recent candidates of the Progressive party in the national election.

This has impelled James T. Marr, secretary of the Oregon State Federation of Labor, to comment that Mr. Case evidently is still writing fiction.

Utility companies in the region are worried. Their lobbyists stormed the recent legislative sessions of Washington and Oregon to inveigh against CVA memorials. For many years private power corporations in the Northwest have been fighting a rear-guard action in opposition to strong public-ownership sentiment. Only last week the City Council of Tacoma adopted an order for condemnation of nearly 25 percent of the generating capacity of the $144,000,000 Puget Sound Power & Light Co.

Frank McLaughlin, president of Puget Sound Power & Light, has called the Tacoma order the most destructive of private business ever issued in the States of Washington. Since 1944 the company has been the victim of successful condemnation suits by public-utility districts in five counties. In addition, the recent Washington legislature enacted a State power authority bill giving the districts the right to acquire private-utility property through negotiation.

This is the emotional atmosphere in which the struggle over CVA is being waged. Power-company executives publicly tell men in other industrial activity, "If we go, you'll be next."

Despite this approach, CVA is winning converts among conservative ranks. E. B. MacNaughton, 68-year-old chairman of the board of the First National Bank of Portland, told a rural audience in recent days that "the Pacific Northwest has nothing to fear from a Columbia Valley Authority similar to TVA."

MacNaughton pointed out that many leading businessmen were opposed during the 1930's to the construction of the great dams at Bonneville and Grand Coulee. "We were all wrong," he confessed. "Where would we have been in the war without these splendid projects?"

MacNaughton also is president of the Oregonion Publishing Co., and this dominant Republican paper in Oregon, once hostile to CVA, has editorially admitted that some form of CVA is essential to end the bickering and confusion among competing Federal bureaus on the Columbia. The Oregonian has been particularly critical of the lack of a unified plan from the Army engineers for protecting fish runs on the Snake and Salmon Rivers of Idaho, where the bulk of the Chinooks now seek spawning grounds.

RANCHERS WANT WATER—OTHERS, LOW FREIGHT RATES

Sentiment among the rank and file of people on CVA is still difficult to assay. A multitude of conflicting interests is involved.

Ranchers in the mountain glens of Montana are more concerned over the use of water at home for reclamation than in increasing the output of dams far downstream. This is why the Hungry Horse Dam rises now near the source of the Flathead River system, practically in the lee of the Continental Divide. In fact, as Lewis and Clark discovered 145 years ago, the Missouri and the Columbia are nurtured on opposite slopes of the same mountain ridge.

Nearly a thousand miles separate Hungry Horse Dam from the Columbia's white-capped union with the sea. Over much of this vast area, power is the principal issue. New industries are needed to absorb thousands of newcomers from the East and Middle West. With neither oil wells nor

coal mines, the region possesses only a single energy base—hydroelectricity.

Yet, in the farming valleys power is secondary. Irrigation reigns paramount. The sagebrush desert will blossom like the Garden of Eden, if it is watered generously 12 months of the year.

In the long slot of the Columbia Gorge, towns have protested for decades against exorbitant freight rates. Today barges can ascend the river into the heart of the Inland Empire, a feat made possible by the world's highest lift docks at Bonneville. Rail charges have been driven downward. But at the brackish mouth of the Columbia, navigation is anathema. The fisherfolk, many of them of Finnish or Norwegian descent, fear that such apparatus as locks portends the doom of the salmon.

Proponents of CVA are stressing the present reliance of the Northwest on one industry—lumber. Seventy-one cents out of every Oregon pay-roll dollar originate in forest products. An ominous warning from Lyle F. Watts, Chief of the United States Forest Service, points out that half the sawmills in Oregon and Washington have only sufficient timber for another 8 or 10 years of cutting at the current pace. Ghost towns and measureless hillsides of stumps are the possible future.

Representative MITCHELL contends that only CVA can assure sufficient power production to provide alternative sources of employment.

Conservation and Development of Our Land and Water Resources

EXTENSION OF REMARKS
OF

HON. HAROLD D. COOLEY

OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. COOLEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I take pleasure in submitting a splendid speech recently delivered by Mr. Ralph R. Will, of the Office of the Secretary, Department of Agriculture, entitled "Conservation and Development of Our Land and Water Resources":

It is my privilege to express to this convention of the National Rivers and Harbors Congress the deep interest of the Department of Agriculture in the work of your organization. We are aware of the important service your progressive group has rendered through the years in helping to formulate and implement our modern concept of land and water use and conservation.

Within the past decade or so we have seen a remarkable broadening of the interests of organizations and individuals in the development, utilization, and conservation of our natural resources. No longer do we think in terms of flood control alone, or of navigation alone, or of any other single phase of resource development. We think, rather, in terms of broad multiple-purpose programs because we realize that all phases of such programs are interdependent and that their ultimate success depends upon a comprehensive, integrated, and unified approach. This principle has been eloquently set forth by eminent authorities and I mention it here as a premise to my remarks rather than as a point to be argued and substantiated. What I want to discuss with you today is the impact of these modern concepts and their resultant demands upon the public agencies, particularly the Department of Agriculture. I want to tell you something about our current problems in program administration and about what we are doing to meet those problems. Also I want to ask your advice.

With regard to land and water resources, the basic purpose in the Department, as set forth in legislation, is to serve agriculture and the Nation in ways that will help (1) to provide adequate production of farm, range, and forest products, (2) to conserve resources, and (3) to assist in controlling floods. Fulfillment of this broad purpose, or any of its three facets, depends (1) upon close coordination of the Department's work with that of other Federal agencies, (2) on Federal cooperation with State and local agencies, and (3) most important of all, on working with the people, particularly private operators, who control and use land and water resources.

A little later I will discuss interagency relationships and problems and what is being done about them. But first I wish briefly to discuss the importance of our departmental relationships with farmers, ranchers, forest operators, and other land operators.

Under our pattern of private ownership and operation, which has values important to our society, the primary factor in determining how agricultural resources will be utilized and conserved is the farmer. Governmental programs of service should assist, influence, and facilitate his operations, and not control or dominate them. Under this principle, public agencies cannot install their programs in the sense that the engineering agencies install physical improvements in rivers and harbors. Only in the sense that agricultural programs are accepted by the farmers on a belief among them that conservation measures are practical on their individual farms and essential to farm prosperity and well-being, will these programs be successful. Needless to say, the management of public lands is important, particularly in the western watersheds. But the efficacy of management policies on public lands depends largely and properly upon the understanding and cooperation of private operators who use these and adjacent resources.

The Secretary of Agriculture, in his 1948 report, said, in part: "Conservation of agricultural resources is an integral part of agriculture as a whole and cannot be treated as a separate problem. Conservation emphasizes long-run needs such as depend for their fulfillment partly on day-to-day farming operations. The farmer has only one farming operation in which he must take care of his financial needs and at the same time do what he can to conserve soil and water. He cannot have two operations, one for production and one for conservation. Governmental programs in support of this farming operation must recognize varied demands upon the farmer. They must coordinate research, education, technical aid, and financial assistance in the never-ending task of establishing goals adjusted properly for production combined with conservation."

In this fashion the Secretary of Agriculture has nailed down the principle of inseparability of agricultural production and conservation, with the attendant proposition that governmental programs for soil and water conservation depend primarily for their application upon the proper utilization of crop lands, ranges, and forests by private operators.

As you will observe, the Secretary has stressed the need for a properly balanced program of work. This is a problem in program coordination both among and within various Federal agencies. There is need for broadly coordinated governmental action to meet the needs of general resource development; and there is a parallel need for coordination within the special field of agricultural development. Agriculture itself, as a multipurpose endeavor, requires several kinds of governmental aid. We cannot rely within the Department of Agriculture upon any one type of service or any one Department agency. The farmer has one comprehensive farming operation put together out of many parts. Likewise, the Department must have one coordinated program, put together out of numerous types of service to land users.

I will mention just a few of the things we are doing in the Department of Agriculture to help in conserving land and water resources. I will not try to give a full account; that was done effectively by members of the Department who appeared before this body last year and the year before. Their reports are in your records. I will simply offer a brief progress report on some of our current efforts.

Intense public interest in rivers and their watersheds in recent years has developed a strong drive toward resource conservation and development on a river basin basis. This trend has necessitated some new thinking and administrative practice within the Department of Agriculture. Our programs are established for the most part on a national functional basis. The past few years, however, have seen marked progress toward the coordination of these programs so as to make them serve the needs of particular river basin areas where special resource development undertakings have been authorized by the Congress.

It has not been easy to adapt agricultural programs to special river-basin needs. Completely to regionalize national agricultural programs for production and conservation would not be advisable as there are important overriding national interests to be served. The modern economy with its wide and close integration contains many component parts that are highly interdependent. National safety and well-being call for Nation-wide agricultural programs to assure adequate food along with proper conservation of resources. The Department has traditionally pursued a decentralized administrative program; it has worked with and through State agencies and local farmers' groups. Local as well as national interests have been served in this way and the administration has been improved. But control has remained to hold general policies in line with general or national safety and prosperity. Specifically the adaptation of the Department's work to the needs of specially authorized river-basin programs has involved systematic effort to safeguard national interests and objectives.

To more fully give you the Department's views on the question of developing river basin programs and to tell you more about what the Department is currently doing about the matter, I quote further from the 1948 report of the Secretary of Agriculture, as follows:

"The Department favors multipurpose development of an area or region. It participates for this purpose in the work of the Federal interagency River Basin Committee and the Missouri and Columbia River Basin Committees. * * * In the Missouri Basin the committee * * * has detailed plans for the comprehensive development of both land and water resources. A program covering the activities of all the participating agencies calls for an acceleration of regular agricultural activities by various Federal and State agencies to bring them in line with the stream engineering by the Bureau of Reclamation and the Corps of Engineers. * * * Nine agencies of the Department of Agriculture and the agricultural and forestry agencies of the States have pooled knowledge and technical resources to prepare a comprehensive agricultural plan for the Missouri River Basin which will integrate the activities of all these agencies to develop, utilize, and conserve the agricultural resources of the

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basin. The purpose of the program is to promote a stable and prosperous agriculture, to conserve and improve soil, build up and protect forest resources, enlarge and improve the farm plant through irrigation and drainage, reduce flood and sediment damages, enhance recreation, and help to protect and restore fish and wildlife."

I dwell on this special effort in the Missouri Basin because similar river-basin programs eventually may cover other parts of the country. Largely without precedent, and requiring not only a plan but techniques and procedures for the creation of a plan, our work in the Missouri River Basin should blaze a new trail for agricultural counterparts to the authorized Pick-Sloan engineering program and similar programs now being formulated in other basins. The Department of Agriculture assumes that waters in the river channels and the lands of the watersheds should be developed together. While the proposed agricultural program plan for the Missouri Basin will complement and support the river-channel engineering program, it also constitutes a coordinate and justified part of the over-all development effort.

The Department of Agriculture sees need for a comprehensive agricultural program phase in other river basins that may become the scene of broad multipurpose developments. In all river-basin programs up to now, the agricultural and forestry land-use phase has unfortunately lagged behind the river-channel improvement phase. This deficiency, apparent to all careful observers, constitutes the principal weakness in the carrying out of resource development work through the existing functional agencies of Government. The problem is to eliminate this weakness without at the same time causing some other, possibly worse, defect.

Existing Federal and State agricultural agencies should be able to deal effectively with their phases of comprehensive resource development work through the agriculture pattern established for the Missouri Basin. Agricultural agencies would perform for the most part the same kinds of services which they usually perform. The distinctive new feature would be an adaptation of the agricultural functions to particular basin needs and to the schedule of channel improvements. This would mean increased public expenditures in the immediate future; but it would promise an adequate return eventually on the public investment.

Progress in developing the agricultural program for the Missouri Basin has encountered problems and obstacles, most of them inherent in the existing authorizations and procedures. Some of these handicaps remain, but they are not insurmountable. Our plan for the Missouri Basin, after 1 year's intensive work, is now near completion. It will soon be ready for submission to the governors of the Missouri River Basin States, to the Budget Bureau, to other interested Federal agencies for review and comment, and subsequently to the Congress for final consideration.

I have dwelt upon only a few of the aspects of this broad subject. The delegates to this convention are well informed as to its general nature. Nevertheless, I hope that the account I have given of the Department of Agriculture's concept of its task will have a useful concrete application to the convention's work and discussions. Permit me to say again, we are all in just the early stages of this endeavor and I take this opportunity, on behalf of the Department of Agriculture, to solicit the support and suggestions of your organization and its members with regard to the policies and programs of the Department of Agriculture. It is the Department's sincere desire to make its services effective, to the fullest possible extent, in the conservation and development of our land and water resources.

The Story of Negro Mountain

EXTENSION OF REMARKS
OF

HON. ANTHONY CAVALCANTE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. CAVALCANTE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article by Arnett G. Lindsay, an eminent Negro scholar, entitled "The Story of Negro Mountain," situated in Somerset County in my congressional district:

[From the Negro History Bulletin of April 1949]

THE STORY OF NEGRO MOUNTAIN

(By Arnett G. Lindsay)

A few years ago, our attention was attracted to the sign "Negro Mountain" at the peak of a broad gently sloping plateau on United States Highway No. 40, 4 miles north of the Mason and Dixon's line or approximately 70 miles southeast of Pittsburgh, Pa. So intrigued were we by the sign that we lingered in the nearest township, Elk Lick, Pa., for an hour or more during which we inquired of its settlers why the plateau was called Negro Mountain.

Surprisingly, however, no one knew the origin of this provocative name; at least, no satisfactory explanation was forthcoming. Could it be that this bit of history or community tradition had been entirely forgotten? Or was this in further substantiation of the trite saying in historical circles that "Pennsylvania has everything, but the difficulty is that few people know where to find it"? Our curiosity, needless to say, was further aroused; we determined then to locate all available evidence bearing on the origin of the name of this not new but too little-known mountain.

Had some Negro distinguished himself on this mountain? When did it occur? What was his name? What adventure merited this honor? We sought the answers to these questions by first addressing a letter to the commissioners of Somerset County, Pa., in which Negro Mountain is located. One of them in reply[1] wrote that "the name, as I have heard from some person or perhaps read in some historical account, but which I have not been able to locate today came from a Negro slave of some Virginian who was traveling west over what is now the national highway (U. S. No. 40) in the early days when it was Braddock's road over the mountain. On the top of this mountain range, they were surprised by a band of Indians. The Negro, at a risk which cost him his own life, held off the Indians until the others could get in position to defend themselves and repulse the attack. He was buried on the spot where he fell and the mountain was afterwards called the Negro mountain or later, Negro Mountain.

This information was checked soon thereafter with the local history records of Somerset County, Pa., in the Library of Congress. There, were found three accounts concerned with the naming of this mountain range. One was in substantial agreement with the report furnished by the commissioner; the other two accounts, however, recited different adventures of a Negro who was owned by or was the companion of white hunters. On further inquiry, also we were informed that several interesting legends and community traditions persist regarding the naming of Negro Mountain. All of these sources were agreed, however, on the point that some Negro distinguished himself either in a heroic attack against the Indians or on some sort of hunting adventure. A more complete version of the account related above by the commissioner recorded the fearless adventure of Capt. Andrew Friend,[2] pioneer hunter and Indian fighter who migrated from Virginia to this (Turkeyfoot) area and whose exploits rivaled those of Davy Crockett or Daniel Boone. The story told how Captain Friend, imbued with the "westward ho" spirit, frequently went on hunting expeditions into the western wilderness of Pennsylvania and returned as often as the proverbial postman. It was Captain Friend's custom to journey with other settlers as far as the meeting of three rivers in search of deer, elk, panthers, wild turkeys, and other animals. They were reputed to be much more adventurous than any other hunters in the area. Invariably, Captain Friend took his faithful Negro slave on such expeditions. This account stated further that the hunting party set out on one of these trips not only to hunt wild animals, but also to explore the surrounding countryside. They proceeded therefore at great peril to Fort Cumberland which, at that time was quite an advanced frontier settlement and in a region forbidden to white men. It was believed that this expedition occurred doubtless during the period of the French occupation of this territory—a time when the Indians were decidedly hostile to any further encroachment on their lands.

This account related that Captain Friend, accompanied by his Negro slave and one of his white companions, whose life Friend had on a former occasion saved, were attacked on their return by a considerable number of savages. Where the attack began is not recorded, but it is believed that they were compelled to retreat from the peak of this mountain range, during the withdrawal from which they encountered a still larger number of Indians. In this engagement, the Negro slave, equipped like his companions with hatchet, tomahawk, and other hunting weapons of that era, displayed "great bravery" in repelling the Indians.

This Negro was described as a powerful man and of gigantic stature. He held off the Indians as long as he could, falling back only when compelled to do so. His companions also defended their positions, but they too retreated strategically. Late one evening, however, the Negro slave was mortally wounded far up the mountain. Captain Friend and his previously befriended companion attempted to carry the slave from this dangerous peak to a less conspicuous section of the mountain range, but his huge body could not be easily handled. They succeeded finally in pulling him off the main trail where they sheltered him during the night from the Indians and the inclement weather in a hastily prepared chestnut log. The Negro, however, aware of his serious condition, urged Captain Friend and companion to continue their retreat, but they refused to desert him. Instead, they concealed themselves in the dense underbrush off the main trail. Before daylight the Negro in great pain died, but to his companions he was merely absent in body but present in spirit. With hatchets and axes a grave therefore was quickly improvised in the bottom of a hole left by the roots of a fallen tree in which this Negro slave was reverently buried on the mountain range. Neither the name of Captain Friend's companion nor that of his Negro slave is recorded. But in appreciation of the heroic and faithful service of their deceased companion, this account concluded that the mountain was thereafter called Negro Mountain. Captain Friend and his companion reached Fort Cumberland in safety, but they had learned

[1] Ernest C. Johnson, Letter, February 17, 1947.

[2] W. H. Koontz, E. Howard Blackburn, and William H. Welfley, History of Bedford and Somerset Counties, Pa. Vol. II, pp. 39–65.

that the blood of all brave men is of one color.

Another account[4] related the story of a different owner of a Negro—a hunter named Jacob Castleman who maintained a camp near the town of Meyersdale, Pa. In this camp, Castleman after whom the Castleman River takes its name, kept a Negro servant who was said to have been "almost as expert a woodsman as was his master"—a man after his own heart. On one occasion long before settlers had come into this area—this Negro was sent along with a neighboring hunter on an errand to the Turkeyfoot region. There, a band of Indians, doubtless under the leadership of Pontiac, succeeded in separating these two hunters. In a heroic effort to carry out their mission the Negro was pursued up the mountain, whereas his companion was chased toward the river. And although this Negro was never heard of afterward, the story stated that he was killed on this mountain. Nor was it definitely known what happened to his companion, but it was believed that he escaped. The account concluded nonetheless that in recognition of the skill and bravery of this Negro servant, the plateau from that time on was called Negro Mountain.

Still another account[4] briefly recorded the bold adventure of a Maryland hunting party which included a giant Negro. This man displayed unusual bravery on the mountain range under discussion, but was killed after he led a devastating attack against the Indians. This battle occurred during the French and Indian War and was fought under the leadership of Col. Thomas Cresap. This account also concluded that in appreciation of a Negro's bravery his comrades named the plateau Negro Mountain.

In addition to these accounts, each telling of a different adventure about a Negro, several traditions persist, especially the frequently heard but unauthenticated one, that the name of this mountain stems from its strategic location as an Underground Railroad Station—4 miles north of the Mason and Dixon's line—and was well known as a refuge for runaway slaves. But the slaves' bitter struggle for freedom in which the "Underground Railroad conductors" played a major part, reached its climax several decades after the aforementioned expeditions.

It is not our purpose here to evaluate these conflicting accounts and unsubstantiated traditions nor to appraise their relative historical merits. And although traditions which are handed down by earlier generations are important aids to history, their claims should be carefully scrutinized before they are seriously considered or incorporated into the community's history. It must be admitted that in their use of the quill and inkpot, the early settlers of Somerset County, Pa., in recording church, State, and private records of their history are spare to the point of incompletion. On the other hand, some of the accounts which were recorded in colonial times not only reported different versions of the same event, but also overlapped almost to a point of confusion. Significantly, however, all extant records of these adventures agreed at least on the point that a Negro on some sort of heroic adventure, distinguished himself on this mountain range. Notwithstanding this agreement, we have not found this history-making adventure connected with any account recording the colonial development of Pennsylvania. Nor have we located any record of these expeditions summarized or pointed out in any historical account of Somerset County, Pa.

Negro Mountain is located between the Allegheny and the Laurel Hill Mountains. It constitutes a considerable elevation running in from the State of Maryland through nearly half of Somerset County and forms a dividing ridge for the surrounding waters. Prior to 1749, this area seemed to have been untrodden by the foot of white men. Then, Christopher Gist,[5] an agent of the Ohio company and a surveyor from North Carolina, journeyed to this region to discover these lands and chose the southern route which was known as Nemacolin's trail. On this adventure however, he merely skirted this mountain range. Nevertheless, this trail later became the shortest distance between the Atlantic settlements and the Ohio Valley. Soon thereafter (1754), Lt. George Washington[6] who was stationed at Wills Creek (Cumberland, Md.) in command of an expedition to occupy the forks of the Ohio (Pittsburgh) was credited with cutting the road, later known as Braddock's road, through the southwest part of Somerset County, approximately where U. S. No. 40 is now contructed. In doing so, Washington also circumvented the mountainous plateau which was later called Negro Mountain. In both of these instances, roads were constructed along the natural routes—paths which had been blazed by the Indians. Historical accounts, on the other hand, seem vague and uncertain about the precise time Turkeyfoot Road was laid out—the road leading to Elk Lick, Pa., and over Negro Mountain.

Four other mountains are located in Somerset County as follows: (1) the Great Allegheny forming the boundary of the county on the northeast and passing through the southeastern part; (2) the Little Allegheny forming the southeastern boundary; (3) the Savage Mountain on the southeast between the Great and the Little Allegheny; and the Laurel Hill Mountain forming the western boundary. As a result of these physical characteristics providing excellent water supply and drainage, it is said that few counties of Pennsylvania are better watered. The entire region has superior grazing land consisting chiefly of loam. It is said that the finest butter in the world—known as glade butter—is made in this area.[7] Somerset County is also known for its remarkable beauty, its picturesque nooks and its changeable climate. Frost, for instance is not uncommon in June and early September.[8] So impressed was the poet Riley with its topography that he was inspired to muse as follows:

" 'Mongst the Hills of Somerset
Wis't I was a-roaming yet
My feet wont get usen to
These low lands I'm tromping through—
Up there where the mountain air
Could reach out and katch me there
Snatch my breath away and then
'Rensh and give it back again
Fresh as dew and smellin' of
The old pinks I ust to love." [9]

One of Pennsylvania's primary forest fire towers is situated on Negro Mountain.[10] It was erected in 1921 by the department of forests and waters on a ground elevation of 3,190 feet above sea level, the highest altitude of all the 116 observation towers in Pennsylvania. All of these towers are strategically situated throughout the State, but Negro Mountain tower, 60 feet high, commands a view of thousands of acres of woodland in Somerset and adjacent counties. Together, they serve as a unique system of protection against forest fires in Pennsylvania.

Mount Davis,[11] the highest point in Somerset County, as well as in the State of Pennsylvania, is also situated on Negro Mountain—3,212 feet above sea level. Here a recreation park was erected during the years 1933–38 and used as a CCC camp. During that period a log cabin was built and maintained during the summer months for the convenience of travelers. At one time the information was widely known that this cabin could be occupied without cost for a day and a night on a first come, first served basis.

Early settlements were attempted near Negro Mountain in this area known as Turkeyfoot, by Virginia, Delaware, and New Jersey pioneers, but most of the settlers except the Germans were dispersed by Indians during the Revolutionary War. Even today, the number of inhabitants of this area is small—in fact, the entire population of Somerset County was only 84,957 in 1940, of whom only 167 were classified as Negroes.[12] Admittedly, it is not known whether the Negro after whom this mountain is named was one of the inhabitants of this county or whether he migrated or was brought to the county by his master or owner, but he deserves some honor and should be proudly called, like its other inhabitants one of the "frosty sons of thunder."[13] The constituents of Somerset County in particular and the State of Pennsylvania in general will do well to claim this unknown Negro as one of their valiant sons. No one can deny that he distinguished himself on the "roof garden of Pennsylvania." And although the appropriate marker—Negro Mountain—has been placed at the peak of this plateau and the highest fire tower in the State has been designated by the Pennsylvania Department of Forests and Waters as Negro Mountain Tower, too few persons know why these laurels were given. Truly, it may be said also that he laid down his life for his friends. And finally a toast offered on another occasion by William Lyman, of Pottsville, Pa., may serve as a fitting eulogy for this unknown Negro and enable us to end appropriately this account, as follows:

Old Pennsylvania, her sons like her soil, rough inside, but solid stuff within, plenty of coal to warm her friends, plenty of iron to cool her enemies.

[4] W. H. Koontz, E. Howard Blackburn and William H. Welfley, History of Bedford and Somerset Counties, Pa. Vol. II, p. 63.

[4] Writer's Program, Pennsylvania—A Guide to the Keystone State, p. 553.

Writer's Program, Maryland—A Guide to the Old Line State, pp. 343–4.

[5] Fredric Doyle, Early Somerset County, p. 14.

[6] I. Daniel Rupp, The History and Topography of Dauphin * * * Somerset Counties, pp. 561–595.

[7] I. Daniel Rupp, The History and Topography of Dauphin * * * Somerset Counties, pp. 561–595.

[8] Charles B. Trego, Geography of Pennsylvania, p. 350.

[9] Edmund Henry Estel, ed., The Complete Works of James Whitcomb Riley, Vol. II, p. 459.

[10] John C. Cassaday, The Somerset County Outline, p. 21.

[11] Ibid., p. 240.

[12] Rand McNally, Commercial Atlas, 77th Edition, 1946, p. 340.

[13] Alexander Ogle, Speech in Pennsylvania State Senate.

Up to You

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. JENSEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from

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the Atlantic News-Telegraph of May 1, 1949:

UP TO YOU

The financial future of the Nation is up to the individual citizen. If he is careless where Federal spending is concerned, the Congress which represents him and reflects his attitudes, will be equally careless with its spending. If the individual citizen demands a strict accounting and a dollar's full value for every dollar spent, the Congress will in time become equally careful about its spending.

There are evidences on every hand which point both to the need for curtailment of Federal spending and the opportunities to do so. The Hoover Commission has pointed out to the Congress and the administration possibilities for savings which would eliminate the threatening deficit if put into effect at once. If a similar program were to be presented to the average businessman in connection with his business, he would not hesitate a minute to put it into effect. Not so with Government. The Federal spending bodies have to consider the angles. If they cut spending, they make enemies. Strong enemies in the right quarters can mean political death. So, if a government is to put through economies, it must be impressed upon those in authority that the majority wants economy.

This is not easy to do, for there are few people with the courage to fight Federal spending which benefits them or their community. Until people develop this courage, spending will continue, for if spending is to be curtailed, everyone must sacrifice in the matter of Federal aid for his favorite project.

However, there are signs that point to a growing desire for economy—both in Congress and among the citizens of the land. The debt is so huge that some people are growing fearful of the economic consequences of such a weight on the shoulders of the Nation. The threatening deficit is causing others to worry. With some pressure from the people right now, savings might be accomplished. Every citizen can help by demanding economy of his representatives and by not demanding Federal cash for everything which he wants or his community would like to have.

Connecticut Valley Unified Planning and Development Administration

EXTENSION OF REMARKS

OF

HON. CHASE GOING WOODHOUSE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mrs. WOODHOUSE. Mr. Speaker, under leave to extend my remarks in the RECORD, I insert herewith a resolution by the Assembly of the State of Connecticut petitioning the Congress to establish in the Connecticut Valley a unified planning and development administration. This could be accomplished by the passage of H. R. 4701, which I have introduced.

Resolved by this assembly:

Whereas the tremendous losses to the Connecticut Valley, its environs, and the Nation from floods and pollution and from the failure to develop to the fullest the potentialities of the Connecticut River and its tributaries for power production, city supply, recreational, and other purposes, and the attendant business and industrial losses, are matters of common knowledge; and

Whereas techniques of governmental administration for the multipurpose development of river valleys have now been thoroughly tried and tested in various areas of the country, and with the most conspicuous and enduring success in the Tennessee Valley: Now, therefore, be it

Resolved by this senate, That it urge the Congress of the United States to take measures with the greatest dispatch to establish in the Connecticut Valley a unified planning and development administration like that of the Tennessee Valley Authority adapted as local conditions may require to promote the greatest wealth and prosperity of the region and the Nation; and be it further

Resolved, That a copy of this resolution be transmitted by the secretary of the State of Connecticut, to the President of the United States and to all Senators and Representatives for the State of Connecticut now serving in the National Congress.

Given under my hand and the seal of the State, this 17th day of March, in the year of our Lord 1949.

CHESTER BOWLES,
Governor.

Admission to United States of Stateless Polish Soldiers

EXTENSION OF REMARKS

OF

HON. GORDON CANFIELD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. CANFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and resolution:

MAY 26, 1949.

Miss FRANCES T. MAYKOWSKI,
Secretary, League of Polish Societies,
Paterson, N. J.

MY DEAR FRANCES: I have been glad to present to the House the resolutions adopted by the League of Polish Societies of Paterson, N. J., at the mass rally in Paterson, Saturday, May 21, 1949, in observance of the one hundred and fifty-eighth anniversary of the adoption of the Polish constitution.

As one who is supporting the movement to provide for the admission into our country of the stateless Polish soldiers who fought on the Allied side during World War II, desirous also of assisting those Polish seamen now in our country who cannot return to their native land because of the Communist domination, I am very glad to have this testimony.

With every good wish for you, Mr. Sierakowski and my other friends of the league, believe me.

Very sincerely yours,

GORDON CANFIELD,
Member of Congress.

We, American citizens of Polish origin, with a fierce love for freedom, and for decency among God fearing men, gathered at a mass rally sponsored by the League of Polish Societies of Paterson, N. J., Saturday May 21, 1949, in observance of the one hundred and fifty-eighth anniversary of the adoption of the Polish Constitution, which set a new mark in liberalism in Europe, do hereby publicly proclaim that we shall extend our every effort to preserve and promote our American way of life: Therefore be it

Resolved, That we strenuously urge the immediate adoption by the Congress of the United States of a law to provide for the legal entry of all Polish seamen who are presently in this country and who have fled from their ships because of imminent threats of being returned to communistic Poland; and be it

Resolved, That the Displaced Persons Act be amended to provide for the admission into this country of the 30,000 stateless Polish soldiers who fought so gallantly and for the common good of all mankind on the allied side when their own cause was lost; have earned this priority without regard to quota restrictions; and be it further

Resolved, That copies of this resolution be sent to the President of the United States, Harry S. Truman, Senator H. Alexander Smith, Senator Robert C. Hendrickson, Congressman Gordon Canfield, and to the press

ANTHONY SIERAKOWSKI,
President.
FRANCES MAYKOWSKI,
Secretary.

Frankfurter, Niles, Laski: Three of a Kind—Common Background Is Left-Wing Forum

EXTENSION OF REMARKS

OF

HON. EDWARD H. JENISON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. JENISON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein the following article which appeared in the Chicago Tribune under date of May 22, 1949. It was written by Mr. Walter Trohan, distinguished newspaperman and head of the Washington bureau of the Chicago Tribune Press Service. The recent history of American Government and its current trend make Mr. Trohan's article a timely revelation of common background for certain leaders who have exerted and continue to exert powerful influence. Mr. Trohan's report is worthy of reading and reflection by all Members of Congress dedicated to the task of preserving the traditional freedoms of the American system.

FRANKFURTER, NILES, LASKI: THREE OF A KIND—COMMON BACKGROUND IS LEFT-WING FORUM

(By Walter Trohan)

WASHINGTON, May 22.—Three men, who play a major role in ruling America and Britain from behind the scenes, have a common background of more than a quarter of a century in a Boston left-wing forum.

The men are Supreme Court Justice Felix Frankfurter, White House Administrative Assistant David K. Niles, and Harold Laski, British Labor Party official.

The forum is the Ford Hall Forum, which was launched in 1908 by the Boston Baptist Social Union under terms of the will of Daniel Sharp Ford, owner of the magazine, Youth's Companion. The union withdrew financial aid from the forum in 1928, necessitating reorganization of the forum.

LASKI LECTURES OFTEN

Niles, who had directed the forum for years, was one of the directors of the 1928 organization and still plays a part in the forum. Frankfurter and Laski were lecturers

at the forum. Laski appeared frequently from 1916 to 1920 when he was visiting professor at Harvard, where Frankfurter taught law. Frankfurter is a member of the forum's general council.

Through the forum Laski expounded his planned economy, inculcating Niles and Frankfurter with what has since become British socialism. Laski was one of the handful of British Socialists, organized in the Fabian Society, who set out to capture the British Government years ago.

Part of the program of the British Socialists was to capture labor unions by infiltration and to attract influential intellectuals. The strategy worked so successfully that at the end of World War I Laborites won the Government and swallowed up the old Liberal Party. Conservatives wrested control from the Laborites. After World War II the Laborites returned to power.

THEORIES ARE ADOPTED

In his forum lectures Laski advanced theories which have since become New Deal doctrine. He taught American left wingers how to bore into the Democratic Party and into labor.

Since the end of the war one wing of New Dealers has been active in Americans for Democratic Action, which they feel may well become the American Fabian Society. This group is following the British's society's pattern and hopes some day to control the United States.

Last month the Cambridge, Mass., school committee barred Laski from speaking in a public school hall on the ground that he is pro-Communist, anti-Catholic, and anti-religious.

Laski is a frequent visitor to the United States. On these trips he confers regularly with Frankfurter and plots strategy of world socialism.

FRANKFURTER'S INFLUENCE

Frankfurter, one of Laski's most enthusiastic converts, is regarded as one of the most powerful behind-the-scenes figures in the United States. The late Gen. Hugh S. Johnson characterized him as "the most influential single individual in the United States."

Frankfurter had tremendous influence on the late President Roosevelt. Johnson said the Vienna-born law professor was powerful because he engineered one of "the cleverest infiltrations (of purposeful officials) in the history of our country."

Hundreds of graduates of Frankfurter's law classes were given top-ranking jobs in the Government. Thousands of others had lesser posts. All were crusaders for Laski socialism through the latter's disciple, Frankfurter. Johnson called these proteges the Happy Hot Dogs.

In his forum lectures Frankfurter championed Sacco and Vanzetti, Communists who were tried for murder and executed. He lengthened his lectures into a book in which he declared the political beliefs of the men had been permitted to prejudice their chance for a fair trial.

At the time, Frankfurter was active in the forum, the late President Theodore Roosevelt warned the American people that Frankfurter was taking a Communist attitude "fraught with mischief to this country." The warning was sounded in an open letter to Frankfurter, published on December 19, 1917.

Theodore Roosevelt wrote that Frankfurter, then counsel to President Wilson's mediation commission on Tom Mooney, Communist who served 22 years in prison for the 1916 San Francisco Preparedness Day bombing, had taken an attitude "which seems to me to be fundamentally that of Trotsky and the other Bolshevik leaders in Russia."

ADMIRES SOVIET EXPERIMENT

At the time the late President was writing, Laski and Frankfurter were active together in the forum. Laski, professor of political science at London University, has long been an admirer of the Soviet experiment. During the war he frequently said that the war was an opportunity for social revolution in England. This opportunity was realized in the Labor Party victory.

Frankfurter, who regards Laski as his political mentor, is still a power in America. His closest friend is State Secretary Acheson. The two walk and talk together every morning.

He exerts strong influence on the White House through Niles. Frankfurter got Niles into the Federal scene as WPA representative in Boston. The Justice sold him to the late Harry Hopkins, for years the No. 1 White House intimate in the time of Franklin D. Roosevelt.

NILES COMES TO WASHINGTON

Frankfurter then brought Niles to Washington, introducing him to President Roosevelt as a "good practical politician." Niles proved to be a rank amateur in master minding the ill-fated attempt of the White House to purge Democratic Senators who opposed the New Deal Court-packing plan. He was equally unsuccessful in attempting to purge prewar noninterventionists in the 1942 congressional primaries.

Niles has the President's ear and is conceded to exert great influence for Frankfurter in the White House. Like the Justice, he shuns the limelight, preferring to operate without publicity.

Herring or Faces?

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial appearing in the Mount Vernon News of May 16, 1949:

HERRING OR FACES?

According to a speech made in Congress by Representative J. HARRY MCGREGOR, of the Seventeenth Ohio District, J. Edgar Hoover, Director of the FBI, is authority for the statement that there are 825,000 American Communists and fellow travelers in this country, all potential spies, traitors, or saboteurs.

Pursuing this topic, Mr. MCGREGOR added he had information that 8,881 employees have been dismissed from the Federal service within the last few months because they failed to pass the test of loyalty investigations.

The investigation brought to light, Mr. MCGREGOR said, that 21 persons suspected of espionage, 45 Communists, and 108 suspected of subversion were on the State Department's pay roll.

Yet, last fall, President Truman referred to the congressional spy investigation as a "red herring," and he has since stated that his opinion has not changed.

The information cited by Mr. MCGREGOR in this speech, and revelations that have been made in other quarters in the matter of Communist activities in this country make it appear as though "red" should be disassociated from the word "herring" and transferred to the faces of those who have contended that there is no menace in the presence of so many Communists in our midst—many of them, it has been proven, in a position to do the country incalculable damage.

Need for Single Bureau for Various Services to the Blind

EXTENSION OF REMARKS
OF
HON. J. CALEB BOGGS
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. BOGGS of Delaware. Mr. Speaker, I wish to direct attention to the fact that I have introduced a House Concurrent Resolution to the effect that it is the sense of the Congress that there should be established in the Federal Government a single office or bureau for services to the blind.

At the present time, Mr. Speaker, the various Federal programs for aiding the blind are being handled by nearly a dozen bureaus and agencies.

The Federal Security Agency has responsibility for the administration of six services to blind persons in five departments, namely, Office of Education, Special Services; Social Security Administration, Public Assistance Division; Employment Service, Department for the Handicapped; Office of Rehabilitation to which the administration of the Randolph-Sheppard Act has been delegated in addition to the Rehabilitation Act; Public Health Service as concerned with research as to causes of blindness and methods of preventing blindness.

It should not be difficult for us to visualize the confusion that has developed in the minds of the average blind person seeking guidance and assistance when that person makes an inquiry for help from the Federal Security Agency and does not direct the inquiry specifically to one of the five departments. This person will begin to receive replies from the first unit to which the inquiry is routed, and the various replies will continue to be received several months after the inquiry is first made.

For example, Mr. Speaker, suppose a letter addressed to the Federal Security Administrator is first directed by a mail clerk to the Public Assistance Division of the Social Security Administration. Pamphlets and a letter will simply be sent to the individual with a statement that the letter is being forwarded to one of the units in the agency for such information as may be available. Days and weeks may pass and finally a letter is received from the Office of Vocational Rehabilitation, also accompanied with pamphlets and a letter, stating that it is being referred to one of the other units, Office of Education, Employment Service of Public Health. Eventually this blind person receives an assortment of disconnected Government materials that are related to each other only in the fact that the word "blind" is found in all of them. If perchance this person should be so unwise as to have simply addressed the communication to the Federal Service for the Blind in Washington, D. C., the letter may land in the Library of Congress; in the Treasury Department; in the Interstate Commerce Commission; or the Surgeon General's Office of the

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Army or Navy, and eventually this person receives a considerable assortment of referral letters and a wide variety of Government publications. All our social agencies and blind persons themselves want to avoid this confusion and unnecessary expense.

I am informed that the Federal Security Agency has never held a staff meeting of the persons charged with responsibility for services to blind persons within that Agency, and there is no contact between these various departments that would enable each administrator to understand the policies and philosophies of the others in order that all services might be coordinated and duplication avoided.

The problems of persons going blind constitute a major social and economic problem in our country. I am told that 30,000 people are going blind in our land every year. Our expenditures for public assistance are increasing rapidly, and I am informed that conflicting points of view between the Public Assistance Administration and the Rehabilitation Administration serve to neutralize the benefits to blind persons when applied to the individual.

I concur with my colleagues in the Congress that bureaucracy must not increase and that the expense of our Government must be reduced. I believe, however, that the creation of a Federal bureau or office for the blind in the Federal Security Agency will reduce the cost of administering service to blind persons and will increase the benefits they receive. At the same time it will eliminate the confusion that exists in the minds of our blind citizens.

The Federal Security Administrator has authority to delegate the administration of these various services to any individual in the agency. Additional appropriations for administration are not required. Separate departments for the blind in the Federal Security Agency under the leadership of one director having responsibility for all services in which Federal funds are involved would automatically bring about the coordination of these various services and the elimination of conflicting administrative policies.

I believe that you will agree with me that sudden blindness is a sufficient disaster in the life of any person and that an intelligent government should not further confuse this person by such a multiplicity of services as we now have.

Mr. Speaker, I would like to point out that I have introduced a concurrent resolution expressing the sense of the Congress to the President on this matter instead of a bill for the following reasons: The Congress is about to give the President authority under certain conditions to reorganize the executive departments and agencies of the Government. Consolidation of the various Federal services for the blind will therefore be possible through appropriate action of the Chief Executive. Therefore, it appeared desirable to me to have the President know that the Congress is desirous of such consolidation of services, but not to prescribe precisely how this should be accomplished.

I may also add, Mr. Speaker, that I have a very deep interest in the blind and in work for the blind. This may be attributed in a large measure to the fact that it is my privilege to be very closely acquainted with the executive secretary of the Delaware Commission for the Blind. And incidentally, I would like to say parenthetically that in the State of Delaware, as in several other States, all services for the blind are consolidated in a single agency, and the results achieved by such an arrangement have been remarkable. I am confident that similar results can be achieved on the Federal level if the action recommended in this concurrent resolution I have introduced is carried out.

But with further reference to the executive secretary of the Delaware Commission for the Blind, let me say that Dr. Francis J. Cummings is one of the most outstanding workers for the blind in the United States and one of the outstanding authorities on the subject of the needs of the blind and their rehabilitation. Last year an international conference on work for the physically handicapped was held at Mexico City. It was at the invitation of the Department of State that Dr. Cummings represented the professional workers for the blind of the United States.

Dr. Cummings is a graduate of the University of Delaware, has studied abroad, and has earned a doctor of philosophy degree. Dr. Cummings is the national president of the American Association of Workers for the Blind, and, Mr. Speaker, Dr. Cummings has another reason for his realistic understanding of the problems and the needs of the blind. This is so because Dr. Cummings is totally blind. His achievements, in spite of this very great handicap, are and will continue to be an inspiration to all who suffer blindness, and to all who know him.

Before They Go

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Boston Post of May 24, 1949:

BEFORE THEY GO

The probe of the reasons why former Defense Secretary Forrestal was left unattended is an anticlimax to a tragedy out of which can come some good.

No probe is needed why Mr. Forrestal committed his irrational act. He died because of the burden of serving his country was too great. Unfortunately, he waited too long before dropping the load which he tried to carry on his spare shoulders in behalf of his fellow citizens.

The encomiums which are now raining down upon his memory will please his family. The great work which he did during and after the war has not been overlooked. In death, he will be remembered.

Mr. Forrestal as an overburdened public servant was not the exception. One might almost say he was the rule. A roll call of men who have broken or impaired their health, while trying to solve immense national and international problems, would be endless.

To mind immediately comes the names of Cordell Hull, James V. Byrnes, Gen. Bedell Smith, General Eisenhower, and General Marshall.

Likewise, the public will recall that Theodore Roosevelt, the strenuous President, was dead at 60. At the same age, Calvin Coolidge suddenly passed away. Franklin D. Roosevelt was but 63 when he succumbed in office. Ex-Senator David I. Walsh died before his time.

Currently in the White House is a President who arises shortly after dawn and fills a full day with activity. His health is reported to be excellent. But it can hardly continue to be as he maintains his present program, a program which the Office imposes on him.

In Congress are hundreds of men from all walks of life who labor harder at being public servants than they ever would in private enterprise. Lawmaking is nothing compared to the time they give to committee meetings, visits and letters from constituents, job hunting and fact finding for voters.

In no less a measure is the work load given to the average governor, mayor, legislator, alderman, city councilor, or selectmen.

It is not enough to be at everyone's beck and call. They have little privacy, little home life. But worst of all is the censure, the criticism, and even the unfair vituperation they are subjected to by the disgruntled, who expect miracles which they cannot work themselves, from fellow mortals.

Is it any wonder that more successful businessmen do not enter what is called politics? Mr. Forrestal's death will not help things in that direction.

But for those who are in it the tragic passing emphasizes that a little more applause for the public servant laboring around the clock for fellow citizens would not be amiss—especially while those servitors are alive.

The Victor Reuther Shooting

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1949

Mr. JAVITS. Mr. Speaker, Americans will deprecate this dreadful tragedy which has now met the two Reuther brothers, Walter and Victor. Our Federal authorities, notably the FBI, must leave no stone unturned to discover their assailants. We cannot tolerate such acts, for they jeopardize the very basis of our freedoms and of our democratic system. Appended is an editorial on this subject from today's New York Herald Tribune:

THE REUTHER SHOOTING

The nearly fatal shot fired at Walter Reuther a year ago has been repeated in shockingly similar circumstances in the attack upon his brother Victor. Again there was the blast out of the darkness, the lack of any ostensible motive, and almost the only clue a motor speeding away in the night. The criminal responsible for the first assault has never been seized, and the country is left to wonder whether the same person is guilty of both, as well as what perverted feelings could have bred so vicious and miserable a deed.

The two brothers have been in the forefront of the passionate labor struggles of these years: Walter the organizer, the fight-

er; Victor the more studious of the two, laying the ground work of theory for labor's drive and holding in the United Auto Workers the post of educational director. Together during their travels as young men they formed the resolves which have since guided their careers. Undoubtedly, they have made enemies, among the Communists and left wingers whose defeat has been the condition of their rise to power, as well as among obscurantist reactionaries. It is possible that their assailant may be found among such extremists; the more natural disposition is to look upon the shootings as the act of some irrational or crazed individual. The bitterness bred of industrial strife goes deep, yet it is improbable that any minority could be so stupid, to say nothing of being so dastardly, as to attempt systematic murder. There is widespread sympathy for Victor Reuther, and there can be no rest until the case is solved.

Planning for Unemployment Relief

EXTENSION OF REMARKS
OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. PATTERSON. Mr. Speaker, I have received from the Federal Works Administrator, Maj. Gen. Philip B. Fleming, a reply to my communication addressed to him which requested information relative to the programs of his agency in view of the increasingly serious unemployment situation in the Nation.

General Fleming has outlined in his reply the types of program in which he is most vitally interested, and which are before the Congress, in legislative form. While these by no means constitute a complete solution to the problem, they are an effort to plan in advance for future economic dislocation. It is to be hoped that much of the work can be held in a stand-by status; but I believe it essential to give legislative acquiescence to the program generally.

General Fleming has broken down his recommendations under headings of "Advance planning program," "Water pollution control program," "Advance planning of Federal building," and "Federal-aid highway program."

I feel that his reply will be of value to the Members in consideration of the problem facing us and, for that reason, I am including both my letter to him and his answer:

MAY 13, 1949.

Maj. Gen. PHILIP B. FLEMING,
Administrator, Federal Works Agency,
Washington, D. C.

DEAR GENERAL FLEMING: In time of general unemployment, with a dire need for work facing our population, it would undoubtedly be incumbent upon the Federal Works Agency to lay plans designed to accelerate employment and, at the same time, to construct worth-while projects in conformity with the need for the same.

There are presently unemployed in the State of Connecticut tremendous numbers of people who foresee little likelihood, in the immediate future, of a return to work. Industrial orders have declined at an alarming rate, and as a vast majority of our citizens depend upon industry for their livelihood, present conditions are alarming.

As an agency properly concerned with a Federal program of construction and works, it is to be hoped that some consideration has been given to this problem facing Connecticut and, I am certain, many other areas of our country.

I would appreciate being informed as to what action has been taken administratively to prepare for submission to the Congress a plan for Federal works participation to alleviate this situation.

If, to date, no definite action has been scheduled, may I be informed as to what may be contemplated along these lines to counteract the serious unemployment now prevalent.

Sincerely yours,

JAMES T. PATTERSON,
Member of Congress.

FEDERAL WORKS AGENCY,
Washington, May 23, 1949.

Hon. JAMES T. PATTERSON,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN PATTERSON: You are correct in your assumption that the Federal Works Agency should be concerned with gearing the public-works program of the Government into the employment cycle. When the Federal Works Agency was created 10 years ago, two of the most important organizations incorporated into it were the Public Works Administration and the Work Projects Administration. Though I have had the responsibility for the liquidation of those agencies, accomplished several years ago, their original inclusion in the Federal Works Agency makes it reasonable for you to state, as you do in your recent letter: "In time of general unemployment, with a dire need for work facing our population, it would undoubtedly be incumbent upon the Federal Works Agency to lay plans designed to accelerate employment and, at the same time, to construct worth-while projects in conformity with the need for the same."

While a public-works construction program is no cure-all for general and widespread unemployment, if it can help to stabilize the construction industry, it will have made a mighty contribution.

In reply to your inquiry regarding the current status of plans for public-works programs which might be used to accelerate employment, let me say that the Federal Works Agency is concerned with the following types:

1. ADVANCE-PLANNING PROGRAM

Under title V of the War Mobilization and Reconversion Act of 1944, the Federal Works Agency was authorized to make non-interest-bearing loans to State and local governments for plan preparation of needed public works.

One purpose of this program was to induce local governments to examine their own capacity to finance needed projects as well as to encourage the building up of a reserve shelf of plans ready for use when conditions warranted such construction.

When this authority expired on June 30, 1947, advances of $56,000,000 had been approved for the blueprinting of nearly 7,000 State and local public works whose total cost was estimated at $2,565,120,333 of non-Federal funds. Application for some $31,000,000 in loans to plan projects with an estimated cost exceeding $1,000,000,000 were pending approval.

The public works being planned are those most needed by our communities. They are of virtually every kind, except housing. Sewer, water, and sanitation facilities predominate among major-project types, with schools and other educational facilities ranking next in volume.

In the State of Connecticut 48 projects with an estimated total cost of $31,500,000 were approved. Advances of $731,000 were made to plan these projects. As of March 31, 1949, plans for 33 projects to cost a little over $20,000,000 had been completed and 7 projects to cost $3,500,000 had been put under construction.

In Naugatuck $7,500 was advanced to plan a school costing $413,000. The plans have been completed and the loan repaid.

Bills to reinstate this advance planning program are pending before both the Senate (S. 707) and the House (H. R. 3086). They would authorize appropriations of $50,000,000 a year.

I have just been advised by the Director of the Bureau of the Budget that with certain relatively minor amendments S. 707 is in accord with the program of the President.

It has long been my belief that we need a much larger reserve of State and local public works than we now have. Quite apart from the possible need for public works to stabilize the construction cycle and to help bolster the business cycle, we need more advance planning merely to assure the wise selection and orderly flow of public construction.

Water-pollution-control program

This program authorizes for each of five successive years, beginning July 1, 1948, the sum of $22,500,000 for construction loans and $1,000,000 for grants for planning to aid State and local governments in the construction and planning of needed sewage-treatment plants. So far no money has been appropriated for loans and only $400,000 has been appropriated for planning grants.

2. ADVANCE PLANNING OF FEDERAL BUILDINGS

While there has been no concerted program of advance planning of projects in the Federal Government for use as a reserve, legislation is now pending (S. 714) which would authorize the Federal Works Administrator to acquire sites and make comprehensive plans for Federal public buildings outside of Washington. An appropriation of $40,000,000 is authorized for this purpose. This sum would provide sites and plans for construction to cost about $450,000,000. This would give us a start on this program. The bill also authorizes $30,000,000 for major repairs to Federal buildings outside the District of Columbia.

S. 714 has passed the Senate and a rule has been granted which should bring it before the House of Representatives in the near future.

In this connection, I might point out that for a number of years, both during and since World War II, the normal program of Federal building was sharply curtailed to give priority to needed war construction and housing. The FWA now feels that the time is at hand when the Federal Government should get back into a more normal program calling for about $75,000,000 in annual construction of Federal buildings.

3. FEDERAL-AID HIGHWAY PROGRAM

Under this program the sum of $450,000,000 in Federal-aid funds is authorized for each of the fiscal years 1950 and 1951. This program is administered by the Public Roads Administration of the FWA.

In addition to these formal programs, the Federal Works Agency, through its constituent, the Bureau of Community Facilities, is constantly studying the employment possibilities in public-works programs which might take the place of the former PWA and WPA programs. A cadre of men who are familiar with these programs is carrying on this study. Their number is very limited, and the Federal Works Agency has proposed that we be authorized to carry on a continuing study which would enable us to maintain an up-to-date inventory of the capacity to expand State and local public works.

I might also add that we are in constant touch with the Council of Economic Advisers on current trends in the economy. As you may realize, an over-all approach is needed to overcome economic declines. Public works has an important place in that program. I

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would suggest that the passage of the advance planning bills would be a wise move and would decidedly augment the volume of worth-while public works that could be put under way speedily in case of emergency. A decision to embark on a wide-scale public-works program would be a major act of Congress.

I appreciate your writing to me on this problem because it has long been of concern to us here in the Federal Works Agency. Along that line, I enclose a reprint of a talk I gave on this subject before the Chicago Building Congress on March 10 last.

I trust this reply outlines satisfactorily what the FWA has done and can do under present circumstances.

Sincerely yours,

PHILIP B. FLEMING,
Major General, United States Army,
Administrator.

Committee on Un-American Activities

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. MULTER. Mr. Speaker, many of my colleagues, like myself, were fearful at the opening of the current session that our Committee on Un-American Activities, unless restrained by formal rule, might pursue the same method of procedure which brought upon the committee much criticism for its activities during the Eightieth Congress. I am more than pleased to say that under the chairmanship of our distinguished colleague the gentleman from Georgia [Mr. WOOD], without the adoption of any such rules and regulations, the committee has been operating with due and full consideration of the American tradition of fair play. Persons in and out of public office are no longer being besmirched by that committee, and unfounded accusations no longer emanate from it. Typical of the fairness of its procedure is a letter written by the chairman of the committee to Rev. William C. Kernan, director of the Institute for American Democracy, which follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON UN-AMERICAN ACTIVITIES,
Washington, March 24, 1949.

Rev. WILLIAM C. KERNAN,
Director, Institute for
American Democracy,
New York, N. Y.

DEAR FATHER KERNAN: On December 18, 1948, during the Eightieth Congress, the Committee on Un-American Activities, under the chairmanship of the Honorable J. PARNELL THOMAS, caused to be published a document entitled "Citations by Official Government Agencies of Organizations and Publications Found To Be Communist or Communist Fronts."

On page 51 of the document referred to, there is contained a statement regarding the Institute for American Democracy which is based on the 1948 Report of the California Committee on Un-American Activities. The statement mentioned cited the Institute for American Democracy as a Communist front.

This citation, which was originally made by the California Committee on Un-American Activities in its 1948 report, has been corrected through a letter which the Honorable Jack B. Tenney, Chairman of the Senate Fact-Finding Committee on Un-American Activities in California, directed to Mr. David Robinson, assistant national director of the Anti-Defamation League, on December 6, 1948. A copy of this letter was recently made available to me as the present chairman of the House Committee on Un-American Activities. Senator Tenney's letter to Mr. Robinson indicates that the Joint Fact-Finding Committee on Un-American Activities of the California Legislature had erroneously cited the Institute for American Democracy as a Communist-front organization.

I, therefore, wish to express to you my sincere regret that the Committee on Un-American Activities of the United States House of Representatives, based upon the facts mentioned above, incorrectly included the name of your organization in its Citations booklet. I hope that this letter will serve to mitigate the effect of any adverse publicity which your organization has received as the result of the erroneous citation and that it will also serve to prevent any unjust accusations against your organization from occurring in the future.

Sincerely yours,

JOHN S. WOOD, *Chairman.*

Mr. Speaker, I commend the committee and its chairman for the forthright manner in which they sought to right a wrong that had been done this organization and those connected with it.

Second-Class Postage Rates

EXTENSION OF REMARKS
OF
HON. HAMILTON C. JONES
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. JONES of North Carolina. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me before the House Post Office and Civil Service Committee on May 20, 1949, in regard to increasing second-class postal rates:

Chairman MURRAY and members of the House Civil Service and Post Office Committee, I appear before you this morning to speak briefly in behalf of the North Carolina Press Association and the affiliated organizations of the Western and Midwestern North Carolina Weekly Press Association.

It is apparent from investigation that I have made and from the data that has been submitted both in the record of the hearings before your committee that the proposed increased rates for second-class matter would be practically prohibitive and result in many small papers and larger ones, for that matter, being dangerously near the brink of insolvency.

I have in my district in the Tenth Congressional District of North Carolina many small newspapers whose very existence and continuance depends upon the circulation in rural sections and for this reason, reasonable second-class rates as now exist are absolutely necessary to the continuation of the publication of the regular weekly papers. This is also true of the larger papers not only in my district but in the State of North Carolina and elsewhere and I earnestly protest the rates as now proposed in the new bill and ask that they be so reduced that it would make it practicable for many newspapers to continue in business. In many instances they have a hard enough time anyhow.

I know that this committee would not want to in anywise seriously cripple the circulation of news and information which is so necessary to mold public opinion of some of the soundest groups of people in our Nation by imposing upon the newspapers, upon which they depend, an impossible cost of distribution of their papers. This would be the result in case the proposed rates were adopted.

Speaking before the Senate Post Office and Civil Service Committee, Mr. Charles McD. Puckette, representing the Chattanooga Times of Chattanooga, Tenn., and 387 members in 14 States from Virginia and West Virginia to Texas and speaking for 229 daily papers having a circulation of less than 20,000 copies, said in part, "that no increase in cost of any part of newspaper publishing has approached the increases which have been proposed in this bill. We have had no increase in wages, materials, or services even close to this percentage of increase. No common carrier or utilities subject to regulations has asked for such an increase and no private competitor has ever sought such an increase.

"Since the pending bill was introduced, our newspapers have calculated the effect of the proposed rates on their services to readers reached by the mails, almost wholly on rural free delivery routes.

"The increase would range from 125 to 300 percent and upward. The Post Office Department itself cited the case of one newspaper—the Emporia (Kans.) Gazette—whose second-class costs would rise 600 percent. We submit that merely to mention such increases is to prove that the pending bill is hardly one to offer a basis of discussion.

"If I thought that we were making a profit, and by an increase of rates we were endeavoring to get part of that profit, I would not be here asking you to reconsider this bill. We lose money on rural free delivery circulation if we charge a fair price for it, $10 a year, but we lose money on rural free delivery circulation, only charging against it newsprint cost and our cost of getting it to the subscriber.

"There is this point, too, that while we have had no increase in postage rates since 1925, our postal costs have increased 150 percent. Since 1925 we have been obliged, because of trains have been taken off, to put 84.13 percent of all of our rural free delivery circulation on our own trucks, cart them out to these post offices, and put them in there. Our postage costs, therefore, have risen 150 percent since 1925, although the Post Office Department, of course, has not received that. We have been obliged to pay for that out of our own pocket. I think at that point we should have some consideration for these rates."

Speaking to the same committee and on the same point, Mr. Frank A. Daniels, representing the Southern Newspaper Publishers' Association and the News and Observer, of Raleigh, N. C., as its manager, said in part: "I represent the Raleigh News and Observer, a paper of 100,000 circulation in Raleigh, N. C., which is owned and operated by our family.

"Up to about 25 years ago, we had a very simple matter of distributing our newspaper. Because we are in an agricultural area, we are the only morning newspaper in an area of about 175 miles east of Raleigh.

"Up to 25 years ago, the Post Office Department, because of the train service, could distribute for us. Today that is impossible. Even first-class mail in North Carolina, because of the curtailed train service, takes anywhere from 36 to 48 hours to go 75 miles. And we have been forced to put on trucks.

"Today we are mailing 38,000 copies of our paper every day. Seventy-five percent of those papers are put into small post offices, that are the point of final delivery, by our

trucks at our expense, and we pay all of the money and do, according to my thinking, seven-ninths of the work of the Post Office Department. We pay the Post Office for those papers $40,000 in the mailing. Our costs in delivering those bundles and bags, properly stamped and delivered in best Post Office procedure—not usual Post Office procedure, but the best Post Office procedure—it costs us $37,000 to put them there. In other words, it costs us about $78,000 to deliver those papers, although we only pay the Post Office Department $40,000.

"We are completely dependent on the Post Office Department for the distribution of 38 percent of our circulation. We are agricultural, we are in the tobacco part of the country, and the only way those people can get the paper is by rural free delivery.

"We are not interested in any mail going into any town. It is my thinking, and I think the thinking of Congress, that the rural people are entitled to every service that the urban person is entitled to. The only way we can continue to serve those people, if the postage rates are advanced, is to materially advance our cost of our paper. We are already getting all we think the traffic will bear on rural routes.

"That is particularly necessary in our case because being in a comparatively small town, for a circulation as large as ours, we do not have the advertising income that the average newspaper has.

"We believe, sir, that the Post Office Department is making a substantial profit on the distribution of our second class mail, of our newspaper, and also of the other morning newspapers of North Carolina."

These statements which I have quoted at length because they can present the matter better than one not experienced in the business, are convincing that the excessive rates as proposed for second class mail matter by the Post Office Department would be ruinous to many newspapers not only in North Carolina, but in the United States generally. I know it to be a fact that any considerable burden added to the daily newspapers in western North Carolina would cause a great number of them to have to discontinue their publication.

In conclusion, I appeal to the committee that if it deems it necessary to make an increase in second-class postal rates that it consider the vital effect that this increase will have on the continuance and operation of many newspapers which means everything to so many splendid rural communities in our Nation, and make their increases very reasonable.

Our most excellent Post Office Department which has encouraged the propagation of news to all of our people throughout the years should and, in my opinion, will be the last to discourage it by imposing excessive postal rates.

At the joint meeting in Morganton on March 26 of the two weekly affiliates of the North Carolina Press Association, the Western and Mid-Western Associations, the following resolution protesting the proposed excessive advances in postal rates was unanimously adopted:

"The Western North Carolina Weekly Press Association and the Mid-Western Weekly Press Association, in joint meeting in Morganton, N. C., this March 26, 1949, have this day unanimously adopted the following resolutions:

"First, we oppose Senate and House Resolution No. 2945, which seeks to abolish free-in-county newspaper circulation, raise postal rates to unreasonable proportions, and place a certain censorship on the contents of newspapers.

"Therefore, we definitely oppose, first: the placing of postmasters or their representatives in authority to be sole judge of what is advertising and what is news matter. Second: the extremely high rates proposed in the bill which would eliminate the small publisher from a needed and most important business and civic position in America.

"We agree that there should be an adjustment of postal rates and do agree to the elimination of the free-in-county privilege and also would not oppose a 10-percent increase in the first year, a 10-percent increase the second year, and a 10-percent increase the third year rate, making a total of 30-percent increase over present rates in a 3-year period.

"We respectfully ask that these resolutions be sent to our Senators and Representatives for their consideration and ask that these facts be given in committee hearings.

"WEIMER JONES,
"President, Western North Carolina Weekly Press Association,
"CHARLES H. MEBANE,
"President, Mid-Western Weekly Press Association,
"S. T. HENRY,
"B. ARP LOWRANCE,
"HARVEY LAFFOON."

Max Leuchter

EXTENSION OF REMARKS
OF
HON. T. MILLET HAND
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. HAND. Mr. Speaker, southern New Jersey has recently lost one of its outstanding citizens, Mr. Max Leuchter, the editor and publisher of the Vineland Times-Journal. In the vigorous prime of his life, he was removed from our midst suddenly and shockingly.

I cannot better express the loss that we all feel than to include an editorial of a friendly competitor, the Millville Republican:

Death, as it must to all men, came to Max Leuchter, a nobleman of the Fourth Estate. Mr. Leuchter was publisher of the Vineland Times-Journal.

No newspaper publisher ever had more devotion or more determination for his profession than did Mr. Leuchter. His newspaper was his life. Energetic and discerning, he wrote for his newspaper a daily column that was first with most of the readers. He had a very human style of writing that made it easy to read. Yet he brought to his column a new thought or a different slant which stimulated the mind.

Mr. Leuchter was a most tolerant man. He was kindly and friendly. He had a high sense of honor. He had a keen mind. He was courageous. He was helpful. He had a dogged persistence for the right.

Success came to Mr. Leuchter in the newspaper field. But it was not easy. He had fought hard. He had planned well. He was a good executive. And he knew the newspaper business. Through the years his newspaper eventually became the only daily newspaper in Vineland. The Times-Journal is one of the finest small-city daily newspapers in the country. It is doubtful if there is as good a newspaper in all the 48 States published in a community the size of Vineland. The Times-Journal is Max Leuchter. And Max Leuchter was the Times-Journal.

When death came to Mr. Leuchter he was not at the height of the success he would have reached, for he was still planning to improve and enlarge his newspaper. He was never satisfied with things as they were, he was always pushing forward, planning for the things he now cannot realize. To his family, his business associates, and his friends he has left a noble heritage.

On American Constancy

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 24, 1949

Mr. JAVITS. Mr. Speaker, the appended article by Walter Lippmann sounds a challenging note for all Americans concerned with foreign policy. It involves probably an outstanding hallmark of the position of world leadership which the United States now occupies:

TODAY AND TOMORROW
(By Walter Lippmann)
ON AMERICAN CONSTANCY

Once again, when they see how the Appropriations Committee cut the ECA funds, our European friends will find reasons to doubt the constancy of this country. That is their perpetual worry, anyway. They have never forgotten what Woodrow Wilson promised them and what the Senate and the Harding and the Coolidge administrations did to the League of Nations, the peace treaties, the war debts, the tariff and recovery. No matter how many times the Senate by nearly unanimous vote approves the UN Charter, the Atlantic Pact, the European recovery program, the memory of the first American withdrawal is not effaced.

Yet, that cannot be the whole explanation of the nervous distrust which is to be found in every friendly European capital. There is also a deep feeling that a country which has swung in so short a time from isolationism to globalism is bound at some time to swing back at least some part of the way.

Europeans remember that in 1939 it was unlawful even to sell arms to Great Britain and France. When they realize that since the end of the war the United States has in the form of loans and grants provided the Marshall plan countries of Europe alone with $19,000,000,000, they are bound to ask themselves how long that kind of thing can be expected to go on. The greater part of the funds cut this week out of the ECA appropriations can probably be restored. But the fact remains that the policy of large contributions does not rest on solid congressional and popular foundations.

It rests on the feeling of crisis mixed with varying but lesser proportions of humanitarianism and enlightened self-interest. All observers are agreed, I believe, that without the Czechoslovak coup and the death of Masaryk the passage of ECA through Congress would have been slower and harder, and that but for the Berlin blockade the authorization of the second installment would have run into much more serious examination by Congress.

There is, therefore, good ground for the anxiety as to what will happen to these programs of assistance if the Soviets have really decided to relax the European crisis, or indeed to resolve it by a military withdrawal from Germany.

The problem for Europe and for America will then be how to find a permanent, not merely an emergency, basis for the two great elements of our European policy. The one is the American guaranty that military aggression cannot be committed without the certainty of war with the United States. The other is that the imbalance of exports and imports between North America and Europe must be righted—for the time being by ERP but in the longer run by American and private investment abroad.

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For in no time that we can foresee—no matter how conciliatory the Soviets may be—will Europe be secure without the American guaranty or solvent without some special financial arrangements by the United States.

It is easier to sustain these policies in an atmosphere of crisis and of fear, and if the Soviets are going to be as dull-witted as Mr. Vishinsky's opening proposals might indicate, we shall no doubt get along somewhat longer as we are. But we must suppose, at least as a matter of prudence, that the Soviets will not always be stupid, and if they are not, then we shall have to found our policies on generosity and enlightened self-interest, rather than on fear and anxiety.

If the European situation is no longer in crisis by next winter, the continuation of European assistance on a large scale will require a very considerable change in the emphasis, and probably also in the working theory. Broadly speaking the American people will have to be convinced that if they are not paying for a cold war, they are making a contribution to construct a decidedly better European system than that which has produced all the calamities of the twentieth century.

The Men Who Came Back

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. MULTER. Mr. Speaker, the following editorial which appeared in the New York Post of May 20, 1949, again directs attention to the rebuilding of German cartels, which should be stopped:

THE MEN WHO CAME BACK

German industrialists and financiers who held hands with Adolf Hitler continue their phenomenal come-back. They were a drab-looking body of troops on VE-day, but they refused to admit they were licked. Although they suffered minor inconveniences, spiritual emptiness, and servant trouble, they clung to the belief that better times were ahead. Now their faith in themselves—and in us—is being vindicated. They are living in the style to which they had grown accustomed when Hitler was in flower.

Within the last 48 hours two dispatches from Frankfurt have told terrible stories. Charles H. Collison, deputy chief of the decartelization section of American military government, has been fired. His ouster occurred a day after the disclosure that Alexander Sacks, an attorney in the same branch, has been ordered to stand trial for insubordination.

Both men are clearly guilty of the same offense. Several months ago a civilian investigating commission was appointed by then Army Secretary Royall to explore charges that AMG has scuttled the American promise to smash Germany's industrial trusts. Collison and Sacks went before the commission and told what they conceived to be the truth.

They accused high AMG officials of treating our anticartel pronouncements as whimsical scraps of paper. They documented their case. They named names. They said Germany's industrial magnates were resuming business at their old stand with the blessing of American occupation officials.

Collison is a former corporation lawyer. Sacks is an ex-Justice Department trust-buster. Despite the disparity in their backgrounds they reached the same judgment and they refused to remain silent.

The investigating body, headed by Federal Trade Commissioner Garland Ferguson, submitted its report to Royall on the eve of his resignation. It unmistakably upheld Collison and Sacks.

Now the star witnesses are being punished and the officials whom they exposed are unmolested.

Richardson Bronson, chief of the decartelization section and one of those most sharply criticized in the Ferguson report, is permitted to fire Collison in the third act of this weird fantasy.

Hitler's former industrial admirers no doubt regard all this as proof that sanity and statesmanship have triumphed in America.

We believe it calls for a full-fledged Senate inquiry. It may be significant that these reprisals have occurred on the eve of John J. McCloy's appointment as high commissioner of Germany. Perhaps the survivors did not want him to know where the bodies are buried when he arrives on the scene.

Some aspects of the problem of Germany are painfully complex. But two things are clear. The first is that we cannot help promote democracy in Germany if we return political and economic power to the Society of the Respectable Friends of Adolf Hitler. The second is that we cannot maintain our moral leadership in the rest of Europe if we break the hearts of our liberal labor and Socialist allies in Germany.

Our new romance with the old German industrial crowd is inevitably being pictured as a clue to the kind of postwar world we are trying to create. These stories will be used against us everywhere.

We do not know whether stupidity or scandal is responsible for our retreat. We do know that the old Truman committee, always characterized by its independence of big business, would have tried to find out.

There is urgent need for fearless investigation by a similar Senate body now.

Waste in Government Must End

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial appearing in the Cincinnati Enquirer of May 22, 1949:

WASTE IN GOVERNMENT MUST END

(By Louis Bromfield)

No two measures coming before the American people ever have been of greater importance to their welfare than the report of the Hoover Commission and the armed forces unification law. Some action has begun on the former; and it is already abundantly clear that the present armed forces unification law is almost wholly inadequate in the hands of any but a strong Secretary of Defense, and even under such a condition lacks the teeth to make it effective.

Both measures are concerned primarily with efficient, economical, and sensible government, and as such can largely guarantee our Government and our economy against that decline and collapse for which the Moscow oligarchy wishes so passionately.

It is not more taxes and more restrictions and more kept and prostituted citizenry which will save us, but more intelligent, honest, and sensible government and less taxes, less restrictions, and more decency.

I have written about the Hoover report before now. One of its important aspects is the emphasis upon the colossal waste of the armed forces and, in particular, that of the Army.. Any GI knew all of this. He saw it on every side both here, at home, and on the beaches and deserts of half the world. Waste at the front and even some degree of waste at home in wartime is unavoidable, but in peacetime there is no excuse for that waste to be continued.

For this waste there obviously are three reasons: (1) The lack of coordination and the duplication of effort among the various branches of the armed forces; (2) the inadequate education provided by military and naval training establishments; (3) the jealousies and rivalries between services, which are given precedence over the welfare of the citzenry and in many cases the efficiency of operations in naval and military fields.

The first reason is known to everyone. The second is less well known, but has earned at times for the Naval and Military Academies the name of "trade schools" where young men were prepared only for war and richly imbued with the traditions, jealousies and rivalries of their special services. Moreover, they had constantly before them a considerable number of bad examples in the form of high-ranking officers with their petty cliques and snobberies.

All this is no criticism of the genius and gallantry of some of our leading Army and Navy men; yet one does not have to be extravagant and inefficient in order to be brave or even to be a good commanding officer. In most cases, we were extremely fortunate in the caliber of the top-ranking officers in our recent war. As a rule, however, these are not concerned primarily with efficient administration, but with tactics and logistics.

On the administrative side, the war cost us perhaps as much as a third more than it should have through lack of coordination, organization, and efficiency, and for that we now are paying heavily and our great-grandchildren will still be paying unless Congress provides a bill with teeth in it which achieves real unification.

During a war the officers of the armed service are given great freedom, and, consequently, get out of hand. Today most of them are unwilling to surrender one jot or tittle of the special privileges allotted them in time of war. Their lobbies and their intrigues are among the most powerful in Washington.

But underneath it all lies one important factor little realized by the average citizen: That while the armed forces clamor for more and more recruits and more and more mechanical means for defense against other nations (which shall be nameless, since they need no names), the constantly increasing appropriations, the waste, and extravagance are encouraging from behind, the specific kind of peril which Soviet Russia predicts and prays for—our economic collapse and disintegration and the triumph of the Communist ideology.

We have in the Office of the Secretary of Defense a man of character, of proven experience and achievement, and, above all, a man of courage. His name is Louis Johnson. To date his record has been excellent, despite the attempted smears by armed forces lobbies. Nevertheless, the law still does not give him enough authority to clean up the Augean stables of inefficiency and waste which leads the armed forces, with existing appropriation of $15,000,000,000, to ask constantly for more. Fifteen billions is a lot of money, my friends; more than it took to run the whole Government before the war. I suggest that you and your Congressmen do something about it.

Part of the tactics in the cold war has been the constant support by Soviet Russia of the demands for more and more money from our own American armed forces. There is more than one way of bringing a proud and rich country to the dust.

Katherine Lee Writes Timely Article in Superior Telegram

EXTENSION OF REMARKS
OF
HON. ALVIN E. O'KONSKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. O'KONSKI. Mr. Speaker, I wish to insert in the RECORD a statement by Katherine Lee, of Spooner, Wis., which contains more common sense than I have heard in Washington for a long time:

SPOONERITE ASSERTS ELDERLY AMERICANS SUPPORT BRITISH

SPOONER, WIS., *April 18, 1949.*

To the TELEGRAM:

It is a known fact that Social Security is here to stay and that it is intended to provide elderly citizens with a means of livelihood in their declining years. Yet we seem to forget in viewing earned social-security benefits, that the formula used in computing them has never been changed since the law was first passed.

Meanwhile the cost of living index has increased considerably. It is common knowledge that persons gainfully employed are having a difficult time in making both ends meet.

The Congress of the United States has ignored the elderly citizens of America who, by their labor and taxes built this great Nation. "Yes, we have forgotten them in turning our attention to world problems."

Hardly a day passes that we have not heard on the radio of the poor, unfortunate people abroad. When you pick up your daily newspaper it is not uncommon to find full-page advertisements directing your attention to the needs of millions of persons abroad.

The House approved an appropriation of $16,000,000 for destitute displaced Arabs and Jews in the Middle East, but there is not one word said in defense of millions of "our own American citizens" who are on starvation diets and restricted in many instances to one scanty meal a day.

Let us examine for a moment the amount of financial assistance we have given to the peoples of the world. According to the United States Department of Commerce, from March 11, 1941, to December 31, 1946, in the form of lend-lease aid alone, the American taxpayer contributed $50,243,996,159. In addition, we have contributed toward world recovery since July 1, 1945, the sum of $25,495,052,923 which has been allocated as follows:

United Nations relief and rehabilitation, $2,700,000,000; United Nations Organization, $41,426,162; lend-lease (postwar), $2,163,000,000; International Bank, $635,000,000; Export-Import Bank (loans authorized), $2,258,300,000; loans to Great Britain and Philippines, $4,390,000,000; War Department (grants for relief), $1,771,926,293; surplus property sales (credits intended), $1,148,000,000; Greek-Turkish loan (authorized amount), $400,000,000; relief in occupied area (Army), $2,230,000,000; International Relief Organization, $71,073,000; Economic Cooperation Administration, $4,754,000,000; other appropriations for foreign or international objective by Eightieth Congress, $300,000,000. Total, $25,485,052,923.

With the passage of the Marshall plan by the Eightieth Congress, we have obligated ourselves to spend what may amount to more than $17,000,000,000, which, no doubt, will be only a starter in bailing out Europe from its financial mess.

When you add together all of these sums for foreign aid you have the almost unbelievable total of over $90,000,000,000 being sent abroad to help foreign nations.

Yet in 7 years we have sent abroad this huge sum which should not be such a bad record in the eyes of foreigners for a Nation that has been called repeatedly a race of Shylocks.

In some States many recipients of old-age assistance receive $10 to $15 a month and are told to live on such an allowance.

Yet at the same time Great Britain has been paying by comparison $33 monthly to each needy person. Our gifts to the British Socialist Government in recent years have averaged $1,500,000,000 annually and in dispensing money under the European recovery program Great Britain will receive approximately one-third of the money that American taxpayers are contributing to support the so-called Marshall plan.

It is a ridiculous situation to realize that American taxpayers are doling out billions of dollars to foreign nations and permitting them to pay to the needy nearly three times the amount we expend for our own elderly citizens.

The answer is so apparent that it is an insult to question one's intelligence to even ask such a ridiculous question. Yet that is exactly what we have been asking the elderly citizens to do the past several years.

I feel it is needless for me to continue to describe the plight of our elderly citizens of this Nation.

Mrs. KATHERINE LEE.

Will There Be a Fourth Reich?

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. MULTER. Mr. Speaker, more and more do we find the Nation-wide press calling the attention of the American public to the rebuilding of world-wide trusts. The following article again points to the German situation, which I have so frequently called to the attention of the House. This article appeared in the New York Post of May 23, 1949:

WILL THERE BE A FOURTH REICH?

(By Max Lerner)

Secretary Acheson starts the four-power conferences at Paris today with the typical no-compromise public vow which has become standard ritual for every American Secretary of State. But we have a right to ask, "No compromise on what?" How can we tell unless we know what our Government considers the most crucial issues in getting a solution of the German problem?

The two issues the State Department has been drumming on loudest—whether Russia will accept the American-sponsored Bonn constitution for eastern Germany and whether Russia will accept UN supervision of free elections in eastern Germany—are obviously of secondary importance. Only a confused American people could be soft-minded enough to regard these as the crucial issues.

Look at the Weimar Republic, before Hitler. It had a constitution not too unlike the one just drawn up at Bonn, and it had free elections, yet it ended in dictatorship, war, and genocide. If we want the German problem settled, surely we need something more.

We need to keep our eyes less on German politics and more on German economics. The biggest industrial plant in Europe is the German, and the heart of German industry is the Ruhr Valley. German constitutions and regimes come and go, war follows peace and peace follows war, but the Ruhr industries go on regardless.

We have appropriated $3,000,000,000 in American funds to help rebuild German industry, and one way or another more billions will be added to them. For what purpose? Up to now it looks as if our purpose is to restore the status quo ante in German industry—before Hitler lost his big gamble. We seem to be handing Germany back, if not to the Ilse Kochs quite, then to their brothers under the skin. I mean the men whose principal contribution to the manufacturing arts was the art of turning a nation into a jungle and human beings into animals and victims. I mean the men who not only worked with Hitler but who made Hitler because it was they who paid Hitler.

The big question about Germany today is whether, regardless of constitutions and elections, we are helping to prepare for a fourth Reich. I don't mean Nazi armies and storm troops, although nationalist groups are reported as marching in the streets again. I do mean a set of centralized industrial controls, in the hands of the finance and cartel kings, whose aim is to help neither America nor Russia but to prepare to run Europe again for Germany. Already they are showing themselves adept at playing the big two off against each other.

You can find the picture of the emerging industrial controls in the Ruhr in a brilliant staff article in the current issue of the Reporter, the new Max Ascoli magazine. It shows in convincing detail the power structure within a typical German vertical combine, "Vereinigte Stahlwerke."

The German cartelists—the steel barons and bankers, men like Dinkelbach and Henle and Falkenhausen—depend on us to hand a rebuilt Ruhr back to them. If the Paris talks fall through, and German partition and military occupation remain, they figure that our generals and high commissioners will trust only German capitalists as an anti-Russian bastion. If the armies are withdrawn and Germany is unified, they figure that free elections will mean the return of a reactionary government. Either way they can't lose.

They hope to get more money from us, either through the Marshall plan or from investments by our private bankers, as in the 1920's. They know that once we have so much invested in their control of the Ruhr industry, we will have a stake in perpetuating their power. We won't be able to support the French economy or the British economy against theirs.

Thus, they plan, with our help, for Germany to run Europe again. Our answer—if we care about democracy in Germany and peace in Europe—must be a plan whereby Europe can run Germany. To explain that will take another column.

Displaced Persons

EXTENSION OF REMARKS
OF
HON. M. G. BURNSIDE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. BURNSIDE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a letter to

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the editor appearing in the Washington Evening Star of Monday, May 23, 1949:

TEXTILE UNION OFFICIAL PLEADS FOR ADMISSION OF DISPLACED PERSONS

To the EDITOR OF THE STAR:

In your issue of April 29, there was a letter signed "Forus," strongly objecting to the admission of displaced persons to the United States.

If anybody should be concerned about the admission of displaced persons it certainly should be organized labor. And yet, the American Federation of Labor, the Congress of Industrial Organizations, the United Mine Workers of America, the International Association of Machinists, and Rail Labor Unions have all gone on record favoring the admission of 400,000 displaced persons to the United States, with no strings attached. This stand is simple, American, humanitarian, and unselfish.

William Green, president of the American Federation of Labor, said on March 1, 1949: "It is our firm belief that the United States should admit 100,000 DP's for 4 years. We feel that this would be both morally and economically sound, and certainly should have no adverse effect on our economy."

Philip Murray, president of the CIO, said on March 3, 1949: "The United States should admit 100,000 displaced persons for 4 years. I wish to emphasize again that the interests of labor, in terms of employment or otherwise, are not in the least threatened by the admission of this handful of people."

Proper and equitable displaced persons' legislation has been on the legislative program of organized labor for more than 3 years, and we criticize the law now on the statute books as being inadequate, discriminatory, and practically unworkable.

MAJORITY ARE WOMEN AND CHILDREN

Almost 60 percent of the displaced persons are women and children. The majority, therefore, will be consumers rather than breadwinners. In effect this means that the displaced persons to be admitted to this country will stimulate employment by adding to the total and productive activity in our country.

Our friend "Forus" says in his letter that "it seems improper that our citizens, who have been struggling in low-grade positions for a long time, including farm labor, should be displaced by these displaced persons." That many Americans are struggling in low-grade positions is undeniably true; but that DP's are displacing these people is not true. So far there is no record of any DP who has displaced any American worker, whether that worker was struggling in a low-grade position or taking it easy in a high-grade position.

Furthermore, "Forus" believes that displaced persons "will not be so anxious to come to this country if they were required to do some real manual labor." The unfair inference is that displaced persons are lazy and shiftless and just no good.

Well, let us see who the displaced persons really are. They are the survivors of Nazi concentration camps, of slave labor battalions and of religious persecution. They have no home and no country they can call their own.

Three and one-half years after the war there are still almost 1,000,000 of these men, women, and children, most of them living in the occupied zones of Germany, Austria, and Italy. These victims of barbarism and terror do not wish to and cannot return to their homes of origin, now in the Soviet sphere of influence, because they fear oppression for religious or political reasons.

MANY SKILLED WORKERS INCLUDED

The bulk of the displaced persons are skilled and self-supporting. The skilled category in which there are significant numbers among the displaced persons are blacksmiths, painters, bakers, joiners, butchers, carpenters, electricians, auto and truck mechanics, locksmiths, shoemakers and tailors. There are about 63,000 agricultural workers, etc.

It seems reasonable to assume that people equipped with such skills, who fought fascism and have rejected communism, and who for years have suffered the many hardships of a detention camp rather than go back to their lands of origin behind the iron curtain, are not exactly delicate when some real manual labor is to be done.

During the war years this country lost more than 900,000 regular quota immigrants who could have come in but didn't because of the war. Even if 400,000 displaced persons are admitted during the next 4 years, this country would still be short of some 500,000 regular immigrants who could not enter the country during the war years.

To mouth sympathy for displaced persons but to let them rot in detention camps is sheer hypocrisy. Let us demonstrate both our faith in the soundness of the American economy and true American idealism by promptly enacting legislation which will enable this country to bring here our fair share of displaced persons.

JOHN W. EDELMAN,
Washington Representative, Textile Workers Union of America, CIO.

Does Politics Pay?—Newspaper Writer Asserts "Take" of Congressmen Runs to $50,000 a Year

EXTENSION OF REMARKS
OF
HON. EDWARD H. JENISON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. JENISON. Mr. Speaker, because it is possible that many Members of the House of Representatives will be surprised to learn of the extent of their compensation, I am including herein, under leave to extend my remarks in the RECORD, an article from the Chicago Daily News of May 23 which makes the rather surprising charge that Congressmen "take" their Government for $50,000 yearly rather than the actual $12,500 per year plus a tax-free $2,500 expense fund. The article is written by Mr. Robert S. Allen in his syndicated column published in many metropolitan newspapers, in addition to the Chicago Daily News. Here is his article, with its somewhat astonishing logic and conclusions:

POLITICS CAN PAY—"TAKE" OF CONGRESSMEN RUNS TO $50,000 A YEAR

(By Robert S. Allen)

WASHINGTON.—The popular expression, "It's nice work if you can get it," has bull's-eye application to Congressmen.

With the $3,000 clerical boost they recently voted themselves, their total annual "take" now makes a Congressman the highest-paid United States official next to the President.

With a Congressman's salary, tax-free expense fund, and other allowances, his total cash "take" comes to $31,850 a year.

And that figure does not include free offices, equipment and other facilities—both in Washington and in his home town—free medical care, free flowers, free postage, cut-rate prices on stationery and numerous other articles in the House stationery room (virtually a PX), and 20-cents-a-mile travel expenses to and from his home. For west coast Members the last item amounts to $1,200 for each session.

HIS "TAKE" LISTED

The itemized list of a Congressman's "take" as a result of the latest boost is as follows:

Salary	$12,500
Tax-free expense account	2,500
Clerical hire	16,300
Telegrams and long-distance telephone calls	500
Air mail	50
Total	31,850

This sum, combined with the other free facilities, brings the total cost to taxpayers of maintaining a congressman to at least $50,000 a year.

In addition; congressmen now have a generous pension system. It is voluntary and they become eligible after serving three terms (6 years) and reaching the age of 60. Members pay $62.50 a month. After 6 years, they are entitled to a pension of $1,875 a year as long as they live. The more they pay in, the bigger the pension, up to a maximum of $7,500 annually.

FAMILIES GET CARE

The free medical care applies not only to Members of Congress but to their families. On occasion, even lame-duck congressmen benefit from this system.

In recent weeks, two former Members of the House were given free medical care in one of the Capital's big military hospitals. In its operation, this system is pure socialized medicine. Its cost runs into several hundred thousand dollars annually.

A major feature of the system is a large and fully equipped clinic maintained on Capitol Hill for congressmen. This clinic has three full-time doctors and a number of other attendants. The service is free to Members of Congress and their families. The same applies to the other medical care they get in either the Army's Walter Reed Hospital or the Navy's Bethesda Hospital.

VETS GET IN FREE

Their only charge in these institutions is $8.75 a day for bed and board. Everything else is free, including surgery, nursing, and medicine. Also, if a Member of Congress is a war veteran, he can even get the Veterans' Administration to pay the $8.75 charge if he wants to. Some do.

Another source of cash income to Members of Congress is the widespread practice of nepotism. It is estimated that at least half the Members of the House and 40 percent of the Senate have relatives on their congressional pay rolls.

In some cases, these relatives actually work for their salaries. A number of them don't; some don't even live in Washington.

KICK-BACKS TAKEN

Occasionally, Congressmen further enrich themselves by taking kick-backs from their clerical help. Representative THOMAS (Republican, New Jersey), former chairman of the House Un-American Activities Committee, is awaiting trial on an indictment on this charge.

Congressmen pay for their food in Capitol dining rooms, and for their barbering and shoeshines. Senators get the latter service free. There is no limit on the franking (free mail) privilege of Members of Congress.

The latest $3,000 increase in clerical hire for Congressmen also included a separate $500 item for telegraph and long-distance telephone service. Like the other emoluments and accommodations, these allowances are tax-free. The increase was voted by a resolution that was not subject to Senate concurrence.

Under the resolution, Congressmen can employ as many clerks as they wish and fix

their salaries up to a maximum of $5,000 a year.

It sure is nice work if you can get it.

Mr. Speaker, to be fair, it would seem even Mr. Allen should concede that while it may be true that it costs the taxpayers $50,000 per year to maintain some Congressmen, it is not accurate to imply each Congressman gets that much.

To be fair, Mr. Allen should point out that funds allotted for clerical hire revert to the Treasury if not used for office employees. The sum, whether it be the present $13,300 or the contemplated $16,300, goes to employees of the Government, not to the Congressman. Many Congressmen find it possible to operate their offices with less than the maximum appropriation. The total saving is considerable.

Even by adding Mr. Allen's maximum figure of $16,300 clerical hire to the $15,000 salary of the Congressman, the total still falls nearly $20,000 short of the sum alleged. It is doubtful if even the complete run of free services listed by Mr. Allen would account for such a sizable spread. He overlooked one item, however, and I am glad to report it to him. He pointed out truthfully that Senators get their barbering free while Congressmen pay for it. Actually, Congressmen get their barbering at half price. Haircuts are only 50 cents. But like many of my colleagues, I am bald headed. Therefore I am really getting only justice—justice that might well be extended to regular barbershops everywhere where bald-headed men long have taken a trimming—but at full price.

Tributes to the Late Samuel R. Young

EXTENSION OF REMARKS

OF

HON. JOHN C. STENNIS

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Friday, May 27 (legislative day of Monday, May 23), 1949

Mr. STENNIS. Mr. President, tomorrow, May 28, would have been the fifty-first birthday of the late Samuel R. Young, formerly executive assistant to the Postmaster General. Mr. Young, who was a native of Hermanville, Miss., served for many years in the best tradition of Government service. As a tribute to this distinguished public servant, I ask that there be printed in the Appendix of the RECORD, the following articles from the National Rural Letter Carrier, the Postmasters Gazette, and the Jackson (Miss.) Daily News.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the National Rural Letter Carrier of December 25, 1948]

SAMUEL R. YOUNG DIES; EXECUTIVE ASSISTANT TO THE POSTMASTER GENERAL

All rural carriers, especially those who were at St. Paul this past August, will regret to learn of the passing of Samuel R. Young, executive assistant to Postmaster General Jesse M. Donaldson. He had been ill for several weeks at Garfield Hospital, Washington, D. C.

Mr. Young attended the national convention, along with a number of other postal officials, and visited with hundreds of rural carriers during his stay in the Twin Cities. His genial manner attracted everyone, so that he was greatly liked and a very welcome visitor.

Mr. Young served in the Post Office Department for 30 years, and before his appointment to the executive post last February was special assistant to the Postmaster General.

A native of Hermanville, Miss., Mr. Young came to Washington in 1917 as an employee of the Bureau of War Risk Insurance. He joined the Post Office Department as a clerk in January 1918.

Mr. Young served in the Navy during World War I. He returned to the Post Office Department in 1919, leaving in April 1922 to become secretary to Representative Percy E. Quinn, of Mississippi. Three years later he became secretary to Senator Pat Harrison, of Mississippi.

MEMBER OF BAR

During this period Mr. Young studied law at Southeastern University. He became a member of the bar of the Supreme Court of the District of Columbia, Court of Appeals of the District of Columbia, Supreme Court of Florida, United States Court of Claims, and the Supreme Court of the United States.

Mr. Young joined the Bureau of the Chief Inspector of the Post Office Department in July 1931. He served successively as clerk, supervisor, and assistant section chief before being appointed an inspector in 1935.

He gained wide recognition that year in proving the Jacob Baker Estate was a fraud set to trap the gullible. The group running the estate sent letters to all persons named Baker advising them a huge estate in Pennsylvania in coal, lead, zinc, and iron properties, plus $800,000,000 in cash, was ready for distribution among the heirs. Each prospect was invited to have his genealogy tracked down for a modest fee.

Inspector Young broke the case after visiting all of Pennsylvania's 67 counties and checking wills and deeds there. The proof gained through his efforts resulted in the conviction of 29 persons.

After only 7 years as an inspector he was appointed assistant chief inspector in 1942.

EDITED POSTAL STATUTES

Another of his achievements was editing the compilation of Postal Statutes. He also drew up the index which relates the Postal Statutes to the Postal Laws and Regulations. The book, the result of 2 years' work in collaboration with former Inspector in Charge C. E. Caine, is widely used throughout the postal service.

Two of Mr. Young's hobbies were astronomy and stamp collecting. Though he took up astronomy a comparatively short time ago, he came close to professional skill and knowledge in the field. Self-taught, he installed a card system that added to his knowledge of the field with unusual rapidity. He had a good library on the subject and had prepared an information folder for ready reference on known heavenly bodies and astronomical hieroglyphics.

COLLECTED RARE STAMPS

His stamp collection includes specimens from all parts of the world, among them many first-day covers. Last August Mr. Young combined a tribute to both hobbies by delivering the principal address at Mount Palomar, Calif., on the occasion of handling the first-day sales of the new 3-cent stamp commemorating the Palomar Observatory. The observatory houses the 200-inch Hale telescope, largest in the world.

Survivors are his widow, the former May Boardman, of Washington; his mother, Mrs. M. M. Young, of Jackson, Miss.; and three sisters, Mrs. J. P. Martin, of Jackson; Mrs. Robert Perkins, of Belzoni, Miss.; and Mrs. Hulon H. Shows, of Los Angeles. Mr. Young lived at 1530 Sixteenth Street NW.

[From the Postmasters Gazette for February 1949]

NATIONAL ASSOCIATION LOST A GREAT FRIEND WHEN BOB YOUNG DIED

Brief mention was made in the January issue of the passing of Samuel R. Young, Executive Assistant to the Postmaster General, who died December 11 from a heart ailment with which he was stricken just before the national convention in New York.

Better known as "Bob" Young, the late executive assistant was widely known among the postmasters of the United States and was highly esteemed by them, especially members of the National Association of Postmasters. He attended many State conventions and was outspoken in his appreciation of the National Association of Postmasters and its present leadership. He was probably the most brilliant orator in the entire Post Office Department. A man well versed in postal affairs and in other useful information, he had a lovable, genial personality which won him friends wherever he went. He was likewise highly esteemed by Postmaster General Donaldson and other high officials of the Department. He will be greatly missed both in the Department and outside.

Born in Hermanville, Miss., in 1898, Mr. Young went to Washington in 1917 as an employee of the Bureau of War Risk Insurance. He went to the Post Office Department as a clerk in 1918 and dropped out to serve in the Navy during World War I, returning to the Department in 1919.

In 1922 Mr. Young temporarily left the Department to become secretary to Congressman Percy E. Quin, of Mississippi, and in 1925 became secretary to United States Senator Pat Harrison, of Mississippi. Meanwhile he was studying law at night at Southeastern University and later became a member of the bar of the District of Columbia and of the Supreme Court of the United States.

Never able to forget his early experience in the Post Office Department, Mr. Young returned in July 1931 as a member of the Office of the chief inspector, with his eyes focused on the hope of becoming an inspector. He met the requirements of experience and went through successive grades as a clerk, supervisor, and assistant section chief before being appointed an inspector in 1935. Later he became assistant chief inspector when Postmaster General Donaldson held the position of chief. Before that he had been inspector in charge of the Washington division.

In 1945 Mr. Young was appointed Special Assistant to the Postmaster General by Robert E. Hannegan, at that time head of the Post Office Department. He held that position until the early part of 1948, when Mr. Donaldson appointed him as executive assistant.

Outside of his post-office hours, Mr. Young found time for a great deal of research work in legal matters pertaining to the Post Office Department and authored more than one book of great value.

He was also an amateur astronomer of more than ordinary ability. He maintained an observatory in his home which was equipped with many modern astronomical instruments. He contributed stories on astronomy to Washington newspapers and often made talks on this subject over the radio.

[From the Jackson (Miss.) Daily News of November 3, 1948]

MISSISSIPPIAN IN WASHINGTON

One of Jackson's favorite sons is being compelled to take the rest cure as a penalty for too great zeal in the prosecution of duties relative to the Post Office Department and other activities more or less connected with his job.

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The Honorable Samuel Robert Young, executive assistant to the Postmaster General, has been burning his energy at such a rapid rate, he found it expedient to enter Garfield Hospital a few weeks ago, where he will remain until doctors pronounce him ready to resume his customary schedule. He will chafe no doubt at the restrictions, because he has been one of those eager souls who can't help extending themselves above and beyond the actual call of duty, until nature calls a halt and makes them slow down.

Mr. Young, not only a prominent Mississippian but a national figure as well, has been coming up the ladder of fame since World War I when he enlisted in the Navy at a very early age. An employee of the United States Veterans' Administration, later secretary to Representative Percy Quin, then to Senator "Pat" Harrison, he studied law in Southeastern University and became a member of the District of Columbia Bar and the United States Supreme Court. But his chief claim to fame arises from his long service with the Post Office Department. First clerk, supervisor, assistant section chief, and in 1935, inspector, he attracted wide attention in the fraud case of the Jacob Baker estate, in which prospective claimants were told of millions of dollars alleged to be tied up in vast coal and iron properties in Pennsylvania. This sum was ripe and ready for distribution to heirs, who for a monetary consideration were invited to take advantage of the services of the promoters of the project. Mr. Young visited 67 countries in extensive research, which proved that the estate did not exist and which brought the perpetrators of the fraud to justice. He has been the editor of many Post Office publications and collaborated with another official in indexing and digesting postal decisions. His book is used in the postal service and is frequently cited by the courts.

Since his appointment last February to the office of Executive Assistant to the Postmaster General, he has been adding new laurels to his fame. He is a brilliant speaker and has been much in demand at various postal conventions throughout the Nation. One of the most interesting was in August, when he visited Mount Palomar, Calif., and delivered the principal address in the California Institute of Technology. The occasion was to dedicate a 3-cent postage stamp issued in commemoration of the Palomar Observatory special ceremonies in the big dome that houses the 200-inch Hale telescope, the largest in the world.

All of which brings us to another facet of the mind of this brilliant administrator and one not so widely known as his Government career. Within the past few months he has made such rapid strides in the study of astronomy, that while he calls himself only an amateur, he comes close to professional skill and knowledge.

During the winter he might be seen on many clear nights at a high point in Alexandria, with binoculars, telescope, tripod, stool, and flashlight, blithely star gazing into celestial spaces. He declares that most men don't know what to do when they retire and he is getting ready with an absorbing hobby for that—at present—somewhat distant period. He is a beginner and self-taught, but he knows the jargon of the science and can reel off its language like the discoverer of planets. He has a card system and jots down data for ready reference. He had the spirit of generosity which led him to take his equipment around to schools and old folks' homes where he has given elementary lectures. I cannot think of a more attractive idea for the laity—all of us in fact who find the subject thrilling, but have neither the type of mind nor the time for the technicalities of mathematical problems involved. His laudable object is to bridge the chasm between the scientists and the people. He has made friends with many of the leading astronomers of the day and has procured the best assortment of instruments and equipment possessed by any amateur. His library, too, is growing and he has prepared an information folder for ready reference on known heavenly bodies and astronomical hieroglyphics.

Mr. Young is also a stamp collector and has rare ones from all parts of the world, among them many first-day covers.

I visited this starry-eyed, starry-minded enthusiast in his room in Garfield Hospital and found him whiling away the tedious hours of enforced confinement with pamphlets and books on the latest developments in his favorite pursuit—astronomy. He says his studies have made him realize how insignificant and unimportant are our own little troubles in the wonders of this big cosmic scheme.

Nevertheless, Mr. Young's friends consider him of much importance and are sending good wishes for his speedy recovery and return to regular activities.

Mr. Young is the son of Mrs. M. H. Young, of Jackson. His father, the late M. H. Young, was a railroad man. His grandfather, for whom he was named, represented Claiborne County in the State legislature for 20 years. He was a Baptist and was at one time chaplain of State institutions. He was a very distinguished gentleman and during two generations was credited with marrying more couples than any other minister during his period of service.

Decartelization in Germany

EXTENSION OF REMARKS

OF

HON. HARLEY M. KILGORE

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, May 27 (legislative day of Monday, May 23), 1949

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "AMG Firing Saves 'Food Hitler'—Crack-Down Is on Foes of Cartels," written by Arthur Massolo and published in the Sunday, May 22, edition of the New York Post Home News.

This article describes a long-distance interview Mr. Massolo conducted with Mr. Charles H. Collison, who was fired recently as deputy chief of decartelization in Germany. Mr. Collison contends that he was fired as he was preparing to crack down on a "little fuehrer" who operates a multi-million-dollar food monopoly in Hesse.

Mr. President, I do not know why Mr. Collison was fired. Mr. Richard Bronson, United States Chief of Decartelization in Germany, has been quoted in news dispatches as asserting that Mr. Collison was placed on the surplus list because of a cut-back in staff.

Earlier, Mr. Alexander Sacks, another outspoken foe of cartels, was removed from his position allegedly because he criticized the feeble manner in which our military government was handling the decartelization program. The case of Mr. Sacks is one of a man being fired, then reinstated, and fired again.

During the past 2 years Mr. Sacks and Mr. Collison have criticized our decartelization program in Germany. Reports by reliable correspondents in Germany during that period indicated that other persons in military government were apprehensive over our failure to really crack down on the German cartels.

These reports received little attention in this country. Some people were prone to dismiss them as the work of zealots who did not fully realize what they were saying. Nevertheless, many top Government officials were concerned.

Our official policy in Germany has been to break up the cartels. Our military officials in Germany from time to time pointed to our policy directive aimed at the elimination of cartels.

Just the same there appeared to be little action in that direction. Finally the Army named a special committee, headed by Mr. Garland F. Ferguson, of the Federal Trade Commission, to investigate the decartelization program.

According to reliable information, this commission received testimony from both Mr. Sacks and Mr. Collison. Recently the commission filed its report and confirmed the suspicion that our antitrust program in Germany was feeble.

Shortly after this report was filed Mr. Sacks was fired again and Mr. Collison was placed on the surplus list.

Both of these men had complained that our decartelization policy was not being carried out in Germany. The Ferguson committee confirmed those reports.

Mr. President, I think our decartelization program thus far has been a tragic blunder. Our official aims have been excellent. But through our failure to vigorously carry out that policy we have played into the hands of antidemocratic forces in Europe.

The blame does not rest on the United States alone. England and France also must bear at least part of it. But that does not excuse us from failing to carry out a major policy—a policy aimed at eliminating one of the world's worst evils.

Mr. President, cartels breed war. They must be stamped out if anything resembling competitive trade is to exist between nations.

In conclusion I wish to emphasize that it is not too late to act. We still can break up the cartels.

I hope that our new commissioner in Germany, Hon. John J. McCloy, will recognize our failure in this field and take immediate steps fully to implement our decartelization policy.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMG FIRING SAVES "FOOD HITLER"—CRACK-DOWN IS ON FOES OF CARTELS

(By Arthur Massolo)

Charles H. Collison, "fired" last Thursday as deputy chief "trust-buster" in the American zone of Germany, charged Saturday that he was dismissed as he was preparing to crack down on a "little Fuehrer" who operates a multi-million-dollar food monopoly in Hesse.

Collison identified the German as Fritz Dietz, a former Nazi whom he has had under investigation since September.

In a radiotelephone interview from Frankfurt, Collison told the Post Home News that his inquiry has disclosed that Dietz made $3,000,000 on American food shipments to Germany when the currency reforms were instituted a year ago.

"I had been working on this case since last September," Collison said. "I had it cracked and I was trying to present it when I was fired. I have 100 witnesses, but they are being intimidated by Dietz. The United

States Government is doing nothing about it."

Collison said that he had been released because of his testimony before the special Army investigative committee, headed by Garland F. Ferguson, that recently accused high military government officials of not having carried out the antitrust program in Germany.

PUT ON "SURPLUS" LIST

Collison was given 30 days notice last Thursday and put on the "surplus" list by Richardson Bronson, United States chief of decartelization. He was the first of the 44 employed by the trust-busting division fired for economy.

"Bronson told me that I was fired because of my testimony before the Ferguson committee. It's no coincidence that I have just come out with discomforting disclosures about Dietz and the food monopoly," Collison said.

Collison said Dietz has broken practically every decartelization law on the books. He has been a member of the Nazi Party for 3 or 4 months, he said.

GOT A KEY JOB

In 1945, Collison declared Dietz got a job in the German food office, and was put in charge of issuing licenses to distributors of food shipped to the zone from the United States.

"He was supposed to hand out licenses to other distributors," Collison explained. "In fact, three companies were supposed to share, but he took the work on himself."

Collison said that Dietz invested 100,000 marks, and in the first 3 weeks made 125,000. Within 2 years he made 835,000 marks, a neat profit of 696 percent.

Collison, a former New York City corporation lawyer associated with United States Steel and Electric Bond and Share, explained how Dietz made the $3,000,000.

"Before the currency reform," he said, "Dietz paid United States banks a dollar for a dollar's worth of food. After the reform he had to pay only 10 cents, but the food was still worth $1."

Collison said that Dietz "openly bragged that if I continued the case I would be fired." He said that three witnesses, working in the food office, have been declared surplus. Others are being intimidated, he said.

THEY'RE AFRAID OF HIM

"One witness told me the other day," Collison said, "that 'I am more afraid of Dietz than I am of the United States Government. He has more power here than the Americans.' "

"Who is protecting Dietz?" Collison was asked over the phone.

"That's the $64 question," he replied. "I'm a lawyer, and I cannot talk until I have sound proof."

Collison said he meets with an Army grievance committee soon but asserted, "I plan to fight this out as long as I can. I won't leave here until I receive some satisfaction."

"Do you see any evidence of a revival of nazism?" he was asked.

"I can't tell you over the phone," he said, "but I've got one case that's a beaut."

Poppy-Making Program of Veterans

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Friday, May 27 (legislative day of Monday, May 23), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an eloquent and inspiring address delivered by Dr. Ruth Miller Steese, past State president of the American Legion Auxiliary of Pennsylvania, at Sunbury, Pa., on Tuesday, May 24, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

POPPIES

In one short week American citizens shall join to pay honor and tribute to every man and woman who gave his or her life in defense of this, our country, and to express that honor by strewing the graves of our honored dead with the beautiful flowers of May.

But as we pay our tribute to the dead we should also ask that same citizenry to wear a flower for the living, the crimson flower of battle, the little red poppy of May.

Every State in the Union has its little poppy—some of crepe paper—some of cloth—but all of them flowers made or assembled, not grown. They are the flowers assembled by our hospitalized veterans whose world is bounded by hospital walls, and whose vision is often not even that of a hospital bed.

In Pennsylvania, the American Legion and the American Legion Auxiliary sponsor the poppy-making program of veterans in our hospitals for several reasons. First of all, with the veteran being paid for every poppy he makes, he is able to make some money for the use of himself and his family; then, too, poppy making helps to fill those many, many idle hours; it also exercises those hands burned, scarred, and crippled or those new and difficult steel hooks, and it furnishes the necessary means by which the American Legion and its Auxiliary can maintain year-round service to the disabled veteran and his family through its rehabilitation and child-welfare program, which program is carried on, not only in the hospitals but throughout every community and rural area in the Commonwealth.

If the public could and would visit any of our veterans' hospitals and travel down the corridors and wards and study the records of any 10 patients, taken at random, they would readily understand how they, the public are fortunate in having had these men and women to stand between them and the horrors of war and destruction endured by our allied countries in both wars.

Would you, Mr. or Mrs. Public, be one of our thousands of patients in our neuropsychiatric hospitals? Would you exchange your bed for that of a paraplegic? Would you walk proudly down Main Street with only a white-headed cane and possibly a seeing-eye dog as your sight? As you drive your car, would you exchange places with that of an amputee?

As you, the public, buy and wear your poppy this year, stop, look, think, will you buy it as if donating to a public charity or as if in support of a local tag day? Or will you think and buy it, remembering—yes, remembering—that your purchase is your annual free will contribution toward the welfare of a group who made your security and freedom possible? Then having bought it, will you look at it. Look at it and think—yes, think—of the veteran who may have made it; think of the blind, the paralyzed, the amputee, the mental. Looking and thinking, wear it. Wear that poppy in humility and respect, in love and appreciation, for those men and women who having loved their country, loved it unto death; for those men and women who, having loved their country, loved it and surrendered their eyes, their hands, their minds; and still loving it, their country, today fashion those little red flowers, blood-red, crimson-red, those flowers with the little white stickers, silent testimony to the fact that the only poppies made in veterans' hospitals in Pennsylvania are made for the American Legion and the American Legion Auxiliary.

Yes, those little red poppies with the little white stickers tell a story all their own, a story that includes the fact that every cent of the proceeds is solemnly dedicated to the needs of the hospitalized and disabled veteran and his family, whose love and sacrifice made our freedom possible.

In this last week of May 1949 shall we, one and all, contribute our dimes and our dollars—in such proportion as we value our American freedom for 1 year—contribute to America's vast army of hospitalized veterans? Shall we, one and all, wear that poppy with the love and devotion with which we wore the carnation on Mother's Day—the red rose on Father's Day—wear it and attest to our neighbors and to the world that we individually remember in this beautiful month of May that we remember the price which was paid for our freedom; the price which is still being paid by those who love their freedom even as you and I; and that we shall ever remember them by wearing their flower—the flower of sacrifice and sorrow, but the flower which gave to us in America a tomorrow.

Buy, think, wear the memorial flower of those who died, the flower in tribute of those who served and live—the crimson flower of battle—the red flower of sacrifice—the poppy with the little white sticker.

The Tennessee Valley Authority

EXTENSION OF REMARKS

OF

HON. GLEN H. TAYLOR

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Friday, May 27 (legislative day of Monday, May 23), 1949

Mr. TAYLOR. Mr. President, recently the Lewiston (Idaho) Tribune carried a series of articles by Tom Humphrey, of the Portland (Oreg.) Journal, on the Tennessee Valley Authority. These articles were accepted on the assumption that they would be objective, factual reports. After they were printed, the editor of the Tribune agreed with me that the series was plainly biased and slanted against TVA, and in order to be entirely fair he printed a letter from me showing a few of the Humphrey misstatements.

Since these Humphrey articles were placed in the RECORD yesterday, I ask unanimous consent to have printed in the Appendix of the RECORD my letter to the Lewiston Tribune.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATOR TAYLOR REPLIES—TVA DISTORTED BY TRIBUNE CRITIC

(EDITOR'S NOTE.—The Tribune recently published a series of articles by Tom Humphrey, of the Oregon Journal editorial staff, on his impressions of the Tennessee Valley Authority as related to proposed creation of a Columbia Valley Administration. Senator GLEN H. TAYLOR, Idaho, has written the following communication on these articles.)

To the TRIBUNE:

My attention was called recently to the series of articles in the Tribune by Tom Humphrey. Of course, you have a perfect right to print anti-TVA propaganda if you so desire, but I was startled to find that these articles were carried as an objective, unbiased, factual survey of TVA. I was startled because Tom Humphrey has written anti-TVA editorials in support of the Oregon Journal's editorial position several

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times before he ever saw TVA. This trip to TVA evidently was caused by a series of on-the-spot analytical articles by Bauer, of the Portland Oregonian, which were really fair, objective articles.

Knowing of your fairness in presenting both sides of every issue, I have thoroughly checked Humphrey's articles with the facts and hope that you will print this brief summary of his misstatements and errors of fact. To answer all such errors would require as much space as the original articles, so I'll confine myself to a few major misconceptions.

First, I'd like to comment on Mr. Humphrey's technique. He quotes voluminously from a few people who, for one reason or another, are bitterly opposed to TVA, and leaves the impression that the vast majority who approve TVA are either bought "They've got themselves a deal" or fearful "You simply don't oppose TVA any more * * *. Not if you want to stay in business and in one piece." He reports accusations "And the men A. E. Morgan accused of undemocratic behavior were retained," without reporting that the accusations, after intensive investigation by Congress, were found baseless.

He has ignored, or not bothered to read, the TVA Act, and thus attributes to TVA powers it does not have, claims it violates provisions of the act and limitations which do not exist, and finds fault with it for carrying out provisions of the law that do exist. He misstates facts "* * * the Cumberland River * * * carried more tonnage than the Tennessee," which could easily be checked. He doesn't mind reversing himself, even within a single article, depending on the point he is trying to make "* * * they still preserve the polite fiction that TVA is primarily a flood control and navigation project." And in the same article, TVA's power facilities are limited in production "by the demands of comprehensive control of a river for flood control and navigation." He uses slurring terms "TVA's funny accounting system," without an iota of reason or basis; as a matter of fact, TVA keeps its accounts according to the FPC uniform system and its accounting has been highly praised. When these devices fail, he resorts to a reportorial crystal ball. "Your reporter instincts tell you so." "You have a hunch." "You have a feeling, too."

One misconception is his charge that TVA power operations are subsidized, a point Humphrey tries to make by comparing TVA financing with that of the Bonneville Power Administration and by claiming that the allocation of investment in TVA arbitrarily favors power.

EARN FAIR RETURN

In the first place, Humphrey mentions nowhere in his series that the TVA power operations are earning an average return on the net investment of more than 4 percent. Rate of return on investment is the common measure of financial success, and it is clear that so long as the TVA power operations are earning a return substantially above the cost of money to the Government (about 2 percent), the TVA power operations are not subsidized but instead are a good investment for the taxpayers of the country

Humphrey contends that Bonneville is financially successful and TVA is not because the former pays interest and amortizes its investment, while the latter does not. Upon examination, however, is turns out that this is rather a distinction than a difference. It must be kept in mind that both the Bonneville project and the TVA are wholly owned by the Government (if that is socialism in the Tennessee Valley, as Humphrey seems to think, it is also socialism in the Northwest). All of the revenues from both projects belong entirely to the Government. In both cases, the revenues exceed the costs of producing, transmitting, and selling the power. The nub of the matter is in the way in which these revenues are handled and accounted for.

The Bonneville revenues are all paid into the United States Treasury. The Bonneville Administration does not pay interest in the ordinary sense of the term; it simply makes a calculation based on an assumed rate of interest, and calls a part of its revenues interest rather than simply revenues. TVA pays interest on its outstanding bonds, and records the payment on its books, but makes no calculation of interest on its entire investment. The return on the investment exceeds any assumed rate of interest for such projects in any case.

According to Humphrey, Bonneville has paid back into the Federal Treasury $122,100,000, while TVA has paid only minor sums. However, Bonneville has to obtain appropriations both for meeting its operating expenses and for capital investments. TVA, on the other hand, uses its revenues to meet operating expenses, for reinvestment in the power business and for payments into the United States Treasury. In both cases, operating expenses and the needs for expansion of facilities have to be met. Through June 30, 1948, TVA's power revenues amount to $310,000,000. Of this amount $129,000,000 was paid out in operating expenses, payments in lieu of taxes and interest; $147,000,000 was reinvested in the power program under section 26 of the TVA Act, $23,000,000 was paid into the general fund of the Treasury, and $11,000,000 was used to retire outstanding bonds.

It is obvious, of course, that if the TVA revenues had been handled in the same manner as those of Bonneville, the net cash difference would have been not a single dime; if TVA paid all its revenues into the Treasury, they would have had to be offset by appropriations of $129,000,000 to meet operating expenses and $147,000,000 for investment in the program.

Humphrey, of course, does not even suggest, much less explore, the reason for the fact that TVA was authorized to use its revenues to meet current expenses, which was to assure flexibility and efficiency in operating one of the biggest power enterprises in the country.

Humphrey objects to TVA's allocations of investment, on the basis that they are not "approved by the Federal Power Commission, on the basis of long established formulas." He takes no account of the fact that "long established formulas" applicable to one of the projects might not be applicable to another, nor to the fact that the TVA allocations are based on probably one of the most thoroughgoing studies of allocation problems, by both staff members and outside consultants, ever made. As to the practical results of the allocation, the Nation, in the Tennessee Valley, is getting flood control and navigation facilities at far less cost than they could have been provided for without the power development. Under the allocation, navigation facilities have been provided for $149,000,000 as compared with $225,000,000 for equal facilities if provided in a single-purpose system; in the same way, flood control facilities cost $153,000,000 as compared with a single-purpose cost of $227,000,000. In the light of these facts, power cannot be said to be "subsidized" through the allocation of investment.

LAND SALES MISREPRESENTED

In article No. 3, Humphrey criticizes the land acquisition program of TVA, based upon expert appraisals of property and a non-price-trading policy. Most of the owners sold at appraised prices, Humphrey says, "but many went to court to defend themselves against condemnation." The fact is that only 6 percent of all the land purchased by TVA was involved in condemnation proceedings where price was involved. Perhaps the best evidence of the efficiency and fairness of the TVA land buying program is the fact that TVA, at the invitation of the Departments of Interior and Justice, was called in to help set up a new system of land-buying for the Bonneville Administration. It loaned the services of the assistant director of its land acquisition department and a chief land buyer to assist in setting up the new method and in assembling a staff. It has also given assistance to the Santee-Cooper project in South Carolina and to the United States Army Engineers, to whom TVA loaned a number of its appraisal staff for a period of 2 years in connection with the Cumberland Valley projects.

There are a number of errors in the same article. Humphrey says, "Willkie sold for * * * about 80 percent of the real value of the properties." Actually, the price, reached through negotiation, was considerably more than the original cost of the properties, less depreciation, and in some quarters Willkie has been credited with getting much the better of the bargain. Humphrey's carlessness with easily ascertainable facts is also indicated in this article.

In one paragraph, he says the power companies lost 288,000 customers through sales of property to TVA. Two paragraphs later, he refers to a million customers being involved in the purchase of electric facilities from private power companies, of a total of 950,000 served at present; practically all of the remainder are now consumers, who never before had the benefit of electric service.

In article No. 5 Humphrey omits facts and distorts testimony in order to bolster his thesis that TVA is pushing around both people and other agencies. Thus, in discussing Douglas Dam, he mentions as the sole reason for the project that TVA engineers wanted that power. He conveniently forgets the background of the times—the fact that in 1940 and 1941 the Nation was mustering its strength for national defense and power was one of the urgent needs.

The facts are simple. The Office of Production Management asked TVA where and how much a large block of power could be made available. TVA replied, on the basis of the engineering facts, that power could be produced at the Douglas site within a little more than a year, and nowhere else in the valley could this be accomplished. In fact, it developed nowhere else in the country could the same amount of power be made available in so short a time. It was on this basis that the Office of Production Management decided the dam should be built and urged the Congress to appropriate funds for it.

The manner in which quotations are lifted from the context is indicated in Humprrey's paragraph:

"Mr. Brannan also indicated that there is 'waste and duplication of effort' in the forestry program but told the committee 'we are doing, and TVA also, our very best to eliminate any possible waste as to the result of the exercises of our duplicate authorities."

The exact words of Mr. Brannan, then Assistant Secretary of the USDA, were:

QUOTES BRANNAN

"Mr. BRANNAN. Senator Cooper, there are facilities within the TVA directed toward forestry activities. There are also facilities in the department of agriculture engaged in forestry activities.

"In pure statutory language, there may be duplication of existing authorities, but as to the point of whether or not there are really conflicts and duplicative waste, or waste regardless, from the fact that these duplicate authorities exist, is the point at real issue, and we are doing, and the TVA also, our very best to eliminate any possible waste as to the result of exercise of our duplicate authority."

It takes a good deal of stretching to make this statement an indication that there is "waste and duplication of effort."

Nowhere in Humphrey's articles is it mentioned, of course, that whereas the forest service is concerned with publicly owned forest lands, the major objective of the TVA forestry program is the promotion of modern sustained-yield forest management and good forest practices on the 87 percent of forest lands in the Tennessee Valley which are privately owned.

IGNORES FACTS OF ACT

In discussing TVA's fertilizer and agricultural activities, Humphrey is apparently ignorant of the provisions of the TVA act and of facts. He indicates that TVA was supposed to operate only "pilot plants" for fertilizer, although section 5 authorizes TVA "to manufacture and sell fixed nitrogen fertilizer, and fertilizer ingredients." He says TVA produces "about one-sixth of the national production" of fertilizer. The facts: the three major plant nutrients are nitrogen, phosphate, and potash. In the fiscal year 1947, TVA produced 6.75 percent, or about one fifteenth, of the nitrate fertilizers; 4.09 percent, or one twenty-fourth, of the phosphates; and none of the potash.

The same type of inaccuracy and misrepresentation run through the rest of the article.

Throughout his articles, Humphrey goes to great lengths to create the impression that TVA is a superstate. To support this, he declares that TVA "can plow its earnings back into system improvements or fertilizer or recreation or fish or seeding trees or traveling libraries or towns or what have you—without going back to Congress for permission."

In this he goes directly counter to the provisions of section 26 of the TVA Act, which limits the uses to which it may put its proceeds to "the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients."

For all other purposes—agricultural activities, forestry development, recreation development, fish and wildlife activities, research of various kinds carried on in cooperation with other agencies—TVA must depend upon appropriations. Nor does Humphrey indicate that TVA's operations, both those financed by revenues or proceeds and those financed by appropriations, are closely scrutinized by the Congress, particularly through the appropriation procedures. Humphrey simply ignores the elementary fact that Congress created the TVA and TVA is completely responsible to it.

The same irresponsibility is demonstrated in Humphrey's attempts to show that "TVA is the government in the Tennessee Valley. There is nothing, no one above it." Joint projects between TVA and other agencies become, in his articles, simply a means of obtaining a sinister hold on States, counties, and other organizations. To take a single example, he says "TVA is in the planning commission of the various States. It set up some of them, manned them, still helps some."

The facts are TVA, in constructing its projects, encouraged the formation and activity of both local and State planning agencies to meet problems of readjustment which had to be met. The point may be illustrated by the Tennessee State planning commission which Humphrey himself says "is certainly doing a good job (wish we had as good in the Pacific Northwest)."

STATE, COUNTIES JOIN

TVA could, of course, have done the required planning work itself in connection with its specific projects. It elected to do otherwise. The State planning commission was set up in the early days of TVA to undertake planning activities which TVA contracted for in connection with reservoir construction. TVA did, indeed, help support it financially through these contracts and by technical assistance. Through this means it obtains maximum participation of both State and localities in planning the readjustments resulting from construction. When the specific tasks were completed under the contracts, TVA's support ended, but the planning commission remained.

The importance of planning had been demonstrated and the State has continued to expand the commission's activities. The initial State appropriation for the commission was $15,000; the latest just approved, was $125,000. In brief, the impetus given by TVA in the early days, in connection with specific jobs, has resulted in state-wide organization—not manned, supported, or controlled by TVA—of recognized and increasing usefulness.

This letter has become longer than I intended, but I have gone to considerable trouble in this matter because our proposed CVA is subject to the same type of attacks. I urge everyone to obtain the facts on both sides of CVA, and I'll be happy to send a copy of the bill, or a section by section summary to anyone who wants to see what the measure actually provides.

GLEN H. TAYLOR.

UNITED STATES SENATE,
Washington, D. C.

Substitution of Natural Gas for Coal by Atomic Energy Commission

EXTENSION OF REMARKS
OF
HON. HARLEY M. KILGORE
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES

Friday, May 27 (legislative day of Monday, May 23), 1949

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter I have received from the National Coal Association and a statement prepared by the Fuels Research Council, Inc., regarding the Atomic Energy Commission's proposal to kick coal out of Oak Ridge, Tenn., and spend a large sum of money to put in natural gas.

As the country well knows from painful experience, there is a limited supply of natural gas. Many consumers of natural gas in my own State suffered from the shortage of natural gas last winter and the previous winter, even though West Virginia is a gas-producing State. Yet the AEC plans to switch from the use of coal to natural gas at the Oak Ridge plant, even though the plant is located near the heart of the Tennessee coal fields. This switch will necessitate large expenditures for the construction of gas lines.

I know of no reason why this conversion should take place at this time. So far as I can determine, the AEC has not presented evidence to show that this contemplated action is necessary for security reasons. I wish to emphasize that if such evidence is produced I will support the move with all my strength, and I am confident the West Virginia coal operators and the National Coal Association will join me in such action.

But until such information is produced I feel compelled to object to this contemplated action on the part of the AEC.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

NATIONAL COAL ASSOCIATION,
Washington, D. C., May 24, 1949.

Hon. HARLEY M. KILGORE,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: There is no sound economic reason for the Atomic Energy Commission to kick coal out of Oak Ridge, Tenn., and spend a vast sum of money to put in natural gas.

A million tons of coal will be displaced if the Commission has its way, resulting in unemployment in coal mines, particularly in Tennessee, and among railroad employees and others working to handle the coal.

A subcommittee of the Joint Atomic Energy Committee of the House and Senate filed a report yesterday, criticizing the Atomic Energy Commission for contracting for the supply of natural gas at Oak Ridge. Oak Ridge is in the heart of the coal fields. To supply natural gas would mean that many other towns and communities would be deprived of said gas. If the Atomic Energy Commission must h ve a stand-by fuel, oil is in abundance and a fuel pipe line is within 17 miles of their power plant. We repeat—there is no sound economic reason for displacing this vast quantity of coal by natural gas at Oak Ridge. The subcommittee referred to above pointed out the danger of gas, citing a natural-gas explosion which destroyed a Tulsa, Okla., public-utilities steam plant within the past year. It had a great deal more to say in its report to the full committee. Attached is a brief summary of this situation.

It is respectfully suggested that in any appropriations for the Atomic Energy Commission it be clearly provided that no part of such appropriation should be expended for the purchase of natural gas at Oak Ridge, Tenn.

Very truly yours,

J. D. BATTLE,
Executive Vice President.

STATEMENT BY FUELS RESEARCH COUNCIL, INC., WASHINGTON, D. C.

This is the incredible story of how officials of the Atomic Energy Commission thought they might not get enough coal to continue firing the boilers at the Oak Ridge, Tenn., plant, and how they thereupon decided to convert the burners from coal, which is in plentiful supply right at Oak Ridge, to natural gas, which is in comparatively limited supply in the United States.

This is the story of how that decision may not only affect the industrial and domestic consumers in more than 338 towns and cities in 8 States, but may very well directly or indirectly affect industries and workers in other sections of the country.

The statements in this brochure are factual. They are based on the record.

These are the facts:

1. The Oak Ridge plant of the Atomic Energy Commission is located in the heart of the Tennessee coal fields.

2. The plant's boilers have always been fired by coal.

3. The Oak Ridge plant has never had less than 6 weeks' supply of coal on hand.

4. Using natural gas to fire boilers is admittedly the lowest use that can be made of this precious fuel.

5. The Oak Ridge plant has the space (200,000 acres) and supply available (from nearby coal mines) to keep an almost unlimited supply of coal on hand if officials want to do so.

6. The plant does not have facilities to store natural gas.

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7. According to the best estimates, there are less than 30 years' supply of proven natural-gas reserves in the entire United States.

8. If the Atomic Energy Commission insists on converting its boilers from coal to natural gas, it may consume 60,000,000 cubic feet of natural gas every day. Tentative plans are to increase consumption to 80,000,000 cubic feet a day.

9. Eighty million cubic feet of natural gas daily is equivalent to the average daily consumption of natural gas for cooking, heating water, and space heating 146,000 average homes each day.

10. More than 338 towns and cities in 8 States served by the Tennessee Gas Transmission Co. (the primary supplier) may be deprived of sixty to eighty million cubic feet of natural gas each day that otherwise could be available to them.

11. Domestic consumers in the Appalachian area who would like to use natural gas in their homes still cannot do so because there is an insufficient supply.

12. Natural-gas shortages develop during almost every normal winter. During these shortage periods, natural-gas supplies are cut off from industries (where the gas is used for manufacturing purposes). Thousands of workers are laid off. This means production stops not only in those cities but also is slack or stopped altogether in the cities whose industries supply materials to the factories closed down by the natural-gas shortage. Home consumers are required to use less gas for cooking, heating water, and heating the home.

13. If the Oak Ridge plant burns sixty to eighty million cubic feet of natural gas daily, then any shut-downs in these industries will be longer, because the cities will have an aggregate of sixty to eighty million cubic feet of natural gas less each day—gas that otherwise would be available to them if it were not siphoned off for Oak Ridge.

In other words, homes will be cold longer, workers will be laid off from their jobs for longer periods, and industries will lose more money during the shortages because the Atomic Energy Commission, whose Oak Ridge plant literally is built over coal, will not use coal.

14. Conversion of the Oak Ridge boilers from coal to natural gas not only will affect many workers and industries that require natural gas for manufacturing purposes but also will penalize the coal and railroad employees and owners.

It is conservatively estimated that if the Oak Ridge conversion to natural gas is permitted—

A. The loss to coal operators will exceed $3,000,000 per year.

B. The loss of employment to miners will aggregate more than 170,000 man-days a year. This represents employment for 200 days a year for 850 coal miners.

C. The loss of freight revenue to the railroads will aggregate more than $1,028,000 a year.

D. While there is no direct testimony in the record as to the effect of this reduction in freight traffic on railroad employment, it is evident that a reduction in freight traffic will cause a corresponding reduction in railroad employment.

The coal and railroad operators and employees should not be penalized to allay the unfounded fears of the Atomic Energy Commission officials. It would seem that a showing of public convenience and necessity requires more than a statement of concern. Thus far, little has been offered to justify the proposed conversion.

ATOMIC ENERGY COMMISSION CLAIMS SHORTAGE WOULD HAVE AFFECTED OAK RIDGE PRODUCTION, BUT SHORTAGE NEVER DEVELOPED

If Oak Ridge could not operate without natural gas, no one would object to the losses to American industry and workers resulting from longer lay-offs during natural-gas shortage periods. But Oak Ridge—

Lies in the heart of the Tennessee coal fields;

Can be served by union and nonunion mines in its own area;

Can receive deliveries by two railroads or by trucks;

Can stock almost unlimited quantities of coal to keep its boilers fired, and thus would not be affected by strikes. (It is interesting to note that within the last quarter century no strike in the coal industry has lasted more than 59 days.)

During the hearings held before the Federal Power Commission, these facts were brought out:

An official of the Atomic Energy Commission admitted that the only reason it wants to convert the Oak Ridge boilers from coal to natural gas is that during the winter of 1946–47 stocks of coal at Oak Ridge were being burned faster than supplies were coming in. But the coal stock pile never went below 6 weeks' supply.

Testimony introduced showed that during this very same period private utilities were building up their coal stock piles. It was suggested that the Oak Ridge personnel were overlooking some opportunities in the matter of buying coal or obtaining coal cars.

Gardiner Symonds, president of the Tennessee Gas Transmission Co. (the primary supplier of the natural gas proposed to be delivered to Oak Ridge), stated that he did not approve of using natural gas for boiler fuel. When asked his opinion concerning the Oak Ridge proposal, his comment was: "It isn't for me to argue with the Atomic Energy Commission."

During the period in 1946–47, when the Oak Ridge officials thought they were faced with a critical coal shortage, the Atomic Energy Commission asked the Office of Defense Transportation for a special order routing coal cars to Oak Ridge. The ODT officials, although having the necessary authority to deal with the situation, did not consider their intervention to be necessary. As it turned out, it wasn't necessary because the Oak Ridge plant went through the "critical period" with adequate stocks on hand at all times.

An official of the Louisville & Nashville Railroad testified that during the operation of the Oak Ridge plant, the L. & N. never has had any difficulty in supplying all the coal cars needed or wanted for shipment of coal to Oak Ridge.

Grain-Storage Program

EXTENSION OF REMARKS

OF

HON. ANDREW F. SCHOEPPEL

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Friday, May 27 (legislative day of Monday, May 23), 1949

Mr. SCHOEPPEL. Mr. President, yesterday on the floor of the Senate there was much discussion of certain phases of the Commodity Credit Corporation as it was related to the storage program and other related matters. It was quite apparent that there is some confusion and a lack of frankness on the part of certain officials of the Commodity Credit Corporation as disclosed by certain memorandums from the Department. I am sure that there is going to be much disappointment in the Kansas area because of inability to secure storage room for wheat as a basis for Government loans.

A casual survey will indicate that storage elevators in the terminal markets of Wichita, Kans., Hutchinson, Kans., St. Joseph, Mo., and Kansas City, are now filled with grain owned by the Commodity Credit Corporation. I have been reliably informed that the Commodity Credit Corporation refuses to move this grain before the new wheat crop comes on. I am afraid that as a result country elevators will not be able to accept much storage wheat for farmers because they will not be able to pass it on to the terminals. These country elevators are mostly small concerns, not designed generally to be storage elevators, and they pass this grain on to the terminal storage plants.

If the country elevators cannot move this grain to the terminals because of their congested condition, buying of the farmers' wheat will be curtailed in the local areas. In many places price differentials will result and the farmers will suffer.

I am informed that there are about 100,000,000 bushels of elevator room east of the Mississippi River which could have been utilized by the Commodity Credit Corporation, which would have materially relieved the congested terminals in the Kansas area. This delay in the shifting of this wheat to the eastern terminals by the Commodity Credit Corporation I am afraid will result in injury and damage to the farmers of my area.

In this connection Walter R. Scott, of Kansas City, Mo., delivered an address at Wichita, Kans., on May 21, 1949, before the Kansas Grain, Feed, and Seed Dealers Association, which speech I think is most worthy of consideration and sets forth pertinent facts which I feel should receive wide coverage and serious consideration.

I am offering it for the RECORD today, and request that it be printed in the Appendix thereof.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY WALTER R. SCOTT, EXECUTIVE VICE PRESIDENT OF THE BOARD OF TRADE OF KANSAS CITY, MO.

In every year the volume and direction of the movement of wheat after the harvest are of great interest to grain men, millers, and railroad officers. This is especially so when the crop is a large one.

This year a quarter-billion-bushel crop is forecast for Kansas, with huge crops indicated for Oklahoma and Texas, and conditions presented to the trade in the handling of these great crops merit consideration by all who are interested.

In recent years we have been most concerned with the supply of boxcars in which to move the wheat, but this year transportation presents no problem. Railroad freight business is running a good 10 percent under last year's traffic, with the result that cars are plentiful. Moreover, railroad officials have been successful in returning a high percentage of their cars to the owning lines, resulting in great improvement of the condition of western lines' grain-carrying cars, so that there are not only more cars but better cars available for grain loading.

The prime problem this year is not transportation, but storage. Storage facilities hold too much old-crop wheat, and the question is where will the new wheat go?

Unlike last year, a great part of the old crop left on hand is in the ownership of Commodity Credit Corporation, and what the Corporation does with its wheat has a most important bearing upon the handling of the new crop. Washington authorities have said that they do not see a great problem in the State of Kansas because the official report of stocks in all positions on April 1 showed 20,000,000 bushels less than last year. But the stocks a year ago were differently owned and in different positions:

	1948	1949
In interior mills and elevators	20,446,000	25,618,000
In merchant mills	14,650,000	12,700,000
In terminal elevators	20,476,000	30,213,000
On farms	63,074,000	30,078,000
Total	118,646,000	98,609,000

If we add the stocks in St. Joseph and Kansas City, Mo., as we should do to get the whole picture, we find that this year there were 23,000,000 bushels more than a year ago in commercial hands and 33,000,000 bushels less in farmers' hands. While this indicates a more comfortable position for the farmer this year if he wants to store his wheat on the farm, it also indicates that those farmers who wish to secure loans on their wheat in commercial warehouses are as a group facing the possibility of less room even than a year ago, and it will be remembered that there was much disappointment and complaint last year over the adequacy of storage space.

The Government loans and purchase agreements this year compare to the stocks on April 1 as follows:

	Stocks	Loans
On farms	30,078,000	9,500,000
In warehouses	87,725,000	47,080,000
Total	117,803,000	55,580,000
Purchase agreements		27,554,000
Total		84,134,000

Eliminating wheat held by mills for their own grinding it is apparent that about 70 percent of all the wheat, including farm stocks, is Government wheat. So the important question is what will the Government do with its wheat?

A better view is obtained by looking to the situation of the entire Southwest—from Nebraska to Texas. On April 1, there was reported in this area in all positions, 238,000,000 bushels of wheat, against which there were loans on 131,000,000 bushels and purchase agreements on 55 million, or over 75 percent represented by loans and purchase agreements. We do not know how much of the purchase agreement wheat remains to be purchased by CCC, but the other figures are definite and certain.

These figures caused us to examine the terminal situation. We found the last report showed stocks in the terminal markets serving Kansas as follows:

Stocks of all grains

	Bushels
Hutchinson	12,642,000
Wichita	8,428,000
Kansas City	28,763,000
St. Joseph	3,295,000
Total	53,128,000

The working capacity of the public elevators in these four markets totals 70,000,000 bushels. If the present stocks remain in these elevators, as now seems likely, these four markets can accommodate only about 17,000,000 bushels of new wheat. A year ago these markets had on hand 29,000,000 bushels, but the totals ran down to less than 20 million before the crop started to move. Contrasted to that, there is no present indication that the 53 millions now on hand will be reduced at all. The problem of these terminal stocks affects the entire grain trade.

As early as the first week in April we began to deal with this question. We observed that the public elevators east of the Mississippi River reported over 100,000,000 bushels of empty space and asked CCC officials to move as much grain as they possibly could from these four terminal markets into eastern elevators to make room for the new crop. They had followed such a course on two previous occasions. This time CCC declined to take such action.

Governor Carlson also took notice of the situation and called a State-wide meeting in Hutchinson on April 21 to take stock of the matter, and resolutions were there adopted calling on CCC to move its grain, but again CCC refused to do so. Other efforts were made, but they, too, failed.

Finally, last week we obtained a conference in Chicago with the regional managers of Commodity Credit Corporation and top officials from Washington. The situation was again gone over, and CCC was again urged to move its stocks, and this time finally and definitely refused to move any grain out of the terminals until all its other grain was moved out.

It appeared that space had actually been obtained in eastern elevators, of which 9,000,000 bushels were allotted to this area, but none of it would be utilized for grain out of terminals.

The Corporation stated its policy to be to move all the grain it acquired, first from the farms, second out of country elevators, and finally out of terminals if it got around to that point.

We were advised that since May 1 CCC had issued loading orders to country elevators for 30,000,000 bushels with another 20,000,000 in prospect, or 50,000,000 in all. As the loans in the Southwest aggregated 131,000,000 bushels and the purchase agreements 55,000,000, the chance of ever getting around to the terminals before the crop starts to move in volume is, obviously, very remote. Indeed, CCC officials estimated that the most optimistic estimate would be from June 20 to July 1.

Moreover, the question plainly arises, Where will CCC move this enormous volume of wheat to? Its loading orders are for shipment to the Gulf outside the 9,000,000 bushels to the eastern elevators. The amount of CCC wheat would fill Gulf requirements for the next 9 months. It would seem, on the face of the known facts, an utter impossibility to clear out all the farm and country elevator grain.

Should CCC adopt a buying policy in order to support the price of new crop wheat, as well it may, the huge crop of 230,000,000 bushels in prospect in Oklahoma and Texas would meet all Gulf requirements for months to come.

This, then, appears now to be the situation in next July as contrasted to a year ago: CCC owns practically all the grain stocks in the terminal elevators and refuses to move them; ample grain from other sources is available to carry out its export program. Last year the stocks were only a little over half as great, the grain was largely free grain, and a continuous movement of grain of large size went on continuously from the terminals to the Gulf.

The Kansas City market has room now for about 11,000,000 bushels—most, if not all, of which must be reserved by the elevators to fill merchandising requirements, so little, if any, room will be available to store grain for others. Space must be reserved by the terminal elevators to assure the proper handling of off-grade grain. The experience of last year demonstrates the necessity of this. Last year in the 4 months, June to September, 95,000,000 bushels were received and 45 shipped, the difference, 50,000,000, being retained by the mills and elevators, a large part being storage wheat for farmers' loans. Plainly, no such record can be made this year. A similar situation exists in the other terminal markets.

I have said this terminal condition will affect the entire grain trade. It is certainly important to the farmers of the Southwest, who have demonstrated a preference for placing their Government loans on warehouse receipts. Last year the warehouse loans in this area were five times the loans on farm-stored wheat. It will affect many, if not most, of the country elevators. Many of these because of their size or for other reasons do not offer storage to farmers but send the storage grain to terminal markets for warehouse receipts. There can be practically none of that this year. Moreover, with the terminals practically full, there cannot be a free movement out of country elevators, but there will be a slow searching process of finding buyers who have room and probably with rather wide price discounts because of the shortage of space. Many a small elevator will fill up in 1 day's run and then find it difficult to locate a place to which to ship for storage and slow business finding markets. There will be no lack of cars but slow marketing conditions will prevail.

If CCC would have eased this strain by making substantial amounts of room available in the terminal markets, the small country shipper could follow his usual practice of shipping out as fast as he takes the grain in. His commission merchant would promptly dispose of his shipments either in the terminal or by selling them at points beyond. The commission merchant will still function, of course, and will comb the country for outlets for his shippers. But in the great harvest rush a big reservoir of elevator space in the terminal markets greatly facilitates the handling of the crop.

It is important, in my opinion, and the fair thing to do, to see that farmers are fully acquainted with the facts in this matter so that they may be given every opportunity to protect themselves. They cannot this year rely upon securing commercial storage as a basis for making Government loans. There will be too little of such space available. The Government because of their refusal to call loans early in the season and their later refusal to relieve the terminals has too much space plugged up. Farmers can still protect themselves to a large extent, however, by buying steel bins or building wooden storage.

Country elevator operators, too, should take these conditions into account. Be careful about taking grain in for storage unless you know where you can place it. The mill buyers at the terminals will provide an outlet for much of your purchases, but you will need the best efforts of your favorite commission man to find other outlets. Remember that the grain you buy may move very slowly and because of lack of space may be seriously discounted in price.

Socialized Medicine

EXTENSION OF REMARKS
OF
HON. MARGARET CHASE SMITH
OF MAINE
IN THE SENATE OF THE UNITED STATES

Friday, May 27 (legislative day of Monday, May 23), 1949

Mrs. SMITH of Maine. Mr. President, I invite a close reading of an editorial in the April 23, 1949, issue of the

UNIVERSITY OF MICHIGAN LIBRARIES

Lewiston (Maine) Daily Sun on the controversial issue of socialized medicine. It is as concise and devastating a rebuttal as has ever been my privilege to read. I ask unanimous consent that it be inserted in the Appendix of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE WOMEN DON'T LIKE IT

With both sides girding for the coming battle on socialized medicine, now that President Truman has appealed to Congress for his bill, opponents of the administration plan are gaining valuable allies in federations of women's clubs who are voicing their hostility to the compulsory program.

Already federations in nine States have gone on official record as against the plan, and additional clubs are expected to follow suit later. As reported by the Christian Science Monitor, women of the State federations are basing their opposition on three main grounds.

One is the cost of the program, likely to rise to exorbitant heights because of the bureaucracy needed to administer it. Based on the experience of Germany, where socialized medicine got its start, a bureaucracy of 1,500,000 Government employees would be required in this country, and this huge cost would have to be met out of the increasingly high pay roll reductions taken from workers to pay for it.

Two is the prospect of a decrease in the quality of medical service. Since the number of patients and the frequency of their visits would rise, while the number of doctors and dentists would remain stable, or increase only slightly, the result would be less individual attention and poorer care.

Three is the invasion of a patient's privacy through the recording of case histories in duplicate and triplicate. There would be an end to the present confidence reposed by the patient in his or her doctor, since copies of the records made would be available to countless clerks and other officials of the administrative establishment. Of course, defenders of socialized medicine say this information would be strictly confidential, but that does not mean it actually would be, in all cases.

When these objections to socialized medicine, and many more, become more widely known, the rising tide of opposition will become even greater. There is no place for such regimentation in a country having the high standards of medical care and national health that are found here. The comparative few who are too poor to afford regular doctors' visits, or private insurance plans, can be looked after without subjecting millions of people to forcible expropriation of their wages.

Proposed Single Appropriation Bill

EXTENSION OF REMARKS

OF

HON. JOHN J. WILLIAMS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Friday, May 27 (legislative day of Monday, May 23), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article entitled "Approval of the Single Appropriation Bill," and written by Mr. Arthur Krock, and published in the New York Times, Friday, May 27, 1949.

This article calls attention to the great need of the adoption by Congress of the principle of the single appropriation bill, and commends the Senator from Virginia [Mr. BYRD], and the Senator from Nebraska [Mr. BUTLER], for the untiring efforts they have put forth in winning the support of Congress for this important measure.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN THE NATION—APPROVAL OF THE SINGLE APPROPRIATION BILL

(By Arthur Krock)

WASHINGTON, May 26.—When Chairman CANNON of the House Committee on Appropriations announced today that a bipartisan agreement is near to put all spending in one bill at the next session of Congress and thereafter, the most promising means yet suggested to prevent casual Treasury deficits moved toward adoption. Casual deficits are those which are more the result of slatternly Federal housekeeping than of deliberate disregard of red ink. By that term they can be distinguished from planned spending in time of depression, which was the fiscal philosophy of the late Lord Keynes and the New Deal.

The single appropriation bill was urged by Senator BYRD of Virginia in the Seventy-ninth Congress, when his only cosponsor was Senator BUTLER, of Nebraska. This year his concurrent resolution to achieve the reform was cosponsored by seven other Senators. The general idea is to provide Congress with an official estimate of the revenues the Government can expect in the forthcoming fiscal year, against which estimate it can then measure the amount to appropriate for every purpose without incurring a deficit. By consolidating all these appropriations in one bill, and specifying how much of each appropriation may be spent in the ensuing fiscal year, it is believed that order may be brought out of the present chaos.

The principal effects which the sponsors of the resolution hope for, if their plan is adopted, were listed by Senator BYRD before a Senate rules subcommittee this week. They follow:

1. Under the present system reduction of appropriations for fiscal 1950 will not lower the amounts available for spending in that period which were appropriated in previous years. In the single bill proposed the spending for particular items in fiscal 1950 would be limited to conform to the revenue prospect for that period.

2. Since it is expenditures, not appropriations, which determine whether there is to be a deficit or a surplus, this system sets up a control that now is lacking.

OTHER ADVANTAGES

3. Funds previously appropriated would be reckoned in deciding on what both the appropriation and the spending would be for the subsequent fiscal year, thus eliminating one of the chief sources of the present confusion.

4. While this system would allow for necessary deficiency and supplemental appropriation bills after the consolidated one was passed, it would inevitably bring about a reduction in their number.

5. The limitation would not prevent the Executive from entering into contracts for projects that extend beyond one fiscal year, but would merely in that period prohibit delivery of property or services under those contracts beyond the amount assigned for such items.

6. It would not apply to payments of claims certified by the Comptroller General, moneys carried in private bills, interest payments on the public debt or revolving funds.

7. Congress would know definitely what it now does not about Federal expenditures through the requirement of reports from all its appropriation groups and conference committees. These would include tables itemizing available appropriations and estimating expenditures, with the totals in each case.

The value of the reform has been accentuated by the recent estimate of Colin F. Stam, chief of staff of the Joint Committee on Internal Revenue Taxation, that the prospective deficit for this fiscal year will be about $3,000,000,000, or much larger than the executive estimate. It is now proposed to pass a general "recession" measure, requiring the Executive to spend only a certain percentage of the appropriations already passed, or to be passed by the Senate and the House. But this would leave the allocation of the reductions wholly to the Executive. If the consolidated method of appropriating were in force, it would be in the process of legislation at this time and Congress could make the general reductions before passage and specify the items to which they would apply. While the House, in which appropriations must originate, was framing and passing the general bill, Senate committees would be at work. And when the House passed the measure the Senate would usually have May and June to legislate its own draft for passage and conference.

THE OBJECTIONS

Among the objections raised to the proposal is that a consolidated bill would require so much expenditure of time by the Appropriations Committees and the two branches of Congress that the end of the fiscal year would arrive with nothing legislated. The sponsors answer that "the customary cooperation" of the two branches could be relied on to prevent that.

Another objection is that the President would be obliged to veto a bill containing all Government appropriations if he disapproved of certain items, and leave the Government without carrying funds for an indefinite period. Conversely, it is argued, he would be under unfair pressure to refrain from using his veto powers.

This is conceded to be a point, but the sponsors maintain that the advantages to the Government and the people as a whole far outweigh whatever restriction of the veto this would impose on the President. It is suggested, however, that search be renewed for some clearly constitutional method whereby the President can veto a single item, or several items, in an appropriation bill without vetoing the entire measure.

Waste in China

EXTENSION OF REMARKS

OF

HON. ROBERT C. HENDRICKSON

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Friday, May 27 (legislative day of Monday, May 23), 1949

Mr. HENDRICKSON. Mr. President, I desire to have printed in the Appendix of the RECORD an article from the Newark Evening News of Monday, May 23, by John O. Davies, Jr., concerning the wasteful manner in which our aid to China has been used.

While I have been, and will remain, a firm believer in aid and assistance to Nationalist China, I feel that we should make certain that our supplies reach those for whom they were intended and that they serve the purpose for which they were sent. Such diversions and waste and inefficiency can only mean that we are not doing as much as we should to help the forces of China.

I feel, Mr. President, that Mr. Davies and other reporters are doing this Nation a great service when they follow through on our acts and report on the results accomplished.

I also ask unanimous consent to have printed in the RECORD an editorial entitled "Our Wastage in China," from the Newark Evening News of May 26, 1949.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Newark (N. J.) Evening News of May 26, 1949]

OUR WASTAGE IN CHINA

Our aid to China is now an utter fiasco.

This was the undoubted fear of Secretary of State Marshall as it is the belief of his successor, Mr. Acheson. The one foresaw, the other realizes, the demoralization of the Nationalist Government. There could be little doubt of that when Chiang Kai-shek retired "temporarily" as President; there was room for none when the Communists made a mockery of the "negotiations" with the Nationalists, sent the delegation back and then proceeded to cross the Yangtze River. That was the beginning of the end.

Yet military supplies from the United States continue to pour into Formosa, and more are on the way. This is, of course, because the Eightieth Congress insisted that if the European recovery program was set up, many millions of dollars worth of supplies must go to Chiang.

A factual picture of what this aid means at the moment is presented from Formosa by John O. Davies, Jr., the News' correspondent in the Far East. At the port of Kaohsiung, largest in Formosa, he counted 150 huge crates of airplanes—new P-41's, 47's, and 51's, many of which have been exposed to the elements more than a month. And from import-export agents he was informed that six more ships loaded with planes were on the way.

These planes have been shipped and are being shipped to the Nationalist Air Force, whose record in the civil war has been deplorable and which is hated by the other armed forces. They are consigned to an outfit unable to put them to good use. Their fate may be to rust or be blown to pieces by the summer typhoons unless the Communists first capture Formosa and take them over, just as they have come into possession of so much of the war supplies we have sent through the years to the Nationalists.

Mr. Davies saw rusted armed vehicles sent by our Government in which Chinese families were making their homes. He saw hundreds of tons of new and used war surplus stuff, recently brought to Formosa from Shanghai, Okinawa, and Guam. They constitute a vast junk pile, which the Nationalists seem unable to utilize.

This is a spectacle of waste that outrages common sense. Assume that as a political gesture to get billions voted for European recovery, the supporters had to yield to congressional insistence that aid also be given to China. Is there no way now to stop continued exports of costly materials never to be used by their recipients and perhaps ultimately to be turned by the Communists against them?

[From the Newark (N. J.) Evening News of May 23, 1949]

CHIANG PLANES RUST, BUT UNITED STATES SHIPS MORE—FORMOSA DOCK LINED WITH UNCRATED AMERICAN FIGHTERS AND MORE KEEP COMING

(By John O. Davies, Jr.)

KAOHSIUNG.—Despite the poor civil war record of the Chinese Air Force, hundreds of thousands of dollars worth of new warplanes addressed to the CAF still are arriving at this southern seaport of Taiwan (Formosa) from the United States.

Huge crates of new P-41's, 47's, and 51's form an almost unbroken wall on both sides of the narrow streets which parallel Kaohsiung's 90-year-old harbor.

We counted 100 such crates on one side of the harbor and 50 on the other during an inspection of the port. According to foreign import-export agents here, at least six more shiploads of new planes for the CAF are expected from America.

Besides the airplanes, many crates of which have stood exposed to the elements for more than a month, boxes of new motors, spare parts, and other airplanes accessories also clutter the harbor.

RESEMBLE JUNK HEAP

The CAF is moving the planes to Tainan, Taiwan's oldtime capital, but at the rate of only one or two crates a day. Foreigners who have lived and worked here since the war with Japan ended warn that any new planes left on the open docks during the June-July typhoon season will be blown to smithereens.

Already many of the crates have cracked open, including several containing expensive engines.

Contributing heavily to the harbor's tremendous cargo congestion has been the recent arrival of ships from Shanghai, Okinawa, and Guam, which have dumped hundreds of tons of new and used war surplus stuff, ranging from huge airplane tires to scores of empty, 1-gallon oil cans.

Many of the wharves resemble gargantuan junk heaps which are under 24-hour guard by rifle-armed Chinese sentries. Expensive aerial cameras are mixed up with rusted nuts and bolts. Used airplane motors are piled atop row after row of oxygen tanks.

ARMORED VEHICLES RUSTING

United States-made armored vehicles, shipped here brand new months ago, apparently are being allowed to disintegrate in the Kaohsiung dock areas. Families of harbor-stationed Chinese troops are living in some of the vehicles. We discovered crates of parachutes which were stamped as having been packed for shipment from America in 1946. Some of the airplane motors were packed for shipment as far back as 1947.

The much-pampered CAF is the target of bitter hatred on the part of China's infantry, artillery, and armed forces. Taiwan-stationed officers of these units openly expressed their contempt for the ineffectiveness of China's pilots in the war with the Chinese Communists. The knowledge that the United States still is shipping great quantities of air-force material to this port has cooked anti-CAF resentment to the boiling point.

The imminent danger of Shanghai's capture by Communist armies has been reflected at Kaohsiung by a decline in ship arrivals and departures from and to mainland China's biggest seaport. Shanghai-moored ships reportedly have been requisitioned by garrison troops. The crews of some ships here which normally would sail for Shanghai have gone on strikes to prevent such embarkations.

Despite the cargo congestion on the open docks, the jam-packed condition of go-downs filled with unused and rotting war material and the continued successes of the Communists on the mainland, Kaohsiung still is one of Nationalist China's busiest seaports.

Since March 10 more than 65,000 tons of sugar have been exported and during our visit another 25,000 tons were being loaded for export. A third loading of 50,000 tons is destined for Shanghai, according to foreign shippers, but that may have to be diverted elsewhere. Kaohsiung, which has an estimated population of 150,000, borders a district rich in rice and sugar cultivation.

Between 10,000 and 15,000 tons of salt is being shipped out of here monthly, shipping agents said. Recent imports included a 10,000-ton cargo of fertilizer, of which Taiwan is in dire need. Of that cargo, shippers said, the Taiwan provincial government got 7,500 tons and the Economic Cooperation Administration 2,500.

BUFFALO DRAW CARTS

There are hardly a dozen resident foreigners in this city, which was developed into a major seaport by Japan. Only the size of its population merits its identification as a city. Few of its roads are paved and buildings over four stories can be counted on one hand.

Water buffalo, bullocks, and old horses drawing carts of farm produce, manure, and cheap native goods meander through the main streets. Pedicabs and old-fashioned high-wheeled rickshas out number automobiles 500 to 1.

Most native houses and office buildings are constructed Japanese style. First-class hotels, which also conform to Japanese architectural and service customs, are unkempt and uncomfortable.

The Columbia Valley Authority Plan

EXTENSION OF REMARKS

OF

HON. GLEN H. TAYLOR

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Friday, May 27 (legislative day of Monday, May 23), 1949

Mr. TAYLOR. Mr. President, I ask unanimous consent to have printed in the RECORD two articles on the Columbia Valley Authority plan, written by Peter Edson and published in the Washington Daily News of May 24 and May 25, 1949.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Daily News of May 24, 1949]

SHORT-CIRCUITING CVA

(By Peter Edson)

A Weaver-Newell plan is being put forward as a substitute for President Truman's Columbia Valley Authority plan. Just as the Pick-Sloan plan was thought up to block development of Missouri Valley Authority planning, the Weaver-Newell plan is being used to check Democratic administration planning for a CVA.

The plan is the brain child of Col. Theron D. Weaver, United States district engineer in the Northwest, and R. J. Newell, regional director for Bureau of Reclamation at Boise, Idaho.

The Weaver-Newell deal, first announced by the Secretaries of the Army and Interior, divides up responsibilities for some 60 projects in the Columbia Valley. Only two have been completed. Reclamation Bureau has 7 more under construction, 4 more authorized but not appropriated for, and 13 recommended. Army engineers have 4 under construction, 8 authorized, and 22 recommended.

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The Army's share alone is estimated to cost $1,500,000,000, plus $11,650,000 a year thereafter for maintenance.

Authority for this planning goes back to 1943, when the Senate Commerce Committee asked Army engineers to revise their plans for development of water resources in this area. Then last June and September the President asked both Army engineers and Reclamation Bureau to review and coordinate their plans, following the disastrous Columbia River floods of 1948. The President asked that the report be sent to the White House for approval.

On April 19, Army engineers and Reclamation Bureau announced their agreement to split up the work they had planned. Two days later Gen. Louis A. Pick, as Chief of Engineers, sent this proposed plan to the governors of the Western States and to other Federal agencies having an interest in this area. They were given 90 days in which to make suggestions for changes. That gave them till mid-July.

Reports from the States are all in and are all favorable to the Weaver-Newell plan, with some reservations on giving irrigation projects second consideration in Montana and Idaho. The situation with respect to Agriculture Department's Soil Conservation Service and Forest Service, Interior's Electric Power, Grazing, National Parks, Indiana, Fish and Wildlife Services, and the Federal Power Commission and Bonneville Power Authority are considerably different. All these agencies have major interests in the Northwest.

Under normal Government procedure, all these agencies are required to make reports to the White House on Engineer and Reclamation proposals. A final revised report must then be cleared by the Budget Bureau. After that General Pick would be authorized to forward the report to the Secretary of the Army, who would send it to Congress.

In the great desire to speed approval on the Weaver-Newell plan ahead of CVA, this routine has been completely short-circuited. Chairman WILLIAM M. WHITTINGTON's House Public Works Committee asked the Chief of Engineers to submit his as yet unapproved plan direct to Congress. Colonel Weaver made this presentation in 1-day hearings Friday. Mr. Newell made the presentation for Reclamation Bureau. The CVA plan wasn't even mentioned.

Army and Engineer and Reclamation Bureau spokesmen say their Weaver-Newell plan will fit right into a CVA, if and whenever one is created by Congress.

CVA backers say the Weaver-Newell plan makes provision for nothing except Engineer and Reclamation projects. They say it does not provide for efficient management of Columbia waters to provide power, irrigation, flood control, fisheries, antistream pollution, and navigation all at once. In calling it just another Pick-Sloan stop-gap compromise, they point to reports from ex-President Hoover's Commission on Government Reorganization for proof of its inefficiency, duplication, and wastefulness.

[From the Washington Daily News of May 25, 1949]

CVA SHENANIGANS (CONTINUED)

(By Peter Edson)

Fancy shenanigans are going on around here in connection with the Columbia Valley Authority plan.

President Truman first tried to get the Senate and House to hold joint hearings on his pet bill to set up a CVA. He called Senator DENNIS CHAVEZ of New Mexico and Representative WILLIAM M. WHITTINGTON of Mississippi to the White House to talk about it. They are chairmen of the Senate and House Public Works committees.

WHITTINGTON blocked joint hearings. He said his committee had so many other things to do it couldn't possibly get around to CVA before mid-June. The truth is his committee is believed to be divided 14 to 13 in favor of CVA, though WHITTINGTON is against it. On the side, WHITTINGTON is vice president of the national rivers and harbors congress. This is the semiofficial kingfish in the powerful water lobby, which is opposed to all valley authority plans.

So it was left for Senator CHAVEZ' committee to hold hearings first and alone. As near as can be figured out this Senate Public Works Committee has only two Democrats in favor of CVA—Senator CHAVEZ and Senator SPARKMAN of Alabama, a strong TVA man. The other six Democrats and all five Republicans—headed by Senator HARRY CAIN of Washington—are against CVA. So it has no more chance than any snowball in June on Capitol Hill.

Nevertheless, the committee will go through the motions of holding CVA hearings. Scheduled to begin on Friday, they will run through June 4, including sessions on Saturday and Memorial Day. Who will attend them is a question, though this timing will serve to smother adequate news coverage.

President Truman's bill will be presented first. The hearings will then recess the week of June 6. That will give anti-CVA forces a week in which to prepare to give it the business during the week of June 13.

Meantime, Representative WHITTINGTON has made a fast play of his own. On short notice, his committee held one-day hearings on what is known as the Army Corps of Engineers Bureau of Reclamation Weaver-Newell plan for Columbia River development.

The record of the day's hearings reveals a good bulldozer technique. Nobody appeared who was opposed to the Weaver-Newell plan. E. W. Rising, registered lobbyist for the national water conservation conference, seemed to be in charge. This NWCC has for its Columbia Valley affiliate an outfit known as Pacific Northwest Development Association. A recent audit of its books showed, among others, the following contributions for the years 1945–47:

From Idaho Power Co., $1,855. From Washington Water Power Co., $6,600. From Pacific Power & Light, $5,600. From Portland General Electric, $5,500. From Northwest General Electric Co., $2,560.

This reveals a private-utility-backed lobby opposing development of the Columbia Valley Authority plan. They all have a perfect right to do this. But it's just as well to understand all the gimmicks, right out in the open.

Tennessee Valley Authority

EXTENSION OF REMARKS
OF
HON. HUGH B. MITCHELL
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. MITCHELL. Mr. Speaker, in the Appendix to the CONGRESSIONAL RECORD are reprinted a series of 10 articles on the Tennessee Valley Authority, comprising pages A3221 to A3233. The author of these articles is Mr. Tom Humphrey, of the editorial staff of the Oregon Journal, one of the two metropolitan dailies in the city of Portland. The two Senators from Oregon, in placing these articles in the RECORD, have explained that there is intense public interest in proposed legislation for the Columbia Valley Administration which has the strong backing of President Truman, and that these articles on the TVA are offered to help evaluate new legislation for unified river-basin development.

According to the Senators from Oregon, Mr. Humphrey's articles are comprehensive and factual and worthy of careful study. I regret to state, Mr. Speaker, that both Mr. Humphrey and the Oregon Journal which sent him on the mission to the Tennessee Valley are hostile to the proposed CVA. Careful study will show that these TVA articles are rife with prejudiced comments and written in a manner calculated to place the proposed CVA in an unfavorable light.

Before embarking on his mission, Mr. Humphrey wrote a derogatory article on CVA which was published in the Washington Post and the Oregon Journal and inserted in the CONGRESSIONAL RECORD on three separate occasions by members adamantly opposed to CVA. In a communication to the Washington Post, which will be found in the Appendix to the RECORD of March 21, I pointed out that Mr. Humphrey wrote with the heavy hand of bias against a CVA.

Far more informative and factual than Mr. Humphrey's writings on CVA is the series of articles written by Mr. Malcolm Bauer, city editor of the Portland Oregonian. The newspaper which Mr. Bauer represents has approached the CVA in an open-minded way, and has been disposed to consider the issue on its merits. Mr. Bauer's mission to the Tennessee Valley preceded that of Mr. Humphrey. In the interest of presenting a better balanced picture of TVA operations and their significance for the proposed CVA, I ask that the series of 16 articles by Mr. Malcolm Bauer, written for the Portland Oregonian, be printed in the Appendix to the RECORD. Hearings on CVA have commenced in the other body of Congress, and I am confident that these articles will be most helpful to the Members in appraising one of the most important legislative proposals before this Congress.

The articles follow:

WHAT ABOUT TVA?

Proposed legislation creating a Columbia Valley administration has been modeled in large part on the Tennessee Valley Authority, which for 16 years has directed the development of the Tennessee River and its watershed.

Malcolm Bauer, city editor of the Oregonian, has just returned from a month's visit to the Tennessee Valley. He went there to find out precisely what TVA is, how it operates, what the people of the valley think of it, what effect it has had on the economy and the institutions of the valley.

What he found out is of utmost importance to every resident of the Pacific Northwest interested in the pros and cons of the proposal for a CVA.

TVA—MODEL FOR CVA?

TENNESSEE STREAM OF ALTERNATE FLOODS AND DRY SPELLS—MUSCLE SHOALS PROJECT OUTGROWTH OF WORLD WAR I BUT FINISH DELAYED AND OUTPUT SUBJECT TO VAGARIES

(By Malcolm Bauer, city editor, the Oregonian)

(Mr. Bauer has just returned from a month's visit to the Tennessee Valley. This is the first of a series of 16 articles in which

he will report on the operation there of the Tennessee Valley Authority, the only existing regional development agency such as that proposed by the Truman administration in its Columbia Valley administration bill.)

Within the next few days the Truman administration will send to Congress its bill for the creation of a Columbia Valley administration. With the bill will go a special message from the President urging its passage as a major administration objective of this session of the Congress.

The bill will call for the creation of a three-director Government corporation to effect the unified water control and resource conservation and development on the Columbia River, its tributaries, and the surrounding lands in the interest of improved navigation, control, and prevention of floods, irrigation and reclamation of lands, strengthening of the national defense, and for other purposes. The other purposes include the power-producing operations of the Bonneville power administration.

But what is CVA? How would it operate? What could it do?

We can look but to one place for answers to those questions based on experience. That is the valley of the Tennessee River in the interior southeast where there exists the first and only such Federal agency for the coordinated development of regional resources—the Tennessee Valley Authority.

TVA PATTERN FOR NORTHWEST

As the only concrete experience from which the proposals for a CVA could be drawn, TVA provides the pattern for the administration's CVA bill. There is every reason, therefore, why a study of the 16-year experience of the TVA will help in understanding what can be expected of a CVA.

For that reason the Oregonian sent me to the Tennessee Valley, and I have just returned from a month's visit there and in Washington, D. C. What I have learned about the TVA and about the Tennessee Valley and its people may be of some service to the reader in drawing his own conclusions about a CVA. I do not propose to marshal arguments either for or against a CVA. Rather it will be my purpose to tell as objectively as possible the story of TVA, what it is, what it does, what the people of the Tennessee Valley think of it after 16 years and in what manner they have been affected by it.

But beware of transmuting without question the experiences of TVA to apply to the problems of the Columbia Basin. There are, of course, many differences in the two regions, differences that have some acknowledgement in legislation proposing CVA. That is not to say there are not significant lessons to be learned by a study of TVA. One must merely give consideration to their application in the Pacific Northwest.

For example, the Tennessee River differs from the Columbia. It does not flow into an ocean, but into the Ohio River which then flows into the Mississippi. Unlike the Columbia, which has a relatively steady and heavy flow of water the year around, the Tennessee has always been a flash stream. From the earliest days of settlement it had flooded its banks almost annually. The heaviest rainfall in the eastern United States pounds down on the southern Alleghenies and the Great Smokies where the headwaters of the Tennessee rise in eastern Tennessee, western North Carolina and the far western tip of Virginia. Rain measures more than 60 inches a year in some places (Oregon's coast knows what that means). Long-time average is 52 inches throughout the Tennessee Valley drainage area. That is 10 inches more than Portland's 42 inches.

FLOODS EXPECTED ANNUALLY

These downpours would sweep down the steep gullies into the Clinch, the Holston, the French Broad, the Watauga and Little Tennessee Rivers. Unchecked, they washed down these streams into the Tennessee River, which begins at Knoxville, and then spread out over the farm lands and the settlements of the valley. The muddy waters were always widest and deepest at Ross' Landing, which is now the city of Chattanooga. Almost annually the Tennessee would behave as did the Columbia last year. It's a smaller river, and at its top flood stage it flows less than half the record flood level of the Columbia. But the water is just as wet.

The floods came any time from December through April. Then, come August, you could drive a mule across the main channel of the river almost any place. From a flood load of 470,000 cubic feet a second at Muscle Shoals, the river often fell to a trickle of 4,200 cubic feet a second.

Steamboat operators, too, were unhappy. They found but few weeks in the year when water was neither too deep nor too shallow for river traffic.

As early as 1824 John C. Calhoun, then Secretary of War, ordered a survey of the river with specific reference to the construction of a canal around the 37-mile stretch of rapids called Muscle Shoals. A 17-lock canal was actually built by 1834 and was enlarged in 1871. But in 1916 the United States Army Engineers reported in exasperation: "It has been impracticable to establish reliable through navigation extending over any of the reaches" of the Tennessee. The pesky river kept running wild in the winter, then resting from its mischief in the summer. It was harnessed only at Hales Bar, down river from Chattanooga, where a private power company had built a dam in 1905.

Urgencies of the First World War brought authorization from Congress for the construction of a power dam at Muscle Shoals (now Wilson Dam). The dam was to produce energy for operation of two plants to derive nitrogen from the air for wartime explosives. But the Germans didn't have to worry; the dam was not completed until 1925. In the 1920's Wilson Dam at Muscle Shoals was looked upon as the whitest of white elephants.

FORD'S OFFER TURNED DOWN

Henry Ford wanted to buy it before completion, back in 1921, for $5,000,000, but Congress turned him down.

When the dam began producing power in 1925 so fickle was the flow of the Tennessee that the installed capacity of 184,000 kilowatts could operate only intermittently. Its "firm power," or year-around guaranteed production, was less than 40,000 kilowatts. That's less than half the capacity of one generator at Grand Coulee. Even that was more than was wanted by the private power company that was Wilson's only customer and used the Government-produced power only to supplement its own generation. So uncertain was the great dam's production, both because of the uneven flow and meager market, that even the lights in the powerhouse were energized from an outside source so that the engineers could work in the light even when the generators were not operating.

The combined irritations of the floods and the helpless monster at Muscle Shoals rubbed raw the patience of Tennessee Valley Congressmen. They asked in 1928 for a Federal agency to make something out of the shambles of the Tennessee. That was the birth of TVA.

BILL TO CREATE TVA VETOED BY TWO PRESIDENTS; FINAL VICTORY LARGELY DUE TO SENATOR NORRIS

The Tennessee Valley Authority is not at all, as many think, a child of Franklin D. Roosevelt's New Deal.

A Republican Congress passed the first TVA bill, but it died in Calvin Coolidge's pocket. Again in 1931 it was back. But Herbert Hoover affixed the veto that time.

Then came 1933 with a new administration and a program calling for vast public-works expenditures. The same Congress that voted millions for Grand Coulee and Bonneville Dams created, in May 1933, the Tennessee Valley Authority.

The passage was a triumph for aging Senator George W. Norris, long the chief exponent in Congress of the development of the Tennessee.

The TVA was, Congress said, "for the purpose of maintaining and operating the properties now owned by the United States in the vicinity of Muscle Shoals, Ala., in the interest of the national defense and for agricultural and industrial development, and to improve navigation in the Tennessee River and to control the destructive floodwaters in the Tennessee River and the Mississippi River Basins."

To do this job the Congress created a corporate agency that, in form and substance, is practically the same as the TVA of today.

REPORTS MADE DIRECT

TVA is an independent Government corporation. It reports to no Government bureau in Washington, but directly to the President and to the Congress. The President appoints its three directors to 9-year terms with the advice and consent of the Senate, but only once has a President exercised his right to fire a director. Franklin Roosevelt ousted the first chairman of the board, Arthur E. Morgan, in 1938 over differences of policy. Each year TVA must come to Congress for appropriations to carry on its program. It must also obtain from Congress authorization for its major projects. Otherwise, TVA is free to operate within the terms of its original act a : amended. It can sue and be sued. It can issue bonds as authorized by Congress.

So it happened that in 1933, at the depths of the Nation's greatest economic depression, TVA's first three Directors moved into Knoxville to set up an organization that would accomplish the objectives of the TVA Act. They were Dr. Arthur E. Morgan, an engineer and educator, who was designated Chairman; David E. Lilienthal, a young utilities lawyer, later to become Chairman of TVA and now Chairman of the Atomic Energies Commission; and Dr. Harcourt Morgan (no relation to Arthur E.), an agriculturist and educator.

They had a big job. Economic life was at a standstill in the Valley. In one east Tennessee county 87 percent of the population was on relief. There are those in the Tennessee Valley today who like to think things weren't so bad then as painted. They point happily to the 13 percent who were making a go of it.

The new-born agency was experimenting for the first time as a Federal authority with regional responsibilities. Its specified area of authority lay within the watershed of the Tennessee River and its tributaries, including parts of seven States. The total is about 40,000 acres in area, less than half the size of Oregon, but containing more than twice the number of people now in Oregon.

SEVERAL STATES AFFECTED

Bulk of the Valley lies in Tennessee, but the headwaters of the Powell, the Clinch, and the Holston rise in the highlands of the western tip of Virginia, and other tributaries feed in from the Great Smokies along the western edge of North Carolina and in northern Georgia. The Tennessee itself, after running south from Knoxville in eastern Tennessee, dips into Alabama and runs westward across the northern width of that State into the northeastern tip of Mississippi. Then it turns north and flows through Tennessee again to empty into the Ohio at Paducah, Ky. Tennessee and Alabama are the States principally affected by TVA; Virginia, North Carolina, Georgia, Mississippi, and Kentucky less so. I visited all but Mississippi and Kentucky.

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That is not the geographical limit of TVA's wide-flung activities. TVA distributes power over an area of 80,000 square miles, twice that of the watershed. Its farm program, as we shall find later, stretches into a majority of the States of the Union, including Oregon, Washington, and Idaho.

TVA's first job, in addition to the herculean task of organization, was the construction of Norris Dam, to control the Clinch River, just northwest of Knoxville. It was primarily a storage dam, to control floods and equalize water flow for navigation. But it also produces 100,800 kilowatts of electricity.

Norris was completed in the spring of 1936. Since that time TVA has constructed 16 major dams and a number of smaller projects, and is now building South Holston, a $33,600,000 rock and earth fill storage dam on the Holston River, in the far northeast corner of Tennessee. South Holston completes the major construction program now contemplated by TVA.

What does TVA do other than build dams? Here are some things:

TVA controls the water flow of the Tennessee and its tributaries through a system of 27 major and numerous smaller dams. (Ultimate authority in critical periods, however, lies with the United States Army Engineers, who have final word on how much water can be released into the Ohio and Mississippi Rivers when floods threaten.)

TVA has completed a 630-mile, 9-foot clearance navigation channel from the mouth of the Tennessee at Paducah, Ky., to Knoxville, a distance roughly equivalent to that from the mouth of the Columbia to 100 miles beyond Grand Coulee Dam. (The U. S. Army Engineers operate and maintain the locks and thus control navigation.)

TVA operates a power system, principally as a wholesale producer, which last year generated more than 14,000,000,000 kilowatt-hours of electricity, substantially more than the 10,885,907,000 kilowatt-hours produced in the same period by Grand Coulee and Bonneville Dams.

VARIOUS PLANTS RUN

TVA operates chemical plants at Muscle Shoals which last year produced about 350,000 tons of phosphate and nitrate fertilizers.

TVA distributes this fertilizer, without cost except for freight, to more than 15,000 test-demonstration farmers throughout the Nation. Such fertilizer as is not so distributed is marketed at cost through farm cooperatives.

TVA last year furnished more than 10,000,000 seedling trees for reforestation by 3,300 farmers and timberland owners.

TVA conducts research and experimentation in conjunction with the valley's land-grant colleges in such fields as food-freezing, wood hydrolysis, and manufacture of laminated wood, ceramics, farm machinery, and paint, all from products of the valley.

TVA manages some 500,000 acres of properties surrounding reservoirs. Much of this has been leased to public and private agencies for recreational and other development.

To do these and other things, TVA has 15,000 employees, ranging from Chairman Gordon R. Clapp to the lowliest mudslinger at South Holston Dam, now abuilding.

TVA—Model for CVA?

PEOPLE OF TENNESSEE VALLEY PROVE TO BE ACME OF HOSTILITY WHEN GOVERNMENT FIRST ARRIVES TO DEVELOP REGION

(By Malcolm Bauer, city editor, the Oregonian)

(This is the second of 16 daily articles by Mr. Bauer, who has just returned from an inspection of the Tennessee Valley Authority, only existing regional development agency such as the proposed Columbia Valley Administration.)

The Federal Government could have found no more hostile region than the Tennessee Valley for its first experiment in regional development. By tradition, politics, experience, the people of the valley suspected outside authority.

When TVA's first three directors and a staff of assistants arrived in Knoxville in 1933 to set up TVA as directed by Congress they were invading territory where representatives of Washington, D. C., had often been more hated than loved.

The moonshiners of the highlands of Virginia and east Tennessee had long been taking pot shots at the Federals.

The farmers and tradesmen of the valley still remembered the last Federal agent to pass through—Gen. William Tecumseh Sherman.

But that didn't mean they were solid-South Democrats, open and agreeable to the ministration of the first Democratic regime in a coon's age. The Tennessee Valley is all below the Mason and Dixon's line; but it would be a mistake to think of it as part of the solid South.

Western North Carolina and eastern Tennessee fought for the Union, and they are still full of Republicans. A Republican represents Knoxville and its district in Washington in this Congress.

Willson Whitman, to whom I am greatly indebted for her excellent book, God's Valley, says it very well. The Tennessee Valley, she writes, may vote Democratic, but it prays Republican to this day.

The Tennessee Valley people are independent, not the kind of people to welcome with open arms any Federal program of paternalism, whatever the material benefits. Watauga, Tenn., and Abington, Va., in the valley, were the first settlements in the Colonies to declare in formal articles against British rule.

PEOPLE FLEE DOMINATION

The valley had been settled by people seeking to escape the domination of government—English, Scotch, Irish. They lived in the valley and raised their offspring to question authority. Less than 1 percent of the valleys' population is foreign born. There are few Olsens in the telephone book, no DiMaggios. The headstones in the cemeteries are filled with Macs.

In the highlands of east Tennessee you can still hear the last traces to be found of Elizabethan English used in daily conversation. Charles Krutch, the helpful chief of TVA's graphics section, heard this one:

"I was hunkerin' down and I creeled my ankle; it's poned up so I'm 'feared it'll beal."

All good enough English if you go back far enough, but it requires an interpreter today.

Not long before Oregon herself was emerging from the wilderness. Tennessee was the land of the frontier. A tree on a branch of the Watauga in Tennessee bears the legend: "D Boon Cilled a Bar." Dave Crockett and Sam Houston were big men in Tennessee before they went on to Texas. Andy Jackson pioneered in the valley, hacked out a "Hermitage" near Nashville and from there went to the White House.

The Tennessee Valley has always been a valley of strife.

The pioneers had routed the Cherokees, the Chickamaugas, the Chickasaws. Brother had fought against brother Tennesseean at Shiloh and on Missionary Ridge and Lookout Mountain. Religion itself had entered the lists in the Scopes-Darwin trial at Dayton in the heart of the valley.

So the residents of the valley rolled up their sleeves and pitched right in on both sides of the fight when the TVA moved in and immediately locked horns with the private utility companies. In hot spots like Chattanooga where the fledgling municipal system started to build a competing line, families were split, as were church congregations, lodges. That, however, is a story for later on. The point, in case it was buried above someplace, is that the people of the valley are a vigorous people, independent and wary of authority. No more, no less, perhaps, than the people of the Pacific Northwest.

DIFFERENCES EASY PITFALL

The peoples of the two river basins are different in many ways, of course; but it would be an error to magnify too greatly these differences in contrasting TVA and CVA.

Per capita income is lower in Tennessee than in Oregon. In both areas such income has been soaring out of proportion to the general rise throughout the land. Tennessee's deficiency is due partly to the greater percentage of rural population, supporting itself on nearly 300,000 small farms, five times the number of farms in Oregon, a State twice as large. Partly, also, it is due to the greater number of Negroes in the Tennessee Valley. Their wages there don't compare to a white man's.

There are probably many other reasons, but none which seems to have any bearing upon the acceptability of a regional authority.

And as everywhere in this country the standardization of everyday life is working toward the elimination of such differences as do exist between the peoples of the several regions. The same reducing formulas and permanent wave solutions are advertised in the drug stores of Chattanooga as in Portland. Parking meters in Portland and Knoxville are identical. The same movies play there; the same radio programs. The convertibles at the University of Tennessee looked just as yellow and just as numerous as at Eugene or Seattle. I waited 3 days to hear the Portland pressmen's strike had been called, but had up-to-the-minute news on Li'l Abner, Rip Kirby, and Skeezix.

It is a common delusion, perhaps to consider oneself different—i. e. better—than the fellow in the next valley. That fancy can have little place in the consideration of the advisability of applying the experiences of TVA to the Columbia Basin.

The TVA must deal with people; but it likewise deals with a number of less animate objects. The biggest and most important of these are the dams.

NINE TENNESSEE DAMS UNDER TVA CONTROL FLOODS, PRODUCE ELECTRICITY

The nine main river dams operated by the Tennessee Valley Authority have turned the Tennessee River into a series of lakes, second in size in this country to the Great Lakes. Where the slack water from one dam reaches its upstream limit, there stands another.

Biggest and nearest the mouth of the Tennessee is Kentucky Dam, just 23 miles upstream. It was completed in 1944. It is the river's principal flood-control dam protecting the downstream areas of the Ohio and Mississippi basins. As do all TVA dams, Kentucky produces hydroelectricity.

Unlike Columbia River dams, however, none of the mainstream Tennessee dams have fish ladders. The fish of the Tennessee are not anadromous. They do not need to move upstream to spawn.

ENGINEERS IN CHARGE

All the main river dams have locks for navigation. The locks are operated by the Army engineers, not TVA.

For comparison: Kentucky's reservoir of 6,000,000 acre-feet, biggest in the valley, holds about two-thirds as much water as Grand Coulee's reservoir; Kentucky produces 160,000 kilowatts of power to Bonneville's more than 500,000. (TVA's biggest power producer, Wilson Dam, has generator installation now

under way to fill its capacity of 436,000 kilowatts.)

Two hundred miles up the river from Kentucky Dam is Pickwick Dam. It spans the river at Pickwick landing where 173 gunboats landed on the eve of Shiloh in the first large scale amphibious engagement in American arms. Pickwick is but 50 miles downstream from Wilson Dam, at Muscle Shoals, first in the Government-built chain.

A scant 18 miles above Wilson is Wheeler Dam, which had been started when TVA was created in 1933. Above that is Guntersville, like Wilson and Wheeler, in Alabama. Eighty miles farther on toward Chattanooga is Hales Bar Dam, built originally by a private power company but later altered to some extent by TVA engineers.

DAM FAVORITE SPOT

Chickamauga Dam stands astride the river at Chattanooga and is the top tourist attraction of the TVA system, possibly because it is so easily reached. Next above is Watts Bar, just halfway between Chattanooga and Knoxville. Beside it on the bank of the river stands the only steam plant built to date by TVA. The Watts Bar steam plant requires a 260-man crew and consumes 50 carloads of coal a day to produce its 240,000 kilowatts. But the hydro plant at the dam produces 150,000 kilowatts with a crew of 37 and the water of the river—a contrast in the operating costs of hydro- and steam-power generation—why water power makes for cheaper electricity.

Fort Loudoun Dam, just below Knoxville, completes the river chain. All are broad, low structures, although in engineer parlance they are classed as high dams as main-stream dams go.

In addition there are 14 major storage dams on tributaries. None of these has locks, but all generate power. The better-known ones are Norris, the first TVA-built dam, on the Clinch River, about 20 miles northwest of Knoxville; Fontana, on the Little Tennessee in North Carolina, at 470 feet the fifth highest dam in the world. (Grand Coulee is 550 feet); Douglas, built in record time in World War II on the French Broad River in the mountains of eastern Tennessee.

FERTILIZER PRODUCED

TVA also operates five dams built and owned on the Little Tennessee by the Aluminum Co. of America, whose plant at Alcoa, Tenn., biggest in the world, uses power from the five dams and from TVA as well.

At Muscle Shoals, Ala., TVA operates two big fertilizer plants, using fertilizer thus produced in demonstrations on farm lands in the Tennessee Valley and elsewhere in the Nation—including Oregon, Washington, and Idaho. The surplus is marketed through farm cooperatives.

TVA once owned an entire town—Norris, Tenn., built to house the working force for the construction of Norris Dam. It was constructed as a permanent, model settlement, and TVA operated service centers, such as the drug store, restaurant, etc. That started the charges, still found in many places, that TVA is in the drugstore business, variety store business, etc. But Norris was sold—lock, stock, and drug store—last August to Henry D. Epstein, of Philadelphia. He paid $2,107,500 for it, and is now in the process of selling and renting the 5- and 6-room houses that are scattered on the winding roads through the trees of the Norris hillside. Most are occupied by TVA employees, many of whom commute the 20 miles to Knoxville daily. Others work at Norris and at Norris Dam.

Listed above are the principal physical structures of TVA—the dams and the plants. They and the reservoir lands surrounding the man-made lakes represent the capital investment of TVA—a capital investment by the people of the United States that now stands at more than $800,000,000.

TVA—MODEL FOR CVA?

VALLEY AUTHORITY, LACKING POWERS OF GOVERNMENT, ACHIEVES ITS OBJECTIVES THROUGH RESORT TO CONTRACTS

(By Malcolm Bauer, city editor, the Oregonian)

(Mr. Bauer has just returned from a month's study of the Tennessee Valley Authority, which has formed a pattern for legislation proposing a Columbia Valley Administration. This is the third of a series of 16 articles on his findings.)

The Tennessee Valley Authority is not a government.

TVA has no police, no army, no courts of its own. It has no power to regulate. It can give orders to none but those on its pay roll. It has no legislative powers. Its one power of compulsion is the right of eminent domain, a common instrument of public agencies.

TVA, therefore, cannot really live up to its reputation in some quarters as a "super state." It is a corporation authorized to develop with Federal funds the resources of a river basin that extends over political boundaries into seven States. But, TVA can no more direct State and local officials or individual citizens of Tennessee than can the Portland headquarters North Pacific division engineer, whose authority also overlaps State boundaries, give instructions to the State and local governments or private citizens of the Northwest.

TVA gets its work done by contract. It contracts with each of about 150 power retailers for the distribution of the energy generated at TVA power plants. These contracts specify not only the cost of TVA power to the retailer, but also the retail rate. Parties with TVA to these contracts include municipal utility boards, rural cooperative organizations and private power companies.

The demonstration farm program is also operated by contract. The agreement is with the extension division in each of the land-grant colleges in the Tennessee Valley States and in 18 States outside the region. Oregon State College has entered such a contract with TVA.

OSC, TVA IN PACT

The contract with OSC specifies that the extension service, through its county agricultural agents in Oregon, will supervise the demonstration of TVA fertilizer and soil conservation methods on the 82 farms in 12 Oregon counties participating in the TVA farm program. TVA, on its part, agrees to provide fertilizer manufactured in its Muscle Shoals plant for use on the demonstration farms. TVA at one time furnished some funds for the operation of the program in Oregon. That is not now true. In any event the execution of the program in Oregon, as well as in the Tennessee Valley States, is in the hands of the extension service which is bound to TVA only by the terms of the mutually agreed contract.

The contract is the device used by TVA to secure execution of its policies through established local, State and Federal agencies, public and private. There are in existence hundreds of such formal agreements between TVA and every manner of institution in the valley, ranging from county library boards and State universities to highway and conservation commissions. TVA operates the TVA-owned plant—all of its dams, power and fertilizer plants, and tree nurseries—with its own employees.

One issue that always arises in the discussion of TVA's policies is that of its practice of building dams and other major projects by "force account"; that is, TVA hires directly all engineers, technicians and workmen, rather than letting the jobs by contract. In the 1933 emergency, when TVA wanted to get started quickly on Norris dam, the force-account method was adopted to avoid necessity of detailed plans and specifications. These were developed as the job progressed. TVA liked the system so well it has never changed.

The Associated General Contractors of America does not like the force-account practice. The contractors contend it is unfair Government competition with private industry.

DAMS JUST AS GOOD

This is one of the fields in which TVA's activity has run head-on against a private enterprise, and has resulted in charges of encroaching socialism. Major example, of course is the public-private power controversy. TVA is in the middle of that one, too.

The contractors do not contend, however, that the TVA dams are not good dams. They are just as good as, no better than, Grand Coulee or Bonneville. Nor do the Army engineers or the Bureau of Reclamation, the other big Federal dam builders, have any criticism of TVA engineering. That is simply not an issue.

TVA draws its authority for operation from the original TVA Act. It has been amended six times, but is still a relatively brief and general document. TVA must also go to the Congress annually for appropriations with which to carry on its non-revenue producing activities and to build such new projects as Congress has authorized. Policy matters within the limitation of the TVA Act and the appropriations approved by Congress are formulated by three directors, each serving a nine-year term.

Chairman of this Board of Directors is Gordon R. Clapp, a mild-mannered young (43) man, who has worked his way up through succeeding TVA executive positions. He was assistant personnel director, then personnel director in the early days of TVA. He served as general manager when David P. Lilienthal was Chairman. When Lilienthal went to the Atomic Energy Commission, Clapp was confirmed as his successor after long hearings in the Senate. Tennessee's Senator KENNETH MCKELLAR opposed Clapp's appointment strenuously, but in the past year has paid Clapp high compliments as a competent Administrator.

IDAHO MAN IN

Another Director is James P. Pope, 65, one-time Senator from Idaho. He has been with TVA for a good many years, and specializes in relations with the public.

Dr. Harcourt Morgan, one of the three original TVA Directors, came to the end of a long term of service just this year. While I was in the Tennessee Valley, Dr. Harry A. Curtis, 65, was sworn in as a Director to replace Dr. Morgan. Dr. Curtis worked as a chemist for TVA from 1933 to 1940. He returns to TVA from the post of dean of engineering at the University of Missouri.

TVA's original Directors each had administrative responsibilities in separate fields. This made for so much friction, as witness the Lilienthal-Dr. Arthur E. Morgan controversy, that all administrative tasks have been relinquished by TVA Directors. They now deal only with policy matters, execution of which is the responsibility of a general manager, who directs all of TVA's activity through its force of 15,000 employees.

Current general manager is George P. Gant. He is assisted directly by a chief engineer, whose staff designs and builds the dams and other projects; a manager of power, who directs all power operations; a chief conservation engineer, who deals with chemical, agricultural, and forestry programs; and a manager of reservoir and community relations, who administers the 500,000 acres of reservoir properties, makes regional economic studies, and supervises health and safety programs. In addition, there are administrative divisions dealing with personnel, legal advice, finance, and property and supply.

Directors and general manager live and work in Knoxville. There also are their chief assistants, with two exceptions. The TVA

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power business is run from Chattanooga; fertilizer and chemical research at Muscle Shoals. There are but seven small regional TVA offices. You seldom see a TVA man in the small towns and rural areas. The TVA business is carried on by local agencies.

POLITICAL TEST OUT

There has never been so much as a rumor that politics has played a part in the employment of TVA personnel. The original act specified that "no political test or qualification shall be permitted or given consideration," in appointments or promotion. Stiff penalties are provided for TVA officials who might violate that section.

It was recognized on Capitol Hill early in the life of TVA that a letter from a Congressman was worse than no letter at all as a recommendation for a job in TVA. That was the feature of TVA most often emphasized by those to whom I spoke in the Valley as the ingredient necessary to the successful operation of any such authority as TVA or CVA.

Political activities of TVA employees are governed by the Hatch Act, as for all other Federal employees.

The Ramspeck Act of 1940 exempted TVA alone of all Government agencies from Civil Service. TVA can therefore hire, fire, and promote on the basis of merit without reference to Washington. There is, however, a system providing for advancement, seniority, and pension. This is in line with the divorcement of TVA from all Washington, D. C., administrative agencies.

TVA employees are organized into several craft unions, all A. F. of L. They deal with TVA through a trades and labor council representing all unions. Wages and other working conditions are readjusted annually by negotiation. There have been few work stoppages, all minor. Disagreement calls for arbitration by the Secretary of Labor. During the life of TVA four appeals have gone to the Secretary.

TVA now has a 40-hour workweek with time and a half to 44 hours, double time thereafter. Highest wage is $10,000 annually, plus living quarters, for the directors. Approximately 70 top administrative officials receive an annual wage equal to that of the directors. Minimum hourly pay is 95 cents; minimum annual wage, $2,150. Wages, by specification in the TVA Act, must conform to the prevailing rates in the region.

TVA—Model for CVA Plan?

(By Malcolm Bauer, city editor, the Oregonian)

(This is the fourth in a series of articles on the Tennessee Valley Authority. The author has just returned from the Tennessee Valley after several weeks of inspection of TVA. His report will be of interest to those now considering prospects of a Columbia Valley Administration.)

Prime mission of the Tennessee Valley Authority is not, as some may think, the production of power. It is the control of floods. Second to flood control comes navigation. The preamble of the TVA act does not so much as mention power production.

Reason, perhaps, is that the Constitution gives no authorization for the Federal production of power. Benjamin Franklin apparently did not understand the true significance of his kite trick. A Government dam built for power production might easily be the target for suits by private power companies. The TVA act, therefore, was for flood-control navigation, and other purposes. Among the other purposes specified in the act was the production of power incidental to flood control and navigation.

Hence, power may be the glamour girl of TVA, but flood control is the boss. The water engineer at Knoxville directs the flow of water in all of TVA's reservoirs. Each dam is operated on a flood rule curve, which shows at all times at just what level the reservoir water should be. If this rule curve conflicts with the requirements of power production, it is the power production that suffers.

EXTRA WATER PROBLEM

In the proposed Columbia Valley Administration bill, irrigation has first call on water from the river. No one in Tennessee, however, is worried about not having water. The problem there is to get rid of it. The valley is the area of heaviest rainfall in the eastern United States. The almost annual floods were a prime factor in the birth of TVA. The people of Chattanooga, lying in the funnel of the valley, tired of wading through water in streets.

When TVA was created in 1933, there was no flood control on the Tennessee. The first TVA Dam, Norris, was a major flood-control dam, trapping a reservoir of 2,500,000 acre-feet on the Clinch River just above the beginning of the Tennessee at Knoxville. That was the start of the TVA flood-control system which now comprises 27 major dams on the Tennessee and its tributaries. Water is dispatched through this system from high in the Great Smokies to the mouth of the river at Paducah, Ky., just as a passenger train is cleared through a busy main line.

In the flood season, N. W. Bowden, the chief water engineer, and his staff, are busy around the clock in their Knoxville water-control headquarters. To them come the reports of weather observers throughout the watershed. Teletypewriters chatter with statistics from more than 200 rain and stream-flow gages. Other reports are flashed automatically by TVA-developed radio gages in remote mountain areas, where rainfall often averages more than 80 inches a year.

Bowden's office looks like a busy newspaper city room. Assistants, each assigned to a given region, analyze the rainfall reports. Their calculations are coordinated by Bowden who directs waterflow through the network of dams. His word is law in Chattanooga, where sit the power dispatchers. If Bowden says water must be spilled over the dam to make room for more in the reservoir, it is done, although the power dispatchers often, figuratively at least, weep bitter tears over such waste of the white gold.

PROBLEMS WIDESPREAD

The water boss' problems range from pigs to yachts. One night in a flood period a farmer in Alabama telephoned Knoxville to plead for a delay in release of water to permit him to remove his pigs from a low-lying island. As it happened, the rule curve called for such delay, so the farmer saved his pigs. Not so happy were members of a Chattanooga yacht club when they found their ships high and dry early one morning. The boathouse boy had neglected to heed the regularly broadcast TVA warning that the water level would be reduced overnight.

TVA's engineers think that this flood control has paid off. In the past 13 years, since March 1936, when the first reservoir (Norris) began to fill, there have been 18 times at which water in the Tennessee would have reached flood proportions if it were not for the TVA reservoirs and the tight water control maintained. The engineers have conducted surveys of potential high-water marks and cite a figure of more than $43,000,000 saved in property damage at Chattanooga alone, during the 18 flood stages. January 6 of this year, for instance, the Tennessee reached a stage of 29.5 feet at Chattanooga, a mark the engineers say would have been 36.3 feet if it had not been for flood control. They surveyed the part of Chattanooga that would have been under water at the 36.3 mark, and count a saving of $500,000.

In February of last year a potential flood crest of 44.3 feet at Chattanooga was reduced, the engineers calculate, by 10.5 feet. Estimated savings, $13,000,000.

There is, of course, no comparable flood control on the Columbia. Grand Coulee reservoir, as large as it is, would be filled in short order by the waters of the Columbia at flood stage. And, of course, it cannot be held empty waiting for floods for it is primarily an irrigation dam. Bonneville Dam is just a ripple in the stream so far as flood control is concerned.

DIKING URGED

For that matter, the flood control system of the Tennessee is not yet foolproof. The critical spot, Chattanooga, might still suffer should a flood reach the record proportions of that of 1867, when water poured into the Hotel Patten in the heart of Chattanooga. For that reason both TVA and the Army engineers have recommended that $20,000,000 worth of dike be constructed at Chattanooga. The sum is much smaller than that that would be required to add to the height of dams above Chattanooga to give the same effect. As yet, however, Chattanooga property owners have not jumped at the chance to pay the $3,000,000 or $4,000,000 necessary to purchase rights-of-way to provide a site for the dikes which would presumably be built with Federal funds.

In fact, delegations of Chattanooga businessmen have been in Washington, D. C., during the past month to ask that TVA, not the Army engineers, do the dike job. TVA, they think, might well pay for the rights-of-way as well as for the dikes. While they talk, they may get their feet wet. This is the critical flood season on the Tennessee.

Water control serves to provide a year-around channel for navigation.

From Knoxville to Paducah, Ky., the Tennessee is now a 630-mile extension of the Nation's 6,000-mile inland waterways system. TVA constructed the 9-foot clearance channel. The Army engineers operate the locks in the river's nine dams. The Coast Guard marks the channel. It is apparently up to TVA, however, to see that as much use as possible is made of the new broad water highway thus created.

Navigation is the least flourishing of TVA enterprises. The river is there. It is broad and deep. But the traffic is not heavy. Last year about 3,000,000 tons of freight moved on the river with an estimated saving of about the same number of dollars, scarcely enough to operate and maintain the locks. Most of this was sand and gravel. Even the best friends of TVA do not seriously contend this is adequate use of the $150,000,000 navigation project.

BARGING SHUNNED

TVA might increase this tonnage by itself going into business on the river, but it does not intend to do so.

"The barge-line business," I was informed by John Ferriss, under whom the TVA navigation staff works, "is a private business; we want it to remain so."

Columbia River barge-line operators will understand many of the reasons why the Tennessee is not filled to the banks with commerce. In the first place, the Interstate Commerce Commission has been diligent in giving rail lines below-cost rates in order to compete with the admittedly cheaper water transportation.

Here is an example of what Tennessee navigation is up against. Just after commercial navigation became feasible as far as Chattanooga in 1939, Southern Chemical Co. shipped 900 tons of cotton linters from Cairo, Ill., to Chattanooga by barge because the water rate was 14 cents per 100 pounds as against the 34-cent rail rate which they had been paying. The railroads asked ICC for relief and received permission to reduce the rail rate to 18 cents per 100 pounds. The remaining 4-cent advantage which the water carriers still held was not enough to overcome the disadvantages of extra loading and unloading required by barge transportation. As a result, the water movement was killed.

The rail rates to Stephenson, Ala., located inland from the river and 30 miles nearer to Cairo than is Chattanooga, remained at 31 cents, or 13 cents higher than the Chattanooga rate. Hence, it is cheaper for a dealer in Stephenson to let his rail freight go right by his door and on to Chattanooga, unload it there, and truck it back to Stephenson.

Rail rates on petroleum products have also been reduced sharply to meet waterway competition.

Of course, southern shippers are making a saving as a result of the water competition, but somebody, maybe somebody in the Northwest, is paying for that saving in a higher rail rate.

SERVICE IRREGULAR

Other handicaps to river traffic development include the reluctance of barge companies to provide facilities for less-than-bargeload shipments, or to schedule regular service. Nor will rail and truck lines cooperate by quoting joint rates for movement by water.

During the war, TVA erected five river terminals. None of these is yet paying its way. At Harriman a terminal designed specifically for loading of coal stands idle. Other general-use terminals at Decatur and Guntersville, Ala., and Chattanooga and Knoxville, Tenn., are available for public use, but there are few takers.

So far as I could determine, none of these four cities has yet created a public dock commission or other agency to promote the use of the terminal facilities. In each community leaders acknowledged the opportunity for port development. At Chattanooga the chamber of commerce had actually gone so far as to name a committee to study the problem. But there are just not many old salts as yet along the Tennessee.

The navigation picture is not altogether a dark one. The development of the Tennessee has brought many benefits, some of which are not reflected directly in the tonnage figures. Each week a million dollars' worth of new automobiles are unloaded from specially constructed three-deck barges at Guntersville, Ala., for distribution throughout the southeastern States.

BARGES CARRY GRAIN

More than 3,500,000 bushels of grain annually are barged up the river for processing at newly constructed mills.

Oil companies service eight tank terminals with more than 30,000,000 gallons of petroleum products annually.

Shipyards at Decatur, Ala., turned out Liberties and LST's during the war and still have big contracts.

Coal is moving by barge for the first time out of the eastern Tennessee coal fields to the Midwest.

Iron and iron-ore shipments are put on the river in Alabama to move north.

The permanent flooding of about 500,000 acres of land to provide the TVA storage reservoirs that make possible flood control and navigation on the Tennessee has created many problems as well as opportunities.

TVA—MODEL FOR CVA?

DISPLACEMENT OF FAMILIES BY TVA PROJECT IN DENSE REGION UNLIKELY TO PRESENT SIMILAR PROBLEMS IN COLUMBIA VALLEY

(By Malcolm Bauer, city editor, the Oregonian)

(This is the fifth of a series of 16 articles describing operations of the Tennessee Valley Authority. The author has just returned from a visit to the Tennessee Valley, undertaken to provide for readers of the Oregonian a picture of TVA, a possible legislative model for a Columbia Valley Administration.)

TVA has literally changed the face of the Tennessee Valley.

During the past 16 years TVA has completed 16 major dams backing up reservoirs that cover 473,000 acres of land, much of which once produced crops, pasture, timber. Displaced from the inundated areas have been about 14,000 families, most of them from farms. Another 226 families now are looking for new homes outside the projected reservoir bed of South Holston dam, which will be closed in November of next year.

Density of the rural population in the Tennessee Valley has made this displacement a much graver issue than it would likely become in the Columbia Basin, even under such intense development of the main stream. For instance, only a scattering of persons were displaced by gigantic Grand Coulee Reservoir. But so often has been raised the question of TVA's drowning farm land and moving the residents thereof that it is well to give some detailed consideration here to the facts.

TVA was but a few days old when confronted by its first reservoir problem. Almost 3,000 families lived in the area that was to be flooded by Norris Dam. Between May 1933 when TVA was born, and March 1936 when Norris Reservoir began to fill, arrangements had to be made to purchase the land to be covered and to assist in relocation of the more than 10,000 persons affected.

As in most of its activities, TVA chose to act through local agencies in solving problems of the mass population movement. TVA funds paid for employment of assistant county agents to visit the affected families as soon as possible after their land was purchased and to give them counsel and assistance in obtaining new homes in the vicinity or elsewhere. These agents worked directly under authority of the county agents in the counties in which was located the reservoir property. They were invariably friends and neighbors of the displaced families.

RED CROSS HELPS

Also cooperating in the removal program were the county and State welfare bureaus, departments of health, and the American Red Cross.

This is the pattern of population readjustment that has been followed by TVA in all of its projects.

Prior to the current projects of Watauga and South Holston Dams, a total of 13,462 families were moved from areas to be flooded. Of these 4,585 were landowners, 8,877 were tenants. Farm families numbered 8,202; nonfarm families 5,260. Several hundred families, including the entire town of Butler, Tenn. (population 706), have been moved from the area now filling up behind Watauga Dam, which was closed last December. As has been mentioned, another 226 families plus a lead mill employing 20 persons, will be displaced before November 1950, by South Holston Dam.

Butler has been the only town relocated. Some of its buildings became the nucleus of a new town, Carderview, Tenn. Hundreds of schools and churches have been moved. A special problem is removal of cemeteries. Graves have been transferred either to existing burial grounds or to new ones, whichever the nearest relatives of the deceased prefer. Behind Norris Dam, alone, it was necessary to move 5,000 graves.

Most of those relocated find new homes in the immediate vicinity.

Only 29 percent have moved outside the county of original residence. Less than 5 percent have left the home State.

FEW GO TO COURT

Landowners and tenants usually have grumbled when called upon to move; but only 9.7 percent of all reservoir property transactions have had to go to court for condemnation. Only 6 percent of these have been contested. The other 3.7 percent were friendly suits to establish title, the complications of which are often staggering when a large family has lived on one farm for several generations. One man told Claude Nash, supervising readjustment at South Holston, that he would rather see his land buried under 100 feet of water without any payment by TVA, than to see his brother-in-law get any share in the purchase price.

Only once was a project held up by a reservoir family. Closure of Chatuge Dam was delayed several days by the illness of a 91-year-old man too feeble to be moved.

In most instances the terms of the purchase and sale contract provide that all structures can be salvaged by the owners. Evacuation, therefore, means removal, not only of families, personal belongings, and livestock, but also of buildings, fences, and crops. Many houses have been moved intact to nearby locations above the water level. Tenants offer a special problem because they receive no money from TVA. They are, however, given assistance in resettling.

I talked to many farmers who had been relocated. I also visited the area that will be filled with water behind South Holston Dam.

All of those who had been relocated for some time were happy with their new situation.

A typical example is Scott Irwin, an 86-year-old farmer who has been displaced twice in the last 15 years. In 1934 he received from TVA $11,105 for 210 acres on which his wife's family had farmed for generations. It was to be covered by the water in Norris reservoir.

Scott, his son and wife and six children were none too happy about leaving the old homeplace. "It was a right smart shock," he told me. Now he thinks it the luckiest thing that ever happend to him. He took $7,500 of the $11,105 and bought 172 acres just south of Knoxville. When Fort Loudoun Dam was authorized his farm again lay in the reservoir area. This time he realized $15,000 out the land that had cost him $7,500, and he and his son now farm a rich 56 acres on a hillside overlooking Fort Loudoun reservoir. They harvest more grain than ever before and milk 26 cows.

"I made good money in the real-estate business," said Scott. "I'd like to know where they're gonna put the next dam."

Most of those whose readjustment is behind them feel as does Scott Irwin. An extension agent survey of families who had been relocated from the area behind Wheeler Dam found 39 percent of them in better locations than before, 54 percent in comparable circumstances, and 14 percent in situations they considered inferior.

Figures, however, mean nothing to those who have just been told they must give up a home of a lifetime. When TVA engineers drive in the big white stakes that show the projected high-water line, families living on lower ground know they must either learn to live under water or move. Such white stakes line the knob-like hills in southwestern Virginia and northeastern Tennessee behind the site of the South Holston Dam. People living there have known for almost 8 years that TVA would sometime flood out their homes. South Holston Dam was begun in 1941, then halted to give wartime priority to bigger Douglas Dam. Some South Holston families, however, moved as long ago as 1942, others are counting on staying until the last possible moment in November 1950.

ANGER BURSTS FORTH

L. F. Garrett has lived practically all of his 79 years on the farm he must sell to TVA. I found him literally splittin' mad when I talked to him a few days ago.

"Law me, I was thet mad when I heerd about it," he exclaimed, sending a stream of tobacco juice across my bow.

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Moving to a safer angle, I asked him what he thought of TVA. He said: "Guess it's all right. The fertilizer and the cheap lights are all right."

But he couldn't get his mind off having to move. He drove me right around the yard with salvo after salvo as he stated his case: A man shouldn't have to move off the land on which he's spent his whole life. The water will cover the very house to which he brought his bride a half century ago. He never expects to get another place as good, etc.

Down the road, J. W. Combes, a farmer who also runs a small roadside store, because his 40-acre plot does not keep him busy, was more philosophical. But he, too, had mixed feelings about making a change.

FEW MOVE FAR

James M. Gorsline, county agent of Washington County at Abingdon, Va., said there was no general feeling in the reservoir area against the TVA program. Most of those forced to sell, he said, would relocate within a few miles.

It was apparent, however, that even the prospect of a favorable real-estate deal could not completely dull the pains of wrenching oneself from one's own land and home. Nobody who has ever built a dam has completely solved that problem.

More often TVA is criticized for having flooded out crop and pasture land.

W. V. Howard, a geologist, of Dover, Tenn., an indefatigable critic of TVA, contends that more land has been put under permanent flood than was previously subjected to temporary winter and early spring floods. That is true, in part. Of the 473,000 acres of land lying below the normal pool levels of TVA reservoirs, about 303,000 acres represents crop and pasture land. Of this, 210,000 acres previously were subjected to destructive and periodic flooding, leaving a total of 93,000 acres as crop and pasture land inundated initially and solely by TVA. Much land, rural and urban, previously subject to floods, now is usable in all seasons.

Two agriculturists made for me independent estimates of the annual produce value of the 303,000 acres of crop and pasture lands permanently covered. Both set the figure at about $7,000,000.

This is a factor that should not be taken too lightly, but most of those to whom I talked in the Tennessee Valley felt the benefits of the reservoirs more than compensated for the retirement of the cropland.

Food production in reservoir counties actually has increased despite elimination of the bottomland. Without exception, county agents in every county in which I visited farm lands informed me that more corn, cotton, tobacco, livestock, and grasses were produced after the reservoirs were filled than before. Many farmers who previously thought river bottomland was the only place for decent farming, have learned that modern soil conservation practices will get even better yield on the uplands.

TVA—MODEL FOR CVA?

TVA PROVIDES UNUSUAL RECREATIONAL FACILITIES WITH PARKS ALONG SHORES OF MAN-MADE LAKES

(By Malcolm Bauer, city editor, the Oregonian)

(The author has just returned from a visit to the Tennessee Valley, where he made a detailed inspection of the Tennessee Valley Authority, possible model for a Columbia Valley administration. This is the sixth of 16 articles.)

The people of the Tennessee Valley and from other States as well have found that the TVA dams are good for more than flood control, navigation, and power production. A major byproduct is sport and recreation.

The Tennessee River, from Paducah, Ky., to Knoxville, Tenn., is one vast series of man-made lakes—the biggest such in the Nation. In the high mountains of eastern Tennessee and of North Carolina and Georgia storage reservoirs provide mountain lakes where no lakes at all had existed before. The 10,000 miles of shore line—more than all that of the Pacific and Atlantic coasts combined—offer wide opportunity for cabins, public and private parks and playgrounds, and for fishing, hunting, and boating.

The people and public agencies of the valley have invested nearly $15,000,000 on recreational facilities and equipment on the shores of the reservoirs alone. There are more than 10,000 pleasure craft valued at $5,500,000. As you drive down the river the banks are lined for long distances by boathouses. There are now flourishing boat and yacht clubs at Chattanooga and other cities where once few knew the difference between port and starboard.

TVA BUILDS PARKS

TVA in its early years was active in the promotion of recreational development and actually constructed some park facilities on the shores of Norris Reservoir, just to show what could be done. Now, TVA has withdrawn from such direct demonstration and States and local governments and private owners have taken over.

There are now 7 State parks on the shore land and 23 public parks developed by county and city governments. In addition, there are 53 privately operated resort sites; 19 group camps, leased to such groups as Boy Scouts and YMCA; and hundreds of private cottages, sites for which were sold by competitive bidding.

Tennessee Valley Chamber of Commerce managers believe these recreational features were the major factor in attracting to the valley, in 1948, 3,000,000 tourists, who spent more than $150,000,000.

So successful have the reservoirs been as breeding grounds for fish, that the fish and game commission of all the valley States several years ago abolished closed fishing seasons on TVA lakes. In my auto journey down the valley of the Tennessee I was seldom out of sight of the water, and everywhere fishermen, individually and in groups, lined the banks.

They fish for bass, catfish, buffalo (suckers), carp, and spoonbill. Some of the catfish top 100 pounds. But far more fish die in the lakes of old age, than are caught. For example, only 2 percent of some 3,000 fish tagged in a heavily fished portion of Wheeler Reservoir were caught over a period of 3 years. It was such experience as this that led to the elimination of closed seasons, and discontinuance of TVA fish hatcheries.

Pacific Northwest sports fishermen, used to livelier species of game fish found in Northwest streams, may be more interested in the report that the Tennessee fish and game commission last year planted 45,000 rainbow trout fingerlings in the Little Tennessee below Fontana Dam. Water is fed into the stream from the depths of Fontana Reservoir thereby providing the colder water suitable for trout and driving the walleye and smallmouth bass to warmer waters downstream.

NEW INDUSTRY BORN

The reservoirs have also created a commercial fishing industry. Most of the commercial catch is in TVA waters in Alabama, behind Wheeler, Pickwick, and Guntersville Dams. There in 1948 commercial fishermen caught 1,262,500 pounds of fish, mostly catfish, buffalo, and spoonbill. They grossed $320,500. Most of the catch with the exception of the spoonbill, which is exported to New York at a fancy price, was consumed locally. Mussel shells valued at $550,000 were taken from TVA reservoirs.

There are no anadromous fish such as the salmon in TVA waters. Therefore, none of the TVA dams has a fish ladder.

B. F. Riley at Wheeler Dam has fished the river commercially for 19 years. He told me there are more fish now than ever before, but Abraham H. Wiebe, chief of TVA's fish and game branch, assured me the Tennessee would never foster a major commercial fishing industry on the scale of that in the Columbia River.

As may well be imagined, migratory wild fowl have found the creation of the TVA lakes much to their liking. There were few such game birds in Tennessee before TVA. Last November a wild-fowl census counted some 200,000 ducks and 10,000 geese on Kentucky Reservoir alone. TVA has set aside several thousand acres of land and water as refuges for State game commissions and the United States Fish and Wildlife Service. Several thousand acres of reservoir property are planted in crops during the low-water season in the spring and summer, and a portion of the crops are left standing to provide food for waterfowl when the land is flooded in the fall and winter. These crops are planted and tended by farmers who lease the land from the TVA on the understanding that they will leave a certain portion of the crop in the field.

A major TVA reservoir program is malaria control. When TVA came into the valley malaria was widespread, especially in northern Alabama. There a 1934 survey showed that more than 25 percent of those living around Wilson Dam Reservoir and in the area of the proposed Wheeler Dam were afflicted. In some communities as many as two-thirds of the population had the disease.

CONTROL SUCCEEDS

TVA was well aware that the creation of additional large bodies of stagnant water would increase the malaria hazard. Scientists and engineers combined a control program which developed the application of DDT and other materials by airplane, controlled vegetation along reservoir margins, and constructed dewatering projects in which areas can be drained or fluctuated separately from main reservoirs during mosquito-breeding season. It has been found also that a sharp drop in waters of main reservoirs during the breeding season leads to the death of mosquito larvae.

So successful has been TVA's mosquito-control program that for 5 years incidence of malaria has been at approximately five one-hundredths of 1 percent in areas in which it was once the most prevalent.

Dr. Earl Martin, head of the Guntersville, Ala., general hospital and chairman of the city commission of Guntersville, told me that the hospital had found only two smears of malaria out of 4,000 patients in the past year, and that there was none found in examinations the year before. As high as 80 percent of the population of Guntersville had been infected with malaria before the empoundment of the TVA dams.

Down the river at Decatur, Ala., Lloyd L. Lively, manager of the Alabama hosiery mills, had a similar story. Fifteen years ago health of the workers was bad. A large majority of them suffered from malaria, reducing efficiency sharply. Lively's mill gives a physical examination to all prospective employees. In the past few years malaria incidence has been so small that they have not bothered to test for it.

In northern Alabama this is one of the most important factors in the general popularity of TVA.

Another major portion of TVA's health program has to do with stream pollution. TVA has acted principally as a fact-gatherer supplying information both to agencies responsible for controlling pollution and to those industrial organizations and others which contribute to it. TVA has no regulatory authority, but during the past year, for example, the States of North Carolina, Alabama, Virginia, and Tennessee, took steps

to enforce stream pollution control on the basis of river-water tests and other investigations by TVA.

Stream pollution is on the list of responsibilities projected for the Columbia Valley Administration. Presumably CVA's activity in this field would be comparable to that of TVA.

TVA—Model for CVA?

TVA COLOSSUS GENERATES, MARKETS POWER TO LIFT STANDARDS IN SOUTHERN AREA FOR DISTRICTS OUTSIDE TENNESSEE VALLEY

(By Malcolm Bauer, city editor, the Oregonian)

(This is the seventh of 16 articles on TVA, possible legislative model for CVA. The author has just returned from a month's trip to the Tennessee Valley. This is the first dealing with power production and distribution.)

The Tennessee Valley Authority is practically the sole source of power in an area of 80,000 square miles—twice that of the Tennessee Valley.

The TVA act specifies no geographical limitation on TVA's power activities, and, in recent years, it has been interpreted to mean that the TVA network is confined to that area in which electricity can be transmitted without uneconomic loss of energy.

TVA power lines, therefore, reach far down into the southern Mississippi, although only the very northeasternmost top of that State is within the Tennessee River watershed. They stretch northward toward Louisville in Kentucky and reach the Mississippi river at Memphis. Although the TVA has no geographical authority in the Cumberland valley of north central Tennessee and southern Kentucky, the region is blanketed by TVA-fed publicly-owned power systems. And Army engineer dams on the Cumberland feed power into the TVA network through arrangement by the Department of the Interior.

The story of low-cost Federal power is not new to the Pacific Northwest. Grand Coulee and Bonneville dams were constructed during the same years that saw the beginnings of TVA.

BONNEVILLE'S RATE LOWER

Bonneville's basic $17.50 per kilowatt year is actually lower than TVA's wholesale rate. Last year Bonneville marketed 10,272,257,111 kilowatt-hours for a gross revenue of $24,513,710, an average per kilowatt-hour of less than 2.5 mills. TVA sold 12,245,000,000 kilowatt-hours at an average rate of 3.96 mills, substantially above the Bonneville average.

The differential may be in part accounted for by the difference in the character of the TVA and Bonneville markets. Bonneville sells a huge chunk of power, just about half of its production, to the aluminum industry alone. Other industrial and military users leave but 46 percent of the Bonneville output for distribution through private and public systems. TVA, however, sells most of its power to distributors. Only 43 percent of the 1948 production went directly to big industrial users. A great part of this was also for aluminum production, but was merely returned to Aluminum Co. of America at Alcoa, Tenn., in return for authority to operate its hydroplants on the Little Tennessee River.

In the Tennessee Valley, as in the Northwest, the past 15-year period has been one of rapidly expanding power generation and equally rapidly expanding power consumption. Electric stoves, refrigerators, water heaters, and milking machines have been sold by the thousands. Electric heating systems have been installed in homes. Chemical and metallurgical plants have sprung up to prosper on the big low-cost power loads.

The two areas have differed in one respect. The Tennessee Valley and surrounding regions started from much farther down the power scale than was the Northwest. At the end of 1934 only 3.6 percent of Tennessee farms had electricity; but in Oregon the figure was 27.5 percent, and in Washington 47.5 percent. Use of electricity in urban areas of the two regions was correspondingly in contrast.

ELECTRIFICATION MORE ABRUPT

The change, therefore, from the kerosene lantern to the light blub has come much more abruptly in the TVA region and is etched more sharply on the minds of the people. The Tennessee Valley and its bordering regions also have swung much farther than has the Northwest toward public ownership of all means of power generation, transmission, and distribution.

In August 1939, ending a 6-year period of private versus public power warfare in the Tennessee Valley, TVA and a group of municipal power firms representing major cities in the valley paid $78,425,055 for all the power facilities of Tennessee Electric Power Co., a subsidiary of Commonwealth & Southern Corp. The check-passing ceremony in New York, which starred TVA Chairman David E. Lilienthal and Commonwealth & Southern President Wendell Willkie was the biggest transfer of utilities from private to public ownership in the history of the United States.

Tennessee Electric Power Co. stockholders never have complained about the price paid. It was generous. As Willkie said, they had a good lawyer.

As a result of the transaction TVA became the one big source of power in all of the Tennessee Valley region. There are generating facilities there outside the TVA network, but they are insignificant. In the Northwest, publicly owned generating facilities, including Bonneville and Grand Coulee produce only about 52 percent of the total energy available to the Northwest power pool.

Another difference should be made clear at this point. TVA generates and markets its own power; but Bonneville power administration merely markets the energy generated at Bonneville Dam by the Corps of Engineers and at Grand Coulee by the Bureau of Reclamation.

TVA's present chairman, Gordon R. Clapp, assured me TVA has no plans to extend its marketing area. In fact, TVA is hard put to it to meet the mounting demand from its present customers. As does the Northwest power pool, TVA expects the current critical power shortage to get worse before it gets better. And, unlike the Columbia, there is little more room for hydroelectric expansion on the Tennessee and its tributaries.

TVA has about 2,300,000 kilowatts installed generating capacity at 21 major TVA dams, 5 small hydro plants, 11 steam plants, and 1 internal-combustion unit. Added to this is production of more than 300,000 kilowatts at five dams owned by the Aluminum Co. of America but operated by TVA. Authorized for installation in TVA hydro plants are generators rated at 350,000 kilowatts. In addition, three Corps of Engineers dams abuilding on the Cumberland River will add 441,000 kilowatts to the TVA pool by 1952.

TVA is seeking congressional approval of a 275,000 kilowatts steam plant at Johnsonville, Tenn. If approved, that will bring the total TVA generation to about 3,766,000 kilowatts 3 years from now.

COLUMBIA POTENTIAL GREATER

Combined installed capacity at Grand Coulee and Bonneville is now about 1,600,000 kilowatts. But Federal agencies in the Northwest are seeking approval of a program that will add 4,300,000 kilowatts to that figure by 1957, and an additional 5,800,000 kilowatts not later than 1970. The Columbia 1970 potential of nearly 12,000,000 kilowatts thus dwarfs that of the Tennessee, whose hydroplants have but 400,000 kilowatts capacity beyond that now authorized, and which has precious little room left for more dams.

Proposal of the Johnsonville plant precipitated floor and committee battles in both Houses of Congress reminiscent of the early days of TVA. The private power industry contends approval of the Johnsonville plant will be direct endorsement of public power competition with private enterprise. They would confine governmental power development to hydro projects.

TVA, which already has built one steam plant—at Watts bar in the emergency period of 1940—says it needs the steam generation to provide power when hydrogenerators lag in dry months, and thus to firm up the TVA generation to a higher minimum-assured year-around output. TVA further contends it is the only power production agency left in the Tennessee Valley with facilities to build and operate such a massive plant. The latter contention can scarcely be contested and points up the degree to which the Tennessee Valley and adjacent areas have come to depend on TVA for generation and transmission of power.

The House of Representatives has passed the Johnsonville steam plant bill, and it is now in Senate committee.

Distribution systems are not the only major customers of TVA. At Oak Ridge, just a few miles northwest of Knoxville, the Atomic Energy Commission's big plant calls upon TVA for an untold amount of power to supplement that produced in its own steam plant.

TVA operates the five dams of the Aluminum Co. of America on the Little Tennessee River, but feeds power back to the firm's Alcoa, Tenn., plant, the biggest in the world. Other big industrial users who buy direct from TVA include: Electro Metallurgical Co., Sheffield, Ala.; Monsanto Chemical Co., Columbia, Tenn.; Reynolds Metal and Reynolds Alloy Cos., Sheffield; Tennessee Copper Co. Copperhill, Tenn.; and Victor Chemical Works, Mount Pleasant, Tenn.

POWER SUPPLY STABILIZED

Nearly 800,000,000 kilowatt-hours also went last year to private utility companies in surrounding States with tie-in arrangements with TVA. The vast power network thus created is operated from dispatch rooms at Wilson Dam and Chattanooga, and the power exchanges effected have helped stabilize the power supply in all the South, from Texas east. Critical state of the power supply in all that area was emphasized last January 7 when the overload knocked out large sections of the power pool system, leaving about 6,000,000 people without service for 14 minutes. That is the crisis that was feared in the Northwest during the past winter's brown-out period, but it did not happen here.

G. O. Wessenauer, manager of power for TVA, a job once held by J. A. "Cap" Krug, now Secretary of the Interior, believes TVA could gain about 200,000 kilowatts more in firm power from its current system if it operated its dams for power rather than flood control. That is a situation, however, that will not be altered. Flood control comes first.

TVA—Model for CVA Plan?

TVA'S CHEAPER PRODUCTION, PROFITLESS RATE SCHEDULES DOOM PRIVATE UTILITIES, BUT RESIDENTS IN WIDE REGION APPROVE RESULTANT SAVINGS, POWER EXTENSION

(By Malcolm Bauer, city editor, the Oregonian)

(This is the eighth of a series of 16 articles on the Tennessee Valley Authority, possible pattern for a Columbia Valley Administration. The author has just returned from a month-long inspection of TVA and the Tennessee Valley.)

The public-private power issue has been settled in the Tennessee Valley. Public power has won.

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The experience seems to prove conclusively that there can be no private utilities industry of any consequence within the region of an authority such as TVA. The very provisions of the TVA Act insure that in this way:

1. All important energy production facilities are in the hands of TVA.

2. Preference in the wholesale purchase of TVA power for resale is specifically given to public utilities; contracts with private companies can be canceled on 5 years' notice.

PROFITS ELIMINATED

3. TVA contracts with all power retailers, including private companies, specify the resale rate. By law that rate is kept at a level that excludes profit. Any net revenue must go to the improvement of service or the reduction of rates.

4. Private power companies which have their own source of power cannot compete with TVA's cheaper production and with the profitless rate schedules of adjoining publicly operated distributors.

True, there are private utility firms operating in the Tennessee Valley. But they are the exceptions that prove the rule. A CVA on the pattern of TVA almost certainly would mean the doom of such large private distributors as Washington Water Power, Puget Sound Power & Light, Portland General Electric, and Pacific Power & Light. Their stockholders probably would suffer no loss; prices paid for private utility acquisition by public utilities in the TVA region always have been generous. Their technical and clerical employees could, and probably would, get jobs with the public utilities. But there should be no sidestepping of the fundamental fact that TVA has meant the end of private power in the Tennessee Valley.

It should be of some interest to consider for a moment the experience of such private utility companies as do still exist in TVA land.

I made a point of visiting Franklin, Tenn., which is served by one of the three small privately owned distributors of TVA power. The Franklin Power & Light Co. actually reduced its rates during the past year. They are in line with those of municipally operated utilities in towns of similar size throughout the valley.

EXPENSES FEW

It is not difficult, however, to see how the Franklin company operates under such circumstances and still shows a reasonable profit. Franklin is a compact community with two large industrial power users. It is surrounded on all sides by rural power cooperatives which must assume the expenses of building new lines into sparsely settled areas. Franklin Power & Light need worry only about maintenance and repair of a small, tightly-knit system. Overhead is at a minimum; a superintendent to mind the switch which regulates the flow of TVA power into the community, and a repair man or two. The company's offices are in the rear of the bus station waiting room. There work the treasurer of the company and a clerk. President of the firm, Laurence B. Howard, can give most of his time to his Nashville law practice.

Howard told me in Nashville that the experience of his company is proof that an efficient private power company can operate profitably as a retailer of TVA power. But few can hope for the combination of circumstances that has made that possible: no responsibilities for expansion, compact and steady market, minimum overhead.

Kingsport Utilities, Inc., is the only private company I found operating in the shadow of TVA but without TVA power. It generates its own energy and gives efficient service to the heavily industralized town of Kingsport, Tenn. (population about 20,000). So good have been its service and its community relations that Kingsport has never sought to purchase its system for municipal operation. How long it can survive in competition with lower TVA rates on all sides is a question. For example, a typical Kingsport residential user pays $8.85 for 500 kwh; in nearby Bristol, a city of the same size served by a municipal system retailing TVA power, the same amount of electricity costs $6.90.

(For a comparison of retail electric rates in the TVA region and the Northwest, see the table accompanying this article.)

PEOPLE APPROVE

In all other communities of the Valley and in most of those within the 80,000 square miles of TVA's distribution area the people have made their choice at the polls. And they have voted for public power.

End of the bitter utilities struggle came in 1939, when, as has been recounted, Tennessee Electric Power Co. finally sold its facilities to TVA and a group of major municipal distributors. In both Knoxville and Chattanooga municipal power companies had begun to build duplicating systems to compete with the private utilities. Families and partnerships were split by the bitter conflict. Power poles were torn down by the competing factions. The warfare gripped communities throughout the valley. The private power companies fought the constitutionality of the TVA Act, carrying their case to the United States Supreme Court. That tribunal's historic 1938 decision upholding TVA's right to market power as set forth in the act led to the surrender of private power and the record-breaking sale of properties.

There is scarcely any of the old animosity left, however. Thomas R. Preston, chairman of the board of the Hamilton National Bank in Chattanooga, one-time president of the American Bankers' Association, and one of the directors of the Tennessee Electric Power Co. during the long period of tension, told me a few days ago:

"TVA is just what this country needed. Private industry could not have done the job TVA has done."

A decade ago he was a leader in the anti-TVA faction.

In the past 10 years other private systems have been taken over. Now there are more than 140 separate municipal utility boards and rural cooperative distributors of TVA power.

Major municipal distributor is the Chattanooga Electric Power Board, with whose manager, States R. Finley, I spent an entire afternoon going over the books and discussing the business of the company. So suspicious of Federal authority were Finley's parents that they christened him "States Rights."

States Rights Finley is now a leading exponent of federally developed public power and boss of the biggest marketer of TVA power in the Tennessee Valley.

PAYMENTS MADE

Last year the Chattanooga Electric Power Board sold 819,165,000 kilowatt-hours of energy, and realized a net revenue of $1,387,623. It paid out $441,400 in taxes and payments in lieu of taxes, more than the Tennessee Electric Power Co. had ever paid in that city 10 years ago. It set aside $263,972 for interest and debt expenses. It has all the expenses of a private utility with the exception of Federal taxation and dividend payments (profits).

All Tennessee Valley municipal power companies and rural cooperatives make payments in lieu of taxes to State, county, and local governments. The payments are many times those formerly paid in taxes by private utilities, the increase corresponding to the phenomenal increase in utility properties under TVA.

The publicly-owned retailers of TVA power are each directed by a board of directors. I talked to many members of these boards and found them invariably responsible citizens of the community who were far removed from local politics.

For example, chairman of the Knoxville utilities board is Jo H. Anderson, president of the Park National Bank of Knoxville. He and his board members are appointed by the city administration for 10-year terms. He assured me that city politics had never had anything to do with the board's decisions. The same is true, in Chattanooga, in Decatur, Ala., and other places where I had opportunity to confer with members of the utility boards. Nor did I discover any feeling among TVA critics that politics play a part in the operations of the public utilities.

A decision by the United States Supreme Court helped cement the policy of putting the utility boards above local politics. Lenoir City, Tenn. (population 5,000), sought to use its power revenues to apply to other civic expenditures. TVA lawyers fought the case to the United States Supreme Court, which ruled that such surplus revenues as should be realized from power sales could only be used to expand the utility plant or to reduce rates to utility users. No city, therefore, can use its profits from TVA power to pave its streets, to pay its policemen, or to meet any other general municipal expenses.

Rural electrification in the Tennessee Valley is still far below the scale attained in the Pacific Northwest. TVA critics point to this fact as an evidence of failure of TVA. Tennessee started from a much lower point in the matter of rural electrification than did Oregon or Washington. In 1935 only 3.6 percent of its 273,783 farms were electrified, as were 27.5 percent of Oregon's 64,826 farms and 47.5 percent of Washington's 84,381. In 1948, the Tennessee percentage was 50.9; Oregon, 95.2; Washington, 93.5.

WAR SLOWS JOB

During the war years electrification of farms was slowed in the Tennessee Valley to a much greater degree than in any other part of the country because of the great blocks of power that went without public explanation into making the first atom bombs at Oak Ridge. The Northwest at the same time poured much of its energy into Hanford.

Since the war, according to Allan Walters of the Rural Electrification Administration in Washington, D. C., the Tennessee Valley's electrification program has made "remarkable progress." There are now approximately 60 percent of the valley's farms electrified and this figure is increasing by about 1 percent per month.

These figures of the number of farms electrified in Tennessee, Oregon, and Washington in 1935, 1945, and 1948, amply illustrate that the rural utility co-ops in the Tennessee Valley have not been loafing:

Number of farms electrified in:

State	1935	1945	1948	Total farms 1945
Tennessee	9,727	69,546	119,323	234,431
Oregon	17,839	46,652	60,094	63,135
Washington	40,060	66,449	74,715	79,887

Fourteen years ago these were little better than half the number of electrified farms in Tennessee as in Oregon. Now there are almost twice as many there as here, although the percentage of farms electrified in Oregon is substantially greater and in fact nearing 100 percent.

The general manager of the Knoxville utilities board, Max Bartlett, told me shortages of materials and skilled labor were the only limiting factors in reaching 100 percent electrification of rural areas within the five-county area served by KUB. The company requires assured revenue of $200 per mile

of line per year before it extends service, but this can be met without exception, Bartlett says. All rural lines are now grossing much more than that.

HOW POWER RATES COMPARE

Consumers of electricity in the Northwest pay less in most cases than they do in the Tennessee Valley. Power company rates have long been at a low level in the Northwest. In addition, Bonneville's wholesale rates average about one-third lower than those of TVA.

The two areas, served by the Federal Government's largest power networks, are both strikingly below other regions in power rates.

The following table was prepared from figures supplied by the Federal Power Commission, Washington, D. C., and compares typical electric bills in cities of 50,000 population and more in the Pacific Northwest and the TVA region.

City	Residential			Commercial		Industrial	
	25 kilowatt-hours	250 kilowatt-hours	500 kilowatt-hours	6 kilowatts, 750 kilowatt-hours light	30 kilowatts, 6,000 kilowatt-hours power	150 kilowatts, 30,000 kilowatt-hours	1,000 kilowatts, 200,000 kilowatt-hours
TVA:							
Chattanooga	$0.75	$5.00	$6.90	$17.50	$90.00	$370	$1,810
Knoxville	.75	5.00	6.90	14.00	78.00	360	1,810
Memphis	.75	5.00	6.90	20.13	89.70	414	2,082
Nashville	.75	5.00	6.90	14.00	78.00	360	1,810
Northwest:							
Portland	.85	5.12	5.70	14.70	80.37 *62.00	364	1,656
Seattle	.80	5.10	5.70	13.16	103.36 *63.25	347	1,890
Spokane	.89	4.38	6.08	15.49	91.70	406	1,998
Tacoma	.95	3.20	5.30	10.00	*†61.50	253	1,180
National average	1.25	6.78	9.98	27.65	160.68	582	2,997

Symbols next to figures in commercial rate column indicate types of service, as follows: †Motive power; *heat. Where there are no symbols, the rate includes motive power, heat, and light. In cases where two rates were listed in EPC tables, the lower rate appears here.

All of the TVA region cities are served by publicly owned municipal companies, each marketing TVA power under contract. Tacoma's plant is publicly owned and its rates, in general, lowest in the Nation. Seattle is served at the same rates by two companies, one private, one public. Portland and Spokane service is by private utilities.

TVA—PATTERN FOR CVA?

TVA FACILITIES PROVIDE COMPETITION PRIVATE POWER COMPANIES CANNOT MEET BUT BENEFITS TO NAVIGATION, FLOOD CONTROL, AND CONSERVATION DEFINITELY ACKNOWLEDGED

(By Malcolm Bauer, city editor, the Oregonian)

(This is the ninth of 16 articles and the third of those dealing with the power production of the Tennessee Valley Authority.)

Most oft-repeated criticism of the Tennessee Valley Authority is that it is a financial phony; that it can afford to market power at rates cheaper than those of private competition because it does not include on its books the legitimate costs of power production; that it has brought washing machines to the hillbillies at the expense of the American taxpayers.

Specifically, the principal charges are:

That TVA inflates bookkeeping allocations to navigation and flood control, both nonreimbursable government functions, to minimize the total power investment;

That TVA pays no taxes;

That TVA pays no interest on funds appropriated by the Government to carry on its program.

Let's consider these separately to see, in each case, what the facts are.

Are TVA's allocations of cost accurate?

BONNEVILLE EXAMPLE

It has long been considered a proper use of the Federal taxpayers' money to develop the navigable rivers of the Nation, on the theory that provision of a navigation channel benefits the Nation as a whole. Flood control, too, has traditionally been a matter for Federal expenditure without reimbursement. Power and reclamation projects, on the other hand, are directly revenue-producing and, when developed by Federal funds, it has been customary to include provisions for the repayment to the Government of the costs allocated thereto.

For example, at Bonneville dam, cost of the plant and equipment determined to be jointly useful for power generation and other purposes, such as the dam itself, fishways, reservoir, is allocated 50 percent to power and 50 percent to the other purposes: Navigation, fish conservation, and so forth. Investment in specific power facilities (power house, generators) raised the allocation to power to about 69 percent of the cost of the Bonnneville project. That portion of the cost of Bonneville will be repaid to the Federal Government out of power revenues.

At Grand Coulee, the joint-use allocation was 56 percent to power, 44 percent to irrigation and navigation. Specific power costs lifted the power allocation to 59 percent of the total cost of the project.

However, the construction of transmission and distribution facilities, all charged to power, had, by the end of the last fiscal year, raised the power allocation to 71 percent of the cost of the entire Columbia River power system.

After engineering calculations such as those which led to the Bonneville and Grand Coulee joint-use allocations, TVA determined to assign 40 percent of the multipurpose dams, reservoirs, etc., to power and 30 percent each to flood control and navigation. Cost of plant and equipment solely for power development, including transmission lines and distribution facilities, had by fiscal year's end, raised to 61 percent of the total that part of the TVA water-control development allocated to power, leaving 19 percent to navigation and 20 percent to flood control.

IRRIGATION FACTOR

Percentage of cost assigned to power by TVA is thus substantially lower than allocation in the Columbia River power development.

The calculations concerning the Pacific Northwest development are complicated by the irrigation features of the Grand Coulee project. Costs assigned to irrigation must be repaid to the Federal Government, much of them out of Bonneville power revenue. TVA has only the power allocation to repay out of revenues.

For instance, it has been noted above that current allocation to power is 50 percent of the cost of Grand Coulee. However, on an ultimate basis (based upon current cost estimates for an 18-unit development) only 29.6 percent of the costs will be allocated to power. Reason is that a great part of the total ultimate expenditures on the project will be for direct irrigation facilities. However, all of the irrigation costs must be repaid, and much of them must be paid out of power revenues. Actually, 83 percent of the ultimate costs at Grand Coulee are to be repaid by power.

It should be noted in this connection that nonreimbursable allocations make up a much larger portion of the TVA investment. The distinction is that a big part of the Northwest development is in irrigation, funds for which must be repaid to the Federal Government. In fact, as of June 30, 1948, the nonreimbursable investment in the Northwest system was only $27,300,000 out of a total of $447,900,000, or only 6.1 percent. This compares with the 39 percent of the total TVA investment that need not be repaid.

Critics of TVA contend that its arbitrary joint-use allocation of 40 percent to power is much too low. Perhaps so. It is based upon such imponderable factors as the prospective savings to accrue to farmers in the Ohio and Mississippi basins as the result of flood control on the Tennessee and the savings to shippers through use of the navigation channel, the latter of which scarcely have been realized.

However, no one yet has been able to convince Congress that the TVA allocations are in error. And there is no controverting TVA's logical contention that flood control, navigation, and power can all be obtained more cheaply when lumped into one-package, multipurpose program that would be the case of each should be developed by separate projects, cost of which could be neatly separated on the books.

COMPETITION STIFF

The result is that, in the Tennessee Valley and to a considerably lesser degree in the Pacific Northwest, there have been developed two enormous power-producing agencies, each of which has been able to charge off a part of its plant cost to other purposes. No private power company, of course, can do that. It is as though the Portland General Electric Co. had prevailed upon the Columbia Packers Association and the Columbia barge lines to share the cost of a dam. Of course, the private firms need not provide all the nonreimbursable services.

It is competition the private companies cannot meet. Perhaps it is "fair" competition. Perhaps not. But whoever will judge must bear in mind the acknowledged benefits of such resource development, the need for navigation, flood control and conservation, and the consequences of any such policy that would preclude such undertakings by the Government.

TVA has repaid into the Treasury about $31,000,000 of the approximately $400,000,000 allocated to power. Under present law it must repay all power appropriations in 40 years, paying not less than $87,059,810 before June 30, 1958, and not less than $5,500,000, including a minimum of $2,500,000 for retirement of outstanding bonds now held by the Treasury, by June 30, 1949.

Unlike Bonneville, which must pay all of its revenues, with the exception of an emergency revolving fund, into the United States Treasury and then seek appropriation for expenses, TVA is permitted to retain power revenues in excess of the minimums cited above and expend them in any way it sees fit in operations of the system. TVA administrators consider this an important factor in maintaining flexibility in power operations.

Does TVA pay taxes?

UNIVERSITY OF MICHIGAN LIBRARIES

The original TVA Act provided for payment of 5 percent of the gross power revenues to the States of Tennessee and Alabama in lieu of taxes.

ACT AMENDED

This provision proved most inadequate, however, after TVA had taken over the properties of private utilities in a wide area. Other States in the region and individual counties suddenly found themselves bereft of income from major tax sources. Complaints blossomed and they are still bearing fruit in statements that characterize TVA payments in lieu of taxes as "token" payments.

As a result, in 1940 the TVA Act was amended to provide that TVA make payments to all States and counties in which it holds power properties or conducts operations. The first year the payment was set at 10 percent of the gross power revenues to help make up for the period in which many of the counties went without any revenue from the properties. The percentage was scaled down by ½ percent each year, until this year it is back at the 5 percent level, which will be maintained.

In 1948 these payments were slightly in excess of $2,000,000, just twice the amount in property taxes that would have been paid if reservoir and power properties purchased by TVA had remained in private hands.

It can be argued, of course, that TVA properties now total much more than those purchased; for instance, the dams built with congressional appropriations. The joker there is, of course, that no one contends seriously that the dams could or would have been built by any private tax-paying organization. It may be remarked also that the development that came with TVA has brought new responsibilities and new burdens to local governments, thus giving reason for greater tax revenues.

TVA pays no Federal taxes. TVA makes no profit, therefore sees little reason for providing for an income or profits tax.

The Bonneville Power Administration makes no payments in lieu of taxes; but, over the 75-year-payout period for the Coulee project, its power revenues will pay the so-called subsidy to irrigation, an average $3,000,000 a year in irrigation costs, based on the 1940 cost estimate of the irrigation works. The present plan is that the increase in irrigation costs over the 1940 estimates will be met by extending the payout period, but if such increase were to be absorbed in the 75-year period, the average annual irrigation payment, over and above repayment for power investment, would be about $5,500,000.

Does TVA pay interest?

TVA pays interest only on the outstanding amount ($54,000,000) of a $65,072,000 bond issue now held by the United States Treasury. By agreement, TVA pays but 1-percent interest on this indebtedness, a rate that would be attractive to any utility company. The bonds were originally issued to provide funds to purchase the private utility properties.

OTHER INTEREST PAID

TVA pays no other interest on the appropriations for power production.

Bonneville Power Administration calculates 2½-percent interest on the Government investment allocated to power.

Before 1939, when it bought the properties of Tennessee Electric Power Co., TVA actually went into the red in its power operation. Since 1940, however, a margin of net revenue has been maintained. Last year this amounted to $17,176,448. Chairman Gordon R. Clapp contends that, so long as there is such a margin, there need be no worry about whether TVA does or does not pay Federal taxes or interest.

The $17,176,448 is more than 4 percent on the depreciated power investment, and corresponds to the sum which a private corporation, utility, or otherwise, has to divide among those who have invested in the business and to pay Federal income taxes.

All of this $17,176,448 is, Clapp says, the property of the Federal Government. Whether it is broken down and some of it called interest on the original investment, or whether it is called income tax or profit, the Federal Government will get it all and it represents a surplus over and above the cost of producing and transmitting the power at current rates.

YARDSTICK REFUTED

A surplus of little more than $10,000,000 annually would be enough to meet Congress' requirements for amortization of the power investment.

Therefore, if one can accept Clapp's reasoning, and if one can grant TVA's liberal allocations, to the nonreimbursable activities, it would appear that TVA power production is, at present, paying its way. It is my conviction that it is. That was not true, however, until after the 1939 purchase of the Tennessee Electric Power company's system. And it must be acknowledged by the friends of public power, as it is so well understood by its foes, that the Government in the power business enjoys many privileges, financial and otherwise, against which private industry cannot successfully compete and yet maintain a margin of profit.

It follows that it is an error to consider the TVA power rate a yardstick rate for the Nation's utility industry as often claimed. William C. Fitts, Jr., onetime general counsel for TVA, recognizes this. He writes in Public Utilities Fortnightly:

"No such representation [the yardstick] ever has been made [by TVA]. On the contrary, it has been repeatedly pointed out that differences [in costs] do exist, and that allowances for these differences should be made in any attempt at rate comparison."

Here is one question, however, that no one in the Tennessee Valley could answer: When the TVA power plant has been paid for by the power users of the region, to whom does it belong? The same question might be asked about Bonneville and about Grand Coulee. We'll just have to wait until 1990 or thereabouts for the answer to that one.

TVA—MODEL FOR CVA?

SUCCESS OF DEMONSTRATION FARMS DECLARED ONE OF GREAT FEATS OF TENNESSEE PROJECT

(By Malcolm Bauer, city editor, the Oregonian)

(This is the tenth of 16 articles on the Tennessee Valley Authority, possible legislative model for a Columbia Valley Administration. The author has just returned from a long visit in the Tennessee Valley.)

The Tennessee Valley Authority's most far-reaching program is its system of test-demonstration farms.

Last year 82 Oregon farmers participated in the TVA farm program under supervision of Oregon State College and demonstrated their results to hundreds of their neighbors. Yet Oregonians, for the most part, think of the Tennessee Valley Authority as a big power business and little else.

Actually, the popularity of TVA in the Tennessee Valley—among bankers and industrialists as well as farmers—is based more solidly in the influence it has had in altering farming habits than in the cheap electricity about which so much has been written.

SOIL RUNS DOWN

When TVA was born in 1933, the agricultural economy of the valley was skidding fast—a condition that may be a bit difficult of comprehension for the owners of the rich wheat lands of the inland empire of the Northwest. It is better understood by the diversified farm operators west of the Cascades, where decades of cultivation have drawn from the soil much of its natural stock of minerals.

There are approximately 300,000 farms within the watershed of the Tennessee, 5 times the number in Oregon, which is more than twice the area of the Tennessee Valley. In 1933 owners and tenants were eking out a year-to-year existence planting and harvesting row crops: Corn, cotton, tobacco. Such cash crops, as any farmer knows, suck the rich minerals from the soil. Repeated annually, without variation, they lead to soil exhaustion.

Cotton that once stood waist high in eastern Tennessee and northern Alabama had shrunk to shoe-top level. The yield fell accordingly. Desperate farmers plowed up hillsides to increase their cash crops, then they watched the soil wash away before the heaviest rains in the Eastern States.

In central Tennessee there had existed for centuries a natural test-demonstration area, a central basin, extending from south of Nashville northward through Kentucky. Southerners call it "The Dimple of the Universe." To the rest of the world it is the "blue grass country." Game abounded. Grass grew naturally and abundantly, insuring against the erosion that stripped the topsoil in other regions.

The Indian tribes of the East had fought over the grasslands for years until finally they reached an unwritten agreement that they were to belong to no tribe. The "Dimple" became the common hunting ground. When the white man came, his bloodiest contact with the red man was in the blue-grass country. There Andrew Jackson and others established the first civilization in the valley.

Secret of the blue-grass country is the rich phosphate content of its soil.

Surrounding the "Dimple" and making up most of the Tennessee Valley is the "highland rim." There the soil has had little phosphate, and plants were without an adequate supply of one of the three basic plant nutrients: Nitrogen, potassium, phosphorus.

PHOSPHATE ADDED

A combination of circumstances in TVA's beginnings made it possible for TVA to take steps to remedy this situation. At Muscle Shoals were the idle nitrate plants intended for production of munitions in World War I. In the "Dimple" south of Nashville were beds of phosphatic rock that held the minerals so necessary to the rehabilitation of the depleted soils of the "rim."

One of TVA's first acts was to convert the nitrogen plants to the manufacture of phosphatic fertilizers, authority for which was given in the original TVA Act. Phosphate was obtained from the beds in the grasslands.

The TVA job then was to get the 300,000 farmers of the Tennessee Valley to apply the phosphate fertilizer to the farm lands whose prime need was phosphate. The specific needs of the soil of the valley had been known for a long time, but not one farm in all of the valley had applied this knowledge on a farm-wide scale until the beginning of TVA's farm program in 1935.

TVA therefore evolved a program of test-demonstration farms—a program operated not by TVA but by the agricultural specialists of the valley's seven land-grant colleges. TVA contracted with these colleges (and later with others, including Oregon State College) to demonstrate on selected farms the advantages of phosphate fertilizer application. The colleges agreed to supervise the demonstrations through the Extension Service of the Department of Agriculture, field representatives of which are the county agents. TVA agreed on its part to provide the fertilizer for the demonstrations, free of charge except for freight costs, and to obtain the funds necessary for additional personnel to supervise the tests.

In no case does TVA have any authority to tell the county agents what to do. They

operate, as elsewhere in the country, under the Extension Division of the Department of Agriculture and through the land-grant colleges.

Dean E. C. McReynolds, of the University of Tennessee School of Agriculture, who supervises most of the county agents administering the TVA program, told me:

"We have never been in a position in which we felt we had to apply any suggestion of TVA if we had any question about it. We are the bosses."

This is how the test-demonstration program works:

In each community a farmer is chosen (by his neighbors, not by TVA nor the county agent) from those who volunteer to operate their farm as test-demonstration farms. There are usually several such farms in a county—about 1 in every 30 farms, each possessing particular characteristics desirable for demonstration of the program.

The demonstration farmer and county agent drew up a 5-year plan adapting the farmer's own program to soil-conservation practices. The farmer is advised in matters of contour plowing, proper cropping for different fields, rotation of crops, including legumes, grasses. The farmer must be prepared to follow the modernized agricultural practices suggested by the county agent. This may lead to the purchase of lime and potash, equipment and livestock, and the building of fences and buildings. In making effective use of TVA fertilizers, test-demonstration farmers have spent three times as much as the cost of the fertilizer to TVA.

RESULTS PLEASE

The only contribution of TVA is the fertilizer. It would retail for about $40 a ton. The farmer pays as much as $10 a ton freight in the first years of the demonstration program. Later in the program he pays the full price.

The test farmer, too, must agree to show his results at intervals to his neighbors, either individually or on conducted tours arranged by the county agent.

Last year there were 15,305 such test-demonstration farms; 11,676 covering 1,443,929 acres in the Tennessee watershed; 1,526, totaling 366,095 acres elsewhere in the seven valley States, and 2,103 or 433,056 acres in 18 nonvalley States, including Oregon, Washington, and Idaho. Here is the picture in the Northwest:

State	Number of counties	Number of farms	Number of acres
Oregon	12	82	16,562
Washington	19	39	7,051
Idaho	11	20	3,849

The neighbors of the test-demonstration farmers have come, they have seen and they have been convinced. They have purchased fertilizers and put into practice the principles the results of which they have seen on the demonstration farm.

The program has had the effect of putting into grass crops a large portion of the lands previously devoted to corn, cotton, and tobacco. This has resulted in a booming livestock industry and a reduction in farm-labor requirements. We shall see at a later point in these articles the part this has played in the general economic rehabilitation of this part of the South.

The shift to cover crops is also an integral part of the water-control program on the Tennessee. For the phosphate-poor land of the "rim" offered no support for the grass crops that might anchor it against the driving rains and floods. Increase in grasslands, which remain green and moisture-absorbing throughout the winter before being turned under as green fertilizer in the spring, is an important factor in flood control.

How well the moral of the TVA lesson has been learned is illustrated by this line that runs across the top of the daily farm page of the Huntsville (Ala.) Times:

"The South will come into its own when its fields are green in winter."

More substantial proof of the change that has been wrought in the past 15 years are the green fields and the grazing cattle that one sees in driving through the valley.

In Decatur, Ala., there was scarcely an egg or a glass of milk to be had in 1934. Now Decatur has surplus milk to go into a big cheese factory and to the Carnation Co. for canning. It exports hundreds of dressed chickens daily to the big city markets of the South and East.

CORN INCREASES

On the 378 test-demonstration farms of 14 TVA counties in North Carolina, corn acreage has decreased 26 percent, but corn production is up 50 percent; livestock has increased 80 percent. In Georgia, the Georgia extension service found row crop acreage one third less since the TVA program began; acreage of soil-building crops had doubled.

F. L. Ballard, associate director of the cooperative extension work at Oregon State College, wrote me this about the TVA program in Oregon:

"I should say that the project has worked out fairly well. The TVA contribution to salary while it was in effect was not large ($2,274 annually until the end of 1947; nothing since that time), and we experienced rapid change in personnel as outside salaries increased because of the general wartime inflation.

"If the allotment of fertilizer material had been adequate and if the funds granted for cooperative personnel would have enabled us to employ two or three well-qualified men, the project would have been much more successful. The theory underlying the project applies soundly to our conditions, particularly those existing west of the Cascade Mountains."

To be more specific, here are the reports of two farmers to whom I talked:

Gurley V. Mitchell, Albertsville, Ala.—"I had 2 cows when I finally became convinced I ought to be a demonstration farmer. Now I've got 26. My wife and I and a boy can run the place now (80 acres). I used to have to have a crew to harvest the crops. I get $250 a month for the milk alone."

Boyd Vinyard, Marshall County, Ala.—"Used to think 25 bushels of corn to the acre was good; now I get 92. I'm going more and more to poultry."

Alex Locker, who also farms in Marshall County, got only $1,200 for his total cotton, corn, and hay crops in 1936; last year he grossed $19,000 on livestock, hay, small grain, and legume seed sales.

FIGURES GOOD

These experiences, of course, differ only in degree from those of other farmers in the Southeast and in the Nation as a whole. TVA is teaching nothing new through its demonstration program, but there can be no doubt that the show-me methods of TVA have intensified the modernization of agricultural methods in the Tennessey Valley. A farmer who can see the green grass and prosperity across the fence is more easily convinced to follow his neighbor's lead than he would be through the reading of any number of pamphlets.

That the Tennessee Valley is ahead of the rest of the South in rehabilitation of its agriculture seems clear from such statistics as these:

In the 63 TVA counties of Tennessee, cotton acreages have been reduced under TVA 69,000 acres, or 27 percent, as against only 7-percent reduction in the 32 nonvalley counties of the State.

Corn acreage in the valley counties is 351,000 acres less, or 22 percent, as against 13-percent reduction in nonvalley counties.

The number of cows milked increased in valley counties by 21,000, or 6 percent; outside the valley they have actually decreased 7 percent.

Milk production has jumped 33 percent in the valley counties, only 10 percent in other Tennessee counties.

Figures from other valley States follow the same pattern.

A sour note in the TVA farm program is the relationship between TVA and the Department of Agriculture's soil-conservation service. That is a subject for a later article.

TVA—Model for CVA Plan?

Industry enthusiastic supporter of TVA's new processes in fertilizer manufacture but it would like to market the surplus from agency's test demonstration farms

(By Malcolm Bauer, city editor, the Oregonian)

(This is the eleventh of 16 articles on the Tennessee Valley Authority, a possible legislative model for the proposed Columbia Valley Administration. The author has just returned from a tour of inspection in the Tennessee Valley.)

A major TVA activity is the operation at Muscle Shoals, Ala., of an immense national chemical laboratory for the development and production of fertilizers and munitions.

In its beginning TVA fell heir to two nitrate plants that had been designed for manufacture of explosives for World War I. The original TVA act also specified that one of the purposes of the Valley Authority should be "to improve and cheapen production of fertilizer" for the Nation's farmers.

Thus, this is another field in which TVA has not been confined to the valley of the Tennessee.

PLANTS LITTLE USE

The nitrate plants have been of little use. Plant No. 1, designed to produce nitrogen directly from the atmosphere, was obsolete long before TVA came into being. After years of idleness, it was leased in 1946 by the Reynolds Metal Co. for an annual rental of $18,000 and option to purchase. A portion of plant No. 2 has been used in fertilizer production, but it is considered to contribute no value to such production because of the high cost of its operation.

TVA chemists at Muscle Shoals early turned their attention primarily to the development of phosphate fertilizers and to the perfecting of processes for manufacturing phosphate containing the highest possible percentage of the active ingredient, phosphorous pentoxide (P_2O_5). That is the part of any phosphate fertilizer that constitutes the plant nutrient.

"NEW" CLAIM DENIED

Most "superphosphate" fertilizers then on the market contained approximately 16 to 20 percent P_2O_5). The rest of the mixture was inert matter that added nothing to the soil but did add considerably to freight charges and to the pains in the back of the farmer who had to buck his own fertilizer sacks.

TVA is often embarrassed by the claims of its friends that it had developed at Muscle Shoals revolutionary new fertilizers. This is not strictly true. The basic plant nutrient in all phosphate fertilizers, TVA's included, is the same P_2O_5. TVA's contributions have been to develop processes for the manufacture of fertilizers that will provide a product with as high as possible concentration of P_2O_5, and to demonstrate to farmers of the Nation the advantages of the use of such fertilizers.

UNIVERSITY OF MICHIGAN LIBRARIES

ACID METHOD NEW

Triple superphosphate (45–48 percent P_2O_5) had been manufactured by private industry for 42 years before TVA was created in 1933. But it had never exceeded 5½ percent of the total production of phosphatic fertilizers. In 8 years before the war and after TVA began manufacture and demonstration of triple superphosphate, the fertilizer industry increased its production of triple superphosphate to 13 percent of the total.

A significant accomplishment at Muscle Shoals has been the development of an electric-furnace method for the manufacture of phosphoric acid from phosphate ore. The phosphoric acid is then used to break down the ore in the production of triple superphosphate fertilizer. Practically all commercial fertilizer manufacturers have used sulfuric acid for this process, but in regions of cheap electricity, such as the Tennessee Valley and the Pacific Northwest, it is acknowledged that the phosphoric-acid treatment is the most efficient.

CO-OPS HANDLE SALES

A TVA furnace of new design has produced calcium metaphosphate, containing about 60 percent P_2O_5, at a cost per unit lower than that for manufacture of superphosphates.

Other pilot plants in the Muscle Shoals chemical center have produced rich phosphates in other forms. There is also substantial experiment in and production of fertilizers providing the other two basic plant foods—nitrogen and potassium.

Fertilizers that have been proven by use, such as triple superphosphate, are distributed to test-demonstration farms and sold to other growers through farmer cooperatives in all parts of the country.

INDUSTRY BENEFITS

Fertilizers in various stages of experiment, however, are not for sale. After having been tested by land grant college staffs in greenhouses and in small plots, they are distributed to test-demonstration farms where results are watched closely over a period of years.

The results of TVA research and experiment in fertilizers are available to private industry. The Westvaco Chemical Co., of New York City, used TVA designs to build an electric furnace plant to smelt phosphate ore from Idaho properties leased from the Simplot Fertilizer Co., which will use part of the phosphorous so obtained in making concentrated phosphate fertilizer. Permanente Metals Corp., of Permanente, Calif., is currently making a TVA-developed product by a TVA-developed process. The Manganese Product Co., of Seattle, also constructed a plant to use this process, and the Interstate Chemical Co., of Longview, Wash., used it in experimental production.

NORTHWEST AFFECTED

Phosphate research and production is a phase of the TVA operation that should hold much interest for the Northwest. For in Idaho and western Montana are concentrated the bulk of known phosphate deposits, about 75 percent of the United States supply. Central Tennessee, which has been the chief source of phosphate ore, not only for TVA but for the commercial fertilizer industry as well, has only about 1 percent of the nation's deposits. The remainder, about 24 percent, is in Florida, which now furnishes much of the raw product for TVA's furnaces.

TVA would be very happy to witness the development in the Northwest of a phosphate industry that would take the burden of the nation-wide supply off the dwindling stocks of Tennessee and Florida.

SALES CAUSE TROUBLE

TVA is an experimental and not a commercial fertilizer producer. It does, however, market fertilizers produced over and above the demands of the test-demonstration farms. Of 160,000 tons of concentrated superphosphates manufactured last year, more than 150,000 tons were sold.

This gets TVA into trouble with commercial fertilizer manufacturers and distributors and is another source for the charges that TVA competes with private enterprise. For TVA markets its product through farmer cooperatives which compete with the commercial fertilizer distributors.

Sales of TVA are an important source of revenue for the farmer cooperatives of the valley. I visited a cooperative in Decatur, Tenn., and its warehouse held little else but TVA fertilizers. The manager told me the cooperative made 10 percent on retail sales of the fertilizer. TVA wholesales the product at cost.

However, the example of the TVA test-demonstration farms has so increased the demand for and the sale of commercial fertilizers that the complaints of the dealers are scarcely audible above the jingle of new coins in their pockets.

SALES RISE RAPIDLY

Between 1935 and 1948 sale of commercial fertilizers in the 107 counties within the Tennessee Valley increased 232.3 percent. In the 258 counties outside the watershed, but in the States of Tennessee, Alabama, Georgia, and North Carolina, the increase was but 63.5 percent. The fertilizer industry knows well enough that the difference lies in the concentration of test-demonstration farms in the valley. Both test-demonstration farmers and their neighbors go to private dealers as well as to cooperatives to buy the phosphate fertilizers that have proven so successful in tests for which TVA provided the original supply of fertilizer.

The last thing the fertilizer industry wants is an end of TVA or of TVA test-demonstration farms. But it would like to market the TVA surplus. That is the one point of irrigation.

During the last war TVA's fertilizer plants were turned quickly to the production of munitions. Elemental phosphorous, which is produced in the normal stages of triple superphosphate manufacture, went into smoke grenades, incendiary bombs, and spotter shells. A big portion of the Nation's nitrate explosives came from Muscle Shoals. Texas City was scattered into the heavens by an explosion of ammonium nitrate, still manufactured in quantity at Muscle Shoals.

TVA—Model for CVA?

FOREST PROGRAM AIMED AT SAVING, INCREASING TIMBER STANDS; MOST LAND OWNED PRIVATELY

(By Malcolm Bauer, city editor, the Oregonian)

(This is the twelfth of 16 articles on the Tennessee Valley Authority, possible model for the Columbia Valley Administration. The author has just returned from a tour of inspection in the Tennessee Valley.)

TVA's forestry program is much smaller in scale than its counterpart in the Pacific Northwest; but the objective is the same—to conserve and increase the stand of timber and to develop wider and more efficient use of forest products.

The pattern of land ownership in the Tennessee Valley makes for much of the difference. In the Pacific Northwest a large proportion of timberland is publicly owned, most of it by the Federal Government. It is therefore regulated and managed directly by Federal agencies. In the Tennessee Valley, however, only 17 percent of such land is publicly owned. The rest is in the hands of private owners, about evenly divided between large industrial holdings and the small woodlots of thousands of valley farmers.

TVA concerns itself not so much with the federally owned timberland as with that in private hands. The United States Forest Service administers the Federal holdings.

WOOD BIG INDUSTRY

TVA initiated its forestry program, not as a duplication of Forest Service operations, but as a part of its general program for development and conservation of the valley's resources. Forests, largely of oak, pine, and poplar, cover 54 percent of the valley's area. Wood products industries employ one in every 12 persons on valley pay rolls. In the postwar peak production year of 1946, the 4,000 valley mills (most of them small portable outfits) cut 935,000,000 board-feet of lumber valued at $50,000,000.

That is less than one-tenth of the 10,000,000,000-plus annual cut in the Pacific Northwest States. Even so the forests support a basic heavy industry of the Tennessee Valley.

TVA goes about forest conservation in much the same manner as it does soil conservation. It fosters demonstrations of recommended forestry practices. Its program has four major divisions: Forest fire control, reforestation, sustained yield and wood products utilization. In most cases these activities are administered not by TVA but by established local, State and Federal agencies. Here are some examples:

Fire control: 1,684,000 acres of privately-owned land in 15 North Carolina counties were brought under fire control in a 5-year program completed last year. The North Carolina division of forestry and parks administers the program. TVA supplies technical guidance and 18 percent of the total budget.

SEEDLINGS GIVEN

Reforestation: TVA furnishes seedlings from its two forestry nurseries as the incentive to planting by private land owners. During 1948, 3,325 landowners planted 10,686,000 TVA seedlings in projects supervised by county agricultural extension agents (for farm woodlands) and State forestry departments (for large industrial timber holders).

Forest management: TVA has established 600 demonstrations of what modern forest management can achieve. These demonstrations are conducted on farms and on industrial and institutional forest land holdings, all under private ownership. Only those who volunteer to conduct the demonstrations are included. The Koppers Co., owning tracts of some 35,000 acres in Tennessee, has accomplished complete surveys of its holdings in cooperation with TVA and Tennessee State foresters. As a result, it has adopted a program of management of the entire tract on a sustained yield basis. The Hassel & Hughes Lumber Co., operating on 74,000 acres in Wayne County, Tenn., where lumber constitutes the country's biggest industry, has shifted to a program of selective cutting and sustained yield as the result of TVA studies. Results of demonstrations, both large and small, are available to other timberland owners.

TREATMENTS TESTED

Forest products research: TVA has cooperated with the land-grant colleges in developing new wood preservatives and testing simplified methods of applying them. The United States Forest Service and TVA joined in developing a small experimental lumber dry kiln, which can be heated by steam or electricity.

Of special interest to the Pacific Northwest is the start TVA has made on construction at Muscle Shoals of a small pilot plant for wood hydrolysis to manufacture cattle feed and alcohol from waste forest products. A big hydrolysis plant now stands idle at Springfield, Oreg., because current processes have not proven economical. It is the intent of the Muscle Shoals chemists to find the bugs in the Springfield operation, and, if possible, develop a process that can be used to put the Springfield plant back into profitable operation.

Dr. Nathan Gilbert, who is in charge of the Muscle Shoals hydrolysis project, told me his plant would be drawn on the same pat-

tern as that at Springfield, but on a greatly reduced scale. It will have 10 times the capacity of the forest products laboratory at Madison, Wis., where the process was first developed; but will be little more than one-tenth the size of the Springfield plant's five units.

What Dr. Gilbert finds out at Muscle Shoals may mean many millions of dollars to the Willamette Valley and to the Northwest.

TVA carries on a wide range of research and experimentation in other fields.

FREEZING STARTED

A food-freezing industry, which did not exist in the Tennessee Valley in 1933, now does an annual business in excess of $5,000,000 using processes developed by TVA in cooperation with the land-grant colleges. There are nearly 30 neighborhood and community locker plants in the region, all designed from a TVA demonstration model. In 1948 they handled farm products worth $8,800,000, with an estimated retail value after processing of $25,000,000.

TVA has initiated research to adapt farm machinery to special requirements of the valley's small diversified farms.

One such product is a small threshing machine that can be attached to the rear of a truck or automobile. TVA blueprints and designs were made available to the Turner Manufacturing Co., of Statesville, N. C., which volunteered to produce the machine commercially. More than 200 are now in use on valley farms, and many have been sold outside the valley. TVA's expenditure in that development amounted to about $45,000 over several years.

Similarly, TVA-financed research has resulted in private manufacture of a low-cost barn hay-drier.

Current experimental products include a tractor-drawn seed and fertilizer drill and portable sprinkling equipment.

OTHER TESTS MADE

Varying amounts of TVA appropriations are going into other experiments conducted at land grant colleges on a contract basis. Georgia Tech is experimenting with commercial uses for the many clays which abound in the valley. The University of Tennessee is conducting tests with new kitchen appliances and electrical devices. Tuskegee Institute is studying the problems of manufacture of cheap paint from vegetables.

TVA has confined its minerals research to those deposits which have not been large enough to attract research development. It leaves copper, for instance, to such private concerns as the Tennessee Copper Co., which has excavated a mountain near Ducktown, Tenn.; aluminum to the Aluminum Co. of America, whose biggest plant is at Alcoa, Tenn.

In cooperation with the United States Bureau of Mines, the United States Geological Survey, and various State agencies, TVA has encouraged research in less well-developed minerals.

This research led to the establishment in 1948 of a plant at Spruce Pine, N. C., for production of feldspar, grinding mica, and quartz sand from alaskite.

TWO MINES RUN

Another firm opened two mines in halloysite deposits identified by TVA. Halloysite is a hard white clay which increases the whiteness of fired ceramics.

Surveys have indicated easily mined mica deposits in the Southeast States.

Pilot plant tests have begun to determine feasibility of using sillimanite to replace kyanite, now imported from India for manufacture of ceramic products that must stand heavy wear.

Research has been undertaken to recover barite from low-grade ores.

All results of research conducted by TVA or in cooperation with Federal, State or local agencies are made available to private industry. A program undertaken primarily to promote wider and more efficient use of the Tennessee Valley's resources has, therefore, in some instances reflected to the benefit of other regions.

TVA—Model for CVA?

Two regions comparable in resurgence

(By Malcolm Bauer, city editor, the Oregonian.)

(This is the thirteenth of 16 articles on the Tennessee Valley Authority, possible model for legislation creating a Columbia Valley Administration. The author has just returned from a tour of inspection in the Tennessee Valley.)

The Tennessee Valley can be compared to the Pacific Northwest in the magnitude of its economic resurgence since the depths of the depression in 1933—the year the Tennessee Valley Authority was created.

In those far, dark days the per capita income in the valley was only 40 percent of the national average. Since then it has risen so much more swiftly than in the Nation as a whole that per capita income in the valley now is 60 percent of the national figure.

Industrial employment in the valley increased 161 percent from 1933 to 1945 as compared with a gain of 131 in the Nation. A total of 1,448 new industries was established in the valley region in the 8 years from 1940–48. (Some of the biggest of these are listed in an accompanying table.)

Retail sales have more than quadrupled. In 1933 residents of the valley States paid 3.4 percent of the total income taxes paid into the Federal Treasury. By 1947 they were paying 6.3 percent of the total, almost doubling their share of the expenses of government.

Readers of the Oregonian know something about what these figures mean, because they have been living in the midst of a burgeoning industrial and agricultural prosperity that has been ever more marked than that of the Tennessee Valley. Per capita income in Oregon, Washington, and Idaho has risen from about 95 percent of the national average in 1933 to about 110 percent of the national figure. The three States paid only 0.65 percent of the total Federal income taxes collected in 1933. By 1946 the percentage was increased almost five-fold, to 2.98 percent. Retail sales multiplied four and one-half times in the same period.

The Northwest has forged ahead even more speedily than has TVA-land in the contest for new industries, more dollars, and the better life. But, in comparing the progress in the Tennessee Valley with that of the rest of the country east of the Rockies, the valley stands out like a magnolia tree in a tobacco patch.

WORKER QUITS FARM

Precisely how much of the valley's prosperity is the direct result of the program of TVA is, of course, impossible to determine. There is no mistaking, however, that the people of the valley are convinced that TVA had a lot to do with it.

I talked with them—the farmer who is grazing his livestock on pasture green with TVA fertilizer and making 10 times the amount he did in the old cotton-and-corn days; the ex-farm hand who is no longer needed on the mechanized farms and has found a job in industry that pays him five times the wages for half the time; the industrialist whose new factory is powered by energy that costs about one-fourth the 1933 rate. All these can see their blessings in concrete form, and each one stems directly from TVA.

Statistics serve as a cold and unexpressive medium. Let us go down into the towns of the valley and see the transformation at first hand.

THE GUNTERSVILLE STORY

Wherever I went during the first few days of my visit in the upper Tennessee Valley I heard about the miracle of Guntersville, Ala.

Guntersville in 1933 was a little land-locked town of 3,900. The Tennessee River flowed a few hundred yards from the edge of the residential area, but nobody used it for much but fishing or cussing. The cussing came when, almost every spring, the muddy Tennessee rolled out of its banks and over the flat farmland between Guntersville and the river.

Guntersville cracker-box orators left off the river and cussed TVA when they heard, in 1935, about the dam that would be built across the river just north of town. TVA engineers warned them that the lake that would rise behind Guntersville Dam would flood out all the farmlands that surrounded the town and would push water right up into the unpaved business streets. Even the floods didn't reach that high.

Most of Guntersville was dismayed. Paul Stockton, the grocer, sold his store and prepared to move to some place with a future. Other merchants followed suit. Lumbermen complained the reservoir would bury a major source of timber. Farmers swore the county couldn't feed itself without the produce from the bottomlands that would be flooded.

EX-GROCER REGRETS

But that was all 14 years ago.

I went to Guntersville to see what had happened. I found there a prospering river port of 5,700 persons, half again as many as lived there in 1935.

Ex-grocer Paul Stockton is still there and wishes he had his store back, because the new pay rolls the river and cheap power have brought to the town have hiked retail sales to four or five times their previous levels.

The town clings to a peninsula that juts out into Guntersville Lake. Its streets are paved. It has 2,000 feet of developed deep-water waterfront with plenty of room for more. On the waterfront are two large grain elevators (receiving wheat up the river from the Midwest), two oil terminals (Gulf and Texaco), a TVA-built public dock over which each week about $1,000,000 worth of automobiles are unloaded from specially constructed three-deck steel barges.

In addition, Guntersville residents work in a cotton mill (the only big pay roll before the high water), a chenille plant, a concrete-block plant.

The city is developing a large municipal park on the shores of the lake adjoining the residential district.

W. L. Martin, the county agent, told me the county now produces more corn, more cotton, and more hay than before construction of the dam and the drowning of the farmlands. Livestock production, as everywhere in the valley, has grown out of all proportion.

Joe Starnes, lawyer and ex-Congressman, now president of the Guntersville Chamber of Commerce, opined: "The lake just drowned out the mortgages."

I found no one in Guntersville who wanted to return to pre-TVA days.

THE DECATUR STORY

Down the river about 60 miles from Guntersville is Decatur, Ala., a city of about 20,000. It lies on the shores of Wheeler Reservoir, first of the main river dams completed by TVA.

There, Barrett Shelton, editor of the Decatur Daily, let his paper roll along without him while he spent 5 hours showing me the new Decatur.

As early as 1923 Decatur's principal pay roll, the shops of the Louisville & Nashville Railway, began to close down. By the time the rest of the country crashed through the

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economic floor at the end of the decade, Decatur knew what it was to live in the cellar. It had one small hosiery mill, its only pay roll. Farm lands were played out.

FORMULA ELUDES

Businessmen organized committees to find a solution to the town's problem. They visited Washington, Birmingham, and other cities; but there was no progress. Then, in 1933, came TVA. I'll let Shelton tell it:

"TVA gave us the tools with which to work, and we worked our way out. We pitched into the test-demonstration farm program and increased our livestock and pasture land. We sent a delegation to the Carnation Milk Co. to make a contract for delivery of milk. They just laughed at us at first. Now they're buying millions of pounds of Decatur milk. We raised $15,000 by subscription to start a cheese factory. Last year that factory paid farmers $490,000 for 11,500,000 pounds of milk.

"The change in agricultural practices released thousands of men and women from chores on the farms. We went after new industry to give them jobs. Private industry is now on the firmest basis in the history of Decatur."

I visited some of Decatur's industries with Shelton: The Ingalls shipbuilding plant, which started in 1934, built Liberties and LST's during the war, and still has big contracts; the Alabama flour mills, producing 1,200 barrels of flour a day from wheat barged up the river and selling it all within 150 miles of Decatur; a shining new copper wire plant that will give jobs to several hundred persons; the Alabama hosiery mills, where some of the workmen on the spinning machines make more than $100 per week.

MALARIA DIES OUT

Lloyd L. Lively, manager of the hosiery plant, told me 95 percent of his 400 employees came originally from the farms of Alabama and Tennessee. Lively is a Yankee. The southern workman, he thinks, given good food and good health, is as good and as alert as his counterpart in the North.

A majority of Lively's work force once suffered from malaria. They were listless, poor producers. TVA's malaria control program has been so effective the plant does not now even include a malaria test in its regular physical examination of all employees.

Decatur's power rates are second lowest in the country for cities under 50,000. Eugene, Oreg., has the lowest rates. Quincy Eddins, manager of the Decatur company, has his heart set on beating out Eugene for the honor.

Decatur shows its prosperity. A new athletic field for the high school has just been finished, grandstand and all. Excavation is starting for a new $1,500,000 high school. Shelton is pushing a public subscription to build a new baseball park (construction already started) so the city can obtain a franchise in organized baseball. The residential streets are lined with new homes, and out toward the newly remodeled country club stands an array of big new brick homes, built in the "old plantation" manner with gleaming columns and broad, green lawns.

"We've been pretty flat," said Shelton on leaving me. "But we won't be knocked down again."

TVA POWER DRAWS INDUSTRY

In 1933 there were 1,348 manufacturing plants, mostly small ones, in the Tennessee Valley region, including the valley itself and the adjacent area later to be supplied by TVA power. In the past 8 years alone more than that number of new plants have been established in the region—1,448 by count of TVA's economics staff.

Here is a tabulation of a few of the biggest ones:

City	Name	Product	Employment
Listerhill, Ala	Reynolds Alloys	Aluminum	2,500-5,000
Sheffield, Ala	Renalite Corp	Aluminum, plywood	500-1,000
Gadsden, Ala	Goodyear	Rubber soles, heels	2,500-5,000
Do	Allis-Chalmers	Farm equipment	2,500
Boaz, Ala	Skyline Manufacturing Co	Rugs, mats, robes	500-1,000
Dalton, Ga	Gouch Chenille Co	Bedspreads	900
Bowling Green, Ky	General Electric	Radio tubes	900
Paducah, Ky	Magnavox	Radio equipment	1,000-1,800
Philadelphia, Miss	Wells, Lemont Co	Cotton gloves	300
Water Valley, Miss	Rice-Stix Co	Garments	400
East Flat Rock, N. C	Chipman LaCross Co	Hosiery	300- 500
Nashville, Tenn	Consolidated Vultee	Farm machinery, busses	1,200
Dyer, Tenn	Brown Shoe Co	Sole-fitting unit	500
Lowland, Tenn	American Enka	Rayon tire yarn	1,500-2,000
Chattanooga, Tenn	Norge	Refrigerators	800-1,000
Do	DuPont	Nylon yarn	1,000
Hohenwald, Tenn	General Shoe Corp	Shoes	600
Frayser, Tenn	International Harvester	Farm machines	3,000
Clarksville, Tenn	B. F. Goodrich	Rubber soles, heels	1,360
Bristol, Va	Universal Products	Radio cabinets	1,000
Damascus, Va	Damascus Furniture	Furniture	1,000

TVA—MODEL FOR CVA PLAN?

ALL BUT HANDFUL OF TVA EMPLOYEES FULL-TIME RESIDENTS OF REGION—RELATIONS WITH LOCAL, STATE GOVERNMENTS GENERALLY SMOOTH

(By Malcolm Bauer, city editor, the Oregonian)

(This is the fourteenth of 16 article on the Tennessee Valley Authority, possible legislative model for the proposed Columbia Valley Administration. The author has just returned from a tour of inspection in the Tennessee Valley.)

Essential to an appraisal of the Tennessee Valley Authority is an understanding of its regional character .

The directors of TVA and all but a few of its 15,000 employees are full-time residents of the Tennessee Valley. Only TVA office in Washington, D. C., is a small one, staffed by subordinate employees whose duty it is to provide liaison between TVA headquarters in the valley and other parts of the Government.

Chairman Gordon R. Clapp, of TVA, explains it this way:

"The mainspring of the working machinery of the TVA as an agency of the Federal Government is this: TVA's responsibilities run to a single region; its officials and employees live and work and make their decisions in the very climate of the regional community, not as agents of a distant central office, but as employees of a localized, regional agency."

When States R. Finley, manager of the Chattanooga Electric Power Board, wants a change in his contract with TVA, he merely climbs two flights of stairs to the office of G. O. Wessenauer, TVA power manager. Wessenauer can give a decision that in any other Federal agency would have to come from Washington, D. C.

OWN DECISIONS MADE

David E. Lilienthal, long-time Chairman of TVA and probably the one man who can speak with most authority on its objectives, writes in TVA—Democracy on the March:

"The entire TVA experiment, as I interpret it, makes it clear that no proposal for regional resource development may be described as a kind of TVA unless it embodies these fundamentals:

"* * * A Federal autonomous agency, with authority to make its decisions in the regions.

"* * * Responsibility to deal with resources, as a unified whole, clearly fixed in the regional agency, not divided among several federalized central agencies.

"* * * A policy, fixed by law, that the Federal regional agency work cooperatively with and through local and State agencies."

TVA has made a fetish of working "with and through" local agencies and thus has held at a minimum any friction between the Authority and residents of the valley. Its farm program is administered by county agents, themselves usually long-time residents of the locality. TVA power is retailed by municipal boards and rural cooperatives directed by local people.

LOCAL LEADERS PICKED

There are even many evidences that the TVA people themselves have, in the past 16 years, pushed their roots deep into the region. Chairman Clapp has lived and worked there for more than 15 years, and thinks of himself now as a Tennessean, although he was born and educated in Wisconsin and came to Knoxville in 1933 as an "interloper" from the North.

Most of the other top men in the Authority have been long at their jobs. Administrators in the seven regional offices in the valley are, for the most part, long-time residents of the towns in which they represent TVA. They belong to the local luncheon clubs and take part in lodge, church, and civic affairs in the community.

TVA's unique position in government has forced it to pioneer in relationships with local and State governments and with other Federal agencies.

REVENUE FACTOR

An important consideration to local, county, and State governments is the revenue received from TVA in the form of payments in lieu of taxes. As has been mentioned previously, TVA makes such payments to counties and States in which it has power properties or in which it markets power, and they total substantially more than taxes paid on the same property when in private hands.

Some counties, however, suffer from revenue lost from reservoir land and not entirely replaced by payments in lieu of taxes which are based on only that part of the reservoir property allocated to power. No payments are made on property allocated to flood control or navigation. Thereby some counties on upriver tributaries suffer loss in revenue for benefits that are realized only by counties in the lower reaches of the river system.

Thus far no completely acceptable scheme has been devised for transmitting these benefits to the unpland counties in the form of tax dollars, although Tennessee Valley States have undertaken to distribute the payments in such a way as to alleviate the most severe cases of tax loss.

In the Northwest, the Bonneville power administration makes no payments in lieu of taxes.

County and local governments are understandably wary of Federal development which may take properties off the tax rolls without some offsetting revenue. Their fears are intensified by discussion of the theory, cur-

rently popular in Federal Government circles, that the benefits brought by Federal development—such as increased incomes, new industries, etc.—more than offset any loss in tax revenue, and that payments in lieu of taxes should not, therefore, be required. Those who pay the bills of local government know how difficult sometimes it is to give these benefits tangible form—something as tangible, for instance, as a few dollars in the county treasury.

Another example of TVA's deviation from the norm in its relationship with the locality is its pattern of condemnation.

Army engineers in Portland file suits for jury trial in Federal court when property owners are adamant in refusing terms offered for property needed in construction of dams, reservoirs, etc.

FAIR PRICE SPECIFIED

The TVA Act, however, specifies that the Federal court shall designate three commissioners to determine the fair price. These commissioners must be from outside the locality in which the land is to be purchased. Some critics feel that this provision cannot be reconciled with TVA's expressed desire to function as a part of the local community.

Despite such irritations, I found no local, county, or State official with a complaint about TVA. On the contrary, governors of Tennessee Valley States were lavish in their praise of TVA.

I spent a half hour with Gov. Gordon Browning in Nashville, Tenn. He told me there has been no instance in which TVA had interfered with the sovereignty of Tennessee. In fact, he recalled that TVA had been instrumental in establishing and building up the State's first department of conservation, now a strong arm of the State government in forestry and agriculture. He added:

"Our feeling is that the TVA has not tried to revolutionize the social order but has taken the institutions and customs found here to build on."

EXTENSION SOUGHT

Gov. James E. Folsom, of Alabama, wrote to me that he was "looking forward to the time when an authority similar to TVA, if not TVA," can bring to all of Alabama the benefits now enjoyed by that part of the State lying within the Tennessee Valley.

Gov. W. Kerr Scott, of North Carolina, wrote that TVA "has aided greatly in the development of agriculture and industry" in his State. He said he had experienced no problems in dealing with TVA.

Paradoxically, the Tennessee House of Representatives in 1947 memorialized Congress to reject a proposal to place the Cumberland River watershed of northern Tennessee under the jurisdiction of TVA. Given as a reason was the fear that high dams on the Cumberland would flood farm lands as had TVA's dams on the Tennessee.

TVA is more popular with the State and local governments of the valley than with its sister Federal Government agencies.

The Army's Corps of Engineers, which controls navigation on the Tennessee and also has the last word on flood control, has little love for TVA. I talked to a ranking member of the staff of the Nashville district engineer. He had no quarrel with TVA's engineering; but he bitterly attacked the principle of TVA which he interpreted as Government competition with private enterprise.

There is no noticeable friction, however, in operations of the two agencies on the river; and TVA actually does considerable mapping work for the Army.

SOIL CLASH ARISES

Biggest interurban scrap is that between TVA and the Soil Conservation Service of the Department of Agriculture.

The TVA farm program was operative throughout the valley before the Soil Conservation Service came into existence, and now is playing dog in the manger on the theory that its practice of dealing through local agencies might be disrupted should soil-conservation specialists set up offices in the counties of the valley. On its part, the SCS has grumbled that it should have its agents in the valley just as elsewhere in the country despite any duplications that may exist in the two programs.

Senator ESTES KEFAUVER, a good friend of TVA, told me in Washington, D. C., that both parties were pretty stubborn about reaching an understanding.

Only in Alabama has the SCS made any substantial invasion of the valley. The 10 northern Alabama counties in the watershed are organized into two soil-conservation districts, and the SCS agents and extension agents work together without difficulty (often in adjoining offices).

Both extension agents and the SCS agents come from the same agricultural schools, teach substantially the same practices. Only discernible difference in the gospels they preach is that the TVA program of the extension agent emphasizes the use of fertilizer, while the SCS agents concentrate on mechanical devices such as contour plowing.

AID DUPLICATED

By working arrangements in the Alabama counties, the SCS men leave the TVA demonstration farmers alone, and the extension agent does not bother with farms seeking SCS assistance. In some rare instances, however, one farm operates under both programs—a doubling up of Federal assistance. In such cases, the farmers do not complain.

In fact, the county agent of Washington County in Virginia was delighted to hear from me of the Alabama arrangement. He is going right after Soil Conservation Service help to supplement the TVA farm program in his county.

TVA's forestry theories also differ from those of the Forest Service. TVA prefers the demonstration method in obtaining voluntary action by timber owners and abhors the regulatory program of the Forest Service. Federal forest-land ownership, however, is on such a small scale in the Tennessee Valley that there has been little conflict.

TVA's task has been to reconcile two contending factors: a duty to represent the taxpayers of the Nation in administering congressional appropriations in one region so as to bring the greatest possible benefits to the country as a whole, and a responsibility to the residents of the region. The fact that TVA relationships with local and State governments are more congenial than those with Federal agencies is testimony to the success of TVA's accomplishment, at least from the viewpoint of the residents of the valley.

TVA—MODEL FOR CVA PLAN?

TENNESSEE VALLEY RESIDENTS FOUND NEARLY UNANIMOUS IN EXPRESSING APPROVAL OF TVA'S ACCOMPLISHMENTS IN RESTORING ECONOMY OF AREA DURING AND AFTER DEPRESSION

(By Malcolm Bauer, city editor, the Oregonian)

(This is the fifteenth of 16 articles on the Tennessee Valley Authority, possible legislative model for the proposed Columbia Valley Administration. The author has just returned from an inspection of the Tennessee Valley.)

There is no mistaking the popularity of TVA among the people of the Tennessee Valley. Even Dr. Gallup couldn't miss it.

I talked to one-hundred-and-eighty-odd people in the valley, excluding those in TVA, and I found only five who were opposed to TVA on any grounds. Some others proved noncommittal. But most—including chambers of commerce presidents, bankers, and farmers—had only praise for the Authority.

The dissenters included two newspaper editors, one Georgia housewife, a railroad lawyer and an Army engineer. All opposed TVA on principle.

Typical are these comments by Guy Smith, editor of the Knoxville Journal: "TVA personnel are missionaries of socialism. They have done a smart job of selling TVA to the valley."

EDITOR SHARES VIEWS

Roy McDonald, editor and publisher of the Chattanooga Free Press, shared Smith's view. He contended further that TVA is autocratic and uses "guesstimates" in its water-control operations. He illustrated his point with a story of how his boat was left high and dry at its mooring one morning after TVA engineers had ordered a drop in the reservoir level.

Charles H. Smith, division counsel of the Southern Railway Co., told me: "I am not an admirer of TVA. There are too many people there to do the job. They ride roughshod over opposition, using the power of Government. TVA competes unfairly with railroads."

"But," he added, "TVA had done wonderful things for the region, coming as it did in the depression. It made Knoxville prosperous."

The critics quoted conceded the general popularity of TVA in the valley. This, they said, was the natural result of heavy Federal expenditures ("nobody hates Santa Claus"). Administrators of TVA, they thought, had tread softly for fear of alienating people in the Nation's first experiment in regional development.

"But watch out when they get ready to use the power they have," was the warning of one.

Some did not want to take sides.

POWER MAN SPEAKS

Jo Conn Guild, Jr., ex-president of the Tennessee Electric Power Co., which lost its long struggle with TVA, and now president of the Southern Coach Lines, Inc., in Chattanooga, had this to say:

"The Tennessee Electric Power Co. sold its properties to the TVA * * * almost 10 years ago. Previous to that time, for some 5 or 6 years, the officials, employees, stockholders, and other individuals who did not believe in Government ownership or operation of industry by the Government, did everything possible to defeat the TVA and discourage its growth and the extension of its influence. After the sale of the Tennessee Electric Power Co. properties I have made it an inviolable rule never to discuss this project either publicly or privately."

But the great majority of those to whom I talked responded to my questions as though they were paid boosters for TVA. There were no factional lines drawn, as in the Pacific Northwest on the issue of TVA. Industrialists and chamber of commerce representatives spoke just as enthusiastically as did farmers and labor leaders.

Here are some of their comments:

W. F. Moehlman, president of the Knoxville Chamber of Commerce and president of the Tennessee Metal Culvert Co.: "TVA has been beneficial to the people and institutions of Knoxville in a number of ways. It has made available greatly increased quantities of electric power at cheaper rates. I do not know of any great objections to the underlying principles of the Tennessee Valley Authority so far as this area is concerned."

Thomas R. Preston, board chairman of the Hamilton National Bank, Chattanooga, ex-president of American Bankers Association, and one-time director of Tennessee Electric Power Co.: "TVA is just what this country needed. Private industry could not have done the job TVA has done. I am against Government in business when business can do the job. I know of no private industry adversely affected other than private power."

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Thomas R. Cuthbert, printer and editor of the Labor World newspaper, A. F. of L., Chattanooga: "If somebody tries to take this TVA away from us, we'll just grab our shotguns and hold 'em off. There are many thousands of jobs here that would not have been but for TVA."

W. H. Wilhite, roadside grower near Trenton, Ga.: "We're just crazy about TVA, but we haven't got it. We've got Georgia Power Co. power, and it's a shame."

O. L. Mitchell, farmer, Marshall County, Ala.: "TVA is the finest thing that ever happened to Marshall County."

W. R. (Bill) Jones, farmer, Meigs County, Tenn.; "Hell, the fishin's worth all TVA has cost, TVA sure pulled this country out of a hole."

Mrs. W. A. Shadow, farmer's wife, Decatur, Tenn.: "TVA has developed the human resources, too. If it weren't for the bookmobiles in TVA's early days we wouldn't have a book in this county. Those bookmobiles were the origin of Tennessee's State-wide library system of today."

J. D. Huddleston, Aluminum Co. of America, Alcoa, Tenn.: "Alcoa couldn't have done what it did during the war or after without TVA."

Lloyd L. Lively, manager, Alabama Hosiery Mills, Decatur, Ala.: "I'm strong for TVA. The important thing, though, is its farm program; not the power."

E. W. McLeod, president Morgan County National Bank, Decatur, Ala.: "The rest of the country is not subsidizing the South. TVA provided the capital with which we are working and creating a big return, measured not only by revenues from power but by a much greater amount returned to the country in doubled income taxes and in general prosperity, benefits of which are reflected throughout the Nation."

James M. Gorsline, county agent, Washington County, Va.: "TVA has started yeast to work in the community. Ideas ferment. The county is now seeking a county recreation area. The feeling has always been: 'If granddaddy didn't do it, we won't do it.' TVA has shown us that things can be done."

Loye Miller, editor of the Knoxville News-Sentinel: "There were some smart alecks and 'pinkovitches' in the early days of TVA. They are gone now. The News-Sentinel supported Willkie once and Dewey twice, but we have always supported TVA."

Dawson B. Harris, president, Hamilton National Bank, Chattanooga: "I am against the principle of Government in business. But the job on the Tennessee was one for Government."

P. A. Wood, president of the Chattanooga Chamber of Commerce and president of a bridge and steel company: "What we like about TVA is that they not only plan, they do. The same organization should have the planning of a project as the doing. TVA is not essentially in conflict with private enterprise. Power is more in the nature of a public resource."

W. Corey Smith, prosecuting attorney, Hamilton County, Tenn.: "The people are sold on TVA. Of course, all of them aren't sold on it; but then some people aren't sold on Jesus Christ."

Fred Hixon, political editor, Chattanooga Times: "Politically, there is overwhelming opinion in favor of TVA. All candidates must be for it, because the people like it."

T. L. Howard, manager of the Knoxville Chamber of Commerce: "Few will deny that it has been a good thing for the valley. I wouldn't be without electric heat."

Harold V. Miller, director of the Tennessee State Planning Commission, Nashville: "There is no substitute for the unified approach for the entire development of an area. The unified approach offers the one exception in which the whole can be greater than the sum of its parts. TVA did not tell the people of Tennessee what to do. If it had it would have been accused of meddling."

Jo H. Anderson, president of the Park National Bank, Knoxville, and chairman of the Knoxville Utilities Board: "The people as a whole appreciate the great things that TVA has done for them."

Robert Culver, president of the Tennessee Valley Bank, Knoxville: "TVA was not only a great benefit, but coming as it did in the trough of the depression, it saved the region from great distress. We (business interests) may have opposed it at first, but we've certainly come around. I am sure TVA pushed rural electrification in this area much more than the private utilities would have done."

Walter Johnson, Southern Newspaper Publishers' Association, Chattanooga: "TVA development of forests will be a big thing for southern newspaper publishers in leading toward ample supplies of newsprint from southern pine mills."

Carter Patten, president, Tennessee Timber Growers' Association, Chattanooga: "I would say that our relations with the forestry relations division of the TVA are entirely satisfactory."

C. E. Twiggs, librarian, Knoxville: "TVA has made the Tennessee Valley a good place to retire. The fishing can't be beat."

Dr. Earl Martin, chairman of city commission, Guntersville, Ala.: "TVA saved this community."

Some of the above comments were obtained in Chattanooga's Mountain City Club, counterpart of Portland's Arlington club. I went there as a guest of States R. Finley, manager of the Chattanooga electric power board. He had this version of the change in the sympathies of the predominantly conservative membership:

"Most of the members of this club opposed TVA at first," Finley said. "Now they love it. It's like castor oil to them. When they first heard of it they didn't like the taste and they didn't like the smell, but they've been getting regular doses for a good many years now, and they find that it's been mighty good for what ailed them. Now they just close their eyes and reach for another spoonful."

TVA—Model for CVA?

GUIDEPOSTS OFFERED FOR NORTHWEST STUDY

(By Malcolm Bauer, city editor, the Oregonian)

(This is the sixteenth and last of a series of articles on the Tennessee Valley Authority, possible legislative model for the proposed Columbia Valley Administration. The author has just returned from an inspection of the Tennessee Valley.)

The problems of resource development in the Tennessee Valley differ in marked degree from those of the Pacific Northwest.

For this reason, opponents of the administration's CVA legislation contend accomplishments of the Tennessee Valley Authority have no application in the Columbia Basin.

On the other hand, CVA proponents argue that a program that worked well in depression years in the poor lands of the Tennessee Valley should prove even more successful on a larger scale in the Northwest and in the more prosperous days of 1949.

It is fitting, therefore, as a conclusion to this study of TVA experience that we examine in some detail the differences and similarities in the two regions and in their problems.

The Columbia Basin is much larger in area than the Tennessee Valley—about six times the latter's 40,000-plus square miles. Populations of the two regions are, however, comparable—slightly more than 4,000,000 by latest census estimates in the Columbia Basin, about 3,000,000 in the Tennessee watershed.

The Columbia Basin extends into Canada. TVA has never been confronted by the complications of international coordination. An existing United States-Canadian Commission has already dealt, with apparent success, with the Skagit project in the Northwest.

Economies of the two regions are also at variance. When TVA was created in 1933, the country was in the depths of its worst depression. The Tennessee Valley was especially hard hit. It had had no part in the prosperity of the 1920's. Its rural and urban standards of living had been slipping since the Civil War.

NORTHWEST BOOMING

The Tennessee region is even now far below the level, economically speaking, than the Northwest, which in the past few years has been at the top of the postwar prosperity spiral as judged by retail sales, production figures, bank clearing house totals, and building permits.

The Pacific Northwest, too, has reached a stage of resource development far ahead of that which existed in the Tennessee Valley at TVA's beginning 16 years ago. However, the Tennessee River, under the accelerated program of TVA, is now at a point where, in proportion to its total potentialities, it is much more under harness than is the Columbia.

For example, flood control on the Tennessee is almost complete. Just the addition of levees at Chattanooga will make the Tennessee shorelands safe against floods even half again as great as the greatest flood of record on the river.

Farmers and home owners who lived along the Columbia in May and June of last year and along the Willamette almost any winter know how remote is such control in the Northwest. Water-storage facilities proposed in the Corps of Engineers' comprehensive 308 Report, when approved and constructed, will reduce from 30.2 feet to 24.5 feet the Vancouver, Wash., crest of a flood of the proportions of that of 1948.

Dams to be completed in the next few years, however, are multipurpose projects for power production, irrigation, navigation, as well as flood control, and have relatively insignificant storage capacities. Thus, under present plans, the Northwest will have to wait for a long time for flood control of the effectiveness now available on the Tennessee.

A flood on the Tennessee, of course, is a relatively small matter compared to the Columbia torrents. The Tennessee's high stage at Muscle Shoals is 470,000 cubic feet per second, not much more than a third of the peak discharge of 1,240,000 cubic feet per second at The Dalles in the record 1894 flood.

WATER TRAFFIC VARIES

Construction of the Tennessee's navigation channel is complete from the mouth of the river to Knoxville, 630 miles upstream. Upon completion of the engineers' 308 Report program, years hence, the Columbia channel will extend only 495 miles inland from the ocean. However, there are now a total of 740 navigable miles on the Columbia and its tributaries, and water traffic on the system is heavier than on the Tennessee.

The Columbia, Willamette, and their tributaries carried 1,403,652,155 tcn-miles of cargo in 1946, more than three time the 434,103,757 ton-miles recorded on the Tennessee in 1948. There are many more miles of undeveloped waterway in the Northwest than in the Tennessee Valley.

TVA has attained almost complete development of the power resources of the Tennessee. TVA now controls generating facilities rated at about 2,600,000 kilowatts. Authorized for installation in dams already built is a capacity of 350,000 kilowatts.

TVA will also get an additional 441,000 kilowatts from the Corps of Engineers' Cumberland River dams now building and 375,000 kilowatts from the projected Johnsonville steam plant. There is room for generators of a capacity of 400,000 kilowatts in TVA dams, bringing the TVA power-production total to 4,166,000 kilowatts.

TVA engineers think there are no more than 1,000,000 kilowatts available in potential hydro development sites on both the Tennessee and the Cumberland.

The Columbia is now far behind the TVA stage of power development, but its potentialities are infinitely greater. Bonneville and Grand Coulee have a rated capacity of 1,600,000 kilowatts. McNary Dam, now in the second year of construction by the Corps of Engineers, will have an ultimate installed capacity of 980,000 kilowatts. Chief Joseph Dam will be even larger in power potential: 1,536,000 kilowatts.

The four dams projected on the lower Snake River will have a capacity of 1,255,000 kilowatts; Detroit and Big Cliff Dams, 116,000 kilowatts. This makes a total of nearly 4,000,000 kilowatts in engineer projects alone within the foreseeable future.

1970 GOAL HIGH

In addition, the engineers, the Bureau of Reclamation, and Bonneville Power Administration are seeking approval of a vast program that will bring Pacific Northwest federally financed power production to about 12,000,000 kilowatts by 1970. That potential is more than twice the best the Tennessee Valley region can hope for, but it's a long way in the future.

The job of transmission of power to consumers in rural ragions is only about 60 percent finished in the Tennessee Valley. There is little left to be done in this regard in the Pacific Northwest, where about 95 percent of the farms ere electrified.

The principles of TVA's farm program are applicable in the Northwest, according to F. L. Ballard, associate director of cooperative extension work at Oregon State College. He wrote me:

"The theory underlying the project (the TVA farm program) applies soundly to our conditions, particularly those existing west of the Cascade Mountains."

The conditions of which he writes include lack of phosphates in the soil. Production, investigation, and distribution of phosphate fertilizers is a major adjunct of the TVA farm program. The Pacific Northwest has great opportunities in this field, having at hand 75 percent of the United States supplies of phosphate ores.

The Northwest, like Tennessee, therefore, is important as a source of munitions. In the last war TVA produced more than half the Nation's elemental phosphorus for use in munitions from ore representing about 1 percent of the Nation's phosphate supply.

The two regions are similar in a kindred matter. Each has an immense atomic-energy plant which calls upon the Government-built power projects for untold amounts of energy.

IRRIGATION CONSIDERED

There are broad fields of activity, however, in which TVA experience can be of little direct guidance to development in the Northwest. A major factor in the Columbia Basin, for example, is irrigation. There is no such need in the Tennessee Valley. Drafted CVA legislation, therefore, contains special provisions designed to safeguard water rights as they exist under State laws.

Priority of water use is also altered by requirements in the Northwest. Under TVA, flood control and navigation get first call in the water-control program. In the latest draft of the administration's CVA bill preference for water use reads: Domestic, irrigation, mining, industrial, and atomic energy, in that order. Flood control, navigation, and power production come after.

TVA Director James P. Pope, one-time Senator from Idaho, which State has a number of irrigation and reclamation projects, told me in Knoxville:

"There is not the slightest doubt in the world that a valley authority can handle irrigation just as well as it handles all functions of TVA."

Stream-pollution control has made great strides in the Tennessee Valley. There is no comparable coordination of stream purification in the Northwest.

Fish and wildlife have increased in the development of the Tennessee. The fish there, however, differ from those of the Northwest. They do not have to swim upstream to spawn, and their flesh is much softer than the fighting game fish of the Northwest.

Both commercial and sports fishermen, who are seeking to safeguard the Pacific Northwest's fish life in development of the region's resources, look with scorn on the bass, crappie, and buffalo fish that so delight fishermen along the 10,000 miles of shoreland on TVA's slack-water lakes.

OTHER PROBLEMS ARISE

Nor does TVA have the problems of grazing lands and Indian lands. Its forestry program is on a small scale and consists of voluntary arrangements with private timber owners rather than actual administration of publicly owned timberlands. Its development of mining resources has also been on a scale much smaller than is possible in the Northwest, where lies a sizable portion of the Nation's undeveloped mineral wealth.

Scope of the proposed CVA legislation in such fields as those mentioned in the preceding paragraph is not yet known. It is considered probable, however, by some of those familiar with the drafting of the CVA bill that CVA will not have direct administrative responsibilities in land management, forestry, mining, and other activities not directly related to the river.

CVA may, however, have authority for budgetary coordination of activities that will be administered, as now, by agencies of the Departments of Interior and Agriculture.

It should be apparent to all who have followed me this far that the experiences of TVA, although in many cases not directly applicable to the Columbia Basin, do have pertinence to a study of proposals for a CVA. Just how much these experiences should govern the choice for or against a CVA I must leave to the reader.

It is entirely possible for one with a high opinion of TVA to have quite contrary views of CVA. Representative LOWELL STOCKMAN, for example, visited the Tennessee Valley a few years ago, and he told me in Washington last month that he thought TVA "the greatest thing ever done for the South." He will, however, probably oppose legislation for a CVA.

STOCKMAN'S friend, Senator ESTES KEFAUVER, of Tennessee, acknowledges the differences in the Columbia and the Tennessee; but he expressed to me the view that what was good for the Tennessee Valley at its lowest ebb should be even more beneficial in the rich lands of the Northwest. He will be a sponsor of CVA legislation in the Senate.

I shall leave it to TVA Chairman Gordon R. Clapp to close these articles. Said he:

"I do not hesitate to say that I believe an intelligent adaptation of the TVA idea—an autonomous agency with a clear assignment fixed upon it, an agency decentralized into the region and committed to real cooperation with State and local agencies—would work successfully in any great river valley of this country.

"But, if the TVA way is the road to heaven, it is not the only road."

Juvenile Delinquent

EXTENSION OF REMARKS
OF
HON. LOUIS B. HELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. HELLER. Mr. Speaker, under permission granted me, I desire to call the attention of the House to an excellent article entitled "Juvenile Delinquent," written by a dear friend of mine, Hyman Barshay, Esq., who is the acknowledged leader of the criminal bar in the city of New York, a former assistant district attorney in Kings County who served with great distinction from 1929 to 1940.

Mr. Barshay taught law at the Police Academy of the city of New York from 1932 to 1934 and was an instructor in criminal law at the Brooklyn Law School in the city of New York.

I believe that the problem which Mr. Barshay discusses will be of interest to my colleagues, to law-enforcement agencies, and the great institutions which are compelled to cope with the situation he so ably treats.

Mr. Barshay's article reads as follows:

JUVENILE DELINQUENT

(By Hyman Barshay)

The voice is mine, but the tongue is that of the accused, unfortunately named, "Juvenile delinquent." I shall let the accused speak for himself:

"I am the composite juvenile delinquent: the boy and the girl, the child and the adolescent, the black and the white, the Christian and the Hebrew. I am a product of a cross section of America; I am the son of the poor and the daughter of the rich, and I am the offspring of the middle class. I am the sneak thief, the thrill-seeking girl, the stay-out. I am the bigot and the desecrator of churches and temples. I am the purse snatcher and the automobile thief, the disobedient pupil, and the 'hookey' player.

"My middle name is 'anti.' I am antisocial, antilaw, and antireligion. I seem to be anti-everything. My hero is the gangster, and my heroine the wise-cracking gunmoll.

"I live in slums. I see no trees. My room was intended for one, but it is occupied by four. It matters not if I come home late or not at all. My big brother is out with the boys, and my big sister with the girls. My parents are too busy to observe me, too indifferent to correct me, and too disinterested to guide me. I get little sympathy and less understanding. I run out of the house as fast as I can.

"I cannot distinguish right from wrong. There are none to set an example. Doing the wrong thing is often a temptation and always an adventure. I account to no one for time spent, things done, or left undone.

"School is a burden, and books merely take up space. I show little respect for my teacher, and less for my classmates. My classroom is overcrowded, and my classmates underfed. My teacher is too overworked to be concerned with my individual problems.

"The schoolyard is dark at night. The street corner, the poolroom, and the cellar club, became my hang-out. The community furnished nothing better, if anything at all.

"The church or temple is just another building in the neighborhood. The spirit within it missed me completely. It has been years since I have seen the inside of it.

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"I am confused and bewildered; I need help desperately.

"I am guilty of all these charges, but the guilt is not mine alone. I don't want to pass the buck, but you must share my guilt. You, neglectful parent, overworked teacher, selfish big brother, indifferent big sister, apathetic community—all of you—are more to blame than I.

"Reform school or jail is not the answer. Sending me there will rid you of me for only a while. I may even emerge worse than when I entered. Neither you nor I will gain by it.

"When the enemy from without struck at Pearl Harbor you united with lightning speed. The manpower of the Nation was harnessed. A nation at peace was transformed overnight to a nation at war. You spent billions for arms, ships, planes, ammunition, and material. That enemy was liquidated.

"I, juvenile delinquent, am your enemy from within. It is I who weakens the foundation of the community upon which your city, State, and Nation are built. It is of no use to conquer the enemies from without, and be conquered by the enemies within. Spare me the future of a gangster. A delinquent child is the forerunner of a racketeer. It has been wisely said, 'a journey of a thousand miles is begun by a single step.' Prevent me from taking that first step.

"You have talked a lot about juvenile delinquency. You have done very little. It is too late for theorizing. Let's get to work.

"Eliminate the slums in every section of your community. Make my house a home. Let me know the beauty of a tree, the fragrance of a flower.

"Priest, rabbi, and minister, teach me tolerance of my neighbor, and respect for his religion. Show me the beauty of all religion. Free my mind of prejudice, be it racial or color.

"Teacher, make my problem your concern. Share my thoughts; correct my views.

"Community, give me an interest in life, and make me a useful citizen.

"Give me a youth center, where I can relax and play; where I can rest and read. Where I can swim and box. Where I can wrestle and dance, or just look on.

"Bring there, men and women, authors and painters, doctors, lawyers, and others, who will serve me as an inspiration, and whose work I can try to emulate.

"When I'm wrong, don't mollycoddle me. Don't spare the rod. Discipline is good for me. I'll thank you for it in later life. It is easier to build a man than to reform a boy.

"Parents—it is better for you to begin while I am in the high chair, than for me to end up in the electric chair."

Victor and Walter Reuther

REMARKS
OF
HON. ANDREW J. BIEMILLER
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. BIEMILLER. Mr. Speaker, I join with the gentleman from Michigan [Mr. RABAUT] in voicing my indignation and horror at the attempted assassination of Victor Reuther 2 nights ago. Victor, and his brother Walter Reuther, both of whom have now been the subjects of such attempts, are two of the finest labor leaders in the United States, and I am proud to count them as close personal friends. They know how to fight totalitarians of all descriptions, whether Fascists of Communists.

These dastardly attempts to kill two of the finest citizens of our great country must be thoroughly investigated. If such assassination attempts remain unsolved the foes of good Americanism will be encouraged to make other attempts.

International implications may likely be found in the attempts to kill the Reuther brothers.

Like the gentleman from Michigan, I hope that the FBI will take an active role in this case and that the Attorney General will soon make such an announcement. It is high time the abilities of our most able agents are put on these cases.

Hon. Oswald Ryan, Member of the Civil Aeronautics Board

EXTENSION OF REMARKS
OF
HON. CARL HINSHAW
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. HINSHAW. Mr. Speaker, on May 5 Mr. Oswald Ryan was sworn in for a third term as a member of the Civil Aeronautics Board. Of the original five members of the Board appointed pursuant to the Civil Aeronautics Act of 1938, Mr. Ryan is now the only one still remaining on the Board, having participated in its formation and in the formulation of its policies through the past 11 years. His words are words of experience and wisdom achieved through service to Civil Aeronautics and to his Government. Mr. Speaker, I have the honor to present the remarks of Mr. Ryan made on the occasion of his being sworn in for his third term as a member of the Civil Aeronautics Board at Washington, D. C., May 5, 1949. Mr. Ryan said:

I would be without any sensibilities indeed this morning if I did not feel a deep sense of appreciation toward you who have evidenced your friendship and good will by coming here. All of you honor me by your presence and I am grateful.

The 11 years of this Board's life have been full and interesting years. While that experience has at times fallen short of being serenely pleasant and at times I may have wondered whether the principal compensations of public service were not criticism and even misrepresentation, there have nevertheless been some enduring satisfactions. The friendship and good will which are revealed here today must be numbered among them.

My years of service on this Board have been full and interesting years. In the first place, the subject with which we have dealt has had a creative aspect. Years ago Chief Justice Stephens and I sat in a Harvard law class where Prof. Bruce Wyman undertook to teach us the law of public utilities. You will recall, Mr. Justice, that he opened his course by describing public utility law as the glory of the imperfect. This was Bruce Wyman's way of saying that public utility law was in an early stage of development and that in dealing with this branch of the law one was dealing with a creative function.

Now, I think that Professor Wyman's description can be appropriately applied to the regulatory task on which the Civil Aeronautics Board has been engaged in the past 11 years. At the time this Board took over the control of American civil aviation there had been practically no substantive development of regulatory law and policy in this field, and the Board was confronted with the task of developing a body of regulatory law and policy to meet the needs of civil aviation. And since the techniques and concepts of public relations in other fields of public-utility enterprise were frequently found to be inadequate to the needs of a dynamic aviation development, the task before us provided the opportunity for some creative effort.

The work of the Board has had other interesting aspects. Unlike the Interstate Commerce Commission, the Federal Power Commission, and similar regulatory bodies, the Civil Aeronautics Board sits with the map of the world before it: It regulates American air-line operations not only in every American State and Territory but in the major countries of every continent of the world, save only Russia and the satellite states. Now since the world long ago accepted the doctrine of the national sovereignty of the air as a basic principle of international air law, the extension of American air lines into foreign countries raised important problems of both law and policy in the international field. The solution of those problems did not lie within the power of the United States or of any one nation; the problems called for cooperative international action. They made necessary the negotiation of treaties and agreements between this Nation and many other nations of the world. So the Secretary of State adopted the practice of placing one or more members of the Civil Aeronautics Board upon the United States delegations that were charged with the diplomatic task of negotiating the necessary international air treaties and agreements. Thus the members of this Board found themselves engaged in diplomatic as well as regulatory and developmental functions and through the years the members have played a major part in the development of the only body of international regulatory law which now exists for the control of international air transportation.

Now these are some of the tasks that have made membership on this Board an interesting and satisfying experience. But I think, my friends, that the most enduring satisfaction of all has been the consciousness, ever present in our minds, of the deep significance of our subject to the welfare of mankind. The airplane has become the greatest medium of man's dominion on this earth, and it is having a profound effect upon the lives of all peoples everywhere.

I am not thinking of the airplane as an instrument of war for dealing death and destruction among men. I am thinking of it as a beneficent messenger of commerce and good will; aiding in the development of the natural resources of distant lands; fostering the exchange among free peoples of the products of their toil; and, more important than all else, promoting world travel and the exchange of ideas among peoples, thus paving the way to a better understanding among the nations of the world. That is the ultimate destiny of the airplane, and I submit to you that no contribution it will be able to make to human welfare will be half so important as that which seeks to safeguard mankind against the tragedy of a future war.

Let's Speed Government Reorganization

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. KEATING. Mr. Speaker, one of the most important recommendations made by the devoted and hardworking men who comprised the unusually able membership of the Hoover Commission, had to do with the reorganizaiton of the Military Establishment. It has been estimated that the adoption of this proposal alone would result in an annual budgetary saving of more than a billion dollars. The other body yesterday passed legislation intended to make possible many of the reforms suggested by the Commission.

As pointed out in the accompanying editorial from the Washington Post, it is essential that early opportunity be afforded the House for debate and consideration of a similar bill, with complete freedom for both proponents and opponents to be heard.

Many of the Hoover Commission recommendations, perhaps 20 percent, can be effected through administrative action without any legislation whatever. There should be no delay in bringing this about. It would be appropriate for the President to divert from Members of Congress to the heads of executive departments some of the whip-cracking in which he has recently engaged to accomplish this objective.

As to those recommendations which require legislation, it is sincerely to be hoped that more than mere lip service will be paid to the devoted work and excellent recommendations of this Commission. Their great contribution to the cause of good government can be largely nullified and their devoted purposes frustrated if the only recommendations submitted to us for legislative action are those calling for increases in salary and personnel and involving added expenditures, and we are denied the privilege of passing on the large number of excellent proposals for consolidating departments, eliminating unnecessary Federal employees, and decreasing the cost of our sprawling bureaucracy.

Besides the Military Establishment, there is a most urgent need for long overdue reforms in the Post Office Department and in the matter of procurement of Federal supplies. In these categories alone, immense savings to the taxpayers can be brought about, always, of course, assuming that the enactment of appropriate legislation will be accompanied by competent and efficient administration of those laws, without which any reforms can be set at naught, and all efforts for economies rendered fruitless.

The country is aroused, and justifiably so, over the need for action. Every day's delay is costly. We should act, and act now.

HALFWAY POWERS

Unlike the Senate, which has been energetically debating the broadening of the powers of the Secretary of Defense, the House so far has scheduled no hearings on the bill. The House Armed Services Committee cannot be accused of dawdling, for it has been busy with many other items of military legislation. Nevertheless, if there is to be House action this session, the committee will have to move promptly because of the legislative jam that inevitably bottles up Congress prior to adjournment.

We believe that the bill, which embodies many of the recommendations of the Hoover Commission respecting the definition of defense authority, is a necessary measure that ought to pass. Indeed, we should like to see even more extensive changes, such as the substitution of Assistant Secretaries of Defense for the present service secretaries and the creation of a single Chief of Staff instead of merely a chairman of the Joint Chiefs, as Mr. Forrestal himself advocated shortly before his resignation. Nevertheless the strengthened and decisive authority which the present measure would give the Secretary of Defense is an important step forward.

There are, of course, many sincere reservations on such a centralization of authority, and the holders of these views deserve to be heard. What is essential is that the bill emerge from the committee in time to permit full debate on the floor and at the same time provide the definite decision on which defense planning depends.

Federal Spending Facts—Proposed 1950 Outlays for National Defense

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a statement that was issued by the Council of State Chambers of Commerce. This is a very revealing statement, and it supports my contention that the military authorization that was recently passed by Congress can be reduced substantially. During the debate on the ECA appropriation I pointed out the necessity for cutting our tax bill by the substantial amount of seven to eight billion dollars. I further pointed out that these savings can be made on the appropriations for the foreign-aid program and on appropriations for the military.

FEDERAL SPENDING FACTS

PROPOSED 1950 OUTLAYS FOR NATIONAL DEFENSE

To maintain the National Military Establishment of the United States next year—the fifth year of peace after World War II—the House of Representatives has approved cash appropriations and contract authorizations amounting to $15,909,000,000. H. R. 4146, the House-approved National Military Establishment appropriation bill, now awaits Senate action.

The following break-down shows what each of the armed services would receive under H. R. 4146 for the fiscal year 1950, as compared with the amounts granted by Congress last year for the current fiscal year 1949:

National Military Establishment

[In millions of dollars]

	Appropriation for 1949	President's request for 1950	Approved by House for 1950	Increase (+) or decrease (−) by House over 1949
CASH APPROPRIATIONS				
Army [1]	5,714.0	4,604.9	4,481.8	−1,232.8
Navy	3,662.0	4,408.0	4,375.3	+713.3
Air Force [1]	896.8	4,000.9	4,222.9	+3,326.1
Other	181.0	206.1	192.7	+11.7
Total cash	10,454.4	13,219.9	13,272.7	+2,818.3
CONTRACT AUTHORIZATIONS				
Army	220.0			−220.0
Navy	558.6	643.5	643.5	+84.9
Air Force		1,415.0	1,992.8	+1,992.8
Total military appropriations	11,233.0	15,278.4	15,909.0	+4,676.0

[1] Army appropriations for 1949 include 1,734.4 million dollars for support of the Air Force. In reality, therefore, cash appropriations for the Army were increased 501.6 million dollars instead of decreased 1,232.8 million dollars, and Air Force appropriations were increased 1,591.7 million dollars instead of 3,326.1 million dollars.

Large sums wanted for procurement and construction

Of the proposed $4,676,000,000 net increase in cash appropriations and contract authorizations combined, $4,110,500,000 represent net increases in procurement and construction for the three services. The major items are as follows:

Cash appropriations for Army ordnance have been increased from $610,000,000 in 1949 to $730,000,000 for 1950. Navy ship construction has been upped from $56,800,000 to $168,000,000. For Navy aircraft procurement the House has allowed $523,100,000 in cash appropriations and $576,500,000 in contract authority, as against nothing for 1949. Aircraft outlays for the Air Force for 1950 include $1,100,000,000 in cash appropriations and $1,992,800,000 in contract authorizations.

How much is $15,900,000,000?

In World War I, the two big spending years were 1918 and 1919. In those 2 years combined the United States expended a total of $17,160,000,000 on its armed forces—only a billion and a quarter dollars more than the $15,909,000,000 wanted to maintain our armed forces in 1950, the fifth peacetime year after VJ-day.

This figure of $15,909,000,000 exceeds the total estimated amount of taxes collected this year for the support of all our State governments, all our county governments, all our municipalities, and all our public-school systems combined.

The $15,900,000,000 is more than the aggregate expenditures of our Federal Government for all purposes in the first 110 years of its existence, from 1789 through 1898—including the financing of three major wars.

Fifteen billion nine hundred million dollars not the whole story

National defense today includes, for the United States at least, much more than the maintenance of the National Military Establishment. It includes our participation in the Atlantic Pact, which involves cash appropriations of $1,130,000,000 and contributions of surplus war materials toward the arming of friendly North Atlantic nations—all subject to congressional approval. What the Atlantic Pact will cost us in subsequent years has not yet been disclosed.

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Then there are the foreign-aid programs—Economic Cooperation Administration ($4,198,000,000),[1] Government and relief in occupied areas $1,000,000,000), and other foreign aid totaling $320,000,000—a grand total of $5,518,000,000 of appropriations for 1950. The primary purpose of all these programs, according to their sponsoring agencies, is national defense, although humanitarian and economic objectives also have a place in the picture here.

Taking all these outlays together, we find that it is proposed to appropriate an overall total of $22,557,000,000 for the broad purposes of national security for the fiscal year 1950. This is more than 10 percent of the national income.

Dr. Nourse suggests a blueprint

Government expenditures of this size naturally have serious implications for the national economy as a whole. These were admirably reviewed recently by Dr. Edwin G. Nourse, Chairman of the Council of Economic Advisors to the President.

Pointing out that some people contend that a military budget of $15,000,000,000 provides a welcome prop against sagging commodity and labor markets, Dr. Nourse warned that this idea has some validity but requires important qualifications. Observing that large wartime and postwar outlays for national defense have compelled the curtailment or deferment of many public works and other domestic programs, he said, "All these domestic civilian needs are still there, ready to employ any manpower or block of materials made available by reduction of preparedness effort."

He added: "A defense program that is guided exclusively by the most perfect military considerations may impair economic and financial preparedness, or give fuel to the development of a fifth column in our midst and thereby undermine its own effectiveness."

Dr. Nourse urged an integration of military, Atlantic Pact, and ECA activities so as to buy better security at the same cost or even at lower cost. This meant, he said, that we must rework the whole operational and financial plan so as to gain maximum security with minimum strain on our economy. The problem needs to be handled with unsentimental business efficiency.

Fantastic waste in armed services

Waste of funds, materials, and manpower in the armed forces is nothing short of fantastic. Every survey, hearing, and investigation on the subject of national defense activities has disclosed new evidences of mismanagement, duplication, wasteful interservice competition, and an almost universal lack of comprehension by the military "brass" of the value of tax dollars.

The findings of the Commission on Organization of the Executive Branch offer the most recent contributions in this regard. Testifying before the Senate Armed Services Committee a short while ago, Herbert Hoover, Chairman of the Commission, indicated that savings of at least $1,500,000,000 could be made in the National Military Establishment through adoption of the budgetary reforms proposed by the Commission. How many more billions could be saved through unification of the three armed services can only be guessed at.

Instances cited by the Hoover Commission's task force showing how national defense funds have been and are being wasted would fill far too many pages of a single Spending Facts bulletin. So, we present only a few which can be simply stated:

Of the 86,000 tanks produced in the United States during the war, 25,045 were on hand at the end of the war according to Army statistics, but the Army could only account for 17,875.

Under the requested 1950 National Guard appropriation, an error of $30,000,000 was caused by a clerical mistake of inserting a "3" before the item of $9,000,000 for 155-millimeter howitzers.

Bethesda Naval Hospital gets funds from 12 separate appropriations, with no summary anywhere to show what the hospital's overall costs are.

The Government sought funds to build 910 family houses in Alaska for Air Force personnel at a cost of $58,350 each, 828 houses in Guam at a cost of $48,000 apiece, and 7,880 houses in the United States at $18,600 apiece.

One manufacturer furnished a replacement part to the Navy at $63 each, but the same item, under a different Navy identification number, could have been procured from the prime manufacturer at $9.06 each.

National defense budget a "sacred cow"

Congressional efforts to cut excessive spending in the armed forces' budgets are made difficult by the fact that appropriations for National Defense are viewed by large segments of the public as a "sacred cow," especially during these days of cold war.

The admirals and generals certainly do not try to discourage this public attitude. On the contrary, they repeatedly utilize their huge propaganda and lobbying machines—financed by the taxpayers largely—to break down Congressional resistance to their excessive requests. One recent instance was the campaign of the Air Force to obtain from Congress larger appropriations than the President was willing to recommend.

Real headway against unduly large national defense expenditures can be made as soon as Congress feels that a more critical approach on its part to such expenditures will have public support.

ALVIN A. BURGER,
Research Director.

[1] This does not include funds for the last quarter of fiscal 1949 which are yet to be appropriated and are estimated by the President at $1,047,000,000.

Earl Godwin's Comment

EXTENSION OF REMARKS
OF
HON. ED GOSSETT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. GOSSETT. Mr. Speaker, most of us are acquainted with Mr. Earl Godwin, who has long been one of the outstanding newspapermen and radio commentators of Washington. Mr. Godwin's honest, factual, and humanitarian approach to the news has won him the respect and confidence of Congressmen for many years.

Among those who have commented upon the tragic events which led to the untimely death of the Honorable James Forrestal, none have been more realistic and honest in their appraisals than Mr. Earl Godwin. In his broadcast of last Monday, he had this to say:

One reason why James Forrestal ended his life was the pounding of vast cruelty inflicted on him by editors and commentators who had an ax to grind or an exclusive scandal to sell or spout; also, a flood of abusive letters reached him because of his stand on Middle East oil.

At least one organization of women, not far from Washington—in Silver Spring, to be exact—is determined to raise its combined voice against the "hounding to death" (they use that expression) of a public servant. Women can snowball an idea into an avalanche.

Mr. Speaker, all of us should hope that the time will soon come in America when public opinion will not tolerate slanderous or libelous abuse of sincere public officials who courageously endeavor to do their duty and to serve their country.

Jim Forrestal

EXTENSION OF REMARKS
OF
HON. F. EDWARD HÉBERT
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. HÉBERT. Mr. Speaker, no finer tribute could have been paid James Forrestal than the one paid him by the eminent George Sokolsky in his broadcast last night over the American Broadcasting System.

I have obtained the script of that broadcast from Mr. Sokolsky, and, with the permission of the House, I submit here for all of you to read:

Good evening. This is George Sokolsky speaking on the forces and events of these days.

Wars take their toll in the minds and lives of men long after the fighting is over. The broken and maimed, the crippled, the psychopathic, the disillusioned and hopeless remain to face the rest of their days. And their families have to face them, too.

And not all the heroes of any war are the soldiers and sailors and air men. Many a man and woman, during the last war, sat at a desk, working long and trying hours in Government or private offices, or in factories, making the things that soldiers need. And many a mother won her first gray hairs worrying about her son. Heroism, sacrifice, service is limited to no one group.

For nine long years James Forrestal so labored with no holidays, no rest, no peace of mind. He served his country as Assistant Secretary of the Navy, as Secretary of the Navy, as Secretary of Defense. A tireless, energetic, nervous worker, he pushed himself as he pushed others, himself even more than others. He came into office to serve a country unprepared for war. He labored to get his country ready. He had to face Pearl Harbor with the frightful errors that brought upon us that calamity. He directed the Navy throughout the war.

And when it was over, he took on the task of organizing and directing the unification of the armed services—a task which involved constant quarrels, back-biting and political chicanery, all of which became his daily fare, and all of which he somehow had to fight off. Every act led to personal attack and abuse and to that frightful dissection of motives and the gossip of columnists and commentators which have become so great a trial not only to public officials but to sensitive persons in every walk of life.

James Forrestal was a patriotic American. He gave up a profitable banking business to serve his country. His reward was an abuse that struck at his sensitivity and dignity. He became very tired. "Occupational fatigue," they diagnosed his illness. Perhaps it would have been better to say that he suffered from sadness and disillusionment.

I last saw Forrestal on March 17 at the dinner at the Hotel Astor in New York, when he addressed the friendly sons of St. Pat-

rick. We talked for a very few moments. He was all skin and bones. On that occasion he made a fervent plea that everyone should support his successor as Secretary of Defense, Louis Johnson. It was as though he were saying: "This job broke me. Don't let it break my successor."

There can be no question but that on that occasion, St. Patrick's Day, Jim Forrestal was a well but frightfully tired man. He was out of office and about to take a rest.

Forrestal did not wish to leave the office of Secretary of Defense at that moment. He was serving on the Hoover Commission on the organization of the executive branch of Government and he wanted to see its report on the armed services through Congress. His very close friend, Ferdinand Eberstadt, had prepared that report and it proved the need for new legislation for tightening our defenses. Forrestal expected to be permitted to see the Eberstadt report through Congress in the form of legislative enactment.

I know that on the Sunday previous to the acceptance of his resignation, he had not expected to leave office. For on that Sunday night, he spoke of things to do about the Hoover Commission's work as though he were going ahead. It must have been a frightful shock to Forrestal to discover that after all his labors, he was unwanted. Tired as he was, it knocked him down.

During the past month I had kept close to this situation. I knew he was improving. I even looked forward to visiting him. Then I heard that he was being psychoanalyzed, for it was suspected that a great hurt was bothering him. Suicide had been in his mind.

James Forrestal was a sensitive, intellectual person, deeply read in philosophy and literature. His fine memory held lines of poetry. Last night he read Sophocles and he must have seen those lines in Ajax, which speak so bitterly of human friendship:

"I for my own part, having learnt of late
Those hateful to us we are not to hate
As though they might not soon be friends again,
Intend to measure, now the services
I render to my friend, as if not so
To abide forever; for of mortals most
Find friendship an unstable anchorage."

And there, too, he must have read this:

"Men of perverse opinion do not know
The excellence of what is in their hands,
Till some one dash it from them."

And also, he read Alcestis by Euripides which to offset the pessimism of the night contains these lines:

"Old men's prayers for death are lying prayers, in which they abuse old age and long extent of life. But when death draws near, not one is willing to die, and age no longer is a burden to them."

Yet life had for him lost its meaning and its fascination. To live without prospect of service was not to live. He could not devote himself to futility, to watching the sun rise and set each day and to wondering what depth of gloom the morrow would bring. He ended his life.

We, as a people, are merciless with our public officials. We wear them out. We demand of them Herculean tasks and afford them little compensation in money, in honors, in those dignities of person which are often more valued than wages. We ignore their virtues and speak only of their errors of judgment or acts. Selecting our own governments, we choose only too often the least capable and then expect of them such wonders as they cannot perform. When so able a man as Forrestal agrees to serve us, we tear him apart, rejecting his competent counsel and forcing upon him the indignity of defending his motives. We throw him to the wolves of partisan politics and subject him to the caprices of politicians who enjoy office more than honor, and the game, as they call it, more than the truth. We batter our best men and praise only those who possess charm and who can smile like a movie actor on demonstration. Our gratitude is not for the constructive minds and personalities; our praise is for him who is most sensational and who outpromises his competitors for public applause.

There is no national dynamics in that, no national strength, no enduring greatness. For what we say to the competent is that the incompetent are just as worthy, and more so if they can amuse. Our officials waste the little strength and the few precious years that God has given any of us in appeasing their opponents and in winning public favor, when they should be permitted to work at their tasks with unabated fervor.

Forrestal, in my memory, will never be one who committed suicide. He was killed in service. He died a hero and a martyr.

And as the years move on, we shall more and more wonder what for. During the days of the war, few raised their voices to criticize Tehran and Yalta and all the crimes committed in the name of democracy and peace. I know that Forrestal did not agree with the crimes committed against such countries as Poland and China. But he went along doing the job he felt he had to do. It must have riled his deeply patriotic sense to see his country subordinated in policy to Russia. A competent student of Marxism, he knew how evil that system can be and as one reared a Christian, he realized, as he told me last summer, that our civilization must be fought for every day, if it is to be preserved. He knew that we were not fighting for our civilization.

He loved the Navy and believed in its great traditions and values. He realized that with every dramatic and startling development in aviation, more and more people would be influenced to believe that the air arm would save us in the next war. And while he accepted fully the value of air fighting, he still believed the Navy essential. It was the struggle, between air and Navy that wore him down. It was that fight that, in the end, killed him.

I spoke to you of as competent an official as this country has ever had.

James Forrestal was born in a small town, Beacon, N. Y. His was an Horatio Alger rise in the big city where he became a leading banker and eventually a high-ranking public official. His was a quiet disposition, somewhat aloof.

Some believe that they die. But nothing in God's universe dies. Nothing disappears. Nothing is lost. Life is eternal and everlasting.

And Forrestal's memory will be crowned by his work for his country in the trying days of the past 10 years. It was a life not wasted.

Thank you. This is George Sokolsky. Good night.

Rural Roads

EXTENSION OF REMARKS

OF

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1949

Mr. TEAGUE. Mr. Speaker, I have been interested in the possibilities of providing additional Federal grants to the States in an effort to accelerate our rural road-building program which was interrupted during the recent war.

On January 5, I introduced legislation which would supplement the present Federal Aid Road Act and if enacted into law would provide additional assistance to States for their rural-road programs.

On April 27 the Senate Public Works Committee held its hearings on similar legislation and I took advantage of the opportunity afforded me by appearing in support of these bills. It is my hope that we will be successful in providing an adequate rural-roads program during this session of Congress.

Under leave to extend my remarks in the RECORD, I wish to include a House concurrent resolution adopted by the Texas Legislature which is clear indication that such a rural-roads program will meet with its full approval:

House Concurrent Resolution 76

Whereas it has come to the attention of the Texas Legislature that the National Congress has under consideration possible legislation that would make available to the States additional Federal grants for the construction of farm-to-market roads; and

Whereas the Texas Legislature has just enacted into law senate bill No. 287 making available from State sources additional funds for the construction of farm-to-market roads which funds would be available for the matching of such possible additional Federal grant; and

Whereas the Texas Legislature considers it of primary importance that additional mileage of farm-to-market roads be constructed as early as possible in order to better serve our rural areas and to develop all-weather school-bus routes and mail routes: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That we urge careful consideration of legislation making available additional Federal grants for the construction of farm-to-market roads, and that a copy of this resolution be sent to all Representatives of the State of Texas in the National Congress and members of the subcommitte on roads of the Public Works Committee of the United States Senate, with the statement that Texas is ready and willing to match such possible additional Federal grants when they are made.

Many "Foreign" Places Within State's Borders

EXTENSION OF REMARKS

OF

HON. ANTONI N. SADLAK

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1949

Mr. SADLAK. Mr. Speaker, the Hartford (Conn.) Times for Monday, May 23, 1949, contained a very interesting article for which Dean Arthur H. Hughes, of Trinity College, Hartford, is responsible.

It is commended to my colleagues as an example of the unusual that may be found in the Great Constitution State.

MANY "FOREIGN" PLACES WITHIN STATE'S BORDERS

Nutmeggers, without going outside the State, can in a single day make a tour through Canada, Egypt, Hungary, Palestine, Poland, Scotland, and Siam. Furthermore, they can take side trips to Algiers, Berlin, Brunswick, Damascus, Dublin, Hamburg, Hanover, Jerusalem, Lisbon, Quebec, and Riga.

So says Dean Arthur H. Hughes, of Trinity College, who has taken the map of Connecticut apart and cataloged some 10,000 place

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names ranging from Abbey Brook to Zogg Brook. And, contrary to popular opinion, only 4 percent of the names are of Indian origin and only 6 percent were imported from Great Britain.

Chestnut Hill, say Dean Hughes, is tied with Prospect Hill as the place name occurring most often in the State. There are 18 of each.

The Bay State influence crops up in 11 Bostons in Connecticut, including New Boston and Little Boston, 3 Bunker Hills, 5 Beacon Hills.

"What with Devil's Hopyards, Satan's Kingdom, and the like," Dean Hughes says, "I find 12 places in Connecticut that are literally the property of the Prince of Darkness, but I am sorry to report that I can find no corresponding and compensating appellations that belong to the side of the angels, with the exception of Promised Land in Seymour."

Dean Hughes really gets down to the oddities when he tells of Hardscrabble in Warren and Pinchgut in Danbury "reminiscent of the hard times encountered by the early settlers." Then there's Bangall in Stamford, named for the noise made by a tin shop once located there, and Dog's Misery, a swamp in Meriden "where many a member of the canine family has come to grief."

The toughie that would break up any spelling bee is Naromiyocknowhusunkatankshunk Brook in Sherman. "It is spelled with 29 letters," comments the Trinity researcher, "and I understand that the State highway commissioner has a problem in maintaining signs at culverts where it is crossed by roads."

Of course, Podunk in South Windsor is mentioned along with the comment that it's too bad there is no post office there to add to the curious and unusual postal addresses in the Nation.

And anyone going fishing who says he's headed for Roaring Brook may be at any one of 11 places in the State. As for Mill Brooks, there are 14 of them.

A Modern Tragedy

EXTENSION OF REMARKS
OF
HON. F. EDWARD HÉBERT
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 23, 1949

Mr. HÉBERT. Mr. Speaker, from time to time I have taken the privilege of directing the attention of this House to editorials from the New Orleans Item.

Today I have asked the privilege of directing your attention to another editorial from this great newspaper which demonstrates that Jim Forrestal belonged to no particular section of this Nation but belonged to the whole country.

A very good friend of mine, Bill Korns, wrote this particular editorial. As a friend of Jim Forrestal's I deeply appreciate the deep insight and understanding of this man's character by Bill Korns. It is a human, living editorial and one of the most profound pieces of writing that has ever come to my attention.

It could well be an editorial about many other individuals possessed of the same sensitive, deep nature of Jim Forrestal. It could well be an evaluation and appreciation of who might even be our neighbors.

It is an editorial as deep and understanding as Jim Forrestal was in life, as unforgettable as Jim Forrestal will remain in death.

The editorial:

A MODERN TRAGEDY

The universal shock caused by the death of James Forrestal is in keeping with the stark tragedy of his last act. Sophocles, to whom he turned in his darkest hour, never penned a more heart-rending or revealing portrait of the mind in torment than was acted out in life and in death by this American patriot.

It is difficult, if not impossible, for men and women to achieve real understanding of human actions unless they have experienced them. It is both a physiological and psychological fact that every person has his breaking point. But very few of us are ever brought face to face with the crucial test, and we become slightly smug, inclined to overrate our personal woes and underestimate our fellow men. The genius of the Greek tragedies lies in their power to awaken a degree of insight into the human spirit, with all its capacity for strength and for weakness. The experience of James Forrestal should provide a similar stimulus.

Here was a man who, until his arrival on the national scene almost 9 years ago, had trod the well-worn American path to personal success. Born of immigrant parents, he had worked up to a leading position in the American financial world while still a comparatively young man. When he enlisted in Government service in 1940, at the urging of President Roosevelt, there was nothing to indicate that he might not soon be back at his desk in Wall Street.

But circumstances dictated otherwise. His executive ability combined with marching events determined his choice as Under Secretary of the Navy. War broke out and thrust upon his shoulders the immense burden of building a Navy to meet and defeat the enemy. Even here, however, he could indulge to some degree his passion for anonymity.

Then in 1944 Secretary Frank Knox died, and James Forrestal became his logical successor. His responsibilities increased at once and continued through victory and demobilization. But the time when he and countless others might lay down their heavy tasks and return to the more leasurely pursuits of civilian life, never arrived. Events again conspired to return this Nation to a state of watchful preparedness. When Congress decreed unification of the armed services, President Truman called on him to be our first Secretary of Defense.

How well he performed that unparalleled and thankless task can best be left to historians of the future. For the heat of the criticism heaped upon him during the past 2 years has yet to cool. The fact is that few persons outside the Defense Establishment can have any notion of the degree to which interservice rivalries and moss-encrusted traditions have blocked the road to early unification. But James Forrestal patiently laid the foundations of an organization which we have reason to believe will eventually bring order out of chaos.

In the process, he endured silently the slings and arrows of the backbiters and armchair critics. Perhaps had he been capable of retorting in kind, the mounting pressure would have been eased. Conscientious to the nth degree, selfless in his devoted application to the job before him, his mind could find no rest from the worries of the job and the nagging insistence of his detractors. They proved too much and he collapsed. He had reached his breaking point.

But it is in the denouement that true tragedy emerges. There was to be no happy ending, with mind and body restored to health and usefulness through long convalescence free of the responsibilities of office. Although he had handed on to another his back-breaking assignment, and was receiving the best of medical care, he could find no release from the accumulated tensions of 9 years in the service of his country. In his extremity, death at his own hand offered the only avenue.

The American people owe an unredeemable debt of gratitude to James Forrestal. All will agree with President Truman's statement that he was "as truly a casualty of the war as if he had died on the firing line." But we also owe to him the understanding born of humility and charity. There will be many persons whose heads are bowed with the thought, "There, but for the grace of God, go I."

Reorganization of the Executive Branch

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. TEAGUE. Mr. Speaker, the Congress is called upon to make many important decisions and to see that these decisions are carried out and placed into operation. The Congress took a step in the right direction when it authorized a commission to study our greatly expanded executive branch to determine where services could be improved, duplications eliminated, and savings for the taxpayers effected.

The Hoover Commission has completed its work and has submitted its reports on the reorganization of the executive branch to the Congress. I believe that this Commission has accomplished a great service to this country and I trust that we will soon see placed into operation many of the changes suggested.

Congressman GEORGE SMATHERS, of Florida, has made a careful study of the Hoover Commission reports and in a recent radio address to the people of Florida he has clearly stated the necessity of reorganizing our executive branch. I invite you to read the speech of COL.GRESSMAN SMATHERS which I am having placed in the RECORD under leave to extend my remarks:

HOOVER COMMISSION REPORTS

Several weeks ago I visited the former naval air station at Banana River, Fla. That's in Brevard County between Cocoa and Melbourne. The former navy base is now to be used by the Air Force, in conjunction with the Navy and Army, as an experimental testing station for guided missiles. While touring around the base, I was shown through a large warehouse which contained thousands and thousands of articles of every description: Nuts, bolts, beds, iceboxes, tires, airplane engines, umbrellas, and so on.

There were several dozen men working in the warehouse, and it was obvious that they were taking an inventory. I asked the Air Force officer who was showing us around, "Didn't the Navy leave a list of what was in here when this base was turned over to the Air Force?" He answered, Yes, the Navy had given the Air Force a list of the articles in

the warehouse but that the Navy and Air Force have different designations for the same articles so that the Navy list meant nothing to the Air Force. The Air Force men could examine the Navy's list of inventory, but because the Air Force called things by different names and numbers than did the Navy, the Navy list was meaningless; it might as well have been written in Chinese and it was, therefore, necessary to inventory everything again and redesignate it at a cost of some $50,000.

This little incident is shocking. It points out a most wasteful and senseless practice which daily goes on but it could be multiplied hundreds of times and the sum total of the waste is breathtaking to even imagine. Large-scale inefficiency, wide-spread carelessness, unnecessary red tape, unbelievable duplication, and inexcusable extravagance are today rampant in our Government agencies. As a result, you and I, as taxpayers, are paying several billions of dollars in taxes each year which could be saved. This is not a wild charge; it's a conclusion based on the Hoover Commission reports and on statements of the Comptroller General of the United States, who, as chief Government accountant, knows more than any other person about how your tax dollar is spent.

Our Federal Government is the world's largest business and each American holds a single share of stock in that business. We have a right to expect—but we should not assume—that our Government will be run as economically as possible.

The Constitution divides the Government into three branches—the judiciary, the legislative and the executive. The Congress creates agencies, boards, departments and commissions and upon their creation they form a part of the executive branch of government. So to study the operation of our Government—from an efficiency standpoint—we must analyze the executive branch, which is headed by the President.

During 160 years our population and production have increased tremendously, but so has the size of government and particularly the executive branch. Today the executive branch employs 2,092,180 people; now hold onto your hats; there people are distributed into 9 departments, 104 bureaus, 12 sections, 108 services, 51 branches, 460 offices, 631 divisions, 19 administrations, 6 agencies, 16 areas, 40 boards, 6 commands, 20 commissions, 19 corporations, 5 groups, 10 headquarters, 20 units, 3 authorities, and 263 miscellaneous and functionally designated parts. No doubt George Washington and Thomas Jefferson have rolled over in their graves many times when contemplating this maze and galaxy of governmental agencies.

President Franklin D. Roosevelt recognized this problem. In 1937 he said, "The executive structure of the Government is sadly out of date. * * * Neither the President nor the Congress can exercise effective supervision and direction over such a chaos of establishments, nor can overlapping, duplication and contradictory policies be avoided."

When President Roosevelt made that very sage observation the Government was only spending $8,000,000,000 a year, whereas in the present fiscal year our governmental activities will amount to $40,000,000,000, so that the problem as stated by Roosevelt has multiplied five times.

Two years ago the Congress created a Commission to study the executive department and to submit plans for bringing order from chaos, economy from waste. The Commission was to consist of six Democrats and six Republicans. President Truman selected as Chairman of that Commission ex-President Herbert Hoover, which has resulted in its being popularly known as the Hoover Commission. From January to May of this year the Commission submitted its reports to Congress in 18 installments. The findings and recommendations are of paramount concern to every citizen of the United States.

The thorough studies made by the Commission revealed in detail what had been generally realized—that our Government is full of duplication and contradiction, carelessness and inefficiency—all resulting in gross waste.

For example, two different Government agencies, the Army engineers and the Bureau of Reclamation, each drew up plans for the building of a reclamation project at Hell's Canyon, Idaho. Each set of plans cost the taxpayers a quarter of a million dollars. Strangely enough, the plans differed in many essential particulars and by over $75,000,000 as to the cost of construction. On one recent occasion the Congress appropriated money for a project in the Middle West on the assumption it would cost $44,000,000—it finally cost $131,800,000. The Hungry Horse project in Montana grew from an estimated $6,300,000 to an actual cost of $93,500,000—more than 15 times the original estimate.

In a single county in Georgia it was discovered that there were 47 employees of 7 separate Federal field services advising 1,500 cotton farmers.

Construction costs of Government hospitals run as high as $51,000 per bed as compared with an estimated $16,000 per bed for voluntary or private hospitals.

In a private insurance company each employee handles an average work-load of 1,762 policies, yet in the Veterans' Administration each employee handles only an average of 450 policies. In other words, it takes over four times as many employees for the Veterans' Administration to handle the same number of policies as it does in a private insurance company. Although privately owned insurance companies pay the vast majority of their death claims within 15 days after notice of death, the average time for the Veterans' Administration to pay a death claim is 80 days.

The Hoover Commission found that personnel difficulties are the roots of much of the waste in our Government. Frustrating red tape, cumbersome recruiting machinery, low pay scales, and little opportunity for advancement prevent the Government from securing and keeping able workers. On the other hand, it is too difficult to get rid of incompetent or superfluous workers. In one bureau checked, 24 subordinates receive as much salary as their chief. Inexperienced help start at salaries not so many thousand dollars below the maximum that can be possibly earned after years of experience. It takes an average of 7 months to fire an incompetent worker. Some have been known to appeal and hold on to their jobs as long as 17 months.

Carelessness of personnel accounts for considerable loss to the Government each year. For example, one agency paid a bill twice in the amount of $20,250. One Government inspector accepted what was supposed to be a 25-ton crane but was later found to be an 11-ton crane, with a resultant loss of $6,534. The Department of Justice is now trying to recover about $2,000,000,000 overpaid to transportation companies during the last war.

Poor accounting systems are also responsible for millions of dollars wasted each year. The maze of figures—with no rhyme or reason—which attempt to explain Government expenses are wholly inadequate and fail to give Congress and the country a clear picture of what is happening to the tax dollar.

Careful examinations of the budget show that bureaus often cost much more to operate than would at first appear. For example, one particular service receives an appropriation of $26,000,000 a year for its operation, but it also draws on funds from other appropriations to the extent that it actually costs $43,000,000. Each year the President recommends in his budget and the Congress appropriates money to the Bureau of Mines for operating rescue cars and aid stations and for the investigation of accidents. The amount appropriated this year was $1,175,000, yet the Bureau of Mines discontinued this service over 2 years ago and the funds so appropriated are being divided among five other activities without notice being given to the Congress. The result is that, by merely examining the appropriations, no one could tell where the money is really going.

Many Government corporations invest their surpluses in Government bonds and collect the interest on which they operate. The Congress, of course, appropriates money to pay interest on bonds and, therefore, is actually appropriating money twice to operate the same Government corporation, and without knowing it. For example, the Panama Railroad, a Government corporation, piled up a surplus of $10,000,000 which it invested in bonds instead of returning it to the Federal Treasury. The results of such fancy and deceptive bookkeeping is nothing short of confusion compounded, and makes it next to impossible to either get an accurate picture of, or properly control, Federal spending.

In its 18 reports to Congress the Hoover Commission has made specific recommendations for correcting this maze of incompetency and inefficiency which is now corroding our Government. Since the President must work as the head of the executive branch, the actual reorganization should be left up to him. However, he must have congressional authority to make the needed changes so we in the House passed a bill some time ago authorizing the President to reorganize the executive branch. The Senate last week, after a long delay, passed a similar bill.

The House and Senate bills differ in that the House bill would permit the President to make any reorganization he thought desirable, subject to a veto of both the House and Senate within 60 days. However, the Senate bill would permit either the House or Senate to veto the President's action. I don't think the Senate action advisable, and it reflects the effective propaganda barrage that some of these agencies can put out. They are afraid they will be eliminated and want to check the President's authority to reorganize as much as possible.

Reorganization is—like the weather—something everybody talks about but does nothing about it. Every bureaucrat will readily admit that reorganization is necessary but he will always add "leave my department alone." With Government reaching unprecedented size—with necessary Government expenditures requiring more and more money—we can no longer afford wasteful losses through inefficiency. When Government was a small enterprise, waste was comparably a mere trickle. But today that trickle has become a raging swollen Mississippi River amounting to waste too tremendous to be borne by already overburdened taxpayers. We must stop up the leaks—and do it now.

The Hoover Commission has accomplished a notable service for our country and we should lose no time in taking advantage of its findings and recommendations. It will ultimately mean money in your pocket and mine, for if we restore order and competency to our Government—to borrow from Shakespeare, as day follows night, so will economy follow efficiency. You must keep on this project by insisting that your Congressmen and Senators support the Hoover Commission findings without reservations or qualifications.

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Mr. Bowles' Formula for Unemployment

EXTENSION OF REMARKS
OF
HON. ANTONI N. SADLAK
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. SADLAK. Mr. Speaker, under leave to extend my remarks, I desire to include an editorial from the New Haven (Conn.) Evening Register of May 20, 1949, entitled "Mr. Bowles' Formula for Unemployment."

My colleagues will recall the many occasions, since the beginning of the Eighty-first Congress, wherein from the well of the House I invited their attention to the increasing number of claims for unemployment benefits reported, in accordance with law, each week by the responsible authority of the State of Connecticut, namely, the commissioner of labor.

Realizing that growing unemployment meant longer lines of claimants, who had to spend much time in line in order to have their claims processed due to a lack of personnel in field offices, I sought additional funds to be sent back to the States in order that they might provide adequate personnel to cope with the situation.

Of course, I have reference to my amendment of $14,000,000 in H. R. 2632, the first deficiency appropriation of 1949. This amendment failed of passage in the House on February 16; perhaps because of the contention, as I have heard it expressed, that I was an alarmist and that a serious unemployment situation was not developing, and that unemployment was temporary and seasonal.

The other body restored my amendment when the measure passed the Senate on April 13, and the House unanimously agreed to the restoration of the full amount of my amendment on May 16—the President approved the amendment in the appropriation bill on May 24, when the bill became Public Law 71.

It was also contended by Democrats in my district, the State of Connecticut, that the ever-increasing number of layoffs, lessened number of hours for those who were working, plus week-on and week-off employment, was merely a seasonal condition and nothing about which to be alarmed. It is for this reason, among the others that I have mentioned, that I invite the attention of the Members of the House to the editorial concerning the program of Chester Bowles, the Governor of the great State of Connecticut. Many Members, I feel sure, are acquainted with the Governor who formerly held the positions of OPA Administrator and economic stabilizer.

The editorial follows:

MR. BOWLES' FORMULA FOR UNEMPLOYMENT

Governor Bowles suddenly has awakened to the fact that the Connecticut unemployment situation is serious. However, instead of taking the proper steps to emeliorate this situation through governmental economies and legislation that would encourage the business community, the Governor seizes upon it as a political weapon to use upon behalf of his reckless spending program. Like his Washington counterparts, Mr. Bowles now has the effrontery to propose that Connecticut resort to that discredited New Deal practice of attempting to spend its way to prosperity.

The fact that Connecticut now has more than 76,000 unemployment compensation recipients plus 15,000 or more who have already exhausted these benefits, is serious. Of that there can be no doubt. Every right-minded person is concerned, and deeply concerned. They realize that steps are necessary to relieve this situation, after taking the essential steps that will prevent it from going further.

Those steps must consist of economy in government, National, State, and local. They must consist in logical and equitable reduction in taxation so that the funds for investment and expansion and plant building capital may be released to open new avenues for gainful and genuinely productive employment. Even those who once hummed the New Deal tune in Washington are becoming aware of this fact and are now setting themselves up as disciples of economy and moderation in taxation. While their conversion is belated, it is nonetheless welcome.

Not so Mr. Bowles. He visions as a cure for this suddenly discovered serious situation more of the same doses that brought it on. He now uses it as a promotional device upon behalf of his ridiculous $75,000,000 bonding program.

No wonder the situation is serious. No one has done more to make it so than Mr. Bowles himself. No one at the present time is doing more than Mr. Bowles to make it yet more serious.

Instead of realizing that it was his reckless spending proposals that alarmed business in Connecticut and added greatly to the numbers laid off because of an anticipated down-turn in the volume of wartime business, Mr. Bowles now advances propositions that would increase this alarm and create additional unemployment.

If he thinks that he is thus presenting a good argument on behalf of his $75,000,000 bonding fantasy, he is much mistaken.

Does the fact that he now attempts to sell this bonding program as a cure for near-depression conditions, mean that he has retreated from his original position? At the outset Mr. Bowles declared this bond issue was a necessity in its own right. Why does he now sing a far different tune?

All this has a very familiar ring. This same type of double talk has come to us from Washington for the past 20 years. There the cure for inflation, recession depression, or any economic condition one can envision, has ever been the same. The inevitable remedy for all of these ills has been more spending and more controls. Grim amusement must be drawn from the fact that at this eleventh hour, Mr. Bowles and other junior administrators in State and local fields, adopt it as their very own.

Design for Peace

EXTENSION OF REMARKS
OF
HON. LOUIS B. HELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. HELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times:

DESIGN FOR PEACE

There is a touch of paradox in the fact that the United States program for the expenditure of $1,450,000,000 for arms aid abroad should be set forth in a State Department "peace paper." Yet, this program is designed directly for keeping the peace by making the strength of free nations a deterrent to aggression. The strength that is counted upon is not merely the present economic and military strength of the United States but rather the developed strength of other countries with which we are associated. The program is designed not merely to supply arms at this moment but rather to assist the recovering nations to become and to remain strong.

The program is not only a peace program; it is also a defensive program. Its object is to enable our allies and ourselves to keep our freedom. But it is defensive in another sense. It has been forced upon us against our will. No one supposed at the end of the war that the United States would be obliged to embark upon such an undertaking within a few short years. We had most earnestly hoped that the security of all the nations would be a common enterprise and we gave our enthusiastic support to the machinery of the United Nations designed toward that end. Unhappily that common program, together with international control of atomic weapons and disarmament, has been blocked by one nation. Because of that stoppage we have been obliged to take the second best and only remaining course. Our aim is peace and security, and if one means of finding it is denied to us we are obliged to seek another. This is done in the hope that later we can return to the better course.

Maritime Day

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Joseph K. Carson, Jr., Commissioner United States Maritime Commission, Friday, May 20, 1949, customs house, port of New York:

Mr. Chairman, National Maritime Day is a proper occasion for us to retake our bearings, plot our future course and resolutely determine that we shall avoid the mistakes and omissions of past years and that there shall be under the United States flag at all times the most efficient and effective merchant marine in the world.

I am honored by your invitation which brings me here today. I have, Mr. Chairman, rather wistfully cherished the hope that some day I might keynote the cause of the American merchant marine in New York, the greatest seaport in all the world. I believe in the merchant marine and am proud to be a member of the United States Maritime Commission which is by law committed to "foster the development and encourage the maintenance" of a strong maritime industry. Now, a strong and independent Maritime Commission can do much to prevent the mistakes and omissions of the past but it cannot do the job alone. There must be teamwork by Government, labor and management, if we are to chart a future course which will insure us a position of primacy in world ship-

ping. Lack of teamwork will but lead again to a condition of decadence in our merchant marine and a complete disintegration of our foreign commerce. It is our job—the team's job—to prevent such an eventuality.

All good Americans are proud that there is today upon the high seas, flying the American flag, the best fleet of cargo and tank vessels we have ever had. We have the finest ships, the best crews, and the wisest management. We are now in first place in the maritime league. Our job—the team's job—is to keep our merchant marine in first place—not just in the first division.

Despite our unhappy realization at the beginning of World War I that we had almost no ships of our own to carry our foreign commerce, nevertheless we sank again into a position of near obscurity in overseas shipping during the late twenties and early thirties.

It will serve no purpose here to catalog all our mistakes in the past. Nor will it further the cause of our merchant marine to expend our energies in futile attempts to fix the blame for our shortcomings. We are not here to assess past failures. Our job is to find solutions to the problems which lie ahead—find them quickly and apply them promptly.

In national defense we have never lost our naval supremacy, but we allowed our merchant fleet, indispensable in the logistics of war, practically to disappear. Proof of the indispensability of merchant vessels in war is the fact that we had to build over 50,000,000 deadweight tons of merchant craft between the inception of the emergency and the end of hostilities. When we build a naval vessel we hope it will not be necessary to use it for any purpose other than insurance against war. Many naval vessels have been built only to become obsolete between wars and then scrapped. We build more and charge it up to national defense, and think nothing of it. Neither Navy, Army, nor Air Force can function effectively without a tremendous fleet of merchantmen to support them. Dry-cargo ships, reefers, tankers, and troop carriers are all needed in great numbers. We cannot do without them. Yet, they are about the only weapons of war for which there is a peacetime use. Think of it. Here are instruments indispensable in war which pay most of their own keep and yet on which we have been most niggardly in providing financial assistance. Think of it. Here is an industry, the maritime industry, indispensable to success in war and prosperity in time of peace, which was permitted to languish and made a whipping boy by those bent on its ruin.

At this very time other nations, which we have aided in many respects, are engaging in discrimination against our merchantmen which bids fair to prevent ships of our flag from competing in their foreign trades. Currency restrictions are only one phase of these discriminations. Steps must be taken by our Government to halt such practices.

While we are extremely fortunate that we now have the newest, fastest, most modern ships as the components of our cargo and tank fleets which are providing a regular and dependable service in our foreign trades, we must remember that ships do not stay new. Neither do they remain modern with respect to speed, design, economy and efficiency.

We cannot keep our fleet modern or be assured of regular and dependable service in the foreign trades unless we have a replacement program which will keep our merchant fleet up to date. It should be remembered that our fine cargo and tank vessels have already been in use about one-third of their normal life. In 10 years many vessels we now consider modern will not be able to keep up with the new tonnage that will then be in competition. Ten years is a long time when we think of the future, but as we look backward it seems only a day since Germany invaded Poland and set off World War II. Our passenger fleet was practically wiped out during the war. At the close of hostilities we had less than one-fourth of our prewar passenger carrying capacity.

Therefore, the team—government, labor and management—must solve the problem of keeping our fleet modern and do it promptly.

For the most part, shipyards throughout the country are in need of work. Thousands of skilled workers who learned it the hard way during the war seek employment in shipbuilding. There must be activated an orderly program for the replacement of all of our current merchant fleet. There is no time to lose. In a few years it will be too late for such a program. We may again find ourselves faced with the necessity of building a large number of vessels simultaneously and at great expense, only to have them in turn grow old all at once.

The Commission now has under way the largest passenger-ship construction program in our peacetime history. We are constructing three passenger vessels for the trans-Pacific trade, two for the Mediterranean, and the superliner for the New York-northwest Europe range. The Commission has also authorized calling for bids for the construction of a prototype cargo vessel. The Commission, labor, and the industry collaborated in developing its design. The Commission will soon have plans developed for the construction of a prototype naval auxiliary. So you see, progress is being made.

You know the Commission has let a contract for the building of a superliner. Efforts have been made to prevent the building of this vessel. The Commission, however, was determined to proceed. The Merchant Marine Act of 1936 directs that the Commission devise means for building superliners comparable with those of other nations. Not only that, Congress appropriated funds for that very purpose. There is also another consideration. The United States rates the finest passenger vessel afloat. We are to have just that in this superliner. Passenger ships not only transport people. They are a great aid to business in many ways. The great hotels in New York would soon find cause for concern if passenger liners no longer served the port of New York.

The full restoration of domestic shipping is a must. What was once the most flourishing component of American shipping is now its weakest, never having recovered from the knock-out blow suffered by the war. Competition from various sources, some unfair, together with the higher cost of steamship operation, presents a problem for which no solution has yet been found, but one can and must be.

Among the Commission's statutory duties is that of promoting the welfare and prosperity of the merchant marine. Postwar commitments have made it impossible thus far to put into execution plans for a full-scale maritime promotion program. Last March I submitted the outline of a plan which is now in process of expansion and development. It is most essential that no time be lost in consolidating public opinion on the necessity of the maintenance of a strong merchant marine. The American people must know the necessity of fostering the use of American ships by American shippers. If we depend upon foreign bottoms to carry our export and import commerce, that commerce will dwindle to the vanishing point as it did immediately prior to our entry into World War I.

I am for the American merchant marine without any ifs, ands, or buts, else I would not be here today. I am glad to have a part in fostering a better merchant marine. I intend to fight all who are endeavoring to disrupt the maritime industry by trying to make a governmental scapegoat of the Maritime Commission. All things considered, the Commission has handled well a multitude of knotty postwar problems.

Now, as we emerge from the deluge of war and postwar problems, what are to be the policies of the future? Personally I shall exert every effort to achieve the following aims:

Retention of the 1936 act and the principles embodied in it;

Keep the merchant marine out of the hands and beyond the reach of any influences, governmental or otherwise, which would scuttle it or bargain away its effectiveness;

Get the Government out of the shipping business in peacetime and keep it out;

Halt the discriminatory practices of other nations against our shipping;

Fully rehabilitate our domestic shipping.

Expand and complete a program of the construction of an adequate number of passenger vessels;

Replace our cargo and tank fleets with new and modern vessels;

Carry out a real promotional campaign for the merchant marine.

We have retaken our bearings today and we know where the American merchant marine now stands. We know what must be done in the future if we are to keep the position of primacy we now hold in the shipping world. The job which lies ahead can be done through teamwork—the Government, labor, and management team. Each member has a vital stake in our maritime affairs. Each member of the team will profit by a job well done—each will suffer through complete or partial failure.

Bound together in a community of interest we must go forward, each member of the team doing its full share to the end that we have at all times under the American flag the world's best merchant marine; a merchant marine adequate for trade, travel, and defense; a gallant merchant marine worthy of the pride of every American and commensurate with the might, the dignity, the prestige, and the sovereignty of the United States.

National Housing Problem

EXTENSION OF REMARKS

OF

HON. LOUIS B. HELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1949

Mr. HELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following testimony of Arthur J. Aronson, chairman of the Jewish War Veterans of the United States National Housing Committee, before the Banking and Currency Committee of the House of Representatives this 25th day of April 1949:

Mr. Chairman and members of the Banking and Currency Committee, please permit me to thank you for the privilege of presenting, for your additional consideration, the viewpoint of the Jewish War Veterans of the United States on our national housing problem in general and on H. R. 4009, which you now have before you for consideration, as a solution to America's most critical domestic problem, housing.

To facilitate the deliberation of this committee on a difficult problem, I shall endeavor to avoid reiteration of what witnesses before me have said on the subject. I have

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read the statements submitted to you by Mr. Raymond M. Foley, Housing and Home Finance Administrator and Mr. John Taylor Egan, Public Housing Commissioner. The statements, of these two noted men in housing, were the result of meticulous and conscientious study, and we of the Jewish War Veterans enthusiastically endorse them for your full consideration. For my own part, I should rather present, briefly, some few observations and recommendations for the strengthening of the present bill and, if permitted, to answer some of the arguments which have been raised against public housing.

We believe that H. R. 4009 is a fine bill. With one major exception, it contains recommendations that meet the hopes of our organization as expressed in its national housing policy adopted at the 53rd National Encampment of the Jewish War Veterans with the approval of our national executive committee. H. R. 4009, of course, omits provision for medium-income housing, which we feel is so essential to an intelligent, well-rounded housing policy and program for our country. We feel this omission is a grievous one and we ask you, in your deliberations to so amend the bill as to meet the needs of those uncounted thousands with medium incomes who will otherwise be forgotten, and whose position without a place to live, is just as desperate as that of the people whom the bill was designed to aid.

We believe that H. R. 4009 contains certain inherent self-destructive weaknesses which may bear amendment by your committee. One of the most glaring deficiencies is its provision for the 20-percent rental differential between the upper-rental cealings of low-rent public housing and those lowest rentals at which private enterprise is allegedly providing adequate housing. If the bill is to be enacted with such a restriction, we believe it would leave us with a vast multitude of displaced veterans and citizens who would find themselves, and now do find themselves, ineligible to obtain the benefits of public housing while also unable to obtain private housing as well.

Secondly, the proposed program is predicated on a strict dollar-cost limitation in a field where everyone is too keenly aware that costs are in a continual state of competitive flux. This very type of provision, experience has shown, was basically responsible, years ago, for the failure of construction of housing projects which had already been approved. It could well again be the basis for further failures of construction. It could strongly serve to defeat the very purposes of the national housing policy, so well defined in the bill, by uterly nullifying any implementation of that policy through arbitrary limitations of cost. We believe that the present bill, without this arbitrary limitation, affords sound protection to the people against excessive costs of construction. The bill specifically provides that elaborate or costly designs or materials shall not be used but that cheaper construction shall be made available. Another protection in the bill to possible excessive costs is the provision that average costs, excluding land, demolition, and nondwelling facilities shall not be greater than the average construction costs of dwelling facilities currently produced by private enterprise in a given locality. We believe that these are sufficient safeguards. If we go beyond them we may well, again, be faced with a situation where building costs may extend just beyond the limitations permitted, and all further construction must necessarily end. This is an eventuality we all seek to avoid but, I repeat, it is opposed to the very policy which we seek to establish; the construction of housing for those who need it most.

In addition, we of the Jewish War Veterans are against the 5-year limitation for veterans' preference. We believe that the veteran, just now, perhaps, at the very threshold of his re-integration into the peacetime economy, may need many more years of opportunity to fully and completely readjust himself. We therefore submit that the five-year restriction as to preference is unfair and we urge that it be stricken from the bill. This preference, unquestionably, should be without any period of limitation.

This is the fifth successive year in which the Congress has had the basic principles of H. R. 4009, in one form or another, before it for consideration. Each year they have failed of passage because the people who need housing most have had neither the means nor the influence to dramatize their needs before the public and the Congress. As each of these years have passed, our housing situation has deteriorated to the point where, today, it is the most critical of our domestic problems and is causing indescribable hardships to the people in general and the veteran in particular. It now affects the very phyical security of hundreds of thousands of veterans, the futures of their marriages and the futures of their children, the Americans of tomorrow.

In the face of a condition so threatening to the Nation's moral and physical fibre, millions of dollars that might better have been expended on new construction were used instead to manufacture the myth that legislative proposals such as H. R. 4009 are inspired by Socialists in the Congress of the United States.

In a recent issue of "Headlines," the organ of the Realtors' Washintgon committee, we find such shocking statements as this:

"Three times when the threat of socialized housing, which is again at our door, seemed certain of success, RWC was the spearhead of opposition to it before the committees of Congress. And three times this threatened entry of Government into our business was defeated."

When private enterprise can boast of frustrating the will of vast numbers of the American people, it is playing fast and loose with the representative form of government it professes to cherish. The quotation I have read from the publication of the Realtors' Washington committee is far more encouraging to enemies of our political system than to millions of Americans born and educated to the devout belief that government is the servant of the people.

It cannot be expected that the selfish and short-sighted opponents of Federal aid to public housing will tender any warmer welcome to H. R. 4009 than they offered to previous proposals of this nature. Now, what are the arguments they will advance against this measure? Their offensive against this bill will strike out in three directions.

First, they will reiterate the familiar thesis that the program envisioned by H. R. 4009 will sound the death knell of private enterprise by diverting building materials and killing incentive for building. Simultaneously, they will launch a campaign of psychological warfare to convince the Congress and the people that those who support a public-housing program are dedicated to the belief that the Government owes them housing at half price. And on a third front, they will repeat that public housing is a socialistic concept, a cunning plot by a coalition of radicals devoted to the doctrine of planned economy, who have twisted the facts surrounding the actual housing situation.

I respectfully ask the members of this committee to examine briefly this coming three-pronged attack on the public interest.

The loudest prophecies of the imminent death of incentives have emanated from builders of homes and rental units designed for the pocketbooks of people who wouldn't be in the market for the kinds of dwellings contemplated by public-housing legislation. These early mourners, thrown into a shudder whenever a potential purchaser flinches from exorbitant or unreasonable prices, have thus far found it profitable to avoid investment in public educational material that would apprise their readers that one of the fundamental concerns of the authors of H. R. 4009 was to establish a program that would carefully avoid impairment of private building interests. Nothing in this bill, as it now stands, can divert fair profits from builders and realtors who are now building, selling and renting homes and apartments to those who can afford to pay the prices asked. The real-estate pages of the Nation's press prove beyond any doubt that ample incentives have existed since the end of World War II, and that they continue to exist now. If private builders are to be shorn of incentives for new construction, H. R. 4009 is not the instrument that will do the shearing. Rather, the shears will be wielded by a wilful, destructive few who confuse private enterprise with special privilege.

Examining "Operation Smear" of this grand offensive, the distortion that H. R. 4009 is designed to satisfy the mythical element of the population that is alleged to want housing at half-price, examination of the voluminous library published by the National Association of Real Estate Board and all its associates fails to reveal so much as one reference to the fact that this bill does not propose a Federal construction program. On the contrary, the realtors' literature contains a myriad of assertions that under this bill, the Government will make reckless and wholesale gifts, in the form of subsidies, directly to the people. In the hands of these gentlemen, facts are certainly not stubborn things.

But it is the third, and major, argument of the bitterest opponents of this bill, that is of particular concern to an American veteran. Gentlemen, we of the Jewish War Veterans have expressed our ardent support of such national policies as the European recovery program and the proposed North Atlantic Pact. We were prompt to voice that support because as veterans we are perhaps more sensitive to the needs of our Nation's security than the average nonveteran. It requires an unusual degree of astigmatism not to recognize that we are engaged today in a conflict of ideas and principles on a scale at least as huge as the war we finished fighting less than 4 years ago.

Because our Government and all our people provided us with the means, we were able to make our proper contribution to the security and welfare of our country. We veterans know today that we have no less an obligation to maintain our country's liberty and stability in peace than we had in war. The Jewish War Veterans of the United States of America, and every other American veterans' organization, is conscious that the hot war of 4 years ago has been supplanted by a cold war, and that this cold war must be fought with ideas and principles. In this conflict, we of the Jewish War Veterans are convinced that progressive social legislation of the type of H. R. 4009 can be as important to our country's security as the North Atlantic Pact and the European recovery program. For if we cannot show in a time of social crisis that our Government is responsive to the basic human needs of its citizens, then we shall have suffered a major defeat on the field of ideological combat. We shall have permitted to go unrefuted the angry lies of those who slander us in the arena of world opinion and we shall have encouraged the sinister handful within our gates who can only thrive on the frustration and despair that comes with the denial of so basic a human necessity as adequate shelter.

Gentlemen, it is a rare veteran indeed who can recall that any such device as socialistic planning was employed in war to induce him to give his maximum effort for the safety of our country and the preservation of its liberties. It is therefore something less than heartening for a veteran to be told today that he is giving in to radical political doctrine when he welcomes the introduction of a bill such as H. R. 4009 as a measure calculated to reaffirm the devotion of this free Government to the welfare of its free citizens. I do not have available the precise figures of how many veterans—and for that matter, nonveterans as well—who are living in substandard dwellings or in rooms or apartments inadequate to hold the number of persons that now inhabit them. But if all these Americans, who now wait with anxiety for enactment of H. R. 4009 have taken on the political coloration ascribed to them by the literary efforts of the real-estate lobby then the funds applied to blocking passage of housing legislation have been misspent. They might better have been expended on bolstering the country's internal security machinery.

Establishment of National Medical Care Investigation Commission

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. MILLER of Nebraska. Mr. Speaker, yesterday I introduced a bill which calls for the establishment of a Medical Care Investigation Commission. It would be a bipartisan Commission with two Members from the Senate, two from the House and three appointed by the President. It will be the duty of the Commission to study and investigate all phases of medical care in the United States, including all existing and proposed governmental and non-governmental programs and plans for such care, for the purpose of determining, first, in what respects existing medical care in the United States is inadequate; and, second, what are the best methods of remedying such inadequacies. The Commission may, where it deems it appropriate to the making of such determinations, examine any phase of medical care in any foreign country. As used in this subsection, the term "medical care" includes surgical care, hospital care, preventative medicine, and all other kinds of medical care, and includes insurance with respect to any such care.

Mr. Speaker, for many years I have studied the question of medical care. I made two trips to Europe for this purpose. The question of compulsory health insurance will soon be before this Congress. It is my considered judgment that the Members of Congress ought to have complete factual knowledge and information upon all types of health programs now in existence. This subject is charged and surcharged with emotion. It is not easy to separate the wheat from the chaff.

It would be my hope that such a Commission, with a small staff, could make a thorough, impartial study and report their findings to the Congress and the country. If this is done, and all the facts are laid bare, then I have great confidence that the Congress and the American people will make the right decision upon this controversial subject. I trust that this resolution may have a prompt hearing and that such a Commission can be appointed and proceed promptly with their studies.

The Duck Stamp Bill

EXTENSION OF REMARKS
OF
HON. PAUL CUNNINGHAM
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. CUNNINGHAM. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement of Carl D. Shoemaker, representing the National Wildlife Federation:

THE DUCK STAMP BILL

(Statement of Carl D. Shoemaker)

This bill amends the original Duck Stamp Act of 1934 only in three particulars, as follows:

1. Increases the price of the duck stamp from $1 to $2. There is no dispute or opposition to this proposed amendment among the people who buy these stamps and enjoy the privileges which come from their purchase.

2. Increases the amount which may be devoted to protection of waterfowl from 10 percent, as fixed in the original act, to 25 percent in this bill. There has been an insistent demand that more protection be afforded to the waterfowl wherever they may be found in this country—on refuges, rivers, lakes, and other feeding and resting areas. Should this bill pass, 50 cents out of each $2 duck stamp purchased would go for protection instead of 10 cents out of each $1 duck stamp purchased under the existing law. There is no dispute over this proposed amendment.

3. The remainder of the revenues raised through the sale of these stamps (75 percent of the total sales) will go to the maintenance and development of refuges heretofore acquired and put in operation, and for the acquisition of wildlife management and inviolate migratory-bird sanctuaries. This means that at the discretion of the Fish and Wildlife Service, public hunting areas may be set up on newly acquired lands out of the additional revenues provided by the proposed amendment.

In the sense used in this bill, a wildlife management area simply means that in the discretion of the Fish and Wildlife Service new areas purchased with money arising from this proposed act may be managed and operated as public hunting grounds provided that the supply or population of waterfowl justifies this program. An inviolate sanctuary does not include any public hunting or management. All refuges heretofore purchased from the duck stamp revenues are now and will continue to be inviolate sanctuaries even though this bill becomes law. Several such areas not acquired from duck stamp revenues are now being operated in cooperation with the States, among them the famous Mattamuskeet refuge in North Carolina and the Bear River marshes in Utah. They are both popular and wisely managed.

This third amendment is the only one over which there has developed any dispute or opposition.

The wholehearted support for this bill comes from organizations or groups interested in the broad program of reaping the annual harvest or surplus crop of ducks and geese. The great vast majority of the people who are directly concerned and who are paying the bill through the purchase of these duck stamps not only favor the increase but also the better management program provided for in this third amendment. The following organizations have endorsed this bill in toto and completely: National Wildlife Federation; Wildlife Management Institute; Izaak Walton League; International Association of Game, Fish, and Conservation Commissioners, representing in its membership the 48 State fish and game administrations; Western Association of State Game and Fish Commissioners; Alabama Wildlife Federation; North Carolina Wildlife Resources Commission; and many other State commissions, federations, chapters, and groups; and the Massachusetts Audubon Society.

These organizations and groups, through their membership and affiliations, represent several million good sportsmen in the United States who feel that the management of our waterfowl resources can be wisely entrusted to the Fish and Wildlife Service and the splendid cooperation received from the State authorities.

We sincerely hope that the bill will receive a favorable report from the committee.

In the First Degree

EXTENSION OF REMARKS
OF
HON. LOUIS B. HELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. HELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Daily Mirror of May 13, 1949:

IN THE FIRST DEGREE

Assassination must not return to New York City as an arbiter in labor-industrial disputes. We had hoped that era was over; that it had died with "Lepke" Buchalter in the Sing Sing electric chair.

Hired murderers will destroy anyone for anyone who pays them. They do not attack in passion. Such commercial killings are more than an obvious danger; they are a disgrace. This city cannot tolerate them. The police, the district attorney must not sleep until the cold-blooded butcher who stabbed William Lurye is apprehended and executed.

Moreover, and even more important if possible, is similar treatment for the man or men who revived the trade of Murder, Inc., by buying murder. This is no issue of union versus union or employer versus employee. This is an issue of murder in the first degree, compounded by conspiracy with an accessory before and after the fact.

If this fatal outrage is not avenged, there may be another bloody wave of such slaughter as this city knew for years in industrial rackets. New York City is indignant. It will not stand for a comeback of assassins. It demands quick, sure justice to forestall any such calamity.

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Teamwork in the Armed Forces

EXTENSION OF REMARKS
OF

HON. ROBERT L. F. SIKES
OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1949

Mr. SIKES. Mr. Speaker, as one who has consistently supported balanced defense forces, I deplore the sometimes senseless competition between the services. I consider it plain that we still need all of our present forces. I also consider it plain that we need unification—more unification than we now have—but that it should be unification which permits the kind of wholesome rivalry between the services that keeps them on their toes.

For instance, I have supported the Air Forces in its desire for a larger long-range strategic striking force. At the moment that means, in substance, more B–36's. Now, only the B–36 can take off from an American base, strike an overseas enemy target, and return to its base in this country. It has been greatly improved since its introduction and it constitutes a formidable weapon.

It has been proposed that mock-warfare tests be conducted between the B–36 and Navy jet fighter interceptors. I heartily approve. This is the kind of wholesome rivalry which keeps the services striving for the best possible weapons, and provides the technological superiority which is our best guaranty of security. Weaknesses revealed by these tests would have to be faced frankly, and weaknesses faced can be overcome.

I am not certain that the services always have been frank in their dealings with each other, and since we all are on the same team, this lack of frankness is inexcusable. For instance, I have for some time known of an Air Force report, known as the Scanlan report, which describes in some detail the operations on Leyte and is highly commendatory of the cooperation between the services. This report suddenly was withdrawn and reclassified as top secret. I am somewhat puzzled by this maneuver, and since the report also is denied to me, I have to draw my own conclusions.

Others, likewise, have been puzzled, and I call attention here to a very recent article by a distinguished Washington columnist, Frank Kennedy, who writes the Washington Treadmill:

TREADMILL

(By Frank Kennedy)

SIKES HUNTS SECRET REPORT ON NAVY AIR

WASHINGTON.—Congressman SIKES is on the trail of a top secret report, prepared by General MacArthur's staff and known as the Scanlan report. It is entitled "Report Number Three, Army, Air Forces Evaluation Board, Pacific Ocean Area, the Occupation of Leyte, November 15, 1944."

The Scanlan report is said to contain descriptions of the Navy's bomber-support operations in support of the Ground Forces which invaded the island of Leyte in that year. It is said to praise the Navy's bomber operations in support of the invasion in the most superlative terms. In the matter of seconds, it is said, a Jap strong point, in a bario or bamboo thicket, was pinpointed by the Navy fighter-bombers, and the advance of the invading ground trooops at all times was covered with an umbrella of Navy bombers and strafers. The Scanlan report, it further is said, analyzed the comparative effectiveness of the Army Air Corps and the naval air arm in these same Leyte operations, the comparisons all resounding to the credit of the Navy.

SIKES has reached the definite conclusion that Congress cannot decide wisely the proper role of the Navy's air arm in the scheme of national defense until it knows the salient features of the Scanlan report. His interest was aroused in the secret document when he learned reliably that copies of it were being hastily recalled from study groups and from quasi-secret files of the Army, Navy, and Air Force, to be locked and requestered in a single place of safe keeping. He suspects that the sudden recall of the document from divers quasi-secret resting places has much more to do with the bitter controversy between the Navy and the Air Force, than it has to do with real national security. He intends to find out for sure.

A few secrets, perhaps: The Crestview Congressman, who knows little about the details and minutiae of the Scanlan report, is willing to concede that some portions of it actually may be top secret and that the publication of a few details possibly might give aid and comfort to a potential enemy. He is quite willing that any truly military secrets should be screened out of any published version of the Scanlon report. He is equally convinced, however, that the broad statements and conclusions of the report, dealing with the Navy's superlative air-support operations of the Leyte beachhead, should be made available to Congress in order that its Members can evaluate the role of the Navy's air arm in the whole scheme of national defense. If it is true that the Scanlon report is being sequestered for reasons other than true national security, then the Congressman wants to know the whole story and who it was who ordered the recall of the report from files previously considered adequate to protect its contents.

Supercarrier a side issue: The scuttling of plans to build the U. S. S. *United States*, the Navy's 65,000-ton super-aircraft carrier, was only a dramatic incident of the bitter struggle between the newly coequal Air Force and the Navy. Congressman SIKES and Congressman BENNETT, of Jacksonville, are pursuing the matter of the big flat top independently of the larger question of the Air Force's relationship to the Navy's air arm. On this subject, some formidable authorities are coming to light.

Richardson's minority report: Admiral James O. Richardson, one-time commander of the Pacific Fleet before Pearl Harbor, as one of his last official duties, served as the chairman of a special committee to report on the reorganization of the national defense departments. The Richardson findings were the first official report on unification of the armed forces. The admiral, in a report filed with the Seventy-ninth Congress more than 3 years ago, opposed the general plan of unification, but concurred in the plan proposed if ever unification were adopted. Concerning the creation of an Air Force coequal with the Army and the Navy, Admiral Richardson, in a special minority report, stated, in paragraph 4 (k), as follows:

"I am not convinced an Air Force should be set up on a basis coordinate with the Army and Navy. Proponents of this idea assert that this is necessary for full development of air power. Naval air power has developed within the Navy. I fear that the creation of an Air Force on a basis coordinate with the Army and Navy would inevitably draw the naval aeronautical organization out of the fabric of the Navy into which it is now intimately woven. Such disintegration of the Navy would be prejudicial to the effectiveness of the armed forces as a whole."

Who is Richardson? The opinion comes not from "just another admiral." He figured brightly in the testimony of several Pearl Harbor investigations which, according to most Congressmen, have proved just one affirmative fact—that Admiral Richardson was the only officer of general rank in the Army, the Navy, or the Air Force who was on his toes before Pearl Harbor and alert to the danger—and he got fired before the Japs attacked. The Richardson incident is too long to detail here. In short, he was relieved of the command of the Pacific Fleet by President Roosevelt in February 1941 because he opposed the basing of the fleet at Pearl Harbor and because he protested the transfer to the Atlantic patrol of so many of his screening forces—light cruisers and destroyers.

Congressman SIKES is convinced that the Richardson opinion on naval air power, therefore, is timely. He was right before Pearl Harbor—he still may be right. He now is on the retired list and unavailable for current comment. It should be easy to imagine what Admiral Richardson thinks about scuttling the superflattop.

Scanlon report needed: Congressman SIKES further is convinced that the revelations of pertinent sections of the Scanlon report would be most opportune. The report dealt with the initial drive to recapture the Philippines from the first major Asiatic enemy of the United States—the Japanese Empire. When it was written in 1944 there was no active Chinese Communist movement because the Japs were in possession of Manchuria. The Nationalist Chinese Government then was gaining strength to oust the Jap invaders, who were the only Asiatic enemy of the United States then in sight. Today the Chinese Government is falling apart before the advance of the northern Chinese Reds; another formidable Asiatic enemy to the United States perhaps is appearing. The Pacific Ocean is just as broad today as it was when the Leyte invasion was launched, observed the Crestview Congressman. Who can say that combined operations identical with the Leyte plan of attack some day may be needed? The United States fought a two-front war against Germany and Japan last time. It would be foolhardy to suppose that a war against communism would be anything less than a two-front war—in Europe and in Asia, with major operations in both theaters.

Mr. Speaker, in addition I invite attention to an editorial appearing in the Pensacola Journal on Sunday, May 22, 1949, dealing with the same subject:

SIKES TRAILS REPORT

Representative BOB SIKES, according to Frank Kennedy's Washington Treadmill printed on this page today, is on the trail of what is called a top-secret document showing the value of the naval air arm in the invasion of Leyte.

The Florida Congressman is not trying to bare any military secrets, but he is rightly hot over rumors that the report has been hastily recalled from study groups and is being placed out of reach of those trying to evaluate the functions of the Air Force and the Navy in the unification of the services.

If these rumors be true and if the Scanlon report sought by SIKES is strongly for naval power, that efforts are being made to suppress it indicate that foes of the Navy fear its effects.

For this very reason it should and must be brought into the open. The people of this country must not be fooled and deluded into any step which decreases the demonstrated value of an arm of defense or attack in this seething world. They are entitled to the full picture, no matter what branch of service it affects. The future safety and welfare of the Nation are at stake. Nothing else matters.

Americans cannot afford to allow an internal fight among self-seeking service groups to weaken one iota the military strength of the country and endanger the defense of this great Nation. For the protection of our lives, property, and democratic way of life, America must remain strong. If naval air strength is an integral part of that strength we must have it, plenty of it. If Air Force big bombers are a part of it, we must have them, too, and if ground strength is required, that, too, must be part of armed services.

To deliberately hide a report which casts a light upon the part which the Navy or the Air Force or the Army can play in this tremendously important role of protecting this Nation is unthinkable and any persons who have done it should be brought to the bar of public opinion for judgment by their fellow citizens.

All of this brings us back to the importance of teamwork that we may develop our strength to a maximum and hold our weaknesses to a minimum.

Panama Canal

EXTENSION OF REMARKS
OF
HON. CLARK W. THOMPSON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. THOMPSON. Mr. Speaker, during this session of Congress I have included in my extensions of remarks a number of informative articles on the Panama Canal. In the January 1949 issue of the Proceedings of the American Society of Civil Engineers there was published an instructive paper by the late Maj. Ralph Z. Kirkpatrick, former Chief of Surveys and Chief Hydrographer of the Panama Canal, whose technical studies and published works on its problems are extensive and have been used by many of our membership who have had to consider legislation for the Canal. His death, which occurred a short time ago, was a national loss.

It is, indeed, significant that Major Kirkpatrick's last important service for the Panama Canal was a technical discussion of the proposed sea-level project, wherein he uttered a warning against the dangers and difficulties which he felt assured would, sooner or later, develop in any such undertaking.

It would seem, therefore, to be especially fitting that Major Kirkpatrick's last contribution dealing with the Panama Canal should now be made available to the Congress and our people, for the time has arrived when studies must be completed and decisions made. Under leave accorded, I am extending my remarks in the RECORD by including therewith the indicated statement, which appears to have anticipated a similar warning by Prof. A. Casagrande as regards the instability of the Cucaracha slide formation. The discussion by Professor Casagrande was included in the extension of remarks, page A2229 of the Appendix of the CONGRESSIONAL RECORD by the gentleman from Virginia [Mr. BLAND]:

THE PANAMA CANAL—SEA LEVEL PROJECT—SYMPOSIUM DISCUSSION BY MAJ. RALPH Z. KIRKPATRICK

RALPH Z. KIRKPATRICK.[1] An effective answer to the basic thesis of this symposium is a paper published in 1947.[2] To the writer, that paper is an infrared light through the "confusion of ideas" begot by the various plans for the best method of modernizing and enlarging this tropical waterway. The term "confusion of ideas" was used by the late John F. Stevens, honorable master and past president, ASCE, the chief engineer of the Panama Canal during the earlier part of the construction period. Although he used it as early as 1906, oddly his subject was almost identical to the current one.

Perhaps the sufficiency of the water supply in the driest dry season may be questioned, in what is termed either the "Balanced Lake plan or the Terminal Lake plan, because it is a fact that the balance which the Madden Lake Dam made possible in flood handling, power making, and water supply for navigation has been slightly upset by the subsequent additional power units operating at the Madden and Gatun hydroelectric plants. Also, the proposed wider locks will use more water.

Fortunately this problem is easily solved: During the reconstruction period (without interference to navigation) simply dredge the bottom of Gaillard Cut from elevation +40 to elevation +37½, the ruling bottom elevation of Gatun Locks (that is, the tops of the emergency dam sills); and, since the Terminal Lake cancels the Gaillard Cut lockage surges, there is no further need for the allotment of an extra 1½ feet of dry-season prism-storage water. Thus, a realistically useful storage water prism of 2.67 +1.5, or 4.2 feet atop Gatun Lake becomes available for dry season use. In terms of water, this is about 18,600,000 cubic feet, or an increase of nearly 75 percent.

Incidentally, during the fiscal years 1940–45, the annual power generation in the Canal Zone increased from about 100,000,000 kilowatt-hours to 266,800,000 kilowatt-hours; and, subsequently, the decrease has been only slight. The four turbines at the Gatun plant are now (1948) augmented by two new and larger ones. Under the sea-level plan, that plant must close, and a virtually new electrical system for the Canal Zone must be designed and built, with but minor salvage. All that useful power-making water from Gatun Lake will pass to the sea through the proposed East and West Diversion systems. Compared to the present system or proposed Terminal Lake system the contrast in efficiency and dollar savings will be marked.

The capacity of Gatun Lake to absorb safely, and to make profitable use of the 60 to 150 inches of annual rainfall (8 months) in the Chagres River Valley has been tested for one-third of a century without a failure. It is one of the triumphs of the pioneers of the Panama Canal that their potential worst enemy has actually been made a best asset. Why gamble? Sooner or later "bugs" are nearly certain to bedevil the operations of a sea-level canal through faults in the proposed extensive and complicated West and East Diversion systems. What of those miles of levees, dams, and spillways proposed on foundation conditions still virtually unknown?

The slides in the 8 miles of Gaillard Cut have a soul-searing history; but those troubles were caused by geological, and maybe other, conditions above the present canal bottom-elevation of +40. On the face of it, going down 100 feet further to elevation −60 (see figs. 98 and 99) is daringly unprecedented even to the point of recklessness. Furthermore what is known of the probable bank and bottom stabilities of that other 20 miles of proposed canal now safely hidden under Gatun Lake? Nothing is known, except geological conjectures.

What foundation tests have ever determined that sufficient bearing values exist for those proposed dams across the Peña Blanca and Caño Quebrado swamps? Those deep quagmires of Atlantic mucks have been forgotten under Gatun Lake for 37 years. Nevertheless, there those important dams are to be found, on the maps of the proposed sea-level canal. For a long time, those swamps were the dreads and troubles of the pioneer French and American engineers—now sanguine hopes make them dam foundations.

Apparently through well-meaning but oversanguine proposals, the future safe and smooth transit of world commerce is being endangered. It must not be.

[1] The Marine Operating Problems, Panama Canal, and the Solution, by Miles P. DuVal, Proceedings, ASCE, February, 1947, p. 161.

[2] Rochester, N. Y.; formerly Chief of Surveys, Chief Hydrographer, Panama Canal, Canal Zone.

Post Office Workers, Long Imposed On, Should Be Heard

EXTENSION OF REMARKS
OF
HON. LOUIS B. HELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. HELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial:

POST OFFICE WORKERS, LONG IMPOSED ON, SHOULD BE HEARD

For a long time now the postal employees have patiently hoped that the Government for which they work would make it possible for them to enjoy a higher standard of living, a standard becoming to those in their country's employ. Their hopes have not been realized and once more it seems as if their very natural and justified aspirations are to be completely ignored.

House and Senate bills, with bipartisan sponsorship, would give them aid, but nothing whatever is being done about these bills. Apparently it is the intention of those who do not want the living conditions of postal workers and their families improved, to do nothing, for no hearings on the bills have been scheduled.

These conscientious workers have enjoyed few improvements in their living standards in recent years. The pay of others has jumped, but theirs shows no such agility. And what they ask is really very little, coming from employees who have had so little before this. In addition to an increase in pay, they want veteran employees to be given credit toward promotion for the time they spent in the armed forces. That is, they do not want veterans to suffer for having fought. They ask for 26 days of vacation and 15 days sick leave, which is what all other Federal civil-service workers have been given. A few other small, reasonable and logical improvements in compensation are included in their legislative program.

And nothing at all is being done about the bills that would bring them relief This is an old and manifest injustice. There should be hearings at once. The public as a whole should know under what handicaps the postal employees live and work. They are deserving workers. They must be heard.

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Flood Control

EXTENSION OF REMARKS
OF

HON. CLIFFORD DAVIS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1949

Mr. DAVIS of Tennessee. Mr. Speaker, Lt. Col. Herbert C. Gee, with the Corps of Engineers, wrote an article on flood control as public works investment number one, which appeared in the Military Engineer in its April edition.

It is the duty of Colonel Gee to present to the House Committee on Public Works the projects to be considered by the committee for authorization. He is one of the most able engineers who has ever appeared before the committee. He has an intimate knowledge of each and every important project of this character in the country. Resourceful, capable, well-trained, and with unquestioned integrity, he is heard with interest whenever occasion requires his appearance. His article is so factual and so well written that I have asked leave to extend my remarks in the RECORD to include it.

The article follows:

FLOOD CONTROL—PUBLIC WORKS INVESTMENT
No. 1

(By Herbert C. Gee, lieutenant colonel, Corps of Engineers)

Since the cessation of hostilities of World War II, it has been increasingly fashionable, at home and abroad, to find fault with the Government of the United States. All phases of our Government's activity are subjected to severe criticism by other nations. And our own citizens have sometimes followed this unfortunate lead with criticism which has not always been constructive. The program of public works of the United States Government has come in for its share of criticism from all quarters of our country. Flood control, one phase of this national program, has been so successful in terms of return on the Federal investment, that it is felt that more people should be acquainted with the essential facts concerning its development to date.

Twelve years ago Congress passed a law which is now known as the Flood Control Act of 1936. This act provides among other things that the Federal Government acknowledges that the problems of flood control are too complex and too costly of solution for satisfactory handling by the States. The act goes on to state that the Federal Government assumes responsibility for flood control but sets up certain requirements for local contributions to the program. The Secretary of the Army is made responsible directly to Congress for the execution of this program, utilizing the Corps of Engineers as the engineering, constructing, and operating agency under the supervision of the Chief of Engineers. This act set the stage for what has turned out to be the best investment of public works funds in our Nation's history.

The investigation of flood problems in many of our more populous areas began at once after the passage of the Flood Control Act of 1936. Soon a few projects were submitted to Congress for authorization. Every project investigated has been examined carefully by capable engineers to determine whether or not the benefits which will be produced annually by the proposed work exceed the annual cost of the work. When investigation shows that the ratio of benefits to cost is greater than unity the project is economically justified. Projects with high benefit-cost ratios produce great return on the investment and are given priority over those which will produce smaller earnings. Throughout the entire flood-control program the Corps of Engineers has attached great importance to the economic justification of projects to insure that the benefits will exceed costs for all projects recommended for authorization by Congress. Enough time has elapsed and enough projects have been put into operation for flood control to permit examination of the performance record and to draw some conclusions concerning the adequacy of earlier economic studies.

Today there are 228 completed flood-control projects in the United States. These finished works consisting of local protection projects, small detention dams, debris dams, large multiple-purpose reservoirs, channel improvement works, major drainage projects and levees, have been in operation from 1 to 10 years. The total cost of all projects to the American taxpayer is $483,000,000. The amount of flood damages prevented by these completed works during their very brief periods of service is $500,000,000. In other words, these projects have more than paid back to the people of the United States the entire cost of their construction. All benefits which they may produce in the future represent a further profit to the United States. The service records of a few typical projects will emphasize still more the soundness of the Nation's flood-control investment.

PROJECT SERVICE RECORDS

The Cincinnati local protection project completed and put into service just before the 1948 flood season on the Ohio River functioned during the spring floods. This project costing $9,973,000 prevented damages estimated at $4,700,000 during the first 4 months of its operation. In addition to this dollar value of its operation the finished work afforded a peace of mind during flood season for many thousand residents of Cincinnati heretofore unknown in that city.

Two small reservoirs on the headwaters of the Willamette River in Oregon, Fern Ridge, and Cottage Grove, have been in operation since 1942. To date these two projects have reduced flood damages in the Willamette River Valley by $5,917,000. In last year's flood alone damages of $1,000,000 were prevented by the operation of these reservoirs for flood control. To date 89 percent of the cost of these projects has been returned to the Nation after only 6 years of operation.

On the Illinois side of the Mississippi River a few miles below St. Louis, the Columbia drainage district is located. Approximately 13,800 acres of rich farmland are included in the protected area of this authorized levee project. Prior to October 1947 the Federal Government had expended $2,060,000 for levee improvement in the district. All or part of this acreage of bottom land has been provided flood control for 6.1 years. The amount of flood damages prevented by this levee system during that period is $2,395,000 or $335,000 more than the total Federal cost of the project. A neighboring project in Illinois, the Prairie Du Pont drainage district has been afforded flood control by a system of levees constructed or enlarged at Federal expense for a period of 1 year. During this first year of operation flood damages amounting to approximately one-fifth of the total Federal cost were prevented by this levee system.

All of these completed projects are doing more than saving dollars. They are preventing destruction of material resources of our Nation. The destruction of just one housing unit or one motor truck today is more than a loss of comparable dollar value. Such destruction immediately results in a drain on our resources to produce all the materials needed for a replacement item. The replacement involves man-hours of labor which might otherwise have been devoted to the building of additional items now so much in demand. The prevention of a significant percentage of the Nation's annual flood damage is a great contribution to the strength and economic well-being of our country.

MULTIPLE PURPOSES

Many authorized projects in the flood-control program are multiple-purpose projects producing a combination of benefits in two or more of the following categories: Flood control, navigation, hydroelectric power, water supply, pollution abatement, and irrigation. These categories of benefits are referred to as the primary purposes of any project. The engineering investigation of a project involving utilization of the water resources of our Nation must be all-inclusive and must provide for full utilization of the resources. The Corps of Engineers considers carefully the possible benefits which can be derived from a project in all these categories. Benefits from the projects are being realized in all categories but only the flood-control benefits have been evaluated.

Flood fighting or prevention of flood damage is a most spectacular operation for engineers and laymen alike. For the person whose home is endangered the flood fight is a crisis which has been faced all too frequently in many areas of the United States. As the flood-control program has developed and as completed projects have been placed in operation, the frequency of occurrence and the magnitude of damaging floods on our major river system have been materially reduced. The residents of these areas have followed the progress of the construction work with keen interest. The completed works have attracted visitors from nearby communities seeking information and new recreational outlets. The increasing demand by the people for adequate public-use facilities at completed flood-control projects was heard by Congress. This public demand was recognized in the Flood Control Act of 1944, which directs the Secretary of the Army and the Chief of Engineers to make provision for full public use of flood-control projects and the federally owned lands acquired for their construction. Public-use facilities are being planned at all major projects and the construction of roads, trails, parking areas, picnic areas, etc., are actually under construction at a number of large reservoirs.

The people of the United States today enjoy a high standard of living, as the average workweek is 40 hours. Our national demand for recreational outlets is, therefore, very great. This demand is being met in many areas of the United States by the Corps of Engineers' public-use programs at completed flood-control reservoirs. These plans are coordinated with public-use programs of State and local governmental units. Advice of the various State fish and game authorities is sought to provide the maximum development of fish and wildlife resources. The United States Fish and Wildlife Service cooperates fully by assisting in the preparation of data pertaining to fish and wildlife resources of affected areas. Where possible, the Corps of Engineers arranges for State park commissions to administer major portions of the public-use program.

This phase of the flood control program is also paying big dividends. Many of the large, completed reservoirs, located in areas having no natural lakes, are proving to be very popular vacation areas. One of these is Lake Texoma on the Texas-Oklahoma border created by the building of Denison Dam for flood control on the Red River. Last year over two million persons came to the man-made lake to enjoy the boating, swimming, and fishing. Dale Hollow Reservoir on the Kentucky-Tennessee border has become a very popular resort for the residents of those two States. Water pageants, powerboat races, fishing derbies, swimming meets, and similar events are being staged in ever increasing numbers on the completed flood control reservoirs. This Nation-wide

public use program, a byproduct of the flood control program itself, has already assumed national importance.

It is estimated that 10,000,000 people visited the completed projects operated by the Corps of Engineers during the past 12 months. These people enjoyed the recreational advantages of the various projects now in operation. More projects of similar type are nearing completion. A material increase is confidently expected in public use of these federally owned and controlled facilities. No satisfactory method has been devised to compute the dollar value of these recreational benefits now being realized by the American people. It is evident that the public use program is an important national asset. This great public benefit is directly attributable to the flood control program. It is an additional dividend on the taxpayer's flood control investment which has already returned to the people more than the entire cost of the program. Truly the American people have made a sound investment in flood control.

Youth Must Choose Between Individualism and the Welfare State

EXTENSION OF REMARKS
OF
HON. J. CALEB BOGGS
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. BOGGS of Delaware. Mr. Speaker, my friend, Ralph E. Becker, chairman of the Young Republican National Federation, delivered a most interesting address before the Eastern College Young Republican Policy Conference held at Yale University in New Haven, Conn.

The address is as follows:

YOUTH MUST CHOOSE BETWEEN INDIVIDUALISM AND THE WELFARE STATE

It is indeed a very great pleasure to be in New Haven today and address the opening session of the Eastern College Young Republican Policy Conference. I am going to talk to you today about something which is of primary importance to college students—that is, individual opportunity for youth, and the two political parties.

You young men of college age are at the very threshold of life. Tomorrow, of course, you will face a very hard and practical world. You are going to have to make your own way in life. But, if I am right about it, you are not afraid of the future—you feel that there will always be opportunity open for you, and that within a few years you will be moving along fast on your chosen career, through hard work and grasping responsibility.

However, the events of today are calling upon you to make a decision which is of tremendous importance not only to each of you individually, but to the Nation as a whole. The decision is this: You will have to choose between two philosophies, the Republican philosophy of free enterprise based on individual opportunity and responsibility; or the New Deal-Fair Deal philosophy of the welfare state and subordination of the individual.

Both Republicans and Democrats are generally in agreement on the fine objective of a better life for all. But we are in violent disagreement as to method. We Republicans believe the better future rests upon increased individual opportunity, responsibility, and self-development. The Democrats, like the Communists, think a better future can be reached through the compulsion, dictation, and regimentation of the individual by the welfare state.

In our great country we have the most wonderful standard of living in the world. We acquired it, not through any welfare state, but through a free-enterprise system based on individual opportunity and responsibility which is the basic principle of the Republican Party.

We Young Republicans are all aware of the imperfections of our society and those which accompany the free-enterprise and every other system, and the need for social reform. But social reform is not incompatible with our way of life and the free-enterprise system. Indeed, through free enterprise, we have tremendously increased our standard of living over the years. Our low-income groups have constantly become more productive and enjoyed more and more of the good things of life. And only more individual productivity, not less, can provide a still better standard of living.

But with the promulgation in 1848 of the Communist Manifesto by Karl Marx and Frederick Engels, a new ideology arose, the concept of the welfare state, promising minimum security at the cost of diminishing individual opportunity, responsibility and productivity and imposed on the people by the politicians through the force of law.

Now, let us look at the welfare state and its record. We have several clear examples. In the Union of Soviet Socialist Republics we see the workings of the welfare state at its highest degree of perfection. There, all decisions affecting everyone's welfare rests with the Government. The Government determines what you shall earn, how much you shall spend for food, what the conditions of your employment shall be, and so on, extending into every phase of living. There the system of central planning is complete and through the concept of the welfare state the U. S. S. R. has been provided with every opportunity to show its results.

And what are those results? First, the U. S. S. R. is an iron-bound totalitarian dictatorship. The welfare of all is subjected to that of the politician and those who dwell within the Kremlin. And the standard of living of the Russian people is so inferior to ours that we can only shrink with horror when we look at their lot.

Coming more closely to our cultural and geographical position in the world, we have the United Kingdom. Since 1945 the British Labor Party has had a full and complete opportunity to provide its people with a fairer and fuller life for all. Experience under this system now furnishes convincing and eloquent proof of the utter failure of the welfare state, and the coming collapse of socialism in England. The people of Great Britain have witnessed the nationalization of the Bank of England, railroad and motor transportation, the electric-power industry, the coal industry, and the medical profession.

Let me give just one example of the terrific price which has been paid in Englnad in return for diminishing individual responsibility and opportunity. I quote from Alfred Edwards, a member of the British Parliament, who expresses concern over the nationalization of coal and other industries. In a recent article which appeared in the Reader's Digest, he said that "From June to October 1948, in spite of the increased mechanism, and in spite of the fact that it is now the people's coal—not that of greedy capitalists—the mines produced 158,000 tons per week less than in 1938." As an example of the thinking of the British people, a recent English cartoon pictured a coal miner talking to the Minister of Mines, and saying, "You told us under socialism we would get more money for less work. Well, we have given you less work. How about more money?"

As part of this central planning by the Labor Party politicians, we find increasing Government regulations in the United Kingdom with controls gradually spreading its tentacles like an enormous octopus over the life of every Englishman.

When we come to the question as to how the welfare state exacts pay for its free services, the results are extraordinary. The United Kingdom has been financed by the United States to the extent of some four or five billions of dollars since the end of World War II. If the United States had failed to provide this assistance, there would undoubtedly have been bankruptcy not only for the "Old Lady of Threadneedle Street," but also the end of socialism in England.

Now, there you have the contrast between these two philosophies. And you college students are faced with the necessity of making a choice between them. You must choose between our Republican free-enterprise system, based on individual opportunity, responsibility, and productivity; and the New Deal-Fair Deal theory of the welfare state, where the individual is regarded as more or less incompetent so that he must be subordinated to the state and its politicians, given less opportunity and responsibility, made less productive, controlled by law, and taxed to the limit.

The Truman administration, which is the dubious inheritor of the Roosevelt New Deal, has been seeking to impose a welfare state on the American people. We may, indeed, go back as far as 1931, when Rexford Guy Tugwell, later Under Secretary of the Interior of the administration wrote that our system was "not so satisfactory to the rational faculty as revolution and rebeginning on the Russian model." Think of it. Henry Wallace, former Vice President of the United States in the administration, stated frankly that, "Capitalism must collapse unless something is done to bring the individual under control." And when running as the Democrat candidate for Governor of California, Upton Sinclair actually went so far as to say that, "Capitalism has served its time and is passing from the earth. A new system must be found to take its place. Our opponents have told you that all this is socialism and communism. We are not the least worried."

Today we are finding the Democrat administration stumbling along in the wake of the New Dealers. We have seen the NRA which imposed complete controls on business for hours of work and prices of commodities. When we compare this system, which is so similar to that employed in the U. S. S. R., we cannot help but be shocked with tremendous force.

The pressure on the part of the Truman administration for a peacetime OPA and price control which forced on us conditions of scarcity in 1946 and calls to mind the empty shelves of the shopkeeper, the black market, and widespread misrepresentations, not to mention the general scarcity of food, should concern us all. Yet the administration calls for a return, now, to a peacetime OPA, as a remedy for the spiraling cost of living. Also, seeking to regulate all business and to fix the prices on all commodities, there is pending in the House of Representatives, that epitome of restrictive legislation, the administration-sponsored Spence bill imposing virtually complete control over American business and the people generally. There you have the trappings of the welfare state wrapped in legislative habiliments.

Now, our Republican free-enterprise system and its faith in the worth of the individual, is a philosophy which is essentially youthful in character. It is the very essence of the point of view of you young people here in college who feel that you have the world by the tail and can go out and accomplish great things. It is inherently the belief of Young Republicans everywhere. Many of the older people are confused and

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disillusioned. They wonder if there may not be something in this "welfare state" and "free give-away" business. But, I have traveled 150,000 miles and more in the last 3 years, and the young people to whom I have talked all over the country just will not stand for the welfare-state idea and its subordination of the individual. We Young Republicans want opportunity and responsibility. We are not afraid of hard work and making our own way in life. We know that without opportunity and responsibility we Young Republicans can never accomplish anything and never fully enjoy life.

Hence, it is up to us Young Republicans to go out and ring the doorbells of America, to make the people aware that our only real hopes of the future lie, not with any welfare state nonsense, but with our Republican free-enterprise system based on faith in the individual, and his ability to produce and contribute to society and stand on his own feet.

Yes, we Young Republicans must fight for our beliefs, and here are two ways by which we can do it:

1. Every Young Republican should run for every political office which his personal situation permits from dog-catcher up, or support to his fullest some worthy Republican candidate, and thereby become a leader in our fight for individual opportunity.

2. Every Young Republican organization, including those Collegiate Young Republican Clubs represented here today, must organize as an effective instrument to sell our country on the tremendous importance of our free-enterprise system and individual opportunity, in articulate terms. And in fighting, in this way, in the political arena, you will be fighting for your own homes, your careers, and your future.

Atomic Energy Commission Investigation

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1949

Mr. HOLIFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorials and an article by Marquis Childs from the Washington Post:

LIGHT ON THE ATOM

David E. Lilienthal's letter to Senator MCMAHON is not that of a man who is ashamed of his record or who has something to hide. Mr. Lilienthal has called for a full investigation of the Atomic Energy Commission, noting that Senator HICKENLOOPER's charges of "incredible mismanagement" involve "nothing less than the security of the Nation and the peace of the world." We welcome the inquiry which the Joint Committee on Atomic Energy has agreed to. A comprehensive investigation, going into the nonsecret as well as the secret aspects of atomic energy development, can focus a spotlight on practices and conditions which will benefit by intelligent criticism. Such an inquiry, likewise, may have the effect of restoring a badly needed sense of proportion on Capitol Hill.

For what is evident from the frenzy of the scaremongers as well as the confusion of legislators trying to do the right thing is a preoccupation with what Hanson Baldwin aptly calls the mistaken belief that secrecy is security. In point of fact, what secrecy there is regarding atomic processes is at best an evanescent thing, the value of which will disappear when Russia perfects a bomb of her own. The real atomic security of this country is in its scientific brains—and the ability to turn the atom into something more than a destructive force.

In this respect it is disturbing to note the position of Admiral Lewis Strauss, a member of the Atomic Energy Commission, regarding the shipment of radioisotopes to foreign countries. There is a certain consistency to Admiral Strauss' reasoning that these isotopes, used largely for medical and biological research, might aid the Russians if they fell into Soviet hands. But the chance is one that must be taken. As Mr. Lilienthal pointed out, isotopes have less potential military value than many other common exports such as steel and electrical apparatus.

The country simply cannot afford to become so fearful of anything that might help Russia as to ignore the handicap caused by creeping secrecy at home. There is some encouragement in the statements that top military men do not want military control of atomic energy. But, with or without military influence, continued misunderstanding of the real meaning of atomic energy and continued stress on more and more secrecy can only mean that the atom will remain just a military weapon.

SECRETS OR SENSATIONS

To the extent that the congressional inquiry into atomic security serves to put the Atomic Energy Commission on its toes, the current rash of finger pointing may have a useful result. Chairman Lilienthal now has admitted that the Commission was derelict in not reporting to the FBI at once the loss of a minute quantity of uranium. Certainly this indicates lax security checks. But Mr. Lilienthal hardly can be charged personally with a violation of security regulations about which he was not even informed until late. In this respect his willingness to assume guilt merely furnishes ammuntion to the vindictive sensationalists who are out to crucify him—and civilian control of atomic energy.

The point to remember—and it cannot be emphasized enough—is that the security value of the missing uranium is almost precisely nil. No atom secrets can be learned from it. Most of the lost U-235 has been recovered and positively identified through analysis of laboratory wastes. It is probable that there is a perfectly natural explanation for the disappearance of the bottle originally containing the smidgeon of U-235. The bottle was similar to thousands of other bottles at the Argonne laboratory. It could easily have been broken or accidentally discarded. Laboratory personnel were negligent in trying to clear up the mystery themselves instead of immediately notifying the FBI. But this was carelessness, not conspiracy.

It is disingenuous to attempt to magnify these circumstances into a full-blown security scare. Likewise, it is pure maliciousness to imply, from an off-the-cuff remark by AEC General Manager Carroll Wilson, that atom secrets have been stolen. Mr. Wilson was asked a hypothetical question, whether any AEC plans have been stolen. He replied that out of millions of documents probably some have been taken. Certainly such a statement involving vast numbers of nonsecret papers cannot fairly be regarded as an admission that atomic secrets have been stolen.

Altogether, the attacks on Mr. Lilienthal and the irresponsible and undocumented charges that the AEC is shot through with Communist sympathizers are indicative of a fear obsession with a new force that the inquisitors know very little about. There is a great need for more intelligent criticism of the Atomic Energy Commission—and in this respect the Joint Commission on Atomic Energy has been a suppliant rather than the watchdog intended by the Atomic Energy Act. But more intelligent criticism—and understanding—depend on limiting, rather than enlarging, the areas of secrecy. The danger, from the sort of hysterical nonsense now being spread, is that atomic energy may be walled off permanently from the people in a military preserve from which it cannot be extricated.

WASHINGTON CALLING

(By Marquis Childs)

FORRESTAL AND LILIENTHAL

If human beings are capable of learning from experience, then there is an important lesson to be learned from the tragedy of James Forrestal. It gets down to the real meaning of that tragedy which has scarcely been touched on in the comment on the last act of despair.

Forrestal had come to believe that he was being persecuted. This took such an exaggerated form as to be a major symptom of his mental illness.

But to perfectly rational observers it was evident that, in the last months he served as Secretary of National Defense, Forrestal was under an attack that amounted to persecution. Certain press and radio commentators had set out to "get Forrestal." While their motives may have been clothed in sublime self-righteousness, the facts nevertheless speak for themselves.

How much these attacks had to do with driving Forrestal out of office no one can say. He had undertaken, as he himself came to understand, an impossible assignment as the first Secretary of Defense, responsible for carrying out unification. When he left he was a broken and defeated man.

Today the same kind of a press and radio attack is being directed at David Lilienthal, Chairman of the Atomic Energy Commission. It comes from quite different elements of press and radio. It has not yet reached the degree of personal innuendo and vilification that characterized the wind-up of the Forrestal campaign.

But the motivation seems to be the same—to get Lilienthal. If he cannot be driven out of office, then an atmosphere will be created in which it will be impossible for him to serve further when his term expires a year from this June 30.

The parallels seem to me to be too important to be ignored. In a sense Lilienthal's assignment as the first chairman of the first civilian commission to take over the enormously difficult and complicated and frighteningly secret atomic project is as impossible as Forrestal's task.

Forrestal was attacked as a symbol of big business and high finance with constant innuendo about deals in oil. Lilienthal is attacked as a symbol of the New Deal and the radicalism of the Roosevelt administration, with repeated hints that because of his political convictions he cannot be trusted with secrets involving the Nation's security.

The outline of the campaign is fairly clear. The loss of a minute quantity of uranium-235 was exaggerated and blown up out of all proportion even after official denial had rejected the invented thesis of espionage and theft with which the story was first heralded. Similarly, the Freistadt scholarship was given the most exaggerated prominence by those who deliberately seek to discredit Lilienthal and thereby civilian administration of the life-giving or death-dealing force that science has unleashed.

I heard one of the instigators of this campaign boast some time ago about the material being assembled that would be used to "get Lilienthal." As a kind of climax to this stage of the attack, Senator BOURKE B. HICKENLOOPER, of Iowa, has called on Lilienthal to resign. One must credit HICKEN-

LOOPER with the most conscientious motives, yet the timing of his statement admirably served the campaign.

Press and radio in this country have great power. They dig out the news with a vigor and initiative seen in no other country. But the abuse of that power—when it descends to personal bigotry and personal feud—is a clear and present danger.

The end result may be to drive out of public office capable and conscientious men to the extent that we shall have left only timid hacks or military automatons. This is not to argue that Forrestal was the perfect Secretary of Defense or that Lilienthal is the perfect chairman of the AEC.

It has seemed to many that the Commission should tell the public far more than it has about the project as a whole and the atomic bomb. But consider what happens to Lilienthal when he tries to do that, as was done in the Commission's last annual report. Ignorant and prejudiced men in the Senate raised a violent outcry that secrets were being given away.

So the Commission is caught betwixt and between. Lilienthal is a convenient and conspicuous target. The attack warms up, spiced with malice as yet hardly discernible but more of that can be ladled in later on. Here is an abuse of the democratic process that can jeopardize democracy itself. No wonder the Soviet propaganda radio gets so much useful fodder for the Russian effort to prove to the world that we are a panic-stricken people obsessed with fear.

Save $3,000,000,000

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, though it was long suspected, the Hoover Commission reports have brought home to the average man the tremendous waste and inefficiency in his Government as administered from Washington.

Throughout the country the people are demanding that their Representatives do something about saving some of the tax dollars, forcing Federal employees to be more efficient. The people do not propose to take no for an answer.

But the fault does not all lie in Washington. Congressmen are sensitive to the will of their constituents and rightly so because they are the people's servants and, in some degree at least, are bound to carry out the wishes of those who elect them.

The difficulty grows out of the fact that, while the people are now insistent upon economy, they have not yet reached a point where they are willing to soften their demands for their own particular pet projects.

Typical of the editorials which show that weekly papers throughout the country are cognizant of the situation is an editorial from the Allegan Gazette, published at Allegan, Mich., written by Leo W. Hoffman, entitled "Pet Projects." If the home folks will just be sincere in their demands and insist upon economy in their own projects, they will get it.

A second editorial from the same publication shows the utter impossibility of retaining individual freedom and prosperity if we continue to adopt socialistic schemes.

The editorials follow:

PET PROJECTS

The Detroit Free Press, published by John Knight, has been doing its bit toward fighting national socialism, waste, and extravagance as planned by Harry Truman, but we noted the other day that it slipped editorially.

This metropolitan daily has been against Federal aid as it is being practiced today, but recently it made an exception and advocated Federal aid for housing. In brief, the Free Press would like an end to the Truman program and any extension of the Federal Government into private enterprise, except the building industry, because the Free Press would like a Federal slum-clearance project in Detroit.

This illustrates the political strength of Truman's attempt to socialize the United States. It is clear and convincing proof of just why and how Truman won the election.

Even the people who are against the New Deal, Fair Deal, socialism, Federal aid, and all the crackpot ideas germinated in Washington always have one pet project that they want to see put through. They are against something in principle but they want to make an exception for their own project. They are against Federal aid except that they want Federal aid for their pet project.

The Detroit Free Press is against Federal aid, but it wants Federal aid for housing, and no doubt will use its influence to help pass a bill for that purpose with the result that the cost of slum clearance in Detroit, Chicago, New York, and in all the other large cities will be borne by the taxpayers no matter where they live.

Senator TAFT is an enemy of national socialism, and the present administration, but he is for the housing bill.

All the school organizations, as a general rule, do not favor Federal aid except for education.

Senator VANDENBERG doesn't believe in Federal aid except for education.

The farm organizations are composed of rugged individuals and as a rule are opposed to the Truman program but they usually favor Federal aid in one form or another for agriculture.

The farm co-ops are quite independent but they want favors in the way of tax exemptions.

Actors organizations are in favor of Federal support for the theater, and so on down the line.

What the Detroit Free Press and these other people don't seem to realize is that this time there can be no exceptions. If one group or one project is entitled to Federal aid then the rest are. The battle against national socialism is lost if each opponent is going to hedge, make an exception, and weaken his position by demanding Federal aid for his pet project.

If the Federal Government would reduce its expenditures and abandon its attempt to socialize this country, fire more than half of its employees, reduce taxes, then Detroit might be able to take care of its own local problem, Allegan could build its own school, the actors could subsidize their own projects, the farmers could get along without price supports.

Each advocate of Federal aid or Federal favor is like a hog fighting for his portion with his fellows at a common trough and you can't let one through and keep the rest back. The more you let them have, the fatter and bigger they grow and the more they eat. They eat on private industry and on the taxpayer and pretty soon there are so many hogs that there is no longer any private industry nor taxpayers. At that stage of the game the hogs will turn on each other and you will have what some people seem to want in this country, national socialism, communism or some other ism. You won't have democracy.—L. W. H.

SHOW-DOWN

There is a war going on in the United States, so far a bloodless war. It is a war between Truman, socialism, the dole system, the IWW's, the recipients of Federal aid, the Federal employees, waste and extravagances on the one side and those who believe in a constitutional democracy, the workers, the ambitious, the rugged individuals, the thrifty, the savers, and the taxpayers on the other.

It is a war to determine whether we are to have national socialism, or a United States of America as it has existed in the past.

The most recent battle between these two forces is between Truman, who is insisting that Congress raise an additional $4,000,000,000 in tax money to prevent a deficit in Federal spending, and some Members of Congress who insist that he must reduce his spending and abandon his socialistic program.

This country cannot survive half socialistic and half democratic.

This country cannot survive under a system that requires half of the people to work and pay exorbitant taxes to support Federal aid for everything from soup to nuts.

Up to date, it has been private industry that has supported many of the socialistic schemes of Roosevelt and Truman, but it cannot continue to do so.

Either there will have to be a stop to any increase in Federal spending and expansion of Federal sponsored social schemes or there will be an end to private industry and individual liberty.

Some of the people now on the public teat will have to get off or the cow will be drained dry and there won't be anything for anybody.

As we have said before, Truman and his crowd are more of a menace to this country than Stalin and all the Communists in the world.

Vocational Rehabilitation

EXTENSION OF REMARKS
OF
HON. J. CALEB BOGGS
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. BOGGS of Delaware. Mr. Speaker, the Journal-Every Evening newspaper of Wilmington, Del., always carries an interesting column known as Man About Town. On May 6, 1949, the writer of Man About Town, in his very able and delightful way, was on the subject of vocational education and rehabilitation. The story was so appealing and thought provoking, it occurred to me that it would be of interest to the Members of this House, and, therefore, I include it in the CONGRESSIONAL RECORD:

MAN ABOUT TOWN

An interesting exchange of correspondence—involving a fifth-grade student at the Marshallton school, a misunderstanding, the giant Federal Security Agency in Washington, and the State vocational rehabilitation division in Wilmington, has just come to light.

In the process of which some Delaware children learned that crime does not always

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involve gunfire and cops but sometimes "crime means neglecting people."

Also, at a time when so-called "bureaucratic double talk" gets a daily lambasting, it is refreshing to find basic English used to describe more than adequately the complex fundamental concept of vocational rehabilitation.

The beginning of the tale apparently lies in the "misunderstanding."

The Washington Office of Vocational Rehabilitation, part of the Federal Security Agency, put on the air some 15-minute radio dramas to tell the story of rehabilitation.

The dramas—a very few of them and apparently the only ones heard by young Charlie Weymouth of the Marshallton school fifth grade—told how a handicapped man was close to the edge of crime because of his inability to compete with normal persons as a wage earner, until vocational rehabilitation put him on his feet and into a new job and a new life.

Therefore, Master Weymouth wrote a brief letter to one of Washington's largest bureaus, the FSA, to say:

"Our fifth grade would like very much 13 of your 13½-minute dramatized transcriptions to show that crime does not pay.

"Thank you very, very much," signed Charlie Weymouth and the fifth grade.

Over in Washington someone checked to make sure the letter was meant for the FSA and not the FBI, and then filed it for disposition.

Michael J. Shortley, director of the Washington office, took time out to write a long letter to the Marshallton School fifth grade, addressing his reply to "Dear Charlie."

"It was nice to hear from you and the fifth grade. We are sending you the transcriptions and we hope you will like them," Mr. Shortley wrote.

"If the fifth grade knows of people who cannot work and support themselves because they are disabled, you can tell them where to go so that they will get help. In Delaware, this is to Mr. John G. King, Rehabilitation Division, 11 Concord Avenue in Wilmington.

"These radio dramas do not deal with any crime, except the crime of neglecting people who could be made happy and useful through rehabilitation. That sort of crime does not pay either, but rehabilitation does pay because it costs very little to put disabled men or women back to work. Then they can take care of themselves and their families and do not have to depend on charity.

"The best of luck to all of you, and please let us know whether you like the radio shows."

In short order, the transcriptions were brought to the Marshallton fifth grade by Leo Waters, one of the counselors of the Delaware rehabilitation center in Wilmington.

He ran off the records to the fifth grade—and then, by request, to all other grades in the school.

The members of the fifth grade wrote some more letters, these of appreciation and to the Wilmington center. Such as the one from Janet Abe saying, "I hope you enjoyed it as much as we did," and another from Mary Jane Cain stating, "I wish you could come another time, too, but I guess you can't because you have too much work to do."

All of which opens a new field of endeavor to the vocational rehabilitation officials.

They have been working long and hard in their attempts to explain the story of rehabilitation to adults; now, they have learned the "inoculation" of ideas can be made at a much earlier age.

It could quite well turn out that children—observant, kind-hearted, thoughtful, and entirely uninhibited—would do a better job of finding handicapped persons and directing them to the rehabilitation center.

Presentment of New York Grand Jury

EXTENSION OF REMARKS
OF
HON. RICHARD M. NIXON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. NIXON. Mr. Speaker, in view of the current intnerest and concern over Communist espionage activities in the United States, I am inserting in the RECORD the text of a presentment issued by the special Federal grand jury in the Southern District of New York, which was issued on April 26, 1949. I particularly call to the attention of the Members of the House the recommendations for tightening existing laws which are made in the presentment.

PRESENTMENT OF GRAND JURY WARNING ON ESPIONAGE

Whereas the undersigned constitute all the members of the December 16, 1948, Special Federal Grand Jury of the District Court of the United States for the Southern District of New York, impaneled to inquire into espionage and subversive activities; and

Whereas there has been present for the past 4 months, and is being presented, before this special Federal grand jury a volume of testimony concerning activities of both foreigners, and American citizens which are directed from within and without against the security of the Nation; and

Whereas this testimony and evidence have led this special Federal grand jury to certain conclusions it deems proper and imperative to be brought to the attention of the executive, legislative, and judicial departments of the United States Government for such action as may be necessary or appropriate, the undersigned members of this grand jury respectfully show and allege as follows:

1. The grand jury is of the unanimous opinion that the safety of this country and its institutions is being jeopardized because

(a) Increasing efforts, since the United States of America has been forced by events to take a dominant position in world leadership, have unlawfully been and are being made by those inimical to the Nation to obtain information relating to the national defense and security—information which could be used to the Nation's injury and to the advantage of foreign nations; and because

(b) Existing laws, applicable to activities aimed at unlawfully obtaining such information, are inadequate and unrealistic in view both of the Nation's position in world affairs and internal menaces from those zealously activating a philosophy hostile to our constitutional form of government.

2. This conviction was arrived at by the grand jury after hearing, over a period of 4 months, the testimony of a large number of witnesses who, irrespective of their widely differing relations to the problems under consideration, have been able to aid its investigations. Many of these witnesses have been summoned by the Department of Justice and some by the grand jury itself acting independently under its own authority as the anciently established representative of the people. They have been examined in that secrecy which is designed not only to determine those who may have violated Federal laws but to protect the rights and the reputations of the innocent.

Among these witnesses have been men charged with ferreting out violations of Federal laws and others who could be classed as Government witnesses.

Others, men and women whose integrity and innocence have not been questioned but who have had valuable information to give, have proven entirely cooperative in the grand jury inquiries.

Still others—and the number has proven surprisingly large—themselves believed to be guiltless of direct violation of the law as it now exists, have invoked their constitutional rights to refuse to give information they indubitably possess concerning knowledge of violations by others. It has been a matter of grave concern to the grand jury that there are in this category of witnesses certain lawyers who, despite the fact that they are by virtue of their profession officers of the court, have refused to answer questions put to them by the Federal attorneys and the grand jurors on the grounds that the answers will tend to degrade or incriminate themselves. This, such witnesses have unquestionably done because they have been alerted through the publicity given by other investigating bodies to the circumstances which the grand jury must examine in secrecy.

Lastly, there have been a certain number of witnesses who, the grand jury is convinced, either by their own confessions or by the incontrovertible evidence of others, have violated Federal laws, but who are protected by the operation of the statute of limitations. The grand jury is powerless to indict such an individual so that he can be given a fair trial before a judge and jury with all the safeguards of such legal procedures.

3. The grand jury has been provided with many object lessons of the looseness with which laws governing espionage, the practical application of which it must determine, are at present drawn. In the light of the situations it has had to face, it believes that the safety and welfare of this country require either the enactment of new legislation or the amendment of existing legislation.

4. The grand jury, without making detailed recommendations, is nevertheless convinced that the espionage statutes themselves should be amended and tightened without meanwhile infringing on those civil rights constitutionally guaranteed our citizens. It recommends, therefore, that laws defining espionage be designed to cover all unauthorized transmission of information relating to the national defense which could be used to the injury of the United States or to the advantage of any foreign nation. It further recommends provision be made that those engaged in such transmission can be prosecuted if they know the information may be used for such purposes.

The grand jury holds the crime of acting against one's own country is of such gravity and of such abhorrence to the American people that those so guilty should not be protected in any manner not provided by their constitutional rights. Accordingly it strongly recommends that provision be made to indict at any time any individual guilty of transgressing espionage statutes, now existing or to be enacted, without regard to any statute of limitation as in the case of treason.

Convinced that, despite the vigilance and the efficiency of the Federal Bureau of Investigation, increasing efforts will be made to acquire and transmit information injurious to the Nation, the grand jury holds that persons trained in espionage or sabotage by any foreign country should be required to register under the Foreign Agents Registration Act; and that failure to register under the act shall be considered a continuing offense for which the statute of limitations will not be operative. It recommends legislation to this end.

The grand jury is aware of the legislation on these and related subjects which has been

proposed on the recommendations of Attorney General Clark. These recommendations were prepared in close consultation with the Interdepartmental Intelligence Committee, composed of representatives of the intelligence divisions of the Army, Navy, and Air Departments and the Federal Bureau of Investigation. It urges the careful study of this proposed legislation by our legislative authorities with the view that laws be passed to achieve these objectives in the proper constitutional framework.

Having seen at first-hand the difficulties in arriving at the truth concerning espionage violations when witnesses have been alerted by publicized charges and countercharges, the grand jury recommends that all investigating bodies conduct their inquiries into espionage in secret.

The grand jury further recommends that an investigation be made by the proper authorities, by bar associations, and other similar bodies, to determine those measures that may be taken to disbar from practice in the courts any lawyer who, appearing before any grand jury, refuses to answer questions on the grounds of self-incrimination. It is obvious that if such grounds exist the lawyer is not of that integrity which the American people should demand of all officers of the court.

Now, therefore, the grand jury respectfully petitions the court to accept this presentment and order it filed, authorizing the foreman and the secretary of this grand jury to send copies of it to the Members of Congress and to the proper officers of the executive department of the Government, and to permit such other use as may properly be made of this document.

Dated New York, N. Y., April 26, 1949.

Signed by the following members of the special Federal grand jury: John Gilland Brunini, foreman; John G. Kilbreth, assistant foreman; Hugh V. Doran, secretary; Robert L. Barrows, Joseph P. Christianson, Mrs. Evelyn Zorn Dingwall, James Sumner Draper, Raymond G. Fowler, Robert Frese, G. Leonard Gold, Henry E. Grant, Harold C. Hahn, Richard Brown Jones, Murray Kanner, Francis Keally, Samuel B. Leight, Sidney Leshen, Herman E. Nathan, Bernhard K. Schaefer, Harry Scherman, John Schreiber, Siegfried Stern, Wheeler Williams.

FEPC, the Wrong Way To Get Fair Employment

EXTENSION OF REMARKS

OF

HON. BROOKS HAYS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1949

Mr. HAYS of Arkansas. Mr. Speaker, under leave to extend my remarks, I include the following statement which I submitted to the subcommittee of the Committee on Education and Labor now considering FEPC proposals:

Mr. Chairman and members of the committee, I appear today in opposition to proposals to establish a Fair Employment Practices Commission. It is not my purpose to treat in detail the technical phases of the problem of discrimination. The subcommittee is thoroughly conversant with these matters. I do wish to emphasize the fact, however, that I am opposed to discrimination and I recognize that minority groups are adversely affected in certain respects by discriminatory practices. I am entirely sympathetic with the movement to secure for racial and religous minorities full rights under the Constitution. The differences relate to method.

While opposing the pending bills, I have in mind certain alternative proposals which I trust will receive consideration of the committee. It is my opinion that this committee has an opportunity to render a great public service by rejecting coercive measures which will result in aggravating the problem and to recommend, on the other hand, a constructive approach carefully defining the limited Federal aspects of this general problem.

The Congress cannot give adequate consideration to the proposed remedies without taking into account the relationship of specific proposals to: (1) regional variations in social and economic problems; (2) the controversy growing out of the President's message on civil rights; and (3) current economic trends relating to employment.

I should like the privilege of making a brief statement of my keen personal interest in the problem of securing for minority groups their full rights in our political and economic system. I have some pride in my efforts in past years to secure for all groups, particularly the southern Negro farm population, the highest opportunities for advancement. My record in the United States Department of Agriculture evidences this interest. I know that it is difficult for members of the majority group to understand fully how the denial of a right affects the thoughts and feelings of one who has reason to think such denial is attributable to race or religion. Viewing this difficulty some of the spokesmen of the minority have gone so far as to suggest that it is impossible for any member of a majority racial group to rid himself of the last vestige of prejudice against the minority member. I do not agree but I understand how the impression originates. I make only the claim for myself, and those who have expressed approval of these views, that we have tried sincerely and diligently to rise above prejudices.

I believe, Mr. Chairman, that it is more important at this stage that we create an atmosphere in which right solutions to legislative problems may be sought than that we come up with the perfectly correct answers to specific problems. In terms of this legislation, I mean by that that we would damage the minorities substantially if we set in force, as result of passage of questionable laws, reactions on the part of the employers and fellow workers that would cancel out any theoretical gains from a Federal law.

I am limiting my remarks largely to the southern situation where almost 10,000,000 Negroes, or 70 percent of America's total, make their residence. What the white people of the Southern States think about Federal authority being extended to this field is of tremendous importance. To disregard their thinking and the pattern of life to which the races are conditioned, would be a tragic mistake. No one familiar with the situation in the South will question the statement that legal penalties against southern employers and labor organizations for failure to conform to regulations prescribed in Washington will retard the wholesome trend toward nondiscrimination and improve race relations.

The opposition to this legislation is often identified with the resistance generally evidenced in our section to the President's so-called civil-rights program. It is impossible to disassociate the plan from the issues revolving around the President's recommendations.

I will not undertake to distinguish between the criticisms of the message which I regard as meritorious and those which are questionable. I do concede that there is merit in some of the President's recommendations. I insist, just as vigorously, that the passage of this particular proposal would be disastrous. It is a step toward statelsm which our people have every right to ask us to oppose. Neither can this view of the problem be regarded as sectional. The strongest indictment I have seen of FEPC came from Mr. Donald Richberg, of Illinois, who said of the penalty aspects of FEPC "Unless Government is to destroy the economic system of competitive freedom and a social system of free association, it cannot undertake to interfere with the voluntary selection of one's associates in work or play."

Finally, Mr. Chairman, the answer to the employment problem of the national minorities is in advanced educational methods in the public-school sytem, in industry, and government, and most important of all, in maintaining a flexible and stable economic system.

There is no power in government that will create adequate opportunities for employment in industry and agriculture unless the economy itself is thriving. Consider the practical angles. Put a law of this kind upon the books with the threat of Federal court action against the violator and 9 out of 10 employers will find legal ways not to employ Negroes for the reason that they will thereby be relieved of having to explain the discharge of Negroes in slack times. Employers will conclude that if they do not hire them they will not have to account for firing them. It will defeat its own purpose.

My opposition is directed primarily toward the coercive and penalty features of this proposal. I do not oppose the use of Federal service in counseling for nondiscrimination and in pursuing educational methods in the Department of Labor or some other Federal agencies that might be invoked for the economic aid of Negroes and other groups.

The success or failure of FEPC laws in the 10 States that are experimenting with them does not help us much in this problem. Those States have authority to deal with such problems. The authority of the Federal Government is constitutionally limited and, in my judgment, should not be extended beyond a coordinating and educational service as an auxiliary function of established agencies.

Alaska's Case for Statehood

EXTENSION OF REMARKS

OF

HON. E. L. BARTLETT

DELEGATE FROM ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1949

Mr. BARTLETT. Mr. Speaker, under permission to extend my remarks I desire to include an excellent editorial written by Mr. William L. Baker, editor and publisher of the Ketchikan (Alaska) Chronicle, which sets forth many of the reasons why Alaskans believe they must have statehood if that great region is to progress as it ought to, not only for the benefit of Alaska but of the entire Nation.

The editorial follows:

AN OPEN LETTER FROM ALASKA TO DEAR OLD UNCLE SAM

We Alaskans thought you'd like to know that we are sending out an order for a dozen able Communists. We are not, at the moment, getting enough attention from you, but these babies, we're sure, can fix that.

Your House Appropriations Committee just turned down our request, made through President Truman and the Budget Bureau, for $9,000,000 for pulp-mill access roads in

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Alaska. The first $33,000,000 rayon pulp mill in the Territory will be started this summer in Ketchikan. Its officials did not ask you to build them power facilities or subsidize their transportation (as you did for much of the West) to offset high Alaska freight and construction costs. Your Forest Service has talked for 30 years of the great timber stands in Alask, ample to fill a fifth of United States newsprint needs in perpetuity. Your Interior Department has boasted for as many years that Alaska (population about 100,000 today) could support as many people as Scandinavia at a higher standard of living. We thought you were rather proud of us stepchildren up here and that you'd give us a few nickels to use in opening up our roads when we finally, through the efforts chiefly of our own leaders, got our first heavy industry lined up. Your House committee turned us down because the first road projected—largely through solid rock—was too expensive and would serve too small a population. This afternoon our Delegate to Congress (who has no vote) and our Governor went up to the Senate to ask for restoration of the pulp-mill road fund by the Senate Appropriations Committee. It will not all be spent unless three big mills come into three towns in Alaska.

We are not hopeful. You almost included us in the Federal Highway Aid Act years ago but thought better of it and then, when World War II came along and you needed hundreds of miles of road in Alaska, you paid several times as much for them as you would have if the long-time program had been in effect. You are, in fact, paying for Alaskan statehood but not enjoying its advantages. As a State, we'd have had about $12,000,000 yearly in United States highway grants. We, too, are paying for statehood and not enjoying it, for those roads would have attracted tourists who would have left money in Alaska. You do tax our gas 2 cents a gallon, you know, but spend that money building roads elsewhere, don't you, Uncle? We pay in many other ways, too. Our air lines—some of them the same companies that operate in the States—charge us 10 cents a mile to fly up here and charge only 5 in the States because the States have Senators who can protest.

The nine million we lost for pulp-mill access roads—part of it to serve 400 homesteads and homesites near our mill—may not be important to you. But if it had been little Luxemburg needing that much money to battle communism or even to build housing to prevent the creation of conditions in which communism flourishes, you would have granted the money, wouldn't you, Uncle? That's why we are going to import some Communists. Little people just can't get anywhere nowadays without them.

We voted for statehood nearly 3 years ago. At that time you were more interested in the Greek elections and the Turks. That summer the writer went with Congressman Jed Johnson (Democrat, Oklahoma, now on the customs bench in Washington, D. C.) to beautiful rugged Glacier Bay, where Alaskans thought you might build a lodge. It is a national monument, containing the most glamorous glaciers in America, the Fairweather Range, and wildlife galore. We hoped that a lodge like your Timberline on Oregon's Mount Hood would be the beginning of that multimillion-dollar annual tourist industry you keep telling us we should have. We finally got a million-dollar appropriation past the Budget Bureau to start such a lodge and another one at Wonder Lake in Mount McKinley National Park. But the two times these funds got past the House Appropriations Committee some Congressman took the money for a pet project in his home district. Yet you own, Uncle, 99 percent of the land in Alaska and your Forest Service, until last year, would not give a resort developer any but a 1-year revocable lease to resort sites in an area much larger than the State of Maryland. Take any square mile of that forest reserve and put it down in the Prairie States and you'd have millions of people visiting it each year. We lost out to Greece that year, as we lost to Luxemburg and the other North Atlantic states this year. That is our reward for sending over 6,000 Alaskans to fight for the "four freedoms" (which the Greeks, Filipinos, and Netherlands Indies are enjoying while we still seek them through statehood), and for paying more United States income taxes per capita during the war than did 32 States, and for leading a big share of the war-bond drives over the top. Aren't you some kind of a Dutch uncle, Uncle, or do you really think we can build a new country in a vacuum?

Do you think it right to protect the western Germans in their drafting of a constitution when you won't let us go on with the drafting of ours after 82 years as a colony—and we have no former Nazis in our midst. Isn't it strange for you to clamor against the cartels and trusts in the Ruhr when your own Fish and Wildlife Service built up a great salmon-packing trust in Alaska, with half a dozen companies controlling about 80 percent of the fish traps? Do you know that this same combine exercised thought control in Alaska until last fall when we broke its hold, elected a progressive legislature, and have just seen it pass the basic tax program that now makes statehood easy to support?

Oh, yes, you're paying for statehood in many ways and not benefiting from it. You wasted billions up here in the Canol project and other blunders like it during the war, and you let the Japs grab Aleutian Islands bases when our Delegate had warned you to prepare. If we'd been a State and he'd been two Senators, he'd have been heard and you wouldn't have had to tie down 300,000 troops in the Northwest for two long years until Attu and Kiska were cleared when you needed them badly elsewhere. Our Senators would have won the battle of the Aleutians in advance. There may be more such battles. This writer sees similar blunders in defense every time he travels over Alaska, which is often.

Your Indian Service schools up here have been allowed to run down. Then you closed 12 of them last year and let the kiddies go uneducated. Yet the native territorial guard was your best defense organization in the war, sharp-eyed, on the job 24 hours a day, bringing in downed pilots, spotting Japanese balloons, spying on the Japanese on Kiska (they told your Alaska command the Japs had left Kiska but he wouldn't believe them) and maintaining drills up until this spring when you and our legislature reorganized them. They are a pretty good radar system, and they didn't go running back to the States when Dutch Harbor was attacked. They gave up fishing, hunting, and trapping to build your air bases, and then, when you forgot to slip them the food you had promised them for the winter, they went hungry and lived off what birds and reindeer they could kill. They didn't protest to Washington. They lived up to their end of the Pacific Charter and the pact of the Pacific.

Uncle, you long ago plowed under the oil, coal, forest, and some of the mineral resources of Alaska under the doctrine known as Pinchotism. You promised to let us in on the public domain highway fund, then cut us out. You did the same with agricultural aid in the Adams, Smith-Lever, and other Federal acts. Now you are worried that the Arctic can't support the troops and civilians you think it needs to make it strong. You have discriminated against us at every turn, refusing for some months to give overseas credits (toward discharge) to Alaskans serving in western Alaska though the credits were allowed boys from the States. (Obviously our boys, only 1,000 miles from home, enjoyed the Aleutians and Bering Sea while your stateside boys didn't.)

Next year, we imagine, you'll be too busy with China and Japan to consider us—unless we import some able Communist agitators. Yet all we ask is a simple statehood enabling act now frozen in the House Rules Committee. Not money, alms, or arms. Just a chance to be full citizens at our own expense as you've been promising for 82 years. The weaknesses of our economy are your doing and are chronic with territories. The few people unemployed up here now are nearly all your people from the States who drove north over your Alaska Highway and can't get back. We'd have jobs for them if you'd fulfilled your promises. But you haven't. So we are willing to try to carry them out for you. We are bigger and more populous than 14 territories when admitted and we are probably more important strategically than any other bit of land in the world today. But we can't walk with the hobbles on and we can't fight tomorrow's kind of war for you with down easterners sitting on the defense committees and letting us have no money for roads to heavy industries, or for development of power plants, mineral deposits, agriculture, new fisheries products (this town had a 400,000-pound tuna catch for the first time in history last fall) and some of the unknown factors of the north, which may become mighty important in the near future.

Flood Control

EXTENSION OF REMARKS
OF
HON. TOM STEED
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. STEED. Mr. Speaker, under leave to extend my remarks, I desire to call the attention of the Congress to an article on flood control written by Elmer T. Peterson and published in the Daily Oklahoman on Saturday, May 21, 1949, which deals with recent floods in Oklahoma and the effect of certain flood-control projects on those floods.

Oklohama, during the last 2 weeks, has been swept by almost unprecedentedly heavy rains. These rains have resulted in floods that have caused extensive damage. In only one spot, the Cloud Creek soil-conservation and flood-control experimental project, were the efforts of man able to deal with this onslaught of the elements.

I call attention of the Congress to the fact that of all the millions of dollars already spent on major flood-control projects in Oklahoma, under supervision of the United States Army engineers, not one single flood in my State in the last 2 weeks was prevented. If every project now under construction, authorized or contemplated by the Army engineers had already been completed, they would not have stopped any of these floods. There never has been better proof that this approach to solve our flood-control problem is wrong. The Soil Conservation Service has provided the answer in its Cloud Creek project. How long, Mr. Speaker, must we con-

tinue to follow this one-way flood-control policy of folly? Mr. Peterson's story follows:

FLOOD OF WASHITA PROVIDES A TEST

The extremely bad floods in the Washita Valley, in southwest and west Oklahoma, furnish the first severe tests of the Washita Valley flood-control project of the United States Soil Conservation Service, which is not to be confused with the big dam program. Fort Cobb, Anadarko, Mountain View, Carnegie, Gracemont, and other localities have suffered severely, with precipitation in a single storm amounting to as much as 8.6 inches in some places.

This is a drastic test for any kind of flood control, but what is sauce for the goose is sauce for the gander. If it tests one, it tests the others, so let's analyze any facts and statistics that are available at this writing.

First, remember that the Denison Dam didn't control these floods. This, of course, is absurdly simple, since no dam can control floods that occur above it, on the watershed. USDA statistics show that 80 percent of all agricultural flood damage occurs before the floodwater ever reaches the reservoir.

Let's go farther upstream. (Information is incomplete at this writing, as most State and Federal officials who could furnish information are not in their offices.)

Naturally you will want to know what happened on the Cloud Creek watershed, a Washita tributary about 12 miles up the river from the worst flood area. You remember that a big dedication ceremony was held there last July, 10,000 people being present.

The soil-conservation work on this subwatershed was practically completed. This is only a small beginning, however. Less than half a dozen subwatersheds out a total of about 1,000 in the Washita Valley are thus treated.

During the downpour in question 4½ inches of rain fell in 3 hours—a cloudburst. Yet there was no water coming down Cloud Creek below the small detention reservoir which acts as a safety valve in case the conservation treatment doesn't do a 100-percent flood-prevention job. The main detention reservoir lacked 4 feet of being full enough to discharge its load.

The flood-control engineer on the job said that this same Cloud Creek watershed, previous to this soil-conservation treatment, couldn't have taken 1 inch of rainfall without causing the creek to pour its surplus water into the main Washita River channel, to aggravate flood conditions.

Now suppose the big 11,000-acre Mountain View Dam, now proposed, had been built. How would it have performed?

The three main sources of floodwater were Rainy Mountain, Sugar and Cobb Creek. Without their torrents there would have been no disaster. They have had very little conservation treatment. They empty into the river below Mountain View Dam site. That's a starter.

Statistics as to total capacity of the proposed reservoir and the portion reserved for a flood-control allocation of capacity are not available, but, judging by comparable reservoirs, such as Lugert, Canton, and Salt Plains (for which statistics are at hand), the full capacity of the proposed Mountain View Reservoir would not be more than 300,000 acre-feet of which probably no more than 100,000 acre-feet would be allocated for the flood-control pool (capacity). Only 21,450 acre-feet of the Lugert Reservoir are allocated to flood control. After that is filled, the water starts coming over the dam.

About one-third of the total Washita watershed would feed this reservoir. An 8-inch rain would theoretically produce at least a million acre-feet of water, assuming all the water would run off and no conservation policies were used anywhere. That would be at least 3 times the total reservoir capacity and probably 10 times the flood-control pool. A 6-inch rain would theoretically produce at least 8 times the flood-control pool and a 4-inch rain about 5 times the pool capacity.

These figures, though theoretical and tentative, subject to correction up or down, are enough to show that the big dam doesn't necessarily control big floods. Vanport, Oreg., and Grand Lake, Okla., furnish concrete examples.

I Supported the ECA Program

EXTENSION OF REMARKS
OF
HON. EUGENE D. O'SULLIVAN
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. O'SULLIVAN. Mr. Speaker, under general leave unanimously granted yesterday, Thursday, May 26, 1949, by the House of Representatives for all Members to have 5 days' time in which to extend their remarks in the Appendix of the CONGRESSIONAL RECORD, respecting H. R. 4830, I wish to make the following observations relative to same, and give some of my reasons for my supporting the passage of this bill as same was amended.

I studied carefully the evidence presented, in the recent hearings before the subcommittee of the Committee on Appropriations, House of Representatives, Eighty-first Congress, first session, on the foreign aid appropriations bill for 1950, and I also studied carefully the report of the majority and the minority view, and the bill itself, H. R. 4830, and I listened carefully to the debate on the rule, House Resolution 228, and the general debate on the bill itself, and could come to no other conclusion but to support wholeheartedly this bill in its entirety as it was amended.

In doing so I was forced to deny a serious demand from some of my constituents to cut this program 10 percent across the board.

If those who petitioned me to make this 10-percent cut had had the opportunity to become conversant with the foregoing information, which I was privileged to have, I am sure that not one of these protests would ever have been sent to me.

It has been said truly that "a little knowledge is a dangerous thing," and it had great application as far as evaluating properly this bill was concerned.

To cut this appropriation 10 percent would have amounted to a serious crippling of this great piece of legislation. This legislation is not a humanitarian one alone, but actually is strong and virile national-defense legislation. In the debate it has been so recognized by the best minds of both the Democratic and the Republican Parties in the House of Representatives. The cry to make a 10-percent cut across the board was actually an unnecessary demand, because when the amount of $3,568,470,000 recommended for 1950 is compared with the current appropriation allocated on a fiscal-year basis, there is reflected a decrease of over 26 percent. The recommended appropriation for the fiscal year 1950 is 15 percent below the budget estimate for that period report accompanying H. R. 4830. The minority views also agrees with this statement of the majority.

To have made another 10-percent cut across the board would have served nothing worth while, but unwittingly would have resulted in aiding Communists to accomplish their most heinous purposes.

ECA has stopped communism, and its full support, in my opinion, was a must for Congress.

I for one will never do anything knowingly to aid this criminal conspiracy of communism, and I am sure that none of my constituents, who have the welfare of America in mind and at heart, will disagree with my views and actions in this regard.

I shall support my country and its interests and shall work and support this bill to strengthen our national defense, which in turn in a secondary way will also help suffering humanity across the sea. The cry should not be "economy now," but "stop communism now" and put it back on its well-worn heels in the war-torn countries and "bat it flat" at home. Neither you nor I, as patriotic Americans, owe anything to this foul, soul-debasing creed.

Analysis of Lodge-Gossett Plan

EXTENSION OF REMARKS
OF
HON. RICHARD M. NIXON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. NIXON. Mr. Speaker, I have previously expressed general agreement with the principles and objectives contained in the Lodge-Gossett plan for eliminating the electoral college and prorating the electoral vote of the States. However, I recognize that the merits of any proposal of this type should be thoroughly debated before its adoption and under leave to extend my remarks, I am including an articulate statement in opposition to the plan by Dr. Paul S. Smith, professor of American history and government, Whittier College, Whittier, Calif.

Dr. Smith's statement follows:

The proposed Lodge-Gossett amendment for electoral reform is one of questionable wisdom in several particulars. This is so despite the measurable approval it has received in various sections of the country. This is not strange since the subtlety of our electoral system is so generally unrecognized that the Lodge-Gossett plan appears on its face to incorporate changes that are altogether desirable. But this is not the case, and the purpose of these remarks is to point out some of the real drawbacks to the Lodge-Gossett plan.

A major criticism of our electoral system is that the general State ticket, or winner-take-all procedure, gives the full electoral vote of a State to the Presidential candidate winning

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the plurality vote of the State. Sometimes this has resulted in the election of minority Presidents. But exactly the same thing can happen under the proposed Lodge-Gossett plan despite the general understanding that exists almost everywhere that this new proposal insures the electoral vote of the Nation being at all times an accurate reflection of the popular vote of the Nation. It is but a simple blackboard demonstration to show that proportional or prorate casting of the electoral vote under the proposed Lodge-Gossett plan can deny the popular will quite as completely as our present electoral procedure. It would be a cruel illusion indeed to alter our present system in the direction proposed under the erroneous belief that the most important advantage claimed for it is an uncertain one. The Lodge-Gossett plan for prorating the electoral vote may reflect the Nation-wide popular vote with no more accuracy, or even with less accuracy, than our present general State ticket system which permits of no prorating.

Adoption of the Lodge-Gossett plan would freeze into the Constitution the proportional vote system, thus depriving the States of their present freedom to adopt a method for distributing the electorial vote in the way best meeting their needs. It is not inappropriate to point out that the advocates of electoral reform sometimes make the mistake of getting too much in the Constitution in disregard of the sound principle of flexibility so well illustrated by the British constitutional system.

Supporters of the Lodge-Gossett plan for proportional voting claim that this device will take away from minority parties and groups the inordinate power that it is claimed they now exercise in close States where their numbers, though small, may be decisive in determining the outcome of a Presidential election. It is said that this gives minor groups a bargaining power with the two major parties that is altogether out of proportion to their real importance and that in the case of a dangerous minor party, one that is not salutary in any respect. But it may be said with equal realism that the prorate system would encourage the establishment and growth of independent parties to such an extent as possibly to threaten our historic two-party system and bring into existence so many minority factions and blocs as to jeopardize government by majority rule. It is true that many minor parties fail to qualify for entrance to State ballots, but the plan for prorating inherently carries with it the idea that the way shall be made easier for independent parties to secure a place on them.

The feature of proportional representation introduces a dangerous possibility into American government. Adoption of proportional representation in our electoral agency of government might very well lead to its introduction in our legislative agencies as well. If it is logical to prorate seats in the electoral college, or whatever its fictional counterpart, so as to give minority groups representation, then it is equally logical and perhaps equally likely that sometime we shall adopt the same practice in the Congress of the United States and give direct congressional representation to minorities in congressional districts. Adoption of proportional representation in one area of our Government could very well open the way to its appearance in another.

Proportional representation in Congress could be a bad thing. At present a Congressman represents a geographical area and, following his election, his constituency becomes all the people living in his district—Democrats, Republicans, and others; he is the common representative of them all. If instead he were a strict representative of some one party or group, as proportional representation would make him, matters would be very considerably altered indeed. A Member of Congress whose constituency is geographic and is compounded of all the people living in a given area, is the representative of the interests of all. This tends to make him a moderate and to develop in him the capacity for compromise. If his constituency is a single group of folks (perhaps only a fraction of the people living in his district)—as would be the case under proportional representation—he tends to become radically one-sided and uncompromising. The former instance supplies a solid basis for democratic legislation, the latter denies it. It would be short-sighted electoral reform indeed that did not take into consideration, not only possible shortcomings in its immediate operation but its wider implications as well.

The Lodge-Gossett proposal for electoral reform is presented in the form of a constitutional amendment, as we know. By terms of this proposed amendment, were it initiated, it would be sent to the State legislatures for ratification. It would be far better to submit such an amendment directly to the people for final decision. This would mean submission of the Lodge-Gossett plan to State ratifying conventions composed of bound delegates chosen by the people, so that the people might truly speak. It is an altogether specious argument to say, as it has been said of the Lodge-Gossett proposal, that it ought to be sent to the American people for decision and then, in the same breath, arrange for its submission to State legislatures for ratification. If a mistake is made in the attempt to reform the American electoral system, let the people make it and let the people bear the responsibility for having done so. If a remedial change be effected in the electoral system, let the people make it, for then there is some hope that they may understand what they have done.

Robert Lewis Coffey, Jr.

MEMORIAL ADDRESS

OF

HON. CARL ELLIOTT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1949

On the life, character, and public service of Hon. ROBERT LEWIS COFFEY, JR., late a Representative from the State of Pennsylvania

Mr. ELLIOTT. Mr. Speaker, I stood as an honorary pallbearer amid the sorrowful surroundings of Arlington Cemetery and watched a nation pay its last respects to our late friend and colleague, ROBERT L. COFFEY, JR.

My heart went out to his family, his parents, and friends.

Across the horizon of my mind there played the facts that I knew about BOB COFFEY. His mother, the former Curry Brindley, was reared at Cullman, Ala., in the district I have the honor to represent here. I often talked with BOB about Cullman and he told me that he would go with me to Cullman this summer. He was born in Chattanooga, Tenn., 30 years ago. Early in life he moved on to Pennsylvania, where he worked in the coal mines, was educated, entered the Army Air Force, and wrote for himself an almost unequaled record of bravery, daring, and accomplishment across the blue skies of time.

He left the Air Force in 1948 to seek election to this body, and the people of his district on November 2, 1948, conferred on him the greatest honor any man can receive—they elected him as their Representative, their spokesman in the greatest legislative body in the world.

BOB COFFEY was a big man. Though young in age, he was experienced such as few men are. His outlook was broad and big. He had participated in those things that have made this country great.

I last saw him about 24 hours before his death. We talked a moment and he departed to return no more. He gave his life in perfecting the science of jet flying.

At Arlington I realized more than ever before that BOB COFFEY's life symbolized the greatness of America, "the land where the humblest son of the humblest citizen may lift his eye in confidence to the star of hope."

And because of BOB COFFEY's life, America will go on being great, good, and strong. It will continue to be a lighthouse of hope.

And his passing is, as when a lordly cedar
green with boughs,
Goes down with a great shout against
the hills
And leaves a lonesome place against
the sky.

Connecticut River Valley Development

EXTENSION OF REMARKS

OF

HON. HUGH B. MITCHELL

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1949

Mr. MITCHELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an address by my colleague, CHASE GOING WOODHOUSE, of Connecticut, before the National Emergency Conference on Resources on May 13, 1949:

The Connecticut River Valley development cannot be approached as just another valley authority. The geographical, economic, and psychological situation is quite different from that of the Tennessee Valley or the Columbia River Valley.

The Connecticut River Valley is relatively small. The river flows 312 miles from upper New Hampshire and the Canadian border to Saybrook Point in Connecticut on the Long Island Sound. It drains 11,320 square miles, which is approximately one-third of all New England exclusive of Maine. A million and a half people live in the valley which includes 355 towns and cities, 20 of them with a population over 10,000 and some of them large metropolitan cities. The upper stretches of the valley are predominantly agricultural. The middle and lower valley is industrial with many old and long-established industries. The farm land has a relatively high economic value and a distinctly high sentimental value to its owners. Each town guards its grand list with jealousy and is far from keen on having any farms inundated and taken off the tax list by the building of river-development projects.

So in the Connecticut Valley there are not just the great open spaces of poor farm lands to deal wtih, but a well-populated valley with old farms, old industries, traditions, and among the people a deep desire to protect their beautiful countryside.

This situation and this attitude can be a detriment or can be an asset according to the way this question of valley development is presented. There is need for the spread of information among all the people and all the towns. New England is highly literate and highly thrifty. If the facts are there to prove that the Connecticut Valley development can be achieved without undue flooding of good farm land and at a cost which will bring an over-all profit to the people not only in money but in better living, it will be accepted. But not as a project instituted, developed, and operately solely by the Federal Government. It will be necessary to find constitutional means of giving the New England States, through their governors, a real share in the development and operation of any Connecticut Valley Authority. In the bill which I have introduced as a point of departure on which to build, an effort has been made to provide for such working together of the Federal Government and the New England States.

This idea of working together has been growing for some years. Like many other rivers, the Connecticut can be a source of great advancement or of great detriment to the people in its valley. In the old days, textile and paper plants were established in the valley because of cheap mechanical water power and an abundant supply of water. Look at an air map of New England and you will see that as in the history of many civilizations, it is the river that has been the life line of community development.

On the other hand, destructive floods have caused great loss. In Connecticut alone the total in dollars is $33,751,000 due to floods in the last 22 years. To this must be added damage caused by lesser floods not accounted for. The last two big floods cost $9,602,800 to Connecticut towns which are not and cannot be protected by dikes.

Since 1936 there have been attempts to agree on a flood-control compact between the New England States (Vermont, New Hampshire, Massachusetts, and Connecticut) and there is now a Connecticut River flood-control compact before the various State legislatures. This compact integrates the expressed wishes of the Congress, the ideas of the States concerned and the recommendations of the United States Corps of Engineers. There is nothing in the proposed compact which would interfere with the installation of power facilities at any dam where the Federal Power Commission and the United States Corps of Engineers determine that such installation is desirable. But there is no provision for an over-all survey or for coordination and all the emphasis is on flood control. The compact offers no incentive to comprehensive river basin development.

Unfortunately, advocacy of flood control has been used as a means of preventing the development of hydroelectric power. In fact, some people seem to imply that there is something inherently dishonest about multi-purpose dams, that they are mere devices of public power enthusiasts to make flood control the cover for paying subsidies to provide power.

The Hoover Commission report on the Interior Department is an answer to such assertions. It states "* * * the function of river development is a multiple purpose one, cutting across many of the unifunctional agencies. * * * A plan for the development of a river basin cannot be derived by adding together the special studies and the separate recommendations of unifunctional agencies, concerned with navigation, flood control, irrigation, land drainage, pollution abatement, power development, domestic and industrial water supply, fishing and recreation. The varied and sometimes conflicting purposes must be put together and integrated in a single plan of development."

The proposal for a 10-year New England development authority signed by six New England governors in March of this year carries out this idea.

In presenting this compact to the Connecticut State Legislature Gov. Chester Bowles put the situation most succinctly. He said: "It is essential that we New Englanders meet the challenge of other sections of America; that we have at our command all the facts which will aid us in comparing our progress with that of others; that we remain in a position of leaders rather than followers * * *. The New England Development Authority will help point the way toward the kind of industrial development best suited to New England traditions and resources.

"There are always those who say that we should leave such problems to the Federal Government, that only the Federal Government can insure that our people remain fully employed, that our resources will be fully utilized and that we will achieve a standard of life in which the maximum benefits of the democratic system are shared by all of our people. In my opinion it would be foolhardy indeed if we drifted into the habit of looking to the Federal Government for the solution of all the problems * * * The proposed development authority will enable us to study our future development in a comprehensive way in cooperation with the people of our sister New England States. We will not be limited by the artificial boundaries of a single State, nor will we run the risk of losing ourselves in the generalities so frequently found in the national treatment of the problem."

The compact would provide a complete survey of the New England situation by a six-man commission, one appointed by each of the Governors. The expenses would be paid by the States in proportion to population. I quote two sections which give a good idea of the sound basis upon which this compact is developed:

"ART. VII. The authority shall survey the natural and economic resources of New England together with the resources of adjacent areas which now or may hereafter affect the economy of New England and its development, including the utilization and control of the water resources of the region, especially in regard to achieving low-cost electric power, lessening flood damage, removing sources of water pollution, and obtaining from whatever source uniform or competitively fair power and light rates throughout New England, without prejudice to the agricultural or industrial economy of the area.

"ART. VIII. The survey of the natural and economic resources called for in the preceding article shall include, but shall not be limited to, an investigation, study, and a comprehensive report upon the importation of natural gas into the area by pipe line; the establishment of a steel industry in New England; the promotion and development of the textile, the electrical, the brass, and the shoe industries; and the conservation and expansion of marine fisheries, agriculture and timber and mineral production."

Unfortunately, there was no time to explain the terms and meaning of the compact to the people of the New England States before it was presented to the various State legislatures. Rhode Island ratified. Maine and Vermont have rejected it. It will be 2 years before it can again be voted on. In the meantime there will be many opportunities for discussion and for the people in each town to go over the compact from all angles.

Those interested in New England development must continue to work through Congress, the State governors and especially with information at the local level.

In Congress our first need is for authorization for a United States Army engineers comprehensive survey of the Merrimack and Connecticut Rivers and other rivers in the New England States where improvements are feasible.

Such a survey would give us facts as to potential power and the economic feasibility of its development. The marketing survey which I understand will be available shortly will answer the question of the need for power.

While it is very generally acknowledged that the entire country is suffering from a power shortage and while the war proved the value of the TVA, Grand Coulee and Bonneville, private utilities in New England, insist there is no shortage in that area, that the December 1948 peak was met and therefore there is no shortage. This group gives no explanation of why there is a lower per capita use of electricity in New England than there is in other parts of the country. With the exception of the west-south-central area of New England, the region has the lowest average use of residential electricity of any in the country. When the question of higher New England rates is brought up, the answer is always in terms of New England rates, lower today than in past years it is true. But that still does not clear away the fact that in 1932 the average rate per 100 kilowatt-hours in New England was 22 percent higher than the average charged by private companies in the TVA area, while today it is 60 percent higher. We cannot compare New England today with New England in the past. It is our current position relative to the current position of other regions in the United States which is at point.

It is not very realistic to offer a prize of $100 to anyone who can prove that any given mill has left New England because of power rates or power shortage. We cannot be content if we merely hold what we have. We must attract industry, improve the employment situation.

To point out that power is a very small percentage of total manufacturing cost is not enough. Sometimes a very small straw breaks the camel's back.

Public power is here to stay. The vote on the appropriations for the Department of the Interior for transmission lines in the Northwest and Southwest was 146 to 56, with not a single Democrat voting against these publicly owned transmission lines. In September 1948 there were some 150 Federal hydroelectric projects in operation, under construction or authorized but not 1 in New England.

But first we must have the comprehensive survey of the New England rivers. The FPC staff estimates that river development in New England could produce 749,000 kilowatts. The New England council survey found only 111,000 kilowatts undeveloped.

Why this difference? The New England Council survey estimates are apparently a summation of potential power development on individual projects, constructed independently while modern river basin planning, as noted in the Hoover Commission, looks upon the entire river as the unit of development. And the New England Council projects are for the single purpose of power and include only projects economically feasible on the basis of an annual charge of 8 to 15 percent or about twice the charge required by Federal financing (and financing means the project paying its own way). Now a sound plan involves the balanced use of all the water resources. It is just as outmoded to call for projects for power only as to call for projects for flood control only. The plan of development must be one resulting in maximum power available, flood control, navigation, pollution clearance and land preservation. The whole is a question of joint cost. The concept is just as honest and realistic in river development as in the meat-packing business.

There are a growing number of groups in New England interested in Connecticut River Valley Development. Labor is taking an active interest. Many of the young faculty members at our colleges and universities are making studies, are working with the State

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and Federal agencies. The governors have indicated their interest in very clear terms.

We need a comprehensive survey to satisfy all of us as to facts. Preliminary surveys indicate that we can look toward a unified river-basin development that will provide flood control, hydroelectric power, water pollution abatement, land conservation and wildlife conservation and that this can be done at an economically feasible cost, without undue loss of farm land and without injury to our established private utilities. In fact, the utilities should profit, for with increased prosperity there will be more demand for their services.

Aid to China

EXTENSION OF REMARKS
OF
HON. RICHARD M. NIXON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. NIXON. Mr. Speaker, along with other Members of the House, I have been greatly impressed by the weekly radio broadcasts on communism by Commentator Jack Beall. Through these broadcasts Mr. Beall has rendered a real service to the country by alerting our people as to the methods and operation of the world Communist conspiracy.

Under leave to extend my remarks, I am including the eighty-seventh in this series of broadcasts in which Mr. Beall presents a thought-provoking analysis of the current situation in Germany and China.

The text of the broadcast follows:

We have had an undoubted victory in the "Battle of Berlin" but if any one in high place thinks that the cold war has been won thereby, he will experience a very sad disillusionment when the meetings of the foreign ministers take place, beginning May 23. As a matter of fact our difficulties over Germany, as a whole, are now in a comparatively early stage.

One major factor in our success over Berlin was because the Communists feared our setting up a separate western German state, with a democratic constitution. The Communist high command is intent on stopping this western German state. It becomes their number one requirement for "peace" in Germany, that these plans for a German constitution, now going forward at Bonn, be scrapped. The Russians claim they want to unify Germany but they want to unify it on their own model—that is of a so-called people's democracy. And they want to forestall the formation of a really democratic state in Western Germany to serve as a model. Happily, I see no lessened intention on the part of the west or of the German leaders of the western area, to scrap the Bonn Constitution. Only this morning we see where they are hurrying it to completion.

On the basis of pushing such a constitution for all of Germany, we would not be placed in the position of opposing the overwhelming desires of the German people for unification. But we would certainly oppose the unification of the German people on the Soviet model of a people's democracy. So, you can see from this one thing what a struggle is to be expected over Germany in the next few weeks and why the coming Council of Foreign Ministers may get into a hopeless deadlock.

The long-range strategy of the Soviet Union is to bring Germany—a united Germany—into a close rapprochement with the Soviet Union—even if they have to make the most extreme political bids to their late military and political enemies. They want an eventual military alliance with Germany. And if they get it they will have won the battle for Europe.

They are prepared to dangle some terrifyingly attractive offers in the face of the German people. They can offer to return the German lands—now occupied by Poland. That will be at no Russian expense—only at the expense of Poland. If we are not smart we will find ourselves being caught off base on that one. We should insist that these self-same lands, which belonged to Germany until Stalin violated his signature at Yalta—should be returned to Germany and something else beside: That Russia get out of the eastern third of Poland which she took without any trace of legality. Section 6 of the Yalta protocol said: "The final delimitation of the western frontier of Poland, should await the Peace Conference." Furthermore, there was an agreement between the great powers, immediately after the war, that the legal basis for the borders of Germany and Poland should be the borders that existed as of December 31, 1937; that is, before the Second World War. Instead of abiding by this agreement, instead of abiding by Yalta, Stalin calmly helped himself to the eastern section of Poland, then—to appease the Poles—he handed them over the eastern section of Germany—up to the Niesse River He borrowed from Peter to pay Poland.

Now, in order to bait the trap of a military alliance with Germany—and thus control all Europe—Stalin can dangle before the German people the much-desired return of Eastern Germany to them. I don't think we should be caught in the position of opposing this—as such. We should be smart enough to accept this publicly—but only on the basis that Russia return the eastern provinces of Poland, to Poland. If Stalin refuses, then the onus for the break-down of the whole arrangement will not fall on the United States, but upon Stalin. We will be in the clear with the German people, as well as with the Polish people. Stalin will not be in the clear with either of them. It will help to spike his drive for a military alliance.

We do have some cards in our hands, on this particular deal. But there is another deal of the cards that leaves us out pretty much in the cold. That is about Asia. Stalin has some things he can offer the German people, along the economic recovery line, which we cannot match, if all Asia goes Communist. It is extremely important to realize the world-wide ramifications of the Communist strategy and not to think of everything in watertight compartments. A communized Asia is going to help Stalin in winning Germany if we don't watch out.

The reason that the communization of China is going to help the Soviets in winning over Germany is for a very simple reason. They can dangle before the German people the vision of quick economic recovery—by turning over to them the markets of the Far East, for manufactured goods. From those markets, it is the intention of the rulers of the Kremlin to exclude the western nations—notably the United States and England. That would leave a clear field for Germany and I don't think we should minimize the effect that this will have on German minds—particularly of those Germans who want their country to make a quick comeback as a world power.

Now I will read you something to show the other side of the shield—the plan for a communized China to lead to the final overthrow of Europe. Last fall, the East Asian Affairs Council of the Communist International held a conference at Harbin, Manchuria. Russia's commander in northern Korea—General Lokotikov, was one of the chairmen. Representing the Chinese Communists was Li Li-San. General Lokotikov spoke as follows:

"I wish to say that the essential point of the present world revolution is still being focused on east Asia. We have already built a firm foundation in Europe and we are in the full grasp of the power to make peace or war at our own will." Incidentally, this is the best evidence you could ask for to show that the propaganda about the Soviet Union being in deadly fear of the war mongering, imperialist west is a lot of baloney and that their own leaders don't believe themselves Let me repeat that last sentence of General Lokotikov: "We have already built a firm foundation in Europe and we are in full grasp of the power to make peace or war at our own will."

He went on to say: "We are employing, temporarily, political offensives to distract the attention of those capitalist countries like Great Britain and the United States. While in east Asia, if all our comrades would put to proper utilization the 1,000,000,000 people and the resources of the continent of east Asia, we could gradually capture the Pacific Ocean and expand westward to the Mediterranean Sea. When that time comes, it will be the most suitable occasion for us to launch military operations in Europe."

Those remarks should mean several things to us. First, that from the Soviet standpoint, the key to the world struggle is Asia. The conquest of Europe, militarily, depends on the taking over of Asia, first. The Communists are not worried about Europe now. They are content to consolidate their gains there, digest what they already have, make phony gestures of peace, where it suits them, build up their potential for a military alliance with Germany—all of this while they are marching to victory in the Far East.

And the terrible thing—the insufferable thing—is that our own State Department and our own President seem content to sit by while all this is happening. As Mr. Acheson says, we are "waiting for the dust to settle." In the meantime, he does everything he can to discourage the sending of any aid, military or otherwise, which would tend to salvage even a little bit of the continent of Asia. The same people who are so acutely aware of the need of helping Europe don't realize what the Communists realize, and have said many times that Asia is the key to the whole thing. We spend billions on Europe to prevent the spread of communism there, but refuse to spend anything on anti-Communist effort in Asia. The official attitude is that it is too late. Yes; it is too late to do anything about Manchuria, into which we let the Communists by a shameful sell-out; it is too late to recover north China, which we helped the Chinese Nationalist Government to lose by refusal to ship them arms for more than a year, while the Red army was turning over a tremendous arsenal of captured Japanese weapons to the Chinese Communists. We have sat by now until it is too late to do anything about the great cities of central China. But there is still a lot of China left. Are we going to sit by and chant this litany of too late and offer too little, while the last chance of any salvage in Asia goes by, irrevocably?

I think Gen. Claire Chennault knows as much about the military possibilities in China as anybody in the State Department—certainly as much as the pinko Far Eastern Division knows. And I want to read parts of a letter which the General wrote last February. He gave testimony only this week before a Senate committee, along the same lines. Listen to these words of Gen. Claire Chennault—a man who did more to save China from the Japanese than any other one man:

"I have heard a lot of statements recently to the effect that it is now too late to give effective aid to China. In my opinion this statement is being circulated largely by the

same group of people who opposed aid to China all along. As a matter of fact, I am in close contact with the leaders of the south, southwestern, western, and northwestern provinces and I am convinced that they will not surrender unconditionally to the Communists. I am also convinced that the mountainous west will fight to retain their freedom until the bitter end. Even if the Communists are able to penetrate along the Hankow-Canton railway to the southern coast they will still have a very determined opposition in the west. In fact, the Japanese occupied a great deal more of China, in 1941, than the Communists do today. (Parenthetically, I don't recall that the State Department said then that it was too late to do anything about the conquest of China.)

General Chennault goes on: "All of the leaders I have referred to above have personally requested me to form a vounteer air unit to support their ground troops and it is sometimes very difficult for me to explain why I cannot do this at once. It is equally difficult to explain to Americans how a small air unit of this type (composed of old P-47's and B-25's) could materially influence the course of the war (in China). Having served in China, you will appreciate how much damage an airplane can do to lines of communications which are already deficient in number and usually in bad condition. On the field of battle, the Communists invariably have superior artillery and machine-gun fire. When a Nationalist city is besieged the Communists plant their artillery on ridges and hilltops overlooking the city and calmly pound away until the place is taken. Even a half-dozen airplanes could prevent this kind of artillery employment. Under those conditions a small air unit would do a great deal to restore the morale of the Nationalist leaders and troops."

That was General Chennault speaking and he has told the Senate Armed Forces Committee that the cost of his program per day would be about the same as we have been spending per day on the Berlin airlift—$1,000,000. We didn't hesitate, in this case to spend the money. We even regarded it as a bagatelle, for the chance of stopping the Communist grab for Berlin. Why we hang back and take an entirely defeatist attitude on the key struggle for both Asia and Europe, I cannot say.

The struggle with communism in which we are now engaged is a world struggle and there is no east and there is no west—separately and distinct from each other. It is for world stakes and when you give away at least half the game, by default, you stand to lose the whole game.

It took Mr. Acheson many years to get over his attitude of appeasement of the Soviet Union, as regards Europe. He eventually did see the light on that, but at considerable expense to this country, in the process. I don't know that we can afford for him to take as long a time to learn that appeasement in the Far East can be just as disastrous.

Why Washington Will Be the Next All-Public-Power State

EXTENSION OF REMARKS

OF

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1949

Mr. JACKSON of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Mr. L. J. Richardson, president, Washington Public Utility Commissioners Association, delivered May 10, 1949, at the American Public Power Association convention, Los Angeles, Calif.:

WHY WASHINGTON STATE WILL BE THE NEXT ALL-PUBLIC-POWER STATE

(An address by Mr. L. J. Richardson, president of the Washington Public Utility Commissioners Association, at the American Public Power Association convention in Los Angeles, May 10, 1949. Mr. Richardson is an orchardist in the famed Wenatchee Valley of Washington State. He has served as master of both the Beacon Hill and Chelan County Pomona Granges. He was elected a Chelan County public utility district commissioner in 1944, and was subsequently chosen by his fellow commissioners to head their association this year.)

With so many representatives of municipal or city light systems here at the American Public Power convention—I feel like a "country cousin." As a matter of fact, the utility districts which I have the honor of representing are, like REA's, country cousins of the municipals. We are all part of the big family of publicly owned utilities. We share the same public trust. We play the same role of service to the community, its residents, its business, its farmers, and its industries.

A public utility district, as most of you know, is actually a municipal utility extended throughout an entire county or section of a county. It provides a water and electric service that could not otherwise have been had in our less populated communities and farming areas. Since Washington is primarily an agricultural State, it is not surprising that we have already formed utility districts, through majority vote in public elections, in 30 out of 39 counties. Twenty-four of the districts are already in business. The rest are negotiating a purchase which is rated by the New York Times as the greatest private-to-public utility sale in history.

While we serve no extremely large cities, our districts do provide water, power, and light for many towns—some of them over 45,000 in population. In rural electrification our districts, from their beginning, have undertaken the task which only REA's would tackle in other sections of the country. We are now engaged in serving an increasing number of industries coming out into rural areas. You may wonder why we are getting these industries. Part of the answer lies in lower costs away from big cities, in the availability of raw materials and in better living conditions. (That bomb that was dropped at Hiroshima may have had something to do with it too.)

Whatever the reason, we think this new blend of industry with farming in our counties is a wholesome thing. In fact the farmers who first set about to form utility districts had this very end in mind. They knew that industrial pay rolls close by would create a stable home market for the abundance of quality food products that we produce in Washington State. They knew that a sound economy, which includes the prosperity of all enterprises in the cities, springs from a low-cost release of raw materials at the mouth of the economic assembly line—at the farms, the mines, the forests, and the fisheries. This theory has proven correct. Our State's economy has been greatly stabilized. New opportunities have arisen in a region that was once a remote, undeveloped colony—altogether dependent on outsiders. All we had to do was to make the long-range investment in our future—an investment that eastern private monopoly could not or would not make.

You will hear some people say that Washington State has the lowest electric rates in the Nation because of its hydro sites. Though this be true to an extent, it is also somewhat misleading. While no other State has a river to compare with our "miracle river," the great Columbia, there are many other streams with power plants almost as efficient—yet rates do not compare. You will hear people say that our rates are low because the Great White Father and Congress gave us big dams. This is more misleading. Washington State leads the Nation in economical generation and distribution of electrical energy largely because of its own, self-help efforts. Naturally, we made the most of what Providence and the Federal Government provided. But we had to work for and we have to pay back everything we got. It took local vision, initiative, vigorous action and courage to achieve what we have today.

Our first successful efforts to achieve power at cost started before World War I—before the Teapot Dome exposé of private monopoly, before the New Deal, before TVA, and before atomic energy or our great west coast aluminum plants were even heard of. It was started by men of humble circumstance living in the sage-brush country on my side of the mountains; and by a man named J. D. Ross and his supporters on the west side. Those near my home, Rufus Woods, Billy Clapp, the late Jim O'Sullivan, and others, were working for large volume of cheap power through the construction of dams on the Columbia which would also help finance irrigation. While outsiders may bask in the glory of what those men achieved—none of the outsiders were present when the hardest work was being done in the beginning. It was the dollars and dimes and two-bit pieces from storekeepers and farmers and ranch hands of the Coulee country that kept the Columbia River crusade alive. It was the determination of a country editor, a small-town lawyer and a local engineer that stood the test of adversity.

Mr. Ross, who gave Seattle the key to its industrial future for many centuries to come, was also a plain, ordinary citizen working in his own community. The struggles and obstacles placed before him and his goal of Skagit River hydroelectric development, coupled to the struggles of developing the Columbia, would fill a library. Without sound and creative leadership from the grass roots—the deceits, the wrong turns, the trickery, and the opposition that arose might have postponed these developments for hundreds of years, if not forever. We would not have our distinguished position as the lowest cost power State in the Nation today if it weren't for these outstanding community citizens.

Though our public-utility districts came later, they were a part of the original pattern envisioned by another of our early leaders, State Grange Master Albert S. Goss, now master of the National Grange. The districts were to be the means of providing ownership and control whereby facilities could be set up in the rural counties where the need for electricity was greatest. The districts, it was felt, would bring the advantages that Seattle and Tacoma were already enjoying to remote communities and farming areas where no large cities existed. It was the conviction of public power supporters that their job would never be completed until the last farm over the hill could set aside its kerosene lanterns. That conviction still exists today. And that is why we will be the next all-public-power State.

Our districts were made possible only after a tremendous effort to pass the necessary enabling law. This was accomplished in the 1930 State legislature under the leadership of "Dad" Chamberlain of the Grange, Senator Homer Bone, George Yantis, John McCutcheon, and others. The law gave districts the power to issue revenue bonds, to purchase or condemn utility property for use by residents of a district. These rights put a

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number of districts into business. Power, in sufficient amounts, was obtained at low wholesale rates from the Bonneville Power Administration under the public-preference clause in the Bonneville Act. The rest of the story is a part of our current public utility district history.

While I do not want to bother you with unimportant details, the main problem we are up against in completing our task brings up a matter which is worthy of your consideration. It has to do with our purchase of Puget Sound Power & Light Co., which still remains in the hands of a Boston corporation. That company has already sold its fringe properties through condemnation and voluntary sale to some of our districts. The owners want to sell the remaining integrated system of generation and distribution as a whole, at one time. We agree with this for several reasons: (1) Condemnation in each county, with accompanying high severance charges, would no doubt be more costly to the rate payer than an integrated sale; (2) we must have that portion of the company's present generation which is used in the districts where the properties will be purchased; and (3) we must have this generation because there is no chance today of getting the same amount of power from the Federal Government or any other source, under present dam construction schedules, for many years to come.

Under the 1930 law we were unable to band together to purchase an integrated system, but in this year's legislature, our State lawmakers made it possible. Under the new law a willing seller and a group of districts willing to buy may negotiate for the sellers' properties. After June 10 the purchase can be legally made, unless new and unforeseen delays arise.

In addition to the constant danger of rear guard action by the electric light association people, we have lately had some hints that there might possibly be postponements because of disagreement on basic policies among the publicly owned utilities. We do not say this is serious, but statements by some officials in publicly owned utilities have caused us concern.

Let me assure you, on behalf of the commissioners, that we want to do the best we can in the interest of the public and the broad policies deemed proper by this far-sighted organization gathered here today. We have been careful to keep our purchase discussions with other public agencies on an intelligent, cooperative basis. We feel it is not fitting that we should engage in any methods of disagreement which would reflect against the interest of our community or against the idea of publicly owned utilities and power at cost. We have assured municipal utilities within our purchase areas that they will receive a guarantee of their fair percentage of private generation obtained by us in any over-all purchase plan of an integrated system.

In spite of all this, we have found ourselves caught in a crossfire of criticism which would have us: (1) Give up to the big cities our chance of acquiring generation; (2) give up the same chance to the newly formed State Power Commission (while other utilities would keep their own generation); and (3) give up our chance of acquiring generation to the Federal Government.

What I want to say to this body today is simply this: In our opinion, it is a fundamentally unsound theory for anyone to relegate rural counties to the position of the low man on the totem pole. This problem has cropped up in other States in other ways. We think it is important enough that this body affirm a policy that the rights of citizens in small communities and farming areas are no less important than anyone else's; and that such citizens have ably demonstrated their ability to manage their utility affairs as well as other private and public agencies.

We do not believe anybody should have a monopoly on generation. We do believe the form that ownership of utility property takes depends upon the local circumstances. But if you were to give any preference (and we don't ask any) but if you were to give preference, there is actually more wisdom and sound judgment on the side of the rural utility. Thomas Jefferson's writing are full of statements that the safest and best government is that which is divided up among the many, instead of being centralized or concentrated among a few. The late Franklin D. Roosevelt, in a letter to that great Nebraskan, Senator Norris, said, "the lesson we have all learned from the public-utility districts in Nebraska may well point the way for other communities and States." David Lilienthal, former TVA Administrator, in his book about TVA stressed over and over the need for placing control and ownership out in the communities served, where policies can be best and most efficiently formed. The atomic project which Mr. Lilienthal now manages is evidence in itself that modern civilization should begin to spread out rather than concentrate. That trend, as I have already indicated, is now under way. At present we are getting industries we never dreamed of in our rural counties. The largest city in my State reports that building permits outside its limits now exceed permits for building within the city limits by 3 to 1.

This matter is a question of major policy, or I would not have brought it up before you today. It is our fervent hope that we can all go back home clear on this point. Nothing will serve to weaken the cause of public power more than disagreement amongst ourselves over basic policies. On the other hand, nothing can stop our success if we cooperate and work together in an intelligent manner. If all of us—the districts, the REA's, the municipals, and the Federal power agencies—keep in mind that the welfare of the community, its individual citizens, its businesses, its farms, and its industries is of first concern, if we do that, we will prove that publicly-owned utilities are a bulwark of prosperous, free enterprise and of a healthy democracy.

Democracy's Challenge—Addresses at Dedication of Memorial Stadium, Harrisonburg, Va.

EXTENSION OF REMARKS
OF
HON. A. WILLIS ROBERTSON
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES

Tuesday, May 31 (legislative day of Monday, May 23), 1949

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD my introduction of Hon. Gordon Gray, Acting Secretary of the Army, at the dedication of the Memorial Stadium in Harrisonburg, Va., on Sunday, May 29, 1949, and the remarks he made on that occasion.

There being no objection, the introduction and remarks were ordered to be printed in the RECORD, as follows:

ADDRESS OF HON. A. WILLIS ROBERTSON

Mr. Chairman, veterans of all wars, ladies, and gentlemen, it gives me great pleasure to unite with you today in dedicating a stadium which is through the years to come to serve as a tangible memorial of the appreciation of the people of Harrisonburg and Rockingham County of sacrifices made by the veterans of World War II for the preservation of our personal freedom and the American way of life. Although I had made other plans for this weekend I changed them when I was informed that I was the first choice of my comrades of World War I to be with them on this memorial Sunday and introduce the distinguished speaker who has been good enough to honor us with his presence. For the past 16 years it has been my high honor and coveted privilege to represent the good people of Harrisonburg and Rockingham in the Halls of the National Congress and throughout that entire period their unfailing kindness, their gracious hospitality, and their unwavering support, have bound me to them with hoops of steel.

While I fully endorse the erection of monuments of stone and of bronze to the memory of those who died on the field of honor, I have always felt that the most enduring monument that we could erect to their memory would be the preservation in perpetuity of democratic principles based upon a system of private enterprise and the three freedoms for which Thomas Jefferson asked to be remembered, namely, freedom of the body as expressed in his Declaration of Independence, freedom of the mind as expressed in his University of Virginia, and freedom of religion as expressed in his Virginia statute for religious liberty.

We gather here today in a valley which I have often said was as fertile as the Valley of the Nile but more centrally located. On every hand we see evidences of physical progress and material prosperity. And these material blessings are not limited to Rockingham and the Valley of Virginia. As a nation we possess more material wealth and have a higher standard of living than any nation in the world and yet we are not happy, and are plagued by uncertainties. One of the chief causes of our discontent and unhappiness in the midst of prosperity has been our faltering and unsuccessful effort to breathe life into a blueprint for international cooperation and international peace. Many who had relied upon our possession of the atomic bomb as a safeguard against a future war now live in constant dread that Russia will discover the secret of the atomic bomb and use it against us.

We shall soon be debating in the Senate a European counterpart of our Monroe Doctrine, known as the Atlantic Pact, and likewise a tremendous appropriation of public funds for the rehabilitation of those nations which have agreed to enter a defensive alliance with us. If we will be frank we will admit that we are expecting a material benefit from that program for ourselves. Our hope is to check the aggression of Russia and ultimately to build up allies of sufficient material strength to convince Russia that if she starts a war against us she will lose. But there is no one in the Congress and no one in the United States who is going into this program with any real enthusiasm because of the fear that lurks in our hearts that it may not work.

In the Holy Writ we read "If God be for us, who can be against us?" With the hope that this Nation, which in its infancy inscribed upon its coins "In God we trust," will not place its sole dependence for future peace and security upon the power of its own right arm, I have agreed to unite with Senator ALEXANDER SMITH of New Jersey, and other like-minded colleagues in the Senate in the introduction when we take up the Atlantic Pact of the following resolution:

"Whereas the history of these United States clearly records the faith of our forefathers in Almighty God from the days of the earliest

colonization and during all the crises of their early struggles; and

"Whereas these United States and the other nations parties to the North Atlantic Treaty are believers in the guidance of the Creator in the affairs of man: Therefore be it

"*Resolved*, That the Senate of the United States interprets the sentence of the preamble to the North Atlantic Treaty, reading as follows: 'They are determined to safeguard the freedom, common heritage, and civilization of their peoples,' to include this Nation's most precious heritage—our continuing faith in our dependence upon Almighty God and His guidance in the affairs of men and nations."

Peace begins in a man's heart when he demonstrates his faith. The conflict that is shaping up in the world is between those who profess faith in God and those who deny that faith. Those who profess faith in God far outnumber those who deny it, but they lack the zeal and willingness to sacrifice of the smaller group.

I shall support the Atlantic Pact and the appropriations which are necessary to implement the Marshall plan. But while we should continue to work through international cooperation for the economic welfare of the masses and a system of law throughout the world based upon equality and justice, it will pay us to recognize the fundamental fact that progress is first mental and spiritual.

We should perceive that no material measure—no political change, no economic reform, no international organization—will of itself establish peace. Peace has escaped the chancelleries of the world mainly because it has found no home in the hearts of men.

If at home we find peace by overcoming hate, greed, and fear, and even partially follow the rule to do unto others as we would have others do unto us, there is a power stronger than the atomic bomb to rend the iron curtain behind which 180,000,000 misinformed people regard us as enemies bent upon their destruction.

I am happy to have the privilege of presenting to you a distinguished fellow citizen from a great adjoining State, whom I am satisfied shares these sentiments. He is not only a leader but he is a Christian leader, having devoted much of his time and splendid ability through his newspapers and radio station to the promotion of the social sciences.

This is his birthday and after you have heard him speak I know the refrain in your heart will be happy birthday to you, Hon. Gordon Gray.

On May 30, 40 years ago he was born in the city of Baltimore. He attended our splendid preparatory school, Woodberry Forest, in the nearby county of Orange, and then entered the University of North Carolina, where he graduated in 1930 as the No. 1 man in his class and as president of Phi Beta Kappa. From there he went to the Yale Law School, where again he was the top man in his class and an editor of the famous Yale Law Journal.

After a brief practice of law in New York City and later in his home town of Winston-Salem, he left the practice of law to become president of the Piedmont Publishing Co., the publisher of the Winston-Salem Journal and Twin City Sentinel and operator of radio station WSJS.

He was elected to the State senate in North Carolina in 1939 and again in 1941, giving up his senate seat in May 1942 to volunteer for Army service. He entered the Army as a private and was honorably discharged at the end of the war as a captain. His overseas service was with the headquarters of the Twelfth Army Group.

The President of the United States recognizing his outstanding ability appointed him Assistant Secretary of the Army in September 1947 where he was responsible for the industrial mobilization and procurement activities of the Department of the Army. Upon the resignation of Secretary of the Army Royall he became Acting Secretary and last week he was sworn in as Under Secretary of the Army.

It gives me great pleasure to present to you a distinguished veteran and a great American, the Honorable Gordon Gray, Under Secretary of the Army.

ADDRESS OF THE HONORABLE GORDON GRAY, ACTING SECRETARY OF THE ARMY

Many words have been spoken in tribute to the dead whom we honor each Memorial Day. I can add nothing to what has already been said. I wish to talk, instead, of what these Americans might say to us, if it were in their power to do so, on such an occasion as this.

I feel that if they could talk to us, they would base their message on some quality which they held in common. Their message would have to be one upon which they would hold complete agreement, and such a message could not be based upon their varying characters, their varying beliefs, or their varying circumstances. Today we give our full respect to all of them, regardless of the conflict in which they fell. All of them had one quality in common, and it is a quality which all of us would do well to recognize, to nurture, and, in greater or lesser degree, to develop in ourselves.

Every one of them found the courage to die for the sake of the things he believed.

This is the great thing they have to say to us today. It is a message which comes to us clearly across the bridge of time, unchanged by the years which separate our lives from theirs. Their statement to us can be expressed in five simple words: "We died for our beliefs."

Let us consider that message. These five words bear within them a complete philosophy.

First of all, none of them had to die in this manner if they had chosen otherwise. They could have refused the type of service they rendered—refused to have taken the first step, or any subsequent step, in the process which led to the eventual sacrifice they made. Not one of them adhered to this chosen course without fear, and this is the same thing as saying that each one of them followed that course with courage. For unless we have fear we can never know courage.

One definition of fear is that it is a quality which comes from a man's inclination to believe that there is nothing more important than himself. It is the quality which leads him, therefore, to take extreme measures for his self-protection. We should note, however, that it is a quality which contains an element of truth—especially when it is viewed in the light of the great teaching which has formed our political thought. We, in this Nation, affirm that a man is a very important thing. The dignity of the individual is, to us, much more than just a phrase. Of all the nations of the world, it has been ours which, more than any other, has given each individual opportunity for self-expression—a full diet of the precious freedom which, used by millions of individuals has made our land great. We hold the individual so highly that it would not be surprising if millions of our citizens believed that nothing was more important than their welfare and their continued physical existence. Indeed, it cannot be denied that many of us do hold just this to be the truth.

But the names of those whom we honor today give the lie to this way of thinking. These names stand in silent testimony to the fact that they believed in something which was more important to them than their own lives.

Their courage—the quality which they used to overcome their natural fear—was rooted in that belief in something more important. And thus, I submit to you that before a man can possess courage he must have two other qualities; first, a fear which must be overcome, and second, the belief which is necessary to overcome it.

If the fear of death which a man possesses is great, then the belief which gives him the courage to meet that death must be even greater. And I think that this fact illustrates something further about the quality of the men who are giving us their simple message of courage today.

Americans have always feared and hated war. It was the influence of war which played a great part in the desire of most early Americans to leave their native lands and come to live in a new nation which promised peace and freedom. We, who have descended from them, know what an evil and destructive thing war is, and always has been. In this hatred of war and this knowledge of its horrors, our Nation has traditionally followed a course of avoiding war whenever possible.

In addition, Americans are taught, perhaps as no other people are taught, this great principle of individual dignity which, in spite of its truth, gives the American more cause to fear military discipline and the individual sacrifices inherent in military life than is the case with citizens of nations which teach the opposite. A soldier who has been raised to think of himself as a tool of the state, a mere machine of muscle and skill which must move at the command of his dictator may have fear. But his fear is not of the same quality as the fear which can be felt by a free man who knows that he has created the state and that the state exists for the individual.

The American who goes into battle has more to lose than the enemy he fights. It is probable that his fear is greater as a result.

Nevertheless, he overcomes that fear and makes the greatest sacrifice he can make. The names of our dead are here today to remind us of that.

It follows that the beliefs he holds are great beliefs. They have to be, in order to give him the great courage which he must possess.

I doubt very much that many Americans who have died in battle have been conscious of these details. I doubt very much that many of the men we honor died with the thought that they were being heroes. I doubt that they would want their sacrifices described in any words other than those which state that they died for their beliefs.

It is the fact that they did so that is important.

It is the belief which they shared which is important—not the words which we see fit to speak about their deeds.

Quite possibly every one of them had a slightly different concept of what it was that he was fighting for. And who can truthfully say that there is any one concept of this Nation that is the truly correct one? The political genius of this country lies in the act that every citizen is given the opportunity to help make the country just what he thinks it should be. None of us ever see our ideas carried out 100 percent, as a result, yet each of us finds happiness in the thought that he has as much right to contribute to the final result as anyone else in the Nation.

There seems to be only one way in which we can sum up what it was that they believed, and that is to say that they believed in preserving just this system—the system which allows for all varieties of belief—which allows each citizen his chance to contribute his influence on the course of events.

This is what they believed. This is what they died for.

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Do we believe it? Are we willing to die for it?

Our dead have never asked these questions of us. They simply tell us, in the silence which we observe in their memories today and which gives us an opportunity to hear their message, that they have believed in the American idea and that they have died for it.

What we believe or do not believe—and whether we are willing to die for any ideal—is up to us, not to them.

They cannot tell us what to believe. No one can tell us what to believe. Each one of us, in his own way, must find out for himself what it is that he believes in. Each one of us does just this. Each one of us, from there on, is free to act upon his beliefs or not to act upon them, just as he sees fit.

However, if Memorial Day has any meaning whatsoever, if it is anything more than an empty sham, it means that we give honor and respect to those who act upon their beliefs. And it means the converse as well—that those who do not act upon their beliefs are not deserving of either honor or respect.

This beautiful stadium which Rockingham County has raised to the memory of our dead is a physical expression of this honor and respect. It proves, in its planning and its reality, that those who shared in the work of bringing it into existence also share in the philosophy of action—the idea of working at the things they believe in.

And we can never do too much of this type of work.

There is an apathy which has spread like a disease throughout the world we know. It is the apathy of despair, and its roots are in the soil of unbelief. It is a philosophy which has a great appeal to the selfish the lazy, the egocentric, and to those who suffer from a deluded pride. Its prime moving force is fear—the kind of fear which whispers to a man that if he is to believe in something he might be expected to act upon it, and that if he were to act upon it he might get hurt. If he does not believe in anything, he cannot act and, therefore, he cannot be hurt. It is the easy way out—the way of the coward.

It leads down the very road which those who hate America most want us to choose: The road which ends in the prison of dictatorship.

For he who does not believe in something and who does not act upon it is refusing to take his share of responsibility for his life. And he should not complain, or be surprised, when some one else takes over that responsibility. There is always some one else who is willing and ready to take this kind of responsibility and too often it is just the type of person who should not have it, let alone the power of life or death over millions of human beings. In Germany, just a short time ago, it was a neurotic misfit who wound up in control of millions of lives for this very reason, and who opened the flood gates of blood and suffering to plague the world. In France, almost 150 years ago, it was the power-hungry Napoleon who managed to seize the responsibility which millions of his fellow citizens had disavowed and who created world dislocations which still have their effects on our lives.

Who will it be tomorrow?

It need not be anyone. But if that proves to be the case—if it does not happen—it will be only because the individuals of the world have taken their share of responsibility for the world—not because history will fail to produce some tyrant who is eager to seize loose responsibility and turn it to his maniacal ends. A villain is always waiting in the wings as history unfolds upon the stage of the world. If the rest of us are unwise enough to give him his cue to enter and take over, simply because we are failing to play our own parts, or denying that we have a part to play, we should not be surprised when he does so.

I have no fear that you to whom I talk today will ever fail to play the part which you feel called upon to play. These thoughts are not needed by you, for this very occasion is a demonstration of the fact that you are the kind of people who do something about the things they believe in. And as long as this Nation is made up of people of this type, the American idea cannot die.

It may suffer. In defending it, many more Americans may die, as did those whom we are thinking about today. And it may be deserted by those cowards who don't want to believe in it because their belief may bring them face to face with hard realities.

But they will never become great in number in this Nation. The idea of freedom in its democratic expression in America is too strong for that. It compels belief—the type of belief which can override great fears and which permits those who hold it to make the greatest sacrifice for it that they can make, the sacrifice of their lives, when they are called upon to give them, the supreme sacrifice of belief to which, on this day, we attempt to pay the honor which is its due.

The splendid stadium which we dedicate here today represents the real American spirit; the spirit which expresses action, which proves that the people who built it are people who live up to their beliefs. It is an edifice which will help build Americanism throughout the future. It will be used to develop healthy bodies and the clear minds that can result from good health. It will be used, on some occasions, for prayer, the prayer which Americans practice in their many ways.

Above all, it will stand as a testimonial to the spirit of those in whose honor we stand here today, the unconquerable spirit of the Americans who loved their Nation and who proved it by the sacrifice of their lives.

Address by Hon. Arthur H. Vandenberg, of Michigan, Before Inter-American Bar Association

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EXTENSION OF REMARKS

OF

HON. ARTHUR H. VANDENBERG

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Tuesday, May 31 (legislative day of Monday, May 23), 1949

Mr. VANDENBERG. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address which I delivered to the Inter-American Bar Association at the University of Michigan, in Ann Arbor, on the evening of Saturday, May 28.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, I am happy to present my compliments to the Inter-American Bar Association and its distinguished envoys from all the Americas. I am particularly happy to do so on my old college campus of 47 years ago. There could be no more appropriate meeting place because the University of Michigan has long been justly famous as one of the greatest cosmopolitan schools in the world. Its graduates cover the earth.

Every enterprise like this Inter-American Association which weds our Western World into closer understandings and aspirations is another step toward that peaceful and progressive unity which is our greatest western benediction, and which must ever be defended by all our hearts and hands.

Though the foreign policy of the United States may seem to be temporarily preoccupied with affairs in Europe, this is only the current chapter in a far wider theme. Nothing can ever overshadow the basic importance of our historic, traditional, and vital inter-American relationships with our good neighbors to the north and south. They are paramount. I hope none of you will ever have cause to think otherwise. We shall continue to prove this across the years.

By name and nature your Inter-American Bar Association is dedicated to the great juridical principle of liberty under law and to the widest international expansion of this humane and noble doctrine, particularly in our Western World. When liberty under law becomes a universal concept—when it totally substitutes for the ugly mandates of jungle force—there will be, at long last, dependable peace for freemen in a free world. When peace responds to international justice instead of international politics, durable peace will bless the earth.

That is our common, overriding aim in the United Nations which, despite all obstacles, is still the world's best final hope for peace, justice, and security. It is only through the evolution of these global goals that we shall finally stabilize a live-and-let-live world in which the unspeakably insane instruments of war shall be dependably outlawed for keeps. But since the whole is the sum total of the parts, we encourage and hasten these ultimate benedictions when we strive to make the principles and purposes of the United Nations regionally invincible as we have done within our own united western hemisphere.

In this meeting of the Inter-American Bar Association, you have come to us from north of the border where—as has been said so many countless times—our cherished Canadian neighbors l've across an imaginary line along which there has not been a single, hostile fort or gun or battlecraft for a century and a quarter of congenial peace. It is probably the greatest demonstration in history to prove that peoples of good will can live in cordial amity along 3,000 miles of friendly, international frontiers. It is beyond rational imagination that anything could happen to destroy the peaceful and congenial friendship of Canada and the United States.

In this meeting of the Inter-American Bar Association, you have also come to us from south of the border where Pan American Union, first formally established in 1890, has drawn our 21 Republics into ever-closer liaison for the common good. This Union has been the world's greatest clinic in the constant evolution of the instrumentalities of comity and peace. These Pan American Republics to the south of us have produced some of the world's greatest leaders in international law. Our common fraternity is the oldest, surest, and most spectacularly successful peace alliance in human history. It is the lengthened shadow of the immortal Monroe Doctrine which is now the proud inheritance and joint responsibility of this Pan American partnership. I venture the assertion that this common fidelity has been built for the ages.

It is significant to note, in passing, that the Monroe Doctrine was proclaimed in 1823; and that the original call by heroic Simon Bolivar for the first Congress of American states was issued in 1826. Thus these two superlatively important adventures, destined for so large a role in western history, were launched just 3 years apart in those dim yesterdays. Together they traveled down the decades. It was the logic of destiny that they finally should merge; first, in the declarations of reciprocal assistance and American solidarity in the Act of Chapultepec in 1945; second, in that chapter of the United Nations Charter dealing with regional ar-

rangements and with collective self-defense written at San Francisco later that same year; third, the magnificent climax, in the Inter-American Treaty of Reciprocal Assistance (known as the Rio Pact) signed at Rio de Janeiro on September 2, 1947. Thus the slender threads of the 1820's have become invincible bands of steel at the half turn of the twentieth century. Western peace is the happy beneficiary.

In the presence of our friends from both north and south of the border, I want to reiterate the expression of my hope that the time may soon come when this continental fellowship will be geographically complete—as it already is spiritually complete—through the association with the Pan American Union, on some appropriate basis, of the great and splendid Dominion of Canada. This is not a new idea. The Inter-American Conference in Mexico City in 1945 expressed the wish "that collaboration of Canada with the pan-American system shall come ever closer." Nor is that all. When the beautiful Pan American Union Building was erected in Washington in 1910, there were placed around its inner courtyard the coats of arms of the countries which here make common cause for peace and progress in this hemisphere—and, prophetically, the coat of arms of Canada is already there with all the rest. By every rule of righteousness she is eligible to this association. I am wholly confident that whenever she shall wish she will be welcome. It would simply serve to dramatize the facts of life because it is entirely clear that in the spirit of our independent institutions—and in our purpose to keep them free—our continental brotherhood already is complete from the Arctic Circle to Cape Horn.

Any threat to this unity betrays the welfare of our neighbors to the north and of every one of these 21 sovereign Republics including our own. I am proud confidently to say that this is the firm and overwhelming sentiment of the people and the Government of the United States.

If and when there may be any unfortunate lapses in our close and friendly relationships, it is a necessity of the first magnitude that such situations shall be swiftly and equitably cured. This is the common concern of all of us because all of us are equals in both the responsibilities and the privileges of this great heritage.

I want to underscore that point. Pan-Americanism is a partnership affair. It must always operate as a partnership affair. More and more, in the last decade, we have been spelling this out at our various good neighbor conferences. As a result, Mr. Chairman, the truth of the matter is that the hopeful pattern for international peace and security has nowhere been more clearly woven—has nowhere been more effectively pioneered—than in these pan-American relationships. No other influence at San Francisco was greater in modeling the permanently advantageous features of the United Nations Charter. Indeed, it was largely pan-America which forced the recognition of the inherent right of individual and collective self-defense pending adequate action by the Security Council of the United Nations—a right which has become the key to contemporary planning on a far broader scale for the effective discouragement of armed aggression before it starts.

I take it that your Inter-American Bar Association will be particularly interested in this juridical evolution because it now affects the whole hemisphere. Indeed, it may well affect peace for the whole world. Therefore I chiefly tune my message tonight to this great concept and to the inter-American part in it.

In the more recent years, I go back to Buenos Aires in 1936 where, while emphasizing the inadmissibility of intervention in the affairs of any pan-American country, we jointly pledged intimate and mutual consultations (1) if the peace of the American Republics is menaced; (2) in the event of a state of war between American states; (3) in the event of international war outside America which might threaten the American Republics.

At Lima in 1938 we improved the procedure of consultation and extended it to economic, cultural, and other aspects of continental solidarity.

At Panama in 1939 we called for consultations in case any geographical region of America subject to the jurisdiction of any non-American state should be obliged to change its sovereignty and there should result therefrom a danger to the security of the American Continent.

At Habana in 1940 we improved the process of consultation—again calling for reciprocal assistance and cooperation for the defense of the nations of America.

At Rio in 1942 we reaffirmed our solidarity; took note of World War II; recommended the breaking of diplomatic relations with Japan, Germany, and Italy; and called for consultations prior to the reestablishment of these relations in order that this action should preserve the character of solidarity.

At Mexico City, in early 1945, we moved steadily, significantly, and closer toward the ultimate goal. We said:

"In case acts of aggression occur or there are reasons to believe that an aggression is being prepared by any other state against the integrity or the inviolability of the territory, or against the sovereignty or political independence of an American state, the states signatory to this act will consult among themselves in order to agree upon the measures it may be advisable to take."

Then came the San Francisco Conference where the Charter of the United Nations was born and where the chapter on regional arrangements, plus the famous article 51, dealing with the inherent right of individual and collective self-defense, were written into the Charter largely through the relentless and uncompromising insistence of pan-America.

I want to dwell briefly upon this episode because I believe the Charter's article 51 is destined to play a vast role not only in the consistent evolution of the United Nations but also in the unfettered pursuit of peace inside the Charter but outside its crippling veto. Already it is the core of the proposed North Atlantic Pact. It is important to know how and why it was written. I think I know something about it because it was my honor and responsibility to serve as chairman of the subcommittee which struggled for many long days and nights at San Francisco to find an acceptable formula. By acceptable formula I mean one satisfactory to the 21 American Republics which, in my opinion, would never have signed the Charter otherwise. By acceptable formula I mean equally one which could unequivocally preserve the overriding authority of the United Nations and yet leave pan-America's historic, traditional and always pacific cooperations unimpaired in the presence of international emergency.

The first tentative draft of the Charter permitted individual or collective enforcement action outside the Security Council, to prevent the renewal of aggressive policy by any former enemy state until such time as the United Nations itself should be charged with this responsibility. This right was specifically assigned to regional agencies. It obviously was intended summarily to protect European states against resurgent Axis aggression which the Security Council might not be ready or able to control. But there was no comparable recognition of the right of summary self-defense in other areas, where the Security Council similarly might not be ready or able to control aggression—or might be prevented from doing so by failure of the permanent members of the Security Council to agree. That is a polite definition of the veto which has paralyzed the Security Council upon at least 30 occasions.

Our American friends south of the border rose in rebellion against this discrimination. They knew they were members of the oldest and ablest and most successful and most pacific regional agency on earth. They demanded equality of recognition in this matter of summary, collective defense. Though wholly willing to accept the overriding authority of the United Nations, they wanted competent authority for their own pan-American regional arrangement. And, believe me, they meant business.

The urgency of the matter first came to my direct attention on the evening of May 5, 1945, when I met a small group of South American diplomats in the rooms of Assistant Secretary of State Nelson Rockefeller (in charge of Latin-American affairs). We found ourselves in complete agreement. On May 6, I submitted an urgent memorandum to Secretary of State Stettinius who promptly circulated it to the American delegation which, in turn, promptly and loyally embraced the cause. There were continuous day and night sessions among all concerned. The question had to be satisfactorily answered if the Charter conference itself were to be saved. On May 15 we found the answer. It was agreed upon by all the pan-American Republics. But even then they did not agree until Secretary Stettinius had also publicly promised to call a special, subsequent pan-American conference to implement these new provisions of the Charter.

Thus article 51 was born and subsequently entered the charter. Thus the subsequent Rio Pact was prophesied. And thus pan-America, through zealous fidelity to its own international peace ideals, wrote profound and pregnant history.

For the sake of the record, I read article 51 because you are going to hear much of it in days that lie ahead. It comprises just two sentences:

"Nothing in the present charter shall impair the inherent right of individual self-defense if an armed attack occurs against a member of the United Nations, until the Security Council has taken the measures necessary to maintain international peace and security. Measures taken by members in the exercise of this right of self-defense shall be immediately reported to the Security Council and shall not in any way affect the authority and responsibility of the Security Council under the present charter to take at any time such action as it deems necessary in order to maintain or restore international peace and security."

From the record, Mr. Chairman, it is crystal clear that regional agencies of the United Nations can plan collective security against armed aggression in advance of armed attack. They can use these plans only until the Security Council takes the measures necessary to maintain peace and security. If and when it does so, article 51 ceases to apply. But if the Security Council fails to act—or is stopped from acting for example, by a veto—article 51 continues to confound aggression. The United Nations is thus saved from final impotence. So is righteous peace.

Now let me once more pick up the trail of the chronology I was reciting to trace the evolution of this great pan-American adventure in peace.

Finally we got the Rio Pact. It unequivocally condemns war. It unequivocally recognizes and accepts the Charter of the United Nations as its well-spring and its paramount authority. But it implements article 51. It bridges the fatal gap. It solemnly agrees that an armed attack by any state against an American state shall be considered as an attack against all the American states to be

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met with whatever unified resistance the associated states decide for themselves, at the time, may be required until the UN Security Council itself adequately assumes this responsibility.

Thus our New World completed a full circle from the Monroe Doctrine in 1823, which was a unilateral warning to aggressors, to the Rio Pact in 1947 which is a multilateral warning that no would-be aggressor is likely to ignore.

The intense attachment of the United States to this philosophy of preventive action for the preservation of peace can be no more eloquently measured than by the fact that this Rio Treaty was ratified in the Senate of the United States with but one dissenting vote.

And why should we not believe in this philosophy of preventive action to maintain just peace?

It is the precise philosophy upon which the United Nations itself is modeled. It is the philosophy of the discouragement of war by advance notice that no aggressor can divide and conquer by force of arms—advance notice that no aggressor can win. It activates the United Nations theme. It previews the mobilized peace authority which we want to put universally into the United Nations itself.

Why should not we—of all people—believe in this philosophy of preventive action? It is the precise philosophy upon which Monroe Doctrine itself was based when we were but a swaddling Nation back in 1823. This is what the doctrine said:

"We owe it to candor and to the amicable relations existing between the United States and those powers (referring to contemplated American colonization by European powers) to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety." And then this: "With the governments who have declared their independence and maintained it, and whose independence we have, on great consideration and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing them, or controlling in any other manner their destiny * * * in any other light than as the manifestation of an unfriendly disposition toward the United States."

Mr. Chairman, that warning worked. With only incidental lapse, it protected the New World through practically a century of peace. It spoke with "candor." It said what it meant. It meant what it said. It prevented trouble by frankly pointing out the price of trouble. No aggressor was willing to pay the price. It did not rely on vast armies in being deployed throughout the far-flung area which it sought to immunize against aggression. It relied upon something infinitely more powerful and more impressive. It relied upon the simple assurance to any potential aggressor that he would face odds calculated to cost him any chance of victory. It did not precipitate war. It "precipitated" and maintained independent peace.

The Rio Pact puts that same warning on a partnership basis. It multiplies its effectiveness by the number of its signatories. It speaks for two continents. It is the logical fruition of the brave wisdom of our own prescient forebears back in 1823. It is peace insurance for pan-America. It will keep the peace because no aggressor will pay the foreordained price for breaking it.

This sound and successful American philosophy of yesterday is just as sound and is calculated to be just as successful today and tomorrow. I do not want to detour into current controversy. But, with the greatest respect for those who may disagree, I cannot resist the temptation to say that this same philosophy of candor is the genius of the pending North Atlantic Pact in which our Canadian guests are equally interested with us. It is calculated to be equally successful as a keeper of the peace in other areas. In my earnest conviction there is not a syllable of aggression in it. No nation on this globe needs lose so much as one wink of sleep respecting it unless it is prepared on its own responsibility and initiative to identify itself as an international criminal through armed aggression against a peaceful neighbor. I have great faith this will not happen, for the same reasons that sustain my incorrigible peace-confidence in the Rio Pact as a supplement to the Monroe Doctrine.

But that argument is for another day. I only want to add, at this point, that I simply cannot understand how any of our own citizens can suspect—much less accuse—their own country of aggressive or imperialistic designs. All history denies it—in Cuba—in the Philippines—in two world wars—in peace pursuits which seek not a dollar of blood-money or the control of one single, alien soul anywhere on earth. Our rehabilitation aids to others, while ultimately involving our own intelligent self-interest and security, are without parallel in their humane vision. We want a live-and-let-live world. We hate war. We strive—and we must ever strive—for universal disarmament under adequate and automatic disciplines against bad faith. These are not the attributes of imperialism and aggression. Indeed, Mr. Chairman, the whole world pays its own unconscious tribute to its faith in us because, though we monopolize atomic bombs, no other people and no other government have any fears tonight that we will misuse or abuse this trust in the absence of the clearest and unmistakable and aggressive provocation.

I am proud of my country's record. I am proud of its motives and its purposes. And I am proud of its peace-associates north and south of the border.

Mr. Chairman, I conclude as I began. I present my warmest compliments to the Inter-American Bar Association. It personifies the dominant passion of our new world for reciprocal friendships, for unity in the defense of righteous peace, and for the sovereignty of liberty under law. What we seek for ourselves I am sure you will agree we would extend to others. We have no illusions that we can live unto ourselves alone—even on a hemisphere. The loss of peace with justice anywhere is in some degree a loss to peace everywhere. That is why a healthy United Nations continues to be of supreme concern.

Momentous peace-events at this very moment may be on the trestle board at Paris. That will be our prayer. We shall never blind our eyes to the grim reality that righteousness and human rights and fundamental freedoms everlastingly come first. We shall take nothing for granted. We shall not forget the famous aphorism that it does no good for the sheep to meet and pass resolutions in favor of vegetarianism so long as the wolves think otherwise. We shall not mistake words for deeds. But we shall never close our hearts to hope. We shall never lag in this leadership for peace with justice in a free world of free men.

Address by Hon. Warren G. Magnuson, of Washington, at Ceremonies at Grand Coulee Dam

EXTENSION OF REMARKS

OF

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Tuesday, May 31 (legislative day of Monday, May 23), 1949

Mr. MAGNUSON. Mr. President, a week ago last Friday I returned from the State of Washington, where I participated in some most impressive ceremonies at the Grand Coulee Dam. In Washington, D. C., the President of the United States pressed a button; and, in turn, we who were at the dam watched the light flash on, to put into operation the greatest hydroelectric power-production plant in the world. I ask unanimous consent that the remarks made by me at that ceremony be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

This is a memorable day in many ways.

It is the day when Grand Coulee Dam rightfully comes into its own, as the greatest power-production plant in the world.

It is a day that witnesses both a beginning and an end.

It ends the century marked in history by the rugged forty-niners in their westward drive toward new frontiers.

It also marks 100 years of progress toward greater recovery of the resources of this Nation's vast river basins, because this is the centennial of the Department of the Interior.

The many who have volunteered their efforts and a great part of their lifetimes in reaching this milestone in development of the Pacific Northwest hold deep and humble gratitude in their hearts on this day of realization.

In their minds, I know, is the thought of others who pioneered in the struggle for hydroelectric development. Others, who spent their vigor and their lives in the struggle and who are as much a part of the strength of the Grand Coulee Dam as the concrete and steel it contains. They are not here, but they will never be forgotten.

This is a beginning of something as great. In the turn of the coming hundred years those who are yet to be born will be the witnesses and beneficiaries of marvels whose nature we cannot now dream, and only dimly sense.

It is our duty and our responsibility to build a firm foundation for that future.

The inexhaustible waters of the Columbia River and the realities of this massive electrical generation system give us courage. We know our bearings, and we are going ahead.

The goal, of course, is a level of development in which each of the living 145,000,000 Americans has a stake. They have made—and are making—this progress possible.

Each of us in the Pacific Northwest has a more direct and neighborly interest, for our day-to-day farming, and labor, and industry feel the impact of this progress. We know individually what it means to go without power, without irrigation, without flood control when those needs are urgent.

We know what remains to be done, not in the next hundred years, but in the years immediately ahead.

We know that industries, existing industries, are starved for power. We have seen our clocks run slow. Our cities have experienced brownouts. We know that only 50 percent of our farm land is irrigated—and much of that is inadequately irrigated.

We are aware that a treasury in minerals lies beneath us, waiting to be tapped. We know that reclamation and transportation and fish and wildlife development, and even our needs for recreation are involved.

And behind us, stretching more than 150 miles to a friendly northern border, is the vast man-made reservoir known as Franklin D. Roosevelt Lake—waiting to do the job.

The engineers, the scientists, the draftsmen and the thousands whose labor has gone into this project have done their work well.

Grand Coulee Dam, the greatest achievement of its kind on earth, is graphic evidence of that fact. So is this tenth gen-

erator, whose power strengthens a plant that already has produced 1,250,000 kilowatts in an emergency. Even this is not enough. The full and final installation will in time bring the total number of generators to 18—giving this plant a peak capacity of 2,250,000 kilowatts.

Even that is but part of the picture.

Grand Coulee is now one of the links in the chain being constructed. It is but one stopping place where the waters of the Columbia are forced to pause, to take part in the work of benefiting mankind.

Other links are being forged, or are under study. These, too, are great and essential links. They are the dam-construction projects whose names are so familiar: Chief Joseph, and McNary, and Hungry Horse, and Ice Harbor, and others.

We in Congress are devoting constant attention to them; and America is investing tremendous sums toward their realization. In recent days, an appropriation of $40,000,000 for McNary Dam, and another of $10,000,000 for Chief Joseph Dam, have been approved by committees, and other estimates are being prepared.

This, too, is but part of the picture.

We have come to the realization that more comprehensive administration of the Columbia Valley's resources is absolutely necessary to insure the proper tempo of development.

That kind of administration is needed here, at home, in the Pacific Northwest.

One month ago President Truman proposed such a home-rule type of administration—the Columbia Valley Administration.

We have introduced legislation which proposes to bring it about. It is legislation designed to add no new powers to the Federal Government—but it would bring present powers together in more workable and economical form—and bring them home to the Pacific Northwest.

It is only a proposal—one that needs your study, as much as we will need the advice and suggestions of the people of the Columbia Basin and our neighboring States.

There is nothing at present, except our work and hope for peace in the world, that represents an issue more important to us all.

We are spanning the ages, and are on the threshold of a scientific age, with all the promise that it holds forth.

The Columbia River is our heritage. It is already an instrument of living, and the key to scientific achievement ahead.

The future of the Pacific Northwest is bright, if we avail ourselves of the opportunities with which we are so richly endowed.

Federal Pay in Key Posts

EXTENSION OF REMARKS
OF
HON. RALPH E. FLANDERS
OF VERMONT
IN THE SENATE OF THE UNITED STATES

Tuesday, May 31 (legislative day of Monday, May 23), 1949

Mr. FLANDERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Dr. Bunche and Federal Pay," published in the Evening Star of May 27, 1949. It is appropriate material for consideration in connection with Senate bill 498, the so-called top-pay bill, which has been for many weeks on the calendar of the Senate.

I remark in passing that this bill, if passed in its present form, would give Assistant Secretaries $16,000, in place of the $9,250, after taxes, which Dr. Bunche would receive under present conditions.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DR. BUNCHE AND FEDERAL PAY

As Acting United Nations Mediator for Palestine, Dr. Ralph J. Bunche has demonstrated such outstanding ability that it is not surprising he has been offered the post of Assistant Secretary of State for Near Eastern and African Affairs. Unfortunately, however, he has decided to decline it, his decision being based primarily on an altogether understandable concern for the economic well-being of his family.

Thus, although grateful for the "very great honor" implicit in the offer, he has frankly told the President that its acceptance would involve too great a financial sacrifice. In his regular capacity as Director of the United Nations Trusteeship Department, Dr. Bunche earns a salary of $11,000 a year, plus an allowance of $3,000, all of it exempt from income taxes. As an Assistant Secretary of State, however, he would receive only $10,300. Out of this sum, moreover, after making deductions for his wife and three children, he would have to pay a tax of at least $1,050, which would reduce his real earnings to $9,250.

In other words, to accept the honor of becoming an Assistant Secretary of State it would cost Dr. Bunche $4,750 a year. Men without independent means can hardly be expected to be spendthrifts of that sort, especially when they have families to support in an era of high living costs. The point speaks for itself. Small wonder that able Americans are often hard to find for key posts in the Federal service.

Address by Hon. Hubert H. Humphrey, of Minnesota, Before India League of America

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Tuesday, May 31 (legislative day of Monday, May 23), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by myself before the India League of America at a dinner for Mme. Pandit, Ambassador of India, at the Waldorf Astoria Hotel, New York City, on May 24, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I take particular pleasure in joining the members of the India League of America this evening in welcoming Mme. Pandit, India's new Ambassador in Washington.

Mme. Pandit brings a wealth of talent and experience to her new assignment; a staunch follower of that apostle of peace, the immortal Mahatma Gandhi, she was an active worker in the Indian National Congress for many years. She was the first woman to be appointed minister in one of the first elected provincial governments in India during the 1930's.

Her keen interest in the cause of international peace was effectively expressed in her leadership of the Indian delegation to the last three sessions of the United Nations General Assembly. In this international forum her active leadership for those principles of truth and freedom for which Gandhi had given his life, contributed to the process of building the United Nations as the firm bulwark for the international peace we all desire. For the past 2 years she has served her country as India's first Ambassador to the U. S. S. R.

We in the United States have watched with sympathy, affection, and understanding India's long struggle for independence, and we welcomed her with cordiality when, her immediate objective reached, she joined the family of independent nations 2 years ago.

The imagination of the American people had been captured by that struggle and by the strength and high purpose of Gandhi's leadership. Since Gandhi's tragic death, which so shocked and grieved the whole world, our eyes have been focused on the most highly esteemed of his disciples, the Prime Minister of India, Pandit Nehru, who is guiding the great Indian people through these difficult early days of their newly regained freedom. We look to Mme. Pandit, who is not only India's Ambassador, but also the illustrious sister of Prime Minister Nehru, as a faithful interpreter of India's leaders and people.

Mme. Pandit is no stranger to these shores. She has visited the United States on several occasions in the past, and two of her children spent part of their school years in this country. Her return to the United States now, in this high official capacity, I feel to be sincere evidence of her desire to promote mutual understanding among our two peoples.

There already exist many bonds which bind us in friendship to India. The traditional love of freedom and democracy held by the Indian people strikes a similar chord in us. We likewise believe that this democratic freedom can flourish only in a world at peace, a world in which the fruits of the earth and of man's ingenuity are freely carried to all peoples.

Like India, we believe that a free democratic political system exists for the benefit of its citizens. These ties between India and the United States now exist. It is now our pleasant duty to work for their strengthening.

In recent weeks events have helped to focus our eyes primarily on Europe. In Asia we have all been concerned and puzzled by the enigma of China. No such puzzling situation obtains in India. She is a great and rich country, a nation which fought beside us in the Second World War and which has associated itself in the cause of peace since the war. India is a nation of ever-increasing democracy, whose leaders today are among the great and wise men of our times. Her Government, under such leadership, is emerging as a politically and economically stable administration, despite the tremendous difficulties imposed by partition of the subcontinent and by the economic dislocations which India shares with most of the rest of the world. It is in India and the rest of southeast Asia that the real struggle for men's minds is now taking place.

There, newly enfranchised peoples will soon be able for the first time in modern history to go to the polls and determine the sort of government which will administer their countries. Many of these people are illiterate. Their knowledge of the democratic system is composed solely of a fundamental, instinctive love for freedom. The problems of these governments in education and in the maintenance of a standard of living above starvation level, are therefore enormous. And there is the ever-present danger that totalitarianism, in one form or another, may step in where men and women lack the necessities of decent living.

In the south Asian area we recognize India as an essential element in the maintenance of political and economic stability. Without stability in south Asia it is no exaggeration to say that there can be no real

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peace in the world. It is in our interests, therefore, in the cause of that peace which the American people so desire, to work in effective collaboration with the people and the Government of India.

The subcontinent has been the source of many great and ancient civilizations. We are now happy to be associated with a new India as she resumes her place in world affairs. I know that, working closely with other like-minded nations, she can be a powerful factor in our efforts to attain that common purpose.

Yes, I repeat, in south Asia we recognize India as an essential element in the maintenance of political and economic stability in that area. Without stability in southern Asia, without freedom for Asiatics, without education for the people of Asia, without food and nourishment for the children of Asia, there can be no real peace in the world.

India is not a question mark. In every way she belongs to the family of free nations. Her needs are no secret; they are all too evident. Her aspirations are not hidden; her ideals are not camouflaged.

With these needs, aspirations, and ideals in mind, our task here in the United States is clear if we would help build a free world:

First, we must recognize the needs of India as being equally crucial as those of Europe. With this in mind, we must understand that vast numbers of her peoples are poverty-stricken and uneducated, that India's national economy is only $13,636,300,000 for her 337,000,000 people as compared to our approximately $224,000,000,000 in 1948 for our 140,000,000 people. Her per capita income therefore is about one-fortieth of ours. It would be in the best interest of world peace and world order for America to extend direct financial assistance to India under the same terms as our Marshall-plan program for Europe.

To be sure, India can and will use the facilities of the World Bank, the International Monetary Fund, the United Nations Food and Agriculture Organization. These are the facilities which have been made available in this postwar period for the relief and rehabilitation of peoples who are recovering from the ravages of war and who are attempting to develop and improve their economies. Yes, these facilities are not only available but it is to the interest of all nations that they be effectively utilized. This, however, does not minimize our opportunity for direct assistance through grants and loans under terms similar to the ECA to our friend, the Republic of India.

Secondly, we must recognize the legitimate self-government aspirations of the countries of southeast Asia and avoid aid or comfort or encouragement to any European nation now attempting to maintain an old, antiquated colonial system by continuing to subjugate the peoples of southeastern Asia.

Thirdly, we must recognize that there are many areas in which our two countries can cooperate to our mutual benefit in the development of commerce and industrial techniques in the advances which are obtained from scientific progress.

India needs help to bring her riches out of the ground, to extend her industrial production, to feed her expanding economy. India needs our support in that venture quickly and adequately. In 1947–48 India reclaimed 32,306 acres of land for agriculture. She is now working to reclaim 100,000 acres more. Her industrial production is increasing. She is now producing electrical supplies, diesel engines, bicycles, superphosphates, caustic sodas, soda ash, sugar, hydrogenated oils and soaps at a new high peak. We must help her.

American private capital will find a welcome market in India. The government of that nation has indicated its friendly attitude toward private investment and industrial development. In view of the great potentialities for a mass market and the possibilities of development of the natural resources of India, it should be expected that American private capital will flow to India in ever-increasing amounts. We must remember, however, that the days of capital exploitation or of economic imperialism are over. Capital has a moral obligation to serve the people and not to exploit them. Private capital has every right to expect a reasonable profit. It also has an obligation to be reasonable in its relationships with the people and the government.

Fourthly, we must strengthen the ties that bind us and I suggest that we give serious consideration to the formulation of a program for educational opportunities and advancements, and in which Indian students are given an opportunity to make use of the educational facilities and opportunities in our country on the basis of scholarships provided by our Government. In turn, it is important that we encourage American students to go to India so that we may know each other and grow to respect one another.

Finally, we must recognize that America must redeem itself in the eyes of the people of India, and must earn for itself again the position of world moral leadership. The birth of a new India should lead us here to rededicate ourselves to the principles of human equality which gave the early sustenance to our new Nation. We must remember that we were the Nation which gave to the world the political ideal that all men are equal, that men are endowed by their Creator with certain inalienable rights—that all men have these rights. To do that, it is altogether fitting and proper that we forcefully demonstrate again our belief in these principles by acting to ensure a climate and an atmosphere in our society which would allow our brethren and fellow citizens of whatever color, race, creed, or national origin, to walk again with heads raised high and with dignity.

The future of the world, my fellow Americans, lies across the Pacific. Let us not allow that future to escape us. Let us understand that fact; let us understand that the Asiatic peoples are rising to greatness and strength. Let us understand that they wish to be our friends, that they can be our friends, and that they will be our friends if we welcome them as friends. Let us act like friends. Let us act toward them like fellow citizens in one for stability, maintenance, and sustenance. Let us in our attitude toward them and in our demonstration of that attitude, through our laws—including our immigration laws—prove the sincerity of our convictions.

The interests of the United States and India are interdependent. Together we can help build a world order and a world society based on freedom and democracy. Madame Pandit, in the agony of the world's crisis today, we urge you, your brother, your country, and your people, in your zeal for democracy, in your incisive, cool thinking, to help give us a vision which will blaze the path toward the realization of the great ideals we share.

Admission of Displaced Persons

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 31 (legislative day of Monday, May 23), 1949

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the RECORD a letter addressed by Mr. John W. Edelman, Washington representative, Textile Workers Union of America, CIO, to the editor of the Washington Evening Star and published in that newspaper on May 23, 1949, under the caption "Textile union official pleads for admission of displaced persons."

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TEXTILE UNION OFFICIAL PLEADS FOR ADMISSION OF DISPLACED PERSONS

To the EDITOR OF THE STAR:

In your issue of April 29, there was a letter signed "Forus," strongly objecting to the admission of displaced persons to the United States.

If anybody should be concerned about the admission of displaced persons it certainly should be organized labor. And yet, the American Federation of Labor, the Congress of Industrial Organizations, the United Mine Workers of America, the International Association of Machinists, and rail labor unions have all gone on record favoring the admission of 400,000 displaced persons to the United States, with no strings attached. This stand is simple, American, humanitarian, and unselfish.

William Green, president of the American Federation of Labor, said on March 1, 1949: "It is our firm belief that the United States should admit 100,000 DP's for 4 years. We feel that this would be both morally and economically sound, and certainly should have no adverse effect on our economy."

Philip Murray, president of the CIO, said on March 3, 1949: "The United States should admit 100,000 displaced persons for 4 years. I wish to emphasize again that the interests of labor, in terms of employment or otherwise, are not in the least threatened by the admission of this handuful of people."

Proper and equitable displaced persons legislation has been on the legislative program of organized labor for more than 3 years, and we criticize the law now on the statute books as being inadequate, discriminatory, and practically unworkable.

MAJORITY ARE WOMEN AND CHILDREN

Almost 60 percent of the displaced persons are women and children. The majority, therefore, will be consumers rather than breadwinners. In effect this means that the displaced persons to be admitted to this country will stimulate employment by adding to the total and productive activity in our country.

Our friend Forus says in his letter that "It seems improper that our citizens, who have been struggling in low-grade positions for a long time, including farm labor, should be displaced by these displaced persons." That many Americans are struggling in low-grade positions is undeniably true; but that DP's are displacing these people is not true. So far there is no record of any DP who has displaced any American worker, whether that worker was struggling in a low-grade position or taking it easy in a high-grade position.

Furthermore, Forus believes that displaced persons "will not be so anxious to come to this country if they were required to do some real manual labor." The unfair inference is that displaced persons are lazy and shiftless and just no good.

Well, let us see who the displaced persons really are. They are the survivors of Nazi concentration camps, of slave labor battalions and of religious persecution. They have no home and no country they can call their own.

Three and one-half years after the war there are still almost 1,000,000 of these men, women and children, most of them living in the occupied zones of Germany, Austria, and Italy. These victims of barbarism and terror do not wish to and cannot return to

their homes of origin, now in the Soviet sphere of influence, because they fear oppression for religious or political reasons.

MANY SKILLED WORKERS INCLUDED

The bulk of the displaced persons are skilled and self-supporting. The skilled category in which there are significant numbers among the displaced persons are blacksmiths, painters, bakers, joiners, butchers, carpenters, electricians, auto and truck mechanics, locksmiths, shoemakers, and tailors. There are about 63,000 agricultural workers, etc.

It seems reasonable to assume that people equipped with such skills, who fought fascism and have rejected communism, and who for years have suffered the many hardships of a detention camp rather than go back to their lands of origin behind the iron curtain, are not exactly delicate when some real manual labor is to be done.

During the war years this country lost more than 900,000 regular quota immigrants who could have come in but didn't because of the war. Even if 400,000 displaced persons are admitted during the next 4 years this country would still be short of some 500,000 regular immigrants who could not enter the country during the war years.

To mouth sympathy for displaced persons but to let them rot in detention camps is sheer hypocrisy. Let us demonstrate both our faith in the soundness of the American economy and true American idealism by promptly enacting legislation which will enable this country to bring here our fair share of displaced persons.

JOHN W. EDELMAN,
Washington Representative,
Textile Union of America, CIO.

Protect Our Pets—Protest Vivisection

REMARKS
OF

HON. WALTER S. BARING

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1949

Mr. BARING. Mr. Speaker, dog and pet owners, take heart! Recently some legislation was passed in the State of Illinois which proved very heartening to the thousands of dog lovers and pet owners, like myself, whose faith in the goodness of humanity was somewhat restored. At least, they felt a deep sense of admiration toward those legislators in Illinois who, by their sympathetic vote for humane legislation, paid a long overdue debt of gratitude to "man's best friend," the dog. By defeating H. R. 650, another victory has been gained for every warm-hearted citizen of this country who possesses a love for our little canine friends.

This legislative action in putting a stop to the atrocity which is being performed against dogs, not only strikes a blow at the practice of vivisection, but it proves a very important point. The vivisectors have been whipped on their dog-pound bills wherever the people have had a chance to fight them in State legislatures. They have failed this year to pass similar bills in Illinois, Pennsylvania, and Massachusetts. The residents of those States rose up in arms and kept the bills from passing.

Now the vivisectors are turning to Washington. The reason is simple. Residents of Washington are not allowed to vote. Their laws are made for them by the Senators and Congressmen from the States which we, as Congressmen, represent. In short, the people of Washington cannot complain to their Congressmen, simply because they have no Congressmen.

Working in a cowardly fashion, the vivisectors now are seeking to foist a dog pound ordinance on the people of Washington who cannot speak for themselves. The vivisectors are hoping that because people who do not live in Washington may not bother to object to a Washington city ordinance, they will be able to get their bills passed. That is why I have taken up this crusade in the interest of dogs here in Washington.

We must defeat two bills now pending in Congress, namely, H. R. 4349 and S. 1703, which would turn over to medical schools and laboratories all unclaimed animals in the District Pound. They would encourage wasteful use of animals, aimless research and unnecessary and cruel experiments. Such abuses are attested to by medical journal reports and by authenticated pictures.

Under the present law, pets at the Pound which are not promptly redeemed, are placed for adoption or mercifully destroyed. These bills would deprive pet owners of this assurance and such pets would die on dissecting boards of medical schools by the thousands. The 32,000 dog owners of the District of Columbia whose license fees amount to $100,000 annually, are entitled to the assurance they now have under existing laws.

As a champion of humane legislation for dogs, I am joining with countless red-blooded citizens of this country who are willing to go all out for the defense of our helpless fellow creatures who have to look to us for their protection. All of my life I have owned a dog. Ever since I was a little kid in overalls, I have had a dog for a companion. To me, a dog means a pal. No matter how unworthy we, as humans, may be, a dog is never unfaithful. His trust in us is complete. So is his forgiveness. Dogs do not ask very much from life, but how much they give to it. They share with us our joys—they suffer our defeats—and they always understand.

It is not necessary, however, to go any further in lauding the virtues of the dog. Any dog lover appreciates only too well the qualities of soul that can be attributed to the dog, to say nothing of the acts of courage, loyalty, and sacrifice that are constantly being publicized about them. Today's newspaper may relate the story of a stout-hearted little mongrel which saved a baby's life. Tomorrow's headlines may tell of the rescue of a woman from death through the exercise of a dog's intuition. These are the things which are known and fully appreciated by people who love dogs. They are things, however, that are forgotten and given no consideration by that group of sadistically inclined people who profess to be vivisectionists. Live-animal experimentation to them is a noble cause which they must pursue "in the interest of science." These so-called scientists so delude the reading public by their insidious propaganda that even thinking people are apt to become convinced that their falsehoods bear truth. So subtle are they in their presentations of so-called scientific proofs that the unsuspecting public could well be misled.

This is not a tirade against the members of the medical profession or those true servants of humanity who devote their entire lives to progress in the field of scientific research. These individuals are not numbered among that group of sadists known as vivisectionists, whose vicious practices lead to such unsavory pursuits as pet thievery, illegal dog traffic, and the public auctions of pets which have been so flagrantly exposed in recent newspapers. Enough has been publicized concerning the atrocities that are being perpetrated in the name of science by unscrupulous and criminally inclined persons—enough to engender the contempt and the uprising of every conscientious and tender-hearted citizen in the country. I am appealing to every pet lover in the United States to rise up in protest against the torturesome practice of vivisection. I love dogs, and I intend to fight to the last ditch to see that they are given fair play.

There are distinguished and honored members of the medical profession who are dog lovers like myself, and they feel just as vehemently against the matter of vivisection as I do. They admit that most of these atrocities which are performed under the guise of science are useless. Likewise, they confirm the fact that many of the cases and illustrations which are presented by the vivisectionists as material evidence to prove the value of their cruel experimentation are unsubstantiated, unfounded, and irrelevant. They concur in the belief that the human anatomy differs so greatly from the anatomy of our four-legged pets that much of the so-called experimentation of vivisectionists is not only utterly useless, but it is a means by which those individuals who engage in the cruel practice are able to satisfy their inhuman and sadistic tendencies. The next time that a proponent of vivisection comes up with the old bromide that it is all for the interest of science, do not you believe it.

I know doctors and nurses who have alined themselves whole-heartedly with the movement to stop vivisection, which certainly belies any claim to the efficacy of this deplorable practice. Reports that have been made on investigations that have been carried on in the vivisection laboratories are enough to cause any normal person to become heartsick. To see a poor, harmless, and pathetic little animal that has already probably been pitifully frightened during its capture by brutal racketeers, subjected to the relentless fate of a dissecting board, is not a sight that even a strong man can endure. And do not ever believe that these experiments are always painless, or that the victim is given an anesthetic. It is a rather gruesome thing when a fiendish vivisector cuts off a dog's leg, or otherwise dismembers its body, in order to test his reactions—or just to see if it hurts. Of course, it hurts. It does not take a vivisectionist to prove that fact.

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I know that there are many irate Members of Congress who feel about this matter exactly as I do, and they are out to defeat this atrocious legislation. When the issue of vivisection comes up for legislation, I am going to ask you to think for just a moment about that little dog of yours. All he wants is the right to life, liberty, and the pursuit of happiness, and his happiness does not demand very much. An affectionate pat, a kindly word, and a little sympathetic understanding is all that it takes to make him happy-hearted. If you are lonely, he will be your friend. If you are discouraged, he will lick your hand. Spare his life from the vivisector and he will repay you by allowing you to live with your conscience.

The destiny of our country's dogs is in our hands. Let us not let them, or their owners, down.

Jess Larson

EXTENSION OF REMARKS

OF

HON. WILLIAM G. STIGLER

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1949

Mr. STIGLER. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely and well-written article entitled "New Role Looms for FWA Chief Larson," written by Mr. Robert K. Walsh, which appeared in last Sunday's Washington Star:

NEW ROLE LOOMS FOR FWA CHIEF LARSON—MAY BE HOUSEKEEPER FOR THE FEDERAL GOVERNMENT—WOULD BUY, MANAGE, AND SUPPLY FOR ALL AGENCIES

(By Robert K. Walsh)

Jess Larson, new Federal Works Administrator, could feel at home in a domestic diplomatic service if the Government set up such a special division for fostering friendly sentiments among Federal, State, and local official families.

The affable, 45-year-old Oklahoma lawyer almost went into world diplomacy. He was seriously mentioned last year for an Economic Cooperation Administration deputy.

But it is on the home ground rather than in the international field that he now must prove his talent for tact and trouble-shooting.

Soon after he takes over FWA he may find a still bigger job on his hands. Under a reorganization plan said to have a good chance of enactment at this session, FWA itself would become part of a General Services Agency charged with management, procurement, and supply of Government property.

Mr. Larson, by all accounts and signs, then would be the top GSA administrator—main housekeeper for the Federal Government.

QUALITIES RECOMMEND HIM

His knack of getting along gently but firmly with Congress, administrative associates, and State and municipal authorities unquestionably was a prime reason President Truman named him Federal Works Administrator and why the Senate speedily confirmed him.

Managerial, organizing, and legal experience were other reasons. His comparatively youthful age for so responsible a position seems to have worked in his favor, although he warns well-wishers to "smile when you say that," he is a boy wonder or a go-getter.

He was mayor of Chickasha, Okla., at 25, a fighting field artillery colonel at 40, and until recently head man in the Government's prize headache sector—the War Assets Administration.

Jess Larson is known by thousands in and out of the Government. Yet, he has remained relatively unknown to the public in general.

This man who looks like a gridiron fullback was so busy as a boy that he found little time for athletics except in later years to develop proficiency in polo.

LIKES POLITICS

This mild-mannered executive who often issues suggestions instead of flat orders and sits calmly while hot-tempered visitors sometimes purple the air and pound his desk, has been interested in military matters since he enrolled as a lad in the Missouri Military Academy. He led a field artillery battalion in landings in North Africa, Sicily, and Salerno, and was wounded, almost fatally, at the crossing of the Volturno River in Italy.

This expert liaison worker between Congress and one of its favorite targets—the surplus war property disposal agency—dates the beginning of his fondness for politics to political science studies at the University of Oklahoma College of Arts and Sciences.

His first Federal job nevertheless resulted from pure coincidence, he believes. While not taking sides in the argument whether the office seeks the man or the man seeks the office, he puts substantial stock in the theory that it helps a lot to be in the right spot at the right time.

The legal career of Mr. Larson—climaxed when he served as WAA general counsel in 1946–47—suffered several interruptions that threatened to turn him permanently into other work. At the end of his first year in the University of Oklahoma Law School, he had to take over active management of his family's ranching, dairy, and creamery enterprises. When his father's health improved 3 years later, the then 25-year-old Mr. Larson resumed law studies with a private firm in his home city.

"Meanwhile," he relates, "I say little prospect of setting the world on fire as a lawyer in the near future. Besides, I wanted to marry. At that moment an election for mayor was coming up. The mayor's salary had just been raised from $3,000 to $4,000. I decided I was the logical man, the people's choice.

"My friends tried to dissuade me. But in the Democratic primary, I defeated eight other candidates including the man who had been mayor 10 years. It looked like clear sailing in the general election, but that was only a few months after Oklahoma had gone Republican in the 1928 presidential election. I was lucky to win by a narrow margin over the Republican candidate."

WAS IN NATIONAL GUARD

During part of his 4-year term as mayor he was president of the Oklahoma Municipal League. From 1935 to 1939, as secretary to the Commissioners of the Land Office in Oklahoma, he actively managed farm mortgage assets, school land matters, oil holdings, and other operations of the department.

He was practicing law in Oklahoma City, specializing in municipal securities and contract litigation, when the National Guard was inducted into the Federal service. Starting as a major he wound up as a colonel.

Because of serious wounds he returned to the United States early in 1944 and shortly thereafter was assigned as head of the tactics department at the field artillery school at Fort Sill, Okla. Ordered to Washington in July 1945, he worked for the next year as member of a special committee for reorganization of the National Guard and Organized Reserve Corps.

IN MIDDLE OF WAA FIGHT

"When that assignment was drawing to a close and I had reason to believe I'd be in the Army for at least another year," he recalls, "I inquired about the possibility of being transferred to some legal work because I wanted to catch up on time I had been away from legal practice. So by pure coincidence they sent me over to WAA as assistant counsel."

That was in July 1946. The following December he was general counsel. Eleven months later he was sworn in as associate administrator. When Lt. Gen. Robert M. Littlejohn stepped out last November, Mr. Larson was chosen by President Truman to head the surplus property agency.

As counsel and associate administrator, he was in the thick of things. WAA was under heavy fire from some groups in Congress and from some segments of the public dissatisfied with various aspects of the priority and preference provision of the surplus-property-disposal program.

Associates say Mr. Larson performed feats of diplomacy in being friendly with everyone on the Hill and smoothing out many of the wrinkles and worries of WAA. His task as Administrator has not grown easier, despite the gradual liquidation of WAA. Nor will he be rid of it at FWA.

"I don't dare say anything in the nature of a parting shot as I leave WAA," he comments. "Under the present law, WAA is due to expire in December, and some of the long-range remaining functions might go into FWA. Moreover, if the proposed General Services Agency is established, it not only will handle whatever surplus property is subject to disposal, but also will deal with so-called excess property that can be moved from Government agencies that don't need it to those that do."

Declaring he has no illusions about the magnitude of the FWA operations and personnel, as compared with WAA with its peak of 59,000 employees in 1947 and its current total of about 4,700, Mr. Larson offers this summation that seems to shine as understatement of WAA:

"Since the war ended I don't think there has been a more exciting and stimulating activity in Government than the surplus property disposal program. I doubt if the public has realized its scope. It had its weaknesses, not all of them due to the agency itself. Though I don't know whether people are more honest than they ever were, I believe there has been a good record for honesty in the handling of the program as a whole."

GOOD SURPLUS SALESMAN

When Mr. Larson talks about WAA or FWA or the proposal for a regrouping of those and several other agencies into a General Services Agency, he explains intricate operations in understandable language. Many Members of Congress have commended his exposition of WAA activities and aims. He could be described almost as the No. 1 salesman of the surplus-property program.

At FWA he faces wider and different problems. In a GSA establishment he would direct still different and even more difficult matters. FWA, created by Executive order in 1939, is essentially a construction and maintenance management organization. It includes the Public Roads Administration, Public Buildings Administration and Bureau of Community Facilities as well as the Federal Fire Council. Among other things it administers Federal grants or loans to States

and local governments or other agencies. Since the war it has taken on the supervision of some industrial reserve facilities.

The proposed General Services Agency on the other hand, would be set up by congressional enactment for property procurement and utilization. The idea has been given impetus and shape by the Hoover Commission on Governmental Reorganization. The Senate Executive Expenditures Committee this month reported out a "Federal Property and Administrative Services Act" to bring this about.

When, as is expected, it becomes law, Mr. Larson seems most likely to be the man who will put life into it.

Petitions From Citizens of Danube, Minn.

EXTENSION OF REMARKS

OF

HON. H. CARL ANDERSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1949

Mr. H. CARL ANDERSEN. Mr. Speaker, I have been requested by ladies living in Danube, Minn., to insert the following two petitions in the RECORD, and am glad to make that request at this time:

DANUBE, MINN., *May 5, 1949.*

H. CARL ANDERSEN.

DEAR SIR: We, the Christian mothers of America, are deeply concerned about the welfare of our sons who are in training in camps for the defense of our country. We are urging all of our Congressmen to free these camps from the evil temptations of beer, alcohol, gambling, and prostitution, therefore we ask you to support the Pace bill, H. R. 886.

Mrs. Grace Kraft, Mrs. Gertrude Bredesen, Mrs. M. J. Schroeder, Minnie Wallert, Mrs. O. O. Reep, Mrs. E. C. Black, Mrs. A. W. Johnson, Mrs. Ralph Manthei, Mrs. Aaron Sommers, Mrs. Lydia Schendel, Rev. F. J. Breid, Mrs. Ferdinand Breid, Mrs. Art Jahnke, Mrs. D. W. Fuller.

DANUBE, MINN., *May 5, 1949.*

H. CARL ANDERSEN.

DEAR SIR: Inasmuch as the alcoholic-beverage traffic is making a planned and concerted attempt to infiltrate the American home through alcoholic-beverage advertising, particularly with such advertisements as the Home Life in America series in publications particularly devoted to and circulating in the American home, with disastrous effects in neglect of children by drinking mothers and an alarming increase in juvenile delinquency—we respectfully urge upon you the responsibility of Congress to meet this dangerous challenge to the American way of life by legislation outlawing alcoholic-beverage advertising over the air and through the channels of interstate commerce.

We urge consideration and support of the Bryson bill, H. R. 2428.

Mrs. Grace Kraft, Mrs. Gertrude Bredesen, Mrs. M. J. Schroeder, Minnie Wallert, Mrs. O. O. Reep, Mrs. M. J. Fischer, Mrs. A. W. Johnson, Mrs. E. C. Black, Mrs. A. W. Johnson, Mrs. Ralph Manthei, Mrs. Aaron Sommers, Mrs. Lydia Schendel, Rev. F. J. Breid, Mrs. Ferdinand Breid, Mrs. Art Jahnk, Mrs. D. W. Fuller.

The Basing-Point System and the State of Illinois—Illinois Paid Cement and Steel Trusts Untold Millions in Phantom Freight—Cement Bids to Illinois State Highway Department Show Power of Basing-Point System — Basing-Point System Nullifies Natural Advantages

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1949

Mr. PATMAN. Mr. Speaker, the prairie State of Illinois, with its rich farm country and industrial plants, like most other States, has paid the steel and cement industries enormous sums through the basing-point system of pricing. In the pioneer days of Illinois, people from other States came in because of the rich advantages offered by its land, streams, and forests. History records Illinois' industrial progress as its natural resources became known, and the great city of Chicago emerged from a rambling village to the foremost trading center of the whole Midwest. Illinoisans were, from the very beginning of the State's history, progressive in both industry and agriculture. Factories sprang up all over the State to take advantage of the technological progress of the times in the fields of steel processing, woodworking, and all of the other activities which make not only Illinois but our Nation great.

Illinois is rich in natural resources for making portland cement, and some of the industry's early plants were located in northern Illinois. Coal of all degrees of quality is found in Illinois' many seams, and cement-making materials are intermingled with the coal measures. So the problem of fuel was no problem. In fact, the greatest problem encountered by the people of Illinois in their industrial and agricultural progress has been, like in many other States, artificial price controls such as the basing-point system and the virtual control of the steel and cement trusts over basic materials.

BIG STEEL PAYS FOR GARY, IND., PLANT WITH PHANTOM FREIGHT ON SALES IN CHICAGO AND WEST

It is easy to see why United States Steel Corp. built the then largest single steel plant in the world at Gary, Ind., to reap the advantage of phantom freight on low-cost steel. The Federal Trade Commission at one time found that steel could be produced at a 20-percent lower cost at Gary than in the Pittsburgh district. The basing-point system, upon the completion of the Gary plant, began to take its toll by way of phantom freight from the whole industrial fabric of Illinois, as well as from the rest of the country, as I have heretofore pointed out.

However, at this time I want to show its effect on Illinois. During the life of the Pittsburgh-plus basing-point system, the base price of steel was always f. o. b. Pittsburgh. When a purchase was made from any other point in the country, cities such as Chicago and other destinations in Illinois, after the completion of the Gary plant, secured steel from this nearby source, but the steel was always sold f. o. b. Pittsburgh base, plus freight from Pittsburgh to destination. Over a period of years, this excess cost, which should not have been charged and which was an undue burden on Illinois' industry, was as follows:

In 1911, $3.60 per ton.

From October 16, 1914, to September 20, 1917, $3.78 per ton.

From September 20, 1917, to June 25, 1918, $4.30 per ton.

From June 25, 1918, to August 25, 1920, $5.40 per ton.

From August 26, 1920, to July 1, 1922, $7.60 per ton.

For several years prior to the Supreme Court decision in the cement case, April 26, 1948, Chicago had been a basing point for a number of steel products. Chicago, however, was not a basing point for all steel products and therefore continued to pay, as did the rest of Illinois, phantom freight until the Supreme Court decision as noted above.

CHICAGO AND MIDWEST MANUFACTURERS OF AGRICULTURAL EQUIPMENT PAID PHANTOM FREIGHT

Let us note how much phantom freight was realized through the Pittsburgh-plus system by Big Steel in the early 1920's, based on the record in the Pittsburgh-plus case. The per ton figures, based on freight charges from Pittsburgh to destination where United States plants were located, were:

City	United States Steel subsidiary	Phantom freight
Chicago, Ill.	Illinois Steel Co.	$7.60
Duluth, Minn.	American Steel & Wire Co.	13.20
Birmingham, Ala.	Tennessee Coal, Iron & Railroad Co.	15.30
South Bend, Ind.	Carnegie Steel Co.	6.85
Detroit, Mich.	Illinois Steel Co.	3.95

In terms of what this meant in enhanced steel costs to individual farm machinery producers in the Middle West, the record shows that particular consumers paid phantom freight under the Pittsburgh-plus pricing of steel, in the 1920's, as follows:

First. Deere & Co. paid $488,400 annually.

Second. J. I. Case Threshing Machine Co. paid $509,033 in 1920.

Third. Emerson-Brantingham Co. paid $100,000 annually.

Fourth. Litchfield Manufacturing Co. paid $68,000 annually.

These four farm machinery companies alone paid more than $1,000,000 in phantom freight annually, which they necessarily charged the farmer in the prices of farm implements. When it is considered that these four companies represent so small a sample of Middle West steel users that what they paid is hardly more than a drop in the bucket, the conclusion of the Commission that Pittsburgh-plus

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added millions of dollars each year to the price paid by steel users outside Pittsburgh becomes an extremely conservative statement.

The point to all this is that the general adoption of Pittsburgh-plus, which succeeded the older outlawed forms of agreements for controlling steel prices and competition, definitely fixed amounts of phantom freight, running into many millions of dollars annually, which Illinois and Middle West users of steel and their customers were required to pay. This burden of noncompetitive pricing was fine for the steel producers with plants strategically well located to benefit financially, but bad for steel users and their customers. Doubtless, then as now, many Middle West steel buyers were lulled into a false sense of security and tolerance by the stability of noncompetitive prices resulting from the system.

BASING-POINT BIDS TO ILLINOIS DEPARTMENT OF HIGHWAYS ON CEMENT SHOW IDENTITY INHERENT IN BASING-POINT SYSTEM

Illinois has only four cement plants although her requirements of cement for public and private works are much more than her production. There is no doubt that, had the cement trust not deemed it expedient to keep down Illinois production, her availability of materials would have induced the building of additional cement mills. In 1939, with an estimated consumption of 7,644,172 barrels, Illinois deficiency was 2,862,880 barrels.

In 1940, with an estimated consumption of 8,584,009 barrels, her deficiency was 3,646,882 barrels.

Skipping over the war years, we come to 1945, with an estimated consumption of 5,382,144 barrels, or a deficiency of 1,192,695 barrels.

In 1946, with an estimated consumption of 8,766,933 barrels, Illinois deficiency was 2,091,349 barrels.

Is there any doubt in anybody's mind that the control exercised over the cement industry through the basing-point system was responsible for a great and rich State, as Illinois is, to have a deficiency in the cement supply, with cement-making materials available in most sections of the State? The figures shown above are really very conservative because they are based on shipments from the mills within Illinois, and naturally these mills shipped a great deal of cement outside the State. Of course, there are other cement mills in the surrounding States, some owned by the same companies which operate the mills in Illinois. There is no doubt that, due to the locations of the cement mills within and without Illinois which supplied destinations in Illinois, the territory was so divided as to obtain for each mill the highest possible price and to exact from each customer as much phantom freight as the traffic would bear.

As evidence of identical bids, which are to be found not only in Illinois but in all States and to all purchasers of cement, whether they be agencies of the Federal Government, the State government, dealers, contractors, or other persons requiring this basic commodity, the following is offered:

On January 17, 1947, the Illinois Division of Highways received bids on approximately 50,000 barrels of cement to 102 destinations within the State. There were eight bidders: Alpha Portland Cement Co., Dewey Portland Cement Co., Lehigh Portland Cement Co., Lone Star Cement Corp., Marquette Cement Manufacturing Co., Medusa Portland Cement Co., Missouri Portland Cement Co., Universal-Atlas Cement Co.

These bidders, as is the custom of the industry, bid exactly the same price to each destination but added a clause of their own—a clause which was not in the invitation to bid; namely, that the bid prices were subject to an increase in price not to exceed 25 cents per barrel. The deliveries under the invitation were to be made during the period April 1, 1947, to December 31, 1947, and since the bids submitted were not firm bids, the Illinois Division of Highways elected to reject all bids and readvertised for new bids. The table of bids taken on January 17, 1947, follows:

TABLE 1

Destination (county)	Estimated amount of portland cement required	Bidder							
		Alpha	Dewey	Lehigh	Lone Star	Marquette	Medusa	Missouri	Universal-Atlas
		Destination price							
	Barrels								
Adams	500	$3.31	$3.31	$3.31	$3.31	$3.31	$3.31	$3.31	$3.31
Alexander	500	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43
Bond	500	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Boone	400	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Brown	280	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Bureau	1,000	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43
Calhoun	[1] 500	3.41	3.41	3.41	3.41	3.41	3.41	3.41	3.41
Carroll	300	3.47	3.47	3.47	3.47	3.47	3.47	3.47	3.47
Cass	500	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Champaign	500	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Christian	500	3.41	3.41	3.41	3.41	3.41	3.41	3.41	3.41
Clark	300	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Clay	[2] 500	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Clinton	500	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Coles	500	3.41	3.41	3.41	3.41	3.41	3.41	3.41	3.41
Cook	800	3.29	3.29	3.29	3.29	3.29	3.29	3.29	3.29
Crawford	250	3.41	3.41	3.41	3.41	3.41	3.41	3.41	3.41
Cumberland	600	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
De Kalb	250	3.41	3.41	3.41	3.41	3.41	3.41	3.41	3.41
De Witt	600	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Douglas	600	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Du Page	600	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Edgar	300	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Edwards	250	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Effingham	800	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Fayette	250	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Ford	500	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Franklin	500	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Fulton	500	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Gallatin	250	3.56	3.56	3.56	3.56	3.56	3.56	3.56	3.56
Greene	250	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Grundy	250	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Hamilton	250	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Hancock	1,500	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Hardin	[3] 250	3.56	3.56	3.56	3.56	3.56	3.56	3.56	3.56
Henderson	500	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Henry	850	3.51	3.51	3.51	3.51	3.51	3.51	3.51	3.51
Iroquois	500	3.41	3.41	3.41	3.41	3.41	3.41	3.41	3.41
Jackson	500	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Jasper	500	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Jefferson	500	3.41	3.41	3.41	3.41	3.41	3.41	3.41	3.41
Jersey	500	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Jo Daviess	300	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54
Johnson	250	3.47	3.47	3.47	3.47	3.47	3.47	3.47	3.47
Kane	400	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Kankakee	800	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Kendall	500	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Knox	500	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Lake	500	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
La Salle	500	3.39	3.39	3.39	3.39	3.39	3.39	3.39	3.39
Lawrence	500	3.41	3.41	3.41	3.41	3.41	3.41	3.41	3.41
Lee	450	3.39	3.39	3.39	3.39	3.39	3.39	3.39	3.39
Livingston	250	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Logan	250	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Macon	600	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Macoupin	500	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Madison	1,000	3.31	3.31	3.31	3.31	3.31	3.31	3.31	3.31
Marion	800	3.41	3.41	3.41	3.41	3.41	3.41	3.41	3.41
Marshall	800	3.47	3.47	3.47	3.47	3.47	3.47	3.47	3.47
Mason	500	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Massac	250	3.51	3.51	3.51	3.51	3.51	3.51	3.51	3.51
McDonough	1,500	3.41	3.41	3.41	3.41	3.41	3.41	3.41	3.41
McHenry	400	3.41	3.41	3.41	3.41	3.41	3.41	3.41	3.41
McLean	250	3.47	3.47	3.47	3.47	3.47	3.47	3.47	3.47
Menard	500	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Mercer	500	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Monroe	250	3.33	3.33	3.33	3.33	3.33	3.33	3.33	3.33
Montgomery	1,000	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Morgan	250	3.41	3.41	3.41	3.41	3.41	3.41	3.41	3.41
Moultrie	300	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Ogle	450	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43
Peoria	1,500	3.47	3.47	3.47	3.47	3.47	3.47	3.47	3.47
Perry	250	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Piatt	300	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Pike	250	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Pope	250	3.56	3.56	3.56	3.56	3.56	3.56	3.56	3.56
Pulaski	250	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43

[1] F. o. b. East Hardin. [2] F. o. b. Louis. [3] F. o. b. Rosiclare.

TABLE 1—Continued

Destination (county)	Estimated amount of portland cement required	Bidder							
		Alpha	Dewey	Lehigh	Lone Star	Marquette	Medusa	Missouri	Universal-Atlas
		Destination price							
	Barrels								
Putnam	[4] 250	$3.39	$3.39	$3.39	$3.39	$3.39	$3.39	$3.39	$3.39
Randolph	250	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Richland	500	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Rock Island	350	3.47	3.47	3.47	3.47	3.47	3.47	3.47	3.47
Saline	500	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Sangamon	1,000	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Schuyler	600	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Scott	500	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Shelby	300	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Stark	500	3.47	3.47	3.47	3.47	3.47	3.47	3.47	3.47
St. Clair	1,000	3.31	3.31	3.31	3.31	3.31	3.31	3.31	3.31
Stephenson	450	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43
Tazewell	1,000	3.47	3.47	3.47	3.47	3.47	3.47	3.47	3.47
Union	250	3.47	3.47	3.47	3.47	3.47	3.47	3.47	3.47
Vermilion	250	3.41	3.41	3.41	3.41	3.41	3.41	3.41	3.41
Wabash	250	3.44	3.44	3.44	3.44	3.44	3.44	3.44	3.44
Warren	1,200	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Washington	500	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Wayne	250	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
White	500	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48
Whiteside	300	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43
Will	250	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.37
Williamson	500	3.47	3.47	3.47	3.47	3.47	3.47	3.47	3.47
Winnebago	450	3.47	3.47	3.47	3.47	3.47	3.47	3.47	3.47
Woodford	500	3.47	3.47	3.47	3.47	3.47	3.47	3.47	3.47
Total	50,000								

[4] F. o. b. Granville.

Mr. Speaker, when new bids were taken by the Illinois division of highways, on April 8, 1947, they received firm bids; but, in a measure having its cake and eating it too, these bids of the Cement Trust were higher than the bids submitted at the previous bidding on January 17, 1947. You will note that for Adams County, for instance, in the table below, it shows the price as $3.46 per barrel, whereas the price in the table above was $3.31 per barrel. Going through to Franklin County, in the table below, we find that the price is $3.59 per barrel, whereas the preceding bid was $3.44 per barrel. And taking one more example at random, we look at Washington County, on the table below, and find the price is $3.52, whereas the previous price bid on the same requirements for the same destination was $3.37 per barrel.

On the table below, it will also be noted that there are two less bidders than participated in the first bidding; namely, the Lone Star Cement Corp., and the Missouri Portland Cement Co. In my study of the basing-point system, instances of this nature always raise a question as to why certain bidders do not come through with new bids when the first bids are thrown out for one reason or another. I have found instances of an occasional break-down in the basing-point system of pricing, and it may be that on these particular bids Lone Star and Missouri did not get word in time as to just what the plans were. It often has happened, under the basing-point system of pricing in the cement industry, that complementary bids are entered at higher prices when companies do not desire the business in order to give a semblance of competition and to keep the records straight. I wonder why this was not done in this particular instance? The table of bids received by the Illinois Division of Highways on April 8, 1947, follows:

TABLE 2

Destination (county)	Estimated amount of portland cement required	Bidder					
		Alpha	Dewey	Lehigh	Marquette	Medusa	Universal-Atlas
		Destination price					
	Barrels						
Adams	500	$3.46	$3.46	$3.46	$3.46	$3.46	$3.46
Alexander	500	3.58	3.58	3.58	3.58	3.58	3.58
Bond	500	3.52	3.52	3.52	3.52	3.52	3.52
Boone	400	3.59	3.59	3.59	3.59	3.59	3.59
Brown	250	3.52	3.52	3.52	3.52	3.52	3.52
Bureau	1,000	3.58	3.58	3.58	3.58	3.58	3.58
Calhoun	[1] 500	3.56	3.56	3.56	3.56	3.56	3.56
Carroll	300	3.62	3.62	3.62	3.62	3.62	3.62
Cass	500	3.59	3.59	3.59	3.59	3.59	3.59
Champaign	500	3.63	3.63	3.63	3.63	3.63	3.63
Christian	500	3.56	3.56	3.56	3.56	3.56	3.56
Clark	300	3.52	3.52	3.52	3.52	3.52	3.52
Clay	[2] 500	3.59	3.59	3.59	3.59	3.59	3.59
Clinton	500	3.52	3.52	3.52	3.52	3.52	3.52
Coles	500	3.56	3.56	3.56	3.56	3.56	3.56
Cook	800	3.44	3.44	3.44	3.44	3.44	3.44
Crawford	250	3.56	3.56	3.56	3.56	3.56	3.56
Cumberland	600	3.59	3.59	3.59	3.59	3.59	3.59
De Kalb	250	3.56	3.56	3.56	3.56	3.56	3.56
De Witt	600	3.63	3.63	3.63	3.63	3.63	3.63
Douglas	600	3.59	3.59	3.59	3.59	3.59	3.59
Du Page	600	3.52	3.52	3.52	3.52	3.52	3.52
Edgar	300	3.52	3.52	3.52	3.52	3.52	3.52
Edwards	250	3.63	3.63	3.63	3.63	3.63	3.63
Effingham	800	3.59	3.59	3.59	3.59	3.59	3.59
Fayette	250	3.52	3.52	3.52	3.52	3.52	3.52
Ford	500	3.59	3.59	3.59	3.59	3.59	3.59
Franklin	500	3.59	3.59	3.59	3.59	3.59	3.59
Fulton	500	3.63	3.63	3.63	3.63	3.63	3.63
Gallatin	250	3.71	3.71	3.71	3.71	3.71	3.71
Greene	250	3.52	3.52	3.52	3.52	3.52	3.52
Grundy	250	3.52	3.52	3.52	3.52	3.52	3.52
Hamilton	250	3.63	3.63	3.63	3.63	3.63	3.63
Hancock	1,500	3.52	3.52	3.52	3.52	3.52	3.52
Hardin	[3] 250	3.71	3.71	3.71	3.71	3.71	3.71
Henderson	500	3.63	3.63	3.63	3.63	3.63	3.63
Henry	850	3.66	3.66	3.66	3.66	3.66	3.66
Iroquois	500	3.56	3.60	3.56	3.56	3.56	3.56
Jackson	500	3.59	3.59	3.59	3.59	3.59	3.59
Jasper	500	3.59	3.59	3.59	3.59	3.59	3.59
Jefferson	500	3.56	3.56	3.56	3.56	3.56	3.56
Jersey	500	3.52	3.52	3.52	3.52	3.52	3.52
Jo Daviess	300	3.69	3.69	3.69	3.69	3.69	3.69
Johnson	250	3.62	3.62	3.62	3.62	3.62	3.62

[1] F. o. b. East Hardin. [2] F. o. b. Louis. [3] F. o. b. Rosiclare.

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TABLE 2—Continued

Destination (county)	Estimated amount of portland cement required	Bidder					
		Alpha	Dewey	Lehigh	Marquette	Medusa	Universal-Atlas
		Destination price					
	Barrels						
Kane	400	$3.52	$3.52	$3.52	$3.52	$3.52	$3.52
Kankakee	500	3.52	3.52	3.52	3.52	3.52	3.52
Kendall	500	3.52	3.52	3.52	3.52	3.52	3.52
Knox	500	3.63	3.63	3.63	3.63	3.63	3.63
Lake	500	3.52	3.52	3.52	3.52	3.52	3.52
La Salle	500	3.54	3.54	3.54	3.54	3.54	3.54
Lawrence	500	3.56	3.56	3.56	3.56	3.56	3.56
Lee	450	3.54	3.54	3.54	3.54	3.54	3.54
Livingston	250	3.59	3.59	3.59	3.59	3.59	3.59
Logan	250	3.63	3.63	3.63	3.63	3.63	3.63
Macon	600	3.63	3.63	3.63	3.63	3.63	3.63
Macoupin	500	3.52	3.52	3.52	3.52	3.52	3.52
Madison	1,000	3.46	3.46	3.46	3.46	3.46	3.46
Marion	500	3.56	3.56	3.56	3.56	3.56	3.56
Marshall	500	3.62	3.62	3.62	3.62	3.62	3.62
Mason	500	3.63	3.63	3.63	3.63	3.63	3.63
Massac	250	3.66	3.66	3.66	3.66	3.66	3.66
McDonough	1,500	3.56	3.56	3.56	3.56	3.56	3.56
McHenry	400	3.56	3.56	3.56	3.56	3.56	3.56
McLean	250	3.62	3.62	3.62	3.62	3.62	3.62
Menard	500	3.59	3.59	3.59	3.59	3.59	3.59
Mercer	500	3.63	3.63	3.63	3.63	3.63	3.63
Monroe	250	3.48	3.48	3.84	3.48	3.48	3.48
Montgomery	1,000	3.52	3.52	3.52	3.52	3.52	3.52
Morgan	250	3.56	3.56	3.56	3.56	3.56	3.56
Moultrie	300	3.63	3.63	3.63	3.63	3.63	3.63
Ogle	450	3.58	3.58	3.58	3.58	3.58	3.58
Peoria	1,500	3.62	3.62	3.62	3.62	3.62	3.62
Perry	250	3.52	3.52	3.52	3.52	3.52	3.52
Piatt	300	3.63	3.63	3.63	3.63	3.63	3.63
Pike	250	3.52	3.52	3.52	3.52	3.52	3.52
Pope	250	3.71	3.71	3.71	3.71	3.71	3.71
Pulaski	250	3.58	3.58	3.58	3.58	3.58	3.58
Putnam	250	3.54	3.54	3.54	3.54	3.54	3.54
Randolph	250	3.52	3.52	3.52	3.52	3.52	3.52
Richland	500	3.59	3.59	3.59	3.59	3.59	3.59
Rock Island	350	3.62	3.62	3.62	3.62	3.62	3.62
Saline	500	3.63	3.63	3.63	3.63	3.63	3.63
Sangamon	1,000	3.59	3.59	3.59	3.59	3.59	3.59
Schuyler	600	3.63	3.63	3.63	3.63	3.63	3.63
Scott	500	3.52	3.52	3.52	3.52	3.52	3.52
Shelby	300	3.63	3.63	3.63	3.63	3.63	3.63
Stark	500	3.62	3.62	3.62	3.62	3.62	3.62
St. Clair	1,000	3.46	3.46	3.46	3.46	3.46	3.46
Stephenson	450	3.58	3.58	3.58	3.58	3.58	3.58
Tazewell	1,000	3.62	3.62	3.62	3.62	3.62	3.62
Union	250	3.62	3.62	3.62	3.62	3.62	3.62
Vermilion	250	3.56	3.56	3.56	3.56	3.56	3.56
Wabash	250	3.56	3.56	3.56	3.56	3.56	3.56
Warren	1,200	3.63	3.63	3.63	3.63	3.63	3.63
Washington	500	3.52	3.52	3.52	3.52	3.52	3.52
Wayne	250	3.63	3.63	3.63	3.63	3.63	3.63
White	500	3.63	3.63	3.63	3.63	3.63	3.63
Whiteside	300	3.58	3.58	3.58	3.58	3.58	3.58
Will	250	3.52	3.52	3.52	3.52	3.52	3.52
Williamson	500	3.62	3.62	3.62	3.62	3.62	3.62
Winnebago	450	3.62	3.62	3.62	3.62	3.62	3.62
Woodford	500	3.62	3.62	3.62	3.62	3.62	3.62
Total	50,000						

[4] F. o. b. Granville.

BASING-POINT SYSTEM NULLIFIES NATURAL ADVANTAGES

In the Federal Trade Commission Docket, No. 3167, before the Commission in the case of the Cement Institute et al., the basing-point system is described in one of its phases as getting all the traffic will bear, in these words:

If you will not disturb us in getting all the traffic will bear from customers most profitable to us, we will not disturb you in getting all the traffic will bear from customers that are most profitable to you.

And again, the docket is quoted on the effect of the basing-point system of pricing:

Protect my high net in my home territory and I will protect your high net in your home territory.

In the same docket, the reciprocity feature of the basing-point system was pointed out by F. L. Stone, president of Universal-Atlas Portland Cement Co., when he testified that he knew certain mills were base mills and certain others were not and that the nonbase mills—

Do not attempt to make their own prices; they simply follow the prices put out by others. Therefore, when we are figuring our prices in any individual case to meet competition, or to get at business against competition, we pay no attention to the so-called non-basing-point mill.

That is sufficient, in my judgment, to prove beyond a doubt that no customer of any cement mill could benefit by the mill's natural advantages. These natural advantages may have been merely location, but on the other hand such advantages may have been low production costs, low overhead, lower taxes, lower freight rates by way of shipment by water or a combination of rail and water, and any other ways in which any mill or factory would have an advantage, particularly in its own home territory over its competitors. The basing-point system and other like systems of price control never permit a customer to buy at prices which take into account any natural advantage of the supplier. It is an unsound, unwise system and a system which is often used to throttle competitors into submission and to control all sources of supply of any given product. It would indeed be an unhappy situation if the Supreme Court decision of April 26, 1948, outlawing this pernicious vehicle of commerce, were reinstated through any means, legislative or otherwise.

SMALL BUSINESS IN ILLINOIS WILL LOSE IF MORATORIUM PASSES

Illinois has many thousands of small business institutions. Not only in the field of natural resources has Illinois' small business thrived in the past but in the manufacturing field many of her products are known as the products of small business far and wide. I have already shown the tremendous sums, really sums that cannot be calculated, that all

business and agriculture have paid for fictitious and other charges under the artificial basing-point system of pricing. If the basing-point system is permitted to be revived, the advantages which have accrued to small business since April 26, 1948, when the basing-point system was outlawed, will all be lost.

I have contended that, given an equal opportunity in an equal market, small business can stand on its own feet and fight back against its bigger and stronger competitors. It is some disadvantage to be small. It is a disadvantage because a small business institution does not have the necessary facilities for accumulating capital or sometimes does not even have sufficient working capital. But despite these disadvantages, the hard work, the initiative, and the individuality that a small manufacturer or other small-business man has ofttimes make up for the lack of capital.

I do not believe that any of my colleagues would want to vote against the development of industry in his district or against small business enterprise in his district. I believe a vote for a moratorium on our antitrust laws is a vote against both the development of industry in any Member's district and against the small business institutions in his district. I hope that the evidence of the increasing opposition to any form of moratorium bills on our antitrust laws is an indication of their defeat by an overwhelming majority.

Save $3,000,000,000

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, what a relief to the taxpayer if the Federal Government, while carrying on its necessary activities, would save $3,000,000,000. And it can be done.

The Hoover Commission, created by the Eightieth Congress to advise how that could be done, has completed its reports. In those reports it points out that, without in any way curtailing the essential operations of the Federal Government or impairing their efficiency, $3,000,000,000 can be saved, if proper legislation is put on the books and is faithfully carried out by the executive departments.

For many, many years the people have known that their Government was wasting money and in many instances giving very poor service. It remained for the Hoover Commission and the studies made by that Commission, extending over a period of 18 months, and costing almost $2,000,000—it was well worth the money— to put its finger on the agencies and departments where savings could be made.

The Saturday Evening Post, the Reader's Digest, and many other publications have carried excerpts from, and made favorable comment on, the Hoover Commission's reports. As a result the people are aroused and they are demanding legislation which will save that $3,000,000,000. They are entitled to that reduction in taxation.

WILL THEY GET IT?

They will not. Unless Harry Truman, President, who says he favors the Hoover Commission's recommendation, modifies his demand that he be given absolute power to reorganize the whole structure of the Federal Government. Is he contemplating a reorganization of the Federal Government along the lines of the Pendergast political machine, which gave him his opportunity to become a political dictator?

We desperately need economy and efficiency. But the surrender of our form of government, our freedom, is altogether too high a price to pay for either or for both. For, in the end, if we establish a dictatorship in order to get either or both, we will have neither, but, in addition to waste and inefficiency, we will have tyranny—complete bureaucratic government from Washington. The war demonstrated we want none of that.

WHAT IS DELAYING LEGISLATION DESIGNED TO GIVE ECONOMY AND EFFICIENCY?

Nothing. Except the failure to pass the reorganization bill. Why it is not passed? Because the administration insists that the President be given authority, contrary to the Constitution, to send down to Congress reorganization plans which will become the law of the land unless both Houses—mark that—both Houses—within 60 days, by concurrent resolution, veto the plan. That proposal reverses constitutional legislative processes and would result in the people surrendering their control now exercised through the Congress over legislation to an all-powerful President.

The Senate has passed a reorganization bill which reserves to either House of Congress the right to veto any reorganization plan submitted by the President. That is a surrender of half of the constitutional legislative power of the Congress.

But the administration is not willing to accept that great concession—take a reorganization bill which would give the President all the needed power. Hence, the two Houses are deadlocked. Result? No reorganization. No saving. No efficiency.

Folks who want a reorganization, a $3,000,000,000 saving and efficiency, should tell the President—not the Congress, for the issue is on his doorstep—to accept the Senate bill and get a Reorganization Act. Then we will be on our way.

The present situation raises the question as to whether President Truman really wants a reorganization, economy, and efficiency. Some of us begin to doubt it, for he can get all three by the acceptance of the Senate bill.

On Reading Too Much Into a Local Achievement

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1949

Mrs. BOLTON of Ohio. Mr. Speaker, the Spence bill on housing, H. R. 4009, long anticipated for floor discussion, has brought to the fore again the Baltimore plan, a most worthy endeavor to bring about adequate repair and maintenance of so-called slum areas. An editorial that appeared in the Baltimore Sun on April 22 is so clarifying that I am including it at this point in the RECORD that it may be brought to the attention of the Members of the Congress:

ON READING TOO MUCH INTO A LOCAL ACHIEVEMENT

Baltimore's attempts to improve living conditions in slum areas through stricter enforcement of fire, health, and building regulations have drawn high praise from the National Association of Home Builders. Baltimore's law-enforcement campaign, according to the monthly organ of the home builders, "is providing much-needed minimum housing," "is gradually ridding this great metropolitan center of its slum areas," and "is markedly reducing the rate of juvenile delinquency." The association believes that other cities with a slum problem might well follow Baltimore's lead.

Before other cities are led to believe that Baltimore has found an inexpensive and sure cure for all slum conditions, the beautiful picture presented by the home builders should be toned down a bit. Baltimore's efforts to force compliance with the minimum legal standards of decent living conditions are neither providing much-needed minimum housing nor gradually ridding the city of its blighted areas. The slum clean-up campaign has brought about the replacement of windowpanes and plaster in some areas, improved sanitary conditions to some extent and compelled landlords and tenants alike to clear out rat-infested cellars and back yards. But the overcrowded, substandard buildings remain exactly that.

Nor is the Baltimore program markedly reducing juvenile delinquency. There was more juvenile delinquency in Baltimore last year than in the previous year, according to police records. The number of new cases of tuberculosis, another byproduct of slum conditions, also increased last year. So, flattering as the words of the home builders may be, the facts do not fit the praise. Nor is it strictly accurate to say that the Baltimore slum clean-up program is being achieved strictly through the enterprise of private home builders in cooperation with property owners and city officials. The local program is largely a health measure, supported by civic-minded groups, and it took the establishment of a special housing court to get the cooperation of vested interests.

Baltimore's housing-law-enforcement drive is an excellent one and deserves wide recognition. The city can blush with fitting pride at the publicity given its efforts by the home builders. But no one should assume that Baltimore is doing anything more than making a few dilapidated buildings a little more inhabitable. Housing-law enforcement is not slum clearance, and nothing will make it so.

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American Forum of the Air

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 31, 1949

Mr. CELLER. Mr. Speaker, in reading last Sunday's New York Daily News, I was most interested in a story, written by the able and widely read radio editor of the News, Mr. Ben Gross. Although Mr. Gross' articles are widely read, there are many right here in Congress who would welcome the opportunity to read this interesting story. It deals with a subject with which all of us are familiar—the manifestation of free speech which we find in Theodore Granik's American Forum of the Air.

Many of us have participated in Mr. Granik's program during the many years it has been on the Mutual Network. I like to call myself a charter member of his forum, for I had the distinct honor of appearing on his first broadcast 21 years ago. I know that many of you, like myself, are grateful for the opportunities we have had to present the issues of state to the Nation, in the straightforward, man-to-man fashion that is possible on the American Forum.

We are confident that his American television forum now on the National Broadcasting network will prove to be as great a success as his radio forum.

Therefore, Mr. Speaker, because I know that this article about the forum and its founder, Mr. Theodore Granik, will be of interest in and out of Congress, I insert same here.

LOOKING AND LISTENING WITH BEN GROSS

"He knows everyone in Washington." That's what they say about Theodore Granik, who for 21 years has presided as moderator of the Nation's oldest—and in many ways, greatest—public discussion program, the American Forum of the Air (WOR—Mutual, Mondays 10 p. m.). That is no exaggeration. For the 42-year-old New Yorker, a doctor of laws of St. Johns University, and a former assistant district attorney of New York County, has one of the widest circles of official friendships in this country. During the more than 2 decades he has conducted this program—at a financial loss—two men who became President of the United States and 90 percent of all Senators, Congressmen and Cabinet members have appeared on his show. Granik's is also the only radio program which is reprinted word for word each week in the pages of the CONGRESSIONAL RECORD. It, too, has provided dozens of headline stories for the press and now may be the source of more, as Ted has added a television version over NBC (Sundays, 3 p. m.).

So it wasn't surprising that, as we lunched in the Oak Room of the Plaza recently, Granik should have revealed such fascinating sidelights on the famous as these: President Truman is the kind of a human guy who will invite a fellow over to his house just to do a little "schmoosing" (talking) * * * Representative CLARE HOFFMAN, of Michigan, has no pockets in his trousers * * * and former Supreme Court Justice Owen D. Roberts "doodles" while he broadcasts.

YOUR REPORTER. Did you ever "schmoose" with the President?

Mr. GRANIK. Yes. While he was Vice President, and we were talking on the phone one Sunday afternoon, he said, "Ted, the family's away. I'm sitting here in my bathrobe. So why don't you drop in and we'll do a little schmoosing."

YOUR REPORTER. What kind of "doodler" is former Justice Roberts?

Mr. GRANIK. He draws clocks and triangles. I picked up his forum "doodling" one night and had him autograph it.

YOUR REPORTER. Tell me about some of the others.

Mr. GRANIK. Well, there's Ham Fish. He used to blast the mike. On the other hand, Senator TAFT likes to get away from the microphone. Incidentally, he's a terrific debater and ad-libber. What about Vice President BARKLEY? He's one of the greatest story tellers and humorists in Washington.

YOUR REPORTER. How did F. D. R. do on your program?

Mr. GRANIK. He had a tremendous impact when he appeared while Governor of New York. A magnificent speaker. It was from him I learned a great secret—the art of breaking up a speech, thought by thought, a different thought on each page, with the places for emphasis and pauses carefully marked.

YOUR REPORTER. Is it true that during the 20 years your forum ran sustaining on WOR and Mutual you weren't paid a cent for it?

Mr. GRANIK. Yes. But for the last year we've had a good sponsor who gives us complete freedom.

YOUR REPORTER. Have you changed your technique since you've gone into television?

Mr. GRANIK. No; except for one thing: I follow the instruction of the director who tells me not to lower my head, so that my bald spot won't show.

YOUR REPORTER. How will television affect politicians?

Mr. GRANIK. It will force them to abandon long-winded prepared speeches and speak in a heart-to-heart fashion. The man who is a conversational, sincere speaker—such as Senator TAFT, for example—will really come into his own.

YOUR REPORTER. Any exciting moments on your broadcasts?

Mr. GRANIK. Plenty of them. There was the time, for instance, when the late Gen. Hugh Johnson debating lend-lease with Senator CLAUDE PEPPER, of Florida, became so angry that he started to bop the Senator over the head with the mike. But I stopped that. And during one broadcast, Senator Sherman Minton, of Indiana, was so enraged by Congressman CLARE HOFFMAN that he picked him up bodily and was going to hurl him into the audience. I stopped that too.

YOUR REPORTER. Name some of the best debaters.

Mr. GRANIK. Norman Thomas; the two national chairmen of the political parties, Senator J. HOWARD MCGRATH, Democrat, and Representative HUGH SCOTT, Republican; former Secretary of State Byrnes; Secretary of Agriculture Brannan; Senators TAFT, BREWSTER, and CAPEHART, and Congressman HALLECK.

YOUR REPORTER. And who are the worst?

Mr. GRANIK. Please, Ben. I've got to live in Washington.

Forward With Truman

EXTENSION OF REMARKS
OF
HON. WALTER A. LYNCH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 31, 1949

Mr. LYNCH. Mr. Speaker, under the unanimous consent granted me, I am including in my remarks an address made by the Honorable Oscar R. Ewing, the Federal Security Administrator, at the Concourse Plaza Hotel in New York City on May 19 last. The occasion was the annual dinner of the Democratic County Committee of Bronx County over whose destinies the country's most brilliant and effective leader, Hon. Edward J. Flynn, has presided as chairman for 30 years.

In his address, Mr. Ewing, who is a highly regarded member of the New York Bar, again vigorously and courageously championed the underprivileged in education, reasonable security against the hazards of old age and adequate medical care in time of need. His address follows:

FORWARD WITH TRUMAN

Tonight, at this great gathering of Democrats in my own Bronx County, I want to say a few words about President Truman's vision and the leadership he has given in expanding the great social reforms advocated by the Democratic Party.

As Federal Security Administrator, I have responsibility for the Office of Education, the Social Security Administration, and the Public Health Service, as well as numerous other activities of the Federal Government in the welfare field. I know how deeply the President desires that every American boy and girl have the best possible education, that every American citizen has reasonable security against the hazards of old age, disability, and destitution and that everyone is assured of adequate medical care in time of need.

In the field of education, there are parts of America that are veritable educational slums. In some States expenditures per schoolroom per year exceed $4,000. In other parts of the country the total expenditures per schoolroom per year are less than $400—and that includes the teacher's salary. Is it any wonder that during the war, Selective Service in 1 year found more than 7 percent of our boys too illiterate for military service?

To meet this tragic need the President has proposed that the Federal Government contribute $300,000,000 a year to the States to assist them in the operation of their schools. The bill was recently passed by the Senate over the bitter opposition of Republican Senators LODGE, BRICKER, and others. Senator LODGE attacked the bill on the ground that the formula for the distribution of the money would give the poor States more than the rich States. Of course. The poor States are the ones who need the help. The degrading influence of ignorance and illiteracy cannot be confined by the political boundary of a State line. You cannot quarantine an educational slum. Its degenerating effects may well spread all over the land. The people of all America have an interest in wiping out these ugly spots, no matter where they exist. And President Truman is giving militant leadership in the fight for equality of educational opportunity.

The President is giving equally courageous leadership in the fight for more adequate social security. He has asked that Congress broaden the coverage to include some 20,000,000 persons not now covered, such as agricultural employees, the self-employed, domestic employees, and employees of churches, hospitals, schools, and other nonprofit organizations; to increase maximum monthly benefits from $85 to $150, and increase minimum payments from $10 to $25; to qualify women at age 60 rather than at 65, as at present; to increase the benefit of the first child in a family from one-half to three-fourths of the primary benefit; to calculate benefits on the average monthly earnings in the best 5 years instead of on the coverage of all the time which has elapsed since 1936; to tax and calculate benefits on earnings up to $4,800 a year rather

than on $3,000, as at present; to adopt a new formula which would increase substantially the monthly benefits of all who qualify for them; to permit persons drawing benefits to earn up to $50 a month without losing their benefits, the present limit being $14.99; to permit persons to qualify who have been in the system one-fourth of the time since 1936 instead of one-half, as at present.

Our present program insures against loss of earnings due to two causes, namely, retirement because of age and the death of the wage earner. The President proposes to add two others—illness and disability, both permanent and temporary.

The President's recommendations mean that everyone would have his benefits increased by 70 percent or more.

The President has also recommended liberalization of our public-assistance law. At present, Federal help is limited to grants to States for the needy aged, the needy blind, and dependent children. That leaves a lot of needy persons not yet 65 but over 18, and who are not blind, but who must be cared for, if at all, by State or local governments. There are 800,000 such cases, mostly disabled persons, receiving help. The President thinks the Federal Government should participate financially in helping all needy persons.

Republican opposition to these great reforms is spearheaded by the spiritual leader of the Republican Party, Herbert Hoover.

He stated his opposition in a letter dated April 26 to the chairman of the Committee on Ways and Means of the House of Representatives, in response to a request for his views.

Mr. Hoover would reimpose upon the American people the philosophy of dog-eat-dog.

I have no quarrel with Mr. Hoover's right to express any opinion he pleases. On the contrary, I welcome this clear statement of his views, written in Waldorf Towers seclusion, for he has now stripped away the flimsy frock of pseudo-liberalism with which so many lesser men in his party have tried to drape the bare bones of Republican dogma.

Mr. Hoover's suggestions would destroy the old-age and survivors insurance program. Instead of having social-security pay-roll deductions continued year after year at regular rates, with excess collections put into a trust fund to help in future bad years, Mr. Hoover would have Congress levy new rates each year. How much would any beneficiary of social security get out of a Republican Congress? Just think how awful it would have been for our old people to have been dependent on the generosity of the good-for-nothing Eightieth Congress.

Then let us examine for a moment the question of cost, to which Mr. Hoover gives much typical Republican emphasis.

Mr. Hoover speaks, as he did in 1932, as if a Nation's wealth increased in inverse ratio to its tax load. Asserting that "our economy is up to the limit of endurance under this load," he points out that taxes amounted to less than $10,000,000,000 in 1935, when the Social Security Act was passed. Even more to the point, the tax burden was less than $2,000,000,000 during Mr. Hoover's last year in office. If his theory is sound, we must have been far better off than we knew. But if so, how explain the hunger, the rivers of red ink, the millions of hopeless unemployed in shantytowns from coast to coast, the utter despair. That is not wealth.

Mr. Hoover's theory is based upon the assumption that wealth is money. Nothing could be further from the truth. Wealth is neither money nor a lack of taxes. Wealth is men and women producing by hand and brain. This is what we must save, expand, improve, and treasure. Without this, all the gold in Fort Knox is dross and every greenback rubbish.

Mr. Hoover would abandon a system in which workers, during their productive years, contribute by their own efforts to their protection against the inevitable rainy day. And in abandoning this insurance principle, he would counsel the American people to live from hand to mouth, casting the total burden of old age and destitution upon the general tax revenues.

Does Mr. Hoover think this kind of dole will fulfill his old-time prophecy of a chicken in every pot?

Does he really think it is sound economy—or in keeping with his own lifelong professions of faith in rugged individualism?

Any wage earner or housewife can see—if Mr. Hoover cannot—that this proposal is the very negation of all they hold most dear.

One nonmaterial measure of the Nation's wealth is the extent to which it provides for the well-being of its children, its aged, its disabled, its unemployed, and its sick. Under the New Deal and, increasingly, under the Fair Deal, we have recognized for the first time our full responsibilities in this regard. But we have still to meet them in full. We have many programs, still inadequate, to care for our children. We have begun, and we hope to expand, our provisions for the aged, the disabled, the unemployed, and the sick. This is not waste. This is conservation.

In addition to better education and expanded social security, the President is vitally interested in improving the health of the country.

His program seeks to overcome the grave shortage of doctors, dentists, nurses, laboratory technicians, and hospital facilities. He would expand our public-health services, which are woefully understaffed and reach only a fraction of the people who could benefit from these services. He recommends vastly larger expenditures for medical research.

The program also seeks to remedy the extremely uneven distribution of medical services and facilities throughout the Nation. Most of our modern hospitals are located in, or near, our great centers of population, where the number of good-paying patients is the greatest. And it is here also that the large majority of our doctors, dentists, and nurses have set up practice. In other words, our small towns and rural areas are getting decidedly the short end of the deal.

But the crux of the situation is that we cannot expect any substantial increase in facilities or personnel, or any fundamental change in their distribution and utilization, unless some method is found to enable more of our people to afford adequate medical care. The blunt fact is that only one out of five families in this country can today afford anything like adequate medical care. The American Medical Association, itself, is on record as stating that only 20 percent of our population can meet the cost of serious illness without some outside help.

What, then, about the remaining 80 percent—the four out of five families to whom the possible cost of medical care is a constant source of anxiety? Sickness and disease usually strike suddenly and relentlessly. Savings can vanish overnight. Debts may be assumed which take years to pay off.

For nearly one-half of our population—the 70,000,000 people living in families whose total income is $60 a week or less—the situation is pretty desperate. In fact, I think, it can be fairly stated that the great majority of families in these income brackets cannot afford the medical care they need. As a consequence, unless they are willing to ask for charity, they get little or no medical care.

National health insurance is purely and simply a method whereby people can buy medical care through periodic payments based on the amount of the breadwinner's income.

What the President is proposing is a 3 percent pay-roll deduction on annual income up to $4,800—to be shared equally by employer and employee. This means that a man earning $50 a week would pay 75 cents a week. If he earns more, he would pay more, up to the maximum of $1.40 a week.

For these payments, a wage earner would be entitled to receive medical care for himself, his family, and his dependents. This care should ultimately cover all services necessary to prevent, diagnose, and cure disease—care by a general practitioner and by specialists, hospital care, laboratory service, X-ray, unusually expensive drugs and medicines, special appliances, eyeglasses, and dental care.

The administration of the plan would be primarily on a State and local basis. There would be a representative national committee of medical professionals and other interested groups to advise with the Federal Government on broad standards and principles of operation. But the actual community operation itself would be in the hands of the local people—doctors and representative citizens working together as a local committee.

These committees would consult with the doctors participating in the plan to determine a fair scale of fees—so much for a home visit, so much for an office visit, so much for, say, a tonsillectomy or delivering a baby, and so on. Instead of fee payments, the physician may, if he chooses, elect to be paid on a strict capitation basis—so much per patient per year. It would be up to the doctors.

A patient would be free to choose his own doctor just as he does now, and to change his doctor if he so desires. A doctor would similarly be free to reject any patient he doesn't want. No doctor would be required to practice under the plan. He could continue in independent practice if he so chose, or combine an independent and an insurance practice just as he does now with the voluntary insurance plans. He would in no sense—and I underscore the statement—be an employee of the Government and all talk of regimenting the medical profession is the sheerest sort of poppycock.

In actual operation, the chief difference between our proposal and the present system would be that the doctor would collect his bills from the Government instead of having to chase down his patients. I might also say, the doctor would collect his bills—period.

The cries of the American Medical Association that what the President proposes is socialism is utter nonsense.

By calling national health insurance bad names, they hope to kill it. If it were socialistic, I, too, would be fighting to kill it. It is no more socialistic than our fire department. All of us, through our taxes support the fire department. It is not maintained just by those who have fires. When you have a fire, the fire department does not first check your credit or make you put up the cash or sign a pauper's oath before the water is turned on. But today, far too many of our people are in this position with respect to medical care. When stricken, they must have the cash to pay for medical or hospital care. Cash taken from savings or by going into debt, unless of course, they are willing to take a pauper's oath and become a charity patient.

This is what the President wants to prevent.

My friends, I have briefly outlined the great programs of aid to education, expansion of social security and health insurance which the President has asked Congress to adopt. They are thrilling in scope and content. If adopted, they mean intellectual enjoyment, enlarged opportunities, peace of mind, better health, and richer lives for millions of our own people.

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These are the programs of the Democratic Party of the Nation and of the State of New York.

They are in the tradition of Al Smith, Franklin Roosevelt, and Herbert Lehman.

Harry Truman is our leader on the national scene. We will go forward with him in this battle of a militant democracy against ignorance, poverty, and disease.

We will fight to the finish to make our State and Nation all that we want it to be.

Public Health Legislation

EXTENSION OF REMARKS

OF

HON. W. F. NORRELL

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1949

Mr. NORRELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

ARKANSAS PUBLIC HEALTH ASSOCIATION,
Little Rock, Ark., May 4, 1949.

Hon. W. F. NORRELL,
Sixth District, Arkansas, Congress of the United States, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN NORRELL: Your letter dated April 22, 1949, and enclosed copy of Senate bill No. 1581, is sincerely appreciated.

I have availed myself of the opportunity of studying this proposed bill, have also conferred with Dr. T. T. Ross, State health officer, as well as members and officers of the Pulaski County Medical Association here in Little Rock.

This bill has some very interesting good points, and also some very undesirable provisions. Most of us feel that a voluntary health-insurance plan should be devoloped which is fair and equitable to the population of the country and also fair and equitable to the medical profession. We feel that through this measure and others pending in Congress that school-health services, as well as providing for complete medical care for school children through Federal subsidy, is not especially in keeping with our democratic American traditions. We feel that, most certainly, there is a great need for additional well-trained physicians in our civilian population. We also feel that the grade A medical schools of this country should be urged and induced to increase enrollment, but this should not be done through the direct subsidy from Federal Government to institutions of medical education as proposed in this bill.

It is our feeling that local health services through the country should most certainly be expanded as soon as possible so that at least adequate minimum public health service will be available to at least 90 percent of our population. This, of course, must be done through local, State, and Federal participation or financing. For your information, I have been advised that shortly after June 1 the medical profession of the country, through the American Medical Association, proposed to draw up and submit to the Congress for introduction, an over-all bill to include voluntary health-insurance plan, school-health service, hospital construction, increased enrollment in medical schools, and also provide for adequate public-health service for the Nation.

It is my sincere hope that some satisfactory compromise can be reached between the proposals that will be submitted by the medical profession as a whole and the pending legislation that is now before Congress.

Yours very truly,

EDGAR J. EASLEY, M. D.,
President, Arkansas Public Health Association.

The Basing-Point System and the Moratorium Bills—Federal Trade Commission Explains in Detail—Ambiguities and Uncertainties Following Enactment of Moratorium Pointed Out—Enforcement of Federal Trade, Clayton, and Robinson-Patman Acts Jeopardized—Federal Trade Commission Answers Inquiry With Respect to Its Position on S. 1008 and H. R. 2222

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1949

Mr. PATMAN. Mr. Speaker, on April 29, 1949, I addressed a letter to the Honorable Lowell B. Mason, Chairman of the Federal Trade Commission, requesting the Commission to inform me of its official position with regard to the moratorium bills, S. 1008 and H. R. 2222. Chairman Mason, for the Commission, replied in some detail on May 16, 1949.

In order that the Members of Congress may have complete information as to the view of the Federal Trade Commission on the moratorium bills, I shall include both my letter of inquiry of April 29, 1949, and the Commission's reply of May 16, 1949.

FEDERAL TRADE COMMISSION CITES AMBIGUITIES AND UNCERTAINTIES IF MORATORIUM BILL IS ENACTED IN THE LAW

The Commission states in its letter under "general views" that—

The Commission believes that neither of these bills (S. 1008 and H. R. 2222) is necessary or desirable. Sellers have had and now have the right to quote and sell at delivered prices and to absorb freight. Neither of these practices is illegal per se under any decision of this Commission or the courts. Like many other practices which are normally harmless, these practices may become illegal if done through conspiracy in restraint of trade, if used as instruments of coercion or oppression, or if used to discriminate in such a manner that the effect may be substantially to lessen competition or tend to create a monopoly. Legalization of such effects merely because they arise through particular types of practices would present an anomalous situation. Unless the Congress desires through this moratorium to so change the existing law, the legislation is unnecessary, and the Commission is of the view that if such practices are given complete immunity without regard to what their effects may be in particular instances, such legislation would be extremely undesirable.

Stating other reasons for its opposition, the Commission's letter brings out the fact that—

The Federal Trade Commission Act since 1914 and the Robinson-Patman Act since 1936 have been in process of judicial construction and application. The reason generally advanced for a moratorium is to relieve business of uncertainties said to result from various court decisions. If this is the purpose, the passage of either of the bills referred to above would not only fail to accomplish that purpose but through the introduction into the law of new phrases and new standards which are in themselves uncertain and ambiguous would defeat the very purpose of the legislation.

Asserting, in effect, that a period of inaction would be created which would thwart judicial construction and jeopardize enforcement, the Commission in its letter said:

If, as we believe, the bills are subject to interpretations which change the existing substantive law, these changes would be applied to only two out of a great number of practices involving the same principles which would remain under present law without modification.

ENFORCEMENT OF FEDERAL TRADE, CLAYTON, AND ROBINSON-PATMAN ACTS SERIOUSLY HAMPERED

In reading the letter of the Commission it is well to keep in mind that, under the basing-point syster of pricing, two facts stand out very clearly. They are, first, no purchaser under the basing-point system ever pays less than the freight charges from the controlling basing point; and, second, most purchasers under the basing-point system pay more. Although suppliers of cement and other commodities under the basing-point system, sold in several basing-point territories, it was the applicable basing point and the division of territory which controlled destination prices. The fact that a purchaser could buy on a less freight rate from a nearby mill did not operate to the purchaser's benefit, particularly if the mill were a non-basing-point mill. The Commission also said in this connection:

The inevitable effect will be to seriously hamper the enforcement of both the Federal Trade Commission Act and the Clayton Act, as amended by the Robinson-Patman Act, as to all delivered-price and freight-absorption practices.

The Commission also pointed out the fact that in the Cement Institute case the Commission charged that the so-called delivered prices were not in fact true prices. In its findings the Commission used these words:

These and other actions of respondents have signified their intention to pass title to cement sold to the purchaser at the time of delivery to the common carrier and at the mill nets applicable to purchasers at particular destinations.

Therefore, as the Commission pointed out:

The members of that industry were actually selling f. o. b. mill, although they called their prices delivered prices.

The letters in full follow:

APRIL 29, 1949.

Hon. LOWELL B. MASON,
Chairman, Federal Trade Commission,
Washington, D. C.

DEAR MR. MASON: I request the Federal Trade Commission inform me, at its earliest convenience, of the Commission's official position with regard to the moratorium bills, S. 1008 and H. R. 2222.

This request arises for several reasons. First and foremost is the fact that the Commission is the governmental agency most affected by moratorium legislation. Second, an unidentified spokesman for the Commission is quoted in the press in a manner to create the impression that the Commission is doubtful of its position on the moratorium in the light of the Supreme Court decision in the Rigid Steel Conduit case. Third, the testimony of a Commission representative before the Senate Judiciary Subcommittee implies the Commission, except for one member, is unfavorable to a moratorium but this position is reduced from a positive to a negative one by the offer of qualifying amendments. Thus, the Commission assumes a cloak of indefiniteness and its opposition to the moratorium, if that represents the Commission's views, is overshadowed by the apparent acceptance of a modified bill. Fourth, the Commission is requested to state forthrightly, whether or not, in its opinion, the moratorium bills may not be used as a vehicle by which the basing-point system, individually or otherwise, will return to the American business scene.

Further, in addition to the foregoing questions, your opinion is sought as to the general effect of the moratorium on the broader aspects of the administration of the Clayton and Robinson-Patman Acts. The terms "freight absorption" and "delivered price" have been loosely applied by industry and others in referring to the proposed moratorium. These terms, in my opinion, have been misapplied in many instances, by design or otherwise; therefore, it is requested that the Commission in its reply give me a definitive answer with respect to the use of these terms in the light of the Cement and Rigid Steel Conduit decisions.

I will be grateful for the Commission's cooperation in affording me a prompt and complete answer.

Sincerely yours,

WRIGHT PATMAN.

MAY 16, 1949.

Hon. WRIGHT PATMAN,
Chairman, Select Committee on Small
Business, House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: With further reference to your letter of April 29, 1949, and the acknowledgment thereof under date of May 3, 1949, the Commission, with the exception of Commissioner MASON, sets out in this letter its views respecting H. R. 2222 and S. 1008, and comments upon the related matters mentioned in your letter.

H. R. 2222

Section 1 of H. R. 2222 contains a proposed policy declaration by the Congress which would not lapse at the end of the moratorium period specified in the bill, but would be of permanent effect. This becomes important because of the statement that "it has not been the intent of Congress" to deprive individual companies of the right to use "delivered-price systems" or the right to "absorb freight," and also because of the proviso limiting these activities only to those not carried on "through any combination or conspiracy in violation of the Sherman Act, as amended." The reference to "delivered-price systems" and the right to "absorb freight" will be discussed in the comment upon section 2 of the bill. The reference to the Sherman Act and omission of any reference to the Federal Trade Commission Act implies that the Federal Trade Commission Act may not be applied to combinations or conspiracies with respect to such matters.

The language of section 2 of the bill is such that if enacted it would import into the Federal Trade Commission Act and the Clayton Act more ambiguities and uncertainties than those which are said now to exist and which are advanced as reasons for the enactment of the legislation proposed. The section provides that neither of these acts shall be construed "as depriving individual companies, in the absence of conspiracy or combination or other agreement in restraint of trade, of the right to independently use delivered-price systems." Basing-point systems of delivered prices, among others, become systems only through common use by more than one seller. Because of a number of court decisions in cases instituted by the Commission in such matters, including the Cement Institute case, presumably the Congress is aware of the nature and character of such systems. In the light of that knowledge the words "individual" and "independently" in the clause mentioned above might be so construed that in the absence of direct evidence of agreement to use a basing-point system as distinguished from circumstantial evidence, the Commission could not find that an industry using a basing-point system was engaging in a "conspiracy or combination or other agreement in restraint of trade."

Whether or not the language of the bill about the use of delivered-price systems is intended to grant immunity not only to the use of delivered prices but also to discriminations that may appear between delivered prices is not clear. Its enactment would make that question a doubtful one which could only be settled by litigation. Basing-point systems of delivered prices commonly include charges for transportation in excess of the actual cost (phantom freight) upon some sales, as well as charges for transportation which are less than those actually incurred (freight absorption) upon other sales. If the effect of the bill should be to grant immunity to differences between delivered prices, then those differences which occur under a basing-point system and which cannot be justified under the Robinson-Patman Act on the basis of cost differences would, nevertheless, be legal no matter how injurious they might be to competition or how discriminatory they might be as between customers of the same seller, unless the system could be shown to be used through conspiracy in violation of the Sherman Act. Under such a construction, if a seller made sure that he sold only at delivered prices and if he did not do so by conspiracy with others, any discriminations between his delivered prices, no matter how monopolistic in character and result, and no matter how injurious to competition, would nevertheless be legal.

The other practice to be sanctioned by the proposed moratorium is the right "to absorb freight to meet competition in any and all markets." It is indeed dubious how this phrase "to meet competition" would be interpreted. Depending upon the interpretation of this phrase, the Commission might or might not be able to proceed under the Federal Trade Commission Act against a deliberate effort by a large company to destroy small competitors through freight absorption.

It appears that the Robinson-Patman Act grants only a limited right to justify price discriminations made to meet the equally low price of a competitor in good faith. The provision of this bill concerning freight absorption substitutes an unlimited right to meet competition, provided it is not done by conspiracy.

Section 3 of the bill leaves in doubt what effect, if any, it may have upon orders to cease and desist previously issued in numerous cases. It is safe to predict that its enactment would, at the minimum, result in numerous proceedings before the Commission seeking modification of orders, and thereafter litigation in the courts with respect thereto.

S. 1008

As introduced, S. 1008 and H. R. 2222 were identical bills. The Commission reported its views upon S. 1008 to the Senate Committee on the Judiciary substantially along the lines of the comment made above concerning H. R. 2222. After expressing its opposition to the original version of S. 1008, the Commission suggested certain amendments for use if the committee should, nevertheless, adopt the general principles of the proposed moratorium. These amendments were suggested in an effort to minimize, insofar as possible, the uncertainties which the Commission believed would flow from the enactment of the bill as introduced, and in an effort to avoid substantive changes in the law which might result and which the Congress might not desire to make even if it adopted the moratorium principle. These suggestions were not intended to indicate that the Commission would approve the bill if they were adopted, or to detract in any way from the Commission's expressed opposition.

The Senate Committee on the Judiciary reported an amended version of S. 1008. The substance of some of the amendments suggested by the Commission appears to have been taken into account in the bill as reported by the committee, and in some respects this bill is an improvement over H. R. 2222. However, for the following reasons it still is not a proposal which the Commission could approve.

Section 1 of the bill provides that neither the Federal Trade Commission Act nor the Clayton Act shall be construed to deprive individual companies, in the absence of agreement in restraint of trade, or the right "to independently quote and sell at delivered prices or to absorb freight for the purpose of engaging in competition in good faith in any and all markets." The committee report explains that the phrase "quote and sell at delivered prices" was selected in order to "eliminate any possible contention that the Congress intends to legalize * * * the systematic use of basing-point pricing." However, this interpretation of the language still leaves room for doubt as to whether or not the effect would be merely to continue the right which any seller now has of selling at delivered prices, or whether the effect would also be to legalize differences between delivered prices of the same seller which fall short of full use of a basing-point system but which injure competition or have monopolistic effects. The fact that the law does not prohibit the use of delivered prices as such, and that there has been no decision by the Commission or by any court which affects that right, would tend to support a construction of the bill that extended beyond the mere use of delivered prices as such. There is also doubt whether the words "for the purpose of engaging in competition in good faith in any and all markets" qualify the words "quote and sell at delivered prices" as well as the words "absorb freight." If the clause concerning purpose is interpreted to

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modify the right to sell at delivered prices, the effect of the interpretation is to strengthen the possibility that the bill will be held to protect not merely the use of the delivered-price method of computing prices but also differences which may appear between delivered prices.

The provision concerning the right to absorb freight for the purpose of engaging in competition in good faith in any and all markets is apparently designed to shift to the Government the burden of proving that the absorption was not for the purpose of engaging in competition in good faith. If so, this reverses the rules as to burden of proof which now appears in the good-faith provision of the Robinson-Patman Act. Injurious or monopolistic effects upon competition would no longer constitute the standard in determining the legality of freight-absorption practices. The new measure would be whether they were for the purpose of engaging in competition in good faith in any and all markets. A further change in substantive law would result from the fact that the ambiguous phrase "engaging in competition" is used instead of the provision of the Robinson-Patman Act concerning a "lower price * * * made in good faith to meet the equally low price of a competitor." In view of such changes of substantive law, the revised title of the bill is inaccurate in that it implies that the bill merely confirms existing law.

GENERAL VIEWS

The Commission believes that neither of these bills is necessary or desirable. Sellers have had and now have the right to quote and sell at delivered prices and to absorb freight. Neither of these practices is illegal per se under any decision of this Commission or the courts. Like many other practices which are normally harmless, these practices may become illegal if done through conspiracy in restraint of trade, if used as instruments of coercion or oppression, or if used to discriminate in such a manner that the effect may be substantially to lessen competition or tend to create a monopoly. Legalization of such effects merely because they arise through particular types of practices would present an anomalous situation. Unless the Congress desires through this moratorium to so change the existing law, the legislation is unnecessary, and the Commission is of the view that if such practices are given complete immunity without regard to what their effects may be in particular instances, such legislation would be extremely undesirable.

There are further substantial considerations. The Federal Trade Commission Act since 1914 and the Robinson-Patman Act since 1936 have been in process of judicial construction and application. The reason generally advanced for a moratorium is to relieve business of uncertainties said to result from various court decisions. If this is the purpose, the passage of either of the bills referred to above would not only fail to accomplish that purpose but through the introduction into the law of new phrases and new standards which are in themselves uncertain and ambiguous would defeat the very purpose of the legislation. An interregnum would be created during which no judicial construction could be obtained and in which enforcement of the acts supposed to be clarified would be jeopardized insofar as the practices covered by the bills are concerned. If, as we believe, the bills are subject to interpretations which change the existing substantive law, these changes would be applied to only two out of a great number of practices involving the same principles which would remain under present law without modification.

The termination of the Conduit case has not changed our opposition to a moratorium. In February the Commission expressed its interpretation of the second count of the Conduit case as applicable only to conspiracy situations. Our interpretation has not changed, and we do not think that the issues raised by moratorium proposals have changed.

EFFECT UPON BASING-POINT SYSTEM

You asked for a specific statement of opinion as to whether either of the bills mentioned above may be used as a vehicle by which the basing-point system, individually or otherwise, will return to the American business scene. The use of basing-point systems is continuing in a number of important industries. Only in a limited way and under particular circumstances has the use of any such system been prohibited, and this only as to specified parties after the facts have been determined by trial of the issues. Both of the bills under discussion specifically authorize, with only the limitations contained in the bills themselves, delivered prices and freight absorption. A multiple-basing-point system with a base at every mill need not utilize any means other than delivered prices and freight absorption for its operation. In this way all sellers in a given industry may use a multiple-basing-point system producing identical prices by each seller at each point of delivery and giving the base mill in each area the right to initiate all price changes there. Under H. R. 2222 the right to do this is confirmed by the authorization to use delivered-price systems. Under Senate bill 1008, as revised, though the committee report repudiates an intent to legalize a basing-point system, the bill's specific authorization to absorb freight in any and all markets covers the mechanism of such a basing-point system. There is a long line of court decisions holding that common employment of formulas for computing delivered prices which result in prices that are identical as among sellers to customers wherever located is in itself persuasive evidence of a conspiracy to employ such formulas. These cases follow a fundamental principle of judicial interpretation of circumstantial evidence. It is clear that either of these bills would run counter to this principle and might be interpreted to foreclose the Commission from using circumstantial evidence derived from the nature of the system. Thus, under either bill, those employing such a system probably could do so unless the Commission were able to prove by direct evidence that it was used by specific agreement. The application of the Robinson-Patman Act would be doubtful because of the language in the bills with regard to meeting competition in any and all markets, unless under H. R. 2222 it could first be proved that the system was used by conspiracy, or under S. 1008 it could first be proved that use of the system was conspired or that it was used for monopolistic purposes. It can be said with certainty that the passage of either of the bills would greatly hamper the Commission in proceeding against a basing-point system used to restrain competition and might make such proceedings futile in the absence of direct evidence sufficient to show that the use of the system was the product of outright agreement.

GENERAL EFFECTS

In your letter you asked the Commission's opinion of the effect of the proposed moratorium upon the broader aspects of the administration of the Clayton and Robinson-Patman Acts, and in this connection referred to the loose use by industry of the terms "freight absorption" and "delivered price." We have already indicated some of the broader effects of the moratorium in what is said above, particularly concerning possible resulting changes in substantive law, new uncertainties resulting from the insertion of new and undefined terms and standards into existing law, and the interregnum in enforcement which is likely to result. The inevitable effect will be to seriously hamper the enforcement of both the Federal Trade Commission Act and the Clayton Act, as amended by the Robinson-Patman Act, as to all delivered-price and freight-absorption practices.

During the existence of a moratorium, there could be little utility, and therefore little justification, for seeking to abate any specific instance of such a practice, no matter how injurious to competition or how monopolistic its effects may be, unless it is quite clear that the practice is not within the scope of the moratorium. It would be useless to seek to test the scope of the moratorium through cases designed to obtain judicial interpretation, for the moratorium would expire long before the results of any such test could be obtained. A moratorium would therefore result in opportunity to use delivered-price and freight-absorption practices in ways that strain the language enacted to the utmost limits of plausibility in private interpretations.

Some of the words and terms used in the moratorium bills have no judicially established definition, and some are used with various meanings by different people. For example, the members of the cement industry referred to their prices for cement as "delivered prices." In the Cement Institute case the Commission charged that the so-called delivered prices were not in fact the true prices. In paragraph 24 (c) of its findings as to the facts in the Cement Institute case the Commission found upon the basis of various subsidiary findings that: "These and other actions of respondents have signified their intention to pass title to cement sold to the purchaser at the time of delivery to the common carrier and at the mill nets applicable to purchasers at particular destinations." In other words, the members of that industry were actually selling f. o. b. mill, although they called their prices delivered prices. For purposes of administration of the Robinson-Patman Act the Commission has construed "price" as being whatever the circumstances of the transaction make it, and the label attached to it is not controlling. "Freight absorption" is frequently thought of as a reduction of the amount which a seller would ordinarily receive by all or a part of the transportation charge incurred in making the sale. Under many basing-point systems there are producers who have no mill price, and who charge delivered prices that include imaginary transportation charges from other mills, now generally known as "phantom freight." If these nonbase mills establish mill prices as high as the former delivered prices at their mills, they can keep the same delivered prices but eliminate the imaginary freight charge. If they set mill prices still higher, what was formerly phantom freight would then be absorbed freight, though the delivered price has not changed. By setting a mill price high enough every sale involving any transportation cost can be made to absorb freight. A price discrimination has the same effect, whether it is described as an additional charge to those who pay higher prices or as a reduced charge to those who pay lower prices.

The Commission believes that much of the interest in a moratorium has resulted from a lack of understanding of what the law actually is. Many people have been led to believe the issue to be whether or not f. o. b. mill pricing is now required by law, with a concomitant ban upon all selling at

delivered prices and all freight absorption. There is absolutely no warrant in any decision of the Commission or the courts for a belief that such an issue is involved. The Federal Trade Commission Act and the Clayton Act, as amended by the Robinson-Patman Act, are part of the laws passed by the Congress in furtherance of the national policy of maintaining a free competitive enterprise system in this country. The Commission has publicly stated that it does not advocate the imposition of a requirement that business enterprises price their goods f. o. b. mill or that they use any other form of geographic pricing practice. In the Commission's opinion, one of the principal virtues of the antitrust laws is the fact that they maintain freedom of choice and variety of behavior among businessmen, forbidding only the specific practices and conditions which have been condemned by law as destructive of competition.

Inasmuch as H. R. 2222 and S. 1008 have been reported by the Committee on the Judiciary of the House and the Committee on the Judiciary of the Senate, respectively, and the enactment of S. 1008 was recommended by the Committee on Interstate and Foreign Commerce of the Senate, copies of this correspondence are being forwarded to the chairman of each of these committees.

It is hoped that this affords you the information requested.

By direction of the Commission.

LOWELL B. MASON,
Acting Chairman.

N. B.—Pursuant to regulations, this report was submitted to the Bureau of the Budget on May 16, and on May 17, 1949, the Commission was advised that there would be no objection to the submission of the report to the committee.

LOWELL B. MASON,
Acting Chairman.

Resolutions of Kansas Conference of Congregational Christian Churches

EXTENSION OF REMARKS
OF
HON. ALBERT M. COLE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 31, 1949

Mr. COLE of Kansas. Mr. Speaker, under leave to extend my remarks, I desire to include a set of resolutions adopted at a meeting of the Kansas Conference of Congregational Christian Churches held in Manhattan, Kans., May 3, 1949:

We delegates to the ninety-fourth annual conference of the Congregational Christian Churches of Kansas held in Manhattan, Kans., on May 3, 4, and 5 do recognize our responsibility to our fellow men by endorsing as individuals the following resolutions. We urge our member churches to study them and take appropriate action:

1. We urge upon our Congressmen and Senators that in all legislation the fundamental principles of Christianity as enunciated by Jesus Christ be the basis for action.

2. We affirm the belief that war between the United States and Russia is not inevitable. We affirm the faith expressed in section IV of the report of the Amsterdam Assembly of the World Council of Churches: "War, being a consequence of the disregard of God, is not inevitable if man will turn to Him in repentance and obey His law. There is then no irresistible tide carrying man to destruction. Nothing is impossible with God."

3. We recognize the responsibility of our churches to build better race relations, and heartily endorse the recommendations of the President's bipartisan Committee on Civil Rights.

4. We believe that the present law providing for the admission of displaced persons is inadequate. We agree with the AFL and the CIO in requesting a higher numerical admission and a removal of restrictions as to nationality and religion. We also believe that the definition of a DP should be broadened and that the requirements for jobs and housing should be liberalized. Immigration should not be restricted on the basis of occupation as the occupants of DP camps represent a cross section of population in respect to occupation and abilities. For these reasons we favor the passage of H. R. 1344 and S. 311 and the Judd bill, which would remove race as a limiting factor in our immigration laws.

Radio Broadcast on Pending Legislation

EXTENSION OF REMARKS
OF
HON. RALPH E. CHURCH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 31, 1949

Mr. CHURCH. Mr. Speaker, under leave to revise and extend my remarks, I am inserting in the RECORD a transcript of a radio broadcast I made last Thursday, May 26, over Station WIND in Chicago, Ill.

During the past several weeks I have received literally thousands of telegrams, letters, and postal cards from my constituents expressing their views on the various measures pending in Congress. I am always glad to have their views. And I want the fine people I am privileged to represent to know how I stand on the issues.

I would like to write an individual response to each one of these communications. Unfortunately, because of the unusually large volume of mail I have received, it is a physical impossibility for me to make an individual personal reply.

By putting this particular radio broadcast in the RECORD I think I will be answering some of the major questions raised by my constituents, because the questions raised in the broadcast interview are, in general, the type of questions asked by my people in their letters to me.

ANNOUNCER. Tonight we have with us Congressman RALPH E. CHURCH, of Evanston, Ill., a member of the important Committee on Appropriations. We would like to get his views on some of the major issues in Congress.

Mr. CHURCH, you are one of the leading advocates of economy. What do you think are the prospects of reducing the cost of government?

I recall you gave a speech in Congress last week that caused considerable discussion when you called attention to the waste and extravagance in the work of repairing the Capitol roof. I think you called attention to the elaborate buildings and fancy plywood fence the contractor erected under a cost-plus-fixed-fee contract.

Mr. CHURCH. That is correct. It just happens to be one of many examples of the reckless manner in which the administration spends money. As I sa'd in that speech, the Truman administration may call all this extravagant spending a fair deal, but it is a raw deal for the American taxpayer. He is the forgotten man.

As to the immediate prospects of cutting the cost of government, I am sorry to say they do not appear very bright. There are some hopeful signs, however, and we just have to keep slugging away for economy, even though we are continually outvoted.

ANNOUNCER. What do you mean, Mr. CHURCH, that the immediate prospects for economy are not bright but there are hopeful signs?

Mr. CHURCH. Except the legislative appropriation bill, the House has passed all the regular supply bills. When these measures were before the House we made every conceivable effort, in committee and on the floor, to cut the amounts. But the spenders had the votes, and these bills carried $4,250,000,000 more than appropriated by the same bills last year.

For a time it appeared that the Republican economy drive in the Senate would result in at least a 5-percent cut. But there, again, the administration spenders have the votes. The economy drive has bogged down, and the Senate is sending the bills back to the House with even larger appropriations.

ANNOUNCER. With the House providing more money than was provided last year for the departments and with the Senate increasing the amount, how can there be hopeful signs, as you say, for any economy?

Mr. CHURCH. Well, I just do not want to give up all hope of achieving any savings, however discouraging the situation may appear. While the results to date may not show it, there is a growing sentiment in Congress to reduce Government expenditures. The fiscal experts have officially indicated that unless there is a reduction in the budget proposals we are faced with a deficit of $3,000,000,000.

To have an unbalanced budget in a year of prosperity or to raise taxes to meet the deficit is to invite economic disaster. The only safe, sound thing to do is to cut Government spending. And I think there is an increasing realization on the part of individual Members of Congress, if not on the part of the administration, that Government spending must be cut.

We just have to keep slugging away for economy. If we can't reduce the individual appropriation bills, maybe we will be able to get enough support to put through a bill near the end of the session to require the President to reduce all expenditures.

ANNOUNCER. The President may, however, veto such a measure. As you know, he has insisted that his budget is a minimum and has asked for an increase in taxes.

Mr. CHURCH. If the President should veto a bill requiring an over-all reduction in the cost of government, I doubt that we could muster the two-thirds vote necessary to override. Considering the economic outlook, with a lowering of prices, decline in the national income and decline in revenue, to veto such a measure would be a rash, utterly reckless act.

ANNOUNCER. What do you think about the savings that could be realized if the Hoover Commission's recommendations for reorganization of the Government are carried out?

Mr. CHURCH. I am glad you brought that up. A reorganization of the executive

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branch of the Government is something I have been urging and urging for many years. It was not until the Republican Eightieth Congress established the Hoover Commission that any complete study was made of the innumerable ramifications of the Federal Government, with its duplications and overlappings.

It is estimated that if the Commission's recommendations are carried out a saving of between $2,000,000,000 and $3,000,000,000 will be realized. Now that we have the Commission's findings and recommendations as a basis for reorganization, it is our job to see that they are substantially carried out.

This is an undertaking on which the administration has delayed and delayed much too long.

ANNOUNCER. Explain that, Mr. CHURCH.

Mr. CHURCH. The Hoover Commission recommended at the opening of this Congress that legislation be enacted to give the President authority to submit reorganization plans to Congress to go into effect 60 days after submission unless the Congress set a plan or plans aside by affirmative action. Such a bill passed the House in February, but the Senate took no action on it until last week. It probably would still be pending there were it not for the active work of various citizen's committees in the country urging adoption of the Hoover Commission's recommendations.

Because of this wholly unnecessary delay in getting this basic reorganization legislation through Congress, it is likely that none of this much-needed reorganization can be accomplished this year. There is no excuse for the administration's delay, because the measure had bipartisan support.

ANNOUNCER. But why do you think the delay may prevent any reorganization and resulting savings this year?

MR. CHURCH. Because under the terms of the bill the Congress is to be given 60 days to study and act on each reorganization plan. This is almost June, lacking a few days, and under the Reorganization Act the Congress is supposed to adjourn by August 1. Time is of the essence. In any case, I intend to keep urging and urging to try to get something done along the lines of the Hoover Commission's proposals.

ANNOUNCER. Let me ask you a few questions about some other measures that are pending in Congress. What are your views on the administration's proposal for compulsory health insurance? I understand the Committee on Interstate and Foreign Commerce has started to hold hearings on that subject.

Mr. CHURCH. Compulsory health insurance is just another name for socialized medicine. It is a bureaucratic scheme for political medicine. I am definitely opposed to it. I shall vote against it. I shall do everything within my power to defeat it.

The sponsors of this scheme have been trying to delude the people into believing that it would give free or low-cost medical coverage to all. The fact is that the cost would be tremendous. New Zealand has had socialized medicine for 10 years, and it takes 40 percent of all the revenue collected by that Government. The tremendous cost of this scheme would be hidden in income taxes and pay-roll taxes. The people would actually pay more, not less, for medical care, and it would be inferior care at that.

But entirely aside from the tremendous cost, with a horde of bureaucrats to be supported, it would destroy American freedom, not only as it relates to medicine but as it relates to our whole life.

To be sure, American medicine is not perfect. No human activity is ever perfect. But whatever its faults, in the field of medicine America is supreme. We have the best health record of any large nation in the world. In our generation 20 years of life have been added to the average expectancy of individuals at birth. And our great record has been made because our medical men have been free from police state control.

"Socialized medicine is the keystone to the arch of the socialist state." Those are the words of Lenin himself.

ANNOUNCER. There is another administration proposal I want to ask about. Mr. CHURCH, what are your views on the housing bill which has just been reported by the Committee on Banking and Currency?

Mr. CHURCH. That bill is another part of the Truman socialistic program. It would cost around $20,000,000,000 over the next 40 years. It has been represented to the American people as a solution of the housing shortage problem. I predict that this measure, if adopted, will actually aggravate the problem. In the end it will mean the nationalization of private property and property rights.

To be sure, there is a housing shortage. This is due to a number of factors. During the war period, because of the shortage of men and lack of materials, there was very little building. At the same time there was an increase in the number of families, a shifting of the population from farms to cities and increased earnings. In other words, the demand for houses increased rapidly while the construction was abnormally low.

The Republican Eightieth Congress removed the restrictions and controls on private enterprise. No sooner were those controls removed than the construction industry went to work.

During 1946, when the Truman administration had the power to control housing construction, only 435,800 new permanent dwelling units were completed. In 1947, with the controls removed, the number constructed almost doubled. And last year almost 1,000,000 units were built. That is a larger number than ever constructed in the entire history of the United States.

In other words, private enterprise is licking the housing problem. That is the American way and that, in truth, is the only way that this problem can be solved. Our job is to encourage private enterprise, not to destroy it with socialistic schemes and bureaucratic controls.

ANNOUNCER. I assume you opposed the public housing bill that passed the Senate in the Eightieth Congress but was not acted on by the House.

Mr. CHURCH. Yes; I did. I appeared before the Rules Committee in opposition to it. And let me point out that if the Eightieth Congress had not turned down that bill there would have been an even greater housing shortage than there is today. It was this action by the Eightieth Congress that helped generate the largest building boom this country has ever witnessed.

ANNOUNCER. You definitely feel then that this country is, under the Truman program, on the road to state socialism and that there is the real danger of a totalitarian state coming into existence.

Mr. CHURCH. Yes; I do. Each one of these various proposals has a certain popular appeal. Some Members of Congress think it is politically dangerous to vote against them. Maybe it is. But I intend to do whatever I can to help our people see the underlying dangers.

A socialistic state is not something that is established overnight. That is the way the Communists would prefer to have it done. They are supporting these various schemes to enlarge the functions and controls of the Federal Government, because they know that by the slow process of evolution we are reaching the same objective.

We are experiencing "creeping socialism." It is like a cancerous growth that finally, when it is too late to do anything about it, destroys the normal functions.

On the one hand we talk about reducing the size of this great sprawling Federal bureaucracy and reducing the cost of government so that our people can have relief from taxes, and on the other hand, there are these various proposals that necessarily mean a still larger bureaucracy, still higher government budgets, and still higher taxes.

If this process continues, aid for this and aid for that, this new Federal control and that new Federal control, the nationalization of medicine and insurance, and then perhaps the nationalization of education and the gradual nationalization of banks and industry, we will lose man's greatest heritage—freedom. Tomorrow will be too late. It is today we must act as a free, self-respecting, liberty-loving people, to stop this trend toward socialism.

Can Britain Compete?

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1949

Mr. MANSFIELD. Mr. Speaker, under unanimous consent, I am inserting in the RECORD a speech made by the honorable William Benton, former Assistant Secretary of State, before the American Chamber of Commerce in London on May 26, 1949.

Bill Benton is well and favorably known to many Members of the Congress because of his great leadership and unselfish devotion in getting the information and cultural program of the State Department under way. We should remember that Mr. Benton is an outstanding businessman and economist in his own right and, because of the soundness of the views expressed and the thought and study behind them, his speech to the American Chamber in London should merit our close consideration and appraisal.

Mr. Benton, publisher of the Encyclopedia Brittanica, urged the creation of an Anglo-American Council on Merchandising.

Such a council, Mr. Benton said, would be a logical parallel to the present Anglo-American Joint Council on Productivity, and would help to solve Britain's major economic problem—how to earn dollars by stimulating British sales to the United States.

In his address to the American Chamber of Commerce on the subject, Can Britain Compete? Mr. Benton declared that Britain's selling problem is becoming more acute than its production problem. Benton served as Assistant Secretary of State in Washington from 1945 to 1947. He is a vice chairman of the committee for economic development.

Americans will have a total of $414,000,000,000 to support their 1949 buying, Mr. Benton stated: $214,000,000,000 in personal incomes, if present rates are maintained, and $200,000,000,000 in a backlog of savings. Yet in its planning to build up exports, the Organization for European Economic Cooperation has

projected a gain of only $1,000,000,000 in western's Europe's sales to the United States for the period 1947–52.

This is a gross underestimation of the potential of the United States market—

Mr. Benton declared.

Western Europe's share of United States imports has dropped from 23 percent prewar to about 14 percent today. Far from straining our ability to import, Europe is getting a little more than one-half of the share of our dollars it used to take.

This is a peculiarly good moment for a vigorous invasion of the American market. Not only is our income at an all-time peak, but during the last 8 years of easy business many of our manufacturers have grown fat and soft. Many are vulnerable to aggressive competition. Many have forgotten how to sell.

Britain may never be able to compete with the United States in some mass-produced manufacturers, Benton said, but she can analyze the American market and can learn to compete in selling.

She can outdo the United States if she will apply herself to it.

The British manufacturer cannot only master American advertising and sales promotion techniques, but in my opinion, by brains and aggressiveness, can improve upon them. He can l arn to tailor his products for the American market, and design and package them so that they will win dollars by the thousands of millions.

There is reason to believe that important groups in the United States would welcome the creation of a joint council on merchandising, Mr. Benton stated.

We in America can teach the British some things—but we will discover we can learn a good many, too—and both countries will profit from a mutual exploration of problems of selling and promotion.

This would not be an entirely unselfish gesture by the United States, Mr. Benton argued.

The resolution of the present international political crisis may depend first and foremost on whether the Atlantic community, and the rest of the free world, can achieve stability on a high and rising level. * * * We have learned that our own welfare depends upon an expanding and healthy world economy. But there are other reasons as well, reasons that appeal to the economic statesman. One of them is that the competition will be good for us.

Benton proposed that American businessman say to their British friends: "We will help you to your feet. Then as businessmen we will fight it out, in every market, including our own, for our individual benefit, for our two countries' benefit and for the world's benefit."

Britain appears to be moving in two directions at once, Mr. Benton said: Toward nationalization on the one hand, and toward competition, as represented by the Monopolies Act, on the other.

My hope is that, as a byproduct of increased emphasis on world salesmanship, some of that competitive spirit will flow back into the internal economy, not only of Britain but of the rest of the world, even including the United States. Selling is by its nature less easy to regulate, control, or nationalize than production.

Some Americans are alarmed at the prospect of European industry made efficient by American know-how, and re-equipped with American capital goods, Mr. Benton conceded.

Yet, need they be alarmed? I had the privilege this month of inspecting some new charts prepared by Willard Thorp, our Assistant Secretary of State for Economic Affairs. They show that one-fifth of the world's population live in areas of the world that are relatively developed; another one-fifth live in so-called transitional areas; while three-fifths live in the industrially undeveloped areas. The United States between 1936–40 exported to the industrially developed one-fifth at the rate of $5.80 a year per capita, and to the undeveloped three-fifths at the rate of only 70 cents a year per capita.

Mr. Benton's speech to the American Chamber of Commerce in London follows:

CAN BRITAIN COMPETE?

It was 6 years ago that I first met so many of you here today. And it is to my American friends here that I shall largely address my comments.

It was in the wartime August of 1943 that I came to England as vice chairman of our war-born Committee for Economic Development. I came at the invitation of Lord Halifax to discuss postwar trade relations between Britain and the United States.

The big issues then seemed to be the classic issues of free trade—tariffs and import quotas, cartels, monetary stabilization, shipping subsidies and export subsidies, and the chosen instrument theory in aviation. No one then foresaw the depth and extent of the world political crisis that would carry over from the war. No one guessed the acute economic anemia in western Europe that was to call for massive transfusions of dollars.

My observations on that visit are on the record. I embalmed them in an article in Life magazine which the Life editors titled "Business in Britain." Its subtitle was "Britain's Industrial Leaders, Driving on the Left Side of the Economic Road, Worry About Postwar Collisions with the United States." In this article I predicted a rapidly expanding role for the Government in the British economy. One British editor reprinted the article under the heading, "The amazing impressions of Mr. Benton." What amazed him was that I thought Britain was driving on the left side of the road.

The forecasts I made in 1943 about the nature of postwar trade problems between the United States and Britain are still, I hope and believe, valid for the long term. For the shorter term the resolution of the present international political crisis may depend first and foremost on whether the Atlantic community, and the rest of the free world, can achieve economic stability on a high and rising level. The crisis cannot otherwise be resolved so long as the men of the Kremlin feel they can look forward confidently to a catastrophic depression in America, and to chaos in the free world.

Yes, economic stability seems now to be a better form of defense than a still bigger Navy or an enlarged Air Force or a more powerful atom bomb.

Although a key to the political crisis is economic health, we must also develop the ideological skill to interpret that health to the skeptics. If the "hordes" Mr. Churchill fears are to be kept out of western Europe, it will be by forces other than men bearing arms.

Our ideological skill with the skeptics is pitifully weak. During my service in the State Department I have often spoken on this subject. That is another speech, for another audience.

Today I shall explore with you the present state of our economic health. Nearly every business leader I know in the United States, and nearly all economists believe the economy of the United States is in good health. They would be glad to write an insurance policy on its life. Most of them are encouraged by the progress toward recovery in western Europe. A nominal decline in total business activity for 1949 is expected in the United States. This should be a healthy thing. It is or should be a movement toward a high-level norm. Many indexes tell us that this year will not be as good as 1948 but it will be good.

Personal incomes for March of this year—the latest figures available—were at the annual rate of $214,000,000,000. This is a little below the all-time peak of last December but above the level of a year ago. Liquid assets of individuals—the backlog of savings—have reached a record high of $200,000,000,000. This is a total of $414,000,000,000 available in 1949 to back up expenditures by American consumers.

I cite these figures because of their bearing on the present outlook for the British economy. When I was in England last May, and again in August, the big problem was production. Today we see the emerging shape of a newer problem—the inevitable second phase. That is the problem of merchandising.

Last year I repeatedly heard the criticisms of British production that Englishmen have now heard so often that they may be angered if not bored by them:

That British production suffers from obsolete plant and equipment.

That the productivity of labor in Britain is low and lags far behind the rate of the United States.

That scientific management in Britain does not keep pace.

These common criticisms are not justified to the degree that they may have been a few years ago. However, as some of the key production problems seem on the road to solution, they are rapidly being superseded by others. The President of the Board of Trade seems most alert to this. He said on May 10: "Our problem is not one of production, but of selling."

There are many who feel Britain can never compete with the United States in mass production in many lines of manufacture. She can become far more efficient in production, and indeed she must, but even with plants equally modern, many factors of cost may be unfavorable to Britain.

Yet Britain can compete in selling. Further, she can outdo the United States if she will apply herself to it. Selling depends on brains and aggressiveness. The British have plenty of the one and are cultivating the other. Brains and aggressiveness, in a few decades, built the State of Illinois, where I have business interests. Brains and aggressiveness can win for Britain a great and profitable slice of the rich American market.

I need hardly add that aggressiveness entails hard work and plenty of it. At the Palladium the other night I heard Ted Ray—I did not say Danny Kaye—win the crowd when he referred to "your husband coming home from what he laughingly calls his work." Yes, it was hard work which created Chicago's industrial empire out of the dreary prairies. Chicago looks east toward New York and New England and thinks that the lawyers and the financial men of the East do not know how to work as do the engineers and the salesmen who have built and who today run our great productive enterprises.

It is my opinion that if Britain is to achieve the balance she seeks with the dollar, she must aggressively launch a direct assault on American and Canadian markets.

There has been criticism of the organization for European economic cooperation for overestimating the level of Europe's exports in 1952, the year the Marshall plan is scheduled to end. This criticism may be right. But of the anticipated $5,000,000,000 increase

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in European exports between 1947 and 1952, only $1,000,000,000 of the increase is forecast from sales to the United States. This is a gross underestimation of the potential of the United States market. As I have pointed out, United States citizens have a record $414,000,000,000 to back up their spending this year—if they can be persuaded to spend their dollars.

I am in good company here. The president of the British Board of Trade says that the United States and Canadian markets for British goods can be greatly expanded and without any manipulation of the value of sterling.

Is there any modern business that has prospered waiting for customers to beat a path to its door, mouse-trap manufacturers not excepted? If he is to prosper the producer must take the initiative. He must be a salesman. As a salesman he must study the market, the pattern of buying, the consumer preferences, the best price ranges, and a multitude of other detailed questions. This is market analysis, plain and simple.

The British manufacturer can not only master American advertising and sales promotion techniques, but in my opinion, by brains and aggressiveness he can improve upon them. He can learn to tailor his products for the American market, and to design them and package them so that they will win dollars by the thousands of millions. The market is in the United States because the dollars are there.

I agree with the leader in the Times of last Saturday that "by their own exertions British manufacturers and British workers and British leaders must stop the rout." More important to the point I am trying to make, however, is my disagreement with another statement in the same editorial. The Times stated "The only cure for high prices is to lower them." No, there is another cure, certainly in the export trade, which is sometimes equally or even more effective: Better products more attractively designed and made and more skillfully promoted and sold—in a word, merchandised.

The United States is today importing from the ERP countries—including the United Kingdom—at a level that is still below the average of 1936–38, in terms of volume of goods, although the dollar value is higher. The volume of imports from Britain has only about reached the prewar level, which, as you will remember, was not high. But an equally significant fact is that western Europe's share of United States imports has dropped from 23 percent prewar to about 14 percent today. Far from straining our ability to import, Europe is getting a little more than one-half of the share of our dollars it used to take.

Yet this is a peculiarly good moment for a vigorous invasion of the American market. Not only is our income at an all-time peak, but during the last 8 years of easy business many of our manufacturers have grown soft and fat. Many are vulnerable to aggressive competition. Many have forgotten how to sell.

Only recently I heard Mr. Paul Hoffman, the Administrator of the ECA, argue that one of the great mistakes of American business during the depression of the thirties was that the first cuts in company budgets were too often made in advertising and sales. Mr. Hoffman told me the other day that his old company, Studebaker, recently increased its advertising outlay even though American manufacturers are spending proportionately far less on advertising today than they have since before 1900. (Advertising expenditures today are running at only 1.8 percent of national income in contrast to a half century average of 3 percent or better.) Mr. Thomas McCabe, another of America's great salesmen, though now a banker and Chairman of our Federal Reserve Board, said the same day: "Our merchandising has lagged way behind our production. If we in the United States were now as well prepared on selling and promotion as we are on production, there would be no danger whatsoever of any recession." Mr. McCabe added, "Advertising is to merchandising what electricity is to production." (I am glad to give this plug, a we Americans call it, for advertising, the business in which I was engaged prior to 1936, and which provided me with my first capital.)

When Mr. Wilson last month gave his eight-point program for enlarging Britain's exports to North America he explained: "We shall give every help and, where necessary, open favoritism to exporters to Canada and the United States in their production difficulties." He said that regional trade consuls, accompanied by business advisers, would be sent to each of four regions in the United States. He promised Government assistance for market research in the United States, and the freeing of dollars for sales promotion. On the export credit guaranty program he conceded that exporters to North America might require as he put it, "a less conventional conception of commercial risk." He pointed out that British exporters had concentrated on our eastern seaboard, neglecting our West and South. (They are not alone in this, as our New England manufacturers can testify, I am glad to assure them.)

I herewith suggest a ninth point for Mr. Wilson. I suggest the creation of an Anglo-American council on merchandising as a logical corollary to the council of productivity. I would hazard the guess that, as in the case of the joint council on productivity, we in America can teach the British some things—and we will discover we can learn a good many, too—and both countries can profit from a mutual exploration of problems of selling and promotion. I have reason to believe that important groups in the United States would welcome the creation of such a council on merchandising.

The United States interest in British economic welfare is, of course, not unselfish. We are learning that our own welfare depends upon an expanding and healthy world economy.

But there are other reasons as well, reasons which also appeal to the economic statesman. One of them is that the competition will be good for our internal economy. The Encyclopedia Britannica says, in its article on competition by Professor Hilton, of Cambridge University, and Professor King, of New York University, that competition is socially beneficial, for it provides a zest that might otherwise be lacking in industrial endeavor. The presence of an avowed trade enemy, the sense of danger, the imperative need for keeping in fighting trim, have produced in the past qualities of alertness, vigor, and self-reliance which the more amiable objective of service might not have fostered so keenly.

I believe the businessmen of the United States are now trying to say this to their British friends: "We will help you to your feet. Then as businessmen we will fight it out, in every market, including our own, for our individual benefit and our two countries' benefit and for the world's benefit."

This may sound unrealistic today. Is it unrealistic? If it is, I suggest that the American Chamber of Commerce in London dissolve. I suggest this group seek a new name. Let it become merely an American front in England, an American-Anglo friendship society.

Some of you may recall that Geoffrey Crowther once remarked that "Britain can compete the pants off the United States." Surely he has not yet proved to be anywhere near right. But for my part I hope he will prove to be a prophet with honor, not only in his own country but abroad.

Some Americans are alarmed at the prospect of European industry made efficient by American known-how, and reequipped with American capital goods. Yet need they be alarmed? I had the privilege this month of inspecting some new charts prepared by Willard Thorp, our Assistant Secretary of State for Economic Affairs. They show that one-fifth of the world's population live in areas of the world that are relatively developed; another one-fifth live in so-called transitional areas, while three-fifths live in the industrially undeveloped areas. The United States between 1936 and 1940 exported to the industrially developed one-fifth at the rate of $5.80 a year per capita, and to the undeveloped three-fifths at the rate of only 70 cents a year per capita.

World economic development benefits all nations. But as the less-industrialized areas acquire productive facilities the composition of world trade will undergo important changes. The simple exchange of manufactured goods for foods and raw materials will decline. Trade in semimanufactured goods will increase. The whole mechanism of trade will become more complex. In this process, the advanced manufacturing nations will gain in trade as backward areas develop But they must abandon, as rapidly and sensibly as possible, the production of goods that can be made more economically elsewhere, and must emphasize the production of goods which require complex manufacturing skills, large amounts of capital and new technology.

My hope is that, as a byproduct of increased emphasis on world salesmanship, some of that competitive spirit will flow back into the internal economy not only of Britain but of the rest of the world, even including the United States. Selling is by its nature less easy to regulate, control, or nationalize than production.

Britain today seems to be moving in two directions at once. The role of government in the economy has been greatly expanded by nationalization. On the other hand, with the passing of the Monopolies and Restrictive Practices Act last year, a step has been taken toward breaking up monopolies. This is a step toward what we Americans regard as free enterprise. As the president of the board of trade told the House at the time, Britain "cannot as a nation afford restrictive practices if they increase * * * costs abroad, if they prevent the fullest development of inventions and new techniques, or reduce output, or maintain prices at an excessive level to * * * consumers at home."

A group of important British industries has been recommended for investigation by the board of trade. Britain is now, and for the first time, recognizing "that vigorous competition may exert an important and beneficial effect upon national productivity." That is a quotation from the first report of the Anglo-American Council on Productivity.

Even a combination in Britain of modern plant, a highly productive labor force, and imaginative management may not prove sufficient without competition. Man is indeed fallible and his capacity to rationalize and to deceive himself seems unlimited. Where is management's measure of its efficiency? When the business executive claims his plant is modern, who is there to deny it? Who checks the productivity of man's labor? The deliberate encouragement of competition is needed both as a stimulus and as a yardstick. Reading the debate on the monopoly bill in Hansard, I found at least one honorable member of Parliament blaming restrictive business practices for retarding the British economy during the last 50 years. Can there be any doubt about this? He pointed out, in contrast, that during this period the United States had taken vigorous steps to encourage competition. Perhaps the British, who have tried most everything in recent decades, are now going to try competition.

Here we have a strange paradox. On the one hand, Britain moves toward nationaliza-

tion, and on the other Britain develops an urge toward competition. The rationalization of these trends is one of the great problems of our time. In Britain, the twentieth century trend toward nationalization grows in part from a lack of competition. In the United States, our faith in competition sometimes keeps us from recognizing the areas where it does not exist, or is ineffective, and where we should either enforce competition more vigorously or bring enterprises under Government control.

The United States also is moving in two directions at once. Every American is aware that government is assuming greater responsibility for the general economic climate of the Nation. We have come to accept some of the precepts of the welfare state as they have been outlined first in the New Deal and now in the Fair Deal. But at the same time, as I predicted to the dismay of some of my British friends in 1943, there has been no relaxation of the Sherman Antitrust Act, and our desire for competition is as deep as ever regardless of how we may on occasion prostitute it.

The role of the United States Government in controlling booms and depressions, we hope, is to be primarily at the fiscal and monetary level. We, in the United States, hope to regulate the climate, as the economist once put it, without rationing the raindrops. We seek to encourage competition and not to reduce it. Almost unanimously we agree that the Sherman Antitrust Act and the Clayton Act have spurred production just as they have spurred selling and promotion.

Just 2 days before I left the United States, Paul Hoffman told me that one of the most beneficent results of the Anglo-American Productivity Council will be its byproducts—the understanding and friendship it engenders. (Mr. Philip Reed agrees with this.) I have tried to suggest today the beneficent results that might flow from a more difficult kind of cooperation—cooperation in competition. I have suggested that, as Britain learns better to compete in the American market, and better to compete with America in all markets—as it applies to international salesmanship the energy and brains it has long applied to international politics and diplomacy—it will render an indispensable service to itself, to America, and to the free world. I have expressed the hope that its competitive spirit in world markets can feed back to give zest, alertness, vigor, and self-reliance to its own internal economy.

If these hopes are realized, you businessmen of two countries can give the world once more a living example of a free, stable, and expanding economy. Further, you can learn to give the lie to the forces of pessimism that preach the inevitability of collapse in a competitive economy. Yes, you can give the lie to the theory of the inevitability of crisis and war. Let us therefore march together—not left, not right—but forward.

Andrew Lawrence Somers

MEMORIAL ADDRESS

OF

HON. ADOLPH J. SABATH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1949

On the life, character, and public service of Hon. ANDREW LAWRENCE SOMERS, late a Representative from the State of New York

Mr. SABATH. Mr. Speaker, the life of Mr. SOMERS sums up the American ideal. He started as a poor boy with the fortunate gift of more than ordinary intelligence and industry and even more fortunate, high character. By an assiduous devotion to duty here he rapidly rose to a stature of commanding leadership. He did not covet membership on the so-called most important committees, but with singular sagacity and foresight appreciated that his membership on secondary committees would lead to a gratification of his earnest desire to be of maximum service to his country and his party.

Little did most of us appreciate that our departed friend's membership on the Committee on Mines and Mining and the Committee on Coinage, Weights, and Measures would after long, constructive service in the House elevate him to a position where it was his responsibility and pleasure to lead in the early days of the New Deal the important legislation that revaluated gold and to the exalted position of chairman of the great and important Committee on Public Lands, which chairmanship he assumed at the beginning of the Eighty-first Congress.

The details of his public service are too well known to require extensive review anywhere. His record in office was that of a sterling patriot sincerely devoted to the welfare of the great Republic that he loved with a passionate and unremitting devotion. He was always a help and never a hindrance in effecting necessary and remedial legislation. Soon after the election of last November, when it was known he was to be called upon to head the great and important Committee on Public Lands, he told me of the wide and careful study he was giving to the problems of power, water, irrigation, reclamation, and conservation, which are so vital in the national economy. He seemed to view his elevation to that important chairmanship as a fruition of the strident efforts he ever made to improve and maintain the status of all our citizenry.

Mr. SOMERS' intimate friendship was not something he easily bestowed upon anybody. His autobiography in the Congressional Directory—"ANDREW L. SOMERS, Democrat, of Brooklyn, N. Y."—attests his self-effaciveness and humility, while his talents easily and automatically placed him in the vanguard.

It is easy to understand that if Mr. SOMERS could have his way there would be no laudatory mention of him today in this Chamber, which his herculean endeavors graced from March 4, 1925, to a short time before his untimely passing on April 6, 1949, many years short of the Psalmist's promise of threescore and ten. He would say, in his quiet and friendly fashion, that his passing, after a public service which won him the admiration and respect of a myriad of friends and constituents, was not an occasion for special comment. But we can take advantage of him today and disregard what we know would be the dictates of his sensitive soul. No one who knew him, no one who saw him pass by, could doubt the inner warmth, despite a misleading exterior, that was in him. And the warmth went back to him, as it always does, in a deep and general affection which his inordinate modesty can no longer minimize.

We grudge not our friend his rest, because there is a compensation which is our joy, that he left so much behind to keep sacred his name and his work; it is our grief that he was called away in the fruition of his power, which presaged ardent hope and brilliant promise.

Our friend cared nothing for the display and vanity of the world at large. These were to him matters of absolute indifference. While he had been well-schooled, yet there was always an absence of pomp and pedantry in all that he said and in all that he did. Holding tenaciously to the legislative judgments which he had formed, and fortifying the grounds upon which he had reached his conclusions, his modesty in defense of his opinions was as charming as it is rare among seasoned legislators.

As the earthy remains of our dear friend are interred, let us, in conclusion, realize our obligation to make safe and secure the government of the people which has been committed to our keeping; let us remember that it can thrive and grow only in an atmosphere of popular devotion and unselfish attachment; and, above all things, let us open our hearts to such influences and teachings as emanate from the life and death which we today memoralize.

The United States Naval Carrier

EXTENSION OF REMARKS

OF

HON. HENRY D. LARCADE, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 2, 1949

Mr. LARCADE. Mr. Speaker, under previous authority to extend my remarks in the RECORD, I wish to submit a copy of an article published in the New Orleans Times-Picayune recently by Mr. David Lawrence, Washington columnist, giving the history and value of our naval carrier in one of the branches of the armed services.

Mr. Speaker, it is my opinion that this article is very informative and illuminating, and is submitted as a matter of fairness, and without prejudice on my part to anyone named in the article by the author.

I think this article is a matter of great public interest at this time.

The article follows:

HOW TO LOSE A WAR

STRATEGY OF WAR CAN BE SETTLED BY ALL THREE ARMED SERVICES, BUT EACH SHOULD DEVELOP ITS OWN WEAPONS TO FIT ITS ASSIGNED MISSIONS—NAVAL AVIATION PROVED ITS VALUE IN WORLD WAR II—THE FUNCTIONS OF A CARRIER NAVY

(By David Lawrence)

Wars are won or lost at the planning stage—in the years that precede the actual combat.

Hermann Goering insisted on unification of all armed services in Germany and on domination of the whole military establishment by his air force. To the cries of the German Navy for a fleet and for better submarines, he turned a deaf ear.

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It was the failure to get control of the seas which defeated Germany. For otherwise the fuel and the supplies needed to support America's huge expeditionary forces could not have been safely transported across the ocean.

It was the inability, in particular, of German seapower to cross the English Channel which saved Britain from invasion in 1940.

In the Pacific, it was Japanese carrier aviation that swept down through the Philippines and on to Singapore almost unresisted.

Naval carriers swept down on Pearl Harbor.

Japanese naval aviation had full control for nearly 2 years thereafter and the American flag came down in many outposts in a series of heartrending defeats.

It was not until naval aviation was built up that the American Navy won back the whole Pacific and carried the fight to the shores of Japan itself. It was a costly campaign- thousands of American boys were sacrificed because of a blunder in our naval policy in the twenties and early thirties.

Without bases at Guam and Saipan and Iwo Jima and Okinawa—taken primarily by United States Navy carriers and the Marines—the big land-based bombers of the Army Air Force could not have dropped a bomb on Hiroshima.

Britain's lesson

Great Britain likewise suffered because she neglected carrier aviation. Thinking only in terms of land defense, the British gave the Royal Air Force complete command of air power, and it didn't develop naval aviation. As a result, serious losses were incurred. The Royal Air Force had no training in operations above the seas against naval vessels. It had no effective training in antisubmarine warfare. It allowed the two German battleships, *Gneisenau* and *Scharnhorst*, to steal through the English Channel at a critical moment because the Royal Air Force was not trained to ward off such operations.

The British Government finally admitted neglect and gave its Navy the air arm it had clamored for. The British Navy then had to go to school in the Pacific. In 1945 its first carrier task force was made a part of our carrier fleet. Only during wartime could the British naval arm learn what had been neglected before 1939. This was too late.

Scuttling the carrier Navy

Today history is repeating itself. Advocates of a concentration of effort on only one method of warfare are in the ascendancy in Washington as they were in Berlin, London, and Tokyo before 1939.

The naval arm of the United States is in peril. So also is amphibious warfare as developed and perfected by our Marine Corps.

One of the greatest military organizations of all times—the carrier Navy and the Marines of the United States—is in danger of disruption.

The process is a simple one. Control of funds means control of what weapons shall be developed.

Without consulting the Chief of Naval Operations and without giving the Secretary of Navy the hearing he pleaded for, the Secretary of Defense, Louis Johnson—acting with the approval of President Truman—canceled the construction funds of the Navy for its new carrier. Previously Mr. Truman had twice authorized the building of the new carrier, and so had Congress on two occasions.

In public protest, John L. Sullivan, Secretary of the Navy, resigned last week. It was a courageous act, comparable to the valor of Winston Churchill and Anthony Eden in their protests against wrong policy in Britain.

A carrier Navy is the only kind of Navy needed today. It's naval air, plus submarines for offense and defense, that makes a Navy. The carrier, of course, does not proceed alone. It is part of a task force protected by other warships with antiaircraft batteries and radar to detect the approach of enemy planes and submarines.

A carrier Navy gives us mobile bases, thus making it unnecessary for America to be at the mercy always of European politicians. It is inexpensive insurance against the possibility that land bases might suddenly be wrested from present control by Communist infiltration into European governments before a war begins.

A carrier Navy can furnish bases in any of the seven oceans where wars are fought in modern times. We will need such mobile bases in the next war, particularly for use in the Indian Ocean and in and around the Persian Gulf and in the Mediterranean to protect our bases in North Africa.

A carrier Navy was never intended to do the job of strategic bombing. This was well done by the Army Air Corps in the last war. Strategic bombing should be the primary function of the Air Force. That is what the Key West agreement said. But it also said that there was no reason why the Air Force should not be given assistance from the naval arm and that this would be an important part of our operations.

A carrier Navy hunts down submarines and protects the supply line of a land-based Air Force.

A carrier Navy bombs shore installations where submarines are concentrated and drops mines in narrow straits and passages inland through which submarines must pass on their way to the seas.

Mine operations are a technical business in which the Navy has spent long years of experimentation.

Fight over 100 feet

The new carrier was to have been only 100 feet longer and 30 feet wider than carriers now in the fleet. Yet this change in dimensions meant that our naval aviators could go 1,700 miles and come back to the same ships, instead of going out only 900 miles. This added range meant not only increased efficiency in dropping mines but it also meant protection for the carrier fleet against the land-based aviation of the enemy.

The new carrier called for a kind of construction which would make it unsinkable. Security regulations prevent disclosure of details, but it can be stated positively that no submarine operation known today could sink the new carrier. It would carry its own protection against air attack, too. It should be remembered that no big or fast carrier of the United States Navy was sunk from the air or by submarine in the last war.

The cost of the new carrier is relatively small—the equivalent of the cost of two battleships at 1944 prices. The upkeep expense would be no more than that of any other large ship. The carrier planes themselves would have cost lots of money, but the Navy was willing to sacrifice other parts of its program to build its new carrier.

Weakening our defense

This, however, isn't the real point. It isn't merely the desire of the Navy to build a particular type of ship that is the heart of the controversy. The basic principle at issue is whether the Navy can run the Navy and the Air Force can run the Air Force and the Army can run the Army.

Today the veto of what one service shall do is held by the other two services in the Joint Chiefs of Staff. This is a grave mistake.

The first principle looking toward a sensible solution of all this is to insist that the strategy of the war be decided by the three armed services in collaboration in the future as has been the case in the past. This really has been accomplished already by the unanimous agreement reached at Key West last year by the Joint Chiefs of Staff. In that agreement missions were specifically outlined and everybody agreed as to their meaning. Now that agreement has been torn to shreds.

The next principle is to permit each service to be the judge of what tools it needs to carry out its missions.

Once a lump-sum budget for each service is approved by the President, the Secretary of Defense, and the Director of the Budget, the technicians of each service should decide for themselves how to use to best advantage the money allotted.

To allow the Secretary of Defense to decide technical issues of armament could weaken America's defense. One-man decisions have weakened the arms programs of other countries in the past. It has already done so for America. It's the way to lose a war.

Appropriations Reform Act of 1949

EXTENSION OF REMARKS

OF

HON. JOHN W. BYRNES

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1949

Mr. BYRNES of Wisconsin. Mr. Speaker, we will never achieve sound economy in the operation of the Federal Government until we drastically reform our present creaking and inadequate appropriating machinery. The purpose of the Appropriation Reform Act of 1949, which I have just introduced, is to provide a basis for that reform.

The announcement by the chairman of the House Appropriations Committee that action will be taken soon to adopt a single appropriation bill is welcome news indeed, but it is only the first short step. We need to do much more. We need to do more particularly in the all-important field of relating Government outgo to Government income and relating both income and outgo to prevailing economic conditions. This cannot be done by a single appropriation bill alone. We must revise the entire budgetary and appropriation process.

To further this objective, the appropriations reform bill provides for—

First. Performance budgets and appropriations.

Second. Reorganization of the legislative budget and the Legislative Budget Committee.

Third. A Joint Committee on Appropriations, as a vital counterpart of the Joint Committee on Internal Revenue Taxation.

Fourth. A new timetable for the submission of reports essential to sound budgeting and appropriating.

Fifth. A consolidated general appropriations bill.

The necessity for adopting "performance" budgets and appropriations and for consolidating appropriations has been made abundantly clear. It is enough to say that these reforms are essential.

The principal contention of this bill is that there are three basic elements which must be considered when we spend Government money. They are, first, the needs of the Government agencies; second, the Federal revenue; and, third, the impact of the economic situation on both. If we delude ourselves into think-

ing we have solved our appropriating difficulties by doing all our spending in one bill, we shall have committed a grievous error. We must, before we can act on any spending bill, establish a guide which will take all of these factors into consideration.

It is for this reason I propose, instead of discarding the legislative budget, that we make it work, and that we make it work in such a manner that it will reflect our spending needs, our income, and the effect of the economic climate on both. We must have a searching and intelligent look at the entire picture before we pass upon the details.

For these reasons the bill provides for:

First. A Joint Committee on Appropriations. We are sadly in need of a coordinating committee between the House and Senate Committees on Appropriations. We need a group which can concentrate on the over-all aspects of our appropriations and expenditures in fulfilling the needs of the Government. We need a group which can provide reliable and well-considered information to the Joint Committee on the Legislative Budget concerning expenditures and appropriations. We need a group which will work full-time at the improvement of the appropriation process. We need a group, in short, which will achieve the permanence and prestige in its field that the Joint Committee on Internal Revenue Taxation has in its.

The bill establishes such a committee. It consists of 10 members; the 3 ranking majority and the 2 ranking minority members from both the Senate and the House Committees on Appropriations. It is provided with an expert staff to assist it in its complex work.

Second. A new Legislative Budget Committee, with a full-time staff.

Since our guide, the legislative budget, should take into consideration our needs, our income, and the effect of economic conditions on both, representation on this committee is accorded to members vitally concerned with these aspects because of their membership on spending, taxing, and economic committees.

The bill proposes that the Legislative Budget Committee shall be composed of the 10 members of the Joint Committee on Internal Revenue Taxation, the 10 members of the Joint Committee on Appropriations, and 5 members from the Joint Committee on the Economic Report. The present one-hundred-odd-man committee, heavily weighted in favor of the appropriating committees, is thus replaced by a 25-member committee, with equal representation between spending and taxing groups and with substantial representation from the top economic group.

This committee will have available the studies of the three important committees from which it draws its membership as well as the staff work of those committees. It is provided, in addition, with a small but expert full-time staff which will correlate the gathering of facts and figures it needs.

Third. A new kind of legislative budget.

Experience has demonstrated the impracticability of the adoption of a legislative budget resolution by the Congress. The major effect of this provision has been, perhaps, the introduction of acrimonious debate based largely upon political considerations, resulting in confusion and loss of prestige for the budget itself.

The bill provides that the legislative budget shall consist of a report from the Legislative Budget Commission. It shall include the committee's estimates of the required receipts and expenditures, and contain the committee's recommendation for the amount to be appropriated in the consolidated appropriation bill.

Such a report will be a balanced guide for the Congress when it takes up the actual appropriation. It will represent the considered judgment of the best minds Congress can bring to bear upon, one, Government needs; two, Government revenues; and three, the effect of economic conditions on both. As such, prestige and authority would be attached to its recommendations, and Congress would be in a sounder position to examine critically the consolidated appropriation which would be reported later by the Appropriations Committees.

Beyond this strengthening of the legislative budget, the bill recognizes the importance of the reports and documents which are essential to the budgetary and appropriating process, particularly the proper timing of those reports.

It proposes the following timetable:

President's State of the Union message, January 1—approximately.

President's Economic Report, January 15.

Report of the Joint Eonomic Committee, March 1.

President's Budget Message, March 15.

Report of Legislative Budget Committee, April 15.

Report of Consolidated Appropriation bill, May 1—suggested.

The basic idea behind this revision of the present timetable is to enable the Congress and the President to consider more carefully the impact of economic conditions upon our spending and taxing. For instance, the President's Economic Report, now issued simultaneously with the budget document, would precede the latter by 2 months. This would serve to discourage an attempt to justify proposed fiscal policies in the economic document and would encourage instead the preparation of a budget document in the light of economic conditions spelled out in the report. Similarly, the Legislative Budget Committee would have available the report of the Joint Economic Committee, representing the Congress' views on the economic situation. In addition, the latter submission of the President's Budget should bring about more complete and better budget recommendations.

The bill contemplates that the Senate and House Appropriation Committees would begin work immediately after the start of each session on any preliminary or completed estimates for individual agencies as the Budget Bureau makes them available. Thus, no time would be lost by the subcommittees in their review of departmental and executive requests.

We cannot, any longer, afford the luxury of piece-meal appropriations. Neither can we afford to appropriate funds without intelligent consideration of the total impact of Federal spending and taxing upon our national economy, nor the impact of economic conditions upon our ability to spend and tax. This Congress must take immediate action on a thorough-going reform of our appropriating machinery.

New National Labor Relations Law

EXTENSION OF REMARKS

OF

HON. ANDREW JACOBS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1949

Mr. JACOBS. Mr. Speaker, I have prepared and introduced a bill as a proposal for a new national labor relations law.

It was my purpose to make three general provisions:

First. To protect the right of each party to the bargain to organize and select representatives free from economic coercion from the other and to require such representatives to meet and bargain collectively—section 8 (a).

Second. To prescribe that such organizations so protected recognize and honor their public obligations by accepting qualified members and recognize and honor the natural democratic rights of those members—section 8 (b).

Third. That such organizations recognize and honor the public interest by the maintenance of such minimum production and service as is necessary to protect national health and safety—section 8 (c).

Every provision in this bill applies with exactly the same force and in the same terms to both sides.

True, one or the other side may be a more frequent violator of a given provision. But, aside from any technical error, this bill furnishes a sound, fair, and equitable body of rules by which labor and management can exercise their legitimate rights within the public interest.

In drawing these provisions I have striven to phrase them in keeping with principles of free enterprise.

For example, the Government dictates no terms of the labor contract, save and except when substantially all of an industry is covered. Then the bill prescribes that the parties shall provide for that minimum production or service necessary to protect national health and safety. Such provisions are subject to Board approval.

This regulation applies only to cases where it would become imperative for the Government to act when tempers are hot. Therefore I deem it the part of wisdom to require these provisions to be made in advance, as a condition of having so large a unit for bargaining purposes.

I have attempted to provide fair but adequate and firm remedies, seasonably obtainable, but without ex parte or preadjudication orders and decrees on less

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than the merits of the case. Such remedies are equally applicable to all parties.

In no instance are these provisions firmly bound to the thinking of any one person or group. What I thought was fair I included, or added; what appeared impractical or bad, I omitted.

Present Economic Conditions in Poland

EXTENSION OF REMARKS
OF
HON. THOMAS S. GORDON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 31, 1949

Mr. GORDON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article on the present Polish economic conditions, which is most interesting and informative. The article also shows all conditions to be chaotic. The people of Poland constantly are feeling the nearness of Stalin.

The article follows:

"DEAR FREE WORLD, I AM WRITING TO TELL YOU WHAT IT IS LIKE IN POLAND"

(The scene is Poland. But it is a scene perceived only momentarily as the curtain parts. What is it like, asked a Polish émigré in western Europe, hoping to return. The answer came from a friend in Warsaw—able to send out a letter through uncensored channels. This is a translation of the letter, published originally in Polish. It applies to a relatively small segment of the Polish population—the white-collar workers and lower-bracket state employees. It does not speak for larger groups such as workers and farmers, who in some respects are relatively better off.)

In view of your desire to return to Poland (the letter read), I want you to understand clearly what your life here would be. I shall not write about the terror that prevails here, of the arrests and overcrowded prisons. You have heard about these things from your press.

What I want to write you about is the life of the average person, say a government employee, called a member of the working intellegentsia, someone, let us say, not burdened by any past political affiliations or connections with Fascist Poles.

Because you are young and have finished your studies you would find work quickly. The papers carry many advertisements promising good situations to teachers, doctors, engineers, mechanics, skilled workers, bookkeepers, etc. Let us look at these good positions that await you, the same good conditions in practically every office and state institution.

You might be able to get a salary of twelve thousand to fifteen thousand zlotys a month ($120 to $150 at the official exchange rate). A 20,000 zloty salary cannot be dreamed of by an ordinary government employee. Since you have no dependents, and with your university diploma you can get a seventh- or eighth-category job, carrying a 15,000-zloty salary, you will not starve. For about 1,500 zlotys a month, you can get your lunches in the dining room of the institution or office where you work. In some places the food will not be enough, to be sure; but that varies with the institution, dependent upon the management's honesty and efficiency.

To give you an idea how far your salary would carry you, here are the prices of some of the more important goods and services:

A pound of bread, 16 cents; a pound of flour, 63 cents; a pound of butter, $3.17; a pound of pork, $1.73, and of beef, $2.04; a pound of sugar, 82 cents; 5 pounds of potatoes, 33 cents; a pound of apples, $1.50 to $2; a pound of soap, $2.68; a pound of tea, $20 to $27.

An egg will cost you 20 cents, and a small roll 9 cents. For a streetcar ride you have to pay 10 cents to 15 cents; the fares vary in different cities.

If your shoes need a new pair of halfsoles, that will set you back by some $20, and if you insist on using tooth paste, you will have to pay $1 for a tube.

(For the convenience of our readers, the prices which were quoted in the original in zlotys for kilograms have been changed in dollar-cent prices for pounds.)

But do not think that you will always find everything you want. There are long periods when you cannot find either meat, butter, or sugar at any price. Right now we are in such a period. It has already lasted over 4 months.

And that you may not get a wrong impression, I must explain that the prices I have given you are those of the period before this shortage began. It is impossible to say what prices are today. There is neither meat nor any fat to be found now.

To go back to the matter of your returning. You should by all means bring enough shoes to last you several years, for one pair here costs from $150 to $200. Of course, the "world of labor" can get shoes through state factories at official prices, which are low, but:

1. The good luck of obtaining shoes this way is rare. (I have had such good fortune only once in the past 3 years.)

2. And the good luck is questionable. For the state factories turn out exceedingly shoddy production and the footwear from the Czech factories, with which we are supplied at 3,000 to 6,000 zlotys a pair, although a bit better, also goes to pieces very quickly.

Moreover there is no assurance that when you get a shoe coupon you will be able to buy shoes for yourself.

The clothing problem is equally trying. The official price for material from the state factories is about $60 a yard. The choice of material, shirts, and socks is very limited. The same materials and designs are found in all the stores, prices, of course, everywhere the same. If you want a blue shirt and do not find one in the first two stores you visit, but only white and green, you may save yourself further searching. You would not find a blue shirt in any store in Poland.

If, to your absolutely necessary expenses, you add the cost of light, gas, and heat * * * little will remain of your salary; but to that calculated expense you must add the monthly rent, which practically always exceeds our ability to pay. But the question of living quarters requires so much discussion that I shall leave that for another letter.

John Joseph Delaney

MEMORIAL ADDRESS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 25, 1949

On the life, character, and public service of Hon. JOHN JOSEPH DELANEY, late a Representative from the State of New York

Mr. SABATH. Mr. Speaker, the passing of Mr. DELANEY at the ripe age of 70 ends a life of great usefulness to the Nation, the State of New York, and his enlightened constituency. The most productive and salutary part of his life was devoted to the public service, in which he rose to monumental stature in an era of great and intelligent men.

If I mistake not, when our friend first came here in 1917 he was junior in years and Uncle Joe Cannon was senior in years. But he learned the difficult science of sound government rapidly and accurately.

In the sorrow of our parting, when the activity of his human life has ceased, and when our hearts and minds endeavor to fill the void that his going has left in our lives, we can best realize his worth, the need of him each individual soul amongst us had, and his value to the House of Representatives and orderly government of which he was so able a defender and whose principles he so luminously expounded.

I had the pleasure and satisfaction of serving with our honored dead during all his term. When he returned to Congress he became a very useful member of the Committee on Naval Affairs because of the special interest of his district in the Brooklyn Navy Yard. He served a good novitiate with that committee and then graduated to the important Committee on Rules, where I found him to be a consistently wise, conservative, dependable counselor in dealing with the multifarious and gigantic problems committed to that committee, especially during the war. Mr. DELANEY was in no sense provincial, but always viewed impending legislation from the viewpoint of how it would affect our whole Nation. Urbacity was a complete stranger to his character. His every thought was to advance the interests of the United States; and he possessed a keen, analytical mind.

Only in what a man does, in what he continues to do, and persists in doing, can he show character; and in this sense never was there a firmer, more consistent man than Mr. DELANEY. He was one of deep convictions; he feared nothing but God and the possibility of making a serious mistake.

His simplicity of character, so at war with pretense and affectation of all kinds, was supported by a reserve mental power which, when occasion called it forth, was a surprise to those who knew him but slightly. Indeed, the aim of his intellectual life in its entirety was to be rather than to seem. In short, he was genuine to the core.

The life and work of Mr. DELANEY are his best panegyric.

Today we find welcome consolation in the thought that our distinguished former colleague, though dead, is not entirely lost to us. We are taught by the spontaneous tribute paid on every side to his civic and governmental usefulness that the American people still gratefully dwell upon disinterested service for the public weal, and that patriotic impulses and high ideals still have an abiding place in the affections of the American people.

If we may hope that the teaching and example of our beloved dead have been endued by death with new potency, as forces creating better and purer citizen-

ship, and with graver import as instrumentalities in the development and stimulation of patriotic ideals, and if we may hope that our countrymen will with sincerity heed the way of civic and political duty they point out, we may not only be doubly sure that our dead is not lost to us, but may with confidence renew our faith in the American people as custodians of their scheme of free government.

Some men, when they die after busy, toilsome, successful lives, leave a great stock of scrip and securities, of acres, or factories, or the good will of great undertakings. Mr. DELANEY banked his treasure in the hearts of his friends, and they will cherish his memory till their time is come.

It is my pleasure to know our deceased's gracious wife, his son and daughter, to whom our sincere compassion goes unremittingly. May they find comfort in the great and good work their husband and father left as a priceless legacy.

Here today, amid memories so sacred and so sad, no discordant notes will rise in connection with him who is passed into the serenity of that cloudless life, wherein dwells eternal peace for all who receive the approval of the Divine Beneficence.

In conclusion let us sincerely believe that so long as men of Mr. DELANEY'S character and ability serve the Nation venality will never come nigh or menace us. Let us confidently realize that so long as public servants of his character and ability are in control, this great Republic will not be conquered and will not fail, and its renown, triumphing over every ordeal, will long shine among men.

Meet Some More Capitalists

EXTENSION OF REMARKS

OF

HON. ROBERT F. RICH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Times-Herald, and I have added to it a statement of 200 foremen in a western New York company:

[From the Washington Times-Herald]

MEET SOME MORE CAPITALISTS

"Like To Meet a Capitalist?" is the title of a striking advertisement being circulated by the Union Oil Co. of California.

The capitalist whom you meet in the ad is one Bill Ryan, a foreman mechanic for a Long Beach, Calif., water company. He is a capitalist, because he owns 100 shares of Union Oil stock, which he began buying in 1940. That makes Mr. Ryan a part owner of the oil company.

Ryan, the ad goes on to report, is only one of the concern's 34,229 common-stock holders. The average number of shares held per person is 137; and the largest single stockholder owns only 1 percent of the total number of shares outstanding. All these people get cut in on the company's profits via dividends on their stocks.

We would like in this editorial to mention some more capitalists. The piece is one of a series in which we're attempting to explode some of the lies peddled around by the Communists and Socialist enemies of the United States capitalistic system.

The Marxist lie at which this editorial is aimed is the one about how only a handful of fat-slob capitalists own all the wealth-producing mechanisms of the United States and skim off the cream for their dastardly selves and families.

A considerably bigger corporation than Union Oil, and one of the chief villains in the Red-Pink horror stories, is United States Steel, chaired these days by Irving S. Olds.

If United States Steel is a malefactor of great wealth, then it has a lot of rascals aboard its pirate ship—228,006, to be exact. That was the number, in February 1949, of holders of Big Steel's common and preferred stocks.

Another large United States corporation is American Telephone and Telegraph. A. T. & T. is not owned by the descendants of Alexander Graham Bell, who invented the telephone. It has a total of 764,000 stockholders, most of them people of low or medium incomes, owning 30 shares apiece on an average.

SEVENTY-EIGHT MILLION CAPITALISTS

General Motors' capitalist-owners add up to 433,000. Of these, 320,000 own 50 shares or less apiece, and 140,000 own 10 shares per head.

Standard Oil of New Jersey, another bogeyman of the Marxists, is owned by the Rockefellers and 200,000 other guys and gals. The Pennsylvania Railroad has 208,000 owners; General Electric, 249,000; Radio Corp. of America, 206,000; United Fruit, 54,185; Standard Steel Spring Co., 7,400.

All these people, to repeat, are capitalists by strict Marxist definition. The complete picture of this phase of capitalism in the United States is that a total of 18,000,000 people hold stock in American corporations—meaning they share in the ownership of the means of production, and participate in the profits.

But our capitalist population is not limited to these 18,000,000 stockholders. Anybody who has an insurance policy is a capitalist—because the insurance companies invest their money in business stocks and bonds, and if those investments should quit paying profits the insurance companies would go bust and their policyholders would lose accordingly. The total number of life insurance owners in the United States last year was 78,000,000.

Since there are only an estimated 148,000,000 people in this country, the chances are somewhat better than 2 to 1 that if you want to meet a capitalist you have only to shake hands with yourself. And if you aren't a capitalist now, you hope to be one some day, unless you're devoid of ambition, which few Americans are.

BEWARE OF TERMITES

We have a considerable number of people who are determined to destroy the capitalist system—either by direct, violent action in the Communist tradition, or by overloading business with taxes and indirect charges and restrictions to the point where the Government will have to take over to keep things running.

If you're a capitalist now, it is to your vital interest that your stocks go on paying dividends or your insurance policy continue good. If you hope some day to be a capitalist, you surely want to buy into one or more solvent, profitable companies.

Therefore, it is to the vital interest of perhaps 145,000,000 of us to fight these would-be destroyers of United States capitalism in every way we can, and to keep on fighting them.

Some 200 foremen in a western New York company made up the following list of how profits are used:

To pay dividends to owners.
To increase credit standing.
To expand or modernize present plant or to build new ones.
To buy new machinery and equipment.
To pay for product and customer research.
To expand markets.
To protect the business during hard times.
To create more and steadier jobs.
To create better jobs.
To endow colleges, libraries, churches.
To foster medical and other public service institutes.
To help support the Red Cross, the Boy and Girl Scouts, YMCA, etc.

Two thoughts must come to our minds as we read over the list of things done with profits. Those things, in the first place, can get done because someone, somewhere, sometime, somehow managed to judge right and made more money than he needed for immediate use. He made a profit. Secondly, we must conclude that since the use of profits is so highly constructive, the making of profits should be encouraged. (From Trained Men, published by International Correspondence Schools.)

Draw Your Own Conclusions

EXTENSION OF REMARKS

OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1949

Mr. WHITE of Idaho. Mr. Speaker, under leave to extend my remarks, I wish to include the following paragraphs from Sun and Mankind, by J. C. Piver:

On March 24, 1945, the Allies crossed the Rhine. The young people who surrounded us while we heard the news on the radio were not overly concerned about this event, one which we considered so transcendental, on a par with the return to the Ark of the dove with the olive branch in its mouth, signifying the end of the flood.

The men of our generation (1887) knew and should not forget the happy world of 1900–14, when one could travel all over Europe and America, nearly across the entire globe, without any need of a passport, identification papers, or any other document. Merely with a handful of pounds sterling, francs, florins, or gold marks, we used to come and go without the least difficulty, with such ease that it seems to us nowadays like a fairy tale. But how difficult it is for the present generation to visualize those good old days of yesteryear. They will hardly believe us when we recount them, and the experience of others is of little or no use to them.

Before going into the matter I think it is necessary to state in the first place that there are very few men of my generation left, especially those who have traveled as much as I have, and of these very few indeed who interested themselves in financial matters, a subject generally considered as boring by the majority of mankind.

I remember perfectly well that one morning in 1911 when I was a young man, in one of my trips to South Africa, I read in the papers that a German steamer was leaving the next day for Hamburg. I reached for the phone and asked the steamship company if a single cabin was available and they told me that it was. The next morning I went on board with two handbags, gave my ticket to the steward, locked my cabin, and

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went on deck to watch the departure—there was no other formality. During the trip I, of course, landed at every port without any identification paper or document whatsoever.

I remember that this crossing was made at the beginning of the year. We left Capetown in full summer and therefore we expected to feel bitter cold in Biscaya and the North Sea. I went to the radio station and sent a message to the Avenida Palace Hotel (agents of the Wagons Lits in Lisbon) asking them to reserve for me a single cabin on the Sud Express leaving Lisbon on the next day. I received a reply confirming my reservation. The next day, instead of remaining on board en route to Bologne, I landed at Lisbon, took a taxi to the Avenida Palace Hotel, asked the porter of the hotel for my ticket, and right on the ground floor of the hotel was the Sud Express train ready to leave. I handed my baggage to the conductor, sat on my wagon lit seat and off we went, first to the Spanish frontier and then to Irun, Hendaye, Paris. In this manner I avoided the bad weather in Biscaya and reached Paris 2 days in advance—all this without a personal document, passport, control of exchange, letter of credit, checkbook, or the kind of money people carry in their pockets today.

I want people to know and remember how easily one could travel in those days all over the world. To take a steamer for any country in the world was as easy as taking a taxi or a streetcar in your own city.

But for those of us who have lived through those wonderful days, it would be well to reflect and to endeavor to answer two questions:

1. What caused the unprecedented gigantic catastrophe of 1914? and

2. Why 25 years later (in the same generation) was it followed by another cataclysm comparable solely to the universal flood?

Sol Bloom

MEMORIAL ADDRESS

OF

HON. ADOLPH J. SABATH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1949

On the life, character, and public service of Hon. SOL BLOOM, late a Representative from the State of New York

Mr. SABATH. Mr. Speaker, the picture of life, as I have it in mind, is the process of movement from the base to the summit. It is always uphill, never down, and because it is always up, it is obvious and evident enough that some people never make it. Some people carry into life such a frivilous and polyandrous spirit that they never experience the thrill of the cool fresh atmosphere after having arrived at the summit. They play out on the way, because they do not know that life, basically, is a serious business. And then there are others, because they have drenched life in cinicism and despair, laughing jokingly at values and the attempts on the part of groups to establish values as central goals in life, who go through the slow process of self-strangulation. They know not the thrill of the arrival.

The subject of our eulogies of this hour was one who, in the face of almost unsurmountable obstacles, painfully wended his way along the thorny path to the summit. SOL realized that struggle always meant strength; he knew that pursuit built endurance, and only those who stood and laughed in the face of failure and stood up to fight again deserved the fruits of victory.

Born in Pekin, Ill., in 1870, he was unfortunate enough, through fortuitous circumstances, to be deprived of an early education; but extraordinary native ability provided the spur that well bridged that void.

When Mr. BLOOM first came to Congress the then Parliamentarian, Mr. Fess, was conducting a group that had for its purpose familiarizing new Members with parliamentary procedure, and Mr. BLOOM was a very attentive member of that group. From the very first to the last he took his work here very seriously. And he was ever engaged in the acquisition of knowledge that would better fit him for the duties and responsibilities that he suspected would some day, as they did, devolve upon him as head of the important Committee on Foreign Affairs.

Few of us appreciate the vast expenditure of his own time and money our friend made in traveling repeatedly to almost all the chancellories of the world to acquaint himself with first-hand knowledge of international conditions so that he might be well prepared here to act wisely and counsel his colleagues in connection with foreign affairs. Then, too, he devoted a great deal of his time to the study of history and economics, always stressing the international aspects.

And not only did our beloved dead visit the chancellories of the world. He associated intimately with and encouraged the humbler masses to look forward toward a better day everywhere he went. Few Americans were better and more favorably known throughout Europe, among all segments of the population, than was Mr. BLOOM, because he was their friend and always had an inspiring word and deed for their appeals for a more favorable status. He, having long suffered the pangs of severe adversity, well knew and understood the deserved requirements of the meek and the lowly. His knowledge in that connection was not theoretical or academic, but was very real; and he remedied conditions as best he could not only by word but by deed. In the field of philanthropy, for which he will long be gratefully remembered, he was practical rather than wordy.

Mr. BLOOM'S phenomenal success in private business is too well known to merit repetition; but I am sure that such success afforded him far less satisfaction than did his contant world-wide efforts to make this a better world for willing and righteous men and women. Doubtless he could have amassed a stupendous fortune in dollars and cents if he had confined his talents to, say, the real estate business in which he experienced an inordinate success; but would that transcend business success have elicited the spontaneous tribute from all over the world, or most of it, we heard when he left us? Would that great business success have satisfied the controlling yearnings of his philanthropic soul? I imagine he would rather have been what he was among us here than to possess all the material wealth of this world, because he never measured life and success from the dollars-and-cents viewpoint.

I look for qualities to explain such a life, because it cries out in my nature that such must be done, not because of some traditional reason but because we want to have some goals toward which our own lives can move in the days to come. In Mr. BLOOM I find such qualities as solidarity, strength, stanchness, stability, and superiority as descriptive terms of the type of abundant living that he has moved into, having merited what we call this earthly life abundant.

I always go back for some reason why a man is what he is, why he thinks like he thinks, why he does what he does. I shall try to ravel or unravel that secret as I have understood our good friend, Mr. BLOOM, through the many years of our association here. First of all, there was a solid personal character that we looked at, and that does not just happen all of a sudden. There are some reasons back behind life that is so nobly enriched because a person like him has lived. I am thinking in terms of his mind. Certainly the heredity of the bloodstream did present to him potentialities in the area of the mental; and, as I have suggested, he filled the void incident to lack of early schooling with a native ability and close and assiduous study all of his adult life. There was that important parental gift of native ability and strong, good character.

He seemed always to aline himself effectively on the side of rightness, justice, and even mercy. He had a concept of work that belongs to his secret nature, knowing that man must work and he has no other choice. But one can work as a man or he can work as a machine; he can work drudgingly or he can work gratefully; he can take a very low kind of work and exalt it; he can take the impassive sort of work and breathe the soul of life into it, or he can take the dull type of work and enliven it. And how our Nation in this day and time needs to get afresh this kind of concept of work—that it belongs in the central nature and character of successful men and women. I would not leave out the soul of the man for that is what makes him tick, so to speak. He had built along the line of life some chapels in his soul.

Mr. BLOOM knew, as many of us know, that there were some demands that life placed upon him that his own personal strength could not measure up to; that his own wisdom was not equal to the calls of the days in which he lived; and the establishment of reserve seats in his soul saved him time and time again from weakness to the way of strength.

And then some strong family life was his, for most of us are not what we are by ourselves. There are others that have stood in the shadows and encouraged and urged us on. And so in the family relation I think that is the reason God has arranged it so. He inspired because he was inspired, and all principles of the direction of home life were on the basis of the Ten Commandments, feeling there could not be any repeal of those made in life; that they were stalwart,

strong, controlling and could not be pushed over.

This good man would encourage without making egoists; he would provide opportunities without spoiling; discipline would be employed that would not break the spirit.

Aside from his official status he was stanch as a resident of this community also, and when all the monuments are in one will not be greater than the other, but this one is near the head of the list. His power to meet those who are called average citizens and to spill some of his wisdom and counsel over into them will always leave them wealthier.

Honor was at the very seat and very nature of himself, and he would not divorce it for any cause of unrighteous living that could be named. He was for the way of right and supported causes that would build up the spirit, and enthusiasms and salutary living in anybody's community.

But over these 26 years of public service the supreme recommendation that can be given to him is the broad and penetrating service he rendered as a seasoned, practical legislator. He was always burdened with the idea that posterity would catch up with him if he did not do just exactly right, and when he gave his promise or acted, it was the most honorable representation of his mind and spirit that could be made. We all know that, based upon performance alone, history will do this good man justice.

Nobody in an official relationship shall miss his mortal presence more than I, because he was a very definite asset to me over many, many years. I was pained when we stood in the presence of his deceased dear wife, his constant inspiration throughout the years, and his only solace were his confident faith in a future life and the continuing companionship of his talented daughter, who is, fortunately, left to carry on the Bloom tradition. Certainly that same amiable sentiment is cherished by the many thousands of Mr. BLOOM's beneficiaries, not only in this country but throughout the whole world.

Thus it is we stand today with reverence and affection to pay our poor and imperfect tribute to a noble son of the Republic. Fitly we apply to him the ancient words of the proverb writer, "Seest thou a man diligent in business? He shall stand before kings."

Worthily he lived, worthily he served. We honor him for what he was and for what he did. Shall we not believe that to him, as to the great laureate of England, these lines summed up his triumphant hope and unfailing faith:

Sunset and evening star,
And one clear call for me.
And may there be no moaning of the bar,
When I put out to sea.

But such a tide as moving seems asleep,
Too full for sound and foam,
When that which drew from out the boundless deep
Turns again home.

Twilight and evening bell,
And after that the dark.
And may there be no sadness of farewell,
When I embark.

For tho' from out our bourne of Time and Place
The flood may bear me far,
I hope to see my Pilot face to face
When I have crost the bar.

Faithful and chivalrous servant of the Republic, hail and farewell.

Secretary Brannan's Farm Proposal

EXTENSION OF REMARKS
OF
HON. LESLIE C. ARENDS
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 31, 1949

Mr. ARENDS. Mr. Speaker, under leave to extend my remarks, I include a splendid and very objective editorial taken from the May 28 issue of the Daily Pantagraph of Bloomington, Ill. This editorial deals with Secretary Brannan's farm proposal and sets forth various reasons why this measure should be most carefully and thoroughly studied by all Members of Congress. My purpose in placing this editorial in the RECORD is that Members may learn, through reading this editorial, what the Brannan farm proposal really would do if ever enacted into law.

BRANNAN'S FARM PROPOSAL WOULD REGIMENT ECONOMY

(By the Pantagraph)

Reasons why the Illinois Agricultural Association opposes the Brannan national farm program are clearly and forcibly presented in the adjoining column by F. E. Morris, vice president of the association. We commend a careful reading of Mr. Morris' letter.

It is called a farm program, but it actually pretends to offer more to the 80 percent of the nonfarm population. It proposes to pay a part of the grocery bill for this 80 percent. And all experience of Government assistance has shown that a little help calls for more and more help. All experience also has shown that more Federal and State help calls for more and more taxes. This boils down to letting Uncle Sam collect and spend our incomes. That is not capitalism and it is not free enterprise.

One point not developed by Mr. Morris is the inevitable growth of bureaucracy under the Brannan plan. Hundreds of thousands, if not millions, of Government workers and committeemen would be needed to check every detail of what every farmer got for his eggs, for instance, and what Uncle Sam should pay him to make the egg business profitable. This proposed increase in bureaucracy comes at a time when the farmers and the townspeople long for less control. Some farm committeemen are retiring because of the complications of the present plan that compared to Brannan's proposal, is simple indeed.

There is still another great loophole in the Brannan plan. It seeks to set a high price for the farmer and a low price for the consumer. But there is no guaranty that such would prevail. The price on which the subsidy is figured for the farmer is based on his sale price. And that is the price upon which the citizen will have to pay his tax bill to support the subsidy. But that does not mean the consumer will buy food at the price the farmer gets for it.

Take fresh vegetables as an example. The farmer sells to a buyer or commission firm. That firm sells to another commission firm or a wholesaler. The wholesaler sells to the grocer and he in turn sells to the consumer. Mr. Brannan has offered no assurance that the price of the vegetables would be any less to the consumer than they are now. The middlemen could easily be the greatest benefactors of this program. Actually the consumer could be subsidizing both the farmer and the middleman.

Farmers of Illinois do not want this program. Consumers who have an objective look should be even more opposed to it. We urge them to make their Representatives in Washington aware of their views. The issue is socialism versus an improved free competitive-enterprise system. If prices are to be guaranteed for the farmers and the consumers, then the rest of the economy cannot escape rigid controls. That means the end of freedom and initiative.

Statement of Hon. Lindsay C. Warren Before Senate Appropriations Committee

EXTENSION OF REMARKS
OF
HON. JOSEPH C. O'MAHONEY
OF WYOMING
IN THE SENATE OF THE UNITED STATES
Wednesday, June 1 (legislative day of Monday, May 23), 1949

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very interesting and valuable statement made today by the Honorable Lindsay C. Warren, Comptroller General of the United States, before the Independent Offices Subcommittee of the Senate Appropriations Committee. The statement contains some most valuable information with respect to the work of the General Accounting Office.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. Chairman and members of the subcommittee, I had hoped to use this opportunity to appear before your committee to discuss the work of the General Accounting Office in a general way. Due to the developments on our appropriation in the House, however, I am forced to place the major emphasis on a request which is entirely foreign to my nature; namely, the restoration of the full amount included in the budget estimates for the work of the General Accounting Office for the fiscal year 1950. The work of the Office is nothing new to most of you. We are not an Office of programs and projects. We are required by law to audit all Federal expenditures, and we have no choice as to whether we will conduct an audit or not. For a number of years there have been multibillion-dollar appropriations for Government. The result is that the audit and related tasks of the General Accounting Office have increased many times.

As a result of the war and postwar years, during which the appropriations for the Government reached an all-time high, the personnel of the General Accounting Office hit a peak of 14,904 in April 1946. Since that time, voluntarily and without any urging from the Congress, the number of personnel has been steadily reduced. There are now on the rolls 9,450 employees, a reduction of 5,454 in 3 years. It is my plan to continue this policy vigorously to the full extent consistent with the effective and timely performance of all duties with which the Office is charged.

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The estimates for the General Accounting Office for the fiscal year 1950 were very carefully prepared under my specific mandate that they were to be held to the absolute minimum under which we could carry on our work. Even after they had been submitted to the Bureau of the Budget, they were again gone over at the request of the then Director, Mr. James E. Webb, and reduced $388,000. Any cut now made in the estimates as submitted will force the serious curtailment of all activities of the General Accounting Office, and will cripple such constructive work as the audit of Government collections and expenditures, the development and installation of effective accounting systems, the audit of Government corporations, and the audit of wartime transportation vouchers, functions that are returning real money to the Federal Treasury and producing savings, in some cases many times the cost of their operations.

The report of the Committee on Appropriations of the House indicates that the recommendation for a reduction in the estimates for the General Accounting Office adopted by the House was made reluctantly and was based on the premise that there is a definite relationship between General Accounting Office appropriations and total appropriations for the Government. The report states that the General Accounting Office estimates for fiscal 1950 are more than six times the amount available for general activities of the Office during fiscal 1940, whereas the appropriations requested for the entire Government for fiscal 1950 are only three and one-half times the 1940 appropriations.

While I agree that there is a general relationship between our appropriations and those for the entire Government, I think it only fair in making any comparison between the two fiscal years to consider the entire amount available to the General Accounting Office for 1940, including the amount appropriated to the Office in the Emergency Relief Appropriation Act of 1939. This latter amount was not for relief projects, but for auditing, accounting, decision, investigating, and claims activities—no different than those having to do with regular Government expenditures. Including this amount, there was available to the General Accounting Office for fiscal year 1940, $10,531,540. Comparing this total with the estimate for 1950, the increase in our estimates is directly in proportion to the increase in the total appropriations requested for the Government for 1950 over the total appropriated for 1940—and this despite the fact that salary rates are now much higher than in 1940.

Moreover, I should like to point out, with all modesty, that the General Accounting Office as it now stands is not the same office it was a few years ago. Many new duties have been added by the Congress, and new approaches have been taken in performing our work which have made it more valuable not only in terms of money actually recovered and returned to the Treasury, but in terms of increased economy and efficiency. From 1940 to April 30 of this year the Office collected or caused to be collected and paid into the Treasury more than $635,000,000—almost two and one-half times the total cost of operation of the Office. The collection figure for the last fiscal year was approximately $107,000,000. For the current fiscal year to April 30 the figure is over $76,000,000.

A partial list of new duties imposed on the Office by law since 1941 can be found at page 976 of the House hearings on this bill. It includes those added by the Certifying Officers Liability Act; other related acts which tremendously increased our responsibilities in the audit of transportation payments; the George Act and the Government Corporation Control Act requiring us to audit all Government corporations; the Legislative Reorganization Act of 1946; and provisions of the Independent Offices Appropriation Acts with reference to property accounting (sec. 107 of this bill). These new duties, together with the increased use being made of the Office as the agent of the Congress by the Congress and its committees, take the daily time of hundreds of our employees and are among the most constructive and productive functions of the Office.

If the 10 percent cut in the General Accounting Office appropriations is allowed to stand it will have a drastic effect on every branch of our work, and will produce delays in meeting the work loads of the Office which may well result in loss to the Government far greater than any economy effected. I should like to mention briefly how this cut will affect the operating divisions of the Office.

OFFICE OF THE GENERAL COUNSEL

This particular office is responsible for considering all our legal questions. Such questions include matters arising in the various divisions as well as requests for decisions from the heads of the departments and agencies, as to the legality of proposed expenditures. This latter class is of extreme importance because such requests for decisions are made in advance of payments and involve, in some instances, the legality of entire Government programs as distinguished from payments in individual cases. We are always under the gun, and properly so, to dispose of such cases at the earliest possible moment. A 10-percent cut in the estimated cost of operating this office for 1950 will just about double the backlog of cases anticipated on June 30, 1950—in terms of time, there would be a 4 months' backlog.

CORPORATION AUDITS DIVISION

This division is responsible for the audit by commercial-audit methods of transactions of all Government corporations. The Government Corporation Control Act requires reports of our audits of these corporations to be made to the Congress not later than January 15 following the close of the fiscal year for which the audit is made. One of the reasons for placing this requirement in the law was so the Congress could have timely benefit of the reports in appraising the results of the corporations' programs and in passing on their requests for further funds. In making the reports we have furnished a résumé of the entire operation of each corporation and have made recommendations for changes in organization and methods and for new legislation, where necessary. Due to the tremendous backlog of work caused by our having to go back one full fiscal year at the inception of the audit, and to the difficulty of obtaining qualified personnel in sufficient numbers, we have not as yet been able to meet the deadline. As of now, there are 4 reports still due for the fiscal year 1946, 7 for the year 1947, and 15 for the year 1948. However, the reports that have been made, even though late, have had a valuable effect. They have contributed to the reduction in the number of Government corporations, and in just two cases have resulted in the payment of dividends to the Treasury approximating $22,000,000. We are presently exerting every effort to put this work on a current basis so that the audit reports will fully serve the purpose of the Corporation Control Act and be of greater use to the Congress and its committees than in the past. A reduction in funds for this work will prevent us from achieving this end.

ACCOUNTING SYSTEMS DIVISION

On January 6, 1948, after having been assured of the active assistance and cooperation of the Secretary of the Treasury and the Director of the Bureau of the Budget, I established in my immediate office the Accounting Systems Division and assigned to it the responsibility of developing, in cooperation with the Bureau of the Budget and the Treasury Department and all other interested departments and agencies, sound basic principles of accounting upon which can be built accounting systems designed to meet the requirements of the Congress, the executive branch of the Government, and the General Accounting Office. This joint accounting program, which is embodied more formally in documents signed January 6, 1949, by the Secretary of the Treasury, the Director of the Bureau of the Budget, and myself, contemplates the full development of sound accounting within each agency as a working arm of management in terms of financial information and control. At the same time, it envisions an integrated pattern of accounting and financial reporting for the Government as a whole responsive to the executive and legislative needs and adequately disclosing the financial condition of the Government. Recognition will be given to the need for a flexible basis for accounting development within agencies in the light of varying types of operations and management problems and to over-all fiscal reporting and auditing responsibilities. The accounting and reporting principles, standards, and basic procedures established will take into consideration the various areas of responsibility involved, the elimination of overlapping operations and paper work, and the fuller appreciation of efficient methods and techniques in accounting operations throughout the Government. Both savings in particular areas and much more effective results of accounting work are expected to grow out of this program. This is already being demonstrated in actual operation.

To curtail this activity at the present time would be a waste of much of the developmental work that has already been put into the program by Budget, Treasury, and the General Accounting Office and would most seriously retard the improvement of Government accounting.

CLAIMS DIVISION

The Claims Division handles one of our biggest jobs. It settles claims against the Government and collects debts due the Government. Last year over 300,000 claims were settled—$92,000,000 allowed and $17,000,000 disallowed. In addition this division collected for the Government $7,691,000. One of our current campaigns is to get up to date on the tremendous volume of war and postwar claims. This is not an easy task when we must ferret out the facts in each case and when most perplexing legal problems must be decided before a determination can be made as to whom and what to pay. We are presently disposing of some 18,000 claims a month but, conservatively estimated, we still have a 4 months' backlog. A reduction in funds for this work would not only delay consideration of claims of individuals against the Government but would also seriously affect collection of amounts due the United States. The backlog of work would materially increase and I have no hesitancy in saying that in some cases it would be many months before a claim could be reached for consideration. This activity is peculiarly close to the citizens and taxpayers of our country. With the present activities of the Government being of such magnitude many citizens become involved in claims against the Government or claims of the Government. If such claims do not receive prompt consideration—which they certainly should have—you gentlemen hear about it, and I hear about it.

AUDIT DIVISION

This division is responsible for the post audit of all Federal expenditures, with exceptions such as expenditures made

portation, expenditures by Government corporations, and expenditures made by the Post Office Department. It must not only see that payments made by the departments and agencies were legal and applied solely to the objects for which the appropriations were made, but also must enforce hundreds of restrictions and prohibitions which have been enacted into law. Audits are conducted both in the field and in Washington, and the transactions which must be examined are governed solely by the size and activities of the Government. This year this division will audit about 18,000,000 vouchers and examine well over 1,000,000 contracts. Collections as a result of the audit will exceed $13,000,000. At present the field audit is practically current, but the Washington audit is 12 months behind. We are committed to extension of on-the-site audits under proper conditions. A reduction in the audit force will prevent expansion of field programs, require discontinuance of recent field installations as well as the curtailment of others, and will materially increase the backlog of unaudited vouchers. The effectiveness which is gained from current and on-the-site audits will be lost to a considerable extent.

POSTAL ACCOUNTS DIVISION

This division is charged with auditing the multibillion dollar business of the Post Office Department and the postal service. The accounts and claims audited and settled arise from the activities of some 40,000 post offices, constituting the largest and most widespread public utility in the Nation. During the past 2 years there has been a marked increase in the volume of money orders and postal notes received, and present trends indicate this increase will continue. This operation is different from others in that the General Accounting Office does most of the administrative accounting work for the Post Office Department and the postal service. It is essential that this work be kept current not only to serve the administrative needs of the Department, but also to satisfy the requirements of law that the accounts of the Department be closed quarterly and statements of receipts and expenditures sent to the Secretary of the Treasury. At present, all phases of the audit are in a current status. Any reduction in the personnel of this division will retard the audit and create backlogs.

TRANSPORTATION DIVISION

In April 1948 I reestablished a Transportation Division to center in one place the work of settling claims for transportation charges and auditing of payments for transportation. The General Accounting Office has the sole responsibility for auditing all transportation payments made by the Government. This organization is carrying on an audit of current payments for transportation and a reaudit of certain wartime transportation payments previously audited under accelerated procedures. This activity alone collected back $36,276,000 during the fiscal year 1948. From July 1, 1948 to April 30 of this year $44,168,000 had been collected—over $8,000,000 more than the cost of the operations of the entire office for the fiscal year 1949. A cut will seriously affect the work of this division in that the audit will be further retarded and you gentlemen well know that the longer you wait to make a claim against someone the harder it is to collect. Any reduction in force in this activity will result in the loss to the United States, literally, of many dollars for each dollar curtailed.

OTHER ACTIVITIES

Without going into detail and by no means implying that the work is of less importance than that previously mentioned, a reduction in the budget estimates will seriously retard the work of the following organizations of the Office: the Accounting and Bookkeeping Division, where approximately 460,000 accounts are maintained and some 65,000 to 70,000 warrants examined each year, the prompt handling of which is essential; the Office of Investigation, which has people all over the country making investigations of irregularities in expenditures, resulting in substantial collections for the Government, and inspections of fiscal offices; the Reconciliation and Clearance Division, which performs mathematical, servicing, and record-keeping functions on which other divisions of the Office are vitally dependent, and which has the job of reconciling the monthly checkbook balances of the fiscal officers of the Government who issue about 1,000,000 checks each working day; and the staff operations, which include the Office of Administrative Planning, Division of Personnel, Office of the Chief Clerk, and the members of my immediate staff.

This request for funds is not personal to me. In fact my job would be much easier in some respects if we had fewer people. But I cannot disregard the serious effect a reduction in force at this time would have upon the work of the General Accounting Office as the agent of the Congress and upon the fiscal operations of the Government as a whole. For reasons which I have tried to make as clear as this statement permits, I am impelled to ask that the amount of $3,685,200 by which the House reduced our estimates be restored. I shall be glad to provide any additional information the committee may require.

Making Child Abandonment a Federal Offense

EXTENSION OF REMARKS

OF

HON. GEORGE H. WILSON

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1949

Mr. WILSON of Oklahoma. Mr. Speaker, the program of Federal-State assistance of dependent children under the provisions of the Social Security Act has been the only source of financial help that has saved many a child from near starvation, rags, and disease. No one will deny the beneficial features of this program but I feel compelled today to call to the attention of the House an abuse of this program that has increased its cost to the public tremendously and which has served to discredit its otherwise noble purpose. I would direct your attention to the fact that there are today around 1,200,000 children receiving assistance under this program at a cost of $352,000,000 a year. In 1939, when we had greater unemployment, only 666,000 children were thus receiving assistance. What has caused this phenomenal increase? Times are not so hard. Our population has not doubled to account for the doubling in assistance cases. The plain truth is that many able-bodied parents have flaunted State nonsupport statutes and have abandoned their children knowing that they will be cared for in any event.

I estimate that 35 percent of the cases on the assistance rolls for dependent children are cases where an able-bodied parent has abandoned a child or children. Two and one-half percent of all the children in the United States under the age of 18 are receiving such assistance and I am not at all proud of the fact that my State leads them all with 7.2 percent of the children under 18 on the assistance rolls. Most States have nonsupport statutes and many make nonsupport a felony. Our law enforcements officers and prosecutors are courageously endeavoring to apprehend parents who have deserted or abandoned their children and to require them to support their children or be penalized accordingly. I am informed that the Oklahoma Legislature has recently made it a mandatory duty of the county attorney to prosecute child abandonment cases. But this still is not enough. Local enforcement officers are not getting full information from the welfare authorities and their confidential records as to those cases of assistance involving abandonment. All too many of our lazy fathers find it convenient to leave the State and their dependents and find new interests in other States. They openly boast of their ability to beat support orders. A contempt order from court is not effective if the contemnor cannot be reached. Extradition under the criminal proceedings of those who have gone to another State to escape their parental responsibilities is a slow process and I hear of instances where extradition is refused. Even where expensive criminal proceedings are begun and extradition is sought and obtained, local officials of most States have but enough travel expense allowed to make two or three long trips a year.

Mr. Speaker, the problem I am pointing up is not one to make us abandon our program of assistance to needy children but the law should be amended to give Federal, State and local law enforcement officials any information on abandonment cases receiving assistance. It should further be made a felony to abandon or desert one's dependent child or children and then move in interstate or foreign commerce. My good friend and able colleague from the Fourth District of Oklahoma, TOM STEED, has introduced a bill which is admirably suited to accomplish this purpose. That bill is H. R. 4057. I wholeheartedly endorse that bill and urge its passage at this session of Congress. It will place responsibility for support where it belongs, on able-bodied parents. It will reduce juvenile delinquency because a parent who must support his or her children is going to care for them more and supervise their activities. And it will save our taxpayers the expenditure of many, many dollars and make creditable and effective this assistance program as a desirable adjunct of our social-security program.

The problem is clear and the solution is simple. The legislation I am supporting will attack this problem in this manner:

First. It will make it mandatory for the welfare worker to notify the county attorney when a child is given assistance because it has been abandoned by a parent. This information is now held confidential and cannot be given under existing law.

Second. When a parent crosses a State line after having abandoned a child,

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such parent immediately becomes subject to prosecution in Federal courts.

I shall continue my fight for this legislation until this child abandonment curse is eliminated.

An Atomic Aftermath

EXTENSION OF REMARKS
OF
HON. JACK Z. ANDERSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. ANDERSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith the following timely reference to the atomic bomb:

AN ATOMIC AFTERMATH

That toadstool form above Bikini isle,
Which mushroomed fraught with pestilence and death;
Hideous, wide publicized in press and screen
With prophecies men hope may ne'er come true:
This sets the tasks for me and you and you.
God grant us Christian leadership, matured
In practice as in word; for knowing not
His Message of the Mount, they must destroy
Who tamper with the secrets of creation.

THE TIME TRAVELER

A sea-worn traveler from a distant strand
Stood on a vessel's deck which stemmed the flood
Once roadstead to a world metropolis.
On either side rose banks of masonry
Whose blasted outlines showed the hand of time
Through moss and vine which fain would hide the walls
Decadent 'mid the rubble of what once was great.
And as the traveler viewed the scene, he mused:
This waste reminds of many an ancient tale—
Once small contrivances took in a flash
These pictures we now sketch with tedious pains,
In lines and tints more faithful to the scene.
They e'en could flash their pictures o'er the seas
With living voices on the ether's wave
And tell the varied happenings of the hour
To audiences ten thousand miles away.
They once shot thru the air on wings of steel
And traveled to our distant home in days
Where months are now consumed in ships of sails
As bring us to these ruined shores of yore.
And where these piles of wreckage lie, there stood
A city vast, whose night outshone the noon—
They drew the lightning from the clouds and air,
Conveyed it o'er the land on far flung wires
In retail to the homes and shops and marts
As light and heat, and motive power for steel
That nerveless toiled as brawn and brain for men
No more to poverty in thrall. So say
The legends of that past and distant day.
'Tis gone, that dazzling age when men aspired
And touched the multiple-dimensioned realm
Where dwells the awesome prime creative power
Which men attribute to divinity.
Their sages found the secret of the suns
Which give Orion brilliance and to earth
Gives life and growth. From the atom's unseen core
They plucked and harnessed it—a potency
To light the lamps of heaven, or fires of hell.
Yes, men aspired and nigh became as gods
Wielding creation's forces with a skill
That could have built on earth a paradise
Exempt from deadening toil and futile strife,
A realized republic of mankind,
With babel nullified about a tower
Of world-wide welfare widening to the skies.
But not in lofty purpose sages wrought,
No peaceful need conceived the lethal plan
To forge a mightier missile to destroy,
Feigned as a final weapon to end war,
Which leveled cities with explosive breath
And scattered vapors emanating death
And blasted lives unborn. Extermination
Became the fear, then study of each nation,
Till all built up to form a mad obsession
That held a jittered world in fast possession,
With minds combustible from premonitions dire
Of pestilential bombs and dread atomic fire.
Little was left to tell the gruesome tale—
In that last battle of the hemispheres
Civilization exploded in one flash
The pride and progress of 10,000 years,
Empires of wealth and military power,
Triumphs of industry and engineering lore,
Glory of art and bibliographic store
Lay shattered waste 'mid poisoned atmospheres.
The palaces of those imperial powers
That dared dispute dominion of the skies
Became the broken haunts of sickened clans,
Remnants of races, in seed and body maimed,
Unmindful of ancestral antiquities,
Inbecile to civilization's complexities.
Some peoples did survive with life and genes
Untouched by strife at Earth's antipodes,
And there truncated from the parent stem
Material culture waned. All had been lost
If there had not been an inheritance
Of spiritual significance to man
Which lives not in the mechanized paraphernalia of private gain and war,
Whose undue quest determined death and doom.
And now we travelers from those bounds remote,
In time far distant from that mortal day,
Are drawn by urges to lay curious hands
On principles once fatal to those sires.
Perhaps in yonder ruined piles there lie
In printed page or model undecayed
That science, fraught with human weal or woe
As lists the heart that guides the hand thereto—
Learning which may be manna from on high
A sustenance and blessing to the race,
Or may become the fire from Heaven rained
That purged the godless plain of Sodoma.
We come from far, seeking for weal or woe,
God grant us Christian maturity, for they
Who do not know His Message of the Mount,
In practice as in word, can but destroy
By tampering with the secrets of creation.

—*John Francis Lemon.*

Realistic Liberalism

EXTENSION OF REMARKS
OF
HON. IRVING M. IVES
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Wednesday, June 1 (legislative day of Monday, May 23), 1949

Mr. IVES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "Realistic Liberalism," delivered by me upon the occasion of the commencement of the New School for Social Research, New York City, on May 31, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. President, yours is a school of liberal outlook and pragmatic approach. Your aim is to discover the higher social values and the techniques by which these values can be implemented within the framework of a free society.

This is also the aim of true liberal statesmanship.

When Aristotle, that brilliant philosopher of antiquity, deigned politics as ethics, he was simply saying that politics must strive to attain the highest possible social values in the context of one's times.

Aristotle's ethical concept of politics was the genesis of realistic liberalism. It was based on integrity, and not demagoguery.

Realistic liberalism calls for essential honesty: A desire to promote the greatest possible good for the greatest possible number without violence to liberty or jeopardy to free institutions.

It is not a simple task to formulate an acceptable definition of liberalism; the term has meant different things to different men at different eras of history.

To Adam Smith it meant "laissez-faire" and the complete abrogation of governmental restraints.

To John Stuart Mill it meant "the good life" under a system of agrarian socialism.

To William Jennings Bryan it meant the free coinage of silver and the dismantlement of the citadels of high finance.

To many in more recent years it has meant an extension of governmental authority to provide a more equitable balance between the well-to-do and the underprivileged.

Yet, though their specific objectives have varied, every genuine liberal movement in the history of the world has been propelled by a deep-rooted faith in the dignity of man and his inalienable rights to political freedom and economic emancipation.

Humanitarianism, then, is the common denominator of the true liberal philosophy.

Humanitarianism impels us to desire to clear the slums, to build adequate homes for everyone, to grant Federal aid to public education, to provide insurance for sickness and unemployment, and security for one's declining years.

It is precisely because liberalism is essentially humanitarianism that it has lent itself to exploitation and abuse by political charlatans and self-seekers.

The irresponsible demagog who calls himself a liberal will readily promise swift and complete fulfillment of every human yearning without heed to consequences or repercussions. There are altogether too many such men in public life and the American people must learn to beware of them.

The realistic liberal—and there are altogether too few of that sort in American public life—will measure the extent to which the national economy can accommodate the agenda of social needs and will press for as much of the program as can be completed at any given time without serious dislocation.

That is the difference between the fair-weather liberal and the realistic liberal.

The realistic liberal weighs values and consequences before making a decision. His first concern is to preserve the stability of the American Nation upon which our freedom and our standards of living and the peace of the world are all conditioned. He is mindful of the fact that an economic crisis, brought about by inordinate spending, could not be isolated without our own boundaries; and that once we lose our position as a citadel of financial strength, our resistance to Communist aggression will also collapse; and all the Marshall-plan billions we shall have spent will go down the drain, a complete and irretrievable waste of our substance.

These are but few of the factors an honest liberal must appraise in determining the extent to which social reforms can be carried out at the present time.

That large segments of our population deserve healthier environment and greater security cannot be gainsaid. That these needs are urgent is no longer debatable. Yet, right now, the most pressing problem that confronts the American people is to halt the impairment of the Nation's economic stability that we may keep our heritage of freedom and make it the pillar of peace. This value must therefore supersede all others in the thinking of every honest, American liberal.

There are, to be sure, large segments of the liberal program that can be promptly consummated without material cost to the Federal Government. I have in mind legislation to outlaw discrimination in employment. Here is a measure, consonant with the finest of liberal traditions, that embodies the essence of humanitarianism and toleration.

I shall continue to press this legislation, notwithstanding the ramparts of any melancholy combine of reactionary political forces.

We can also take a forward step by initiating Federal aid to public education and adopting the more urgent features of housing legislation three times passed by the United States Senate.

But we must watch the budget. The debt and the budget—make no mistake about it—are intimately related to the problems of liberty and peace.

Should reckless spending precipitate disaster, the very people whom we are striving to help would be the principal victims of the catastrophe.

Misery is a breeder of radicalism; and should that day come, our people might listen to any demagog who promises a panacea at the expense of free government. Seeds of discontent planted in the soil of adversity produce the ugly fruit of despotism.

These, then, are the contingencies a realistic liberal must always bear in mind. The fair-weather liberal who thrives on promises to everyone of every thing is false to the traditions of American liberalism and a menace to his country's mission as the guardian of freedom and peace.

Those are true liberals who advocate human progress within the orbit of free and stable institutions.

Liberalism is a blending of freedom with humanitarianism.

Liberalism is enlightened democracy working in socially beneficent directions.

Liberalism rejects reaction of every type, imperialism of every form and totalitarianism of every shade.

Liberalism is not a harlot to be picked up on the street by any demagog; nor is it a brothel for the fellow traveler, nor a mask for those who would subvert our charters of liberty.

We who are liberals, we who truly believe in freedom and human progress must assert ourselves without fear or equivocation.

We live in a critical period.

Here and everywhere the trend is toward greater and greater governmental authority and lesser and lesser individual and community responsibility.

Here and everywhere the individual and the community are becoming increasingly dependent upon a strong centralized state.

Here and everywhere demagogues are peddling the deadly drug of statism under the fraudulent label of liberalism.

The basic problem of government—the reconciliation of liberty with authority, of individual freedom with social organization—presents itself more acutely today than at any other period of history. It has, in fact, assumed more and more the form of dilemma so urgent and inescapable that large sections of humanity have given up liberty in exchange for the modicum of security to be derived from the effective regimentation of society by authoritarian government.

Democracy is thus challenged to prove that freedom and organization, the two needs of human beings living in society, are not incompatible and mutually exclusive.

The American system, with its federalism, separation of powers, written constitution, and doctrine of judicial review, provides a most effective institutional equipment for meeting this challenge.

I am confident these institutions will rise to the occasion if the people are alerted to the stakes that are involved. For free institutions are only as strong as the public opinion that supports them.

The great need of the moment is for men and women who can provoke public opinion and canalize it in directions that are constructive.

In the last analysis, the fate of democracy lies in the hands of those who mold the Nation's thinking.

I am sure the new school is fully cognizant of this titanic responsibility. The caliber of your president and of your faculty bear ample testimony to the quality of leadership you can provide at this critical period in our Nation's history.

In the halls of learning, as in the Halls of Congress, we need vision, courage, and integrity. These are no times for cowardice, opportunism, or mediocrity. The decisions we make, the orientations and outlooks we develop over the next few years will determine our success or failure in the mighty struggle for democratic survival.

The Basing-Point System and the New England States—New England Made Huge Contributions to Cement Trust in Phantom Freight—Rockland, the Only Cement Mill in New England, a Non-Basing-Point Mill—Basing-Point System Does Not Permit Customer To Reap Benefit of Lower-Cost Transportation—New England States Arbitrarily Apportioned Among Members of Cement Industry—Small Business in New England Will Benefit by Defeat of Moratorium

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EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. PATMAN. Mr. Speaker, the New England States have been important to the American scene since the earliest days of our history. No one region of our country has contributed more t the development and culture of our people than have the six States comprising the New England States. We are all familiar with the high lights of New England's progress and development. We have been taught from infancy of New England's contribution to freedom of religion, of speech, and of the press, the founding of the Plymouth Colony, the Boston Tea Party, the Green Mountain Boys, Nathan Hale, the founding of the first university in America, and of the eloquence of Daniel Webster. We have learned and know of New England's great fisheries industry founded in the early days of her history when her trade and commerce extended to every point in the known world. We have learned of the adeptness of New England's people in the arts and crafts, and in the manufacture of thousands of useful articles of commerce.

BASING-POINT SYSTEM UNFAIR TO NEW ENGLAND

I have a great admiration for the people of New England and for the many things which New England has contributed to our way of life. The careful and exacting methods of New England's craftsmen have given us many of our fine tools and machines to carry on the development of our manufacturing industry throughout the country. In her decorative arts, both for utility and ornament, New England's contribution in the working of gold, silver, copper, brass, and steel, is matchless. Withall, the New England States of Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont, are States which challenge the imagination when thinking of New England's past, present, and future. It is unfortunate that the New England States, like all other States, have been subjected to monopolistic and unfair trade practices of the basing-point system of pricing; the system which the Supreme Court outlawed on April 26, 1948, and which its proponents desire to have Congress legalize by way of legislation or by the passage of a moratorium bill which will furnish a convenient screen to hide behind while reconstituting and reinvigorating the now decadent basing-point system.

NEW ENGLAND PAYS PHANTOM FREIGHT TO THE CEMENT TRUST

In all of New England, one cement plant has been built in recent years. This plant is located at Rockland, Maine. Most of the cement used in New England of American origin was produced in New York and Pennsylvania. The basing points for shipment of cement into the New England States were Alsen and Hudson, N. Y., and Northampton, Pa. The Rockland plant, of the Lawrence Portland Cement Co., with its main office in New York City, was not a basing-point plant. In other words, freight on all cement shipments into New England was paid by the purchaser on the basis of freight rates from Hudson and Alsen, in New York, and Northampton, in Pennsylvania. The Howes Cave plant in New York, owned by the North American Cement Corp., of New York, and the Glen Falls plant, owned by the Glen Falls Portland Cement Co., and the Cementon plant of the Alpha Portland Cement Co. of Easton, Pa., were all non-basing-point plants. The trade territory embracing New England was divided approximately as follows: First, a small portion of northern Connecticut, all of Massachusetts with the exception of the Cape area south of Boston, the States of New Hampshire and Vermont, and a good portion of Maine was alloted by the Cement Trust to Alsen and Hudson, N. Y. Second, the southern two-thirds of Connecticut, most of Rhode Island, and the

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Cape territory south of Boston was allotted to the Northampton, Pa., basing point. Third, another large portion of Maine comprising mose of the northern half, and a great deal of the territory along the coast, was common territory for Northampton and the Hudson and Alsen basing points.

The fact that there was a cement plant at Rockland, Maine—a non-basing-point plant—which had lower freight rates to hundreds of destination points in New England, did not weigh upon the conscience of the Cement Trust for an instant, because it has grown fat and plush on the unearned dollars collected from the buyers of cement by way of excess or phantom freight. The Rockland mill of the Lawrence Portland Cement Co., as set forth in Docket No. 3167 of the Federal Trade Commission in the matter of Cement Institute et al., controlled no territory whatever. In the words of the brief for the respondent, filed in the United States Seventh Circuit Court of Appeals:

For example, Rockland, Maine, mill of petitioner Lawrence, would control all of Maine and parts of New Hampshire, Vermont, and Massachusetts, if its freight advantage were the controlling factor. Instead, it controlled no territory whatever. It waived its freight advantage in all the territory named and allowed Lone Star and other mills of the Hudson Lehigh Valley groups to control the price in that territory. At the same time that it waived, and because it waived such advantage, the Hudson Valley mills found their natural disadvantage of location removed. In the same way, the nonbase mills at Glen Falls, Howes Cave, Jamesville, and Portland Point, N. Y., waived their freight advantages over the mills in the Hudson and Lehigh Valleys and allowed the latter to fix the delivered price quotations without regard to such advantages. By the same token, the Howes Cave and Lehigh Valley mills were relieved of their handicap. The mill at Portland Point has a freight advantage over all other mills in substantial and contiguous parts of New York and Pennsylvania, but the delivered price quotations in such territory are determined by the Lehigh Valley mills, which are at a substantial freight disadvantage when selling into that territory. The same state of affairs exists in varying degrees in all basing-point areas where some of the mills are nonbase mills.

It is necessary to point out that the Hudson basing point was controlled by the Universal Atlas Cement Co., a subsidiary of the United States Steel Corp., and the largest single producer in the business. The Alsen basing point was controlled by the Lehigh Portland Cement Co., while the Northampton basing point was jointly controlled by the Lawrence Portland Cement Co., owner of the Rockland plant, and by the Universal Atlas Cement Co., owner of the Hudson plant. It is easy to see how the cement trust could control territories, not only control territories in New England, but control territories everywhere in the United States. This statement is not a mere assertion, it is documented throughout the case involving the Cement Institute and other companies in the aforementioned docket. It was not merely coincidence which moved the Supreme Court in its decision to say that "the core of the charge was that the respondents had restrained and hindered competition in the sale and distribution of cement by means of a combination among themselves, made effective through mutual understanding or agreement to employ a multiple basing-point system of prices." It was also no coincidence that the basing-point system was described by our High Court as "a handy instrument to bring about elimination of any kind of price competition."

It is well to remember that under the basing-point system of pricing, as used by the cement, the steel, the flat glass, and other industries, no purchaser ever paid less than the actual freight, and most purchasers paid more than the actual freight because of the arbitrary and discriminatory basing-point-pricing system.

ILLUSTRATIONS OF PHANTOM FREIGHT ON CEMENT IN NEW ENGLAND

The following destinations are used as examples of destination points in the several New England States which, under the basing-point system, paid phantom freight before the system was outlawed by the Supreme Court. The rates used to compute the freight are those filed as an exhibit—Commission's exhibit 1110–R in Docket No. 3127 of the Federal Trade Commission, rates which have been increased since that time. Specifically the rates were those as published in tariffs on file with the Interstate Commerce Commission and the public utilities commission of the respective States, effective July 1, 1935, with emergency charges authorized by the Interstate Commerce Commission in Ex Parte 115 until June 30, 1936, unless sooner canceled or extended, and as compiled by the Cement Institute. You will recall that a barrel of cement weighs a little less than 400 pounds, and is usually sold in sacks, 4 to a barrel, weighing slightly less than 100 pounds each.

As stated above, the computations which follow are based on rates in effect 12 years ago, which rates have materially increased since the action brought forward in Docket No. 3157. The Cement Trust had one of these handy books for each State or group of States, and thus were able to consistently and continually bid identical prices to purchasers at each and every destination.

MAINE

A table for Maine, based on exhibit No. 1110–R, follows:

Destination point in Maine	Applicable basing-point freight charged per barrel	Lowest mill freight charged per barrel	Phantom or excess freight per barrel
Abbot Village	$1.01	$0.72	$0.29
Annabessacook	.78	.47	.31
Augusta	.78	.47	.31
Bangor	.99	.70	.29
Columbia Falls	1.08	.82	.26
Deep Cut	.76	.43	.33
Detroit	.91	.61	.30
Dexter	.95	.67	.28
East Lyndon	1.25	.95	.30
Fairbanks	1.10	.72	.38
Golders	.78	.45	.33
Hardings	.76	.41	.35
Ingalls Road	1.14	.76	.38
Jonesboro	1.08	.82	.26
Kennebec	.80	.51	.29
Lewiston	.76	.47	.29
Muscongus Bay	.78	.33	.45
Newcastle	.78	.33	.45
North Freeman	1.18	.72	.46
Old Orchard Beach	.72	.47	.25
Penobscot	1.06	.80	.26
Portland	$0.72	$0.47	$0.25
Rockland	.82		.82
Shattucks	.78	.37	.41
South Rowhegan	.89	.61	.28
Topsham	.76	.41	.35
Warren	.80	.28	.52
Waterville	.80	.49	.31
Yarmouth	.74	.45	.29

You will note in reading the above table of a few destinations in Maine, that the fact that Maine had a cement plant located within its borders did not assure the State of Maine, its counties, its municipalities, nor the industries in Maine, when buying cement, any advantage because of the location of the Rockland Cement mill. I do not think it possible to express adequately the unfairness of a trade practice which would deny the natural advantage accruing by reason of location, or for other reasons.

TAXATION WITHOUT REPRESENTATION

The people of New England have, within the bounds of reason, as worthy a cause in preventing the return of the basing-point system as was the cause of taxation without representation. Certainly the people of New England have no representation as a people in the councils of the Cement Trust which taxes them with these unearned, unfair, and unpredictable amounts of excess freight in the purchase of a basic commodity. If I were speaking directly to New Englanders, rather than through the written word, I would be inclined to say, "Rise up Minute-Men, rise up Green Mountain Boys, rise up all ye patriots, and defend yourselves against the onrushing tide of monopolistic and collusive practices in violation of our antitrust laws." I would say, "Stand firm against any legislation that would subvert the antitrust laws and put small business and the individual in a position where they are at the mercy of those who would restrain, restrict, and monopolize our trade and commerce."

MASSACHUSETTS

A table for Massachusetts based on exhibit 1110–R follows:

Destination point in Massachusetts	Applicable basing-point freight charged per barrel	Lowest mill freight charged per barrel	Phantom or excess freight per barrel
Amesbury	$0.67	$0.57	$0.10
Andover	.63	.59	.04
Arlington Heights	.65	.61	.04
Barnstable	.80	.70	.10
Boston	.63	.61	.02
Bourne	.78	.68	.10
Brockton	.76	.67	.09
Cambridge	.63	.61	.02
Cataumet	.78	.70	.08
East Saugus	.65	.59	.06
Fall River	.74	.67	.07
Haverhill	.65	.57	.08
Ipswich	.67	.57	.10
Lawrence	.63	.57	.06
Lowell	.61	.59	.02
Lynn	.65	.59	.06
Middleboro	.76	.67	.09
New Bedford	.78	.67	.11
Newburyport	.67	.55	.12
Onset	.78	.68	.10
Plymouth	.78	.68	.10
Pocasset	.78	.68	.10
Salem	.65	.59	.06
Salisbury	.67	.55	.12

Destination point in Massachusetts	Applicable basing-point freight charged per barrel	Lowest mill freight charged per barrel	Phantom or excess freight per barrel
Sandwich	$0.78	$0.70	$0.08
Taunton	.74	.65	.09
Wareham	.78	.68	.10
Wellfleet	.84	.70	.10
Beverly	.65	.59	.06
Clinton	.59	.59	
Deerfield	.51	.51	
Dover	.63	.63	
Longmeadow	.51	.51	
Melrose	.65	.61	.04
Milton	.65	.65	
North Attleboro	.74	.63	.11
Worcester	.57	.57	

It is not my intention to make too extensive comment on each one of the illustrative tables which I am including in this article, but rather I will let the tables speak for themselves. Please remember, however, that these are merely illustrations, and the record in docket No. 3157 includes every destination point on every railroad in all of New England. It would be helpful if the whole volumes of these rate books could be reproduced, but space has some limitations. I do not mean to say that all destination points pay phantom freight. I do repeat, however, that most destinations under the basing-point system, as operated by the cement industry, did pay phantom freight.

VERMONT

A table for Vermont based on exhibit 1110–R follows:

Destination point in Vermont	Applicable basing-point freight charged per barrel	Lowest mill freight charged per barrel	Phantom or excess freight per barrel
Albertson	$0.70	$0.57	$0.13
Beecher Falls	.76	.67	.09
Castleton	.49	.37	.12
Centervale	.68	.63	.05
Concord	.68	.63	.05
Danville	.68	.65	.03
East Brighton	.74	.63	.11
East St. Johnsbury	.68	.63	.05
Fair Haven	.49	.37	.12
Fitches	.72	.61	.11
Florence Junction	.70	.57	.13
Gilman	.70	.61	.09
Hollister	.70	.57	.13
Hydeville	.49	.37	.12
Lyndon	.68	.65	.03
Miles Pond	.70	.61	.09
Newport	.70	.68	.02
Northfield	.65	.65	
Norton	.76	.65	.11
Orleans	.70	.67	.03
Proctor	.53	.41	.12
Putney	.55	.55	
Rutland	.51	.41	.10
Springfield	.63	.63	
Stevens	.72	.61	.11
Summit (Essex County)	.76	.63	.13
Wallingford	.51	.41	.10
West Rutland	.51	.39	.12

I say with praise that Vermont is known among our States as the home of folk who have a keen eye and a steady hand when a trade is to be made. But no matter how keen the eye, or how steady the hand, if you bought cement or steel, or other products using the basing-point system, your trading abilities were reduced to a mere nothingness. Where there is no basis for a trade, and where there is no competition, I ask in all seriousness what recourse has a purchaser, whether public or private, against such tactics and such systems?

CONNECTICUT

A table for Connecticut, based on exhibit 1110–R, follows:

Destination point in Connecticut	Applicable basing-point freight charged per barrel	Lowest mill freight charged per barrel	Phantom or excess freight per barrel
Baltic	$0.67	$0.59	$0.08
Bridgeport	.57	.55	.02
Canterbury	.68	.59	.09
Clinton	.63	.59	.04
Cobalt	.63	.55	.08
Danbury	.57	.51	.06
Jewett City	.68	.61	.07
Hartford	.53	.53	
Madison	.61	.59	.02
Meriden	.61	.55	.06
Middletown	.61	.55	.06
Naugatuck	.61	.53	.08
New Britain	.63	.53	.10
New Haven	.59	.55	.04
New London	.65	.61	.04
Norwalk	.55	.55	
Norwich	.67	.59	.08
Orange	.59	.55	.04
Palmertown	.67	.61	.06
Putnam	.68	.61	.07
Rockville	.55	.55	
Seymour	.59	.55	.04
Stratford	.55	.55	
Union City	.61	.53	.08
Wallingford	.61	.55	.06
Waterbury	.61	.53	.08
Westbrook	.63	.59	.04
West Chester	.65	.57	.08
Westport	.55	.55	
Willimantic	.65	.57	.08

Connecticut was a little bit better situated under the basing-point system, as it applied to cement, because the destinations in Connecticut on the whole were closer to the basing points. This was not altogether true because most of Connecticut was based on Northampton, Pa., rather than on the closer basing points of Alsen-Hudson. The freight rates were higher from Northampton than they were from the Alsen-Hudson district. As described above, the arbitrary division of territory among the members of the Cement Trust produced this inequitable situation. You cannot have free and open competition and free markets on a basic commodity like cement or steel when States are divided up among the suppliers of the product so as to reap the greatest advantage pricewise and marketwise.

RHODE ISLAND

A table for Rhode Island, based on exhibit 1110–R, follows:

Destination point in Rhode Island	Applicable basing-point freight charged per barrel	Lowest mill freight charged per barrel	Phantom or excess freight per barrel
Anthony	$0.70	$0.63	$0.07
Barrington	.74	.65	.09
Bristol	.74	.65	.09
Coventry	.70	.63	.07
East Greenwich	.70	.65	.05
Greene	.70	.61	.09
Hope	.72	.63	.09
Kingston	.70	.65	.05
Middletown	.76	.70	.06
Natick	.72	.63	.09
Newport	.76	.68	.08
Oak Lawn	.72	.63	.09
Olneyville	.72	.65	.07
Pontiac	.72	.65	.07
Portsmouth	.76	.67	.09
Providence	.72	.63	.09
Slocums	.70	.65	.05
South Providence	.72	.65	.07
Summit	.70	.63	.07
Tiverton	.76	.67	.09
Warren	.74	.65	.09
Washington	.70	.63	.07
West Barrington	.74	.65	.09
West Norwick	.72	.63	.09
Wickford	.70	.67	.03

It should be kept in mind as we review these tables that all of the States in New England, with the exception of Vermont, have fine harbors through which coastwise trade and traffic from all over the world flow steadily. The tremendous barge movement in Long Island Sound, and up through various bays and inlets of southern New England, and the lower water rates for the barge movement in this area, were not taken into consideration in the sale of cement. This was equally true under the basing-point system for shipping all up the coast of Massachusetts, New Hampshire, and Maine. Had cement, steel, and some other basing-point system commodities been allowed to move at the lower water rates, the savings for a great portion of New England in these commodities would have been much greater than can be shown in the all-rail tables. It is well known that a goodly percentage of the coal consumed by New England moved out of Hampton Roads, Va., and the New York harbor area. Colliers and barges shuffle back and forth loading and unloading fuel for New England the year around. Oil moved by tanker into the New England harbors, and many of the basic commodities and raw materials, move into New England over its trackless waterways with the savings and transportation accounted for in the price. This cannot be said of commodities sold under the basing-point system.

NEW HAMPSHIRE

A table for New Hampshire, based on exhibit 1110–R, follows:

Destination point in New Hampshire	Applicable basing-point freight charged per barrel	Lowest mill freight charged per barrel	Phantom or excess freight per barrel
Andover	$0.70	$0.59	$0.11
Berlin	.72	.57	.15
Concord	.63	.61	.02
Dover	.67	.53	.14
Exeter	.67	.55	.12
Farmington	.68	.53	.15
Glen and Jackson	.74	.55	.19
Gonic	.68	.53	.15
Hayes	.68	.53	.15
Howe's Pit	.70	.55	.15
Intervale	.74	.55	.19
Jefferson	.70	.55	.15
Lancaster	.70	.59	.11
Lebanon	.61	.61	
Lee	.67	.55	.12
Manchester	.63	.57	.06
Nashua	.61	.59	.02
Newmarket	.67	.53	.14
North Conway	.74	.53	.21
Ossipee	.72	.57	.15
Percy	.72	.59	.13
Redstone	.74	.53	.21
Rochester	.68	.53	.15
Somersworth	.68	.53	.15
Twin Mountain	.70	.55	.15
Wolfeboro	.72	.57	.15

New Hampshire shows a high rate per barrel for excess or phantom freight exacted as unearned profit from the State of New Hampshire and from its citizens. An examination of each of the tables above will find phantom freight in a greater or less degree. In New Hampshire the cents per barrel of excess freight are greater than in Connecticut and Rhode Island. Regardless of the degree or the difference of phantom freight in the New England States, or in any other State, the fact remains that the basing-point system, by its ability to extract

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these excess sums in the sale of cement, creates a monopoly. Where there is more than one unit in an industry, which has a monopoly on any particular product, there must be tacit understanding or real agreement.

BASING-POINT SYSTEM DOES NOT CONSIDER LOWEST RATES OF FREIGHT TO DESTINATION

There are many ways by which goods and merchandise can be transported and a variety of transportation charges, depending upon the method of transportation. Under the basing-point system in some of our heavy goods industries, the purchaser is not permitted to receive the benefit accruing from the most economical method of transportation. There are many combinations in the use of transportation facilities which produce lower charges for transportation. As examples, there are combinations of rail-water-rail; there are combinations of rail-water or water-rail; there are combinations of truck-rail or truck-water, and many other combinations of methods of transportation which produce the most economical way of transporting merchandise. Under the basing-point system none of these methods have any effect.

BASING-POINT SYSTEM DOES NOT CONSIDER LOCATION OF PLANT IN RELATION TO MARKETS

Under the basing-point system no attempt is made by the perpetrators of these systems in our basic commodities to permit a plant to serve in relation to its natural markets. The natural advantage of location is wiped out by the fact that purchasers are placed arbitrarily in the position of paying the highest transportation rate from a distant point rather than the lower transportation rate from a nearby source of supply. Such was the case in a large portion of New England when the plant at Rockland, Maine, was made a non-basing-point plant. There were other cement plants located in New York which were non-basing-point plants and which had more favorable rates into certain portions of New England. But, since Alsen-Hudson and Northampton controlled the whole territory of New England, New York, most of Pennsylvania, New Jersey, and Delaware, it requires little imagination to realize the great price that New England and her nearby sister States have paid as ransom under the basing-point system of pricing.

BASING-POINT SYSTEM IN STEEL IN NEW ENGLAND

Space does not permit going into all the ramifications of the distribution of steel into the New England States. I hope to go into this situation fully in the near future. However, it will be recalled that for a great number of years, despite the location of steel plants at Bethlehem and other points in eastern Pennsylvania, all steel moving into New England was under the Pittsburgh-plus system. I have found no evidence that steel was ever permitted to move coastwise under the beneficial and lower water rates. At the time the Supreme Court outlawed the basing-point system, there was also a large steel plant at Sparrows Point, Md., on the Chesapeake Bay, and the steel industry in eastern Pennsylvania had expanded enormously since the Pittsburgh-plus system was abolished. Some of these eastern Pennsylvania plants and the Sparrows Point plant were basing points for certain steel products. However, no evidence is immediately available that customers in New England ever received under the basing-point system the benefit of the lower water rates. It is my understanding that all prices quoted by the steel industry from any basing point were always sold on the basis of the higher all-rail rate.

SMALL BUSINESS IN NEW ENGLAND

New England is noted for the number and character of its small-business enterprises, parficularly in the manufacturing field. The hundreds of small plants within New England have long paid artificially high prices to the Cement and the Steel Trusts. It has been shown in the Rigid Steel Conduit case that for certain steel products the New England manufacturer paid the freight from Pittsburgh or his raw material, no matter where he bought it, and then was forced to charge his customers the additional freight from Pittsburgh on the finished product. Certainly the purchasers of steel products in New England, where such products are manufactured in profusion, are entitled to pay no more than the freight from the point of manufacture.

In order to survive, small business must be permitted to have access to free markets. Small business cannot win through to victory unless its opportunities are at least equal to those of its bigger and stronger competitors. Recent figures published by the Federal Trade Commission and the Securities and Exchange Commission, showed that in the fourth quarter of 1948, concerns with less than $250,000 annual turn-over came out on the average with a slight deficit after taxes. In the face of these figures, and others which are equally discouraging at the moment, for Congress to pass a moratorium on our antitrust laws is, to me, unthinkable. I have previously spoken of the increasing opposition to moratorium legislation and to legislation which would in anywise weaken our antitrust laws. There is no doubt in my mind that monopoly is on the march. The free-enterprise system is in danger. I earnestly hope that the growing opposition in Congress bespeaks the defeat of any bill which will permit monopolies like the steel and cement trusts to reconstitute their price and market control mechanisms.

The Lawyer's Role in the Western Hemisphere

EXTENSION OF REMARKS
OF
HON. DENNIS CHAVEZ
OF NEW MEXICO
IN THE SENATE OF THE UNITED STATES
Wednesday, June 1 (legislative day of Monday, May 23), 1949

Mr. CHAVEZ. Mr. President, I ask unanimous consent to have printed in the RECORD an address entitled "The Lawyer's Role in the Western Hemisphere," delivered by me at the sixth conference of the Inter-American Bar Association, at Detroit, Mich., on May 22, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. President, distinguished guests, delegates to the sixth conference of the Inter-American Bar Association, ladies and gentlemen, as a Member of the Congress of the United States which, on June 15, 1948, by resolution, welcomed the Inter-American Bar Association to this country and wished it unparalleled success and, as a Latin American on both sides of my ancestry, may I take a few moments to welcome personally the delegates who come to this conference representing legal associations from countries of the hemisphere extending from Argentina and Chile to Canada. We are happy to have you here as our guests. We hope that your stay with us is as pleasant for you as is our pleasure in entertaining you.

In addressing you this evening I am mindful of the distinguished speakers who preceded me and those who will follow. With complete humility I beg you to bear with me while I endeavor to contribute a few ideas which I hope may serve a useful purpose in the deliberations of this conference.

I consider the opportunity of speaking to you this evening as one of the crowning highlights of my life for, I, too, am a lawyer by profession and from another standpoint of the law, a legislator, for honored by the free choice of the voters of my native State, New Mexico, I am privileged to represent them in the Senate of the United States.

I have a lawyer's appreciation of the importance of the law, either legislative, executive, traditional, or natural, and the role it has played in the degree of civilization which society in the Western Hemisphere has achieved. Consequently, to find myself surrounded by the foremost legal figures of this hemisphere is a great honor and I sincerely thank the president and the secretary general of your association for the opportunity of addressing you. I also thank the members of the Michigan Bar Association for their most generous and courteous reception.

The Inter-American Bar Association is a truly great organization. It is great because the motives which impelled its foundation and have guided its progress throughout its history are sound and unchanging. The doctrines expounded at every conference since 1941 by great jurists and leaders of your group, have chartered the basic rights of man. Though your history only begins with the first conference in Havana in 1941, those fundamental rights, which were postulated at that conference, and which have been continually reaffirmed at every subsequent conference, are eternal truths which have fired the imagination of free men since the dawn of civilization.

In our hemisphere, two great basic concepts of the law have been bequeathed to us by history and tradition. Two sources, represented by either Blackstone or Justinian, have given us the legal systems which enrich our civilization.

It is easily understood why those adhering to one concept or the other take justifiable pride in their own national and traditional institutions. But, ladies and gentlemen, it is the commingling of the two through conferences such as this one which will produce those new legal concepts which will advance civilization even further and make our hemisphere greater. Both systems are based on the freedom and dignity of man. In this hemisphere neither system can claim to be more sound or to protect liberty more adequately or to afford more complete justice. Bolivar loved liberty as much as Jefferson;

Andreas Bello defended its legal principle as ably as Charles Evans Hughes.

It was to be expected in the natural evolution of society that the great legal minds of the hemisphere would ultimately find each other and because of their greatness and mutual respect find a common meeting ground. A lawyer in Canada or Mexico, or Guatemala, or in any other American Republic, must of necessity feel a sense of oneness with other members of his profession. There is a common approach to the law—a firm recognition and request for the right of the individual to have and enjoy life, liberty, justice, and the pursuit of happiness.

The Inter-American Bar Association was the logical medium through which men trained in the law could meet and compare and exchange ideas.

To these legal precursors who conceived and sponsored the creating of this association I say we owe a great debt. Dr. James Brown Scott and the others who sought to create an association through which lawyers in this hemisphere might strive always to perfect the law, to defend the rights of the individual, to promote equality as applied to individuals and to nations, and to foster the spread of democratic ideals. The steady growth of the Inter-American Bar Association is mute testimony to the realization of their ideas.

At the first conference of the Inter-American Bar Association at Havana in 1941, your Secretary General William Roy Vallance, speaking in behalf of the delegates in response to the addresses of welcome, commented on the great danger that was then threatening the democracies of the Western Hemisphere. The war had started in Europe in 1939 and its effects had already been felt over here. Mr. Vallance called for unusual action on the part of all to preserve democratic institutions. How true his words were then and how true they are today. He struck a telling blow when he insisted that though military unity and concerted action were necessary, certainly the communion of minds would count far more toward achieving continental solidarity than force. He called on your association to improve laws, develop legal institutions and fight always for the freedom of the individual. To what more noble purpose can we dedicate ourselves; freedom and human dignity are worth fighting for.

Lawyers are molders of society. Who has a greater responsibility? Is there a more noble profession? The democracies in this hemisphere erected and the highly organized civilization thereby perfected, are a tribute to the faithfulness with which our profession has discharged this trust.

Lawyers by instinct and training saw the inherent evil in the political philosophies which denied the inviolability of the individual, despised justice and reason, and worshiped brute force.

As lawyers we are fully aware that society is ever changing; that it is never static and that the law must adjust and adapt itself to the dynamic pattern of society. But as lawyers we are equally aware that the law is based on fundamental truths which are immutable and will never change.

The cause of international morality and the inherent rights of man so ably championed by Licenciado Ezequiel Padilla at the conference of American states at Rio de Janeiro, was based on principles as enduring as those which govern the tide and the stars and planets.

Nations whose political philosophy is based on brute force and a materialistic concept of the nature of man, must of necessity seek to destroy freedom of individuals and, if strong enough, ride roughshod over the rights of other nations.

We were faced with such a situation in 1941 and it is lamentable that though we successfully waged the most destructive war in history against the forces of evil, we face an alarmingly similar situation today.

In this conference, political and economic factors should not necessarily enter into the discussions, and even though the legal, economic, and political aspects of society can be studied separately it is impossible in the light of the complexity of our society to evaluate accurately any one element without considering the interrelationship of the three. To approach the various legal subjects which are on the agenda of the conference and which special committees have been studying for many months, we might well examine some of the political and economic factors which affect the social organization we have built in this hemisphere.

In regard to the political aspects, I assume that the resolutions adopted in previous conferences professing adherence to democratic principles, allegiance to international law, confidence in international organizations, and insistence on the protection of human rights will forever be graven in the minds of the members of the legal profession of our hemisphere. And we may conclude that you will strive always to rest these concepts on a sound legal basis. We must be prepared to recognize any threat to our institutions as readily today as in 1941.

By the same token, the economic factors which cause us to study foreign trade practices, contracts, copyrights, taxation, and so forth, must be recognized and considered in our deliberations on these subjects.

The great war which taxed the moral energy and physical resources of the world ended almost 4 years ago. At that time it was the earnest desire of all peoples that we enter upon a period of peace. Through the creation of international organizations it was hoped that friction between the states might be eliminated and that an era of peace would be the good fortune of mankind.

In 3½ years these hopes have changed to disillusion and despair. The inexorable advance of the "iron curtain," establishment of the Berlin blockade, pressure on Scandinavia, Greece, Turkey, and Iran, the swarming of the Communist hordes across the Yangtze, and the imperialistic wars in Indonesia and Indochina have created a feeling of insecurity throughout the world. Man everywhere views with terror the possibility of a new world conflagration.

As a result of this tension, the foreign policy of the United States has been directed toward Europe to the well-nigh complete ignoring of Asia and the southern half of our hemisphere.

I must earnestly point out that such a policy is fraught with danger and must be corrected. The consequences hold a threat not only to the security of the United States but also to the security of this hemisphere and the future of western civilization itself.

No one seeks to write off western Europe as a factor in world politics, but so long as communism threatens the peace of the world we must in truth admit that only the atom bomb keeps the Red Army from marching to the Atlantic. It is apparent that the Reds, like the Germans before them, have no respect for the industrial and military potential of America, but once the Communists have the bomb and choose to move they will surely overrun Europe.

I have consistently advocated complete support of the United Nations and other organizations dedicated to international cooperation. The Congress has supported enthusiastically the bolstering of the sagging economy of western Europe. I am confident that Congress will back the Atlantic Pact and provide for military aid to western Europe. Nevertheless when civilization itself is being threatened it seems foolhardy for us to ignore the tremendous contribution which each nation of the Western Hemisphere made during the last world conflict. How much more could they do in the future if we would only put into practice the fourth point of President Truman's inaugural address and help them, through technical instruction and economic assistance, to elevate their standards of living?

The attitude of the United States in concentrating its attention solely on Europe constitutes a complete reversal of our foreign policy, for by tradition, we have always focused our attention on the Western Hemisphere, as is exemplified by the Monroe Doctrine. Originally perhaps, we confined our attention to the Caribbean and Central American areas, but now the United States has interests much farther north and south, Canada on the north, and Central and South America on the south, are of strategic importance in the defense of the United States and of this hemisphere.

I attended seminars on the contribution of Latin America to the war effort at the Army Industrial College (now the Industrial College of the Armed Forces) in Washington immediately following the war, and on every occasion, the military, economic, and political experts who spoke, emphasized the importance of Latin America as a source of strategic and otherwise unobtainable supplies during the recent war. We cannot, in the United States, ignore the fact that Latin America is one of the most important sources of raw materials and foodstuffs in normal times and during war, literally the only source of certain vital commodities.

During the last war, Latin America and Canada were the only source of supply for many important items. To Latin America was assigned the task of supplying many commodities and materials which it did not produce before the war. Dare we lose sight of the fact that in the event of another war, it may be the only source of supply of these commodities?

George Waythe, chief of the American Republic branch office in the Division of International Trade of the United States Department of Commerce, in an article entitled, "Latin America's Resources Spur Broadening Developments" in the April issue of the Foreign Commerce Weekly, states that in the last war, Latin America not only provided large quantities of foodstuffs, fibers, vegetable oils, and medical products, but in the mineral field supplied the entire import requirements of the United States for antimony, white arsenic, bauxite, bismuth, vanadium, quartz crystals, and crude petroleum, as well as more than half the imports of beryllium, cadmium, copper, lead, manganese, molybdenum, tantalite, tin, tungsten, zinc, fluorspar, amorphous graphite, and natural asphalt.

It is also significant that at the seminar to which I referred previously, Mr. Douglas Allen, who was described by John McClintoc of the State Department, as one of the best-known and best-liked businessmen in South America, had this to say:

"I would also like to stress the feeling in the Latin American countries, that during the war when we need Latin America we will pay a great deal of attention to them, but the minute the war is over and the need ceases, we will no longer pay any attention to them."

The problem of the economic development of Latin America and the policy of the United States toward a program of economic assistance in order to foster that economic development must be resolved, and it must be resolved in terms of an international policy for the economic welfare of Latin America. This is a matter of concern to the entire Western Hemisphere. This problem was formally recognized at the Conference on Problems of War and Peace which took place in Mexico City in 1945 when the Economic Charter of the Americas and the establishment of the Inter-American Economic and Social Council were perfected.

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Let us see what was affirmed by the Economic Charter of the Americas, and investigate whether American policy has been in accord with the charter and see what some of the consequences may be if it has not been in accord. The charter affirmed the desirability of policies which would encourage "the attainment of high levels of income, employment, and consumption free from excessive fluctuation in order that their peoples be adequately fed, housed, and clothed and have access to services necessary for health, education, and well-being."

In general, postwar trade has been maintained at levels far greater than were normal before the war, still the standard of living of the people has not been elevated—there has been no improvement, and for that matter, due to inflation, the vast bulk of the population may be said to be far worse off than before the war.

Personally, I am of the opinion that the Latin American has a sound case for large-scale American assistance and that he has just cause to be offended that European recovery should have been given priority. I believe that grave doubts as to our sincerity will arise in Latin America if we do not immediately reverse our policy insofar as it concerns Latin America.

My opinions are based on economical and political reasons but they have a moral basis as well. The contribution of Latin America during the war was magnificent. Perhaps there are many in the United States who are unaware and therefore do not agree with these arguments; yet, it must be admitted that Latin-American attitudes must be taken into consideration in the formulation of our global foreign policy. If the Government of the United States does not understand and does not sympathize with this point of view there is bound to be extreme political disagreement in the future, which may well have disastrous consequences for the people of this country, and of the entire hemisphere.

I do not blame the Latin-Americans for not being content to return to pre-war conditions. I sympathize with them in their earnest desire for greater industrialization and I earnestly believe that the United States is morally obligated to assist them in the furtherance of industrialization by granting economic and technical assistance immediately.

Why not a Marshall plan for Latin America?

If we are to save Europe from the imminent peril of communism by spending our money to improve the lot of the people, why, by the same token, must we not improve conditions in Latin America where the danger of communism is even greater because so proximate. So, a fortiori, we must extend credit to our neighbors, if not for altruistic reasons, than for self-preservation. They are not merely neighbors across the street, but live right next door to us.

My discussion this evening has been conducted in the broadest of terms but I cannot close my remarks without expressing specifically my profound respect for the members of the Inter-American Bar Association and the distinguished officers who have so ably championed the cause of justice and humanity. I am certain that your efforts in this conference will be crowned with success and that even stronger efforts will be directed toward the legal protection of human rights, and reliance on international law. A more definite conviction of the necessity for international adjudication of the differences between nations must result from this conference.

Your attention has been most courteous and I thank you again for the privilege of addressing you.

Address of Hon. Harley M. Kilgore, of West Virginia, at Commencement Exercises at West Virginia State College

EXTENSION OF REMARKS
OF
HON. MATTHEW M. NEELY
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES

Wednesday, June 1 (legislative day of Monday, May 23), 1949

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD excerpts from a commencement address delivered on Sunday, May 29, by my colleague the distinguished senior Senator from West Virginia [Mr. KILGORE] at West Virginia State College, at Institute, W. Va.

There being no objection, the excerpts from the address were ordered to be printed in the RECORD, as follows:

I appreciate the honor of being invited to attend this commencement service which marks another milestone in the history of this outstanding school.

Since my college days—and I must admit it was some time ago—I have had the pleasure of visiting many schools both in this country and in Europe.

During these visits I have asked many people, "What makes a fine school?" Far too many have given surface answers. "It has a fine campus." "It has a modern science building." "The tradition of fraternity row."

Fine things, yes. But they do not make a great school. If a school is to be a real success it must be more than a good physical plant. It must be a living institution dedicated to one of the noblest of all aims—that of bringing enlightenment into the world.

The fame of West Virginia State College has spread far beyond the borders of our State. This is no accident. It is due in large measure to a wise, able, patient, industrious man—Dr. John W. Davis.

Under Dr. Davis' guidance, West Virginia State College has earned a reputation of being far more than just another college. It is a ranking institution of learning.

Those of us who have had the pleasure of knowing Dr. Davis are proud of his great achievement. In many respects this class today is another tribute to a good and honorable man who has been a credit to his race, his profession, and his country.

During his long career, Dr. Davis has faced many obstacles. He has had a long, hard struggle building this institution of learning. There is never enough money to operate a State college. But far more difficult is the task of overcoming the prejudices of people who do not understand.

During recent weeks the Nation has learned to know and respect another great educator, Dr. Ralph Bunche, U. N. Mediator for the Near East. World leaders have applauded his great achievements in ironing out the age-old difficulties in the Middle East.

The task was so grave a man of lesser ability might easily have inflamed opinion and spread the Middle East conflagration to other nations. The cessation of hostilities in that area is a great tribute to Dr. Bunche.

I regret there are too few people of the stature of Dr. Davis and Dr. Bunche. If we had many such leaders in every State, the struggle to achieve real democracy here at home and lasting peace abroad would be far easier.

We must recognize that we do not have many such men. We must recognize the tragic fact that many people base their decisions on prejudices rather than reason, on fear rather than hope.

The world cries for peace, yet there is no peace. There is widespread discrimination against man because of his race, creed, or color. There is hunger and even starvation in many areas of the world. There is fear in the hearts of millions of people.

There are far too many blotches on the picture of civilization in the United States. Some are deep ugly scars that can be removed only through the common cooperation of every citizen who believes in the dignity of man.

Can we succeed in this tremendous task? I think the answer is "Yes." I think we have made tremendous progress since the days of World War I. Great areas of illiteracy have been wiped out and supplanted with areas of understanding.

We are moving forward steadily. The rate of progress is not as fast as many of us would like. But we are moving forward into an era of great enlightenment—an era that will bring a fuller realization of the importance of the dignity of man.

Our hopes for the future rest largely in the hands of young men and women who fought World War II. In that great struggle against totalitarianism, our young men and women learned to respect the abilities of their fellow citizens of different races, creeds, and colors. Our boys on the far-flung battlefields of the world learned to respect the boys of other nations.

These young men and women must be encouraged to continue this education to the end that citizens of each nation can learn to respect the citizens of other nations; that the survival of our civilization rests upon moral fiber. Let us explore for a moment our world-wide aims in this tremendously important field of human endeavor.

We in the United States have undertaken many huge projects in our effort to bring about a greater spirit of cooperation between all nations. We stand ready at all times to achieve the goal—so eloquently expressed by President Truman—"not peace in our time but peace for all time."

These past 3 years have been difficult. The Soviet Union has conducted a ruthless campaign to dominate the nations of western Europe as well as those of eastern Europe. This campaign has failed. This is due in part to our help through the Marshall plan.

Only time can tell what will be the outcome in China and the rest of the Far East. That vast sprawling area with its millions of underfed people has swallowed and digested many regimes. It has changed the complexion of some, and completely disfigured others.

Our hope is that eventually the people of China will gain control of their Government, and it will be democratic in spirit and nature and not of the right or left brand of totalitarianism.

I spoke of the future in Europe. There is reason to believe the days ahead will be brighter. Regardless of the outcome of the Big Four Conference in Paris, there is every indication these nations are moving toward greater and greater economic and political stability.

We pray the Big Four Conference will bring to an end the cold war; but we must keep in mind the problems are tremendous in scope, and it will not be easy to find a common ground of agreement.

If we can find a way to reestablish a democratic government in Germany, the way will be paved for negotiation of the peace treaties and the eventual restoration of trade between the nations of Europe.

This phase of our foreign policy has been widely discussed. As President Truman so ably expressed it on June 11, 1947:

"Free men everywhere know that the purpose of the United States is to restore the world to health and to reestablish conditions in which the common people of the earth can work out their salvation by their own efforts."

This statement is the basis of a less widely known phase of our foreign policy which was outlined to the Nation by the President in his inaugural address last January.

In his words:

"We must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas."

The announcement of this program has evoked widespread interest both at home and abroad, but unfortunately it still remains the least known part of our over-all foreign policy.

The newspapers generally refer to this program as "point four."

In outlining this program the President emphasized the tragic fact that more than half the people of the world are living in conditions approaching misery. Their food is inadequate. They are victims of disease. Their economic life is primitive and stagnant. Their poverty is a handicap and a threat both to them and to more prosperous areas.

Let me quote from the President's inaugural address:

"For the first time in history, humanity possesses the knowledge and the skill to relieve the suffering of these people.

"The United States is preeminent among nations in the development of industrial and scientific techniques. The material resources which we can afford to use for the assistance of other peoples are limited. But our imponderable resources in technical knowledge are constantly growing and are inexhaustible.

"I believe we should make available to peace-loving peoples the benefits of our store of technical knowledge in order to help them realize their aspirations for a better life. And, in cooperation with other nations, we should foster capital investment in areas needing development."

This program offers a real challenge to our Nation.

Basically the broad purpose of point four can best be achieved through the realization of several specific and related aims.

1. To promote world-wide economic stability and productivity by achieving a better balance in the world economy and by expanding international trade. This will assist in the recovery of Europe and elsewhere by opening new markets and sources of raw materials to the United States and to countries now largely dependent on us.

2. To strengthen the United Nations system by supporting cooperative international action for economic development and by making maximum use of the United Nations and related agencies.

3. To strengthen political democracy by helping the peoples of underdeveloped areas toward a better life and by giving them new hope for the future.

4. To promote world peace by working toward all these mentioned goals and by showing the world that development can take place peacefully and with increasing personal freedom. The energies of peoples will be directed into channels of constructive effort aimed at greater productivity, greater exchange, and greater consumption.

Point four is based on a firm belief in democratic cooperation among peoples. To succeed it will require the cooperation of business, private capital, agriculture, and labor in this country.

There will be guaranties to the investor, but at the same time they will be balanced by guaranties in the interest of the people whose resources and labor go into these developments, for we are clearly opposed to the spread of imperialism.

Our President emphasized that the "old imperialism—exploitation for foreign profit—has no place in our plans. What we envisage is a program of development based on the concepts of democratic fair-dealing."

Every nation will benefit through point 4. Through more constructive use of human and natural resources we will hasten the day when the world can truly proclaim an era of understanding.

I wish to caution you in one respect: This is not a miracle dream. Words will not achieve the goals set forth in point four.

We must be willing to offer economic as well as technical aid to underdeveloped areas. We must recognize at the outset that the program is long-range in nature and few visible results can be expected overnight.

Bear in mind there are no stereotyped patterns of economic development applicable to all, or even to many countries. Different countries have different needs and different possibilities.

Development must take into account and, so far as possible, be adapted to local resources, attitudes, social and legal structures, customs and practices.

In the poorer and less developed areas a basic improvement in health, literacy, and vocational skills may well be prerequisite to increased production and improved standards of living.

For the somewhat further developed areas, priorities are likely to be quite different, with emphasis on improvement in the functioning of Government and increases in industrial productivity.

I mention these facts to reemphasize the scope of point four.

Too often we seek miracles. If we look for miracles from this program, we will be disappointed. We must seek a steady improvement in world political and economic conditions. This we can achieve if we are willing to bend our efforts in that direction.

If the United States had been in a position to launch a point four program 20 years ago, the world might not be in the present state of turmoil.

If we had started 20 years ago to vigorously assist in the development of backward areas on a basis of democratic cooperation we might have avoided the present-day threat of communism in the Far East.

The possibilities of point four are unlimited. I wish to say again it is a long-range program. It will take years and possibly decades to raise the standards of living in backward areas, but each step we take will bring greater economic improvement here as well as in the areas we are assisting.

We have learned through painful experience that no nation long can exist as an island of plenty in a sea of want. By present-day world standards we are an island of plenty. If we are to retain our position in world affairs we must take the leadership in assisting the less fortunate, peace-loving peoples of other nations.

President Truman expressed our aims in these words:

"Only by helping the least fortunate of its members to help themselves can the human family achieve the decent, satisfying life that is the right of all people.

"Democracy alone can supply the vitalizing force to stir the peoples of the world into triumphant action, not only against their human oppressors, but also against their ancient enemies—hunger, misery, and despair."

The challenge is great. How we meet the challenge may well determine the future course of history.

In these final words, I can only say you are leaving this phase of your formal education at a time when it will not be easy to buck the headwinds of prejudice and fear. You will have to fight hard to earn the respect of many of your skeptical fellow citizens. But though the fight be hard, by the same yardstick the victory will be sweet. And, it will hasten the day when mankind will recognize and appreciate the true importance of the dignity of man. Only through courage and faith can man raise his standards of civilization.

We pray to God we will have the strength and the faith to spread the light and warmth of true democracy to every section of our Nation, as well as the other nations of the world. God willing we shall succeed.

Shelling It Out

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. MULTER. Mr. Speaker, the following open letter addressed to Josef Stalin appeared in the New York Post of May 27, 1949. Its publication was sponsored by the Shell Products Co., Inc. Its contents are most interesting, despite the fact that we know in advance that Mr. Stalin will not reply:

Generalissimo JOSEF STALIN,
Premier of the Soviet Union, the Kremlin, Moscow, U. S. S. R.

DEAR MR. STALIN: I presume to write you on the basis of a relationship formed by our previous correspondence. That is, I once wrote you on another matter. You didn't reply. This makes us practically pen pals.

I want to acknowledge first that I'm fully aware of the Soviet Union's historic attitude toward racial minorities—that it has sought to set for the world new patterns that would forever abolish any thought of racial discrimination. Some of your bitterest critics have found it best to remain silent while this phase of your program is discussed.

And so it comes as a distinct shock to hear and read reports that in your country, as well as in those bordering it and devoted to similar principles, definite campaigns are being waged against those who happen to be Jews by birth, though not balked at praising religious practice.

Some of these reports I have, frankly, discounted because they come from openly anti-Soviet sources. But they've been piling up—and they now come from people who have no special anti-Soviet bias * * * people who have not hesitated to praise Russia for its antidiscrimination policy.

One of them is Dr. Tabak, of Baltimore, president of the Rabbinical Council of America, who did not hesitate to preface his grim remarks by acknowledging that "forces of the Soviet Union have saved these people (Jews) from the clutches of the Nazi murderers * * *." He then gave the other, sorrier side of the picture.

Within recent months, too, it was bewildering to watch the Soviet delegates and their ideological allies in the United Nations vote steadily for full freedom and political parity for Israel, while at the same time blocking in every possible way the migration of Jews to Israel from their countries.

It was equally baffling to learn that the world Communist press was, at the same time, whipping up its followers into a rage against Israel's leaders and those Zionists in other countries who worked so valorously that Israel might live.

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You must not be startled when we, on the outside, feel forced once in a while to add up the facts and find confusing inconsistencies.

Your press and your leaders cry out that the foreign press exists only to invent new lies about Russia. Protesting a lie is one thing; dispelling it with the visible truth is something else.

Here's something we don't have to wrangle out in the pink marble palace in Paris, where the Foreign Ministers are meeting. We can agree on this just between ourselves. Look:

How about letting in an unbiased American committee, maybe through the back door, for a fast "mosey" around? They'll see quickly if anti-Semitism has really reared its ugly head in—of all places—Russia. If travel to adjacent territories is necessary, why, then, you know some of the boys in the top spots there, too. You can arrange it, I'm sure.

The visitors wouldn't have to ask too many questions. A few would do—like:

"Anybody here taking a beating because he belongs to a minority—Jewish or otherwise?"

"Anybody here want to emigrate to Israel? If so, line up on this side of the room."

It'll be as simple as that.

What have you got to lose? Please let me know. You can even call me from Moscow—collect.

Sincerely,

DAVID KAY.

Functions and Responsibilities of the Modern Lawyer

EXTENSION OF REMARKS

OF

HON. DENNIS CHAVEZ

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Wednesday, July 1 (legislative day of Monday, May 23), 1949

Mr. CHAVEZ. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by William T. Gossett, vice president and general counsel of the Ford Motor Co., at a luncheon in honor of the delegates to the sixth conference of the Inter-American Bar Association, given by the Ford Motor Co. at Edison Institute, Dearborn, Mich., on May 24, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I would like to add my own word of welcome to the greetings which you have already received. We are very glad indeed to have you here, and I deeply appreciate the privilege and the honor of being given the opportunity to speak to such a distinguished group.

Anyone who refers to the purposes of the Inter-American Bar Association is aware of the high value which is placed upon the virtues of getting together—of getting to know one another—of personal contact.

We in Ford Motor Co. fully share your respect for human relationships of this kind, especially in the international field where the risks of misunderstanding are always multiplied.

The very fact that the nationalities and experiences of this group are diverse makes it all the more desirable, it seems to me, for each of us to speak on a subject with which he is familiar. That is one road to an understanding of each other. I would like, therefore, to make some brief comments regarding the functions and responsibilities of the modern lawyer in advising the modern corporation.

Before the turn of the present century, the lawyer in this country was very largely concerned with clients who were already in difficulty at the time legal counsel was sought. That was the golden age of advocacy; and more often than not the lawyer's principal responsibilities were those of an advocate. He frequently was eloquent and sometimes dramatic. He dealt with situations that had developed to a condition of a crisis. Like the country doctor, he was called in during emergencies to do what he could for his client. His job was to attack or defend. For the most part his eyes were turned toward the past—toward the events leading up to an existing situation. He sought to achieve the most satisfactory result which an existing set of conditions would permit.

During the latter part of the nineteenth century, however, a new and revolutionary force began to make itself felt throughout the world. It was to have a significant influence upon our profession. The wheels of the industrial revolution were turning at increasing speed. We had begun to catch clear glimpses of the great material gains for large numbers of people which were made possible by harnessing power to machines and achieving mass production.

Because mass manufacturing and distribution created a demand for capital on a vastly greater scale than that to which we had been accustomed up to that time, it became necessary to devise a method of meeting that new need. The answer was the stock corporation.

I am not sure that we are always conscious of the extent of the corporation's influence on our time. It was to become more than a legal device through which private business transactions might be carried on. It was to become the most effective means of organizing the economic life of a dynamic and enterprising democracy. Indeed, some historians feel justified in saying that we live today under the influence of a "corporate system."

The impact of the corporation on the legal profession was great. Increasingly the function of the lawyer was to construct corporate institutions and empower them to perform the important tasks for which they had been created. In the process, he had to foresee the problems which corporations would face. No longer could the lawyer be content to rely upon ancient postulates and precedents; he was required to use his imagination, to make thoughtful preparations for the future, to do a constructive job. More and more the attention of the lawyer was given to the prevention of litigation—to the anticipation of troubles—to the avoidance of difficulties. Instead of looking backward, his responsibility was to look ahead.

Increasingly during this whole period the lawyer found himself confronted by questions of business policy. Many corporation lawyers exerted strong influence in the councils of business and industry; and a large number of them became the active heads of business enterprises.

Meanwhile, there were other byproducts of the rise of the corporation, and many of these were to have a profound effect upon the legal profession.

The corporate form provided a method of organizing and financing large-scale operations on a long-term basis. To achieve the advantages of mass production—and they are very great advantages—it was necessary to create large organizations.

The law and the lawyer had a new situation with which to deal. As corporations increased in size and influence and were accorded by the courts the status of persons under the fourteenth amendment to our Constitution, smaller enterprises often found themselves at a competitive disadvantage.

The rise of the corporation also had its effect upon the individual citizen; more and more people acquired the social and economic status of employees. Available statistics indicate that a little less than a third of the total employed in this country were self-employed in 1890. Since then the percentage has been declining, until today only a little more than 18 percent of the total employed are self-employed.

The changes which progress brings are always more numerous than we foresee. With the expected we often get liberal doses of the unexpected.

Finally, and perhaps inevitably, there were abuses of power. Bigness was sometimes used to destroy competition. In a number of cases groups of corporations, engaged in the same business, combined to form so-called trusts under agreements designed to restrict or eliminate competition, by fixing prices or dividing up markets or pooling patents.

With the wisdom of hindsight, we now see very clearly that something was missing from the calculations of some of those, the lawyer among them, who developed the policies and the structures of that time. We see today that there was an inadequate sense of the social responsibilities of institutions, especially large institutions, which unavoidably affected the lives of great numbers of people.

With power comes responsibility. For a time, however, the power was more apparent than the responsibility.

It is interesting to remember that throughout this period, the means of mass communication were also developing and were, in fact, a part of the same industrial revolution. In the past 60 years the aggregate daily circulation of newspapers of this country has increased from approximately 4,500,000 to about 53,000,000; so that today we have a newspaper for every 3 persons as compared to 1 for every 13 people in 1888. Radio, of course, did not exist until the early 1920's. Today well over 90 percent of all American homes—and a very high percentage of American automobiles—have radios. Meanwhile, universal education was becoming an accomplished fact, and higher education was expanding beyond even our own dreams.

It is significant that the industrial revolution and the corporation contributed to the development of public opinion as a powerful force, and that public opinion began presently to react to the abuses of the overzealous nineteenth and early twentieth century corporations.

We can take 1890, the year of the enactment by Congress of the Sherman Antitrust law, as approximately the beginning of this period when public policy began to put legal limitations upon corporate activities. It has been followed since by a number of other antitrust statutes, all designed to eliminate restrictive-trade practices and provide for the free play of competition in interstate and foreign commerce.

Soon after enactment of the Sherman Act the courts held that agreements among competitors for the purpose of fixing prices were illegal. Under accepted common law and civil law jurisprudence, a sale by an agent had always been considered a sale by his principal. Nevertheless, when a manufacturer sought to fix prices for his products by designating competitors as his agents, the Supreme Court of the United States was quick to hold that the accepted legal relationship of principal and agent could not be utilized to thwart the purposes of the statute.

The law recognizes the exclusive right of an inventor to exploit the subject matter of his patent. Yet when the patent was used to compel the purchase of unpatented articles, or agreements were made combining a number of patents to create an overriding monopoly or to eliminate competition, the courts held such practices illegal.

The enactment of the antitrust laws reflected the basic aim of the American people to prevent restrictions upon competition.

By their decisions in many important cases, the courts have carried out the will of the people. Our legislative bodies and our courts cannot and should not be responsive to mere whims of public opinion. This would be fundamentally inconsistent with the basic principles of constitutional government. But subject to that limitation, and with adequate protection for the minority, the considered judgment of the people should and usually does become effective through our laws.

The process, which we may say began about 1890, has been accelerated in the present century, particularly during the 1930's, when both the Congress and the State legislatures in this country were kept very busy enacting laws governing the conduct of business and industry.

A few examples will suffice:

Constitutional sanction of the principle of income taxation in accordance with ability to pay was achieved by the sixteenth amendment to our Constitution. By the legislation which followed, corporate and stockholder income was required to bear an increasing share of the cost of government.

Workmen's compensation legislation established the principle that industrial accidents were one of the costs of doing business. No longer was it necessary for the employee to litigate the common-law negligence of his employer.

Employees who were unemployed through no fault of their own were provided for by unemployment compensation legislation. The cost of unemployment thus was established as a social responsibility of business, which was required to finance the cost of the program.

Old-age security for workers was recognized as a national problem and a program for the payment of retirement incomes was established by Federal legislation. A substantial portion of the program's cost is borne by American industry.

In the Fair Labor Standards Act, a floor was placed under wages and a ceiling upon straight-time hours of employment. The sweat-shop long previously had been eliminated from most of American industry; but this new legislation sought to eliminate abuses still practiced by a small minority.

Viewed in today's light, it seems incredible that the right of collective bargaining should ever have been questioned, and that the Wagner Act should have been necessary to assure that right to employees. The Wagner Act is a good example of what may result from short-sighted labor policies. On the other hand, the Taft-Hartley Act which restored to management-labor relations much of the balance which had been destroyed by union practices under the Wagner Act has been a reminder that society will not allow abuses of power to labor any more than it will to management.

The purpose of the great bulk of the legislation to which I have referred has been to impose upon business responsibilities commensurate with its powers and privileges. The social merit of some aspects of the legislation is open to question. I do not wish to be understood as giving it my blanket endorsement. But we must recognize that enactment of most of this social and economic legislation has been in response to the demands of public opinion and generally to satisfy some basic public need.

Against this brief and hastily sketched background—much of it is familiar, not only to our Canadian friends but as well to many of our colleagues from the South—how shall we appraise the function and the responsibility of the lawyer, particularly the lawyer who contributes to the policies and conduct of the modern corporation?

With the increasing complexity of business relationships and with the development of this mass of regulatory legislation, the corporation lawyer's problem in advising his client has inevitably become more and more exacting. At the same time, the need for legal advice has been intensified, and the responsibility—as well as the opportunity—of corporate legal counsel has increased commensurately. The lawyer representing business today, if he is to live up to the challenge of his new responsibilities, will endeavor to avoid the errors of the past; he will shun the kind of advice which is motivated by a desire to preserve the rubrics of a vanished era; he will be alive to the social, economic, and political implications of the time; he will avoid a narrow, short-sighted approach to his clients' problems; he will act with due regard for the social responsibilities of the enterprise; he will have the courage to advise against a business program or device which, although legally defensible, is in conflict with the basic principles of ethics. Failing this, he not only will be ignoring his obligations to society, he will be doing a disservice to his client, who may find himself in the position of winning a legal battle but losing a social war.

This, it seems to me, is no more than a reiteration of the ancient truths on which the law has been based since its beginnings. Long before men had anything which we would today call a law they were governed by the force of custom—by public opinion. From the beginnings of history, every conqueror of a foreign land has discovered that, with all of his pride, his trappings, and his show, he could not substantially change the habits or the thinking of the people. Public opinion, deeply rooted in customs, has always proved to be a mountain too big for Mahomet.

This is not to imply that the lawyer should be a weather vane entirely subservient to the popular will, or that he should follow a quixotic line. There are times when he will be constrained to lead an unpopular cause or take a position not subscribed to by a majority of his fellow men. Any lawyer worthy of the name will not hesitate to fight ill-founded claims or unreasonable demands; and he will avoid counseling the easy road of appeasement. But his clients' interests will not be well served by advice which ignores the deeper aspirations of his time.

What is true nationally is equally true on an international stage. The problem, if anything, is greater there because public opinion is more diverse and has its roots in a greater variety of experiences and conditions.

The challenge now is to our wisdom, to our consciousness of the public will, to our social sense.

And the challenge, it seems to me, is all the greater for the reason that the lawyer today exercises a powerful influence on the actions and policies of business enterprises. If he is wise, they will be more secure not only today but tomorrow—and so also will the whole fabric of private enterprise be more secure. If he is short-sighted, the individual enterprise and the system will be less secure.

The future, it seems to me, calls upon us to combine, if we can, the eloquence of the advocate, the structural sense of the legal architect, and the wisdom of the great judges of the law, who never have failed to see that the law is a part of life and cannot be separated from the aims, the ethics, the hopes, and the will of people.

Almost 35 years ago one of our great judges had this to say about our profession:

"The profession of the law has its fate in its own hands; it may continue to represent a larger, more varied social will by a broader, more comprehensive interpretation. The change must come from within; the profession must satisfy its community by becoming itself satisfied with the community. It must assimilate society before society will assimilate it; it must become organic to remain a living organ. * * * The lawyer must either learn to live more capaciously or be content to find himself continuously less trusted, more circumscribed, till he becomes hardly more important than a minor administrator, confined to a monotonous round of record and routine, without dignity, inspiration, or respect. There can be no ambiguity in the answer of those who are worthy of the tradition and the power of a noble calling."

I think we have entered upon a period of great opportunity. It should encourage the best in our profession.

Adult Education

EXTENSION OF REMARKS
OF
HON. HARLEY M. KILGORE
OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 1 (legislative day of Monday, May 23), 1949

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter I have received from Mr. Hugh J. Betts, principal of the Knoxville Evening High School in Knoxville, Tenn. Mr. Betts has had 25 years of experience in the field of public adult education and his views on the need for a Federal program of adult education to eradicate illiteracy will be of interest to all those concerned with this problem.

I also ask unanimous consent to have printed following the letter a copy of an article entitled "Adult Education Will Make Better Citizens," written by Mr. Betts and published in the April 1949 issue of the Tennessee Teacher.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

KNOXVILLE EVENING HIGH SCHOOL,
Knoxville, Tenn., May 18, 1949.

Hon. HARLEY M. KILGORE,
United States Senate,
Washington, D.C.

MY DEAR SENATOR: It is my understanding that you are continuing your fight in the Senate to eliminate as far as possible adult illiteracy in the United States through the passage of the National Literacy Education Act.

If there are any figures or information pertinent to the problems revealed in the enclosed article, which was published in the April 1949 issue of the Tennessee Teacher, you are more than welcome to use them. From time to time I would appreciate being informed on the status of this piece of national welfare legislation.

For the past 25 years I have been engaged in public adult education. I have seen thousands of adults take a new place in the American way of life through the inspiration, personal satisfaction, guidance, and knowledge gained through schools and classes operated exclusively from public funds for the adults of this community.

No other field of service would give me any greater satisfaction than to see made possible for all adults of the United States an opportunity to learn those fundamental and basic subjects which are now considered mandatory for the children of our country. When parents with little or no basic education are given an opportunity to begin their education and to advance with their children, we will have a closer family circle, and a more sincere interest in the education of youth. It is only natural for people to

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become more interested in the education of their children when they are actually attending school themselves.

Respectfully yours,

HUGH J. BETTS,
Principal.

[From the Tennessee Teacher for April 1949]

ADULT EDUCATION WILL MAKE BETTER CITIZENS

(By Hugh J. Betts, principal, Knoxville Evening High School)

Over a quarter of a million adults 25 years of age and over in Tennessee were functionally illiterate when the 1940 census was taken. Approximately 1,000,000 had not gone beyond the eighth grade, and a total of 1,148,152 had not completed high school.

These figures do not include the thousands of youths aged 18 to 24 who had no schooling beyond the high-school years. Yet these youths faced the serious problems of getting a job, marriage, and the starting of a family.

Recent public-opinion polls have shown the degree of civic ignorance exhibited by present-day adults, one poll revealing that only 10 percent had any clear understanding of the Marshall plan. The increasing problems of crime and delinquency, divorce, economic conflict, and mental illness indicate the crucial need for further education in the ways of living and working together.

If, as many educators are pointing out, living in a modern democracy requires that adults be informed, and if it is impossible to crowd into the period of childhood enough education to last for a lifetime, perhaps we ought to examine what opportunities are being offered in our communities for the further education of adults.

VOCATIONAL TRAINING

In the field of vocational training the Smith-Hughes and the George-Barton Acts provide financial assistance to States in giving instruction in the four fields of vocational agricultural, vocational home economics, trades and industries, and distributive education for both in-school youth and adults. All of the larger cities and many of the smaller cities of Tennessee conduct classes in these fields, under the auspices of the local boards of education. The Federal grants are administered by the State department of education, and must be matched by funds provided within the State.

The classes for adults operating under the Federal laws are limited for the most part to persons employed in the field in which they are seeking additional training. Aside from the fact that there is relatively little opportunity for persons employed in one of these fields to obtain training in another, the vocational needs of adults in our communities are pretty well cared for.

But what about opportunities for growth and development in those areas having to do with establishing and maintaining a home, being a well-informed citizen, personal and social development, and constructive use of leisure time? In how many communities are school buildings—the natural community centers for education—open in the evenings for instruction and guidance for adults and out-of-school youth?

LEGAL PROVISIONS INADEQUATE

In the face of such desperate need the question arises as to why more school systems do not offer programs that are stimulating and helpful in those areas of living where adults obviously need help. One important reason may be that legislative provision for such programs is inadequate.

The State school code permits boards of education to provide evening schools for persons over 16 years of age. Under the Public Acts of Tennessee, 1917, chapter 19, page 59, and under section 22, Public Acts of Tennessee, 1925, is recorded: "Be it further enacted, that county and city boards of education in this State are hereby authorized to establish and maintain night schools for persons who are over 16 years of age; provided, under rules and regulations prescribed by the State board of education, said night schools, when established, shall be a part of the public-school system of said county or city, and any funds that are now available or which may hereafter become available for the maintenance of said system, shall be available for establishment and maintenance of said night schools at the discretion of said board of education.

"In the apportionment of all State and county school funds, the average number in attendance each night shall be recorded as constituting a part of the public school attendance in the same manner as pupils who attend day schools.

"County and city boards shall, in accordance with the rules and regulations prescribed by the State commissioner of education, adopt courses of study that will best serve the locality at which said night school is located; and full and complete reports of all night schools shall be made by said board of education on forms furnished by the commissioner of education."

The practice of charging tuition may work well enough where certain tangible needs are being met as, for example, the qualifying for a high-school diploma, or the learning of a definite craft or skill as woodworking or typing. But in those less tangible and highly important areas of civic proficiency, successful family living, and personal development, experience has shown that those who most need education and development cannot be reached under a fee system.

THE QUESTION OF TUITION

Parents in the lower educational and income brackets do not respond favorably to invitations to pay a fee for trying to become better parents. Likewise, citizens of a community do not feel that they ought to be charged a fee for the privilege of meeting together in study groups to consider problems of local, State, or National Government. The question may reasonably be raised as to whether young men and women ought to be charged a fee for engaging in activities to improve themselves personally and socially—such activities, for example, as public speaking, personality development, correct language usage.

Under present conditions, therefore, boards of education have a choice of offering limited programs of rather formal courses to those who can and will pay a sizable fee or of offering a broad program built around the needs and interests of adults and paid for out of general funds. The difficulty with the latter alternative is that with the present need for expansion of school facilities for the elementary grades, the demand for more special services for the handicapped child, and the need for increasing teachers' salaries, the abilities of most school boards to raise funds locally is already stretched to the limit.

IN OTHER STATES

If we look abroad to see what other States are doing, we can note that there is an increasing tendency toward meeting the problem by the provision of State aid. Twenty-one States now provide State aid to boards of education for the development of adult education. The amount of such aid ranges from $30,000 per year in Florida to $4,500,000 per year in California. In Pennsylvania, where adult education is an integral part of the total program of public education and is financed through the school foundation program, local school systems were reimbursed over $300,000 in 1947. In New York State, reimbursement is made for a wide variety of adult education activities on the basis of $2.50 for each class session of 40 minutes. For the year 1946, nearly $600,000 was returned to boards of education (excluding New York City) under these provisions, and in 1947 approximately three times that amount was returned.

Examination of the State programs in States having substantial programs of adult education, such as California, New York, Pennsylvania, Colorado, Connecticut, Delaware, and Virginia, reveals a pattern which may be worth studying for Tennessee. Most of these States, for example, have one or more supervisors of adult education in their departments of education as do at least one-half of all the States. Several of them have also established divisions of adult education in their State departments and State universities.

ENLARGE THE STAFF

Likewise, the State superintendent of public instruction needs assistance. If standards are to be set, if adequate data are to be collected and published, if programs are to be stimulated, and the training of leaders to be encouraged, one or more top-level persons in general adult education would need to be added to the staff of the State department of education.

Furthermore, under present financial stringencies local boards of education need some financial aid in establishing programs of general adult education. Experience tends to show that after such programs have operated successfully for a few years, local funds for their support become easier to obtain. But at the outset it would encourage local boards to establish such programs if they could count on a certain amount of reimbursement from State funds.

I Speak for Democracy

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 1 (legislative day of Monday, May 23), 1949

Mr. MARTIN. Mr. President, last Wednesday evening, May 25, Mr. Richard Hollinger, a member of the graduating class of the Annville (Pa.) High School, delivered a very able address entitled "I Speak for Democracy" at the high school commencement exercises. I ask unanimous consent to have it printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

As a graduating student in the year 1949 I feel the responsibility of doing my share for the promotion of the form of government under which I have been born and educated.

Since the democratic way of government has been challenged in this time of epoch-making history some people are wondering if it is fate or our form of government that has placed the United States first among the nations of the world? All would agree it is our democratic way of life.

Freedom was sought for and nourished by our forefathers and has been cherished, and defended at home and abroad, during peace and war by every true American.

If we turn the pages of history, we will note that democracy was not forced on the people who sought to establish a new nation but was chosen by the people themselves.

Therefore the good will and faith of our people are united, for we are free, and equal, all of us; no other nation in the world grants its citizens such freedom. This freedom means that in every corner of the land there

is a man ready to meet his duty and accept his opportunity, and so fill his place among free men. We have no peasant class, no servant class, no superior class. We have only a free people able as individuals to face the future and deal with it as free men. That is equality.

Democracy enables and encourages men to compete in free and private enterprise. Our land frontiers may be gone; however, this age is not only an age of agriculture and of industry but of science and of atomic power. Where in the world may men choose their occupation and advance in it according to their own genius and initiative. Some of the most talented men and women of Europe have come here because America gives them the freedom that private enterprise alone can offer.

In America we are part of our Government, as well as part of the governed. Our ballots and the ballots of our fellow citizens speak louder than the thunder of dictators. We cherish the privilege of voting for whom we please. We may criticize the Government without fear; when someone knocks at our door, cold shivers do not run up and down our spines. Who would not defend such a nation of free men?

Then, too, democracy has encouraged the finer arts, such as all free men enjoy. The world-wide popularity of American literature is a new and important feature of the present age. Nowhere in the world can one find better public libraries, such beautiful art museums, or such excellent symphony orchestras as in America.

Education with Americans is a religion. A much greater percentage of the population than in Europe attend the universities. No democracy can serve its citizens well unless those placed in positions of trust are well selected; therefore the urgent need for an enlightened, well-educated public.

In democratic America the men who appeal most strongly to the public are not pompous, powerful dictators, but those who are benevolent and willing to help their fellow citizens. This relation of good will among all adds much to the charm of life in America.

Democracy encourages scientific research in all phases of human life. The United States has taken the lead in sustained efforts to organize, scientifically, almost every aspect of life. All benefits derived from such achievements are immediately passed down to each and every one of us.

But America is not only a land of free men, of ample resources, of cultured and happy citizens, but a land which is devoutly interested in the good will and peace of the whole world.

The cherished dream of every loyal American is an abiding hope that men everywhere, the world over, may come into a full realization of the blessings enjoyed by free men.

Postwar Americans appreciate more deeply the beauty and quiet peace of their native land and are determined to preserve our democratic way of life for us and our posterity.

German Cartels

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following article written by David M. Nichol, which appeared in the Washington Star of May 26, 1949:

SACKS HEARING OPENS IN REICH ON CARTEL TESTIMONY CHARGES

(By David M. Nichol)

BERLIN, May 26.—An American Civil Service grievance committee here is studying a case which may decide how freely military government officials will talk in future to congressional and other investigating groups from Washington.

The case concerns Alexander Sacks, New York attorney who was a member of the decartelization group which was in charge of breaking up Germany's huge and vicious cartels or trusts.

For some time there have been doubts about how effectively this is being done. Last December former Secretary of the Army Royall sent a committee headed by Federal Trade Commissioner Garland S. Ferguson to find out.

The committee's report, which was submitted to Acting Secretary of the Army Gordon Gray in April, was a sizzler. It said the decartelization program had been junked and placed responsibility on a number of officials, including William H. Draper, Jr., former Under Secretary of the Army.

Mr. Sacks was among the witnesses who appeared before the Ferguson group. In addition, he was asked by the committee to present a written "comment." About the same time he was transferred to a new job with the Civil Administration Division.

In January, before the report was presented, Mr. Sacks was suspended on charges of attacking the "good faith and integrity" of Mr. Draper and other "key military government officials." In February, on direct orders of the Army Department, he was reinstated.

In April, when the report was presented, Mr. Sacks' attorney in Washington, Wendell Berge, asked the Army Department for formal notification that the case was closed on the grounds that the report sustained and confirmed Mr. Sacks' testimony. This was given in a letter dated May 13.

On May 14, as one of his last official acts as American military governor in Germany, Gen. Lucius D. Clay ordered a new suspension and fixed a grievance committee hearing. Three days later Mr. Sacks again was reinstated, but the grievance committee was ordered to go ahead with the charges.

Today's proceedings were in the form of opening skirmishes only. Mr. Sacks, small, precise, and determined, asked that the hearing be transferred to Washington for two reasons.

One, he said, was that he wanted to call 10 witnesses, including General Clay and Mr. Draper, who are now in the United States.

Second, he charged that Acting Military Governor Maj. Gen. George P. Hays, had prejudiced the case in press conference comments and in letters he wrote as long ago as last year.

HAYS MUST GIVE O. K.

General Hays, in the normal course of events, would have to approve or disapprove the grievance committee findings. He once accused 19 members of the decartelization staff of being disloyal, because they had questioned some of the military government's procedures.

The grievance committee, headed by John Tromer, of the personnel office, said it would rule tomorrow morning on Mr. Sacks' request. It adjourned without hearing other testimony.

Mr. Sacks is no novice at trust busting. He was Department of Justice representative in France and Germany in 1945 on cartel problems and formerly served under Mr. Berge in the Antitrust Division in Washington.

Mr. Sacks' suspension for testifying before the Ferguson group would seal most military government lips on any similar future occasion.

Mr. Speaker, of just as much interest is the following article on the same subject which appeared in the New York Post of May 27:

WASHINGTON MEMO

(By Charles Van Devander and William O. Player, Jr.)

WASHINGTON, *May 27.*

The Acting Secretary of the Army and the acting American military governor in Berlin are frantically tossing a very hot potato back and forth across the Atlantic. The situation is comical, but the point at issue is far from funny. After the Army brass gets through with their familiar game of passing the buck, somebody is going to have to answer this deadly serious question: "Are the German cartels actually going to be smashed this time, as the United States Government has promised, or are Hitler's industrial collaborators going to be given one more chance to bid for European domination?" There is not much evidence that the Army cut-ups know or care a hoot about the issue of cartels.

What makes them nervous is the knowledge that that man in the White House and several important individuals in the United States Senate are keeping an eye on their innocent sport.

The immediate problem facing the Army brass is what's to be done about Alexander Sacks—and who's to do it. If the answer is wrong it can blast the whole issue of cartel smashing out of the arena of rather dull editorial reflections and into the front-page headlines.

Sacks is the ex-Justice Department trust buster, now employed in the decartelization branch of AMG, who had the temerity to accuse his superiors of laying down on their assignment to break up the German industrial combines. To make it worse, his charges were backed up by a civilian committee appointed by former Army Secretary Royall to review the progress of the decartelization program.

After being twice suspended by Gen. Lucius Clay, former military governor in Berlin and twice reinstated by orders from the Pentagon, Sacks finally came to trial Wednesday before a military grievance committee in Berlin. The Army indictment charges him with "making statements attacking the integrity and good faith" of his superiors in the decartelization branch. Sacks doesn't deny the statements, which are on the record, and insists that the real issue is whether they are true. Technically, the grievance committee in Berlin would have to find him guilty of making the statements, since he admits and repeats them. But that would only pass the buck to the Pentagon, where Sacks has an automatic right of appeal and where a public Washington trial would open up the whole issue of how the anticartel program is going.

At his arraignment Wednesday, Sacks moved that the hearings be transferred at once to Washington. Maj. Gen. George P. Hays, who succeeded Clay as acting military governor, apparently heaved a sigh of relief. General Hays is in the position of an innocent bystander who suddenly finds himself in the middle of a deadly brawl. He said he would take the motion to transfer the whole business to Washington under advisement.

But when General Hays checked with the Pentagon he found himself dealing with another equally innocent bystander, with an equally fervent desire to stay out of a fight he didn't start. Kenneth Royall is gone and his spot is being filled for the moment by Acting Secretary of the Army Gordon Gray. The Acting Secretary wants the Sacks issue

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settled in Berlin, where it originated. What's more, he wants it settled in such a way that it won't come to Washington on appeal. In other words, the Pentagon wants Sacks cleared and restored to duty with as little fuss as possible.

Who's going to try Sacks, and where, is still up in the air. But the question of whether or not the decartelization program has been sabotaged, and by whom, won't be settled by a diplomatic acquittal in this case. The Army Department still has to find something to do with the damning report of the committee which Royall appointed last year. At the moment Acting Secretary Gray is juggling this report, while vigorously batting the Sacks hot potato back to Berlin.

Freedom Is the Issue

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including an editorial which appeared in Il Progresso Italo-Americano on Sunday, May 29, 1949:

Recent days have witnessed much excitement over granting fellowships in atomic studies to Communists. The storm over the Potomac, first stirred by the disclosure that the avowed Communist Hans Freistadt, a post-graduate student of nuclear physics at the University of North Carolina, is the beneficiary of American generosity, has yet to blow over. And before it does, much dust shall have unfortunately fallen on many a citizen's mind.

It would be sheerest idiocy to discuss this question in a vacuum. The issues involved here are many. They are basic. They affect not only America's national security and world peace. There are at stake here the very fundamentals and essence of our entire way of life. Obviously, questions of such magnitude cannot be examined or understood without considering at the same time the international situation at hand—that is, the actual and active relations among the nations of the world.

PLAIN TALK

We are indebted to Tovaritch Hans Freistadt himself for placing the heart of the issue squarely. In his recent testimony before Congress, the comrade from the campus of North Carolina University spoke very much to the point when he said:

"Once scientists and science students are discriminated against because of their political views or lawful political activities, the whole concept of academic freedom as we have known it is in danger."

The ambitious comrade is right. But his axiom is wrong. He assumes, and he would have us believe, that the Communist Party is a genuine political party in the normal sense of the word as understood and viewed in our democratic way of life. This assumption is impudent nonsense. It is an arrogant lie. It is the most dangerous fraud for which too many honest, but gullible, liberals have fallen.

The Cominform and its various agencies and branches and collaborators in our own and the other democratic countries serve only as military espionage agencies and agents of a giant and aggressive imperialist power—totalitarian Russia. There are no American or Italian or French Communists. There are only Russian-controlled Communists in the United States, Italy, and France. These Communists are conscious agents and their fellow travelers and dupes are at best unconscious instruments of the Kremlin clique which is dedicated to promoting world chaos and conflict in the non-Soviet areas so as to facilitate their being conquered by totalitarian communism. Hence, every Communist Party is only a fifth columnist of Russia—with first and sole loyalty to Russia, operating under orders of and for the sole benefit of the Russian dictatorship. No matter in what country the Communists operate, they are Russian nationalists hiding behind a flag of so-called internationalism.

To speak of the Communist Party in the same vein as the Democratic, Republican, Liberal, or Socialist Party is either downright dishonest or hopeless ignorance. And Tovaritch Freistadt is certainly not ignorant—whatever else he is or may be. He knows very well that if the Republican, Democratic, Liberal, Socialist, or any other democratic political organization happens to win an election, the other defeated political parties have a chance to win in another election, the next time. These losers in a democratic election are not robbed of their rights or resources by the winners. Bu' if the Communists—who themselves do not believe that they can come to power through the ballot or majority vote—should ever happen to get control of our Government by hook or crook, then there would be no more elections. All other party offices would be closed down, their leaders arrested, deported or liquidated, their assets confiscated, and their organizations outlawed.

WHY FEED TERMITES?

Such a party—the Communist Party and its members and stooges and tools—are not entitled to the same consideration, rights, or status as the bona fide political parties which are organic parts of our national body politic. The fact that the Communist Party and its Russian fifth columnists want to exploit and insist on being granted democratic rights does not make them democrats. The fact that they take advantage of loopholes in our law does not make their aims, aspirations, purposes, and all their practices lawful. The only reason the Communist Party and its lick-spittles and spies demand democracy is in order to utilize its rights for the purpose of destroying our democratic system and robbing the people of all liberty.

Comrade Freistadt and his ilk, who are most undeservedly enjoying the benefits and fruits of the very American democracy they seek to destroy, are like all the other Tovaritches, silent on one very important matter. While they yell for rights in America, only in order to utilize these rights for the destruction of American democracy, they are persistently and stubbornly silent about the total lack of democratic rights in Russia and never ask for them in the U. S. S. R. Freistadt and his ideological mentors have never uttered even a single word to demand the abolition of the savage political discrimination in Russia. They have never protested against the liquidation of political dissidents, intellectuals, artists, students, and scientists in totalitarian Russia. These whining comrades always howl for democratic rights for the purpose of destroying America and other lands of democracy, but they never even whisper in behalf of democratic rights for the purpose of destroying any Communist dictatorship.

The American people had better wake up. Not a penny of our money should be spent on educating those who would ruin our free society and turn our land of liberty into an enslaved satellite of Communist Russia. Yes, the issue is freedom—freedom versus Communist totalitarian tyranny.

United States Loyalty Probes

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Wednesday, June 1 (legislative day of Monday, May 23), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "United States Loyalty Probes: Do They Violate Basic Rights?" published in the Christian Science Monitor of May 28, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES LOYALTY PROBES: DO THEY VIOLATE BASIC RIGHTS?

NEW YORK.—The Government's loyalty program is absolutely necessary for the protection of this country from infiltration by Communists, John Kirkland Clark, member of the President's Loyalty Review Board, says.

A contrary opinion was voiced by Prof. Thomas I. Emerson of the Yale Law School, who characterized the program as an "irrational and dangerous response to a prevading fear which has taken hold of a large segment of American leadership."

The speakers discussed the subject at a conference on our civil rights in a postwar world sponsored by the New York County Lawyers' Association here this week.

Mr. Clark stressed that the pattern of Communist offensive throughout the world has been "an infiltration of enemy agents into the governmental system in key positions of authority which enabled a comparatively small minority to wrest the power away from the peaceful majority."

This country must see to it that it does not "pay those who are working to undermine our Government out of our National Treasury and enable our enemies from without to work through agents within our own Government."

The Loyalty Board member said he has never seen or heard of any action in any of the Board's proceedings which in his judgment constituted a violation of constitutional rights.

Dr. Emerson, on the other hand, said the whole program "challenges directly the entire body of principles underlying the American concept of political freedom."

He warned that the pattern of employee investigations is spreading rapidly. In Florida, he said, a State law requires that university instructors not only be loyal but also believe in the segregation of the races.

The California Senate has passed and sent to the lower house a bill requiring lawyers to take a loyalty test, he reported.

"The loyalty program," Dr. Emerson declared, "is based upon procedural short cuts which are in complete contradiction to American notions of fair play. An accused employee has only a hazy idea of the offenses with which he is charged, he does not have a chance to confront his accusers, he is denied the right of cross examination, he does not even know what the evidence against him is."

Ferdinand Pecora, State supreme court justice, proposed that Congress establish a permanent nonpolitical staff to conduct investigations connected with proposed legislation. Such a mechanism would remove the temptation to indulge in political fishing expeditions, he declared.

At another session, Miles F. McDonald, Kings County district attorney, and Robert

Daru of the New York County Criminal Courts Bar Association, argued for and against the use of wiretapping by law-enforcement agencies.

Mr. McDonald defended wiretapping for purposes of national defense and in some cases involving criminal gangs. Mr. Daru declared that wiretapping was a gestapo police method which did more harm to the cause of law and order than the advantages it may yield in individual cases.

Arthur Garfield Hays, general counsel to the American Civil Liberties Union, declared that there is more danger from the suppression of civil liberties by Government agencies in the name of protection against communism than there is from Communists themselves.

Subversive Textbooks and Teachings

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. DAVIS of Georgia. Mr. Speaker, the efforts of communism to dominate the world today are causing the taxpayers of the United States to have to spend the sum of approximately $22,000,000,000 this year to protect ourselves and other liberty-loving peoples of the world from the threat of Communist advancement. In its attempt for world-wide conquest, communism has two methods of approach, one by the use of force and violence and the other by the use of propaganda. Much Communist propaganda has been disseminated through the use of subversive textbooks and teaching materials. One of our patriotic organizations is actively fighting Communist propaganda in subversive textbooks and teaching materials, namely, the Sons of the American Revolution.

The Georgia Society, Sons of the American Revolution, has forwarded to me for presentation to the Congress of the United States, its petition for redress of grievances.

Under leave previously granted, I insert herewith a copy of this petition:

PETITION FOR REDRESS OF GRIEVANCES

To the Senate and House of Representatives of the Congress of the United States:

We hereby petition for an independent and impartial investigation of the interstate traffic in subversive textbooks and teaching materials as requested in the petitions now on file presented by the national society and the California society of the Sons of the American Revolution, and we do hereby join in and make ourselves a party to those proceedings.

We request the Congress to grant us all relief possible in this matter by determining the facts and giving them to the people with appropriate recommendations.

Dated this 24th day of May 1949, in the city of Atlanta, State of Georgia.

GEORGIA SOCIETY, SONS OF THE AMERICAN REVOLUTION,

By HATTON LOVEJOY,
President.

By SAMUEL E. MOTTE,
Secretary.

The Brannan Plan for Farm-Price Support

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Wednesday, June 1 (legislative day of Monday, May 23), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial published in the Memphis Commercial Appeal on May 16, 1949, and part of an article in the May 14, 1949, issue of the same newspaper, by William H. Nicholls, professor of agricultural economics, Vanderbilt University, Nashville, Tenn.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Memphis (Tenn.) Commercial Appeal of May 16, 1949]

The farm price-support proposals of Secretary of Agriculture Charles F. Brannan have been greeted with condemnation and criticism.

They have been called communistic and socialistic; too closely to operate and a complete regimentation of agriculture.

There are, certainly, some phases and some recommendations in the plan which are abhorrent when considered under the American way of thinking.

At the same time, the plan advances thoughts and ideas on price support which have the merit of having been used successfully before, or recommended by farm and other leaders who are credited with much more conservative views than are attributed to the Secretary's advisers.

William H. Nicholls, professor of agricultural economics, Vanderbilt University, discussed the price-support features of the Brannan plan in a special objective article in yesterday's issue of the Commercial Appeal.

He found merit in the proposal that farm income be supported by production payments and that prices be allowed to seek their own level on the open market. Weakness of the Brannan plan, he reported, is that it suggests this program for the unstorable farm production, but does not recommend it for wheat and cotton and the other storable commodities.

Another weakness is the rigidity of the price supports proposed by the Secretary. These price supports lead to the need for restricted production, Dr. Nicholls found. He suggested that with a flexible price support, announced in advance, the flow of farm products could be better controlled by offering high supports when high production is wanted and low supports when curtailment of any product is desired.

Still another weakness, Dr. Nicholls found, is too great reliance on price supports in solving the farmer's problems. With half the farm population producing only 10 percent of the farm income, there is little hope of aiding them by price supports, especially if production and marketing quotas are in effect, he warned.

The Commercial Appeal long has advocated a more balanced and diversified farming, with prices which permit farm products, especially cotton, to meet competitors in the open market.

We have recognized the need for security for the farmer, but have opposed the high-level loan-and-purchase programs of the past on the ground that they tend to encourage the inefficient, to maintain submarginal lands in production for which they are not suited, and to make too many too reliant upon Government hand-outs.

The Brannan plan, as far as its price- and production-support proposals are concerned, seeks to create an economy of plenty rather than one of scarcity; of low consumer prices and adequate farm prices.

Cost, as Dr. Nicholls pointed out, will depend largely at what level supports are placed.

The plan will, however, permit the consumer to benefit from the increased supply.

Under the present system of purchasing by the Government of excess stocks, such as potatoes, the consumer pays first for what he buys; then, through taxes, for what was purchased by the Government and taken off the market and destroyed.

The Brannan plan seeks to encourage diversification through the diversion of grains to livestock and the conversion of other lands to pasture; by relatively higher support prices for meat than for the grains or the crops normally grown on the land turned into pasture.

Some of the most severe critics of the Brannan plan are finding, on contemplation, that it contains many of the things they have long advocated, and many things which they have opposed in the past, and will continue to oppose.

There obviously is some good in the Brannan program, and some proposals that have no place in the American way of life as we know it.

Rejection of the plan as a whole will solve nothing.

Consideration of its merits, as well as its faults, can lead to a farm program which will be beneficial to all America and not some single group or class.

[From the Memphis (Tenn.) Commercial Appeal of May 14, 1949]

BRANNAN PLAN HAS ITS MERITS, BUT ITS PRICE SUPPORTS HOLD GRAVE THREAT, EXPERT CLAIMS

(By William H. Nicholls, professor of agricultural economics, Vanderbilt University)

NASHVILLE, May 14.—While subject to a number of limitations, the Brannan plan—as tentatively proposed by the Secretary of Agriculture on April 7—represents a constructive effort to correct some of the shortcomings of present and past agricultural legislation.

Its most important feature is the proposal that production payments rather than direct purchases be used to make good on the minimum price levels which Congress has guaranteed for so-called perishable farm products. If enacted into law, this policy would give consumers at all times the benefits of any lower free-market prices.

The need for a new approach to the price problems of agriculture has been dramatized by the experience with potatoes. In order to maintain prices of potatoes at statutory support levels, the Government will have spent about $225,000,000 this crop-year in direct purchase of potatoes alone. Because potatoes cannot be stored commercially or exported, the Government has been forced to divert its large-scale purchases from human consumption into livestock feed, minor industrial uses, or outright spoilage and destruction.

PEOPLE DOUBLY PENALIZED

As a result of this wasteful method, the American people have been doubly penalized—first, as taxpayers, because of the large Government losses that have occurred; second, as consumers, because the smaller supplies permitted to reach retail channels force them to pay higher prices than would have prevailed if this new plan had been in effect. Although this same situation has continued for several years, no effective counteraction has been taken. In fact, the Government is currently following the same policy on eggs

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and butter under its mandatory obligation to support certain price levels for these commodities, which are in oversupply largely because the support levels are too high to clear the market. Hence, on these products, as on potatoes, the Government faces the prospect of loss without benefiting consumers.

Under Secretary Brannan's proposal, the entire production of potatoes and eggs—as well as meats, milk and other perishable price-supported products—would be allowed to reach consumers through regular commercial channels at free-market prices. If the average market price of any of these products should fall below its announced price-support level, the Government would compensate producers to the extent of the difference by direct payments.

To repeat, for any given support level, producers would be as well off as before, while consumers would gain by being able to buy larger supplies at lower prices whenever surpluses existed at support-price levels. Whether or not costs to the Government were greater or less would depend upon the support levels that were established.

SAVINGS TO CONSUMERS

No attempt is made here to estimate the savings to consumers if this feature of the Brannan proposals were adopted—especially if storable products were also included, as they should be. However, it is evident that the savings in the American food and clothing bill would be enormous. Most of such savings would be used to buy more food and more industrial goods, to the benefit of the entire national economy.

Another positive benefit of the Brannan plan is the recognition that, if the American people generally are to achieve more balanced and higher-level consumption as a consequence of reasonable prices, we should expand our production of livestock products by the increased use of feed and grain crops. It takes seven times as many acres to feed the Nation on livestock products as if the public consumed the grain directly. Hence, if applied to all crops production payments would encourage greater consumption (through their conversion into livestock products) of prospective surpluses of feed grains.

While continuing to use a base period for determining the support levels for individual farm products, the Brannan plan tentatively substitutes a recent 10-year period (initially 1940–49) for the distant and outmoded 1910–14 base used in all agricultural legislation before the Agricultural Act of 1948. Like the later act, the Brannan proposal would (for example) establish support prices for dairy products and livestock which were higher—relative to support prices for wheat, corn and cotton—than those based on 1910–14 parity relationships.

WOULD LACK FLEXIBILITY

These changes would bring the support prices of most farm products somewhat more nearly into line with the relative levels needed to create incentives for bringing about desirable shifts in production within the agricultural economy. Nevertheless, it must be recognized that this 10-year period was one of abnormal and artificial price relationships, distorted by prewar price supports, wartime price ceilings, and postwar inflation. The Brannan plan would establish rigid price supports on individual commodities upo.. the basis of this abnormal period. As a result, the secretary would lack the desirable administrative flexibility essential for setting price supports at the levels necessary to stimulate or retard production according to prospective demand.

From a purely economic point of view, there are several major objections to the Brannan plan in its present form. First, it limits consumer benefits to perishable products only. If the principle of free-market pricing and production payments is sound, why should the so-called storable crops be left out of the plan? For instance, take cotton. Certainly, we all agree that prospective cotton surpluses are quite probable and that we must find extended markets if we wish to avoid huge storage stocks and production controls. Cotton is now being priced out of important parts of its domestic market, stimulating the continued substitution of rayor and other synthetic fibers for cotton in both clothing and industrial uses.

Again, why should wheat be eliminated? In view of the continuing increase in wheat acreage and the prospect of declining foreign outlets, wheat threatens to become a chronic-surplus crop. If drastic acreage controls are to be prevented, the use of wheat as livestock feed must be greatly expanded by pricing it competitively with corn. Furthermore, isn't the American consumer entitled to cheaper flour and bread if adequate supplies are available in a free market? Without the use of production payments, the prices of wheat and cotton will also be supported above world price levels. Therefore, it will be possible to maintain their export markets only by direct or indirect subsidies which are at the expense of American consumers and taxpayers and inconsistent with our over-all foreign-trade policy. Given the support levels proposed for corn and wheat, the Brannan plan would also require fixing price supports on livestock products at unnecessarily high levels. Consequently, Government expenditures for production payments on perishable (livestock) products—even under conditions of high-level employment—might have to be so high as to threaten public acceptance of this basically sound production-payment and use-expansion policy.

Second, under the Brannan plan the proposed support prices are much too high and too rigid. For the most important storable commodities—cotton, wheat, and corn—it proposes rigid support levels approximating 90 percent of current parity. No provision is made for administrative authority to lower specific support levels in the event of excessive stocks which are already imminent for some of these commodities.

COMPARED WITH 1948 ACT

In this regard, the Brannan plan is much less satisfactory than the 1948 Hope-Aiken Act, which at least provided for flexible price supports, dropping as low as 60 percent of parity if and when supplies should exceed normal levels by more than certain specified percentages. Under the Brannan plan as now constituted, surplus production of cotton, wheat, and corn would not be discouraged by the use of lower price supports. As a consequence, stocks of unmanageable size may quickly come into public storage.

To repeat, production payments for storable commodities are not provided in the Brannan proposals, so that large-scale storage, while involving huge sums of public funds, will withhold potential benefits from consumers.

The development of huge stocks will necessarily force action in the form of drastic acreage or marketing quotas. Such quotas would discourage the consolidation of uneconomically small farms into larger, more highly mechanized family units and delay the shift of production to those regions in which production costs are relatively low.

Thus, they would tend to freeze production, penalizing less efficient producers at the expense of the more efficient, while holding consumer prices at unwarranted levels. Allotments and quotas would also cause many low-income farmers and farm workers to hang on at a subsistence level instead of shifting out of agriculture whenever alternative nonagricultural employment exists.

WIDE LATITUDE NEEDED

If these difficulties are to be avoided, Congress must give the Secretary very wide latitude in establishing support levels for individual commodities. He should be empowered to use the pricing mechanism to encourage expansion or contraction of production of specific farm products, depending upon prospective stocks and domestic and export demand. Approximate price-support levels should be announced sufficiently in advance to permit farmers to make suitable production plans with less uncertainty, and should be made good by production payments.

The effectiveness of using advance price guaranties to bring about an expansion of needed crops was demonstrated by the wartime experience in soybeans and peanuts. By the same token, when contraction of certain crops may be in the public interest, the price mechanism could and should be used in reverse.

Admittedly, by the proper application of this principle, production would be maintained in the more efficient, lower-cost areas, and marginal production would tend to be eliminated. Such an adjustment will take time and may require supplementary public measures to facilitate adjustments and minimize economic distress.

For this reason, Congress should authorize the Secretary—whenever he finds it necessary to lower specific support prices by more than a certain percentage—to implement this policy by temporary adjustment payments, tapering off (according to a preestablished plan) over a given period. Receipt of these payments should be conditional upon the performance of specific steps which will facilitate diversion or elimination of unneeded agricultural resources away from chronic surplus crops.

Postscript to Battle

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. MULTER. Mr. Speaker, the following article appeared in the New York Herald Tribune of May 29, 1949, and is most timely:

POSTSCRIPT TO BATTLE

(By Henry Beetle Hough)

If you drive through New England, you will see a certain Civil War monument again and again. It is the figure of a Union soldier wearing the loose-caped overcoat and soft cap of the period, hands clasped about the barrel of a grounded musket.

One of these soldiers, though doubtless cast in the same foundry, is different from all others. It stands on a pedestal near the steamboat docks at Oak Bluffs on the island of Martha's Vineyard, and one may read these words: "Erected in Honor of the Grand Army of the Republic by Charles Strahan, Co. B, Twenty-first Virginia Regiment." If you are a stranger, you will realize with surprise that the Twenty-first Virginia was a regiment of the Confederacy.

The story is this. Not long after the close of that bitter fratricidal war, Lieutenant Strahan, who had fought gallantly for the South, moved to the North for his health. He bought a small newspaper at Oak Bluffs, and through a period of years became attached, by mutual respect and liking, to his fellow citizens.

It was his idea to raise funds for a monument to honor the Union veterans; but he had a further wish, that when hatred at last had died, another inscription might be added in honor of the veterans of the Confederacy. That was in 1895.

In 1925, when Lieutenant Strahan was 80, his neighbors decided the time had come. A new plaque was placed on the pedestal and a new unveiling was held.

"The chasm is closed," the inscription reads. "In memory of the restored Union, this tablet is dedicated by Union veterans of the Civil War and patriotic citizens of Martha's Vineyard in honor of the Confederate soldiers."

The monument bears no date. Its figure has not survived intact—the musket has mysteriously disappeared, and the soldier's hands now grasp empty air. But so far as present and future generations are concerned, it has stood there all the while in common tribute to brave men—of the North and of the South. It has been accomplished because one man had a longer view than most, and by honoring former foes, put it into their hearts to honor him and his comrades. On Memorial Day, his lesson is poignant and clear.

Dismissal of Roy James

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Wednesday, June 1 (legislative day of Monday, May 23), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial on the dismissal of Mr. Roy James entitled "Something's Rotten," which appeared in the Washington Daily News of May 24, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SOMETHING'S ROTTEN

Last Saturday you may have seen our exclusive story about Mr. Roy James, Government worker.

The story told how Mr. James had been ordered fired by the Civil Service Commission.

It said he's worked for the Government 18 years, had a spotless loyalty record, and a fine career record.

Mr. James had resigned from the Government (so that he wouldn't violate the Hatch Act) to run for Congress against Representative FRANCIS WALTER, Democrat, Pennsylvania. Mr. James lost. He came back to Washington and got another government job.

Mind you, there's nothing derogatory in Mr. James' performance or loyalty. He has been cleared by the Army (where he works as a civilian), by the Navy (he was an officer during the war), and by the FBI.

But Representative WALTER is the Democratic patronage chief in the House. There were visits to the White House.

And then the Civil Service Commission orders Mr. James fired.

What goes on here?

Representative WALTER says he doesn't like Mr. James, principally because he's a Republican.

The Civil Service Commission says its order to dismiss Mr. James was "routine."

That's about the most horrible admission it could make. We hope the Civil Service Commission doesn't crawl on its belly that way all the time. Routine, indeed! From the outside, this case looks like a clear perversion of the Civil Service Commission's powers. An inquiry is needed. Simply calling it "routine" won't do.

Civil-service standards either mean something, or they don't. The protection of these standards is the duty of the Commission. If it allows competent citizens with Civil Service status to be fired simply because they are either Republicans or Democrats, then the Civil Service Commission is traitor to its trust, and a house cleaning in that Department is a "must."

One last thought about this matter: How do you like the arrogant hypocrisy of legislators who mouth pious phrases about the necessity of a strong and secure and efficient civil service, weep big fat political tears over inefficiency in government due to political preference, and then sabotage the very Government itself by trying to gun decent citizens out of their jobs simply because they were political opponents?

How Conservation Has Encouraged Development in Arkansas

EXTENSION OF REMARKS
OF
HON. OREN HARRIS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 31, 1949

Mr. HARRIS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of Gov. Sid McMath, of Arkansas, before the Interstate Oil Compact Commission at Jacksonville, Fla., Tuesday, May 10, 1949:

We are all deeply appreciative, Governor Warren, of the cordial and sincere welcome extended us today. I think it is especially fitting that this meeting of the Interstate Oil Compact Commission, a group of States dedicated to the conservation of oil, should be held at this time in the great State of Florida, a comparative newcomer in the production of oil but with tremendous potentialities. Stimulated by the actual discovery of oil in Florida, the lease hounds have moved in and I am informed there is now over 20,000,000 acres of land under lease. Twelve rigs are in actual operation in widely scattered areas and who can say that this is not the beginning of a development that may eventually cause the value of oil produced in Florida to rival that of the citrus crop or the tourist trade, two of your most widely publicized industries. It is indeed fortunate for the State of Florida and the other Southeastern States that your oil development is coming at this time. You will have the benefit of the experience gained by the other producing States and all the information available on the newer and improved techniques in the production of oil which is being disseminated by the Interstate Oil Compact Commission. The work of the compact is to encourage discovery and development and to secure the greatest ultimate recovery of the product when found.

It was not so in my State and we gained our experience at great cost. The first commercial production of oil in Arkansas was obtained in the El Dorado field in the year 1921. A succession of fields was developed in rapid order, the greatest of which was the Smackover field discovered in 1923. All were produced in the manner typical of that day and the waste was appalling. I shall not dwell on this for the history is well known to everyone in the industry. An analysis of cores from a well recently drilled in the Smackover field shows that only 17 percent of the oil originally in place in the sand has been recovered, yet the field has produced over 400,000,000 barrels of oil, and is now in the stripper stage. Think what a difference it would have meant if we had secured a recovery of from 50 to 75 percent of the oil in place as we are doing in our newly discovered fields. After the exploitation of our earlier fields there followed a period of inactivity and our daily production declined from a peak of 500,000 barrels per day at the height of the Smackover boom to a mere 12,000 barrels per day in the year 1936. Then with the perfection of the seismograph it was possible to map our deeper structures and Arkansas again assumed an important place in the industry. Thanks to a few of our farsighted citizens who had kept abreast of developments in conservation in other States, a move was initiated to pass an adequate conservation law and avoid repeating the mistakes of the past. This resulted in the passage of our present Conservation Law, Act 105 of the Fifty-second General Assembly, approved February 20, 1939. This was widely acclaimed at the time and has been used as a model by all States which have since passed conservation statutes. This was followed in 1941 by legislation authorizing the governor to join the Interstate Oil Compact Commission. We have been an active member of the compact since, participating in all its deliberations, serving on its committees and accepting all our responsibilities therein.

Production of oil has steadily increased in recent years and in the year 1948 we ranked tenth in volume of oil produced. Oil plays an important part in our economy and in the value of its products is exceeded only by agriculture and lumbering. It contributes a substantial part of our tax revenues. Oil has carried its fair share of the tax load but we have imposed no burdensome or discriminatory taxes that would retard exploration and development. This policy has proved wise in my State and I am sure will be equally beneficial to the newer producing States. Oil has been responsible for the growth and development of many of our towns and cities and to the general well-being of our people. It has resulted in a large increase in our per capita income. Thus the proper functioning of our State government is in a large measure dependent upon a prosperous and thriving oil industry.

Arkansas has promoted the cause of conservation out of all proportion to the daily volume of oil produced. Arkansas has become the proving ground for new and advanced techniques in producing oil and gas. Arkansas pioneered in the utilization of sour gas. Today in our major oil fields there are desulfurization plants reclaiming a former waste product, feeding it into transmission lines where it is transmitted to heat our homes and furnish fuel for our industries. Many industries have been located in our State because of ample supplies of this valuable fuel. We have made notable progress in the use of casinghead gas. Today less than 7 percent of the gas produced in our oil fields is flared, and this only in small pools where it is uneconomical to install gathering facilities.

Arkansas has played a leading role in the development of pressure maintenance. The midway pool in Arkansas was the first limestone reservoir in which the injection of fresh water was attempted as a means of maintaining pressure. The results were so phenomenal that it is now accepted as a standard practice not only in Arkansas but throughout the industry. We have not neglected the injection of gas also as a means of pressure maintenance. Over 50 percent of the oil produced in Arkansas is from fields having some form of pressure maintenance. As a result of this we shall obtain recoveries of two and three times the amount obtained under conventional production methods. Our oil reserves have been increased by this method in the sum of

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120,000,000 barrels, or four times our present annual production. Think what this means to the royalty owners, operators, and to the State government.

Arkansas has taken the lead in secondary recovery. Act 302 of the fifty-fourth general assembly directed the oil and gas commission to survey and study the prospects for the secondary recovery of petroleum in the oil fields of Arkansas and to report the results of the survey to the assembly. Never before had a detailed survey of all the fields of a State been attempted. The report, which was the culmination of 4 years' work, was completed and submitted to the fifty-sixth general assembly and is a milestone in the development of the science of secondary recovery. The first fruits of this work was the unitization of the Lisbon field which was approved by the commission only a few weeks ago. Operators estimate that more oil will be recovered in this field by secondary recovery methods than was recovered under primary methods.

Development has kept pace with improvement in conservation methods and operating techniques. Operators are anxious to search for oil in Arkansas for they know that if they are successful in their search, they will reap the greatest possible benefits from their discoveries. There is not a section of the State today with any oil possibilities that is being overlooked. They are going back and working over areas in the vicinity of the older fields. Only last month an intrepid wildcatter opened up a new deep field within sight of the tall buildings of El Dorado, a city made by oil, and then went over and discovered a prolific new shallow field almost within a stone's throw of the derricks of wells that have been producing since the year 1922. With the widespread development and exploration campaign now going on I am confident other fields will be opened and the year 1949 will see a substantial addition to our reserves which have been increasing for the past decade and totaled 300,000,000 barrels as of January 1, 1949. These achievements have been realized by a competitive industry operating under our free enterprise system and encouraged by a beneficent State government. We have accepted our responsibilities by passing an adequate conservation law and having it ably administered by capable men with a thorough understanding and knowledge of the industry.

What has been accomplished was aptly expressed recently by Mr. Paul Torrey, outstanding consulting engineer and chairman of the Interstate Oil Compact Commission's Secondary Recovery Advisory Committee, who said: "The work being done in Arkansas is marvelous in regard to the recovery of oil and as a result Arkansas has become the leading State in the United States with respect to the efficiency of oil recovery."

The benefits that have attained to my State through such a program will in my opinion prove equally beneficial to other States in which the production of oil is beginning to assume importance.

Gentlemen, I have dwelt on Arkansas because after all it is the State with which I am most familiar. Its daily production is small enough when compared to that of our neighbors, Texas, Oklahoma, and Louisiana, to enable our operators and our Oil and Gas Commission to give careful attention to the problems of developing newer and improved techniques in the production of oil, and act, as it were, as a pilot plant for the larger oil-producing States who are properly occupied wits the problems inherent in their size. The great State of Texas, for example, had recently to take the lead (by cutting back their production in excess of 750,000 barrels per day) in the prevention of economic waste which threatened the welfare of the oil industry and therefore the security of our country in peace and war.

When, along with a million other Americans, I was island hopping in the South Pacific, it was a great comfort to us to know that there was an unfailing source of fuel and power in the form of petroleum produced within the borders of our own country to take us wherever we had to go. Our mission could not have been accomplished without this and the next time, if there is a next time, the mission cannot be accomplished if our domestic oil industry in peace is caused to stagnate by a flood of foreign oil.

Given a favorable economic climate, the idea that we will ever "run out of oil" on this continent is patently ridiculous. Back in 1928 there were those in and out of Government who thought that we were running out of oil. The then Secretary of the Interior was one of those and it was proposed that our domestic reserves be locked up, hoarded, and that our needs be imported from foreign fields. It was a program of reservation, not conservation. At that time our reserves in this country were about 10,000,000,000 barrels and our annual production in the neighborhood of 1,000,000,000 barrels. Domestic producers, after a long fight, convinced the Congress that they could supply an abundance of oil at a reasonable price and by virtue of an excise tax, the flow of imported oil was reduced. The test of their view came with World War II. At that time the domestic industry was not only meeting all domestic requirements but in addition had a million barrels per day of excess producing capacity immediately available for war needs. This excess producing capacity carried us through to victory and it was, I believe, General Marshall who said: "No plane failed to fly; no ship failed to sail for want of oil."

Today our known petroleum reserves are at an all-time high. Since 1930 we have added to these reserves (which we should really just consider underground working stocks) a volume equal to all that we consumed, plus an additional 50 percent. Our reserves are now twice what they were in 1928 when the prophets of doom were hanging crepe on the industry. They are also great in some other parts of the world. Therein lies a danger to the full and effective functioning of our domestic industry. It is today a principal threat. Along with the development of our oil resources we have developed an enormous demand for the products of petroleum. The counterpart of this market does not exist anywhere else on earth. It is tempting both to companies which have concessions in other countries and to the governments of those countries which are intent on turning their oil into cash.

But our oil producers cannot continue to explore and develop if they are displaced in their own market. The economic difficulties which can come from the increasing tide of imported petroleum need no explaining to us here. We are well aware of the threat to employment, to State finances, to the distribution of oil royalties, rentals, and bonuses among landowners. As officials of our respective States and as citizens whose concern for the national welfare is ever in our thoughts, we must be conscious of the need of maintaining an industry on which we have relied and which has never failed us since the first use of petroleum was begun in the United States.

What I am saying is not to be taken as criticism of our American companies operating abroad. They are ably demonstrating to foreign lands what American enterprise can accomplish and what their own citizenry could accomplish were it free. But the full burden of reducing production when necessary to prevent above-ground physical waste and economic waste must not fall solely upon the States who are represented here today. Our companies operating abroad must assume their share of this responsibility (and I am glad to say that action of some of them in recent weeks indicates that they are assuming their responsibility) or we will threaten our domestic supply, which after all is our only reliable supply, for our needs in an emergency.

The group in this room, the States you represent, and the petroleum industry are composed of rugged individualists. You do not want to run to Congress for Federal aid in the form of subsidies or any other form of artificial support. But if imports are not brought into balance to supplement rather than supplant domestic production, as those companies committed themselves to do when they subscribed to the national oil policy of the National Petroleum Council, then it will become our duty to ask the Federal Government to restrict the flow of foreign oil by import quotas or excise taxes in order that we may continue to fulfill our responsibilities.

Fair Play and Common Sense

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. MULTER. Mr. Speaker, with the press so full of articles and editorials of criticism of the work of Congress it is well that we pause to take cognizance of the following commendation which appeared in the New York Times of May 31, 1949:

FAIR PLAY AND COMMON SENSE

A report from Washington has it that some members of the House Un-American Activities Committee are planning a rebellion against the secrecy and inactivity of the committee since its reorganization early this year. Particularly in respect to the charge of secrecy, this is one of the most encouraging comments on the work of the committee that we have heard in some time. We hope that the rebellion—if one is really afoot—fails to move Representative Wood from the course of moderation and restraint that he wisely established on becoming chairman.

As for the other charge the committee does not seem to have been especially inactive. It has released data on alleged Communist espionage; it has held some public hearings; it has indicated that investigations are under way. But it is true that the bulk of the committee's work this year has been behind closed doors, with a minimum of fanfare and publicity. This, it would appear, is the crux of the attack now being made on its procedure, and this, it seems to us, is precisely the type of procedure for which it should be commended instead of condemned.

The activities of this committee under the chairmanship of Representative THOMAS and former Representative DIES were attacked, and deserved to be attacked, because of the almost uncontrolled public character assassination in which it indulged without giving the accused any fair opportunity for reply. This was not the way to ferret out un-American activities; this was in itself highly un-American activity.

The basic purpose of this committee should be to gather facts which may be useful to our National Legislature in framing laws. Insofar as this involves investigation of espionage it is obvious that such inquiry cannot be carried out effectively by means of a new headline every day. In the interest not only of efficiency but also of decency and fair play the time for publicity is after, not before or during, such investigations. Then publicity may well be desirable and necessary in the interests of accuser, the accused, and the public.

Point 4 Plan Crystallizes

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New Orleans States of Monday, May 30, 1949:

POINT 4 PLAN CRYSTALLIZES

Nebulous when it was broached by President Truman as the fourth point in his inaugural address, the program to help the world's undeveloped regions is rapidly taking shape. If it adheres to schedule and budget hearings are concluded this week, "point 4" will make its maiden appearance before Congress 1 week from today.

Any sound plan to elevate living standards is of special interest to New Orleans; bettered standards are a stimulus to world trade. But compounding this port's interest is point 4's concentration on development of republics in its own front yard.

Critics frightened at the President's "bold new program" last January envisioned a world WPA or a new version of Henry Wallace's milk-for-Hottentots scheme with Uncle Sam catching the check. With the rounding out of the program criticism has largely subsided.

The first-year price tag, the State Department hopes, will be $55,000,000—altogether a modest amount considering Europe's Marshall plan billions. For salaries of the know-how men, technical experts, $30,000,000 would be expended. They would help in masterminding by surveys and other specialized ways plans for improving undeveloped nations.

To provide special training for foreign engineers, agriculturists, and others in the United States $10,000,000 would be spent. The $15,000,000 balance would cover equipment and supply exports. Thus, it is to be seen that actual financing of the developments depends upon the foreign countries themselves.

News from various sources last week indicated growing attention paid to the program. The National Foreign Trade Council proposed that the State Department set up a foreign development division for the program and urged bilateral treaties setting forth basic rights for United States private investments abroad.

The United Nations Economic and Employment Commission told governments to quit shackling imported capital and, as well, encourage domestic investments. Recommending negotiation of bilateral agreements with the countries helped, the National Association of Manufacturers urged protection of private initiative against discrimination.

Goal of the Department of Commerce, said Under Secretary Cornelius Vanderbilt Whitney, is $1,000,000,000 annually in long-term private American investments in foreign enterprises. And the State Department, meanwhile, loosed an avalanche of 7-page primers to explain the point 4 program on which the Nation is to embark.

Growing interest in what 5 months ago was a hazy plan is a healthy sign. For it comes from the solid point of view that no nation of the world, however great, can afford not to concern itself with the welfare of mankind.

Basing-Point System Explained by Hon. Wright Patman, of Texas, Over Midwest Radio Network—Chairman of House Small Business Committee Unmasks Fallacies of System Outlawed by Supreme Court—Quotes Supreme Court, Which Described Basing-Point System as "Handy Instrument To Bring About Elimination of Any Kind of Price Competition"

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. MANSFIELD. Mr. Speaker, my colleague and friend, Hon. WRIGHT PATMAN, the eminent chairman of the House Small Business Committee, of which I have the honor to be a member, recently participated in a radio program that was broadcast over eight Midwest stations. The subject was the basing-point system of pricing and its effect on our great States west of the Mississippi River. Mr. Walter Cronkite, for many years a distinguished war correspondent as well as foreign correspondent for the United Press, participated in the discussion. Mr. Cronkite recently returned from Moscow, where for 2 years he was chief correspondent for the United Press, and now is reporting and interpreting Washington and foreign news for a number of our great West-Central radio stations. They are KWK, St. Louis; KMBC, Kansas City; WOW, Omaha; KSO, Des Moines; WMT, Cedar Rapids; KSCJ, Sioux City; KOMA, Oklahoma City; and KTUL, Tulsa.

The outlawing of the basing-point system in the Cement case by the Supreme Court has had a salutary effect upon regional development in our Western States. The so-called heavy basic industries will add new units at points in the West where the natural advantages of location and raw materials will accrue to the benefit of our people. Word of such additions is already coming in. With the defeat of the moratorium on our antitrust-law enforcement, no longer will the unrelenting hand of big-business-controlled monopolies saddle arbitrary price controls and territorial divisions on our western economy. Steel and cement, particularly, are needed in ever-increasing quantities for the development of the West. I believe we should be able to supply our needs from nearby sources of supply without having the prices rigged and without paying freight—phantom freight—from points a thousand or more miles away.

I commend this broadcast to every Member of Congress who is interested in giving a new meaning to the oft-expressed admonition, "Go West, young man."

The broadcast follows:

Mr. CRONKITE. For a good number of years there has been considerable talk about something called the basing-point system. Of late, there has been even more than the usual amount of discussion on this matter.

Newspapers and we of the radio have been telling you that it is an important matter; that it is particularly important in our part of the world; that it has a direct bearing on the prices that we pay for many of the things we buy and hence directly influences our entire economy.

But what is this basing-point system, how does it work, how does it affect us, what have all the recent news stories been about, and what does the future hold in relation to it?

Those are questions which it occurs to me haven't been adequately answered of late. I think it is time to review this question and strip away, if we can, the complex, legalistic language that surrounds this thing.

So I've asked Congressman WRIGHT PATMAN, of Texas, 20-year veteran of the House of Representatives and long-time foe of monopoly practices in business, to help us. Congressman PATMAN is chairman of the House Committee on Small Business and has been the leader of the fight to get the basing-point system abolished from our economic system.

Just what is the basing-point system—in other words, what is a basing point?

Mr. PATMAN. The basing-point system is an artificial pricing system, Mr. Cronkite, in which one or more arbitrarily selected shipping points are used as a basis for calculating prices—by the addition of freight charges—to any given destination. These arbitrary points are termed basing points. The strategic aim of the basing-point system is—first, to secure the highest possible price; second, to control markets and suppress competition; third, to create a monopoly by excluding others from the industry, thereby restricting production, restraining trade, and destroying free enterprise. To operate the system successfully there must be understanding, agreement and combinations which results in collusive action, conspiracy, and other forms of unlawful activities.

Mr. CRONKITE. Well, Congressman PATMAN, getting this down to a level we can all understand, how does this affect a steel user in Kansas City, or Omaha, or Oklahoma City?

Mr. PATMAN. Users of steel in Kansas City, Omaha, or Oklahoma City, in fact, in all points west of Chicago, had Chicago as a basing point for the past several years. Therefore, Mr. Cronkite, buyers of steel in Kansas City, Omaha, and Oklahoma City were forced to pay freight charges from Chicago, even though they may have bought this steel from a mill in Kansas City or St. Louis from which points the freight charges are less than from Chicago.

Mr. CRONKITE. These higher artificial, rigged prices are then passed on to the final consumer, I suppose; in other words, the farmer who buys farm equipment has to pay a much greater price for that equipment than if the basing point did not exist.

Mr. PATMAN. Yes, that is right, Mr. Cronkite. For example, a farm-equipment manufacturer in Kansas City, Mo., may have purchased his steel from a local steel mill but since that steel had added to the mill price—the freight charges from Chicago—every ton used in the manufacture of farm equipment carried a much higher price than if the basing-point system had not been in existence. In the purchase of farm machinery and other steel products—and in the purchase of cement and many other commodities which have been subject to the basing-point system in the past, farmers and other customers have paid many millions of dollars in what is called phantom freight. Phantom freight is the difference between the actual freight charges from point of shipment and the freight charges from some

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distant point, which is added arbitrarily to the f. o. b. mill price to arrive at the destination price.

Mr. CRONKITE. There has been a great deal of news lately about the basing point and various Court decisions on it. Just what is the status as of this moment—do we still have the basing-point pricing system, or has it been outlawed?

Mr. PATMAN. The basing-point system has been outlawed by decisions of the Supreme Court, Mr. Cronkite. The outstanding decision was the Supreme Court decision in the Cement case, handed down April 26, 1948. This decision had the effect of outlawing the basing-point system. The Supreme Court described the system as a "handy instrument to bring about elimination of any kind of price competition. The Supreme Court found the basing-point system in the cement industry to be based on collusion among members of the industry. Recently the Supreme Court affirmed the decision of the seventh circuit court of appeals in what is known as the Rigid Steel Conduit case, which had the effect of further emphasizing the monopolistic and unfair pricing methods of the basing-point systems.

Mr. CRONKITE. Now there is some move here in Congress, I gather, to get the basing-point system reinstated.

Mr. PATMAN. Yes, several bills have been introduced in the Eighty-first Congress in both the House and the Senate which would have the effect you mentioned. In these days of ever-growing monopolies, I sincerely believe that no law should be passed which would weaken our antitrust laws—but rather such laws should be strengthened and their prosecution vigorously carried on by the Federal Trade Commission and the Department of Justice. Giant trusts are on the march and statistics show that fewer than 100 corporations in this country do more than three-fourths of our trade and industry. Since 1940—and while our boys were in the front lines fighting in our country's defense—these giant monopolies were far back of the lines planning the complete control of all business in our country through the elimination of small business—the elimination of free markets and of free enterprise. We must fight hard—altogether—to hold the line or we shall all be working solely in the interests of big business.

Mr. CRONKITE. What do the chances appear to be for this legislation?

Mr. PATMAN. Of course, Mr. Cronkite, I feel very strongly that the so-called moratorium bills, Senate bill 1008 and House bill 2222, should not be passed by the Congress. I know there is considerable opposition to the bills in Congress, and I believe that opposition is on the increase as the full import of this type of legislation is recognized. Our listeners are no doubt well informed of the activities of big business and big-business lobbies in Washington in the interest of this legislation. One high-powered lobbyist, I understand, is paid the huge sum of $11,000 per month, plus all expenses of every kind and character. The basing-point system has been outlawed by the courts, and now the Cement Trust, the Steel Trust, and others using the basing-point system of pricing ask Congress to upset the Court decisions and weaken our antitrust laws by way of legislation. The people are fully advised in the matter, I am sure, and I hope they will add their voice to the ever-growing opposition to any moratorium legislation on our antitrust law.

Mr. CRONKITE. Congressman PATMAN, you stated that opposition to the moratorium bill is on the increase as the full import of the legislation is recognized. Will you elaborate a little on the full meaning of the moratorium?

Mr. PATMAN. Certainly. The basing-point system of pricing is easily recognized by the fact that destination prices are practically always identical. Thousands—I mean literally thousands—of abstracts of bids to the Federal Government, to the States, and to municipalities, have been examined over the years and the prices found to be identical regardless of the number of bidders. Of course, I do not mean to say that an occasional price is not different, but these rare occasions are found, usually, to be errors on the part of the bidder rather than by design. Not only have invoices and abstracts of bids to governmental agencies been examined, but the Federal Trade Commision examined 60,000 invoices to cement dealers in 20 cities in the United States and found the same pattern of identical prices which had been bid to public bodies. As the Supreme Court well said in the Cement case decision, such prices eliminated any kind of price competition. Mr. Cronkite, when price competition is eliminated, you have created a monopoly, and Congress has long recognized that monopolies are not good for the people, but, only good for the favored few who operate them. If the moratorium bill becomes law and the hand of the Federal Trade Commission and of the Department of Justice is stayed, it will be extremely difficult to secure evidence that the basing-point system of pricing is again in operation. In other words, in my opinion, a moratorium, however innocent-looking on the surface, will only serve big business in its use of artificial, discriminatory, and destructive pricing system, and all of the work of a half a century will be nullified; and the issues which have been so clearly stated—and so satisfactorily resolved in the interests of the people—will be again thrown into the realm of doubt.

Mr. CRONKITE. One final question, Congressman PATMAN. I gather that some local industries fear that with the basing-point eliminated, big steel, the cement, and other interested industries, will go out around the country building new plants and that they will run the smaller local industries out of business. Do you believe there is any real basis for these fears?

Mr. PATMAN. Emphatically no. The Steel Trust, Cement Trust, and other trusts have already expanded their productive capacity at locations which suited their convenience. The basing-point pricing system has often been used as a price weapon to destroy small business enterprise in these industries, which now are deprived of that weapon, and so small steel mills, cement plants, and small manufacturers of a thousand items can now meet big business on its own ground without being destroyed by cutthroat pricing methods. Small business enterprise is the backbone of our economy. It must be nurtured and expanded. Small business must look forward resolutely, because, when big business is deprived of its artificial pricing methods and its power to rule and ruin, I am confident that small business will be revitalized and will go forward without fear and with unbounded courage and optimism in its own future and in the future of our beloved country.

Mr. CRONKITE. Thank you very much, Congressman WRIGHT PATMAN, of Texas. Congressman PATMAN has been with us today to help clarify the present status of the basing-point system, and to explain for us its effect on us. As chairman of the House Committee on Small Business, he has been instrumental in the fight to eliminate the basing point and all other restrictive, monopolistic business practices.

This is Walter Cronkite, speaking from Capitol Hill in Washington and returning you to our local studios.

Message to the Citizens of Iowa of 2049

EXTENSION OF REMARKS
OF
HON. KARL M. LeCOMPTE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. LeCOMPTE. Mr. Speaker, the editor of the Chariton (Iowa) Leader, W. D. Allender, has prepared a message to the citizens of Iowa of 2049, 100 years from now, and has printed the message in this paper. The paper is to be placed in the cornerstone of the new Register and Tribune building now being erected in Des Moines and this cornerstone, or vault, is to be opened in the year 2049.

Because of the importance of this message to future generations and the interest attached thereto, under unanimous consent I extend my remarks in the RECORD and include this historical message:

TO THE READERS OF 2049

To you who read this in 2049 we leave you greetings. How we wish we might remain on earth, impolitely lean over your shoulder, and read them as you do. We'd probably laugh with you at some of the then obsolete expressions current in our day.

We assume there will be older people living in your time who will long for the "good, old days." That nostalgic group every century preceding ours has had them, so why should yours be different? Be glad you are alive in the middle of the twenty-first century and escaped mingling with some folks, most of them needlessly alarmed, we sincerely hope, over the atom bomb and what Russia's Joe Stalin will do next. We hope you will be living in a better democracy than we have built to date, although the general concensus of opinion is that ours in 1949 is doing a very good job of building in that direction. We hope wars actually will be a thing of the past and that you people now living will have and exercise the power to keep it obsolete.

Three years ago you celebrated Iowa's two-hundredth anniversary of statehood. Perhaps you might be interested in a thumbnail history of Lucas County's advancement.

Shortly after Iowa's land was opened to settlement men drifted in from east of the Mississippi and found the prospect pleasing. A year or so later the Mormons, seeking a refuge from persecution, crossed the county en route to Utah. Those travelers drove oxen and averaged from 4 to 6 miles a day, and were satisfied they made good time. Other migrating families, now known as pioneers, followed the first adventurers and stayed to create homes, build schoolhouses and churches, and embark in trade.

Chariton, the county seat, came into being in the early fifties of the nineteenth century. Early it was a crude village. By 1949 it had grown to be a city of more than 6,000 inhabitants.

In 1949 we drove automobiles and considered speeds of 50 miles per hour on improved roads as safe. Automobiles to you in 2049 may be as far behind the times as were horse-drawn vehicles of our day. In that event, you may be enlightened to know that an automobile was a gasoline-propelled carriage used for covering short distances or for touring the country. Everyone, when he bought his first car, was so happy to own it, until he got his first repair bill. Gasoline-propelled trucks transported freight of all

descriptions. Busses carried passengers to points nearby or far away. In 1949 the car was regarded as an essential by practically every family.

We would have liked to list all the business firms in Chariton for this record, but that would have entailed the use of considerable space and the likelihood we'd have unintentionally overlooked mentioning some. But we will call the 2049 reader's attention to some of the industries the citizens of 1949 pointed to with considerable pride.

Earlier in the twentieth century coal mining was an important local industry, but that had been on the decline a few years preceding the time this was written. The product mined was a fuel used for warming houses and heating water in boilers whose steam drove a type of engine you would consider quite crude. Perhaps atomic energy by now has been replaced by a superior power.

In 1949 Chariton industries turned out brooms, overalls, work clothing, cake decorations, steel products, etc. Our steel-manufacturing plant even built boats during World War II, the last war, we pray, your histories record.

Chariton's trade area lapped well over into adjacent counties, and Saturday was the big day every week. On Saturday nights negotiating one's way through the crowded sidewalks was often difficult. The influx of visitors—and you may be quite certain their presence was enthusiastically welcomed—paused to chat with neighbors they saw the preceding Saturday or friends they had missed contacting for several weeks. If you had been in a hurry, which was almost a useless state to be in, you would have gathered a conglomeration of varied conversations that might run like this:

"I walked around behind her, slapped her on the rump, and yelled, 'Whoa'." The sedate-appearing farmer who made that statement was not speaking slightingly of the smarter human sex, but was relating an incident in the life of a skittish mare. The next man you might have passed could have been bragging of his gift of a fifth of bourbon, which would seemingly blend into the conversation between two nearby men lamenting that "everything is so dry and the oats may suffer." Four or five feet beyond, as you made a little progress, you might have run onto a trio of young ladies admiring a fourth girl's engagement ring and gushing over the setting. Immediately ahead, and within hearing distance, three or four other ladies were also discussing settings that had nothing to do with weddings, unless it was a promotion to provide eggs for a wedding cake.

If you of the twenty-first century do not have those Saturday night crowds to contact or mingle with, you will be missing something that was the lifeblood, heart, and soul of a country county-seat town in 1949.

You might be interested in knowing the names of the presiding officers of some of our organizations in 1949. We don't claim this list is complete, but we hope it is:

Rotary Club, John Neighbour; Lions Club, Orville Hill; Woman's Club, Mrs. O. A. Stafford; Daughters of Union Veterans, Mrs. Otto Brown; Chariton Federated Garden Club, Mrs. W. L. Frank; Girl Scout commissioner, Mrs. Howard Gentry; P. E. O. Chapter, Mrs. Lazear Throckmorton; Navy Mothers Club, Mrs. Harriet McRoberts; Beta Sigma Phi, Mrs. Ellsworth Johnson; American Legion Auxiliary, Mrs. Frank Dunshee; Veterans of Foreign Wars Auxiliary, Mrs. Martin Krutsinger; BPW Club, Miss Nora Johnston; D. A. R., Mrs. George Harlan; P.-T. A. Council, Mrs. Robert Dale; Franklin P.-T. A., Mrs. Charles Downard; Garfield P.-T. A., Mrs. Oscar Willits; Columbus P.-T. A., Mrs. John Shelton; Alma Clay P.-T. A., Mrs. Harold Clark.

Masons: Blue Lodge, S. S. Murphy; Royal Arch, George Noble Russell; Council, Eddie Davies, Knoxville; Commandery, Harold Blackman; Order Eastern Star, Mrs. Tom Nutt; White Shrine, Mrs. George Noble.

Odd Fellows lodge, Walter Cain; Encampment, Walter Cain; Rebekah lodge, Mrs. John Probasco; Encampment Auxiliary, Mrs. Everett Bumbarger.

Knights of Pythias lodge, Earl Clark; Pythian Sisters, Mrs. Charles Hickman.

Eagles lodge, Howard Taylor.

Ministerial Association, Rev. Aleck Ulmet.

American Legion, Glenn McCurdy; Veterans of Foreign Wars, Germain Mullins.

Charitan Chamber of Commerce, D. L. (Moody) Smith. Lake View Golf and Country Club, Noel Cloud. Chariton Gun Club, Luther Johnson.

(If we've missed any we heard about it 5,199 weeks before you did.)

County officials in 1929 were: State representative, Ray Shepard; auditor, Mrs. Louis Krutsinger; treasurer, Herman Atwell; clerk of the courts, Orlan Wells; sheriff, Paul Laing; recorder, Mrs. Ella Metz; attorney, A. V. Hass; coroner, William Dunshee; board of supervisors: Guy Bowman, chairman, Floyd H. Bond, and Ralph Cackler; Hon. Davis, the member elect.

The men and women working for the Leader when this issue of May 17, 1949, was printed were: Will D. Allender, editor and manager; Floyd E. Flack, news editor; Brace M. Owings, advertising manager; Tom McCausland, circulation manager; Mrs. Evan Ellis, society editor; Miss Thelma Richards, bookkeeper; Roger Davis, superintendent of mechanical department; Joseph Crane, linotype machinist-operator; Miss Ella Anderson, linotype operator; Noel McKinley, advertising compositor; Max Williadson, stereotyper; Tom Evans, advertising compositor and linotype operator, and Russell Adams, shop devil.

Need for Reduction of Government Machinery

EXTENSION OF REMARKS

OF

HON. HARRY FLOOD BYRD

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 1 (legislative day of Monday, May 23), 1949

Mr. BYRD. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a letter which appeared in the Richmond Times-Dispatch, written by Mr. Jacob Billikopf, who has devoted much of his time to educational and philanthropic causes and is a man of outstanding ability.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEFEAT OF MR. HOOVER'S PLAN WOULD BE TRAGIC—MR. JEFFERSON ALSO ASKED FOR RELIEF FROM PARASITES

EDITOR OF THE TIMES-DISPATCH:

In a letter Thomas Jefferson wrote to William Ludlow at the age of 81, he had this to say among other things:

"I think that we have more machinery of government than is necessary, too many parasites living on the labor of the industrious. I believe it might be much simplified to the relief of those who maintain it."

Calling the above to the attention of our former President Herbert Hoover, he made this observation:

"I was glad to have that quotation. And the Federal civil employees have grown from 1,500 in Jefferson's time to 2,100,000."

There can be no question but that we have today much more machinery of government than is necessary. As the Hoover Commission has demonstrated, there is an enormous amount of waste, duplication and featherbedding. If the recommendations outlined in the reports were turned into reality, a great many overlapping and duplicating agencies, boards, and bureaus could be abolished, consolidated or reorganized, thus saving the taxpayers $2,000,000,000 to $3,000,000,000 annually.

Congress has appropriated nearly $2,000,000 to the Commission which has done a marvelous job. It would be a tragic waste of money and effort if the proposals were to go by default.

JACOB BILLIKOPF.

PHILADELPHIA, PA.

General Pulaski's Memorial Day

EXTENSION OF REMARKS

OF

HON. CHASE GOING WOODHOUSE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mrs. WOODHOUSE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith a resolution of the Common Council of Middletown, Conn., memorializing the Congress to pass the General Pulaski's Memorial Day resolution now pending.

"Resolution of the common council memorializing the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in Congress

"Whereas a resolution providing for the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski is now pending in the present session of the United States Congress; and

"Whereas the 11th day of October 1779 is the date in American history of the heroic death of Brig. Gen. Casimir Pulaski, who died from wounds received on October 9, 1779, at the siege of Savannah, Ga.; and

"Whereas the States of Arkansas, California, Connecticut, Delaware, Illinois, Indiana, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, Nevada, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, West Virginia, Wisconsin, and other States of the Union, through legislative enactment designated October 11 of each year as General Pulaski's Memorial Day; and

"Whereas it is fitting that the recurring anniversary of this day be commemorated with suitable patriotic and public exercises in observing and commemorating the heroic death of this great American hero of the Revolutionary War; and

"Whereas the Congress of the United States of America has by legislative enactment designated from October 11, 1929, to October 11, 1946, to be General Pulaski's Memorial Day in United States of America: Now, therefore, be it

"*Resolved by the Common Council of the City of Middletown and State of Connecticut*, That we hereby memorialize and petition the Congress of the United States to

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pass, and the President of the United States to approve if passed, the General Pulaski's Memorial Day resolution now pending in the United States Congress.

"That certified copies of this resolution, properly authenticated, be sent forthwith to the President of the United States, the Vice President of the United States, and each of the United States Senators and Representatives from Connecticut."

The within and foregoing is a true and attested copy of the original resolution, passed and adopted by the Common Council of the city of Middletown, on March 7, 1949, nine members voting in favor thereof, and approved by His Honor Herbert C. F. Bell, mayor.

EDWARD P. WYSOCKI,
City Clerk.

What Dickens Said

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Post of Tuesday, May 31, 1949:

WHAT DICKENS SAID

It is an essential part of every national character to pique itself mightily upon its faults, and to deduce tokens of its virtue or its wisdom from their very exaggeration. One great blemish in the popular mind of America, and the prolific parent of an innumerable brood of evil, is universal distrust. Yet the American citizen plumes himself upon this spirit, even when he is sufficiently dispassionate to perceive the ruin it works; and will often adduce it, in spite of his own reason, as an instance of the great sagacity and acuteness of the people, and their superior shrewdness and independence.

"You carry," says the stranger, "this jealousy and distrust into every transaction of public life. By repelling worthy men from your legislative assemblies, it has bred up a class of candidates for the suffrage, who, in their every act, disgrace your institutions and your people's choice. It has rendered you so fickle, and so given to change, that your inconstancy has passed into a proverb; for you no sooner set up an idol firmly than you are sure to pull it down and dash it into fragments; and this because, directly you reward a benefactor, or a public servant, you distrust him, merely because he is rewarded; and immediately apply yourselves to find out, either that you have been too bountiful in your acknowledgements, or he remiss in his deserts. Any man who attains a high place among you, from the President downward, may date his downfall from that moment; for any printed lie that any notorious villain pens, although it militate directly against the character and conduct of a life, appeals at once to your distrust, and is believed. You will strain at a gnat in the way of trustfulness and confidence, however fairly won and well deserved; but you will swallow a whole caravan of camels, if they be laden with unworthy doubts and mean suspicions. Is this well, think you, or likely to elevate the character of the governors or the governed among you?" (Charles Dickens' American Notes (1843).)

Memorial Day

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address I delivered at the Memorial Day exercises of Stephen J. Ryan Camp, No. 7, United States Spanish War Veterans at the Oliver School Hall, Lawrence, Mass., on May 30, 1949:

"Four score and seven years ago * * *." With these immortal words Abraham Lincoln dedicated in 1863 the cemetery at Gettysburg to those who fell in one of the most decisive battles of history. He spoke of the year 1776, 87 years before, when "our fathers brought forth on this continent a new Nation, conceived in liberty, and dedicated to the proposition that all men are created equal."

On this Memorial Day of 1949, we say "Four score and six years ago," for that is the time that has elapsed since Lincoln's classic words of consecration. The 86 years which have come and gone since then, almost identical with the span of which the Great Emancipator spoke, but in the framework of the nineteenth and twentieth centuries, bear witness to the great growth of the American experiment even as it has beaten off serious challenges to its very life.

Lincoln spoke of Thomas Jefferson's proposition which had been a slogan of the Revolutionary War, the rallying cry that "All men are created equal." Today, all over the land, speakers refer back to the fresh meaning which Lincoln gave to that faith when he concluded with the ringing phrase, "That this Nation, under God, shall have a new birth of freedom, and that government of the people, by the people, and for the people, shall not perish from the earth."

But even as Lincoln, burdened by the tragedy of brother fighting against brother, of civil war, and of slavery, looked forward with confidence to the triumph of popular government, we too, shall gather from this day, new heart to face the problems which lie ahead.

We mark another milestone on our way and recall to mind those whose sacrifices have won for us the opportunity to finish the work which they who fought and died in freedom's name "have thus far so nobly advanced."

On this day set apart to honor the dead, we pause in our labors to think of them and the inspiration which their lives should carry forward into ours. For we are their inheritors. It is good to step aside for a moment from the traffic of life to consider how far we have come and what remains before our journey is completed. And to measure our contributions by the light of those who have gone before us. It is a time of soul-searching as we honestly try to answer this question: "Are we living up to their belief in us?"

Remembrance is a tender and reverent experience.

By fitting ceremony we pay tribute to the dead.

From this meeting place where we humbly acknowledge our debt to these who once served in the armed forces of our Nation, we put aside the diversities of race and class and creed. It is as if the democracy of the dead reminded us of the brotherhood which should animate the living. It is a sober thought which teaches us that unity is born of respect and cooperation. If we hold to this through all the distractions of life we shall become better Americans and better human beings. And in so doing we shall contribute our share to the development of a society built on tolerance and upon the encouragement of responsible individualism.

History is full of the contradictions which mark men's efforts. From the beginnings of time there have been wars and rumors of wars. Men of one religion have engaged in bloody battles with those of another religion, both sides believing themselves to be in the right. Other groups have fought for material gain, deceiving themselves with various justifications. National pride has often served as a cloak for aggression. Through greed, intolerance, ignorance, or fear, millions of men have gone forth to fight and die. It is not easy, especially for the young, to give up the precious gift of life. The spirit of sacrifice is not the monopoly of any one group. The heroism to which men rise in time of combat has its roots in the belief that they are helping their own people. It is the extension of the protective instinct found in family life, to a larger group in society. That it is sometimes mistaken and often cruel does not conceal the point that men have believed sufficiently in conflicting goals to die for them. Our problem, and that of the world itself, is to devise a system for adjudicating differences without resort to war. Different as men may be, if faced with all the facts, they have a common core of decency upon which justice must depend. With the swift and easy avenues of communication opened up by science, the world is in a far better position today for the two-way exchange of knowledge which is the greatest hope for peace. For in the free trade of facts, propaganda cannot survive.

The slogans which call men to battle change and are soon forgotten, but all through our history you will find one underlying motive which has inspired our citizens to become fighting men in time of common danger. As if by instinct, they will sacrifice to defend, not a nation as such but for the homes and loved ones, the friends and neighbors, and the fair way of life we are developing here.

Long before there was a city of Lawrence, and at a time when these 6 square miles were part of neighboring townships, a handful of men left their farms to fight in the Revolutionary War.

The city was still young when the Civil War began. Even before the attack on Fort Sumter, local militia companies had offered their services to the Federal Government. The first Union regiment to start for the city of Washington, where the seat of government was defenseless and momentarily expecting a Confederate attack, was the Sixth Massachusetts. While passing through Baltimore, the troops were mobbed by Confederate sympathizers. Four Massachusetts men were killed, and on this first casualty list was the name of Sumner H. Needham, a Lawrence man, who was also the first soldier to give his life in action in the War Between the States.

During the 4 years of that conflict, as the young Nation was torn from within by revolution, Lawrence gave 2,617 men to the cause of unity—202 never returned.

As we look back, our passions tempered by the mellowing years, we view the enemy of those days with compassion. He, too, was brave in spite of his fears. He also suffered and died for a cause larger than himself. We are thankful that the war ended in victory for the North, but, somehow, we feel that it was the mutual sacrifice on both sides that was necessary to fuse the democratic unity of our people.

Lincoln was the last casualty of that war, the final tragic climax which convinced friend and foe alike of the need for unity based on

law. The cost in terms of lives and suffering must not be repeated again. It wasn't. The Union of the States grew and strengthend and prospered. Today it is a model for the world to emulate as it gropes toward that greater federation of the nations which is the sole hope for peace and understanding of the people who inhabit the earth.

The school books say that the battle of Gettysburg was the turning point of the struggle between Union and secession. But as we recall that fateful engagement from the reports of those who were there, the issue fades into the background. We see the men on both sides and our hearts are purged by fear and pity at the youth and courage and talent which went forth to sacrifice on that day.

And when the smoke of battle had cleared away, the North had won. If by some miracle those Americans who now live in our Southern States had power to turn back the pages of history and reverse the decision at Gettysburg, I know they would not do so. A grim price was paid for the unity which was won fourscore and six years ago, and the lesson of that lives on in us.

We think of the men who died at Gettysburg.

And strange as it may seem, we find our thoughts turning to Gen. George Pickett and the 15,000 men he led on that gallant hopeless charge up the slopes of Cemetery Ridge. For they were then known as the enemy.

Before the charge began, Pickett handed General Longstreet a letter to a girl in Richmond he was to marry if he lived. On the back of the envelope he had scribbled one last thought which read: "If old Longstreet's nod means death, good-by and God bless you, little one!" A fellow-officer handed him a flask of whiskey but Pickett refused the drink. He had promised the little girl back home that he wouldn't.

Almost a mile to go, up the long and gradual rise of open ground, in full view of the Union troops who held the crest. With the blue flag of Virginia leading them, the 15,000 men of Pickett's Brigade began their march. Over field and meadow they walked, unhurried and undaunted. Union artillery tore gaping holes in their ranks but they marched on only to meet the close aim of rifle fire.

As men fell, others stepped up to take their places.

It was the 3d day of July 1863. The sun was bright, and white clouds floated lazily in the sky. It was a day rich with the promise of life. The grain was ripening in the fields. There would be a good harvest this year. That's what a man should be thinking of as he paused in his labors to survey the handiwork of himself and nature. And tonight when the sun goes down we can sit with the members of our family to enjoy a well-earned respite. There will be music and pleasant talk and—

But this was Gettysburg, in 1863, and there was stern work ahead to try the souls of men.

Grim harvest was at hand as the flower of the Confederacy was being cut down on the slopes to Cemetery Ridge: 15,000, 14,000, 10,000, still they marched on, led by riderless horses who then fell, as men fell, many never to rise again.

Maybe half the 15,000 who started out managed to reach their objective. At last they could fight as man to man. For brief minutes, the flag of the South waved over the defences, but their numbers were no match for the reinforcements of the North.

General Meade of the Union Army rode up, observed that the attack had been repulsed and cried, "Thank God." When Robert E. Lee heard that his men had been defeated he was visibly affected. "They deserved success as far as it can be deserved by human valor and fortitude," he said. "More may have been required of them than they were able to perform."

When the sun went down on Gettysburg it marked the beginning of the end for the Confederacy.

But I sometimes wonder how the Union troops felt when the battle was over. Not on that night, for the living on both sides were exhausted after the struggle. Perhaps a day or two later, when the fever of battle and victory had passed, they remembered men like themselves, but dressed in gray, who walked toward them up the mile-long, sun-lit slope.

Would they never stop in spite of the sudden death which reaped their ranks? Such courage seemed invincible.

It was, in a sense. The South had lost a decisive battle but had won an immortal memory. Many years after, at the end of a day that was as bright and warm with sun as Gettysburg, Union veterans would sit smoking their pipes in the quiet shade of their homes, oblivious to the small talk of their wives, and the laughter of children at play. They were thinking of Pickett's men. Not as enemies but as fellow human beings, with a faith that knew no fear.

And perhaps they searched for the answer to this question, "What inspired Pickett's men with sublime and self-sacrificing courage?"

History says that the South lost and that the Nation regained the unity which has since been the key factor in its success.

Between the lines of history, however, we read the human story. The men of the South were also fighting for freedom. That they were wrong in the way they sought freedom is now of little consequence. Through the years there have been adjustments—voluntary adjustments—and the cause of union has been strengthened.

We of the North and the South have found a common meeting ground for our common faith. Since that time, whenever our unity has been threatened, we have fought side by side. The sons of Pickett's men joined with Meade's in the charge at San Juan Hill. In 1898 our combined forces went out to liberate oppressed peoples from the yoke of Spanish imperialism. We have made good on our promise, and have given to Cuba and to the Philippines the freedom which we promised them. Company F of the Ninth Regiment, composed of Lawrence men, took an active part in that campaign.

In World War I more than 6,000 from this city served their country. Five hundred were members of the famed Twenty-sixth (Yankee) Division which was in the thick of the fighting at the Marne, which, like Gettysburg, was one of the decisive battles of history. A Lawrence man, by his heroic example under fire, became one of the great epics of that war. Captain Leahy, though mortally wounded, put all thoughts of personal consideration aside as he turned to his subordinate and said, "Hanson, the command is 'forward'." These words, symbolic of his inspiring devotion to duty have become a part of our national heritage in which we of Lawrence take sober pride because he was a product of our city. We raise men who "have the goods."

In World War II, over 11,000 of our sons and daughters served in the armed forces. Their names are found on the honor rolls of gallant troops who fought in North Africa, who were at Casino, Normandy, with Patton's tanks, and who waded ashore at every island stepping stone in the Pacific. They fought under the ocean and in the skies, and wherever they were called in line of duty, they proved more than equal to the sturdy citizenship they had learned and lived * * * in Lawrence.

Thousands of Italian immigrants, distressed by lack of opportunity in the country of their origin, crossed the ocean and settled in the Greater Lawrence area between 1890 and 1910. How well they took root in their new homeland is evidenced by the industry, the hospitality, the love of family, and the sacrifices they have made for the education of their children. All these factors have strengthened our community life, but none more so than the generosity with which their sons and daughters supported the war effort. The Campagnone family gave three of its sons on the field of battle in defense of those freedoms under God, to which we are devoted. In the history of our city, no one family has ever given so much. Before such devotion, we bow our heads in reverence. On a similar occasion, President Abraham Lincoln wrote to a Massachusetts mother, attempting to console her. Of this note, Carl Sandburg has said: "More darkly than the Gettysburg speech, the letter wove its awful implication that human freedom so often was paid for with agony. In these words Lincoln performed a rite, managing language as though he might be a ship captain at midnight by lantern light, dropping black roses into the immemorial sea for mystic remembrance and consecration. Here was a piece of the American Bible."

In this beautiful and gentle letter Lincoln said, "I know how weak and fruitless must be any word of mine which should attempt to beguile you from the grief of a loss so overwhelming. But I cannot refrain from tendering you the consolation that may be found in the thanks of the Republic they died to save. I pray that our Heavenly Father may assuage the anguish of your bereavement, and leave you only the cherished memory of the loved and lost, and the solemn pride that must be yours to have laid so costly a sacrifice upon the altar of freedom."

The deep compassion of Lincoln's words, touched all hearts. Above and beyond the military victory, time brought healing understanding. The sons, the grandsons, and the great grandsons of Grant's men and Lee's men fought side by side at San Juan Hill, at the Marne, and at Okinawa. They were joined by men whose parents had been born in other lands, but all fought as one to protect the rights of people from tyranny in any form.

Needham, Leahy, Campagnone, these are the leaders of that gallant company to whose memory we pay reverent tribute on this Decoration Day. Consider these names, so different in their origin, in their race and in their creed. What brought them together as brothers, above the artificial distinctions which have caused so much strife in the history of this world? It was the growing power, fostered by the freedoms they have enjoyed here, to know each as fellow human beings. In the progress and the confidence inspired by this fraternal spirit, men develop the best that is in them and are willing to die, if need be, for the sake of their children and the greater fellowship toward which our way of life is working.

Each generation, with the story of its struggles and its heroic accomplishments has its day and then steps aside. And the one which follows builds on the moral and spiritual heritage which has been won for them.

On this Memorial Day, we participate in civic ceremonies and then visit the final resting place of those to whom we owe so much. When I was a boy, the United States had not grown up to that position of power and responsibility which made her the decisive factor in two world wars. As I stood on the side walk along the route of march, watching the aging veterans of the Civil War, I thought of their immortal courage at the battle of Cold Harbor, where 7,000 young Union soldiers gave up their lives in a single hour. I did not know then that this was the highest sacrifice in all of America's fighting history from the Concord River, yes, even to Iwo Jima and the Battle of the Bulge.

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It is significant that our National Cemetery at Arlington, Va., was once an estate owned by George Washington. Later it belonged to the distinguished leader of the Confederacy, Gen. Robert E. Lee. And the first hero to be interred there was a Union soldier.

The ranks of the Union veterans have thinned away. This year will witness the last encampment of the Grand Army of the Republic. Not only to the men who fell at Gettysburg and Cold Harbor but to their comrades who survived them half way into another century, and to their organization which nourished us with reminders of courage and sacrifice, we owe a special prayer, a final tribute.

And when we visit our local cemeteries and see the bright new flags on the green lawns of those who fought and died for liberty-in-unity, I believe that we shall be inspired by memories of their devotion.

Needham, Leahy, Campagnone, from this faith in one another, ever growing from generation to generation, we shall go on striving for that peace and good will among all men which will be the greatest victory.

Society for Encouragement of Barber Shop Quartet Singing in America

EXTENSION OF REMARKS

OF

HON. WILLIAM L. PFEIFFER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. WILLIAM L. PFEIFFER. Mr. Speaker, under permission to extend my remarks, I include the following announcement regarding the international convention to be held in Buffalo, N. Y., on June 10 and 11, of the Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America, Inc.

The Treasury Department, United States Saving Bonds Division, selected Keep America Saving as the theme song for their opportunity bond drive, which was composed by Frank H. Thorne, of Chicago, a former international president of the Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America, Inc. The national director of the Savings Bonds Division, Mr. Vernon L. Clark, wrote to Mr. Thorne:

> Please accept the Treasury's congratulations and sincere thanks for your Keep America Saving, the winning bond song in the competition sponsored by your society. We're delighted and believe that SPEBSQSA quartets can give the opportunity drive a tremendous lift by singing Keep America Saving to audiences across the land.

I am informed that the Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America, Inc., will meet in international convention in Buffalo, N. Y., on June 10 and 11. Planned as one of the biggest musical events in the city's history, the convention will attract more than 3,000 songsters. Forty quartets have qualified for the semifinals and finals. Each quartet is selected in elimination contests staged in their respective districts. From the original 40 groups, competition during the 2 days of convention will eliminate all but 5. The international champions will be chosen in the medalist competition Saturday night, June 11. The Buffalo Bills of Buffalo, N. Y., is one of the three qualifying quartets from the central western New York district.

National Health Act of 1949

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. JAVITS. Mr. Speaker, on Tuesday last, together with six other Members of the House of Representatives, CLIFFORD P. CASE, New Jersey; JAMES G. FULTON, Pennsylvania; ROBERT HALE, Maine; CHRISTIAN A. HERTER, Massachusetts; THRUSTON BALLARD MORTON, Kentucky; and RICHARD M. NIXON, California—I introduced the National Health Act of 1949. In its leading editorial today, the New York Herald Tribune calls this act A Republican Middle Way.

Our bill meets the major challenge to the Republican Party referred to in this editorial as its presents feasible alternatives where there is a demonstrated national need like that for adequate medical care. This bill shows that the problem of medical care can be met at least as adequately and even better, without jeopardizing freedom of initiative or vesting direction and control in the Federal Government. Under the Administration's health-insurance plan payments to doctors and hospitals will come from or through the Federal Government. Under this bill hundreds, perhaps several thousand, local voluntary health plans will be paying doctors and hospitals for their own subscribers, yet coverage would be universal and on a basis of equality, and no one would have to take a means test to get Federal-State aid, but it would come about automatically through the subscriber's own local voluntary health plan. The responsibility of the middle way, as indicated by this bill, is to show that our system of private economy is virile and flexible enough to satisfy far more amply than Government alone, the aspirations of our people for well-being in the modern day.

A REPUBLICAN MIDDLE WAY

A major challenge to the Republican Party, as it opposes the growth of statism, is to demonstrate how essential social goals can be otherwise attained. Better health for the Nation is one of the essential goals. In this field, Republicans are now shaping constructive means and policies, whereby the encouragement of local initiative and enterprise may be substituted for the Federal dictation implicit in the administration proposal for national compulsory health insurance.

Republicans in Congress have offered two separate approaches to this problem. Both address themselves first to the expansion of the Nation's health and medical resources. They would provide (as, be it said, would the administration bill) Federal aid to the States for the construction of more hospitals and the training of more doctors and nurses to overcome present crippling shortages. In addition, the Taft-Smith-Donnell bill introduced 6 weeks ago would aid the States in setting up health programs to make good medical and health care available to those unable to pay the full cost. The main criticism of that approach has been that it probably necessitates an undemocratic means test.

This week, two Senators and seven Representatives identified with the liberal Republican wing, have offered a measure which goes far to meet the criticism. Putting its emphasis on fostering the development of State and local voluntary insurance plans, this measure would base subscribers' premiums on a fixed percentage of income. A yardstick for full family coverage detailed in the bill would require premiums of 3 percent of a subscriber's income up to $5,000. If the actual cost of such coverage were $114 a year, a subscriber with a $3,800 income would be paying his full share. Lesser premiums paid by families with lower incomes would be partially balanced by higher premiums paid by those with incomes nearer $5,000. Persons with still larger incomes could join, but the States would probably make different benefit provisions for them. Whatever deficit the local plan incurred would be made up from joint Federal-State funds. It may be said that the scaling of premiums to income is itself a means test, but by making coverage available to all and by making no payment directly toward an individual premium, the measure avoids any stigma attaching to the low-income subscriber. As a matter of fact, most doctors scales charges roughly to patients' means, overcharging the wealthy to make up for undercharging the nonwealthy.

The virtue of this approach is that it fosters freedom of action and assumption of responsibility by individuals, doctors, communities and States. Citizens may subscribe or not, doctors may participate or not, and States are free to experiment with full or partial coverage and with most other details of the voluntary plans. Yet there is incentive for States, citizens, and doctors to join in a voluntary solution of a mutual problem. The plan as a whole makes adequate health protection available to all. Republicans in Congress have pointed the way to promote better health, preserve better government, by advancing these thoughtful and constructive proposals.

Bonus for North Dakota Veterans

EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 1 (legislative day of Monday, May 23), 1949

M.. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Good News for North Dakota Veterans," published in the Bismarck (N. Dak.) Leader of May 26, 1949. I invite the attention of Senators to the fact that half a million dollars was taken from a State-owned industry and turned over to the veterans' fund.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOOD NEWS FOR NORTH DAKOTA VETERANS

Of particular interest to North Dakota veterans in respect to the bonus is the announcement that the State mill has deposited $500,000 with the State treasurer to pay the mill's share of the soldiers' bonus as provided for by the recent legislature. Even the Fargo Forum couldn't twist that story around to discredit the mill; and the Forum won't be able to find anything unfavorable to say about the millions the Bank of North Dakota is paying into the bonus fund either.

We'd just like to remind our readers once more that the ROC and the daily press have always fought the NPL-founded mill and bank—the very institutions that are now paying a big share of the veterans' bonus. We hope the State's veterans will remember these facts when they go to the polls next time.

There probably would be a much smaller bonus in North Dakota—or maybe even none at all—if it weren't for the foresight of the NPL in building the mill and bank against the bitter opposition on the daily press and the conservatives of the State.

Corporate Propaganda Financed by Income-Tax Deductions—Another Full-Page Ad Blasts Administration Policy Toward Excessive Corporate Profits

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. PATMAN. Mr. Speaker, another full-page advertisement in the interests of the corporate community appeared in several Washington newspapers on May 18, 1949. This latest article is entitled "The Star Gazers and Social Dreamers Won't Like This One," and is one of a series paid for by the Standard Steel Spring Co., of Coraopolis, Pa. It would be interesting to know how many of the readers who saw that full-page ad realized that indirectly it was financed by Uncle Sam himself, since corporations are allowed to deduct the cost of advertising when computing their income tax. That one page ad in one paper cost approximately $1,020. When $1,020 is multiplied by numbers of newspapers throughout the country, the sum lost in income taxes begins to look sizable.

The article begins with the statement that the people are being sold down the river without being given the facts upon which to act, and then proceeds to state that American corporations are owned by 18,000,000 common stockholders. This figure has been challenged by other experts as far too high. But if there are 18,000,000 stockholders who have invested their earnings and if they are being sold down the river, the selling is being done by the corporate managements who refuse to distribute to those stockholders their rightful share of corporate profits. The 18,000,000 common stockholders are not only deprived of the facts upon which to act but more important, of a chance to act. And I have received hundreds of letters from stockholders from coast to coast to substantiate that statement.

CONTROL OF AMERICAN ECONOMY IN HANDS OF FEW GROUPS OF CORPORATIONS—NOT INFLUENCED BY COMMON STOCKHOLDERS

Standard Steel Spring Co.'s article emphasizes the fact that the ownership of the corporations is in the hands of a great many people but ignores the fact that the control of those corporations is in the hands of a very few people. United States Steel Co. is mentioned as an example of a corporation owned by many small stockholders. An illustration of the influence or rather lack of influence of the 228,000 common stockholders of United States Steel is brought out in this excerpt from an article which appeared in Time, May 16, 1949:

> For 48 years the important business of the annual stockholders' meeting has been transacted across the Hudson River in Hoboken, N. J., in a small bank building. Last week at Big Steel's annual meeting, only 350 stockholders (out of a total of 228,000) bothered to come. But not even all of them could find a place to sit; for 3 sweltering hours 50 of them had to stand in a cramped, stuffy room.

Who does control the economy of our country? The officials, directors, and preferred stockholders of the Nation's large corporations and financial institutions are the directing force—not the 18,000,000 common stockholders. As Standard Steel Spring Co. points out, the common stockholders invested their money "to make a profit." But very few of those stockholders are receiving an equitable share of corporate profits. The lion's share is going to management personnel as salaries or is being retained in expansion and contingent funds. In some cases profits are retained by management to avoid personal income taxes; in other cases, to strengthen and extend the power of the corporation in its field of industry.

Few of us are naive enough to believe that corporate wealth is controlled by the common stockholders, but few of us do know the extent to which corporate managements are bound together into a corporate community for the purpose of controlling the American economy. In a study made by the National Resources Committee 250 of the largest corporations in the United States were found to be interrelated into 8 different major interest groups: The Morgan-First National Bank of New York; the Rockefeller; the Kuhn-Loeb; the Mellon; the DuPont; the Chicago; the Cleveland; and the Boston—The Structure of the American Economy, National Resources Committee, June 1939. The largest of the 3 interest groups, that classified as the Morgan-First National group, includes 41 of the 250 largest corporations in the country. The separate companies in this group are not directly controlled by J. P. Morgan & Co. or by the First National Bank of New York, but are interrelated through those two institutions. The group is made up of 13 industrial corporations headed by the United States Steel Corp.; 12 utility corporations, including the American Telephone & Telegraph Co.; power companies controlling in 1935, 37 percent of the electric generating capacity of the country; 11 major railroads or railroad systems; and 5 financial institutions including the 2 for which the group has been named. The relationship between the corporations in this interest grouping is explained in the following quotation from the Structure of the American Economy:

> The climate of opinion within which their separate policies are developed is much the same, many of the same people participate in the formulation and review of the policies of the separate corporations, financing is carried on for the most part through the same channels, and in many other ways this group of corporations constitutes an interrelated interest group.

The second group in importance is the Kuhn-Loeb group made up of 12 major railroads whose financing is handled by Kuhn-Loeb & Co. Three of the interest groups are based upon family holdings of substantial blocks of stock in various corporations: the Rockefeller, the Mellon, and the Du Pont groups. The remaining three interest groups are not as closely knit as the companies in the first five groupings and include corporations whose activities center in particular localities: Chicago, Boston, and Cleveland.

These eight groups exercise influence over the policies and management of corporations having assets totaling over $61,000,000,000. These are the big groups which exercise the real control over the American economy—not the 18,000,000 persons who hold shares of common stock in American corporations—and the power of these corporate groups is continually being increased by the retention of earnings.

EFFECT OF NONDISTRIBUTION OF EXCESSIVE CORPORATE PROFITS ON STOCKHOLDER AND ECONOMY—COSTLESS CAPITAL EXTENDS CONTROL OF LARGE CORPORATIONS

What do the stockholders usually get from these corporations? An elaborate brochure justifying the no-dividend policy. What can the stockholders do about the situation? Not much—for only in rare instances are they able to organize effective stockholder committees to challenge corporate management policy. Further evidence of the disregard for the legitimate interests of the common-stock holders can be obtained from any stockholder of Long Island Lighting, Pittsburgh Steel, Missouri Pacific Railroad, Allegheny Corp., the Van Swearingen interests of Cleveland, Farnsworth Radio & Television Corp., and many others.

The article by Standard Steel Spring Co. states that "this question of whether business shall remain free reaches deeply into the lives and homes and future of every last one of us and our children." We can certainly agree with that statement. And the way to insure that business does remain free is to strengthen our antitrust laws and revise our tax

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laws to prevent the control of our economy from being held by a very few groups of large corporations. If dividends are not distributed and the power of corporate managements continues to multiply by stock manipulations, reorganizations, and interlocks, then our American economy will not be free. The next step from control by a few individuals is control by the Government.

Two of the factors which are making it increasingly difficult for small and medium businesses to maintain a place in our economy are these: First, nondistribution of stock dividends dries up one source of funds for these small businesses; second, the interlocking relationships between the large financial institutions and the large corporations dries up another source of capital funds. The number of small businesses being established is now decreasing after a postwar increase for the reason that initial financing is almost impossible to obtain. And the number of small businesses going out of business last year reached its highest mark since 1942.

BENEFICIAL RESULTS IF CORPORATE DIVIDENDS ARE DECLARED

Let us look at some of the results if corporate profits were fairly distributed. In 1948 American corporations earned $21,000,000,000 in profits after the payment of taxes, and paid out to stockholders only $7,000,000,000. If the stockholders had been paid in dividends at least two-thirds of these earnings, as customary before World War II, the stockholders would have received $7,000,000,000 more than they were actually paid. This distribution of corporate profits would have given small investors funds to use in ventures of their own or for reinvestment. Over $1,000,000,000 in revenue from personal income taxes would have been collected by the Bureau of Internal Revenue to help prevent a deficit in the Federal budget for the coming fiscal year. The corporations would have been able to retain $7,000,000,000 in addition to their allowances for wear and tear, depletion, and obsolescence.

The Division of Business Economics, Department of Commerce, recently announced that over 7 percent more corporate dividends were distributed during the first quarter of 1949 than were distributed in the same period of 1948. I hope this indicates that corporate managements are beginning to recognize their obligations to their stockholders. Voluntary distribution of excess profits can do much to forestall legislation for that purpose. Perhaps a beginning awareness of that fact is indicated by this recent increase in dividends.

Standard Steel Spring Co. labels attempts to force distribution of excessive corporate profits as baseless efforts to shackle and restrain. However, I want to point out that greater distribution of corporate profits will go a long way toward removing a few shackles and restraints and toward freeing the American economy from the control of a relatively few large corporations, which are using excessive profits to perpetuate their supremacy.

Atlantic Pact—Gentlemen, You Are on Notice

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including an article by Prof. Curtis P. Nettels, of Cornell University, which points up a highly important fact in connection with the Atlantic Pact. I am also including an editorial that appeared in the Chicago Sunday Tribune of May 15, 1949:

THE ATLANTIC PACT

(By Curtis P. Nettels, professor of American history, Cornell University)

The Atlantic Pact tells us that the 12 members have a "common heritage and civilization * * * founded on the principles of democracy, individual liberty, and the rule of law."

Among the members is Portugal, an unabashed dictatorship. Presumably, we are as one with the Portuguese, or are to become so.

The preamble of the pact says, in effect, that we are to act with the other members in such a way as to promote their freedom, civilization, stability, well-being, and defense.

Any action, on any subject, might be justified by these inclusive terms.

In order to "implement" the pact, it provides for a Council. Said Council "shall set up such subsidiary bodies as may be necessary." It may make recommendations. To whom? Obviously, in the case of the United States, to the President.

Such recommendations will bear the authority of the Atlantic alliance. If the alliance is approved by the Senate, it will possess the sanction of a treaty of the United States; its actions will rate as the supreme law of the land.

How will Congress fare in this situation? In most instances, Congress will not have a voice concerning the acts of the Council. Such acts would bear the authority of the President. The idea now in vogue at the State Department holds that the United States is a sovereign nation, invested with unlimited powers, and untrammeled by the Constitution. We are also told that the President alone is the one to exercise these unlimited powers.

The pact says that we, along with the other members, are resolved to unite our efforts for collective defense and the preservation of security. Thus the President is to have authority to place the military forces of the United States fully at the service of the Atlantic community, even to the point of merging them into a supranational military establishment.

The Atlantic Council and the President, without the approval of Congress, might take any action that would not require a special appropriation. Should an appropriation be requested, would Congress be able to refuse? Suppose the Council should frame a program which Congress would have to implement with funds. Such program would come before Congress with the overpowering sanction of the 12 member states. Could Congress reject anything which an agency of 12 states, created under a United States treaty, would have declared to be vitally essential to the freedom, civilization, well-being, or defense of the whole North Atlantic area?

In fact, the recommendations of the Council would come before Congress with the force of a United States law. Such recommendations would have been made under the sanction of a treaty of the United States; they would therefore rate as the supreme law of the land. Congress would simply have to provide the money necessary to give effect to a freshly enacted law.

The pact commits us to a program of continued mutual aid. With reference to such program, will not the action of the Atlantic Council, when endorsed by the President, be as compelling as its power regarding defense and war? Will not such action impose a binding commitment on Congress? Will not the Council and the President exercise, in fact, the power to tax as well as the power to engage in war?

Adoption of the pact by the Senate would effect a political revolution. It would replace the Federal Constitution with a new charter. It would create a superstate, endowed with an unlimited jurisdiction. It would invest the President with an unlimited and uncontrolled power. It would reduce the Congress to a state of impotence in its dealing with the North Atlantic area. The great powers of Congress, as regards war, defense, foreign affairs, and appropriations, would be transferred to the President, to be exercised at the behest of 11 foreign states. Is it a coincidence that the pact declares that the United States and Portugal have a "common heritage and civilization founded on the principles of democracy, individual liberty, and the rule of law"?

[From the Chicago Sunday Tribune of May 15, 1949]

HIDDEN SUPERGOVERNMENT

Concealed in the proposed North Atlantic Pact are provisions for a supranational government. The pact provides for an Atlantic Council which is authorized to create such subsidiary bodies as may be necessary, the whole apparatus to be concerned with implementation of this treaty.

It is generally supposed that the pact refers only to the defense of the 12 member nations, but, in fact, it takes in much more ground than that. It provides that they are to strengthen their institutions, to promote conditions of stability and well-being, to eliminate conflict in their international economic policies, to encourage economic collaboration among all of them, and to engage in continuous and effective self-help and mutual aid.

These terms are so broad as to cover practically anything relating to political, economic, and social endeavor. A council and subsidiary bodies with authority to act with reference to defense, economic well-being, and civilization (a blanket term dragged into the preamble) have a virtually unlimited jurisdiction. It would be difficult to name a single subject on which this supranational government would not be empowered to rule. Because a treaty, once adopted, becomes the supreme law of the land, anything done by the United States representatives in this supergovernment would have binding effect.

The questions which Senators have asked of a procession of witnesses testifying in behalf of the treaty before the Foreign Relations Committee have ignored this extremely grave aspect of the pact. Yet, some of the testimony, and some of the auxiliary statements of proponents of the pact, should warn the Senate of what is intended.

It is no accident that a powerful group of eastern internationalists has seized the treaty as a means of furthering its persistent goal of formal political union of the United States with Britain and western Europe. This agitation centers around former Justice Owen J.

Roberts, of the Supreme Court; Robert P. Patterson, former Secretary of War; and Will L. Clayton, former Under Secretary of State for Economic Affairs, the world's largest cotton broker.

In his testimony, Clayton boldly stated that federal union would not only guarantee peace but bring prosperity and a rising standard of living. He proposed that the United States take the lead in summoning a convention of representatives of the nations composing the Atlantic alliance, in order to explore political union.

James P. Warburg, former New York banker, flatly stated that the pact is the idea of former Prime Minister Winston Churchill, of England, who has been talking up British-American political union for years. Robert A. Lovett, former Under Secretary of State and Assistant Secretary of War, admitted that the pact had been dreamed up as long ago as the Bretton Woods Conference of 1944, when the World Bank and International Monetary Fund were planned.

At that time we were still fighting Germany and were on excessively friendly terms with Russia, so that there was no Red menace to justify any such postwar alliance. The unmistakable indication of this admission is that the pact was originally conceived as being primarily political and economic in nature, that it still remains so, and that the supposed Soviet danger is being exploited now to justify a political and economic union with Britain and western Europe.

A distinguished student of American history and government who has apprehended this pattern writes us that the general trend of American foreign policy is fast bringing Americans up against the issue of the survival of the independence of their country. He finds that there is a widespread movement to accomplish its destruction, manifested in recent interpretations of the American Revolution. A new school has arisen which repudiates the Revolution, discredits the American cause, and thereby denies the Nation a valid title to existence.

The Atlantic Pact and the avowed intentions of such people as the Messrs. Roberts, Patterson, and Clayton, aided by the supine Senate and the slumbers of the people, can readily lead to the final sell-out of the United States as an independent nation.

Flood Control in the Missouri River Valley

EXTENSION OF REMARKS
OF
HON. RICHARD BOLLING
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. BOLLING. Mr. Speaker, under the unanimous consent granted me to extend my remarks in the Appendix of the RECORD, I include a resolution recently passed by the annual convention of the Missouri State Federation of Labor, urging enactment of MVA legislation:

Whereas in the year of 1944 the President and the Congress of the United States, because of devastating losses of life and property due to the great floods in the Missouri River Valley, issued a directive to the Corps of Army Engineers and the Bureau of Reclamation to immediately design plans and effect action for the prevention of such floods in the valley and to develop the natural resources of the valley; and

Whereas this now being the year 1949, and with nothing more constructive in the way of a proposal to offer than that of what is known as the Pick-Sloan plan, and which plan has been denounced by a task-force committee of the Hoover Commission as a wasted effort and an enormously wasteful expenditure of money if allowed to be perpetuated: Therefore be it

Resolved, That the Missouri State Federation of Labor again go on record as favoring a more sound and practical program of flood control and resources development than that of the condemned Pick-Sloan plan and recommend to the President and the Congress of the United States that a program for such development which is proving itself most successful in the Tennessee River Valley shall be adopted for the Missouri River Valley, and that Senator MURRAY's bill, now in Senate committee and known as the Missouri Valley Authority bill, be enacted into law.

More State Department Myths About China

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Mr. George Sokolsky, a man whose knowledge of China is based on long first-hand experience there and whose analyses and recommendations regarding that country and our policies there have proved as consistently right as our Government's have proved wrong:

(By George E. Sokolsky)

Among the most amazing statements to emanate from Washington is something about an agreement in 1937 between Chiang Kai-shek, the Chinese Communists, and the United States. Of course, there was no such agreement.

What did happen, so far as I have been able to gather the facts, was that China and Japan were at war. It was then the policy of Soviet Russia to be anti-Japanese. Therefore, it was possible to get the Chinese Communists to agree to fight with the Kuomintang army. Apparently there was also an agreement for Chiang to supply the Communists with arms.

Then came the Stalin-Hitler alliance, which universally affected Communists, who thereupon became pro-Nazi and antiwar. The Chinese Communists, as true members of the Third International, thereupon stopped fighting Japanese but fought Chiang Kai-shek instead.

Since then, it has been an on-again, off-again relationship, the Chinese Communists pursuing a straight Kremlin line in which they were actively supported by the State Department, also on an on-again, off-again basis.

When Mr. Truman told a couple of Republican Senators about a 1937 agreement, which in some manner binds us to the Chinese Communist armies, he spoke about something which does not exist beyond the arrangements for cooperation which were published in the newspapers at the time.

If there is a different agreement involving the United States, let the State Department produce the document.

It is just like the stories that are going the rounds that the Soongs and the Kungs and other Chinese have huge deposits in American banks. All foreign deposits in American banks are recorded in the Treasury, the Federal Reserve banks, and other places.

They have the figures. They know who owns the deposits. Let them publish the facts.

Some of the pro-Communist groups give fantastic figures of what the Chinese have on deposit here. My information, unofficial of course, shows that all deposits from China, business, official, and private, including American and European firms and individuals, come to around $250,000,000.

Maybe the State Department has more accurate figures. Let them publish those figures. They have them. Maybe someone will be hurt if such figures are published. Is that very important?

It is not likely that the United States will reverse its altogether wrong policy on China. The State Department is undoubtedly in conversations with the British, which give me the impression that they, the British Foreign Office and the American State Department, would like to recognize the Chinese Communists in return for arresting their movement into Hong Kong, Burma, the Malay Peninsula, Indonesia, French Indochina, and India.

Dean Acheson takes the position that these speculations are without foundation. Well, the course of events will show who is telling the truth.

The Chinese Communists would, of course, accept such a proposition because it is meaningless for us and valuable to them. It is like the treaty Mr. Roosevelt negotiated with the Russians in 1933, in accordance with which we agreed to recognize them and they agreed not to interfere in our affairs, to do no propaganda here, and certainly not to steal our national secrets.

Of course, they have not kept any of their promises, as the evidence has been disclosed in our courts, in the investigations of congressional committees, and in the proved effort to use unions as revolutionary agencies.

Similarly at Potsdam we entered upon a series of agreements with the Russians, which they have broken. At the Paris Four Power Conference, we are not going to tell the Russians that all matters are to be on the basis of the Potsdam agreements.

Rather, to use the diplomat's phrase, we are starting de novo, with all the advantages theirs. That has been their general experience with us.

We make an arrangement; they break it; we start anew where they leave off, after they have taken advantage of us. So all this Anglo-American secret negotiating with Mao Tze-Tung, which the British favor because they figure that they might save Hong Kong or Singapore or some other British interests or possession, is an expedient to ease an embarrassing situation.

But they will be tricked by Mao, who is already at work in Hong Kong, Burma, in Indonesia and French Indochina.

Melvin Price and Rail Safety

EXTENSION OF REMARKS
OF
HON. FRANK M. KARSTEN
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. KARSTEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the St. Louis Post-Dispatch of May 19, 1949:

Representative PRICE, of East St. Louis, has been a consistent student and advocate of railroad safety since he went to Congress 4 years ago. When he urges the enactment

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of a bill to broaden the powers of the Interstate Commerce Commission respecting railroad safety, he knows what he is talking about.

However satisfactory it may sound when broken down into a cold statistic of so many killed and injured in so many million passenger-miles, Mr. PRICE isn't satisfied with the railroads' record of killing 50,000 and injuring half a million in the past 10 years. He wants the ICC empowered to compel railroads to install radio communication and other modern safety devices, and to promulgate and supervise the enforcement of safety rules.

If these powers were added to the ICC, and if the ICC exercised them diligently, a dramatic reduction could be made in the casualty toll on American railroads. Many, perhaps most, of the wrecks that are occurring nowadays could be prevented.

Some of the railroads are doing conspicuously fine work in installing the machines and the methods that will prevent them, but the performance of the railroad industry as a whole is so poor that it belongs more properly to the days of the wood-burning engine and the gas light, when 60 miles an hour was racing speed.

If his colleagues in the House will listen to Mr. PRICE, they can make thousands of Americans in the next decade literally owe them their lives.

Freedom Manifesto

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Wednesday, June 1 (legislative day of Monday, May 23), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the basis of a proposed Freedom Manifesto, being an article written by Edward J. Meeman, the thoughtful editor of the Memphis Press-Scimitar, including Mr. Meeman's introductory statement relative to the Freedom Manifesto. I feel that this is an important document. It is receiving attention and praise throughout the country. I hope Members of Congress will read it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A FREEDOM MANIFESTO CALLED FOR BY MEEMAN TO SAVE WORLD FROM CENTURY-OLD COMMUNIST MANIFESTO

GAINESVILLE, FLA.—The world needs a freedom manifesto to replace the Communist manifesto, which was issued by Karl Marx and Frederick Engels in 1848, and which has dominated the world for 100 years.

So declared Edward J. Meeman, editor of the Memphis Press-Scimitar, in an address delivered last night at the University of Florida at Gainesville.

And he proposed a basis for such a freedom manifesto, saying: "We are in this year of 1949 starting a new century. Let us make it a century of hope."

THE PART OF THE PRESS

Meeman first looked at the press and its part in the program of freedom.

He pictured the press as "the common meeting ground of all the component elements of society—capital, labor, agriculture, business, the church, schools and colleges, radio, the theater, foundations, civic organizations, political organizations and government in all its branches," and as "the forum even of the nations." In the press "these institutions and groups report each other and are reported," he pointed out. "In the press, each of them goes before society as a whole with their work, their needs, their claims; here society as a whole goes to each of them. In the press they are criticized, praised, blamed, and judged—and in the press each of these institutions criticizes and judges each other. To the press they come for the understanding, appreciation, and support of others for which every individual and group yearns."

MUST BE INDEPENDENT

This being the function of the press, Meeman said, "obviously the press must not be controlled by any of the institutions of society. It must be independent of them all, lest it be partial to one and less than fair to the others." It must not be controlled by political parties, the church, business, or labor—"most certainly it must not be controlled by government * * * for under such regulation newspapers would soon lose their freedom and no fault of newspapers under freedom would be as bad as the effects of government gag * * * the ideal ownership of a newspaper is by an individual or group who has no large economic interest except in newspapers and hence no client but the public."

"Freedom and democracy cannot exist without free newspapers; free newspapers cannot exist without freedom and democracy," Meeman summed up.

OUR GRAVE DANGER

He surveyed the grave danger of attack on our fredom and democracy by "Soviet Russia and her allies of world-wide communism, both revolutionary governments and fifth columns in other countries." He said we do not expect immediate attack "because we do not think they are ready for attack," but that "we fear either that they will blunder into war against us before they are ready or will continue to prepare for a war against us which they, not we, believe inevitable."

"We do not have a plan that will assure victory and remove the mortal danger which now confronts the free world," Meeman said. "We have not even faced the facts of our situation."

Then he told of how the doctrine of Marxism, launched in 1848, has eclipsed the sun of world peace that shone for 100 years after Napoleon's fall, and how two exhausting world wars have crippled Britain, "in whose era of preeminence the modern world went forward in freedom and the prosperity which results from freedom."

There were dark spots in that 100 years, Meeman admitted, "yet as we look back from today's broken, disordered, and fearful world to the nineteenth century, it seems like a golden age."

WHY WE'RE IN TROUBLE

"Why are we in this fix? Because we persist in living in a world of illusions instead of a world of reality. The free world, which successfully united and armed to the teeth in order to win World War I, thought it safe to go pacifist and disarm. We never understood the nature of communism. * * * We fought a great war at tremendous expenditure of men and resources, and we fought it all under an illusion—that when it was over the Russian ally our arms and help had made strong would cooperate with us to build world peace. It never was true. Russia did not deceive us; we deceived ourselves. The program of the rulers of Russia, never abandoned, has always been enmity to the free world and a determination to overthrow it by lies, fifth columns, violence, and revolution."

The free world is in danger, Meeman said, for this reason: "Britain can no longer protect the free world because it was weakened by two exhausting wars, during which new and menacing powers arose in Europe. The free world is in danger because British power has not been replaced by any other peace-preserving power. The United States is not strong enough even to protect itself, much less the whole world.

"We must erect a new power to protect the free world. That can be done only by forming a federal union of the democracies. This union would be formed in the same manner as the United States was formed out of the Thirteen Colonies. The Great Union would be composed of most or all of these democratic nations: The United Statee, Canada, Britain, Eire, Holland, Belgium, Luxemburg, France, Switzerland, Norway, Sweden, and Denmark.

"Why continue with inadequate and quack remedies?"

Then Meeman discussed the compaign for a federal union of the free conducted for years by Clarence Streit, and showed how such a union, uniting nations of a common heritage of democracy and freedom, would wield such a preponderance of the world's power and resources that no totalitarian nation or group of nations could match it.

EVEN WITHOUT THIS MENACE

Even without the Russian Communist menace it would be necessary for the free nations to band together "to preserve freedom itself and promote its extension in a world much of which is not free and is indifferent to freedom," Meeman said.

"The great union is the essential, but it is not all that we need to do. We need to continue to work in the United Nations to make it more effective and to promote world understanding through it. We need to continue to work for closer relations and understanding with Latin-America. We need to back the legitimate Chinese Government, our ally, in its struggle with the Communists.

"Thus we fight the fires of revolution. We thus cope with the flames that would consume us. But it is not enough.

"We have a great job to do at home. We must build green fields of well-being and prosperity which the flames of revolution cannot touch.

"For the last 100 years the world has been dominated by the Communist manifesto. * * * True liberalism has been under attack from Marxism from without. As the democratic nations have been weakened by human fifth columns, so the democratic philosophy has been weakened from within by the poison of Marxist conceptions and related statist conceptions.

"By its fruits shall we know this philosophy. The Marxist century has ended with half the world in slavery and the other half in fear.

"We are, in this year of 1949, starting a new century. Let us make it a century of hope.

"Let us, in the year of 1949, issue a freedom manifesto. The Communist manifesto led mankind to slavery and despair. The freedom manifesto will guide the world to liberty and hope.

"Let me propose a basis for the freedom manifesto:

PROPOSED BASIS OF THE FREEDOM MANIFESTO

We proclaim the free society.

Let us begin with the economic, since economics is basic. We do not accept the Marxian theory that man is animated only by materialistic motives. We do not believe that ideas and ideals are only an expression of a predetermined economic system; but we do believe that ideas and ideals which do not find expression in the way we work, buy, sell, distribute, and consume are vain. So we express freedom in our economic life.

Marxism teaches that one economic system succeeds another in automatic evolution—slavery, feudalism, capitalism; Marx-

ists claim that capitalism is destined to be followed by socialism or collectivism which is to be the final and permanent system. This we deny.

ECONOMIC DIVERSITY

There is no need to accept, or reason to choose, a society dominated by one economic form. In our free society, various economic forms exist side by side, in competition with each other, and flourish as they meet human needs and conceptions of the good life; they diminish as they do not meet these needs.

In our free society there is self-employment—the person who employs himself repairing radios, or watches, or automobiles, or making by hand furniture, or baskets, or hats, or cookery * * *.

There is the partnership.

There is the cooperative, where a group of people join forces to produce, to sell, or to buy.

There is the corporation. Corrections are needed in corporate structure and practice. Stockholders should have more voice and take more responsibility. Workers should share profits and have a sense of owning and belonging. Perhaps, even, corporations need to develop and perhaps can develop, souls. However, which of us would want to live in a society without corporations? Not everyone wants to work for himself, or in a cooperative, or for the Government, or to depend on such forms to meet all his needs. There are things which the corporation can do better than any other economic form. So the corporation is permanently one of the economic forms in our free society.

There is government or public ownership. Public ownership is sometimes inefficient, sometimes bureaucratic; but there are economic activities which government—municipal, State, or National—can do better than a cooperative or a corporation. So we will have government ownership in our free society. We shall get away from bureaucracy and inefficiency by an extension of the TVA idea. That is, through the Government corporation instead of the bureau, through regionalism instead of centralization in the capital, we shall induce Government enterprise rather than mere Government operation.

NO FINAL DECISION

In our free society, we never make a final decision as to how much of one economic form we shall have and how much of another. If a Government operation is not working well, the people will not hesitate to sell it to a corporation or a cooperative. If it is indicated that a corporate activity should be under public ownership, the people will not hesitate to buy it. Experience and a sense of values, not dogmatic theory, will determine their decisions, and decisions are always subject to review. We find what is better by never-ending thought and experiment. However, changes from one form to another are made without confiscation, and without harm or loss to individuals.

PRIVATE PROPERTY

The right of private property is fundamental.

The institution of private property is not evil; it is a positive good. Property is necessary to the freedom and dignity of man. A propertyless man can have spiritual freedom and dignity, but not complete freedom of movement, activity and enjoyment; he cannot be an effective citizen in a vigorous democracy. If property is not owned by individuals it will be owned by the state, and the state will thereby become a dictatorship. We need to have property more fairly acquired, more widely distributed, and more securely held against loss and confiscation. High taxes from war and excessive governmental activities are one form of confiscation. A free society requires that most of its citizens shall be responsible property owners.

LABOR MOVEMENT

With such a conception of the need of private property, the labor movement will necessarily change its strategy. Instead of moving on and on in the industrial field toward the confiscation of profits, it will see them as a necessary thing. It will strive to increase the property holdings of the workers it represents. Under a system in which private property is becoming ever more widely held, the workers represented by labor unions would become owners of stocks in their own and other industries. Workers should become owners; owners should be workers. Thus we can attain a stability under which society will not move, with the inevitability of gradualness, into a centralized Socialist state.

RESERVES

Under such a system there should be few periods of recession or depression.

However, corporations should build up reserves for pensions and for employment, in order to avoid lay-offs or discharges in slack times. This will minimize dependence on Government and strengthen the property system.

But no security outside oneself can equal the security of ownership of property in a system in which property is made secure.

The ownership of property by individuals and the building up of private savings reserves should be that reliance.

DECENTRALIZATION

A healthy rural life is the foundation of a free society. A family living on its own acres is the ideal.

We favor the decentralization of property, of industries, of population. Our cities are too big. They should be remade to make possible more wholesome living. Bring the country to the city, as we have already brought urban comforts to the countryside. Eliminate smoke, smells, noise, and traffic hazards. Bring to the country the interest and variety of the city; to the city dweller that self-expression that comes from working with growing and living things.

MASS PRODUCTION

Mass production should have brought man freedom from drudgery, not slavery to mechanism and to artificial appetites for unneeded things or cheap satisfactions. The object of mass production should not be something not needed or to be thrown away after a brief use.

The commercial manufacture of food and clothing outside the home, the commercial performance of services for the individual which the individual should do for himself has been carried too far. We need to do more things for ourselves with our own hands.

Exaggerated, high-pressure advertising is illegitimate. Man is not a consumer. He is not a waste container for industries whose wheels dare not stop. Industry is a servant whose wheels turn at the command of man to satisfy his needs. We are not slaves of the industrial machine.

POLITICAL DEMOCRACY

Freedom depends on a vigorous political democracy also.

Citizens should take responsibility for government in their counties, towns, and cities. When citizens committees, without selfish motives, organize permanently to maintain nonpolitical county-manager government, as is done in Cincinnati, they are accepting their responsibility. Then there is no room for a boss.

UNION OF THE FREE

We do not despair of the United Nations. We wish to continue our efforts to make it ever more and more effective as the organization of our "one world." But we put freedom first. Freedom is fundamental. If freedom is to be preserved and extended in the world as a whole, then the nations which have long practiced freedom must federate. They must have a common policy in international affairs, a common defense force, a common currency, common citizenship, and a customs union. Therefore, we favor a federal union, not merely a military alliance, of the Marshall-plan countries—those contributing and those receiving. We favor a great union of the free, and we urge that the first steps be taken now. If the present crisis which threatens freedom should pass, it will still be necessary, in order to avert or to cope with future dangers, that the free nations be permanently united with each other. To the great union should be added other states, from time to time, as they wish to join and can qualify through having established within themselves the practice of freedom and democracy.

MAN

In order to bring into being and preserve this free society, we must have men who are determined to remain free, and who know how to remain free. There is nothing wrong with the nature of man. He need only awaken to what he really is, and live in the fullness and perfection of his true nature. He was made for dominion over a self and a world which offer him satisfaction and joy. Man is the expression of God, the fulfillment of the Divine Being. When man lives as one with God, and wields God's infinite power, he will not desire any puny power over other men. He will not submit to any human being so foolish as to wish to lord it over him. Here is the key to human freedom.

How shall we get such men, such citizens for our free society? By cultivating them. The principles are laid down in all religions. Religions do not agree on the reasons why men should be good, but they substantially agree on what men should do. The need is to get these teachings practiced. This can best be done by forming groups or circles of laymen in each faith to meet with each other to study practice of religion and to encourage each other in that practice. It is useful also to form cells which cut across denominational lines for the encouragement of the practice of individual responsibility in freedom.

Thus men will be trained to live and help other men to live in the sunlight of freedom in the joy of their self-expression which belongs to all the sons and daughters of God.

For the correction, completion, enrichment, and activation of the freedom manifesto I invite the communication and cooperation of all men and women everywhere who love freedom.

Government of Chile Awards the Order al Merito Bernardo O'Higgins to Mr. Edward Tomlinson

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. MANSFIELD. Mr. Speaker, under unanimous consent, I am inserting in the CONGRESSIONAL RECORD the speech of Ambassador Felix Nieto del Rio at the time he presented to Edward Tomlinson the Order al Merito Bernardo O'Higgins on behalf of the Government of Chile.

Ambassador del Rio, an outstanding and accomplished diplomat, stated, in a

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few words, the reason for this recognition by the Republic of Chile of the best American authority on Latin America. Ed Tomlinson needs no introduction to the people of the United States or to the Members of the Congress. As a truthful reporter of facts he has served his country well; as a truthful reporter of facts he has well served Latin America also.

Ed Tomlinson knows whereof he reports and Ambassador del Rio knows whereof he speaks. The people of the Americas—both North and South—have long recognized the worth of Ed Tomlinson's unbiased and impartial news coverage; his probing for facts beneath the surface; and his skill in portraying events as they actually are.

My congratulations to the Republic of Chile for recognizing the worth of Ed Tomlinson's contributions to the cause of democracy in the Americas, and my congratulations to Ed Tomlinson for the awarding of an honor richly deserved and well merited.

The address follows:

Mr. Tomlinson, it is, indeed, a great pleasure for me to confer upon you in the name of the Government of Chile the Orden Al Mérito "Bernardo O'Higgins," in the rank of commander. This order was established by the father of Chilean liberty and is bestowed by my Government in recognition of service to the nation, to democracy, and to mankind.

You have chosen for many years to devote your high talents to the task of understanding and good will between the nations of the Western Hemisphere. On the radio and in the press of the United States, and in various well-known books, you have endeavored to impartially inform the people of this country about the Latin-American nations and the Latin-American peoples, about their way of life, their cultures, their hopes, and their aspirations, as expressed in their everyday work, in the work, programs, and policies of their governments. If there were only more enlightenment of this kind in all countries, the task of the salesman and diplomat would be made much easier and the progress of our western world would increase geometrically.

Much remains to be done to raise the standard of living of the American people outside of the United States and to build among them a structure of enduring friendship and mutual knowledge, which may resist the forces of destruction and evil now unleashed.

My Government wishes to award your work and encourage you, Mr. Tomlinson, to carry it on unceasingly, because the goal of American unity is worth every effort and every sacrifice.

The Rape of Freedom

EXTENSION OF REMARKS
OF
HON. JACK Z. ANDERSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. ANDERSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newspaper article from the Santa Cruz Riptide:

"I HAD RATHER BE A DOG, AND BAY THE MOON, THAN SUCH A ROMAN"—SHAKESPEARE, JULIUS CAESAR, IV, III, 27, BRUTUS TO CASSIUS

(By W. F. Alder)

The rape of freedom as Americans have known it since 1778 is well under way.

One hundred and seventy-one years ago the Constitution of this land was born and put into practice.

That Constitution set forth a way of life within which Americans might live in the pursuit of happiness and retain personal liberty.

Now that liberty, and all the word implies, has been traduced and is far on its way to destruction.

A sinister and wholly malign cult has taken possession of many of the inner shrines of our freedom.

Communism and socialism, two fundamentally synonymous heresies in the lexicon of human freedom, are not only marching upon us—they have found lodging in the temple. And they brazenly proclaim their right of entry.

With the development of our liberal arts and sciences, we have explored the near shores of atomic physics and have discovered wellsprings of incalculable potentialities—for the good of mankind or for his destruction.

We have repetitively and categorically stated to the world that these forces will not be used for conquest of others by ourselves. We are not international burglars.

We had taken what we thought to be adequate steps to safeguard by secrecy the lives of all men against the misuse of these atomic forces by those whose sole purpose is to subjugate the world.

These would-be world conquerors have been trying by every stratagem and subversive practice to infiltrate our defenses and learn our lifeguarding secrets.

We created an Atomic Energy Commission to study, perfect, and harness this vast energy source for the ultimate good of mankind and the immediate security of a nation dedicated to the freedom of all men.

A group of scientists comprising the National Academy of Science, a private institution, nominated a certain group of men to constitute a national research council. The Congress of the United States has no supervisory control over these bodies, nor their memberships. The unswerving loyalty of some of these members is now open to serious question. We did not anticipate subversion of our security by our executive personnel.

The selection of scientific personnel to man our atomic research laboratories and master the imponderable forces of this newly discovered source of energy resides in the personal judgments of these men.

Speaking on behalf of these, Dr. A. M. Richards, of the National Academy of Science, supported Director David P. Lilienthal, of the Atomic Energy Commission, in his coldly enunciated statement before a congressional committee, that self-confessed Communists could well be proper personnel to groom for the laboratory and research staffs developing our highest echelons of national defense. These "diners-out from whom we guard our spoons." (Macaulay, Political Georgics.)

Director Lilienthal has consistently insisted that student-candidates for scholarships awarded by the Atomic Energy Commission be not questioned in respect to loyalty to the United States lest their intellectual freedom be impaired.

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While it now appears that these awards will be rescinded, that of itself is not sufficient. The stark reality of the matter is that the supposedly sacrosanct Atomic Energy Commission is so loosely administered, whether by design or sheer ineptitude, that our atomic research program has been open to subversive infiltration, and no one knows just how far the process has progressed.

If the top group administering our atomic program is so wanting in judgment as to flagrantly disregard our national insistence that the spread of communism in the United States be halted, how, in heaven's name, is it capable of exercising good judgment in the conduct of the billion-dollar program entrusted to its management?

Lilienthal explains and validates this training of young Communists by the usual party-code double-talk euphemism, "intellectual freedom."

Boiled down to its literal meaning, this asserts that any Communist, regardless of his oath to support the Communist ideology and its source, the Polit Bureau of Russia, he, as a candidate for, or incumbent in, employment in our atomic research program, must be kept "intellectually free" to desert the nation which trained him and go over to the enemy at any time his intellectual freedom seems to demand—or the Kremlin crooks a beckoning finger.

Freedom of speech, and mind are thus based, pardon me, debased, to suit the individual's personal motives and convictions. He, himself, sets the measure of his duty to his country and fellow citizens. This seems to be the thesis of Director Lilienthal's coterie of collaborators.

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Polemical subjects are the sole business of Congress, though it is stretching the word to make it include patriotic duty. We shall permit no argument about that.

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How then can we construe as a violation of free speech, interdicting expression of such intent or purpose?

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Have we not asserted this principle on countless crimsoned battlefields? And on the blood-flecked snows of shoeless Valley Forge?

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Yet, according to David P. Lilienthal and a parade of scientists before the congressional investigating committee, this intellectual freedom they carp about is Americanism at its best.

I had rather be a dog, and bay the moon, than such an American.

And I remember, too, the anguished cry of Lady Macbeth: "Out, damned spot! Out, I say!"

Will Messrs. Lilienthal, et al, remember? Sometime? Ever?

Things You Don't Buy May Cost You the Most

EXTENSION OF REMARKS
OF
HON. RICHARD BOLLING
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. BOLLING. Mr. Speaker, much of the talk of economy in Government which we hear today is designed only to prevent the passage of much-needed social legislation, social legislation which in the long run will save our taxpayers billions of dollars. In connection with this thought and under the unanimous consent granted me, I include the following interesting editorial from the Machinist of May 12:

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The cost of President Truman's Fair Deal is beginning to give some people cold feet. They've figured out that we can't finance public housing, raise school teachers' salaries, set up a real health-insurance program, and guarantee farmers a comfortable living without it costing this country big money.

The Fair Deal is no promise of pie in the sky. If we get it, we're going to have to work to pay for it. We have to make up our minds whether the improvements the President has proposed are worth the several billion dollars they're going to cost.

It's going to cost us either way. It's like buying a car. If we go on driving the prewar jalopy, the bills for repairs keep on going up until, sooner or later, it's cheaper to buy a new model. Mr. Truman thinks the Fair Deal will cost our country less than trying to keep the old model in repair.

Take health insurance. When the Government pays the doctor bills for every working family in the country, it's going to cost six to eight billion dollars a year. That's a lot of money. But we know that sickness—a lot of it preventable—is now costing us Americans about $27,000,000,000 a year in doctor bills, lost wages, and lost profits from absenteeism. And that's not adding a cent for unnecessary suffering from lack of adequate doctor's care.

Take that $300,000,000 bill for aid to education. We know that if we don't vote that one, our public-school system will continue to run down. Our children won't be as well equipped to meet the problems of life as we were. What's that going to cost our country?

Or take the public housing bill. That's going to cost $4,000,000,000 over 10 years. But stop and add up the cost of juvenile delinquency and crime that is spawned in our city and rural slums. How much do we pay for epidemics that bred in our slums?

What about the social-security plan? Suppose we let our aged continue to crawl for relief instead of assuring them a decent pension when they reach retirement age? Won't that drive them to support the Townsend plan or even more costly remedies?

And what about the new farm plan to guarantee a decent farm income and, at the same time, cut the price of health-giving foods like milk, eggs, meat, fruits, and vegetables? Aren't lower prices to city consumers and the extra food they're going to eat as a result worth what it will cost?

There's no question that we're going to have to work to pay for this program. The question is, Will we work just as hard without getting any of it?

The loudest complaints we hear about the cost of the Fair Deal come from families who can afford to run up doctor bills, who have their kids in private schools, who live in comfortable homes, carry plenty of insurance and aren't worried about where their next steak is coming from.

Memorandum of Association of Immigration and Nationality Lawyers in Opposition to H. R. 10

EXTENSION OF REMARKS
OF
HON. WILLIAM A. BARRETT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. BARRETT of Pennsylvania. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to submit the following memorandum of the Association of Immigration and Nationality Lawyers in opposition to H. R. 10:

The Association of Immigration and Nationality Lawyers is a national association of lawyers admitted to practice before the Immigration Service and the Board of Immigration Appeals. Some of its members are former officials of the Immigration Service and the Board of Immigration Appeals of the Department of Justice.

The association is interested in advancing the science of the administration of law pertaining to immigration, nationality, and naturalization.

This statement is submitted in opposition to H. R. 10 because we believe that some of the provisions of this bill introduced by Congressman HOBBS are unconstitutional and repugnant to American principles of democracy. Our association has always maintained a vigorous anti-Communist and anti-Nazi subversive attitude.

THE BILL IS REPUGNANT TO AMERICAN PRINCIPLES

The Hobbs bill authorizes the indefinite detention of aliens who entered the United States within 10 years preceding the issuance of a warrant of arrest against them. Aliens who have committed no crimes may be thus detained in imprisonment for the rest of their lives. In the Seventy-seventh Congress, Congressman HOBBS introduced a similar bill known as H. R. 3. At that time extensive hearings were held and many witnesses testified against the bill because it contained similar provisions. Paul Allen, national executive secretary of the Descendants of the American Revolution, stated at that time:

"I want to go on the principles of American Government, which should be considered as well as the exact provisions of the bill. Now we are opposed to the method in the bill and the theories which attempt to justify the bill, and we are particularly worried about what this bill might be put to.

"You see, we do not like the detention provisions and the system of supervision that the founders of this country actually struggled against. It is part of the same thing which the early Americans objected to in the British rulers who were sent over here. * * *

"The fact that the bill is aimed at aliens does not justify it in our minds."

John Haynes Holmes stated in opposition to H. R. 3:

"If they (aliens) commit offenses they can be tried and imprisoned. If they are law abiding they should be free on bond available whenever deportation is practicable. Any other treatment of aliens is repugnant to American principles."

THE BILL IS UNCONSTITUTIONAL

In Petition of Brooks (5 F 2 (d) 238) Judge Anderson, of Massachusetts, stated:

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The Hobbs bill proposes to provide for imprisonment of aliens, in some cases perhaps for the rest of their lives, where they have committed no crime and where the imprisonment would result from administrative decisions without a judicial trial. It is the opinion of our Association that these provisions of the Hobbs bill transcend the bounds of the Constitution.

Further, we are opposed to section 5 of Hobbs bill because these provisions seek to repeal the Administrative Procedure Act insofar as it applies to immigration, deportation and nationality. The Administrative Procedure Act was intended to require administrative agencies, including the Immigration Service, to make its rules and precedents public, to permit representation by counsel, to authorize court review, to require separation from prosecuting and adjudicating functions, and to require independent hearing examiners. For years these administrative reforms have been advocated in immigration matters and before administrative agencies generally. The purpose of the Administrative Procedures Act is to grant a fair and impartial hearing. We are opposed to any legislation which would attempt to whittle down the Administrative Procedures Act.

We also wish to call attention to the concluding sentence in section 5 of the Hobbs bill which states that the provisions of 503 of the Nationality Act shall not be applicable in any case involving a determination of the right of a person to be admitted or to remain in the United States under the provisions of any of the immediately foregoing described laws. We confess that on first reading we believed that this language was intended to abolish section 503 of the Nationality Act. We think that the language is susceptible of that construction. We understand that the intention of the author was to make former citizens who have been expatriated and who come to the United States to establish their citizenship by court proceeding, subject to the detention provisions of the Hobbs bill. It can hardly be contended that former citizens who might have lost their citizenship by some innocent act such as by mere residence abroad, by voting in Italian elections, or by service in an army of an ally, are such dangerous aliens that they should be subjected to incarceration.

Instead of incarcerating our former citizens, we believe that where their loyalty is established, they should be afforded an expeditious method of regaining their valued rights of American citizenship.

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few words, the reason for this recognition by the Republic of Chile of the best American authority on Latin America. Ed Tomlinson needs no introduction to the people of the United States or to the Members of the Congress. As a truthful reporter of facts he has served his country well; as a truthful reporter of facts he has well served Latin America also.

Ed Tomlinson knows whereof he reports and Ambassador del Rio knows whereof he speaks. The people of the Americas—both North and South—have long recognized the worth of Ed Tomlinson's unbiased and impartial news coverage; his probing for facts beneath the surface; and his skill in portraying events as they actually are.

My congratulations to the Republic of Chile for recognizing the worth of Ed Tomlinson's contributions to the cause of democracy in the Americas, and my congratulations to Ed Tomlinson for the awarding of an honor richly deserved and well merited.

The address follows:

Mr. Tomlinson, it is, indeed, a great pleasure for me to confer upon you in the name of the Government of Chile the Orden Al Mérito "Bernardo O'Higgins," in the rank of commander. This order was established by the father of Chilean liberty and is bestowed by my Government in recognition of service to the nation, to democracy, and to mankind.

You have chosen for many years to devote your high talents to the task of understanding and good will between the nations of the Western Hemisphere. On the radio and in the press of the United States, and in various well-known books, you have endeavored to impartially inform the people of this country about the Latin-American nations and the Latin-American peoples, about their way of life, their cultures, their hopes, and their aspirations, as expressed in their everyday work, in the work, programs, and policies of their governments. If there were only more enlightenment of this kind in all countries, the task of the salesman and diplomat would be made much easier and the progress of our western world would increase geometrically.

Much remains to be done to raise the standard of living of the American people outside of the United States and to build among them a structure of enduring friendship and mutual knowledge, which may resist the forces of destruction and evil now unleashed.

My Government wishes to award your work and encourage you, Mr. Tomlinson, to carry it on unceasingly, because the goal of American unity is worth every effort and every sacrifice.

The Rape of Freedom

EXTENSION OF REMARKS

OF

HON. JACK Z. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. ANDERSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newspaper article from the Santa Cruz Riptide:

"I HAD RATHER BE A DOG, AND BAY THE MOON, THAN SUCH A ROMAN"—SHAKESPEARE, JULIUS CAESAR, IV, III, 27, BRUTUS TO CASSIUS

(By W. F. Alder)

The rape of freedom as Americans have known it since 1778 is well under way.

One hundred and seventy-one years ago the Constitution of this land was born and put into practice.

That Constitution set forth a way of life within which Americans might live in the pursuit of happiness and retain personal liberty.

Now that liberty, and all the word implies, has been traduced and is far on its way to destruction.

A sinister and wholly malign cult has taken possession of many of the inner shrines of our freedom.

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Things You Don't Buy May Cost You the Most

EXTENSION OF REMARKS
OF
HON. RICHARD BOLLING
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. BOLLING. Mr. Speaker, much of the talk of economy in Government which we hear today is designed only to prevent the passage of much-needed social legislation, social legislation which in the long run will save our taxpayers billions of dollars. In connection with this thought and under the unanimous consent granted me, I include the following interesting editorial from the Machinist of May 12:

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Memorandum of Association of Immigration and Nationality Lawyers in Opposition to H. R. 10

EXTENSION OF REMARKS
OF
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IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

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"You see, we do not like the detention provisions and the system of supervision that the founders of this country actually struggled against. It is part of the same thing which the early Americans objected to in the British rulers who were sent over here. * * *

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John Haynes Holmes stated in opposition to H. R. 3:

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Instead of incarcerating our former citizens, we believe that where their loyalty is established, they should be afforded an expeditious method of regaining their valued rights of American citizenship.

It is our opinion that this bill, for the first time in the history of the United States, seeks to establish concentration camps during peace-time. We believe that the problem of subversive aliens and of nondeportable aliens is a serious one. We think that appropriate means should be devised to maintain adequate supervision of subversives and if possible to solve the problem of those who cannot be deported. However, we feel that the Hobbs bill is not the democratic nor the American way in which the problem should be solved. For this reason we record our opposition to this undemocratic bill.

GASPARE CUSUMANO,
President, New York City.
JACK WASSERMAN,
Washington Representative, Washington, D. C.
THOMAS M. COOLEY, II,
Vice Chairman, Legislative Committee, Washington, D. C.
MAY 31, 1949.

American Scholarships Should Not Go to Communists

EXTENSION OF REMARKS
OF
HON. LEROY JOHNSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. JOHNSON. Mr. Speaker, under leave to extend my remarks I include a forceful editorial from the Sacramento Bee of Sacramento, Calif.

It briefly but forceably comments on the granting of a scholarship to Hans Freistadt, a naturalized Austrian. Apparently this young scholar was never really Americanized. When the court makes the order which makes an immigrant an American, it is after the applicant has demonstrated his knowledge of the Constitution and the form of government of the United States. This implies that the proposed citizen approves of and believes in our form of government. No worthy citizen would join a group whose purpose is the destruction of our representative government and the domination of the individual by the state. Consequently, when this brilliant student accepted his citizenship and took his oath of allegiance to the United States of America, he must have done so with reservations. Otherwise, he would not shortly thereafter have joined the Communist Party.

I commend the reading of the following editorial to my colleagues:

BETTER KEEP SCHOLARSHIPS FOR LOYAL AMERICANS

Hans Freistadt came to this country a few years ago an immigrant from Austria. Shortly after becoming a full fledged citizen of the United States he joined the Communist Party.

But young Freistadt is intellectually gifted. He is a brilliant student of physics, so much so the National Research Council, a government agency associated with atomic energy research, granted him a $1,600 a year governmental fellowship to study relativity in the field of nuclear physics at the University of North Carolina.

And, according to all reports, from the strictly academic standpoint, Freistadt was well equipped for the work assigned to him.

But in the university Freistadt renewed his active Communist associations and he frankly admitted his party membership when recently called before a congressional inquiry committee.

In fact, he insisted to the committee that he could see no conflict between his oath of allegiance to the United States and his Communist activities.

He may have a brilliant mentality in the scientific field, but if he honestly believes there is no such conflict in loyalties, he is dumber than a moron in the field of politics.

No man can be faithful to two conflicting national allegiances any more than a husband can be faithful to two wives at the same time.

The National Research Council tries to excuse such scholarship awards to known Reds on the ground national security is not involved in their particular work.

That is a debatable question.

But it is impossible to justify such a policy on a broader ground—namely, that no grant of public funds should be made to any person who is a member of an organization committed to the destruction of our Government and our democratic institutions by force and violence.

And there certainly are brains enough and talents enough among the loyal young men and women of America to supply any needed investigators and workers in any research field.

Save $48,000,000 in Building the Garrison Dam

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. BURDICK. Mr. Speaker, the taxpayers of the Nation can be saved $48,000,000 on just one of the many water programs of the Corps of Army Engineers.

To raise the water level of the proposed Garrison Dam 20 feet above what the engineers originally asked for and which was authorized, will cost the people $48,000,000 more than was first contemplated. Up to date, there is no authority in law for this increase in elevation, but these engineers do not need any authority. They have assumed control of the matter and are going ahead with what they want and not what Congress authorized. As proof of this, the law authorized the water level to contain 17,000,000 acre-feet, which means a water level of 1,830 feet above sea level. No higher elevation was authorized. Does that deter the engineers? Not in the least. According to their own testimony before the Rivers and Harbors Committee, they say they have now secured by purchase and condemnation 43,000 acres of land not needed for a 17,000,000-acre-foot pool, but will be needed for a 23,000,000-acre-foot pool, or a water level of 1,850 feet. In all of their propaganda, in their annual report, and their newspaper interviews and in their speeches before civil associations, they invariably refer to a water pool of 23,000,000 acre-feet, although there is no law supporting any such pool.

The Hoover Commission recommends that the Corps of Army Engineers be removed from civil functions and assigns reasons for it, all of which are absolute facts. The recommendations should be approved by Congress. But will these suggestions be followed? I doubt it. The people generally do not know of the powerful lobby ready at any time to intervene and keep these Army men entrenched in civilian projects. The lobby is composed of the contractors brigade, those to whom the engineers assign contracts; civilian bodies that are led to believe that their particular areas will receive benefits through the good will of these engineers; Members of Congress who want some local project in their district to receive favorable consideration, and other Congressmen whom the engineers convey around at Government expense—not only to view certain projects, but to get free trips home. This engineers' lobby is a powerful thing. In the Senate Subcommittee on Appropriations when I testified before it, General Pick had a permanent place at the witness table and remained there with his aides while all witnesses were testifying. After witnesses were dismissed, General Pick remained, and no doubt disposed of any adverse testimony with a few remarks which no doubt were eagerly received by the committee.

I testified last Friday before the Rivers and Harbors Committee of the House on Congressman LEMKE's bill to limit the water pool of North Dakota's Garrison Dam to 1,830 feet and limit all land-buying activity to that level, and there in that committee the engineers were sitting upon the raised platform with the members of the committee, just as much a part of the committee as anyone else. While witnesses were testifying, the chairman of that committee was in constant communication with the engineers in charge concerning the course of the testimony.

With the powerful lobby in Congress, in which Members of Congress are determined no law shall be passed which shall interfere with these engineers, you can see that the recommendations of the Hoover report have a vicious gauntlet to run before the engineers are removed from all civilian functions.

The people are beginning to find out about this autocratic and power-hungry Corps of Engineers, and their unreasonable action in the field—going ahead in a way not authorized by law, is doing more to bring discredit on this Government than anything else known today. The people will finally become aroused, and when they do this institution will be hit hard. Enough Members of Congress will be elected that this engineers' lobby cannot handle and when that time comes this autocratic, unthinking, brazen, and arrogant body of men will be ousted from functions they should never have controlled.

Civic bodies in North Dakota are generally opposed to the Missouri Valley Authority because they say too much power will be placed in a few hands; yet at the same time these civic bodies are

doing their best to support the engineers where the power is not placed in a few hands, but in the hands of one man, the Chief of Engineers. The sentiment for an MVA in North Dakota is growing with leaps and bounds, and the thing responsible for this feeling is the ruthless, ignorant, and unlawful behavior of the engineers right there where the people, every day, can see their action.

The tragic thing about the whole matter is that the taxpayers will have to foot the bills of this irresponsible and law-violating bunch of engineers. They have now purchased with taxpayers' money, 43,000 acres of land that was never authorized; they have driven hundreds of farmers off their land by bluff, coercion, and proceedings in condemnation at a time at least 12 years removed from any possible use they can make of these lands. They have set up a real estate office that does a lucrative business, buying a farmer out and then renting the land back to him at prices that absorb all consideration he received for his land, in rent payments until the Government needs it.

Congress authorized the Pick-Sloan plan, but nothing is being done on the Sloan plan because the engineers' lobby in Congress is determined to finance just what the engineers want, and that is absolutely in opposition to the Sloan plan. While the engineers have agreed in writing to the Sloan plan, they ignore it, because they feel themselves well enough intrenched in the Congress to do so.

I have seen many lobbies here in Washington, but I have never seen one that shows the arrogance and disrespect for law as is now exhibited by these engineers. They have many Members of Congress who for some reason will fly to their aid on any committee at any time, night or day.

The people of the United States are up against a real fight. In the Garrison project the taxpayers can be saved $48,000,000 and no one—not one community in the United States—will be injured by saving this money. An 1,830-foot dam at Garrison will do as much for flood control as a higher dam, especially when it is realized that when the damaging floods occur in Louisiana and Mississippi the upper Missouri River is frozen as hard as cement. This lower dam will contribute as much to river navigation as a higher one, because the law provides that navigation shall not conflict with irrigation, and consumptive use of waters west of the ninety-eighth principal meridian. If the irrigation proposed 1,300,000 acres is established there will be little water left in the Missouri River on an average year after year. If the water in the Garrison Dam is drawn off to be diverted to the Devils Lake area, there will be still less.

Can we save this extra $48,000,000 and curb the power of these engineers who are schooled in expending other people's money? In war or peace the Army has demonstrated that it is the most wasteful organization in the world in burning up the taxpayers' money. In wartime the extravagance is terrific, but no one can question it then, but in peacetime we should gather up enough nerve to say "No" to this unnecessary and extravagant expense brought on by the Army engineers.

Today, 50 cents of every tax dollar goes to support a military program at home and military assistance programs in other sections of the world. Maybe we cannot stop this, but at least we can and should halt the high-handed extravagance of the Army engineers in our civil functions here at home.

In regard to the Garrison Dam, the Hoover Commission Report says:

> The development agencies sometimes compromise their differences. After sharp clashes over loans for the development of the Missouri Basin, the Corps and the Bureau announced complete agreement on the Pick-Sloan plan. Analysis of that plan reveals the fact that it contains many projects which previously had been subjected to devastating criticism by one or the other agency. The compromise consisted, for the most part, in a division of projects, each agency agreeing to forego the privilege of criticizing projects assigned by the agreement to the other. The result is in no sense an integrated development plan for the basin, and there is serious question in this case whether agreement between the two agencies is not more costly to the public than disagreement.

Again quoting from that report:

> There is simply no escaping the fact that so long as the present overlapping of functions exists with respect to the Corps of Engineers, the Bureau of Reclamation, and the Federal Power Commission, costly duplication, confusion, and competition are bound to result. It has been demonstrated time and time again that neither by voluntary cooperation, nor by executive coordination, can the major conflicts be ironed out.
>
> Painful as the operation may be, the case for a unification of the functions of the Corps of Engineers and the Bureau of Reclamation is so overwhelming that it ought to be effected without further delay.

We have seen this exact situation come to pass in the Pick-Sloan plan. Each agency had a plan of its own, absolutely dissimilar in every respect. Congress asked for an agreement, and these agencies agreed to a common plan and signed a joint agreement. Congress then passed the law based on this agreement. Since then the Army engineers have gone straight ahead with their own plan as it stood before this joint agreement, and have used their lobby in Congress to get funds to carry out their own plans. The Sloan plan remains without funds for starting the project, because the engineers of the Army do not want the Sloan plan and never did want it. They ignore their joint agreement as a scrap of paper.

Congress is at fault. It should have taken time and passed a law pointing out specifically what was to be done and not a law that merely blanketed in the agreement between these two agencies, and which now the engineers refuse to obey. Congress should put this river development under one responsible civil agency and hold that agency responsible for carrying out the will of Congress. It can be done and will be done, unless the Army engineers' lobby is too strong and prevents it.

Transfer of Pacific Islands From Naval to Civil Control Should Not Be Undertaken Without Adequate Preparation—Native People of These Islands Apprehensive of Changes in Prospect

EXTENSION OF REMARKS

OF

HON. JOSEPH R. FARRINGTON

DELEGATE FROM HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. FARRINGTON. Mr. Speaker, an editorial appearing under date of May 24, 1949, in the Honolulu Star Bulletin points out that the transfer of the administration of the Pacific Islands from naval to civil rule, as proposed by President Truman, should not be undertaken without careful preparation.

The editor of the Star Bulletin, Riley H. Allen, has visited the Pacific Islands and is exceptionally well-informed on this problem as the result of many years of study.

The Members of Congress concerned with this problem as well as those in the administration should therefore find in his comments some valuable suggestions as to the approach to this important question.

The editorial is as follows:

THE PRESIDENT MOVES—INTERIOR DEPARTMENT TO TAKE OVER PACIFIC ISLANDS

President Truman himself has moved to see that civil rule is set up promptly in Pacific islands now under naval jurisdiction and control.

He has ordered the transfer of Guam to the Interior Department within the next year.

He has ordered a like transfer of American Samoa and the Pacific Trust Territories to Interior Department supervision "within the next 2 or 3 years."

The President's order was probably hastened by the recent friction on Guam between the natives and the naval government.

This friction resulted in a sit-down strike by the Guam legislators.

They walked out of their assembly, refused to come back until a compromise was reached.

This compromise effected a little face saving all around. It did not settle Guam's underlying grievance—that the Guamanians desire and demand a larger degree of self-government than they can get under the Navy.

And theirs is an understandable, a natural position. It is founded on the basic principle of Americanism—government by consent of the governed.

This move by the President has brought to a climax, if not to a finish, a long series of skirmishes, mostly behind the scenes, over the government of American Samoa and Guam.

The skirmishing over the trust territories (taken from Japan in World War II) has been shorter. That is only because the United States has had the trust islands in its keeping a much shorter time. Guam and American Samoa have been under the United States flag a half century.

The order to transfer from Navy to Interior Department rule is much more easily issued than carried out.

The Navy has been governing American Samoa and Guam for five decades.

It has built up an extensive establishment—in physical equipment and in personnel—to do the job. It expanded this

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considerable establishment to take in the trust territories.

The Interior Department has no such establishment. And the Navy has serious and quite sincere doubts that the Interior Department either realizes the size of its job or can, within a few months, develop the facilities to take over from the Navy and carry on without set-back or loss.

One thing is certain: Unless the Navy gives the most cordial and wholehearted support to the transfer, there is certain to be an unhappy period for the natives of these islands.

They are already uneasy over the projected transfer.

Whether or not their apprehensions are entirely of their own thinking, or have (as Department of the Interior men sometimes hint) been planted by the Navy, the doubts and fears are there—unmistakably there.

The Department of the Interior must be able to come in and take over with no loss of efficiency, no period of hesitation, no obvious experimentation. Otherwise, the natives will feel that their misgivings have been confirmed, and they will, correspondingly, be disappointed.

And if this feeling starts, it will grow. In many a distant atoll, and over many an archipelago, the natives will be frightened, obdurate, uncommunicative, difficult to govern.

Many months ago the Star-Bulletin suggested that, as the transfer was inevitable—sometime—Department of the Interior men ought immediately to be assigned to the Pacific area, and get right out on the job.

That move is now imperative. Guam is to be transferred within a year. Interior Department should have not merely a representative, but a staff at Guam without delay, learning the many things they must know about Guam, the Marianas, the Carolines, the Pacific.

Further, a group of Guam's ablest and best equipped men should go to Washington and get thoroughly acquainted with the transfer, at the National Capital, of jurisdiction from Navy to Interior.

The Guam Assembly has voted $10,000 to send two Guamanians to Washington. Our own National Government might well supplement this. A group of 6 or 10 would not be too large.

We owe it to the world as well as to these helpless natives to do a first-class job of government.

We are spending billions of dollars in foreign relief and in foreign financing.

We are willing to assign to this job skilled administrators and staffs that total more than 25,000 persons.

We should be not less solicitous about the welfare and the happiness of the relatively few thousand Pacific island natives under our own flag.

You Can't Have Your Pie and Eat It, Too

EXTENSION OF REMARKS

OF

HON. JOHN SANBORN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. SANBORN. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I insert a letter from Mr. Grebe, attorney for the Boise Kuna irrigation district in Idaho.

Attorney Grebe calls our attention to a fundamental truth that we cannot continue spending without having to pay for the things we desire. I congratulate Mr. Grebe for his willingness to sacrifice in order to maintain our Government and bring order into our fiscal matters.

The letter of Mr. Grebe follows:

BOISE-KUNA IRRIGATION DISTRICT,
Kuna, Idaho, May 26, 1949.

Hon. JOHN SANBORN, M. C.
Washington, D. C.

DEAR CONGRESSMAN: I am vitally interested in completion of Anderson Ranch Dam, Lucky Peak Dam, Cascade Dam and other Reclamation Service construction in Idaho. I own land under these projects and would benefit by further expenditure of funds for reclamation.

But I am willing to sacrifice any benefits which may be taken from me in the further development of my own pet projects, that may be necessary to sacrifice, in order to get favorable action on the recommendations of the Hoover Commission.

I realize that unless all of us who have a finger in the pie sacrifice something personally, the Commission's work will be of no avail. This tremendous waste must be stopped to prevent the eventual downfall of our form of government.

Truly yours,

G. W. GREBE,
Attorney for
Boise-Kuna Irrigation District.

Sore Spots in the Far East

EXTENSION OF REMARKS

OF

HON. JOSEPH R. FARRINGTON

DELEGATE FROM HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. FARRINGTON. Mr. Speaker, under leave to extend my remarks in the RECORD I wish to call attention to an editorial appearing in the New York Times of May 18 under the title "Sore Spots in the Far East."

The editorial very appropriately points out the importance of taking action promptly to provide an organic act for the government of Guam.

The editorial is as follows:

SORE SPOTS IN THE FAR EAST

Our preoccupation with problems of world-wide scope and our attention to great dramatic crises such as those in Germany and China may cause us to overlook some smaller situations in which something can and should be done. There are sore spots in our whole Asiatic relationship that need attention. They do not require any vast examination or reversal of policy, but they do need action.

We have not yet, for example, carried out the full repeal of our now discredited Asiatic exclusion policy. In 1943 we lifted the ban against the Chinese. In 1946 we lifted it against Filipinos and Indians. What is needed now is to finish the job and set up the quota basis for the other Asiatic states. The House of Representatives on March 1 adopted the Judd bill to do this. But that bill is still buried in a Senate Judiciary Subcommittee. It should be brought out and adopted and not allowed to die in the Senate crush or the Senate pigeonhole.

Similarly, Congress has not yet come to grips with the need for adopting an organic act for Guam. The Guam Congress, trying to function lawfully, has had a difficult dispute with the naval government and the governor in which the basic issue has been the interpretation of the legislative authority granted to the Congress by order of the Navy Secretary in 1947. To clarify the issue and to resolve the dispute the Guam Congress, on March 5, adopted the draft of a proposed organic act defining civilian and legislative rights. This was forwarded to the United States Congress through the Navy Department, but it is obviously still far from enactment. A matter as important as this should not be buried in channels, but should be brought out for constructive examination and action.

The great crises will, no doubt, continue to make the headlines. But at the same time wise actions on less fearful matters should not be sacrificed, since those actions may make the sum total of policy.

Bravo! Bravo! Bravo! Excelentissimo! Nein! Nein! Nein!

EXTENSION OF REMARKS

OF

HON. EUGENE D. O'SULLIVAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. O'SULLIVAN. Mr. Speaker, the writer thought that it was fitting, meet, and right to give this article not only a conflicting title, but also to scramble the Portuguese and German languages up in that title. I think that it would have been more appropriate however, to have had the title made up of all of the known living and dead languages, but, obviously of course, that could not be accomplished with any idea of maintaining and preserving the well known O'Sullivan brand of brevity.

The idea of the above title occurred to me when the President of the United States of Brazil was addressing in Portuguese the joint session of the Senate and House of Representatives on May 19 last. When our good friend, President General Eurico Gaspar Dutra, President of the United States of Brazil, had completed, what was evidently, to those who could understand, a very good point, one of his Portuguese admirers sitting in the House gallery, amidst rousing hand clappings, exclaimed bravo! bravo! bravo! excelentissimo! Then followed a brief and chilly silence and then I heard another man in the House gallery, who had a distinctly German accent say, nein! nein! nein! I fancy that a few Nebraskans and the majority of the State senators of Nebraska were also in the bravo bravo bravo excellentissimo class when they memorialized Congress to cut national expenditures 10 percent across the board, while the great majority of the thinking, understanding people of Nebraska, and a minority of the State senators of Nebraska were in the nein nein nein class, as far as doing any such memorializing was concerned.

By way of recapitulation I call attention to the fact that in a previous article, entitled "Physician Cure Thyself," which I caused to be placed in the Appendix of the CONGRESSIONAL RECORD at page A3115, attention was called therein to the fact that almost unanimously, the Nebraska Legislature had by resolution memorialized Congress to cut national expenditures 10 percent across the board,

while at the same time that very same legislative body was actively pursuing a different policy as far as State expenditures were concerned.

The foregoing course of conduct reminds us of the story of the old religious hypocrite, who in order to be fair with God and man alike, while singing the grand old church hymn, When the Roll Is Called Up Yonder I'll Be There, instead of pointing skyward when he uttered the words "I'll be there" reversed the gesture and pointed downward in the supposed general direction of hell.

In fact that old hypocrite was fairer in what he said, if you could see him singing, than was the memorializing Republican-controlled Nebraska Legislature, because it never pointed the finger at the tremendous State expenditures, or ever even breathed an "itsy-bitsy," "teeny-weeny" word about its own public wastrel-lust.

Recently the Nebraska State Journal of Lincoln, Nebr., brought to the fore again the utter inconsistency and ridiculousness of the economy position of the afore-mentioned legislature and its memorializing antics, by publishing the following newspaper article:

LEGISLATURE REFUSES 10-PERCENT BUDGET CUT—WILLIAMS MOTION PROVOKES ATTACK

(By Burt James)

A request for a flat 10-percent cut in the 1949–51 budget bill was defeated Wednesday by the legislature.

The vote was 4 to 21. Senators Frank Nelson, O'Neill; Charles Vogt, Liberty; George Weborg, Pender, and W. J. Williams, Ravenna, supported the motion.

The reduction was proposed by Williams just after the legislature approved additions to the bill totaling $372,940.

The increases made by the legislature total $1,806,331 above the budget committee's original recommendation of $130,946,251. The grand total for the bill now stands at $132,810,582.

"The legislature has added about $1,700,000 over the committee's recommendation," Williams said in making his motion.

"It's time we do something that we asked someone else to do," he added. He was referring to the legislature's action of earlier in the week in adopting a resolution asking Congress to reduce Federal expenditures by 10 percent.

Williams was immediately accused of being insincere and with seeking publicity. The charges were made by Senators John Callan, Odell, budget committee chairman, and Willard Wilson, Holdrege.

"I doubt the sincerity of the introducer of the motion because he voted against a motion to cut $800,000 in Federal funds from the budget," Wilson said. "I know it is popular to favor a 10-percent budget reduction but you can't do that."

"Williams' motion looks good in the newspapers but you can't kid the people," Callan said. "The motion is more for publicity than anything else," he added.

"Let's call this motion what it is," said Sen. Hugh Carson, Ord. "This is just a roundabout way to take a potshot at the chancellor of the university," he asserted.

Williams said he was sorry the members doubted his sincerity. He explained he voted against the move to cut $800,000 in Federal school funds from the bill because "I'm not ready to start picking on defenseless children."

"What's going to happen when these prices break?" he asked.

Earlier, the legislature approved amendments by the budget committee adding $300,000 to the budget of the game commission. This is the amount the commission expects to receive during the next biennium as the result of increased hunting and fishing license fees.

Included was a $50,000 reappropriation from the unspent balance of the $500,000 emergency blizzard aid. This was earmarked for use by the governor in event of future disaster in the State.

Three divisions in the State health department were increased a total of $22,940.

A hike from $25,000 to $32,940 for the State survey of human tuberculosis was approved; the maternal and child health division was raised from $39,380 to $49,380, and the bureau of examining boards from $97,850 to $102,850.

Rejected was a requested increase of $6,000 in the budget of game commission for the purpose of building a home for the caretaker at Fort Kearny park.

The amendment was offered by Senator W. Halsey Bohlke, Hastings.

The budget bill, L. B. 434, was moved from general to select file.

The Unionist, an Omaha (Nebr.) newspaper, had this to say about the memorializing action of the legislature:

The insincerity of much of the economy talk was displayed in the lower House one day last week. Two economy-minded members made vehement speeches for economy and were loudly applauded. Then the house voted unanimously to give each member an additional clerk and $600 more in postage expense.

That reactionary crowd that has taken up the cry of economy, and makes so much noise and intemperate statements may be playing with fire that could get beyond control. More than once in this land financial panics have been created out of little or nothing. And we all know that the human animal, once he is seized with the stampede complex, goes as wild as a herd of fear-stricken longhorns rushes across the prairie in a western movie.

Millions of Americans believe that had the Old Guard captured the Eighty-first Congress and the White House they fully intended to junk all the social legislation passed during the Roosevelt administration.

Presently there are many who suspect that the extreme phobia regarding domestic spending sprouts from the same root, and that one plan is to cut budgets for Social Security, the Labor Department, and other agencies of social aspect to points where their functioning would be difficult or impossible. Some of those agencies were established under Republican Presidents. Hereabouts we frequently hear criticism regarding various phases of social security, old-age assistance being the principal target. We hear much about the welfare state and similar slurs.

The little people of America are just as much aware and just as perturbed about high taxes and deficit spending as are big business and "economy" politicians.

But there is suspicion that the GOP-Dixiecrat group has a gold brick for sale—a plan to protect at all hazards the fantastic corporation profits that have been pouring in for 3 years.

Mr. Speaker, in any event the Nebraska Legislature has now adjourned for this session, and have left behind them for the Nebraska taxpayers to struggle with and ponder over, one of the largest appropriation bills in the history of that State.

We must practice economy—we must save the taxpayers money—was construed to have no application to their doings but applied only to the Congress of the United States.

It is high time indeed that the Democratic Party be returned by the voters of Nebraska to power again so that our great State may again hold its head high in the ranks of the progressive States, instead of being on the political treadmill going no place, or worse still, going backward all of the time.

East-West Trade and the ERP

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1949

Mr. JAVITS. Mr. Speaker, on all sides the question is asked, "After 1952—What?" This question concerns the economic outlook for western Europe and therefore the political and social outlook for Europe and perhaps for the world. The following editorial from today's New York Herald Tribune indicates how it may be practicable to contribute to Europe's recovery without jeopardizing United States security through further development of east-west European trade in the goods of peace. It indicates also the need for our own willingness to be adaptable to changing needs and conditions in the relations of the democratic world with the satellite nations in eastern Europe:

EAST-WEST TRADE AND THE ERP

When Secretary of Commerce Sawyer dropped the hint that this country might relax in prohibitions against the export of industrial goods to Russia and its satellites, he was giving a sign both of our growing assurance that our political position vis-à-vis the Soviets has strengthened and of our recognition that the success of the Marshall program depends heavily upon a revival of intra-European trade. Relaxation of the restrictions on exports would be accompanied by our releasing the Marshall plan countries from their agreement not to sell eastern Europe the same type of products.

Our willingness to consider a reversal of the 15-month-old policy of restricting exports cannot in itself guarantee the badly needed revival of east-west European trade. Equally essential conditions for that revival are the reentry of Germany in the European economic scheme as a larger trading factor, and a reconciliation between the British desire to curtail imports from the Continent, and the continental countries' plan to boost their exports to Britain. What the Sawyer announcement does indicate is that our Government is taking to heart European and American concern over the possibility of Europe's not achieving independence of American aid by 1952.

If there is any secret to the success of the Marshall plan, it must lie in treating it as an ever-developing and ever-changing blueprint. Even on the limited grounds of the first year's experience (and how many Cassandras regard 1952 as already upon us?) it has become clear that the European countries must place new and heavier emphasis on their anti-inflationary programs, on a speedy coordination of their individual plans for industrial investment, and on a vigorous merchandising effort in American markets.

These lessons are far from being lost on the Europeans. The Organization for European Economic Cooperation has made the

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first two items major topics in its current agenda, and its members are individually making American market studies which, together with some relaxation of tariffs on our part, could bring substantial results on the third item. Indeed, the Sawyer announcement was made at the Canadian International Trade Fair at Toronto, where 35 foreign countries have exhibited the products which they hope will find favor with the consumers of America and other trading nations. With these constructive measures being taken, all estimates of the precise situation in 1952 must be regarded as usable guides to action rather than as firm predictions. But only if the warning signs are read and acted upon promptly will the Marshall plan be justified by results.

Amendment of Fair Labor Standards Act of 1938

EXTENSION OF REMARKS
OF
HON. THOMAS H. WERDEL
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. WERDEL. Mr. Speaker, I should like to explain briefly the provisions of the bill to amend the Fair Labor Standards Act of 1938 which I have just introduced this afternoon and the need for its enactment to protect American industry.

This bill will exempt employees in industry from the wages and hours provisions of the Fair Labor Standards Act whenever an industry is in competition with industries in foreign countries with which trade agreements are in effect, and do not adequately protect the competitive position of American industry to the extent of the differential between the American wage rate as applied by the present provisions of the act and the prevailing foreign wage rates.

The State Department's reciprocal-trade policy is the worst enemy of American labor and industrial prosperity with which we presently have to deal. Apparently the reciprocal trade planners give no consideration to the differential between American wages and the low prevailing scales in foreign countries when they negotiate these agreements. An examination of existing trade agreements will reveal this condition to exist today.

Unless labor and industry are permitted to adjust their labor contracts to meet this foreign competition, the creeping paralysis of unemployment already underway, will progress steadily as foreign nations recover from the devastation of war and flood our country with their exports.

The number of our producers and manufacturers who already are fighting the competition of foreign imports is enormous and is steadily mounting. Labor leaders, also, are rapidly becoming aware of this threat to wider unemployment and are seeking means to avoid widespread layoffs as the imports of foreign goods gradually saturate the American market.

Is History Repeating Itself?

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. REED of New York. Mr. Speaker, I have just read a newspaper article which I shall insert in the Appendix of the RECORD at the conclusion of my remarks. I call attention to a speech made by Demosthenes more than 2,000 years ago. He was addressing the men of Athens, and here is what he said:

For I gave warnings and solemnly protested at all times, both in your midst and wherever I was sent. But the Greek states were rotten, the men who were engaged in public life and action taking bribes and sacrificing their principles for money, while the majority of private citizens either had no foresight or were caught by the baight of daily ease and leisure, and all alike suffered from some delusion as this, each community fancying that the danger would come against all except themselves, and that at others' risks they might safely secure their own interests when they pleased. In this way, I fancy, it has come about that the masses, in return for their excessive and unseasonable indifference, have lost their liberty; while their leading men, who fancied they were bartering away everything but themselves, discovered they had sold themselves first, for instead of friends and guest friends, as they used to be called at the moment when they were taking bribes, they are now saluted as parasites and apostates and by all other well-deserved titles. For no one, men of Athens, spends money in pursuit of the interest of the established as master of the situation, he is also lord over those who sold him his position, and, knowing their villany, then—if not before—he hates them and distrusts them and treats them with contumely. Only look at the facts: for if the right time for action has gone by, the right time at any rate to learn lessons of this sort is always present to the prudent.

Under unanimous consent, heretofore granted, I am inserting the article, to which I have referred, which was written by Joseph Alsop and which appeared in the New York Herald Tribune of Wednesday, June 1, 1949:

THE OFFICE MARKET
(By Joseph Alsop)

WASHINGTON.—There is an excellent chance that the London Embassy will shortly be sold for cash on the barrelhead. The purchaser, if the deal goes through, is expected to be the present Ambassador to the Argentine, James Bruce. President Truman and Secretary of State Dean G. Acheson have not finally settled the disposition of the valuable London property, which will probably be vacated soon by Ambassador Lewis W. Douglas, who is ill. But the sale to Bruce has strong support, according to insiders.

The foregoing paragraph could well have appeared in the real-estate columns of this newspaper, with a few names changed. It raises an issue which everybody in this country ought to begin thinking about.

The particular case of James Bruce can be dealt with rather briefly. He is a banker and a Democrat. He has only two visible qualifications for the Embassy in London. The one that carries weight is the money he gave and raised for the last Presidential campaign. The one that will be publicly mentioned is his "success" in the Argentine, where he has been a good ambassador in the sense of establishing close relations with Juan and Evita Peron and their flashy, totally corrupt inner circle.

POOR PREPARATION FOR LONDON

Being on a cozy footing with Evita Peron seems rather poor preparation for doing business with Sir Stafford Cripps and his colleagues in the British Labor Government. And the London job has never been more important.

The western united front against the Soviet Union hinges upon Anglo-American cooperation, which is about to be severely tested by the need to evolve a constructive Far Eastern policy. The success of the Marshall plan hinges upon British recovery, which is already in danger from the world trade recession. Yet James Bruce's backing for London is so strong that it almost prevented the appointment of his brother, David K. E. Bruce, as Ambassador to Paris.

The case of David Bruce is precisely the opposite of the case of his brother. He was not a Democratic contributor, but as ECA Administrator, he had already proven himself brilliantly well equipped for the Paris Embassy.

Even so, the Paris place probably would have gone to another large party contributor, Stanton Griffis, the former Ambassador to Egypt, if Averell Harriman had not pressed David Bruce's claims. And what gave Harriman the right to intervene was not his great services to the country, but his own large party contributions, which the White House vaguely feels have not been sufficiently rewarded.

James Bruce's political friends wanted Griffis for Paris instead of David Bruce, because they thought the appointment of one brother would rule the other out. Possibly this same theory will still prevent James Bruce from going to London. Whether he goes or not, does not affect the issue that is raised.

SHAMEFACEDNESS GONE

The truth is that the public auction of major offices, which at least used to be done in a shamefaced way, is beginning to be regarded as a matter of course.

It was openly cast up as a crime against James V. Forrestal that he had not participated in the auction in the last campaign. All the President's pious statements after Forrestal's death cannot conceal the fact that members of the President's own staff participated without punishment in this cheap attack. Even today failure to lay the dollars on the line is being cast up as a crime against Ambassador Douglas, another of those who have given the best service to the President and the country. The President has voiced no indignation.

Instead, he has just given the secretaryship of the Navy to a certain Francis P. Matthews. It is well known that this dim figure has been fished from his native obscurity because of his handiness with a checkbook. This winter he gave the vital secretaryship of defense to Louis Johnson. Whatever Johnson's other qualifications, it is well known that financial services rendered were a major consideration. And in the same way the other large contributors—Griffis, Lawrence Steinhardt et al.—will ultimately receive as their rewards posts in the gift of the American people.

The truth is that this traffic has reached a shockingly dangerous stage. It is by no means limited to the highest offices of state. There is also the fact the large-business men and large corporations who make contributions are always suspected, frequently correctly, of seeking Government favors. The whole system is inherently, irremediably pernicious. The whole country should be indignant about it. And Congress should

begin at once considering the long-bruited plan for public financing of political campaigns, which would stop this squalid barter.

Arming Western Europe

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including a timely article by Mr. Henry Hazlitt of Newsweek, which appears in the current issue. The title of his article is "Arms and the Money." Every Member of this House should be interested in the subject of the article. It follows:

The commitment we have made to defend the integrity of western Europe has been forced upon us by the Russian threat. It is a grave and tremendous commitment. In return for it, our negotiators had both the right and duty to ask heavy quid pro quos. Instead, they assumed that they had to promise monetary and military aid in addition in order to bribe western European governments to accept the tremendous pledge from us for which they have been begging ever since 1914.

If western Europe has a will to defend itself, it will have little trouble in finding the means. The $1,130,000,000 grant that we have promised them for the first year is after all only 3 percent of the present total governmental expenditures of the Atlantic Pact nations. They can easily make that up by cutting less essential things out of their swollen governmental budgets.

On the other hand, as I pointed out in a Newsweek article of April 4, there is no way in which we can insure that either the money or the equipment we contribute would actually result in a net increase of European armament by that amount. To the extent that we free European governments from the necessity for military spending, we release just that much more of their resources for bigger social-security schemes, bigger food subsidies, bigger nationalization deficits, or what not.

It is now being argued that we can solve this dilemma by insisting that each beneficiary European government spend on armaments in the next fiscal year, say, at least as much as we contribute, in addition to the amount it has already been spending in the current fiscal year. But it is dubious policy to try to force any country to spend more on defense than it thinks it ought to spend. This could easily give rise to the unwholesome belief in that country that it was spending large sums on defense, not for its own self-preservation but as a favor to us. It might also tend to encourage bookkeeping fictions under which Government expenditures were charged to the military budget that did not in fact belong under that budget.

If our administration is none the less determined to go ahead with its $1,130,000,000 military-aid program, then Congress, instead of adding this to the already dangerous burden upon our taxpayers, should take it out either of our proposed military budget of $15,300,000,000 or of the $5,430,000,000 authorized for the ERP.

Consider the military budget first. For a single year it already equals the military expenditures for the entire 19 years from 1922 through 1940. Must our military budget now be larger still? Does it make any sense to assume that our military expenditures with the Atlantic Pact must be actually higher than without the Atlantic Pact? Even if we do not assume that the Atlantic Pact in effect adds the existing military expenditures of western Europe to our own, can we not assume that if we transfer a billion dollars of our defense expenditures to Europe, it at least removes the necessity of spending that billion dollars here?

Finally, if the administration refuses to take this $1,130,000,000 out of the home military budget, Congress could take the whole amount out of the $5,430,000,000 authorized for the ERP. It could simply authorize the beneficiary European governments to use up to this amount of their ERP funds for buying armament from us instead of other things. As it is, we are about to throw most of this $5,430,000,000 away anyhow.

We are turning it over to European governments to meet a trade deficit that they themselves have brought about by exchange control with overvalued currencies. Our ERP funds, in short, are being used in the main to subsidize and prolong a vicious totalitarian device that strait-jackets economies, retards recovery, and makes impossible the free multilateral flow of world trade.

The further burden on our budget involved in the proposed European armament-aid program is without logic or excuse.

Shift in Engineers

EXTENSION OF REMARKS
OF
HON. WALTER NORBLAD
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. NORBLAD. Mr. Speaker, under leave to extend my remarks, I include herewith an editorial from the Portland (Oreg.) Oregonian attesting to competence and ability of Colonel Walsh and Colonel Weaver, who have both been directing the Army engineers' projects in the Pacific Northwest:

SHIFT IN ENGINEERS

In his 3 years as division engineer of the North Pacific division—the Pacific Northwest plus Alaska—Col. Theron D. Weaver has implemented his earlier knowledge of the region and its affairs obtained as Bonneville district engineer during construction of the first big Federal dam on the Columbia. As chairman of the Northwest regional council of Federal and State agencies, he has had an important part in efforts to develop a unified program of multiple purpose Federal projects in the Columbia Basin.

But the Army Corps of Engineers rarely leaves its top men in key positions long enough to put down deep roots. Colonel Weaver has been reassigned to the Eurcpean command where his extensive experience in industrial problems will no doubt be put to use in the reconstruction of western Germany.

Fortunately, Colonel Weaver's successor, Col. O. E. Walsh, has had 3 years in which to familiarize himself with the Northwest's development problems, as Portland district engineer, and his engineering and combat experience has been world-wide. The Northwest owes a debt of gratitude to Colonel Weaver, under whose administration McNary Dam was started. It is good that there will be compensation for his loss in the advancement of Colonel Walsh to division engineer.

Thomas-Lesinski Bill

EXTENSION OF REMARKS
OF
HON. WALTER NORBLAD
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1949

Mr. NORBLAD. Mr. Speaker, under leave to extend my remarks, I include herewith a portion of an editorial from the Portland Oregonian:

The three-vote margin by which the House of Representatives reversed itself and sent the Wood labor bill back to committee was a face saving, if hollow victory, for the Truman Administration. But President Truman, counting noses in House and Senate, might well exclaim, as did King Pyrrhus after his army was decimated in defeating the Romans in the battle of Asculum: "Another such victory and we are lost."

Address by David W. Howe at Annual Convention of American Newspaper Publishers Association

EXTENSION OF REMARKS
OF
HON. RALPH E. FLANDERS
OF VERMONT
IN THE SENATE OF THE UNITED STATES
Thursday, June 2, 1949

Mr. FLANDERS. Mr. President, the president of the American Newspaper Publishers Association is the publisher of a country newspaper in Vermont, the Burlington Free Press. His address as president of the association has much in it that is of public interest. I ask unanimous consent to have his address, delivered at the annual convention of the association in New York City, printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

BREAK-EVEN POINT IS SET TOO HIGH, SAYS HOWE

(High break-even points in newspaper economics threaten to keep publishers awake nights, implied David W. Howe, Burlington (Vt.) Free Press, president of ANPA, in his annual convention address in New York City.

(Complications in attaining solutions through free and independent initiative were seen, too, in the increasing burden of the "welfare state" and threats to freedom of the press.

(Mr. Howe insisted that the first function of the press is the job of getting at the truth and auditing government.

(Excerpts from the address follow:)

Welcome to the sixty-third annual convention of the American Newspaper Publishers Association.

Representing over 90 percent of the daily and Sunday circulation of the country, we are meeting to consider our common problems and common aims.

The threats to freedom hammering at our country and at all free nations have brought determined resistance. The events of the past 2 years have brought us signs of a respite in certain of the internal threats to

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our freedom. In high places we hear it said that a speaker or an editor has the right to be wrong. Again we hear quoted Justice Oliver Wendell Holmes' opinion that "Freedom of speech is really freedom for the thought we have."

THREATS TO FREEDOM, OLD AND NEW

Legislators, local administrative officers, and even courts—as witness the strange Baltimore press gag on crime news—will always continue to crowd the freedoms guaranteed the people under the first amendment. It is our duty to be vigilant and to furnish the public with the information and background needed for their corrective action.

When Jefferson made his famous remark about preferring newspapers without a government to a government without newspapers, he thought of government performing police, regulatory, defense, and judicial functions. His type of government served the electorate and did not expect to rule or to determine their incomes, their food, or their shelter. He did not picture 9 percent of the civilians employed being on government pay rolls. Most certainly he and all the founding fathers did not look ahead to government propaganda, designed to influence voters in their decisions on public policies. Newspapers he pictured as serving as auditors of government to tame its threatened abuses of powers, to expose arbitrariness, to expose and fight corruption.

FEDERAL PROPAGANDISTS—42,000

The welfare state—so-called—imposes an enormous additional burden upon the press. There are several times as many public officials to watch. Tending to smother in some degree all objective and searching reporting is an enormous Government propaganda bureau. The Budget Bureau reports more than $74,800,000 is now spent annually for propaganda by Government executive agencies. A total of 42,000 Federal employees were found by a congressional subcommittee last December to be engaged in such propaganda work. This committee reported even more engaged in propaganda activities, with innocent sounding titles. While the majority and minority reports of this committee differ as to the importance they appear to agree upon the facts.

When one officer of the Children's Bureau, Federal Security Agency, was asked whether he had presented both sides of the question, the committee quotes as his reply: "I don't know what you mean by both sides."

In the meantime private citizens who seek in any organized manner to keep their views before Congress are labeled as lobbyists.

OUR VULNERABLE POSITION

The past year has seen new tops in newspaper publishing in daily circulation, in Sunday circulation, in advertising linage and revenue. It has been generally accompanied by a greatly lowered net profit. The inflationary period has fastened high break-even points. We are especially vulnerable in general to shrinkages of advertising volume. Labor scales, labor costs, taxes, and newsprint have given high fixed charges and high unit costs; and circulation prices have reached a ceiling which appears difficult to pierce. Economies and greater productivity are recognized as urgent.

In addition to large and growing information services your association is engaged in several activities designed to aid you in maintaining strength, stability and a profit margin. Upon several of these may I now report in summary.

ARE PRODUCTION INCREASES DUE?

The classical school of economists has long reminded us that realized income depends upon production volume. Dr. Williford I. King, in his recent book, The Keys to Prosperity, states: "the amazing increase in the average real hourly wages of American workers has been due to increasing physical productivity per man-hour and this increasing efficiency has, in turn, been brought about by inventions and discoveries implemented by vast amounts of new capital."

We are informed from figures in the economic report of the President of the United States published last July, that the real gross national product per employed civilian increased 19 percent in the past 7 years. From 1940 to 1947 as measured in 1940 dollars per employee, productivity nationally went up that much—19 percent. This surprising statement is based upon the tables which the President's economists prepared. They did not make such calculations in the text of the report. The director of research of J. Walter Thompson Co., however, has drawn such conclusions and we may hope they are substantiated by other statisticians.

Looking back to a slightly similar period after World War I something most unusual happened in 1920–22. Productivity rose 11 percent a year preparing the way for the general fall in prices and the rise in real earnings of 1923–29. The National Bureau of Economic Research is authority for this observation.

GREATER PRODUCTIVITY NEEDED

Our Nation needs increased productivity per man-hour. The evidence that we are getting it is hard indeed to find. The President's Economic Report of last July has references to the cost upon the economy of feather-bedding, make-work practices, and soldiering. Our business needs increased productivity per man-hour to keep pace with progress and to maintain health, strength, and a future for our businesses and all who operate them. The Technological Development Branch of the Bureau of Labor Statistics shows in the newspaper and periodicals business from 1939 to 1945 that the output per man-hour decreased 11.3 percent. These figures sifted and compiled by Will Lisner in last August 26 New York Times cover 4,000,000 workers in 34 industries. The base is probably too narrow to be conclusive. The trend, however, is clearly not good. The challenge to management and to government is great.

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ARBITRATION DEVELOPS

The International Arbitration Board of which the special standing committee is the management panel, has heard several cases since the last convention, and they have conciliated other disputes when arbitration was imminent. Local signers under the International Arbitration Agreement with the pressmen have reached a new high.

Voluntary arbitration agreements at local level are the traditional core of our labor relations program as individual publishers. It is the part of our special standing committee and our Chicago office to facilitate such agreements. Other unions in time are apt to find that arbitration, whole-heartedly entered into, is a more satisfactory policy for all concerned than occasional displays of arbitrariness and muscle.

Truth and justice are rare articles today outside of the Western World. Together with freedom they form our constant goals. A labor union that has been willfully setting truth and justice to one side for several years could experience a change of heart. Cussedness and intimidation on the part of a monopoly—even a labor monopoly—can build nothing substantial and lasting. The rank and file of a recently belligerent union can be coming to the conclusion that the door is open to a better way.

"We Get Along Fine" is the motto of a national group of exhibits by labor and management to be jointly presented in Cleveland 3 weeks hence. The American Federation of Labor has appropriated $250,000 for this exposition and a group of employers of national scope are joining in it. None of the unions in this program has unilateral rules that are designed to regulate working conditions, and are held by the union to be nonarbitrable. This exposition is a healthy sign of the times.

In tomorrow's session the litigation between the National Labor Relations Board counsel and the International Typographical Union will be highlighted by our own general counsel, Elisha Hanson. His aid in bringing healthier attitudes toward the Nation's laws on the part of union officials puts us all in his debt.

MECHANICAL RESEARCH PROGRAM

Last year at your convention here you tripled the program of mechanical research set up in 1947. You voted unanimously for a 2-year special assessment designed to provide $140,000 a year for the mechanical research program. Basic research, long-term research, and some that gives promise of early results are now in progress. You will hear more about it this morning.

As we consider our cost trends, our comparison with other industry, our urgent present and future needs, it is a safe wager that we will never turn back on the path recently undertaken in mechanical research. It is simply the rate of yearly investment and the rate of advance that you will decide by your future expressions. We have increased our wage scales to one of the two top positions in industry without corresponding cost cuts. Our strength if not our healthy survival is largely dependent upon early improvements and cost-cutting, time-saving equipment and methods.

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Consider what the periodic and frequent newsprint waste figures painstakingly pursued have meant to our business. Six dailies recently show 1.25 percent waste or less. Eight members show above 5 percent newsprint waste. Small dailies and many large dailies some years ago thought 5 percent waste including wrapper was acceptable. Suppose Mr. Spitaleri's figures result in urging a daily of 500 tons consumption to get in line with the very best performance. There's a saving of $500 to $1,675 per year for that 500-ton consumer. Save 1 percent on newsprint waste (and probably half of us with effort and equipment can do so) and you save $1 on each ton on your newsprint.

POSTAL COMMITTEE

Upon invitation, our postal committee under the effective leadership of Josh L. Horne of the Rocky Mount (N. C.) Telegram has appeared recently before House and Senate postal committees. ANPA spokesmen made clear that newspapers are not receiving and do not desire a postal subsidy. Newspapers showed more interest in service than in rates in these presentations. Less than 12 percent of the daily and Sunday newspaper circulation ever sees the mails these days. Of this 90 percent is delivered on rural routes. Rural free deliveries are a public policy of over a half century, not designed to be paid for by the users A large share of the dailies which still enter the mails are trucked at newspaper cost to the destined post office of delivery yet pay full rates. Long obsolete postal service standards are the most disheartening condition. Only modern service will keep newspapers in the mails in substantial future volume.

Our postal committee's testimony was in connection with proposed greatly increased rates for second class mail. Our committee chairman asked the department to estimate what savings could be made if all newspapers were eliminated from the mails. This alternative was faced by Postmaster General Walker several years ago and embodied in

his report. The Post Office Department feels that this is an unhappy question.

Two years ago and this year we have respectfully suggested to Congress that before tinkering with rates they require the department to know its cost to keep them to a proper level, to respect competitive factors, to set up fractional rates for fractional service, and place itself on a businesslike basis. The recently published Hoover report has sustained our consistent position in these matters. You have noted bulletin suggestions as to individual publication deliveries until the Post Office Department modernizes.

COMMITTEE ACTIVITIES

Your committees have put in much time, thought, and effort in your interest throughout the year. One of the great sources of strength of our association is the willingness of so many members to take assignments and to do a thorough job for the common good. They deserve your gratitude and full measure of appreciation.

THE BUREAU OF ADVERTISING

Newspaper advertising reached new peaks in 1948. The Bureau of Advertising with approximately 1,000 participating newspapers is producing gratifying results for all of us. We are greatly indebted to Richard W. Slocum, chairman of the governing board and Harold S. Barnes, the director. Newspaper national advertising gained slightly more than $32,000,000 in 1948 over 1947—or from half again to 10 times the gains scored by each of the 5 other major national media.

Continually general advertisers are leaning upon the Bureau for valued research. The theme "All Business Is Local" is much more than a slogan. It is widely considered as the most valuable rediscovery of our generation in advertising and marketing.

A partnership between merchants who plan and newspaper advertising salesmen is welded out of the daily use of the material issued by the Retail Division of the Bureau. With such scientific use of newspaper advertising, both national and retail, it is reasonable to expect that our advertising volume will be steadier—less volatile, year by year.

At present, advertiser beliefs and moods affect the purchase of considerable space quite as much as facts or even results. When advertisers recently met in convention, for example, an increase of 8 percent in unit costs of a newspaper list in 1949 as compared with 1941 seemed to be a good deal of a psychological hurdle. A program of tested research behind advertising programs, both national and retail, is a confidence builder and therefore a stabilizing factor. The Bureau's research—and the Bureau's correlation and use of significant research by individual newspapers—is impressive.

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TRAFFIC DEPARTMENT

Increase in transportation costs directly bearing upon increased newsprint and other costs have further emphasized the importance of our Traffic Department. The many services rendered by this department are fully appreciated by those members who have taken advantage of them.

New low accident ratios of 2.23 per 100,000 miles were reported by our 404 newspapers in our steadily growing safe-driving campaign and competition. Over 100,000,000 miles of driving were recorded. Of 5,011 motor vehicles participating, 53 managements experienced no accidents last year and 704 drivers were awarded no-accident buttons.

NEWSPRINT SITUATION

The doubling in price of newsprint since 1941 has been a strain upon our business. The steadily gaining circulations and the advertising demand have focused our attention primarily upon securing an adequate supply. Canadian mills have for 3 years equaled or excelled 100 percent of rated capacity. This figure is a moving average. Speed-up of existing machines have each year brought added tonnage. Publishers are looking to the new capacity at Coosa River, Ala., next year and to increased capacity at Lufkin, Tex. A canvass among members last year showed a desire to make firm contracts for some 458,000 tons of newsprint annually above present contracts. The ANPA is always abreast of this many-sided problem, and continues to be at your service. The Newsprint Report will inform you how supply and demand now are moving toward a condition of balance.

The association's staff of 60 people, if I may speak for them here, earnestly hope they have measured up to your high expectations. The New York office has 35 people for over-all staff; The Chicago office personnel numbers 20; in New York and Easton the Mechanical Research Department consists of five people.

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TRENDS AND NEEDS

Our field of service will continue to expand and many more dailies of smaller circulation will come to understand and appreciate the privileges and the values of ANPA membership. The association's services, as this outline has indicated, are geared to publishers' needs. Your future ability to operate at a profit and to maintain leadership in your home communities is closely linked up to the success of ANPA activities. For your timely criticisms, you have the appreciation of the officers. For your participation and support, our sincere thanks.

Summarizing the observations on the peculiar problems with which we as individuals and as an association must deal: First, a powerful surge of individual productivity is a great need for our business as for the Nation. We shall get some of it by new equipment, new methods, and much of it by new employee awareness. Second, big government with huge propaganda funds is tending to smother the effectiveness of a free, objective, and independent press. Government holds many of the cards today. These conditions are a constant challenge to us.

AUDITING GOVERNMENT

If I were to make one other observation it would be that the first function of the press is not now understood by most of the public. It is often overlooked in textbooks and is largely forgotten by those who teach government and civics in colleges and in schools. The first function of the press referred to by Milton 300 years ago, and which caused it to be referred to as the fourth estate in the eighteenth century was the job of getting at the truth and auditing government. How many do you find who are conscious of that fact? While some thinking people assume this newspaper duty, what is the average civics student's understanding of it? When a newspaper exposes arbitrariness, heedlessness, little tyrannies in big government, a generation hence a government-fed proletariat may regard us as interlopers. For nearly a generation, Marxian-inspired textbook writers have created the assumption that the power of government is inherently good. Previous generations for three centuries have known that it was inherently evil, required constitutional checks and balances, probing from all sources of information and opinion, and continuous auditing by the press. In the past, individuals or minority groups that met with injustice from government had the press as their first line of defense. The press exposed and at times interposed. It still happens every week in dozens of communities. The press has the duty to expose all usurpers of power.

The advocates of big government have been gnawing away at the press. Curtail its freedom, its strength, or its independence and there will be less vigilance, less resistance to corruption, and the abuse of power. Likewise there will be less opposition, less discussion and debate, less parliamentary delay, more free rein for directives and edicts.

The press supplies that check upon government which a free people must have and which no constitution has ever been able to provide. Can we get that back into textbooks and into the minds of students and into the hearts of all who love liberty? Fellow newspapermen, it is worth trying.

Atlantic Pact Should Have Priority Over Politics

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Thursday, June 2, 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Atlantic Pact Should Have Priority Over Politics," published in the Philadelphia Inquirer of June 2.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ATLANTIC PACT SHOULD HAVE PRIORITY OVER POLITICS

The indefensible decision of President Truman and his congressional leaders to give repeal of the Taft-Hartley Act priority on the Senate program over ratification of the North Atlantic Pact is a flagrant betrayal of the best interests of America and the world.

An immediate result will be a serious weakening of the position of Secretary of State Acheson at the Council of Foreign Ministers now in session at Paris at the very instant when a display of unity on the part of the west would have its greatest impact.

Hardly less damaging will be the delay in approval of the $1,450,000,000 arms-for-Europe program designed to implement the pact and the resultant postponement of the day when the free nations of Europe will be in a position to resist successfully a major military attack. It now appears certain that the arms bill will not receive consideration until next year.

By delaying action on the pact—the most important matter before Congress—in order to accede to appeals of labor leaders for action on the Taft-Hartley Act the administration again has put politics ahead of national welfare. It has demonstrated that its concern with the 1950 elections overrides its interest in promoting international understanding.

The urgency which Mr. Truman and his advisers now attach to revision of the labor law is all the less acceptable when it is realized that on several occasions the administration has shown a willingness to let this issue go over to next year rather than risk being unable to fulfill the 1948 campaign promise of outright repeal of the Taft-Hartley Act.

The administration's management of labor legislation stands out—even in the sorry record being compiled by the leadership of the Eighty-first Congress—as a glaring example of ineptitude and irresponsibility.

To give labor legislation priority over ratification of the pact, especially in view of Secretary Acheson's appeal from Paris for

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prompt action, is a blunder of appalling dimensions which reflects the administration leadership's unwillingness to recognize that there are greater issues in the world today than the winning of national elections.

Preservation of the American Way of Life

EXTENSION OF REMARKS
OF
HON. JOHN C. STENNIS
OF MISSISSIPPI
IN THE SENATE OF THE UNITED STATES
Thursday, June 2, 1949

Mr. STENNIS. Mr. President, I recently received a letter from a personal friend of mine, Dr. A. M. McCarthy, of Daytona Beach, Fla., which is one of the clearest and most sincere short statements of the principles of pure Americanism that I have ever read. This letter represents the lofty thought and patriotic feelings of one who personifies the very highest type of American citizenship—a great surgeon in peace and a great surgeon-soldier in war. I ask that the letter be inserted in the Appendix of the RECORD for the benefit of the Members of Congress and the people of the Nation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DAYTONA BEACH, FLA.

DEAR JOHN: For several years I have felt that our wonderful way of life in this great country of ours is not fully appreciated by many of the people who live in it and it has been heartbreaking for me to watch the slow erosion of our personal initiative and liberties and our drift toward soft socialism where the National Government will forever regulate our daily lives and mode of living in exchange for the paltry illusion of perpetual security.

My experiences in Europe taught me one lesson above everything else, and that was a greater appreciation of our American way of life. I have always been a stanch believer in the competitive system which has made this country great, which stimulates individual initiative, and which promotes for every man the freedom to progress in proportion to his diligence and ability. By so doing our accomplishments and our standard of living have been unmatched by any other way of life, and we stand alone today as the great example of efficiency and progress—the envy of the whole world. Yet there are many who are entrusted with our sacred heritage who insist that we import a new order of life which has failed to inspire greatness or respect in other parts of the world.

The time has come, in my humble opinion, for the citizens of this country to choose the system they prefer and to fight to maintain it. I am sure that the majority still believe that the competitive system is still the best way of life, but I fear that they do not realize the insidious drift to socialistic control and the danger to our personal freedom that lurks in the background.

I am going to fervently pray that those of you in our National Government who have similar beliefs will be stanch and determined in your effort to stem the tide that threatens to engulf us and that you will emerge from the conflict as the champions of true constitutional government as was intended by the fathers of our country, who themselves had fled the persecutions of the freedomless type.

Sincerely your friend,

A. M. MCCARTHY, M. D., F. A. C. S.

Wheat Alarm Up

EXTENSION OF REMARKS
OF
HON. ANDREW F. SCHOEPPEL
OF KANSAS
IN THE SENATE OF THE UNITED STATES
Thursday, June 2, 1949

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Wheat Alarm Up," written by Henry S. French, and published in the Kansas City Star of May 29, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHEAT ALARM UP—STORAGE PROBLEM INTO SHARP FOCUS AS THE HARVEST STARTS IN SOUTHWEST—MUCH TO GO ON GROUND—WITH AREA CROP LARGER THAN LAST YEAR, TERMINAL BIN SPACE IS LESS

(By Henry S. French)

On the eve of the winter wheat harvest southwestern farmers have no place to go with their grain. Terminal storage space is scarce.

Producers have been worrying for months, but their fears swelled to a crescendo last week when the railroads clamped a limited embargo against shipments of grain from the area.

UNDERLINES THE SITUATION

Although the embargo restricts storage grain only, the fact that it was formulated so soon, to become effective at the unprecedented date of June 1, pointed up sharply the alarming situation.

With wheat already arriving at southern Texas markets, there are 70,000,000 bushels less storage space available in the Southwest now than at this time last year, according to the Association of American Railroads.

Far more space is needed in the area this year. While the total winter wheat crop is estimated at 1,021,000,000 bushels, only 31,000,000 bushels more than last year, the production outlook in the Southwest took a giant stride upward, largely due to a 67,000,000-bushel gain in the Texas estimate over a year ago.

For Kansas, Oklahoma, and Texas combined, the outlook is for a harvest of 483,298,000 bushels, or an increase of 95,678,000 over 1948.

MORE SERIOUS THAN 1948

The situation is worse than last year when, on July 9, a general embargo was imposed against shipment of any wheat except that for immediate sale unless the shipper could prove he already had contracted for storage space.

Greatly adding to the prospect for congestion is the 300,000,000-bushel carry-over expected from the 1948 wheat crop, which now is clogging elevators. According to the April 1 Government report of stocks in all positions, more than 238,000,000 bushels of wheat were stored in the winter wheat States of Kansas, Oklahoma, Texas, Missouri, Nebraska, Colorado, and New Mexico.

Some of this grain since has been directed into consumer and export channels, but a large amount of it has been held from the market through Government price-supporting operations.

Of the wheat reported in the Southwest April 1, more than 131,000,000 bushels were under loans and 55,000,000 under purchase agreements, according to figures compiled by the Kansas City Board of Trade.

A BARRIER TO RESALE

No loan wheat was moved before the maturity date, April 30. A very small amount, if any, of the loan wheat has been absorbed into trade channels since the Government took possession, because of the agency's high resale price.

Also, little of the grain has been moved to storage in a less crowded area, except perhaps a moderate quantity taken from Nebraska.

The only remaining means of disposal for Government-owned wheat in the Southwest is by export through Gulf ports. Since export capacity at Gulf ports is around 30,000,000 bushels a month, less than that amount could have been shipped out.

According to the Department of Agriculture's report of stocks in all positions April 1, the farm-storage situation is a little better than a year ago.

This year there were 239,000,000 bushels of farm-stored wheat, or around 18,000,000 bushels less than last year. The situation has been aided since that date by the CCC's efforts to vacate farm storage of loan grain.

Also, there have been reports of added construction of storage space on farms.

TERMINAL SPACE IS SHORT

Terminal markets, however, are in bad shape. Latest figures show almost 125,000,000 bushels of wheat stored in these centers, or 54,000,000 more than at the same time last year. Interior mills, elevators, and warehouses also have 70,000,000 bushels more than a year ago.

Most of this grain belongs to the Government, and with the CCC confining its efforts to moving farm-stored wheat, there is little hope that the agency will get around to the terminal stocks before the crop starts to roll.

Last week, in the major markets of Kansas City, Hutchinson, Wichita, and St. Joseph, stocks of grain totaled around 50,000,000 bushels. The working capacity of the public elevators in these cities is 70,000,000 bushels. Since most of the grain is Government owned, there is no indication the four markets can accommodate more than 20,000,000 bushels of new-crop wheat.

What will be the result of such a pronounced shortage of storage space? The farmer will be hard hit. If he has no place to store his grain, he is not eligible for a price-supporting loan. Faced with the prospect of no place to go with his grain, he can either pile it on the ground and wait for the storage pinch to ease, or sell it at market price.

With the July future selling at more than 30 cents under the prospective loan, indicating sharply lower prices for wheat at harvest time, farmers will be reluctant to sell.

However, in the event of a wet harvest, they might be forced to sell, rather than risk deterioration. In the latter case, a big run of grain for sale could bring a full embargo.

A Progressive Tax Policy

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Thursday, June 2, 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD a letter written by Prof. Seymour Harris, of Harvard University's economic department, which appeared in the New York Times of May 20, 1949.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

To the EDITOR OF THE NEW YORK TIMES:

May I raise a dissenting voice to the universal demand either for less public spending or more taxes. Back in January 1949, the correct policy was more taxes. But by the spring of 1949 it has become increasingly clear that the problem in 1949 is not going to be one of inflation, but rather that of preventing a small decline from snowballing into a large one.

It is the essence of forecasting policy to adapt recommendations to the latest statistical findings. To suggest at this point that tax increases are no longer expedient would reflect political statesmanship; to reiterate the plea for more taxes at this point might be interpreted as face saving. Surely, the April developments emphasize the failure to achieve the improvements which would have justified a continued support of higher taxes. The correct policy is not to raise taxes but rather to reduce taxes on the masses of consumers, to some extent thus stimulating buying. As one who has strongly supported the fair-deal program, with great reluctance I dissent on current proposals for more taxes.

This is far from offering support to the George-Byrd-Taft-CED coalition to reduce total spending at this time. (Waste is another matter.) At least the administration proposes a balancing of the budget at the expense of the relatively well-to-do (the taxpayer), and not at the expense of the relatively less well-to-do—i. e., the recipients who would suffer either directly or indirectly through unemployment as a result of reduced public expenditures.

It is indeed strange that after 15 years of educational work by economists Congress still has not learned the lesson that taxes are not increased primarily to balance the budget. President Truman was correct in fighting for higher taxes to control inflation; but he would be wrong to insist on higher taxes in order to balance the budget. As the situation deteriorates, it is the task of the Government to stop a decline by spending more and taxing less, not spending less and taxing more. For spending determines employment and output. The Congress may well now be choosing a saving on public debt of five to ten billion dollars (and one hundred to two hundred million dollars of debt charge annually), thus contributing to a cut of income of the proportion of twenty-five to fifty million dollars. At this writing the decline is already about $10,000,000,000. They ought to know what they are doing.

We are all anxious to save American capitalism; but it won't be done by penny-pinching. Indeed, the Treasury may save billions on the ERP, on the Atlantic Pact, and as a result of failure to introduce anti-depression measures early enough, but these savings will be trivial compared to the costs of world war III, which might well amount to three times the cost of World War II, say $1,000,000,000,000, or measured against the two hundred to three hundred billion dollars of potential annual income over the next 50 years. Put the savings of $5,000,000,000 or even $10,000,000,000 against, say, $12,500,000,000,000 of income that might be expected of our capitalist system in the next 50 years. The Gladstonian Senators would also do well to compare the $40,000,000,000 income and $500,000,000 of debt charge in 1932–33 with the $225,000,000,000 income in 1948 and $5,000,000,000 of debt charge. They might draw the conclusion that although the growing national debt has raised serious problems, it may well have salvaged capitalism as well. Or do they prefer 1932? Unfortunately, the goods provided by Government spending had to be used for destructive purposes primarily.

Senators alarmed over the size of the debt might also be censured for having failed to follow the recommendations of Presidents Roosevelt and Truman to raise at least twenty-five to fifty billion dollars of additional taxes in the inflationary period 1941–49. In that manner they would have kept this debt down, slowed up the inflation, and thus have done the country a service as well.

SEYMOUR E. HARRIS.

CAMBRIDGE, MASS.,
May 17, 1949.

Christianity the Best Defense Against Communism

EXTENSION OF REMARKS
OF
HON. JOHN C. STENNIS
OF MISSISSIPPI
IN THE SENATE OF THE UNITED STATES
Thursday, June 2, 1949

Mr. STENNIS. Mr. President, the Veterans of Foreign Wars Post at Gulfport, Miss., recently conducted an essay contest for high-school students on the subject of how we can best defend our way of life against communism. The prize-winning composition, entitled "Christianity Is Our Best Defense Against Communism," was written by Miss Mary Elizabeth Bickerstaff, of Gulfport. This young lady's observations on this important subject are worthy of the attention of every one of us. I ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

CHRISTIANITY IS OUR BEST DEFENSE AGAINST COMMUNISM

Today, it has been said that the United States is faced with the problem of combating communism. To combat something, we must first know what it is. Let us look at Webster's definition: communism is "Any theory of social organization which advocates common ownership of all agents of production, and some approach to an equal distribution of the products of industry." In plain everyday words that merely means that the government owns everything and distributes everything equally. In such a case one man who works tirelessly at his job gets as much as does the lazy, good-for-nothing slacker. It seems to me that such a form of government would tend to crush all initiative in everyone and put civilization on the down grade.

The Communist Manifesto, which was written by Karl Marx and Friedrich Engels in 1848, stated the principles on which the Communist League was formed. There were two main ideas expressed in this, their handbook. They claimed that human society revolved around class struggles. The capitalists were eternally pushing the working people underfoot. They say that the bourgeoisie, that is, the capitalist group, takes advantage of the proletarist by appropriating the difference between the value of what the workers produce and what they receive in wages. To do away with such imposition, the Communists feel that all factories and businesses should be owned by the national government. The second idea is that labor, owned by the capitalists, is driven to greater efforts. These efforts bring on overproduction. Then overproduction brings on business crises. The whole machinery of production and exchange is outgrowing the ability of its masters to handle it, and sooner or later, the capitalist system will entirely destroy itself. The ultimate goal of communism is revolution by destroying class distinction which is done by abolishing private property. If no one owns or controls a factory, there can be no labor problems between management and labor. In seeing these truths, we must realize that if such a policy were adopted, all hope of personal or national (as the nation works according to the individual) advancement would be curtailed. The manifesto says in closing: "The Communists—openly declare that their ends can be attained only by the forceful overthrow of all existing social conditions. Let the ruling class tremble at a Communist revolution."

Now that we know the problem we are up against, we must find some way to solve it. Mr. Albert Edward Wiggam, who writes Let's Explore Your Mind, says that one of our best ways to cope with this problem is to send to Russia comparative price list of things in the United States, a democracy, and things in Russia, a Communist state. He feels that this price list should consist of the hours of labor taken to get these things rather than the actual dollars and cents that each item costs. As an example of this, two pounds of meat costs 1 hour of labor in America, whereas in Russia, it costs 8. He also feels that we should send to the common everyday citizens, or slaves, I should say, some mail-order catalogs in order to show the working class of Russia the things that the working class of Russia can't afford that the working class of America can. We must show them that even though prices of things in labor hours are cheaper that our standards are higher and that even the working class, the so-called oppressed class, of the United States is able to have things that the average person in Russia classifies as luxuries. Wiggam believes that these lists should also be distributed among the Americans so that they can see how much better off they are to be living in a democracy than a Communist form of government.

Mr. J. Edgar Hoover, head of the Federal Bureau of Investigation, thinks that the American way of life is our only defense against communism. He feels that by the backing up of our Constitution and the Bill of Rights we can protect ourselves from any force of evil that is forged against us. We must not endorse such organizations as the Ku Klux Klan. This great G-man says, "Don't fail to make democracy work with equal opportunities and the fullest enjoyment of every American's right to life, liberty, and the pursuit of happiness." He believes as does Drew Pearson, a famous news commentator, that to kill communism we must "Make democracy live."

Many of our modern educators feel that we can fight communism best through our public-school system. They feel that any educated person would prefer for himself and his posterity democracy, a true government of freedom and liberty for all, rather than one where a dictator and his favored few rule the mass of the citizens as though they were slaves. How could anyone feel that communism breaks down discrimination; it just brings it on—against everyone. To educate the Russians in a public-school system such as ours based on a democratic form of government, would prove to them that democracy is better than communism. This would not only help improve Russia, but kill the desire to bring communism to the United States. Even with that, I don't believe it would entirely solve or dissolve (as the word should be) the problem.

Others say that democracy is our best defense against communism. Democracy is controlled in reverse of communism. In a Communist form of government, the ruling power starts at the top with the generalissimo who is not elected and who is in command as long as he can keep the power of controlling the people. The ruling power works down through the party leaders to the people. In that kind of government, the people haven't even the liberty to voice their opinions, much less change any of the

UNIVERSITY OF MICHIGAN LIBRARIES

laws or officers. In America, a true democracy, the power is held by the little people, the everyday citizens, like you and me. We tell our Congressmen, whom we've elected, just what we want. They stand for those things and vote accordingly. The President, our Chief Executive, governs his actions from the views of Congress which is a representation of the people and a great deal of the time from the views of the people themselves. Oh, how much greater a democracy is than any other form of government, especially communism.

Many others tell of the usefulness of the individual right to vote as a weapon against communism. The Communists too have the right to vote. One name is on the ballot; if another name is written in, the secret police quietly take the voter away to the salt mines to work for many years. Yes; they have the right to vote, but not for whomever they please. In a democracy each individual votes for whomever or whatever he pleases. No one can object to the way he votes nor can anyone punish one for the way he votes, as he votes by secret ballot. No one knows which way a person votes in a democracy unless he himself tells it. Yes; the right to vote and taking advantages of that right offers great protection against communism.

I think all of these are fine reasons; they are all sound and good, but all of these things could be brought about through the spread of Christianity to all the world. If every person had Christ in his heart, every nation would be a Christian nation. If every nation were a Christian nation, every government would be a democracy. God meant for all to be free and have, as Thomas Jefferson so ably put it, "life, liberty, and the pursuit of happiness." If Christ were in the hearts of all, we would have no fear of war or international friction. Each person would be thinking of the other in the light that I am my brother's keeper. Under such conditions, communism could not exist. One Communist leader has been quoted as saying, "We must as workers learn to hate the capitalist class. We cannot fight unless we hate. We—the vanguard of the working class—must teach the worker to hate." Now, one can see why, if Christianity reigns supreme, communism could not exist. God's love is a contagious love. When one has God as the Lord of his life, he loves everyone else. Only a government that lives through love could survive.

Many people take our American freedom of religion all too nonchalantly. Lenin, one of the big wigs, in the Communist Party taught: "We must combat religion—this is the ABC of all materialism and consequently Marxism." "Down with religion." "Long live atheism." "The dissemination of atheist views is our chief task." If the love of Jesus Christ as Saviour reigned in the hearts of men, communism, whose worst enemy is religion, especially the Christian religion, would become extinct.

J. Edgar Hoover tells of how the very foundation of communism would crumble in the sight of Christianity. He states, "Communism begins with the group. Christianity and in turn democracy begins with the individual." This is so very true.

All of the things I have mentioned would come as a matter of course if Christianity reigned supreme. Culture and a high standard of living is not enough; did not early Greece have these? We see that education is not enough. Is it not true that Karl Marx, the founder of the Communist League, and many of our atheists of today are extremely well educated? The right to vote would be of no avail, if the people did not hold up high Christian morals for their candidates to stand by. Democracy would be an empty form of government if Christ were not in it. Is it not so that our democracy was founded on the belief that the rights God gives to the individual should be protected? Without Christianity it would be impossible to "Make democracy live." Yes, having Jesus Christ as Saviour, Master, Lord, and even Ruler of the heart and life of every individual that treads the earth is our only sure-fire defense against that treacherous enemy—communism.

The Middle Way for America

EXTENSION OF REMARKS
OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include an article by Leon H. Keyserling entitled "The Middle Way for America," which appeared in the May 1949 issue of the Progressive magazine.

Mr. Keyserling, Vice Chairman of the President's Council of Economic Advisers, has become identified as one of the Nation's foremost spokesmen for a middle-way economy for America.

The article follows:

THE MIDDLE WAY FOR AMERICA

(By Leon H. Keyserling)

I

It doesn't take a massive array of complicated statistical analyses to present the central problems of the American economy. What is needed, as government and the country seek a safe path between boom and bust, is a simple, unemotional discussion of questions uppermost in the minds of Americans. They are asking—

"Is the main issue we now face inflation or deflation?"

"Is not deflation a greater danger than inflation?"

"Have the proposals of the administration to deal with inflation which were under discussion in 1948 any relevance to conditions in 1949?"

"Is the administration persisting in presenting solely an anti-inflation program when in the judgment of some economic commentators the threat of inflation has vanished?"

These are fair questions. They deserve an earnest effort to answer them.

Suppose we take a brief look at economic conditions last year and now. In 1948, prosperity was bountiful. Employment broke all records. Production surpassed previous peacetime performances. Workers received good wages, business earned better profits than ever before, farmers enjoyed unprecedented prosperity, and standards of living reached new heights. Along with these conditions, prices and wages and costs were chasing each other upward in a spiral of inflation.

Under such conditions in 1948, why did President Truman propose, with the advice of the Council of Economic Advisers, a series of economic measures which came to be called an anti-inflation program?

Certainly, no one had any desire to interrupt the high levels of employment or prosperity or business confidence which then prevailed. On the contrary, the measures proposed were designed to enable our prosperity and business confidence to advance even further, so that we could have still more employment as the size of our labor force increased and still more production as labor productivity, managerial skills, and our technology improved.

These proposals were deemed necessary because some underlying flaws were detected in the prosperity of 1948—flaws which, if left undisturbed, threatened to turn the economy downward into a spiral of deflation, lower employment, reduced business confidence, and cut-backs in production.

What were these flaws under the surface of prosperity in 1948?

No one was primarily concerned about rising prices or costs or wages or profits in themselves. There was concern that certain changes taking place in the relationship between the cost of living and consumer incomes, and in the relationship between the cost of industrial commodities and the income of the average businessman, would ultimately make it difficult or impossible for the economy to absorb all the goods that were being produced and that this would lead to a business setback.

There was concern that, in the course of the boom, history might repeat itself to the point where certain basic producers such as farmers would lose too much ground in the price-income race, be forced backward to a disadvantageous position, and thus renew the problem of farm unbalance in its more traditional aspects.

There was concern, in short, that distortions and maladjustments were being generated which ultimately might throw our whole economic machinery out of gear. And so a program was proposed—not because there was more worry about inflation than deflation, but because of the desire to remove the danger that inflation would culminate in deflation. The intent was to take these preventive steps before it was too late so that we could steer a safe course between the excesses of a boom and the excesses of a bust.

II

Now let's have a look at conditions as they appear thus far in 1949. There is nothing in the current economic situation to cast doubt upon the legitimacy of the economic analysis presented in 1948. The only new occurrence is that some of the unfavorable developments, which were foreseen in consequence of the maladjustments then depicted, have now actually begun to manifest themselves in slight degree.

1. There is some slackening of employment and production, concentrated largely in the soft goods or consumer goods area and in housing, thus reflecting in large measure the results of the very forces which threatened to produce this softening if allowed to continue unchecked.

2. There has clearly developed a disparity or maladjustment between the present price-income condition of basic industry and the present price-income condition of the basic agricultural producer.

3. At various spots in the economy, there is cumulative evidence that the growing maladjustments which called for treatment in 1948 call even more insistently for prompt treatment in 1949, and this treatment can still be preventive because the disruptive and damaging forces in our economy have not yet gained ascendancy over the forces making for high-level prosperity.

To be sure, the program needed now is not precisely the same one that should have been applied in 1948. But it would be a tragic irony of contradiction for one to have said last year that action was needed on the theoretical ground that the flaws underlying our prosperity might some day lead to declines in employment and production, but to say this year that action is no longer needed just when the economic situation begins to demonstrate concretely that the earlier concern was justified.

Those who said that inflation "always takes care of itself in time" are not now in a position to say "I told you so" when inflation has only just begun "to take care of itself"

by resulting in some increasing unemployment and some hesitancy in production. Let us not tarry until "inflation takes care of itself" fully by bringing on an actual recession or depression.

Of course, if we waited until the neglect of maladjustments within our economy caused a serious deflation with heavy unemployment, it would then be too late for a preventive program. We would then need to install an all-out program to fight deflation and to start the painful and costly climb back to prosperity. But we all know from experience how difficult and uncertain that effort would be. We all know that under such circumstances the people would expect, and the Government would undertake, a broader and deeper intervention in economic affairs than any of us would now like to contemplate.

Fortunately, however, we have nowhere near arrived at the stage where an all-out curative program for a sick economy needs to be applied on an enormous scale. Those who say at the first bare signs of softening in the economy, "Let's worry about the cure for extreme deflation instead of the maintenance and improvement of the prosperity we now have," are like the doctor who would rush the patient under an oxygen tent when all the patient needed was an aspirin tablet.

So, instead of giving credence to the utterly unfounded claim that the Government is more concerned about inflation than deflation and instead of quibbling about whether a program should be called an anti-inflation program or an antideflation program when the two under current conditions are part and parcel of the same problem, I submit that we should seek a realistic program to protect our economy from any further downturn in employment and production and to return it as rapidly as possible to the highest levels of employment and production that are attainable—and to help keep it there.

We are now in an excellent position to move along these lines before it is too late.

Civilian employment during the first quarter of 1949 was higher month by month than during the first quarter of 1948, and 1948 was considered a very prosperous year. Unemployment, it is true, was about 3,167,000 in March 1949, or about 727,000 higher than a year earlier. But the level of unemployment is still very low contrasted with an average monthly level of unemployment of about five and a half million in 1941 when employment was seven and a half million less than now.

Steel output is now higher than ever before.

Planned business investment in new plant and equipment is estimated at about eighteen and a half billion dollars for the first quarter of 1949, contrasted with about twelve and a half billion dollars for the first quarter of 1947 and sixteen and a half billion dollars for the first quarter of 1948 (annual rates).

Consumer incomes, personal incomes, national income, and total savings are extraordinarily large.

Government demand for goods and services will increase considerably throughout the year.

Sensational overplaying of a few soft spots in the economy and of some recent increases in unemployment should not be permitted to distort judgment or to produce a fear psychology. The outlook for 1949 is still bright, and optimism combined with the right course of action can keep it bright.

But optimism should not be so unquestioning as to overlook the serious problems confronting our economy. For example, we now hear it stated in some quarters that a satisfactory leveling off of prices and incomes and production and employment is now in process which has already restored or will soon restore our economy to a state of healthy balance without further effort. The facts simply do not bear this out.

It is true that there have been some desirable price adjustments downward, and many other prices have leveled off. But this does not automatically provide the relationship among prices and incomes which on the one hand will provide ample funds and incentives for maximum production and on the other hand ample purchasing power to buy all the goods that are produced. Maladjustments in the price structure can exist at a high general price level or a low general price level, when prices are rising or when they are falling.

The price situation now reflects a mixture of trends and problems. Some prices are still too high, and some sectors of the economy are still draining off too large a share of national income, from the viewpoint of the health of the whole economy. Other prices may be too low or falling too rapidly, and some incomes are too low. These distortions, which in the long run would have dismal consequences if neglected, can be corrected not by forgetting about the price-income problem but by devoting more attention to it.

Likewise, it is fallacious to assume that we are moving into a period of healthy adjustment because civilian employment is leveling off at a constant figure instead of rising with the growing labor force. As our population grows from year to year, a constant level of employment would mean a constantly increasing amount of unemployment. We should reject the idea, voiced in some quarters, that four or five or six million unemployed would be good for the economy.

We should reject the bland assurance that a leveling off of production represents a normal or healthy situation when the postwar boom is over. We are firmly committed by law, by our vital national requirements, and by the world situation to seek the goal of maximum production at all times. This means more output from year to year in a growing economy. If this task is becoming more difficult than when we were moving along easily on the momentum of war-created demand, we should redouble our efforts and not give up in defeat.

Above all, we should reject the idea that the way for supply and demand to come into balance is through falling demand and the reduction of supply in response to that fall. Such an adjustment would represent only the failure of our economic system to make available to the people the goods that we can produce. Such an adjustment is but the first warning signal in the process of transition by which an economy moves from boom to bust. The objective of economic policy must be, instead, to maintain demand at the highest levels of supply that the full use of our resources can provide. This is the true meaning of United States prosperity.

III

Now what are some of the current economic maladjustments, some showing on the surface and others still hidden deep beneath, which endanger the prosperity we now have and the higher goals toward which we aspire?

The first maladjustment in the current economic situation results partly from the fact that the cost of living has risen 71 percent since the middle of 1939, and 27 percent since the middle of 1946. The downturn in the cost of living in recent months has thus far been only about 3.2 percent, and there is as yet no assurance that it will continue. By 1947—and the situation is not better now—a very substantial portion of the families in the country did not have sufficient income to maintain what has been defined as a reasonably adequate living standard. People living on fixed income have been hit hardest. Possibly a full half of the families in the lower income groups are currently spending more than they earn, or barely breaking even.

The second maladjustment in the current economic situation involves the relationship between industrial prices and farm prices. Since the last prewar year, 1939, farm prices and incomes have risen more than most other prices and incomes. This has helped to redress the unfortunate position of the farmer in the prewar economy. But since the middle of 1946, industrial prices and incomes have been outrunning agricultural; since then, wholesale prices of farm products have risen 22 percent and of industrial commodities 43 percent. In 1948, wholesale prices of farm products declined almost 14 percent and wholesale food prices declined almost 9 percent, while industrial prices continued to rise. In 1949, wholesale prices of farm products and foods have declined about 4 percent and other wholesale prices less than 1 percent.

With per capita net income of persons on farms estimated at $909 in 1948, contrasting with $1,569 per person not on farms, we again face the emergence of the traditional problem of maintaining agriculture in balance with the rest of the economy. The farmer's share of the consumer's dollar has dropped constantly since 1946, and the cost of living can and should be reduced without driving farm income further downward. The farm program recently proposed by Secretary Brannan is geared to this purpose.

The third maladjustment in the current economic situation is that prices of certain vital industrial products tend to be inflexible or sticky, and not to adjust themselves with sufficient sensitivity to changes in market conditions. While farm prices are highly sensitive, and while retail prices tend to be sensitive insofar as wholesale prices permit them to be, the same is not sufficiently true as yet of the price policies of some of the highly integrated durable-goods industries. Residential construction, for example, showed a severe drop in 1948 because of outpricing of the market. We cannot afford to wait until the same thing happens in other vital areas which would lead to serious unemployment and cutbacks in production.

The fourth maladjustment in the current economic situation is that consumer expenditures or demand have dropped from 76 percent of total output in 1929, and 75 percent in 1939, to only 70 percent in 1948. In contrast, gross private domestic investment has risen from 10 percent of total output in 1939 to 15.6 percent in 1948, the latter percentage being even higher than in 1929.

Correspondingly, compensation of employees as a share of total national income has dropped from 65.9 percent in 1939 to 62.1 percent in 1948, thus moving close to the undesirably low 58.1 percent of 1929; while business and professional income and corporate profits as a share of total national income are much higher than in 1929 and even more above the 1939 level.

The fifth maladjustment in the current economic situation is that the aggregate of corporate profits has been running higher than needed to maintain current or even somewhat increased levels of business investment. Between 1947 and 1948, corporate profits after taxes increased by $1,600,000,000, and undistributed profits increased by $700,000,000, while there was a decline of $1,200,000,000 in corporate uses of funds.

Although many individual businesses, particularly small businesses, find it hard to obtain equity capital, the larger corporations in general have been financing an abnormally high portion of their operations from internal sources. Corporate dividend payments as a whole were only 40 percent of profits after taxes in 1948, contrasted with 69 percent in 1929 and 76 percent in 1939.

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The sixth maladjustment in the current economic situation is that some basic industries are not increasing their capacities sufficiently to attain the production levels required for the steady growth of a maximum employment economy. Instead, they are gearing their capacities to the assumption that in the future as in the past there will be very sharp fluctuations in the business cycle. This assumption of recession or depression, in turn, tends to increase the likelihood of the very evil against which it is designed to insure.

Some marginal producers or small businesses need financial assistance to increase production. But the road to more production in the main is not higher prices and profits today based upon the fear of sharply falling prices and profits later on, but a rounded policy which adjusts prices and profits and capacities to a long period of stability and growth.

While these maladjustments are serious and fundamental, they may not turn the economy sharply downward in 1949, for some of them are patent but others now only latent. Even if that be so, these maladjustments are charged with danger for the years ahead. The easiest time to apply correctives is before a crisis appears, and the hardest time would be later on when neglect produces the crisis.

IV

Now, what kind of effort is needed to remedy the difficulties confronting us and to create conditions making for stability and steady growth within the American economy?

First, we need to awaken the people as a whole to the prospects of what we can do if only we try. The people should know that, through a program for steady growth, we can within a decade lift our annual national output by more than a third. They should know that 10 years of sustained progress would yield to us an aggregate national income over the decade, measured in uniform dollars, about $400,000,000,000 higher than if we should level off at the current rate of production, and about $800,000,000,000 higher than if we should go through the traditional pattern of "boom and bust" and slow recovery which characterized the years 1929 to 1939.

This attainable aspiration should be embodied in what might be called a national prosperity budget, formulated and revised from time to time under the Employment Act of 1946 through the cooperative efforts of industry, labor, agriculture, and Government. This prosperity budget would not only set general targets for employment and production. It would also establish a few major classifications within the totals to indicate the priority needs of our people in such matters as housing, food supply, education, and transportation. Thus it would give specific content (without overrefinement) to the general targets for employment and production.

Second, the national prosperity budget would also contain some conclusions of economic analysis. It would sketch out in outline, and constantly improve through progressive study, some broad patterns suggesting those price and wage policies in the private enterprise economy, as well as those Government policies, which would serve the purpose of the Employment Act of 1946 to develop "national economic policies" for the maintenance of "maximum employment, production, and purchasing power."

Third, these broad patterns would be advisory rather than mandatory. They would be a guide to the market rather than a substitute for the market. In short, there would be full recognition that the preponderant majority of economic policies would be devised in detail and executed in full by our system of enterprise rather than by Government.

This would place upon industry and labor a higher degree of responsibility for understanding the workings of the whole economy and for formulating their price and wage policies in a broader context of concern for the national welfare.

The widening of this area of voluntary cooperation, through common study of common problems, is the only way that our highly industrialized and integrated economy can steer between the danger of periodic collapse and the danger of excessive governmental centralization of power.

Fourth, it should be recognized without apology that Government has vigorous functions to perform. The private determination of prices and wages needs to be supplemented by minimum wage laws. It may need to be supplemented for a time by action against monopolistic pricing or by temporary resort to selective controls. Fiscal and monetary measures need to be adjusted flexibly to changing trends in the economy as a whole. In other areas, enlarged and improved public programs will be needed because certain services which cannot be provided in any other way stand high on the list in weighing the needs of a highly endowed and cultivated people. These include, for example, social security, resource development, low-cost housing, education, conservation, power projects, and national defense and international economic arrangements.

In January 1949, President Truman, in his Economic Report, state of the Union message, and budget message, set forth in related context the short-range and long-range measures desirable to promote the economic stability and growth and justice which are the necessary counterparts of our native endowments and our political democracy. The enactment of these measures is important, but equally important is the process under the Employment Act of 1946 whereby the President, with the assistance of the Council of Economic Advisers, and the Congress, with the assistance of the Joint Committee on the Economic Report, undertake at frequent intervals to reappraise the condition of the American economy and to reformulate programs best suited to its ever-changing needs. Above all, there is required the watchful eye of an informed people, so that by glad consent rather than by force we work our way toward unity of endeavor and consequent practical progress.

V

In the final analysis, the successful functioning of a system combining economic freedom with political democracy depends upon this widening of areas of agreement. This is the case not only because even the laws enacted under such a system must be founded in popular acceptance if they are to be successful, but also because the bulk of economic policies must be formulated and executed voluntarily without benefit of law.

In the 1920's, we took prosperity for granted, neglected to remedy the dangers that were there, and suffered the crashing consequences. In the 1930's, our economic thinking was so influenced by a great depression that we thought only of remedial measures rather than of preventive measures. This gave currency to the idea that our private enterprise system was necessarily unstable, that prosperity could not be maintained continuously, and that the main task of Government was to wait until a depression came and then launch a vast program of its own to prime the pump or to compensate for the deficiencies in the private economy.

We have now come to reject that lack of faith in our economic system. We now have more faith that private enterprise and Government, working together, can forestall the need for drastic measures by moderate preventive action while prosperity is still with us.

To call such an approach radical or socialistic is profoundly to mistake its purposes, and thus to diminish the opportunity for its most beneficial application.

It is perilous to delay action until we think we know just when a serious business downturn may occur, or to set action aside if we think that the downturn is some months or years away. That kind of delay or temporizing violates both reason and experience. The significant fact is that we know that the powerful and high-speed and ever-changing American economy will not automatically and perpetually stabilize itself; it requires policies directed toward that end. If the evil of a serious downturn is not imminent in terms of months—and I do not believe that it is—that is all the more cause to act before the hour is late.

Such action should be more than an effort to forestall calamity. It should reach out toward the peaks of achievement which beckon to us and await only our will to scale them.

The Manresa Retreats

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES

Thursday, June 2, 1949

Mr. O'CONOR. Mr. President, I ask unanimous consent to have published in the Appendix of the RECORD an article on Manresa, by Mr. William P. McCahill, which appeared in the Catholic Virginian.

The author of the article, Mr. McCahill, is a former Marine Corps officer, now in Government service, who recognizes the importance of a strengthened religious acceptance by the people of America and who contributed this article to the Virginian as a means of spreading abroad the opportunities for increased religious understanding and acceptance offered by such retreat houses as Manresa.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIFE'S PATHWAYS CHARTED ANEW AT MANRESA RETREATS

(By William P. McCahill)

Manresa on the Severn is a quiet place. Each week end it provides Catholic men of northern Virginia, Maryland, and Washington with a chance to get closer to God. Last week the men of St. Thomas More joined with two Washington parishes in a retreat conducted by the Jesuit Fathers.

At Manresa retreats everything is new, and yet everything is old, for eternal values never change. They only become better focused during a retreat. They only grow dim with lack of emphasis. And so to many Virginians the retreat was physically a reliving of past experiences, but spiritually a time of polishing up one's armor against the battle constantly raging in the world outside.

Manresa is in the world, but not of it. Across the Severn stands Annapolis and the mammoth buildings of the Naval Academy. In the distance all is hustle and noise, confusion and uncertainty. At Manresa order prevails, noise is subdued, and life's pathways are charted anew by the skillful words of the retreat master and the soothing sanctifying grace that flows so abundantly

from the busy tabernacle where God holds court.

THREE THOUSAND TWO HUNDRED MEN IN YEAR

For 22 years Catholic men have motored here to reorient their sense of values, to thoughtfully steal away from the world. For 14 years the kindly Father Robert S. Lloyd, S. J., has worked ceaselessly for retreatants at Manresa. Last year more than 3,200 Catholic men pushed thoughtfully through the 2 days and nights of week-end retreats and came during weekdays. Thus, Manresa has become an institution for the Washington area and more, and more the men of northern Virginia are becoming part of Manresa and it of them. Bishop Ireton is a great friend of the retreat, Father Lloyd will tell you. Catholic men of Arlington and Alexandria find here a new home where spiritual cobwebs and moral menaces are swept away and the house of the soul stocked full of spiritual provisions for the days ahead. Manresa is like a jewel set in a green setting of trees. Here are pearls of wisdom and diamonds of grace for the taking. Here, also, is love and patriotism, for the flags of Maryland and the District flank the side altars and the American flag stands quietly opposite the church's own banner. Four red, white, and blue boxes repose on the altar. They are so strange to a Catholic altar that a newcomer must inquire what they are there for.

In these boxes are the names of 7,650 servicemen, living and dead. Here is the notation of a Navy officer, killed in action at Pearl Harbor, the first chapter. And near the bottom of a stack is a similar KIA card datelined Okinawa, the last chapter. These men and their intentions are forever remembered at Manresa. Father Lloyd is happy when talking about these cards for they are each one a personal memento of some serviceman who passed through Manresa or of the father, brother, or relative who stayed a while in this oasis of grace.

HERE GOD BECOMES REAL

The beds are springy and the cots narrow, the food plain but plentiful and tasty. The air is clear, the sky brighter, for God is here perpetually. Here God becomes more real individually to the half hundred moored here for a speck of eternity.

At Manresa there is no priority for rank, prestige, wealth, or position. The high Government official, the officers of our armed services, the wealthy men of business and finance, shed pretense and authority to mix with the day laborer, the aged tool maker, or the fuzzy-chinned college student. In the informality of dress and quiet conversation the brotherhood of man takes on a new look under the Fatherhood of God and the forceful words of the Reverend Thomas M. Brew, S. J., who is pivot man during the meditation sessions, acting as the transmission belt for grace and thoughtful analysis of self between God and man.

Inside, the one-time semipro football player, Father Brew, is telling the men that they must place themselves mentally on their deathbeds if ever in doubt as to the wisdom of a particularly important decision. Outside, as if to fit the retreat mood, God's heavens blacken and release swirling rain and a bolt of thunder that comes so close half the men in the pews jump instinctively. Father has just said that death comes suddenly and outside the lightning proves the point as a nearby tree is shriveled and blasted in a finite sort of death.

On the altar, Father is saying that death is blind. In the audience, a young blinded war veteran has clearer eternal vision than the many missing men who could have made the retreat with just a little extra effort. During the entire period the angels are working overtime delivering the sanctifying grace being earned during the various sessions, morning prayer, mass and communion, visits to the blessed sacrament, meditation, public and private, examination of conscience, confession, spiritual readings, stations, rosary, benediction, litanies, and night prayer. Is it any wonder the angels are working overtime?

Quietly behind the scenes is the faithful Brother Lawrence A. Hobbe, S. J., who does the work of six men and who can even sleep through the clanging bell that calls to prayer, a bell that has all the urgency of a general quarters alarm, all the authority of a police siren. The good Brother acts as straw boss for the four permanent helpers and three schoolboys who wrestle the chow and keep the wheels going smoothly.

NO MATERIAL NECESSITIES

It is no wander that those who came here as boys are still coming, and that men who started years ago are now retired and gray with years and slow of step. Off the busy highway of the pagan world, Manresa stands with open arms ready to give Catholic Virginians a new spiritual life, the old look of peace with Christ, of childlike trust and confidence.

The pundits or smart writers would say that Manresa is quite a place. That it is. But, more importantly, it is a quiet place where God and man can get together sans telephone, telegraph, newspaper, radio, television or any of the other necessities that clutter up our spiritual life. Quiet means the presence of peace and here in the Divine Presence of the Prince of Peace, men of our diocese carve out of Manresa their own particular piece of this quietness and store it away in their souls against the temptations and distractions of a world which Catholic men must attempt to change.

Yes, Manresa is quite a quiet place and for that we are deeply thankful and eternally grateful.

Arlington men of St. Thomas More parish attending last week's retreat included Thomas C. Bumgardner, F. R. Cawley, Andy Drance, John W. Flatley, Dave Gatzenmeyer, Forrest Hall, Thomas Kenney, Joseph Kirchner, Edward W. Lockwood, John W. Papurca, Arthur Pomponio, George Poole, James I. Rooney, Charles Sher, J. V. Tiernan, Jr., Capt. S. D. Winningham.

Theopholis Bond

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. HAYS of Arkansas. Mr. Speaker, the recent death of Theopholis Bond, of Madison, Ark., outstanding planter and Negro leader, brought sorrow to thousands of friends and admirers. In a resolution commenting upon his death, the Memphis Negro Chamber of Commerce paid tribute to his qualities of "industry, initiative, intelligence and faith," and stated further "that his career is a testimonial to the validity, genius and opportunities of the American system of free enterprise and democratic principles." The Memphis Press-Scimitar expressed appreciation of his civic leadership in the following editorial:

FIVE THOUSAND AT HIS FUNERAL

The life of Theopholis Bond was proof that by industry and integrity a Negro can attain both wealth and respect in the South.

Some 5,000 persons, white as well as Negro, attended his funeral Sunday.

Who was this man whose life drew tribute from both white and Negro citizens?

He was a farmer who had helped till 3,000 acres of Arkansas soil to help feed the Nation in war and peace throughout the many years of his life.

Of this man whose father was born in slavery, Chancelor A. R. Hutchins, of St. Francis County, Ark., said:

"He was one of the finest citizens I have ever known—a credit to his race, to his State and to his country."

Repeal the Peacetime Draft

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address I delivered on WMEX, Boston, Mass., June 2, 1949:

Ladies and gentlemen of the radio audience, they give it the fancy and disarming title of "Selective Service" to cover up the ugly fact of forced conscription. And what is conscription? The taking of a young man from his job, his home, his friends, and forcing him into the armed forces against his will.

During time of war, when the Nation must mobilize every resource to survive, we know that every citizen must make certain sacrifices and waive some of his precious rights. War is a dire emergency—an exception to the rule.

Ours is not a military state. We have been dead set against compulsory military training in any form. We believe in preparedness but through a voluntary system offering suitable inducements and rewards to those who are interested in such a career. With the incentives of good pay, allowances, retirement benefits, and opportunities for advancement we shall always be able to get sufficient men for our peacetime needs, and they will be men with a high morale.

Almost 4 years have come and gone since the war ended, but there is a selective service law on the books which could be brought into play at a moment's notice. Under these circumstances it is impossible for a young man to proceed with full hope and confidence on his career. It is not enough to say that no men are being drafted at the present time. It is no encouragement to point out that the law is in reserve—to be activated only at the President's discretion. There were 9,000 inductions in January 1949, 46 in February, and 10 in March. Although we are pleased by the swift drop toward zero, there is no positive assurance that the calls may not zoom upward again. And while this law plays hide-and-seek every young man must so alter his plans to make provision for a complete change in his way of life. If he is in business it is advisable for him to make stand-by arrangements that will take care of his enterprise should he be ordered into military service. If he has just bought a home it will be difficult for him to keep up payments on it from his thin pay as a buck private. There is no guaranty that any man who is pulled away from his job will be able to get it back when his draft term is over. There is no more certain way of scrambling up the lives of our young men than to have this threat hanging over them.

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I propose that we free them of this nuisance by repealing the selective service law.

The draft is but another word for compulsory military training, which Americans abhor. True it does not regiment them annually, come peace or war as soon as they come of age, but this does not lessen the sting of coercion for the smaller quotas who have been, or who may be, conscripted.

The draft not only wastes the time which young men should be giving to more profitable undertakings. In an age when we know the frightful destructiveness of the A-bomb, can imagine the possibilities of germ warfare, and live in dread of other secret weapons, it seems to me that large masses of men belong to an outmoded military technique. Until such time as the world can win the elusive goal of sure peace, it is more important that we train our youth in the arts of science and industry. These will be the base of a productive power which can be quickly mobilized, if necessary, for offense or defense.

In the meantime we have the best Air Force, the best Navy, and an efficient Army. And we are maintaining these under a system of voluntary service.

With this adequate protection the bulk of American youth should have the opportunity to complete their education and take their place in the normal life of the community without being forced into uniform during peacetime under a conscript system that has never justified itself in any country throughout all history.

It is not in accordance with our concepts of individual liberty to force a man to do anything against his will, or to call upon him to give up so much when his next-door neighbor, of the same age and physical condition, is required to make no sacrifice. It is a serious infringement of personal freedom to press him into the armed forces where he is subject to the stern Articles of War, and to the rigid courts-martial procedures.

It was not until September 1940, that the Congress ever authorized peacetime conscription and then only because World War II was engulfing so many nations and threatening our own security. Only after long and bitter debate, and by the smallest of margins, did the Congress legislate the draft. It was dictated by necessity, and the fact that we had a very small standing army. Even so, it was distasteful to many Americans who have always feared the concentration of power in the hands of a few.

One cannot justify the draft of today by comparing 1949 with the year 1940. A so-called cold war, which is the term used to describe the various economic and political maneuvers on the international scene today, is far removed from the actual warfare of 1940. Furthermore, we are prepared. As of January 1949, we had 332,000 in the Air Force, 370,000 in the Navy, and 685,000 in the Army. In other words, we had nearly 1,400,000 men under arms in peacetime, or about one-third of the total number mobilized during World War I.

Peacetime conscription is a step in the direction of fascism, and as between fascism and communism there is little choice. Both are sworn enemies of the Constitution, and of our democratic liberties which it defines and protects.

Last year, the military hierarchy whipped up a war hysteria in order to push through its pet project of universal military training. The American people did not fall for this strategem. However, the Selective Service law, which is compulsory military service in disguise, is waiting in ambush, ready to spring on American youth when the brass hats think they can justiufy such an attack. I say that we should remove this temptation to shanghai our youth, by getting rid of this law. It is not needed. So why keep it?

We are are already engaged in an armament race which is eating into every pocketbook and is putting a severe strain on our economy. This is the type of rat-race, which, if unchecked, will lead inevitably to that third world war which would cripple the world.

We've got to get off this military detour and back on the road which leads to peace. In the development of an international assembly, and through peaceful negotiation under rules of justice and equity, supported by an international police force, this is our only hope. We've got to work harder for these controls, rather than the fiendish weapons which could boomerang on us, to our own possible destruction.

Peacetime conscription leads to permanent militarism. It encourages the formation of a military caste. It flouts that fundamental American belief which states that the civilian shall be the determining factor in our society, and subordinates the military to civilian controls.

During 166 years we have fought several wars, in which we have never suffered a final defeat. We have depended, for this, on volunteer troops supported by conscripted personnel. We do not believe in slave workers or slave soldiers. The record bears out the fact that our system, even in the emergency of war, is the best.

Our constitutional forefathers were very careful to guard against the militaristic methods which had brought so much grief to Europe. Many people fled from Europe to the United States to escape the tyranny of conscription. With this in mind, the far-sighted men who drew up the American charter, specifically rejected peacetime draft for military service.

There are some men who, having enjoyed the special privileges, authority, and prestige that goes with the officer class, were reluctant to return to the competition of civilian life when the war ended. It was but natural for them to try and perpetuate their comfortable positions. A large Army was necessary to support them in the style to which they had become accustomed. That was their idea. But in the military pay-raise bill which was recently defeated in the Congress—a bill, incidentally, which was slanted in favor of the brass, rather than the men in the ranks—they found out what the American people think about such matters. We do not intend to encourage the development of a military nobility who will live the life of Riley at our expense.

The officer class does not surrender a good thing easily. After World War I officer demobilization proceeded at the rate of 1 officer for 8 enlisted personnel. Following World War II, only 1 officer was discharged for every 16 enlisted men who returned to civilian life.

Even though many of these officers are devoted to their country, they cannot help but take an interest in keeping the international pot boiling. Their life-long training is not in diplomacy but in the settlement of all questions by resort to military force. And they must have men to order about to justify their titles and their incomes.

The English-speaking peoples for the past 500 years have waged a stubborn, up-hill struggle to win their freedoms. These gains are presently endangered by the American military system with its insistence on blind obedience to authority.

It is far better to keep our youth engaged in the productive channels of civilian science, industry, and specialized education, and away from the autocratic military control which deadens initiative.

One of the wisest decisions made in this postwar period was the placing of atomic energy development under civilian, instead of military, control. When the true story is told it will be found that we are making remarkable progress because of our adherence to traditional American methods.

Yes, we were unprepared for World War II, but not because we did not have a large standing army. It was due to the failure of our military leaders to adopt the up-to-date weapons which our civilian science and industry developed for them. The classic example of military stubbornness was the court martialing of Gen. Billy Mitchell for insisting in the early thirties that air power would be the weapon of the future. Mitchell was right, but he was punished for keeping up with the times. And we lost many men because the brass would not listen to him.

Cavalry was declared obsolete as far back as 1918, but the military continued to spend large sums on this branch of the service which belonged to the past, before it was finally abolished in 1946.

While Congress was debating the proposed draft legislation, Congressman GRAHAM A. BARDEN said, and I quote: "For every dollar the Army spent advertising for recruits, it spent $10 propagandizing for the draft and universal military training. About the most serious thing I know in a democracy is when it reaches the point that we must reach out and take a man's liberty."

From July 1, 1946, to March 31, 1947, when less than 20,000 men were drafted, selective service spent over $22,000,000. In other words, it cost over $1,000 apiece to conscript each man. Selective service still spends millions of dollars, even though in the month of March 1949 it inducted a grand total of 10 men throughout the Nation. What it cost per man staggers the imagination.

The purpose behind the desire for conscription is to wean control away from the people, acting through their Congress, to the executive branch of the Government which can be dominated by the military departments. The military professional officers would have the say, through the allotment of allocations for industry, concerning the life or death of any business. Through the draft they would determine where and how our youth would live and would control members of the medical profession by draft up to the age of 45.

I have no intention of underestimating the international problem. We are carrying out our defensive military obligations by a force composed of volunteers. Our greatest strength is the example we offer as we work to help build the world-structure of peace. And that strength has its base in the rights of independent citizens here in the United States.

I am thinking of the mothers of our Nation and their sons who are coming of age. I don't want to see them laboring under a cloud of fear, unable to devote all of their energies to their work, their education, and the development of family life, which together form the source of our progress. I don't want to see them become the victims of those who put military strength above moral fibre.

The draft law in peacetime is a veiled threat to our freedom of action and carries with it the creeping danger of military dictatorship.

It must be repealed.

On May 20, 1949, I introduced a bill in the United States House of Representatives, known as H. R. 4796, to repeal the Selective Service Act of 1948. I believe, as one of your Representatives in the Congress, that it speaks for you and the majority who believe in the American tradition. I hope that it will enlist your active support.

I thank you for your kind attention.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. CARL ELLIOTT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. ELLIOTT. Mr. Speaker, the need for Federal aid to education in Alabama, and in many of the States of this Union is great.

I point with a high degree of pride to the great achievements of Alabama in its own efforts to support its public schools. In 1947 Alabama's income averaged $837 per person, thus ranking Alabama at forty-fifth place among the 48 States in per capita income. But, even so, only 14 States spent a larger share of their income for education than did Alabama.

Over one-fourth of the some three million people of Alabama are of school age. Thus Alabama ranks fourth among the States in the number of children to be educated, in proportion to the total population.

In order that the school children of Alabama, and of many other States, have adequate educational opportunities, I ask the House of Representatives to pass Federal aid-to-education legislation before the Congress adjourns.

Measured by the yardstick of opportunities that Federal aid to education will create in the lives of the millions of children of school age in this country, I hope the leadership of this House will give this legislation a high priority.

If this Congress passes this legislation, I believe its record as a great Congress will be assured. The hearts of the American people will recognize and respond to what we do to assure a continued and expanding opportunity for their children.

Mr. Speaker, as a part of my remarks I include a statement by the Hon. Frank L. Grove, secretary, Alabama Education Association, which he recently prepared and submitted to the Committee on Education and Labor of the House. It is a very fine factual statement with reference to the educational needs of Alabama:

STATEMENT SUBMITTED BY FRANK L. GROVE, SECRETARY, ALABAMA EDUCATION ASSOCIATION, FOR CONSIDERATION BY THE HOUSE SUBCOMMITTEE ON FEDERAL AID TO EDUCATION, GRAHAM A. BARDEN, CHAIRMAN

Recent achievements in school support: In recent years Alabama has made some notable achievements in its efforts to support its public schools. Some of these achievements are cited in the following table:

Increased school support [1]

	1940	1948
State support for operating expenses	$12,151,000	$44,598,000
Per pupil support [2]	$18	$68.46
Average salary paid teachers	$719	$1,909
Rank among States in salaries paid	46	37
Length of school term (days) [2]	154	176

[1] Figures taken from Why They Teach and Quit, Missouri State Teachers Association, 1948.
[2] Figures taken from Annual Report of State Board of Education (Alabama) 1940.

Alabama, a low-income State: This advance in school support has been made, despite Alabama's relatively low income. For the fiscal year 1947 Alabama's per capita income was $837,[1] forty-fifth among the 48 States. Only three States—Mississippi, Arkansas, and South Carolina—ranked lower. Its actual resources on which to base school levies are relatively meager and are totally inadequate for the heavy education demands made upon them.

Achievements indicate creditable effort: The above achievements are the result of a high[7] creditable effort by the citizens of Alabama to educate their children. In 1947–48 Alabama used 2.4 [1] percent of its total income to maintain and operate its schools. In the percent of income used for schools it ranked as the fifteenth State. Thus, while 44 States had a higher per capita income than Alabama, only 14 ranked above it in its effort to secure public education.

A State of many children: In relation to the number of adults included in Alabama's population the State has a large number of children of school age. In 1947 the total population in Alabama was estimated to be 2,834,000. For the same year the school-age population (5 to 17 years) totaled 756,000. The ratio of school-age population to total population was, therefore, 26.7.[1] In this item Alabama ranks fourth among the States. In other words, throughout the Nation, Alabama—

Ranks fourth in the number of children to be educated.

Ranks forty-fifth in per capita income.

Ranks fifteenth in its effort to educate its children.

Low educational rating not surprising: In view of the large number of children to be educated and its relatively low per capita income, it is not surprising to learn that Alabama ranks low educationally, despite its creditable effort to educate its children with its own resources.

Salaries far below national medium: In 1947 Alabama voters through a special referendum assigned the net proceeds of the income tax specifically to teachers' salaries. In 1948 this increased teachers' annual salaries to $1,909—the highest point on record up to that time. Even so, in 1948 Alabama ranked thirty-seventh among the States in salaries paid teachers—36 States paid higher salaries. In the same year the national median was $2,440.[1] The long-continued low compensation paid Alabama teachers is reflected in the shortage of teachers and in the low professional rating of many of those employed.

Almost one-third hold non-professional certificates: In 1948 the summer schools in Alabama colleges enrolled the largest number of teachers in professional classes since World War II. In this way many Alabama teachers improved their professional rating. And yet this year over 6,400 [2] of the 21,000 teachers employed hold emergency certificates. Many of them have had little college training. More than 4,000 have had 1 year of college or less.

Serious shortage in elementary-school grades: As discouraging as is the present status of professionally trained Alabama teachers, the future is even more discouraging. Comparatively few young persons are prepared to teach in the elementary-school grades. The total number of new elementary teachers expected to graduate from our colleges in 1949 is 310.[2] Based on the present enrollments, we will need about 1,300 elementary teachers in September just to take care of replacements and to fill new positions.

But enrollments are growing. Since the war school enrollments in the elementary grades have begun to climb. Due to the large number of prewar births these enrollments will become larger during the next 6 years, reaching a peak perhaps in 1953. In that year the 87,000 babies born in 1947—the largest on record—will apply for entrance into the first grade. Hundreds of new, professionally trained teachers must be recruited in the meantime.

Building needs telescope. Alabama has done relatively little school building since the war period. Some of these have been provided from funds allotted by the State Building Commission, but the major task of providing adequate, comfortable school buildings for Alabama children has not been tackled. Since 1945 we have built over 2,000 classrooms [2], 83 lunchrooms, and 52 auditoriums. Today we need more than 7,000 classrooms and many, many special rooms of all types—lunchrooms, auditoriums, laboratories, shops.

Federal aid imperative. If Alabama children are to have their chances to prepare for jobs, to train for citizenship, and to help Alabama and the Nation serve democracy increasingly better, they must be educated according to Nation-wide standards. They cannot live and work in a vacuum. To do this they must have adequate educational opportunities. They must have a lift from Uncle Sam.

In their name prompt consideration and passage of one of the bills for Federal aid to education now pending before the subcommittee appointed to study such proposals is sincerely urged.

[1] The Forty-Eight State School Systems, the Council of State Governments, 1949.
[2] Give Jimmy His Chance, Alabama Education Association, 1949.

The L'Heureux Plan

EXTENSION OF REMARKS
OF
HON. ABRAHAM RIBICOFF
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. RIBICOFF. Mr Speaker, under leave to extend my remarks in the RECORD, I would like to call the attention of the House to the following article by Constantine Brown on the L'Heureux plan, which appeared in the Washington (D. C.) Evening Star of Monday, May 30, 1949. Since formulated by Herve J. L'Heureux, his plan has received widespread attention.

Mr. L'Heureux has been a Foreign Service officer since 1930. After having served as American consul in Canada, he was assigned as consul at Stuttgart, Germany, from 1937; as consul at Antwerp, Belgium, from November 1939; as consul at Lisbon in June 1941; as consul at Algiers, Algeria, from 1943–44, and as consul general at Marseille, France, for 3 years following December 1944.

Mr. L'Heureux served in the First World War; he is a founder of the American Legion; he worked his way through college by operating an elevator in the Senate wing of the Capitol; he entered the Foreign Service as a clerk in 1927, and he has come up through the ranks to the top grade of Foreign Service officer, class 1.

Mr. L'Heureux has a deep faith in the ability of his fellowmen to achieve a just and enduring peace, provided they are guided by a divine inspiration and adhere to the fundamental principles of natural law. The purpose of his plan

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for a universal 1-minute pause at noon, in silent prayer for peace, is twofold: One is spiritual, asking divine assistance in solving the apparently irreconcilable conflict of views which has thus far prolonged the peace negotiations; and, two, create a unity of thought and unity of purpose. Moreover, what he saw and heard among the masses of the people in Europe and north Africa has implanted in him an unshakable conviction that in addition to being adequately prepared, and having the determination to fight with force of arms if necessary, to preserve liberty, the United States should undertake something concrete to correct false impressions prevailing abroad which, at the same time, should be a clear manifestation of the true character and ideals of the American people.

The article by Constantine Brown is as follows:

THIS CHANGING WORLD—THINKING MEN GIVE MORE ATTENTION TO POWER OF PRAYER FOR LASTING PEACE

(By Constantine Brown)

On this fourth Memorial Day since the end of the worst conflict the world has known the thoughts of millions of Americans turn toward prayers, not only for the loved ones lost in war—to whom the day is dedicated—but also for the lasting peace which mankind has denied itself.

We say that mankind has denied itself this peace, because to say that it was denied to it would imply denial by a power superior to man. And that superior power denies peace to no man who really wants it.

One of the significant developments of the postwar period has been the growing attention that thinking and feeling men are paying to the power of prayer in the fulfillment of their dream of lasting peace.

One man, a deep believer in that power of prayer, has done something about it, something more than to offer his own personal devotions on Sunday and to believe that he has done, thereby, all he could to invoke divine help in bringing peace to the world.

DAILY PRAYER URGED

Last October 28 Herve J. L'Heureux, chief of the State Department's Visa Division, delivered an address before the American Legion post in Manchester, N. H., in which he stated that it would be fitting if a custom sprang up for a daily 1-minute prayer for peace in every town and city in the country.

The idea, as Mr. L'Heureux presented it, was that all traffic, industry, and other activities should cease for just 1 minute at noon each day. Simultaneously every man, woman, and child would offer a prayer to God to grant the world lasting peace.

The plan received immediate acceptance by the Manchester Legion, which adopted a resolution urging that this movement be endorsed by all the spiritual, civic, and business leaders in the United States, and that a similar resolution be adopted and implemented by every organization in our country to the end that this custom may become universal in effect.

The suggestion gained adherents. An American Legion post in the South, a civic body in the West, a fraternal order in the East were among its first promoters. Others followed and today scores of veteran and church groups, civic and fraternal clubs, schools and institutions are pausing briefly at noon to supplicate the Almighty for help in achieving peace. Among the groups which have endorsed daily noon prayers for peace is the Cissel-Saxon Post No. 41, American Legion, of Silver Spring, Md.

PERTINENT TO WORLD POLITICS

The pertinency of religion to the hard realities of today's world politics is not to be denied. All along the border between east and west—in Poland, Czechoslovakia, Hungary, Yugoslavia and now in Korea—the pagan is launching some of his most subtle, but most devastating weapons. The church, Catholic and Protestant, is under attack wherever east meets west.

On one side of that border God is denied, totally and without reservation, and his servants are literally proscribed as the bearers of reaction and a capitalistic way of life. On the other side, God not only is accepted but daily is gaining new disciples in the persons of those who seek refuge from the threat of a new war, and a new devastation of the world which, if it comes, will surpass anything mankind has ever known.

There are those cynical, thoroughly materialistic persons, who will sneer at such things as the daily noontime prayers for peace. We must seek our own salvation among ourselves, they say, and not burden the Almighty with such cares.

It is true that man must do what he can to solve his own problems, but there is a limit beyond which man cannot go, where God takes over, and it is in this realm that such movements as Mr. L'Heureaux' possess not only a spiritual importance but also a hard, practical, realistic importance.

Irish Republic

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following:

MASSACHUSETTS CATHOLIC
ORDER OF FORESTERS,
Boston, Mass., May 31, 1949.

Mr. THOMAS J. LANE,
House of Representatives,
Washington, D. C.

DEAR MR. LANE: I am enclosing herewith a copy of a resolution adopted at the sixty-ninth annual session of the Massachusetts Catholic Order of Foresters held May 23 and 24, 1949, at Swampscott, Mass.

Our organization represents approximately 30,000 Catholic men and women in the State of Massachusetts who are vitally interested in this resolution.

Your favorable consideration of the contents will be greatly appreciated by this organization.

Respectfully submitted.

VINCENT P. O'BRIEN,
High Chief Ranger.

RESOLUTION FOR A UNITED IRELAND

Whereas generation after generation of the people of Ireland have struggled and suffered under an often cruel and ruthless oppressor for over 700 years in their efforts to obtain national liberty and independence, the desire for which is an inherent trait of the Irish people; and

Whereas numberless sons and daughters of Ireland have come to America to establish new homes and to seek their livelihood in this land, so greatly blessed by God, which in its own day and for like reasons of oppressive government has struggled for separation and independence from that same authority against which the Irish have so often rebelled, and which in a later day waged a Civil War to overcome the partition of the Nation resulting from the secession of the Southern States; and

Whereas we are now privileged to salute the newly created Republic of Ireland, at present composed of the 26 counties formerly constituting Eire, but unhappily not a completely free country due to the partition resulting from the separation of the six counties of Northern Ireland, the continuance of which results in no small measure from the selfishness of the civil servants who, contrary to the usual Irish temperament, place personal gain through their employment ahead of national welfare: Therefore, be it

Resolved, That we, the delegates of the Massachusetts Catholic Order of Foresters, in annual session and convention assembled at Swampscott, do hereby declare and state that it is our firm belief and conviction that in the interest of world peace and for the enhancement of the prestige of democratic government, the Isle of Ireland should be one united body constituting the Republic of Ireland;

That we, so many of whom trace our ancestry to the land of Erin and are now imbued with the spirit of freedom and independence which so readily wells up within the bosoms of all Americans, are convinced that the interests of the world as a whole will be served best by a completely free and independent Irish Republic;

That we do hereby urge the leaders of our Nation to use their good offices in an effort to bring about the unification of Ireland as a free and independent nation which may enjoy the same cordiality of relationship with the British Government as that which has existed for many years between that government and the free and completely independent United States of America, and we do hereby call upon the leaders of the British Government to lend their efforts toward this same noble goal; and

That a copy of this resolution be spread upon the records of this convention and that additional copies thereof be sent to the President of the United States, the Secretary of State, the Senators and Representatives in Congress from Massachusetts, the Ambassador to the United States from the British Government and the Minister to the United States from the Republic of Ireland.

Proposed by Vincent P. O'Brien, St. Expedit Court No. 219; Patrick J. Lally, Cathedral Court No. 1.

National Citizens Commission for the Public Schools

EXTENSION OF REMARKS

OF

HON. BROOKS HAYS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. HAYS of Arkansas. Mr. Speaker, the recent announcement of the organization of the National Citizens Commission for the Public Schools, under the chairmanship of Roy E. Larsen, is heartening to all of the friends of our public-school system. Naturally, the legislative aspects of the problem of the public schools must receive our first consideration but there are other phases to engage our thought and attention. The official announcement states that the initial members are men and women in the fields of business, labor, publishing, and law. I am sure that the entire membership of the House commends those who have taken this action and

in general will approve the declaration of their chairman as follows:

We are established as a national commission, not because we think there is any national solution to the problems confronting our public schools. On the contrary, we believe that what happens in and to our public schools is primarily a community problem. We start our studies of the schools with the prejudice that the best schools in any area will be found where the local citizens have made the schools a top concern. As one of our earliest public actions, we hope to cite instances of successful community action for the improvement of the schools. In the process of arriving at such citations we hope to assemble many case histories of community action which we can analyze and pass along to help other community groups who want to go into action.

The idea for this commission was originally suggested by a group of leading educators who felt that real improvement in the public-school situation could not come without citizen understanding, planning, and action. We accepted the educators' challenge in the conviction that their premises was correct, and with full appreciation of the size of the job we have undertaken.

Read CVA Bill

EXTENSION OF REMARKS
OF
HON. HARRIS ELLSWORTH
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. ELLSWORTH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following guest editorial by Robert Ormond Case appearing in the Portland (Oreg.) Journal of May 23, 1949:

READ CVA BILL

(By Robert Ormond Case)

A kind-hearted lady vacationing at the beach was greatly shocked at the cruel method commonly used for cooking crabs, tossing them into a kettle of boiling water. She proudly announced her own considerate system. She put the crabs in cold water and brought them slowly to a boil.

The latter appears to be the administration's humane approach to the Columbia Valley Authority question.

Early CVA bills—they have cropped up in each of three previous Congresses—frankly and flatly gave the three-man CVA board the legislative, administrative, and spending powers of a superstate. The three-man board could socialize the economy of the Columbia Basin if it desired to do so. Had these early bills passed, the crab—free enterprise—would have been thoroughly boiled.

The current administration-sponsored bill, S. 1645, uses language designed to soothe the fears of the most hard-shelled and barnacled individualist. Sponsors of the bill say its principal intent is merely to provide a three-man administration (not an alarming authority) which will consolidate the various development programs of the army engineers, the Bureau of Reclamation, and the Bonneville Power Administration. Honest proponents of the measure will admit that a few incidental powers have been tossed into the pot, but hasten to assert that "consolidation," "efficiency," and "elimination of friction between bureaus" are the principal and obviously worthy aims of the bill.

Close reading of the bill, however, discloses the true nature of these incidental powers. They are unrelated to efficiency and coordination. They are directly related to ideologies of centralized power and managed economy. They are attuned to the classic New Deal battle theory: "We will spend and spend and elect and elect," and of its extension, "and we will regulate and regulate."

As the "Happy Warrior" of that fading epoch said: "Let's take a look at the record." The record indicates that if S. 1645 is passed with these powers included, the crab's demise may take a little longer than in previous CVA pots, but in the end he will be as thoroughly cooked.

Much is said in the bill, for example, about "State and local participation." This window trimming has actually led some proponents of the measure to state home rule will be closer to the people because the CVA is required to make its headquarters in the Columbia Basin. Caesar, it should be remembered, also made his headquarters in Rome.

RESPONSIBLE FOR POLICY

One sentence in the bill, section 4a, clears up the detail of home rule quickly: "The board shall be responsible for policy, directive, and general supervisory functions." Note the five words, "shall be responsible for policy." They mean exactly what they say. The board—alone—is responsible for policy. Groups of interested but naive citizens may appear before the board, but the board, in its wisdom, decides what is best to do.

Section 10a of the bill is recommended to all students of English. It relates to water rights. Each word and phrase in the first 11 lines of this section affirms and reaffirms the board's total disinterest in water rights—and there are added two provisos which completely nullify all this excellent verbiage and enable the board, on one pretext or another, to condemn any existing water right in any part of the Columbia basin.

Section 13 contains four full pages relating to payments in lieu of taxes to States, counties, and other political subdivisions. This is presumably a concession to the fact that utilities now operating in the region pay an average of 24 percent of their earnings in taxes for the support of our existing form of representative government. Section 13 concludes, however, with this illuminating sentence: "The determination by the administration of the necessity of making any payment under this section and of the amounts thereof shall be final."

Section 6 is a masterly example of the soothing, cold-water approach. It first empowers the three-man board to condemn any real or personal property it needs for its purposes, and then "establish, maintain, and operate research facilities" and "undertake experiments and practical demonstrations."

What does this mean? Viewed through benevolent and perhaps naive glasses, this section may not appear to be dangerous. But it should be remembered that the three-man board will have enormous revenues to be spent at its sole discretion. The bookkeeping, plans, and action will be practically immune to outside control. No member can be removed from the office by the people of the region. Its members may be neither benevolent nor naive. They are not required to have any previous business training or professional background related to any phase of Columbia Basin problems.

UNLIMITED OPPORTUNITY

Suppose, then, that the three-man board happens to have decided ideas relating to the benefits of managed economy and the evils of the profit system. Many of the men prominently mentioned as possible board members do have such ideas. Under section 6 they will have unlimited opportunity to try out their pet theories, since there is no restriction placed upon the type, size, cost, or duration of the research facilities and practical demonstrations. Under either heading the three-man board could engage in any industrial operation it pleased, in competition with existing industries.

Is this too pessimistic a view? Perhaps. Yet the history of democratic government fails to record a single instance where delegated powers have not been used to the limit. And the bill's final paragraph, section 19, anticipates the full use of these delegated powers by erecting a defense around their vague phrasing. For the guidance of the Supreme Court—which has already refused to define the outer limits of discretionary powers delegated in this specific manner—section 19 provides that "this act shall be liberally construed to carry out the purposes of Congress."

What are the purposes of Congress? They are not found in the statements of zealous and sometimes uninformed proponents of a CVA; the sole clues are in the bill itself, set down in black and white. Those purposes merit close reading by every citizen of the Columbia Basin before—not after—the bill is passed.

Chicago Clergymen Here Hail UN Plan

EXTENSION OF REMARKS
OF
HON. CHESTER A. CHESNEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. CHESNEY. Mr. Speaker, under leave to extend my remarks in the RECORD I would like to include the following article which appeared in the Chicago Daily News of May 31, 1949, entitled "Chicago Clergymen Here Hail UN Plan":

CHICAGO CLERGYMEN HERE HAIL UN PLAN

Five prominent Chicago church leaders here went on record Tuesday in support of Trygve Lie's proposal for a 1-minute silent prayer at opening meetings of the United Nations General Assembly.

No spoken prayer has ever been offered at the UN sessions because so many different religions are represented among the 59 member nations.

The Clergymen were unanimously in favor of the silent prayer because, as one put it, "when people are willing to pray together they have taken a long stride down the road to peace."

FIGHTING GESTURE

Some comments:

The Very Reverend Comerford J. O'Malley, president of De Paul University: "Since the UN has for its purpose the bringing about of peaceful relations between the nations of the world, irrespective of their political or religious creeds are subject to God, it is fitting that in their deliberations recognition be given to the presence of God in the affairs of men.

"Without such recognition, it would seem hopeless to arrive at the harmony desired for a lasting and permanent understanding between nations which is the only basis for world peace."

REVERENT CLIMATE

Dr. Charles F. Boss, Jr., executive secretary of the Commission on World Peace of the Methodist Church: "A period of silent prayer preceding the consideration of great international issues would be mentally and spiritually creative. It would help men gain possession of their emotions and thoughts and aid them in acquiring a calm perspective making for better statesmanship. The cultivation of a reverent attitude in UN sessions

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may accomplish more things that the world dreams of."

The Reverend John A. Lampe, pastor of the Presbyterian Church of Rogers Park: "When people are willing to pray together they have taken a long stride down the road to peace. Prayer, even silent prayer, creates the atmosphere of harmony in which men can work together with good will."

MILLIONS TO HAIL IT

Dr. A. G. Merkens, director of education of the northern Illinois district of the Lutheran Church, Missouri synod: "The suggestion will receive the approval of hundreds of millions of persons who have witnessed the ineffectiveness of human devices and plans for world peace and prosperity which leave out God. The silent prayer implies a call unto strife-torn and conflict-ridden nations to know themselves to be but men and to return unto the Lord who once spared repentant Nineveh."

Dr. Louis L. Mann, rabbi of Sinai Temple: "It will bring vision, perspective, and unselfishness to the gathering. Judging by the tone and temper of the sessions, these qualities are greatly and urgently needed."

Admission of Hawaii to the Union as a State Strongly Supported by Kenneth H. Mantel, of Brooklyn, N. Y.

EXTENSION OF REMARKS

OF

HON. JOSEPH R. FARRINGTON

DELEGATE FROM HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. FARRINGTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to present a letter addressed to me under date of May 23, 1949, from Kenneth H. Mantel, of Brooklyn, N. Y., replying to the arguments against statehood for Hawaii set forth in the memorandum submitted by William M. Chadbourne that was recently circulated among Members of Congress.

The letter follows:

BROOKLYN, N. Y., *May 23, 1949.*

Hon. JOSEPH R. FARRINGTON,
House Office Building,
Washington, D. C.

DEAR MR. FARRINGTON: I should like to take this opportunity to answer paragraph by paragraph, a memorandum submitted by Mr. William M. Chadbourne in opposition to statehood for the Territory of Hawaii. The memorandum appears on page A1672 of the CONGRESSIONAL RECORD of March 23d last.

1. The racial organization of the Territories is immaterial—the only important consideration would be that the citizens or residents be unquestionably loyal to this Nation.

2. The population of this Nation is very heterogeneous, being composed of several races and nationalities.

3. The political institutions of the Territories are or could be set up on a similar basis as those prevalent in the States.

4. Come now. Have you forgotten about air travel, telegraph, wireless?

5. There is no need for any change in our great Constitution. Decisions made by a Senator from Hawaii would represent the wishes of 540,500 constituents exactly the same as would a decision by Mr. IVES represent the wishes of 6,700,000 (sic) voters or nearly 15,000,000 constituents.

6. I think that the people of New York, for instance, would be just as prone to accept decisions decided upon by votes of Alaskans or Hawaiians as they would Texans, or New Mexicans.

7. I think this paragraph would be better placed in a memorandum in opposition to communism, rather than in opposition to the Territories.

8. If the progression of this Nation were dependent upon postponements or periods of peace throughout the world then we would probably still be back in 1775. By placing the Territories on an equal footing with the States we would be in a better position to destroy communism if such exists in the Territories.

9. Before I am interested in what is best for the whole world, I am interested in what is best for our possessions and Territories; and before I am interested in what is best for our possession and Territories, I am interested in what is best for the Government and the people of the United States. What you are seeking to do here would be comparable to giving a starving man sterling table service—but no food.

The entire argument presented by the Honorable William M. Chadbourne smacks of inherent selfishness and does not present one honest argument in opposition to admission (and there may be some, indeed).

Yours very respectfully,

KENNETH H. MANTEL.

It's Not Up to President To Compromise in Advance

EXTENSION OF REMARKS

OF

HON. ANTHONY F. TAURIELLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Thomas L. Stokes, from the Buffalo Evening News of May 31, 1949:

THOMAS L. STOKES SAYS: "IT'S NOT UP TO PRESIDENT TO COMPROMISE IN ADVANCE"

WASHINGTON, May 31.—A very intriguing new propaganda technique is developing here in connection with the President and Congress.

It points, first, to the slowness with which Congress is moving on the President's program and then blames the failure of Congress to legislate on President Truman's refusal to compromise.

Compromise on what and why?

The President advocated specific legislative proposals in his campaign. When he was elected he presented them to Congress. He stood by his pledges.

Congress has always insisted that it was its job, yea, its prerogative, to write legislation. The trouble just now is that Congress has done a poor writing job, though it has done more than it is given credit for.

Writing of legislation is, itself, a process of compromise in the first instance. Every President accepts that fact. When a President receives a bill from Congress, with its compromises, he decides whether the principles he advocated are compromised too far.

But it is not up to him to compromise in advance. Nobody really expects him to.

As a matter of fact, the Senate passed a housing bill that represented a compromise with administration proposals. Likewise, the House Labor Committee approved a wage-hour bill that was much less than the President asked, and the same compromise process is now going on in the case of social-security expansion in the House Ways and Means Committee. That is a normal process.

The President knows that if Congress does not do its part, the people will blame it. The President is sure that the things he advocates are going to become law sooner or later, whether in this Congress or the next or the one after that, for that's what the people want. His record is clear, and he intends to keep it clear and let the voters decide.

The President is confident, too, that when it comes to fixing the blame in Congress itself, the voters are now discerning enough to recognize that it is no longer a straight party matter, but that it is really a new party that is holding up his program. That is the coalition of Republicans and the southern Dixiecrats whom he has disavowed.

He is certain that the Republican strategy in tying up with the Dixiecrats is just as unwise for the Republican Party as it proved to be for them in the last election. He expects to gain from it.

Republicans are engaged in another familiar piece of strategy now of the type known as diversionary, that is, to distract attention. This is the trumped-up case on David Lilienthal, Chairman of the Atomic Energy Commission, in the attempt to create another Communist scare. Anyone who knows anything of Mr. Lilienthal and his administration of AEC knows it's so flimsy that it will fall of its own weight and probably have a boomerang effect.

An attempt to create a Communist bogey through the Un-American Activities Committee failed in the last election. The voters didn't fall for it.

Roosevelt's Victory Gives Progressives, Labor Lift

EXTENSION OF REMARKS

OF

HON. ANTHONY F. TAURIELLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Thomas L. Stokes, from the Buffalo Evening News of May 19, 1949:

THOMAS L. STOKES SAYS: "ROOSEVELT'S VICTORY GIVES PROGRESSIVES, LABOR LIFT"

WASHINGTON, May 19.—Election of FRANKLIN D. ROOSEVELT, JR., as a Member of the House has a lesson for the orthodox, old-line politicians which some of them seem slow to learn.

They might well take notice now before they get punch drunk, for this is the second blow at their legends and traditions in a week. The uprising in New York's Twentieth District, another of a series of jolts to that political shell—and shell game—known as Tammany Hall, followed the downfall of Boss Frank Hague's Jersey City machine that was for so long impregnable.

That this is not just accidental, but is full and clinching proof of a mild revolution in American politics, is shown by the fact that it is the conclusion of a series which, in the last 2 years, also has included the crack-up of the machines of Boss Ed Kelly in Chicago and Boss Ed Crump in Memphis and, before that, of Boss Tom Pendergast in Kansas City.

The day of the machine-delivered vote appears to be passing. The story was told plainly in FRANKLIN D. ROOSEVELT, JR.'s victory. It is just a s simple as this: When you get a candidate with progressive ideas and platform who is willing to work 18 hours a day, and a lot of precinct workers of organized

labor and enthusiastic and alert young people who will ring door bells, organize political meetings, and get out the vote, then it's not too hard to defeat even the apparently most secure political machine.

It is significant of something new, fresh, and hopeful that is happening all over the country in our politics, and it should serve to encourage progressives everywhere.

There was a somewhat similar pattern on a national scale, a mass rally, in last November's election when President Truman was able to win despite weakness and apathy in regular Democratic organizations and open desertions.

Ironically enough, despite that demonstration, the New York congressional election found the national Democratic chairman, Senator J. HOWARD MCGRATH, and by proxy President Truman, playing along with Tammany.

Young FRANKLIN D. ROOSEVELT was, in this election, the stone that the builders rejected. Tammany exhibited the blindness common to long-entrenched machines by refusing to back the FDR heir.

The Roosevelt victory gave a tremendous lift to Progressives here in Congress and to organized labor. This demonstration of vitality among voters on the city streets, the grass roots of our great urban areas, came just at the right time, for it found progressives and labor in a back-to-the-wall fight with an old alliance of convenience here—the southern Democrat-Republican coalition.

Progressivism made some gains in Congress in the last election, but not enough. Progressives leaders recognize now that the fight is not won in one election. The Roosevelt victory encourages them for the same sort of battles they are planning in the congressional elections next year. Both AFL and CIO now have come to look upon the southern Democrat-Republican coalition as a party in itself, outside of traditional party lines, and their campaign to defeat it in the next election will be outside of party lines.

Connecticut Valley Authority

EXTENSION OF REMARKS
OF
HON. ABRAHAM RIBICOFF
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. RIBICOFF. Mr. Speaker, under leave to extend by remarks in the RECORD, I include a resolution adopted by the General Assembly of the State of Connecticut concerning the establishment of a Connecticut Valley Authority, which resolution is as follows:

Resolved by this assembly:

Whereas the tremendous losses to the Connecticut Valley, its environs, and the Nation from floods and pollution and from the failure to develop to the fullest the potentialities of the Connecticut River and its tributaries for power production, city supply, recreational, and other purposes, and the attendant business and industrial losses, are matters of common knowledge; and

Whereas techniques of governmental administration for the multipurpose development of river valleys have now been thoroughly tried and tested in various areas of the country, and with the most conspicuous and enduring success in the Tennessee Valley: Now, therefore, be it

Resolved by this senate, That it urge the Congress of the United States to take measures with the greatest dispatch to establish in the Connecticut Valley a unified planning and development administration like that of the Tennessee Valley Authority adapted as local conditions may require to promote the greatest wealth and prosperity of the region and the Nation; and be it further

Resolved, That a copy of this resolution be transmitted by the secretary of the State of Connecticut, to the President of the United States and to all Senators and Representatives for the State of Connecticut now serving in the National Congress.

Given under my hand and the seal of the State, this second day of May, in the year of our Lord 1949.

CHESTER BOWLES,
Governor.

By His Excellency's command:
WINIFRED MCDONALD,
Secretary.

The Nation Needs a Columbia Valley Administration

EXTENSION OF REMARKS
OF
HON. HUGH B. MITCHELL
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. MITCHELL. Mr. Speaker, the testimony of Secretary of Interior Krug before the Senate Public Works Committee is a forthright and unambiguous statement of the need for a Columbia Valley Administration. Secretary Krug makes it absolutely clear that the existing agreement between the Corps of Engineers and the Bureau of Reclamation regarding Columbia River development is in no sense a substitute plan to the Columbia Valley Administration. I include Secretary Krug's testimony with these remarks.

STATEMENT BY SECRETARY OF THE INTERIOR J. A. KRUG BEFORE THE SENATE PUBLIC WORKS COMMITTEE DURING HEARINGS ON S. 1645, WHICH WOULD ESTABLISH A COLUMBIA VALLEY ADMINISTRATION, JUNE 1, 1949

THE NATION NEEDS A COLUMBIA VALLEY ADMINISTRATION

Mr. Chairman and members of the committee, I am here today to advocate a proposal which would carry out the responsibilities of the Federal Government for development of the resources of the Pacific Northwest in a more effective, a cheaper, and speedier fashion than is now the case. This proposal is embodied in S. 1645 which was introduced in the Senate by Senator MAGNUSON and 16 other Senators. This bill provides for a reorganization of the resource functions now exercised by the Federal Government to secure their more effective administration by establishing a Columbia Valley Administration.

I am appearing here on behalf of the administration at the request of President Truman. He has asked me to take the lead in developing and coordinating the testimony to be presented by the executive branch in support of this bill, which has his endorsement and which was drafted at his request.

I intend to outline for you today the reasons why the enactment of this legislation is urgently needed. By arrangement with the committee, I shall be followed on the stand by other members of the administration who will present additional facts in support of the legislation. Assistant Secretary of the Interior C. Girard Davidson will analyze for you the provisions of S. 1645 and how the Columbia Valley Administration will operate, if established. He will be followed by Under Secretary of the Army Gordon Gray, Secretary of Agriculture Charles F. Brannan, Assistant Secretary of Commerce Thomas C. Blaisdell, Mr. Edward Falck, of the National Security Resources Board, and Bonneville Power Administrator Paul J. Raver, all of whom will discuss the interests of their various agencies in the passage of this bill.

My support of S. 1645 is based upon three major premises which I believe are indisputable:

1. That there is a big job to be done in developing the rich resources of the Pacific Northwest.

2. That the people expect the Federal agencies to play an important part in this job.

3. That to do this part of the job the Federal agencies should be organized as efficiently and democratically as possible.

In the Pacific Northwest is 40 percent of the Nation's hydroelectric potential, but of the region's 33,000,000 kilowatts, only two and seven-tenths million have been developed. The Northwest has 62 percent of the Nation's phosphate deposits but it produces only 8 percent of the Nation's phosphate fertilizer. Its croplands need 200,000 tons of phosphates, much more than they now get. Phosphates are being imported into the region all the way from the Tennessee Valley.

The Pacific Northwest has 25 percent of the Nation's potentially irrigable lands, but of its 8,000,000 acres, only 50 percent of this land now has water on it. The region has 40 percent of the Nation's remaining saw timber, but these forest reserves are shrinking, and more than 6,000,000 acres need to be reforested. Three hundred and seventy miles of inland waters from Portland, Oreg., to Lewiston, Idaho, need to be improved for river navigation. Potentially devastating floodwaters must be brought under control. A great salmon industry, threatened with destruction by dams, must be saved and I am sure a way can be found to do so. Important mineral deposits must be developed with the abundance of low-cost power.

The enormous population growth of the region demands that these potentials be realized. Since 1940 the rate of increase has been approximately three times the rate for the Nation as a whole. Population has increased faster than jobs. Unemployment during the past few years has been roughly twice as great as in the country as a whole.

A power shortage which will probably persist until 1955 has hampered industrial growth. Here is a region with a hydroelectric potential of 30,000,000 kilowatts which must refuse power to new industries which require more than 500 kilowatts. This means lost pay rolls and lost taxable wealth.

Erosion losses from croplands in the Northwest average about 60,000,000 tons annually; from range lands 35,000,000 tons. Almost three-fourths of the nonirrigated croplands are in a serious or critical state of erosion. In the Palouse country of eastern Washington, farmers are losing 1½ tons of topsoil for every bushel of wheat they grow.

That the Federal Government has a large responsibility in helping to conserve and develop the reosurces of the Pacific Northwest is unquestioned. Our functions in flood control, hydroelectric power development, navigation, irrigation, management of the public range and forest lands, fish and wildlife conservation, and other resource development tasks are accepted. In fact, private investment in the industry and agriculture of the region is dependent on the dams, power plants, irrigation facilities, and other services which the Federal Government provides. Federal outlays for these purposes are investments which increase the store of capital wealth for both the region and the Nation.

Rapid realization of the potential riches of the Columbia Basin has vital national significance. Atomic energy plants in the region were threatened by last winter's power shortage. Aluminum plants in the region,

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essential to the Nation's air strength, suffered actual curtailments of production as a result of the power shortage and are unable to expand to meet unfilled demand. In addition, we are at this time extremely conscious of the fact that prosperity of this Nation as well as of the world requires development of undeveloped areas here as well as abroad.

This brings us to the heart of the issue before this committee and the Congress: Is a Columbia Valley Administration a more efficient and more democratic administrative plan than the existing pattern of Federal agencies?

On the Columbia River and its tributaries there are three major agencies presently concerned with water-control functions. The United States Army Corps of Engineers builds dams and other works primarily for the purposes of navigation, flood control, and associated power development. The Bureau of Reclamation in the Department of the Interior likewise builds dams and other works, but for the primary purpose of irrigation and related power development. The Bonneville Power Administration, also in the Department of the Interior, is responsible for marketing the power from projects constructed by these two other agencies.

Many other Federal agencies play important parts in the development of river resources. Much of the hydrologic data necessary for planning river-control structures is assembled by the Weather Bureau in the Department of Commerce and the Geological Survey in the Department of the Interior. The latter agency also is responsible for topographic and geologic data necessary for almost every kind of land and water development. The Fish and Wildlife Service in the Department of the Interior is concerned with the protection of fish in the rivers where the dams are being built. The Public Health Service in the Federal Security Agency is concerned with controlling pollution of the rivers. The National Park Service in the Department of the Interior is concerned with recreation aspects of dam and reservoir construction. The Federal Power Commission is responsible for approving power rates and determining power costs on some of the dams constructed by other agencies. The Bureau of Indian Affairs in the Department of the Interior is concerned with the development of Indian-owned resources, and their protection in areas affected by dams.

On the land, the Bureau of Land Management in the Department of the Interior shares with the Soil Conservation Service in the Department of Agriculture the responsibility for assisting in the prevention of soil erosion which augments floods, pollutes rivers, and silts reservoirs. The Bureau of Land Management, along with the Forest Service in the Department of Agriculture, administers vast areas of public forest land, which, besides providing forest cover for flood protection, also play a large part in the economy of the area. Public range lands located in upstream watersheds where floods begin likewise come under the jurisdiction of the Bureau of Land Management. The Bureau of Mines, the Bureau of Land Management, and the Geological Survey aid in the development of the mineral wealth of the region.

With the exception of the Bonneville Power Administration, none of these agencies is headquartered in the Pacific Northwest. Therefore, major decisions relating to their activities, almost without exception, are made in Washington, D. C. I am not familiar, of course, with the extent of delegation of authority in each of the many agencies. But I can cite for you the example of the Bureau of Reclamation which is so organized that each of the following major policy questions is decided by an office located outside of the Pacific Northwest: Recommendations to Congress for new projects; requests to the Bureau of the Budget and Congress for appropriations; design of dams; design of generators; and schedule of generator installations. It is fair to assume, I think, that a similar situation exists in most of the other Federal agencies.

This by no means completely catalogs all of the Federal agencies concerned with water and land resources development in the Pacific Northwest, but it demonstrates beyond doubt, I believe, that the planning, budgeting, and operation of these agencies must be integrated. Hydroelectric development, flood control, navigation improvements, reclamation, soil-erosion control, reforestation, surveys, and mapping cannot be separated. They are all parts of one job.

With so many Federal agencies responsible for pieces of the total job, and with diverse Federal laws governing their activities, there is no unified approach to the planning, programing, and budgeting of the resource-development job for the Northwest. For example, there are no uniform statutory criteria by which the feasibility of Army-built and Bureau of Reclamation-built dams can be measured. When these agencies submit their project plans to the Congress, their proposals are referred to different committees. Proposals of the Corps of Engineers are referred to the House and Senate Public Works Committees. Most of the agencies of the Department of the Interior report to the Interior and Insular Affairs Committee of the Senate and Public Lands Committee of the House. Agencies of the Department of Agriculture go to the Agriculture and Forestry Committee of the Senate and the Agriculture Committee of the House. Under this arrangement, no single committee of Congress can see the total plan for the Columbia River Basin.

Similarly, no coordinated budget for the Pacific Northwest is presented to the President and the Congress. Each agency in the region prepares its budget to conform with specific functional policies of its respective head office in Washington. In some cases, agency programs and budgets are prepared initially at the national level, with regional requirements given only secondary consideration. The structure of agency appropriation items upon which action is taken by the President and Congress serves to conceal regional aspects. Most appropriation items cover a single Nation-wide program, and often the supporting detail and justification material do not provide the necessary regional break-down. The effect is to throw the entire burden of regional coordination on the President, the Bureau of the Budget, and Congress, where the job cannot be done nearly so well as in the region. The Congress, therefore, does not have any over-all regional program and budget available to it as a guide in its consideration of annual appropriations. The requests for appropriations for parts of the total job are referred to a number of different subcommittees of the Appropriations Committees. No one subcommittee has the complete program before it. All are concerned with only a special aspect of the total budget for the region.

What are the results of this system of divided authority and divided responsibility? The first result is duplication at the taxpayers' expense. Before the Corps of Engineers and the Bureau of Reclamation came to an agreement as to which dams should be built on the Columbia, each prepared voluminous reports dealing with the total length of the river and its tributaries. Competition between the Corps and the Bureau for the privilege of constructing and operating dams has been keen. Hells Canyon was disputed, so also were Lucky Peak and Chief Joseph Dams.

Another result of the present system is that no unified comprehensive program for the region exists. Neither the Bureau of the Budget, the President, nor the Members of Congress are able to know the effect of their decisions on the region. Immeasurably large amounts of money have been spent on river-control structures as compared with related basin-development activities. For example, there is absolutely no assurance that the upstream flood-control program of the Department of Agriculture is in balance with the downstream flood-control program of the Corps of Engineers. There is every indication, in fact, that the two programs are out of balance. Thus the estimate of the Columbia Basin Interagency Committee is that more than $100,000,000 will be needed for the Forest Service in the Pacific Northwest each year during the next 6 years. Yet the appropriation to the Forest Service apportioned to that region in 1949 was only $23,500,000. Similarly, the program for the protection of the fisheries has not kept pace with the construction of the dams. At the present rate, the program will take not 10 but 20 years to complete. To say the least, this is not promising for the future of the salmon-fishing industry. The Hoover Commission has emphasized that basic hydrologic, geologic, and topographic information is necessary for the construction of such huge works. Appropriations for the preparation of these data, however, are far behind schedule. It is estimated that about $20,000,000 will be needed in the next 6 years for the collection of this basic information. At the present rate of appropriations, it will take 60 years to complete the topographic mapping of the region and 60 years for the necessary cadastral surveys.

To take another example, the Bureau of Land Management is seeking to restore 7,800,000 acres of denuded range lands which represent a flood menace. This job, however, would take 25 years to accomplish, even if the agency were given sufficient funds to move 20 times faster than the present rate.

A third result of the existing system is confusion in operating responsibility. Although there are now only two Federal dams operating in the Columbia, and both of them as yet are operated almost exclusively for power production, there is inescapable conflict among three agencies on releasing water from these dams. It took a number of weeks and numerous letters, telephone calls, and meetings to decide upon the release of water from Grand Coulee this spring to diminish the flood danger. If this can happen with only two dams operating, one can envision the chaos which will result when there are a dozen or more dams on the river, unless we have a single water master on the main stem of the Columbia who can switch the flow to navigation, irrigation, and power production as one switchyard master bosses the movement of all trains in a railroad terminal.

The design of generators to be installed in the Army-built McNary Dam was a matter of controversy between the Bonneville Power Administration, the Army engineers, and the Federal Power Commission for a year and a half. The Bonneville Power Administration, which is to market the power from the dam, asked the Army to order generators of low reactance. Such generators would cost $3,000,000 more than generators of high reactance, but the low-reactance generators would make it possible to transmit the power produced at McNary Dam with one less circuit on the Bonneville transmission system. The cost of such a circuit was estimated to be $10,000,000 so that the net saving from using the low-reactance generators would be about $7,000,000. The Corps of Engineers which was not directly concerned with transmission problems preferred the higher reactance installation. The Federal Power Commission was interested because of its responsibility for the design of generators at Army-built dams. After 18 months of three-cornered negotiations and correspondence, extending from April 1947 to October 1948, the matter was finally settled, not in the Pacific Northwest, but in Washington, D. C.

Because of the problems raised by duplication, lack of a unified balanced program, and confused operating responsibility, the major agencies have established the Columbia Basin Interagency Committee. This committee has labored under difficulties. It has served mainly as a medium for exchange of information. Discussions of problems do not necessarily lead to conclusions and recommendations. The committee has not, as a committee, undertaken coordination of budget requests. Since each agency retains absolute power in its own sphere, unanimous consent is necessary for action. In any event, the committee cannot exercise authority. As a result, it has not been able to settle interagency disputes. The only voluntarily coordinated program which it promoted, the lower Columbia River fisheries program, is threatened with failure because of inadequate appropriations. With no staff, no funds, no authority, and no continuity in leadership, the committee has been unable to follow up even those programs voluntarily agreed upon.

This committee has heard considerable testimony about the plans of the Corps of Engineers and the Bureau of Reclamation, and the agreement signed on April 11 by former Secretary of the Army Royall, General Pick, Commissioner Straus, and myself. For some reason, there has been a certain amount of misunderstanding that this agreement represented a substitute plan to the CVA. Nothing could be further from the truth. Let's take a look at the facts.

In June of 1948, after the disastrous Columbia River floods, and again in September of 1948, the President asked the Department of the Army and the Department of the Interior to try to reconcile the reports which each has made for development of the Columbia River. In addition to the jurisdictional conflicts over dam construction, which I have already mentioned, the two Departments had not been able to agree on the use of power revenues for supporting irrigation projects and other issues.

In accordance with the President's wishes, the two Departments completed their overall plans and reached an agreement reconciling the two reports on some but not all issues. This agreement was submitted to the President on April 11. The President has not yet approved the agreement. He has, however, taken a strong position that the Army-Interior agreement is no substitute for a Columbia Valley Administration. In his letter to me of April 18, 1949, he stated, and I quote, "When this plan is fully developed it should provide an inventory of projects and a most useful basis for the operations of a Columbia Valley Administration which I have recommended to the Congress, and which I hope will be authorized at an early date." The reports of the Army and the Bureau of Reclamation and the agreement present an engineering and development plan for the river, but do not present an adequate administrative method of carrying out the plan. The CVA is a rational common-sense method of using the plans developed by the Army and the Bureau of Reclamation as a basis for carrying on the development of the region. Appropriate modifications and adjustments would be made by CVA, of course, as dictated by experience.

The Army-Bureau plans and their agreement were without question a great step forward. To urge, however, that these plans of the Department of the Interior and the Department of the Army, and the agreement reconciling those plans, are a substitute or alternative for a Columbia Valley Administration is to misunderstand the nature of the reports and the agreement. Both the Department of the Army and the Department of the Interior pointed out that their plans, and I quote, "provide an inventory and framework which would be extremely valuable for the proposed Columbia Valley Administration recommended by the President." In this sense, the agreement between the engineers and Reclamation would serve the same purpose as would the engineers' 308 Report on the Tennessee River. It will be recalled that the original Army 308 studies on the Tennessee River were essential in the development of the river-control plan adopted by the Tennessee Valley Authority.

There are certain essential things that the Army-Interior agreement does not or cannot provide. First of all, the agreement does not cover the full Federal responsibilities for development in the region and, therefore, is not a single unified plan. Plans for forest management, land treatment, protection and propagation of fish and wildlife, recreation development, and meeting the needs and rights of Indians have not been prepared except for the one relating to salmon fisheries in the lower Columbia tributaries. The agreement provides no method for preparing these plans other than by the several agencies concerned with those special problems. It does not place anywhere the single responsibility of working with the various agencies to obtain an interrelated unified plan. Second, the agreement does not provide for a single agency to design or construct all of the dams in the basin. Unavoidably there will be duplication in maintaining two engineering staffs to do this single job. There is always the possibility that, working separately, the engineers of the two agencies will not consider in their designs of single dams the relationships to the other dams in the system. Third, the agreement does not provide for a single operating plan for the river. We have noted the difficulty already existing in operating two dams. These difficulties are likely to increase with the number of dams to be built unless and until a single water master is designated who will have the authority to control the flow of water on the main stem of the river. Fourth, the agreement does not provide for decentralized administration. Major decisions still will be made in Washington.

Finally, by its very nature, the agreement cannot provide for changes in plans and programs to meet changing requirements through the years. It is an agreement of the moment. It also cannot provide for a single agency to prepare a construction schedule containing the order in which dams are to be built.

Having described how Federal functions in resources development are carried out under the present system, I shall outline briefly how these same functions would be carried out under the reorganization of Federal activities proposed in S. 1645. I will not go into detail, since Assistant Secretary Davidson will follow me with an analysis of the bill and how it will work. However, I do want to mention several major points.

The CVA bill is a vastly improved mechanism for administering Federal resources-development activities in the region. It provides for the unified treatment of the related resources of the region. To accomplish this, it takes the existing Federal powers to the region and provides the people of the region with every opportunity to participate in their exercise.

In carrying out its responsibility the first job of the CVA will be to prepare a panoramic lay-out for the present activities of Federal resource agencies in the region. In so doing, it will cooperate with each agency and group in the region—Federal, State, and local—to make its contributions and to give it suggestions. The existing plans of the Corps of Engineers and the Bureau of Reclamation will, of course, be drawn upon. The final result, however, will be a prospectus for the Pacific Northwest which will not be compromised by sensitivity toward the jurisdictional pretensions of the various bureaus. It is against this prospectus that the President and the Congress will evaluate the fiscal requirements of the Northwest development program.

The second large responsibility of the CVA is the requirement that it provide annually to the President an increment of the over-all design of things to be accomplished for resource development. Included in this annual statement will be the budget for the activities of the CVA itself which will cover all the river control and related works now being carried out by the Corps of Engineers, the Bureau of Reclamation, and the Bonneville Power Administration instead of three separate budgets, as at present. Inasmuch as only these three agencies are to be absorbed into the CVA, the other agencies will continue to submit their separate budget requests. The President and the Congress, however, will be able to relate these budget requests to the over-all program statement supplied by the CVA.

In this way better decisions can be made concerning the relationship between what the Northwest needs and what the Nation needs, as well as between parts of the job to be done in the Northwest itself.

By absorbing the three agencies mentioned, the CVA would take over complete responsibility for design, engineering, construction, and operation of the major river-development works, the associated water and irrigation facilities, and the major power transmission network. This concept appeals to me as an administrator, as I know it must appeal to you and to the taxpayers who are interested in efficient, responsive government. In this way the single agency, working on the river, could squeeze out the maximum benefits for flood control, navigation, power, irrigation, water supply, fish and wildlife conservation, recreation and public health. The entire water job from plan to marketing would be unified and the present protracted negotiations between agencies, which frequently result in compromises rather than objective solutions, will be ended. Uniform methods of rate fixing, allocation of costs, accounting, and other procedures will be established. Busy officials can turn from endless coordinating sessions to the main task of bringing the benefits of the major capital developments to the people of the region.

As important as any other part of the CVA bill are the strong home-rule provisions. With headquarters in the region, and with two of its three directors being bona fide residents of the region, the CVA will be responsive to what the people of the Northwest want. Through a system of advisory boards and councils not only the State governments but also the local governments and the local people will be able to make their views count in the development of their region from the earliest planning stages through the operation of projects. Congress, too, will know what the people are thinking because these boards and councils will have the right to include their comments in the annual report of the Administration.

As all of you know the Department of the Interior will lose control of one of its major bureaus, the Bonneville Power Administration, and the Pacific Northwest functions of another major bureau, the Bureau of Reclamation, if the CVA bill is enacted. As Secretary of the Interior, I state without hesitation that I should be glad to see these units transferred from the Department of the Interior to a CVA, because I think they will be more effective and of more value to the people of the Columbia Basin States as parts of an integrated, regional, at-home administration. With a century of experience in western development, the Interior Department is convinced that the Columbia Valley Administration is the best possible machinery for carrying out the existing responsibilities of the Federal Government for maximum development and wise use of the resources of the Columbia Basin.

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World Peace

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following open letter to the President and the Congress of the United States:

OPEN LETTER TO THE PRESIDENT AND THE CONGRESS OF THE UNITED STATES

Because we believe that the deep desire of all mankind for a world at peace can be realized and that failure to do so may destroy civilization, we address this open letter to the administration and the Eighty-first Congress.

Peace depends upon an understanding between the United States of America and the Union of Soviet Socialist Republics.

The people of both nations want peace. Yet millions of American citizens believe that the Russian Government wants to impose Russian communism upon the nations of the world. At the same, millions of Russian citizens believe that the American Government is driving toward world domination by American capitalism.

These fears have led to acts by both nations which have deepened the division between them and generated further fear and hostility. As a result, we are today burdened with expenditures of a military nature that consume more than half of our budget. Support for questionable regimes in various parts of the world is costing us hundreds of millions of dollars and the friendship of liberty-loving peoples. War preparations are making it impossible to achieve the program of domestic reform, for which the American people voted, and are jeopardizing our political democracy.

If the present pattern of measures and countermeasures by our country and Russia persists, it can lead only to a war which neither nation can win and in which mankind may be destroyed.

Yet a further step is now being prepared in the form of a North Atlantic military alliance, to be followed by a huge and costly program of arming western Europe for war.

This step will not only retard recovery in western Europe, it will irrevocably commit us to a fatal two-world policy. It and the countermeasures it provokes will widen the split in the world between two armed camps, increase conflict in every part of the globe, and intensify an arms race that will impoverish all people and may end only in a war of extinction.

Therefore, we urge the Congress to reject the proposal for a North Atlantic military alliance.

There is a constructive and honorable alternative.

We are deeply convinced that capitalism and communism not only can but must live together in the same peaceful world. No dispute between the United States and Russia need be resolved by force, and there are no differences between them which in time cannot be settled by peaceful negotiations. We are of the opinion that all of the possibilities for such negotiations have never been fully explored.

We urge that the President, through a special emissary to the Soviet Union, prepare the way for a meeting between the highest ranking authorities of the two governments. Issues now outstanding between the two countries should be thoroughly discussed and an atmosphere of mutual confidence established in anticipation of multilateral discussions at which final settlements could be achieved.

This will prepare the way for peace treaties with Germany and Japan. It should provide for the resumption of trade between east and west. There should be firm commitments against interference in the affairs of other nations and the principle established that aid to the needy peoples of the world be administered through the United Nations. It should lead to a sufficient measure of confidence between east and west as to make possible a general reduction in armaments.

If war comes, a settlement between impoverished, devastated nations must be made after the war—if any survive to make the treaty. Let discussions be held now, before war becomes inevitable.

The new Congress and the administration have a unique opportunity, in Lincoln's words, to "nobly save or meanly lose the last best hope of earth." We petition for the discharge of this responsibility in a spirit worthy of our past and creative of our future—to the end that all mankind may be freed from the threat of total war and total death and may face the days to come with confidence in enduring peace and in a better life for all.

Bishop JAMES C. BAKER,
Methodist Church.
CLARENCE E. PICKETT,
American Friends Service Committee.

Control Is the Aim

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. SHAFER. Mr. Speaker, the Wall Street Journal in its May 26 issue carried an editorial which I think should be of interest to every Member of Congress. Under permission to extend my remarks I include this editorial:

CONTROL IS THE AIM

On Tuesday last we suggested in this space that whatever is forthcoming, inflation or deflation, there would be powerful demands for Government controls over the economy.

Our point was that there is a political group in Washington to whom control by Government is the be-all and end-all and that they are capable of demanding it as a cure for inflation or for deflation, reflation or any other kind of flation.

We did not expect our little prophecy to be fulfilled with such startling suddenness.

In a Chicago speech Tuesday night Mr. Leon Keyserling, of the Council of Economic Advisers, offered a packaged prosperity plan designed as an antideflation measure. The package, when unwrapped, contains almost the same plan offered us a bare 4 months ago as an anti-inflation cure.

In Washington the so-called liberal wing of the administration (including Mr. Keyserling among others) has drafted a bill which they contend would combat depression and stabilize the United States economy at a high level. This bill, as summarized yesterday in Mr. Haller's dispatch, turns out to be the twin of the Spence inflation-curbing bill which is already in the congressional hopper.

It is difficult for the parents, much more so for strangers, to tell one twin from the other.

The Spence bill, for instance, would authorize the Federal Government to set up shop as a manufacturer of basic commodities, such as steel, whenever the bureaucrats thought it necessary. This provision was urged on us because of the alleged awful shortage of industrial capacity; the Government was going to increase capacity to alleviate shortages and combat inflation.

The Spence bill got shelved because before its ink was dry industrial capacity did not seem so short and the course of events seemed to be working its own way with the inflation. One might have thought that the planners would be a bit abashed at being so out of joint with the times.

But the planners are never abashed. Their real concern is neither with inflation nor deflation. Their goal is to get economic power for Government, and consequently one flation is as good as another if it will serve as a plausible argument for control.

So the new bill would likewise authorize the Government to go into the business of making steel and other basic commodities. Only this time its announced purpose is not to provide new capacity and fight inflation; it is to provide more jobs and to lift our economy ever upward.

Past mistakes deter these planners not in the least. It is no use to remind them that when they had controls at the war's end they planned against a feared deflation and nearly wrecked us with inflation; nor that after inflation had passed its peak they were still planning against it and, if they had had their way, would have spun us into real depression. What is past is past, they say, and now we are confronted with a new emergency.

There is, by the way, an ominous note in this talk of the new emergency. One legislator remarked that it would take a full-scale depression to get Congress "scared enough" to vote the new controls. Another sponsor said he would expect action if the "pressure on business" continues downward. Perhaps this explains the hint of satisfaction in the depression warnings that come now with regularity from the administration's experts. If controls are desirable and if a depression will get them, well then.

It should be clear by now to what end these planners plan. That end is the lodgment in Government of complete economic controls, and to that end any argument can be turned wrong-side-out.

State Department Holds That Statehood for Hawaii Would Serve To Support American Foreign Policy and Strengthen the Position of United States in International Affairs

EXTENSION OF REMARKS
OF
HON. JOSEPH R. FARRINGTON
DELEGATE FROM HAWAII
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. FARRINGTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a letter addressed to me by the Honorable James E. Webb, Acting Secretary of State.

The letter follows:

DEPARTMENT OF STATE,
Washington, May 24, 1949.

MY DEAR MR. FARRINGTON: In your letter of May 3, 1949, you request an expression of the Department's views as to the importance from the standpoint of the foreign policy of the United States and the obligations assumed by the United States under chapter XI of the Charter of the United Nations of immediate enactment by the Congress of legislation enabling Hawaii to become a State. The Senate Committee on Interior and Insular Affairs has requested the Department

to comment on the legislation and such a report is being prepared.

In the meantime I am glad to tell you that the Department of State sees no reason, from the standpoint of the foreign policy of the United States and the international obligations assumed by this Government under the Charter of the United Nations, for interposing any objection to the enactment of legislation to enable the people of Hawaii, who have repeatedly demonstrated their desire for statehood, to form a constitution and State government and to be admitted into the Union on an equal footing with the original States.

On the contrary, such action by the Congress would be in conformity with the traditional policy of the United States toward those peoples who have not yet become fully self-governing and would be an act in fulfillment of the declaration regarding non-self-governing territories set out in chapter XI of the Charter of the United Nations. In its historic policy and in accepting this declaration the United States has recognized its obligation to take due account of the political aspirations of the peoples of the territories under its administration and to promote their political advancement.

Action by the Congress enabling the people of Hawaii to fulfill their expressed aspiration for statehood would, in the view of the Department of State, serve to support American foreign policy and strengthen the position of the United States in international affairs.

Sincerely yours,

JAMES E. WEBB,
Acting Secretary.

Washington Machinists Go All Out for CVA

EXTENSION OF REMARKS
OF
HON. HUGH B. MITCHELL
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. MITCHELL. Mr. Speaker, the Washington Machinists Council has joined with other great labor organizations in the State of Washington to actively support CVA legislation. I include with these remarks an article in the May 12 issue of Aero Mechanic, official publication of Lodge 751, International Association of Machinists, which contains the CVA resolution of the Washington Machinists Council, of which Harold J. Gibson is president:

WASHINGTON MACHINISTS PLACE FULL WEIGHT BEHIND CVA BILL

The weight of the strong Washington Machinists Council is officially and fully behind the move to obtain a Columbia Valley Authority for the Pacific Northwest.

The machinist council, meeting Saturday at Grand Coulee Dam, adopted a resolution calling upon Congress to enact the CVA program proposed by President Truman so that the Northwest can be developed and increased and jobs provided for its people.

The council session was presided over by Harold J. Gibson, Aero Mechanics Union president, who also is president of the Washington Machinists Council. Delegates in attendance were from machinists' lodges throughout the State.

Besides passing the resolution supporting the CVA, the council also took action to become one of the sponsors of the project, and a committee was named to work with other union agencies and groups to see that the CVA becomes a reality. On this committee are Gibson J. A. Penn, Local 1152; George O. Gibblett, Local 282; and J. J. Barin, of Local 1201.

The text of the resolution on the CVA is as follows:

"Whereas crippling power shortages, floods, the loss of 100,000,000 tons of our precious topsoil every year through erosion, and unemployment three times the national average are continuing to plague the Pacific Northwest; and

"Whereas the immediate development of our rich natural resources will mean increased and continued employment for the Pacific Northwest; and

"Whereas the existing Federal agencies have not been given the means to do the job of developing natural resources of the Northwest as pointed out by the nonpartisan Hoover Commission; and

"Whereas selfish interests still persist in attempts to block the development of the Northwest; and

"Whereas future welfare of every person demands the immediate development of these resources: Therefore be it

"*Resolved*, That we, the delegates to the Washington Machinists Council in session May 7 at Coulee Dam, hereby recommend to the Congress the immediate enactment of the CVA proposed by the President."

The Housing Bill

REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. MULTER. Mr. Speaker, it has been a strange coincidence that each year the organizations which make up the real-estate lobby find reason, on short notice, to call important meetings which require the presence in Washington of a considerable number of members about the time basic housing legislation is ready to come to the floor of this House. There has been no change in this pattern this year as the House prepares to take up H. R. 4009, the Housing Act of 1949.

This past week about 150 directors of the National Association of Home Builders met in Washington, in accordance with the announcement contained in the association's Washington Letter dated May 12. Presumably there were matters of great importance to the organization and its members to take up at this meeting, but I am certain that the primary business was stated in the May 20 Washington Letter as follows:

Fortunately, the spring meeting of your national board of directors is about to start so that the private home builders' position on housing will be given to Members of Congress by nearly 150 of your directors.

This organization gives as an excuse for this assemblage that the so-called public housers had a big meeting the previous week in Washington. It does not mention that the date for the 2-day public-housing conference, like the dates of all its annual meetings, was set months ago, when no one could forecast the legislative calendar.

These 5-day meetings of the home builders are only one phase of the high-pressure propaganda campaign being staged right now, as in previous years, under the direction of the paid lobbyists in Washington. These lobbyists have written the literature which has been handed or sent to Members of Congress. They have prompted the stock arguments which have been parroted time and time again in letters, telegrams, and personal interviews. I am certain that an examination of your files will reveal the same old arguments in the same old kind of a campaign that has been staged every time this legislation has come up for consideration.

This is a campaign, I regret to say, that is based not on the facts themselves, but on a distortion and misrepresentation of the facts. I would like to remind the House that during the last 5 years congressional committees have had many opportunities to review the real facts which demand this legislation. Every time they have reached the conclusion that the provisions now contained in H. R. 4009 are most urgently needed if we are to solve the most dire housing problems, particularly of low-income families. Your Banking and Currency Committee on two occasions, and the Joint Committee on Housing of the Eightieth Congress, reached that conclusion. The Senate has passed the substance of this legislation on three different occasions.

Mr. Speaker, I do not say that all those who, at the instance of the Washington lobby, are writing or wiring their Congressmen against this legislation are guilty of deliberate misrepresentation, I do say they have been fed the same kind of propaganda by these paid lobbyists. Let me cite you just one example. In the April 18 issue of Headlines, the publication of the National Association of Real Estate Boards, two paragraphs were devoted to testimony of a representative of the American Legion before our committee on H. R. 4009. This publication which, according to the masthead, is "devoted to news and developments of significance to the real-estate profession and allied interests," found the only newsworthy part of the Legion testimony to be its disagreement in detail as to the operation of the slum-clearance program proposed in H. R. 4009. This lobby-controlled publication did not find newsworthy the fact that the American Legion testified in general support of this legislation, including slum clearance and public housing. I do not wonder that the members of this association and of other organizations which depend on the real-estate lobby for information ofttimes miss the true facts.

This lobby has not hesitated to stoop to heap abuse upon those who vote for and support this legislation. In an editorial in the May 16 issue of the same Headlines, which appeared over the signature of Herb Nelson, they say:

The Senate version of the bill was sponsored by 11 Republicans and 11 Democrats and has not, therefore, even the excuse of partisan advantage. It is political racketeering by power-hungry politicians who hope to pick up or control votes here and there.

I am sure you have never read anything so contemptuous of the 75 Members

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of the Senate, Democrats and Republicans, who voted for or were paired or announced for S. 1070 or of the Members of this House who are going to vote for H. R. 4009. Never have we experienced so contemptuous a regard for the motives of our governors, mayors, and other local officials throughout the country, of all the major veterans' and labor organizations, of the church groups—Catholic, Protestant, and Jewish—of the women's organizations and of all others who have supported and worked for this legislation.

I find it hard to believe that realtors throughout the country subscribe to this expression of contempt but there it is, in black and white, in their official publication over the signature of the man who has been their principal paid executive for as long as most of us have known anything about the organization.

Mr. Speaker, I know that there are Members of this House who will conscientiously vote against this legislation, after a full consideration of the facts. But I hope that no Member will be swayed by the misrepresentations and distortions which stem from a source so utterly contemptuous of the motives of the Members of the Congress, of conscientious public officials, and of citizens throughout the country who sincerely feel that H. R. 4009 offers the best solution to the disgraceful housing conditions of several million American families.

Aid to Education

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. SHAFER. Mr. Speaker, under leave to extend my remarks, I include the following editorial from the Detroit Free Press:

THE STATES' OBLIGATIONS—EDUCATION

The United States Senate recently passed and sent to the House a bill appropriating $300,000,000 to aid the States to support their public-school systems.

The measure has long been advocated. Similar bills in the past have died in the House. The fate of this one is not known.

The Federal aid-to-education bill has much to be said in its favor—and much that honestly can be said against it. In one way it is not unlike the administration's socialized-medicine bill, although it does not go nearly so far.

The chief basis for comparison is that no one will seriously object to the ultimate goal the education bill seeks to attain. But there is, legitimately, a wide difference of opinion whether the means to obtain that end are in the best interests of the Nation.

Already the education bill has been branded socialistic. But in answer to this, the measure's proponents—not all of whom are by any means Socialists—point to the dire plight of the Nation's school systems and the urgent need to establish proper educational standards for all children.

The bill allots the money to the States on a formula basis which is the chief bone of contention. But after the money is distributed, the States handle it without further strings attached. To that extent, there is not much soundness to the cry of socialism.

But the afore-mentioned formula is something else. The money would be given to the States on the basis of need. The rich States would contribute for more than they will receive back. The poverty-stricken States, mostly in the South, would benefit out of all proportion to what they contribute.

Michigan, for example, will pay about $11,000,000 in taxes toward the $300,000,000 fund, but its share in the distribution will be only an estimated $6,750,000.

On the basis of this formula, it would appear that those States which already are doing the most to maintain educational standards, would be penalized for their sacrifices and efforts.

Not only would the people of Michigan have to continue to support their own schools, but the taxpayers of this State would have to contribute an additional $5,000,000 to help support the public schools of Georgia. The formula would give Georgia $8,358,000 for its contribution of $3,585,000.

The Michigan taxpayer, aware of the constantly growing demand upon him to maintain his own schools, which certainly are not wallowing in wealth, can be expected reasonably to ask why we of this State should send $5,000,000 to Georgia. That amount of money would help to balance our own needs.

Of course, this money is Federal money, derived from the income and other taxes which Washington puts on us.

Nevertheless, no matter who draws the taxes, Federal, State, or local government, they come out of the pockets of the people.

The question then is, Can the States which pay more than their own way continue indefinitely to support their weaker sisters without a deterioration of the services which they render to their own people?

Another question: Are the poorer States really so poor, and are they doing all they can?

The answers must largely determine whether such legislation as the Federal education bill is really justified.

There is another aspect of the matter. That is the trend toward federalization, substantially helped along by this type of bill.

Are the sovereign States to surrender their sovereignty and let the Federal Government do their thinking—and spending—for them?

On the other hand, we all know that times have changed, that State borders mean less than they did once. Illiteracy in Mississippi may have a costly effect upon Michigan. It may be, that under present-day circumstances, the national interest is primarily the interest of the States.

The dilemma is one to trouble the most ardent partisan.

Why Democracy Works

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. KEATING. Mr. Speaker, the Benevolent Protective Order of Elks is conducting a national contest among the secondary-school young people of the Nation to select the author of the best essay on the subject Why Democracy Works.

Through the courtesy of Edward W. Walsh, the exalted ruler; Frank M. Miller, secretary, and Edward I. Cristy, prominent attorney and chairman of the awards committee of the Rochester, N. Y., Lodge, No. 24, I have been furnished with the four winning essays in the contest in which the young people of the public, private, and parochial schools in Rochester and vicinity participated.

The awards were made as follows: First, Kay Curran, senior at Nazareth Academy; second, Arnold Goldman, Monroe High School senior; third, Madeline Panepinto, Livonia High School junior, and fourth, Gerald De Coursey, junior at the Rochester School for the Deaf.

The fine content of these essays and the alert patriotism and high devotion to the ideals of democracy which they evidence merit their inclusion in the CONGRESSIONAL RECORD.

I know I voice the sentiments of my colleagues when I extend congratulations to these young people and also to the officers and my brothers in the Rochester Lodge of Elks for their praiseworthy activity in promoting the dissemination, particularly among our young people, of a true conception of the blessings enjoyed under our democratic system.

WHY DEMOCRACY WORKS

(By Kay Curran, Rochester, N. Y., Nazareth Academy)

Democracy is a huge factory of freedom. From its smokestack curls the invigorating air we breathe—liberty; from its assembly line come products necessary for life—the Constitution, Bill of Rights, United Nations Charter. But first and foremost come the stockholders and employees who make it work—the American people.

Stockholder Thomas Jefferson requested equality for all men. Noteworthy among those who worked for that equality is Jackie Robinson, the first Negro to be accepted as a big-league ballplayer. Stockholder Peter Zenger fought with a mighty pen for a free press. As an employee of Democracy, Inc., Horace Greeley used this freedom in editing the New York Tribune. Our founding fathers invested stock which still pays dividens today—a living constitution.

Like all other factories, Democracy, Inc., has had its ups and downs. Take, for example, the strike of 1861. Some of the employees were dissatisfied and decided to set up their own factory, the Confederacy. Ably did President Lincoln guide the men back to work under one flag, that of the Union. In addition, Mr. Lincoln gave both the North and the South a new coworker, the Negro.

The personnel director of Democracy, Inc., could name countless others who make democracy work. People like Harry Truman, the little man with the "fair deal" or Jesse M. Donaldson, who worked his way up from letter carrier to Postmaster General. Perhaps the personnel director would smilingly admit that women were "O. K." when he mentioned Clara Barton or Ingrid Bergman.

To its stockholders this corporation of democracy pays dividends. World War II veterans invested with sweat, blood, and yes, even death. Democracy, Inc., paid them with more than silver stars and purple hearts. It helped the veteran to further his education under the GI bill; it built homes for the ex-soldier and his family; it remembered the sailor who gave his life by giving insurance shares to his family.

Behind the gigantic wheels of our machinery are the moms and dads of America. Dad is the man with the lunch box tucked under his arm and mom is the one who fills it with ham sandwiches and chocolate-chip cookies. Dad buys socks for the family and mom

mends them. Dad builds the house and mom makes it a home.

But how does our democracy factory compare with totalitarian competitors? Little Susie can fall asleep without hearing a Gestapo soldier pacing to and fro; Johnny can have a sandwich and a glass of milk instead of a stale crust and a sip of Russian rain water; J. PARNELL THOMAS will be tried by impartial equals and not by a bigoted Hungarian jury.

As we make an inspection tour about the factory we can see democracy working. MARGARET CHASE SMITH discusses a bill on the Senate floor; Arthur Godfrey keeps America happy via the air waves; Mark Sullivan expresses his opinion in a free press.

As we leave the factory we experience a twofold sense of accomplishment and challenge. Whether our job is that of student, lawyer, mother, doctor, or technician we look back upon democracy incorporated and see the stars and stripes that glisten in the sun and hear the martial music that fills the air. Most of all we feel what makes democracy work—the American people with their shares of toil, vision, determination, and ideals.

WHAT MAKES DEMOCRACY WORK

(By Arnold Goldman)

What makes democracy work? Why has it been such a successful force in leading the world out of chaos and strife? Why has it made our Nation the greatest in the world? I think that the answers to these questions are based on the concepts of democracy which a person has, and I should therefore like to explain my concepts of democracy, and why it has worked so well.

Our form of democracy is based on the scientific method. That is, it is based on past experiences, adapted to the needs of the present. The men who have attempted to advance the cause of democracy have taken the errors and solutions of the past, and have attempted to incorporate them into a living, democratic way of life. We are also able to recognize the ills of our society; and do all that we can to improve them. We realize that the only way to cure the ills of democracy is by using more democracy, in the form of reducing poor living conditions, and aiding the needy. That's what makes democracy work.

Democracy is an outgrowth of the Christian-Hebraic code of ethics. It teaches the equality of men, and the fact that there should be equal rights and privileges for all. It demands the guaranty of these rights to every citizen, regardless of race, creed, sex, or religion. Through the teachings of democracy, we attempt to understand the different racial viewpoints of the various elements which come into our society. We try to rid ourselves of prejudice toward those who come to us from foreign countries, and appreciate their contributions. We know that we must respect the spiritual law as well as the man-made law, or our civilization will fail. That's what makes democracy work.

In America, we realize the value of education as a means to peace through understanding. We have seen that force is not the best means for achieving a goal, and that force leads to distrust and rebellion. We have substituted education for force, knowing that education breaks down prejudice and superstition. Our educational system is a free system, and is not subject to the censorship of an autocratic government. That's what makes democracy work.

The citizens of our land enjoy the benefits of freedom. They are not hampered by Government censorship or restriction, but are able to speak, gather, and worship as they please. Each individual is guaranteed individual liberty, but not the liberty to oppress a fellow man. We are all given rights and privileges, but not without a related responsibility—a responsibility for loyalty to the ideals of American citizenship. The absence of Government tyranny has led to the development of some of the finest men in the history of the world. It has made America the greatest industrial nation in the world. It has truly rooted democracy in this country. That's what makes democracy work.

One of the most excellent concepts of democracy is: "That it is the ability of men to govern themselves, motivated by good will." We firmly believe in participation in government—all of us, regardless of faith or nationality, must get together to solve the world's problems. In democracy, we pool our judgment and come together through an exchange of ideas. We know that democracy is the outcome of the work of many individuals, and that we must all take an active interest to insure its success. Democracy is a force in which everyone can participate, and in which everyone should participate. This means that democracy recognizes the value of every individual, and counts on each of its citizens to make it a success. Each of us has a distinct and important role to fill in the national and world scene. We must contribute the best of us to win the peace. Democracy asks this of us to make it successful. That's what makes democracy work.

All of these factors have made democracy a working, successful force. They have made of it, a pattern for the rest of the freedom-seeking world to follow. They have made it a symbol for a successful way of life, both socially and politically. They have made it a guiding light, which, I am sure, will lead the world and our country toward peace and prosperity.

WHY DEMOCRACY WORKS

(By Madeline Panipinto, Livonia, N. Y.)

The growth and development of America has been due, in large measure, to the fact that the young country opened its gates to people of all racial and religious differences. Out of these differences has grown the toleration that is a characteristic of democracy. And the part these people played in making American democracy is the proof of the success of the melting pot. Not all our people are equal in ability, but there is a place for all able and willing men and women in our national life. American democracy still means opportunity.

Henry Adams once said that the action of a government can be judged only by its intent. Good intent is a feature of good character. Thus, in a democratic government where the will of the people is the final power, the intention of the government rests upon the collective character of the people. If that character is built on fairness, toleration, and justice, these qualities will direct the actions of the government. Democracy needs the mature individual, and only in a democracy can the individual develop the dignity of which man is the heir.

The great mass of American workers are laborers in shops and factories. For this group, as indeed for all workers, political and social democracy is basically a part of that economic democracy of equal opportunity in the business world.

In America individual liberty and right to a livelihood are derived from the Constitution. Civil liberty, equality of economic opportunity, equality before the law, the right to hold and dispose of the just gains of one's labor or skill are fundamental American rights and constitute the foundation of our whole political and social system.

American democracy differs from every other form of democracy that the world has seen, in that the sovereign people, while framing the Federal Constitution, reserved to themselves all rights not specifically delegated to their Government, and set up courts of justice to protect the humblest individual from interference with its privileges and rights, even by the Government itself. It recognizes the institution of private property, but demands that all property shall bear its just share of the expenses of Government; it recognizes that its safety and perpetuity rest upon the education of all its citizens. It is a Government by public opinion in which honesty and fair play are recognized as fundamental to lasting success. It guarantees to every individual the right to his own religious opinions and believes in and adheres to the principles of the total separation of church and state.

Public opinion is the basis of authority in the democratic state. In a democratic society, government is controlled by the will of the people. If the people are to form sound opinions we must not permit the sources of information to be controlled for selfish purposes. Free speech and a free press are weapons by which free people can defend their freedom. The ideal of democracy requires that the laws made with the consent of the people be obeyed by the people. Democracy attempts to achieve a rule of law, not of men, in which the rights deemed natural to man have been set up as legal rights.

Democracy and totalitarianism are completely opposed, not merely as forms of government but alas, and more fundamentally, as ways of living and thinking. The basic difference lies in the attitude of each system toward the individual. Democracy recognizes the natural dignity and worth of each individual. It holds that the state exists to promote the welfare of individuals. Totalitarianism holds that the individual has significance only as he serves the state—that in himself the individual is nothing.

Because democracy respects the individual, it sets up safeguards to protect certain essential rights of the individual. It guarantees freedom of speech, of the press, of religion, of assembly. It upholds the right of every man to be secure in his own home, which the officers of the state may not invade except with a warrant issued upon legal grounds. It declares that no man shall be condemned without a trial, nor shall anyone be deprived of life, liberty, or property except for proper cause and through legal process. It holds that all men are equal before the law, regardless of race or creed. It believes that men should control their government through elected representatives. These principles are recognized as the supreme law of the land and no officer of government has the power to set them aside.

Totalitarianism, on the other hand, recognizes no rights of the individual that the state cannot set aside. It does not hesitate to use cruelty and barbarism against anyone who questions its policies. It claims the sole right to decide what shall be published, or communicated over the radio, or taught in the schools. It admits no limitations on its power over the life, liberty, and property of the individual, and recognizes no rights that cannot be set aside by decree of the head of the state. It interferes with or suppresses the practice of religion. They hold that there must be one leader with supreme power because people are not capable of self-government. They do not believe that all races and creeds have equal rights, and they have fanned the flames of race hatred and have persecuted minorities. It is plainly seen why democracy works.

Democracy and freedom are primarily ideas. Their existence is in the minds and hearts of men, and when they cease to have a place there, no political institutions can preserve them and no institutions based on them can survive. Democracy is an essential part of American culture, and this gives us faith in the survival of American democracy and in its ability to meet the demands made upon it and adapt itself to changing conditions. It can only do so, however, if we really believe in it, practice it, and seek to apply it in the solution of our national problems. The responsibility for making democracy work rests upon each of us.

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WHY DEMOCRACY WORKS

(By Gerald De Coursey, Rochester, N. Y.)

Democracy works because it is the best kind of government under the sun. It is the will of the people and it is the only form of government established since the beginning of time which gives every man a fair, square deal and allows him the right to live his life as it should be lived.

Democracy is not young. It was first introduced in ancient Greece where it flourished for several centuries. With the decline of Greecian dominance in the old world, the torch of democracy was passed on to Rome. In Rome it dimmed out until it had a rebirth in Italy during the age of the Renaissance. From that time on, it never dimmed out and became firmly established in America in the eighteenth century.

In America, democracy has flourished for about two centuries. It has brought America untold wealth and prosperity which might be termed, the Golden Age of America. It seems plausible that democracy must have something extra special, something that no other form of government can offer or approach.

The rewards of living in a democracy are many. The welfare of the common man is the foremost thought of the government. The laws made in our Congress are those which protect and insure the safety of each and every law-abiding citizen. In democracy every man has great respect and honor for his government because the knows it is for him. He knows that in America there is no one superior to him, that he is as good as the next man. There is a feeling of brotherhood in every true American. That in itself is what makes democracy a really fine government. No good American is an anti-Semitist or an anti-Negro because he knows that in order to make democracy work, all men must be treated as they really are—equal. Each man is capable of doing as good a job as the other and the true American is the one who realizes it. Washington put it, "To bigotry—no sanction. To persecution—no assistance." That sums up the feeling of every American.

Democratic government meets the needs of the people as a whole, gives them security against the dreaded scourge of war, enables every man, regardless of his race, the right to develop his resources, to worship God in his chosen way, and to live his life as he wishes, as long as it does not hinder that of his neighbor.

In such a government can man go forward. Under such circumstances can man really develop his resources. Thus, in such a government where the rules of living are set down by the individual himself, can man find happiness. Only here where such benefits are open to the common man, the individual, is the life of each person capable of coming as close to perfection as is humanly possible.

Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. HENDERSON LANHAM

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. LANHAM. Mr. Speaker, under leave to extend my own remarks in the RECORD, I am including an editorial which appeared in the Atlanta Journal of Atlanta, Ga., on May 10, 1949, entitled "Federal School Aid Not a Gravy Train."

I agree wholeheartedly with this editorial and while I am very much in favor of Federal aid for education, I think the law should make it impossible for the States to cast the whole burden on the Federal Government.

FEDERAL SCHOOL AID NOT A GRAVY TRAIN

A very wise feature of the Federal-aid-to-education bill, which was passed last week by the Senate and is now awaiting action by the House, is that it will encourage the States to do their utmost to help themselves. A State that rests on its oars because Federal money is pouring into its coffers will only penalize itself.

The bill authorizes $300,000,000 annually to assist in establishing a foundation program of $50 per child of school age in each State. No State will get less than $5 per child, but the program is heavily weighted in favor of the poorer States. In computing the amount to be received the first year, the administrators will multiply the number of children by $50. This figure will be compared with 1 percent of the State's income payments over a 5-year period. The difference between the two figures is the amount of Federal aid.

Thus the State of New York would receive $5 per pupil and the State of Mississippi $29.18, to take two extremes. The total spent per child by those States would then be $235 for New York and $84.50 for Mississippi.

But after the first year the bill, in its present form, will penalize States that spend less locally for education than the government thinks they should. If a State and its political subdivisions together pay out less than 2.25 percent of their income payments during each of the first 2 years, Federal aid is cut in proportion. After the second year, the ante is hiked to 2.5 percent. And if State plus local effort falls below 2 percent after June 30, 1952, then the State in question gets its Federal aid slashed to $5 per child.

A table inserted in the CONGRESSIONAL RECORD last week showed what the bill's incentive proviso would mean for Georgia. The table gave the percentage of average income payments that each State spent for education in 1945–46, as against a national average of 1.82. Nine of the 16 Southern States made efforts equal to or above the national average. Georgia fell below, with 1.52, while South Carolina was above with 2.17 and Alabama with 1.90.

Thus the influx of Federal money for education will not mean that Georgia and other less wealthy States can relax their efforts. On the contrary, they will profit only in relation to their zeal in helping themselves.

Federal aid to education is not a gravy train.

First Quarter Shows Corporation Profits Up Another 7 Percent

EXTENSION OF REMARKS

OF

HON. HUGH B. MITCHELL

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. MITCHELL. Mr. Speaker, the following compilation published in the Machinist, the publication of the International Association of Machinists, throws light on two questions, namely, the relation of profits to wages, and the relation of profits to depression so many business publications are talking about:

FIRST QUARTER SHOWS CORPORATION PROFITS UP ANOTHER 7 PERCENT

The daily newspapers have printed a lot about labor's four rounds of wage increases. This week the Machinist dug into the facts to see how the four rounds of corporation profits compare with the wage increases since the war ended in 1945.

Returns on the fourth round profit increases are tentative, of course. Corporation financial reports for the first 3 months of the year show that business profits are running about 7.2 percent above the all-time record profits of 1948, according to the Wall Street Journal, a conservative newspaper. The record increases in corporation profits for 1946, 1947, and 1948 were furnished to the Machinist by the Federal Reserve Board.

How much labor will get in fourth-round wage increases is not yet clear. That will depend on the outcome of union negotiations now in progress. The record on increases in average weekly earnings was supplied by the Bureau of Labor Statistics. The average weekly earnings for the year shows, better than hourly wage rates, how the average workingman's family has fared since the war. It is the hourly wage rates, not these weekly earnings, that are usually reported in the daily newspapers.

Here is the record of four rounds of profit and wage increases:

First round: Corporation profits after taxes went up 43 percent from $8,300,000,000 in 1945 to $12,800,000,000 in 1946.

The average weekly earnings of men and women who work for a living in private, nonagricultural industries increased 4 percent, from $44.86 in 1945 to $46.93 in 1946.

Second round: Corporation profits after taxes increased 40 percent, from $12,800,000,000 in 1946 to $18,000,000,000 in 1947.

The average weekly earnings of men and women who work for wages went up 10 percent to $51.58.

Third round: Corporation profits after taxes went up 15 percent from $18,000,000,000 in 1947 to $20,800,000,000 in 1948.

The average weekly earnings of men and women who work for wages went up 7.7 percent to $55.55.

Fourth round: For the first 3 months of 1949, corporate profits after taxes went up 7.2 percent over the same period of 1948.

The average weekly earnings of men and women who work for wages went up 3.3 percent to $57.38.

On all of the first three rounds, IAM members fared considerably better than the average reported by the Bureau of Labor Statistics for all wage earners.

General Pick Testifies

EXTENSION OF REMARKS

OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. BURDICK. Mr. Speaker, before the House Public Works Committee this morning—June 1—Wesley R. Nelson and Kenneth F. Vernon, of the Bureau of Reclamation, testified; as did Mr. W. G. Sloan, who fathered what is now known as the Sloan plan for the development of the upper Missouri River Valley.

These three witnesses said that up to the time the law was passed authorizing the dam, Public Law 534, that the water pool was always fixed at 17,000,000 acre-feet in the Garrison Dam. That was the capacity recommended by the Army engineers themselves; in House Document 475; that was the size of the pool as contained in the joint agreement reached between the engineers of the

Army and the engineers of the Bureau, Senate Document 247. There was nothing said about an 1,830- or an 1,850-foot water level. But the testimony is before the committee that a water pool of 17,000,000 acre-feet means a pool approximately 1,830 feet above sea level, and that a 23,000,000 acre-foot pool means an elevation above sea level of approximately 1,850 feet.

All three representatives of the Bureau of Reclamation testified that they had never agreed to an increase in the impounded waters. That so far as they knew the water pool was still 17,000,000 acre-feet.

Then the blustering General Pick appeared, who had as much time as all three representatives of the Bureau of Reclamation. He said he had planned the whole thing and that he always had in mind an elevation of 1,850 feet, but none of the documents before the committee mention 1,830 or 1,850. He, in substance, said all the witnesses from the Bureau did not tell the truth and inferred that he was the only honest witness. He harped on the fact that the height 1,830 was never mentioned in any of the reports or at the time of the agreement found in Senate Document No. 247. He should have said, if he were honest himself, that neither was 1,850 mentioned. He did admit that in his own report, the impounded waters recommended by him was 17,000,000 acre-feet. But he said that after making his report in House Document No. 475, he had found 6,000,000 acre-feet more water, and that the pool therefore would be 23,000,000 acre-feet instead of 17,000,000—that discovery of this has caused all the trouble in North Dakota about the height of this dam.

He says that the agreement reached between the engineers and the Bureau had since been changed. The Bureau says it was not changed and remains today as it was in that agreement.

Pick then read from some minutes of a meeting in Omaha by a secretary of the meeting that all hands agreed to an 1,850-foot-water level. That is the first time that this elevation of 1,850 appears in any of the documents. No agreements were entered into—no papers were signed—the Bureau did not agree to a 1,850-foot level, and signed nothing to that effect. But still General Pick says the agreement was changed and that anybody who says it was not is—in substance—a liar. General Pick, while testifying, showed just what he is—arrogant, bullheaded, and determined to have his own way, and that anyone who interferes with him is to be classed in the same category as he had put the representatives of the Bureau of Reclamation.

He said he had tried to tell the people at Williston that he would put dikes around the town, around the railroad, and around the three irrigation projects, but he said that when he said the people of Williston would have to live behind dikes, someone said, "Let's go to lunch," and the meeting broke up.

His reason now for increasing the water pool, among other things, is that he has acquired 43,000 acres of the 100,000 of additional lands to be flooded, because he wants a pool 20 feet higher. He did not tell the committee that under the law, he had no authority to buy that land, and that all of these transactions are illegal; and that he can be held personally liable for spending this money. I presume it will do no good to call this to his attention further, because he will probably call anybody who says he had no right to buy this land "untruthful."

Well, it will be a wonder if this general name caller is not hailed into court to answer for his personal doings regarding this dam. Apparently law means nothing to him. His unbridled boldness is amazing, and it may be that from his fertile brain more water will be found and that a water pool of 30,000,000 acre-feet may be constructed. Nothing so far has stopped him. If he can drown out an extra 100,000 acres, he can just as well make it 200,000 or 300,000.

Do the people have no say? Does Congress lack the fortitude to check him? Will the people whose homes he ruthlessly intends to destroy have to resort to expensive court litigation because of him? I think the issue is well drawn—are the people of this country running this Government or has that function been arbitrarily assumed by an Army general?

New Order in Germany

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following excerpt from the March 1949 Newsletter of Julius Klein, of Chicago, Ill.:

NEW ORDER IN GERMANY

German industries displayed their progress here in the United States a few short weeks ago, and the furor over this event overshadowed a more important occurrence. The vesting of control of the Ruhr, Germany's arsenal of war, in the hands of 12 Germans. Overlooked too were the ominous reports from Germany dealing with the resurgence of German nationalism and nazism. On January 24, 1949, for instance, the New York Times reported that "most of the former managers in factories, mines, and banks are again in positions of influence." On April 27 Gen. Telford Taylor, American chief counsel for war crimes' prosecutions at Nuremberg, said that there is a "resurgence of militant nationalism." That is why the appointment of the 12 German trustees assumes such an importance.

Selection of the trustees was made by Dr. Hermann Puender, chief executive of the Bizonal Administration, who himself has quite a record. Throughout World War II he distinguished himself by outstanding services rendered to the Nazi cause. Promoted to lieutenant colonel in the German Army, and placed in charge of the Division 3H Abwehr of OKW—the German High Command—his duties were to devise ways and means of fighting the British and American psychological warfare. Dr. Puender's role was the equivalent of a party commissar in the Russian Army.

Faithful to his ideology, Dr. Puender, when asked to select the German officials to operate and administer the giant Ruhr industries, turned to the real masters of the Ruhr—the Nazi economic war lords. As the best man to run Ruhr industries Dr. Puender appointed Dr. Heinrich Dinkelbach of the notorious Vereinigte Stahlwerke, which did so much harm to the United States interests, even before the war. Who is Dr. Dinkelbach? A member of the Nazi Party since 1929, throughout the Hitler regime he was the paymaster for the German steel cartel. His duties were to get as many orders as possible from the Nazi regime for his steel combine, and in return he contributed 50,000,000 marks to the Nazi Party chest. Shortly after the downfall of Germany instead of being arrested for war crimes, he was appointed by the British as trustee for the German iron and steel industry. Simultaneously his son, who was a major in the SS, was released from his prison camp in Great Britain and returned to Dusse'dorf to help his father run the German steel industry. No wonder the New York Times of March 20, 1949, reporting the selection of the 12 German trustees had the following comment to make: "With the exception of Dr. Dinkelbach, the trustees are regarded by many occupation authorities as innocuous."

No less significant is the selection of another trustee, Herbert Mondon, formerly of the Herman Goering combine. Before the war Dr. Mondon was vice president of the iron and steel association whose task it was to coordinate Germany's heavy industry for war. These appointments seem to indicate that the German cartels are being strengthened, rather than abolished, as is demanded by law No. 56. In their anxiety to set up Germany as an independent state, the Western Powers evidently have lost sight of the cardinal principle that to give back to a recently conquered country the means to prepare for another war means disaster.

What Is an Un-American?

EXTENSION OF REMARKS
OF
HON. EUGENE D. O'SULLIVAN
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. O'SULLIVAN. Mr. Speaker, in this day and age, in the great and glorious United States of America, almost everyone of us has his own idea as to what it takes to be labeled as "an un-American." Big business with its credo of free and unbridled capitalism and its great hordes of "kept men and women," "kept newspapers," "kept periodicals," "kept pamphleteers," and other "kept sheets," with the jarring voices of overgrown and over-glutted scavenger birds rave that every progressive, humanitarian, and constructive measure is socialistic, communistic, paternalistic, or statistic, and hence un-American, and that every forward-looking, liberal-thinking American is un-American. They claim that they are the oracles that are privileged to blither and rasp the truly American doctrine. They proclaim now and have proclaimed throughout the years that liberals are left-wingers.

I do not claim that I am an authority on the subject, but it has occurred to me, as I have thought this matter over that the two groups endeavoring to mold wrongly the political thought in our Nation today, are the extreme left-wingers and the extreme right-wingers,

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and of these two groups the most dangerous one, in my opinion, is the extreme right-wingers. I venture to say right now that if the Government of the United States of America is ever overthrown it will not be by the weak and crude extreme left-wingers, but it will be by the strong and slippery extreme right-wingers. These extreme right-wingers are to be found mostly in the ranks of big business, and their "kept" ilk. Their "whitened sepulcher" approach, their knavish hypocrisy, their feigned reverence of God and love of all of his children, plus their money, and the power which their money gives them with those who place the dollar sign above the welfare and the best interests of our country and its people, makes them all too dangerous for the present good of our country.

I believe that it was a move in the right direction to have a congressional committee appointed to probe the plans and doings of left-wingers, but why has no congressional committee been appointed to probe the plans and doings of this other more dangerous group of right-wingers, who seem to control so many organizations, public servants, and people of wealth, brains, social standing and influence.

My statement that the most dangerous group in America is the extreme right-wingers may shock many people in this country but it is the truth nevertheless as every extreme right-winger in these United States of America well knows.

Certain reliable sources have informed me that a well organized 10 percent can control or rule in any meeting, or any election if their real purposes remain concealed, and that the total of the extreme right-wingers and left-wingers in the United States of America today does not exceed 20 percent of the population. That means that this ignoble 20 percent are seeking to control the unsuspecting 80 percent of the population of our country.

More chaos has been created in the United States of America to date by extreme right-wingers than extreme left-wingers. What the extreme left-wingers have planned to do and have done against the best interests of the Republic has been exposed pretty well up to the present time, but no exposures, however, have been made of what the extreme right-wingers have planned to do and have done against the best interests of the Republic, and it is now high time that some committee be set up to do this very thing.

Some of the things which the extreme right-wingers have done which are against the best interests of the Republic, in my opinion, are these:

First. They have endeavored to make the great free press of the Republic an unfair, one-sided press and a mouthpiece for their selfish, ignoble desires.

Second. They have hired and continued to support financially so-called news commentators in order to endeavor to mold public opinion to conform with their Fascist theories of government.

Third. They have by their investments endeavored to gain control of the air waves and pervert the radio to their most unholy cause.

Fourth. They have organized and supported and now support tremendous lobbies.

Fifth. They have tried to carry their sinister cause to the people, and are seeking to overthrow government by the people with government by propaganda, by fomenting silly and fruitless balloting on vital questions after they have lost an election, without giving the persons so voting both sides of the questions sought to be answered.

Sixth. They have organized illegal trusts, combines, and cartels, and have conspired to do many other things to mulct the people, such as conspiring to raise the prices of commodities, increase rents all out of line with real rent values, and gouge the people in many other ways out of their surplus money.

Seventh. They have endeavored to hamstring public power and other efforts to bring other public musts to the people.

Eighth. They have indulged in labor-bating tactics and purposely provoked labor discord and strikes.

I have neither the time nor the inclination to enumerate all of the wrongdoings of the extreme right-wingers, but suffice it to say that what our Republic needs most now is not a good 5-cent cigar, or a nickel beer, but bigger and better men in our United States and State penitentiaries, and a proper congressional committee could make the task easier for the prosecuting authorities, and do the greatest possible good for our beloved country at this time.

Since I have been in Congress I have heard much about the past doings of the un-American Activities Committee. I think it was right to reshuffle its membership and take the witch-hunting men and technique out of it.

Lately I was horrified to read from the writings of one Gerald K. Smith the statement that he had personally approved the membership of that old committee, so, if this be true, I am doubly happy that the committee does not now exist with its old personnel in the saddle.

One of the best manuscripts I have read on the subject What Is An Un-American was a sermon delivered by Rev. A. Powell Davies, D. D., on Sunday, January 2, 1949, at All Souls' Church, Unitarian, Sixteenth and Harvard Streets NW., Washington 9, D. C. He gave me permission to insert same in the CONGRESSIONAL RECORD, and it is as follows:

WHAT IS AN UN-AMERICAN?

A few weeks ago, a committee of the United States House of Representatives released a pamphlet entitled, "100 Things You Should Know About Communism and Religion." It was one of a series of pamphlets, the titles of the others being, 100 Things You Should Know About Communism in the U. S. A., 100 Things You Should Know About Communism and Labor, 100 Things You Should Know About Communism and Education, 100 Things You Should Know About Communism and Government.

This made 500 things in all—which is not too many to master if one is a diligent student; and the committee is certainly to be congratulated upon discovering that the questions and answer fall so naturally into classification each of which contains precisely 100 items.

Unfortunately, however, the pamphlets have not given universal satisfaction. The one on Communism and Religion, for instance, has caused considerable pain among religious leaders, some of whom have spoken very sharply in condemnation of it. They have also condemned the committee itself, disapproving of its methods and doubting some of its conclusions.

What is the issue between the churches and this committee?

By its own account, the committee is trying to save the churches from something: Indeed, not the churches alone, but the entire Nation. And although in the pamphlets this something is limited to communism it is not a prescriptive limitation, since the title of the committee is quite general and refers to un-American activities. The first question to be settled, therefore, is one of definition. What is an un-American activity? And if a person who engages in such an activity is in some sense an un-American, what does it mean to be an un-American.

In trying to find a context for these questions, I found myself wondering how a similar adjective would sound if applied by some other nation. What, for instance, would be an un-French activity, or an un-Peruvian activity, or even an un-Eskimo activity? Would we take it as a matter of course if in Sweden, for example, there were set up a Committee on Un-Swedish Activities? Or (to come nearer home) in Canada, a Committee on Un-Canadian Activities. I found these comparisons revealing: The word "un-American" quite evidently had a different connotation: And it seemed to be not only a more extended connotation but one different in kind—or at least partly so.

I asked myself what countries might have such a committee, and I could not help noticing that a Committee on Un-Nazi Activities would have sounded quite natural under Hitler; and so would a Committee on Un-Communist Activities be unsurprising in the case of Soviet Russia. And the reason, of course, is not obscure.

The word "un-American," like the words "un-Nazi" or "un-Communist," has reference not only to a national territory and the national system located upon it, but to the whole contested territory of ways of life and to the struggle between systems of ideas. Americanism is opposed to nazism and to communism not only because the United States as an inhabited country is threatened by these movements but because Americanism is a rival movement.

As Justice Oliver Wendell Holmes once put it, "Not by aggression, but by the naked fact of existence, the United States is an eternal danger and an unsleeping threat to every government that founds itself upon anything but the will of the governed." In other words, unlike most other countries, the United States by its very nature is a world influence, a world force.

I do not say that the House o. Representatives, in appointing the Committee on Un-American Activities, had this significance in view. But I do say that the name would have sounded awkward and impossible unless such a significance, whether understood or not, had been conferred by history. And therefore, it would not have been proposed or allowed.

But here, surely, is the very matter that we must explore. To know what the word "un-American" means, we must know what the word "American" means, and since it evidently has a meaning indicated by a special history, we must ask what this history is.

Nor can we find another starting place, so far as I can see. If it be said that an American is simply a person born in America, then clearly, since he cannot be born all over again somewhere else, he can never be anything but an American, no matter what his

activities. Nor can his activities, whatever they are, be other than American, for American activities, on this rendering, would be any activities in which a person born in America cared to engage, and such a person, no matter what he did, could not be justly accused of un-American activities.

Nor, unless we wish to indict the Roman Catholic hierarchy, can we simplify the question by defining un-American activities as activities controlled by a foreign state. For the Roman Catholic hierarchy is controlled by the Vatican and the Vatican is a foreign state.

It is the same if we think of un-American activities as friendliness to a foreign revolutionary movement. Thomas Jefferson was friendly to the French revolutionary movement, at any rate until its excesses shocked him; and yet it is difficult to think of this as in itself an un-American activity; or of Jefferson as un-American.

It is obviously not a matter, then, of any of these simplified approaches. It must be something in the realm of ideas, something that tests behavior by a standard supported by ideas, and thus something that has a history.

What is this history? It began with the fact that the Nation itself was founded upon a particular inheritance, and took its rise under circumstances likely to encourage the influence of this inheritance. As to this last fact—the extent to which the United States would be in a special position in relation to the rest of the world—it was foreseen even in the earliest days, as, for example, by de Tocqueville, and by Horace Walpole, who wrote from England (in November, 1774, to Sir Horace Mann, in Italy) that the next Augustan age will dawn "on the other side of the Atlantic," whence visitors would some day come to see the ruin of European cities. Or the poet, Shelley, who wrote in 1818 that America would be

"An epitaph of glory for the tomb
Of murdered Europe."

But what was the inheritance?—the distinctive national inheritance transmitted through our early history? It came from non-conformist English Protestantism, and from the philosophy of the natural rights of man as developed by John Locke, and from the supremacy of reason and justice declared by Voltaire, and from the French philosophical movement that followed: so that American democracy, as Irwin Edman has put it, is a "union of the ideas of natural justice and natural rights * * * The notion of justice was classical and French; the concept of liberties was revolutionary and English."

It was the ferment of these ideas that evolved the principles avowed in the Declaration of Independence: The principles of equal liberties and equal natural rights. It was from these ideas, carried into action, that the American Revolution came, and the Constitution, and presently and very importantly, the Bill of Rights. Nor is the further evolution of these ideas to be marked only by such figures as Jefferson, Jackson, and Lincoln, highly significant though they are; it was not only "government of the people, by the people, for the people"; it was also Emerson's doctrine of the sacredness of the individual: The doctrine that has sometimes been called "the citizen as soul", and it was Whitman's song of the citizen as brother and comrade. And the vision of all of them that America had a mission for the world.

If we suppose—and sometimes it is supposed—that all this is a matter only of what Americanism came to be in the minds of outstanding national leaders, we are far astray. Not only did the people accept these leaders and come to venerate them, thereby authenticating the Americanism thus exemplified, but, as documented by such writers as Professor Gabriel,[1] even in the early nineteenth century there was scarcely a July Fourth utterance that did not exalt the American mission "of being a beacon, a God-given beacon, showing to the world what liberty might mean to the whole human race."

It is in this history, then, that we begin to see what the word "American" means. And it is from this that we see how, even from the beginning, the new Nation has been a potent world influence, challenging all humanity with the revolution of the rights of man.

If we are to define un-American activities, therefore, we must define them as everything whatever that hinders the advance of liberty under the law, or that betrays the equality of human rights, or that transgresses the freedom of the individual conscience, or profanes the sacredness of human personality. We should have to define as un-American all impairments of civil rights, all discrimination on account of race or creed. And we should have to identify as un-American whatever threatened not only the material security but the spiritual influence of the United States as a nation whose mission to the world is indicated in its founding principles.

And this, of course, if we want to know what un-Americanism is, is only a beginning. But it has to be confessed, I am afraid, that the House of Representatives Committee on Un-American Activities has not got very far in this direction. Indeed, if one may be forgiven for being candid in so important a matter, a doubt arises at times as to whether the members of this committee are much imbued with American history. The impression is occasionally almost irresistible that some of them believe that the United States was founded rather recently and more or less in their own constituencies, the founding fathers being perhaps the local chamber of commerce. I recognize, of course, that this cannot be their real belief, and I mention it only because I wish their real belief were clearer. And I wish something were being done about not one but all our un-American activities.

For the truth seems to be that the only un-American activity with which the committee is concerned is communism. As to communism being an un-American activity I wholeheartedly agree. I have always believed so. I am not in the least startled by the information in the committee's pamphlets or by the sworn statement of William Z. Foster, head of the Communist Party in the United States, as printed on the back covers—although I think it was well to print this statement. Mr. Foster says quite plainly that the Communist Party in the United States expects to take over the Government of the United States, backed by the Red army. We had suspected as much, of course, but it is good to have his formal confirmation.

But if the committee is interested only in communist activities, why is it not called a Committee on Communist Activities? Even in that event, however, the question cannot quite be dismissed as to whether the committee is composed of the most suitable people. Some of the church leaders believe that the committee, through its recent methods, is likely on the whole to increase the number of American Communists rather than reduce them. Communism, as the committee's pamphlets so clearly imply, thrives upon resentments. And the committee has built up a great many resentments. It has also—at least, it is probable—somewhat diminished the nation's effectiveness in fighting communism as it threatens us from abroad. For what else can be the result of accusing scientists—atomic scientists—of unreliability, and building up doubt and accusation, the victims of which are deprived of opportunity to reply, even when the Atomic Energy Commission has cleared them? How, in these circumstances, are the most able scientists to be persuaded to work for national defense?

Or to turn to the question with which we began, it is certain—so it seems to me—that the committee is not saving the churches from communism. I happen to be a person deeply interested in saving the churches from communism, and my interest goes a long way back. But—and I am sorry to say it—I find nothing in the committee's 100 Things I Should Know about Communism and Religion that gives me much assistance in saving the churches from communism. And when a member of the committee, upon being informed that someone accused by the committee of guilt through association has jumped to his death from his office window, replies that others will be named as they, too, jump through windows, I feel that the committee's usefulness to churches, if there ever was any, is entirely over. We of the churches do not want to be saved by people who give out names as their victims jump through windows. Furthermore, we remember that Jan Masaryk jumped from a window and that it was Communist activity that induced him to do it. We do not like this parallel.

Moreover, we find ourselves—or I do, for one—turning to the question I have explored a little, here, this morning: What is an un-American activity? What is an un-American? And as we look at this committee, we feel at times that we are warm on the scent.

We remember that it was the inquisition that used to direct that an individual could be seized on the information of anyone whatever, no matter how infamous or criminal; that when brought before his inquisitors, this victim could be tried in secret and denied an advocate to defend him; and that the name of his accuser was not necessarily made known to him. We would call the inquisition un-American.

We remember some of our fellow citizens who have been rather confused about Americanism in the recent past. Mayor Hague of Jersey City, for example, who said to the chamber of commerce of that city, on January 12, 1938, the following words: "We hear about constitutional rights, free speech and the free press. Every time I hear those words I say to myself, 'That man is a Red, that man is a Communist.' You never heard a real American talk in that manner." We would call that un-American—uncredibly and appallingly un-American. And we would draw to the attention of the committee, Mayor Hague's reference to constitutional rights.

As to the propriety of mentioning these matters to the committee, we remember the saying of Thoreau, that "the real lovers of law and order are those who observe the law when the Government breaks it." And Thoreau, who was no literalist, meant not only the technicalities of the law, but the spirit of it.

But then, when it comes to this, it is not only a question of Americanism, it is even a question of moderately dignified behavior. There are times, in reading reports of the procedures of this committee, when one feels transported into the atmosphere of Alice in Wonderland. Of the trial scene, for instance, in that admirable and delightful fantasy, when the queen clears up all the confusion in the court by demanding that the sentence be pronounced first and the verdict brought in afterwards.

There are other times when it seems to be the atmosphere of Gilbert and Sullivan, as, for example, when one reads so frequently in the pamphlets of what the House Committee on Un-American Activities can do for him, and that if he is ever in doubt he should "write, wire, or telephone the House Committee on Un-American Activities, room 226,

[1] The Course of American Democratic Thought, R. Gabriel.

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House Office Building, Washington 25, D. C."—and is irresistibly reminded of the lyric in The Sorcerer:

"If anything anyone lacks,
He'll find it all ready in stacks,
If he'll only look in
On the resident djinn,
Number 70 Simmery Axe."

Yes * * * from the viewpoint of a churchman, interested in saving the churches from communism, there is definitely something missing in this committee. Even when, through an odd circumstance, the committee does stumble upon some important evidence, the something missing is not made up. One sees only hurrying and scurrying, stratagem, and maneuver. One has a feeling of hasty improvisation just before the curtain goes up and the committee steps forward to take a breathless bow. There is nothing about this committee that conveys a sense of sure, unhurrying purpose. There is nothing to make one feel that its methods are skillful, or its members delicate enough in sensibilities, discerning, perceptive, sensitive—to anything like the extent necessary to deal with the psychology of communism.

Even the psychology of treason, as Rebecca West has shown, is far from simple. And the aim of such a committee should be to understand it. Because we not only want to prevent Communist plots from succeeding; we want to prevent communism itself from spreading. And I think, wherever possible, we want to help former Communists to redeem their mistakes and become useful citizens again. I am not sure that a recanted Communist who becomes an informer is always the highest type of repentant sinner. I would like to know something of the psychology of those who have been informed against. Where they are guilty, I think they make a great mistake in not promptly confessing it, and saying as plainly as they can, what motives led them into error. But in any case, I would like to know if they are redeemable—and how? I do not mean by this that actual treason or connivance against the public security can be condoned. Far from it. But I do mean that a genuine study of communism would involve a kind of investigation for which the present committee appears to be unfitted, both by personal aptitude and knowledge of the background.

A committee composed of people of the necessary capacity could tell churchmen, after a while, quite a lot about why church people, and sometimes ministers, become Communists. And it is necessary to know. It is necessary to know the motivation, the moral dilemmas, the confusions—everything that can help us in our struggle to make American ideas prevail against Communist ones.

But all this is merely addressed to the question as though the whole business of such a committee lay with communism. I would rather return to the larger possibility—a committee that really did concern itself with un-American activities; un-American activities such as I indicated earlier: Activities that bring into contempt American justice, American civil rights, American liberties; activities that lessen our influence in the world by betraying our ideals at home. I would like to see an Un-American Activities Committee that investigated tract 48—the unspeakable slum to which hundreds of our Negro fellow citizens are condemned—in the Capital City itself. Maintaining such a slum, and drawing income from it, certainly cannot be called an American activity.

If this, however, is too much to ask, I would at least like to see a committee that could manage its business without damaging the morale of loyal workers for the Government; a committee American enough to be at least chivalrous in its treatment of those against whom there is nothing more than rumor or suspicion, and fair enough to give them an honest chance to indicate presumption of their innocence.

Until the committee can be as American as this, there is nothing it can do to help the churches fight communism except dissolve itself and go out of existence. Then there will be one less embarrassment: one less argument that Communists can use against us; one less blot on the American principles the churches are eager to uphold.

And it will be best in any case if the committee's unhappy career can be terminated. Then, perhaps, another committee, more broadly based than this one and with fewer political axes to grind, can be formed of persons eminent in public life and better equipped to undertake so difficult a task. Perhaps the apprehension of persons conspiring against the peace and security of the United States can be left to the Department of Justice, which has considerable experience in dealing with such matters. And if so, perhaps the committee appointed would undertake its task with seriousness—and tell us, first of all, what it means to be American. Then we shall understand a great deal better what is meant by un-American activities.

Meanwhile, in the churches, some of us—some of us at least—while keeping alert—as alert as we can—to communism's infiltrations, will refuse to be merely defensive against it. We shall attack the evils that communism thrives upon. We shall try to carry the faith and purpose of the American people higher. We shall try to give them confidence in their own standards, their own national principles, their own spiritual inheritance, and to deepen their faith that America can be sufficient to its time of trial and hour of opportunity.

Detectives in Your Parlor

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. MULTER. Mr. Speaker, the following article by Morris L. Ernst is deserving of the attention of every Member of Congress. It appeared in the New York Herald Tribune of May 29, 1949:

DETECTIVES IN YOUR PARLOR

(By Morris L. Ernst)

Every morning in New York City, 200 special policemen report for duty—to tap our telephone wires. With all 200 working a full-time, 40-hour week, they do a lot of listening. But they are not the only ones with whom our telephone confidences are being shared. State and Federal men are doing their own tapping, and we can only guess at how many private investigators are eavesdropping on a large scale.

Every tapped wire means not just that one person's privacy is being invaded, for once a wire is tapped, there is no way to limit the conversations overheard to the purpose of the investigation.

Suppose, for example, that Dr. John Jones' jealous wife employs a private detective to check up on her husband. If the investigator taps Dr. Jones' wire, he will overhear more than just the good doctor's conversations with the blonde waitress Mrs. Jones suspects.

He will also get a complete record of all Dr. Jones' conversations with his patients, including, of course, those matters which are so confidential between doctor and patient that the law often protects the patient against unauthorized disclosure.

It's easy to imagine the invitation to blackmail in the case of the tap on a doctor's wire. The opportunity is even greater from the numberless taps made on gangsters, bookies, and petty criminals.

EAVESDROPPING IS BIG BUSINESS

Wire tapping has grown beyond the stage where the average honest citizen can sit back smugly and regard it as a phenomenon affecting only bookies, subversive agents, and gangsters.

In its salad days, wire tapping was confined to people suspected of serious crimes. But at present, any suspected offense graver than illegal parking may provide the impetus for tapping by a Government agent, and simply the willingness to spend some cash seems to be all a private citizen needs to get a wire tapped.

The likelihood of blackmail provoked J. Edgar Hoover some years ago to go on record as opposing an extension of the wire-tapping activities of the FBI. In effect, he said: "I do not want to find myself the head of an organization of blackmailers."

If this was what could be feared of a group of men hand-picked for their integrity, how can we doubt that the city, State, and the private tappers have in their ranks people who are not above making a dishonest dollar on the side?

Our present situation is particularly anomalous in view of the fact that when the Federal Constitution was drawn, one of the amendments which the people insisted upon as a condition of ratification was one designed to protect the citizen's privacy in his home. A police officer, for instance, cannot search your home without a warrant.

LAWS LOOK GOOD—ON PAPER

But wire tapping, a greater invasion of privacy and security than the Founding Fathers ever dreamed of, is not limited by any constitutional safeguards. A majority of the justices of the Supreme Court in 1928, more concerned with technicalities than jurists interpreting civil rights should be, ruled that unlimited wire tapping was constitutionally permissible because there was no physical seizure of anything belonging to the tappee.

Theoretically, there is ample law limiting wire tapping. As a practical matter, it is more impressive on paper than in practice.

The Federal Communications Act, passed by Congress in 1934, prohibits the interception of foreign or interstate messages. New York State law provides that the police must secure a court order permitting the tapping of a wire and must show that the person whose wire is to be tapped is suspected of a crime. No doubt, hundreds of phones a day are being tapped pursuant to such orders.

What is important is that never has any data about these orders been made public. We do not know whether permission to tap wires has been confined to cases in which there is genuine evidence of crime; we do not know in how many cases the wire tapping has led to convictions and, of course, we do not know whether in any cases the wire-tapping power has been used as a political weapon.

There is certainly some evidence that this last is more than a hypothetical possibility. When the district attorney tapped the wire of Frank Costello a few years ago, the tapped conversation between Costello and Judge Thomas Aurelio was made public before it was used in any courtroom.

In addition to its possible use in the courtroom, the tapped wire has thus become a weapon of political espionage and a new inducement to trial by newspaper.

MEAGER PROTECTION

Besides the so-called legal wire tapping, there is a tremendous amount of patently illegal interception conducted by govern-

mental authorities, as well as by private agents. The law in many States gives the tappee some relief against such illegal interception since the Federal courts will not permit evidence to be introduced in a trial which was secured by illegal means.

However, if the evidence which is introduced is not tapped conversation itself but evidence which Government agents were able to secure as a result of information culled from tapped conversations, it may be admitted. It just has to be far enough away from the conversation itself to have the taint removed.

Even worse, many State courts—including New York's— have said flatly that they are not concerned with whether evidence was secured by legal means or not and that they will admit any evidence no matter how it was obtained.

The person whose wire has been illegally tapped presumably can sue the offending officers for damages or institute a criminal proceeding for violation of the Federal Communications Act. But there have been very few suits for damages.

Where the tapping has been unsuccessful, often the tappee never knows it was done. Where the tapping has actually brought forth information of a damaging nature, it is unlikely that a jury, insensitive to the larger constitutional issues, will award damages against a police officer whose work, illegal or not, has resulted in the conviction of a tax evader or a bookie.

NOT FOR D. A.

Criminal prosecutions are even fewer. District attorneys are very reluctant to bring suits against the officers and agencies with whom they work, particularly since those very prosecutors themselves use wire tapping extensively.

It is my belief that even a policeman tapping a wire under a New York court order is operating illegally. Many groups, such as the New York County Criminal Courts Bar Association and the New York State Bar Association, have become increasingly concerned with the problem, and recently, the United States Supreme Court divided equally in its consideration of the illegality of local wire tapping in a case that in no way involved the safety and security of the Nation.

PUBLIC IN THE DARK

It is not easy to propose remedies for the wire-tapping situation as long as the public is left in the dark as to its nature and extent. Perhaps the first thing we need is to have pressure brought to bear to enforce those few protective laws which are already on the books.

The bill recently approved by Gov. Thomas E. Dewey making it a crime to possess wire-tapping equipment should be helpful in eliminating private tapping. But drastic revisions are still needed to stop governmental abuse.

The privacy and security of the individual are so much more important in the long view than the fact that a few petty or great criminals may go unpunished that wire tapping should be restricted to two classes of cases—those affecting the national security, such as espionage, and possibly kidnaping cases.

Tapping in kidnaping cases might, it seems to me, be the sole internal exception to the general prohibition because the telephone is as much the weapon of the kidnaper as the gun is of the murderer. The international raison d'être is due to the fact that only recently have we been faced with the need to protect ourselves against world-wide underground movements.

Even in these cases, I would recommend that the wire tapping be permitted only on application to the Attorney General of the United States or to the State or Defense Departments in the case of international matters. A time limit should be fixed on every order.

In addition, the applicant officials should be required to make a public report annually stating the number of taps during the year, the length of taps, the crimes involved, and the number of cases in which the evidence was of value.

An appraisal of final results on wire tapping which was done for the year might well be reported to two important committees of the Senate and the House.

A country can pay too high a price for 100-percent efficient police work. People who have lived under the fear of the Gestapo and the MVD learned that lesson.

Wire tapping is dirty business and, unless strictly controlled, will corrupt the Government and reduce our police to the low levels of the crooks, the spies and the blackmailers.

Rise Up, Liberals

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. SABATH. Mr. Speaker, under leave to extend my remarks, I include therein an article which appeared in the Chicago Sun-Times newspaper on May 30, 1949. It was written by that great liberal Samuel Grafton.

I feel that the same is entitled to real thought and consideration on the part of all Democrats.

The article follows:

RISE UP, LIBERALS

(By Samuel Grafton)

NEW YORK.—The time has come for a rank-and-file rebellion against the Democratic party leadership, including, if necessary, the President.

If the leading liberals in the party continue to take what is being handed to them from on high, they can close up shop as liberals. The news given by Senator LUCAS, Democratic floor leader, after a Presidential conference, that a July 31 adjournment of Congress will be sought, even, apparently, if that means no action this year on civil liberties, health legislation, minimum wage improvement, etc., is not news that can be handled in the ordinary way, by polite deprecation, mild expressions of concern, or general remarks about the pity of it all. This news calls for the reply of positive, affirmative political action.

I mean specifically action by such persons as Senator DOUGLAS, of Illinois; Senator HUMPHREY, Representative HELEN GAHAGAN DOUGLAS, of California, and the newly elected FRANKLIN D. ROOSEVELT, JR.

These leaders, and others like them, must repeat what was done on the floor of the Democratic Convention on that day last summer when the party bigwigs were defied and a rousing civil-liberties plank was written into the platform. The liberal forces took over effective, if not formal, direction of the party then, and they can do it again.

The issue is exactly the same as it was last year, to keep the Democratic Party on the liberal road at any cost, because the cost of not doing so is certain to be even higher.

The party's leading liberals must at once organize themselves into an informal committee to fulfill the Democratic platform of 1948. No matter what new statements the top leadership issues, it is not going to be as easy as it was a week ago to convince the public—and the conservative opposition—that there is real urgency behind the official Democratic drive for social reform.

Only an answer in terms of affirmative political action, only an answer from deep down within the Democratic Party, of a nature that comes close to a real shift in effective control, can convince the public and the congressional minority party that the fight is still on.

The Democratic Party can prosper only when the liberal and independent voters are convinced that their desires and feelings are somehow finding expression within the party organization. Right now those voters are feeling a sense of outrage at the party's casual attitude toward the matter of timing on social reform.

The party's outstanding liberals must react unequivocally and at once to the challenge of postponement that has been laid down to them; they must react as the public is reacting, under the penalty of losing that public. There must be no hesitation and no delay, because hesitation and delay are precisely the issues.

The Lilienthal Story on the Editorial Page

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. KLEIN. Mr. Speaker, David K. Lilienthal and his colleagues of the Atomic Energy Commission are going through that form of trial by front page peculiar to our democracy.

Quite obviously, there are AEC employees who, whatever their rating in the loyalty program, do not have the concepts of loyalty to their boss and to their jobs which is considered basic in the American tradition.

However, I wonder, Mr. Speaker, what Elbert Hubbard would think of the publicity-seeking, loose-tongued individuals—quite obviously at a level of responsibility far removed from classified information—who have blabbed to imaginative reporters about things of which they have no real knowledge.

It is interesting to note that some very influential and conservative leaders of public opinion have come to the defense, editorially, of Mr. Lilienthal. It is difficult to conceive of the Washington Evening Star condoning any actual breaches of trust by the chairman or members of the Atomic Energy Commission; it is even more difficult to imagine David Lawrence defending any one on grounds of liberalism. Tom Stokes' brilliant objectivity as a reporter is as well known as David Lawrence's conservative slant.

Under consent, Mr. Speaker, I am including in the record several editorials and columns from recent issues of the Washington Star and one from the New York Times:

[From the Washington Evening Star of May 27, 1949]

IN FAIRNESS TO MR. LILIENTHAL

Chairman Lilienthal of the Atomic Energy Commission is entitled to the kind of investigation he has asked for in answer to the serious charges made against him by Senator HICKENLOOPER and others. Fair

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play demands as much. So does a proper regard for the democratic concept of an enlightened public opinion.

Up to now the situation has produced more heat than light. The charges—the gravest of them accusing the AEC of "incredible mismanagement"—have left the impression in many minds that Mr. Lilienthal has been making a mess of the atomic project and that maybe the security of the Nation has been grievously affected. As yet, however, none of this has been convincingly substantiated; the true facts—whatever they may be—have been obscured by a kind of emotional mist creating doubts and suspicions which actually may be wholly unjustified.

In all fairness, therefore, as a matter of simple justice, the Senate-House Atomic Energy Committee owes it to Mr. Lilienthal to look into the matter as thoroughly and as publicly as possible. Beyond that, after it has completed its investigation, the committee will owe it to the Nation at large to make public a definitive report on the validity of the charges. For the truth is, as Mr. Lilienthal has said in his spirited and challenging letter to Senator McMAHON, that if the charges are true "it is difficult to imagine any single fact more disturbing to the peace of mind of the people of the country or to the security of the world's democracies."

Our atomic project, after all, is a thing of overshadowing importance to the safety of our own and like-minded nations in this period of dangerous international tension. If it has been subjected to "incredible mismanagement," that fact had better be established now and corrective action taken before it is too late. On the other hand, if it has been well managed, charges to the contrary ought to be specifically dismissed, not merely to vindicate Mr. Lilienthal, but to put an end to unwarranted uneasiness among Americans and to make clear to other countries—including Russia—that we are not falling down on the job in any degree.

By means of a good, thorough, dispassionate inquiry, the Senate-House committee should find it easy enough to determine whether developments like the recent loss of an ounce of uranium 235 and the AEC's now-revised policy on atomic fellowships have been grave in their implications or whether they have been exaggerated out of all proportion to their real meaning. Further, apart from placing these matters in perspective and weighing the "human errors" admitted by Mr. Lilienthal, the investigation should go into the even more important consideration of just what he and the Commission have achieved, or failed to achieve, since they began their operations 2½ years ago.

Thus, as Mr. Lilienthal himself has suggested, the character of the AEC's stewardship can be measured by answers to such questions as these: (1) Has the state of our A weapons improved or declined? (2) Is production of fissionable materials worse or better? (3) Has nuclear research gained or lost ground since the Commission began functioning? (4) Is today's personnel morale higher or lower than in 1947? And (5) in terms of security, the protection of plants, safeguarding secret documents, clearance of individuals, etc., are present conditions looser or tighter than those prevailing 2½ years ago?

Judging from his letter to Senator McMAHON, Mr. Lilienthal is pretty certain that if these and similar questions are fully explored, the joint congressional committee will find that the AEC has done an excellent job under his chairmanship. There is some reason to believe that his confidence is well-founded. Whether it is or not, however, a complete investigation will have the virtue of clearing up current doubts and forcing reforms if any are really needed.

[From the Washington Evening Star of May 12, 1949]

LILIENTHAL OFFENSIVE—WAY FINALLY SEEMS OPEN TO TELL PEOPLE SOMETHING ABOUT ATOMIC ENERGY

(By Thomas L. Stokes)

It is fortunate that the way finally seems open to tell the American people something about their possession, atomic energy.

David E. Lilienthal, chairman of the Atomic Energy Commission, has asked that the whole record of the AEC's stewardship be explored, with the public to be told as much as is compatible with necessary secrecy in public hearings before the Joint Atomic Energy Committee of Congress.

Senator McMAHON, Democrat, of Connecticut, Joint Committee Chairman, long has urged the need of more enlightenment for the public. Chairman Lilienthal, likewise, has sought to find ways by which this could be done.

TOOK THE OFFENSIVE

Dramatically, the AEC Chairman took the offensive in the campaign against him, in which political and military influences are now clearly discernible, by telling the committee that the charges made against his administration of AEC are so grave that the facts should be laid before the public. He submitted to the Joint Atomic Committee a long list of witnesses, including some of the most prominent industrialists, scientists, engineers, and public figures in the country who have been connected with the atomic energy program, whom he suggested be called to testify about various phases of the giant enterprise which is custodian of a momentous force of nature and employs 60,000 people and operates three cities.

Senator HICKENLOOPER, Republican, of Iowa, who charged Mr. Lilienthal with "incredible mismanagement" and demanded his resignation, now narrows his case to "the administrative policies which the Commission under Mr. Lilienthal's guidance and influence has followed and continues to follow," which he said he believed to be "harmful and not in the best interests of the continuing development of the basic program outlined by Congress." He reemphasized that he has not impugned the AEC Chairman's personal honesty or personal patriotism.

It was obvious to those present at the opening public session of the Joint Atomic Energy Committee at which Mr. Lilienthal appeared that the Iowa Republican sought to soften the sensational impression his original broadside created.

The Senate committee should not rest until it gives the public all the information it can. This should include, among other things, the influences that are operating behind the scenes against Mr. Lilienthal.

It is significant, for example, that Senator CAIN, Republican, of Washington, has introduced a bill to abolish the AEC and turn the whole atomic energy project over to military control.

Atomic energy, with all it involves, would seem too important to the public to become a plaything of party politics.

Chairman Lilienthal has stated very clearly the issues involved. The biggest question of all, he said, is how the American people can know about this project without jeopardizing security, and this he wants the Senate committee to explore carefully.

"We believe," he said, "that the world can be shown that American self-government can function despite the need of secrecy."

[From the Washington Evening Star of May 26, 1949]

THE ATOMIC PROGRAM

In his letter inviting a complete investigation of the work of the Atomic Energy Commission and in his appearance yesterday at the opening session of the inquiry, Mr. David E. Lilienthal, the AEC chairman, has effectively reduced the attack upon him to its proper perspective and proportion. He has spoken so effectively, in fact, as to elicit from Senator HICKENLOOPER this singular weak pronouncement:

"From the standpoint of actual production, the atomic energy program has gone forward due to the zeal and loyalty of the scientific and technical personnel in charge of the various projects. The point of my objection is not to the activities of these people but to the administrative policies which the commission under Mr. Lilienthal's guidance and influence has followed and continues to follow."

But that is a very far cry from the charges of "incredible mismanagement" * * *. The public will not readily distinguish the zeal, loyalty, and accomplishments of Mr. Lilienthal's scientific and technical personnel from Mr. Lilienthal's own managerial ability; and it is likely to conclude that seldom has there been so transparent a confession by a statesman that he had gone off half-cocked.

Nor is the Hickenlooper explosion rendered any more impressive by a bill rushed out yesterday * * * for abolishing AEC and putting the whole activity into the hands of the military Secretaries and the Chiefs of Staff. It is difficult to resist the feeling that what we have been witnessing is an upsurge of a whole mass of old jealousies, animosities, partisans and factional differences, seizing upon a few apparently trivial lapses in order to reopen issues which, having been decided 2 years ago, ought to stay decided for at least a reasonable period.

If this estimate is correct, it follows that this is certainly no way in which to deal with the grave and terrible problems of atomic energy development. Yet this kind of thing is the nearly inevitable result of the almost psychopathic secrecy with which the public and the Congress itself have insisted that the atomic program be surrounded. That program will never be on a really firm and efficient basis until at least enough is popularly known about it to save it from exaggerated and irresponsible attack and interference. It is as unnecessary as it would be unwise to publish the secrets of atomic bomb manufacture and stock piling to the world; but, like Mr. Lilienthal, this newspaper welcomes an investigation which can consider the adequacy of the atomic operation as a whole and provide a body of data on the subject at least sufficient to end the kind of blindfolded in-fighting which has dogged the work from the beginning.

[From the Washington Evening Star of May 26, 1949]

LILIENTHAL CALLED MAN TO KEEP ALL-IMPORTANT JOB AS AEC HEAD—JOINT COMMITTEE PROBE SHOULD DEVELOP SYSTEM OF CHECKING MATERIALS

(By David Lawrence)

Because of the mysterious nature of the atomic bomb, almost everything that is said or done about the Atomic Energy Commission takes on a mysterious atmosphere. Hence any charge that the big "secret" or any infinitesimal part of the valuable material used in making bombs has been lost is bound to produce excitement and perhaps a bit of hysteria. No secrets, however, have been given away or stolen.

The facts about David Lilienthal, Chairman of the all-important Atomic Energy Commission, are the same today as when he was the subject of controversy before being confirmed. He is a loyal American and is as devoted to the preservation of secrets as anybody else who could be named.

But the new controversy doesn't concern itself with matters of loyalty. They go to the question of efficiency. Mr. Lilienthal cannot be expected personally to police all

the plants where projects of the Atomic Energy Commission are being handled. He can, however, be expected to hire and supervise officials who will see that the work is efficiently done.

DELEGATED AUTHORITY

When Mr. Lilienthal was the head of the Tennessee Valley Authority, it was his habit to delegate to the general manager the job of administration. He has been doing virtually the same thing now in a much larger project. The question has arisen whether the job of administration can be delegated entirely to subordinates and whether it doesn't involve the chairman himself in administrative responsibilities of a concrete nature.

But to raise this issue is not to indict Mr. Lilienthal or to justify the calls that have been made for his resignation. On the contrary, it is healthy to have the joint committee of the Senate and House and the public made fully aware, through occasional public hearings, of the delicate problems involved in policing the Commission's work.

Mr. Lilienthal admits that errors have been made. He speaks of them as "human errors." This means merely that mistakes can occur and such mistakes as have happened are by no means dangerous in themselves. They indicate the possibilities if the project is not carefully administered.

The fact that a test of security was made and that three bars of uranium were hypothetically stolen and retained for 3 months by a security officer is a subject of real anxiety. It has been argued that only an insider could have had access to the uranium, but the theory behind security precautions is that only insiders would ever have an opportunity to do any stealing.

CHECKING SYSTEM NEEDED

The idea of the test came from inside the Commission itself. What seems unfortunate is that the absence of the three bars of uranium was not discovered promptly. This apparently was because no adequate system of keeping track of materials of this kind has yet been devised. It takes a complicated bookkeeping and checking system to make sure that money isn't stolen from a bank and the wonder is that any is ever stolen, but it is, even under the most elaborate system of precautions.

What is needed is some kind of system of checking materials in constant use that is absolutely secure. To get such a system in the Atomic Energy Commission's set-up would not perhaps have been possible without the recent publicity. Incidentally the actual amount of uranium said to have been really lost probably will turn out to be negligible, and it may develop that it was never stolen at all, but wasted.

There remains the question of fellowships to scientists. Obviously any known Communists shouldn't get any fellowships or help or anything else from the Government or any of its projects. The specious cry of the Communists that they are merely a political party and that they are being punished for their political beliefs seems fantastic indeed when leading Communists have announced that in the event of war with Russia they would not fight the Russians.

But even this issue is not as simple as it appears. The scientists are a group peculiarly interested in seeing that other scientists are told what they discover. That is their training and background. To get the wholehearted cooperation of good scientists it is necessary to win their confidence. Hitler lost the confidence of his scientists and thereby lost the war. Some of those same scientists helped the Allies. It is important not to discourage the scientists and this is not a problem that can be handled by politicians.

David Lilienthal is the man to keep on with this difficult job—and being checked constantly by a vigilant congressional committee will help him to do a better job.

[From the New York Times]

THE AEC INQUIRY

The current inquiry into the work of the Atomic Energy Commission can be of great value. Arising out of charges of "mismanagement" and "maladministration" by a responsible Senator, the investigation has been undertaken by the proper body, the Congressional Joint Committee on Atomic Energy. This is a standing committee of Congress set up to make continuing studies of the activities of the AEC and of problems related to the development of atomic energy.

The hearings will be valuable if they stick to the point—that is, if they inquire into the alleged "mismanagement" and "maladministration" looking into the policies and the accomplishments of the Atomic Energy Commission. The hearings will not be valuable if they are permitted to fly off at tangents or if they are allowed to be used for the airing of unsubstantiated, sensational or partisan accusations.

Development of the atomic program under civilian control is among the Nation's supremely important tasks. Serious charges demand serious answers, and it is apparent from Mr. Lilienthal's statement yesterday that he is prepared and eager to give responsible answers. The inquiry may well result in further education of the public in the work of the AEC, and it may also uncover weaknesses in the administration of the AEC. But the Nation cannot afford to permit the hearings to be distorted into a persecution of Mr. Lilienthal or his colleagues because some human errors have been committed. Loss of a small amount of uranium oxide at the Argonne Laboratories is deplorable. But the entire work of the AEC is not to be dismissed because of such a mistake. Furthermore, the Commission has made certain decisions on which, as Mr. Lilienthal has said, "equally patriotic and reasonable men * * * entertain differing views." Within the Commission itself there have been and there probably always will be honest differences of opinion. That is of the essence of democracy.

The fact that there are such honest differences should not be allowed to divert the hearings from their only point and purpose—an inquiry into the broad question: Is the AEC performing its gigantic work well or badly, are its policies in conformity with the public interest and in what ways, if any, can administration and execution of the atomic energy program be improved?

Fraternity Is More Than a Word

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address entitled "Fraternity Is More Than a Word," by Maurice Goldsmith, public relations director, Rho Pi Phi, international pharmaceutical fraternity, holding its thirtieth anniversary convention July 17–20, 1949, Hotel Statler, Boston, Mass.:

Fraternity is a lovely word—it is pleasing to the tongue and to the ear; the images it evokes are peaceful and harmonious with a harmony built upon triads: Fraternity, liberty, equality.

Fraternity, fraternalism, brotherhood—the brotherhood of man—isn't that just another way of saying democracy? Isn't that what democracy stands for? Can men be free, truly free or truly equal, without sharing his freedom, his privileges? And how better can freedom and equality of privilege be shared, or implemented or won than through fraternity of man with man, of race with race, of country with country?

We are engaged, at the present time, in an all-out attempt to convince the world that democracy is to be preferred over all other forms of government; that the democratic way of life—so-called American way—is in every sense superior to all other ways. The way of free men working together for their common betterment—a fraternity of freedom.

We are, as the saying goes, trying to sell a tired and disillusioned old world a bill of goods; in order to succeed we must convince the customer that, under democracy, fraternity as well as liberty and equality, is more than a word. And the more convincing our demonstration of true democracy—that is, of true fraternalism, the more likely we are to make the sale and satisfy the customer.

A world fraternity—a world brotherhood, working together for the common good, shoulder to shoulder, without regard of race, creed, complexion, or geography, is not that the true goal of democracy? It must be if the United Nations is to be more than a noble experiment; if the United States of Europe, the United Nations of the world are ever to become realities.

Organization, group movements, have proven the surest, indeed we might say the only way for the worker, the common man, to win consideration, fair dealing, and security. Whatever the failings of organized labor it has gone far toward bringing the advantages of the American way of life within the reach of those whose labor has made that way of life possible for any of us.

We might stretch a point and call labor unions fraternities, and point out that, like all other fraternities, their value lies in focusing and directing the power of many working together with common interest in a common cause.

One of the first and one of the most potent of labor organizations recognized the fraternal nature of their group and called themselves not a union but a brotherhood. The Brotherhood of Railroad Trainmen. They have, I think, never changed that title nor could they have improved on it.

Fraternalism, the fraternity, the grouping together of those of common interests and viewpoints is very old; probably as old as the human race itself.

The powerful guilds and craftsmen's societies of the Middle Ages were only new in point of size and increased ability to assert themselves. Probably the Cro-Magnon men had a society of stone-hammer throwers and the fire makers' guild when it came along, must really have been something. Maybe we shouldn't recognize only the human race. If we extend our boundaries a bit we will find that animals, birds, and insects, even plants, band together for reasons which, even if purely instinctive, generally prove clearly beneficial to the individual and to the group.

That desire to band ourselves together in special groups is certainly a pretty universal social aspect. It really begins with children, in the playground, what boy hasn't belonged or hasn't wanted to belong to a secret society, a club, bristling with passwords and codes and countersigns, perhaps complete with clubhouse, someone's woodshed or barn, or maybe a noble edifice built from packing boxes in a vacant lot. And most girls have belonged or wanted to belong to some group of similar but more feminine scope.

Doesn't the popularity of the Boy and Girl Scouts and similar splendid organizations spring, at least in part, from their recognition and fulfillment of that basic urge?

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Even grown-ups do not lose their love of ritual, of mystery of drama, their delight in ceremonial costume—witness some of the biggest and best of fraternal societies.

Then, too, there is another basic inborn desire or group of desires: the desire to excel, to be chosen, or merely to be accepted; the child who is, for any reason, unacceptable to his group is the wretchedly unhappy child and, often the psychoneurotic adult in the making.

The desire to belong, once gratified, may however result in an attitude of snobbery and intolerance toward those outside the magic circle and it is right here that the unworthy aspects of college and school fraternities develop to bring down upon all fraternities criticism, and as we have been made increasingly aware of late—actual condemnation by authority.

I do not think we should limit that last statement as applying only to school and college fraternities. Many so-called fraternal groups have been protective coloration for snobbery, racial or religious bias, sectionalism, even, in some cases, for real persecution and actual violence.

These are not fraternities and should not be allowed to masquerade as such. Their concept of brotherhood is too limited to be acceptable. Unfortunately, evil forces as well as good gain strength in union.

In regard to the milder aspects of alleged snobbery, of discrimination of class against class, against which high school and college fraternities have to defend themselves it is honest to admit once and for all that there is a natural tendency for some of the "ins" to exalt themselves slightly over the "outs," and that the "outs" quite naturally resent this. Even the college fraternities supposed to be based exclusively upon scholastic achievements have produced snobs, or at least have developed innate snobbery in some few of their elect.

As a matter of fact, the "ins" suffer as much or more through this development than do the "outs."

The holier than thou great I Am stuffed shirt does not make a very good citizen of the larger world into which he emerges at graduation. He is apt to meet with some very unpleasant surprises. He may even find that he has been looking at himself through the small end of the telescope when he should have been using the large or diminishing lens, that is one the world at large seems inclined to use almost exclusively when considering him and his attainments.

On the other hand, of course, envy, unhappiness, and resentment bred in the "outs" by the condition of outness does not make for the soundest and happiest approach to a successful life, either. It's like all wars, nobody ever really wins.

Probably the best way to rate either the real or the nuisance value to humanity of any fraternity is to consider its basic aims, and what it is actually doing to accomplish them.

No group that exercises, either openly or overtly, racial or social, intolerance or religious bias should be allowed to call itself a fraternity. There are plenty of other titles more suitable and less misleading. This prohibition should not be too difficult to enforce and it would protect the innocent from sharing the blame for intolerances and retrogression.

Of course, it is very unlikely that any amount of official prohibition is going to do away with the fraternities, such acts on the part of authority would be interpreted as persecution and would probably send the persecuted societies underground, increase their membership, and enhance their subversive tendencies, if any.

Such prohibition is rather against our democratic principles, or is it? Of course, any form of intolerance or persecution is decidedly against those fundamental principles, too.

Of course, in the case of school or college fraternities of which the existence and activities can be proven beyond all question to be injurious to the best interests and aims of the institution and its student body, the authorities might well find just cause to turn thumbs down.

However, it seems likely that a better understanding and application of the principles of true fraternalism, a more particular insistence upon the proper definition of fraternity, and more care in using it as a society or group title would automatically do away with many of the abuses brought about by those groups who take this lovely name in vain.

Fraternity is a lovely word—but it is so much more than a word—it is the hope of nations, it can be the savior of the world. The meeting of minds and hands, the working together for a common good, for universal peace and the welfare of all peoples, creating, developing true fraternalism is at once the substance and the spirit of real democracy.

Fraternity, like freedom, is more than a word.

Conserving Our Soil

EXTENSION OF REMARKS
OF
HON. WAYNE N. ASPINALL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. ASPINALL. Mr. Speaker, the most important attributes of the future national economy depend upon our conserving the natural resources of our country. We must not permit our valley floors or mountain steppes to be depleted of their natural soils. In this connection, the employees of the soil-conservation districts, in their work throughout the United States, are to be highly commended in their endeavor to keep the citizens ever mindful of their duty toward this goal.

Recently the San Juan soil conservation district in Colorado sponsored an essay contest. Under leave to extend my remarks, the prize-winning essay of Miss Ethel Johnson, whose subject is Conserving Our Soil, is submitted.

CONSERVING OUR SOIL

(By Ethel Johnson, grade 11, Pagosa Springs High School, Pagosa Springs, Colo.)

We are losing our topsoil all too rapidly. This must be prevented, and can be, by the cooperation of all farmers in proper farming. People have been carelessly grazing their land too closely and farming wastefully and harmfully for so long that the productivity has been reduced and erosion has taken place.

There are two kinds of erosion—wind and water. By proper methods both of these can be prevented from destroying so much of our land, although not entirely stopped.

In the past, careless farmers have plowed straight down hills, thus providing a runway for water to carry away valuable topsoil. By plowing on the contour, the water is slowed down and has a chance to soak into the ground. Gullies that have already been formed should be filled and seeded to soil binding crops. They make a good dump ground for garbage which will help fill them and make fertilizer. They also may be graded full. When plowing a field, a dead furrow should be avoided, as a potential gully.

Terracing often gives the owner more land in production and also avoids erosion. It slows the water down and allows it to soak into the soil, thus increasing production.

Wind erosion also claims its toll from the land. This can be retarded too, if treated by the correct methods. Windbreaks should be planted at right angles to the prevailing wind, shrubs or slow-growing trees first and the taller trees next to the crop. While this may occupy some cropland, it lessens loss of soil by wind, makes a haven for wildlife, and is a good place to obtain firewood and fence posts.

Strip cropping is another good method for prevention of wind erosion. A strip of hay is planted alternately with a row crop. The close growing hay crop lessens the velocity of the wind against the row crop. This practice works in well with crop rotation as the hay crop replaces nitrogen used by the row crop.

The land should be farmed to the best advantage. Some ground is too run-down for profitable cultivation and may be ruined beyond repair by constant farming. Such land should be used for pasture, if not grazed too heavily. Soil binding plants should be planted and the land allowed to heal, which if left to nature, takes a good many years, but if we have the welfare of future generations at heart, we won't grudge the loss of the time it takes. However, we can speed up the process somewhat by the use of our modern machinery, bulldozers, tractors, etc.

The land that is suitable for cultivation should be kept in as good a condition as possible. By applying barnyard fertilizer, you can lessen the need for commercial fertilizer. Stubble mulching is another practice useful in returning nourishment to the soil and keeping it moist.

It is time for the Nation to realize the fact that if something is not done soon about the loss of valuable life-giving soil, it will all be washed and blown to the bottom of the ocean.

Resolutions of Key Club International

EXTENSION OF REMARKS
OF
HON. T. MILLET HAND
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. HAND. Mr. Speaker, I think it will be helpful to the House to have information on the attitude of our young people on pending governmental problems, and it is my privilege to include herewith the resolutions adopted by Key Club International at their recent convention in Washington.

As you know, Mr. Speaker, Key Club International is a young men's organization sponsored by the International Kiwanis Clubs. Among the many fine things that Kiwanis has done, has been the establishment and sponsorship of this splendid group, which gives to those who are fortunate enough to be members, a very early interest in civic and governmental problems which is bound to pay dividends in future good citizenship.

It is my rather special pleasure to do this at the request of Kenneth L. Miller, Jr., the president of Key Club International, who is a personal friend, and who lives in Cape May, N. J., the home of my own Kiwanis Club.

The resolutions follow:

Whereas it is desired by this convention to thank the city of Washington, D. C., and the Key Clubs of the surrounding area for their cordial hospitality: Be it

Resolved, That Key Club International express our appreciation in formal letters to all parties concerned.

Whereas the profits derived from school entertainments, amusements, and athletic contests are generally utilized in furthering the educational achievements of the students: Be it

Resolved, That we, the members of Key Club International, ask the Congress of the United States to provide for the exemption of Federal admission tax on school entertainments, amusements, and athletic contests, the proceeds of which are used for educational purposes, and that we take active participation in any action toward this goal.

Be it resolved, That the delegates assembled at this sixth annual Key Club convention go on record in reaffirming its stand as opposed to the principles and ideals of communism and commending the governments of the world who stand in opposition to these principles and uphold the freedom, rights, and privileges of man.

Be it resolved, That Key Club International go on record as favoring the 70-group air force.

Be it resolved, That Key Club International favors the Hoover plan for reorganization of Government administration.

Be it resolved, That Key Club International favors the reduction of the voting age to 18 years.

Be it resolved, That Key Club International favors a constitutional amendment whereby the President and Vice President of these United States would be elected by popular vote.

Be it resolved, That Key Club International work for the promotion of the sales of peacetime savings bonds.

Rex McDonald, the Champion Saddle Horse

EXTENSION OF REMARKS
OF
HON. MORGAN M. MOULDER
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. MOULDER. Mr. Speaker, a few persons may scoff and ridicule my remarks honoring a great horse, but such persons should acknowledge that, until the event of the machine age, the horse was indispensable and carried our pioneer ancestors' burdens in the development and improvement of the resources of our great Nation. He was our transportation system and served loyally in the front lines in all battles of major wars.

I, and many of my constituents in Boone County, Mo., believe it fitting and proper to commemorate the anniversary of the birth of the great saddle horse, Rex McDonald. His ancestor sires, Black Squirrel and Rex Denmark of Kentucky, were the greatest ever known in Kentucky and Missouri. His dam, the mare—Lucy Mack of Missouri—was also a famous horse.

Rex McDonald was born and reared in the Little Dixie section of Missouri, Callaway County, and later served his owner, Dr. R. E. Graham, of Columbia, Boone County, Mo., for many years. Today, in that part of Little Dixie, Missouri—Boone, Chariton, Howard, Randolph, and Saline Counties—which I have the great honor of serving as their Representative in Congress, there are many famous saddle horses, descendants of the great Rex McDonald; and each year at the Stephens College, Christian College, and the county horse shows of Boone County, you can see and enjoy the most exciting and thrilling exhibition of horsemanship and beautiful horses, the best in the Nation, and many of the best horses shown are descendants of the great champion, Rex McDonald.

Rex McDonald was a magnificent black stallion to which every horseman paid great tribute; no other saddle horse ever lived so well known; no other ever held quite the same place in the minds and hearts of the people as did Rex McDonald. He flashed into the ring and brought people to their feet in recognition of his beauty, brilliance, animation, and presence. No other horse ever had such a victorious career. He was the champion of all great saddle horses and none have ever equaled his equine fame. No horse in America was a more magnificent illustration of the remarkable prepotency of the saddle horse blood and its fidelity to conform to its type than Rex McDonald. He was the champion of champions for more than a decade. His sons and daughters were champions and they in turn produced champions.

The name, Rex McDonald, still remains in the history of horses as the king of all saddle horse champions, and, on this day, we in the Little Dixie area of the Second Congressional District of Missouri salute and honor the great record and life of this phenomenal Missouri horse—Rex McDonald.

There Is Something Wrong in Germany

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. KLEIN. Mr. Speaker, not only is the decartelization program breaking down in Germany; the voices which are raised in protest against abandonment of the stated policies of the administration are being brutally stilled by the most effective of all methods: they are being fired.

There is something wrong in Germany.

Perhaps the reason is that there is something wrong here in the United States.

The President has given clear and firm public commitments. His own personal knowledge of the operation of international cartels, gained as chairman of the Senate Committee Investigating National Defense Problems, led him to make unequivocal statements on decartelization and denazification.

Somewhere down the line of authority, his directives are being ignored and flouted. There is a weak link, or perhaps several weak links, in the chain of command.

I am sure that I shall have more to say on this subject in the near future.

At this moment I wish only to insert in the RECORD, under consent, and with full credence, the column by Tom Stokes, an independent and fearless columnist of the Scripps-Howard syndicate, United Features, as printed in the Washington Evening Star of June 1, 1949, on the subject of the recent firing of Alexander Sacks and Charles H. Collison. I want to remind you, Mr. Speaker, that one distinguished name after another has resigned from AMG rather than submit to the deliberate distortion of the decartelization program, among them our former colleague, Charles LaFollette, of Indiana, and James Martin.

Text of the column follows:

HEARING HERE NEEDED—MILITARY ACTED ARBITRARILY IN FIRING CRITICS OF PROGRAM ON GERMAN CARTELS

(By Thomas L. Stokes)

Accumulating evidence reveals how arbitrarily American military government officials in Germany acted in firing two members of AMG's decartelization staff who were ousted because of criticism that the program to break up German cartels had not been carried out.

Developments emphasize the need of an open hearing here in Washington, for an airing of these two cases will show how high military government officials frustrated our war aim to break up the military potential of Germany.

The two men are Alexander Sacks, a member of the decartelization staff whose case first was disclosed several weeks ago, and Charles H. Collison, deputy chief of the decartelization element, whose dismissal came to light recently. Mr. Collison practiced law in New York for 13 years before he went to Germany, and Mr. Sacks formerly was with the Justice Department Antitrust Division.

TESTIMONY BACKED UP

Both were summoned as witnesses before the special commission headed by Garland S. Ferguson, member of the Federal Trade Commission, which was sent to Germany last December by then Secretary of Army Kenneth C. Royall to investigate the cartel program. In its report a few weeks ago the Ferguson commission backed up the testimony of the two men.

First suspended last February, Mr. Sacks was reinstated when his treatment was protested. Recently he again was summarily dismissed by order of Gen. Lucius D. Clay just before the former United States Military Governor in Germany gave up his post to return home, though simultaneously here in Washington Acting Secretary of War Gordon Gray had written his counsel, Wendell Berge, former head of the Justice Department's Antitrust Division, that Mr. Sacks' case was closed.

His case now is the subject of a grievance hearing, as it is called, in Frankfort. Acting Secretary Gray has informed Mr. Berge that if Mr. Sacks is not satisfied with his hearing there he can ask for a hearing, de novo, before the Secretary of the Army here. It is assumed Mr. Collison will be given the same opportunity.

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LETTER BY COLLISON

More light is shed on Mr. Collison's case in a letter he wrote, dated May 21, to John C. Stedman, chief of the legislative and clearance section of the Justice Department antitrust division, who was on the staff of the Ferguson Commission. He said:

"In January 1949, shortly after your committee had departed from Germany, Mr. Richardson Bronson, chief of the United States Decartelization Element, demanded that I resign from my position as Deputy Chief of the Decartelization Element because after reading my testimony before your committee, Mr. Bronson stated that I had been disloyal to him personally. I refused to resign.

"On May 17, 1949, Mr. Bronson again demanded that I resign because of my testimony before your committee. I refused again and Mr. Bronson told me I was fired then and there because of my testimony. I requested this statement in writing and Mr. Bronson promised to give it to me. Later the same day Mr. Bronson wrote me a letter but it merely stated that I had been declared surplus."

Mr. Collison said he was declared surplus, despite the fact that on May 6 Mr. Bronson had announced that the official policy of the military government was that the decartelization personnel would not be cut but probably increased. The Ferguson committee recommended strengthening of the staff.

The ousted deputy urged that something be done to protect Government employees who are called to testify before investigating committees.

Government Reorganization

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Evening Star of May 31, 1949:

TO RESCUE REORGANIZATION

It is hard to believe that the same Congress that is represented as being in an economy mood would muff its chances of making a lasting, monumental contribution to the cause of governmental economy. Yet, ironically, that strange turn of affairs seems to be happening at the Capitol. For, unless Congress has a change of heart about adjourning sine die on July 31, all hope of economy through reorganization this year of the executive establishment faded with congressional adjournment over Memorial Day.

The Senate and House bills to give the President the green light on reorganization under the Hoover Commission program were reposing over the week end in a conference committee desk. It is said the conferees are stalemated over the issue of whether to give the legislative branch a one-House or two-House veto on Presidential reorganization proposals. This issue, raised by the Senate, should never have been injected into the reorganization legislation. Mr. Hoover strongly favors a normal concurrent veto by both Houses and so does everyone else who remembers the nullifying effect of a one-House veto in the past. Yet the Senate conferees are reported to be holding out for this reorganization-frustrating arrangement.

This deadlock has carried the conferees up to the time limit for action under the present congressional timetable. Under both bills, the President must submit his reorganization plans to Congress at least 60 days before the end of a continuous session. Unless Congress should decide to extend the session beyond July 31, there will not be time enough left for congressional consideration of any Presidential program at this sitting. The most alarming aspect of this situation is that the longer Congress puts off action, the less likelihood of any effective action at all. Mr. Hoover is not alone in the belief that if nothing is done at this session, when reorganization has more support than ever before, the prospect of accomplishing anything in the future is distressingly dim.

There is one way that Congress could rescue reorganization from such a dismal fate. It could insist on an early conference agreement—preferably on the House version of the veto plan—and it could then remain in session long enough beyond July 31 to insure action on the first of the President's reorganization proposals. If Congress is as earnest about economy as its Members profess to be, it will make a supreme effort to launch the reorganization program right now.

Address of Gen. Hoyt S. Vandenberg

EXTENSION OF REMARKS
OF
HON PORTER HARDY, JR.
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. HARDY. Mr. Speaker, last Monday was truly Memorial Day in Suffolk, Va. At that time the good people in the city of Suffolk and Nansemond County participated in most impressive memorial services. The principal address was made by Gen. Hoyt S. Vandenberg, Chief of Staff of the Air Force. He was introduced by Governor Tuck.

In order that the Members of the House may have the privilege of reading General Vandenberg's remarks, I am submitting his address for inclusion in the RECORD:

Governor Tuck, ladies and gentlemen, when I visit southeastern Virginia, I am always aware that this is an old and historic region. Here the settlement of this continent began. Here our independence as a Nation was finally won.

There is little evidence today that the peaceful city of Suffolk and county of Nansemond were ever ravaged by war. Yet I am told that 87 years ago this area was occupied by hostile forces, and that 83 years before that occupation, the town of Suffolk was burned by an enemy army. On many occasions, hostile fleets have entered the nearby waters of Chesapeake Bay.

During the great World Wars of recent years, many men of Suffolk traveled far and fought in distant places to save our homes from devastation. Some of these men did not return.

Today we honor those who dared to make the greatest sacrifice. Some were killed in combat, others lost their lives in wartime service. Today we honor them all, for they all served with honor.

Some of these men lie near us here in the warm soil of Virginia. Others lie far away. But they came from here, and this is still their home. Their names are inscribed on these memorials, new and old. They will be long remembered in the hearts of the people who knew them best.

All over America at this moment and throughout the day, other men like these are honored and remembered. These ceremonies, these memorials, these acts and words of remembrance are not designed to glorify. The men we knew did not live or die for glory. Most of them were young and hopeful. They loved the good things of life as other men. They did not welcome death, and most of them perhaps did not expect it. Yet when danger threatened, each was willing to bear his share and more.

Why was this so? Why were these men willing to risk and lose their lives? Why did they earn the fullest measure of respect we now can show them? If we could ask them and hear their answers, I am sure the answers would not be the same. Some would mention their comrades in arms. The comradeship of men who train or fight as a team is a powerful force and is indispensable to victory. In the face of danger men establish bonds of friendship too strong ever to be lost. But the oldest and deepest sentiments are never displaced. Most men would first recall their relatives and their friends at home. Certainly they would speak of the pride and hope of the mothers and fathers, the brothers and the sisters, who inspired them to live and die like men.

Some had wives and children whose welfare and safety they were anxious to protect. Others would recall their duty as citizens and Americans, while still others would describe the peaceful beauty of the home communities they wanted to preserve.

All these are reasons why the men we remember today went forward when their country called. The words are different, but the basic reason is the same. They knew that no man exists merely for himself, and that no man lives or dies alone. Life for them was homeland, freedom, and the friends they loved. They staked their lives to save that homeland and that freedom. Whether they won or lost depends upon the friends they left behind.

All the things for which these heroes fought have passed into our hands. We are the heirs of their sacrifice. We live today in peace and freedom because they paid its heavy price.

This is a serious occasion but not a day of mourning. It is rather a time to rejoice that such men lived and that they did not live in vain. This is a day to resolve again that we shall not waste their sacrifice, and that the hopes for which others fought and died shall not perish through our neglect. Being human, we have not always followed the wisest course. We have been slow to match our strength against the threats we have to face. But we have learned too much to make the same mistakes again.

Our Nation is stronger than ever before in years of peace. More than ever before it represents the best hope of all mankind. Peace and freedom for all mankind must be our goal, for the day has come when no nation on earth can live or stand alone. If this means sacrifice, we must prepare to make it. If this means renewed determination, we must show to all the firmness of our high resolve.

To do this we need an ample measure of armed strength, but we need far more than armed strength alone. The basic strength of a nation is the product of the character of its people. The men we honor today were not produced by the armed services. Those services could only train them to work together and to use the complex machinery of war. The men we honor here were the product of this community, of its schools, its churches, and its homes.

The day will never come when we can maintain our strength without the services of men who are willing to make sacrifices for our communities and for our Nation. The basic attitudes and convictions that such men possess must be developed throughout their early lives. To produce a man of character is almost a lifetime job.

Here in this community today, men and women are growing up to accept responsibility—even to seek responsibility and opportunities for service beyond all hope of reward. We lean heavily upon such people now. They are everywhere, in private occupations and in public service. They are in the many departments and offices of our States and Nation.

These men and women are working to maintain our strength at home and abroad. Their efforts have increased our influence for peace and stability in a dangerous and disordered world. If they succeed, we may continue to live in peace and freedom for many years to come.

The crisis has not passed. The strain is great and the responsibility is heavy. The urgent need for service to the Nation in a thousand fields of service will continue for a long time to come.

The men we honor here today did not lay down their lives just to win a war. They aimed to make this Nation and its people safe. Their work is done but ours continues yet.

From this city, and from others, new leaders and new heroes must arise to serve in war or peace. It is not enough that we keep faith. That faith must be transmitted to our sons. The proud banner carried by these honored dead will pass into their hands.

Chennault Says United States Can Stop China Reds

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the New York World-Telegram:

CHENNAULT SAYS UNITED STATES CAN STOP CHINA REDS

(By Allan Keller)

With an annual investment of less than a half billion dollars, this country could help Nationalist China hold the Chinese Communist armies at bay before a natural line of defense the Japanese forces were never able to penetrate, Gen. Claire Chennault, former head of the Flying Tigers and leader of American air forces in China, told the World-Telegram in an exclusive interview.

The airman who checked the forward rush of the Japanese almost single-handed before this country entered the war said that his proposal not only could insure an end to Communist encroachment in China and southeast Asia but would permit exports of critical materials needed in this country in sufficient quantities to repay the money advanced the Chinese Nationalists.

COULD HELP NATIONALISTS

"It is my firm conviction that we could help the Chinese Government to hold a sanitary zone in western China that would keep the Reds out of India and Indochina," said General Chennault at the Waldorf-Astoria before he left for Washington. The defense zone was held against the Japs and can be held against the Reds.

"Starting in the north at Ningsha the line would cut straight south to the Gulf of Tonkin and would hold behind its defenses 150,000,000 of the most courageous of all the Chinese. They are mountaineers and desert people who are used to fighting all invaders.

SMALL SUM NEEDED

General Chennault argued that the relatively small sum of $500,000,000 would be sufficient to supply the small arms and other supplies the Chinese need for their defense. He said no heavy equipment is needed because of the mountainous terrain along the eastern front of the sanitary zone.

"I propose that an American military mission should control the expenditure of this money to prevent waste or misuse," said the former chief of the Flying Tigers. "The best fitted man of all is Lt. Gen. Albert Wedemeyer for whom the Chinese have the deepest admiration."

General Chennault said it was evident to all strategists that if the Communists gain access to the south of China there will be no way to keep them from swallowing up India, Burma, Malaya, and Indochina.

AIRFIELDS INCLUDED

"The areas we would hold back of the defense line would include the big airfields we built for the subjugation of Japan," said the general. "From them B–29's and B–36's could interdict movement along the Trans-Siberian Railroad if that became necessary and we could reach every factory area east of the Urals."

General Chennault said that his plan called for the holding of the island of Formosa to prevent the flanking of our advanced defense line from Japan to the Philippines and the rejuvenation of the forces under Gen. Chiang Kai-shek.

"This is a businesslike proposal that will cost us little in cash," he said, "but which may some day save the democracies untold tragedy."

Address of Hon. James A. Farley

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. DINGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Hon. James A. Farley at the Catholic Culture Center, London, Canada, May 8, 1949:

This is the month of May, the one month in the year which, traditionally, in the Christian world, is dedicated to the honor of Mary, the mother of Christ, and it is indeed fitting that one day in this month, the second Sunday, has been set aside when we pay our respects to the mothers of our two countries. On such an occasion as this, I feel very much honored and humbly grateful to have the opportunity to speak before the membership of the Catholic Culture Center Forum.

Although our peril of actual warfare has been over for 4 years, we are fully cognizant of the great strain, the stress and the chaos which have ever since pursued and harassed the world. In these days of world-wide distress we can well pause to make a silent prayer that divine providence will guide our leaders and our peoples to the end that our efforts will speedily achieve a complete, just, and lasting peace.

And it seems to me that much and great good could be accomplished in that direction if the nations of the world ever keep before them the simple, wise, and just advice that mothers of men impart to their little ones at their knees. As I say this, I recall the advice which the mother of Andrew Jackson, a great leader and the seventh President of the United States, gave to him shortly before she died. It impressed me so deeply that I have never forgotten it. She said:

"Andrew, if I should not see you again, I wish you to remember and treasure up some things I have already said to you: In this world you will have to make your own way. To do that you must have friends. You can make friends by being honest, and you can keep them by being steadfast. You must keep in mind that friends worth having will in the long run expect as much from you as they give to you. To forget an obligation or be ungrateful for a kindness is a base crime—not merely a fault or a sin, but an actual crime. Men guilty of it sooner or later must suffer the penalty. In personal conduct be always polite but never obsequious. None will respect you more than you respect yourself. Avoid quarrels as long as you can without yielding to imposition. But sustain your manhood always. Never bring a suit in law for assault and battery or for defamation. The law affords no remedy for such outrages that can satisfy the feelings of a true man. Never wound the feelings of others. Never brook wanton outrage upon your own feelings. If you ever have to vindicate your feelings or defend your honor, do it calmly. If angry at first, wait till your wrath cools before you proceed."

These words were repeated by General Jackson on his birthday, March 15, 1815, at New Orleans, to three members of his military family, Maj. John H. Eaton, Maj. William V. Lewis, and Capt. W. W. Butler. "Gentlemen," said General Jackson, "I wish she could have lived to see this day. There never was a woman like her. She was gentle as a dove and as brave as a lioness. Her last words have been the law of my life."

Mothers are instinctively—and we instinctively expect them to be—a fount of virtue and inspiration to their children. As a daughter, as a sister, or as a wife, a woman represents only herself, but as a mother she is an institution, a living source of man's beginning, a living symbol of mankind's destiny. A man may be steeped in cynicism and despair, but still his mother's words will be for him a source of strength and a fortress of hope.

Many a man's wife who took the oath with solemn voice has withdrawn her support, but a mother always is constant in her support "for better, for worse, for richer, for poorer, in sickness and in health, until death do us part."

That oath imposed in the marriage ceremony implies the expectation that those made one before the law will be one in spirit, too. Though often only a hope between spouses, it is a fact between mother and son. No solemn soundings are needed to bind a mother and her son "for better, for worse unto death." Nature herself forges the undying bond, for it takes her into the shadow of the valley of death to give him life at the risk of her own. Affection thus born is surely not a mere sentiment or an accident. It is a profound manifestation of nature and shows that though we may turn to our scholars for the answers to technical problems, we would do better to turn to our mothers when we seek fundamentals.

Long before the dawn of the Christian era, the reliability of a mother's instinct was recognized in all ages and places. The best known story goes back thousands of years to the time of Solomon. You recall, I am sure, the story of the two women who claimed the same child. As it is told in the Scriptures, one said to Solomon, "Oh, my Lord, give her the living child, and in no wise slay it." But the other said, "Let it be neither mine nor thine, but divide it." Then the king, turning to the first woman, said, "Give her the living child, and in no wise slay it; she is the mother thereof." How easy it was for him to be sure which of the two was the true mother.

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In the Christian tradition, of course, the mother has always been the voice of virtue and the living star of truth. Dignity and honor have been hers, and her material welfare has been the proper concern of every self-respecting son.

Most mothers live obscure lives and die obscure deaths, their grace and inspiration enhancing the lives only of their offspring. It is significant, therefore, of the genius of motherhood as an institution that mothers as a class are so widely heralded throughout all literature.

My country's Washington Irving states simply but well: "The love of a mother is never exhausted, it never changes, it never tires."

A father may turn his back on his child, brothers and sisters become inveterate enemies, husbands may desert their wives, or wives their husbands. But a mother's love endures through all; in good repute, in bad repute, in the face of the world's condemnation a mother still loves on, and still hopes that her child may turn from his evil ways and repent; still she remembers the infant smiles that once filled her bosom with rapture, the merry laugh, the joyful shout of his childhood, the opening promise of his youth; and she can never be brought to think him all unworthy.

The life of Augustine shows how sound such a mother's faith can be. Augustine—contemptible before the world—was to his mother the soul of beauty and honor. She tirelessly pursued him, determined to convert him to the Christian life of which she knew he was worthy. When at last she had lifted him out of the mire and set him among princes she knew and said her life was done, and she was happy to pass on to her place in eternity—the great St. Monica.

Some writers have gone very far in their portrayals of the function of motherhood. The English novelist Dickens wrote: "I think it must somewhere be written that the virtues of the mothers shall be visited on their children, as well as the sins of their fathers."

The philosopher Michelet: "It is the general rule that all superior men inherit the elements of their superiority from their mothers."

New England's Ralph Waldo Emerson contributes the concise remark: "Men are what their mothers make them."

It is almost trite to repeat that our boys fought for freedom of the oppressed, but, in substance, doesn't that mean that they fought for the sanctity, the security, and the importance of the home? And what is home without a mother? As the American James Russell Lowell said: "Many make a household but only one the home."

These are thoughts it should not be necessary to dwell upon and you may well ask why it is desirable to cite testimony to such a well-accepted truth. Precisely because it is not so well accepted as we may blindly believe. While the overwhelming majority of the mothers of our nations—and of the fathers, too—have done their duty to help crush a system which would make of mothers mere instruments of propagation for military conquest, there are abroad within our midst groups and individuals who conspire for the success of their peculiar brands of philosophy, which would make a mockery of the values upon which we have bred. The honest average citizens of these lands work hard at home and in shop to make a living and to serve their country. When their day's work is done they quietly and in good faith turn their minds to the peaceful enjoyment of family life. They have little or no time for political activity. They can only have faith that their efforts and the efforts of their neighbors are expended in behalf of the fundamental principles which they understand to be the essence of our constitutional Government.

There seems to be a spirit growing, among some, that is alien to our institutions. I have an uneasy feeling that the belief is spreading that the people are not capable of governing themselves, that the problems of today are so complex that the citizen at large must of necessity be detached from his own difficulties. The concept of the political elite is growing.

A few years ago, a book was published and widely discussed in which the author stated his belief that mankind can be divided into a small class of the ruled type. "Political action," the author contends, "is confined for the most part to a small minority of men; the majority is and remains, whatever else happens, the ruled." This writer even dares to suggest that Machiavelli is an excellent sample of the elite.

We see clearly what this intellectual believes. He believes that the hard-working masses of great nations were meant to be just hard working, and were not intended to bother about the solution of their own problems but were meant to leave them to be determined by a small group of know-it-alls.

We have always had the social snobs who have no respect in any sense for persons of crude though honest habits, and we have always had the intellectual snobs who think an individual becomes an individual only after he has acquired certain facts or theories; who refuses to recognize that the individual has merit unto himself and in himself.

Mothers have always been an antidote to the influence of social and intellectual snobbery in our society because mothers by nature appreciate that a child has a basic dignity equal to or greater than an adult's. The substance of human nature is there; later social or intellectual attainments are mere accidents.

We have got to realize that many years of liberty do not assure us an eternity in its enjoyment. We have got to rid ourselves of the fixed idea that liberty is imperishable on our continent. Reference to eternal vigilance as the price of liberty are not amusingly hollow words because they have been unnecessary in lands where liberty without vigilance has been a free commodity. Perhaps our time has come. We can learn the price of liberty by alertness. If the choice is given to us of liberty or security, we must scorn the latter with the proper contempt of freemen and the sound judgment of wise men who know that liberty and security are not incompatible in the lives of honest men.

It is upon our mothers—in Canada and in the United States—that our two countries must depend to protect their institutions. The mothers are the repository of the fundamental principles of our national structure. Should these principles be subverted, the sacrifices of our patriots, present and past, will seem minor compared with the sacrifices of future generations to bring about the resurrection of those freedoms which have made our countries great.

The people of your country and mine must learn, and learn well, that our continent is still the New World and that we are but a thin stream of light in the long black history of human bondage, and that the illusion of permanence abiding in the hearts of so many proud Americans—whether Canadian or of the United States—is a disarming perspective. The warm enlightening flame of liberty must be kept alive with the twin fuels of intelligence and courage.

I cannot believe we have talked the meaning out of the words that now, trite with use, bear no message to inspire our populace. Liberty and freedom as words become trite only at a price. I will not believe that we must suffer their loss to learn their value. The tragedy is that the process of rediscovery of their value seldom involves a recovery of their enjoyment.

The titanic efforts and the copious bloodshed that went into the settlement of the North American Continent; the sacrifices of the great battles that have been fought in World Wars I and II—and those which preceded them—are matters of meaning full and deep in these days of new trial. In years of peace and complacency we heard their recital with pleased but semiconscious ears, but we must now grasp their full import and hold to it if we are to be equal to the threat before us.

Our mothers will do their part; they have offered their own lives that their sons might live and they offered their sons' lives that their countries, yours and mine, might live. And it is into their hands and the ideals that guide them that we willingly and with faith entrust the future of our beloved nations. We do this knowing in our hearts and our souls that Mary, the Mother of Christ, whose month we now honor, will never desert us.

Contribution to the National Reclamation Association

EXTENSION OF REMARKS
OF

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. JACKSON of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter which I sent to Mr. Harry E. Polk, president of the National Reclamation Association:

JUNE 2, 1949.

Mr. HARRY E. POLK,
President, National Reclamation Association,
National Press Building,
Washington, D. C.

DEAR MR. POLK: On February 22, 1949, while testifying before the Interior Appropriations Subcommittee of the House of Representatives, you agreed, at my request, to furnish for the record a statement of the sources of income, both direct and indirect, of the National Reclamation Association. The relevant testimony appears on pages 861 through 864 of part 2 of the subcommittee's hearings.

On page 862, the following question appears:

"Mr. JACKSON. If you could, Mr. Polk, I should like to have you submit for the record a statement of the sources of your income and whether the income comes from associations or other groups within the State, and that you list where they derive their funds. I think it is a matter of fairness that we have that information because these questions are bandied around from time to time and I think it would be helpful to clear the record.

"That is the reason I ask not only for your income from private utilities but I also ask public bodies, because I think they both contribute. I would like you to submit a list of all the sources of your income, both direct and indirect."

To this question you responded:

"Mr. POLK. I shall be glad to do that."

The information which you submitted appears on page 862 of the record. It begins, "Following is the record of finances of the National Reclamation Association, as furnished by members of the board of directors from each of the 17 Western States:".

As an example of the information furnished, I should like to cite the statement regarding the State of Washington, which appears on page 864 of the record:

"WASHINGTON

"Affiliating State organizations? Washington State Reclamation Association.

"How financed? Voluntary subscriptions.

"How is quota met to NRA? Largely with State appropriations and individual and organization members.

"Total amount received from State in 1948? $1,437."

Obviously, this does not answer my request for "all the sources of your income, both direct and indirect." The phrase "voluntary subscriptions" does not tell whether the income comes from associations or other groups within the State as I asked.

In earlier testimony, which appears on page 861 of the record, the following exchange of questions and answers appears:

"Mr. JACKSON. Do any of the private utility companies contribute to the National Reclamation Association?

"Mr. POLK. Any of the utility companies?

"Mr. JACKSON. Yes.

"Mr. POLK. No, sir; they do not, not a single one.

"Mr. JACKSON. Do they contribute to any of the State associations that are members of your national association?

"Mr. POLK. Possibly they do.

"Mr. JACKSON. Rather large sums, in many instances?

"Mr. POLK. In many instances; no, sir.

"Mr. JACKSON. In some instances?

"Mr. POLK. I understand that in a very few instances, some contributions are made to State associations. Most State organizations, however, either limit such contributions or specifically accept none.

"Mr. JACKSON. Do any of the public utility or public bodies contribute?

"Mr. POLK. What do you mean by 'public bodies,' Mr. Jackson?

"Mr. JACKSON. I mean municipalities or REA co-ops?

"Mr. POLK. Yes.

"Mr. JACKSON. Do they contribute to your association?

"Mr. POLK. Yes; several municipalities do.

"Mr. JACKSON. Cities?

"Mr. POLK. That is right."

I should like to quote the financial report for 1948 of the Washington State Reclamation Association, as it appeared in the Wenatchee (Wash.) World, in an article written by Mr. Rufus Woods, editor. This statement lists by name the sources of income of the association:

Receipts

Cash on hand Jan. 1, 1948	$64.52
Collections:	
119 sustaining memberships at $25	2,975.00
14.75 active memberships at $10	147.50
National Reclamation Association	687.50
Refund, post office box rent	7.49
Refund, telephone rental	4.90
Contributions:	
Jan. 6: Washington Water Power	2,000.00
Jan. 19: Puget Sound Power & Light	1,500.00
Oct. 7: Washington Water Power	1,000.00
Oct. 23: Puget Sound Power & Light	750.00
Nov. 22: Northern Pacific Ry	100.00
Nov. 22: Great Northern Ry	100.00
Nov. 22: Union Pacific R. R.	100.00
Nov. 22: Chicago, Milwaukee and St. Paul R. R.	100.00
Total	5,650.00
Total collections	9,536.91

This shows that almost 70 percent of the income of the association came from private utility companies and railroads. I find this difficult to reconcile with your statement that "most State organizations . . . either limit such contributions or specifically accept none." I also note the absence of contributions by public power groups (such as municipalities and REA co-ops) which, you told the committee, contribute to the State reclamation associations.

As a member of the Interior Appropriations Subcommittee of the House, I am repeating my request for the sources of your income, both direct and indirect, which you agreed, in the hearings, to furnish. This, of course, includes the sources of income of the various State associations, which, as you state, contribute to the national association. I should like statements similar to that pertaining to the State of Washington, which I have quoted above, naming specifically the sources of income.

As I stated in the hearings, I am only trying to be fair. I am anxious to learn whether or not the case of the State of Washington is a coincidental exception to the general statements made by you in your testimony.

I presume that the information which I seek is easily available from the various State associations, and that your prompt attention in this matter will enable you to furnish the committee with this information in the near future.

Sincerely yours,

HENRY M. JACKSON,
Member of Congress.

Dr. Sterling Ruffin

EXTENSION OF REMARKS
OF
HON. CARL T. DURHAM
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. DURHAM. Mr. Speaker, under unanimous consent, I am inserting in the CONGRESSIONAL RECORD an editorial which appeared in the Evening Star under date of June 2 in tribute to Dr. Sterling Ruffin.

The city of Washington has suffered a great loss in the passing of this great man. He has rendered an outstanding service both as a teacher and physician. Dr. Ruffin comes from a family which has contributed much to the State of North Carolina.

DR. STERLING RUFFIN

A physicians' physician, Dr. Sterling Ruffin set a standard in medicine in Washington for more than half a century. His connection with George Washington University began when he came here as a student about 1886. He was professor of practice for 22 years. Approximately 1,200 men passed through his classes. The method of teaching which he developed was rigidly scientific, yet it also was inspirational. A doctor, he insisted, must understand the soul as well as the body of a patient. His influence went out from the classroom and the operating theater to the whole community in terms of service repeated again and again in the labors of his pupils.

Dr. Ruffin's own charges found him tirelessly devoted. He brought to them the reassurance of a calm and placid confidence. Sure in his judgments, he dealt with disease simply as a problem to be solved. His procedures were mathematical. Modern theories annoyed him because, as he believed, they were too adventurously experimental. But he was philosophical in his attitude toward even the most radical innovations. Progress in medicine, according to his conception of it, must be accomplished by medicine itself. It cannot be expected to come from outside and would not be lasting if it did. What really was wanted, Dr. Ruffin declared, was constantly increasing knowledge of what makes people sick and what correctively can make them well.

Never married, Dr. Ruffin lived alone in his Connecticut Avenue home, surrounded by his books. Much of his library dealt with the career of President Woodrow Wilson, whom he attended and greatly admired. When friends yesterday were invited to comment on the net result of his life, one of them said: "He built a monument to himself in the young people who are alive today because he was so competent, so skillful, and so downright good in his work."

Charter of Principles Called Way To Obtain Armed Forces' Unity

EXTENSION OF REMARKS
OF
HON. W. STERLING COLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. COLE of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by David Lawrence appearing in the Washington Evening Star of June 1, 1949:

CHARTER OF PRINCIPLES CALLED WAY TO OBTAIN ARMED FORCES' UNITY—PRECEDENT FOR STEP SEEN IN KEY WEST AGREEMENT ON STRATEGIC FUNCTIONS

(By David Lawrence)

There's one way out of the confusion which has developed in the effort to secure unification of the armed services. It doesn't require any new legislation. But it does require a simple piece of constructive planning by the Secretary of Defense.

The solution has been slowly crystallizing out of the current experience inside the Joint Chiefs of Staff. It necessitates a brief charter of principles for the operation of that all-important agency. It can be written only by the Joint Chiefs and put into effect as a directive by the Secretary of Defense. The precedent for such a step is the famous Key West agreement on strategic functions.

In that agreement, roles and missions only were outlined. When, for example, to the Air Force alone was assigned the primary responsibility for strategic bombing, it was also stipulated that the Navy should assist wherever practicable in the carrying out of such a mission.

But to the Navy were assigned certain missions, too, such as antisubmarine warfare, the bombing of submarine pens, and the laying of mines and other tasks.

EXCELLENT BEGINNING

The outline of missions made at Key West last year was an excellent beginning. It didn't, however, go far enough and take up internal procedures and budget-making. Using the same approach, it now becomes necessary for the Joint Chiefs of Staff to make a basic agreement on two major points:

1. Shall there be a specific plan for war and shall everything be related to that particular plan, or shall there be a flexible plan which would permit the armed services to meet any contingencies that arise when a war

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comes? A rigid plan has the serious disadvantage of basing all strategy on one defense, such as on the Maginot line. Obviously the flexible plan is the better.

2. Shall each service vote its view in the Joint Chiefs of Staff as to the way in which another service's mission shall be carried out and with what weapons? This goes to the root of the present controversy.

It will be conceded by fair-minded men in all the armed services that a certain amount of scrutiny of each other's budgets is desirable so that no service can go off on a tangent with a strained interpretation of its needs. It is admitted also that the mutual scrutiny of budgets can be helpful if carried merely to the point of criticism and observation. When, however, the discussion reaches the technical point of what weapons shall be used to carry out an assigned mission, then the decision should be made by each service as to what weapons it needs for that mission. Nor should any weapon be the exclusive or monopoly privilege of one service. When war comes, it is necessary to hit the enemy with all services and all weapons.

Today the Joint Chiefs of Staff is in a state of disunity and confusion because it lacks a guiding charter. The statute does not specify what the procedures should be inside the Joint Chiefs. The omission is probably a good thing because flexibility is essential, especially in emergencies.

CAUSES OF FRICTION

Here are specific examples of what has happened recently to cause friction: The B–36 was submitted to the Joint Chiefs at various stages. The Navy representatives on the Joint Chiefs did not question the policy of putting all the eggs in one basket, as the Air Force appeared to be doing. Approval was given to the budget asked by the Air Force and the routine changes in B–36 orders on the theory that the Air Force knew best what weapons it wanted for its missions.

Conversely, however, both the Army and the Air Force voted against the building of the large carrier, despite the insistence of the Navy that it needed such a vessel to carry out naval missions. Now the dispute has entered another vexatious stage. The Army and Air Force have begun to question the modernization of such aircraft carriers as already are built. This is carrying matters to the technical point of saying, in effect, that a man who has spent his entire career with ground troops is capable of navigating a ship and carrying out sea operations or bringing his inexpert judgment on those subjects to the conference table. It is this absurdity which is holding up unification. Selecting a chairman whose experience is also confined to one service doesn't help matters any.

The problem can be solved by letting the three services come to agreement on an overall budget to recommend to Congress and then let each service, by adhering to the Key West agreement on missions, determine for itself what weapons and organization it shall use to carry out those missions within the budget figure set finally by Congress for each service. Unification then will come naturally.

UMW History at Harvard

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the United Mine Workers Journal of June 1, 1949.

KENNEDY CITES UMW HISTORY AT HARVARD

Historic achievements of the UMWA in both the economic and legislative spheres were reviewed by Vice President Kennedy in a talk at Harvard University before the advance management class in the Graduate School of Business Administration.

It was because of the leadership of the UNWA, Kennedy related, that the right to organize and bargain collectively was written into Federal law. He told of the labor sections in the law creating the Bituminous Coal Commission and the National Recovery Act which were the basis for the Wagner Act.

Commenting on labor history in the United States, Kennedy told how the UMWA had been influential in sharing the policy of the AFL on such legislation as social security. He also recounted the UMWA's great progress in organizing the unorganized. Comparing UMWA policy with that of miners' unions in other nations, he told of its attitude toward mechanization which has enabled the American coal industry to outproduce the rest of the world.

The Things We Believe

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. MULTER. Mr. Speaker, on May 27, 1949, the New York Post announced the appointment of James A. Weschler as its new editor. On the same date the following statement of policy appeared on its editorial page. New York looks forward to the continued publication of the New York Post in the best interests of the community:

THE THINGS WE BELIEVE

The men and women who are putting out this newspaper have done a lot of soul searching in recent days about the function and character of a liberal newspaper. All of us are newspaper people who respect the techniques of our craft; and all of us regard ourselves as independent liberals with strong convictions about the kind of world we want to live in. What we have come up with is the deep belief that there is no conflict between our craft responsibilities and our social idealism, if we may be permitted a lofty phrase. In fact, we are convinced we will be better newspapermen because we are liberals; and—in the most profound sense—better liberals because we are newspapermen.

Which means we have a transcending allegiance to printing the truth, even if it counfounds our most cherished premises or prejudices; that we believe the heart of the liberal tradition is tolerance for contrary opinions; and that in our angriest hour we will try to remember that those who disagree with us are not necessarily thieves and villains. We shall even concede the possibility of our own error.

There are those who believe that a newspaper cannot fight hard unless its dogmas are inflexible. It is often suggested that the great strength of both the Fascists and Communists is their denial of the principle of doubt. They profess to know all the answers and they are equally certain that those who do not accept their answers are fools or knaves. This doctrine may bring private solace but it bears no relation to the essential values of American life.

We believe an independent liberal newspaper can fight harder, more effectively and more resolutely than a journal committed to an absolutist party line. For what we are saying and doing represents not what we have been told to believe by an all-wise leader or what we have read in a political text which may be reinterpreted to mean something else next week. It represents the intensity of conviction arrived at with the use of our own minds and the exercise of our best judgment.

When we take our stand we will do so with the awareness that we are not God—but with the certainty that there are things for which men are willing to fight and even die. We will not equivocate in the defense of civil liberty. We will not differentiate between good dictators and evil ones. We will not accept a moral double standard under which tyranny and exploitation are defensible in one area of the world and intolerable in another. We despise repression and cruelty in Greece or in Georgia, in Moscow, Madrid, or Manhattan. We believe millions of people in our own country and abroad deserve a better break; that too many children are still born into this world without a fighting chance for human happiness; and we hope this institution will never grow so old or so smug that it becomes indifferent to suffering or tries to discover elaborate reasons why nothing can be done about it.

It was said long ago that the function of a newspaper is to "comfort the afflicted and to afflict the comfortable." Too many newspapers have forgotten the words or grown so fat and comfortable themselves that they view the phrase as inflammatory. We like it and we propose to remember it, not because we regard success as subversive but because success too often means the complacent loss of conscience.

We know where we are going and only a final explanatory word is needed. It has often seemed as if liberal journalism must be dull journalism on the theory that any interest in the variety of human experience is somehow irreverent or irresponsible. We don't accept this grim view. A newspaper is the first draft of history; it is the record of how people lived, exulted and suffered in every phase of their existence.

We know that all of you will not agree with us all of the time, but we vow that you will never be bored.

Bug in Planned Economy

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. PATTERSON. Mr. Speaker, I wish to include in the RECORD an editorial from the Waterbury (Conn.) American of May 27, 1949, commenting on the President's economic program.

The writer's analysis of administration thinking is as correct a one as I have yet seen.

The editorial follows:

BUG IN PLANNED ECONOMY

"The only person in Government worried about inflation is the President himself," declared Representative JAMES T. PATTERSON the other day. The Fifth District Congressman went on to stress that the rest of us are more worried over deflation and specially concerned on that account for what the President's resistance to expenditure reduc-

tions and his call for higher taxes threaten to do to a declining economy.

Mr. PATTERSON's point is well taken and it would certainly be a stimulant to business if Government could balance its books by retrenchment instead of by seeking new revenues. The fact that economy in Government is today attaining more popularity and support than it has had for many heedless years is a hopeful augury that the free-spending cycle has about run its course.

Why the President is resistant to a sentiment which is a growing one among both lawmakers and the people can be explained on the grounds of politics, not economics. That is the fatal bug in the theory of a managed economy. There are undeniably lots of things that Government could do to level off the ups and downs of capitalist economy. Whether it would do them is another matter.

We institute subsidy devices to bolster our economy in times of depression, only to have pressure groups perpetuate such grants through times of inflation. A President is elected on promises of expensive reforms and persists in seeking them, despite the onset of deflation, a shrinking national income, and consequently shrinking tax receipts.

Government is not scientific. Government forever mixes up the exact equations of supply and demand, credit and debit, and all the rest with the tricky human equation. A long process of educating both the politicians and the people and strenuous exercise of conviction and character are needed to make controls under popular government expertly serve our economic well-being.

Poland Seeks East-West Peace—East-West Peace Is Needed or Nation Will Be Trampled

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an article that appeared in the Detroit News of Tuesday, May 31, 1949. This article is written by David M. Nichol, who is now in Warsaw, Poland, and is writing a series of articles on the conditions in that country for the Detroit News and the Chicago Daily News. There have been many articles written on the conditions in eastern European countries, but in most cases these articles were slanted too much to either the left or the right in order to propagandize a preconceived viewpoint. I believe that Mr. Nichol is trying to present an objective and unprejudiced report. The article follows:

EAST-WEST PEACE IS NEEDED OR NATION WILL BE TRAMPLED

(By David M. Nichol)

WARSAW.—Of all the countries of the modern world, the position of Poland is about the unhappiest.

It is inextricably bound with the Soviet Union by the hard facts of geography and by formal treaty, yet for most of Poland's history the Russians have been greedy and unpleasant neighbors, often open enemies.

Its heart and its yearnings and centuries of cultural history incline it toward the west, yet the west has turned its coldest shoulder toward postwar Poland.

Most important of all, in the Polish view, the west has refused to guarantee or even to recognize the country's western boundaries.

Poland knows that any alterations that may be made will be for the benefit and strengthening of Germany.

Yet it is less than 10 years since Germany not only destroyed Poland as a geographical entity but undertook the incredible and ghastly task of killing all its people.

TRADITIONAL ALLY

France is Poland's traditional ally in Europe. But France, after the devastation and blood letting of two world wars, is in no position to help. Its own security can only be preserved in the closest cooperation with the other western powers, which means, again, the reconstruction of Germany.

Nor can Poland's answer be found in the divided, weakened, and artificial Germany which is likely to result if the Foreign Ministers fail to reach genuine agreement.

A divided Germany means continued Soviet occupation of eastern Germany, where its military forces now number some quarter of a million. It also means continued protection of Soviet lines of communication through the Balkans.

IN A RUSSIAN HOOP

Poland would remain literally encircled by the Soviet armed forces, except for the Baltic Sea. And the Baltic, except its western outlet, is under control of the Soviet fleet.

If Soviet forces are withdrawn from eastern Germany, their first stop will be western Poland. It is estimated that 80,000 Soviet soldiers already are dug in firmly there in former Nazi barracks and training grounds.

Genuine agreement in Paris could make Poland the bridge between east and west, a role it is qualified eminently to play.

Lacking that, it has no choice but close and continued cooperation with the Soviet Union, willingly or unwillingly.

A PRAYER FOR PEACE

The last thing that Poland wants is to be involved in the big power quarrels. And it is almost the last thing that Poland can avoid.

"What do you hope for from the Foreign Ministers' meeting?" I asked one high-ranking Polish official.

His reply was in three fervent words:

"Peace. Peace. Peace."

Poetry Prizes for University Students

EXTENSION OF REMARKS

OF

HON. J. GLENN BEALL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. BEALL. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I am including a news item from the May 20, 1949, issue of the Catholic Review, of Baltimore, entitled "McGovern Awards for Poetry Made." Such awards were established in the Catholic University of America and the American University in January 1948 by James Patrick McGovern, a member of the bar of the District of Columbia; special Washington correspondent of the Arizona Daily Sun, and a former captain in the American Expeditionary Forces of the First World War, whose widely read Poems of World War II were published by the Bethesda-Chevy Chase Post, No. 105, Department of Maryland, of the American Legion, in 1945. For further and complete details of such awards I refer to the remarks of former Representative Richard F. Harless, of Arizona, on pages A426 and A427 of the Appendix of the CONGRESSIONAL RECORD, from which I quote this inspiring sonnet from Captain McGovern's pen:

THE HEART'S UNDYING QUEST

Poetry has nature's root and flower,
The soul of life from essence of the earth;
Born of truth and beauty, it reaps power
To make the mortal of immortal worth.
The spirit which is nurtured in its seed
Can build such health, such faith, such harmony,
That wisdom of the heart and mind then lead
To peace and brotherhood and liberty.
The art of poetry owns a domain
Unique and universal in its sphere.
With words like pageants gleaming in its train,
With strains of music blending for the ear;
It is the diamond light of man's unrest,
The rhythms of the heart's undying quest.

I now append the article from The Catholic Review of May 20, 1949:

M'GOVERN AWARDS FOR POETRY MADE

Two prizes for poems have been won by Brother Fidelian Burke, F. S. C., of De La Salle College, Queens Chapel Road and the District line, who is a senior in the College of Arts and Sciences of the Catholic University of America, university authorities disclosed today. Rev. William J. Rooney, chairman of the committee which judges the poems entered for the prize money awarded each year by James P. McGovern, a Washington lawyer, announced that Brother Fidelian's poem, The Reelection, won the first award of $75. Richard N. Foley, chairman of the O'Hagan poetry prize committee, disclosed that Brother Fidelian's entry, Two Bernini Poems, was awarded $25, left by the late Thomas O'Hagan, of Toronto, Canada.

James Irwin, of Detroit, Mich., a candidate for his doctor's degree in English in the Graduate School of Arts and Sciences, was awarded the McGovern price of $50 for his Poor Linguist My Comrade. Honorable mention in the McGovern competition was awarded to Brother Adelbert Scheve, F. S. C., also of De La Salle College, for his poem, To Death.

"I Have Cancer and I Am Going To Die of It"

EXTENSION OF REMARKS

OF

HON. CLINTON D. McKINNON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. McKINNON. Mr. Speaker, not all the heroes die on battlefields. And sometimes the good works of a man do not die with his body. Such is the case of Forrest Warren, a veteran newspaperman, a beloved friend of thousands, and a worth-while servant to the helpless and handicapped in San Diego.

Mr. Warren's doctor told him of his incurable disease. I believe every Member of the Congress will be interested in his reaction, published on the front page of the San Diego Journal. I am sure that many Members will be glad to know

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that following publication of the article that a Forrest Warren Cancer Fund spontaneously developed, and within a week the fund has reached several thousand dollars, with contributions pouring in from all over the country.

After reading Mr. Warren's statement, Members of Congress may wish to assist the Forrest Warren Cancer Fund. Contributions may be sent care of the San Diego Journal.

Here is Mr. Warren's reaction when told he faces certain and immediate death:

FORREST WARREN SAYS, "I HAVE CANCER, I AM NOT AFRAID"

I have cancer and I am going to die of it.

But I am not afraid.

I have made my peace with God. My heart is filled with love. Only happiness will surround me until the end.

My doctor, after I had been ill 7 weeks, told me what was wrong. I have malignant melanoma, a type of incurable cancer.

I am glad he told me. I think that all cancer sufferers should be told. It is not pleasant news—no one wants to go—but it does give you a chance to get your house in order. And that is so important.

I have called in all of my family and we have had a long talk. And I've pretty well worked out the funeral arrangements. I've called the men I want for pallbearers and they've accepted. And I've had a chat with my preacher, and asked him to keep his remarks brief.

So far, I have had little pain, but I am very tired and sleepy. I tell my friends I could qualify in a laziest-man contest.

The thing that bothers me most right now is that the doctor says I must have no visitors and no phone calls. I've tried to argue, but the doctor is firm. On that rule, he just won't budge at all.

My very life has been wrapped up in newspaper work—for more than 50 years. I will be 72 next August.

In my career I have written every type of story, but this is the most unusual. I am dictating it to my devoted wife Nina, who has been of such strength to me down through the years, and particularly in these days. She is seated by my bed with our portable typewriter, putting down what I have to say.

I am writing this column for only one reason—or perhaps, I should say, for two reasons.

First, I feel it might bring a measure of comfort to others who are hopelessly ill and face to face with their Maker, just as I am.

Then I would like to say a word to those who are not ill but who are blessed with health and strength, and have time ahead of them.

I would like to appeal to them to give to the cancer research fund so that it may become possible for doctors to detect cancer more quickly, and even perhaps find a cure.

Many people have been telling me what a wonderful life of service I have had. I say to all, "If you think I have done good, why not do likewise? Now is the time to begin. Help somebody today."

When I was a very young man my first wife was killed by a train, and I was left alone with a baby boy. For a time I was battered and broken, and my little world seemed at an end.

It was my mother's counsel that shook me out of my despondency. With an arm around me, she said, "Son, sorrow too much indulged soon becomes a weakness. The only way to lighten it is to share the sorrow of others."

I acted upon my mother's advice. In all humility, I tell you that from that day I have shared the sorrows and lifted the cross from the overburdened wherever possible.

My stories and columns in the San Diego Journal have all had one purpose—to bring happiness. I am grateful to the management for giving me the privilege of writing columns and stories to help others. The Journal is truly a metropolitan daily with a heart.

We have a revolving wheelchair plan. A chair is used by a person as long as he needs it, then returned, repaired, and passed on to someone else.

Chairs and funds for their maintenance are obtained through the Journal columns. Archie Cairns is my right-hand man in this project, and I know he will carry on.

We have a Santa helper's fund, operating the year round to give aid to the needy. At Christmastime hundreds of dollars in money, toys, and clothes help to spread cheer.

Through appeals, five projected books have been purchased by individuals and clubs. These are projected onto the ceiling to help brighten the days of the bedridden.

The Indoor Sports received several thousand dollars for their clubhouse through my solicitation in The Journal.

The Golden Wedding Club, sponsored by this newspaper, has brought happiness to many couples who have been married 50 years or more. We hear and read a lot about divorce and marital unhappiness—but there is so much on the other side.

Why do I write about these things?

I do it only to say that when you help someone, you receive more than you give. I am so grateful for the full life I have had; I am so grateful for my friends, and I am so grateful for the privilege of serving by being a sort of middleman between those who have and those who have not.

I have no monopoly on that gratitude. You may share it, too.

I am tiring now, but I want to say that my doctor and his associates are wonderful. They are doing everything for my comfort. It is a joy to know that I am leaving three grown children, all good citizens, and six grandsons. My wife, who has been my constant companion, nurse, and partner in my writing, will carry on the work I love.

The time is not set for my departure. Only God knows when that will be. I face the future with faith and, in my heart, love for all.

Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. WILLIAM S. HILL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. HILL. Mr. Speaker, under unanimous consent, I include in the Appendix of the RECORD an editorial on Federal aid to education taken from the Denver Post.

This is a very excellent statement, and I trust that all Members interested in this most important national legislation will find time to read this article very carefully:

THE CONCERN OF ALL

We don't know any arguments against Federal aid to education which are not based on (1) a tightwad opposition to social expenditure, no matter how meritorious or (2) the professed fear of Federal interference in the schools.

Regardless of how seriously these objections may be advanced, they become feeble in the hard light of facts about the state of United States education. We are a Nation which prides itself on free schools for all, but—

In 1940, 10,000,000 of our citizens had no more than 5 years of schooling.

Census estimates in 1947 showed that 4,000,000 of our children between the ages of 5 and 17 were receiving no schooling at all.

In the war years, 8 percent of our young men were draft-rejects because of educational deficiencies.

In the years 1939 and 1940, studies showed that the best of our school systems spent $6,000 or more per classroom, while the poorest spent less than $100, a spread of more than 60 to 1 in educational opportunity.

This is the age of the atom and of conflicting ideologies. It was never more important that America have informed citizenship. We cannot have such a citizenship when there exist these appalling holes in our educational structure.

To a great and demonstrable extent, these weaknesses are due to the unequal spread of wealth among our States (and it should be obvious that unequal educational opportunity is a prime factor in perpetuating these inequalities of wealth).

It is the aim of the Federal-aid-to-education bill, which the Senate has just approved by an overwhelming 58 to 15 vote, to fill these gaps. The measure provides $300,000,000 to be distributed among the States on a basis of need.

Opponents have appealed to the self-interest of the more well-to-do States, pointing out that their share of taxes to pay such Federal grants will be, in many cases, several times what they would receive in aid. This is obviously true. Colorado, for instance, would chip in $2,171,000 in Federal taxes and receive only $1,240,000.

Far from being a sin, that is the very philosophy of Federal aid. It takes from the richer States and gives to the poorer. But the aim, and a worthy one, is to advance the entire Nation.

James V. Forrestal

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. PHILBIN. Mr. Speaker, the following is an excerpt from a news story by John A. Giles appearing in the Washington Star of May 23, 1949, concerning the late James Forrestal, former Secretary of Defense:

When, as Navy Secretary, he visited Pearl Harbor Navy Yard, he shunted aside the efforts of an admiral to talk to him to speak to a lonely junior officer he had just met for the first time. "I'll tell Phil I saw you, Dave," he called while the brass stood back abashed.

The young officer concerned is my good friend, Commander Davitt M. Rooney, of Palmer, Mass., prominent central Massachusetts newspaperman who served as a Navy public-relations officer during the war. Secretary Forrestal, subsequently, gave me his message.

The episode described by Mr. Giles vividly illustrates one of the many-sided facets of Secretary Forrestal's personality and character which brought him the respect and admiration of the public and which endeared him to those who knew him best

Jim Forrestal was as much a casualty of the war as if he were stricken in battle, because his selfless zeal prompted him to labor so arduously in behalf of the Nation that he was finally borne down with the weight of heavy responsibility and work. Outstanding in every respect, he was a brilliant administrator and a man of strong conviction. He was efficient, painstaking, conscientious, and he was also kind to his associates and all the members of the armed services, humane in extending a helping hand to those in need of his assistance. A gifted policy maker, he was an able and faithful public servant who performed his duties with poise and efficiency, always with rare discernment of the particular needs of the ordinary enlisted man who came under his jurisdiction. His loss is not only a personal but it is national and the country deeply mourns his untimely passing. Truly it may be said of him that he gave his all for his country.

How Can We Best Resolve Our Differences With Russia?

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address I gave on the above subject on Town Meeting of the Air over the ABC network on May 31, 1949:

If to resolve our differences with the Soviets means that they must become democratic, or we become communistic, then there is no hope indeed. However, our practical task is to try to get a workable agreement on traffic rules under which orderly and peaceful relations may be carried on between the two systems, despite their unlikeness.

Two years ago our Government finally began to wake up to the fact that we cannot buy Russia's cooperation by sacrificing our principles and other peoples' rights and territory. Step by step we have embarked on a fivefold program which I believe is sound as far as it goes and has some promise of success, if firmly and patiently continued and expanded:

First, rebuilding enough of our scrapped military strength to fulfill our commitments overseas and to meet any probable emergencies or dangers. Strength, here at home, is indispensable if we hope to influence the Kremlin at all.

Second, resistance to any further spread in Europe and the Near East of the glacier of tyranny moving out of the Soviet Union.

Third, assistance, on a cooperative basis, to the western European nations and western Germany in their struggle to recover economic stability against determined Communist efforts to weaken and subjugate them.

Fourth, the North Atlantic Pact. From the beginning it was apparent that full economic recovery could not be achieved without this additional step—a mutual defense program. A sense of security is essential if the peoples of Europe are to put everything they have into the recovery effort. The defense program and the economic program are both necessary if either is to succeed.

But progress in Europe alone cannot be enough. Asia must also be free and on our side if we hope to have so strongly favorable a balance of power in the world that it can perhaps influence the Soviets toward cooperation rather than conquest.

Tragically, our Government has followed opposite policies on the opposite sides of the globe. In Europe we follow the Truman policy of resistance to communism and assistance to freedom—and are making real headway; in Asia we still follow the Wallace policy of trying to appease communism—with total disaster.

By refusing to give vigorous and effective support to those opposing Communist aggression in China, we actually intervened in favor of that aggression—the worst possible alternative. That is the measure of how immature we still are in the political and ideological fields.

That brings us to the necessary fifth step: Not just opposition to further extension of the Soviet system of compulsion, but a positive sense of mission to spread throughout the world our system based on voluntary cooperation. We must give to the world a more adequate presentation of the thrilling story of what has happened and can happen under freedom. Through press, radio, films, books and magazines, and exchange of teachers, students, scientists, we must show the oppressed peoples and the undecided peoples of the world a better alternative—the record of performance, not just promises. The desperate measures Russia is taking to prevent the story of freedom from reaching those under her control and her own stupendous efforts in the propaganda field are the eloquent proof of how great is her faith in the power of ideas. We dare not be less active and effective in presenting the facts about America than Russia is in selling her falsehoods.

All of the above are essential but they are not enough. They merely buy time for a sixth step, give us one more chance to get the world organized politically on a sounder basis.

We must move boldly and imaginatively to strengthen the United Nations so that it can handle effectively all threats to the peace from whatever source. If Russia will not agree to changes that would make all members subject to the same laws, and vetoes them, then we should organize on a closer basis with all the nations that will agree—not outside the United Nations, but inside it.

As long as we timidly indicate we will not do anything unless or until Russia agrees, of course she will not agree. Why should she?

We can expect the men in the Kremlin to change from obstructionism to some sort of cooperation only when we confront them with a set of circumstances where agreement is more advantageous to them than continued disagreement—a closed door to conquest; an open door to cooperation.

To demonstrate to the Russians, quickly, that if necessary, we and the other free peoples can and will get along without them, is, I believe, the best way to get along better with them.

Harmful Fertilizer Practices

EXTENSION OF REMARKS
OF
HON. WILLIAM LEMKE
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. LEMKE. Mr. Speaker, since July 1945, I have introduced four different fertilizer labeling bills at the request of Mr. William G. Holman, a public-spirited Virginian.

And on February 28 last, a fertilizer labeling bill limiting the amount of soluble nitrogen in fertilizer was introduced by the distinguished Representative from Wisconsin, Hon. FRANK B. KEEFE.

While it is not my purpose to criticize the Committee on Agriculture for its failure to conduct hearings on any of these bills, I do think the time has come to give Mr. Holman an opportunity to prove: First, that an excess of soluble nitrogen in fertilizer makes all plants more susceptible and less resistant to disease; and, second, that a reduction of the soluble nitrogen content of fertilizer, and the use of more organic nitrogen, would enable the farmers to grow better crops with 50 percent less fertilizer per acre—thus lowering the amount the farmers annually pay for fertilizer—$260,000,000.

While my State uses only a few thousand tons of fertilizer, I am interested in the economic phase of this matter, and more particularly in the health phase of it.

The maintenance of fertility is the farmer's problem, but every one of us should be interested in knowing that the food we consume will have no harmful effect upon our health.

I shall quote a few paragraphs of a paper that Mr. Holman has prepared on this subject which leave little room for doubt as to how seriously the health of the people is involved:

Dr. James Asa Shield, an eminent medical scientist of Richmond, Va., says that people in other countries whose food crops are grown with nature's plant food—organic nitrogen—do not have sclerosis of their nerves, their blood vessels, blockage of their veins, or high blood pressure, or kidney or gall stones.

He also says that people whose food comes from soils fertilized with chemicals appear to have more vascular diseases and more degenerative diseases.

The Yearbook of Agriculture, 1948—page 288—says that more than 1 or 2 percent of nitrates in plants as a result of very heavy fertilization or of excessive amounts in soils is known to be poisonous to stock.

An editorial in the Bee, Danville, Va., says that it now appears that cows that graze on highly fertilized pasture lands become sterile, and that this is also believed to be the cause of the X-disease that afflicts so many cattle.

The Spectator (London) October 17, 1941, says that rabbits have died after eating cabbage grown with an excess of nitrates.

Anything that poisons cattle and kills rabbits is undoubtedly harmful to human beings, and may be the cause of the great increase in the number of deaths from heart disease and cancer.

Mr. Holman goes on to tell in his paper how a few fertilizer manufacturers acquired control of many of the phosphate deposits in this country, and how they used this monopolistic control of such a basic fertilizer material to dictate to other manufacturers not only how fertilizer should be made, but what the selling price should be.

He then tells of the loopholes in many of the State fertilizer laws which permit the manufacturers to use almost unlimited proportions of the cheap water-soluble sources of nitrogen without

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letting the farmers know that this is being done.

Mr. Holman cites the fact that the increase in the soluble nitrogen content of the fertilizer was soon followed by an extensive spread of destructive plant diseases, and by an alarming increase in human diseases.

He then shows how the use of so little organic nitrogen forces the farmer to use more fertilizer per acre in order to get enough organic nitrogen to feed the plant to maturity.

Mr. Holman tells of the ravages of blue mold that destroyed so many tobacco plants in Virginia this year that a majority of the farmers in several of the tobacco-growing counties were forced to go entirely out of the State in search of plants with which to plant their crops.

Finally, Mr. Holman dramatically appeals to the public for a helping hand in the following words:

In the name of the farmers who have been oppressed; in the name of those who are suffering, and of those who have died from diseases that might have been prevented, let us appeal to the awakened conscience of the people.

Here is what you can do to help: Write to your Congressman and to your Senators, and urge them to help me get a hearing before the Senate and House Committees on Agriculture.

Drop me a line at 305 B Street NE., Washington, D. C., and let me know that you are in sympathy with what I am trying to do for the public good, and that you will do all you can to help me.

Mr. Speaker, I think Mr. Holman deserves the support of right-thinking citizens throughout the Nation, and I hope he will get it.

Armed Forces Pay Bill

EXTENSION OF REMARKS
OF
HON. JAMES B. FRAZIER, JR.
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. FRAZIER. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the CONGRESSIONAL RECORD, I include an editorial appearing in the Daily Post-Athenian, of Athens, McMinn County, Tenn., under date of May 25, 1949:

THE EDITOR COMMENTS IN THE FRIENDLY CITY OF PROGRESSIVE EAST TENNESSEE

(By C. C. "Chuck" Redfern)

Every front page has the story today about the defeat of the Armed Forces pay bill. It was discovered that the bill raised top brass pay about 50 percent and the recruit's pay 3 percent.

The stories on the defeat of the bill carry the name of PAT SUTTON, freshman Congressman from Tennessee.

SUTTON called the hand of the brass in the lopsided pay scale and gave forth with such potent articulation that the bill was defeated.

There was little the generals could say. PAT SUTTON is not the kind to be backed into a corner and he was in World War II, but good.

Remember the name of PAT SUTTON. You'll hear more of him. You vets in the State may know the young man now.

He enlisted as an apprentice seaman. Then volunteered for underwater demolition, which as you all know is the most dangerous form of military service.

PAT SUTTON received both Army and Navy decorations and in fact is the most decorated veteran in Tennessee.

He carries a steel plate in his shoulder and another patch over his eye. He has more guts than a Sherman tank and yet is friendly as a flower in spring. He has possibilities, wouldn't you say?

Under-water demolition men put on rubber fins and swam from subs or other craft to shore installations before troops landed. They cut wire, detonated bombs and eliminated other water hazards so troops could land.

Sometimes they came back. PAT SUTTON was one of the far too few who survived.

And so it comes as no surprise to those who know Congressman SUTTON that he spake his piece when he felt it needed speaking. Let the brass fall where it may or anyone else if they are off base.

By the same token PAT SUTTON has fought just as hard for his friends and constituents. He seems intent on doing what is right and we mean doing it, not just half doing it.

So as we saw the story come in on the wire today, of PAT SUTTON, freshman Congressman, mowing down the brass, it was no surprise.

It will be a surprise that if some day we do not see the name of PAT SUTTON more prominently displayed; maybe a Senator—hmmmm?

PAT SUTTON handled the chore of thousands of ex-servicemen who would have enjoyed looking at the big brass feel the pangs of disappointment, just as many a recruit has felt, when refused a 3-day pass.

Japanese Educational Program on Communism

EXTENSION OF REMARKS
OF
HON. JOHN S. WOOD
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. WOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

HEADQUARTERS, KANTO MILITARY GOVERNMENT REGION,
APO 201, May 26, 1949.

CHAIRMAN, COMMITTEE ON UN-AMERICAN ACTIVITIES,
Old House Office Building,
Washington, D. C.

DEAR SIR: The work of your committee and the publications released on communism have had far reaching influence. The findings of your committee can be put to invaluable service in Japan among the American occupation personnel who are not adequately oriented in communism—what it is, how it functions, how to contain it.

The duties of my staff are devoted to development of the Japanese educational program from nursery school to university, including adult and out-of-school youth education, in seven of the prefectures or States having a total of 6,000 schools, 70,000 teachers, and 3,250,000 pupils. Copies of your material will be most useful at this time of critical political agitation in the Far East, and I assure you will be put to intensive use.

I fully realize that this is a special request and your committee may not be in a position to render the assistance asked for, but we in our duties in Japan will be appreciative of whatever materials you can provide and reference to other sources that you can give.

Very truly yours,
ROLLIN C. FOX,
Regional Education Officer.

More Power

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. MACK of Washington. Mr. Speaker, the Grand Coulee Dam, in the State of Washington, is now the largest producer of hydroelectricity in the world. It became so when the tenth generator of 18 to be installed at that dam went into operation. The rated capacity of Grand Coulee Dam is now 1,100,000 kilowatts, compared to 1,000,000 kilowatts at the Hoover Dam, now the Nation's second largest hydroelectricity producer.

Eventually when, by 1952, all 18 generators are in operation at the Grand Coulee Dam, the electrical capacity of that dam will be 2,000,000 kilowatts.

Despite these great expansions in electrical production in the Pacific Northwest, this fast-growing, industrially expanding area is still short of power to meet its ever-growing needs. More power is needed. On this subject the Portland Journal, of Portland, Oreg., one of the largest newspapers in the Pacific Northwest, recently said editorially:

MORE HORSEPOWER

Another 108,000-kilowatt generator goes on the line at Grand Coulee today. This in ordinary times would be routine stuff. But two things make it a very important event indeed.

First, the power-hungry Pacific Northwest needs that generator. And how it is needed! The flooding Columbia, by reducing the usable heads of water at Bonneville and Grand Coulee, has put a 190,000-kilowatt crimp in production from these two plants. And the region still has a continuing 150,000-kilowatt peak shortage that may really hurt next winter.

Second, addition of that tenth generator at Coulee gives this biggest of all multiple-purpose hydroelectric projects the greatest rated capacity of any such plant—1,100,000 kilowatts as compared with Hoover Dam's 1,000,000 kilowatts.

Eventually Grand Coulee will have a rated capacity of almost 2,000,000 kilowatts. But as the 1,000,000-acre Columbia basin project comes in, starting in 1952, more and more of this hydro giant's power will be required to lift water from the Columbia into the great irrigation canals. Eventually half Grand Coulee's total capacity will be used for this purpose during the irrigation season.

There is this additional factor: Until additional storage dams are completed above Grand Coulee, the firm capacity of the plant will be limited to the equivalent of 15 generators, even if all 18 of them were installed.

Even the mighty Columbia has its limits at certain low-water periods.

Thus the new generator at Grand Coulee won't solve our power problem, but it will help mitigate the shortage. Additional generators are to be added as fast as manufacturers can produce them.

It's a grim race the Pacific Northwest runs against a drastic power curtailment. Every kilowatt counts.

Wake Up, America—It Grows Like a Cancer

EXTENSION OF REMARKS
OF
HON. AUGUST H. ANDRESEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I believe that the following article from the Financial Post, Toronto, Canada, of May 28, 1949, should be of vital concern to every citizen of the United States and particularly American businessmen. The rapid drift toward a totalitarian welfare state in this country follows the pattern that took Britain into socialism. Americans, we must not let it happen here. Wake up, before it is too late.

IT GROWS LIKE A CANCER

The silencing of dissent is the well-known, universal characteristic of every totalitarian state.

In Hitlerian Germany, business and professional men who could foresee the path down which they were being led and who alone might have had the will and the power to organize effective opposition, found themselves trapped by the Hitler machine. Willy-nilly, business and industry found itself unable to escape being made increasingly a tool of Hitler policy.

In Britain, the peril of dissent against Socialist rule soon becomes apparent to any visitor. "Keeping in well" with the bureaucrats who can do so much to help or hinder business processes becomes an important part of company policy. Being careful not to antagonize the masters, hence prolong, or invite new regimentation and restriction, easily becomes the businessman's habit.

And this docility and servility grows like a cancer.

The damage resulting from this creeping paralysis of resistance and criticism, and evidence of its growth in Britain, has been previously commented on in the Financial Post.

Now the Recorder, public affairs weekly of London, is talking about it. Editorially, the Recorder says:

"It is a queer thing that industrialists who are so active and enterprising in their business are slow when it comes to safeguarding their whole future.

"Could it be that in some cases there are Government contracts to consider? That may be uncharitable; but certainly the word 'government' whatever its color, has a strangely awing effect on most of the people of Britain."

The Recorder points out that most British industrialists are members of the Federation of British Industries and that it is with the FBI that the Government holds its negotiations.

"One big fact does disturb many men who subscribe their company's funds to the FBI. That is whether the FBI is sufficiently wholehearted and active in the fight against nationalization. Some who direct the policy of the FBI seem to be smitten with the disease of 'statesmanship.' To them a fight is a brawl, however worthy the name.

"Some represent companies not yet threatened by nationalization. Some represent companies threatened by nationalization but not yet decided how, or even whether, to fight it.

"Does the FBI believe in Britain? Does it believe in British industry? Does it believe that Britain thrives better, and even depends wholly, upon a free British industry? Those questions should be decided now."

It will have struck many Canadians that some British businessmen who have spoken publicly here sounded much like apologists for the Socialist government. They seemed frantically eager to say nothing which could by any remote accident be interpreted by their Socialist masters at home as critical or hostile.

And is it very much wonder? In the totalitarian state, everyone is dependent in a thousand ways on the will and the whim of the totalitarians.

That is only one of the perils of socialism. One way and another, it inevitably suppresses and silences opposition and criticism and that is the direct path to the permanence of dictatorship; the end of all individual freedom. It is indeed the road to serfdom.

United States Bonds as Reserves

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. MACK of Washington. Mr. Speaker, it is constantly said that the money in the old age and survivors insurance reserve fund has been spent, that it is all gone and that in its place is only Federal Government I O U's.

In a sense that is true, but only in the same sense that all of the money we have borrowed from banks, insurance companies, savings and loans, and private individuals, and for which we have given them Federal Government I O U's called bonds, is true.

Our Government owes $252,000,000,000, that being the size of the national debt. Of this $252,000,000,000 of debt, $31,800,000,000 have been borrowed from Government reserve or surplus funds, including the railroad retirement fund, the Federal employees retirement fund, the old age and survivors insurance reserve fund, and several other Federal reserve funds.

The Wall Street Journal, the Nation's leading financial newspaper, judging from a recent editorial in that paper apparently sees nothing wrong or unsound in the Federal Government borrowing these reserves and replacing them with bonds. Neither do I.

It can be said, and I think rightly, that there is danger in building a reserve such as that of old age and survivors insurance too large, thereby making easy borrowing by the Government easier and thus encouraging extravagant Federal spending.

The present old age and survivors insurance reserve fund now contains $10,700,000,000 and is increasing at the rate of a billion dollars a year. There are those who want to see this fund increased to $40,000,000,000 or $50,000,000,000. No such enormous reserve is or, in my opinion, ever will be needed. A reserve fund of $10,000,000,000 to $15,000,000,000 should be big enough.

The editorial of the Wall Street Journal dealing with borrowing by the Federal Government of old age and survivors insurance reserve funds and replacing them with Government bonds follows:

UNITED STATES BONDS AS RESERVES

Belief still persist in some quarters that a reserve fund in the old-age and survivors insurance system is purposeless or has no real existence or swells the cost of the retirement annuities. If there were any foundation for these criticisms of the OASI reserve, it would be in order to take a serious look at a number of other reserve funds of the same composition.

Government obligations in which Federal law requires a score of insurance reserve and surety funds to be invested are classified by the Treasury as "special issues." As of April 30 last they were outstanding to a total of $31,800,000,000, an increase of $2,600,000,000 during the preceding year. So far as this newspaper is aware, only the OASI reserve has been denounced by anybody as being a mere bookkeeping trick.

The Railroad Retirement Account offers a particularly interesting illustration of an annuity system reserve invested in Government obligations. It is adminstered by a three-member board to which the railroad labor organizations nominate a man, and the railroad companies another. The President of the United States appoints the third member in his own free choice. Between its inception in 1937 and the end of 1948 the Railroad Retirement Board realized, in round figures, $3,200,000,000 from taxes on employees and employers and upward of $100,000,000 in interest on the reserve, a total of $3,300,000,000. It paid out just under $1,700,000,000 in benefits and invested just over $1,600,000,000 in the Government obligations which some people say haven't any real existence.

Railroad labor unions have been enthusiastically in favor of their tax-and-reserve system of retirement pensions, though some groups of their members have objected that the present tax rate of 5¾ percent each on employees and employers, applicable to wages up to $300 a month, is too high—too high, anyway, in its bearing on the employees. But the well organized beneficiaries of this retirement system, with their own man on the administrative board, do not contend that reserve accumulation is no good.

If reserve accumulation of Government bonds is a hollow sham, why pick on the OASI reserve alone?

Keeping Faith With Our War Dead

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include the address I delivered on May 30 at the annual Memorial Day exercises in the city of Worcester, Mass.

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This commemorative ceremony, in honor of the dead of all wars, took place on the Common at Worcester, Mass., and was sponsored by the Willie Grout Camp No. 25, Sons of Union Veterans of the Civil War.

The address follows:

It is an honor to take part in these exercise of homage to those of our comrades for whom the last human roll call has been sounded, but whose spirits ever look upon us from the ramparts of heaven.

Today, in all parts of the land, in great cities and rural graveyards, the people of the United States are holding commemorative ceremonies for those who fell in their country's service. Similar tribute is being paid in the far-flung military cemeteries, large and small, where Americans sleep on foreign fields, from Iceland to Japan, in Europe, Asia, and Africa, and the lonely islands of the Pacific. The sun never sets on the little white markers of our war dead.

In our contemplation of their supreme sacrifice we are reminded of their love and devotion to the cause of freedom. Yes, we cannot forget that they were victims of war, man's greatest plague since the dawn of history. The wars in which America has been called upon to participate have been conflicts begun by despotic and totalitarian governments.

The American people have always been a peaceful people. They have never been prepared for war, when war came, because they were motivated by good will toward their fellowmen, not by any lust for power over other people, nor by any greed for the territory or possessions of others. Whenever the manhood of America has marched, as you men and your comrades marched, to do battle for your country, the motive and purpose of America has always been to extend the boundaries of freedom.

No one can deny nor dispute that record and that impelling motive on the part of America. History sustains it completely. Our record in the Philippines, our record in Cuba, our record in every case where we have rescued subjugated peoples from the heel of the despot, has been to prepare them for self-government, and then help them set up their own government.

Our whole doctrine and concept of government is to live at peace with our neighbors; to permit self-determination by peoples within our own sphere of influence and encourage he peoples of every nation to choose their own form of government.

All we asked in the First World War in return for the millions of men and the billions of dollars we spent, was world peace between all the nations. We did not get that world peace.

When we became embroiled in the Second World War our purpose was perfectly clear to every informed person in the world. We were again going into war, we were again preparing to contribute millions of men and unprecedented billions of dollars that the world might have peace and security; that small weak nations might be made free of the fear of being overrun and enslaved by stronger neighbor powers.

In the course of that terrible conflict, we not only had to pour millions of fighting forces and billions of dollars on munitions and supplies of war into the European theater, but at the same time we had to pour other torrents of blood and billions of dollars into a war in the Pacific which we fought alone with practically no aid from any of our allies. Such a feat of waging war directed toward freedom and motivated by a desire that all men might be free and secure has never been witnessed before in the history of mankind.

Today, after the last great struggle, America remains the outstanding bulwark of liberty left upon this planet while across the world two conflicting concepts of government clash. With the world of the future in between, democracy and communism watch each other, with their conflicting ideologies and governmental policies. We have been, by force of circumstances, impelled into the position of world leadership, as well as the world's banker and samaritan of mercy. Out of that position there arises the imperative necessity that we face facts realistically and no longer bemuse ourselves with wishful thinking.

The problems of peace are equally as grim and urgent as the problems of war. If we do not remain alert to our duties, heroism will give way to lethargy, self-sacrifice to self-indulgence and national pride to national indolence. We will not abandon our efforts for peace, but at the same time, we must make it clear that we do not propose to stand by and see our war aims abandoned, small helpless nations overrun, American democracy challenged, and freedom everywhere threatened with extinction.

This Memorial Day seems a very appropriate time to reaffirm our passionate yearning to live in peace with all the world, and also, perhaps, to dwell upon the beliefs that have been retained for us by the blood of our departed comrades, of all wars.

We believe, and we have demonstrated, that peoples enjoying liberty and equality of opportunity will not take upon their shoulders the yoke of any despotic oppressor; they do not and will not look into the dust as they live out a life of weary toil and torture. Freemen under our American concept lift their eyes to heaven to search out their destiny among the stars.

Yet we are being told by a small cult of subversionists in this country that America is archaic; that Americanism is outmoded; that our Government by consent of the governed is not as efficient as government under communism or socialism, or some other alien ism. The hour has come for us as citizens and especially as veterans, to examine and answer that challenge.

The other nations of the world have had thousands of years in which to achieve everything we have achieved in America in 170 years. They did not succeed. We did. Now, since our forefathers came from those very countries which failed to reach the heights we have scaled in America, by what magic did they build the foundations upon which, in 170 years—a brief and fleeting period in the life of nations—we erected the greatest nation the world has ever known.

It was the magic of our Government by consent of the governed; it was the magic of our Constitution in which we bound ourselves to refrain from the oppression of minorities in moments of passion and vehemence on the part of the majority. It was the magic of the Bill of Rights—the right to worship God as each should choose; the right to know what his Government does and to criticize it if he sees fit; the right of petition and peaceful assembly; the right to seek work, go into business, or enter a profession; the right to exercise individual freedom while recognizing a like right for our neighbors. It is the magic of that concept and system that has brought us in 170 years to the highest standard of living in the experience of men.

These same underground detractors tell us that Americanism cannot meet the conditions of the modern world. Let us reply to that charge.

After Japan had prepared for 40 years for war; after Stalin had prepared for 20 years for war; after Hitler had driven the German people for 12 years getting ready for war, what happened in America when we were forced to fight? Under a free government a free citizenry, a free agriculture, a free industry, a free labor, all cooperated to put us, in the short space of 3 years, on an offensive war basis and the road to victory.

In 3 years, we in America overcame the decades of preparation in those totalitarian countries. In 3 years, we were in sight of victory in two wars, in two oceans, while we were pouring out billions upon billions of dollars worth of war machines and material to sustain, not only our own millions of fighting forces in Europe and the Far East, but to sustain our allies as well. During that same war, we had a national election without impeding our efforts in the least. That is the kind of an America that you fought for. That is the kind of America our comrades died for. That is the kind of an America that we must live for. That is the kind of an America these subversionists say has failed.

Let us look a little further at this picture. After the war was over, after we had proved to be the deciding factor in the two wars, all the other nations of the world turned to us to feed them, to clothe them, to give them the money by which to rebuild their shattered factories and their war-blasted agriculture. On this very day, every nation on the globe is looking to us for help. If there is any other governmental system in the world remotely comparable in benevolence and efficiency, where is it? The subversionists who prosper under the hospitality of this country and who then seek to destroy the very system that makes this Nation all it is, cannot answer that question, but we can. There is no better country under the sun and with the help of divine providence and our own loyalty it ever will be preserved.

We all hope and pray that war will never again come to this planet. We know that war, instead of being a heroic, chivalrous adventure under flying banners and to the noise of blaring trumpets, is a cold, scientific, efficient method of mass destruction of men and factories, of cities and farms. We know that war has reached such scientific advances that it will be mass suicide if it comes again.

So then, on this Memorial Day in 1949, as we are gathered here to pay tribute to our heroic dead, we must remember that the peace of the world and the safety of our liberty lie in eternal vigilance. We must remember that in the state of the world today, while we work wholeheartedly for peace and understanding, we are forced to remain sufficiently strong to discourage any aggressors' direct attack. Above all, we must give our common devotion to our common country just as those who today sleep beneath the grassy mounds gave their common devotion. They died in their devotion to liberty and we cannot give them any better pledge of remembrance than in the words of the immortal poem—

"Nor shall your story be forgot,
While Fame her record keeps,
Or Honor points the hallowed spot
Where Valor proudly sleeps."

We must live our devotion to liberty if they are not to have died in vain. May God give us the strength, the wisdom, and the courage to keep the faith with those who died for us.

Soviet Crusade Against Jews

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by

Eugene Lyons, from the New York World-Telegram of May 27, 1949:

STALIN HURLS JEWS TO LIONS TO SALVE RUSSIAN MASSES

(What is back of the Soviets' crusade against the Jews? Eugene Lyons, United Press correspondent in Russia for 6 years and a noted authority on Soviet affairs, today offers an explanation of the Kremlin's shocking anti-Semitic campaign which staff writer Frederick Woltman disclosed in a series of articles just concluded.)

(By Eugene Lyons)

Despite panicky denials by partisans of the Soviet dictatorship here, the tragic fact of an officially sponsored campaign against Jews in the Soviet Union can no longer be doubted. The documentation presented by Frederick Woltman in the World-Telegram is, of course, only part of the cumulative evidence.

It is helpful to recall that other terrifying Soviet events, at first vehemently denied, were acknowledged in time even by Stalin's faithful. The man-made famine of 1932-33 which took at least 3,000,000 lives is an example.

Some actions of the modern police state are so extreme that they defy credence by normal minds. The anti-Semitic turn in Kremlin policy belongs to this category. It seems fated to go through the familiar cycle of shock, doubt, and ultimate acceptance as one more aspect of the moral degeneration of the Communist experiment.

REVEALS TENSION

For the world at large the new development is significant for the light it throws on the nature of the Soviet regime and for what it reveals about tensions inside the U. S. S. R. today.

The Kremlin leaders know their anti-Semitic venture will cost them the allegiance of millions of friends of the Soviets abroad. It may well mark the beginning of the end of the tenacious myth that Stalin's dictatorship, despite everything, is somehow on the side of liberalism and progress.

The readiness to forfeit foreign support at this critical juncture in world affairs, points to a difficult if not desperate internal situation. As always when governments take up the weapon of anti-Semitism, it amounts to a confession of serious weakness.

Students of the Soviet scene long have been familiar with the growth of anti-Semitic feelings among the Russian masses. But they were aware, at the same time, that the Kremlin was fighting the tendency.

JOIN HATEMONGERS

Now the Soviet regime itself has joined the howling pack and in effect has given its blessing to racial persecution. The Kremlin has not merely given up its struggle to curb anti-Semitism, but is forging a united front with hatemongers.

Why has the regime chosen to switch sides on this issue?

Before attempting to answer the question we must realize that the Moscow claims that anti-Semitism had been abolished was a propaganda fraud. The truth is that this evil is more widespread than under the czars.

The reasons for this are too complex to explore in a brief article. The gist is that the Jew in Russia has been cast in the classic role of scapegoat for discontents, for which he is in no way responsible. Anti-Semitism has risen as a reflex of the general misery of the population and in direct proportion to the horrors imposed on the people. Only in part is it a leftover of prerevolutionary anti-Semitism, being overwhelmingly a product of Soviet conditions.

COULD NOT TURN TIDE

The Soviet Government rightly regarded anti-Jewish sentiment as an indirect expression of the deepening popular hatred of the Soviet system. It fought anti-Semitism not for liberal idealistic reasons but out of necessity, as a species of counter-revolution.

That fight was unfortunately futile. Laws and punishments could not turn back the anti-Semitic tide. Only an improvement in living conditions and an ersing of political terror could have accomplished this. As long as bitterness against the regime grew, it was bound to find outlets in unthinking blame of the Jews.

Since the end of the war, disillusionment with the Communist set-up has been especially sharp. Grumbling is more open and more bitter than ever. The dictatorship, we may surmise, is increasingly alarmed by the ugly mood of its subjects.

TRYING TO APPEASE

The new party line on Jews is in the first place a measure of the Kremlin's panic. Unable or unwilling to provide more bread, clothes, and freedom, it is offering its subjects a whipping-boy instead, a convenient object of hatred.

Stalin and his gang are setting up lightning rods to deflect the people's pent-up angers from their own heads. In a sense they are trying to appease and conciliate the most primitive elements in the population by throwing them the red meat of race hatred.

Precisely as the Russian czars did in times of political trouble, the Soviet czars apparently have decided to channel feelings against the ancient scapegoats.

NATIONALISM NOT MOTIVE

Even terror has its limits as an instrument against mass opposition. Evidently those limits have been reached. Some safe outlets for hostile emotion seemed desirable to the Politburo. They are deliberately catering to the lowest instincts of a portion of their people in the hope of throwing a bridge, however flimsy and ugly, across the gulf that separates the despotic dictatorship and its victims.

In addition, the new line fits neatly into the current Russian nationalist propaganda. That gives the Kremlin a patriotic excuse for abandoning its old pose of racial tolerance. But nationalism, in this writer's opinion, is the alibi, not the primary motive. The purpose of the anti-Jewish drive is to placate and if possible win over the kind of people—a minority, but deployed through the whole population—who blame the Jews for Russia's troubles.

No doubt Stalin knows it is a risky maneuver. The lightning is still essentially anti-Soviet and may strike his fortress of power. But the mounting discontents are driving him to extreme and dangerous measures. From the outset he has needed some internal enemy to focus the people's angers and explain their endless miseries—kulaks, saboteurs, Trotzkyites, Fascist agents, to mention a few. Now it is the turn of the Jews, the rootless cosmopolites. His subjects, schooled in reading between the lines, have no difficulty in identifying the target.

The development marks the lowest point in the moral degradation of the Soviet regime. The last difference between Stalin's national bolshevism and Hitler's national socialism is being erased.

Address of Dr. L. P. Nelligan

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by Dr. L. P. Nelligan in New York, April 17, 1949:

Mr. Chairman, distinguished guests, ladies and gentlemen, my first duty upon rising, is to thank you, Mr. Chairman, for the great honor of being with you this evening, and the privilege of addressing this audience, and for your kind introduction. In a strange land there is always a stranger, and even though I come from another country, I feel at home in front of an Irish-American audience. All Canadians, especially Irish Canadians, feel that the imaginary boundary line dividing us, is very imaginary indeed. On this historic occasion, I bring you friendly, fraternal greetings from all Canada, and especially from the officials and citizens of Montreal.

Many of you know, I am sure, that Montreal is a city and a home of Irish welcome. For all Irishmen it is a place of pilgrimage as well. For it was to Montreal in one year alone, over a hundred thousand Irishmen came in the black forties, over a hundred years ago, seeking succor and, alas! many to find sepulchre. From Montreal they spread over Canada to the west. Their axes rang in our forests! their anvils turned our plough shares! and their sturdy teams broke our prairies to their primal yield. There, Irish shipwrights built the prows and shaped the shipmasts, and Irish sailors trimmed the sails, and bore our trade by prospering winds, like a golden argosy to all parts of the world. And it was in Montreal that an Irishman, in classic Irish eloquence, which strikes across the century, as it struck across the Canada of that day, greatly glimpsed the glory of a dominion from sea to sea, and one great nationality bound like the shield of Achilles, by the blue rim of ocean. The graves of Irish-fever victims dot the banks of the St. Lawrence, from its rise in the Great Lakes, to where it empties into the sea. Notable among these cemeteries is that one on Grosse Isle, Kingston, and Montreal. The one in Montreal is looked upon as a national shrine, for it serves to keep alive the memory of those heroic men and women who dared the dangers of the broad Atlantic, rather than become the slaves of tyrants in their own land.

It also serves, sir, as a constant reminder of the warm-hearted sympathy and generous Christian charity of our French-Canadian copatriots. For since that day to this there has never been a time or an occasion when some eloquent French-Canadian was not always willing to raise his voice in praise of, and on behalf of, the Irish cause. In the generation that has gone it was a Laurier, a Lavergne, or a Bourassa, and in this generation it is a Heroux, a Pouliot, a Chaloult, and even our Prime Minister, the Right Honorable Louis St. Laurent, with an Irish twinkle in his eye, boasts of his Irish mother. Our French-Canadian mayor of Montreal, Camilien Houde, as guest speaker following the monster St. Patrick parade on March 20, referred in glowing terms to Ireland as the champion of minorities, as a valorous determined race that kept the light of freedom burning.

Yes, indeed, Montreal is a city of Irish memories. The memorial stone, marking the burial place of over 6,000 ship-fever victims, is revered by all, as well as those who are linked to the dead by ties of kinship. Because it symbolizes in the ruggedness of its gray Laurentian granite, the stability, the solidarity, and the determination of an unconquerable race. Those people sleep there within the shadow of Mount Royal on the banks of the St. Lawrence in their last long sleep, unmindful alike of sunshine or of storm. Tyrants cannot affect their sleep, but as long as that mountain stands, as long as that river flows, they will never be forgotten by their people nor the causes which drove them into exile.

It is under these circumstances, and from that city that I come to you tonight, to join

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with you in commemorating Easter week 1916. I believe what I have said has a certain relation to the event you are commemorating. You may, if you wish, think of it as something apart. But we will, I feel sure, miss most, if not all of the full significance of Easter week, if we regard it is an isolated episode, for I think, Mr. Chairman, Easter week 1916, glorious as it is in itself, becomes transfigured again in the light of the larger context, to which it belongs, and assumes its full signifiance in the long and expanding perspective of the story of our race throughout the ages and throughout the world. The miracle of Easter week 1916 only parallels the miracle of Grosse Isle and Montreal. For the soil of Grosse Isle was not the first on this continent to became a cemetery of the veterans of the Irish War of Independence. But it seemed, a century ago to be the sepulchre of all the hopes that had mounted in the heart then broken in the breast of Ireland. A people bludgeoned, generation after generation, for its beliefs, tortured for its traditions, traduced for its refusal to turn traitor. Despoiled of its possessions and then called destitute, denied education and then called ignorant, raped of its civilization and then called unclean, could not, on any human calculation, survive a seventh plague, this time of enforced starvation and disease.

But, Mr. Chairman, ladies and gentlemen, a hundred years have passed, the funerals across the ocean are long since over. The dirge of death no longer rises from the holds of derelic ships, Easter week 1916 has come and gone, leaving its page of shining glory in the history in the halls of fame. Tonight we stand around no sepulcher. Tonight we chant no requiem. Instead, we lift our voices in a loud Te Deum of solemn praise, deep thanksgiving and abounding joy. For the nation, decreed by man to die, was destined by God to live. And, in a few hours, the rising sun shall shine triumphantly on her unfolded banners of freedom for the first time in over 750 years. Seven and a half centuries is a long time in the annals of any nation. It is a history of sunshine and of shadow, of smiles, and of tears. The story of Ireland carries the mind back into the twilight of fable. Her vast literature stands beside that of Greece and Rome. Alone among the nations of Europe she carried the lamp of faith and learning in the wreck of the storm in which the Roman Empire fell. All through her long history, beaten again and again to her knees, again and again she rose and fought on.

Century after century it was the same old story. I do not propose to dwell upon that. I want you to stand back and ask yourself the question, What has been the bond of Irish unity? The guaranty of Irish continuity? Throughout all that period of illustrious and tragic episodes in the long course of her colorful and purposeful history the bond was this, their inflexible and indestructible belief, as a race and a nation, in the great abiding truths; that alone sufficiently explains the origin and the object of human life. If I were to weave for you tonight the whole pattern of their character and life as a people, that unbroken strand would flash along its knit or raveled texture, giving it form, unity, and design. They have been slandered, and caricatured, and cartooned as a race cursed with the destructive genius, but against all the calculated criticism their contribution to the civilization of four continents bears testimony to the contrary. And that whole contribution was derived solely from their fervor and persistence of their faith in the doctrine of the Divine origin, the Divine redemption, and the great supernatural destiny of all mankind. That is the doctrine which has given that people the special stamp or character, which has distinguished them, and by which, to a large extent, the course of their history has been determined at home and abroad for more than a thousand years.

You see, Mr. Chairman, on what a modern, controversial issue I have touched. But I feel I am now ready to pay a brief tribute to the men of Easter Week. How could Irishmen, steeped in the history and the tradition of their country, do less than what they did? What mortal man has ever dared more? Greece can boast of her Marathon and her Miltiades, of her Thermopylae and her Leonidas. Well might Byron ask for three to make a new Thermopylae. Dublin in 1916 could have supplied him with a thousand times three. Poets sang of the valor of the ancient Greeks and the glory forever departed. But the poets of the future can draw their inspiration from the glorious deeds and the matchless heroism of Easter Week. When some future historian will write the tale of heroic deeds, and will cause to be inscribed in their proper places, the names of great men, high on that golden scroll of honor, if not above the names of Miltiades and Leonidas, at least along side, will be found those of Patrick Pearse, Tom Clarke, Sean MacDermott, and their comrades of Easter Week. They revived the heroism that a cold world had forgotten, and recreated the soul of Ireland. Phoenix-like, she rose from the ashes of her lethargy, and proclaimed to all the world that "man cannot die better than facing fearful odds, for the ashes of his fathers, and the temples of his gods." Words that have seared themselves into the centuries were hurled by the doomed gladiators of ancient Rome to the Caesars of their day. "Ave Caesar moritum te salutamus." The men of Easter Week hurled the self-same words at the sawdust Caesars of their day, "We hail death, Caesar, but not thee." They knew the tremendous odds against them, but were not daunted. They took the only course open to brave men and patriots. They rose, "the young, the gifted, the gallant and the daring" with noble hearts and valiant hands, rekindled anew the sacred fire of liberty, which will burn in Irish hearts until the end of time. With faith unshaken in God's justice, they struck a resounding blow for their sireland. And she remembers them tonight. And will, forever and ever, as those who fought to save her honor, and died to save her soul.

And now, ladies and gentlemen, I am going to say something that may at this moment seem a bit superfluous, something that you undoubtedly have realized for yourselves by now, and that is, that I cannot bring anything new to the subjects under discussion tonight, nor speak of them in the eloquent terms in which you have heard them discussed on many previous occasions. When your chairman extended the invitation to me to speak here this evening, he said that I would be expected to say something about partition. I believe that several prominent Irishmen from both North and South delivered very able and exhaustive addresses on this subject in New York about this time last year. The most I can hope to do is to bring a new point of view, a Canadian point of view, to the discussion of this old and most vexatious question. When I say a Canadian point of view, I mean the opinion, or point of view, of at least 75 to 80 percent of the peoples comprising the Canadian Nation. And that I believe to be a conservative estimate.

There are over a million and a half of our people in Canada, another million and a half of Scotch and Welsh descent; another couple of millions who fled from central Europe to get away from domination by strangers, and, of course, we have the great French Canadian people of over three and half millions, not only in Quebec, but scattered all over Canada, who will certainly have nothing to do with imperialism, or imperialistic design. The Canadian reaction to the partition of Ireland I think I can best describe by giving you my own personal reaction. I was 18 years of age when the First World War broke out in August 1914, and I can well remember how my imagination was stirred, and my indignation aroused upon reading the address of Mr. Asquith, the then Prime Minister of England, on the occasion of the declaration of war on Germany, when he said, "We will never sheath the sword that we have drawn not lightly, until France is restored, Belgium liberated, and the rights of smaller nations guaranteed forever." It was about 3 years later that I joined the Canadian Army and did what I could in that supposedly noble cause. By the grace of God, and the American Nation, the Allies won that war, and hence if we were to believe what we were told, the rights of smaller nations would henceforth be held sacred.

You can imagine my indignation and surprise as a youthful idealist when, just 2 years after victory was secured, I witnessed the dismemberment of a small nation, who had done her utmost, and spilled her blood freely in World War I, by one of the great powers who was supposed to protect small nations. Ireland's effort in that First World War was paid eloquent tribute to, by no less an authority than the British Commander in Chief who wrote, "When the true history of the Great War comes to be written and understood, the part taken by the soldiers of Ireland will stand out in brilliant relief." The Irish soldiers were always to be found where the strife was hottest. Irish regiments stood their ground against terrific odds, with a tenacity which has never been surpassed in war. Ireland paid a bitter price to establish the principle of self-determination, freedom, and democracy. And, instead of the liberty she fought for, she herself got the torch, and the bullet, and the convict cell. All the terror and brutality of the infamous Black and Tans. But Irish courage and the will to freedom did not quail before this terrific storm. The chalice of suffering and of sacrifice had to be drained by Ireland. Her sons had to mount the scaffold. They had to die in the convict cells, or by the roadside, when overwhelmed by superior numbers. But the courage and the resolve of the people never faltered.

Here, in America, massed public opinion played its part in supporting and upholding the cause of liberty in that little isle across the sea. The sympathy of America, the sympathy of Canada, the good will and sympathy of the whole decent democratic world, was on the side of that little nation which was but struggling to have applied within her borders, the principles for which the first Great War had supposedly been fought, and for which so many Irish soldiers had shed their blood. There is no need for me to go into details about the horrors which were enacted in Ireland in those black and bitter years, but we remember with sorrow and with pride, some of the noble men who fell in that terrific struggle. We remember the indomitable McSweeney, the noble Kevin Barry. We remember the murdered mayors of Limerick and of Cork, and their names shall forever beckon like stars of hope to all who struggle against odds, for justice, humanity, and liberty.

Canadians saw all this and marveled at Irish courage and tenacity. Canadians knew of and deprecated all the atrocities inflicted on that defenseless people by the Black and Tans, and wondered how they could ever belong to a race, one of which had written, "The quality of mercy is not strained." Canada cannot, and will not, endorse such actions.

Being a visitor in your country, I would not dare speak for you. But I can assure you that the great majority of Canadians believe in the four freedoms, with all the strength and vigor which that belief implies, and that must certainly include the national integrity and sovereignty of small nations. They do not believe in ex-

pensive imperialistic design, on either side of the iron curtain. We are not stupid enough to accept as valid the shallow reasons given for the continuance of that running sore, or ditch of hate, that has been dug across a portion of Ireland. And, I can assure you that I speak for the vast majority of my countrymen when I say that we will hold the perpetrator of that infamous act and her statesmen, whether Tory or Socialist, suspect, while that monstrosity, begot in bigotry and hate, and brought forth in stupidity, sits howling its illegitimate days out on the doorstep of the British House of Commons. Canadians feel that stupidity has reached an all-time high, and statesmanship an all-time low, when they are unable or unwilling to right such an evident, grievous wrong.

The people of Canada, having engaged in two world wars, first, to undo the rape of Belgium, and, second, to undo the rape of Poland, would like to see Ireland, the ancient mother of many of them, have that gunshot separation annulled. Having contributed our utmost in men and money, we feel, in a sense, as citizens of the world, and that evils and abuses in government, wherever they exist, is our affair. To a Canadian, the issue between Ireland and Britain, is after all, quite simple. The latter is guilty of continued aggression by maintaining an armed force in a section of Ireland. She has no more claim in equity there, than Russia would have to occupy and retain the six northern counties of England. By maintaining partition in Ireland, the British Socialist Government is helping Moscow directly by keeping Ireland out of the Atlantic Pact. Every thinking Canadian feels that it is the height of stupidity to expect Ireland, or the Irish people, to enter into a military alliance, dedicated to the freedom and territorial integrity of democratic nations, with the power responsible for the dismemberment of Ireland, and the continuance in present world circumstances of that international crime. Could any international work be more important, or statesmanlike, than that of ending partition now, so that a United Ireland can take her rightful place among the free nations of the world, and play her full part in the defense of the West. If England hasn't got the statesmen with the brains and ability, and the proper dispositions to bring about the abolition of partition in the interest of justice and of peace, I cannot speak for your country, but I can for Canada, and we will be glad to let her have them on a lend-lease basis. I stress the lend-lease part of the offer, because the Canadian taxpayer is getting tired and has given up all hope of recovering any of the $2,000,000,000 we have given her. Having said all this, I hope you have some idea now of the Canadian point of view.

In conclusion, I would like to say, Ireland was a great nation. She fell into evil days and underwent travail and suffering, humiliation, and sorrow, but because through it all she placed her trust in God, and walked close to Him, with her hand in His, tonight she stands on the hilltop awaiting tomorrow's glorious dawn. And thus, she justifies the faith of her martyrs, of Emmet, Tone, McSweeney, Pearse, MacDermott, and their comrades, and those who died that she might glory in tomorrow's sunrise. I feel that her destiny is assured. Trials she may still have, clouds may obscure her path, but Hope, a poising eagle, burns above the unrisen morrow.

My closing wish then, for Ireland, in this communistic materialistic world of ours is that Ireland and Irishmen will hold fast to their traditions, will always remember that not all the power of the world can deflect the providence of God, nor all the malice in the world efface from their souls, the eternal print of baptism, and may they never allow any force to strike from their skies the sign of their salvation.

The American Legion and the American Merchant Marine

EXTENSION OF REMARKS

OF

HON. FRANK W. BOYKIN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement in behalf of the American Legion by Mr. Albert B. Stapp, national chairman of the Merchant Marine Committee of the American Legion, before the Merchant Marine and Fisheries Committee of the House of Representatives, on May 31, 1949, made in connection with the hearings on H. R. 3289 and H. R. 3337:

My name is Albert B. Stapp. I am chairman of the National Merchant Marine Committee, National Security Commission, the American Legion. The American Legion represents more than 3,000,000 veterans and 1,000,000 women of the American Legion Auxiliary.

I am appearing in support of proposed legislation now before this committee.

The American merchant marine is no new-found love of ours. The American Legion for many years has given attention to American shipping, realizing that it is an essential military auxiliary as well as a guaranty of economic security. When war came upon us in 1917, our Nation was unable to provide an adequate merchant fleet for military auxiliary purposes. We were dependent upon the merchant ships of other nations, but even these were not available in sufficient quantities for our commercial purposes alone. Only through a superexpensive shipbuilding program could we meet our own demands. As a result of this lesson, Legionnaires throughout the years have urged upon the Congress the necessity for adopting a sound, well-rounded program of replacement in our merchant fleet.

Beginning with our national convention at Kansas City in 1921, and at 27 national American Legion conventions thereafter, we have continuously advocated the building, operation, and maintenance of a United States merchant marine adequate to meet the needs of the armed forces in time of war or national emergency, and to serve the commercial requirements of our Nation in time of peace.

It is noteworthy to look back over these national American Legion conventions to see how our recommendations have been consistent with the verdict of history.

The 1922 convention at New Orleans urged enactment of legislation to provide subsidies to the American merchant marine to overcome the disparity in operating costs with foreign competitors, as well as asking that at least 50 percent of the trade of this Nation be carried in American ships flying the American flag and manned by American officers and men.

The 1923 convention urged that all practical steps be taken to build up the American merchant marine to a size commensurate with the size of the Navy and proportionate to the size and wealth of this Nation.

The 1927 convention in Paris, France, urged enactment of legislation to provide a merchant marine of proper strength to serve the requirements of our industry and agriculture and at the same time be an auxiliary to our armed forces as a guaranty of peace.

In Boston in 1930, at Detroit in 1931, in St. Louis in 1935, the American Legion kept repeating its plea for a strong American merchant marine, as well as to urge all of its members to patronize ships of the United States merchant marine for the purpose of travel and trade.

The American Legion's continuous advocacy of a strong American merchant marine helped to bring into being the Merchant Marine Act of 1936, often called the Magna Carta of the merchant marine. We have since continuously supported that act, feeling it to be the basis for our present-day modern merchant fleet.

At the end of the war with Germany, and again after the defeat of Japan, the American Legion again recognized the indispensability and vital necessity of a strong merchant marine, and our organization declared:

"We demand the preservation of our American merchant marine as a vital arm of our national defense, to serve adequately the domestic and foreign commerce of the United States, and as a necessity in sustaining our greatly enlarged world responsibilities."

By 1946 it was apparent to the American Legion that all Americans should be made aware of the necessity for a strong American merchant marine. The national convention in 1946 at San Francisco instructed the national organization to carry on an informational program relative to the merchant marine and its importance to our national welfare.

Since that time by means of radio programs, booklets, and other media of information, the national headquarters of the American Legion has carried out an extensive educational campaign to acquaint not only Legionnaires but all segments of the American public with the importance of our merchant marine. We think this informational and educational program has been outstandingly successful. We are proud to have been of such important service to our great Nation which, today, more than ever before depends upon a strong and adequate American merchant marine.

By the time of our national convention held October 1948 in Miami, Fla., the following facts had become alarmingly apparent to the American Legion.

1. We are dangerously short of passenger ships, convertible to troop transports in event of emergency. Assuming another emergency of World War II proportions, it appears with the reconversion of all existing passenger and combination passenger-cargo ships, and with the utilization of the transports held by the armed services, our combined troop-lifting capacity would fall short of the estimated military requirements by about one-half.

As an emergency measure this shortage could be partially met by the conversion of cargo ships. To those of us in the American Legion who were transported in World War II on slow and hastily converted vessels of this type, such a makeshift method is entirely unacceptable. The increased effectiveness of the latest submarines in itself would dictate against such utilizations in event of emergency.

2. Our domestic privately owned dry cargo fleet, more than 400 ships in 1939, and always near at hand so they can be pressed into emergency service at once, has declined to about 75 such vessels today.

3. The amount of our own foreign trade carried in American merchant ships has been constantly decreasing since the end of World War II. The number of active merchant vessels have also decreased alarmingly. Until Congress acted with dispatch and emphasis, our Government appeared to be more

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desirous of sending ECA cargoes in foreign ships than in our own.

4. We have permitted our shipbuilding facilities to become depleted to the extent that a valuable nucleus of management and skills may not be available in event a major world emergency should bring its sudden and tremendous shipbuilding demands. Even with the order or construction of six new passenger vessels and a number of tankers, employees in our shipyards are below the minimum number estimated by our military forces as necessary for the nucleus which can be expanded in event of need.

5. Since the end of World War II, and until Congress prohibited, our Government sold more than 1,100 of our war-built ships to foreign nations to help them rehabilitate their merchant fleets. At the same time our generosity in providing large quantities of our resources has enabled many of these same nations to carry on the large and expensive shipbuilding programs they now have under way.

6. We fought a World War and spent billions of dollars and thousands of lives to defeat our enemies, and yet we find an apparent willingness on the part of our Government to help reestablish the merchant fleets of our former enemies.

It has seemed to us in the American Legion that a Congress which has been so quick and so generous in helping foreign nations reestablish their merchant fleets, will not lose sight of the necessity for helping our own American merchant marine.

Cognizant of these and other detrimental factors to a strong and adequate merchant marine, the American Legion has put itself on record that our merchant marine be immediately developed to sustain the position of the United States in order that we may discharge our responsibility in world leadership.

We are confident that the present inadequacies in our merchant fleet can be corrected by a program of sufficient farsightedness, effectively designed to support in time of national emergency our armed forces, and to maintain our efforts to keep the peace.

The National Merchant Marine Committee of the American Legion has examined the various long-range programs submitted to this committee in the form of proposed legislation. We are in accord with any program designed in the public interest. We have advocated such programs by resolutions adopted at many of the past national American Legion conventions.

The American Legion is not submitting a specific legislative program. It is our feeling that such a task is properly the responsibility of this committee of Congress, in whom we have the utmost confidence. We do believe in, however, and support the legislative proposal now before you as being in the best interests of this Nation.

We feel this committee should approve this legislation. Upon enactment it will encourage private capital to enter into the construction, maintenance, and operation of United States merchant ships in both domestic and foreign commerce. We can then meet the national defense and economic security requirements of our Nation.

The American Legion has profited by the experiences of two great wars. We want no more taking of chances with our American merchant marine. We want the American flag to fly at the mastheads of the world's largest and finest fleet of merchant ships. We want a fleet of merchant ships to be used for commerce, and ready in time of national emergency to be auxiliary to our armed services. Nothing short of that is safe.

The American Legion relies upon this committee of Congress to approve legislation enabling this Nation to possess, operate, and maintain such an American merchant marine.

Can We Afford Free Medicine?

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. HARVEY. Mr. Speaker, under unanimous consent, I am inserting in the RECORD a speech delivered by the Honorable CECIL M. HARDEN, Representative in Congress from the Sixth Indiana District, to the Indiana Federation of Clubs in South Bend, Ind., on May 27, 1949:

CAN WE AFFORD FREE MEDICINE?

I want to talk to you tonight about one of the most important, and most controversial, legislative proposals of our time—the President's proposal for a compulsory national health insurance program. I shall attempt to be as nonpartisan as the subject allows.

Permit me to go on record early by stating my personal opposition to compulsory health insurance. I am not for it, because I do not believe in it. But, it would be only fair to point out that neither the Republican Party nor the Democratic Party is in full agreement on the issue.

My personal opposition is based upon the belief that the national health insurance proposal could not help but result in socialized medicine; that it is, in fact, socialized medicine in itself.

There are those who say that socialization of the medical profession would not necessarily endanger our traditional way of doing things in other fields. It is my firm conviction that you cannot socialize any substantial portion of our economy without sooner or later bowing completely to the socialistic doctrine.

Consequently, my opposition to socialized medicine or by whatever name you choose to identify the compulsory health insurance scheme, is based upon my belief, shared by the overwhelming majority of Americans, that we must not take any chance of destroying the American system of Government which has made us the greatest Nation of free people in the history of the world.

I do not propose tonight to defend the status quo in American medicine to the last stethoscope. I believe there are some real problems to be faced in American medicine, some challenges we must meet if we are to avoid eventual socialization.

We need more doctors. There is no argument on that point. We need more nurses, too, and more medical technicians. We need more clinics, more medical schools, and more hospitals. We must make the benefits of medical science more available to all our people.

I hold that Government does have a responsibility in meeting these problems, but I do not agree that the problems are wholly the responsibility of Government. They must be shared with all of us as citizens, lest we wind up putting our complete dependence in an all-powerful and all-inclusive governmental bureaucracy.

In other words, the problems that face us in the field of public health must be solved by cooperative action of Government, the medical profession, and the public at large. No other solution can ever be completely satisfactory.

A great start has been made in recent years in the field of voluntary health insurance. More and more families are being covered by these voluntary systems.

The growth of clinics in our larger cities; the continued progress in the field of children's hospitals and specialized hospitals of all types, is encouraging, and it has been made possible by the cooperative action of the medical profession, of governmental units, and of the public itself.

I do not propose to say, nor do I believe, that the whole job has been done and that we can truthfully say that there is nothing left to do. Society has become too complex to deny the rightful responsibility of concerted action on the part of Government toward the solving of the problems of society.

To me, the compulsory health insurance program now being advocated is somewhat akin to tearing down the family house because the roof leaks, while it would be much more sensible simply to patch the roof. There are leaks in the roof of our present health structure, and they need to be patched.

I am hopeful that it will be possible to enact into law legislation designed to patch those leaks, but I can never conscientiously support any bill which would tear down the house of free American medicine and replace it with a governmental structure to house politically administered State medicine with all its accompanying evils.

Let us briefly consider what compulsory health insurance is and what it proposes.

Without going into intricate detail, the plan proposes that nearly every person in this Nation would be forced to participate, willingly or otherwise, in a Federal Government insurance system which would entitle him, after payment of a special tax which would be withheld from his earnings, to all the medical service he could get, but not, as I shall point out later, all he necessarily needs.

The cost of this program cannot be accurately estimated. In other nations, such as England and Germany, where similar plans have been tried out, the eventual cost has been far greater than the estimates, since there is no means of determining just how much medicine the people are going to demand. The English estimates for the first year of operation of the British socialized medicine program were 40 percent too low, and the cost is still rising.

Basically then, the compulsory health insurance plan establishes the premise that the Government, rather than a free society of free people, holds the complete responsibility for the health problems of its citizens.

If this be true, why limit socialization to the medical field? Doesn't the principle apply equally well to the food we eat, the clothes we wear, the houses in which we live, or the wages we earn?

If we are to socialize doctors or dentists, is it not just as reasonable to socialize lawyers, newspapermen, engineers or teachers? Does not the rule apply as well to farmers, to laborers, to every single person who does any kind of work at all?

Where is the stopping place?

Personally, I do not believe there is one. It hasn't worked out that way in England. England started out to socialize just a few of its economic elements and found that there was no drawing of the line, no stopping place—that socialism, once started, must continue to expand.

And, that is the inherent danger in the present proposal to take socialistic liberties with American health.

Let us, for a few moments, take a look at the British experiment in socialized medicine. It has, of course, met some of the problems which had to be met. For, it cannot be denied that more Britishers are receiving medical and dental attention than heretofore.

Nor can it be denied that it is politically popular. Any plan which provides free false teeth, free glasses, free wigs, and even free girdles cannot help but win votes.

But, be that as it may, let us look at another side of the socialized-medicine picture in England. What is it doing to the people?

Here is the opinion of Dr. H. A. H. Harris, a British consulting surgeon, as contained in a letter written to Dr. Wemple Dodds, of Crawfordsville, Ind. Dr. Harris wrote:

"We have now had nearly 4 years of socialism and its dismal doctrines, and it has brought our country to the brink of ruin from every point of view * * * spiritually, morally, and economically. The average workingman has been debauched and emasculated by this government of ours.

"Formerly, he was willing to have only what he paid for and to pay for what he had. Now, he looks to the all-powerful state to provide him with all his needs. He does not think he has to work for them. * * * The possession of low cunning has become more profitable than the possession of character."

And a little later on in his letter to Dr. Dodds the English surgeon says this:

"Our Socialists, as is so typical of left-wingers the world over, prefer revolution to evolution."

In other words, England's Socialists preferred to tear down the house of English medicine, whereas all that was needed was to patch the leaks in the roof.

And, with the destruction of the doctor-patient relationship, with the destruction of individual responsibility, there has come a corresponding reduction in individual initiative and moral character.

The purpose of socialism is, of course, to share the wealth. Its result is more akin to a sharing of the misery.

Here in America we have taken some halting steps along the road to state socialism. But we have not yet accepted the doctrine that traditional American liberties and freedoms must be surrendered to a super state, and I pray God we shall never accept such a doctrine.

Socialized medicine is not free medicine. It is expensive medicine, expensive in every way. For example, the tax money which must be collected to support a compulsory health insurance program would not be used for medical bills alone.

It would have to pay the salaries of a horde of Federal employees who would be hired to administer the scheme. Consequently, the cost to the user of so-called free medical service would of necessity be higher than the cost of the services he buys today.

What is needed in addition to the expansion of medical facilities which I noted previously, is some means of avoiding, insofar as possible, the crippling economic effect which major accidents or illnesses inflict upon American families.

The socializers make much of this point. They cite case after case to prove that many average, hard-working American families are ruined financially by unexpected accidents or illnesses which result in medical bills beyond their ability to pay. I do not deny that this is true, for I have seen families virtually ruined by such tragic events.

But I believe that this problem must be met through expansion and improvement of the voluntary insurance programs now available, programs such as Blue Cross and Blue Shield. And, too, while the average American family can meet its usual health bills, there are many of our people who cannot.

Government always has and always must share the responsibility of caring for those people. The principle of community action to help the unfortunate is as old as society itself.

Isn't it true that here in Indiana our townships and our counties pay the medical bills for those people who are not financially able to pay their own? Why exchange a tried and working American principle for a socialistic one? It would be far, far better to supplement that system.

Socialism, by whatever name you choose to describe it, is a cold, impersonal doctrine, reducing everything to a common denominator. Its effect upon individual responsibility is paralyzing.

America can remain strong only so long as the individual is in himself and by himself strong and independent. The more independence of action you take away from the individual, the less strong will America be as a nation. For, as a nation, we are only as strong as our collective strength as individuals.

Socialized medicine is not new. Quite the contrary. Germany adopted the theory of free medicine in 1885 under Bismarck. Let us briefly consider the consequences.

In 1885, the average German worker who became ill returned to work in 14 days. But, by 1930, after 45 years of politically administered state medicine, this same average German needed 29 days of treatment before he returned to work. In other words, as the government made it easier for him to be sick, the German worker found sickness more and more attractive as individual responsibility was destroyed.

Incidentally, the greatest absenteeism because of illness occurred before and after holidays and weekends, which isn't surprising at that.

If socialized medicine improved the German worker's health, the figures fail to bear it out. After nearly a half century of socialization, the average German worker was ill and absent from work 70 percent more than his American counterpart.

Here is a concrete example, backed up by German medical statistics, of the effect of socialization of medicine. In 1930, Germany, along with the rest of the world, was wallowing in the trough of depression. Not enough tax money was coming in to the government to support the tremendous demands being made upon the medical service by German citizens.

Consequently, the government adopted a decree requiring each German to make a 12-cent payment for his first trip to a doctor during the month of September.

The result speaks for itself and points up the glaring weakness of socialized medicine.

During the last week of August, before the 12-cent decree became effective, more than 30,000 Germans in a typical German community visited doctors. During the first week of September, when the 12-cent charge became effective, the number of visits in this same community dropped to less than 9,000.

One wonders how many of these people were really sick, and it is easy to see why so many German doctors frequently left their phones off the hook.

Such a system, and there is little difference between German or British socialized medicine and the proposal which confronts America today, such a system works against the person who is really ill and requires medical treatment. For, he becomes just another neurotic to the overworked government-paid physician who finds it harder and harder to distinguish the sick from the well in the long lines which form daily in his office.

And, here is another disturbing result of socialized medicine in Germany. By 1931, after 46 years of state medicine, Germany had more clerks and statisticians on the government medical payroll than it had doctors.

"Free medicine" in Germany became expensive medicine, just as it is becoming expensive medicine in England and just as it would become under a similar American plan.

In conclusion, it is impossible to temporize with socialism. There are no half-way measures.

If we do not defeat the socialistic concept, it will defeat us.

American health must remain in the hands of a free American people.

We cannot afford to pay the price of "free medicine."

Thank you.

Vivisection

EXTENSION OF REMARKS
OF
HON. WILLIAM LEMKE
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. LEMKE. Mr. Speaker, under leave to extend my remarks, I desire to include an editorial from the Washington Times-Herald of April 17, 1949, by Evie Robert on vivisection.

I am glad to learn that the District of Columbia Committee does not intend to take up the bills providing institutions with dogs for so-called scientific experimentation.

This should give the Members of Congress time to study this problem, sign petition No. 1 at the Speaker's desk, and finally pass my bill, H. R. 857, prohibiting experiments upon living dogs in the District of Columbia.

In this way we can set an example for our State legislatures and finally abolish this vicious practice throughout the United States.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EVE'S RIB

(By Evie Robert)

So many people have written me to ask me to write to President Truman about vivisection, that I've decided to write him right here and now.

DEAR MR. PRESIDENT: You have the power to put a stop to this brutal business of vivisection. Though I don't believe you have a dog at the moment, I'm sure as a little boy you had many. Just turn back a few years and think how you would have felt if your dog strayed away and was picked up by some brilliant young "scientist" for experiment.

It's all too long to go into, and you haven't the time to read a lengthy letter * * * but for one example, the only thing that can be proved, for instance, by slowly boiling a dog to death, is that the poor creature died in torture. We know that anyway. Mr. Truman, you're a great fellow and I'm sure you're great enough to embrace every little cold-nosed pup in the country and see that they're protected against slow, horrible death.

The only thing dogs ask of you is to let them love you. Dogs were put on this earth to be man's best friend, unselfish, devoted. Please don't kick them in the teeth for the sake of some gruesome-minded sadistic students who would be better off locked up in a nuthouse.

As always, wishing you the best of health, luck, and all the good things in the world, I am thine,

EVIE ROBERT.

I haven't seen the charter of the dog pound, but I'll bet a good deal of money that there's nothing in it which says that dogs that have been picked up on the street can be turned over to laboratories for experimental purposes. The original purpose of the dog pound, I should think, would be to take off the streets dogs that have no licenses, that are ill, or that have been wounded somehow. Surely a quick and humane death for an injured dog, or an ill dog isn't too much to ask.

A dog with no license isn't a criminal, and in a few days the owner would come and get it. But let's suppose the owner doesn't come to get the dog. Maybe the dog

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is just a stray without an owner. Is that any reason to sentence the poor thing to a living hell? Even if we could be absolutely certain that animals were given proper anesthetics and used only once for an experiment, still, that experiment doesn't prove anything. Medical students have access to corpses for study, some persons with life sentences offer themselves for medical research.

A dog is a dog, and a human is a human, and even though there's a similarity in blood vessels, heart, lungs, and all the rest, still a dog is not a human and a human is not a dog. There can be little, if any, service rendered the medical profession by taking a dog and carving it up. I know that these creatures who call themselves research men have done some of the most horrifying acts of cruelty imaginable.

One little stunt I know of was a student who opened a dog from gullet to groin (without anesthetic, of course, the dog was strapped to the operating table). The first thing he did was to sever the animal's vocal cords so that he could proceed without the disturbance of the dog's agonized screams. He then took everything he could take out of the dog and still have the dog live. Then, instead of sewing him back up, he let the animal lie there to see how long it would take him to die, exposed, as he was, to the air. An awfully interesting and useful experiment, I call it.

So there you have it. Let the world know where you stand in this case. Write your President, your Senator, your Congressman. Get your friends to do the same thing. Let's start a pyramid club to do something, for once, that is unselfish and shows that we have some heart. Residents of the District who have no Senator or Congressmen can write the Commissioners. Thank God, we all have the same President.

This is a Sunday column, but I don't think the following is sacrilegious. When I was a little girl we had what we called a yardman. He was almost an Uncle Remus, and we children adored him. His name was Uncle Frank, and he was very black, with no teeth in the front.

One day he had us all gathered together when he should have been cutting the grass, and he asked us if we knew where the name "dog" came from. Of course, we wiggled around and made ourselves comfortable on the lawn, because, though we'd heard it many times before, Uncle Frank cast a spell over us with his stories.

"Well, it was like dis," he began, as we squealed with anticipation. "De Lord, He made all de animals first, and den He made menfolks an' womenfolks. He sho' started sompin' dat time. Anyhow, He was stayin' on de earth long enough to show man how to git along good. You chillun know how to churn de butter an' sweep off de front po'ch an' all de likes o' dat. He learned man to milk de cows, an' to ride de ponies, an' how to jes naturally live right widout Him, de Lord, to show him how.

"De Lord was real good an' kin', He was lovin' an' patient! Mercy! When I think what de po' Lord had to put up wid!

"So, in movin' around, man noticed a li'l ol' animal wid fo' legs an' a tail an' a haid an' all, but man forgotten to ast de Lord what was de name of dat li'l animal. De li'l ol' thing he went everywhere man went. He slep' in de caves an' de houses, an' he went huntin' wid man, an' lotsa times he offered up his whole life for man.

"So one day de Lord He say to man, 'I'se goin' on up yonder. You-all kin make it now wifout me. You all knows de names of all de beasts, an' you-all remember now, what I done tole you. You'll make out all right, an' even though I ain't right at your side, I'll be a-watchin' over y'all. So I'll be goin' along now. 'Bye.'

"Well, after de Lord went off to de heavens, man he 'membered he had forgot to ask de Lord what was de name of dat l'il ol' animal what was always right wif him wherever he went. So when he couldn't work out nothin' at all, man he went to his wife an' he said 'Dis here li'l animal is a real nice li'l beast. He's always around, an' he's so good an' kind. It ain't right dat he ain't got no name.'

"So de wife she thought an' thought. One mornin' she got up an' she hollered, 'I got it! I got it!' 'You got what?' say de man, concerned-like. He think maybe she got a snake or some o' de varmints. 'I got de name for dat li'l animal. He so good, an' he love us so much, an we loves him, an' he always aroun', let's us spell de name o' de Lord backwards. De Lord's name is God, ain't it? Well we gonna call dat li'l animal dog.' "

Wisconsin Committee on Hoover Commission Findings Favors H. R. 782, To Create a Department of Welfare

EXTENSION OF REMARKS
OF
HON. ANDREW J. BIEMILLER
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. BIEMILLER. Mr. Speaker, a number of distinguished citizens of the great State of Wisconsin have banded themselves together to help inform the public on the findings of the Hoover Commission.

Operating under the name, the Wisconsin Committee on Hoover Commission Findings, these citizens recently adopted two resolutions which, under leave to extend my remarks, I am inserting in the RECORD.

The membership of the committee consists of the following: Mrs. E. D. Bixby, Rhinelander, treasurer, Wisconsin Federation of Women's Clubs; Dr. Carey Croneis, Beloit, president, Beloit College; Joseph Cutler, Milwaukee, president, Johnson Service Co.; Mrs. R. J. Douglas, Juda, leader in women's agricultural organizations; Jerome Fox, Chilton, mayor, former member, State legislature; George H. Haberman, Milwaukee, president, Wisconsin State Federation of Labor; Walter J. Kohler, Jr., president, Volrath Co., Sheboygan; John A. Lawton, Madison, executive, secretary and general counsel, Wisconsin State Federation of County and Municipal Employees; John P. McGalloway, Fond du Lac, president, Wisconsin Bar Association; Gavin W. McKerrow, Pewaukee, president, Golden Guernsey Dairy Cooperative; Alex L. Nicol, Sparta, speaker, Wisconsin State Assembly; Frank L. Panzer, Oakfield, president pro tempore, Wisconsin State Senate; G. V. Rork, Eau Claire, president, Northern States Power Co.; Herman Steffes, Milwaukee, president, State CIO Council; Robert E. Tehan, Milwaukee, State Senate.

The resolutions follow:

Resolution favoring H. R. 782 to create a Department of Welfare in the Cabinet

Whereas there is a growing concern over the problems of social security, welfare, and health and indications of a lack of coordination and central direction in administering these activities; and

Whereas the Hoover Commission has expressed concern in its report on social security over the lack of efficiency and economical organization of the numerous Federal agencies now administering these activities; and

Whereas there is now before Congress, bill (H. R. 782) which would constitute the Federal Security Agency as a department of welfare giving it Cabinet representation and providing for an orderly administrative organization in the performance of social security, health, and welfare functions; Now, therefore, be it

Resolved, That the Wisconsin Committee on Hoover Commission Findings does hereby go on record as favoring H. R. 782 which provides for the creation of a Federal department of welfare to replace and assume the duties and responsibilities of the existing Federal Security Agency; and be it further

Resolved, That copies of this resolution be sent to all Members of Congress from the State of Wisconsin.

Adopted, Madison, May 5, 1949.

Resolution urging reorganization of the Postal Department

Whereas the Hoover Commission has recommended that while some increases in certain classes of postal rates may be necessary in order to make the postal service self-supporting, it did suggest that final determination of these rates should be made by Congress after study had been made of present budgeting and cost control systems to form the basis upon which Congress could act with more assurance in determining rates; and

Whereas it is believed that more efficiency and economy in the postal system still could be achieved through adoption of the recommendations made by the Hoover Commission in its report on the post office: Now, therefore, be it

Resolved, That the members of the Wisconsin Committee on Hoover Commission Findings go on record as urging the adoption of improved budgetary and administrative practices—the primary objective of the Hoover Commission—through recognizing at the same time that ways of making the Post Office Department self-supporting must be found; and be it further

Resolved, That if increases in postal rates are made that final determination of these rates be made by Congress in line with the Hoover Commission's recommendations but that such increases be not excessive;

Resolved, That copies of this resolution be sent to all members of Congress from the State of Wisconsin.

Adopted, Madison, May 5, 1949.

Truman Dam on Kootenai River Probably Will Be Most Perfect Example of Multipurpose Project in Entire World

EXTENSION OF REMARKS
OF
HON. COMPTON I. WHITE
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. WHITE of Idaho. Mr. Speaker, I have today introduced a bill to authorize the construction of a multipurpose reservoir on the Kootenai River near Jennings, Mont., to be known on completion as the Truman Dam.

This is not just another dam, but in all probability the most perfect example of

a multipurpose project in the entire world. Its primary purpose is for flood control—not merely flood control for the Kootenai Valley of Montana and Idaho, but flood control along the entire length of the Kootenai and Columbia Rivers from the Rocky Mountains to the Pacific Ocean—a distance of more than 1,000 miles—and beneficially affecting the States of Montana, Idaho, Washington, Oregon, and the Province of British Columbia. This dam will do much to alleviate the future danger of such disastrous floods as that of 1948 which destroyed the city of Vanport, Oreg., located midway between the cities of Portland, Oreg., and Vancouver, Wash.; and brought death and destruction to many parts of the Pacific Northwest.

A MULTIPURPOSE, SELF-LIQUIDATING PROJECT

But the usefulness of this dam would not end with flood control. It would contribute mightily to navigation, irrigation, reclamation, and the development of hydroelectric energy. Although the production of hydroelectric energy is a byproduct of secondary consideration, yet this byproduct alone will retire the entire cost in 50 years with 3 percent interest, so that all other benefits to flood control, irrigation, navigation, and reclamation—worth hundreds of millions of dollars—will be free of cost.

While the hydroelectric power developed at the dam site will be very considerable, yet one of the many phenomena of the Columbia River and its tributaries is that this dam, by regulating the orderly release of water, will so smooth out the flow of the Kootenai and Columbia Rivers that more additional firm power will be developed at downstream sites, like Grand Coulee and Bonneville, than is developed at the project itself, thereby relieving the power shortage at Spokane, Seattle, and Portland, where it is most acute. This process can go on almost indefinitely for the more sites developed, the lower will be the over-all cost. For confirmation of above, see report of the United States Army engineers, subject: Columbia River and Tributaries, Northwestern United States, February 21, 1949, file 800.92, Columbia River Basin.

MORE AMERICANS SHOULD VISIT PACIFIC NORTHWEST

It is unfortunate that the great majority of the American people and the Congress are not aware of the magnitude and resources of this great Northwest area—the old Oregon Territory—which is traversed by the Columbia River and its tributaries.

Nature, in one of her philanthropic moods, fashioned this land so nearly perfect that only the puniest efforts of man are required to bring it to perfection. Within its borders is 40 percent of the potential water power that can ever be developed within the continental United States, and in comparison, Tennessee Valley—TVA—and the proposed St. Lawrence waterway are relatively small projects.

The TVA is a power and flood-control project; the St. Lawrence, a navigation and power project; while the Columbia River and its tributaries combine flood control, power, navigation, and irrigation—and has a power potential five times as great as TVA and the St. Lawrence combined.

Nature did not stop with power. With lavish hand, she placed millions of acres of the choicest land adjacent to these dam sites, which need only irrigation to make them blossom like the rose. This area also contains the largest stand of merchantable timber on the continent, and the greatest undeveloped mineral resources within the United States. All that is needed to open this vast treasure house is transportation and power, much of which will be contributed by this Kootenai River project.

We are supplying the money to harness the power of the upper Nile which is to be used for the development of the mines of east Africa in direct competition with our own mines. Surely the development of our own natural resources are of equal importance.

An older generation of Americans who made the United States the greatest industrial Nation on earth and brought to our people the highest standard of living the world has ever known, believed that charity begins at home. How naive and old-fashioned they were.

FASTEST GROWING AREA IN THE UNITED STATES

Despite the fact that approximately 3,000,000 people reside in this area, much of it is still primitive, and the resources have scarcely been scratched. That is why it is the fastest growing section of the United States, and why this dam must be built to keep pace with increases in population and industry.

Many of the tributaries of the Columbia are major rivers in their own right. The Snake, largest of these tributaries, rises in northwestern Wyoming and traverses the entire width of Idaho, irrigating some 2,000,000 acres on the way; and just before joining the Columbia is joined by the Salmon and Clearwater Rivers of Idaho; and together they contribute slightly more than one-fifth of the mean annual run-off of the Columbia River.

The Kootenai and the Clark Fork-Pend Orielle Rivers drain the northeastern section of this basin in Canada, Montana, and northern Idaho; and contribute an annual run-off about equal to that of the Snake River. While coming up from near the California line on the south, the Willamette River drains the famous Willamette River Valley and empties into the Columbia at a point close to Portland, Oreg., and Vancouver, Wash.

FINEST FRESH-WATER HARBOR IN THE WORLD

At the mouth of the Columbia, where the river attains a width of about 7 miles is the finest fresh-water harbor in the world, with a ship channel more than 40 feet in depth and a mile in width at low tide, and a tide of 8 feet, which assures a minimum depth of 48 feet at high tide, 10 feet more than is required to permit safe entry of the largest ship afloat. A ship channel for ocean-going vessels is maintained for more than 100 miles inland and there are some 500 miles of navigable river for smaller craft.

At the headwaters of this great river system are huge natural reservoirs, greater than any ever constructed by man, such as Jackson Lake, Wyo.; Flathead Lake, Mont.; Pend Orielle and Coeur d'Alene Lakes in Idaho; and Kootenay and Arrow Lakes in Canada; while in addition, and of vast proportion, is the natural water storage in the deep snows of the mountains extending from Utah to the Selkirks, far into Canada.

TRUMAN DAM APPROPRIATE NAME

It is particularly fitting that one of the key projects in this vast domain should be named the Truman Dam, because it was at the President's home town of Independence, Mo., that the covered wagon trains were outfitted which, in a brief decade, 1843 to 1853, carried 300,000 people on the greatest migration in history, to win for us the Oregon Territory, now known as the Columbia River Basin.

These hardy pioneers, whose self-reliance might well be emulated today, dared this trek through 2,000 miles of savage wilderness, carrying our flag, our customs, laws, and language—not for conquest—but to carve for themselves and their children homes in a new land. It took courage, fortitude, and faith to dare that trip, for many people thought it a fanciful land, or figment of the imagination, existing only in the lines of William Cullen Bryant's Thanatopsis:

Or lose thyself in the continuous woods
where rolls the Oregon, and hears no sound
save his own dashing.

And but a few years before the migration started, Daniel Webster had thundered from the floor of the United States Senate:

The Rocky Mountains must forever be our western boundary, beyond it are but howling wolves and drifting sands.

But there were others like Senator Thomas Hart Benton, of Missouri, who demanded that the Oregon Territory be brought into the Union with the cry of "fifty-four-forty or fight"; and the great migration began.

This was an army of peace, of home builders and home lovers, but the casualties of this great trek were as great as those of war, for it is estimated that an average of 17 persons perished for every one of those 2,000 long, hazardous miles. The hardships suffered by these pioneers was vividly described by Joaquin Miller in the following verse:

Then dust arose, a long, thin line like smoke
From out of riven earth, the wheels went
groaning by.
Ten thousand feet in harness and in yoke,
They rent the ways of ashen alkali,
And desert winds blew sudden, swift and dry.
The dust it laid upon and filled the train,
It seemed to fill and fret the very sky,
Lo, dust upon the beast, the tent, and plain,
And dust alas, on breasts that rose not up
again.

Years later, when a crew of engineers were making the Burlington Railway survey along the Platte River in Nebraska, they stumbled upon the grave of one of these pioneers who had died on the trail, and marked on a rusty wagon tire was "Rebecca Winters, aged 50 years."

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Boys, said the leader, we'll turn aside,
Here, close by the trail, her grave shall stay,
For she came first in this desert wide,
Rebecca Winters holds right-of-way.

A touching bit of sentiment in a hard-boiled world, where the line of a great railroad was turned aside that she might rest in peace.

MAGIC OF WATER AND IRRIGATION

The old Oregon Trail followed the Snake River through Idaho and was described by Washington Irving in his account of the Hunt expedition as—

A dreary waste of sand and gravel extends from the Snake River almost to the Columbia. Here and there is thin and scanty herbage, insufficient for the pasture of horse or buffalo. Indeed these trackless wastes between the Rocky Mountains and the Pacific are even more desolate and barren than the naked, upper prairies on the Atlantic side—they present vast dreary and thirsty wilds between the habitations of man, in traversing which the wanderer will often be in danger of perishing.

But today, 2,000,000 acres of that land are among the richest and most productive that lie out of doors—the land of the big Idaho baked potato, if you please—all because of the magic of water and irrigation. Millions of additional acres in the Columbia River Basin will soon come under irrigation and the proposed Kootenai River Dam will supply much of the water at the proper season of the year.

The people who reside in the region and who have pioneered the way know and appreciate the help they have received from a wise and provident Government that has come to their assistance and made it possible to more fully develop and utilize the matchless resources in the upbuilding of their communities in the great Northwest.

A copy of my bill is appended hereto:

A bill authorizing the construction of a multipurpose reservoir on the Kootenai River near Jennings, Mont., for flood control, and other beneficial purposes; to be named, upon completion, Truman Dam

Be it enacted, etc., That the project, now designated as the Libby Dam project, for flood control and other beneficial purposes on the Kootenai River in Montana, recommended in the report of the Chief of Engineers, United States Army, in House Document No. —, Eighty-first Congress, first session, is hereby adopted and authorized and shall be prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers substantially in accordance with the plan recommended in that report. Upon completion, this project shall be named Truman Dam.

SEC. 2. There is hereby authorized to be appropriated such sums as shall be needed to carry out the provisions of the act.

Kremlin's Cold War on Jews

EXTENSION OF REMARKS
OF
HON. ISIDORE DOLLINGER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. DOLLINGER. Mr. Speaker, on May 26 I spoke in this House on the subject of the Kremlin's Cold War on Jews, and called attention to the articles written by Frederick Woltman. At that time I asked permission to have the articles inserted in the CONGRESSIONAL RECORD. Since then, the last two articles of the series have been published, and in order that the picture may be complete I should like to have these published in the RECORD also.

The articles follow:

SATELLITES JOIN MOSCOW'S COLD WAR ON JEWS

(By Frederick Woltman)

The Communists' extermination of Jewish life within the U. S. S. R. has now spread to the Soviet-dominated satellite countries behind the Iron Curtain.

In Poland, Rumania, Hungary, Czechoslovakia and Yugoslavia all of which displayed a postwar tolerance toward their Jewish population—the drive to smash Jewish cultural and religious activities and to wipe out Zionism is in full swing.

It follows strictly the Moscow model.

So today, the Jewish communities in the satellites "are dying a slow death as the screws are being turned on their schools, languages, and traditions," according to the American Jewish Committee which recently completed a series of studies.

ACTIONS REFUTE WORDS

The Communist-dominated regimes, "though loudly claiming to be the enemy of all anti-Semitism, have actually tolerated anti-Semitism among large sections of the population and within the state administration," according to a 56-page report of the Jewish Labor Committee, composed of leading non-Communist Jewish trade unionists.

This same report, "Jews Behind the Iron Curtain," charges that the satellite governments "have sabotaged every decision aiming at the restoration of looted property to the original Jewish owners."

In Rumania and Hungary the chief rabbis were forced to flee. Zionist headquarters were raided and their leaders exiled.

After a "systematic purge * * * conducted most ruthlessly by Jewish Communists" last year, the Jewish community in Rumania "is on the verge of extinction," the Jewish Labor Committee found.

SCHOOLS LIQUIDATED

Following a declaration laid down by the Rumanian Workers (Communist) Party, Jewish schools were liquidated. Nineteen Jewish hospitals, built largely with American funds, were nationalized.

All Jewish sports clubs with names such as Maccabees, Asmoneans, and Hakoah were ordered to change them to Rumanian or Russian appellations within 24 hours.

Chevra Kadisha, a religious funeral society, was dissolved.

In Hungary, said the JLC report, the Communists competed with their former foes, the Shareholders party, to win over the "anti-Semitic masses. Everybody understood that the best way for a Hungarian pro-Nazi war criminal to escape punishment was to sign up in the Communist party."

By the first of this year the Communists had succeeded in cutting off all emigration to Israel from Rumania and Hungary.

CAMPAIGN VIOLENT

An ideological campaign, even more violent than that in Russia itself, was directed against Zionism and Jewish nationalism in Rumania.

Unirea, organ of the Rumanian Communist-controlled Jewish Democratic Committee, even accused Zionists of collaborating with Fascists. The newspaper scoffed at the contention that all Jews were necessarily anti-Fascist because of the experience of European Jews under fascism.

"That would lead to the absurd conclusion," said Unirea, according to the American Jewish Committee study, "that such people as Henry Morgenthau, Leon Blum, * * * and Bernard Baruch are anti-Fascists, although it is well known that they are doing everything to save the Fascists and their lackeys."

In Poland, Bulgaria, Czechoslovakia, the propaganda warfare is scarcely as incendiary. But here, too, "events followed substantially the same pattern of drastic Communist coordination of Jewish communal life," reported the American Jewish Committee. Bulgaria and Yugoslavia, however, still permit mass emigration to Israel.

Thus far, the satellites have been spared the one final step taken by the U. S. S. R.—liquidation of Communist-controlled Jewish groups and organizations of Jewish Communists themselves. "But all signs point to it," the AJC concluded, "as the goal toward which Communist policy is aiming."

JEWISH LEADERS PURGED

The pattern is the same everywhere behind the iron curtain, reported the AJC. Independent Jewish organizations are being dissolved; Jewish religious and civic leaders are being purged, arrested or forced to flee; religious education is being abolished; Jewish cultural life is being destroyed, and the remaining Jewish organizations are being used for Communist purposes. * * *

"Whether the victims be Zionists, Jewish community leaders, priests, ministers, or rabbis, the offense is the same: Failure to satisfy the requirements of Soviet fanaticism."

STALIN DERIDED NEW YORK JEWS 20 YEARS AGO—REDS BACKED 1929 POGROMS BY ARABS

(By Frederick Woltman)

Indignant Jewish citizens were infuriated when a series of inflammatory, anti-Semitic cartoons suddenly flooded the streets of the lower East Side 20 years ago.

Aimed at deriding the Jews, the cartoons utilized the scurrilous racist stereotypes later popularized by the Nazis. They showed the skull cap, the long beard and the hooked nose, greatly exagerated, and money bags stamped with the Star of Zion that bore the dollar sign.

But these cartoons came not from the Nazis, for Hitler had not yet seized power, nor from native Fascists. They were distributed by the Communist Party in its official Yiddish newspaper, the Freiheit.

DEFENDED PROGRAM

They were the American Communists' slavish contribution to Josef Stalin's defense of the 1929 Arab pogroms against the Jews of Palestine.

By the device of anti-Semitism, the Communists hoped to discredit the ideal of a Jewish homeland, now the State of Israel.

And to sell the American people on Stalin's fantastic claim that the pogroms were a war of liberation by the Arab masses against their Zionist Fascist exploiters.

The Kremlin's campaign today to make political scapegoats of the Jews behind the Iron Curtain has a precedent. The Communists always have used Zionism and the aspirations for a Jewish homeland as a political football in their master contest for world domination.

A SURPRISE DEFENDER

When he thought it had served his purpose—to weaken Britain in the Near East—Stalin unexpectedly became a United Nations champion of Zionism 2 years ago, while suppressing it in Russia. The only real friends of Israel, said the Communist propaganda organs, were the U. S. S. R. and Communists throughout the world.

Yet while Jewish workers were being murdered in Palestine in 1929 the Daily Worker, official Communist mouthpiece, declared:

"There are no pogroms being made in Palestine by the Arabs. When the expropriated Arabs rebel against the rape of their country the Fascist Zionists know how to speak of pogroms.

CARTOONS OF HATE

"The Jewish workers * * * must not fall under the influence of Jewish bankers, pillars of world imperialism. * * * They must continue to fight on the side of the Arab population."

In a cartoon by William Gropper the Freiheit, Yiddish version of the Worker, depicted on September 4, 1929, a high-hatted, heavily armed John Bull shooting two pistols through the long beard of a caricatured elderly Jew. At the latter's feet lay a huge money bag with the six-pointed star and the dollar mark. The Yiddish caption meant: "The Mask Behind Which He Shoots."

Another Gropper cartoon of September 19 featured a gross caricature of a Jewish boss, swinging a whip over a row of sewing machine operators. Under his vest he wore a Jewish religious garment, stamped with the Star of Zion and the dollar mark; in his hand he carried a contribution box bearing the same marks. The caption, "The Zionist Charity Giver."

Since Stalin was then playing ball with the Arabs, the Communist Party declared in favor of "an independent Arabian republic" to rule Palestine. Its excursion into anti-Semitism, of course, fell flat and Communists today do not like to be reminded of it.

Again, in the 1936 Arab uprisings, the Soviet press hailed them as "the beginning of the end of the Zionist bluff," according to Louis Jay Herman, whose documented article, "The Communist Record on Palestine," appeared in the January 1949 issue of the magazine Plain Talk.

HOPELESS PHANTOM

"The hopeless phantom of a Jewish state must be abandoned," asserted the Daily Worker of April 28, 1936.

Then came Stalin's brief 1947-48 honeymoon with Zionism. It ended abruptly on October 21, 1948, when Ilya Ehrenberg, Kremlin spokesman and Soviet journalist, attacked Israel and Zionism in Pravda. Israel's leaders, he said, would sell out their people for the sake of the dollar.

The Ehrenberg article set off an ideological war against Zionism within the whole Russian orbit. Shortly afterward, the entire Soviet press commenced the current officially inspired drive to rid Russia's cultural life of its Jewish intellectuals.

The Communist Freiheit, ardently pro-Israel for political reasons, somehow missed the boat. Its Zionist writer, Moshe Katz, challenged the Ehrenberg article.

BACK TO THE BASTION

He quickly recanted, however, after discovering that Zionist leaders actually were trying to transform Israel into a bastion of Jewish reaction and a prop of Anglo-American imperialism.

The Freiheit, itself, apologized, attributing its error to the constant pressure of bourgeois nationalism on Jewish life in America.

Refusal of the Israeli Government to oppose the Atlantic Pact and the Marshall plan and the Communists' poor showing in the Israeli election (less than 4 percent of the vote) were important factors in the change of line dictated by Moscow.

Now the Communists' propaganda weapon has been turned against Israel. Its President, Chaim Weizmann, is an Anglophile, an ingrate to the truest friend of Israel, the U. S. S. R. Its leaders are helping the United States enslave Israel and make it a prey of American capital.

The new party line is clear. Only as a Russian satellite, subservient to the Soviet masters, will the new Jewish state be acceptable to world communism.

Secretary Krug

EXTENSION OF REMARKS

OF

HON. JAMES W. TRIMBLE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. TRIMBLE. Mr. Speaker, the question of public power is one that has engaged the attention of the Nation for many years. The other day my attention was called to a very interesting address by Hon. J. A. Krug, Secretary of the Interior, which was delivered at a banquet of the sixth annual convention of the American Public-Power Association, at the Ambassador Hotel, Los Angeles, Calif., on Thursday, May 12, 1949.

Whether you agree with the Secretary or not, you will find the address very informative. I include that address by Secretary Krug as a part of my remarks:

BENEFITS OF FEDERAL PUBLIC POWER

To paraphrase President Truman's inaugural address, the state of public power is good. There have been some very encouraging developments in the last 12 months.

First and foremost, the widespread recognition of the public power issue in the 1948 campaign helped to elect the candidate who stood forthrightly for an expanded public-power program.

President Truman has vigorously and consistently supported a public-power policy in recommending appropriation measures to Congress, covering not only hydroelectric facilities, but also the necessary transmission lines and back-up steam-plant facilities.

The Congress voted to approve the New Johnsonville steam plant for the Tennessee Valley Authority, thus giving congressional backing to the principle that, in an area where Uncle Sam has become the dominant power supplier, the Federal Government has a responsibility to keep ahead of demand by providing facilities to assure an adequate power supply.

The House has already approved the important transmission facilities requested in this year's Interior Department appropriation. These include very substantial additions to the Bonneville system in the Pacific Northwest and the West Side lines in the Central Valley of California and the transmission system required by the Southwestern Power Administration. Nearly all of these were approved over the hottest opposition that private-utility agents could invoke.

The House of Representatives also voted to rescind the prohibition on construction of the powerhouse for Canyon Ferry Dam in Montana. The opposition to this installation came from the Montana Power Co. which had a small plant to be replaced and hoped to obtain a windfall of cheap water power.

The Congress has taken the first steps to repeal the rider which prevents Reclamation Commissioner Straus and Regional Director Boke from being paid and the rider has been omitted from the 1950 appropriation bill. One of the major reasons for this pay-stop rider was the firm advocacy of public power by Straus and Boke.

A private power company plan to use the Hoover Commission to front for private utility policies was thwarted.

Hydroelectric plants operated by the Bureau of Reclamation also made very substantial progress during the year. The Shasta power plant is now complete and Keswick, also in California, will be finished late this year. Completion of the right powerhouse at Grand Coulee is being pushed as well and we are also making fine progress in the construction of the Hungry Horse project in Montana. Davis Dam and power plant is coming along very well and should be ready by July 1951. Two large units at Hoover Dam are on order for use by Arizona and will be on the line in November 1951 and January 1952. A number of power plants are moving forward on schedule in the Missouri River Basin States.

There has been a significant renewal of interest in public power in New England and New York State. A six-State conference of New England governors recently urged comprehensive, organized development of New England's river basin resources. Although I understand that some of the New England legislatures have not received this proposal with open arms, the step taken signifies the growing interest in river valley development in the East. The need for the St. Lawrence power potential for developing this area is receiving more and more consideration. Local communities are showing interest in low-cost power as the most effective means of maintaining and increasing their industrial activity.

Finally, in the most important public power move of the decade, President Truman has recommended to Congress the creation of a Columbia Valley Administration, to develop the potential resources of the mighty Columbia River—a river second only to the Mississippi in volume of flow and second to none in water power.

From the great Columbia Basin can come 30,000,000 kilowatts of hydroelectric power. Today, even with our great dams of Grand Coulee and Bonneville, we are only taking out 1,500,000 kilowatts, and in the whole system only 3,000,000 kilowatts.

This is a discussion of public power and I won't take your time to go into the other advantages of developing the resources of the Pacific Northwest by a regional body located in the area. I do want to point out that the Pacific Northwest, like the TVA, is another good example of the truth that private enterprise flourishes where low cost Federal power becomes available. The industry and agriculture of the Northwest have boomed since development of the Columbia began 15 years ago. There is a manifold increase in public power yet to come in the Columbia and we can fairly begin to think in terms of the enormous increase in activity which can be brought about speedily if a Columbia Valley Administration is authorized by Congress.

It has been amply demonstrated in all the resource work of the Federal Government that full regional resource development brings great economic benefit to the Nation as a whole. In the Tennessee area multiple new industries have been established with heavy and steady pay rolls. Farming is changing from a mere subsistence basis to advanced cropping with the best methods. Naturally family income and tax payments have risen substantially.

In the Pacific Northwest with the beginnings of full development based on Grand Coulee and Bonneville, we find the same experience. A Columbia Valley Administration means more than economic improvement for the Pacific Northwest alone. The products and pay rolls and tax payments which will come from Northwest development will spread through and to the whole Nation.

I have mentioned national issues and controversial issues, because it is over these that the battles have been fought. These victories for public power will have their effect all through the electric-power field. They represent a new direction in the production and distribution of electric energy and a righting of the balance which was beginning to swing too far to the reactionary side.

These advances have not gone unnoticed by the opponents of public power. They are redoubling their opposition, starting with

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the bogeyman cry in the current issue of a business magazine that public-power advocates want to nationalize the electric industry by weakening private utilities. They ignore the fact that private electric utilities have never been more prosperous than they are today under the benefits of increased electric consumption stimulated by low-cost public power which has helped to keep utility rates down where the average citizen as well as industry could afford to use more and more electricity.

This continuing opposition and attack by the private-power industry makes it essential that those of us who recognize the benefits of Federal public power, know and state clearly the principles on which a sound power policy is based. In my opinion they are as follows:

1. The resources of our rivers belong to all of the people of the United States. The water resources of America belong to all of us. They belong to us, whether we are working for wages and salaries, or drawing dividends, including those on stocks of privately owned public utilities. For many years, under both Republican and Democratic administrations, our Federal policy has been to preserve these resources from monopoly and to develop them for the benefit of the people.

2. It is a responsibility of the Federal Government to help develop the resources of our rivers. For years, the development of our rivers through the construction of great multiple-purpose dams by the Federal Government was fought by certain interests in every conceivable way, hopelessly beclouding our urgent needs for irrigation, flood control, navigation, and low-cost power, and for all the other purposes which they serve so well. The development of power at such projects has been characterized again and again as unnecessary and wasteful and as providing surpluses which could not be absorbed by the market. We saw these statements disproved in most places almost before the plants were ready to run and I can say from first-hand experience that the winning of World War II would have been extremely difficult, if not impossible, without the great Federal hydro plants. The power-industry spokesmen who made those charges were men of little faith in the future of their own business. Electric power is the fiber of our advancing economy. The power market will absorb all of the efficient generating capacity that we can build.

3. The electric power generated at Federal projects should be marketed at cost for the benefit of the people. Even power-industry spokesmen now agree that more river development is on the way and that hydroelectric power should be produced at the great multiple-purpose projects which are needed to do the job. But the argument continues on whether this power should be sold at cost by the Government with the preferences for public agencies and rural cooperatives as now required under Federal law, or whether the power should be sold at the dam to privately owned companies, and distributed by them to their financial gain. We cannot accept this kind of a monopoly by private interest of a great resource of the people of the United States. No person or corporation can be permitted to stand at the gate and levy toll on the product of our common public wealth.

4. The hydro power produced and marketed by public bodies is needed to maintain our growing economy. If we expect the future to hold a limited power market—a promise that I do not hold—then it is possible to conclude that further development of hydroelectric power by the Federal Government might duplicate some investment which has already been made by private power companies. If, however, we foresee an expanding power market, Federal Government hydro will not displace existing capacity and, in fact, will satisfy only a portion of the total additional supply which is needed. You and I, who have real confidence in the future of our country, know that this is a more reliable projection of the future, just as it has been more accurate in the past. We know that it will require the best efforts of all of us to meet the growing power needs of America.

5. The criteria for measuring performance of public versus private power are not identical. The various arguments which are made concerning the financial policies and results of public and private agencies in the power business usually fail to reflect the real reason why these operations are not comparable. That reason is: The managers of privately owned electric utilities are judged by their stockholder bosses in terms of the profits earned for the owners and "the soundness" of their public relations in retaining these profits. The managers of public power enterprises are judged, that is, you and I are judged, on the other hand, on the basis of the contributions which our operations make to the improvement of life in the community for the average citizen. This difference, which is an inevitable and entirely proper one, must necessarily be reflected in financial policies, management policies, and in the day-to-day operations of the systems. A public power system tries to do more than just keep operations efficient—it tries to boost the net income of the community or region it serves.

The power business being what it is, your organizations, as well as ours in the Federal Government, must do the best possible job in rendering electric service to our customers, if we are to stay in business.

Exactly the same test applies in measuring the management of private companies. Progressive management, consideration for the public and real interest in the place which power plays in community development is necessary to preserve any organization, be it public or private, and if management fails to meet that acid test, whether private or public, it will be displaced, and will deserve it.

6. Low rates for electricity are in the public interest. Low-cost electric power is an important asset in any area, whether rural or urban. Abundant use of electric power lightens the burden of the housewife and the farmer, provides opportunities for the tradesmen and the industrialist, and, literally, lights the path of progress. The price of the service has a lot to do with how much of it is used. As we move further into the power age it becomes more and more apparent that it is unwise to add unnecessarily to the rates which the consumer has to pay. There are some members of this association whose power systems yield large profits to the municipalities which own them. I believe that these communities would be better off if they would limit the tax contributions of their electric systems to a fair share of local taxes and apply the difference to reducing rates for service. There are other members of this association who have for many years followed the policy of lower and lower electric rates. I think they will testify to the soundness of that position.

Private companies have, by and large, resisted policies, whether they be Federal, State, or local, designed to encourage reductions in rates for power. They make large claims that they have been reducing rates as rapidly as they could afford to. They say that the regulation by State and local government assures the public that rate reductions will be made as they are justified. In many areas public power developments have assisted State and local regulation in encouraging a trend toward lower rates on the part of private management. This system, combining regulation with a number of examples of public operation, is the best we have yet been able to devise to provide incentives to private management to establish the policies with respect to power rates which are necessary for real progress. Public power development has been an integral part of this system, and will continue to be.

7. There is room for both public and private power enterprise in America. The progressive private management today is the one which says public power is here to stay. It says: "We should be able to do a good enough job in providing an adequate supply at low rates, so that our customers will be satisfied with our service. The public-power developments in our service area ought to be used by us, to the extent consistent with the law, to achieve economies in power supply. The communities we serve have the right to go into the power business for themselves. If they choose to do so, they will have our cooperation. We support the development of the water-power resources of the rivers of our area by the Federal Government where the projects involved are integral parts of a multiple-purpose river-control job, or where their cost is beyond our financial capacity, because that brings efficiently generated power, which the Nation needs."

This attitude on the part of private management does exist in this country. It is constructive. It should be encouraged. It is in sharp contrast with the demands of other elements of the industry that they be permitted to monopolize the water-power resources of the United States with a bus-bar policy in return for withdrawal of their opposition to further hydroelectric power development by the Federal Government.

As a democratic Nation, our strength depends on our ability to decide questions of public policy in the interest of all people for the future. We can make these decisions with confidence, knowing that the expanding power requirements of America will leave a place for public and private development so long as they both discharge adequately this vital public responsibility. We must make and keep electric power the best buy for your money in every American market. With adequate and low-cost power as a sound base, we will assure a prosperous and secure future.

German Vote Should Inspire Other Red-Controlled Peoples

EXTENSION OF REMARKS

OF

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. MADDEN. Mr. Speaker, the recent plebiscite in Germany reveals that the expenditures our country is making to curtail communism across the Atlantic are bringing desired results.

The following editorial by H. B. Snyder of the Gary Post-Tribune in Gary, Ind., reveals some factual information concerning our progress in the cold war:

GERMAN VOTE SHOULD INSPIRE OTHER RED-CONTROLLED PEOPLES

The Germans in the Soviet zone of Germany have delivered a damaging Sunday punch to the plans of their Russian overseers. They may well have wrecked the whole original strategy devised by the Russians for the meeting of the Council of Foreign Ministers now in progress at Paris.

What was this rude setback? By Soviet admission, 34 percent of the German voters in the Russian zone turned down a Communist-rigged list of delegates to a proposed nationwide people's congress.

The ballot also stood as an expression for or against German unity, a speedy peace treaty and withdrawal of all occupation troops. Hence, the Russians concede that a third of the voters recorded themselves against the Soviet version of these objectives.

The Russians plainly had counted on a favorable vote of perhaps 85 to 95 percent. Following the pattern of totalitarian elections, the ballots gave voters no choice between candidates, but merely a chance to say "Yes" or "No" to a single, hand-picked list.

Confident of heavy German support gained through this dubious democratic procedure, the Soviet Union expected to appear at Paris as the champion of German unity, strong central government, and removal of occupation armies. It wanted this eastern zone backing as a trump card against the new government being set up in western Germany.

The resounding defeat of these hopes was a bitter pill. Said one German Communist: "This is the greatest bankruptcy in the history of the party."

It was clear from the start of voting that matters were not going well for the Russians. First scattered returns showed that out of 7,000 votes cast a comfortable majority had voted "No." Promptly the lid was clamped down on these embarrassing statistics and silence was observed for 20 hours.

Finally, the official results were announced. It is impossible to check them independently, but high German and western sources say that probably more than half the voters, instead of a third, voted "No." There are signs the Communists threw out many "No" votes and counted numerous blank ballots as favorable.

But even the Russian account means 4,090,280 Germans had the courage to say "No." They said it in an atmosphere of terror. They said it despite the fact that they undoubtedly want national unity and withdrawal of foreign troops at the earliest moment.

One can only regret that courage of this high order was not put to better use in the earlier Germany which submitted to Hitler's yoke.

One can only hope that this stout-hearted demonstration is, indeed, as General Clay believes, a sign that Germans slowly are finding their way back toward the democratic fold, and one may wish that fear-ridden peoples in other lands under Russian domination take new heart from this example.

Spain Contrasted With the Police States

EXTENSION OF REMARKS

OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. GARMATZ. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to include a clipping from the Baltimore Evening Sun of May 20, regarding an interview of Dr. Valentine De Balla, professor of political science and geopolitics in the College of Notre Dame of Maryland, as well as in the Loyola College evening school.

One of Maryland's outstanding scholars, Dr. Joseph F. Thorning, associate editor of the Americas and World Affairs, advises me that he considers Professor De Balla's exposition to be an important contribution to our knowledge of the international position of Spain.

DR. DE BALLA EXPLAINS HIS VIEWS ON SPAIN

From the relative quiet of his classroom, Dr. Valentine De Balla is following the current conflicts over aid and recognition for Spain and the activities of Communists here and abroad with more than casual interest.

Dr. De Balla, Hungarian by birth but American by citizenship, holds the position of professor of political science at both the College of Notre Dame and the Loyola College evening school.

PERSONAL INTEREST

White-haired, tall and slender, he speaks with a pleasing trace of accent and positive assertions. On occasion he leaves his classroom to lecture publicly on Spain or communism. At intervals he writes on these topics in the letter columns of the Sunpapers.

Dr. De Balla keeps abreast of these topics not merely because an efficient teacher of political science must. He also has a personal interest in them, having lived formerly in both Spain under Franco and Hungary during Nazi and Communist domination.

From personal experience he has formed his own definition of the word "fascism."

"A Fascist regime," he says, "just like the Communist, is totalitarian, where everything, such as the individual, religion, justice, art, family, are only here to serve the state. Not only are there no political rights, like the right to form an opposition party, but there are no private rights either.

CONDITIONS IN SOVIET

"I saw how under Soviet rule anybody can be expelled from their home if they displease the rulers. You have to work where they tell you and if you leave your job without permission you land in a forced labor camp. If you want to take a train you must have a travel permit."

A military dictatorship like those of Spain or Latin America is slightly different, according to Dr. De Balla.

"You have no political rights, but you have freedom in your private life. You are the master in your home. You can take a job or leave it as you please. You can move around freely. Spain never had a real democracy, but history shows very few democracies.

SPAIN "MORE HUMAN"

"The authoritarian regime in Spain has many faults, but it is incomparably more human than the totalitarian Soviet regime. I know them both from personal experience. Spain, besides, did not gobble up its neighbors and does not menace the rest of the world.

"It seems to me sheer hypocrisy not to send an Ambassador to Spain while we have one in Soviet Russia. It is a policy catering to leftists, to prejudiced groups, and to a systematically misinformed public opinion."

Dr. De Balla admits that Franco is a dictator. But, he says, "so was Getulio Vargas. He was dictator of Brazil, when it was our wartime ally. Some dictators can be found in Latin America, with whom we recently concluded a defense pact. All these are not necessarily Fascist."

REPLY TO ACHESON

To a statement by Secretary of State Dean Acheson that Spain is Fascist, Dr. De Balla answers:

"These words 'Fascist' and 'Communist' are being thrown around irresponsibly. It is just as wild to call Franco a Fascist at a certain period he accepted help from the Nazis as it is to call Mr. Acheson a Communist because at a certain period he represented the pro-Soviet faction in the State Department."

Dr. De Balla answers a second statement by Mr. Acheson that full diplomatic recognition of Spain is not granted because there are no basic rights such as religious freedom and trial by jury.

"In Spain," he explained, "there is some discrimination against the infinitesimal Protestant minority, as in Norway and Sweden there is some discrimination against the tiny Catholic minority. These are regrettable European phenomena.

"Trial by jury is nonexistent in most parts of the world. Even in some countries where it exists, it's a sham jury trial, the judge having preponderant powers. I was told that in the United States less than 10 percent of the criminal cases are judged by jury, the defendant having more confidence in a judge. In Spain the judges are independent of the Government."

M. Vishinsky's Default

EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Walter Lippmann from the Washington Post of May 31, 1949:

TODAY AND TOMORROW—M. VISHINSKY'S DEFAULT

(By Walter Lippmann)

Contrary to what was expected, M. Vishinsky has not seized the initiative at Paris by offering the Warsaw declaration. He has not come forward as the champion of German political unity, a strong central German Government, a peace treaty, and withdrawal of the troops.

Something has happened to make the Kremlin shrink from the bold line of their propaganda during the past year, which was to bid for the support of German nationalism with a view to another Rapallo—that is to say, a Russian-German combination. M. Vishinsky could hardly have done more than he has to repel rather than to attract German nationalism, or indeed to stultify the German Communists.

For the net result of his proposals would be to perpetuate military government and the military occupation. No one knows what caused the Kremlin to alter its line, changing so unexpectedly and so abruptly from an exceedingly attractive pro-German policy to a crudely anti-German. Is it that the Poles and the Czechs have been awakened by the world-wide discussion to a realization of where the new Rapallo policy was leading? And has the Kremlin shrunk from the line of the Warsaw declaration, fearing to lose the Poles and the Czechs while it was wooing the Germans?

One can only speculate. But, whatever the explanation, M. Vishinsky's default has proved to be the opportunity of the western powers, enabling them to come forward as the opponents of partition and of military government and of the exclusion of Germany from the European community. Morally and politically, the western position is ever so much better than it promised to be—ever so much better, indeed, than many of the western experts planned to have it be.

But our advantage, though real and important, can easily be overestimated, and if

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it is not successfully exploited, may be temporary. The western world, including Germany, is almost certainly entering a period of recession in which trade is contracting and the struggle for markets is becoming severe. This will not be a favorable environment for the German state of which we are the sponsors and promoters.

For it is one thing to draft a constitution, to get it ratified, and to set up a government. It is another and much more difficult thing to enable that government to govern successfully. The critical test of whether the western German politicians can raise the German standard of life and avert unemployment lies ahead. If they cannot meet that test, their own position will be insecure, and the western influence in Germany will be undermined. A free Germany with democratic institutions will have to be a reasonably prosperous Germany working and trading in a prosperous world. The Weimar Republic was not able to withstand the great depression, and the Bonn Republic is confronted with far graver issues than its predecessor.

The storm signals of impending trouble in the world economy are now unmistakable—in Great Britain, in Belgium, in Italy, in France, in Germany, and not least of all the United States. Thanks to a great deal of hard and honest work and to good harvests, and with the stimulus provided by American aid, the recovery in production has been remarkable, as compared with what happened after the First World War, sensational.

But the very success in production is now disclosing how little has been accomplished to restore to solvency the prewar world economy or to create a new and solvent postwar economy. We are entering the second year of the Marshall plan with problems and with conflicts, known to the responsible insiders that have not yet been explained to the general public.

They are the problems posed by the fact that in the effort to achieve solvency and monetary equilibrium, the world economy is contracting, is deflating, whereas the ravages of the war and the social discontent it produced cannot be dealt with except in an expanding economy and by a rising standard of of life.

Unadvertised but momentous discussions are now taking place in London and Washington which deal in the last analysis with the fact that the European recovery program, as conceived abroad, rests on an extraordinary postulate. It is that European exports can capture half the American markets in South America and that, as the London Economist put it some months ago, the American export industry "will reconcile itself to the permanent loss of its European markets" and will "permit discrimination against itself."

That was all very well while the American inflationary boom was running. But with the onset of the American recession, it is ceasing to be practical politics in the United States.

There is, therefore, no very good reason, if one looks at the developing situation, for the complacency and self-satisfaction with which some of the correspondents in Paris are describing the condition of things. The Russians are obviously in trouble, and have been made extraordinarily cautious by their trouble. But the western position, though it is morally and politically fairly good, is in respect to the economic outlook far from brilliant.

There is little to justify the idea that the great game, apart from taking a few tricks, can be won by standing pat—that it can be won by anything less than bold and concerted measures to counteract the threat of depression with an expansion of trade and the opening up of the markets.

The New Immigrants Make Progress

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. MULTER. Mr. Speaker, the following series of articles which appeared in the New York Herald Tribune are of considerable interest in connection with the new displaced-persons bill which we are now considering. I commend these articles to the attention of my colleagues:

THE NEW IMMIGRANTS MAKE PROGRESS—DP QUOTA IS FILLING UP AS THEY SPREAD TO THE 48 STATES

(By Robert S. Bird)

After a tardy start on this country's displaced-persons program, the Government now is processing the preliminary clearances for DP immigrants at such a stepped-up rate that it appears likely the 202,000 quota authorized under existing law will be filled by August.

As of May 10, the United States Displaced Persons Commission had accepted from sponsoring groups the necessary job and housing assurances for 195,000 immigrants, and the commission's statistical data now furnish an outline of the pattern the DP program is taking.

The new immigrants already are trickling into cities, towns and rural areas in every one of the 48 States. It will require at least a year to get them all screened out of the DP camps in Europe and shipped over to this country, but each month finds them arriving in greater numbers.

Meanwhile, as Congress debates new DP legislation which would bring into the country from 100,000 to 300,000 more DP's than are permitted under the present law, some important and perplexing questions are arising. For example, whatever the humanitarian motives which underlie the program, its labor recruitment aspects are beginning to assume importance.

Request for DP workers are pouring in from every section of the country, and some dissatisfaction already has been voiced at resettlement projects in some of the low-income areas of the Nation, where the need for cheap labor is acute.

The Commission's figures show that out of 80,886 DP families for which assurances already have been approved, only 36 percent were designated by name as personally known to the sponsors. Sixty-four percent were undesignated, and these will form the bulk of the new DP labor policy.

Up to the middle of May a total of 23,000 DP's had arrived here. An analysis of new arrivals up to April 1 shows that 61 percent of them settled in large cities, 20 percent in other urban centers, and 19 percent in rural areas of the Nation.

Virtually every kind of occupational class is represented by the new immigrants; everything from the professions through skilled, semiskilled, and unskilled workers. But a break-down of age groups indicates that an overwhelming majority of the immigrants still have their best productive years ahead of them.

Of those who had arrived up to April 1, 24 percent were children under 14, 17 percent were between fourteen and 24, 42 percent between 25 and 44, 15 percent between 45 and 64, and only 2 percent over 65. Fifty-five percent were males and 45 percent females.

Excluding the DP orphans who are being admitted under separate arrangements, 78 percent of the arrived immigrants came in family groups.

More than 80 percent of the job and housing assurances which the law requires must be furnished by the DP sponsors in this country have been supplied by the church and voluntary agencies. Since the DP Commission does not require the immigrants to state their religion, exact figures on this are not available. However, an analysis of assurances received from avowedly sectarian agencies indicates that approximately 60 percent were furnished by Roman Catholic groups, 26 percent by Jewish and 14 percent by Protestant and Orthodox Church organizations.

The best figures available on the religious affiliations of the DP population in camps in Europe indicate that about 49 percent are Roman Catholic, 18 percent Jewish, and 33 percent Protestant or members of the orthodox churches.

Of the 23,000 immigrants arrived in this country up to May 12, the largest number settled in New York State. New York accounted for 36 percent, and New Jersey followed with 7.4 percent. The rest were scattered through all parts of the country, with some significant variations in income opportunities.

It will not be until July that the DP Commission will have any significant reports on how the DP immigrants are making out in terms of occupation and income. Lacking facilities for making field investigations, the commission must rely on the semiannual reports which the law requires each DP head of family to make.

The last reporting period was in January, and not enough DP's had arrived by then to furnish information of value. In July, the next reporting period, the commission will receive reports from at least 80,000 families. But on the basis of information already on hand in the commission offices, it is known that some States with the lowest average per capita income payments in the country have absorbed a disproportionately large number of DP's, while others in the high-income areas have resettled relatively few of the new immigrants.

DP PROGRAM MADE COMPLICATED BY VARIED UNITED STATES LIVING STANDARDS—MOVE STARTED TO TRANSFER WORKERS FROM LOUISIANA TO A HIGHER-INCOME FARM AREA

(By Robert S. Bird)

A move is quietly afoot to transfer from sugarcane plantations in Louisiana to farms in Minnesota and Wisconsin a group of Polish and Lithuanian displaced person immigrants who recently arrived in this country under the current DP program.

While the project involves only several hundred immigrants, perhaps it poses a basic question of policy in the future resettlement here of many thousands of European DP's.

These canefield DP workers, thoroughly discouraged at their first attempt to make a new start in America, are being moved from one of the lowest per capital income areas in the Nation to regions of considerably better economic opportunity.

EXPLOITATION CHARGED

Charges that their labor was being exploited in the canefields and that they were living under substandard conditions are affirmed on one side and denied on another. In any case, Roman Catholic resettlement agencies investigating the situation have decided that these DP workers, who happen to be Catholics, do deserve a better start than the one they were getting. They are arranging for the shift.

In Mississippi, Lutheran clergymen are finding fault with conditions on a large cotton plantation where a group of Latvian Lutheran DP's were resettled last fall. Again charges are affirmed and denied.

The question posed is: To what extent is the immigration of several hundred thou-

sand DP's to be considered as a labor recruitment problem and to what extent as a humanitarian effort to give them the best possible opportunities to enjoy the American standard of living? The question directly relates to the widely varying range of economic standards which exist in different sections of the country, particularly in the rural areas.

ALL SECTIONS WANT LABORERS

It is complicated by the fact that in all these sections there is a shortage of farm and field labor, or at least a demand for DP farm workers. Already some DP administrators of both private and official agencies, in coping with the tremendous resettlement program, are finding themselves having to choose between the rival demands for DP's from labor-shortage areas in both low-income and high-income States.

Does a decision made one way entail discrimination against DP in his opportunity, and a decision made another way discriminate against a particular State in its opportunity?

The Department of Commerce's table of income per capita (1947) for seven regions of the Nation help to illustrate the problem. The figures follow:

New England	$1,444
Middle East	1,559
Southeast	883
Southwest	1,081
Central	1,391
Northwest	1,373
Far West	1,559

All these sections of the country need and want DP's in varying numbers. Louisiana needs cheap labor in its canefields, asserting that higher wages would dislocate its sugar-industry economy and cause substantially higher prices to sugar consumers.

NEGROES LEAVING FIELDS

Mississippi has suffered from a migration of Negro workers from the plantations to the industrial centers of the South, and seeks new labor geared economically to its peculiar cotton economy. Both of these are Southeastern States, in the lowest bracket of the Department of Commerce table.

In Minnesota and other Central States there has been a similar migration of farm workers to the industrial cities. There are calls for thousands of farm-experienced DP's from these States, which are in the higher income bracket. Maryland, Delaware and New Jersey—all Middle Eastern States—already have absorbed thousands of DP's on their produce and poultry farms, and they want more. North Carolina, another Middle Eastern State, has resettled substantial numbers of DP's on tobacco farms on a tenant basis which is working out satisfactorily. It can use more.

California, in the high far West income bracket, has asked for 2,000 DP's immediately to supplant Mexican migrant labor in the citrus grove areas. Citrus growers' associations are giving assurances that schools, housing and off-season employment for the DP men workers will be assured under their plan to stabilize the citrus labor market.

SOUGHT BY LONG ISLAND GROWERS

Long Island potato farmers' associations are urgently seeking to bring several hundred Polish DP farmers into the Suffolk County potato region, which heretofore has depended on migrant labor from the West Indies to work its huge crop. They are promising year-round employment at fixed wages.

The DP law has nothing to say on the question of economic status beyond demanding that the sponsor of a DP assure four specific matters: That the displaced person will have suitable employment at the prevailing rate of wages, without displacing someone else; will have safe and sanitary housing, without displacing someone else; will not become a public charge, and will be received at his port of entry and supplied with transportation to his destination in this country.

The problem heretofore has not been an acute one because most of the early DP arrivals were sponsored by relatives in this country, and went into jobs in urban centers.

SITUATION IS CHANGED

Now the trend is the other way. Most of the DP's arriving now are not known to their sponsors. They are in the undesignated category. The great majority of them are being sponsored by sectarian and nonsectarian voluntary agencies who have found job-placement assurances for them. They are coming in now at the rate of 12,000 a month, and soon they will be arriving at the rate of 16,000 a month.

Both the United States Displaced Persons Commission and the private agencies, half swamped by the heavy increase in immigration, are making determined efforts to analyze the placements of the more than 23,000 who already have been resettled under the present DP law, and those who are currently streaming into the country at the stepped-up rate. But so far there are no figures available to give an accurate picture of DP occupations and incomes on either the State-by-State or the national basis.

But as the DP program gains momentum and Congress debates increasing the present quota of 202,000 immigrants to possibly 400,000 and more, officials agree that its humanitarian side tends inescapably to merge with its labor recruitment aspects.

DP Program's Success Hinges on Legislation Before Congress—Struggle Is Likely To Center on Celler's Measure Liberalizing Present Regulations on Entry

(By Robert S. Bird)

The measure of success in the project to resettle in this country some 400,000 displaced persons from Europe will hang on the outcome of the struggle in Congress over new DP legislation.

So burdened with compromise conditions is the present 1948 DP act that the agencies responsible for executing it find it virtually unworkable in its present form. In fact, they are currently disregarding some of its provisions in order to speed up attainment of its main objective to bring into the country the present maximum of 202,000 DP's.

The congressional difference is between the advocates of a more liberalized, and presumably more workable law, and those who want the present law either maintained or more rigorously reinforced, or want no DP law at all.

As matters are shaping up now, the action will center around the bill reported out of the House Judiciary Committee on May 16. This bill was introduced by Representative Emanuel Celler, Democrat, of New York, the chairman of the House Judiciary Committee. It represents, with some seemingly necessary compromises, the administration's liberalized proposals for amending the 1948 act.

A similar administration bill has been offered in the Senate by Senator J. Howard McGrath, Democrat, of Rhode Island. A third bill, which would maintain most of the rigid provisions of the present act, has been introduced by Senator Pat McCarran, Democrat, of Nevada, chairman of the Senate Judiciary Committee and its immigration subcommittee.

It now appears almost certain that the House will pass the Celler bill without substantial changes. The Senate committee has done nothing about its DP bills; not even to the extent of having held hearings on them. As a result of this unexplained inaction, Capitol Hill observers are predicting that the showdown on a liberalized DP bill will come in the Senate when and if it considers the House bill.

BILL INCREASES QUOTA

The Celler bill materially changes the present act in a number of respects. It increases the total number of DP's allowed to enter the country from the present 202,000 to 339,000, and also makes provision for an additional 3,000 orphans and a maximum of 18,000 Polish soldiers who fought with the allied armies. It further authorizes the immigration of some 4,000 Shanghai refugees, mostly White Russians who are now in the Philippines, and 15,000 political refugees from Europe, who would be nominated by the Secretary of State.

More importantly, perhaps, it advances the cut-off date of December 22, 1945, as provided in the present act, to January 1, 1949. This cut-off date establishes a condition of DP eligibility. The present act requires that DP's must have entered Germany, Austria, or Italy by December 22, 1945, in order to be eligible for immigration under the terms of the act. But the date failed to take into consideration the plight of the thousands of persons who were displaced by events subsequent to that date—persecuted persons who fled from the eastern European countries in 1946, 1947, and 1948. In 1946 most of these were Jewish, but since then the bulk who have fled have been Catholics.

Advancement of this cut-off date reflects the theory that these persons—refugees from communism mostly—should enjoy equal opportunities to immigrate here with those who suffered under the Nazis.

The Celler bill would make the Displaced Persons Act effective for 3 years instead of 2.

Another important change under the proposed administration amendment would be elimination of the present provision which requires that not less than 40 percent of visas issued shall be available exclusively to DP's whose place of origin or country of nationality has been annexed by a foreign power. This now tends to favor DP's from the Baltic countries annexed by Russia.

Proponents of the Celler bill consider this restriction to be discriminatory, and assert that in the long run it will hamper the entire program, if, for example, only 40,000 DP's from these countries were found eligible for entry to the United States, then under the limiting provision, only 60,000 of the others could be granted visas.

Likewise, the present clause which requires that a 30-percent preference be given to agricultural workers would be eliminated on the theory that this, too, amounts to a discriminatory provision, and besides it has induced many DP's who are not agricultural workers to represent themselves as such in order to get into this country. This last has been a source of ill-feeling in some resettlement areas where DP farmers turned out to be no farmers at all.

The Celler bill also would liberalize the controversial section of the existing law which applies to the admission of "ethnic Germans"—the so-called Volksdeutsche, who find themselves displaced from many countries where they had lived for generations.

Strong pressures have been brought to bear for and against this group of people. On the one side the accusation is made that they are mostly Nazis at heart, and on the other side the charge is made that they are victims of racial prejudice and a mistaken sense of collective guilt. In any case, strong persuasion is being made from sections of this country populated largely by persons of German ancestry to have these people brought into the country.

Up to this time, for reasons not officially explained, none of these Volksdeutsche has yet been brought in. The Celler bill would extend the effective date of the section permitting them to immigrate here from 1950 to July 1, 1952. It also adds Latvia, Lithuania, Poland, and Russia to the list of countries from which eligible Volksdeutsche immigrants may have originated.

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Another controversial change involves the section which "mortgages" immigration quotas. At present, quotas are mortgaged to 50 percent against the countries from which the DP's originated. This has the effect of restricting future immigration of natives from these countries to that numerical extent. The new bill would mortgage these quotas only to the extent of 25 percent to 1954, then upward to 50 percent.

The new bill would provide a $5,000,000 loan to the United States Displaced Persons Commission for payment of inland transportation of DP's. At present, the International Refugee Organization bears the cost of ocean transport of DP's, and the sponsors are required to provide costs of transportation from the port of entry to the destination in this country.

One effect of this arrangement is to discriminate against sponsors of DP's in the western part of the country. A farmer in Colorado who wants to resettle a family of, say, five DP's on his place must make a much higher investment in fare than a farmer in Maryland who wants to resettle a family of five.

These are the principal changes which the administration, with the general backing of the three major religious denominations cooperating in the DP program, would incorporate in the new DP law.

CRITICISM STIRRED ABROAD

Senator MCCARRAN'S bill would make some minor changes, but would retain most of the features which are objected to in the present act. He would allow 502,000 DP's to enter the country. But the conditions which he would keep in the act would not, in the opinion of the Celler bill proponents, permit any such number actually to enter the country. He favors extending the Volksdeutsche section to 1952, and he would make the $5,000,000 inland transportation loan applicable only to DP's going to rural areas or places of less than 100,000 population.

The restrictions in the present act have helped to delay seriously this Nation's commitments in the DP program, and have brought it some criticism abroad. Beyond that the red tape in screening eligible DP's out of Europe has even more seriously hampered the program. It now takes almost 6 months' time between the day a farmer, for example, sets in motion his request for a DP family and the day the family arrives on his farm. The actual screening period consumes about 120 days.

The result of this is that many people here who want to resettle DP's, especially farmers who must consider their crop deadlines, are discouraged from tangling with the red tape in Europe. It is the belief of most of the voluntary agencies participating in the immigration program that the screening and transportation time could be reduced to a minimum of 2 months by some sort of an efficiency clean-up in administration circles abroad. Meanwhile, Congress has it in its power to either help or hinder the program by the action it takes in the next few weeks on DP legislation.

Address by the Very Reverend Robert J. White, Rear Admiral (Retired), United States Naval Reserve

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. MCCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by the Very Reverend Robert J. White, rear admiral, retired, United States Naval Reserve, president, Military Chaplains Association of the United States, at its annual convention held in Chicago on May 10, 1949:

Our last annual convention in New York gave the year an auspicious beginning.

The warm friendship and the thoughtful praise reflected in letters, editorials, and personal comments, gave convincing evidence that our association had made a deep and favorable impression upon chaplains and the American public.

If a benediction were needed to our convention, it came upon that sunny summer morning a few weeks in Washington. There on the White House lawn, several hundred people, including the survivors of the four chaplains and your officers, witnessed the Presidential ceremony of the official issue of the postal stamp dedicated to the lasting honor and remembrance of chaplains. Sometimes we stand too close to events of great religious and historical import to appraise their true significance. As I looked upon the original sheet of autographed stamps presented to me by the President, and in turn given to your association—my curiosity was aroused. Where else could this happen? Where else had such a solemn Government recognition of the military chaplain ever been given? Inquiry into historical sources revealed no similar honor known in stamp history here or elsewhere in the world. These auspicious beginnings have grown through the year, and today we are assembled with the largest number of local chapters, and a great and representative number of national delegates from every part of the country.

In a few important instances, it has been necessary to speak out openly in your name. In mid-summer, as the draft was about to take effect, the Nation was startled by an open appeal of some 100 alleged clergymen inciting American youth to resist the draft and proclaiming Sunday, August 22, a day of national mourning, in protest against the Selective Service Act. An appeal to disloyalty by a Nation-wide observance of a Sunday of mourning had within its elements of tragedy, travesty, and even treason. A swift and powerful answer was imperative. I said to the news services in your name "Not a Sunday of mourning, but a Sunday of faith and firm resolution should be proclaimed." If our duly elected representatives legislate that all American youth, conscious of the heritage of liberty should make willing sacrifices to defend the Nation's freedom, then, we should rather have a Sunday of patriotic dedication, least indeed we suffer the truly dark day of mourning which has come to nations who failed to keep strong against the threats and aggressions of godless tryrants, foes of all human liberty.

Again during the year, we were faced with a deluge of magazine articles, some in technicolor for lush fees, proclaiming that this campaign or that campaign in World War II was a mistake. On close examination it was apparent that the writer's motives were rather personal vindication at the expense of personal enemies, than an objective attempt to improve military tactics in the future. Now chaplains are, in a singular and sacred sense, the custodians of the memories of the dead, and the guardians of the sorrows of their bereaved. I felt that it was my duty to state publicly in your name, "To be sure there is a necessity for critical review of military campaigns. However, the proper forum should be the War College, or a similar forum, or military committee of Congress where arguments could be presented and discussed as the basis for future improvements in the military forces. There is one aspect of this trend which is particularly ominous. In the critical situation today—and for a lot of tomorrows—we still need a strong military force backed by the confidence of parents and all Americans. What surer method could be found to break down such confidence with blazing headlines: 'X was a mistake?' What sharper stab could increase the suffering and lone loneliness of brave casualties in such a campaign, and engender bitterness in the memories of surviving parents who gave sons so generously? Placing the curb on this avalanche would be in no proper sense a restraint on the freedom of the individual, nor a cover-up for military errors. By all means analyze and publicize them—but in a proper tribunal, and in a useful process for future military improvement, rather than in personal and often petty self-glorification of the face-saving revelations, 'Who dunnit—not me!'" Among the widespread and favorable comments upon this statement I received the following letter from the editor of a leading scientific magazine: "Dear Chaplain: That was a proper statement of yours. Although my wife and I are both steadfast believers, my task as husband is not made easier by flashy magazine articles proclaiming that this or that action was a mistake. Our only son was a flier shot down over Chichi. His body was not recovered. As a chaplain you will understand. That is bad enough for a mother, but to have the whole strategy blasted in the magazines makes the plodding just that much harder. We are grateful."

As stated before, the association has granted more charters to local chapters than in any previous year. The credit for this growth goes to the area vice presidents, and in particular to the State councilmen of the individual States who have taken on the added burdens of time and travel with selfless generosity and singular success.

In pursuance of resolutions adopted at the last annual convention, we have established certain commissions and standing committees. First, our war experience as chaplains witnessed the wholesale wreckage of hasty and improvident marriages of service personnel. Unfortunately, the trend has continued in peacetime. The evil effects of such disasters has produced untold bitterness, neglect of innocent children, serious sin, and crime. Indeed, I would venture to assert that perhaps a major percentage of unlawful absences and consequent courts martial, even today, have their root in such tragic and ill-advised alliances. While it is true that there will always be some broken homes—that constitutes no excuse for culpable neglect in the matter of premarital instruction of young service personnel. Indeed, as to all youth, it is apparent that there is a crying need for sensible preparation for marriage which places supreme emphasis upon the spiritual basis of the union as the only enduring foundation of the home and the Nation. The commission of our association on marriage will present a workshop on premartial instruction and I commend their thoughtful report as the basis for a continuing program which may mature into invaluable instruction through chaplain conferences, printed pamphlets for servicemen, and audiovisual programs in the armed services.

Also, in the moral field, we have created a commission on decency in entertainment in the armed services, established in view of the regretfully frequent immoral and degenerate performances of wartime entertainers. While the association recognizes gratefully the generous contribution of wholesome entertainers, it has adopted an intelligent and determined resolve not to tolerate harmful repetitions of degrading entertainment provided by the USO or special service agencies. This commission will give a valuable report to our convention. I recommend that the commission continue this important work in close cooperation with the USO, the chaplains, and the military officials.

The commission on grievances was established by the last convention to draft a set of principles and procedures to bring about prompt and effective official discipline of any officer, of any rank, who seeks to impede the chaplain in his proper function in religious and moral leadership. The commission will render its report and should be continued. No chaplain should be compelled to stand alone in an unjust and intolerable situation. Our moral solidarity can and should defend and vindicate religion and morality in such situations.

The statement of our position would be incomplete without our public and generous acknowledgment of the cooperation and friendship of the overwhelming majority of military authorities.

Among other committees which will make their reports will be the committee on finance, committee on the new charter, and the committee on world chaplains.

Our association is a living force in an America which has national and international responsibilities to struggle against the atheistic and communistic attacks upon the dignity and liberty of man. For such assaults affect our domestic and international peace and security, and the moral and spiritual integrity of all mankind. Our days have witnessed the completion of an evil trilogy. First, we were struck with pity for the sufferings of the Jewish people, persecuted because they were not made in the image of a ruthless master race, but in the image of God, as are we all. As was to be expected, the Catholic Church has been and is persecuted as the defender of divine faith against the tyrant's lust for power. Inevitably the Protestant Church has felt the lash of persecution when they refused to bend the knee to the god of Bael. We have witnessed the path of progress of the pagan forces of godless tyrants. From the seizure of worldly goods, and the infliction of barbarous torture and death to the human body, we now witness the diabolic ingenuity in a new technique of torture and destruction to weaken and destroy the character, personality, and even the minds of helpless victims of religious persecution. All men of intelligence everywhere reject with scorn so-called confessions of saintly men whose solemn dedication to God, whose long and honorable service to their fellowmen, and whose uprightness of character, belie the strange, stuttering confessions and sinister convictions and judgments of these so-called judicial proceedings. No credence is to be given to trials which are an empty mockery of justice in their denial of the elementary requirements of divine and human justice. Tragically, the evil drama has not come to a close. For with satanic savagery, the enemies of God are bound not only upon the conquest of the individual, but the final mastery of man's immortal soul. There can be no thought of cowardly unconcern in such a fateful struggle. They shall not scale the ramparts if all believers unite to defend the inviolable sacredness of the individual made in the image of God and destined for immortality with Him.

If, as we know by long experience, eternal vigilance be the price of civil liberty, then certain it is that in this fateful hour, eternal vigilance, plus the understanding friendship and cooperation of all men of faith, must be the price of religious freedom everywhere and the only hope of peace for mankind.

Like you, I have listened to news reporter after news reporter, heard commentator after commentator, read book upon book, and I have reached the deliberate conclusion that men of little or no faith cannot inspire men to faith; nor can they strengthen hope, which the world so sorely needs; and when faith and hope fail, charity among men dies still-born.

Men of good will in our Nation have watched too long the engrossing of charters, the enunciation of principles, purposeless and petty debates, ad interim reports, and the declarations of human rights. The surfeit of words has sickened men. Throughout the length and breadth of our land, there is a growing restlessness and stern demand for more than words and debates' delay. That demand is born of the latent wisdom of the great common masses of those who believe in God, a wisdom not dependent upon degrees of fancied higher learning, or wiles of statecraft, nor devious ways of diplomacy. This inspired wisdom of the masses is bringing forth a thunderous judgment, in which this convention should take the lead, that all is vanity and folly in raising marble halls for the United Nations, unless now, without delay and without equivocation, the United Nations raises its vaunted moral power to strike and break the shackles of languishing nations—in spiritual slavery imposed by godless tyrants, and liberate the souls of men whose rightful sovereign is Almighty God, the Creator and Redeemer of mankind.

Ours is the God-given mandate to teach, preach, and to repeat again and again to the American people, that it was an aggressive minority in every country which forged the chains of religious slavery upon a complacent majority. Armament is only a part of total preparedness. In truth, spiritual and civic complacency may well be the Achilles heel of American democracy.

Our task is neither simple nor our burden light in a nation where too many have forgotten or ignored God; where the well-springs of learning have been poisoned by atheistic teaching; where many youths, robbed of faith, have reached out eagerly for the seeming bread of liberalism, which without God turned into the cold stone of atheistic communism. Nor can we shirk the duty of stern warning to our people that nations more powerful in their day and world than America fell prey to foreign conquerors, but never before such nations had paved the way for easy conquest by the self-inflicted ruin of the decay of conscience and character.

In this our hour of history, we have a singular and prophetic mission of divine warning, but also we are the messengers of divine hope.

For God, for peace, for home—these are the transcendent goals of our endeavors. Though the past is gone, it yet abides in present memories to demand we keep faith with those who were our spiritual sons in war by strengthening the faith of their sons and younger brothers who are in the armed services now.

For these men, who yesterday were the boys in your parish, are today the youthful defenders of this Nation, and tomorrow will be the fathers and the moulders of the future of America.

I would hesitate to appeal to even your enlightened self-interest, but rather depend upon the memories of your youthful dedication and your strong abiding memories of your service to the Nation in the time of war.

To each chaplain his memories are sacred, silent, and secure within his soul, a source of strength, and in an added sense, the measure of his ministry in bringing men to God and God to men. "Be strengthened in the Lord and in the might of His power," for however dark the night of persecution, God will bring to men the bright dawn of a new freedom to the soul.

For while nations may build heavy-iron curtains to divide men, who otherwise may live in friendship and peace, no nation or nations, however powerful, can draw a bleak iron ceiling across the skies to divide men on earth from God in heaven.

Nations may jam with static the voice of truth which can make men free. But no nation or nations can jam with static the powerful pleadings of prayer to God and the resultant blessings in grace to men.

There is no pact so powerful as God's pact with men who believe and love and serve Him. In the days ahead we may stand brave, confident, and unafraid, for we shall surely find in the silent strength of faith the all-powerful two-edged sword of the spirit given in days of old by God Himself.

"Beheld, I command thee. Take courage and be strong. Fear not and be not dismayed: because the Lord thy God is with thee, in all things, whatsoever, and everywhere." (Joshua, ch. I, verse 9.)

Overtime on Overtime

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. CELLER. Mr. Speaker, I am sorry to see this important measure being rushed through this House with so little consideration or discussion. Very few of us have had an opportunity to study it—it has been whisked past us so quickly, with such an air of crisis and secrecy, that we have had very little opportunity to find out what it is all about.

But I can see, on the most cursory reading, that it affects one very important principle, that is of the greatest importance to all of us—the independence and integrity of the Federal judiciary. For section 2 of the bill, which was added by the Senate, retroactively frees certain employers from liability to pay back wages due under the Fair Labor Standards Act. The language is general, but the intent of the bill is to reach into the Federal courts and snatch a particular case from before the bar of justice. This would be shocking enough if this were a case which had just been initiated. But the cases involved here have already been appealed through the entire Federal court system to the highest court in the land. The Supreme Court has decided the issue in favor of the plaintiffs, and has remanded the case to the Federal district court in New York. At this very moment that trial is going on. Yet we now propose to oust that court of its jurisdiction, and to set up Congress as a kind of super-Supreme Court.

This high-handed action will lessen respect for all laws. It will supplant our time-honored judicial process with a new system of litigation by politics. Whenever a party is displeased with a decision of the Supreme Court, he need only cross the street to the Capitol and get Congress to change the law—retroactively, if you please. In the future, then, parties will be well advised to forget about retaining a lawyer, and instead engage a lobbyist.

Mr. Speaker, as chairman of the Judiciary Committee, it is my job to work patiently and faithfully with my colleagues to strengthen and protect the Federal court system. But H. R. 858 as amended could, in one fell swoop, do harm far greater than all of the good we can do throughout the year.

I say could do harm; rather than will do harm, however, because I know it will never go into effect. I know the vitality and courage of the Federal courts is far

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too great to let so patently unconstitutional a measure go by unchallenged. I know that Federal judges will not acquiesce in a measure which deprives thousands of hard-working longshoremen of rights which have been vested in them by law and by the decisions of the highest court of the land.

The constitutional problem in connection with this bill has been likened to that under the portal bill. I disagree. The Portal Act did not affect cases which have been as far advanced as the cases involved here. The Portal Act did not affect cases where employers had clear notice of the illegality of their pay practices, as we have here, in numerous letters and opinions of the Wage and Hour Administrator. And the Portal Act did not affect hours of work and types of work which the parties always regarded as compensable. And finally, let me remind my friends, that the constitutionality of the Portal Act has never been passed upon by the Supreme Court. Denial of certiorari does not, and never has, committed the Court in any way.

The amounts involved in these back-pay suits are paltry. All of them, throughout the United States could be settled for $10,000,000. This offer has been made publicly and privately, most recently at hearings of the Senate Labor and Public Welfare Committee. But the principle involved is tremendous. It is nothing less than the honor and independence of the American judiciary. And if we fail to respect that honor here today, I know that those who sit on the bench will, in due course, vindicate it.

I therefore urge that the House insist that the bill remain in the same form as it was passed by us.

An Easy Dollar

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, who does not want a dollar, especially if he thinks the first one will be followed by a steady stream of others, all coming to him without very much—perhaps without any—effort on his part?

Necessity has taught man to be acquisitive. First, reaching out for his daily needs—then, ambition and a desire for security for himself and advancement for his children, cause him to lay by something for the future. But, and fortunately for our prosperity and real happiness, experience has taught us that it is the earned dollar which is the worthwhile dollar.

To express it in another way—as a rule, only the things we must strive for give us a real benefit. Easy come, easy go.

Politicians play upon man's cupidity and all too often they win by promising first one group, then another, special privileges and benefits, discriminatory advantages.

And, all too often, the people forget that in this Government of ours the Federal dollar which they think they will get, which sometimes comes to them, is their own dollar and when it went to Washington was accompanied by another half dollar, no part of which ever came back.

In the Thursday, June 2, issue of the Allegan Gazette, published at Allegan, Mich., Leo W. Hoffman calls attention to the fact that, after all, the promised easy dollar is not so easy to get and may in the end cost more—the loss of our freedom—than it is worth.

The editorial follows:

THE EDITOR'S NOTEBOOK—GREAT FEDERAL FARM FRAUD NOW EVIDENT

Truman, in his successful effort to win the Presidency of the United States, promised the farmer subsidies and other benefits. His promise of Federal money swung a sufficient number of farmers behind him to assure his victory.

Now Truman is attempting to deliver on his promises to the farmers, but like all his other socialistic schemes there are certain strings attached to benefits if his program should be approved by Congress.

Specifically, his social agriculture planner, Brannan, has asked Congress to extend rigid marketing quotas to include hogs, cattle, lambs, poultry including chickens and turkeys, whole milk, butterfats, eggs, hops, honey, honeybees, gum, naval stores, corn everywhere, barley, oats, rye, grain sorghums, flaxseed, soybeans, dry edible beans, grass seeds, vegetables including potatoes, cabbages, tomatoes, and fruits.

Now the reason that this starry-eyed apostle of planned economy gave Congress to justify his request is that rigid controls are necessary to prevent overproduction and excessive cost to the Government in supporting farm income.

Previously, Secretary Brannan had sent Congress the other phase of his socialistic farm program. This part of the plan provided for a farm production Government payment plan which guaranteed a minimum price on practically all farm products, the theory being that farm product prices would fluctuate freely in the open market but the Government would pay the farmer whenever the market price fell below a Government established price.

In brief, Truman proposes to guarantee the farmer an established return for his crops, but insists upon telling the farmer what and how much he can raise.

What the plan amounts to is that social planner Truman tells Farmer Jones that the taxpayer will guarantee him a fair return for his crops, but tells him that he can only grow a certain amount and a certain kind of crop because otherwise there might be overproduction and the farmer might make too much off the taxpayer.

This proves the point that the Gazette has stressed repeatedly—there never can be any Government benefit without a corresponding Government burden, and a resulting loss in individual liberty.

What Truman told the farmers when he was running for office was that he would assure them of direct Government subsidies; what he did not tell them was that he also intended to limit their income by controls.

His whole campaign was a fraud upon democracy. But then, as we have said before, Dewey's campaign was likewise a fraud. There was no one to raise a voice against the social and economic planners. We hope that both the Democratic and the Republican Parties have learned a lesson and that by the time we have another presidential election the people will have a choice between two real believers in democracy instead of wasting their vote upon a disciple of socialism.—L. W. H.

Bill Providing That Small Business Shall Receive Fair Share of All Government Procurements Introduced After Being Approved by Committee on Small Business of the House—Proposal Extends Present Law To Include Civilian Agencies To Tighten Up Present Law

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. PATMAN. Mr. Speaker, H. R. 4760, introduced by me, is a bill to provide that small business shall receive a fair share of Government procurements. This bill has been unanimously approved by the Select Committee on Small Business, which directed me to introduce it.

Under this bill, every Government agency shall issue regulations and prescribed conditions to the end that small-business concerns will be assured of a fair and substantial portion of the procurement of supplies or services by it.

There is nothing very new about this proposal in my bill. There are now existing laws on the books providing that small business shall receive a fair share of certain Government procurements. But my bill is an attempt to make the law on the subject more definite in its operation and more uniform in its application, and my bill tries to plug up the holes in the present statutes relating to procurement.

EXTENDS ARMED SERVICES PROCUREMENT ACT

The Armed Services Procurement Act of 1947 now provides, in section 2 (b), as follows:

> It is the declared policy of the Congress that a fair proportion of the total purchases and contracts for supplies and services for the Government shall be placed with small-business concerns.

This is a declaration of policy in respect to small-business procurement, whereas my bill is a mandate in respect to small-business procurement.

In making the provision mandatory, my bill follows the wording of the Selective Service Act of 1948, in section 18, relating to the program of national procurement described therein, and stating in clear language that "small business shall be granted a fair share of the orders placed, exclusively for the use of the armed forces or for other Federal agencies now or hereafter designated by this section."

My bill, in effect, simply reconciles and conforms these two laws so that small business may have definite assurance that it shall be entitled to, and shall obtain, its fair share of Government procurement.

My bill goes further than existing law in that its provisions are applicable to all Government agencies—civil as well as defense agencies.

BUREAU OF FEDERAL SUPPLY INCLUDED

The most important agency which is reached by my bill, but which is not cov-

ered by existing legislation, is the Bureau of Federal Supply, which serves as a joint purchasing agency for various Government departments and units. As I have already indicated, it is something new to impose small-business conditions on purchases by the Government other than for war or defense purposes. But it seems to me that there is no reason why small business should not obtain its fair share of procurements by civilian agencies of the Government the same as in the case of procurements by defense agencies. In fact, I think there is even more reason why small-business concerns should be assured of a fair share of procurement by civilian agencies of the Government than in the case of procurement by defense agencies. Small business and free enterprise must be given a fair break during the longer and more normal periods of peacetime and not merely during the shorter periods of emergency and war.

Moreover, I should point out that my bill is not limited to certain specified defense agencies like Army, Navy, Air Force, Coast Guard, and Advisory Committee for Aeronautics, as in the Armed Services Procurement Act, for instance.

My bill, since it expressly applies to all Government agencies, would apply to the Atomic Energy Commission, to take an example, which is not mentioned in the Armed Services Procurement Act, although it is mentioned in the procurement section of the Selective Service Act of 1948, at least for certain purposes.

To recapitulate, my bill makes it the duty of all Government agencies to issue regulations and to prescribe conditions in order that small-business concerns will obtain a fair and substantial portion of Government procurements. A small-business concern is defined as one employing not more than 500 persons, which is independently owned and operated, and which is not dominant in its trade or industry. Essentially, there is no new legislative principle involved. Existing legislation is, in effect, conformed and consolidated. However, as I have said, the bill applies not only to some Government agencies but to all of them, including such agencies as the Bureau of Federal Supply, Atomic Energy Commission, and in fact any Government agency, corporation, or other instrumentality.

SMALL BUSINESS DEFINED INDUSTRY BY INDUSTRY

However, apart from the agencies covered by it, the bill contains much the same language as my amendment to the ECA bill which passed this House by a vote of about 3 to 1, although it did not fare so well in conference. That amendment, too, authorized the issuance of rules and the prescribing of conditions. That amendment, too, spoke of a fair and substantial share of procurement for small business. That amendment, too, defines small business as I have defined it in my present bill, and, as we have seen, it is already defined in existing law. That amendment, too, provided, however, for a smaller number than 500 for those industries where a smaller number would be appropriate for defining small business.

If the honorable Members of this House thought so well of my ECA amendment, applying to procurements here by foreign purchasers, a proposal which had no specific legislative precedent, as to give it the overwhelming vote in its favor which they did, I feel that they may readily think just as well of my present bill, which applies to procurements by our own Government and which has specific existing precedent in both the Armed Services Procurement Act of 1947 and in the Selective Service Act of 1948.

OTHER LEGISLATIVE PRECEDENTS

Indeed, my bill has precedence not only on the books today but going back to the early days of World War II. I refer, in particular, to the Small Business Mobilization Act of 1942, to its detailed provisions in connection with procurement from small-business concerns, including even a declaration by the Congress recognizing the right of small-business concerns, in certain instances, to be paid a higher per-unit price on procurements.

Ever since that time, the Congress has been passing special small-business legislation, as witness the small-business provisions in the Surplus Property Act, the Mobilization and Reconversion Act, the Contract Settlement Act, and existing laws already referred to by me.

The time has come for the Congress to make its policy on small-business procurements applicable to all Government agencies, whether defense agencies or not, and the time has come that this existing congressional policy should be expressed as a mandate binding on all of these agencies.

SECRETARY LOUIS JOHNSON QUOTED

I shall close by quoting from remarks by Hon. Louis Johnson at the annual meeting of the chamber of commerce, delivered on May 5, 1949, shortly after his induction as Secretary of Defense.

These hundreds of thousands of small businesses, scattered throughout our land, together with our millions of independent farmers, are the essence of our democracy—they are our basic safeguard against the dangers of statism. It is high time that those few power-seeking and merger-mad corporation officials in our midst realize that the enemies of our economic system are gambling on a hope that American big business, by concentrating more and more economic power in fewer and fewer business enterprises, will finally drive us into some form of the corporate state which can readily be seized by a small group of ruthless men to spell the death knell of freedom.

The National Military Establishment appreciates the value of small business to our whole economy and to production of military items particularly and is bending every effort to have its share in its defense program.

The National Military Establishment is interested in small business because it wants to know that the productive capacity of all plants, including the small, is available. It is interested because it feels that small business is one of the institutions we Americans believe in and want. We must not forget that practically every American business in existence today once started as a small business.

The Congress recognizes the deep interest that the American people have in small business. From 1933 to 1944 more than 570 bills and resolutions dealing with one or another of the myriad aspects and problems peculiar to small business were introduced in the Congress of the United States.

In the Armed Service Procurement Act of 1947 Congress provided that—and here I quote—"a fair proportion of the total purchases and contracts for supplies and services shall be placed with small business concerns."

The Selective Service Act of 1948 carries a provision to the same effect.

On December 12, 1947, President Truman transmitted similar wishes on this matter to the heads of the executive departments and establishments.

And as Secretary of Defense, I intend to carry out the President's wishes in every respect.

My bill on the right of small business to a fair share of Government procurement thus hardly conflicts with the desires of the head of the three armed services, who, as he states, is determined to carry out the wishes of the President to enforce the laws of the Congress in respect to small business. It should, therefore, hardly conflict with the desires of the Bureau of Federal Supply or any other Government agency.

I respectfully commend this bill to the Members of this House for their favorable consideration.

Address by Hon. Olin D. Johnston, of South Carolina, at Confederate Memorial Services

EXTENSION OF REMARKS

OF

HON. OLIN D. JOHNSTON

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, June 6 (legislative day of Thursday, June 2), 1949

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed in the RECORD the address delivered by me yesterday, June 5, on the occasion of Confederate memorial services at Arlington National Cemetery.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

As we stand in reverence on this Sabbath afternoon in the midst of tombs whiter than the sands of the sea and more numerous to us than the stars in the heavens to pay tribute to our forefathers with music, song, and tender words, a swelling comes into our hearts. A swelling of pride and sadness as we remember the words of our dear mothers as they watched their fathers and brothers take gun and sword in hand, not for fame or reward, but to defend their freedom and ideals.

We have come to this funeral field of fame where our forefathers have slept through the years, the years in which our mothers were fatherless, the years during which our mothers took the plow and the spade to till the war-ravaged soil on which Confederate heroes died.

Yonder, beneath the grass-covered sod, resting in the serenity of death, are men who saw Lee surrender his bullet-torn flag with the consciousness of duty well performed; a lad who stood by the side of the "Gallant" Pelham at Kelly's Ford and saw the great cannoneer write his name in letters of gold on history's scroll; a lad who was with Albert Sidney Johnston at Shiloh when the great Confederate soldier led a charge against the enemy shouting, "Men, they are stubborn; we must use the bayonet."

These gallant men who wore the gray did not rebel, nor did they create any new doctrine, nor were they of misguided fathers who waved the battle flag against the genius

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of liberty in the New World. They did not sacrifice their sons to slaughter nor their land to ruin for slavery.

No, they realized that they could no longer live in peace with the Union. They asked to be seceded in peace. This was denied. Then came the gunfire at Fort Sumter, S. C.

A single theme for this occasion is difficult to select. There were thousands of heroic men who fell by the wayside whose names are not known; there are thousands who were fortunate enough to return; there were women who sacrificed their all, died in pain and agony as they fought to defend their homes without their husbands. There were children who fought with stones along the side of their mothers. There was not one hero, there were thousands.

But as we stand here in the shadow of the monument to Washington and near the home of Lee, there is not one American in this great memorial who is not thinking of what caused the war; what was responsible?

Not one of you would steer from the truth.

The commonly known reason is slavery. There was never a statement so far from the truth as that.

Gen. Robert E. Lee liberated his slaves, as did many others long before the war. Many Confederate soldiers had never owned a slave nor had their families. Many Southern States prohibited the institution of slavery long before the war. The Southern States supported the ordinance creating the Northwest Territory which outlawed slavery.

The Confederate constitution prohibited the importation of slaves from any country. The United States Constitution recognized slavery in three different places.

It has been said that the South led in the institution of slavery, but the first slave ship to be built was built in New England and the first import of slaves arrived in New England in 1638.

At the outbreak of the war, many prominent northerners and New Englanders owned slaves and among those owning slaves was U. S. Grant. Why, New Englanders even captured and sold Indians as slaves.

The South, however, did have more slaves, but only for one reason. It just wasn't profitable enough in New England.

Secession, like slavery, was born in New England. The South was not the first part of the country to think of seceding from the Union. The seeds of secession were sown in the Constitution of 1787 and there was never a time from the date of the Constitution to the outbreak of the war but what there was strife between the Union and the States. If the Constitution had declared that a State could not secede from the Union, there would have been no strife or war. As it was the Constitution clearly stated that it was up to the States individually as to whether they secede or not. Another point which may be entered into the matter was brought out in a statement by Horace Greeley in 1861. He said, and I quote, "If the Declaration of Independence justified the secession from the British Empire of 3,000,000 colonists in 1776, we do not see why it would not justify the secession of 5,000,000 southerners from the Union in 1861. If the slave States choose to form an independent nation, they have a clear moral right to do so."

John C. Calhoun, one of South Carolina's greatest statesmen, in a statement on the status of the Union, said, "Does any man, in his senses, believe that this beautiful structure, this harmonious aggregate of States, produced by the joint consent of all, can be preserved by force? Its very introduction would be the certain destruction of the Federal Union.

Lee, while at West Point, studied a textbook which stated secession was a right of a State. This is said to be one of the main reasons for Lee's leaving the United States Army to lead the Confederate forces.

You may think at this time why do I recall all this?

I have brought out the facts of history for just one reason: To tell the actual truth to people who love the truth so that the South will no longer be regarded as a section which was fighting a war to destroy the Union.

The South was reluctant to leave the Union. There was no attempt to alienate any Northern State which wanted to operate under the Federal Constitution. The Confederate States wanted to withdraw peacefully. Had they been permitted to do so, there would still be a great Nation of many States. Such a separation would have been temporarily disastrous, but it would not have brought more disaster than that brought by the war.

When the Southern States seceded, they exercised rights which all other States had at one time considered rights. A broader view of freedom could have prevented the entire thing.

But sometimes God works in a mysterious way to perform his wonders. He let us wage a war between the States in order that we might become a great Nation. We never could have become the great Nation that we have, as long as there existed the divided opinion on the rights of a State to secede.

It seems evident that we had to forego some sort of freedom to have the larger freedom which we have today. Now, we can recall our heroes without stirring antagonism. Now the Blue and Gray has been blended into the United States khaki and we must forget that we were divided.

The Nation is now theoretically divided into four sections, but we must think of these four sections as four bricks in the foundation of the American home, a home which we all have in common, a home which we must, as we have done in the past, defend.

As the sun is getting lower, soon our forefathers will have slept peacefully another day. As we leave for our homes, let us remember that our Confederate dead did not fight and die in vain—for out of that great strife, the greatest Nation in the world was born.

Let us dedicate ourselves to the great principles for which our forefathers died.

Let us look to God for divine guidance in all things.

Columbia Valley Administration as an Aid to Western Development

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Monday, June 6 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement entitled "CVA as an Aid to Western Development," which I have prepared.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CVA AS AN AID TO WESTERN DEVELOPMENT

The Pacific Northwest is one of our greatest last frontiers. The people of the United States know this, for they have been streaming westward in truly American fashion to develop new opportunities in the land of the Columbia River. Since 1940, there has been one of the greatest waves of migration to the West in our history. There is no sign of its slackening.

The people of previous migrations to the West found wide-open areas from which, by diligent and sober enterprise, they wrested a pioneer livelihood. Yet, in spite of the amazing degree of individualistic effort, it was necessary for the Federal Government to lend assistance in the development of the western country. Thus developed the era of land grants, or stimulation by Government in the building of railroads—all to the end effect of causing the West to yield up some of its wealth to settlers.

Today, the individual arriving in the Pacific Northwest by plane, train, and by auto, faces a distinctly different situation. The great areas of wide-open spaces are still there, but it is no longer possible for the modern-day pioneer to settle there merely by the use of the ax, the pick, and the shovel.

To begin with, civilization has become more complete and the individual expects more of life than did his forebears. The whole pattern of employment, the securing of employment, is a complicated one as compared to that of the 1800's or even the early 1900's. The modern pioneer looks for irrigated land; or for a job in industry; or for a job in one of the service industries.

These opportunities arise out of joint rather than strictly individual action. Irrigation is a large-scale enterprise even though its benefits accrue to individuals. Power development is a joint enterprise even though the ultimate consumers are individuals. Industrial and manufacturing establishments and operations are joint enterprises even though individual workers benefit by them. These examples are merely suggestive of a general over-all situation.

Specifically, the Pacific Northwest confidently expects another 600,000 people to swell its population during the next decade. These people are coming to that vast area because they have heard of its yet-undeveloped opportunities. But can they stay, as prospering citizens, if matching opportunities for a secure livelihood are not developed? The answer is crystal-clear: Unless such opportunities are stimulated and enhanced, these modern-day migrants will find the going difficult; Pacific Northwest communities will be faced with heavy welfare and relief expenditures. The Nation would thereby suffer.

It is the policy of this Congress—expressed through literally reams of progressive legislative action—to assist in the development of our entire economy, of the resources of the regions of the United States. Thus for the West, we have the reclamation law, we have the numerous authorizations for the use of byproduct hydroelectric power from the control works on great western rivers. We have many other laws dealing with forests, land, water, fish and wildlife, minerals, fuels—and in large measure, these are all directed toward wise and full development.

As a result of congressional policy, great developmental works have been constructed in the West and the Pacific Northwest. The Grand Coulee and Bonneville Dams—for irrigation, flood control, navigation and power—are the beginnings of an epochal program to meet the needs of the Pacific Northwest and of the Nation. Their contribution already has been enormously significant. Had it not been for the power supplied from these two dams and the Federal power transmission network in the region, it is not conceivable how this Nation could have waged the last war to successful conclusion. What is remarkable is that today these mammoth facilities are operating full blast for peacetime purposes, and that there is unified clamor for more rapid development.

The President's message on a Columbia Valley Administration recognizes clearly the goals which must be met in the Pacific Northwest for more land, more power, more effective flood and soil erosion control, for better navigation and, in general, for increasing economic opportunities in that great region. The message, however, is particularly significant in that it enunciates that development for the mere sake of de-

velopment, without full and balanced understanding of all values, is not the end to be sought by the Federal Government. There isn't an intelligent human being who will disagree with the President's premise that existing Federal resources activities in the Pacific Northwest must be harmonized from the inception of plans to the actual operation of the resulting programs. A CVA offers the only way, in my opinion, through which to do the necessary job in the Pacific Northwest. To do less than a coordinated job would be to do it not at all. I applaud the President for the forthright terms in which he poses the legislative problem to us. I am sure we shall rise to the occasion.

The 24-Day Ford Strike

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, the recent Ford strike cost workers millions of dollars; the Ford Co. other millions; suppliers and dealers, and indirectly merchants in many cities, including Benton Harbor and St. Joseph in the Fourth Congressional District, substantial and unnecessary losses.

Two editorials from two of the country's newsiest newspapers, the first from the News-Palladium published in Benton Harbor, Mich., a town of some 15,000 people, the other from the Chicago Tribune, analyze the situation and demonstrate a lack of sound aggressive leadership in the CIO.

The editorials, of recent date, follow:

[From the Benton Harbor (Mich.) News-Palladium of June 1, 1949]

NEEDLESS ECONOMIC WASTE

The 24-day Ford Motor Co. strike involving UAW-CIO charges of an assembly line speed-up, was settled over the week-end, but it will be 2 weeks at least before normal production can be resumed and the 106,000 idled Ford workers put back to work.

Under the terms of the strike settlement, a three-man arbitration board will determine whether a speed-up existed. The company has agreed to rehire approximately 50 employees who were dismissed.

The Ford walk-out not only threw 106,000 Ford employees temporarily out of jobs, at a cost to the company and workers of an estimated $77,000,000—it either shut down or curtailed operations and employment in supply plants all over the country.

The loss in wages and production in the twin cities alone was heavy and was reflected in decreased retail trade and increased relief loads.

The strike was unnecessary. The lost wages can never be made up and the union's bargaining position relative to a new contract was harmed. For sheer economic waste the Ford strike set a new high. Nobody won a victory. Ford's competitive position in the automobile field was weakened, hundreds of thousands of workers and their families suffered and the city of Detroit was brought to the brink of a serious depression.

[From the Chicago Tribune]

AN UNNECESSARY STRIKE

The agreement between the Ford Motor Co. and the CIO United Auto Workers to arbitrate the key issue of whether a speed-up existed in the Ford assembly line ends the 24-day strike by making use of machinery available from the start to settle the dispute. This is the paramount fact, and it is a tragic commentary on the recklessness of CIO leadership.

Meanwhile, some 107,000 union members have lost millions of dollars in wages, the company has lost 3½ weeks of production of cars and parts, and 7,200 dealers and their 100,000 employees have lost time and earnings.

Henry Ford II, president of the company, asserted May 7 in his letter to employees that the strike was unnecessary. "For some reason," he stated, "the union has repeatedly declined to submit this issue, as provided in our contract, to an impartial outsider—surely a more sensible way of handling this dispute than by a strike."

Under the contract terms, Dr. Harry Shulman, Sterling professor of law at Yale University, was available as permanent umpire in disputes between Ford and the UAW. If the arbiters designated by the company and union now fail to agree on a third person to sit on the arbitration panel, Dr. Shulman will receive the assignment. There is no good reason why this process should not have been invoked before the strike was allowed to start, instead of more than 3 weeks afterward.

The CIO has endeavored to rationalize its refusal by contending that the definition of the issue to be arbitrated was more important than the act of arbitration. The issue has now been put into words satisfactory to both company and union and will go to the arbiters in the agreed form. There would seem to be no justifiable argument against having given the task of definition to the arbiters in the first place and thus to have avoided the strike. The contending parties would have had the same weight of representation and the outside mediator could have balanced the scale.

Walter Reuther, the Socialist-minded CIO boss, had the strike forced upon him by union elements farther to the left than he. The strike was the outgrowth of internal union maneuvering rather than of valid bargaining points. Once committed, Reuther had to put up the best show of militancy at his command, that being expected of him in line with the UAW tradition. In the outcome, the union had to crawl off its high horse; but in a situation like this nobody wins. There is a net loss all around when there need have been no loss at all.

Tribute to Former President Hoover by Julius Klein

EXTENSION OF REMARKS
OF
HON. WILLIAM E. JENNER
OF INDIANA
IN THE SENATE OF THE UNITED STATES

Monday, June 6 (legislative day of Thursday, June 2), 1949

Mr. JENNER. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD, an article prepared by Julius Klein, of Chicago, Ill., paying tribute to former President Herbert Hoover.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

OUR NATION'S BEST—HERBERT HOOVER

To a lover of justice, no event could be more satisfying than the Nation-wide acclaim now being heaped upon Herbert Hoover. His great talent for organization, as expressed in the recommendations of the Commission on Executive Department Reorganization, has finally dissipated the misunderstandings, the prejudices, and uninformed criticism, and brought a proper appreciation of the noble character and the tremendous abilities that he has placed at the service of the American people.

WINS TRUE APPRECIATION

Many men of great accomplishment have lived too long, in that the waning powers of their declining years have dimmed the brightness of their reputations. Other men have died too soon to reap the full reward of their achievements. Mr. Hoover has escaped both these unfortunate fates. The powers of his ripe years have overcome the disappointments of the darker days and brought his countrymen to a true appraisal and proper appreciation of his stature.

Such contrasts have marked his life. The orphaned son of an Iowa blacksmith at 7, he had to work long and hard for his education. But it was characteristically thorough, and his intelligence, industry, and scholarship brought him wealth. These same capabilities brought him to the attention of the whole world in World War I, and at its conclusion he had earned the plaudits heaped upon him by a monumental job of organizing and directing a world-wide program of relief, rehabilitation, and reconstruction.

"RUGGED INDIVIDUALISM"

It is popular now to reexamine the record he made as President of the United States. It comes as a surprise to many who had unthinkingly accepted the political smears to discover the many solid contributions of his administration to sound government practice. It is one of the darkest pages in the record of his successor that he refused to avail himself of the wise and experienced statesmanship generously offered by Mr. Hoover in combating the country's economic troubles. How many look longingly today at the ideal of "rugged individualism" which he preached.

To the qualities of industry, imagination, courage, and humanity which made him great, Mr. Hoover has added a demonstration of two others—patience and humility. They have lifted him, belatedly but no less gratifying, into that small group acknowledged to be the best we have produced.

Address by Miss Louise Replogle to New York State Young Republican Clubs

EXTENSION OF REMARKS
OF
HON. ZALES N. ECTON
OF MONTANA
IN THE SENATE OF THE UNITED STATES

Monday, June 6 (legislative day of Thursday, June 2, 1949

Mr. ECTON. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address delivered by Miss Louise Replogle at the eighteenth annual convention of the New York State Young Republican Clubs, at Fallsburgh, N. Y., May 20, 1949. Miss Replogle is county attorney and prosecutor of Fergus County, Mont., and is also assistant secretary of the Young Republican National Federation, and former chairman of the Young Republicans of Montana.

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There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman and young Republicans of the great State of New York, it is a distinct honor and privilege to receive an invitation from the Young Republicans of America's largest voting State, to come here to speak and visit with you.

I assure you that I appreciate your kind invitation, and I bring to you greetings and felicitations from the Young Republicans of Montana. They wish me to express to you their gratitude for the valiant, successful fight that you in New York made at the last election to hold the lines against the insidious attacks of those willing to destroy much of America's best traditions under the guise of a Fair Deal.

I am sure that we can all agree that the greatest and best hope for America lies in the clear thinking of her younger people. We can further agree that the present plight of this country stems from the political views of the younger generation, and not because of a change in the thinking of those long of Republican faith.

YOUNGER GENERATION REARED UNDER THE NEW DEAL

It is not surprising that the majority of those reared in the shadow of the New Deal have been receptive to the teachings and philosophy of those highest in official power and authority, and that they have been over impressed by the power of the office itself held by the President of the United States. The mere fact however that bad political philosophy is taught by one temporarily holding the greatest office in the world can never make it good sound governmental policy.

And what is the answer? Who are best able to effectively combat and eradicate the errors in that political and governmental philosophy? Upon whom, primarily, does that burden fall? Clearly, it rests upon you and all the other young Republicans of the country. We must make our party again the party of youth.

We must keep up the fight whether we win or lose elections. Let us not make success at the polls measure the standard of our work nor should we for one instant surround ourselves with a defeatist attitude. Our task is to know and speak the truth at every opportunity; to supplant the insidious, false philosophy that the world owes everyone a living, and that idleness is a virtue, with the true ideas of government.

A true and sound government recognizes that there is a place for everyone to render useful service. It recognizes that initiative and the right to earn, to save, and to put away for the protection of those naturally dependent is necessary for government to endure. It recognizes that everyone has a God-given right to expend his energy in whatever free enterprise he chooses and in which he thinks he will find the best expression of himself.

As American citizens we must eradicate as much as possible any ideas that give comfort and encouragement to radicalism or any other ism than the good, old-fashioned Americanism of our forefathers—the Americanism of the pioneers who came from the Old World to make the New, who gave us the foundation and the fundamentals that have made us the leading country of the world; the pioneers who made America, America.

Let us fight for success at the polls, but let us strive harder for principle. The more difficult the task the more imperative that we see and enunciate clearly the true principles of government.

In Montana and the West we do not surrender our convictions of right and wrong because thieves continue to steal cattle. We county attorneys cannot and do not abandon the cause of law and order because a certain group of jurymen frown on convictions for certain offenses. Neither do you, the Young Republicans of New York, slacken your effort because in certain communities in your State the electorate finds itself bribed by the economic and monetary promises of a new or fair-deal philosophy. Such experiences must make us realize the need of more faith that right makes might and that true ideas of government will put to rout and destroy the false, unsound political philosophy and propaganda designed to saddle debt and untold burdens upon future generations in the hope that it will temporarily advance the selfish interests of those living today.

It is because the truth has not been made plain to the American people and because they have not fully realized that we have an administration forcing mortgages and colossal debt upon the little children of the United States and upon their children's children, that they have not rebelled at the polls.

ONE-FOURTH OF GOVERNMENT EXPENDITURES ARE WASTED

Can any country continuously prosper and suffer waste in government on such a gigantic scale? Think of a government spending over $40,000,000,000 a year in peacetime and wasting one-fourth of that expenditure. It is in truth and in fact a tragic story of waste at home and waste abroad.

Consider for a moment the amount of human energy that is thrown away. Contemplate, if you will, the effect of such waste upon the moral fiber and the morals of the people of this country and the peoples of the world. Waste in government breeds waste in private affairs and waste can and will destroy the economy of any country. Thrift and honest spending mean more comfort and happiness throughout the world.

If the President's recommendations were all put into effect the expenses of the Federal Government, it is estimated, would jump from forty-two billion to over sixty billions of dollars a year. Where would the money come from to pay such a bill?

Can we fail to realize that the treasure chest is not inexhaustible? Can we continue to consume our substance in excessive taxation and Government spending that gives no thought to the inevitable day of reckoning?

Recent campaign promises and President Truman's state of the Union speech suggest the statement made by that great economist, John Stuart Mill, when he said "It is the art of the demagogue to tempt people into idleness by promising them a share in a fictitious hoard lying in an imaginary government strong box supposed to contain all national wealth."

The President has asked Congress to approve 15 new domestic programs to be financed out of general tax funds. In addition he has asked for three new or expanded so-called social-welfare programs to be financed by pay-roll deductions. Experts have estimated that when these programs are in full bloom they will add to the Nation's permanent tax burden a minimum of $14,800,000,000, and will require an annual budget in excess of $56,000,000,000. Senator MARTIN, of Pennsylvania, declares that these same experts predict that these programs could reach a maximum cost of $42,700,000,000 a year. If we add that staggering sum to the present already swollen sum we would have an annual tax burden of $84,000,000,000.

These are shocking figures. They cannot fail to alarm every American who is concerned with our country and the welfare of his family. We cannot undertake all of these constantly increasing expenditures without diving headlong into state socialism and national bankruptcy. It would be disastrous to us and to the free world that is now depending upon our leadership for guidance and assistance.

THE PEOPLE SHOULD SUPPORT THE GOVERNMENT

It is a matter of recorded history that governments that live off of the people have been strong, successful, and prosperous, but in countries where the people live off of the government, sooner or later the governments have come to grief and downfall. You cannot have a harmonious, sound government where one group of citizens is unjustly obliged to carry the burden of another.

Every well, able citizen should assume his responsibilities and not endeavor to shift them to others. That principle applies to the family, the community, the state, and to the nation.

Too much government, too much dependence on government, and government that gives no heed to the cost are the milestones on the way to a socialistic pattern of government. The end result is always the same. The government becomes supreme. Individual initiative, thrift, opportunity, industry, savings, and freedom are wiped out.

The President has asked the Congress for the right to take steps which would lead to the nationalization of various industries. But America must not follow in the footsteps of England.

Great Britain was once looked upon as the world's great stronghold of human rights and property rights. Now it is struggling in the grip of a socialistic government which is day by day increasing the power of the Government over individuals. England has nationalized its coal, power, and transportation industries and is about to place iron and steel under Government ownership and operation.

Last winter many of her people were cold because the output of its coal mines was reduced under nationalization. Today many of the British people do not have enough food, though all supplies are under strict Government rationing.

The patriots of the American Revolution fought because oppression by British rule threatened their liberty and personal freedom, which was their most precious possession. The primary purpose of the Constitution was to limit the power of the Central Government over freemen. The Bill of Rights was added in order to state explicitly the rights guaranteed by the Constitution.

Today we are confronted by proposals of the President based upon socialistic theories which have failed in every part of the world where they have been attempted.

FOREIGN POLICY

There is not time, nor am I disposed to speak of the administration foreign policy, other than to call attention to the frightening spectacle of all Asia, representing a majority of all the people of the world falling more and more into Communist hands. Who would have believed that after the great victory for freedom of World War II our administration would so incompletely handle world foreign affairs as to permit our traditional friend, China, to become so dominated and conquered by the Communists. Ask yourselves how far reaching may be the effect of permitting this stupendous blunder.

FREE ENTERPRISE

America has grown strong because of her free enterprise. True free enterprise is enterprise that is most free from government interference, from government control. We are a liberty-loving people and liberty means freedom from the tyranny of government. As Woodrow Wilson said, "The history of liberty is the history of limitations on the government." It is only government that can deprive us of liberty.

Call to mind if you will, the total absence of liberty and the dominion of evil behind the iron curtain in Russia. If Russia had a free government would she refuse to let the world see it in operation?

We know that we have the greatest government on the face of the earth. We know

that our Constitution is the most sacred civil governmental document ever written.

We know that we have the highest standard of living, that we pay the highest wages, and that we have liberties of which the peoples of most countries have scarcely dreamed. And it is the business of the United States to let the people of the world know by education that our traditional form of government is the greatest on earth. Call it the profit system, the free enterprise system, the American system, the human nature system—call it what you will—it is the greatest governmental system that civilization has known.

It is a practical system that has been proven. For more than a century and a half this country has constantly grown and expanded and our people have lived in freedom and in the greatest of luxury as compared with the other peoples of the world.

Should we weaken that system by endeavoring to borrow part of the Russian system? Will you increase the controls and dominion of the Government step by step until you have a total government—like Russia's?

In what soil will communism best grow? It will expand best in the soil of the government regulation and control.

The danger to our country is not that this Nation will now accept communism, but we know that there is a national and international conspiracy to divide our people, to discredit our institutions and to sell the people the idea of government control and government operation of one business after another in the hope that eventually, most free enterprises will be displaced and the capitalistic system be first weakened and eventually destroyed.

All countries are beginning to realize that it is our Government more than our resources that causes us to lead the world.

Why is every country appealing upon bended knee for help from the United States? How does it happen that we are the only country in the world able to help all other countries?

It is because of our system of government, the profit system if you like, the competitive free enterprise, or capitalistic system whereby men can put away something for a rainy day or in case of adversity help those who mean most to them—and can leave something to their dependents to give them the education, care, and security that it was meant they should have.

It was the development of our factories and industries that came into being through our free enterprise and the competitive economic system that did so much to win World War I and World War II.

RIGHT OF PROPERTY

Every sound-thinking man and woman in America believes in the right of property. They believe that if a man has a house, a piece of land, or some property, it gives him more stake in the community and tends to make him a more responsible citizen.

Lincoln said, "Property is but the fruit of labor, property is desirable, is a positive good in the world. That some should be rich shows that others may become rich. * * * Let not him who is houseless pull down the house of another, but let him work diligently and build for himself, thus by example assuming that his own should be safe from violence when built."

There are minorities who foster a philosophy which encourages men to pull down the house of another so that they may share in the earnings of others. There are those who would make America over with an planned economy.

ECONOMY AND TAXES

As things stand today the man who saves a little has it taken away from him in one way and another—much by Government spending and high taxes.

We must have lower taxes and have more Government economy. Our national debt is over $250,000,000,000.

It is significant that throughout history the clear thinking of a few men has stood out as beacon lights to guide future generations—and the great Thomas Jefferson knew so well the meaning of Government economy. This is what he said, "I place economy among the first and most important virtues and public debt as the greatest of dangers to be feared. To preserve our independence we must not let our rulers load us with perpetual debt.

"We must make our choice between economy and liberty or profusion and servitude. If we run into such debts we must be taxed in our meat and drink, in our necessities and in our comforts, in our labors and our amusements. If we can prevent the Government from wasting the labors of the people under the pretense of caring for them they will be happy."

OUR DUTY AS REPUBLICANS

What is our duty as Republicans? The mandate to be derived from the last election to the Republican Party, was to come alive, to wake up, to give the people who would like to support us and have not done so, a campaign based on performance issues and constructive purpose.

WE KEPT OUR CAMPAIGN PROMISES

In 1946 we won our first important victory since before 1932. We captured the Congress on a definite program which was good for this country, and we shall capture the Congress in 1950 in exactly the same way.

In the campaign of 1946 we promised to reduce taxes, to balance the budget, to end the OPA regimentations of our daily lives, to improve the Wagner Labor Relations Act, to do all in our power to drive Communists out of the Executive Department of the Government. We made good every last one of these promises.

Those pledges were in response to a public demand for action along those lines. We were in step with the people. We did what they wanted us to do. And yet we placidly allowed ourselves to lose credit for those and other outstanding accomplishments of the Eightieth Congress.

Now the Washington scene has temporarily shifted. The executive and the congressional majority are of the same party. There is now a united authority within itself. The Republican minority is once again the loyal opposition charged with an obligation to hold the administration to strict accountability for what it does.

AN AGGRESSIVE MINORITY IS NEEDED

There was never a greater need for an alert, aggressive minority in State and Nation than there is today. When difficult problems face us we need a healthy opposition. We should realize that in the Nation out of 49,000,000 votes cast, a total shift of less than 30,000 votes in 3 States—California, Ohio, and Illinois—would have made Dewey President. That certainly does not call for pessimism.

We must convince the voted that ours is the party that will carry forward the great American tradition of opportunity and freedom; the great American tradition that we cannot spend more than we have and we cannot expect to get something for nothing.

We should now resolve to stand shoulder to shoulder with new determination and new enthusiasm borne of the righteousness of our cause to win for our great country a Republican Congress in 1950, and with that Congress among many other important accomplishments, we will keep our country solvent.

CONCLUSION

Let us remember that the Republican Party stands for a Republican form of government. Under that government we have become the leading Nation of the world. Let us keep America great, strong, happy, and prosperous and even more let us preserve the traditions, the free institutions, the free enterprise, the independence and the dignity of the individual as it is known only in the United States of America.

The Monticello Ode

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Monday, June 6 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a communication entitled "The Monticello Ode," being a tribute in poetry to the sister of the Governor of Florida, and another communication also entitled "The Monticello Ode," being a prose and poetry description of a very fine meeting recently held at the Fred A. Mahan's.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

THE MONTICELLO ODE

THE MAHAN PLANTATION,
Monticello, Fla., May 4, 1949.

Saluting the honoree, Miss Alma Warren, chatelaine of the Governor's mansion, Tallahassee, and the wives of members of Florida State Legislature; the reception; and their gracious hostess, Mrs. Fred A. Mahan, and her receiving line.

THE ROSES OF MEMORY'S LANE

From North and South; from East and West,
With palms and pines their State's proud crest,
Came Florida's fairest—
In bibs and bonnets, airy laces,
Winsome faces, matronly graces,
'Midst the roses of Memory Lane.

Behold Miss Alma, poised, serene,
In lilting step, the pageant queen,
With Florida's fairest—
Their laughing eyes glad with surprise
In fairyland 'neath Florida's skies,
'Midst the roses of Memory Lane.

The scene is haunting: May-leaf green,
With Florida's sun, a gift supreme,
As Florida's fairest—
Sip nectar of the gods—and sod
Where Ponce de Leon's hosts once trod,
'Midst the roses of Memory Lane.

All hail, our hostess, chatelaine,
The stately rose of Memory Lane,
And Florida's fairest—
Who greet her chic receiving line
'Neath palms and Florida's singing pine,
'Midst the roses of Memory Lane.

And list' the mockingbird's trilled call,
Comes mesdames once again, come all,
Of Florida's fairest—
Breathe deep of roses subtle breath
'Fore winter seals with kiss of death
The roses of Memory Lane,
In the hush of the whispering rain.
—*Ed. G. Clayton.*

Inscribed, with the author's compliments, to a gracious lady, Mrs. Claude Pepper, Washington, D. C.

Sincerely,

ED. G. CLAYTON.

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THE MONTICELLO ODE

THE MAHAN PLANTATION,
Monticello, Fla., May 4, 1949.

Here was staged this evening, at the east end of the Fred A. Mahan drive, a fish fry extraordinary in the sense that it honored Gov. Fuller Warren, the members of the House and Senate of the Florida Legislature now in session in Tallahassee, Florida's two United States Senators, Hon. Claude Pepper and Hon. Spessard L. Holland, and the six living ex-Governors of Florida, namely, Cary A. Hardee, John W. Martin, Dave Sholtz, Doyle E. Carlton, Spessard L. Holland, now United States Senator, and Millard F. Caldwell. The host to the assembled governors, Senators, Representatives, and distinguished guests, was Hon. Fred A. Mahan, whose fish fries to the Florida Legislatures of other years have become a State tradition, rich in good-fellowship and flowered with the spirit of sportsmanship, where political differences are buried in the common appeal of camaraderie, and the succulent taste of the elusive trout served with all the fixings, brings that touch of nature which makes us all akin.

QUOTH THE BARD

'Tis a date with our State legislators
Who attend our Fred Mahan's fish frys
They're suave and benigning—
Bereft of designing
Eat the succulent trout with glad cries.

Their toast to our host is intriguing
Rich in wit as they say their good-bys
Titans of debate—
They're elected, by fate
To grace our Fred Mahan's fish frys.

So we of the masses, called the downtrodden classes
Stand pop-eyed like stars in the skies
To chant an ovation to the great of the Nation
Spellbound by Fred Mahan's fish frys—
And—a succulent dish of fried Florida fish,
Served with vintage—whose flavor is mellow,
Brings a feeling of peace, from all fear released,
And pink roses which seem to be yellow—meaning,
Fred Mahan's a prince of a fellow.

—*Ed. G. Clayton.*

Inscribed with the author's compliments to my friend, Hon. CLAUDE PEPPER, United States Senator, Washington, D. C.

Sincerely,

ED. G. CLAYTON.

Hoover Group Warns Congress

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Monday, June 6 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD an article which was published in the Bismarck (N. Dak.) Leader of June 2, 1949, dealing with the recommendations of the Hoover Commission. The article states that the Commission cautions the Congress against partial or half-way measures in carrying out recommended reforms in government.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOOVER GROUP WARNS CONGRESS

WASHINGTON.—The Hoover Commission has cautioned Congress against "partial or half-way measures" in carrying out recommended reforms in Government.

The commission, headed by former President Herbert Hoover, also warned that democracy's highest ideals can be thwarted by excessive costs, waste, disunity and the "other by-products of inefficient government."

In a hard-hitting concluding report, it frankly acknowledged that Congress has a big row to hoe in attempting to bring both economy and efficiency to the exclusive branch of the Government. Then it cautioned against any "piecemeal attack" in carrying out reforms recommended by the commission.

"It is necessary that the president and the Congress give careful attention to treating the whole body of our recommendations even though the implementation may have to be done on a step-by-step basis * * * once the practice of exempting certain agencies and excepting particular functions has begun, the chances of achieving substantial improvements in the efficiency of the Government will speedily diminish."

NOTE OF URGENCY

With a note of urgency, the commission said "we cannot afford to lose this opportunity to put the operation of the Federal Government on a sound and efficient basis" because the people are entitled to receive full value for their tax dollars.

The "concluding report" summed up the nearly 2 years of study, investigation, and reports on the complex and cumbersome structure of the exective branch.

Major problems posed by the Commission and recommended solutions:

1. The President at present lacks authority to organize the agencies of the executive branch for the most effective discharge of his duties. Recommended: Sufficient authority be delegated to the President and to his department heads to permit them to carry out responsibilities that have been assigned to them by the Constitution and the Congress.

2. The budget process is weakest at the department level where it should be the strongest. The budget document is a relatively ineffective tool of management. Recommended: The budget document be completely recast along the lines of work programs and functions. Such * * * a performance budget would analyze the work of Government departments * * * according to their major functions, activities or projects * * * rather than on things to be acquired.

NEED MORE PLANNING

3. The Civil Service Commission has not been organized to develop as a really effective staff arm of the President. Planning and administration of the personnel program have not kept pace with the tremendous expansion of employment in government. Recommended: Decentralization of the personnel system "so that the operating agencies of the Government will perform the day-to-day tasks of recruitment, selection, position classification, and other aspects of personnel management, under standards to be approved and enforced by the Civil Service Commission."

4. In several of the chief housekeeping services of government—supply, records management, and building maintenance—there are shocking instances of wasteful practices and poor business management. Recommended: Put Government supply operations on a businesslike basis. This can result in "enormous savings."

5. Wastes in overlapping and duplication are exemplified in water resource development where there are conflicting jurisdictions between the Army engineers and the Bureau of Reclamation; in land and forestry management where Interior and Agriculture compete; and in hospital construction where four agencies, including the Veterans' Administration, vie with one another for new construction. Recommended: Consolidate overlapping services and bring major construction activities together in one agency.

RED TAPE PROBLEM

6. Another general and continuing problem is red tape. Much of the Government's paper work stems from detailed statutes, rules, regulations, failure to use modern mechanical methods, and insufficient attention to problems of internal administrative management. Recommended: Continuous attention in each agency to the problems of internal management by studying work flow, organization, procedures, and employ utilization.

7. As a general rule, economy can be achieved in administration by centralizing services common to all agencies. But there is a limit beyond which it is no longer feasible to furnish services centrally without creating serious bottlenecks, delays, and confusion. Recommended: Further decentralization of operations under proper central controls.

8. There are at present too many separate agencies to permit adequate attention and direction from the President. Many closely related functions are so scattered that in certain fields such as labor, transportation, or medical services, no one is charged with considering the problem as a whole. Recommended: Reduce the total number of agencies (about 60) reporting to the President to about one-third the present number.

The Press, the People, and the Police State

EXTENSION OF REMARKS
OF
HON. JOSEPH C. O'MAHONEY
OF WYOMING
IN THE SENATE OF THE UNITED STATES

Monday, June 6 (legislative day of Thursday, June 2), 1949

Mr. O'MAHONEY. Mr. President, if capitalism is to survive the war which is being waged against it, upon ideological grounds if not also in other ways, by communism, it must learn that it must permit nothing to prevent the creation of more capitalists. Unfortunately, the economic development of the world in this century has tended to create the proletariat rather than to create more capitalists. This is the great danger which confronts political as well as industrial democracy. Mr. Richard J. Finnegan, editor of the Sun Times, of Chicago, is one of the publicists of our time who seems to comprehend the nature of our problem. He read a remarkable paper during the recent meeting of the American Society of Newspaper Editors, here in Washington, on April 22. The subject under discussion at the time was The Press and the People, and was presented with special reference to the explanations the press might have to the fact that generally throughout the country, prior to November 2, 1948, it had exhibited no advance awareness of the outcome of the presidential election. Having had the opportunity to read Mr. Finnegan's statement to the panel of

editors, I have come to the conclusion that it should be entitled "The Press, the People, and the Police State." I ask unanimous consent that the text of this presentation may be printed in the Appendix of the RECORD. I recommend it to the attention of Members.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE PRESS, THE PEOPLE, AND THE POLICE STATE

This panel member can't approach his chore without recollection of the occasion when our society had as the main dish at dinner a debate between Harold Ickes and Wendell Willkie. The official subject was the third term, then in prospect, and my assignment was among the four picadors. Two on each side, we were to goad the star contestants into "highfalutin" combat.

How well the picadors succeeded you will remember—Willkie and Ickes made a notable contribution to nursery lore with their feud on the proper way to didy a baby.

In 2 minutes of my time in that memorable meeting of the masters, I reported on some viewpoints gathered in several Western States. I had inquired whether the impending reversal, or violation, of the two-term tradition for the White House was as upsetting to the average voter as it was to me and my newspaper associates. I had been surprised to find, especially among young voters, that in early 1940 we had exaggerated that tradition as it measured up in importance with issues of the economic emergency and all its disruptions. The economic, mental, and even spiritual health of the body politic was so different from what it was on that remarkable September 3, 1929, the day when the stock market had attained its peak of gambling values. (It was that very day, by the way, we had chosen to launch a new paper in Chicago.)

In trying to see through the third-term cloud, we had not understood how deeply the people had been wounded by the shocks and punishments of a depression that had toppled many rich into the ranks of the poor who had to go on relief. We doubt that we understand even now. In trying to understand the present scene and the deep currents that motivate the crowd, or mass mind, there are not always clear lines marking off some of the issues we may call war and foreign policy from those issues that definitely carry over from the depression. But I believe we of the press have had shorter memories than the people on economic events that made it necessary to call in the police to save our capitalism.

There is ominous conflict between our capitalistic society and the overseas police state societies, but I wonder if the press has had the vision and tolerance to appraise realistically the background and motives of such a thoughtful movement as the Council on Economic Development in which Paul Hoffman and his associates, all business leaders, have taken independent action; and such a long-range study on which the Temporary National Economic Commission has labored, chiefly guided by Senator O'MAHONEY. It is my understanding that both these groups are apprehensive about what may happen in the future if we continue so casually complacent in accepting the police plan rather than searching for some other way to ease the great economic stresses of our increasingly complicated existence. Both these groups, and others, retain a lively respect for what was common knowledge just a few years ago.

Assuming that one purpose of this discussion is to inquire how well the press understands the people and how well the people understand the press, we may get some light by looking at just one most important happening of the depression period.

It is most important because its roots provide, in my book, the fundamental reasons that prompted the people to make known their 1948 election choice, not in advance to the press, to pollsters, or to each other but on election day itself, after the last word was spoken and the last smile smiled. Which candidate and which party seemed to share with most voters the common knowledge of events of the early 1930's—common knowledge of uncommon things which the people want never to happen again?

This happening is most important, too, because some of its effects are being recorded month after month not in the press but in court reports. This happening raises the question whether capitalism is so constituted that it is or must be fashioned mostly by the law of emergency. On January 8, 1934, a majority of "the nine old men" of a famous Supreme Court handed down a momentous decision in the so-called Minnesota Moratorium case. It is to that decision that I call your earnest attention. Minnesota, like some 25 other States, had used its police powers to protect Government against violence growing out of the failure of capitalism to function on the human side as well as on the dollar side. Its law altered contracts by extending the time of redemption from mortgage foreclosure and execution sales and other relief of like character and was declared justified under the police power to declare a public economic emergency. The law was assailed as a violation of the contract clause and the due process and equal protection clauses of the fourteenth amendment of the Federal Constitution. Five of the "nine old men" upheld the law for reasons that should have a sobering effect upon any citizen or editor who may be inclined to underestimate the dangers that lie in letting our capitalistic system drift from one emergency to another, with the eventual use of the police power to resuscitate it. One of the dangers is that the experience of security with the policeman at the business office door can make us too soft to continue pioneering as individuals in the chief mission of capitalism.

The chief mission of capitalism is to create more and more capitalists. The chief mission of capitalism is to make it possible for the "have nots" to become "haves" by working with the tools of capitalism and enjoying the profits and comforts of that work according to merit—the homes and farms, the bank accounts and insurance policies, the autos and airplanes, the educations for culture and careers and the visits to the distant hills—and buy the things advertised in newspapers.

It is a grievous fact of our life that in the early 1930's our capitalistic system did a "wrong way" Corrigan. The Minnesota case boils down for the record many of the things we lived through and reported in our own communities and areas. Chief Justice Hughes quoted the Minnesota Supreme Court's words: "The courts must be guided by common knowledge." It's common knowledge in Chicago that the mayor, Mr. Cermak, scared an emergency meeting of business leaders into buying $1,800,000 of relief bonds that had lain dormant for months by reciting details of common knowledge among the police and the great mass of people. He told these leaders of the capitalistic system that he could not be sure that at the very minute he was speaking whether mobs of desperate unemployed and dispossessed were on the move in certain sections of the city, breaking into stores and yards for food, clothing, and fuel. He said that the municipal judges had junked the constitution and through a pattern of granting long and unlawful continuances were permitting tenants to occupy living quarters free of rent. At our city's outskirts dairy farmers overturned the milk trucks of other farmers who had reduced their prices to meet the buying power of the city's millions.

In Iowa, disturbed also by eviction problems, a mob in one city took a judge from the bench to a convenient tree and threatened to lynch him unless he swore to sign no more eviction orders. In Minnesota the people literally took some functions of government back from their elected servants, circumvented courts and sheriffs by restoring evicted families to their homes and threw stink bombs through courthouse windows. The attorney general of the State said the perpetrators of these disturbances were normally decent, law-abiding citizens. In the crisis the Governor had to decide between rule by troops or rule by reason, between satisfying the mortgage under the defaulted capitalistic system or protecting the people whose character and enterprise were the most essential ingredients of that system and who, if the militia was called would compose the militia. In 1932 corn was quoted as low as 8 cents a bushel, oats 2 cents, wheat 29 cents, eggs at 7 cents a dozen, and butter at 10 cents a pound. These meant economic chaos for farmers. In its next important industry—mining—Minnesota, normally producing 60 percent of the iron of the Nation and 30 percent for the world, was down to less than 15 percent of normal in 1932.

In the Supreme Court the attorney general said most persons on farms couldn't get enough to support their families and pay taxes and mortgage interest. He said disaster had hit lumbering, manufacturing, and other industries. In one county tax delinquencies had reached 78 percent and towns, school districts, and cities were practically bankrupt.

The Minnesota Supreme Court held that if the legislature could adjourn the constitution in time of pestilence it could do so also under these conditions. The Hughes decision was that Minnesota had done the right thing when it held this economic calamity to be in the same category as public calamity by fire, flood, or earthquake. It was bolstered by 1921 Supreme Court precedents which Justice Holmes read. These Holmes cases were from New York and Washington and involved the right of the community to permit tenants to retain possession of living quarters during a housing shortage. They were not far away from days when veterans of World War I sold apples on the streets.

The Hughes decision came near to the recognition of a rebellion or local revolution, for it said there existed a living reserve, sovereign power in the people to surmount emergency and to safeguard the economic structure on which the good of all depends; and further that the constitutional protection of a contract—and a contract means all business—"presupposes the maintenance of a government which retains adequate authority to secure the peace and good order of society. In other words what good is your contract, what good is your whole business structure if you don't have a government to make it good?

Of course, whenever the police power is used in such an emergency it has been established by legislation and approved by the courts to continue only temporarily, pending the end of the emergency. But precedent piles on precedent, even after the chaos of emergency is over. And that is happening now. Since the decision was read in 1934 by Chief Justice Hughes in the Minnesota case (known as *Home Building & Loan Assn.* v. *Blaisdell* (U. S. 290, 398)), it had been cited up to the end of February of this year in 133 cases in the Federal courts involving matters of constitutional law, emergency legislation, State powers, construction of contracts, foreclosures, delegation of legislative authority, legislative powers, rules of interpretation, and the means test. In addition it had been cited in 311 cases in 43 State courts, 62 times

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in New York, 25 in New Jersey, 24 in California, 17 in Minnesota, and 15 in Michigan. These States are the leaders. There must be in the pages of those court decisions many situations that will help the press understand the things of common knowledge that once distressed the people so grievously, that still keep them on their guard and that lie deep in their conscience when they look upon politics, upon election decisions, and the other institutions of our noble country, including the press—and the press is big business, according to William Allen White.

The issues in these court cases, luckily for all of us, remain in the economic area. In that area, the police power is in use and stands ready for further use. My own opinion is that the people are much more disturbed about the things that created need for the use of the police power than the press has understood. Can we as a people devise methods of live and let live in our daily enterprises so that the people will feel certain that capitalism will always function as a system to make more and more capitalists? I think the people would like more constructive leadership from the press in getting the answer to that. I am afraid that too many citizens feel that in its fight for a free press, the press thinks too much of its own economic welfare.

Meanwhile, we here in this room must be aware that if capitalism stumbles in its job, if the police power is called upon too often as a tool to keep capitalism on the beam, there may come a day and there may come individuals wild enough to attempt to extend the police power even into the Bill of Rights. There must always be a living power in the people to protect and help themselves, but they must be a free people and they must be conscious of the burning devotion of their free press to their prosperity and happiness, a press sincerely and courageously searching, asking questions, and unselfishly seeking the right answers.

Frances Persons Carroll

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE SENATE OF THE UNITED STATES

Monday, June 6 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Orlando Tragedy in Far-Off Munich—and Happiness Lost," written by Martin Andersen and published in the Orlando (Fla.) Sentinel, together with a letter from Mrs. Carl J. Friedrich, carrying a beautiful tribute to a young lady from Orlando who lost her life in Germany.

There being no objection, the article and letter were ordered to be printed in the RECORD, as follows:

TODAY—ORLANDO TRAGEDY IN FAR-OFF MUNICH—AND HAPPINESS LOST

(By Martin Andersen)

She was only a little girl, but she admired the antebellum columns of the old Dr. Persons home, which once graced South and Main, across from the First Methodist Church.

Her daddy, the fondest of devoted parents, indulged his daughter, bought the house, razed it, moved it to a more scenic spot out in Lancaster Park and there reerected it, piece by piece.

Dr. Persons was not only modern Orlando's first physician who could administer something more than pink pills and the juice of a sassafras root, but he was an educated, cultured man. He had an eye to beauty, in architecture, in medicine, and in citizenship.

And this little girl came along and acknowledged the good old practitioner's architectural talent, long after he was dead. And her own daddy, not so slow on the mental pick-up himself, acquiesced to her wishes, * * * and now this house with its handsome Grecian columns lives as a sort of a memorial to a happy youth between father, mother, and daughter.

When young men marry they dream of a son to carry on their name, their ego, their fortune if any.

Other men are fathers of daughters alone and love them quite as much—forgetting the vanity that goes with progression of one's own name.

Such was the father of this daughter.

They were great companions. He taught her to ride horses. At this she became proficient, so much so that we recall her in the Macon blue ribbon exhibition of 1940 when Mr. Adolphus Keene carted his stables to that city for exhibition.

She was quite an athlete, but also studious. She was an honor society student in the Orlando High School and she went on to Florida State College, and to fashionable Smith College.

But with all of the attention foisted upon this fair and brilliant daughter by father and mother, she was quite a democratic child. She was interested in all people, sympathetic and patiently listening to her elders and carefree and jovial to her own age.

We saw her as a child. A kid we call them, more out of reckless habit than anything else.

And, once you see a person as a child, particularly a girl, they never seem to grow up.

Age stands still for the aging, and it is almost inconceivable that youth ever attains majority for marriage, babies, or death.

Then we used to see her at the country club. Home from Tallahassee or Smith up in Connecticut for the holidays. Just a fleeting glance of a pretty young woman. And then she was gone, to disappear for another year.

And then her wedding. Travel and a home in the great metropolis of New York. Travel across the ocean to Europe. And somewhere there in between a child was born.

The youngster we knew was now almost a matron, living in war-away Munich, but not too far from fabulous Vienna nor too distant from the Swiss mountains. Here is ideal living among the world's most charming scenery, music, and food.

The cable came Thursday. The soldier-officer who read it to the mother did not know her but he made it as soft as he could. But how can you break tragic news in velvety words?

The mother, who was about to be reelected president of her favorite club, thought the daughter, ever mindful of her parents, was calling from far-off Austria to compliment her.

Instead, there was the business voice of the soldier-officer, who tried to be courteous and who tried to do it right. But, as our own father told us when our mother died, after we had said: "Everything will be all right." He answered: "How can anything be all right now?"

The news of her death spread quickly about town. Because this is that kind of a town. It is a town of sorrow and sadness when tragedy falls, as well as it is a town of joy when babies are born and everybody comes out all right.

The town is neither too large, nor too small for sympathy. Neither too small nor too large for everybody to know the happy families. The love and companionship of father, mother, and daughter.

The town is so small, so intimate and its heart beats so warmly for its own people, that on occasions such as this, one need not even mention names for the whole area to know that a mother and father have lost a daughter.

For this was her town, her own neighborly home, where she grew up as everybody's friend. * * * And her town is sorry and mourns with her dad and mother.

CONCORD, MASS., *November 17, 1948.*

DEAR SIR: Your column "Today" with its heading "Orlando tragedy in far off Munich" was sent to me because I am one of the many who loved Frances Carroll.

In the beautifully moving expression of the grief we all feel it seems to me that Mr. Andersen is overwhelmed by the loss of the enchanting little girl and perhaps does not realize the even greater loss it is to a still larger circle that this wise and radiant young woman has been taken from us.

I spent a few days with Frances and Charles Carroll in July in their home in Munich and I know that all of you who loved her would have rejoiced as I did to see how serene, harmonious, and competent she was in the midst of the shattered world around her. For her surroundings in Munich were not those of former European gaiety and ease. She lived among hopelessly ruined cities, starving, desperate people, muddled administration, corruption, evil, misery, physical suffering, and spiritual chaos. But wherever she came there was light. The members of the American community took her to their hearts at once. Many who had become dismayed because of the conditions felt a new courage because she was there. The Germans whom she came to know and many of whom she helped felt, too, that a new hope had come. One woman told me that just the sight of Frances helped her forget the years of Nazi terror, the bombings and the undreamed-of privations.

For she did not go over there for fun. She did not go because she had to, nor, as so many American women have gone into Germany, to enrich herself and have an easy life, to buy pearls and china with a few cigarettes. She scorned the black market purchasing all around here and instead of enriching herself with her cigarette ration she gave it away. She went because she shared her husband's enthusiasm to help rebuild a shattered world, to do what they could to show that Christianity and decency were alive in America. Many women over there have not been able to "take it," they have become neurotic and gone home, many have refused to go at all, thus depriving our military government of some very able men, who refuse to go without their families. But not Frannie. She learned German so that she could handle her household better, she pitched in wherever she could, and her only regret was that there was so much she wanted to do and she couldn't find time enough.

Here too, in Harvard, where they spent only a few months, there is a hushed, aching silence. All who knew her grieve with her parents, her devoted husband, and the exquisite little daughter that she so loved and so needed should be taken.

Sincerely,

LENORE PELHAM FRIEDRICH
Mrs. Carl J. Friedrich.

Aviation Agreement Between United States and Canada

REMARKS
OF
HON. CARL HINSHAW
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. HINSHAW. Mr. Speaker, on last Thursday, June 2, during the annual convention of the Aviation Writers Association, that organization adopted a resolution calling attention to the fact that an aviation agreement between the United States and Canada was being conducted in complete secrecy in New York, and recommending that certain publicity should be given to such negotiations.

They also appointed a committee to call upon the Assistant Secretary of State and the Chairman of the Civil Aeronautics Board to present the resolution. On that committee was Mr. Albert Hughes, of the Christian Science Monitor; Mr. Charles Corddry, of the United Press; and Mr. John Stuart, of the New York Times. On Friday afternoon, June 3, they made the visit and were told by Mr. Barringer, of the State Department, and the Civil Aeronautics Board Chairman that they perhaps ought to do something about the recommendations in the resolution. The writers made certain suggestions, namely, that before the negotiations resumed the American delegate be authorized to brief the press, and that if and when the meetings were resumed in New York a press officer be authorized to reveal their progress. Mr. O'Connell answered that "maybe we ought not to hold the negotiations in New York."

The very next morning it was announced in the press that the agreement had been adopted, which I understand is pretty much in violation of the statements that were made to these press people. The agreement, according to reports, was not at all in favor of the United States. It exchanged one United States horse for one Canadian rabbit. That is not unusual. The United States seems never to win in international negotiations, let alone break even. Perhaps we should revise the law to provide that after such negotiations resulting in an agreement, the agreement should be submitted to the Congress for approval before it can become effective.

Mr. Speaker, the resolution of the Aviation Writers Association follows:

Whereas the Aviation Writers Association has been informed that the negotiation of an air agreement with Canada has been carried on with complete secrecy in New York, even the attorney for the Air Transport Association having been threatened with exclusion from the meetings should he apprise his clients of their progress; and

Whereas the signature of a single individual acting on the authority of the President in foreign affairs makes any agreement by the United States binding to the probable extent that it cannot be reviewed by the courts; and

Whereas the vital interests of the air carriers of the United States and their substantial property investments are thus put in irrevocable jeopardy without either they themselves or the public they serve being apprised thereof until too late for argument or public protest; and

Whereas the hands of the negotiators for the United States might well be strengthened were it publicly known that American interests were subjected to excessive Canadian demands: Now, therefore, be it

Resolved by this convention of the Aviation Writers Association, That the departure from precedent set at Bermuda and other important air agreements by which interested parties, the press, and the public were promptly and fully and daily advised of the progress of the negotiations, is regarded as a practice dangerous to the national interest and policy; and be it further

Resolved, That the president of the association be empowered to appoint a committee to present this resolution as promptly as possible to the Chairman of the Civil Aeronautics Board and to the responsible officer in the State Department and to request of them in the most vigorous terms that a competent press officer be assigned to these negotiations in order that knowledge of their progress may be made properly available to press and public.

Mr. Speaker, the committee appointed was Albert Hughes, of the Christian Science Monitor; Charles Corddry, of the United Press; and John Stuart, of the New York Times. They reported to the last meeting of the association, late on Friday afternoon, that the two officials concerned had received the resolutions and promised to consider the suggestion for better coverage on resumption of the negotiations.

Are We Headed Toward a Socialist Economy?

REMARKS
OF
HON. FRANK B. KEEFE
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. KEEFE. Mr. Speaker, on June 2 I addressed the House on the subject, Are We Headed Toward a Socialist Economy? In that speech I quoted at length from a book entitled "Strategy for Democracy," written by Mr. J. Donald Kingsley and Mr. David W. Petegorsky in 1942. Mr. J. Donald Kingsley is Assistant Administrator of the Federal Security Agency. He presented the administration's principal argument in support of compulsory health insurance to the Senate committee.

On June 3 I received a communication from Mr. Kingsley in explanation of his attitudes as expressed in this book and his subsequent change in views. From Mr. Kingsley's letter it is clear that he has changed his views in the light of new experience. In complete fairness to Mr. Kingsley I desire to extend these remarks and incorporate therein his letter of June 3 and my reply thereto.

FEDERAL SECURITY AGENCY,
Washington, June 3, 1949.

Hon. FRANK KEEFE,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: I have studied with natural interest the speech which you made in the House on June 2, entitled "Are We Headed Toward a Socialist Economy?" In that speech you undertook to portray me as a proponent of Marxian philosophy and an advocate of state socialism. This you did upon a basis of skillfully selected quotations from a book to which I contributed more than 8 years ago. All but one chapter of that book was, in fact, written before Pearl Harbor at a time when we were just emerging from a prolonged and disastrous depression, and when the Nazis had all but engulfed western Europe. Upon the basis of your interpretation of that book, you drew your own conclusion that I would then have viewed with approval "the advent of communism and the ultimate adoption of the Marxian philosophy here in America as the only ultimate solution for the benefit of the common man."

You have, of course, every right to your own opinion. As a matter of fact, however, I am now and have always been unequivocally opposed to communism in any form. My record as an anti-Communist liberal is clear and, in fact, the Young Communist League in Ohio issued a pamphlet attacking me as a warmonger during the period of the notorious Hitler-Stalin pact. What, in truth, I advocated in the book to which you referred was a mixed economy modeled in large part upon experience with the Tennessee Valley Authority.

There is, however, no useful purpose served by a debate over the public policies I did or did not favor in 1941. That was a period of considerable soul searching for most of us. A great deal of water has gone over the dam since Pearl Harbor and in common with most other people I have changed my views in the light of new experience. Few intelligent people, I dare say, would care to stand today upon positions taken in 1941. Indeed, with the present pace of events, even a lesser number of years can make a great difference. I am reminded, for example, that Senator TAFT, from my own State of Ohio, vigorously opposed Federal aid to education a few years ago, although he is today one of the leading proponents of that measure.

Moreover, policies which might commend themselves to reasonable men in times of war and national crisis would be rejected by those same men at other times. I certainly do not favor the nationalization of any industry, nor has my own governmental experience assured me of either the practicability or the desirability of a planned economy. On the contrary, my experience in the Office of War Mobilization and Reconversion utterly convinced me that our economy is too complex and too sensitive to lend itself to central planning and control without loss both of initiative and of the freedom which I cherish above all else in America. For these very reasons, I have advocated social insurance as a means of providing an adequate economic base for the operation of our voluntary hospital and medical services.

As a matter of fact, I have come increasingly to believe in the maximum possible amount of decentralization. I am sure you know this, because you and I have discussed this philosophy as it applies to the administrative organization and the operations of the Federal Security Agency.

The discussion of political and economic philosophies can be a long process. To save time—and since you raised the question of my current views in the course of your speech—let me state as unequivocally as I can that I believe with all my heart in the fundamental political and economic principles upon which American democracy rests; that I am not a Marxist and that I do not favor the nationalization of industry or of medicine. Moreover, I am profoundly anti-Communist and fully support—and have supported—our present foreign policy, including the Greek-Turkish aid program.

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As a matter of fact, I would have thought that my present position could have been readily ascertained from my public utterances. As a public official, my views are a matter of record and are widely known. In the course of the last few years I have appeared before committees of the Congress on numerous occasions and have taken public positions on many current issues. And since you have not questioned my integrity or sincerity, I would suppose that these more recent utterances would provide a better indication of position than those made far earlier. Moreover, the record will hardly support your suggestion that in some sinister fashion I undertook to "bore from within." I have never at any time sought Government employment, and I have remained in such employment only after considerable urging by my superiors on successive occasions.

My influence upon the national health program of the Truman administration, or on the health proposals of Mr. Oscar Ewing, has been, I should say, negligible. The original health insurance legislation was introduced in 1938, 4 years before I entered Government service. President Truman first urged adoption of his health program in November 1945. At that time I was Director for Manpower in the Office of War Mobilization and Reconversion and had no connection whatever with health matters. I came to the Federal Security Agency, as you know, at the end of December 1947, long after a program of national health insurance had been repeatedly urged in the annual reports of this Agency. What I have done is to support, as best I can, the administration's program, in which, of course, I believe.

I have always appreciated your fairness and courtesy in my official dealings with you, and I hope that you will be so good as to insert this letter in the CONGRESSIONAL RECORD. I am sending copies of it to the Honorable JOHN W. MCCORMACK, the Honorable AUGUSTINE B. KELLEY, and the Honorable ANDREW J. BIEMILLER, all of whom participated in this discussion.

Sincerely yours,

J. DONALD KINGSLEY,
Assistant Administrator.

JUNE 4, 1949.

Mr. J. DONALD KINGSLEY,
Assistant Administrator,
Federal Security Agency,
Washington, D. C.

MY DEAR MR. KINGSLEY: I acknowledge your letter of June 3 delivered to me by messenger this afternoon. I shall be most happy to insert this letter in the CONGRESSIONAL RECORD.

I am exceedingly pleased to note your contention that the period during which your book was written was a period of considerable soul-searching for most of us. A great deal of water has gone over the dam since Pearl Harbor, and in common with most other people, I have changed my views in the light of new experience. I am also pleased to note your statement: "Moreover, policies which might commend themselves to reasonable men in times of war and national crisis would be rejected by those same men at other times. I certainly do not favor the nationalization of any industry nor has my own governmental experience assured me of either the practicability or the desirability of a planned economy." I note with great interest and approval the other statements in your letter that you are not a Marxist and that you do not favor the nationalization of industry or of medicine and that you are profoundly anti-Communist.

Your letter is a very proper statement of renunciation of arguments and philosophies expounded in your book written in 1942 from which I quoted at length in my June 2 address to the House. I may add that in preparing that address I scrupulously confined myself to exact quotations of whole paragraphs in order that the contention could not be made that I have lifted single sentences or words out of their natural context. I made it perfectly clear in that statement and the debate which followed that at no place did I accuse you of subversive intent. I am glad to reiterate that my contacts with you have demonstrated the fact which I referred to in my address, namely: that you displayed unusual administrative capacity. I may say to you that if you conceive the period in 1941 to have been one during which there was considerable soul-searching, I consider the present situation facing the world and our country to be equally as important and critical, and as calling for continued soul-searching by intelligent citizens who view present and prospective political and economic trends with grave misgivings.

Very sincerely yours,

FRANK B. KEEFE, *Member of Congress.*

Address of Mr. Archibald McIntosh

EXTENSION OF REMARKS
OF
HON. HARRY L. TOWE
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. TOWE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by Mr. Archibald McIntosh, vice president, Haverford College, Haverford, Pa., at the sixteenth annual commencement exercises of Bergen Junior College, Teaneck, N. J., Saturday, May 28, 1949:

If one is to judge from what he reads in the daily papers, in the periodicals, and in recent books, he will conclude that nobody is satisfied with the job that education is doing today. This conclusion will be even further strengthened by talking to students.

A wholesale and sweeping condemnation of education will not, however, solve our problems. Criticism alone is easy. Constructive criticism, more difficult.

If we are to arrive at adequate solutions, we must define our aims and make sure of our direction. We must have a clear idea of just who is meant when we say "we," whether it is the students, the parents, the people in education, in government, in industry, or in one lump—all Americans.

As a nation we say most vociferously that we believe in education. But one cannot have worked in this area without being amazed at how uninformed so many are about what is happening in our schools and colleges today. How complacent so many are about our present practices; how smug in the belief that the acquisition of a degree must of necessity lead to better and bigger things.

Recent explorations in the realms of science have produced results which have surprised the scientists as much as they have bewildered us by the problems which these miracles pose, and the complexities with which they now surround us.

If a nation faced with the problems of an atomic age wants to pass the buck to education—and you will recall that I have just said that we aren't very clear what education is in more than very general terms—then it is high time that as a nation we understand more exactly what our present status is.

A determined and thoroughgoing attempt should be made to inform the public not only of the shortcomings and deficiencies of our educational system but also of those things which are being well done. This information should be conveyed in simple, clear, direct terms so that all may understand. (Dr. Benjamin Fine, who was awarded a citation here several years ago, has made a notable contribution in this respect.)

No matter how satisfactory a plan may be devised, the day will come, sooner rather than later, when we shall have to count the cost. The plant, the equipment, the books, are all important, but competent well-trained teachers are essential. At the college level I know from experience that a young man who has invested 8 years or more and considerable money in his education will have a difficult decision to make when he must choose between an appointment to a college faculty or a position in government or industry at twice the salary the college can offer. In the last few years we have had increasingly a demonstration of what that decision is likely to be.

During the war certain of the Army and Navy educational programs showed startling results and the cry immediately went up, why can't the colleges and universities learn some lessons from this? The answer is that the colleges and universities did learn some important lessons, chief among which was the demonstration of what it is possible to do if money is no object.

If we really believe that education is of prime importance in our scheme of things, we surely should be willing to pay the price. In terms of our national expenditures for a great variety of things which we do not hold nearly as important as we do education, we gladly pour out millions, and indeed billions, of dollars.

As a demonstration of what can be accomplished one need only cite the GI bill. This experiment has produced many interesting results, among the most significant of which is the amazing records made in college by men who under normal circumstances would not have been able to attend.

In this country we pride ourselves on doing things on a large scale and in the grand manner. In an area which we regard as vital to the welfare and the best interests of the Nation, now and in the future, certainly double the amount we now spend does not seem an unreasonable price to pay for the results which we could properly expect.

Linked directly with the problem of cost is that prime essential to which I have already referred—well-trained teachers. Basic in this problem is the building of an attitude, a frame of mind, a belief and sure conviction that the teaching profession is an honorable and attractive one, and what is more, that there shall be adequate recompense.

In the examination of our status during the last few years, there has been a growing realization that all is not well as regards the training of our teachers. Dean Carman of Columbia was outspoken on this point not long ago. He threw a major portion of the blame on the universities themselves, and possibly with considerable justice, but I am of the firm conviction that the responsibility goes much further than that. In this country there are millions of citizens who have been through the educational process in some form or other (and are therefore ipso facto experts on education), who should realize that if they have responsibilities under a democratic form of government it is some concern of theirs how the people who do the teaching, from primary school through the graduate schools, are trained and how they are paid. Frequently one hears the sentiment expressed that "what was good enough for me is good enough for my son or daughter," a reversion to the good old days. One

also hears the wish expressed that perhaps soon we shall get back to that ideal state we were in before the war. Of course, we shall never do that, and on mature consideration would not want to if we could.

The changes that have come have profound implications as regards teachers and teaching. Faced with new and strange and complicated situations we must have teachers who are aware that a new and different approach is necessary, that the tempo and the needs of the students have changed with the tempo of the times. If the educational process itself is to be adequate to the new demands put upon it, then we can no longer safely take it for granted that a long-established and deeply rooted method of training our teachers and our professors will provide us with the faculties which our times demand.

Another matter of vital concern is what the teachers shall teach—what is the curriculum to be?

In an age which becomes daily more complex it is difficult to give a simple answer to that question. One principle, however, seems to be basic. The broader the curriculum is, the more it gives a student a broad base on which to rest any future specialization, or the self-education which he will acquire after college, the better equipped he will be to face the maze of opportunities and the myriad problems which will confront him.

Some undergraduates are greatly concerned about practical courses which will insure them good jobs immediately upon graduation. What they often don't stop to consider is whether, from the nature of the courses they have had, they won't be in those self-same jobs 15 or 20 years after graduation simply because they lack the flexibility and the habit of thinking in larger and more important terms.

Increasingly it is important to see relationships. Gradually the realization is growing that a curriculum which tends to compartmentalize offers no adequate solution. Our students want to know what the score is—or at least, how to figure out what it is; and a smattering of one subject here and another there with no visible relationship between the two will not give them the answer.

The acquisition of facts may, up to a certain point, be a necessary part of the curriculum, but an acquaintance with ideas and concepts lies at the heart of the matter. For years the claim has been made that one goes to school or college to learn to think. Too often a critical examination shows that what actually happened was the acquisition of a lot of factual material with little enough emphasis on how to deal with these facts.

In such a brief space one dare not attempt to be specific about what should go into the curriculum, but there is no question of the general nature of its content. It must deal with ideas and their relationship, it must be as broad as conditions will permit, and to be worth while it must have real vitality.

Underlying all that I have said thus far is the assumption that we area dealing with students, and what is more, with students who are interested in getting an education.

Why do students go to school and college? In some instances it is safe to assume that they go because the State laws require them up to a certain age to do so. In others, because their parents insist. They may go because their friends are going; because it is socially acceptable; because they want training for a specific job or profession; or they may conclude that because they have to live with themselves the rest of their lives some education might improve that prospect.

As we study the various components of the educational process we talk about intelligence, about aptitude and ability, about interests, with a certain assurance that may or may not be warranted, but over and above these is that component which makes these other things significant and meaningful. What is it that furnishes the drive to do the job? Why does he want to study? What is the urge that pushes him on? What are his motives?

As yet we know all too little about these things, though daily we have demonstrations of what powerful motivation will do in driving a man on and, at the same time, in compensation for lacks in one direction or another. The experiment at Brown University a few years ago with the group of veterans, who according to the records had not had adequate college preparation, but who through sheer drive forced themselves in a period of 6 months to begin to do creditable college work, is an illustration. During the war there were countless examples of previously indifferent and bored students who under the urge of a specific necessity developed amazing skills and competence.

Part of our job in facing a new age with its new and interesting possibilities is the cultivation of attitudes which shall help to furnish our young people with a real and burning desire to attack their education with eagerness and with enthusiasm.

If you are interested in the thoughtful observations of a keen student of our American education I refer you to Benjamin Fine's book, Our Children Are Cheated. If you are interested in what one college administrator thinks about admissions and what happens after admission I refer you, with some hesitancy to my book, Behind the Academic Curtain. As we progress through the next few years and more of us become more and more concerned about improving our educational process, I hope we shall not be able to say, "Our children are cheated behind the academic curtain."

A Weaker Voice

EXTENSION OF REMARKS
OF
HON. TOM STEED
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. STEED. Mr. Speaker, I think I am the only Member of Congress who has ever had the privilege of serving this Government in any type of work such as that now being carried out by the Voice of America. I served overseas during the latter part of World War II with the Office of War Information, whose wartime duties have been absorbed by the Voice of America.

This experience taught me how very vital this program is to this Nation of ours. I wish every Member could have had some of the experiences that came to me. I wish all of them could have learned at first hand some of the things that I had the opportunity to learn.

I am sure, if such had been the case, that this Congress would feel as I do that we cannot afford to underestimate the value of this program in these difficult days of cold war. Propaganda, in a cold war, is just as effective as the atomic bomb can be in a hot war. I am alarmed at the prospect that Congress is about to curtail the funds for the "Voice". I think this would be most ill-advised, because we are only now beginning to realize the benefits of this program. I feel that, if anything, we ought to increase and expand this program now more than ever, even at the expense of doing our saving of funds at the expense of other activities.

I call your attention to the following editorial from the Washington Star under date of June 4, 1949:

A WEAKER VOICE?

The State Department has asked $36,000,000 to carry on the Voice of America and related activities during fiscal 1950. The House has passed a bill reducing that sum by $2,000,000. And now a subcommittee of the Senate Appropriations Committee has made an additional cut of $2,000,000, leaving a total of $32,000,000.

In view of the need for economy, it may well be that all this is sound, and perhaps the Voice of America and our general overseas informational program can be run effectively enough without the money requested. But last year Congress itself created a special commission of five private citizens to look into the subject and make recommendations. Two months ago the commission reported back. The substance of its advice to the House and Senate was that there should be "a much larger expenditure" than $36,000,000 because the effort to tell our story abroad called for "an immediate and broad expansion" in order to cope with the distortions and lies being spread against us in all parts of the world by an able and energetic Soviet propaganda machine spending far more than the sum sought by the State Department.

Despite this, the House as a whole and the Senate subcommittee, far from permitting expansion, have voted for cuts that would weaken the Voice in a way that would enable the Russions to suspend some of their all-out jamming operations against it. Possibly the economy can be justified even so, but Congress would do well to think twice about it before taking final action.

Housing of Dependents of Military Personnel Overseas

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

PEWAUKEE, WIS., *June 1, 1949.*
Hon. GLENN R. DAVIS,
House of Representatives,
Washington, D. C.

DEAR MR. DAVIS: I have read a great deal about increasing taxes, Government spending, the budget, etc. I don't claim to know much about these things but from what I observed while in Japan it seems to me a lot of money is being spent that could be used for other purposes, especially in these trying times.

At the present time the tour of military personnel is 30 months. Most of them send for their dependents, dependents including wives, children, mothers, fathers, sisters, or brothers. The dependents are billeted in rest hotels until housing is made available. I have known some families that spent 4 to 6 months in rest hotels before getting a home. This means that the majority of the

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rest hotels are full of dependents, which also works a hardship on military personnel and civilians employed in Japan. If they wish to take a leave or go some place over holidays, it is difficult for them to find a place to go. It is necessary to make reservations, which are limited, quite some time in advance. Very often these reservations are canceled because of the arrival of more dependents from the States.

So, first, there is the expense of transporting the dependents overseas. Second, there is the money expended in building and furnishing all the homes. It seems like an awful waste of money. What is going to happen to all these houses when the occupation pulls out? If military personnel can't be separated from their dependents for a period of 30 months, why don't they shorten the overseas tour? It isn't as if they held the same job for their entire tour because the majority of them don't. At least they didn't at the base I was at.

If this is the situation in Japan, I imagine it must be much the same in Germany.

It seems to me this money could be better spent on housing projects in the United States than overseas.

Very truly yours,

LORRAINE RICHARDS.

Townsend Plan

EXTENSION OF REMARKS

OF

HON. WILLIAM S. HILL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. HILL. Mr. Speaker, following is a petition signed by members of the Townsend Club, No. 2, in the Second Congressional District of Colorado, and I wish to present this as evidence of the interest in the passage of H. R. 2136.

We, the undersigned citizens of the Second Congressional District of the State of Colorado, respectfully request the passage of H. R. 2135 and 2136 known as the Townsend plan and respectfully request your cooperation and help.

E. O. Smith, Mrs. Hattie Smith, Chas. Gaston, James H. Parker, Mrs. J. H. Parker, Effie Mae Wallace, W. R. Lynn, B. B. Marshall, Gertrude May Marshall, W. S. Miller, Mrs. Meta Perry, Mrs. Fred Steeves, Fred Steeves, Mrs. Bob Burkholder, Bob L. Burkholder, Carl Christensen, Mrs. Annie Christensen, Pauline Bussard, Mrs. Mamie Blumenthal, Mrs. Fred Blumenthal, C. B. Liresay, John Shaffer, Aldrich C. Buskohl, Fila V. Buskohl, Wm. F. Ehmann, P. S. Rotin, W. L. Jarvis, Mrs. W. L. Jarvis, Lavina Van Pelt, L. F. Marshall, Philip Dinig, Fort Collins, Colo.; Ben Davis, Loveland, Colo.; Robert W. Sanderson, Mrs. Mary Skold, Mr. and Mrs. A. F. Reinhardt, Effie M. Kennedy, Fort Collins, Colo.; Mrs. Davis Brunnage, Bellvue, Colo.; C. M. Garrett, Mrs. Alice Phipps, Mrs. J. H. Fritz, Mr. Loris L. Morrison, Mr. George Hardwick, Mrs. George Hardwick, R. E. Kimble, Mrs. Lyle Montgomery, Maude Hodson, Mamie Ocherman, A. L. Reynolds, M. L. Parish, Jean Parish, Everett M. Parish, Fred Evans, Mrs. Belle Hay, Julius Koeper, Sam Miller, Joe Cumfruger, Mrs. Dora Buttorff, E. W. Harrison, Mrs. E. W. Harrison, George L. Mauk, Mrs. Eva Collamer, Fort Collins, Colo.; Mrs. Ellis C. Johnson, Ellis C. Johnson, Adin Webb, Mrs. Jessie Brubaker, A. L. Buchanan, Mary Buchanan, Ray Pedigo, Bellvue, Colo.; Annie Kimball Clowry, Sarah LeRoux, Mrs. D. B. Thompson, Fort Collins, Colo.; Mrs. J. W. Rawseier, J. W. Rawseier, Bellvue, Colo.; Ola Simmons, H. A. Warren, E. A. Ferguson, H. I. Maley, Melvina Maley, Katie R. Hodges, Mrs. A. L. Reynolds, L. J. Jenson, L. L. Hodges, Mrs. Lillian Hodges, E. W. Daugherty, Carl D. Brown, Mrs. C. D. Brown, J. H. Jenkins, Mrs. J. H. Jenkins, Chris Christensen, John Christensen, Mrs. Odes R. Smith, Odes R. Smith, Mabel Mills, Mrs. Guy Payton, Elmer Ellsworth, Chas. Reimer, P. L. Toliver, Grave L. Lewis, E. H. Stonemets, Mrs. E. H. Stonemets, Gertrude Glasgow, Mary A. Glasgow, Fort Collins, Colo.

The Basing-Point System and the State of New York—Cement Trust Forces Most of New York To Pay Phantom Freight—Basing-Point Bids to New York State Highway Department Show Same Identity as in Other States—Empire State Has Great Natural Advantages for Manufacture of Cement but Consumption Exceeds Production—Small Business Must Be Protected From Basing-Point and Moratorium Bills

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. PATMAN. Mr. Speaker, the Empire State has been one of the brightest stars in our United States since the earliest colonial days. New York's contribution to the welfare and progress of our country is unquestioned and admirable. New York's mountains, valleys, lakes, and rivers are rich in the gifts of nature and her cities and towns bear witness of the imagination and ingenuity of her citizens over the past 300 years. The greatest city in the world marks the progress of the trade and commerce for which New York is famous. But with all her advantages, her progress and initiative, New York, like other States, has paid a high price for the artificialities inherent in the system of basing-point pricing.

There is perhaps no State in the Union more favorably blessed with natural resources for the manufacture of portland cement than in New York. Yet because of the operation of the basing-point system it has undoubtedly limited the development of cement-making facilities so that for many years the manufacture of cement within New York State has been far less than her consumption of this product. During the years 1939 and 1940, New York's deficiency as compared to consumption was nearly 5,000,000 barrels annually. In the postwar years of 1945 and 1946, production and consumption were nearly in balance, however, New York ships a large quantity of cement into the New England area so as a matter of fact it is a logical assumption that a deficiency existed during those years for the reason stated.

BASING-POINT PRICES TO NEW YORK DEPARTMENT OF HIGHWAYS REVEAL SAME IDENTITY AS IN OTHER STATES

The following cement-producing companies operate in the State of New York:

Catskill: North American Cement Corp., New York.

Alsen: Lehigh Portland Cement Co., Allentown, Pa.

Hamburg: The Federal Portland Cement Co., Inc., Buffalo.

Buffalo: Lehigh Portland Cement Co., Allentown, Pa.

Cementon: Alpha Portland Cement Co., Easton, Pa.

Glens Falls: Glens Falls Portland Cement Co., Glens Falls.

Greenport: Lone Star Cement Corp., Albany.

Howes Cave: North American Cement Corp., New York.

Hudson: Universal Atlas Cement Co., New York.

Jamesville: Alpha Portland Cement Co., Easton, Pa.

Portland Point: Pennsylvania-Dixie Cement Corp., Nazareth, Pa.

Several of the above-operating companies are the giants of the Cement Trust. Such companies have strategically located plants all over the United States. These locations in the various States enable relatively small groups of companies to control the price and policies and the distribution of cement throughout our United States. One of the companies, Universal-Atlas Cement Co., is a subsidiary of the United States Steel Corp. which also operates plants at Universal, Pa.; Buffington, Ind.; Leeds, Ala.; Hannibal, Mo.; Duluth, Minn.; Independence, Kans.; Waco, Tex.; Osborn, Ohio; and Northampton, Pa.

Another of the big boys is the Lehigh Portland Cement Co., of Allentown, Pa., which operates two plants in the State of New York, one at Alsen and one at Buffalo; and also operates one plant in Alabama at Birmingham; one in Illinois at Oglesby; one in Indiana at Mitchell; one in Iowa at Mason City; one in Kansas at Iola; one in Maryland at Union Bridge; three plants in Pennsylvania at Fogelsville, Ormrod, and Sandts Eddy; one plant at Fordwick in Virginia; and one at Metaline Falls in Washington; a total of 13 plants. The Alpha Portland Cement Co., the Lone Star Cement Corp., and the Pennsylvania-Dixie Cement Corp., all have plants scattered around the country.

All of the foregoing companies were listed as members of the Portland Cement Association in the association's Cement and Concrete Reference Book of 1948. These companies were also members of an organization called the Cement Institute at the time the Federal Trade Commission instituted proceedings against the Cement Institute and which finally resulted in the decision of the Supreme Court on April 26, 1948, outlawing the basing-point system of pricing. Members will recall the lack of competition in bids to Federal agencies and to the several States as evidenced by the identity of the bid prices throughout the years.

The situation was no different in the State of New York than in any other State and in witness thereof I present for the information of the Members two tables to various destination points within the State of New York which show the identity of bids inherent in the basing-point system. The tables follow:

The State of New York Department of Public Works, Division of Operation and Maintenance; Highways. Specification No. CA–468, letting of Mar. 28, 1947, for regular portland cement in paper sacks, item 15, standard specifications of the New York State Department of Public Works, Division of Highways, adopted Jan. 2, 1942

[Discount: 10 cents per barrel, 15 days]

Item No.	Destination	Bidder							
		Universal Atlas Cement Co.	Alpha Portland Cement Co.	Federal Portland Cement Co., Inc.	Glens Falls Portland Cement	Lehigh Portland Cement	Lone Star Cement Corp.	North American Cement Corp.	Penn-Dixie Cement Corp.
1	West Waterford	$2.71	$2.71	----------	$2.71	$2.71	$2.71	$2.71	$2.71
2	Westport	2.96	2.96	----------	2.96	2.96	2.96	2.96	2.96
3	Catskill	2.52	2.52	----------	2.52	2.52	2.52	2.52	----------
4	Fort Edward	2.62	2.62	----------	2.62	2.62	2.62	2.62	----------
5	Johnstown	2.78	2.78	$2.78	2.78	2.78	2.78	2.78	2.78
6	Mohawk	2.74	2.74	2.74	2.74	2.74	2.74	2.74	2.74
7	Oneida Castle	2.71	2.71	2.71	2.71	2.71	2.71	2.71	2.71
8	Canajoharie	2.78	2.78	2.78	2.78	2.78	2.78	2.78	2.78
9	Utica	2.74	2.74	2.74	2.74	2.74	2.74	2.74	2.74
10	Fairmount	----------	----------	----------	2.57	2.57	2.57	2.57	2.57
11	Albion	----------	----------	2.57	2.57	2.57	2.57	2.57	----------
12	Rochester (Scottsville Rd. siding)	----------	----------	2.61	2.61	2.61	----------	2.61	2.61
13	Piffard	----------	----------	2.64	2.64	2.64	2.64	2.64	2.64
14	Salamanca	----------	----------	2.57	2.57	2.57	2.57	----------	----------
15	Mayville	----------	----------	2.57	2.57	2.57	2.57	----------	----------
16	Depew	----------	----------	2.42	2.42	2.42	2.42	2.42	----------
17	Hamburg	----------	----------	2.49	2.49	2.49	2.49	2.49	----------
18	Lockport	----------	----------	2.53	2.53	2.53	2.53	----------	----------
19	Friendship	----------	----------	2.64	2.64	2.57	2.64	2.64	----------
20	Watkins Glen	2.78	----------	2.78	2.78	2.78	2.78	2.78	2.78
21	Malone	2.97	2.97	2.97	2.97	2.97	2.97	2.97	2.97
22	Lowville	2.86	2.86	2.86	2.86	2.86	2.86	2.86	2.86
23	Watertown	2.78	----------	2.90	2.78	2.71	2.78	2.78	2.78
24	Ogdensburg	2.93	2.93	2.93	2.93	2.93	2.93	2.93	2.93
25	Binghamton (Montgomery St. siding)	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
26	Oxford	2.78	2.78	2.78	2.78	2.78	2.78	2.78	2.78
27	Hancock	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
28	Oneonta	2.81	2.81	2.76	2.81	2.81	2.81	2.81	2.81
29	Monticello	2.75	2.75	----------	2.75	2.75	2.75	2.75	2.75

The second table of bids received approximately 1 year later at the letting of April 29, 1948, on specification No. CA–714 for portland cement in paper sacks, item 15–2, standard specifications of the New York State Department of Public Works, adopted January 2, 1947.

These bids, although taken 3 days after the Supreme Court decision, undoubtedly had been prepared prior to the decision on April 26, 1948, because the same identity of prices exists in this table as in the table above. Subsequent to the Cement decision, the pattern of bid prices changed considerably, evidencing the first competition in the sale and distribution of cement in many, many years. Many of the tables that I have included for the RECORD have been such tables. The second New York table for the letting of April 29, 1948, follows:

[Discount: 10 cents per barrel, 15 days]

Item No.	Destination	Bidder						
		Alpha Portland Cement Co.	Federal Portland Cement Co.	Glens Falls Portland Cement Co.	Lehigh Portland Cement Co.	North American Cement Corp.	Universal Atlas Cement Co.	Lone Star Cement Corp.
1	Waterford	$3.08	----------	$3.08	$3.08	$3.08	$3.08	$3.08
2	Catskill	2.85	----------	----------	2.85	2.85	2.85	2.85
3	Westport	3.36	----------	3.36	3.36	3.36	3.36	3.36
4	Fort Edward	----------	----------	2.95	2.95	2.95	2.95	2.95
5	Johnstown	3.17	----------	3.17	3.17	3.17	3.17	3.17
6	North Creek	3.27	----------	3.27	3.27	3.27	3.27	3.27
7	Mohawk	3.17	$3.17	3.17	3.17	3.17	3.17	3.17
8	Morrisville Station	----------	3.13	3.13	3.13	3.13	3.13	3.13
9	Canajoharie	3.17	----------	3.17	3.17	3.17	3.17	3.17
10	Utica	3.17	3.17	3.17	3.17	3.17	3.17	3.17
11	Fairmount	----------	----------	----------	2.97	----------	----------	----------
12	Pittsford	----------	3.07	----------	3.07	----------	----------	----------
13	Salamanca	----------	2.98	----------	2.98	----------	----------	----------
14	Mayville	----------	2.98	----------	2.98	----------	----------	----------
15	Hamburg	----------	2.89	----------	2.89	----------	----------	----------
16	Depew	----------	2.80	----------	2.80	----------	----------	----------
17	Lockport	----------	2.94	----------	2.94	----------	----------	----------
18	Hornell	----------	3.12	----------	3.12	----------	----------	----------
19	Horseheads	----------	3.22	----------	3.22	3.22	3.22	3.22
20	Watkins Glen	----------	3.22	----------	3.22	3.22	3.22	3.22
21	Plattsburg	----------	3.36	3.36	3.36	3.36	3.36	3.36
22	Watertown	----------	3.22	3.22	3.31	3.22	----------	----------
23	Ogdensburg	----------	3.40	3.40	3.40	3.40	3.40	3.40
24	Poughkeepsie	3.08	----------	----------	3.08	3.08	3.08	3.08
25	Middletown	3.07	----------	----------	3.07	3.07	3.07	3.07
26	Binghamton (Montgomery St. siding)	3.21	3.21	3.21	3.21	3.21	3.21	3.21
27	Oxford	3.22	3.22	3.22	3.22	3.22	3.22	3.22
28	Delhi	3.30	3.30	3.30	3.30	3.30	3.30	3.30
29	Hancock	3.21	----------	3.21	3.21	3.21	3.21	3.21
30	Monticello	3.17	----------	3.17	3.17	3.17	3.17	3.17

WITH MANY CEMENT PLANTS NEW YORK PAYS PHANTOM FREIGHT TO THE CEMENT TRUST

The foregoing tables, of course, represent relatively small quantities of cement. But over the years with the progress of the times New York and its citizens have purchased millions upon millions of barrels of cement for the construction of its great public works, its lofty Manhattan skyscrapers, and the thousand-and-one other projects which have made the Empire State great and strong.

However, in the purchase of cement, with a great number of mills located within the State, New York has paid its share of phantom freight to the cement trust. Like all other States which have cement mills within their borders, New York had certain basing-point mills and the State was thus divided up into favored areas by the cement trust. This division of territory meant that a great many destination points would have been charged prices which included phantom freight and that no destination point would be charged a price based on less than the actual freight. Phantom freight, as you know, is the difference between the actual freight charges from the point of shipment and the freight charges from the more distant basing point, which is added arbitrarily to the f. o. b. mill price to make a destination price. The following destinations are used as examples of points within New York which, under the basing-point system, paid phantom freight before the system was outlawed by the Supreme Court. The rates used to compute the freight on cement per barrel were those as published in tariffs on file with the Interstate Commerce Commission and the public service commission in New York, effective August 15, 1935, as compiled and published by the Cement Institute Freight Rate Bureau, Bethlehem, Pa., and include emergency charges authorized by the Interstate Commerce Commission in Ex parte 115 until June 30, 1936, unless sooner canceled or extended—Federal Trade Commission Docket No. 3167, Commission's exhibit No. 1110–U. The examples follow:

Destination	Applicable basing point freight charge per barrel	Lowest mill freight charge per barrel	Phantom freight or excess freight per barrel
Richland	$0.59	$0.41	$0.18
Rome	.52	.37	.15
Hudson Falls	.45	.20	.25
Three Mile Bay	.74	.53	.21
Binghamton	.53	.40	.13
Pulaski	.59	.41	.18
Canton	.80	.57	.23
Glens Falls	.45	----------	.45
Howe's Cave	.39	----------	.39
Jamesville	.63	----------	.63
Oswego	.53	.37	.16
Portland Point	.59	----------	.59
Watertown	.72	.47	.25
Morrisville	.53	.37	.16
Richfield Junction	.52	.43	.09
Oneonta	.61	.37	.24
East Branch	.53	.45	.08
Summitville	.49	.39	.10
Remsen	.55	.53	.02
Glenfield	.59	.53	.06
Martinsburg	.59	.53	.06
Syracuse	.53	.20	.33

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Destination	Applicable basing point freight charge per barrel	Lowest mill freight charge per barrel	Phantom freight or excess freight per barrel
Portland	$0.59	$0.35	$0.24
Oneida	.63	.35	.28
Owego	.55	.35	.20
Elmira	.59	.37	.22
Ithaca	.61	.20	.41

NOTE.—These examples are only a few out of hundreds that could be cited.

BASING-POINT PRICING SYSTEM NEVER OPERATES TO THE BENEFIT OF THE PURCHASER

There are two salient features in the basing-point system of pricing which should always be kept in mind. These two points are:

First. No purchaser under the basing-point system of pricing ever pays less than actual freight.

Second. Most purchasers under the basing-point system pay more than actual freight.

Why are these statements true? Take the first statement, that no purchaser under the basing-point system of pricing ever pays less than actual freight. If you are located at a destination which has a less or equal freight rate from a basing point in relation to any other supply point and you are in the territory controlled by that basing point, you would then pay actual freight calculated on rates from the basing point. These are the only circumstances under the basing-point system which would reassure you that you were paying only freight charges based on actual freight rates from the shipping point to your destination.

In all other cases under the basing-point system you would pay more than the actual freight charges as stated above, that more purchasers under the basing-point system pay more than actual freight. This situation arises because of lesser freight rates to your destination from a non-basing-point plant or because you may be situated in some other basing-point plants' territory. As an example, you may be a purchaser of cement at Syracuse which is based on Buffalo, which has a much higher freight rate to Syracuse than does nearby Jamesville. Because there is a cement plant at Jamesville purchasers in Syracuse should have the benefit of location and natural freight advantage, but under the basing-point system as it existed in the cement industry prior to the Supreme Court decision in the Cement case all this advantage was wiped out by the artificial basing-point system.

As another example, Ithaca was located in the territory of the basing point, Northampton, Pa., but there was a cement plant at nearby Portland Point, which had a very much less freight rate into Ithaca than did Northampton; or you may have had the natural advantage of being located close by the Glen Falls cement plant. Nevertheless, every time you purchased a barrel of cement from Glen Falls you were charged a price based on the higher freight charge of either Hudson or Alsen, which were basing-point mills.

You could have been very close to a basing-point cement mill and yet pay phantom freight because you were situated in a territory assigned by the cement trust to another mill, a mill which may have had a very high freight rate to your destination. So with this arbitrary division even though you purchased from the close-by mill across this unnatural and artificial boundary you would get no advantage because your freight charges as included in your price would be calculated on the more distant basing-point mill.

Most of the towns and cities in New York State were more distant from the three controlling basing points, namely, Hudson-Alsen, N. Y.; Northampton, Pa.; and Buffalo, N. Y., than from Glen Falls, Howe's Cave, Jamesville, Portland Point, and other mills in the State which were all non-basing-point mills. It therefore follows that all of these cities, towns, and villages located much closer to the non-basing-point mills were unable under the basing-point system as applied in the cement industry to take advantage of the lower rates from the nearby mills.

The Northampton, Pa., territory extended through the State of New York up and along the northeastern shores of Lake Ontario and on up the St. Lawrence River nearly to Lake Champlain. The Buffalo territory was composed of most of the State west and southwest of Syracuse and dipped down slightly into Pennsylvania. The Hudson-Alsen territory took a large pielike slice of the State extending through the eastern border to take in a corner of Connecticut, all of Vermont, New Hampshire, Massachusetts, and a good slice of Maine. Incidentally, Northampton also controlled all of New Jersey and Delaware, the southern tip of New York including all of New York City and Brooklyn, all of Long Island, most of Connecticut, practically all of Rhode Island, and the Cape area south of Boston, in Massachusetts. Certain territory up in Maine was common territory for Northampton and Hudson-Alsen. Of course the fact that there was a cement plant at Rockland, Maine, made no difference. That is another story.

Had there been no basing-point system and had there been free and open competition among the mills concentrated in eastern Pennsylvania and southern New York, the savings on this basic commodity to public and private works within New York State is something for the imagination and the statisticians to play with.

BASING-POINT AND MORATORIUM LEGISLATION DEADLY THREATS TO SMALL BUSINESS

New York, with the greatest population of any State within the United States, has thousands upon thousands of small-business enterprises which have been subjected to basing-point pricing and other artificial price systems for a long time. Not only cement but many of our basic commodities such as steel, glass, clay products, and many others, have been sold and distributed under such pricing systems. The small-business man in New York, or in any other State in our Union, is prepared to hold his own when the markets are free and supplies are not restricted either through pricing systems or territorial divisions. However, as we all know, there is a growing tendency toward the concentration of power in the hands of enormous integrated corporate structures, which day by day further puts a small-business man in peril of his business life.

The attempts which are being made by the industrial giants to induce Congress to pass moratorium bills on our antitrust laws and to legalize the artificial basing-point pricing system are extremely dangerous to our whole economy. Such legislation must be defeated in the interest of the vast majority who will be adversely affected by the weakening of our antitrust laws and the legalization of artificial and arbitrary pricing systems. I do not believe the Congress can assume such a burden and at the same time pay homage to our free-enterprise system.

Statesman Barkley

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks, I include a splendid editorial appearing in the Boston Post of May 28, 1949, paying a deserving tribute to Vice President ALBEN W. BARKLEY:

STATESMAN BARKLEY

The annual dinner of the Massachusetts Committee of Catholics, Protestants, and Jews is always a notable gathering. Its purpose makes it so. It sums up the selfless effort which so many citizens from all walks of life are making daily to beat down bias and spread tolerance so that all of us of varying lands and creeds can live side by side in mutual respect and helpfulness, thereby insuring a more wholesome Commonwealth and, as a corollary, a better world.

The meaning and endeavor of the assembly Thursday night was enriched beyond all anticipation by one of the finest orations ever heard. In Boston, a city which since pre-Colonial days has been noted for the eloquence of its preachers, patriots, and public figures, ALBEN W. BARKLEY, the Vice President, made a memorable address against bigotry and the things which deny the constitutional guaranties that "all men are equal."

Cited for outstanding labor for justice for all, along with ex-Treasurer Morgenthau and Gene Tunney, the statesman from Kentucky, without referring to written note, charmed and held spellbound for hours an audience of 1,200 enthusiastic listeners. Yesterday, his manner of speaking was the talk of the town. The famed "Dear ALBEN" endeared himself to people of all shades of politics. On a topic which transcends politics, he spoke superbly and in accents which will echo timelessly, as an American.

Constitutionality of Pending Housing Legislation

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. McCORMACK. Mr. Speaker, under consent to extend my remarks, I include a memorandum prepared for me on the law relating to the constitutional power of the Congress in the field of housing, and that pending housing legislation is constitutional:

Article I, section 8, clause 1 of the Constitution invests Congress with the power to "lay and collect taxes, duties, imposts, and excises, to pay the debts, and provide for the common defense and general welfare of the United States."

It is true, of course, that the "general welfare" clause is itself not an independent grant of power but rather a limitation on the power to tax. *United States* v. *Butler* ((1936) 297 U. S. 1); *Kansas Gas and Electric Co.* v. *City of Independence* ((C. C. A. 10th, 1935) 79 F. (2d) 32); *John A. Gebelein, Inc.* v. *Milbourne* ((D. Md. 1935) 12 F. Supp. 105; 1 Story, Commentaries on the Constitution (4th ed.) §§ 928, 929). Congress thus "has the great power of taxation to be exercised for the common defense and general welfare." *United States* v. *Gettysburg Electric Ry. Co.* ((1896) 160 U. S. 668, 681). But the power to tax and the power to appropriate the moneys raised by taxation are addressed to the same objects. The latter is qualified to the same extent as is the former. (Brief of Hon. Charles Evans Hughes, 72 CONGRESSIONAL RECORD, 7890, 7892).

As stated in 1 Story, opinion cited, supra, section 976, "The controversy is virtually at an end if it is once admitted that the words 'to provide for the common defense and general welfare' are a part and qualification of the power to lay taxes; for then Congress has certainly a right to appropriate money to any purposes, or in any manner, conducive to those ends." To the same effect, see 1 Willoughby on the Constitution (2d ed.), section 62. Accordingly, it is now settled beyond any real question that under this provision Congress may appropriate and spend money, raised by taxation, for purposes of the national welfare, and that the congressional discretion in selecting the means therefor is extremely broad. *Helvering* v. *Davis* ((1937) 301 U. S. 616); *City of Cleveland* v. *United States* ((1945) 323 U. S. 329); *United States* v. *Kay* ((C. C. A. 2d, 1937), 89 F. (2d) 19), vacated on other grounds (303 U. S. 1). In so doing the only limitation is that Congress must act merely in furtherance of general or national, as distinguished from local, purposes. Ibid; see also *United States* v. *Butler* ((1936) 297 U. S. 1). The discretion in choosing between what is general and what is particular "belongs to Congress" and not to the courts, "unless the choice is clearly wrong, a display of arbitrary power, not an exercise of judgment." *Helvering* v. *Davis*, supra. The line of demarcation may be said to be whether the general problem involved is national in scope, even though the effects of the specific effort or act involved are local in character. *City of Cleveland* v. *United States*, supra; *First Federal Savings & Loan Ass'n of Wisconsin* v. *Loomis* ((C. C. A. 7th, 1938) 97 F. (2d) 831); *Kansas Gas & Electric Co.* v. *City of Independence* ((C. C. A. 10th, 1935), 79 F. (2d) 32). "Nor," the Supreme Court has said, "is the concept of the general welfare static. Needs that were narrow or parochial a century ago may be interwoven in our day with the well-being of the Nation. What is critical or urgent changes with the times." *Helvering* v. *Davis*, supra. It thus has been held that the "general welfare" embraces the use of public funds for local public works (*School Dist. No. 37, Clark County* v. *Isackson* ((C. C. A. 9th, 1937), 92 F. (2d) 768)), the grant of moneys to the States for emergency relief (*Langer* v. *United States* ((C. C. A. 8th, 1935), 76 F. (2d) 817)), and the loans of public money to States and municipalities for public projects themselves local in nature (*Kansas Gas & Electric Co.* v. *City of Independence*, supra; *Ohio Power Co.* v. *Craig* ((1935) 50 Ohio App. 239, 197 N. E. 820); *Carolina Power and Light Co.* v. *South Carolina Public Service Authority* ((E. D. S. C. 1937), 20 F. Supp. 854, aff'd 94 F. (2d) 520, cert. den. 304 U. S. 578)).

In the field of housing, the activities of the Federal Government have uniformly been upheld on the basis of the congressional power under the general welfare clause. Accordingly, the courts have sustained the Home Owners' Loan Act to relieve the distress of mortgage foreclosures and benefit home owners (*United States* v. *Kay*, supra); the creation and operation of the Home Owners' Loan Corporation (*Walker* v. *Home Owners Loan Corp.* ((S. D. Cal. 1938), 25 F. Supp. 589)); the development and operation of low-cost public housing (*United States* v. *City of Milwaukee* ((E. D. Wis. 1943), 49 F. Supp. 436, aff'd 140 F. (2d) 286, cert. den. 322 U. S. 735)); the creation and operation of the Federal Savings and Loan Associations to aid and finance home ownership (*First Federal Savings & Loan Ass'n of Wisconsin* v. *Loomis*, supra); and the condemnation of land and construction for the purposes of a low-cost housing and slum-clearance project (*Oklahoma City* v. *Sanders* ((C. C. A. 10th, 1938), 94 F. (2d) 323)). If any question remained on this score, it was settled in *City of Cleveland* v. *United States* ((1945) 323 U. S. 329). In this case, the lands involved were acquired by the United States by condemnation for low-cost housing projects. The Federal Public Housing Authority then erected low-cost dwelling units which were leased to Cleveland Metropolitan Housing, a State of Ohio authority. The latter sublet the units to tenants for residence purposes.

The appellant contended that the United States Housing Act of September 1, 1937, was unconstitutional because Congress had no power under the Constitution to establish low-cost housing projects. The Supreme Court said:

"A majority of the Court below held the Federal statute authorized by the Constitution. Its reasoning was that even though the evils of bad housing are local in their origin, their effect may become so widespread as to create a menace to the national welfare and that Congress is empowered to deal with the subject in that aspect. The dissenting judge was of the view that the project amounted merely to an embarkation by the Federal Government in a private business and that the Government could not do this in such a way as to immunize the property employed from normal State taxation to support local police and other services required by the community of which the housing project forms a part."

Then, after setting forth certain procedural facts concerning the various cases involved in the pending appeal, the Supreme Court declared:

"Little need be said concerning the merits. Section 1 of the Housing Act declares a policy to promote the general welfare of the Nation by employing its funds and credit to assist the States and their political subdivisions to relieve unemployment and safeguard health, safety, and morals of the Nation's citizens by improving housing conditions. Section 5 provides in part, 'the authority, including but not limited to its franchise, capital, reserves, surplus, loans, income, assets, and property of any kind, shall be exempt from all taxation now or hereafter imposed by the United States or by any State, county, municipality, or local taxing authority.' Section 13 authorizes agreements by the Authority to pay annual sums, not exceeding taxes which would otherwise be paid, in lieu of taxes.

"Challenge of the power of Congress to enact the Housing Act must fail. And Congress may exempt property owned by the United States or its instrumentality from State taxation in furtherance of the purposes of the Federal legislation. This is settled by such an array of authority that citation would seem unnecessary."

Aside from the general welfare clause, the congressional power "To borrow money on the credit of the United States" (art. I, sec. 8, clause 2) supports legislation authorizing the issuance of bonds by Federal agencies to finance housing aid. *United States* v. *Kay*, supra ((1935) 38 Op. Atty. Gen. 258). And Congress may create Federal agencies or instrumentalities to carry out a program of housing development, provide for the insurance of mortgages in connection therewith, and otherwise promote a system for the general improvement of housing conditions. *City of Cleveland* v. *United States*, supra; *Pitman* v. *Home Owners' Loan Corp.* ((1939) 308 U. S. 21); *United States* v. *City of Milwaukee*, supra ((1935) 38 Op. Atty. Gen. 258). In *United States* v. *Kay*, supra, the appellate court, speaking of the Home Owners' Loan Corporation, said:

"In creating this governmental agency and investing it with the described functions, Congress relied on its power to tax, borrow, and appropriate public money. The power 'to lay and collect taxes * * * and provide for the * * * general welfare of the United States * * *' is explicitly conferred (art. 1, sec. 8, clause 1, United States Constitution), and necessarily contains the implied power of appropriation. See *Field* v. *Clark* (143 U. S. 649, 695, 12 S. Ct. 495, 36 L. Ed. 294). The power 'to borrow money on the credit of the United States' is granted without express limitation (art. 1, sec. 8, clause 2). See *Legal Tender cases* (110 U. S. 421, 444, 4 S. Ct. 122, 28 L. Ed. 204). In taxing and making appropriations for the general welfare, Congress is not confined within the scope of the delegated powers but must merely act in furtherance of general or national as distinguished from local purposes. *U. S.* v. *Butler* (297 U. S. 1, 65, 56 S. Ct. 312, 80 L. Ed. 477, 102 A. L. R. 914). And the power to borrow can be subject to no other or greater limitation."

In *United States* v. *Brooks* ((W. D. Wash. 1939) 28 F. Supp. 712), the court stated:

"If aiding business establishments and farmers, through loans, is within the ambit of governmental authority, aids to improve housing certainly are. For, in these days of congestion of population, nothing is more conducive to the health and contentment of the community than proper housing."

Insofar as a Federal housing program may relate to the eradication of conditions brought about by World War II, the war power of Congress (art. I, sec. 8, clauses 1, 11–16) will support legislation seeking to eliminate the deficit in housing which was largely caused by heavy demobilization and by the necessary cessation or reduction in residential construction during the period of hostilities. See *Woods* v. *Cloyd W. Miller Co.* ((1948) 333 U. S. 138). The war power "includes the power 'to remedy the evils which have arisen from its rise and progress' and continues for the duration of that emergency." (Ibid.) Nor does the fact that actual hostilities have ceased toll the authority of Congress to remedy conditions brought about by the conflict. (Ibid.)

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An Aroused Citizenry Oppose CVA

EXTENSION OF REMARKS

OF

HON. JOHN SANBORN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. SANBORN. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include three editorials from Idaho newspapers giving the view of the citizens in my State in regard to the proposal of the administration to establish a Columbia Valley Authority.

I firmly believe that to represent the wishes of the people in the State of Idaho Members of Congress will defeat any proposal for a CVA.

The editorials follow:

[From the Wallace (Idaho) Press Times of May 12, 1949]

THREE MEN AND YOU

Some pertinent facts relative to what the Northwest may expect if a Columbia River Authority is set up by the Federal Government were presented to members of Portland's East Side Commercial Club by Robert Ormon Case, nationally known Portland author and student, recently. They were facts that bring into sharp focus the relationship of the three individuals who would direct a CVA with each of us as individuals.

Commenting on the TVA, often used as a comparison for a proposed CVA, Mr. Case declared, "The annual timber cut in Tennessee could be handled by Oregon mills in 20 days." That gives a graphic picture of the immensity of the proposed CVA and the area it would control when compared to TVA, a fact that most folks have overlooked.

Mr. Case drove home five points of vital concern to every citizen residing in the vast region which would come under domination of the proposed CVA. Pointing out that the three-man board would have lifetime jobs and would be responsible only to the President, he outlined these five powers, which could and would be exercised in dictatorial manner:

1. Management of all projects affecting navigation, flood control, power production, and reclamation.

2. Control of all unexpended balances credited to all existing projects, such as Bonneville, Grand Coulee, etc.

3. Building any form of industrial plant it pleases and selling its products at any price it pleases in competition with existing industries.

4. Telling farmers what crops they may or may not raise.

5. Condemning any real or personal property in the Columbia Basin, at the board's own whim or discretion.

None has come forth to deny that such powers would not be given to the three-man board. None will. But protagonists of the CVA plan will attempt to minimize the results that may obtain in the actual exercise of the powers. That is but a smoke screen. Freedom comes at too high a price to gamble the loss of it upon the fickleness of individuals. The greater the power delegated to individuals or small groups, the greater becomes their zeal to use it to the hilt.

The price of winning the West still is too fresh in the hearts and minds of men to permit its great abundance to be taken away from them in one fell swoop by Government fiat. The vast majority of citizens of the Northwest want and will have no part of a CVA.

[From the Post Falls (Idaho) Register of May 3, 1949]

A MOUNTING TENSION

There seems to be a mounting tension in the fight for and against a Columbia Valley Authority.

That is not so noticeable around Idaho Falls, where, we would guess, roughly 90 percent of the people are at present against the CVA. But it is easily discernible in the western part of the State where the Authority advocates have a well-organized program, and where you can get an argument started quicker than you can say scat.

Alined against this legislation are the water users, the livestock and mining interests, the power companies and the governors of all the States involved in the proposed CVA. On the other side we find Senator GLEN TAYLOR, an aggressive pro-CVA organization, and chiefly Washington officials and other easterners.

To us, as well as to others, it would appear that the Northwest States, which would be affected, are pretty much against the plan, while its proponents consist of a minority in this area, and a majority outside the area. The Spokane Spokesman-Review, one of the larger papers published in the Northwest, has some editorial thoughts on this matter, which we believe will present an interesting view of the controversy to our readers. We reprint their editorial here.

"One of the several Government office holders who constitute the chief backers for the idea of a Columbia Valley Administration has sent the Spokesman-Review copies of editorials from three Washington, D. C., newspapers and the New York Times. Those editorials support the CVA idea and are all for putting it into effect promptly.

"In almost the same mail there arrived another budget of editorials, all clipped from the Pacific Northwest newspapers and forwarded by the Pacific Northwest Development Association. They were all as uniformly skeptical as the eastern newspapers were satisfied with the idea.

"To the Spokesman-Review this is significant of the whole alinement on the CVA question. The push and the promotion for CVA all comes from outside the region, save for the little group of Democratic Members of Congress from here who are working with the administration to create a CVA. The fact that spokesmen in Washington, D. C., and in New York City want a CVA is not convincing evidence that we here should open our arms to it. On the contrary, it is reason why we should examine it still more closely.

"The governors of the States most affected by the CVA proposal are against it. Most of the region's Congressmen will probably be against it. Most of the area's newspapers are either against it or await further evidence that it is necessary or desirable.

"Suppose we in the Northwest should start a move for a Potomac Valley Administration, to be managed from here, but with some members of the governing board to be chosen from the population of Washington, D. C., in order to give them a voice in management? From many sources we hear that the Potomac region is backward, wasteful, and inefficient. Our Potomac Valley Administration would see to it that things were changed in the National Capital. We would coordinate the existing agencies and shape things to the pattern of our own ideas.

"If we were to propose that, perhaps the people who are sponsoring the CVA from the National Capital would understand a little better the feeling that we have for their proposal."

[From the Eastern Idaho Farmer of May 5, 1949]

THAT ARGUMENT'S GONE

One of the potent arguments which proponents have advanced to support their approval of the creation of a Columbia Valley Authority has been the matter of speed. It has been argued that a CVA would expedite the development of reclamation, power, and navigation possibilities on the Columbia River.

That contention was right—if CVA was to be patterned after the Tennessee Valley Authority. For TVA is self-financing. It started with an initial appropriation and built its empire with bonds.

But the bill now pending in the Congress of the United States designed to create a CVA must submit annual reports to the Congress. The reports detail financial operations, progress made on its program, and enumerate projected public works together with cost estimates. On that basis, Congress will provide the appropriation for pressing that program.

That's exactly what we have now. The Reclamation Bureau and Army engineers can't move one bit faster than the money which Congress appropriates permits.

And CVA under the present bill will be dependent upon the same source for its money.

It seems unlikely that Congress will be more liberal in dishing out cash for Columbia Basin development for a CVA than it would be for funds for the engineers and Reclamation Bureau.

Confederate Memorial—Robert E. Lee and Jefferson Davis

EXTENSION OF REMARKS

OF

HON. JOHN E. RANKIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. RANKIN. Mr. Speaker, under permission granted me to extend my remarks in the RECORD, I am inserting an address which I delivered over the radio on Saturday, June 4, as a part of the memorial services of the Daughters of the Confederacy.

It reads as follows:

Mr. RANKIN. My fellow Americans, I am speaking to you at the request of Mrs. Mayde Howell Smith, chairman of radio service for the District of Columbia United Daughters of the Confederacy.

As everyone knows, yesterday, June 3, was the one hundred and forty-first anniversary of the birth of Jefferson Davis, the President of the Confederate States, and one of the outstanding leaders of all time.

Ever since the close of that unfortunate conflict the glorious Daughters of the Confederacy have conducted their memorial services on the anniversary of his birth.

In fact, they are responsible for the first Memorial Day. On April 25, 1866, just 1 year after the war closed, the Daughters of the Confederacy at Columbus, Miss., in the district which I have the honor to represent in Congress, while decorating the graves of the Confederate dead, also decorated the graves of about 40 Federal soldiers who had been buried there.

The news of this incident spread throughout the country and brought from the pen of the Honorable Francis Miles Finch, a distinguished northern writer, a little poem called the Blue and the Gray, that will live as long as the Stars and Stripes continue to float over a free people; as long as the sweet strains of old Dixie shall continue to stir the southern heart with its sweet but melancholy pathos.

He said:

"By the flow of the inland river,
Whence the fleets of iron have fled,
Where the blades of the grave grass quiver,
Asleep are the ranks of the dead;
Under the sod and the dew,
Waiting the judgment day;
Under the one the blue,
Under the other the gray.

"These in the robings of glory,
Those in the gloom of defeat,
All with the battle blood gory,
In the dusk of eternity meet;
Under the sod and the dew,
Waiting the judgment day;
Under the laurel, the blue,
Under the willow, the gray."

He closed with this verse:

"No more shall the war cry sever,
Or the winding rivers be red;
They banish our anger forever
When they laurel the graves of our dead!
Under the sod and the dew,
Waiting the judgment day;
Love and tears for the blue,
Tears and love for the gray."

From that incident came our Memorial Day, which the country as a whole observes on May 30, and which the Daughters of the Confederacy now observe on June 3.

Almost a century has passed away since the end of that unfortunate conflict. The people of the South are glad that human slavery has disappeared. They were not responsible for it in the beginning. But be it said to their everlasting credit that they did more for the colored race in teaching them the rudiments of civilization and showing them for the first time the light of Christianity than any other people have ever done in all the ages past and gone.

We are glad our country is reunited. We hope it will forever remain so. If those men who wore the blue, and the ones who wore the gray in that unfortunate conflict, could come back today and see what is going on, in my opinion they would throw down their arms, embrace each other, and say, "Let's get together and save our country from destruction at the hands of those insidious alien influences that are now attempting to wreck our Government, trying to undermine and destroy the American way of life, and striving to wipe Christianity from the face of the earth."

They would say, "Let's join hands in combating those pernicious influences, in order that we may save America for Americans, and perpetuate those blessings of liberty, freedom, and Christianity which have been handed down to us by the heroes, patriots, and statesmen of former generations."

On yesterday, with the Daughters of the Confederacy, I stood before the statues of Jefferson Davis and Robert E. Lee in Statuary Hall in the Capitol. As I looked upon their majestic figures, my mind ran back across the years, and I recalled that although Lee and Davis were together almost every day during the 4 years of that horrible war, I have never seen where Lee ever criticized Davis, or where Davis ever criticized Lee. They were two of the greatest Christian leaders of all time, and their majestic figures in Statuary Hall represent all the brave Confederate soldiers who went through 4 years of that war and 20 horrible years of reconstruction.

The world has never seen greater soldiers in times of war or greater citizens in times of peace than those brave men who wore the gray in that War Between the States.

With all deference to our other great heroes, I feel perfectly safe in saying that Robert E. Lee was the greatest commander the world has ever seen.

In paying my humble tribute to him and to Jefferson Davis, I include their brave followers and the noble women of the Confederacy.

Senator Ben Hill, of Georgia, once said:

"When the future historian shall come to survey the character of Lee he will find it rising like a huge mountain above the undulating plane of humanity, and he must lift his eyes high toward heaven to catch its summit. He possessed every virtue of other great commanders without their vices.

"He was a foe without hate, a friend without treachery, a soldier without cruelty, a victor without oppression, and a victim without murmuring.

"He was a public officer without vices, a private citizen without wrong, a neighbor without reproach, a Christian without hypocrisy, and a man without guile.

"He was a Caesar without his ambition, Frederick without his tyranny, Napoleon without his selfishness, and Washington without his reward.

"He was obedient to authority as a servant, and royal in authority as a true king. He was gentle as a woman in life, modest and pure as a virgin in thought, watchful as a Roman vestal in duty, submissive to law as Socrates, and grand in battle as Achilles."

In the words of Oliver Goldsmith—

"As some tall cliff that lifts its awful form
Swells from the vale, and midway leaves the storm—
Though round its breast the rolling clouds are spread
Eternal sunshine settles on its head."

He stands today the most commanding, the most masterly, the most serenely inspiring figure upon the horizon of human history.

In a book written by Maj. Gen. Federick Maurice, of the British Army, in 1925, he compares Lee with Wellington and all the other great English generals, from Marlborough down, and winds up by placing Lee above both Marlborough and Wellington as the greatest commander of the English-speaking race.

Jefferson Davis, the President of the ill-fated Confederacy, was one of the most remarkable men this Nation has ever produced. When he was on the western front as a colonel in the Black Hawk war, he swore in a young captain of infantry from Illinois by the name of Abraham Lincoln, and together they fought and won that conflict.

I believe, if Davis and Lincoln were here today, they would again join hands in combatting the evils of communism, the greatest menace our Christian civilization has ever known—a menace that threatens the safety of our Nation at home as well as abroad.

Hon. Caleb Cushing referred to Jefferson Davis as being "eloquent among the most eloquent in debate, wise among the wisest in counsel, and brave among the bravest on the battlefield."

He went through the horrors of war and reconstruction, in which he manifested courage, wisdom, strength, and ability unsurpassed, and never wavered in his devotion to those principles for which he fought and suffered, but stood at all times as—

"* * * constant as the Northern Star
Of whose true-fix'd and resting quality
There is no fellow in the firmament."

As Bishop Galloway once said of him:

"Marvelous, many-sided, masterful man, his virtues will grow brighter and his name be writ larger with each passing century. Soldier, hero, statesman, gentleman, American—a prince of Christian chivalry, the uncrowned chief of an invisible republic of loving and loyal hearts—when another hundred years have passed no intelligent voice will fail to praise him and no patriotic hand will refuse to place a laurel wreath upon his radiant brow."

So we have come today to lay the flowers of filial love and affection at the feet of these great men and to place wreatha upon the graves of our heroes of the past as symbols of their laurels of fame that will live and brighten with the passing years, as a great southern poet once said:

"Till the sun grows cold,
And the stars are old,
And the leaves of the Judgment Book unfold."

God bless their sacred memories.
God save America.

Townsend Club Petition

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. HILL. Mr. Speaker, following is a petition signed by members of Townsend Club, No. 3, in the Second Congressional District of Colorado, and I wish to present this as evidence of the interest in the passage of H. R. 2136:

We, the undersigned citizens of the Second Congressional District of the State of Colorado, respectfully request the passage of H. R. 2135 and 2136 known as the Townsend Plan and respectfully request your cooperation and help.

Mrs. Minnie Decker, C. W. Wilson, Mrs. C. W. Wilson, Mrs. G. C. Hougham, Duane Hougham, Mrs. M. R. Jeffers, Mrs. J. L. Clark, Mrs. D. Mundy, Mrs. I. P. Nelsen, A. Charvat, Jack Clayton, Peter Meyer, Mrs. Marie Meyer, K. S. Pennell, Frank Master, Mrs. Samuel Croy, Samuel Croy, Jesse Beets, Ollie Beets, Kathrine Kechter, Norman Lesser, Mrs. Jack Griffin, E. Hammond, Vera Hammond, Delbert W. Ringsted, Helen Ringsted, D. R. Littlefield, A. B. Redd, B. G. Redd, Doris Redd, Mae Redd, W. C. Stein, F. J. Olson, Fort Collins, Colo.; Frank Burk, Wellington, Colo.; B. L. Knodle, L. C. Sample, Mrs. L. C. Sample, Mrs. A. M. Sandburg, W. F. Bentlage, Mrs. Millie Meier, J. A. Cameron, Mrs. J. A. Cameron, Mrs. Frank Wrather, Mrs. B. L. Knodle, Mrs. Velma Irvin, Howard Irvin, A. J. Delay, W. E. McKinney, W. C. Hawley, James M. Depew, Guy H. Payton, Guy Payton, M. O. Buchanan, Mason C. Kuhre, Alfred Dragon, Louis Nelson, May D. McDowell, Lilah J. Bishop, Peter Boyer, Fort Collins, Colo.

Thomas Rose, Mrs. Thomas Rose, J. M. Ireland, Mrs. J. M. Ireland, Mrs. Thomas R. Johnson, Thomas R. Johnson, G. O. Stakebake, Mrs. Elsie Miller, James Walker, Floyd Miller, Mrs. Reid Langston, Reed Langston, Mrs. R. G. Miller, R. G. Miller, E. E. Widger, Mrs. N. Metcalf, N. Metcalf, J. W. Henderson, L. M. VanSickle, Mrs. L. M. VanSickle, Lee Miller, Ruth Miller, W. P. Barker, Alice Barker, Bellvue, Colo.; C. L. Lyon, Mrs. C. L. Lyon, C. H. Gausman, Mrs. C. H. Gausman, R. Sitzman, Charles Andersen, Mrs. Charles Andersen, L. D. Lawrence, Mrs. L. D. Lawrence, George Schaer, Lillian Schaer, Mrs. M. Stewart, Nis Andersen, A. W. Adam, Jasper Jensen, Paul S. Moe, Ella Moe, Myron Wescott, Inez M. Yates, E. O. Yates, Maria S. Christiansen, Jessie M. Thompson, Logan Neal, J. O. Beeler, Lawrence M. Miller, Mrs. Lawrence Miller,

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Clarence Miller, Pearl T. Miller, James T. Harrah, Evie J. Harrah, Gerald Fitzgerald, Mary C. Wolfe, George Wolfe, Fort Collins, Colo.

H. E. Clark, Addie M. Scott, J. M. Owens, Lillie M. Owens, Mrs. R. D. Kimball, Clyde Kimball, Beth Kimball, C. A. Whallon, F. E. McGuire, Delva L. McGuire, Alta M. Stoker, Mrs. R. D. Morton, George Chaffee, David B. Thompson, Fort Collins, Colo.; J. W. Ramseier, Bellvue, Colo.; F. J. Deeming, Mrs. F. J. Deeming, Mrs. Grace Neal, Ruth Beebe Matthews, George Matthews, Vance Phipps, James A. Torrence, H. Buchert, George Stanfill, A. W. Daffin, K. P. King, A. S. Wilcox, Hallie M. Wilcox, Mary Neergaard, Mabelle Parker, Lula Marsh, James A. Torrence, Maude B. Torrence, Lillian Dugan, Augusta M. Desjardins, M. B. Leonard, Ellen Romero, Lucy Pacheco, Lucile Bakken, Mrs. D. Whittington, Mrs. William Jepson, Mrs. C. E. Larson, Mrs. Ray Wessels, M. I. Dodsen, Mrs. Ethel Kimble, Mollie Andrews, B. C. Andrews, R. S. Tingey, Nellie H. Tingey, Mattie L. Rhoten, Anna C. Soderman, Joe Soderman, Roxie Mershon, C. N. Mershon, Fort Collins, Colo.

T. R. Colgan, Mrs. Colgan, Mrs. Docia Lamb, Mrs. Crystel Carder, Mrs. H. L. Albright, H. L. Albright, C. C. Stobbe, Mrs. C. C. Stobbe, Jesse W. Mason, Rosa Langston, Elzie Willey, Roy V. Likens, Lizzie M. Likens, L. R. McColloum, Mrs. Alice McColloum, Mrs. Charles Dixon, Mr. and Mrs. M. A. Osborn, Mrs. Sarah L. Nason, J. S. Nason, Claude L. and Vilet Silver, Mrs. Suan Verhusen, Mrs. Sean Meyers, E. T. Philbert, Mrs. N. C. Pearcy, Josephine McNey, O. C. Tankersley, Jewell Tankersley, Ethel King, Mrs. William G. Oliver, Mrs. Elizabeth M. Oliver, Mrs. Elizabeth Robbins, J. R. Robbins, Bessie B. Campton, Gus G. Campton, H. E. Holcomb, Mrs. Nettie Holcomb, Pete Sorenson, Mrs. E. Cox, C. M. Rife, F. R. Rife, C. L. Rife, Mrs. W. Paynter, A. W. Martz, Verna Hill, G. M. McPhillips, Mrs. Betty McPhillips, Jessie M. McPhillips, Vernon L. McPhillips, B. H. Wombacker, Dorothy E. Wombacker, T. W. Smith, Mrs. T. W. Smith, Walter Borgen, Myrtle Downing, W. J. Layland, Fort Collins, Colo.; George Macfarlane, Wellington, Colo.; Mrs. E. S. Dunn, J. C. Blevins, Grace Hamilton, Fort Collins, Colo.

Hale Alexander, Fort Collins, Colo.; W. A. Oldenburg, Carr, Colo.; C. C. Shelenberger, W. A. Phipps, J. H. Fritz, Lula Crook, V. K. Pfeifer, Mrs. C. M. Garrett, Mrs. Mary E. Hutson, Mrs. A. Valentine, Florence Shryack, Mrs. Tessa Brown, Mrs. S. Undem, Mrs. Nellie Harroun, Mrs. Chas. Tresner, Florence Lyman, Daisy Lyman, H. F. Hessenflow, Mary Horsley, James C. Larson, Charles M. Tresner, Swan Undem, Henry Henkel, Mrs. Charles Schelenberger, Chas. H. Bohnke, Mrs. P. H. Turley, Conrad Sitzman, J. P. Freshour, A. J. Miller, Mrs. Cora M. Miller, Dr. H. M. Cobb, Mrs. Mabel Weinle, Wm. Weinle, J. W. Meitler, Mrs. Belle Meitler, Mrs. Anna Meitler, Marshall Barkley, Fort Collins, Colo.

The Clerk-Hire Bill

REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, I understand that the bill, H. R. 4583, which has to do with this additional clerk hire, is now on the Speaker's desk. Am I correct? Can it be assumed that any Member can at any time submit a consent request that conferees be appointed? Or will the House leadership not recognize such a request? It is up to the Speaker, but I thought maybe the gentleman from Massachusetts had something to do with it.

The SPEAKER. The Chair would think that the last statement made by the gentleman from Michigan was correct.

Mr. HOFFMAN of Michigan. I do not quite understand.

The SPEAKER. The matter of recognition would be up to the Speaker.

Mr. HOFFMAN of Michigan. What would the procedure be should a Member submit such a consent request?

The SPEAKER. The Chair will meet that issue when it arises.

Mr. HOFFMAN of Michigan. It would seem, then, that those who are opposed, in order to get the floor, will have to stay here on the floor all the time.

The SPEAKER. I was elected to stay here; I do not know what the situation is with the other Members.

The Brannan Plan

EXTENSION OF REMARKS

OF

HON. FRANCIS CASE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. CASE of South Dakota. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast over the Columbia Broadcasting System on Sunday, May 1, 1949:

ANNOUNCER. Dwight Cooke, chairman of Columbia's weekly discussion program, People's Platform, opens today's debate on the question: "Should the New Farm Plan Be Adopted?" Again, the People's Platform comes to you from Washington. Mr. Cooke's guests are Ralph S. Trigg, Administrator of the Production and Marketing Administration of the United States Department of Agriculture, and President of the Commodity Credit Corporation; and Representative FRANCIS CASE, Republican, of South Dakota, rancher and member of the House Appropriations Committee.

And now we hear from Dwight Cooke.

Mr. COOKE. Well, gentlemen, we might try to skip both the broad speeches and the complicated technicalities of this idea and get right down to the meat and, for that matter, to the eggs and the vegetables and the milk of this new farm idea. Briefly, where it's completely different from anything we've been doing in this area is in the area of perishable crops—these meats and eggs and milks and vegetables. Instead of holding the price of eggs up to a certain level, the way the present farm price support-program works, the idea is that these things we buy and need to eat in the cities would fall to their regular demand and supply market price, whatever the farmer could get. But, whenever this market price to the farmer was too low to give him a fair profit, the Department of Agriculture would pay the farmer cash to make up the difference.

All right, Mr. Trigg, you might well be the administrator of this program, if Congress passed it. Did I do fairly in describing this somewhat complicated baby?

Mr. TRIGG. Yes, I think you did, Mr. Cooke. I think that the program does provide for the extension of definite price supports to commodities not heretofore covered well enough, such as milk, meat, and other perishables. And I might say that these perishable commodities, this whole group, provides for about 75 percent of the farm income, and it is important that the consideration be given to these commodities and at the same time the consumer be taken into consideration.

Mr. COOKE. Well, you know, the way I described it, Mr. Trigg, it could almost sound like having your cake and eat it, too. The farmer gets a fair profit and we get cheaper food. Somebody pays for it, doesn't he?

Mr. TRIGG. Why, of course, Mr. Cooke. And let us not forget that we're not comparing this program with no program at all, but remember we have a program on the books now, one that Congress has passed some time back and the country has adopted, and that program is going to cost money. So, if we compare them, it's one program against another program, and not this one against no program.

Mr. COOKE. A better way of achieving the same long-range objectives, in other words.

Mr. TRIGG. That is right. Yes, sir.

Mr. COOKE. Is that the way you see it, Mr. CASE?

Mr. CASE. Well, except that it isn't necessarily a comparison of this particular program with the program which is in existence at the present time. And I just wonder how you actually can talk about eliminating the complications and technicalities of a program when you start out by saying that you waive those. Actually, one of the things that is bothering a great many people about the proposal that has been voiced by Secretary Brannan is the very fact of its technicalities and details.

Mr. COOKE. You mean, you aren't sure what will happen under this kind of a complicated plan?

Mr. CASE. And I don't think the country knows, that's true. Why, just this week, for example, I got a telegram from the president of the South Dakota Livestock Growers' Association, very much alarmed over the proposal to initiate the program by trying it out on hogs, giving a trial run on hogs. He pointed out that there is a definite relationship between meat prices, and that if hogs, for example, were to go to 5 cents a pound that you'd have the biggest panic in this country that can be imagined.

Mr. COOKE. Mr. Trigg.

Mr. TRIGG. Well, Mr. CASE, I don't believe that anyone would ever assume that prices of hogs go to 5 cents a pound, as we now know it. Now, of course, you can't work out the details and technicalities of any broad program such as this one and lay them all out one by one, until experience has taught us a few things. But in connection with this proposal to make production payments for hogs, which we now have submitted to the Congress and have asked Congress to take action on, I don't believe that that's going to present a great deal of a problem. It's a matter of taking what we would normally spend in the way of purchasing pork in the market, taking it out of the market, it's a matter of taking that amount of money and making payments direct to the farmer to insure that he gets 90 percent of parity.

Mr. CASE. Well now, let's see. The Commodity Credit Corporation has some corn loans hasn't it?

Mr. TRIGG. That is correct. Yes, sir.

Mr. CASE. What will happen to the value of those loans if hogs drop off abruptly?

Mr. TRIGG. I don't know that anything will happen to them, Mr. CASE. The Commodity loan will still have its value.

Mr. COOKE. For a connection for people who don't have hogs and corn, you feed the corn to the hogs. And if you aren't going to

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get much money for the hogs, you can't afford to pay much money for the corn.

Mr. CASE. And, historically, it's always been recognized that there's a definite relationship between the price of hogs and the price of corn and vice versa.

Mr. COOKE. And the price of pork chops.

Mr. CASE. And the price of pork chops.

Mr. TRIGG. Well, of course, Mr. CASE, any program that we design in connection with hogs naturally takes in the feed relationship between corn and hogs and the price of corn and the price of hogs.

Mr. CASE. All right, Mr. Trigg, but there's also a relationship between meat prices. Now, the thing that Mr. Horgan, who wired me, was worried about was the effect on the cattle market. He said that already the cattle market has dropped off in the last 2 weeks, since this suggestion came out, because it is realized that if the price of pork chops goes down, then the consumer isn't going to be so much interested in buying beef. And if not interested in buying beefsteak and the prices of cattle go down, then the banks that have loans on cattle are going to worry about those loans.

Mr. TRIGG. Well, it seems to me, Mr. CASE, that you're assuming that the consumer is going to eat pork and beef at the same time and in the same quantities. And I don't think that is absolutely correct.

Mr. CASE. No; it doesn't assume that at all.

Mr. COOKE. Sounds like a nice idea, from the consumer point of view.

Mr. CASE. It's quite the contrary all around, Mr. Cooke. As a matter of fact, he isn't going to eat both beefsteak and pork chops at the same time. But if he can buy the pork chops at a price considerably below what will buy beefsteak, he will stop buying beefsteak; beefsteak will go down sharply; your loans on cattle aren't worth so much, and you have a first-class panic all over the country.

Mr. COOKE. I thought that's where this idea came in and paid the difference to the farmer, so it didn't go down. (Speak simultaneously.) I guess I'm wrong.

Mr. CASE. But the suggestion now is that you start out by giving a trial run on hogs and doing nothing so far as the cattle are concerned.

Mr. TRIGG. It isn't necessarily a trial run for this program, Mr. CASE. We're faced right now with the possibility of going into the market and buying pork and pork products from the packers in order to assure that the farmer is returned 90 percent of parity on hogs. Now, there is no other method available to the Department at the present time, except to buy the pork and pork products from the packer in order to support the price of hogs.

Mr. COOKE. I wouldn't want a listener to beef, because this idea of hogs and corn and beef was hogging the whole program, gentlemen. Something went past my ears a few moments ago, maybe we ought to focus on first here. Mr. Trigg is saying that this new idea is just a better way of achieving an objective which he is for. The question that maybe we should look at very sharply here: Are you, generally, for this same objective he is?

Mr. CASE. Well, Mr. Cooke, there's no difference in objectives, so far as I know, between sincere people on trying to establish a proper relationship between the producer of food and the consumer of food.

Mr. COOKE. Is it fair to ask you what "proper" means?

Mr. CASE. Well, prices are all relative, and the aim of the old parity program was to achieve a buying power for the farmer on the basis of what he produced that bore a fair relationship to the price of what he had to buy.

Mr. COOKE. So, both of you are agreed that the farmer, one way or another * * *

we should attempt to hold the farm income to that kind of level.

Mr. TRIGG. Well, Mr. Cooke, that's been the purpose of this farm program over the past year, to return to the producer a fair price for his products. True enough.

Mr. CASE. Now, of course, Mr. Trigg, there are two ways that this matter could be approached. Mr. Cooke is bringing in the consumer angle, and that's a proper angle. But a great many farmers are asking me this question: Well, why not reverse the process? If this is to subsidize the food bill so that the consumer can buy his food below the cost of production, why not give the check to him? That is, give the check to the consumer so that he can pay a price that represents the cost of production.

Mr. TRIGG. I think if you will, Mr. CASE, look at the technicalities and difficulties of any such program as that, I believe they would be insurmountable. Whenever you would have to distribute any such payment as that to 140,000,000 consumers in this country, I don't believe it could be done. I don't think the Congress would ever approve any such mechanism as that. However, you're in a much better position to judge that than I.

Mr. COOKE. Wasn't the old blue-stamp program somewhat of an effort in this direction?

Mr. CASE. Of course, Mr. Cooke, that was what was running through my mind as Mr. Trigg was speaking. That the food-stamp plan was essentially that. However, there the distribution of food stamps was to those who had an income that was below normal.

Mr. TRIGG. Well, we feel, Mr. CASE, that you can do much more, or just as much, at least, with the method of production payments in the way of getting better food and more food to the consumer under this program than you can with a food allotment or food-stamp program, such as you mention.

Mr. CASE. But one difficulty about it, Mr. Trigg, is that it's hard to be really friendly to the farmer and lay upon him the onus of receiving a check from the Treasury, when as a matter of fact, it's a move to subsidize the cost of food at a cost below production.

Mr. TRIGG. Well, that in a sense may be true, Mr. CASE. But we haven't found any farmer actually running from a check that he has received from the Federal Treasury. And, after all, this is a method to get direct into the hands of the producer a check for what he produces and not necessarily guarantee the market or the margin of some of these other producers or packers, and so forth.

Mr. CASE. Mr. Cooke, if you were to give farmers, as I know them, the choice between getting their price in the market place and getting it by means of getting a partial price, representing part of the cost of production, and then later on getting a check from the Treasury, they would go for the first and say, "Give us our price in the market place."

Mr. COOKE. In other words, you think the farmers would much rather have the consumer get the subsidy.

Mr. CASE. Yes; because the farmer regards it as a subsidy, because it means that he's asked to sell his food at something less than the cost of production.

Mr. TRIGG. This, of course, is an effort to go at it in a direct manner, to get the producer the cost of his production or to get him the support price on this, and not to give it to someone who's between the consumer and the producer, in this case. And we have also had a number of farmers say that they are in favor of such plan because it does that very thing, Mr. CASE.

Mr. CASE. Well, now, of course, when we're talking about consumers and farmers in this regard, Mr. Trigg, it seems to me that we're overlooking the fact that both of them are taxpayers. And I do not see how we can consider the question without considering the effect on the taxpayer. Has any estimate been made yet on the cost of this program?

Mr. COOKE. That little four-letter word c-o-s-t makes a lot of trouble.

Mr. TRIGG. Well, Mr. Cooke and Mr. CASE, of course, that is a big item in this program, but as I explained, it's a big item in any farm program, in an effort to stabilize the income of the farmers.

Mr. COOKE. Have you any idea of what kind of a level of cost is involved in either kind of program?

Mr. TRIGG. There is no exact way of estimating the cost of either of these programs, and that is one of the reasons why Congress has made the flexible Commodity Credit Corporation operate in the manner in which it operates in order to discharge its responsibilities to the producers.

Mr. COOKE. Well then, are you asking Congress and the people to approve a blank check, because of an objective they're in favor of?

Mr. TRIGG. No, Mr. Cooke. That isn't it at all. As a matter of fact, the Secretary the first of this week presented to the Congress or the Committee on Agriculture in the House the difference in cost between making these production payments and supporting the prices under our present system on a number of commodities.

Mr. CASE. But, of course, the determination of any price requires going into the things that make up a price; it requires going into wages, transportation, other raw materials, steel, iron, things that go to make fences, go to make farm machinery and——

Mr. COOKE. Because until you know what the farmer pays for those, you don't know what is a fair price for the eggs his hens lay.

Mr. CASE. That's correct. And, as I understand it, there's to be some sort of a complicated form of a price index that will be based upon prices over a 10-year average, which expired 1 or 2 years prior to the time at which that index has applied.

Mr. TRIGG. Well, Mr. CASE, this is true. There is a new formula, so-called, in this present proposal which takes into consideration the purchasing power of the farmer, which it is not in the national interest to permit such farm-purchasing power to fall below; in other words, it sets up a definite figure in relationship to the total national income and says it is not in the interest of the national situation to let it fall below that.

Mr. CASE. And certainly I agree with that as a matter of principle, that it is not in the national interest to let the farm income fall below a desirable level.

Mr. COOKE. Well now, wait a minute. There are a great many people who might wonder about that agreement in principle you two gentlemen have. In effect, you're both in favor of a system whereby, a good many people might argue, alone of the great groups in the economy, the farmer is guaranteed a fair profit. Now, that doesn't happen anywhere else in the system, does it?

Mr. CASE. Well, but I might point out, Mr. Cooke, that it would be just as logical to approach this whole problem by saying we're going to have a guaranteed income for a painter or a bricklayer or a newspaper reporter or a radio columnist.

Mr. COOKE. That's exactly what I was bringing up. Is that what we should do, then? And if not, why should we only do it with farmers?

Mr. CASE. That's a question I'd like to ask, except that I'd want to point out this also, that the total national income of the country bears a very definite relationship to the farm income. Historically, it's been about 7 to 1.

Mr. TRIGG. And vice versa, Mr. CASE, the farm income bears a definite relationship to the total income.

Mr. CASE. That is true.

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Mr. COOKE. And vice versa, the manufacturing income bears a relationship to the total income, too, and the labor income bears a proportion. What's the difference——

Mr. CASE. It flows out of the income which comes from the production of food; because the production of food is basic.

Mr. TRIGG. Absolutely. The production of food is basic. And we can go a long time in this country without probably painting all of our buildings, but we can't eat that paint. We must have things to eat.

Mr. CASE. That's right. Mr. Trigg and I agree, I think, that farm income, the stability of farm income is important to the national welfare, but when you attempt to achieve a stability of farm income by making a guaranteed wage and apply it individually, why, then the question arises as to, well, what about this particular individual who isn't quite as thrifty, or who isn't quite as efficient.

Mr. TRIGG. I believe, Mr. CASE, that would be taken care of by the efficient manner in which a producer markets his products or produces them. And I believe that that is all taken into consideration.

Mr. COOKE. Well, is that a basis of judging how much you'll pay him in cash payments?

Mr. TRIGG. Certainly. Certainly, he will not be paid what he gets; he will be paid, Mr. Cooke, the difference between the average of what the market is, or what is received in the market place in which he markets his products and what the support standard would be.

Mr. CASE. Now, then, Mr. Trigg, if we're going to have an average price, obviously some of the price received is below that average and some is above. The man who doesn't get the average will be paid enough to bring him up to the average, presumably. What about the man who is efficient enough and produces better grades and gets a price which is above the average?

Mr. TRIGG. Well, Mr. Case, should we penalize the efficient producer in this country?

Mr. CASE. Well, that's what I'm afraid that you propose to do. You propose to have him establish a higher price and tax him to pay support prices to the man who isn't so efficient.

Mr. TRIGG. No; his top price or the better price that he gets for his products will benefit him in two ways—as an individual and also in helping lift the average price.

Mr. COOKE. You're getting over my head here, gentlemen. You're lifting all sorts of different prices and payments to different people. What's the principle involved once more, Mr. Case?

Mr. CASE. Mr. Cooke, that illustrates exactly the kind of a proposition you're working with. Every farmer is going to be asking the same question that you just asked. And he's going to ask, well, will the Government please come out and keep books for me, so that I can tell whether or not I'm entitled to a support price and, if so, how much.

Mr. TRIGG. I don't believe he will, Mr. Case, if I may disagree with you. I don't believe that any farmer wants the Government to come out and keep books for him, and certainly the Department of Agriculture doesn't want to do that. And I don't believe it'll be as serious or as complicated as might have been indicated.

Mr. CASE. Well, I certainly hope not.

Mr. TRIGG. But let me ask you this, is there any other group in the country that doesn't have the opportunity to set the price of his finished product, except the farmer? Isn't he the only one that doesn't set the price of his product in the market place?

Mr. CASE. That may have been true, historically, but it doesn't necessarily need to be true. If we would get away in this country from the idea that we've got to bring the prices in this country down to a world level; if we would recognize that the American farmer, who produces in the American market, for a protected American worker, for a worker who has the highest demands in the form of social security and wages, if we would get away from the idea that we have to produce food for him at a world level and maintain wages and a standard of living above the world level and recognize that protection should go both ways, we wouldn't get into that kind of a predicament.

Mr. TRIGG. Mr. Case, if I understand you correctly, I think this program that the Secretary of Agriculture, Mr. Brannan, has presented to the Congress does that very thing. It attempts to establish a level of income for the farmer, in which it is not in the national interest to let it fall below that level.

Mr. CASE. Unfortunately, though, it puts the farmer, in approaching the thing—and bear in mind that I'm not opposed to the objective; I want the farmer's income to be at a proper level, so that the national income will be at a proper level—but I don't like that feature of the program which puts the farmer in the position of a mendicant or a suppliant to get a part of his income out of the Federal Treasury, rather than in the market place.

Mr. TRIGG. Well, I think you're assuming, Mr. Case, that he's going to get all of his income * * * that this entire program is to work through the production payment method. That is not the case. On all of the big commodities, such as cotton and corn and wheat, on those commodities we will continue to make loans in the same manner that we have in the past 15 years or so.

Mr. COOKE. A matter which is perhaps not under particular debate here, this whole flexible parity formula. But, Mr. Trigg, I haven't asked you this question: Suppose this kind of a program were in effect, is there any control whatsoever on how many eggs the farmers of this country produce?

Mr. TRIGG. There is no control on it now, no, Mr. Cooke.

Mr. COOKE. Under your program would there be?

Mr. TRIGG. Under any program, whether it's this one or any other program, I think we've got to look forward to some sort of a production control. I don't believe that the farmer wants to just produce and produce and have no market and have the price fall out and expect the Government to take and destroy the surplus commodities. I don't think the farmer wants that. He will regulate, himself, as he has done in the past——

Mr. COOKE. I thought he has often overproduced, when he had a chance to do it at a profit.

Mr. TRIGG. No, I don't think that's exactly correct. I think you'll find that in periods of low, depressed prices, Mr. Cooke, the farmer has continued to produce in order to make enough to pay the cost of operating his plant. I think Mr. CASE would find that the case in his * * * the situation in his own ranch. If the price of cattle goes down he may have to try to raise more of them in order to meet the out-of-pocket cost. Farmers are inclined——

Mr. COOKE. You still feel that the Government, via the Department of Agriculture will have to control the long-range production levels over the country.

Mr. TRIGG. Well, certainly, the effort must be made to bring supply in line with demand. I don't think anybody wants an unlimited amount of production in this country.

Mr. CASE. Well, we aren't going to quarrel on that. That is, if you're going to have any support program that involves really substantially large supports, you're going to have to have some form of control of production, if you're not going to get unmanageable surpluses. But, personally, I believe that there should be other approaches to that. For instance, I think that any comprehensive agricultural program, Mr. Trigg, ought to encourage the development of new markets and new uses for agricultural products, and we ought not to depend entirely upon controls as a means of disposing of what the farmer produces.

Mr. TRIGG. Again, Mr. CASE, the Brannan proposal does exactly that, because this is based on a production of abundance; it isn't based on scarcity of any of these commodities. And one of the biggest markets we have here, of any place in the world, and particularly on our perishable commodities are in our own United States. We could produce an additional amount of——

Mr. CASE. Potatoes, for example?

Mr. TRIGG. No, I think potatoes is an exception.

Mr. COOKE. Practically a swear word brought in on a broadcast like this, isn't it, Mr. Trigg?

Mr. TRIGG. Well, it doesn't make us feel too good, because we've asked the Congress on several occasions to give us authority to control potatoes and we haven't received that authority.

Mr. CASE. As a matter of fact, I understand that the Potato Growers' Association, in May 1948, asked the Department of Agriculture to exercise the authority it had under existing law to reduce the support program for potatoes, and the Department finally, in November of 1948, did.

Mr. TRIGG. I think, though that you'll find, Mr. CASE, that the Department of Agriculture moved in to reduce the support price on potatoes at the very first opportunity, which was under the present legislation that we now have, that came into effect on the first of this year.

Mr. COOKE. How far are we getting into politics with this particular discussion, gentlemen. The Republican Party, and Mr. SCOTT, I think, just last week announced that the farm vote was the prime goal of the Republicans. You're a Republican, Mr. CASE.

Mr. CASE. Yes and, of course, I'm interested in the farm vote, but primarily I'm interested in seeing that we have a sound economy, and that means a sound agricultural income and it means a sound tax burden for the country, too.

Mr. COOKE. And as a Democrat, you feel very much the same way, Mr. Trigg?

Mr. TRIGG. Well, there's no difference between Mr. CASE and myself on this question of having a sound agricultural program as part of the total economy of this country. And that's what we're all working in a direction to do.

Mr. COOKE. Well, let me examine the principle involved here just one step farther, then. You both made the point that the farm income is vital to the whole general set-up of the country and you've made the point that food is far more important than some of the manufactured products. But it might be said, to get into a violently controversial area here, that doctors and medicine are just as vital as food. If the principle is that in such a vital area as food you're going to provide a special kind of a program and guarantee a profit, why shouldn't there at least be another equally vital area of the economy?

Mr. TRIGG. Well, Mr. Cooke, I think the administration has submitted some sort of a bill to Congress to maybe take care of some of those things that you've just spoken about.

Mr. COOKE. And you think this same principle operates as well in those areas?

Mr. TRIGG. Well, I'm concerned with agriculture primarily, and it's our responsibility to look out for the producer of agricultural commodities in this county, and there are plenty of other people that are capable of taking care of the other things.

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Mr. CASE. Of course, you're comparing two fields in which the situation is quite different. We have a scarcity of doctors. We want more there; we want an abundance. And perhaps the matter that you bring up illustrates the very fact that you can't get away from the effect of supply and demand when you're dealing with any human need.

Mr. COOKE. Well, the effort of this program is to get away from that, in effect, by covering the gap when it goes in the wrong direction, isn't it, Mr. Trigg?

Mr. TRIGG. I don't quite understand what you mean by that, Mr. Cooke.

Mr. COOKE. Well, if the demand gets reduced, that is, the price goes down, you keep an adequate supply going by keeping the price up to the farmer, although it stays down in the market.

Mr. TRIGG. Well, there's an effort being made here with the Brannan proposal to see that the taxpayer is not taxed twice by this production * * *? arrangement, that he doesn't pay for it in terms of tax dollars and at the same time pay a very high price in the market place. There's some effort to give the consumer——

Mr. CASE. In other words, he's to pay double taxes, so that he doesn't pay it the other way.

Mr. COOKE. I lost that. Say it in longer words, Mr. CASE.

Mr. CASE. Well, Mr. Cooke, under Mr. Trigg's explanation, he would pay part in taxes and part in the market place. But apparently the Brannan proposal is to have him pay double taxes and pay it all in one place.

Mr. TRIGG. No; I don't believe that's quite correct, Mr. CASE, because I think the old friend, potatoes, that you brought up a minute ago * * * it's clearly shown or can be shown that the price of potatoes in the market place could have been reduced substantially to the consumer and at the same time it wouldn't have cost any more than we're spending this year, which is a tremendous sum, some $225,000,000.

Mr. CASE. There's one thing I think should be explained, perhaps we don't have time to go into it now, but if you're going to take this 10-year average as a price index, what will happen when you have a price index based upon years like the thirties, where you had years of relatively low farm income, and then you go up against the buying prices of '41 and '42?

Mr. TRIGG. Well, Mr. CASE, there's a 2-year lag period in this formula for that very purpose.

Mr. CASE. That's what I'm afraid of, that 2-year lag, applying the level of the thirties against a cost level of '41 and '42.

Mr. COOKE. Or applying the level of 1945 and '46 to 1948 and '49.

Mr. CASE. That's correct.

Mr. TRIGG. But the point of it is this, Mr. Cooke, the formula itself will be 2 years behind what is taking place, which will give the Congress, the Department of Agriculture and everyone else concerned with it an opportunity to look at it objectively and see what it is doing, what it should do.

Mr. COOKE. Well, gentlemen, thank you for the opportunity you've given us to look at this somewhat objectively by taking this kind of a nonpartisan and direct consideration to this whole problem of what kind of a farm program we're going to have.

ANNOUNCER. You have been listening to Columbia's People's Platform as it discussed the question, "Should the New Farm Plan Be Adopted?" Chairman Dwight Cooke's guests were Ralph S. Trigg, Administrator of the Production and Marketing Administration of the United States Department of Agriculture and President of the Commodity Credit Corporation; and Representative FRANCIS CASE, (Republican, of South Dakota) rancher and member of the House Appropriations Committee.

Bureaucrats in Politics—Dangers Cited by One Who Knows—Democracy Threatened

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EXTENSION OF REMARKS
OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, in the May 1949 issue of Plain Talk, one Alfred M. Cooper relates his personal experience as a Government employee who got himself into politics, first on the local level and then in the Federal service. He tells an amazing story and his article should be read by every Member in the Congress. Mr. Speaker, I include it as part of my remarks:

THE BUREAUCRAT IN POLITICS

(By Alfred M. Cooper)

I was appointed educational director, in 1934, of a large municipal electric bureau. In this capacity I was permitted to train the civil-service employees in accident prevention, in legitimate public-relations activity, and in other matters pertaining to their work, just as I had previously done in a number of private corporations.

Within 6 months, however, I was asked by the management of this city power bureau to take over the training of all their civil-service employees in political activity. Intrigued by the possibilities of such a training program—between 1934 and 1938—I therefore carried on this political work in addition to my regular training and, as a result of the loyal efforts of the 10,000 employees, 5 hard-fought successive municipal election campaigns were decided in the bureau's interest.

The various elections in question authorized the issuance of tens of millions of dollars in municipal bonds for the benefit of this power bureau, defeated the efforts of the competing private power company to renew its franchise to operate and thereby put it out of business and, in the final election of the series, even succeeded in forcing the rezoning of some real estate to the financial advantage of the then head of this municipal power bureau. I had entertained no compunctions in the matter of fighting a mismanaged privately owned power company. Earlier I had observed from the inside the venality of management in the old Insull utility empire, and had fallen into the common error of believing that public ownership of electric utilities would correct many of these evils. I had yet to learn that the management of any corrupt governmental bureau can make a Samuel Insull smell like a lily.

After winning the five elections I was surprised to discover that the power bureau had suddenly become the political arbiter for our entire State, and that no Congressman, governor, State assemblyman, or any other politician could hope to be elected to public office until he had contrived to secure the sanction of the management of this bureau.

The methods I employed in organizing these thousands of city employees into an irresistible political juggernaut are no secret. Briefly, just previous to any election, hundreds of employee conferences were scheduled (on city time) in each of which the immediate supervisor of any employee group (foreman or office supervisor) conducted the meeting. In these conferences the employees discussed in detail every phase of the election issues, and were instructed in methods of meeting citizens' objections to such legislations. As an assignment at the close of the conference, the employees were issued sheets on which they were to transmit to me the number of citizens they had contacted, and the reactions to the campaign issue in question.

Each employee was expected to work on between 10 and 15 people (relatives, friends, and neighbors) and, on election day, to see to it personally that the favorable voters reached the polls. In this manner, over a period of years, about 80,000 votes were rigidly controlled by the power bureau, and in any special election (and even in general elections) this served as an ample margin to assure victory for whatever issues the bureau sponsored.

Coincidentally with the burgeoning of this bureau into the leading political power in our State, the Federal Government—between 1934 and 1938—was rapidly expanding its TVA organization into a formidable set-up. This was to be the first move of the ultraliberals toward the socialization of all of our industries.

Since our municipal power bureau was the closest thing to this proposed gigantic Federal power bureau, especially in ability and intent to wipe out competition among privately owned power companies, the executives and engineers of our bureau were much sought after by TVA. Many of these executives were loaned to TVA and spent as much as a year or more either at Washington or at the bureau's Nashville headquarters.

For example, our chief accountant spent 1 year in setting up the bookkeeping system of the TVA—an account set-up which has since confused and confounded every outside expert who has attempted to discover whether or not the TVA today is in the red or in the black. The accountant was very proud of his job, but told me frankly that he doubted the ability of the TVA bookkeepers to perpetuate the system he had installed. In this he underestimated the skill of the Federal accountants. Even today, no one knows where the TVA stands, financially speaking—not even TVA.

At the same time, the political activity procedures developed in our local power bureau eventually spread to a score of other governmental bureaus. Since the TVA is an offshoot of the titanic Bureau of Reclamation of the Department of the Interior, this Bureau soon took the lead in all manner of Federal political activity.

Later on, CIO–PAC attempted to imitate many of the methods we had developed, but was unsuccessful in this adaptation, first, because it attempted to use short-cuts to achieve results in place of our time-proved training and citizen-contacting methods; second, because it was dealing in the main with groups of nongovernmental employees. Workers in industry never have proved, and I think never will prove to be as amenable to this sort of political indoctrination as have civil-service employees.

At first, all governmental bureaus confined their political activity to the essential job of perpetuating Franklin D. Roosevelt in office. Later, such governmental bureaus as Reclamation, Forest Service, Immigration, Social Security, the Post Office Department, and a score of other Federal organizations began dabbling in local politics from coast to coast. Federal employees were strategically deployed throughout the various States, and their numbers augmented by the Federal Civil Service Commission just prior to any important sectional or national election.

The employees of Federal bureaus have been trained to function very much as did the 10,000 employees of our municipal power bureau. They hustle votes among the people they contact, not only in their daily work, but socially.

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In the West stockmen who see fit to use their influence in following out suggestions made by Forest Service workers receive unlimited grazing privileges on public lands. Similarly, sawmill operators who use trees from our public forests may pay $6.70 per thousand feet of standing timber for their raw material, or they may pay $17.50 per thousand feet, depending solely upon whether they hire the right sort of loggers and mill employees, and otherwise "play along" with suggestions of the Forest Service. In the same fashion farmers have learned that the amount of subsidies issued to them in any instance by our Department of Agriculture could vary sharply, depending upon their expressed political views. The effect of the quiet efforts of these governmental agents astounded even the politicians when the votes were counted in the 1948 elections, particularly in rural areas from coast to coast.

The impression still prevails that organized labor elected Harry Truman in 1948. Actually, the President not only received less than a majority of the Nation's popular vote but failed to secure a majority of the so-called labor vote. In a future election it will become crystal clear, even to the politicos, that there never has existed a bona fide labor vote in America. As every labor leader knows, the average industrial workingman in this country votes as his conscience dictates.

The only exceptions worthy of note are those members of Communist-dominated labor organizations who have no choice but to follow a subversive leader if they wish to work. (They voted for Wallace.)

When it comes to the civil-service employees in our various political subdivisions, however, the situation differs sharply from that prevailing in private corporations. Civil-service employees, both local and Federal, organized or unorganized, long ago became sold on the thesis that their continued job tenure depended upon their unreasoning fealty to some political officeholder.

In the 1948 elections the vote of State, county, and city employees split fairly evenly between Republican and Democratic nominees, but the Federal employees voted solidly for their jobs and Harry Truman—and thereby furnished the plurality necessary to put the Missourian back in the White House. Political observers should pay less attention to the inaccuracies of the noisy barkers of the CIO-PAC and watch more carefully the smooth but deceptive pea under the political walnut shell which, since 1936, has been the Federal Civil Service Commission.

No Hatch Act, nor any little Hatch Act, ever has succeeded in keeping civil-service employees out of politics. Yet with 1 in 10 of our 60,000,000 workers now on some sort of governmental pay roll, we should long ago have learned that our civil servants no longer rate as subservient public employees. Too many governmental workers frankly think of themselves as members of a solidly organized political force set apart from the common run of Americans.

Civil service can be administered only by means of a politically appointed Civil Service Commission. This small group of men and women are controlled by one or more politicians, and in turn they control every phase of the civil-service worker's existence, both on and off the job.

Any union leader, for example, will bear witness that Civil Service Commissions long ago usurped all prerogatives ordinarily accorded the labor official. Civil Service Commissions have always set up all wage scales and conditions of employment for governmental employees, and continue to do this without consulting anyone, even the heads of the bureaus involved. Thereafter, such a Commission can deny the governmental worker the very right to strike and summarily remove him from any governmental pay roll, either for striking or for picketing. There are any number of such instances on record, but there is no record of any labor union ever winning a concession frowned upon by an autocratic Civil Service Commission, either through arbitration or by means of striking.

Political activity within governmental bureaus was carried on openly throughout the Rooseveltian regime. Curiously enough, much of this political action had its origin within local (city, county, and State) governmental groups and spread from these units upward into the Federal bureaus.

Fortunately for all of us, however, governmental employees, both local and Federal, are today becoming increasingly fed up with the necessity for placing political activity ahead of proficiency on the job they happen to hold. Particularly is this true of those hundreds of thousands of ex-GI's who have entered governmental employment since 1945.

The Federal bureaus' political machines held together throughout 1948, but just barely. There was much open dissatisfaction evidenced by civil-service employees.

I am convinced that, by 1950, we will see the beginning of the end of the efforts of all major political parties to encourage activity of this sort among governmental job holders. It is also reasonable to believe that the United Public Workers of America, CIO, generally recognized to be the most strategically situated, as well as one of the strongest, of Communist-dominated trade-unions within the United States, soon will be wholly freed from subversive control.

My own experience in directing governmental political activity may prove somewhat typical, before this unpleasant phase of our period of national development has passed into history. In any case, surprisingly enough, no one appeared to doubt my loyalty to "the cause" espoused by this city bureau during the 4 years of my usefulness to the public power organization, and this despite the fact that I have been openly registered as a Republican for more than 30 years. However, when an official of this bureau happened to stumble upon this indication of my "indiscretion," I was first asked to revise my avowed political affiliation. So long as the issues on the ballot were wholly local I could be of value to the bureau heads, but they knew I would not "play ball" when it came to electing any group of leftist politicians to Federal office.

The civil-service employee has been misled, but he is not disloyal. I am convinced he would like nothing better than to be permitted to turn out a good job for his employers, the taxpayers of America. Before long I believe he will flatly refuse to play any politician's game and thereby put an end for all time to political activity in our governmental bureaus, both local and Federal. Here again is a consummation for which every American may well pray.

April Miracle in Normandy

EXTENSION OF REMARKS

OF

HON. GEORGE M. GRANT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. GRANT. Mr. Speaker, under the permission granted me, I am enclosing for insertion in the RECORD an ode from the pen of J. Mitchell Pilcher, which appeared in the April 1948 issue of the Parish Visitor:

APRIL MIRACLE IN NORMANDY

(By J. Mitchell Pilcher)

An ode dedicated to the men who sleep beneath the reconquered soil of Normandy—hallowed by the Prince of Peace.

When the long march is over, the winter gone,
Then earth begins once more to wake from sleep
And emerald leaf and petaled flower acclaim
The April Miracle in Normandy.
Sightseers everywhere are on the go,
And tours designed to feed the hungry eyes
Of those lured by adventure's votive smile.
A breathless storied view of beach and hamlet
Is shown in a few hours or just a day,
That one may visit those soft silent towns
Wherein are sleeping—till the trump of Time—
The men who fell, pledging their light-foot years
That fearless Freedom might be born anew.
Nine cemeteries filled with silent men!
Pause, visitor, and think on what you see—
Row after row of crosses, small and white,
Grave after grave as lonely as the heart
That loved and found no recompense therein.
Along the broad highway of Liberty.
One may with crosses trace the tortuous route
That the Third Army took in death's fierce race
Across the sandy beaches of old France.
At St. Laurent, see where four thousand sleep;
St. Mere Eglise, the first, and small La Cambe;
In St. Mere Eglise, the second place,
And old Blosville, the largest with its dead
That number nearly seven thousand men.
St. James, Marigny and La Chene Guerin
And Gorron, with their many thousands more.
All sleeping, sleeping in these humble plots
Revered as God's own acres. O visitor,
With sad or anxious eye, look well about you.
Perhaps your quest reveals in slumber here
A friend, or brother, looking to the east?
Or is there one that would have been more close
Had he returned to his beloved town?
There are so many scarcities about—
In hotels and in lodgment for the living,
While the nine cemeteries bulge with dead.
O Normandy, where wave-swept beaches lie,
And tireless winds sweep over miles of surf
Past the long inland stretch of crosses—See!
The light is paling in the eastern sky,
The stars will soon be patient sentinels
To all who sleep beneath the reconquered soil
While over each low mound as soft winds blow—
Hallowed by the Prince of Peace—the apple trees
Will blossom, pink and white, and bear their fruit.

Nation Cannot Afford Costly Rivalry Between Armed Services

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith a resolution adopted at a conference in Dallas, Tex., May 29 and 30, by Aeronautical Training Society, a group of over 30 operators of airports in 38 States:

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RESOLUTION

We, the members of the Aeronautical Training Society, Republicans and Democrats, on firm conviction founded on our activities in 38 States, declare in convention assembled, our belief that parents and taxpayers must take a strong and immediate position on national defense issues to prevent the incalculable disaster of another world war.

Therefore, we now resolve:

1. That unification of the armed forces, advocated by President Truman, must be achieved in deed as well as word, to preserve the resources and security of the United States.

That the decision of our Commander in Chief to employ the atomic bomb in World War II brought an earlier end to that conflict and saved the lives of millions; and that this Nation, with the support of the United Nations, would be justified in prompt use of the atomic bomb again in preventing any future war of aggression. We believe that our Nation should increase its knowledge of both civil and military uses of atomic energy and provide the means to deliver atomic weapons to any part of the world, as now advocated by the United States Air Force.

2. We endorse the action of Louis Johnson, our Secretary of National Defense, in refusing to waste the taxpayers' money on obsolete weapons, and we support his program of effective unification of the armed forces. We believe that complete unification will save $5,000,000,000 annually plus countless lives in the event of war.

3. We urge complete acceptance of the United States Air Force development program as championed by Secretary Symington and General Vandenberg.

The United States can no longer afford the ugly and costly spectacle of rivalries among the armed forces. Those who seek to avoid or minimize true unification should feel the just indignation of an aroused public. Our country's security and our international prestige must take precedence over the selfish interests of the services.

Because we believe that this program is essential in maintaining national security and preventing World War III, we, the members of the Aeronautical Training Society, pledge our efforts and our resources to the support of the defense program of the President and his Secretary of National Defense.

Preliminary Redraft of Bill Assuring an Expanded and Prosperous Economy

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EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. PATMAN. Mr. Speaker, on January 10 of this year I introduced a measure (H. R. 1177) designed to carry out the objectives of the Murray-Patman Full Employment Act of 1946 and develop the cooperation between business and labor and Government needed to assure an expanding and prosperous economy. Since then there have been a number of changes in the economic situation that make legislative proposals dealing with economic expansion increasingly important. Although total civilian employment continues high, it has significantly failed to expand to meet the needs of our growing labor force—particularly of the hundreds of thousands of veterans who are coming out of schools and looking for jobs. Total industrial production has declined continuously for the last 7 months and is now about 10 percent below the level attained last fall.

As a result, the people throughout the country are looking for a program that will give them hope and confidence about the future. The interest in the full-employment legislation I introduced in January has been growing from month to month, and many suggestions have been made for amplifying the measure and spelling out more specifically the courses of action that will be taken under it. On the basis of these suggestions, I have prepared a preliminary redraft which is now being circulated to a selected list of leaders in business, labor, agriculture, consumer organizations, and the economics profession for the purpose of obtaining their comments and suggestions. In the preparation of this redraft I have had the cooperation not only of the previous cosponsors, Senator MURRAY, of Montana, and Senator SPARKMAN, of Alabama, but also of Senator THOMAS of Utah; Senator MCMAHON, of Connecticut; Senator KILGORE, of West Virginia; Senator KEFAUVER, of Tennessee; Senator HUMPHREY, of Minnesota; and Senator PEPPER, of Florida.

For the purpose of facilitating public discussion of this measure and particularly of bringing it to the attention of the many Members of Congress who are interested in doing something now to prevent depression and contribute toward a steadily expanding economy, I include in the Appendix of the RECORD the present draft of this legislation.

A bill to provide specific measures in furtherance of the national policy established in the Employment Act of 1946

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. (a) In the Employment Act of 1946, the Congress declared the continuing policy and responsibility of the Federal Government, with the assistance and cooperation of industry, agriculture, labor, and State and local governments, to promote maximum employment, production, and purchasing power.

(b) The promotion of these objectives requires not only economic stability but also steady growth and expansion of the national economy in order that an average of at least one-half to three-quarters of a million new job opportunities a year may be available for a growing population; that the average annual increase of at least 3 to 4 percent in total production which our resources and skills make feasible may be achieved; that opportunities for small and independent businesses may be maintained and enlarged; that standards of living may be raised from year to year; that the position of the United States in the world economy may be secure; and that the national security program and the foreign policy of the United States may be effectuated.

(c) While high general levels of economic activity have thus far continued since the end of World War II hostilities, maladjustments resulting from the war, from the postwar inflation, and of a more enduring character have already produced some increases of unemployment, some decreases of production, and some uncertainty in business investment and consumer buying which are not consistent with maximum economic stability and growth.

(d) It is the purpose of this act to develop prompt specific measures to help deal with such economic maladjustments through the broad cooperative action of private enterprise and Government, and through such cooperative action to encourage an economic environment in which maximum employment, production, purchasing power, and confidence may be maintained on a stable basis. Specific measures herein directed toward this purpose of a stable and constantly expanding economy are those which—

(1) encourage the sustained and growing volume of private investment and production to the extent necessary for continuous maximum employment and production, with special emphasis on those investment and production opportunities required (a) to avoid bottlenecks and provide adequate capacity and facilities for a stable and expanding economy, (b) to hasten the improvement of economically underdeveloped or declining geographic areas of the country; and (c) to facilitate small and independent business enterprises (including veterans' enterprises); and

(2) encourage through study, consultation, and cooperation the voluntary development and application by industry, agriculture, and labor of general policies relating to prices, wages, and profits which will help to reduce the burden of excessively high living costs, promote maximum purchasing power of business and consumers in urban and rural areas, and thus discourage economic developments which inflict serious hardships and impede economic stability and expansion;

(3) encourage long-range planning of useful public works and resources development with special emphasis upon projects which by their character and timing will contribute to the needed expansion of private investment and production opportunities and to the stability and expansion of the whole economy; and

(4) give direct and immediate attention to spotty or localized areas of unemployment before these infect other parts of the national economy.

(e) The policies under this act shall be executed consistently with these three general considerations—

(1) insofar as feasible, the Government shall provide advice and assistance to industry, labor, agriculture, and others so that these groups, through their own actions, may help to promote the objectives of this act;

(2) improved opportunity for consultation between Government and industry, labor, agriculture, and others, shall be developed and utilized;

(3) when necessary to achieve the objectives of this act, there shall be resort to the governmental measures provided herein as a supplement to the efforts of industry, labor, agriculture, and others to promote maximum economic stability and expansion.

SHORT TITLE AND TABLE OF CONTENTS

SEC. 2. This act, divided into titles and sections according to the following table of contents, may be cited as the "Economic Expansion Act of 1949."

TABLE OF CONTENTS

Sec. 1. Declaration of policy.
Sec. 2. Short title and table of contents.

Title I—National Economic Cooperation Board

Sec. 101. Creation of National Economic Cooperation Board.
Sec. 102. Functions of the National Economic Cooperation Board.

Title II—Economic expansion through private investment and production

Sec. 201. Purpose of title.
Sec. 202. General investment and production needs and incentives.

Sec. 203. Designation of essential expansion areas.
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(a) Accelerated amortization.
(b) Credit, research, and technical services.
(c) Procurement abroad.
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(e) Construction for use by private enterprise.
Sec. 205. Private investment in regional development.
(a) Local surveys of need.
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Sec. 207. Investigation of monopolistic restriction on private investment and production.
Title III—Economic expansion through voluntary adjustments in purchasing power
Sec. 301. Purpose of title.
Sec. 302. General studies of prices, wages, and profits.
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Sec. 401. Purpose of title.
Sec. 402. Study and coordination of planning activities.
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Title V—Treatment of spot unemployment
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Sec. 502. Designation of serious unemployment areas.
Sec. 503. Promotion of business activity.
Sec. 504. Acceleration of public works and services.
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Title VI—Miscellaneous
Sec. 601. Government corporations.
Sec. 602. Appropriations.

TITLE I—NATIONAL ECONOMIC COOPERATION BOARD

CREATION OF NATIONAL ECONOMIC COOPERATION BOARD

SEC. 101. The President shall establish a National Economic Cooperation Board. This Board shall include representatives of industry, labor, agriculture, and consumers and, insofar as feasible, State and local governments and regional developmental organizations, each of whom shall be appointed by the President. Members of this Board shall receive a per diem allowance of $40 for each day spent in actual meetings of the Board, plus necessary traveling and other expenses incurred while so engaged.

FUNCTIONS OF NATIONAL ECONOMIC COOPERATION BOARD

SEC. 102. (a) The function of the National Economic Cooperation Board shall be to make recommendations with respect to the development of national economic policies to promote maximum employment, production, and purchasing power under the Employment Act of 1946, including the investment, price-wage-profit and other policies set forth in this act. Such Board shall endeavor (a) to bring to Government officials the most representative thinking of various segments of the private economy and other non-Federal sources regarding sound national economic policies and the development of an economic environment within which private and other non-Federal efforts toward the achievement of the objectives of this act can be maximized, and (b) to interpret and disseminate to various segments of the private economy and other non-Federal sources such information and advice regarding the economy and national economic policies as may lead to improved understanding and cooperation in achieving the objectives of this act.

(b) The National Economic Cooperation Board may meet to advise and consult with the President from time to time at his request. Such Board shall meet regularly to advise and consult with the Council of Economic Advisers (which shall allot out of any funds that may be appropriated for such purposes funds to cover such staff services as the Board may need and the cost of any such reports as the Board may print), and representatives of other departments and agencies of the Government may be invited from time to time to attend such meetings. The Board shall be consulted by the Council of Economic Advisers during the course of the Council's assistance to the President in the preparation of his economic reports to the Congress under the Employment Act of 1946. The Board may recommend the holding of regional or industry conferences from time to time, and the Council of Economic Advisers, with the cooperation of appropriate departments and agencies of the Government, may arrange for such conferences and participate in them.

TITLE II—ECONOMIC EXPANSION THROUGH PRIVATE INVESTMENT

PURPOSE OF TITLE

SEC. 201. The extreme fluctuations in the volume of private investment and production have been closely associated with general economic instability. The provisions of this title are designed to encourage a composition of private and public policies which will help to stimulate private investment and production and to encourage their steady and balanced growth from year to year as a prime requisite for a stable and expanding national economy.

GENERAL INVESTMENT AND PRODUCTION NEEDS AND INCENTIVES

SEC. 202. In defining needed levels of employment, production, and purchasing power as required under the Employment Act of 1946, the President shall give particular attention to needed levels of private investment and production and to policies to encourage such private investment and production and to reduce factors militating against them. Such investment and production needs and policies, analyzed according to major areas of the economy, shall be transmitted to the Congress in the annual and midyear Economic Reports of the President and/or Economic Reviews by the Council of Economic Advisers. In carrying forward the studies essential to this purpose, the Council shall consult and advise with the National Economic Cooperation Board and shall utilize the services, facilities, and information of other Government agencies as provided in section 4 (d) (2) of the Employment Act of 1946. Where such studies relate to the levels of investment and production needed to carry out national security programs, they shall also be developed in consultation with the National Security Resources Board.

DESIGNATION OF ESSENTIAL EXPANSION AREAS

SEC. 203. (a) The President may designate essential expansion areas where he finds (1) that these areas because of their importance vitally affect the economy as a whole, and (2) that the present or foreseeable levels of private investment and production in these areas, because of their effect upon general levels of investment and production or upon bottlenecks or inadequacy of capacity or facilities, are not sufficient to be compatible with economic stability and expansion for the economy as a whole and therefore require specific measures as set forth in section 204: *Provided*, That such designation by the President shall not extend, without further statutory authorization, to any area other than the following, the scope of which shall be defined by the President: Steel; freight cars; iron ore (including taconite ore) and iron ore shipping facilities; manganese and chromite; copper, lead, and zinc; bauxite and aluminum; synthetic liquid fuels; electric power; fertilizers; timber; and newsprint.

(b) The President shall from time to time (1) examine other major areas of the national economy (with particular reference to the conservation and development of natural resources) for the purpose of determining whether a lack of investment and production in such areas is seriously interfering with, or threatens seriously to interfere with the promotion of the objectives of this act and, if he so finds, he shall report to the Congress his findings and recommendations for the designation of additional areas of the national economy as essential expansion areas; and (2) review the essential expansion areas designated hereunder for the purpose of determining whether the investment and production needs for any such area have been met or can reasonably be expected to be met without further action under section 204, and if he so finds, he shall revoke the designation for such area and report to the Congress his reasons therefor.

(c) The President shall administer the specific measures set forth in section 204, to the greatest extent possible, through the following agencies, referred to herein as "the designated agencies": The Department of Commerce for steel and freight cars; the Department of the Interior for iron ore (including taconite ore) and iron ore shipping facilities; manganese and chromite; copper, lead, and zinc; bauxite and aluminum; synthetic liquid fuels; and electric power; and the Department of Agriculture for fertilizers; timber; and newsprint: *Provided*, That the President may provide for the cooperation of agencies other than the foregoing designated agencies in the administration of such measures, and that he may assign the primary administrative responsibilities to such other agencies as he may designate if he determines it to be necessary for effective administration. Each designated agency shall establish an advisory committee for each of the designated essential expansion areas, consisting of representatives of business, labor, and consumer, including agricultural and industrial consumers. The business members of such committees shall be representative of small, independent, and large business enterprises, of different geographical areas, of trade association members and non-members, and of different segments of the industry or industries. The President, in determining upon designated essential expansion areas and the general needs and policies for each, shall have the advice and assistance of the Council of Economic Advisers which shall consult and advise in such matters with the National Economic Cooperation Board and with the appropriate designated agencies.

EXPANSION MEASURES FOR DESIGNATED ESSENTIAL AREAS

SEC. 204. The following specific measures are hereby made available to encourage the satisfying of investment and production needs for the designated essential expansion areas:

Accelerated amortization

(a) For the purpose of encouraging new private investment in each of the designated essential expansion areas, the Internal Revenue Code is amended by inserting after section 124 thereof the following new section:

"(a) Accelerated amortization on essential expansion facilities: Any taxpayer, at his election, shall be entitled to an amortization deduction for a period of not less than 60 months with respect to any essential expan-

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sion facility defined in subsection (b) hereof. The amortization deduction shall begin as to any such facility, at the election of the taxpayer, with the month following the month in which the facility was completed or acquired or with the succeeding taxable year, and such election shall be made by a statement to that effect in the return for the taxable year in which the deduction is to begin, accompanied by a certification as to the nature and purpose of the facility.

"(b) Definition: The term 'essential expansion facility' means any facility, building, machinery, or equipment or part thereof, the construction, rehabilitation, erection, or installation of which is begun at any time following 30 days after the enactment of the Economic Expansion Act of 1949 and which is within any of the essential expansion areas designated under the Economic Expansion Act of 1949."

Credit, research, and technical services

(b) The powers granted to the Secretary of Commerce under section 206 of this act for the encouragement of small and independent business shall be available also to the President for utilization within designated essential expansion areas: *Provided*, That, within such areas, technical services, research contracts, credit insurance, and loans may be provided for any business enterprises although particular stress shall be placed upon the needs of small and independent business enterprises (including veterans' enterprises).

Procurement abroad

(c) Whenever the President determines that Federal procurement abroad is necessary to supplement measures for the promotion of domestic investment and production in order to help satisfy investment and production needs for iron ore, manganese, chromite, copper, lead, or zinc, he may purchase or make commitments to purchase, either directly or through the Bureau of Federal Supply, such materials abroad either for Government use or for resale in the United States (particularly to small and independent business enterprises, including veterans' enterprises): *Provided*, That in making such purchases or commitments to purchase, consideration shall be given to the effects of such purchases upon the balanced development of the economy of the area from which such materials are procured, including the protection of health, safety, and labor standards in the production for export of the materials procured or to be procured: *Provided further*, That such materials shall not be resold in the United States at prices which would have the effect of depressing production by competitive domestic producers. Such purchases and commitments to purchase may be made for such quantities, and on such terms and conditions, including advance payments, and for such periods, as the designated agency deems necessary, except that purchases or commitments to purchase involving higher than currently prevailing market prices or anticipated loss on resale shall not be made unless it is determined that the needs for such materials cannot be met at lower prices or on terms more favorable to the Government. Nothing in this subsection shall be construed to limit existing authority under the Strategic and Critical Materials Stock Piling Act, and the administration of this subsection shall be coordinated with the administration of such act.

Utilization of Government war plants

(d) The President (1) shall provide for a complete survey of Government-built war plants in designated essential expansion areas which are owned by the Government and which are not substantially in operation and (2) may, by or under contract with private enterprise, provide for any necessary rehabilitation, equipment, and expansion of such plants, and/or for such lease or sale of such plants to private enterprise as may be helpful to satisfy investment and production needs in designated essential expansion areas.

Construction for use by private enterprise

(e) Whenever the President finds that investment and production needs for synthetic liquid fuels, steel, freight cars, or fertilizers cannot reasonably be expected to be satisfied through accelerated amortization under (a) hereof or under the provisions of (b), (c), and (d) hereof or under other statutory authorization, he may provide for the construction, by or under contract with private enterprise, of the needed plants or facilities or equipment for lease or sale to private enterprise. Construction, lease, or sale contracts may be made on such terms and conditions as the President deems necessary. For the purposes of this section, the President is authorized to acquire real property and any right, title, or interest therein by purchase, lease, or otherwise, as he deems necessary in carrying out the purposes of this section, and assume the obligation to pay rentals in advance on real property.

PRIVATE INVESTMENT IN REGIONAL DEVELOPMENT

SEC. 205. National economic stability and expansion require special efforts to promote industrial and resources development and diversification in economically underdeveloped or declining geographic areas of the country. Such programs will provide vast new direct outlets for private investment, and indirectly will provide new and expanding domestic markets for the products of the whole economy. For this purpose, the term "underdeveloped" area shall mean any geographic area where per capita income lags substantially below the national average because its natural resources remain relatively underdeveloped or because its industries have been relatively undeveloped or undiversified; and the term "declining" area shall mean any geographic area whose rate of general economic growth is substantially diminishing in contrast to national trends.

The Secretary of the Interior, with the assistance of an Office of Regional Economic Development to be created in the Department of the Interior, and with the advice of an interdepartmental committee consisting of the Secretary of the Interior as chairman, the Secretary of Commerce, the Secretary of Agriculture, the Secretary of Labor, and any other officials designated by the Secretary of the Interior, shall develop a coordinated program of encouraging private investment and production for the expansion of economically underdeveloped or declining geographic areas of the country by—

Local surveys of need

(a) advising on the utilization or creation of State and regional developmental organizations, public or private, empowered to encourage the economic development of such areas; and making grants to such organizations for surveys of developmental needs;

Insurance of private investment

(b) insurance up to 90 percent of private investment in State and regional developmental organizations, public or private, empowered to make loans for purposes which such organizations determine to be necessary for the economic expansion of the area, to the extent that private investment for such purposes is not attainable otherwise on satisfactory terms. The Secretary of the Interior upon terms approved by the Secretary of the Treasury shall dispose of any evidence of debt or security held by him in connection with the payment of such insurance and collect, compromise, or sue upon such obligations.

ENCOURAGEMENT OF SMALL AND INDEPENDENT BUSINESS

SEC. 206. National economic stability and expansion also require special efforts to promote increased industrial, business, and commercial activity by small and independent business enterprises (including veterans' enterprises) by providing various forms of assistance frequently unavailable to such business enterprises but yet essential to their existence and growth on a competitive basis. For purposes of this act, the term "small" business enterprises shall mean any enterprise for profit regularly employing not more than 500 persons; and the term "independent business enterprise" shall mean any enterprise for profit regularly employing more than 500 employees which is not a dominating unit in its industry, trade or business, or under the management or control of such a dominating unit.

Except with respect to those areas of the national economy designated as essential expansion areas under section 203, the Secretary of Commerce, with the assistance of a Small Business Division to be created in the Department of Commerce, is authorized and directed to—

Credit

(a) Provide assistance needed by small and independent enterprises throughout the country in obtaining intermediate and long-term credit for developing or expanding competitive industrial, business, and commercial activities where such capital is not otherwise obtainable on satisfactory terms. Such assistance shall be made available on the basis of managerial competence and the prospect of repayment under generally prosperous economic conditions, for periods up to 20 years, and at interest rates not in excess of 4 percent per annum, and under such other terms and conditions as are deemed appropriate, including provisions for the reduction or deferment of interest payments or deferment of principal payments, or both, where necessary, during periods of serious national declines in demand and employment. Such assistance shall be in the form of—

(1) insurance of any qualified private bank or financing institution against losses on loans or advances made to small and independent business for developing or expanding competitive industrial, business and commercial activities not in excess of 20 percent of the total amount of such advances and loans. The Secretary of Commerce may, upon terms approved by the Secretary of the Treasury, dispose of any evidence of debt or security held by him in connection with the payment of such insurance and collect, compromise, or sue upon such obligations; and

(2) to the extent that such credit assistance is not available under (1) hereof in any area of the country, direct loans up to 90 percent of the cost of the proposed activity;

Scientific and technical research contracts

(b) Contract with small and independent business enterprises, educational institutions, research or scientific institutions and foundations, and with governmental agencies, Federal or State, for scientific and technologic research and developmental work, including the construction and operation of pilot and demonstration plants, needed for the development and expansion of small and independent business enterprises for the purpose of making the products of such work available to such enterprises throughout the country. Any such contract may provide that any invention, discovery, or finding produced thereunder shall, whether or not patented, be required to be made freely available to the public and, if patented, the patents thereon shall be required to be assigned to the United States: *Provided*, That if such requirements are not included in any contract, a finding shall be made as to the reasons therefor.

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Technical services

(c) Establish a counseling service to provide small and independent business enterprises throughout the country with assistance in matters of management, organization, production, distribution, merchandising, markets, cost accounting, new business opportunities, sources of raw and semifabricated materials, development of new products, and related matters. For this purpose, the Secretary of Commerce shall—

(1) help provide the economic and business research needed by small and independent business by contracting with educational institutions, research institutions or foundations, qualified individuals, and with governmental agencies, Federal or State, as he deems necessary, and by making the results of such research readily and promptly available to small and independent business; and

(2) furnish small and independent business with information concerning the provisions of this act and the activities of the various agencies and departments under this act;

Local administration

(d) arrange for the administration of this section through local offices which shall be as accessible as practicable to small and independent business enterprises.

INVESTIGATION OF MONOPOLISTIC RESTRICTIONS ON PRIVATE INVESTMENT AND PRODUCTION

SEC. 207. The Federal Trade Commission shall make a continuing study of the extent to which needed expansion in private investment and production is being, or threatens to be, restricted or impeded by monopoly, monopolistic practices, restrictive agreements, or the concentration of economic power (including patent and international cartel restrictions and restrictive financing practices), with specific reference to the essential expansion areas designed under section 203. The Federal Trade Commission shall submit an annual report thereon to the President and the Congress within 6 months after the end of each calendar year.

TITLE III—ECONOMIC EXPANSION THROUGH VOLUNTARY ADJUSTMENTS IN PURCHASING POWER

PURPOSE OF TITLE

SEC. 301. A steady growth in private investment and production, encouraged under title II, will not be feasible and will not contribute to the stability and expansion of the economy as a whole unless, while investors are provided with enough funds and incentives for maximum production, consumers in urban and rural areas receive a steady and expanding flow of real income to furnish steady and expanding markets for the goods and services provided under conditions of maximum production and employment. This stability and growth, both in private investment opportunity and consumer purchasing power, depend largely upon price, wage, and profit relationships. While these relationships are determined in part by supply and demand, they are also determined in part by the voluntary decisions of businessmen, workers, and farmers. It is the purpose of this title, through improved machinery for voluntary cooperation, to promote better Nation-wide understanding and better voluntary application of general price and wage and profit policies which will help to further the objectives of this act.

GENERAL STUDIES OF PRICES, WAGES, AND PROFITS

SEC. 302. In defining needed levels of purchasing power as required under the Employment Act of 1946, the President shall place particular stress upon general levels of prices, wages, and profits as they affect purchasing power and consequently affect national economic stability and growth, and shall transmit the results to the Congress in the annual and midyear reports of the President and/or the economic reviews by the Council of Economic Advisers. For this purpose the Council, with the advice of the National Economic Cooperation Board and utilizing the services, facilities, and information of other Government agencies (especially the Departments of Commerce, Agriculture, and Labor), as provided in section 4 (d) (2) of the Employment Act of 1946, shall study—

(a) the general levels of real wages needed from year to year to help absorb the output of a stable and expanding economy, with emphasis upon those elements of the population, especially unorganized and white collar workers, whose incomes are insufficient for an adequate standard of living for themselves and for maximum purchasing power throughout the economy (including studies of minimum family budgets consistent with health and decency and related to living costs in the various sections of the country);

(b) the extent to which voluntary annual wage plans or guaranties may be utilized in specific industries;

(c) the general relationships between prices, wages, and profits which appear most conducive to an expanding and stable economy, taking into account the needs of investors (with particular emphasis upon cost factors involved in production and distribution) as well as of consumers;

(d) the general relationship between industrial and agricultural prices and incomes, which appear most conducive to an expanding and stable economy, with emphasis in both urban and rural areas upon balanced national growth, improvement of plant and equipment, and rising standards of living; and

(e) the effect of international undertakings involving the United States upon levels of purchasing power in this country.

PERIODIC CONFERENCES

SEC. 303. The Council of Economic Advisers and the National Economic Cooperation Board, working together, and with the assistance of the appropriate departments and agencies of Government, shall arrange for annual national conferences, at which representatives of industry, labor, agriculture, consumers, and Government shall seek to formulate general principles and methods to encourage improved development of such voluntary price, wage, and profit policies, as well as further the objectives of this act.

TITLE IV—ECONOMIC EXPANSION THROUGH PUBLIC WORKS AND RESOURCES DEVELOPMENT

PURPOSE OF TITLE

SEC. 401. Public works and resources development are necessary to conserve and build up the strength of the economy as a whole and to promote its growth, and thus form an essential element in the promotion of the purposes of this act. Such projects require careful advance planning to achieve maximum utility, and to accomplish sufficient emphasis not only upon the direct employment and demand for materials which they create but also upon the long-term stimuli which they provide to private investment, production, and employment. While such projects can be used effectively to take up any slack which may develop in private employment and production, a more far-reaching purpose will be served if they are developed on a long-range regularized basis which promotes the stability and expansion of the economy as a whole and thus decreases the need for emergency projects from time to time. It is the purpose of this title to develop improved machinery toward the attainment of these objectives.

STUDY AND COORDINATION OF PLANNING ACTIVITIES

SEC. 402. In defining needed levels of employment, production, and purchasing power as required under the Employment Act of 1946, the President shall periodically reexamine the needed levels of public works and resources development, and the machinery and financing available for such purposes, with increased emphasis upon the considerations set forth in section 401. The definition of needs and policies resulting from such study shall be transmitted to the Congress in the Annual Mid-Year Economic Reports of the President and/or the Economic Reviews by the Council of Economic Advisers. In carrying forward the studies essential to this purpose the Council shall work particularly with the Federal Works Administrator and shall utilize the services, facilities, and information of other Government agencies as provided in section 4 (d) (2) of the Employment Act of 1946.

LONG-RANGE STATE AND LOCAL PLANS AND PREPARATIONS

SEC. 403. The Federal Works Administrator is hereby authorized and directed—

(a) to make grants to States and their agencies and political subdivisions for the purpose of developing over-all State or local public works plans, based on the long-range needs for public works projects of all kinds, both rural and urban;

(b) with a view to maintaining reserves of planned non-Federal public works projects amounting to approximately $15,000,000,000 at all times, make loans or advances to the States and their agencies and political subdivisions to aid in financing the preparation of advance planning for specific projects which conform to over-all State or local public works plans approved by appropriate State or local authorities, including architectural, engineering, and economic investigations, and studies, surveys, designs, working drawings, specifications, procedures, site acquisition, and other actions preliminary to the construction of such public works projects: *Provided*, That (1) all such over-all State and local plans are oriented at all times toward meeting the needs for public works for at least a 10-year period and (2) the making of grants, loans, and advances shall not in any way commit the Congress to appropriate funds for the construction of any specific projects. For purposes of (b) hereof there is hereby established a fund to be known as the Advance Planning Fund, from which loans or advances under this section shall be made. All loans and advances made under this section shall be repaid if and when the construction of the public works planned with such loans or advances is undertaken. Any sum so repaid shall be deposited and covered into the Treasury to the credit of the fund and shall be available for making further commitments, loans, and advances under this section; and

(c) allot grants and loans and advances hereunder among the several States in the following proportion: 50 percent in the proportion which the population of each State bears to the total population of all the States, as shown by the latest available Federal census, and 50 percent in accordance with the need of the States, in relation to their ability otherwise to prepare over-all State or local public works plans or to undertake advance project planning, as determined by the said Administrator: *Provided*, That if the Federal Works Administrator determines that any funds so allocated to any State cannot promptly be utilized for effectuating the purpose of this title, he may allocate such funds to any other State or States requiring additional allotments.

FEDERAL PROJECT PLANS

SEC. 404. Each department and agency of the Government having responsibility for construction work shall, within the limits of its statutory authorizations and appropriations, prepare and keep current advance plans, designs, and estimates for specific projects for at least a 10-year period and

shall take such other action preliminary to the construction of such projects as it deems necessary.

TITLE V—TREATMENT OF SPOT UNEMPLOYMENT

PURPOSE OF TITLE

SEC. 501. National economic stability and expansion depends upon maximum employment on a Nation-wide basis. Serious unemployment in any geographical area of the country, if allowed to continue for any appreciable length of time, would undermine national economic stability and expansion. This title recognizes that the need for raising the level of employment in any such area requires specialized attention.

DESIGNATION OF SERIOUS UNEMPLOYMENT AREAS

SEC. 502. Whenever the Department of Labor finds that unemployment in any geographic area of the country has reached, or threatens to reach, a serious level (measured by magnitude and possible duration), it shall so certify to the President who may designate any such area as a serious unemployment area. The Department of Labor shall review continuously the employment conditions in designated serious employment areas and whenever it finds that unemployment in any such area is no longer serious, it shall so certify to the President, who may revoke the designation of such area.

PROMOTION OF BUSINESS ACTIVITY

SEC. 503. (a) The agencies with primary responsibilities for the administration of the programs provided for in sections 205 and 206 shall give special consideration to the utilization of such programs for the purpose of maintaining and raising the level of employment in any such area by encouraging increased business activity.

(b) If the President finds that serious unemployment in such area can be eliminated in whole or in part by the placing of Government contracts with business enterprises in such area and, with respect to defense contracts, that such contracts may be placed therein without injury to the defense program, he may direct the appropriate contracting agencies of the Government to place any such contracts in such area, within the limits of existing authorizations and appropriations, including contracts for advance purchases.

ACCELERATION OF PUBLIC WORKS AND SERVICES

SEC. 504. If the President finds that serious unemployment in such area can be eliminated or averted in whole or in part by the acceleration of useful public works and services, he may provide for (1) the initiation or expansion, within the limits of existing authorizations and appropriations of Federal programs for public works and services in such area; (2) loans as requested by appropriate agencies of State or local governments when it is demonstrated that the proposed public works and services in such area would quickly and effectively help to eliminate or avert such serious unemployment; and (3) funds for increasing authorized Federal programs for public works and services. For the purposes of (2) and (3) hereof, the President may utilize the financial resources of the Reconstruction Finance Corporation.

LABOR MOBILITY

SEC. 505. If the President finds that serious unemployment in such area can be eliminated in whole or in part only by assisting workers and their families to move to other locations where there are more adequate employment opportunities, he may direct the Department of Labor to make non-interest-bearing loans available up to $1,000 per family for transportation, including the transportation of household effects, to any other location of new employment arranged for by such workers. For this purpose the President may utilize the financial resources of the Reconstruction Finance Corporation.

TITLE VI—MISCELLANEOUS

GOVERNMENT CORPORATIONS

SEC. 601. (a) For purposes of administering the lending, insurance, and contracting authority contained in sections 204, 205, and 206, each of the designated agencies may create a new corporation. Any such corporation—

(1) shall have the power to sue and be sued; to acquire, hold, and dispose of property; to use its revenues, to determine the character of and necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid subject to laws specifically applicable to Government corporations; and to exercise such other powers as may be necessary or appropriate to carry out the purposes of such corporation;

(2) shall have its powers set out in a charter, which shall be published in the Federal Register, and all amendments to which shall be similarly published;

(3) shall be subject to the Government Corporation Control Act to the same extent as wholly owned Government corporations listed in section 101 of said act; and

(4) is authorized to borrow from the Treasury of the United States, for any of the purposes of the corporation, such sums of money as may be necessary to carry out its functions under this title. For this purpose such corporation may issue to the Secretary of the Treasury its notes, debentures, bonds, or other obligations to be redeemable at the option of the corporation before maturity in such manner as may be stipulated in such obligations. Such obligations may mature subsequent to the period of succession of the corporation. Each such obligation shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the obligation of the corporation. The Secretary of the Treasury is authorized and directed to purchase any obligations of such corporation to be issued hereunder and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued are extended accordingly.

Limitations on credit and contract authority

(b) The total amount of outstanding commitments, contracts, liabilities, loans, and advances under this act shall not exceed the following sums:

(1) Essential expansion programs under section 204, $———;

(2) Private investment in regional development under section 205, $———;

(3) Encouragement of small and independent business under section 206, $———;

(4) Preparation of State and local public works projects under section 403 $———; and

(5) Funds for State and local public works and services and for increasing authorized Federal programs for public works and services under section 504, $———.

APPROPRIATIONS

SEC. 602. There is hereby authorized to be appropriated the sum of $15,000,000 per annum of which—

(a) $2,000,000 shall be for investment studies under section 202, to be allocated among the Department of the Interior, the Department of Commerce, and other agencies by the President;

(b) $2,200,000 for administration of essential expansion measures under section 204;

(c) $500,000 to the Secretary of the Interior for grants for State and regional surveys under section 205;

(d) $500,000 to the Secretary of Commerce for the administration of his functions under section 206;

(e) $1,000,000 to the Federal Trade Commission for the study of monopolistic restrictions under section 207;

(f) $1,800,000 for the study of wage, price, and profit data and policies under section 302, to be allocated among the Department of Commerce, the Department of Agriculture, the Department of Labor, and other agencies by the President;

(g) $7,000,000 to the Federal Works Administrator for grants for State and local public works plans under section 403.

Socialist Absolutism

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, as part of my remarks I am including a timely article by Edna Lonigan entitled "Socialist Absolutism." It appeared in the May issue of Plain Talk:

SOCIALIST ABSOLUTISM

(By Edna Lonigan)

Most people are aware that the word "liberalism" is used today in a sense directly opposite to its true meaning of freedom from state control. Few people are yet aware that the word "socialism" has undergone the same transformation. It used to refer politically to government by the rank and file; today it refers to government by a small elite, controlling both economic and political power, and answerable to no one.

Dr. Beckwith's book deals with neo-socialism, or the economic theory which is applicable to the new political society in which a few control all the economic wealth of the nation.

The (new) socialist state, says Beckwith, will have to accept classical economics just as we do today. "Once Socialists grasp the point of view set forth above," he says, "Marx will be replaced by Marshall as the chief guide to the solution of the economic problems of a socialist economy."

Oh, what a change is here, my countrymen, from the old Socialist dogma that classical economics is an outdated theory, a mere apologia for the status quo.

The labor theory of value with its corollary, the exploitation of labor by capital, is abandoned. As a matter of fact, workers receive almost the full value of their labor under capitalism, says our author.

The neo-socialism envisaged by Beckwith will use most of the economic institutions of capitalism. Money is necessary, he says, if consumers are to have freedom of choice. So are prices. The Communist doctrine of equal pay for equal work is out, because individuals do not all have the same desires for money.

Profits will be necessary under neo-socialism because they alone show which enterprises are successful, and which are failing. Saving will be necessary to provide new capital. Wages must be unequal because inequality of payment is an incentive for high production. Wages must be set by employing officials; wage problems are too technical for workers to understand. There can, of course, be no collective bargaining, says our

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author, because that would interfere with payment to workers on the basis of what they produce.

His new socialism is in fact the familiar classical case of pure monopoly. The state is the only employer, the only investor, the only bank, and the only merchant.

Beckwith admits that the Neo-Socialists must change their attack against free capitalism. Free capitalism cannot be charged with inequality because the Neo-Socialists have taken over inequality. The new charge is inefficiency. The Neo-Socialist state will produce more. Thus it can pay higher wages, build more houses, schools, hospitals, and concert halls.

The happy assurance that Socialist productivity will be higher than that of free capitalism is the crux of the case for neo-socialism. Socialism generally transfers the management of all our resources from men of experience, selected in the hard school of trial and error, to desk workers, who have had little experience with the world of harsh reality, who cannot be compelled to render accurate accounting of gains and losses, and who can make us pay all losses through the taxing power.

Instead of saying why this should bring higher productivity, Beckwith goes into economic technicalism. The government, he says, can order every enterprise to sell at a price to cover its cheapest units of production, usually the last, instead of asking a price to cover its earlier more costly expenses. This sounds like something new and ingenious, but all it means is that the Socialist government will pay the earlier costs by taxation.

Cicero said that the Roman augurs had reached the point where he wondered how one augur could pass another on the street without laughing. Something of the same thing is happening to economists under the influence of state propaganda.

To understand the new Utopia we must look at its taxes. Under free capitalism, saving is voluntary. Under socialism, saving would be compulsory, withheld from wages. (Why should the Socialist elite bother with individual differences in the desire to save? Why give the poorer workers the right to spend all they make?) "Reckless and improvident individuals * * * would be forced to save at the rate determined by the majority of voters," says Beckwith.

The new Socialist state would furnish hospitals, schools, possibly streetcar service, without charge—but the cost would be added to taxes. Sales taxes, as on gasoline, are very desirable, says Beckwith. But Socialists would never tax a rich district to pay for schools or roads in a poor one. That would be uneconomic. Excise taxes are good because the state is a better judge of consumption than the consumer. A Socialist state would levy restriction taxes on habit-forming drugs, alcoholic drinks, organized prostitution, gambling, tobacco, tea, and coffee, if it did not prohibit them.

The new Socialists would never use personal income taxes to reduce inequalities of income, because Socialist inequalities are good inequalities, designed to increase production. In wartime they might impose capital levies on articles like automobiles and refrigerators, as part of rationing. The government would have unlimited power to create money, which is a form of taxation, because it transfers real purchasing power from the public to government.

The ideal tax, says the author, is the poll tax. The theory that taxes should be based wholly or partly on ability to pay is wholly unsound. A worker who produces twice as much as another should not be expected to contribute more toward the costs of education, health, justice, etc., than the inefficient workers. (Shades of the PCA!)

Poll taxes would be from 10 to 20 percent of average income (relatively more from low-income workers) and "should be deducted from wages and salary payments without asking the consent of the individual." Poll taxes should, he says, be applied to children as well as adult, except as a reward for eugenic parenthood. "Under socialism special taxes on large families will be far more desirable * * * in most countries than special taxes on childless individuals."

Most interesting are the plans for control of the labor supply. "While the state cannot create or destroy large numbers of workers in a short period of time, there is no valid reason why, in the long run, a Socialist government should not alter the total supply of labor in any desired direction." Over the short run, apparently, the state can destroy only small numbers of people (it is easy with rationing) unless war raises the pitch of national passions, when the limits would be off.

"To tell a man how many children he may have may appear to be an unjustified interference with personal liberty. * * *" (But that is not important.) "So far as possible this control should be persuasive only, but compulsory measures should be adopted to deal with an antisocial minority."

The state should teach birth control in the schools. If that does not work, it should impose a tariff on births, high enough to bring about the "desired" level. As Beckwith says, no one could escape the tax.

This is a beautifully frank picture of where we are going today. This is as important a turn in Socialist theory as the Communist manifesto. But it is a Machiavellian revolution by the rulers, not a popular rising. It is technocracy, or government by a permanent elite, who understand modern economic power, and who have an overwhelming desire to take over the total wealth of their nation and use it for their experiments.

How could any opposition get resources to survive and support legislators, newspapers, political parties, or churches?

This system may not be enticing to the planned for. But make no mistake, it has an enormous appeal to those who would be the planners. Thus it can be used by a few power seekers to draw the half-educated into the net of the new absolutism.

Those who want a book on the real economics of socialism would do better to read L. R. Hubbard's spare and beautiful analyses of the experience of Soviet Russia. But those who are studying the propaganda for the new statism, the subtle manipulation of economic symbols to win over the intellectuals, cannot afford to overlook Dr. Beckwith's revealing treatise.

Dr. Bunche Declines

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith an editorial which appeared in the Washington Post on Saturday, June 4, 1949:

DR. BUNCHE DECLINES

The record of Dr. Ralph Bunche puts him in the front rank of public men in the United States. He has just returned from the Middle East, where, as United Nations mediator in the conflict over Palestine, he scored a signal diplomatic triumph, which left all parties praising his personal qualities and his gift of leadership. The President, sensing the respect of the American people for this achievement, sought unsuccessfully to reclaim him for the diplomatic service. He asked him to be Assistant Secretary of State in charge of middle eastern and African affairs.

Dr. Bunche declined the honor. At the time he gave as his reasons, first, that he could not afford to leave the United Nations, and, secondly, that the work at Lake Success was of more interest to him than the assignment at the State Department. Now, in response to questions, he has given another reason that may or may not have been decisive. This is the public discrimination against Negroes in the American Capital.

This reason had already been suspected. Dr. Bunche must have had many illustrations of this discrimination along with other distinguished men of his race. But the last instance of Jim Crowism at Mr. Bunche's expense is enough to make even hardened Washingtonians wince. It occurred while Mr. Bunche was at work at Rhodes in bringing Arab and Jew together. A dinner had been arranged at a Washington hotel at which he was scheduled to speak. After the hotel had accepted the deposit, the executive secretary of the Middle East Institute, Mr. John E. Marsh, bethought himself of the local mores and told the hotel that Mr. Bunche would be a guest. Immediately the deposit came back from the hotel with an intimation of the hotel's no-Negro policy.

There is no reason to identify the hotel, for the policy is more or less common to the Capital's hotels and restaurants, and is simply a reflection of the prevailing mode of public life. It is nonetheless humiliating to the community. Here is a man who was then and is now being mentioned as a candidate for the next Nobel Peace Prize unable to get into a hotel or a restaurant in the American Capital.

Race, as G. K. Chesterton once said, is "anthropology gone mad." He was referring to Hitler's wild worship of it. In the local case the issue is a nameless fear that seems to have grown in extent and become a community habit down the years as the history of the fear has receded. Back in the seventies there was a local ordinance prohibiting racial segregation in Washington hotels, restaurants, bars, and barbershops. It seems to have been nullified about a generation later, without any apparent repeal by the local authorities. Several times we have urged research into the history of the ordinance, and we are now glad to see that this has now been ordered by the District Commissioners. It is intolerable to let this nullification stand. It subjects the American Capital to ridicule and worse in the eyes not only of the world but also of the Nation at large.

This is the reason that Mr. Bunche would rather not live in Washington, especially as Assistant Secretary of State. Only in his department would he have been honored. Outside its doors he would have risked the status of a coolie. Yet Mr. Bunche is the kind of man who can rise above the indignities to which he has been subjected. He spoke the other day at Fisk University, giving the commencement address against the background of a lynching in Georgia. And here is what he said: "We Negroes must be great realists * * * We are Americans, in a basically democratic society * * * While nothing is easy for the Negro in America, neither is anything impossible. The barriers of race are formidable, but they can be surmounted. Indeed, the entire history of the Negro in this country has been a

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history of continuous, relentless progress over these barriers."

Dr. Bunche's career is the living exemplification of his comment, and his words ring true because of it, leaving an impression of sincerity which is sometimes lacking among the professional organizers on race relations. What the State Department has lost the United Nations has gained.

Still a Bad Measure

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, the following editorial appeared in the Washington Star, and I would like to include it in the CONGRESSIONAL RECORD under leave to extend my remarks:

Although the veterans pension bill which swept through the House with little opposition Wednesday is less objectionable than its rejected predecessor, it is still bad legislation. It is bad because it would saddle the Treasury with an over-all pension burden averaging more than a billion a year during the next half century and because it establishes a costly new pension policy for veterans of both World Wars—a policy not conditioned on actual disability or degree of employability.

The original Rankin bill would have cost the Nation some $125,000,000,000. The new proposal for $72-a-month pensions at 65 for World War veterans will cost only half as much. But even $65,000,000,000 is a sizable expenditure to approve at a time when Federal deficits are mounting, with no relief in sight.

It would be easier to justify the liberal pension program if it could be shown that the Government's past attitude toward veterans had been a miserly one. But the facts are to the contrary. Last year alone the Federal Government spent $6,696,000,000 on the Veterans' Administration and its varied programs for hospitalization, rehabilitation, education and other relief for former servicemen. Nearly fifty billions, all told, have been spent for aid to veterans by the Veterans' Administration and the old Pension Bureau. No other country has been so generous to its war veterans.

It is right that the Government should be considerate of the welfare of the members of the armed services, present and past. It is right that men disabled in combat should be given the best medical care and assisted in overcoming their handicaps, that those whose education was interrupted by war should be helped through college, that loans and other aid should be extended to those in need of homes and seeking to reestablish themselves in the community. But it is unreasonable to go so far beyond this program as to assume—as the bill would for pension purposes—that all 65-year-old veterans with small incomes are totally disabled and unemployable and hence deserving of the present total-disability pension of $72 a month.

If the Senate is as determined to effect economies as its leaders have indicated recently, it will let the Rankin bill die a quiet death in committee. It has no place on a legislative program supposedly dedicated to less, not more, Government spending.

Retreat in the Pacific—A Major Defeat for the U. S. A.

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, Mr. Harry Roskolenko, writing in May Plain Talk, says that our retreat—and that is what it is—in China is an explosion of atomic dimensions. In fact, it is a total retreat in all of the Pacific, for which our sons died, and with the prospect that our grandchildren may again storm the atolls in an attempt to drive back Russian soldiers. I am including the article as part of my remarks:

RETREAT IN THE PACIFIC
(By Harry Roskolenko)

An explosion of atomic dimensions is in the making in Asia. As Winston Churchill has warned us in his recent Boston address, "The worst disaster since our victory has been the collapse of China under Communist attack and intrigue."

The life line of American defenses in the Pacific is in real danger of being pushed back to Australia and Hawaii as the downward pressure of the Red armies in China mounts. Our island bases in the Pacific may be rendered useless when all of Asia goes up in the Red conflagration.

Whether Mao Tse-tung becomes an Asiatic Tito or not will hardly affect the problem, except as a tactic. If you will study the map of southeast Asia, you will sense that the remote areas we saw in the newsreels of the Allied campaigns of 1942–45 have changed their political complexion. Former friends are now enemies; and former enemies, like the Japanese and Siamese, are to be wooed as friends.

One important friend, Burma, may soon be lost to us. During the Burma campaign in the war against Japan, 11 divisions of Chinese Nationalist troops poured across the mountains from Yunnan into Burma. Next time it is likely to be Chinese Communists who pour in. Burma is now in the midst of a many-pronged tribal and class civil war. With the added pressure of victorious communism from south China, this mountain-locked country may be cut off as a base of operations right down to the Bay of Bengal. Dismembered by Karen separatists and by Communists of several shades, and rejecting reaffiliation with the British Commonwealth, Burma has no internal power. If Premier Thakin Nu is forced to take Communists into his new cabinet, the end is near.

Not far away is the Crown Colony of Hong Kong, swelling with refugees and Communist infiltrees, where a highly organized Communist movement is waiting for the signal to take over. England's domestic economic difficulties, the curtailment of her military forces, make her chances of holding on to Hong Kong—particularly when Communist pressure there increases—very slender. The British Navy is hardly sufficient to stand as a bulwark. It will need the help of armies to hold in check the tremendous forces the Communists will unleash. The desire of the Chinese to take back Hong Kong and the local aid they will obviously receive also enter the picture.

In the Indochinese provinces, France, unable to resolve the nationalist revolution, has stationed over 100,000 French troops. To break Communist Ho Chi-minh's hold on Viet Nam and the revolution, France is attempting to reinstate former Emperor Bao Dai of Annam. Even if the Emperor is installed he will be forced to continue the national revolution, to placate the peasants, and carry out some of Ho Chi-minh's plans. It will be either that or constant civil war.

Chinese Communist troops operating in Tonking have joined with Viet-Minh in capturing Moncay. An added factor is the recent espousal (to break Bao Dai's new agreement with the French) of exiled Prince Cuong De to join Ho Chi-minh on condition that the latter "does not apply Communist principles to Viet Nam's fight." A real nationalist struggle against communism can still be fought in Indochina.

European troops in Asia are not enough for effective over-all domination, especially as they are not allied to native nationalist armies. The problem is mostly one of allies. In Indochina France has too few friends. Go-betweens like Gen. Nguyen Vanu Xuyan and Emperor Bao Dai give only a surface coloration to France's colonial hang-over. France cannot hang on, particularly if the economic and political pressure at home becomes stronger. The flood from China that may wash France out of Indochina will not stop at Siam, where the Japanese germ of "Asiatic unity" reached its highest fruition. This was the only nation to go over "willingly" to Japan. Rather anti-British because of Britain's past slicing of Siamese territory bordering on Malaya, Siam, however, does look toward the United States.

The stability which Siam had in monarchistic days has been undermined by various palace revolutions. Shortly after the war the young king, Anantha Mahiden, was killed. Since then the Government has changed hands several times. To top it off, one-seventh of Siam's population consists of mistreated but economically strong Chinese. They will make natural allies, loyal to Communist China where most of them have friends, families, and antecedents. Despite its political independence, and because it lies between French Indochina and British Malaya, Siam will go as they go. Though its industries are partially British owned, this country (underpopulated by comparison with Indonesia and China) is the granary of Asia and is therefore a prize conquest. Its social and agrarian problems, and its landlordism will enhance the chances of social unrest.

To continue our travelog in terror, Malaya, like Hong Kong, sits on an uneasy bed of straw that awaits only the match that will fire England's Pacific fortress at Singapore. Local Communist uprisings make life difficult for the European in Malaya, and murder is a common occurrence. The strongest remaining sector of western influence in Asia outside of Japan, Malaya swings between the Gulf of Siam and the Andaman Sea, washed by every ripple of social unrest. Its nine federated states, including Singapore and British settlements, like Penang and Malacca, have 5,750,000 people, of whom more than 50 percent are Chinese. A source of rubber and tin, Malaya is under western financial control. With its extreme tensions of unrest, it is a natural ground for sowing Communist propaganda.

Malaya has much arable land awaiting cultivation, but lacks the people to work it. China can relieve its overpopulation by further migration to Malaya, as well as to Indochina, Burma, and New Guinea. Cheap labor from India and China, bearing revolutionary ideas, has contributed to social and political unrest. The instability of rubber market prices, endless strikes—now illegal—and poor labor laws have intensified Malaya's dilemma.

In Japan we see the reverse side of the coin, for we are the occupiers and teachers.

Though Japan has just voted into power the Liberal-Democrats, a conservative party with three-times Premier Yoshida at its head, most of the safe middle-of-the-road parties have been swamped in the election. This is unhealthy because it narrows the field to conservatives and Communists, the latter having made the greatest single gain.

Formerly the factory of the Orient, Japan is the key country for western aims. The new policy, announced by General MacArthur recently, insists on a program of self-rehabilitation. No doubt our financial experts will soon straighten out the wavering value of the yen, but the lack of a peace treaty is the stumbling block to recovery. A treaty could create trade, arrange huge loans, and establish internal security. Currently, Japan depends on the 100,000 American troops for its defense. What few British brigades there were have been withdrawn to other more important sectors. Russia, however, still has within its borders 600,000 former Japanese soldiers—enough to make a mighty Communist militia. It is apparent that many returned and rehabilitated Soviet prisoners voted Communist. The constant smuggling of Korean Communists into Japan also helps to raise the quota of dissidents.

If we want Japan to be free, our time is short. The major weapons of Japan's military defenses were, of course, destroyed; its navy is gone. The door to communism stands open if we fail there. Despite General MacArthur's pledge to defend Japan, the decrease in our military forces throughout the Pacific has weakened our general position.

By contrast, across the Japan Sea in Korea a few thousand American troops are attempting to referee the struggle to split southern Korea from the democratic orbit. When China goes Red, Korea will topple; for there is no barrier there except our troops, which would hardly be sufficient even for token defense. The request of Ambassador Chough Yyung Ok for arms and United Nations military aid or more American troops runs counter to American foreign policy, with its aid-Europe-now-and-the-Pacific-later program. But Korea is another uneasy dike in our crumbling defenses.

Our last line of defense north of New Guinea and Australia is the Netherlands East Indies, now made ripe for Communist encroachment by Dutch stupidity, avarice, and brazen disregard of the United Nations. That the Indonesians could cope with Communist infiltration became evident—among other indications—when they put down the Musso rebellion in the fall of 1948. The United States was obviously embarrassed because European recovery program funds armed the Dutch; but the speech of Dr. Jessup at the United Nations session saved our moral face. For the Russians, expert in political exploitation, the Indonesian affair meant another victorious round in the battle for Asia. Senator BREWSTER'S resolution denying aid to any violator of United Nation Nations obligations, if passed, may give us more face in Indonesia.

This thickly populated area, with over 70,000,000 Asiatics—and a fervent nationalism that had experienced some Japanese wooing—blossomed into the Republic of Indonesia in August 1945. When the British occupied the islands and handed them back to the Dutch, much as they had offered to return Indochina to the French, the seeds of Japan's former slogan "Asia for the Asiatics" came to partial fruition.

Finally, the British left India; and now India, though still within the British Empire, is the rallying ground for Asiatic unity. The perplexed Dutch, with 15 percent of their national income derived from Indonesian investments, cannot cope politically with the new bookkeeping demanded; and despite all the Dutch subtleties and the agreements reached, peace cannot come to Asia unless the Dutch follow England's example and sail for home.

"Democratic" as it was, the first Linggadjati agreement, which called for a union between the Netherlands and the Indonesian Republic, was still an agreement between unequals. The Dutch memorandum of July 20, 1947, accusing the Indonesian Republic of bad faith, only made it obvious that such "agreements," no matter how democratic they presume to be, are still agreements between a persistent colonizer anxious to form a union to save its 15-percent investment and a country which is anxious to establish its own sovereignty.

Whatever happens in Indonesia is immediately bush-wirelessed down to Dutch New Guinea, which has already experienced Communist infiltration. While underpopulated, with scarcely a million natives in all of New Guinea, there have been strikes even in this Stone Age civilization. I saw one at Madang several years ago, when the natives insisted that the Australians pay in accordance with American wage standards.

Though the jungle has reclaimed most of what the United States Army built, from docks to airfields, the Australians have adopted many of the former United States bases, particularly at Finschhafen, Lae, Port Moresby, and other celebrated places in New Guinea. And New Guinea, too, can hide infiltrated armies leaking in from the overpopulated islands of the East Indies. Like Burma and Siam, it can take in large numbers of Chinese immigrants and there are some Chinese there now, despite New Guinea's primitive appeal. Having been the staging area for the American and Australian forces against Japan, New Guinea may develop into another staging area, this time through a Soviet-controlled invasion aimed at Australia. Japan, too, has just suggested that 20,000,000 of her people must leave the country if Japan is to be self-supporting, pointing to New Guinea as the goal.

After Pearl Harbor was knocked out, the Philippines were invaded from the sea. But the Philippines also lend themselves to internal invasion. Communism in central Luzon has played a role much like that of the Chinese Communist movement in the late 20's and 30's. Though the Philippines are bound to us by trade, political sympathy, and a long history of Filipino-American association, huge Chinese capital, with 120,000 Chinese population, make inevitable the tie to China.

Westernized before most other Asiatic countries, and a playground for American investments, the islands have suffered, nevertheless, the usual lag in social reforms, and the attendant poverty. There is more than enough living space. But there are also landlordism, tenant-farming, and tiny self-owned farms. The 18,000,000 people living on 7,000 islands, with insufficient rice, are dominated by the intermarried Spanish nobility. Many agrarian rebellions have occurred, including the Communist-led Hukbalahap revolt, which originally started as an anti-Japanese movement, at one point reaching a strength of 100,000 well-equipped men. The Huks remain active as Communist insurrectionists.

It is now up to India, occupying the role of buffer state, to neutralize the effects of the east-west war in the making; but India will no doubt feel the full weight of Soviet-Chinese communism and her future depends on the current relationship of the West to Asiatic communism.

In purely military terms, unadorned, we have only the following forces at our command: small legions of European troops and no real armies, made up of 100,000 French and foreign legionnaires in Indochina; 100,000 Americans in Japan, the British at Singapore and Hong Kong, and roughly 125,000 Dutch troops in Indonesia. No matter how modern these "armies" are, they cannot police an Asia in revolt. It would take many months, should we desire to increase our forces, before we could recruit new armies. If the Communists started to move, we could only rely on the naval and air arm—in our retreat. We cannot occupy land, let alone wage an offensive war.

Australia, with its small population, its army numbering some few tens of thousands, and an even smaller navy, has an immense coast line to defend. And, as in 1942–43, when Premier John Curtin sent urgent calls to President Roosevelt for immediate assistance, Australia must still depend more on the United States for its defense and less on England. Though the external Communist forces will lack sea power, they will have political power in Asia, with hundreds of millions of colonial adherents lashed to "Asiatic unity" for substance and battle.

If we cannot resolve the Pacific dilemma soon, then we had better begin to face again the prospect of blood-drenched atolls and of naval armadas recapturing our Asiatic defenses which today are not yet lost to us.

I'll Never Forget Nazi Brutalities

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an excerpt from the Courier-Journal newspaper of Louisville, Ky., dated May 22, 1949, in the form of an open letter written by Miss Edith Greifinger, a Polish girl now studying at the University of Kentucky.

Miss Greifinger's letter is an answer to Miss Ingeborg Dedering, who had previously written an article for the Courier-Journal, telling of her experience of terror in Berlin when the Russian soldiers entered.

The excerpt follows:

"I'LL NEVER FORGET NAZI BRUTALITIES"—GERMANS WHO HAVE SUFFERED AT OTHERS' HANDS GOT ONLY A TASTE OF THEIR OWN MEDICINE, SAYS A STUDENT FROM POLAND

(By Edith Greifinger)

I am the last one to defend brutality—and what Miss Dedering describes from her life in Berlin when the Russians entered is brutality. But at the same time I am the last one to forget the brutalities committed by the Nazis. I dare say that they were a million times worse than the Russians.

Let's not forget that the Germans were the ones who first showed how brutal a human being can be. They were murderers and thieves par excellence. Let's not forget the sufferings of Europe under the Nazi regime. Whatever the Russians did, it was vengeance for what the Germans did before.

In Miss Dedering's eyes the Germans are the poor innocent people who were attacked. She complains about the bad times she had for 1 month. She "even" had to be hidden for 3 days. She complains that the silverware and shoes were gone. She complains about the garbage the German hausfrau had to remove, after a Russian visit, from her well-kept household. Is it not awful? Yes, I can only smile sarcastically.

Here are a few facts of the German occupation which Miss Dedering seems to have forgotten and which are necessary when a true picture of what war means is given: The terror did not last a month but 5 years

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The murdering of innocent civilians, women, and children, was organized and done with clean German hands. The killing was performed orderly. When a transport of 5,000 children arrived at the death camp and the children were to be killed, they had to get undressed and fold their clothing orderly in one heap. "Ordnung muss herschen," even in murder.

While Miss Dedering spent 3 days in a box with potatoes, not even a small child could have been saved in this way from the Nazi beasts. The German soldiers were well trained; they searched everywhere in order to murder. The German soldiers did not have to go and look for a woman to take. The first day of occupation of a town, the youngest and prettiest girls were caught from homes, streets, and schools for use of the soldiers. Everything was orderly organized. Hundreds and thousands of girls were shot if they resisted.

To be more specific, however: I am the only one out of 450 girls in my lyceum who outlived the war. I am one of only 1,500 people who outlived the German regime out of 300,000 taken to camps from my home city. In a DP camp shortly after the war I was the only one out of 5,000 who had parents.

And here is how my family perished: One grandfather was gassed in a concentration camp, the other beaten to death in the street, one grandmother committed suicide in a camp, and the other was locked in a room till she starved to death. One of my uncles was hanged in his home; his wife first had to watch his death, then watch the officers "play" with their 16-year-old daughter. Three cousins aged 1 to 4 were bitten to death by trained dogs while their mothers were forced to watch. One aunt with her child at her breast was burned alive. Four cousins aged 6 to 11 had to dig their own graves before being shot. The rest of the family were either electrocuted or killed in the gas chambers. And there are thousands of cases like mine.

While Miss Dedering complains about the clothing her father lost in a Russian prison, no one from my family ever came back from a German prison. While she was hidden 3 days, my father was hidden in worse conditions for more than 30 months. While she complains that German students could not express freely their political opinions under the Russian occupation, the Germans on the other hand first stole from the universities in the occupied areas all the equipment and then punished with death every student caught with a textbook at home.

While broken vodka bottles garnished the furniture after a Russian visit in a clean German home, broken French champagne bottles stolen in France and cadavers of the owners of the ruined home marked a German visit. While Miss Dedering complains about the torn curtains and stolen silver, I point to the impoverished Europe where everything was stolen or destroyed by the Nazis and cry not only because of the ruined homes but because of all the murdered innocent people and swear never to forget the cause of their sufferings.

I don't list these facts in order to be pitied or to complain, because no one can ever understand what living under German rule meant and because the pain of memory is still too great—but I do hope to remind some people that the Germans are not always poor, suffering, good people as Miss Dedering implies.

I think that Germans have no moral right to complain of brutality since they were the first teachers of modern brutality. They wanted war, and started it—and their murder and stealing in other nations did not bother their conscience at all through all those years.

Memorial Day Address by Rear Adm. Daniel E. Barbey, United States Navy

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. VAN ZANDT. Mr. Speaker, among the many Memorial Day speeches delivered this year none is more thought-provoking than the one delivered by Rear Adm. Daniel E. Barbey, United States Navy, commander Caribbean Sea frontier. Admiral Barbey spoke on Sunday, May 29, at beautiful Alto Reste Cemetery to several thousand persons at the Memorial Day program of the Fort Fetter Post, No. 516, Department of Pennsylvania, the American Legion, Hollidaysburg, Pa.

Admiral Barbey's address follows:

Mr. Chairman, Congressman VAN ZANDT, Legionnaires, and men and women of Blair County, less than 4 years have passed since we finished the last war. Yet today we are arming ourselves to the teeth, we are making alliances with other nations, and we are talking about another war. The 682 dead from Blair County could well wonder why.

Like the average soldier, sailor, and marine, they didn't want to go to war. They watched—with an uneasy feeling—while the Germans knocked out the democratic countries of Europe one by one. And then the Japs made the attack at Pearl Harbor and the men we are honoring today found themselves in uniform. These 682 Blair County boys didn't want to go to war, and they certainly didn't want to be killed. All they wanted was to end the war quickly and become civilians again. But they didn't come back, and all over our great country today we are paying homage to those who died.

We know why some of the boys from World War II didn't come back, for it can be found in the citations for their acts of heroism. One of the outstanding heroes from this area who never returned was Corporal Harr from East Freedom. He was a Medal of Honor man in the campaign in the Philippines, just 4 years ago this spring. And if he felt like JIMMIE VAN ZANDT and I did, for we were in that same Philippine campaign, then all he wanted was to win the war and get back home. And like all the other civilians in uniform, earnestly hoped than when this war was over, our country would remain so well armed, and so well prepared, that an enemy would hesitate to attack us again. But if an attack should come, he and his buddies hoped we would be so strong, we could finish it off quickly. Today we see evidence of the overwhelming demand of all veterans to fulfil these hopes.

We all know that preparedness is expensive. If it can keep us out of war, it is indeed cheap, for we know the bitter cost of war—even when we win. Those who suffered personal tragedy are paying a price not measured by dollars and cents, and in addition, every working man and woman in our country must give, 1 hour of daily work for the rest of his life as his share of the cost of the war we just won. On the small island of Puerto Rico alone, more than $1,000,000 are spent every week for the hospitalization and care of veterans.

I remember standing amidst the ruins of battered Yokohama shortly after the Japanese surrender, watching our soldiers patrol the streets and telling the civilians what they could or could not do. There, the bitter meaning of Japanese defeat was everywhere. We have known the tragedy of being the winner, but thank God, we've never known the far greater tragedy of being the loser.

We were fortunate in our last two wars. Our allies were doing the fighting while we prepared. No one knows better than you veterans how poorly prepared we were. When you were first put in uniform you drilled with broomsticks. Ships were being built faster than you could man them—schools were turning out 90-day "wonder" officers. I remember going to Princeton University to talk to one of the first classes of these young officers who were completing a hurry-up course. My talk was about the new types of amphibious ships that were then being built, and I told the young group in front of me that they would be the ones to man them, and then asked for questions. One question I best remember was from the lad who assumed that the ships, of course, would have some old-time bosun's mate to help out. He appeared a bit discouraged when I told him that the bosun's mate would be just as much a stranger to the sea as he was.

Soldiers, sailors, marines, and airmen were partially trained and sent to combat, where they learned fast but often with tragic results. They came from the shops, from the farms, from the schools, and from the Halls of Congress—brought together in common effort. Among them were the courageous, the fearful, the leaders, and the followers. But there were pitifully few with any worthwhile experience.

Our amphibious ships were of a new type with new crews, and anyone with 3 months' experience was considered an old-timer. Among the early arrivals to join up with my amphibious force in New Guinea was an energetic lieutenant from Blair County, an ex-Congressman who had resigned his seat in the House for combat service at the front. Lieutenant VAN ZANDT was welcomed with open arms for he had naval experience in World War I, and between the wars he had kept his "hand in" with the Naval Reserves. You all know JIMMIE VAN ZANDT's outstanding war record with his rapid promotions from lieutenant to captain of a squadron of LST's. His LST's landed more than 75,000 men in assault on the beaches of New Guinea and the Philippines. You can well understand my pleasure at being on this platform today with my old comrade in arms.

There are others in this gathering who took part in those landings; sailors who manned the ships; soldiers and marines who fought their way ashore into the jungle; and airmen who gave us protection in the sky. And as the war progressed, we became a highly trained team. Now that team is broken up. You men and women who formed that team are back to your normal life, and only the professionals remain in uniform—and we professionals must keep the ships, the planes, and the weapons ready—perhaps, for another mobilization day. It is the professional who must provide a nucleus of highly trained Regulars to hold off the attack, until the Reserves can be readied for action; and the Reserves will be followed, finally, by the mobilization of every man, woman, and child. For a war of the future will be total mobilization for total war.

My wartime experience makes me a great believer in Reserve organizations. I venture to say there isn't a prewar Reserve who isn't grateful for every day of his Reserve training; and his country is grateful he had that training. And if there is ever a mobilization in the future, the quality and the quantity of the Reserves will be the vital core in our defense.

Also, I am strongly in favor of veterans' organizations, but for a different reason. I believe in these organizations of veterans because it is through them that veterans can best present to Congress the knowledge they gained in war. These veterans' organizations should be great instrumentalities of high ideals, to be used for the national security and for the national welfare, and never as political instruments for special privileges. You veterans have learned the need for preparedness, and through your veteran organizations can demand a powerful military force, ever ready to hold off an unfriendly nation; and as taxpayers, you can also demand that you receive maximum security for every dollar spent.

I have great confidence in the common sense of the individual veteran. He comes from every walk in life, from the millionaire to the bootblack. He knows what war is. He knows what happens when we are unprepared. He knows who has to fight the war. He doesn't want war, but if war comes he wants an even break. You and I don't want to go to war today or tomorrow any more than we did 8 years ago. Unfortunately, one dictator can bring on a war, but it will take the united effort of 150,000,000 free people to bring back the peace. But if we do have to fight the war that somebody else starts, we want to be so well prepared, that we will lose little time and few lives in the winning. I feel that if the whole world knows that we are well armed and capable of swift retaliation, we will not be attacked. It is not enough that we are strong; the world must know that we are strong, and must know that we will fight to the end for our way of life.

Our policy of patience with firmness can only be successful when we have the military power which is ready to back up our firmness. Our airlift to Berlin is a successful example of firmness backed up by military power. All of us have come a long way from the days when we thought disarmament, neutrality, or appeasement, were ways to peace. It is unfortunate that force is the one thing that is listened to throughout the world.

But that is why our military power must be shown at strategic points throughout the world, for though we speak softly, we must carry the big stick. This has required us to maintain a fleet in the Mediterranean and air bases in north Africa in close proximity to the trouble spots of Palestine, Iran, Greece, and Trieste, as well as troops of occupation and air bases in Germany. Now, after 3 years of tension in Europe, the situation there grows brighter every day, but that in China grows darker with every tick of the clock.

Because of the tense situation in Europe, it has been necessary to strengthen our forces there at the expense of our forces in the Pacific. We can't be strong everywhere at the same time. Perhaps we may soon be able to reverse the movement, and start sending some of our armed forces from the Atlantic to the Pacific to support a far eastern policy, which will prevent 1,000,000,000 Asiatics from coming under the dictatorship of communism. World-wide responsibilities require world-wide effort.

Our people emerged victorious from a war which was fought in support of the four freedoms—freedom of speech, freedom of every person to worship God in his own way, freedom from want, and freedom from fear. It is our way of life. We don't want war, but we have won our freedom through war, and have maintained it by war, and if necessary to keep our liberty, we will go to war again. We are through with appeasement; we are through with weakness. Until a world organization is developed to which we can trust our liberty, we have no choice but to put our faith in our strength.

The watchword of our citizens today can well be the same as that expressed in the Philippics of Demosthenes. That Greek patriot urged his countrymen to prepare against the tyrants of Macedonia. But they did not heed him and they were enslaved. Throughout the 24 centuries since his time, free peoples have had to learn over and over again what he cried then—"eternal vigilance is the price of liberty."

Pension Stampede

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, under permission to extend my remarks, I would like to include in the RECORD this editorial from the Washington Daily News for June 2:

The House of Representatives threw responsibility to the winds yesterday.

It passed, by a 365-to-27 vote, a veterans' pension bill that would cost $65,000,000,000 over the next 50 years.

It followed the reckless leadership of Representative JOHN RANKIN, of Mississippi, and rejected the sober advice of a majority of the members of its Committee on Veterans' Affairs.

And it did this after only 2 hours of debate.

Three months ago the House defeated, 208 to 207, an even more extravagant Rankin pension scheme.

After its defeat the Committee on Veterans' Affairs—over the objections of Chairman RANKIN—undertook to draft a more "reasonable" measure. The result was the bill that went before the House yesterday.

This bill proposed $72-a-month pensions at age 65 for "unemployable" veterans—defined as those unable to work at least half-time. It provided a "means test." Single veterans with incomes over $1,200 a year, and veterans with dependents and with incomes over $2,500, were not to be eligible.

In effect, the bill would have liberalized and extended benefits of present regulations under which many needy veterans already can qualify for $72 pensions when they reach 65. The cost of such pensions, over 50 years, is estimated at $35,000,000,0000. The committee's plan would have increased that by about $9,000,000,000.

But, in the 2 hours the House gave to consideration of the bill, it knocked out the provision that only "unemployables" should be eligible, thus extending the ultimate benefits to about seven times as many veterans. And then it stampeded the bill to passage.

Many of the 365 Congressmen who voted for this measure know that it should not become law—know that a Government already more than a quarter of a trillion dollars in debt, already taking nearly one-fourth of the national income in taxes, should not impose this huge added burden on its people—know that a large share of that burden will have to be carried by the veterans, themselves, and by their children.

Many of them hope that the pension bill will be defeated in the Senate or vetoed by President Truman.

If that happens, the Senate or the President will have to display a brand of courage that was conspicuously scarce in the House yesterday.

Keeping the Pledge Made at Yalta

EXTENSION OF REMARKS
OF
HON. THOMAS S. GORDON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. GORDON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article that appeared in the Christian Science Monitor entitled "Keeping the Pledge Made at Yalta":

KEEPING THE PLEDGE MADE AT YALTA

(By Roscoe Drummond)

WASHINGTON.—Remember Yalta?

It was at Yalta in February 1945 that the Government of the United States made some serious and solemn promises to the peoples of six eastern European countries which were just being liberated from Nazi tyranny.

These six countries are Poland, Czechoslovakia, Hungary, Rumania, Yugoslavia, and Bulgaria. The promises were that, when liberated, there would be free elections and political liberty.

These promises have not been kept.

The fact that one of the guarantors of the Yalta pledges—the Soviet Union—has trampled upon them does not erase the name and the honor of America from these promises.

These promises are still to be kept. They are an ultimate commitment of the United States and Britain.

At the moment there is little that the American Government, blocked by the iron curtain which surrounds the satellite nations, can do. But everything doesn't have to be left to the Government, fortunately, and it is heartening to note that there is springing up in the United States a citizens' movement to help further the cause of liberty in eastern Europe, to help the intellectual and political leaders who have come temporarily to this country, and to aid them in their peaceful efforts to prepare the way toward the restoration of the social, political, and religious liberties which their peoples are now denied.

If the American Government cannot yet honor the promises of Yalta, the American people can show that these are their promises as well. That is the purpose of the new National Committee for Free Europe, Inc., of which Joseph C. Grew, former Assistant Secretary of State and Ambassador to Japan, is chairman.

I have just reread the official Yalta communiqué which bears the signatures of Prime Minister Winston Churchill, President Roosevelt, and Marshal Joseph Stalin. The official assurance which was given in this document is no mere passing phrase dropped in casually to pretty up a statement by the Big Three.

The communiqué is literally laden with pledges to give freedom to the peoples who had lost their freedom to the Nazi occupation. There are, in all, 10 separate, explicit, and concrete references to the intention of Britain, America, and Russia to restore to the liberated nations the civil rights of a democratic society.

The Yalta Conference pledged the three governments:

To assist "the former Axis satellite states to solve by democratic means their pressing political and economic problems."

To help them "create democratic institutions of their own choice."

To restore "the right of all peoples to choose the form of government under which they will live."

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To restore the "sovereign rights and self-government to those peoples who have been forcibly deprived of them."

"To foster conditions in which the liberated peoples may exercise these rights."

To "form interim governmental authorities broadly representative of all democratic elements in the population."

To establish "through free elections governments responsive to the will of the people."

To "facilitate where necessary the holding of such elections."

And, finally, a specific pledge to Poland "to hold free and unfettered elections on the basis of universal suffrage and secret ballot."

During the 4 years since the Yalta declaration the peoples of eastern Europe have been progressively deprived of freedom of assembly, freedom of speech, freedom of worship, freedom to perform the work of their choice, freedom to elect a government of their choice.

Mr. Grew describes this situation as "the direct consequence of the determination of the leaders of international communism to dominate the world through the creation of police states subservient to them."

But the pledges of Yalta are still the pledges of the Government of the United States.

The new National Committee for Free Europe, as described in the news of this newspaper today, is evidence that the American people regard the Yalta pledges as their own, not merely the Government's, and are ready to stand by them until they are fulfilled.

The allies of freedom in eastern Europe are today risking their lives for their democratic faith. To help their cause is the least Americans can do to honor the best of what was done at Yalta.

A large group of prominent citizens of our Nation are about to formulate a National Committee for Free Europe with the ultimate purpose of carrying on an ideological offensive for the liberation of the countries that are behind the iron curtain.

I also include the following article from the Christian Science Monitor:

IDEOLOGICAL DRIVE AIMED AT IRON CURTAIN

(By Robert M. Hallett)

NEW YORK.—Prominent citizens have joined to form the National Committee for Free Europe here with the ultimate objective of carrying an ideological offensive behind the iron curtain.

The committee, headed by Joseph Grew, is predicated on the belief that United States citizens have responsibilities in the anti-Communist fight that go beyond defensive governmental actions such as military preparations, the North Atlantic Pact, and the Marshall plan.

Its primary function will be to aid non-Communist, non-Fascist, political, intellectual, and scientific refugees from eastern European nations, said Mr. Grew, former Under Secretary of State and Ambassador to Japan, in a press conference at committee headquarters June 1.

WORK OUTLINED

At present the committee intends to work exclusively with refugees from Bulgaria, Czechoslovakia, Hungary, Poland, Romania, and Yugoslavia. These countries were promised—and never did receive—free elections and fundamental freedoms at Yalta in 1945. Later the committee hopes to use these leaders in their campaign to inform the peoples of their homelands, via radio and the printed word, about the benefits of freedom and democracy.

At some future time the committee may extend its scope to cover such oppressed countries as Spain and China—"the whole road is open ahead," Mr. Grew commented.

Some 200 to 300 eastern European refugees of political, intellectual, or scientific importance are in this country now, committee officials estimate. Many are in "pretty precarious" financial positions—and one of the first objectives of the committee is to find them profitable work in their own fields. It particularly is seeking suitable positions in colleges and universities.

SPECIFIC AIMS

Specifically, the committee will assist these leaders—

1. To maintain themselves in useful occupations during their enforced stay in the United States.

2. To come to know the people of the United States and to understand their spirit and aims.

3. To engage in efforts by radio, press, and other means to keep alive in their fellow citizens in Europe the ideals of individual and national freedom.

4. To establish effective means of cooperation with like-minded European leaders in the United States and to coordinate their plans with those of similar leaders abroad.

"We have a definite self-interest in helping to keep alive, and in full vigor, political leaders who share our view of life—leaders who have refused to knuckle under; men who have not hesitated to risk their lives for their democratic faith," Mr. Grew stressed.

SOCIAL CHAOS

"And we look forward to the day when there will no longer be an iron curtain—that day must come—and these six nations which we helped liberate from the Nazi oppression will be free of the Communist oppression and once more can organize their existence in their own way.

"When that time comes, there will be something close to social chaos and political vacuum, for the first effort of totalitarian regimes is to destroy all constructive elements which might build anything different from themselves. Looking forward to that historic and critical time we have in mind that, if meanwhile democratic leaders have been helped to keep alive and in vigor in the democratic havens to which they have been driven, we can hope that, returning, they can have parts in a democratic reconstruction."

The committee will bring the exiled leaders into broad contact with American life. It will sponsor trips for them to various parts of the country for appearances before trade-unions, farm organizations, colleges, and universities, civic organizations, etc.

Then it plans to put them on short-wave broadcasts beamed to their native lands and reproduce their views on democracy in print for audiences behind the iron curtain. However, details of this program have not yet been worked out.

It will encourage these leaders to form and maintain in this country national committees which will stand as symbols of hope for their peoples.

LASTING VICTORY

"Only in the field of the contest of ideas can we hope to achieve a victory which will last," Mr. Grew declared.

The committee's declaration of policy, summing up the Communist challenge, emphasizes that not only is eastern Europe under its sway but western Europe is striving to guard its freedoms against a fifth-column attack which is without precedent for its lack of principle, its intensity, and its range of action.

"This situation," it continues, "is the direct consequence of the determination of the leaders of international communism to dominate the world through the creation of police states subservient to them. It is this which has frustrated our hopes of peace and increasingly threatens to bring on a third major war.

"The threat cannot be removed and stable peace achieved until the peoples of Europe are once more able to live without fear. Only as the specter of the police state is dissipated can personal liberty and individual security return."

In the meantime, it says, the United States remains the hope of the oppressed eastern European peoples.

While the committee still is in the process of formation, it has already enlisted a distinguished group of sponsors including Frank Altschul, treasurer; Hamilton Fish Armstrong, A. A. Berle, Jr., Francis Biddle, Robert Woods Bliss, James B. Carey, Hugh A. Drum, Allen W. Dulles, Gen. Dwight D. Eisenhower, Mark F. Ethridge, William Green, Charles R. Hook, Arthur Bliss Lane, Henry R. Luce, Arthur W. Page, Dewitt C. Poole, Charles M. Spofford, Charles P. Taft, Dewitt Wallace, Matthew Woll, and James A. Farley.

Address of Hon. Harry L. Towe, of New Jersey

EXTENSION OF REMARKS

OF

HON. JAMES C. AUCHINCLOSS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. AUCHINCLOSS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by my colleague Hon. HARRY L. TOWE, at the sixteenth annual commencement exercises of Bergen Junior College, Teaneck, N. J., Saturday, May 28, 1949:

I am honored to have the privilege of addressing this graduating class. In my work as a Member of Congress I am faced with the problems of today, not only as they affect us at home but also as they affect us throughout the world. You are about to embark on your career, and I thought, therefore, that a brief résumé of what I think you face and what you ought to do about it might be helpful.

Up to this point in your lives you have had the advantage of aid from your parents or perhaps from the Government. From now on most of you will be on your own, and I might add at this point that you will make a new acquaintance shortly—one who will be a close friend and constant associate for the rest of your lives. I refer to the Government tax collector. You will soon find that a large percentage of what you earn will be contributed to the cost of operating the Government.

I suspect that may result in your having a deeper interest in how your money is spent and I am hopeful that it will increase your interest in your Government; that you will become better informed and perhaps exert influence for making this Nation better than it now is. It should be said at this point that there is considerable room for improvement. And I hope as you go along from this point, no matter in what field you choose your career, you will constantly have in mind the importance of maintaining the form of government which all of us prize so highly and which appears to be in danger today.

I should like to take you back just briefly to a consideration of the manner in which our country was founded without dwelling for too long on any particular period of our history. Several hundred years ago, a small group of people came to our shores to be free either from religious, economic, or social oppression. They had very few tools with

which to begin their work but they did have above all the desire to be free and the willingness to work and to build. You are all familiar with what happened as a result of that start. It was the building of the greatest Nation on the face of the earth and all of us should bear in mind that our heritage came from that humble but determined start. All of the great advantages which you and I have had and which we hope to preserve for those who come after us, resulted largely from the fact that in this country as in no other country on the earth our predecessors lived under a system of government which was completely free.

Under the free system in America we have gathered people from all over the world and the only real test which has ever been applied by which an individual's success could be measured was whether or not he or she had the capacity and the desire to improve his or her position.

Many of the men who became President of this great land have come from humble origin; most of the leaders in industry, large and small alike, have been those who started at the bottom. Our educational facilities have no equal anywhere in the world, and our natural resources are still plentiful. There is every reason, therefore, for young men and women starting on their life's work to have great hope for success and to know that opportunity in plentiful quantity is waiting to be embraced.

As a result of the two world wars and an economic upheaval between them, the Government has assumed a greater place in our lives than ever before. While I recognize the value of governmental assistance and regulation to some extent, I am certain that if we are to have the opportunity in the future that our predecessors have had, the individual in this country must regain his freedom and the Government's position must be reduced to that of a willing partner instead of the one which it now assumes of directing in so many ways our future course.

It is only necessary to look abroad to find the answer to what happens when government becomes supreme and the dignity of the individual is submerged. The foreign political leaders who were responsible for the last World War were heads of governments where the people had given up or had lost involuntarily their individual freedom. The state was all-powerful. Those same political parties or governments, in order to induce their people to relinquish freedom, promised to give them higher living standards, and, in general, assured them of an easy life under government-guaranteed security. Those unsound schemes ended in dismal failure. They not only deprived individual citizens in those countries of their freedom, but the governments themselves collapsed. Complete economic destruction resulted, and that fact was one of the chief reasons for the totalitarian leaders provoking the Second World War. Most of the former leading nations of the world who sought to establish complete government security for their citizens now lie in the international "junk pile" because the citizens were willing to trade individual freedom for the promise of an easy life. The lesson to be learned from that debacle is that there is no substitute for hard work and that any government rule or capitalistic rule which has as its objective the elimination of work or the standardization of accomplishment will end in failure.

Earlier in my remarks I referred to the small group of men and women who had first come to our shores. The valuable work which they started was done with no Government standing by to aid them in their hardship and difficulties, and, of course, we know they were constantly beset by trouble of all descriptions. As we went along in our early development a government was formed. A careful study of our Constitution, or a casual reference to it, will bring anyone to the conclusion that those who perfected that unusual document sought to preserve individual dignity and freedom. We should never forget that our Government, or any other government in this world, cannot give its citizens anything for which it does not charge them by levying taxes, either before giving what appears to be something for nothing or by taking its price later on in the form of taxes. I am sure there are some people in our country who think that the Government can give them something at the expense of someone else. That is a false theory also. In addition to the actual cost in dollars of anything which the Government appears to be donating to its citizens, there is even a greater cost, and that is the giving up of control by the individual over his future and granting to the Government greater power. No nation on earth has ever survived as a free country when the tax which it levied upon all of its people approximated 40 percent of income. Today, in this country, whether it is fully realized or not, approximately 30 percent of all income is paid back to the Government in taxes in one form or another, many of them hidden from view. One of our great difficulties is that our people have become selfish. They are only concerned with the immediate problem of getting along. They give little or no consideration to the future, nor, in general, to the preservation of our free economy and our free form of government. Liberty is freedom, but freedom is not free. It is the most expensive thing in the world because it is the most desired thing in the world. That is the reason millions of men and women have been willing to give up their lives, either in an effort to establish it or in an effort to defend it when there is a threat to take it away.

I do not mean to paint a picture which is discouraging, but I do mean to emphasize the responsibility which becomes yours when you leave here, and I assure you that your future success, and I say again that opportunity is plentiful, but your future success is directly associated with, and dependent upon, the maintenance of a free, sound economy in America. Neither the President of the United States, the Congress, the Governor of the State of New Jersey, nor the legislative body of the State of New Jersey can accomplish very much without the cooperation of the citizens. You must have the desire and willingness to stand on your own feet. You must resist any effort by the Government, no matter which political party is in power, to even partially subjugate you by offering you something which they say you are getting for nothing. This course of conduct on your part will not only be the right course to follow but it will be decidedly in your own interest. Opportunity for you will remain and be plentiful only so long as the people of our country, which includes you, remain free and the Government is returned to its former position of being an instrument of the people, rather than a political entity which controls to a great extent the future of its citizens.

You are graduating at a time when the people throughout the world are at the breaking point with freedom. You must fulfill your individual responsibility in deciding whether government will be master or simply the agent of the people, subservient to their will. You must remember that no accomplishment in life will be of any permanent value unless we preserve the foundation of government upon which rests our security and reward for accomplishment.

There is a call for another generation of pioneers—and the American youth of today are equal to it, equipped and trained as are you graduates of this college—to explore and develop these new frontiers of better human relationships, a more enduring world peace, and the leadership of America in creating a happier world order. You will find the hazards as dangerous, the challenges as inspiring, and the needs as great as those which confronted the pioneers of our country in the days of the territorial frontier. And just as the American pioneers laid enduring foundations for a mighty Nation, so the pioneers of today, building in the heart of our civilization, will lay the foundations of a great new age. It will be a better age if we, as Americans, have the vision, the skill, the courage, and the faith to make it so.

Stockton Naval Supply Annex

EXTENSION OF REMARKS

OF

HON. LEROY JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. JOHNSON. Mr. Speaker, near my home town of Stockton, Calif., is located the Stockton Naval Supply Annex. This installation has become part and parcel of Stockton, and the personnel, both naval and civilian, have merged into our population and taken an active part in our civic and social life.

Also, it should be remembered that the Stockton deep-water channel which was built by the United States Army engineers is the major reason why we have the annex with us. The port is unfolding as the outlet for the great central area of California. The production of this area has exceeded the wildest dreams of the pioneers who founded Stockton, and with it the port has gradually developed and will continue to develop in the future.

I commend to my colleagues the reading of the following interesting and informative editorial from the Stockton Record regarding the Stockton Naval Annex:

NAVY IS PART AND PARTISAN OF STOCKTON

The rank of admiral in Uncle Sam's Navy carries great authority and commands respect. Hence the speech of Rear Adm. Murrey L. Royar before the Rotary Club last week packed a punch with which all Stocktonians should be impressed.

Out on Rough and Ready Island, where once grew corn and potatoes, the Navy has invested $40,000,000 in an installation which is one of the major supply bases for the Pacific Fleet and its ocean outposts. As chief of this and all other supply bases in the twelfth naval district, Admiral Royar declared the Navy never has harbored a doubtful moment of regret for the location of the naval supply annex. To the contrary, the huge installation becomes increasingly impressive in its usefulness because of its ideal location.

Location of the annex now permits it to make a significant contribution to the unification of the armed forces. Effective today, quartermaster supplies at the Tracy subdepot of Charpe General Depot (Lathrop) will be stored in four warehouses on Rough and Ready Island. Furthermore, an exchange of services has been arranged whereby Diesel equipment repairs for both Army and Navy will be made at the annex, and repairs of Army and Navy administrative motor vehicles will be made at Stockton subdepot (port).

More closely than many prewar residents of Stockton realize, the naval annex and its employees have become closely integrated

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with the life of the community. The economic impact of the annex alone is considerable. With their families, the 1,768 civilian workers constitute one-seventh of the city's consumer buying power. Private industry and business could take lessons from the Navy as respects participation in such community enterprises as the Red Cross and community chest, and donating blood to the Stockton blood center. The safety record at the annex is a challenge to any industry in the country.

The very presence of the annex is a powerful testimonial to the adequacy of Stockton's deep water channel, and to the favorable centrality of the port for land and water transportation. To these factors Admiral Royar adds his personal praise of the port as possessing facilities which are among the finest in the Nation, and a uniqueness of surroundings which enables the products of rich farming land to be shipped directly by water to any point in the world.

Truly the Navy has become a part of Stockton and a partisan of Stockton.

Chemicalization of Food Supplies

EXTENSION OF REMARKS
OF
HON. FRANK B. KEEFE
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. KEEFE. Mr. Speaker, I have repeatedly addressed the Congress on the subject of chemicalization of the food supplies of the Nation. I have referred to the Atlas Powder Co. as one of the chemical companies that is producing synthetic materials for use in certain food supplies of the Nation. They, of course, contend that their product is not deleterious to the public health. Other reputable experts contend otherwise.

I am happy to include as part of these remarks a letter bearing on this question, addressed to me by Mr. Isaac Fogg, president of the Atlas Powder Co., and my response thereto:

ATLAS POWDER CO.,
Wilmington, Del., June 3, 1949.

Hon. FRANK B. KEEFE,
United States House of Representatives, Washington, D. C.

DEAR MR. KEEFE: We wish again to express our appreciation for the courteous manner in which our people were received during their recent visit to your office to discuss the growing use of food emulsifiers.

Because of our mutual concern that the American consumer be protected to the maximum degree against possible harmful foods, and because you have twice referred to the Atlas Powder Co. in speeches on the floor of the House of Representatives, we are writing this letter in order to give the full facts about the policies and products of our company.

It seems to us that your May 9 speech made four principal points which can be summarized:

1. That wartime development of chemicals has resulted in a flood of "chemicalized" foods.

2. That the use of chemicals will result in a reduction in the use of farm-grown products such as fats, eggs, and milk.

3. That chemicals used in bread and other foods have little or no nutritive value and that some of these chemicals are designed to exclude the use of shortening in bread formulas.

4. That many currently used chemicals are dangerous and that their manufacturers have not made adequate tests of their potential harmfulness.

We wish to restrict our comments solely to the attitudes and experiences of the Atlas Powder Co. in these matters.

1. Chemicals in foods generally: As you said in your talks of March 2 and May 9, research workers in our American chemical laboratories did a magnificent job during the war. There is no question that this wartime research has vastly increased our knowledge of chemicals that can enhance the value of foods, just as research has increased our knowledge of all the sciences.

Atlas Powder Co., however, developed the first of its food emulsifiers—Span—back in 1938. Span was first made commercially available in 1941. The Tween emulsifier came into public use in 1942, and Myrj, now most commonly used in bread, was first sold commercially in 1947.

These emulsifiers, developed in our own laboratories and based upon farm-produced products, have found Nation-wide acceptance among bakers to facilitate the blending of the various normal ingredients in bread and baked goods. In bread they keep taste and softness longer, thus prolonging bread-box life and avoiding waste. They also improve bread texture and enhance flavor.

It is interesting to note that virtually all foods either contain chemicals or are chemically treated, with advantage to the consumer. Perhaps the most-used chemical products for foodstuffs are the shortenings which are synthetically produced by adding gas hydrogen to animal and vegetable oils in the presence of catalytic materials. Moreover, these shortenings often contain emulsifiers which are produced by chemical processes.

2. Emulsifiers as substitutes: Atlas emulsifiers do not replace any other nutritional ingredient of bread. (Testimony before the Food and Drug Administration is replete with evidence to this effect.) These emulsifiers perform new and distinctive functions and are relatively costly compounds which bakers add in very small quantities to their formulas to improve the quality of their bread. The cost of Myrj is 45 cents a pound. The cost of various shortenings ranges from 14 to 18 cents a pound. On a purely dollars-and-cents basis, it is obvious that bakers are not going to substitute Myrj for less expensive shortenings, particularly since shortening performs functions in bread which emulsifiers do not.

There is an explanation for the publicity given this substitution question and we feel the American people are entitled to the true story, and not purely competitive propaganda.

Atlas food emulsifiers compete with other food emulsifiers including those sold as mono- and di-glycerides. The principal producers of these products are also producers of high-ratio shortening. Atlas food emulsifiers, directly available to bakers, constitute a direct threat to their previous patent monopoly built up around certain patents and licenses for the use of mono- and di-glycerides.

Your reading of the current bread testimony will show that the charge of shortening substitute leveled against Atlas emulsifiers has come from these same shortening interests who fear competition to their mono and di-glyceride emulsifiers.

Bakers have repeatedly testified that to meet customer preferences it is common practice to alter the character of bread and other baked products by the interchange of various ingredients such as eggs, milk, flour, shortening, or even emulsifiers. In fact, there is no uniform formula for making bread in America. This fact is noteworthy: when Atlas emulsifiers are employed in the standard type of soft bread, it is necessary to use shortening to avoid crumbling.

The Atlas emulsifier enhances the quality of bread. That is its sole purpose. Better bread should increase the consumption of bread and likewise increase the use of the various farm-produced ingredients that go into making bread.

3. Nutritive values: Scientific studies show that Atlas food emulsifiers do have positive nutritive qualities. "Myrj," for example, is indicated to have approximately the same caloric value, gram for gram, as flour (about 4 calories per gram).

The point is hardly important, however, because Atlas emulsifiers are used in such minute amounts. For instance, in bread the maximum amount of "Myrj 45" effectively used is one-third of 1 percent of the total solids content.

It is interesting that the amount of fat or shortening in bread is also small and has little bearing on its nutritive value. The amount of shortening added to bread ranges from zero to about 3 percent by weight of the finished loaf. The more shortening that is used, the less flour and vice versa.

4. Adequacy of testing: This is a matter of great importance to the American consumer and to us in the Atlas Powder Co.

Atlas' traditional policy has been to make exhaustive tests on all of its chemical products destined for human consumption or use.

It might interest you to know that for the past 10 years—considerably before even the first Atlas food emulsifier was made commercially available to the food industry—the company has been testing its emulsifiers. In these studies Atlas has been assisted by some of the Nation's top medical, pharmacological and nutritional authorities. Some of the more important of these tests were started by leading authorities on their own initiative without the knowledge of Atlas.

As a matter of company policy, we consulted FDA's division of pharmacology—the agency's technical group—concerning our tests. FDA suggestions were incorporated in our testing. The reports we received on our studies were filed with FDA as they were rendered.

These tests have included intensive animal and human feeding studies, made at leading medical and scientific institutions. Such recognized authorities as Drs. Chester M. Jones and Perry C. Culver, of Massachusetts General Hospital and Harvard University Medical School; Dr. John C. Krantz, of University of Maryland Medical School, and Dr. Sidney Page, of the University of Virginia Medical School, have carried on these tests.

Specifically, tests on animals by Dr. Krantz have included acute, subacute and chronic feeding studies, conducted on successive generations and over varying periods of time up to "life-span" and in massive quantities. Dr. Krantz's findings of harmlessness have been subsequently confirmed by Dr. Bernard Oser, of the Food Research Laboratory, Long Island City, N. Y.

You have referred to the "many unexplainable irregularities concerning the deaths of rats, dogs and other animals under study." As a long-time student of public health matters, you are doubtless familiar with the fact that, particularly during experiments designed to extend over their lifetime, animals frequently are taken ill, and eventually die.

But the important factor here—and the FDA record is very clear on this point—is that such animal deaths or illnesses as occurred were in no wise due to the feeding of Atlas food emulsifiers.

You have also made reference to "manifestations of diarrhea, belching, pruritus, itching and other symptoms" during human feeding studies. A careful examination of Dr. Page's testimony before FDA will show that:

1. These manifestations, all of a minor nature, were considered by a corps of medical doctors to be entirely insignificant. They were no more than was to be expected in a study of 60 persons over the time of the test.

2. In that particular test, the emulsifiers were fed to students in rich chocolate syrup in amounts far greater than normal, and the symptoms reported are common to many people eating chocolate.

3. The pruritus and itching, reported by a few subjects, actually were manifested before the study and could not be attributable to the Atlas emulsifiers.

The Massachusetts General Hospital enjoys a reputation unsurpassed in the field of objective, independent medical research. It might interest you to know that this hospital started clinical study of our emulsifiers even before we were aware of it.

Drs. Jones and Culver at Massachusetts General Hospital found in their human metabolism tests that the polyol portion of Atlas emulsifiers—containing the so-called polyglycol material to which you referred—is completely excreted from the human body. It is not retained in either the cellular or extracellular water of the human body.

Dr. Culver testified as to the nontoxicity of our emulsifiers before the FDA and pointed out their beneficial effects, especially with regard to fat and fat-soluble vitamin absorption.

When you indicated there is no semblance of agreement among experts concerning what happens to polyglycol in the body, the reference apparently was directed at testimony on materials not made by Atlas and not proposed at this hearing for use in bread. There has been no refutation before the FDA of any of the results obtained by Dr. Culver and his associates at Massachusetts General Hospital on the basis of clinical studies of human beings.

You infer that Atlas financing of certain tests on its products in the interest of the public welfare may have influenced the findings of these highly reputable scientists. Such insinuations are wholly unwarranted.

The Atlas Powder Co. has never paid witnesses to sponsor its products at the FDA hearings nor has it in any way sought to shape the course of free and honest scientific inquiry into its food emulsifiers.

We firmly believe that investigations carried on over the years by Atlas and independent scientists to assure the safety of our food emulsifiers have rarely been equaled in that field of modern chemical research.

If you like, the company would be happy to furnish you the complete reports on all the intensive pharmacological, nutritional, and medical studies made on its food emulsifiers.

We hope the facts presented here will answer the points which you have raised and will indicate clearly the Atlas Powder Co.'s keen interest in making products for the benefit and health of our Nation.

In view of your remarks about our company on March 2 and May 9 on the floor of the House, we hope you will consider placing this letter in the CONGRESSIONAL RECORD so it will have an equal opportunity of being noted by the American people.

Sincerely yours,

ISAAC FOGG,
President.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 6, 1949.

Mr. ISAAC FOGG,
President, Atlas Powder Co.,
Wilmington, Del.

DEAR MR. FOGG: Thank you for your letter of June 3. I shall be happy to place your letter in the CONGRESSIONAL RECORD.

I am a layman seeking basic facts that involve the health of the people of this Nation. I am certain that if the Congress sets up the investigating committee which I have requested, we will be able to develop all of the facts relative to the whole subject of toxicity in food supplies. I am glad to note that your company supports my request for a complete and thorough investigation into this whole subject matter. Despite the fact that many of the contentions set forth in your letter are subject to violent disagreement with the opinion of outstanding experts in the field of pathology, chemistry, and nutrition, I am glad to give to the Congress and the American people through the columns of the CONGRESSIONAL RECORD the contentions of your company.

Very sincerely yours,

FRANK B. KEEFE,
Member of Congress.

It Can Wait

EXTENSION OF REMARKS
OF
HON. EARL C. MICHENER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. MICHENER. Mr. Speaker, pursuant to permission given by the House, I include an editorial from the Adrian (Mich.) Daily Telegram of June 2, 1949. The editorial reads as follows:

IT CAN WAIT

For the time being at least, the controversial issue of Federal health insurance is being shunted off the floor of Congress. Senate Democratic Leader LUCAS says it will be impossible to act on the President's national health program at this session. Congress may be pushed beyond July 31, its planned adjournment date, before it has completed action on such vital matters as reciprocal-trade extension, Taft-Hartley-law revision, and approval of the North Atlantic Pact.

Since Senator LUCAS is the Senate floor leader for the Democrats, his statement is taken to mean that the administration has decided to postpone pressure for enactment of the health program. That should be a good thing. The delay can be used to do some clearer thinking about the proposal.

The facts that have been mustered so far in support of the administration's proposal are far from convincing. A lot of heat has been generated in behalf of it but not enough light shed on it. Parts of the program undoubtedly are designed to meet certain needs that are definite and real—the need for more physicians and health workers, for example, and for more hospital facilities in some sections. But, on the other hand, the program in its entirety is vastly complex and costly. It should have more study if Congress is to approve it at all. As presently offered the program represents a radical change in the traditional doctor-patient relationship and the entrance of Federal bureaucracy into a wider field of American life.

The motive of improving health standards is worthy, of course. But on the other hand the health standards of our country already are the highest in the world and have been going up remarkably in the last quarter of a century. And for the last several years voluntary hospital and medical-care plans have been expanding and proving their worth. They are capable of further expansion, and will have it, if the Government keeps out of the field. Their charges are not onerous by any means. For the most part those who cannot afford to pay them are persons who never could pay all their medical bills.

At present Government economy is clearly one of the Nation's most urgent needs. Certainly a Federal health plan is bound to add heavily to Government costs. More dependable estimates are needed as to the cost before any final decision is made. The experience of Great Britain is frightening, and the British plan was the pattern followed in drafting the President's proposal.

The whole idea needs further study both as to its costs and its social and political implications. A delay in congressional action is advisable. If the plan is as good as its advocates claim, it will not suffer by waiting. If it is as bad as the opponents say, the country will have avoided a costly mistake.

The Nation's Finances

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Frank R. Kent, from the Washington Sunday Star of June 5, 1949:

CONGRESS SHOWS WORRY OVER THE NATION'S FINANCES — FEELING GROWS THAT DEFICIT SPENDING WILL LEAD TO BANKRUPTCY

(By Frank R. Kent)

The concededly sick condition of the Nation's finances is being taken more seriously now by more Members of Congress than ever before.

Republicans as well as Democrats agree that this is a reflection of the feeling of many hundreds of thousands of citizens hard pressed for money to pay taxes and still maintain a reasonable standard of living for their families. Many have reached the point where the increasing penalties and perils of national debts and deficits have become a nightmare.

Certainly it has taken them a long time to get to that point. For a good many years the dangers of vast governmental expansion and uncontrolled expenditures have been stressed in vain. Even those who admitted the unsoundness of the spending policy and regarded the three-thumbed theory of the self-styled "liberal economists" that the size of the national debt does not matter because "we owe it to ourselves" as too silly to deny—even these were too apathetic to be actively antagonistic. On the other hand, while the Treasury billions continue to pour out, great hordes of voters directly profit either by getting on the Federal pay roll or receiving some form of personal bounty, subsidy, or dole.

For four elections the "tax, tax, spend, spend, elect, elect" formula of the late Mr. Hopkins, which expressed with complete accuracy the whole New Deal political philosophy, has prevailed. Perhaps it will prevail again, but there is in Congress today a concern about economy and an alarm about waste that has not existed since 1933, when the Treasury floodgates were flung open and a large part of the population ran in to get theirs.

In less than a month the fiscal year of 1949 will close and fiscal 1950 begin. There is reason to believe tht the figures then made public will shock all save the most dizzy optimists and callous politicians.

Last January Mr. Truman presented a voluminous but unintelligible budget in which he forecast for fiscal 1950 a deficit of $900,000,000. The Joint Congressional Com-

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mittee on Internal Revenue Taxation points out that, accepting the President's estimate of $41,900,000,000 for expenditures, he has underestimated the deficit by $2,100,000,000, which means a deficit of $3,000,000,000.

But Senator BYRD and others insist the President's spending estimate for 1950 is far too low. They say appropriations already authorized justify putting the figure at $44,300,000,000. In other words, the 1950 deficit cannot be less than $6,500,000,000—and easily may run to $7,000,000,000. Republican Senator WHERRY a few days ago estimated it at $11,000,000,000.

The facts seem to bear the Byrd figure out. If and when they are substantiated, the crisis confronting the country will be one no citizen can afford to blink. Clearly, something then will have to be done or down the drain we go. We will have arrived at that inevitable end of the road so long and futilely talked about.

Obviously there are only three possible courses of action—spend vastly less; tax vastly more; or take the foot off the brakes.

Despite passage by the House of a new veterans' pension bill, sentiment for economy appears rapidly growing. Recent newspaper polls in various States are highly significant. There is a real prospect that the 5-percent cut all down the line will be made. But that would total only one and one-half billion, which is a long way from enough.

The Hoover Commission has shown how three billion can be annually saved but the power of the Federal jobholders is such that few believe Congress has the guts to go full distance on that.

Clearly you can't raise $5,000,000,000 more in taxes without further depressing business and drying up revenue. Economy is the only answer. Faced with the stark prospect of a bankrupt nation, the only possible way to avert disaster is to push aside all new expensive experiments, completely cut out waste and recover our financial equilibrium. Upon that hinges not only our own salvation but the civilizations abroad which we are so desperately trying to prop.

It is interesting to note that while Mr. Truman is alarmed over the prospect of a big deficit and still—publicly anyhow—favors raising four billions in new taxes, his zeal for economy is not great. So far he has opposed every cutting proposal. Nor has he really put his weight behind the Hoover proposals.

It is even more interesting to note the attitude of the Americans for Democratic Action and their allied labor bosses. These denounce the President's partial retreat from the more fantastically expensive part of his program as a betrayal of the people. But they do more than that. Recently a Harvard economist, representing the ADA, appeared before a Senate committee urging the administration's extremely costly compulsory health-insurance bill. He rather stunned some Senators by declaring that governments cannot afford to economize, and family heads who save instead of spending are antisocial.

There is no available information as to how he behaves with his own money, but certainly Senator HUBERT HUMPHREY, who is head of the ADA, does not intend if he can help it that Uncle Sam shall go antisocial in this way. In 5 months he has personally sponsored bills totaling more than 22 billions of dollars of taxpayers' money. He is probably pretty proud of himself.

Anyhow, it's a great thought that the more we spend and the more we owe and that the deeper the deficit and the higher the debt the better off everybody is. Those who believe that—and there are still an astonishing number—may have a lot of fun—until the dam bursts.

Farming's Still a Gamble

EXTENSION OF REMARKS
OF
HON. ERNEST K. BRAMBLETT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. BRAMBLETT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newspaper article from the Pacific Grove Tribune:

FARMING'S STILL A GAMBLE

In spite of the best laid plans of bureaucrats and college professors, lady luck, even in the year 1949, still plays a major role in the farming business.

California's artichoke growers can testify to that. January's killing frosts literally nipped the chokes in the bud and prices shot up to $12 a crate. But after a couple of months of enforced dormancy, the plants burgeoned into such abundant production that growers now are getting only $1.75 a crate. Last year at this time, the average price was about $3.

Buffeted by the vagaries of weather and the effects of supply and demand, artichoke growers must be reeling from the dizzy change of pace. Their experience is a good example of the difficulties faced by the economic planners who attempt to control farm production on drawing boards.

A Good Rural Job

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks, I am inserting a bulletin issued by the Ohio Bell Telephone Co., entitled "A Good Rural Job." I feel that this record is outstanding and am, indeed, glad to bring it to the attention of the Congress.

A GOOD RURAL JOB

In 1948 excellent progress was made in our efforts to provide telephone service in the rural areas served by the Ohio Bell.

The rural job last year meant a lot of work and a lot of material. In all, 10,243 poles were added, 7,000 miles of wire were strung, new central offices were built, and new instruments were installed. The cost was about $3,500,000.

Despite this excellent record, a great deal more needs to be done. At the end of last year, there were still 5,277 held orders on file and there were still too many being serviced by lines with more than eight parties. To meet this demand our company is planning in 1949 to cut in half the number of lines with more than 8 parties and to install 14,700 new telephones. Having already installed 5,117 new telephones in the first 3 months, we are well on our way to this goal.

In 1948, 17,168 new telephones were installed, a gain of 15.2 percent; 19,810 people who were on lines with more than 8 parties received improved service. This is a reduction of 52 percent on those lines with more than 8 parties; 71 out of 100 rural establishments now have telephone service. In 1945 only 45 out of 100 had service.

Address by Hon. Oscar L. Chapman at Franklin D. Roosevelt Memorial Services

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Tuesday, June 7 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address by Hon. Oscar L. Chapman, Under Secretary of the Interior, at the memorial services for Franklin D. Roosevelt at Hyde Park, N. Y., May 30, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am deeply touched by the privilege I have here today of paying tribute at this annual memorial service of the Roosevelt Home Club to the memory of Franklin Roosevelt.

I am also somewhat awed by the task of talking about the greatest man of our generation to members of his family and lifelong friends who had opportunities to know him much more extensively than I ever had. But at least I speak as one who had the privilege of serving with him for many years, and as one who followed him gladly in the peaceful revolution of which he was the leader in his first two terms in the Presidency, and later during the war which shook the earth.

Hyde Park is the mecca today of tens of thousands of people, citizens of this country and of other lands the wide world over. These people, plain people and great, who loved and followed Franklin Roosevelt in his lifetime, are drawn here by the mysterious bond by which he drew them to him in his lifetime, and which still exists.

Here at Hyde Park, amid the familiar scenes he knew so long and so well, we are privileged to sense something of the spirit of Franklin Roosevelt. Here are the places he loved above all other—this rose garden, this home, these rolling acres and majestic trees, the views of the broad and tranquil Hudson, and all the favorite spots which had a special meaning for him. Here grew and ripened those qualities of mind and heart which stood him—and the whole Nation—in good stead as there came to him the tremendous responsibilities first of national leadership and then of world leadership.

As human as he was, and with his sharp sense of history, he was aware of his impact on the national and world scenes. He must have been proud of his many great triumphs. But the most precious victories he won were those he won here. The support that he valued most highly was that of his neighbors. The faith and friendship that resulted in the formation of the Roosevelt Home Club no doubt was one of the really important things in his life.

He relished the victory celebrations and the torchlight processions of this club with that great capacity for relishment which he possessed. He must have been deeply touched, too, by the idea of fighting infantile paralysis in his name which originated with this group and which was taken up by others through the length and breadth of the Nation.

The word "neighbor" always had a special meaning for Franklin Roosevelt—a meaning which grew out of his life-long associations

with his friends here at Hyde Park and in Dutchess County.

Many of you are here today carrying on associations formed in the Roosevelt Home Club or otherwise during the spirited years of the thirties and early forties, when common struggles and common victories brought a feeling of genuine kinship. It is interesting to recall how those warm, neighborly relations here became, through the spirit of Franklin Roosevelt, the pattern for a whole series of widening relationships.

The "fireside chat," which informed and reassured the American people in many a day of crisis, was a talk to Hyde Park neighbors—on a national scale.

The "good-neighbor policy," which reoriented into international relationships throughout the Western Hemisphere, carried into international relationships the spirit of the simple, homely neighborliness which the President learned from boyhood onward in Dutchess County. This spirit was based upon mutual understanding, and through such understanding a sympathetic appreciation of another's viewpoint. Even on a world scale this same neighborly outlook ran through his thinking, from the caution of a "quarantine" to the magnificent conception of the United Nations.

"We are, all of us, children of the earth," he wrote in 1944 on the eve of the Normandy invasion. "If our brothers are oppressed, then we are oppressed. If they hunger, we hunger. If their freedom is taken away, our freedom is not secure." This spirit of the neighborliness, this sense of the brotherhood of mankind, was an inherent part of Franklin Roosevelt's nature.

In looking at the manifold problems of today both at home and abroad, two are foremost in my thinking. One is the continuation of humanity's long struggle for peace in the world and the other is the fulfillment of our age-long ideal for democratic society in which all our people participate equally.

To many the progress we have made in reaching these objectives has been discouragingly slow.

Although I mention them as two problems, in actuality, I believe that they are but different facets of the same problem, the solution of which will come from making the spirit of neighborliness a living force in the world.

Franklin Roosevelt realized this when he warned us that "if civilization is to survive we must cultivate the science of human relationships—the ability of all peoples, of all kinds, to live together and work together in the same world at peace."

In the United Nations, which he did so much to build, Franklin Roosevelt saw an opportunity to take a long step forward "in cultivating the science of human relationships."

In thinking of man's attempts to make "neighborliness" a reality I often think, as I am sure many of you have, of the crucial period in the history of our own country when the United States was an infant organization composed of States jealous of their sovereignty and power, frequently quarreling, and suspicious of each other. Yet a union was formed and a Constitution established which despite its imperfections at the time became a unifying force for a great Nation.

Although the first faltering steps of the United Nations have not taken us to our goal, we would not be true to the heritage he left us if we let our fears and discouragements destroy the ideal for which he gave so much of himself—if we did not heed his admonition that "the only limit to our realization of tomorrow will be our doubts of today."

It is faith in the future and our concern for our children, and our children's children, that must lead us to build the United Nations as an organization strong enough and able enough to secure the future for them and other children of the world.

We must move forward to strong and democratic world organization, and we must continue to move forward to a healthy and strong democracy in our own land.

Somewhat slowly and hesitantly we are moving back the dark frontiers of superstition and prejudice which must be conquered if we are to live in an America in which all our fellow citizens have equal rights to life, liberty, and the pursuit of happiness.

Franklin Roosevelt's love of people and his faith in them, was strengthened by his love of nature and the land. This, too, grew naturally out of his experience at Hyde Park. His father taught him the great enjoyment of country life, and the responsibility that is owed to the land. He took an exceptionally keen interest in the trees and the crops and the weather and loved to spend as much time out of doors as he could. There grew in him a profound appreciation of the supreme value of America's natural resources of soil, timber, minerals, and water.

With his vast comprehension and diversified interest in many activities, Franklin Roosevelt never lost the realization that the things in which he was interested were important not for themselves, but because they were related to people and the wants and desires of people.

In the field of natural resources, there are many who seem to consider the conservation of water, soils and forests, an end in itself. But to Franklin Roosevelt, resources were never unrelated to people, their needs, their hopes and their future. The planting of trees, the contour plowing of soil to prevent erosion, the protection of wilderness areas—these and other conservation measures were never more effectively pushed forward than by Franklin Roosevelt—but these things were done so that the people of our country—we and those who come afterward—would enjoy greater abundance and security.

One of Franklin Roosevelt's first great achievements as President was to tackle, during the disastrous depression, the physical rehabilitation of the country. This meant launching a winning fight against the forces which for generations had been upsetting the balance between the people of the United States and their natural environment.

The President's bold actions to meet those forces galvanized the will of the Nation. Franklin Roosevelt not only knew himself what so urgently needed to be done, but the Nation was able to learn the conservation lesson from him. The great conservation measures he fathered gave an impetus to the cause of conservation which continues as a vital force today.

This lesson of conservation, so close to the heart of Franklin Roosevelt, is one which our democracy must never allow itself to forget.

America's wealth is not measured in dollars, but in people, in land, water, minerals, and forests.

Although some of our resources are becoming exhausted, we still have enough resources to last, if we use them wisely and well, and if we apply to our resource problems of today the imagination, courage, and foresight that was characteristic of Franklin Roosevelt.

His was never the negative approach nor did he waste his energy in lamenting the difficulties of a situation. In conservation and resource development, as well as in other fields, he was convinced that if we tackled our problems bodily and constructively, solutions would be found.

Franklin Roosevelt always recognized that men and nature must work hand in hand, and that the throwing out of balance of nature's resources throws out of balance also the lives of men. The restoration of nature's proper balance tends also to restore the balance of men's lives, strengthening their occupations, their morale, and their self-respect in a democracy. It nourishes that consciousness of the people and the land so well expressed in Roosevelt's phrase I quoted a moment ago—"We are all of us children of the earth."

It is this spirit which is communicated to us in one of its highest forms in just such places as Hyde Park with its serene countryside and historic associations. In developing our Nation we must make certain that the great places of America, those national parks and historic sites which communicate most fully to us our understanding of nature and history, are preserved unimpaired for the continuing inspiration of present and future generations.

Our physical greatness, based on natural resources, must be matched by a moral and intellectual greatness nourished by the grandeur of unspoiled wilderness and by the living associations of historic sites adequately protected in their natural setting.

For his leadership, his courage, and his vision, for all that he gave this Nation and the world, Franklin Roosevelt has taken his place among the Titans of history. The question is whether we shall prove worthy of the leadership he so generously gave us and by our actions and our deeds carry on in his spirit toward the great objective set for us. It is our duty here on this day to dedicate ourselves to deepening our understanding of his spirit, and strengthening our determination to achieve his objectives.

Hyde Park is now a national historic site, a memorial to his greatness, and one for which we may be eternally grateful. This rose garden in which he lies is hallowed by the love and affection of millions of people. Here is a well-spring from which men and women will draw inspiration so long as brotherhood has any meaning, so long as faith in the ultimate good of mankind has any verity.

Franklin Roosevelt has also a wider and deeper monument than this. He has joined the select company whose home is in the minds of men, where their glory remains fresh to stir to speech or action as the occasion comes by.

Politics Before Peace

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Tuesday, June 7 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Politics Before Peace," published in the Pittsburgh Press of June 5, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

POLITICS BEFORE PEACE

Preserving peace is America's greatest problem. Compared to the matter of avoiding another war, all other issues are secondary.

Yet in the new line-up of administration proposals to be acted on at this session of Congress, repeal of the Taft-Hartley Act has been placed ahead of ratifying the Atlantic Charter. Due entirely to politics.

Labor, despite all claims to the contrary, has not suffered under the Taft-Hartley law. Unions have gained members, higher wages,

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better conditions, and many other benefits. The so-called slave-labor law clearly has neither enslaved nor injured any worker in any way.

During the last year, however, world tension has increased. The peril to peace is at least as great as it was a year ago, perhaps greater.

But merely because there is a clamorous pressure bloc demanding repeal of the present labor law, it gets precedence in Congress over action on the Atlantic Pact—the keystone of our peace efforts.

In other respects, the peace situation is discouraging. We are constantly told that we need a strong, united defense establishment. Yet there is daily evidence that we don't have it.

Congress defeated a sound military pay bill because of cheap demagogic attacks on officers.

Politics and pressure are keeping us from getting the strength and unity which are essential to preserve peace and enjoy security.

We are sitting on a volcano.

There are civil wars in Greece, China, Burma, French Indo-China, and Indonesia. Europe is an armed camp, divided by Russia's iron curtain. Yet, though the potential aggressors are better armed than the forces of peace, Congress hesitates to vote arms for western Europe.

Peace can't be sustained by that kind of fence-straddling.

Banditry must be discouraged by police measures.

To obtain peace, the whole world must be organized for it, beginning with the nations that want it badly enough to defend it.

Congressional indifference to the administration's peace program reflects the confusion in the minds of the people. Our foreign policy does not add up and make sense to the average man, because it is indefinite and contradictory.

The American citizen has been told that the United Nations would keep the peace—and he hasn't been told that the Russian veto has prevented that organization from functioning.

He has been told our Government is against communism. Yet he sees that same Government coddling Communists and fellow-travelers. He knows we have opposed communism in Greece and encouraged it in China.

Unity is the basis of strength and unity can be achieved only through understanding. Peace in the Pacific area is just as essential to us as peace in the North Atlantic. The American people haven't forgotten Pearl Harbor, if the State Department has. From the viewpoint of our defense, Spain has just as much rightful place in the peace camp as, say, Italy or Turkey.

A foreign policy fashioned as ours has been by pressure groups, and subject to constant change on that account, cannot have well-defined objectives or any real meaning for the American people as a whole. That is our weakness, and it is the peril of the world, because the world looks to us for leadership.

America at the Crossroads

EXTENSION OF REMARKS

OF

HON. JOHN J. WILLIAMS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Tuesday, June 7 (legislative day of Thursday, June 2), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address, in part, of Mr. G. E. Blewett, delivered before the Kiwanis Club of Denton, Tex., on the subject America at the Crossroads.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

CHARGES POLITICAL MOTIVES

DENTON, TEX.—G. E. Blewett, secretary of the Texas Grain and Feed Dealers Association, today charged administration forces with deliberately complicating the grain storage situation for the purpose of influencing legislation that would permit CCC to launch an expansive program of building grain storage facilities and thus hasten socialization of the grain industry.

Speaking before the Kiwanis Club on the subject of America at the crossroads, Mr. Blewett stated in part:

"Much publicity has been given the grain storage situation in Texas and other Southwestern States and the grain trade has been most unjustly criticized. So without any qualifications or reservations, I charge and accuse CCC, PMA, United States Department of Agriculture, Secretary of Agriculture Charles Brannan, President Harry Truman, and other bureaucrats unknown of knowingly and wilfully, intentionally and maliciously causing the congestion that now exists in the grain storage situation by deliberately withholding sales and loading orders on old crop grains, thus keeping present storage facilities filled, thereby discrediting the grain trade for the sole purpose of influencing sentiment in Congress and in the public mind toward legislation now pending that would give the afore-mentioned greater power and more control over the grain industry.

"An impartial analysis and study of this situation and of the statistics clearly shows the afore-mentioned are wholly incompetent, completely unable and totally inexperienced to conduct a grain business either in export or domestic, and I am going to urge the Congress to turn the grain business back to experienced and qualified firms who are sufficiently capable and thoroughly competent to handle the grain business, both in export and domestic without burdening the American people with heavy taxation.

"Had the grain trade been in charge of the grain business, this vast accumulation of old crop grains would have long ago disappeared in commercial channels, for the grain trade cannot afford to take losses by carrying old crop grains into new crop deliveries, but the bureaucrats in Washington are not in the least concerned about how much money they lose as these losses do not come out of their pockets, but out of the pockets of the taxpayers of America."

Hon. James I. Dolliver, of Iowa, Endorses the Arkansas Plan for Fair Employment

EXTENSION OF REMARKS

OF

HON. BROOKS HAYS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. HAYS of Arkansas. Mr. Speaker, recently I received a letter from the gentleman from Iowa, Hon. JAMES I. DOLLIVER, commenting upon the arguments I had advanced in opposition to pending FEPC measures. Our distinguished colleague from Iowa was kind enough to study an alternative proposal which I presented to the Education and Labor Committee, and his endorsement of my plan of achieving fair-employment practices in private industry is set forth in the following letter, which I include under leave to extend my remarks:

DEAR COLLEAGUE: Having given considerable attention and study to your proposal with respect to fair-employment practices, I am persuaded that your proposal is the proper answer for this very difficult and perplexing domestic issue. It is altogether true, alas, that good morals and friendly attitudes cannot be legislated. An advisory, rather than compulsory, commission on fair-employment practices, would be ultimately far more effective, in my opinion.

Since it is not possible for me to appear before the committee at the time set, you are at liberty to use this letter as an expression of my views on the subject.

Sincerely,

JAMES I. DOLLIVER.

A Civil Rights Bill

EXTENSION OF REMARKS

OF

HON. HARLEY M. KILGORE

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 7 (legislative day of Thursday, June 2), 1949

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial from the New York Times of June 7, entitled "A Civil Rights Bill."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A CIVIL RIGHTS BILL

A bill to make lynching a Federal crime won the approval yesterday of the Senate Judiciary Committee. This is the first civil-rights measure to be approved by any committee of the Senate at the present session. The proposed legislation would provide severe penalties for conspiracy to incite, aid, or commit a lynching and these penalties would apply also to peace officers who willfully refused or failed to protect persons threatened with mob violence or who willfully refused or failed to make all reasonable efforts to bring to justice those who are guilty of such violence. In this respect the new measure follows the recommendations made some months ago by the President's Committee on Civil Rights, headed by Charles E. Wilson.

As the President's committee noted at the time of its report, the constitutionality of some parts of the measure now recommended has been questioned. The committee was of the opinion, however, "that there are several constitutional bases upon which such a law might be passed and that these are sufficiently strong to justify prompt action by Congress."

Action has not been prompt. But it remains imperative. For while the ultimate remedy for the monstrous evil of lynching must lie in the social consciousness of the local community, there are sound reasons for believing, with the President's committee, that the enactment of a Federal antilynching law would set a standard and serve as a deterrent.

Address of Dr. Cloyd Heck Marvin, President of the George Washington University

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. MILLER of Nebraska. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following splendid address by Dr. Cloyd Heck Marvin, president of the George Washington University. The speech was given June 1, 1949, to members of the graduating class. It follows:

Members of the graduating class of 1949, as I discuss with you ways of thinking about life, I shall mention serfdom, ants, and freedom. Under our constitutional republic, we can develop an absolute collectivism, we can develop a socialized control, or we can maintain a democratic freedom, as a way of life. During war periods, when we voluntarily turn over to the President of the United States extraordinary political powers, we tend toward absolutism in our thinking. When we legislate for any part of a planned economy, or to care for the physical wants of our citizens, we are favoring socialized controls. Under our ideals of democratic freedom, we have held that men are, under rules of the game, responsible for getting on together. Of this way of thinking about life, Woodrow Wilson wrote, "America was created in order that every man should have the same chance as every other man, to exercise mastery over his own fortune."

Believing in absolutism, collectivism, or socialized control is to think according to rules. These rules restrict and circumscribe the fields considered and thereby limit the development of the minds of men. The totalitarian pattern of thinking educates its devotees to expect dependence and frustration. They cannot expect the gratification attending upon intellectual inventiveness or spiritual freedom. Dependence exists that the state might live. To this pattern is added another concomitant deterrent to independent mental activity; that is, a deteriorating fear complex. This fear is built up by the use of the repetitive statements that poorly defined wicked groups from within or without are threatening the existence of the collectivist state. So the state is supported by an overactive police power. There can be little freedom of thought under a regime of secret police and internment camps maintained to create fear.

The reason that totalitarian thinking ends in dictatorship is that dictatorship is a most effective instrument of coercion, and the enforcement of the collective ideal. The pattern is established by one mind, or the collective mind of a chosen few. Of this, Nikolai Lenin makes this statement, "The whole of society will have to become a single office and a single factory with equality for work."

Into this assigned work, men must fit. Such a society has a definite socio-economic goal. It holds that democracy, with no single aim, lacks direction, and is guided by the whimsical and the fanciful thinking of irresponsible individuals. Totalitarian thinking overlooks the incapacity of its leaders to make an over-all pattern into which every man of the nation can fit; and the fallibility of the leaders who would undertake to adapt such totalitarian generalizations to the intimate life of every man within the state. Hence, under the totalitarian thinking, the limitation of human aspiration and invention is inevitable.

The socialist planners differ from those who believe in democratic liberalism in that they would organize the total resources of society for an economic end. The ideas they espouse refuse to recognize the independent spheres in which the ends of the individual are supreme.

As early as 1835, the Count de Tocqueville defined this position in the following way. "Democracy extends the sphere of individual freedom, socialism restricts it. Democracy attaches all possible value to each man, socialism makes each man an agent. Democracy and socialism have nothing in common except one word, 'equality.' But notice the difference, while democracy seeks equality in liberty, socialism seeks equality in restraint."

Restraint and frustration go hand in hand. In a society where men exist for the state, they are always forced to turn their efforts to the problems of production of material wealth. They are compelled to turn to these problems because the inventiveness, the eagerness, the fullness of production is lost under the restricted pattern. So they never get beyond the supplying of the earthy things of existence. You may have noted in the papers recently the sale in New Jersey of the Commons of the North American phalanx of Fouriereist Society. It was sold for a mere pittance, and it recalled like failures of the Oneida community, the Owenites, and other like groups. The idealists that established these socialized communities never reached their goals, because they could not attain to economic self-sufficiency. History is replete with such failures.

When we look at an ant hill, we see that the ant is reduced to a point where the insect becomes incapable of doing anything other than that which it is born to do. Some cannot feed themselves. They depend for their sustenance on specialized sexless individuals of the colony. Other individuals were created male. After they have served, they die. The queen bearing eggs is the unit around which the colony survives. Individual action is lost. It is replaced by other impulses, imposed by the morphological and physiological structure of each specialized, limited group. The individual's life is only a part of the community, which holds the interest of each ant with the interest of the others. This ant hill community is without soul or future, and becomes the sole reason for the existence of its members. But we are not yet thus specialized. We have no desire to reverse our evolutionary process and become ants.

Faith in democratic freedom is to believe that because of individual effort man has risen and will continue to develop from stage to stage in physical, intellectual, and moral power. There is a valid satisfaction in the opportunity to order our ways of living so that it recognizes the strengths of each man, and have each strength acknowledged as a contribution to the society of which the man is a part.

This is your belief, or you would not be spending these fine years of your life, working your way through college in order to better prepare yourself for the tasks that are ahead. This very belief has been the great contribution of our America. The freedom of thinking in a democracy spontaneously evolves a natural leadership without which we could not have developed this Nation. The power that comes with such freedom is not separate from the interest of the state. It is an essential and integral part of our social well-being. It is the everlasting form in a structure composed of transitory parts. Because of its force, there has been molded together the mysterious incorporation we call our free Nation. That this way of thinking has been successful cannot be doubted. To prove the point all we have to do is to recall what at this very moment we are being asked to do for other nations.

So the strength of a nation is to be found in its thinking. Men have great energy and that force must have an outlet. The curbing of this naturally free activity, by whatever means; the negation of a citizen's full responsibility for his actions; the consideration of the individual as merely a physio-social unit, inevitably brings about frustration of moral man. It will suppress the spirituality, the hope, and leave only the frightened, discouraged feeling of uselessness, or it will burst forth in weird, nonsocial ways.

Let us illustrate this point by the example of overlegislation—legislation which sets ceilings upon men's activities. Such legislation results in the lowering of the moral tone. We saw this in prohibition times. In the long run, overlegislation is just as destructive to moral responsibility when it is enacted to meet social-betterment concepts. Call to mind the fraud that is now being practiced in the tight-woven British society in regard to socialized medicine. Many members of the Labor Party itself are adversely critical of what is taking place in their program and asking for limitations in it.

Morality flourishes only when men are held responsible for the development of their own lives. You can't legislate into the individual such attributes as hope, growth, or morality. It has often been tried, and as often it has always failed. Good legislation lays down rules for guidance as we undertake the free way of life, of personal responsibility. It stops there. It does not try to supplant moral growth, nor by creating security restrictions, limit inventiveness and faith.

When men are held down by ceilings, life that is intended to sublimate the physical always emphasizes it. And an overemphasis on the physical side of life sets up false values, which if not met cause baffled persons to despair. The frustration of repressive ceilings leads to lack of faith, to nonsocial action, to despondency, to suicide, to the increase of crime, sex outrages, mental diseases, nervous disorders, and dishonoring of the home.

If we are going to overcome paralyzing skepticism and destructive materialism, freedom alone will suffice. Only under freedom can man have faith to develop his deepest emotion, which is a decent regard for the dignity of man. The test of true democratic thinking is that it contends for such freedom and provides for the recognition of the faith and the power of men.

You have all heard the derisive expression, "Tied to his mother's apron strings." When applied to growth in a free society, its meaning has a deep scientific significance. When the people of the land, old and young, are told what to think, they become dependent. Dependent, they fall back upon the security of the "mother-idea." Psychiatrists make clear the result of what is called "mother complex." Under such retreat there is present a desire to hide under the mother's skirts. Excuses are the order of the day. Difficulty is never squarely met. Irresponsibility marks behavior. Weakness becomes a virtue. Apt, free aggressiveness is lost, men become subservient. When men's thinking allows "apron-string concepts" to prevail, the state supplants the overzealous mother in his mind, and weakened men turn more and more to government for protection and sustenance. This is not the way of democratic self-reliance. Under free and democratic thinking, men with heads held high are aggressive; they eagerly accept responsibility for their own lives; they struggle by faith, and endeavor to be creative.

I would have you believe that only a free mind is a trustworthy mind; that only a free mind is a liberal mind; that your nobility as a human being can emerge only from your efforts to liberate yourself from limiting physical concepts; that the law of growth is and always has been to struggle free and untrammeled toward spiritual attainment; that devotion to freedom is not something ab-

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stract, but as a way of living it is necessary for the very existence of the Nation. Under freedom alone can you get the deep satisfactions attending upon attainment and service that will make you a useful, happy citizen; that freedom is a divine attribute; that it is a spiritual expression of life that best manifests itself through the faith, the hope, the creation, the cooperative service of our democratic way of life.

Government Wheat Fills Storage Space

EXTENSION OF REMARKS
OF
HON. JOHN J. WILLIAMS
OF DELAWARE
IN THE SENATE OF THE UNITED STATES
Tuesday, June 7 (legislative day of Thursday, June 2), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial from the Kansas City (Mo.) Grain Market Review for Thursday, June 2, 1949, entitled "Government Wheat Fills Storage Space."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOVERNMENT WHEAT FILLS STORAGE SPACE

A long fight by members of the Kansas City Board of Trade and other grain markets of the Southwest to help assure for wheat growers the full 1949 Government support prices appears to have been lost. On the prospective 1949 wheat crop of Kansas, Colorado, and Nebraska, this may mean a loss of many millions of dollars in farmers' returns, Edmund Marshall, president of the local exchange, said today. He warned farmers to plan accordingly and advised them to provide sufficient storage on the farms.

The grain trade of Kansas City and other markets, functioning as merchandisers and storers of wheat, has been pressing since early April to make a maximum of grain-storage space available for the new wheat crop in terminal market elevators. About 80 percent of the wheat entered into the loan program in the Southwest from the 1948 crop was placed in elevators and only 20 percent on farms.

This season these public elevators are about 75 percent filled with accumulations of 1948 wheat and other grains now owned by CCC through last year's support program. Little room is therefore left in the terminal elevators for the new crop.

The grain trade has already been overwhelmed with applications from farmers and including country grain dealers for storage space for the 1949 crop, but its hands are largely tied because CCC has to date refused to move out the old-crop grain.

As far back as last April the grain exchanges began to press CCC for a solution to this problem. They pointed to the fact that more than 100,000,000 bushels of empty space is available in public elevators east of the Mississippi River and pleaded with the Federal agency to move as much of the accumulations in Southwest elevators as possible to those elevators in order to provide space for the new crop. Meetings were held in Kansas City, Hutchinson, Kans., Chicago, and Washington, but without avail. CCC, while delegated by law to operate a 1949 wheat-support program, has in reality assumed an opposite role. By refusing to move its old grain in Southwest elevators it is really preventing many millions of bushels of new wheat from entering the support program.

Farmers can still protect themselves, it is pointed out, by building wooden storage or buying steel bins. If they fail to do so, they must expect to pile wheat on the ground or press it onto markets plugged with Government wheat. Prices substantially below the loan price must be the result.

Address by Hon. Frank P. Graham, of North Carolina, at Graduation Exercises of the University of North Carolina

EXTENSION OF REMARKS
OF
HON. CLYDE R. HOEY
OF NORTH CAROLINA
IN THE SENATE OF THE UNITED STATES
Tuesday, June 7 (legislative day of Thursday, June 2), 1949

Mr. HOEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the very splendid address delivered yesterday by my colleague [Mr. GRAHAM] at the commencement exercises of the University of North Carolina.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The deepest need of the peoples of the earth is peace with justice and freedom. Mankind in self-defense of civilization must not let go in the difficult struggles and patient hopes for peace. Two world wars nearly wrecked, and a third world war, with its superweapons of utter destruction, might destroy our modern world.

After the First World War the United States renounced the League of Nations and failed the hopes of mankind. After the Second World War the Soviet Union has obstructed the United Nations and has failed the humane hopes of the peoples of the world. Upon the ruins and miseries left by World War I the Fascist dictatorships reared their monstrous power against the peoples of Europe, Asia, and America. Upon the ruins and miseries left by World War II the Communist dictatorship constructs its no less monstrous subversions and aggressions against the freedom and dignity of the people in both the east and the west. We devoutly trust that the twilight of the cold war will not turn into the darkness of the unthinkable tragedy of a third world war. In the struggles toward the dawn, we are groping for the free light and fair balance of both freedom and security.

The responsibility for the cold war will ultimately be adjudged by better informed minds than my own. I am not unaware that America and the free nations have some responsibilities for which they are answerable to themselves and the God of history. The frustrations and deficiencies of our own Nation and the other democracies, the corruption in China, and the imperialism in the African, Pacific, and Asiatic world are a part of the sins of the democratic world in which we all must share.

It is written in the record that the Soviet Union, instead of continuing the Allied cooperation which won the war and could have won—and could yet win—the peace, obstructed the continuation of this cooperation; broke the pledge for the self-determination of peoples; subjugated little nations by force, or threat of force, and internal subversion; picked off nations, one by one, and locked them behind the iron curtain of the police state; carried on sabotage of European recovery; made war on religion; obstructed, by abuse of the veto in the United Nations, international procedures; blockaded Berlin; and in the midst of the world-wide hopes for peace and the world-wide fear of atomic bombs, rejected the United Nations plan for the international control of atomic power. Instead of the grand design for the translation of the cooperation of the Allied Nations for winning the war into the cooperation of the United Nations for winning the peace, this tragic world now carries the heavy loads, disillusionments, and strains of the unprecedented cold war in which we have neither the security of peace nor the actuality of war.

Atomic power and its secrets thus became one of the chief centers of tension and fear in the cold war. With international control and sharing of atomic knowledge and power against its use for the destruction of civilization and with international cooperation for its use for the construction of a more productive, humane, and fairer world, all the people and their scientists would have these blessings of the freedom of the human mind and spirit adventuring along the farthest frontiers of free research and creative cooperation toward a better life for all people. Without this cooperation, without the international agreement for its control and use, atomic research and the industrial know-how for the production of its terrible power became one of the prime objectives of the espionage of the Soviet Union.

Against this international, national, and psychological background, the resulting fears of the American people are understandable. To those officials of the Government who have been the objects of this fear and even whipped-up hysteria, such an understanding, I feel sure, has been to them a source of perspective and forgiveness rather than rancour and resentment. They would agree that it is important that the press, radio, and congressional investigation have clear freedom, even if some individuals have "to take it" meantime. If they can stand and "take it" long enough, the American people always rally in fairness to those individuals who themselves are free, competent, and loyally devoted in the service of their country. In the invisible world of God and the human spirit, truth is mighty and will prevail.

At such a critical time it is well that the American people do not allow our well-grounded fear and hatred of the Communist dictatorship to subvert our free institutions and change our historic American way of life into totalitarian ways. It is our faith that the American people will keep the democratic perspective and the fair balance of a free people. Once in fear, they passed the alien and sedition laws, but in a calmer mood they soon restored the basic freedom of petition, inquiry, discussion, and publication on which America was so largely founded. These precious freedoms have since been preserved to this hour.

The student legislature, in keeping with the historic traditions of this place, passed its resolutions against any required oaths of students and teachers regarding their economic, political, and religious views. The North Carolina Legislature wisely passed no laws and the university board of trustees wisely passed no regulations against the freedom of the human mind. The trustees also wisely held that the question of the character, competence, values, and patriotic loyalty of members of the staff were a first responsibility of the able and devoted chief administrative officers of the university with their faculty advisers. The universities, in accordance with the principles and spirit of the American constitutional Bill of Rights, will not close their doors to any student because of his political, economic, or religious views.

The Atomic Energy Commission is, by experience, in a new field seeking to develop policies which will protect the freedom of

scientific inquiry and the security of the Nation. Two principles have evolved: One for civilian control, and the other for a security check as part of the national defense during the cold war for those engaged in the atomic production and research program of the Commission. The universities likewise are seeking to find an answer to the question as to whether a member of the Communist Party is under such a discipline and party line of a foreign tyranny that he is not free to teach in accordance with the principles of a free university. Upon the establishment of the fact and nature of this iron discipline will depend the ultimate policy of our universities throughout the democratic world. The aggressions of the dictators and the subversions by their agents in the cold war and not a retreat of freedom, created in the policy of a security check in the atomic production and research program on membership in Fascist and Communist organizations which seek to destroy both security and freedom.

The Atomic Energy Commission, the National Research Council, and the Joint Congressional Committee on Atomic Energy of both the Eightieth and the Eighty-first Congresses, have directed one of the most unprecedented and stupendous scientific and industrial enterprises of history with eminent ability, patriotism, and dedication to America and the cause of freedom and peace in the world.

The schools and colleges for the sake of the mind and spirit of man now in global issue need integration, balance, and the general view, and must have freedom for its own sake to offset the idea and fact of the tyranny, aggression, and infiltration of the totalitarian state, whether of the right or the left, in the struggle for the possession of the mind and spirit of man.

History teaches beyond the denial of bigotry or the sneer of cynicism that the answer to a difference in color or creed is not the KKK, is not tomatoes and eggs, is not a concentration camp; the answer to error is not terror, but the cleansing power of light and liberty under the laws and the Constitution of the United States of America. In the days of its weakness America was the haven of heretics and should not in the days of its power become the stronghold of bigots. To be American in the great American traditions is sometimes miscalled un-American. To stand by our historic American Bill of Rights is not a subversive activity. It is unfair to our religion and our Americanism to call communistic the most decent, humane, and spiritual hopes of mankind. The more Americans who understandingly and sincerely subscribe to the Constitution and its Bill of Rights, the better for America and the world. The freedom of the college means not only the freedom to inquire and publish the theological implication of the geologic structure of the earth, and the biological implication of the physical structure of a fish, but also the human and spiritual implication of the economic structure of society and the international moral implication of the nuclear structure of the atom.

The conceptions of the modern scientific age have contributed greatly to the knowledge and progress of man and civilization but deeply need an emphasis on the sovereignty of the moral law, moral values beyond science, ethical ideas above force and totalitarian power, and spiritual insights which will make a deeper and wider synthesis—a new integration of ideas in the unity of learning, the unity of human personality, the unity of mankind, and the unity of the universe—one world, one family, one God.

The organization of the idea under God of the oneness of the family of nations in a limited world federal government under the Charter of the United Nations is the last desperate defense against modern civilization's powers of self-destruction. The abolition of the veto; international inspection and control of atomic power; a world court with original jurisdiction over individuals guilty of crimes against the United Nations, with the guaranty of an international bill of rights; an international police force responsible only to the United Nations; and the widening of legislative powers in the Assembly of the United Nations—all these make imperative amendments to the Charter. America and the other democracies must take the initiative for the organization of peace even at the risk of war. Drift into war is immoral in the atomic age.

American isolation did not prevent either the First World War or the Second World War. American participation in international procedures may prevent a third world war. The danger is that we may get weary of the heavy economic load and the heavy moral responsibility of world leadership. The cold war, with all its burdens, has been forced upon the democracies. To prevent the cold war from becoming a shooting war, we must now carry the present load of the Marshall plan, the prospective load of the Atlantic Pact, and perhaps the load of some future plan for saving southern Asia from totalitarian tyranny—all to prevent a global war and save freedom in the world.

For the United States to continue for a long period to carry these heavy loads would be to overstrain our economy and to undermine our social advance. For America to throw down these burdens, withdraw from the world, and abdicate her position of responsibility and leadership, would mean the totalitarian domination of all Europe and of all Asia. American isolation would then likely lead to the third world war, the bankruptcy of nations, the murder of millions, and the ruin of civilization.

The way out is not through isolation but more participation; not less world leadership, but more world leadership through the United Nations.

May we not rely solely or mainly on economic, military, and atomic power for the security of America. May we stand stanch and constant for the freedom, recovery, international cooperation, and the peace of all peoples. America must be morally strong and increasingly free and fair to all people in our own democracy. Let us at a propitious time within the Charter of the United Nations, with a sense of human brotherhood under God, raise the standard of a limited federal world government to which all people, even in this dark world, can look with hope for freedom, justice, and peace.

To the Victors

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Tuesday, June 7 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "To the Victors," published in the Somerset (Pa.) Daily American of June 4, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TO THE VICTORS

Grover Cleveland was elected President of the United States largely because of a pledge he made that the spoils system, which had ruled in the civil service of the United States Government, should be abolished.

Andrew Jackson a predecessor of Mr. Cleveland, had been the daddy of the idea that to the victors (in a Federal election) belong the spoils.

Mr. Cleveland made the Jacksonian doctrine look like the rule of a gang of thieves.

The Civil Service Commission was set up and a sort of security was given Government servants.

President Truman seems to have turned back the pages of history so that he might reward those who have rendered him extraordinary service.

But has he?

In the olden days, the spoilsmen controlled the living of the humblest Federal employee.

President Truman seems to have applied the Jacksonian doctrine to the higher ups alone, perhaps, because of the civil-service laws.

Yet, the men who fill the higher offices in the Government ought to be the most capable available.

For example, it seems incredible that the Secretary of Defense should be selected because of his success as a collector of campaign funds, or that any representative of this Government in a foreign land should be appointed because of his contributions to the victory.

Not long ago the press reports from Washington told of the determination of President Truman to ignore the recommendations of representatives of the people in Congress who refused to take dictation from him.

When Rome got to the point where the purple was auctioned off to the highest bidder, the end of the republic was at hand.

The Taft-Hartley Law

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Tuesday, June 7 (legislative day of Thursday, June 2), 1949

Mr. WILEY. Mr. President, we are now engaged in the vital task of reviewing the Taft-Hartley law. One of the reasons why I, like many—I believe the majority—of my colleagues, favor the essential provisions of this law is that we believe that it is part and parcel of our American system of checks and balances. We believe that the Taft-Hartley law prevents arbitrary abuses of power by any one group in our population.

I have in my hands, Mr. President, two items which bear out this very theme. The first is a powerful editorial which was carried over a month ago in the May 4, 1949, issue of the Waukesha, Wis., Daily Freeman. This editorial rightly upheld the action of the House of Representatives in refusing to be a rubber stamp to the President and refusing to repeal the Taft-Hartley law outright. The editorial emphasizes that it is a part of our American way of life that Congress must not accept the dictates of the Chief Executive, but must exert independent authority. The editorial also points out how badly misrepresented was the record of the Eightieth Congress. Although the House later reversed its action and refused to send on the Wood bill to the

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Senate, the validity of this editorial remains unimpaired, and, in fact, has been strengthened over the past month.

The second item is a forthright statement on the part of Mr. De Witt Emery, president of the National Small Businessmen's Association. Mr. Emery prepared a statement regarding the injunction provisions in the Taft-Hartley law, and pointed out how these provisions also are in keeping with the American system of checks and balances. This statement was printed in the May issue of the publication Pulling Together, which is issued in Chicago by his organization.

I ask unanimous consent that the text of the editorial from the Waukesha Daily Freeman and the text of Mr. Emery's statement be printed in the Appendix of the RECORD.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

[Editorial from the Waukesha (Wis.) Daily Freeman]

THE EIGHTY-FIRST IS NO RUBBER-STAMP CONGRESS, EITHER

Historians who are constantly looking for the beginning of eras and their end, might put down May 3, 1949, as a definite conclusion of modern-day rubber-stamp Congresses. The lower House yesterday gave a resounding answer to President Truman's demand for full repeal of the Taft-Hartley law and gave approval to its own substitute bill, sponsored by Representative JOHN S. WOOD, Democrat from Georgia. Thus the President was again rebuffed—and this time badly—by a Congress which he had hoped and had believed would do his bidding, as Congresses before him had done the bidding and rubber stamping demanded by President Roosevelt. The Eightieth Congress was viciously maligned and in some cases libeled last fall by Mr. Truman during his tour of the Nation prior to the November election. The Eightieth Congress had refused to do his bidding and the President was angry. He spoke during his campaign as though Congress should have done what he wanted done, whether his demands were right or wrong. He asked for the ouster of that terrible Congress because he could not dictate to it as Mr. Roosevelt before him had dictated to legislators and usually got what he wanted.

But time has disclosed that the Eightieth Congress was not as terrible as the President had represented it to be. It was merely assuming once more the duties that are ascribed to the Congress of the United States. It was emerging from the puppetry to which it had long subjected itself and to which it was subjected by a strong and powerful President who sat across the table from dictators in foreign lands, who charted areas and adopted policies which later were merely confirmed and rubber-stamped by the people's representatives. It was an effective way of getting things done without argument, without opposition, without clearing with the will of the constituted authorities of the people. The practice became so general that there was serious talk in many circles about abolishing Congress because it was an ineffective and impotent arm of the Federal Government.

President Truman's slander of the Eightieth Congress whipped up indignation among many people, some of whom fail to realize what the constitutional relationship is between the executive and the legislative branches of Government. It was never intended that the President should dictate to Congress; his function and purpose are to recommend. His will is not paramount, as in the instance of dictator governments; his role is that of an adviser whose greatest power rests in the power to veto, not to demand.

Yet Mr. Truman, like Mr. Roosevelt, got into the habit of demanding. And while it is not a good habit for a President to acquire, regardless how powerful he may become with the people, that is a personal matter which he alone can decide. But it still does not mean that Congress must acquiesce to his demands. This is to say President Truman had a perfect right as Chief Executive to recommend adoption of his own Taft-Hartley repealer, but it does not follow that Congress must do his bidding. Nor does it follow that because Congress does not do the President's bidding that it is a terrible Congress which deserves to be maligned and thrown out or thoroughly discredited. Here is representative government at work, as conceived by the founding fathers and as stated in the United States Constitution. It is the great leveler of the peaks and the depressions which alternately occur in the executive and legislative branches. Strong Presidents find their will thwarted by the will of Congress, when Congress is firm and strong. We have just emerged from an era when Congresses were weak and accepted the will of a powerful President at its face value and seldom crossed him.

Today Congress is back in the driver's seat, firmly and squarely. The Eightieth Congress began the job of building back the respect of the two branches of the Legislature which had been lost and at one time during the Roosevelt administration was all but destroyed. The young people today are learning, if they study the work of Congress, that it is more than a butt of some evil or some funny jokes. By a vote of 217 to 203 the lower House of Congress yesterday spoke its will and that will is greater by far than the will of one individual, even though that individual is President of the United States. That is democracy at work—democracy at its best. That is what makes this Nation the greatest nation in the world, a nation worth preserving, a nation worth defending for the great good it can do for the greatest number.

A MESSAGE FROM OUR PRESIDENT

It seems evident from some of the comments that have been made concerning my piece in the March issue of Pulling Together that I did not adequately answer William Green's contention that the Taft-Hartley Act is a slave labor law. So I'll try again.

Green, as you no doubt remember, said, "The Constitution of the United States provides that involuntary servitude shall not be imposed on any individual except as punishment for crime. Yet the Taft-Hartley law authorizes the use of injunctions which, when applied, compels workers to work against their will. That is slavery and involuntary servitude, practiced in a free America. How would employers feel if they were enjoined and compelled by injunctions to operate their plants against their will and at a loss? It matters not how long a man is compelled to work—for 1 minute or 1 second—it is compulsion and if he is forced to work against his will and go to jail, as a consequence of refusing to work, he is a victim of involuntary servitude and slavery. You and no one else can deny this fact."

Involuntary servitude is not involved in an injunction against a labor union because each individual member of the union is still free, after the injunction has been issued, to quit his job and get himself another job. An injunction does not deprive him of his freedom of choice. If it did, it would be involuntary servitude, but it doesn't. He's just as free to quit and get another job or go fishing as he was before the injunction against his union was issued, and so long as the individual has a choice between working and quitting, he very definitely is not, cannot be, a victim of involuntary servitude.

All the injunctive provision in the Taft-Hartley Act does is to give the Government the right to request the courts to curb a union, when in pursuit of its own selfish aims and purposes the union carries its activities to the point where public health and safety are jeopardized. Anyone who objects to this must then subscribe to the idea that labor unions are a thing apart, are over and above all the laws of the land and can do no wrong.

A republic is essentially a government of checks and balances. Whenever certain rights or privileges are established for a group or groups, a check must also be set up to be used to bring the group or groups back into balance if these rights or privileges are abused. That is fundamental and no republic, ours or any other, can long endure which does not adhere to a carefully thought out and well-established system of checks and balances.

DEWITT EMERY.

Socialism in Great Britain

EXTENSION OF REMARKS
OF
HON. A. WILLIS ROBERTSON
OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 7 (legislative day of Thursday, June 2), 1949

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD two news items from a London newspaper indicating the manner in which socialism is working in Great Britain. In February 1946, when I was discussing the pending British loan with the Right Honorable Winston Churchill, I asked him if the Labor Government was going to nationalize the industries of Great Britain and he emphatically replied: "If it attempts to do so it will be voted out of office overnight." But it has proceeded with its nationalization plans including the nationalization of steel and iron and it has not been voted out of office.

The great British statesman, Edmund Burke, once said that nations do not learn by experience. It would help those in this country, who while professing a firm belief in a capitalistic system and private enterprise apparently think that a little dash of socialism would help our system to operate more effectively, to study what is now taking place in Great Britain. The following news items throw a significant light on that situation plus the current news that railway workers are threatening to strike because of dissatisfaction with their working conditions.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

ABANDONED COAL-TO-OIL PLAN COST £3,000,000—AUDITOR GENERAL REPORTS ON LOCOMOTIVE CONVERSION

Expenditure of nearly £3,000,000 on converting 93 railway locomotives to oil firing and then back to coal is referred to in a report by Sir Frank Tribe, comptroller and auditor general, on civil appropriation accounts, 1947–48 (Stationery Office, 2s).

In the summer of 1946, at the instance of the Ministry of Fuel, a scheme was launched to convert 1,200 locomotives to oil firing with the object of saving a million

tons of coal a year. Expenditure in 1946–47 reached £268,650, and in 1947–48, £1,335,309.

In September 1947, when 93 locomotives had been or were being converted, the Ministry of Transport was warned that the 840,000 tons of oil needed annually might not be available. Work on locomotives was suspended, but storage depots were completed.

The British Transport Commission, which took over the railways on January 1, 1948, told the Ministry that the additional cost of operating the 93 converted locomotives was £279,000 a year; for the full program the extra cost would be more than £3,500,000 a year.

Disagreeing with the Ministry, the commission maintained that extra expenditure on the scheme was not justified. In May 1948 it was abandoned. The 93 oil burners are being reconverted to coal at a cost of £200 each.

Expenditure estimated initially at £11,000 and afterward at £10,000 a year is being incurred by the Ministry on care and maintenance of the storage depots. The Ministry, in November 1948, estimated its total expenditure at nearly £3,000,000.

OFFICIAL CAR COSTS £500,000 THIS YEAR

Sir Frank Tribe reports that a Ministry of Supply vote includes about £300,000 on wages of drivers and other costs of a car service for ministers, government officials, and certain semigovernment bodies. Total cost of this service for 1947–48 was assessed at £420,000. Estimated cost for 1948–49 is £500,000.

The service comprised 216 cars in the London pool, based on a garage in Kensington, and 442 cars in 26 regional pools. In addition, independent pools were operated by the service departments, the post office, and some other departments.

Cars were allocated to ministers of Cabinet rank and were held solely at their disposal. Junior ministers and a few senior civil servants had nominated cars which were available for pool duties only when not required by them.

Responsibility for the proper use of pool cars rested with the authorizing officer appointed by treasury instructions in each department. Cars were only to be used when transport by public conveyance would be less economical, having regard to the serious loss of official time which would be involved.

Sir Frank points out that normally cars are only available for official use and free of charge. There were two main exceptions: Ministers of Cabinet rank can use their cars for private purposes, when the charge is 1 shilling a mile, recently revised from 8 pence; commonwealth and colonial governments, regional hospital boards, hospital-management committees, new towns development corporations, and certain grant-aided bodies can hire cars for approved purposes from the pool at 9 shillings 2 pence an hour, or 1 shilling 9 pence a mile, whichever is greater.

FORTY-FOUR PERCENT SAID: "NATIONALIZATION IS FRUSTRATING"

Railwaymen are not happy on our railways. This fact has been discovered by the Railway Review, the organ of the National Union of Railwaymen, in the course of a recent survey. Here are some of the results:

To the question: "Did you support the nationalization of the railways?" more than 88 percent replied "Yes." But, since they have seen nationalization in action, many are discontented. They were asked: "After a year of national ownership, how did you find your job?" "About the same," replied 45 percent. "More frustration," said 44 percent. So, 90 percent have found no improvement or a definite worsening.

The next question went right to the heart of the matter: "Do you feel you have a share in running the railways?" Over 75 percent replied "No," and another 10 percent were doubtful. It is clear that the railwaymen sense a loss of status and a lack of responsibility for their organization.

This loss of morale will puzzle many Socialists. Yet the answer is clear.

Morale within an organization depends on more than the mere question of working hours, working conditions, and wages. It depends, too, on the feeling of subordinates that they have a responsible place within the organization, that they matter, that they are treated as human beings and not as personnel.

If an organization is too centralized, if too little responsibility is delegated to the men on the spot, then a grave danger will arise.

Problems occur. The men on the spot have no authority to deal with them. They must refer the matter to the center for decision. It reaches the center after passing through a chain of buck-passing middlemen. A decision is given, on second- or third-hand information, without first-hand knowledge either of the people involved or the technical circumstances. To the subordinates on the spot, the decision often seems inept, arbitrary, and inhuman. They feel that the anonymous "they," by whom they are controlled, have little knowledge of the situation and no interest in them as human beings. Morale suffers.

Free-enterprise organizations have a much more realistic attitude to morale than Socialist theorists. They delegate much more responsibility to the men on the job. Before nationalization, pit managers in the coal mines could settle problems on the spot, with first-hand knowledge of the facts, and of the individuals involved. Now their hands are tied. Continued absenteeism since nationalization is a reflection of resulting low morale.

Free-enterprise factories found the advantage of direct consultation between workers and management during the war. Low morale means low efficiency. Private concerns have no Government money behind them to make good the deficit.

Socialists would do well to remember the words of David Lilienthal: "In the general atmosphere of bigness, men continue about the same size."

General Motors Request for Bonus Approval by Securities and Exchange Commission

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EXTENSION OF REMARKS

OF

HON. HARLEY M. KILGORE

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 7 (legislative day of Thursday, June 2), 1949

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "General Motors Asks SEC O. K. on $20,000,000 Bonus," published in the Washington (D. C.) Times-Herald of June 2, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GENERAL MOTORS ASKS SEC O. K. ON $20,000,000 BONUS

DETROIT, June 1.—The Detroit Free Press said today the General Motors Corp. has asked the Securities and Exchange Commission to approve a $20,000,000 bonus for 900 officers and employees.

In a Washington dispatch, the newspaper reported the bonus will be paid partly in stock, with a market value of $55 a share, and partly in five annual cash payments. The bonus is for 1948. In that year General Motors did $4,738,000,000 in gross volume of business and had net income of $440,447,000.

The newspaper gave this account of the bonus plan:

It is made subject to future corporation's earnings.

A report to the SEC lists 71,309 shares and $17,043,876 cash in the bonus.

One-half the stock and a fifth of the cash awarded has been paid. The balance of the stock and a second 20 percent of the cash will be paid in January. The balance of will be paid in January. The balance of the cash will be paid in the three following years.

General Motors asked SEC to keep certain details of the bonus confidential. The Commission has not yet acted upon the request.

Those splitting the bonus earned more than $20,000 in 1948.

Charles E. Wilson, corporation president, heads the bonus list with an award of 1,180 shares of stock and $280,026 in cash in addition to his $166,000 salary.

Albert Bradley and Marvin E. Coyle, executive vice presidents, get 1,062 shares of stock and $252,023 cash each in addition to their $126,100 salaries.

Other individual bonus payments listed: Ormond E. Hunt, 1,062 shares, $240,048 cash; Harlow H. Curtice, 1,013 shares, $240,048 cash; Frederick G. Donner, 893 shares, $212,048.

Donald K. Evans, 893 shares, $212,048; Louis C. Goad, 893 shares, $212,048; Francis L. Burke, 674 shares, $160,032; Edward R. Godfrey, 674 shares, $160,032; Bayard D. Kunkle, 674 shares, $160,032; Thomas P. Archer, 421 shares, $100,035; John J. Schumann, 421 shares, $100,035.

Thirty-one directors, many of whom are officers of the company, will receive a total of 10,921 shares and $2,592,444 in addition to salaries of $1,566,392.

Twenty-six officers who are not directors will receive 12,010 shares and $2,052,807.

Capitalism in the United States Versus Socialism in England

REMARKS

OF

HON. JOHN E. RANKIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. RANKIN. Mr. Speaker, it has been very amusing to hear our super-internationalists clamoring for the subordination of the United States to the domination of foreign powers under the so-called United Nations.

It seems to me that we have burdens enough now. As far as I am concerned, I am not willing to subordinate my country to the control of any foreign power or group of foreign powers.

The Secretary of the United Nations, Mr. Trygve Lie, made a speech at Chattanooga, Tenn., a day or two ago, in which he advocated the harnessing of the waters of the Jordan, the Tigris, the Euphrates, and the Nile Rivers. No one seems to understand why he left out the Amazon, the Orinoco, the Yangtze, the

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Ganges, and other rivers throughout the world. Perhaps they will come in later.

Mr. Speaker, this is all, or practically all, to be done at the expense of the taxpayers of the United States. I am opposed to any such nonsense. Let us get back to America and stay there.

If you want to involve our country in that kind of a program, then submit it to the people in the form of a constitutional amendment, and let them vote on it, and I dare say it would be defeated in every single State in the Union.

Mr. Speaker, on yesterday I got permission to extend my remarks in the RECORD, and to include an article from the May issue of the Reader's Digest, entitled "Lessons From Britain's Socialist Experiment."

I am going to take advantage of that agreement to insert that article at this point, and ask that the remarks which I have just made, along with this extension, be printed in the Appendix of the RECORD.

I want it remembered that a majority, probably an overwhelming majority, of the countries that constitute the present Tower of Babel, known as the United Nations, are either Communist or Socialist.

To bind America into an organization to be dominated by such influences would be just like wiping out the Declaration of Independence and abolishing the Constitution of the United States.

At this point I am inserting the article from the Reader's Digest to which I referred.

The man who wrote this article was a Socialist member of the British Parliament who indulged in all the fantastic dreams relative to socialism that these internationalists are now indulging in with regard to international entanglements against which Washington, Jefferson, and our other great leaders of the past warned us for more than a hundred and fifty years.

The article referred to reads as follows:

LESSONS FROM BRITAIN'S SOCIALIST EXPERIMENT

(By Alfred Edwards, member of Parliament)

Until 1945 I shared with my colleagues in the British Labor Party an enticing dream of the brave new world which socialism would bring, a fairer and fuller life for all.

We have now been in power almost 4 years. We have socialized a large sector of our industrial life and subjected what is left to national planning. I have spent years discoursing on the defects of capitalism. I do not withdraw those criticisms. But we have seen the two systems at work, side by side. And the man who would still argue that socialism is the means of ridding our society of the defects of capitalism is blind. Socialism just does not work. We must find some other means of dealing with the imperfections of the private-enterprise system—we dare not abandon it.

We Socialists had made a pet collection of the frailties of private industry. We believed that the system bogged down for want of planning; that the businessman had no brains; that the worker was a wage slave; that the devil in the whole machine was profit; and that when we organized industry on the principle of producing for use rather than for profit the worker would be a free man living in abundance. So we nationalized the Bank of England, the railroads and motor transport, the electric-power industry, the coal industry and medicine. We now propose to nationalize the steel industry.

Before that die is cast let us look at coal under nationalization and steel under private enterprise. Heaven knows coal under private ownership was no model. England's plight was desperate and she needed full production. So the Labor Party took over the mines for the people, and voted the equivalent of $100,000,000 dollars for mechanization to increase the per capita production of the worker. Yet from June to October 1948, in spite of the increased mechanization, and in spite of the fact that it is now the people's coal—not that of greedy capitalists—the mines produced 158,000 tons per week less than in 1948.

Has the miner ceased to be a wage slave? He still works for wages. He still has a boss. Instead of working for a group of stockholders he now works for that vast, amorphous mass called the people. Instead of having a managing director at the mine with authority to deal with problems as they arise, he now has a bureaucrat who dares not say yes or no without sending the problem up through layers of other bureaucrats to the real directing boss, a remote being in London called the National Coal Board.

Most of the privately run industries have shown large increases in production since 1945. But coal actually shows a loss. England has done a little laughing at this. When Emanuel Shinwell was transferred from the Ministry of Mines to the War Ministry, Winston Churchill said this was a good augury, for while he was in charge of mines we got no coal; now we might hope to get no war. One of our cartoonists pictured a coal miner talking to the Minister and saying: "You told us under socialism we would get more money for less work. Well, we've given you less work. How about more money?"

We ought not to be surprised to learn that whatever government touches slows up. The reasons are obvious. First, the coal mines are now under the withering hand of the civil servant whose training is to make no decision that can be passed to a higher level. Such delays can be tolerated in government but in industry swift decisions are essential.

Here is a trifling illustration which is important because it is trifling: The young miner works in grime and likes to slick up when he comes out of the mines. So the miners wanted the mine canteens to carry a hair dressing called Brylcreem which is much admired by the girls. In private industry the canteen manager would have settled that quickly. But this small request had to go to the local mine representative, then to the local committee, then to the regional committee and finally to the Coal Board in London. Then the ruling filtered down through the various layers. By the time the miner got his cream he had probably lost his girl.

Second, the coal miner will not produce more just because he is working for a Socialist government instead of a capitalist boss. Men will throw away their lives for a great ideal, but it is now clear that they will work more only for more wages—the profit motive. And the Socialist government professes not to believe in the profit system.

The next target for socialism is steel. This is by all tests the most efficient industry in England—perhaps in the world. It produced 11,000,000 tons in 1938, more than 15,000,000 in 1948 with but little increase in its mechanization. It has not had a strike in 30 years. Its wages rise and fall according to an agreed arrangement in relation to prices.

When, in the light of our record in coal, the party began to insist on socializing steel, I raised my voice against it. And I was thrown out of the party. I say it would be an economic crime of the first magnitude to transfer this highly efficient industry into hands that have made such a mess of coal. I believe that the more level-headed labor leaders are not eager for this step, but are being driven against their better judgment by their more violent colleagues—chiefly Aneurin Bevan, who has declared that if the party does not socialize steel he will resign. England might well survive his resignation, but it could not survive the socialization of steel.

The Labor Party suffers from the curious illusion that the government possesses some magical power for planning industry. This goes with the delusion that capitalist industry is planless. The Labor idea of planning is to put some young lady or gentleman from the London School of Economics, without any practical experience, to directing some of our greatest industrialists. And their plans, put into blueprint form, are carried out by a group of civil servants and Labor politicians.

We have seen these young planning magicians allocate to private companies three times as much steel as was being produced. Then they cry, as did G. D. H. Cole, their prolific writer of books, "Produce more steel. What good is 16,000,000 tons when we need 25,000,000?" Well, why not tell the coal industry to produce more coal? The coal is there in the ground. But there are at present only 7,000,000 tons of iron available for steel production, and 8,000,000 tons of scrap. Britain and the United States have been scouring the world to get more scrap and it can't be done. But a little item like that is not important to a planner.

Compare Socialist planning with, let us say, that of the Ford Motor Co., which is bigger than the whole automobile industry of Britain. During the war I went through the Ford bomber plant at Willow Run. They told me that one of those gigantic four-engine planes was finished every hour. It seemed unbelievable—35,000 wheels, bolts, nuts, bars, plates, wiring, instruments, all moving from various corners of that vast plant according to a plan almost beyond credibility, and converging finally at a single spot. Earlier I saw a sign above a partly finished bomber which read: "This plane will move at 3:15." I thought I would check. As that hour drew near I had my guide take me to the huge hall into which the completed monster would emerge. When two vast doors slid open, out rolled the completed B-29. I looked at my watch.

"Just 3:16," I said, and was about to add, "darn good timing." But my guide beat me to it by saying: "Your watch is a minute fast, sir." That planning was not done by amateurs.

We are learning rather painfully that the men who operate our great industries under private ownership do have brains of a sort—the kind needed to run an industry. Compare them with the management in our coal industry. The state now owns the mines. The Labor Party runs the state and the trade-unions own the Labor Party. The miners' union is dominated by its secretary, Arthur Horner, a Communist who has announced publicly that if England goes to war with Russia there will be no coal. The Labor Party cabinet appoints the personnel of our industrial leadership. Hence you find that the man in charge of a large regional department of coal is a former taxi driver who became the leader of a taxi union. He undoubtedly had some talents as a union leader, but he certainly has no qualification for running the coal industry.

How ever did we come to suppose that a change of ownership from a group of people that had built up a business to a group of people who had never built anything would advance the interests of the workers. We made the mistake of believing that the young economists would do better because they had a sense of social values while hard-bitten old industrialists had none. It dawned upon me gradually that we Socialists were talking

as if nothing had happened in industry in the last 50 years. Most enlightened bosses now are ahead of the Labor leaders and realize that their profits and dividends must, at some point, come through the worker's pay envelope. Full employment is as essential to a prosperous boss as to the workers themselves. There was a time when I imagined I employed workers to make goods to sell to other kinds of people. But I learned that there is practically no one to sell most things to but working people. What made prosperity in America was high wages—high wages for the workers, high earnings for the boss. It must be profits for everybody or profits for none. Modern business leaders know that.

The situation today is very serious for England. She cannot exist without imports and she cannot buy abroad without having exports to sell abroad. Our automobiles, coal, steel, and chemicals must compete in the markets of the world with the products of other lands. How will our industries meet the challenge of the United States or other capitalist countries if the products they make are turned out in socialized industries where low production keeps prices up? Our Labor leaders in their hearts know the answer.

The Labor Party took over the railroads. They also took over motor transport—the busses and trucks in the carrier trade. I asked Alfred Barnes, head of the transport board, why they had taken over motor transport. He replied, "I am advised that if we take over the railroads and do not take over motor transport we shall never be able to compete with motor transport." I said to him: "Let me get this straight. Do I understand you to say that you are determined to make motor transport as inefficient as the railroads?" We can get rid of the embarrassment of motor-transport competition against our railroads by such procedure; but when we meet the competition of highly efficient foreign private industries, we shall not be able to get rid of it by buying up our competitors.

Socialist enterprise will always fail because you can't reach into a bag of smart men and pull out a fellow and say: "You run the movie industry." Finding the leaders in business has been solved by a simple law—you must succeed or else you fail. But when politicians pick the men to lead industries, they pick politicians. Success in politics, then, means a chance at some big industrial job with a big salary. That is the way it works in England now. There is no outlook for it to change.

There is another frightening aspect which cannot be ignored. Our Labor Party rose to power by devouring the old Liberal Party from within. The Liberals, to keep in power from 1906 to 1918, surrendered to the Laborites on many points to get their support. The more they surrendered the more the Liberals quit the Liberal Party and the more the Labor Party took its place. We have now to wonder whether the Communists will be able to devour the Labor Party from within. Communists are not admitted to the Labor Party. But they are admitted to the labor unions, and the labor unions control the Labor Party. The rank and file of labor-union members are not too much concerned about ideological matters. They want a job, good pay, shorter hours, and better working conditions, and if the labor leader works for those things the men are satisfied without troubling too much about his politics.

Ten men now strongly influence the policies of the trade-union movement. One is the Communist, Arthur Horner, of the powerful miners' union. The electrical workers' union, among others, is infested with Communists. I am satisfied that the Communists in the union movement, acting through fellow travelers, have been responsible for rushing the Labor Party toward nationalization of steel.

As we go deeper into nationalization we shall require more and more ruthless leadership. Most of our old Socialist leaders are not fit for that. They are primarily Englishmen, after all. But the Communists can supply that kind of leadership. If the experiment fails, English workingmen will be told it failed because their Labor Party leaders are not aggressive enough. This is the issue upon which Socialist-minded governments everywhere have bogged down. And always out of the Socialist parties—never from capitalism—have sprung the ruthless leaders to take possession: the Communists in Russia; the Fascists in Italy, Austria, and Germany.

Too many Socialist apostles in other lands have ended by toying with the idea of force. Yet they are wrong. In 30 years of Socialist organization, Russia has not learned how to produce abundance by force. With the whip and the concentration camp among her instruments of compulsion, she had at last to turn to the profit motive. She turned to incentives and, most curious spectacle of all, produced the hardest-working man in the world, Mr. Stakhanov, such a miracle of drudgery that he was taken around Russia and exhibited with pride as the world's most profit-driven wage slave.

The history of these years must be terrifying to any man who has dreamed the great dream of socialism's brave new world. The abundance that we hoped to produce for all can be produced only by hard work. And apparently men will work hard under the spur of only two forces—profit or force.

Mississippi Welcomes DP's

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 31, 1949

Mr. CELLER. Mr. Speaker, it gives me great pleasure to insert in today's RECORD the following article which appeared in the June 3 issue of the Jackson (Miss.) Daily News welcoming the displaced persons who have come to live in the State of Mississippi.

FAMOUS PHYSICIAN EN ROUTE TO STATE AS DISPLACED PERSON

(By Howard Suttle)

WASHINGTON.—Mississippi's most famous displaced persons—Dr. and Mrs. Otton Lazar, Polish refugees—soon will arrive in Calhoun City to relieve the shortage of physicians in the Magnolia State.

Calhoun City's new neighbors arrived in New York recently aboard the United States Army transport *General Hugh Taylor*, among 877 displaced persons, and after a visit to Washington they will join some 700 European refugees now residing in Mississippi.

The Lazars owe their assurance of a job and housing to Mr. M. L. Lackey, manager of the Ben Franklin store in Calhoun City, following a Rotary Club luncheon address on displaced persons.

The International Refugee Organization in Washington, which handled the immigration of Dr. Lazar and his wife, said the first group of 90 displaced persons arrived in Mississippi in March, and more than 600 reached New Orleans early in May. These DP's have been scattered over the Magnolia State.

Dr. Lazar kept his hand in during the Atlantic crossing by acting as medical officer for the other new immigrants aboard the *Taylor*. Until recently, he has been employed by the IRO as physician in charge of the DP concentration camp at Wildflecken, Germany, in the American zone of occupation.

Wildflecken, located in the Rhone Mountains, once was a German Army installation for the training of crack troops and members of the Gestapo.

SPEAKS FIVE LANGUAGES

Dr. Lazar, 37, was born in Ustro, north Poland, the son of the town mayor. He speaks English fluently, in addition to Polish, Hungarian, German, and Russian. His wife, Magda, 34, speaks only Polish and Hungarian. Both are Lutheran.

The future Mississippian attended high school at Cieszyn, a city founded in the thirteenth century. At 18 he entered medical school at Cracow, then rated as Poland's finest medical institution. After his internship, he practiced at the resort town of Visla.

Both Dr. Lazar and his wife had many experiences with the Gestapo. In April 1940, Gestapo agents visited Lazar's home and while his sister stalled at the front door, he escaped through the back door and traveled as a German to Vienna, and from there by foot and rail to Budapest.

The young Polish doctor worked in Hungarian hospitals for 4 years. Most of his patients were fellow Polish refugees. In 1944, the Gestapo again was hot on his trail and he was forced to go into hiding.

During that period of hiding he met Magda, the daughter of a wealthy Polish family who owned a wine and tea business in Cracow, Poland, and vineyards in Hungary. Her home on the Hungarian-Czech frontier became headquarters for the Polish underground during the war.

The Lazars were married soon after VE-day and the doctor offered his services to UNRRA, predecessor to IRO, which was beginning to take responsibility for the care of displaced persons.

After serving at a DP camp near Hitler's famous hide-out at Berchtesgaden, Germany, Dr. Lazar studied at Heidelberg University, specializing in the eye. He passed the German state medical examination and received high praise from the German professor of the eye clinic.

"I consider him an extraordinarily able and conscientious doctor," the testimonial stated, "and a man of high human quality. He would be an advantage and pride to any country to which he might apply for entry."

The doctor and his wife read all the American magazines they could find, hoping that one day they would be accepted as new Americans. It will be a big day for them when they arrive in Calhoun City, where the Lazars hope to end a 9-year search for a home.

Problem of Coordination of Federal, State, and Local Taxation

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered at the sixth conference of the Inter-American Bar Association at Detroit, Mich., May 25, 1949, by Hon. Henry F. Long, Massachusetts commissioner of corporations and taxation:

COORDINATION OF FEDERAL, STATE, AND LOCAL TAXES

The problem of the coordination of Federal, State, and local taxation has been under

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consideration for many years. Even prior to 1940, the subject had received more or less random attention from time to time. In that year, however, the American Bar Association appointed a committee on coordination of Federal, State, and local taxes with a view to studied and more effective action. The National Tax Association having also appointed a similar committee, it was felt desirable to unite the two committees. Shortly thereafter, the National Association of Tax Administrators appointed a committee to study the same field. The advantages of a union were obvious and resulted in a joint committee of all three of these associations in 1941. This joint committee has continued its study making annual reports of progress to the cooperating associations, although the work was interrupted and delayed during the war. In the meantime a treasury committee on intergovernmental fiscal relations in the United States has presented to Congress a comprehensive report, which contains a great deal of valuable information. Interest in the subject has recently been further stimulated by the President, by the governors' conference and by the report of the so-called Hoover Commission.

Because of my connection with the joint committee of the three associations to which reference has been made, it might be assumed that the views presented by me are the views of the committee. To a large extent such an assumption is probably justified by the facts. It should be stated at the outset, however, that this is not necessarily so and that the opinions expressed by me are in no way intended to bind the committee.

In the first place, it should be recognized that the problem presented is not static but as the years go by subject to great change. To look for a permanent solution that may be handed down from generation to generation like the Magna Carta is impractical. The complexity and the gravity of the situation have enlarged immensely in the last two or three decades. When governmental expenditures were low, there was little occasion for competition in the pursuit of revenue as among the Federal, the State, and the local levels of government. The Federal Government early discovered that it could not tax property effectively and it then imposed no income or death taxes. At that time, excises were not highly developed at either Federal or State levels and the States were not permitted to levy custom duties. There was little or no need to invade common fields of taxation. But all this has changed radically. The steady increase in State and local expenditures and the tremendous upturn in Federal expenditures are a matter of common knowledge. Whether the peak has now been reached and whether there may eventually be a trend toward reducing the aggregate burden of taxation for all three levels of government in the United States of America is in the realm of conjecture. But however this may be, suggested cures for existing problems of coordination may obviously become unnecessary or inappropriate in years to come. Clearly, too, remedies that may seem adapted to conditions as they exist in the United States may be inept in other federated states where conditions are dissimilar.

It must also be borne in mind that the problem of coordination in taxation is closely related to and affected by changing philosophies as to the appropriate functions of government and the distribution of those functions as between the Federal Government and the States, upon the one hand, and between the States and their political subdivisions, upon the other. Paternalism and experimentation in social-welfare programs are not altogether novel. If it finally develops that present trends do not bring the happy results expected by their advocates, if the ever-growing burden of taxation forces a change of viewpoint, or if the expansion of these functions brings imminent threat of collapsing public finance, a revision of these philosophies may in itself wipe away many of the difficulties of coordination that today perplex us.

Therefore it seems manifest that our best hope of improving conditions lies in our recognition of these ever-changing factors and in addressing ourselves in as practical a way as possible to the existing situation without expectation that we are providing remedies for all times and for all peoples. If these endeavors meet with some measures of success and thereby afford some precedent for future generations to follow under like circumstances, so much the better.

Even when the objectives are thus limited in scope, it is evident from the reports of the joint committee how intricate and baffling is the task. Here was a group of 35 men, each of whom had a wide knowledge of and experience with problems of public finance and particularly of taxation, either in the academic or the administrative field, and yet the number of dissents running through the reports is indicative of the difficulties inherent in the various phases of the subject matter under consideration even when approached by those highly qualified to deal with it. The following fundamental assumptions in approaching the problems of tax coordination are made:

1. Any solution must preserve, and not impair, the sovereign powers of both the Federal and the State governments.

2. In general, each grade of government should support its functions from its own independent revenues.

3. In general, the governments of whatever grade which raise particular tax revenues should control their expenditure.

4. The primary purpose of taxation is the raising of revenue, and its use for regulation should be limited to those instances where such use is clearly warranted. When these assumptions are considered in the light of certain trends which seem to have been traveling in a somewhat opposite direction, it is perhaps a bit surprising and no doubt to many reassuring that so many are in accord upon these points.

Now to the techniques of tax coordination. Fourteen methods of coordinating taxes directly or indirectly are to be considered. These are as follows: (1) The reallocation of governmental functions; (2) grants; (3) tax sharing; (4) tax supplements; (5) delegated administration; (6) joint administration; (7) tax credits; (8) tax deductions; (9) separate sources of revenue; (10) administrative cooperation; (11) legislative cooperation; (12) interstate compacts; (13) reciprocity; and (14) uniformity.

In respect to the reallocation of governmental functions one is warned against centralization and specifically reminded that the responsibility for education remain very largely with the States and their local subdivisions, that they accept the responsibility for necessary highway service, in general, and also the primary responsibility for public health, crime control, and social welfare. Defense should continue to be a function of the Federal Government, and it cannot escape all responsibility for aid to agriculture and other economic activity and various other public services of national concern. Wherever it is feasible, necessary public services should be provided by the State and local governments.

It is recommended that for the present, grants should not be increased but should, on the contrary, be decreased wherever possible and that governments should have adequate revenues to support their necessary functions without having to rely upon grants from other governments.

Tax sharing of federally imposed taxes is not advised partly because of its centralization tendencies and partly because other methods of tax coordination appear to be both more desirable and more practicable. The sharing of State-collected taxes with local governments is recognized as likely to continue although it is recommended that wherever possible, local governments have adequate independent revenues.

Tax supplements are felt to suffer many of the disadvantages of tax sharing and are not recommended.

Neither delegated administration nor joint administration are deemed practical in this country at the present time although in respect to joint administration some persons express dissent.

Tax credits have been employed by the Federal Government in the fields of death taxes and unemployment insurance taxation. It is suggested that the crediting arrangement as to death taxes now be abandoned in favor of Federal withdrawal from the field of death taxation.

Tax credits may serve a useful purpose in coordinating the taxes of the various States with each other, thereby eliminating unequal double taxation that arises because certain sales or incomes, for example, are taxed by two or more jurisdictions without regard for the taxes imposed by other jurisdictions. Tax credits may have some value as coordinating devices in the Federal and State tax fields under particular conditions and with the proper limitations. The coercive power of credits against Federal taxes for the payment of State taxes may be very great, however, and, as previously indicated, it could easily be abused. Such credits should be employed only where they are clearly warranted and will not seriously impair the financial independence of the States.

Tax deductions can be approved as helpful coordination arrangements. It is suggested that it is particularly important that the Federal income tax, because of its higher rates, should allow the State income taxes to be deducted in ascertaining taxable income.

The separation of revenue sources wherever feasible meets with favor as possessing a number of advantages, including the simplification and tax administration and compliance and the elimination of tax conflicts and inequities. Although it is not practicable to introduce a complete separation of revenues, within limits separation can be developed to the advantage of Federal, State and local governments and also to the taxpayers.

The value of administrative cooperation as a means of facilitating tax coordination is greatly stressed. It is to be pointed out that the tax officials can aid each other by exchanging useful information, developing more uniform forms and regulations, joint auditing, assisting at times in the enforcement of taxes, planning tax programs with regard for the taxes levied by other governments, and other acts of friendly cooperation for their mutual benefit. Administrative cooperation is believed to be practical and desirable not only as among the States, but also as between the Federal Government and the State governments and as between the State governments and the local governments.

All should look favorably upon legislative cooperation. In this way much can be done to bring about greater uniformity. Moreover, legislation is frequently a prerequisite for cooperative administration.

Interstate compacts may be regarded as too cumbersome to have practical value in tax coordination.

Reciprocity is a method of voluntary tax coordination which does not destroy or weaken the independence of the governments entering into reciprocal agreements.

Uniformity may well be viewed as a promising field of tax coordination which should, with patient cultivation, yield good results.

Having considered the several major methods of tax coordination, we can with profit

explore to some extent the possibilities of better coordination of particular taxes.

Chief among the fields to be examined is that of net-income taxation. Many favor the withdrawal of the States from income taxation leaving this source of revenue entirely to the Federal Government; some hold a contrary opinion. It is believed that by legislative and administrative cooperation uniformity in this type of taxation can and should be increased substantially. It feels that the Federal Government should continue to allow the deduction of State income taxes in determining the income subject to Federal taxation but that the States, in order to protect their independent revenues and to achieve uniformity, should not allow the deduction of Federal income taxes. It is recommended that in reporting State income taxes as deductions for Federal income taxation, individuals should be permitted to report such taxes on an accrual basis whether or not they report their income on the same basis. It is difficult to make a suggestion concerning the taxation or exemption of the income of Government securities which may be issued in the future. Congress appears to have settled the problem of taxing the income of married couples so as to remove the disparity between community- and non-community-property States.

So far as State income taxation is concerned, it is suggested that the States should coordinate their taxes by means of legislative and administrative cooperation which will define taxable income more uniformly, allow individual taxpayers reasonable credits for taxes paid to other States on the same income, develop uniform definitions of residence, tax partnership income to the partners as individuals, tax trust income, so far as possible, like other income, and allocate business income according to the Massachusetts formula. Local income taxes should, in general, be avoided.

The conflict between Federal and State death and gift taxation is readily disposed by the suggestion that the Federal Government should withdraw from the field. It is further recommended that the States allow the same deductibility for bequests to nonprofit institutions outside the State as they allow to similar institutions inside the State.

Priority should be given to the States in the matter of the taxing of motor-vehicle fuel and the licensing of motor vehicles because of greater need of these revenues than the Federal Government and because the States are carrying the primary responsibility for highway financing. It is recommended that the taxation of airplane fuel be left exclusively to the States. Many are found to agree to the proposition that the States, as well as the Federal Government, should have the privilege to license and register airplanes and pilots and regulate aviation, although the State requirements should not interfere with interstate commerce or conflict with Federal regulations. Aviation may properly be subjected to the property, net income, and other general taxes which other competing forms of transportation must pay.

A large number of students of this problem believe that the States should relinquish the tobacco-tax field to the Federal Government partly because the Federal Government was first in it and partly because the States have experienced some difficulty in the administration of these taxes.

As to liquor taxes, it cannot be proposed that either the Federal Government or the States withdraw although it is clear that license taxation should be left to the State and local governments. The States should abstain from the levy of discriminatory taxes and the erection of barriers to liquor importations from other States. They should allow credits against their taxes for the payment of similar taxes to other States and should cooperate to increase the uniformity of their taxes and to meet their mutual problems. Some persons advocate the taxation of Government liquor enterprises on the same basis as private enterprises.

There is some dissent from the proposition that general sales taxation should be left to the States. Greater uniformity in State sales taxation is advocated. It is felt that if a State imposes a use tax it should allow a credit against it for sales taxes paid to other States. Joint auditing has been found advantageous. Local general sales taxes are difficult of enforcement, may drive trade outside the city and add the duplication of taxation.

Property taxation has been left exclusively to State and local governments because of the constitutional limitation upon direct taxes imposed by the Federal Government. The tendency to leave this revenue to the local governments is generally approved, although it is suggested that the States should directly assess property of an interstate or interdistrict character, intangibles, and other property not adapted to local assessment and should otherwise assist the local governments by aiding them in the assessment of real estate and other locally assessed property. Property-tax exemptions should be denied unless clearly warranted. The taxation of the property of the Federal Government may involve constitutional question and is a sector of taxation still to be explored.

Amusements frequently require State and local regulation. Taxes thereon may be administered successfully by State or local governments and this field should be left exclusively to these governments.

Unemployment insurance is of both national and State concern. In coping with its problems the States should assume the maximum possible responsibility. It is felt that the credit allowed to employers of Federal pay-roll taxes should be increased from 90 to 100 percent. The States should coordinate their unemployment-insurance systems as effectively as possible in order to eliminate discriminations and to improve administration and compliance.

It would be unreasonable to expect that all in positions of authority and capable to some extent of translating opinions into governmental action will agree fully with these conclusions. It is hoped, nevertheless, that this paper affords a basis for consideration with a view to action. The fact that in many matters unanimity was attained from a large group of persons and in others there was so close an approach to unanimity in so large a group of men whose training qualified them to deal with the problems involved, should in itself afford some impetus toward the adoption of its proposals.

As one of Shakespeare's characters opined many years ago, "If to do were as easy as to know what it were good to do" many fine things would take place on this mundane sphere. The doing in the case of tax coordination rests with the governments themselves. The make-up of our administrative and legislative branches of government is widely varied. Some are fully competent and some fall quite a long way short of being fully competent. Some are ultraconservative and reluctant to make any change whatsoever that parts company with the practices of the past. Others seem obsessed with the idea that whatever was in the past must be wrong and are willing to gamble on anything that differs from the practices of the past on the theory that it may be an improvement. It perhaps is unnecessary to suggest today that some are constrained by political considerations. Our legislative bodies are large and composed of men of all types. No matter how much light may be shed by reports, addresses, speeches, and studies upon the intricate problems of tax coordination, it seems highly improbable that legislation reflecting the enlightenment will invariably follow. In the administrative branch of government, it would seem that results might be looked for more promptly.

The responsibility for action is clearly placed along the lines of these recommendations upon the Federal, State, and local governments. It is suggested that the administrative and legislative branches of our governments delegate to competent personnel the duty to cooperate more effectively in tax administration and tax legislation. Some urge the creation of a Federal-State authority to promote tax coordination. Some propose a Federal-State committee for continuous study and recommendations on tax coordination. No doubt, the tool to be employed to achieve results is important.

A certain Roman senator at one time concluded all his speeches with the single sentence, "Ceterum censeo Carthaginem esse delendam," regardless of what may have been the subject matter under consideration. To him the destruction of Carthage was paramount over all else and never to be lost sight of. To some of us today the importance of sound public finance justifies allusions to it even where it has less connection with the subject in hand than is the case when we are discussing the coordination of taxation.

Due in part to war and in part to the assumption by the Federal Government of numerous and extensive functions once not considered appropriate or at least not exercised, our national debt has reached a point where many despair of our ability ever to liquidate it. Others adhere to the belief that we still have the capacity to meet our obligations, but doubt if we have the will to do it. Still others are so opposed to any interruption or postponement of what they conceive to be social welfare programs, that they subordinate the maintenance of sound public finance to the fulfillment of these aims.

Usually when governments are unable or do not find it convenient to meet their obligations, they are sooner or later forced to repudiate those obligations openly or to conceal their difficulties by artifices that temporarily serve as a cloak. We have already had debasement of the dollar, repudiation of the gold clause in Federal obligations, artificial interest rates and other evidences of inflationary methods. How much farther we can go along these lines without serious disaster, probably no one can say, but we do know that the continued pursuit of such policies has brought great disaster to other countries.

It would seem that all of us who are interested in the coordination of taxation, also have an interest in the maintenance of a sound public finance for all three levels of government—Federal, State, and local. The subject of coordination dwarfs in comparison to this broader subject. It is, however, inextricably bound up in it. When the pursuit of a sound policy in public finance is completely abandoned, then there will be a mad scramble for revenue and the problems of coordination will indeed run riot. Whatever may be our ideas as to what are the appropriate functions of government and how they should be divided among our levels of government, it is my opinion that the restoration of sound public finance is positively essential for the welfare of the American people. It is my belief that the time has come when we should unite for the accomplishment of this objective as one that transcends all others. Then and then only may we have hope that all our efforts to bring about coordination in taxation have not been in vain.

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United States Occupation Policies in Japan and Germany

EXTENSION OF REMARKS
OF
HON. HARLEY M. KILGORE
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Tuesday, June 7 (legislative day of Thursday, June 2), 1949

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a newspaper article which appeared in the May 8 edition of the Washington Times-Herald, with the heading: "VFW head flays 'soft' policies of United States occupation forces." I ask that there be printed at the end of this newspaper article the text of the speech delivered by Commander in Chief Lyall T. Beggs, of the Veterans of Foreign Wars, on May 7, 1949.

There being no objection, the article and address were ordered to be printed in the RECORD, as follows:

[From the Washington Times-Herald of May 8, 1949]

VFW HEAD FLAYS "SOFT" POLICIES OF UNITED STATES OCCUPATION FORCES

NEW YORK, May 7.—Lyall T. Beggs, commander in chief of the Veterans of Foreign Wars, said today "something is wrong" with United States occupation policies in Japan and "we have not been any smarter in Germany."

He said American "top brass" in Germany "have gone soft," and "Nazi ideas are cropping up, more and more, into the open—while we blink our eyes and do nothing."

MAKING POOR SHOWING

In a VE-day anniversary message over the Columbia Broadcasting System, Beggs said United States authorities in Japan are "making a poor showing as ambassadors of our American way of life."

"Instead of encouraging free trade-unions and a free press," he said, "our authorities in Japan appear to have shown a strange hostility toward such developments.

"Instead of demostrating democracy by practicing it, our representatives in Japan have been content to talk about the dangers of communism, without giving the Japanese any clear idea of what we propose as an alternative."

Describing America's "excellent resolutions" immediately after the war to denazify Germany, the Madison, Wis., veterans' leader said, "Once we were through with the top criminals * * * we began to relax."

HAVE GONE SOFT

"What is happening in Germany makes it look as though not only our GI's, but our top brass as well have gone soft," he said.

"How else explain the fact that Ilse Koch, the 'Beast of Buchenwald,' was liberated; that Von Papen, Schacht, and the Krupps got off so easy, that big and little Nazis all over the place are scurrying out of their holes and sliding back into their old jobs as government officials."

Beggs praised the Marshall plan and the Atlantic Pact as effective measures for "stemming the inroads of communism" and "building strongholds of democracy at home and abroad," but he said:

"We cannot permit the rise of aggression again, whether Communist, Fascist, Nazi, or under any other name. We must be strong and we must be vigilant. Otherwise, we'll help to bring on world war III, instead of stopping it while we have the chance."

VE-DAY CHALLENGE

(Address by Commander in Chief Lyall T. Beggs, Madison, Wis., Veterans of Foreign Wars of United States)

Two days after this country went to war in 1941, President Franklin D. Roosevelt said: "We are now in the midst of a war, not for conquest, not for vengeance, but for a world in which this Nation, and all that this Nation represents, will be safe for our children."

We fought the war—with all that war takes: Youth and life, hope and love, heroism and sacrifice. We fought the war—with all that war brings: Pain and anguish, devastation and death. After almost 5 years of magnificent concentrated and consecrated effort, we shattered the fortress of modern tyranny. We smashed into Hitler's Europe. And, 4 years ago today, in a little red schoolhouse which was General Eisenhower's headquarters at Rheims, Hitler's henchmen signed the papers of total and unconditional surrender.

VJ-day came 4 months later, and we were through with war. We were determined to have peace, the kind of peace where, in every nation, people would respect the right of men, rich and poor, to be treated as men; the right of men to make the laws by which they should be governed; the right of men to work where they will at what they will; the right to speak the truth in their hearts; the right to worship in their own way, the God in whom they believe.

So, in partnership with other nations, we set out to make that kind of peace, and that kind of world. Gradually, however, it dawned on us that the voice of aggressive tyranny was not yet stilled. Twice the cry for world conquest had come out of the west. First, it was "Deutchland Ueber Alles"; then "Tomorrow the World." But now the cry was coming out of the east—out of the stronghold of communism.

Communism—which talks in gentle words of peace, of human rights and the welfare of the humble, but which rules with a greedy hand; seizing every resource of a vast, rich land and pouring it into weapons. Communism—the self-appointed savior of the masses, which keeps the Russian people huddled in crowded rooms living in fear, poorly clothed and badly fed, slaving long hours for meager pay and stalked by the secret police.

Today, in every land outside of Russia, the agents of communism gnaw at the roots of democracy, hoping to destroy the people's faith in freedom, weakening their unity of spirit and purpose, their power to resist the new despotism. And where this despotism has been enthroned, as in the lands bordering the Soviet Union, liberty of expression and freedom of action are no more. Communism now threatens the freedom of mankind, the peace of the world.

Here in the United States it has taken us a little time to realize what we must do. We made a start with the Truman doctrine. We knew we had to rush aid to those lands, like Greece and Turkey, where the clash with communism was out in the open. Soon we came to see that in every country where people were hungry, homeless, jobless, and cold, the struggle to keep alive would take all the energy they possessed, leaving none to combat Communist aggression. So we embarked on a full-scale program of relief, first under the banner of the Marshall plan, and now through the European Cooperation Administration. The results have been highly successful, vindicating our faith that freemen will always choose to stay free. The Veterans of Foreign Wars has wholeheartedly endorsed and supported these successive programs.

Then, within the past few months, we realized something else—that in stemming the inroads of communism, it isn't enough simply to help war-devasted countries back to their feet. Twice in our lifetime, aggressor nations opened fire on the world, secure in the knowledge that the United States would not spring to arms at the first shot. This time, our desire for peace must not be misunderstood. If a show of might is the only way of warning aggressors that we mean business, then a show of might is what we mean to have!

That's the meaning of the recently signed North Atlantic Pact—and that's the meaning of our plans for a program of preparedness at home.

Preparedness makes tremendous demands—all embracing in the life of the Nation. Not only does it take billions of dollars for the Army, Navy and Air Force; not only does it call for universal military training and a civilian defense corps, for speeded-up research and more effective intelligence. It also requires the most devoted dedication, on the part of every man, woman and child, to the ideals of democratic freedom. It means cementing our national unity, welding Americans of every race, of every faith and ancestry, into one harmonious, strong, impregnable Nation, standing solid against any and every threat. But the Veterans of Foreign Wars has always felt that security through adequate preparations is worth the cost and sacrifice.

There is only one way to accomplish this. In a land where everyone, regardless of the color of his skin, his manner of worship, or the birthplace of his ancestors, may feel that he enjoys full civil rights and equal opportunities—in such a land, no Communist in the world can ever find a willing ear, let alone a following. And while the United States leads the world in human rights; while most Americans enjoy all the democratic liberties that people in other lands are still struggling for, it is nevertheless a fact that many of our citizens are not given an equal chance. An equal chance for education, an equal chance to make good in a job and live in a decent home. This is part of our American birthright, and there's no room in our land for anything that stands in the way. There's no room for racial and religious prejudice, for unfair discrimination in education, employment and housing. There's no room for bigotry, which undercuts a man's chances for security and happiness, and gives the enemies of democracy a propaganda weapon at our expense. National security demands national unity. That's why we must knuckle down to the task of expanding and improving our civil rights here at home. The Veterans of Foreign Wars does this through its broad Americanism program.

But while we're building strongholds of democracy at home and abroad; while we're taking every possible measure to block the advance of Communism, what are we doing to block the resurgence of Nazism? What are we doing to make sure that fascism, which we thought we had defeated, does not rise again? How intelligent are we being, in our occupation policies in Japan and Germany?

Certainly the recent elections in Japan should have warned us that something is wrong. The occupation authorities have been criticized for making a poor showing as ambassadors of our American way of life. Instead of encouraging free trade unions and a free press, in good old American style, our authorities in Japan appear to have shown a strange hostility toward such developments. Instead of demonstrating democracy by practicing it, our representatives in Japan have been content to talk about the dangers of Communism, without giving the Japanese any clear idea of what we propose as the alternative. The Communists, of course, quick to see their advantage, have been playing up the contrast between our talk and our deeds. As a result, Communist representation in the Japanese Government soared, in the recent elections, from 4 delegates to 35.

We have not been any smarter in Germany, either. At the end of the war, we made excellent resolutions. We were going to teach those Germans how to live; we were going to show them, once and for all, that they couldn't bring on global blood-baths every twenty-five years. We were going to denazify the oldsters and reeducate the youngsters.

But once we were through with the top criminals; once we got rid of them, we began to relax. There was a period there when we worried a lot about young GI's fraternizing with the German girls and absorbing their Nazi poison, and we made all kinds of rules and regulations against it. But in the last year or two, what is happening in Germany makes it look as though not only our GI's but our top brass as well have gone soft. How else explain the fact Ilse Koch, the "Beast of Buchenwald," was liberated; that Von Papen, Schacht and the Krupps got off so easy; that big and little Nazis all over the place are scurrying out of their holes and sliding back into their old jobs as government officials, editors, school teachers? How else can anyone explain why we don't pour textbooks on democracy into the classrooms of their children; why we don't see that the kids have shoes to go to school in, and that their schools have essential equipment? How else explain our failure to launch a full-scale program of democratic education?

Nazi ideas are cropping up, more and more, into the open—while we blink our eyes and do nothing. A long time ago, when the war first ended, many Germans were afraid to say what they really thought. Now they're open about it—even brazen. Every first-hand observer, every official survey of public opinion tells the same story. As far as the Germans are concerned, the war was not wrong. It was only that Hitler was foolish enough to lose it. Millions of words have appeared in our newspapers about the revival of German nationalism: the conviction that Germany is the predestined master of the world, and must rearm for conquest. With this mania of master racism, the insane delusion that Germans are born to rule, goes a depraved moral code which permits these people to look upon Dachau and Buchenwald with stubborn indifference, as if they had no part in such horrors.

What else but our blunders would let nazism keep its hold on German minds? What else but our colossal failure as the carriers of democracy could let the Germans think that because we hate communism we hate nazism less? What else but our inertia could let them imagine that they'll still get another chance to rule the world?

This is the challenge of VE-day in 1949. Four years ago, no veterans, no GI hobbling on one leg, no weary combat soldier visiting a friend's grave, no mother or wife mourning her loved one, could have believed that in a few short years we would be squaring off again—hoping against hope to stave off another Armageddon by a show of force beforehand. But this is what we're doing. And this is what we must do.

It's no platitude that life without freedom is not worth living. Too many men have laid down their lives to prove that this is so. We cannot permit communism to blot liberty from the earth. We cannot permit the rise of aggression again, whether Communist, Fascist, Nazi, or under any other name. We must go ahead with our program of national security, of military preparedness, and democratic progress. We must be strong, and we must be vigilant. Otherwise, we'll help to bring on world war III—instead of stopping it while we still have the chance. Otherwise, we'll never have a world in which this Nation, and all that this Nation represents, will be safe for our children.

As commander in chief of the Veterans of Foreign Wars I have called upon the members of our organization to dedicate our golden jubilee year to the cause of lasting peace in the world. During the 50 years since our fraternity was founded we have devoted our labors to the common welfare of the American people—and to those principles which stand for equality and contentment at home—and freedom for all people who yearn for human liberty.

Can This Government, So Conceived and So Dedicated, Long Endure?

EXTENSION OF REMARKS
OF
HON. EARL C. MICHENER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. MICHENER. Mr. Speaker, Hon. Everett E. Denison, a former Member of Congress from the State of Illinois, has called my attention to an editorial appearing in the Detroit (Mich.) Free Press of June 2. I am impressed with this editorial, as was the gentleman from Illinois, Mr. Denison.

Pursuant to permission granted to me, I am including the editorial as a part of these remarks. The editorial follows:

CAN THIS GOVERNMENT, SO CONCEIVED AND SO DEDICATED, LONG ENDURE?

After 86 years the question raised by Abraham Lincoln on the field of Gettysburg still is unanswered:

"Whether that Nation or any nation so conceived and so dedicated can long endure."

At that time the fate of this Nation hung in the balance of civil war.

Today, another great danger besets it.

Our Government is strangling to death from red trade, inefficiency, and extravagance.

The people of this country, from whom Government at all levels derives its just powers, will either regain effective control of it or Lincoln's question will be answered in the negative.

Government of the people, by the people and for the people will perish from the earth.

As Lincoln came forward to save the Union in the War Between the States, another great American has appeared to save our experiment in democracy from the rocks toward which it is headed.

With the exception of John Quincy Adams, who served with distinction in Congress after having been defeated for reelection to the Presidency, there is nothing comparable in our history to the selflessness with which Herbert Hoover has worked for the public welfare since he was smeared out of the White House in 1932.

As chairman of the Commission on Organization of the Executive Branch of the Government he directed the most exhaustive study of our Federal set-up that has ever been made.

The Commission's report is more than a monument to the devotion of Mr. Hoover and his brilliant colleagues to the public interest. Any American who wants to understand his Government and where it is leading him must familiarize himself with its findings and recommendations.

The essence of the report is summed up in an exclusive interview given by Mr. Hoover to the United States News and World Report, Twenty-fourth and N Streets, NW., Washington, D. C. This interview has been reprinted in brochure form.

Whether the reorganization of the executive branch proposed by the Hoover Commission is carried out will depend upon the people of this country acting upon their servants in Washington.

The Senate and House have passed separate bills giving the President reorganizing authority subject to congressional veto. These bills are now in conference. There seems to be no haste on Capitol Hill to come to agreement.

When President Truman received the Commission's final report he, too, adopted what seemed to many a rather lackadaisical attitude toward the whole matter.

The morass of waste and inefficiency in which our sprawling bureaucracy is bogged down is the product of years of apathy on the part of the public.

We can't hope to bring order out of chaos overnight.

The Hoover report is a beacon to guide the ship of state through the storm now buffeting it. We shall not make port today or tomorrow. We can do so eventually if we insist that captain and crew sail by that light.

A beginning must be made now, and the ultimate goal of a manageable Government reached as rapidly as possible.

The saving of some $4,000,000,000 annually in the cost of Government has been properly stressed. All the more properly because that waste represents taxes for which the people receive no return.

Jefferson protested in the Declaration of Independence that the King of England had erected a multitude of new offices and sent hither swarms of officers to harass our people and eat out their substance.

As a result of public apathy and indifference, a multitude of new offices have been created in this country and those who occupy them are again harassing the people and eating out their substance through taxation.

The number of Federal employees has increased in 16 years from 560,000 to 2,100,000. The Federal budget has expanded from $4,000,000,000 to $45,000,000,000. The interest on our public debt alone is more than the total cost of the Federal Government before 1933.

Yet the dollars-and-cents saving from reorganizing the executive branch on a business basis is not the only, and perhaps not even the most important, thing to consider.

The executive departments and agencies have grown in number and diversity to the point where no one person can grasp the whole picture.

As a result, an opening is presented to all kinds of manipulation by those who have no faith in the political and economic concepts on which this Nation was founded.

James Russell Lowell once replied to Guizot that our Republic would last "as long as the principles upon which it was built endure."

Those principles today are in danger of being supplanted by soft socialism and eventual dictatorship.

This may be the last chance this Nation will have to bring Government back under control of the people.

The Hoover Commission has pointed the way.

The job of forcing the president and the legislature to follow the course already charted and to which they have given lip loyalty is up to the people.

The desperate need of our times is for a strongly organized, crystal-clear public opinion.

Unless our Government is thus reorganized it will collapse of its own weight of folly and selfishness and the Communists will have won their fight against individual liberty and human freedom as we have always understood this priceless heritage in America.

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Follow Me

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks, I herewith insert in the Appendix of the RECORD an editorial appearing in the Licking Weekly, under date of June 5. This editorial is written by Harold Cohen, editor and publisher of the weekly.

In my opinion, Mr. Cohen has given us some views which should be given consideration by all of us and I trust that every Member of Congress will read this editorial.

FOLLOW ME

(By Harold Cohen)

It has often been said that only a poor man can afford to be a philosopher. Only the men bedeviled by the pressures of economic existence can find solace and confidence in the deeper thoughts of concentration. By the same token, it has been generally proven that the individual who seeks the answers to life in thought and in nature will always find a deep feeling of sincere happiness despite the "talk of war and economic havoc."

The ambitious and worldly may say that the poor have nothing to lose and so they can afford to be dreamers. When they speak of something to lose, we usually like to ask for a definition of that certain "something." It is material wealth, of course.

But, the worldly and wealthy have more to lose than all of their holding if the others decide to rise up and this is what has happened over and over again in the history of the world and has been the downfall of one great nation after another. At the present time, the threat of communism is spreading over the world and temporarily stopped in one direction it expands in another. We have halted its progress in Europe but it has practically engulfed China by now.

Communism is an ideal, a means of government, which evidently has strong appeal to the masses of the world because it offers the "have-nots" something more than they have. Of course, the Russians have distorted the whole idea into a Fascistic police state form of government which promises much and then enslaves its dupes into a regimented and terror-bound existence.

Here in America, as long as the poor can, and will philosophize, there is little chance that such a plight will happen here. As long as the masses have their ballots in hand, there will always be a hope that the truth can be established on every issue and decisions made in democratic fashion.

As we see it, the danger lies within the holders of the material wealth of the Nation, today. These great leaders of our community and Nation haven't the time to philosophize. They deem it beneath their dignity and positions. They look upon it as a waste of time. They are as wrong as the last Senators of ancient and powerful Rome. The average people of the Nation can never be hurt unless they fall dupes to the lies and promises of ambitious dictators.

When a man achieves industrial, commercial or political success, he has a greater obligation to the people, in general, than he had before. That obligation, in a free and independent nation such as ours, is not one to be handled lightly. It is not a matter of hand-outs, dispersal of donations and monetary grants which will endear that person to the people. The American citizen is not of that caliber. He must stand on his own two feet, regardless of his position or resources.

It is here where the successful American must resort to philosophic reasoning. His own life, property and the American way of life may depend upon it. The day of the rugged individualist is a thing of the past. We are entering the period of middle life as far as nations go and if we do not mature in the proper degrees of consideration, we may well become the "dupes" of the future.

We have grown as a live-and-let-live Nation of peoples. Here in Newark, as all over the Nation, one of the great revolutionary principles is now being fought out. Labor and management, for the past few years have been waging a war of revolution. It has not broken out in wide-scale conflict but there have been some serious uprisings and fatality seen in this struggle.

Both sides have some right, of course. But, both sides cannot win on all counts. A philosophic understanding of the needs and responsibilities of both sides must be clearly seen by both sides. This is a very serious condition and one which can affect our whole economic welfare. If not settled properly and with dignity for both sides, we are on the way down.

It can be worked out and it must be worked out. In the meanwhile, all of us on the sidelines must think more than we speak; must be open-minded more than obstinate. The voice of the majority will always win, not the voice of force or wealth.

Basing-Point Unofficial Spokesman Asks Loaded Question—Iron Age Conducts Loaded-Dice Poll—Question Pretends Steel Manufacturers Pay Steel Buyers' Freight Bills—Smoke Screen on Basing-Point System of Pricing Continues—Poll Violates Principle of Secret Ballot—Basing Point an Outlaw, Let It Remain Outlawed

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. PATMAN. Mr. Speaker, the May 19, 1949, issue of Iron Age, the unofficial spokesman of the Steel Trust and tacit supporter of the basing-point system featured the results of its own Gallup poll on the basing-point system. Not unexpectedly, in view of the auspices under which the poll was conducted and the bias of its question and its polling technique, it found that 87 percent of the steel users "do not like f. o. b." But if we examine this so-called study a bit further, we find that, like the old Literary Digest poll, the Iron Age poll was so slanted that its outcome was a foregone conclusion before any returns were tabulated.

THE LOADED-DICE BASING-POINT QUESTION

First. The basis on which these consumers were selected and how wide a coverage the sample provided are not revealed.

Second. The question which was asked is a typical "Have you stopped beating your wife" query:

> Do you prefer the former basing-point system on steel, or do you prefer the new f. o. b. method whereby you pay all the freight?

Had the question stopped short of the phrase, then some pretense of objectivity could have been maintained by the pollster, at least insofar as the question itself was concerned. As it is, it betrays a calculated effort to influence the answer, by creating the erroneous impression that the steel producer under the basing-point system benevolently carried all of the freight burden which now had to be shouldered by the steel consumer. Undoubtedly, Iron Age would have been horrified if the question had been phrased as follows:

> Do you prefer the basing-point system whereby you pay phantom freight and other fictitious freight charges different from those incurred in the shipment, or do you prefer the f. o. b. method widely used in many industries, whereby you pay only for the freight actually used and are not confronted with the identical prices whether you buy from a nearby mill or from a more distant mill?

But this question, misleading though it may be, is no more rigged than the question which was actually used by Iron Age. Both are leading questions which have no place in any impartial, unbiased, inquiry.

BASING-POINT ANSWERS INCOMPLETE BECAUSE ALL FACTS ARE NOT DISCLOSED

Third, the coverage of the poll is open to suspicion because we are neither told on what basis the polled steel consumers were selected, nor the size of the sample. Were all, 90 percent, 80 percent, 60 percent, or less than 50 percent of all steel consumers polled? If less than 100 percent were sampled, what steps were taken to insure a statistically reliable sample by type of consumer, by size of firm, by geographical location, and by degree of integration or affiliation with large steel producers. The reader is only informed that of 2,457 plants answering the questionnaire some 341, or 13.9 percent, did not answer this question. But how many of those canvassed failed to reply at all? We are not told. If the poll covered better than a 50-percent sample of all steel consumers, then, even assuming an initially properly selected sample, returns from plants consuming only one-third of total rolled and drawn steel consumption are entirely insufficient to yield statistically reliable results. The margin of error, under the laws of probability governing replies from less than two-thirds of the partial number sampled, would be too great to have any meaning whatsoever. Under such conditions, it is possible for the results to be completely reversed if all steel consumers were canvassed and replied.

IRON AGE POLL COMPARED WITH RELIABLE NEW ENGLAND POLL

Indeed, a careful analysis of another questionnaire study—conducted by such an impartial source as the Federal Reserve Bank of Boston, through its vice president and director of research, Alfred C. Neal, among 2,500 manufacturers

on the New England Council's mailing list—tends to confirm the foregoing. Dr. Neal reported in his paper on "The Effect of the Basing-Point Decisions on the New England Economy"—delivered September 18, 1948, before the ninety-second quarterly meeting of the New England Council at Dixville Notch, N. H.—that from 2,500 questionnaires and a mail follow-up 3 weeks later only 440 responses were obtained. From these and supplementary information provided by 50 personal interviews, it was found that:

The people most likely to return the questionnaires were the people who thought they were going to be adversely affected by the decisions—

Namely, the court decisions outlawing the basing-point system.

Those respondents already influenced by misinformation in newspapers and statements by leaders of the industries subject to recent court decisions reflected their personal position—in their estimates. The point is well illustrated by the fact that respondents adversely affected generally commented that they thought that the effects upon their own industry and upon New England would be much more severe than an analysis of the results indicated * * *.

Finally, adverse effects were probably overemphasized relative to favorable.

If the experience of this New England survey, where less than 20 percent of those canvassed, responded, and where most of those replying thought they were adversely affected, was duplicated in the Iron Age poll, it is likely that a large proportion of those not responding either preferred the f. o. b. method under which they had been operating or had experienced no difficulty in operating under f. o. b. pricing since the outlawing of the basing-point system. Likewise it was to be expected that most of those who thought they were adversely affected would hasten to express their disapproval. The net result is a loading of replies against the status quo, i. e., against the f. o. b. mill system.

BASING-POINT POLL VIOLATES PRINCIPLE OF SECRET BALLOT

Moreover, the timing of the Iron Age poll, the apparent method of polling and the auspices under which it was conducted all had the calculated effect of intimidating and silencing even the consumers who could overcome the natural inertia against going on record in support of a pricing system already in operation. This matter of "going on record" is vital, for if Iron Age had the slightest intention of running an objective survey, it would have reassured steel consumers through the use of a secret, unmarked ballot, that their identity and how they voted would not be revealed to anyone. For in the absence of such reassurance, and in view of the well-publicized position of Iron Age on this question and its identity with the big steel and cement trusts, no steel consumer could risk a reply displeasing to the big steel monopolists, who could impose a death sentence on any business so dependent upon them for special types of steel and regular service in the purchase of steel supplies. That many steel consumers did not view this threat idly, is evident from the abundant testimony before the Senate Small Business Committee of the Eightieth Congress on how numerous small steel consumers were arbitrarily cut off from their regular source of supply; and from the following account in the New York Times of October 14, 1948:

Cost savings made possible by the switch to f. o. b. mill pricing of steel are being passed on to consumers by hardware manufacturers, spokesmen revealed yesterday at the National Hardware Show at Grand Central Palace.

* * * * *

Citing a typical price reduction resulting from f. o. b. mill pricing, a garden-tool maker reported that these savings had enabled him to reduce his prices 1 percent. However, he feared reporting the reduction because of possible loss of steel allocations. In other products, even larger price reductions were named by exhibitors who did not want their companies mentioned because of fear of trade reprisals.

BASING-POINT POLL TIMING RIGHT FOR MONOPOLY BOYS

The timing of the poll tended to reduce the percentage of replies favoring f. o. b. pricing far below the level which would be obtained in a normal market. For though some steel consumers were not affected freightwise because their current supplier was also a basing point under the old system, and others now paid less freight on steel than formerly through elimination of phantom freight because they are located nearer the producing mill than tc the old basing point. Then too, because of a short supply in many items of steel a number of consumers incurred freight-cost increases through necessity of purchasing from mills located freightwise more distant from them than the old basing points. Of course this latter consumer group would soon be able to effect substantial cost savings by buying from sources closer to their own businesses. This latter group, being able to buy from mills located at the old basing points or closer than the old basing points, freightwise would be no worse off and in many instances better off than under the old system. Hence in times of normal supply they would not be against the old basing-point system.

The timing was also well planned because of the possibility of congressional action on the moratorium bills, hoping perhaps to help the basing-point bills through Congress.

RESULTS OF BASING-POINT POLL "GERRYMANDER"

Having thus insured the desired response to its poll through its rigging of the question, the sample and the method and timing of the poll, Iron Age was still not disposed to take any chances in its method of tabulating the results, lest some regional differences in response be revealed. It therefore proceeded to classify the responding companies into three areas so broad and heterogeneous in character and so unlike any geographical classification in common use today, that its purpose could only have been to obscure any such regional differences and any deviations from the national pattern of response. Thus area "A" grouped all consumers in States along the Atlantic seaboard from Maine to Florida, including all of New England and in addition Pennsylvania, West Virginia, and Alabama. A more diverse admixture of steel producing and consuming, steel surplus and deficit areas would be difficult to construct. The same queer system was followed in setting up area B to encompass the 10 States from Michigan to Mississippi west of the Appalachians and east of the Mississippi River. All States west of the Mississippi River plus, for some unaccountable reason, Louisiana, were lumped together into area C. In view of such obvious regional gerrymandering of the returns, it is not in the least surprising to find the percentage of replies in favor of the basing-point system of 85.8 percent, 87.2 percent, and 90.5 percent originating in the three areas respectively, so closely and evenly arrayed around the national average of 87.2 percent. Having thus juggled the returns into a geographical classification that would yield the desired results, Iron Age was moved to make the following profound observation in its editorial comment on its rigged survey: "Nor was there much difference between various geographical locations."

IRON AGE LOADED DICE CONCLUSIONS

Having obtained the desired results from its "loaded" poll and from its contrived tabulation, Iron Age insight concluded that "the vote was strong and pointed—steel users as a whole do not like the present method of selling steel." The overriding purpose of the so-called survey stands fully revealed, stripped of its hypocritical solicitude for the steel consumer in the following statements: "Just how much pressure their likes and dislikes will have in months to come remains to be seen." And again: "But whether their likes or dislikes will have anything to do with clarification remains to be seen." The poll conducted by this spokesman of the steel monopolists was intended to dress up a prefabricated pressure drive by the steel trust with the trappings of small business respectability. Neither small business, nor the Congress will be fooled or intimidated by such transparent sleight of hand.

BASING-POINT SYSTEM AN OUTLAW—LET IT REMAIN OUTLAWED

The Iron Age poll of May 19, 1949, is again a demonstration of what the cement and steel industries really want. I repeat that what these trusts want is the basing-point system of pricing with its "market controls," "higher prices," "restricted supplies," and a complete "monopoly" in the production, sale, and distribution of steel and cement. Nothing more—but nothing less.

The continued pretense, with which the steel and cement trusts propagandize the country on the question of paying and absorbing freight, in my opinion, amounts to a gross fraud. I do not believe either Congress or the people will be fooled by either sleight of hand polls or fraudulent propaganda. The basing-point system of pricing must not return. It has been outlawed; an outlaw denotes a man on a horse with a mask and a gun who is out to rob and steal. The comparison is obvious because the users of the basing-

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point system of pricing accomplish the same purpose in what may be called a more genteel manner. I am firmly opposed to legalizing either a man on horseback with mask and gun, or a system of monopolistic price controls which will rob our people individually or collectively.

Unemployment in Connecticut

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. PATTERSON. Mr. Speaker, as further evidence of the seriousness of unemployment in Connecticut, as elsewhere, I ask leave to insert in the RECORD the column of June 5 by Jack Butler in the Bridgeport (Conn.) Herald. Mr. Butler is a highly respected member of the fourth estate, and his views on matters relating to labor are given serious consideration by those in Connecticut who profess an interest in labor-management relations.

LABOR FRONT

(By Jack Butler)

The unemployment situation in Bridgeport, worst in Connecticut, has reached the point where the Bridgeport Manufacturers Association is giving it study.

Speaking at a luncheon last week, Msgr. Harmon E. Snoke warned that if Bridgeport industries are unable to reemploy workers laid off in addition to those unemployed because of the removal of Chance Vought to Texas, the outmigration of workers will have an adverse effect on the city.

He spoke of the loss of skilled workers and the loss of business to the retail stores and services.

The situation at the big General Electric Co., where the pay roll is down to about half its postwar peak, may be described from the viewpoint of Business Agent Ellis Brooks, of local 203, UE-CIO.

Brooks said he spends the entire day, 5 day a week, discussing lay-offs and checking on seniority for workers with company officials, and his after-work time is devoted to the workers themselves.

SITUATION TERRIFIC

"The situation is terrific," he declared.

Letters come into his union office from workers whose unemployment claim period is exhausted.

An employment bureau has been set up but the union has not been able to find jobs. No one in Bridgeport industry is hiring, he said.

At Remington Arms, another big Park City plant, persons with 9 years' seniority are being laid off.

The Stanley works in Bridgeport closed down its strip-steel mill and is operating the open hearth on a piecemeal basis to handle the small amount of orders.

The need for some stand-by public works operations is definite, and all the groundwork should be done so that the program can be put in operation at a moment's notice.

The situation is bad in other Connecticut cities, and it would be well for the mayors of those towns to go into action.

Standing by and waiting just isn't the answer.

National Military Establishment

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. MILLER of Nebraska. Mr. Speaker, I am greatly disturbed by reports that the Committee on Armed Services in the House may not take action on the bill to convert the National Military Establishment into an executive department of the Government which has been recently passed by the Senate. Failure to act on this measure in this session of the Congress would be a serious and costly mistake. The hodgepodge that is called the National Military Establishment has no definite lines of authority. It is dominated by high brass that have no thought for the poor taxpayer. This bureaucratic mess with its unbridled spending is breaking the taxpayer's back. The Navy spends $20,000,000 on construction of a supercarrier which is later stopped by an arbitrary order of the Secretary of Defense. The Air Force cancels a plane-building program costing unknown billions and expands the building of B-36's which the Navy says are vulnerable to attack by its new fighters.

While both Houses of Congress have passed bills to give the President authority to reorganize the executive branch of the Government, there are many laws that must be passed by the Congress before an effective reorganization can be made in line with the recommendations of the Hoover Commission. Unless the Congress takes early and vigorous action in the field in which it must act much of the saving that can be made under the proposals made by the Hoover Commission will be lost.

There is an overwhelming demand from the people in my district that the Congress take immediate action to carry out the recommendations of the Hoover Commission. I am sure that every Member of this House has felt this demand from the people of their districts. The motive behind this demand is their desire for relief from the crushing tax burden which they recognize as a creeping paralysis that is gradually killing our national economy. Nor can we blame them for feeling this way. Every morning they pick up their paper; they read that one branch of the Congress has passed an appropriation bill amounting to billions of dollars, which in most cases is several hundred million more than was carried in the previous appropriation. Every little while they read about a new socialistic proposal by the administration which will cost several billions more. They can see no end to increasing Government spending. When the Eightieth Congress, in a fine display of bipartisan action, provided for a Commission to make a thorough study of Government administration and to recommend changes that would bring economies, they saw a ray of hope. The caliber of men that made up the Commission and the conscientious way in which they performed their task has gained their complete confidence. So, when the Hoover Commission estimates that the course it recommends will make possible a saving of $3,000,000,000 in operation of the Government, the people believe it. They may not understand the technical details involved but they believe in the conclusions reached.

Mr. Speaker, our country is heading into an industrial decline. The earnings of individuals and corporations are getting less. There is a sizable increase in unemployment. We will not collect the amount of money in taxes during the next fiscal year that we are collecting this year. Yet, we are appropriating several billion dollars more to spend. When are we going to look this situation in the face? Is bureaucracy the master of its creators, the Congress and the President? It will fight furiously to keep its gluttonous tentacles wrapped around the resources of the people sucking the very lifeblood that flows from their industry. Unless this Congress takes drastic action to put into law the major recommendations of the Commission it set up it will make a fatal error. One of the first and easiest steps it can take is to enact a law to convert the National Military Establishment into an executive department of the Government. The Hoover Commission task force reported fantastic waste in the armed services. Chairman Hoover estimates that a billion and a half could be saved in this one Establishment. I hope the Committee on Armed Services will quickly report a bill and permit this House to act on it during this session.

"If Our Armed Services Are Forever To Be Outbid for the Services of Outstanding Men, Then I Submit That We Shall Entrust Our Security Future to Rejects Content To Make Their Way in a Steady Job at Steady Pay"

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. PRICE. Mr. Speaker, America has produced a number of truly great men.

It is not because of its great resources—coal, iron, and oil. It is not because of its great forests and farms, its hydroelectric plants, and its skyscrapers, that America itself is great.

Our country is preeminent in this world today because of its resources of men of vision, honor, integrity, justice, abilities, and last, but not least, men who love their God as they did their country.

Foremost among these men, in my opinion, stands Gen. Omar N. Bradley, Chief of Staff, United States Army.

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The pen of no man in this generation can express truths, justice, and sincerity with such brevity, frankness, and candor as does the pen of General Bradley.

One of the greatest issues before this Congress today is the need of implementing our armed services with personnel who will spend the billions of dollars that this Congress will appropriate in the years to come. Men who will bring to the United States Navy, the Army, and the Air Force the character, the devotion, and the abilities of General Bradley.

When General Bradley speaks this Congress would do well to listen.

Mr. Speaker, there has just come to my desk a copy of an address made by General Bradley before the Political Study Club of Washington on Tuesday last. It is so replete with factual knowledge, so full of simple, home truths and spoken by one whom every Member of this Congress both loves and reveres that I am inserting that address as part of my remarks in the CONGRESSIONAL RECORD.

It is highly significant that General Bradley chose as his subject for this talk the pay issue now before this Congress. The general spoke as a friend and as a counselor. His speech is that of a wise and a prudent man. I hope that every Member of this House will avail himself of this opportunity to learn General Bradley's viewpoint on this all-important question.

Additionally thereto, I am inserting several editorials and other general news items clipped from the Washington Post and the Washington Star. These are human documents. The editorials are written by disinterested men whose only concern is the security of our Nation. The others are written by the wives and various others in our services. These, too, I commend to the reading of my colleagues.

ADDRESS BY GEN. OMAR N. BRADLEY, CHIEF OF STAFF, UNITED STATES ARMY

When I was asked 3 months ago to meet with you today, I was told to pick my own subject. Because I believe the service-pay issue now before Congress to be of vital importance to the future security of the United States, I have elected to discuss with you the significance of this program.

Like any other submissive American male, I abide trustingly in the wisdom of that advertiser who counsels us never to underestimate the power of a woman. Thus concerned as I am over our failure to convince Congress of the need for up-to-date pay incentives in the armed forces, I freely admit to the motive that prompts me to speak of our plight to their wives today.

If this be a violation of the etiquette for petitioning Congress, then I ask that you ascribe it to faulty flanking tactics. For soldiers are taught to press their advantage long before they are taught their Washington manners.

Were this issue not of far greater significance than Army household budgets, I should hesitate to try your patience with this recitation of our need. Record Federal expenditures for armed security and foreign aid have already plagued the Congress into a dilemma where it must either increase taxes, curtail spending, or suffer a deeper debt.

As this moment the Nation can no longer afford many desirable programs that may benefit its well-being. Rather it must sift its expenditures to cull out those which cannot conscientiously be called essential to our security, health, welfare, and growth.

Magic as is the term "security" in today's distempered world, it must not be exploited to cloak projects other than those of first importance to the safety of the Nation. Therefore, when I plead the essential justification of a military-pay revision at this time, I do so with complete awareness of the urgency I invoke.

For while your armed forces are not starving for the want of butter and eggs, the failure to provide persuasive career incentives is in danger of reducing us to an Army of second-raters. As long as qualified men respond in a free economy to the opportunity for initiative and the prospect of reward, we cannot compete for promising leaders on pay scales that date to the horse-trolley age.

More than any other institution, the Army is in the business of people. If our armed services are forever to be outbid for the services of outstanding men, then I submit that we shall entrust our security future to rejects content to make their way in a steady job at steady pay.

An Army so handicapped in peacetime cannot hope to produce the Marshalls and Eisenhowers it needs in war.

Bargain personnel seldom produce a bargain security system. Yet our Government clings to the theory that it can deal forever in basement prices on the talents of men.

We are in danger of making patriotism a luxury that the most able men can no longer afford. For today a talented young man must choose between a military career and the prospect of greater abundance for his family. By our failure to modernize pay scales, we have told him he can't have both.

As a result of this shortsightedness we have discouraged from the military service both officers and noncommissioned officers with the talents to improve us.

Today we are faced with an emergency that will adjudge the competence of our armed forces 30 years from now. Either we shall leave to our children a heritage of capable military leaders, or we shall hazard their lives on the limitations of second-rate men.

Inferior inducements attract second-rate men. Second-rate men invite second-best security. In war there is no second prize for the runner-up.

However successful our research in science for weapons of defense, those devices can be no better than the men who direct them. If we expend billions on weapon research while pinching on personnel, we may find ourselves headed toward a doomsday economy trap. For weapons in the hands of capable men are weapons that win wars. But weapons in the hands of inept men are weapons that beckon disaster.

Until our armed forces are staffed with men of such superior quality and competence that they multiply in value with the passing of each year, we shall waste much of our Nation's resources in fruitless peacetime training. For unless each officer and noncommissioned officer has capabilities greatly in excess of the responsibility he holds, he is basically an unprofitable part of a military machine.

As leadership standards decline for the lack of sufficient incentives for first-rate men, we shall find ourselves dabbling on day-to-day defenses rather than investing in security for the future. Reservoirs of military leadership are more important to the welfare of this Nation than pickled ships and lay-away planes.

A decline in the cost of living for the first time since the war has created what some observers call an unfortunate psychological stage for the discussion of service pay. However, ours is not fourth round of periodic increases. Instead the proposal before Congress is the first overhaul of military pay scales in 41 years.

Because their wage earners are paid from public funds in the service of their Nation, the families of servicemen have had neither shop stewards nor lobbies to represent their plight. As a result, we find men who after a lifetime of service are compensated at the scales of their fathers in the gas-light age.

Our problem is not a problem of psychological timing. Rather it is the need for correction of a long frozen injustice. Only by showing prospective leaders that service pay affords them fair incentives in this age can we hope to excite in them the desirability of service in the future.

The American people have created their Military Establishment in the image of their own Nation. It is an institution founded upon equal right and upon freedom of opportunity. It is an institution that has permitted me—as the son of a country schoolmaster—to quit my 17-cent-an-hour job on the railroad, to compete for a commission and eventually to succeed General Eisenhower as the Army's Chief of Staff. Yet this is the institution habitually whipped by every man with a grievance as the demigod of oppression, the protector of privilege, and the despoiler of moral young men.

The United States Army has permitted me and thousands like me to pay my way honorably in a career of service to the Nation. It has permitted me to serve in dignity and self-respect all my adult life a Nation for whose institutions the military has taught me greater love and devotion. When I plead for fair reward it is not for the generation of which I am a part. I do not speak as a supplicant for a higher wage for myself.

Instead, I petition the Nation as a spokesman of the service I represent to preserve an equal opportunity for service among the young men of this generation. If we are to entreat them to devote a lifetime to the service, then we must also give them the opportunity to serve with dignity, with honor, and with prospects of an abundant livelihood for themselves and their families.

The need for revision of military pay scales to recruit young leaders in the armed forces has already been supported vigorously by the President, by the Armed Services Committee, and by a Commission from industry headed by Charles R. Hook.

Because the original bill introduced at this session of Congress sought to replace with equity and justice the contradictions and inequities that have developed in military pay, it provided incentive increases at executive levels. Yet, for precisely this reason, the proposal was derogated by some as a "brass hat" bill designed to cushion officers and exclude enlisted men. Critics of the military too often attribute to all officers the malfeasances of a few. Three out of every five dollars in the proposed first year's cost for pay revision were tabbed for enlisted men—most of them leaders in the noncommissioned grades. Approximately one-half of 1 percent would have gone to reward the brass who wear stars.

I had once hoped that we might lay away forever the cruel fiction that officer privilege has splintered the services into castes of have's and have-not's. Yet we are still subjected to the perennal slanders of those who seek success for themselves in civil life and vilify success in the service. We are still belabored by the suspicion that rank in the Army is a reward for villainy. While success in business is revered as achievement, success in the Army is noisily condemned as un-American and undemocratic.

It is time we rejected the cheap emotionalism that panders to the appetites of those in hunt of the services as a whipping boy. It is time we acknowledged that leadership in the armed forces is a virtue that benefits the soldier as well as the Nation he serves. For if we are honestly concerned for the welfare of the American soldier, our first consideration should be for the quality of the men who command him. It is the competence of this leadership and the quality of

this command that may readily spell the difference between his life and death in battle.

In their constant efforts to drive a wedge between officers and men, the self-proclaimed champions of the American GI are doing him his greatest disservice. Our only hope for a military establishment that will safeguard the dignity, protect the rights, and give expression to the human needs of men lies in the recruitment of officers and leaders with the intelligence and compassion to fulfill those wants. Again, I submit, these are the men whom we deny with bargain-basement incentives.

That this Nation is prudently on guard against undue military influence in the conduct of its affairs is comforting evidence of the jealousy with which we prize free government. For while that vigilance does reflect distrust in military power, it also distinguishes the vigor of our democracy and the determination of our people to govern themselves according to the dictates of their conscience.

Because the histories of other nations are smeared with tragic results of the concentration of power in the hands of those with weapons, we have wisely surrounded our military with a fortress of civilian controls.

However, the best guaranty against this concentration of force in the hands of a few is to make certain that the military is possessed of the same fervent love for freedom, the same jealous love for country, that dwells in the most conscientious citizens they are sworn to protect. Our sturdiest guaranty against militarism must be cradled in the Military Establishment itself. To assure this, we must have armed forces composed of men with sensitivity, intellect, and good conscience—men who will nourish faith in the essential nature of freedom to peace in the world—men who will nourish faith in the importance of self-government to happiness in our lives.

When we speak of the armed services as a business—of people, these are the people we want.

[From the Washington Evening Star of May 28, 1949]

THE SERVICEMEN'S SIDE—HOUSE RECOMMITTAL OF MILITARY PAY BILL SEEN AS BLOW TO MORALE OF THE ARMED FORCES

HARDSHIPS OF AN OFFICER'S FAMILY

To the EDITOR OF THE STAR:

So the Army officers' pay bill did not pass the House. Yet these very same men are now trying to get free taxi service in Washington by having shuttle busses run for them. Just an excuse. There are plenty of taxis available. They already get 20 cents a mile for traveling. What does the Army officer get? Seven dollars a day, and every time he leaves town he has to pay extra out of his own pocket.

We are old, Regular Army of 20 years' service. As a lieutenant we looked forward to living nicely on a colonel's salary, which in that day was comparable to a Congressman's. Ours has stayed the same, but how high has his gone? Plenty, and they still are asking for more.

We can't afford to send our children to college on the salary we make. The few generals' wives who can afford fur coats have outside incomes, probably inheritances. A general in the Army has the same position as the president of a corporation, but compare the salary of a general with that of the president of a corporation—a very small pittance. And the general has many more people's interests at heart than the president of a corporation.

I should think these Congressmen would be ashamed. They are just greedy for themselves.

A COLONEL'S WIFE.

UNORGANIZED "SAD SACKS" HANDICAPPED

To the EDITOR OF THE STAR:

With industry preparing for a fourth or fifth round of pay-increase demands, with Congressmen voting themselves a considerable pay increase, how can these very same people deny the pay increase for the men of the armed forces?

If only the servicemen would organize, line up their families and neighbors, and then vote—brother, can't you see some of those same Representatives going all out for their dear friends the servicemen? This seems to be the only language they understand. Their $64 question is, "How many votes will it get me?"

In this case I hope the folks back home who have sons or brothers or sweethearts in the armed forces learn how their elected Representatives voted. To get even with the brass, they denied 1,500,000 men (plus millions of dependents) a pay increase which practically everyone has received except the poor, unorganized, sad sacks of the armed forces.

REGRET US.

DISHEARTENED BY NEGLECT OF CONGRESS

To the EDITOR OF THE STAR:

As a naval officer's wife I have been trained to keep my feelings and my opinions on controversial matters pertaining to the services to myself. However, now that the military pay bill has been defeated I feel constrained, at long last, to speak my piece—and the half will not have been said either. My sense of justice and fairness has been deeply outraged and there must be hundreds of others like myself who feel the same rankling bitterness.

The defeat of this bill must gladden and rejoice the hearts of Communists and fellow "liberals." For years and years, in every conceivable way Communists have sought to undermine the authority and morale in the services. They were notably successful in the Army. The sudden demobilization of the armed forces with the attendant abandonment of millions and millions of dollars' worth of matériel is an example of one of the ways this worked, as was also the rioting of GI's overseas literally crying to go home, in spite of our loss of prestige, "face," and the waste of valuable assets. The Navy and Marine Corps had better success in handling its morale problem, though the infection was started.

As a servicewoman from a long line of Americans who have served honorably in the Navy and in every war since the founding of this country, and as the mother of four sons, one of whom is a midshipman (who entered in competition from the enlisted ranks of the Marine Corps because as Navy people we did not have enough political influence or the affiliations necessary to obtain an appointment), I feel that what we are and what we stand for no longer are appreciated by our fellow citizens. I shall discourage my sons from following this career, and beginning now I shall make plans for life outside the service for us all. And in this I know I am not alone. The seeds of discontent breed a bitter fruit.

Since 1908 there has been no appreciable increase in a naval officer's pay. Furthermore, small prerogatives, considered parts of his compensation, continually have been sniped at and taken away. Even now this is going on in an effort to close the commissaries and ship's service stores.

Frankly, if military men were better paid in cold cash, they would not either need or want these discounts and allowances; nor do we enjoy having to sweat out ways and means of obtaining scholarships for the education of our children in order for them to have the advantages that we feel are due them so as not to be different from the children of our contemporaries who are not in the military service. And it often is necessary for our families to assist us financially with these problems, and to house and shelter us during many long separations. Servicewomen are resourceful and clever at putting up brave fronts and making good appearances, which is deceiving as to the real state of affairs and now has turned into a boomerang to cut us down.

After 25 years of hard work, loyal service, and an unblemished unpassed-over record, what has a man now to show for his career in tangible assets? Certainly very much less than his contemporaries in similar capacity outside the military life. Even General Eisenhower, upon retiring, remarked publicly that he left the service as poor as when he entered it. No; money is not everything, and honor and prestige are valuable assets, but one must also be practical, especially in these expensive days.

Make no mistake about it, naval officers' families have a hard time getting by, raising their children in the standards that have been set for them and to which they would like to become accustomed. I, for one, am weary of the sacrifice and the unrewarding struggle, and I know many, many who now feel just as I do. This is a sad state of affairs in a once-proud service.

Indeed, the military man is now the real forgotten man of our times and his very profession has become discredited in the eyes of his fellow citizens.

Mrs. C.

BREAKING THE SPIRIT OF FIGHTERS

To the EDITOR OF THE STAR:

PAT SUTTON, Representative from Tennessee, having a personal grudge against the services, took his vengeance out on the military pay bill. He was not without help, as there were one or two others who, having served in World War II, delighted in pointing out any bad points they may have encountered during their service period. That the same could be said of any civilian concern was not brought up.

The main point is that those few men were what constituted the strong opposition against the bill, which was worked on for 18 months in order to insure fairness for all, including the enlisted man.

It has been stated that the services have some of the best brains in the country, but it is forgotten that were they in civilian life they would be drawing down salaries worthy of that brain power.

Our standards of living have reached a dangerous level. Many wives of servicemen have had to take jobs in order to supplement their husband's incomes.

If it is the desire of Congress to break the spirit of the men who have served their country, let me say that they have accomplished their purpose.

ARMY WIFE.

THREE FACTORS AGAINST PAY RAISE

To the EDITOR OF THE STAR:

On January 1, 1949, the members of the armed forces of the United States received a reduction in pay. During World War II the Congress enacted legislation which exempted all of the pay of an enlisted man and $1,500 of an officer's pay from income tax. On January 1, 1949, this legislation expired, and, although living costs were far in excess of those which existed at the time such legislation was enacted, the professional military man's pay was reduced by the amount of income tax which this legislation exempted.

On Tuesday, May 24, 1949, the House of Representatives killed a bill which would have provided the men of the military services with an increase commensurate with today's index of living.

The reason for the House of Representatives' action on this bill is attributed by Mr. KILDAY to:

1. Economy-minded Congressmen.
2. Young veterans who wanted to get something off their chests.
3. Liberals who always oppose the military.

In the light of the recommendations by the President and the tremendous expenditures being appropriated by the Congress at this time, it is difficult to conceive of economy as being a real and serious objection to the passage of the bill.

Insofar as young veterans "getting something off their chests" are concerned, it appears from the biased, vindicative, personally prejudiced, and false statements made on the floor of the House that herein lies the real reason for the failure of the bill to pass.

The bill was not considered on the facts upon which it was predicated, nor upon the merits of its contents, nor upon its benefits or value to the United States Government.

This bill was framed from a study and a report made by a committee of intelligent, competent and honest United States citizens—civilians—who conducted an 18 months' investigation prior to submitting it.

It contained fair, adequate and just provisions for a basis of income for men upon whom the citizens of this Nation depend for our protection against very real world aggressors.

The benefits and value of this bill to the United States Government lie in its providing a livelihood for the type of men in whom the security of the United States can be entrusted. E. R. W.

SEES LITTLE CHANCE OR HOPE

To the EDITOR OF THE STAR:

It is with sinking hearts that Army wives hear of the nonpassage of the Service Pay bill.

For the past few years, those of us without substantial outside means have been grimly hanging on in the hope and belief that our plight would be recognized and remedied. We have washed, ironed, cleaned, painted our walls, upholstered our furniture, made our clothes, trimmed our hats—done without ad infinitum, and I for one am just plain tired—tired of knowing we can never afford a vacation, tired of knowing we can't give our grown boys a helping hand, tired of seeing my husband in old shabby clothes, tired of watching him race, morning after morning, to catch the bus for the Pentagon (so I can have our 8-year-old jalopy to drive.

We thought we had our tough years when we were young—we moved when we didn't want to move, lived in shacks where we didn't want to live, hauled our children from school to school, scrimped and saved, thinking that our early sacrifices were all part of the game and middle age would bring a respite of the harassing financial problems.

I love my shiny-pants commando, and I am rebellious that after 32 years of faithful devotion to the service of his country, and so-called success in his chosen profession, he finds himself in such a fix.

No man can work at his best, year after year, without a vacation—no man can work his best with the hope of financial security for his wife growing dimmer and dimmer the higher he climbs the ladder of the caste system, dipping into capital to live. No man can give his best when life is a continual struggle of scrimping and cutting corners in order to pay ordinary living expenses.

It is a short-sighted government that allows its public servants in places of high responsibility to be harassed by financial worries. Does the country want to lower the standard of its military servants, or does it want the Army and Navy to become purely a rich man's game for men of independent means?

A "BRASS" WIFE.

PROSPECTIVE GENERAL DISCOURAGED

To the EDITOR OF THE STAR:

I have just read about the failure of the armed services pay bill to pass the House of Representatives and I am wondering if the seriousness of this vicious and unjust act on the part of certain Members of Congress is realized by the American people.

There will be large numbers of resignations by our best young officers, in addition to a general let-down in efficiency by those who choose to remain in the service.

I have found in battle that there are few good leaders when the going is really rough. It is then the poor GI really needs a top-notch man with guts and intelligence. The vengeful action on the part of the GI Members of Congress in killing this bill unquestionably is going to create the opposite to the effect desired. Instead of the good officers needed when the heat is on, the GI is going to find himself being led by mediocre leaders.

As for the justice of pay increases for officers, let us look at the record: Officers above the rank of captain have less take-home pay now with the current high cost of living than they had in 1908. GI's have had their pay raised five times the original amount.

There are no such things as special privileges for officers any more except the privilege of working 75 to 85 hours a week, which I and many others have been doing since 1941.

Officers continually are being sent overseas and frequently are separated from their families, entailing both personal and financial hardships.

Dependent medical services are being discontinued; commissary costs are equal to and in some instances more than commercial prices; there no longer is any such thing as orderly service; no more quarters on Army posts to amount to anything; living conditions are intolerable; uniform prices are exorbitant; commercial people in every community take Army and Navy officers for every cent they can squeeze out of them; it is practically impossible for a serviceman to make a decent investment.

I have been informed by high authority that I will be considered for promotion to a general's rank some day, but now I do not want any part of it.

A COLONEL.

[From the Washington Post of May 27, 1949]

PAY DEMAGOGUERY

It is hard to determine how much the House decision to shelve the military pay raise was induced by a concern for economy and how much by a phony exploitation of the so-called caste system. Regardless of the reasons, the surprise vote to send the bill back to committee was a serious blow to military morale. If the action is allowed to stand, it will make more difficult the already vexatious problem of keeping career personnel, especially in the lower officer grades where inadequate pay is a major obstacle.

Although the wisdom of this kind of economy is highly questionable, those Congressmen who voted against the bill on that ground have a certain logic to back them up. But those Members who based their action on the vociferous objections that the bill gave larger raises to officers than to enlisted men, were taken in by sheer demagoguery. It is doubtful whether many of the Congressmen who took this view even bothered to read the study on which the bill was based.

Officers, it is true, were to receive larger percentage increases than enlisted men—though every grade but recruit was to receive some raise. This was not a gift to the "brass," but the result of a careful study by a civilian commission which considered military scales for an entire year. The commission took into account industrial practices as well as the nonsalary inducements to military careers. It sought to make military pay commensurate with responsibility and to provide incentives for advancement. In arriving at its recommendations, it considered the fact that enlisted pay has shot up far faster than officers' pay; that whereas a private has had a 400-percent increase in the last 40 years, a major has had barely 20 percent.

The canard that officers are pampered has gone entirely too far. Competent officers are the indispensable core of any army or navy, and without infusions of young blood the military profession in which the country places such great reliance will grow stagnant. The good sense of Congressmen ought to tell them that whether a particular former GI was mistreated or a particular officer received undeserved perquisites has utterly nothing to do with the merits of the pay raise. Political popularity can always be won by catering to the GI's and former GI's who greatly outnumber the officers. But the end result will be not an efficient military arm, but a mob.

[From the Washington Post of May 24, 1949]

MILITARY PAY

The House is scheduled to vote today on the first comprehensive revision of armed-forces pay in more than 40 years. The very scope and purpose of the Kilday bill are reasons enough to support it, for military pay scales and allowances as presently constituted are an impossible patchwork. The Kilday bill follows closely the painstaking recommendations of the Hook Commission appointed by the Secretary of Defense. It provides for badly needed pay raises, but far more important, it provides for them in a new framework evolved after a study of industrial practices and designed to afford a progressive incentive for military careers.

Some criticism has arisen because the bill gives larger increases to officers than to enlisted men. It does so quite properly, for whereas the pay of a private has risen 400 percent since 1906, that of some of the higher ranks of commissioned officers has gone up 20 percent or less. Moreover, there are many inconsistencies in the present pattern. A lieutenant colonel with 30 years' service draws the same pay as a brigadier general. It is imperative in any sensible working relationship to have salary grades commensurate with responsibility. There is yet another factor: A competent officers' corps is fundamental in the Military Establishment. Yet the services are experiencing increasing difficulty in attracting and keeping men with college training. For example, only 1.5 percent of the cadets who entered the Air Force last year were college graduates.

An immediate reason for increasing service pay lies in the fact that military personnel have to all intents and purposes taken a cut since the beginning of this year. The $1,500 income-tax exemption on service pay no longer applies, and this means money out of pocket for men in the higher enlisted grades and all officer grades. Nor is the pay bill an addition to expenditures already contemplated; provision for a pay increase was included in the President's defense budget. It would be foolish to say that money is the only thing that attracts men to military careers, or that military pay can be equated with the remuneration in private industry. But certainly the country has a vital concern at least in providing adequate financial means to maintain the prestige of the honorable profession of arms.

[Letter to the editor from the Washington Post of May 24, 1949]

MILITARY PAY RAISE

I am very much interested in the article by Mr. John Norris in your issue May 21 entitled "House Action on Military Pay Delayed."

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As the wife of an officer who transferred from the reserves to the "regulars" at the conclusion of the war, I have had the experience of trying to balance a domestic budget on income from both military and civilian employment.

First, let me say that the alleged monetary advantages of military life are a myth. I find that $580 a month in the service will only go as far as $450 as a civilian. Transfers every 2 years are expensive. Contrary to popular notions, my husband pays for all his uniforms out of his own pocket and a new uniform costs $80. The PX and commissary are of very little practical help. We have never found any clothing there for our family of five.

Diamond rings and furs at wholesale without tax are pure abstractions for a family in our income brackets. The only advantage of the commissary is its proximity. A comparison of the commissary prices with those of the big super markets shows that the super markets are slightly cheaper—in fact, we do a considerable amount of our marketing at the latter because of the greater variety.

It appears that most of the opposition to the proposed pay increases is directed at the generals and admirals. It should be kept in mind that fewer than one out of every hundred officers is a general or an admiral.

Without an increase, many of us will not be able to afford a career in the armed services any longer. Substantial inducements must be added to the range from major to colonel and lieutenant commander to captain in order to make the service attractive.

SERVICE WIFE.

ANNAPOLIS, MD.

[From the St. Louis Post-Dispatch of June 4, 1949]

MORE PAY FOR THE SERVICES

Bluntly and effectively, Gen. Omar Bradley, Army Chief of Staff, addressed the Political Study Club of Washington this week on the need for military pay rises. The bill that would have met this need was sidetracked in Congress recently although it was the first attempt since 1908 to provide a career pay scale for the armed forces.

It would have added $360,000,000 to service pay checks in the first year and $406,000,000 in the next. Most of the increase would have gone to noncommissioned officers and a goodly proportion to officers.

Approaching the matter from the national security angle, General Bradley said that: "We are faced with an emergency that will adjudge the competence of our armed forces 30 years from now. Either we shall leave to our children a heritage of capable military leaders or we shall hazard their lives on the limitations of second-rate men. Second-rate men invite second-rate security. An Army so handicapped in peacetime cannot hope to produce the Marshalls and Eisenhowers it needs in war."

General Bradley is exactly right. It has too often been forgotten that the officers so frequently dismissed as just "the big brass" have terrific responsibilities in the way of lives, equipment, and matériel. The man responsible for a B–36 squadron, a jet-fighter wing, a 45,000-ton carrier, or a radar base usually receives far less than half the pay of the civilian executive who has responsibility for a much smaller investment.

Because of Federal income tax, a major general receives less dollars today than did a major general of 40 years ago—and today's dollar is worth 36 cents in terms of the buying power of 1908. The $1,500 income-tax exemption of World War II days has been removed.

Without the best of leadership and the most efficient administration, the services are badly handicapped. After some few adjustments, the House Armed Services Committee should bring out the pay-increase bill again.

Spain and the Western Defense System

EXTENSION OF REMARKS

OF

HON. GEORGE H. FALLON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. FALLON. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I would like to include an interview granted by Dr. Valentine de Balla, professor of political science and geopolitics at the College of Notre Dame of Maryland as well as at the Loyola College Evening School. My attention was directed to this information, vital to the security of the free world, by the Reverend Dr. Joseph F. Thorning, honorary professor in the Catholic University of Chile, Santiago de Chile, and an editor whose books are available in our more important libraries.

SPAIN AND THE WESTERN DEFENSE SYSTEM

(Radio interview given by Dr. Valentine de Balla, professor of political science and geopolitics at the College of Notre Dame of Maryland, on Station WFMD of the Columbia Broadcasting System in Frederick, Md., on April 14, 1949.)

Question. Dr. de Balla, you spent recently 2 years behind the iron curtain in Soviet controlled land. Do you think the Kremlin intends to continue a policy of aggression?

Answer. Yes; I do. I think Churchill was right when he said that the Kremlin fears more the friendship of the west than its hostility. They cannot allow, as Chuchill said, free and friendly intercourse to grow up between their peoples and the civilization of the west. Their own oppressed peoples would find out what life is like in the free countries and would eliminate their tyrants. The rulers in the Kremlin will try to overwhelm and destroy the free countries as soon as they think they have the appropriate means.

Question. Dr. de Balla, you are a student of European power politics. Do you think the conquest of Europe by the Soviet Union would be a great danger to the United States?

Answer. I am sure it would be a great danger. Although Europe is weak now, it is potentially the greatest industrial force in the world. The weakness of Europe was that its peoples have been divided by national rivalries and by customs barriers. They were not able to build up a system of mass production. But Europe's science has a top place and it has twice as many skilled workers as the United States. If the Soviets were able to unify Europe and organize a totalitarian war production against America, the Kremlin's power would be overwhelming.

Question. So you think the Atlantic Pact is a good policy for the defense of America?

Answer. Yes; I think so. But the present pact is only a first step in that direction. I don't believe that as it stands now the pact is enough. The present European members of the alliance will not be able to ward off a Soviet attack. Other nations will have to be taken into the alliance. In the opinion of our military leaders without Spanish cooperation there can be no successful defense of Europe. Spain has the only reliable and well trained army on the Continent. The Pyrenees are the most formidable line of defense and the Spanish peninsula is the safest landing place for counterattack.

Question. Well, then, Dr. de Balla, why, in your opinion, was Spain excluded from the Atlantic alliance?

Answer. Because of the press and radio propaganda of Reds, pinks, and certain other prejudiced pressure groups. This propaganda created in America a public opinion, which Carlton Hayes, President Roosevelt's Ambassador to Spain, called "ill formed" or "most selfishly directed." The Reds think it will be easy to take over the democracies. But in Spain they got their first beating and so they are furious with Franco. Others are prejudiced against the religious traditions of Spain.

Question. Well, the opponents of Franco say that he is a dictator and we should not cooperate with dictators.

Answer. One might see some reason in this argument if they would not have belied it on other occasions. Did they not cooperate with other dictators? Was not Getulio Vargas, the dictator of Brazil, a welcomed ally? Are there no dictators in South America with whom we recently concluded the American defense pact? Did they not hail in the past Chiang Kai-shek whom they call now a dictator? And did they not hail the most terrible of all dictators, Joseph Stalin, as a gallant ally?

Question. Dr. de Balla, you have been in Spain and also under the rule of the Kremlin. How do the two compare?

Answer. Well, there are certain features in the political set-up of present Spain which are strange to the American mind. I certainly would not like to see anything similar here in America. But if I think back of what I saw behind the iron curtain, then I must say that present Spain is still a paradise in comparison to the Sovietized countries. I was in both South America and in Spain. My impression is that dictatorship in Spain is more or less of the same kind as those of South America. Also there, democracy has a hard road to travel. And, by the way, if we want friendship with South America, it is important to be friendly also with Spain.

Question. Dr. de Balla, what is the essential difference between the Spanish dictatorship and that of the Soviets?

Answer. Well, in Spain there is no political freedom. You can vote the government out of power. You cannot form an opposition party. We in America would certainly not like such a regime. But we must remember that the Spaniards never had a real democracy. The short-lived so-called Republic was just a scramble of the opposing groups to seize power by force. It was full of burning houses, murder, and bayonets. During the civil war the Commissars and Commanders of the so-called Republican forces were Tito, of Yugoslavia, Dimitroff, of Bulgaria, Rakosi, of Hungary, Ana Pauker, of Rumania, and the other Soviet bosses in countries behind the iron curtain today. The great majority of the Spaniards do not know what democracy is, and if they know, they do not have great respect for it. This is true of those who support Franco and also of those who oppose him. The Spaniard is uncompromising in his ideas and does not think much of decisions by majority vote. It is a bad climate for democracy, and so there are no political liberties. But civil liberties are held sacred.

Question. What do you mean by civil liberties, Dr. de Balla?

Answer. I mean that you can do in your private life as you please. The Spaniard is the greatest individualist you have ever seen. He wants to live his own life and he would not tolerate any government interference with it.

Question. And what is the situation under a Communist dictatorship?

Answer. Under a Soviet rule the people have neither political liberty nor civil liberty. The Kremlin is not content to have unopposed political power, but puts itself up as master in the intimate private life of its subjects. I will give you an example. When I was in Budapest, the capital of Red-dominated Hungary, I wanted to go out to my little farm, 80 miles from the city. But one was not allowed to leave the city unless one had a travel permit. People had to stand in line

for a day or more to get the permit from the Red police. Then comes a cross-examination. And they give you the paper only if they are satisfied with your person and the purpose of your travel. And all that was because I wanted to go out 80 miles from the city. And one can only commute to one's place of work if there is a travel permit in the work book. In the same way, you can be thrown out of your own home. There is in every apartment house and over every group of small homes a political house commander. He is a Communist or a fellow-traveler. He is the agent of the Soviet police. It depends on him and the Red housing officer whether or not they throw you out of your home or whether they put into your home some people who have pull with the Red police, in which case you can go and live with your family in a spare room in your own home. In the totalitarian regime of the Soviets you are in every detail of your life at the mercy of the Reds. Now in Spain there is free travel, also for foreigners, like in any democracy. I wish some of those critics of Spain would go there and see for themselves. In Spain you are the master in your home. In Spain you are free to take a job and free to leave it if you want. Not so under the Soviets. In Soviet countries you have to work where they tell you and if you leave your job without permission, you land in a concentration camp. In Spain you can educate your children as you want, you can practice any religion you want, and so on. But not so in the Soviet Union. That's the difference between the two. The Spaniards never had a real democracy, but they always had, and also now have freedom in their private lives. But in the Soviets, life is like in a jail.

Question. Are there any concentration camps in Spain?

Answer. No; there are none. Several years ago they closed up the last one. During and after the civil war the prisoners of war, the leading Reds and anarchists and other violent opponents were put into concentration camps. The civil war was fought with terrible cruelty and hundreds of thousands of civilians were murdered. Therefore Franco screened the prisoners and many were executed or sentenced to prison. Later when order was restored, sweeping amnesties were given. At present there are only about 3,000 political prisoners. On February 14, 1947, Franco invited foreign journalists and anybody who is interested to come to Spain and see for themselves if they can find concentration camps. Even the most hostile reporters admit that there are no more concentration camps.

Question. And what is the situation under the Soviet regime?

Answer. According to our Secretary of the Army Royall at present 13,000,000 people are being exterminated in Soviet Russian slave labor camps. It is a useful device to exterminate political undesirables and to have cheap labor at the same time.

Question. What is the British and French attitude toward Spain?

Answer. Britain recently made a trade agreement with the Spanish Government. And the British are glad that we ostracize Spain, because they can have the Spanish market without American competition. The same is the case with France. Besides, the French General Staff asked Franco if in case of war with Soviet Russia he would allow the retreating French armies to pass through Spain to Africa. So you can see that they do want to cooperate with Spain. But our prejudiced anti-Franco pressure groups want America to be the sucker and ostracize Spain alone.

Question. So you believe, Dr. de Balla, that the inclusion of Spain into the defense system of Europe is a necessity?

Answer. Yes; I do. France and the other small European powers cannot hold the Continent without Spanish backing. For this reason General Marshall, then Secretary of State, proposed last October that Spain should be included into the family of nations. For this reason last year the House of Representatives voted to include Spain into the Marshall plan. For this reason last October Senator GURNEY, after a visit to Spain as chairman of the Senate Armed Services Committee urged a military alliance with Spain. Senator MILLARD H. TYDINGS, the present chairman, has urged the same. Hanson Baldwin, military expert of the New York Times wrote that in the view of our military leaders the security of western Europe never can be guaranteed without Spanish aid. And now may I quote the diplomatic correspondent of the Newsweek magazine:

"American Army and Navy representatives in Spain unanimously believe Spain offers greater reliability as a continental ally than France. With few exceptions, they are not in sympathy with the Franco regime. But as professional soldiers they hate to see cherished equipment poured into a country they believe will not fight, while the tough and reliable manpower of Spain cannot be utilized. Other Americans in Spain are impatient of arguments that the United States should refrain from normalizing relations with Spain in deference to British and French opinion, while the British and French commercial missions in Madrid complete vast transactions to the detriment of American interests."

And in an editorial of the Newsweek:

"Virtually every top man in the United States defense establishment has joined a pressure campaign to persuade the White House to restore diplomatic relations with Spain. Military chiefs see the Iberian Peninsula as the only tenable base on the continent in event of war."

Question. Dr. de Balla, what would happen if we had no foothold on the Continent, which foothold we can hope to achieve only with the help of Spain?

Answer. Secretary of the Army Royall answered this question on April 5: "If in the first stage of any future war we should lose all foothold on the European Continent and in north Africa, then a victory—if achieved at all—would require 10 or 20 years of war—or perhaps more."

For this reason I heartily congratulate Senator HERBERT O'CONOR, of Maryland, who had the courage to propose a few days ago, in spite of the pink, red, and other anti-Spanish propaganda groups, the inclusion of Spain into the Marshall plan and the Atlantic alliance. My congratulations also go to Senator MILLARD TYDINGS for proposing the inclusion of Spain into the western defense system.

How to Save Four Billions a Year

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. REED of New York. Mr. Speaker, it is encouraging to know that there is a rising tide of public sentiment in favor of a reduction in national expenditures. It has been obvious to some of us who have the honor to represent over a long period of years thoughtful and patriotic constituents who at all times have been deeply concerned with the solvency of this country. They want social security and other benefits, but they know that an unbalanced budget, deficit financing, boondoggling, and pouring billions of money abroad is not consistent with demands for all of these things that cost the taxpayers money. With a national debt of $252,000,000,000 or more, a deficit looming large on the horizon in our fiscal affairs, and a threatened tax bill of $4,000,000,000, the time has come for an economy program which should have been put into force long, long ago.

The people want to save the $4,000,000,000 a year which Mr. Herbert Hoover has indicated can be saved if the findings of the committee of which he is chairman can be carried out by Congress. It is about time for the Democratic majority in both branches of the Congress to carry out the program of economy which has been so well and forcefully presented by the one man in this country able in the highest degree to recommend a program of retrenchment.

Under leave to extend, heretofore, granted, I am inserting an interview with Mr. Herbert Hoover, Chairman, Commission on Organization of the Executive Branch of the Government, entitled "How to Save Four Billions a Year," which appeared in the June 3, 1949 issue of United States News and World Report:

HOW TO SAVE FOUR BILLIONS A YEAR

(An interview with Herbert Hoover, Chairman, Commission on Organization of the Executive Branch of the Government)

Question. Are the possible economies that might come, Mr. Hoover, if the recommendations of your Commission are adopted, measurable at this time?

Answer. Assuming the whole program were put into action, it would take a year to legislate it, and it would take some time to get it into operation. No accurate estimates are possible as to the savings. The only indication of quantity in the matter has been an inventory which I made of the views of the heads of our task forces as to the amounts they thought could be saved in their special fields. The aggregate of those estimates is about $4,000,000,000 a year. I have always said that I thought it would be above $3,000,000,000. You could add these estimates up to $5,000,000,000.

Question. That's about as much as you spent in a year when you were President, isn't it?

Answer. Yes. In the meantime, the budget has expanded from $4,000,000,000 to $45,000,000,000 and the employees of the Government from 560,000 to 2,100,000.

Question. Did you recommend eliminating any of the many new functions of Government that have grown up over the years?

Answer. We recommended the consolidation of functions, which would have much the same effect, but we did not think it was our job—in fact it was not within our mandate—to instruct Congress about fundamental functions.

Question. Can you estimate the possible reduction in the number of Federal employees after you have shaken all this down?

Answer. Yes. The task force on personnel worked a whole year. They were a most capable group of men under Mr. John Stevenson, president of the Penn Mutual Life Insurance Co. He and the members were all experienced men in personnel work and familiar with the Government. They concluded that the Federal Government could accomplish exactly the same purposes with about 10 percent less personnel.

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Question. You mean exclusive of military personnel?

Answer. Yes, civilian personnel only.

Question. Would 200,000 Federal workers lose their jobs if your proposals were put into effect?

Answer. No. Mr. Stevenson's group, for instance, pointed out that the turn-over of personnel is about 500,000 a year. If we had a properly organized system of personnel, we could take care of all capable employees during the reduction in turn-over alone.

Question. It is often said that people in the Government can't be fired for lack of efficiency because of red tape. Have you tackled this problem?

Answer. Well, for example, the whole civil service has been surrounded with a mass of red tape that makes it extremely difficult to discharge anybody for sheer inefficiency. They can be discharged if they are caught red-handed in moral turpitude.

But a supervising officer who wishes to remove a Government employee for inefficiency is required to prove it by documentary evidence. The employee then has four different appeals. The supervising officer has to appear four different times to prove his case, and the net result of it is that few supervising officers take the time and trouble to do it. What is more, one of the bases of ratings for classification of salary is the number of employees under a supervising official. Altogether, there is not enough incentive to get rid of the inefficient.

Question. Is there any plan that will take care of that?

Answer. Yes; we outlined amendments for what we call separation of employees. They would protect employees from injustice, but would rid the Government of the inefficient.

Question. Do you think the Presidency, as it has been growing, can be made into a workable job that one man can handle properly, or is the job getting so big that no one man can really do it?

Answer. Well, that is a very difficult question. One thing is certain. On our computation there are 65 agencies reporting directly to the President. The Civil Service Commission and the Budget Bureau say there are about 65. But, in any event, if the President gave them each an hour a week, he would have a 65-hour week on just administrative problems in the agencies that report directly to him, with no time for the major problems of policy. We have attempted to reduce that pressure. We reduced the number of agencies reporting directly to him.

Question. How many did you have reporting directly to you when you were President?

Answer About 50. I tried to get rid of about two-thirds of them, but Congress refused to pass the necessary act for new consolidation.

OLD PROBLEM FOR CONGRESS

Question. A great deal of this background arises out of your own personal contact with the problem, not only as President but as Secretary of Commerce, doesn't it?

Answer. Yes. This problem of organization of the Federal Government began officially under President Taft. Mr. Wilson had a crack at it. Mr. Harding appointed a special commission, of which I was a member, to make recommendations. Mr. Coolidge attempted to do something about it. While I was in the White House I put up a complete program of organization to the Congress. Mr. Roosevelt came along with further commissions and programs. Mr. Truman has tried it.

Something was accomplished from all these efforts but never a completed whole—or even a proximation of it. Congress has always been the stumbling block. However, today Congress is alive to the problem, as witness this Commission, which acts at the initiative of the Congress by unanimous vote and reports to the Congress. This time it is not an administrative action.

Question. How long do you think it will take for this program really to become operative? Do you look for action on it piecemeal?

Answer. It would have to be more or less piecemeal. We have before the Congress the new organization of the military departments. That goes a great deal further than advancing consolidation. It goes right to the roots of their accounting, their budgeting, their procurement, and other fundamentals. That bill has been reported out of the Armed Services Committee in the Senate. We hope it will be adopted by the Congress. That covers one-third of our problem and probably half the waste.

Then we hope that the Congress will take up the housekeeping legislation. That is the root of the whole administrative reform. From it Congress for the first time will be able to get an understanding of what these expenditures are for. Without these housekeeping reforms, there is no hope of economy in the Government.

CONFUSING EXPENSE AND CAPITAL

Question. Is there any way in which the budget would be separated into current operating and capital expenditures?

Answer. We recommend strongly that capital expenditures should be set up entirely separately from operating expenses and of course set out in the budget report to the Congress. That has never been done. There is a total confusion of operating expense with capital expense all over the Government.

Question. Would you charge interest on those capital outlays?

Answer. No. The Government doesn't have to pay itself interest. Of course, if the capital outlay was for earning purposes it should be charged with interest.

One of the novelties of this Government is the fact that a lot of Government corporations have invested their capital in Government bonds, and the net result is that the Government is paying interest to itself. As a matter of fact, they are using that interest to cover part of their expenditures.

Question. What opportunities have you had to gather the feeling or impression of the attitude of Congress—individual Members, that is? Have you talked with many of them about the plans so far? What reaction do you get from Congress about your proposals?

Answer. I've never seen Congress more enthusiastic about anything than this. Most Members consider this Commission their creation. There are the two Committees on Executive Expenditures and they have been especially interested in administrative organization. There is already some legislative accomplishment. But these little vested interests all over the country—every Congressman has one or two of them in his district, and his pressures are for all parts of our plan except the ones affecting those groups.

HOW THE TASK WAS DONE

Question. How did your Commission go about the task of investigating all these Federal functions and agencies?

Answers. The departure of this investigation from all investigations made hitherto was in what we call the task forces. I set up some 24 task forces appointed from independent citizens who had some knowledge of the special problems. For accounting, we set up a group of leading accountants who were familiar with the Government. The task forces were instructed to engage whatever research staff they required and to take a whole year to do the job if necessary. They worked magnificently.

Question. Without pay?

Answer. None of the members of task forces received pay. They did have a paid research staff. We did contract certain jobs to firms whose profession was such investigations. Our task forces brought in a series of reports that were absolutely uninhibited by politics or prejudice or anything else.

All investigations hitherto have been made by hiring mostly research people. We added strength to research by groups of citizens of judgment. They were objective-minded men. One reason why I believe the armed services' organization bill will be enacted is because of the strength of that task force in their evidences to the Congress.

Question. Consisting of people outside the armed services?

Answer. That's right. Ferdinand Eberstadt was the chairman, and that task force included 14 of the ablest citizens you could find in the United States, every one of whom had had contact with war activities of the Government. They were all independent men, none of them in the Government, and they had the best of military advice.

Question. The reorganization bills now before Congress authorize the President to make certain changes by Executive order, which Congress then could veto. Will most of your proposals have to be effected in that way?

Answer. No. There is some illusion about that authority. That authority of the President has practical application in rather a limited sphere. Every one of our major recommendations will require additional legislation beyond what the President can do under those powers. But the President should have those powers.

Question. There is not a great deal of your program, then, that could be carried out in that way?

Answer. No. For instance, in the Post Office—I don't think there is a single one of our recommendations that the President could effect under the powers of that bill.

It is an entirely new set-up from top to bottom that is required in the Post Office. We recommend that the whole postal administration, under the Postmaster General, be placed in a Director of Posts—a permanent official, if possible. We recommend that Congress do away with all the other Senate confirmations in the Post Office—postmasters et al.—so that a boy could rise from being an office boy in Podunk to being postmaster in Chicago, if he was good enough. Those are authorities greater than the President would have under the general bill now in Congress. But that bill is also necessary as a method of giving initiative to many other parts of our recommendations.

Question. How about this problem of appointments to office? Won't we be dependent in the future, as in the past, on the quality of particular appointees?

Answer. Everything depends upon the quality of men that administer the Government. On the other hand, the very best quality of men cannot adequately administer many functions of the Government with the machinery that exists today. Our object was to set up a mechanism by which, if we got good men, they could do a good job.

DEFENSE CHIEF'S HOPELESS JOB

Question. That is, the plan wouldn't assure good men, but good men would make the plan work?

Answer. Good men could make it work, and they can't make large parts of it work now. I defy any man, as Secretary of Defense, to make that Department operate economically or efficiently under the present law and the present set-up. It certainly exhausted one good man trying to do it.

Question. Have you talked this whole thing over at any length with the President?

Answer. Many times.

Question. Is he favorable to it?

Answer. He is very favorable to our plans generally. I do not wish to commit him on particulars.

Question. Isn't an aroused, supporting public opinion the only thing that will put this plan over

Answer. That is exactly right. If the public insists and demands it, then the plans will be realized.

Question. What is the principal obstacle in reorganizing the Government?

Answer. The barriers are that everybody wants to reorganize everybody else in the United States, but he wants to be left alone himself.

Question. That is, the bureaus?

Answer. Not only the bureaus but all their affiliated associations throughout the country. Every one of these bureaus has the backing of some sort of citizens association whose interests lie in promoting it.

Question. Friends or relatives, or those they do favors for?

Answer. No; not that. For example, we have the bankers who are naturally interested in the conduct of the various financial concerns in the Government. Those agencies in some cases are able to command the propaganda activities of the American Bankers Association. There are the Army engineers, with efficient citizens organizations advocating flood-control projects. The Reclamation Bureau has citizens associations. The Forest Service has active citizens associations. All they have to do is to turn on these associations when changes are prepared.

Question. You mean that they can bring pressure to bear on Congress?

Answer. We have a vivid example of it: One Senator alone received 2,000 telegrams of protest on the suspicion that we might suggest consolidating the construction agencies of the Government into one place, which would mean transferring the flood-control and river and harbor construction from the War Department.

Question. Those pressures are growing, not receding, are they not?

Answer. Some of our leading citizens, as counteraction, started an organization to support the Commission's reports. That's something the country has never had before on any of the proposed reorganizations.

Question. You mean an organization that is interested in the principles of reorganization solely, without any selfish interest attached to it?

Answer. Exactly. President Johnson, of Temple University, has accepted the chairmanship of the most impressive body of important citizens that has ever been put together. It is absolutely nonpartisan, as witness former Vice President John Garner on one side and General Dawes, former Vice President, on the other. It includes five former members of Democratic Cabinets and five members of former Republican Cabinets. It embraces the heads of the labor organizations, the farm organizations, chambers of commerce, tax associations, women's clubs, universities, publishers, and many others.

COMMISSION'S 500 AIDES

Question. How many people would you say have been engaged in the work of the Commission?

Answer. Well, there are about 300 members of the task forces, and then there were the research people—I would say about another 200.

Question. Of the $3,000,000,000 that you estimated could be saved, is there any substantial part that could be effected through the exercise by the President of the power that he would be given under the reorganization bills?

Answer. Yes; a very considerable amount could be saved that way, because he would have authority to consolidate functions, do away with overlap and duplication, and abolish the unnecessary bureaus.

Question. So we could get some substantial economy fairly soon?

Answer. Yes.

Question. Wouldn't you say a good deal of the difficulty today is the aftermath of war and war operations in Government?

Answer. Obviously the tremendous growth of the Government had a good part due to war. Nobody would deny that fact. We have all of the additional obligations that were created in the war itself; some of them we never can get rid of. Under the most drastic hope and expectation I wouldn't expect to see the budget again below $25,000,000,000.

Question. The Government never stops growing, does it?

Answer. Well, a bureau's or a government's function is like some kinds of vegetable. They grow up little sprouts all around themselves.

Question. Can you summarize briefly just what your Commission has tried to accomplish?

Answer. The executive agencies have grown up like a series of lean-tos all around the President's power. There is no specific constitutional authority for any department of the Government. Therefore, the whole mechanism is a series of accretions from 160 years of congressional and administrative actions, with not effective plan.

As I said, we have divided the problem into housekeeping problems which apply to all agencies, and into the departmental organizations. As to the latter, we propose to divide their activities effectively into a specific major purpose—a definite mission to each major agency. That idea is not new, but it has never been properly carried out. Today agencies of the same major purpose are scattered over many departments with much overlap and waste. Different purposes are all mixed up as you know.

Question. Have you drawn new lines of authority for the executive arm?

Answer. We established two ideas. One of them is the descent of authority. In the congressional set-up over the years there has been great encroachment into the executive authority. There are some 37 bureaus or commissions in the Government that are presumed to have authority independent of the President.

No doubt they usually would comply with the direction of the President, but they don't have to, at least in their own view. Therefore, we have set up a thesis that we must have a descent of authority, from the President down to the last office boy. Also, we established the idea of an ascent of complete responsibility from the office boy back up to the President.

Question. So that the President would become, in fact, the administrative head of the Government?

Answer. Yes. Under our proposals the President would sit at the top of an administrative staff of some 22 or 23 men with definite steps in delegation of authority.

Question. Do you think we are going to get more centralized power in the Presidency as a result of this?

Answer. No; probably less. We are here considering administrative authority, not political power. It puts him in authority as definite as the president of a corporation vis-a-vis his board of directors, which is the Congress. That is a thoroughly American concept.

Question. His Cabinet would not be the board of directors, then? They would be his agents?

Answer. His Cabinet are in fact his operating vice presidents. They always have been, as a matter of fact. There is no joint responsibility in the American Cabinet.

NO SUBSTITUTE PRESIDENT

Question. Is there any provision for an Executive Vice President, a No. 2 man, in that proposal?

Answer. Before I answer that, I must state that we propose the President should have a capable staff to advise him about policies and one kind of routine or another. But the staff shall have no administrative authority whatever. We are very explicit about that.

The administrative authority should be delegated to the heads of operating agencies. The budget, for instance, is a staff operation of the President's. We object to having any administrative authority in any of those staff agencies. Then we propose to set up each one of the heads in the larger agencies likewise with a staff which has no administrative authority. For instance, we want to set up a budget officer, a personnel officer, a procurement officer, and a publications officer on the staff of each of the important agencies, and we want corresponding men to most of them on the President's staff.

Question. You wouldn't get a No. 2 Executive Vice President who would be familiar with this work, in case anything happened to the President?

Answer. You cannot place any official between your President and these 22 or 23 operating heads of important agencies. That just isn't feasible. They will not accept any such relationship. The President must be able to operate directly with them. An elected officer injected between the President and the Cabinet officers and heads of important agencies would only produce chaos.

Question. The functions of the Vice President would not be changed under this plan?

Answer. No; we haven't made any suggestions about it. We have discussed at great length the idea that the Vice President could be used by the President for special missions. The President, to determine policy, must always assemble temporary bodies of one kind or another, citizens or otherwise, for advice and important other functions. The Vice President might well preside over those groups.

Question. A major purpose of all this, I suppose, is to get efficiency and economy at the same time. Is that right?

Answer. That's right. And a better relationship between the citizen and the Government—to simplify that relationship wherever we can.

Question. At any rate, you are getting a chance to use your talents as a former President. Is there something you could recommend for former Presidents?

Answer. Well, at one time I had hopes that my exclusive Trade Union of Former Presidents would double its membership. Then we could have had more influence on, say, Congress. It looks as if that project has disappeared.

Question. It has been suggested from time to time that former Presidents might go to the Senate. What do you think of that?

Answer. I don't think it would do any harm. I think it would do good. I don't want to go there at my time of life, but I think, as an addition to the efficiency of the Government, it would be greatly worth while for the future. Any former President carries a lot of seasoned experience which would aid the legislative side. It would be a good thing to do.

Question. Could that be done with our Constitution?

Answer. I understand it could be done by statutory law, provided the former President had no vote. He could have the privilege of debate, office assistants, and a salary.

Question. What is this recipe that you have for looking as well as you do, working as hard as you do, at your age? All of us would like to be your age some day. You look as young as you did 10 years ago. How is it done?

Answer. By living a life as near perfect rectitude as the limitations of mankind permit.

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Horse-and-Buggy Voting

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, at the opening of this first session of the Eighty-first Congress, I introduced H. R. 37, a bill to provide for the procurement and installation of mechanism for recording and counting votes in the House of Representatives. So far, no hearing has been scheduled on this bill by the Committee on House Administration, although we soon are to see the start of work to remodel the House Chamber and so plans for installing a voting machine could be more easily and more economically made now than later.

Under leave to extend my remarks, I would like to include this article from the Philadelphia Evening Bulletin, headed "Horse-and-buggy voting still looks best to Congress":

WASHINGTON, May 24.—Congress will install air conditioning, loud-speakers, and noise-absorbing walls when it remodels the House and Senate Chambers, but in one respect it refuses to modernize.

It has no plans afoot to install push-button voting.

Twenty State legislatures are more modern than Congress on this point.

The tedious system of calling the roll will continue to be slow and to color the process of lawmaking in Washington.

Voting-machine salesmen have figured out that Congressmen spend as much as 42 days of a session simply waiting around to answer roll calls.

With the machines, a push on a button would light up green (for yes) or red (for no) lamps on the roll-call boards.

REAL ADVANTAGE

The real advantage of a voting machine for a large legislative assembly is that it changes the system of lawmaking. Lawmakers become more responsive to issues and less under the thumb of little bosses.

Everybody votes on everything. It's no trouble at all to vote.

The present leadership system in Congress and most legislatures has grown up around the idea of subjecting the rank and file of Members to as few roll calls as possible. Committee judgments on points in bills are accepted whenever an appeal to the whole House or Senate might be resented as dilatory, embarrassing, or obstructive.

On the floor of the House bills are considered in Committee of the Whole, and questions are settled by voice vote, by show of hands, or by teller vote in which Congressmen line up to be counted as they march past tellers.

PURPOSE OF ROLL CALLS

Individual views do not show up when questions are settled this way. As a result, formal roll calls in many instances only reflect the desire of one group in Congress to put another group on record with respect to some particularly controversial point. Individual judgments on other points, and often on the fate of the bill itself, are lost in mass voting.

Congress is full of people who wield influence because they have become adept at maneuvering to get roll calls which embarrass their opponents, and to avoid roll calls which might embarrass their friends.

Steering a bill through Congress is a game of strategy and compromise to avoid a roll call if possible, and to have it on a favorable point if a roll call becomes necessary.

Much of this hocus-pocus goes out the window when a voting machine is introduced. Every point can be settled so readily by a record vote that lawmakers become less afraid of voting. They cast so many votes their chances of being misunderstood on one or two are much reduced.

Herman W. Steinkraus

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I am inserting the following article from the Nation's Business concerning my good friend, Herman W. Steinkraus, of Westport, Conn., and his recent election as president of the Chamber of Commerce of the United States. Herman Steinkraus is a distinguished symbol of American self-reliance, resourcefulness, and imagination. He is a credit to the town of Westport, to the State of Connecticut, and to the Nation. He will, I know, be a dynamic and constructive president of the chamber. The American people are fortunate that a man of the high caliber and tested ability of Herman Steinkraus is available for such an important post at such a difficult and challenging time.

THE CHAMBER'S NEW PRESIDENT
(By Norman Kuhne)

One of the attributes of men who are leaders is that they arouse strong partisanship. The devotion of their followers is matched only by the antagonism of their adversaries. Herman W. Steinkraus, new president of the Chamber of Commerce of the United States, is no exception.

In Connecticut, where he lives and heads the Bridgeport Brass Co. as president and chairman of the board, some men call him too liberal. Others insist that he's a dyed-in-the-wool reactionary. Although he dislikes labels, this divided opinion convinces Steinkraus that he's effectively pursuing a course of independent action on controversial economic and social issues.

It is evidence, too, that the chamber's new president follows the course he recommends for all businessmen: "Participate in public affairs." Persons who avoid the firing line are seldom shot at.

His own willingness to march toward the sound of the cannon stems from a basic philosophy which he summed up in a recent address:

"We may as well accept the fact that Government is going to play a larger part in business in the future.

"The reason is that the American people have changed. They have begun to look to Government to do more and more for them in connection with such matters as labor-management relations, antitrust actions, and measures to protect the public interest. Government has gone into these fields because of a changing social concept on the part of the American people, and there is no indication that they want history to turn backward in this respect.

"Therefore the only intelligent plan is for businessmen to become much more active in governmental affairs themselves. If they don't, they will see actions taken which may not be to the best interests of the country, and which could have been avoided if they had been there to express their views."

Spelling out this idea, Steinkraus maintains that the continued well-being of private enterprise in the United States depends on its ability to produce ideas and sell itself as well as to produce and sell goods and services. Only to the extent that it effectively can marshal an enlightened public opinion in support of a free economy and free institutions can business stem the rise of a welfare state.

This philosophy is more than a theory applicable in some vague way to that amorphous entity called business as a whole. It is a practical plan of action for individual companies that Bridgeport Brass has used with good results.

The first place where business can clear up misconceptions and develop a better understanding of the profit system is right at home. At the brass company, Steinkraus has organized a system which transmits all pertinent information about corporation policies and operations directly to the full working force. The various echelons, from senior executives to shop foremen, have regular meetings of their own associations to keep abreast of goings-on. A president's letter goes to workers and their families when there are news-worthy developments to report. Steinkraus believes that all his employees should know about company affairs without having to learn about them from the newspapers or back-fence gossip.

All of this to Steinkraus represents good business practice—no more, no less. He sees industry as a team, of which all members have a common objective of maximum production for a high standard of living and a fruitful life. A quarterback can't expect to score touchdowns if he withholds the signals from his linemen.

The same goes for the other tenets of his philosophy that have been translated into practical accomplishments. In addition to its obligation to make a fair profit for its owners a company must provide a decent place to work, at steady jobs and at good pay. It also must do its part to make the community a better place for people to live, and can do so with full appreciation of dollars-and-cents cost accounting.

In 1947, the Bridgeport Brass Co. wanted to provide better recreational facilities for its workers but lacked suitable space. The company worked out an arrangement to acquire, modernize, and equip an old National Guard armory as a community center.

As a result, the workers got a recreational program, the community got a needed improvement, the company reaped a bonus of good will and, from rentals for various events, the project is self-supporting and self-liquidating. Some who scoffed at Steinkraus for investing company money in the project now admit that they wish they had thought of the idea themselves.

Steinkraus got his introduction to labor-management relations—a field in which he has subsequently achieved considerable national prominence—by accident.

That was in the thirties.

A new collective-bargaining agreement was being negotiated. The company president was ill and Steinkraus, then sales vice president, was assigned overnight as a substitute.

His qualifications, if any, consisted of having been born into a family of music lovers—first requisite for musical appreciation is ability to listen.

Steinkraus bolstered this natural talent by reading pertinent books on labor relations and talking to as many people as possible. Then he went to the bargaining table.

Union leaders generally are allergic to industrialists and those in Bridgeport are no exceptions. But at that meeting and since, they found that they could get along with Steinkraus. "He is fair," they say, "and he keeps his word."

As a result, the company has never had a strike or work stoppage, although for a number of years it had to bargain with a left-wing-dominated union and Steinkraus has never yielded his right to criticize what he regards as union weaknesses. He has gone on record many times that unions—because of an understandable desire to perpetuate themselves and build membership—frequently fail the best interests of workers in individual industries and plants. In his own company he believes in fair treatment for labor, and insists on the same from labor, in turn. That theory summarizes his philosophy of industrial relations—that labor and management have a mutual interest, and that both achieve their greatest prosperity by working together on the basis of fair dealings along a two-way street.

WORKED THROUGH SCHOOL

Steinkraus was born in Cleveland, Ohio, on December 16, 1890. He attended the local public schools and was graduated from Western Reserve University, with honors, but no very clear idea of what he planned to do for a living except that he wanted a job in which he could deal with people.

In working his way through school he had sold everything from newspapers to textbooks and liked selling. He served for a time as assistant secretary of the Cleveland Advertising Club, and later with the Cleveland Chamber of Commerce. Then he joined the staff of the Osborn Manufacturing Co., makers of machinery and industrial brushes.

A personal encounter with prejudice, rooted in hearsay, has given Steinkraus an abiding determination to act only on the basis of facts and on insight into the real need for tolerance.

Both of his parents had been born in Germany. Although they had emigrated to the United States because of their dislike of Prussianism, they maintained a continuing interest in their native land and the elder Steinkraus subscribed to a number of German periodicals. When, at the beginning of World War I, young Herman, with some of his college classmates, applied for officers' training he was shocked to learn that his family was said to be pro-German, and that he was considered, therefore, a bad risk for a commission. He enlisted as a private—within a week was promoted to sergeant because he had a good knowledge of military drill acquired as a member of an athletic club. But he had to prove his right to his stripes with boxing gloves when another NCO disputed the ability of a 1-week recruit to handle a platoon. Steinkraus won—and still attributes the victory to a lucky punch.

He served overseas, subsequently rose to captain, and won the Distinguished Service Cross for valor in action in Bois-de-Batheville.

HE LIKES SELLING

After the war he returned to Osborn as a special assistant to the president. But the urge to sell still was with him and, when he asked for a change of assignment, he was offered the post of sales manager. He realized, however, that he would be inviting trouble from the older men working under him if he took the job without a better grounding. So he went on the road to learn the practical problems that confronted the men he would direct.

Later he took the sales managership but the taste of competitive selling had cultivated a yen to go into business for himself. In the twenties he made the break, and established his own sales and warehousing organization to serve as agents for certain manufacturers.

One of the lines he wanted to handle was nonferrous metals. Since he had no choice, he consulted a manufacturers' directory to find a company in this field that was unrepresented in Cleveland. He came up with the Bridgeport Brass Co. His first letters relative to this account brought no action so he took a train to Bridgeport and got an interview with the sales manager.

"What do you know about the brass business?"

"Nothing, except the customers," Steinkraus said. He urged that he could learn the brass business faster than a man unknown in the Cleveland area could develop a following among customers. He got the account.

At that time the refrigerator industry was beginning to bud in Ohio, and Steinkraus soon developed such a substantial volume of business from it that the brass company began to worry about his commissions. It asked him to come on the pay roll instead. The company, at that time, was having its own troubles at the management level, and Steinkraus, although he had promised himself and his family never to work for anyone else again, faced a dilemma. If the company's management problems caused him to lose the account, he wouldn't have much of a business of his own.

He moved to Bridgeport as vice president in charge of sales.

He discovered that his own Cleveland agency had been producing a substantial part of the company's total sales volume. He also found there were many territories in which the company was making no sales because of freight charges, and that much of the company's productive capacity was unused.

Unraveling this tangle further, he discovered that, if output were increased, overhead could be reduced sufficiently so that the company could absorb freight charges and enter the untapped markets throughout the country. This it did.

The sales chart vindicated his judgment. Since Steinkraus has been with the company, sales have gone from $7,000,000 to $75,000,000.

He was elected company president in 1942—at the peak of the war-production drive. Bridgeport Brass earned the Army-Navy E award, with five stars.

In company affairs, as in most things, Steinkraus is something of a perfectionist. He dislikes a job that is only good enough to get by and occasionally has hurt the feelings of his associates by taking them to task for producing less than the best, yet these associates are willing to concede that Steinkraus sets the same standard for himself, and Steinkraus, in turn, is willing to concede that he often is too blunt.

GOOD PLACE TO WORK

Basically, this quality comes from a desire that anything he is associated with be good. One day a remark disturbed him. Someone had said, "People used to say they were proud that they worked at the brass shop. They don't say so now."

His investigation to find out why ended unexpectedly in the washrooms. The company's sanitary facilities had been neglected and conditions were indescribably bad. Factory gates were forbidding and some men said they felt as if they were entering a prison when going to work. These and other bad working conditions were corrected and today the company has an excellent standing with the workers.

Steinkraus credits his Old World heritage for some of the characteristics and the talents that have been useful to him in business and in living. His early religious training may be responsible for his feeling of kinship with others and for his integrity in human relations. Two brothers are clergymen and he himself once considered the ministry. But, with a highly developed sense of the practical, Steinkraus can say, with a chuckle, "It's sort of a shame my brothers didn't go into business. Both have good heads for it."

In his own home, Steinkraus has maintained the family musical traditions. Mrs. Steinkraus (nee Gladys Tibbetts), the daughter of a New England colonial family, whom he married in 1919, is an accomplished musician. His daughter, Ruth, a Vassar graduate, hopes to be a concert pianist. Marjorie, a Stevens graduate, works on a column for a west coast newspaper. His son, William, a Yale man, plays the viola in the Connecticut Symphony Orchestra, an organization which Steinkraus helped found.

Steinkraus is of medium height, with blue eyes and receding gray hair. His trim figure and his energy belie his 58 years. He dresses conservatively, usually in dark suits, wears horn-rimmed glasses, which he takes off and uses to punctuate his conversation when enthusiastic about some subject.

He is an ardent fisherman. His treasured Waltoniana includes some items which reveal his sense of the ridiculous. One of his trophies is a mounted sailfish of minnow dimensions. Another is a photo of himself alongside a prize swordfish which he confesses with a chuckle ("but don't tell my friends") came from the shops of an obliging taxidermist.

Despite his devotion as a family man and his frequent attendance at the Christ and Holy Trinity Church, his associates describe Steinkraus as an amiable companion at stag affairs. He takes a drink or two but self-discipline stops him short of the point of joining the boys in a barroom version of Sweet Adeline. The more accomplished elbow benders among his cronies deplore this restraint because they say that Steinkraus has a good singing voice.

Although he is thankful for his Old World heritage, Steinkraus in every way typifies the spirit of the New World, both in idea and in accomplishment. He is frank to admit that it's useless to deplore the passing of the "good old days," and in some respects believes that we are well done with them. The open-shop attitude of some employers, the idea that a corporation should withhold information about its affairs, that business could grow healthy with a caveat emptor philosophy properly belong to the past, not the present. At the same time, Steinkraus is concerned about too much reliance on Government for things that were formerly accomplished by individual initiative. Although he is active in, and highly respected in, such organizations as the Amercan Legion and the Veterans of Foreign Wars, he disagrees with these groups in their stands for bonuses and pensions. He stands against Federal aid to education and compulsory health insurance.

CRITIC OF SELFISH INTERESTS

Steinkraus is equally critical of businessmen who are beholden to Government for selfish interests and is as outspoken against corporate groups that play "footie" with Uncle Sam for the sake of their Government contracts or subsidies as he is against racketeering labor leaders or citizens with a give-me psychology. In terms of the organizational operations of the Chamber of Commerce of the United States, Herman W. Steinkraus assumes the presidency well equipped to make the world's foremost business organization a more effective instrument in the councils of the Nation.

Early in his career he learned the practical problems of the chamber executive from his own work in Cleveland, and he has seen the chamber movement as a member in Bridgeport. Nationally, he has been a member of the board of directors for 6 years, and

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a vice president for 2 years. On numerous occasions he has represented the chamber as a witness before congressional committees. Recently, when he testified on proposed changes in the labor laws, his presentation was praised by members of both parties for its fairness and eloquence. Though not an orator of the old school, he acquits himself ably in debate and on the speakers' platform.

Asked to comment on the election of Steinkraus to the presidency of the chamber, one of his competitors said, "Steinkraus is going to make you a good president, or die in the attempt—and that d—— Dutchman—well, he's just too stubborn even to say die when there's a job to be done."

World Government

EXTENSION OF REMARKS

OF

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. BENNETT of Florida. Mr. Speaker, I have today introduced a resolution to define the policy of the United States with regard to the United Nations and with regard to world government. Perhaps this resolution is identical in spirit with ones introduced today by other Members of Congress, but I have felt very deeply that some of the language which I have included should not be omitted. The resolution which I have introduced provides:

(1) That is is the sense of the Congress that it should be a fundamental objective of the foreign policy of the United States to support and strengthen the United Nations: (2) that by constitutional convention or by action of the Congress an amendment to the Constitution of the United States should be drafted, debated, and considered for adoption whereby the United States Government can be given specific authority to participate in a world federal government, limited as hereinafter described, to be created by amendment to the United Nations Charter or by a world constitutional convention; and (3) that the powers of such world government should be limited to preserving peace and preventing aggression through the enactment and interpretation of world law, and enforcement thereof by a world police force and other appropriate means.

I have also introduced today a proposed constitutional amendment in the following terms:

The United States Government may participate in a world federal government to enact and interpret world law and to enforce such law by a world police force and other appropriate means, provided that the powers of such world government be limited to the prevention of war and of international aggression, and provided that two-thirds of each House of the Congress of the United States approve the constitution of such limited world government.

An amendment to the constitution of such a world government shall not be binding on the United States if, it increases the limited powers herein specified or if it has not been approved by two-thirds of each House of the Congress of the United States.

Resurgence of German Nationalism

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. JAVITS. Mr. Speaker, I have called to the attention of the House on many occasions before the critically dangerous drive toward nationalism in Germany and the resurgence of Nazi activities there. We now hear reports that this is being made a calculated policy of the Communists in eastern Germany. Let those who once deluded themselves with the idea of making a revived Germany a barrier between east and west delude themselves no longer. On the contrary the German lust for aggression could, if we permit it, lead again, as it has before, to the fatal cataclysm of aggressive war alone or with allies of opportunism. I append hereto a news story which appeared in the New York Times on Sunday, June 5, emphasizing this danger:

"NATIONAL FRONT" IN GERMANY NOW PUSHED BY COMINFORM—DIRECTORS FOR NEW PARTY TACTICS CALL FOR COALESCENCE OF ALL FACTIONS AND GREATER COMMERCE BETWEEN EAST AND WEST

(By C. L. Sulzberger)

PARIS, June 4—Instructions now have been issued by the Communist Information Bureau to international Communist parties of the world to work for the creation of a "national front" in Germany and to seek to facilitate the expansion of commercial relationships between that occupied country and Soviet-controlled eastern Europe.

This confirms suspicions of western diplomats that Moscow's primary objective in lifting the Berlin blockade and agreeing to the Council of Foreign Ministers meeting was to develop east-west trade.

One may presume not only that Soviet Foreign Minister Andrei Y. Vishinsky will gradually develop this strategy during the ensuing council meetings, but that Deputy Premier Georgi M. Malenkov is laying down a similar line to the current Cominform gathering at Prague.

The new party line has been developed through the Cominform journal, For a Lasting Peace, for a Peoples' Democracy, which is published in Bucharest. In the June 1 issue, this paper publishes an article by Otto Grotewohl, cochairman of the Communist-controlled Socialist Unity Party of Germany.

Politically Herr Grotewohl informs world communism through the Cominform journal that the old tactic of seeking to obtain political control through a Communist bloc has been terminated. The Stalinist tactic is now to work for a "national front."

This paper is the propaganda and agitation bible of world communism and its line is official—and "permanent until changed."

Herr Grotewohl discloses the Soviet Union's real objective at the council meeting by saying: "Economic unity is imperative if the country's (Germany's) productive forces are to be fully utilized * * *.

"German industry also needs a market and the abolition of restrictions on German exports. In this respect the strengthening of trade relations with eastern and southeastern Europe is particularly important for Germany."

Reading between the lines one deduces that eastern and southeastern Europe are likewise in need of western German exports and that Herr Grotewohl has been instructed to work to that end.

MORE TRADE WITH WEST SOUGHT

It is known that the Soviet 5-year plan is not working out according to schedule and that satellite states, such as Poland and Czechoslovakia, are in bad economic shape. They not only seek to obtain more trade with the west but even are hinting that they would like credits to facilitate purchases.

While the rudimentary elements of this switch in policy were unfolded for the benefit of the German people at the recent People's Congress, Herr Grotewohl now discloses how far communism is ready to make concessions to gather strength.

He writes that it is more important than ever to unite the people regardless of their party or social status for the struggle for a united Germany. The German People's Congress must become a large-scale mass movement.

By advocating a national front of this type, Communist leaders now are opening a way for the support of the well-to-do as well as the working classes and of all parties, apparently, including former Nazis.

In other words, after recent political failures in Germany, the Cominform has decided to try to re-create the old popular-front type of tactic employed during the 1930's but with a nationalist emphasis—something peculiarly appealing to the German mentality.

The cynicism of this temporary swerve in tactics—not objectives—is evident. Up to now, since the formation of the Cominform almost 2 years ago, only two types of political organization have been favored: People's democracy, and socialism, meaning the system applied in the U. S. S. R.

Marshal Tito still is being excoriated for allegedly using the people's or national front method.

One may speculate that officially, if not actually, Russia is abandoning temporarily its desire to prepare to establish a form of people's democracy in the eastern zone. Such a form would be the initial stage on the road to sovietization.

The official Russian periodical, Soviet State and Law, in its issue No. 1 for 1949 says:

"The Soviet state is a state of victorious socialism, which is building communism; the people's democratic state is at present in a transitional stage from capitalism to the socialist period. The people's democratic state and the Soviet state today are therefore states of the same type and between them is only a difference of degree in historical development."

It is evident that the Cominform now realizes that the position in Germany is such politically that all such ideology must momentarily be abandoned and camouflaged. The national front now being sought may in the end tend to develop certain chauvinistic (although non-racist) resemblances to another national movement that died May 8, 1945, called National Socialism.

Amendment to Antitrust Laws

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. MULTER. Mr. Speaker, I have today introduced a bill to amend the

antitrust laws so as to more clearly set forth the intent of Congress and in order to prevent evasions of the antitrust laws which have become rampant in recent years, particularly among exporters who are desirous of rebuilding European cartels.

In 1918 we enacted an amendment to the antitrust laws so as to put domestic exporters on an equal footing with foreign governments which controlled monopolies within their own countries and with those trusts in foreign countries which existed there by sanction of their own foreign governments.

In order to permit our domestic exporters to compete with those practices it was found necessary to permit them to combine their capital resources and trading facilities and exempt such combinations from prosecution under the antitrust laws.

It was never intended that such device should be used to throttle domestic competition or to prevent exporters who were not members of the combination from dealing in the same products with foreign trade.

In recent years in deliberate violation of the intent of the statute various industries, particularly in the chemical fields, have used the exemption granted them by the statute as an excuse to kill off all local competition. They thus effectively prevented any exporters who are not members of the combination from acquiring the combination's products.

My bill does not change the law but merely clarifies the statute so as to show that it was always the intent of Congress to prevent such nefarious practices.

The bill reads as follows:

A bill to amend the act entitled "An act to promote export trade, and for other purposes," approved April 10, 1918, to provide that no export trade association shall restrict any foreign buyer from dealing directly, or through an agent of his own selection, with any producer, manufacturer, or seller

Be it enacted, etc., That section 2 of the act entitled "An act to promote export trade, and for other purposes," approved April 10, 1918 (15 U. S. C., sec. 62), is hereby amended to read as follows:

"SEC. 2. Nothing contained in the act entitled 'An act to protect trade and commerce against unlawful restraints and monopolies,' approved July 2, 1890, as amended, shall be construed as declaring to be illegal an association entered into for the sole purpose of engaging in export trade and actually engaged solely in such export trade, or an agreement made or act done in the course of export trade by such association: *Provided*, That such association, agreement, or act is not in restraint of trade within the United States, and is not in restraint of the export trade of any domestic competitor of such association: *Provided further*, That such association does not, either in the United States or elsewhere, enter into any agreement, understanding, or conspiracy, or do any act (1) which artificially or intentionally enhances or depresses prices within the United States of commodities of the class exported by such association, (2) which substantially lessens competition within the United States or otherwise restrains trade therein, or (3) which in any manner prohibits, restricts, or impedes any foreign buyer from purchasing, negotiating purchases, or otherwise dealing directly, or through any agent of such buyer's own selection, with any person, firm, or corporation which mines, produces, manufactures, sells, or deals in goods, wares, or merchandise."

Mr. Speaker, I trust it will be promptly reported to the House for passage.

WLS Celebrates Its Twenty-fifth Anniversary

EXTENSION OF REMARKS
OF
HON. SIDNEY R. YATES
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. YATES. Mr. Speaker, a great public servant of Chicago and the Middle West, radio station WLS, the Prairie Farmer station, is observing its twenty-fifth anniversary. Throughout the past quarter century WLS has achieved a position of great esteem in the broadcasting industry. Much of this is due to its excellent pioneering efforts in the field of radio service to farmers. With its clear channel, WLS is able to reach out and cover vast farm areas and small towns which otherwise would have little or no radio service. WLS and the farmers of Illinois and other Middle Western States have become fast friends, for few stations, if any, can equal WLS in its service to rural America. As a Member of Congress from Chicago, I want to recognize another feature of excellence in the WLS operation. While devoting much time to farm programs, it has never once neglected its public service duties to the people of Chicago and vicinity, giving generously of its time and contributing the skill of its staff to a host of worthy programs and community projects so vital to that great metropolitan area. It is because of such stations as WLS that radio in the United States is without a peer in the world.

For 25 years WLS has been serving listeners in Midwest America. This stewardship of responsibility has been recognized by listeners, the radio industry, and the press. Here are but a few press comments about WLS as a station and its much-imitated national barn dance.

THE STATION

Congratulations to WLS on their continued public service to radio listeners. The station has long been well at the top in public favor. Its programs with their appeal to folks in both metropolitan and rural areas label WLS the true American station (Chicago Sun-Times).

WLS wants, tries, claims to be, and is the farmers' own station * * * sees as the farmer sees, feels as he feels. Dinner Bell Time is unquestionably the country's oldest and best-loved farm program. Farmers believe in WLS (Pageant magazine).

For the time of your life, dial WLS. This station has undoubtedly the most splendid array of artists ever grouped together. We agree, with numerous thousands of other people, that this crew puts on the best programs ever to emanate from a broadcasting studio, barring none (Wellston (Ohio) Sentinel).

Its success has been due largely to its policy of sticking to programs that make their appeal to what might be termed the "average" air audience—folks that like the old folk songs, clean humor, sentimental music and homey sketches (Billboard).

Listeners write to WLS as they would write to a friend or cousin (Read magazine).

WLS intended its service for the farmer, but the city people listened in, and liked it so well that something of an urban demand for farm music and farm humor has sprung up (Christian Science Monitor).

WLS a public servant in the Midwest (Time magazine).

THE NATIONAL BARN DANCE

A phenomenon in the brief perspective of radio history is the ever popular National Barn Dance * * * the barn dance typifies the success story of WLS (Life magazine).

Keynote of the program's widespread national popularity is that the music is truly representative of American life (Chicago Sun-Times).

The National Barn Dance originated by Station WLS in Chicago maintains perhaps a higher level of talent than any other (Facts magazine).

The patrons (at Eighth Street Theater) were folksy souls from the farm lands of Illinois and neighboring States (Chicago Herald-American).

Probably the closest that radio will ever get to authentic Americana is the National Barn Dance * * * a portrait of the rustic heart of America (Newsweek magazine).

From the first night the program was a sellout * * * barn dance fans are still flocking to the performances (Coronet magazine).

There are dozens of local barn dances, but the WLS National Barn Dance is the daddy of them all * * * a form of entertainment and humor which strikes a sentimental chord in every American heart (Read magazine).

The Housing Bill

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. JAVITS. Mr. Speaker, rarely has a measure had the widespread support which the housing bill waiting to receive consideration by the House now has; yet it is one of the major social derelictions of our time that this bill has not been passed as yet 4 years after the war.

I append hereto a statement by the board of christian education of the Presbyterian Church in the United States of America on this subject:

PHILADELPHIA, PA., *June 1, 1949.*

MY DEAR CONGRESSMAN: Below you will find a copy of the action of our national body on the subject of housing. This action was taken on May 25, 1949, at the regular meeting of the general assembly, Presbyterian Church, United States of America. This body is made up of over 800 commissioners representing about 8,500 churches throughout the United States.

Respectfully submitted.

FERN M. COLBORN,
Assistant Secretary, Division of Social Education and Action, Presbyterian Board of Christian Education, Presbyterian Church, U. S. A.

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STATEMENT ON HOUSING

Housing: The inability of private enterprise and the failure of our Government to provide adequate housing for our citizens has led to unhealthful conditions, broken homes, delinquency, and crime. Christian people are often unaware of the conditions under which others of their fellow citizens are forced to live. We recommend that our churches, in cooperation with other community agencies, conduct surveys of housing conditions in their own communities and initiate whatever steps may be necessary to stimulate private industry to develop housing for the families of lower middle income, and encourage local government authorities to proceed with a slum clearance and public-housing program for low-income families. We urge Congress to adopt legislation to provide a Federal housing and slum clearance program. We recommend that the general assembly communicate with the committees of Congress in charge of legislation securing these ends.

American Merchant Marine

EXTENSION OF REMARKS
OF
HON. LAURIE C. BATTLE
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. BATTLE. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include a statement made by Mr. Albert Stapp before the Merchant Marine and Fisheries Committee on May 31, 1949. Mr. Stapp made this statement for the American Legion as the national chairman of the legion's Merchant Marine Committee. Mr. Stapp is an outstanding citizen of Birmingham and has served ably as State commander of the American Legion of Alabama.

The statement follows:

Mr. Chairman and members of the committee; my name is Albert B. Stapp. I am chairman of the national merchant marine committee, national security commission, the American Legion. The American Legion represents more than 3,000,000 veterans and 1,000,000 women of the American Legion Auxiliary.

I am appearing in support of proposed legislation now before this committee.

The American merchant marine is no new found love of ours. The American Legion for many years has given attention to American shipping, realizing that it is an essential military auxiliary as well as a guaranty of economic security. When war came upon us in 1917, our Nation was unable to provide an adequate merchant fleet for military auxiliary purposes. We were dependent upon the merchant ships of other nations, but even these were not available in sufficient quantities for our commercial purposes alone. Only through a super-expensive shipbuilding program, could we meet our own demands. As a result of this lesson, Legionnaires throughout the years have urged upon the Congress the necessity for adopting a sound, well-rounded program of replacement in our merchant fleet.

Beginning with our national convention at Kansas City in 1921, and at 27 national American Legion conventions thereafter, we have continuously advocated the building, operation, and maintenance of a United States merchant marine adequate to meet the needs of the armed forces in time of war or national emergency, and to serve the commercial requirements of our Nation in time of peace.

It is noteworthy to look back over these national American Legion conventions to see how our recommendations have been consistent with the verdict of history.

The 1922 convention at New Orleans urged enactment of legislation to provide subsidies to the American merchant marine to overcome the disparity in operating costs with foreign competitors, as well as asking that at least 50 percent of the trade of this Nation be carried in American ships flying the American flag and manned by American officers and men.

The 1923 convention urged that "all practical steps be taken to build up the American merchant marine to a size commensurate with the size of the Navy and proportionate to the size and wealth of this Nation."

The 1927 convention in Paris, France, urged enactment of legislation to provide a merchant marine of proper strength to serve the requirements of our industry and agriculture, and at the same time be an auxiliary to our armed forces as a guaranty of peace.

In Boston in 1930, at Detroit in 1931, in St. Louis in 1935, the American Legion kept repeating its plea for a strong American merchant marine, as well as to urge all of its members to patronize ships of the United States merchant marine for the purpose of travel and trade.

The American Legion's continuous advocacy of a strong American merchant marine helped bring into being the Merchant Marine Act of 1936, often called the Magna Carta of the merchant marine. We have since continuously supported that act, feeling it to be the basis for our present day modern merchant fleet.

At the end of the war with Germany, and again after the defeat of Japan, the American Legion again recognized the indispensability and vital necessity of a strong merchant marine, and our organization declared:

"We demand the preservation of our American merchant marine as a vital arm of our national defense, to serve adequately the domestic and foreign commerce of the United States, and as a necessity in sustaining our greatly enlarged world responsibilities."

By 1946 it was apparent to the American Legion that all Americans should be made aware of the necessity for a strong American merchant marine. The national convention in 1946 at San Francisco instructed the national organization to carry on an informational program relative to the merchant marine and its importance to our national welfare.

Since that time by means of radio programs, booklets and other media of information, the national headquarters of the American Legion has carried out an extensive educational campaign to acquaint not only Legionnaires but all segments of the American public with the importance of our merchant marine. We think this informational and educational program has been outstandingly successful. We are proud to have been of such important service to our great Nation which, today, more than ever before, depends upon a strong and adequate American merchant marine.

By the time of our national convention held October 1948, in Miami, Fla., the following facts had become alarmingly apparent to the American Legion:

1. We are dangerously short of passenger ships, convertible to troop transports in event of emergency. Assuming another emergency of World War II proportions, it appears with the reconversion of all existing passenger and combination passenger-cargo ships, and with the utilization of the transports held by the armed services, our combined troop lifting capacity would fall short of the estimated military requirements by about one-half.

As an emergency measure this shortage could be partially met by the conversion of cargo ships. To those of us in the American Legion who were transported in World War II on slow and hastily converted vessels of this type, such a makeshift method is entirely unacceptable. The increased effectiveness of the latest submarines in itself would dictate against such utilizations in event of emergency.

2. Our domestic privately-owned dry cargo fleet, more than 400 ships in 1939 and always near at hand so they can be pressed into emergency service at once, has declined to about 75 such vessels today.

3. The amount of our own foreign trade carried in American merchant ships has been constantly decreasing since the end of World War II. The number of active merchant vessels have also decreased alarmingly. Until Congress acted with dispatch and emphasis, our Government appeared to be more desirous of sending ECA cargoes in foreign ships than in our own.

4. We have permitted our shipbuilding facilities to become depleted to the extent that a valuable nucleus of management and skills may not be available in event a major world emergency should bring its sudden and tremendous shipbuilding demands. Even with the order or construction of six new passenger vessels and a number of tankers, employees in our shipyards are below the minimum number estimated by our military forces as necessary for the nucleus which can be expanded in event of need.

5. Since the end of World War II, and until Congress prohibited our Government sold more than 1,100 of our war-built ships to foreign nations to help them rehabilitate their merchant fleets. At the same time our generosity in providing large quantities of our resources has enabled many of these same nations to carry on the large and expensive shipbuilding programs they now have under way.

6. We fought a world war and spent billions of dollars and thousands of lives to defeat our enemies, and yet we find an apparent willingness on the part of our Government to help reestablish the merchant fleets of our former enemies.

It has seemed to us in the American Legion that a Congress which has been so quick and so generous in helping foreign nations reestablish their merchant fleets, will not lose sight of the necessity for helping our own American merchant marine.

Cognizant of these and other detrimental factors to a strong and adequate merchant marine, the American Legion has put itself on record that our merchant marine be immediately developed to sustain the position of the United States in order that we may discharge our responsibility in world leadership.

We are confident that the present inadequacies in our merchant fleet can be corrected by a program of sufficient farsightedness, effectively designed to support in time of national emergency our armed forces, and to maintain our efforts to keep the peace.

The national merchant marine committee of the American Legion has examined the various long-range programs submitted to this committee in the form of proposed legislation. We are in accord with any program designed in the public interest. We have advocated such programs by resolutions adopted at many of the past national American Legion conventions.

The American Legion is not submitting a specific legislative program. It is our feeling that such a task is properly the responsibility of this committee of Congress, in whom we have the utmost confidence. We do believe in, however, and support, the legislative proposal now before you as being in the best interests of this Nation.

We feel this committee should approve this legislation. Upon enactment it will encourage private capital to enter into the construction, maintenance, and operation of United States merchant ships in both domestic and foreign commerce. We can then meet the national defense and economic security requirement of our Nation.

The American Legion has profited by the experiences of two great wars. We want no more taking of chances with our American merchant marine. We want the American flag to fly at the mastheads of the world's largest and finest fleet of merchant ships. We want a fleet of merchant ships to be used for commerce, and ready in time of national emergency to be auxiliary to our armed services. Nothing short of that is safe.

The American Legion relies upon this committee of Congress to approve legislation enabling this Nation to possess, operate, and maintain such an American merchant marine.

Tidelands Oil

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following article by Harold L. Ickes which appeared in the New Republic for May 16, 1949:

TIDELANDS OIL

(By Harold L. Ickes)

There is a growing public interest in the proposal that this writer has been urging for some time, that the tidelands oil in California and elsewhere be used for the generally acknowledged need for Federal aid to education. On April 14 the General Assembly of the State of Rhode Island adopted resolution S. 94 "urging Congress to support the Ickes plan for a Federal educational trust to be administered in behalf of Federal aid to State education." At the direction of the General Assembly, the Honorable Armand H. Cote, secretary of state, has made me the proud possessor of a certified copy of this resolution.

It takes a long time for a new idea to incubate, but the action of the Rhode Island Legislature is not the first sign that the proposal to use for education the national wealth we have in our tidelands oil has met with approval. We have known that the foundation stone of our form of government is the widely diffused education of our citizens. But with taxes mounting in order to prepare for war and then to fight it, if it comes—to say nothing of healing the ravages of war and mending and pensioning its victims—the very States that contain the greater number of illiterates have been reluctant to tax themselves even for education. Of course it would be easy to slough off this obligation by saying that if the people of the State will not tax themselves for the maintenance of their schools, no obligation rests upon the Federal Government to make up the deficiency.

But would this be true? Should the Nation condemn millions of its citizens to an inadequate education, or to none at all, because certain States are so poor, or think they are, that they cannot raise by taxation the money necessary for better teachers and more adequate school facilities? My own answer is in the negative. I believe that where there is a case of clear inability to meet by local taxes the educational needs of any State, the Government should make up the difference. After all, it is as true of the Nation as it is of a machine that it is no stronger than the weakest of its parts. And no greater harm could threaten us than a creeping illiteracy, as the result of which we could not produce men for the professions, or to man machines, or take their place in time of war. No State should be allowed, by failing to tax itself to the fullest extent possible for educational purposes, to shirk a primary duty because it can look to the Federal Treasury to do for it what it will not do for itself. But it seems to me that, under a well-managed trusteeship, facts could not be hidden which would make it clear to what extent, if at all, a State needs outside help to make first-class citizens.

The resolution above referred to, by the General Assembly of Rhode Island, is not the only indication of an increasing interest in tidelands oil as a source of school revenue. As might have been expected, the aberrant Senator McCARRAN of Nevada has been pushing a bill to give title to the tidelands to the abutting States. Senator McCARRAN looks upon Federal property as something to give away to favored and prosperous friends. However, it seems to be a foregone conclusion that this is one foray in the accomplishment of which Senator McCARRAN will not be able to gratify his penchant for giving property belonging to all of the people to a favored few. And then there is the bill introduced with the approval of the Attorney General and the Secretary of the Interior. Its effect would be to give good Federal leases to the oil interests now holding bad State leases, without cost to them but at the expense of those applicants for tidelands leases who, in good faith, filed applications for leases in the belief that title to the tidelands was in the United States, just as the Supreme Court, in the California case, subsequently found it to be.

Middle ground in this interesting controversy, upon the happy solution of which the future of our schools may depend, has been taken by Representative CASE of South Dakota. It is the traditional compromise made by the husband when he yields to his wife's opposite point of view. CASE has introduced a bill which would appear, on its surface, to be a compromise but which in fact is no compromise at all. He proposes to establish a national reserve of the submerged lands from 1 mile offshore to the end of United States jurisdiction, which apparently would be to the edge of the Continental Shelf. But, within this 1-mile extension, the private companies could continue to extract Federal oil, apparently without compensation to the Government. With the shore line and an extension of 1 mile beyond in the hands of the States—and therefore of the private oil interests—how could the United States get at its oil beyond the proposed 1-mile extension? I am assuming that CASE, who is a reputable legislator, is proceeding in good faith in proposing such a solution, but I suspect that some practical oilman has bemused him.

CASE's bill further provides that the national reserves be divided among the school districts of the country. Apparently he is unaware of the frauds that have been committed in connection with prior grants of public lands to school districts. Millions upon millions of dollars that might have been used for educational purposes have been wasted or misappropriated. It has already been suggested that Congress order a comprehensive investigation of what has happened in the past to Federal grants for school purposes in the various States before considering a proposal that would probably mean more graft, more mismanagement, and more blatant knavery.

The Federal Government itself should take over and manage, as trustees, for the benefit of all of the schools of the country, in proportion to their needs, this rich treasure of oil that, in the California case, the Supreme Court has said belongs to all of the people.

Memorial Day Address

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include the speech I delivered at the annual Memorial Day exercises at Westboro, Mass., on May 30, 1949.

The address follows:

It is a real honor to join with you in these exercises of tribute to our war dead.

Since the Civil War, our people have set aside Memorial day to give homage to the memory of our departed heroes of all wars. On this day the American people are congregating in gatherings like this all over the Nation in remembrance of the sacrifice of the brave men whose blood has saturated battlefields in every part of the globe so that we might continue to breathe the clean air of freedom.

In our contemplation of their supreme sacrifice we are reminded of their love for the emblem of our freedom—Old Glory. Yes; the flag that floats from the flagpole today is practically the same flag over which the men in the blue and gray fought.

It is the same flag that flew with Washington's troops, when blood stained the snow at Valley Forge; the same flag that went with Jackson to New Orleans. It had fewer stars then, but it was the same Stars and Stripes. It was the same flag that went with Taylor and Scott to Mexico; the same flag that Grant raised at Appomattox. It is the flag that Dewey and Schley and Sampson flew over the Spanish possessions in 1898, and the same flag that Pershing carried to the shores of the Rhine.

This is the flag that the Marines raised on Iwo Jima, and the flag that went with Eisenhower to north Africa, to Normandy, and then across the Rhine, the flag that MacArthur raised again over the Philippines and which now flies in Japan. It has flown on all the seas of the earth and all the continents on the globe. With the help of God it will fly high forever over our land, signifying to our own and to all peoples everywhere, that freedom shall never die.

The lives of our departed heroes have served to shield, not only our own country, but the entire democratic peoples of the world.

By our presence here this morning we are availing ourselves of the patriotic privilege of rededicating our services to the United States, and what it stands for—freedom, justice, liberty, and democracy.

From time immemorial the human race has fought for liberty and freedom. However, it is in our own beloved country, thank God, that the greatest victory has been reached. Our Constitution, our principles of democracy, our representative form of government, reveal the highest achievement of individual dignity and liberty.

Persecuted peoples of every race and creed; from every nation in every corner of the globe have come to America to enjoy the fruits and blessings of a living democracy. It is these benefits and privileges that have

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been retained for us by the life blood of those who died in battle. We must not fail to preserve the glorious heritage they left to us.

This task calls for some sacrifices on our part but total sacrifice was the price our departed comrades paid for the security we now have.

To show real appreciation of their sacrifice supreme, we must make every day a remembrance day. When the heroes we honor this morning gave their lives for us, they also gave us the solemn obligation to keep America safe and the torch of freedom alight on this earth.

The challenge of this hour and time is the accomplishment of peace, in a confused and still war-weary world. The will of Divine Providence has placed upon America the responsibility of leadership. We have never failed in war and we must not fail in this crucial moment of our Nation's destiny.

We are not loath to deal in realities in time of war. When the perils of war surround us, when nations are engaged in mortal combat and men fight to kill, the purpose is clear and the issue is single. We must win the war; so much is certain, and that is sufficient to call forth the realism and summon the courage of an entire people.

But when the heat of battle is over there seems to arise an unwillingness to face the facts. With this unwillingness comes a human desire to accomplish, overnight, at a peace table, what has not yet been accomplished in all recorded history.

The problems of peace are equally as grim and urgent as the problems of war. If we do not remain alert to our duties, heroism gives way to lethargy, self-sacrifice to self-indulgence, and national pride to national indolence. Let us not abandon our efforts for peace, for if we do, we must inevitably accept the universal destruction of an atomic war.

At the same time, we must make it clear that we do not propose to stand by and see our war aims abandoned, small helpless nations overrun, American democracy challenged, freedom everywhere threatened with extinction.

We in America are not warmongers and we have never been militaristic, but we must remain strong and secure against the possibilities of aggression, either militaristic or ideological. America must be ready to meet every contingency. Our defense system, sustained always by the determination of our people and our great productive strength, must be maintained until we are able to prevail upon other nations to accept universal disarmament and judicial settlement of international disputes, as a substitute for the terrible destruction of war.

We cannot be blind to the fact that our country is gravely beset by threats of subversive movements. Subtle attacks, by propaganda, and campaigns designed to undermine the faith of our people, are being directed against our form of government, our economic and political systems, our educational system, our civil liberties and, yes, even our social and family life.

These same radical groups are endeavoring by various means to spread discontent among our veterans, but their efforts are doomed to failure. Those, who fought for America in war, will protect and preserve America in peace. They will assume the vigorous civil leadership in our communities which is vitally necessary to combat the activities of these subversive influences. Our veterans can be depended on to wage unceasing opposition to communistic movements because they, above all others, have sacrificed so much for liberty, dearly appraise its true value.

Our beloved country has been called to a position of leadership in this atomic age; a leadership that is economic, political, and social. In this position of leadership, we are faced with the responsibility of rebuilding bleeding, suffering humanity and advancing the peace of the world.

The greatest tribute we can realistically pay to our departed comrades is to meet that challenge with unflinching courage and purpose. Let us, with the help of Almighty God, carry on the work of preserving freedom here and throughout the world in order to insure that our heroic dead shall not have died in vain.

Statement by Dr. Paul J. Raver Before Senate Subcommittee on Appropriations

EXTENSION OF REMARKS
OF

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. JACKSON of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement of Dr. Paul J. Raver, Administrator, Bonneville Power Administration, before the Senate Subcommittee on Appropriations on June 4, 1949:

The House hearings covering the Interior Department appropriation bill for 1950 contain a statement by Mr. J. E. Corette, vice president, Montana Power Co., expressing the opposition of his company to the Interior Department's budget requests to provide certain power facilities in Montana. His statement, including the text of a prepared document, appears on pages 877 to 890, inclusive, of part 2 of the House hearings on the Interior Department's appropriation bill for 1950.

On the major points of issue, the testimony presented is so contrary to fact and so faulty as to lead to highly erroneous conclusions. Further, the testimony is refuted by recent engineering studies made by Ebasco Services, Inc., a subsidiary of the Electric Bond & Share Co. The Ebasco Services studies support the Administration's proposals for interconnecting Spokane, Hungry Horse, and Anaconda, Mont. If left unchallenged, the testimony of Mr. Corette could have a damaging effect on the Federal power program in the Northwest. The Bonneville Power Administration therefore feels obliged to submit for the record its analysis of the salient features of Mr. Corette's statement, insofar as it applies to the Administration's plans, correcting the statement where facts are concerned and pointing out unsupported or faulty conclusions.

Frequent reference will be made in this statement to the engineering report prepared by Ebasco Services, Inc., July 1948, entitled, "Transmission Interchange Capacity—Washington-Montana Areas." This report was prepared for the Washington Water Power Co. by Ebasco in collaboration with engineers of the Bonneville Power Administration, and engineers of the Pacific Power & Light Co., and of the Washington Water Power Co. The primary purpose of this Ebasco report is set forth in the first paragraph of the summary as follows:

"Primary purpose of this report is to present and analyze results of a network calculator study of transmission requirements between Washington and Montana under conditions of interchange that will permit maximum use of water storage facilities in the Northwest power pool. A secondary purpose is to investigate local transmission facilities in western Montana and eastern Washington as influenced by interchange requirements and peak-load demands in August and December of 1950 and 1953."

The Ebasco report supports the necessity of a high capacity transmission line from Spokane to Hungry Horse; and to Anaconda, Mont., where it would be interconnected with the Montana Power Co. system. The need for additional transmission capacity into the Anaconda area is evident from the following statement in the Ebasco report (pp. 27 and 28):

"At least one additional circuit south from Kerr will be required in December of 1953 to dispose of Hungry Horse generation. Under this condition, the single 154-kilovolt circuit now in service would carry a load of 90 megawatts. Even though such a load might be carried without exceeding thermal or steady-state stability limits, it appears that, from the standpoint of system reliability, another circuit should be added in order to protect power supply to the south at the time when all generation on the system is required to carry the load. In August of 1953 it might be practical to operate circuits nearer their thermal and steady-state limits because spare generating capacity would be available on the system. However, if maintenance schedules or other considerations appear to be limiting the amount of reserve available, then the problem of reliability would again indicate that additional transmission outlets from Kerr are required."

The Ebasco report also shows the desirability of interconnecting the 230,000-volt Spokane-Kerr line with the Montana system at Burke, Idaho, and Kerr Dam (calculating board studies Nos. 11 and 12 in the report).

The Ebasco report has a further statement on the need for additional transmission capacity into the Anaconda area, quoted as follows (p. A-57):

"In Montana the greatest portion of the system load is concentrated in the Anaconda area, and most of the power sources feed into Kerr so that an additional Kerr-Anaconda 220-kilovolt circuit is also required in order to prevent overloading of the existing 154-kilovolt line while making full use of the Washington-Montana 220-kilovolt line.

"It should be noted that with the assumed generating conditions of this study it would be necessary to load the existing Kerr-Missoula section beyond its thermal limit (approximately 180 kilovolt-amperes) if the additional Kerr-Anaconda line were not in service."

ANALYSIS OF STATEMENT OF J. E. CORETTE

Analysis of the testimony given by Mr. J. E. Corette before the House Interior Department Appropriations Committee is as follows:

Testimony, page 877: Submits book called Congress Should Not Build Unnecessary Power Lines—Facts Presented by the Montana Power Co., February 1949. Purpose of book is to support company's position that:

1. Spokane-Kerr-Anaconda transmission line and switching facilities should not be built;

2. Hungry Horse-Kerr No. 2 transmission line should not be built.

Comment: The administration disagrees with certain of the so-called "facts" presented by the Montana Power Co. to support its opposition to the building of the Federal transmission facilities in the company's territory. In this connection, the term "Spokane-Kerr-Anaconda" 230,000 volt transmission line is somewhat of a misnomer, although the Kerr Dam site has been used generally to indicate a point on the Spokane-Hungry Horse line at which switching would be installed for the branch to Anaconda. Actually, present plans indicate that this line will not come closer than 20 miles of Kerr Dam.

Testimony, page 877: "The basic reasons why these appropriations should not be granted are—

"(A) The territory to be served by each line already has an ample supply of power, and there is no reason to spend taxpayers' money to build lines into areas adequately served.

"(B) The appropriations requested by Bonneville Power Administration are to bring power into a surplus power area instead of making that power available in the Oregon-Washington area where street lights are out and people and industries are daily curtailing their use of power at great personal and financial sacrifice.

"(C) If Congress adopts the suggestions made in this presentation, it will save tens of millions of dollars of Federal taxpayers' money."

Comment: (A) Spokane-Hungry Horse and Kerr-Anaconda transmission lines and switching facilities must be built (a) to carry much needed power from Hungry Horse Dam to load centers in Oregon, Washington, and Montana; (b) to integrate power resources in Montana, Washington, and Oregon for the benefit of the whole region; (c) to permit the Government to realize on its investment in the Hungry Horse project which otherwise would be largely wasted. Elsewhere in his testimony, Mr. Corrette concedes that the Spokane-Hungry Horse line is required. The major argument in this respect is that the line should not be routed via Kerr Dam but, rather, via the proposed Libby Dam site. It is not our purpose to build the line via Kerr but rather, over the most feasible route taking into account present and future conditions. The route which will probably be used follows the course shown in budget presentation except that it will be some distance away from Kerr Dam (about 20 miles). This route is superior to the one proposed by Montana Power Co., as will be shown later.

(B) The charge, that the appropriations requested would be used to bring power into a surplus power area and deprive the power short area in Oregon and Washington, must refer to the Kerr-Anaconda line as the Spokane-Kerr-Hungry Horse line, or its equivalent, would obviously be needed to take Hungry Horse power into Oregon and Washington. Looking at the Kerr-Anaconda line, recognition must be given to conditions in 1952, not last year or this year, since the line will not be completed until late in 1952. By that time the Kerr-Anaconda line will be needed to serve loads in Montana. The Ebasco report previously referred to makes it very clear that this is the engineering judgment of those making this study. It should be observed that the Ebasco report does not take into account any major new industrial load such as the proposed phosphate development in the Anaconda area.

The Montana Power Co.'s proposal in effect would deprive western Montana of Hungry Horse power. On the contrary, we believe that western Montana has first claim to this power. Furthermore, economical marketing of Hungry Horse power requires that a substantial block be sold in western Montana.

(C) The statement that the Government will save tens of millions of dollars through omission of these facilities is wrong. The Spokane-Hungry Horse-Anaconda lines are necessary to supply the power requirements of the area and to integrate the power resources of the Northwest. The cost of these facilities will be repaid to the Government pursuant to law. In fact, the facilities will be unusually profitable to the Government since they will permit coordinated operation of Hungry Horse and other Government plants adding tremendously to the firm power capability of the Government's power system.

Testimony, page 878:

"LIBBY LINES INTEGRATE PROJECTS

"We raise no objection to integrating Hungry Horse, Libby Dam, and Grand Coulee, but strongly urge that they should be interconnected by the Libby transmission lines across northern Montana, as shown on the Bonneville map in the 308 report. No other plan of interconnection would be economical."

Comment: Libby Dam is not authorized, and according to present schedules will not be generating power until May 1959. It is too early to make specific transmission plans with reference to this dam except those that can be correlated with the short-range and immediate program.

Testimony, page 878: "The proposed Bonneville lines by way of Libby Dam are obviously the best suited for the purpose of interconnecting Hungry Horse and Grand Coulee and also will supply construction power to Libby. When Libby Dam is completed it will be integrated with the rest of the system through these same lines."

Comment: The proposed Bonneville lines by way of Libby Dam are not as well suited for the purpose of interconnecting Hungry Horse and Grand Coulee as the proposed line routed near Kerr Dam. So far as supplying construction power at Libby Dam is concerned, it would be too costly to serve this construction power from a high-capacity 230,000-volt line, such as would be required for an interconnecting line. A more economical and practicable plan is to serve the construction load at Libby from the 115,000-volt line under construction into this area to serve local distribution agencies. Bonneville's authorized program, now under way, provides for building a 115,000-volt line from Sandpoint, via Bonners Ferry, to Troy. This line can be extended to Libby and elsewhere as required and justified.

Testimony, page 878: "The proposed lines from Spokane to Kerr Dam to Anaconda merely duplicates and parallels existing transmission facilities of the Montana Power Co. and can have no purpose other than to supply power loads which the Montana Power Co. would otherwise serve."

Comment: This statement is completely contradicted by the Ebasco report previously quoted. These studies show, for the assumed conditions (that is, with the proposed 230,000-volt facilities paralleling the existing facilities), the proposed 230,000-volt line from Spokane to Montana will be carrying as much as 250,000 kilowatts while at the same time the existing parallel facilities will be carrying their maximum capacity of 100,000 kilowatts. Similarly, the proposed 230,000-volt line to the Anaconda area will be carrying over 100,000 kilowatts while the existing line from Kerr Dam to Anaconda would be loaded to within 30,000 kilowatts of its maximum capacity.

Testimony, page 878:

"LIBBY LINES WERE ECONOMICAL

"The Hungry Horse-Libby-Spokane route is approximately 46 miles shorter than the Hungry Horse-Kerr-Spokane route which will result in a substantial saving in construction, operation, and maintenance costs. In addition, to have a separate line by way of Kerr Dam would materially increase Bonneville's expenses, because it would require separate operating and maintenance crews for that line. Several lines constructed along the Libby route, as shown on the map, can be operated and maintained together, thereby reducing expenses to a minimum."

Comment: Studies based on field reconnaissance by Bonneville engineers show that the Hungry Horse-Libby-Spokane route would cost approximately $2,000,000 more than the line over the proposed route. Moreover, because of difficult terrain and lack of accessibility, it would not be practicable to construct the Spokane-Libby-Hungry Horse line by December 1952, whereas a line over the proposed route could be constructed by that date. The contention that several lines over one right-of-way can be maintained more cheaply than the same lines over separate rights-of-way has little significance since any savings would be small. Furthermore, with the amounts of power eventually to be considered in the Montana area, two separate rights-of-way may be desirable from the standpoint of service reliability. Finally, the route proposed by Bonneville is shown by the Ebasco report to be desirable for the company's own purposes. This Ebasco report advocates the interconnection of the new 230 kilovolt line with Montana Power Co.'s existing system at Burke, Idaho, and at Kerr Dam, and states that "an additional Kerr-Anaconda 220-kilovolt circuit is also required." This would be possible only if the route proposed by Bonneville were followed.

Testimony, page 879:

"POWER SHOULD BE DELIVERED WHERE NEEDED

"From these facts, the only conclusions that can be drawn are:

"1. That if the Spokane-Kerr-Anaconda No. 1 line is built, during part of each year Grand Coulee power will be transmitted 400 miles to Anaconda, Mont., where there is already plenty of power, when the people of Washington and Oregon are short of and begging for power. Such power could be utilized in the Anaconda area only to displace power being served from the Montana Power Co. lines.

"2. That during the balance of the year Hungry Horse power will be transmitted a distance of 228 miles to Anaconda, where there is surplus power from the system of the Montana Power Co., instead of being transmitted 198 miles to Washington, where the power shortage exists."

Comment: Bonneville Power Administration disagrees with the company's position that substantially all of Hungry Horse power should be exported to Washington and Oregon. We believe that western Montana should have the first claim on Hungry Horse power for developing the resources of this area. Export of Hungry Horse power for industrial development in Oregon and Washington in our opinion would not be in accord with the equitable claims of the people of western Montana for use of this power.

Bonneville Power Administration also points out that by 1952 and 1953, when Hungry Horse power becomes available, the power loads in western Montana will have grown to such an extent that there will be a demand for this power in that area. The location of this increased demand will, to a large extent, be somewhere in the Anaconda area, particularly if opportunity is taken of the availability of low-cost power from Hungry Horse to develop western Montana's phosphate resources. Bonneville Power Administration believes, from the contacts which it has had with the phosphorus and fertilizer industries, that there is a substantial market for electric power to be used in phophate processing. The development of this industry would be of substantial benefit to western Montana and, in fact, to the entire West.

Our conclusions as to the need for additional transmission capacity into the Anaconda area by 1952 are supported by the conclusions of the Ebasco report previously quoted. The statement that Hungry Horse power, if delivered to Anaconda, would only displace power served by the Montana Power Co.'s lines is refuted by the Ebasco report.

Testimony, page 897:

"EXISTING INTERCONNECTIONS ADEQUATE

"When Hungry Horse is completed and in operation, this No. 1 line (present Hungry Horse-Kerr 115,000-volt line) can be used to interconnect Hungry Horse and the Bonneville transmission system with the Montana Power Co. system at Kerr Dam. This interconnection will make it possible to take advantage of all benefits that can result from interconnecting the power plants in Oregon, Washington, and northwestern Montana with the system of the Montana Power Co."

Comment: The present Hungry Horse-Kerr 115,000-volt line is hopelessly inadequate for interconnection purposes. The Ebasco report shows approximately 250,000 kilowatts

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of power, under the assumed condition of operation, being delivered from the Bonneville system into the Montana system. The capacity of the Hungry Horse-Kerr 115,000-volt line at most is only 75,000 kilowatts.

Testimony, page 879: "In addition, the Montana Power Co. system is already interconnected with the Bonneville transmission system by the two 100,000-volt transmission lines extending from Thompson Falls through Idaho and into Washington."

Comment: It has been shown elsewhere that present interconnections with the Montana Power Co. system are already loaded to capacity and additional transmission facilities must be built to transmit Hungry Horse power. Bonneville's plans for such facilities best meet the needs of the region.

Testimony, page 863:

"CONCLUSION

"There is a power surplus in Montana. There is a power shortage in Washington and Oregon. The proposed Bonneville line from Spokane, Wash., to Kerr Dam to Anaconda, Mont., and the proposed line from Hungry Horse to Kerr Dam can only be used to displace power in the Anaconda area, now supplied by the Montana Power Co. That power is needed in Washington and Oregon."

Comment: It is idle to speak of present-day power shortages or surpluses when considering the Spokane, Hungry Horse, Anaconda 230,000-volt transmission lines because these lines will not be completed at the earliest until late in 1952. For the conditions assumed when these facilities will be in operation, the conclusions of Montana Power Co. are completely in error as shown by the engineering studies of the Bonneville Power Administration and Ebasco Services, Inc. These studies prove conclusively the need for the 230,000-volt facilities interconnecting Spokane, Hungry Horse power plant, and Anaconda, Mont., as proposed by the Bonneville Power Administration. Furthermore statements of the Montana Power Co. regarding future "power surplus" can be discounted in the light of their historical pessimism in forecasting power loads. This pessimistic attitude is demonstrated by an estimate prepared by the company and published by the coordinating committee of the Northwest power pool late in November 1947. Their estimate forecast total peak requirements of the Montana Power Co. system in the year 1956 would amount to 354,000 kilowatts. Just 13 months after the estimate had been made—in December 1948—the peak requirements of the Montana Power Co. equalled 354,000 kilowatts. In other words, in a single year the power requirements of the Montana Power Co. grew as much as the company estimated they would grow in 10 years.

The Shame of Washington

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. MULTER. Mr. Speaker, the following editorial which appeared in the New York Herald Tribune of June 5, 1949, is a true but indeed a very sad commentary upon our National Capital:

THE SHAME OF WASHINGTON

Now the whole story about Dr. Ralph J. Bunche emerges. The United Nations mediator who brought peace to Palestine rejected the other day an appointment as Assistant Secretary of State. He preferred to stick with the United Nations as chief director of the Trusteeship Council. And besides, the UN salary is $11,000 tax free, plus $3,000 for expenses. An Assistant Secretary of State gets only $10,000, out of which taxes must be paid. Again the government was unable to hire the best man for an important job, a chronic and lamentable situation.

But this was not the full explanation. Our National Capital, for all its obligations as a world center, is in reality a rather backward regional community. The full ragbag of segregation, discrimination, and racial prejudice rules in Washington. Dr. Bunche knows it very well. He raised himself by his bootstraps, he is a doctor of philosophy from Harvard, he helped to draft the UN Charter, he is a political scientist of world standing. General Donovan once called him "a walking colonial institute." It all comes to nothing in Washington, where one of the leading hotels barred a cultural meeting which had invited Dr. Bunche as chief speaker. Such is the artificial and primitive state of affairs in Washington, which causes Dr. Bunche to comment: "No Negro finds Jim Crow congenial. I am a Negro." And the fact that such considerations should influence an outstanding citizen to decline a call to high national service is reason for every American to engage in serious self-examination.

Dr. Bunche is only one man, but his case is utterly simple. We profess to be a democracy, but here is a sour contradiction. In the District of Columbia, of all places, we should be making better headway toward the goal of true equality. Washington is not local property, it is the pride and responsibility of all Americans. We think it is high time that President Truman and Congress, as elected delegates of all the people, got to work on changing Washington into a national city.

Articles by Thomas L. Stokes

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. DINGELL. Mr. Speaker, I want to preserve in the RECORD for future reference and for corrective congressional action the substance of the articles written by Thomas L. Stokes which appeared in the Washington Evening Star on May 13 and 16 captioned "New wrinkle" and "Civil-service purging."

If what Mr. Stokes unveils is true, and I am certain that it is, then it is imperative that Congress act with promptness and determination to correct a dangerous innovation insidiously advanced by the paid spokesmen for special and pernicious interests through the medium of the Administrative Procedure Act of 1946. The act should be amended or, better still, repealed.

The protection accorded the American people as a whole, through the establishment of independent agencies and commissions is being nullified and in devious and reprehensible ways circumvented by paid hirelings of rapacious interests which otherwise were being held in check by the Federal Trade Commission, the Interstate Commerce Commission and other proven agencies of the Government whose efforts have been devoted to the common good.

Every thoughtful member of this House should read and carefully analyze the dangerous implications pointed out so clearly by Mr. Stokes' disclosures. Then prepare ourselves we must for corrective action against usurpation by predatory interests boring from within.

[From the Washington Evening Star of May 13, 1949]

NEW WRINKLE—SPECIAL INTERESTS DECLARED OPERATING THROUGH CIVIL SERVICE COMMISSION

(By Thomas L. Stokes)

Attention has been called here recently to the importance to the public of independent commissions and agencies created by Congress from time to time and delegated to administer and interpret laws passed by Congress to protect the public interest.

It has been shown how special private interests have sought to influence commission policy in their behalf through appointment of members sympathetic with their viewpoint, or by blocking appointees they did not like.

Now a new wrinkle has come to light which Congress has been asked to investigate whereby private, outside interests have brought their influence to bear on these commissions and agencies under the guise of improving administrative procedure. They have operated, strangely enough, through the Civil Service Commission.

DELEGATED AUTHORITY

It comes about this way. The Civil Service Commission, under the Administrative Procedure Act of 1946, appointed a Board of Examiners to which it delegated authority not contained in that act or given it by any statute past or present, to scrutinize every trial examiner employed by commissions and agencies, disqualify those that do not meet the board's standards, and recommend new applicants.

This board, with the approval of the Civil Service Commission, recently has disqualified numbers of examiners, most of them veteran, experienced officials, in various commissions and agencies, who are to lose their jobs or be demoted, subject to appeal in which they are permitted only to submit "new evidence." Examinations were cursory in many cases, and information on which employees were disqualified is kept secret and the sources of information are withheld. Loyalty, it should be pointed out, is not an issue in these cases.

The personnel of the board gives an interesting clue. Aside from one Civil Service Commission employee, Wilson Matthews, the other five are from outside Government. Four are prominent members of the American Bar Association which had much influence in the Administrative Procedure Act, two of them former ABA presidents. The connections of three of these, their attitudes and attitudes of the ABA Journal suggest background for their decisions on Government employees.

REPRESENT INTERESTS

Carl McFarland, the chairman, is general counsel of the National Manufacturers' Association, and represents big private interests before the Government, as do two others, Joseph W. Henderson, who has represented industrial clients before the National Labor Relations Board, and Willis Smith. The last two are former ABA presidents. The other two members are State supreme court justices, Laurance M. Hyde, Missouri, and Douglas L. Edmonds, California.

A petition for a congressional investigation of the whole procedure involved has been

presented to Vice President BARKLEY and Speaker of the House RAYBURN by the Association of Interstate Commerce Commission Practitioners, representing lawyers who practice before the Interstate Commerce Commission. The petition bitterly denounces the disqualification of 12 ICC trial examiners, a fourth of the whole staff of examiners, veteran civil servants, describing the Civil Service Commission's action as "subversive of constitutional guaranties and democratic principles and ideals" and adding "the police-state type of investigation has no place in American institutions."

Other explosions are expected from other quarters.

[From the Washington Evening Star of May 16, 1949]

CIVIL SERVICE PURGING—BOARD WEEDING OUT TRIAL EXAMINERS CALLED CHILD OF BAR GROUP HIERARCHY

(By Thomas L. Stokes)

The background of the United States Civil Service Commission's action in delegating broad powers, which it does not itself possess, to a special board of examiners to open up the lists of trial examiners in governmental commissions and agencies, weed out, disqualify, and replace, previously discussed here, is very important for an understanding of how it can adversely affect the public interest.

As revealed hitherto, this board has disqualified, subject to removal or demotion, numerous trial examiners, a category of officials very vital in the area of commission government, which is, itself, most important, for these commissions administer and interpret laws passed by Congress. Trial examiners are judges, in effect, who gather evidence and hold hearings preliminary to decisions and acts by the commissions and special agencies themselves.

Obviously such power to purge officials could be used to affect public policy, and this intent is clearly indicated in the background and viewpoint of influential members of the six-man board, of whom three are lawyers representing big private interests, two State supreme court justices, and only one, a Civil Service Commission representative, from the Government.

BAR GROUP'S ROLE CITED

How this all-powerful board came into being is significant. Here we go back to a hierarchy of the American Bar Association, extremely conservative and not representative of the association as a whole, which was influential in enactment of the Administrative Procedures Act of 1946.

The Civil Service Commission is authorized to appoint advisory boards to assist it in carrying out this act. But pressure was brought upon the Commission by this bar association hierarchy through Senator WILEY, Republican, Wisconsin, as chairman of the Senate Judiciary Committee in the Eightieth Congress, to appoint instead a board with broad powers literally to fire and hire, which is beyond even the Commission's authority as it is being exercised, and, it may be said, exercised arbitrarily. Although the Federal Trial Examiners Conference composed of hearing examiners in Federal agencies submitted a list of people prominent in Government and private life from which it suggested that the Board be chosen, pressure again was brought through Senator WILEY upon the Commission, with the result that the Board with its powerful big private-interest influence was named.

Carl McFarland, chairman, was prominent in activity for the Administrative Procedures Act, as well as member of a preliminary board that fixed standards. He has represented private interests before the Government and is now counsel for the National Association of Manufactures in the suit that big-business organization brought against the Government to challenge the Lobby Registration Act, though not general counsel of NAM as previously stated here. Two other members, Joseph W. Henderson and Willis Smith, both former American Bar Association presidents, likewise have represented corporate interests before the Government and both have been publicly very critical of the National Labor Relations Board.

REVEALED OWN SLANT

Mr. McFarland, in a progress report to the bar association on the administrative procedures bill back in 1945, revealed his own particular slant as to private interests involved. He said that while business and industry generally confine themselves to the question of whether certain adminstrative and legislative power should be conferred, when these issues arose, and did not propose appropriate methods of regulation, the American Bar Association "is in a position to supply these omissions" which, he added, "may result in protection through the years." It may be injected here that the purging now attempted could affect public policy for years.

His statement would seem to champion business and industrial interests, which is prefectly proper in its place but hardly the sort of attitude for one passing upon Commission personnel and hiring and firing in view of the role of these commissions to protect the public interest, not any special interest.

This would also seem to be the attitude of Senator WILEY, judging from a letter he wrote to the Civil Service Commission, reprinted in the American Bar Association Journal, in which he expressed concern that commission examiner posts might be filled by men "who lack the approach of private enterprise in their work."

The Hardwood Story

EXTENSION OF REMARKS

OF

HON. E. C. GATHINGS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. GATHINGS. Mr. Speaker, under leave to extend my remarks, I include the following article and resolution passed by the members of the National Hardwood Lumber Association:

THE HARDWOOD STORY

The Bureau of Census figures for 1947 show that there were 48,148 sawmills operating in the hardwood-producing area of the United States. Of this number 39,109 mills produced part or all hardwoods. Any factor adversely affecting the hardwood production of these mills necessarily results in an immediate increase in unemployment and further results in the curtailing of the earnings of those yet employed.

Historically, we exported an average of over 300,000,000 board feet of hardwood per year. Disappearance of the major portion of this export market creates immediately a stagnation within the hardwood industry, glutting the domestic markets and creating serious economic repercussions. There never has been, nor is there now, an adequate demand in our domestic markets for those particular grades and species that—customarily and traditionally—have moved in export trade. As it is impossible to cut a hardwood log without producing these export items, the entire pattern around which the hardwood industry has been built centers around these export items.

1. Since the inception of the Marshall plan (with the exception of one small purchase in December 1948), there has been what amounts to an economic boycott against United States hardwoods. A large part of the hardwoods exported during 1948 were either orders carried over from the previous year or purchases made before the Marshall plan became effective.

2. The United States hardwood export market is being diverted to countries behind the iron curtain as most of the hardwoods now being imported into England are coming from these countries. A recent trade agreement made by the United Kingdom calls for the shipment of large quantities of hardwoods from these sources.

3. While American dollars may not have been used to pay for these hardwood purchases in western Europe, the hardwood industry feels that were it not for commitments under ECA sterling would not be available for the purchase of hardwoods from these sources.

4. Most of the hardwood lumber now being imported into England from sources other than the United States are of an inferior quality as compared with American hardwoods and the actual cost in sterling to the British consumer is more than the cost of well-manufactured, seasoned, and properly graded American hardwoods.

5. The present method of buying hardwoods with sterling is wasteful. For example: In May of this year the United Kingdom purchased oak boules from France. The boule is simply a log sawn through and through and strapped together untrimmed. The price of a boule was 11s. 6d. per cubic foot, f. a. s. France. This is the equivalent of $191 per thousand board feet. The highest grade and best quality of United States oak can be delivered to United Kingdom ports for less money.

The British program which calls for (1) sustaining a lumber industry in Communist-dominated countries, (2) the importation of logs into Britain for manufacture in that country, and (3) the purchase of inferior quality lumber from the European Continent, appears uneconomical and undoubtedly will fail in its purpose.

While the hardwood industry is in sympathy with the over-all ECA program, it bitterly resents being taxed to support an uneconomical theory that can result only in the destruction of its own business.

Whereas prior to World War II the exports of hardwood lumber from the United States to the United Kingdom and to other western European countries constituted approximately 300,000,000 board feet per year; and

Whereas the hardwood lumber industry in the United States has been the principal supplier of these countries for more than 50 years, with quality and price consistently competitive; and

Whereas for all practical purposes the United Kingdom and other countries recipient of Economic Cooperation Administration funds have ceased purchasing hardwood lumber from the United States; and

Whereas a cessation of the movement of United States hardwoods to European countries—especially to the United Kingdom markets—is causing widespread shut-downs of hardwood manufacturing plants, thus resulting in increasing unemployment; and

Whereas the lack of hardwood exports from the United States is largely due to the fact that the United Kingdom and other European countries are buying their hardwood lumber from countries behind the iron curtain, and from other countries: Now, therefore, be it

Resolved, That the National Lumber Exporters Association, at a special meeting this 10th day of May 1949, in Washington, D. C.,

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deplores the evident distortion of this historical trade pattern; be it further

Resolved, That we strongly urge that the Economic Cooperation Administration shall adopt a policy, effective immediately, which will result in the ERP-recipient nations purchasing their hardwood lumber requirements from the United States in the same ratio as their purchases were from the United States and all other countries during the period 1936-39.

Three Sober Judges

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. MULTER. Mr. Speaker, the following editorial which appeared in the New York Post of June 6, 1949, is worthy of widespread circulation:

THREE SOBER JUDGES

It was Don Quixote, we believe, who first insisted that he was as sober as a judge and the legend of judicial abstinence has been cited in many taverns since that time. We can name at least three judges now presiding over widely publicized cases, however, who may justifiably take a nip at nightfall as they ponder each day's agony. Seldom has the sanctity of the courtroom been as meaningful and rarely have the intrusions been as insistent and irresponsible as in three current political trials. Consider the problem of Judge Samuel Kaufman who is conducting the trial of Alger Hiss. The proceeding had been moving smoothly with the rival lawyers restrained and relevant, the jury swiftly chosen and the courtroom atmosphere calm. But the Journal-American, an afternoon newspaper published by William Randolph Hearst, has decided to take the law into its own hands. Over the week end the J-A published a loathsome attack on Kaufman headlined "New Deal aided Hiss trial judge" and implying as sharply as the laws of libel permit that Kaufman is unfit to direct a trial in which the destiny of a young New Dealer is at stake. The essay sounded like a prelude of dirtier things to come. Obviously the J-A feels Hiss' fate should be in the hands of a tribunal run by a sober, dispassionate judge like Representative J. PARNELL THOMAS, who is unavoidably involved in legal troubles of his own; the decorum of Kaufman's courtroom offers too sharp a contrast with old un-American (committee) custom. While the J-A is striving to put the finger on Kaufman, Henry A. Wallace has abruptly joined the crusade against Judge Harold Medina, who has the misfortune to find himself on the bench at the Communist trial. Regardless of the legal issues (and we strongly believe that prosecution for advocacy of ideas is dangerous business) the performance of the defense attorneys has been deliberately and cynically obstructionist. Although we are reluctant to voice any comment on a current proceeding, the provocative behavior of the barristers on the Communist side can hardly escape editorial notice. It has not been paralleled since the rowdy courtroom exhibition staged by some of the defense lawyers in the wartime conspiracy trial against United States pro-Fascists—a trial which ended in the death of Judge Edward C. Eicher. Now comes a moment in the Communist trial when Medina holds three of the defendants in contempt. The legal point may be arguable and it will be reviewed, but Medina's action scarcely warrants Wallace's frenzied and foolish charge that "America is plunging with frightening speed toward a native brand of fascism and Judge Medina's action puts us one step farther along this dangerous course." The mimeograph machine has a reminiscent sound. While Messrs. Kaufman and Medina are being pushed around, however, the man on the toughest spot today is Judge Albert O. Reeves, who must decide before nightfall whether to let the prosecution of Judith Coplon continue in view of the Government's refusal to produce in open court some of the top-secret documents involved in the case. The issue may reduce the whole concept of secrecy to its final incongruity. If the Government is sustained, the basic American notion of fair trial will be inescapably altered. Juries may be compelled to accept a prosecutor's word for the signficance and relevance of evidence. Defendants may be denied the chance to riddle key exhibits. Yet if the defense position is upheld Judge Reeves will be accused of giving aid and comfort to alleged conspirators.

The judge who calls them as he sees them knows who will throw the next pop bottle.

As Things Look Now

EXTENSION OF REMARKS
OF
HON. FRED L. CRAWFORD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. CRAWFORD. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to submit a memorandum entitled "As Things Look Now." This memorandum has been prepared by Mr. Paul O. Peters, who has for many years had access to much official information here in Washington and who spends a great deal of time and energy doing survey work for the public and for individuals. I believe that a great many people will be interested in reading the comments submitted by Mr. Peters, and in having before them his analysis of current trends.

The memorandum follows:

AS THINGS LOOK NOW

There is much to indicate that a depression of one kind or another is now breathing down our necks, because:

1. United States industrial output has fallen for the fifth month in a row, and the Federal Reserve Board's index is at the lowest level since July 1947;

2. Inventories of both consumer and durable goods have reached new peaks, with consumer demand falling sharply;

3. The expected spring buying rush in furniture and household goods failed to materialize;

4. Railroad-car builders for the first time in years find themselves without orders for new cars;

5. Pig-iron production is at a rate in excess of the current demand, as Republic Steel closes one of its five Cleveland blast furnaces;

6. The seasonal rise in agricultural employment has not been sufficient to halt the upward trend in unemployment;

7. The uncertainty with respect to legislation affecting the social and economic life of the Nation which may be enacted by the Eighty-first Congress is having a depressing effect on general business activity, especially planning for the future; and

8. Continued demands by President Truman for new taxes is causing more than ordinary caution with respect to investment of equity capital.

ON THE FOREIGN FRONT

It should be clear to all Americans that our State Department (with the approval of the administration) has—

1. Abandoned and forsaken all warnings of Washington, and other statesmen, that this Nation avoid entangling alliances with foreign governments and are about to—

2. Involve the United States in the so-called Atlantic Pact, which merely opens a new door to the United States Treasury for the purpose of rearming Europe as the first step in restoring the old balance-of-power policies of Gladstone and Bismarck.

THE COMMERCE DEPARTMENT

In support of President Truman's "global fair deal," the Department of Commerce is out to increase American exports by $1,000,000,000 more a year, although most European nations now have unfavorable trade balances, and no prospects in sight now or in the future to pay for additional goods or services with dollars other than those we give or loan to them.

The one worlders and economic internationalists want United States guaranties for American capital investments abroad.

The National Foreign Trade Council of New York want new treaties of friendship, commerce, and navigation with all countries (the U. S. S. R. possibly excepted but not mentioned), and tax exemptions here on earnings from investment of American capital in other countries. They also believe that private capital is available for economically sound agricultural and industrial projects in other countries, but—

"that to the extent that private funds prove not to be adequate * * * that additional funds might be furnished by the United States through advances by the Export-Import Bank, whose lending powers should be increased if necessary, and whose loans should be limited to assisting projects which have been thoroughly investigated and are found to be economically sound."

EUROPEAN COOPERATION ADMINISTRATION

Set up to continue the aid and relief given European nations during the war under lend-lease and UNNRA, projects which cost the overburdened taxpayers more than $27,000,000,000, this agency (ECA) for distributing United States largess has been given a new and strong endorsement by the House of Representatives, which on May 26, 1949, with but 220 of the 435 Members present, by a teller vote of 193 to 27 gave approval to an appropriation bill carrying the huge amount of $5,500,000,000 to be spent in 1 year or less to continue our relief and rehabilitation adventures all over the globe.

Disguised as a fight against communism, some economists claim it is the administration's only defense against a domestic economic slump, caused primarily by the inflation brought about by deficit financing, and syphoning off of domestic production for more than 6 years.

Consider, as you read, the day when 220 Members of Congress appropriate $5,500,000,000 without a record vote, and ask yourself who said "taxation without representation"?

REPORT ON EUROPEAN RECOVERY

Mr. Gunnar Myrdal, Executive Secretary, United Nations Economic Commission, has formally reported:

1. That if and when ECA is ended, the United States will find itself with surpluses and excess productive capacities for commodities for which it has helped to develop new sources of supply in other parts of the world, particularly Europe;

2. That United States exports to Europe by 1953 will be reduced below the depression level of 1938;

3. That Europe still will be short of dollars to cover imports from the United States; and that

4. When ECA is ended, the United States will have to start all over again on some scheme such as long-term lending (or outright grants-in-aid) to generate a predictable and steady flow of American dollars to the outside world.

All of which means of course that this country will be expected to continue the role of Santa Claus to Europe for years upon years without end, unless and until our own economy goes bust. It can happen here.

THE TAX SITUATION

Social uplifters and one-worlders working together may not be able to wreck the domestic economy, but combined with the pressure groups in the United States who recommend political housing, socialized medicine, fair labor practices that sometimes are unfair, minimum wages of 75 cents an hour, and increased social security from the cradle to the grave, or from womb to tomb, can wreck our economy because these schemes are the essentials of the socialistic state the thesis of which may be briefly stated: "From each according to his means, to all according to their need."

WE AGREE

Harvard professor of business economics, Joseph L. Snider, thinks industrial production and wholesale prices may fall 25 percent below the 1948 peaks before 1949 ends. The economic trend line which stood at 190 in January 1946 has sunk to 152.1 as of April 28, 1949. Expressed in dollars this slump means a production loss of over $9,000,000,000 for the first quarter of 1949 compared with the last quarter of 1948.

GOP-BYRDS

The Machinist, published weekly by the National Association of Machinists, from Washington, D. C., in the issue of May 1, 1949, carried a full page illustrated story titled "How to Tell a Democrat From a GOP-Byrd."

This article indicates that of 119 Democratic Representatives in the House of Representatives from 14 Southern States, only 46 voted Democratic while 73 voted Republican.

The new label "GOP-Byrds" undoubtedly has strengthened the hands of all economy minded Democratic Members of Congress, especially the group called Dixiecrats. Coupled with President Truman's statement to a group of veterans that there were too many Byrds in Congress, it looks as though the coalition will now close ranks to thwart the major portion of the Fair Deal social program of the administration for this session of the Congress.

FOOTNOTE.—The Democrats can rely on a voting majority with respect to controversial legislation, only if they can continue to hold 12 freshmen Congressmen in line, who distributed geographically are from Alabama 1; Florida 1; Kentucky 2; Oklahoma 3; Texas 1; Virginia 1; and Tennessee 2.

NO LESSON FOR SPENDERS IN COLLAPSE OF CHINA NATIONALISTS

The $2,000,000,000 or thereabouts spent or authorized for the military and economic rehabilitation of Nationalistic China, apparently is gone with the wind. The Communists will take over, and our own State Department in all probability will revise their policies to "do business" with the "responsible government" of China, meaning the Reds.

PREDICTION

No new taxes by the Eighty-first Congress at this session. Perhaps some tax relief later for small corporations. Pressure for more revenue is highest at State levels to get more money to match Federal fund available under cooperative arrangements.

In 1932 there were 18 ways in which the States and local units could get Federal funds under cooperative arrangements.

In 1948 there were 57 projects to distribute Federal funds, all requiring some measure of Federal control. Of such is our bureaucracy built.

Edmund Burke (1774) said: "All that is necessary for the triumph of evil is that good men do nothing."

A POEM FROM ENGLAND

"THE GODS OF THE COPYBOOK HEADINGS

"In the 1945 elections, We were promised abundance for all,
By robbing selected Peter to pay for collective Paul;
But, though we had plenty of money, there was nothing our money could buy,
And the gods of the copybook headings said: 'If you don't work you die.'
Then the gods of the market tumbled, and their smooth-tongued wizards withdrew,
And the hearts of the meanest were humbled and began to believe it was true:
That all is not gold that glitters, and two and two make four—
And the gods of the copybook headings limped up to explain it once more.
As it will be in the future, it was at the birth of man,
There are only four things certain since social progress began;
That the dog returns to his vomit, and the sow returns to her mire,
And the burnt fool's bandaged finger goes wabbling back to the fire:
And after this is accomplished, and the brave new world begins
When all men are paid for existing and no man must pay for his sins,
As surely as water will wet us, as surely as fire will burn
The gods of the copybook headings with terror and slaughter return."

Quoted in the House of Commons April 11, 1949, from poem after Kipling written in 1919 with first four lines revised.

United States Foreign Policy—Dr. Edwin Borchard Says United States No Longer Has a Free Hand

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, Dr. Edwin Borchard is a noted authority on international law. In a recent article in the American Journal of International Law he wrote an article on United States foreign policy. The Members of this House should be interested in his views on what is transpiring in our foreign policy. He calls attention to the fact that John Basset Moore in his forthcoming memoirs characterizes this policy as "insane." Under leave to extend my remarks, I am including the article in question:

UNITED STATES FOREIGN POLICY

That I am not in sympathy with aims and procedure adopted by this Government is apparent to all readers. It will be more novel to learn that John Bassett Moore in at least three places of his forthcoming memoirs characterizes the policy of this Government—if it can be called a policy—as insane. That means more for the reader than an ordinary invective. The ordinary reader must know that John Bassett Moore was a man of great moderation who used strong words but rarely. His opinion on a question of international law or policy is rated among the highest in this country. No one was more familiar with our history than he was.

Whatever the truth about American policy, the policy of alliances is a clear departure from the warning issued by George Washington in his Farewell Address. The reversal of American policy from nonintervention to a commitment to intervention in foreign quarrels is so violent a departure from the past that it must justify itself by extraordinary benefit to the United States. Who can assert that the policy of intervention has produced laudatory results? The decision of the United States to remain out of the League of Nations has been traversed by Mr. Hull and his successors. The flouting of the founders of this country has brought returns which will strike the average citizen as extraordinary. Even if the plans worked out successfully, a burden of proof rests upon its proponents which cannot be met in a practical world. But when it is observed that the League of Nations no longer exists and the United Nations is regarded with dissatisfaction on all sides, it is especially harmful to the United States. One of the curious consequences which speaks volumes is that the American taxpayer knows so little about what is going on or seems unable to determine that the expenditure of American money means high taxes to the citizen. The United Nations is an improved League, and its friends must pay for the ignominy brought upon it by the interventionists.

A war with Russia must be prevented in the interests of the United States. While no one knows when a government becomes bankrupt, it is a certainty that large sums must be appropriated to this purpose. Even if it could be asserted that the United States would be a victor in that war, it would not convince the ordinary man that communism is a disappointment and failure. We would undoubtedly spoil the Russian experiment, and we might ourselves find the American experiment unworkable. That would be an unfortunate result, but, it will probably be agreed, this existing civilization cannot stand another war without revolutionizing its basic principles. It seems unfortunate that the United States no longer has a free hand, which is all that isolationism has ever meant. The eight volumes of Moore's Digest of International Law are a standing refutation that there ever existed isolationism in the Hull sense of that word. To follow up our intervention by a treaty of alliance with five countries or more is to place American intervention in the hands of other people, a policy that can hardly be regarded as useful to us. It must always be remembered by its proponents that the existence of the United States is at issue. Thus far we have Russia denouncing the United States as an aggressor, and we reciprocate the impeachment. Aggressor is a word that can be used at random because it signifies nothing. It is an epithet hurled at the opponent for such use as the popular propaganda may have in view. But if it means anything, it is a charge that the status quo is under attack. All those in favor of the status quo must stick together. All opponents of the status quo also must stick together. The result is a world war, which, I have already suggested, this civilization cannot tolerate.

Of all the senseless wars which have been fought, a war by the United States against Russia and its principles would constitute a blunder of the first order. Perhaps war has reached the stage of diminishing returns through the discoveries of science. I would not knowingly subscribe to this view, but it is admitted that war is so expensive that it is not practical. But if nations pursue policies which can only lead to distemper, the charge must be refuted, whoever is engaged

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in war. In China we seem to have displayed the value of neutrality in foreign quarrels, be they civil or international. We backed up our selection of the wrong horse by taking from the American taxpayer some $3,000,000,000. Is this a defensible policy?

Although I am opposed to alliances, which only increase the risks of politics, I must confess, as a matter of law, that the United States is competent to enter into an alliance. Article VI of the Constitution does not authorize the Supreme Court to examine the question of the constitutionality of treaties, although every treaty thus far in issue has been held constitutional. Any treaty that is made on the authority of the United States, so long as it conforms to the restrictions contained in the Constitution itself, is a valid commitment. It becomes the duty of the Senate to carry out a treaty of the United States. That is all there is in the doubts harbored by Senators CONNALLY and VANDENBERG as reported in the press. Besides, one can say from history that the power of Congress to declare war is misleading. The President has the capacity to write any notes he sees fit, and thus far he has been enabled to go to Congress and ask it to back him. Congress has never refused such a draft.

EDWIN BORCHARD.

Another Legal Reason Why the Garrison Dam Pool Cannot Be Operated To Contain 23,000,000 Acre-Feet

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. BURDICK. Mr. Speaker, there is one more important reason why the Garrison Dam pool cannot be operated so as to contain 23,000,000 acre-feet under the present law. When the law creating the authority for the dam was passed, Public Law 534, there was an important amendment placed in it which reads as follows:

> The use for navigation, in connection with the operation and maintenance of such works herein authorized for construction, of waters arising in States lying wholly or partly west of the ninety-eighth meridian, shall be only such use as does not conflict with any beneficial consumptive use, present or future, in States lying wholly or partly west of the ninety-eighth meridian, of such waters for domestic, municipal, irrigation, mining, or industrial purposes.

One of the arguments of General Pick is that unless he can have a high pool there will be no water for a 9-foot channel from Sioux City to the mouth of the Missouri. It is obvious, therefore, that unless the dam can be built without interfering with the present or future uses of the waters west of the ninety-eighth meridian, that there will be no navigation waters.

Can anyone contend successfully that flooding of three irrigation projects above the dam will not be a violation of this condition in the law? General Pick does not answer this, but avoids the law by saying he has thought out how to get around the law—he will build dikes around irrigation projects, cities and railroads. There is nothing said about dikes in the law, for the reason that Congress knew when the law was passed that no dike can be built on the Missouri River bottoms that will not prevent seepage, and that this seepage sours the lands and makes them unfit for cultivation. Not only is this true, but there is no security against a breaking of the dikes, as experience has shown in Oregon, Galveston, Tex., and elsewhere. Yet, General Pick is willing to do anything within his power to get 6,000,000 more acre-feet, which he said he found after getting a better look at the country. He has, however, missed a lot of valuable water. On the upper end of Cow Creek, Williams County, about 200 acre-feet could be saved if the elevation of the dam was placed at 1,866 feet. He would have as much right to "capture," as he says, this 200 acre-feet as he has to "capture" the 6,000,000 acre-feet which he missed the first time over.

It seems strange that one man can be placed in a position where his own notions and whims are to govern his action instead of the wishes of thousands of people who will suffer from his unreasonable course of action.

It is about time we looked into the record of General Pick. He is the all-powerful and I presume that anyone who questions his knowledge will be howled at and barked at by his powerful lobby. The fact remains that we should know more about him. It is reported to me by an officer of the armed forces that he was engaged in building a military highway in India over which General Pick was in authority. What was done there by General Pick, if this report is correct, throws much doubt on his ability. I have asked the Secretary of the Army to give me his record, but all I received in reply was a statement that General Pick was decorated for his work. That officer who supplied this information is still living in North Dakota. An investigation of General Pick and his connection with the building of the dam at Garrison should be held. His dictatorial policy of buying land without authority of law should be included, and a check made of what money has been expended on this dam and for what purpose, and a study made of his dike system.

All this controversy could be ended if General Pick would follow the law and build a dam to contain 17,000,000 acre-feet, as he, himself, originally proposed. When experience has demonstrated that the dam is safe and more impounded water can economically for the whole country be impounded, it will be an easy matter to put up the spillways. The foundation of the dam and the main structure need not be changed in the slightest. The next 25 to 40 years should determine the question. In the meantime, 100,000 acres of the best land in the West can be farmed and the tax structures of the various counties disrupted as little as possible. This is not what General Pick wants—he wants to cram his program through regardless of any or all consequences, and regardless of damages to thousands of citizens of North Dakota.

CVA Article Misleading

EXTENSION OF REMARKS
OF
HON. HARRIS ELLSWORTH
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. ELLSWORTH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial appearing in the Bend (Oreg.) Bulletin of May 23, 1949:

THIS WEEK'S DAVIDSON ARTICLE

This Week is a magazine published by the New York Herald Tribune and included as a section of that newspaper's Sunday edition. It is also distributed as a Sunday magazine section by other papers to which it is sold by the New York publisher. One of these papers is the Oregon Journal.

As is to be expected the edition distributed by the Herald Tribune contains more pages and more advertising than that used in smaller cities. It contains more reading matter as well and we have been struck by the fact that in the issue of May 15 there is a CVA article by Assistant Secretary Davidson, of the Interior Department, that was not included in the magazine furnished the Journal.

We imagine that this was not the choice of the Journal. We assume that the Portland paper takes what is supplied to it. We should like to know, however, by whom and on what basis the nonuse of this Davidson article in the Northwest came about. Whatever the facts readers of the Journal have lacked the opportunity of examining the argument that the Secretary advances.

This, we think, is unfortunate. It would be better if the people most intimately concerned—the people of the Northwest—could see and pass judgment for themselves on the misleading arguments that Davidson offers.

One such argument is with respect to Columbia River floods that, Davidson suggests, will be controlled by CVA dams. Here are his words:

"Dams can also control floods—like the one which last year swept away the homes and jobs of 18,000 people in Vanport, Oreg. But above all, CVA spells kilowatts in an area where coal and oil are expensive and electricity is often used to heat houses."

The impression conveyed by that first quoted sentence is that floods on the Columbia like that of last year are of frequent occurrence. That, of course, is not the fact. It was 50 years ago that a flood of the extent of last year's occurred. It may be 50 years before there is another but in any case the dams now planned will be as effective if built by the agencies that now operate on the river. A CVA, in other words, is not needed for flood control. As the Oregonian said last year the 1948 flood offers no argument for a CVA.

Now look back at that quoted sentence and note the assertion that the flood swept away the jobs of 18,000 people in Vanport. That statement is a simple untruth. The residents of Vanport lost their homes, yes. Not all of them lost their jobs by any means. Is Secretary Davidson—or his ghost writer—trying to be fair and accurate?

Look at the sentence about kilowatts and note that earlier in the article it is said that:

"Most of the Nation's phosphate fertilizer lies there (in the Columbia watershed) needing only electric power to exploit it."

These words are intended to lead the reader to believe that only by a CVA will kilowatts be provided, and, moreover, that CVA kilowatts are needed to develop that fertilizer.

Well, the phosphate beds are in Idaho. The Idaho Power Co. is providing all necessary power for the production of fertilizer from two plants, and is prepared to continue and enlarge its service. Why does not Mr. Davidson tell his readers these facts instead of leading them to believe that CVA power is needed for this phosphate-fertilizer production?

One, and we think, the chief reason, is the fact that the real design behind the proposed CVA is the enlargement of the field of public power and the extinction of private enterprise. That is why Davidson tries to make it appear that a CVA is necessary. Why else was the Department of the Interior in the quandary reported last year over the application of the Idaho company for a permit to cross public land with its power line? A chief purpose of that line was to supply power to fertilizer plants. Did the Department hesitation reflect a desire to promote fertilizer production or was there some other reason?

Let Mr. Davidson reply.

Readjustment Allowances Under GI Bill of Rights

EXTENSION OF REMARKS
OF
HON. CARL ELLIOTT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. ELLIOTT. Mr. Speaker, the right of most veterans of World War II to receive readjustment allowances under the GI bill of rights will expire on July 25, 1949.

On yesterday, I introduced in the House a bill to extend readjustment-allowance benefits under the GI bill to July 25, 1953.

Readjustment allowances were originally provided for a period of 4 years—to July 25, 1949—on the theory that this 4 years would cover the most serious readjustment problems—whether economic or psychological—to be faced by veterans of World War II.

Fortunately, the first 4 years following the end of World War II have been, generally speaking, years of unprecedented prosperity in this country. We have, up to this time, not had the severe readjustment problems that the framers of the original law foresaw. This is borne out by the fact that one-half of the veterans of World War II have not claimed of their Government 1 nickel in readjustment allowances.

The greatest unemployment crisis which we have had since World War II is just now beginning. To allow the readjustment allowance program to lapse on July 25, 1949, would be unfair, in that the lapse would come at the time when readjustment allowances are coming to be needed most. Many of our veterans are having difficulty now in finding jobs. Many of those that have jobs are losing them because of curtailed production, something that they have no control over. I hope this Congress will see fit to continue these allowances for unemployed veterans and for self-employed vetearns—earning less than $100 per month.

In a recession—and we all hope and pray that we will not have a serious recession—the veteran who during the war lost several years from his normal life and occupation is the first to suffer. He is the first to lose a job because of his comparative lack of experience or seniority.

Those veterans who lose their jobs will need their allowances now.

This legislation is the only major legislation now before Congress that deals with unemployment. I hope we can enact this legislation into law. It is needed, and it is just.

I understand that only 6 percent of the veterans of World War II have used up their eligibility for readjustment allowance benefits. That means that 94 percent of our veterans are still eligible. Great numbers of these veterans have been unable to acquire benefit rights under any State unemployment compensation program. Among these are veterans who are still in hospitals, those who have been attending school, and those who have been working in employment which is not covered by State unemployment compensation laws. This last group includes domestic servants, agricultural workers, governmental employees, and employees of firms which employ less than eight persons. In the event that these veterans become unemployed they will not have the protection of any type of job insurance after July 25, 1949.

Mr. Speaker, as a part of my remarks I am including a copy of the bill which I introduced yesterday providing for the extension of readjustment allowances to July 25, 1953:

A bill to amend the Servicemen's Readjustment Act of 1944 to extend the period during which readjustment allowances may be paid

Be it enacted, etc., That subsection (a) of section 700 of the Servicemen's Readjustment Act of 1944, as amended, is hereby amended—

(1) By striking out "(2) occurs not later than 2 years after discharge or release or the termination of the war" and inserting in lieu thereof "(2) occurs not later than 2 years after discharge or release or July 25, 1953; and

(2) By striking out: *"Provided further,* That no readjustment allowance shall be payable for any week commencing more than 5 years after the termination of hostilities in the present war."

Mr. Speaker, I also include as a part of my remarks Senate Joint Resolution 17, recently passed by the Alabama Legislature memorializing Congress to extend the readjustment allowance benefits of the GI bill of rights:

Senate Joint Resolution 17

Joint resolution memoralizing Congress to extend the rights and privileges of veterans of World War II under title V of the Servicemen's Readjustment Act of 1944

Whereas the right of most veterans of World War II to receive readjustment allowances under title V of the Federal Servicemen's Readjustment Act of 1944 (known as the GI bill of rights) expires July 25, 1949; and

Whereas only about one-half of unemployed Alabama veterans of World War II have rights to benefits under the Alabama unemployment compensation; and

Whereas unemployment amongst Alabama veterans is increasing; and

Whereas economic conditions in the near future may be such as to cause great hardship and financial distress to such veterans and their families: Now, therefore, be it

Resolved, That the Legislature of the State of Alabama do herewith memorialize and petition the Eighty-first Congress of the United States of America now in session in the city of Washington, D. C., to extend the rights and privileges of veterans of World War II under title V of the Servicemen's Readjustment Act of 1944; be it further

Resolved, That a copy of this resolution be forwarded to the President of the United States, the Vice President, the Speaker of the House of Representatives, and to each Congressman and Senator from the State of Alabama and the members of the Veterans' Affairs Committee of the House.

Mr. Speaker, I am also including as a part of my remarks a letter from Garvin Drummond, post commander, and Harry B. Sherer, post adjutant, of Woods-Smith Post, No. 9, of the American Legion, Jasper, Ala., in which post I hold membership, calling my attention to a resolution on this most important subject:

WOODS POST, NO. 9,
THE AMERICAN LEGION,
Jasper, Ala., May 4, 1949.

Hon. CARL ELLIOTT,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR COMRADE: We, the membership of Woods-Smith Post, No. 9, being assembled in our regular first Monday night meeting, Monday night, May 2, 1949, did unanimously pass the following resolution:

"*Resolved*, That we desire the Congress and Senate of the United States of America to extend the readjustment allowance privileges of the GI bill of rights, until all World War II veterans have had an opportunity to file for and draw their total benefits under the law or for the life of the veteran.

"That a copy of this resolution be sent to our Congressman and a copy to each of our two Senators, making known our desires."

Respectfully submitted.

GARVIN DRUMMOND,
Post Commander.
HARRY B. SHERER,
Post Adjutant.

CVA Opposed by Wildlife Federation

EXTENSION OF REMARKS
OF
HON. HARRIS ELLSWORTH
OF OREGON
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. ELLSWORTH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution submitted by the Idaho Wildlife Federation and adopted by the National Wildlife Federation at its annual meeting assembled at Washington, D. C., March 6, 1949:

Whereas the National Wildlife Federation favors the maximum feasible conservation of America's natural resources; and

Whereas we believe that the creation of any Federal valley authority would interfere with the inherent rights of States in the management and conservation of their natural resources; and

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Whereas there are now before the Congress of the United States bills to create additional valley authorities: Therefore be it

Resolved, That the National Wildlife Federation, a national organization in regular annual meeting assembled at Washington, D. C., March 6, 1949, is unalterably opposed to the creation of any additional Federal regional or valley authorities as being unjustified, unnecessary, and a dangerous departure from our American form of government.

Address of Hon. Clarence J. Brown, of Ohio

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include an address delivered by my friend and colleague the Honorable CLARENCE J. BROWN, of the Seventh District of Ohio, before the annual meeting of the Connecticut Public Expenditure Council at Hartford, Conn., on the evening of June 6, 1949.

I hope that this address will be widely read. In it Congressman BROWN makes a revealing and eloquent plea for prompt and vigorous implementation of the Hoover Commission reports. It is urgent and vital that we take action to eliminate waste and to increase efficiency in the executive branch of our Government.

The address follows:

Mr. Toastmaster, Governor Bowles, members of the Connecticut Public Expenditure Council, ladies and gentlemen, when the executive director of your council and my good friend, Carter Atkins, invited me to speak to you this evening, I accepted promptly. I considered the invitation an honor and a privilege, and its acceptance a pleasure, for it gives the opportunity to see old friends again and perhaps to make some contribution to the good work in which this council and all of you present are engaged on behalf of better government.

I am especially pleased and very much honored in having three of my colleagues in the House present tonight, your great Congressman at Large and my good friend, ANTONI SADLAK, another close friend, Congresaman JOHN LODGE, and my distinguished colleague from across the aisle, Mrs. CHASE GOING WOODHOUSE. I am also happy to see in the audience one of my old friends who formerly represented Connecticut in the House of Representatives, Horace Seely-Brown. Connecticut is to be congratulated on the splendid representation it has, and has had, in the Congress of the United States.

The subject assigned me for tonight is: Government, Your Servant Or Your Master?

There was a time in our history when such a question was a purely academic or hypothetical one. But in recent years it has become the very practical and all-important question of the day. Governments—at least all free governments—have always been brought into being to serve the people who created them. In every free government the individual citizen is always the master, but when the position of citizen and government has been reversed, and the government becomes the master, it is no longer a free government—and those living under such a government are no longer free. Need I remind you of that which history teaches us—that free and representative governments always face greater danger of destruction from within than from without?

There are many kinds of masters. There has been one great Master of all, who gave His life for the salvation of men. But there have been other masters, too—such as the Mussolinis, the Hitlers, and the Stalins—who rule by cruelty and oppression over those who are actual slaves, either physical or political.

Down through the ages a never-ending battle has been waged between slavery and freedom. On one side have been alined those seeking to control the lives and activities of their fellow men, and on the other side those who have sought and fought for liberty under law for themselves and their families.

There are many ways in which men can be enslaved. High taxes and a huge public debt can enslave the citizen to his government and bring about the loss of his liberty and freedom. The average American now has from one to two days' wages taken out of each week's earnings to pay for the cost of government. Just let any of you next week try to take home all of your pay. You will find you cannot do it, for much of your earnings are withheld by a beneficent government to pay income taxes, or under a promise to take care of you in your old age. If some of the legislation now pending in the Congress is enacted into law, more will be withheld to pay for your lumbago, your grocery bills, or what have you.

During the present fiscal year, which ends the last day of this month, our Federal Government will spend approximately $40,000,000,000 of your money and will increase the public debt by another billion or so. It will cost the American taxpayers somewhere between forty-three and forty-five billion dollars to run their Nation's Government during the coming fiscal year. All of this in peacetime, 4 years and more after the fighting stopped. Compare these figures, if you will, with the highest Federal expenditures of any prewar year—less than nine and one-half billion dollars—when we were spending our way back into prosperity.

Let me hasten to say I am not blaming any one President or any one Congress for that which has happened and is happening. In fact, all of us are to blame to some extent—the President, the Congress, and the American people themselves.

In the last 25 years we have seen the number of Federal employees grow from around 500,000 to the total of approximately 2,200,000 now on the public pay roll. We have seen the departments, divisions, and bureaus of the Government mushroom from 158 to nearly 2,500.

Our Federal Government is a vast enterprise—by far the largest in the Nation. It employs, as I said a moment ago, nearly 2,200,000 civilians in addition to more than the 1,500,000 in the armed services; a total of approximately 6 percent of our employed population.

Our Federal Government annually costs each American between $275 and $300, and it now owes the average American family of four somewhere between $7,000 and $8,000. It issues regular periodical checks to over 15,000,000 American citizens, or to more than 10 percent of our entire population. It now gives substantially every medical care and attention to more than 24,000,000—or almost 20 percent of our population.

The Federal Government now reaches directly into every American home. It is a partner in every successful business concern, and, technically at least, sits in on every friendly Saturday night poker game and takes its share of the winnings.

While—in view of my youthful appearance—it may be hard for you to believe it, I was Lieutenant Governor of my home State of Ohio more than 30 years ago. Since then, I have spent practically all of my time in the dual capacity of public servant and newspaper publisher. So I have a sort of a split personality—not exactly along the lines of Dr. Jekyll and Mr. Hyde—but as a newspaper publisher I have long been a taxpayer and a critic of governmental waste and extravagance, while as a public official perhaps it can be said I have been a tax-spender and, therefore, the object of public criticism.

As a result of my experience in and out of public office, and in the hope that something could be done to correct evident deficencies, I reached the conclusion it was time some outside agency be established to take an overall look-see at our Government. World War II, which had brought such a great expansion and growth in our governmental structure, was over. The time had come to cut the Federal Government back down to size. So, I studied carefully all the various efforts which had been made in the past to reorganize the Government, and in January 1947, I introduced in the House H. R. 775, a bill to create the Commission on Organization of the Executive Branch of the Government—for it is in the executive branch that approximately 99 percent of all Government expenditures are made. After I had prepared H. R. 775, I discussed its content and purpose with Senator LODGE, of Massachusetts. The Senator agreed fully that the time had come for action and introduced a similar, or companion, bill in the Senate.

With the splendid help of Senator LODGE, H. R. 775 was enacted into law by the Eightieth Congress in the early summer of 1947. It provided for the creation of a 12-man, bipartisan commission, 4 members of which were to be appointed by the President, 4 by the President pro tempore of the Senate, and 4 by the Speaker of the House of Representatives, with 6 members coming from private life and 6 from public life. The Commission was organized at the White House in August of 1947, at a meeting presided over by President Truman. Herbert Hoover, the only living ex-President of the United States, who had been named a member of the Commission by Speaker of the House JOSEPH W. MARTIN, the great legislator from your neighboring State of Massachusetts, was chosen as chairman. Under his inspired leadership, the Commission and nearly 500 other Americans went over our Federal Government with a fine-toothed comb for more than 20 months, completing their labors on Thursday, May 26, when the Commission submitted its final report to the Congress and the President.

Right here I would like to pause for a moment to pay tribute to America's greatest and most beloved elder statesman—Herbert Hoover. Just think of it—here was a man who had held the highest office in the gift of his people—a man well past the three score and ten mark in life, suffering from a painful disability incurred while circling the earth in the service of his country—a man sufficiently well endowed with worldly goods as to permit him to take his leisure—forgetting himself and all else to answer his country's call and to accept an important new assignment. As chairman of our Commission, he has guided its every activity. The brilliance of his mind, the greatness of his understanding, the broadness of his experience, the strength of his spirit, the friendliness of his heart, and the patience of Job enabled him to give to our commission the leadership it had to have to successfully accomplish its task. While all of us on the Commission worked long and arduously, Herbert Hoover outworked each and every one of us. He has grown in the minds and in the hearts of the American

people. They are beginning to appreciate Herbert Hoover's great services to them, to his country, and to all humanity. A Nation's gratitude goes with him, now that he has completed his last official duties as Chairman of our Commission and once more retires to private life.

Others besides Mr. Hoover who served on the Commission were Dean Acheson, Secretary of State; the late James V. Forrestal, Secretary of National Defense; Arthur S. Flemming, former Chairman of the Civil Service Commission and now president of Ohio Wesleyan University; Joseph P. Kennedy, former Ambassador to Great Britain; James H. Rowe, Jr., former White House Secretary and Assistant Attorney General; Dr. James K. Pollock, professor of political science, University of Michigan; George H. Mead, industrialist of Ohio; Senators Aiken, of Vermont and McClellan, of Arkansas; our former colleague in the House, Carter Manasco, of Alabama, and your humble speaker.

It was soon determined we needed all the help we could get, and that the best way to proceed would be to organize task forces to study the various departments, functions, and activities of the Government in an effort to find means and methods of obtaining greater economy and efficiency in the conduct of public business. Twenty-four of these task forces were set up, and more than 300 great Americans, each an outstanding leader in his own field, were drafted to serve on them—and when I say drafted, I do mean drafted.

I have seen Herbert Hoover call in leading citizens and have heard him say to them, "This country has been good to you, just as it has been good to me. It has permitted you to rise from humble beginnings to become the head of a great organization. You have your affairs in good shape. Your country needs you now. You can afford to give it the next 6 months of your time. You are being drafted into the public service." The only excuse for refusing Mr. Hoover and the Commission would accept was that of ill health.

Those who served on these task forces are entitled to the undying gratitude of our people. Most of them worked without compensation. Many of them not only refused reimbursement for expenses incurred, but furnished their own technical and secretarial help without cost to the Government. And what a magnificent job they have done! Their 24 task-force reports are the only sources in existence from which can be obtained detailed information on the way our Federal Government operates. The authoritative material and information submitted by these task forces will long serve as a guide to direct the work of future Congresses and Federal officials. The Commission, sitting day after day, poured over these task-force reports, heard the testimony of their members, and carefully studied their suggestions and recommendations.

In turn, the Commission has submitted to the Congress 19 separate reports of its own, containing 318 specific recommendations as to how we can obtain greater economy and efficiency in the operation of our Federal Government. If these recommendations are made effective, the cost of operating the Federal Government can be reduced by at least $3,000,000,000 a year, and, in my opinion, perhaps by as much as $5,000,000,000.

What were some of the things the task forces and our Commission found wrong with the Government?

Well, for instance, the budget document—a huge book of 1,670 pages—from which it is almost impossible to determine the real cost of any of the various programs of the Government. One title in the Veterans' Administration budget is merely "Salaries and expenses, $848,897,000." In another is a small item for "Carfare and bicycle allowance." To determine the cost of some operations you would have to look for, and would find, 20 or 30 different items in different portions and sections of the budget. If you did not miss any items, and would add all of them, you might possibly be able to determine the actual cost of some governmental operations.

In its accounting, the Federal Government now maintains three, and often four, separate and complete sets of books, which frequently do not agree one with the other.

Personnel supervisors are often compensated according to the number of employees under them, rather than for the efficient and economic way in which they function. So it does not take the supervisor, who has had a new baby arrive in his home and needs a little extra income, very long to learn that, by adding a dozen employees, he can get an extra $50 in monthly pay. Incidentally, under present archaic regulations, it now takes as long as 18 months to discharge an unsatisfactory civil service employee, after many lengthy hearings which usually result in the discharging officer, rather than the unsatisfactory worker, being put on trial. No wonder some department heads have told us 10 percent of their employees do little work and should be discharged, but that it is too much trouble to get rid of them.

More than half of the purchases made by the Federal Government are of items costing less than $10; yet it costs the taxpayers $11.28 to process each purchase order.

The same situation exists in the public works programs of the Government. Two different Federal agencies recently surveyed the same projected dam at the same site on the same river and announced the result of their surveys on the same day, at a roughly estimated cost of $250,000 per survey, for two similar dams, with one estimated to cost $385,000,000 and the other $434,000,000. According to a task force report, Federal money has been spent on irrigation dams at a cost of $3,500 per acre for every acre of land which could possibly be irrigated by the new dam.

New Government hospitals were found to be under construction in cities or communities where other Government hospitals were being closed for lack of patients. In one Government hospital visit, more doctors than patients were found, and in a number of hospitals less than 50 per cent of the beds were occupied. Yet, the hospital building program was going madly on.

Down in Social Security a task force found almost 5,000 Government employees are engaged in posting detailed actuarial records which have no real value, since the system was changed 10 years ago.

Another study showed that in numerous instances as many as five separate agencies of the Department of Agriculture were attempting to advise the same farmer at the same time how to run the same farm.

In the National Defense Establishment a $30,000,000 error was found in a $39,000,000 budget request. Many hundreds of tanks could not be located or accounted for, and a few ships seem to have disappeared somewhere. When a request for an appropriation of $100,000 each to modernize scores of huge tanks was looked into, it was found these tanks had already been transferred to another branch of the National Defense Establishment where they had been modernized for $4,800 each.

In another Government office the individual work load was fixed at handling 12 items per day. A commission investigator, who was quietly watching the operation, noted the average worker could easily handle five items in an hour without overstrain.

In the insurance section of the Veterans' Administration the work load per employee is only one-fourth of that which pertains in private insurance companies for comparable transactions.

On the financial front the Government often pays interest on its own money.

In the Post Office Department a penny postcard, on the average costs the Government two and one-half cents for printing and delivery.

I could go on "ad nauseam," giving you thousands of examples of waste, extravagance, and poor management in the Federal Government.

The Hoover Commission has pointed out what can be done about it and how such situations can be cured. It is now up to the President, the Congress, and to you, the people of the United States, to decide how badly you want the job done.

About 20 percent of the recommendations of the Hoover Commission can be made effective by executive or administrative order. Between 30 and 40 percent can be accomplished by the President through the submission of reorganization plans to the Congress under the authority conferred by the Reorganization Act of 1949. The remainder of the Commission's recommendations can only be made effective through the enactment of new Federal statutes or a change in our present laws.

I am indeed happy to be able to report to you tonight that it appears likely many of the reforms recommended by the Hoover Commission will be put into effect reasonably soon. President Truman has advised us that he is supporting the work of the Commission, and that he now has a number of reorganization plans ready to send to Congress within a "few days." He has already sent several messages to Capitol Hill, proposing and urging enactment of new laws to carry out the Hoover Commission recommendations. The Congress has passed, and the President has signed, a new law for the reorganization of the State Department. My three distinguished colleagues from Connecticut who are sitting at the banquet table here tonight all supported the bill for the reorganization of the State Department, which, incidentally, your Congressman, JOHN LODGE, as a member of the Foreign Affairs Committee, helped prepare. The Senate has approved and sent to the House a bill for the reorganization of the National Defense Establishment, which, if enacted, will result in the saving, in operational costs alone, of approximately one and one-half billion dollars a year.

The House now has before it a bill to reorganize the procurement activities of the Federal Government, and to create an Office of General Services in which will be consolidated many present agencies and bureaus, making possible much greater economy and efficiency.

So, we are moving along, but it will take time to accomplish all of the results we desire. The great work cannot be finished in a day. It will take many months, and perhaps even years, to complete the task, but if you, the people, continue to give the same almost unanimous support to the recommendations of our Commission that you have to our efforts in the past, then really worth-while results will be brought about.

Why is it so important to get greater economy and efficiency in the Federal Government—and in our State and local governments? Well, my friends, it is economic history that no government, or no national economy, has ever survived where as much as 40 percent of the people's income has been taken away from them in the form of taxes

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to support the Government. The crash has always come before the over-all tax burden reached 40 percent of the national income.

Today the cost of government to our people—Federal, State, and local—averages nearly 33 percent of their total income. We have reached the danger point. We are within at least 7 percent of the point where all other economies and governments have failed, and it now appears we are facing a probable decline in our national income. A Treasury report has just been released showing that for the first 5 months of 1949 our Federal revenue receipts have been $15,400,000,000 as compared to $18,800,000,000 received during the first 5 months of 1948. So, it is of the utmost importance—in fact, the future of our people and our country depends upon it—that we take prompt and drastic action to cut the cost of Government, and, at the same time, to make it more efficient and effective.

Let me congratulate you who are here tonight on the great work you have started in your State. Connecticut was the first State in the Union to name an official commission to study the State government for reorganization purposes. A number of other States are now taking similar action. Connecticut has lead the way. I wish you godspeed in your efforts. Let us be the masters of our Government, rather than to have the Government as our master.

War Excise Taxes on Transportation and Communications Are an Unjust Peacetime Burden—Should Be Repealed

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. McDONOUGH. Mr. Speaker, the high wartime excise taxes levied on communications and on transportation are discriminatory in nature, and have burdened commercial users of these facilities and curtailed all nonessential use.

These taxes were imposed during the war to discourage the use of our overburdened communications and transportation facilities as well as to raise needed revenue for the prosecution of the war. But the war is over and the taxes remain in effect even though at the time they were enacted there was an implied promise that they would be removed at the termination of the war.

The communication tax is higher than any of the other so-called luxury taxes, and there is no justification for this discrimination. Phone service and the use of telegram and cable facilities are not luxuries but are business and social necessities, and the tax on them is based on no sound principle of taxation and is without justification now. These taxes especially penalize commercial firms in the western section of our Nation far removed from the centers of population which must use telephone and telegraph facilities for the pursuit of their business since the taxes are a percentage of the rate which in turn is largely based on distance. In the case of telephone service, the tax has presented an additional deterrent to the extension of rural lines.

The present excise tax on the transportation of both property and persons operates as a sales tax upon an essential service that is not a luxury and has to be used repeatedly by large sections of the population. Commercial travelers and business commuters must pay the same tax as persons who travel for pleasure. The tax on property transportation has tended to raise the price of commodities and to an extent greater than the amount of the tax since the tax is included in each percentage mark-up in the course of movement of goods from producer to consumer.

In the transportation tax, as in the communications tax, the Western States are discriminated against. The taxes add to the competitive disadvantages under which western agriculture, mining, manufacturing, and other industries are already laboring by reason of being far-removed from the great eastern markets and centers. These taxes also exert an adverse effect upon the Western States tourist business, which has been the source of substantial annual revenue to these States.

I believe that the wartime excise taxes on communications and transportation are excessive and should now be removed to prevent further discrimination against the citizens of our Western States. I have introduced legislation to repeal these taxes, H. R. 205, H. R. 207, and H. R. 208, of which I urge favorable consideration.

The Mountain-Pacific States Conference of Public Service Commissions recently adopted a resolution concerning these taxes, as follows:

RESOLUTION OPPOSING TAXES BASED ON A PERCENTAGE OF CHARGES PAID FOR TRANSPORTATION AND COMMUNICATION SERVICES

Whereas existing revenue acts provide for taxes on freight and passenger transportation and communication services on basis of percentages of the charges paid for such services; and

Whereas experience has shown that taxes based upon a percentage of the charges paid fall much more heavily upon the people of the 11 Western States than upon those of other areas; that such taxes substantially add to the competitive disadvantages under which western agriculture, mining, manufacturing, and other industries, are already laboring by reason of being far-removed from the great eastern markets and centers; that such taxes exert an adverse effect upon the Western States tourist business, which has been the source of substantial annual revenue; and that, on the whole, such taxes are grossly unfair and unduly prejudicial to the people of the 11 Western States; and

Whereas, by reason of the large volume of transportation performed by private carriers which are exempt from tax, a further discrimination exists not only in the 11 Western States but throughout the entire country; and

Whereas this conference has, on numerous occasions, gone on record in opposition to the afore-mentioned discriminatory features of the existing revenue acts: Therefore be it

Resolved, That the members of the Mountain-Pacific States Conference of Public Service Commissions, in regular session at San Francisco, Calif., on May 5 and 6, 1949, reaffirm the position they have heretofore taken and again earnestly urge the Congress to amend the existing revenue acts so as to remove the aforesaid discrimination.

I hereby certify that the foregoing resolution was duly introduced, passed, and adopted at a regular session of the Mountain-Pacific States Conference of Public Service Commissions held at San Francisco, Calif., on May 5 and 6, 1949.

HOWARD FREAS, *Secretary.*

Taxes collected on communications and transportation in each of the 11 Mountain Pacific States and the grand totals of such taxes for fiscal year ended June 30, 1948

	Transportation taxes	Communication taxes	Total of both classes of taxes
Arizona	$409,023	$68,659	$477,682
California	44,820,690	50,466,510	95,287,200
Colorado	4,371,763	10,868,342	15,240,105
Idaho	552,273	70,000	622,273
Montana	628,368	111,206	739,574
Nevada	149,707	286,536	436,243
New Mexico	435,806	49,077	484,883
Oregon	3,180,528	448,328	3,628,856
Utah	941,582	50,438	992,020
Washington	4,531,440	1,727,539	6,258,979
Wyoming	205,048	37,163	242,211
Total of 11 States	60,226,226	64,183,800	124,410,026
Total United States	582,299,227	468,776,068	1,051,075,295

NOTE.—Compiled from Annual Report of Collector of Internal Revenue, U. S. Treasury Department, Fiscal Year Ended June 30, 1948.

I am also including the substance of the bills which I have introduced for the removal of these taxes:

[H. R. 205, 81st Cong., 1st sess.]

A bill to repeal the tax on transportation of property

Be it enacted, etc., That subchapter E of chapter 30 of the Internal Revenue Code (relating to the tax on transportation of property) is hereby repealed.

SEC. 2. The amendment made by this act shall apply to amounts paid on or after the first day of the first month which begins more than 20 days after the date of the enactment of this act for transportation on or after such first day.

[H. R. 207, 81st Cong., 1st sess.]

A bill to repeal the tax on certain telegraph, telephone, radio, and cable facilities

Be it enacted, etc., That paragraphs (1) and (2) of section 3465 (a) of the Internal Revenue Code (relating to imposition and rate of tax) are hereby repealed.

SEC. 2. The amendment made by this act shall apply in the case of amounts paid pursuant to bills rendered on or after the first day of the first month which begins more than 20 days after the date of the enactment of this act for services for which no previous bill was rendered, except that such an amendment shall not apply with respect to such services as were rendered more than 2 months before the first day of the first month which begins more than 20 days after the date of the enactment of this act.

[H. R. 208, 81st Cong., 1st sess.]

A bill to repeal the tax on transportation of persons

Be it enacted, etc., That subchapter C of chapter 30 of the Internal Revenue Code (relating to the tax on transportation of persons) is hereby repealed.

SEC. 2. The amendment made by this act shall apply to amounts paid after the date of the enactment of this act for transportation after such date.

The National Guard

EXTENSION OF REMARKS
OF
HON. PAUL C. JONES
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. JONES of Missouri. Mr. Speaker, in the consideration of our armed services, I have been led to believe that at times we overlook the importance of one branch of the service, which throughout the years, both in times of peace and in times of war, but particularly in times of local emergencies, has been called upon and has responded with an efficiency that has demonstrated the importance and worth-whileness of this service.

I am, of course, referring to our National Guard, which despite the fact that it has been kicked about, and has consistently borne the brunt of every economy move, and otherwise treated as an unwanted stepchild whose presence is endured, yet has time and again risen to the emergency of the hour to bring forth the plaudits of an appreciative public.

As one who has enjoyed—and I emphasize and repeat "enjoyed" many years of service in the National Guard, and who has contributed more than 5 years to another volunteer reserve military force, the Missouri State Guard which was active while the National Guard of Missouri was in Federal service during World War II, I have read with no small degree of pride where the One Hundred Fortieth Infantry, my old National Guard regiment, has been called upon to furnish a provisional company to act as an honor guard for President Truman when he attends the Thirty-fifth Division reunion at Little Rock, Ark., on June 10, 11, and 12.

In connection with these remarks I would like to read from a news release which appeared in many of the newspapers of my district last week, telling of recent activities and services of the One Hundred Fortieth Infantry which gives some indication of the versatility of these peacetime soldiers who contribute so generously of their time and ability with small compensation, and who in most instances are motivated by a patriotic desire to serve their home community, their State and their Nation in times of peace, in order that they may be prepared to render the greatest service of which they are capable in times of a national emergency.

THE NATIONAL GUARD'S VERSATILITY ILLUSTRATED

CAPE GIRARDEAU, June 1.—The versatility of the National Guard was graphically illustrated this week when the One Hundred Fortieth Infantry, Missouri National Guard, just relieved from disaster relief duty was called upon to furnish an honor guard for the President of the United States.

Saturday evening, May 21, the citizens of Cape Girardeau, Mo., arose horrified from their dinner tables to witness a vicious tornado that skipped around the city for 7 minutes. Cutting a zigzag path, the roaring cyclone, leveling buildings, splintering great trees, destroying all in its path, left a devastated wake of broken bodies and buildings. The score totaled 23 dead and over 130 injured, with property damage running into the millions. Even with the high winds passed, there were very real hazards present. High-tension wires, broken by the impact of the tornado were spitting sparks not far distant from the spot where a 13,000-gallon gasoline tank emptied its contents over the streets jammed bumper-to-bumper with automobiles, their worried occupants seeking safety. Virtually all roads were blocked and traffic was at a standstill. Communications were out in a large section of the community of 20,000. Confusion was the rule and panic lurked in the area. Local medical service, fire departments, and policemen were hampered by the enormity of the situation and the difficulty of movement. The situation was desperate.

SERVICE TO STORM VICTIMS

Headquarters Company and Service Company, One Hundred and Fortieth Infantry, the two units of the Missouri National Guard located in Cape Girardeau immediately put their alert plans into operation. Most of the key personnel of both companies, including those charged with handling communications, rations, and food, munitions, and administration, were conducting week-end range firing at the rifle range at Arcadia, 70 miles distant. These key people returned to Cape Girardeau as soon as they had been advised of the seriousness of the disaster. Despite the breakdown of communications and the complete tie-up of traffic, the units were mobilized within a few hours and within 15 minutes after the alert call went out, approximately 80 men were assembled at the armory. These troops were assigned to two seriously damaged areas and patrolled those parts throughout the night. A command post was established at regimental headquarters and maintained radio contact with the two devastated areas under guard.

In the meantime, relief personnel stationed at the armory, assisted in quartering refugees from the storm which were evacuated and housed in the armory. Guardsmen were busy for the next few days, protecting property, establishing a mess for the military personnel as well as for the refugees, and erecting a tent camp for military personnel near the armory. For 3 days and nights, men from the One Hundred and Fortieth Infantry performed the many duties necessary in a disaster area, ranging from traffic control to the prevention of looting.

Guard assistance was recognized by Mayor Ford in a letter which read in part: "It is difficult at this time to even try to evaluate your services to the city and the people whose property you were protecting, but I am sure that you and your men know the appreciation that the people of this city feel for your assistance."

GUARD FOR PRESIDENT

No sooner had the One Hundred and Fortieth Infantry been relieved of disaster duties than a call came down to assemble a provisional company to act as honor guard for President Truman during the Thirty-fifth Division reunion at Little Rock, Ark., June 10, 11, and 12. This assignment required a troop movement of over 200 miles from southeast Missouri to the heart of Arkansas. Quarters and messing facilities are also a prerequisite to a movement of this kind extending over several days. Uniforms had to be cleaned and pressed, helmet liners painted, food secured, gasoline provided, trucks checked over and a host of other last-minute details considered to insure that the honor guard arrived spic and span for this privileged duty. In a full-time military organization these are minor problems, but in a group which is essentially civilian, whose members spend only a portion of their time in military training, these problems are more difficult. That these arrangements proceed efficiently and smoothly is a tribute to the versatility of this new National Guard.

Formation of the Republican Party

EXTENSION OF REMARKS
OF
HON. FRANK B. KEEFE
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. KEEFE. Mr. Speaker, on February 28, 1854, at the city of Ripon, Wis., representatives from all the well-known political parties gathered together to discuss the dominant issue of slavery. At this meeting a resolution was passed to the effect that if the Kansas-Nebraska bill passed the Senate, old party organizations would be discarded and a new party to be called the Republican Party should be formed. Thereafter the Senate of the United States passed the Kansas-Nebraska bill on March 3. On March 20, an enlarged meeting was held in which men of all parties participated. As a result of this meeting, the name of the new party was formally adopted, and plans were inaugurated to place the new party before the people of the entire Nation.

The first Republican State mass convention which adopted a platform was held at Jackson, Mich., on July 6, 1854. Thus, the political idea that was born in the city of Ripon was implemented by collective action on the part of men from all political parties in the State of Michigan. Spurred by the dramatic editorials of Horace Greeley, the new party as thus formed attracted the immediate attention of people all over the North. I believe it is of interest to briefly review the historic facts relating to the formation of the Republican Party.

While the two major political organizations in this country have for some time been firmly established as the Republican and Democratic Parties, this condition did not always prevail in the 160-year history of the United States under the Constitution.

First there was the Federalist Party, which functioned during the first 25 years of the Nation's history under the leadership of such outstanding patriots as Washington, Hamilton, and Adams. This party drew its main suport from commercial, financial, and manufacturing groups which were strongest supporters of the Constitution. By 1792 Jefferson, Madison, and others had organized anti-Federalist and agrarian groups into a Democrat-Republican Party which later became known simply as the Democratic Party under the leadership of Jackson. During the 1830's the Whig Party developed as the rival of the Jacksonian Democrats.

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From the 1830's to the Civil War one of the burning public issues was the question of slavery. The Whig Party hedged on the matter, avoiding a clear-cut commitment. The Democrats were divided into northern and southern factions over the issue with the southern proslavery interests in control of the party. When the leaders of the old line parties failed to act, splinter groups appeared such as the Liberty Party in 1840, the Barnburners in 1844 and the Free Soil Party in 1848.

The Whigs, Democrats, and Free Soilers were the principal political groups in existence in 1854 when Stephen A. Douglas, Senator from Illinois, touched off the smoldering political powder keg with his bill to create two new Territories of Kansas and Nebraska and permit them to enter the Union with or without slavery as their constitutions might provide.

Antislavery forces feared this measure would upset the balance and open the door to the extension of slavery in the new territories of the West. They accepted the Kansas-Nebraska bill as a challenge and determined to resist it with a new alinement of parties.

While the Congress debated the Kansas-Nebraska bill people gathered at schoolhouses and churches in the North and warmly discussed the proposal. The meetings attracted the remnants of the Whig Party, some of the northern Democrats and most of the supporters of the Free Soil Party. Together they formed the Republican Party of today.

No doubt many local meetings were held, but Ripon, Wis., is generally credited with being the birthplace of the Republican Party.

William Starr Myers, the Princeton University historian, states in his book The Republican Party—a history that—

Probably the meeting which especially deserves the credit for leading the way in the organization of the new party was that held at Ripon, Fond du Lac County, Wis.; and Mr. Alvan E. Bovay, a prominent member of the Whig Party who lived in that town, was the prime mover in calling the convention, and also in the use of the name Republican for the new party.

Mr. Bovay, who later held the rank of major in the Nineteenth Wisconsin Infantry in the Civil War, was born in the State of New York in 1818 and lived for a while in New York City. He later became a lawyer and settled in Ripon in 1850. In 1852 Mr. Bovay, while on a visit to New York City, said to Horace Greeley, with whom he long had been acquainted, that inevitably there must be a new party formed on the basis of the exclusion of slavery from the territories. Greeley asked him what he would name the new party, and Bovay replied, "Republican."

While the Kansas-Nebraska bill was before Congress, he wrote Greeley on February 26, 1854 saying: Your paper is now a power in the land. Advocate calling together in every church and schoolhouse in the free States all the opponents of the Kansas-Nebraska bill, no matter what their party affiliations. Urge them to forget previous political names and organizations, and band together under the name I suggested to you at Lovejoy's Hotel in 1852. I mean the name Republican. It is the only one that will serve all purposes present and future—the only one that will live and last" Greeley approached such a decision only by slow stages, but on June 24, after the Kansas-Nebraska bill had been enacted he suggested the name Republican in an editorial article in the Tribune.

Meanwhile Bovay had been at work in a practical manner. Along with two other men of Ripon, a Mr. Bowen and a Mr. Baker, who were respectively a Democrat and a Free Soiler, he issued a call for a public meeting to consider the situation caused by the legislation then pending in Congress. This meeting took place in the Congregational church in Ripon on February 28, 1854, and a resolution was passed to the effect that if this legislation should pass, old party organizations must be disregarded and a new party, to be called the Republican, should be formed, based solely on the issue of opposition to the extension of slavery.

It will be remembered that the Kansas-Nebraska bill passed the Senate on March 3. The Ripon leaders decided not to wait longer but called a second meeting for March 20, in which men of all parties were to participate. Mr. Bovay wrote, many years later, that he went from house to house and shop to shop and halted men on the street to get their names for the meeting of March 20, 1854. At that time there were not more than a hundred votes in Ripon, and by a vast deal of earnest talking I obtained 53 of them. * * * We went into the little meeting held in a schoolhouse Whigs, Free Soilers, and Democrats. We came out of it Republicans, and we were the first Republicans in the Union.

Gordon S. P. Kleeberg, LL. D., Ph. D., in his book entitled "The Formation of the Republican Party as a National Political Organization" also credits Ripon, Wis., with being the birthplace of the party. He wrote:

One of the earliest, if not the earliest, of the movements that contemplated definite action toward the formation of a new party, took place in Ripon, Wis., on February 28, 1854. After a thorough canvass, conference, and general comparison of views, initiated by Dr. Alvan E. Bovay, a prominent member of the Whig Party, among the Whigs, Free Soilers, and Democrats of that township, a call was issued signed by himself representing the Whigs, and by a representative of each of the other two parties, for a Republican meeting to consider the grave issues which were assuming an aspect of such alarming importance. The meeting was largely attended by persons of both sexes from the town and surrounding country, and a resolution was adopted that, if the Nebraska bill then pending in the Senate should pass, they would "throw old party organizations to the wind and organize a new party on the sole issue of nonextension of slavery." At a second meeting held on the 20th of March, 1854, shortly after the passage of the bill, in the same place, by formal vote of the assembly, the town committees of Whig and Free Soil Parties were dissolved and a committee of five, consisting of three Whigs, one Free Soiler, and a Democrat, were chosen to begin the work of forming a new party. * * *

The first Republican State mass convention which adopted a platform and nominated a full State ticket was held at Jackson, Mich., on July 6, 1854.

Many other eminent historians credit Ripon, Wis., with the distinction of being the birthplace of the Republican Party, including ex-Vice President Henry Wilson, who personally investigated the facts prior to 1874 when most of the witnesses were available.

The historian, Rhodes, in volume XL of his monumental History of the United States, recognizes the meetings of 1854 held at Ripon as "the earliest that looked to the new party movement under the name Republican."

Charles A. Beard, in his Rise of American Civilization writes in reference to the party movement at the time the agitation against the Kansas-Nebraska bill of 1854 that—

In February of that year, a number of Whigs and Democrats assembled at Ripon, Wis., and resolved that a new party must be formed if the bill passed. When the expected event occurred, the Ripon insurgents created a fusion committee and chose the name "Republican" as the title of their young political association. In July, a Michigan convention composed of kindred elements demanded the repeal of the Kansas-Nebraska Act.

David Saville Muzzey and Dr. Edward Stanwood were other distinguished writers who referred to the Ripon meeting as the first of the party and the official History of the Republican National Convention held in St. Louis in 1896 accepted Ripon's claims without qualification.

During his lifetime Major Bovay, who suggested the name "Republican," was interviewed many times and impressed himself upon his interviewers as a creditable witness whose testimony was accepted unreservedly. As evidence of this the following are given as some of the articles giving full recognition to the claims of Ripon and to Mr. Bovay as the founder of a great party: The Commercial Advertiser, January 16, 1897; Leslie's Weekly, June 18, 1896; Chautauquan, November 1897; St. Louis Democrat, 1889; Evening Wisconsin, November 11, 1899; and Metropolitan Magazine, August 1900.

The new party, launched at Ripon in 1854, met with amazing success from the start. The Republican State tickets were elected in Michigan and Wisconsin in that first year, 1854. The next year a Republican Governor of Ohio, Salmon P. Chase, was elected. Eleven Republican Senators were sent to Washington and anti-Nebraska majorities were secured in 15 States. At the first national convention of the party, held in Philadelphia in 1856, Gen. John C. Fremont was nominated for the Presidency on a platform opposing slavery extension, advocating improvement of rivers and harbors, and the building of a transcontinental railroad. In spite of ineffective organization in many Eastern States and no support at all from the South, Fremont received 114 electoral votes against 174 for Buchanan, Democrat.

By 1858 the new Republican Party had rallied sufficient strength to elect a plurality of the Members of the House of Representatives. Then in 1860, although the Republican Party had been in existence for only a brief 6 years, it won the Presidential election for one of the greatest men of history—Abraham Lincoln, of Illinois. Running on a platform similar to that of 1856 but also advocating a homestead law and a protective tariff, Lincoln polled 180 electoral votes, while Breckenridge, of the southern Democratic faction, received 72, Douglas, of the northern Democrats 12, and Bell, of the Constitution-Union Party 39.

Mr. Speaker, an organized effort of spontaneous origin is developing throughout the country to establish in the city of Ripon a suitable memorial preserving for posterity the building in which the original meeting herein described was held. There is no disposition to detract from the historic part played by the Republicans of the great State of Michigan who met under the oaks in the month of July of 1854 and formally endorsed the proposals adopted prior thereto at the meeting held in the city of Ripon. I trust that the people of America will support the efforts to develop a lasting memorial at the city of Ripon, Wis., commemorating the birth there of the Republican Party.

The Real Estate Lobby's Propaganda Versus the Actual Housing Situation

EXTENSION OF REMARKS

OF

HON. JOHN F. KENNEDY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. KENNEDY. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include an article which deals again with the critical housing shortage:

THE REAL ESTATE LOBBY'S PROPAGANDA VERSUS THE ACTUAL HOUSING SITUATION

If a recent arrival from Mars were to sit down soberly and read through the stack of pamphlets now flooding forth from the organizations who oppose H. R. 4009, the public housing and slum clearance bill, he would get a most inspiring picture of the American housing situation.

He would learn that our housing shortage has been solved, and that it was solely due to rent control anyway; that our slums are rapidly disappearing (or indeed that we never really had any except for a few degraded families who preferred to live that way); and that practically everybody who wants a new house can go right out and buy one from an ordinary private builder.

He would discover that the American residential-building business is a marvel of efficiency, stability, and sturdy independence, and that the only possible threat to ever greater progress in the future, to still more, better and cheaper homes for the American people, lies in such legislation as that under consideration in Congress today.

The visitor from Mars would probably wonder why, under such circumstances, anybody bothered to write or promote housing legislation at all, and thus incur the disfavor of such pillars of the public interest as the Washington Realtors Housing Committee (NAREB) and the Savings and Loan League. For even a Martian would probably know that very few people in the United States have any desire to attack private enterprise per se or to get the Government involved in things unnecessarily.

Now I hardly need to point out to my colleagues in the House of Representatives that if our visitor, attracted by this rosy picture, should decide to send for his family and settle permanently on our shores, he would be due for a slight shock, to say the least, when he came to set up housekeeping. Even were his income in the upper brackets, he might not find it so easy to secure the kind of home he had been led to expect. But if he were just an ordinary Martian-American earning, say, $2,500 to $5,000, he would have very serious difficulty indeed in almost every city in the country—above all if he had the old-fashioned patriotic urge to raise a large family of good American citizens. And if his income was down at the level where about a third of American families must subsist, say, under $2,500 as a national average, the chances are he would have to get along in a dilapidated old dwelling embodying few if any of the famous modern advantages of the American way of life, if indeed he could find a home of any kind.

Our visitor would feel pretty sour about that pretty picture painted by the real-estate lobby, and he would understand all too well why we are discussing housing legislation with such fervor.

It doesn't take either a hypothetical Martian or hard-boiled statistics to punch holes in the propaganda spread around by those who oppose the housing bill. Many a distinguished Congressman understands the actualities of the housing situation from his own bitter personal experience. But since these fallacies propagated by the real-estate lobby are likely to form the groundwork for the entire strategy of the opposition in floor debate, doubtless, including a long series of complicated and confusing amendments, perhaps a brief résumé of the actual facts of the housing situation, by contrast with these lies and illusions, may be worth while.

THE SHORTAGE IS NOT BEING SOLVED BY PRIVATE ENTERPRISE

"There is no housing shortage in this country," blithely reported a Dow survey last month. Or, as the United States Chamber of Commerce headlines it "Acute housing problem over."

All of the bona fide evidence tends to prove that the shortage is still just about as bad as ever, particularly in our larger centers of population. The census reported 2,200,000 married couples living in other families' households or in transient quarters at the end of 1948. In very few of the larger cities has the building rate even caught up with the current rate of increase in families, let alone making up for arrears, a fact emphasized over and over in well-supported local testimony before congressional committees. The Family Service Agency of America made a recent survey among its local agencies all across the country which indicated that the general housing situation is little, if any, better than it was a year ago. As a measure of the severity of the housing shortage, 31 percent of the family agencies said that the need for homes in their communities was greater than a year ago, and 52 percent said the demand was about the same. Only 17 percent noted some improvement.

Perhaps the best evidence that the shortage is still acute in the extreme can be found in a recent Gallup poll (March 14, 1949, release). The people were asked a very simple question: "What do you think is the most important problem facing this section of the country today?" And in almost every region the people named housing as second only to the high cost of living.

And now what's happening? Instead of speeding up as it should, the home building rate is steadily falling off. We're further than ever from a solution of the shortage.

THE SLUMS ARE STILL WITH US AND STILL INCREASING

Fallacy No. 2 was concocted by the Producers Council's imaginative researchers. In a pamphlet entitled "Our Housing Improvement Since 1940" here is what they say: "There has been a spectacular improvement in the quality and usability of the existing supply of housing, so that far fewer families today are living under conditions that can be described as 'substandard' than at any past time." This remarkable deduction was arrived at by a truly spectacular manipulation of some very thin and questionable data.

Since the 1940 census of housing, however, a number of cities have made very refined and exhaustive door-to-door and room-by-room surveys of their slums and blighted areas, using the most scientific procedures ever yet devised, the appraisal method for measuring the quality of housing, sponsored by the American Public Health Association. And in every city for which the results are available—New Haven, Philadelphia, Milwaukee, and also in Baltimore where another type of method was used—it is clear that the homes requiring outright demolition in the interests of public health and welfare are about the same or a larger number than appeared to be the case in 1940. An interesting and conclusive analysis of the Milwaukee survey, highlighting these sad conclusions, was inserted in the CONGRESSIONAL RECORD on April 14 by Congressman BIEMILLER, of Wisconsin.

SPECULATIVE BUILDERS ARE ONLY REACHING THE RICHEST THIRD OF THE POPULATION, AND THE ECONOMY HOUSE IS NO ANSWER

Of all the claims made by real-estate propagandists, one of the most fantastic is the notion that private builders are producing homes within the reach of everybody's pocketbooks. About a year ago the Construction Industry Information Committee issued a release saying, "the private building industry provided new homes in proper proportions during 1947 for families in every income group except the lowest tenth and the highest fifth of the country's income brackets." The false and fancy statistics on which this ridiculous claim was made were refuted and discredited at the time in a statement which I included in the CONGRESSIONAL RECORD on March 15, 1948.

But now Mr. Robert Gerholz, chairman of the Realtors' Washington Committee of the National Association of Real Estate Boards, says blandly that "the building industry is returning to its prewar pattern of construction for all income brackets wherever the demand exists, with the natural emphasis on the economy house" (April 15, 1949).

Well, even the Federal Housing Administration admits that the median income of nonfarm families is around $3,000, and that a family with $3,000 should not pay more than $6,000 for a house, in some cases less. Which means that at least half of our nonfarm families would need houses costing less than $6,000 if they were to buy on the speculative market.

And even $6,000 houses are very few and far between, despite all the economy house promotional fanfare, and even if you could find one it would very likely be an unfinished shell, a tiny box not big enought for a garage or a few cows let alone a normal family with two or three children. A good analysis of this economy house, and its dangerously low-living standards, was inserted in the CONGRESSIONAL RECORD by Congressman MITCHELL, of Washington, on May 9, 1949. This analysis proves that the economy house experience is no argument for lowering the cost limitations for public housing as included in H. R. 4009. Quite the contrary, it proves beyond question that they must be maintained as is.

But in any case, all the evidence shows that the speculative builders, today as well as throughout the past several decades, hardly ever reach a family that is not in the top third income bracket.

"What is happening in the field from $6,000 to $9,000 houses," said Senator CAIN, of Washington, during the Senate hearings on the housing bill to a Midwestern bank president, representing the American Bankers Association. "I see no houses in that field in the fourth Federal reserve district," was the reply.

And here is what Mayor Van Antwerp, of Detroit, said at the recent convention of the

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United States conference of mayors in Washington:

"How many times during the past 3 years have you read in the real-estate section of your Sunday paper that the private home builders were on the verge of producing the low-cost home on a volume basis? Officials of the FHA and the heads of the home builders associations have been singing this theme song for years. The current version of this campaign is the FHA-sponsored $6,000 economy house. During the year 1948, more than 90 percent of all new homes built in Detroit were priced in the $10,000 and higher brackets. Most so-called economy houses on careful scrutiny turn out to be either a glorified garage or a partially completed house constructed in Mudville several miles beyond the corporate limits of your city."

A REAL HOUSING PROGRAM WAS BADLY NEEDED IN 1946, 1947, AND 1948; IT'S AN ABSOLUTE NECESSITY TODAY

All during the campaign against the Wagner-Ellender-Taft bill of the Seventy-ninth Congress, and the Taft-Ellender-Wagner bill of the Eightieth Congress, the real-estate lobby played one tune in perfect unison. "Public housing and slum clearance would be inflationary." Often the intended impression was that they were not against the principle of better housing and getting rid of slums. Oh, no, indeed, but not now. This is the wrong time.

And most of the 1949 antihousing bill pamphlets which have been strewn around by the thousands still sing the same song. The implication throughout is summed up by the United States Savings and Loan League in a little leaflet called the Dangers of Public Housing, as follows: "Billions more would be added to our dangerously high Federal debt and more fuel—more credit—would be thrown on the flames of inflation."

But when it came to battling against rent controls, or getting easier credit for speculative building, the tune was entirely different. The Washington Newsletter of the National Association of Home Builders for March 9, 1949, remarked that "there are disturbing signs of a slackening in the tempo of housing production in recent months. * * * The time has come when national policy must be directed, not to the problem of checking inflation, but to the problem of preventing deflation in our economy." So this was the line in the hearings on rent control. And now the quick change around is complete as the opponents of H. R. 4009 advance economy as their major ally in their attempt to defeat the measure.

So it's the same story either way. No use fixing the roof when it isn't raining, and you can't fix it when it is raining.

But the truth, by contrast with this double talk, is quite different.

If we need housing, we need housing. And if we have needed a bold housing program ever since 1945, we need it doubly now. For by now it is absolutely clear as crystal that private enterprise will not and cannot solve the housing shortage by itself, that private enterprise will not and cannot get rid of the slums, that private home-building enterprise can only serve a very limited segment of the housing market, has already met most of that market for the immediate present, and is therefore declining.

The Bureau of Labor Statistics reported that in the first quarter of 1949 the "starts" in nonfarm dwelling construction were 12 percent under the number started in the same period last year. This single fact, together with other downward shifts visible in our economy at present, simply makes the need for housing legislation as imperative from the over-all fiscal viewpoint as it always has been from the social viewpoint.

The evidence is all in: There are 20,000,000 words of it in congressional hearings since 1944. The people want it. On April 24 Elmo Roper summed up the results of local and Nation-wide opinion surveys on housing as follows: "If there is a mandate for the Eighty-first Congress on any issue, the mandate on housing is perhaps the clearest of all. The people want their Congress to expedite the building of new homes. Majorities want a program of slum clearance and low-cost public housing."

Let's get busy and pass H. R. 4009, which will shortly be before this body.

Milton Horace West

MEMORIAL ADDRESS

OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1949

On the life, character, and public service of Hon. MILTON HORACE WEST, late a Representative from the State of Texas

Mr. KEOGH. Mr. Speaker, MILTON H. WEST was one of the most conscientious and effective legislators to have been sent to the House from Texas, which has produced so many vigorous public servants in the National Legislature.

He was destined to follow to Congress one of the most respected and beloved of Texans—John Nance Garner. When Mr. Garner, who had been Speaker, resigned his seat in the House to become Vice President, Mr. WEST was chosen in a special election, April 22, 1933. His task was a difficult one. But he did not suffer by comparison with his illustrious predecessor.

MILTON WEST had a solid Texas background, and it stood him in good stead, assisting him in maintaining balance among the swirling currents of controversy in Washington.

A native of El Rancho, Tex., he attended the West Texas Military Academy in San Antonio. Then, at 22, he enlisted in Company C of the Frontier Battalion of the Texas Rangers. That was in 1911. In this superb, rigorous service, he spent nearly 2 years.

Attracted by the law, he gave up his role in its enforcement to study its interpretation. In a law office in Floresville, Tex., he received a sound, practical grounding in the legal principles of his Nation and his State. He was admitted to the Texas bar in 1915 and began practice in Floresville, where he remained until 1917. In that year, he moved to Brownsville, which was to remain his home until his untimely death.

Mr. WEST maintained a successful practice in Brownsville and became a highly regarded member of the community. In 1922, he offered his legal talents to the public as a whole in the election for district attorney. His qualifications were recognized at once, and the voters chose him as prosecutor for the Twenty-eighth Judicial District of Texas. He discharged the responsibilities of his post capably and served until 1925. After a brief return to private life, he became a prosecutor again in 1927 as assistant district attorney for the same district.

Then, in 1930, he resigned to be a candidate for the State legislature. He was successful and had useful service in that body until his election to the House.

MILTON WEST displayed early in his congressional career a grasp of the intricate and vital problems of Government finance. During much of his time on Capitol Hill, he was occupied with the tedious but supremely important task of finding adequate revenue to operate the huge Federal establishment. In his years as a member of the Ways and Means Committee of the House, his colleagues came increasingly to rely on his sound judgment.

He not only had an important hand in writing numerous tax measures in the program of internal revenue raising, but also found time to make exhaustive studies of the tariff structure.

Despite the ill health of his last years, he strove to discharge his responsibilities to the best of his ability. He continued to give his district effective representation and still was a valued Member of the House when, in January 1948, he made the announcement that saddened his friends, both in Texas and in Washington. MILTON WEST declared at that time that he would not be a candidate for reelection.

When he died, October 28, 1948, the House lost one of its most valued legislative workmen. He brought to Congress a methodical, discerning mind, a high devotion to responsibility, and a modesty and friendliness which combined in his passing to produce a sharp sense of loss among his colleagues and a deep feeling of sympathy for his widow and lawyer son.

Low-Income Housing

EXTENSION OF REMARKS

OF

HON. JOHN F. KENNEDY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. KENNEDY. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include herewith a statement made by the Right Reverend Monsignor John O'Grady, secretary of the National Conference of Catholic Charities, before the House Committee on Banking and Currency, on H. R. 4009:

STATEMENT OF RT. REV. MSGR. JOHN O'GRADY, SECRETARY, NATIONAL CONFERENCE OF CATHOLIC CHARITIES, BEFORE THE HOUSE COMMITTEE ON BANKING AND CURRENCY, CONSIDERING H. R. 4009, MAY 9, 1949

Those of us who campaigned for the United States Housing Act of 1937 regarded it as part of a program to provide decent housing for families in the low-income brackets. We have endeavored to evaluate the program from the standpoint of this basic objective. In our campaign for H. R. 4009 we want to emphasize the same basic objective. I am not appearing before this committee therefore to ask for governmental housing for single people, for the aged, for

retired people. I have come to make a plea for actual wage-earning families in the low-income brackets.

I have always been strongly opposed to a needs test for the admission of families to public-housing units. I believe that a needs test is demoralizing. I believe that bringing together into one community a considerable number of relief families would create a very unnatural community. I believe that the community so created would bear many of the earmarks of a poorhouse. It would not have the kind of leadership that a community needs for the fullest development of its members. Very many relief families are broken families. Usually the head of the family has been separated from the home by death, divorce, or desertion. There is nobody in such a family who can take any large part in community activities.

PUBLIC HOUSING—A PREPARATION FOR HOME OWNERSHIP

Those of us who have been interested in public housing have always regarded it as a means of building up families, of improving their standard of life. We have therefore regarded their period of residence in the public-housing project as a sort of preparation for home ownership and I have been impressed during my visits to public-housing projects in Chicago and Cleveland during the past 2 weeks with the number of residents who are really preparing themselves for home ownership. They were not satisfied to remain permanently in the projects. They wanted to realize the ideal of every American, namely, the ownership of their own home. Here are some illustrations that I secured from a housing project in Cleveland during the past week.

The A family—husband, wife, and three preschool boys—moved into a dwelling in the public-housing project in 1938. Mr. A was employed in the shipping department of a wholesale hardware store at a salary of $1,500 per year. The family participated in the activities at the community center which in addition to social evenings included classes in budgeting, homemaking, child care, etc. When better employment was available, Mr. A accepted a job with increased earnings. With the experience of having learned to live within a limited budget, the family was able to save enough money by February 1945 to purchase a home. This meant effort and sacrifice for by 1945 there were six sons in the family and over the years of higher income there was proportionately higher rent. The A family purchased a well-built old house on a large lot in the suburbs. A chicken house was also included.

The B family—husband and wife—moved into the project in 1939. Mr. B was a clerk in a telegraph office with salary of $1,176. Both Mr. and Mrs. B were interested in civic and community activities. During the war when the Nation became garden-minded, they were among the first gardeners on the 20 x 20 plats provided by the project. The family's financial condition improved and when Mr. B was accepted as an employee of the United States post office in 1945, they made a down payment on a pretty badly neglected house in a nearby town. Neighbors from the project helped Mr. and Mrs. B put the property in condition. It was only necessary for them to employ help for skilled jobs such as plumbing and electrical repairs.

It has been the basic ideal of the managers of public-housing projects all over the country to encourage a spirit of self-help among the occupants. They keep on reminding the people that they should be looking ahead to the time when they would own their own homes. For this reason the public-housing projects are concerned basically with ordinary low-income wage-earning families. They've been concerned principally with families above the poverty level rather than with those that have already reached this level.

PROVISION FOR LARGE FAMILIES

As I have moved around in the various public-housing projects in different cities in the United States, I have been greatly concerned about what I have heard in regard to one-room or two-room units. I kept on asking the managers of these projects why it was they had so many one-room and two-room units. They have reminded me that this was due to the cost limitations imposed by the United States Housing Act of 1937. The cost limits imposed by the act ranged from $1,000 to $1,250 per room depending on the size of the city. I am glad to know that H. R. 4009 provides a uniform cost limitation of $1,750. In order to meet the higher cost in some areas the public-housing authority would be authorized to increase cost limitations by not more than $750 per room. This increase in cost limits is made necessary by the increased cost of construction today compared with 1937. It is also made necessary by the increased need for providing housing for large families. This is a situation that we must consider more and more realistically. We must keep it in mind not only in public housing but also in private housing with loans insured by the Federal Housing Administration.

I am sure that this committee has been reminded of the general prejudice against families with children in privately operated housing projects throughout the entire country. This is something to which we must constantly keep on calling the attention of the American people. It is one of the great threats to family life in our country. A recent report of the Baltimore Housing Authority showed that 173 units advertised for rent on a particular day, two-thirds had restrictions on children. In more than four-fifths of the 116 units with restrictions on children, no children at all were permitted and in the remaining fifth tenants were not accepted if they had more than one child.

BASIC OBJECTIVES OF PUBLIC HOUSING PROGRAM

In all the discussions of this bill as it moves through the Congress I hope it will be made clear that it is designed fundamentally to meet the housing needs of ordinary families with children, in the low-earning income brackets. The agencies charged with the administration of the program will also have to be steadily reminded of its fundamental objectives. The proper administration of this section of the bill would provide a constant reminder to privately financed and operated housing projects of the importance of adequate family housing facilities in the life of the Nation. This is a topic that calls for much greater attention than it is receiving at the present time. I wonder how one can house families in the 13-foot economy houses that are being built in a number of cities at the present time?

I would commend this topic for discussion and study by the National Association of Real Estate Boards, the National Association of Home Builders, and to the Producers' Council. I wonder how far their economy houses are designed to meet the need of our country.

There is a great deal of experience available in regard to the types of common activities carried on in normal American homes at the present time that would be invaluable in planning future housing programs. This is one of the fields that might be explored by the Housing and Home Finance Agency under the research program provided for in H. R. 4009.

PRESENT INCOME LEVELS FOR ADMISSION TO PROJECTS TOO LOW

From my observations of the operation of public housing projects I feel that the local authorities have been quite conservative in setting the income levels necessary for admission to the projects as well as the levels necessary for continued occupancy. I feel that the income levels set in a great many communities are making it difficult for ordinary wage earners in the low-income brackets to secure admission to the projects. The income level in Chicago is $2,100 a year. In Chicago, however, the lowest income for unskilled wage earners ranges around $2,200. The highest income for admission to the housing projects in Cleveland is $1,900, whereas unskilled wage earners in Cleveland are earning $2,000 or more. Those in charge of the housing projects constantly emphasize the larger problems brought about by the increase in the number of relief families in the projects.

THE BALTIMORE HOUSING SANITATION AND REPAIR PROGRAM

Those who are opposed to public housing apparently have discovered a new substitute within the past week. For the million and fifty thousand public housing units provided for in H. R. 4009 they would substitute a large sanitation program similar to the one that has been in operation in Baltimore during the past 2 years. However, they underestimate the enormous difficulties involved in getting such a program under way. The propaganda leaves one with the impression that all that is necessary is for the city health departments to announce their determination to enforce rigidly their sanitary codes within the next few weeks and then go out and condemn all the houses that do not measure up to these codes. The question might readily be asked what will the city do with the people who are living in these unsanitary homes at the present time. The only reason why the codes are not being enforced is because housing is not available for the people who are living in the slums. Baltimore has been able to put over its program first because of the educational campaign conducted by the Baltimore Sun in 1945. As a result of this campaign the city health department was able to secure a staff in 1947 which took over the housing sanitation and repair program. It would have been an easy matter for them to have immediately gone out and condemned their 65,000 substandard housing units. Instead of this, they organized an educational program to get the owners to make repairs necessary to bring the houses up to minimum standards. They prevailed on them to cut down the old wooden fences in their back yards; then induced them to clean up the filth and refuse. In place of filthy back yards they have substituted play centers for the children. The old wooden fences have been replaced by wire fences inside of which the tenants have been encouraged to develop their own flower gardens.

In going over the houses that have been repaired under the leadership of the Baltimore Health Department one is impressed with the character of the houses—some were very well built originally and are still in good structural condition. This group represents the type of houses that will have to be used by Baltimore and other cities for many years to come. There is another type of house that was originally poorly constructed and was permitted to deteriorate through the years. Owners were receiving good incomes from these houses without making any repairs. The walls were very dirty, the roofs leaked, the stairways were rickety and unsafe. Many of them had no inside toilets. Under the housing sanitation and repair program these houses were given a minimum amount of repair. Inside toilets were built, stairways were made safe, roofs were repaired. In a number of instances the tenants were encouraged by what the landlords had done, to do excellent paint jobs on the houses. This has been one of the striking characteristics of the Baltimore program—the land-

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lords have shown an interest in improving their houses and the tenants have been encouraged by their example to go them one better.

As I discussed the sanitation and repair program with a number of people in various sections of Baltimore, I met some home owners who have been influenced by the repair program in their neighborhoods to make improvements in their own properties. For instance, one home owner told me that the health department had ordered him to tear down the old wooden fence to the rear of his home. He said that he was going to build a new wire fence and have a flower garden like those of his neighbors. "You know," he said, "this neighborhood looks so much better. The people seem to be taking a pride in keeping it clean. The health department has done us a great service."

The housing sanitation and repair program in Baltimore has not been carried out by landlords without profit to themselves. They have had permission from the local rent control board to increase the rents. From what I could gather from my tour of inspection the increase in rents varied all the way from 20 to 75 percent. This represented a considerable increase but the tenants didn't seem to complain about it; they seemed to take the attitude that things were so much better, it was worth it.

The Baltimore program has been built on a solid educational foundation and the people in the city are interested in it. The city government has been wide awake to its possibilities. There has been very close collaboration on the part of the health department, the housing authority, and the police department in carrying out the program.

The Baltimore program should be studied by other cities in the United States. It has many possibilities. It has very distinct assets in the use of the existing housing resources. It cannot, however, by any stretch of the imagination, be regarded as a substitute for a long-range and greatly expanded public housing program such as is contemplated under H. R. 4009. Many of the houses that have been repaired will have to be torn down within a few years. They have really outlived their usefulness. The housing sanitation and repair program does not meet the acute housing shortage for the people in the low-income groups in Baltimore any more than it would meet their needs in any city in the United States. Baltimore has been going ahead with the slum-clearing program. It can and must redevelop home areas within its boundaries. A great many public improvements are being held up because there is no place to house the people that must be displaced by these improvements. The Baltimore program is to a very considerable extent a temporary device. It will make certain slum areas a little better until such time as the city is ready to provide new housing for their inhabitants. It has made owners of slum properties more conscious of their obligations to keep these properties in habitable condition. It has made the citizens more conscious of the serious housing conditions that have confronted them for many years.

FARM HOUSING

Farm housing is an essential part of any national housing program. We have slums in the country as well as in the city. We have some five million marginal farmers who have inadequate farms and inadequate farm equipment. We have large numbers of tenants and share croppers living under the most primitive conditions and operating under a one-crop economy. The Farmers Home Administration is making a far-reaching contribution in building up more adequate programs for marginal farmers. It is helping large numbers of tenant farmers to grow their own subsistence crops, to improve their agricultural methods, and to attain more security of tenure. Under the Bankhead-Jones Act it is also helping to build up a program of farm ownership. The farm-housing title of H. R. 4009 will be a very useful addition to the program already administered by the Farmers Home Administration.

On the farm, the house occupies a different position from the one that it occupies in the city. In the country, the house in which the family lives is an essential part of the farm economy. Housing for the family cannot be separated from housing for livestock. Housing is an essential part of the farm plan. In the administration of the farm-housing section of H. R. 4009, the Department of Agriculture and the Farmers Home Administration will want to consider the farmers housing as part of an over-all plan. They will want to make sure that the farmer, in addition to proper housing, has an adequate amount of tillable land, that he is taking the necessary steps to build up his land, that he has adequate farm equipment, that he is developing adequate subsistence for his family and for his livestock. I am sure that in making grants or loans for the improvement of the homes of tenant farmers or share croppers the Administration will see to it that proper steps are taken for the improvement of the working conditions and standards of life of the tenants and the share croppers.

MIGRATORY AGRICULTURAL WORKERS

There is an aspect of farm housing which I am sure this committee is not overlooking. It involves the question of housing for nearly a million migratory agricultural workers who are engaged every year in harvesting quality fruit and agricultural crops. These workers are compelled each year to migrate long distances. They live in broken-down shacks that have been abandoned for many years or on the roadsides and in the ditches. They set up temporary shelters on the nearest available space.

In recent years the Government has erected some 52 permanent camps for migratory workers. Congress has now ordered the Department of Agriculture to dispose of these camps. In a number of places, the Department has leased the camps to local housing authorities or to farm owners and operators. I would recommend that the camps be turned over to the public housing authority in the Housing and Home Finance Agency, to be disposed of in the same way as the urban housing projects and the temporary housing projects built during the war.

SLUM CLEARANCE AND COMMUNITY DEVELOPMENT AND REDEVELOPMENT

The title of this bill dealing with slum clearance and community development and redevelopment is bound to have a far-reaching influence on the future development of American cities and on American community life as a whole. We are all aware of the process of deterioration that has been at work in American cities in recent years. We know what the slums have meant in undermining family life and the welfare of American communities. Some progress has been made in recent years in the elimination of slums. Many cities have made considerable progress in improving their downtown areas. So far, however, American cities have not been able to make any far-reaching plans for their redevelopment.

While deteriorating at their centers, American cities have spread out over wider and wider areas. The cost of maintaining blighted areas has far exceeded the tax returns in these areas. The extension of the cities over larger areas has increased by leaps and bounds the cost of all utilities and services.

The increase of traffic in the past few years has really brought the problems of urban redevelopment to a crisis. It has necessitated the development of a larger number of high-speed highways. It has meant the building of more bridges. These two developments have called for the elimination of a considerable number of housing units and cities have been compelled to take steps for the rehousing of the people displaced by these new improvements.

The demand for new hospitals and school facilities and for more playgrounds has made it necessary to eliminate a very considerable number of housing units. This also has presented cities with problems of relocation.

Since the war a great many new city developments have been held up because the cities had no means of relocating the people living in the areas.

In recent years an increasing number of our cities have been going ahead with plans for redevelopment. They have been using their right to acquire, by process of eminent domain, privately owned land for public purposes and also for resale to private builders. The slum-clearance and community development and redevelopment provisions of H. R. 4009 will therefore fulfill a long-felt need in American cities. The bill would permit the Federal Government to pay two-thirds of the difference between the present value of the land and its value after it has been cleared and made ready for rebuilding. It should be made clear in the legislative history of this bill that the land should be available for purchase not only for public housing, private housing, and general public facilities such as schools and recreation, but also for the facilities of voluntary groups including churches, private schools, and other facilities operated by voluntary groups that are regarded as part of the pattern of American community life.

PUBLIC HOUSING PROGRAM CONFINED TO LOW-INCOME GROUP

Title II of H. R. 4009 deals exclusively with low-rent public housing. It provides for a large-scale public-housing program to meet the needs of families in the lower-wage brackets. It should be made clear in all our discussions of this bill that public housing should be confined to low-income groups. I want to make it clear that I am absolutely and irrevocably opposed to public housing for middle-income groups. Now, if this is the intent of H. R. 4009, how can it be reconciled with section 506, dealing with the conversion of State low-rent or veterans' housing projects. As I understand it, these projects now are designed to serve the needs of the middle-income groups. Now, if H. R. 4009 is to enter into the field of housing for middle-income groups in the States in which these projects have been developed, why not in all the other States? In all our discussions of these projects in the States in which they have been set up, it was my understanding that they were to serve the needs of groups above those covered by low-rent public housing. I believe I have said enough to make my point of view clear about the desirability of converting State low-rent veterans' housing projects to make them available for assistance under H. R. 4009.

MEETING THE NEEDS OF MIDDLE-INCOME GROUPS

As I understand it, there has been virtually unanimous agreement among the public interest groups that have concerned themselves about housing, in regard to the program for middle-income groups. The representatives of the A. F. of L. and the CIO have made it clear that they do not want a subsidy for middle-income groups and I am sure that they are speaking for their members. They want Government to aid voluntary cooperative effort in this field. They want direct Federal loans on the basis of 100 percent of the value of the project; they want the going Federal rate of interest; they want a mortgage life of 60 years, or the useful life of the houses; they want an independent constituent agency within the

framework of the Housing and Home Finance Agency. This program is being supported quite generally by public interest groups throughout the Nation. I want to add my support to it, and the support of the various social and charitable organizations of our church, for which I speak.

The committee already has a bill that was introduced by one of its members, Congressman BUCHANAN, of Pennsylvania, which pretty well represents the thinking of the public-interest groups in regard to middle-income families. The bill needs a few amendments in order to bring it up to date with the latest developments.

HOUSING RESEARCH

There seems to be universal agreement in regard to title III of H. R. 4009, dealing with housing research. All recent discussions of housing show the need for more research in the field. As I pointed out earlier, we need to have more research, not only on the technological aspects of housing, on methods of developing new materials, improved methods of building on site, but also on the characteristics of the housing supply, of the extent to which housing reached in recent years has been designed to serve the needs of families. We need more comprehensive local studies of housing; we need studies of the possibilities of voluntary cooperative effort in the housing field; we need more studies of rural housing as a part of a farm program and as a part of a constructive rural social program.

CITIZEN INTEREST IN HOUSING

One of the most encouraging signs of the times is the broadening of citizen interest in the housing field. This interest needs to be further stimulated on the local level. We need more and more interest on the part of the church in housing. It should be one of the important responsibilities of the various churches to stimulate more and more interest in constructive housing programs in their neighborhoods and in their communities.

LABOR'S INTEREST

It is encouraging to note the increased interest of labor in the housing field. It is naturally of vital concern to labor, as their participation is not only a contribution to their own members but also to the community as a whole. It is also encouraging to note the increasing interest of the veterans' organizations in constructive housing programs.

A CHALLENGE TO BUILDING ORGANIZATIONS

It is our hope now that the National Association of Real Estate Boards, the National Association of Home Builders, and the Producers' Council, as well as all the other building organizations, will join with labor and with the veterans' groups in promoting a cooperative housing program for middle-income groups. While they have opposed public housing for low-income groups, they have not been able to present any truly constructive suggestions on alternatives. Now they have an opportunity of joining with other groups in consigning public housing to its original objective and of struggling for the promotion of voluntary cooperative housing for the middle-income groups.

Treatment of Youthful Offenders

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. KEATING. Mr. Speaker, the period in life between 16 and 21 years of age is a focal source of crime. Thus, although those in this age bracket only constitute 15 percent of our population above the age of 15, they are responsible for about 36 percent of our robberies, 42 percent of our burglaries, and 53 percent of our automobile thefts. Boys from 17 to 21, inclusive, are arrested for major crimes (homicide, robbery, assault, burglary, larceny, and rape) in greater numbers than those of any other 5-year-age group. They are arrested for serious crimes three times as often as adults age 35 to 39 and six times as often as those 45 to 49.

More offenders are of age 21 than any other age. Twenty-year-olds come next and 19-year-olds next. Release from school with its attendant dislocations, vocational maladjustments, physical alterations, all these and other factors contribute to the result. Unquestionably, however, our existing methods of treating the criminally inclined youths are inadequate. Altogether too large a percentage of those released from existing reformatories and penal institutions ultimately become hardened criminals. Indeed, one sometimes wonders whether such institutions are not breeding places rather than burial grounds for criminal tendencies. Youth mixes with maturity, the novice with the old hand, the impressionable with the hardened. Substantial strides have been made in recent years toward a more scientific treatment of youthful offenders against Federal laws. Some classification and segregation of classes of delinquents is to be found. Through the effective work of probation officers, rehabilitation has frequently been effected. Nevertheless, much improvement along these lines is needed if we are to achieve anything approaching reasonable success in the solution of this important national problem.

To that end I have introduced today a bill to provide a comprehensive correction system for juvenile delinquents. It amends chapter 403 of title 18 of the United States Code, entitled "Crimes and Criminal Procedure," in the following principal respects:

The age of those subject to the provisions covering special treatment is raised from 18 to 21.

Under existing law, if a juvenile is found to be a delinquent and is committed to the custody of the Attorney General, the statute is silent regarding his treatment. This bill provides that the Attorney General shall establish classification centers and agencies. These centers shall make a complete study of each juvenile delinquent committed to the Attorney General, including a mental and physical examination, to ascertain his personal traits, his capacities, pertinent circumstances of his school, family life, any previous delinquency or criminal experience, and any mental or physical defect or other factor which may contribute to his delinquency. Within 30 days, the center shall forward to the Attorney General a report of its findings with respect to the juvenile delinquent and its recommendations as to his disposition.

It is further provided that these youthful offenders shall undergo treatment in institutions of either maximum, medium, or minimum security. These might include established penal institutions or reformatories or training schools, hospitals, farms, foster homes, forestry and other camps, and any other agencies which might provide the necessary variations of treatment.

An important additional provision requires that any such institutions and agencies under the control of the Department of Justice for the treatment of such delinquents shall be used only for that purpose insofar as practicable and that such delinquents shall be segregated from other offenders. It is also stipulated that the various classes of delinquents shall be segregated according to their need for treatment.

In the section of existing law dealing with their arrest and detention, there have been incorporated provisions which find their counterpart in the youthful offender law of the State of New York, which has pioneered in progressive legislation on this subject.

It is provided that no admission or confession made by a juvenile to the arresting officer, committing magistrate, the marshal, the district court, or any person designated to conduct an examination or investigation shall be admissible as evidence against him, except to the extent that the district court may take any such statement into consideration for the purpose of determining the probation or commitment of the juvenile if he has been adjudged delinquent.

Furthermore, the records of any youthful offender, including fingerprints, photographs, and physical description, shall not be open to public inspection, but shall be retained as confidential matter. A district court order shall be necessary to obtain an inspection of such records.

Finally, the bill provides for a chief parole officer, appointed by the attorney general, to supervise and administer the parole system with respect to juvenile delinquents in accordance with the policies laid down by the board of parole.

Hon. Daniel J. O'Mara, the county judge of the county of Monroe, N. Y., who was the father of the New York State law dealing with this subject, has written me that since the youthful offender law became effective it has been successful in approximately 85 percent of the cases and that only 15 percent of those adjudicated as youthful offenders have again become involved in criminal activities.

In contrast to this fine record is a study made covering the inmates of one of the Federal reformitories showing that during 5 years subsequent to parole from that institution approximately 80 percent of those whose conduct record could be traced were again offenders and 44 percent committed such serious crimes that they were sentenced to penal institutions.

It is difficult to trace the records of offenders with accuracy, but it is roughly estimated that at the present time 70 percent of our youthful offenders develop into hardened criminals. This is an indictment not alone of them, but of us. It has been demonstrated that

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this percentage can conservatively be reversed and that 70 percent can be rehabilitated and be made useful members of society. This problem raised by the small but unfortunate segment of our young people who fall into antisocial tendencies presents an inspiring challenge—a saving in dollars and cents, yes, but vastly more important, a saving of human values and a strengthening of the basic foundations of our society. We should do our ful' part to make the youth of today worthy successors to the priceless heritage which we enjoy in our free institutions and our American way of life. The bill which I have today introduced is intended to be a step in this direction.

National Conference on American Foreign Policy

EXTENSION OF REMARKS
OF
HON. JOHN F. KENNEDY
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. KENNEDY. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herewith a letter to the editor of the Evening Star, contained in the April 2, 1949, issue, signed by Bernard Weitzer, national legislative representative of the Jewish War Veterans of the United States:

PRAISES STATE DEPARTMENT CONFERENCE

To the EDITOR OF THE STAR:

I had the pleasure recently, of attending a 3-day conference held in the State Department, March 17–19. Back of the simple program title "National Conference on American Foreign Policy" is one of those illustrations of American democracy at work which would be astonishing anywhere else in the world and utterly impossible behind the iron curtain where they constantly jeer at American democracy. In attendance were representatives of some 200 civilian organizations—veterans organizations, church groups, educational organizations, professional societies, labor unions, trade associations, almost very kind of group which has any interest in public affairs.

Before these representatives appeared Secretary of State Dean Acheson and his top colleagues such as James E. Webb, Under Secretary of State; Willard L. Thorp, Assistant Secretary for Economic Affairs; Dean Rusk, Assistant Secretary for Political Affairs; Charles E. Bohlen, Counselor to the Department; Ernest A. Gross, Assistant Secretary for Congressional Relations; George V. Allen, Assistant Secretary for Public Affairs; Philip C. Jessup, ambassador at large, and many other top-ranking officials of our State Department.

These public servants were there not merely to render a full and frank accounting of their handling of foreign policy and to explain how and why those policies were instituted and the way in which they were being carried out but also to answer any and all questions, many of which were searching and critical. They made clear that they were seeking the reactions, the comments, and the guidance of the plain citizens of the country in formulating and carrying out foreign policy.

Can anyone imagine Mr. Vishinsky and his lieutenants conducting such a program in the Kremlin, answering questions and receiving criticisms from their citizens?

BERNARD WEITZER,
National Legislative Representative, Jewish War Veterans of the United States of America.

New York Times Supports Modification of Superseniority Provisions of Veterans' Preference Act

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. KLEIN. Mr. Speaker, since February 7 I have had pending before the House H. R. 2446, a moderate proposal for modifying the so-called superseniority laid down in the Veterans' Preference Act of 1944 in such a way as to make the Civil Service System and the mandates of the Veterans' Preference Act less incompatible. A similar proposal, S. 660, differing from my bill in some particulars but aiming at the same end, is pending in the other body.

I feel quite sure that there is not a Member on this floor who has not acquired a personal acquaintance with the inequities of absolute veteran preference in relation to career employees of the Federal Government. Furthermore, the act is deficient in not giving priority in retention to badly disabled veterans regardless of status.

The only modification of prevailing practice in my measure is in security of tenure. Veterans' preference in computing eligibility ratings would remain untouched.

I have been pleased to discover that opposition from veteran organizations has been on a high level, and from individuals not only on a high level of debate but very sparse. Indeed, a few veterans have agreed as to the merits of the bill.

Now I am happy to lay before the House the active support and endorsement of the principles of H. R. 2446, of the New York Times, which is perhaps the most influential newspaper in the United States among national leaders of all walks of life. Many Members of Congress will be surprised, if they will read the Veterans' Preference Act carefully, to discover how sweeping are its provisions.

I hope that al. Members will read the editorial from the New York Times of June 6, 1949, the text of which follows:

VETERANS' PREFERENCE

Under the Veterans' Preference Act of 1944 veterans receive virtually an absolute preference in Federal job retention. No provision is made for length of service, efficiency ratings, or special qualifications which nonveteran employees may possess. In any reduction of personnel, such as is now in progress, a veteran having achieved a permanent status of even a day's duration must be retained until all nonveterans in his classification have been discharged.

The law violates several concepts we have been taught to regard, among them the principle of equality of opportunity and the civil-service ideal that ability should be the criterion in public employment. It infringes the concept of administrative responsibility, for how can an administrator be called to account when he cannot retain employees on the basis of their worth?

In creating this preference during the war, Congress seemed to forget that many persons were either too young or too old to go to war, that millions of military age were "frozen" in essential jobs, and that the sacrifices of some at home may have been as great as that of many for whom the blanket preference was conferred. Eight thousand dismissals have been ordered in the Veterans' Administration. Among those dismissed in the claims division of the New York regional office is the widowed mother of a Navy veteran who has served faithfully for 23 years.

While powerful voices will defend a law that permits such discrimination, we feel sure there are many veterans who regard their patriotic service as a matter of citizenship and not as something that in perpetuity entitles them to preferment. No question is involved here of the duty to care properly for the war disabled.

Career employees have obtained through Representative ARTHUR KLEIN a bill that would retain the veterans' point advantage on appointments and would leave intact preference in retention for amputees and blind veterans. Able-bodied veterans, however, would have preference in retention only for the first 7 years of service and thereafter would compete on a merit basis with nonveteran career employees. It would be naive to expect Congress to rescind all the preference in the present law. It should be willing, however, to make the slight concessions to the careerists that the Klein bill provides

Mr. Speaker, I believe that many Members would like to know just what the language of this bill, so highly spoken of by the Times, provides, and accordingly I am including the brief text of the measure. I do want to say that I am not married to this precise language; what I do hope for is actual passage in this session of a new law which will do two things: Protect the equities of the permanent classified civil-service employees in this country, and in so doing protect the merit system we have been so long in building; and give greater protection in tenure to the veterans who have disability ratings of 60 percent or more, since these men are virtually unemployable in private enterprises.

The text of H. R. 2446 follows:

H. R. 2446

A bill to amend the Veterans' Preference Act of 1944 and to preserve the equities of permanent classified civil-service employees of the United States

Be it enacted, etc., That section 12 of Public Law 359, Seventy-eighth Congress, approved June 27, 1944, is hereby amended to read as follows:

"SEC. 12. In any reduction in personnel in any civilian service of any Federal agency, competing employees shall be released in accordance with Civil Service Commission regulations which shall give due effect to tenure of employment, military preference, length of service, and efficiency ratings: *Provided*, That the length of time spent in active service in the armed forces of the United States of each such employee shall be credited in computing length of total service: *Provided further*, That preference employees whose efficiency ratings are 'good'

or better shall be retained in preference to all other competing employees with less then 7 years of total service and that preference employees whose efficiency ratings are below 'good' shall be retained in preference to competing nonpreference employees with less than 7 years of total service who have equal or lower efficiency ratings: *Provided further,* That when any or all of the functions of any agency are transferred to, or when any agency is replaced by, some other agency, or agencies, that preference employees whose efficiency ratings are 'good' or better in the function or functions transferred or in the agency which is replaced by some other agency shall first be transferred to the replacing agency, or agencies, for employment in positions for which they are qualified, in preference to all other competing employees with less than 7 years of total service, and that all other competing employees shall then be transferred to the replacing agency or agencies, for employment in positions for which they are qualified, competing on an equal basis in accordance with length of service, tenure of employment, and efficiency ratings, before such agency, or agencies, shall appoint additional employees from any other source for such positions: *And provided further,* That, notwithstanding the above, any preference employee who has suffered the loss or the loss of use of a limb or an eye or both as a result of service in the armed forces of the United States, or who is receiving or entitled to receive disability compensation for a disability or disabilities 60 percent or more, whose efficiency rating is 'good' or better, shall be retained or transferred in preference to all other preference or nonpreference employees, regardless of the length of service of such employees."

John Holmes Overton

MEMORIAL ADDRESS
OF
HON. KEN REGAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1949

On the life, character, and public service of Hon. JOHN HOLMES OVERTON, late a Senator from the State of Louisiana

Mr. REGAN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following prayer in memorial to the late Senator JOHN HOLMES OVERTON:

A PRAYER FOR INSERTION IN THE CONGRESSIONAL RECORD IN MEMORIAL TO THE LATE SENATOR JOHN H. OVERTON

(Prepared at the request of Senator WILLIAM LANGER)

O God, in whom we live and move and have our being, we thank Thee for those who have finished their term of service in this earthly life and have left for us a good name and an inspiring example, and the fruit of their labors for the welfare of the state and the good of their fellow men. The souls of the righteous are in Thy hand. We thank Thee that Thou art righteous and just and that the least unselfish service rendered in Thy name will not be forgotten of Thee. We thank Thee for the imperishableness of all that is noble or worthy, and that despite all our earthly illusions of success and failure, every pure thought, every generous wish, every heartfelt word, still lives, and like the ripples in a stream goes broadening on through all time.

We thank Thee that our country has never lacked great and useful and wise leaders, and we praise Thee for the record and service of our departed colleague, JOHN OVERTON.

May the good causes which he espoused prevail and his good deeds be remembered and followed. May we all in our several measures and ways, like him, faithfully serve in our appointed duty, and may there never be lacking in this legislative body the fidelity and patriotism of which Thy departed servant has left for us so salient an example. We ask in the name and through the merits of Jesus Christ our Lord. Amen.

Palestine and Jerusalem—No Provision for Christians in That Area

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including a copy of a letter by the Reverend Weston, Anglican bishop in Jerusalem, addressed to the United Nations Conciliation Commission, Lausanne, Switzerland, under date of May 20, 1949, and also a copy of a letter from Timotheus, patriarch of Jerusalem, and others, addressed to the Secretary General, United Nations Organization, under date of May 12, 1949.

Mr. Speaker, this matter of the partition of Palestine and Jerusalem is highly important not only to the Jews and Muslims but to the Christian community as well. Bishop Weston points out that the existing partition has given a great deal to the Jew and left something for the Muslim but it has given nothing to the Christian but rather taken away most of what he had, and has left him little beyond a tolerated existence. Also, that under the present division the Arab quarters of the new state which have been ceded to or taken by the Jews are almost entirely the Christian Arab quarters. The German colony and other sections, now in Jewish hands, was Christian church property, on which the shrines and monasteries of the old city depended for their maintenance. It appears to be the universal feeling among Palestinian Christians that the nominally Christian powers of the west have almost cynically abandoned them to their fate because they are a politically inarticulate minority and will not in any case create civil disturbance.

Mr. Speaker, these remarks are not intended to state the Christian case for internationalization and for the benefit of the Christian only, but, as Bishop Weston has further stated, it is best for Jerusalem and Palestine as a whole. To partition Jerusalem now is to jettison all prior plans that had been made for internationalization of the city, and it is to render any other plans forever impossible. This is to deprive one of the spiritual centers of the world forever of any chance of a worthy physical setting.

ST. GEORGE'S CLOSE,
Jerusalem, May 20, 1949.

UNITED NATIONS CONCILIATION COMMISSION,
Lausanne, Switzerland.

GENTLEMEN: It is a matter of profound regret to me that owing to my temporary absence in England during most of April I had no opportunity to call upon the Commission in person, though I was glad to have the chance of a brief and unofficial conversation with Mr. Etheridge in Jerusalem in March. I write now because I am told by your remaining staff in Jerusalem that you would welcome a statement of my views in writing on the possible internationalization of Jerusalem. May I add that if, even at this late stage, the Commission should wish to see and put questions to me, I should be prepared to come to Lausanne for that purpose.

I would first call your attention to resolution 16 of the Lambeth Conference of last year, passed unanimously by a gathering of 329 bishops of the Anglican communion throughout the world, including 68 from the United States of America. As a member of that conference, I subscribe entirely to the resolution, which runs as follows:

"The conference feels deep concern for the future of Palestine; it prays that good order and peace may be restored to the land sacred to millions of Christians as well as to Muslims and Jews. It greatly appreciates the efforts made to restore peace and expresses its sympathy with all of every race, and particularly Christians of every church, who are suffering.

"The conference appeals to the nations of the world to deal with the problem not as one of expediency—political, strategic, or economic—but as a moral and spiritual question that touches a nerve center of the world's religious life. And for that reason it urges the United Nations to place Jerusalem and its immediate environs under permanent international control, with freedom of access to sacred places secured for the adherents of the three religions."

Nor is this a view of the Anglican Church only. The Near East Committee of the Foreign Missions Conference of the United States of America, and the Near and Middle East Committee of the Conference of Missionary Societies in Great Britain and Ireland, both of them bodies representing all the major non-Roman churches in their respective countries, have passed almost identical resolutions urging that Jerusalem be preserved as an international zone; while His Holiness the Pope, in his Good Friday encyclical, asked among other things for (1) an international regime for Jerusalem and its environs, (2) protection for all the holy places, in every part of Palestine, with a guaranty of free access thereto and of peaceful sojourn for the pilgrims.[1]

One is justified therefore in claiming that internationalization is desired by the overwhelming majority of the Christians of the world. If the voice of eastern Christianity has been less clearly heard, it is largely because eastern Christianity, muzzled under centuries of Muslim domination, has now, even if Jerusalem be internationalized, again to look forward either to Muslim or Jewish control in almost the whole Middle East. In spite of declarations of human rights, in spite of religious-freedom clauses in constitutions and treaties, in spite even of the notable pronouncement of Sir Mohammed Zafrullah Khan to the United Nations General Assembly (Paris, December 10, 1948), eastern Christendom knows well that religious freedom as interpreted in the west is a thing almost unknown in the Middle East, and indeed a thing contrary to the religious law alike of Islam and Judaism, which attaches civil penalties, e. g., loss of inheritance, to conversion to Christianity. It is within my own personal knowledge that the voice of local Christianity has been largely unheard by previous commissions on Palestine because local Christians dared not say what they really thought. And however much one may regret and deprecate such fear, one knows that it was not, and is not, groundless.

[1] Quoted from Weekly Times, April 20, 1949.

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It would seem that the only possible alternative to internationalization is the partition of the Holy City as well as the Holy Land—a partition which will presumably follow something like the present dividing line between the two armies. Granted that the practical and administrative difficulties of internationalization are great, will not the difficulties of any such partition be greater? With different languages, currencies, and laws, with widely divergent and, at the moment, bitterly antagonistic cultures and civilizations, and with a very marked difference both in standard of living and cost of living, any attempt to partition the city in peacetime is bound to lead not only to immeasurable inconvenience to peaceable citizens, and particularly foreigners, but also to an almost unimaginable orgy of smuggling, blockade running, currency-control evasion, and every form of underground profiteering, at which the less scrupulous on both sides would seek to outwit each other as well as the law. It is not a promising prospect for a city which for centuries has been, and should ever remain, a place of pilgrimage for non-Palestinians of every race and creed.

The problem is frequently spoken and written about as if it were primarily one of the preservation of the holy places. In my own view, there are six points which should be made clear:

1. There is no agreed definition of the term "holy place" and no agreed schedule of what are or are not holy places.

2. The specifically Christian holy places commonly alluded to as such are in no immediate danger either from Muslim or Jew, though the risk of friction between Christian bodies must be sadly admitted.

3. But there remains considerable risk of future conflict over places that are holy to more than one of the creeds.

4. It is quite untrue to say, as has often been said, that all the holy places are in the old city, and would, therefore, be safeguarded if the old city alone were internationalized.

5. There will in any case be an inescapable demand for some supra-national tribunal to protect and adjudicate on holy places, not only inside but outside Jerusalem—for example, Bethlehem, Nazareth, Jacob's Well, the Sea of Galilee.

6. Any such body would have its task very greatly facilitated if it were charged outright with the civil administration of the Jerusalem-Bethlehem area.[2]

But more than all these I would urge that the matter is not a problem of holy places alone. Important as they are, the possibility for the Christian to live his life in reasonable social and economic security and practice his creed "as of right and not on sufferance," is something far greater. The existing partition of Palestine and Jerusalem has given a great deal to the Jew and left something for the Moslem: It has given nothing to the Christian but rather taken away most of what he had, and left him little beyond a tolerated existence. It is significant that on the present division the Arab quarters of the new city which have been ceded to or taken by the Jews are almost entirely the Christian Arab quarters—the German colony, the Greek colony, Qatamon, the Upper Baka'a, and Talbiyeh, while much of the central part of the new city, now in Jewish hands, was Christian church property, on which the shrines and monasteries of the old city depended for their maintenance. Frankly, it is the universal feeling among Palestinian Christians that the nominally Christian powers of the west have almost cynically abandoned them to their fate because they are a politically inarticulate minority and will not in any case create civil disturbance.

But if I have tried to state the Christian case for internationalization, I should not wish it to be thought that this is only for the benefit of the Christian. I believe it to be the best for Jerusalem and for Palestine as a whole. "Jerusalem is built as a city that is at unity in itself." One of the last publications of the mandatory government was a book of plans for the future physical development of the city. To partition Jerusalem now is not only to jettison those plans; it is to render any other plans forever impossible, to deprive one of the spiritual centers of the world forever of any chance of a worthy physical setting.

Further, in a strife that has lasted for millenia between Isaac and Ishmael, Esau and Jacob, it is submitted that the Christian element has a valuable part to play as mediator. Previous commissions on Palestine have pointed out that only in Christian schools were Arabs and Jews found learning to work and play together. On the present partition basis, Christians (both Arab and Jewish) are being squeezed out of a country altogether; with an adequate international enclave—a laboratory in which to work out the world's problems of social reconciliation—the Christian element could and would return with new hope and new vigor, to help as a solvent of one of the world's oldest and deepest hatreds.

Believe me to be, gentlemen,
Yours faithfully,

WESTON,
Anglican Bishop in Jerusalem.

JERUSALEM, *May 12, 1949.*

The SECRETARY GENERAL, UNITED NATIONS ORGANIZATION.

SIR: As representing various Christian communities in Jerusalem, Palestine, and Transjordan, we are deeply interested in the question of the Palestine refugees, many of whom indeed are of our own flocks, displaced from those parts of Jerusalem and Palestine which are now in Jewish occupation. We are profoundly grateful for the material aid which has been rendered by the United Nations, first through Sir Raphael Cilento's committee, and now through that presided over by Mr. Griffis. The latter informed us quite definitely last January that the present relief scheme was planned to last only until the end of August, when presumably it would cease altogether whether any scheme of permanent resettlement had been devised or not. Now, however, we are informed that in all probability the available resources may enable the scheme to be continued for another 3 months.

We have ourselves endeavored to cooperate, so far as our resources allowed, with the work of the United Nations Organization, as with the International Red Cross, the League of Red Cross Societies, and the American Society of Friends, who are acting as its distributing agents. And we desire now to make representations with the utmost emphasis that to discontinue material aid at the end of November—i. e., just when the most severe climatic conditions begin and when the suffering of the underhoused and underclothed and underfed will be most intense—would amount to little short of what has come to be known as genocide.

If it is not possible before the coming winter either to come to some permanent settlement for the return of refugees to their own towns, villages, and lands, or, alternatively, to establish them elsewhere under conditions where they can earn their own living, then it is in our judgment absolutely essential that relief measures, not less but if anything in greater quantity and efficiency than those now in force, should be maintained at least through another winter.

We have the honor to be, sir,
Yours most respectfully,

TIMOTHEUS,
Patriarch of Jerusalem.
VINCENT GELAT,
Auxiliary Bishop of the Latin Patriarchate (R. C.)
JACOBUS,
Coptic Archbishop of Jerusalem and the Near East.
GUREGH II,
Armenian Patriarch of Jerusalem.
MEMHER KIDANA MARIAM,
Principal of the Ethiopian Convent.
Rev. F. T. BOULOS S. GELPH,
Vicar of the Syrian Metropolitan of Palestine and Transjordan.
WESTON,
Anglican Bishop in Jerusalem.

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[2] In this connection, I believe there would be a very strong desire for the neutral area to be extended to include the Christian town of Ramallah and the neighboring Christian villages of Bir Zeit and Jifnah.

Basing-Point Issue Analyzed by the Commentator—Mr. W. K. Kelsey "Debunks" Freight Absorption Arguments—the Detroit News' Ace Journalist Questions Legislation Designed To Repeal Laws Which Compel Competition—Supreme Court Has Merely Upheld FTC Enforcement of Fair Trade Laws, Mr. Kelsey Asserts

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EXTENSION OF REMARKS
OF

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. GROSS. Mr. Speaker, I have been greatly interested in the discussions of the basing-point system of pricing. The fact that the basing-point system enables a few members in many of our basic industries to create a monopoly causes me grave concern. In my work in the journalistic field in my native State of Iowa, I have learned of many of the methods which certain industries employ to suppress competition and control markets.

THE COMMENTATOR SPEAKS OUT AGAINST THE BASING-POINT SYSTEM

An article by Mr. W. K. Kelsey, appearing on the editorial page of the Detroit News for May 25, 1949, points out the restraining and monopolistic aspects of the basing-point system. Mr. Kelsey also effectively punctures the phony balloon of freight absorption as wafted about by the cement and steel industries in describing the basing-point system. I hope Mr. Kelsey's entire article will be carefully read by all of my colleagues. But particularly I call attention to the last paragraph of the article, in which Mr. Kelsey says:

The Commentator repeats that the gist of the matter is that Congress has passed laws to compel competition, the FTC has been enforcing these statutes, and the courts have upheld the FTC. If the people of the United States don't want competition in business, all they have to do is elect Members of Congress who will repeal that legislation. Maybe they have already elected them, unwittingly.

BASING-POINT ISSUE NOT A PARTISAN ONE

For my part, the issue has no partisan overtones. It is, to me, strictly a matter of the preservation of our free-enterprise system. It is strictly a matter of keeping open the channels of trade, wherein free competition, free markets, and free prices prevail and where smaller business enterprises may thrive and prosper.

Frankly, I am extremely skeptical of any legislation which permissively gives big business a cocked gun to aim at our antitrust enforcement agencies. Mr. Kelsey's article follows:

[From the Detroit News of May 25, 1949]

THE COMMENTATOR

(By W. K. Kelsey)

Irate defenders of the basing-point system of fixing prices have been blaming the Supreme Court for finding it illegal, and the Federal Trade Commission for attacking it on the ground that it constitutes conspiracy in restraint of trade.

The truth is that the FTC has been trying to enforce the statutes as it reads them, and the Supreme Court has merely held that the FTC's lawyers have read them correctly.

If businessmen don't like the laws passed by Congress to maintain competition, their remedy is to get the laws changed, not to assail the agencies of Government which interpret and enforce them.

This is prelude to a report in the Wall Street Journal that Pittsburgh is making a mighty effort to induce industries to locate in that city and its environs. It says:

"Pittsburgh's industrial and political leaders are well aware that the city turns out more steel than her fabricating companies consume, and they see trouble ahead unless new steel-using industries locate here.

"In boom years when supply is short, like the past decade, Pittsburgh's economy is not hurt by this 'oversupply' of steel. It can be sold to consumers in all parts of the country. But as the Nation's prosperity wave recedes, consumers will hunt mills nearer their plants to cut freight costs, and Pittsburgh's steel makers will have a hard time peddling their metal outside the area.

"Under the old basing-point system of pricing, Pittsburgh producers were able to sell their steel in other areas at competitive prices by absorbing freight costs themselves. But they generally discarded this system last year after the Supreme Court ruled it was illegal as used by the cement companies, so the burden of high freight costs falls on distant customers. With this price disadvantage—and steel getting harder to sell—Pittsburgh must find new customers close at hand."

Yeah. Or cut prices, and really compete.

WHO ABSORBS FREIGHT RATES?

A word as to the absorption of freight rates by the seller, under the basing-point system. Here is a quotation from a letter the Commentator has received from a defender of the practice:

"The heart of the basing-point system is that the seller farther from the buyer will absorb the difference in his freight charges and what the charges would be if the materials were sold and shipped by the nearest seller to that buyer. This means, for example, that the Detroit customer buying iron and steel could buy his iron at Cleveland, the nearest producer, or Pittsburgh, farther away, at the same delivered price to him in Detroit."

True; and he could buy it from a Detroit producer at the same price. All of which means that the price was fixed so that the seller would not lose by paying the freight to any point within the basing-point area. Who, then, paid the freight which was "absorbed" by the seller? The natural deduction is that most of it was paid by his nearby customers.

Therefore, Pittsburgh can now put up this argument:

"Locate your industry here, next door to the mills, because now you can buy f. o. b. mill at a price which doesn't include freight charges. You don't have to pay a price which would enable the mill to sell profitably in Cleveland or Detroit, since the buyers there are now paying their own freight."

BASING POINTS AND CONSPIRACY

How could the basing-point system be maintained without conspiracy on the part of sellers?

The magazine Business Week took up that question recently with Thurman Arnold, the Government's trust-buster in 1938–43. Mr. Arnold said:

"I don't think there ever has been the rule that you have to catch two people talking together before you can prove conspiracy. * * * A conspiracy is an illegal combination, or an illegal agreement, or an illegal concert of action. * * * I think if you read the opinion"—of the Supreme Court in the Rigid Steel Conduit case—"it was the same old one—that the producers were utilizing the basing-point system as a method of controlling prices. And the court said they can't do this.

"Now it often happens in an antitrust case that where machinery has been set up which has been used to control prices, the court will break down the machinery. * * * For instance, there has been a very famous oil case. There we had a policy on the part of the oil company not to deal with jobbers who weren't gentlemen. And it just so curiously happened that none of the gentlemanly jobbers they selected were price cutters. They may have fooled even themselves. They may have honestly wanted only gentlemen as jobbers, and at the same time have been convinced that anyone who cut prices was not a gentleman.

"But there was also the fact that an artificial differential was kept between high-test and low-test gasoline at 2 cents. Prices were kept stable because they were using this method of fixing prices. Again we had no evidence of a meeting. Yet this organization was enjoined by the court."

WHAT MAY HAPPEN TO INDEPENDENTS

Mr. Arnold continued in this happy vein: "Now in one case investigated by the TNEC the big concerns testified that they were making the price independently, and the small people testified they followed them only because they knew that the big organizations knew so much about prices, and they must be the wise boys, and so the prices were the same.

"I got one of the independents off to the side, and I said: 'Now this won't be made part of the record * * * just tell me privately what would happen to you if you didn't follw the prices of the major companies.' And he said: 'That is something, Mr. Arnold, which I expect never to learn from personal experience.' "

Business Week asked if he would say that "per se the basing-point system is a conspiracy?"

Mr. Arnold replied: "I would say that if you wanted to put in a basing-point system and did it on your own, there is nothing that would prevent you. But I would also say that it is unquestionably true that the basing-point system has been used as a method of not only fixing prices but fixing production."

The Commentator repeats that the gist of the matter is that Congress has passed laws to compel competition, the FTC has been enforcing these statutes, and the courts have upheld the FTC. If the people of the United States don't want competition in business, all they have to do is elect Members of Congress who will repeal that legislation. Maybe they have already elected them, unwittingly.

The North Atlantic Pact in International Law

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Friday, May 27 (legislative day of Monday, May 23), 1949

Mr. THOMAS of Utah. Mr. President, because of its timeliness, I ask unanimous consent to have inserted in the Appendix of the RECORD an address on the subject of the North Atlantic Pact in international law delivered by George A. Finch, vice president of the American Society of International Law, before the annual meeting of the society, Washington, D. C., April 29, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The negotiation of the North Atlantic Pact gives rise to several leading questions: First, why, with the United Nations Charter in force and the Organization engaged in a multitude of activities in many parts of the world, is such a new treaty necessary? Secretary of State Dean Acheson, in a Nation-wide radio address on March 18 frankly answered this question by stating that the United Nations "is not working as effectively as we hoped because one of its members has attempted to prevent it from working. By obstructive tactics and the misuse of the veto, the Soviet Union has seriously interfered with the work of the Security Council in maintaining international peace and security."

Why, it may next be asked, has it been possible for a single nation to interfere with carrying out the primary purpose of the United Nations? The answer to this question lies in the weakness of the provisions of the Charter with respect to the prevention of breaches of the peace and the suppression of acts of aggression. The most important powers of the Security Council are found in article 39 of the Charter, as follows:

"The Security Council shall determine the existence of any threat to the peace, breach of the peace, or act of aggression and shall make recommendations, or decide what measures shall be taken * * * to maintain or restore international peace and security."

The article, it will be noted, provides no criterion to be applied by the Security Council in arriving at its determinations, and, moreover, each such determination is subject to the veto of any one of the great powers members of the Security Council.

Secretary of State Stettinius, in his report to the President as Chairman of the United States Delegation to the San Francisco Conference on the United Nations, revealed that "One of the most significant lines upon which the debate concerning the liberty of action of the Council proceeded, was that which concerned the proposed inclusion in the Charter of provisions with respect to determination of acts of aggression." Various amendments, he disclosed, were proposed on the subject, some of which offered "sharply defined eventualities (such as invasion of, or attack on, another state, interfering with its internal affairs, etc.), in which the Council would be bound to determine by a formula not only the existence of aggression but also the identity of the aggressor." Mr. Stettinius then reports that "The United States delegation, believing that the acceptance of such a concept was most undesirable, played an active part in opposing the amend-

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ments."[1] In justification of what has turned out to be this most unfortunate attitude of the American delegation, the report of Mr. Stettinius stated that "The general duties of the Security Council are clear, and reliance upon the fulfillment of these duties is based, as it must inevitably be, on the good faith of its members." Law is established to step in when good faith is abused. In placing certain members of the United Nations above the law of the Charter, law was abandoned pro tanto. In so doing the drafters of the Charter ignored the advice of the great jurists of international law. One typical statement of the many by international law writers over the years will suffice: "To secure by law, throughout the world, the maintenance of right against the aggression of the national wrongdoer, is the primary object of the commonwealth of States, and the great duty of the society or societies. Obedience to the law is as necessary for the liberty of states as it is for the liberty of individuals."[2]

The North Atlantic treaty reaffirms the faith of the signatories in the purposes and principles of the Charter and their determination to live up to them. Article 5 states that in agreeing to resist armed attack the signatories of the pact will exercise the right of individual or collective self-defense recognized by article 51 of the Charter of the United Nations. An account of the circumstances under which article 51 came to be inserted in the charter will be useful in arriving at the meaning of the North Atlantic Pact in the light of developments subsequent to the signing of the charter.

In the Dumbarton Oaks proposals laid before the San Francisco Conference by the Great Powers as the basis for discussion, regional arrangements were not precluded, but enforcement action under them could not be undertaken without the previous authorization of the Security Council. After the Yalta agreement on voting procedure in the Security Council gave the veto to any great power in enforcement action, it became obvious that the effectiveness of regional arrangements, as well as of the United Nations itself, would depend upon the arbitrary will of any one of the Great Powers possessing the veto. This development was alarming, particularly to the nations of the Western Hemisphere, which were unwilling to risk the future of the inter-American system to the whim of a great European or Asiatic power. From the days of President Monroe, who proclaimed the doctrine bearing his name, and Simon Bolivar, who called a conference at Panama 3 years later to proclaim a similar doctrine for Latin America, a system of hemispheric defense has evolved which culminated in the Act of Chapultepec signed at Mexico City on March 6, 1945, a few weeks before the convening of the United Nations Conference at San Francisco.

By this regional arrangement for international peace and security in the Western Hemisphere, the principles asserted by Monroe and Bolivar were intercontinentalized into the following formula: "Every attack of a state against the integrity of the inviolability of the territory, or against the sovereignty or political independence of an American state shall be considered as an act of aggression against the other states which sign this act." This general definition of aggression was supplemented with the following particulars: "In any case, invasion by armed forces of one state into the territory of another trespassing boundaries established by treaty and demarcated in accordance therewith shall constitute an act of aggression." This difference in formulae for determining acts of aggression constituted another point of departure at San Francisco between the Latin-American nations and the Great Powers in the attempt to reach agreement on the final drafting of the Charter of the United Nations.

The conference became deadlocked over the relationship of the Pan American system to the proposed world security system and the personal intervention of President Truman became necessary before the deadlock was broken. By his direction, Secretary of State Stettinius informed the Latin American Foreign Ministers at San Francisco on May 15 that following the close of hostilities the United States would propose that the Act of Chapultepec be made permanent in treaty form. The United States delegation thereupon introduced an amendment which now appears as article 51 of the Charter.[3]

President Truman's promise to the Latin-American nations was fulfilled in the Inter-American Treaty of Reciprocal Assistance signed at Rio de Janeiro on September 2, 1947. In its proscription of aggression, the Rio Treaty follows the Act of Chapultepec and not the United Nations Charter.

Secretary of State Marshall and Senator VANDENBERG were delegates of the United States to the Rio Conference. Upon their return to this country Secretary Marshall stated that the Rio Treaty was the most encouraging and stimulating international action since the close of hostilities. Senator VANDENBERG declared the treaty to be a milestone of incalculable importance and a tremendously significant and progressive pattern for others to follow. "Verily," he said, "the Rio Treaty is sunlight in a dark world."

Within 6 months after the signature of the Inter-American Treaty at Rio de Janeiro, Belgium, France, Great Britain, Luxemburg, and the Netherlands signed at Brussels on March 17, 1948, a treaty of economic, social, and cultural collaboration and collective self-defense, which, on the last-mentioned subject, contains provisions in accordance with article 51 of the United Nations Charter.

This progressive development of regional arrangements for collective self-defense received the official imprimatur of the United States Senate in a resolution introduced by Senator VANDENBERG from the Committee on Foreign Relations and adopted on June 11, 1948, by the overwhelming vote of 64 to 4. The Vandenberg resolution is unusual in that it is an instance of the Senate advising the President in advance of its views on foreign policy and informing him of the particular objectives the Government might pursue in this field. The negotiations for the North Atlantic Pact were initiated in accordance with this advice of the United States Senate.

Since the text of the treaty was made public a number of differing comments have been ventured as to its meaning. Whatever else may be said as to its significance, there is no doubt that it was planned and is intended to be an extension into the North Atlantic area of the principles and purposes of the Rio Pact. While the phraseologies of the two pacts are not identical, they are sufficiently specific to accomplish the same purpose; that is, of notifying potential aggressors in advance that certain acts will be considered aggression.

The parties to the North Atlantic Pact agree "that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all" (art. V). The geographic region and other elements of such an armed attack are stated with precision, and each of the parties agrees to assist the party or parties so attacked "by taking forthwith, individually and in concert with the other parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area," all "in exercise of the right of individual or collective self-defense recognized by article 51 of the Charter of the United Nations" (art. V). Like the Rio and Brussels Pacts, the North Atlantic Pact provides that any measures taken under it as the result of an armed attack shall be immediately reported to the Security Council of the United Nations and that such measures shall be terminated when the Security Council has taken the action necessary to maintain and restore international peace and security.

An appraisal of the real significance of the North Atlantic Pact cannot be made without a brief consideration of its place in the modern development of international law. From the Treaties of Westphalia of 1648 which formalized the transition from the Holy Roman Empire to the free association of sovereign national states upon which the present international states system is founded the law of nations was regarded as based upon the principles of contract and violations of the contract were subjected to civil sanctions by way of damages and reparations. No sense of injury to the international community as such or of penal liability for breach of the law was conceived of. When the United States became independent and was admitted to the family of nations, it followed the European view that international relations were a matter of contract and, following the advice of President Washington and Thomas Jefferson, this country elected to remain neutral in the wars of Europe. As late as the beginning of World War II, the President of the United States formally proclaimed the neutrality of the United States as each belligerent entered that war before we ourselves officially entered it following the attack on Pearl Harbor. While the United States was neutral in World War I, Elihu Root, president of this society, pointed out the great weakness in the system of law governing international relations and declared that "a radical change in the attitude of nations toward violations of law is necessary. * * * Threats to the peace and order of the community of nations must be deemed a violation of the right of every civilized nation to have the law maintained and a legal injury to every nation." In his opinion, rules might be "so framed that a policy of aggression cannot be worked out except through open violation of law which will meet the protest and condemnation of the world at large, backed by whatever means shall have been devised for law enforcement." Mr. Root's warning was heeded in the Covenant of the League of Nations when it provided that "any war or threat of war whether immediately affecting any of the members of the League or not, is hereby declared a matter of concern to the whole League, and the League shall take any action that may be deemed wise and effectual to safeguard the peace of nations." The actual existence of an international community had been pointed out many times by writers on international law since Grotius and even by some of his predecessors. Official formal recognition was given by the First Peace Conference at The Hague of 1899 which expressly recognized the solidarity uniting the members of the society of civilized nations. It has taken two devastating world wars to bring home to governments and their peoples the vital necessity in the closely related family of nations of the modern world of safeguarding the peace and protecting the interests of the whole family.

Once we recognize that the maintenance of international peace is vitally necessary for

[1] Department of State Publication 2349, conference series 71, pp. 90–91.

[2] Commentary Upon International Law, by Sir Robert Phillimore, London, 1854–57, vol. I, pp. 4–5.

[3] The New York Times (San Francisco edition), May 16, 1945, p. 1. For a fuller account of the history of art. 51, see Goodrich and Hambro, Charter of the United Nations, 2d ed., 1949, pp. 297–308. See also, Report to the President by the Chairman of the United States delegation, op. cit., pp. 101–108.

the protection of all members of the international community, the next step follows just as logically as has happened in the formation of civil societies of all degrees of civilization from the most primitive times to the present. The primary purpose of all government is the protection and welfare of the persons composing it by the community acting in the name of all. The first requisite of such a society is to forbid personal attacks by or upon the members. Any violation of this law is regarded not only as a violation of personal right but of the public peace. Police forces and courts are provided to prevent or punish such violations.

From the point of view of preserving the international peace, the community of nations has not as yet taken the first step necessary to protect its members. I am not referring at this time to the establishment of an international police force or of an international penal court. Before enforcement instrumentalities are brought into being, there must be a law to enforce. Such a law was not provided by either the Covenant of the League of Nations or the Charter of the United Nations. Even the Pact of Paris for the Renunciation of War concluded in 1928, which was widely heralded as outlawing war, simply renounced war as an instrument of national policy and was promptly circumvented by aggressor nations waging war without a previous declaration.

The prime requisite to the establishment of a community of states under the protection of an enforceable international peace is the unambiguous denouncement of breaches of the peace and acts of aggression as violations of the law of the community. To leave the definition of such violations to ex post facto determination by a political group such as the Security Council of the United Nations, one of which may veto the very existence of a violation however flagrant it may be, or to ex post bello decision by a victor against the vanquished only, is a perversion of legal process which by no stretch of the imagination can lead to the establishment of international peace founded upon law and justice.

At Chapultepec the American nations led the way by proclaiming the outlawry of aggression in specific terms. The Rio Treaty confirmed and made permanent this law of the American Hemisphere. The North Atlantic Pact is expansion of the legal order of the Americas to the fellow members of the North Atlantic community on the other rim of the Atlantic Ocean. As was pointed out by President Truman and Secretary of State Acheson, the pact had its roots in the common heritage and civilization of people living on both shores of the North Atlantic Ocean. These people have ties not only of cultural background, but of a common ingrained faith in the worth of the individual, in the principles of democracy, and in the rule of law. Two world wars have taught them that their security is inextricably linked together; that an attack on any one of them is an attack on all.

The implementation of these regional arrangements is to be entrusted to councils of representatives of the respective groups.

The councils will be bound by the definition of acts of aggression embodied in the pacts, and no member will be in a position to veto the existence of known facts. The function of each council is to devise measures to resist armed attack and restore peace. The character of the defensive measures to be taken will depend upon the nature of the threat. Ordinary breaches of the peace are handled by one or two policemen; occasionally it is necessary to send for the riot squad. Serious disturbances may require the calling out of the militia, and when the national safety is threatened, the Army is the last resort. The duty of each member to take such measures is laid down in the pacts. The refusal of any contracting party to fulfill its obligations would not prevent the other parties from proceeding with the enforcement of the treaty. This is in great contrast with the United Nations Charter provisions concerning the Security Council where one of the Great Powers can prevent not only action by the Organization, but at the same time claim that enforcement action without the approval of the Security Council would be in violation of the Charter.

Aggressions in the form not of armed attack, but, for example, of subversive infiltration, have not been overlooked, and the pacts require consultation of the parties, whenever, in the opinion of one of them, the territorial integrity, political independence or security of any of them is threatened.

These pacts are designed to bring about conditions which it was hoped and expected would be accomplished by the United Nations. Due largely to the insistence of the Latin-American delegates to the San Francisco Conference that the Inter-American system which had functioned for over 50 years be not immediately subordinated to an untried experiment in world organization, and to the timely intervention of President Truman, article 51 was reluctantly inserted in the Charter. It has proved to be the strongest pillar of support for the whole collective security system. Is it too much to hope that by the negotiation of more regional security pacts there will eventually be developed such a preponderance of international-law-abiding nations and peoples as to make it possible to unite them all again under a United Nations Charter capable of discharging the great trust confided to it.

Grain Storage Program

EXTENSION OF REMARKS
OF
HON. JAMES G. POLK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. POLK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the announcement by the Secretary of Agriculture, Charles F. Brannan, concerning the grain-storage program.

It is, indeed, fortunate for the farmers of the United States that the President has signed the bill restoring to the Commodity Credit Corporation authority to assist farmers to store their grain and other products. The CCC had this authority until it was taken away by the Eightieth Congress, thus depriving farmers of a very valuable service.

On January 18, 1949, I introduced a bill, H. R. 1657, to restore the farm-storage authority to the CCC and the law just signed by the President contains the authorization provided in the bill I introduced in January.

In this connection, I wish to call your attention to the following statement issued yesterday by Secretary Brannan concerning the grain-storage program:

The President has just signed a bill restoring to the Commodity Credit Corporation the authority, held by the Corporation from its inception until last year, to assist farmers to store their grain and other products and to provide storage for these commodities when they are turned over to the Corporation in the conduct of the authorized price-support programs.

The Department of Agriculture has been prepared to attack the grain-storage problem at any time it regained the authority to do so. It is now in position to go ahead, and is taking immediate action.

The wheat crop is already being harvested in the southwestern part of the country, and it is too late now to do all of the things we had planned earlier as part of a broad program to handle peak grain-harvest periods and to carry out our year-around price-support obligation. However, the Department will move at once to put into effect as much of the program as possible at this time.

Three major steps have been specially and realistically adapted to meet the immediate situation and to prepare for the grain-storage problems which are almost certain to develop as crops are harvested during the next several months. These steps are:

1. Because wheat is already being harvested in the Southwest, and because farmers are finding it difficult to make use of available commercial storage, CCC will temporarily liberalize the provisions of its price-support grain-loan program. This will make it possible for grain farmers to take advantage of the protection offered by the support program, even though adequate storage facilities are not immediately available to them.

In all areas where climatic conditions make it possible to store wheat for short periods on the ground in the open, or in other temporary ways which are available to farmers, CCC will grant distress grain loans immediately. These distress loans will be granted with the definite understanding that the farmer himself is to build or acquire satisfactory farm-storage facilities within not more than 90 days. When he does, and the wheat is properly housed, the distress loan will become a regular loan under the CCC price-support program.

Seventy-five percent of the full support level will be advanced to the farmer at the time he takes out the distress loan. He will receive the balance of the full price-support loan when the grain is in his new storage facility. Determination of grade and quality will be made at the time the grain is put under the distress loan. The quantity will be estimated at the time the distress loan is granted, and it will be finally checked and determined when the grain goes into the permanent storage. The farmer will not be responsible for changes in grade and quality which may occur during the period of the distress loan.

In areas where it is not feasible for farmers to leave wheat in the open or in other temporary storage, and where adequate storage facilities are not available to them, the CCC itself will undertake to find suitable emergency storage. It will use Government-owned war-surplus facilities where available or take other special measures to get the wheat under cover. This will make it possible for farmers in such areas to take advantage of the distress-loan provisions, on the same general basis as those where the climate is drier and under comparable requirements for acquisition of additional farm storage.

State and county committees of the Production and Marketing Administration will be given full information about the distress loan procedures immediately. Farmers should check with their local committees before taking steps to qualify under this program.

2. In an effort to mobilize the maximum production capacity for farm storage facilities, the manufacturers and suppliers of on-the-farm type of grain-storage facilities are invited to meet with officials in conference room 218-A at the Department of Agriculture in Washington at 10 a. m. on June 10. At that time, a survey will be made of the capacity of each to produce and deliver, and areas of greatest need will be defined. The Department hopes to complete previous discussions with these suppliers to pave the way for the early delivery of the maximum

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amount of storage and storage materials, so that farmers will be able to purchase and erect facilities as rapidly as possible.

Local dealers and representatives of manufacturers will not be by-passed in this effort to speed up delivery. On the contrary, all available information as to names of suppliers as well as the types and quantities of storage facilities which can be produced by the different suppliers will be made available to the State and county PMA committees. These committees will then be able to help local distributors bring to the attention of all grain farmers the availability of different types of structures, costs, and other pertinent information.

As part of this effort to increase farm storage quickly, CCC will make loans to farmers for the purchase or construction of farm storage to the extent of 85 percent of the cost of the facility. These loans, bearing interest at the rate of 4 percent a year, will be payable in five annual installments, or earlier at the farmer's option.

In addition, and as a part of the farm-storage loan program, the Department will include a provision for deferment of repayments in a year when the farmer, because of conditions over which he has no control, is not in position to utilize the storage space. To illustrate, in the event of crop failure in an area, payments for that year will be deferred—in effect extending for a year the time during which the total storage loan is to be repaid. The PMA committees will be responsible for determining the local justification for such deferrals.

In connection with assistance available to farmers in paying off farm storage loans, or otherwise financing new storage capacity, I want to call particular attention to the re-sealing provisions which were announced in May. Any farmer who has had wheat, corn, oats, or barley under storage loans can re-seal the grain, extending the commodity loan for another year and keeping the grain in its present storage position. CCC will pay him fixed storage fees for keeping this grain for the Corporation for the extended period.

Those who have listed these same grains under the purchase agreement option of the price-support program can also put the grain under loan for the coming year, thus qualifying for the same storage fees if the grain is eventually delivered to CCC. These storage fees will help pay the cost of any new and additional storage the farmer acquires. The re-seal payments should serve as a definite incentive for added farm storage, promoting more orderly marketing of 1949 grain crops and permitting farmers to take full advantage of price supports.

3. It is anticipated that CCC will be required to carry over considerable grain stocks from year to year, both as a result of its price-support operations and in providing for carry-over of part of the necessary reserve supply in the national interest. CCC will therefore contract for storage facilities to be placed on lease or purchase sites at strategic points throughout the country, for storage of CCC-owned or controlled grain stocks when other facilities are not available.

The Corporation at present owns approximately 45,000,000 bushels capacity of bin-type storage and believes that about an additional 50,000,000 bushels of comparable storage, properly located, will materially assist in meeting storage needs for the immediate future. This additional storage for CCC stocks will help make it possible for farmers, grain dealers, and the railroads to handle the volumes of grain coming in at the peak of harvest.

This CCC storage is intended to supplement existing facilities only to the extent necessary to help meet urgent current needs. The bins or other storage facilities on these sites, when not needed by the Corporation, will be subject to lease by farmers or groups of farmers. We regard the CCC bin-purchase approach to the grain-storage problem as a temporary measure, made necessary by the lack of time in which to meet situations which are immediately ahead.

Considering the over-all storage question, Department surveys show that there is need for more elevator-type storage to handle our grain supplies efficiently in the harvest seasons and years ahead. There is obviously not time to do much in this direction to help with 1949 grain crops, but it is expected that cooperative and other commercial interests, recognizing the future storage needs, will start the necessary construction programs through the usual channels of individual initiative.

Federal Housing

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. JENSEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

AMERICAN VETERANS OF WORLD WAR II,
Clarinda, Iowa, June 5, 1949.

Hon. BEN F. JENSEN,
House Office Building,
Washington, D. C.:

Whereas at the regular and duly authorized meeting of the Seventh District, Amvets, held this 5th day of June 1949, in Clarinda, Iowa, it is hereby brought to attention that a high-pressure lobbying campaign designed to add from $500 to $2,000 to the over-all cost of an $8,000 GI home is under way in Washington, D. C, with the aid and connivance of individual representatives of some veterans organizations, masquerading under a veterans' organization front, backing the passage of a bill introduced by Representative HOLIFIELD, California, and a similar bill, S. 616, by Senator ELBERT THOMAS of Utah, and

Whereas millions and millions of dollars of additional interest money for bankers and lenders to be taken from needy and worthy veterans and their families is the stake in this campaign, it is hereby resolved that the members of this Seventh District, Amvets, request the Honorable BEN F. JENSEN to use the influence of his good offices to stop these unfair attempts to work a financial hardship against the War Veterans and their families.

KENNETH B. BOYD,
Commander, Seventh District, Amvets.

Federal Housing

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. JENSEN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following letter:

BEACONSFIELD, Iowa, *July 27, 1948.*
Congressman JENSEN,
Washington, D. C.

DEAR SIR: The President wants a housing plan passed. He and his followers have allowed Americans to be house shy for years in order to force through Government control of housing with all its evil effects.

We need new houses, more modern than any built today or liable to be built under Government sponsorship. We need these built by private capital, on a mass-production basis on factory assembly lines. To get this we need repeal of all the laws that are stifling private enterprise along these lines.

There is one little law that would suddenly open up many houses in every community today and would give work in every community to worthy people. It would prevent the degeneration of present homes.

In every community are many people who own their own homes but little else, and are supported by the old-age pension. These people live alone in a house big enough for several people, often only a bit of change would make the house into two apartments.

The law as is gives the owner no incentive to rent a room or to alter the house and gives no money to fix up the place. So the person lives alone in a house that gets in worse and worse condition. By the time the county gets it, it is worth little.

Now if any extra income is made the amount is taken out of the pension. I would have the law changed to allow the person to keep this rent money, but half of it must go toward improving the place. This would make the place in better condition when the owner dies. Someone should be ready with plans for remodeling old places into apartments and be ready to supervise the job but there should be no compulsion about doing any of it.

This would open up rooms, apartments, whole houses in every town in United States of America overnight, and ease the housing situation. But still the laws hampering building by private enterprise should be changed to make up-to-the-minute houses, factory made on the production line possible.

I would also like to see a change made in the Old Age Pension Act to give the money to every person at a certain age, regardless of how much wealth they may have and whether or not they quit their jobs. Make it an honorary gift for having lived that long, and add a dollar a month each year as older folks can earn less and need more cash. The money should not be a flat sum fixed by law, but a cost-of-living-decently sum, altered to fix circumstances. It should provide decent but not elaborate shelter, give plenty for good nourishing meals, a bit for clothing and incidental., health care. Then at death I would have a whole year's income given so as to give what they term "a decent funeral."

This would take away the fear in every heart that maybe the savings would not last and that old age might find one destitute.

Some may say it would take away all incentive for saving and that saving and being independent is the American way of life. It would not take away all incentive for saving, just the incentive for fear hoarding. That not know how much will still be needed feeling. My own mother, Mrs. Joe Doubet, of Clearfield, will be 90 this fall. She still fears to spend overly much because she might get down and be ill for a long time, requiring heavy expenses. Maybe the money would not last and she might be hungry or destitute at the last.

If people did not have to do fear hoarding for essentials at the sunset years then they would spend more freely. Spending, not hoarding, is the key to the new way of life in America. During the early days when almost everyone farmed then each must save for himself. Today when more work in factories than on farms and the factories must shut down when spending slows down, then constant circulation of money is more important than hoarding. I lived in Detroit for

many years and know what fear was in the hearts of the factory people. A long shutdown meant real hardships.

Taking the stigma from pension money and giving it to everyone at a certain age, whether they were rich or poor, working or not working, would not cost so much more than the present system because it would do away with all supervision officials. Giving it out on a monthly basis, as at present to those who had to depend on it and could not wait even one extra month, but semimonthly, quarterly, semiyearly, or yearly basis to as many as possible would keep the clerical expense down to a minimum. Probably many now getting it on a monthly basis could go on a semimonthly basis.

I know that many, many white-collar workers are in favor of such a plan. Many more would favor it if it were put up to them. Stop a moment and figure how it would be a benefit to the various people you know. People who would almost rather starve than take the pension under present set-up. Visualize how much it would mean to people to have everyone spending more freely, so that work would be more steady. For my part I think I would start the pension at 60 with maybe half the cost of living, increasing each year. There are many who would retire at 60 if they had just a bit of a boost to their income. Maybe retiring from their heavy job to a semiheavy one. That would add to the number of jobs open for younger people. The added flow of money would add to jobs for all.

Thank you for listening, and for giving careful consideration to my ideas. I have also written Senator VANDENBERG.

Very truly yours,

Mrs. FLORENCE GUNN.

Hourly Wage Returns to the Farm Operators Engaged in Various Types of American Agriculture

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, during this period of consideration of labor and agricultural legislation, I wish to present the following official table from the Bureau of Agricultural Economics of the United States Department of Agriculture:

Commercial family-operated farms, by type, 1930–47

Year	Dairy farms		Corn Belt				Spring-wheat farms (northern plains)			Winter-wheat farms (southern plains)		Cotton farms			Cattle ranches, intermountain region
	Central New York	Southern Wisconsin	Cash-grain	Hog-beef fattening	Hog-beef raising	Hog-dairy	Wheat-corn livestock	Wheat-small grain livestock	Wheat-roughage livestock	Wheat	Wheat-grain sorghum	Southern plains	Black prairie	Delta of Mississippi	
	Dollars	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*
1930	0.21	0.16	0.08	0.07	0.05	0.17	0.10	0.04	0.05	0.20	0.06	0.09	0.14	0.10	0.19
1931	.17	−.05	−.05	−.05	−.01	.07	−.02	−.06	−.05	−.01	.08	.09	.11	.10	.01
1932	.04	−.02	−.03	.01	.02	.05	−.02	−.04	.02	−.13	−.17	.12	.09	.08	−.09
1933	.08	.01	.18	.02	.06	.07	.03	.10	.04	.10	.06	.21	.15	.13	−.09
1934	.13	.03	.15	−.09	−.03	.09	−.07	−.03	−.05	−.01	.12	.01	.18	.20	−.15
1935	.22	.25	.28	.43	.31	.31	.25	.24	.19	.17	.18	.29	.22	.19	.11
1936	.18	.18	.37	.08	.06	.20	0	−.03	−.11	.31	.27	.17	.24	.25	.16
1937	.20	.27	.25	.31	.22	.24	.20	.26	.15	.10	.32	.36	.21	.20	.26
1938	.21	.19	.25	.25	.21	.22	.20	.13	.15	.19	.20	.26	.19	.19	.23
1939	.16	.14	.32	.18	.17	.17	.30	.21	.22	.07	.35	.25	.24	.21	.21
1940	.24	.25	.36	.28	.27	.22	.24	.23	.24	.22	.33	.30	.24	.20	.23
1941	.34	.43	.74	.60	.49	.41	.67	.61	.57	1.28	1.08	.66	.34	.38	.66
1942	.51	.66	1.04	1.01	.74	.59	.96	.76	.79	1.67	1.82	.76	.41	.45	.73
1943	.56	.73	1.07	.81	.61	.59	.70	.89	.63	1.22	1.38	.64	.46	.46	.73
1944	.76	.80	.89	.75	.54	.50	.93	.88	.82	1.65	2.35	.92	.43	.49	.85
1945	.76	.85	1.10	.93	.83	.71	1.16	1.16	1.06	2.00	1.69	.61	.44	.54	.91
1946	.86	1.06	1.60	1.53	1.15	1.10	1.48	1.58	1.47	3.10	2.38	.88	.50	.58	1.02
1947	.84	1.13	2.16	1.45	1.17	1.01	2.08	2.22	2.00	4.44	4.72	1.40	.73	.68	1.42
1948 [1]	1.16	1.24	.86	1.57	1.20	.92	1.60	1.47	1.58	2.31	2.59	1.09	.66	.78	1.35

[1] Preliminary.

Source: Division of Farm Management and Costs, BAE.

Total hours of labor used, commercial family-operated farms, by type, 1930–47

Year	Dairy farms		Corn Belt				Spring-wheat farms (northern plains)			Winter-wheat farms (southern plains)		Cotton farms			Cattle ranches, intermountain region
	Central New York	Southern Wisconsin	Cash-grain	Hog-beef fattening	Hog-beef raising	Hog-dairy	Wheat-corn livestock	Wheat-small grain livestock	Wheat-roughage livestock	Wheat	Wheat-grain sorghum	Southern plains	Black prairie	Delta of Mississippi	
	Hours	*Hours*	*Hours*	*Hours*	*Hours*	*Hours*	*Hours*	*Hours*	*Hours*	*Hours*	*Hours*	*Hours*	*Hours*	*Hours*	*Hours*
1930	4,831	4,684	4,599	5,256	4,118	5,064	4,242	3,977	4,376	3,082	3,088	3,985	4,886	2,759	5,313
1931	4,729	4,705	4,605	5,222	4,068	5,125	4,227	3,846	4,377	3,172	3,095	4,203	5,028	3,300	5,666
1932	4,738	4,724	4,626	5,183	4,043	5,171	4,059	4,033	4,599	3,314	3,038	4,422	4,771	2,877	5,724
1933	4,650	4,739	4,642	5,256	4,108	5,141	3,760	3,826	4,228	3,269	2,895	4,601	4,750	3,010	5,767
1934	4,659	4,809	4,279	4,901	3,893	4,911	3,363	3,371	3,906	2,977	2,889	3,372	4,047	2,758	5,788
1935	4,458	4,705	4,300	4,866	3,754	4,968	3,527	3,473	4,101	2,742	2,728	3,476	4,025	2,869	5,229
1936	4,544	4,743	4,233	5,084	3,882	5,089	3,323	3,164	2,982	2,728	2,540	3,468	4,261	3,533	5,119
1937	4,752	4,778	4,204	4,935	3,771	4,996	3,468	3,390	3,274	2,745	2,782	4,007	4,747	4,357	4,873
1938	4,877	4,717	4,127	4,955	3,818	5,092	3,517	3,325	3,273	2,699	2,686	3,757	3,879	3,284	4,758
1939	4,998	4,709	4,094	5,088	3,898	5,121	3,596	3,229	3,395	2,586	2,652	3,680	,992	3,452	4,972
1940	4,926	5,090	3,946	4,566	3,692	5,334	3,591	3,325	3,701	2,742	2,789	3,823	4,023	3,101	4,756
1941	4,963	5,017	3,938	4,667	3,767	5,321	3,788	3,490	3,747	2,539	2,800	3,824	3,817	3,253	5,012
1942	5,000	5,197	4,110	4,782	3,850	5,447	3,970	3,667	4,103	2,871	3,068	4,017	4,043	3,543	5,091
1943	4,998	5,414	4,250	4,962	3,929	5,583	4,187	3,867	4,391	3,142	3,296	4,302	4,401	3,482	5,167
1944	5,179	5,514	4,128	4,915	4,000	5,589	4,066	3,865	4,497	3,152	3,326	3,706	4,304	3,491	5,122
1945	5,216	5,436	4,033	4,846	4,026	5,634	3,930	3,704	4,473	2,962	3,219	3,219	4,409	3,440	5,046
1946	5,056	5,253	4,023	4,748	3,834	5,307	3,710	3,480	4,202	2,918	3,086	3,083	4,183	3,357	4,852
1947	4,966	5,347	3,845	4,646	3,794	5,331	3,623	3,340	3,974	2,851	3,049	3,285	4,294	3,320	4,779
1948 [1]	5,137	5,299	3,831	4,597	3,797	5,294	3,418	3,063	3,767	2,629	2,969	3,233	4,131	3,772	4,744

[1] Preliminary.

Source: Division of Farm Management and Costs, BAE.

This 19-year study of the hourly wage returns for all labor has been conducted by Dr. Wiley Goodsell of the Bureau of Agricultural Economics of the United States Department of Agriculture, and I have followed this study for many years. I think that a careful study of this table will contribute to our thinking in connection with the Hope bill, Aiken bill, and the proposed Brannan plan, and will also indicate to some extent our responsibilities to minimum-wage legislation.

While I do not wish to discuss all of the angles developed by this study, I

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would like to call your attention to some of the facts that are revealed by the table. You will note that in the thirties the Government did not really feed and clothe the people, because the American farmer was the greatest contributor toward feeding and clothing the American people. For example, the farm-labor hourly wage return on a typical, not average, southern Wisconsin dairy farm was less than 13 cents per hour. In 1939, the seventh year of the "more abundant life" the hourly wage was only 14 cents per hour. You will also note that the hourly wage return for all labor for the hog-beef raising farm was less than 11 cents per hour, and for the hog-dairy farm the hourly wage return was 15 cents per hour. Please note that in the Black Prairie cotton farm of Mississippi the average hourly wage return from 1930 to 1940 was only 16 cents per hour. A large percentage of this hourly wage return represents payments from the United States Treasury. The winter wheat and spring wheat areas showed a very favorable hourly wage return during the war years when wheat was $2 to $3 per bushel, but just note the prewar hourly wage returns. And note the 7-cents-per-hour wage return in the southern plains in 1939, the seventh year of the "more abundant life."

If the labor returns are to be supported for the owner of the land, is not the hired farm laborer entitled to a comparable consideration? If the present support program is continued it would indicate a support from 50 to 60 cents per hour. If any support program is to be under the absolute control of the Secretary of Agriculture, will he not determine the hourly wage return for labor and the wage scale of ever farmer?

This table when studied carefully gives a basis and background for many angles in connection with American agriculture.

This Can Be Stopped

EXTENSION OF REMARKS

OF

HON. ROBERT B. CHIPERFIELD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. CHIPERFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Rock Island Argus of May 26, 1949:

THIS CAN BE STOPPED

While the Army Department has been issuing appeals and sending out advertisements for doctors, it has made no effort to end the unconscionable duplication of medical services which were exposed in the Hoover Commission report. It is up to Congress to compel action.

Here are just a couple of incidents of extravagance as described in Barron's Weekly (republished in the Reader's Digest):

"In New York City there are 11 major Federal hospitals in the metropolitan area, with a total capacity of 8,257 beds. When surveyed, they held 5,330 patients. To care for them, 7,000 persons were employed, including 630 full-time physicians. Four of these hospitals could be closed at a considerable saving, and better medical care would result. Nevertheless, three Federal agencies are now building or planning for New York, five additional hospitals at a cost of $105,000,000.

"There are 13 Federal hospitals in the San Francisco area. Seven could probably be closed. With all patients concentrated in the remaining six, occupancy would still be only 54 percent of capacity. The new Navy hospital in Moffett field had an average of two patients a day during the fiscal year 1948. However, present plans look to the construction of three more Federal hospitals, with 3,000 beds, at a cost of perhaps $70,000,000."

There are many other cases like these. And this is just one phase of governmental extravagance. It is difficult to confront such evidence without reaching the conclusion that extravagance has become an almost incurable habit in some governmental agencies and that a major surgical operation will be required to end it. The Hoover report shows how the operating should be done.

We heard a Senator say in a radio debate that economizing under the Hoover report is difficult because many things must be left to administration rather than legislation. This is nonsense. Congress has frequently attached conditions to appropriations, as it did in holding up development of the Jackson Hole Monument by specifying that the funds be used only for fire control. It could forbid the expenditure of any more funds for hospitals unless the Budget Bureau received proof that all opportunities for ending duplication had been exhausted.

The opportuiity is clear. It is time for action, to protect not only the taxpayers but those agencies that are operating efficiently, for unless something is done to reform the wasteful agencies there will be a violent public revulsion against every branch of Government, especially Congress.

Compulsory National Health Insurance

EXTENSION OF REMARKS

OF

HON. JOHN L. McCLELLAN

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Wednesday, June 8 (legislative day of Thursday, June 2), 1949

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me on the subject of the proposed compulsory national health insurance law, before the National Conference of County Medical Society Officers, at Atlantic City, N. J., on June 5, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The advocates of the proposed compulsory national health insurance law have given it a most flattering and appealing label, but one that is equally deceptive. The title "health insurance" is an attractive and persuasive window dressing. The evil is in the substance of the proposal.

Congress cannot legislate compulsory good health for the American people. There are some fields of service, of course, in which the Federal Government can and should properly participate by aiding the medical profession and the public in preventing disease, in carrying on scientific research and experimentation, and by helping to provide the hospitals and clinical facilities necessary for the care and treatment of those who are ill. Beyond those limits it cannot very well go without invading the inalienable rights of the individual and regimenting the medical profession.

The word "compulsory" connotes the use of force. The true meaning of this word and its implications, when used to coerce or to restrict freedom, are shocking to all senses of justice and propriety of a free people. As applied in this proposed law and as it would operate, compulsion violates the very essence of the American version of personal liberty.

A compulsory health program requires not only submission of the person but demands surrender of the individual's will to the master authority. It denies freedom of choice in the exercise of the inherent right of a human being to act independently and of his own free will in the all-important matter and duty of preservation of the health and life of himself and that of his family.

The right to life, liberty, and the pursuit of happiness was established by a bloody revolution of nearly two centuries ago. That right has since been defended and maintained by the bloodshed of countless thousands of patriotic Americans on battlefields on the land, on the sea, and in the air all over the world. This sacred and indestructible right will be abridged if this doctrine of state authority and paternalism over the minds and consciences and actions of American citizens should be adopted. That is the fundamental principle that is involved in this political and legislative issue now before the Congress and the American people.

This issue, in my opinion, may well prove to be the supreme test—the test that will determine whether the moral stamina, self-reliance, and character of the American people have so deteriorated that they can now be seduced into approving and accepting the socialization of medical science in the vain expectation that it will prove to be a health utopia. If this is such a test, then our Nation is being weighed in the balances and it will surely be found wanting if our people make the wrong decision.

In full recognition of some faults and shortcomings of your profession, and with no purpose of exaggeration or intent to flatter, it is my observation that American medical skill and science are unequalled and that the general health of the American people is unexcelled anywhere in the world. This happy state of affairs is not a bestowed gratuity. It did not happen by mere chance any more than did our present social standards, cultural attainments, and our economic growth and power as a Nation occur by accident. All of those are rooted in the freedoms proclaimed in the Declaration of Independence and guaranteed in the Constitution and the Bill of Rights.

Our national tree, now nearly 2 centuries old, has grown to be a mighty oak in the forest of nations. It towers above all others with its great branches of advantages and superiority, climbing and reaching toward the celestial skies. All other trees in the forest suffer by comparison. Ours is rooted in the soil of liberty and human freedom. If we sever the roots from the tree, the branches thereof will wither away, the trunk will decay, and the tree itself will surely die.

When our forefathers embarked upon the establishment of this Nation as a land of the free, the greatest enterprise in human history, they dedicated to that cause their lives, their fortunes, and their sacred honor. The righteousness of their crusade received the sanction of providence; and divine approbation, we should acknowledge, has continued to abide with us until this good day.

Truly our cultural attainments, our social standards, and our great economic might and power are the fruits of freedom of worship, freedom of thought, freedom of speech, and

freedom of action. Our capitalistic or free enterprise system that permits the choice by the individual of vocation and labor in the pursuit of a livelihood, the stimulant of competition, and the assurance—or at least the hope—of reward for individual enterprise and thrift, have inspired the initiative that is most responsible for our prosperity and progress on a national scale.

Those are the basic reasons why America has grown, why we have prospered, and why our productive industrial capacity today equals that of all the rest of the world combined. They are also the predominant factors in the field of professional attainments, including those in your profession who have dedicated their energies, their talents, and their lives to the science of medicine.

There is one other factor that should be strongly emphasized and that is the relationship between the individual citizen and the state under our system of government, wherein the government is the servant and not the master. We must keep it that way. The power and final authority must ever be reposed in the people themselves. Our past faith in these righteous principles has been abundantly rewarded. It has been crowned with a success and preeminence that is now an envied heritage which it is our obligation and responsibility to perpetuate for the glory of civilization and the benefit of all mankind.

In this proposed legislation the American people are being subjected to an alluring temptation. This scheme envisions full governmental responsibility. As the guardian and protector of our health, the Government promises to everyone all medical care free of cost except for possibly a few pennies a day withheld from wages and salaries. The people will immediately expect—and technically they will be within their rights—the highest quality of medical skill, hospitalization, nursing accommodations, and other necessities, including free medicine for all their ills, both imaginary and real.

The program being compulsory—that is, the individual has no alternative except to participate in it—the Government will be morally bound to assume the full obligation. If this is not state socialism and paternalism, then I do not know what kind of an "ism" it is, but I do know that it is a radical departure from the Americanism that is identified with our heritage of freedom. A compulsory health insurance law, or state medicine, in my judgment, is a doctrine and practice that is inseparable from the police state philosophy of government. It is evil in concept and it will become cruel in practice. If we embrace this philosophy, in due season we shall certainly eat the fruits of it. It will operate over here just as it has elsewhere and with the same results.

And what will such an obligation cost to fulfill? Estimates at present, which are little more than irresponsible guesses, are that it will cost from six to ten billions of dollars annually. If we undertake it and our experience compares with others who have tried it, we can well expect it to cost not less than twelve to fifteen billions of dollars annually and possibly a great deal more.

Can we rely upon the assurances given by its advocates that the cost of the program can be financed without an undue burden of taxation? In my opinion, estimates of cost now being given to us are as inaccurate as the philosophy of this character of paternalism is unsound. Every participant in the program once it is established—and that means ultimately all of the 150 million Americans—will demand the best and the most from it. To provide the best and the most for all who demand it will incur expenditures greatly in excess of any estimates now given if present standards of medical services are made available and present rates of compensation to doctors and related professions are maintained. If they are not maintained and the quality and standards are reduced, the doctors will not be the only victims. The American people will be the real sufferers.

We are assured that the patient can have the doctor of his choice. Once this program is firmly established, some few who can maintain their independence may continue to have their personal physician, but those within the program will have no other alternative except to rely on it for the care of their health. They will be dependent upon the State. Under the most favorable circumstances the choice of a physician may be available to them, but I am of the opinion that ultimately a choice will become the exception and will cease to be the rule, once the program is firmly imposed. Because, when bureaucracy rides high, when the State becomes the master and administrator of any "compulsory" program, the choice and authority rest with the Government and not with the individual. The State commands; the individual submits and obeys.

We are promised this program will provide adequate medical service for all—to those who can and to those who cannot now afford to pay for it. I am quite skeptical about this assurance. The welfare promises of state paternalistic authority have never been fulfilled by other governments except for temporary periods of convenience, and they will not be kept when they are made over here to the American people.

We are also told that our people will be free to participate or not to participate in this program. But that is not true. At least 80 percent of the people will have no choice. They will be compelled to contribute directly from their earnings whether they use the services or not, and they will have to depend upon it once it is the law of the land. Indeed, the other 20 percent will be compelled indirectly to support the program, because the compulsory financial contributions of the 80 percent will be inadequate to do so, and the only alternative will be to tax the other 20 percent sufficiently to make up the deficit. Yes, the program is definitely compulsory for all—for everyone.

What are the prospects for continued progress in the science of medicine when most of our doctors for all practical purposes are in fact employees of the state? Where will be the incentive for men in your profession to do the tedious research and experimentation and endure the deprivations that long hours of labor and concentration of mind and body entail? I emphasize again that progress in your profession like progress in industry, education, and standards of living in America has been made because here human beings have been free. If we permit the medical profession to become a pawn of a bureaucratic system of regimentation, the incentive for private initiative will be tremendously impaired. Compulsory health insurance will surely make the doctor subordinate to some bureau chief or administrator in the National Capital.

There is something else of great importance, I think the American people will have to give up for this state promised and guaranteed health insurance. The relationship of doctor and patient in a free society is something sacred. Until now it has remained inviolate. But how confidential will this relationship remain under a compulsory health insurance program? If you doctors work for the state, you will surely have to make reports to a government agency. The records you compile on your patients will in effect be government property. When the patient gives you the history of her case and you make a record of it, that patient will have disclosed not only to you, as her personal physician, her secrets in sacred confidence, but she will have also disclosed to a curious bureaucracy on a higher echelon of authority than the doctor who performs the service, those secrets of a personal nature which should be her inherent and God-given right to reveal to no one except to one in her confidence and to one of her choice.

It is impossible in a single address to enumerate and cover all of the aspects of evil and irrevocable harm that are involved in this deceptive compulsory health scheme. But before I conclude I wish to relate this proposal to the general problems and legislative program now before the Congress.

We have an annual budget now of approximately $42,000,000,000. This budget we are finding it difficult, if not impossible, to reduce. It is pretty well conceded by all competent authorities, those in government and those on the outside, that during the next fiscal year the cost of the Federal Government will exceed revenues by at least $3,000,000,000.

The proposed compulsory health insurance program is only one of many spending proposals now before the Congress, which, if enacted into law, will tremendously increase governmental costs and add new obligations that will have to be met by additional appropriations each year. If this compulsory health insurance program is enacted into law along with some 10 or 12 other proposals that are now pending, we can expect within 5 years after their enactment that the cost of operating the Federal Government will be at least $60,000,000,000 annually. Taxes will have to be increased accordingly if sound fiscal policies are to be maintained. I do not believe that our economy justifies, or that it will sustain, another $20,000,000,000 taxtake from the earnings of the American people. In my judgment, that much additional taxation, whether taken from pay rolls or otherwise, would be confiscatory and would destroy our free-enterprise system.

When our free-enterprise system is destroyed or is so crippled that there is no longer any incentive left for private initiative and private capital investments, then there is no alternative except socialism or communism. Measures such as the proposed compulsory health insurance and others that create state paternalism are simply carrying us further down the road to socialism. We cannot reduce taxes or the cost of government by continuously enacting more laws that call for additional expenditures of money.

I am reminded of the sound philosophy of Thomas Jefferson and the warning contained therein, expressed more than 100 years ago, when he said:

"I place economy among the first and most important virtues and public debt as the greatest of dangers to be feared. To preserve our independence, we must not let our rulers load us with perpetual debt. We must make our choice between economy and liberty or profusion and servitude. If we run into such debts, we must be taxed in our meat and drink, in our necessities and in our comforts, in our labors and in our amusements. If we can prevent the Government from wasting the labors of the people under the pretense of caring for them, they will be happy."

Government, as we know, has become wasteful. We have a staggering public debt that appears to be perpetual. We are already taxed in our meat and drink, in our necessities and in our comforts, in our labors and in our amusements. The Congress is now asked to increase taxes, to take more of the earnings of the American people away from them under the pretense of caring for them. According to the philosophy of Thomas Jefferson, to which I subscribe, that is not the road to happiness. Higher taxes and more spending will bring neither prosperity nor security. They will impose burdens a free people cannot carry, and the

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result will be subservience and servitude of the individual to the rulers of the state.

If we in America turn to the left and forsake the righteous principles of personal liberty and freedom and substitute therefor the iniquitous philosophy of state paternalism, we shall not escape just retribution.

I cannot view the present, remember the past, or contemplate the future and our ultimate destiny without recalling and meditating upon that proverbial scripture that "Righteousness exalteth a nation, but sin is a reproach to any people." I accept that as divine truth, and I do not believe that the action or temporary successes of demagogs and hypocrites can either refute or destroy it. It may be crushed to earth, but it shall surely rise again.

One Hundred Percent of Parity and the Brannan Plan

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Wednesday, June 8 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "I Am for 100 Percent of Parity and the Brannan Plan," recently delivered by me over the radio.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am for 100 percent of parity—and the Brannan plan. I want to say here and now, and with all the force at my command, that I am for an agricultural program that gives farmers parity. By that I mean 100 percent of parity—not 90 or 99 percent of parity. One hundred percent of parity is what is needed, and right now. The farm program put forward by Hon. Charles Brannan, Secretary of Agriculture, and now being considered by the Congress, aims at an income standard that would result in approximately parity for our Nation's farmers. But that is only a start. Achievement of the parity objective still would not close the wide gap between farm and nonfarm income. As an ultimate goal, a target to shoot at, parity is not enough.

We must remember that parity is a synthetic, an artificial, measuring device. It has been figured out by economists and statisticians. These swivel-chair operations are necessary and all right as far as they go. But they do not go far enough. We must recognize parity for what it really is—a stopgap yardstick. We must not be misled into thinking that its full measure brings the living standards of farm families anywhere near those of the rest of the Nation.

No amount of fancy figures and statistics and calculations can measure the need of our farm population for better housing; for electric power; for telephone service; for health and educational facilities. All fair-minded folks agree on this but in some respects we are moving backward.

In 1920, for example, 46 percent of our then 68,000 farms in North Dakota had telephone service. The percentage of North Dakota farms which have telephones today is 33 percent—a drop of 13 percent. In other words, two-thirds of North Dakota's farmers are helpless in the face of emergencies.

Parity won't bring the doctor to a child suddenly fallen ill on a farm or ranch where there is no telephone. Parity won't be any help where there has been an accident or a fire has broken out, but I, WILLIAM LANGER, as one United States Senator, am endeavoring to get the billion-dollar appropriation bill passed to get rural telephones to all the Nation's farms.

I want to make it crystal clear that I do not make these arguments for a high and stable farm income out of selfish interest for the farmer. The farmer does not want any favors, nor does he need them. Arguments for equality of living standards are nothing more than arguments for our respect and dignity as a Nation. And there is nothing the whole Nation needs more than an even break for the farmer. An income standard for the farm, equal to that over the Nation, inevitably would mean general and continued prosperity for the country as a whole. Our economy rests on the land. When this foundation crumbles, our economic structure cannot stand.

Near-sighted special interests who argue against this fundamental truth are foolishly and ignorantly talking with the wind. Nothing proves them in error so dramatically as recent history, within the memory of us all.

The plain fact is that farm prices historically lead the way down in a depression, and go lower than all the rest. Farmers in the past have responded to sharp price drops by increasing, or at least maintaining production, thereby keeping the country well fed but compounding their own troubles. Industry does precisely the opposite—production is cut; prices are maintained. In the 4-year period, 1929 through 1932, prices of principal farm commodities dropped by 56 percent while production stayed the same. But prices of leading industrial items, on the other hand, were cut only $5\frac{3}{10}$ percent while production was slashed more than 70 percent. You farmers all know that while what you raised went down to very low prices, that farm machinery which had gone to new high heights during World War I stayed right up there after the war was over and is up there today—far above 100 percent parity. But eventually and inevitably the whole structure collapsed.

That cannot happen again if our democracy is to survive. The farm plan proposed by Secretary Brannan aims at preventing a depression before it happens by maintaining parity of farm income. That makes so much sense we have never tried it. I will continue to argue—as I have argued for many years in the past—that we should try it. At the same time, we should recognize that parity as we now understand it is only a start toward the eventual goal of true equality in living standards for the people on our farms.

Jackson Day Dinner Address by Associate Justice of the Supreme Court of Hawaii, Louis Le Baron

EXTENSION OF REMARKS
OF
HON. DENNIS CHAVEZ
OF NEW MEXICO
IN THE SENATE OF THE UNITED STATES

Wednesday, June 8 (legislative day of Thursday, June 2), 1949

Mr. CHAVEZ. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the address delivered by the Honorable Louis Le Baron, associate justice of the Supreme Court of Hawaii, to the Democratic Party of Hawaii at its Jackson Day dinner on February 24, 1949, in Honolulu.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

For the past 20 years since the founding of the Jackson Club it has been my ambition to address the Democratic Party of Hawaii in memory of Andrew Jackson. This ambition was nurtured on family history. My great-grandfather, William Taylor Barry, was a lifelong friend of Andrew Jackson, and as a tribute to that friendship named his first-born son Andrew Jackson Barry, who grew up to become my grandfather. My great-grandfather had been Chief Justice of the Supreme Court of Kentucky. He was Kentucky's secretary of state. He delivered his State to Jackson in the Presidential campaign of 1828 and served in Jackson's Cabinet. In my home today is a pair of silver sugar tongs made from various coins which Andrew Jackson had from time to time tossed to his little namesake, Andrew Jackson Barry, on his many visits to the boy's home in Kentucky. The molding of those tongs is symbolic of my family's continued admiration of the sterling qualities of its beloved "Old Hickory."

There could not be a more fitting time to do public honor to the memory of Andrew Jackson, coming as it does so soon after the great victory of 1948, when Harry S. Truman was first elected President of the United States. That victory has but one parallel in American history. It is the victory of 1828, when Andrew Jackson was first elected President of the United States. During the campaign of 1828 every newspaper, college professor, banker, and other intelligent person "in the know" predicted that Adams would be elected to the Presidency, as their prototypes a hundred and twenty years later predicted that Dewey would. The parallel, however, does not stop there. Both victories were victories of the people themselves over those who feared and distrusted them. In short, both were victories of the Democratic Party, which, both nationally and locally, has steadfastly held to the Jeffersonian principle that "nothing is unchangeable but the inherent and inalienable rights of man," and consistently believed that it should identify itself with the people, have confidence in them, cherish and consider them the most honest and safe (although perhaps not the most wise) depository of the public interests.

Jackson, like Truman, believed this fervently. During the short 8 years of his Presidency, Jackson put that principle and belief into practice. He threw down the bars that hedged the people from effective participation in the conduct of their own Government. He destroyed the sinister alliance between politics and finance that was swiftly reducing the people to economic serfdom. He became a veritable sword against disunion and shattered the nullification movement, which had brought the people to the brink of civil war, thereby postponing for some thirty-odd years the day when a half million Americans had to die to preserve the Union. In his proclamation against the acts of nullification taken by his former home State, Jackson declared that "armed disunion is treason," and that powerful stand pointed the way to Abraham Lincoln when he subsequently entered upon his task of holding the United States together.

Jackson is one of the finest symbols of a free man who ever lived in a free climate and moved in a free society. No other land than America could have produced him. His parents were immigrants, his father a linen draper from Belfast, Ireland, who died a few months before his son Andrew was born on the western frontier of North Carolina.

Shortly thereafter, Andrew Jackson's widowed mother took her three small children to South Carolina, where she reared and supported them by working as a housekeeper in the home of relatives. Young Andrew faced a rugged world and fought for every advantage from the time of birth to the day of his death. His was a roaring career, resounding to the roars of cheering multitudes, of musketry, of artillery. He was a great duelist, a great soldier, and a great statesman. He was fiery, quixotic, honest, and loyal, but withal a man who had a code and lived up to it. But he did not cringe, he did not fawn, he did not carry water on both shoulders. When he lost—and he lost heavily and frequently—he paid without whimpering. He loved a woman and lost her, and of all his innumerable wounds that hurt the worst and the longest. Even a superficial examination of the record of his life reveals that few men who have figured largely in public affairs have exhibited more conspicuously the traits common to all humanity.

Thomas Jefferson envisioned that a free society of free men would be the strongest government on earth, an example toward which the whole future of man would gravitate, but Andrew Jackson demonstrated that that experiment worked. When Jefferson acquired the great Louisiana Territory and increased the domain of the United States by 140 percent, there were many who wailed in despair. They said that our country would be too big for union, too sordid for patriotism, too democratic for liberty, and that the weight and importance of the Eastern States would be destroyed. They merely voiced the old fear and distrust of the people on the theory that the greater their number the greater the danger. They particularly feared the rough and tough denizens of the western plains, the descendants of whom easterners in later year contemptuously dubbed "the sons of wild jackasses." The momentum of Jefferson's "empire of liberty," however, was too great to be so contained and fenced within the original States. In step with the Nation's destiny of world leadership, Jackson at the Battle of New Orleans repelled foreign invasion and in the White House proved to the world that democracy was a growing and vital force. Since then new stars out of the west have been added to the flag and the empire of liberty has rolled across and beyond a vast continent. Hawaii is a part of that empire and today stands at the threshold of statehood awaiting its opportunity to assume the responsibility of a State as a sister to the other 48 States of the Union. The empire of liberty is thus acquiring its full stature and its fruits are strengthening democratic nations everywhere. Jefferson's dream has become a reality and the burdened and oppressed throughout the world know that America's free society of free men holds the answer to their problems. We must keep faith. We cannot falter.

So long as truth prevails over falsehood, the foundation of this Nation will be secure. The potency of America's faith rests on the proposition that its people shall know the truth and the truth shall make them free. The strength of America lies in the righteousness of its people and an enlightened public opinion expressed in free elections and by secret ballot. Keep the ideals of Jefferson and Jackson alive and democracy will always flourish like the green bay tree, to which no subversive parasite can attach.

What American would trade his glorious heritage for a system where the sons of darkness can torture men of God and enslave the workingman? What American would give comfort to an agent of a malevolent foreign power who insidiously attempts to destroy our people as a Nation, whether that agent acts wittingly or unwittingly? No real American would do so knowingly, no matter what glittering promises are held out to him. Truth alone swings wide the door to freedom, which is nothing more than truth in action. It has been said, and truly, that while it is possible to send a message around the world in a fraction of a second, it requires generations to drive an idea through a quarter of an inch of human skull. Thank God that the idea of a free society of free men has penetrated the present-day American skull and that there can be no iron curtain in this land. But every American has the personal concern not to be deceived where the public order is at stake and to be distrustful of those of doubtful loyalty and of those who dare not deny allegiance to a God-hating ideology of an alien government. Every American has the solemn obligation to welcome the truth and help hold its torch high so that the vile things which thrive in the darkness may be clearly seen for what they are. The satisfaction of this reasonable service is all that is necessary, and that is the American way.

The victory of 1948 being comparable to that of 1828, let us pray that its gains may be preserved, that Almighty God guide and strengthen His servant, Harry S. Truman, against the Nation's enemies, both foreign and domestic, as He guided and strengthened His servant, Andrew Jackson.

In revering the memory of Andrew Jackson, we do not purport to live in the past, but are dedicating our lives to the living principles which make our Nation the greatest on earth, and by which that Nation may solve the problems of the present and prepare for the future. The immigrant linen draper's son touched the height of human glory by never attempting to win freedom by appeasement, but fought for it with fearless and unswerving loyalty, giving no quarter and asking for none. This Nation through a revitalized Democratic Party must do likewise.

"For no man escapes
When freedom fails,
The best of men rot
In filthy jails;
And they who cried:
'Appease, appease,'
Are hanged by men
They tried to please."

Address by Paul A. Strachan Before American Federation of Physically Handicapped

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Wednesday, June 8 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by Paul A. Strachan, national president of the American Federation of the Physically Handicapped, before the Tri-State Conference of Handicapped, at Pittsburgh, Pa., on May 22, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, Mayor Lawrence, distinguished guests, and members of AFPH, it is peculiarly appropriate that we associate "physically handicapped" with the city of Pittsburgh, because Pittsburgh is frequently called the Vulcan of America and it will be recalled that in ancient mythology Vulcan was distinguished for two things: One, being husband of the Goddess Venus, and the other, being the greatest smith of his, or any other time. But he had an additional attribute: He was physically handicapped.

So, while today Pittsburgh is a giant in strength, like Vulcan of old, it has its weaknesses, and in the metropolitan area of where I am now standing, of the approximate 2,000,000 population, about 1 in 4, in some degree, is physically handicapped, or, 500,000 disabled—many of them seriously.

That localizes a problem which is national in scope and which, I firmly believe, can only be dealt with nationally, because the problems of the handicapped in Pittsburgh, are the same as the problems of the handicapped in Detroit, Chicago, Denver, San Francisco, Los Angeles, Houston, New Orleans, Atlanta, St. Louis, Cleveland, Cincinnati, Philadelphia, Baltimore, New York, or Boston. While figures on the total number of handicapped in the United States vary, according to source, yet it is estimated that there are as many as 55,000,000, and no fewer than 28,000,000—with approximately 7,000,000 in the category of the totally and permanently disabled.

The annual toll of injuries, alone, is appalling. For the period of the past 10 years, we have the following:

Year	Total	Fatal	Permanent-total	Permanent-partial	Temporary-total
1939	1,603,500	14,900	1,500	109,400	1,477,700
1940	1,889,700	16,500	1,600	89,600	1,782,000
1941	2,180,200	17,500	1,700	100,000	2,060,400
1942	2,267,700	18,100	1,800	100,800	2,147,000
1943	2,414,000	18,400	1,700	108,000	2,285,900
1944	2,230,400	15,900	1,700	94,800	2,118,400
1945	2,020,300	16,500	1,800	88,100	1,913,900
1946	2,056,000	16,500	1,800	92,400	1,945,300
1947	2,059,000	17,000	1,700	90,000	1,950,300
1948 [1]	1,960,000	16,500	1,800	83,700	1,858,000

[1] Preliminary.

DEFINITIONS

Work injury: An injury which occurred in the course of and arose out of employment.

Fatality: An injury which resulted in death during the reported year.

Permanent-total disability: An injury which renders the injured person unable to engage in any normal occupation for the remainder of his life. Includes by definition the loss or permanent loss of use of (a) both eyes; or (b) one eye and one hand, or arm, or leg, or foot; or (c) any two of the following not on the same limb; hand, arm, foot, or leg.

Permanent-partial disability: The loss of any member or part of a member of the body, or any permanent impairment of a function of the body or part thereof in any degree less than permanent, partial, total disability.

Temporary-total disability: Any injury which does not result in death or permanent disability, but which renders the injured person unable to work for one or more days after the day of injury.

PERTINENT TOTALS

For the 10-year period, 1939–48:	
Fatalities	167,800
Permanent-total disabilities	17,200
Permanent-partial disabilities	957,000
Temporary-total disabilities	19,538,800
Grand total	20,680,800
For the war years, 1942–45:	
Fatalities	68,900
Permanent-total disabilities	7,000
Permanent-partial disabilities	391,300
Temporary-total disabilities	8,463,200
Grand total	8,932,400

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PERMANENT IMPAIRMENTS

In a discussion of handicapped workers, the most important of the above figures are those relating to permanent-total disabilities and permanent-partial disabilities, as these cases are the ones which impose lasting handicaps upon the injured persons. The permanent-total disabilities are, of course, the very serious cases which exclude the injured persons from practically every normal employment. Some of these persons cannot be rehabilitated for any work, and the others present very difficult rehabilitation problems.

The permanent-partial disability cases range from minor disabilities which present very slight employment hindrances, to more serious impairments which call for extensive retraining to make the injured person employable. The available data does not indicate the degree of handicap resulting from these disabilities, but it is possible to make rough estimates as to the part of the body affected by these impairments. These estimates must be used with caution, however, because manufacturing is the only industrial area for which the distribution by part of body affected is available. In applying the manufacturing distribution to the grand totals it has to be assumed that injuries to the nonmanufacturing industries follow the same general pattern as is manufacturing. This, of course, may be questioned, but there appears to be no substantial grounds for not accepting the assumption as valid.

By applying the manufacturing ratios to the total estimated volume of permanent-partial disability cases for the past 10 years, it is possible to say that these cases were distributed approximately as follows:

Permanent impairments to—	
An arm	29,600
A hand or fingers	742,500
A leg	26,000
A foot or toes	68,000
An eye	45,200
Other parts of body	45,700
Total (10 years)	957,000

These estimates of impairments to particular parts of the body represent unpublished figures, but are based upon the general figures shown in the regular reports of the United States Bureau of Labor Statistics, the Director of which is my able, experienced friend, Ewan Clague, and this agency prepared these tables and information at my request.

With further reference to the five war years, on the industrial front there were 11,112,600 total injuries, and 88,100 fatalities, while in the various branches of the armed forces there were:

	Killed and died	Wounded in action
Navy	48,667	33,670
Marine Corps	21,711	63,919
Coast Guard	1,039	968
Army	225,155	571,822
Total	296,602	670,379
Total military casualties	966,981	

There, you have the picture, a picture which, if understood, should burn its message into your very souls in letters of fire of the meaning of the greatest problem before this country today—what to do with its millions of physically handicapped.

It is a fact that there is no rehabilitation program worthy of the name. Even in your great State of Pennsylvania, for several months, there was no money in your bureau of rehabilitation for case work, because its funds had been exhausted. It had lots of company, as, for some twenty-odd months, recently, some 30 of the States were in similar condition.

What, then, can we do about it? This tremendous problem cannot be solved by taking the millions of handicapped to—let us say—the chamber of commerce, the National Association of Manufacturers, or organized labor, veterans, farm, women, educational, religious, civic, fraternal, or any other single large organization in America and say, "Here, you rehabilitate the 28,000,000 handicapped. You treat them, medically; train them educationally and vocationally, and place them in suitable employment." No—this job is too big for anything other than Government—and I mean "big Government," to handle. And, even Government must have the active support and cooperation of all groups if any plan is to succeed on any level—Federal State, or local community.

What specific plan can we follow? Well, some of us believe that any plan, to be successful, must be 100 percent Federal, in operation. There are others who contend that it should only be done by the States. Still another group says "Government should stay out of this field and leave it to private agencies and individuals." I do not share that belief because the evidence, overwhelmingly, proves that such a plan is chimerical. It has never worked in the past, and I am convinced it will not work in future.

Still another group believes that joint action of the Federal and State Governments is necessary. As a practical proposition, at this juncture, I endorse the Federal-State joint-program method. At least, it is now and has been in operation, for the past 30 years. It is, of course, wholly and woefully inadequate to do the job, but we have had enough experience with it to see, in many respects, its weaknesses, and can devise remedies therefor.

Our federation, which in the 8 years of its existence, I am proud to say, has initiated and carried forward, in the public interest, more programs for handicapped than any organization in American history over a comparable period of time—has given long study to this problem. I may say that I have been identified with this field for 35 years, and was one of the three who put the first Federal Vocational Training Act, from which all subsequent legislation in this field has stemmed, on the books, some 30 years ago—the two others being the late Arthur Holder, and N. P. Alifas, of the International Association of Machinists. But, I approach this matter humbly, in the light of how little—rather than how much—I know, but, at least with the advantage of a practical experience and range of knowledge of the varied problems of handicapped people gained from personal acquaintance.

So we have developed a bill, now pending in Congress, and introduced in the Senate by our good friend, Senator JOHN J. SPARKMAN, with 17 eminent Senators, including Pennsylvania's senior Senator, FRANCIS J. MYERS, and, 13 Members of the House of Representatives, one of whom is your own neighbor, the beloved AUGUSTINE B. KELLEY, of Greensburg.

Just before leaving Washington for Pittsburgh, I called upon Gus, since I had been advised by my dear friend JOHN W. MCCORMACK, House majority leader, that Gus had just been appointed as chairman of the House Committee on Education and Labor's subcommittee on the handicapped. I told Gus that I would meet many of his old friends, among them, His Honor, David Lawrence, as well as members of AFPH, whom he has met at our past meetings here, and in Washington. I asked, "Gus, have you any word I can take to them?" He said, "Paul, tell them we shall open hearings on our bill, the Federal Commission on Services for the Physically Handicapped, on Monday, July 11, and I ask for the wholehearted collaboration and support of every organization, group, and individual, who wants the Congress of the United States to bring out an effective, streamlined bill, that will meet the needs of our handicapped people. I am especially sensitive in this matter, because, my State and my district, as well as the great city of Pittsburgh, in particular, have large numbers of handicapped, and we must do what is necessary and possible, to ameliorate this condition at once."

I am most happy to convey this news to you from GUS KELLEY. It is a great victory for the handicapped to get hearings, now, at all, because, today, the Congress is laboring under a heavier load of legislation than I have ever seen before in the 35 years I've been acquainted with it, and the agenda of Senate and House committees are filled, completely, with hearings to be held. I believe, in this, that Almighty God has smiled upon our labors, and I am humbly grateful to Him, and to our good friends who battle valiantly for us.

The bill to establish a Federal Commission on Services for the Physically Handicapped as stated, is the result of an evolutionary, not revolutionary, process, and it developed from the experience of many years. Briefly, it provides for:

1 Maximum extension of medical services; education and training; vocational guidance; and full employment opportunities to citizens handicapped by physical or mental disabilities.

2. More effective coordination of the functions of the thirty-odd Federal agencies which now have, each, a piece of the rehabilitation and employment program for handicapped.

3. Establishes a Federal Interagency Committee on Rehabilitation and Employment of Handicapped.

4. Establishes a National Commission on Employment of Handicapped to be composed of organizations and individuals outside Government, to foster employment of handicapped.

5. Provides for establishment of cooperative enterprises for handicapped.

6. Provides $60 a month grants for totally and permanently disabled citizens.

7. Provides educational grants for bedbound, or those confined to homes and institutions, who require special training.

8. Establishes the Federal Services to Handicapped Revolving Loan Fund, with $10,000,000, from which fund States may borrow money at such times as their own funds for vocational rehabilitation are exhausted.

9. Establishes a Division for Handicapped in the United States Civil Service Commission.

10. Promotes safety programs designed to eliminate and prevent conditions tending to promote injuries and disease in public buildings, institutions, and parks.

This is the most comprehensive legislation for the physically handicapped ever introduced in Congress. It does not, in fact, create an additional agency, but uses an existing agency as a base; changes its meaningless name; gives it means and power, in a sane, practical way, to do the vitally important job on behalf of millions of handicapped citizens, and it maintains the present Federal-State relationship.

This, my friends, is the program we are offering for public approval. The need for it has long been established. The means to effectuate it are at hand, if we will but use them. Congress, like Barkis, "is willin'," but, frankly, it must be shown that public sentiment is behind this legislation. I most respectively urge that all of you lend full support to this measure, and advise your Senators and Representatives to get behind the bill, which is the antithesis of past and present do-nothing policies, and supplants them with a dynamic, forward-looking program. I concede that no bill is perfect and

this one, no doubt, can and will be greatly improved, upon hearings, but it is a long start in the right direction, even though it is about 50 years behind where a program should be in this country.

The city of Pittsburgh, indeed, the whole State of Pennsylvania has much to gain by passage of this bill and I hope there will be no misunderstandings about its purposes. It simply links up, in a logical way, and on the basis of 30 years' experience, a Federal, State, and local community program. It does not impose any "great brains" from Washington, or elsewhere, upon Pittsburgh or any other outside city, but it does set up certain standards which, like a good post-office service, must be accepted and applied universally, if such service is to succeed in accomplishing its purpose.

Since this problem is going to be with us, in greater or lesser degree, for all time, because, unfortunately, each age produces its own handicapped and there is no millennium in sight as yet, I fervently hope that you will give this matter your most careful attention.

I deeply appreciate the great honor conferred upon me here, tonight, and wish to say that, as long as life remains, I shall continue this fight to advance the social and economic welfare of our 28,000,000 American handicapped.

I thank you.

The Brannan Farm-Income-Support Program

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Wednesday, June 8 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Congress Leans Toward Brannan Plan," published in the Bismarck (N. Dak.) Capital of May 27, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONGRESS LEANS TOWARD BRANNAN PLAN

Lines are being formed at Washington for a battle over the kind of a farm-income-support program to be followed in the years ahead. No important element in Congress takes the position that there should not be such a program. The only difference of opinion is with regard to the methods that should be used and the extent of the support.

Farm support is being looked upon more and more as a vital part of the American economic system, rather than as a subsidy for the benefit of agriculture. It is generally recognized that the Government must maintain a constructive program that will protect not only the farmer but the whole economy from the effects of an output of farm products greater than the market can absorb at a fair and equitable price.

The question Congress is going to decide either this year or next is whether the present law providing for a flexible price-support plan shall be continued with some modifications, or whether a program along the line of the recent Brannan proposal shall be enacted.

The law now provides for loans to the farmer, or other measures, designed to support prices up to maximum of 90 percent of parity. If the price goes up the farmer can sell, pay off the loan, and benefit from the difference. If the price goes down the farmer keeps the loan money and the Government gets the commodity. In the case of some commodities the grower can secure a purchase agreement under which the Government promises to pay the support price at a future date.

Under the Brannan proposal, however, prices of perishable farm products would be permitted to seek their own level at the market place. Then the producer would be given a Government check covering the difference between the average market price received and the fair-income price. In most years this program would result in lower prices for consumers.

The cost in either case will be met by the taxpayer. Opponents of the Brannan plan contend that it would cost far more than the present program. But supporters of the plan say the average consumer would pay less than under the present law. They charge that under the present program the consumer pays twice—once when he buys farm products at the high support price and again when he foots the tax bill necessary to carry out the support program.

Under the Brannan proposal the consumer would pay the cost of the program in taxes but would pay less for farm products in the market place. The plan would apply to meat, dairy products, vegetables, poultry, and other perishables. Storable commodities like grain, cotton, tobacco, wool, flaxseed, etc., would continue to be supported under the loan and price-support program now in effect.

Reports from Washington indicate that the Brannan proposal may possibly be adopted for hogs, and perhaps one or two other commodities, at the present session of Congress. The rest of the program with some modifications appears to have at least a fair chance of enactment in 1950. Seasoned observers are of the opinion that legislation designed to provide low prices for consumers and a high level of income for producers will have almost irresistible appeal in an election year.

South Dakota, Today's Land of Opportunity

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Wednesday, June 8 (legislative day of Thursday, June 2), 1949

Mr. MUNDT. Mr. President, for the past 10 or 12 years, nature has been magnificently generous with South Dakota and our normally great farm State has demonstrated a productivity which is virtually unequaled and unexcelled by any other area of America's rich farm belt.

The Greater South Dakota Association, through its central office in Huron, has recently compiled some statistics from official Department of Agriculture figures which are both striking and significant. These current statistics, Mr. President, demonstrate that of the 12 great North Central States which comprise the bread basket of the United States—and the world—South Dakota ranks first in six of the most important production enterprises of concern to the food consumers of America.

In another six important factors demonstrating not only the lush productivity of South Dakota, but also its high per capita wealth and income and its enviable economic position, South Dakota ranks second among all of the North Central States.

Mr. President, a study of these statistics will help citizens generally to understand why South Dakota has consistently ranked first among all the 48 States of this Republic, not only in the per capita purchase of E bonds, but also as having the lowest redemption rate of any State when it comes to the cashing of Government bonds.

I ask unanimous consent that the statistics be printed in the RECORD, followed by a brief statement.

There being no objection, the statistics and statement were ordered to be printed in the RECORD, as follows:

Here, for all to see and study, are the detailed statistics which help to measure South Dakota's might:

Among the 12 States comprising the north central area of America, South Dakota now ranks first in each of the following factors:

1. In the average number of cattle and calves on farms on January 1, 1949.
2. In the average number of sheep on farms, January 1, 1949.
3. In the average value of all cattle on farms, January 1, 1949.
4. In the average value of all livestock on farms on January 1, 1949.
5. In the average production of rye per farm in 1948.
6. In the 12-year average production of oats per farm.

Among the 12 States comprising the north central area of America, North Dakota now ranks second in each of the following factors:

1. In the average value of hay produced per farm in 1948.
2. In the total number of livestock per farm on January 1, 1949.
3. In the percent increase in average gross income per farm, 1948 over 1940.
4. In the percent gain in retail sales, 1948 over 1939.
5. In 1948 average retail sales per family.
6. In the average combined production per farm of corn, oats, wheat, barley, hay, flax, soybeans, rye, and potatoes in 1948.

Ambitious young men and women with red blood in their veins and high hopes in their hearts are invited to South Dakota's opportunity land. There they can make their fortunes and enjoy the opportunity and security which operate in an environment of 100-percent Americanism populated by patriotic, progressive, energetic, friendly people. Drones, dullards, and free-riders are not invited but those who believe in America's great private-enterprise system and political and economic independence should pay South Dakota a visit this summer. Don't come with a suitcase—bring along your wardrobe trunk since the chances are 9 out of 10 you'll want to buy a home or get a job and settle down in opportunity land for life.

Address by Hon. Louis J. Johnson

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. BROOKS. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include an address delivered by the Honorable Louis J. Johnson, Secretary of Defense, to the National

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Board of Insurance Underwriters in New York City on the evening of May 26, 1949. The address is a most scholarly one and I know it will be of general interest to the country.

ADDRESS BY LOUIS JOHNSON, SECRETARY OF DEFENSE

I bring you tonight a special message from the President of the United States, and I am deeply honored to have the privilege of reading it to you. Here is President Truman's message:

"Mr. W. E. MALLALIEU,
"General Manager, National Board of Fire Underwriters.

"DEAR MR. MALLALIEU: Thank you for your kind invitation to attend the eighty-third annual meeting of the National Board of Fire Underwriters. I regret that it is not possible for me to be present.

"I am glad of this opportunity to commend your organization for the outstanding leadership you have shown in the fields of building codes, fire statistics, fire-insurance education, fire prevention, and other related activities. You have made many valuable contributions toward reducing the huge human and economic losses suffered in this country year after year because of fires.

"Please convey to those attending the banquet my best wishes for a very successful meeting.

"Very sincerely yours,
"HARRY S. TRUMAN."

In commending the National Board of Fire Underwriters, the President called attention to your distinctive achievement in the field of building codes. In my talk I want to take this theme of building codes and expand it on a universal basis. I want to apply it to another code of deep concern to every man, woman, and child in America—a code aimed at national, indeed world, security.

The United States is engaged today in the building of an epoch-making code—an international code of conduct among the free living peoples of the Western World designed to insure us against war, and the threat of war.

I use the term "insurance" here advisedly. It is a word that you especially understand. Note that we are talking about insurance, not about guaranties. Human nature and the world being what it is, there can be no literal guaranty of peace today in the foreseeable future. Another generation tomorrow, as yesterday, may be called upon to fight an aggressor.

All we can do is to utilize all our statesmanship and good will and energy to reduce the possibility of war breaking out, to a minimum, and to make sure that if it does break out, that our country will be alert and powerful enough to demolish the enemy as quickly as possible. Therefore, there must be, and there can be, an America so strong that no nation that calculates risk dare attack us; and no aggressive nation that miscalculates will succeed in its sinister designs.

Our international building code for world peace rests on the firm foundations of western civilization. Its keystone is the Marshall plan, whereby a Europe practically in wreckage from World War II has resolutely and successfully undertaken the long and painful task of economic recovery. Since revolution and war breed on hunger and chaos, economic recovery had to be the first step in our program for security.

In the short time it has been in operation, the Marshall plan is already paying dividends. Our investment in the peoples of Europe has brought substantial returns. There is peace in western Europe today.

True, little islands of discontent may still have root inside some of the established governments of western Europe; but the basic fear of aggression either from outside or from within their democratic structures has been substantially allayed and, in some cases, utterly dispelled.

With revival of economic productive activity under the Marshall plan, European nations themselves began to realize that a pact was needed among them, for mutual protection against aggressors. The first step in this regard was taken with the signing of the Brussels Pact, in which the western European nations took a long step toward collective self-defense. The United States did not join in this regional pact which was limited to the nations of western Europe. We have, however, been in close touch with the activities of the Brussels Pact organization.

During the summer of 1948, however, conversations were begun between this Government and European governments making up a community of the North Atlantic area, aimed at a broader objective than that envisaged by the Brussels Pact. From these talks there has now come an agreement historic in its significance as a new Magna Carta for peace, which we call the North Atlantic Pact.

Representatives of 11 western European countries, and of the United States, signed the treaty. When ratified, this document will band together 12 nations of the North Atlantic community, to tell would-be aggressors that an attack on one of the signatory nations is an attack on all. By this treaty, the will to resist domination is reborn in western Europe and the North Atlantic area, and vigorously restated to the world by signatory powers.

It must be understood that the Atlantic Pact is no lopsided document from which only the European signers will benefit. This treaty is just as vital to the United States security as it is to the smallest signatory government. It is for us a first line of our own defense, because, once launched, campaigns of warring dictators fix no limits to their course. Their aim is world conquest. Every nation gobbled up on the way is merely a new platform from which to launch new, stronger advances.

United States security, therefore, demands a strong union of peaceful democratic governments to prevent such aggression at the source, as it were, to defeat it promptly if these countries cannot prevent its breaking out in the first place.

Plans for American military assistance to Europe follow as a natural and necessary sequence to the North Atlantic Pact. Cosigners of the pact, as well as other free nations, such as Greece and Turkey, want to build up their own defenses as quickly as possible. But they are not yet strong enough to move forward steadily with their necessary economic recovery and at the same time expend their resources for defensive rearmament. The military assistance program would assist in bridging the gap.

To recapitulate: The Marshall plan is rapidly restoring the economic life of western Europe. The North Atlantic Pact will go far toward strengthening the will to resist aggression. The military assistance program will further this determination. Under this program freedom-loving nations of Europe would obtain urgently needed military aid from the only democratic arsenal in the world now capable of assisting them in the colossal task of reconstituting their armed forces.

With the North Atlantic Pact, we serve notice on the world that we have a great stake in the peace of Europe, and that we are alert to the implications of aggressive acts that may disturb that peace. In signing the pact, we declare to the world that the security of our land is inseparably bound to the freedom of the peoples of western Europe. This treaty marshals to the cause of freedom more than 300,000,000 people rooted in a tradition against tyranny and oppression which is dedicated to defy the pressure of any aggressor. Any attempted conquest of 1 of the 12 pact signers binds the other 11 to act to restore peace.

Such a pledge, coming from democratic peoples who over the years have earned the reputation of living up to their commitments, should make aggressors on their fancied road to conquest, stop, look, and listen.

But aggressors often fail to read the signs. They are not always logical. On the contrary, because to them treaties and agreements may be considered worthless bits of paper, they attribute similar sinister attitudes to others—and they never seem to learn. They forget the blood that free people have always shed to carry out their solemn promises. But we have faith in promises of free peoples. And therefore we must give them the sinews of battle to help them resist an aggressor. That is why we propose to embark on a military aid program—aid, not only for the nations who joined in the Atlantic Pact, but for Greece and for Turkey, and other free nations too.

All these peoples have already shown great courage and their will to resist aggression. Now we must provide them with a greater strength with which to resist.

All of us who have studied history know the ways of an aggressor. His technique does not appear to change over the centuries. His aim is to divide and conquer. He exploits the weak and the hesitant. He exploits to his own advantage the will for peace possessed by the decent people of the world. His thirst for power is insatiable. To him a partial victory is often but an armistice—a moment to reconnoiter, prepare and regroup, for another offensive. But he does respect one thing—and only one thing—strength. The Atlantic Pact, plus military aid, gives us strength—the will power, manpower, and matériel—and strategically located positions from which to employ all these sinews of battle should the European peace be again disturbed by an aggressor.

The United States of America and the freedom-loving peoples of Europe have thus formed a partnership in the business of peace—not a silent partnership with hidden objectives—but a bold, open covenant, openly arrived at, to give us the best possible insurance against war. It is a partnership to which all members are making substantial contribution. We are giving a great deal, but in considering what we are called upon to give, we must not overlook the assets that our European partners are bringing into this unique cooperative venture 300 million intelligent people including 140 million capable Americans with a tradition of democracy of free enterprise, possessed of raw materials in substantial quantity.

To those assets we propose to add the strength and prestige of the United States of America. We would contribute the finished equipment with which our partners may defend themselves, and therefore also us. We would give the necessary military advice and technical assistance to enable them to use these defensive weapons to their best advantage. Each European government opposed to aggression and bound firmly to the tenets of democracy has an honorable place in this partnership of freedom to which each contributes to the best of his means and ability.

Military aid to our European partners will cost money. It cannot be taken from the funds allotted in our Federal budget to the armed services because these already are pared down to a point where further paring may imperil our security. Military aid must be an additional premium on our policy for peace insurance which we must pay.

The cost of the first year, just short of a billion and a half dollars, is truly an appreciable sum. The added security that

we will buy with that money, however, justifies the additional expense. Insurance, substantial insurance, effective insurance, as you so clearly understand, does not come cheap. Military aid will put an added crimp in our pocketbook, but it is a crimp we can take without loss of freedom, without effect on our standards of living, without serious strain on our economy, and without appreciable diminution of our material resources. The insurance policy is sound. It is a premium well worth paying.

Our program holds the promise of peace and security. It will create, I am confident, in President Truman's words, "the condition that will lead eventually to personal freedom and happiness to all mankind." For a chance at that kind of world, we certainly can and should be willing to take in an extra notch in our belts.

In some circles, the Atlantic Pact and the military aid program may be regarded as departures from the American traditional policy against entangling alliances. And on the surface, at least, it may appear as though we were turning our backs on the wise counsel of our first illustrious President. But reflection will show this is unwaranted. For George Washington was above all a practical statesman. He was prescribing a code of conduct for the world as he knew it—a people thousands of miles in distance and many weeks in time from the Continent of Europe. He was thinking of alliances as they were known in his day—alliances for military conquests in foreign areas.

The North Atlantic Treaty is in no sense an alliance for conquest. It is a pact for defense, a pact for peace in a twentieth century world. It is exactly the kind of pact that would have appealed to our forefathers who were practical idealists. We want no war. We plan no conquest. But we are determined that there will be no more Pearl Harbors directed against the United States or any other government that is willing to stand up and be counted with us in a pact for freedom, democracy, and peace.

Meeting Our Problems in Light of the American Tradition

EXTENSION OF REMARKS

OF

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. YATES. Mr. Speaker, Mr. Marshall Field, the publisher of the Chicago Sun-Times and one of our Nation's truly great liberals, on May 25, 1949, delivered the convocation address at the University of Wisconsin.

It is an excellent statement of a truly beneficent social philosophy, one which has significant application to many of the legislative matters now before us, and I sincerely hope that it will have careful consideration.

The address follows:

MEETING OUR PROBLEMS IN LIGHT OF THE AMERICAN TRADITION

It is a great pleasure to be here on your beautiful campus on such a lovely spring evening. I am not unaware that the season and the environment combine to offer attractive alternatives to any speaker. I am also mindful that in a very few weeks a number of you will be graduating. You will get your full share of inspirational advice and guidance, and I am most hesitant to add to your quota. I have been on both the sending and receiving end of commencement day addresses in my time and I have not yet decided which is the most painful.

My job is publishing a metropolitan newspaper, not speech-making. The best place for anyone in the newspaper business is not up on a platform telling other people what he thinks, but down in the audience, listening for ideas, for suggestions, for criticisms. The problems we face in this country today depend for their solution upon informed group action. You are, and will increasingly be, important members of groups that will make decisions affecting all of us. I hope that you will not hesitate to write to me, to tell me of your own ideas and to let me have your reactions to my discussion tonight.

It is a splendid idea, this meeting devoted to the recognition of leadership in the campus community. The hope of recognition is one of our best and most effective human drives. It has nothing to do with cheap fame or notoriety. It goes a lot deeper than that. Men will work long hours with small tangible rewards if they believe that there is real value in what they are doing. The essential value of the work itself is the important thing. And public recognition helps to keep those values from being obscured by propaganda, or the exploitation of special interests.

Certainly it is not enough to recognize leadership for the sake of leadership alone. Hitler and Mussolini were recognized leaders but the values they represented were false and contained the seeds of their own destruction.

Nor is it enough to recognize personality. Our press and radio give daily recognition to hundreds of personalities because, for a brief moment, they are legitimate news. But many personalities represent no values at all beyond those which have been artfully rigged for them.

The importance of recognition lies in the fact that it gives us a chance to reaffirm and pay tribute to basic values that are important in the kind of society we are trying to achieve. If a man seems bigger than the cause he represents, there is good reason to question the values of both the man and the cause.

There are fads and fashions in values, as well as in every other field. There are times when certain values are pushed in the background, sometimes by accident, but more frequently by design. There are times when values are deliberately distorted in the hope that people will accept some unreasonable facsimile as a substitute.

But essential values cannot be destroyed, no matter where they may be found or how desperately issues may be confused.

I am thinking specifically of the values inherent in our American liberal tradition. It is one of the great social traditions, and it owes so much to the people of Wisconsin who made it work at a time when many people doubted its lasting value.

This liberal tradition that has led to our progress is a long tradition, and it embraces the best in our political system without regard to party. It goes back to the founders of the Republic. It has come down to us through men like Jefferson, Lincoln, Theodore Roosevelt, Wilson, and Franklin D. Roosevelt.

Since the end of the war the values of that tradition have again been under attack. There has been a retreat from liberalism in America, and it would be less than common sense to deny the evidence. We are plagued with what might be called a fear of democratic processes. It is reflected in a fear of change, a fear of facing facts, a fear of the vast potentialities of America itself. The evidence is all about us—in the temporary triumph of lobbies for special interests, in the panicky hunt for Communists, and in the petty filibustering tactics that made it possible to hold up the President in his program of civil rights. All this in spite of the fact that the country voted overwhelmingly for a progressive policy last November. I would like to suggest, parenthetically, that we have made a serious tactical error when we let this question be called one of "civil rights." What is really at stake, what most of the people really want is implementation of "human rights" for all Americans. A human right is more compelling than a civil right any day in the week.

There has been an attempt to create an impression of confusion among liberals themselves. It has been sugested that they have no cohesion, that liberals either have no program or a program that is too unrealistic to be useful.

Some of this criticism was inevitable. The liberal in America deals less in symbols than in facts. He is not an extremist, either of the left or of the right. He belongs to no camp except his own, although he has often been found among both Republicans and Democrats.

Not long ago one of the great eastern newspapers opened its editorial columns to the public in an effort to get a satisfactory definition of a liberal. There were scores of suggestions, some of them rather involved, and some fairly close to the point.

But to my mind, this was an excellent public service. A great many people have become confused by the liberalism of nineteenth-century England, which was inextricably involved with laissez faire. I doubt if complete laissez faire can be thought practical or desirable by any thinking, educated person today.

A liberal today, it seems to me, is a person who believes in people, who believes in their judgment and who believes in getting done the things people want done. As Thomas Jefferson once said, "Men, according to their constitutions, and the circumstances in which they are placed, differ honestly in opinion." Some, he said, "fear the people and wish to transfer all the power to the higher classes of society." The others "consider the people as the safest depository of power in the last resort; they cherish them, therefore, and wish to leave in them all the powers to the exercise of which they are competent."

There, in a nutshell, is the great area of conflict, and always has been—swinging now this way, and now that, but historically always gaining for the people.

One of the disadvantages that a liberal suffers under is that he doesn't start by picking out a road; he starts with people and their problems. In other words, if the people of America need and want new homes, and if nobody seems ready to build them, your real liberal goes about trying to get them. And he is not afraid to use the powers delegated to the Government by the people to help get things done cooperatively.

Today there is a growing trend toward attempting to fit democracy into a dogma. Democracy is threatened with hardening of the arteries. Our own vigorous growth as a democracy should warn us away from such an effort. For democracy is not dogmatic. Democracy is dynamic. It is subject to change, responsive to new challenges, unafraid of future problems. That has always been the American way.

But that is why democracy is so hard to sell ideologically. Democracy cannot be sold as rigid dogma. It cannot even be maintained dogmatically. It can only be sold effectively against competing systems throughout the world by precept and example.

Democracy cannot be imposed by armed force. Armament and defensive alliances alone cannot solve our basic problem, which is to achieve peaceful prosperity on a global scale. Of course, America should be prepared to defend itself and to help defend its friendly neighbors. Perhaps the ability to

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make sacrifices to do that is the final test of democratic people. But an armament program that dwarfs or supersedes economic reconstruction is no substitute for what we need today if the advantages of democracy are to be sold abroad.

In the long run the question of which social system will succeed best will be settled by the system which best meets the needs of the people. Democracy, I am convinced, meets that challenge anywhere in the world.

In a democracy it is inherent that definitions are necessarily personal things, subject to personal interpretation. Each man can only quote his own, never quite sure that he is right, and always ready to modify or change it.

I believe that a liberal is not instinctively against the status quo just for the sake of change. But when he calls for a change, he wants a change for the better, a change that will benefit all the people, not just a few who happen to be in power or to seek more power.

Samuel Grafton recently made an excellent point when he said that "Your conservative cannot rest if a theory is violated. Your liberal cannot rest if a problem is unsolved."

People who are fundamentally afraid of progress are apt to depend on sloganeering, instead of action, when they come up against basic issues. Such symbols as "unity" and "free enterprise"—both highly desirable goals—can be used as slogans, not to get things done, but simply to confuse an issue. Facility in sloganeering may seem impressive but it doesn't always work. It was tried last November, for example, and the result was that unexpectedly large numbers of people turned to a man and a program that to them denoted progress toward their own aspirations.

The critics of democracy in America would like liberals a lot better if they abandoned one of the qualities that gives them real strength. That quality is flexibility as to methods, while never abandoning their principles. The liberal is flexible in his approach to critical problems and he is flexible in working out solutions. There is no need to condemn either capitalism or socialism dogmatically. If capitalistic processes offer the greatest promise of meeting specific needs, the liberal will endorse those processes and work to extend them. But if a project, as for example the Tennessee Valley Authority, is seen to be bringing manifold benefits to a great section of the country, there is little use debating whether or not it is socialistic; the liberal is going to try to bring flood control and power to just as many parts of the country as become feasible.

Adolph Berle has recently pointed out in a book called Saving American Capitalism that the average citizen is unimpressed by theoretical debates on the role of the state in the national economy. The average citizen doesn't care whether essential services are provided by Government or by private enterprise so long as the service is good, the product moderately priced, and the organization courteous. But he is afraid of concentrated power, either in the hands of a centralized bureaucracy or in the hands of a centralized corporate monopoly.

The liberal is a propagandist for no one but the people and human freedoms. The importance of this cannot be minimized today when all our media of communication are subject to pressures in behalf of one group against another. The liberal's position thus becomes that of a frequently unpopular critic, and in the nature of things he will appear contradictory at times.

If bureaucracy in Government tends to become arbitrary, he will be found fighting the battle of individual freedom. If an individual or group tend to monopolize power under any slogan, including that of free enterprise, he will call upon the representatives of the people to police them. His criticism is constructive, but it is constant and it has an irritating, stimulating quality that is essential to general progress but threatening to special interest. Democracy's goal is full development and efficient use of all our resources for all the people. And society, like an individual athlete or artist, cannot develop without constant self-examination and continuous plotting of new objectives.

I suggested that the liberal is flexible not only in his approach to basic problems but in his solution. I think this is a measure of the realism with which all of our great liberals have worked successfully in the past. The record of third-party movements in this country offers a clue to this realism. It seems to me that the liberal has a special political sense which enables him to support third-party movements when they represent the best in the liberal tradition and to reject them when they don't. "Fighting Bob" La Follette's career, for example, revitalized and inspired the liberal tradition in America at a time when it was badly in need of restatement. And the La Follette third party got votes during one of the most reactionary periods in recent American history.

Henry Wallace's third party last fall may have started out in the liberal tradition, but it did no more than make a start. It was not a practical movement at any time and the voters recognized that fact.

What this means, I believe, is that liberalism in America has essential values whose preservation is important to every American. The pendulum may swing temporarily but the history of America is a record of continuous progress. We have gone through periods of reaction and we have gorged ourselves on menus of conservatism more than once. But these periods have always been followed by progressive ones. There has always been a corps of good sense which has recognized the essential values of democracy and has refused to give ground to die-hard reactionaries or fanatical left-wingers.

Because of this the liberal movement has had a stabilizing effect on our political development that cannot be matched anywhere else in the world. In spite of terrific pressure from both sides, we have never gone very far to the right or to the left in America. The liberal, by attracting attention to the dangers which lie at either extreme, has been a major factor in keeping us from complete domination by either a system of statism or monopoly.

What about immediate objectives, you may ask. What is the liberal program in the American tradition for today? Is there a program? Of course, there is.

Perhaps it has never been proclaimed in a manifesto or formalized in an imposing document. Perhaps not all liberals are in complete agreement on specifics of the program.

Such formalities are hardly necessary.

The liberal program will never come out of a committee room. It has already been published many times, many ways, often by people who are not conscious of political objectives.

Every veteran who has been unable to find decent housing for himself and his family has helped write that program. Every housewife who had to skimp or bypass food counters when price controls were lifted has helped to write that program. Every member of a minority group in our population who has been denied job equality because of race or color has helped to write that program. Every skilled workman who sold apples on street corners 17 and 18 years ago helped to write that program. All those people who for lack of access to adequate medical care were unable to enter the armed services, or to support themselves and their families helped to write that program. Those of our children who have been denied the education they deserve helped to write that program, too.

For the liberal program is a statement of the basic needs of the people in a society which has resources more than ample to meet those needs.

First, the liberal wants every human being in America to have the rights and the dignity that our laws says he is entitled to.

Second, the liberal wants an economy that works all the time. Human freedom cannot thrive in the atmosphere of severe economic depression—all the powers of our country working cooperatively must keep production going.

Third, he believes that a way must be found to provide adequate housing for those whom the private capitalist has never been able to provide.

Fourth, he wants to do everything possible to provide the access of everybody to the best possible health that medical science has the skill to furnish.

Fifth, he wants national policy that will give every child in America a chance to acquire the education that will equip him to become a good citizen.

These are not visionary goals. The important thing to remember is that they are not only realistic objectives—objectives that are good for America—they are also objectives on which liberals are working constructively right now. These objectives have already been translated in specific legislative proposals. They will not be attained overnight, but the fight to enact them, to make them effective, is being advanced slowly but surely in the fact of unrelenting opposition.

Only defeatists and pessimists can believe sincerely that these goals cannot be achieved.

These defeatists will be the spiritual descendants of all the die-hards who have instinctively and blindly opposed the liberal movement since this Nation was founded. They will have forgotten that the Bill of Rights, extension of the suffrage, child-labor legislation, wages-and-hours laws, reform of the banking system and of the exchange system—and every other productive measure—were once nothing more than goals of the liberal movement.

In America, the die-hards give up reluctantly, but the liberals have always won in the long run.

Underlying the main objectives of such a program is something bigger than a mere statement of objectives. It is a belief in the fundamental greatness of our natural and human resources and a profound respect for those resources.

The liberals have always claimed that America could be a better, a more productive, a more satisfying place in which to live at any particular moment. And they have proved their point time and time again. Our war-production record was only a single dramatic proof of the fact that America still does not know its own strength, still does not know how great it can be. The conservatives scoffed when liberals suggested that our postwar employment could approach the 60,000,000 mark. Yet the record shows that we topped that figure after the war.

Obviously, all that needs to be done must be done within the productive capacity of the country—but I take that to be enormous, if the national income is reasonably and justly distributed. Financial pundits have cried "Wolf" so often at the assumption of responsibilities by the Government, that I doubt whether the American people become unduly disturbed when the capacity of the country is put behind projects that increase the general well-being.

The liberal today wants to plan for a better American tomorrow. If necessary, he wants to be prepared to face the consequences of economic troubles abroad which may affect our own economy. The essential thing is that he does not want to trust to luck, he wants to plan. The watchword of one of the grand old statesmen of liberalism, Justice Louis Brandeis, used to be:

"Get the facts." The American of today wants to get the facts, too, and wants to use them to avoid the disastrous waste of national wealth and national morale that would result from another depression.

We are getting the facts—facts about the need for a more stable economy, for better housing, for better health, for education and for human rights. And we are using those facts in sound planning in the public interest.

There are those who say that planning is not desirable, that it destroys freedom and initiative and that we should not organize for well-being in time of peace as we do for victory in time of war.

There are those, in other words, who would hold out for the freedom to have depressions, the freedom to be sick, the freedom to enjoy low educational standards.

The liberal says that efficient planning and efficient organization get more things done and provide a base for personal freedom and initiative that can be achieved in no other way. This does not mean a superimposed economic strait-jacket, as some people would have you suppose. The liberal says that the experience of business and industry itself proves what planning and organization can do not only in turning out more and better products but in giving the individual worker more free time and better ways in which to use that time.

Certainly the men who are being honored tonight came forward to leadership and to recognition not by accident but through planning and efficient use of their best natural values.

I join all of you in paying tribute not only to these campus leaders but, more importantly, to the progressive values they represent. We can use such men and such values in increasing measure in the world today.

Why do I discuss these questions with you tonight? Because I believe that the world situation has forced them to a position of the greatest urgency. We have no dogma, no ideology to sell. We have to prove what a group of free people, each free to make his own contribution in ideas, in political maturity and productive capacity, can do. And we have no time to lose. We are being watched by unnumbered millions who have yet to make up their minds. The decisions they will make—and the part we play in determining what those decisions will be—can influence the course of history for generations to come.

The Challenge of the Republican Party

EXTENSION OF REMARKS

OF

HON. ANTONI N. SADLAK

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. SADLAK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address I delivered at the annual State convention of Young Republicans at Hotel Garde in New Haven, Conn., Saturday, June 4, 1949:

THE CHALLENGE OF THE REPUBLICAN PARTY

First, I want to say how happy I am to address the Young Republicans of Connecticut and to discuss with them the challenge of the Republican Party. After the 1948 elections, the feeling that the Republican Party is a lost cause is widespread. I am happy to be here today to voice my opinion that the Republican Party is not the deadwood that its opponents would make it out to be, but it is still the political party of fine ideologies responsible for the growth and progress of our great country.

It is true that the sad chapters of the history of the last 16 years have made our opponents and defeatists refer to the Republican Party as a floating ship that just can't come to shore; a ship with a crew that is dormant or unaware of its course; a ship without a navigator or maybe with too many navigators trying to steer it into port. Whatever the opinions of these people may be, this floating ship, the Republican Party, will not sink, for it is constructed of the finest timbers of principle that mankind could select. Founded by the great liberator, Abraham Lincoln, the Republican Party continued to grow on the inspiring American tradition of liberty, opportunity, and justice for all. The Republican Party has served as a beacon light for all freedom-loving people.

Our task—the task of the Young Republicans—is to bring that ship to port again. The Republican Party must come into power because it is the only party that can save this country from the state toward which it is drifting today—the state of ownership by the Federal Government of all major productive resources of the Nation. The Republican Party alone can save democracy. Abraham Lincoln, in explaining democracy, said: "The legitimate object of government is to do for a community of people what they need to have done, but cannot do at all or cannot do well for themselves in their separate and individual capacities. In all that the people individually can do as well for themselves, the Government ought not to interfere." This policy is embodied in the Republican platform, and if America is to remain a bastion of democracy, we, the Young Republican Party, must come to its rescue.

Before we can assume leadership on a Nation-wide scale again, however, we as a party must gain enough strength within ourselves to restore our confidence. We must blot out of our minds the sad events of the last few years and reorganize in a spirit that will lead us to victory. I propose a reorganization of our party along three major lines.

In view of the saying that "a chain is as strong as its weakest link," I propose first a membership drive on a State-wide basis. This drive would tie in with the plans of the Republican National Committee which seeks to increase the Republican vote in the 1950 congressional elections and the 1952 Presidential elections. The nucleus of this drive may be worked out in each individual Republican club. The Republican strategy committee suggests that each Republican individually enroll 10 new Republican voters. The Republican Party can argue that in the 1948 elections a total of 45,000,000 Americans out of 93,000,000 potential voters did not vote. Members can convince their friends that a free America cannot survive with one-half voting and one-half not voting. Democracy is everybody's job.

A membership drive, especially in the State of Connecticut, can be motivated by the fact that the Republican Party offers a challenge for new leaderships, which any one of you here, or any one of the Republicans whom you are out to enlist will be able to assume sooner or later. Competent leadership is essential to any party. The time has come when the party should groom many men to assume offices in its State or Government, rather than to despair for the lack of a strong man with vote-getting abilities.

However, it is not enough to increase in number alone. The second step in reorganizing the Republican Party, in my opinion, should include a liberal and widespread interpretation of the party platform. By liberal interpretation I mean that the Republicans should get away from the conservatism of their grandfathers in carrying out the principles of their party. They should be more flexible in their thoughts and ways. I wish to quote Abraham Lincoln again, who said: "The dogmas of the quiet past are inadequate to the stormy present. As our case is new, so must we think anew and act anew. We must disenthrall ourselves." The saying is appropriate to our times. The principles of the Republican Party always remain the same, but the administration of these principles must fit in with the pace of the times.

We should also spread the principles of our platform more freely in order to prove how they differ from those of the present party in power. Our platform states that "a competitive system furnishes vital opportunity for youth and for all enterprising citizens; it makes possible the production power which is the unique weapon of our national defense; and is the mainspring of material well-being and political freedom." We all know that our country's growth was due to the equitable sharing of our country's bounty. We all know that America's progress was due to the equal opportunities it offered every individual. These opportunities should be extended to the American people today through farm cooperatives, labor unions, group insurance, hospitalization plans, community chest funds, and private enterprises that are the American way of life. This way of life must be preserved, and the Republican Party is challenged to the task.

Every individual club unit can go out and tell the 45,000,000 people who didn't vote in the last election what the clear and simple Republican principles are in contrast to the social-state program of the Democrats. Every Republican must have the courage to spread the word that his party is trying to protect and guard the rights of every American by advocating freedom against slavery; economy in government; opportunity for both the individual citizen and the Nation to grow and prosper under the free-enterprise system; also lower taxes by a readjustment of our tax system to increase exemptions in the lower brackets—this can be accomplished only if we retain our present tax rate and reduce it by economies. The Republican Party also insists on the kind of government that would grant the right to every citizen to earn a decent living under decent conditions, without being subjected to the coercive yoke of either the employer or the labor boss. The Republican Party believes in encouraging and helping every man in making provisions for his old age, medical care, and housing, with the Government stepping in only to prevent hardship and suffering. These principles stand for the American way of life, the American system of free enterprise, in striking contrast to the welfare program of the Democrats, who would have the Government take care of your medical bills, your education, your industry, and your housing facilities.

In short, the keynote of the Republican Party platform is the question of freedom; whether the American people will remain free to enjoy the highest plane of living under a democratic form of government or whether they will become slaves of the Government. This is a serious problem for every American. If he wishes to remain free, he can expect economy in government. If he wishes to become a slave of the Government, he can expect higher taxes. Our Government is run today at a cost of $45,000,000,000 a year, five times as much as was spent in any peacetime year under Roosevelt. If the social-state program proposed by the present administration is carried out, it will call for an additional $20,000,000,000, and these $20,000,000,000 are coming out of the taxpayers' pockets.

The Democrats cannot promise free housing, free medical care, free education, free insurance because every American will have to pay for these privileges. Every American will become enslaved by costly government and a huge public debt and eventually lose

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his freedom. And, when he loses freedom in his way of life, he loses freedom in every form—freedom of worship, freedom of speech, freedom to work out his own destiny. The people of the Soviet Union can tell you what that loss of freedom means.

The Republican Party was born on the principle of freedom and it alone can save this country from the slavery toward which it is drifting. It is important, therefore, that every Republican take upon himself the task of repeating again and again our party doctrine and its aims in the 1950 and 1952 elections to make the people understand that they must not exchange their freedom of opportunity and freedom of action for a share in the share alike social state of the Democrats.

The third step in the reorganization of the Republican Party should be a revival of spirit and enthusiasm. The apathy of our voters last November has cost us the price of an election. This cannot happen again. Every Republican must become imbued with a spirit of victory and spread his enthusiasm among the 45,000,000 voters who failed to show up at the polls last November 2. He must convince all the so-called disinterested people that their failure to vote is dangerous to them individually and to democracy as a whole. Their failure to show up at the polls last November has made it possible for a President to be elected by a minority of voters for the first time since 1916. This occurrence is dangerous indeed, for as I stated before, a free American cannot survive with one-half voting and one-half not voting.

The Republicans have a program of which they can be proud. What they need now is the courage to fight for the principles which made this country great and strong, happy, and prosperous; the envy of all the world.

The Republicans can open their fight by standing behind their leaders, their representatives in government, who are trying to adhere to their party platform in the face of serious opposition and criticism. For instance, your Members of Congress are under severe attack today for not falling in line with administration forces. They are under constant pressure from minority groups, who threaten to oust them out of office for voting the Republican way on labor, housing, education, and other important legislation. A Republican, until he is a me-too man, enjoys no peace today. He has to put up with the bitter criticisms of labor bosses and administration followers, who promise not to stop their campaign of vilification until they remove him from the scene.

I'd like to add here that there is only one type of Republican today, the loyal Republican who tries to carry out his party platform according to the best dictates of his conscience. The true Republican is the target of many factions, and he must be given moral support by his own party members. Each club in this organization can help stand behind their representatives by spreading the word that they are carrying out not only the principles of their party platform, but also the mandate of the people of the last election. If they are to be criticized for not falling in line with the administration on major issues, it's because the people of Connecticut gave their mandate last November 2 to Mr. Dewey by a plurality of almost 15,000 votes. They did not support Mr. Truman's program so completely and so overwhelmingly, as his forces and other pressure groups would have us believe.

Let me assure you that the Republicans, although in the minority today, are trying to do a good job. The moral support of their party will give these men added incentive and courage that will bring victory in 1950 and 1952.

Fellow Republicans of Connecticut, this is the call to arms. This is not a time to despair and brood over the bitter past. Rather, this is the time to plan a Republican victory in the coming election. Through membership drives, we will increase our number and our strength. Through widespread interpretation of our party doctrines, we will educate the American people that our party is the party of freedom, the party that can guarantee them a democratic form of government. And last of all, by inciting enthusiasm and spirit in our members and voters, we shall go out and work for victory.

Thus, fully prepared, the Republican Party will be able not only to achieve victory but also to meet the challenge of the future. It will not be easy work by any means. Once the plan of reorganization is adopted, it must be carried out in every precinct, for it is in the precincts that the elections are won. We cannot win on a State-wide basis or on a Nation-wide basis unless we can win the elections at home. I assure you that the reorganization of the party will require every available effort from now until November 1950 * * * but, with the simple technique of getting a list of registered voters first, and then covering the precinct from house to house to find out who the Republicans are, who voted and who didn't, who should have registered and did not, I am sure that the task will prove to be both pleasant and rewarding.

I appeal to all of you, Young Republicans, to initiate the drive to victory in 1950 and 1952. Abraham Lincoln, father of the Republican Party, set out to save the Union. The mission of the Republican Party today is to save democracy. We cannot wait until it is too late. We want our children to be able to know and enjoy the same kind of freedom as we did * * * freedom of speech, freedom of religion, and freedom to make their own destiny. We want them to live in a country that is strong * * * a country that will continue to lead the world in leadership, and, most of all, in peace. It is important, therefore, that we, as a party, come into our own again and preserve the sacred principles on which our Nation grew and prospered. The future of America is the challenge of the Republican Party today.

How To Wreck Reorganization

EXTENSION OF REMARKS
OF
HON. JOHN J. ROONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. ROONEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Evening Star of June 7, 1949:

HOW TO WRECK REORGANIZATION

There is no surer way to wreck the Hoover Commission's Government reorganization program than to drag it into politics. Although the Republican National Committee has disclaimed any intention of playing politics with the bipartisan program, several of its recent broadcasts on reorganization certainly had that effect. The harm done may be largely repaired by Mr. Hoover's prompt and vigorous repudiation of the broadcasts. Advocates of governmental reform will hope so, at any rate.

The way in which excerpts from certain transcribed addresses by former President Hoover were "dubbed into" the purely political scripts reflect no credit on the radio department of the Republican National Committee. According to Mr. Hoover, he has given permission to various organizations to rebroadcast the full statements which he made in a series of nonpartisan reorganization broadcasts last April, but he did not approve their being rebroadcast in part, with additions of political import. Apparently Mr. Hoover's first knowledge of what was being done with his remarks came when Democratic National Chairman HOWARD MCGRATH protested such use in a public statement. Senator MCGRATH was justified in objecting.

As Mr. Hoover pointed out in disavowing the GOP broadcasts, the Commission on Organization of the Executive Branch of the Government was bipartisan in membership and nonpartisan in its approach to and handling of the difficult reorganization issue. The complete objectivity of the Commission's findings and recommendations has been evident in all of its reports. It would be extremely unfortunate if these reports were to become involved in political controversy of the type provoked by the Republican broadcasts. Reorganization, with bipartisan support, is having enough trouble as it is in getting through Congress. It will stand no chance at all if it should become a political football.

The Poll Tax

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. HAYS of Arkansas. Mr. Speaker, under leave to extend my remarks I include the following statement which I recently submitted to the Committee on House Administration:

Mr. Chairman and members of the subcommittee, I appear today in opposition to the Norton bill to prohibit the States from imposing a poll tax as a prerequisite to voting. Two questions arise:

1. The question of the poll tax itself—its merit as government policy.

2. The question of procedure, involving an interpretation of the Federal Constitution, and consideration of State-Federal relations.

One may oppose the poll tax and still consistently ask the Congress not to invade the authority of the States in determining qualifications of voters.

I shall not consume the time of the subcommittee in a detailed statement on the constitutional question. It is familiar to members of the committee and has been thoroughly documented in previous statements. The language of section 2 of article I of the Federal Constitution is very clear. It is as follows:

"The House of Representatives shall be composed of Members chosen every second year by the people of the several States and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature."

The only other provision of the Constitution which has any reference to this question is found in section 4 of the same article and which reads as follows:

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"The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations except as to the places of choosing Senators."

In a leading case, *Breedlove* v. *Suttles* (302 U. S. 277), the Supreme Court of the United States held that State officers had not acted illegally in refusing to register a person to vote for failure to pay the required poll tax. Another Federal case is that of *Pirtle* v. *Brown* (118 F. (2d ed.) 218), in which certiorari was denied by the Supreme Court. The Court held that the right to vote is contingent upon such terms as the State wants to impose. An excellent treatise on the constitutional phase of this subject was presented by Mr. J. F. Orton of the New York bar to the Senate Committee on Rules and Administration of the Eightieth Congress and it is found at page 26 of the hearings on H. R. 29 which that committee conducted in May 1948. I believe that all proponents of Federal action outlawing the poll tax agree that at least it is of doubtful constitutionality. It seems to me that the language of the Constitution itself is so clear that advocates of a Federal statute are in a weak position in insisting that the United States Supreme Court has never had an opportunity to say whether or not under section 4 of article I Congress might affirmatively determine that voting rights should not be so restricted. The fact that no case of like character has arisen is proof that previous Congresses recognized the clear intention of the framers not to deal with voting qualifications in section 4.

I cannot believe that this committee will want to determine such a momentous issue without a clear constitutional authority for such action, particularly, since so many of the States have, by voluntary action, repealed the tax as part of their election machinery, and the trend is in that direction.

Mr. Chairman, I speak as one who does not favor the poll tax as a voting requirement. I have opposed it in my State because I believe it is a deterrent to wide participation in elections and further because it has proved to be an advantage to political machines. In many of the States confusion has arisen because of detailed and sometimes conflicting provisions relating to assessment and payment of the tax and this has resulted in disfranchisement. There are occasions when block purchasing of poll-tax receipts has operated to enfranchise the dishonest poor and to disenfranchise the honest poor.

It seems to me that the real objections to the poll tax are moral rather than economic or social. There are claims that the abandonment of the poll tax results in an increased participation though one must guard against attaching too much significance to this argument. One of the leading authorities on this subject, Dr. V. O. Key, Jr., of Johns Hopkins University, says that it is an error to assume that the entire increase in voting after repeal in those States that no longer use the poll tax should be attributed to its elimination. Dr. Keys says, for example, that the increase in voting in Georgia is to be credited to the white primary decision rather than to the repeal of the tax. Dr. Key says that it would require a good many years for the full effect of the elimination of the tax to be felt. I would like to submit for inclusion in the hearings, tables that show the vote in Georgia, Louisiana, and Florida over a period of years. These figures will bear out Dr. Key's conclusion.

Mr. Chairman, it is utterly impossible to consider this proposal without viewing the entire civil rights controversy. The prohibition of the poll tax was proposed to the Congress as a part of the President's comprehensive civil-rights program. In a speech to the House on February 2, I set forth what I regard as valid objections to this program but I conceded that there is merit in some of the President's recommendations. I realize, further, that the proposal has widespread support throughout the Nation and since the Southern States are chiefly concerned with these proposed measures, I have taken it upon myself to study this conflict in an effort to determine the moral basis for a compromise. I am moved to do this because the issues are decisive and this is an hour for unity and cooperation if we are to save democratic institutions.

As a part of the compromise of the entire controversy, I have proposed that the seven States retaining the poll tax give ground. No matter how strong the theoretical arguments in favor of their right to retain this qualification, it is obvious that the rest of the Nation has decided the case against us. In the last test in the House there were only 12 Members from non-Southern States who voted against statutory repeal. We are a part of the national community, and I believe we should submit to the desire of the people of the nonpoll-tax States that there be uniformity on this question of a tax for the voting privilege.

But I am just as sure thaat we are entitled to insist upon an honorable and proper method for achieving that end, and this is in reality the crux of the question. Faith in government, in its integrity, from the township to the United Nations, is one of the greatest needs of our world. We can strengthen that faith, or we can, by loose and indifferent attitudes on constitutional questions, impair that faith.

Ours is a Federal—not a unitary—Government, and we are bound by the commitments of the past, if we believe with Edmund Burke in a "compact between the dead, the living, and the unborn." Whether the framers of the Federal Constitution were right or not, it was their decision to leave the voting qualifications to the States, and on that question there seems hardly any room for doubt.

One other question, Mr. Chairman, and this is a practical one. Every man and woman in this room knows that a simple statutory repeal will be filibustered to death and this will prove to be an empty and futile gesture, nothing more. For 10 years these gestures have been made. Surely the opponents of a poll tax can hardly ask the people to depend any longer upon this approach to the problem. The solution offered by a constitutional amendment such as I have proposed is not only the honorable and proper way, it is the effective way and it will avoid any further impairment of Federal-State relations. The provision in my resolution to make the amendment a nullity if the seven States by voluntary action abolish the poll tax is an encouragement to the States to do away with it at once and, thus, we will have preserved the wholesome tradition of leaving election machinery completely and exclusively in the hands of the States, a system in which we all have a stake, whatever our views upon the poll tax.

Federal Aid for Education

EXTENSION OF REMARKS
OF
HON. R. WALTER RIEHLMAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. RIEHLMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Post Standard of Syracuse, N. Y.

FEDERAL EDUCATION AID BACKED BY SFL

Supporting the Syracuse Federation of Teachers stand in favor of Federal aid for education are all union groups affiliated with the Syracuse Federation of Labor, it was announced yesterday.

At a recent meeting of the central labor body, the representatives unanimously adopted a resolution reaffirming their support of Federal funds for the Nation's schools, copies of which have been wired to Representative R. Walter Riehlman and Selma Borchardt, Washington representative of the American Federation of Teachers.

Representatives from the AFT and the AFL appeared Thursday before the House Committee on Labor and Education to offer testimony in support of the plan and amendments to it.

One of the amendments would require that 75 percent of Federal funds be used for teachers' salaries and that social services, such as health care, school lunches, transportation, and so forth, be made available to children in all schools.

The Syracuse resolution read: "In conformity with the long-established record of the AFL in support of public schools, the SFL reaffirms its strong support of Federal aid to education and requests its representatives in Congress to support this legislation together with amendments submitted by AFT."

United States Economic Trends

EXTENSION OF REMARKS
OF
HON. JAY LeFEVRE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. LeFEVRE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Mark Sullivan:

UNEASINESS NOTED AMONG PEOPLE OVER UNITED STATES ECONOMIC TRENDS—MARK SULLIVAN LISTS CONTRADICTORY FACTORS WHICH, HE FEELS, HELP TO CREATE UNCERTAINTY

(By Mark Sullivan)

The text of this article is five words uttered by the head of the Federal Reserve System, Thomas B. McCabe (quoted in the Philadelphia Inquirer by John M. McCullough). The five words are: "The American people are uneasy." Mr. McCabe is the governmental head of the country's banking system. He is speaking about the economic state of the Nation, concretely the business recession under way for some 6 months.

The over-all condition consists of business receding, unemployment increasing, prices falling. Concurrent with that broad condition are some factors which the present article lists partially. No attempt is made to arrange them in any pattern. As a rule, the true pattern of such periods as the present are not accurately recognized until years later. Far from making any pattern, a characteristic of factors in the present situation is inconsistency. It is this contradictoriness especially that causes the state of mind of the country to be uneasy and confused.

LABOR SITUATION STUDIED

At a time of receding industry and falling prices, labor leaders demand and get increases in wage rates. At the same time there is pending in Congress a demand by

the administration that the existing Taft-Hartley labor law be repealed. Argument for repeal must assume that the existing law unduly limits the power of labor unions and leaders. This is difficult to reconcile with current successful strikes.

Public service corporations seek, and agencies of government grant, increases in the cost of services which the people must have. Railroads last week asked the Interstate Commerce Commission for another increase in passenger fares. The Commission has already granted three increases during the last 7 years.

Similar steps are taken by agencies of State governments. Last week the New York Public Service Commission authorized an increase in telephone charges. Agencies of State governments have ordered increases in charges for gas, electricity, transportation. A typical pattern runs thus: First, an increase of wage rates for public utility workers, won by strike or threat of strike. Then, an increase in charges to the public, granted by State agencies to offset the increase in wage rates. This has taken place in two of the country's largest cities, New York and Philadelphia.

The Government at Washington, through the Department of Agriculture, spends billions of dollars in supporting prices of farm crops, which keeps up prices of food. During the present year up to May 1 the Government, in supporting the price of corn, has laid out some half-billion dollars. Supporting the price of last year's potato crop has cost the Government some quarter of a billion dollars The Secretary of Agriculture has proposed a new measure which, while continuing to support some crop prices by the existing methods of purchase or loans, would, as respects other crops, give direct cash subsidies to farmers. Estimates of the total cost to the Government are very high.

CITES FEARS FOR NATIONAL DEBT

There is apprehension that expenditures of the Government during the present year will exceed its income, that there will be a deficit, an increase in the national debt. The danger this would be is coming to be recognized by average citizens and contributes to the general uneasiness about the future. A characteristic of some pending proposals for new spending is that the expenditures would increase automatically in future years. Last week the House passed a bill providing pensions of $72 a month for veterans at the age of 65. The amounts called for would increase as veterans approach that age. The omen that automatically increased expenditure has been called to public attention through the careful analysis by Senator BYRD, of Virginia.

In political argument, doubt is raised whether the Administration will act wholeheartedly toward avoiding new Government expenditures. This is based largely on the fact that President Truman's campaign promises and recommendations to Congress included some 40 proposals for new spending or increases of spending under existing measures. It is true that when these proposals were made, the business recession had not got under way.

Mr. Truman promised in his campaign, and recommended to Congress, that the Government provide storage facilities for farm crops. During debate on legislation to this effect, apprehension was expressed, though denied by the Department of Agriculture, that the Government might enter into the industry of owning and operating elevators, warehouses, and the like. The apprehension had not only a chilling effect on that industry but, with other proposals from the Administration, created a broader apprehension chilling to privately owned industry generally.

People Should Demand Less Spending

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Louis Bromfield from the Cincinnati Enquirer of June 5, 1949:

PEOPLE SHOULD DEMAND LESS SPENDING

(By Louis Bromfield)

It seems to me that it is about time for the American people to give their representatives in Washington a going-over. Not all of them are in need of it, but some—indeed a majority—might well be persuaded that the greatest issue before the American people at this time is more economy and efficiency in government.

There is only one way of letting them know the score and that is by communicating with them—to let them know that the American people want cuts in Government appropriations, genuine unification and order brought to the armed services, and that they are urgent about putting into action the recommendations of the Hoover Commission for better and more economical government.

Both in the Senate and the House, our representatives are sensitive to the reactions of voters back home because it is the voters who put them in office and can keep them there. On the whole, these representatives, especially in the House, want to carry out the wishes of the people they represent and will do so if you will let them know.

The recent move toward economy in Washington has undoubtedly come about because there is a strong suspicion that the elections of 1950 will go to those representatives who have worked for economy and efficiency and not for pyramid-club government and more squandering of funds. Apparently this has become evident even to the stubborn Mr. Truman who, overnight, has abandoned wholesale the promises he made on his campaign tour.

The shameless performance of the Senate in passing a huge pork-barrel appropriation, the largest in our history, without any cuts whatever, is evidence of the need for pressure from voters. The pork-barrel measure (using Federal funds to build dams, dredge harbors, build post offices, etc.) is always difficult to cut because each local community thinks, because the funds are Federal, that it is getting something for nothing when Federal money comes into a State or a local area. But again that money has to come from somewhere and where it comes from is the taxpayers' pockets. It doesn't much matter whether you pay it in State or Federal taxes, you pay it anyway.

The short-sighted and ignorant pressure of local communities and States for Federal funds for local development lies at the root of some of our greatest national extravagance.

As a director of both State and National chambers of commerce, I have seen local chambers screaming about government extravagance for everybody else but their own communities. "Cut everything," they cry, "except the new post office for Bingville." Some of the local conservatives, who cry loudest over the iniquities of Government extravagance, actually exert all kinds of pressure to get big Federal appropriations for their own towns or States or local areas. They even espouse all sorts of measures which, if proposed elsewhere, would be called "Socialistic." In many cases, it is a question of the poor States living off the richer and more fortunate ones.

We are already using up nearly a fourth of national income on Government expenses, taking it in taxes from the people. Any economist will agree that taking a very little more means the bankruptcy of free enterprise and the economic freedom of the individual as well.

Great Britain takes 40 percent from her people, and every day she becomes more and more deeply mired in lower wages and income, higher and higher taxes, restrictions of every sort, masses of red tape, rationing and price controls. If it were not for the funds contributed through ECA from American taxpayers, her position today would be desperate and perhaps even a total collapse. It is possible that Britain's tragedy and disaster may operate to our own benefit as a horrible example, demonstrating immediately under our eyes what happens under the pyramid club state, where Government takes charge of all one's earnings, one's expenditures and even one's savings.

The United States Government is the biggest business in the world and among the most inefficient and sloppily run. The corrective lies in economy and efficiency, in the real unification of the armed forces and in carrying out the better recommendations of the Hoover Commission. These things could save us as much money annually as it took to run the whole of our Government in the years before the First World War. There is one way of getting these things done. Let your Congressmen and Senators know how you feel, and in no uncertain terms. There will be little help coming from the Truman administration, although even the administration is plainly scared.

To Prevent Criminal Waste

EXTENSION OF REMARKS
OF
HON. WILLIAM M. McCULLOCH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. McCULLOCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Christian Science Monitor of June 3, 1949:

TO PREVENT CRIMINAL WASTE

Over the last week end the Hoover Commission turned in its final report on reorganization of Federal administration. Judging by headlines, the American press and public gave it less attention than the latest "whodunit." Yet this effort represents a magnificent program for improving their Government. Adoption of these reforms is more than a matter of preventing billion-dollar waste; it is a matter of preventing the criminal waste of this unique opportunity to make democracy work more successfully.

When again can Americans hope for this conjunction of advantages in a plan to reform their Government: A nonpartisan project, initiated by Congress, headed by a former Republican President and endorsed by an incumbent Democratic President, representing 2 years' work by a staff of 500 people, including top-rank executives in the fields of business, public service, and the professions,

and directed by a man whose skill and experience in administrative organization has won world-wide recognition.

It is not going to be easy to simplify and dramatize this massive, complicated body of information and recommendations. This newspaper hopes to do its part in helping the public to understand the major purposes and methods. Success will also require continuing insistence on action. We intend to keep this reform steadfastly in the forefront of discussion until its principal objectives are attained.

The greatest business in the world—the conglomerate of Federal administrative agencies—has, like Topsy, "just growed." As Mr. Hoover says, it is like a forest of leantos around the presidency. In the last 20 years it has increased four times in size and 12 times in cost. Only 10 percent of it is in Washington. The Commission estimates that every present Federal service—it did not attempt to say any service is unnecessary—can be performed with a 10 percent reduction in personnel. Savings are estimated at from $3,000,000,000 to $5,000,000,000.

But any study of the Commission's work quickly corrects the impression that it was simply trying to save money. Its proposals are directed toward making government more effective. A government that will carry out the will of Congress and the people more responsibly and responsively is the aim. The Commission remarks that efficiency in itself is no guarantee of democratic government, but that "the highest aims and ideals of democracy can be thwarted through excessive administrative costs and through waste, disunity, apathy, irresponsibility, and other by-products of inefficient government."

Already vested interests are building backfires against the Commission's proposals. The battleground is Congress, and minority groups of every type are already bombarding the Capitol with pleas to make one agency or another "untouchable." One Senator had 2,000 letters objecting to any effort to consolidate the construction agencies in one place. Mr. Hoover points out that even the American Bankers Association is opposing changes in the handling of Federal finances.

Much of the necessary reform can be achieved by presidential order under the reorganization authority Congress appears about to grant. But further action by Congress will also be required in practically every field. The largest opportunity lies in the military establishment. This should be the first goal.

We do not urge blind or blanket acceptance of the Hoover Commission's proposals. They should be examined thoroughly. But on their face they offer so much in the way of reasonable, logical, and businesslike reform that the public can safely put the burden of proof on those who would block them.

Wrong Feet Forward

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, under leave to extend my remarks in the Record, I include the following editorial from the Christian Science Monitor:

WRONG FEET FORWARD

The House of Representatives has just put its collective wrong foot forward. In fact, the event could best be described as an acrobatic maneuver in which 365 pair of feet straddle a street while their owners worked both sides at once. The spectacle was neither graceful nor edifying.

With the Government facing a $3,000,000,000 deficit, alarming because taxes and production are still high, and Congress hungrily eyeing foreign commitments on which rest the peace and stability of the world, 365 Members of the House voted pensions for veterans which would add $65,000,000,000 in the next 50 years to the $35,000,000,000 already anticipated for this purpose under existing law.

They even refused to require that the beneficiary be unemployable—only that he be a veteran, 65 years of age, with an annual income under $2,500 ($1,200 for unmarried). It doesn't make sense, but they did it.

This is at once dangerous and timorous legislating because it represents a bowing not to a mandate of the people or of the veterans among them, but to the persistent tactics of a well-organized pressure group. Pressure-group legislation is not a new evil. But the fact that its backers once wore the uniform does not make it a lesser one.

Washington observers say many of those who voted for the pension bill, confident that the Senate and the President will stop it, seized the chance to register a harmless vote on the right side of at least some sort of pension bill—an act of irresponsibility of which the House has been guilty before.

We believe the Senate and the President will stop it. But pension magic has a potent appeal. They will need all the backing the unorganized public can give them.

Hawaii Facing Crisis as Result of Strike of Longshoremen Now in Thirty-ninth Day—Federal Government Should Act To Bring About Resumption in Shipping

REMARKS
OF
HON. JOSEPH R. FARRINGTON
DELEGATE FROM HAWAII
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. FARRINGTON. Mr. Speaker, the interruption of private shipping to the Territory, as the result of a strike of longshoremen that is now in the thirty-ninth day, has created a crisis without parallel in the history of Hawaii.

The health and welfare of the people of the islands are in jeopardy.

Although the supply of food stuffs and medical supplies can be sustained, the continuation of this strike will result in the paralysis of the economy of the islands.

The situation is intolerable and is one that demands not only immediate action, but inquiry to determine what steps are necessary to prevent a similar interruption in the future.

I therefore today requested President Truman to invoke the full authority of his office to bring about the resumption of shipping to Hawaii.

I have also asked the chairman of the Public Lands Committee of the House to authorize a subcommittee on Territories to undertake a full inquiry into all aspects of this problem, including the allegations that communistic influences are at work in the Territory and that an attempt is being made on the other hand to destroy labor unionism in Hawaii.

I believe the time has come for the Federal Government to deal directly and promptly with this situation.

I include in my remarks the text of the letters I have addressed to President Truman and to Chairman J. HARDIN PETERSON, of the Committee on Public Lands:

JUNE 8, 1949.

Hon. HARRY S. TRUMAN,
President of the United States,
Washington, D. C.

DEAR MR. PRESIDENT: A strike of longshoremen at all of the ports of the Territory of Hawaii is now in its thirty-ninth day.

It has resulted in a complete cessation of private shipping. The economy of Hawaii is, in consequence, faced with paralysis. The welfare and health of the people of the Territory are in jeopardy.

The supply of foodstuffs is running short. Milk production has fallen off seriously and poultry and cattle face destruction because of the shortage of protein feeds. Stores are being placed on short hours and small merchants are being compelled to reduce personnel.

The resulting situation is a crisis without parallel in the history of Hawaii.

All attempts of the Federal Mediation and Conciliation Service to bring about a settlement have been unsuccessful. This Service has had two men in the field continuously. Two proposals for the settlement of the strike have been successively rejected, first by the employees and then the employers who are parties to the dispute. Efforts of Territorial officials to bring about a settlement have failed. Obviously, the problem cannot be dealt with successfully on a local basis.

It is clearly evident that the time has come to employ the full authority of the Federal Government to bring an end to this intolerable situation.

I therefore appeal to you to invoke immediately the full power of your office to bring about a resumption of shipping service to Hawaii.

You may be sure that your prompt and favorable consideration of this request will be very deeply appreciated by the people of Hawaii.

Respectfully yours,
J. R. FARRINGTON,
Delegate from Hawaii.

JUNE 8, 1949.

Hon. J. HARDIN PETERSON,
Chairman, Committee on Public Lands,
House of Representatives,
Washington, D. C.

DEAR MR. CHAIRMAN: This is to request that the Committee on Public Lands authorize the Subcommittee on Territories to undertake at an appropriate time an investigation of all phases of the crisis resulting from the strike of longshoremen in the Territory of Hawaii.

The strike is now in its thirty-ninth day. Efforts of the Mediation and Conciliation Service of the Federal Government to bring about an agreement thus far have been unsuccessful. The attempts of Territorial officials to achieve a settlement have likewise failed.

The gravity of the situation makes it imperative that all aspects of the problem be explored.

This inquiry should be undertaken to ascertain what steps, if any, should be taken by Congress first to meet the current emergency and second to prevent a recurrence of interruptions in shipping between the continent and the Territory of Hawaii.

UNIVERSITY OF MICHIGAN LIBRARIES

I believe also the committee should ascertain what steps should be taken to examine into the charges presented by the executive committee of the Bar Association of Hawaii that Communist influences are active in Hawaii, and likewise by the International Longshoremen's and Warehousemen's Union that the present strike is being used as a vehicle for destroying labor unionism in Hawaii.

I believe also that any other charges that may be presented should be carefully examined.

I am asking that this inquiry be undertaken by the Committee on Public Lands as it has general jurisdiction over the affairs of the Territory. The Public Lands Committee moreover is well informed on the problems of the Territory of Hawaii and already has the authority and funds to undertake such an investigation.

I wish to emphasize that so long as Hawaii remains a Territory of the United States and without either the local responsibility or the representation in Washington that is enjoyed by the States that it is the duty of Congress to be of every possible assistance in meeting problems such as that which confronts Hawaii today.

Sincerely yours,

J. R. FARRINGTON,
Delegate from Hawaii.

Two-Hundred-Year-Old State Glove Industry Deeply Rooted in Fulton County

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EXTENSION OF REMARKS
OF

HON. B. W. (PAT) KEARNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. KEARNEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following article which appeared in the Leader-Republican, Gloversville, N. Y., on May 19, 1949:

TWO-HUNDRED-YEAR-OLD STATE GLOVE INDUSTRY DEEPLY ROOTED IN FULTON COUNTY—WHOLE FAMILIES ARE FOUND AT WORK IN SOME OF 160 MANUFACTURING PLANTS

For 200 years, glove making in New York State's famed Fulton County—recognized center of the Nation's fine leather dress glove manufacturing—has been a family affair. Glove-making skills have been handed down from father to son and from mother to daughter throughout the years. That is still the prevailing custom in the Mohawk Valley. Recruits for the industry are trained, for the most part, within the family.

Today in the more than 160 modern glove-manufacturing plants centered in Gloversville and throughout the county, whole families may be found at work at many skilled glove-making processes in various sections of a single plant. They are the men and women whose fathers and grandfathers, mothers and grandmothers were glove makers before them.

New York State's 200-year-old glove industry—one of the few remaining handicraft industries in the country—is deeply rooted in many small communities of Fulton County. Information recently obtained by the New York State Department of Commerce reveals the percentage of employees in each age group. The group aged 36 to 87 accounted for 68 percent of the men and women workers in the industry.

The glove industry was introduced into the county by Sir William Johnson, chief agent for the British Crown with the North American Indians. Sir William held some 50,000 acres in and near what is now Fulton County.

Anxious to establish local, self-sustaining industries, Sir William brought a shipload of Scottish Highlanders to this country from Perthshire, Scotland, between 1740 and 1750. These people, who belonged to the Glovers Guild of Perthshire, brought with them grooved shears to cut the skins and handmade patterns with which the skins were marked. Some of these tools can still be seen at exhibits in the Mohawk Valley.

SET UP FIRST MILL

Sir William Johnson's Scottish immigrants included a few tanners, one of whom set up the first mill in America for dressing oil-tanned glove leather. This was located on the creek bank near Johnson Hall at what is now Johnstown. Johnson Hall, now an historical showplace, was Sir William's home and headquarters and is the only baronial mansion in the United States. Other Scots settled near Perth, along the Johnstown-Vail Mills road and in the vicinity of Broadalbin and Galway.

With the development of the American Revolution, the glove industry suspended. Many of the Scots who had settled in the Gloversville area were loyal to the British and fled to Canada. The art of glove making, however, was not wholly lost to the community.

Soon after the Revolution the industry was revived, this time with the aid of tinware peddlers from New England. The peddlers took deerskins in barter and brought these back to Gloversville, then called Kingsboro, to be tanned. The skins were made into mittens in the local homes. The mittens then were traded for more deerskins. The early glove makers bartered gloves for other merchandise. When a storekeeper accumulated enough gloves for a horseback load, he proceeded to Albany and other points to trade and in this way began the mass distribution of the now famed Fulton County leather gloves.

TEACHES LEATHER DRESSING

An Englishman named Tallmadge Edwards moved to Johnstown from Massachusetts about 1800. Edwards, who had learned to tan leather and make mittens in England, taught families in Kingsboro the art of leather dressing, then a closely held European guild craft secret. Edwards' willingness to share his knowledge with his friends and neighbors made raw deerskins more usable and gave a big impetus to the local industry.

The widening of the early Indian trails into roads and the building of a plank road from the banks of the Mohawk River at Fonda up the steep hills and into Johnstown made easier carting of raw skins. The industry continued to flourish. More Yankees moved in from New England and whole families learned the trade. These have been followed through the years by glove artisans from all of the principal European glove-making countries where the craft had become an art.

Invention of the sewing machine and development of steam power opened the way to mass production and factory organization. New tanning processes for fine leather replaced the old methods. Vats were introduced for various stages of chemical tanning in the new oil, chrome and alum treatments. Special machinery was installed. Importation of the finest hides from all regions of the world became essential to compete with the best foreign products. Shaping and finishing now called for accuracy and skill. Distribution and marketing also became vital factors in the success of the industry. As the industry grew and prospered the fame of Fulton County and its fine leather dress gloves spread throughout the world.

Hand gloves, considered choice articles of apparel for aristocratic elements of society since the days of the ancient Greeks and Persians, have become an item of everyday dress for millions of wearers as a result of the spread of this pioneer home industry.

NATIONAL CENTER OF INDUSTRY

Today, New York State's glove industry manufactures 46 percent of the Nation's fine leather gloves, providing employment for more than 15,000 people. Some 160 of the 321 glove manufacturing firms within the State's geographical borders are located in Fulton County, mostly in Gloversville, which is regarded as the national center of the industry.

Knitted gloves, first made in Gloversville in 1895, have become increasingly important in the last 15 years and are now an integral part of the glove economy in Fulton County. Being well equipped in skill and facilities for the manufacture of leather products, the Fulton County industry has not sought to compete to any appreciable degree in other lines of gloves, other than knitted gloves. The production of work gloves, mostly of heavy cloth and coarse hides, sometimes a combination of both, has been left almost entirely to middle-western manufacturers. Fulton County is content to be known as the principal center for fine leather-glove manufacturing in the United States. Other important centers in the industry are New York City in the East, Chicago and Milwaukee in the Midwest, and San Francisco and Los Angeles on the Pacific coast.

Glove making is one of the few remaining handicraft industries in the United States. While sewing machines are used, glove cutting has changed little, if at all, since Shakespeare used the glover's knife as a simile in his plays. In the tanning of glove leather the greatest technological advances have been made. When World War I cut off the United States supply of the world-famed German chemicals and dyes, American tanners developed their own methods and chemicals. Today American methods for tanning and dyeing fine leather gloves are recognized as among the best in the world.

Apart from the sewing machine, no automatic tools are used. The cutting of fine leather gloves is dependent upon a long period of apprenticeship, training, and experience. It cannot be supplanted by machines, nor is the art of cutting leather itself regarded as open to technological improvement. The animal skins used preclude standardization of the raw material. Sewing, even with a machine, requires so much attention to detail as to become a handicraft operation. There are about 95 inspections required in the fabrication of a single glove.

HIGHLY COMPETITIVE INDUSTRY

Gloves are a seasonable item. The great bulk of New York State production is purchased 8 weeks prior to the Christmas season and 6 weeks prior to Easter. Pricewise, the industry is highly competitive. The industry is composed of small units, each competing with the other.

Leaders of the industry declare that a healthy glove industry is indispensible to the military requirements of the Nation. They point out that it may be possible in certain machine industries to expand quickly and train operators on short notice in time for war. But, they say, it takes a minimum of 2 years to produce an embryo glove cutter and at least a year to train a worker to sew gloves.

As international traders, leather-glove manufacturers of the Nation annually contribute $75,000,000 worth of dollar exchange to foreign countries in the purchase of raw skins. It is not generally known that nearly all of the leather used in this country for

manufacture of fine gloves is imported from abroad.

During the early development of the glove industry in America, skins of domestic animals were used, principally deerskins, which were supplied and tanned by the Indians. These skins were exceptionally adapted to the making of gloves and "Indian tanned" deerskin became known as an exceptionally fine quality of leather. The animals whose skins are suitable for the leather industry are no longer commercially available in this country. As the supply of good skins dwindled, the trade began to seek its supply from other parts of the world. The search followed very closely upon new exploration, conquest, and discovery.

The opening of Africa by the British produced both cape and mocha skins. Exploration of China, Central America, South America, and Siberia have all resulted in new glove leathers. Generally, it is found that animals native to high altitudes and cold climates, and those which have a coarse, hairy fur produce a leather of fine texture best suited to gloves. Surprisingly, animals having the finer, softer fur or wool yield poorer leathers for glove purposes.

HIDES FROM MANY NATIONS

Hide shipments to Gloversville and Fulton County today include cabretta from South America; calf skins from Poland and Russia, capeskins from South Africa; goatskins from Spain and India; jeddas from Arabia; kidskins from Europe; lambskins from Nigeria and Iceland; goatskins from Bulgaria; graindeer from New Zealand; carpincho from Uruguay and the Argentine; sheepskins from France and Turkey; buckskins from China; peccary from Mexico; mocha from Asia; together with reindeer, doeskins, horsehides, and dogskins from all parts of the continental and insular United States. Proper handling of these skins demands special knowledge extending to study of the animals of remote habitat and dietary habits affecting their health.

Leathers for dress or street gloves may be divided into two main classes—grain finish and velvet or suede finish. The grain side of the skin is the hairside and grain-finished leather usually shows a well-defined pattern of hair follicles, sometimes best observed under a magnifying glass.

Besides being the center of glove making, Fulton County is also the American center of fine glove leather tanning and a prime source of fine leather for dress gloves. Twenty-two of the 24 fine leather dress glove tanners in the country are located in the county, processing almost all the fine dress glove leather made in the United States. These work exclusively on imported raw skins, as all fine leather gloves are made from leather of imported skins.

No Excuses on Housing

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include the following editorial from the New York Times dated Sunday, May 29, 1949, entitled "No Excuses on Housing":

NO EXCUSES ON HOUSING

Members of the House of Representatives misjudge the temper of the American people if they think that any explanations will be acceptable for failure to pass an adequate housing bill. The people will not be sympathetic to pleas of a crowded calendar, a desire of Congress Members to escape the midsummer heat of Washington, or the recent discovery of several Members that, of all places where economy in Government might begin, sabotage of the proposed housing program is the most attractive.

Congressmen have ample evidence in the record to assure them that the American people want to be housed decently, and also that governmental encouragement of housing construction is good politics. Only the House, of the two legislative bodies, seems slow to recognize the facts. At the party conventions last summer the political appeal of housing was recognized in both Democratic and Republican platforms, and we invite the Democratic leaders in the House to refresh their memories on what their platform said.

President Truman has repeatedly called for a broad housing bill. The vote in the Senate on April 21 was responsive, we believe, to public sentiment. The margin for passage was 57 to 13, the largest ever recorded for such a bill. Of 35 Democrats voting, only 2 stood against the measure. Of 35 Republicans voting, only 11 were opposed to it.

In view of the House's lamentable record last year on housing and the more recent tendency to delay, we suggest that those who remain unconvinced of the urgent need for slum clearance as one important phase of the proposed housing legislation take the trouble to see for themselves, as a few Senators did, what are the conditions in tenement sections of Washington and New York. If they did there would be less talk of the "dangers of socialism" in public housing and less eagerness to make housing the starting point of Federal economy.

No one doubts the desirability of reducing governmental spending. But the amount of money that present housing legislation proposes to use is comparatively small against a budget of more than $40,000,000,000. It may, and should, be regarded as a sound investment in the welfare of all the people. When some of our people are living as they now are in city slums, it must be a matter of deep concern to all. It is a condition that private initiative has failed thus far to correct and which, under present costs of construction, shows little hope of correction without governmental intervention.

The Senate and House bills will not solve all our housing problems. As President Truman has said, "Most of the houses we need will have to be built by private enterprise, without public subsidy." Further steps to encourage private construction and easy availability of mortgage funds at reasonable interest, carrying out the policies already enacted in legislation, particularly as to war veterans' purchases of homes, should be steadily examined.

The House will not have met its responsibilities to the people, or fulfilled the majority party's promises, until it brings housing to a vote.

Two Distinguished Statesmen

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. DAGUE. Mr. Speaker, under leave to extend my remarks in the RECORD, I want to avail myself of the opportunity to join in the tribute being paid to the Honorable PERCY PRIEST and the Honorable LOUIS GRAHAM, who have been honored by having conferred upon them the degree of doctor of laws.

It may be only a coincidence that two widely separated institutions of learning should have almost simultaneously selected these colleagues of ours for this signal honor, but to us the only remarkable thing is that this recognition has been so long withheld particularly in the light of the fact that their worth has long been recognized by the Members of this body.

Mr. PRIEST, the majority whip, has demonstrated on numerous occasions his tact and understanding and has brought to the floor of this House a large measure of that spirit of human kindness which has so much to do with avoiding acrimonious debate to which all too many are prone. On the other hand, his thorough understanding of the legislative process and his deep sense of public responsibility are alone sufficient recommendation for the high honor he has just received. PERCY PRIEST would be a great man in any society and in any age and we should count ourselves as privileged to travel this path in his company.

Mr. GRAHAM, who is affectionately regarded by every Member of the House, has long been counted as the sage of the Pennsylvania delegation. A man of great humility, of undeviating politeness, possessing a keen sense of humor, and of unfailing courtesy to all comers, he has long been the confidant of new Members on both sides of the aisle, to none of whom does he ever turn a deaf ear. To these attributes of true greatness there must be added the fact that he is a recognized authority on constitutional law, which of itself amply justifies his selection for the doctorate he has just received.

In accepting these honors which have been conferred upon them PERCY PRIEST and LOU GRAHAM have brought honor upon this great legislative body and as we share this accolade with them let us resolve to follow the example they set for us each day.

The Basing-Point System and the State of South Carolina—Cement-Making Materials Available in Abundance—Basing Point Prevents Building of Regional Plants—Bids to South Carolina Highway Department Show Usual Identity—Basing-Point Methods Devious and Secretive—Basing-Point Systems Do Not Benefit Small Business

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. PATMAN. Mr. Speaker, mention of the Palmetto State always creates thoughts and reflections reminiscent of

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a way of life clothed with courtesy and hospitality. Old Charleston, a flourishing seaport when our country was young, has lost neither its charm nor its progressive outlook for which it has long been famous. In the days gone by when South Carolina was young it built its wealth in the production of rice and the manufacture of indigo which, as we know, was one of the then important coloring agencies in the manufacture of all types of cloth. South Carolina's sons and daughters have contributed to our country's greatness from her earliest days. Many of her eminent citizens have reached the highest offices within the gift of the people. South Carolina's contribution to the furtherance of our aims and ideals entitles her to the affection and esteem which she has justly earned.

South Carolina today gives evidence of her progressiveness in her diversified farming and industrial enterprises. If one is privileged to travel the length and breadth of the State he will find further evidence in the splendid network of highways which are equal to the demand placed upon them by our modern automobile traffic. In building these highways and in the construction of many noted public works within South Carolina's borders, cement has been an important item. In the purchase of cement, however, South Carolina has been in no better position than the other 47 States. Until the Supreme Court decision, April 26, 1948, South Carolina contributed its proportion of unearned dollars to the Cement Trust in the form of phantom freight. Bids to the South Carolina State Highway Department showed the same identity as is always present when bids are received by public and private purchasers under the basing-point system of pricing.

CEMENT-MAKING MATERIALS PLENTIFUL IN SOUTH CAROLINA BUT NO PLANT BUILT UNTIL 1948

Until recently South Carolina did not have a cement plant within her borders. In the latter part of 1948 a cement plant was completed at Harleyville with a rated capacity of 800,000 barrels annually. This plant was built by the Carolina Giant Cement Co. of Philadelphia, Pa. However, this cement plant will account for approximately one half of the consumption of cement in South Carolina and then only if operated at its full rated capacity. Incidentally, South Carolina is well supplied with the natural resources for the manufacture of portland cement from the Coastal Plains to its fartherest western border.

In 1939 South Carolina's receipts of cement was 934,253 barrels; in 1940, 1,118,340 barrels; in 1944, shipments into South Carolina were 555,344 barrels; in 1945, 588,720 barrels; in 1946, 1,347,237 barrels, and in 1948, 1,557,617 barrels. With the exception of the 2 years, 1944 and 1945, it is evident the consumption of cement in South Carolina is steadily increasing as it has in most States. Cement, as you know, was in a tight supply position in 1944 and 1945, due principally to the policy of the Cement Trust in holding down new plant construction prior to the war.

CEMENT CONSUMPTION ON INCREASE—AVAILABILITY OF MATERIALS DEMANDS THE BUILDING OF REGIONAL PLANTS

The demand for cement as a construction material is steadily on the increase. Its utility is unquestioned; its necessity is obvious; its availability near points of consumption is of the utmost importance; and, its sale and distribution in free markets is beyond question and is a "must" of the first order. None of these objectives can be obtained if the basing-point system under any guise is again foisted on public and private purchasers by the Cement Trust. The new plant at Harleyville and others now under construction or contemplated, point the way to regional development all over the country, provided the basing-point system of pricing is not again allowed to rear its ugly head in this industry.

BASING-POINT BIDS TO SOUTH CAROLINA STATE HIGHWAY DEPARTMENT SHOW USUAL IDENTITY

As an illustration that bids to the South Carolina State Highway Department were no different under the basing-point system than to other State highway departments, I am including a tabulation of bids received December 5, 1945, on a total of 16,000 barrels of cement to 4 destination points within South Carolina. The South Carolina tabulation of bids follows:

Tabulation of bids received Dec. 5, 1945, for furnishing portland cement, delivered as specified in notice dated Nov. 14, 1945

Item 1. Prices to include costs of delivery at Greenville, S. C., 4,000 barrels, more or less, of portland cement in cloth sacks.

Item 2. Prices to include costs of delivery at Columbia, S. C., 4,000 barrels, more or less, of portland cement in cloth sacks.

Item 3. Prices to include costs of delivery at Florence, S. C., 4,000 barrels, more or less, of portland cement in cloth sacks.

Item 4. Prices to include costs of delivery at Charleston, S. C., 4,000 barrels, more or less, of portland cement in cloth sacks.

[Discount, 10 cents per barrel, 15 days]

Bidder	Prices bid, delivered, per barrel			
	Item 1, Greenville, S. C.	Item 2, Columbia, S. C.	Item 3, Florence, S. C.	Item 4, Charleston, S. C.
Signal Mountain Portland Cement Co.	$2.78	$2.86	$2.83	$2.93
Lehigh Portland Cement Co.	2.78	2.86	2.83	2.93
Volunteer Portland Cement Co.	2.78	2.86	2.83	2.93
Cumberland Portland Cement Co.	2.78	2.86	2.83	2.93
Alpha Portland Cement Co.	2.78	2.86	2.83	2.93
Southern States Portland Cement Co.	2.78	2.86	2.83	2.93
Penn-Dixie Cement Corp.	2.78	2.86	2.83	2.93
Lone Star Cement Corp.	2.78	2.86	2.83	2.93
Universal Atlas Cement Co.	2.78	2.86	2.83	2.93
National Cement Co.	2.78	2.86	2.83	2.93

BASING-POINT BIDS DIVIDED AMONG BASING-POINT BIDDERS

Inasmuch as the bids, shown in the table above, bore no resemblance to competition since all the prices bid by the 10 bidders were the same, the State highway department solved its problem in a very unique manner. The department divided the 4,000 barrels for Greenville, among the 10 bidders, and applied the same rule to each lot of 4,000 barrels to be shipped to the other destinations, namely, Columbia, Florence, and Charleston. This, I am sure, was not a happy solution for the bidders, but under the circumstances was an eminently fair method of award by the department.

It has been shown many times that the basing-point and monopoly boys have bid identical prices and then sit around after the bids are opened awaiting the joyful drawing of a number from a hat, and it is interesting indeed to see a variation of this procedure. There is one fact which most bidders do not like and that is the division of the business. On normal size purchases of material a bidder likes to get it all. In the cement industry where drawing by lot was a standard procedure in the award of bids by public agencies, to have a relatively small quantity awarded by division was, I know, not to the liking of the bidders. But, I compliment the South Carolina State Highway Department for the method used in this instance. The table of awards follows:

SOUTH CAROLINA
STATE HIGHWAY DEPARTMENT,
Columbia.

NOTICE OF AWARD OF CONTRACTS FOR FURNISHING PORTLAND CEMENT MADE PURSUANT TO THE DEPARTMENT'S NOTICE DATED NOVEMBER 14, 1945, AND BIDS RECEIVED DECEMBER 5, 1945

Award item 1, to tie low bidders, as follows:
335 barrels more or less, to Signal Mountain Portland Cement Co.
335 barrels more or less, to Lehigh Portland Cement Co.
1,000 barrels more or less, to Volunteer Portland Cement Co.
336 barrels more or less, to Cumberland Portland Cement Co.
332 barrels more or less, to Alpha Portland Cement Co.
333 barrels more or less, to Southern States Portland Cement Co.
333 barrels more or less, to Pennsylvania-Dixie Cement Corp.
332 barrels more or less, to Lone Star Cement Corp.
332 barrels more or less, to Universal Atlas Cement Co.
332 barrels more or less, to National Cement Co.

Award item 2, to tie low bidders, as follows:
335 barrels more or less, to Signal Mountain Portland Cement Co.
335 barrels more or less, to Lehigh Portland Cement Co.
1,000 barrels more or less, to Volunteer Portland Cement Co.
336 barrels more or less, to Cumberland Portland Cement Co.
332 barrels more or less, to Alpha Portland Cement Co.
333 barrels more or less, to Southern States Portland Cement Co.
333 barrels more or less, to Pennsylvania-Dixie Cement Corp.
332 barrels more or less, to Lone Star Cement Corp.
332 barrels more or less, to Universal Atlas Cement Co.
332 barrels more or less, to National Cement Co.

Award item 3, to tie low bidders, as follows:
335 barrels more or less, to Signal Mountain Portland Cement Co.
335 barrels more or less, to Lehigh Portland Cement Co.
1,000 barrels more or less, to Volunteer Portland Cement Co.
336 barrels more or less, to Cumberland Portland Cement Co.
332 barrels more or less, to Alpha Portland Cement Co.
333 barrels more or less, to Southern States Portland Cement Co.

383 barrels more or less, to Pennsylvania-Dixie Cement Corp.
332 barrels more or less, to Lone Star Cement Corp.
332 barrels more or less, to Universal Atlas Cement Co.
332 barrels more or less, to National Cement Co.

Award item 4, to tie low bidders, as follows:
335 barrels more or less, to Signal Mountain Portland Cement Co.
335 barrels more or less, to Lehigh Portland Cement Co.
1,000 barrels more or less, to Volunteer Portland Cement Co.
336 barrels more or less, to Cumberland Portland Cement Co.
332 barrels more or less, to Alpha Portland Cement Co.
333 barrels more or less, to Southern States Portland Cement Co.
333 barrels more or less, to Pennsylvania-Dixie Cement Corp.
332 barrels more or less, to Lone Star Cement Corp.
332 barrels more or less, to Universal Atlas Cement Co.
332 barrels more or less, to National Cement Co.

SOUTH CAROLINA'S NEW CEMENT PLANT

Under the basing-point system of pricing as practiced by the cement industry, it was impossible to predict with any degree of certainty whether a new cement mill would be a basing-point mill or a nonbasing-point mill. Undoubtedly the Harleyville plant was planned and perhaps construction started prior to the Supreme Court decision outlawing the basing-point system of pricing. Prior to the cement decision, there were basing-point plants at Clinchfield, Ga.; Richard City and Kingsport, Tenn., as well as at Norfolk, Va. I do not have immediate information as to whether or not one of these four plants controlled South Carolina. It may have been some more distant plant in Alabama or Virginia, or it may have been a plant as far away as Ironton, Ohio. I do know that the whole of southwest Virginia and most of western North Carolina was controlled by Ironton, Ohio, and that all plants shipping into these territories based their prices on the freight charges from Ironton, Ohio. Of course, Virginia had one cement plant in the western half of the State and several others nearby across the border in Tennessee. Nevertheless, the territory in Virginia and North Carolina, described above, was controlled by Ironton, Ohio. A small tip of western North Carolina was controlled by Birmingham, Ala., and other plants in that vicinity.

IF BASING-POINT SYSTEM RETURNS, HARLEYVILLE WILL PROBABLY BE A NON-BASING-POINT PLANT

The return of the basing-point system, should such an unhappy situation arrive, will probably find Harleyville a non-base-point mill and enjoying a bountiful return of phantom freight in its operations. The location of a cement mill in its relation to markets was no guaranty that such a mill would be the basing point for nearby territory. As I have shown previously in many other States, the reverse was more often true.

In all probability, South Carolina could be reasonably expected to continue to show increased consumption of cement and for that reason double the capacity of the Harleyville mill would not create overproduction. I desire to stress the point that under the basing-point system of pricing our regional development in the South, Southwest, and the West has been severely handicapped. This is because the monopolies using the basing-point system of pricing have made it impossible for free capital to erect cement mills, steel, and other mills of like character, through the mechanisms inherent in the system. By that I mean that under the basing-point system if, for instance, the cement monopoly did not desire a plant built at any particular point it could drive such plants out of business by cutthroat competition. The Supreme Court made it very plain in the Cement decision that the basing-point system of pricing was monopolistic and in the words of the Court:

> Thus we have a complaint which charged collective action by respondents designed to maintain a sales technique that restrained competition, detailed findings of collective activities by groups of respondents to achieve that end, then a general finding that respondents maintained the combination, and finally an order prohibiting the continuance of the combination. It seems impossible to conceive that anyone reading these findings in their entirety could doubt that the Commission found that respondents collectively maintained a multiple basing-point delivered-price system for the purpose of suppressing competition in cement sales. The findings are sufficient. The contention that they are not is without substance.

BASING-POINT METHODS DEVIOUS AND SECRETIVE

One of the difficulties which our enforcement agencies find, such as the Federal Trade Commission and the Department of Justice, is the devious and secretive manner in which some industries, such as the cement industry, practiced the basing-point system. Even when brought into the courts it is impossible to get complete information as to the division of territories among the basing points and other equally important information. Individual businessmen and a great many industries prefer to have their business policies out in the open for all to see. This has not been the case with some of our heavy basic industries such as cement, steel, and other commodities and it is because of the uneconomic distribution of these industries' manufacturing establishments. These industries have, either by design or accident, concentrated facilities in a relatively small area of our country.

The Sherman antitrust laws, the Clayton Act, and the Robinson-Patman Act, are laws for the protection of our people against monopolies of any kind or character. Despite these laws the cement industries have, in fact, created monopolies through the use of artificial pricing systems of which the basing-point system is one of the worst examples. That the Cement Trust did create a monopoly by the use of the basing-point system cannot be contradicted. A Federal Trade Commission report on the merger movement points out that in 1945 the five largest companies in the industry controlled 44 percent of cement-producing capacity and that the 10 largest companies accounted for over 60 percent of the industry's capacity. A subsidiary of the United States Steel Corp. is the country's largest cement producer, namely, Universal-Atlas Cement Co. Knowing what I do about the methods used in the cement industry to acquire, control and to destroy, I haven't the least doubt that the United States Steel Corp. through its subsidiary sets the pattern for the balance of the industry to follow.

BASING-POINT SYSTEM NOT INTENDED TO BENEFIT SMALL BUSINESS—QUALITY OF PRODUCT NOT A FACTOR

As the record shows, the operation of the basing-point system was not intended to aid the small cement dealer any more than it was intended to aid Federal, State, county, and other governmental bodies. Under the basing-point system of pricing a cement dealer was obligated to carry cement as a convenience for his customers rather than for a profit item. When the dealer sold cement he had nothing to talk about except the fact that it was cement. He had no price consideration to offer his customers. He had no quality consideration to talk about because under the basing-point system the Cement Trust set up the fallacy of standardization. Quality of product has long been a misnomer in the cement industry. Cement was cement, and the price was the price; and while the Cement Trust spent huge sums of money to induce people to use cement, its increased use did not help the cement dealer. At least it did not help the cement dealer profitwise.

Cement should be a quality product available at a low cost in a free market in every section of our country. Cement is too basic a commodity and too heavy a commodity to haul long distances economically. The supply should be close to the dealer and to the builder. I am sure that dealers, builders, and other users of cement in the great State of South Carolina will agree with this statement.

Milton Horace West

MEMORIAL ADDRESS
OF
HON. A. SIDNEY CAMP
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 25, 1949

On the life, character, and public service of Hon. MILTON HORACE WEST, late a Representative from the State of Texas

Mr. CAMP. Mr. Speaker, the sorrow we experience in the passing of our friends is one from which our hearts fail to find real surcease, for this sorrow is measured exactly by our love for them.

On the 28th day of October 1948 the great Master of the Universe called our brilliant, kind-hearted, generous, staunch, distinguished, and beloved colleague, MILTON WEST, from his patriotic and unselfish labor among us to his eternal home in that country—

> From whose bourn
> No traveler returns.

And all of us were so convulsed in an overwhelming grief that time, though a great healer, refuses to palliate. All of

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us loved MILT WEST, for he loved all of us. A scion of a strong and sturdy family, a peer of statesmen and business leaders, he fraternized with men of high and low estate, and saw and understood their best qualities, shared their joys and sorrows.

He was a strong and mighty oak in the forest of men. He was a true nobleman, in thought, in purpose, and in action, and he appreciated that quality in others as few men can do. I think the poet has expressed his conception of nobility in these words:

Howe'er it be, it seems to me,
'Tis only noble to be good,
Kind hearts are more than coronets,
And simple faith than Norman blood.

It was my privilege to know MILT WEST from the very first days of my service in the House, which began in August 1939 and our acquaintance ripened into genuine friendship by service together on the great Committee on Ways and Means. As we were drawn closer together by friendship's ties, I discovered that his genuine joy came from service he rendered his country, his State, and those about him. He loved his committee work and gave careful thought and consideration to every measure coming before it. No Member voted more intelligently nor more conscientiously, and once he arrived at a decision he was unswerving and determined in advocating his conviction.

Were I to be asked whom I considered most typical of the citizenry that conquered the wilderness of the original section of our country now embraced by the great Lone Star State and made of it the great commonwealth that it is, I would say MILTON H. WEST, who served it as a citizen, as public official, as a Texas ranger, and who died while giving his time and talents to their fullest capacity as one of its Representatives in the Halls of Congress.

MILTON WEST was one of the—

Tall men, sun crowned, who live above the fog,
In public duty, and in private thinking.

And one of those—

Men whom the lust of office does not kill;
Men who the spoils of office cannot buy;
Men who possess opinions, and a will;
Men who have honor, men who will not lie.

Human Rights in the Western Hemisphere

EXTENSION OF REMARKS
OF
HON. DENNIS CHAVEZ
OF NEW MEXICO
IN THE SENATE OF THE UNITED STATES

Wednesday, June 8 (legislative day of Thursday, June 2), 1949

Mr. CHAVEZ. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the address entitled "Human Rights in the Western Hemisphere," delivered by Mr. Jack B. Tate, acting legal adviser, Department of State, before the sixth conference of the Inter-American Bar Association, Detroit, Mich., on May 26, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

HUMAN RIGHTS IN THE WESTERN HEMISPHERE

Mr. President, ladies and gentlemen, a little more than 7 years ago the foreign ministers of the 21 American Republics assembled in Rio de Janeiro to consider what action should be taken to meet the gravest danger that had ever threatened the peace and security of the Americas. I need not recount the appalling situation of that winter of 1942, when the war lords of Japan and Nazi Germany appeared likely to crush western civilization and to substitute a new order of barbarism. Yet even in that dark hour, a distinguished statesman, Dr. Padilla, then foreign minister of Mexico, reminded his colleagues:

"We have need of such things as strategic material for war, but there is one other product that we must not overlook: free man in America, on whose brow shall shine the dignity of his manhood; man the consumer, the soldier, the custodian of liberty."

Dr. Padilla's stirring words at Rio de Janeiro serve to remind us of the fundamental heritage of the Americas. We are all the heirs of such philosophers as Jean Jacques Rousseau who said: "To renounce one's liberty is to renounce one's quality as a man, the rights and also the duties of humanity." This common love of liberty and respect for the dignity of man were voiced in North America by such men as Thomas Jefferson and Thomas Paine, and in South America by such men as Francisco de Miranda, Simon Bolivar, and Jose de San Martin. We in the Americas all share the same tradition of great independence movements, movements designed not only to win independence for our countries from arbitrary foreign rule but also to win independence for the individual from arbitrary political rule. To quote another distinguished writer of the Americas, Dr. German Arciniegas, of Colombia:

"The essential thing is to know what the Americas want, whither they are headed; and I have no hesitation in declaring that it is toward complete democracy."

"I would have the Americas judged not by Presidents, nor generals, but by the man in the street, the people as a whole. * * * In Colombia, Brazil, and the United States they speak different tongues but a common language, the same immortal accent and spirit of liberty. We are not seeking a new order to benefit a few. We offer a new world to mankind."

The importance of preserving these traditions was brought out by the events preceding and during World War II. The disregard of human rights by the Nazi and Fascist regimes outraged the conscience of decent men everywhere and made them realize that international society could no longer ignore such behavior if peace and civilization were to endure. The Declaration of the United Nations of January 1, 1942, expressed the conviction that victory over the enemy powers was essential to defend life, liberty, and religious freedom and to preserve human rights and justice in their own lands as well as in other lands."

In my own country, tremendous interest in the problem of human rights was manifested by influential private groups and organizations. In particular, the Commission to Study the Organization of the Peace, established immediately after the outbreak of the European War, devoted considerable time to the study of establishing international safeguards for human rights. The American Law Institute prepared a draft bill of rights, a very thorough project covering not only the traditional political rights of the individual but also certain basic economic and social rights, which that institute regarded as essential to ensure effectively freedom of the individual under modern conditions.

We all, of course, know and are proud of the leadership taken by the American states in the present international movement to give recognition and protection to basic human rights. Resolution IX of the Inter-American Conference on Problems of War and Peace, held at Mexico City in February 1945—while the recent war was still in full progress—called for the formulation of an inter-American declaration of the international rights and duties of man to provide standards to be observed by all the American Republics.

Pursuant to the mandate of the Mexico City Conference, the Inter-American Juridical Committee studied and reported on this problem of international recognition of human rights. In its report made in 1946 the Committee pointed out that the break-down of international law and order in 1939 could be very directly attributed to the ability of totalitarian governments to deny their peoples freedom of speech, to instill in them false ideas as to other countries, and to foment fanatical and vicious sentiments of hatred which form the psychological bases of aggressive war. Thus, the Committee observed, "the protection of the fundamental rights of men in every land * * * is an essential condition of friendly cooperation between nations. A people denied the fundamental right of freedom of speech and of the press and of access to the sources of information cannot cooperate effectively with the peoples of other states because they have no direct contacts with them, no way of obtaining an unbiased understanding of their points of view, no assurance that the policies ascribed to them represent their true attitudes."

In contrast the Juridical Committee restated the basic philosophy of the Americas, a philosophy familiar to us all, but which cannot be emphasized too much: "The state is not an end in itself; it is only a means to an end; it is not in itself a source of rights, but the means by which the inherent rights of the individual person may be made practically effective. Man is, indeed, by his very nature a social being; he finds in the state the opportunity for the development of his moral and material interests; but he does not thereby endow the state with a mystical personality of its own which justifies it in promoting its own power and prestige at the expense of the rights which are fundamental to the maintenance of the dignity and worth of the individual man himself. As expressed in the Declaration of Social Principles of America, adopted by the Conference on Problems of War and Peace at Mexico City, 'Man must be the center of interest of all efforts of peoples and governments.' Not only, therefore, are particular governments bound to respect the fundamental rights of man but the state itself is without authority to override them. The individual man is the ultimate basis of law, and he may claim his essential rights against the state itself, as well as against the particular officers of the government."

The culmination of this movement in the inter-American system was the adoption of the American Declaration of the Rights and Duties of Man at Bogota, in April 1948, by the Ninth International Conference of American States. This declaration has already taken its place among the great documents of human liberty. It will be notable in history as the first international bill of rights. It is significant that, like the experts of the American Law Institute, the framers of the Bogota declaration felt that it was not enough to restate the traditional

rights of a purely legal and political character. A new affirmative approach was demanded, with the consequence that the Bogota declaration proclaims important and basic economic, social, and cultural rights of man, in addition to reaffirming his fundamental political and civil rights.

The American states have not, however, limited their interest in human rights to this hemisphere. Even before the adoption of the Bogota Declaration, they had sought general international acceptance of American ideals of democracy and liberty. We cannot forget the important role played at the San Francisco conference by delegations of various American states, in broadening and strengthening the United Nations Charter so as to emphasize the obligation of international society and of individual states to promote respect for fundamental human rights. We may recall that, in addition, the delegations of Cuba and Panama urged the San Francisco conference to adopt immediately a declaration of the rights and duties of the individual, while Mexico proposed that a bill of human rights be included as an annex to the United Nations Charter. It was not possible, in the limited time available, to formulate such a document at that conference, but in accordance with the sentiment of the conference, the first task undertaken by the United Nations Human Rights Commission, upon its establishment 3 years ago, was the drafting of an international bill of rights. Representatives of the American point of view participated actively in this work of the Commission. Not only did Mrs. Franklin D. Roosevelt of my country preside over the Commission, but important contributions were made by such distinguished persons as Dr. Santa Cruz of Chile, Dr. Alfaro of Panama, Dr. Fontaina of Uruguay. The Commission, in addition, had before it the Bogota Declaration to aid it in its work.

As you all know, the adoption of the Universal Declaration of Human Rights by the General Assembly at Paris in December 1948 has been hailed as the great accomplishment of that meeting. The greatest significance of this event is the fact that such a large number of nations with such diversity in legal, political, social and religious backgrounds could agree to so many principles in the complex and controversial field of human rights.

It is to be regretted profoundly, however, that one important group of nations, headed by the Soviet Union, refused to accept the Universal Declaration of Human Rights. In the course of drafting the declaration, it became only too apparent that representatives of the western world and those of the Soviet bloc speak not only "different tongues" but also "different languages."

Thus, Mrs. Roosevelt has observed, on the basis of her years of experience in the Human Rights Commission, that fundamental differences between the two groups have appeared even in the use of words. For example, the word "democracy" means one thing to the Soviet Union and another to the western world. To the Soviet Union "democracy" seems to mean a system whereby the people allow their government to have certain absolute rights. In Soviet parlance a "free press" is one which the state supports but which dares not criticize the basic policies of the government. In the Soviet Union the "right to work" seems to mean that the government has absolute power to assign workers to any task without regard to the wishes of the people involved.

As a result of the debates in the United Nations on this subject, it seems clear that the Soviet bloc still adheres to the basic philosophy of Karl Marx, who said:

"Only in the collective can the individual find the means of giving him the opportunity to develop his inclinations in all directions; in consequence, personal freedom is possible only in the collective."

This philosophy was repeated by the Soviet delegate, Mr. Vishinsky, in the United Nations. Mr. Pearson, the Foreign Minister of Canada, had said:

"We do not accept and never will accept the doctrine that the rights of man include only those rights which are sanctioned and sanctified by Communist doctrine and that all other rights are to be outlawed as 'Fascist.'

"* * * We shall in the future, as we have in the past, protect the freedom of the individual in our country."

To this Mr. Vishinsky replied that since in the Soviet system the "contradiction between classes" has been eliminated, "there can be no contradiction between the government and the individual, because the government is the collective individual. The state and the individual in the U. S. S. R. are fully harmonized."

Thus, in the Soviet system, there is no such thing as individual human rights in the sense in which the western world understands this term. Presumably this is why the Soviet Union could not accept the Universal Declaration of Human Rights, since the overwhelming majority of the United Nations delegates rejected repeated Soviet efforts to recast that document in terms of Soviet ideology.

Mr. Vishinsky has frankly stated in his treatise, The Law of the Soviet State:

"In our state, naturally, there is and can be no place for freedom of speech, press, and so on, for the foes of socialism. Every sort of attempt on their part to utilize to the detriment of the state—that is to say, to the detriment of all the toilers—those freedoms granted to the toilers must be classified as a counterrevolutionary crime to which article 58, paragraph 10, or one of the corresponding articles of the criminal code is applicable.

"Freedom of speech, of the press, of assembly, of meetings, of street parades, and of demonstrations are the property of all the citizens in the U. S. S. R., fully guaranteed by the state upon the single condition that they be utilized in accord with the interests of the toilers and to the end of strengthening the socialist social order."

It is a matter of common knowledge, of course, to what extent the Soviet authorities have found it necessary to restrict these freedoms "in the interests of the toilers." They have found lurking in the symphonic notes of Dmitri Shostakovitch the seeds of "counterrevolutionary crime," and, in the study of genetics, subversion of "the socialist social order."

According to a story recently circulated in Washington it seems that two Germans were fishing on opposite banks of the River Spree, one in the Russian zone and one in the American zone. The German on the American bank pulled out fish after fish with monotonous regularity. The German on the Russian bank was not even able to get a bite. After several hours of this the man on the Russian side shouted across in exasperation: "How is it that you keep pulling in the fish over there while here I don't even get a nibble?" "Well," replied the man on the American bank, "over here, you see, the fish aren't afraid to open their mouths."

Notwithstanding or perhaps even because of this fundamental difference between Western thought and Soviet thought, developments in the United Nations show the great majority of the nations of the world are determined to press ahead with a program to promote respect for fundamental human rights.

At the Paris session of the General Assembly, which adopted the Universal Declaration of Human Rights, delegates of various countries repeatedly expressed the determination that further steps must be taken to strengthen human rights. It was the consensus that the universal declaration was not enough, since that document was admittedly only a statement of aspiration and had no legal force. Consequently the General Assembly adopted a resolution directing the Economic and Social Council and the Human Rights Commission to continue to give priority to the preparation of a covenant on human rights, which would be in treaty form and would contain legally binding obligations for the states which accept it.

Needless to say, the task of drafting a treaty on this subject is much more difficult than that of drafting the declaration. The Human Rights Commission has studied this problem with great care over the past several years, as is evident from the present tentative draft which the Commission is now considering and which was published by the United Nations in June 1948.

The Commission has been confronted with three main problems in this work. First, there has been the question of the scope of the covenant, i. e., what rights should be included. Then there has been the problem of defining these rights in a way to protect individual liberty and to give due recognition to the right of the state to maintain public order, safety, and welfare. Finally, there has been the very important practical question as to the method of enforcing or implementing the covenant.

The Commission is currently endeavoring to find solutions to these problems. We are aware of the difficulty of this task and that time is needed in all countries for study. The Commission has decided that, rather than go to the General Assembly for action next fall, the draft Covenant should be referred back to member governments for study and comment.

With respect to the scope of the Covenant, the drafting committee of the Commission has proposed—and my government concurs in this view—that this particular instrument should not attempt to include more than the civil and political rights which have been traditionally accepted in western civilization as fundamental human rights. This is the first serious international attempt to create norms of human rights as positive law. Certainly if the great majority of nations will agree to a treaty obligating them to secure to the individual the enjoyment of traditional political and civil rights, this will be an immense step forward.

If we look through the present draft covenant, we find that the rights and freedoms set forth in it are quite familiar concepts in the constitutional systems of the various American states. Among these are the right to life, the right not to be subjected to torture, or to cruel or inhuman indignity; the prohibition against slavery or forced labor; the prohibition against arbitrary arrest or detention; the right to freedom of movement and of residence; the right to fair trial; freedom of thought and religion; freedom of speech; freedom of assembly; and freedom of association.

I am sure that all of us here can agree that such rights and freedoms are the minimum and should be observed in every country, but we also know that this is not true in important areas of the world. The free nations of the world—and influential private organizations such as this one—have a grave responsibility. We have the responsibility to exert our efforts in the cause of liberty throughout the world. We have taken our stand in the Americas. We must push forward in the United Nations to bring about the enjoyment of fundamental human rights everywhere. Peace can endure only when nations respect the rights of other nations and governments respect the rights of their peoples.

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President's Committee on Religion and Welfare in the Armed Forces

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. DOYLE. Mr. Speaker and colleagues, last week here in Washington Mrs. Doyle and myself, and my executive secretary, Rene Sebring Smith, one evening attended a most important and significant conference of American citizens. The President of the United States had previously appointed a committee of distinguished Americans to consider ways and means of benefiting the members of the Armed Forces in peacetime. The President of the United States, in person, attended the evening session at which we were present and made a few very pertinent and constructive remarks.

One of the most thought-provoking and analytical talks I have ever heard in the field of armed forces in the general field of the relationship of the armed forces and the communities of America in peacetime was given by Mrs. Eugene Meyer of Washington, D. C. I obtained her consent to have the same given to you, my colleagues, and I am pleased to commend the same to your attention.

Following this speech, the committee on Housing, Health, and Family Welfare of the National Conference, agreed that:

First. Housing of the Serviceman's family must be accepted as a Federal responsibility.

Second. The committee also agreed that an over-all authority should be set up either by the Military or the Federal Government, to deal with the problem. Lack of housing for the peacetime army was conceded to be the most pressing moral problem causing many resignations among officers.

The committee also placed emphasis on the need for having in each community one place to which the serviceman and his family could go for information on all community services and for advice, on personal and family problems.

Mrs. Meyer's address follows:

PROBLEMS OF A STANDING ARMY IN A DEMOCRACY

Before I discuss the various points of view that have been presented here tonight on the relationship of the armed forces and the communities, I shall go back to some of my experiences with both groups during 2 years of almost constant travel throughout the country during the war years.

Day after day and month after month I saw Army camps, naval stations, and airfields as well as factories of every description whose orderliness, discipline, and efficiency made you proud of our country. But from those scenes of technological skill, perfect coordination, and expert leadership I walked out into a social chaos so appalling, inhuman, and disgraceful that I was ashamed of my country. Of course, there were exceptions. Some Army installations and some of the new factories were not perfection. Occasionally I found communities, especially in the later period of the war, that were struggling heroically to provide the war workers or the military personnel with the basic amenities of life. But as a rule I lived day in, day out, in war centers where whole populations were deteriorating physically and morally.

Belatedly Government and voluntary agencies did what they could to improve the worst situations. But we never learned how to handle either the mobilization or the demobilization of the home front. When the war ended we were socially as unprepared for peace as we were for war.

Now what was the basic reason for this disparity between the expert management, the conservation of human and material resources that characterized our military installations and factories and the disregard for human values, for individual dignity, and common, ordinary decency that so often prevailed at the very doors of these institutions?

As I had visited Great Britain in 1942 and studied the superb social arrangements made by the British Ministry of War for the conservation of human energy and manpower, I had a feeling as I surveyed the chaos here at home that we Americans were behaving like a lot of drunken sailors on a spree. At times it seemed to me as if our democratic slogans were sheer hypocrisy and that we had no respect for the individual, for the family, or for the children who were the most tragic victims of this social disintegration.

But those thoughts were the temporary reaction to despair. The appalling social indifference which we exhibited during the war, from whose effects we are still suffering and will continue to suffer for years to come, has very deep roots and reasons, reasons that both the military and the civilians must understand if we are now going to make a better job of improving the relationship between our peacetime armed forces and the Nation as a whole. For this problem does not merely concern the camps and the nearby communities. It concerns us all. It concerns the security of our whole people and the future of our democracy.

The contrast I have described to you between our efficient camps and factories and the social chaos that surrounded them is due to the fact that we are technologically the most expert nation in the world but we haven't begun to learn how to apply that technological knowledge to the solution of our social problems. We are a confused people because we are split personalities. We have forgotten that democracy must live as it thinks, and think as it lives. The split in our civilization between science and society, between the disciplined expert and the undisciplined civilian, between mechanical efficiency and social drift—in short, between authority and freedom—this is the gap that yawns wide between our military institutions and the people as a whole. The tensions, irritations, and open hostility, which exist wherever the armed forces and civilian communities come to grips, represent just one manifestation of this split that runs through our whole culture. It will never disappear until both sides realize what creates the impasse. The military accuse the civilians of apathy, the civilians speak contemptuously of brass hats. Unless each group realizes why their mutual prejudices are so deep, it is perfectly futile to make a purely moral and patriotic appeal to them to cooperate with each other.

To reconcile the military and civilian mentality, our military leaders must accept their social responsibilities, and the civilian population not only near the camps but throughout the Nation must develop more efficient methods of self-government. These two groups have the difficult task of bringing our technical and social sciences closer together. Since we shall be obliged to protect our country with armed might for years to come, long-term planning for intelligent, cooperative endeavor between them is essential to the safety of our country and of western civilization.

How then are we to begin the process of successful military-civilian cooperation? How are we to overcome the mutual distrust that now exists between these two radically different attitudes and disciplines? How are we going to achieve mutual understanding as a basis for constructive action?

Let us begin our analysis with the social responsibilities of the military. The greatest cause of friction in the military zones has long been the problem of housing for married personnel.

Our war experiences, our urban slum areas, and the present lack of decent homes for military personnel in many of our communities have shown us again and again that there is no other single factor which can undermine family life and the whole social order more thoroughly than bad housing conditions. In several of our camp communities during the war, babies died like so many flies, children became ill or warped in character, families were broken up, delinquency and crime encouraged merely because perfectly decent Americans were forced to live like cattle. Judging by the reports on the present military housing situation gathered by the President's Committee on Religion and Welfare in the Armed Forces, those same conditions and those same results can still be found in many of our camp communities. Insanitary housing, shacks without toilet facilities, without running water and frightful trailer slums are in use: thousands of officers commute as much as 75 miles twice a day, because there is no place to live near the military establishments. Here are some of the comments from Army, Navy, and Air Force commands: "Ten people lost their lives in Army structures last year." "Army personnel live in houses that are unsafe and unsanitary and pay exorbitant rents for them." "The divorce rate is staggering." "We send men out to fly complicated airplanes with troubled minds"—etc.

If during peacetime the armed forces are not going to provide adequate housing for their married career personnel, they might as well fold up and forget about national defense. For the married men are precisely those most important to the armed forces, junior officers and key noncommissioned officers, the professional cadre, upon whom the commanding officers must rely for the training of the recruits and for the whole discipline and morale of the ranks. They are resigning in droves and the reasons most frequently given are intolerable housing, the danger that the family might break up or the children suffer permanent harm of a physical or emotional nature. The Navy receives hundreds of requests every month for such hardship discharges, and the Air Force estimates that 59 percent of all married enlisted personnel are dissatisfied with their living arrangements.

We are spending huge sums to train new recruits to take the place of the married officers who resign. If the replacements have to face the appalling hardships of their predecessors, they too will resign as soon as their tour of duty terminates. This is sheer waste of energy, talent, and money.

But even more important is the question of morale, for this turn-over of officers is bound to undermine our whole military organization. I think it was Napoleon who said that an army cannot march on an empty stomach. It is becoming equally clear that a peacetime army cannot live without housing any more than it can march without food. If we try to build up a military force by breaking up family life, we shall soon have neither an army strong enough to defend this country nor a country that is worth defending.

And into this morally rotten situation we have the hypocrisy to send chaplains to preach the sanctity of marriage and the basic importance to society of family life. It

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would be far better if we have to choose between the two, to save the chaplains' salaries and use the money to build homes. For as one Navy chaplain said: "The primary obstacle to normal, decent living in the Navy is lack of adequate housing facilities."

It is equally futile to preach about cooperative military-civilian relationship when the competitive scrambling for the small amount of available housing space only serves to strain relationships between the two. Cupidity and rent gouging inevitably become the order of the day. The military are enraged by civilian profiteering, and the civilians are indignant because the armed forces are throwing their whole community into disorder.

This horrible impasse cannot be blamed on either one of the two groups. The local commandant and the local civilian officials are helpless however hard they may try to alleviate the human suffering that is now a commonplace in their environments. Help must come from the top echelons of the armed services and from Congressional legislation.

For the first time our military leaders are responsible for a large peacetime system of national defense. The fact that they have not thought through this totally new situation and the social responsibilities it entails can be demonstrated in many ways. The very form of the military budget reflects a lack of serious concentration upon the housing problem. For the fiscal year 1950 this budget carries an item of $430,000,000 for all construction needs, depots, air fields, administration buildings, and family quarters. The fact that housing is not a separate item is in itself revealing, especially in the light of the fact that the total sum allotted to over-all construction represents only a small portion of the funds required to meet the present housing shortage.

But Congress will have no confidence in a request for adequate funds for military housing, unless the estimates for the combined forces are made by people who know what they are talking about. The Army engineers claimed that it takes $20,500 to build a 1,080-square-foot row house until the Bureau of the Budget pared down their estimate. Why then, could the Atomic Energy Commission build excellent family quarters for $10,000, just about half as much? Moreover, each of the three services computes its estimates on a different basis, each service has a different program, and each has a multiplicity of agencies concerned with housing. Only a combined drive for housing funds, based upon careful estimates and sound principles of administrative procedure, can convince the Congress that housing is a basic need of military preparedness. Therefore, it is essential that a team of expert housing consultants be appointed to unify the housing policies of the three services and to draw up a long-range housing program for the Military Establishment. Obviously, the number of housing units now needed cannot all be built at once. But it should be possible to determine the maximum appropriation that can be expected annually and then to formulate a 5- or 10-year construction plan. The amount now wasted in automobiles for commuting officers would offset a large part of the costs.

Let us also call the attention of the Military Establishment to the fact that since their total budget of $14,765,000,000 was voted by the House of Representatives, the costs for food and clothing, for steel and other construction materials have decreased at least 10 percent. Why can't a building program for the combined services begin at once with the enormous sums that will be saved next year in the purchase of all supplies, to say nothing of the greater availability of labor since unemployment has manifested itself?

If the military began a bold and vigorous building program, it would speedily change the attitude of private capital in the adjacent communities. Local contractors and builders have been reluctant to finance construction projects for Army posts that only too often proved to be temporary. A military building program would assure the local businessmen that the nearby installations were to be permanent. Then private capital would not only feel safe in entering the field, but probably would put in competitive bids to take over as much of the program as it could get.

For the rapacity which many communities have shown in their treatment of military personnel is due largely to the uncertainty of military plans. If a town gets the feeling that a camp may be moved, the desire to profit while the going is good seizes upon everybody. Therefore, stability in peacetime military installations is a prerequisite for stability in military-civilian relations. With adequate housing for married military personnel, constructed by public and private cooperation, the most fundamental cause of friction between the peacetime armed services and the civilian communities would be eliminated.

But the local communities also have a long way to go before they can handle with maximum efficiency the numerous problems that arise when vast numbers of young recruits are added to their normal population. With the exception of small towns or cities, most American communities have enough public and private education, health, and welfare agencies to meet any problems if only these activities were skillfully coordinated with each other, with the Federal and State agencies, and with the efforts of the numerous voluntary national organizations.

This reorganization cannot take place in a vacuum. There must be a visible hub where all of your people, including the soldiers and their families, can go for help, and where the wealth of local community services, whether public or private, can be put at the service of the individual without loss of time or energy. The big communities can save themselves much work and save the soldiers many a heartache if they will establish a community service center, similar to the veterans' centers of the postwar period, where the soldier can go for any information or advice he may need, and where your citizens or agencies who want to be of help to the soldier can find out how best to do it. At the head of this community service center should be a skilled director to keep the competitive agencies and talents functioning smoothly and harmoniously, a man who knows the city, its agencies and their functions, and who can direct applicants to the agency they seek.

You will discover what an astounding job you can do for your own people as well as the enlisted men when all of your community resources are coordinated and directed toward the solution of any given problem. The acute tensions between the civilian population and the military which now frustrate both of them at every turn, seldom have their origin in a single major problem unless it be housing. The other frictions grow out of myriads of little irritations that cause frustration which becomes emotional, infectious, and generalized. An alert community can save itself a lot of big troubles, by eliminating the little troubles as they arise. Your two main objectives must be to help your own civilians and the military families work out a satisfactory program of living and to make them feel that they are not alone in this struggle. These objectives can be greatly facilitated and your community initiative reinvigorated by an efficient clearinghouse or service center, situated not in some courthouse basement but in attractive quarters on Main Street where everybody can readily find it.

Unless the communities make some such effort to create an orderly government, all the endeavors of the USO, the Red Cross, the YMCA, the YWCA, and other national voluntary organizations are just so much froth on a seething cauldron.

An efficiently organized community is, moreover, the only protection against the greatest menace with which camp communities are eternally faced. A big military establishment brings a sudden influx of wealth to the adjacent cities, towns, and villages. And wherever big sums of money are at stake, there the forces of evil collect like vultures over carrion. What's more, these dark birds of prey can cooperate instinctively with each other as good people seldom can. These evils are three in number and they always go together—prostitution, gambling, and liquor. The power and reach of these underground forces are appalling. An illustration of their long arms is the fact that the Indiana Legislature not long ago voted to legalize prostitution. Fortunately the Governor had the courage to veto the bill. Don't let anybody tell you that since prostitution cannot be eliminated it is best to segregate it in certain areas. During the war the Public Health Service with the cooperation of State and local authorities closed these houses near all the big encampments, and after a short period the venereal-disease rate dropped markedly. If you condone the existence of organized prostitution, the gambling and liquor rackets also spring up right and left. The whole community then becomes infected with vice, greed, and moral corruption. During the war, I saw such communities in which the city officials, the Army public-relations officials, even the churches were dominated by vice rings. The only time my veracity and good will were openly attacked, was by seven clergymen whose town I attempted to clean up by a detailed description of this hellhole. They were inveigled and the local Congressman was inveigled into publishing a letter in the CONGRESSIONAL RECORD stating that I was a liar whose poisonous pen had bespattered the fair name of their beautiful city. Such an attack could not be ignored. Fortunately I had as usual understated the conditions. So I wrote a real description of what went on in that city, ending with its venereal-disease rate which was four times our American average per thousand and put the article into the CONGRESSIONAL RECORD. I never heard from my seven clergymen again.

One of the many statements given me during the war by experts on the subject of organized prostitution was that of Mayor William F. Devlin, of Seattle, Wash., a former police-court judge, who fought and won a tough battle to clean up his city: "It is my contention that houses of prostitution should be closed. It is the only solution of the problem. I am mindful of the fact that many people, even some in authority in military and civilian life, are not of the same opinion, but I have yet to find the experienced man in the medical or military field who has studied this problem who takes a contrary view.

"Because of the money involved, every apparently feasible argument will be used by the profiteers to prove why houses of postitution cannot be closed, all of which are based not upon the merits or demerits of the case but upon their interest in the continuation of the practice. That leads us to a very difficult problem, namely, that good, law-abiding people are often deceived by these arguments. Such people even pass on these specious arguments to others in the belief that they are true.

"I hope that in this battle to control venereal disease by closing the houses of prostitution we shall be making a permanent contribution to the Nation's program, for in my opinion what is good for the soldier is good for the civilian too. While this problem is vitally important now, the attack on it should be a permanent program carried on to make a better civilization after the war."

You cannot achieve a solution of this problem without enforcement by an honest police force that has the power to control prostitution in taverns, dance halls, and on the streets. Nor can you rely on the military venereal-disease rate as a sign that the situation is under control. That rate, thanks to penicillin, has been lowered everywhere except in the military installations near the Mexican border. The only defense is a well-organized community that is eternally vigilant and ready at all times to defeat the scavengers that profit from vice.

The best answer to the destructive social influence with which you will have to contend is wholesome recreation that will keep down the number of street-corner soldiers—the boys who just hang around because there isn't a single thing for them to do. The first requirement is plenty of attractive, clean eating places whose sanitary conditions are under constant inspection, and where the food is decent without being exorbitant in price. Don't let the men get disgruntled because they spend most of their leisure time standing in line for a meal.

The management of the local USO facilities is the next most important item. I have been in big USO buildings that felt like a morgue and the troops hated them. Unless the people in charge of the USO recreation quarters like their work and put their whole souls into the job, the investment is a dead loss. There must be gaiety, life, music, dancing, cheerful sitting and sports rooms in these buildings and, above all, a friendly welcome if they are to be what they should be, the favorite and the most respectable meeting place for the soldier on leave and the young girls of the community.

Above all, the USO must categorically forbid the breaking up of their recreation halls into Protestant, Catholic and Jewish centers. It is deception of the public which supplies the funds for a United Service to introduce this divisive influence. In one community where this dishonesty was permitted, the GI's showed more sense than the weak-kneed authorities who wanted to separate the religious groups. The Protestant USO happened to be the biggest and the most cheerful. So the three groups all congregated there together and even admitted the Negro recruits although the city was below the Mason and Dixon's line.

It seems to me that the USO and possibly also the Red Cross should face the fact that the many small southern towns near big military installations cannot possibly afford to create an adequate, varied and successful recreation program for huge numbers of soldiers. They just can't afford it. Therefore, these communities should get the highest priority and the finest, most varied equipment furnished by the USO or any other organization. Otherwise the boys are sure to take to drink in these impoverished communities. And bad liquor at high prices leads to endless trouble.

I also recommend to the USO and the Red Cross an idea of great value which was carried out during the war by the YWCA, an organization that deserves the highest commendation for its practical social pioneering. When the soldier's wife and baby come to see him or to join him, they arrive with no accommodations and little money. Sometimes it takes several days before they find the head of the family. With crowded hotels and exorbitant room rents, these poor women are stranded unless somebody holds out a helping hand. To take care of these helpless mothers with small children, the YWCA set up hotels where they could spend one or two or three nights. They could leave the children there under supervision while the mothers were looking up the soldier husband or rushing about to find permanent quarters. I know nothing that was a more humane contribution to those first awful days of getting adjusted to a new, strange and over-crowded community and to good relations between the town and the post.

In all of these problems of adjustment to new social conditions, special consideration must be given to Negro recruits and their families especially in the South. I have seen Negro troops, nurses and other personnel spend their whole three days' leave trying in vain to get transportation.

And don't forget that in towns where segregation of our Negro fellow citizens is unavoidable, they also want to eat and to have a good time. The armed services are now meeting the problem of segregation in an honest manner within the Military Establishments. The treatment of our Negro troops outside the post is just as important to the bettering of race relations. And if, for example, the local communities are unwilling or unable to establish adequate transportation for Negro soldiers, then the camp commander should supply extra busses for them.

In other words, in this as in all other civilian efforts to make the enlisted personnel feel at home, the local community must have the constant cooperation of the local military commander. I found during the war that a few of our post commanders understood how to work with the local community leadership. Most of them did not.

All three military services should be given systematic training in the social aspects of camp-community relationships. West Point, Annapolis, and the Air Force commands should establish educational programs conducted by our most practical sociologists in the importance of the social environment to peacetime military operations. Had this been done at the close of the war, our military leaders might have learned more quickly that you cannot dump several thousand families on an already overcrowded community and expect a happy ending to the story. It only makes the armed forces look silly when local camp commanders get the townspeople together, as they sometimes do, and call them a lot of grafters. Rapacity, greed, and profiteering are inevitable when houses are few and applicants are many. I think the military leaders should remember, and our country and the Congress should remember that neither the military personnel nor the local communities are responsible for the fact that they have been forced upon each other nor for the unsanitary housing to which both the native population and the invaders are now condemned. During the war unhealthy, inhuman, and indecent living conditions could be excused. They can't be excused in times of peace. The armed forces might just as well make up their minds right now that they will never achieve good relations with the civilian population, until housing is accepted as the social responsibility of the top military commands and the Congress. But the mere prospect that this vital question is being thought through and that a program of construction has been carefully planned, will immediately bring local cooperation into play and transform the atmosphere in every military area throughout the land.

Will the Farmer Knuckle Under?

EXTENSION OF REMARKS

OF

HON. RALPH HARVEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Muncie (Ind.) Star of June 4, 1949:

WILL THE FARMER KNUCKLE UNDER?

The farmers of America have been issued a challenge by Secretary of Agriculture Brannan. Will you be the first to surrender your liberties to the state under the Fair Deal program? Mr. Brannan has presented his farm program to Congress. He demands the power to control the production and the distribution of farm products in America. He seeks the power to tax every farmer who produces and sells more than he is told to produce and sell. He wants to be able to penalize the successful farmer for high production at low cost and to subsidize the unsuccessful farmer for low production at high cost. The bait he offers the farmers is a subsidy, a temporary bonus for the surrender of permanent freedom.

The Brannan farm program is only one step removed from the program of British socialism which not only controls production and distribution but also has the power to seize farms and oust their owners for refusing to go along with the Government program. That power will be necessary in the future if Mr. Brannan's program is going to work.

Benjamin Franklin once told the American people before the American Revolution was even started that "They that can give up essential liberty to obtain a little temporary safety deserve neither liberty nor safety." That is the question before the American farmer today. The safety Mr. Brannan offers is certain to be temporary. The loss of liberty he demands is bound to be permanent. The subsidy he offers depends solely on congressional appropriations. What will happen if Congress is unable or unwilling to provide the money the farmers are promised? Are American farmers willing to put themselves and their farms completely into the hands of Mr. Brannan and the Congress?

If the farmer is the first to become the economic ward of the Government he will be the first to become the political prisoner of the Government. For if his livelihood depends upon government, if he loses his freedom to grow and to sell what he pleases, he has lost his political independence in the bargain.

The Eightieth Congress passed a farm program based on free enterprise with flexible price supports and grounded in freedom from Government dictation. The Democratic platform, President Truman, and Secretary Brannan himself all supported and praised that program. But now the welfare state has supplanted free enterprise in the administration councils and they seek to impose upon the American farmer a Socialist program borrowed from the harassed and poverty-stricken British, the destitute Germans, and the enslaved Russians. We don't believe the free farmers of America will ever knuckle down to that.

McGregor Will Hold Conferences in District

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. McGREGOR. Mr. Speaker, it has always been my policy to keep in constant contact with the people of the Seventeenth Ohio District, whom I represent in Congress. I am anxious to learn

what the folks back home are thinking about. In order to follow this policy, I have attempted to make myself available to my constituents so they might discuss with me their views relative to national issues and also to give me the opportunity to be of service to them as their Congressman.

In accordance with my annual procedure, during the period of our official congressional recess, I plan to visit the six counties of the district. I have made arrangements to be at the courtrooms of the county courthouses from 9 a. m. to 5 p. m., and have set forth the following schedule:

Monday and Tuesday, August 15 and 16, Ashland, Ashland County.

Wednesday and Thursday, August 17 and 18, Mansfield, Richland County.

Friday and Saturday, August 19 and 20, Mount Vernon, Knox County.

Monday and Tuesday, August 22 and 23, Delaware, Delaware County.

Wednesday and Thursday, August 24 and 25, Newark, Licking County.

Friday and Saturday, August 26 and 27, Coshocton, Coshocton County.

I have been most gratified with the results obtained in the past and interest shown by the number of constituents who have availed themselves of our conference plan.

No appointments are necessary, and I look forward to meeting a greater number this year, as I am certain we all have problems of personal and national interest to discuss, which will be of mutual benefit. I urge my constituents to confer with me on the date most convenient to them so that I may have their views, which will aid me in representing them in Congress.

Address by Hon. Stephen T. Early

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. DOYLE. Mr. Speaker and colleagues, the evening of May 25, last, Mrs. Doyle, my executive secretary, Rene Sebring Smith, and I attended the conference here at Washington, of the President's Committee on Religion and Welfare in the Armed Services. The President himself attended and spoke inspiringly to the large number in attendance. He himself had appointed this important committee about a year before. The message of the President was printed in Washington daily papers the next day.

The following address by Hon. Stephen T. Early, Under Secretary of Defense is clearly a vigorous contribution to sound thinking and national decision. Mr. Early authorized me to place it to your attention. I am proud to do so.

ADDRESS BY HON. STEPHEN T. EARLY, UNDER SECRETARY OF DEFENSE

Mr. Chairman, distinguished guests, ladies and gentlemen, your presence here in the National Capital bears witness to the magnitude of your public spirit. This is reinforced by the fact that the civic task which brings you here carries with it no shout of headlines, no great public acclaim. Your reward—for there is a reward—lies in the domain of the spirit; in the knowledge that the work to which you pledge yourselves will strengthen the moral basis of our military might by binding the military man more closely to his fellow citizen of the civil community.

Four years have passed since our great wartime forces were demobilized and reabsorbed in our national life. Four years have passed since we put the dark and bloody thought of war aside and turned again to the peaceful tasks of our fruitful land. But the brave new world of peace and brotherhood failed to materialize. Evil thrived and grew in the rubble of broken cities and in the desolation of ravaged countrysides.

Country after country drowned in the dark tidal wave rolling outward to engulf the world. Our choice was clear but, nonetheless, hateful. What remained of the free world had to be preserved regardless of cost, regardless of sacrifice. Thus, once again another generation of young America began to move to the recruiting stations. Today that number stands at the unprecedented peacetime figure of 1,600,000. It should be a source of infinite pride to all of us that of this tremendous number only 30,000 were brought in under the Selective Service Act passed by the Congress last year. One million five hundred and seventy thousand are volunteers. No nation in the history of the world has ever produced a military establishment even approaching this size on a volunteer basis. This is a matter for pride, but it is also a matter for thought.

As a people, we are agreed that we must maintain a military establishment adequate to the evils of the day. But we are also agreed that we have small stomach for compulsory military service, if it is possible to avoid it, even in this dark and dangerous time. If we would avoid compulsion, then, we would be well advised as citizens to let our volunteers realize that we are proud of them, that we are proud of their hazardous stand at the outer edges of the free world, that we are proud of the uniform they wear. But pride is not enough. We must go beyond that. We must come to grips with the traditional neglect that has always characterized our conduct toward the serviceman in time of peace. We must come to grips with the social evils that stalk him in our civil communities. If we are to succeed in our attempts to maintain our armed forces under a volunteer system and if we are to attract the high-quality men we require, the American people must realize that they are dealing with a problem unique in our peacetime history.

Before all else, they should realize that the serviceman of 1949 bears little resemblance to the serviceman of 1929 or even of 1939. In the first place, he is much younger—nearly half of our men today are 21 or less; tens of thousands are only 17 or 18. In general, he comes from a good home with a good background. His educational attainments are at least double those of his prewar counterpart. He is alert, aggressive, ambitious, and questioning. He can be led but not driven. He expects an adequate and an intelligent explanation of the reasons underlying the things he is called upon to do. He is not content to vegetate as a private soldier or ordinary seaman; he is determined to climb and climb fast and, in typically American fashion, regards the unlimited-career opportunities of today's armed forces with vast approval. He is proud of himself, proud of his uniform, proud of his service. He is self-respecting and logically expects the respect of his fellow citizens. He is unwilling to be divorced from the context of citizenship and the social fabric of his country. All in all, then, he differs greatly from the prewar professional who, all too frequently, turned to the service as a refuge from economic disaster or social failure. We would do well to make the differentiation and to keep that picture sharp and clear in our minds.

My second point, though obvious, carries with it a certain sense of shock. Personally, I think it should, for it drives home again the heavy civic obligation that rests with both our military and civilian leaders. Each year, some 400,000 men are being returned to the civil community after a substantial period of service. Last year the armed forces graduated twice as many men and women as our colleges and universities. This underlines the fact that by sheer numerical strength the National Military Establishment has become the greatest single educational force in our country. And it underlines the additional fact that we are rapidly building up a tremendous body of young citizens whose mental, moral, and social outlook has been shaped in considerable degree by the military.

This means that military training cannot be our sole objective. Our obligation to the Nation transcends that. We must make certain that these young men return to their homes better and more useful citizens, strengthened by self-discipline and fortified in the democratic faith.

Our military leaders are not only aware of their responsibility in this field but are moving with increasing vigor and imagination to meet the challenge it presents. During the course of this conference you will undoubtedly hear more of this from other speakers. My point is simply this: The problem presented cannot be and should not be met by the military alone. It is a matter of high priority concern to every American citizen, for at bottom it is their country, their freedoms, their institutions, and their sons who are intimately involved.

The opportunity for the civil community to assist in this essential undertaking are limited only by imagination and enterprise. It is not my intent to explore this richly rewarding field for Mr. Weil and his associates have examined the subject thoroughly and will present their views to you in due course. But I do wish to touch on several matters that appear to me to be of prime importance.

The serviceman is hungry for civilian contacts; as a matter of fact he has always been. But today he has greater opportunities to satisfy this hunger than ever before. In general he is free from Friday evening until Monday morning. Even the newest recruit draws $75 a month and this $75, plus train, plane, and bus, will carry him far and fast. Thus, every week end and virtually every city in our broad land is cast in the role of host to thousands of these young fighting men. For 5 days a week the military is responsible for the decent ordering of their lives; for the remainder of the week that responsibility devolves upon the civil community. If the better elements of our society fail to rise to this challenge, we may rest assured that those who batten on the young and lonely will take over. In my judgment, this moral responsibility of our civilian society should figure prominently in your counsels.

I have referred repeatedly to the great numbers of young men in our armed forces today. Therefore, it may strike you as something of a paradox when I say that a greater proportion of our servicemen are married than ever before. In 1938, 20 percent of our men were married; today that has increased to more than 30 percent. In great part these are the men who have decided to make military service a career; these are our professionals in the true sense of the word. They furnish the maturity and the stability we must have. They are our indispensable trainers. By them and through them we maintain the basic continuity of our military skills.

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Since the war's end, this group has suffered great hardship by reason of our inflated economy, by rapid and unavoidable changes of station, but above all else by their inability to find adequate housing for their families. The conditions under which thousands of these devoted soldiers, sailors, and airmen live beggar description. The result is precisely the result that could be predicted. The morale of this group is rapidly breaking down. These, the men whom we can least afford to lose, we are losing at an alarming rate. Those who are trying to stick it out are low in spirit and preoccupied with the health and happiness of their families. Men in such frame of mind can scarcely be expected to bring enthusiasm and top-flight leadership to their organizations. As a matter of national security, this situation demands immediate attention; as a simple matter of humanity, it cries for it.

I trust that this conference will face that problem squarely and put it high on its agenda. Our National Government will not be able to meet the housing needs of its military men for years; in fact, if our armed forces remain at their present size, the Government may never be able to meet it. Therefore, we must look, as always, to the public spirit of our citizens for help.

The cities and towns close to our military installations can protect our service people from the rent gougers. That alone would be a major contribution. But they can do more than that. They can plan organized drives to find modest but decent living accommodations for the families of our men in unused space in private homes. In time of disaster, we are always able to find shelter for the homeless; surely we should be able to find shelter for those whose very presence is our greatest guaranty against unimaginable disaster.

The several matters I have touched on are obviously but a part of the great task that confronts us. Every American, in uniform or out, must share in that task. The stakes are too great to risk failure. Indeed, the consequences of failure are too dreadful for the freeman to contemplate. The evils that walk the world today cannot be met by eleventh-hour expedients, nor can they be contained by military might and material power alone. Today, as always, our military strength and our civic strength reside in the human heart, in the human spirit. Our fighting men derive their moral strength and their staying power from you, their fellow citizens. A military force that trains without a deep abiding belief in the country it is pledged to defend and without a firm conviction that it is held in the esteem and affection of its countrymen, will collapse at the first shock of battle. The standards of victory are planted in the heart of a military organization before that military organization ever engages in combat—or, there is no victory. May you address yourselves to this great undertaking with that thought in mind.

An Answer to the False and Misleading Statements Regarding the Cost of the Housing Legislation

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REMARKS

OF

HON. ADOLPH J. SABATH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. SABATH. Mr. Speaker, for 3 weeks an application for a rule has been pending before the Committee on Rules relative to the much-needed country-wide low-cost housing and slum-clearance bill. Because of the misleading, yes, false statements issued and publicized by the real-estate lobby, the National Association of Manufacturers, and the Republican National Committee that have fed some of the Members with false, untrue, and adulterated statements as to the cost and need of this housing bill, I have been unable to report out a rule on this bill, notwithstanding the fact that the Committee on Banking and Currency of the House reported this bill by a vote of 14 to 7. All possible dilatory excuses and delays have been made, the last one occurring last week when a request was made by one of the Members for an opinion from the Bureau of the Budget.

STATEMENT FROM DIRECTOR OF THE BUREAU OF THE BUDGET

In conformity with the request as above-mentioned, I received the following statement from Hon. Frank Pace, Jr., Director of the Bureau of the Budget, which I shall include in my remarks in the hope that all the Members who recognize the needs of not only the veterans but of millions of other people seeking decent living accommodations, will read and digest it and obtain the true facts. This statement will positively refute the reckless statements made on the part of those who appeared before the Committee on Rules, expressing in the main, the opposition of all the interests against this legislation. The statement follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
June 6, 1949.

Hon. A. J. SABATH,
Chairman, Committee on Rules,
House of Representatives,
Washington, D. C.

MY DEAR MR. SABATH: This is in reply to your letter of June 1, 1949, regarding H. R. 4009, a bill establishing a national housing policy and authorizing programs for slum clearance and urban redevelopment, low-rent public housing, housing research and farm housing. In your letter you inquire whether the bill has been approved by the Bureau of the Budget and ask three specific questions related to the financing arrangements contained the proposed legislation.

With respect to your statement that "We can find no evidence in the record that this bill has been approved by the Bureau of the Budget," the following facts are deemed pertinent:

Page 35 of the printed hearings on H. R. 4009 before the House Committee on Banking and Currency contains a statement of the Housing and Home Finance Administrator that enactment of this legislation would be in accord with the program of the President. The Administrator was authorized to make this statement following a detailed review of the proposed legislation in the Executive Office of the President in consultation with other executive departments and agencies concerned. The Administrator, after similar review in the Executive Office, also advised the Committee on Banking and Currency in letters dated May 9 and May 10, 1949, that enactment of amendments transmitted with those letters (secs. 206, 508, and 509 in the present bill) would be in accord with the program of the President.

With respect to your three specific questions on financial arrangements, I have the following comments:

(1) You state that section 103 (b) authorizes the Administrator to enter into contracts to make capital grants of $600,000,000 to local public agencies for slum clearance and urban redevelopment, pledging the faith of the United States to payment of such grants, and authorizing appropriations for this purpose, and inquire whether this subsection does not "in effect constitute an actual appropriation for future years which cannot be reviewed in any way by the proper appropriating committees of the House and Senate."

First, may I point out that section 103 (b) (p. 10, lines 15–16) specifically provides that total authorizations for capital grants shall not exceed $500,000,000, rather than the $600,000,000 stated in your letter.

Second, the provisions of section 103 (b) would not constitute an actual appropriation; they would, of course, constitute a firm commitment of the Federal Government. This type of commitment is not unusual where the Federal Government's role is one of assisting State and local agencies, and those agencies need a clear and definite basis for their financing and operating plans. Federal legislation authorizing grants for public roads contain examples of this type of commitment.

In the case of the proposed grants for slum clearance and urban redevelopment, municipalities and other local public agencies must enter into land purchase programs, make arrangements for land clearance and preparation for reuse, and secure the necessary legislative authority and funds for these purposes. For local public agencies to engage in such activities successfully they must have advance assurance, through commitments of the type authorized in this bill, that Federal funds will be available.

Furthermore, while the Appropriations Committees would not review the initial authorizations for these capital grants it would be inaccurate to say that they cannot review the appropriations in any way. Payment of these grants could be made only on the basis of specific annual appropriations, hence only after review by the Appropriations Committees. This review would surely include not only an examination of the amounts needed to carry out the contracts entered into under the act, but also an appraisal of the basic policies being followed in administering the program.

(2) You state that section 205 (a) authorizes contracts to make annual contributions to local public agencies for low-rent public housing aggregating not more than $480,000,000 per year for 40 years, and inquire whether the Bureau favors making a binding commitment of this type for outright grants without any possibility of review in the next 44 years?

First, section 205 (a) (p. 41, lines 14–15) specifically limits total annual contributions authorized to not more than $400,000,000 per year, rather than the four hundred and eighty million indicated in your letter. This means that the maximum could not exceed sixteen billion.

As a practical matter, however, the maximum annual contribution would not be paid either for the maximum number of years or at the maximum annual rate. Although the maximum number of years for which the Federal Government could contract to make annual contributions is 40, the actual number of years required in most, if not all, contracts would probably be considerably less. The number of years would depend upon the amount of principal repayment which could be made if a maximum annual contribution were required to be paid every year. The lower the rate of interest obtainable on the bonds issued by local housing authorities, the larger would be the amount remaining for debt retirement, and the sooner the debt could be retired. On the basis of expected interest rates, the contributions would run for 29 to 33 years, although 40 years is permitted under the bill, if necessary to meet changed conditions.

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Moreover, the annual contributions actually paid in the average year would be substantially less than authorized in the bill. While each contract must pledge enough contributions each year to meet the debt service on the bonds outstanding the amounts of contributions actually paid each year under each contract would be limited to the cash deficits of the projects covered. In normal years the rent-paying ability of many low-income families would be higher than the minimum entrance standards, although still within the statutory requirements. The resulting higher rentals would mean higher income for the projects and smaller deficits, with correspondingly smaller Federal contributions. Under the present low-rent housing program in recent years, for example, only 25 to 30 percent of the maximum amount contracted for has been required. This is unusually low because of the war and postwar increase in incomes and rent-paying ability of tenants as compared to the increase in the operating costs of the projects. In an average year under the new program the contributions actually paid would probably not exceed 75 to 80 percent of the $400,000,000 authorized, or roughly $310,000,000. Thus, instead of requiring total contributions over the life of the program amounting to $16,000,000,000, a reasonable estimate of the total amount actually required would be $9,000,000,000 to $10,000,000,000 over the period during which the annual contributions would actually be paid.

Second, a binding commitment is clearly necessary if we are to achieve the objective of assuring construction and operation of low-rent housing at minimum cost. Such an advance commitment is necessary not only for substantially the same reasons indicated above for slum clearance and urban redevelopment, but, in addition, in order to assure private financing at minimum interest rates. The legislation would authorize the pledging of the Federal contracts for annual contributions as security for the payment of interest and repayment of principal on obligations of local housing authorities. As the Housing and Home Finance Administrator pointed out in his testimony, the legislation contemplates that the bulk of the financing will be arranged privately on the security of these contracts. Maximum private financing can be arranged at minimum interest rates (with correspondingly lower requirements for Federal contributions) only if investors have full confidence that the interest and principal will be paid when due. Important amendments have been proposed in the present low-rent housing legislation, on the basis of experience, in order to remove any doubt of such payments. Thus the pending legislation would make more effective the basic principles authorized in the United States Housing Act of 1937.

As in the case of capital grants for slum clearance and urban redevelopment, it is not correct to assume that the bill would prevent "any possibility of review for the next 44 years." Appropriations to carry out the contracts would not be automatic, but could only be made after annual review by the Appropriations Committees to determine the minimum appropriations necessary. Under the existing low-rent housing programs contracts to make contributions are similar but not identical to those proposed in this bill. Appropriations to pay these contributions have been regularly reviewed by the Appropriations Committees and the amounts adjusted from time to time.

(3) Your third question asks whether it is "in accord with the President's program that Federal subsidies for low-rent housing should exceed by a considerable margin the entire construction cost of such housing." As a basis for this question you give an example which implies that it would be less expensive for the Federal Government to construct low-rent housing projects and give them free of charge to the local housing authorities than to pay the annual contributions for a 40-year period authorized under title II.

I feel that both the example and the question result from a misconception of how the program would actually operate. The amount of the annual contributions permitted in each contract under the bill represents the maximum amount which might be necessary to assure repayment of the capital cost of the projects, plus interest at not to exceed 2½ percent. Under these circumstances, even if it proved necessary to pay the maximum contributions it would make no financial difference whether the Government built the projects or local public agencies built them (since 2½ percent, not 2 percent as cited in your example, is a proper estimate of the cost of long-term money to the Government). In other words, the maximum cost under the proposed program could not exceed the actual cost which would be involved in direct construction.

In fact, as I have already stated, the maximum annual authorizations of $400,000,000, although necessary to insure private financing at the lowest cost, would not be paid either for the maximum number of years or at the maximum annual rate. A reasonable estimate of the total amount required over the life of the program would be $9,000,000,000 to $10,000,000,000, rather than $16,000,000,000.

If these amounts are discounted at the same 2 percent interest rate employed in the example in your letter, the present value of the probable Federal contributions would not be $11,300,000,000 as your example indicates, but roughly $7,000,000,000. If discounted at the more appropriate long-term rate of 2½ percent, the present value of the probable Federal contributions would be roughly $6,500,000,000.

Thus, as indicated above, the basic premise of your question "that Federal subsidies for low-rent housing would exceed by a considerable margin the entire construction costs of such housing," is in error. One reason why this legislation is in accord with the program of the President is that the method provided for financing the low-rent housing program would result in substantially lower costs to the Federal Government than would be required by direct Federal construction.

Sincerely yours,

FRANK PACE, Jr., *Director.*

ONLY $9,000,000,000 TO $10,000,000,000

Mr. Speaker, the statement has been made to the effect that the cost of this housing legislation will be from $16,000,000,000 to $20,000,000,000, and further, that the benefits will accrue to only 10 States. Mr. Pace's statement clearly shows that the total amount required over the life—the cost—of the program might be nine to ten billion dollars for 40 years rather than $16,000,000,000, as I said before. Mind you—in 40 years, not more than $9,000,000,000 to $10,000,000,000, or approximately half of the cost as charged by the opposition.

FORTY-TWO STATES WILL BE BENEFICIARIES

The statement that only 10 States will benefit from this legislation is also untrue, unwarranted, and unjustifiable. The facts are that approximately 42 States will be the beneficiaries of this legislation. The opposition fails to state that 42 State governments, most of the governors, the Mayors' Conference, and civil and religious citizens' groups throughout the United States strongly urge and advocate the passage of this important legislation which has already been sanctioned and adopted by the Senate. The opposition has failed to point out the very significant fact that 10 States have paid into the coffers of the United States Treasury 65.57 percent, or nearly two-thirds, of the total internal-revenue collections for the year ending June 30, 1948. I insert herewith excerpts from the official Treasury Department, Bureau of Internal Revenue, report, as follows:

Total internal revenue collections for year ending June 30, 1948

	Percent of total revenue
New York, $7,975,513,000	19.06
Illinois, $3,785,815,000	9.04
Pennsylvania, $3,222,789,000	7.70
California, $3,103,679,000	7.41
Ohio, $2,665,707,000	6.37
Massachusetts, $1,347,084,000	3.22
Michigan, $2,252,280,000	5.38
New Jersey, $1,272,223,000	3.04
North Carolina, $1,238,661,000	2.93
Indiana, $1,011,921,000	2.4
Total for 10 States	65.57

Total collected in United States, $41,864,542,000.

REPUBLICANS AND REPRESENTATIVES WHO REFUSE TO SEE OR HEAR

In the House, the opposition to granting this rule on the Housing bill emanates from the Republican National Committee, the National Association of Manufacturers, the real estate lobby and from the Representatives of agricultural and rural districts, notwithstanding the fact that for the past 10 years the Congress has appropriated for agriculture and our farmers on the average of $1,500,000,000 annually, which is nine times, I repeat, nine times as much as this bill will approximately cost per year. I cannot emphasize strongly enough that we have appropriated for agriculture and the farmers nine times as much per year for the last 10 years as the Housing bill will approximately cost. I am inserting herewith figures as taken from the hearings before the Subcommittee of the Committee on Appropriations, House of Representatives, Eighty-first Congress, first session, on the Department of Agriculture appropriation bill for 1950, part 1.

Appropriations for Agriculture, 1932–49

1932	$214,000,000
1933	293,000,000
1934	626,000,000
1935	876,000,000
1936	707,000,000
1937	871,000,000
1938	936,000,000
1939	1,538,000,000
1940	1,642,000,000
1941	1,543,000,000
1942	1,603,000,000
1943	1,123,000,000
1944	1,185,000,000
1945	1,169,000,000
1946	1,251,000,000
1947	1,276,000,000
1948	1,226,000,000
1949 (passed House)	1,133,000,000

$17,563,000,000 over 17-year period.

Includes amounts applicable to Department of Agriculture, but appropriated to other departments: Appropriations, subsidies, relief appropriations, etc.

Mr. Speaker, it is indeed regrettable and unfortunate for the country, that the representatives and beneficiaries of these tremendous agricultural appropri-

ations, contributions, grants, gifts, and subsidies oppose this needed housing legislation.

FIGURES WON'T LIE, BUT LIARS WILL FIGURE

"Figures won't lie, but liars will figure." How true the words of Gen. Charles H. Grosvenor, former Representative from Ohio are, for the carefully prepared figures of Mr. Pace, Director of the Bureau of the Budget, absolutely prove the falsity of the figures used by the opposition in an endeavor to kill this much-needed legislation, as I said before.

THESE SO-CALLED DEMOCRATS

Mr. Speaker, it is to be regretted that some Members elected as Democrats have and are aiding the Republicans in not reporting a rule to provide for the consideration of this bill. I wish to say, personally, I have done everything possible to obtain favorable action for the consideration of H. R. 4009, so that the Members of the House may be given the opportunity to vote on this most beneficial and much-needed legislation.

It is not my fault that I have not been able to get a majority of the members of the Committee on Rules to vote favorably in reporting a rule. It is my observation that the Republicans have cooperated with a few reactionary Dixiecratic Members who voted adversely, being opposed to the laudable purpose of the bill, and have thus far prevented the granting of a rule to bring the bill to the floor for consideration.

However, Mr. Speaker, I want to point out that under the liberalization and modification of the rules, which amendment I submitted at the beginning of the session and which passed the House, the bill will reach the floor for consideration on June 27, 1949, regardless of the action of the Committee on Rules, upon the discharge resolution which has been introduced and which will be submitted on that day by the chairman of the Committee on Banking and Currency, Mr. SPENCE, which committee originally reported the bill to the House.

Housing Stall

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following editorial which appeared in the Washington Post on June 5, 1949:

HOUSING STALL

With Chairman SPENCE of the House Banking Committee moving to bypass the obstructionist Rules Committee, a vote on the housing bill now appears to be a certainty. That is good news, for failure of Congress to pass any comprehensive housing legislation at this session would not only undermine the hope of a vast number of poorly housed families, it would also be regarded as a repudiation of the pledges made in the last campaign by both major parties and would thus be a blow to confidence in popular government.

The Rules Committee has followed its traditional head-in-the-sand policy. When it received the housing bill from the Banking Committee 3 weeks ago, any well-informed citizen on the street could have told it that this was an important measure which should be sent to the floor promptly with a rule allowing ample consideration. A similar bill had passed the Senate by a vote of 57 to 13. But the committee stalled, held hearings for 3 days, and stalled some more. Its conduct seems especially unenlightened in view of the new rule which permits the Banking Committee to take its appeal directly to the House 3 weeks hence. One can only conclude that the Rules Committee majority has learned nothing from the revolt of last January against its tyranny.

The high-handed nature of the Rules Committee's action is illustrated by its probing into cost figures and the extent of the Government's obligation under the bill. These are problems for the committee reporting the bill, the Appropriations Committee, and the House itself. So far as we can see, they have nothing to do with the Rules Committee's function of routing measures to the floor in an orderly fashion.

As to the merits of the bill, we do not think that economy is the major issue. Of course, the total amount that is to be spent under this measure must be determined by the resources available. Even for the replacement of slums with decent housing for low-income families, expenditures must be kept within the limits of a sound fiscal policy. But that does not minimize the desirability of getting this program started—of getting a sound public housing act on the books. A long-range policy is envisaged under which the Government will help local communities to meet their slum problems. We think that policy is sound and practicable even though it may have to be inaugurated on a small scale compared to the need.

Nor is socialism the issue. Americans have never regarded it as socialistic to aid families who, by reason of misfortune or low income, are forced to live in squalor or unhealthful environment. The current housing bill is merely a means of making such help practicable. It is predicated on the belief that private enterprise should provide housing for all the families that it can possibly serve. Beyond its reach, however, are vast slum areas that must be wiped out by governmental effort to save our cities from an incredible burden of crime, delinquency, disease, and social malaise. Our highly integrated society cannot neglect this problem without risking its own health and stability.

Treatment of Blind Children

EXTENSION OF REMARKS
OF
HON. M. G. BURNSIDE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. BURNSIDE. Mr. Speaker, under leave to extend my remarks, I include the following editorial from the Charleston Gazette of May 25, 1949:

THAT THE BLIND MAY SEE

Bills have been introduced in the United States Senate and House of Representatives that would provide $35,000,000 in Federal aid for physical examination of school children between the ages of 5 and 17. Very good, but not good enough.

That is also the opinion expressed by Representative M. G. BURNSIDE from the Fourth West Virginia District. He thinks the bill ought to include all children, in and out of school.

Out of this stems an ambitious idea which we sincerely and enthusiastically endorse and believe can be accomplished if enough force is organized behind it. We believe from what he has said that Representative BURNSIDE would like to see repeated nationally a program for restoration of sight to blind children such as was carried out so successfully in West Virginia in 1936. Said Dr. BURNSIDE in a recent interview:

"A few years ago a program for treatment of blind children [in West Virginia] resulted in the saving of millions of dollars in the difference of cost of education in public schools and the cost in a school for the blind. These children were only discovered and treated after an intensive drive by public and private agencies. It was very simple in operation * * *

"Of 948 [blind] children found and treated only 145 were found to be incurable. It was estimated that the restoration of sight to these children resulted in a dollar saving of $3,167,900 in cost of education, $8,020,000 in relief and $16,020,000 in earning power."

The program was carried out by Maj. Francis W. Turner who at that time was director of the West Virginia Department of Public Welfare and chief of the children's bureau. Major Turner is now executive assistant to Representative BURNSIDE. The Gazette was privileged to aid in carrying out the West Virginia program. Now we suspect that Major Turner is trying again, though on a national scale this time, under the direction of Dr. BURNSIDE.

Since 1936 we have urged a number of times that the program that was so startlingly successful in West Virginia be adopted nationally, to include every State in the Union. Multiply what was accomplished in West Virginia by 66, we having about one sixty-sixth of the national population, and you begin to realize the great national possibilities. Multiply the cost in West Virginia (less than $10,000) by 66 and you wonder how any Member of Congress or head of any department of Government could hesitate for a moment to provide the money for a national program and to get the plan into intensive operation quickly.

The most priceless possession of anyone is his sight. Large sums of money are spent in this country to help the blind to care for themselves, and various agencies work through publicity to teach people to take care of their eyes, but little if anything is done in an organized way to open the eyes of the curably blind.

We strongly urge Representative BURNSIDE to bear down on this program. No more worthy humanitarian project could be conceived.

And we strongly urge every Member of Congress to not only back up Representative BURNSIDE in his efforts but to devote their own efforts to and exercise their influence in promoting the cure of sightless children throughout the United States.

Old-Age Security

EXTENSION OF REMARKS
OF
HON. ALVIN E. O'KONSKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. O'KONSKI. Mr. Speaker, the plight of the old people in the United States of America is one that from all

humanitarian purposes the Congress ought to take more seriously.

Under unanimous consent, I include in the RECORD an article by Harvey Ruelle, of Haywood, Wis., who has been championing for the aged for many years. His remarks are very pertinent and I am sure that these remarks express the opinion of every aged person in the United States of America.

The article follows:

PLEADS FOR PENSION FOR "WORN-OUT" PEOPLE

Mysterious America. "No action on health plan this session," says Senate Democratic Leader LUCAS. Why? Social security? Congress in session 5 months, uncertainly driving the people nuts, the Nation in a tailspin. Why? Congress penny-wise in domestic legislation, pound-foolish in foreign affairs. Why? Social security was to be first order of business in January. Today, June, and still no action on security for the American people. Again, why?

Facts prove American people are highly interested in security; that is, at least a few of them. Let me illustrate. I, like many others, am a normal, healthy American, white, male, aged 61. I am not a Communist. Yet I believe that every person living in America and willfully doing whatever his or her Nation has required of him or her during a lifetime is rightly entitled to decent livable old-age security, as a matter of right, not charity as of today. Facts prove that many other persons are in total agreement with me in this. As an unorganized service worker, owing to environment and choice of making a living with my hands, with the exception of the time I spent in the United States Army, for 45 years I have been compelled to spend two-thirds of my annual earnings for the necessities of life, out of the profits of which pensions have been paid to industrial heads, many of whom have drawn annual salaries of $100,000 or more, labor heads with annual salaries of $50,000 or more, various private company pension plans for organized labor of all forms and grades, railroad, steel, automobile workers, miners, and others too numerous to mention.

From the other third of my earnings I have been forced to pay taxes from which pensions have been paid ex-Presidents, Supreme and Federal judges, Senators, Congressmen, Army and Navy brass hats and personnel, civil-service workers, policemen, firemen, teachers, and many others.

All of this is probably as it should be, but from the above it is quite obvious I probably have been fortunate in accumulating a small home for myself and family, though to date I have been unable to build up a retirement fund for myself. An additional fact is my earning capacity is nearing an end; then what?

There shall probably be no choice except to apply to our generous county welfare board for a so-called assistance grant. What will be asked and told? Why do I need assistance? Do I have any property? Do I have any insurance? Do I have any relatives able to keep me? Plus 50 more snoopy questions. Then, in an indirect way, I will be told, "If you are not a pauper, we shall make you one." Then they proceed to take title to my total life savings, "the little home" I acquired through a lifetime of foregoing the few commonplace luxuries such as organized laborers and Government workers take for granted. Then to add insult to ridicule I still am forced to pay taxes on "my home" out of which to pay more pensions and welfare workers. I wonder if they, too, have a pension fund.

Why must these things continue in free America?

Is this the way in which we became the richest Nation on earth?

Is this the only way in which we can remain rich?

Is this the only reward we unorganized workers, farmers, domestic workers, the Nation's mothers can expect for making this the most desired Nation on earth in which to live?

Do not the unorganized worker and Nation's mothers wear out as quickly as organized workers and politicians?

How much longer must be unprivileged groups submit to these unfair abuses?

Why must we be considered "cracked" to mention general pensions, security, for all "worn-out" persons?

These abuses do not take place in Denmark, Norway, Sweden, England, France, Australia, New Zealand, most South American countries, and yes, even much despised Russia.

Will somebody, somewhere, explain why wives and mothers must be forced into pauperism during their last few years on earth? They did their duty well and should receive better rewards from a Nation for whom they bore soldiers.

I think it is time we all told our Congressmen these things in plain words. Write your Congressmen today. A copy of this article will do.

Yours for a better America.

HARVEY RUELLE.

Indiana Congress of Parents and Teachers Supports Equal Educational Opportunity for All Children

EXTENSION OF REMARKS

OF

HON. THURMAN C. CROOK

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. CROOK. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following statement of Mrs. Joseph W. Walker, president, Indiana Congress of Parents and Teachers, concerning H. R. 4643, Federal aid to education, to the House Subcommittee on Education:

Gentlemen, as we watch the progress of the hearings on Federal aid-to-education bills before your committee, we of the Indiana Congress of Parents and Teachers, feel that we should reaffirm our beliefs and our stand on the issue before Congress at this time.

We support the philosophy of equal educational opportunity. We have seen its benefits in Indiana.

In the early 1930's our State recognized the disparity of educational opportunity offered our children. Our leaders in the Indiana Congress of Parents and Teachers worked untiringly with other interested persons for State support of teachers' salaries. At that time our teachers were poorly paid. In some sparsely settled sections of the State that have insufficient taxable wealth for school purposes, teachers went unpaid for many months.

The first efforts to win State support were difficult because of the same lack of understanding that is apparent in the national picture today. But public understanding of the basic issues has grown with the years, and we have now reached a new high in the educational history of Indiana; we have established a minimum foundation program that places the wealth of the State, regardless of where it is, back of the education of every child, regardless of where he lives.

We believe this same philosophy should extend to every child in the Nation.

Our organization, with its 158,000 members in 1,010 local PTA associations has endorsed Federal assistance to education. A belief in equal education rights for children is fundamental to our philosophy. We reiterate our belief that those rights can be secured only with the assistance of Federal funds—funds channeled to the States and on to the local communities in the same manner in which many of our other great programs for developing our national resources are assisted and subsidized.

The desperate plight of the entire Nation's public school system is entirely overlooked by a few well-meaning but short-sighted leaders in Indiana. We are ashamed to hear them state that "Indiana can look after her own schools; we don't need the Federal Government in our business of education!" Such declarations take us back many generations. They are inconsistent with our deep interest in the children in every State of the Nation. We have not conserved our greatest national asset—our children and youth—until we have educated children everywhere.

Fortune has been good to Indiana, where, by our plan of equalization for education, every child receives an education by virtue of the financial background of the taxable wealth of the entire State. We who have studied the issue through are willing to contribute from our good fortune to extend the same heritage of a decent education to every child. We are proud to share our slightly-above-average financial condition with all children. Because we have studied the national picture, our vision extends beyond the boundaries of Indiana.

Some who boast about our good condition would build a wall around Indiana if they could. We deplore their selfishness and their short-sightedness. For Indiana is already paying a dear cost in teaching talent and disruption of classroom instruction because many children have moved into the State with little or no schooling and are penalizing Indiana's children by impairing their chances for good instruction. We must start at the base of the problem and provide a decent education for all children, regardless of their race, color, geographical location, social or economic standing.

As we study the hearings on H. R. 4643, we note that there are a few who seemingly are not interested in extending the heritage of a good education to every child. Very often the privileged class seems to be blind to the inadequacies of education for some children of the Nation. Since they see only the fortunate situation close at hand, they refuse to recognize that several million children are receiving no schooling at all. That complacent viewpoint is inconsistent with the ideals and objectives of the National Congress of Parents and Teachers.

There is evidence on every hand that our democracy is threatened by certain segments of our population who have had no education whatsoever, and who fall easy prey to destructive isms. A democracy cannot remain strong unless all of its citizens have the functional education for participation in its decisions and actions. Many wonder why we have waited this long to provide the desired basic education; many think we have already waited too long to build up our school systems to the desired minimums. Certainly we cannot afford to delay any longer.

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Many so-called poorer States have made much greater effort than their richer neighbors, but they cannot hope to maintain a minimum education because of the proportion of the number of the children to the taxable wealth of the State. The Nation called forth its youth in time of war, and provided education for the illiterates at a great cost and effort. Why cannot the Nation provide the needed functional education for children and youth in their own communities at a lesser cost than in time of war, and reach them before they become illiterates? Young men from the more fortunate States were called to the battlefront to fight earlier than those who were rejected because they could neither read nor write well enough to protect themselves in battle. Let us not sit idly by and permit this situation to recur.

To cry out about Federal control merely beclouds the real issue. First of all, the fear of Federal control is based entirely upon supposition. A study of the proposed legislation makes the method of procedure clear. Those who cry "control!" merely seek to distort the issue. Secondly, predictions of Federal control cast a reflection upon the entire teaching profession of the Nation. Since we in the Indiana Congress of Parents and Teachers work closely with the teachers and educators in our State and have an acquaintance with those of other States, we have the highest confidence in their integrity and their steadfast belief in local determination of educational policies and functions. We believe that the vigilance of that profession for the local autonomy of their schools will remain ever strong. Further, we believe that any encroachment upon local control would be met with a fierce resistance by that profession. Only through strength can we maintain strength. More adequate financial support of education assures that strength.

There are those who have traveled in Europe who would liken a supposed "federally controlled" education in our Nation to the type of education now offered in Europe, which is more or less State controlled. To keep the record clear, there is little resemblance of our public education to that of Europe today. In fact, we may observe the situation in reverse with the thought, that if our education remains to be ineffective and not accessible for all children, then the Federal Government would ultimately step in with a controlled education as a last resort. Certain countries in Europe have not had free public education, and their various systems have been so archaic that, for quick remedy from a starting point of no semblance to public education, the state has taken over in time of crisis. That situation is in reverse of our system of education, and any attempt to influence the members of your committee with such confused thinking is merely subterfuge.

A certain portion of the wealth of the States flows out of those States with the taxes collected elsewhere. Therefore, real natural wealth cannot always contribute to the educational fund for the children of those States. Further, a certain portion of wealth in tax payments is collected only by the Federal Government, escaping a certain responsibility to the States' maintenance of their schools. By equalizing the taxable wealth of all States in direct proportion to the educational needs of our children, regardless of their location, we can carry forward our obligation that the Government is responsible for the education of its children according to the United States Constitution.

We appreciate the opportunity of presenting this statement to the members of your committee, and ask that it be made a part of the records of your hearings.

What Makes Them Commies?

EXTENSION OF REMARKS

OF

HON. JOHN L. McCLELLAN

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Wednesday, June 8 (legislative day of Thursday, June 2), 1949

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "What Makes Them Commies?" written by Benjamin Gitlow, and published in the American Legion magazine for June 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT MAKES THEM COMMIES?

(By Benjamin Gitlow)

Communism so inflames the emotions of those who fall under its spell that their entire mode of thinking is changed. Americans who accept communism are no exception, even though they live in a country of great material well-being and a very high degree of individual freedom.

Those who join the Communist movement become intolerant zealots. Idealists discard their idealism, their devotion to humanity for the rituals of Communist bigotry. Honest workers become knaves. Men, on party orders, abandon their families to live with Communist amazons. Patriots are turned into spies and traitors. In a short time they are transformed into political tricksters and hardened conspirators, devoid of all moral restraint. Once initiated, they agree that it is necessary for the Communist party to employ chicanery, intrigue, and deceit; to use force and violence and commit crimes, even murder, to gain their objectives.

Individuals who join the Communist Party are required to take an oath of allegiance to the Soviet Union as the fatherpledge themselves to give the whole of their land of the workers all over the world. They lives in working for the overthrow of the United States Government and the triumph of Soviet power.

What induces individuals, formerly loyal to America, to join a movement that is irreligious, criminal and based on treason?

Most people who join the Communist movement do so out of idealistic reasons. They represent all classes of the population. They are workers, intellectuals, professionals, teachers, ministers, businessmen, students—young and old people who resent poverty and are consumed with a passion to improve the lot of mankind. They constitute the most zealous and blind fanatical followers of communism and supporters of the Soviet Union. To them communism is a universal religion and the Communist Party holy.

Paradoxical as it seems, when idealists are transformed into cynical, power hungry, realistic Communists, not bothered by scruples or conscience, the hold of communism on them, as a goal to be obtained through force and maintained by despotism and terror, is strengthened not weakened. Seasoned Communists are much more dangerous, for in the place of honesty of purpose and the soul of idealism that was their ruling passion at the start, now reigns a calculated determination to conquer and rule, cost what it may. They have grown into cruel professional revolutionists, without compassion for the sufferings they may inflict upon mankind in achieving Communist destiny by means of a brutal and bloody ascendancy to power.

William McKie, veteran Communist leader in Detroit, strikingly illustrates what happens to the idealist in the Communist Party. A background of strong religious idealism dominated this man in his youth. His father was a devout Quaker, his mother an active member of the Salvation Army. McKie boasts of his accomplishments as a bandmaster of the Salvation Army and is proud of the fact that it did not prevent him from becoming a Communist. The poverty and misery he saw in Salvation Army shelters started him on the road to communism.

A more devout, fanatical devotee of the Communist Party is hard to find. McKie led the first strike in the giant Ford River Rouge plant. This man, whose heart once bled for the miserable wretches of the slums, used an army of thugs armed with daggers, iron pipes and baseball bats to force the automobile workers, against their will, to go out on strike. Innocent heads were cracked open. Plant machinery valued at millions of dollars was turned over and smashed. He had given orders to his gangsters to slaughter the Negro workers in the plant who out of loyalty to Ford had decided to resist the Communist pressure to force them out on strike. If the management had not induced the Negroes to leave the plant McKie would have gone through with his massacre of the blacks in spite of the professed policy of the Communist Party of friendship to the Negro.

McKie is contemptuous of our country and its flag. Proof is the following story written by McKie which throws light on how ignorant workers are recruited into the Communist Party:

"In the organization of the Ford workers we came up against the unemployment problem. One of the members of the local was being evicted. * * * He was one of those ultraconservatives who thought that the authorities were not so bad as we made them out to be.

"When they came to evict him he said he'd show us how he'd beat the sheriff. He wrapped himself in the American flag and lay down right in front of the door. Well, the sheriff just lifted him up with the American flag and took out his furniture and threw it on the street.

" 'What are you boys going to do now,' he asked us. Well, we picked up the furniture and brought it right back into the house. And when he saw that he said he was going to join the Communist Party if that's the way we did things."

But what McKie failed to add was that the flag idea was his own, not that of the unemployed worker, calculated to undermine in the worker respect for the flag and the Nation it represented. Gone in McKie are the instincts of a religious man imbued with idealism. Instead we have the saboteur, the gangster, the sinister Communist conspirator.

An important select group in the Communist movement consists of former non-Communist radicals who joined the Communist Party in order to overcome their disappointments and failures in the labor movement. Such individuals are found in the leadership of the movement, not in the rank and file. They fall into two categories. One is consumed by a burning ambition for popular acclaim and leadership among radical workers; the other, left finally to his own resources, is motivated by the desire for a well-paying job in the Communist movement which will remove him from a dismal future of an old age spent in unemployment and poverty. The latter are the "pie-card artists" among the Communist leaders, a term applied to individuals who joined the IWW in order to become paid officials of the organization.

The Communist Party purposely seeks such failures in the labor movement and entices them with lucrative offers to join the party.

Such men and women become the most servile agents of the party. In their eagerness to prove their worth to the movement they slavishly follow the party line and excel all others in their allegiance to Stalin. In them we have some of the most dishonest and perfidious tools of communism.

The portraits of two outstanding leaders of the Communist Party will illustrate each category. William Z. Foster, the party's chairman, is one. Elizabeth Gurley Flynn, the foremost woman leader of the party, is the other.

Foster was born in extreme poverty in Taunton, Mass. Of the 23 children borne by his mother only 3 survived. His father, who came from Ireland, was a livery-stable hand, more interested in watching prize fights than in earning a living, and never provided enough for the upkeep of his large family. At an early age Foster had to work at difficult health-destroying jobs, and contracted tuberculosis. The bitterness against society which marked his early youth has remained with him throughout life.

Foster is an able man. In intellectual accomplishments he towers above the other leaders of the party. He started work at the premature age of 10. He never had a schooling. By sheer grit and determination he educated himself. Early in life he concluded that his adversity was due to society, that the rich and the Government were responsible for his suffering. A Catholic in his youth and intensely religious, he early questioned the goodness of a God who did not respond to his prayers and treated him so badly. He had faith in Bryan's democracy. Then socialism captured his imagination. A career as a hobo brought him in contact with the International Workers of the World, and he joined that organization, which came to be known as the IWW or Wobblies. A trip to Europe turned him into a militant unionist, a revolutionary syndicalist, one who believed that the American Federation of Labor could be transformed into a revolutionary organization for the overthrow of the Government through sabotage, direct action, and the general strike. He wound up an anarchist opposed in principle to political action and all constituted government.

Just prior to World War I Foster made peace with the American Federation of Labor. Samuel Gompers gave him an opportunity to show what he could do by putting him in charge of the campaign to organize the workers in the steel industry. A strike called in 1919 by Foster against the advice of experienced trade-union officials who were working under him ended in disaster. Foster blamed Gompers for betraying the strike and found himself without a job and out of the A. F. of L.

He formed an organization known as the Trade Union Educational League based on a program of revolutionary syndicalism by which to build up a movement in the A. F. of L. to wrest the organization away from Gompers and make Foster its president. The organization proved a joke. Foster counted his followers on the fingers of one hand. He brooded over his failures. It seemed to him that just as whatever King Midas touched turned to gold, whatever he touched turned to dust and failure.

At the time of his greatest despondency, when the leadership he sought seemed unattainable, a Soviet G. P. U. agent named Carl E. Johnson, operating under the alias of Scott, contacted Foster. With money supplied by Russia, Foster, no longer penniless, made his first trip to Moscow in 1921. There plans were worked out by which Foster, with the aid of the Communist Party and huge subsidies from Moscow, was to capture the American Federation of Labor and put the Communists in control. In Moscow he joined the party, became a full-fledged Communist, and was co-opted into the top leadership of the underground Communist Party. But he kept his Communist membership a secret up to 1924 and operated in the United States as a progressive trade-unionist who sought to improve and reform the trade-union movement.

No other leader in the Communist Party has been abused and utterly abased by Moscow leaders of the Communist movement as has Foster. Stalin has taken a special delight in putting the frightened, cowardly Foster in his place. When Foster won a majority of the membership of the party in this country and laid claim to the top leadership of the party in 1925, Gusev, Stalin's personal representative to the American Communist Party, beat him down, took the leadership away from him and made another man the boss of the party. At the Sixth World Congress of the Communist International in 1929 Stalin promised to make Foster the boss of the American party, then reneged on the promise. In Moscow in 1929 Stalin and Molotov pounced upon Foster, gave him a political tongue-lashing under which Foster quailed, called him a liar, a speculator, a man who deliberately misrepresented what Stalin had promised him. Foster, pale as a ghost, quaked in his seat and muttered not one word in reply, even though he had Stalin's cable in his pocket ordering the Communist Party in America to make Foster its boss.

Foster is in mortal fear of another failure. He is the ideal Red quisling. He will eat Communist crow as long as he lives, for his soul belongs to Stalin.

Elizabeth Gurley Flynn also typifies a tragic figure in the radical movement. Fear of economic insecurity and lonesomeness forced her to join the Communist Party. American-born, of Irish parents, her father was a right-wing Socialist who believed in the ballot box and reforms, not in revolution. He opposed the Communists up to the day he died. As a young girl of 15 Flynn created a sensation in radical circles as an oratorical firebrand. The Socialist Party proved too tame for her. She craved excitement and action. She found it in the IWW. This slim, prim, exceedingly beautiful stormy petrel of the IWW gained wide renown as an organizer and leader of violent strikes. Out of her first romance with an IWW leader a son was born, but the romance did not last. When the tall, charming Italian anarchist, Carlo Tresca, who in 1943 was assassinated by the Communists, crossed her path she fell madly in love with him.

World War I marked the disintegration of the IWW as an important organization. Its leaders were indicted, found guilty, and imprisoned. Flynn and Tresca escaped the dragnet. The Communist Party put the finishing touches to the organization and smashed it completely. Flynn no longer organized workers and led strikes. Instead, she got herself a desk job raising defense funds for radical workers of all shades of opinion who ran afoul of the law.

On a tour for the International Labor Defense, a Communist organization, Flynn, who then was not a Communist, took desperately ill and hovered for a number of years between life and death. At this time, too, Tresca left her. Upon her recovery she did not join the Communist Party, even though she was badly in need of a job. She could not stand Communist regimentation and discipline. She disapproved Stalin's actions in 1929 in imposing his will against the majority of the American Communist Party, and publicly said so. She maintained friendly relations with Communist opposition elements in the radical movement and associated with leaders of the Trotsky group, against whom Moscow had declared war unto death.

When Stalin purged his former associates Flynn privately declared to a friend that she was outraged by what was taking place in Russia. But a few days later she joined the Communist Party. She was no longer the charming girl of 30 years ago. The party membership wildly acclaimed her. Earl Browder, at the time the leader of the party in the United States, kept his part of the bargain and saw to it that she got a job and a position as a recognized leader of the party.

The Communist Flynn for years kept up a correspondence with Tresca, even though she knew he was against the party.

The Commies forced her to write articles denouncing Tresca in the foulest terms. Flynn was forced to pay for her communism by demonstrating to the party her willingness to debate herself on party orders. She repeatedly engaged in self-flagellation to prove her Communist integrity. Browder had been the agent who got her into the party. They became close friends. Then came Stalin's order removing Browder from the leadership. Stalin cracked the whip and the American Communists had to denounce Browder or be expelled from the party. When at a meeting of the national committee of the party it came Flynn's turn to do so, she got up crying and accused the others of not letting her know what the score was. Shaking like a leaf and crimson in the face, she shamefully denounced the one man who had befriended her. Flynn, the pie-card artist, whose inner soul revolts against communism, eats its messy pottage and dishes it out also.

The Communist Party combines organizational skills with a wonderful understanding of mob psychology and how to exploit it. Those who join the party soon lose their inferiority complexes; the nobodies become somebodies. Into each Communist is drummed the idea that he or she is the vanguard, the leader of the working class. Each Communist looks upon himself as an important leader. Communist indoctrination accomplishes much more. Communists are impressed with the fact that they belong to an organization that is connected with a powerful government, the Soviet Union. Party members look upon themselves as recognized members of the ruling class of that government. The attraction of Soviet power in the Communist movement is tremendous. It acts like a powerful magnet drawing the members of the party into the Soviet orbit and gives them a feeling of strength and self-reliance that goes with belonging to the ruling class of a mighty government.

Once little people, nobodies, are given such a sense of superiority they become obsessed with a power mania and a leadership psychosis. This power mania and leadership psychosis is exploited by the party to turn the little people into bold leaders, but puppets nonetheless, who yield to every order and direction from the party leaders on top. And some of the nobodies do acquire the qualities of real leadership.

Such an example is Comrade Rizak. A diminutive, cautious, shy, unattractive weasel, the lad Rizak who joined the Communist Youth League in 1927 never dreamed at the time that 10 years later under the alias of John Steuben he would be the Communist entrusted with the organization of the workers employed in Little Steel, the man destined to bring the mighty industrial giant Tom Girdler to his knees. Steuben in 1937 gave the country a taste of Communist unionism in action. On May 30 of that year, known as bloody Sunday at South Chicago, Ill., pickets directed by Steuben defied the police. When the riot ended four pickets lay dead in the grass stubble and over 100 were groaning from bullet wounds.

The pigmy Steuben in 10 years had learned much. With the backing of the Communist Party machine, following the advice and orders of party leaders and trade-union experts from Moscow, Steuben acted with audacity, confident that he could defeat the "tsar" and "tyrant" of Little Steel.

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Steuben today is top leader in a union of the A. F. of L. that has jurisdiction over the gigantic hotel industry of New York. Under Communist domination, the union is a natural for the use of Soviet espionage agents, for it gives the MVD agents access to the hotel rooms occupied by important delegations to the United Nations. Control of this union gives the Communists through Communist waiters and other hotel employees entree to gatherings and conferences where trade, industrial, political, and diplomatic matters are being considered. And the little Steuben, without a formal education, who since the age of 16 has been working steadily for the Communist Party, is the important man in a Soviet espionage nest, smug and confident of his own power. There are thousands of John Steubens and semi-John Steubens in the Communist Party.

The depression of 1929 opened up new fields for the Communist Party. They conducted a very effective propaganda campaign contrasting unemployment in the United States with full employment in the Soviet Union, where the Government had embarked on a grandiose 5-year plan for the building up of Socialist economy. At this time the party gathered in Communists by the thousands. For the first time middle-class elements, hard hit by the depression, came into the party in large numbers. They were businessmen, intellectuals, and professionals—lawyers, doctors, actors, writers, teachers, professors, engineers, technicians, executives, social workers. These elements were exclusive of the unemployed workers who came into the party in droves, including the stumble bums of the skid rows and the Bowery. These middle-class elements were exceedingly important to the Communist movement. They gave the Communist Party an educated, trained army of people, intellectuals, and specialists who gave the party prestige and wielded considerable influence.

Out of these elements came the artists of the poison pen and the polluters of our cultural life.

These elements were used by the Communist Party to set up a sinister and dangerous organization which was affiliated with the CIO when the body was formed. Marcel Scherer, who organized the group, went to Moscow to get special training from the OGPU on how to set up the organization. Upon his return to the United States, Scherer, who never went to college, got together the unemployed architects, scientists, chemists, engineers, and research workers and organized them into an independent union. The union organized, controlled, and financed by the Communists gave the OGPU contact with individuals having knowledge or access to valuable scientific projects. From Canada's experience with Soviet spies we have learned how such scientific people were engaged in getting top Canadian security information for the Soviet Government. The Communists in the United States did identically the same thing. It is well known that much of the knowledge which the Soviet Government obtained of our atomic secrets came from this source.

We have seen how many factors make up the human elements in communism. But we have not dealt with its most important section, the trade-unions. The Communist Party has no illusions on how it is going to conquer the United States. They will do it with bullets and not with ballots. However, they realize that before they can use bullets decisively they must cripple the American economy by stopping the wheels of industry. That can be done only through Nation-wide strikes during which sabotage is practiced extensively. That is where the trade-unions come in. For that important reason, the Communist Party concentrates its major effort on bringing the trade-unions under its control.

In addition, by the Communist participation in strikes, Communist agents and organizers find out who are the trade-unionists who are not afraid to fight, the union gangsters who can wield the blackjack, the dagger, and the gun. Every effort is made to recruit these strong-arm elements into the Communist Party, where they receive special training and are put into Communist mobile, strong-arm guards. During the Spanish Civil War thousands of them were sent to Spain to get military combat experience.

The Communist trade-union cadres, together with the mobile strong-arm guards constitute the iron core, the power potential and military arm of the Communist Party.

In the party are also to be found a goodly number of formerly frustrated females. Through party activity and its social life, free from all moral restraints and no longer bothered by inhibitions, they find a new, exciting life. In the same category are the individuals who crave excitement as an escape from a life of boredom. They are generally recruited from the wealthy classes. They are often drawn into conspiratorial activities, tied in with the Soviet Government and its agencies. Many work for the OGPU. They generally become so involved with the Communist Party that they dare not break with it, desire as they would to return to a life of normalcy.

The last group's importance consists in the fact that it includes a majority of the present party leadership. To illustrate: The Communist Party of the United States is essentially a Soviet Government party. Its leaders are Soviet agents. Communists consider themselves an integral part of a powerful state. They are confident that history is on the side of the Soviet Union, that it will soon dominate the globe. Many of them are looking forward to the day when they will be the rulers of a Soviet America. Opportunists, job seekers, men and women with no particular avocation, because they sense that a party connected with a great foreign power offers opportunity for political leadership and good jobs.

The Communist Party is aware of the inducements it has to offer those who will serve it. The party is built around the principle of professional revolutionists, its members giving their entire time to the party and getting paid for doing so. The party, therefore, is an organization of men and women thirsting for power, who are eagerly awaiting the day when they will be pivoted into control of the Nation as their Communist compatriots were in Poland, Czechoslovakia, and the other countries absorbed by the Kremlin.

The leaders of the party that constitute this group, men like Robert Minor, Jack Stachel, the confidant of Stalin, James Ford, Eugene Dennis, and others have had close contacts with the power machine of the world Communist superstructure. For years they have been working here and abroad directly and indirectly for Stalin. Awaiting them they hope, should the Communists succeed in the United States, is the power and the glory that goes to those in on the ground floor. That prize of being considered pioneers they definitely know can be obtained only with the assistance of the Soviet Union. They have seen how it worked out successfully in Europe and how it is working in China. Without Soviet assistance and guidance the Chinese Communists would not now be poised for the conquest of China and Communist domination of the continent of Asia.

The Communist leaders of the United States are gambling for the biggest stake in the world—control of the United States of America.

The World's Greatest and Most Wasteful Spender

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. SHAFER. Mr. Speaker, under leave to extend my remarks, I include an article entitled, "The World's Greatest and Most Wasteful Spender," from the May 31, 1949, issue of the New England Letter, published by the First National Bank of Boston, in Boston, Mass.

The article follows:

THE WORLD'S GREATEST AND MOST WASTEFUL SPENDER

Government expenditures of all kinds—Federal, State, and local—now aggregate in the neighborhood of $60,000,000,000 annually. This is equivalent to $1,500 per family, while governmental debt amounts to $6,291 per family. The heavy debt and the large Federal budget, as well as staggering amounts spent during the war, have created the impression among many people that the Government has an inexhaustible reservoir of funds that can be drawn upon for any and all purposes. But the cold facts are that the Government has at its disposal only those funds obtained from taxes or from borrowing. There is no other source. Consequently, we find that one-fourth of the total income of the American people is being siphoned into the coffers of the Government, which proceeds to distribute the money through its manifold spending channels.

Since the amount of money now collected from the people in the form of taxes constitutes such a large portion of their incomes, it should be wisely spent and accurately accounted for. But what do we find? The most authentic and objective source of information on this subject is the nonpartisan Hoover Commission which was authorized by Congress to make an exhaustive study of the organization of the executive branch of the Government. The findings of this Commission were a shocking revelation of the waste, overlapping, duplication, and gross inefficiency of the multitudinous Government agencies and commissions. If any private business had carried on its affairs in as slipshod a manner as the Federal Government is doing, it would have gone broke and been subject to prosecution for juggling figures in its system of accounting.

The Hoover report is replete with examples of waste, inefficiency, and loose accounting. The cost of operating the United States Forest Service is listed in the budget as $26,000,000 a year, but by receiving appropriations from various sources its actual expenditures amount to $43,000,000. Unused appropriations of the various Government departments at the year end are not turned back to the Treasury but are generally used to load up on supplies. Since 1923, the number of employees in the Department of Agriculture has increased nearly fourfold, while its expenditures have increased more than thirty-twofold. In some counties there is 1 Agriculture Department agent advising 36 to 38 farmers, but the number of farms has declined by approximately 6 percent in the last two decades. The Government offers medical care to 24,000,000 people, for which an estimated billion dollars will be spent in 1949. As of a year ago, the Government's

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hospitals had a capacity of 255,000, with only 155,000 patients. Yet the Government is planning on spending a billion dollars on the construction of new hospitals. Employees in the Veterans' Administration handle on the average only about one-fourth as many insurance policies as are handled per worker in private insurance companies. The Federal Government carries excess supplies roughly estimated at $2,500,000,000, but the actual amount is not known as many Government departments maintain no inventories of stocks on hand. The cost of paper work exceeds the cost of individual items that go to make up one-half of the 3,000,000 purchase orders each year. The Government's budget system is antiquated and there is no uniform classification of items. Consequently, the actual cost of a project or service cannot be ascertained.

Not only is there much waste and inefficiency in the conduct of governmental affairs but also various agencies of the Government vigorously lobby for the spending of public money for housing, social medicine, public works, and the like. A member of the Hoover Commission has pointed out that the Army Corps of Engineers and the Bureau of Reclamation are engaged in bitter rivalry as to which agency shall construct the various public works projects in the Missouri River Valley and elsewhere in this country. The cost of these projects in the construction and planning stage is placed by those Government agencies at more than $52,000,000,000, but based upon past experience these estimates are grossly understated and would likely run to $100,000,000,000 should all of the plans materialize.

When a business firm undertakes any project or plan for the spending of money, it is taken for granted that careful consideration has been given to the ultimate cost and the annual outlay for operations. In the case of the Federal Government, these simple practical considerations are often ignored or lightly brushed aside. The usual procedure is to ask for a relatively small amount of money to launch the project, and then because of pressure for expanding coverage and more liberal payments the appropriations grow in snowball fashion. This is particularly true of any broad long-range program designed for the general welfare of the people. It has been estimated by the Baltimore Sun that the administration's Fair Deal program would in the course of the next 50 years cost in the aggregate $1,250,000,000,000. This is an amount so great that it staggers the imagination. As a matter of fact, it is about equivalent to the wealth that the world has accumulated over the centuries.

The social planners tell us that the grandiose welfare plans are a mandate from the people and that their wishes must be respected. But this contention rests on a spurious premise. The demand for social medicine, for instance, was not initiated at the grass roots but was spearheaded by the Federal Security Agency under whose jurisdiction this project would be handled. Furthermore, these programs are presented with sugar-coated slogans and in such a way as to hypnotize the public into believing that the Government has some magic means of providing something for nothing. Instead, as everyone should know, the beneficiaries will pay the freight.

Burdensome taxes and a huge public debt are as much the concern of Main Street as of Wall Street. They touch the pocketbooks of all. None escapes. Taxes of all kinds are passed on to the consumer through the food he eats and the clothes he wears, in fact through all the necessities of life as well as luxuries. It should be obvious, therefore, that the more the Government takes in taxes, the less there will be for each individual to spend according to his own discretion.

But when the Government spends the people's money, it collects a toll on every dollar in order to maintain a swollen and sprawling bureaucracy. The number of civilian Federal employees in this country exceeds 2,000,000, while the total number of Government workers, including those in State and local governments, aggregates more than 6,000,000. This is equivalent to about one Government worker for about every six families in this country. The estimated Government pay roll is in the neighborhood of $14,000,000,000. In fairness it should be said that there are many highly competent Government workers who render valuable service, and many of them are underpaid. But reliable authorities have estimated that by placing Government activities on a more businesslike basis, at least one-fourth of the Federal civilian employees could be released without impairing in any way the essential public services.

Not only is the Federal Government spending a large proportion of each person's income but also it now takes about 75 percent of all taxes collected, leaving only 25 percent for the State and local governments as compared with 66 percent for these units in 1928. The Federal Government has invaded so many tax fields and is taking such a large portion of the funds available that State and local governments are hard-pressed to finance their regular activities. To relieve the situation the Federal Government provides grants-in-aid, which funds, according to the Hoover report, now represent 40 percent of all money spent by the States. These grants cover such items as highways, public welfare, schools, health, and the like. The Federal administrators dictate how this money is to be spent, and specify standards to be met. So here we have a system whereby the money is collected from the people of the States, part of which is returned to the States, with strings attached. But as this money circulates in merry-go-round fashion, the overhead costs of Federal administration, according to Senator BYRD, take a toll of 15 percent. Many States are opposed to this system and would much prefer to finance their own activities according to their requirements but feel compelled to dip into the grab bag in order to get back part of the money contributed by their own citizens. The system is not only demoralizing but also it is making the State and local governments vassals of the Federal Government, thereby threatening the existence of self-government.

With the pressure for expenditures increasing while revenues are declining, Federal finances enter a crucial stage. The day of reckoning is near at hand unless the budget is balanced through a reduction in nonessential expenditures. If the budget cannot be balanced when the national income is running in excess of $200,000,000,000, there is grave danger that the Government may never again be able to get its financial house in order.

Readjustment Allowances for Unemployed Veterans

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. MULTER. Mr. Speaker, following is a resolution forwarded to me by the Raymond Lupia Memorial Post, No. 1111, of the American Legion, which was unanimously adopted by its membership at its last meeting:

Whereas the veterans of World War II made great sacrifices and endured unusual hardships in defense of their country; and

Whereas they face difficult problems of an economic and financial nature as a result of the sacrifices and hardships endured by them; and

Whereas the people of the United States are vitally interested in affairs affecting the interests of its veteran citizens; and

Whereas it is the duty and obligation of a grateful citizenry to make restitution to its veteran citizens insofar as possible for their sacrifices and hardships; and

Whereas the Servicemen's Readjustment Act of 1944, Public Law 346, as amended by Public Laws 190 and 268, Seventy-ninth Congress, which in part provides for readjustment allowances for unemployed veterans, and which part is due to expire July 1, 1949: Now, therefore, be it

Resolved, That the Raymond Lupia Memorial Post, No. 1111, Department of the State of New York, the American Legion, favors and supports the continuance of readjustment allowances for unemployed veterans, as provided by the Servicemen's Readjustment Act of 1944, as amended; and be it further.

Resolved, That a copy of this resolution be submitted to the Honorable Congressman ABRAHAM J. MULTER, of the Fourteenth Congressional District, city and State of New York.

This is to certify that the foregoing is a true and correct copy of resolution passed unanimously at the regular meeting of Raymond Lupia Memorial Post, No. 1111, Department of New York, held on Thursday evening, May 19, 1949, at its headquarters, 243 Avenue U, Brooklyn, N. Y.

JOSEPH J. MORAIS, *Adjutant*.

Are We Losing Our Basic Freedoms?

EXTENSION OF REMARKS

OF

HON. CHARLES B. HOEVEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. HOEVEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following oration delivered by John William Kruse, 2313 South Royce Street, Sioux City, Iowa. This oration won Mr. Kruse first place in a recent high school forum contest sponsored by radio station WNAX at Sioux City, Iowa. Mr. Kruse represented East High School at Sioux City, and was well deserving of the honor conferred upon him. His oration is thought provoking and very timely in these times, when the creeping type of socialism is encompassing most of the world. It follows:

Down by the river is a half-finished auditorium. In a few weeks voters of our host city will go to the polls to decide whether or not this auditorium should be finished or abandoned. One of the arguments against its completion is, of course, the increased taxation. Sioux Cityans are not alone in worrying about the excessive cost of government, whether on a municipal or national scale. Taxes have skyrocketed until today we have this startling situation: The average cost per capita for food is $330; the average cost per capita for taxes is $371. All of this has been necessary to support a Government

which, in this vaunted land of free enterprise, now exercises some 57 controls over industry. Price subsidies, rent controls, interstate-commerce regulations, social security—all have extended Government control and increased taxes. Aid to Europe is costing billions. Many fear another depression. Socialized medicine and health insurance may soon be realities. Is it any wonder that we are today discussing the question, Are we losing our basic freedom? which, as one Leeds High student put it in a discussion group this morning, are just the things we do in everyday life.

Certainly we don't want to lose them, but economically it appears that we may be doing just that. Politically the picture is gloomy, too, with increasing fear of communism. Militaristically we are still far from the dove-and-olive-branch stage. Socially our basic freedoms are being violated. It would be easy to generalize on intolerance, to become emotional over the prejudice that shouldn't be, but somehow is. The fact remains that we have neglected human rights to such an extent that civil-rights legislation is considered the biggest job confronting the Eighty-first Congress.

Who is to blame for this state of affairs? I'm afraid it is "We, the people." Too many of us make the mistake of thinking of government as something apart from ourselves, removed from us, possibly antagonistic toward us. How often we hear the Government spoken of in this way: "They're making a big mistake. They're taking away freedom of enterprise." It seems to be the popular fallacy to think of government in the third person. Actually, it is a first-person proposition.

We Americans aren't little Milquetoasts who are dominated or preyed upon by our own Government. If we develop a persecution complex, it's our own fault. If we have price subsidies, social security, rent controls, regulations governing industry, it's because we as a people have found these measures to be effective and necessary. If we realize the importance of civil rights, we have the power to change the situation. If we believe in our democratic form of government, we will combine our efforts to make it work—and to make it stronger.

So my answer to the question, Are we losing our basic freedoms? is "No," but a conditional "No." We can't lose our basic freedoms so long as we exercise them. Psychologically we know that we lose the skills we don't practice. Indifference, apathy, inertia—these are the dangers—not dictatorship, bankruptcy, or communism. We live in critical times, no one will deny that. But these times offer us, as young people, a greater challenge than ever before. The Chinese word for "crisis" is made up of two characters signifying "danger" and "opportunity." We must focus on the second word.

We must remember not to confuse liberties with obligations. Every right carries an attendant duty. If we don't perform our duties, we lose our rights. It won't be a dramatic loss, a front-page story, a sudden change, it will be a gradual transition brought about by an indifferent attitude. To illustrate this point, a few weeks ago a school election was held in a city with a voting population of 40,000. There were 12 candidates for the board; interest should have run high. Even the weather cooperated. But just 4,000 people bestirred themselves enough that Tuesday to get to the polls. This is only one example of the apathy we must guard against. If on April 26, the people who have ideas about the auditorium, one way or another, do not express them, they have no right to criticize. We have the foundation of a building down by the river, but unless we finish the job, it is worthless. We have the foundation of good government, but unless we finish the job, it is worthless. We have the foundation of good government in our basic freedoms, but unless we build on this foundation, it will deteriorate. It is up to us individually to make this choice. Through understanding, through education, through forums such as this in which we are brought forcibly face to face with basic issues, we can preserve our freedoms. All we have to do is to remember that government isn't "they" or "it"—government is you and I—a first-person affair.

Commencement Address at Northeast Junior College

EXTENSION OF REMARKS

OF

HON. OTTO E. PASSMAN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1949

Mr. PASSMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following commencement address delivered by me to the 1949 graduating class of Northeast Junior College—Lousiana State University—June 2, 1949, at Monroe, La.:

Dr. Cline, graduates, members of the faculty, honored guests, ladies and gentlemen, it is a high honor, a genuine pleasure and a very great privilege for me to be afforded the opportunity of addressing the graduating class of 1949. In venturing to address the graduating class of this fine college, I am fully aware that I am addressing many of our outstanding leaders of tomorrow, and many of you, no doubt, will have much to do with shaping the world in which future generations will live.

At the outset let me hazard a word in favor of the age in which we live. Notwithstanding the problems which beset us, and without closing our eyes to existing abuses, many of which call loudly for remedy, still we live in a great age, to the struggles and contests of which I am designated to be a spokesman to bid you welcome.

He would be a vain man indeed who professed the ability to furnish you with a formula which would insure success and happiness. These elusive things are not bound up in formulas or found in prescriptions. They are the substance of our dreams—the occasional realities resulting from hard work, good fortune and honesty. But he would be an empty and uninformed man indeed who had not gained some notion of the fundamentals upon which success and happiness depend. If I am able to put any new life into truths with which you are already familiar; if I should succeed in setting on fire some slumbering or dying ambition; if I can help to make you yearn for success and long for happiness, with a yearning which reaches out tirelessly toward success and happiness, I shall have rendered you a worth-while service and I will be content.

In seeking success you will be subjected to criticism. It has been said that if we are not to be criticized we have but three simple things to do, and they are: do nothing, say nothing, be nothing. Never permit yourself to fall into that category, because it is better to be criticized for some of the worthy things we accomplish than to avoid criticism by failure to achieve worth-while accomplishments.

Ambition is the dynamic power of man. It urges him on against all obstacles. It assures him against all dangers. It sustains him against all fears of failure. It is the light burning in the bosom when all else about him is dark with depression. But it must be subjected to discipline. As a light it must be trimmed with prudence. As a power it must be guided by intelligence. It must not overleap itself. Nothing is so pathetic, nothing so tragic as a consuming ambition without enough fuel for consumption; no failure so inconsolable as the failure resulting from a vaulting ambition without adequate ability or training to guide or restrain it. This has been said for all the ages by philosophers and students in one way or another, but in the finanl form it really means, "Know thyself"; and this signifies that in your preparation for a career you must study your abilities, you must discover and recognize your weaknesses. You must be able to detect and estimate your shortcomings. You must have a serene and safe knowledge of your strength. In effect, you must ascertain your limitations. Do not leave that definition for others but find it for yourself. You owe it to yourself, your family, your community, your country, and your God to be honest, to keep your mind clear, your heart pure, and your body healthy. Countless careers have ended in failure and immeasurable unhappiness has been entailed by the failure to determine early the real fundamental limitations. One of the continuing tragedies of civilisation is the great number of wrong men and women in the right place, and the great number of right men and women in the wrong place—the misadventure of the misfits—the man or woman striving for something which no amount of ambition, work, or time will bring to them. On the other hand there are men and women content to do those things which scarcely keep their brains awake—fitted for larger tasks and vaster enterprises, they stand still in front of opportunity and finally pass out in the darkness of their own stagnation.

Therefore, with all the sincerity at my command, I warn you: "Know thyself!" Be fair, relentless, and penetrating in your desires; be merciless in criticism; be rigorous in your test; let no false pride, no audacious ambition, no cultivated conceit hinder you in your study of yourself. This searching insight, this dwelling on your hidden powers as well as weaknesses, this turning of the searchlight into the heart and soul and mind and body will enable you to find your real strength and to know your real weakness. This accomplished, you may turn your face toward higher education which you seek and should have. Ultimately you will face the world where the battle of life is to be fought; and as you will, with knowledge of your own powers, enter upon a new phase of life, you will encounter the serious and never-ending question of your right relation to your fellow man, to your family, to your community, to your Nation, and to our Redeemer. These have now become the natural objectives of your contemplated conquests.

There you meet the first problems of human diplomacy to which you must adjust yourself in the proper measure to the world about you and the new environment which will be strange to you. Without a surrender of these essentials, you must discover the fine method of contact which will enable you to join the noble procession of men and women intent upon honorable conquest. Therefore, you will be required to study the world with the same caution, the same searching insight, as you employed in the study of yourself. You approach the world and its problems resolutely bound for the goal which your ambition has set, but between you and that goal are problems of human contact. It has been said: "The proper study of mankind is man." This study is not for the purpose of enabling you to take advantage of him, but rather for the purpose of enabling him to appreciate, to understand, and to accept you.

If you are to be successful, if you are to be respected, and if you are to be accepted into our world society, you must be honest, you must be honest in every respect. Certainly that does not merely mean that you must be financially honest; it does not merely mean that you must know the difference between "mine and thine" and respect that difference. It does not merely mean that you have to have skill enough to keep within the law. It has a deeper significance. It has so much meaning that an entire discourse might be devoted to it without developing its full and essential points. First, by a full measure you must be honest with yourself. No deceit or dishonesty is more fatal than that which you practice upon yourself, for that deludes you by alluring falsehoods into places from which you cannot withdraw yourself. By being honest with yourself you will apply the same treatment to your fellow man. The obligation of honesty is so strong that it requires that you shall speak the truth, and the truth always spoken is not always a means of success. It is your duty to speak the truth when, by moral obligation, you are required to do so; and not being bound by moral obligation to speak, you can and should remain honorably silent.

Vhatever profession you choose, resolve now that you will be honest and honorable in every undertaking. If you choose to be a lawyer, doctor, an educator, or a businessman, you will encounter many difficult problems in maintaining the standard which honesty requires. You will be sworn in and accepted as members of the profession or business of your choice, and you are bound by statute or principle to confidential fidelity to your fellow man. You become the repository of vast confidences. You must not connive at falsehood; you must not tolerate perjury. Honesty requires that you must not only refrain from conniving at falsehood and perjury, but you must conscientiously abide by the accepted rule and honorably protect your fellow man. There are times when you must remain silent. The primary duty of any profession or business requires a certain honesty which, if really lived up to, almost approaches nobility.

These are but flashes touching on the general subject as it relates to professions or to businessmen. The instances could be multiplied in relation to commerce, to agriculture, and to all the pursuits of man.

If you should be fascinated by the problems of politics and come to believe that for your country and for yourself you could construct a joint success by giving your time and your ability and your enthusiasm to a political career, again you will be met by the problem of honesty in varied and multiplied ways. Many men and women have stood the acid test in high public place and where honesty prevailed, these individuals have stood out like beacons. In public office you will be required to speak out concerning the problems with which your country and your community are concerned. You should speak only after you have thought long and deeply on the problems, fully cognizant that the complex problems of modern society—whatever they are—can only be solved after long study and hard work upon them. There is no substitute for knowledge of these problems and no short cut to that knowledge. Once you have arrived at your conclusions, while preserving an open mind as to possible developments, you should take your stand without regard as to whether your position will be popular or unpopular, because anything less than this is intellectually dishonest.

Dishonesty has often led public officials to appear both for and against controversial issues. This is dishonesty because when a public official knows that he is right he should speak out and make his position known. It is politically dishonest to be for something that is not right. It is politically dishonest to be against something that is right.

If you should be elected to hold office under one of the several branches of government available, you will be required by the true rule of honesty again to ponder long and well the problems before you, and when you have reached a sound conclusion which your study and reflection lead you to, it will be your solemn duty to stand forth for that against everybody, including your constituency; because your obligation when you take public office is to support and defend the Constitution of the United States and that Constitution is the guardian of the welfare of the whole country and not the special solicitor for any particular constituency. And if you should be carried further into politics or public service, where those who have chosen you have made up their minds that, on public matters, they are no longer in accord with your views, your intellectual honesty must be of such high order that you will sacrifice the public station to which your ambition and labor have carried you, rather than to sacrifice or compromise principle and to become the demagog of either a majority or a minority when you know their views to be selfish and dishonest.

My dear young friends, do you not understand that honesty is not such a simple problem after all? Next to honesty comes still another important matter which, in many instances, is the difference between success and failure, and that is courage—and if we do not define it, it remains commonplace. Not the physical courage which resents instantly the insult, though that is not without its values; not merely the courage which comes with bodily vigor and inherited health; not even the courage which is caught up in the thrill of martial airs and lured by the colors of streaming banners. Perhaps it is well to say that courage is not geographical, because, after all, the people of every country throughout the world have demonstrated the beautiful qualities of courage when it relates to the things which they have come to estimate as the most sacred things to them. However, I prefer rather to speak of that courage which belongs in civil, professional, and political life—the courage to wait our turn; the courage which upholds patience; the courage applied in your everyday lives and still that courage which leads you to take up whatever pursuit you may have chosen, fired by the ambition upon which I have touched. Many of you will have rough and rugged roads to travel, but with courage, no obstacle will stand in your way, because the combination of courage and honesty is almost unbeatable.

Confidence is a virtue by which many difficult problems have been accomplished. You must approach your future studies and the world with confidence and with a firm belief in the final fairness and justice in mankind, until that belief is overthrown by irresistible and accumulating evidence.

You must also approach your daily problems with humor, for humor has been said to be almost akin to genius. With humor you soften your daily problems; not humor which laughs with an empty mind and does not appreciate the serious problems of life and the tragic difficulties of others, but that sympathetic humor, that atmosphere through which the sun of your personality shines and reveals to all the world that you are willing to take the chance with your fellow man in the common struggle, based upon the principles of honesty, confidence, and courage.

You have had a quick survey of honesty, courage and confidence, but you have yet to consider the one thing which to some of us is uninviting, and that is work—made of energy and industry—but called in homely speech, work. Here again we touch the very quick of the problem of success so let us be ever mindful. If we are to be a success in life, we must train ourselves to work, we must train ourselves to like our work. Work is not slavery, work is not tragic. Work can and should be just as interesting as play.

It should be remembered that achievement in any field of endeavor depends on a certain integrity of mind and character and upon continuous study and work within that field. Whatever the work or whatever the profession one chooses to follow; whatever the specialization in which he is ultimately to be engaged, he should seek to be acquainted broadly with the world in which he lives. Never before in the history of the world has such knowledge been required, for never before in the history of the world have problems been so complex or been so heavily fraught with human destiny. Never before, therefore, has the responsibility of each individual to know and to be able to judge these problems in a democratic society, been so utterly serious.

I realize, of course, that I am only speaking a truism when I say all of these things. I realize that in laying stress upon courage and honesty and confidence, I am only saying what others have said before. Yet it is often true that we neglect to stress these very points and fail to realize how very vital they are in the everyday business of living. But there is another thing that I should like to emphasize in this whole matter of education, and particularly to those who do work hard and are seriously concerned in a much-troubled world, with their own future. No one, I think has expressed better my own philosophy as to education for future work than the great American philosopher, William James, in his celebrated chapter on habit:

"Let no one have any anxiety about the upshot of his education, whatever the line of it may be. If he keeps faithfully busy each hour of the working day, he may safely leave the final result to itself. He can with perfect certainty count on waking up some fine morning, to find himself one of the competent ones of his generation, in whatever pursuit he may have singled out. Silently, between all the details of his business, the power of judging in all that class of matter will have built itself up within him as a possession that will never pass away."

In facing the future, be determined. When you have set your goal, work untiringly to reach that goal. Be not discouraged when obstacles are placed in your pathway. Devise an honest plan by which to overcome any obstacles that would appear sufficient to separate you from your goal. Success will be yours if you continue to employ honesty, confidence, courage, and determination.

You are of Christian parents. If your life is to be spent most beneficially, you should at all times consult with our Redeemer because when the hour is the darkest you will find that an honest word in a lonely place to our Blessed Redeemer is of inestimable value. In your daily contact with your fellow man maintain the proper relation with God and man so that at life's end you will know you have made this world a better place in which to live by your having lived in it.

My dear young men and women, I commend you for having attained your diplomas from this great college. When you have completed your education, go out into life's battle with big courageous hearts and take with you my sincere congratulations on all the honors you have worthily won, and my best wishes for your well-being and for your well-doing. May you grow in favor with God and man as you grow in years. Work

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faithfully for your God, for yourself, and for your country. Employ at all times honesty, confidence, courage, and sincerity, and your reward will be rich and bountiful.

Urge of Its People To Seek Freedom Spells Failure for Red Regime

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following editorial which appeared in the Brooklyn Eagle of June 6, 1949:

URGE OF ITS PEOPLE TO SEEK FREEDOM SPELLS FAILURE FOR RED REGIME

In their diplomatic discussions, spokesmen for Soviet Russia and the satellite nations customarily attribute all differences and failures to the unreasonableness and the low motives of the western powers.

The forces of reaction, as symbolized by Wall Street and the National Association of Manufacturers, are at the source of all opposition to the political faith and the purposes of the Kremlin, according to Radio Moscow and the Politburo.

It is rather significant of frustration, however, that Moscow does not attempt to explain the desperate eagerness of so many of its own people and those of its satellites to escape from behind the iron curtain into some land that holds the promise of freedom.

Athletes permitted to go abroad for participation in international competition refuse to return to the zone of Soviet control. Families risk the dangers of the long Atlantic crossing in small boats in the hope of finding refuge in a free land. Germans swarm across the border to the western zones to escape the oppression of Soviet occupation. Russian, Czech, Hungarian fliers, military commanders, diplomats desert their home lands through whatever means may be available to them in the hope of freeing themselves from the iron rule and the hardships of life within the shadow of the Kremlin.

The long list of high-ranking officials of Soviet satellites who have sought freedom through flight is now supplemented with the name of Dr. Bedrich Bruegel, acting chief of the Czech military mission at Berlin, who has resigned and disappeared because he could no longer endure life "under a corrupt police dictatorship."

He was the seventh member of the 10-man Czech mission to quit since the Communist coup in Prague in February 1948. His former superior, Brig. Gen. Frantisek Dastich, fled 8 months ago.

It is fair to assume that among those who remain there are many who do the will of Moscow against their own desires and convictions, who are held at their places and tasks by circumstances which they cannot alter and whose loyalties are with the principles and ideals of democratic government.

The desertions, accordingly, are revealing as to a fundamental weakness in the structure of Soviet power over the people of Russia and those of Poland and the other lands under Moscow's subjection. When the people are under the urge to run away whenever the opportunity presents itself, the regime, notwithstanding its ruthlessness, is feeble and the record, viewed by any standards of enlightened government, is one of failure.

Philip B. Perlman, Solicitor General of the United States

EXTENSION OF REMARKS
OF
HON. MILLARD E. TYDINGS
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Thursday, June 9 (legislative day of Thursday, June 2), 1949

Mr. TYDINGS. Mr. President, I ask unanimous consent to have printed in the RECORD an article showing the outstanding service rendered by Philip B. Perlman, Solicitor General of the United States, in the performance of the duties of his high office. The article was written by Frank R. Kent, Jr., and was published in the Baltimore Evening Sun of June 8, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PHILIP PERLMAN'S SCORE PERFECT FOR TERM OF SUPREME COURT

(By Frank R. Kent, Jr.)

WASHINGTON, June 8.—Philip B. Perlman, Solicitor General of the United States and a Baltimorean, has a perfect average with the Supreme Court this term.

To date, in the 1948 term, the Court has found in favor of the Government in every case argued personally by Perlman. The Baltimorean has argued 13 cases in this period. The Supreme Court has handed down decisions in 10. Each time the decision has favored the Government.

The tenth decision was given Monday. This was a case between the Federal Communications Commission and a Detroit radio station.

EISLER CASE RULING

One of the remaining three cases is that of Gerhart Eisler, who has been rated the No. 1 Communist in the United States. Eisler was convicted of entering this country on false pasport information. His attorneys appealed and the Government filed a motion to dismiss the Eisler petition. Perlman argued the case.

Meanwhile, Eisler escaped to England on the Polish liner *Batory*. He was released by the British courts and promptly took off for Czechoslovakia. Should the Court grant the Government's motion to dismiss the petition, however, it would be another victory on the Perlman score card.

The score of 10 straight wins for the current term already has surpassed the Solicitor General's record for 1947. In that period, Perlman personally argued 12 times before the Court. The Supreme Court handed down eight opinions in favor of the Government and three against. One case was held over for reargument in the 1948 term and is included in the 13 appearances Perlman has made this term.

ALTERNATE 2 WEEKS

As a rule, the Supreme Court sits for alternate 2-week intervals from October until the latter part of June. Arguments are heard on the Mondays the Court is in session and opinions are handed down on Mondays. The Court concluded hearing arguments last month, but still is handing down opinions.

On May 9 Perlman performed a feat that some of his colleagues believe has not been duplicated, and Supreme Court attachés say it certainly is unusual. On that day he argued three cases in the 4-hour session of the Court. He argued the Government's right to sue a sovereign State against Louisiana in the tidelands oil dispute. He argued a case along basically similar lines against the State of Texas. And he argued a case involving the Federal Communications Commission.

JAP WAR CRIMINALS

Perlman's 13 appearances before the Court this term and his 12 appearances last term do not disclose the number of cases involved. In several instances an appearance may involve two or three or more cases.

One of his more dramatic appearances was last December when he argued against the motions of a group of convicted Japanese war criminals for writs of habeas corpus. Three motions were filed for seven Japanese. Four other Japanese, including former Premier Tojo, delayed filing a motion pending the outcome of the arguments. Tojo later was executed.

In this case, Perlman and his colleagues in the Solicitor General's office had very little precedent to follow. They had no documents from lower courts and had to start practically from scratch. Preparation included frequent consultations with the State Department and the Far Eastern Commission. It also involved getting the documents and information printed.

Perlman and his colleagues worked day and night. The Solicitor General himself delivered the manuscript of the Government's brief to the Printing Office at 4 o'clock one morning. A day or so later, he delivered the corrected page proofs to the Government Printing Office at 1 a. m. That was about 2 days before he was to appear before the Supreme Court to argue the case. The court denied the Japanese motions.

HIGH ON THE LIST

Perlman's personal appearances, of course, form a small portion of the number of times the Government appears before the Supreme Court. According to court attachés and colleagues however, his record of appearances stands high on the list.

Actually, about 60 percent of all cases argued before the Supreme Court in the 1947 term involved the Government. The score is not completed for the 1948 term, but it will equal that of the former period, or surpass it.

As a matter of fact, administrative legal work occupies far more of the Solicitor General's time than do court appearances. In the 1947 term, the office handled 986 cases exclusive of arguments before the Court. According to the records, briefs were filed for writs of certiorari in 46 instances. In 266 cases it was decided to let the decisions of lower courts against the Government stand. It was decided to take appeals to the Supreme Court in 226 cases and in 361 instances it was decided not to take appeals. There were 87 miscellaneous filings of motion and other actions.

NINE HUNDRED AND EIGHTEEN CASES HANDLED

With one more month to go in the 1948 term, the Solicitor General's office has handled 918 cases. These are broken down into 66 writs of certiorari, 209 instances where it was decided not to file motions for writs of certiorari, 228 appeals, 367 instances where it was decided not to file appeals, and 48 miscellaneous motions.

The score card for the office in the 1948 term reads:

The Court has granted the Government 45 petitions for writs of certiorari and turned down 10. It has not acted on the others.

Opponents have filed 238 motions and 201 of them have been denied.

Of the 37 motions granted by the Court, the Government joined with its opponents in asking for 15.

The actual number of petitions granted against the Government thus would be 22.

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BALANCE EXPLAINED

One of the reasons for this apparent lopsided score is the fact that the Government does not move for a writ of certiorari unless it feels that it conscientiously can do so. Private litigants, on the other hand, will move for writs even on an outside chance of winning.

Since he took office about 2 years ago, Perlman has gained the esteem of a large number of Government officials including members of the Supreme Court. It is understood that praise of him has reached the White House.

Both his working and personal relationships with Attorney General Tom C. Clark also have been much closer than is usual between the Government's two top legal officers. One of the apparent reasons for this relationship is the fact that the Government as represented by them does not try to win cases regardless of whether it is right. There have been a number of occasions where the Government has felt it could not conscientiously support victories won by it in the lower courts and has asked the Supreme Tribunal to send back the cases.

"FRIEND TOM CLARK"

Clark has expressed his opinion of Perlman in the inscription written in his own hand at the bottom of an old print the Attorney General gave the Baltimorean as a birthday present. The inscription reads:

"To Phil Perlman, Solicitor General of the United States, of whom I am most proud for his outstanding accomplishments in protecting, maintaining, and enlarging the concept of individual rights under our American system—from his friend Tom Clark."

Operations of General Counsel's Office of National Labor Relations Board

EXTENSION OF REMARKS

OF

HON. MATTHEW M. NEELY

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, June 9 (legislative day of Thursday, June 2), 1949

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Mr. Denham Plays God," written by Paul Klein and published in the Nation for December 13, 1947.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MR. DENHAM PLAYS GOD

(By Paul Klein)

WASHINGTON, December 4.—The first emasculation of a labor union under the Taft-Hartley Act took place here 2 weeks ago. It is unlikely that the National Labor Relations Board's general counsel will do much about it, for the union is that of his own employees and it was the counsel himself, Robert Denham, who performed the operation.

Since 1938 the Board has had a working agreement with the independent NLRB Employees' Union. Although prohibited by law from the right to strike, the union has had a say in the posting of vacancies and in seniority and grievance regulations. The Civil Service Commission has taken the position that "a simple, orderly procedure should be provided within the department whereby it will be possible for the employee to present his grievances, either individually or through representatives of his own choosing."

The old Board operated under these general principles. But after the passage of the Taft-Hartley Act, and the appointment of Denham, a change in policy developed. The new law does not clearly say the general counsel shall hire, fire, or promote personnel. The Board, however, delegated those powers to him. Denham then hired several employees without regard to existing seniority practices, and without previously posting the vacancies for the information of lower-level employees.

The union protested and Denham granted its representatives a brief conference on November 17. According to the union's transcript of the proceedings, Denham began negotiations by saying, "Let's get this straight; I'll agree to nothing; there is no place for agreements in the Federal service. * * * Promotion and appointments are management prerogatives, and I don't propose, nor will I permit any of my subordinates, to agree to anything."

When the union asked if Denham intended to determine unilaterally in what instances vacancies would be posted, he replied, "Yes; unilaterally, if you want to put it that way." He added that he always seeks the most qualified person to fill a job. The union's reply was: "We want the best men in the jobs, too. * * * That is why we propose the continuation of the posting system. We hope to convince you that posting is an orderly way to achieve that end, and that selection could be based on certain predetermined standards of service and efficiency." Denham answered, "We don't have time for that. Nor for establishment of a grievance procedure," he added. "Show me where I've made a mistake," he continually said. "I haven't made any mistakes yet." He closed the meeting with the words: "I will not justify my selections to anyone, and I will not permit anyone on my staff to justify or explain their selections to anyone."

Since that conference Denham has posted some vacancies and indicated that he will listen to grievances. But he emphasizes that this does not mean an agreement to do so; he will do it only when, as, and if he feels like it. The union has now asked the NLRB either to rescind the authority it gave to the general counsel or to condition it upon Denham's consent to bargain collectively. The request will probably not be granted; even if it should be, Denham may fight the matter through to a court decision, which some legal experts here think would go in his favor. It looks as if the man selected to handle the Nation's labor affairs had succeeded in busting his own organization's union.

None of this should come as a surprise, in view of Denham's record and the new climate in the NLRB resulting from the Taft-Hartley legislation. Denham, of course, warmly advocated passage of the act. As a trial examiner in the old days, he dismissed a higher proportion of complaints than any of his colleagues. A former supervisor in the trials section of the NLRB estimated that 80 percent of the complaints brought before an examiner resulted in a finding of unfair practice, since the charges were subjected to a thorough screening before they reached him. Denham's record was just about 80-percent dismissals.

In 1943 a judge of the Fifth Circuit Court of Appeals described an action before Denham in these words: "We cannot agree that respondents have had a fair trial by a disinterested, impartial trier of facts. His general attitude was not impartial but partisan * * * (He) had a wholly improper attitude for a judge or examiner. * * * (His) remarks evidence bias and prejudice."

Since his appointment he has invoked injunctions in a relatively high number of cases, while giving lip service to the doctrine that injunctions are dangerous. In one of these instances Denham's legal staff argued, in a district court in Kentucky, that an injunction must be issued, without a hearing on the facts. The court replied that under this reasoning the next step would be to order injunctions over the telephone, and subsequently to omit the court altogether and issue injunctions at the whim of the labor board.

Complementing Denham's general attitude is his fondness for a highly technical administration of the labor act. He has kept his promise to Congress to fill every vacant regional director's post with an attorney. I heard here that he requested the resignation of one experienced west coast director on the grounds that he didn't "want a layman at a post so far from Washington."

Orders issued from the general counsel's office have emphasized this trend, particularly the notorious general counsel field order 15, which provided that all unfair-labor-practice charges would be dropped unless a prima facie case were brought in and witnesses produced within 72 hours. Perhaps the best comment on the new legalistic regime was made recently by Dr. William Leiserson, a former member of both the NLRB and the National Mediation Board, who said the only helpful labor law is one which operates "in such a way that employers and workers or their ordinary bargaining representatives can present their cases in laymen's language, tell their stories, and question each other without legal technicalities * * * The injection of lawyers * * * promises to retard * * * amicable settlements by collective bargaining, cooperative compromises, and mutual give and take." Yet the NLRB's current budget request calls for 50 new positions for lawyers.

Although as a trial examiner Denham often refused to apply the Board's previously expressed rulings, and although as an employee of the NLRB under the Wagner Act he felt justified in offering Congress suggestions for the new legislation, he testified before a congressional committee that he would discharge anyone who opposed his administration: "If there is anyone on that staff who is unwilling to subscribe to the principles and policies and theory of the act as I conceive it to be, I don't want him around."

Many of Denham's decisions, in cases where racial questions have been raised, have been subjected to criticism. This feeling is based on such judgments as the one in which, as a trial examiner, he ignored the testimony of several Negroes and accepted that of a white witness. In his written draft report, in words later deleted, he explained this by saying, "Close and intimate contact with the Negro has taught the white [man] to recognize when a Negro is lying."

The hostility he has aroused among associates was revealed when one said as he passed, "You've heard this before, but there, but for the grace of God, goes God."

Construction of School Facilities

EXTENSION OF REMARKS

OF

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Thursday, June 9 (legislative day of Thursday, June 2), 1949

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a state-

ment on the proposed school-housing legislation made by me before a subcommittee of which the present occupant of the chair, the distinguished junior Senator from Minnesota [Mr. HUMPHREY], is chairman.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. Chairman and members of the committee, you have before you a number of bills proposing Federal aid to States for construction of school facilities. Among them is a bill introduced by the chairman, Senator HUMPHREY; one sponsored by Senator NEELY, nine other Senators, and myself, S. 287; and S. 834, which I introduced with the cosponsorship of seven of my colleagues. Each proposes that the Federal Government recognize in a financial way the responsibility it has to the school children of the Nation—children who are, and will be, citizens of the States in which they live and also citizens of the United States.

Historically and constitutionally, education is the prime responsibility of the States. All of the bills before you recognize this fact. At the same time, however, the Federal Government has a legitimate interest in the educational opportunity afforded all its citizens. In my judgment, it has a responsibility to implement this interest as the need arises. It can legitimately do so by rendering financial assistance if at the same time proper safeguards are adopted against encroachment upon this special prerogative of the respective States.

From the classrooms of today will come our workers, our legislators, and leaders of tomorrow. Learning can take place under adverse physical surroundings. I doubt anyone will contend, however, that the clock should be turned back to that day when the ideal classroom consisted of Mark Hopkins on one end of the log and his student on the other. Today, America is going to school. From this fact we, as a Nation, derive our greatest source of strength. From this fact, also, is created the problem confronted by school districts throughout the country—a problem which many are unable to solve and will be unable to solve without Federal assistance.

As a cosponsor of S. 287, I naturally believe the principles it incorporates and the pattern of Federal aid it proposes, represent the framework within which Federal aid should be extended. This bill proposes a first year's appropriation of $150,000,000. Of this amount, $5,000,000 would be allocated to the States as an encouragement for making an inventory of their school construction needs. $145,000,000 would be allotted to the States for actual school construction.

In my judgment, it is wise to provide for an inventory of needs. Various estimates of need on a Nation-wide basis have been made. These range from $7,000,000,000 to $10,000,000,000. The States and the Nation should know as accurately as possible the size and the magnitude of the problem we confront. The survey will provide this answer.

While we are getting this answer, however, I see no reason for delay in enactment of legislation authorizing appropriations for actual construction. I am certain that every State knows now the school districts within its boundaries where the need is most critical. S. 287 provides that these most critical needs be met first out of whatever construction funds are allotted under the bill.

S. 287 places Federal responsibility for this program in the United States Office of Education. It directs that Office to work through State departments of education and prohibits Federal interference with State plans and programs.

With this general endorsement of S. 287, I wish now to direct the committee's attention to the amendment which I introduced on May 6 for Senators NEELY, MORSE, KERR, CHAVEZ, DOWNEY, TAYLOR, MCFARLAND, AIKEN, KILGORE, HILL, and myself. This amendment is designed to meet a special problem wherein the Federal responsibility is clearly demonstrable—a problem which has been created, or seriously aggravated, by activities of the Federal Government itself. I think I am safe in saying all the organizations and Senators who support S. 287 also support this amendment. By wording and intent, it is in harmony with the principles and pattern of the bill itself.

Let me review briefly evidence and circumstances which contributed to the introduction of this amendment. Toward the end of the second session of the Eightieth Congress, the House Public Works Committee requested the Federal Works Agency to conduct a Nation-wide survey to determine the extent to which Federal activity in particular school districts has created or seriously contributed to the inadequacy of school facilities. During the recess FWA, in cooperation with the United States Office of Education and State Departments of Public Instruction, conducted such a survey. Tabulation of results show that there are approximately 395 school districts in the Nation seriously overburdened by Federal activity within or near their boundaries.

It was further determined that the estimated cost of needed facilities on the part of these 395 schools totals approximately $350,000,000. As nearly as could be estimated $171,000,000 of this cost is legitimately attributable to Federal activities. FWA estimated from the facts at hand that the school districts themselves could raise approximately $212,000,000, leaving a balance of $136,000,000 which would have to be obtained from outside sources.

I might say in passing that the validity of this survey has been questioned by a number of people. I have done some personal checking on facts and am convinced that the survey does present—if not an accurate picture—at least a workable indication of the impact of Federal activities upon those school districts in the States which responded to FWA's request for information.

Based on the facts developed by the survey and on requests of many affected districts in the State of Washington, I introduced S. 834. For similar reasons Senators KERR, CHAVEZ, DOWNEY, TAYLOR, MORSE, MCFARLAND, and HILL joined me in sponsoring that bill. After the bill was introduced, individuals and organizations supporting S. 287—including our State superintendent, Pearl Wanamaker—came to me with constructive criticisms of the pattern of Federal aid incorporated in S. 834. They expressed the conviction that this emergency program should be synchronized with long-range Federal aid legislation. I and other cosponsors came to the conclusion that we could and should bring this phase of Federal responsibility into harmony with permanent legislation you now have before you. I believe we have accomplished this objective in the amendment to S. 287, about which I am now speaking.

The amendment provides that in the first fiscal year $65,000,000 of the funds which become available under the act shall be set aside for use by the Commissioner of Education in assisting school districts overburdened by Federal activity. The remainder of the funds appropriated in the first year would be available for allotment to the States under the regular formula provided in the bill. The Commissioner would use the $65,000,000 for grants to school districts where he determines that the Federal Government itself is wholly or partially responsible for the acute shortage of school facilities. The amount of the grant in each case would be proportionate to the Federal responsibility "as determined by the Commissioner in cooperation with the State agency responsible for administering or supervising public elementary, and secondary school education, the responsible officials of school districts involved, and the Federal department or establishment whose activities created or aggravated the shortage of school facilities."

S. 287—I'm speaking of the substitute introduced on May 6—requires that State allotments made for the first fiscal year in which funds become available shall be limited to critical projects. Therefore, those funds remaining after the $65,000,000 is deducted, will be allocated to the States on a formula basis, and the States would use these moneys to meet problems in those school districts where need is most critical. I have no doubt that the States themselves will find that some, if not all, of the critical projects are in school districts where activity of the Federal Government is heaviest. The combination, therefore, of my amendment and the provision of the bill itself, which I have referred to, will insure that most of the first year's funds appropriated under S. 287 will be utilized to construct facilities in those school districts where Federal responsibility is most clearly demonstrable.

Since the Federal Government is extending, under the bill and amendment, financial aid to the States for school construction, I think it reasonable to require that maximum attention be given to school districts where the Federal Government itself has the greatest responsibility. As the initial emergencies are met, the program envisioned by S. 287 would begin to operate on a straight-formula basis.

I think I can demonstrate in another way the justification for placing in the Commissioner's hands $65,000,000 for use in the first year without regard to the formula. The FWA survey in the State of Washington was well done. The Agency had the full cooperation of the State Department of Public Instruction and the school districts involved. There are 34 schools in the State seriously affected by activities of the Federal Government. Collectively these districts need additional facilities at an estimated cost of $48,562,000. Taking into account State matching funds, special levies and additional bonding capacity, these districts could raise $38,254,000. This leaves a balance of over $10,000,000 required from the Federal Government. This sum does not cover the full Federal responsibility as estimated by FWA, but it does represent the difference to the school districts involved, between going ahead with needed construction or continuing present wholly inadequate arrangements.

If the formula contained in S. 287 were applied to the total funds authorized in the bill, our allotment would be roughly $2,500,000. My amendment will enable the Commissioner of Education to dip into the $65,000,000 exempted from the formula, to the extent he determines necessary to make up the difference—or to meet the Federal responsibility in these districts.

Before I close I would like to present to the committee a few examples which demonstrate the problem activities of the Federal Government have created in certain school districts. I think I can best do this by quoting from a few of the letters I have received from school districts in Washington State. I quote first from a letter written by Mr. E. S. Black, superintendent of Kennewick public schools. Kennewick is a city in Washington, located about 10 miles from the Atomic

Energy Commission's town of Richland. Mr. Black states:

"While Kennewick was enjoying a normal growth of approximately 5 percent a year, the influx of atomic workers has brought into the community a surplus student load of 546 students whose parents are primarily doing service or concessionaire work for the Atomic Energy Commission's employees, plus 1,637 students whose parents are on the Hanford pay roll. Our enrollment in 1943 was 772. The normal growth from 1943 to 1949 would have added 240 students, for a total of 1,012. Enrollment in 1949 is 3,195. The difference—2,183—represents the increase we have experienced as a direct result of Federal activity in and adjacent to our district."

I have next an excerpt from a letter written by Ralph J. Werthmann, principal, Whitstran School District, No. 36, Benton County, Wash. This is what he says:

"We have a serious educational problem here. In fact the situation has become so extreme it is just a question of time as to how long we can continue school.

"In 1909 our present school was built, a two-room school that has been adequate, with the emergency measures we could manage, until the present time. Up until 1942 the school was sufficient. The population continued growing, an annex was added. Population continued normally until 1944. That year the Hanford expansion began showing in our school. All that year population increased abnormally. In 1945 Hanford practically doubled and our attendance jumped from 40 pupils in 1942 to 90 in 1945. We were crowded at that time, but supposed, as did everyone else, that the extreme increase had ceased with the termination of hostilities.

"In 1946, however, production started again at Hanford, with the result that when school started in 1947 we opened doors to 92 students in spite of the fact that the seventh and eighth grades were sent to Prosser. Fortunately, that summer we had erected two quonset huts. Immediately they were bisected, an extra teacher was hired. Even that wasn't sufficient, another teacher had to be hired. The situation was once again under control.

"This past summer we couldn't do anything, we had no funds. September came and we opened our doors to 150 pupils, and there seems to be no relief from increase in the years to come."

This is a small school district. Its resources are limited. Without Federal aid commensurate with the additional load thrown upon it, the school board and citizens cannot hope to provide even semiadequate facilities for the children they serve.

In considering the question of Federal aid to school districts, the question is inevitably and appropriately asked: "What effort are the local people themselves making to meet the problem?" I assure the members of this committee, the schools I am talking about are doing everything within legal limits to raise funds for needed construction. Typical of this effort is the statement by Mr. D. W. Buchanan, superintendent of Bainbridge Island Public Schools at Winslow, Wash. He says:

"Just as a reminder of the effort being put forth by the local district, we are bonded to the legal limit, had a special building fund levy of 20 mills in 1948, 28 mills in 1949, and have already voted a 28-mill levy for 1950. This means that we have had a total tax levy in 1948 for school purposes of 33 mills, and 41 mills for 1949, and millage already voted which will make a total levy of 41 mills for 1950."

Let me give you just one more example to illustrate the deep concern of a community itself over this problem of school facilities and its willingness to put forth extraordinary effort to finance a minimum program. I refer now to a letter from Mr. Carl G. Johnson, superintendent of consolidated schools at Battle Ground, Wash. He says:

"Ours is perhaps a typical rather than an extreme case of war and defense disrupted school districts. Though our total valuation is only slightly over $2,000,000, we have had to absorb a war-incurred enrollment increase of from 990 to over 1,700. Federal assistance for maintenance and operation, which you have consistently supported, has made it possible for us to keep the schools in operation, but the question of providing added facilities for this increased enrollment has proved a serious one, a burden that has fallen heavily upon the small farms and businesses that comprise this district. Twice within the last 4 years the voters have bonded themselves to the legal limit in addition to recently voting a 30-mill special levy in an effort to provide additional classrooms and educational facilities for the children that have been brought into the district because of the war-born influx of defense workers. It is reasonable to conclude that the residents of the district have shown a willingness to do their share; but it is also reasonable to assume that we have about reached the limit of local financing.

"Meantime, our most serious concern is to house nearly 1,000 junior and senior high-school students who are being jammed into a building intended for only 500."

I have in my files information on each of the 34 schools in the State of Washington where Federal activity is heavy. I think examples I have given you, however, illustrate the problem. The Federal Government would be derelict in its responsibility if it fails to shoulder its fair share of this problem load.

Generally speaking, Federal responsibility arises from two separate types of Federal activity in or near a school district: In the first instance, additional population brought into the area with a resultant drastic increase in enrollment. In the second, the Federal Government either holds or has recently acquired title to a substantial part of the taxable wealth of the district. I have in mind a case where the total property valuation in a Washington school district is approximately $7,000,000. During the war the Federal Government acquired and now holds on a tax-free basis property amounting to almost $5,000,000. Through this activity the Government itself has removed from the rolls over two-thirds of this school district's tax base. It is true that some new wealth may have been created as a result of the Government's presence in the district. In the main, however, the ability of the district to finance the additional school facilities needed has been seriously impaired.

Later, your committee will hear from school men themselves on this problem. In my judgment, you will not be able to hear their testimony without coming to the conclusion that financial aid from the Federal Government is imperative, and that, as a matter of simple justice to the school children affected, it should be immediately forthcoming.

S. 287 and my amendment will establish a sound, uniform Federal policy concerning extension of financial aid to States and districts for school construction. At the present time, there is no uniformity, no well-established policy on this important subject.

Some Federal agencies like the Atomic Energy Commission, the Navy, the Corps of Engineers, and the Bureau of Reclamation have authority to enter into cooperative agreements with school districts to provide both operating and construction aid. Among these agencies, however, there is a wide diversity of practice and legislative authority. Other agencies of the Federal Government have no statutory basis for extending aid. I will not go into this phase of the subject in detail—rather I refer the committee to a study made by Carl A. Quattlebaum, educational analyst for the Library of Congress. In his analysis entitled "Education of Children Living on Federal Reservations and in Localities Particularly Affected by Federal Activities," he outlines the confusion, nonuniformity, and, in certain instances, the downright disregard of Federal responsibility which now obtains.

In summary may I reiterate, S. 287 and the amendment I have discussed represent sound legislation in this field. Together they provide assistance to the States in making a Nation-wide inventory of construction needs. They insure that Federal responsibility to school districts seriously affected will be met and they establish a pattern of aid to the States which is in conformity with accepted constitutional and educational philosophy concerning the relationship of the Federal Government to the States in the field of education. I hope for early and favorable action by your committee.

Death of Theopholis Bond

EXTENSION OF REMARKS

OF

HON. J. WILLIAM FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Thursday, June 9 (legislative day of Thursday, June 2), 1949

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a recent editorial from the Memphis Press-Scimitar which eulogizes Theopholis Bond, of Madison, Ark.

Mr. Bond was a distinguished Negro citizen of St. Francis County, Ark. He had a very successful career both as a farmer and as a businessman. I should like particularly to call attention to the statement by Chancellor A. R. Hutchins who said, "He was one of the finest citizens I have ever known—a credit to his race, to his State, and to his country."

In addition, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Memphis Negro Chamber of Commerce at the time of Mr. Bond's death.

There being no objection, the editorial and resolution were ordered to be printed in the RECORD, as follows:

[From the Memphis (Tenn.) Press-Scimitar of April 29, 1949]

FIVE THOUSAND AT HIS FUNERAL

The life of Theopholis Bond was proof that by industry and integrity a Negro can attain both wealth and respect in the South.

Some 5,000 persons, white as well as Negro, attended his funeral Sunday.

Who was this man whose life drew tribute from both white and Negro citizens?

He was a farmer who had helped till 3,000 acres of Arkansas soil to help feed the Nation in war and peace throughout the many years of his life.

Of this man whose father was born in slavery, Chancellor A. R. Hutchins of St. Francis County, Ark., said:

"He was one of the finest citizens I have ever known—a credit to his race, to his State, and to his country."

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RESOLUTION READ BY REV. DE WITT T. ALCORN, EXECUTIVE SECRETARY OF THE MEMPHIS NEGRO CHAMBER OF COMMERCE ON SUNDAY, APRIL 24, 1949, AT MADISON, ARK.

The 150,000 colored people of the city of Memphis, through their Memphis Negro Chamber of Commerce express their deepest sorrow and sympathy in the passing of one of our best neighbors and friends, Theopholis Bond, at Madison, Ark., where he was born, reared, and died.

The Bond family first through the father, Mr. Scott Bond, who though born a slave, worked with courage, vision, and honesty to conquer the malaria-laden wilderness of St. Francis River Valley to make the foundations for fortune and service, and then through the sons, especially, Theopholis and Ulysses, who with diligence and sturdiness worked amidst the swelling tides of prosperity and the receding waves of flood and depression to establish and maintain a record of commercial and business success that vouchsafed worth in markets at home, at the seaports of America, in the markets of Liverpool and Manchester; and

Whereas Theopholis Bond, the senior partner of the two brothers, so long associated in the propagation of the farming and business interests, along with Ulysses Bond, the junior partner, and only living son of this remarkable American family, so epitomized and personalized the traditions of hardihood, of pioneering, of business integrity and sagacity, of courage and high endeavor, has passed to his eternal reward; and

Whereas his love for his native section caused him to spend all of his life here among the surrounding made sacred by struggle and achievement, when he might ease and comfort in other sections; and

Whereas his life was characterized by soberness and humility; and

Whereas the remarkable achievement of this man and this family is a testimonial not alone to the individual qualities of industry, initiative, intelligence, and faith, but also a testimonial to the validity and abiding genius and opportunities of the American system of free enterprise and democratic principles; and while we humbly surrender to the wisdom and will of our Heavenly Father, we are nevertheless deeply grieved with the passing of our friend, Theopholis Bond.

Therefore the Memphis Negro Chamber of Commerce expresses its profoundest sympathy to the family, Mr. and Mrs. Ulysses Bond, and other relatives and friends.

Respectfully,

LOUIS A. JOHNSON,
President.

DEWITT T. ALCORN,
Executive Secretary.

Board of Directors: A. M. Walker, chairman of the board of directors; Ben G. Olive, Jr.; Dr. J. E. Walker; A. W. Willis; Colorado B. Johnson, treasurer.

Mr. Giannini's Formula

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Thursday, June 9 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Mr. Giannini's Formula," published in the Philadelphia Inquirer of June 7, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. GIANNINI'S FORMULA

In the philosophy of A. P. Giannini, founder and president of the world's largest bank, individual effort, as opposed to dependence on government, was the cornerstone of personal success.

Mr. Giannini's life, which ended yesterday at San Mateo, Calif., spanned the period which witnessed the emergence of the conception of the welfare state and the willingness of increasing numbers of men and women to transfer from themselves to their Government responsibility for their security against want.

As many another man who started life in modest circumstances and rose to the heights, Mr. Giannini based his fabulous career on the sound, traditionally American conviction that real success could be achieved only by his own exertions. His advice to ambitious young men was that they pick a business they love, save $1,000 and invest it in that business, own their own homes, and know what they want to be doing a year from today.

The value of this formula cannot be overemphasized. No system of government ever was devised which made self-reliance an obsolete virtue.

Government Reorganization

REMARKS
OF
HON. HAROLD O. LOVRE
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. LOVRE. Mr. Speaker, I listened with extreme interest yesterday to the remarks of a few of our colleagues on the Reorganization Act of 1949, as proposed by the Hoover Commission. I attempted to gain recognition at that time because I just returned from my home State of South Dakota and know from personal contact what our people are thinking and demanding in connection with the reorganization of the executive branch of our Government, which has developed into a sprawling, wasteful, and inefficient bureaucracy, which no one understands and which is gradually sapping our economic strength to the point where the rank and file are losing confidence.

The Eightieth Congress recognized what these bureaucrats or termites were doing to our economy and made possible the Hoover Commission to correct this evil and unleash us from the stranglehold which is gradually but surely bringing America to her knees.

The Hoover Commission has provided the answer which if it is adopted by the Congress and perused honestly and diligently by the President and the Congress in the spirit in which it was written will save us from this cancerous self-destruction which surely will be our lot if we permit this galloping, sprawling bureaucracy to continue unchecked.

Every day that action is delayed on this proposal means one more day of wasteful and inefficient Government bureaucracy at the expense of the American taxpayer.

My people demand action now, not tomorrow. They demand action in 1949. They demand, and I concur, that this Congress stay in session continuously until the Reorganization Act of 1949 is passed and for a period of 60 days thereafter, thereby enabling the President to submit such proposals as he may desire, and I hope in line with the Hoover recommendations, and the Congress be permitted to act.

If we do not do this there will be no opportunity for savings and correction this year. If the Government is revamped along the lines recommended by the Hoover Commission it is estimated that between three and five billion dollars will be saved. Because of the decline in Treasury receipts and the general trend of business, I believe that it is imperative that we do everything we can to bring about savings at this time. If we do not, we will find ourselves in the middle of a swirling whirlpool of deficit spending which will only mean disaster. The best insurance against a depression is a means to save the taxpayers money. The Hoover Commission recommendations for reorganization point the way. I believe Congress should do what it can to help bring this about.

If we do not lend our support to this attempt to bring order out of confusion and thrift out of extravagance, this Eighty-first Congress will have failed in its obligation to the people and will rightfully deserve the name of a "do-nothing Congress."

Rehabilitation of Shipbuilding on the Pacific Coast

REMARKS
OF
HON. RICHARD J. WELCH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. WELCH of California. Mr. Speaker, the San Francisco Examiner, in an editorial of recent date, reiterates its insistent demand that justice be done the Pacific coast, in the interest of national defense, through the rehabilitation of shipbuilding in the Coastal States of California, Oregon, and Washington, and expresses the unanimous appeal of the press and people of the west coast that their fine shipyards, which cost the taxpayers of this country hundreds of millions of dollars, be not permitted to go to wrack and ruin as was the case after the First World War.

All eastern shipyards are loaded to their gunwales with work, whereas there is not one new ship under construction in any Pacific coast yard from San Diego to Seattle.

There are four main links in our chain of national defense—the Air Force, the Army, the Navy, and the merchant marine. All are interdependent upon each

other. In the absence of a reasonable number of operating shipyards on the Pacific coast our chain of national defense is weakened and inadequate.

The editorial follows:

A COLOSSAL BLUNDER

Representative RICHARD J. WELCH, of California, remarked in a recent report to his colleagues in Congress on west coast shipbuilding facilities that it would be a colossal blunder if these vital installations should fall into decay.

He reminded them that the prospect of this dire event was not remote but very imminent.

"Today and for some time past," said Mr. WELCH, "there has not been one new ship under construction on the entire Pacific coast from San Diego to Seattle, with the result that our splendid shipyards are again going to wrack and ruin."

Mr. WELCH used the word "again" advisedly, for the neglect and decline of American ship construction is not a new experience.

"From the close of the First World War until 1938," he recalled, "shipbuilding had absolutely ceased on the Pacific coast."

It was not until 2 years after the passage of the Merchant Marine Act of 1936 that amendments providing for negotiated contracts permitted resumption of west coast shipbuilding.

It was, indeed, fortunate that this action was taken even thus belatedly, for it was only for this reason that the United States had any merchant ships at all when the Second World War came.

And, although the available American merchant shipping at that time was woefully inadequate, at least it was a nucleus for the great maritime establishment ultimately developed under the impetus of war, and the revival of the maritime-construction industries was more readily achieved.

Nevertheless, as Representative WELCH emphasizes, the neglect and decline of the American merchant marine and the associated shipbuilding industries, particularly on the Pacific coast, was a costly experience between the two great wars, for this reason:

"It cost hundreds of millions of dollars to rehabilitate shipyards on the west coast to meet the requirements of the last war."

Unquestionably, the country got its money's worth out of the huge sums spent on west coast shipbuilding rehabilitation, for more than 43 percent of all ship construction during the war was on the Pacific coast.

And since the war was won in major part because of the maritime superiority ultimately achieved by the United States, the west coast shipyards obviously contributed to our vitcory in a most substantial and indispensable manner.

Obviously, this same result could have been achieved more easily and at less cost if the huge expense of rehabilitation had not been necessary, and if the shipyards had been permanently and adequately maintained.

It would surely seem that the tremendous cost of our past neglect of Pacific coast shipbuilding would be a guide to future national policy in that respect, for as Mr. WELCH comments:

"To again permit these shipyards to go into decay would be a colossal blunder for which, in an emergency, we would again pay dearly."

But it is painfully evident that we have not learned much from past costly experience.

So great has the neglect and decline of all American shipbuilding enterprise already been that even now the necessity for rehabilitation is acute and the cost of it would be tremendous.

If our national policy of neglect and decline in relation to the American merchant marine and ship construction is permitted to prevail until a future war becomes imminent or a reality, the process of rehabilitation will once more have to be undertaken without consideration of cost.

Representative WELCH earnestly and urgently warned Congress that "the security of this Nation makes it imperative that a reasonable number of shipyards be kept in operation in California, Oregon, and Washington," and our very recent and very costly national experience offers irrefutable proof of his contention.

Stream Pollution

REMARKS
OF
HON. JOHN W. BYRNES
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. BYRNES of Wisconsin. Mr. Speaker, my distinguished colleague the gentleman from North Carolina [Mr. CHATHAM] and I have joined today in the introduction of a bill which we believe will greatly assist in the continuing fight against the pollution of our streams and rivers. The bill strikes at one of the major problems in the prevention of pollution—the elimination of industrial wastes.

The Congress recognized the seriousness of the over-all pollution problem and took a major step forward when it enacted the Water Pollution Control Act of 1948. Valuable as this law is, it fails, however, to meet squarely the major difficulty in the elimination of industrial wastes.

That act recognizes the importance of the industrial-waste problem by providing $1,000,000 a year for research and studies related to the prevention and control of industrial waste pollution, but it contains no provision getting to the heart of the industrial-waste problem—the economic difficulty encountered in the construction of pollution treatment facilities. We feel this bill will correct that defect.

Simply stated, the bill provides that industries installing pollution treatment works which comply with State pollution laws and which are found by the Surgeon General to be in aid of the Federal pollution program shall be permitted to amortize the cost of such facilities over a period of 5 years.

The basic reason for such accelerated amortization is the costliness and nonproductive nature of most pollution treatment works. The bill recognizes that most industries, anxious as they are to abate their own pollution, cannot afford, under present depreciation laws, the construction of expensive facilities and still maintain their competitive position. The bill permits these industries to write off the cost of those works at a faster rate than normal depreciation allowances will permit. Such special treatment is more than justified in view of Congress' declaration of war against the ravages of unbridled pollution.

We believe such a provision is manifestly in the public interest. We believe private industry will recognize in it the desire of the Federal Government to cooperate in the solution of this problem. We believe it will encourage them to take these costly steps toward the elimination of industrial waste.

This vast and complex problem can only be solved by wholehearted and intelligent cooperation between local governments, State governments, the Federal Government, private industry, and civic and conservation groups. This bill is a step toward that cooperation because it provides an incentive for private initiative. We believe it will receive unanimous support, not only from those interested in public health and in the conservation and preservation of wildlife and natural resources, but from industry itself.

Barnum Festival

REMARKS
OF
HON. ANTONI N. SADLAK
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. SADLAK. Mr. Speaker, a pageantry, festivity, and fun will reign high in Bridgeport, Conn., this week end, when that fair city re-creates anew the life and times of Phineas Taylor Barnum and the history of the circus he created. The Barnum festival will bring to mind the days when the city was "home" to the "Greatest Show on Earth." For it was in Bridgeport almost a century ago, that P. T. Barnum started his great institution, which until its removal to Sarasota, Fla., in 1927 brought cheer and laughter to millions and prosperity and fame to the city itself.

In commemorating Mr. Barnum, who was also the city's "first citizen" and its mayor, the people of Bridgeport are teeming with enthusiasm and spirit reminiscent of the great show itself. Here are some of the high lights of the week-long festival.

Friday afternoon, June 10, everyone will get in line for a real old New England clambake at Seaside Park, where a heroic-sized statue of Barnum gazes seaward. While the feast goes on, a torch bearer, after the style of the Olympians, will arrive and set a torch at the foot of the monument. Some of the finest barbershop quartets will harmonize at intervals during the bake. That evening, a Big-Top ball will be held in the armory high-lighted by the coronation of the Barnum king and queen. Block dances will be featured in other places of the city.

Saturday is fun day. The afternoon will witness a 14-division parade with 80 floats sandwiched in between bands and marchers. Evening entertainment will include a music festival at Fairfield University field.

Sunday afternoon will be family day. Sailing demonstrations and a

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Coast Guard air-sea rescue drill will keep some spectators entertained, while the Pageant of Nations and the Barnum Diary will be enacted at Beardsley Park. Later, the Ringling Brothers Barnum and Bailey band will blast out a preview of the mammoth circus which opens June 13 for a 2-day stand.

The big show will run two performances each day, Monday and Tuesday. The second show on Tuesday will end at 11 p. m. simultaneously with the closing of the progress exposition, which will be the grand finale to one of the greatest and grandest good-time efforts the city ever attempted.

The progress exposition, incidentally, will be open nightly at Pleasure Beach from 6 until 11 p. m. starting Thursday, June 9, and from 2 p. m. Saturday and Sunday. It will be in two divisions—the Industrial show, exhibiting Bridgeport manufacturers' wares and methods, and the Home show, embracing a model four-room home show, and innovations in home building and decoration.

All in all, it will be a festival of color and gaiety, fun and frolic, one which the city of Bridgeport would like to share with the rest of the country. A cordial invitation is extended to everyone to take part in the fun, to join the gala celebration, exposition, and jamboree honoring the memory of America's greatest showman and Connecticut's outstanding benefactor, Phineas Taylor Barnum.

Potato Program

REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. HILL. Mr. Speaker, I want to call the attention of the House to tables and certain information I am going to put in the RECORD. From this information and tables you will observe who is mostly to blame for the great surplus production of potatoes in the United States the past few years.

In 1948, 10 percent less acreage was planted to potatoes than the Department of Agriculture had set up as potato-acreage goals. In 1947 it was 15 percent less acreage. The potato growers seemed to know considerably more about potato production than the experts setting up goal acreages. It is time the Congress placed the responsibility where it belongs—not on the potato producers, but on those directing the program who are charged under the law with setting acreage goals.

The matter above referred to follows:

THE NATIONAL POTATO COUNCIL,
Washington, D. C., May 27, 1949.

Hon. STEPHEN PACE,
Chairman, Special Subcommittee, House Committee on Agriculture, Washington, D. C.

DEAR MR. PACE: The National Potato Council wishes to supplement its testimony of May 4, 1949, with this additional statement in order to meet the requests of the subcommittee chairman and the chairman of the full committee for more specific recommendations in regard to white potatoes in a long-range farm program.

The recommendations herein contained were agreed upon at two special meetings in Washington of representatives of potato farmers from virtually every major producing area in the Nation.

In studying the potato situation, these grower representatives were impressed by the tremendous voluntary reduction in potato acreage that has taken place since 1943.

TABLE 1.—*Potatoes: Planted acreage and decreases since 1943*

	Acreage planted	Decrease in acreage from 1943	Percent of decrease
	Thous. of acres	*Thous. of acres*	
1943	3,354.7		
1944	2,884.7	470.0	14
1945	2,765.7	589.0	17.5
1946	2,644.6	710.1	21
1947	2,135.5	1,219.2	36
1948	2,127.3	1,227.4	36.5

As you will note from table 1, potato farmers themselves have voluntarily reduced their acreage in each of the years from 1943 through 1948. This voluntary decrease in the last 5 years amounts to 36.5 percent, or approximately 1,227,000 acres.

It should be noted that this sharp voluntary decrease in acreage came in spite of the fact that during this period potatoes were supported at 90 percent of parity.

Increased per acre yields have offset, to a considerable degree, the more than one-third reduction in acreage, but, as a group, potato farmers have complied virtually 100 percent with the Department's acreage-goal program.

TABLE 2.—*Potatoes: Goal acres and planted acres, 1943–48*

Year	Goal 1,000 acres	Planted 1,000 acres	Over or under planted	Percent over or under planted
1943	3,260.1	3,354.7	+94.6	+3
1944	3,480.5	2,884.7	−595.8	−17
1945	3,137.4	2,765.7	−371.7	−12
1946	2,771.4	2,644.6	−126.8	−4.5
1947	2,517.0	2,135.5	−381.5	−15
1948	2,352.4	2,127.3	−225.1	−10

As you will note from table No. 2, the potato planted acreage in each of the last 5 years, 1944 through 1948, has not even equaled the national acreage recommended by the Department of Agriculture.

This means that potato growers, as a whole, have taken a double cut in their potato acreage in each of the 5 years, 1944–48. They have taken one reduction through compliance with the Department's acreage goal program, and a second voluntary reduction by underplanting, as a group, the total acreage that was actually allotted them.

For example, in 1947 the potato acreage goal was 2,517,000 acres, a reduction of 9 percent under the 1946 goal. Potato growers not only complied with the Department's reduction of 9 percent, but, of their own accord, underplanted their allotted acreage a further 15 percent. A similar example could be made for 1945, 1946, and 1948.

As has been pointed out, these decreases in acreage took place in spite of the 90 percent of parity price-support program which was designed specifically to encourage food production during the emergency years.

However, increased per acre yields, plus the falling off in consumption, brought about a situation where farmers were producing a surplus of potatoes on far fewer acres.

Growers themselves were prompt to recognize this situation and, in May 1948, recommended that changes be made in the potato price-support program.

Following these recommendations from the National Potato Council, the Secretary of Agriculture reduced the rate of the support price for potatoes from 90 to 60 percent of parity, and potato producers have accepted and are supporting this very sharp reduction in the support price.

The 60-percent price-support program became effective on the 1949 crop, which is now in various stages of production, depending upon seasonal activities in the early, intermediate, and late potato-growing areas.

The 60-percent price-support program is now on trial, and there is every indication that it will serve more as an insurance against price disaster than as an inducement for overproduction of potatoes.

So far as 1949 potato acreage is concerned, the 60-percent price-support program will apply to the lowest potato acreage in 70 years.

The Crop Reporting Board of the Department of Agriculture has estimated the 1949 acreage at 1,980,000 acres, a decrease of 7 percent from the 1948 planted acreage.

Consequently, the National Potato Council believes that reduction of the price support from 90 to 60 percent of parity has automatically removed the important factor which has contributed most to a surplus of potatoes—an unusually favorable price support.

A support level at only 60 percent of parity, in most States, lowers the price of potatoes under support approximately one-third. Noncomplying growers should have little interest in taking the risk of growing a costly crop like potatoes with such a low support.

The council would like to point out that in only three of the years since 1930 have potatoes been below 60 percent of parity (see table 3), and these 3 years, with other low-priced years, were disastrous to potato farmers.

TABLE 3

	USBAE average farm price received by farmers per bushel	United States parity price per bushel	USBAE average farm price received by farmers per hundredweight	United States parity price per hundredweight	Percent price received by farmers is of parity United States figures
1930	$0.91	$0.94	$1.51	$1.57	97
1931	.46	.81	.76	1.35	57
1932	.38	.72	.63	1.20	53
1933	.82	.83	1.37	1.38	99
1934	.45	.88	.75	1.47	51
1935	.59	.85	.98	1.41	69
1936	1.14	.91	1.90	1.51	125
1937	.53	.88	.88	1.47	60
1938	.56	.84	.92	1.40	67
1939	.70	.85	1.17	1.41	82
1940	.54	.87	.90	1.45	62
1941	.81	1.02	1.35	1.70	79
1942	1.17	1.13	1.95	1.88	104
1943	1.31	1.21	2.18	2.01	108
1944	1.50	1.24	2.50	2.07	120
1945	1.43	1.31	2.38	2.18	109
1946	1.24	1.36	2.07	2.27	91
1947	1.62	1.67	2.70	2.78	97
1948	1.54	1.83	2.57	3.05	84

Percentage of parity received: 1930–34 average, 71.4; 1935–39 average, 80.5; 1940–44 average, 94.6; average, 19 years, 1930–48, 84.9; highest 5-year average, 1942–46, 106.4.

For these reasons, the National Potato Council feels that support at 60 percent of

parity, which is now on trial with the 1949 crop, will take care of most of our surplus production problems, if given time to prove itself.

If a fair trial of the 60 percent price-support program should fail to reduce sharply the cost of the program to the Government, potato growers will unite in urging a stronger restrictive program to the Congress, just as they led the way in asking a lowered-support program.

In the meantime, the National Potato Council recommends that Congress enact legislation instructing the Secretary of Agriculture to apportion potato production goals to the several States on the following basis:

The national production goal for potatoes shall be apportioned each year by the Secretary of Agriculture among the several States in proportion to the 1949 production goal of potatoes which was established for each State, provided:

1. That 1 percent of the national production goal in 1950 and one-half of 1 percent of the national production goal in subsequent crop years shall be set aside each year and shall be issued annually by the Secretary to new growers, new areas, or for the purpose of correcting any inequities in the distribution of acreage among States.

2. That, beginning with the crop year of 1950, the definition of a commercial potato farm shall be changed from 3 acres or more to 1 acre or more of potatoes, and the base acreage for the purpose of establishing goals for growers planting one to 2.9 acres of potatoes shall be the planted acreage in 1949.

3. That, unless there is an increase in the national production goal from the preceding year, the commercial acreage goal for each State shall be limited to not more than the average planted commercial acreage during the most recent 2-year period, adjusted for nonplantings due to disaster, provided the State planted less than 90 percent of its commercial acreage goal during the preceding year.

This proposed legislation would write into the law a base period for the determination of commercial potato production goals for each of the potato producing States. It would set aside a small specified percentage of acreage to be allocated by the Secretary. It would define a commercial potato farm, and provide limitations in States where the allotted acreage is not planted.

Legislation of this type would limit the scope of administrative discretion by the Department in the future apportionment of goals. Other factors in determining State production goals, such as determining national requirements, determination of yields, and the handling of noncommercial acreage, must necessarily be subject to administrative control in order to reflect current conditions. The National P.tato Council respectfully urges that the above recommended changes in the law be made by the Congress.

Respectfully yours,

JOHN C. BROOME,
Secretary, Southeastern Potato Committee, Elizabeth City, N. C.; Chairman, Special Legislative Committee, National Potato Council.

W. M. CASE,
Executive Secretary, Red River Valley Potato Growers Association, Grand Forks, N. Dak.

CLIFFORD G. MCINTIRE,
Assistant General Manager, Maine Potato Growers, Inc., Presque Isle, Maine.

JOHN J. PETERS,
Potato Grower, Shafter, Calif.

FAVOR H. SMITH,
Executive Secretary, Long Island Agricultural Council, Riverhead, Long Island, N. Y.

Newspapers on CVA

EXTENSION OF REMARKS
OF
HON. HUGH B. MITCHELL
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. MITCHELL. Mr. Speaker, a pertinent explanation as to why some of our local newspapers are opposed to CVA is contained in an editorial in the May 12 issue of Western News, Hamilton, Mont., published by Mr. Miles Romney. The institutional advertising campaigns against CVA, MVA, and public power, conducted by private utilities and charged to consumers of electricity, provide considerable revenues to newspapers and a corresponding influence on their views, according to Mr. Romney.

A resident of my district who criticizes the Seattle Times editorial policy on CVA has some very good advice for the Times in a letter which, though written in a humorous vein, points up the serious shortcomings of newspaper editorials which deal in slogans rather than in careful analysis of important public issues.

I include with these remarks a portion of the editorial in the Western News and a letter to the Seattle Times by Mr. Stanley J. Erickson.

[From the Western News, Hamilton, Mont., May 12, 1949]

SKELETONS COME OUT OF THE CLOSETS

The outright purchase of publications, as was the case in Illinois, is no more injurious to the public than the circuitous method, indulged in by some special privileged interests, such as the private electric-power monopoly. For a number of years in Montana, for example, the Montana Power Co. has been running a series of institutional advertisements in most Montana newspapers. These advertisements are not designed to sell electrical energy or gadgets, etc.; in fact, the Montana Power Co. has in some instances—as in the case of heating homes with electricity—discouraged the use of electrical energy. These advertisements have often garbled the sacred truth. They have persistently misled newspaper readers concerning the truth about the TVA and similar public-power programs. I figure that the annual campaign in a normal Montana weekly newspaper aggregates some 1,040 inches of display advertising per year at a cost of in excess of $500 per paper—all for propaganda purposes, not for selling the public a gadget or a nonexistent kilowatt. Taking the one-hundred-odd newspapers in Montana, some of which no doubt charged more than the 49-cents-per-inch figure used in computing above, and applying that low figure, we arrive at a cost of some $50,000 per year that the Montana Power is expending for the purposes noted above. I know personally that among the newspapermen of Montana there are many of talent and I am convinced there would be few, if any, of them who would ever accept an outright bribe, but I am not unmindful that the pocketbook nerve is the most sensitive nerve in the human anatomy, and I have observed that few Montana newspapers are advocating CVA or MVA or the proponents of the public-power program which can, and will, in the days to come mean as much to the Northwest and to the Missouri Valley States, as has the TVA meant to the seven States of the Tennessee region. I have also noted that publications which are against CVA, MVA, or public power, or are at least quiescent on the subject, receive Montana Power Co. advertising, whilst those few among us who favor public power and development of the regions through MVA and CVA, receive no Montana Power Co. advertising. This, of course, is pure coincidence, and has no bearing on the matter at hand. For 2 years the Western News received Montana Power Co. advertising. Then, when the policy of the Western News continued to be favorable to public power, the advertising of the Montana Power Co. was withdrawn from this publication. This, of course, is plainly coincidental, with the discovery that it is good business to run such institutional advertising in 98 percent of Montana's newspapers who are good and bad business to run such advertising in papers which—well, I'll leave that up to the gentle reader.

Have you noticed there is no pro-CVA advertising? You ratepayers are not being forced to pay for it, either.

In Illinois the taxpayers paid for the discoloration of news in the corrupted press. In Montana the rate payers of the Montana Power Co. are paying for the "institutional" advertising campaigns of that utility monopoly because advertising costs are taken from the gross receipts as a business expense by utility corporations, before their net allowed by the Montana Public Service Commission is figured upon a valuation basis which for rate-making purposes is approximately twice that which it is for taxpaying purposes. I guess the other Montana taxpayers are paying as well as the rate payers. I also hazard the viewpoint that perhaps we of the Treasure State need not travel to Illinois to view with dismay the peculiar peccadilloes of the press.

GIVE US CAREFUL ANALYSIS

BREMERTON, WASH., *April 3, 1949.*
EDITOR, THE SEATTLE TIMES,
Seattle, Wash.:

Permit me to contribute some observations and a suggestion relative to your editorial treatment of the CVA issue and your exchange of views on the subject with Congressman HUGH MITCHELL. When Congressman MITCHELL complained that certain declarations antagonistic to the President's CVA program were "outside the bounds of propriety," he was referring, in part, to those all-inclusive, either-or, nothing-proved, and logic-skipping platitudes and generalizations that are beclouding the CVA issue.

In his article the Congressman specifically pointed to an editorial appearing in your Sunday edition a fortnight or so ago, which consisted merely of citing a dozen leaders and organizations who have either released statements that they are against a CVA or who have invoked the twin maledictions of socialism or dictatorship upon the idea.

Now I submit, and I am sure that I am not alone among your readers in this belief, that mere denunciations from the mouths of councils and governors, or from the pens of great editors that a CVA means Federal dictatorship do not produce the effect evidently intended; when you likewise editorialize thusly, your readers, instead of rushing home to board up the bastion against the onslaughts of the collectivists, only stifle tired yawns. And when you seek to influence us by warning that no less authorities than the Seattle Chamber of Commerce, the seasonal get-together of the region's State Governors, and the Pacific Northwest Association of Dill Pickle Processors have all overwhelmingly balloted against the idea, and you thus attempt to impress us on this basis alone that the Authority would be an evil thing, I am sorry to inform you that some of your readers put down your paper, escape to the radio and seek more profound truths in such items as the one hundred and eighth episode of the story of

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Madeline Muddlesex—one woman's love for two men.

My suggestion to you is this: instead of only quoting dubious welders of public opinion on the subject, give us some serious and objective analysis of the issue—not merely generalizations and conclusions. Now that the CVA bill is about to be introduced into Congress, a splendid opportunity will confront you to do something unique and outstanding in these days of lazy boiler-plate journalism—a thorough job of objective reporting and inductive analysis on the subject. I do not think this is asking too much of you. I am sure that hidden in your editorial room is any amount of latent talent just waiting for the chance to do such a job of research; I have heard that such clear-eyed pundits from your paper are often seen in public, at the Press Club crying into their milkshakes and chewing their nails in frustration after a strenuous day battling the words socialism and dictatorship back and forth over your editorial page.

Please give one of these young men his chance; you may be amazed at the scholarship that may turn up and this is the stuff that Pulitzer prizes are made of. And after reading and printing his findings you are still convinced (who knows, maybe we will become convinced too) that the CVA is a supergovernmental socialistic monster, why bless you sir, and the more power then, to your mighty pen, press, and editorial.

STANLEY J. ERICKSON.

Pacific Northwest Trade Association Stand on CVA

EXTENSION OF REMARKS
OF
HON. HUGH B. MITCHELL
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. MITCHELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a portion of a letter containing my reply to the Pacific Northwest Trade Association concerning its negative attitude toward the proposed CVA.

MAY 24, 1949.

Mr. D. C. KNAPP,
Executive Secretary, Pacific Northwest Trade Association, Seattle, Wash.

DEAR MR. KNAPP: * * * I wish to express the frank opinion that the constructive work of the Pacific Northwest Trade Association is vitiated to a considerable extent by the poor advice it has received regarding the proposed Columbia Valley Administration. In the statement of facts, principles, and recommendations unanimously adopted by the association appear some misstatements of fact and some recommendations not in accord with the facts.

The statement purporting to describe the proposed CVA is rife with prejudicial comments, for example, that the CVA Board will have "broad, conclusive powers to dictate decisions regarding the economy of the region." The following appraisal also is included:

"The Federal Authority has the dubious advantage of possessing the final authority to crack the whip and compel compliance, so essential in making quick and essential decisions. But it smacks of totalitarianism and injects exclusive Federal control when voluntary cooperation as between sovereign states and a Federal government is more in keeping with our democratic tradition."

A careful reading of the CVA bill and a little reflection on the nature of our governmental system will hardly support the emotional criticism of CVA expressed in the above-quoted paragraph. Congress doesn't abdicate its functions under the CVA and the extent to which the Federal Government exercises control is determined by the matters properly within its jurisdiction, as sanctioned by the courts of the land. Why a CVA operating in the Columbia Valley region would be less in accord with democratic tradition than the Bureau of Reclamation and the Corps of Engineers, with their far-flung responsibilities in a score or more of States and their important decisions made 3,000 miles from the field of operations in the Pacific Northwest is a question which is not answered in the statement of the association.

The adoption of the interagency procedure for the coordination of Columbia River development is recommended by the association partly on the ground that it "is working successfully on the Missouri River Basin." The chairman of the task force on natural resources of the Hoover Commission, in an article in the May 14 issue of the Saturday Evening Post entitled "The Battle That Squanders Billions," wrote: "The most shameful example of piecemeal planning, wasteful competition, and political compromising on the part of both the engineers and reclamation is the Missouri Basin story." The task force has amply documented this story, and consequently I am surprised to read the following statement of the association: "The procedure here suggested is in line with, and makes use of the same machinery of Government as is now being recommended by the Hoover Commission on organization of the executive branch of the Government for river basin development." The Hoover Commission, quoting with approval many of the findings of its task force on natural resources, recommended that the river development work of the Corps of Engineers and the Bureau of Reclamation be consolidated. The proposed CVA does likewise, with the important difference that the work of river development under CVA would be oriented within the region rather than in Washington, D. C.

The role of the interagency committees in this field appears to be misunderstood by the association. The Columbia Basin interagency committee has no statutory authorization, appropriation, or regular staff. Each component agency has absolute veto power. The interagency committee cannot follow up its recommendations to Congress with budgetary requests. In general, such committees, as the task force noted, "have failed to solve any important aspect of the problem * * * because the dominant members, the Corps and the Bureau, have been unwilling to permit interagency committees to settle their differences. The result has been neglect or avoidance by the committee of virtually all major areas of interagency conflict, and concentration instead on technical studies and publicity."

The association refers to a recent agreement between the Corps of Engineers and the Bureau of Reclamation purporting to iron out the differences in their respective reports on Columbia River development. I call your attention to the fact that Secretary of Interior Krug, as one of the signatories to the agreement, advised the Commissioner of Reclamation on May 6 as follows:

"Despite the excellence of these reports, I do not believe, however, that they present as effective a plan for accomplishing and administering a comprehensive program of resource development as that proposed by the President in his recommendation for the establishment of a Columbia Valley Administration. This recommendation has my whole-hearted approval and support.

"Accordingly, my approval of your report is not to be construed as implying that it is a satisfactory substitute for a Columbia Valley Administration."

It is my sincere hope that the association will reconsider its statement and recommendations on Columbia River development and make a more realistic appraisal of the proposed CVA legislation. The enactment of this legislation can be of enormous benefit to our region, and industry and trade groups stand to gain along with the people generally.

Sincerely yours,

HUGH B. MITCHELL.

The Anatomy of a Lobby

EXTENSION OF REMARKS
OF
HON. JOHN R. WALSH
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. WALSH. Mr. Speaker, a revealing picture of the false-front grass roots lobby being conducted by the American Medical Association against President Truman's health-insurance program is carried in the May issue of the Progressive. Because it may be of interest to Members of Congress who are feeling the effects of this lobby, I include the Progressive article in the CONGRESSIONAL RECORD.

THE ANATOMY OF A LOBBY

(By Nathan Robertson)

Until recently the railroads and the insurance companies were generally regarded to have the slickest and best organized lobbies in Washington. Both were powerful and effective because they could operate behind the scenes, without too much open activity in Washington. By turning on their propaganda faucets, they could pour into Washington a tremendous amount of pressure from back home—pressure which didn't seem to be inspired by any central directing propaganda agency.

But the American Medical Association now has them both beaten. It has taken their idea and improved upon it. The backbone of the AMA lobby is the 140,000 member doctors scattered throughout the country, most of whom have the highest standing in their communities, are in close touch with important people, and sooner or later are in touch with almost everybody.

This army of physicians has now been tightly organized into an efficient lobby by the AMA under the skilled direction of past masters in the game, the public relations firm of Whitaker & Baxter. It is armed with several million dollars contributed by the doctors themselves under the AMA's assessment of $25 a head.

The firm of Whitaker & Baxter, which has handled many such lobbying campaigns in the past against a whole series of progressive measures in California, has set up a general in every State who works through the State medical society and the 3,000 county societies organized throughout the country to keep the drive rolling. The propaganda themes are developed by Whitaker & Baxter and passed down to the doctors in every community through this distribution machine. The doctors feed it to their patients, to their local organizations and papers, and to their Congressmen.

Like that of the skillfully planned railroad and insurance lobbies, the aim of the AMA campaign is to make the resulting pressure on Congress seem like a grass roots revolt,

without directed inspiration of any kind. This is done by getting other people to front for the organized profession in applying pressure on the Congressmen. And at the heart of this program is the "scare" technique.

A doctor, talking to a patient, may quietly slip into his conversation a warning that if "socialized medicine" is adopted by the Government, he is going to stop practicing medicine. The patient, who has depended upon that doctor for years, is quickly alarmed and writes his Congressman an angry letter about "socialized medicine," although in most cases neither he nor the doctor could even give a rough outline of how the proposed national health insurance program would work.

Another doctor, who is one of the most popular members of the local Kiwanis Club, or chamber of commerce, arranges for a prominent speaker to tell that group how "socialized medicine" would lower the standards of medical care, create a tremendous bureaucracy, and perhaps wreck the Treasury. The alarmed club members rush through a resolution opposing socialized medicine and send it off to Washington.

Usually this club or group has never entertained the idea of hearing a speaker present the other side, to learn whether the "facts" it has been given are authentic. The speaker has been provided by old Dr. So-and-So, who is one of the finest guys in the world, and no one doubts that he is an authority on the subject.

If you want to know how little most doctors know about the terms of the bill, write to the Committee for the Nation's Health, Kellogg Building, Washington, D. C., and get material describing the legislation. Then try it out on your doctor. Agree with him that you are against "socialized medicine" and then start discussing a plan that you think he might like. Go through the provisions of the proposed national health insurance program [outlined in the February issue of the Progressive by Senator JAMES E. MURRAY, of Montana] and see if he doesn't think most of them are pretty good. You will be surprised how many thoughtful doctors will go for the program without realizing it is what they have been damning as "socialized medicine."

But this has nothing to do with the influence of doctors in their communities. They have more influence on this subject than anyone else in the community. Even in a debate, the public is likely to take the side of the doctor regardless of the merits of the argument—unless there is a doctor opposing him. And, of course, there are tragically few doctors who will stick their necks out unnecessarily to buck the AMA on this issue, even if they have grave misgivings about the position the powerful AMA has taken. A doctor who thinks maybe health insurance would be a good idea keeps quiet because he knows most of his colleagues feel otherwise and may begin to shun him if he talks too much.

I know a young, forward-looking doctor, who has set up practice in a new community as a specialist. He is dependent for business entirely on the good will of his fellow practitioners, who must send him his patients. He has just joined the local medical society. One of the first communications he received from the society was his bill for the $25 AMA assessment. He didn't want to pay it, but he did, with apologies to me because he knew how strongly I felt on the subject. But he explained, and I agreed with him, that he didn't have a chance in that community unless he paid the assessment.

Or take the case of a more prominent doctor—one who was well enough established to speak out. He was a professor of pediatrics at a State university. Early this year, this doctor joined with a group of 130 prominent doctors all over the country, headed by a noted physician at Johns Hopkins, in a public protest to the American Medical Association over the collection of the $3,500,000 lobby fund. They urged that the money be used by the AMA to work out a better medical system, rather than be spent on lobbying against the President's health program.

The AMA did not like this one bit. It cracked back at the group publicly in the sharpest terms. But it did its dirtiest work privately. The pediatrician, for instance, had been invited by a professor at the University of Arkansas to give a postgraduate lecture to practicing physicians at Little Rock on the subject of the feeding and immunization of babies. As a pediatrician, he was an expert in the field.

A few days after the public protest signed by the doctor and others was made public, the announcement of his forthcoming lecture was published in Arkansas. One of the leaders of the Arkansas Medical Society is a member of the AMA Committee handling the $3,500,000 propaganda campaign against the President's health program. Within a few days, the pediatrician got this letter, signed by the State Health Officer of Arkansas:

"DEAR DR. ———: This letter is being written to you as a result of a special request made by the Arkansas State Medical Society and the Pulaski County Medical Society, with reference to your appointment as a special consultant in pediatrics for the Arkansas State Board of Health for the postgraduate pediatrics course to be conducted at the University of Arkansas School of Medicine, Little Rock, during the period March 10 to 12, inclusive, 1949.

"The Arkansas State Medical Society and the Pulaski County Medical Society have been advised through authoritative sources that you were one of the 136 signers of certain papers and documents severely criticising the American Medical Association. Through this action on your part, the Arkansas State Medical Society and the Pulaski County Medical Society request that you not appear on the postgraduate pediatric course to be conducted on the above-referred-to dates.

"This department sincerely regrets that this most embarrassing situation has arisen and further regrets that it is necessary to cancel your appointment as special consultant for the Arkansas State Board of Health."

That is a profoundly disheartening commentary on the way the AMA is conducting its political campaign. That professor was saying, in effect, that because he exercised his right of free speech to protest an action by the AMA, he was barred from giving the public and the profession the benefit of his professional training and experience on a scientific subject.

This doctor did not even come out for the President's program. All he and his associates did in their protest was to object to the fact that the AMA, a professional and scientific society, was getting mixed up in politics—particularly in emphasizing a negative position without offering a constructive alternative. What would have happened to the doctor if he had publicly espoused the President's health program?

II

The AMA has sent a mission to Great Britain to study the medical-care program in operation there. Undoubtedly it will return with an unfavorable report because AMA propaganda about the failure of the British program has been backfiring. Too many independent journalists have reported just the opposite. The AMA is determined to attempt to repair the damage with its own special report.

The AMA will have difficulty, however, answering this report from the official British medical journal called Lancet:

"Both doctor and patient are pleased with their new and easier relationship. Before July 5 (when the plan went into effect) doctors were unhappily familiar with the words of the less well-to-do uninsured patient, 'I think I'll get along all right now, doctor,' meaning that the family wished to be spared further fees. This is ended. Patients are also gratified to observe that the new service is truly comprehensive. • • • Complaints are few."

Even tougher for the AMA to overcome will be this final observation by Lancet, in connection with the AMA's claim that the program was creating a nation of hypochondriacs: "Practitioners, whether in town or country, agree that they are making hardly any more, and sometimes fewer, visits than they usually do at this time of year. Every account agrees that frivolous complaints are no more common than before."

III

Now the means by which the AMA raises its funds is not so important as the uses to which the money is put. The whole story on that will not be known until there is a Senate lobby investigation. Much of the money is being used for distributing propaganda. Much is being used to train community speakers to flood organizations and newspapers with speeches against the President's legislation. Much probably will be used in advertising to soften up further the already overwhelmingly sympathetic press.

The firm of Whitaker & Baxter got its present assignment as a result of its success in beating similar legislation on a State basis in California. The firm was employed by the State medical society which financed the battle on a comparable assessment plan.

One of the most significant disclosures on the tactics of Whitaker & Baxter in defeating Gov. Earl Warren's medical program in California came from the doctors themselves.

Boasting of how his State medical association had crushed a health-insurance program sponsored by Republican Governor Warren, a spokesman for the organization recently told a national conference of medical society editors this story:

"We went to the California Newspaper Publishers' Association and said: 'Gentlemen, we are going to spend a lot of money with the newspapers. We are going to advertise in every one of the 700 papers in the State.'

"Each of the 700 newspapers received a minimum of 100 column inches of advertising in a period of 12 months. We found that the response from editors in publicity has been far beyond anything we expected when we started the campaign."

Whitaker and Baxter will have $3,500,000 to play around with for the AMA's national campaign. So don't be surprised if your paper blossoms out one of these bright spring days with a great blast against socialized medicine. The AMA lobby has mastered the technique of letting others front for it.

Kid Killers at the Wheel

EXTENSION OF REMARKS
OF
HON. GORDON CANFIELD
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. CANFIELD. Mr. Speaker, under leave to extend my remarks in the REC-

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ORD, I include the following by Ralph Wallace from Collier's for May 28, 1949:

KID KILLERS AT THE WHEEL

(By Ralph Wallace)

Early one morning last fall a car careened around a curve on Indianapolis Boulevard in Hammond, Ind. For one paralyzed moment a gasoline truck driver saw a glare of headlights as the approaching machine bore down on him.

Then came the impact and an unearthly scream of steel on steel. Skulls burst against the automobile dashboard like overripe fruit. Blood gushed, lungs collapsed, bones snapped. Smothered hearts lurched into another beat and died.

The car ricocheted off the heavy truck, its left side ripping off and spewing bodies out through the torn steel like figures from some gory slaughterhouse. Other motorists could see it all too well. For, simultaneously, 8,000 gallons of gasoline in the ditched truck burst into glaring flame.

Even before the uninjured truck driver leaped from his cab, it was all over—all over except for extinguishing the fire; all over but police investigation, and the funeral bills for four dead persons.

Behind this terrifying tragedy lies a new form of mass murder and self-destruction known increasingly as "teenicide." Any driver under 25—insurance companies generally believe the recklessness of the teens extends to that age—is a potential teenicider. Illice L. Copeland, operator of the car in the Hammond accident, was 19 years old. What impulse or fault of immature judgment brought him speeding around the Hammond curve to death no one will ever know.

The appalling fact stands out that in many such teenicide accidents no one does know what causes them, even when there are survivors. Can 5-year-old Ila May Van Kampen of New Sharon, Iowa, tell what caused her 16-year-old sister, Helen, to lose control of the family car when it stalled on a hill last summer? One moment Ila May was looking serenely out of the window—the next, she was in a terrifying world of wet blackness, with a momentary wild threshing of limbs of her drowning companions. The car had rolled backward and overturned into a deep water-filled ditch. Somehow Ila May escaped through a partly opened window—but she could not tell what had caused Helen to lose control.

And neither could Helen. For, like five of her passengers, the four McMahon sisters (15-year-old Geraldine, 14-year-old Rowana, 12-year-old Ruth, 6-year-old Caroline) and their 15-year-old cousin, Mona McMahon, she was extremely dead.

Once every 2 minutes, day in, day out, some such teenicide accident will kill or maim a victim somewhere in the United States. In 1947 the figures spiraled to a shocking 7,500 dead for the under-25 group, with an estimated 275,000 injured. These figures represent 10 times more casualties than the United States suffered at Iwo Jima, or the British suffered in the bombing of Coventry.

In almost every case the Nation's automobile insurance companies have to foot the bills for these spine-chilling accidents. What do they think should be done? James S. Kemper, chairman of the Lumbermen's Mutual Casualty Co., one of the nine companies comprising the Kemper Insurance Group, and one of the largest insurance underwriters in the country, believes that only by changing the irresponsible attitude of youth can the present death and accident rate be cut.

"It is a simple statement of fact," Kemper told me recently, "that the 7,500 annual traffic deaths in the under-25 group each year exceed the death toll of the Johnstown flood, the San Francisco fire, and the sinking of the *Titanic* combined—and the majority of these traffic deaths are a direct result of the frivolous or careless attitudes of juvenile drivers.

"Even in terms of money, drivers under 25 probably cost the Nation almost as much as the $600,000,000 yearly cost of all fires. Parents must accept the major responsibility for this tragic situation."

Kemper was an early exponent of accident prevention. His company founded the Central Automobile Safety Committee more than 30 years ago to encourage better driving. He firmly believes—and the American Automobile Association and other insurance companies in general share the same belief—that the problem of irresponsible youthful motorists must be attacked on three general fronts.

First, youths must have sound educational programs, preferably in the schools, to teach better driving. Second, stricter police enforcement of traffic rules and stricter license requirements must be established (eight States, for example, still license 16-year-olds, and four States require no license at any age). Third, and most important, parents themselves should not only teach the technical points of good driving but should set an example themselves.

"The 18-year-old boy who sees his father or mother driving 50 miles per hour in a 40-mile zone—and getting away with it—can almost invariably be expected to drive 60 miles per hour under the same conditions from sheer youthful exuberance," Kemper says.

Just how bad are the records of youthful drivers? Out of 32,500 traffic deaths in the United States in 1947, the last year for which there are figures, nearly 25 percent of the victims were in the teenicide age range, although that doesn't show the mature drivers and pedestrians killed by the under-25 group. The pay-off is that scores of insurance companies have a fixed, appreciably higher premium if a driver under 25 is to operate the car. In fact, more than a year ago 40 States raised the premiums insurance companies were allowed to charge if anyone under 25 acted as driver. This was not mere whim, but a question of cold, deadly statistics.

A car in the hands of a teen-ager is, roughly, twice as dangerous as a car driven by a mature adult. The Inter-Industry Highway Safety Committee reports that the 16-20 age group is involved in 5 times as many accidents as the 45-50 group; and that 16-year-old drivers are involved in accidents 9 times more often than the 45-50 group, although both groups hold a proportionately small percentage of driving licenses. In brief, driving ability is directly related to maturity and judgment.

Yet it is also true that maturity and judgment in driving can be taught, just as politeness, algebra, or ballroom dancing can be taught. In cooperation with the American Automobile Association, for example, 11 of Cleveland's high schools several years ago instituted a safety course, using a fleet of 25 cars equipped with dual controls.

Besides classroom instruction, students obtained 6 hours of driving instruction and 18 hours of observation in cars driven by instructors. Roughly, 1,800 students took the course. Results? Checked against an almost equal number of students who failed to take the course, the trained students had only half as many accidents. The same ratio has proved true among the trained and the untrained high-school students at State College, Pa., and a number of other cities.

"Experience shows that casual driver training does not produce safe driving," Ned H. Dearborn, president of the National Safety Council, says. "Safe driving is a skill; it should be learned by thorough and organized instruction, plus actual behind-the-wheel experience under expert supervision."

The lamentable fact remains that out of 20,000 United States high schools, behind-the-wheel driving instruction has been conducted in only 600. Surveying 10,000 high-school students last year, the Chevrolet Motor Co. found that at St. Paul, Denver, Des Moines, Nashville, and Terre Haute "clowning" was rated as the chief cause of accidents, then speeding, "dreaming," and disregard of traffic signs, following in that order.

Clowning with a speeding motorcar, even to a 15-year-old, would seem to combine the mentality of a cobra and a cockroach. Yet in California and other parts of the West a new teen-age game involves piling half a dozen boys into a car, holding it to a speed of 60 miles per hour, and then releasing the steering wheel. The first one who touches the wheel or brake is—you've guessed it—"chicken." Compared to Russian roulette, which is played by having one bullet in the revolver and hoping it won't be in the chamber when you pull the trigger, "chicken" has the advantage in that if you win, you take your friends with you. This game has killed an estimated 30 in the past year.

A slightly less lunatic "sport" has three teen-agers crouching on the floor to operate clutch, brake, and accelerator at the command of the driver. This is known as "spider," not only for the obvious reason, but because the players may be squashed.

Around Chicago a commonplace is the "dip-thrill" ride: kids driving a car over a pronounced dip in the road at 60 miles per hour to get the thrill of a roller coaster. How many have been killed and injured as a result of this game no one knows, but last October 18-year-old Everett W. Jasper set something of a record by smashing his car so tightly under a freight train which was standing at a crossing that firemen had to use jacks to pry it out. Three were critically hurt, including Jasper, but by some miracle the other two were able to walk away.

A similar accident—although this time apparently "dreaming" was the cause—occurred not long ago in a southern city. Here a 17-year-old boy was driving several companions home from a sorority dance. Ahead, on an empty boulevard, other teen-agers who had bumped fenders had drifted to the center of the road to discuss the accident. They apparently were invisible to Jones and his companions. The toll? One dead. One amputated leg. One fractured jaw. One case of multiple fractures.

The father of the dead boy died of a heart attack when he heard the news.

What happened in a certain section of Greater Boston, however, in the late twenties takes the prize for teen-age motoring madness. Acting as if they had been injected with Gila-monster venom and a few syringes of Al Capone, a teen-age tribe suddenly sprang, motors bellowing, upon the town. They called themselves the Charlestown Loopers, Charlestown being a section of Greater Boston. All a kid had to do to achieve membership was steal a car and then hurtle it, lights out and horn blaring, at 60 to 70 miles per hour, up Bunker Hill Street to Sullivan Street, and then reverse the machine and roar back over the steep grades to the starting point.

The game was begun by a 16-year-old fugitive from the Lyman Reform School named James T. Sheehan. Sheehan went beyond endangering lives and stealing cars; he added paranoiac exhibitionism. With the rigid code of a participant in a duel, he phoned the police, sternly announced in advance his itinerary and dared them to stop him. Sheehan said he would make his appearances in

broad daylight in order to give the police officers more of a sporting chance.

Greater Boston had seen no excitement equaling Sheehan's mad exploit since the Boston Tea Party. Fourteen traffic-squad motorcycles, plus carload after carload of police, threw a cordon around the area and posted police at strategic points. This proved ineffectual. While thousands watched, Sheehan made several wild sorties in stolen cars up and down Bunker Hill Street on a Saturday, and repeated his performance four times on Sunday. Despite rifle and pistol shots and police blocks at intersections, Sheehan escaped. Later he gave himself up and was returned to the reformatory.

Sheehan's exploits encouraged teen-agers for nearly two decades. The behavior of succeeding loopers sounds like the record of a Chicago gang war: Four teen-agers kill a 22-year-old pedestrian and are sentenced to the reformatory. Three "teeniciders" kill two of their number in a Bunker Hill crash. Eighteen-year-old looper steals 11 cars and makes the dash over Bunker Hill 15 times before being caught. The climax of this activity, however, was probably reached in 1942 when Patrolman Martin Burke leaped into a doorway to escape a looper car which had crashed over the sidewalk. Burke could see no one in the machine. It was as if the car were being driven by spirits until he looked closer and saw a boy—fully 9 years old—crouched behind the wheel.

The loopers ran up an impressive aggregate of seven killed, scores injured, and uncounted property damage. Even long reformatory sentences for more than 100 youths—plus penitentiary terms in some cases—failed to halt them, although in recent years "looping" has become less prevalent.

SIX DIE ON ONE-WAY STREET

Throughout the Nation, blood spurts increasingly from the growing number of under-25 accidents. They are both sickening and appalling because they are so needless. What justification was there for the New York accident one night in the spring of 1948 when a young driver roared the wrong way up a one-way street near Queens Boulevard and crashed head on with a machine, killing a total of six? The driver of the wrong-way car—22-year-old Peter Motola, of Brooklyn—and his two female companions could neither justify nor explain their actions. For all were corpses before police arrived.

Sometimes, of course, the drivers can explain—like 17-year-old Nick Bianconi of Chicago Heights, Ill., arrested once and warned innumerable times for speeding. A few years ago Bianconi, in a noontime crush of traffic, speeded up crowded Sixteenth Street in Chicago Heights and killed 6-year-old Rosalie Klimas. Her body was knocked 50 feet through the air and rolled another 100 feet after it landed. Bianconi, meanwhile, skidded 135 feet and rammed into three parked cars.

What happened in court? Bianconi was sentenced to 60 days in jail for reckless driving.

Even a fragmentary sampling of such cases reads like a roll call of doom. In Milwaukee in a single day last fall, six teen-agers killed themselves in two accidents. In one they collided with a city bus, and in the other with a tree. In Highwood, a Chicago suburb, two babies were mangled when a car, being parked by a 16-year-old girl, slipped into gear and shot forward over the sidewalk, crumpling the infants' carriages. Such accidents can be counted not in the scores, or the hundreds, but in the tens of thousands.

POLICE MAKE A SAFETY DRIVE

Thus—blood-greased—the teenicide cars go. Meanwhile, scores of agencies—unfortunately uncoordinated—hammer at better driving habits for the young. In Los Angeles alone the city's police department, frantic over teenicide, has graduated 21,000 teen-agers from its juvenile traffic schools, and last year placed about 500 columns of safety articles in the local newspapers.

In Chicago, Lumbermen's Mutual Casualty Co. grinds out tons of safety literature and advertising annually, mainly aimed at teeniciders—a word, incidentally, which Lumbermen's created and used as a basis for a $2,000 prize contest among college newspapers last fall. The company also paid about a third of the expenses of Northwestern University's famed Traffic Institute, where policemen from all over the world are taught how to curb the more deadly manifestations of the teen-age group.

In Washington, D. C., the headquarters of the American Automobile Association is prepared to lend staff educators who will train high-school teachers in driver education. Similar programs and aid are offered by the following organizations: New York University's Center for Safety Education; the National Conservation Bureau, New York; the National Safety Council, Chicago. All are eager to help. If only all the school boards in towns and cities would vote for school-safety programs there seems little doubt that 3,500 lives in the under-25 group—not to mention $300,000,000 of property damage—could be saved each year.

Meanwhile, parents can try to teach their children to drive well—both by training and example, and by firmly suppressing the take-a-chance attitude which is nearly always due to youth's natural vitality and fearlessness.

If they don't, gallons of blood, a freight train full of brains—not to mention 7,500 funeral bills, personal tragedy and agony—will be largely on their heads.

Stock-Piling Purchases Urged To Help Metals Industries

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. SANBORN. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include an article from the Salt Lake City Tribune by the Shift Boss:

STOCK-PILING PURCHASES URGED TO HELP METALS INDUSTRIES

(By the Shift Boss)

What has been puzzling domestic metal producers is why last year, when the demand for copper, lead, and zinc far exceeded the available supply; when consumers were paying up to 26 cents per pound for copper, 25 cents per pound for lead and 19 cents per pound for zinc, at a time when producers were trying to keep these prices at 23.5, 21.5, and 17.5 cents, respectively, the Munitions Board forced producers to set aside portions of output for national stock pile each month—all of which meant that 100,000 tons of copper and 70,000 tons each of lead and zinc bought by the Munitions Board forced these metal prices to their peaks.

The editor of Daily Metal Reporter, observing that the incomplete stock-piling program involves the contemplated acquisition of 120,000 tons of copper, 95,000 tons of lead, and 95,000 tons of zinc, asks the following pertinent question:

"If that is the program, why isn't the Government buying these metals now when they are going begging? The Munitions Board was not only willing, but anxious, to buy copper at 23.5 cents per pound. Now it is available at 18 cents per pound, a saving of 5.5 cents per pound and on 120,000 tons that means a saving of some $13,200,000. It can buy lead at 14 cents per pound, or 7.5 cents per pound below the price it paid previously and, on 95,000 tons that would have saved $14,250,000. The Board can now buy zinc at 12 cents per pound, 5.5 cents per pound below its postwar peak, at $10,500,000 cheaper than it would have had to pay several months ago.

"The Government apparently is so accustomed to thinking in terms of billions, that a saving of about $38,000,000 on the three metals alone is mere chicken feed. But to the metal industry, Government purchases for stock piling would come as a welcome relief if it were done now when metals are freely available, when the supply is in excess of what consuming industries need."

Pertinent question—pertinent comment.

Baltimore's Busiest Couple

EXTENSION OF REMARKS
OF
HON. WILLIAM P. BOLTON
OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. BOLTON of Maryland. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to present the following statement entitled "Baltimore's Busiest Couple":

BALTIMORE'S BUSIEST COUPLE

In the city of Baltimore on Station WCBM every day from 9 to 9:30 a. m., there is a program called Baltimore's Busiest Couple. I think that name is a gross understatement. The program is broadcast by Ian Ross MacFarlane and his charming wife, Louise. It is a homey program, devoted to subjects of interest to the housewife, and to current events. It is an extremely popular program and one of the things Mr. and Mrs. MacFarlane do is to invite any of their women listeners who would like to see the Congress in action, to write them and they will be given a free trip to Washington for that purpose. So, every week the MacFarlanes bring a group of women to Washington. Sometimes it is just one station-wagon load but on many occasions it has required several trips to Baltimore to bring all of one group to Washington. While talking to Mr. MacFarlane recently about these trips, I asked him why he did it. I think his answer is well worth repeating: "I am a foreign-born Scotsman; I have lived and worked abroad a great many years and I feel that I truly realize what a great blessing and godsend it is to be an American citizen. This is my way of expressing, in a small way, my appreciation of that great privilege. I want everyone to know and appreciate just what it really means to live in this great democracy and I am willing to contribute my time and what little it costs to help a small segment of Marylanders to learn a little more about their form of government. The experience has been a real pleasure to Mrs. MacFarlane and me and we hope to continue the program for some time to come. To date we have conducted 50 tours and brought 250 women to Washington." During the trip from Baltimore to Washington and on the return trip, Mr. MacFarlane delivers a talk on the Ameri-

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can Government, on the Maryland Legislature, and the current activities of the Baltimore City Council.

Everyone knows the time and study necessary to prepare a half-hour program on the radio every day, but one wonders how the young mother of two fine children finds the time to keep house, cook, and do all the other chores demanded of the modern mother and to still carry on this arduous task and, in addition thereto, gather news for the broadcast and act as chauffeur to her husband, whose sight was seriously impaired in World War II.

In addition to his work as a news commentator and broadcaster, Mr. MacFarlane is quite active in veteran affairs and has been largely responsible for the success of a business venture owned and operated by GI's. Mr. and Mrs. MacFarlane are both members of the Senate Radio Gallery and accredited White House correspondents.

This is truly the busiest couple in Maryland and the extent of the good they do by their program and these tours to Washington is truly immeasurable.

Would that we had more young couples like the MacFarlanes in America today.

The Stamp Nuisance

EXTENSION OF REMARKS
OF
HON. EARL C. MICHENER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. MICHENER. Mr. Speaker, I dare say few Members of Congress have not been importuned by individuals, community groups, or municipalities to secure the issuance of a postage stamp commemorating some outstanding event in which the petitioners are primarily interested. Most of these celebrations are noteworthy and steeped in American tradition. There was no difficulty in having one of these postage stamps issued a few years ago, because the requests were few and far between. Things have changed, and the thinking of the people has also changed.

Illustrative of this thinking and pursuant to permission given to me, I am including in these remarks an editorial from Adrian (Mich.) Daily Telegram of June 6, 1949, which reads as follows:

THE STAMP NUISANCE

Isn't it about time for the Government to stop—or at least curtail—the nonsense of a new postage stamp every couple of weeks?

Yes, every couple of weeks. That is literally correct, for in the 52 weeks of 1948 the United States actually put out 29 different new stamps. Some of them could be called proper and appropriate; some tolerable, many trivial, and even ridiculous. Anyway there were too many.

Nine of them were in honor of individuals—from Abraham Lincoln to Editor William A. White, Will Rogers, and the ladies who started the Girl Scouts and the memorial poppy idea.

Centennials got seven stamps, including several States, Fort Kearney, Nebr., and Fort Bliss, Tex. There were also stamps commemorating centennials of the Swedish pioneers, the Indian tribes of Oklahoma, the firemen of New York, and the American Turners (Turnverein) which has about 30,000 members. Another rather vague centennial was 100 years of progress of women, and still more vague was the centennial of the American poultry industry.

Among the rest were stamps for the Rough Riders, the Gold Star Mothers, Youth Month, and the Palomar Observatory.

If the Government is going to keep on filling stamp albums with new stamps every fortnight, there still are plenty of subjects. As regards individuals, there are at least a thousand as deserving as some that were commemorated last year. There still are numerous States and hundreds of towns and cities to have centennial anniversaries. If the Turnverein with 30,000 members should be honored, why not the Elks, the Eagles, and a dozen other fraternal groups? Why not the labor unions, the farm organizations, the veterans' organizations, and the retail druggists? And when it comes to issuing a special stamp for the poultry industry, why ignore hogs, cattle, lumber, oil, gas, coal, and a hundred or so of manufacturing industries?

The whole business is juvenile—not in good taste, not up to the dignity of the world's greatest nation. It is a nuisance for the postal people to keep track of so many new stamps—so confusing that in some cases letters get by with Christmas seals and other stickers.

The reform probably will have to start, not with the Post Office Department but with Congress. It isn't the Post Office Department that gets up all that flood of stamps; it regards them as a nuisance. It is Congressmen trying to win public applause in their States or districts, or trying to butter up some groups of voters like the Swedes, the Turners, or the poultry raisers. It all costs money, and it can't be so very important even to Members of Congress. Why can't they act grown-up and stop it?

Dedication of Theodore Roosevelt Park

EXTENSION OF REMARKS
OF
HON. WILLIAM LEMKE
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. LEMKE. Mr. Speaker, we just returned from dedicating the Theodore Roosevelt National Memorial Park—a park of some 70,000 acres of extreme beauty and charm. It has been estimated that there were between forty and fifty thousand people from many States and from Canada participating in this dedication.

Among the many distinguished guests was Secretary Krug of the Interior Department. He gave a splendid address, which I feel should be read by everyone who believes in national parks.

I, therefore, include in the extension of my remarks, the remarks of Senator YOUNG and myself and the address of Secretary Krug.

They are as follows:

Mr. YOUNG. Mr. Chairman and listeners on the air, today we dedicate a great park to an American immortal. But this day must not pass without fitting tribute to a man among us. The unflagging diligence and long-continued efforts of such men as Congressman WILLIAM LEMKE and a host of others have made possible this happy hour.

I have always believed that this brawny area of ours—these Bad Lands—this sweep of land—this kaleidoscope of blazing colors—shaped and colored the philosophy and personality of Teddy Roosevelt. Here about us is no placid landscape. It is a scene of vigor, and the Rough Rider was a man of vigor. We see no pale and timid shadings here nor was Roosevelt a pale philosopher, dabbling with impossible ideals. He was instead a man of action. Forthright. Bold—and with a breadth of view like the stretch of our horizon here.

This land stamped its personality indelibly upon him, as his personality was indelibly stamped on this country for all time to come.

Because he knew the West so well, he was among the first to see its possibilities. He was among the first to think in terms of soil conservation and of reclamation. He was among the first of our national leaders to look upon the West as more than an area to exploit. To him, it was a building site.

It is not difficult to understand why his administration saw the birth of the Bureau of Reclamation. We would not adorn the facts if we endowed him simply and concisely as the father of the principle of conservation and reclamation.

We have done well to heed his example on that score. We might have done well to have heeded him in every way. For we recall his masterful conception of a proper foreign policy for America. "Talk softly but carry a big stick," said Teddy Roosevelt, and sometimes since then we have shamefully yelled at the top of our voice, but carried a twig.

We think of Teddy Roosevelt as a son of North Dakota. Today, I can tell you that he thought of himself the same way. In possession of a North Dakota friend of mine in Washington is a letter from the late Teddy Roosevelt, Jr., who so tragically died in World War II.

The letter says, in part: "It was interesting to hear from a North Dakotan, for you know, that until the day of his death father always spoke of North Dakota as his home."

And on this day his love of North Dakota is made a part of posterity.

Mr. LEMKE. Mr. Chairman, friends, and listeners, we are gathered here today from all parts of North and South Dakota, Montana, Minnesota, and other States, and Canada. Among us are Members of the United States Senate and the House of Representatives.

We are here, representing the entire Nation, to participate in the dedication of the Theodore Roosevelt National Memorial Park. We are here not only to perpetuate the memory of one of our Presidents but to give renewed strength and courage to unborn generations to perpetuate the lofty ideals for which he stood.

It was here that Theodore Roosevelt spent 3 years as a rancher—as a cowpuncher. It was here that he regained his health and strength. It was here that he wrote many of his books. It was here that he laid the foundation for his future greatness.

It was here where he communed with nature and roamed among the scenic beauty of the park that we are today dedicating to his memory. It was here in the wide open spaces that he learned of the rugged honesty of the men of the West. It was here that he discharged one of his men who had attempted to rustle other ranchers' cattle. It was here that he used the words: "He who steals for me will steal from me."

It was from his associates here—from the cowboys with whom he was in daily contact—that years later he got the idea of the "Rough Riders." It was here among pioneers and adventurers that he got in touch with and

learned to understand the common people—the men and women who constitute the overwhelming majority of our Nation.

Years later, as ex-President, I heard him express that sentiment at Fargo in these words: "I never would have been President of these United States but for having lived in North Dakota." We feel that but for his having lived here the Nation would never have had a President of his energy, courage, and determination. The Nation would never have had a President that would have corrected some of the evils that had crept into our public life.

We would not have had a President that would have dared to defy corporated wealth and monopoly. It took real energy, strength, and courage to do that. Theodore Roosevelt got that strength, that vision, and courage here in the park that we are today dedicating to his memory. May this park be a constant reminder to future generations of the work and worth of former President Theodore Roosevelt.

This park is different from other national parks. It consists of some 70,000 acres of subdued and fantastic beauty. It is a park of amazing magnificence and constant surprises. Most of our national parks consist of mass grandeur. Most of them display their glamorous beauty above the horizon. The Theodore Roosevelt National Memorial Park is more modest. Its charm and beauty is below the horizon.

You do not know it is there until you are upon it. Then in place of looking up to admire its beauty, you look down upon what seems to be a sunken city of fantastic configurations of various forms and colors. For an instant you hold your breath in bewilderment, and then you determine that you are going to wander among these strange formations. You wonder what happened in ages gone by to produce such a strange and beautiful spot so different from the others you have seen.

Secretary Krug, to you, as the Secretary of the Interior and custodian of the national parks of the United States, it gives me great pleasure to present, on behalf of all the people of North Dakota, this beautiful park—the Theodore Roosevelt National Memorial Park. This is a perpetual playground for the present and unborn generations to visit and enjoy—a park for old and young to come and get the inspiration that made Theodore Roosevelt one of the great Presidents of this Nation.

Mr. Krug, it gives me double pleasure to present this park to you as the custodian for the United States, because I know the great work that you have done in recent years, in collaboration with Congress, and especially with the Public Lands Committee, in developing the West—in improving and establishing national parks for the enjoyment and health not only for our generation, but for future generations. I know the great impetus that you have given to further the development of irrigation and reclamation and the development of hydroelectric power for all the people.

Therefore, on behalf of the people of North Dakota, I present this park to the United States of America, into your custody, for the people of the United States to enjoy.

Mr. KRUG. Governor Aandahl, Congressman Lemke, Senator Young, distinguished guests, ladies, and gentlemen, it is a real privilege to join with you today in dedicating this park to the memory of Theodore Roosevelt, a great President, a great conservationist, and a great American. During his Presidency he made the administration of the natural wealth of this Nation the concern of all our people. Some of the influences which shaped his outlook came from his experiences among you.

Many memorials have been erected to our twenty-sixth President. But I am sure that none will serve better than this to commemorate his monumental contribution to the sound conservation of our natural resources.

It is not possible to name all of the persons who have so effectively fought to create this park during the last 20 years. The Greater North Dakota Association, the press of your State, your Senators and Congressmen have been encouraged, I am sure, by the rank and file of citizens in Billings and adjoining counties as well as by residents in neighboring States.

We in the Nation's Capital know that Congressman LEMKE is an ardent and forceful advocate of your interest in this park. Special recognition should also go to Mr. Russell Reid, Superintendent of North Dakota State Parks and the State Historical Society, whose leadership in State conservation work is outstanding.

Theodore Roosevelt believed his link with the Bad Lands of the Little Missouri a vital one in the chain of experience that led to his success. He often avowed his great debt to the West, particularly to its men and women. Once, he said he would never have been President had it not been for living in North Dakota and for his North Dakota experiences. In 1900, he told citizens of Medora that while he had studied intensively, it was only when he came here that he began "to know anything or measure men rightly."

Mingling with the pioneers and building a new settlement on the range gave him an insight into the real functioning of democracy not to be found in books or in lecture halls. Here he stepped down from the isolated peaks of philosophical abstraction. Here he found democracy in all the glory and vigor of its youth—on the round-up, in the hunt, and in his associations with the stockmen. Here he found a wilderness laboratory where he could observe nature in her original design. Here, also, he saw an example of the extravagant waste that for many decades had accompanied the exploitation of our material resources.

The little Missouri country was rudely awakened in the 1880's by the coming of the railroad. Quickly the hunters all but exterminated the grizzly bear, the elk, the buffalo, and the mountain sheep that roamed the region. The longhorns and mixed-blood stock left little room for the antelope and deer.

Then drought, low prices, followed by the severe winter of 1886–87 brought disaster to the open-range industry. Theodore Roosevelt, too, counted his losses. The gruesome scene was as disheartening for him as for everyone else. Nevertheless, he continued his ranching operations and returned at intervals to Elkhorn when seeking respite from his public duties.

The disaster here forcefully dramatized one aspect of our history—that our forests and agricultural lands are not inexhaustible. He became a fervent conservationist. Therefore, this year, when we are observing the one hundredth anniversary of the Department of the Interior, the dedication of a memorial to Theodore Roosevelt is most fitting.

The Department's centennial is of importance to all the Nation, for Interior is the custodian of the largest part of our mutually owned material wealth—resources which are vital to our future welfare. Preservation of the resources that God placed here for all our people was not and is not always a popular Government policy. In 1852, 3 years after the Department was founded, a Delegate to Congress from one of the Territories, said: "The Government has watched its public domain with jealous eye, and there are now enactments upon your statute books, aimed at trespassers upon it, which ought to be expunged as a disgrace to the country and the nineteenth century. Especially is he pursued with unrelenting severity, who has dared break the silence of the primeval forest by blows of the American ax." Some years later another westerner argued the affirmative in a community debate on the question "*Resolved*, That timber stealing is morally right."

A false tradition lingered on that the exploitation of the public domain for individual benefit, on a first-come first-served basis, was the sound American way and added to the aggregate wealth of the Nation. But, gradually, laws for the protection of our resources were made effective. During our century, and particularly beginning with the administration of Theodore Roosevelt, the conception of public responsibility for the public domain has changed. It is no longer something merely to be sold or given away; it is now a tremendously valuable national inheritance to be husbanded and prudently managed for the continued support of our economy and our material well-being.

We have drawn heavily and extravagantly upon our resources in building a nation and in winning titanic world conflicts. We are still a rich nation. Yet, if we are to maintain the peace in an uncertain world—help other nations, feed our own hungry industrial machine, keep improving our standard of living, and support the ideals and institutions which guarantee our way of life—if we are to do these, then full and efficient use of our natural resources is mandatory.

To this full and efficient use, the States of the Missouri Valley can contribute vastly. Farm production can be increased by adding to the valley's irrigated lands and by providing additional water where light rainfall makes the yield of cultivated lands uncertain. Industrial productivity can be accelerated and the domestic work load on the farm greatly eased by more hydroelectric power. Grasslands, forests, and streams can contribute more efficiently to our present needs and enjoyment through wise use and development of their potential resources.

Full utilization of our natural wealth, so as to provide plenty for the present and guarantee plenty for the future, is the aim of the Department of the Interior. Today, there is a growing need for recreational opportunities. The National Park Service, which administers this area, takes a principal part in working out the use of lands for this purpose.

The area we dedicate today is our sole national memorial park, and it is unique not only in name. But in the national park system there are several areas similarly combining scenic, geological, and biological qualities in regions distinguished by less tangible human associations. Death Valley in California, Jackson Hole in Wyoming, and Lava Beds National Monument in California, are good examples of such areas.

The policies which have been proven in establishment of the older national parks are just as sound for these newer of parks. The objective stated in the 1916 law, which created the National Park Service, cannot be improved upon: they shall be made available for human enjoyment by such manner and such means that their values will be unimpaired for future generations.

Theodore Roosevelt, who was keenly aware of the priceless character of natural phenomena, such as the scenery of Yosemite, the aged giant Sequoia trees, the rugged beauty of the Grand Tetons, the wonders of Yellowstone, and the remarkable Grand Canyon, urged that they be spared the vandalism of internal development. He expressed the view of many conservationists when he said, concerning the Grand Canyon, "Leave it alone. You cannot improve upon

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it. The ages have been at work on it. Man can only mar it."

Here in western North Dakota we have an opportunity to develop a great new park in accord with this creed and, further, in accord with newly tested methods of making park values available to the public.

The many business improvements and installations which inevitably follow the creation of a new national park should be located in existing, nearby communities. In some of our parks the surrounding topography is so rugged and the settlements so few that we have had to grant hotel, cottage, cabin, souvenir, and many other kinds of concessions within the park boundaries. This has not been good for us. It has put us in the unpleasant business of supervising business, when we would far rather concentrate our efforts on our primary objectives.

Last Saturday and Sunday I was in the Great Smoky Mountains National Park which rides the crest of the mountain range separating North Carolina and Tennessee. The businessmen of those two States have had the wisdom and enterprise to provide marvelous tourist and visitor facilities at the gateways to the park. The city of Gatlinburg, Tenn., which I knew 10 years ago as a sleepy mountain town with an unpaved main street, is now a thriving, prosperous, progressive, and aggressive city with a dozen modern hotel installations and probably three dozen more motor courts and many other tourist facilities. Everything else in the surrounding area has grown similarly. To me, the best part of this was that the development has all been local. The owners of these new hotels, stores, and service facilities have lived all their lives in that area. They and the businessmen of the other nearby communities in both Tennessee and North Carolina are now providing southern hospitality for more than a million visitors a year.

You people who are here today will share in the inevitable economic progress of this area as it develops to take care of the inevitable stream of visitors which will grow each year as the fame of this beautiful and unusual park spreads throughout the Nation.

I hope you will share in it and I pledge that, so long as you build to keep pace with the tourist demand with the charm and dignity which is traditional in this region, the Department of the Interior will not grant concessions in the park to compete with you. I think that your businessmen or chambers of commerce would benefit by sending representatives to see how successfully that little Tennessee town has accomplished this result in a short period of time.

One aspect of our nationally held lands, not peculiar to the national parks but particularly striking in them, is the function they serve as a cohesive force among our people. The Statue of Liberty, Gettysburg National Military Park, and Glacier National Park belong to the people of North Dakota as well as to the citizens of New York, Pennsylvania, and Montana. Conversely, the residents of Florida, Texas, Washington, and all the other States also have a real ownership interest in this park. The unifying force of this trusteeship of a common heritage is enhanced by travel to the areas.

In such a large Nation our citizens must daily pursue lives widely separated by distance, by difference in occupation, race, and religion, and by varied national background. But individuals from all walks of life seek inspiration and understanding at places of natural beauty and at the scenes of national history. Travel to such places becomes an integrating influence which broadens local and class loyalties and links them more vitally to a common heritage—the Nation itself. All kindred measures that contribute to a deeper understanding of American history and democracy have become peculiarly important today when our national ideals are being tested throughout the world.

The administration of this park in accordance with the highest principles of conservation and the ideals for which Theodore Roosevelt stood is a challenge in which your help is needed. In this spirit and with the hope that the area we are now dedicating will be forever a source of enjoyment, education, and inspiration, the Department of the Interior accepts the trusteeship of this memorial park.

The Fundamental Objective

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to include the following splendid editorial which appeared in the New York Herald Tribune of June 9 entitled "The Fundamental Objective," commending favorably upon the action of the 91 Members of the House of Representatives in introducing resolutions in relation to a world federation:

THE FUNDAMENTAL OBJECTIVE

Ninety-one Members of the House, including representatives of both parties and a majority of the House Committee on Foreign Affairs, have introduced a resolution which could scarcely have been imagined a decade ago and which even today seems astonishing for its boldness. The resolution urges, in brief, that it be a fundamental objective of our foreign policy "to support and strengthen the United Nations and to seek its development into a world federation." Thus there is set down on the record one of those long-range goals which have sometimes an unexpected and incalculable role in shaping the future.

Needless to say, the transformation of the United Nations, with its veto power and with its preservation of sovereignty to all members, cannot be effected overnight. As Representative HAYS declared on behalf of the sponsors, an improvement in world economic conditions, as well as in relations between Russia and the West, must precede the formation of a Federal union. An excess of zeal at this time could damage the UN and play into the hands of those who are basically opposed to the international cause. In the end the path toward world government will probably be accomplished by several major steps; and the UN will be seen to have represented one distinct but necessary stage, as the Articles of Confederation were one stage in the development of our Constitution.

Nothing should be attempted at this time which weakens or discredits the United Nations. But a restatement of the ultimate goal need not have this effect; on the contrary, it can encourage those who are engaged in today's necessarily limited efforts. In this spirit, we welcome the resolution of the 91 Representatives.

Mr. Speaker, it was not so long ago that I made an appointment for a group of very prominent citizens of Massachusetts to see Secretary Acheson, of the State Department, on this subject. Several years ago I made a speech in which I stated, in part, that in the establishment of an international legislature or body to legislate or promulgate or act for permanent peace through the outlawing of war or through other means, it would be necessary for the governments of the world to delegate to such international agency so much of the attributes of sovereignty as are necessary for such international agency to act effectively in legislating or acting for permanent peace. In my address I also stressed that a police force or military force would be necessary to enforce the laws, promulgations, or acts of such international body.

Extreme Right Wingers Are Giving Our Governmental Processes a New and Very Un-American Twist

EXTENSION OF REMARKS

OF

HON. EUGENE D. O'SULLIVAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. O'SULLIVAN. Mr. Speaker, for some months now certain big-business institutions, some few radio commentators, and many big newspapers have been seized with ballot phobia. They have cried out "Copy or clip out our ballot and send it to your Congressman. Put the pressure on your Congressman if you want to get our way about it."

Under our form of government, both State and national, the people by public voting at elections, duly called in accordance with law, vote their choice in reference to who their public servants are to be for a definite term, and also may vote upon many other questions presented to them by either initiative or referendum and the will of the majority actually voting control.

Contrary to the belief of many people neither the National Government nor any of our State governments are democratic forms of government. The form of government which we of the United States of America have always enjoyed has been a republican form of government. Nationally, we are now, and have always been, a republic and not a democracy, and the strange anomaly about it all is that we have 48 limited sovereign republics within one limited sovereign Republic. Of course, the term "a limited sovereign" is quite contradictory, as the word "sovereign" ordinarily means supreme, unlimited.

In a democracy the people vote on everything in the old New England town meeting fashion. In a republic the people elect public servants and leave it to them to use their best, honest judgment about appointing lesser public servants, and about discharging the duties of their offices. Votes of confidence or of direction between public elections to avert a

resignation or for any other purpose or purposes are not known or recognized by our laws.

Of course, the people have reserved the right, always, to petition their Government and all of their public servants, and I am a firm believer in the thought that every type of a communication from a constituent, regardless of his or her politics, race, creed, or color, should be welcome to an officeholder, and should be honestly and fairly considered by such officeholder, and that is not only a belief of mine, but I have carried same out on all occasions during my public service.

When a national election has been held on a definite party platform, and a Congressman has definitely committed himself in preelection statements, to a definite course of action, and he has been elected on that platform and his preelection statements, every elector I am sure, feels that the issues have been settled until the next election, and would not insist upon a subsequent private election, or have the faintest hope of bringing about an ignoring or a reversal of preelection promises.

A voter's own good judgment would dictate the utter futility and impropriety of holding succeeding private elections to nullify the definite commitments or directives to an officeholder, arising out of a public election.

No voter would, on his own accord, be guilty of such a senseless and brazen course of conduct.

Such a movement would naturally not come from the fair American voters, but would have to be motivated and urged by some shameless and brassy source, which, to apply and add to the words of another, must have leaped from the lobby alley to the people's boulevard in one bound, and brought with it all of the tastes, manners, and instincts of the lobby alley.

By making this statement I do not wish to be understood as denouncing all lobbying activities. I feel that under our American way and business, any group of individuals, and any person has the right to present legitimately and properly their views to any public officeholder in the legislative, or any other branch of government, upon any matter which may concern their business, profession, religion, or any other thing in which they have an interest, financial or otherwise. I have no complaint whatsoever against proper lobbying, but I do say that the lobbying activities of some extreme right-wingers have become so unthinkably un-American, so offensive and improper, that the hand of tar is a clean and desirable thing in comparison with their unholy, besmirching touch.

Drastic laws have been passed by Congress to stop their manifold political perversions, and their bribing, corrupting, and debasing of people in public life. Like Communists and other un-American "isms" and cults they, the extreme right-wing lobbyists, have been driven underground also and have been forced to adopt undercover methods to gain their ignoble and un-American objectives.

We should always remember that in a republic at least two strong political parties are not only contemplated but are an absolute necessity, and that an elected member of a political party ordinarily should be held accountable to his party, and a political party should be held accountable for the actions and conduct of its elected members. Elections are thus simplified by voting for the candidates of a party, all things being equal. If, however, a better and more competent man is on some other ticket, or is an independent candidate, then, of course, a voter is justified in abandoning and should perhaps abandon his party ticket, as all of us, I am sure, have done on many occasions. The thought, then, is to vote your party's ticket, but not blindly, and to try to secure the best available men for the public office to be filled and then let them do the best they know how unharassed by unlawful pressure groups.

The foregoing is perhaps common knowledge to everyone, but it is well to reflect that today and in the immediate past corroded hearts, scheming brains, and "artful dodger" hands are, and have been, at work throughout the length and breadth of the Republic, in a frantic and frenzied, feverish effort to bring their unholy cause "dolled up" with a saccharine coating—supposed to be 100 times sweeter than sugar—to the people. These master un-Americans are indeed at their very wit's ends, because the President of the United States, Harry S. Truman, and the executive heads of the Government departments have barred their forward passage. They have found State executives either turning a deaf ear or damnably impotent. The Federal courts have been renovated and cleansed by retirement and death of many reactionaries and at last after many years of cave thinking the realization dawns upon a crooked, forlorn lobbying group that they will soon be as impotent as a gelding, steer, or barrow, and maybe as dead as a dodo bird, unless their last avenue of succor is also probed and experimented with.

That last avenue is to take their cause not directly to the voters at a public election, not directly to the public servants, but to the people themselves at a private election, and hence the phenomenal birth from the ashes of the now dead Phoenix, the debunked pollsters, comes the newspaper and other ballot hounds. You see in the case of the pollsters they collected their own ballots and did their own counting, but the new technique lets the individual, regardless of whether he is man, woman, or child, or a citizen or a rightful voter, vote a carefully worked out propaganda ballot—a trick ballot prepared by the now lobbying propagandists—which people then mail to a public servant, and which that public servant is required to count and report upon, in spite of all of the other public duties he has been by law required to perform. You can readily see that such scurrulous plans make the innocent populace and public servants a part of a sinister lobbying set-up, cogs in a lobbying gear, and the wonderful part about it all is that the innocent populace and the public servants are all working for nothing, working without costs to these lobbyists, and are required to spend their own money for envelopes and stamps. No pay is given by the hidden lobbyists for use of the time of Government employees who were required to open up, count, and tabulate those ballots, and if extra help is needed the public servant, and not the hidden lobbyists, must pay for that extra help, or if no extra help is procured the public servant must press his family into service and also do some of the work himself, perhaps after working hours. One can readily see that many man-hours are "mooched for free" from the populace, the Government, the public servants, and their families.

By employing this propaganda technique its promoters do not and are not required to register as lobbyists in Washington, D. C., and do not come under the present United States laws pertaining to lobbying and lobbying activities.

Instead of taking a direct route now, the lobbyists are taking a circuitous side road. If they traveled the direct route they would be readily observable and branded, but if they went the roundabout course it would be hard to observe their devious, crooked, and winding way.

From lobbyists to pollsters to balloters are indeed three interesting cycles in the life of our most un-American group, the extreme right-wingers. By giving some thought to the foregoing you will readily realize that lobbyists, like many of the other insects and mammals, pass through interesting cycles in the enjoyment of full and fat lives. The larvae—worm—has gone into the cocoon and in due time out comes the beautiful, sight-dazzling butterfly, the product of a crawling, slimy worm. The life of the Chambered Nautilus, as portrayed by Oliver Wendell Holmes' poem, has now chambered off his recent past, cycle by cycle, and now is in a new home more wondrously secret than the previous one. Verily worm to butterfly life, and poetic history has repeated itself, as far as the changing appearance and activities of the extreme right-wing lobbyists are concerned.

The things I have been wondering about is how much some of the radio commentators, who act as "stirrer-uppers" for the hidden lobbyists, and some of the newspapers and pamphleteers, who act as the "whooper-uppers" for the lobby-law evaders, get for their ignoble efforts. Would not all the people casting private ballots be sick if they really knew how they had been used by wood-pile lobbyists. Their faces would be still more henna-colored if they also knew who paid these commentators and newspapers for their efforts and how much was paid therefor.

From the study I have given of this new lobbying technique I am of the opinion that this course of conduct amounts to a criminal conspiracy to violate the United States law relating to lobbying activities, and I shall certainly probe same and see what can be done about bringing these offenders to justice.

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As I think the matter over now I realize that all the people who in the past have been induced to cast private ballots, unwittingly, I am sure, became a part of that conspiracy, and that my office force and my family and myself by counting and tabulating past ballots and certain recent ballots sent out by the Omaha World Herald of Omaha, Nebr., also, unwittingly, became a part of this illegal conspiracy, but of course neither the people balloting nor those counting same and tabulating them have committed a crime, because at the time we had no knowledge of the existence of this criminal conspiracy. We were merely dupes for undercover, illegal, extreme right-wing lobbyists.

I am now convinced more than ever that by proper resolution of the House of Representatives a committee must be appointed to investigate the criminal un-American activities of the extreme right-wingers. They must not be permitted to escape detection and prosecution by pointing and palavering, like Pharisees, at their less dangerous extreme left-wingers.

I wish that every true American would do his part to get this matter moving so that the real dangerous enemies of our Republic, who are seeking to destroy our form of government and put in its place and stead a golden empire of greedy, bad big business would be brought to a halt.

I assure you people are thinking seriously about our greatest enemies. I have received many letters supporting this statement.

The following is typical of many of these letters:

You certainly touched the right chord when you said investigate the big extreme right-wing fellows for un-American activities. We rave about the cartels of Germany when we have the Steel Trusts, Oil Trusts, Medical Gougers, Drug Trusts, Food Trusts, and many others. Some of these companies would steal all in the world if they could. If the doings of these crooked big extreme right-wing fellows are not stopped we will leap out of the frying pan of communism into the fire of fascism.

As I stated heretofore, the latest private balloting from the Second Nebraska District was sponsored by the Omaha World-Herald, which on two occasions ran full-page advertisements asking the readers to cast private ballots on the following questions and then mail these properly marked private ballots to one of their Senators and their Congressman:

How do you feel about—

	For	Against
A straight 10-percent cut in all Federal expenditures that can be cut?	☐	☐
Secretary of Agriculture Brannan's farm plan, the cost of which Secretary Brannan himself is unable to estimate? (Senator BYRD did not estimate the cost, but others have suggested figures up to $10,000,000,000 a year for this subsidy)	☐	☐
The so-called national health plan? (This calls for increased pay-roll taxes. Senator BYRD, referring to it as socialized medicine, estimated a $10,000,000,000 cost)	☐	☐
The Federal housing program recently enacted by the Senate? (The cost of the low-rent feature alone amounts to a possible $20,000,000,000 over 40 years, according to Senator BYRD, even if it is not later expanded)	☐	☐
Federal aid to education, costing $300,000,000 the first year? (Senator BYRD doesn't believe the cost would ever be that low again)	☐	☐
The ECA program costing $5,500,000,000 for the coming year? (This is chiefly aid to Europe under the so-called Marshall plan)	☐	☐
Arms for the North Atlantic Pact, to cost something over $1,000,000,000 in the coming year? (Mr. BYRD thinks that estimate is too low)	☐	☐
Increased income and pay-roll taxes that Senator BYRD says will be necessary to carry out the President's many recommendations for more spending?	☐	☐

Name _____
Street address _____
City and State _____

I believe that this course was pursued for no other purpose, except to club Nebraska Senators and Congressmen into the extreme right-wingers camp.

Labor unions in Omaha, who rightfully feel friendly to President Truman's program, and bitterly against the Omaha World-Herald, refused to even use the World-Herald ballot and had the following very similar ballot, and the attached explanation, mimeographed and distributed to their membership and other people in my district:

FOR YOUR CONGRESSMAN

Sign and return to your union officers or mail this ballot to Congressman EUGENE D. O'SULLIVAN, at the House Office Building, Washington, D. C., after you have marked it as to how you feel about each piece of projected legislation.

How do you feel about—

	For	Against
Secretary of Agriculture Brannan's farm plan? (Would enact President Truman's recommendation)	☐	☐
The Federal Housing Program recently enacted by the Senate? (A program to assist in providing low cost housing facilities and slum clearance throughout the Nation)	☐	☐
Federal aid to education? (To provide equal educational facilities for all areas of the Nation)	☐	☐
ECA program? (Our major effort in building a sound basis for peace among all nations)	☐	☐
National health plan? (A system of health insurance designed to provide adequate medical care for all citizens)	☐	☐
Increased taxes on an equitable basis? (Necessary to carry out the President's many programs which were his campaign promises to the people)	☐	☐
Arms for North Atlantic Pact? (The first line of defense for the preservation of our Nation and our American way of life)	☐	☐
A straight 10 percent cut in all Federal expenditures which would prevent necessary Government activities?	☐	☐

Name _____
Street Address _____
City and State _____

BULLETIN

The World Herald's ballot on May 11, which carried the opinion of Senator HARRY F. BYRD, prompts us to sumbit the following facts surrounding these issues as stated by the President of the United States in his state of the Union message to Congress on January 5:

SECRETARY OF AGRICULTURE BRANNAN'S FARM PLAN

President Truman says: "Our national farm program should be improved. Our goals should be abundant farm production and parity of income for agriculture." (Secretary Brannan's farm plan guarantees parity prices to farmers and a saving to the consumer of millions of dollars a year.)

FEDERAL HOUSING

President Truman says: "Five million families are still living in slums and firetraps. Three million families share their homes with others. As an immediate step, the Congress should enact the provisions for low-rent public housing, slum clearance, farm housing, and housing research which I have repeatedly recommended."

FEDERAL AID TO EDUCATION

President Truman says: "It is shocking that millions of our children are not receiving a good education. I cannot repeat too strongly my desire for prompt Federal financial aid to the States to help them operate and maintain their school systems."

THE ECA PROGRAM

President Truman says: "We are doing what we can to encourage free states and free peoples throughout the world, to aid the suffering and afflicted in foreign lands, and to strengthen democratic nations against aggression. The heart of our foreign policy is peace. To it we have pledged our resources and our honor."

NATIONAL HEALTH PLAN

President Truman says: "Our health is far behind the progress of medical science. We must have, without further delay, a system of prepaid medical insurance which will enable every American to afford good medical care."

TAXES

President Truman says: "I recommend that the Congress enact new tax legislation. This should come principally from additional corporate taxes. Consideration should be given to raising personal income-tax rates in the middle and upper brackets."

ARMS FOR NORTH ATLANTIC PACT

President Truman says: "We are following a foreign policy which is the outward expression of the democratic faith we profess. Until a system of world security is established upon which we can safely rely, we cannot escape the burden of creating and maintaining armed forces sufficient to deter aggression."

BUDGET REDUCTION

Senator Harry F. Byrd proposed reduction of 10 percent in the appropriation for administrative costs which would seriously impair the important Government functions and would be a false economy. Congress has considered this proposal unsound by their refusal to cut the budget for such essential departments as Labor, Agriculture, Social Security, etc.

On May 28, 1949, 12,924 votes had been cast and I made the following press release to many of the newspapers:

A few weeks ago the Omaha World-Herald of Omaha, Nebr., a very reactionary newspaper, conducted a poll which asked for its

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readers' views on the following items of President Truman's program, and the result of the ballots which have been sent to my office to date is as follows:

No. 1. A straight 10-percent cut in all Federal expenditures that can be cut. In favor, 8,055; against, 9,197.

No. 2. Secretary of Agriculture Brannan's farm plan, the cost of which Secretary Brannan himself is unable to estimate. (Senator BYRD did not estimate the cost, but others have suggested figures up to $10,000,000,000 a year for this subsidy.) In favor, 9,140; against, 3,155.

No. 3. The so-called national health plan. (This calls for increased pay-roll taxes. Senator BYRD, referring to it as "socialized medicine," estimated a $10,000,000,000 annual cost.) In favor, 9,153; against, 3,131.

No. 4. The Federal housing program recently enacted by the Senate. (The cost of the low-rent feature alone amounts to a possible $20,000,000,000 over 40 years, according to Senator BYRD, even if it is not later expanded.) In favor, 9,241; against, 3,015.

No. 5. Federal aid to education, costing $300,000,000 the first year. (Senator BYRD doesn't believe the cost would ever be that low again.) In favor, 9,415; against, 2,783.

No. 6. The ECA program costing $5,500,000,000 for the coming year. (This is chiefly aid to Europe under the so-called Marshall plan.) In favor, 9,745; against, 2,391.

No. 7. Arms for the North Atlantic Pact, to cost something over $1,000,000,000 in the coming year. (Mr. BYRD thinks that estimate is too low.) In favor, 9,769; against, 2,270.

No. 8. Increased income and pay-roll taxes that Senator BYRD says will be necessary to carry out the President's many recommendations for more spending. In favor, 9,132; against, 3,136.

I think that the results of this poll was about as revolting and surprising to the Omaha World-Herald as the results of the last election.

The popularity of our President and the popularity of his programs are gaining by leaps and bounds in my congressional district of Nebraska, and I am indeed very happy about it.

Today the House appropriated additional sums for congressional help and expenses and the extreme right wing lobbyists and their employers, and some radio commentators and some newspapers are responsible for the necessity of this additional appropriation, and yet they will blame Congress for not practicing economy.

In a succeeding article I shall endeavor to give more minute attention to the business of the Omaha World-Herald's private balloting venture and discuss its unfair attitude after it was roundly trounced once again by the people of my district.

Housing and Slum Clearance

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. DAVIS of Georgia. Mr. Speaker, adequate housing, low-rent housing, and slum clearance are problems which vitally concern all of us. The housing problem affects many groups and reaches into nearly every section of our country. It affects not only city dwellers, but residents of the small towns and rural areas. It affects industrial workers, white-collar workers, veterans, and farmers.

Need of housing existed when Capt. John Smith landed at Jamestown, and when the early settlers landed at Plymouth Rock. In those days, without Government aid of any kind, the individual supplied his own housing. Need for housing has continued in a greater or lesser degree throughout the intervening years, down to the present moment.

Up to this time the American people have not taken the position that it is the responsibility of the Federal Government to build homes for the citizens. We have felt that the Government should, within reasonable bounds, lend a helping hand to the citizen who aspires to build or buy a home, and this has been done to a great extent by making credit available to the prospective home owner. This method encourages individual initiative and thrift on the part of the citizen. He has the prideful feeling that, being a home owner, he has a stake in the United States of America, its present, and its future. The phenomenal growth of America, and the high standard of living we have achieved, have centered attention on the housing problem.

There is great room for improvement. As one who desires to see this improvement take place, I feel that it is an impossibility for the Government to meet the expense involved, should we embark upon a Nation-wide public-housing program such as is contemplated in House bill H. R. 4009.

Our public debt is now approximately $252,000,000,000. We are threatened with a deficit in this year's budget. Revenues are likely to decrease with decreasing business.

Individual experience has shown that frequently one must deny himself greatly needed articles, when his financial condition will not permit their purchase. A man who is greatly in debt, and whose income is diminishing, cannot always buy everything he and his family would like to have. To do so often means bankruptcy. The same is true with a Nation.

I am firmly convinced that we cannot embark at this time upon a new program of long-term lavish spending. I fear we have already made more commitments than our resources and our economy will support in the years to come.

I feel that we need a decrease in spending instead of an increase. I feel that we need a decrease in taxation, instead of an increase.

Economy and thrift are just as much virtues today as they have ever been, and these virtues are sorely needed in our Government at this moment.

While I would like as much as anyone to see modern housing provided for everyone who needs or wants it, the first question is, "Are we able to do it?"

I do not believe the taxpayers of America can finance the nearly $20,000,000,000 spending program which is called for in House bill 4009.

As an alternative, I have introduced today House bill 5085, which is a comprehensive housing bill to provide Federal assistance for slum clearance; provide housing for families of low income; provide for veterans' homestead associations; provide for housing research; provide for loans and grants for farm housing, and provide for the orderly disposition of war housing. A short analysis of H. R. 5085 is as follows:

Title I, Slum Clearance: This title provides for grants and loans to States for the acquisition and clearance of slum land for redevelopment. The loans will be limited to estimated reuse value of the land, and are to be repaid out of the money realized from the sale of the cleared land. The grants are limited to one-half the difference between acquisition cost and reuse value, with the State supplying the remaining one-half. The cleared land is to be sold or transferred to private or public ownership in accordance with a redevelopment plan which recognizes the highest and best land use, including commercial or industrial uses, housing, parks, and playgrounds. The program would be administered by the Federal Works Agency. Total loans, grants, and expenses of not more than $350,000,000 are authorized under this title.

This slum-clearance title has these following merits: (1) It is direct and straightforward in the amounts to be spent and does not involve long-term commitments or continuing contributions; (2) continuing jurisdiction of Congress is maintained. Congress can periodically review this program and exercise its judgment in continuing or expanding the program; (3) it separates the administration of the slum-clearance program from the agencies involved in the public ownership of housing and apartments ideology controversy.

Title II, Housing for Families of Low Income: This title presents a plan to obtain production of rental housing in volume for lower-income families by private capital. The plan has two features: (a) It requires the State or city to abate all real-estate taxes on the improvements made under this title, that is to say, the taxes are "frozen" at the current level for a period of at least 10 years; (b) the Federal Government permits an increase up to 10 percent for a period of 10 years for depreciation deductions which it allows for Federal income-tax purposes.

The plan is available only in cases where the Federal Housing Administration issues a certificate certifying that the project will be available at rents suitable for families of low income, and to further assure this result it is required that tenants be limited to families who are certified by local authorities to be eligible because of the fact that they are either receiving rent relief or are not able to afford to pay an economic rent. It is believed that under this plan private capital can provide housing at rents ranging from $50 a month downward, even at present cost levels. Under the plan preference in occupancy is given to veterans.

Title III, Veterans' Homestead Associations: This title provides for the formation of veterans' homestead associations with the assistance of Federal loans in the amount of $250,000,000. It is similar to the Veterans' Homestead Act,

H. R. 4488, proposed last year and sponsored by the American Legion.

The veterans' associations formed under this act would obtain long-term loans from the Veterans' Administration at very reasonable rates for the construction of low- and medium-priced homes for sale or rent to veterans of World War II. Individual purchasers would finance their homes through local financing institutions and the homestead associations could finance cooperative or mutual housing for veterans of World War II over a 32-year period. The Federal Works Administration is authorized to make 50-percent grants for streets, water, and sewer facilities where these are not available in a total amount of $50,000,000.

Title IV, Housing Research: This title provides for an extensive program of housing research pointed toward development of improved construction materials and methods and the reduction of housing costs. The program would be conducted in the Department of Commerce, with the cooperation of other Government and private research agencies.

Title V, Farm Housing: This title provides for grants and loans for farm housing to be administered by the Secretary of Agriculture. Three types of assistance are provided: (1) For self-sustaining farms, 33-year, 4-percent loans, where adequate private financing is not available; (2) for potentially self-sustaining farms, 33-year loans, with supplemental annual contributions available for not more than 10 years; (3) for farms with no practical prospect of being self-sustaining, grants and loans to repair, and rehabilitate the farm housing. Loans of $325,000,000 and grants of $75,000,000 are authorized.

This title is similar to title IV of H. R. 4009, but provides slightly larger authorizations and contains some minor improvements recommended by the National Grange.

Title VI, Disposition of War Housing: This title provides for the orderly disposition of war housing and the return of this housing to private, tax-paying ownership as contemplated by the Congress in Public Law 671 (Lanham Act). The net proceeds from the sale of this housing would become available for further slum clearance under title I.

David Marcus

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. MULTER. Mr. Speaker, on June 10, 1948, a brave American soldier gave his life in the State of Israel defending there the principles of liberty that all true Americans cherish so dearly.

The following articles appear in the current issue of the Light, a magazine published by the Wall Street Synagogue of New York:

IN MEMORY OF COL. MICHAEL DAVID MARCUS

(By Yan Kov Dory Rav Aluff, Chief of Staff, Israel)

I vividly recollect my first encounter with Colonel Marcus. It took only a brief introduction to plunge us into a heated discussion on military problems; it seemed to me then that I had known him for years. I was impressed with his friendly eyes and his jovial face. Such a fellow's heart, I thought, must be radiating kindness and overflowing with human understanding.

I wondered at the time what brought this remarkable personality, bordering on military genius, to our comparatively little country. He certainly could not have been looking for a more ambitious career, or for a larger halo of glory than he had during the Second World War. Among his many vital tasks in that global struggle he had been a member of the Allied Staff which drafted the German surrender and also served as adviser to President Roosevelt at the Yalta Conference. What greater fame could there be for him?

No, Colonel Marcus had an inner call which urged him to come here. I knew from the first meeting with him on Israeli soil that this was no adventurer merely looking for new outlets for his boundless energy. A long dormant sentiment for his people was awakened in his heart with the outbreak of war on the Judean hills. Actually, he had only a vague idea of what had been achieved here during the last 30 years. Zionism was an abstract term for him. Brought up in the military tradition, both through his father and grandfather, as well as through his own studies at West Point, he was unlike so many other military men, imbued with romantic intuition.

In his youth, his grandmother taught him how to pray. She asked him to insert a coin every Friday evening into the blue box for charity purposes in the Holy Land, and finally she made him promise that he would bring her over to Jerusalem toward the end of her life in order that she might die there. These comparatively minor aspects of the Jewish ritual imprinted themselves indelibly on his mind.

Endowed with imagination, he could secretly cherish in his heart a dream of a people yearning for independence and freedom.

Then he suddenly realized that he had something to contribute to his people's regeneration in the historic fatherland. His imagination was enkindled with the past. He felt proud that he would be following in the footsteps of Joshua, the son of Nun, Samson, David, and Bar Chochba. It was apparent that he felt proud to be supreme commander on the Jerusalem front than he would have felt had he been appointed as supreme commander of any other part of the world.

I was privileged to meet Colonel Marcus many times during his short period of service with Israel. He was my closest adviser in many occasions, and in informal discussions. I admired his judgment, vision, and inspiring way of argument. With those personal attributes and his realistic approach to military problems, he made an outstanding contribution to the perfection of Israel's war machine.

Colonel Marcus made himself one of the most popular commanders among the rank and file, endearing himself to all those who came in contact with him. He brought with him the liberal tradition of American fraternity among comrades-in-arms, as opposed to the strict military regime of the Junker's pattern. His prestige was thus enhanced sevenfold. His men knew him by his nickname—Micky. Although a complete blackout was imposed at the time on all matters relating to high-rank officers, especially as far as "foreign" officers were concerned, Colonel Marcus was universally known as the legendary American Colonel Stone.

During his comparatively short stay in Israel he concentrated his efforts on two different fronts. At first he served with the "Negev Rats" down south, but his military stature was mainly revealed through the campaigns on the Jerusalem front, which aimed at opening the Jerusalem-Tel-Aviv road.

Colonel Marcus loved the country and its youth. As it will be remembered he obtained formal leave from the American Army before arriving in Israel. After a few months stay here it was necessary for him to return to the United States of American and Mr. Ben Gurion, the Secretary for Defense, was afraid that he might be unable to come back to Israel again. Colonel Marcus assured him: "Don't worry. I shall return even if I have to swim back."

He became deeply attached to the youth of Israel. He learned to admire their courage, devil-daring, and perseverance. He was reputed to have stated that such human material could not be found anywhere else in the world. He saw Jewish youth fighting against tremendous odds with fortitude, valor, and utter self-confidence. He had absolute faith in them. Once he said: "If there were enough war material, we could be in Amman within the next 24 hours." He was no mere dreamer. He based his conclusions on what he had seen; and when he saw our youth in battle he understood what Dr. Herzl said in his play "The Ghetto: My Jewish brethren, they will let you live only when you learn how to die."

Nobody has as yet sung the hymn of praise to Israeli youth. They are awaiting a Hebrew to rise and record their heroic epopee in the struggle for independence.

Nor has the time come to evaluate the extent of American Jewry's contribution to Israel's war effort. But I can state with confidence that one of the greatest contributions to our mutual cause was Colonel Marcus himself, whose services will forever be remembered in Israel.

It was with the deepest regret that we faced his sudden death at his post. He was only 37 years old, and his brilliant career was cruelly interrupted. One's only consolation is that he has not fallen in vain, and that thousands of the Jewish youth, who admired him and served under him, are carrying on his uncompleted task.

When full freedom dawns on the rejuvenated Israel, and when the national Pantheon for our heroes is erected, the people will create a worthy monument for that unforgettable commander—Col. Michael David Marcus.

DAVID MARCUS

(By Arthur H. Schwartz)

David (Mickey) Marcus was born in New York City on Washington's birthday in 1902. He died in Palestine on June 8, 1948. In a 46-year span, he had a most varied and exciting career. His friends were many—from every walk of life and from every creed and faith. No one friend will ever be able to report all the facts of his life or claim knowledge of all the innumerable things that he did, but every friend can amply report his virtues and traits of character, for those permeated everything he did.

One hardly knows where to start a David Marcus biographical sketch within the limits of the space allotted. One could write of his early childhood on the lower East Side to which his parents came from Rumania; his early life and education in Brownsville, Brooklyn; of his rearing by a loving mother in a home where the Hebrew ritual was observed and where respect for the orthodox Judaism was most deep-seated.

One could write of his early training at the Hebrew Educational Society Gymnasium

where he first developed extraordinary skill in gymnastics; of his education at Boys High School where he became a schoolboy star on the football field and the baseball diamond and yet excelled in his studies.

One could write of his career at West Point, which he attended after spending a year at City College. His genial spirit, his warmth and love of humanity endeared him to people of all faiths. He made lifelong friendships wherever he went. Once met, he could never be forgotten. In passing, every friend he had always felt that he was the closest. His magnetism was limitless.

At West Point, he was one of the most popular men. Everybody knew him because of his boxing fame—he won the intercollegiate title. His deep interest and his desire to help underclassmen made him known to every cadet at West Point. His reputation became known to every graduate of West Point, and every general in the United States.

After graduation from the Academy, he was assigned to Governors Island. While there, he studied law. He finished his Army career and became a member of another branch of the Government service; namely, the Treasury Department, where he served as a Treasury attorney under Charles H. Tuttle. When the late George Z. Medalie became United States Attorney in 1931, I was assigned the task of hiring people to serve as assistants and I suggested Dave's appointment to Mr. Medalie.

I casually mentioned the fact that he had studied Hebrew at West Point during his free hours—with a rabbi in the nearby vicinity. Mr. Medalie thought that Dave's Hebrew was probably limited to what the average Jewish boy picks up in a cheddar. When I brought Dave in, Mr. Medalie tested Dave by speaking to him in Hebrew. I must confess that my knowledge of Hebrew is not as good as it might be and I cannot report the nature of the talk between them. But I do know that they conversed for quite a while. Mr. Medalie, at the conclusion of the conversation, said to Dave: "Although Hebrew is not a necessary prerequisite to appointment as an Assistant United States Attorney, any man who can use his time as you did, is worthy of consideration for a post which requires interest, exactitude, and integrity." David was appointed. That was the beginning of a very close friendship between George Z. Medalie and David Marcus. The story of that friendship would furnish a separate chapter in the life of Mickey Marcus.

Dave continued in the United States attorney's office under Thomas E. Dewey, then the acting United States attorney and now the Governor of the State of New York. A lifelong friendship followed. In 1933, La Guardia appointed him as deputy commissioner of correction. Later he became the commissioner of correction. One could write about the raids on Welfare Island during his service as commissioner. Movies have been made of that story. It has been told many times and there is no need to repeat it here.

A time came when war seemed imminent. Even before the United States entered the war, Dave Marcus resigned as commissioner, thereby waiving important security benefits, and entered the service of the United States—first as a member of the National Guard and later in its most vital services.

He was practically in every theater of operation. The letters I received from him and the orders that I saw, disclose that he covered the globe. He started at Anniston, Ala., then went to the west coast, Hawaii, to the islands in the Pacific, China, then back to the United States. He went everywhere. He was with the President at the various international conferences—at Dumbarton Oaks, at Cairo, Yalta, and innumerable other places.

He jumped with the paratroopers in France on D-day. He was active in drawing the surrender terms for the Italian and German governments. He then went to Europe to arrange and participate in the military government of Germany. While there, Dave became intimately acquainted with what had happened to the oppressed minorities in Europe. He returned and organized the plans for prosecuting war crimes and recruited the staff therefor. His activities will be told some day when some careful researcher has the time to collect all the material.

Despite the medals, ribbons, and awards that were showered upon him, his uniform was always bare of any such decorations.

He had a chance to remain in Government service but decided to retire—with his rank as Colonel. There was a person who had sacrificed much. She was Emma Chaison Marcus whom he had met early in his career and whom he had married over 20 years before. He felt that he could neglect her no longer. During his 6-year absence, she was engaged in teaching in the New York City elementary school system.

He was back in the United States a short time—practicing law—when Israel required help. The United Nations seemed to be indecisive. He felt that the fate of Israel would determine the fate of law and order for the America he loved and for the entire world. David Marcus undertook to aid Israel in its fight. He went to Israel and took the highly diverse elements and welded them together so that they fought in unity and with power. His knowledge of Hebrew and his understanding of the psychology of his people helped him train these independent groups with the result that is now a historical phenomenon.

On the eve of the truce, David Marcus died, in a manner typical of his career—in action and among his men.

Prime Minister Ben Gurion, on the occasion of David Marcus' death, said:

"He succeeded in making outstanding contributions to the building up and perfecting of our war machine which has secured for him a place of honor in the momentous phase of our history during which the state of Israel came into being.

"As a man and commander he endeared himself to all those who came into personal contact with him and his fame spread through all the ranks of our armed forces. They all admired his superb courage, his remarkable military devotion and his natural spontaneous fellowship. He was appointed supreme commander of our forces at the Jerusalem front and became immediately the moving spirit of that campaign—the most difficult and far-reachingly important of all those we have had to fight so far. His name will live forever in the annals of the Jewish people and we feel confident that American Jewry will be proud of its great and gallant son who has given his life for the liberation of Israel."

United States Coast Guard Auxiliary

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. MULTER. Mr. Speaker, earlier in this session Senator MYERS, of Pennsylvania, introduced S. 1001, a companion measure to H. R. 2204, providing for the delivery to the United States Coast Guard Auxiliary of materials and equipment which could be used by the Auxiliary in its educational and training programs. In our House the bill was referred to the Committee on Expenditures in the Executive Departments, and there referred to the subcommittee of which my distinguished colleague the gentleman from North Carolina [Mr. BONNER] is the chairman.

I was delighted to have the opportunity to appear before the committee and urge the enactment of H. R. 2204. I was, indeed, pleased to learn that the subcommittee unanimously favored reporting my bill, H. R. 2204.

I was even more pleased to learn from my distinguished colleague the gentleman from California [Mr. HOLIFIELD] that his bill H. R. 4754, enacting the Federal Property and Administrative Services Act of 1949, had not overlooked the desirable result sought to be accomplished by my bill and that encompassed within the terms of the Holifield bill are provisions which make the enactment of H. R. 2204 unnecessary.

Any doubt as to that was completely eradicated by the colloquy which ensued on the floor of the House during the course of the debate on H. R. 4754 when in unmistakable language both the gentleman from North Carolina [Mr. BONNER] and the gentleman from California [Mr. HOLIFIELD] made it clear that the United States Coast Guard Auxiliary would be qualified to receive materials and equipment upon the enactment of H. R. 4754.

As you probably know the Coast Guard Auxiliary is a civilian organization sponsored by the United States Coast Guard. It is organized to (1) promote safety and to effect rescues on and over the high seas and on navigable waters; (2) to promote efficiency in the operation of motorboats and yachts; (3) to foster a wider knowledge of and better compliance with, the laws, rules, and regulations governing the operation of motorboats and yachts; and (4) to facilitate other operations of the Coast Guard.

Not only does the auxiliary conduct public-lecture courses on a national scale, but gives to interested individuals instruction and training.

Auxiliarists render a very valuable service to the Coast Guard without compensation. They help man Coast Guard stations and vessels and render invaluable public service in aiding in rescue work. Thousands of vessels were inspected during the calendar year 1948 as a courtesy service to boat owners in order to bring about voluntary compliance with the laws of the seas and to improve the safety of persons and property. During World War II the auxiliary was an invaluable reservoir of experienced men who had an intimate knowledge of the ports of the United States who became temporary members of the Coast Guard Reserve and in that military capacity served with distinction in the Coast Guard as a part of the United States Navy. The auxiliary has always been ready and willing to assist the Coast Guard and the Nation in any emergency.

The enactment of this bill will be another step forward in implementing the capacity of the auxiliary to further render further public service.

UNIVERSITY OF MICHIGAN LIBRARIES

Slap on Wrist With Velvet Hammer for Antitrust Violators—Amendment to Sherman Act To Increase Fines for Violations of Antitrust Laws—Atlantic & Pacific Tea Co. Case Outstanding Reason for Amendment

EXTENSION OF REMARKS
OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mr. PATMAN. Mr. Speaker, I should like to explain briefly the provisions of the bill which I have just introduced to amend the Sherman Act by increasing fines for violations of the act from a maximum of $5,000 to $50,000. The present fine of $5,000 is a completely inconsequential amount in comparison with the vast profits which are made by violating the act. Yet this is the maximum fine now permitted by the 60-year-old Sherman Act, which authorizes a fine not exceeding $5,000 or imprisonment for not more than one year, or both. To date, no businessman has been imprisoned for violating the antitrust laws; therefore, the only punishment is a $5,000 fine—perhaps a few weeks' salary to a corporation official or 1 hour's profit to a corporation.

What could be more inequitable than sending a veteran to jail for stealing $10 perhaps to feed his family and then levying a fine of $5,000 on corporations for derelictions involving millions of dollars? Two hundred and forty-seven firms were charged with price-fixing during 1948 by the Department of Justice on products ranging from abrasives to milk. While the public forfeits huge sums to these price conspirators, what happens if these corporations are convicted? They are fined $5,000. This is little more than a slap on the wrist to a corporation with millions of dollars in assets.

The complete inadequacy of the fine which can be imposed under the present law has been pointed out by officials of the various courts and by representatives of the Department of Justice. What could be more frustrating to a prosecutor who has obtained facts proving flagrant violations against a corporation possessing incalculable resources than to have that corporation punished by a fine of $5,000? Here is a statement made by Judge Simon Rifkind on March 1 of this year, when he imposed fines on six defendants in the case of the United States against the National Lead Co. in New York:

> I cannot even go through the formula of looking the defendant in the eye and saying, "Is there anything you wish to say before I pronounce sentence?" But I must confess that these amounts being substantially the maximum allowed by the statute, there is very little I can do or very little reflection that I can give this matter except perhaps to make the inevitable comment that a violation of the antitrust laws which persisted from some time in the early twenties to the 1940's, with respect to which the criminal liability is discharged by the payment of $5,000 a count, hardly seems to me to be the nature of penalty which is likely to discourage violations of the antitrust laws as far as the criminal laws are concerned, but that is a problem for the Congress.

I agree with Judge Rifkind. The meager fines which can be imposed are a problem for Congress to solve, and this bill which I have introduced will set up standards for punishments of antitrust violations which will more adequately fit the magnitude of the offenses.

Assistant Attorney General Herbert A. Bergson, in charge of the Antitrust Division, in testimony before the House Committee on Appropriations in January of this year, recommended that the amount of fines that may be imposed under the Sherman Act be substantially increased to the amount which I have proposed in my bill—$50,000 on each count. He had this to say about the present fines:

> I think some of them (monopolistic groups) just consider them license fees for doing business in an illegal way.

A prime example of inadequate fines is the Great Atlantic & Pacific Tea Co. case, in which after years of litigation 25 defendants were convicted of major violations of the antitrust laws. Ten fines of $10,000 (two counts) and 15 fines of $5,000 were levied against the defendants. Can anyone seriously consider that to be an adequate punishment for unfair competitive practices committed by a corporation handling about 10 percent of the retail grocery business of the entire United States? Since 1925, the Atlantic & Pacific had sent its buyers into the field to get goods at the cheapest possible price. The sellers were forced to pay a commission to the A & P which enabled A & P to reduce prices further and force competitors out of business. After the passage of the Robinson-Patman Act in 1936, that practice was outlawed; and A & P turned to other methods. Their lawyers induced the sellers to reduce their price further to the A & P in an amount equal to what the commission had been. The allowance thus became a mark-down on the price shown on the invoice, and this was called net buying. The Federal Trade Commission issued a cease-and-desist order outlawing that practice. Then the Atlantic & Pacific bought directly from the suppliers and refused to buy from suppliers who sold to any other firms through brokers. The A & P continued as usual to get its usual lower price, and the supplier had to make his profit out of his other customers at higher prices. The competitors of A & P had to pass their disadvantage in wholesale buying on to their customers in higher prices.

In the A & P case it was shown that A & P bought, sold, and distributed to the American people each year $1,750,000,000 worth of food—billions, not millions. In my opinion, a $5,000 fine figured on this turn-over is even less than a license fee for the criminal actions of which A & P was found guilty. It is a pauper's penny contemptuously tossed out by the bloated offender.

It was shown in the case that A & P had 6,412 stores located in 3,436 cities. Thus a $5,000 fine was less than $1 a store, and hardly more than $1 per city in which A & P operated. Could there be any more effective demonstration of how much a mockery of justice it is for the Government to be held down to the imposition of a $5,000 fine in cases of this nature?

And do not be misled and think that the convictions in this case were just technical convictions and that the actions of which A & P and its backers were found guilty were not morally reprehensible. I ask you to read the court decisions both in the trial court and in the court of appeals. Incidentally, there were no dissenting opinions, and the defendants did not even attempt to take the case to the Supreme Court.

A & P had a racket, the impunity and ingeniousness of which, in my opinion, is absolutely shocking and demoralizing. I use the words "shocking" and "demoralizing" deliberately, because the A & P racket, criminally enriching its promoters, was also cunningly devised so that the customers of A & P, to the extent that they obtained cheaper prices, were really made parties to the crime to the extent that they shared in the criminal "take."

The average housewife may say, and the A & P promoters expected her to say: "What is wrong with A & P if I can get something cheaper there, or if an A & P store is satisfied with a profit of 1½ cents or one-half cent on a dollar?" Of course, she does not know that very often, through one device or another, through selling her company brands, for instance, instead of standard brands, she may be paying more than she might pay elsewhere.

But more important, does the housewife who got something cheaper at the A & P know that, as shown in that case, the A & P, in giving her reduced prices and operating on the barest percentage of profit in many instances, and even losses, was simply sharing with its customers ill-gotten gains, criminally obtained by A & P?

Let me quote here, in this connection, something that the court said, in the A & P case:

> One cannot escape the conclusion on the very substantial evidence here, as one follows the devious manipulations of A & P to get price advantages, that it succeeded in obtaining preferential discounts not by force of its large purchasing power and the buying advantage which goes therewith, but through its abuse of that power by the threats to boycott suppliers and place them on its individual blacklist, and by threats to go into the manufacturing and processing business itself, since it already possessed a considerable establishment and experience that would enable it to get quickly and successfully into such business if a recalcitrant supplier, processor, or manufacturer did not yield. The A & P organization was urged to keep secret whatever preferences it received. These predatory discounts and other preferences amounted to 22.15 percent of A & P's total profits in 1939, 22.47 in 1940, and 24.59 percent in 1941.

It is with all this in mind that I say to the gentlemen of this House that the amount of fine now permitted under the Sherman Act should be $50,000, not $5,000, and this, I am sure, is why the Department of Justice feels the same way.

Let this crime have a real fine attached to it. Let the courts know that Congress means business and that Congress regards this crime as a real crime. I prophesy that, if my bill is enacted into law, then not only will we see substantial fines imposed by the courts, but prison sentences as well, under the present 1-year provision which the courts, up to now, have not been disposed to use.

The Atlantic Commission Co., otherwise known as ACCO, was one of the subsidiaries used by A & P to do much of its dirty work in forcing suppliers to sell to it at grossly unfair prices and in violation of law. Profits made by ACCO and by other A & P subsidiaries or divisions would be assigned to A & P's various retail stores in varying percentages, depending on how hard competing stores were to be hit. Thus certain A & P stores could continue to operate without any actual profit of their own, or almost no profit, or even with a loss. A & P did not care. The more stores A & P had, and the more merchandise it sold, the more ACCO or its other agencies were in a position to buy from suppliers. This simply meant a bigger stick which ACCO and the rest could wield in coercing suppliers, which would then have to pass their losses on to independent grocers in the form of higher prices, which their customers would have to pay, provided these independent grocers did not go out of business.

Does the housewife know, for instance, that A & P, as shown in the court records, did not depend upon its retail stores to make more than 10 percent or so of its entire profits? Does she know that A & P depended upon its retail stores not so much to make profits as to build up a huge purchasing power which it could use and did use to blackjack suppliers into selling to A & P at less than reasonable prices, prices that were discriminatory as against independent grocers, and at reductions that could not be accounted for solely by reason of volume? Does she know that A & P was able to purchase, for resale to its customers, at these lower prices only by threats of putting recalcitrant suppliers out of business, of boycotting them or adopting other illegal methods, as found by the court?

Does the housewife know that, even though she, under this dishonest system, may at times obtain cheaper prices, by reason of the fact that the suppliers of A & P were forced to sell to A & P at too cheap a price, other housewives purchasing at other stores must make up the difference? Does she know that the suppliers who are forced to sell to A & P at too cheap a price must then charge other grocery concerns higher prices to make up the difference, and that these other concerns must then pass on the difference to their customers, who are the other housewives of America?

If the American housewife would realize all this, she would see that the A & P method of doing business, which was found criminal by the court, was so devised as to gain nothing for American consumers as a whole, but that all A & P did was, temporarily at least, to let its customers in on some of its illegal profits.

I say "temporarily" because it is obvious that, if A & P is permitted to continue in these operations, there will soon be no more competing grocery stores at all, and then A & P and chains like it, would not even have to pretend to keep their prices low in order to attract a tremendous number of customers. The obvious reason is they would have the customers anyhow and they would be able to wield a "big stick" so as to club suppliers into giving them cut-rate prices, even without dividing any of the profits with their own retail customers. Once monopoly is really in the saddle, all incentive for "passing on" such profits, or a share of the profits, is removed.

ACCO did not buy cheaper, or get the merchandise to A & P cheaper, just because it bought more at a time, or A & P could use more at a time. The court decision makes that clear. Suppliers were forced to sell to A & P, or for the use of A & P, at cut-rate prices—"or else."

As the court said:

It is probably true that many actions of defendants of which the Government complains, standing alone, are devoid of wrongful character, but when the fabric woven from them is considered as a whole and it appears contaminated by a corrupt thread running throughout the completed texture, the whole become a tainted product and all partaking in its creation, having voluntarily contributed to the structure, are charged with responsibility for the fabrication. The conduct of ACCO is the rotten thread of the fabric, and it so permeates the entire texture and ties together the other threads as to result in an imperfect, an illegal product—unreasonable interference with competition and power to monopolize. With the flaw of ACCO's tainted record permeating all the operations of A & P's integrated system, the activities of A & P other than those directly involving ACCO take on a polluted colored light. Manipulation of gross profit rates, at times sufficiently to do away entirely with retail profit, in competition, procurement, and enjoyment of buying preferences heretofore discussed, whether in the form of discriminatory discounts, advertising allowances, or otherwise, supplementing retail earnings, or overcoming deficits with earnings of manufacturing subsidiaries, the coffee department and ACCO, and other actions heretofore mentioned, even though some one or all of them standing alone might not amount to a violation of the law, when coupled and inextricably interwoven with the activities of ACCO, reflect inevitably the misuse of defendants' power in competition with others to such an extent as to create undue interference with commerce—undue restraint of trade—of such character as to result in monopoly.

A & P had been engaged in its criminal acts for some 20 years before the Government caught up with it. It was making its criminal profit on these criminal acts during these 20 years. The expense to the Government in prosecuting A & P and in obtaining conviction can hardly be estimated. Yet, when it was all over, and after the courts had fully spoken and had found the defendants guilty "in manner and form as charged in the information"—and I respectfully refer the Members of this House to the extensive contents of that information—the maximum fine that could be imposed on any defendant was $5,000 for each of two counts.

I submit that the law cannot continue in this state and that the Congress has the duty to increase this amount to a realistic figure. I respectfully recommend the adoption of the bill, as introduced by me.

Preserving a Sound Tradition

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following editorial which appeared in the Brooklyn Eagle on Sunday, June 5:

PRESERVING A SOUND TRADITION

It is altogether fitting that Brooklyn, the City of Churches, should have as one of its best-loved celebrations, Anniversary Day, the annual Sunday school parade. This is a festival peculiar to Brooklyn, one that has been continuing for 120 years, ever since the first few starched and scrubbed youngsters marched proudly down the streets of Brooklyn Heights in commemoration of the founding of Brooklyn's first Sunday schools in 1816. There has never been anything quite like it anywhere else in the country.

There were only four Protestant churches in Brooklyn in those days. Now there are 300 Sunday schools sending about 90,000 youngsters to the parade which has to be held in 27 divisions throughout the sprawling borough. But the basic spirit remains the same—it is a tangible expression of the interest in religious teaching of our Protestant churches and their pride in the youngsters to whom they impart that teaching. As it has for a century and two decades, the parade cuts across denominational lines to stress the common faith.

It is little wonder, therefore, that Anniversary Day has attracted the attention of the most distinguished persons of their time. Presidents have not thought it beneath them to review the upright little boys and girls taking part in the parade. The mayor, the borough president, and the governor traditionally appear. This year Governor Dewey's trip abroad will keep him away, but he will be ably represented by Acting Gov. Joe R. Hanley. The rest of this year's roster of notables is as distinguished as last year's, when Gen. Dwight Eisenhower led the list. Dr. Ralph J. Bunche, the United States mediator, one of the truly great men of our day, and Harold Stassen, a noted religious leader and political figure, in addition to being president of the University of Pennsylvania, will be among the guests. As he has for many years, former Ambassador to Germany James W. Gerard will stand beside his old friend, former Supreme Court Justice Charles C. Lockwood, in the parade reviewing stand. And these comprise only a fraction of the distinguished men and women from Brooklyn and elsewhere who will be present.

We are proud of this notable array, but it must be stressed that we are prouder still of the parade whose progress this newspaper, as an institution only slightly younger, has recorded and applauded through the decades. Today, more than ever, in a day of shifting and sometimes confused values, we welcome its message of good will, cooperation, and ever-renewing faith.

UNIVERSITY OF MICHIGAN LIBRARIES

Postal Salaries

EXTENSION OF REMARKS
OF
HON. ROBERT J. CORBETT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. CORBETT. Mr. Speaker, I am pleased to present here for the more certain consideration of the Members of Congress an important statement of Edward G. Coll.

Mr. Coll is the capable and aggressive president of branch 20 of the National Association of Postal Supervisors. He is an example of the excellent kind of leadership that is coming to the front in our postal organizations.

Mr. Coll's testimony before the subcommittee of the Senate Post Office and Civil Service Committee emphasizes a situation in the postal pay schedule that merits prompt attention.

The statement of Mr. Coll follows:

I am Edward G. Coll, president of the Pittsburgh, Pa., branch of the National Association of Postal Supervisors.

Compensation in our economy is based on ability and responsibility, and compensation ordinarily is increased in direct ratio to the growth in ability and responsibility.

However, the present Reclassification Act of 1922, as amended, and the enforcing regulations concerning overtime, penalizes the postal supervisor in every grade, regardless of his greater ability, more exacting duties, and heavier responsibilities.

Statistics compiled in Pittsburgh on the earnings of 100 employees in all types of assignments at the $3,550 grade indicate the average annual wage was $3,482.29 in 1948. Compare this with $3,836.98, which was the average compensation of his supervisor, the clerk in charge. The employees, it is readily seen, earned $5.31 more during the year than their supervisors.

Four thousand and fifty dollars grade foremen were slightly more fortunate. In Pittsburgh they earned 3.8 cents per hour more than the $3,550 employees. Consider this: Foremen with at least 20 and as many as 100 men to supervise; the complete responsibility for the operation of a section; an intimate knowledge of the section and its related activities, as well as the ability to move the work load along smoothly and efficiently—all this for 3.8 cents more per hour.

The glaring inequalities of the present act are nowhere more in evidence than in the station supervisory field. Here responsibilities are varied and arduous. In addition to being personally responsible for well over $120,000 annually in cash and cash items, the $4,250 grade superintendent must supervise the work of from 16 to 25 employees; meet the public in the station and still keep upwards of 30,000 patrons satisfied with their mail service. This he must do at a salary which, in Pittsburgh, is only 6.3 cents more per hour than that of his top grade employee.

Ironically, the station superintendent at $4,150 in Pittsburgh received $27.78 less last year than his associate superintendents and foremen at $4,050.

The local station superintendents at $4,250 received only $6 more per month than the foremen and station superintendents at $4,050, although their base pay alone entitled them to a differential of $16.65.

Naturally, these differences are based primarily on the overtime compensation received by employees and supervisors at and below the $4,050 grade. Overtime compensation to all supervisors would eliminate this obvious injustice.

Longevity compensation is recognition of meritorious service over a period of time. Justice demands that the supervisor be given full consideration in any longevity measure. Congress has recognized that clerks, carriers, and mail handlers are entitled to it. Supervisors should also be recognized based on their years of faithful and efficient service.

It is the belief of our organization that fair and equitable compensation schedules should include:

(a) Five-hundred-dollar differential between the top-grade clerk and the lowest paid supervisor.

(b) Overtime compensation to all supervisors regardless of their designation.

(c) Longevity benefits be extended to all supervisors based on their total years of service.

Revision of the postal pay schedules as proposed will raise the morale of the postal supervisors and serve as an inspiration to achieve maximum productivity. It will produce a better type supervisor, in that other highly capable and efficient personnel will aspire to the position, and it will attract to the post office the highest type of personnel in view of the greater rewards offered for advancement.

I thank the committee for the opportunity you have given me to present this testimony.

Beloved Professor Passes

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. DONOHUE. Mr. Speaker, recently Dr. Walter Elmer Ekblaw, professor of geography at Clark University, in my home city of Worcester, Mass., passed to his heavenly reward.

Dr. Ekblaw was a beloved citizen, an eminent scholar and an exemplary teacher.

Widely known in the scientific world as a geographer, biologist, and botanist, he was chosen, in 1913, botanist and geologist for the MacMillan Crocker land expedition.

Also an ornithologist of wide repute, he had conducted for many years, under the name of Wake Robin, the Worcester Sunday Telegram column on birds and other nature topics. He contributed to the local and national newspapers many articles on world geography, history, and peoples.

His varied career included a keen interest in politics and civic affairs.

Our community mourns the passing of a beloved, distinguished citizen; the Nation has lost a champion of American democracy; the world will miss an energetic advocate of honorable peace.

Dr. Ekblaw's loss is paramount to his family but his multitudinous friends and admirers sincerely share their great sorrow.

The following editorial, which appeared in the Worcester Telegram of June 6, 1949, appropriately presents the sentiments of Dr. Ekblaw's fellow citizens:

DR. W. ELMER EKBLAW

Dr. W. Elmer Ekblaw, long professor of geography at Clark University, was a man of remarkable knowledge and a citizen of the highest type. Although geography was his main field, he was also an explorer, geologist, archeologist, botanist, and ornithologist. His fund of information about the structure of the earth and its effects on the history of mankind, about trees and flowers, about birds and other wild life, was amazing.

He was an able writer, as readers of his Wake Robin articles in the Sunday Telegram and his Monday column in the Telegram well know. In the classroom and on the public lecture platform he had the true scholar's gift of explaining things in simple, clear and interesting fashion.

There was nothing cold or aloof in his interest in his profession. His love of nature and of the beauties of the earth, was deep-rooted and sincere, and he was the friend of man in all lands.

He was a strong advocate of peace, but he was no pacifist. He was quick to denounce evil, and he was ever the champion of the enslaved and the oppressed. He will be sadly missed, not only at Clark and by all who knew him, but also by countless others who got pleasure and inspiration from his writing.

Memorial Day Address of Hon. Ralph Harvey, of Indiana

EXTENSION OF REMARKS
OF
HON. CECIL M. HARDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. HARDEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Hon. RALPH HARVEY, of Indiana, at the Memorial Day services at Centerville, Ind.:

Those who made possible this gathering are to be complimented. They are ever mindful of all we owe our heroic dead. They are likewise aware of the responsibilities that weigh heavily upon the living.

On this Memorial Day we take solemn recognition of our estate—our individual welfare, our position as a society, and our purpose as a Nation of free people. In mind and spirit we offer simple thanks for the goodness that still prevails in the world. We acknowledge, with like humility, our debt to the departed legions of the grave who sacrificed their lives to drive back the forces of evil and tyranny.

In this hour of international stress, when so much of the world is suffering and is enslaved, we must not despair. We would do better, in tribute to our dead, to keep sight of the cause they served, the high hopes that gave them courage, and the way of life they so valiantly defended. We, in the course of our daily living, must keep aflame and inviolate the torch of freedom that they preserved through the dark tragedy of battle. The battle for freedom never ends. It dates back to man's earliest hour as a civilized being; it will date onward until all mankind dwells harmoniously in the fulfillment of Divine teachings.

The twentieth-century world we share is now engaged in a fateful struggle. Great areas of land and many millions of people are involved. At stake is the basic issue of whether free men shall rule themselves by consent, or the totalitarian state shall stand

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supreme and inflexible. Not until that fundamental question, encompassing the destiny of whole nations and peoples, has been resolved shall we attain the difficult goal of peace and security. In the interim, whether a matter of weeks or of years, the world is subject to an uneasy truce and we of America must tend the peace or find ourselves embroiled in war.

Our meeting here may seem less important than a recent one at Lake Success. To us, too, this must seem a far less auspicious occasion than the present session of the Council of Foreign Ministers in Paris. But for us the meaning of recent history should be no less clear than to those who represent us in the work of the United Nations, and the realities of world affairs should be as accurately appraised by us as by those chosen to explain our aims at any international conference.

Our country, twice caught up in the holocaust of a world-wide conflict, has emerged as the strongest single political power existing on the face of the earth today. This is the No. 1 fact of world life. It may disturb some capitals, please others, and irk a few, but it is understood by all of them. It must be accepted, too, by all of us, for American decisions, American purposes, and American actions constitute the main thread as developments and events weave the pattern of current history.

As a rival in the world arena, America faces Russia. This again is a hard and undeniable fact. Between these giants, their actual and potential powers, hangs the ultimate fate of many lands. Between these giants, too, is no forthright difference of ambitions, but a crucial one of clashing ideas and ideals. From this basic and irreconcilable conflict of ideologies—whether men are masters or servants of the state—emerges the narrow bedrock upon which all nations of the world must strive to build the peace.

Since we, as a people, are bent upon peace rather than war, this is an appropriate interval for stock taking. Here in an atmosphere of calm and quiet, we would see ourselves as others see us.

Four years ago the war-weary nations of the world set out to organize an international agency. Their best efforts to lay the cornerstone for the future peace and security of all were achieved by the ratification of a Charter of the United Nations Organization—known throughout our universe today as the United Nations. It, on that day 4 years ago, was our best hope for peace; it remains that today, our best instrumentality for the avoidance of war.

In volunteering to help establish the United Nations, we reversed the stand we had taken after World War I. Then, as a major world power, we withheld a binding sanction of the League of Nations, and today we recognize that our forbearance left that agency incapable of exploring the field of international adjustment, compromise, and arbitration necessary to the maintenance of peace.

Our positive aid to the United Nations is not all we have undertaken in the quest for a lasting peace. Less than 2 years ago we conceived the Marshall plan. More recently we have joined the signatory nations of the Atlantic Pact, though our adherence to this mutual defense pledge awaits approval of the United States Senate. Finally, we are engaged now in a study of whether we should arm western Europe and this problem will soon be acted upon in Congress.

Within our ranks, as honorable and conscientious citizens, are those who would see this country stand apart from, rather than take a part in, the complexity of world affairs. For us, however, who stand at the brink of the atomic era, the age-old barriers between countries and continents are disappearing. Distances are measured in minutes rather than miles, and by land, sea, and air science is closing the chasms of time and space into the corridors of convenience. Our productive genius, as reflected in output of farm, mine, and factory leaves us, too, with more than we can consume, so that markets abroad are vital to keep us abreast of a world geared to keen competition and revolutionary advancement.

Whatever may be the errors and shortcomings of America's present foreign policies, there is the inspiring realization that we have placed patriotism above party politics. Since the hour of Pearl Harbor we have stood before the world as a bipartisan entity, our broad commitments subject to debate and no new step taken without a pooling of our thoughts.

A few months ago, for example, we had a Republican Congress, while today that body is controlled by Democrats. Even so, on important questions of foreign policy our chosen lawmakers have acted according to their individual consciences. To deal with problems beyond the Atlantic and Pacific, the House and Senate have cooperated with the President to distinguish themselves as an American Congress. This display of unity does not preclude the right of a minority to air its grievance, but when a course of action is approved, it bears but one name—American.

The making of peace is a less spectacular feat than the waging of war, but in terms of effort, determination, and skill, it calls for a similar outpouring of resources. Thus may be answered in the briefest possible way not only those who are losing patience with the labors of the United Nations, but those, too, who entertain grave misgivings about our gifts and grants under the European recovery plan. Let us consider for a moment the dual job that America is executing to help others attain peace and at the same time preserve the blessing without which peace itself is meaningless—the freedom of men.

Surely no impartial and objective witness to the tortuous progress of the United Nations would be at a loss to explain its frustrations. An unbiased review of its long deliberations—the sessions of the General Assembly, the powerful Security Council, and a dozen specialized subagencies—makes emphatic a single fact: Whatever the free world proposes to insure peace, Russia and iron-curtain puppets oppose as a threat to their security. If it is not enough to analyze the arithmetic of our peace odds—America, Britain, and France repeatedly together, with Russia the lone dissenter among the allies of World War II—then the larger figures of the General Assembly are conclusive. Within the voting of this body, as many as 40 nations have seen their efforts blocked by the Soviet.

In spite of the slow progress of the United Nations, its movement is steady and its direction right. It is clearing the way for the larger tasks that await it. The establishment of a permanent headquarters, the creation of full-time secretariats, and a willingness of delegates to go back again and again to the conference table are reassuring milestones. No nation, large or small, has withdrawn its membership; additional nations are seeking seats in the Assembly, and the sharp differences of views and interests of separate sovereignties are being so exposed to world opinion that a dominant body of thought will prevail or that obstinate dissenters will forfeit their right to the friendship of neighbors.

When the American Congress, after strenuous debate, voted overwhelming approval of the Marshall plan, our Nation embarked upon the most daring venture in its 170 years of union. Here for the first time in all recorded history a nation emerging triumphant from war chose to share its material abundance with those that had lost theirs in the waging of that war. Here, too, in the most generous gesture of faith in freedom that mankind has witnessed, one people promised to hand over to half a continent as much goods and aid in dollars as they paid for the entire operation of their own national government in each of the years preceding the war. This unprecedented act of enlightened self-interest has already achieved notable results.

The European-recovery program, boldly outlined in the Marshall plan and aggressively effectuated through the Economic Cooperation Administration, has dealt the conspiracy of Communists through world revolution a body blow. Today western Europe is rapidly attaining economic stability, prewar levels of production, and with the attendant moral regeneration, a well-balanced scheme of political independence. Postwar France and Italy, dangerously close to Communism a year ago, are firmly embracing the tenets and institutions they once knew, those of constitutional democracy; and Britain, the pacemaker of European recovery, is regaining her stature as a partner in the free world despite the evolution of her empire and the realinement of her domestic economy.

In the future, I believe, Americans will hold to a critical accounting the activities of ECA, and as the recovery of western Europe gathers momentum, expect Congress and the administration to slacken our aid in order that Marshall-plan countries may cooperate in helping themselves. Nor should a lessening of the ECA investment carry with it any automatic guaranty that in place of plows we are ready to ship guns to western Europe, for the problem of arming friendly nations is one that must be weighed in the light of other international considerations.

To round out the picture of where we stand and where we are going—with due regard for the accomplished facts of the United Nations and ECA, and the pending projects of the Atlantic Pact and a rearmed Europe—we must face the crises that engulf other parts of the world. The Berlin situation, blowing first hot and then cold, cannot be eased until the Four Powers agree on peace treaty terms for Germany and Austria. In these negotiations, so long deferred, America's aim will be to help restore a German economy worthy of the name. Our Government erred in its advocacy of the Morgenthau plan and at hand today is compelling evidence that the Ruhr Valley, whatever the extent of its international control, must be restored as the industrial furnace of western Europe.

There remains almost half the globe, with its hundreds of millions in population and more billions in resources, to which our country must give more intelligent treatment in the future than it has in the past. I refer, of course, to the immense Middle East and its larger adjacent land mass, the Far East. In the next 20 years this vast domain, with untapped wealth and peoples striving for political expression, will come to play a vital part in world affairs, and America must display more wisdom and courage than has marked the shameful sacrifice of China to communism.

A reckoning of what America is endeavoring to do beyond its shores must be appraised, too, in the light of what we as a nation are doing at home.

In the face of stern realities, we are building a peacetime defense system larger than any previously envisioned. It is represented currently by an annual tax appropriation of almost $16,000,000,000. With this expansion of our armed strength, we are unifying the components of our National Defense Establishment to make America preeminent in military might. While much of the rearming now authorized is of a long-term nature, it has been initiated out of

recognition that another war, waged with weapons of incredible speed and destructiveness, may be finished in a mere 60 days. Those of us who in the Nation's behalf must act upon these costly security undertakings are fully aware that if war comes, we have spent too little; if not—as we pray—we have spent too much.

To all of us, the paramount aim of the United States should be clear: At home and abroad we shall champion the cause of freedom. We believe that liberty-loving peoples of the world must be guaranteed the right to choose their form of government, maintain the institutions they prefer, and exercise their sovereignty without threat, coercion, or fear of invasion. We have no misguided ambition to Americanize the world, but we do not propose to stand by while sinister forces of a Godless philosophy seek to bring under their despotic control those people who believe in self-government, justice and common decency.

Strong as our arms may become, mighty as is our industrial potential, and resourceful as we have always proved in meeting the test of conflict, there abides with us a strength that we must dedicate to the long and tiring search for peace. It is that intangible but hardy quality of the free man which has found its finest exponent in the American citizen. It is that inner forces of our being which gives us the will to do our best in all undertakings and to keep—against every error, every failure, and every adversity—our faith in God.

Young Men Win Honors

EXTENSION OF REMARKS
OF
HON. HARRY P. O'NEILL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. O'NEILL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a splendid editorial appearing in the Scranton Times of June 5, 1949, paying a deserving tribute to two very gifted young men of the anthracite region. I join with the Scranton Times in extending earnest congratulations to Cadet Richard T. Carvolth 3d, and Midshipman Wiliam L. Bryan, and I wish them success in their careers.

YOUNG MEN WIN HONORS

News stories do not necessarily have to be about war and bloodshed, action of the Foreign Ministers Council, debates in Congress or great strikes to arouse public interest. The best proof of that was the story in the Times yesterday about two local young men who won honors at West Point and Annapolis. It is a fair guess that the account which told that Cadet Capt. Richard T. Carvolth 3d was top man in his class at West Point and Midshipman William L. Bryan was graduated with the second highest honors at Annapolis, was as widely read as any item in the paper.

Cadet Carvolth comes from Peckville, Midshipman Bryan from Clarks Summit. Both young men had made the best of their opportunities in the service. Young Carvolth also recently received the honor of being appointed a Rhodes scholar. The honors which the two young men won reflect credit on their own ability, and the training they received in their respective schools and in preparation for entry to West Point and Annapolis. This whole region can and does feel proud of both young men.

Concordia College Choir of Minnesota Promotes Good Will in Norway

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. HAGEN. Mr. Speaker, it was indeed a great pleasure for my family and me to recently hear a concert by the Concordia College Choir, of Moorhead, Minn., which is located in my district.

This great group of singers led by Dr. Paul J. Christiansen, are now in Norway and during the next month or so, will be rendering concerts in the largest cities in that country. This is truly a good will mission.

Of interest to the readers of the RECORD, I am sure, is a statement made by the Norwegian Ambassador to America, His Excellency Wilhelm Munthe Morgenstierne, on the evening of May 25, 1949, at the concert at Constitution Hall here in Washington, D. C.

My introduction of the Ambassador and his remarks are as follows:

It is our privilege to have with us tonight the dean of the Washington diplomatic corps.

Mr. Ambassador, so much of your life has been spent among us, that it is sometimes difficult to think of you as the distinguished emissary of another nation.

As a diplomat, a statesman, a scholar, and as a friend, you have consistently demonstrated the essential harmony of two great cultures—the Norwegian and the American. Your long and outstanding career and service parallels the growth of understanding and sincere affection between Norway and the United States. Your contribution in cementing the bonds which now join our countries has been exceedingly great.

Ladies and gentleman, I have the high privilege and honor to present to you His Excellency, Ambassador Wilhelm Morgenstierne of Norway.

Mr. MORGENSTIERNE. Thank you very much, Congressman HAGEN. You know, in Norway we feel very close to Minnesota. It is a name held dear in thousands of Norwegian homes.

There's a saying that when words fail, then the language of music begins. I think the Concordia Choir has given us something tonight which words could not convey.

For those of us in the audience who are Norwegians, or of Norwegian origin, your singing had a special interest and appeal.

Concordia College was founded nearly 60 years ago by Norwegian pioneers, and we know that through the years this American college has kept up faithfully many Norwegian traditions.

And so when in a few days the Choir sails for Norway, it will take along not only its beautiful songs, but also a warm handshake from our kinsmen in this country.

I know that the arrival in Norway of the Concordia Choir is looked forward to with keen anticipation, and I can assure you that you will receive a most friendly and enthusiastic welcome. My countrymen will greet you not only as kinsmen, but as representatives of that great and generous America to which we feel closer today than at any time in history.

Nor have my countrymen forgotten the splendid reception extended to many Norwegian choruses which have visited this country before and after the war.

I am sure that I have everyone in this audience with me when I wish you members of the Concordia Choir and your eminent leader, Godspeed, and a wonderful visit to a country, which for so many of you is the country of your fathers.

Lykke på reisen—og hils Norge.

The Value of Foreign-Language Press

EXTENSION OF REMARKS
OF
HON. CLEMENT J. ZABLOCKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. ZABLOCKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an editorial which, in my estimation, renders a clear outline of the true value of the foreign language press has rendered an excellent torial appeared on May 31, 1949, in the Kuryer Polski, a Polish language daily, published for the past 61 years in Milwaukee, Wis.

For many years now the foreign-language press has rendered an excellent public service, which has not always met with due recognition. More recently, this press has become a valuable factor in combating anti-American propaganda both here and abroad, taking an indirect part in the campaign waged to the same effect by our Department of State. In view of these facts, I believe the following editorial to be most worthy of our consideration, and wish to call it to the attention of the Members of Congress.

THE VALUE OF FOREIGN LANGUAGE PRESS

Contrary to contentions of a majority of English language newspapers in the United States, the foreign language press, and especially Polish dailies in America, exert tremendous influence in shaping public opinion not only among the multimillion segment of American citizens of Polish descent, but also abroad, where English language press, except that of Great Britain, does not reach.

The loyal Polish press in America performs its task with merit and honor, teaches the newcomers to our land their duties as new citizens of their adopted country, and, above all, combats the disease of communism not only on American soil, but in Poland as well, whither, by various routes, Polish language dailies from America find their way.

We have had repeated proof of how valuable an edition of Kuryer Polski from Milwaukee is in Warsaw, Gdynia, or Cracow. From one of our readers we have learned that a copy of Kuryer Polski, which arrived in a small town in the Lublin province, passed consecutively through the hands of practically all of the town's inhabitants, who, in this manner, have learned the truth concerning the happenings in America, and were able to compare it with the lies of the regime press.

What role, in the estimation of an important American institution, the Common Council for American Unity, of New York, the foreign-language press plays in the United States, is expressed in the following excerpt from the editorial opinion of this organ:

"The foreign language press and its readers can, we believe, play an increasingly important part in combating anti-American propaganda abroad. Much already is being done,

since directly or indirectly American foreign language newspapers are reaching many editors, institutions, and individuals abroad. But more needs to be undertaken at this time if current misconceptions regarding the United States are to be corrected."

The United States spends large sums combating anti-American propaganda abroad, but it seems that it did not occur to anyone in Washington to avail themselves of so important a factor in this campaign as the foreign-language press, and, in particular, the Polish press in America.

This is a matter worthy of deeper consideration, and a fruitful topic for discussion in the Congress of the United States.

It is advisable, therefore, that the advantages of expoiting our foreign-language press be considered by our Congressmen.

Lack of Risk Capital

EXTENSION OF REMARKS
OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Mr. Richard W. Courts of Courts & Co., Atlanta, Ga., before the sixteenth annual conference of the Southeastern Electric Exchange, Boca Raton, Fla., April 15, 1949:

LACK OF RISK CAPITAL

These days have been most pleasant—interesting and instructive. You ladies and gentlemen have had your main course, your salid course, your dessert, and now you are down to the nuts. I would not venture to talk to you people about the utility business. It would be like trying to tell Bobby Jones how to play golf. March 1948, I was permitted to appear before the Senate Finance Committee to testify why there was a lack of risk capital. I thought a similar discussion might prove of interest here.

Risk capital, venture capital, equity capital may differ in their initial uses. They all represent junior capital subject to all the risks and hazards of the business. They all represent ownership of the business, usually in the form of common stocks. So I will refer to all such capital as risk capital.

The critical shortage of risk capital is borne out by the fact that common stocks of sound companies are selling today at substantially less than book values, in many cases at and below net current assets, with no value whatsoever attached to physical properties, management, and good will. The entire capitalizations of many companies are priced in the public market at only two to five times 1 year's earnings—this at a time when business and profits have been running at an all-time high.

The day-to-day trading in common stocks provides the market place for risk securities—the prime purpose of that market is to absorb new issues of risk securities in order to supply new capital to industry. The size of the market governs its ability to absorb new issues. The principal market place for risk securities is the New York Stock Exchange. When that market is active and large, the market for over-the-counter securities and new issues is likewise active and large. When the volume on the New York Stock Exchange is low and thin, the same prevails for over-the-counter securities. For the past 11 years the average annual volume of shares traded on that exchange was less than the shares traded in the year 1901, 62 percent of 1932 volume, the worst depression year of all history, and less than 60 percent of the so-called normal year 1926. For the past 9 months the volume on an annual basis was at the rate of 92 percent of 1901. In 1901 there were less than 70,000,000 shares listed on the exchange; today there are over 2,000,000,000 shares listed. Our country has grown rapidly and tremendously, but American industry has grown even more. It is called on to supply not only our own requirements but a substantial part of the requirements for rehabilitating a major portion of the world. We are attempting to finance this great American industry of 1949 with a public market the size of 1901. It just cannot be done. In my opinion it will require a market twice the volume of 1926 to supply the new risk capital needed by industry.

Let's review the disastrous effects on the public market by recent risk capital financing. On January 2, 1948, Gulf Oil Corp., common stock sold at 75¼ on the New York Stock Exchange. Shortly thereafter it became known that the company would sell 2,269,050 of additional common stock. The market price of the stock promptly declined to 60. The new stock was offered to stockholders at 51 to induce them to take it. By February 10, expiration date of the rights, the stock was quoted at 58¾. This means the Gulf stock declined 22.43 percent, while the Dow-Jones Averages, comprising 30 high-grade common stocks, declined in the same period 8.50 percent. It means that Gulf Oil received over $65,000,000 less for its stock on February 10 than the market said it was worth on January 2. The decline of this stock pulled down all the other oil stocks—this in spite of the fact that Gulf Oil and the entire oil industry were earning at the highest rates in history. The Texas Co. and Cincinnati Gas & Electric, old established companies, had similar experiences. In January 1949, the Bethlehem Steel Corp. did bond and common-stock financing. They sold some 628,000 shares of treasury stock at $30.70 per share; the book value of that stock was $63.05 per share, meaning that the company received some $20,314,000 less than the book value for it, meaning that every share of old stock was diluted—this in spite of the fact that the company showed earnings of nearly $5 per share in 1947 and about $9.36 per share in 1948. The company received the money, but what a price they paid for it.

The American Telephone & Telegraph Co., whose common shares are widely owned by trust accounts and small investors, including employees, women, and children, faced with urgent expansion to meet public necessity, has increased the debt of its system from about $1,200,000,000 to about $3,400,000,000, an increase of $2,175,000,000, or 176 percent in the past 8 years. The system debt is now 50.5 percent of invested capital, which I would feel is dangerously high. Insurance companies and savings banks are loaded with telephone bonds and cannot forever continue to buy additional bonds. I see estimates that the Bell System will still need some $2,000,000,000 for capital expenditures the next few years; about $1,000,000,000 to come from the public markets. To complete such program and to bring the debt ratio of the system back to 35 percent of invested capital would require some $1,700,000,000 of risk capital, nearly four times the amount of risk capital raised by all of American industry in 1948 and within $200,000,000 of all raised in the past 3 years.

Let's examine the potential demand on the public markets for risk capital in the future. Able economists state that with our unprecedented national debt the gross national product must be maintained at some $194,000,000,000 per year for the next 4 or 5 years to keep us out of a major depression. At present, the gross product is running in excess of that figure, but it must be maintained. These economists say this national gross product can be maintained if American industry is willing and able to spend $21,000,000,000 per year for capital expenditure for the next 4 or 5 years. In 1946 these capital expenditures were $14,500,000,000; in 1947, $18,000,000,000; in 1948 about $21,000,000,000. To maintain this pace represents an immense undertaking by American industry. In 1938 capital expenditures were not $21,000,000,000, they were $4,700,000,000; in 1939, $8,000,000,000; in the boom year 1929, $12,500,000,000—in the depression year 1932, $1,200,000,000.

How can this $21,000,000,000 per year be raised? Economists say that some $14,000,000,000 can come from the inside, that is, from earnings and reserves for depreciation, that the other $7,000,000,000 must come from the public markets and that over half that $7,000,000,000 should be in the form of risk capital. The utilities, telephone companies, natural-gas companies alone are estimated to need over $3,000,000,000 per year, half of which should be risk capital. At no time in history have the public markets faced such a task. In the postwar period 1922 to 1927, when our Government debt was about one-twelfth of its present size and when public markets were functioning in orderly fashion, only $1,800,000,000 per year were received by the sale of new securities. Requirements for the next few years will be three and one-half times that amount. From 1931 to 1940 less than one-tenth of $1,000,000,000 per year on balance came from the public markets. From 1941 to 1946 there was no capital on balance provided by the public markets. War production was financed by the Government.

I want to give you some figures now that to me are most disturbing:

Domestic corporate financing, 1946–48, inclusive

	1946	1947	1948
New corporate financing	$6, 508, 777, 181	$6, 276, 745, 020	$5, 934, 456, 563
Debt securities	$4, 435, 961, 800	$4, 771, 309, 634	$4, 999, 071, 766
Percent of total	68. 15	76. 02	84. 24
Common stock	$804, 387, 001	$659, 154, 129	$495, 969, 073
Percent of total	12. 36	10. 50	8. 36
Preferred stocks	$1, 268, 428, 380	$846, 281, 257	$439, 415, 065
Percent of total	19. 49	13. 48	7. 40

Information taken from the Commercial and Financial Chronicle, Jan. 31, 1949.

In these postwar years new debt financing totals over $14,000,000,000, common stock financing $1,900,000,000. New debt is nearly 7½ times new common stock capital—all this at a time when business was at an all-time high in sales and earnings. That is what our tax structure has brought. If industry can't finance with risk capital in good times, it never can. The public markets have not supplied the needed $7,000,000,000 per year of new financing, meaning corporations have not only increased debt but have drawn on accumulated reserves. In the event of severe depression, the Government might well have to supply additional capital to industry not in the form of loans but in the form of risk capital, meaning Government ownership—on the other hand, our Federal Government with all of its commitments might have to resort to further

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devaluation of the currency with untold suffering to the holders of some $262,000,000,000 of life insurance and savings. Are we willing to risk such possibilities? If so, why have we fought to save Europe for democracy? If so, why the Marshall plan?

American industry in the three postwar years has not been able to pay a fair percentage of earnings as dividends. In the years 1946 through 1948 about 40 percent of earnings was paid as dividends compared to 66 percent in 1929 and about 75 percent in 1939. Managements know they face the following facts: They know that when dividends are paid out they are promptly siphoned away from the recipients in the form of taxes and unavailable to come back to corporations in the form of capital. They know that large estates forced to sell common stocks for taxes are competing for what risk capital does exist. They know that old plants must be replaced out of depreciation and earnings, otherwise corporations would lose productive capacity and earning capacity. Depreciation reserves at the allowable rates have not been sufficient to rebuild plants at present costs. Therefore, a substantial portion of earnings after taxes has had to be used or earmarked for such purpose.

So far as stockholders are concerned, earnings and dividends mean little. It is interesting to note that for each $100 earned by a corporation before taxes, after said corporation pays 38 percent tax, if it then pays 45 percent of the remainder, namely $27.90, as dividends, the stockholder in the $25,000 income bracket keeps as little as $13.41 of the $100 earned—the man in the $200,000 bracket keeps as little as $4.99, out of which State income and ad valorem taxes must be paid. Why should they want to own American industry?

Savings have reached an all-time high, but far too little has gone into risk capital. Liquid savings of individuals, including life insurance, have risen from some $82,600,000,000 in 1939 to $262,100,000,000 in September 1948, an increase of 217 percent. All stocks listed on the New York Stock Exchange had a market value in 1939 of $46,500,000,000, now about $66,000,000,000, up only 41 percent. A vast portion of our national income after taxes has accumulated in the hands of little people, paying little or no taxes. More wealth in the hands of little people is fine. It means more people can have electricity, electrical appliances, telephones, automobiles, but individuals and corporations who pay the taxes must be enabled to carry the burden. It is natural that these people should seek safety first with their first savings. However, it is most damaging that the Federal tax structure and other governmental policies have coaxed such vast sums into so-called safety first, with such little willingness of the owners to risk even 10 or 20 percent of their savings to own and finance American industry—the very industry that produced these savings. Such policies have caused a rapid flow of vast sums into our insurance companies and savings institutions. That is unfair to our institutions. They in turn must place these funds in safety-first channels. Can they continue to find safety first for such vast and increasing funds? Surely, if such trend continues, there will be no such thing as safety first, for the simple reason there will not be sufficient risk capital down below to provide the safety. Surely our great institutions should welcome a reasonable flow of savings into risk capital.

There is another hoard of safety-first people. The proportion of national income distributed as pensions and other forms of relief has increased from 1½ percent in 1929 to 5 percent at present. Such distributions now run at some $11,000,000,000 per year, nearly one and one-half times all dividends paid by all American corporations in 1948. Such benefits are fine, provided we enable industry to carry the burden. In the past, industry has been able to raise man-hour output some 2 percent per year; now it looks like they will have to raise it some 3 or 4 percent per year. Possibly they can, but it will require huge amounts of new equipment, requiring billions of risk capital. In the meantime we see our best men, many of them young, unwilling to take the risks of leaving their present jobs to take bigger and better jobs at higher salaries, simply because they have participations in pension trusts and because increased salaries mean nothing after taxes.

This goes on at a time when the American people face the greatest burdens in their history—a Federal debt of some $250,000,000,000, commitments for pensions, higher living standards, commitments to rebuild and defend a major part of the Old World, and, above all, commitments for our own national defense. I tell you no half-way effort will ever take care of those commitments. It will require supreme effort and a supreme willingness to take risks and a supreme desire to own and finance American industry. Private ownership and free enterprise working at their best can possibly carry these burdens. It is certain that no socialistic government or government ownership, though splendid in purpose, can ever discharge those tasks.

Up to some 12 years ago our Federal tax structure permitted a class of people to exist who, by hard work, ingenuity, or luck, or some of all, had incomes in excess of the amounts necessary to live and pay taxes. This excess found its way into American industry by the purchase of common stocks. This not only supplied risk capital to industry but provided private ownership of industry. The mechanic, the farmer, the day laborer, and the bus driver always had hope of, and often succeeded in, becoming owners of industry. In future the United States Government is the potential owner. Is that what we want? Let's make a decision.

Now, who is being hurt? Not the rich man—the rich man has quit; he can live on accumulated wealth. Out of taxable income he has nothing to put into industry, and even if he did, plain common sense would dictate that he would be utterly foolish to take the risks with no return. These little men who start in business with nothing but the determination to work, sweat, save, and build; the man who starts alone, works alone, saves a little, buys a new machine to increase his production, then employs two or three men; these little men who start as proprietorships, then partnerships, building out of earnings, knowing nothing about corporate structure; there are millions of them; there are some 3,700,000 tax returns of unincorporated businesses and only 500,000 returns of corporations; these little men always struggling to get big, which have proved the backbone of our country for generations—these are the men who are being hurt. They haven't a chance to build business from profits and they are unable to incorporate because risk capital is low in supply and has no inducement to go into small business. The next class of people who are being hurt are men like you—men willing to work all hours of the day to carry the burdens placed on industry and to enable the Government to meet its burdens.

What is the answer? First, Government spending should be reduced to a minimum with every dollar of waste and red tape knocked out. Second, the whole Federal tax structure should be completely revamped. The one over-all shot in the arm to be given industry and individual initiative is to limit the individual's maximum surtax rate to 50 percent, and do so immediately. According to a reliable Washington source, such limitation under present tax structure and applied to the 1948 Government fiscal year would have taken only $655,000,000 out of the United States Treasury, only about 1½ percent of total revenues. Such loss would immediately be made up by men jumping to their work with a bang; initiative and ingenuity again on the alert to create, to produce, to save and to invest, and to own and finance American industry. Men would again take risks and dispose of risks, knowing they could keep at least one-half of any dollar they made. The present maximum rate of 77 percent plus State income taxes is not helping anybody and is a danger to the national welfare. It promotes abnormal practice, unsound thinking, and dishonesty throughout the land. Corporations are increasing debts to unsound extent. We see businesses being liquidated and sold to foundations. We see individuals asking for tax-free expense accounts. We see tax evasions running as high as $4,000,000,000 a year. Such evasions are five and one-half times the amount brought to the Treasury by maintaining individuals' surtax rates in excess of 50 percent.

Dr. Willford I. King, former president of American Statistical Association, testifying before a congressional committee, used United States Treasury publications to produce a most revealing study. He produced charts that showed plainly and graphically that in peacetime high tax rates on individuals invariably brought diminishing revenues to the Treasury, that a maximum tax rate of 25 percent brought the greatest revenues to the Treasury. At the close of World War I the maximum rate was 77 percent; in 1920 it was lowered to 73 percent; in 1922 to 58 percent; in 1926 to 25 percent. From 1922 on, the result was increased incentive with increasing profits to business and individuals and increasing revenues to the United States Treasury. Here is the answer just as plain as day as to how President Truman can keep business profitable and get his $4,000,000,000 of increased revenues to the Treasury.

The present capital gains tax brings insignificant revenue to the Treasury—for 11 years an average of $155,000,000 per year, less than four tenths of 1 percent of present Federal revenues—yet this tax is having a most decided effect on the national economy. Property cannot be sold at a profit to go into new business—25 percent of the profit goes in capital gains tax, meaning the untried new business must be 25 percent better from the start. Even capital lying idle has no incentive to go into new business, because the income is taxed away and if the new business fails, only negligible credit of the loss is permitted to apply against ordinary income. Picture the man who starts young with nothing but the will to work, sweat, and risk, and finally builds a great business. In old age he decides it is time to take less risks; he is willing to dispose of his business and let younger men take over and carry on. He in turn wants to transfer his ownership of this property into United States Government Bonds or partly into a diversified list of American corporations. It is merely a transfer of property in accordance with the dictates of sound judgment and which is definitely favorable to our social order. He is prohibited from doing so, because such a transfer may take nearly 25 percent of the entire principal. Even if he could do so, younger men could not get under debt to take over his property, knowing that the high rates on earned income of individuals would prohibit them from ever paying for it.

Picture the young married couple: The housewife's first concern is to find a nice location for a home and say she buys a home for $10,000. In later years she finds that the encroachments of business are such that this is no longer a nice location for a home and in which to raise children. She changes her mind about it. She sells that home for $25,000, moves into another locality, paying $25,000 for the new home. In the meantime she has incurred a tax of $3,750 for changing her mind. Now, gentlemen, you know that any law is utterly unsound that places a tax on a woman for changing her mind.

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The present capital-gains tax freezes property in the hands of old owners, resulting in hired management and absentee ownership, distinctly not healthy to our social order. I dislike to suggest that a tax which is the most reasonable on the books should be lowered, but the fact is, this tax is not bringing great revenues to the United States Treasury and the Treasury needs the money. The fact is that corporations need risk capital. If that tax were cut in half, it would prove a tremendous impetus to the capital markets and would bring substantially increased revenues to the United States Treasury. This suggestion, combined with the suggested 50-percent surtax limit, involves less than 2 percent of Treasury revenues. These suggestions can be accomplished quickly and simply, bringing increased revenues to the Treasury and providing insurance to keep men and machines employed. We are gambling billions overseas—we had best gamble a few hundred millions at home to keep our own house in order.

What can you and I do about it? There is plenty to be accomplished in visiting with our Senators and Congressmen. They are the chosen representatives of people throughout the land. There is where the power is. It is my observation that our Senators and Congressmen are generally men of character who want to do a good job and are trying to do a good job. They are not experts in all fields; they are average citizens just as you and I. One Senator may be an expert in agriculture. On problems to do with agriculture, he knows the answers. When problems arise on highly technical questions to do with taxes, tariffs, or economic policies, he does not know the answers and we can't expect him to. He needs help and is willing to accept help, but I am afraid he receives too little practical help. Big business sends economists to Washington to read economic studies to the Senators and Congressmen. Labor sends its economists. Then the President, feeling an obligation to carry out his program in toto, which seems an unfair burden on the President never intended by our Constitution, sends economists from the Federal Reserve or Treasury to read economic studies. The Senators and Congressmen probably don't understand any of them, and I don't blame them; but it is very human for them to feel these are the Government men, we had best do what they say. If each man here would make it a practice to go to Washington three or four times a year, sit down and talk quietly with little groups of Senators and Congressmen, explaining in plain, simple, understandable language, using just common sense and plain arithmetic, showing what all these policies could lead to, you would be utterly amazed at the reception you would have and the good you can accomplish.

I have painted a rather dismal picture—that picture is based on past and present policies. Under sound policies for the future I have the most profound optimism. First, I have great confidence in the capacity of the American people to land on their feet in any crisis. True, we face our greatest responsibilities, but that means a great job to do, and in the very process of accomplishing it we can go to heights we never dreamed of. Here we are with a perfectly magnificent country, the strongest, most powerful in relation to other countries the world ever saw. We have the finest form of government the world ever saw; we have a private ownership free-enterprise system that won two world wars, has brought the highest living standards to the common man, that is now providing relief and rehabilitation to a great part of the world on a scale never known. We are a great creditor, a generous people, with a great mass of industrial engineers, chemists, industrial leaders and workers ready, willing, and able to perform. We have a tremendous productive capacity, a magnificent asset. We have now to think in terms of ever-increasing consumption. We should prepare to consume not only our own production but a great part of the production of debtor countries. Let the other countries work for us and send back some of the natural resources we sent them for some 250 years when we were a debtor. We should have blueprints ready for superhighways all over the country, greater Mississippi flood control, reclamation, and in the name of national defense tunneling of rivers, undergrounding of communications systems, electrifying of railroads. That would return sound monetary systems to debtor countries and there would be neither time nor desire for war.

It is high time that Government, industry, and labor join hands in adopting policies that will permit us to discharge our responsibilities and grasp our opportunities. It is high time that Government tax structure restored to the individual the ability to own and finance American industry. If American industry is not worth owning and fighting for, we can bank on it that United States Government obligations will not be worth 10 cents on the dollar. It is time for leaders in Government, industry, labor, and finance to join hands in restoring confidence in the public markets which supply risk capital to America industry—the public markets, particularly the New York Stock Exchange, where United States Government bonds, foreign government bonds, corporate bonds, and the ownership of American industry are appraised and accurately quoted. With such programs, we can proceed with confidence, joy, and enthusiasm, a strong and healthy people going along unmolesting and unmolested—a great people will no longer shiver at the whim of a Molotov.

In recent years our people have been led to fear free enterprise, to fear businessmen, to fear the taking of risks, to fear many of the things that made us great. We still believe in them, but we fear them. A few more years of such could provide a generation that would cease to believe in them. Throughout all history great empires have fallen because they ceased to believe in the things that made them great—they bit off more than they could chew, created vast quantities of money and failed to follow sound policies to meet added responsibilities. Our policies of recent years will not meet our future responsibilities. Sound polices can, but time is running—it is time for decision. Rome was great, but Rome fell, the Byzantine Empire, the Spanish Empire, ancient Athens were all great, but they all fell, and they never came back. Time for decision—and it may be later than we think.

Clerk Hire for Members of Congress

EXTENSION OF REMARKS

OF

HON. CHARLES B. HOEVEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. HOEVEN. Mr. Speaker, I am opposed to this resolution. There is some justification for telephone and telegraph service for Members of Congress. Also, I feel that an executive assistant could well be placed in every congressional office. However, I see no justification for additional clerk hire as such. In these times, when the people of the country are asking for economy in Government, I am of the opinion that Members of Congress themselves should set some kind of example.

Proposed Solution to the Problems of Migratory Divorce—The Utility or Futility of Legislation

EXTENSION OF REMARKS

OF

HON. WALTER S. BARING

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. BARING. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by William G. Ruymann, author of Nevada Divorce Manual, member of State bar of Nevada, and bar of the Supreme Court of the United States, and practicing attorney in Las Vegas, Nev.:

PROPOSED SOLUTIONS TO THE PROBLEMS OF MIGRATORY DIVORCE—THE UTILITY OR FUTILITY OF LEGISLATION

(By William G. Ruymann, A. B., LL. B.)

In the United States the problem of divorce has been historically considered a local matter, a question involving the spouses and the State in which they live. With the fusion of the several States into a single nation with a high degree of mobility of population across the increasing artificial boundaries, this basic premise has come into sharp conflict with reality. Interstate jealousies have created a situation in which a person may be married in one State, not married in another, and still bound to a former spouse in a third State. Whether or not such extreme situations have arisen to any important extent, the courts and the writers on the subject have loudly lamented this circumstance and have called for some relief.[1]

The most obvious remedy has been at hand throughout the entire period of the country's existence. The full-faith-and-credit clause of the Constitution[2] and the statute[3] which Congress enacted in 1790 would appear to resolve all doubts. Under that statute a judgment must be recognized by all courts of the country to the same extent as it would be recognized by the courts of the State in which the judgment was originally rendered. There is no apparent exception to this requirement.[4]

Underlying the rule, however, is the principle that a judgment is not entitled to recognition by any court unless it was rendered by a court having jurisdiction over the subject matter and parties.[5] With the idea that an action for divorce is a type of

[1] Some of the criticism suggests that the following quotation might aptly describe the situation as characterized by those factions urging a narrow policy toward recognition of divorces obtained in sister States: "Defraud ye not one the other, except it be with consent for a time." I Corinthians 7: 5.

[2] United States Constitution, art. IV, sec. 1.

[3] Act of May 26, 1790, ch. 11, 1 Stat. L. 122, 28 U. S. C. sec. 687.

[4] For a general discussion of the full-faith-and-credit clause, see Jackson, Full Faith and Credit—The Lawyer's Clause of the Constitution, 45 Col. L. Rev. 1 (1945).

[5] Restatement, Judgments (1942), sec. 5: "A judgment is void unless the State in which it is rendered has jurisdiction to subject to its control the parties or the property or status sought to be affected."

in rem proceedings,[6] the courts have decided that domicile is the essential factor for jurisdiction to divorces.[7] Therefore, if the plaintiff is not domiciled in the State where he obtained his divorce, there was no jurisdiction to grant the divorce, and it is a void judgment. From this it followed that courts of a sister State could examine the facts to determine the existence of such domicile.[8]

The confusing result flows from the interpretations place on this last statement. For example, suppose that State A grants a divorce to the husband under conditions which make that decree valid and unquestionable in that State. Suppose, further, that the wife was not in State A at the time but was given actual notice in State B where she was residing. Now, this notice to her would be sufficient to satisfy the requirements of due process.[9] That divorce would be valid If the wife should appeal from the default decree in her husband's favor, the United States Supreme Court would grant her no relief.[10]

On the other hand, if the wife should seek to attack the divorce in an original action in the courts of State B, those courts would examine into the facts surrounding the husband's domicile in State A, de novo. On that examination it might be determined that the husband was not domiciled in State A, and therefore the court rendering the divorce decree was without jurisdiction to do so. If the case were then taken to the United States Supreme Court, the latter decision would be upheld if there was any evidence in the record to support the finding of the court in State B. This would follow regardless of the previous finding of the court in State A.[11]

Does this amount to a denial of full faith and credit to the judgment of the court of State A? It is now held that it is not such a denial. Whether this is the correct answer or not need not be considered at the present time, since it seems well established. After all, that only amounts to an inquiry into the jurisdiction of the first court. A finding of such jurisdiction is the prerequisite for any application of full faith and credit. This is the reasoning, no matter how the literal wording of the constitutional mandate appears to be avoided thereby.

What, then, is to be done about this anomalous matter? The recent cases of *Sherrer* v. *Sherrer* [12] and *Estin* v. *Estin* [13] have made some progress toward a compromise solution. In Sherrer it was decided that if a court acquired personal jurisdiction by service within the State or by a voluntary appearance by the defendant-spouse, the divorce would not be subject to attack by the parties thereto. The Estin case held that an ex parte divorce acquired in the State of the plaintiff's domicile would not affect the validity of a previous award of separate maintenance obtained by the defendant wife in another State.[14]

These two cases have gone far in satisfying certain of the objections to our interstate divorce "muddle." The Sherrer case shows one way in which certainty can be injected into a divorce involving migratory parties.[15] Estin reflects the concern for the financial interests of a wife who is unable or unwilling to travel to the husband's new home to contest a divorce action.

There is some indication that even more judicial aid is about to be forthcoming. On April 18, 1949, the United States Supreme Court announced its decision in the case of *Rice* v. *Rice*.[16] The holding itself is not surprising. In fact it is not clear why the Court granted a hearing in the matter at all. Still, the fact that the case was heard, and that four judges dissented in the result suggest some reason to anticipate some further development along this line in the near future.

The Rice case involved a Connecticut couple. The husband separated from his wife, and decided to move west to Nevada or California. He moved to Reno and rented quarters. He emained for some time and obtained his divorce upon the default of his wife who remained in the East. Thereafter he married wife No. 2. He was still undecided as to whether he would remain in Nevada o.' settle permanently in California. His intention was definite, however, on the point of not returning to his former home in Connecticut. Finally he took a job in a war plant in California, retaining his rented quarters in Nevada. While thus living in California he died. His wife in Connecticut instituted proceedings in that State seeking to be recognized as his widow for the purpose of administering his estate which consisted of some property there. The Supreme Court upheld the lower court's determination in favor of wife No. 1. In other words, the Connecticut courts decided that the husband had not been domiciled in Nevada at the time of the divorce. Therefore it was a nullity and the husband was still married to his first wife at the time of his death.

As was stated, this result is not surprising under our traditional rules of domicile. Domicile means the "fixed abode" of a person.[17] In order to change one's domicile, it is necessary to meet two requirements: (a) intent to move to a location and to remain there indefinitely; and (b) the actual arrival at this intended home.[18] As a corollary to this rule, it is stated that the old domicile is retained until a new one is acquired by satisfying these requirements.[19]

Now Mr. Rice had the intention to move either to California or Nevada. He had arrived in Nevada, but the necessary intent to remain there indefinitely was not absolutely fixed. Nothing, however, appears to make this appear as a sham or quickie Nevada divorce. Nevertheless, the ordinary rules of domicile would justify the Connecticut court's finding that there was no domicile in Nevada and that the divorce was invalid.

Three Justices dissented without opinion.[20] Mr. Justice Jackson, however, included a short opinion with his dissent. Some of his observations are interesting and may be indicative of the thinking of part of the court. He stated in conclusion:

"I think the Nevada court's finding of jurisdiction was based kon substantial evidence of domicile, not overcome by any new evidence before the Connecticut court, and the Nevada judgment should be given full faith and credit as Congress has commanded." [21] If the Justice actually meant what is suggested by that statement, a new hope is born in the hearts of those who would see the constitutional provision given effect. This would mean that a finding of domicile would be conclusive as to the evidence presented to the first court. Only upon showing of substantial further evidence tending to support a contrary conclusion could a court of another State reject that conclusion.[22] This would indeed be a healthy development. First, it would tend to require a plaintiff-spouse to present full evidence of domicile to the divorce court. That court would thereby be in a better position to make a proper determination. Second, it would make the effect of divorces more certain to the extent that such full evidence had been presented.

It is thus seen that the judicial process, working its way through the annual grist of problems presented, is making some headway in solving this dilemma which has plagued the country (or at least the legal

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[6] Most courts treat marriage as a status having its situs at the domicile of one or both of the spouses. It thus partakes of some of the characteristics of *in rem* proceedings when a dissolution of that status is sought. See Restatement, Conflict of Laws (1934), sec. 110, Restatement, Judgments (1942), sec. 74. See also, *Williams* v. *North Carolina* (325 U. S. 226, 229; 65 Sup. Ct. 1092, 1095; 89 L. Ed. 1577, 1581 (1945).

[7] *Le Mesurier* v. *Le Mesurier* (A. C. 517 (1895); 1 Beale, Conflict of Laws, sec. 111.1 (1935)).

[8] *Williams* v. *North Carolina* (325 U. S. 226; 65 Sup. Ct. 1092; 89 L. Ed. 1577 (1945) supra note 6).

[9] Compare the contrary views presented by Mr. Justice Jackson in his dissenting opinion in *Rice v. Rice* (69 Sup. Ct. —; 17 U. S. Law Week 4347 (Apr. 18, 1949)).

[10] See *Williams* v. *North Carolina* (No. 2), cited supra at note 8.

[11] "A finding adverse to the necessary foundation for any valid sister-State judgment was amply supported in the evidence, we cannot upset the judgment before us. And we cannot do so even if we found in the record of the court of original judgment warrant for its finding that it had jurisdiction." *Williams* v. *North Carolina* (No. 2), cited supra at note 8.

[12] 334 U. S. 343, 68 Sup. Ct. 1087, 92 L. Ed. 1429, 1 A. L. R. (2d) 1355 (1948); see also the companion case of *Coe* v. *Coe* (334 U. S. 378; 68 Sup. Ct. 1094; 92 L. Ed. 1451; 1 A. L. R. (2d) 1376 (1948)); for earlier support of the result of these cases, see *Cheever* v. *Wilson* (9 Wall. (U. S.) 19 L Ed. 604 (1869)).

[13] 334 U. S. 541, 68 Sup. Ct. 1213, 92 L. Ed. 1561, 1 A. L. R. (2d) 1412 (1948); see also the companion case of *Kreiger* v. *Kreiger* (344 U. S. 555; 68 Sup. Ct. 1221; 92 L. Ed. 1572 (1948)).

[14] The manner in which this result can be rationalized with full faith and credit has already caused some of the State courts some trouble; see *Lynn* v. *Lynn* (192 Misc. 720; 82 N. Y. S. (2d) 397 (1948)); *Rodda* v. *Rodda* (200 Pac. (2d) 616 (Mont. 1948)).

[15] Among the many cases which have applied the Sherrer doctrine since the Supreme Court decided that case, see *Heuer* v. *Heuer* (33 Adv. Cal. 241; 201 Pac. (2d) 385 (1949)), at p. 244 of 33 Adv. Cal. The Court stated: "The test is not whether the issue of jurisdiction was actively litigated in the court rendering the divorce decree. It is sufficient if the defendant has participated in the proceedings and had full opportunity to litigate the issue. If so, the decree is binding even though a relitigation of the question of jurisdictional residence requirements in an other State might result in a finding that the domiciliary claim was fraudulently asserted for the purpose of obtaining a decree which as a matter of policy could not be procured in the State of actual domicile."

That Sherrer has not solved the problem even within its limited factual scope, see *deMarigny* v. *deMarigny* (81 N. Y. S. (2d) 228 (1948)), in which a later wife was allowed to attack a Florida divorce obtained by her husband from his first wife, even though neither the husband nor his first wife could have done so under the Sherrer case. In this way, the second spouse was allowed an annulment of her marriage on the ground that the husband was still married to his former wife.

[16] 69 Sup. Ct. —, 17 U. S. Law Week 4347 (Apr. 18, 1949).

[17] Restatement, Conflict of Laws (1934), sec. 9.

[18] Ibid, sec. 15, et seq.

[19] Ibid, sec. 23.

[20] Justices Black, Douglas, and Rutledge.

[21] *Rice* v. *Rice* (69 Sup. Ct. —; 17 U. S. Law Week 4347 (Apr. 18, 1949)).

[22] Compare the law governing the recognition of child custody decrees, discussed in Stansbury, Custody and Maintenance Across State Lines, 10 Law and Contemporary Problems 819 (1944).

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writers) for more than a century. If Mr. Justice Jackson's approach is followed at some future date, the problem will be largely overcome.

There are those, however, who are not satisfied with the evolution of the law in this field by judicial process. They offer other solutions via the legislative route. A consideration of some of these proposals will present a study in alternatives and an example of a difficult choice in achieving satisfactory treatment of domestic relations in the law.

The first solution by nonjudicial action which suggests itself would come by way of an amendment to the Federal Constitution. Such an amendment to the Federal Constitution would vest in the Congress sole power to legislate in regard to marriage and divorce.[23] Opposition to an attempt to achieve such a result makes its realization practically impossible. Senator Capper has repeatedly introduced such measures to the Congress since 1923, but his efforts have been thus far in vain.[24]

Another legislative attack on the dilemma might come through Federal legislation under the full-faith-and-credit clause. One suggested statute under this theory would substitute residence of the plaintiff for domicile as the basis for jurisdiction to divorce.[25] Along with that change, however, it would require some minimum residence, such as 6 months. With this requirement satisfied, a divorce based on constructive service of the best possible kind would be recognized in every State under the full-faith-and-credit clause.[26]

Still another type of Federal statute has been recommended under the above power.[27] This would provide for Nation-wide service of process in matrimonial proceedings. With such service, the court rendering the divorce would have personal jurisdiction over both spouses. Under the doctrine of the Sherrer case, the decree would be free from subsequent collateral attack by either of the parties. Along with this extension of service of State process would be certain safeguards to protect the defendant in cases in which he or she lacked financial means to defend the suit in another State.[28]

Even if the constitutionality of such a statute would be upheld, the lack of national agreement on the problem would make for great difficulty in obtaining the enactment of Federal legislation effecting such an extreme change in the procedure for divorce.

A third type of Federal statute under the full-faith-and-credit clause has been recently introduced by Senator McCARRAN. The bill,[29] which has been referred to the Senate Committee on the Judiciary, provides:

"That where a State has exercised, through its courts jurisdiction to dissolve the marriage of spouses, the decrees of divorce thus rendered must be given full faith and credit in every other State as a dissolution of such marriage, provided (1) the decree is final; (2) the decree is valid in the State where rendered; (3) the decree contains recitals setting forth that the jurisdictional prerequisites of the State to the granting of the divorce have been set; and (4) the State wherein the decree was rendered was the last State wherein the spouses were domiciled together as husband and wife, or the defendant in the proceeding for divorce was personally subject to the jurisdiction of the State wherein the decree was rendered or appeared generally in the proceedings therefor. In all such cases except cases involving intrincis (sic) fraud the recitals of the decree of divorce shall constitute a conclusive determination of the jurisdictional facts necessary to the decree."

What would the proposed statute achieve? The first two provisions merely state traditional and presently followed rules. The third provision suggests a retreat to the unhappy days of Haddock,[30] where the fault of a spouse was a jurisdictional fact. This was never a satisfactory basis for jurisdiction and would not be welcomed in its new guise. The fourth provision embodies the doctrine of the Sherrer[31] case. Some people would look with disfavor upon the embodiment of that principle in such fixed forms; it has been strongly urged that the case itself should be overruled by the Supreme Court as soon as possible.[32] The enactment of the statute would mean the end of their hopes. Considerable opposition would meet the bill from those quarters.

Furthermore, the bill by inference would require nonrecognition of an ex parte divorce obtained in any State but that of the matrimonial domicile. With our present-day migratory population this would seem unwise. Many people do change their domiciles in complete good faith and should not be forced to return or remain in their old homes to get divorces, or, as an alternative, seek cooperation from the other spouse in joining in one State to get a divorce.

The final element which emphasizes the futility of Federal legislation in dealing with divorce is the lack of agreement among the several States on the proper solution to the problem. Moreover, the extreme jealousies existing between the States with regard to this question, and the theory that it is essentially a local matter to each State, would create a difficult breeding ground for any socially desirable remedy to the situation.

Still another mode of relief would come from coordinated activity on the part of States themselves. One such proposal has been recently put forth by the Commissioners on Uniform State Law. That body has drafted and recommended a Uniform Divorce Recognition Act.[33] This act provides:

"SECTION 1. A divorce obtained in another jurisdiction shall be of no force or effect in this State, if both parties to the marriage were domiciled in this State at the time the proceeding for divorce was commenced.

"SEC. 2. Proof that a person obtaining a divorce from the bonds of matrimony in another jurisdiction was (a) domiciled in this State within 12 months prior to the commencement of the proceeding therefor, and resumed residence in this State within 18 months after the date of his departure therefrom, or (b) at all times after his departure from this State until his return maintained a place of residence within this State, shall be prima facie evidence that the person was domiciled in this State when the divorce proceeding was commenced."

In considering this act several factors must be borne in mind. First, the desirability of the rules which the act sets up; second, the constitutionality of the act; and, third, the chance of any reasonable uniform adoption of the act.

In general terms, section 1 states existing law. Since the basis for divorce jurisdiction is the domicile of at least one of the spouses in the State, it is clear that a divorce rendered in State B is void if both of the spouses were domiciled in State A at the time. Thus far, the act achieves nothing under constitutional doctrine.

However, there is an exception to the above general rule. Under the Sherrer[34] case, if both spouses appear at the divorce proceedings, in person or by attorney, the divorce is not thereafter subject to attack. This would follow even though both spouses were domiciled in another State at the time. Thus, it is seen that even the general language of the act comes into immediate conflict with existing constitutional doctrine. Moreover, it might be expected that the Supreme Court will continue its recent activities in requiring a greater and greater degree of full faith and credit to the sister-State divorces. As it does so, section 1 will be whittled away until it states a broad principle, a large part of which is unconstitutional.

A further objection appears from a consideration of section 1. To the extent that it is constitutional, this statute when enacted would crystallize a legislative policy against any recognition of one-of-State divorces unless the Supreme Court absolutely required it. Present-day judicial practice indicates such a policy might be unwise. The courts of many States exercise a flexible discretion in recognition of such divorce depending upon the circumstances, the matter at issue, and the persons questioning the divorce. This discretionery jurisdiction is employed under various terms such as "comity," "estoppel," "privity," etc.[35] Serious thought should be given the matter in order to decide whether it is better to take this power from the courts under their present flexible practice, or to leave the matter where it is and can be handled with due consideration to each individual case.

Moreover, section 2 of the Uniform Act presents a serious constitutional question. Whether the presumption thereby established seems reasonable enough to satisfy the requirements of due process, the Williams[36] case might require some greater respect for the sister-State decree.

Finally, the likelihood of the act's adoption by the States to any substantial degree must be considered. More than 40 years ago a similar Uniform Divorce Act was promulgated without noticeable success.[37] While modern attention is more closely drawn to the problem, so also has today's public opinion shown an awareness to that fact that

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[23] Lorenzen, *Haddock* v. *Haddock* Overruled, 52 Yale L. Jour. 341 (1943).

[24] The most recent proposal of Senator Capper was put forth during the term of the Eightieth Congress.

[25] Franklin, The Dilemma of Migratory Divorces, 1 Okla. L. Rev. 151 (1948).

[26] Compare *McDonald* v. *Mabee* (243 U. S. 90; 37 Sup. Ct. 343; 61 L. Ed. 608).

[27] Cook, The Logical and Legal Bases of the Conflict Laws (1942), ch. IV, pp. 91–100, and pp. 467–468.

[28] For other suggestions along this line, see Powell, And Repent at Leisure, 58 Harv. L. Rev. 930 (1945).

[29] S. 3, 81st Cong., 1st sess., Jan. 5, 1949.

[30] *Haddock* v. *Haddock* (201 U. S. 562; 26 Sup. Ct. 525; 59 L. Ed. 867 (1906)).

[31] Supra, note 12.

[32] Merrill, The Utility of Divorce Recognition Statutes in Dealing With the Problem of Migratory Divorce, 27 Tex. L. Rev. 291, 311 (1949): "The Coe-Sherrer doctrine caters to the success of collusive fraud and deception. It should be overruled promptly, to the end that the States shall be free once more to determine the extent to which they will recognize divorces obtained in other parts by their domiciliaries."

[33] This act received "formal approval by the House of Delegates of the American Bar Association at the 1948 annual meeting of the association." Merrill, supra, note 32, at p. 299.

[34] Supra, note 12.

[35] E. G., *In re Anderson's Estate* (194 Pac. (2d) 621, 623 (1948)); Comment, 1 Baylor L. Rev. 179 (1948).

[36] *Williams* v. *North Carolina* (No. 1), (317 U. S. 287; 63 Sup. Ct. 207; 87 L. Ed. 279 (1942)).

[37] Terry, Uniform State Laws Annotated (1920), 293 et seq.; 1 Vernier, American Family Laws (1st ed. 1931), 3, sec. 1.

arbitrary refusal to recognize divorces of other States is no solution."[39]

In conclusion, the situation presents an example of another of the prices to be paid for federalism. Our people are no longer connected to a single locality for life; they move throughout the country, making many places their "home" during different periods of their lives. Along with this trend has come a change in national mores, recognizing the propriety of divorce, with a few religious or colloquial exceptions. These two factors have given rise to present reality, against which some States have fought so bitterly. Until some basic change can be suggested which will be capable of recruiting some national agreement, no effective legislation, Federal or State, is possible.

In the meantime, the United States Supreme Court is making progress, wending its way between the extremely selfish interests of the litigants appearing in the controversies with which it is confronted. Its recent decisions, since 1948, have spelled out a body of constitutional law which is at once a compromise between the interests of the several States and a solution to the needs of our modern society. Future development along these lines by the Supreme Court, under the full-faith-and-credit clause, may well be the answer to the dilemma of migratory divorces. In the battleground of conflicting interests it is necessary to remember the underlying fact, as stated by Prof. Max Radin in referring to the first Williams[40] case:

"What protesting States fail to realize is that so long as we have a Federal system like ours a State is quite powerless to prevent this evasion (of local divorce law) in the vast majority of cases, those, that is to say, in which both parties are willing to cooperate in the evasion. The affront to the State is the same in any case. Does it become serious only if one of the two spouses, for reasons that are often personal and unpleasant, chooses to be recalcitrant?

"It is assumed that North Carolina gets some decided benefit from its membership in the Union. At all events, its membership is no longer a matter of voluntary choice. One of the incidents of that membership is the possibility that American citizens may utilize the laws of any State on such terms as that State may choose to make."[40]

[39] It must be noted, however, that some States are according favorable recognition to this new Uniform Act. The exact number that have considered it cannot be determined at this time. An Associated Press dispatch, bearing the date line, "Sacramento, April 26 (1949), reports that California State Senate judiciary committee sent the uniform divorce recognition bill to the Senate floor. This dispatch states the unfortunate fact that the committee so voted "without a word of discussion."

[40] Supra, note 36.

[40] Radin, The Authenticated Full Faith and Credit Clause, 39 Ill.; L. Rev. 1, 32 (1944).

Honorary Degree of Doctor of Laws Conferred Upon Representative John Crain Kunkel, of Pennsylvania, by Franklin and Marshall College, of Lancaster, Pa.

EXTENSION OF REMARKS
OF
HON. CLARENCE E. KILBURN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. KILBURN. Mr. Speaker, I know that every Member of the House will join with me in congratulating the gentleman from Pennsylvania, JOHN KUNKEL, on the honor that has been conferred upon him. Franklin and Marshall College of Lancaster, Pa., has an old and unique history among the institutions of learning in this country. Over the years it has gained for itself an unusual position not only in the manner of its founding and in its name but also in its scholastic standing. It ranks high on the list of the great colleges of our country. On Tuesday, June 7, 1949, this college conferred an honorary degree of doctor of laws on JOHN CRAIN KUNKEL. I know that we are all pleased that this old college, with its history and traditions, recognizes the integrity, high character, and outstanding ability of our colleague, which he so often hides by his quiet, unassuming, modest bearing. We all join in congratulating both Franklin and Marshall College and our friend, the gentleman from Pennsylvania.

Following is the citation from Franklin and Marshall College:

Mr. President, I am honored to present JOHN CRAIN KUNKEL, a Member of the United States House of Representatives for the past 10 years from the Eighteenth Congressional District of Pennsylvania. Born in Harrisburg and educated at Yale University and Harvard Law School, he was admitted to the Pennsylvania Bar and the Bar of Oklahoma, and has become one of the most prominent citizens of Harrisburg and our State. His civic activities have extended into every field, but especially close to his heart is the welfare of the many charitable institutions in which he holds directorships. In 1939 he entered the legislative service of his country. As a Member of the House of Representative: he has served on various important committees, including the Herter Committee, of which he was chairman of the Subcommittee for Study of the United Kingdom and Her Dominions. At present he is a member of the House Banking and Currency Committee. Throughout his tenure he has made a practice of addressing his constituents each week by radio, keeping them informed of national and international affairs and his opinions thereon. For his distinguished public service to his congressional district, to the Commonwealth of Pennsylvania, and to our Nation, I present him for the honorary degree of doctor of laws.

Salaries of Federal Employees

EXTENSION OF REMARKS
OF
HON. JAMES V. BUCKLEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. BUCKLEY of Illinois. Mr. Speaker, the Committee on Post Office and Civil Service is presently considering a number of measures dealing with the welfare of our post-office and civil-service employees. I am honored by being a member of that committee, and I shall try to the best of my ability to expedite consideration and action on a number of bills which are either the subject of hearings now being conducted or will be considered at hearings to be scheduled in the very near future. Among the bills which I place high in importance are bills that would extend to veterans of World War II benefits identical with those extended to veterans of World War I in the postal service. My colleagues, Mr. MILLER, of California; Mr. TEAGUE, of Texas; and Mr. VURSELL, of Illinois, have introduced bills on this subject which would give to veterans of World War II credit for the time spent in the military forces in determining postal salaries. I heartily favor this legislation and shall vote to report it to the House at the earliest possible date and shall work for its passage by the House of Representatives.

The committee is also considering a number of bills which would amend the existing Federal and Postal Employees' Classification Acts, removing present inequities and correcting certain injustices which have arisen as a result of previous legislation on this subject. I personally feel that the vast majority of people employed by the Federal Government are grossly underpaid in comparison with wages paid in private industry. Before coming to the Congress I was both an employer and a union official, and from both standpoints I am convinced that there is a drastic need for improvement in the Federal and postal pay structures. A number of bills have been introduced for these purposes, among them H. R. 2491 and H. R. 2492, by my colleague from Minnesota, Mr. MCCARTHY; H. R. 4395 and H. R. 4495, by Mr. LYLE, of Texas, and Mr. MILLER, of California; and H. R. 4169, by the distinguished chairman of our committee, Mr. MURRAY, of Tennessee. These bills have the endorsement of such organizations as the National Federation of Post Office Clerks, the American Federation of Government Employees, the National Association of Letter Carriers, and virtually all organizations of postal and Federal employees. I favor this legislation and will do everything possible in an effort to cause its early enactment.

The World's Most Valuable Dogs

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from Hygeia magazine. It is unfortunate that the pictures cannot be reproduced of these dogs which, through scientific experiments on them, have made such extraordinary contributions to human health and happiness.

THE WORLD'S MOST VALUABLE DOGS

(By Phillip S. Gelb and Thomas J. Blakley)

Eight dogs of dubious ancestry recently stole the spotlight at the Brooklyn Dog Show. One-time strays that might have been sacrificed at city pound or unofficial shelter, they are heroes of the fight against disease. Anton Rost, head of the National Canine Research Foundation, presented

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them as living proof of the care and affection they get and the services they render to human and animal health.

Four of the prize-winning dogs are pictured below. Shep is shown with a Cornell Medical College technician. The experiment in which he participates is one of the seemingly more simple but most important carried on at that important research center. Every few weeks he gets an injection of liver substance along with a measured intake of water. The fluid eliminated by Shep is analyzed by the technicians. Scientists are hopeful that these experiments will tell us much about malnutrition, cirrhosis, dropsy, and heart disease. Although Shep's pedigree is highly questionable, his value to humanity is not.

Susie comes from the Sloan-Kettering Institute, where her important job is cancer research. The project she participates in is seeking to determine why certain chemical dyes produce cancer. Why are dogs used instead of mice, rabbits, or monkeys? A technician of the Sloan-Kettering Institute replies, "Dogs are used in cancer research projects because the dog is the only animal whose body handles some chemical compounds in a similar fashion to the human being."

Ten-year-old Queenie's winning personality has not been affected by the fact that one of her kidneys has been raised to a place just below the skin so that the relation of the blood flow to kidney function can be studied. Is this an important role? In the words of a Rockefeller Institute announcement, "Queenie is making a contribution to a better understanding of Bright's disease, which ranks fifth among the causes of death."

Blackie is one of Shep's kennel mates at Cornell, where they say she probably has had her blood pressure taken more than any living creature. The project in which Blackie is working has already demonstrated new principles that play an important part in the understanding of high-blood pressure. Those who work with Blackie say that her gentleness, good spirits, and willingness make it seem as if she knew the value of the contribution she is making to human health.

A special first-prize ribbon was awarded to Beauty by John Cashmore, Brooklyn Borough president, because she was Brooklyn's own health hero. If Beauty survives an experimental operation on the chambers of her heart at the Jewish Hospital of Brooklyn, we may have a promising new way of fighting the No. 1 killer, heart disease.

They are proud of Henry at the Columbia-Presbyterian Medical Center where he has been a control dog in dietary experiments aimed at lengthening the life of the human being with diabetes. In the fight against diabetes the dog has been an invaluable aid. Less than 30 years ago diabetes was a sentence of death. Today 17,000,000 people are alive who would be dead if Frederick Banting and Charles Best hadn't developed tests on a few dozen dogs. There still is no cure for the disease and the average life of the diabetic is somewhat shorter than that of the average person. Merely by the study of Henry's eating habits, millions of years of life may be given humanity.

The newest hero in the dog-to-man discoveries is Rusty, also of the Columbia center, where he is a key figure in research aimed at cutting down the prevalence of gallstones. The accuracy of tests and the success of the treatment of Rusty was considered so good as to allow direct parallel treatment on human beings. These too are proving successful. Do research dogs live long? Well, Henry is 12 years old and Rusty is 15, and you'll recall that Queenie is 10. The figures speak for themselves.

Stevey proved to be quite the crowd pleaser at the Brooklyn show. His exciting story started some 10 years ago in bone surgery experiments at the Columbia-Presbyterian Medical Center. Stevey's right shoulder and part of his upper foreleg were removed and replaced by a nontoxic plastic ball and steel shaft, forming an artificial joint. His recovery and subsequent normal appearance helped to lay the basis for the eventual application of the technique to man. Though this work is still experimental, it offers hope to those whose limbs are diseased, deformed, or shattered.

These are the stories behind the eight mongrels who carried off honors at the show for purebred dogs in Brooklyn. They are not usual dog heroes, and they deserve to join the ranks of the medical canine great. Who are some of these great animals, whose names are remembered among the world's most valuable dogs?

There is Caesar, a brown and white pooch of uncertain ancestry, who has helped surgeons at Children's Memorial Hospital in Chicago perfect the "blue baby" operation. Scores of children owe their lives to the surgical techniques that doctors have learned from operating on Caesar and other dogs. Of course, Caesar is unaware of this, but he lives at the hospital under good conditions, appearing once in a while at fairs and shows as living proof of how animals help to save human lives.

The story of Bozo, another memorable animal, appeared in the February issue of Hygeia last year. He has probably brought more real happiness to mothers and their children than any pet. At Jefferson Medical College in Philadelphia, Bozo helped young doctors learn how to use the bronchoscope, Dr. Chevalier Jackson's great invention, which enables a doctor to reach into a child's bronchial tract and snag a button, pin, bullet, or other object that should not have been there in the first place. Bozo died of old age a few months ago.

Maggie was another famous dog hero. She was the first dog to be kept alive on insulin, when Drs. Banting and Best discovered this great boon to diabetes victims.

There are many others who have helped medical scientists develop blood transfusions, livesaving surgery of the heart, the lungs and the brain, liver extract to combat pernicious anemia, and many another achievement that most of us accept without ever wondering about the how or why.

Where do they come from, these heroes, and how do they fare as experimental animals? They come from municipal pounds, animal shelters and animal dealers. Some are raised especially, some are specially purchased purebreds but most are just strays fated to be uselessly slaughtered unless they are turned over to medical scientists for lifesaving research. They live in specially designed animal hospitals, some of them air conditioned. They are under the supervision of trained personnel whose duty it is to see that they are kept in the best possible condition.

As one scientist said, "It is noteworthy how much better these animals look and behave after they have been in our care. When we receive them from the pound, they are scrawny, frightened, half-starved derelicts, but after a bath, distemper shots and a steady diet you can see for yourself how much healthier they are."

When dogs are used for surgery the operation is performed under the same sterile conditions used for human beings with the same anesthetics and skillful handling.

Many of them, like Columbia's Stevey, become pets around the laboratory and enter into the spirit of the work. One scientist tells of one of his canine subjects who learned to jump up on the operating table and snuggle his nose into the anesthetic mask.

And while these dog heroes can never comprehend the significance of what they do, a grateful mankind can understand and honor them, as they did in Brooklyn, for their great medical contributions to man and animals alike.

The Past Week in Congress

EXTENSION OF REMARKS
OF
HON. HARRY J. DAVENPORT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following from my weekly column printed in the East Liberty Tribune, Pittsburgh, Pa., May 30, 1949:

This past week in Congress was highlighted by the many efforts to take stock of our economy and prepare, if necessary, an anti-slump program. It is of importance that some of my colleagues who are known for their conservative economic views are now agreed that we should be prepared for any eventuality.

Early in the week there was fear in some quarters that if you talked about what you would do when the patient got sick that this talk in itself would hasten the patient's illness. This is a do-nothing philosophy whose consequences can be fatal. As I and others pointed out, examination and prevention if done in time will maintain the economy in a healthy state and prevent any serious slump.

At this stage of our postwar existence, our production level is 80 percent above the 1935-39 average, according to the Federal Reserve Board. While this is a drop below the all-time high of October 1948, it is nevertheless equal to the mid-1947 level. Unemployment, however, is now above the 3,000,000 mark. Hence the present need to take stock and lay plans.

It is often difficult to determine what causes slumps and what causes great prosperities. Economists who have spent their lives in a study of what they call the business cycle cannot agree. I do not propose to supply the "answer." As I told my committee colleagues last week, "We must be prepared to take all steps necessary to keep the economy on a stable and progressing basis. We can leave the theories to others. We must be prepared to maintain business at a profitable level and employment and purchasing power at maximum heights."

To me a stable and progressing economy means a high standard of living, mass purchasing power, and full use of industrial equipment. A factory geared at let's say 1,000 units but turning out 200 units is a high-cost operator, in addition to being a poor employer. Our factories must be kept going at their best working levels to keep our standard of living at a high level.

But just as important to me, a stable and progressing economy means stable and progressing civil rights. We Americans love our freedom. It is our greatest heritage. The more slipshod we are in preparing an anti-slump program the greater will be the threat to our civil rights. If by our efforts today we can lay plans to handle troublesome economic problems as they arise, we will need no WPA's and NRA's. Our job ahead is to keep from sinking to regimentation and despair.

A bill will shortly be introduced into Congress to make possible quick and effective dealing with economic emergencies. In itself it cannot hope to achieve economic stability. Its purpose will be to solve the knotty problems that interfere with the general health of our free economy.

It will require a stock-piling of public-works projects on a Federal, State, and local government basis. These would include construction of schools, highways, sewer and water systems, hospitals, and other worthwhile public works. In the late twenties we

had no reserve shelf of public works, and we know what happened.

The proposed bill will also make possible the expansion of private production and plant facilities. This would be accomplished by the Government's offering incentive loans to private industry which would be repaid at a nominal rate of interest over a long period of time. In this way, private firms, unwilling to spend money on expanding their facilities in bad times, would be given every incentive to do so.

This provision is based on the following philosophy: Private industry is the American way. Private industry must continuously expand its facilities in order to produce low-cost products, and in order to maintain full employment and high purchasing power for the American people.

Internal Enemies

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newspaper article from the Boston Post:

WARNS OF INTERNAL ENEMIES — PHILBIN SPEAKER AT BARRE MEMORIAL DAY SERVICE

BARRE, May 30. — Congressman PHILIP J. PHILBIN, at Memorial Day exercises here today, called on his listeners to display the same type of militant patriotism that our honored dead exhibited.

INTERNAL ENEMIES

"Evil forces are assailing not only the doctrinal, but the institutional basis of our way of life," he said. "These men gave their lives against the enemy in war, but citizens of this country must now contend against internal enemies who work in nefarious and devious ways to sow seeds of disruption and revolution."

"Our democracy cannot live," said PHILBIN, "if it is diluted with half-baked socialistic or communistic ideas or polluted with the poison of political corruption."

MUST KEEP FAITH

"We would be faithless to these honored dead," he said, "if we do not serve now in this crisis that confronts democratic institutions with the same courage, love, devotion, and sacrifice which typified their immortal service. We cannot minimize the gravity of our present problems. The world has been turned into a vast cauldron of communistic conspiracy. Our country is seething underneath with the diabolical activities to discredit this Government, economic system, and way of life.

"Indifference at such a time is a reflection upon our patriotism. Apathy in the face of present dangers is a reflection upon our Americanism. Nothing short of stanch, constant unyielding militant opposition to every un-American doctrine, every un-American movement, every un-American practice will preserve this Nation and the principles for which these hallowed dead fought and died."

PROCEEDS UNABATED

"Let us not be lulled into a sense of security by temporary strategic retreats and diplomatic gestures calculated to deceive. The great forward march of subversion and antidemocracy proceeds unabated and will be stayed only by the determined efforts of peace-loving and liberty-loving Americans. Our Nation is the strongest bulwark against Marxist conquest of the world.

"It is a betrayal of these honored dead not to strive earnestly and work militantly for the peaceful world they fought for. We should press forward with every ounce of energy to strengthen instrumentalities which civilized, decent democratic-minded peoples have erected to guarantee security against aggression and make possible the fulfillment of our hopes and aspirations for peace.

"Let us no longer temporize or appease. Let us maintain commanding physical strength so that we may implement our moral principles, and so that we may present a strong surging, united front against those who would dismantle every vestige of Christianity, civilization, and democracy."

REVERENT TRIBUTE

"The memory of these heroes and the hallowed dead we honor today will ever remain in the minds of the American people. On every Memorial Day we will turn our minds and our hearts in reverent tribute and with deep gratitude for their peerless and unselfish contributions to America. But it is not enough that we should think of them and the principles they died for only on Memorial Day.

"We must keep these principles always with us, always foremost in our minds, because if we abandon or compromise them our democracy will be lost, can never be regained, and America and the world will be consigned to the hopelessness and servitude of the super-regimented totalitarian state and ultimately to impoverishment, poverty, and loss of all that we cherish."

PEACE IN OUR HEARTS

"We must have peace on our lips and in our hearts. At the same time we must keep this Nation in a state of preparedness to cope with any and every emergency and to serve notice upon willful and cruel Marxist imperialistic dictators that we propose not only to retain our democracy but to preserve the dignity and freedom of man in a decent and civilized peaceful world.

"If we strive toward these ends we will in that way be contributing through faith in our Government and ourselves hope in the future and willing labors for the perpetuation of our heritage to maintain America as the sanctuary of liberty which is its rightful and God-given destiny.

"Let us today be reinspired by the glowing deeds, the selfishness and sacrifice of our martyred dead and all those who have sacrificed to preserve our country. From their example we may well today rededicate ourselves with resolution and firmness to the basic principles of America, the salvation of Christian civilization, and the protection and human liberty."

Resolution Opposing Compulsory Health Insurance

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution recently adopted by the Woman's Auxiliary to the Minnesota State Medical Association. An accompanying letter states that the association, while opposing compulsory so-called health insurance, favors H. R. 782 which would establish a Federal Department of Health headed by a doctor of medicine and independent of welfare and education:

Whereas the United States under its voluntary system of medical care has made greater progress in the application of medical and sanitary science than any other country; and

Whereas the advances in health in the United States in the past four decades do not suggest basic difficulties in the American system of medical care; and

Whereas approximately one out of every three Americans is now covered by voluntary hospital insurance, and one out of every four is covered by voluntary surgical or medical and surgical insurance, and coverage is continuing to rapidly increase; and

Whereas compulsory health insurance would necessitate a high degree of governmental regulation and control over personnel and the agencies engaged in providing medical care; and

Whereas the enactment of compulsory health insurance would destroy the personal relationship between the physician and patient, undermine the quality of medical care and produce deterioration in the health of the people; and

Whereas workers in European countries that have adopted compulsory health insurance have lost from 50 to 100 percent more days per year because of illness than American workers; and

Whereas compulsory health insurance would create a tax burden of unbearable proportions on an already overstrained economy; and

Whereas compulsion is a totalitarian concept and contrary to American principles: Now, therefore, be it

Resolved by the Woman's Auxiliary to the Minnesota State Medical Association in convention assembled in St. Paul, May 9, 10, 11, 1949, That we continue our unalterable opposition to the adoption of any program of compulsory health insurance for the American people.

Comment on Economic Conditions

EXTENSION OF REMARKS
OF
HON. CHARLES E. POTTER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. POTTER. Mr. Speaker, under permission granted to extend my remarks in the RECORD, I wish to include a letter written to President Harry Truman by Mr. Walter C. Wylie, of Sault Ste. Marie, Mich.

Mr. Wylie's keen insight on economic conditions should receive the serious consideration of all Members of Congress, particularly at this time when our country is going through a period of economic adjustment. I am inclined to believe that most thinking Americans concur with the views expressed in the following letter:

MAY 5, 1947.

HON. HARRY S. TRUMAN,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: I have been reading the press reports of your state of the Union and economic reports to Congress. The general outline seems to be as follows:

1. Keep production up.
2. Raise substandard wages.
3. Continue high taxes.
4. Keep up farm prices.
5. Eliminate public works.

It is not my purpose to hang crepe on anybody's door, but I am very much afraid that unless we return to the principles of reason, common sense, and economics, the results will be disastrous.

INFLATION

Firstly, we haven't inflation. And, there does not appear to be any signs of it. In 1934, the administration devalued the dollar from 26 grains to a 15-grain gold content. At the time, it was for the purpose of raising prices. Why higher prices were desired, I do not know. Certainly, those in the lower-income brackets and the unemployed could not, at that time, afford the necessities of life. It would appear that someone got the idea that high prices would create prosperity. The opposite, if anything, is true. Devaluation of the dollar did not raise prices or wages of those in the lower-income brackets. Nor did the sleight-of-hand performance put men to work, except on the WPA at, in most cases, $44 per month. In other words, the national income was decidedly low and the devaluation of the dollar left us just where we were, with this exception: When the war started in Europe we were up to our ears in debt. The war in Europe raised prices and wages, too.

Of course, one would ordinarily think that the devaluation of the dollar would immediately raise prices, for the reason that one could hardly expect 3 cents to do the work of 5 cents; 15 grains of gold to do the work of 26 grains. It so happens that the fundamental laws of economics do not work with such dispatch. Then, too, the people, from a psychological point of view, still took the dollar as a dollar, even though it was actually 59 cents. Now, had the powers that be, at the time of devaluation, decreased the dollar and announced that 59 cents henceforth would take its place, prices and wages would have increased. When you are attempting to deceive the unsuspecting public, such open tactics, of course, could not be practiced. Nevertheless, the laws of economics which have been taking effect were, even then, at work. Fortunately or misfortunately, depending on how you see it, its workings were not visible.

Today, and for some time past, prices have been going up. Although attempts have been made to increase wages, everybody knows that the dollar will not stretch. Why should it? How can you expect 59 cents to do the work of 100 cents? No one seems to know why. All we know is that we cannot have the things that we used to have at the old prices. We common folks don't know anything about economics, dollars, devaluation, currency, and what not because we have never been to college. Nevertheless, the man on the street knows something is wrong. His stomach tells him that. While the stomach tells him something is wrong, it is not able to say, "Why try to feed me on 59 cents when you formerly spent 100 cents?" Mr. President, inflation is not here, and never has been, except insofar as we have devalued the dollar and raised the taxes.

TAXES

You propose an annual budget of about $40,000,000,000. The figure is so fantastic that the average person just does not comprehend it. Not any more than he understands what was done to him when he was paid for his day's work in 59-cent dollars. The aged and the children do not pay taxes because, in most cases, they have no income, which means that the head of the family has to pay their share of the per capita Federal tax of $270. The head of the family pays therefore, $1,080 a year to the Federal Government. A large portion is deducted from his weekly pay, the balance his employer pays. In other words, if taxes were not so unreasonable, more wages could be paid to employees. After all, the man who carries the dinner pail pays the taxes, either directly or indirectly. What in the name of all that is good, is the head of the average family getting from Washington, or any place else, that is worth $1,200 a year?

No wonder labor and industry are at each other's throats. Just so long as each does not know who the unseen visitor is who is robbing his cupboard at night, so long will they continue to call each other names. No wonder there is a buyer's strike on right now on account of high prices. No wonder there is a surplus of most everything—if you want to pay the price. Sooner or later, the two groups will catch up to the persons responsible for high taxes and when they do, at least some of our labor troubles will be over. Just one illustration of a certain crane operator. He pays $8.40 to Washington per week, or $436.80 per year. In 10 years, he will have paid $4,368. For what? Enough to buy a home, a farm, or what have you. When the Federal Government via taxation, takes from a man and his family, a home every 10 years, it ceases to be a liberal government. Instead, it can only be classed as a radical one.

SMALL-BUSINESS MEN

From time to time, we read in our press and hear over the radio and elsewhere, the grand things that are being done for the small-business man. We read about anti-trust laws, monopolies, etc. So far as anyone can see, trusts are being made bigger and the small-business men are being made smaller. Of course, this is not the intention. Those who are trying to do something for the small-business men are honest and sincere folks. Be that as it may, we will be judged not by our intentions, but rather by the results of our efforts. Government efforts so far seem to be in the direction of making it possible, in some instances, for small-business men to borrow money from the Reconstruction Finance Corporation. Such actions are to be commended, and they are. So far so good. After having done that good deed and assuming that the small-business man is able to make a profit by reason of the loan, the good-intentioned Government proceeds then to take away, via the collector of internal revenue; what? The profit, of course. The small-business men, like the wage earner and the trusts, too, for that matter, are the slaves of a well-intentioned Government.

There is this striking difference, however, between the small-business man and the American tycoons of business and others of wealth. The latter were permitted to earn their dependencies under a system that did not take away from 20 to 90 percent of their earnings. How can one possessed with ambition, thrift, and skill, carrying on a small business, under such a system of confiscation, be anything but a small-business man? How can he ever create and save a surplus each year to carry him over in times of depression? How can he ever create a reserve large enough to become a big-business man? He is forever dependent on a lending institution of some kind to take care of his needs. How can there be anything under such a tax system other than trusts and monopolies? The Government is not encouraging free enterprise and competition. It is furthering, unknowingly, just the opposite. America's 60 families are sitting on top of the world. Their capital, made by pyramiding and preserving profits, under a system of taxation which encouraged such thrift, is intact. They have, in reality, a trust not necessarily of their own making, but rather a trust created by a Government which, for years, has been trying to do something for the small-business man. Is it not about time that the small-business man, including his profits, be left alone? He does not want or need help. Relieve him from a confiscatory tax system, and sooner or later he will take care of the trusts. He will give them competition that, up to now, they are free from. In passing, what small business concerns received tax refunds?

Right now we are consoling ourselves and the farmer, too, with the empty statement that floors have been put under farm commodity prices. The dollar was devalued for the express purpose of raising farm prices and wages. The Commodity Credit Corporation is expected to hold up farm prices by buying at certain prices all the grain, etc., that the farmers produce. Nothing could be more absurd. Oh, yes; temporarily the Commodity Credit Corporation may hold up prices but—what happens when the Commodity Corporation sells? Can it keep buying forever? Whatever is bought must be sold, given away, or destroyed. God forbid that we shall ever repeat the mistake of destroying farm commodities. If such commodities are given away, the man who works by the sweat of his brow pays the bill. A farmers' league in New York State attempted to keep milk prices up by buying butter, and they did succeed temporarily. In the end butter dropped. All the league accomplished was the feat of putting off the inevitable for a short period of time. In the end the law of supply and demand won out over fictitious unorthodox schemes of trying to make something out of nothing.

Hundreds of years ago when England was strictly an agricultural country, when the members of Parliament owned most of the land, corn laws, so-called (wheat laws in fact), high import duties were placed on wheat to keep up the price for the producers of wheat. A man by the name of Gregory King made a very minute study of wheat prices and he found that regardless of the import duties that were put on wheat, the price of it raised and lowered with the supply and demand. In other words, you can rig a commodity price temporarily, you can corner a market temporarily, but you cannot defy ultimately the law of supply and demand. Witness what happened to cotton very recently. The history of those who have tried to corner markets is one of disaster.

Farm prices must come down. It is better to let them come down naturally than it is to let them crash. If you are on the roof or upstairs, it is better for you to come down the stairs or ladder, naturally, than to crash down. You don't always recover from a crash. With all the new mass-production machinery coming on the market, the American farmer will produce more in the next 5 years per man-labor-hours than he ever did before. He will do it with less sweat. He will do it cheaper, and, what's more, if he is permitted to sell his crops in a free market, he will make more money. The present policy of placing a floor under certain crops, notably wheat, will just attract more persons to the production of farm produce and wheat when they are needed in other vocations. The migration to the farm, as a result of guaranteed prices, will hasten the day of surplus. Guaranteed or floor prices will do something more, it will result in the underconsumption of the very necessities of life, with all the attendant misery that goes with undernourishment. You are not helping the farmer by advocating floor prices, you are really creating the situation that will, in the end, break him. He is on his feet now, for land's sake, and the well-being of the people of America and the world, keep him in a prosperous condition.

WAGES AND HOURS

There has been a lot of talk during the past few years on wages and hours. I think some thought should be given first to the matter of hours. After all, there are, for the purpose of this discussion, two kinds of power—human labor power and capitalistic or machine power. If we must have a limited workweek for human labor in order to spread the work around, why not have a limited workweek for capitalistic or machine power. Personally, I don't believe in either. But, until such time as the two kinds of labor power are put on the same basis, I think

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human labor is getting the short end of the bargain. This limited or 40-hour week, of course, came about as a result of the Wagner Labor Act, so-called, sponsored by a benevolent Congress that wanted to do something for the forgotten man. The forgotten man fell for the bill of goods handed to him in that act by reason of the clause in that act that compelled his employer to pay him time and one-half for overtime. Labor and labor leaders hailed this act as the Magna Carta of labor. At last, so they said, labor had come into its own.

As a matter of fact, it was the greatest fraud that has ever been perpetrated on labor. It was shortly after, I believe, the dollar was devalued. The accepted workweek heretofore was 48 hours, but he could, if work was available, work longer for his employer. He was paid in dollars of a value of about 26 grains to the dollar. If he worked a standard week of 48 hours at 75 cents per hour, he received 48 times 26 grains of gold. The dollar devaluation took away from labor for the standard workweek, 48 hours, roughly 11 grains of gold per dollar. For 48 hours of work he received not 1,248 grains of gold but, instead, only 720 grains of gold, or a reduction in wages of 40 percent.

Not being satisfied with that, and believing in the old adage of "never give a sucker a chance," the workweek was reduced to 40 hours or, 16⅔ percent which, incidentally, reduced his pay by a further reduction of 88 grains of gold, which left him earning finally 632 grains of gold where he was formerly earning 1,248 grains of gold. In other words, by a simple process of devaluation of the dollar and the passing of the Wagner Labor Act, a benevolent Congress actually cut labor's wages by over 50 percent. And, what's more, the operation was performed painlessly, but not without aftereffects. There is now, at last, an empty feeling in the stomachs of labor. Let it be said here labor will never get its just dues, or the relief it is justly entitled to by fighting his employer. It should go to the surgeon or surgeons who performed the operation, sleight of hand as it was, for relief. It was fun to be fooled while the anesthetic was working. It's not working now, the law of supply and demand is. The operation was not a success, so let's do it over and, this time, let's do it right.

Suppose in order to make work for everybody, the Wagner Labor Act provided that out of every 100 pieces of machinery in operation, 16 percent will be discontinued. Ridiculous, not at all. That is exactly what labor was forced to do. In other words, labor was asked to step aside and give up the privilege of working 8 hours each week in order to make work for his fellow workmen. Capitalistic labor was not asked to lay off any machines to make work for labor's fellow workmen. You can, if you wish, put this proposition in another way. Every five men in industry were asked and in a way, actually denied the right to work 8 hours each week so some other fellow workman would be able to work 40 hours each week. The thought being that employment would be increased by 20 percent of those then employed. Capital was not asked to eliminate enough machines to create an additional employment of 20 percent. If it was the purpose of the act to make employment, why was not capitalistic labor, machines, asked to participate in the experiment.

The devaluation of the dollar and the passage of the Wagner Labor Act will, eventually go down in history as the work of men who wanted to do something but did not know how.

So much for hours. Let's now get on to wages. Volumes have been written on wages. Unfortunately no one has ever suggested any formula for determining what wages should be. All the authorities within and without the ranks of labor seem to agree that wages should be based on the cost of living. Unfortunately, again, industry and labor never agree on what the cost of living is at any certain time. Frankly, I sympathize with both groups because anyone can arrive at the cost of living at any given time, at almost any figure that suits his fancy. Some few years ago, the experts of the various groups agreed that the cost of living at that time, was up anywhere from 28 to 47 percent—really close approximation, was it not? While they were still arguing over the cost of living, an election was held in Kentucky and, the next day a wage increase was granted to the miners. On the cost of living figures? No; on the election figures.

Regardless of what the various cost of living indexes, prepared by industry, labor, and the Department of Labor, may show, there is one commodity that does accurately determine the cost of living. That commodity is wheat. Wheat is not a cost of living index merely by chance. There is a very good reason why it is, and should be, the real cost of living index. In the first place, it is the most palatable food on earth, the most economical from a calorific standpoint, and there does not exist a race of people who do not prefer wheat as a food, if it is available at the proper price. It is the standard of value on which the prices of all other foods, including beef, pork, and poultry, are based. Back so far as records have been kept on the prices of wheat, the average price has been $1, then it should follow that the right price of wheat is $1 per bushel. Certainly, in normal times, when we had a 26-grain gold dollar, the farmer was glad to sell at $1. His condition could be determined by the amount wheat was below or above the dollar average.

Common labor, based on the same gold dollar, was available and lived fairly good on a minimum hourly wage scale of 50 cents per hour whenever wheat was selling for $1 per bushel. By using the $1 (26 grains of gold) as the right or normal price of wheat and 50 cents an hour as a minimum wage for common labor, it seems to me we have at least made a start at arriving at a scientific and equitable formula for a minimum hourly wage-scale law. Based on the present 59-cent or 15-grain gold dollar, the price of wheat would normally be, using $1 as the normal price, $1.65. Just at what price it would be selling right now, were it not propped up by a farm subsidy program, I, of course, do not know. I do know that it would not remain at its present level for long. We have a situation where, on the one hand, the Government wants the cost of living down and, on the other hand, that same Government wants the cost of living up by putting a floor under wheat that keeps its price above what it would normally be, if it were being traded in an open free market. Sooner or later, the Government will have to determine whether it wants the cost of living up or down. If down, take the floor from under wheat. If it wants to coast along, then it can expect the Nation to be confronted with strikes, wage controversies, and the continual interruption of production.

Regardless of what the Government does or does not do, that is to say, if it should continue the practice of parity wheat prices for 2 years or so, wheat will come down anyway—with a crash. If the Government should encourage higher wages because of its parity wheat practice, labor will be out of work—and soon. Neither the farmer nor the industrial worker are the whole of our economic structure. They are mighty important but, there is still another portion of the whole composed of those on retirement, on fixed incomes, or limited dependencies, those in service occupations, etc., who must be considered. In times of distress, they buy sparingly. They are thrifty and they make the dollar stretch by going on a buyer's strike, not by choice, rather by necessity.

There are, broadly speaking, two classes of labor; one we know as strictly industrial, living in the metropolitan centers and, the other, rural, living and working on the farms and outside of the large cities. Any wage law must concern itself if it is to be workable, not so much with those who are represented by unions, but rather with those who are left to the mercy of competition and world markets, such as the farmer, and those not represented by any union. A wage law should be what the name implies, a wage law, nothing more, or less. The all important function of a minimum hourly wage law is, and should be, to maintain parity, as between the industrial worker and the farmer and rural worker. It matters not what the price of wheat is nor what wages are, be either high or low, just so long as they are relative. It is not the low price of wheat that makes a farmer poor, not high wages that makes the industrial worker prosperous.

It is, however, calamity and depression when neither is not in the same relative position so far as income or purchasing power is concerned. You can keep farm prices and industrial wages relative by passing a minimum hourly wage law based on the average price of wheat. As prices of wheat change, the hourly wage would change. Every 6 months, say January 1 and July 1 of each year, the Department of Labor would set the minimum hourly rate for common labor. That rate would be based on the average price of wheat for the preceding 6 months.

The last minimum hourly wage was established by Congress several years ago. At the time it was established it was outmoded in that no employer north of the Mason and Dixon's line would ask any workman to work for the minimum of 45 cents. Yet, it did become, for some employers, a standard on which to base wages, which, indeed, was unfortunate for the employee.

The above was dictated, as the first paragraph indicates, several months ago. Nothing has happened to contradict the logic outlined in the letter. The farmer is actually getting about $1.65 per bushel for his wheat based on the 1933 dollar. The wheat price is determined by the law of supply and demand. The laborer's wage is determined by—the power that be in Washington.

Best wishes for your success.

Yours very truly,

WALTER C. WYLIE.

Side Show Freaks

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. SHAFER. Mr. Speaker, there is both humor and malice in the aim of the self-styled Fair Dealers to put on a Freedom Fair in Washington, D. C., to observe the one hundredth and fiftieth anniversary of this great city's birth.

It was inevitable that the country would change and that Washington and various other cities would change as the United States developed from a small nation, consisting of 13 colonies, into a great united nation stretching from the Atlantic to the Pacific, with the greatest industrial, commercial, and cultural development of any nation on earth to date.

However, it was not inevitable that 150 years after the establishment of this city, the very men who are most noted

among intellectuals for espousing doctrines to enslave the people should be the very ones who should sponsor the Freedom Fair. There is something anomalous about an administration that sponsors bills to collectivize and socialize America, while paying lip-service in a projected fair to freedom. One wonders if he is not living in a dream world, where words are meaningless and the many of the people are just stooges walking around under the mental, psychic, or cosmic influence of factors or persons out of their reach.

If Thomas Jefferson, Alexander Hamilton, George Washington, or any of the common-sense liberals who helped to found this Republic were to come back, study the aims of this administration, then hear that the same administration was going to sponsor a Freedom Fair, they would no doubt smile in incredulous wonder. How can men who do not believe in freedom so bold-facedly sponsor a Freedom Fair?

This is not to say that I do not favor a Freedom Fair. We still have our freedoms in this country, due to the unremitting fight of men who refuse to cede away their liberties. I like to think that this Congress, along with the Eightieth Congress, has held the line in part against the loss of our freedoms to an overweaning bureaucracy. Of course, the Democratic-dominated Eighty-first Congress has fallen down in many respects and its self-styled Fair Deal Members in particular have gone down the line for totalitarianism, but I am still proud that enough patriotic Democrats will vote with enough sensible Republicans to keep socialism at the door, instead of letting it get inside to gobble up our liberties.

I am very much in favor of the Freedom Fair and I just hope that the millions who come here next year will take a little time, in connection with this fair, to study the bases on which our Nation was founded and to learn why we must be ever on the alert to preserve freedom—even from our own leaders, if they attempt to take it away.

In connection with this fair, my attention has been drawn to a rather satirical editorial which appeared recently in a midwestern newspaper. I do not know the name of the author of this editorial, but he has been able, in whimsical vein, both to expose the humor of the New Dealers to sponsor a Freedom Fair and at the same time to make some suggestions for side shows that could prove very enlightening, if used in the projected fair.

Under permission to extend my remarks I include this editorial:

SIDE SHOW FREAKS

Mr. Truman and Congress have agreed to hold a fair in Washington next year to mark the one hundred and fiftieth anniversary of the District of Columbia. There will be buildings and exhibits, and the tourists, no doubt, will flow in from the sticks to put up in a town normally so overcrowded that a hotel reservation is sometimes an empty promise.

The contemplated exhibits seem a bit on the pedestrian side. States, Territories, and foreign countries are invited to be represented. There will be a Free Enterprise Building, which is one of the first intimations that the New Deal is a patron of that concept. Perhaps it will be offset by a welfare state exhibit, where visitors from the whistle stops can get a preview of state medicine, state bassinets, and state caskets and headstones.

The record of every fair since the Columbian Exposition suggests that the midway, or carnival, side of the show has the most general appeal. In 1933 the late Robert L. Ripley did very well at A Century of Progress with his collection of freaks. It would not be necessary to go outside the ranks of the bureaucracy itself to obtain an unrivaled assemblage of the strange and marvelous.

One side show might feature a Truman loyalty board arriving at the decision that some prominent New Dealer is not a Communist. In another tent Mr. Justice Frankfurter could read a typical Supreme Court opinion, dissenting from the dissenting opinion, with a cane given away to anyone who can fathom his drift. A representative hotel room, with one wall cut away and glassed in, could be used to display the customary habitat of a real, live Wall Streeter in town to confer with his pals in the Marshall plan on where the next ladle of gravy is coming from.

As an outdoor exhibit, Mr. Truman, grasping a plow, might prove the contention in his campaign literature that he used to plow the straightest furrow in Jackson County. A barker would be in order, and Secretary of Agriculture Brannan, expounding his plan of how to sell food cheaply while the farmers collect premium prices, could handle the routine. Some exhibits would have to be caged, as, for instance, a group of Navy admirals just deprived of a supercarrier.

The Hoover Report: Action Demanded

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New Hampshire Morning Union, published in Manchester, N. H., of June 8, 1949, entitled "The Hoover Report: Action Demanded":

THE HOOVER REPORT: ACTION DEMANDED

A week ago the Hoover Commission put in its final report on reorganization of the Federal administration. The lack of attention given to this final report indicates, what many of us have feared, that the American people have become familiar with the work of this Commission to the point of regarding it as just another of those things that no one can do much about.

That attitude, if allowed to prevail, may be deeply serious. For there is no question today about the need of Federal administrative reorganization. It is well known that the whole Federal administrative structure is shot through with waste, disunity, apathy, and irresponsibility to the point where Government efficiency is crippled or completely destroyed.

It has been urged for some time, by those most responsible for Government administration, that something should be done about it. Sporadic proposals and attempts have been made in that direction which have achieved nothing. The work of the Hoover Commission constitutes the first thorough, competent approach to the problem that has yet been made. If the reports of this Commission are allowed to be pigeonholed by Congress and nothing is done about them, the hope of the adoption of much-needed reforms might as well be dismissed permanently.

This commission was no fly-by-night affair. Initiated by Congress as a nonpartisan project, it was headed by a former Republican President, and had the aid and support of the incumbent Democratic President. It drew a staff of 500 workers from top rank leaders in the fields of business, public service, and the professions—men of skill and experience in administrative organization who gave 2 years of hard study to the reorganization problem.

No more thorough or businesslike examination of the government administration is possible. Surely it does not make sense to push aside 2 years work of the most capable public servants available and allow it to come to nothing. But that is exactly what will happen unless public pressure is exerted in the matter. Already vested interests are building a backfire against the report of the Commission and are doing everything in their power to defeat its purpose.

On one item alone the demand for Government reform is imperative. That is the item of government costs. Government expenditures have reached outrageous proportions and threaten to swamp our economy. On the matter of cost alone, the Hoover Commission estimates that a saving of from three to five billion dollars can easily be achieved by a businesslike program of government reform, while government efficiency will be multiplied greatly. We should demand that this is done. The continuation of democratic government may rest upon it.

Address of Hon. Chauncey W. Reed, of Illinois

EXTENSION OF REMARKS
OF
HON. NOAH M. MASON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. MASON. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include an address delivered by the Honorable CHAUNCEY W. REED, of Illinois, on Sunday, May 29, 1949, at Downers Grove, Ill., on the occasion of the dedication of a memorial honoring those who made the supreme sacrifice in World War II:

THEY MUST NOT HAVE DIED IN VAIN

(Address of Hon. CHAUNCEY W. REED, Representative in Congress, Fourteenth District, Illinois)

Throughout history men and nations have honored their patriotic and heroic dead. The annals of history record many tributes and eulogies expressed in their memory. It seems an eminently fitting thing to do. Leonidas still lives in the memory of men, although 2,500 years have passed since his heroic defense of Thermopylae. The memory of Caesar was revived 1,500 years after his death in Shakespeare's immortal oration ascribed to Anthony. Tennyson has immortalized the brave 600 in the "Charge of the Light Brigade." And the Alamo will live in the memory of men so long as they recall that "while Thermopylae had its messenger of death, the Alamo had none."

Yet, among all the famous literary masterpieces of the past in which men have sought to honor and glorify their patriotic dead, none stands out so brilliantly, especially for Americans, as the immortal address delivered by Abraham Lincoln on the field of battle at Gettysburg in the fall of 1863.

It is in the spirit expressed in that memorable address that I have accepted your invitation to be with you today, to speak to

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you, and with you to share in the tribute you would pay to these fallen heroes of our Nation. I will not attempt to repeat the words of Lincoln uttered at Gettysburg, although I wish I might repeat them, and even though it would be eminently proper and appropriate so to do. Nor would I borrow any of them. Yet I am pressed to do so; for you must know that I could not come here for this purpose without having refreshed my own memory of what Lincoln said on that occasion.

And in truth it likewise matters little what we say here or do here today. The fame of these heroes is secure. It is indeed for us, the living, to consecrate ourselves to the cause and the destiny for which they gave their lives. They responded to the call of country. They became heroes by what they did. A mysterious providence decided that they should be counted among the Nation's heroic dead. History has assigned a place to them. Today we but record it.

Again I am reminded of the Great Emancipator. And just now I am not thinking of his great address at Gettysburg which will live forever. I am thinking of some very simple words he wrote when he was a 14-year-old boy in southern Indiana, where he hoed potatoes for 25 cents a day and where he obtained all the actual schooling he was ever privileged to obtain, which amounted to about 1 year. He had a little Indian playmate named Johnny Kongatod, of whom he was quite fond. That little fellow died and young Abe wrote this epitaph which he placed upon his grave.

"Here lies poor Johnny Kongatod,
Have mercy on him, Gracious God
As he would do if he was God
And You were little Johnnie Kongatod."

Again I am thinking of Abraham Lincoln and of three or four lines of his second inaugural address—eloquent lines, noble thoughts, reiterating the plea he had made to his Creator as a boy when he had asked for fairness and mercy for his Indian playmate—words that are as applicable today as on the day they were uttered; words that have influenced our national policy as much so as if they were written into the Constitution itself:

"With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to bind up the Nation's wounds; to care for him who shall have borne the battle, and for his widow and his orphan—to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

I need but remind you that our history has been that of a nation largely free of war. It has been a history entirely free of aggression. We have conducted no wars of conquest. We fought for our independence as a free people. We have fought to preserve that independence. And we have fought for the independence of oppressed peoples. Ours has been conduct exemplary. We fought for freedom for the oppressed of Cuba. We fought for and conferred independence upon the people of the Philippines. Twice within a quarter century we fought for the oppressed of Europe. And even though we emerged victorious, we refused the role of conquerors. The conflict of arms ended, we turned to the survival of our erstwhile enemies. During the years since we have given abundantly and generously of our own means in order that those who made war upon us might again arise and become peaceful members in the family of nations. History records no precedent, no parallel, for our generous and ennobling conduct toward Germany and Japan.

Unfortunately we do not live in a peaceful world. Some men and some nations still believe in war, and prepare for it. Aggressor nations would destroy our way of life and impose their philosophies upon us. They are even now engaged in the building of armaments with which to make war upon us, even though they owe their survival to our intervention in their behalf. It is they who today compel us to arm in self-defense.

Ours has been a peaceful progress—at home and abroad. Our movement westward across the continent over mountains and plains, through beautiful and fertile valleys has been the advance of a people engaged in the establishment of homes and schools and churches. We have been building a nation in a new and a peaceful way of life. We have been building a nation of liberty-loving, home-owning, God-fearing, cultured, and enlightened men and women. That has been an inspiring enterprise. The only conquest we have known or practiced has been conquest over the forces of nature. We have conquered the wilderness. We are learning how to conquer our streams, to use their tremendous energy to light and heat our homes, and to turn the wheels of our free industrial enterprise. As a nation we are devoted to the development of the individual and to improving the lot of men and women. We repudiate and denounce statism as we repudiate and denounce war. Our only dream of conquest is conquest over the forces of evil.

Ours is the heritage of freedom, freedom of enterprise, of speech, of religion. Ours is a strong faith. It is the faith of a free people. It has been our guiding spirit. It has been developed from our own experience based upon the heritage bequeathed us by a noble ancestry. It is a part of our innermost composition.

Our National Memorial Day which we will observe tomorrow is not dedicated to the art of war. It is dedicated rather to the pursuit of peace. Although we cannot glorify those who have fallen, we can recall their valorous sacrifice in the cause of civil and religious liberty. We can be reminded that those whom we remember today gave their lives for a land worth living for, fighting for, dying for. We dedicate Memorial Day to divine providence, the destiny of the Nation, and the spirit of peace. If aggressor nations have made it impossible for us to beat our swords into plow shares and our spears into pruning hooks, they did not prevent us from carrying to our vanquished enemy the means of survival even through an airlift, the most colossal achievement of modern science and the most generous conduct in the history of individuals and nations.

These dead whom we remember today testify to the spirit of America. They testify to the strength of America. They testify to the determination of America to bring peace to a world that yearns for peace. The conflict abroad in the world today is a conflict of ideas, fantasies, and morals. Our conflict is against the deadly "isms" that pour in upon us from abroad and that threaten our national existence even as much as armaments. America must be alert to the deadly plague of ideologies that would undermine our moral fiber and prepare us for invasion from abroad. They must be fought on every front—in Washington, in Springfield, in our home communities. There can be no compromise with those who would destroy our Government by force and violence.

It is refreshing to note that these services today, this appropriate memorial, this splendid group of citizens in attendance are all the product of community cooperation. Civic organizations, churches, schools, Boy and Girl Scouts, and veterans groups have combined to do homage to your heroic dead of World War II and to dedicate to their memory a beautiful visible reminder of their sacrifice. Such organizations must remain united and function, as never before, to preserve forever the Government of the United States, and the principles of freedom and human rights for which it stands. Those whom we, today, honor must not have died in vain.

War has its horrors, its sorrows, its destruction, its sacrifices. But it also has its veterans who have seen war and know the penalties it exacts. The influence of those who have been privileged to serve with the colors has always been beneficial to our country. Veterans have always taken the lead in promoting national defense, in instilling patriotism, in combating disloyalty and subversive influences and in lending their great weight for the promotion of peace. They are the most feared by those who would tear our Nation apart.

Last September a group of six men, all from different States, met in a hotel at Grand Rapids, Mich. The youngest was 99, and the oldest 107. Yes, you have guessed it. These six constituted the eighty-second national encampment of the Grand Army of the Republic. They were all resplendent in their uniforms of blue and although their eyes were dim there emanated therefrom a luster that depicted pride and confidence—probably as much or more than was theirs when, under Grant or Sherman or Farragut, they fought to preserve this great Union of States. They met promptly at the scheduled time, noted that 22 of their comrades were necessarily detained, accepted as sufficient, the various reasons for their absences, and proceeded with the transaction of routine business. They appropriated moneys, they approved reports of their officers, they memorialized Congress. They next, reluctantly, and, I suspect, not without feminine persuasion, amended their rules and regulations to provide that their next encampment should take place this year at Indianapolis and that it should be their last. Finally, they elected their officers for the incoming year and for their new commander in chief, they selected the youngster of the group, Theodore A. Penland, of Portland, Oreg., age 99. Organized at Decatur, Ill., on April 6, 1866, the GAR held its first national encampment at Indianapolis in November of that year. It returns to that city this year with less than 25 survivors. So in the latter part of September 1949 the Grand Army of the Republic that one boasted of more than 408,000 members will hold its last national encampment and then will officially pass out of existence.

DuPage County can well be proud that Downers Grove is the home of the present commander of the department of Illinois of the Grand Army of the Republic, Comrade Lewis Fablinger, who has honored us by his presence today. Gracious God has given him strength and virility and permitted him to carry on while most of his comrades in arms have been "mustered out." It is our hope and our prayer that his vigor and his strength will stay with him for many years to come and until such time as he shall stand forth as the last survivor of that great army of Americans who fought Americans to free a race from bondage and to keep intact the Union of the States.

With the dissolution of the Grand Army of the Republic, veterans of our War with Spain must assume the role of elder comrades to those of us who served in World Wars I and II. Their ranks, too, are thinning. A few of us who served in World War I can remember 1898. We can recall the troop trains in which and on which those jolly, carefree fellows rode, and the hardtack and blouse buttons they so freely distributed to the girls at every station where the trains stopped. We can recall the envy that was ours at their good fortune to be privileged to fight for their country and how some of us, although only 8 or 9 years of age, seriously contemplated running away from home in order to get into the fray as drummer boys. We shall never forget their brilliant successes under Dewey and Sampson and Schley, and under Miles and Shafter and Teddy Roosevelt. Their service was not long. But it was deadly. They had poor equipment, bad food, and antiquated guns. True,

they were not called upon to face submarine warfare, or tanks, or machine guns, or poison gas. They did face torpedoes and mines and fortified block houses. They entered the war to fight Spaniards and they fought them well and vanquished them quickly but they also fought yellow fever, cholera, malaria, food poisoning, typhoid, and dysentery. The toll of these last named enemies was terrific. The losses in deaths from all causes were 4.3 percent as compared to six-tenths of 1 percent for the Civil War, seven-tenths of 1 percent for World War I and about 2 percent for World War II. About 458,000 were engaged in that war with Spain, exceeding in number those engaged in the Revolutionary War, the War of 1812 and the Mexican War put together. Seventy-three percent of them were sons of Civil War Veterans and 42 percent of them saw service in World War I. Yes; these Spanish War veterans remnants of the only 100 percent volunteer Army that the world has ever known, who served their country for $15 per month, have justly earned the respect of all veterans of all wars and as our elder comrades we shall ever cherish their advice, their guidance and their leadership in the great responsibilities that are ours to care for disabled comrades, to urge adequate national defense, to instill patriotism, to combat subversive activities, and to keep Memorial Day as a day of reverence for our heroic dead.

This beautiful memorial that you have erected in commemoration of your sons should ever remind you of the sacrifice they made. It should ever remind you of the horror of war. It should remind you of the moral worth and the heroism of American men and women. It should remind you of the sanctified mothers and homes of America and the ideals that have brought us so far along the pathway of progress, prosperity, and peace.

Why these particular boys should have been chosen to give their lives for humanity no earthly person knows. We do know that God gave His only begotten Son, whom He dearly loved, to make the greatest sacrifice that the world has ever known. He must have loved these boys to have chosen them to perform this earthly mission. God acts in a mysterious way. Perhaps when we, too, have gone the path of those who have preceded us we shall understand. The Saviour comforted His disciples by assuring them, saying, "I go to prepare a place for you." Perhaps the privilege that has been accorded to these honored dead, of already having been called to meet their Maker, has given them the opportunity to prepare the way for us. Perhaps because of them we shall find the road less rugged and our journey less burdensome.

An old man going a lone highway
Came at the evening cold and gray
To a chasm vast and deep and wide
Which barred his way to the other side;
But the old man crossed in the twilight dim,
For that sullen stream had no fear for him;
But he turned when safe on the other side
And built a bridge to span the tide.

"Old man," said a fellow pilgrim near,
"You are wasting your strength with building here;
Your journey will end with the ending day,
And you ne'er again will pass this way;
You've crossed the chasm deep and wide:
Why build you the bridge at eventide?"

The builder lifted his old, gray head,
"Good friend, in the path I have come," he said,
"There followeth after me today
A youth whose feet must pass this way.
This chasm that has been as naught to me,
To that fair-haired youth may a pitfall be;
He, too, must cross in the twilight dim—
Good friend, I am building this bridge for him."

Relief of Unemployment

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. PATTERSON. Mr. Speaker, I have received from Mr. Harold Senior, editor, publicity director, and organizer of the Connecticut State Industrial Union Council, CIO, a request to insert his views on legislative and economic matters in the RECORD. In accordance with that request, I am submitting his letter and my reply thereto:

MAY 26, 1949.

Congressman JAMES T. PATTERSON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN PATTERSON: I have noticed that you have been making a series of speeches in the House on the need for action to relieve unemployment and I appreciate your interest in this matter.

I observed among other things that you have asked Government agencies to supply you with information on the amount of public-works programs ready to be put into operation as a means of creating jobs.

The use of public-works programs is certainly one way to help relieve unemployment. In that connection, you may be interested to know that Governor Bowles of Connecticut is having a very difficult time getting his public-works program through the legislature. He also is having similar difficulty with his housing program, a primary objective of which is to provide low-rental homes to veterans.

Opposition comes from the Republican side of the State legislature. The Republicans have a program of sorts, but it is a severely restricted one, and it falls far short of the needs both in State institutional building and school building, as well as in providing low-rental homes.

I have no desire to be political in this letter, but it is a hard fact that the opposition to public works in Connecticut comes from your party. Republican Leader George C. Conway of the State legislature yesterday referred to the program of institutional and school building as "a Connecticut WPA," which apparently was intended by him as a derisive term and which should give you an indication of what the people of this State are up against in their efforts to get a sound program adopted.

While we feel public works most certainly should be utilized to help narrow the areas of unemployment, we believe that other measures are more basic to the problem. These involve the policies of industry.

As you have observed, many of the corporations which have gained the heaviest accumulations of profit, the greatest in their history, through the generosity of public buying in the last few years, are the ones which have imposed the heaviest cutbacks in employment. These also, in many instances, are the corporations which are proposing wage cuts, despite the obvious fact that both on the basis of the workers' needs and the purchasing power that is involved, wage increases are in order.

Preliminary indications for the first quarter of 1949 are that earnings of major corporations are continuing to increase, despite the drop in employment and consumer income.

A very serious imbalance exists. We feel that all possible emphasis should be given at this time to the extravagantly rich situation that prevails among the major industrial corporations as contrasted with the drop in earnings of workers and the total unemployment of large numbers of them.

Ultimately, of course, the corporations themselves will suffer if the downward cycle continues. That is why we feel so strongly that those corporations which undercut purchasing by maintaining prices above fair levels and adopting lower wage policies, are acting in a short-sighted manner.

I should be very happy to have you insert these thoughts in the RECORD.

Sincerely yours,

HAROLD SENIOR,
Publicity Director, Connecticut State CIO Council.

JUNE 9, 1949.

HAROLD SENIOR,
Publicity Director, Connecticut State Industrial Union Council,
Waterbury, Conn.

DEAR HAROLD: I appreciated receiving your letter of May 26, 1949, commenting on my continuing remarks in Congress relative to the spectre of unemployment.

Setting forth your conclusions, in order, they seem to line up as follows:

1. My request for information concerning a Federal Works program, while laudable from your viewpoint, is at variance with the statement of a Connecticut Republican legislative leader—who referred derisively to a similar State program as "a Connecticut WPA."

2. The Government's housing program is meeting resistance presumably from Republicans in the legislative also.

3. It is your belief that industrial balance is a more basic solution to the problem, and you contend that the corporations with the greatest margin of profit are those which are now cutting back on employment and wages most seriously.

My quest for information on contemplated public works was predicated upon the belief that necessary construction can and should be carried on at a time when labor is freely available, and two purposes may be accomplished at the same time; e. g., desirable project construction and employment for those in need of it. I see no need for "leaf-raking" projects of no foreseeable value. Public works of a constructive type, such as post offices, schools, hospitals, and highways are a few needed improvements in many of our communities. I am aware of no Republican resistance or outright opposition to projects of this type. As a party and as individuals, we wish our fellow-citizens to be engaged in fruitful occupations—whether they be privately or Government-financed.

Being engaged in my own legislative duties, I am not entirely cognizant of the differences in detail between Republican and Democrat programs in the Connecticut Legislature. I know for a fact, however, that the Republican legislators in the general assembly have advocated sound, practical programs on housing and public works. It would seem senseless for our State to duplicate a subsidy-type housing program which is virtually assured of enactment by the Congress.

I am in agreement with your third contention—that industry must provide the basis for accelerated employment. As Connecticut is primarily an industrial State, most of its citizens depend upon business enterprises for their livelihood. Threats of retributory taxation, reimposition of wartime controls, and general government intervention in the business system are not conducive to stable industrial relations. A reassessment of Federal and State attitudes toward the business community would allay fears of businessmen, both large and small, and bring about increased employment and production. The determination of industry profits and their disposition has long been a matter of disagreement among economists from the various strata of our economy. I do not feel

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qualified to state what is or is not a legitimate profit. That necessarily is a matter of opinion, as in a free-enterprise system a person's capacity to earn is limited only by his own initiative and ability. There may be some connection between large profits and early cutbacks in wages and hours, but I have no personal knowledge that such is or is not the case.

In accordance with your request, I am inserting your letter in the CONGRESSIONAL RECORD, and my reply with it.

Sincerely yours,

JAMES T. PATTERSON,
Member of Congress.

Protecting Democracy

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks I wish to include in the RECORD an editorial which appeared in the Los Angeles Daily News, Monday, May 30, 1949, by its editor and publisher, Mr. Manchester Boddy:

PROTECTING DEMOCRACY

The more I live, the more I appreciate the fundamental law of balance. It is a law of nature that constantly is being demonstrated for us. But I was never able to understand it until I learned to appreciate "time lag" as one of its most important factors.

Many years ago I felt the need of balancing my daily efforts in the print shop with the fun of growing flowers. One of the difficulties is that when I am in the flower garden, part of my mind is still in the print shop—and vice versa.

Today I find an excellent opportunity to be in both places at once.

In looking over the record of proceedings at Sacramento, I find that our State senator, Jack B. Tenney, is sponsoring a number of so-called loyalty bills in the legislature. These measures are aimed directly at liberals and progressives.

I have given the measures a great deal of study and what I find is distressing. With your indulgence I will return to my flower garden and explain what I mean.

During the very first month of my adventures in gardening, a choice patch of roses and other beautiful flowers withered and died on the stem. Naturally, I sought the cause. What I say was a heavy concentration of ladybugs flying and crawling about, and I immediately jumped to the conclusion that since the ladybugs were moving in on the buds and tender growth of my plants, they were destroying the flowers.

I was just about to eliminate them with a chemical spray when fortunately, and in the nick of time, a gardener stopped me.

"The trouble," he said, "is being caused by aphis. See!"

I put on my spectacles, and, sure enough, there were the aphis. The subtle little rascals were so like the color of the buds and the tender growth they lived on that my inexperienced eyes had overlooked them entirely; I thought they were part of the budding flower.

"Now these ladybugs," the gardener explained, "are the worst enemy the aphis has. They are just now moving in here, and if we leave them alone and let them develop, they will not only kill the aphis, but you will have some very beautiful blooms."

Now for the point in this story:

Senator Jack Tenney says he wants our great American democracy to come into full bloom. He points out, however, that in many instances it is withering and dying on the vine, and he says the cause is the many liberals and progressives in California. So he goes to the legislature and introduces bills calculated to destroy them just as I went to my tool shed and reached for a powerful chemical that would kill the ladybugs in my garden.

In effect, Jack Tenney says, "Kill the liberals and progressives, and the flower of democracy will bloom."

The alarming thing about Tenney's measures is that they are not calculated to kill the aphis—that is, the Communists who really destroy our flowering democracy. His measures are concocted and proposed for the sole purpose of killing the ladybugs—that is, the liberals and progressives.

Now it so happens the "aphis" in this case (i. e., the Communists) fear the "lady bugs" (i. e., the liberals and progressives) more than they fear anything else. And if Jack Tenney were hired by the high command in Moscow to render the most effective service possible he could do no better than to apply a deadly spray (his so-called loyalty measures) against the liberals and progressives.

And since that is precisely what he is doing, it is impossible to escape the disturbing thought that Jack B. Tenney himself, either through ignorance or by design, is serving the gigantic international conspiracy which is communism.

Jack Tenney's position is all the more disturbing because in the 1938 report of the United States House of Representatives' Committee on Un-American Activities, testimony was brought out that Tenney was associated with the extreme left-wing faction of California politics and spoke for this faction as a member of the State assembly.

It is always distressing to learn that a man in high public office is secretly serving a subversive group out to destroy American democracy. But such revelations have been made all too frequently during the past few years. To protect itself, the political aphis (particularly the big shots) has found it necessary to take on more and more of the color of the plant (democracy) it seeks to destroy. And it is true that since 1938 Tenney has taken on the color of democracy which keeps him on the public pay roll in a strategic position for effective work on behalf of communism.

But the time has come when we must judge all public officials by their acts. In the measures Jack Tenney is sponsoring today, he is seeking to destroy the only effective enemies that the Communists fear—the liberals and progressives of the State of California. And we cannot avoid the suspicion that he is doing this under the direction of the aphis leadership itself.

In a word, he is the most effective tool being used today by the Communist Party of the United States.

Mr. Speaker, this is what Mr. Manchester Boddy, a distinguished Los Angeles publisher, has to say about Mr. Tenney and his work in the California Legislature.

Mr. Tenney and his committee have just released another report. As was expected, Mr. Tenney attacks several outstanding liberal Democrats who have always supported the Democratic Party. But he does not stop there. He now attacks the San Francisco Chronicle, the San Francisco News, and the Los Angeles Daily News for daring to criticize him.

Mr. Tenney's remarks in relation to myself in his recent report do not come as a surprise. I abhor communism and have always fought it. But I am a Democrat and a liberal Democrat.

Mr. Tenney's remarks are typical of Mr. Tenney. I have never been able to make up my mind whether he is a crackpot or the instrument of those special interests which seek to destroy liberal thought in America. Whichever he is Mr. Tenney is undermining our form of government when he attempts to make people believe that liberalism and communism are synonymous. Communism will never take root in America as long as the Government is responsive to the needs of the people. Those who understand this are the liberals whom Mr. Tenney seeks to destroy.

Diplomatic Shadow-Boxing

EXTENSION OF REMARKS
OF
HON. PHIL J. WELCH
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. WELCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herewith an editorial contained in the St. Joseph (Mo.) News-Press, on Tuesday, May 31, 1949:

DIPLOMATIC SHADOW-BOXING

Gerhart Eisler is free to proceed on his trek toward the East. It is presumed that he will accept the professorial chair offered to him at the University of Liepzig, in the Soviet zone of Germany. There he can expound at great length and without interruption the theories that prompted a congressional committee to term him "America's No. 1 Communist agent."

There has been a great to do about Eisler ever since he slipped out of our country aboard the Polish ship *Batory*. We asked the British to remove him from the ship when it docked at Southampton. This they did and the elusive Eisler immediately invoked the ancient "right of asylum" which grants political prisoners haven in England from foreign governments seeking them. He won his case in historic Bow Street Court in London; the fugitive from our authorities is now free to complete his journey to the land whose principles he loves.

Attorney General Tom Clark has commented that "we shall exert every effort to secure the return of the fugitive." We trust that these are paper words, that the effort expended is nebulous and devoid of caloric energy, that the pronouncement is so much diplomatic shadow boxing and nothing more.

We could not publicly shrug our shoulders at Eisler's sudden and unannounced departure in the midst of legal difficulties with our country. At the same time we could quietly and unobtrusively wash our hands of the whole affair. We always are stating that those who speak so highly of a foreign land and its tenets ought to go there to live. Eisler has acted upon this very exhortation. We think that our homeland is better off without this unwelcome guest. We hope that he took his baggage with him and stays away a long, long time.

Address by Vice Admiral Price at Fifty-fourth Annual Memorial Services of the Jewish War Veterans of the United States

EXTENSION OF REMARKS
OF
HON. IRVING M. IVES
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Friday, June 10 (legislative day of Thursday, June 2), 1949

Mr. IVES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the address delivered by Vice Adm. John Dale Price, Vice Chief of Naval Operations, at Temple Emanuel, New York City, on May 22, upon the occasion of the fifty-fourth annual memorial services of the Jewish War Veterans of the United States.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Jewish war veterans of the United States, ladies, and gentlemen, today we meet in solemn mourning to pay tribute to those who gave their lives in defense of this great Nation. Some of these men were ambushed on a Sunday morning and some died in the first counterattacks, but wherever and whenever they fell—in the vast Pacific or in Europe—on the beaches, beneath deep waters, or flaming through the sky—they took their chance to safeguard the destiny of man.

On this Sunday morning we must not forget that they placed upon us a sacred trust of their final hours; their last thoughts; their common dream, and in their memory we cannot be cheap with words. Their place in history will rest upon our actions rather than upon our words. Our goal must be their goal, our courage must match their bravery. Our devotion must equal their sacrifice. For much remains to be done to bind the wounds of this tired and confused world. Our Nation, in recent years, in its pursuit of international peace has followed the twin avenues of an adequate national defense and full support of the United Nations. Only recently we strengthened the cause of freedom by creating the North Atlantic Pact which put "teeth" into our international organization and denies any aggressor the deadly opportunity to pick off single nations one by one. We have stated plainly that the security of our Nation is indivisibly bound to the security of all free people.

In the words and wisdom of General Bradley, I quote, "We cannot count on friends in western Europe if our strategy in the event of war dictates that we shall abandon them to the enemy with a promise of later liberation. That is the only strategy that can prevail if the military balance of power in Europe is to be carried on the wings of our bombers and deposited in reserves this side of the ocean. It is a strategy that would produce nothing better than impotent and disillusioned allies in the event of war." Therefore, if we are to uphold the principles of the United Nations, enforce the provisions of the North Atlantic Pact, and at the same time prevent this Nation from being a battlefield, we must be able to carry a war to any possible aggressor on any part of the globe by land, sea, or air.

We cannot hope to sit back in this country and wage a cheap war, we cannot abandon the nations of western Europe and the free democracies elsewhere. We must back up with force the principles that the security of this Nation is indivisibly bound to the security of all free people. Their frontiers must be our frontiers—their security our security.

Our Navy's responsibility is to safeguard the sea ways, on the surface, under the sea, and in the air above, so that they are forever free to the commerce of the world. Sir Walter Raleigh declared in the early seventeenth century: "Whosoever commands the sea commands the trade—whosoever commands the trade of the world commands the riches of the world, and consequently, the world itself."

Today, the United States possesses control of the sea more absolute than was possessed by the British. Our interest in this control, however, is not riches and power. Our interest is: first, the assurance of our national security; and, secondly, the creation and perpetuation of that balance and stability among nations which will insure to each the right of self-determination under the framework of the United Nations organization.

The Navy today is based on realism and balance; realism in appraising the current world situation and the role the Navy would be called on to play in the unfortunate event of war; balance in the integration of the Navy's effort with the other agencies of Government and the elements of national defense. There is, in effect, an evaluation and a unification of effort directed largely toward the freedom of the sea in peace and toward the command of the sea in war.

The United States is on an island continent. We are separated from the other continents of the world by thousands of miles on the east and on the west. Because of this geographical fact, it has been commonly considered that we could sit back and forget what was happening to the rest of the world. That was a concept unsupported by the facts of history for today we know that no nation is self-sufficient any place on the face of the globe.

The economic health of our country in time of peace depends to a large extent on the free exchange of goods with the rest of the world. Our industries, in peace and war, depend on many critical raw materials that must be imported from across the seas. This means that our Nation, in order to sustain its internal life, must make continuous use of that broad and mobile highway which is the sea and our welfare must be inseparably bound to the possession of adequate sea power. But it is essential that this must be understood as power for peace and for the freedom of commerce.

The United States Navy is particularly well adapted to the implementation of this policy. Self-sufficient, its ships, submarines, and aircraft can move over the seas without threatening the political independence or territorial integrity of any nation. It is not in the tradition of this country to seek political domination through force. The presence of our forces is a source of confidence and comfort to traders on the sea and to peoples accessible to the sea. In support of this policy the elements of the United States Navy are committed to a series of assignments which are global in character.

Stemming from the two main fleets based in the Atlantic and Pacific, various task forces proceed in execution of multiple duties which take them all over the world. Routine exercises of the two major fleets cover areas from the Tropics to the Arctic along both sides of the North American Continent. However, since task forces are continually being detached or returned to these fleets life never becomes monotonous.

Under the administrative command of the Atlantic Fleet our forces in the eastern Atlantic and the Mediterranean act in support of our occupation forces and lend an influence of stability to the trouble spots of the world. Wherever special assignments demand the use of naval personnel, such as observers for the United Nations mediation group in Palestine, the Navy is able to provide trained men properly equipped within a matter of hours. Proceeding through and beyond those areas, our tankers go as far as the Persian Gulf in their task of obtaining oil to supplement the supply at home.

Being an aviator, I am extremely interested in the fast carrier task force principle which the Navy has embraced. Actually, the task force itself is not a new idea. One of the best ways to describe a task force is as an assemblage of naval power for the accomplishment of a specific objective. In the Revolutionary War our small Navy was organized along privateering lines since it could not hope to meet the British Fleet in open battle. In similar fashion our Navy defeated the Barbary corsairs in the Mediterranean using the same technique. Only in that instance, our naval forces were organized for the purpose of blockading north African ports and bombarding the towns fronting on them. This same principle has been applied in every war the United States has fought during its history. To attain a specific objective in World War I, we organized our convoy system in order that the tremendous quantities of men and supplies could be safely delivered to France despite the menace of the submarine. In World War II our task forces were organized around carrier-based aviation. No power on earth was able to stand against it in that war. In the Atlantic, task forces, called hunter-killer groups, broke the power of the submarine campaign aimed at the destruction of Allied shipping.

In the Pacific, task forces organized along slightly different lines destroyed Japanese power up through the island chains until they were hammering at the door of Tokyo itself.

The task-force principle has run through all the Navy's thinking from its inception. The task-force principle has helped to make the United States Navy one of the most powerful weapons on earth.

Our control of the sea and our mobile naval air force will be an important military asset in any future war for the Navy without its own air arm would, in a war of the proximate future, be bound to its continental naval bases with no immediate means either of retaliatory blows or for acquiring advance land bases from which to conduct offensive operations. On the other hand, equipped with the full capabilities of our air-sea power, we could pin an enemy's armies to his continental base and choose the time and place of our offensive.

This Nation should be capable of striking the enemy from land air bases and from mobile carrier bases. By proceeding to any launching point within the combat radius of carrier-based planes, the carrier forces have the immediate effect of dispersing the enemy's defense. Instead of concentrating them to meet land air attacks alone he must deploy them to any point of the compass from which he is vulnerable to air-sea attack as well. The final effect is to make him more vulnerable to attacks of both types. While it is unlikely that complete surprise would always be possible, it would be physically impossible, on the other hand, for the enemy to maintain an air defense capable of turning back local attack in strength from every direction. Therein the carrier force could achieve a tactical concentration which could not be effectively countered.

To better illustrate this point, consider the late war in the Pacific. From Iwo Jima on, Navy fighting planes from carriers shot down

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and destroyed over 5,000 enemy planes in the heart of the Japanese Empire. These Navy fighters cleared the way for the heavy bombers before land-based fighters could be brought to bear. This illustrates that land-based air power and mobile air power are neither duplicative nor in competition, but are complementary. The development of both types is essential to the most effective destruction of the enemy's industrial potential and will to fight. The ability of floating air power to strike suddenly from anywhere is bound to disperse, and hence to weaken, the defensive shield of the enemy, thereby enabling long-range attacks to succeed with less loss of life and material.

These carriers which support this mobile-type air power are not only the flying fields but barracks for personnel, service station, machine shops, and communication centers for air operations as well, and they mount their own heavy antiaircraft batteries. This enables great extra range for their planes as they can arrive at the combat zone with tanks full and their fliers fresh and ready.

In conclusion, we know that the economic structure of this Nation will only allow a certain expenditure for national defense, and we all realize that each dollar must be spent wisely and with plenty of forethought. We also know that we can't make a mistake and place "all our eggs in one basket," because when the next war comes we must be able to save our Nation from devastation by being able to carry the war to the enemy, and that cannot be accomplished without a modern and up-to-date naval force, nor without a modern and up-to-date air force, nor without a modern and up-to-date ground force. But with the coordination—and the integration—of all three, making use of the best and latest scientific developments, the United States can face the future with confidence for our own security—and with capacity to uphold the aims and purposes of the United Nations.

Who Is Looting Whom in Tidelands Dispute?

EXTENSION OF REMARKS

OF

HON. HARRY R. SHEPPARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. SHEPPARD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by E. C. Krauss, from the Los Angeles Times of May 29, 1949:

WHO IS LOOTING WHOM IN TIDELANDS DISPUTE?

(By E. C. Krauss)

A review of the tidelands oil controversy in the June Atlantic by Robert Hardwicke, a distinguished lawyer of Fort Worth, who was chief counsel for the wartime Petroleum Administration, raises the question of whether the Federal Government can administer the tidelands efficiently.

In view of the Supreme Court holding that the Federal Government has a "paramount" interest in the tidelands because it must defend them in case of war, the judgment of a man who saw Federal oil administration close up is worth consideration.

Most of the article recites what, to Californians, is ancient history, but the recital of Federal administration of public lands is new. Says Hardwicke:

"No claim has been made by the advocates of Federal control that petroleum supplies were lacking during our two world wars because the Federal Government did not have control of oil development onshore or offshore. This brings the discussion to what might be expected if an agency of the Federal Government should be authorized to grant leases and control offshore operations.

"It has been argued that the laws and their administration pertaining to the development of the Federal domain for oil and gas for a period of 28 years (1921-49) indicate what is likely to happen if the Federal-control bill becomes law.

"The history of the Mineral Leasing Act indicates that inefficiency is inherent in an arrangement which places control of great far-away areas in a Federal agency in Washington, subject as it is to inevitable frustration and restrictions which can be blamed only in part upon inadequate appropriations. Perhaps most of the blame rests upon Civil Service laws and the volumes of regulations and rulings which govern the employment, transfer, promotion, discipline and discharge of employees * * * giving little discretion * * * to the officials of the agency. * * *

"Regardless of the ability of top-rank Federal officials, no way seems to have been found to avoid a complicated routine of red tape with little flexibility, often affecting judgment and always slowing the processing of papers and the announcement of final decisions, even minor ones. * * * The delays and uncertainties have been maddening. Moreover, Federal laws, leases, and regulations still impose upon operators obligations which are generally considered by them to be unnecessary and to confer powers upon the Secretary of the Interior which authorize arbitrary action. * * *

"This much is certain: Development of the public domain for oil and gas has not been comparable to the development of private lands or the public lands belonging to States."

State administration, the author insists, has generally been efficient and flexible. He concludes that "Federal control is bound to be a deterrent of great magnitude."

Hardwicke's article was no doubt in type before the recent hearing of the motion before the Supreme Court to permit suit to be started against Louisiana and Texas for possession of their tidelands. Otherwise he might have commented feelingly upon the charge by Solicitor General Philip B. Perlman that the States are using unfair propaganda and looting the Federal domain.

Considering that the Federal Government slept on its rights, if it has any, for nearly 150 years (from 1789 to 1937) and took no interest in tidelands till the enterprise of individuals and States proved that they were valuable, to make a charge of looting against the States takes more crust than one would expect to find even in the most Federal-minded of officials.

When States and localities, allowed to assume without contradiction that they own it, proceed to develop property and prove it of considerable worth, and the Federal Government then steps in to grab it, the charge of looting seems better founded when directed against the Federal Government.

It should not be forgotten that if the parties to these suits were private, the Federal claim would long since have been extinguished by the statute of limitations. The only basis for Federal action rests upon the technicality that the statute of limitations does not run against the Federal Government. It may be said also that mudslinging at the States ill becomes an officer of the Federal establishment. Can it be that Perlman's job is a little too big for him?

Science and the Federal Government

EXTENSION OF REMARKS

OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. O'HARA of Illinois. Mr. Speaker, it should be of interest to my colleagues to know that in a poll taken by the Inter-society Committee for a National Science Foundation, representing societies that constitute the great bulk of American science, the demand for a National Science Foundation was practically unanimous, and the form of such a foundation as now offered by H. R. 4846 was endorsed as highly acceptable.

That which is recommended to us by the scientists of the Nation, and carries the approval of all the learned societies in the field of science, as something needed that to the fullest extent America may meet her obligation to herself and to the world, merits our most thoughtful attention.

I therefore include in my remarks, under the permission unanimously granted, and for the full information of the Members of the House, an address by Ralph W. Gerard, professor of physiology at the University of Chicago, delivered at the St. Louis, Mo., meeting of the American Association of University Professors, and printed in volume 34, No. 2, of the bulletin of the association:

THE CASE FOR A NATIONAL SCIENCE FOUNDATION

(By Ralph W. Gerard)

Why should this subject merit discussion before a group of academicians? The answer lies in the use of two words by Winston Churchill, a major world statesman, in his 1940 Quebec address, "At the end of the war the whole world may turn with hope, with science, with good sense and dearly bought experience from war to lasting peace." The answer lies in the atomic bomb, in Grand Coulee Dam, in the near abolition of typhoid fever, in nylon. Whether we like it or not, science is now in the big-time circuit, and is there to stay. It is, perhaps, the major national resource, in peace no less than war. At present its importance is mainly at the technological level, in terms of know-how, as applied in industry. It should be similarly important in terms of public education: education of citizens to the rational consideration of human problems, as of the simpler one of the material world.

We should really consider, then, the proper relations between Government and science in the areas of teaching and of research; and these, further, in terms of basic research and liberal education, contributing to the culture of a people, on the one hand, and of applied research and technological education, contributing to the productive potential and power of the Nation, on the other. Moreover, there are the separate facets of the use of science and scientists by Government, and of Government support of nongovernmental science activities. Only some of these matters can be considered in the available time, and I propose to center the discussion on what scientists should want of and offer to the Federal Government.

The present picture has been limned in by the Steelman[1] report to the President. Though produced hurriedly and admittedly based often on estimates, its figures are probably reasonably correct. There are in this country some 140,000 scientists, of whom 25,000 have the doctor of philosophy. Roughly 50,000 of the total are now in universities and like institutions, 60,000 in industry, and 30,000 in Government employ. These numbers are far from filling present needs, and, despite some 400,000 science students (not including 200,000 in engineering) now being trained, the war deficit will increase until 1953. Even now there is a shortage of 15,000 science teachers, which will diminish; and of 100,000 science bachelors, which will increase. The expected maximum deficit of doctors of philosophy will reach 8,000. Clearly Government support for education is essential, and clearly opportunities for scientists are great.

On the financial side, the support of science is increasing prodigiously. The total spent in this country in 1930 was, in millions, $150, of which 12 percent, or $18, went for basic research rather than technological development. During the war the total jumped to $600, but only 2 percent of this, or $12, was allocated to basic research. The figures for 1947 again rise for the total, to $1,000, and also for basic research, 4 percent or $40. The recommended future expenditure for science is 1 percent of the national income, or $2,000 at present, of which one-fourth, $500, should flow into basic research. With the rocketing of total funds has gone a sharp change in sources. The increases have come overwhelmingly from Government and industry, not from increased resources of academic institutions. Private philanthropy has become a trickle in the torrent, and all forces seem to be operating to further the trend.

There is more science in our future, an ever-growing role and need for it in our culture. Science as a training for specialists now occupies a considerable portion of higher education; but the recognition of its greater importance in liberal education will lead to greatly extended science teaching at all educational levels. In Government, also, the use of science and scientists is on the increase. Not only do existing research units need more staff but new ones are being created which are concerned more and more with basic research problems, ones underlying defense, agriculture, transportation, industry. And as human affairs become more intricate and dependent on special knowledge, so are scientists called more urgently into policy-forming posts and consultations. They must advise on atomic energy, on mechanized warfare, on natural resources, on new inventions, on housing and health.

Nor are these services limited to the national level. In international affairs as well, organs have been created which demand the participation of scientists. Important scientists are on the staffs of the United Nations Educational, Scientific and Cultural Organization, the Food and Agriculture Organization, and the World Health Organization; scientific attachés and missions are moving between countries; exchange of professors and students, as under the Fulbright bill, will include many in science. And the growing use of scientists in industry need only be mentioned.

Yet with these increased demands for scientists comes the increased cost of their training and activities. The easy observations and experiments have largely been made and the frontier of the unknown is more distant from our simple senses. So, more powerful and expensive instruments are required—to see further into the atom or the heavens, to measure fewer electrons or photons, to calculate with more variables. At the same time, these complex instruments require finer expertness to devise and operate, and their yield of information demands more special knowledge to interpret. As many approaches are focused on a problem few men, indeed, now find themselves in sufficient mastery of the various ones. So research teams are becoming more necessary and common, especially after the experiences of cooperative scientific effort during the war.

All scientists are aware of the need for more financial support of science, and for more trained workers in science; and many know both the need and desirability of more effective coordination. I remind you that the really seminal discoveries and insights result from the efforts of a handful of men. The great bulk of scientists work to lay the highways of knowledge into the new territories after the pioneer has shown their existence and broken trail. For most of these useful workers, cooperative effort is no circumscription but, as many found even under trying war conditions, is often a positive gain and a greater satisfaction.

II

Such are the opportunities, needs, and conditions. How are they to be met, what are the sources of support for universities and like institutions? The familiar ones are notoriously drying up. Interest rates have fallen as endowments rose. The purchasing power of the dollar has shrunk and the total purchasing power required has expanded. Large gifts decrease as large fortunes are more heavily taxed, small gifts from friends and alumni, even large ones, are lost in the cavern of annual budgets of ten or twenty million a year at the great universities. Even the old stand-bys, the foundations, are working with devalued and decreased capital and a few new ones of large means are being created. A possible exception and important source of growing support is the group of voluntary health agencies such as the National Foundation for Infantile Paralysis or American Cancer Society, supported by national public fund-raising campaigns. Patents on the fruits of their own scientific work would soon make universities self-supporting, but might put them in undesirable competition in a business atmosphere, and most universities have foresworn this source of income. Today the universities are impoverished compared to a quarter century ago. They are really insolvent and carry on only with the aid of funds from industry and especially from government. State and Federal funds have supported science in this country for the past decade. If Government aid were suddenly withdrawn, I have little doubt that our major educational institutions would collapse. The plain fact is, then, that at present and for the foreseeable future, basic science must look to government for support, abetted to some degree by industry; and ever more to the Federal Government. This is not to say that private supports may be neglected. Even if quantitatively small, such private funds and institutions must continue, as in the past, to pioneer in administrative and educational experiments. The best will always help set the standards for the bulk of more routinely supported institutions.

The situation is not without its dangers, which have been widely heralded and sometimes exaggerated. Regimentation and red tape are not unknown in Government activities. War research was sometimes closely directed, even by men with little scientific awareness, and minute accounting and reporting requirements harassed nearly all scientists serving the Government. But such liabilities are not inevitable, have caused concern, and are being ameliorated. New bills dealing with scientific activity have mostly given explicit escape from these annoyances.

If Government supports research scientists by jobs in its ranks or funds outside them, there are other potential dangers: of diverting an excessive proportion of able men from teaching, by the lure of research facilities at other institutions; of siphoning too much of the cream of young manhood into science as a whole, due to greater opportunities, so that other important needs—for humanists, statesmen, writers—are not met; of concentrating research effort in certain fields, at the expense of others in science, by disproportionate support which will attract opportunists and support the work-learn training of advanced students accepting such specialties; of fostering mediocrity in scientific leadership, though this would hardly be on a financial basis, Government and academic salaries being what they are; of diverting the whole course of research from the basic long-range effort, which maintains the water table but is rarely in the headlines, to practical short-range jobs, which flourish on the water and blossom into particular accomplishments that Congress and the citizenry understand.

There is also the danger—with classified research results, restricted interchange of knowledge, often ill-advised loyalty tests, even open witch hunting—of a black-out of the very soul of science and of the effectiveness or consciences of scientists. But this problem transcends that of science; it affects science privately pursued at universities only less than that under Government aegis, and its resolution is up to the good sense and democratic wisdom of the American people.

It is well to be aware of dangers and to attempt to forestall them; it is not wise merely to point with alarm without examining the actual facts and the alternate conditions. Most of the apprehensions concerning Government support apply equally to support from industry, some even more realistically, yet heavy contributions from industry are sought and welcomed; and, as pointed out earlier, either Government or industry must carry the load of scientific subsidies. Even foundation grants, which all have praised for their fertilizing action on research, have carried the danger, to some extent the actuality, of luring able men into science and scientists into particular fields of investigation. Conversely, it is simply not true that all Government-administrated science suffers from the many possible defects mentioned.

Many State universities in this country are now in the front rank. Their academic staffs, freedom of operation, devotion to sound scholarship and significant research place several of these on a par with leading private institutions. Educational standards and practices, at many levels, have been enviable under the governmental agency, the New York Board of Regents. I have recently returned from Australia where I found the federal agency, the Council for Scientific and Industrial Research, operating splendidly. Although created actually to produce practical results, the council supports extensive pure research, and the scientists in its employ tend to work with better conditions, salaries, and contentment than most of their counterparts in the universities. Finally, let me mention the Office of Naval Research as an example of what research administered directly by our own Federal Government, yes, even a military branch of it, can be like.

Many scientists, like myself, made proposals for ONR contracts a couple of years back, with our fingers crossed. We were a bit tired of the petty bookkeeping problems, the interminable reports, the classified handling of information, the pressure for particular studies, the need for practical orientation that we had all experienced during

[1] John R. Steelman, A Report to the President, Science and Public Policy, August 27, 1947, U. S. Government Printing Office, Washington 25, D. C.

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the war years. But we did make proposals and many received contracts. Since then we have worked with the ONR officers as contractors and a few of us as advisers as well I can report without reservation not only my own experience but that of all others with whom I have spoken (limited to the Medical Division). There has been an irreducible minimum of red tape and paper work, less than for the usual foundation grant; there has been friendly aid always available; there has been no secrecy and no inquisition; investigators have been allowed complete freedom in the prosecution of their research, and immediate or dramatically useful results have not been expected. The ONR has even taken the wise position that practical research is best conducted in its own facilities and that it prefers to support basic studies at the universities, and I can assert that contracts are awarded on the basis of such valid criteria as the scientific significance of the problem. The ONR is, in fact, in part attempting to hold the line of university science between the demise of the war agency, the Office of Scientific Research and Development, and the birth of a peace agency, the National Science Foundation.

III

A bill to create a National Science Foundation is before Congress as I write. Such a foundation is desired by 99 percent of the scientists of this country, according to the poll of the Intersociety Committee on a National Science Foundation. It is desired so much that 86 percent would find any of the proposed administrative organizations acceptable, even though scientist opinion as to the preferred set-up was as widely split as was that in governmental circles. This is really an impressive agreement when placed against the fact that only a third—of natural scientists, mind you—considered a foundation that would exclude social science as acceptable. Whether passed by this Congress or a later one and initiated under this administration or a later one, a National Science Foundation will come into being. The scientists want it, the institutions of higher learning need it, the welfare of our country demands it. The dangers inherent in greater participation by the Federal Government in the support of science are not to be met by abrogating this support but by other positive measures.

Scientists, good scientists, must be willing to help in planning and administering the Government's activities in science. They must be willing to give up some of their own productive activity to do a needed job—and their scientific colleagues must learn to respect them for doing so. Good scientists must be willing to work in Government institutions. Even now salaries and facilities in these are often superior to those in academic positions, but there is still legitimate hesitancy as to freedom of research and stability of support. Congress has had a devastating habit of suddenly cutting the budget from under great governmental institutions.

This suggests the other positive action required of scientists. We must continue to educate the public, and Congress, to the meaning and importance of basic research—the research in which you don't find what you're looking for. All scientists know that this is harder to do, more demanding of high ability, more rewarding in the long run, and incomparably more important to the ultimate welfare of the country and the world than is applied research. When Congress, as elected by an informed people, fully realizes what a priceless resource is a body of active, imaginative investigators and at what a relative pittance it can be fostered and maintained, there will be no danger of sudden cuts in research budgets. In depression periods research will be the last item to remain, not the first to be cut, for from it will come the new industries and the new prosperity. And scientists will cast their lot with Government research, secure in their freedom to follow the ideas that come and in the continuing means to do so.

Because science is becoming recognized as a prime resource in war and peace, because the changing character of research and of our institutions requires it, because the whole direction of social evolution is toward greater functioning of the Federal (and some day world) Government, it is inevitable that the Federal Government will support science on an increasing scale. Our opportunity is to guide this stream into the most useful channels so that research and teaching are maximally irrigated and minimally watered down.

Decline of Farm Prices

EXTENSION OF REMARKS

OF

HON. EDWARD J. THYE

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Friday, June 10 (legislative day of Thursday, June 2), 1949

Mr. THYE. Mr. President, there appeared in the Washington Post today an article by Mr. John W. Ball, Post reporter, on the announcement of the Department of Commerce concerning the decline of personal income and the lifting of export restrictions on steel.

The first statement has special significance, I believe, as showing definitely the downward trend in our economy. Especially significant is the fact that the greatest decline in income was in agriculture while nonfarm income remained relatively unchanged. This reveals again that the farmer is the first to feel the effects of a recession. It shows also that the prices the farmer receives for his products are not the major or primary factor in the high cost of living.

I ask unanimous consent that the article from the Washington Post be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

The Department of Commerce last night made two announcements of striking importance to students of the present course of the Nation's economy.

1. Personal income declined between March and April at the rate of a billion dollars a year.

2. Export quota restrictions on steel, tighter than a drum 6 months ago because of domestic demand, were removed except for three comparatively minor items.

Here's what Commerce said about incomes:

Personal income in April declined to an annual rate of $213,700,000,000. In March the annual rate was $214,600,000,000; in February personal incomes were at the yearly rate of $216,300,000,000.

FARMERS TAKE ENTIRE DROP

The term "personal incomes" includes wages, salaries, income from partnerships, dividends, interest, rents—in fact, every form of income anyone can legitimately enjoy.

Figuring dramatically in these statistics is the drop in the income of the Nation's farmers. Commerce Department, in fact, credits the entire drop in income from March to April to lower prices for agricultural products.

"The decline," Commerce said, "stemmed from lower farm income. Nonagricultural income was approximately stable, with small declines in transfer payments and dividends offsetting an increase in wages and salaries."

The report added:

1. The reduction in farm income came from lower prices for meat products.

2. Manufacturing wages continued to decline at about the same rate as has prevailed since New Year's. From last November to April factory wages declined 10 percent, and in April were slightly behind the April 1948 level.

3. Increases were reported in mining pay rolls with small increases in construction, trade, and railroad pay rolls.

STEEL DEMAND EASES IN UNITED STATES

Commerce credited the removal of export quotas for steel on easing domestic demand. But industry sources reported an increasing number of furnaces closed with production that a few weeks ago was 102 to 104 percent of capacity down to 60 to 80 percent.

(The Associated Press reported from Pittsburgh that Carnegie-Illinois Steel Corp. was shutting down 1 more blast furnace and 10 open-hearth furnaces today at its Duquesne plant.)

The only iron and steel mill products now on quantity export quota are galvanized steel sheet, tin and terne plate, and iron and steel scrap. The latter, at least, is already in sufficient supply.

The Associated Press reported from Boston that employment in the woolen and worsted mills sagged to a 9-year low in April. Only 114,200 persons were employed in that industry in April—60,000 fewer than in April a year ago.

Address of Hon. Trygve Lie at the University of Chattanooga

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Monday, June 13 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by Hon. Trygve Lie, Secretary-General of the United Nations, at the University of Chattanooga commencement exercises on June 6, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am glad of this opportunity to visit the University of Chattanooga and to come to this city in the heart of the area served by the Tennessee Valley Authority.

It is not necessary for me to speak to you about the world-wide renown of the Tennessee Valley Authority. You know that this great and pioneering achievement in regional economic development has been and continues to be an inspiration to people in countries all over the world.

I do wish, however, to speak to you briefly about the relationship of such projects of economic development to the work of the United Nations and to its ultimate ability to preserve the world from a third world war.

There is such a relationship. It is of the utmost importance that this relationship be widely understood, especially by the young men and women who are represented here today. It is they who will be in positions of authority 20 or 30 years from now. In the meantime they can exert great influence upon those who are now in positions of authority and upon whose stewardship depends the kind of world they will inherit.

When the United Nations Charter was completed 4 years ago this month, it contained many provisions for cooperative action in economic and social matters side by side with the political responsibilities entrusted to the Organization.

Article 55 of the Charter states the main reason for this. It declares: "With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, the United Nations shall promote higher standards of living, full employment, and social progress and development."

TO PREVENT WAR NOW AND IN THE FUTURE

The business of the United Nations is to prevent wars now and to prevent future wars.

In the prevention of wars now the United Nations is working primarily with the political instruments of mediation, conciliation, and the mobilization of world public opinion.

In the prevention of future wars the United Nations is working to raise living standards by economic development, to extend human rights and to advance the freedom and well-being of dependent peoples through trusteeship and other means.

The political instruments of mediation, conciliation, and public opinion have either prevented or stopped wars in every crisis for peace during the past 4 years. They have not always been immediately successful. But in the long run they have worked in Palestine, in Lebanon and Syria, in Iran, in the dispute between India and Pakistan, in Indonesia, and above all in the Berlin deadlock.

This measure of success has been achieved in spite of the long delay by the great powers in reaching the necessary agreement on the German and Japanese peace treaties. This delay has made it impossible for the United Nations to build the enforcement machinery contemplated by the Charter.

The conflict on the peace settlements has been a major handicap but it has, at least, had one advantage. It has made clear to many people what had not been widely understood before—that the United Nations must operate mainly by means of persuasion and compromise.

The role of the United Nations as a policeman is definitely secondary. The Security Council's powers of enforcement as defined in the Charter, even if they were fully implemented, are strictly limited. On the other hand, the role of the United Nations as a common meeting ground were the greatest possible measure of voluntary agreement can be obtained, is virtually unlimited. Its powers of persuasion and compromise have already proved their paramount value in the tense political atmosphere of the past 4 years.

The work of the United Nations for higher standards of living, full employment, and social progress and development is the work of preventing wars in the future by removing in advance the tensions and injustices that lead to wars. In this work the United Nations has no powers of command. Every step of the way must be taken by the consent and active cooperation of the member governments.

This is necessarily a slow process. But it is the democratic way to bring about results. Any other way would involve imposing the will of the stronger upon the weaker.

The world does not want to go back to the days of imperialism. It wants to go forward in the development of a universal society of nations living peacefully together on a basis of equal rights and democratic cooperation.

EXTEND HUMAN RIGHTS, IMPROVE WORLD LIVING

In the first 4 years of its existence the United Nations has created a vast machinery for international cooperation to these ends. Most of it never existed before. Through the Economic and Social Council, a dozen related specialized agencies and as many commissions, the nations are working together to improve living standards and extend human rights as never before.

Merely to name a few of these agencies is to indicate the wide area of their work: Food and Agriculture Organization, International Bank, International Monetary Fund, International Labor Office, World Health Organization, Human Rights Commission, Economic and Employment Commission, the Economic Commissions for Europe, Latin America and Asia and the Far East. There are many more.

These agencies have already begun to achieve some important results in their respective fields of activity.

There is potential long-range danger to the prospects of achieving a stable peace in one of the economic trends that has persisted after the war. I refer to the growing economic gap between the countries with the highest standards of living and productivity and those with the lowest.

The peoples of the least developed countries—and they constitute far more than half the population of the world—are increasingly aware of this growing gap. To close this gap, by effective action toward raising the productivity of the less-developed regions of the world, should have a high priority in the work of the United Nations.

The self-interest of the most highly developed countries is involved equally with that of the less-developed countries. For the world has learned at last, after many hard lessons, that the only way to maintain and further develop high living standards in one part of the world is to raise living standards in other parts of the world.

Economic development in Asia and Africa and Latin America, like economic development in the region of the Tennessee Valley, or anywhere else, requires both technical assistance and capital investment. Engineers, economists, agronomists, technicians of all kinds are the first need, as well as good administrators. By making their skills available to underdeveloped countries and by planning based on their findings, the first steps can be taken and the necessary basis laid for capital investment in development projects.

The United Nations and the specialized agencies have already launched a number of technical-assistance projects. For example, a mission of specialists was sent to Haiti last fall to make a complete survey of economic development possibilities in that country and a program of fellowships to provide technical training for experts from underdeveloped countries is now in its second year.

WOULD ENLARGE TECHNICAL AIDS

President Truman called attention to the great importance of technical assistance to underdeveloped countries in point 4 of his inaugural address this year. Later the United States representative on the Economic and Social Council introduced a resolution, which was adopted, calling for a comprehensive United Nations plan for an expanded program of technical assistance.

My report on such a plan, which was prepared in cooperation with the heads of the specialized agencies, has just been transmitted to the members of the Council. They will consider and act upon it at their next meeting, which takes place in Geneva in July.

Proposals for technical assistance included in this program would cost approximately $36,000,000 the first year and $50,000,000 the second year. These costs would be borne by the member countries of the United Nations agencies participating. This program is in addition to technical-assistance programs already under way.

The projects range from comprehensive development surveys for particular countries or regions, through technical assistance in industrialization, transport, public power projects, conservation of land resources, modernization of agriculture, the elimination of such diseases as rinderpest which annually kills 2,000,000,000 cattle in Africa, Asia, and the Far East, and hundreds of other projects.

I wish to emphasize that these are proposals only. If they are to be carried out as part of a comprehensive and coordinated program, further action by the member governments will be required, both by those countries in a position to extend assistance and by those desiring to receive it.

I very much hope that such action will be forthcoming promptly, first in the Economic and Social Council and then in subsequent steps by the governments themselves to carry out the program on a United Nations basis. At best each of these steps will take time and it will be a year or more before most of the projects proposed in the program can actually get under way.

As you can see, the planning and carrying out of economic development will take years. It is necessary to make the best speed possible to get it under way. One area in which the same kind of speed, boldness, and imaginative planning that characterize the TVA is necessary right now is in the Near East.

THE FUTURE OF PALESTINE ONE OF MOST DIFFICULT

This area is the scene of what has probably been the United Nations most successful effort at mediation in one of the most difficult problems the world has had to face—the future of Palestine.

The Arab peoples have a proud history and they are rightly determined that standards of living in this part of the world be raised.

This is necessary if they are to have the position of influence in world affairs to which the traditional genius of their peoples should entitle them.

The interests of the new state of Israel, the newest member of the United Nations, coincide in respect to economic development with the interests of the neighbors with whom she has been in conflict.

Lasting peace in Palestine—and in the whole Near East—cannct be achieved by any possible political settlement alone. It will require a comprehensive economic development plan that will harness the waters and other resources of the region for the benefit of all the people living there in the way that TVA has done for the people living in this valley.

The Near East needs regional and national projects that will do for the valleys of the Jordan, the Tigris, the Euphrates, and the Nile, what TVA has done for the Tennessee Valley.

Such projects have been suggested in the past, but little has been done about them.

It is my belief that the time has come when the members of the United Nations should do something about them.

I believe that any requests which come from the nations of the Near East for help in making the over-all surveys and advance planning that are the first step toward the realization of such projects should be given high priority in the forthcoming United Nations program of technical assistance.

CAPITAL INVESTMENTS WOULD YIELD PROFIT

Capital investment on a great scale will also be needed over a period of years. I can

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think of few investments that would return greater profit, both in economic terms and in political terms, for all the member nations of the United Nations.

The harnessing of these rivers would make it possible to irrigate the desert, restore the productivity of the land, provide the power needed for industrial development, give new employment to millions, raise standards of living and income, and create vast new markets for the highly industrialized countries of Europe and North America.

It should, furthermore, provide the necessary economic and social basis for the full reconciliation in the area of Moslem, Jew, and Christian, of Israeli and Arab.

There has been much talk lately of regi nalism and its relationship to the United Nations. Whatever may be said for or against regional treaties, the kind of regional economic development exemplified by such river projects will certainly advance the cause of peace and the economic and social well-being of all peoples. By carrying out such projects through the United Nations and the specialized agencies the cost can be shared equally among member nations and they will share also in the responsibility for success.

I hope that the next 20 years will see the development of many TVA's in many parts of the world.

If this can be done, and if the work of political conciliation and mediation is carried on without hesitation or betrayal or interruption during the same perod of time, then permanent peace will be within our grasp.

Much, very much, will depend upon the kind of support that is given to the United Nations throughout this period, and beginning right now, by the younger generation represented here today by this graduating class.

The road will not be easy. It will be hard.

The time it takes will not seem short. It will seem much too long and slow.

There will be set-backs. There will be many to say "it can't be done." There will be many "ifs" and "buts."

You of the younger generation will have to answer.

I know that if you are given the facts you will know how to answer.

The peace of the world depends upon your answer.

Address by Hon. William Langer, of North Dakota, at Convention of United Labor Party

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EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Monday, June 13 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address which I delivered yesterday at the convention of the United Labor Party in Cleveland, Ohio.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is an honor to be invited to address the United Labor Party assembled in this convention. It is always a genuine pleasure to be able to renew old acquaintances and to make new friends.

It is even a greater satisfaction for me to be able to be accepted as an equal by men and women who are not ashamed to work with their hands, who are not afraid to earn a living by the sweat of their brows, and who are proud of the cause they represent—the cause of the working men and women of America's factories and farms. I am grateful for the part I have been able to play in helping you to fight for the raising of the standards of living, for the improvement of the working conditions—for the extension and strengthening of the health and welfare safeguards of American labor and the American farmer, and I am also proud, as the sole farmer-labor representative in the Republican Party in the United States Senate, to have been able to join in your continuing fight for the restoration of honesty, efficiency, and selfless service in the field of government.

Nothing could be more fitting than for us to recall with pride the magnificent contribution of labor's heroic champions of the past, through the advancement of the conditions and the standards of the laboring men and women who run the farms and factories of this country.

We can well remember what a gigantic struggle this has been. We can remember the time when the American farmer was the forgotten man of this Nation. We can remember the fight against the terrible conditions in the sweatshops of the Nation, of the exploitation of American labor by vested interests in the hands of special privilege. We recall with shame those forces who bitterly sought to perpetuate their exploitation of human misery.

We also recall, however, that these great champions of American labor, who have done so much to emancipate the working men and women of this country, were also the most courageous enemies and outspoken critics of corruption and graft of public servants who were not above abusing their public trusts to exploit the common man.

This fact is particularly significant, because these farmer-labor champions fought to improve conditions, to improve the standard of living, and to secure the rights and dignity of American labor within the framework of our traditional freedoms. They knew, as every great American has known, that freedom of opportunity, freedom to defend the rights and dignities of man, and freedom to insist upon the administration of justice, could not long survive the destruction of our constitutional safeguards against the concentration and abuse of power, by any majority or minority within this Nation. They knew that the very opportunity that had been afforded them to wage their successful fight for the emancipation of American labor was made possible only because they were the beneficiaries of a constitutional Government that guarantees personal liberty under law. And they knew that to permit these legal guaranties to be abused or to fall into disrepute or disuse would pave the way for the destruction of our free society.

It has always been and must continue to be the genius of our American way of life that the American people remain free to work out their own salvation. They must remain free from the tyrannical domination of any majority or minority. They must remain free to exercise the power of self-determination, guided by the free exercise of self-criticism and self-correction.

What else could possibly explain the magnificent advancement of the American farmer and the tremendous achievements of organized labor in these United States, in the face of the most violent, greedy, ruthless, and determined opposition?

How many of us realize that today there are 6,000,000 individual farm owners working the productive soil of this Nation? These men form the backbone of America's economic system of private ownership and personal freedom.

How many of us realize that during the past two decades total union membership in this country has now reached 16,000,000? How many of us realize that the total income of the combined labor organizations in this Nation has reached the tremendous sum of nearly $500,000,000 a year? How many of us realize that the total assets of all unions in this country now may total more than $1,000,000,000, when welfare and insurance funds are included?

Time will not permit, of course, a detailed analysis of the tremendous strides forward that have been taken in the field of improvement of working conditions, of working hours, of recreational facilities, of health and welfare, and vacation and old-age benefits. It is a magnificent story of a hard-won victory.

I have recalled these facts for just one reason—to remind you that, although these achievements are already on the record, our task is not only to preserve them but to continue this fight into the future, where so much yet remains to be done. We cannot rest on another's laurels, nor can we enjoy the fruits of the victories won by others. We are confronted by so many wrongs that remain to be righted, so many injustices to be undone. In agriculture, vast fields as yet untouched by progressive and remedial action stretch before us.

We have a long way to go to improve working conditions of American labor. I need only recall to your minds the fact that experts are in unanimous agreement that nearly all of last year's 1,000 mining deaths in this country could have been prevented, yet they believe that this appalling casualty list will probably be duplicated next year. We have a long way to go to extend a system of health and welfare funds, to modernize our unemployment compensation practices, and to bring some semblance of justice into our system of old-age benefits. Probably the most challenging task confronting us is the correction of the glaring evils of intolerance and of racial discrimination which amount to the complete denial of civil rights guaranteed our people under the Constitution; and at the same time, in pursuance of these goals, as loyal Americans we must also dedicate ourselves to the continued strengthening of the basic principles of constitutional government, upon the perpetuation of which alone our economic, social, political, and personal liberties can be guaranteed. For never before in history has our form of government even been under such terrific burdens or so directly under attack by forces that are determined by fair means or foul to destroy our basic freedoms.

I continually refer to the necessity for waging our fight for the improvement of the working conditions of American labor on the basis of a respect for and adherence to our traditional safeguards of freedom, because, when any group in this country fights for a cause that is divorced from this basic necessity, our form of government and our way of life are threatened. Wherever this basic consideration is forgotten and is divorced from the causes for which we struggle, we ourselves merely add to the numbers of those who have become special pleaders for vested interests, and who, for the sake of personal or selfish gains, would exploit their power and position at the expense of others.

I reemphasize this fact because of my concern for what is happening to this country. As I see the present situation, there are only three roads which American Farmer Labor representatives can follow in pursuit of the realization of their legitimate objectives, namely, the improvement of the standards of living, the extension of the practice of equality, and the insistence upon receiving its just share of the national income that

is generated through the efforts of our magnificent American labor force, in the factories and on the farms of this country.

First: In the attainment of these objectives, we too can become victims of the modern ideology that embraces the philosophy of collectivism. This system of government preaches the doctrine that the individual is nothing but the servant of the state, and that is based, not on the principle of freedom and respect for human dignity, but on the exploitation of the individual as a puppet of political expediency to be used or abandoned at the whim and fancy of those who control this government. It lures the unsuspecting into its clutches with the siren call of utopian political promises, which are completely divorced from the principles of freedom.

This is a philosophy of domestic power politics, designed only for the purpose of perpetuating power in the hands of a few, power that can only be maintained by playing off the selfish greed, jealousies, and ambitions of one group against the other, promising political favors in exchange for political support of uneconomic, unconstitutional, and impractical ends.

Under this system, the only way these political favors can be extended is by the continued confiscation of the resources, earnings, and savings of a free people, which is the system every dictatorship has used to destroy free society. This is a one-way road to financial bankruptcy, planned scarcity, and economic, social, and personal regimentation in the hands of an all-powerful police state. I am absolutely confident that we, who so strongly champion the cause of labor, recognize that our support of such a program means the final degradation and enslavement of American laboring men and women, whom we are fighting to set free.

I know of no better illustration of what happens to labor when its leaders follow this road than what has happened in England. Back in 1944, the British Labor Party backed the issuance of a white paper on full employment, setting in motion a program of national socialization of the British economy. On February 28, 1946, Sir Stafford Cripps told the House of Commons:

"No country in the world, so far as I know, has yet succeeded in carrying through a planned economy without compulsion of labor. Our objective is to carry through a planned economy without compulsion of labor."

Yet, because the British Labor Party embraced a program of domestic and foreign power politics, forsaking its traditional safeguards of freedom, * * * just 18 months later in August 1947 direction and regimentation of labor appeared on the statute books for the first time in British history. This law provides that no man between the ages of 18 and 50 and no woman between the ages of 18 and 40 could change his or her occupation at will. Every such change had to be registered with the employment exchange and the Minister of Labor has the power to direct workers changing jobs to employment which he considered to be most in the national interest.

There is a second road we can travel toward the realization of our objectives. We can swing behind the forces of reaction. We can insist upon maintaining conditions as they are. We can remain blind to the glaring injustices, to the terrible inequalities, to the disgraceful disparity between the various income groups of this country. Content merely to enjoy the advantages we now possess, and concerned only not to lose them, we can aline ourselves with those reactionary forces which clamp the lid on social and economic progress, and build the fires of hatred, fear, and want under the inevitable economic stagnation and social unrest that follows.

This is the road to fascism. This is the breeding ground of totalitarian tyranny.

And this second road cannot help but aline us with those concentrations of power already accumulated in our midst which are rapidly getting so far out of hand that they threaten our future freedom. I refer to big finance, to the gigantic industrial monopolies, and to big government. It would be tragic if to these concentrations of power, which are rapidly destroying the American people's control over their own economic and political destinies, there should be added gigantic monopolies of organized farmers and laborers in this country. If these five groups of concentrated power should join forces and underwrite programs and policies of political expediency, both on the domestic and international scene, merely for the sake of maintaining or increasing the advantages of their present prestige and power, the freedom of the American farmer and the freedom of the American laborer is doomed.

I have presented these two alternative roads to you merely to reemphasize the real nature of the dangers confronting the working man and woman in these United States, and I am confident that you are in hearty agreement with me when I say that we are determined to follow the third alternative road of true American liberalism in our fight to protect the interests and to advance the cause of American working men and women.

The true American liberal knows that it is the right of every American to demand an honest return for the investment of his talents, skills, and physical labor in an honest day's work. A true American liberal knows that those who create and produce the products of field and factory by the toil of their hands and the sweat of their brow are entitled to a fair share of the national income thus generated to enable them to buy, own, use, and enjoy those products they have helped to create. Every true American liberal knows that a man is not only worthy of his hire but that under our system of government he is due the respect, the rights, and dignities, together with their constitutional safeguards as a free and equal fellow American, for this is the essence of our American way of life.

But in traveling this road we must constantly keep in mind the four simple basic principles to the strengthening of which we must give primary allegiance.

The freedom of our economic system is based first on the private ownership of raw materials and tools of production—a private ownership that is as widely distributed as possible throughout our whole economic life.

Second, it is based on as wide a distribution of the national income as possible—a distribution which will provide the means with which the American people can purchase the goods our economy produces, and which also provides an adequate margin of profit to make possible investment of the new wealth produced in increased productive facilities necessary to meet the needs of an expanding society.

Third, it is based on freedom from excessive Government costs and controls—it is axiomatic that our economic freedom and our social and personal liberties are dependent upon a maximum of private and individual decisions. In America there are no supermen whose wisdom enables them to supply effective mass solutions for millions of our individual problems.

The fourth principle is that the Government remains always the servant and never the master of the American people. This does not mean that we need fear Government participation in programs that are necessary to meet the changing needs of a rapidly growing society, which of the present date has reached a population of 148,000,000 people. It does mean that in meeting these needs, these new functions must be exercised within the framework of the original purpose for which this form of government was instituted.

This purpose was, and still is, to safeguard the life, property, and freedom of opportunity of the individual American citizen against all threats, attacks upon, and abuses of concentrations of domestic or foreign power, which would rob him of his property, which would deny him his personal rights and liberties, or which would destroy his freedom of opportunity.

I am confident that we shall go forward fighting side by side for the cause of the American working man and woman, determined that the very freedoms that make our fight possible shall inspire and guide our united efforts in the future.

How Much Do People Care?

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES

Monday, June 13 (legislative day of Thursday, June 2), 1949

Mr. BRIDGES. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article entitled "How Much Do People Care?" written for the Pathfinder magazine by Mr. Wheeler McMillen, publisher.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALONG THE AMERICAN WAY

(By Wheeler McMillen)

HOW MUCH DO PEOPLE CARE?

Everybody, literally everybody, has known for years that the Government of the United States is wasteful, costly, extravagant, inefficient, chaotic, full of duplication and overlapping, and shot through and through with poor management.

Those who work in governmental services can add vivid phrases to this description. They can cite facts and instances in proof. A half dozen Presidents have applied most of these words to the organization of which they became Chief Executives.

At least $3,000,000,000 a year can be saved without eliminating an essential activity. The saving could result simply from conducting sensibly the operations now conducted crazily.

For an illustration, take the process of buying an item that costs less than $10. Government makes a million and a half such purchases a year. But to buy one such item, even for 10 cents, so much procedure has to be followed that the purchase costs considerably more than $10, plus the price of the item itself.

The system has grown through long years until every Federal servant, from President to clerk, has become an almost helpless participant in waste of tax money. Nothing short of a tremendous, all-inclusive action will improve the situation.

Such an action has now become possible. Bills to make effective the Report of the Commission on Organization of the Executive Branch of the Government are now before Congress, but with no certainty of going further. This report by the Hoover Commission analyzes the immensely complex problem in masterful and complete fashion. Then it makes specific recommendations all along the line.

If Congress acts favorably on this report, the $3,000,000,000 of waste can be stopped. If Congress does not act, the waste will go on and will grow.

Which do people prefer?

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The bills, which empower the President to carry out the entire list of reorganization recommendations, are now held in conference committee, where they have little prospect for early enactment. Those who would rather see $3,000,000,000 wasted than to have their pet procedures disturbed find ways to oppose any action.

The advocates of inaction and waste will win a victory unless public demand rises. Public demand will become effective only when local civic organizations go on record and notify their Senators and Representatives, and when individual demands begin to pour in upon Congress.

Any person who wishes to become more fully informed about the report, and who wishes to know just how his money is wasted, can easily do so. He needs only to write for information to the Citizens' Committee for Reorganization, Morris Building, 1421 Chestnut Street, Philadelphia 2, Pa. This is the headquarters for a large committee of leading Americans who seek to create understanding of the opportunities offered by the report of the Hoover Commission.

The Hoover report deals almost wholly with opportunities to save through correcting the faulty systems by which the public business is managed. Except in a few instances it does not propose to eliminate Government functions or services. Essentially it offers ways to get the same things done without having them done by two or twenty conflicting agencies and without costing 10 or 20 times as much as necessary.

The field for further reducing the cost of Government by having Government attempt to do fewer things still is wide open. Other billions could be left in the people's pockets if the demand existed.

However, perhaps most people would rather work an extra half day a week for taxes than bother to inform themselves, or take the trouble to address a letter to a Senator.

The Work of the TVA

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Monday, June 13 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a composition by Phil Whitaker, Jr., of Chattanooga, Tenn., who is a 15-year-old student at Baylor Military Academy. This paper expresses most effectively the viewpoint of the layman that refutes some of the fallacious arguments brought up by the opponents of TVA.

There being no objection, the composition was ordered to be printed in the RECORD, as follows:

THE WORK OF THE TVA

Has the Government the right in flood-control projects developing water power to sell electric power from tax-free plants at a rate that drives taxed private companies out of business? This was the question raised by the private utilities against the newly formed Tennessee Valley Authority. First presented to Congress by George Norris, Republican from Nebraska, the TVA plan was vetoed by Republican Presidents Coolidge and Hoover on the ground that it competed with private companies. When Roosevelt was elected, some thought was given to the people of the Tennessee Valley and to the betterment of the Nation, and Congress passed a bill creating TVA in 1933.

Wendell Willkie, president of the large holding company, Commonwealth & Southern, fought the Government competition from the first. Claiming that the TVA was unconstitutional, Willkie accused the New Deal agency of putting "a gun at our heads" and stated the Government attack on his subsidiary as "brutal and unfair" (Newsweek, December 5, 1938). As no private utility could meet this subsidized competition, he claimed that TVA threatened to destroy the private-utility companies.

Commonwealth & Southern was the champion of the holding companies fighting Government control in the Tennessee Valley. Having owned all the common stock in 11 operating utilities, Commonwealth & Southern had (except for TVA) the lowest rates east of the Rockies. However, when President Roosevelt put Federal companies in competition with the holding companies, squeezing down their rates, their chance of existence in Tennessee seemed slim. Roosevelt also stated that unless useful or necessary "the holding companies must go" (Fortune, May 1937). In defense of the holding companies, Commonwealth & Southern stated that the kilowatt capacity of its 11 operating utilities was 15 percent higher joined than if they were independent companies. Further advancing its argument, Commonwealth & Southern said investors everywhere were alarmed at what the Government was doing in the Tennessee Valley. To meet the subsidized competition resulting from the Government-financed generating plants and dams built by TVA, and the loans made to municipalities by the Government at low interest rates was too much for the private utilities. During the latter part of 1938, Wendell Willkie complained in one of his speeches that nothing "will bring capital into the industry as long as the TVA-PWA combination threatens to destroy private utility interests" (Newsweek, December 5, 1938).

As I previously stated in this paper, the opposition to the TVA, namely the private utility owners, raised the case whether the Government had a constitutional right to produce electricity for sale in areas already covered by private utilities. To preserve their own interests, the private utility owners said that the Government should be confined by law to the sale of electricity produced as a side line to the development of streams for navigation, flood control, and national defense.

With the hope of court relief from Government competition, 14 private power companies sought for a Supreme Court ruling. As generally expected, the decision was a severe set-back to the hopes of the utility executives. In a 5-to-2 decision the Court dismissed the suit of the private power companies to prevent the TVA from generating and selling surplus power produced at dams in the Tennessee River Valley. This decision, having cleared away most of its obstacles, the Government put ahead its plan to bring the more abundant life to the 2,000,000 residents of the Tennessee Valley. Although the Court did not rule directly whether the TVA was constitutional at this time, it did rule the flood control and the competition with private companies which would result from generation and sale of power did not violate the Constitution.

After the Supreme Court decision the private utilities realized that they would have to sell. However, there remained three difficult problems which had to be solved. They were:

(1) Recognition by the Government that it must buy properties as a whole;

(2) Willingness of the Government to evaluate the properties as going concerns and hence pay a price which would give something to the common-stock holders; and

(3) Admission by the Government that all holding companies are not bad and instead of trying for their extinction have the Securities Exchange Commission approve security issues to strengthen their financial position.

To point out how the utilities were bought as a whole, the Government bought the generating and transmission facilities of the Tennessee Electric Power Co., and the cities in the area served by TEPC bought the distribution facilities. Although the streetcar and bus properties were not purchased, all the rest of the Tennessee Electric Power Co.'s properties were bought as a whole under the terms of a single contract. As was hoped, the Government was willing and did pay private companies a price based on the value of their property as a going concern. Adding, in addition, a considerable amount for the common stock, the Government paid a sufficient amount to redeem at par all of the companies' bonds and preferred stock with accumulated interest on both. Having demanded a huge sum of $110,000,000, Commonwealth & Southern was finally paid a fair sum of $78,600,000 for its Tennessee property. To correct some misunderstanding, Commonwealth & Southern still owns many utilities in Georgia, Alabama, Michigan, and other States.

Finally, the Government does not hold the position that all holding companies are bad. Although the SEC has thought many holding companies bad and forced them to dispose of certain of their companies which do not form a closely knit system, it has not sought the extinction of all of them.

If we today should take time to look around at the improvements in the Tennessee Valley and the valuable contributions to national defense, flood control, navigation, regional development, and recreation the TVA has rendered, the change from private owned utilities to Government ownership seems well worth the trouble. To ask anyone who first opposed TVA if they would like to return to the old form, only a few would be with the affirmative.

SOURCES

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Farm Surpluses and Their Solution

EXTENSION OF REMARKS
OF
HON. KENNETH S. WHERRY
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES

Monday, June 13 (legislative day of Thursday, June 2), 1949

Mr. WHERRY. Mr. President, in an address before the Nebraska Stock Growers' Association at Alliance, Nebr., I pointed out fallacies in the Brannan farm plan and presented an eight-point program for solution of surpluses of agricultural commodities.

A major point in this production-for-use program is diversion of surplus grains and other starchy commodities to alcohol for use as a motor fuel.

I ask unanimous consent for insertion of my address in the RECORD. It is titled "Farm Surpluses and Their Solution."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FARM SURPLUSES AND THEIR SOLUTION

Mr. Chairman, members, and guests of the Nebraska Stock Growers' Association, and fellow Americans:

It is a genuine pleasure for me to be here tonight. This is the first time I have been able to get away from my duties in Washington to come home and report to you.

Speaking frankly, all is not well on the banks of the Potomac. The pressure groups are in control of the administration and driving hard to legislate a socialistic state.

Their program, as officially presented, will cost, in addition to all existing obligations of Government, over a 50-year period, $1,250,000,000,000. This staggering additional burden is demanded by the administration, even though your Government at Washington again is operating in the red. By the end of June the deficit will be over $600,000,000; more than $3,000,000,000 in fiscal 1950, and double that in fiscal 1951.

Fellow Americans, three courses are open to us: Increased taxes, more deficit spending, or cut the cost of Government and balance the budget.

Raising taxes at a time when national income is falling would give momentum to the downward plunge, bringing on hard times and fewer jobs.

Deficit spending means highly inflated dollars, less purchasing power, and higher national debt. It is the road to national bankruptcy. The only sound, sensible course is to balance the budget by cutting the waste out of Government. This will provide ample funds to service the debt, provide a strong national defense, and preserve our economic stability—the keystone of which is a productive, prosperous agriculture.

. Now comes the most socialistic proposal of them all, the so-called Brannan plan. And let me say that I am going to keep right on fighting the poison of state socialism with every ounce of energy that I possess.

The Brannan plan would vastly increase the authority of the Secretary of Agriculture to control every farmer, all the millions of them, and to direct what shall be done with every farm product, from every head of cabbage to every head of cattle.

The plan is being sold to farmers as a guaranty of high income from unlimited production, and to consumers as a guaranty of low prices from uncontrolled production. These promises cannot be kept.

Agricultural products are, generally speaking, divided into two classes: The basic commodities, including wheat, corn, cotton, tobacco, rice, and peanuts; and, the perishable commodities, including hogs, cattle, lambs, milk, eggs, chickens, fruits, and vegetables.

Now, on the basic commodities, the bill would make no substantial changes in the way they are treated under existing law. The truth is, under his new 100-percent parity formula, wheat farmers would not get as good prices as they are now receiving under the 90-percent parity of existing law.

Under the regimented Brannan plan, the wheat farmer would receive $1.88 per bushel; under the present law, $1.95.

And, for the information of you wheat farmers, the Department of Agriculture is going to have you vote July 23 on whether you want marketing quotas and restrictions, and if you do, acreages will be cut about 25 percent.

For you housewives, there is no hope for cheaper bread, or cheaper cotton dresses, or anything cheaper under the Brannan plan for basic commodities.

It is on the perishables, including cattle, hogs, and sheep that Mr. Brannan demands new and dictatorial power, power far greater than ever been asked for, or, given anyone.

After giving the livestock farmers the magic phrase, that he would pay them high prices through 100-percent parity, his bill now provides power for him to cut his announced parity support prices by 15 percent. That 15-percent reduction would bring the support price of hogs to practically the same level as it is now.

Under the regimented Brannan plan, with strait-jacket controls it would be $16.15 per hundredweight. Under the present law, without controls, $16.10.

Another perishable, butterfats: Under the Brannan plan, 56.9 cents per pound; under the existing law, 58.2 cents. There you have it; examples of what might happen in two of the most important and volatile farm commodities produced in the country.

What is the Brannan 100-percent parity formula? Will you farmers get 100-percent parity? Or, will you get something else? Where are the $40 cattle and the $30 hogs Vice President Barkley promised you last fall?

Like all social planners, Mr. Brannan asks Congress to give him a blank check. He shies away from estimating the costs of the subsidies and their administration. Thousands of Government agents will check on every farmers' personal and financial affairs. Bootleggers will honeycomb the whole agricultural system. The plan is impractical. It cannot be enforced. Its cost is prohibitive. And yet, administration leaders are assembling this week in Des Moines to sell it to the American people. They should know it grants the Secretary of Agriculture more power than any man outside of the President's power in wartime.

And, this is the same Secretary Brannan who has been handling the farm grain-storage problem. He misled the farmers of America when he said he did not have authority, until last Tuesday, to provide crop-storage bins, although section 4, subsection (h), of the Commodity Credit Corporation charter, approved June 29, 1948, provides:

"May contract for the use, in accordance with the usual customs of trade and commerce, of plants and facilities for the physical handling, storage, processing, servicing, and transportation of the agricultural commodities subject to its control."

The bill the President signed last Tuesday continues that same authority. Mr. Brannan could have provided storage space in time to store last year's crops. He had full authority to make loans to farmers for bins on their farms.

I challenge you, Mr. Brannan, to deny publicly at the Des Moines meeting that the Department of Agriculture sold thousands upon thousands of its steel and wooden storage bins last summer for purposes other than storage of grain.

Fellow Americans, this is just another example of how the farmers' business has been handled. It proves, again, that one man cannot run the economy for 150,000,000 Americans.

The Brannan plan is not the answer to the farm-surplus problem. Under it surpluses will pile up mountain high or production payments must be given in unbearable and intolerable amounts. Either will break down the entire farm economy, bury the whole farm-support program and destroy the great help which it has brought to our people.

There is a new approach to the whole farm problem. Diversion, not destruction, is the key to the solution of farm surpluses—diversion to industrial uses in the form of alcohol and in other forms for hundreds of purposes.

During the last year the United States imported more petroleum than it exported. Conservation of our petroleum reserves is imperative in the interest of national security.

G. E. Hilbert Chief of the Department of Agriculture's Bureau of Agricultural and Industrial Research, in a report last January 1, based upon exhaustive practical tests, stated:

"It is evident that through conversion to alcohol any grain surplus that might develop in the future could be easily absorbed in the market for motor fuels.

"This market is so tremendous that a surplus would disappear, figuratively speaking, practically overnight.

"The possibility of accomplishing this without Government subsidization is very promising."

The following program offers hope and assurance of an end to the haunting spectre of bigger and bigger surpluses, and the threat of bigger and bigger Government.

1. Conversion of grains and other starchy commodities into alcohol for blending with gasoline, thereby making a premium motor fuel of low-grade gasoline, and for injection into motor, thereby adding to the power of high-octane gasoline.

2. In new industries utilizing farm products give farmers priority in their ownership and development, with such industries to be located as feasible in rural areas.

3. Stockpiling by the Government of foods, feeds, and nature fibers for national security and as a reserve to maintain the stability of livestock production. A permanent reserve of 1,000,000,000 bushes of feed grain could be a capital assets more valuable than gold in times of need.

4. Establishment of "peril points" in the tariff on agricultural commodities at domestic parity price levels to protect farmers against ruinous importations.

5. Expansion of exports of foods, feeds, and natural fibers, under a two-price system, through which countries short of dollars may buy from our surpluses for development of their respective economies. Loans of foods, feeds, and fibers to other countries enabling them to develop their own resources and contribute to world commerce.

6. Improvement of processing, storage and distribution of foods, feeds, and natural fibers through cost-saving procedures, thereby contributing to stability of farm income and lower prices to consumers.

7. When production of a given perishable farm commodity, such as fruits and vegetables, is in excess of normal demand, due to bountiful yield or other temporary cause, authorize special sales campaigns in which producers, processors, and distributors may cooperate, subject to conditions prescribed by the Secretary of Agriculture in the public interest.

8. During the period of transition away from a regimented farm economy, under a program of full utilization of farm commodities, continue provisions of existing farm-aid laws.

This is a program that opens the way for an end to the tragic, wasteful, and very expensive course we are now pursuing.

Let us turn our thoughts away from the defeatist approach of the Brannan plan which would socialize American agriculture. Let us direct our actions toward the development of policies and procedures through which the bountiful harvests may be fully utilized, and both our farmers and consumers will be given a sound basis for the enjoyment of their right to life, liberty, and the pursuit of happiness.

Farm surpluses are right at the bottom of the whole matter. We cannot afford to let this problem of constantly recurring surpluses defeat us.

The Brannan plan will produce recurring surpluses of farm products. Even with acreage limitations, our production per acre will continue to grow, because our production per acre, from the years 1923–32 (predrought years), has grown by 51 percent.

This has been accomplished through mechanization, synthetic fertilization, better seeds, and better breeds. This is bound to go on and it should go on, because all wealth comes out of the soil, and the more we can produce from the soil, the more wealth the American citizen will have.

Our job is to find a way to convert this productivity into profitable channels the

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free-enterprise, free-markets way. It is going to take the cooperation and hard work of all of us behind this constructive program that strikes at the heart of the problem.

Diversion—not destruction—is the key.

The No. 1 point in my program calls for the conversion of farm surpluses into alcohol. Oh, yes, some people will say, I can hear them now, "You cannot dispose of the surpluses of grain and other starchy farm commodities by diversion to alcohol and hundreds of other industrial uses."

But grain alcohol, as a motor fuel, is an accomplished fact. It is being blended with gasoline and as an injector in more than a dozen countries. We can do it here. There is abundant evidence that mixture of a small quantity of alcohol with low-grade gasoline results in a premium-grade motor fuel.

Used as an injector into gasoline motors, it gives high-octane gasoline more power for quicker starting, passing, and hill climbing. Engine performance in all motor vehicles is greatly improved by supplementing alcohol. This is equally true in airplanes.

The economic picture has changed since the 1930's when efforts were made to get this conversion program under way. In the thirties there was ample gasoline.

Today, consumption of petroleum products is much greater. The United States for the first time in its history imported more petroleum and petroleum products last year than were exported. We must conserve our oil reserves for national preparedness.

Once a barrel of oil is used, it is irreplaceable.

This new use of alcohol as a medium to increase gasoline octane rating is growing from day to day. In the hearings of the Senate Agriculture Committee recently a representative of farmer cooperatives said he believed this program could shortly consume up to 500,000,000 bushels of grain.

We have enough plant capacity to make about 500,000,000 gallons of alcohol today. These plants would consume 200,000,000 bushels of grain alone. It would also afford a similar outlet for potatoes. And these facilities are now available, and by spending $30,000,000 more enough plant capacity could be built to convert a billion bushels of grain into alcohol.

The Government is now finapcing pilot plants at a tremendous cost for experiments in the manufacture of motor fuel from coal and oil shales.

When used as a blend with low-grade gasoline, it is figured, the increased cost of alcohol fuel would be less than half a cent a gallon on the basis of 1 gallon of alcohol to 60 gallons of gasoline. The over-all cost is a small fraction compared with the huge outlays now being made in subsidies, storage facilities, and the loss of grain through destruction.

These farm commodities offer the best source of supply for fuel oil when considered on a basis for the over-all national interest. Under the second point in the program for diversion, not only can we use these surplus grains and other starchy commodities for alcohol, but there are a hundred other ways. They can be utilized, and industries to do the job should be brought into the farm areas to help broaden the economy of rural areas.

Each of these points offers compensations contributing to national prosperity, security, and happiness. Another point in this production-for-use proposal is stock piling by the Government of foods, feeds, natural fibers, and other strategic material.

Prudence dictates that our Government have a well-organized policy on reserves of all strategic materials to supplant the present haphazard methods.

Such a reserve of feeds could be used to stabilize the livestock market in emergencies and be available in international difficulties such as crop failures in nations whose economies affect world trade.

Food reserves are a prime requisite for national security. Point 4 in the production-for-use proposal provides that peril points be established in the reciprocal trade agreements extension bill now being considered by Congress. Some of us, a coalition, are insisting a provision be adopted to protect American farmers, businessmen, and labor against a rising tide of virtually duty-free imports. Peril points must be established below which the President cannot go or the impact of imports upon the domestic economy will become ruinous.

You livestock men know the importance of tariff protection for your industry. I am for a strong America helping other freedom-loving countries. But a weak America would be of no help to a tottering world.

We are all for reciprocal trade, but reciprocity is a two-way street, and I am against a give-away policy, that would reduce our living standards to the world level.

This brings us up to the appropriations for ECA. Do you know that under the ECA program, the American taxpayers, our national economy, are providing billions in dollars and goods to help other countries attain goals of productivity they never before have attained?

The productivity of Britain, France, and other ECA countries is now above where it was in prewar 1938. Do we have a moral or legal obligation to finance them to greater heights?

Oh, yes, I believe in feeding people and I believe in helping people to the very best of our ability, but it can be done only to the extent that we meanwhile preserve our own economy, here at home.

I disagree with Chairman Paul Hoffman of the Economic Cooperation Administration, who testified on Wednesday before the Senate Appropriations Committee, that our Government should resort to deficit financing if that is the only way the full amount of the appropriation for ECA of $5,580,000,000 can be covered.

I asked Mr. Hoffman if he was in favor of increased taxes to get the $5,580,000,000, and he said, "No." He said he would not favor increasing taxes. But think of it, here is a man who would resort to deficit spending, putting our Government in the red, to get the full amount of $5,580,000,000 for foreign aid.

I am not for increasing taxes, and I am not for deficit spending. The time is here when we must cut our appropriations to fit our current income. It is my firm contention that we can effect part of the required saving by trimming ECA spending in the next fiscal year without damaging the essential effectiveness of the European rehabilitation effort.

During the period of transition from regimentation of our farmers to production for use we should continue to operate under the existing law. And if the existing law needs amending, the only sensible thing to do is to amend it during the interim period.

The Brannan plan, even if it is assumed that it would work, would require complete regimentation of the farmers, and, step by step, extend Federal control to every processor and distributor of food products. The remainder of our economy could not withstand such a cancerous growth.

Then, the last act in the tragedy of lost freedom would be over.

The course of production for use can lead America onto the highway of independence for the farmers, free enterprise, freedom of choice, free markets, and an economy of abundance which will assure fair prices to consumers.

It is up to you, my fellow Americans, to make the decision.

America is the best country on earth, the strongest, and with most of the good things in life, all the things that people in other countries dream about, the bulwark and lighthouse for freedom-loving peoples everywhere.

With one-sixteenth of the world's population and only 6 percent of the world's area, we produce nearly half the world's goods. We own 46 percent of the world's electric power, 48 percent of the radios, 54 percent of the life-insurance policies, 85 percent of the automobiles, 92 percent of the bathtubs, and 99 percent of all the television equipment.

America has reached this great position, because America has the best system of government on earth.

Let's keep it that way.

A Perpetual Marshall Plan?

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. REED of New York. Mr. Speaker, under leave to extend heretofore granted, I am inserting an article by Felix Morley which appeared in this week's issue of Pathfinder, with reference to the Marshall plan.

I am glad that Mr. Morley has seen fit to present so clearly and forcefully the extent to which the administration has committed the American people. His article is as follows:

(By Felix Morley)

A PERPETUAL MARSHALL PLAN?

When the so-called Marshall plan for European recovery was first drafted 2 years ago, those who designed it voiced a clear and specific warning. They said the plan would succeed only if normal trade were restored between western and eastern Europe.

As everybody knows, commercial relationships between the two halves of Europe—divided by the iron curtain—have not been restored. On the contrary they have deteriorated, since the Marshall plan was launched.

The Soviet blockade of Berlin evoked an Allied counterblockade of eastern Germany. And while the magnificent accomplishment of the airlift served to keep Berlin alive, it could do nothing to check the development of economic strangulation. The Big Four foreign ministers—at Paris—have not relieved this situation. There is ample evidence that Soviet Russia does not want it to be relieved.

Now the foreboding of those who designed the Marshall plan is being realized. There are unmistakable signs that the plan, for all its accomplishments, is failing to make western Europe self-supporting. Most of these signs come from Britain, the great trading nation which suffers most from barriers in the normal channels of international trade.

Under the Marshall plan we are now subsidizing Great Britain at the rate of about $2,500,000 a day. But even so there is a growing shortage there of the dollars England needs in order to buy essential raw materials from this country and Canada.

Official statistics show that England is now spending about a million dollars a day more than she receives from her exports and from the Marshall-plan aid combined. This deficit has been met by cutting into the slim gold reserve of the Bank of England and by other expedients. But these will not meet the strain indefinitely.

To meet this crisis the Labor Government is doing its utmost to push exports to the United States and Canada. But British goods are meeting increasing sales resistance over here. Because of the recession, many

Americans are perforce cutting down their own purchases, and there is the further factor that British manufactures are priced too high—they are mostly luxury wares.

Probably, therefore, the British will before long be forced to devalue the pound sterling—from its present nominal value of $4 to $3 or possibly even less. That would make British goods cheaper in our stores, but it would also raise the cost of living in England. With a general election next year the Labor Government does not want to take responsibility for higher domestic prices.

Devaluation of the pound, in terms of dollars, must come because North America is now almost the only substantial foreign market left for Britain. Eastern Europe is shut off; China has gone Communist; India and Australia are developing their own industry; Japan is bankrupt; Latin America and Africa have relatively little purchasing power. And we want to export, also.

When the English pound is devalued—it is no longer "if"—Britain will be able to get along with Marshall plan aid, now scheduled to end in 1952. But British exports to the United States have been falling steadily for 4 months and it seems most improbable that by 1952 these sales for dollars can be pushed to the level where further Marshall-plan assistance would be superfluous. So we probably will be asked to continue aid.

That is one reason why President Truman is no longer pressing hard for all the expensive socialistic measures which he was advocating a year ago. There is a bottom even to the purpose of Uncle Sam. We cannot simultaneously support western Europe and carry out the Truman program here at home.

World Peace or a World in Pieces

EXTENSION OF REMARKS

OF

HON. CHARLES W. TOBEY

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Monday, June 13 (legislative day of Thursday, June 2), 1949

Mr. TOBEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "World Peace or a World in Pieces," delivered by me before the United World Federalists, at Madison Square Garden, in New York City, on June 9, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

"The moving finger writes, and having writ, moves on."

So is history chronicled.

But what a record the moving finger has written in the past decade. We stand aghast as we contemplate Hiroshima and Nagasaki, the debacle in China, the chaos in and around Berlin, and the balky horse on the team of members of the United Nations Council.

As we contemplate these and other direful happenings on all the evidence we must conclude that death is taking but a very brief holiday.

So deeply moved by the serious situation we face we must arouse public opinion throughout our Nation first to a realization of the portentous seriousness of these, our days and second, to enlist a meeting of minds on creating an agency which can best meet the challenge of the world situation and third, to try and generate a mighty force of public opinion, which will compel those in government to stop, look, and listen, under conviction that in the establishment of a federation of the nations of the world to enforce peace lies the only hope of a war-torn world.

John Fiske, in his book Critical Periods in American History tells of the epoch when the fathers met in Philadephia, to frame together our Federal Constitution. That was a critical period but not more so than the situation which we face today.

The outstanding threat to world peace, lies in the balky attitude of Russia. Every effort on the part of the other members of the Council to reason with Russia has been blocked. She refuses to play ball as a part of the team of nations and by abuse of the veto power (initiated ironically by our United States) she has made that splendidly conceived agency almost impotent.

Confronted then by such an unhappy situation with world problems piling up can we be content with the status quo or shall we rise to the challenge and set up the machinery for world government which can, and will, aid in constructing a permanent peace. I do not believe that the United Nations as presently constituted can bring that objective into being.

What then is our best recourse?

I cannot do better than to cite to you the arguments embodied in an appeal to the peoples of the world which was the outcome of the conference on world government, held at Rollins College in March 1946, of which conference I was privileged to be a member:

"The United Nations as now contituted is a league of sovereign states. As such, it is not a world government and therefore cannot by law prevent armed conflict between nations, and establish justice and security. Nevertheless, it is the greatest step yet taken by mankind toward world peace. Since the charter provides for amendments every effort should be made to transform the United Nations into a world government.

"Such objectives cannot, we know, be reached overnight. The difficulty of building support within each nation, for a world government is multiplied by the diversity of cultures, governments, and institutions among the nations.

"But a start must be made. It must be made now. It must be made with the tools at hand. It must be directed, in the first instance at the removal of the haunting fear and suspicion with which atomic weapons afflict mankind. The United States has the opportunity, and duty to take the lead in proposing such constructive measures as are necessary to that end."

We would not, for a moment, abandon the United Nations.

What is clearly indicated, as I see it, is the need to give it powers to hear disputes and enforce its decrees, first making such revisions in the charter as may be necessary to accomplish such objectives.

My Republican Party embodied in its national platform last year, a quotation from Lincoln, who said:

"The dogmas of the quiet past are inadequate to the stormy present as our case is new, we must think and act anew."

That was timely advice in 1861; it is both timely and compelling in its application to the world crisis today in which we, as a nation, are inextricably involved.

In 1789 we relinquished part of our respective State sovereignties to a larger government, namely, the United States, which had the power to hear and determine issues and enforce its decrees. The principle of settling differences between the world nations could be akin to the settling of disputes between the various States in our Federal Union. The United Nations, as presently constituted, is similar to conditions existing in this country, under the Articles of Confederation. It should be remodeled along the lines of our Federal Constitution.

What motivates those of us who seek the amendment of the charter?

Not lust for power; not selfishness, but sobered and staggered by a realization of the solemnity of the hour, we prayerfully and earnestly seek permanent world peace and believe that a revision of the Charter is essential to attain that prime objective.

Wake up, America. Stand aside, partisanship. Quit jockeying for political increment.

Sense the need for living out the spirit of interdependence among nations and reverently thank the one God and Father of us all that to us is given the privilege of living in these great times and having a part in redeeming a war-sick world from the thralldom of international sin.

I hold it is a must for us to contrive to live together in peace, even at the cost of considerable material sacrifice, for the alternative is the death of our human society.

People of America, it is later than we think.

The movement for world cooperation is on. Thoughtful men and women all over our Nation have a sympathetic interest. Seventeen of our State legislatures have passed resolutions instructing Congress to consider revision of the United Nations Charter. Fellow citizens throughout the hinterlands of America, you and your children have a tremendous stake in permanent world peace.

Throughout all the dark ages of the past, there has been a spark of light, unquenchable, never failing, a source of inspiration to the world. This is the spirit of unity, of oneness among thinking peoples, the knowledge that in unity is the strength that could put down forever the terrors of wars and evils associated with wars. Throughout these ages unthinking men have endeavored to extinguish the spark of world unity, but always it has glowed again, each time more brightly. It was in evidence in the great ideal of Woodrow Wilson for the League of Nations. It was in evidence in the meeting of minds at Dumbarton Oaks; it was in evidence in the International Monetary Conference at Bretton Woods, and it glows more brightly in the efforts of the nations of the world, in the United Nations.

Some men, in a lack of understanding, claim that these attempts at world unity were failures, that they accomplished little if anything of value. But the very fact of their existence proves that the yearning for world unity is inherent in the hearts of thoughtful men and women.

In the United Nations the spark blazed up more brightly than ever before, but the abuse of the veto power has defeated the very purpose of the organization. The only hope, then, of making this great world organization the power for good that it could be, lies in using the powers under article 109, which provides for a review conference, for amending the structure and functions of the United Nations, and this cannot be vetoed once two-thirds of the nations decide to do it.

But the United Nations, as presently constituted, is too weak to cope with an actual crisis, and this very weakness tends to create crises.

To build a solid foundation for world government then the United Nations must become a strong organization with powers to build a potent and actively functioning world federation. Our duty is to keep the spark of unity alive and glowing that it may become the torch of freedom and peace for all the world to the end that men everywhere may live their lives in security and peace.

Of course, some men will belittle our efforts; critic peep and cynic bark will be heard on many sides. We will be called idealists and impractical, but we should not be ashamed of ideals, for America was founded on ideals.

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Here then these words found written on a piece of paper pinned on the shirt of an American soldier found dead after battle in World War I:

"Ye that have faith to look with fearless eye
Beyond the tragedy of a world at strife,
And know that out of death and night
Shall rise the dawn of ampler life.

"Rejoice, whatever anguish fills your heart
That God hath given you the priceless dower
To live in these great times, and have your part
In freedom's crowning hour.

"That ye may tell your sons, who see the light
High in the heavens, their heritage to take
I saw the powers of darkness put to flight
I saw the morning break."

He had a vision, a hope for better things to come, but he died in that hope. But were he alive today, how disillusioned he would be, for he would have seen the hopes and aspirations that grew out of World War I, shunted aside. He would have seen a Second World War, far more terrible than the one in which he gave his life, tearing the world apart. He would see the nations of the world quarreling among themselves and still a long way off from making a peace.

How truly Briand spoke when he said, "In modern warfare, no nation wins."

Oh, the tragedy of it all.

But you and I can keep faith with that brother-man by living today, motivated by a passion for peace, consecrating ourselves to do our best, to bring about a federation of the nations of the world for the over-all objective of world peace.

For that great objective, pregnant with peace and happiness for all mankind, and for generations yet unborn we make our earnest appeal tonight.

Let us not be idle while we pray, "Thy Kingdom come, Thy will be done."

Dedicated to this noble cause, as ambassadors of the Prince of Peace, we shall be found worthy to be called sons of God.

Ample Room Here in America for Displaced Persons—Last Congress Failed To Provide Adequate Legislation

EXTENSION OF REMARKS
OF
HON. STEPHEN M. YOUNG
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 19, 1949

Mr. YOUNG. Mr. Speaker, the Eightieth Congress failed to make adequate provisions for bringing in displaced persons to the United States. This last Congress passed a law contemplating the admission of 205,000 persons within 2 years. However, at the same time, it imposed many restrictions such as 40 percent must be from Baltic countries and 30 percent from farm sections and discriminated against certain races and religions; therefore, unfortunately, instead of more than 200,000 displaced persons entering as immigrants, only 29,000 displaced men and women have been able to enter this country to date.

Congress is now acting to correct this wrong and to enact into law a bill permitting 339,000 displaced persons to enter during the next 2 years. Entry of persons in displaced-persons camps prior to January 1, 1949, will be permitted instead of the 1945 limitation imposed by the last Congress.

If the United States, at the present time, instead of having a population of 148,000,000 had the same population density as Puerto Rico we would have within our borders 2,300,000,000 people. In other words, a total probably equal to the present population of the entire world. Obviously, there is ample room within our borders for the few hundred thousands of displaced persons and these persons can be gainfully employed as producers without any impairment to our economy.

If a neighbor tells you there is no room here in the United States for several hundred thousand displaced persons, you might mention Puerto Rico.

Legislation relating to displaced persons enacted by the Republican Eightieth Congress discriminated against Catholics and Jews. Furthermore, it permitted too few displaced persons to enter the United States.

I voted in favor of the amendment to bring in 400,000 displaced persons. That amendment was defeated. I now give my unqualified support to this administration measure which removed the discriminatory provisions of the 1948 act.

We are the Nation that has engraved on the Statue of Liberty those words:

Give me your tired, your poor,
Your huddled masses, yearning to breathe free;
Send these the homeless tempest-tossed to me,
I lift my lamp beside the Golden Door.

We liberalize our laws to permit 339,000 displaced persons to enter the United States. We propose fair legislation to take the place of flagrantly discriminatory legislations enacted in the Eightieth Congress.

Under the Displaced Persons Act passed 1 year ago in the Republican Eightieth Congress, statutory preference was given so that 40 percent must be skilled in agriculture. These and other restrictions were such that only a comparatively few displaced persons were permitted to enter our country. We now increase the total of displaced persons to be admitted to the United States from 205,000 to 339,000. Of this number, 300,000 will come from displaced persons camps and the balance will be Polish soldiers, some orphans, and Shanghai refugees.

The last Congress set up an unfair cut-off date at December 22, 1945, and imposes a racial and religious discrimination against Poles and other displaced persons. In passing this bill we extend a helping hand to the poor and unfortunate who were displaced by war.

An important feature of this legislation is that selection of displaced persons must be made without discrimination in favor of or against religion or national origin. We propose equitable opportunity for resettlement to displaced persons of all religions, races, and national origins. The requirement of assurances of employment and housing have been retained so no contention can be made that these people, all of whom are costing American taxpayers money for care and maintenance in displaced persons camps, will become a public charge in this country.

This bill, while fair to all, gives a priority to children adopted by American military personnel and orphans. One of the most tragic situations following World War II has been the plight of millions of Europeans including many, many children displaced by war.

A Release

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1949

Mr. REED of New York. Mr. Speaker, on Sunday, June 12, 1949, I issued the following release from my office which I am inserting under leave to extend heretofore granted:

The record of this administration has been one of business baiting, Representative REED declared. The greater part of Mr. Truman's domestic legislative program was deliberately designed to imtimidate business. To that end it has been a huge success. Business is thoroughly discouraged and impeded by threats of tax increases and unfair Government regulation and competition. The inevitable result is that business has lost confidence in the Nation's economic future. Production is being cut back; investment capital, scarce before, is practically nonexistent now; blueprints for industrial expansion have been shelved if not permanently destroyed; unemployment is widespread. According to latest Census Bureau statistics there are now more jobless people than at any period since the end of the war. Another disturbing factor is the reckless spending habits of this administration. Profligate squandering of the people's money makes it impossible to balance the budget and leaves the Nation with two alternatives—higher taxes or deficit financing with all of their attendant evils.

Unless President Truman discontinues his business-baiting policies and takes positive steps to restore confidence in our economic future the Nation is in for bad times.

Confidence can be restored if the administration will honestly acknowledge its mistakes and recall 95 percent of its domestic legislative recommendations to Congress. These recommendations include corporate tax hikes, competition by the Government in the steel industry, price controls, etc. The administration must also reassure business by promoting healthy economic aids such as tax incentives for greater production and a healthy flow of investment capital for business expansion. Above all, the administration must abandon its reckless spending and loose fiscal policies. If this is done there is no earthly reason for tax increase. The Hoover Commission, after exhaustive study, showed the President how to save $3,000,000,000 without impairing the Government service. If this Administration will practice instead of giving mere lip service to economy no tax hikes will be necessary and we will avoid an unbalanced budget and deficit financing. We could even get rid of some of our undesirable excise taxes.

It is high time that the President of the United States cease being stubborn. It is high time that the President of the United States face facts. And the facts are that his economic policies are slowly strangling our economy and throwing millions of our citizens out of work.

Marines Stress Air-Ground Team

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1949

Mr. MANSFIELD. Mr. Speaker, I am inserting in the RECORD a brief analysis of how Marine Corps aviation is trained to carry out its mission. Those Members of Congress who went to observe the Marine Corps' new and advanced techniques at Quantico in April of this year came away with a deep realization of the efficiency and high standards of the corps. Those of us who witnessed the parade of the Fourth Marine Division Association and who heard the remarks of Fleet Adm. William Halsey afterward are fully aware of the value of the Marine Corps.

It is up to the membership of the Congress to protect the functions of the Marine Corps and to watch for and protest against any legislation which would seek to subordinate it. The history of the Marine Corps is the history of America and the 176 years of glorious tradition and courage must be maintained at any cost. This is the least we can do for the corps and their most dependable friends—the American people.

MARINES STRESS AIR-GROUND TEAM

The principal task of the Marine Corps is to provide fleet marine forces of combined arms together with supporting air components for service with the fleet in the seizure or defense of advanced naval bases and for the conduct of such land operations as may be essential to the prosecution of a naval campaign.

The proportion of aviation to ground in amphibious operations is appreciably higher than that required in conventional ground operations. Due to limitations imposed by shipping space, capacities of landing craft, and beach conditions, the landing forces are unable to bring to bear the same weight of artillery and armor that are customary in conventional group operations. These deficiencies are offset by the employment of naval gunfire and by close air support. The landing force thus requires additional close air support over and above that which a ground force of similar size would require in conventional land operations. Furthermore, gaining control of any advanced base by assault involves the necessity of providing air units capable of operating from carriers.

The Marine Corps has learned numerous important lessons from its many amphibious operations, the most important of which is that the amphibious force must be balanced and perfectly coordinated. Marine Corps organization, ground and air, has been tailored to give it a balanced force. All of its educational and training programs are designed to obtain the highest degree of teamwork. The Marine Corps knows that the best results are obtained from workers who understand the ultimate objective and all the operations that must be performed by others as well as themselves. It envisages the Marine aviator as being qualified for shore-based operations and carrier-based operations; as knowing all the fundamentals of ground-force tactics, technique, and weapons employment; and, insofar as possible, being intimately acquainted with the ground-force personnel with whom he is going to operate.

To this end the Marine Corps is continuing to develop tactics and technique in conjunction with ground-force operations, using the latest available weapons. It is training every one of its aviators to understand the individual roles played by the naval, ground, and air forces in an amphibious landing.

Eighty-seven percent of Marine Corps pilots have either graduated from one of the Marine Corps schools which teaches tactics, technique, and weapons of its ground forces or are presently attending such schools. The remaining 13 percent will complete such schooling within the next 2 years.

The Marine Corps exchanges aviators and ground officers on the staffs of its wings and divisions in order to broaden the understanding of its officers and to insure complete coordination of all elements of the air-ground team. The Marine Corps tests its schooling and theories and perfects its teamwork in one or more amphibious exercises on each coast every year. During these exercises, its air units operating from both carriers and advance shore bases support the landing operations of its ground forces.

It might be noted here that incidental to Marine Corps training for the execution of its primary mission, it is developing air units fully qualified to replace Navy carrier squadrons in an emergency. Such use was made of marine fighter squadrons during the last war.

The Marine Corps training program also includes the Marine Corps Reserves. Under the supervision and guidance of the regulars the personnel of 27 reserve squadrons scattered throughout the United States maintain their proficiency. This training consists of weekly drills at their home bases culminated by a two weeks' annual maneuver. During the maneuver period all reserve squadrons are divided equally between the two major Marine Corps air bases on the east and west coasts and receive intensive training in all phases of operations in close support of ground forces.

The Marine Corps firmly believes that readiness to execute the complicated and vital operations implicit in amphibious warfare can be achieved only by continuous application. It is able to maintain its readiness for this type of combat only because all of its effort is directed toward perfecting an organization capable of storming and seizing enemy-held beaches.

Every flight leader knows the objective of the ground commander and the tactics and technique that he will employ to take that objective. Every ground commander knows what Marine air can and cannot do in helping him accomplish his mission. This intimate knowledge of the capabilities of the other can be obtained only after years of well-directed training, both academic and practical.

Marine aviation is the only air organization whose personnel have spent their maximum effort on perfecting the technique of close support of ground troops.

The Truman-Brannan Farm Program

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1949

Mr. HILL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address delivered by me and heard over radio station KSL, Salt Lake City, Utah, Wednesday, May 25, 1949, on the program KSL Reports the Washington Scene:

THE TRUMAN-BRANNAN FARM PROGRAM

Good evening, friends of the radio audience. Two events of vital importance to our Rocky Mountain area occurred in Washington a few weeks ago. The first was the approval by Congress of the Colorado River Basin compact, which allots the waters of the upper basin of the Colorado to the States of Utah, Colorado, Wyoming, New Mexico, and Arizona. Now, we can look forward to a truly great development of agricultural wealth and thousands of new farm homes as rapidly as many planned reclamation projects are developed and existing projects are expanded to utilize the waters which have been flowing to the ocean for hundreds of years. I believe that we are on the threshold of a new era of expanded prosperity for our region.

The second event was the proposal by Secretary Brannan of the Department of Agriculture for a new farm program which he presented to a joint meeting of the House and Senate Agriculture Committees last month.

Because of the predominant position of agriculture in the Rocky Mountain area and the outlook for greater development in the future, I should like to discuss briefly, this plan with you. A wide range of testimony both for and against the administration's proposal has been presented at the hearings now being conducted by the House Agriculture Committee of which I have been a member for the past 8 years.

Representatives of most of the national farm and agriculture organizations and of many State groups have presented well-prepared statements which set forth their views. Also, these gentlemen have made a number of recommendations for amending the present law which in their judgment would improve its operations and further stabilize farm economy. I shall summarize some of their statements a little later, but first I shall try to point out a few of the differences between Secretary Brannan's proposal and the provisions of the 1948 long-range farm program which was passed by the last Congress with the approval of the major farm organizations.

The proposal to abandon the present parity-price formula and substitute for it an annual minimum farm-income standard is the plan's major and most radical change. In other words, it is proposed to guarantee to farmers a minimum annual income, to be based on the purchasing power which the farmer obtained during any 10-year period of the 12 preceding years. To accomplish this objective a number of new farm products have been brought into the program. The products include meats, dairy products, fruits, and vegetables. Prices would be permitted to drop to any level which the market would support, and the farmer would be paid in cash by the Federal Government for the difference between the amount he would receive for his products and his share of a minimum farm income.

Compliance with soil-conservation practices, acreage allotments, marketing quotas, and marketing agreements as prescribed by the Secretary of Agriculture is a basic requirement for participation in the benefits of the program.

Storable farm crops—wheat, corn, cotton, tobacco, and the others, which are being supported under present law also would be subject to the minimum annual income formula. Existing procedures, that is Government loans, or Government purchases, as well as the new cash-payments proposal could be used in the discretion of the Secretary to support the prices of these products.

Participation in the entire program would be limited to small- or family-size farms. A

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maximum-unit formula is proposed to establish the eligibility of farmers who will be permitted to participate. Farmers or ranchers who produce more than the prescribed maximum of 1,800 units cannot share in the plan. These farmers and ranchers produce 25 percent of all agricultural products.

Many questions concerning the operation of the plan are being asked. For example: How much will it cost? So far, Secretary Brannan has failed to furnish any information concerning the cost. He presented his proposition to Congress 7 weeks ago. Without a doubt, he had been working on it for a number of months previously. The committee is still in the dark in this matter.

Now, here is another question: Will the cattle and sheep feeder who has a surplus of grain be able to buy lambs or feeder-cattle to utilize his surplus? Or, must he sell his grain outright because the livestock allotment is low or breeders are obligated to sell under some marketing agreement or distribution allotment plan? As the bill for introduction in the Congress has not been written and all of the proposed formulas worked out, these questions cannot be answered at this time.

Now, I should like to summarize some of the testimony which has been heard by the House Agriculture Committee. The American Farm Bureau Federation, the National Grange, the American National Livestock Association, the Texas and Southwestern Cattle Raisers' Association, to mention a few, have all appeared before the committee in opposition to the Truman-Brannan program. The Farmers Union is the only national agricultural organization so far to appear before the committee in support of the plan.

Mr. Allan Kline, president of the American Farm Bureau Federation had this to say, and I quote Mr. Kline: "A proposal has been made recently to this committee by the Secretary of Agriculture. So far it is a statement of politico-economic philosophy, not a farm program. The parity price approach to a fair exchange value for farm commodities is discarded. This concept has been the basis for agricultural unity for the last 20 years." I am still quoting Mr. Kline, who further said: "It means Government-administered farm prices and farm income with Government control of all land and livestock production. It introduces a cheap food philosophy. It seeks to establish the principle that taxpayers should pay a considerable portion of the grocery bill of consumers."

Mr. A. A. Smith, president of the American National Livestock Association stated to the committee in reference to the exclusion of operators who produce more than the proposed maximum of 1,800 units, and I quote: "We question the effectiveness of any attempt to control a given commodity, when as much as 25 percent of the production of that commodity is not covered by the proposed control program." He also stated, "We believe that instead of adding to the tax burden under conditions that exist today, steps should be taken to reduce it."

Mr. Bryant Edwards, president of the Texas and Southwestern Cattle Raisers' Association had this to say: I quote Mr. Edwards—"We are opposed to Secretary Brannan's program insofar as it relates to beef cattle and beef. We want no part of it."

Mr. Albert Goss, master of the National Grange made these observations concerning subsidies—again I quote: "They (subsidies) tend to make beggars of us. Subsidies would throw agriculture into politics. The annual volume would run into billions, and there would be the constant necessity to besiege Congress to make sure more funds were available for payment. The availability of funds, and their extent, would inevitably become campaign issues. Many would doubtless vote for the candidates promising the juiciest subsidies. Reckless taxation is one of the greatest threats to democracy."

The quotations which I have just stated should give you some idea of the sentiments of the agricultural leaders of the country. Secretary Brannan has stated that he hopes to increase the consumption of farm products by one-third. However, he ignores the compilations of his own Bureau of Agricultural Economics which indicate that per capita, consumption of food has not varied 5 percent in the 36-year period for which the Bureau has maintained records. Consumption will increase only as the population increases.

Now here is one final quotation from the testimony of Mr. Kline of the American Farm Bureau: "The proposal would place a ceiling on opportunity in agriculture. This, in turn, would result in penalizing efficiency. Food prices eventually would reflect this inefficiency. We view any limitation as dangerous precedent—an opening wedge which eventually would result in Government supervised and stabilized agricultural poverty."

Thanks for listening.

Persecution Suits Dismissed

REMARKS
OF

HON. JOHN E. RANKIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. RANKIN. Mr. Speaker, Members of the House have undoubtedly noticed that the lawsuits filed against me several years ago, amounting in all to $650,000, have been dismissed. The last one for $100,000 was dismissed a few days ago.

These were nothing on earth but Communist-inspired fake lawsuits filed and prosecuted for the purpose of intimidating me, and preventing me from doing my duty as a member of the Committee on Un-American Activities.

The same procedure, and even worse, was used to persecute Martin Dies out of Congress, because he had the courage and the patriotism to expose these communistic elements that were here then, and are here now, plotting the overthrow of this Government.

They persecuted Joe Stearns, John Costello, Fred Busby, and every other member of the Committee on Un-American Activities who had the courage to expose their treasonable designs.

This gang of Reds, composed largely of a racial minority, has a gestapo, called the Antidefamation League, that is carrying on the most damnable persecution of white gentiles this Nation ever saw.

They have a file on every white gentile of any prominence whatsoever, and a system of persecution the like of which has not been witnessed since the crucifixion.

In fact, as I have said before, it is the same old gang that constituted the fifth column of the crucifixion more than 1,900 years ago. They hounded the Saviour during the days of His ministry, persecuted Him to His ignominous death, derided Him during the moments of His dying agony, and then gambled for His garments at the foot of the cross. They have been for 1,900 years trying to destroy Christianity and that glorious civilization which Christianity has produced.

They are behind this drive to wipe out segregation in the District of Columbia and force Negroes into the white schools, not only of the District of Columbia, but in all of the Southern States.

They do not give a tinker's dam about the Negro. They are just out to get their loathsome fingers on every government in the world and to force themselves into places where they are not wanted.

This same crowd constitutes the Communist Party in Europe. They have been responsible for the murder of 30,000,000 Christians in Europe during the last 30 years.

One of the main planks in their program is to stir race trouble throughout the Southern States. They tried it right after the last war and brought on a race riot in the District of Columbia. There is no telling the number of Negroes, as well as whites, who were killed here in Washington as a result of that riot. If they bring on another race riot with the agitation they are now carrying on, the people here are going to know who are behind it.

They brought on a race riot in Chicago that cost the lives of more than 2,000 Negroes. They brought on one in East St. Louis, one in Springfield, Ill., and in several of the Southern States, with the same kind of insidious activities they are carrying on today.

They were behind the persecution of Gen. George S. Patton, the greatest military leader this country has seen since the War Between the States.

Because General Patton was in line for a position that would interfere with their program, the so-called Antidefamation League dragged out, magnified, and distorted a story about Patton having chastised a little cowardly malingerer for hiding out among wounded men in a soldiers' hospital, and smeared him from one end of this country to the other.

They put Drew Pearson on the radio to broadcast the smear of Patton, and followed him up with Walter Winchell and that element of the press that is more interested in alien ideologies than they are in American institutions.

That persecution so disturbed the administration that Patton was removed from his position when he was on a drive of victory that would have brought the war to an early close.

As a result, they slowed down that victorious drive, extended the war possibly 8 or 10 months, and cost the lives of about 70,000 of our finest men.

When I found out what was going on, I led the drive in this House to get Patton reinstated. I blasted everything from the slime mongers of the air to the subsidized press, with the result that Patton was restored to his command, took his army, and with a brilliance seldom witnessed in all military history, cut the enemy lines to pieces, and fought his way up to Berlin.

But when the enemy raised the white flag and beckoned Patton and his army to come in and take over, certain insidious influences had Patton and his

army to move south and turned the victory over to the Communists of Russia.

Today this Government is spending untold billions of dollars allegedly to fight communism in Europe while it seems to run rampant here at home—with the encouragement of certain individuals in high official positions.

After the war closed, General Patton came to visit Washington and while here came to see me at my office. I am told that I am the only Member of either House that he called on. He said, "I came to thank you for defending me when I was on the battle front and could not defend myself."

I said "General you do not owe me anything compared with what we owe you." I said, "With your tactics you probably saved us a million men."

Although the war was over, and General Patton, with all of this persecution, had established one of the most brilliant military records in all history, these enemies within our gates succeeded in having him removed from his command, and continued to hound him to the very moment of his death.

Under permission granted me to extend my remarks in the RECORD, I am inserting an article by Mr. Hal Boyle, entitled "Patton Legend Lives as Guide to All Who Aspired to Leadership."

It reads as follows:

PATTON LEGEND LIVES AS GUIDE TO ALL WHO ASPIRE TO LEADERSHIP

(By Hal Boyle)

(Mr. Boyle is one of a group of American newspaper and radio correspondents who are revisiting the battlefields of continental Europe.)

HAMM, Luxemburg, June 11.—There is a grave here big enough for a man, but too small to hold a legend.

In the grave lies Gen. George S. Patton, Jr. But his legend reaches across the miles and years to all those who aspired to what he lived by and that was leadership.

They didn't bury "Georgie" here, they just put him under ground. But nobody shoveled earth on what he stood for nor can anyone as long as men put their faith in valor.

Perhaps the word is "glory." General Patton used that word often. He liked the sound of it and he believed in it. He didn't fight the system under which mankind has dwelled in worry and wonder since Cain killed Abel.

TOOK SYSTEM AS IT WAS

He took it as it has been. He said it would probably continue and he believed and lived and died in that belief—that man is born to warfare and that since his heritage is struggle, those who struggle with the firmest courage are the people who face life in the finest way.

There is probably a wisdom above war called peace—the world's unknown adventure. Whether peace is good or bad for the human race has never been fully determined because always since the Garden of Eden this race, facing life with more vanity than the insects but with fewer legs, has expressed its frustrations in a sterile pattern of weary violence.

In individual cases these outbreaks are classified as homicide, a kind of crime. In the cases of nation against nation there is the softer word, war, a kind of polite and collective murder. Under this surprising moral order you can be hanged for killing a man you have a personal grievance against or can be rewarded with a medal for killing 25 strangers you don't know.

George Patton took mankind as it is and as it always has been. His real monument was a ruthless, personal honesty. He believed that people, being what they are, made war inevitable, not just once, but over and over.

SOMETIMES IN HOT WATER

Because his courage came out of his mouth as well as his heart, because he spoke as bravely and straightly as he acted, he was sometimes in hot water with the American people. He was more honest with them than they were with him. They compromised and quibbled. He acted. He did what they wanted done.

They wanted victory and he gave it to them. There are diplomats in military as well as civilian life. Diplomats want success without the attrition and risk of gambling.

General Patton was smart enough to know that a bold general spends men's lives to save other men's lives. He hated fox holes because he really believed that digging in was wasted energy, that in attacking again and again lay success and few losses.

And when the Army needed a tough man to do a tough job there was General Patton, tough enough to order one man to his death to keep two other men alive. And that was the courage he had—a courage above military politics.

AMERICAN LANDMARK

Well, to him, to die in battle for your country was the supreme glory. General Patton didn't create the system, it created him.

And until men think of glory in other terms, General Patton will remain an American landmark.

Today he lies at the head of his troops, a silent roster of some 5,200 men. There are four gold stars on the simple white cross above him.

No general who died in Europe in the Second World War wears this rank over his grave but him. They had to set him apart in death, as he set himself apart in life, because so many people come to see him. Here he is our strong ambassador, a real symbol that Americans are here to stay.

The grave holds General Patton but his legend is world-wide—the story of courage in our time and bravery as he honored it.

Mankind may kid itself, but General Patton didn't.

What Does the North Atlantic Pact Mean?

REMARKS

OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. BURDICK. Mr. Speaker, while I, as a Member of the House of Representatives, will not have any voice in the approval, amendment, or rejection of the North Atlantic Pact, I still feel it a duty on my part as a representative of the people to call public attention to this document which will soon come before the Senate of the United States for approval.

Article V of this pact or treaty reads as follows:

The parties agree that an armed attack against one or more of them shall be considered an attack against them all; and consequently they agree that, if such an armed attack occurs, each of them, in exercise of the right of individual or collective self-defense recognized by article 51 of the Charter of the United Nations, will assist the party or parties so attacked by taking forthwith, individually, and in concert with the other parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area.

Any such armed attack and all measures taken as a result therefore shall immediately be reported to the Security Council. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.

I think this language is very plain. It means that if an attack is made on any of the nations signing the pact, each and every other nation, so signing, will immediately, and quickly come to the rescue of the attacked nation by the use of force to restore and maintain security of the North Atlantic area. If this pact is approved by the Senate of the United States, it means that war has been declared against any country attacking, before an actual war begins. It is, in other words, a predeclaration of war that has been passed by the Senate alone.

The President is Commander in Chief of the military forces of the Nation, and also under oath to support the laws of the United States. This pact, when approved, is a law to guide our conduct. Trouble starts, and the President, in obedience to this law calls out our forces, to unite with other forces to put down the invasion. We are then at war, Congress has not declared any war. Our men are again on the battlefields and Congress is called on for a declaration of war. Under these circumstances, no Congress would refuse the declaration as that would be merely a detail to carry out after the war started. In other words, under this pact, we may have a war without any further declaration than the Senate approval of the North Atlantic Pact.

The Constitution places in Congress—both Houses acting jointly—the power to declare war, but in the case of an approved North Atlantic Pact, without amendments, one branch of Congress has declared war while the other House of Congress has not considered the matter at all. Does anyone think this is not unconstitutional?

We should never take any steps that involve us in actual war without following the Constitution.

Another thing is that if we promise other nations to fly to their relief, we must be prepared to do so and redeem our promise. This means that just as long as this pact remains in existence, this country must maintain a powerful fighting force as none of the other countries who have signed that pact are able to contribute more than a token force. The fighting and the financing will fall upon the United States. If this situation were to remain for a year or two, we could stand the strain, but when we contemplate that this situation remains as long as the pact remains, we shall have to be in a constant state of superior preparedness. At the present time,

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50 cents of every dollar of income is expended on national defense and aid to others in their defense. How long can this democracy last with such a drain and such a sacrifice for others? Every country must realize that we are capable of defending ourselves, but can we not keep on defending others until we are unable to defend ourselves?

A Rural Editor Speaks on Socialism

EXTENSION OF REMARKS

OF

HON. WINT SMITH

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. SMITH of Kansas. Mr. Speaker, we hear a great deal about the attempt to socialize this country. We hear and read about the tactics that the proponents of this way of life are using. The attempt is generally made by the back-door entrance. The forces behind this bold plan to change our way of life in America do not use the methods they use in England. In America, it is the creeping, sly approach.

I recommend the following editorial to you because it shows what socialism would mean to all the small towns and villages in this country:

[From the Natoma (Kans.) Independent of June 2, 1949]

(By Joseph R. Snyder, editor)

Would socialism contribute or take away from this community? What would become of the corner grocery, the drug store in the middle of the block, the repairman, the doctors who have brought most of the community babies into the world, if the American community went socialistic? The trend is in that direction.

Much of the advance guard of socialism is already with us—rent control, regimentation of labor by unions, Government competition in private industry, such as the manufacturing of power through dams under the guise of flood control. And it is notable that the President's recent suggestion that Uncle Sam enter the steel business did not raise a serious outcry.

But we are concerned with the "smaller picture," our community; its storekeepers, large and small; its professional people, whose influence through sheer numbers has preserved our way of life simply because they have enjoyed the freedom and will to supply us with our needs through their own resourcefulness and ambitions.

In the era which we have called the free-enterprise system the storekeeper has been the keeper of American free enterprise. He has been the life of the community's march toward progress. He has been a man of ideas and, next to the farmer, the most chance-taking gambler in the world. He has believed in his country and himself—and to him country and chance taking are inseparable.

But what happens in the socialistic period?

In the socialism era this storekeeper becomes a mechanical automaton rather than a pulsating, energetic, hard-hitting man of affairs. He will simply carry out the orders of his government and incentive will be gone.

Socialism does not reckon with personality or with ideas. Its primary allegiance is to the socialistic state what communism is to a single party. Both rob the individual of initiative because he has nothing to plan and work for but the government into whose service he is automatically pledged. No longer in his life—your life—is that incentive which for the past 173 years has made his country strong and self-reliant, eager, and unafraid. No longer has he—or you—an individual aim, a personal goal, because the first thing that is crucified in the socialistic and communistic state is individuality.

When the people become the slaves to government serving the desires of the masses, we have a welfare state or socialism. Imagine this community with its business firms, professional people, and citizens without ambition and a zest for achievement and you can see why we must check this trend through a renewed interest in government affairs. If this is not done—and soon—we face a drab existence in where there is no real future.

Liability Is an Asset

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. SHAFER Mr. Speaker, under leave to extend my remarks, I include the following editorial from the Detroit News:

LIABILITY IS AN ASSET

What amounted to a defect in Herbert Hoover as President is precisely that characteristic which gives a special value to his work as chairman of the Commission on Reorganization of the Government.

Mr. Hoover had been President hardly a year when Walter Lippmann in a Harper's article entitled "The Peculiar Weakness of Mr. Hoover," pointed out his inadequacy as a politician and coworker with politicians.

He lacked entirely the political sense which was his successor's outstanding gift, and, being almost equally devoid of partisan feeling, he was a constant thorn in the side of the faithful.

He was, in short, no manipulator, but a forthright man.

His character is now as it was then, and he remains in character when he rebukes Republicans for trying to make political hay of his commission's report.

In so doing they miss completely the point and spirit of the undertaking: That it be, as Mr. Hoover says, "objective and nonpartisan." And they invite retaliation from partisan Democrats whose latent distaste for anything bearing the Hoover imprint has been kept in check by the commission's careful avoidance of anything smacking of partisan interest.

For Mr. Hoover this was easy, since the lack of such feeling is part of his nature.

He never understood politicians. Now it is politicians who are unable to understand Hoover. It is their "peculiar weakness," and one that can do incalculable damage to the country if it stands in the way of a long-recognized and sorely needed reform.

A Benefit, Not a Burden

EXTENSION OF REMARKS

OF

HON. CHARLES B. DEANE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. DEANE. Mr. Speaker, much is being said these days about the housing program. All of us appreciate the part that private industry has done to provide homes for the American people. Likewise, if we are honest in our contentions we must admit that the program of housing as promoted from the Washington level has been of incalculable benefit to many, many hundreds of thousands of people throughout the country.

One angle of the Federal housing program which has come in for what I think is unjust criticism has been the contention that the municipalities throughout the Nation where slums have been cleared away have lost much in taxable revenue. The membership, I think, Mr. Speaker, will be interested in having first-hand information on this tax angle by a careful reading of the following editorial that appeared in the Wilmington Morning Star of June 10, 1949, concerning two slum-clearance projects in the city of Wilmington, N. C.

An unbiased study of this housing program in Wilmington and others throughout the country will, I think, cancel out much of the argument that these housing projects are a drain on the taxable revenue of the communities where they are located. Likewise as this editorial points out, we must not lose sight of the fact that what really counts are the abundant contributions in the elimination of crime, promotion of health, morals, and welfare of the citizenry."

A BENEFIT, NOT A BURDEN

A more exact public understanding of the value of Wilmington's slum-clearance housing should come out of the exchange of views of Mr. Richard Shew, president of the board of realtors, and facts by Mr. Harry Solomon, chairman of the commissioners of the housing authority here.

The Star has no desire to further a controversy over public housing.

But it does believe that a summarization and expression of opinion on what has been said by both sides is in order.

The airing of public housing's relationship to the taxpayer was begun with the appearance of Mr. Shew, in his official capacity as head of the realtors, before the county commissioners May 23. He proposed to them that a movement be instituted to make slum-clearance projects taxable here. He suggested a valuation of $2,000 for each of the 462 units in the white and Negro developments. He estimated that such a valuation would bring in approximately $24,000 annually in taxes to lighten the load on private property.

Our compliments to the president of the realtors, one of the most conscientious and hard-working leaders the local board has had, but it is impossible to say that he put first things first in this proposition.

Shortly after the housing authority was organized in 1935 the Supreme Court ruled that all real property held by it was exempted from taxation and that the authority is a municipal corporation. Therefore, to levy a

tax on its projects would require enactment of legislation by both the North Carolina General Assembly and the Congress. The members of the former body completed their 1949 session weeks ago and it is unlikely that they will meet again until 1951. As to the latter, there is scant possibility that it will take up such a matter any time soon.

It seems that the president of Wilmington's realtors should have concentrated on restoration of the former right of local housing authorities to make contributions to local governments in lieu of taxes. This was done here until prohibited by the 1948 Government Corporation Appropriation Act. Since that time, both the authority and city officials have opposed that act, the housing board going so far as to request that, should Congress remove the restriction on payments, that it be permitted to make a retroactive one for 1948.

But the big question is: Has the authority paid its way?

We are convinced—by facts—that the answer is an emphatic yes.

Before the two projects were built, the taxes on their tracts amounted to only $1,500 a year. And when the authority took over the sites unpaid back taxes amounted to approximately $8,500, which it paid.

In addition, until the voluntary payments in lieu of taxes were halted by national legislation, the authority had paid the city and county governments $35,250.34.

In other words, the local governments have received $43,750 because these two slum-clearance projects were erected whereas had they not been built the amount coming in from taxes on the property they now occupy would have been but $10,500—had the taxes been paid.

Instead of being a burden on the taxpayers, as Mr. Shew charged, slum clearance has actually helped financially the taxpayers of the city and county. Had it not been for the taxes paid by the authority from both the emergency war housing and the low-rent projects, tax rates would be much larger than they are today.

When the two projects are amortized they will become the property of the city of Wilmington. They will make a return not only in better living standards here but will provide approximately $34,000 annually in rents. This is about $10,000 a year more than if the taxation plans Mr. Shew suggests were effected.

Instead of Mr. Shew's attack upon slum clearance here damaging the program, it has actually benefited it in providing opportunity for its numerous favorable features to be presented again for public examination and appraisal. This is especially true as to the more tangible factors, such as payment of funds in lieu of taxes and the fact that the city will eventually own the two developments. Other factors—and they have been found by the North Carolina Legislature and courts to exist most prominently—are abundant contributions in the elimination of crime and promotion of health, morals, and welfare of the citizenry.

If Mr. Shew's precipitation of a contest over public housing was prompted by the National Association of Real Estate Boards, as Mr. Solomon charged in his statement to city council Wednesday, then the score of the game should read something like this:

	R.	H.	E.
Association of Real Estate Boards	0	0	1
Wilmington Housing Authority	1	1	0

Meanwhile, the president of the Wilmington Board of Realtors deserves the thanks of all proponents of slum clearance for his action in giving them another chance to state publicly its advantages, both from standpoint of money in the Public Treasury and otherwise. That, we know, is not what he intended to do. But that, we also know, is what happened.

Economy

EXTENSION OF REMARKS
OF
HON. ELBERT D. THOMAS
OF UTAH
IN THE SENATE OF THE UNITED STATES

Friday, June 10 (legislative day of Thursday, June 2), 1949

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address entitled "Economy," which I delivered over radio station KSL June 8, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ECONOMY

For over a month the Senate has been discussing but one subject. Various Senators have said many things and anyone who listened did think that many subjects were being talked about. But in reality there was only one theme. That theme hinges around the word "economy."

A group of Democratic Senators joined hands with most of the Republicans in attempting to make an issue out of our changing economic conditions. One thing all of our thoughtful economists are united on is that we are on a verge of change. A change for the better or for the worse no one dare say. If we could get a reduction in prices it would surely be better for those who buy. But if a reduction in prices causes business failures then that is another question. All that is said by those driving for "economy" sounds so good. It is all just as patent as President Coolidge's, "They hired the money, didn't they?" when we talked of Europe's debts to us after the First World War.

No one yet has seen the real picture of our economy. I cannot paint it completely in these few minutes I have, but I want to show one aspect of our American economy that has not been mentioned in connection with this supposed money-saving scheme. It is purely a sentimental one. Business is not wholly efficient because it thinks of other factors besides efficiency. Our Government has never been efficient because it is a "government of, for, and by the people," and people are just people and for that reason the human factor looms large in our national economy. Life is not built upon efficiency. Probably it would have been more efficient if only half of us had been born, or more efficient if twice as many had been born. Efficiency must be measured in relation to general objectives. What is life's general objective? Why are we here?

Some say that man never learns from experience because each generation gives us another group of men and that therefore each generation seems to have to make the mistakes of past generations. That, of course, is not wholly true any more than the statement that history repeats itself is true. There are no real repetitions in history because the factors are always different. Nevertheless, history does have its lessons.

Actually the last thing these proponents of economy are thinking about is this thing which is called efficiency or economy. I will prove it. There are nearly 4,000,000 various kinds of business concerns in the United States ranging all of the way from General Motors down to a shoe-shining parlor. There are probably 2,000,000 other entities that employ people such as the Federal, State, and city governments, police departments, schools, and so forth. There is not a single one of these 6,000,000 concerns that cannot do without at least one employee. Congress is talking about boiling the fat out of Civil Service. Everyone knows that if they start the process the fat will be more tightly entrenched than ever. Just the same with all business which attempts to reduce never fire the ones who should be fired because of sentimental reasons.

If all of the 6,000,000 employing powers decide to get along with one or two less employees we will have unemployment in staggering proportions. We would have 2,000,000 more unemployed than we had in 1930 which marked the beginning of the unemployment effects of the greatest depression the world ever saw. Little things lead to big things and I wish we could be thoughtful about end results. The causes of all of our national panics and depressions have been different; sometimes the aftermath of war; sometimes overspeculation in land; sometimes overextension of railroads; sometimes, as in 1929, overspeculation in the stock exchange; and sometimes overproduction causes recessions. Generally speaking, in all of our past economic troubles, unemployment was a secondary factor. Now we have the chance to create a greater depression than the one in the thirties and start it as an unemployment depression and we can do it by just simply removing the sentimental aspects of our daily economic life. Do you want that to happen? It is going to happen if these men who are persisting in attempting to arbitrarily cut our appropriation bills and the budget figures so that unemployment will be forced. What if all of the States do it? What if all of the cities do it? What if industry does it? They did it in 1931 and 1932.

The biggest forest fire I ever saw in Utah was caused by a man who thoughtlessly threw his cigarette from an automobile to some dry grass. A short time ago the whole country extended its sympathy to a baby girl who fell down a pipe and lost its life. Hundreds of people tried to save the child and thousands of cubic feet of dirt were removed in this effort. The child's life could have been saved and all of the energy which was expended saved also, when sympathy gripped the hearts of neighbors, if someone had been thoughtful enough to have covered the open pipe. We used to read as kiddies that Abraham Lincoln was shot in the back of the head because the man who was supposed to have been guarding the President left his station so that he could see the play a little better. I wish that the homely statesmanship of Benjamin Franklin could become our guiding star and that his "stitch in time saves nine" might be used more often.

Why do I say all of this? Under the leadership of the Republican Party and their Southern allies these so-called economy forces are reviving the very technique used by our Congress after the depression of 1929 started.

In the State of Utah alone, where the unemployment figure is already over the ten-thousand mark, an arbitrary 10-percent cut in all Federal budgets would mean that nearly 1,800 more would be added to the ranks of the unemployed. Can industry absorb these people? According to the March 25 issue of the United States News and World Report steel and automobile production is still at a high peak, but the total output of industry is down 2 percent. Total personal income is down 0.1 percent. Wages and salaries are down 1.4 percent, while all personal income is at high. The wage earner is already the hardest hit by this downward trend. Unemployment throughout the country is at a postwar high—3,400,000. One of the hardest fighters for this arbitrary 10-percent cut in Federal appropriations announced that he wants 500,000 fewer Federal workers. That would boost our unemployment to 3,900,000. All of these proposed

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cuts hinge around the word economy. But will this kind of economy bring about a healthy state of the Union if it results in 3,000,000 unemployed American citizens?

This is not an essay against efficiency and economy. No one wants waste any place in our economic structure. It is merely a discussion of our economic life as it stands. I cannot remove from my memory the fact that Mussolini, Hitler, Tojo, Lenin, and Stalin all talked about efficiency. Some of them went so far as to say that we must remove entirely from Government thinking the human processes or human factor. One gentle soul so mad at Russia the other night remarked that we will not have peace in the world until we kill fifteen or sixteen million Russians. I am a firm believer that if we followed that logic our problem would only be intensified. Cain thought he would be free if he got rid of Abel. Cain's real problem came after he killed Abel. Yet, think of the efficiency of 100 atomic bombs.

It is strange that at a time when the world is thinking and acting along humanitarian lines, probably more so than it has ever acted before, that along comes these persons who want to nullify all of the good we are trying to do in the world by restoring and establishing law and freedom, by attempting in the name of economy the very thing which will destroy happy living in our own country. An arbitrary, uniform slash across the board can bring disaster to us all.

There are other ways of creating efficient operation in government. But those constructive moves take time and are the hardest fights we have in Congress. I started working on the unification of the armed services while I was chairman of the Military Affairs Committee back in 1944. Only in this session of Congress have we passed a bill that is workable.

If I have not made myself plain, please let me become openly politically minded and say that I am unalterably opposed to what Senator BYRD and his Democratic colleagues on our side of the aisle and what TAFT and his Republican colleagues are trying to do to the economic life of our country. I have seen enough of depressions and wars in my lifetime. I would hate to live over again the years from 1929 to 1935 and see repeated that suffering from unemployment. I do not want to have to live through another world war.

Fiftieth Anniversary of Muncie (Ind.) Morning Star

EXTENSION OF REMARKS

OF

HON. RALPH HARVEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. HARVEY. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I take this opportunty to note the recent fiftieth publishing anniversary of one of the leading newspapers of central Indiana.

Having issued its first edition on a Monday in 1899, the Muncie Morning Star fittingly commemorated its golden anniversary by providing its readers a special edition of 108 pages on Sunday, May 29, 1949.

On that occasion, I am sure, Star readers shared the newspaper's happiness as expressed by its president and editor, Eugene C. Pulliam:

Any person or any institution that has reached a fiftieth milestone and is still going at full vigor has cause to do a bit of rejoicing.

Aside from its impressive size and quality, the Star's fiftieth anniversary edition carried the greetings of numerous notables, including President Truman and Vice President Barkley. The sentiments of those who comprehend the importance of a free press were ably set forth by two Cabinet members, whom I wish to quote.

In his congratulatory message to the Star, Attorney General Tom C. Clark observed that the life and strength of our democracy depend upon a well-informed citizenry.

Similarly Secretary of Labor Maurice Tobin declared:

Freedom of the press is a heritage of our American democracy. It was embodied in the Constitution of the United States, it has prevailed down through the years and it is my firm conviction that we will never know anything but a free press in this country.

A newspaper such as the Muncie Star, devoted for so many years to the objective of accomplishing greater good for the greater number in the community is symbolic of the importance the press plays in the daily life of the people it serves.

For itself and its associates of the advertising, printing, business, and circulation departments, the Star staff under the guidance of Managing Editor John O. Ferris editorialized on A Day of Pride. In conclusion that editorial gave the essential meaning of the newspaper's anniversary:

Today we look back and we look forward. We see 50 years of service and accomplishment and we hope for another half century of service. We expect to carry on the job that has been so well done for a half century; we hope to do an even better job and we are aware this must be done every day in the year. We will continue to take our responsibilities seriously and it shall be our policy to produce a good newspaper and serve our field today, tomorrow, the next 50 years.

Federal Grab of Coastal Lands

EXTENSION OF REMARKS

OF

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. HÉBERT. Mr. Speaker, I am submitting two editorials from New Orleans newspapers relating to the proposed Federal grab of the coastal lands adjacent to Louisiana which are owned by the State and which the Federal Government is now trying to usurp for its usage.

As so adequately pointed out by William H. Fitzpatrick, editor of the New Orleans States, this fight is not just an oil fight, it embraces far more than that erroneous impression.

In the second editorial which I call to your attention which appeared in the morning contemporary of the New Orleans States, the Times-Picayune, the method being used by Secretary Krug and Attorney General Clark to confuse the issue is exposed.

The first editorial, Tidelands: Not Just an Oil Fight, is from the editorial page of the New Orleans States; and the second editorial, Divide To Conquer, is from the editorial page of the New Orleans Times-Picayune:

[From the New Orleans (La.) States]

TIDELANDS: NOT JUST AN OIL FIGHT

The States that are fighting the tidelands steal ought to bring to the attention of their sister States the inherent danger in the proposed compromise by which the Federal Government would give a quitclaim on inland waters to the States but would take over jurisdiction of offshore oil developments.

The reason for the compromise offer in a bill backed by Secretary of the Interior Krug and Defense Secretary Louis Johnson is to split opposition to the Federal tidelands grab by satisfying inland States that the Government does not intend to claim their river bottoms, bays, harbors, and river mouths.

If these inland States are lulled by this narcotic premise, and their Senators and Representatives support the Government proposal, they will again be selling their birthright for a mess of pottage.

If they allow the Federal Government to dissuade them from the fight to retain what is rightfully the responsibility and property of other States, can they expect the tidelands States not to quit the field in some future battle against centralized government?

For that is what it all comes down to by realistic analysis. If they allow themselves to be bought off, they are giving up more than they will retain in this one skirmish. They will have acquiesced in a further diminution of the rights of States—among them themselves—and an increase of Federal bureaucracy and power.

In a learned essay on the loss of power by States and local governments Donald A. Kepner, assistant professor of the University of Louisville, has written:

"The States have lost powers because they have encouraged rather than resisted the interference of Federal agencies in local affairs."

Mr. Kepner may have added that even when encouragement was lacking, in many instances, there was somnolence; our rights were encroached upon and stolen away while the States were sound asleep. And, as in the present attempt, they were bought from some of them.

Louisiana, Texas, and California are leading the fight for tidelands oil rights to be retained by the several States. These States are most interested because they are the major oil-producing States on the littoral.

But other States with coast lines are Maine, New Hampshire, Massachusetts, Connecticut, Rhode Island, New York, Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Oregon, and Washington. All of them are interested, or should be. For if the Government can assume powers over tidelands, for oil, isn't it by the same measure granted powers for everything else in or over those same tidelands?

By what reasoning can Pennsylvania, New York, Ohio, Michigan, Indiana, Illinois, Wisconsin, and Minnesota feel secure in what rights they may now have to police, or tax, or regulate their shores, washed by the waters of the Great Lakes, if they support this proposal?

Finally, if any State agrees to this proposition, it is only agreeing that the Federal Government can give it rights which are inherently its own. And if it agrees that a Federal Government can give it such rights, it is also agreeing that a Federal Government

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can take those rights away any time the Congress wants to do so.

[From the New Orleans (La.) Times-Picayune]

DIVIDE TO CONQUER

Interior Secretary Krug and Attorney General Clark presented Congress Tuesday with a brand-new tidelands bill. As summarized in Washington press dispatches, the new measure proposes in effect to confine the Federal confiscation to the coastal States and renounce Federal claim to like confiscatory powers in the fresh-water Commonwealths. In effect, it would concede and confirm to one State group the practically identical rights taken away from another State group.

The several States have enjoyed, up to this time, equal rights in these matters under the Federal Constitution. The proposal to divide them and destroy that constitutional equality of rights will impress many Americans as cockeyed. But there is method in its cockeyedness.

With one or possibly two exceptions, the States through their governors and attorneys general stand united in the common defense against the Federal attack delivered by the tidelands grab. If that defensive unity can be broken by the Krug-Clark division of the 48 into nonright and conceded-right groups, Congressmen from the favored States may be persuaded to vote away the rights of the State group for which the Federal administration is gunning at this moment. Once that were accomplished the others could be dealt with later if and when, for example, oil is discovered under the bottoms of the Great Lakes or other fresh-water lakes, or the Federal authorities plan other encroachments upon State rights in other fields.

The Krug-Clark bill, if accurately summarized in dispatches, bases upon the ancient and cynical maxim: "Divide to conquer." Once the solid front of the States in defense of rights enjoyed, exercised, and judicially affirmed for more than a century were broken and the principle of equality of State rights destroyed, the drive for further Federal seizures and expansions of power would be given greater leverage and impetus.

This is so obvious that the State representatives composing the National Congress should hold their common-defense line solidly against the divide-to-conquer strategy and send back the Krug-Clark tidelands bill defeated to its collaborators.

Welfare Board of Henry County, Ind.

EXTENSION OF REMARKS

OF

HON. RALPH HARVEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include a letter from Dr. W. U. Kennedy, of New Castle, Ind., in which he sets forth the reasons why the Welfare Board of Henry County has not been able to function economically or efficiently. Dr. Kennedy has served as president of the board for many years and has an excellent understanding of the problems.

MAY 21, 1949.

STATE BOARD OF PUBLIC WELFARE,
Indianapolis, Ind.

GENTLEMEN: Four of the present members of the Henry County Board of Public Welfare have served continuously since the appointments were made by the judge of the Henry Circuit Court shortly after the welfare act was passed by the general assembly in 1936.

We believed then, as we believe now, that the general assembly intended that county welfare boards should exercise considerable authority over the welfare program in its own county, that it should determine who was eligible for assistance under the law, and, if eligible, how much assistance each recipient should receive based upon the peculiar situation in its own county.

This board has been willing to make reasonable provision for the various items of the standards for requirements which have been determined by the State board to be essential to a reasonable subsistence compatible with decency and health.

Through the years, this board has seen the gradual usurpation of its authority by the Social Security Board and the State department of public welfare, until it appears that the county boards now have no other function than the selection of a county welfare director from a list prepared by another agency, and acting as a rubber stamp for the actions of the county and State welfare departments.

The procedure suggested by the State Department in the setting up of a standards for requirements in the county, has changed from a procedure of good judgment and reasonableness into a complicated mathematical and statistical procedure which has wholly failed to take into consideration the available personnel of the county department not now engaged in carrying heavy case loads. Evidently whoever is responsible for the procedure and content of the suggested standards has only one purpose in mind, and that is the setting up in every county in Indiana a standard of living for aid to dependent children families which is higher than is enjoyed by the family of the average working man or woman with a like number of children. Such a procedure when it becomes generally known, will be bitterly resented by the public in any community.

This board believes that a grave and lasting injury can be done to the children of any family when such family is provided with everything it needs in the matter of food, clothing, shelter, etc., without such family being required to make some effort to help itself. Experience has shown that the most useful and successful men and women of any community are those who, as children, have had the incentive, through necessity, of helping to make their own way.

This board hopes that its views as expressed herein will receive the sympathetic consideration of the State board of public welfare, but it will offer vigorous objection to any effort on the part of any agency to further encroach upon its statutory authority.

By direction of the Welfare Board of Henry County.

Very truly yours,

W. U. KENNEDY, M. D.,
President.

Graduation of Indians at Cass Lake High School

EXTENSION OF REMARKS

OF

HON. FRED MARSHALL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. MARSHALL. Mr. Speaker, I would like to call to the attention of Members a recent editorial by Mr. Grant Utley, of Cass Lake, Minn., on the occasion of graduation exercises in his community. I think his editorial regarding the position of Indians in Cass Lake is a most remarkable statement of the basic principles of race relations. As a veteran editor he knows of what he is speaking and his words are a fitting tribute to all of the people of his community, particularly to his Indian friends and neighbors:

SO WHAT?

Someone remarked that the Cass Lake Times should make a special mention that six Indians are graduating tonight from the Cass Lake High School, and there are many who will be disappointed that we did not take advantage of this publicity.

To a man who has spent 50 years among these so-called Indians, it would be like calling attention that six Swedes or six Norwegians graduated. We have watched Indians graduate from Cass Lake High School for 30 years, and every year we have been roundly criticized for not calling attention to the claim that some boy or some girl "was the first full-blooded Indian to graduate from Cass Lake High School." It would make a good story, but it just wouldn't be so. In the first place, there are no full-blooded Indians. In the second place, Indians have been graduating from our high school for 30 years—many with honors.

And what makes it so wonderful for an Indian to graduate? What makes anyone think that the Indian cannot be as good a student, if not better, than the Anglo-Saxon, Nordic, Slavic, or the Finnish? The Amerindians were a great people. They had many great leaders. They gave to the world the greatest food crop of all history—corn. They gave the world the potato and tobacco. The Indian had a communal democracy and a planned economy long before the New Deal was formulated. There are a great many things of which the Indian may well be proud. It is not strange that in a village such as Cass Lake, where one-third of the population is of Indian blood, that there are six Indians in the graduating class.

There is altogether too much of a tendency to emphasize the outmoded European idea of the red man: Lo, the poor Indian, whose untutored mind.

We, in the north woods, have become so used to seeing Indians in responsible places, that when anyone calls our attention to the fact, we naturally say: "So what?" same as we would say if anyone would call our attention to the fact that a man was Irish.

There is no racial prejudice in Cass Lake, as far as the Indian. What prejudice there is, is a healthy personal prejudice, held by both whites and Indians. It has been a healthy contempt of people who do not try to be decent; it makes no difference what may be their race. A man is a man, and a woman is a woman in Cass Lake when they conform to the code of a civilized community, nationality notwithstanding.

There are men and women in Cass Lake, whose ancestors, in their dragon-prowed ships, spread terror from Ultima Thule to the Sicilies. So what? There are Cass Lakers, whose forefathers conquered with William the Norman. So what? There are men and women who are Sons or Daughters of the American Revolution. So what? There are men and women in Cass Lake, whose great grandfathers discovered the water roads and used them before history was written. So what? There are Indians in whose veins runs the blood of the noble Wah-we-yay-cum-ig, Waub-O-Jeeg and Na-Sho-Tah, as brilliant leaders of men as history records. But, again, so what? Every man and every woman, whether they be of Nordic, Gaelic, Latin, Slavic, or Indian descent, must take their place either in the up-building or the destruction of their country. It is not what your forefathers did. What will you do?

When an Indian gets into trouble, we do not mention his race, as many newspapers do, nor do we think it is necessary to mention his or her race when they do something outstanding, as many of them do.

Economic Disaster Is Ahead Unless the Light of Reason Guides Our Policies Both at Home and Abroad

EXTENSION OF REMARKS
OF
HON. H. R. GROSS
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1949

Mr. GROSS. Mr. Speaker, slowly but surely, as some of us have warned since the opening of this session of Congress, an economic strait-jacket is being prepared for the people of this country.

In our haste to do good in almost every nook and corner of the world, our foreign commitments are leading us into free-trade agreements which can only mean a lowering of the standard of living in this country. It follows that any lowering of the American standard of living means less tax revenue, greater deficits and steadily increasing debt.

A recent radio broadcast, in which I participated with Mr. Edward Wimmer, vice president of the National Federation of Independent Business, points up the views held by a great many with respect to foreign and domestic policies. The broadcast follows:

Mr. WIMMER. This week, ladies and gentlemen, I am speaking to you from Washington, D. C., where I have the pleasure of bringing to our Nation-wide audience an interview with the Honorable H. R. GROSS, a Member of Congress from the Third District of the State of Iowa.

If you have been a regular or periodic listener to these weekly talks and interviews sponsored by the National Federation of Independent Business, or if you are acquainted in some other way with the activities and objectives of the federation, you know that our paramount interest is the preservation of the American system of free, competitive, independent enterprise, in all fields, and at all levels of trade and commerce. After talking to Congressman GROSS, I am sure that his interests lie in this same direction.

Although our interview with the Congressman will be in keeping with our general theme, we are going to look into the problems being created on a swiftly growing scale by the import into our country of foreign goods, which we are convinced is adding greatly to the threat of unemployment and the possible liquidation of a large number of independent businesses. I discussed this danger in a recent broadcast and now Congressman GROSS is going to throw some more light on the subject.

Congressman, you have expressed yourself quite freely as someone who believes that we must move quickly if our system of free enterprise and free government is to survive the rising tides of socialism and communism now spreading throughout the world and taking root in our own country.

Last evening I spoke at a joint banquet of the Institutes of Technical Schools and the Home Study Council, held at the Mayflower Hotel. One of the things I tried to bring out as strong as I could is the complacency and indifference of so many business and professional men in our country today. You know and I know that the average business and professional man, even in these critical days, is little different than the German who sat in his beer garden and laughed at the cartoons of the little paperhanger who would some day hang them. It was the same way with the British enterpriser. No one could make him see that socialism could ever come to Britain, but all of a sudden, they had it.

Congressman, do you think that we are right when we say that the group that needs to be aroused more than any other segment of our economy, are the business and professional men?

Congressman GROSS. First of all, Mr. Wimmer, I want to thank you for the opportunity to appear on this program. I have heard your broadcasts many times and I have great admiration for your ability and the work you are doing. Let me say that we do face a very serious situation in this country from the standpoint of encroachment of socialism, and you have very substantial support in the statements which you have just made.

I should like at this time to quote Mr. Eric Johnston, who is no stranger to the people of this country. He is a former president of the United States Chamber of Commerce. Listen to what he says:

"European businessmen must bear the lion's share of the blame for socialism's sweep over Europe. There were other reasons, of course, but my repeated visits over there convinced me that capitalism went under in Europe, not because capitalism as a system failed, but because European businessmen failed capitalism.

"When British voters kicked out the Conservatives and put in the Socialists, 3½ years ago, they were not choosing between free enterprise and socialism. They didn't have any choice. Free enterprise as we know it, didn't exist in Britain. The voters had to make a choice between monopoly and cartels versus nationalization. It was a Hobson's choice and the people chose socialism. Monopoly has been the great curse of British industry for generations, like upper-crust titles, the principle of it was handed down from father to son. It permeated every phase of industry."

Mr. WIMMER. I am glad you used Eric Johnston's statements to declare your own views. I do the same thing often, because I have found that it takes the warnings of outstanding businessmen to give credence to what a commentator, economist, educator, or other person may say, even though said person may be far better informed. Businessmen are so ready to brand the warnings of those who can read the handwriting on the wall, as crystal ball gazing, pessimism or a false prophesy of doom. Recently, I have detected a change of attitude on the part of business and professional men, which is a very encouraging sign.

The things that I want to discuss with you, for the benefit of our audience, are the dangers inherent in our foreign trade agreements. I wish you would touch on some of these dangers, or weaknesses which you mentioned to me earlier in the day.

Congressman GROSS. Well, you know, Mr. Wimmer, it was the fine broadcast which you recently made on reciprocal trade agreements that caused me to write to you and which resulted in this interview.

I came to this Congress believing that I could and would support the reciprocal trade agreements but when this subject came up in Congress, I voted against extension of these agreements. I voted against extension because I am convinced that if the present policy is continued, it will break the backs of labor, business, and agriculture.

We can get at this thing in the best possible way by quoting from a statement by Congressman WOODRUFF, of Michigan, which he made on the floor of the House during debate on the reciprocal trade agreements. This is what Mr. WOODRUFF said:

"Essentially what the President and his leaders in the Congress are asking us to do is to rubber stamp one-man authority to negotiate and consummate treaties with other nations respecting the raising or lowering of tariff rates on goods shipped in from abroad. The President, and the President alone, would be given the power of determine how much goods shall be imported into this country; the amount of the tariff the importers will pay and the extent to which these cheap imports will compete with American goods in American markets.

"Abuse of this power, wittingly or unwittingly, could destroy much of American industry and cause widespread unemployment among our workers. I submit that no one man should possess such unlimited power."

So you see what we have done and are doing in these reciprocal trade agreements, is, in effect, to abrogate the Constitution of the United States. Certainly we abdicated from the power which the Constitution gives the Congress to regulate foreign trade. We have now essentially given this power to the President and the State Department, with virtually no check at all upon what is done in the matter of foreign trade relations.

I should like to point out too, that this whole thing is tied irrevocably to the ECA, otherwise known as the Marshall plan. In all too many cases, in our lavishment of money upon foreign countries under the Marshall plan, we have permitted use of these funds to purchase supplies from foreign countries which were available and in surplus quantities in the United States.

Under past performances of reciprocal trade we have, for instance, imported shirts from Haiti with the cuffs and the collars detached, therefore not a complete article, and as such they escape duty and are sold in competition to American labor.

We have imported shoes from Czechoslovakia with the heels off. These shoes come into this country, the heels are nailed on, and another product is sold in competition with the products of American workers.

The Swiss made a watch movement that could be delivered to this country and sold for approximately $8. It costs from $15 to $18 to produce the same movement in this country.

American manufacturers and workers cannot compete with such conditions unless standards of living in this country are reduced accordingly. I well remember that in your recent broadcast, you brought out the fact that we imported hundreds of millions of pounds of fats and oils into this country during the past year, at a time when we had a tremendous surplus, and at a time when the lard market was being broken from 28 to 11 cents a pound. So we piled surplus upon surplus. Instead of those fats and oils going to the hungry people of foreign lands where they were needed, we brought them into the United States and proceeded to further demoralize our markets. This sort of program cannot and will not work.

Mr. WIMMER. In other words, we supplied the money needed to produce the foreign fats and oils; put up more of our money to purchase some, and in the process knocked the props out from under American farmers, businessmen and workers.

The other day I received a letter from a manufacturer of willow baskets. The poor fellow related how he had been in this business for 26 years; foreign-made baskets were being sold 50 percent below his cost of production and the brokers who were selling him supplies were also brokers for the foreign baskets.

Congressman GROSS. The answer to all of this, in my opinion, is that we must have a tariff differential representing the difference between the cost of production in foreign countries and our own cost of production. Either that or we exploit the people

with whom we deal in foreign countries, or they exploit us.

Mr. WIMMER. Very true. Just a short time ago I was in Massachusetts and the entire textile industry seems to be near collapse in that State as a result of British woolen worsteds coming in here far below our cost of production. Something will have to be done about this whole situation.

Congressman, there is one thing in which we are very interested, and that is a bill to separate manufacturer ownership or operation of retail outlets, patterned somewhat after the consent decree entered into by the big meat packers several years ago. Mr. George Burger, our Washington representative, who is with us here in the studio today, has testified on this legislation and worked for it over a period of years. His rubber-tires bill, designated to achieve this end in the tire industry, is known to all Members of Congress. Do you believe, Congressman, that such legislation should be adopted?

Congressman GROSS. I certainly do, Mr. Wimmer. We must have something of that nature to protect independent business, which is, in my opinion, along with the independent farmer, the backbone of this Nation. We've got to protect both if we are to retain our American way of life.

Mr. WIMMER. I am glad you recognize this truth, Congressman. You hail from the greatest agricultural State in the Union, and the independent farmers of Iowa have made it the greatest agricultural State, just as the initiative and enterprise of thousands of independent businessmen built up the early industries of your State. Iowa needs more of these independent enterprisers if it is to remain a great State, and that goes for the rest of these United States.

This concludes our interview, Congressman GROSS, and I hope, and I am sure, our audience will be looking forward to hearing from you again in the near future.

Compulsory Medical Insurance

EXTENSION OF REMARKS
OF
HON. ALBERT M. COLE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1949

Mr. COLE of Kansas. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution:

PHYSICIAN VETERANS OF WORLD WAR II,
Washington, D. C., June 4, 1949.

At the annual business meeting of the Physician Veterans of World War II, on May 20, 1949, the following resolution was unanimously approved:

"Whereas we have served under a regime of regimented medical care and found it to be ideal for combat wartime conditions but totally inadequate and too demoralising for both patient and doctor in peacetime conditions: Be it so

"*Resolved*, That we, the Physician Veterans of World War II do hereby declare ourselves completely opposed to any form of compulsory medical insurance care and are specifically opposed to the plan proposed by President Truman as expressed in S. 5."

O. BENWOOD HUNTER, M. D.,
President.
CHARLES P. RYLAND, M. D.,
Vice President.
EUGENE J. MCDONALD, M. D.,
Secretary-Treasurer, Physician Veterans, World War II.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1949

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include a letter from Ralph Teetor, of Hagerstown, Ind. Mr. Teetor has given much time and thought to the problem of Federal aid to education, as the letter evinces.

PERFECT CIRCLE CORP.,
Hagerstown, Ind., June 9, 1949.

Hon. RALPH HARVEY,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE HARVEY: I have been keenly interested in the congressional discussion and reports on committee hearings on the Federal aid-to-education proposals. The 12 years I spent as a member of the local school board acquainted me with many school administration and education problems. This experience naturally has resulted in my interest and concern over developments in our educational system.

After studying the provisions of S. 246, passed by the Senate, I am convinced that there is a better method to give aid to education than is provided in that bill. I wonder what you and your colleagues feel about the reaction of the people in many States which are in a situation similar to that of Indiana? That position is one in which the return to the educational system of the State would be substantially less than the taxes paid to the Federal Government for the aid-to-education plan. Indiana is generally a little above average in education standards and would have to contribute more than it would be allocated under the plan.

It is true that there is not enough money spent for education purposes in any State. All need more. But Federal Government participation as proposed is not going to make more money available more easily. The money must come from exactly the same source it does now—from all the people.

It appeared to me that the Senate plan would not effect an over-all improvement. S. 246 simply takes from Indiana money that could be used to improve our schools and passes it along to other States' schools with lower standards. This would only serve to equalize education standards throughout the country rather than improve the general standard.

Furthermore, the $300,000,000 which has been proposed is only the smallest fraction of what is needed. Amounts of $5 to $29 per pupil per year will not make possible minimum standards throughout the Nation. Don't you agree with me, then, that S. 246 only establishes the precedent for the Federal Government to assume responsibility for setting minimum standards of education rather than actually making an improvement?

I am concerned also about this precedent the Federal-aid-to-education bill sets and the trend it perpetuates. You know as well as I do that with financial strings go political influences and ideologies. Even though there may be no intention on the part of those establishing the plan to inject such influence into the educational system, you must agree that it offers the opportunity to those who may wish to use it in the future. Certainly our educational standards and system would only stand to suffer from such influences.

The Federal Government can encourage higher educational standards without assuming control. Don't you believe that some of the suggested plans in which the States would retain a percentage of the Federal income taxes collected from their citizens in proportion to their need for education aid would accomplish that? Such plans would leave the control at the local and State level which I believe is extremely important.

In addition to this advantage, such a plan would provide a greater percentage of the tax dollar for direct application to the schools. Administration of such funds would be far more economical than if it were necessary for them to be handled through a Federal bureau and readministered back again at the State and local level.

I hope the House will consider establishing a much more desirable plan for aid to education than is provided in S. 246 or H. R. 400 and that the Senate would concur on such a change in the program.

Sincerely,
RALPH R. TEETOR, *President.*

The Patriotic Women's Groups Speak Against Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. WINT SMITH
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1949

Mr. SMITH of Kansas. Mr. Speaker, if there is one organization that I believe throughout its history has never wavered in promoting the cause of fundamental Americanism and our way of life, it is the DAR—Daughters of the American Revolution. There are many other outstanding women's organizations who zealously guard our age-old fundamentals. These fine patriotic women's organizations have made a most important discovery that many other pressure-group organizations have not made. It is simply this—we can't solve our modern problems by putting on rose tinted spectacles of a dream world.

These great patriotic organizations such as the DAR know full well that the Declaration of Independence and our Constitution are the anchor of our Republic and that we can't deviate from their principles. In every generation there must be organizations and individuals who will resist the encroachments of the enemies of our American Republic.

Many forces are at work in America to try and control American education.

I recommend to your attention the statement given below by the representative of Patriotic Women's Group before the House Committee on Education and Labor on June 1, 1949:

TESTIMONY ON BEHALF OF NATIONAL SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION, NATIONAL SOCIETY OF NEW ENGLAND WOMEN, NATIONAL SOCIETY, WOMEN DESCENDANTS OF THE ANCIENT AND HONORABLE ARTILLERY COMPANY

Mr. Chairman and members of the committee, my name is Madalen Dingley Leetch (Mrs. Wm. D.). Today I represent the National Society, Daughters of the American Revolution, the National Society of New England Women, and the Women Descendants of

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the Ancient and Honorable Artillery Company (of Boston 1634) and the American Coalition of 85 participating societies. It was my privilege to serve as chairman of resolutions for the Twenty-third Women's Patriotic Conference on National Defense which is composed of 35 participating organizations and more than 2,000,000 women. Each of these organizations adopted resolutions opposing Federal aid to education and also opposing the subversive indoctrination of young and old by left-wing educators, textbooks, and national study magazines. Copies of resolutions submitted herewith.

These women are the descendants of the founders and patriots of this country whose battle cry, "Eternal vigilance is the price of liberty," is their appeal to arms.

The dominant motive of the founders was to establish a society where individual liberties should be forever secure. These patriotic women are alarmed that already socialism, proclaimed by the Communist manifesto itself to be the "pocket edition" of Communism, has invaded our Constitutional Republic and caused Mr. Bevin, England's Prime Minister, to predict that America, like Britain, is going socialistic.

If nationalization ever becomes the normal method of American life, it will be too late to do anything against it, because government will then have usurped the status of master of the people, instead of their servant. The oppressed British people know this today too well and too late, as do also the French people and many others. Every well-grounded American knows that the objection to nationalization is a matter of principle rather than of degree. Fundamental Americanism requires that the individual be free to direct his own life.

Federal paternalism toward our free, independent States is inherent in Federal aid to education. It is a reversal of the American principle which rests upon the personal initiative of the individual, of the local community, and of the separate States to be self-supporting.

The real meaning of education, from the American viewpoint, is clearly set forth in the Oregon school cases decision of the Supreme Court (268 U. S. 510) rendered in 1925, and which was unanimous. The Supreme Court said:

"No question is raised concerning the power of the State reasonably to regulate all schools, to inspect, supervise, and examine them, their teachers and pupils; to require that all children of proper age attend some school, that teachers shall be of good moral character and patriotic disposition, that certain studies plainly essential to good citizenship must be taught, and that nothing be taught which is manifestly inimical to the public welfare."

The Court then expounded the fundamental theory of liberty in the American Republic, as follows:

"As often heretofore pointed out, rights guaranteed by the Constitution may not be abridged by legislation which has no reasonable relation to some purpose within the competency of the State. The fundamental theory of liberty upon which all governments in this Union repose excludes any general power of the State to standardize its children by forcing them to accept instruction from public teachers only. The child is not the mere creature of the State; those who nurture him and direct his destiny have the right, coupled with the high duty, to recognize and prepare him for additional obligations."

No one having an American mind can possibly disagree with this Supreme Court decision which states fundamental American principles.

In 1943 Senator TAFT in a minority report on Federal aid to education said:

"This proposal is in fact the beginning of a revolutionary change in one of our most fundamental Government activities. Congress ought not to give away Federal funds to the States with no Federal control over the spending of funds. If, on the other hand, the Federal Government is to retain control over the expenditures and to dictate them, then it means Federal control of education, an alternative equally obnoxious. There is no middle ground."

Nothing about these truths have changed. Only Senator TAFT has changed. Patriotic women reject Senator TAFT's compromise with truth. Federal aid to education, which means still further extension of the subsidy process to usurp additional Federal power, is still "obnoxious."

The Supreme Court has held in *Wickard* v. *Filburn* (317 U. S. 111, Nov. 9, 1942), that it is a natural and lawful thing for the Government to supervise that which it subsidizes.

General Eisenhower, now president of Columbia University, takes the view that "The Federal Government has no right to take tax money out of our pockets and then give it back to us without some form of supervision" (October 16, 1948).

S. 246 and H. R. 4643 require reports be made by the States to the Commissioner of Education. Supervisory power is inherent in this proposal.

Is it not a dangerous experiment to give Federal aid to education equally to all the 48 States and Territories which might secure the votes necessary to pass this legislation, but which would place them all under the same political control? If this is not the purpose, why is it done?

Patriotic women are deeply concerned further with the taxing away of liberty in behalf of greater spending, both domestic and foreign. Unless the trend of taxation is reversed, income and inheritance taxes at the present rates will destroy not only surplus wealth, both principal and income, but also the whole American system. Karl Marx realized this when he wrote the Communist Manifesto a hundred years ago, setting down abolition of private property and calling for "heavy progressive or graduated income tax," as all-important Communist devices.

If it is a fact that the Federal tax take is so great that the States can no longer support their own schools, the obvious remedy is to take immediate steps to cut down the Federal take, instead of increasing it. Sincere Federal aid would be to reduce Government taxing and spending.

Senator WILLIAMS and others have pointed out that during the period 1936–48 the States have actually improved their financial position. He said in a speech in the Senate March 29, 1949:

"Federal aid to the public schools of America is not desirable and it is not necessary. The debt of the Federal Government is over $250,000,000,000. The debt of all the 48 States added together, is about $2,500,000,000. The debt of the Federal Government is therefore 100 times as much as the total debt of all the States combined. * * * There is not a single one of the 48 which has not reduced its debt since 1940 and at the same time greatly increased State contributions to public schools. * * * The national average of salaries paid public-school teachers has increased 86 percent in the past 8 years. The average salary was $1,270 8 years ago. Today it is $2,362. * * * They have increased 156 percent in Mississippi; 150 percent in Alabama; and 157 percent in Arkansas."

The May 1949 Council of State Governments' report called the "48 State School Systems," indicates that $2,440 was the median average salary for teachers for the school year 1947–48.

The National Education Association itself, through its journal of March 1949 states that salaries for teachers have gone up from an average of $1,846 to an estimated $2,750 in the last 4 years. This is an increase of 50 percent.

Senators Taft, Walsh, Wherry, and Ball, when making a minority report on S. 637 in 1943 state that "The entire proposal (Federal aid to education) is placed before us by representatives of the teachers and other educational interests."

The principal registered lobbyist for Federal aid to education is the huge National Education Association, made up of innumerable departments, committees, commissions, and divisions. Of these the American Association of School Administrators and the Association for Supervision and Curriculum Development and other members will direct the spending of such Federal aid within the States.

"Education for the New America," was described by William E. Givens, executive secretary of the National Education Association in a report of that title before the old Department of Superintendence as long ago as 1934. Mr. Givens in making his report said:

"In our fragile interdependent society the credit agencies, the basic industries, and utilities cannot be centrally planned and operated under private ownership. Hence, they (the teachers) will join in creating a swift Nation-wide campaign of adult education which will support President Roosevelt in taking over and operating them at full capacity as a unified national system in the interests of the people."

Education for the "New America" has been going on ever since. These educators, who will spend the Federal-aid funds, sponsored the National Education Association's textbooks known as the "Building America Series." These textbooks were brought to the attention of the California Sons of the American Revolution, who, after making a study of them, reported their findings in a pamphlet entitled "The Betrayal of America." They took their complaint to the California Legislature. After extensive hearings before the California senate committee on education on complaint of the Sons of the American Revolution against the State education authorities, during which 50 authors of Building America series were shown to be members of 113 alleged Communist-front organizations, the senate committee reported:

"The committee finds the Building America books to be unfit for use in our schools." (P. 19, third report, senate investigating committee on education, California Legislature, 1948.)

The California Assembly bill No. 973 to appropriate State funds for the purchase of free textbooks for the elementary schools, included the cost of Building America, $173,632. After debate, the following amendment was adopted and affirmed in similar language in all the textbook appropriations of the 1947 California Legislature: "*Provided, however,* That no part of this appropriation may be expended for the purchase of any textbook or supplement thereto which is in any way a part of the Building America series or a duplication thereof whether known by that name or any other name."

Although the California Legislature finds those textbooks "unfit" for use, the California State Superintendent of Schools, who will direct the spending of Federal-aid funds for the State, thinks highly of them according to the National Education Association's journal for May 1948. The State superintendent of Public Instruction in his report supporting the textbooks, said that "This program" is expected to "condition much of the thinking of our youth."

A State may deny use of its funds for unfit purposes of education, but might not be able to prevent the perversion of "uncontrolled" Federal aid in the hands of educators.

The New York Journal American of April 23, 1949, in an editorial, "The 'Free Textbook' Peril," says, "And into the classroom has come a kind of textbook which conscientious and patriotic parents would not choose for their children * * * thousands of American children are being surreptitiously indoctrinated into various degrees of Marxism, collectivism, socialism, and communism. * * * The Employers Association of Chicago has dared to offer a leaflet, one subtitle of which truthfully says, 'Textbooks Can Be Red Propaganda.' That assertion may be classed as a modest understatement, because some textbooks are red propaganda."

The new 241-page report of the Committee on International Relations, Association for Supervision and Curriculum Development and National Council for Social Studies, all of the National Education Association, calls for a sustained educational campaign to indoctrinate children and adults with "world-mindedness" and to abate the evil of excess loyalty and patriotism. Acknowledging a grant of Carnegie Corp. money to aid them, they have discovered "ten marks" of a "world-minded American."

"The world-minded American knows that unlimited national sovereignty is a threat to world peace and that nations must cooperate to achieve peace and human progress. Enduring peace cannot be attained until the nation-states surrender to a world organization the exercise of jurisdiction over those problems with which they have found themselves unable to deal with in the past." (Education for International Understanding in American Schools, p. 44.)

In a news release of February 28, 1948, outlining the program and scope of the plan of the National Education Association, they say:

"Carefully worked out, along practical lines, our program stresses education for all. It sees the future need for compulsory education from 6 to 60, such as exists today from 6 to 16. To secure these, an increase of $5,000,000,000 yearly expenditure is proposed."

If some of you gentlemen have not reached 60 and are not "world-minded Americans" the National Education Association is out to educate you. It is not sufficient that some Americans have already earmarked themselves as world-minded, but all Americans are to be put into the educational hopper of "world-mindedness" in the new America. $300,000,000 a year of the long-suffering taxpayers' money will apparently be only a primer for our universal indoctrination.

Patriotic women protest the use of their Federal tax dollars by left-wing educators to aid them in an educational endeavor to scrap America's hard-won Declaration of Independence for "surrender to world organization."

America has forged ahead by the inspiration of the fires of nationalism and patriotism with such phenomenal success as to enable her to succor a mendicant world. James Madison said, "The patriotism of the people will continue and be a sufficient guard to their liberties." If the left-wing educators succeed in watering down patriotism with tax money, what then becomes of the "safeguard to their liberties?"

Patriotic women ask you to consider the significance of a poll recently taken among 10,000 high-school students in all sections of the United States, according to an editorial in the Manchester (N. H.) Morning Union, April 23, 1949:

"Asked about government control of food, clothing, rent, automobiles, farm equipment, etc., an overwhelming proportion declared themselves in favor of such regimentation. Their views are disquieting but not surprising * * they have been exposed to the virus that is socialism * * * blind to the dangers that threaten American basic freedoms."

The first step necessary toward successful totalitarian government is to control the thinking of the people.

Is it safe, for the survival of America, to give uncontrolled tax dollars to further this indoctrination of the voters of tomorrow?

From the May 16 testimony of the new United States Commissioner of Education, Dr. Earl J. McGrath, before this committee, you have the chart of the course he sets, when he tells you, "As a people we are determined that education shall not be used for nationalistic or selfish ends." Into his hands, via Federal aid, it is proposed to give the wheel of the ship of public education to chart its course through "recommendations and comments as in his judgment the Congress should consider" (S. 246, p. 8; H. R. 4643, p. 5) over an uncharted sea for the new America. Dr. McGrath, in a press dispatch February 2, 1949, declared he "favored aid to schools from kindergarten to college." Does he hope by this means to insure that no selfish nationalistic ideas will invade the minds of any Americans?

Dr. McGrath was a member of the President's Commission on Higher Education which made a national survey and formulated recommendations in three volumes, one sentence of which reads:

"The United States Office of Education must be prepared to work effectively with the State Department and with the United Nations Educational, Scientific and Cultural Organization. * * * (Report of the President's Commission on Higher Education, vol. III, p. 48.)

Senator MUNDT, Senator MCCARRAN, and others are currently proposing an investigation of the UNESCO as a haven for discharged Government loyalty suspects, at least 12 of whom have jobs in the UNESCO helping formulate planned mass education in this country and with whom the United States Office of Education is to work.

Dr. McGrath was formerly Professor of Education at the left-wing University of Chicago, some of whose professors recently have been under investigation by the Illinois Seditious Activities Committee as alleged members of Communist-front organizations.

It was Prof. Milton Mayer, of the University of Chicago, who, when addressing a meeting of wildly applauding one-worlders in Syracuse, said:

"We must haul down the American flag, and if I wanted to be vulgar and shocking, I would go even further and say, haul it down, stamp on it and spit on it." (From the CONGRESSIONAL RECORD, 80th Cong., Mar. 6 1947, vol. 93, pt. 2, p. 1720, Extension of Remarks by Congressman BERTRAND W. GEARHART.)

Congressman GEARHART then commented, among other things, "It is high time the American people started hauling down, not the flag, but the professors."

Gentlemen, it is your responsibility to see that no Federal tax money finds its way into the hands of those who would haul down the American flag.

The NEA report to which I referred on page 6 of my testimony comes out flatly with the assertion that "education for international understanding involves the use of education as a force for conditioning the will of a people." "Conditioning the will of a people" is a phrase that has unpleasant connotations of totalitarianism. It is a novel thought that in a free republic, education or any other medium has the mission of conditioning the will of a whole people. If that is the mission of education, we must conclude that education is not devoted to the development of free minds arriving at free opinions, but is an instrument of propaganda, shaping minds to preconceived dogma. Who gave free, tax-supported education any such mission?

The President's Speech at Little Rock, Ark.

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. MANSFIELD. Mr. Speaker, the President of the United States made a speech at Little Rock, Ark., on Saturday, June 11, 1949. Although his speech was before the Thirty-fifth Division of the First World War, his remarks were directed to the peoples of the world. The remarks of the President were meaningful and significant and show an awareness of the responsibilities of his high office.

There is no double-talk in this speech. It is a statement of what must be done if we are to bear our responsibilities, and I commend it to the Congress for its most earnest and serious consideration:

TRUMAN'S SPEECH ON WORLD AFFAIRS AT LITTLE ROCK

Governor McMath, Mr. Mayor of Little Rock, comrades of the Thirty-fifth Division, and ladies and gentlemen, we are here to dedicate this beautiful park to the dead of two world wars whose memory we should always hold dear.

The brave men who lost their lives in those wars would approve of the way you have chosen to honor them. This park will be a place of rest and recreation. It is fitting that a war memorial should be something that can be used and enjoyed by the people. Nothing could be more appropriate than to devote a war memorial to those values of human life which our soldiers died to preserve—the values of freedom and peace.

We are not a militaristic nation. We do not glorify the military way of life. Some nations have taken greater pride in their military victories than in any other of their national achievements, but it has never been so with this great country. When we think of war, it is with a prayer that the sacrifices our dead have made will never have to be repeated.

RESOLUTIONS NOT ENOUGH

After every war we have solemnly resolved to prevent future wars. We have learned, however, that it is not enough to make resolutions. It is not enough to utter them in speeches or engrave them on monuments. We have learned that we must devote the best efforts of our whole Nation to make those resolutions come true.

We entered the First World War to restore peace and to preserve human freedom; but when that war was finished we turned aside from the task we had begun. We turned our backs upon the League of Nations—the international organization which was established to maintain peace. We ignored the economic problems of the world and adopted a tariff policy which only made them worse. We let our domestic affairs fall into the hands of selfish interests.

We failed to join with others to take the steps which might have prevented a second world war.

This time we are fully aware of the mistakes that were made in the past. We are on guard against the indifference and isolationism which can only lead to the tragedy of war. This time we will not let our decisions be made for us by a little group of men who are concerned only with their own special interests.

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This time we have taken vigorous and far-reaching measures to preserve peace and restore prosperity throughout the world. We have assumed the responsibility which I believe God Almighty intended this great Republic to assume after the First World War. We have shouldered the enormous responsibilities that go with our tremendous strength.

We have been fortunate in having many public servants of ability and vision who have devoted themselves to the problems of foreign affairs and national defense. We have able leaders in the Congress who have mastered the complex details of our relations with other nations. They have made themselves familiar with the effects of our policies in all parts of the globe. They have labored painstakingly to enact a body of legislation to carry out the responsibilities we have assumed.

PEOPLE SAID TO UNDERSTAND

Most significant of all, the people of this country understand the supreme importance of our foreign policy and the great objectives toward which we are moving. Public debate has threshed out the basic questions of our foreign policy. The people have made up their minds. They have supported, and will continue to support, the measures necessary to maintain peace.

We have had to work for peace in the face of troubled conditions and against Communist pressures. But because we have been united in our determination to use our strength and our substance we have already turned the tide in favor of freedom and peace. The disintegration of the democracies of Europe has been halted. To free peoples in many parts of the world have been given new hope and new confidence. The restoration of a system of world trade has begun. And all this has been accomplished without closing the door to peaceful negotiation of the differences between the free nations and the Soviet Union.

But we are only midway in carrying out our policy. We have a long way to go before we can make the free world secure against the social and political evils on which communism thrives. The cause of peace and freedom is still threatened.

Yet there are some who have grown weary of the effort we are making. There are voices which claim that because our policy has been successful so far, we can afford to relax now. There are some who want to slash the aid we are giving to the economic recovery of other nations; there are some who want to reject the measures that are necessary for defense against aggression; there are some who wish to abandon our efforts toward the revival of world trade. Those are the same voices that misled us in the 1920's. They are misguided by short-run considerations. They refuse to face the plain facts. They try to convince us that we cannot afford to pay the price of peace.

But the people of the United States will not be misled a second time. We know that the short-sighted course, the easy way, is not the path to peace. The task is difficult and requires firm determination and steadfast effort.

We know that if we are to build a lasting peace in the world we must achieve three essential conditions.

First, this Nation must be strong and prosperous.

Second, other nations devoted to the cause of peace and freedom must also be strong and prosperous.

Third, there must be an international structure capable of adjusting international differences and maintaining peace.

The first condition is our own strength and prosperity.

It is unusual for this Nation to maintain substantial armed forces in time of peace. Yet so long as there is a threat to the principles of peace—the principles on which the United Nations is founded—we must maintain strong armed forces. Any uncertainty as to the ability or the willingness of the free nations of the world to defend themselves is just an invitation to aggression. We have seen the truth of this statement in the outbreak of two world wars.

Our national strength is not, however, simply a matter of weapons and trained men. Even more important are our economic growth and continued prosperity.

Our economy is the center of a world economy. The hope of economic revival throughout the world depends in large measure upon the prosperity of the United States. If our production and purchasing power are badly impaired, if the buying and selling and investing that we do in other parts of the world are cut off other nations will be plunged into chaos and despair.

COMMUNISTS? WRONG AS CAN BE?

It is a prime belief of the Communist philosophy that our kind of economy is doomed to failure. The Communists predict that our prosperity will collapse—bringing the rest of the free world down with it. But they are wrong—just as wrong as they can be.

We know more today about keeping our economy strong than we have ever known before. We know how to strengthen our economy through the expansion of production and the purchasing power and the improvement of standards of living. We understand that constantly rising national output, increasing real wages, and a fair income for our farmers are basic elements of our economic strength.

To maintain these elements of prosperity, it is not sufficient to drift with the tide. We must take advantage of the new opportunities, the increased demands which result from the natural growth of our population. We must develop our natural resources and restore those we have depleted and wasted. We must establish a fair distribution of business opportunity; we must have a free labor movement able to hold its own at the bargaining table; we must protect the purchasing power of Americans against the hazards and misfortunes of life.

These steps are necessary if we are to continue strong and prosperous. That is why our domestic programs for the development of resources, for protection against economic hazards, for the improvement of social conditions, are fundamental to our national effort for peace.

OTHER NATIONS MUST BE STRONG

The second condition essential to peace is that other nations, as well as our own, must be strong and prosperous.

We need other nations as our allies in the cause of human freedom. We have seen free nations lost to the democratic way of life because of economic disaster. We know that despair over economic conditions will turn men away from freedom and into the hands of dictators.

It is to our interest, therefore, to aid other nations to restore and maintain their economic health. Our aim is not only to help other nations to help themselves, but also to encourage economic cooperation among them.

We have taken the lead in cooperating with other nations to restore a mutually beneficial system of world trade. No nation today can achieve prosperity in isolation. Only through participation in the trade of the world can a country raise its own standards of living and contribute to the welfare of other nations.

For years before the war world trade was crippled by high tariffs, import quotas, exchange manipulation and other artificial devices for securing commercial advantage. These practices were a symptom of international anarchy. They resulted ultimately in idle ships, idle men and economic chaos.

We have come a long way toward correcting these evils. Since 1934 we have worked out a multitude of agreements with other countries to reduce specific tariff barriers. In the general agreement on trade and tariffs of 1948 we struck a world-wide blow at these obstacles to trade.

But this work is not yet finished. If we are to succeed it is vital that the authority to negotiate reciprocal trade agreements be extended. We should then go on to establish a permanent international trade organization to apply standards of fair dealing in the commerce among nations.

ERP "HALTED DISINTEGRATION"

The same cooperative principle has been applied in our great undertaking to restore the economies of the western European nations to a self-sustaining basis. The food, fuel and equipment which have been sent to Europe have been matched by the efforts which these nations have made to restore their own economies and to cooperate with one another in increasing their production and raising their standards of living.

It is fair to say that the European recovery program has halted the social and economic disintegration which threatened the countries of western Europe with communism and civil strife.

Nevertheless the European recovery program is still in its early stages. At the outset it was estimated that it would take four years before these countries could again become independent of special economic aid. Only a little more than one year has passed since we began.

If we were to falter now and cut down our aid, the momentum of recovery would be destroyed. The people of these countries would be thrown into confusion and their advance toward economic self-reliance would be blocked. A slash in the funds available for European recovery at this time would be the worst kind of economy. It would cancel the hopes and the plans of the western European nations. It would be a great gain for communism.

I am confident that we shall not make this mistake.

Our concern with the economic health of the world also extends to its underdeveloped regions. The prospects for peace will be immeasurably brighter if we can offer a future of hope and a better life to the people of these regions. In these areas there are millions who for centuries have known nothing but exploitation and poverty, and whose economic life is still primitive.

I have offered a program for bringing these people the benefits of our modern civilization. It is not a program of relief. While it is intended ultimately to bring about a great movement of capital through the channels of private investment for the development of these poverty-stricken regions, it is not a program of imperialism. The development of these areas offers enormous potential benefits to a growing world economy.

PROGRAM TO CONGRESS SOON

We have to lay the foundations for this program with care. I expect shortly to send to the Congress recommendations for initial legislation. This will be but the first step of many that we shall take, over the years to come, in this cooperative effort to better the living standards and to unlock the human skills and the natural resources of the underdeveloped parts of the globe.

The third condition essential for peace is an international structure capable of suppressing international violence. However well conceived our economic programs may be, they cannot succeed unless there is some assurance against the outbreak of aggression. Neither our own prosperity nor the prosperity of other nations can survive unless we can protect the operations of economic life from the threat of war.

Such protection depends on two factors. First, there must be constant efforts by all

nations to adjust their differences peacefully. Second, there must be an agreement among nations to employ overwhelming force against armed aggression.

The United Nations is the instrument for accomplishing these ends. It has already achieved the peaceful settlement of difficult issues. It has stopped hostilities in the Near East and in Indonesia. It has done a great deal to explore and find solutions for many of the economic and social problems which afflict the world.

Much remains to be done, however, to carry out the principles of the United Nations. Within the terms of the United Nations Charter, we and certain other countries have undertaken to provide greater assurance against the danger of armed conflict. That is the purpose of the North Atlantic treaty. The idea behind this treaty—the association of democratic nations for mutual defense—is well understood in this country. Perhaps we do not understand, however, the importance of this pact in the eyes of the other democratic nations which are parties to it. They have been greatly weakened by war. They have been haunted by the fear of again becoming the scene of conflict. By assuring them of our support the pact goes a long way to dispel their fears.

SEES SENATE'S O. K. FOR PACT

I have been greatly heartened by the unanimous report of the Foreign Relations Committee of the Senate this past week in favor of the North Atlantic treaty. I believe that it will soon be passed by an overwhelming majority in the Senate. The effect of this action will be immediate and far-reaching in allaying the fears which have retarded the economic recovery of Europe.

It is of vital importance that the Atlantic pact be followed by a program of military aid to increase the effective strength of the free nations against aggression. This military-assistance program is based upon mutual help—will give additional confidence to the people of those nations as they continue to rebuild their economies.

These measures will bring a stability to the democratic nations of Europe which has not existed since the end of the war. They will at the same time contribute directly to the security of the United States of America.

I have discussed the three essential elements of lasting peace—a strong and prosperous United States, a strong and prosperous community of free nations, an international organization capable of preventing aggression.

We have given greatly of our effort and our strength to build a firm and enduring foreign policy upon these essentials. The burdens we have had to assume in this enterprise have been enormous and unusual.

Never in the history of the world has the victor contributed to the recovery of the vanquished as this country has done after the second world war. The size of the national budget shows that we are engaged in an undertaking without parallel in the history of our country or in the history of the world.

But the goal we seek is a great one and that goal is worth the price. Never has a nation had the opportunity which we have today to do so much for the peace and prosperity of mankind. Never has a nation had a better chance of reaching this high goal.

We must not falter now.

We must not defeat our own efforts by doing only half the job that lies before us.

The brave men whose memory we honor here did all that was required of them. They did not fail us. We must not fail them in our efforts to reach the goal for which they died.

We must press on in the confidence that we will succeed in the mission a divine providence has assigned to us.

Address of Mr. Herbert Hoover to Graduating Class

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. REED of New York. Mr. Speaker, under unanimous consent heretofore granted, I am inserting in the RECORD the speech of Mr. Herbert Hoover, which he delivered to the graduating class of Wesleyan University, in Ohio, on June 11. The speech appeared in the New York Times on Sunday, June 12, 1949.

HOOVER TALK URGING SELF-RELIANCE AS KEY TO PROGRESS

DELAWARE, OHIO, June 11.—The address of former President Herbert Hoover at today's exercises here marking the formal inauguration of Dr. Arthur S. Flemming as ninth president of Ohio Wesleyan University follows:

"This season you and a mighty host of 500,000 other American graduates are lining up to receive your college diplomas.

"Once upon a time, I lined up just as you are. For me, it was a day of lowered spirit. The night before we had omitted the cheerful song about the Owl and the Pussy Cat, and chanted of Working on the Railroad, and that immortal college dirge about going Into the Cold, Cold World. The dynamic energy and the impelling desire to crack something up had sunk to low-action levels.

"I had to listen to an address made up of the standardized parts which were at that time generally sold at commencements.

"It took over an hour for the speaker to put the parts together. We were warned that our diploma was an entrance ticket to jungles of temptation and hard knocks. Our speaker dwelled upon the founding fathers, the division of powers, upon Herbert Spencer and John Stuart Mill. He said we were living in a new era in the world. He described it as liberalism.

STANDARD SPEECH DESCRIBED

"The idea had to do with free minds and free spirits. It included the notion that America was a land of opportunity—with the great ideal of being a land of equal opportunity. We were told that life was a race where society laid down rules of sportsmanship but let the best man win. The encouraging note in his address was emphasis upon Christian in the Pilgrim's Progress and Horatio Alger.

"I confess my attention on that occasion was distracted by a sinking realization that I had to find a job—and quick. Also, I know a girl. Put in economic terms, I was wishing somebody with a profit motive would allow me to help him earn a profit, and thus support the girl. At the risk of seeming revolutionary and a defender of evil, I suggest that this basis of test for a job has considerable merit. It does not require qualifications either of good looks, ancestry, religion, or ability to get votes.

"It is true that I had some difficulty in impressing any of the profit and loss takers with the high potentialities of my diploma. But I was without the information at that time that I was a wage slave. I was buoyed up with the notion that if I did not like any particular profit taker, I could find another one somewhere else."

DID NOT FIND COLD WORLD

"And let me add that under that particular new era I did not find a cold, cold world. I found the profit takers a cheery and helpful lot of folks, who took an enormous interest in helping youngsters get a start and get ahead in life. And you will find that is also true today. Indeed, their helpfulness has improved, for, as technology becomes more intricate, they are searching for skills, and your diploma commands more respect.

"And now voices tell us that we are in another new era. In fact, we seem to have a newer era every little while.

"Incidentally, I entered the cold, cold world in the midst of what the lastest new era calls a disinflation. We mistakenly thought its name was depression. But as I did not then know that governments could cure it, I did not have the additional worry of what the Government was going to do about it.

"The new era of today seems united in the notion that they have just discovered real liberalism and that all previous eras are reactionary. Some tell us that in their new era, life is still a race, but that everybody must come out even at the end. Another modernistic school adds to this that life still may be a race, but that each step must be dictated by some official or unofficial bureaucrat with stop-and-go signals. They hold out the attraction that with this security you will finish with an old-age pension and your funeral expenses from the Government."

"SECURITY" HELD JOY KILLER

"Whether these newest eras are right or wrong, 'security,' which eliminates the risks in life, also kills the joy that lies in competition, in individual adventure, new undertakings, and new achievements. These contain moral and intellectual impulses more vital than even profits. For from them alone come national progress. At all times in history there have been many who sought escape into 'security' from self-reliance.

"And if you will look over the workings of these newest new eras throughout the world, you may notice that the judgment of the Lord on Adam has not been entirely reversed, even by the Supreme Court of the United States. Moreover, governments have not been able to fix the wages of sin. Nor have they found a substitute for profit and other personal stimulants.

"America has not yet embraced all these new ideas. The reactionary notion of equal opportunity with the right of everyone to go as far as his ambitions and abilities will take him, provided he does not trespass on others, still holds in the American dream.

"How far he can get has been damaged by two great wars and inefficiently organized government, which we have to pay for. To pay it, you will need to work 2 days out of the week for the Government for a long time. The commission upon which President Flemming and I have taken part is trying to take a few hours off that penalty."

WHAT UNITED STATES HAS DONE

"And there is something more to be said for the old reactionary notions which held to basic freedoms of mind and spirit, holding aloft the lamp of equal opportunity. In the years since, the founding fathers, a God-fearing people, under these reactionary blessings, built up quite a plant and equipment on this continent.

"It teems with millions of comfortable farms and homes, cattle and hogs. It is well equipped with railroads, power plants, factories, highways, automobiles, and death warnings. It is studded with magnificent cities and traffic jams. The terrible reactionaries have filled the land with legislatures, town councils, free presses, orchestras, bands, radios, juke-boxes, and other noises. It has a full complement of stadiums, ball players, and college yells.

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"Furthermore, they sprinkled the country with churches and laboratories, built 10,000 schools and a thousand institutions of higher learning. And somehow, these reactionary-minded taxpayers are squeezing out the resources to maintain a million devoted teachers, a hundred thousand able professors, and to keep over two million of you in colleges and universities. Possibly another ideology could do better in the next 173 years. But I suggest we had better continue to suffer certain evils of free men and the ideal of equal opportunity than to die of nostalgia."

GREAT JOB SEEN FOR GRADUATES

"It is very sad, but did it ever occur to you that all the people who live in these houses and all those who run this complicated machine are going to die? Just as sure as death, the jobs are yours. The plant and equipment comes to you by inheritance, ready to run. And there are opportunities in every inch of it. But the best of these jobs are never filled by security seekers.

"Moreover, there are other vast opportunities for those who are willing to take a chance. If we just hold to our reactionary ideas of free minds, free spirits, and equal opportunity, we have another glorious opening for every young man and woman. Science and invention, even during these troubled years, have given us further mighty powers of progress. New discoveries in science and their flow of new inventions will continue to create a thousand new frontiers for those who still would adventure.

"You have the blood and the urge of your American forebears. You are made of as good stuff as they. I have no doubt of your character and your self-reliance. You are better trained and equipped than we were. I know you are champing at the bit to take your chance in an opening world.

"Do not fear it will be cold to you."

PRAISE FOR PRESIDENT FLEMMING

"I am glad to come to Ohio Wesleyan University today to take part in the formal installation of my friend, Arthur Flemming, as your president. I know more about him than I do about John Wesley. But every American knows Wesley as the founder of a great movement which has inspired millions to righteous living.

"I am, however, concerned with Mr. Flemming. I need not tell you that he is a son of this university, or of his years of public service in war and peace.

"I have worked with him intimately for the past 2 years. He was better fitted for the work of the Commission on Organization of the Executive Branch of the Government than any of the rest of us. He brought high statesmanship and great understanding of its human problems. I can condense the many things I could say of Dr. Flemming into two short sentences:

"President Flemming will be one of the great American university presidents. That is one of the highest positions of leadership in our American life."

The Ominous Rise in Unemployment

EXTENSION OF REMARKS

OF

HON. CHARLES R. HOWELL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. HOWELL. Mr. Speaker, a grave national problem, which has been seriously worrying me, and I am sure, many other Members for several weeks, has been brought into sharp focus over the week end. I refer to the ominous rise in unemployment. The Census Bureau has reported 3,289,000 unemployed as of May 14. The President's Council of Economic Advisers believes this figure too low. Its figure is 4,800,000—well over a million more men and women out of work. Whatever figure you take—and from the increasing lay-offs in my own district, I believe the higher one more realistic—we are in for serious trouble unless steps are taken now to stop this decline in jobs.

The same papers that carried the story of the conflict between the two estimates of unemployment figures, carried a report of a statement by Americans for Democratic Action calling for immediate attention, by Congress and the Executive Branch, to this most serious situation.

I believe with ADA that now is the time to act. Under leave to extend my remarks in the RECORD, I include a statement by the National Board of Americans for Democratic Action. I commend it to the attention of all Members who share my concern about the increasing number of our constituents now without work.

STATEMENT OF NATIONAL BOARD, AMERICANS FOR DEMOCRATIC ACTION

The national board of Americans for Democratic Action is deeply concerned with current trends in unemployment and production, and believes that real economic danger may lie ahead. Latest Government figures show that unemployment is rising seriously and nearing the danger point in many localities. Total production is still falling off.

We do not feel that this is a time for panic, but neither do we believe America can be serene about the future. In our judgment we are on the thin ice of a recession, and unless we act quickly and effectively, we may plunge through into disaster. A major depression in America would be a stunning setback to the free world.

From all the economic wisdom our country has gained in the past 20 years, surely we must recognize that the time to act is now. To ignore the present danger signs would be incredibly foolhardy. To defer action until the "bust" is here may require the imposition of harsh and disagreeable controls and long years of deficit financing. We believe our national leaders are capable of exercising as much foresight in domestic economic matters as they are in foreign affairs. Just as they recognize that the Atlantic Pact is designed to prevent future, costly liberations, so they should recognize that wise economic planning now will make unnecessary a costly recovery from a future depression.

We are unwilling to rely on the "wait and see" school of economic thought, which is the present-day version of the "too little, too late" economics which led us into the 1929 holocaust. We urge the President and the Council of Economic Advisers to include in their forthcoming midyear report an unvarnished analysis of the current economic situation, without panic but also without sugar coating. If an emergency is found to exist, we urgently request that they present to Congress recommendations for increasing consumer purchasing power. A precise report on the present plans for public works and a time schedule stating how soon they can be started should be included in such a report.

There are several other steps which can be taken immediately without further study to increase consumer purchasing power. Many of these have been available for some time. Only congressional inaction has prevented their use. We refer to the administration's proposals for an expanded 75-cent minimum wage, extended and increased social security benefits, a public-housing program, Federal aid to education, and the Brannan farm program. These measures should be passed immediately. Big business can give immediate help by making price and wage adjustments in high-profit industries. Another way of checking a drop-off in spending is to reduce consumer (excise) taxes, offsetting this to the extent necessary through a revision of the personal and corporate tax structure more in line with the principle of ability to pay.

We reaffirm our long-standing support of full employment, and vigorously oppose any false economy in Government expenditures which jeopardize programs designed to attain this end. In time of economic stress budget balancing must not be the prime consideration. As the late President Roosevelt said, "We must make every effort to balance the budget of our human and natural resources."

For the near future, we urge serious consideration of the principles and objectives of the Economic Expansion Act of 1949, soon to be introduced by Senator JAMES MURRAY and several other Members of Congress. ADA insists that hearings on the bill be held immediately after introduction. This bill—with its incentives to production and investment; its attempt to bring about a better balance between wages, prices, and profits; its reserve of public works projects to bolster a sagging economy; and its aid to the unemployed—embodies the very kind of advance economic planning which ADA believes America must undertake at once.

We feel that the proposal as now drafted should be expanded to include a clear plan for prompt action in the event that the present trend of unemployment continues. Provisions for direct Federal emergency unemployment compensation and relief programs should be included in the bill.

Since the problem of heading off economic disaster concerns all elements in our national life, and since the Murray bill is a legislative attempt to meet this problem, ADA is calling for July 12 a meeting in Washington of all public-interest groups who agree that we must take positive action now. At this meeting Members of Congress, officials of the executive branch, and leaders of liberal, labor, and farm groups will discuss proposed measures and rally support for a workable, democratic program to stop the depression before it starts.

Polish Leaders Shun Trappings of Power

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks, I wish to include a very interesting and informative article written by Joseph C. Harsch, which appeared in the Christian Science Monitor on Thursday, June 9, 1949. Mr. Harsch is on a European tour as a special correspondent for the Christian Science Monitor, and is writing a series of articles on conditions in eastern European countries. Mr. Harsch is a correspondent who has established a splendid record as an unbiased and objective writer:

(By Joseph C. Harsch)

WARSAW.—Although they seized power 4 years ago and gradually have increased their

grip on it ever since, Polish Communists still hesitate to assume the outward trappings of power.

They still hesitate to proceed rapidly even with the socialization, let alone the communization, of Poland; still conceal the basis of their power behind the screen of a coalition government and the United Workers Party. Technically, there is not even a Communist Party in Poland.

This is the first thing to be noted about Russia's most important political dependency in Europe today.

The second is that for the very reason that the Communists have kept themselves out of sight as a party, the government which they control enjoys considerable credit in the eyes of the great bulk of the Polish people. It is a curious kind of credit; a credit mixed with doubt and uneasiness and apprehension of the future; a sensitive condition which could very easily be disturbed, disastrously for the government.

ON THE CREDIT SIDE

But one must begin with the credit if one is to try to build a basis for assessing the future in Poland.

The fact is that at the end of the war Poland was pitifully weak, badly divided and terribly damaged. Its population was down from 33,000,000 to 24,000,000 persons. Its capital was in ruins—the worst damaged of any major city in all Europe. Its boundaries had been picked up bodily and shifted westwards and it was necessary to fill the empty new territories with people and make the fields and mines and factories in those areas operate.

If the government which the Communists control had put communization of Poland at the top of its priority list, the story might be very different today. But it did no such thing. It put the physical and economic reconstruction of Poland first. And in doing that Polish communism associated itself with the basic urge of the great majority of the Polish people.

The Communists were not the only people in Poland who wanted to get these things done. Every other Pole had the same desire. And it is quite possible that the accomplishments of the past 4 years toward the rebuilding of Poland would have come just as fast under a non-Communist Government.

COMMUNISTS IN CONTROL

But the Communists saw to it that they controlled the government, and directed the reconstruction effort. In effect, they stole the leadership in the great task of Polish reconstruction; and under their leadership Poland has in fact performed prodigies of reconstruction.

Whether the accomplishments are because of, or in spite of, the Communists and how much they are due just to the energy of Poles and Polish love of country are questions which can be debated endlessly and fruitlessly. No one can say. The important thing is that enormous reconstruction has been achieved and that the Communists have ridden along with it as inconspicuously as they could.

Some western observers in Poland even contend that reconstruction has been faster because of Communist methods employed. For one thing, communism tolerates no strikes where it is in control. There have been no strikes in Poland to delay or confuse the reconstruction effort.

For another, Communists who are the first to howl against the speed-up when employed in a non-Communist country are the first to employ the speed-up where they are in control. The speed-up has been the first characteristic of Polish industry and mining since the war.

ECONOMIC UNIT

Whatever the price, however, Poland has become a working economic unit. Its mines have been supplying coal to Russia and Italy, Czechoslovakia and Sweden, Hungary and France. Its food is flowing to Britain in return for western machinery. Poland's trains run on time. The recovered territories—East Prussia and Silesia—have been populated. And Warsaw is rising like the phoenix out of her rubble and ashes.

Warsaw is the most spectacular job of reconstruction to be seen anywhere in Europe. Two years ago when I visited this city it was alive, but it was a life dominated by ruins. The new shops and houses were mostly jerry-built temporary structures dug into the ruins. Now the ruins no longer dominate. Fresh, brightly painted newness is the dominant.

Two years ago, there were 10 buildings standing in the street of the New World, and 80 in ruins. Today 80 are new and finished and only 10 are still in ruins. And the new street is actually more beautiful than the old for the buildings have been restored from the original designs and therefore stand out in their original eighteenth century unity and beauty, free from the encrustations of the Victorian period.

LITTLE EXHIBITION

With all this the Communists have associated themselves, the meanwhile avoiding those Communist exhibitionisms which are so much more prominent in other of the people's democracies.

Polish communism has not yet put the red star into the heraldry of the state; has not even put it on the cap badge of the soldier as it has in all the others. The hammer and sickle are rarely seen. I have not seen a single picture of Joseph Stalin in Warsaw, although I am sure they are to be found if one searches. Polish troops still march to church in formation as part of their regular exercises.

Private enterprise still flourishes in many sectors of the Polish economy. Private ownership is permitted if the enterprise employs less than 50 persons on each shift. Most retail shops in Warsaw are privately owned. Much of the reconstruction of Warsaw has been financed by private persons and executed by private contractors.

Collectivization of farm lands exists so far only as a propaganda Potemkin village. The launching of numerous farm collectives has been announced. But western observers have been able so far to locate only one which amounts to more than a manager with a title. The press has not been permitted to visit a collective; the reason apparently being that nothing which could be visited really exists yet.

In short, Poland is on the surface the least communized of the Russian dependencies just as, ironically, Yugoslavia is the most communized.

That is the condition now; the condition at the end of 4 years of gradual increase of Communist power; and the condition as the Council of Foreign Ministers debates the issue of Germany at Paris.

You Can't Please 'Em, At Least Not All the Time

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, you can't please 'em, at least not all the time; and that is a good thing, for, if you could and Congressmen were so advised, their heads would be apt to swell—at least, while here in Washington.

Free press and free criticism are not only constitutional rights here in the good old United States of America, but criticism of Congressmen is a popular indoor and outdoor sport. A legitimate sport, for everyone helps pay the Congressman's salary and everyone is his boss. Hence, there is no reason why the Congressmen should not be told.

Moreover, your Congressman would not be happy if there was not free discussion in his District and he might become indolent if he was not explaining or advocating during his waking hours.

All of which brings me to an editorial from the News-Palladium, edited and published by Stanley R. Banyon at Benton Harbor, Mich., and which reads as follows:

EVERY LITTLE BIT HELPS

Congressman HOFFMAN has introduced a bill providing a 5 percent voluntary reduction in congressional salaries and expense accounts.

Congressmen now get a salary of $12,500 a year, plus $2,500 in nontaxable expense money. (They don't have to buy postage stamps either.) This adds up to $15,000. Five percent of $15,000 is $750, which would make the annual take-home pay of House Members $14,250 if the bill should be passed.

This sounds to us like those $15 cuts on $2,000 motorcars.

Just the last sentence, no more, of the above was reprinted in an editorial by Harry Whiteley of the Dowagiac Daily News.

Here in Washington during the last few weeks Senators and Congressmen have been hearing about economy from the folks back home who at last realize that if there is not less spending here in Washington taxes will be higher, there will be a drop in business, more unemployment, and eventually we will all go "bust." So the people's representatives, instead of just talking economy, have started to really do something about it.

The Hoover report, printed and verbal comments thereon, gave the people a little accurate information as to the extent of the stupendous waste and inefficiency in their Federal Government. So they began to write their hired men in Washington. The hired men, especially those in the House, who must seek reelection every 2 years, are beginning to listen to what their bosses say.

A group of Senators—both Democrats and Republicans—proposed a 5-percent cut in expenditures in the executive departments. Senator TYDINGS suggested a 5-percent cut in Senators' and Congressmen's salaries. Your humble servant introduced a bill to cut the salaries 5 percent. He also objected to the move to give Congressmen additional clerk hire of $3,000 per year. That particular item was not so bad because the money can be wisely used. However, as practically everyone seems to be tightening up his belt and, either voluntarily or otherwise, taking a cut, I thought it consistent for Congressmen, if possible to do so without denying the home folks service they needed, to forget the additional clerk hire, but in any event to take a cut in their own salaries.

The News-Palladium was quite nice about it for it did caption its editorial

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with the statement that "Every little bit helps," but then it ended with the statement that "This sounds to us like those $15 cuts on $2,000 motorcars." Editor Whiteley forgot any words of commendation.

A $750 cut on the salary we get isn't very much, but it is the same percentage that we were asking the executive departments to take and if the advertising men of these two papers will cut their prices 5 percent on my political advertising, I will be thankful, though being human, I would rather have them cut 50 percent, which I do not ask them to do.

All right, folks, I am not complaining. Just calling attention to the fact that I was trying to be consistent; that I will have difficulty in inducing the Congressmen to take even a 5-percent cut and that I never expect to please everyone all the time.

I will just continue to heave a little, push a little, pull a little on the economy program every time I get a chance, hoping all the time to please a majority of the home folks at least half of the time.

Moral: Do not expect too much of me; I am just human, and not too many folks are willing to take a cut. Am just a lowly citizen, trying to do my best on the job you have entrusted to me and for which I am grateful.

The Basing-Point System and the State of Ohio—Ohio Had Only Three Basing-Point Mills—All Cement Mills in Center of State Were Non-Basing-Point Mills—Phantom Freight in Evidence to Hundreds of Ohio Destinations—Bids to Ohio State Highway Department Identical Before Supreme Court Decision—Small Business in Ohio Foundation of State's Industrial Progress

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. PATMAN. Mr. Speaker, in the early days of our colonial history the territories which now comprise the State of Ohio were the goal of thousands of pioneer folk from most of the Original Thirteen Colonies. The first settlement in Marietta in 1788 and later in the same year the founding of Cincinnati was the signal for the pouring in of people from New England and the Middle Atlantic States. By 1800 many settlements were established, and in 1802 the present boundaries were fixed with the exception of the northern boundary which was finally settled in 1836. On February 19, 1803, Ohio was admitted to the Union.

Bountifully supplied with hardwood forests and deep rich soil Ohio soon assumed the important role in our United States which she has occupied ever since. Her shores, washed as they were on the north by the Great Lakes and by the beautiful Ohio River on the south, as well as numerous rivers and lakes within her borders, provided access to a ready means of transportation. With the advent of railroads Ohio was early transversed by our great continental railroads. Her ports on the Great Lakes and her river traffic all contributed to Ohio's growth as a great industrial as well as agricultural State. Ohio has great mineral resources in coal, clay, petroleum, natural gas, salt, and many other natural resources. Ohio abounds with limestone and other materials for the manufacturing of portland cement. Ohio's history is one of steady progress and development in the arts and sciences; in the manufacture of objects of beauty as well as utility, and her contribution to the general welfare of our country has been magnificent.

One cannot visit Ohio without being impressed with the unique position Ohio occupies in our galaxy of States. From the very beginning of our good roads development Ohio has been in the forefront of the movement. U. S. No. 30, the Lincoln Highway, was one of the first transcontinental highways to be completed, and Ohio was one of the first States to give impetus to the movement to complete this great artery on which one can now travel from coast to coast.

Ohio's whole highway system gives evidence of the careful planning and the utilization of local materials which abounds in most sections of this State. Ohio's program of improvement and her educational facilities are classic examples of American progress in looking ahead toward the welfare of the generations to come. No State in our Union is more entitled to our admiration for her accomplishments than is Ohio.

OHIO PAYS PHANTOM FREIGHT LIKE ALL OTHER STATES UNDER THE BASING-POINT SYSTEM

In the purchase of cement, steel, and other commodities for her great highway system and public and private works, Ohio and her citizens have been subject to the same unhappy situation that has been found to exist all over the country. Prior to the Supreme Court decision in the Cement case on April 26, 1948, the price of cement at all destinations in Ohio showed the same identity as elsewhere. Under the old Pittsburgh-plus system, with steel mills scattered the length and breadth of Ohio, Ohio and Ohioans were forced to pay enormous sums in phantom freight. When the Pittsburgh-plus was outlawed and multiple basing points established for steel, this condition was helped, but Ohio still paid vast sums under this system for steel and other products.

BASING-POINT AND NON-BASING-POINT CEMENT MILLS IN OHIO

Carefully placed around the borders of Ohio are the basing-point mills as set up prior to the Supreme Court decision. At Ironton, Ohio, in the southern part of the State, there was located a basing-point mill of the Alpha Portland Cement Co.; at Silica and Bay bridge, on the northern border of Ohio, were the basing-point plants of the Medusa Portland Cement Co. For all practical purposes, Ohio had two basing-point cement mills.

Non-basing-point cement mills were located more toward the center of the State as follows:

East Fultonham: Pittsburgh Plate Glass Co.

Middle branch: The Diamond Portland Cement Co.

Osborne (2): Southwestern Portland Cement Co., Universal-Atlas Cement Co.

Painesville: Standard Portland Cement Division of Diamond Alkali Co.

Superior: Superior Portland Cement Division of New York Coal Sales Co.

It is not clear from the record whether or not the sales territory in Ohio was controlled by a basing-point mill or mills in Ohio or outside the State. There were basing-point mills in western Pennsylvania and southern Indiana which may have controlled a portion of Ohio territory. Such a deduction is not without foundation because it has been found, for example in the case of southwestern Virginia and western North Carolina, that the basing point for that territory was, in fact, Ironton, Ohio. It has been pointed out time and again that, even when the Cement Trust was brought into the courts, the full facts of territorial divisions could not be learned. This is because of the secrecy necessary to the operation of basing-point systems of pricing.

The very nature of artificial price systems makes it incumbent upon the users of such systems to not leave even a fingerprint behind for evidence.

ILLUSTRATIONS OF PHANTOM FREIGHT ON CEMENT IN OHIO

The destinations set out below are used as examples of the payment for phantom freight under the basing-point system in Ohio before the system was outlawed by the Supreme Court. The rates used to compute the table are those filed as an exhibit—Federal Trade Commission's Exhibit No. 1110–W in docket 3127 of the Commission, rates which have been increased since that time. The rates as used from the Commission's exhibit are those compiled and published by the Cement Institute as provided for in tariffs on file with the Interstate Commerce Commission and the Public Utilities Commission of Ohio, effective November 27, 1936. The table setting forth phantom freight follows:

Destination point in Ohio	Applicable or lowest basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
Cincinnati	$0.42	$0.32	$0.10
Columbus	.40	.32	.08
Cleveland	.32	.29	.03
Dayton	.44	.19	.25
Piqua	.42	.29	.13
Bryan	.30	.30	----------
Highland	.40	.34	.06
Blanchester	.42	.32	.10
Marion	.34	.34	----------
Toledo	.25	.25	----------
Ironton	----------	----------	----------
Millersport	.42	.29	.13
Sandusky	.25	.25	----------
Akron	.34	.27	.07
Senecaville	.42	.40	.02
Wooster	.34	.30	.04
West Lafayette	.42	.30	.12
Flushing	.40	.34	.06
Youngstown	.27	.27	----------
Zanesville	.44	.25	.19
Painesville	.34	----------	.34
Middlebranch	.34	----------	.34

Destination point in Ohio	Applicable or lowest basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
East Fultonham	$0.44	----------	$0.44
Osborne	.44	----------	.44
Superior	.27	----------	.27
Washington Court House	.40	$0.30	.10
Batavia	.40	.34	.06
Hamilton	.42	.30	.12
Eaton	.42	.32	.10
Lebanon	.44	.30	.14
Middletown	.44	.29	.15
Wilmington	.42	.32	.10
Hillsboro	.40	.36	.04
Xenia	.42	.29	.13
Circleville	.36	.32	.04
London	.42	.29	.13
Springfield	.42	.19	.23
Troy	.42	.29	.13
Greenville	.42	.30	.12
Sidney	.40	.30	.10
Urbana	.40	.27	.13
Bellefontaine	.40	.30	.10
Marysville	.40	.30	.10
Delaware	.36	.32	.04
Celina	.40	.34	.06
Wapakoneta	.36	.32	.04
Kenton	.34	.32	.02
Medina	.32	.30	.02
Millersburg	.40	.30	.10
Mount Vernon	.36	.32	.04
Newark	.42	.29	.13
Lancaster	.40	.29	.11
Logan	.36	.30	.06
McArthur	.36	.34	.02
Athens	.36	.30	.06
Marietta	.44	.34	.10
New Lexington	.42	.27	.15
Caldwell	.44	.32	.12
Cambridge	.42	.29	.13
Martin's Ferry	.34	.32	.02
Coshocton	.42	.30	.12
New Philadelphia	.36	.29	.07
Carrollton	.36	.29	.07
Salem	.30	.29	.01
Alliance	.30	.29	.01
Canton	.34	.25	.09
Massillon	.34	.25	.09
Ravenna	.32	.29	.03
Chardon	.34	.29	.05
Ashtabula	.34	.29	.05
Jefferson	.34	.30	.04

Inasmuch as the exact delineation of territories assigned to the various basing points within Ohio's borders and in other States adjacent to Ohio, are not known, the above table has been computed on the basis of the lowest basing-point freight charge. Even so, computing the table on this basis clearly shows that on the millions and millions of barrels of cement purchased by public and private sources in Ohio, that these purchasers have paid phantom freight.

Production and consumption of cement in Ohio

Year	Production	Consumption
	Barrels	*Barrels*
1939	5,799,726	6,308,707
1940	6,664,115	6,538,166
1945	4,604,294	4,777,250
1946	8,034,762	9,027,415
1947	9,382,564	9,684,602

Source: U. S. Department of the Interior, Bureau of Mines Yearbook.

It can readily be seen from the foregoing table, that includes two prewar years and three postwar years, that the use of cement in Ohio is increasing rapidly as it is everywhere else. With fine cement-making materials Ohio should have increased production in keeping with the increased demand.

The production and consumption of cement will never properly balance out unless the natural resources of each State are utilized to the fullest extent. Cement is a heavy basic commodity. It should be a low price commodity, relatively speaking, and it should be procured in a free market at free prices from the closest available source of supply. The Cement Trust has artificially restricted the production of cement and artificially restrained and hindered the sale and distribution through the use of the multiple basing-point system. Ohio nor any other State in the Union will ever be free from this monopolistic burden if any law is passed which will upset existing law and decisions of the courts which have been so painstakingly brought to fruition.

BIDS TO OHIO STATE HIGHWAY DEPARTMENT OF HIGHWAYS SHOW IDENTICAL PRICES PRIOR TO SUPREME COURT DECISION IN THE CEMENT CASE

It has been pointed out many times that, prior to the Cement decision, governmental agencies, dealers, contractors, and all other purchasers of cement were confronted with the lack of competition. This lack of competition evidenced itself through identical bids regardless of the quantity of cement involved, the destination, or the purchaser. The rate books referred to above included all mills serving a particular area. The key to identical prices was the basing-point mill rates in the book plus the base price of the mill in the territory controlled by that mill. All other members of the Cement Trust bidding to a particular destination could bid identical prices through the use of the rate book and the knowledge of the controlling basing-point mill base price. As examples for the State of Ohio, I include several tables of abstracts of bids for cement purchased by the Ohio Department of Highways prior to the Cement case decision. It will be noted that in each instance bids are identical at each destination, save for a few minute and apparent errors. The tables follow:

TABLE 1.—*Invitation 1240, requisition 8479, Oct. 6, 1947—300 barrels air-entraining portland cement, in paper bags, M–1.1, delivered to Middletown, Ohio*

Company	Per barrel	Brand name	Delivery
Medusa Portland Cement Co., Cleveland, Ohio.	$2.73	----------	As soon as possible.
Southwestern Portland Cement Co., Osborn, Ohio.	2.73	Miami	Depends on availability of boxcar.
Universal Atlas Cement Co., Dayton, Ohio.	2.73	----------	When car is available.

TABLE 2.—*Invitation 1462, requisition 1039–B, December 17, 1949—225 barrels cement in paper bags, State specification M–1.1, to be delivered to Lima, Ohio*

Company	Per barrel	Brand name	Delivery
Universal Atlas Cement Co., Dayton, Ohio.	$2.80	Universal Atlas.	1 day.
Diamond Portland Cement Co., Middle Branch, Ohio.	2.80	----------	4 days.
Medusa Portland Cement Co., Cleveland, Ohio.	2.80	Medusa	As soon as possible.

TABLE 3.—*Invitation 979, requisition 1715, Aug. 4, 1947—225 barrels cement in paper bags, State Highway M–1.1, to be delivered to Lima, Ohio*

Company	Per barrel	Brand name	Delivery
Pittsburgh Plate Glass Co., Columbia Portland Cement, Zanesville, Ohio.	$2.61	Columbia	1 day.
Lehigh Portland Cement Co., Allentown, Pa.	2.66	Lehigh	Promptly.
Huron Portland Cement Co., Detroit, Mich.	2.66	Huron	3 days.
Universal Atlas Cement Co., Dayton, Ohio.	2.66	Universal Atlas.	1 day.
Medusa Portland Cement Co. Cleveland, Ohio.	2.66	Medusa	Soon as possible.
Superior Cement Corp., Portsmouth, Ohio.	2.66	Superior	2 days.

TABLE 4.—*Invitation 909, requisition 8604, July 15, 1947—300 barrels cement in paper bags, M–1.1, delivered to Middletown, Ohio*

Company	Per barrel	Brand name	Delivery
Pittsburgh Plate Glass, Columbia Cement Division, Zanesville, Ohio.	$2.58	Columbia	1 day.
Medusa Portland Cement, Cleveland, Ohio.	2.58	Medusa	Soon as possible.
Diamond Portland Cement Co., Middle Branch, Ohio.	2.58	----------	4 days.
Southwestern Portland Cement Co., Osborn, Ohio.	2.58	Miami Air Entraining Portland Cement.	Availability of boxcars.
Universal Atlas Cement Co, Dayton, Ohio.	2.58	Universal Atlas.	1 day providing car is available.

TABLE 5.—*Invitation 878, requisition 9584, July 8, 1947—250 barrels cement, in paper bags, M–1.1, delivered to Mount Orab, Ohio*

Company	Per barrel	Brand name	Delivery
Alpha Portland Cement Co., Ironton, Ohio.	$2.68	Alpha Portland.	
Diamond Portland Cement Co., Middle Branch, Ohio.	2.68	----------	4 days.
Medusa Portland Cement Co., Cleveland, Ohio.	2.68	Medusa	As soon as possible.
Pittsburgh Plate Glass Co., Columbia Cement Division, Zanesville, Ohio.	2.68	Columbia	1 day.
Standard Portland Cement Division, Diamond Alkali Co., Cleveland, Ohio.	2.68	Standard	Immediate.
Universal Atlas Cement Co., Dayton, Ohio.	2.68	Universal Atlas.	1 day.
Kosmos Portland Cement Co., Cincinnati, Ohio.	2.69	Kosmos	Do.

TABLE 6.—*Invitation 846, requisition 9569, July 1, 1947—250 barrels cement in paper bags, M–1.1, delivered to Sciotoville, Ohio*

Company	Per barrel	Brand name	Delivery
Pittsburgh Plate Glass Co., Zanesville Ohio.	$2.51	Columbia	1 day subject to acceptance previous to July 22.
Alpha Portland Cement Co., Ironton, Ohio.	2.51	Alpha	Subject to acceptance on or before July 12.

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TABLE 6.—*Invitation 846, requisition 9569, July 1, 1947—250 barrels cement in paper bags, M–1.1, delivered to Sciotoville, Ohio*—Continued

Company	Per barrel	Brand	Delivery
Diamond Portland Cement Co., Middle Branch, Ohio.	$2.51	----------	Subject to acceptance within 5 days for shipment within 15 days thereafter. Subject withdrawal 5 days' notice.

TABLE 7.—*Invitation 836, requisition 6555, June 30, 1947—250 barrels cement, in paper bags, M–1.1, delivered to Delaware, Ohio*

Company	Per barrel	Brand name	Delivery
Standard Portland Cement Co., Cleveland, Ohio	$2.62	Standard..	Subject acceptance on or before July 5. To be shipped before July 21.
Lehigh Portland Cement Co., Allentown, Pa.	2.62	Lehigh....	Subject acceptance within 15 days. Shipment 20 days.
Pittsburgh Plate Glass Co., Zanesville, Ohio.	2.62	Columbia.	1 day. Subject acceptance previous to July 21.
Universal Atlas Cement Co., Dayton, Ohio.	2.62	Universal Atlas.	Subject acceptance on or before July 5 for shipment on or before July 21.
Diamond Portland Cement Co., Middle Branch, Ohio.	2.62	----------	Subject acceptance within 5 days for shipment within 15 days thereafter. Subject withdrawal 5 days' notice.
Medusa Portland Cement Co., Cleveland, Ohio.	2.62	Medusa...	Subject acceptance within 5 days for shipment within 15 days thereafter.
Southwestern Portland Cement Co., Osborn, Ohio.	2.62	Miami Air-Entraining.	Do.
Huron Portland Cement Co., Detroit, Mich.	2.63	Huron....	3 days.

TABLE 8.—*Invitation 829, requisition 3524, June 26, 1947—250 barrels portland cement (air entraining), M–1.1, shipped in paper sacks, delivered to Ashland, Ohio*

[Bidder agrees that prices quoted herein are firm and guaranteed against increase for a period of 20 days from date of bid opening]

Company	Per barrel	Brand name	Delivery
Lehigh Portland Cement Co., Allentown, Pa.	$2.61	Lehigh....	Promptly.
Standard Portland Cement Div., Diamond Alkali Co., Cleveland, Ohio.	2.61	Standard..	Immediately.
Pittsburgh Plate Glass Co., Columbia Cement Division, Zanesville, Ohio.	2.61	Columbia.	1 day.
Universal Atlas Cement Co., Dayton, Ohio.	2.61	Universal Atlas.	1 day provided car is available.
Diamond Portland Cement Co., Middle Branch, Ohio.	2.61	----------	4 days.
Southwestern Portland Cement Co., Osborn, Ohio.	2.61	Miami Air-Entraining Portland.	Availability of a boxcar.

TABLE 8.—*Invitation 829, requisition 3524, June 26, 1947—250 barrels portland cement (air entraining), M–1.1, shipped in paper sacks, delivered to Ashland, Ohio*—Con.

Company	Per barrel	Brand	Delivery
Medusa Portland Cement Co., Cleveland, Ohio.	$2.61	Medusa...	Soon as possible.
Huron Portland Cement Co., Detroit Mich.	2.62	Huron	3 days.

TABLE 9.—*Invitation 796, requisition 10530, June 17, 1947—220 barrels air-entraining portland cement in paper bags, M–1.1, delivered to Marietta, Ohio*

[Bidder agrees that prices quoted herein are firm and guaranteed against increase for a period of 20 days from date of bid opening]

Company	Per barrel	Brand name	Delivery
Standard Portland Cement, Diamond Alkali Co., Cleveland, Ohio.	$2.71	Standard..	Immediately.
Lehigh Portland Cement Co., Allentown, Pa.	2.71	Lehigh....	Promptly.
Pittsburgh Plate Glass Co., Columbia Cement Division, Zanesville, Ohio.	2.71	Columbia.	1 day.
Universal Atlas Cement Co., Dayton, Ohio.	2.71	Universal Atlas.	1 day provided car available.
Diamond Portland Cement Co., Middle Branch, Ohio.	2.71	----------	4 days.
Southwestern Portland Cement Co., Osborn, Ohio.	2.71	Miami Air-Entraining Portland Cement.	Availability of a boxcar.
Medusa Portland Cement Co., Cleveland, Ohio.	2.71	Medusa...	Soon as possible.
Alpha Portland Cement Co., Ironton, Ohio.	2.71	Alpha Portland.	
Huron Portland Cement Co., Detroit, Mich.	2.72	Huron....	3 days.

TABLE 10.—*Invitation 791, requisition 9492, June 16, 1947—250 barrels cement in paper bags, M–1.1, delivered to Hillsboro, Ohio*

[Bidder agrees that prices quoted herein are firm and guaranteed against increase for a period of 20 days from date of bid opening]

Company	Per barrel	Brand name	Delivery
Standard Portland Cement Division, Diamond Alkali Co., Cleveland, Ohio.	$2.68	Standard..	Immediately.
Pittsburgh Plate Glass Co., Columbia Cement Division, Zanesville, Ohio.	2.68	Columbia.	1 day.
Universal Atlas Cement Co., Dayton, Ohio.	2.68	Universal Atlas.	1 day provided car available.
Diamond Portland Cement Co., Middle Branch, Ohio.[1]	2.68	----------	4 days.
Southwestern Portland Cement Co., Osborn, Ohio.	2.68	Miami Air-Entraining Portland.	Availability of a boxcar.
Medusa Portland Cement Co., Cleveland, Ohio.	2.68	Medusa...	Soon as possible.
Alpha Portland Cement Co., Ironton, Ohio.	2.68	Alpha Portland.	
Huron Portland Cement Co., Detroit, Mich.	2.70	Huron....	3 days.

[1] Subject to withdrawal on 5 days' notice.

TABLE 11.—*Invitation 689, requisition 1492, May 21, 1947—250 barrels portland cement, M–1.1, in paper sacks, delivered to Upper Sandusky, Ohio*

Company	Per barrel	Brand name	Delivery
Lehigh Portland Cement Co., Allentown, Pa.	$2.57	Lehigh....	Promptly.
Diamond Alkali Co., Standard Portland Cement Division, Cleveland, Ohio.	2.57	Standard..	Immediately.
Pittsburgh Plate Glass Co., Columbia Cement Division, Zanesville, Ohio.	2.57	Columbia.	1 day.
Universal Atlas Cement Co., Dayton, Ohio.	2.57	Universal Atlas.	1 day provided car is available.
Diamond Portland Cement Co., Middle Branch, Ohio.	2.57	Diamond.	4 days.
Medusa Portland Cement Co., Cleveland, Ohio.	2.57	Medusa...	As soon as possible.
Huron Portland Cement Co., Detroit, Mich.	2.58	Huron....	3 days.

TABLE 12.—*Invitation 666, requisition 7448, May 15, 1947—250 barrels (1 car) cement in paper bags, N–1.1, delivered to Wapakoneta, Ohio*

Company	Per barrel	Brand name	Delivery
Standard Portland Cement Division, Diamond Alkali Co., Cleveland, Ohio.	$2.62	Standard..	Immediately.
Pittsburgh Plate Glass Co., Columbia Cement Division, Zanesville, Ohio.	2.62	Columbia.	1 day.
Universal Atlas Cement Co., Dayton, Ohio.	2.62	Universal Atlas.	1 day provided car is available.
The Diamond Portland Cement, Middle Branch, Ohio.	2.62	Diamond.	4 days.
Medusa Portland Cement Co., Cleveland. Ohio.	2.62	Medusa...	As soon as possible.
Southwestern Portland Cement Co., Osborn, Ohio.	2.62	Miami Air-Entraining Portland Cement.	Availability of a boxcar.
Huron Portland Cement Co., Detroit, Mich.	2.63	Huron....	3 days.

TABLE 13.—*Invitation 496, requisition 3447, Apr. 22, 1947—200 barrels cement, in paper bags, high early strength, M–1.2, delivered to Milan, Ohio*

[Give brand of cement bid on]

Company	Per barrel	Brand name	Delivery
Lehigh Portland Cement Co., Allentown, Pa.	[1] $3.06	Lehigh....	Promptly.
Diamond Portland Cement Co., Middle Branch, Ohio.	[2] 3.06	Diamond.	At once.
Medusa Portland Cement Co., Cleveland, Ohio.	3.06	Medusa...	As soon as possible.

[1] Price firm for 20 days after bid opening, subsequent to that date, price subject to change, not to exceed 15 cents per barrel.
[2] Subject to withdrawal on 5 days' notice.

TABLE 14.—*Invitation 387, requisition 11314, Apr. 2, 1947—320 barrels cement, in paper bags, M–1.1, delivered to New Philadelphia, Ohio*

Company	Per barrel	Brand name	Delivery
Pittsburgh Plate Glass Co., Columbia Cement Division, Zanesville, Ohio.	[1] $2.58	----------	1 day.
Universal Atlas Cement Co., Dayton, Ohio.	[2] 2.58	Universal Atlas.	1 day if car is available for loading.
Diamond Portland Cement Co., Middle Branch, Ohio.	[3] 2.58	Diamond	5 days.
Lehigh Portland Cement Co. Allentown, Pa.	[4] 2.58	Lehigh	
Alpha Portland Cement Co., Ironton, Ohio.	[4] 2.58	Alpha Portland.	
Standard Portland Cement Division Diamond Alkali Co., Cleveland, Ohio.	[4] 2.59	Standard	Immediately.

[1] Prices subject to change.
[2] Prices subject to change.
[3] Prices subject to change.
[4] Prices guaranteed for 20 days, subsequent to that date, prices are subject to change.
[5] Acceptance on or before Apr. 12, 1947.
[6] Acceptance on or before Apr. 8, 1947, to be shipped before Apr. 24, 1947.

TABLE 15.—*Invitation 348, requisition 5424, Mar. 24, 1947—300 barrels air-entraining portland cement, M–1.1, delivered to Newark, Ohio*

[To be in paper bags]

Company	Per barrel	Brand name	Delivery
Universal Atlas Cement Co., Dayton, Ohio.	[1] $2.63	Universal Atlas.	1 day if car available.
Pittsburgh Plate Glass Co., Columbia Cement Division, Zanesville, Ohio.	[2] 2.63	Columbia	1 day.
Alpha Portland Cement Co., Ironton, Ohio.	[3] 2.63	Alpha Portland.	
Medusa Portland Cement Co., Cleveland, Ohio.	[4] 2.63	Medusa	As soon as possible.

[1] Acceptance on or before Apr. 8, 1947, except that it may be withdrawn by us on 5 days' notice.
[2] Prices are subject to change.
[3] For acceptance on or before Apr. 5, 1947.
[4] For acceptance within 5 days from date of opening and for shipment within 15 days after acceptance.

TABLE 16.—*Invitation 548, requisition 6399, Mar. 30, 1948—250 barrels cement, in paper bags, M–1.1, f. o. b. State Highway Garage, Del. (truck delivery may be substituted)*

Company	Per barrel	Brand name	Delivery
Standard Portland Cement Division, Diamond Alkali Co., Cleveland, Ohio.	$2.88	Standard	Immediately.
Pittsburgh Plate Glass Co., Columbia Cement Division, Zanesville, Ohio.	2.88	Columbia	1 day.
The Diamond Cement Co., Middle Branch, Ohio.	2.88	----------	3 days.
Alpha Portland Cement Co., Ironton, Ohio.	2.88	Alpha	
Medusa Portland Cement Co., Cleveland, Ohio.	2.88	Medusa	As soon as possible.
Southwestern Portland Cement, Osborn, Ohio.	2.88	Miami Air-Entraining Portland Cement.	Availability of a boxcar.

TABLE 17.—*Invitation 449, requisition 4362, Mar. 18, 1948—250 barrels air-entraining portland cement, ASTM C175–46a T. modified (in paper sacks), M–1.1, to be delivered to Ravenna, Ohio*

Company	Per barrel	Delivery
Diamond Portland Cement Co., Middle Branch, Ohio.	$2.94	3 days.
Medusa Portland Cement Co., Cleveland, Ohio.	2.94	As soon as possible.
Standard Portland Cement Division, Diamond Alkali Co., Cleveland, Ohio.	2.95	Immediate.
Pittsburgh Plate Glass Co., Columbia Cement Division, Zanesville, Ohio.	2.95	1 day.
Huron Portland Cement Co., Detroit, Mich.	2.95	2 days.

TABLE 18.—*Invitation 200, requisition 6248, Feb. 9, 1948—250 barrels cement, in paper bags, State specification M–1.1, to be delivered to Delaware, Ohio*

Company	Per barrel	Brand name	Delivery
Alpha Portland Cement Co., Ironton, Ohio.	$2.88	Alpha Portland.	
Bessemer Limestone & Cement Co., Youngstown, Ohio.	2.88	Portland Air-Entraining.	Prior to Feb. 29, 1948.
Diamond Portland Cement Co., Middle Branch, Ohio.	2.88	Diamond	3 days.
Medusa Portland Cement Co., Cleveland, Ohio.	2.88	Medusa	As soon as possible.
Pittsburgh Plate Glass Co., Zanesville, Ohio.	2.88	Columbia	1 day.
Southwestern Portland Cement Co., Osborn, Ohio.	2.88	Miami Air-Entraining.	At once.
Standard Portland Cement Division, Diamond Alkali Co., Cleveland, Ohio.	2.88	Standard	Immediately.
Universal Atlas Cement Co., Dayton, Ohio.	2.88	Universal Atlas.	1 day.
Huron Portland Cement Co., Detroit, Mich.	2.90	Wyandotte.	3 days.

TABLE 19.—*Invitation 119, requisition 5220, Jan. 26, 1948—300 barrels air-entraining portland cement in paper bags, State specification M–1.1, to be delivered to Newark, Ohio*

Company	Per barrel	Brand name	Delivery
Alpha Portland Cement Co., Ironton, Ohio.	$2.97	Alpha Portland.	
Diamond Portland Cement Co., Middle Branch, Ohio.	2.97	Diamond	3 days.
Medusa Portland Cement Co., Cleveland, Ohio.	2.97	Medusa	As soon as possible.
Pittsburgh Plate Glass Co., Zanesville, Ohio.	2.97	Columbia	1 day.
Southwestern Portland Cement Co., Osborn, Ohio.	2.97	Miami	At once.
Universal Atlas Cement Co., Dayton, Ohio.	2.97	Universal Atlas.	1 day.

NOTE.—Discount 10 cents per barrel for payment within 15 days.

There is one exception, in several instances, to identical prices in the above tables; namely, a few of the tables show one bidder 1 cent higher per barrel. In my study of the sale and distribution of cement, this occasional departure from the identity of bids is to be expected because a mistake will occur once in awhile, or a bidder bids slightly higher than the rest of the bidders because he is not particularly interested in the business.

DO WE WANT FIXED PRICES IN CEMENT AND STEEL, LEAD, GLASS, AND OTHER BASIC COMMODITIES?

The question asked in the above heading may be answered in the negative by most of us. The only people who want fixed, rigged, and artificial prices are the ones in the cement, steel, and other trusts who fix these prices. The question of monopoly and whether it will be nurtured and built up through the use of the basing-point system is before us. We cannot avoid it. We must meet the issue head on. Therefore, I repeat these questions:

First. Do we want monopoly fixed prices in steel, cement, lead, glass, and other basic industries?

Second. Do we want competition in industry and trade?

Third. Do we want small business institutions in this country to survive and prosper?

Fourth. Do we want the antitrust laws emasculated to the point that no one in business can survive and where the protection is removed which has afforded aid to the small and rebuked the powerful?

The answer to all of these questions and many more of a similar character must be answered by Congress very soon. I believe the answers are self-evident and need no elaboration.

OHIO SHOULD HAVE THE BENEFIT OF CEMENT AND STEEL-MILL LOCATION—SMALL BUSINESS MUST HAVE ITS NATURAL ADVANTAGES

Ohio and Ohioans in all of their diverse activities of agriculture, mining, manufacturing, constructing, and other normal pursuits of life should have the benefit of their natural resources. Small business in Ohio has thrived for generations and specialized in manufacturing, shipping its products far and wide on a quality and utility basis. The people of Ohio have been progressive and ingenious in building up the State and creating a market for its products. I know that Ohioans believe in free enterprise, free markets, and free prices. Their industry and capacity for trade and commerce is proof of this statement.

Ohio was, in reality, built up in its industrial field largely through the courage and ability of small business. That big business has come in and taken over in some instances is not by the wish or design of the people of Ohio, I am sure. If we are to protect small business in Ohio and in our country, the emasculation of our antitrust laws must be prevented.

I believe without a doubt that if the people of Ohio could speak as individuals on this matter the answer to each of the questions propounded above would be correct and emphatic answers. I feel positive that Ohioans would say strengthen our antitrust laws and uphold our enforcement agencies. They would say to the Congress—throw back the forces of monopoly and uphold the hand of small business.

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EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, in the CONGRESSIONAL RECORD of May 26 appears a resolution unanimously adopted by the Senate which calls upon the FBI to assist Michigan law-enforcing officers in apprehending and bringing to the bar of justice the criminals who attempted to kill Walter and Victor Reuther.

In my opinion, not only should the FBI make its scientific services available to law-enforcing officers in these two cases but in every other case where they can assist local officers.

Inasmuch as the other body has seen fit to call attention to this case, I suggest that the President and those in charge of law enforcement in the Federal Government, while it is not their duty, and they should not be asked to enforce State laws designed to prevent and punish crime, should at least, when mob violence comes to their attention, express public disapproval of those activities. This is especially true when the mob violence interferes with interstate commerce as so often it does.

That repeatedly there is violence by organized mobs, some operating under the direction of organized labor, is a matter of common knowledge. Sometimes local authorities adequately cope with the situation. All too often they do not, as is set forth in a piece by Pegler found in the Friday, June 10, papers, and which reads as follows:

FAIR ENOUGH

(By Westbrook Pegler)

Contrary to a superstition deliberately fostered by the criminal unioneers and the Communists of the Labor Board, in the thirties, the enforcement of laws against assault, riot, arson, and vandalism is a duty of local and State police and civilian officials.

Mayors, policemen, sheriffs, and the like who willfully fail to protect life and property, whether from cowardice or in obedience to the policy of some criminal defaulter in the mayor's or the governor's chair, may be prosecuted themselves.

I have reported the evidence of criminal default of duty by many local and State cops in Michigan in obedience to a policy of appeasement toward Communist goons improvised by Frank Murphy, of the Supreme Court, when he was Governor.

Today I present a more recent case of capitulation in Beaumont, Tex. This will be followed by a statement of the ideal policy and objective, unemotional, nonpolitical police work by George T. Barnes, supervising captain of the Chicago police, commanding the detail which deals with strikes and picket lines.

Relying on the Houston Post of June 3, we learn that Herman Brown, of Austin, was escorted out of Beaumont by local police after a riot in which 12 men were injured. Brown is president of a company which is charged with no violation of any law and which employed law-abiding, nonunion carpenters.

He said policemen, with a sworn duty to enforce the laws against violence and a criminal liability for willful failure, told him that unless he left town and withdrew the law-abiding carpenters they could not guarantee to handle the trouble that might ensue.

The victims in such case have a right to shoot to kill anyone who attacks them or to shoot indiscriminately into an oncoming mob. Two victims of CIO mobs actually did shoot two goons in the head and killed them in insurrections last year and both were acquitted by juries.

The carpenters' union in the present case is the old-style craft union of the A. F. of L., with headquarters in Indianapolis. The boss president of the carpenters is William L. Hutcheson, a Republican.

Brown personally appealed to Governor Jester for the protection of the Texas Rangers, who have a reputation for courage. The Galveston News reported that the law-abiding carpenters were attacked by a mob of 150 goons, and chased into a tourist camp where they defended themselves with hatchets and hammers until the sheriff broke up the brawl.

The item mentions no arrests and says the law-abiding citizens were besieged all night and all the next day with union men patrolling the streets around the camp. The News said the sheriff told the Governor he needed no help. City police finally escorted 16 law-abiding carpenters out of town.

The issue here is not political or emotional. The case seems to present a typical surrender by the body sworn and paid to enforce the law, leaving the law-abiding citizen no choice but to kill or abandon his rights.

Few citizens thus far have had the resolution to kill, even with legal justification. The result has been a serious impairment of confidence in Government among good citizens and serious impairment of respect for Government by criminals.

Government is the force that protects one citizen from violence or death at the hands of another. Its reputation for reliable, impartial protection and justice should be precious to all men, whatever they may think about unionism.

Captain Barnes stated his case about a year ago before a subcommittee of Congress consisting of one member, CLARE E. HOFFMAN, of Michigan.

He first put on record the "Manual of Procedure in Strikes and Labor Controversies" governing the Chicago police. The manual says the general duties of the police in strikes are to protect life and property and maintain order.

Only the police may direct traffic and they are instructed to arrest pickets or goons who try to divert trucks or the personal cars of employees or other persons at struck premises.

The "policy" holds that anyone may enter or leave struck premises without being stopped or threatened. Union officials and pickets may speak to workers either in public or at their homes but only in an orderly manner. Pickets are not allowed to block entrances or impede traffic.

"When the picket line stops and becomes unruly it becomes a mob and subject to arrest," the manual says. "A mob consists of five or more persons. Sound trucks or loud speakers are a violation of a city ordinance."

Captain Barnes has the entire Chicago police force, about 6,500 trained men, at his command in emergencies. He goes to all dangerous situations himself whereas, in Michigan, one chief of police was afraid to apepar where a mob was, and another appeared but ran away.

"If I had a thousand men with bands on their arms and clubs 2½ feet long and caps with insignia and on my back the legend 'Flying Squadron' and I took over——" Mr. HOFFMAN began.

Captain Barnes interrupted: "You would be locked up. That would be a mob."

What would happen to him and his thousand men if they tried to direct traffic, Mr. HOFFMAN wanted to know. He was depicting actual conditions which unmanned government in Michigan.

"Your thousand men and you would be locked up," said Captain Barnes.

"How long would it take?"

They would be locked up as soon as Captain Barnes could get enough patrol wagons.

"The pickets, the employers, and the citizens are familiar with the police-department policies, and, as a result, they cooperate," the captain continued. "We have people who violate the law, but we lock them up.

"Our instructions are, anyone that violates the law, regardless of either side, lock them up. I have also locked up some people going to work. Some were carrying pistols. We don't allow anyone to carry clubs or knives or pistols in Chicago. It is a violation of law.

"When a vehicle comes to the picket line we holler 'Heads up, move back,' and the police move in, and when the way is cleared they motion the vehicle through at slow speed.

"When there was resistance the persons resisting were arrested and taken away. Some of our courts have held the pickets have a right to call them scabs, rats, and finks, but if anybody uses profanity, that is disorderly conduct and they get locked up."

In several forms Mr. HOFFMAN put the question to Captain Barnes whether any further Federal law were necessary to supplement existing State laws and local ordinances to control riotous insurrections and actual treason against the governments of the States on picket lines.

"I think we have all the laws we need right here," the captain said. "They are being enforced."

How a Government Agency Operates

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Minnetonka Herald of Wayzata, Minn. It is a vivid case study of how Government agencies almost invariably come to operate. We can be sure that if the Government takes over medical care or management of agriculture, its performance in those fields will be on a par. People imagine they are going to get more for less; what they get is less for more:

"SNAFU"

"Snafu" is an alphabetical term tabbing the machinations of Federal administration. The label defined as "situation normal, all fouled up" is a stock phrase in the Army, Navy, and Marines.

A vivid example of this "snafu" type of administration that characterizes the Federal Government is in evidence right here at home.

A sign on the right-hand door of the Wayzata post office reads, "Please use other door." That sign has been in evidence for

several months on one of the busiest entrances in the Minnetonka area.

Seems the closing mechanism on the door went out of order. Local post-office officials took immediate steps to remedy the defect, as would any private businessman whose operations were hampered by a defective entrance.

With the Post Office Department, however, repair or replacement of the defective part had to be "expedited" through required Federal channels.

(Federal bureaus use the word "expedite" freely—it loses most of its connotation, however, along the devious detours that characterize Federal efficiency.)

A request was promptly despatched to the Post Office Department in Washington for immediate repair of the faulty door closer. In the due course of time authorization for the repair was received here.

The mechanism, together with the repair authorization, was then forwarded to the post office equipment repair depot in St. Louis, Mo. There, along with items from other post offices in the United States, the tired door closer awaits rehabilitation and return to duty at the Wayzata post office.

Meanwhile, the door functions not.

Even more ironical is the fact that an efficient door-closing mechanism, assigned to the local post office reposes on the inactive list in the basement of the building. (Six brass cuspidors out of seven designated for duty here are likewise in the basement storeroom.)

This door closer, designated for the rear receiving door of the post office proved too powerful for the door frame to which it was attached and was therefore removed from duty. We are informed that this door closer would operate efficiently as a replacement for the disabled front-door mechanism.

Such a logical procedure is impossible, however. The closer has been inventoried by the Post Office Department to the rear door of the building. It won't work there, but once assigned the designation is irrevocable.

In defense of the Post Office Department, may we point out that it has long been recognized, and in fact is one of the most efficient department operations of the Federal Government. In defense of the local post office officials we have already pointed out that they immediately took the only course available to them to obtain adjustment of this defect.

The long delay stems from the fact that Federal administration means traversing a devious, time-consuming labyrinth of red tape.

The Hoover commission has pointed out that the paperwork done on every Government purchase transaction costs more than $10 in labor and materials. Yet, approximately half the several million purchase orders which the Government issues each year are for less than $10. As a result, the overhead is more than the cost of the goods.

The cost of replacing the broken spring in the door-closing mechanism on the post-office door has been estimated at $2.50.

If this type of administration constitutes efficiency—can we taxpayers by the most fantastic stretch of our imaginations conceive the utter inefficiency of our poorer-managed Government bureaus or departments?

When we ask Federal aid for education, health, housing, public works, Federal aid for anything; we are in effect offering to pay the Federal Government to manage our tax funds with this inconceivably, impossibly incompetent type of administration.

This continuing delegation of responsibility to the Federal Government by citizens, blinded by the pseudo-wizardry of New Deal economics perpetuates this SNAFU.

As P. P. Leslie, local paper company executive and a member of the Hoover Commission, has pointed out:

"Local government is the best government; it is a pipedream that things can be done in Washington that we can't do here!"

We might add that anything the Federal Government can do for us, we can do better, * * * and faster—if we are but permitted to retain the tax funds necessary for our own local projects.

Refugees Go North To Get Factory Work

EXTENSION OF REMARKS

OF

HON. ED GOSSETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. GOSSETT. Mr. Speaker, a few months ago I went with a committee of Congressmen to see the debarkation of the first shipload of DP's to arrive in the great Southwest. This ship docked at New Orleans. At that time there was much publicity about this ship carrying the first contingent of DP's, the majority of whom were farmers. There was trouble on the ship the night before the DP's disembarked, and there has been trouble since.

I am inserting for the RECORD an article appearing in the New Orleans Item on Saturday, June 11. This article is an unbiased, factual statement of how some of these DP's have conducted themselves since their arrival. Bear in mind these were supposedly the best of those seeking admission to this country. These were the farmers who were going to remain on the land and not go into overcrowded cities.

REFUGEES GO NORTH TO GET FACTORY WORK

(By Lee Davis)

Many of Louisiana's DP's—the European refugees brought here under the Displaced Persons Act—are disappearing.

They are leaving their jobs on farms and plantations and heading north to seek industrial jobs.

In most cases they haven't left forwarding addresses.

Just how many have left is not officially known, but a spot check on several plantations showed that the exodus may be as high as 30 percent.

Exact figures are not available because, says the Bureau of Immigration, DP's, once arrived in this country, are free to go wherever they please.

Although they are "required" to register changes of address, there is no serious penalty for not doing so.

PULL UP STAKES

In some cases, DP's have stayed only a few days on the jobs to which they were assigned.

Though they were brought over from Europe as farm workers, many of them have had little or no experience with farm life and are badly suited to it, plantation owners have found.

"We can definitely say that most of our DP's were not farmers," a representative of one large sugar plantation corporation said.

"It is easy to see why. These people are the cream of the crop of the refugees.

"They are the brightest, most ambitious ones. That is why they got themselves first on the list to be accepted.

"When they were told farmers were needed, it was easy to say, 'Sure, I am a farmer, I used to go out to my grandfather's farm every summer and help!' "

Another plantation reported that among the group assigned there as cane workers were an auto mechanic, a lathe-turner, a shoemaker, a carpenter, and a railroad clerk.

And another told of a case of a 46-year-old Armenian woman, who has changed jobs four or five times because none of the places offered suited her.

"I didn't come here to work," she was quoted as saying. "I came to get a rich husband."

LITHUANIANS AIDED

Lithuanian refugees are getting well-organized help, plantation owners believe.

They think an American society of Lithuanians is arranging to get these refugees to northern cities and to find jobs for them.

Almost all the Lithuanian settlers have left two of the largest sponsoring plantation corporations.

"Some of the Lithuanians had mail from this northern group and Lithuanian language newspapers already waiting for them when they arrived," a representative of one of the corporations said.

At one plantation it was reported that a man, representing a DP group and also the Lithuanian society, had taken some of the refugees away.

"When we ask these people where they are going," said a supervisor of one of the groups, which has left. "They just say 'Chicago' or 'New Jersey,' and don't give us any street address or any way to get in touch with them."

Despite the number who have left, those staying are adapting themselves well, the operators say.

They cite instances of many groups, particularly some Polish and Armenian families, farmers by tradition, and say that these people are happy and satisfied and doing well on the farms.

DISCOUNTS NUMBER

The Right Reverend Monsignor William Castel, head of the Catholic organization which sponsored most of the DP's sent to this area, said today he doesn't believe the number actually leaving is so large as reported.

"The numbers sound larger than they are because they involve families, sometimes with several children," he said.

He said that it was true that many of the refugees were definitely not fitted for farm work or for conditions in Louisiana.

"These people sometimes find it hard to settle here," he said.

CONDITIONS DIFFERENT

"European conditions are different. They are used to living in villages where there is a close social life with plenty of friends and amusement. Those who did do farm work went out by days and returned to the villages at night.

"The isolation of farms over here is something new to them. Also the heat is something they are not used to.

"Then there is the Hollywood idea of America as a land of easy riches and good times. Most Europeans have this impression, and our own officers and men overseas have fostered it by the lavish way they've thrown money around."

DENIES EXPLOITATION

Referring to the recent claim by the Reverend J. Stanley Ormsby, of the National Catholic Welfare Conference, that DP's in the Louisiana cane fields were being underpaid and exploited, he said:

"They have been paid at the same rate as our own native workers.

"A sugar planter can't underpay his workers, because his benefit payments on his sugar crop are all based on Government requirements, among them that he pays a stated minimum wage to his workers."

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Berlin Airlift Rugged

EXTENSION OF REMARKS
OF
HON. CLYDE DOYLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1949

Mr. DOYLE. Mr. Speaker, the Berlin airlift has already made such a significant place in history that I felt certain that the following article which appeared in the Naval Aviation News for June 1949 depicting the stories of the great service rendered by the Navy transport squadrons VR–6 and VR–8, would not only be informative but would be inspiring and a definite contribution to all those who read the following:

BERLIN AIRLIFT RUGGED

The story of how Navy transport squadrons VR–6 and VR–8 stepped into the Berlin airlift and began setting records for freight carrying has been told. Behind the scenes is another story, not too glamorous, but just as necessary to keep the planes flying, the story of engineering.

On a few hours' notice, the squadrons were uprooted from Hawaii and Guam and sent halfway around the world to feed Berlin. When they arrived in the middle of winter, conditions in Germany were rugged. Let VR–8's engineering men tell their own story:

"The tasks confronting us were: Reorganization to fit the need of the job, establishment of shops, nosebays, working and office spaces and the immediate and pressing requirement of keeping 12 aircraft in the air. After balmy Hawaii, even the elements appeared hostile as we combatted the cold and mud. Concrete taxiways and hardstands were something you encountered further towards the center of things; we are on the end of the line.

"Circumstances at times seemed perverse and cruel: Our beautiful spares procured for us by Moffett Field from the resources of the Navy at a high priority and guarded constantly while enroute were lost. We were forced to turn them in to Air Force Supply; one plane taxied into a cletrac necessitating that engines 1 and 2 be changed and putting the vitally-needed cletrac out of commission.

"The electric lights were so dim that we could not read; the telephone service was erratic, and many a night was spent with no illumination other than that provided by flashlights. What could happen next? We ran out of flashlight batteries and were unable to procure them for a prolonged period.

"We live 10 miles from our base of operations, commuting by bus. Unusual fogs have grounded the busses on at least four occasions so the duty crew were unrelieved for 24 hours. The engineering officer started for operations office, a 10-minute walk. He arrived at the passenger terminal 4 miles away 4 hours later. He explained that his gyro slipped 90 degrees in the dense fog and that he had no idea where he had been.

"We had no fresh water, we had an outside 'Chic Sale' head, and we had no coffee mess. Also we were without the transportation necessary to visit the more enlightened areas. If an impression of a gloomy, starkly desolate working area has been created in the reader's mind, the actual conditions existent in November and December undoubtedly exceed the impressions created.

"Statistics reflect the concerted efforts and toil of all hands. However, while the overall picture takes into account this all-out effort, it conceals the sacrifice of the individual men working in relays because the bitter cold numbed fingers after 10 minutes; sweeping ice and snow from wings with brooms dipped in alcohol; sheltering spark plugs and leads from the sleet with articles of clothing while the water searched for and found openings in the clothing.

"Years of NATS training in precision flying certainly paid off in Germany, where they enabled VR–8 pilots to consider as commonplace the final approaches between apartment houses in Berlin when the weather is at or slightly above minimums. The squadron had been flying into Templehof 3 weeks before the ceiling lifted sufficiently to permit the crews to get startled glimpses of the apartment houses through the cockpit windows.

"All has not been easy for the crews. With the quarters 22 kilometers away in Frankfurt, the problem of getting back and forth to the flight line is not too pleasant. Rather, it means standing up in a crowded bus for an hour before and after a flight to Berlin."

FBI Documents

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. CELLER. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial which appeared in the June 11 issue of the New York Herald Tribune:

CLIMAX OF CONFUSION

All the passionately debated arguments over "Communist conspiracy" on the one hand and "witch-hunting" and "character assassination" on the other seem to reach an insoluble climax of utter confusion in the Coplon case testimony. Fredric March and his wife, Edward G. Robinson, Dorothy Parker, Norman Corwin and other prominent people suddenly find their names blazoned from coast to coast as having figured in Federal Bureau of Investigation reports as Communists or Communist sympathizers. The source of the allegations is anonymous; there is no evidence that they are true, or even that the FBI thought them to be true; but there they stand in print, capable of doing lasting harm to the individuals concerned. It seems an appalling case of reckless misuse of privilege and unjustified witch-hunting.

But is it? And who is to blame? Miss Coplon, a confidential clerk in the Department of Justice, was arrested in company with a Russian employee of the United Nations, at a time when her handbag was full of what are alleged to be notes of confidential FBI documents. No one can blame the Department of Justice for prosecuting such a case; it would have been very derelict not to do so. Neither the FBI nor the prosecution wished to publish the reports containing these eminent names; it was Miss Coplon's attorney who insisted on reading the originals from which the handbag notes are alleged to have been taken, and it was the trial judge who upheld his right to do so over the strenuous protests of the prosecution. The Government, left with the alternative of publishing the material or abandoning the case against Miss Coplon, decided to go ahead, despite the damage it might do to the national interest and, incidentally, to persons mentioned in the documents. It can scarcely be said that the decision was improper.

Yet the ironic result is that imputations which are in themselves no part of the case against Miss Coplon—no more than the phrasing or the punctuation marks in the documents—which neither prosecution nor the FBI even suggests to be valid or credible, are spread broadcast. And there is no one or nothing to blame, unless it is the methods of Communist conspiracy which could alone give rise to such charges as those brought in the Coplon case. To deal justly and fairly and with full protection to the innocent with all the problems Communist conspiracy has raised is not easy and will never be made easier by passionate outbursts of emotion from either side. But in addressing them, the public must try at least to learn to evaluate evidence, to weigh both the sources and the implications of testimony and to do its own share in making our democratic methods operate soundly.

Commencement Address at Duke University

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my address given at the graduation exercises at Duke University, Durham, N. C., on June 6, 1949:

WHICH DIRECTION TOWARD PEACE?

Throughout the whole world today a fierce political and ideological struggle is being waged whose outcome will determine who really won World War II and probably whether, God forbid, there is to be world war III.

The plainest fact we face is that we don't have one world, as we had hoped we would have. We have two worlds. Men and nations are split from top to bottom.

It is not primarily a conflict between Russia and the United States; or between East and West; or between communism and capitalism as economic systems, as is so commonly said. It is far deeper than any of these. It is a conflict between two totally different philosophies of government. One believes that man's problems can only be solved from above down; the other believes that most problems can best be solved from the bottom up. One puts its primary faith in a few supposed supermen—"leaders"—at the top; the other puts its primary faith in the good sense, resourcefulness, and capabilities of ordinary people, if they are masters in their own house and able to choose their own representatives in genuinely free elections.

In reality, it is a conflict between two wholly different philosophies of life—two different concepts as to the nature of man; which means two different concepts as to the nature of God, and the nature of the universe in which we live.

Our free world has been unable to get agreement with the Soviet-dominated world because we are not pursuing the same objectives as its leaders. And we are not pursuing the same objectives because we don't believe in the same things.

A second plain fact is that we cannot go on indefinitely, or even very long, as two such worlds. Our planet is too small. We are too interdependent. The two worlds

must become one—at least in the sense of having one set of rules for carrying on relations between them.

There are only two ways by which the two worlds can become one. One way is by conquest; the other is by voluntary agreement.

Mr. Stalin understands this perfectly. More than 20 years ago he wrote, ultimately one or the other must conquer." He knows the two worlds must become one and he believes it must be by conquest.

We don't believe in that method. We don't want conquest of us by them; but we don't want conquest of them by us.

If to get the two worlds together by the other method—agreement—means that the Soviet must become democratic, or that we become Communists, then there is no hope indeed.

It is not conceivable that in any near future the hardheaded men in the Kremlin and their fanatical devotees in almost every other land, including our own, will abandon their beliefs and objectives and accept ours; or that we in the western world will voluntarily abandon our ideas, our values, our objectives and become Communists or totalitarians. But that in itself need not make the situation hopeless. It is not always necessary to become alike in order to get along in peace and order.

The birth of our Nation is evidence of the fact that it is sometimes possible to get good, peaceful, and even democratic relations between two systems, one or both of which does not have full democracy within it. The abolitionist world and the slaveholder world had economic and social systems that were not at all similar and their ideologies were in many respects unlike. Yet they were able to come together in a genuinely democratic organization, the United States of America, when they faced a set of circumstances where for each side there was more to gain by agreeing on how relations between the two systems, and between them and the rest of the world, were to be handled. It was not idealism; it was intelligent self-interest. As Franklin put it, they either had to hang together, or hang separately.

Likewise, our problems today are so urgent we cannot wait until all come to think alike. Our first objective must be to get workable agreement on a set of traffic rules for conducting relations between the two worlds, while strengthening those long-term forces like education and religion which develop mutual understanding, and thereby can, we hope, bring them closer together in ideas and attitudes.

It is clear that we cannot resolve our differences by appeasing aggression. For 10 years the world tried that method with Hitler and the Japanese militarists. It did not lead to real agreement and peace. It led straight to war and perilously near to slavery.

Unfortunately we refused to learn from that experience, and for several years both before and after VJ-day we tried to get agreement with Communists, in the Kremlin and elsewhere, by yielding to them. We scrapped our enormous military superiority within 6 months after VJ-day. We offered the atomic bomb to all—on terms of equality with ourselves. We also scrapped a lot of our principles and our promises; in secret conferences with the Soviet leaders we divided up other peoples' rights and territory—including those of friends and allies, like Poland and China. Such conduct of course could not and did not lead to better relations. They grew steadily worse; the differences became wider and deeper.

Two years ago our Government finally began to wake up to the fact that the Soviet Union is not a peace-loving democracy and does not respond to mere reasonableness. Step by step we have embarked on a five-fold program which I believe is sound as far as it goes and has some promise of success if continued firmly and expanded:

First, rebuilding enough of our scrapped military strength to fulfill our commitments overseas and to meet any probable emergencies or dangers. Strength, here at home, is indispensable if we hope to have any influence at all with the Kremlin.

Second, resistance to any further spread in Europe and the Near East of the glacier of tyranny moving out of the Soviet Union.

Third, economic assistance on a cooperative basis to certain European nations struggling to recover their economic stability against determined Communist efforts to weaken and subjugate them.

Fourth, military assistance, the North Atlantic Pact. From the beginning it was apparent that the economic recovery program could not move ahead at full speed without this additional step—a mutual defense program. A sense of security is essential if the people of Europe are to bring their resources out of hiding for investment in long-range productive enterprises, and put everything they have into the recovery effort. In fact, economic development without military security only increases their peril because they become a much more tempting prize for a potential aggressor. No one of the nations of western Europe alone, nor all of them together, can become strong enough in the next few years to withstand Russian attack. Their only hope of achieving military security, just as their only hope of achieving economic recovery is by making a most vigorous collective attack upon their problem. Our active support and assistance is based on the sound and simple principle: We help those who help themselves, and help each other, and help us.

The economic recovery program is not, as it was originally hoped it could be, an alternative to a European defense program; rather it is in support of a defense program, just as the defense program is in support of the economic program. Both are necessary for the success of either.

But progress in Europe cannot be enough. It is daydreaming to imagine the Soviets will alter their policies enough to come to real agreement with us as long as they are winning anywhere, and they are winning spectacularly in Asia.

For 3 years the Congress has tried in vain to get the administration to adopt and vigorously pursue policies in Asia similar to those in Europe—while there still was time to prevent the present developments in China which constitute a catastrophe beyond estimation not only to our own security but also to any prospect of having a balance of power in the world so strongly favorable to the free world that it can perhaps influence the Soviets toward cooperation rather than conquest.

Tragically, our Government has followed opposite policies on the opposite sides of the world with respect to nations striving to resist Communist aggression, from within as well as from without. In Europe we said, "We will help you only if you keep the Communist out of your government."

In China we said, "We will help you only if you take the Communists in!"

In Europe we follow the Truman policy of resistance to communism and the Marshall policy of assistance to freedom—and are making real headway; in Asia we still follow the Wallace policy of trying to appease communism—with total disaster.

Unless immediately—and it may already be too late—there is a drastic reversal of policy in Asia similar to that of 2 years in Europe, history can only record that we defeated Japan, but Russia won the war in the Pacific. We and the free world lost it.

By refusing to give vigorous, effective support to those opposing Communist aggression in China, because they did not yet come up to our standards, we actually intervened in favor of the Communists—the worst possible alternative, That is the measure of how immat[illegible]e we still are in the political and ideological fields.

That brings us to the fifth component of the overall program necessary if we are to influence the thinking and the actions of both friends and enemies. In addition to firm opposition to further extension of the Soviet system based on compulsion, we must gain a positive sense of mission to spread throughout the world our system based on voluntary cooperation. At last we are beginning to give to the world a more adequate presentation of the thrilling story of what has happened and can happen under freedom. Through press, radio, films, books, and magazines, and exchange of teachers, students, scientists, and technicians, we must demonstrate more effectively to the oppressed peoples of the world and the undecided peoples, that there is a better alternative based on performance, not just promises. The desperate measures Russia is taking to keep the story of freedom from getting through to those under her control and her own stupendous efforts in the propaganda field are the eloquent proof of how great is her faith in the power of ideas. The Russian rulers know what one man, Karl Marx, was able to start with an idea—and what two others, Lenin and Stalin, have been able to accomplish with that idea.

They know what another man, Hitler, did with an idea.

They also know what other men, the Pilgrims, when they came to this country over 300 years ago did with their idea—political liberty.

The greatest heroes in Russia are not scientists, or industrial magnates or even generals. The heroes in Russia, and the highest paid persons in the land, are the skillful users of words—those who know how to take an idea, and no matter whether true or false, present it in attractive, convincing form. They have learned it is their most potent and effective weapon through the world, in getting people to come along with them.

Why should we be less effective in using ideological measures to get people to come along with us? We do not have to tell falsehoods about America. But we do have to present the facts about it—and present them repeatedly and convincingly, emphasizing the great advantages that have resulted under freedom without in the least concealing the imperfections, or lessening our efforts to correct them.

When our system is such that under it 7 percent of the people of the world have created more wealth and distributed it more widely than all the other 93 percent put together, is it not shameful that it is presented so inadequately that many people not only abroad, but here at home, can be persuaded that it is progress, it is "liberal," to advocate abandoning the system developed by the 7 percent here and go back to one or another of the systems under which the 93 percent struggle?

Why should we be so almost apologetic about a system which while not perfect, is still by far the best this earth has ever known—judged solely by results for human beings?

All of the above are essential—but they are not enough. They merely buy time for a sixth step—give us one more chance to get the whole world organized politically on a sounder basis.

If we hope to win the fierce political and ideological war now raging throughout the world, before it degenerates into an atomic war with unforeseeable destruction, we must move boldly and imaginatively to try to strengthen the world organization so that it

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can handle effectively all threats to the peace from whatever source.

Concern for our own security has compelled us to assume in the present emergency the burden of assisting certain nations which are striving to stay free. But we cannot long carry that burden alone. We have neither the resources nor the wisdom.

The peaceful peoples of the world placed their faith in the United Nations as the agency to establish a just and peaceful order. The experience of the last 4 years has demonstrated that the United Nations in its present form cannot do the job. In fact, it is so constructed that any one of the Big Five, by its veto, can use the United Nations machinery to prevent the making of peace, to defeat the very thing it supposedly was set up to guarantee.

Most Americans were too naive to realize and too trustful to suspect that the Soviet rulers were coldly planning to use the big-power veto not to block war or arbitrary sanctions—which was our concept of its functions—but to block peace. They have not used the veto once to prevent war. They have used it repeatedly to defeat agreements by the free nations that were in the direction of peace.

At Tehran, Yalta, and elsewhere our leaders, in order to get Russia to come along into the United Nations, yielded to her on matters of principle and even on our own solemn pledges, apparently assuming that if Russia joined, it would be for the same reason we and others joined, namely, to help solve world problems. But it soon became clear that the Soviet Government came in for precisely the opposite reason—not to get agreement, but to insure disagreement; not to make the United Nations work, but to be in the best possible position to make sure that it does not work. Why?

The reason is perfectly clear. The Kremlin already has a world organization—the Communist Party. It has more than a dozen countries under its complete control, plus trained, disciplined units in every other country. Its world organization is already functioning, at full speed. It intends to win, and to do so it must keep any other world organization crippled and ineffective.

That is an intolerable situation. The remedy is not to abandon the United Nations or to continue to bypass it, but, rather, to strengthen it. We must get its structure modified so that it can and will work—with Russian cooperation, if possible, but without it if necessary.

On one hand, we must initiate action toward getting the Charter itself amended to correct demonstrated defects.

On the other hand, we must also work for better organization on the less-than-universal level.

If Russia will not agree to Charter amendments that would make all members subject to the same laws, and vetoes them, as would probably be the case, we do not need to withdraw or to drive anyone out. We should organize on a closer basis with all the nations that will agree—not outside the United Nations but inside it.

Just as the Communist-dominated members of the United Nations have always been a club within the club—so, under article 51 all the free nations—beginning with the 12 in the Atlantic Pact but not limited to them—can unite firmly for collective self-defense in another club within the club—leaving the door open for Russia and any others to join if and when they are willing to agree to and abide by the rules.

That is what our forefathers did at the Constitutional Convention. They did not withdraw from the confederation, or try to drive out those who did not agree with the new proposal. They simply drew up a tighter, more workable plan or organization, and provided that whenever 9 of the 13 States ratified it the new club would be set up—others to join or not as they wished.

This is not the way to wreck the United Nations—this is the way to rescue it.

As long as we indicate we will not do anything unless or until Russia agrees, of course she will not agree. Why should she?

But if we and the other free peoples demonstrate to the Russians, quickly, that we can and will, if necessary, get along without them, I am convinced that we may soon find it possible to get along better with them.

Whenever enough of the peaceful nations get together in a workable organization that makes it clear to the men in the Kremlin, first, that they do not need to go to war to get security or satisfaction of any legitimate grievances; and, second, that they cannot win even if they do go to war—at that point, and probably only at that point, is there a reasonable likelihood that they will begin to come along, because there would be nothing to gain by refusing.

It is plain that we cannot get them to change from obstructionism to cooperation by persuasion, or exhortations, or bribery, or secret deals, or denunciations. These have all been tried in vain. The men in the Kremlin will cooperate only when we confront them with a set of circumstances where agreement is more advantageous to them than continued disagreement or attempted conquest.

As to the prospects for peace or war in the near future, that depends largely I suspect on what the 13 men in the Politboro really believe. If they really believe that Marx was infallible when he said that every great war must be followed by economic break-down in capitalistic countries, then they will not start a war. They will help Marx along, of course, by making the European recovery program as costly as possible, disrupting the economies of Germany, Austria, Italy, southeast Asia, and everywhere else, in order to increase the drain on us. But they will not provoke a war. Why should they, if they are sure we will crack up in 3, 5, or 8 years?

I hope they believe the Marxian teaching completely—and then it is up to you and me to see that the predicted collapse here does not occur.

However, it may be that what they really believe is not Marx but the Lin-Stalin teaching that "Ultimately one or the other must conquer." Perhaps it is their deepest conviction that the free world will inevitably try to conquer them, unless they can break and conquer it first. If so, then they must at all costs try to keep us from pressing or even retaining the initiative we have seized in Europe in the last 2 years. They obviously have decided to change their tune and tactics in Europe for the time being, in the hope we will revert to our usual preoccupation with domestic affairs, or have a serious depression with internal disorder, or until they get the atomic bomb or some weapon of comparable destructiveness.

In the meantime, Berlin has served as a useful feint or diversion while they move rapidly ahead on the key battlefield, Asia. Suppose those courageous Chinese who have understood communism and fought it for over 20 years are compelled at last to give up their resistance (as they probably will without vigorous help from us, immediately, just as Greece, Italy, and France would have collapsed last year without such help from us and will do so next year if it should be withdrawn). With Communist dominance in China, Russia will have satellites and security all along her Asiatic frontier and be in a better position to risk new action in the Middle East or Europe, especially if, with her new lullaby line, she has been able to put us to sleep again.

Even if we maintain firmness in the west, but Communist forces get control of all China, and the other portions of east Asia which will certainly follow, the balance of resources in the world will have shifted so strongly in Russia's favor that the men of Asiatic temperament who run that tragic land may very well decide just to sit it out for a few years or decades until the western world, including the United States, has bled itself to death.

The weaknesses which have brought us to this ominous hour have not been primarily military or economic. Our greatest failures have been in the political and ideological and moral fields. Because for so long we had physical separation from the rest of the world, our young men and women were not challenged to become specialists in international relations and masters of the arts of diplomacy. Understandably we concentrated on the great task of developing this vast virgin continent and its resources.

As a result, how many Americans do we have in the field of diplomacy that are the equivalent of Marshall, MacArthur, Nimitz, Eisenhower, Spaatz, and scores of others in the military field? Or of the Fords, Firestones, Edisons, Ketterings, Rockefellers, and hundreds of other giants in industry and finance?

Russia has learned that when she competes with us in the fields where we have specialized—industrial, technical, military, managerial—she comes off second best. So she realistically yields on such things as the Berlin airlift, where we excel, and shifts the contest to the conference table, where up to the present she has excelled—frequently handling us just about as a cat plays with a mouse.

We go to the diplomatic conferences with representatives who are masters of the strategies and tactics of military and economic struggle—and too often come home with bloody noses.

Russia sends to the conference her Molotovs and Vishinskys with nothing but superb skill in the strategies and tactics of diplomatic and ideological warfare—and too often they go home with the bacon.

This grave deficiency in our resources is not the result of anyone's design. It is the result of everyone's neglect. We have tended to concentrate so largely on our own domestic life that we have failed to realize that whether it has a chance to continue depends to a great degree on what happens abroad—or rather, on how effective we can become in influencing what happens abroad, in directions favorable to world order and peace.

The leaders of the Communist world, as Hitler before them, have made perfectly clear what they intend to do, if they can. Like a man going across a lake in a sailboat, they tack when they run into head winds. That does not mean they are changing their objective; rather it is the means by which to achieve their objective. They are still going across the lake.

Our hopes of avoiding disaster lie in mobilizing to the utmost our strength and skill in political and ideological fields as well as economic and military. We will win only if we believe so intensely in those basic principles on which the Nation was founded and which are responsible for its greatness, that we can outthink, outwork, outsacrifice, and outlast those whose world is founded on lies and violence.

Our difficulties are not insurmountable if we can develop, here and among the other free peoples, a moral compulsion to build in the world the sort of decent order which our forefathers had the will to build in these United States—the will to make our system work here at home and spread it abroad.

It comes down to how sound and strong and deep is our faith. What our Nation and the world must have if they are to be saved is what Lincoln prayed for at Gettysburg, "Under God, a new birth of freedom"—a

new understanding of freedom—a new dedication to it.

To survive we must qualify as a worthy spiritual instrument in our generation, as the founders of our civilization did in theirs. They built the finest material civilization the world has seen—precisely because they sought first the dignity and freedom of individual man as a spiritual being. Because they put that first, not second, the political and economic system which they established was one which released, as has never been done in any other time or place, the creative capacities that are in ordinary men everywhere. Thereby has our progress been achieved.

Shall we now focus primarily on trying to preserve the material results? Or on reproducing the spiritual causes?

With all my heart I believe that the Constitution of the United States and the system of government by voluntary federation which our fathers established here, are incomparably the best set of political ideas ever put together in one place in the world's history. I think they are the hope of mankind. The achieving of one world depends upon the spread of those ideas—everywhere.

That is the only way we can ultimately turn back the tide of totalitarianism and tyranny which is sweeping over the earth and secure the blessings of liberty for ourselves and our posterity.

Who is so well-equipped to mold the attitudes of our people as you who leave these halls today to go to the ends of the earth—strong, sensitive, eager, well-trained, idealistic, and practical? How great, indeed, is your responsibility—and your opportunity.

Never was a generation called to higher duties, nobler living, harder work, greater usefulness, deeper satisfaction.

Moratorium in Basing-Point Controversy Is a Fair Deal Must

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1949

Mr. SHAFER. Mr. Speaker, if the Fair Dealers really want to give the businessmen, particularly small-business men, of this country any kind of a square deal, they will see to it that legislation to declare a moratorium in the basing-point controversy will be put on the calendar of the House of Representatives immediately and brought to the floor for swift action.

Literally thousands of the smaller businesses in this country, and hundreds of them in my own State of Michigan, have been bewildered and confused and penalized since the Supreme Court's famous basing-point decision of more than a year ago. This decision, which outlawed basing-point pricing, is penalizing the businessmen who have to get supplies from cement companies, steel companies, and other supplies of finished materials, yet do not live next door to these companies. Pipe fabricators in Michigan, for example, have to pay vastly more for the steel and other materials they use than do similar fabricators who have businesses in Pittsburgh.

As we know, the Senate already has passed a measure that represents a step in the right direction to protect many small businesses from collapsing due to the outlawing of basing points. Under this bill, freight absorption by a primary manufacturer is legal, if there is no collusion among the various manufacturers of similar products. There are, of course, many other provisions in this bill, some of which are good and some of which are more or less inadequate, but it is, I repeat, at least a long step in the right direction to clear away some of the confusion caused by the Supreme Court in the famous cement case.

I am getting dozens of letters from manufacturers in my district who are supplied by mills from our State of Michigan. They are being penalized severely while this Democratic-dominated Congress fails to act swiftly on this needed legislation. I hereby publicly again call on the Democratic leadership to bring this moratorium legislation to the floor immediately so that Congressmen can go on record for or against this legislation. Personally, since I am in the minority, there is nothing I can do except speak for such a moratorium and vote for the moratorium legislation when it is brought up. Any delay rests squarely on the Democrats who control this Congress lock, stock and barrel.

Under leave to extend my remarks, I include a letter from a Michigan manufacturer typical of many others regarding this subject:

MURRAY W. SALES & CO.,
Detroit, Mich., June 3, 1949.

Hon. PAUL W. SHAFER,
House Office Building,
Washington, D.C.

SIR: I wired you today as follows:

"We are paying $2.40 a ton more for steel pipe delivered Detroit than some of our competitors all because of the stupid controversy on freight absorption. The request for a moratorium to give Congress a chance to investigate has been before Congress for many months. In fairness to all industry it is imperative favorable action be taken immediately. I hope you can do something to expedite this moratorium or some other relief. Thank you."

Many industries are absorbing freight today to meet competition, including some members of the steel industry, for example Kaiser. However, most of the steel industry is still on trial with the Federal Trade Commission.

Mr. Freer, former Chairman of the Federal Trade Commission, was in favor of freight absorption. I understand his acting successor, Mr. Mason, takes the opposite view. Our courts are divided on this question right up to the United States Supreme Court. They split 4-to-4 on this question.

Congress passed the Federal Trade Commission Act to preserve and that Commission concedes that its obligation is to promote a competitive economy. We are not getting it under the freight rate controversy.

I sincerely trust that you will use your best efforts to get this moratorium in effect promptly so that Congress will have a chance to make an exhaustive study.

The present deplorable situation is hurting a lot of people.

With kind regards and best wishes, I remain

Yours sincerely,
D. G. MCLEOD, *President.*

Address by Hon. Scott W. Lucas, of Illinois, at Centennial Celebration of the North American Singing Societies

EXTENSION OF REMARKS
OF
HON. SCOTT W. LUCAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES

Tuesday, June 14 (legislative day of Thursday, June 2), 1949

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address I delivered in Chicago on last Friday evening, June 10, at the centennial celebration of the North American Singing Societies. The celebration was held at the Chicago Stadium, and nearly 25,000 persons attended, paying for their admission, the proceeds going to the underprivileged children of Europe.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, Mayor Kennelly, distinguished guests, and fellow Americans, it is indeed an inspiring moment for me to appear here this evening and to have the privilege of participating in your magnificent centennial celebration.

Wherever people of German descent congregate, there are always songs and music. I know this from family experience. My grandfather on my mother's side came from Frankfort, Germany. His name was George Underbrink. I was told that grandfather never lost his love for the beautiful songs he had learned in the land of his birth.

It was Mark Twain who said: "There are German songs which can make a stranger to the language cry."

Yes, my friends, this would be a splendid world if all the people in the family of nations could share the friendliness and the warm joy of participating in song. We would soon be able to overcome the pressing problems which make life so difficult for so many men, women, and children in the war-stricken areas of the world. If everyone could faithfully follow the words of the poet who said "I would rather be remembered by a song than by a victory," we could achieve the millennium mankind has prayed for since the dawn of civilization which is peace on earth, good will toward men.

Since the terrible tragedy of the Second World War came to an end, it has been my privilege to visit, last September, some seven countries of Europe. I had the opportunity of mingling with those people who have become the beneficiaries of our great and philanthropic Government.

In Italy, in Turkey, in Trieste, and in France, I witnessed with my own eyes the contribution that we are making as we rehabilitate those nations and once again place them economically on their feet. I also learned first-hand how the expansion of communism in these nations, with our help, had been successfully challenged.

One of the most interesting experiences of the trip was my visit to Berlin. I traveled there by air from Frankfort, landing at the huge Templehof Airport. It was there that I got my first glimpse of what the American and English airlift was doing in the way of supplying food and other necessities of life to the two and one-half million people in the beleaguered city of Berlin. I saw thousands of packages of food and clothing

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sent to the German people through the CARE organization, a private nonprofit group which has saved the lives of countless numbers of people on the verge of destitution. It was only through the airlift that the people in Berlin were able to receive these supplies.

I talked to Gen. Lucius Clay, one of the ablest soldiers and one of the finest gentlemen I have ever known. His achievement in launching and operating the stupendous airlift will never be forgotten by the German families in the western sectors of Berlin, who depended upon our planes for food, fuel, medicine, and other vital necessities after the Soviet Union imposed a land blockade to cut off the ground supply channels. As commander of the American forces in Germany and administrator of the American zone, General Clay showed a wise understanding of the truth about Europe. He pursued a policy of lifting Germany back to a productive level as rapidly as possible, because he realized that the enormous productive power of the German people was urgently needed in the economy of Europe.

The name of Lucius Clay will be long revered by the free people of western Europe, who are well aware of the fact that General Clay halted the advancing tide of destructive communism which had threatened to destroy all the countries of Europe. He resisted the pressures of those who felt that the German people in the western sectors of Berlin should be abandoned to the mercies of the Soviet military rulers. He kept his courage and stood firm although his position was extremely perilous.

The German people in Berlin justified the confidence placed in them by General Clay. The desire for freedom which had never been crushed in the hearts of Germans despite years of domination by a dictator was still alive in Berlin. German families underwent many hardships in the beginning, because the airlift could not bring in enough supplies to keep houses warm and factories going. There was widespread unemployment and physical suffering, but the quantity of supplies brought in by our planes rose steadily week after week, until at last the people had enough to carry on their lives.

I have just a few figures here which will give you an idea of the gigantic scope of the Berlin airlift. Through June 1, 1949, a total of 1,335,791 tons were flown into Berlin. Of this amount, more than 1,100,000 tons were for the use of the German population. There were 252,000 tons of food and 851,000 tons of coal. There were nearly 30,000 tons of miscellaneous items, including supplies for newspapers which kept the people informed of what was happening in these crucial months of the blockade.

The Soviet commissars made a fatal mistake when they tried to choke off the lifeblood of the people in the western areas of Berlin. Perhaps they hoped to drive the Allies from the German capital and to seize control of all of Germany. They planned to use Berlin as a symbol of the ruthless might of communism.

If these were their dreams, they were utterly defeated. The steady sound of American planes in the sky over Germany, the flash of wings soaring above the blockade lines, gave proof to the Germans and to the other peoples of Europe that America would not yield to the commissars who seemed willing to risk another war for the sake of conquest.

After a 3-hour conversation I had with General Clay in Berlin, I became convinced that the airlift was a great psychological and political stimulant to the people who were determined to preserve their freedom.

When I came home in October of 1948, I predicted that there would be no shooting war with Russia. I knew that the Russians would back down. I know that we will ultimately win the battle of Berlin, and I believe that we will win the battle for peace in the coming years.

In the last 9 months the whole atmosphere of Europe has changed for the better. The Soviets have gone on the defensive. Their failure to make the Berlin blockade effective has weakened them in many ways. Their propaganda of terror cannot shake the nerves of people who remember the Allied airlift over Berlin. Their sword-rattling is revealed as a colossal form of bluffing.

The Soviets asked us to meet them in a conference at Paris. That conference is now in progress. Secretary of State Dean Acheson is prepared to deal with the Russian representatives in a calm and reasonable manner. I can assure you that Mr. Acheson will be as courageous in defense of American rights, as firm in maintaining an honorable position, as his predecessor, Gen. George C. Marshall.

Mr. Acheson knows that President Truman, the leaders of Congress, and the American people are dedicated to a passionate faith in peace. He will do everything in his power to reach a satisfactory settlement with the Russians. I am hopeful that the conference will bring us a little closer to our goal of a stable and secure world.

Our policy with regard to Germany in the future will follow the lines laid down by President Truman in the past. We wish to see the forces of militarism eradicated. We are sending teachers to help the German people stride forward along the broad road of democracy. We know that there are many problems and many difficulties to be faced, but we also know that the people of Germany are talented, intelligent, and willing to cooperate.

In 4 short years we have moved from the military atmosphere of the Potsdam agreement to the drafting of a basic constitution for a united western Germany at Bonn. I believe that we have made great gains.

The political role of our military government has become one of giving guidance and encouragement to the various elements of German government and society, so that the democratic process will evolve as the basis of the future German way of life. The drafting of State constitutions, the formation of political parties, and the holding of elections at all levels of administration are definite milestones along the path of political self-determination.

Industrial production in the Anglo-American zones has increased by 250 percent since 1947. This brings the production figure up to three-fourths of the 1936 average. Rations have already been expanded to an average of 2,000 calories daily. The industrious German people have repaired and have begun to rebuild many of their devastated cities. Control of the Ruhr, the mighty industrial heart of Germany, has been kept in the hands of the democratic peoples. The vast capacities of German factories will not be used to meet the demands of the Communists. The Ruhr will pour out a stream of goods into the economic arteries of the free countries of Western Europe in the interest of peace.

I believe that a unified Germany will eventually be established, and that the new Germany will take its place in the ranks of the Democratic nations. I am convinced that there is a spirit of hope rising in Western Germany and Western Europe. There are many good reasons for the existence of that hope—the life of the people has become more confident, with the general economic revival under the European Recovery Program, and the new leaders of Western Europe are bringing home to the people the value of the democratic way of life.

Let me assure you that the Honorable Harry S. Truman, President of the United States, and the American Congress, are striving to find the best possible solution to the problems of Germany and the world. It is recognized that Germany is the key to the economic and political life of Europe. Upon the successful solution of these problems will depend in a great measure the future peace of the world.

Status of American Representative to the Irish Republic

EXTENSION OF REMARKS

OF

HON. HENRY CABOT LODGE, JR.

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Tuesday, June 14 (legislative day of Thursday, June 2), 1949

Mr. LODGE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me on the subject of raising the status of the American representative to the Irish Republic from that of Minister to that of Ambassador.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. LODGE. Mr. President, the Senate has just been informed of the adoption of resolutions by the General Court of the Commonwealth of Massachusetts memorializing the Secretary of State to raise the status of the American representative to the Irish Republic from that of Minister to that of Ambassador. This resolution was presented by me on behalf of my colleague, Senator SALTONSTALL and myself and comes as the result of a legislative petition presented to the Massachusetts House of Representatives by Representative Bernard M. Lally, who represents ward 17 in Dorchester, who was joined by Senator William J. Keenan, of Boston, and Representative John Pierce Lynch, of Springfield.

This resolution which has been presented to the Senate seeks to accord the same diplomatic status to the Irish Republic as is accorded other sovereign nations. The text of the bill as it was introduced in the Massachusetts Legislature is as follows:

"Whereas the ancient and honorable country of Ireland was formally proclaimed a free, independent and sovereign Republic on the historic day of Easter Monday, 1949; and

"Whereas the Commonwealth of Massachusetts and the people thereof have always maintained the closest ties with the Irish Nation: Therefore be it

"*Resolved*, That the General Court of the Commonwealth of Massachusetts respectfully urges the Honorable Secretary of State in order to accord the proper recognition to the new Irish Republic, increase the present status of the United States representative from that of a Minister to an Ambassador; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the State secretary to the President of the United States, to the Presiding Officer of each branch of Congress, to the Members thereof from this Commonwealth, and the Honorable Secretary of State."

I feel that it is fitting that this document which led to the adoption of this memorial by the Massachusetts Legislature be incorporated in this RECORD of the proceedings of Congress.

Competition in Rubber Trade

EXTENSION OF REMARKS
OF
HON. HOMER E. CAPEHART
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Tuesday, June 14 (legislative day of Thursday, June 2), 1949

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Collyer Favors Competition in Rubber Trade," published in the New York Herald Tribune of May 24, 1949, containing a statement by Mr. John L. Collyer, president of the B F. Goodrich Rubber Co.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COLLYER FAVORS COMPETITION IN RUBBER TRADE—ASSAILS EFFORTS TO CUT UNITED STATES SYNTHETIC OUTPUT

DETROIT, May 23.—The current campaign by the British, Dutch, among others, to raise the price of crude rubber by getting the United States to restrict its production of synthetic rubber is not only a threat to our national security but is a "cartel road which leads to totalitarianism," John L. Collyer, president of B. F. Goodrich Co., said here today.

"The exclusive position which crude rubber enjoyed until near the end of World War II," he said, "is now a thing of the past. Healthy competition now exists between the two types of rubber. The need for maximum efficiency on the part of producers competing for sales in the world rubber market is apparent.

"In this situation, the opposition of the British and Dutch and other crude rubber producing nations is not difficult to understand," he added. "There can be no doubt that these nations will continue to press for some arrangement whereby the impact of American rubber upon crude rubber prices is sharply reduced or eliminated, making possible higher crude rubber prices.

"If in order to raise the price of crude rubber it is necessary that all concerned embrace control schemes that tend toward totalitarianism, let no one be misled that any headway is thus being made against the threat of communism," he asserted. "Instead, the reverse may well be true."

Mr. Collyer said the crude rubber producing nations contend that raising prices will help to alleviate the so-called dollar shortage in producing areas and will lessen the need for American aid. He pointed out that the dollars which these countries receive do not depend solely on the price of a pound, but that the quantity they sell is equally important.

"Last year," he continued, "the United States imported 728,000 long tons of crude rubber or 50 percent more than in 1939, and the price a pound averaged 36 percent higher than in 1939. The total of dollars paid by the United States for rubber in 1948 was more than twice those paid in 1939. In the face of competition with man-made rubber—a higher price of crude could result in less demand for crude."

Coal Stoppage

EXTENSION OF REMARKS
OF
HON. MATTHEW M. NEELY
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Tuesday, June 14 (legislative day of Thursday, June 2), 1949

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a recent editorial from the Fairmont (W. Va.) Times entitled "Coal Stoppage" written by Col. C. E. Smith, formerly a member of the Bituminous Coal Commission.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

COAL STOPPAGE

When John L. Lewis calls for a 1-week stoppage just shortly in advance of the annual miners' vacation period and also shortly before the expiration of the existing contract, the newspapers get out the big type to tell you about it. Here in West Virginia the big type is used because anything that Lewis does is big news to everyone in the coal industry. It isn't because we're surprised about a work stoppage.

No doubt Mr. Lewis knows just now far he can go with the operators before some of them try to break away from the union. We all know there are some operators who would like to return to nonunion operation. But the mine chieftain has been a master at maneuver and at negotiation for many years. His mine union members are confident that he knows what he is about. Certainly his record of successful negotiation gives them good reason to have complete faith.

It is pretty well agreed now that the big boom in the coal market has ended. The situation is changing. Coal buyers are becoming more and more selective. The business is going more and more to the big operators who have big, modern coal preparation plants.

There is real fear that there is likely to be a price war within the industry. An attempt might be made by some to get business by price cutting and to maintain a profit by cutting wages, which would mean attempting nonunion operation. That's the story that we saw enacted here more than 20 years ago. That was the period of the mine wars, as they are recalled today.

We feel sure that there will be need for enactment of another bituminous coal act to establish minimum coal prices in order to prevent another war of cut-throat competition. We don't want to have to go through that again and minimum coal prices fixed by law can prevent it.

No Election Mandate Was Given To Repeal Labor Law

EXTENSION OF REMARKS
OF
HON. LEROY JOHNSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. JOHNSON. Mr. Speaker, under leave to extend my remarks I include an editorial from the Sacramento (Calif.) Bee. For many generations the Sacramento Bee has been a vigorous and independent exponent of what it believed to be for the public interest. It has fought many battles for the underdog. It has never taken a partisan viewpoint, merely because some particular group wanted a particular viewpoint espoused to help its particular interest. It has conducted many crusades and in the best newspaper tradition sought to support what the paper and its editorial staff considered in the real public interest. No matter what one may think of the Bee and its editorial policy no one has successfully denied that it was not independent in arriving at its conclusion.

I merely mention this to give my opinion of the editorial which emphatically states, and I believe convincingly, that no mandate to repeal the labor law can be gained from what occurred in the last election. The paper has taken an objective view of the matter and has come up with the conclusion that there was no mandate. The Bee has frequently supported the policies in which the labor groups have been interested. It also has at times differed with their opinions concerning the wisdom of certain policies which they espoused or for which they fought. For these reasons the editorial is a very interesting statement on the controversial issue which has been discussed in both Houses of Congress as to whether or not the Congress does have a mandate to repeal the present labor law. Very few, if any, Members dispute the fact that perhaps we could make some amendments to the labor law which would make it more workable and better help solve the labor-management problem. The only issue seems to be whether or not there should be outright repeal of the 1947 act and a return to the Wagner Act or whether the present legislation should be modified so as to make it better able to cope with labor-management conflicts, not only for the particular groups involved but primarily for the public, not directly affected by these conflicts.

The editorial follows:

NO ELECTION MANDATE WAS GIVEN TO REPEAL LABOR LAW

Chairman ELBERT D. THOMAS of the Senate Labor Committee opened debate on new labor legislation with the now familiar and oft reiterated declaration that President Truman's reelection last fall was an unequivocal mandate to Congress to repeal the Taft-Hartley Act.

On the basis of what supporting facts is so sweeping a claim made?

It is true the Democratic platform pledged such repeal and that President Truman's speeches reflected the language and sentiments of the platform.

But a curious paradox developed in the actual voting. It was not in the big industrial areas where the unions have their greatest voting strength that Truman won his victory.

In most instances, his totals in those areas fell far behind the vote for Franklin D. Roosevelt 4 years before. Had he done no better elsewhere he would have lost the election.

But the farmers unexpectedly rallied to his support and enabled him to squeak through. This was particularly true in the decisive States of Illinois, Ohio, and California. It was his surprising showing in the rural areas

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of these States that gave him their precious electoral votes.

And not even Philip Murray or William Green has the hardihood to claim the farmers are red hot for Taft-Hartley Act repeal.

Irrespective of the pros and cons of repeal, to argue the election result was a mandate to wipe out the whole act is tommyrot.

An even stronger argument can be made for the belief President Truman was re-elected not because of his advocacy of repeal but in spite of it.

Subversive Activities

REMARKS
OF

HON. CECIL R. KING

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. KING. Mr. Speaker, I notice in the press that my colleague the gentleman from California, Congressman NIXON, is again taking upon himself the job of criticizing the prosecution of subversive cases by the United States Government. Of course, my colleague should know it is highly inappropriate for him to comment upon cases now on trial in the courts, and particularly cases that involve the prosecution of persons who allegedly are attempting to overthrow our Government.

I see, however, that my colleague suggests that the Attorney General should have dismissed the present prosecution against a former Government employee, Judith Coplon, who is alleged to have stolen secret papers from a Government agency with intent to deliver them to a Russian agent. I am amazed that anyone would make such a suggestion, because in so doing he encourages others to engage in espionage. The gentleman from California [Mr. NIXON] has always insisted, in the past, that cases be prosecuted, irrespective of evidence, and where the Attorney General has refused because of a lack of evidence the gentleman from California [Mr. NIXON] has done everything in his power to highly publicize the individuals involved in the cases, even though they may be innocent. Now he wants the Attorney General to drop a most important case, not only a reversal of his attitude, but also thereby depriving the accused of a fair trial in our courts. Such is the proposition of my colleague the gentleman from California [Mr. NIXON].

The gentleman from California [Mr. NIXON] is quoted as demending that the Attorney General be called upon to explain why he has proceeded with the Coplon trial. I believe the answer to be obvious. The Attorney General proceeded because it is his duty, under the Constitution and his oath of office, to prosecute those against whom he has sufficient evidence of violating Federal statutes. The Attorney General apparently takes his oath seriously. He prosecutes every case where the evidence is sufficient, but he prosecutes them in the courthouse, and not elsewhere. If the gentleman from California [Mr. NIXON] had read the Attorney General's record in the prosecution of subversives and the great fight he has waged to protect our country against foreign ideologies, including communism, I am sure he would not have made the suggestions attributed to him in the press. Let me give you just a part of that record.

The program of the Department of Justice against Communist subversion has struck through action in the Federal courts, through deportation proceedings, and through such legislation as the Alien Registration Act and the Foreign Agents Registration Act. The program functioned administratively inside the Government through President Truman's Government employee loyalty procedure, which ferreted out any disloyal Government employees.

Prosecutive action in tne courts against Communists in the United States was as follows:

Eleven top-flight Communists are now on trial before a jury and Judge Harold R. Medina in the Federal court for the southern district of New York. Charged with conspiracy to overthrow the Government of the United States by force and violence are: Benjamin J. Davis, Jr., New York City councilman; John Williamson; Eugene Dennis, the party's general secretary; Jack Stachel, educational director; John Gates, editor, the Daily Worker; Gus Hall, chairman, Ohio Communist Party; Gilbert Green; Carl Winter; Robert Thompson; Harry Winston; Irving Potash.

All are members of the Communist National Board which is the party's high policy-making politbureau.

William Z. Foster, head of the Communist Party, is under indictment with his 11 comrades, but has been declared too sick to undergo trial at this time.

Thirty-four alleged Communists have been convicted in Washington for contempt of Congress.

Twenty-nine of them are out on bond, appeals to the higher court pending. Five paid fines of $500 each and received suspended sentences. Seventeen of them were members of the Barsky Anti-fascist Refugee Committee, 10 were Hollywood script writers.

Sixteen alleged Communists have been convicted in California on charges of civil contempt for refusing to testify before a Federal grand jury. Fifteen are out on bond, pending appeal to higher courts, and one was fined and paid $2,500 for refusing to answer subpena, thereby obstructing justice. He will be summoned to appear before the grand jury again. Conviction of 10 of these 16 has been affirmed by the Ninth Circuit Court of Appeals in San Francisco. The appeals of the other five to the circuit court are pending.

Seven alleged Communists were convicted in Denver, Colo., on charges of contempt for refusing to testify before the Federal grand jury in connection with the investigation of the alleged disloyalty of a Government employee. They are out on bond pending an appeal to the circuit court.

The Department of Justice struck at Communist disloyalty and subversion among Government employees through the President's employee loyalty program launched on March 21, 1947. The FBI checked over 2,471,000 incumbent and appointee forms. Of these, 8,708 were set aside because of derogatory information for full field investigations, 5,459 being incumbents and 3,249 appointees. This is one-third of 1 percent. Director J. Edgar Hoover, of the FBI, reported that since the inception of the loyalty program 2,462,013 employee loyalty forms marked "No disloyal data" have been returned to the Civil Service Commission for transmittal to the employing agencies, an extraordinary evidence of the overwhelming high proportion of Government employee loyalty.

Of those Government employees under investigation some left the service while the investigation was under way. Others were found ineligible to continue on the Government pay roll and were dismissed. Some are being prosecuted for giving false statements to the FBI.

As the result of the President's loyalty program sufficient evidence to warrant prosecution in the Federal courts was found against seven Federal employees.

These cases are:

Carl Marzani, Department of State employee, convicted of giving false statement in connection with his employment, and now serving a jail sentence of from 1 to 3 years, his case having been carried to the Supreme Court, which sustained his conviction.

Verne Wasley Howard, employed by the Government as an aircraft mechanic at Lowry Field Army Air Base, Denver, Colo. He pleaded guilty to making false statements to the FBI about his membership in the Communist party, and was sentenced to 6 months in jail.

Now under indictment and awaiting trial for allegedly making false statements in connection with their employment are:

Bertram Schaeffer, a postal clerk, indicted in Philadelphia.

Rafael Baroana, Agriculture Department employee, indicted in San Francisco.

Robert Edgar Himmaugh, Department of Commerce employee, indicted in New Orleans.

Alger Hiss, former State Department employee, has been indicted for perjury in New York City and now on trial on evidence growing out of the Federal grand jury investigation.

Judith Coplon, Department of Justice employe, has been indicted and is now on trial in the District of Columbia for espionage and for taking Government documents, and is scheduled to go on trial in New York for conspiracy to commit espionage and other charges.

The most recent action by the Department of Justice was taken against Harry Renton Bridges, Henry Schmidt and J. R. Robertson, in San Francisco, where a Federal grand jury returned a criminal indictment against them. Bridges is alleged to have fraudulently denied he was a member of the Communist party

when he sought naturalization as a citizen of the United States. Schmidt and Robertson are alleged to have testified falsely in support of Bridges' petition knowing of his Communist affiliations. The United States attorney in San Francisco also filed a civil suit against Bridges for the purpose of revoking and setting aside the order which admitted him to citizenship and canceling his certificate of naturalization on the ground of fraud.

In addition to prosecutive action, the Department of Justice has for several years been carrying out deportation proceedings against aliens suspected of subversive tendencies.

As of April 15, 1949, there were 3,278 aliens in the United States, most of them Communists who cannot be deported to the countries of their nationality because of passport refusals of their own governments. Of this number 2,147 are deportable to countries behind the iron curtain. Of the latter group 2,079 entered the United States prior to 1933. All the top-notch Communists came into the United States before the first administration of Franklin Delano Roosevelt, arriving during the Harding, Coolidge or Hoover periods. Now under President Truman they are being shipped back as fast as law and visa conditions permit. Some have been deported. Gerhardt Eisler fled. Others deported by stipulation, and still others are to go within the next few weeks.

Alexander Stevens, alias J. Peters, who recently flew to Hungary following the issuance of a deportation warrant, and who was described by the Eightieth Congress House Un-American Committee as the brains of the entire Communist underground in the United States was allowed to enter the country in 1925 during the Coolidge regime. He left, and was allowed to return in 1928 under the Hoover administration. Other high command Communists who entered the country during the 20's and up to 1933 were: Claudia Jones, member of Young Communist League, State Educational Director and State Chairman of the National Council of the Young Communist League, and also member of International Committee Communist Party, entered in 1924; Alexander Bittleman, member of National Committee of Communist Party and active writer on behalf of Communist Party entered in 1912 when Taft was President, left and came back again in 1931 under the Hoover administration; Charles A. Doyle, active member of Communist Party, entered in 1923; John Santo, who was ordered deported and left the country on June 10, 1949, long member of Communist Party, entered in 1927 during the Coolidge days; Jack Stachel, National Board Member and Educational Director of the Communist Party, entered in 1931, when Hoover was President.

Sixty-eight undesirables entered between 1933 and 1945, and none has entered since Attorney General Clark assumed his post. In addition to the deportation cases as of March 31, 1949, Attorney General Clark had under investigation the cases of 389 naturalized citizens for the purpose of determining whether steps should be taken to cancel or revoke such citizenship because of suspected subversive activities. At the present time the Attorney General has under investigation through the immigration service looking to deportation or under actual deportation proceedings the cases of 833 aliens who, prima facie, are deportable under the act of October 16, 1918, as amended.

On February 5, 1948, the Attorney General recommended legislation to the House Un-American Activities Committee so that deportable aliens might be detained in custody while they negotiate for documents for entry into countries willing to receive them. He also asked for amendments to the Foreign Agents Registration Act, the Voorhis Act, the Smith Act and the Alien Registration Law. But the Eightieth Congress failed to act. There is now before the Eighty-first Congress a bill which, if enacted into law, would go far to correct this situation. Attorney General Clark advised the committee that such a plan would also give the Department of Justice an opportunity to curb their activities.

Among the notorious deportees and others obliged to leave the country were: William Bigelow, a Canadian, March 30, 1948; Emil Gardos, a Rumanian, April 1948; Badrig Selian, a Russian, May 18, 1948; Hans Eisler and Sam Carr departed on March 26, 1948, and February 11, 1949, respectively; John Santo, of the Transport Workers Union, June 10, 1949. Other Communists ordered to leave the country and who are scheduled to depart in a few days are: Ferdinand T. Smith of Jamaica; Cando Dimitroff, a Bulgarian; and Gustav Johnson, of Sweden.

The record discloses deportation proceedings brought by the Department of Justice against prominent Communists as far back as 1933 when the Roosevelt administration came into office. There were 25 cases in which important Communists were prosecuted for offenses against the United States. Most of these prosecutions have been for passport violations or other byproduct offenses arising out of Communist activities, these being the only cases provable against them.

Among the 25 may be named Charles Krumbein, one-time New York State secretary of the Communist Party and member of the Political Committee of the Communist Party, U. S. A.; Nicholas Dozenberg, Mikhail N. Gorin, Welwel Warzower, who is also and better known as Robert William Weiner, one-time head of the International Workers Order and member of the Communist Party National Committee; Philip J. Jaffee, Allen E. Blumberg, and Earl Browder, the then top man of the party in the United States.

I believe the country is fortunate indeed to have men of such rare ability and integrity as Tom C. Clark as Attorney General of the United States and J. Edgar Hoover as Director of the Federal Bureau of Investigation.

Old-Age Assistance

REMARKS

OF

HON. LEON H. GAVIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. GAVIN. Mr. Speaker, I desire to associate myself with those of my colleagues who have supported the idea of a better pension for our elder citizens.

Old-age assistance now provides, on an average, slightly over $1 per day for those who are fortunate enough to be on its rolls. In many of the States the amounts paid are much less, some even going down to about half this amount. When we consider the qualifications that exist, little wonder that millions of our deserving old folks suffer on in silence rather than subject themselves to the qualifications that are now imposed on them in order that they might receive these pittances. It is a sad commentary on the history of this country, that we boast of the greatest wealth in all the world, while at the same time we provide less than the cost of one good meal per day for those honorable elders who, in the declining years of their lives, need our help.

Old age assistance today, while slight increases have been made during the recent years, is less adequate for the needs of our citizens than when the Social Security Act was passed back in 1935. It is true that there have been small increases. These increases have not kept pace with the rising cost of living, hence we find our old folks in worse condition today, in spite of the increases, than they were back in 1935. This condition, Mr. Speaker, has been permitted in spite of the multiplied millions, yes billions, that we have provided for other purposes. The needs of other nations seem to sound more forcibly on our ears than the needs of our own. During the war it was UNRRA, that carried our tearful sympathetic billions to needy people in other lands. Of course we were told that was only temporary. It was merely a war emergency that would stop when the war ended. It did stop, of course, but it was succeeded by many other proposals, and the billions lasted on up and until the Marshall plan was constructed as another emergency measure. I am of the opinion there will be conceived some other plan to take over just as soon as the Marshall plan model becomes antiquated. So, it goes Mr. Speaker. Of course each is for a very definite emergency. Yet, we seem to be able to manufacture one emergency to follow another, and so our commitments for relief to other countries continue, month after month, year after year. Billions upon billions of American dollars can be provided. All we need to know is how much money is required for these seemingly endlessly recurring demands.

But, Mr. Speaker, when some of us propose that we pay a decent old-age

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pension to our aged people, we suddenly become very poor. In fact it is surprising how all of our wealth is suddenly gone. Billions have been appropriated for people all over the world but we become tax conscious when it comes to afford relief for our own people.

We can get hundreds of billions to fight wars.

We can find multiplied billions to spend for foreign trade.

We can find continuously multiplied billions for relief of people in other lands.

The record shows we can find the billions for all of these purposes. Now, Mr. Speaker, many of us feel it is high time that we find the funds that are necessary to pay at least a reasonable old-age pension. We do not advocate anything unreasonable. The proposal to enact a reasonable uniform Federal pension to take the place of old-age assistance, is certainly the fair thing to do. I trust that the committee considering this legislation will let us without further delay have such a bill for the Members to consider on the floor.

Admiral Halsey Suggests United States Marine Corps Maintain Minimum Force at 6 Percent of All Services

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. MANSFIELD. Mr. Speaker, Fleet Adm. William Halsey, addressing the veterans of the Fourth Marine Division Association on June 11 in Washington, D. C., called for the fixing of a minimum limit of strength of the Marine Corps proportionate to the size of the rest of the Military Establishment.

This, to me, sounds like good sense and sound judgment. I hope the Congress of the United States will always remember the debt of the people of this country to the Marine Corps and will ever be alert to its accomplishment and cognizant of its needs.

If the Congress ever reaches the stage where, in the interests of unification, it will reduce, abolish, or weaken the functions of the corps it will be betraying the trust of the American people. While the corps is small in size, it is large in achievement. The American people—who love, admire, and respect the corps—are looking to us to see that its position is safeguarded not only for the present but for all time. The one way to prove that interest is for us to follow Admiral Halsey's suggestion and to set the strength of the corps at a minimum of 6 percent of the rest of the Military Establishment.

Mr. Speaker, the reunion of the Fourth Marine Division was an outstanding success. The veterans of the Marshall's, Mariana's, and Iwo Jima campaigns are keeping alive the spirit of their comradeship and are remembering the almost 75 percent casualties they suffered during the war. They have earned the recognition so generously bestowed on them and part of that recognition is an awareness on our part that the retention of the famous corps, to which they contributed so much, is a must in our Military Establishment.

Mr. Speaker, under unanimous consent, I am inserting in the RECORD news stories carried in the Washington Post on June 12 and 13 and also an editorial from The Word, published by the Marine Corps Reserve Officers' Association, for June 1949:

[From the Washington Post of June 12, 1949]

ADMIRAL HALSEY SUGGESTS MARINES MAINTAIN MINIMUM FORCE OF 6 PERCENT OF ALL SERVICES

(By V. R. Montanari)

Fleet Adm. William F. Halsey, Jr. (retired), declared yesterday the United States should fix a minimum limit to the strength of the Marine Corps, proportionate to the size of the rest of the Military Establishment.

"In that way," said the carrier warfare leader who had many Marines under his command, "we will have what this country needs, a perpetual Marine Corps."

Admiral Halsey, who spoke at the Sylvan Theater, had just reviewed the all-Marine parade of the Fourth Marine Division, veterans of Iwo Jima and other epic battles of the Pacific war.

In khaki and in civvies, some 500 veterans of the Fourth, here on a 2-day reunion, marched down Constitution Avenue with 400 members of Washington's Fifth Reserve Infantry Battalion and 1,000 regulars of the Twenty-second Battalion from Quantico in full combat gear.

FOUR BANDS PLAY

Four bands, including the "President's own" Marine Corps Band, in white caps, scarlet blouses, and blue trousers, made the "Halls of Montezuma" echo and re-echo.

Equipment in the line of march included a battery of antiaircraft vehicles, amphibious personnel-carrier "ducks" on wheels, and a 50-ton LVTA, the latest armored amphibious tank model, marked "Abel Mabel—Maui to Iwo Jima."

Admiral Halsey said the Marine Corps had been called the elite corps of the country. That's a gross understatement, snorted the retired five-star admiral.

"I think it's the elite corps of the world," he declared, adding that its esprit de corps is unparalleled.

SUGGESTS 6-PERCENT MINIMUM

"We must never let anything happen that will in any way break down this wonderful corps," he continued. "If we establish a ceiling for the Marine Corps, there should be a flooring, too."

He suggested that 6 percent of the personnel strength of the other services should be established as a minimum for the marines' strength.

Taking the parade salutes with Admiral Halsey in the reviewing stand on Constitution Avenue between Fifteenth and Sixteenth Streets NW. were Gen. C. B. Cates, Marine Corps Commandant, who commanded the Fourth at Iwo Jima; Maj. Gen. Franklin A. Hart, president of the Fourth Marine Division Association; Under Secretary of the Navy Daniel A. Kimball; Assistant Secretary John T. Koehler; and Vice Adm. Harry W. Hill.

The 22-minute parade, impressive for its color and precision, was the first all-Marine march down the Avenue since 1924, when President and Mrs. Coolidge reviewed a Marine expeditionary force returning from duty in the Caribbean area.

HELICOPTERS COVER ROUTE

Overhead, 200 or 300 feet over the line of march, were six helicopters from the First Helicopter Squadron at Quantico, which covered the marchers several times on their route between Fourth Street and the reviewing stand on Constitution Avenue.

General Hart, who commands the Second Marine Division at Camp Lejeune, paid a tribute to the dead of the Fourth Division at a 2 p. m. memorial program in the Arlington Amphitheater. He called on the survivors of four operations which killed 17,722 of their comrades to prove themselves worthy of the sacrifices they have seen.

Rear Adm. William N. Thomas, Navy Chief of Chaplains, rendered a memorial prayer, and Lt. Comdr. John H. Craven, Fourth Division chaplain, gave the benediction. General Hart placed a wreath at the Tomb of the Unknown Soldier.

[From the Washington Post of June 13, 1949]

IWO VETERANS CONCLUDE REUNION

Veterans of the Fourth Marine Division in their week-end reunion in Washington heard Fleet Adm. William F. Halsey ask for a 6-percent flooring on the corps and were advised by Senator SALTONSTALL, Republican, of Massachusetts, that Congress doesn't want to put the Marine Corps out of business and couldn't do it even if it tried.

These developments high lighted the visit of 500 combat veterans of the Marshalls, Marianas, and Iwo Jima campaigns at a time when the corps is uneasy about its future. Present at all gatherings was Gen. C. B. Cates, Marine Commandant, who commanded the Fourth at Tinian and Iwo.

In the solemn stillness of Arlington's Amphitheater, the veterans and their families heard Maj. Gen. Franklin A. Hart, retiring association president, warn we cannot do away with our defenses until we are sure that threats of war have been done away with. He reminded his listeners, whose division suffered almost 18,000 casualties, 75 percent, that "we are guardians in peace of what our comrades fought and died for in war."

Rear Adm. William N. Thomas, USN, Navy Chief of Chaplains, in his memorial prayer, compared the young Marine dead "to the young man of long ago on His cross whose work was so perfectly done and whose sacrifice has changed the course of history."

The division's veterans combined with Marine bands and regulars to give the Capital its first all-Marine parade in 25 years. It was reviewed by Admiral Halsey, the Assistant Secretary and Under Secretary of the Navy, and Marine Members of Congress and other dignitaries. In startling contrast to the 1924 parade of expeditionary troops, helicopters covered the Constitution Avenue route and a mounted armored amphibian tractor lumbered down the line of march.

Admiral Halsey addressed more than 1,000 marines and their friends at the Sylvan Theater, calling the Marines the elite corps of the world and asking for legislation which would fix the minimum strength of the Marines at 6 percent of the total Army Navy, and Air Force strength.

"The 6 percent ratio would give us what this country needs—a perpetual Marine Corps," he said, saying that no further protective legislation would ever be needed.

Senator SALTONSTALL, whose son, Peter, was killed with the Marines on Guam, told an overflow banquet crowd at the Statler Hotel Presidential Room that the corps "has more glamour, more political pull than any other

outfit." A member of the Senate Armed Services Committee, SALTONSTALL said that, in his opinion, the present changes in the Unification Act would enable the military to operate more efficiently and more economically. "We don't want to lose the cold war by spending ourselves into the ground as some of our former allies hope we will," he told his audience.

Reunion delegates elected their chairman, Col. E. A. Pollock, USMC, as 1950 association president, and New York was selected for the next convention, June 1–3, at the Hotel New Yorker.

Marines, both Regular and Reserve, who have grown old in the service of their country were thrilled by the demonstration of the Marine Barracks crack ceremonial drill team and the music of the Marine Band and the drum and bugle corps from the Washington Barracks, commanded by Col. L. B. Cresswell, former regimental commander in the Fourth. Martial music, the Marine colors with 44 streamers, emblematic of 88 victorious battles in 173 years, and the precision of the marching men made a deep impression upon banquet guests and marines alike.

A 5- by 3-foot telegram from the Maui Chamber of Commerce reminded the marines who spent several months on that Hawaiian "valley isle" in between engagements, that "every man, woman, and child" wished them well and a fond aloha. Other wires came from as far away as South America and many other United States cities.

[From the Word for June 1949]

THE BOX SCORE NO. 2

The United States Senate has passed S. 1843 (amended version of S. 1269). The House has not yet held committee hearings on the controversial bill, requested in the interests of "economy and unification."

In the Senate debate promises were made regarding safeguards for the Marine Corps and naval aviation. Amendments were passed which prohibited transfer of personnel by the Defense Secretary and which limited the number of officers serving on the staff, Joint Chiefs of Staff.

Major features of the Senate version of the National Security Act amendments of 1949, which MCROA and others have opposed, include the following:

1. Establishment of a Chairman of the Joint Chiefs of Staff as the principal military adviser to the President and Secretary of Defense.

2. Establishing a Department of Defense and giving the Secretary supreme authority, loosely worded and seemingly with few checks.

MCROA is not alone in opposing the fundamental policy of establishing a Prussian-type General Staff in America. Mr. Ferdinand Eberstadt, Chairman of the Hoover Commission's Task Force Committee on the National Security Organization, raised very serious objections to it before the Senate committee which heard few witnesses in opposition. Generals Vandegrift, Cates, and Edson, among others, have inveighed against this military scheme in the past. MCROA has long opposed it.

This bill, giving the Defense Secretary such unusual authorities within the NME, is most unusual in legislative history. Generally, the executive departments follow rather specific rules and regulations set down by Congress. Under the provisions of this omnibus bill, violent and drastic changes could take place without proper study or evaluation.

For these two reasons, the one being that it is unwise to establish a Supreme Chief of Staff and a General Staff in America, under whatever name, and that the Defense Secretary at present seems to be moving with alacrity and dispatch in various matters now under his jurisdiction with his present authority, MCROA believes further study and public consideration of S. 1843 is necessary and that H. R. 3845 (Vinson bill) deserves full and complete legislative consideration and amendment before passage.

Further, no convincing proof has been given that this Senate bill will produce either economy or greater unification. No satisfactory figures have been drawn up to show where a billion or a billion and a half dollars can be saved. Similarly, no real unification will be served if arbitrary actions, such as the super carrier cancellation, are to be the rule for the future. Tomorrow it could be the B–36 or the flame thrower, the marines, or naval aviation.

Economy in Government

EXTENSION OF REMARKS

OF

HON. WALTER NORBLAD

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. NORBLAD. Mr. Speaker, under leave to extend my remarks, I include herewith an excellent editorial from the Silverton (Oreg.) Appeal-Tribune sent to me by Mr. J. R. Hainesworth of that city. I commend its reading to every Member of this House.

Those in Washington who advocate higher and higher taxes, including the President, might do well to ponder the words of one of America's great leaders, Thomas Jefferson, who some 150 years ago wrote this sage advice in the following words:

"I place economy among the first and most important virtues, and public debt as the greatest of dangers. To preserve our independence we must not let our rulers load us with perpetual debt.

"We must make our choice between economy and liberty, or profusion and servitude. If we can prevent the Government from wasting the labors of the people under the pretense of caring for them, they will be happy. The same prudence which in private life would forbid our paying our money for unexplained projects forbids it in the disposition of public money."

The proposals that the state can make everyone comfortable, secure, well educated, and healthy besides safeguarding old age, the unemployed, all without cost to the individual are tempting but vain and illusory.' Why should anyone oppose such a system, they ask.

The answer is, of course, that nobody would, if such a utopian condition could actually be brought about without cost but, more important, the taking away of the individual's freedom.

The magic word of security is being substituted instead of dependence in the attempt to take in the unthinking once and for all.

Only when one remembers that State by itself never creates anything does the awakening come. The State doesn't earn a dollar. It can only give what the people pay for themselves. Before giving anything it must first extract the cost from the people and add it to all the bureaucratic cost of collection and distribution.

The clear fact is that in so doing Mr. John Q. Public simply transfers his right to buy these benefits to his State with the added costs attached.

Under the New Deal when billions were being handed out to both city and farm population, by putting a large mortgage on the Federal Government's credit, the average man had little concern, as long as he got his share of the largesse.

But now in country after country stomachs are getting empty and the check is being handed out to the people for payment for the banquet they enjoyed.

And this check is taking the form of higher and higher taxes. Taxes seen and hundreds of taxes unseen, are draining the returns of the average land owner, businessman and laborer to the point that in any case the man concerned sees himself giving too big a share of his labor to support a profligate Government.

The demand of the people through their congressmen should take vigorous support of all methods to economize in our Government and do away with overlapping and unnecessary Government bureaus.

Democratic Leaders Seen as Subservient to CIO

EXTENSION OF REMARKS

OF

HON. CHARLES E. POTTER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. POTTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an editorial written by Mr. Frank R. Kent, which appeared in the June 12 Washington Star. This article should give every thinking person concern. Certainly it causes us to wonder who is actually running the Government today.

DEMOCRATIC LEADERS SEEN AS SUBSERVIENT TO CIO—LUCAS, M'CORMACK PICTURED JUMPING WHEN MURRAY CRACKS THE WHIP

(By Frank R. Kent)

A more unpleasant exhibition of political servility than that of the Democratic leaders in Congress some days ago would be hard to imagine. It was an utterly unconcealed performance, too—right out in the open. Strangely, it got slight newspaper attention.

Reference is to the extraordinary manner in which, after the unctuous Mr. Philip Murray, head of the CIO, cracked the whip over their backs, these Democratic leaders cravenly swung away from the position they had assumed and obsequiously chorused, in effect: "Yes, Mr. Murray." "Yes, indeed, Mr. Murray." "You are perfectly right, Mr. Murray." "We are in complete accord with you, Mr. Murray." Previously they had given every evidence of not being in the least accord with Mr. Murray. On the contrary, they had publicly promulgated the view that most of Mr. Truman's fantastic Fair Deal program was doomed so far as this session is concerned.

Publicly, Mr. Truman rejected this notion—though there is reason to believe he privately accepted its truth. He piously hoped at a press conference that most of his proposals would be enacted before adjournment. Paying slight attention to this, administration leaders declared that only the North Atlantic Pact, the reciprocal trade agreements and the Taft-Hartley repeal could be acted upon at this session. Everything else would have to go over until next fall.

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Adjournment would be not later than July 31. That was the way things stood up to May 31. On that day, speaking as one with authority, Mr. Murray sternly rebuked the Democratic leadership. He abruptly ordered it to halt its drift toward congressional inaction. He called upon it for a forthright statement of its purpose to stay in session until substantial sections of the Fair Deal program are enacted. He sneered at the reputation of the Eighty-first Congress and sharply criticized its leaders.

The immediate result was a stampede to reverse themselves. Mr. Murray's May 31 statement was in letters to Senate Leader SCOTT LUCAS and House Leader JOHN MCCORMACK. On June 1, Mr. MCCORMACK replied to Mr. Murray substantially as follows: "I am in receipt of your letter and there is nothing in it with which I am not in full agreement." With equal speed, Senator LUCAS replied that much of what Mr. Murray demanded had already passed the Senate (which is not at all accurate) and that it was the House that lagged. "If, however," he said, "it is impossible to pass the major measures demanded by July 31, we will extend the time for adjournment."

Other leaders followed with similar stultifying declarations. Literally, overnight their attitude changed. But the realities, of course, have not changed. It is just as true as before that the bulk of Mr. Truman's domestic program will not go through at this session; first, because sentiment in the country does not favor it; second, because a majority of Congress is opposed. Mr. Murray, with his solemn mandate, has not changed a single vote in Congress but he has accomplished two things. For one, he compelled the Democratic leadership publicly to put on a show of shameful subservience such as has not been seen in our politics before. Of course, since 1936 the Democrats, nationally, have been allied with the CIO and acquiesced in its claim of being indispensable to Democratic success. But, previously, there had been no uncamouflaged admission that they took orders from it.

That is exactly what the party leaders have done this time. A considerable number of their followers are humiliated. It is one thing, they say, to play politics with the CIO; it is quite another to submit openly to CIO dictation. The second thing Mr. Murray has accomplished is to postpone Senate action on the terribly important Atlantic Pact, for which Secretary of State Acheson and General Marshall have earnestly appealed. Until he cracked the whip and the leaders jumped through his hoop, the pact had the right-of-way in the Senate. Due to the unselfish patriotism of Mr. Murray and the noble nature of the Democratic leaders, it has now lost priority and the Taft-Hartley repeal proposal has taken its place. This may mean weeks of labor bill debate before the pact can be taken up at all. At a very critical moment this has weakened our hand at the Paris conference. In his statement Mr. Murray mentioned practically everything else but significantly said no word for the pact, perhaps the most vital of all administration measures.

The pathetic feature of this fortifying Democratic performance is that it is so completely unnecessary. Fear of Mr. Murray is so completely unfounded. Politically, he is a bluff, a bully and a fraud. As proved in the last campaign (in which the CIO pledged itself to drive out of public life every candidate for Congress who had supported the Taft-Hartley bill), he is totally unable to deliver his own votes. The claims of his organization are demonstrably absurd. As shown by the 1948 Dunn surveys in some States and many districts CIO support is more a liability than an asset. It all adds up to make Democratic leaders in Congress seem a particularly pusillanimous lot.

Address of Hon. Charles F. Brannan, Secretary of Agriculture

EXTENSION OF REMARKS

OF

HON. A. S. J. CARNAHAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. CARNAHAN. Mr. Speaker, under permission to extend my remarks in the RECORD, I include herewith the address of the Honorable Charles F. Brannan, Secretary of Agriculture, delivered at Des Moines, Iowa, June 13, 1949. My colleagues from Missouri join me in directing your attention to this address which deals with one of our most vital problems. Our economic stability depends upon an adequate and sound farm program. We invite your attention to this address and to an effort to further develop a sound farm program.

The address follows:

It is a real pleasure to meet with you in this wondrous and safely democratic stronghold, the State of Iowa.

It is fitting that we should meet in Des Moines. In addition to its many other distinctions, this has recently become known as the city near Dexter, Iowa.

For in Dexter, not many miles from here, not many months ago, a great American President fired a shot heard "round the world." Opening his campaign for reelection, his target was special privilege for the few. His cause was the very core of democracy—government of, by, and for all the people. Tirelessly, against great odds but with confident conviction, he led the battle day by day. In the end came one of the greatest victories in the world's political history—a victory of the people and Harry S. Truman.

It is in direct consequence of that victory that we are meeting here today. The victory was not merely a confirmation of the policies of President Truman and the Democratic Party. Even more important than that, it brought opportunity and responsibility to carry forward those policies. People do not vote merely to confirm the past. They vote for their future, for their hopes and aims. We meet here to consider ways and means to achieve some of those hopes and aims.

This great meeting is a demonstration of our mutual determination to meet the challenge of victory with a constructive program.

Here in the Midwest it is well known that one of our greatest opportunities as well as one of our greatest responsibilities lies in the field of farm program development.

The party of Roosevelt and Truman is the only party in history that has concretely demonstrated its awareness of the need for an effective farm program. Recognition of this fact is the reason the people of this Nation trust it more than they trust the Republican Party or any splinter group to maintain and develop a sound farm program.

It is also one of the big reasons our party gained in leadership last fall, especially in this great agricultural region.

The people's trust runs deep. They accept, on faith, the assurance that we will continually work to develop the strongest, soundest, and best farm program that we are capable of developing.

We have accepted their confidence.

We will justify their faith.

Toward this end, we are making substantial progress. In place of the International Wheat Agreement which was allowed to die last year, we have negotiated a new agreement. It has been reported favorably by the Senate Foreign Relations Committee and is currently being considered by the Senate.

We are also bringing order out of chaos in the grain-storage situation. This is one essential to the success of any price-support program. The Congress has restored to Commodity Credit Corporation the storage authority which was cut off last year. Because of this, we have been able to start a program on distress wheat, which will free farmers from the necessity of forced selling on a glutted market. Also, because of the fact that commodity credit has had its storage authority renewed, we are able to have a loan program which directly encourages farmers to build their own storage. At the same time, the CCC is going ahead to increase its own storage facilities. This progress has not come easily. Those who have tied the hands of the CCC last year are still attacking. But, thanks to the present Congress, we are going to have adequate storage as the basis for our price supports and safe reserves.

These actions illustrate our party's vitality.

The traditions and principles of the Democratic Party provide the foundation upon which our farm program is built. If we keep this fact in mind, the future requirements are clear. As the party of Jefferson, Jackson, Wilson, Roosevelt, and Truman, we seek a fair deal for all the people—special privilege for none. There we have the first requirement of our farm program. Let us ask ourselves, then, how we can best serve the needs of all the people at this particular time.

I suggest to you that the answer is quite simple. The great need is to use the abundance that our farms can produce. On this point the interests of the farmer and all the rest of us coincide.

Let us see where we stand.

American agriculture today is more productive than ever before in history. We set a new all-time production record last year. It was the sixth new record in 9 years.

Compared with averages of 20 years ago, our crop yields per acre were higher by an amazing 50 percent.

Last year we exported three or four times as much food as we exported in the prewar years, and we still consumed 12 percent more food here at home.

We have hybrid corn, which is generally credited with adding at least 20 percent to our yields. We can expect that more farmers will use it as time goes on. Higher-yielding hybrid are being developed in other crops and in livestock. In the last few years DDT and 2,4–D and other remarkable chemicals have made it easier to control the insect, disease, and weed enemies of farm crops and animals. More new chemicals are on the way in our laboratories.

More and more farmers are using modern machines, which enable them to do their field work when it has to be done. Here in the Corn Belt we have seen how this has helped to maintain yields in spite of bad weather at crucial times. Some parts of our country are only beginning to mechanize their farming operations.

Today, because of a program initiated in 1935, about 7 out of 10 farms have electricity, and this too makes the Nation's agriculture much more efficient than it was a few years ago.

These are only a few elements of our new efficiency—a few indications of American agriculture's capacity for abundant production. In all the world, there is nothing comparable to the American farm plant.

The taxpayer has helped to create this productive capacity by supporting scientific research, education, soil conservation, and other programs. The farmer has used these aids and through his own hard work has built up the productive capacity of agriculture to the present peak.

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Thus, all of us have an investment in abundant production.

It is a good investment. It makes possible an abundance of food and other agricultural products for every one of us. For farmers, it makes possible the creation of more new wealth from which in simple justice they should be able to retain a reasonable share.

But let us understand this too: Our great productive power makes possible the biggest surpluses, the most colossal waste, and the greatest economic crash the world has ever seen. Our productive power is still increasing, and except in case of prolonged depression or neglect of our basic resources it will go on increasing. If and when there is a decline in export markets, which have been absorbing so much of our increased production, we must be prepared to avert extremely serious consequences.

Like atomic energy, our great agricultural productive power can be used for either good or evil. It is up to us to choose.

I have here in my hand a little symbol of the last great depression. It is a leaflet published by Iowa State College as a service to the people of this State. It is entitled "Comparative Values of Corn and Coal as Fuel for House Heating." The first two sentences are as follows: "With coal high in price and corn at a low figure, with the cribs full of corn and the coal bins empty, many farmers have suggested burning corn because it seemed cheaper than coal. The engineering extension department at Ames had hundreds of inquiries from those who wanted correct information on the subject." The leaflet then goes on to say that 40 bushels of Iowa corn equal 1 ton of Iowa coal.

Please understand me. I have nothing but praise for this service by the college in time of dire trouble. But I am abhorred and repelled by the failures of human society which made necessary this type of service.

The memory is repugnant to all of us.

Cribs full of corn, coal bins empty.

Corn growers broke, coal miners hungry.

Hogs fat, people thin.

Those were the days when the Nation's corn growers received a season-average price of about 32 cents a bushel—and prices of farm commodities averaged 55 percent of parity.

In 1932, we were dealing with a big corn crop—2,500,000,000 bushels.

People talked about the curse of abundance.

Last year we produced well over 3,500,000,000 bushels.

Must our abundance again become a curse?

Must we sit idly by and let it happen?

Must we fail?

I say the answer is "No."

The people say "No," and that is why they stand with Harry Truman and the Democratic Party.

We are confronted with a basic test of democracy. We can fight the Communist doctrine with all our strength. And we should. We could expose every Communist organizer and every executive who sold out to the Nazis. We might test the loyalty of every officer of every labor union, every Government clerk, and every businessman with foreign dealings. But if we let our economic system fail again, if we allow depression, if we allow abundance to become a curse, we open wide the door to the foreign and native totalitarians who stand ready to proclaim the end of the great American experiment of democracy.

The Democratic Party has not won leadership for the privilege of starring in the final act of a human tragedy. Like those who pioneered before us, we dedicate our lives, our fortunes, and our sacred honor to a better future.

What then can we do?

Today we are studying the farm front. That is where you and I can make our greatest contribution. It is not the only front on which action is required, but it is one of the most important, as the people of the Middle West thoroughly understand. You know that agriculture is a basic segment of our economy—indeed, the foundation of our entire civilized society. From agriculture come most of the necessities of life. It provides much of the new wealth. It is a major starting point of business. Although the economic pyramid that rises from the agricultural base is made in part from metals and chemicals and personal service, even today half of all the business in this Nation directly involves the use of agricultural products.

The major weakness of our agriculture is its low resistance to falling price—declines that far exceed those of other prices and deepen into economic collapse.

Our depressions are farm-led and farm-fed.

The great depression that stopped the wheels of business and stilled the whistles of our factories in the thirties had its origin in the farm depression of the twenties.

As we face the 1950's, we must use the lessons of history.

The public interest demands a forward-looking agricultural policy and at the heart of that policy a strong farm-price-support program.

In my opinion, this is one of the greatest responsibilities for which you and I are accountable.

We cannot deal in theory or beautiful abstractions.

We must deal with the realities as we find them.

Last year agriculture increased its output about 9 percent. Industrial output increased 3 percent.

Last year the prices of farm crops came down an average of 20 percent—with some crops, such as corn, coming down much more. Livestock prices came down about 7 percent, making an average reduction in farm prices of 13 percent. Meanwhile, prices paid by farmers for farming essentials reached a new peak last August and came down only a little by the end of the year.

So far in this year 1949, the farm prices have continued to come down in relation to prices paid by farmers. Compared with January of 1948, farm prices now average 17 percent lower. And prices paid by farmers are still only about 2 percent lower than they were at the peak last August.

The purchasing power of farm commodities has dropped to the lowest point since June of 1942. Ask not only the farmer but the merchant on Main Street, the supplier and the manufacturer who fill the merchant's orders, and the unions that make and move the goods.

These are some of the realities we face. Yet some would have us weaken the farm-price-support program.

As realists we dare not weaken it. We must strengthen it.

As you know, the agricultural committees of the Congress are entirely aware of the developing problem. When the Eighty-first Congress organized, Chairman THOMAS of the Senate and Chairman COOLEY of the House set the wheels in motion for a study of existing legislation, developing problems, and the need for new price-support legislation. As Secretary of Agriculture, it become my duty to testify first.

In preparation for the testimony, I attended the annual meetings of major farm organizations. I met with leaders at smaller meetings. Privately, I studied what I believe to be every serious proposal that has been made. I studied the parity formula. And I studied the legislation which was passed by the Eightieth Congress and scheduled to go into effect at the end of this year.

Let me say a few words about this new legislation that is on the books—title II of the act of 1948. First, it was not studied by the Agriculture Committee of the House of Representatives before it was passed. The CONGRESSIONAL RECORD shows it was reported out of conference committee after repeated deadlocks and was passed with the reservation that it would be studied later and revised as necessary. Second, it was passed in a great hurry in the dark hours of the Sunday morning when the Eightieth Congress was trying to wind up its chores so that the Republican Members could go to their party convention. Third, although it was hailed as a great new long-range program, it was in reality a series of amendments to the Agricultural Adjustment Act of 1938—a minimum gesture toward modernizing the Democratic program of the thirties when we were still struggling to gain back the prosperity that was lost in the depression. It was a "me too" program, with variations.

As I looked into its provisions, I found that it assured support on only a few commodities, and those represent only one-fourth of gross farm income. And even on those the support might range from 60 to 90 percent of parity. It assured support on only one perishable, namely potatoes. The act expressly forbids Commodity Credit Corporation to support any other perishables. It revises the parity formula but retains a base period of 30 years ago regardless of how prices are behaving today. Thus, the legal minimum support prices would not necessarily be related to recent actual prices.

Under some circumstances, it would prevent the Secretary of Agriculture from announcing dollar-and-cent support prices in advance of the planting season or breeding time. It provides for acreage allotments and marketing quotas but then provides for support at 50 percent of parity even when producers reject marketing quotas in disregard of a surplus. It would give just as much support to the producer who mines his soil as to the man who conserves his soil.

I took into consideration the main arguments of those who are committed to that legislation. They maintain that the way to bring down the production of a commodity that threatens to become surplus is to bring down the support price. I looked up the record and found that time after time in our history, falling prices have brought increases—not decreases—in crop plantings. Falling prices have forced farmers to plant more. And their desperate effort to maintain their income has resulted finally in harm to their families and destruction of their land.

I have been asking myself why some people feel so firmly committed to the legislation which is now scheduled to go into effect at the end of this year—legislation which was passed so strangely and with so many obvious faults. They beg us to try it anyway—like disappointed cooks insisting that we try the flavor of a cake that fell.

What lies behind the peculiar attitude, this blindness to the problems of our times, this deafness to the voices of the people who want something better? Who is served by such an attitude?

For my own part, I firmly believe the program which they ask us to accept is far from adequate.

I believe we can and must develop a program that will serve the interests of all the people by helping to prevent depression, maintain high-level production of farm commodities, conserve natural resources, maintain reserves for national security, build bigger industrial markets, provide jobs for workers at good wages, and insure a strong rural America.

I say to you, as I have said to the congressional committees, that I do not offer my recommendations as the final and complete answer to the problem. But I have stated my proposals, and I am glad to have this opportunity to summarize them for you.

Here is what I have proposed:

First, let us find a means of keeping supports in line with recent actual prices and experience. We are much less concerned about a price relationship some decades ago than we are in a fair deal and sound economics today.

My own view is that there must be a level of farm income below which it is not in the public interest to permit that income to fall. Once this level is agreed upon, we should use it as the base for computing farm price supports.

The farm income standard I have suggested is that amount which will maintain farm purchasing power as high as the average of the last 10 years. For 1950 this would require a dollar income of $26,200,000,000. There are those who say this is too much. But it is 15 percent less than last year's dollar income of $31,000,000,000 and 15 percent less than last year's purchasing power. How much faster do they want farm prices to drop in relation to other prices? How much lower does the public interest permit?

Remember now, this income standard is used only as the starting point for computing price supports. No income is guaranteed. This is strictly a price support plan based on an income objective.

My second main point is that we should assure definite support on those commodities that rank highest in importance to farm income and to the national diet. The commodities I have suggested for priority use of price support funds include corn, cotton, wheat, tobacco, milk, eggs, chickens, and the meat animals—hogs, beef, cattle, and lambs. These account for around 70 percent of cash farm receipts. By including livestock and livestock products, we can encourage the production of foods that consumers want in greater amounts. We can eat more of our potential grain surpluses in the form of livestock products. We can keep more of our land in grass and legumes and thus conserve our soil.

The third major part of my recommendation has to do with method of price support. If we are to support prices of perishables, such as meat and milk and eggs, we need another and less wasteful method than that now provided. Loans and purchase agreements work very well on the storable commodities. We need large reserves of them anyway. But for perishables we must have a method which permits the entire production to get to the consumer. Otherwise, waste is inevitable. I have suggested use of the production payment method. Under the payment method, the farmer can produce with assurance. He can sell on the regular market. The product finds its own price level without interference. The consumer buys at the price set by supply and demand.

If the average price received by producers is lower than the support level, the producer receives a production payment for the difference between the support price and the average market price. If his own selling price was higher than the average, he is that much ahead. If he had to sell for less than the average, he is that much behind. This fact has been misrepresented. I want to make it clear that the farmer has just as much incentive to get the best possible market price under the payment method as he has at any other time.

The fourth part of this proposal deals with conditions and limits on price support. I have proposed that a farmer's eligibility for price support should be tied to a soil-conservation requirement, to acreage and marketing limits when wasteful surpluses make them necessary, and to volume per farm of supported commodities. The reasons for these conditions and limits can be stated very briefly. To me it seems illogical for the public to spend money encouraging soil conservation and at the same time to provide price support to the producer who disregards the soil and the public's interest in the soil; also, it seems plain that in return for the privilege of price support farmers should be and are willing to accept responsibility for keeping market supplies in line with genuine demand.

As to limit on the amount of support for any one farm, I would merely point out that we have a long history of public policy encouraging family-type farming. If we provide support for big-scale, industrialized farming, we are following a conflicting policy. I have not proposed that we withhold price support from any farm, no matter how large, but merely that we limit the amount of support per farm. This limit would apply only on farms that are bigger than the biggest family-type farms, and even those big-scale farms would enjoy as much price support as the biggest family-type farms.

As you study my recommendations, I think you ought to be fully aware of the objections that have been raised against it. These are very interesting.

You know, you can sometimes judge a program or an administration as well by the enemies it makes as by friends and its positive achievements.

One of the first and most persistent charges made against the proposed new program is that it means regimentation. The Republicans have used that one for so many years that it is now almost a compliment, meaning, "We can't find anything wrong with it except that we didn't do it first." The truth is that the recommended program asks for absolutely no new type of authority or control over agriculture, and the only real control that has ever been in effect is the marketing quota. That can be put into effect only when accepted by at least a two-thirds majority of producers voting in a referendum. Farmers themselves fought for the right to use the quota when necessary and have shown no intention of giving up the right. This is illustrated by a statement issued by some leaders of a farm organization here in Iowa. They raised the question, "Can farmers exist on 60 percent of parity?" And they answered it by saying, "No one has asked them to. The Agricultural Act of 1948 actually provides a minimum support of 72 percent of parity when acreage allotments or marketing quotas are in effect."

The second great hue and cry was cost. We were asked to visualize five, ten, and twenty billions of dollars floating away like the morning mist. Nobody bothered to give any economic analysis to back up the "guesstimates," but it was obvious that they were based on a belief in depression. If you assume that a depression is coming you can dream up much worse costs than that of a farm price-support program. But does the Gloomy Gus who predicts a depression-time cost propose a farm program that will help prevent depression? He does not, and that's the difference between us. The Democratic Party is in power to prevent depression. Remember that a price-support program does not cost anything until farm prices have already dropped down out of line as compared with nonfarm prices. That has been true in the past and would still be true under the program I have proposed. And even then apparent costs must be balanced against gains.

It has also been charged—and this is extremely painful to me—that my proposal is political. In fact, one spokesman went so far as to call it "politico-economic philosophy," which I believe is meant to convey the idea that he doesn't like my politics. Well, I want to confess to you that I do think there should be and is such a thing as party responsibility. I am also under the impression that the people have devised a political system for the purpose of self-government.

I am proud of the American political system. I think it is the best in the world. And one of the best things about it is that it fosters the free competition of ideas, reserving to the people themselves the power to judge and choose.

If it is political to appeal to the judgment of the American people in farm program matters, so be it. Let us be done with this nonsense. Let us trust the people.

But the charges I have mentioned are only the top dressing. Now we get down to the real argument. It has probably been stated most clearly by an eastern financial journal, the New York Journal of Commerce. Speaking of the proposed program, this paper said, "We believe that it promises farmers more than they are entitled to and that it promises consumers more than it can deliver." This is a very concise attack on both the support level and the production payment method of supporting farm returns. But like all the opposition it fails to say what the farmer is entitled to, and it fails to state how a farm program can better serve the needs of consumers. This attack is echoed by a New York Herald Tribune editorial. It charges that the administration program would bestow upon the farmer what it calls "the privileged income position."

So we come to the real issue. Privileged income position means the same as promising the farmer more than he is entitled to.

What is this so-called privileged income position? Last year farm people had an average net income of $909, including the value of home-produced, home-consumed food and what they earned off the farm. The average income of other people was $1,569. Where is the farmer's privileged income position? Farm people are almost one-fifth of the total population, they get less than one-tenth of the national income.

When I hear that the proposed program offers the farmer more than he is entitled to I want to know what he is entitled to. I am almost ashamed to confess that the program I have proposed would let farm prices go down in relation to other prices to such an extent that farm products would have 15 percent less purchasing power than they had last year.

How far down does farm income go before the farmer is getting what he is entitled to?

We owe our thanks to the opposition for bringing this issue out into the open at last. In their hearts the people have long known the issue existed. They voted accordingly last fall. Today the challenge is even plainer. It is one we must meet.

I have attempted to meet it in my own way. I do not ask you to accept my recommendations as your own. I hope you will study them. I hope you will improve upon them. And most of all I hope that all of us may unite in support of a farm program which means, for all the people a Fair Deal.

Roy E. James Case

EXTENSION OF REMARKS

OF

HON. CLIFFORD P. CASE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. CASE of New Jersey. Mr. Speaker, under unanimous consent, I include in the RECORD a telegram which the Honorable Tracy S. Voorhees, Assistant Secretary of the Army, sent to the editor of Newsweek on June 4 in order to correct

an erroneous quotation attributed to him in regard to the Roy E. James case:

DEPARTMENT OF THE ARMY,
June 4, 1949.

EDITOR, NEWSWEEK,
New York City, N. Y.:

Your story re James case (June 6, p. 19) erroneously quotes me as affirming that Congressman WALTER "had a hand" in loyalty charges against James.

Believing that neither you nor your reporter would wittingly imply that the Army, through me, would allow the loyalty program to be subjected to political or personal misuse, I feel you will wish to have the facts:

It was not so used. When James asked me who was the source of the loyalty charge, I declined to tell him. Executive order concerning the handling of loyalty charges prohibits such disclosure. When James mentioned WALTER as the source, I stated specifically that it was not—repeat, "not"—WALTER.

TRACY S. VOORHEES,
Assistant Secretary of the Army.

Polish-American Citizens' Clubs of Massachusetts

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address made by me at the annual convention of the Polish-American Citizens' Clubs of Massachusetts, on Sunday, June 5, 1949, at St. Michael's Hall, Lawrence, Mass.:

Mr. Chairman, representatives from the Polish-American Societies of Massachusetts, and friends, someone once said that there were 57 nationalities in the world, of which you will find about 51 in Lawrence.

So you see we had our own league of nations here, in this 2 by 3 city of 85,000 people, long before they tried to establish one on a world-wide scale.

We even have Poles and Russians living side by side as friends and neighbors, because these Russians fled from their homeland to escape the persecutions of the czars and the commissars, and so they qualify as fellow human beings.

You know, I have even toyed with the idea of inviting some of the delegates of the United Nations Assembly to visit Lawrence and see how well our various people get along together. You don't find members of different racial groups suspicious of one another, or engaging in never-ending quarrels. You are more likely to find them intermarrying, as they come to know, and understand, and appreciate one another. When people marry, they have to make adjustments and compromises for the sake of harmony. But this is something which "bachelor" nations don't seem to comprehend. All wrapped up in their individual pride, they stand off from one another, engaging only in that diplomatic double talk which seldom results in a meeting of the minds.

The paper treaties made today can be broken tomorrow. And the government which commits itself to a certain policy may soon be succeeded by the opposition party with a completely different viewpoint.

But the people in any country are always on the job. Day in and day out they go about their business of earning a living, raising their children, providing for some security in their old age, and praying that their lives may be worthy of God the Father.

The average person does not want to steal his neighbor's property, or to lord it over his fellow man. He just wants a chance to work and earn his progress, to be able to buy a home and a car, to educate his children, and to enjoy his hours of leisure without fear or insecurity.

Above all, he wants peace, for without it he cannot live a normal life.

He wonders at the strange language and the strange ways of those who represent him at the peace table. He has not too much confidence in this method of solving problems, all the noise and all the pictures which make it look and sound like play acting instead of reality.

Down deep in his heart, even though he is an humble, hard-working man without much book knowledge, he knows that he is able to get along with people. It is not difficult, and it does not require the acrobatics of fancy words. He knows, with sure instinct, that if the peoples of the world could get to know each other, much of the suspicion and hostility among nations would vanish like fog before the bright sun.

You men and women of Polish origin come from a nation which is caught between two large and powerful neighbors. Time and time again the land of your fathers has been taken over and divided up by Russia and Germany. But such conquest never endures. History proves that whenever Poland has lost her independence to aggressors she has, in due time, won it back. And the present is no exception.

I have always admired the patient strength of the Polish people, supported by their eternal faith. Come what may, they never lose their courage. It is this which gives them supreme confidence in the inevitable triumph of justice. And all the secret police in the world cannot prevail against it.

You understand that the Russian people and the German people are not to blame, for they, too, are the victims of autocratic leadership. When people finally break through the iron curtains and join hands, then the cause of world peace will make its greatest advance.

Just as we have learned to work and live together as friends in the cosmopolitan city of Lawrence.

If the people can do it, why can't the governments?

There is increasing evidence that the housewife, the mill worker, the storekeeper, dissatisfied with the chess play of governments, are going to take the job of working for peace into their own hands.

The flood of food packages and letters which have gone out from this country to the sufferers of war shows the good conscience of the plain people. This help is building good will across all boundaries and frontiers except that of Communist Russia.

Here is the weak spot of communism. It is afraid that if people become friendly, all the propaganda that pours from the Kremlin won't be able to stem the mounting tide of cooperation and mutual respect, as Russians and non-Russians discover that they are partners in humanity. The Bolshevik bosses maintain their power only by keeping a tight rein over their subjects, while diverting attention away from their domestic failures by conjuring up fear and suspicion of Russia's neighbors. The purpose of the iron curtain is to seal off the Russian worker and the Russian farmer from any contact with the outside world, and to keep them in ignorance of the progress which is possible through mutual understanding.

Americans, from their own experience with freedom of opportunity, clearly see that this must be the goal of a true world policy. And they insist that our representatives at the Big Four Council of foreign ministers, in session at Paris, shall work hard to breach this iron curtain to permit freedom of communication, and freedom of travel, and exchange of students, and the opening up of trade and commerce among all nations.

By raising and maintaining this barrier, the Communists are denying themselves certain goods and services which they need. At the same time they are faced with a growing pressure within their own country and in those nations which they temporarily hold in bondage. The millions and millions of soldiers and secret police and bureaucrats which are necessary to supervise and watch every activity, constitute a drain on the Russian economy. The Russian people must slave to support this top-heavy class which consumes but does not produce. This is bound to stir up resentment which, as the pressure increases, will inevitably explode. In spite of Soviet efforts to jam our broadcasts, the Voice of America is getting through to some Russians. By sticking to undeviating truths, our information program is certain to open the eyes of many more in the concentration camp called Russia to the fact that they are being cruelly exploited by their own government.

The Communists know of this danger which they cannot publicly admit. It is impossible for them to draw attention away from their failures by leading their weary people into war, for this might precipitate a revolt within Russia which would destroy communism. Therefore I maintain that communism must either relent or relinquish its control altogether if we persistently strive for people-to-people friendship based on absolute freedom of communication. The iron curtain stands in the way of a peoples peace. It must retire to the past, of which it is an outmoded relic.

The first to benefit will be the citizens of Poland, who have so many relatives and friends in the United States, from whom they have been isolated by a government which follows the Moscow line. Some nations have accepted the Communist yoke without protest, but not Poland. Its clergy speaks up bravely against oppression. Bands of patriots hide in the forests by day and sally forth at night to plague the supply lines of the Red armies, or to help their fellow citizens who are in danger, to escape from the clutches of the secret police.

There was one man who used to know how to deal with the Russians under such circumstances. I am sure that the memory of his skill, his courage, and his passionate faith in freedom inspire the young men who are members of the Polish resistance movement of 1949. His name, which is also that of a distinguished American patriot, is Gen. Casimir Pulaski.

Together with General Kosciusko, he contributed much to the success of the American Revolution, and in so doing, I believe that he set an example for his own countrymen to follow. It is significant that no other nation gave two such outstanding generals to help the American colonists in their struggle for independence. I like to think it is due to the fact that the people of Poland and of the United States have so much in common. They know that freedom is everybody's business, and they back up their words with deeds.

Americans of Polish origin have a right to feel proud as they consider how much the mainstream of American life owes to their efforts and those of their forefathers, from the beginning, right down to the present time.

The members of your organization can take cheer from the thought that if we are alert and steadfast in working for freedom, then the progress of the United States, the eventual liberation of Poland, and the objective of world peace, all these can and will be won.

UNIVERSITY OF MICHIGAN LIBRARIES

The Housing Bill

EXTENSION OF REMARKS
OF
HON. FRED MARSHALL
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. MARSHALL. Mr. Speaker, I would like to speak briefly on the rural section, title IV, of the housing bill, H. R. 4009.

The provisions of this part of the bill will provide farmers with the assistance they need to bring their homes up to the American standard of living. Long-term loans at reasonable rates of interest will be available for construction and repair of both houses and barns. Farmers will be able to obtain technical advice when planning new homes or improvements. And there will be special provisions to improve the housing of those whose farms are so small and unproductive at the moment that they cannot pay the full cost of needed construction or repairs.

And right here I want to make one point very clear. The financial aid that will be available to farmers under this title is strictly limited to those who are unable to obtain the financing they need from private credit sources. There will be no competition with banks, building and loan associations, insurance companies, or any other private lenders. Any time a regular credit agency wants to make one of these loans the Government will step out of the picture.

Now there are several questions that can be asked about the farm section of this bill.

First of all, why have a special section for farmers?

The answer to that lies in the peculiar relationship between a farmhouse and the farm itself. They belong together. They have to be considered together. You cannot build farmhouses the same way you build city dwellings. In the city a man can live in one neighborhood and work in a factory or office miles away. He may lose his job or change his job a half dozen times and still live in the same house.

But in the country the house a man lives in is located right at his place of business. As a result any plans that are made to help a farmer get a decent house must also consider the farm the house is to be built on. The bill recognizes this by placing the administration of this section of the act under the Department of Agriculture. It also recognizes the special problems of rural housing by providing assistance suited to the construction and repair of individual dwellings, rather than groups of homes or the multiple-unit dwellings that fit urban conditions.

Another question to be considered is the need for rural housing. Quite a few people these days hold the belief that all farmers are rolling in wealth. What they fail to understand is that the farm prosperity of recent years has benefited only those who were able to grow large quantities of farm products. Those who lacked the land, tools, and capital were not able to benefit from the increase in farm prices. These folks account for about half the farm population, several million in number.

About the best way to find out if there is a need for more and better farmhouses is to drive out through the country, particularly along the back roads, and in the less prosperous farming areas. You'll see hundreds of dwellings that are just as drafty, leaky, overcrowded, and unsanitary as the worst city slums.

Even in the Midwest, where farm incomes have been among the highest, only about 1 home out of 5 has modern bathroom facilities, 2 out of 3 lack running water, and more than 1 out of every 10 are in need of major repairs, according to the 1947 housing survey of the Bureau of the Census.

Granted that there is a need for rural housing. I don't think there is anyone of reasonable judgment who has argued against that point. The case boils down to this: Is title IV of H. R. 4009 the way to do it?

What are the alternatives?

One way, the way of the past, is to build farm homes out of farm incomes. A very laudable and on the surface a very sensible way. If a farmer needs a home, let the income from his farm provide it. If he does not have enough income, lend him the money he needs to increase his production and get that income. Unfortunately, in far too many cases, that way has not worked. If it worked we would have decent homes on every farm in the country today.

Why has it not worked? Principally because farm homes cost several thousand dollars to build and by the time a farmer can save the cost of a new house out of his income he is too old to enjoy it.

The hard truth is that a farmer and his wife need the biggest house with the most facilities when they are young and raising a family. If they depend upon their savings to build that home they will get it about the time the children are ready to marry and have families of their own.

Another way to build rural houses would be to let private lenders do it unaided or with the aid of Federal Housing Administration insured loans. Unfortunately, this way has not worked either. Banks have had money to lend and the FHA laws have been on the books for several years, but we still have rural slums.

Banks, as a general rule, have shied away from financing farmhouse construction. The special circumstances that separate farmhouses from urban houses, the fact they as an investment are not worth a dime unless the farm they are on is a good farm, has tended to keep bankers out of the rural housing business.

That brings us up to the last alternative—direct Government assistance. And that is what title IV provides.

H. R. 4009 does not set up any system of credit that will compete with the current methods of financing rural housing. If the private lenders want to extend their efforts further into this field, the bill provides that the Government withdraw.

Nor will any additional governmental agencies need to be created to handle the provisions of the act. Bureaus within the Department of Agriculture, the Farmers Home Administration, the Extension Service, the Agricultural Research Administration and the Bureau of Agricultural Economics will take over the administration of title IV and carry it on along with their already assigned duties.

This bill is needed to strengthen our country, to give urban and rural people alike a tight roof over their heads. I urge its passage.

Dedication of Memorial by the City of Lawrence, Mass.

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein the remarks of Brig. Gen. Ralph A. Palladino, ORC, commanding general, Ninety-fourth Infantry Division, at the dedication of a memorial by the city of Lawrence, Mass., on Sunday, May 29, 1949:

Gold star mothers and fathers, members of the clergy, Mayor Meehan, Mr. Chairman, distinguished guests, ladies and gentlemen, I have come here to Lawrence to join with you in paying tribute to your brave sons who fought and died in order to preserve and protect the ideals and the principles of this great land of ours.

I want you to know that I am grateful to you for inviting me here.

It gives me an opportunity to add my humble tribute in recognition of the heroic deeds of these sons of Lawrence who are not with us today, because they made the supreme sacrifice for their country.

I am sure that you do not want a long harangue from me this afternoon on the sacrifices made by these brave men. Nor do you want me, I'm sure, to use up my time recounting their heroic deeds.

All of you here today are well aware of the price they paid for your and my liberty. If we, who also served but were more fortunate enough to come back, and the others for whom they died, don't appreciate their sacrifices and their deeds by now, then I'm afraid that anything I might say in addition would make but little impression.

So let us give our thanks, and our thanks again and again, for all they did to help keep America the land of the free.

And let us pray that there will never again be cause or reason for other sons of yours and mine to make the supreme sacrifice for the same ideals and principles in another war.

We are gathered here today to dedicate this memorial to the sons of Lawrence who have given their lives in World War II.

Memorial Day is set aside each year in honor of these American dead. Originally memorial services, through a Memorial Day, were observed in honor of the soldiers killed in the War Between the States. Later, it was adopted to honor soldiers of all our past wars—not only the men who died at Bull Run, Gettysburg and other battlefields of the South, but also at San Juan, the Argonne, Flanders Field, in the air over and

in the oceans, and now we have added to that list, Pearl Harbor, Bataan, Okinawa, North Africa, Anzio, Normandy, and the Bulge, to mention only a few of the battlefields on which our American soldiers have fought and died.

Each year on Memorial Day, we pause in tribute to those American servicemen who have made the supreme sacrifice. It is a day when we should pause and recall to mind the ideals for which hundreds of thousands of Americans paid with their lives. We should take stock of the price they paid, and the ideals for which they paid the price.

But today is not a salute to the past alone, no matter how glorious that past may be. We do no credit to our heroic dead if all we do is mourn them or praise them. As Abraham Lincoln said at Gettysburg in 1863, "It is for us the living, rather, to be here dedicated to the great task remaining before us."

So this Memorial Day of 1949 should be a day for us, the living, to rededicate ourselves to defend the principles for which others have fought and died. It is for us, who live, to shoulder the responsibilities these honored dead have turned over to us; it is up to us to make sure that these dead have not died in vain.

The past war was the costliest in the history of mankind. We as a Nation have left our soldiers at Pearl Harbor and Corregidor, and on Guadalcanal, Tarawa, and Iwo Jima, on the desert stretches of North Africa, in Sicily, at Anzio, and Cassino. We left our soldiers in Normandy, Belgium, Holland, Germany, Austria, and other European countries, to mention only some of the places.

Our military and naval dead rest beneath the lands and seas of all the continents, and their memories and deeds are still sharp and clear in our minds. Our Nation is now engaged in completing the task of bringing back for final resting place on American soil the thousands of these honored dead who fell in foreign lands.

The great majority of these servicemen, as was the case in other American wars, are products of a citizens' Army and Navy—men who left the workbench, farm, office, or classroom to shoulder a gun in a crisis. These citizen soldiers, sailors, and airmen were ready when their country called.

They knew that every American is "Endowed with the rights of life, liberty, and the pursuit of happiness"—rights which we must always be prepared to defend. They knew that theirs was a country worth fighting for, a Nation that gave each of them an equal opportunity.

The American dead, your dead, have sacrificed their lives so that each of us can enjoy these democratic rights. It is, therefore, necessary that each one of us strive always to be worthy of their sacrifices.

Today we honor their memories and deeds, and we know that now is the time to safeguard the peace for which they paid so dearly. We can show our gratitude to those men who did not return, and our appreciation and sympathy for those who still mourn them, by guarding the principles for which they fought.

This does not call for a vague and impractical pacifism. That has not saved us from war in the past, and it will not save us in the future.

Only a peace based on justice will last, and we can best honor our departed soldiers by working with courage and constructive thought toward the achievement of such a peace.

In our short history, our Nation has passed through many crises, but in each case it has come through stronger and greater than ever before.

But with this additional strength and greatness, our Nation is called upon to display sound leadership and inspiration to guide all freedom-loving peoples of the world.

As leaders we must be imbued with an unshakable faith to build the spiritual foundations that will bring about and maintain a permanent peace. We must act under a sense of moral compulsion as a people who will establish an atmosphere of confidence and mutual trust between the nations of the world.

In the past, it seemed characteristic of the American people, due perhaps to their headlong quest for the American way of life, to have short memories about the tragedies of these pasts.

For example, in the First World War, we joined the Allies when the American people came to the sober conclusion that the aims and purposes of imperial Germany were in conflict with the basic fundamentals upon which the life of America is founded.

We did not have to fight then, we could have allowed our ships to be sunk, or we could have kept them in a safe harbor. We could have bought a peace at a price—a humiliating price—a price which we justly were unwilling to pay.

After the war was won, we crawled back into our shell of isolation, and we neglected our responsibility. We neglected the peace by allowing ourselves to grow militarily weak. We invited aggression because of our weakness. History tragically records the results of our weaknesses, in the thousands of fallen dead we honor today.

I sincerely hope that we do not make the same mistake again. Somehow I have confidence that we will not, for the people of today have seen the consequences of the robot bomb, and the rocket, know the world-shaking possibilities of atomic warfare, and have heard rumors of warfare even more deadly, if such a thing is possible.

Today we can no longer consider that we can isolate ourselves from the rest of the world. Our geographic isolation has disappeared. Scientific and mechanical progress in the past few years has reduced international time and space to a minimum. London, Berlin, Moscow, Rome, Tokyo are closer to us today than your fair city was to our Nation's Capital only one short century ago. No longer are the Pacific and the Atlantic Oceans and the north polar regions natural obstacles guarding our shores.

Whether we like it or not, America has reached the position of leadership in world affairs. We must accept this obligation. We cannot and must not shed the responsibilities that it involves.

To be free people means more than a mere recognition of the debt we owe the men we honor here. It means that we—like them—recognize that eternal peace is the ultimate goal of all mankind; but that peace at the expense of freedom is worse than no peace at all.

We must recognize further, that eternal vigilance is the price of freedom, and that we as true citizens are the guardians in peace of what those in war fought for.

We find ourselves in a world today that is maintaining about 20,000,000 men under arms. Are we to assume that we are immune to the international unrest and dangers that are rampant today?

Every realistic and practical person knows that international prestige and leadership require more than good intentions and high ideals. Until we approach an international utopia, we must rely on military strength to back up our policies.

Europe and Asia know from bitter experience that military power demands respect. Foreign aggressors are well aware of it. Twice within a generation we have had to stop aggressors—but each time, thank God, we have been given the opportunity to gather our strength before putting it to the test.

Now that we are the world's richest prize, it is folly to think that any future aggressor would be stupid enough to repeat that mistake a third time.

In our role as world leaders, we must go all the way. If military power is the "Big Stick" we must carry in order to guide the world to everlasting peace, then we must fearlessly shoulder that responsibility.

As world leaders, it is our responsibility to guide world opinion toward a just and durable peace. Let us not allow the spirit of good will between nations to evaporate now that the war is over.

Each one of us should bear in mind that the same energy and intelligence that was necessary in winning our biggest and toughest war, must continue in effect to insure our own national security.

All of us should recognize the fact that national security is not a problem for the armed services alone. Our security program, if it is to be a bulwark of democracy, must be the concern of every citizen. It is everybody's business to see that we do not again allow ourselves to become militarily weak and thus a tempting target for would-be aggressors.

And so as we gather here today in grateful memory, let us not forget that the reason for our meeting here will have failed of its purpose unless it becomes a daily reminder to each of us that we must become and remain strong.

We have a duty to these honored dead. That duty is to see that the cause for which they gave their lives is carried forward. That the principles of life, liberty, and the pursuit of happiness are turned over to our next generation untarnished and unsullied.

This heritage of freedom, this heritage which is America, we must pass on to our coming generations, for unless we do, then these honored dead will have truly died in vain.

A Prayer for Peace

EXTENSION OF REMARKS
OF
HON. THOMAS S. GORDON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. GORDON. Mr. Speaker, under leave to extend my remarks, I include in the RECORD a prayer for peace offered by Robert Gale, founder of the International Peace Church:

WE CAN HAVE PEACE IF WE PRAY FOR IT

(By Robert Gale, founder International Peace Church)

Yes, the peace that is inevitable can be ours if we pray for it.

Not a once-or-twice-a-week prayer, but a constant every-day prayer, a counseling with the Lord for the one great need of the universe—peace.

No matter what your religion, sect, or denomination, go into the churches and the tabernacles and pray to the Lord, no matter, what His name, and pray each and every day for peace.

Halt your prayers for personal health and gain; even for community needs; sacrifice your everyday desires for the need of an entire war-weary and war-impoverished world to pray exclusively for peace.

What's more, spread the word around that there will be peace if you pray for it. That the Lord will listen to prayers and the world will listen and hear of our sacrifice and will not lose hope in the idea of peace on earth, good will to men.

No matter what your creed, you are a believer in the end of all war—outlaw it forever by praying in your house of worship, or your own home if you wish. But pray every day—do a service to your religion and your country—pray only for the peace that will surely come.

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The Growth of the Aluminum Co. of America Has Gone Hand in Hand With the Development of Tennessee and the Tennessee Valley Authority

EXTENSION OF REMARKS
OF
HON. JOHN JENNINGS, JR.
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. JENNINGS. Mr. Speaker, 39 years ago, when the aluminum industry was little more than in its infancy, the Aluminum Co. of America came to Blount County, Tenn., and began a survey of the hydroelectric power possibilities in the streams of eastern Tennessee and western North Carolina.

Some 35 years ago dirt was first broken at Alcoa in Blount County for the construction of the modest beginning of what is now the greatest aluminum plant in the world.

On Friday, July 8, the Blount County Chamber of Commerce will sponsor a dinner in appreciation of the benefits that the Aluminum Co. of America has brought to Blount County and to our section of the country. The industrial development and the prosperity brought to Blount County and surrounding regions by this great organization have conferred unparalleled benefits upon our people.

BENEFITS FROM ALUMINUM CO. OF AMERICA OPERATIONS AT ALCOA, TENN., YEAR 1948

In the year 1948 the company employed an average of 9,021 persons.

Its total pay roll for the year was $25,507,500.

It purchased in supplies in Tennessee, $6,641,500.

For transporting materials to and finished products from its great plant at Alcoa it paid out the sum of $4,401,600.

It paid taxes in Tennessee of $1,223,800. This includes unemployment taxes paid to the State of Tennessee.

It purchased and used in its operations, electric power, $4,051,600, making a total of $41,826,000 paid into the channels of trade and to the taxing authorities.

The company sold in Tennessee aluminum and aluminum products of the value of $4,335,000.

Its net benefits to the State during the year 1948 were $37,491,000.

The following facts with reference to this great enterprise are now before me and I wish to place them before the country.

ALUMINUM AT ALCOA

Tennessee and Alcoa have much in common, and for more than 35 years a striking parallel has existed between the growth of aluminum as a commercial metal and the industrial progress of the State. The potentialities of the State and the metal have scarcely been realized, with the good fortunes of one adding in considerable measure to the success and growth of the other.

Sixty years ago aluminum, an infant among commercial metals, entered into competition with hundreds of other materials which had been used by man for some thousands of years. That the producers of the new metal, aluminum, struggling to establish its superior qualities of beauty, durability, resistance to corrosion, lightness and strength, should select a site in Tennessee for one of its major developments was not surprising. Tennessee had that essential requisite, water power—barely developed 50 years ago—from which adequate quantities of electricity could be produced for the separation of aluminum from other elements with which it is always combined in nature.

WATER POWER

The power of a swiftly flowing stream does not in itself make electricity. It requires vision, courage, and a vast expenditure of money to transform this force of nature into electrical energy.

As early as 1910, Aluminum Co. of America surveyed the power potentialities of Little Tennessee River and its tributaries. Since then, five large hydroelectric plants have been constructed to supply electric energy for the manufacture of aluminum at Alcoa, in Blount County, Tenn. These plants are located at:

Cheoah, on Little Tennessee River, near Tapoco, N. C.; placed in operation April 13, 1919.

Santeetlah, on Cheoah River, in Graham County, N. C.; placed in operation June 7, 1928.

Nantahala, located on Nantahala River, in Macon and Clay Counties, N. C.; began producing electric power August 3, 1942.

Calderwood, on Little Tennessee River, near Calderwood, Tenn.; placed in operation April 19, 1930.

Glenville, on the West Fork of Tuckasegee River, in Jackson County, N. C.; began operations October 14, 1941.

The combined capacity of these plants—420,000 horsepower—still is not sufficient to supply the ever-increasing demand of Alcoa Works for electricity. As a result, Aluminum Co. of America has entered into contracts with Tennessee Valley Authority for substantial quantities of power to meet its needs and to supplement its requirements in years to come.

ALCOA WORKS

Simultaneously with the study and development of hydroelectric-power plants on the Little Tennessee River system in Tennessee and North Carolina, Aluminum Co. of America built a reduction works on farm land 1 mile from Maryville and 15 miles south of Knoxville, for the manufacture of aluminum. The first unit was completed and placed in production in 1914. Five years later, a carbon plant was constructed to supply the necessary electrodes for the reduction works. Steadily expanded since 1914, the reduction-works buildings have a total of 42 acres of floor space—the largest aluminum-reduction plant in the United States.

The west plant, a rolling mill for the manufacture of aluminum sheet, was placed in operation in 1920, and was followed in 1929 by construction of a plant to manufacture aluminum paint pigment. The second fabricating unit of the west plant, a rolling mill for the production of strong alloy aluminum, was completed in 1931. The west plant now includes 35 acres of floor space. A mill for rolling aluminum foil has since been added to its production facilities.

By 1940, the demand for aluminum had increased to such an extent that Aluminum Company of America, in October of that year, began construction of the largest and most modern aluminum rolling mill in the world, Alcoa's north plant which started operations September 23, 1941.

The buildings housing this plant cover 58 acres of floor space. With the companion west plant, these buildings represent the largest sheet-aluminum producing center in the world, a fact that seems paradoxical when it is realized that all the raw materials necessary for the production of aluminum, except electricity, must be brought in from great distances.

Bauxite comes from Arkansas and South America, but is refined at other plants and shipped to Alcoa in the form of alumina; cryolite comes from Greenland; and coke, pitch and tar come from other sections of the Nation.

First in the chain of operations at Alcoa is the reduction works, in which commercially pure aluminum is smelted. Here, in long rows of electrolytic cells, the aluminum oxide (alumina), a fine, white, powdery substance obtained from bauxite, is placed in a bath of molten cryolite and separated into its component parts—aluminum and oxygen—by means of electricity. The oxygen unites with the carbon anodes to form carbon dioxide, while the aluminum drops to the bottom of the cell and is drawn out as the silvery metal which has become so useful commercially and now is so common in our daily life.

When Charles Martin Hall, just out of Oberlin College, discovered the process for electrolytic production of aluminum in 1886, he paved the way for a vast industrial works at Alcoa. In those early days, only 50 pounds of aluminum were produced in a 24-hour day. Research, modern equipment and volume production have enabled the company to reduce the price of commercially pure aluminum 30 percent since 1939—a far cry from its $8 a pound cost in 1886.

The vast quantity of electrodes consumed in the electrolytic cells at the reduction works are produced in the Alcoa carbon plant. Three-fourths of a pound of electrode is consumed for each pound of aluminum smelted.

Sheet, foil, and plate, made of commercially pure aluminum or from one of the many high-strength alloys developed by Aluminum Co. of America's research laboratories, are fabricated in the rolling mills of the west and north plants for manufacturers of thousands of commercial products.

The aluminum made in Tennessee spreads prosperity across the Nation. Approximately 30 percent of all the new aluminum produced by the aluminum industry in the United States emanates from the Tennessee Valley area, providing jobs for Americans throughout the country. More than 95 percent of the aluminum products produced at the Alcoa works are shipped to the 47 other

States for further processing, involving great amounts of additional work on the basic or semifinished aluminum materials before they are ready for final use.

CITY OF ALCOA

Around the reduction and fabricating works lies the city of Alcoa. A small community in 1916, Alcoa has grown in order to keep abreast of expansion in the company's works. In 1919 the municipality was incorporated under the city manager form of government. There are three commissioners, one of whom serves as mayor.

The population is made up largely of families of the folks who gain their livelihoods in the company's works. Citizens either own their homes under an easy 10-year payment plan, or they may rent homes at moderate rates. Lots for home building are sold at reasonable prices.

Five modern schoolbuildings care for the educational requirements of the community. The two high schools are noted for their courses in manual training and home economics. Plans are continuously being advanced to expand the school system. In Alcoa there are 13 churches, serving virtually all principal denominations.

Beautifully landscaped city parks, wide, well-paved streets, playgrounds, an 800,000-gallon municipal swimming pool, and an abundant supply of pure water make Alcoa a desirable place in which to live.

Filtered and chemically treated soft water is pumped from Little River 4½ miles away. It flows through mains of sufficient capacity to serve a city of 25,000 population; the sewers also were planned to accommodate a city of that size. Sufficient land has been set aside to provide 1 acre for parks and playgrounds for each 100 residents as the city grows.

USES OF ALUMINUM

From its first use for cooking utensils through research and experimentation, applications for aluminum have increased to more than 4,000 reaching into the daily lives of every person in the United States.

Because it excels in lightness, durability, splendid conductivity of heat and electricity, ability to withstand rust and corrosion, aluminum today is reaching into countless new fields of usefulness.

Aluminum and its alloys can be worked into all forms known to the metal-working art: sheet, plate, foil; bar, rod, wire, rolled and extruded structural shapes; tubing and extruded moldings; impact extruded products; screw-machine products; rivets, and nails; pigment for paint; forgings and various types of castings.

Truly this metal is the backbone of the Light Metal Age. It has risen to the position of first-ranking non-ferrous metal of industry from the standpoint of volume produced, yet there is no foreseeable limit on its future possibilities.

Mr. Speaker, it has been my great privilege as the Representative from the Second Congressional District of Tennessee, of which Blount County is a part, actively to support measures in the Congress, the purpose and effect of which were, among other things, to advance the welfare, the growth, and prosperity of this great company, its thousands of employees, and the people upon whom it has conferred such great benefits.

On January 18, 1940, 15 days after I became a Member of the Seventy-sixth Congress, I supported, spoke in favor of, and voted for the construction of what is now known as the Fort Loudon Dam on the Tennessee River at Lenoir City, in Loudon County, in the Second District of Tennessee.

In what I said in support of this dam, I pointed out the facts that within 16 miles of the city of Knoxville, at Alcoa, is one of the largest aluminum plants in the world; that there were shipped yearly to that plant from St. Louis, Mo., more than 800,000 tons of alumina which at the Alcoa plant is made into aluminum, from which at that time were being fashioned the fighting planes being built for the armed forces of this Nation.

CHEROKEE DAM

In July 1940, there was introduced in this House a measure authorizing the appropriation of more than $60,000,000 for the construction by the Tennessee Valley Authority of a great hydroelectric dam on the Holston River near Jefferson City, in Jefferson County, Tenn., and the construction by the TVA of one of the greatest steam power-producing plants in the world near the Watts Bar Dam in Rhea County.

The construction of these power facilities was absolutely necessary to provide this country with an adequate defense in the way of airplanes, because at that time, we stood on the threshhold of the Second World War.

In order to thoroughly familiarize myself with the facts that made imperative this power facility to the end that this country and its fighting men might have an adequate supply of fighting planes and bombers, I went into the Aluminum Co.'s great plant at Alcoa and witnessed the processes by which the 1,000,000 pounds of alumina shipped to that plant daily from St. Louis, Mo., was converted into aluminum. I now quote from what I had to say on that subject:

Mr. Chairman, the measure now before the House provides for the construction of what is known as the Cherokee Dam on the Holston River near Jefferson City, Tenn., and for the installation of three electric generators, two at the Wilson Dam and one at the Pickwick Dam; and also for the construction of a steam-generating plant to supplement and equalize the production of firm power from these nine dams in the Tennessee Authority during periods of drought.

If the reasons advanced in support of this measure are sound and if the facts stated in support of it are true, the measure should pass. It has just been stated here by the distinguished gentleman from New York that the Tennessee Valley Authority had induced a large number of industries to come down there in order to use this power. That is not in accordance with the facts. This was an industrial region before the Tennessee Valley Authority came there and it is such today. And today one-third of the critical war materials that are produced in this country are produced in the Tennessee Valley area. This includes copper, iron, and aluminum.

At Alcoa, in Blount County, is located the largest aluminum plant in the world. It is located on a tract of 3,000 acres of land. The buildings themselves cover 90 acres of that land. There is shipped each day of the year to Alcoa 1,000,000 pounds of alumina, which is an aluminum oxide which has been produced from bauxite at the company's plant in St. Louis, Mo. That ore is mined in Arkansas and in South America.

The 1,000,000 pounds of aluminum oxide is there, by the use of electric current, separated into its component parts. This is done by mixing the alumina with cryolite in a molten state, and by submerging in the mixture 24 electrodes, and by passing from the electrodes electric current to carbon-lined sides of the melting vat. From the 1,000,000 pounds of alumina received there each day, 500,000 pounds of pig aluminum is produced. Under the old method of manufacturing aluminum before the use of electricity came into vogue it required 24 hours to produce 30 pounds of aluminum, which sold then at $8 a pound. Now, by the use of this current, it is possible to produce 30 pounds of aluminum in 10 seconds.

We all know that in the manufacture of airplanes for war purposes aluminum is absolutely essential. There is required 5 tons of aluminum to produce one airplane. Would it not be a tragic thing that as a result of dallying in this hour of our Nation's peril and quibbling over something that is already an accomplished fact, the time should come in America when our children and our housewives would be gathering together aluminum pots and pans, as they are doing in England today, in order to build airplanes for defense purposes?

The construction of these power facilities made possible the building and the putting in operation by the Aluminum Co. of America of additional facilities for the manufacture of aluminum for war purposes. These additional facilities consist of a building which covers 55 acres of land. The construction of this building and the installation of machinery in it was accomplished within a period of 12 months.

DOUGLAS DAM

On January 23, 1942, in a speech in favor of the construction of Douglas Dam, I pointed out the fact that at Alcoa, in Blount County, Tenn., the Aluminum Co. of America was then producing 75 percent of the aluminum and aluminum alloys out of which our war planes were constructed.

I emphasized the fact that its plant was located there long before the First World War because of the availability of cheap hydroelectric power. And in support of the proposal to build the Douglas Dam, I stated on the floor of the House that the construction of the Douglas Dam was recommended by every governmental agency charged with the duty and responsibility of building an adequate number of airplanes for the defense of this Nation in order to insure victory over Germany, Italy, and Japan, and that, to win, this Nation must have an overwhelming superiority of air power. This superiority of air power would never have been attained by our country but for the fact that the Aluminum Co. more than trebled its output of aluminum for war purposes within the first 2 years of the war.

The Aluminum Co. not only gave the Nation the benefit of the aluminum produced in its own plants, at the request of our Government the Aluminum Co. supervised the building of aluminum

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plants for the production of aluminum by other concerns. It gave to these other producers of aluminum its secret processes and the benefit of its know-how acquired through the years of its existence, through the ability and learning of its chemists, its engineers and research departments, in the development of this marvelous metal.

It is altogether fitting and proper that the public-spirited members of Blount County's Chamber of Commerce should honor this great industrial enterprise and public benefactor in a manner that is in keeping with what it has brought to and done for the splendid people of Blount County.

Renaming the Enid Air Force Base

EXTENSION OF REMARKS
OF
HON. GEORGE H. WILSON
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. WILSON of Oklahoma. Mr. Speaker, there recently appeared in my home-town paper, the Enid Morning News, an editorial which I wish to quote:

RENAMING THE AIR BASE

The decision to rename Enid Air Force Base in honor of some military man who gave his life in the service of this country is a wise one. It is also fitting that the people of Oklahoma should have some say in the choice of the name.

Enid Air Force Base has been a satisfactory name, but it is somewhat cold, impersonal and lacking in color. A personal name out of the categorical class and reminditul of unusually valorous service in the defense of the Nation will be much more satisfactory.

There are few really effective ways to memorialize the State's war heroes. Oklahomans should welcome the opportunity to enshrine one of their native sons so notably. Surely there could be no more fitting memorial than a large establishment actively engaged in the present defense effort.

Participation in the name choosing should strengthen ties between Oklahomans and the air force base. Further good feeling between the personnel at the base and the people of Oklahoma is much desired. The renaming of the base is a project worthy of full public participation.

Mr. Speaker, Oklahoma has produced many heroes who have given their lives in the service of their country and who deserve the recognition that will be afforded one such hero in renaming Enid Air Force Base. My attention has been directed to the courage of one such valiant hero whose name will receive the consideration of the authorities selecting a new name for Enid Air Force Base. The citation contained in General Order No. 1, War Department, 4 January 1945 eloquently sets for the story of his courage:

Lt. Col. Leon R. Vance, Jr., O22050, Air Corps, United States Army. For conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty on 5 June 1944 when he led the * * * Bombardment Group (H) in an attack against defended enemy coastal positions in the vicinity of Wimereaux, France. Approaching the target his aircraft was hit repeatedly by antiaircraft fire which seriously crippled the ship, killed the pilot, and wounded several members of the crew, including Colonel Vance, whose right foot was practically severed. Despite his injury, and with three engines lost to the flack, he led his formation over the target, bombing it successfully. After applying a tourniquet to his leg, with the aid of the radar operator, Colonel Vance, realizing that the ship was approaching a stall attitude with one remaining engine failing, struggled to a semiupright position beside the copilot and took over control of the ship. Cutting the power and feathering the last engine he put the aircraft in a glide sufficiently steep to maintain his airspeed. Gradually loosing altitude he finally reached the English coast whereupon he ordered all members of the crew to bail out, knowing they would make land safely, but he had received a message over the interphone system which led him to believe that one of the crew members was unable to jump because of injuries; so he made the decision to ditch the ship in the channel, thereby giving this man a chance for life. To add further to the danger of ditching the ship in his crippled condition, there was a 500-pound bomb hung in the bomb bay. Unable to climb into the seat vacated by the copilot because of his foot, hanging onto his leg by a few tendons, had become lodged behind the copilot's seat, he nevertheless made a successful ditching while lying on the floor, using only aileron and elevators for control and the side window of the cockpit for visual reference. On coming to rest in the water the aircraft began to sink rapidly with Colonel Vance pinned in the cockpit by the upper turret which had crashed during the landing. As it was settling beneath the waves an explosion occurred which threw Colonel Vance clear of the wreckage. After clinging to a piece of floating wreckage until he could muster sufficient strength to inflate his life vest he began a search for the crew member who he believed to be aboard. Failing to find anyone he began swimming and was found approximately 50 minutes later by an airsea rescue craft. By his extraordinary flying skill and gallant leadership, despite his grave injury, Colonel Vance led his formation to a successful bombing of the assigned target and returned the crew to a point where they could bail out with safety. His gallant and valorous decision to ditch the aircraft in order to give the crew member he believed to be aboard a chance for life exemplifies the highest traditions of the armed forces of the United States.

Mr. Speaker, later as Col. Bob Vance was being returned to the States, he was lost at sea; and still later the Congress awarded posthumously the Congressional Medal of Honor to this gallant hero. It is such courage that helps make us all plan and act for a strong defense of our country.

Reds in Hollywood

EXTENSION OF REMARKS
OF
HON. A. LEONARD ALLEN
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. ALLEN of Louisiana. Mr. Speaker, under leave to extend my remarks, I wish to place the following editorial entitled "Reds in Hollywood" from the June 9 edition of the Alexandria Daily Town Talk, Alexandria, La., in the Appendix of the RECORD:

REDS IN HOLLYWOOD

The amazing disclosures by the FBI that some of the Nation's top movie idols are members of the Communist Party is just another in a series of events pointing up the threat to America's internal security.

When professional people who play a major role in molding public opinion and exerting influence upon youth are permitted to operate long after their loyalty has been questioned, it becomes time for real Americans to call a halt.

If the actors listed by the FBI as being within the Communist orbit are truly Communists, there can be no excuse for letting them continue to pollute the minds of American theatergoers. Barring them from films is the least that can be done to curb the menace which they represent.

The FBI disclosures should also serve as a sober reminder to true Americans that the Red menace is all around them, in corners where it is least expected, working stealthily to uproot our way of life.

Americans everywhere, in Alexandria as in Hollywood or New York, must call for a showdown now, before it is too late. The mere listing of names by the FBI or congressional investigators as Communists does not get the job done. Reds are anti-American. Americans must become as rabidly anti-Red, and take steps to see that Communists will have no opportunity to impose—directly or by subtle means—their ideology upon our free people.

Postal Salaries

EXTENSION OF REMARKS
OF
HON. EARL T. WAGNER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. WAGNER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following round-table discussion between Congressman GEORGE P. MILLER, of California, National President William C. Armbrust, United National Association of Post Office Clerks, and National Vice President Andrew T. Walker, over radio station WMCA, New York City, on Wednesday, June 8, 1949:

We now present a discussion between Congressman GEORGE P. MILLER, of California, William C. Armbrust, national president of the United National Association of Post Office Clerks, and Andrew T. Walker, president of Branch 1, of the association in New York City, on the vitally important subject of postal salaries, a question of importance not only to the 495,000 postal employees throughout the country, but to the public as well. Congressman MILLER has introduced several bills providing for salary increases, longevity, promotions, veterans' credit, and a general reclassification of the existing laws applicable to postal personnel. These measures are strongly supported by the many employees' groups including the United National Association of Post Office Clerks, the oldest and largest of its kind in the country, with members in all of the 48 States and the possessions.

The next voice you will hear will be that of Mr. Armbrust.

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Mr. ARMBRUST. Thank you. The United National Association of Post Office Clerks is grateful to this station for the opportunity of discussing this question tonight. And every postal employee owes a real debt of gratitude to Congressman MILLER for his deep and constructive interest in the welfare not only of the postal employees, but in the progress of the postal service as a whole. Congressman MILLER, do you feel that there is an urgent necessity for the passage of the legislation provided for in H. R. 87, 88, 2496, and 4495, which you have introduced?

Congressman MILLER. Thank you very much, Mr. Ambrust, for your generous words. I have always had a very high regard for the employees of the postal service and believe that the increase in salary granted during the Eightieth Congress was inconsistent with their loyal and excellent service. After discussing the matter with many representatives of postal organizations and reviewing the past history of postal-pay legislation, I introduced, several months ago, the bills you have mentioned. Bills that provide for an increase in salary of $650 for regular employees and an increase of 30 cents an hour to substitute employees. That sounds like a sizable sum, when we are trying to reduce Government costs. Yet, when we realize the comparatively low pay now being received by postal workers and realize the high prices which they must pay for necessities; and when we further recognize that we can neither secure nor keep the highest type of employee in this vital service if we do not establish wages comparable to those paid in private industry, it is apparent that some action is required. Remember, however, that postal salaries have lagged behind other salaries. This is the fault of the Congress and I seek to correct it.

Mr. WALKER. Do you feel, Congressman, the general level of postal salaries to be adequate under ordinary circumstances and that the present situation calls for action by the Congress?

Congressman MILLER. Even in normal times, Mr. Walker, wages paid to postal employees were low by other standards. Now, with the greatly increased cost of living, these wages have come to be most unrealistic. Under present circumstances, it is literally impossible for some postal employees to maintain even a modest standard of living on present wages. That families of many postal workers are adequately clothed and educated is more of a tribute to their household management than it is to the foresightedness of their employer—the Federal Government. We have placed the good housewife of the postal worker at a great disadvantage. I compliment her on that good management. We do not like to increase wages at this time because unquestionably there can only be some inflationary effect. However, faced with these facts, there seems little else we can do. Incidentally, I would like to point out here that our considerations in the House Post Office and Civil Service Committee have not been limited to postal employees alone. We are quite well aware that there are many other Federal employees in the lower income brackets who likewise deserve, and should get, some increase in pay. However, because the Postal Department is a separate organization, and does not have a common pool of employees as do most other Government departments, it has always seemed most important to me that we continue to treat the Post Office Department as a separate case.

Mr. ARMBRUST. Knowing postal employees as I do, I must say, Congressman, that your appraisal of the situation is accurate; unfortunately so. On the basis of need alone it is clear that your bills are entitled to the support of every Member of Congress and of every American citizen.

Congressman MILLER. It is not a matter of financial need alone, Mr. Armbrust, which should encourage us to grant increases in salary to postal workers. We all know that the best interests of our people cannot be served if we pay only the lowest possible wages. I am told that it is becoming increasingly difficult to recruit personnel for the postal service because of low beginning salaries and because of the slow steps in advancement. We can not gain by a penny-wise-pound-foolish policy. That would be a false economy which could only soon result in poor postal service and resentment on the part of the people.

Mr. WALKER. We postal employees feel that we are engaged in a vital service and we want to see it improve in efficiency and effectiveness. We like to feel that this is the view of those we serve, as well.

Congressman MILLER. The postal service is indeed a vital enterprise, Mr. Walker. We need only consider what difficulties would be caused to each of us personally, what the effect on business would be, and what the effect on our whole national economy would be, if the postal service ever broke down. The postal service has been built up over a long period of years and is staffed by trained and skilled clerks, carriers, the maintenance men, and others who work together efficiently to deliver our mail quickly and cheaply. Because we have become so accustomed to the efficiency of its service, we sometimes fail to appreciate how rarely the mail is delayed or how rarely mistakes are made.

I would like to commend the service and the loyalty of the members of your own organization, the United National Association of Post Office Clerks, and the members of other postal employee's organizations who have helped to find a realistic solution to this problem of maintaining an efficient postal service by attracting good workers through paying adequate salaries.

Mr. ARMBRUST. Thank you, Congressman MILLER. We, and all postal employees, regard it as a singular opportunity to be able to serve the Government and people of the United States. Congressmen, do you feel that the increases provided in your bill should be regarded as a final figure?

Congressman MILLER. I believe the figure of $650 as originally contemplated in my bill was, and is, a justifiable one which can be supported by evidence. But whether that figure will be agreed upon under existing circumstances is doubtful. We are all fully aware of the budget, and Government expense problems that now face us. The important point is to get some adequate increase—as much as the Congress believes is feasible. No doubt the Congress will want to consider carefully all aspects of the question. It is important to remember that the important point is not how much is the increase, but rather, does that increase place postal employees' salaries on a par with those paid to people with positions of comparable responsibility in private business and private industry. It is my own belief, from the studies we have made, that for jobs requiring comparable skill and responsibility, the scale outside the Government is far higher and may still be higher by comparison even if this increase is granted.

Mr. WALKER. Is it not a fact, Congressman, that your bill has the support of many Members of Congress?

Congressman MILLER. Yes; I believe that is true, Mr. Walker. Certainly there is a wide general agreement on the need for some increase. The questions are, how much, and for which employees? But let me emphasize strongly that it is not only the postal employees or Members of Congress, or administrative officials who should be concerned about this matter. After all, the postal service is a service owned and operated by all our people and as shareholders in that organization, we should all be concerned about the functions of the service which is the business of all of us. We all know the postal workers as our neighbors, as fellow townsmen, as good citizens, and as Americans, who are doing an important job for what many believe is insufficient pay. If we improve and properly reward our postal workers, all of us, as shareholders in the organization, will be the eventual gainers.

Mr. ARMBRUST. Congressman MILLER, do you believe in a career service for all postal employees and promotion within the ranks? And do you endorse the principle of credit to veterans for military service?

Congressman MILLER. I believe that many times we have had too much politics in our postal service, Mr. Armbrust. When Postmaster General Donaldson, a career man, was appointed to his present position, I thought that was an excellent move in the right direction. But it seems to me that this should be carried on all the way down the line. I certainly believe in granting to veterans, entering the postal service, full credit for military or naval service toward promotion in salary. We are now holding hearings on the bill I have introduced, H. R. 87, which provides for that credit. I feel confident that the House Post Office and Civil Service Committee will take favorable action.

Mr. WALKER. Congressman, how does this pay increase fit into efforts to reduce Government expense?

Congressman MILLER. Mr. Walker, during my experience in public life as a Congressman I have become convinced that no business, public or private, will gain financially, or otherwise, by underpaying its employees. Savings can, and are, made by reducing unnecessary services and by eliminating unnecessary personnel. We will not, and cannot, gain by holding down the wages and rewards of those who carry on essential Government work. Economy can only be effected by eliminating the unnecessary and improving the necessary services.

I personally greatly admire postal employees as a whole for their loyalty under real hardships and for the high morale and efficiency of the service which we often take for granted. I believe that this bill, H. R. 2496, is worthy of active support because it is more than just a measure to increase salaries—important though that is to the people concerned. It is also a method of strengthening the morale and giving new, needed vitality to this important arm of our Government. It is a method of building a sound and solid business. Quite properly, our Government is today engaged in far-flung enterprises unprecedented in the history of our own, or any other nations. These enterprises involve billions of dollars which we willingly expend in the hope that we can thus maintain peace in the world and so safeguard our own way of life. Recognizing the great importance of these efforts, we cannot allow ourselves to become so concerned with them as to ignore or delay the consideration of domestic problems and among our domestic problems is this one we have discussed tonight. I believe there is solid justification for the bills I have introduced, and sincerely hope and believe that within the next few weeks Congress will act in the interest of the thousands of postal employees who deserve this recognition from their Government.

Mr. ARMBRUST. Congressman MILLER, may I express to you my deep appreciation—not only on behalf of the United National Association of Post Office Clerks, and its members everywhere throughout the land, and for postal employees generally—but as a citizen concerned with the welfare of an essential service agency of our Federal Government.

We appreciate your appearance on this program tonight; we are deeply grateful for your interest in a problem which touches all of us so closely—all Americans everywhere under the flag.

To an Atom Scientist

EXTENSION OF REMARKS
OF
HON. W. STERLING COLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. COLE of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following communication from a recent issue of the New York Herald Tribune:

TO AN ATOM SCIENTIST—SOME PARENTAL REFLECTIONS ON PATRIOTISM, FREEDOM, AND RESPONSIBILITY IN FIELD OF FISSION

To the NEW YORK HERALD TRIBUNE:

Among the problems stirred up by the investigation of the Atomic Energy Commission and David Lilienthal is a personal one. My son, now 31, a doctor of philosophy in chemistry and working for the Commission in the nonsecretive zone, wrote me the other day questioning the investigative action and upholding the rights of free speech and action on the part of young scientists. I cannot send you his letter, but your readers may be interested in my reply, which is appended:

"DEAR SON: Your letter and opinions on the Lilienthal matter are, as you say young scientists are, so intellectually proud and socially naive. I would emphasize the naive if I were you, for a while, I think. You talk grandly about democracy, you are proud that young scientists do not like to be told what to do; you are quite sure that if these proud scientists are so told only second raters will take their place. But, nowhere, my son, do you mention the one word which this country needs to hear and which is as much a part of democracy as freedom, and that is duty or, if you choose, responsibility.

"You talk about democracy. Did you ever stop to think who created our democracy? It wasn't the scientist. It was the layman, the statesman, the politician, the military man, and the ordinary everyday businessman and laborer. But now the scientist wants to take advantage of that democracy to do as he pleases irrespective of the rest of the country. I am quite sure that when he talks of freedom of speech, freedom to do as he chooses, of individual liberty, he doesn't know what he is talking about.

"Democracy is a society, son; a conglomeration of individuals gathered together in an attempt to live peacefully, happily, and in prosperity. An individual living in a society has only such liberty as will allow all others to have the same liberty—he is free only to do such things as will not prevent the others from doing as much. In addition to considering the other individuals, he must consider the community as a whole. There is no such thing as absolute liberty of the individual—not in society. If you want it outside of society, go out into the wilds by yourself—and find out how much liberty nature allows you.

"Of course, it is true that the purpose of a democracy is to provide the maximum of liberty for the individual—that is the basic idea back of that form of government. But that does not include liberty to the individual to destroy democracy itself does it? Especially by violence? Must democracy provide for its own destruction? Or is it democracy when the society provides for changes in accordance with the true will of the greater part of the society? Isn't it an absurdity to say that a society must acquiesce in its own suicide? Of course it is. Then, democracies, in providing for the welfare of the greater part of their members are justified—nay, required—to limit the freedom of those of the society who would destroy it.

"When the proud young scientist refuses to do anything he is told—irrespective of whether it is for the good of others or the good of the community; when in his demand for personal freedom he does not stop to consider whether his acts are going to damage the country which has given him that freedom or his neighbors who have helped preserve it; in other words when the proud young scientist forgets his duties as well as his responsibilities, he should be reminded of them—forcibly if necessary. And, if he resents that, then he had better get out and try it somewhere else.

"I would love to see him try it in Russia!

"We want freedom—all of us—just as much as we can have while giving the other guy the same thing and having a society which will work along those lines. We know that the Communist idea is entirely different. And we know that the Communist is determined to destroy our way of life by violence and through the use of trained minorities! Communism is not a political creed. It is a fanatical faith—a religion for its followers, an irrationality of belief that transcends reason. To talk about it as if it were a philosophy of the mind, another kind of political party, an idea to be discussed in the drawing room—that way lies suicide, for that is just what the Commie hopes we will do and it is just as dangerous as appeasing Hitler was.

"In dealing with communism we had better treat it as we would a forest fire; the only way to win is to put it out; you can't compromise with it.

"To train Communists, then, in nuclear research is just the same as setting up schools for murderers—murderers of democracy. I don't care whether the boy is just playing with it or not. You can't take a chance. Suppose he happens to have not been playing with it? What do we do, then, take his knowledge away from him?

"The atom bomb is not just the plaything of the scientists any more—to use, develop and handle according to his ideas of what should be done or how it should be done. When you boys invented that thing you entered the great, big world, outside of your laboratories, and became an integral and most important part of your society—all of your society; politics, business, government and all the rest of it. The lives of all of us may depend on the thing and what is done with it. And that means that our ideas of what is liberty of speech and what is security take precedence over yours—except as you are part of us—even if we're wrong!

"After almost 60 years of life, I have come to the conclusion that Plato was pretty nearly right: the only whole men I have ever met have been the practical philosopher type; those men, who, having lived a practical life among the material facts of life, such as running a business, arguing cases in court, curing the sick, building bridges, have, in addition to that, acquired a classic education—if subconsciously—a knowledge of history, of the philosophies (not deeply but casually), of literature and, to some extent, the arts. All the rest of humanity see out of one window only, that window through which they have been gazing so intently at their own particular interest; chemistry, physics, the counting house, Wall Street, the bank, the railroad, the art of painting, the joy of words and so on. (I am one of them.)

"None of us is to be trusted; we are not well rounded enough to be able to find the answers for humanity in this weird monster of a world that you scientists are creating.

"We are all valuable—immediately so—but we—all of us—ought to have keepers over us to see that we do not run berserk after our special interest. And the only ones competent enough to be such keepers are the practical philosophers.

"And that, I believe, is going to be the eventual end of democracy; a society intelligent enough to see that such are the men who ought to run government and of its own volition, sensible enought to put them in that position.

"Of course that will happen about 100,000 A. D. if you scientists do not disintegrate us first."

CORIOLANUS.

WASHINGTON, D. C., *June 5, 1949.*

We Have the Best-Paid Army in the World

EXTENSION OF REMARKS
OF
HON. COMPTON I. WHITE
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. WHITE of Idaho. Mr. Speaker, from these shores we have watched the course of militarism in the Old World. We can visualize today where their system of military ascendancy has led them in the past. We have welcomed the young Frenchman and the young German that came to our country to escape military service in their native lands to share with us our peace and prosperity.

Now that we have won the war we must direct our efforts to preserving our form of democratic government and our American way of life by peaceful means. That my colleagues may have an expression of my views there is inserted herewith a letter recently received and my reply thereto.

BOISE, IDAHO, *June 8, 1949.*

Hon. COMPTON I. WHITE,
Member of Congress,
Washington, D. C.

DEAR REPRESENTATIVE: While I do not live in your district, it has come to my notice that you did not vote on H. R. 4591 and just wonder if you are opposed to an honest and just pay boost for the military services.

You have probably read the speech of Gen. Omar N. Bradley delivered May 31 before the Political Study Club of Washington. If not, I would respectfully request you to get and read it, as it sets forth the facts as only an experienced general can.

This morning's edition of the Idaho Daily Statesman has a leading editorial on the question, quoting some of General Bradley's remarks, and I trust that you will read it. It may not be in until the Thursday mailing edition.

I trust that you will see the justice and the need of an adequate pay boost for the military services now and will work and vote for the new bill which has been proposed Monday. Otherwise the best young officers will be obliged to retire and seek other employment.

Respectfully,

A. W. SMITH.

JUNE 14, 1949.

Mr. A. W. SMITH,
Boise, Idaho.

DEAR MR. SMITH: Answering your letter of June 8th, while I appreciate the matchless

service of our Army officer personnel in the defense and protection of our country, I feel that our efforts should be directed to easing the tax burden on the American people, rather than increasing the load, and now that we have subdued our enemies, we should direct our efforts toward peace rather than war.

In recent months I have been impressed by the wholesale promotions of army officer personnel, every one of which carries an increase in remuneration. During the war we cheerfully voted for military appropriations running as high as $42,000,000,000 in a single appropriation bill. Now with the best paid Army in the world, I am sure you will agree with me that there is a limit to the military burden the American people can carry with safety to our Government and our American way of life.

Sincerely yours,

COMPTON I. WHITE,
Member of Congress.

A Toast to the Flag

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. PATTERSON. Mr. Speaker, today being Fag Day, I deem it particularly appropriate to have placed in the RECORD "A toast to the flag" by John Jay Daly. This epic first appeared in the New Britain (Conn.) Herald at the start of World War II and is a most stirring tribute to the national emblem we so greatly revere:

A TOAST TO THE FLAG

(By John Jay Daly)

Here's to the Red of it—
There's not a thread of it,
No, nor a shred of it
In all the spread of it
From foot to head,
But heroes bled for it,
Faced steel and lead for it,
Precious blood shed for it,
Bathing it Red!

Here's to the White of it—
Thrilled by the sight of it,
Who knows the right of it
But feels the might of it,
Through day and night?
Womanhood's care for it
Made manhood dare for it,
Purity's prayer for it
Keeps it so White!

Here's to the Blue of it—
Heavenly hue of it,
Beauteous view of it,
Star-spangled dew of it,
Constant and true;
States stand supreme for it,
Diadems gleam for it,
Liberty's beam for it
Brightens the Blue!

Here's to the Whole of it,
Stars, stripes and pole of it,
Body and soul of it,
O, and the roll of it,
Sun shining through—
Hearts in accord for it,
Swear by the sword for it,
Thanking the Lord for it,
Red, White and Blue!

The Law of Requital

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. DAVIS of Georgia. Mr. Speaker, I recently read an article in the Gospel Advocate written by Rev. J. M. Powell, minister of the Druid Hills Church of Christ in Atlanta, Ga. The title of this article is "The Law of Requital." It is an article well worth reading, and under leave previously granted, I insert it herewith:

THE LAW OF REQUITAL

(By J. M. Powell)

"And Adoni-bezek said, 'Threescore and ten kings, having their thumbs and their great toes cut off, gathered their food under my table: as I have done, so God hath requited me. And they brought him to Jerusalem, and he died there." (Judges 1: 7.)

In recent years we have been shocked at the sadistic brutality and atrocious savagery practiced by warmongers. But retributive justice has already come to the war criminals. It should be pointed out, however, that barbarity is not confined to our generation alone.

In Judges 1 we read of Adoni-bezek, who lived about 1,400 years B. C. This man conquered 70 little kingdoms. He showed their kings rough hospitality by cutting off their thumbs and big toes, and then put them on a starvation diet. But, as with the usual case of tyrannical leaders, Adoni-bezek came to an inglorious end. In due time his reign of terror was overthrown. His own thumbs and big toes were cut off. (Judges 1: 6.) He died later in Jerusalem a captive. This reminds us of the bloodthirsty and power-hungry leaders of the recent World War. Where are Hitler, Mussolini, and Tojo. The law of requital has caught up with them. "I have seen the wicked in great power, and spreading himself like a green tree in its native soil. But one passed by, and, lo, he was not: yea, I sought him, but he could not be found." (Psalms 37: 35, 36.) "As for transgressors, they shall be destroyed together: the end of the wicked shall be cut off." (Psalms 37: 38.)

The story of Adoni-bezek illustrates a severe, but holy, war—the law of requital. "As I have done, so hath the Lord requited me." (Judges 1: 7.) "Whoso diggeth a pit shall fall therein; and he that rolleth a stone, it shall return upon him (Proverbs 26: 27.)

This law of requital belong to the Christian dispensation as well as the Jewish. It is enunciated in tones clear by Jesus, Paul, and others in the New Testament. "Judge not, that ye be not judged. For with what judgment ye judge, ye shall be judged: and with what measure ye mete, it shall be measured unto you." (Matthews 7: 1, 2.) "Be not deceived; God is not mocked: for whatsoever a man soweth, that shall he also reap. For he that soweth unto his own flesh shall of the flesh reap corruption; but he that soweth unto the Spirit shall of the Spirit reap eternal life." (Galatians 6: 7, 8.)

Then there are commonplace expressions which delineate this same principle. Among these expressions we have: "Chickens will come home to roost"; "It will come home to you"; and "Pay day, some day." Let us study some the bearings of this law as it relates to the masses of mankind.

"Be not deceived; God is not mocked." That is the irrevocable law of God. Men may deny it, they may theoretically disregard it; but they cannot escape it. Man can no more flee the judgment of God than he can flee his shadow. A case in point is the story of Ahab and Jezebel (I Kings 21 and 22). This story concerns the wicked Jezebel and her spineless husband, Ahab, who through chicanery, deception, and murder got control of a vineyard which belonged to Naboth, a man who feared God. As Ahab went down to take possession of his ill-gotten vineyard, he was met by Elijah, the prophet of God. Elijah said to him: "Hast thou killed, and also taken possession?" But that was not all that the prophet said, he continued: "In the place where dogs licked the blood of Naboth shall dogs lick thy blood, even thine." In other words, Elijah said: "Ahab, it is coming home to you. You have dug a pit, and you will fall in it. Your chickens are coming home to roost. You have sown, and one day you shall reap what you have sown. The law of requital will catch up with you." Some years later Ahab entered into league with Jehoshaphat, the king of Judah. In disguise Ahab entered the battle against his old Syrian enemies. At Ramoth-gilead an arrow shot at random mortally wounded him, so that his chariot was filled with blood; and his body was taken back to Samaria. "And one washed the chariot in the pool of Samaria; and the dogs licked up his blood; and they washed his armour; according unto the word of the Lord which he spake." But that is not the whole story. Jezebel, who perpetrated the diabolical scheme to murder Naboth, reaped what she had sown. She was thrown from a building at the behest of Jehu. "And some of her blood was sprinkled on the wall, and on the horses; and he trode her under foot. And when he was come in, he did eat and drink, and said, Go, see now this cursed woman, and bury her: for she is a king's daughter. And they went to bury her: but they found no more of her than the skull, and the feet, and the palms of her hands. Wherefore they came again, and told him. And he said, This is the word of the Lord, which he spake by his servant Elijah the Tishbite, saying, In the portion of Jezreel shall dogs eat the flesh of Jezebel." (II Kings 9: 33–36.) From this we learn the power and certainty of God in carrying out his own retributive providence, that men might know that his justice slumbers not. Even though the mill of God grinds slowly, it grinds to powder; "and though his judgments have leaden heels, they have iron hands."

"Avenge not yourselves, beloved, but give place unto the wrath of God: for it is written, vengeance belongeth unto Me; I will recompense, saith the Lord." (Romans 12: 19). Adoni-bezek acknowledged his plight as a divine visitation when he said: "The Lord hath requited me." This law of requital may explain many reverses that come to us. Why have we suffered loss? May it not be that we have opposed or neglected the poor and needy? Why are our plans delayed and thwarted? Maybe we have been obstinate and unfriendly toward plans of others. Why are we held in disesteem or neglect? Could it be because of the contempt in which we have held our brethren? Why are we friendless? Is it because we are unfriendly ourselves? "A man that hath friends must shew himself friendly." (Proverbs 18: 24, A. V.) Do we have bad neighbors? It may be that we are not good neighbors ourselves. Let us not forget the words of Paul when he said: "For whatsoever a man soweth, that shall he also reap."

The law of requital is effective on both sides of the ledger. "God is not unrighteous to forget your work and the love * * * that ye ministered unto the saints, and still do minister." (Hebrews 6: 10.) "The liberal soul shall be made fat." (Proverbs 11: 25.) "And whosoever shall give to drink unto one of these little ones a cup of cold water only in the name of a disciple, verily I say unto

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you, he shall in no wise lose his reward." (Matthew 10: 42.) "Give, and it shall be given unto you." (Luke 6: 38.) "Your labor is not vain in the Lord." (II Corinthians 15: 58.) God takes note of every good deed that we do and rewards us accordingly. The words of the following poem, written by Madeline S. Bridges, are suggestive:

"THERE ARE LOYAL HEARTS

"There are loyal hearts, there are spirits brave,
There are souls that are pure and true;
Then give to the world the best you have,
And the best will come back to you.

"Give love, and love to your heart will flow,
A strength to your utmost need;
Have faith, and a score of hearts will show
Their faith in your word and deed.

"For life is the mirror of king and slave,
'Tis just what you are and do;
Then give to the world the best you have,
And the best will come back to you."

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. GWINN. Mr. Speaker, under leave to extend my remarks, I wish to include the thoughtful statement of Dr. Robert A. Millikan on the inherent dangers in Federal aid to education:

DANGERS OF FEDERAL AID TO EDUCATION

The American educational system, stemming originally from English ideals of freedom, is unique in this respect. The whole huge elementary and secondary school system, the greatest business in this great land, though tax-supported and free to all, has been thus far practically wholly in the hands of the local communities, which not only tax themselves to support it but control it through their locally elected boards of education.

KEY TO FREEDOM

This local self-government in education is one of our most priceless American heritages. According to the greatest thinkers of the past, Spinoza, Montesquieu, John Locke and our founding fathers, it is the key to the maintenance of the freedom of a great Republic.

It is the great safeguard against the malignant disease politely called patronage, better called political corruption, which is the chief device through which the party in power in Washington can, and to no small extent already does, seek to indoctrinate the public in the interests of the maintenance of its own power.

Local cancers in humans or in the States can be eliminated before they have spread throughout the whole body, but when the whole system has become infected the patient dies, whether that patient be a man or a great Federal Republic.

WORDS OF HISTORIAN

Listen to the exact words of the historian and political philosopher Montesquieu (1747) whose writings were carefully studied and were also very influential with our founding fathers:

"If a republic is small, it is destroyed by a foreign power; if it is large, it destroys itself by an inner vice. So it is very likely that men would have been forced to live always under the rule of one man (a despot) had they not imagined a constitution which combines the advantages of a republican form of government and the external force of a monarchy. I mean a Federal republic. Made up of small republics, it enjoys the high political quality of each (such small republic) and toward other powers it has by virtue of a federation all the advantages of monarchies."

MENACE TO FREEDOM

No clearer statement of the menace to the freedom of a great Federal republic that arises from the loss of local self-government through the unnecessary concentration of power in the Federal Government has ever been made.

That is why the founding fathers, who have been said to have had greater wisdom, insight, and understanding as a group than any assembly ever brought together anywhere, so definitely limited the authority of our Federal Government and reserved all unallocated powers to the constitutent States and local communities.

But I do not need to go back to Spinoza, Montesquieu, and the founding fathers for pointing out the menace which they all saw, and particularly in the centralization of education in a great republic like the United States

JOINT REPORT

A joint report was put out in March 1945 by the problems and policies committee of the American Council of Education and the educational policies committee of the NEA. It states the views of some 20 of the most distinguished educators in the United States.

The following quoted paragraphs are taken from this joint report, the first four of them from the section entitled "The Drift Toward the Federalization of Education in the United States." These paragraphs read as follows:

"The first purpose of this document is to warn the American people of an insidious and ominous trend in the control and management of education in the United States. Its second purpose is to propose policies and procedures by which citizens may resist and reverse this dangerous trend.

"DANGEROUS WATERS

"For more than a quarter of century, and especially during the last decade, education in the United States, like a ship caught in a powerful tide, has drifted ever farther into the dangerous waters of Federal control and domination.

"This drift has continued at an accelerated rate during the war. Present signs indicate that unless it is sharply checked by an alert citizenry it will continue even more rapidly after the war.

"It is the deliberate and reasoned judgment of the two educational commissions who join in the appeal which this document makes to the people of the United States that the trend toward the federalizing of education is one of the most dangerous on the current American scene.

"How did this trend come about? Do the people of the United States really want to place their schools and colleges under the predominant control of the Federal Government?

"We are sure that they do not. It should be remembered that the control of education is reserved to the States under the tenth amendment to the Constitution. The people have shown repeatedly during more than a century that they want to keep education primarily under State and local control and administration.

"Furthermore, in a recent public-opinion poll, our citizens favored keeping the predominant control of public education in State rather than in Federal hands by more than 3 to 1.

"SHIFT IN RESPONSIBILITY

"It is the mature conclusion of the commissions responsible for the issuance of this report that a continuance of recent and current trends in Federal and State relations in education will, within a measurable period of time, transfer predominate responsibility for the control of education in the United States from the States and localities to the National Government.

"Already we have traveled farther along that road than is generally realized.

"Recent decades have witnessed a mounting tide of centralization. It has swept into Government and other spheres of life. It is world-wide as well as Nation-wide.

"CENTRAL DOMINATION

"Is this an irresistible trend, inherent in the industrial revolution and other momentous changes in the affairs of mankind? Have forces been released which are beyond human control—forces which are destined to place all phases of life under centralized domination—including the education of children and youth?

"The commissions responsible for this statement reject the gloomy conclusion that impersonal forces beyond the control of men are destined to submerge the individual, the home, and the local community in a rising tide of indiscriminate centralization.

"HIGH ON LIST

"While it is recognized that new factors in contemporary civilization require closer organization and increased centralization of some areas of life, other areas can be permitted to come under central control at our peril.

"The fact that the National Government must be the predominant authority in waging warfare and in determining the routes of transcontinental highways does not mean that it should similarly dominate such areas as the distribution of news and the education of the young.

"Education should be placed high on the list of services to be continued under State and local control. The ability to make distinctions as to what should and what should not be centralized permits some nations to preserve their liberty. Those which cannot so distinguish succumb first to totalitarianism and then despotism."

EXTREMITY OF PERIL

Nothing that I might be disposed to say could add any cogency to the foregoing warning issued as the collective judgment of a distinguished group of modern educators. The extremity of the peril could scarcely be more strongly stated.

Some of the men who signed the foregoing report have alined themselves behind the bill now before Congress on what seems to me the wholly unrealistic assumption that Federal subsidy does not carry with it or tend strongly toward Federal control, but the decisions of the United States Supreme Court make this judgment wholly untenable.

In general, the man who pays the piper is the man who calls the tune, and experienced and wise men know this without Supreme Court pronouncements. I am all for increased pay to teachers but not at the cost of undermining the foundations of our Republic.

The Late Lew Wentz

EXTENSION OF REMARKS
OF
HON. GEORGE H. WILSON
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. WILSON of Oklahoma. Mr. Speaker, last Thursday Oklahoma lost one of its first citizens in the death of Lew Wentz, of Ponca City. Wentz, rich in his own right

from the diligent pursuit of oil production, always gave unselfishly and abundantly of his time and his money in the promotion of charitable and worthy projects and in giving relief to the needy. He served his State in the capacity of State highway commissioner during the administration of Gov. William J. Holloway and was always interested in public affairs. Among his philanthropic enterprises was the creation of the Wentz education camp northeast of Ponca City, Okla., complete with stone lodgings and tile swimming pool at a cost of $400,000. The youth of Oklahoma and neighboring States will long remember the creator of this fine camp. A promoter of the Oklahoma Society for Crippled Children, Wentz was its treasurer when he died. These are but a few of the many and varied philanthropic enterprises of Lew Wentz.

Oklahoma has lost a solid and worthy citizen, but it will continue to gain from having known Wentz, for his influence for good will live on. Mr. Speaker, I know that Congress joins with the Oklahoma delegation in mourning the passing of a great man.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. GWINN. Mr. Speaker, yesterday I placed in the hearings of the Subcommittee on Education a very statesmanlike letter I received from Gen. Dwight D. Eisenhower in opposition to a general Federal-aid-to-education program. I am now extending this letter in the RECORD so that the full membership can have the benefit of the wisdom of this great soldier and scholar.

COLUMBIA UNIVERSITY,
New York, N. Y., June 7, 1949.

Hon. RALPH W. GWINN,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN GWINN: Preoccupations with commencement and related duties have prevented me from sending an earlier answer to your letter of May 28. Even with commencement out of the way I have an accumulation of engagements and commitments that piled up on me during my 3 months enforced absence due to illness and the performance of duties in Washington. As a matter of fact, I have not yet been able to find the leisure necessary for a thorough reading of the Federal aid bill and Congressman JOHN W. BYRNE'S testimony which you sent me.

Consequently I hope that you will not find it necessary for me to appear before your committee. There is the further consideration that I have been connected with the educational world only a relatively short time and even during the past year have been able to give only a portion of my attention to it and its manifold aspects. Undoubtedly there are many others whose views would be far more valuable to the committee than mine, especially where those views deal with details of proposed methods and procedures.

However, in my own mind I am perfectly clear as to basic principle and have more than once made public statements to the effect that I definitely oppose every unnecessary intervention of the Federal authority and the Federal Treasury in what should be local business and local responsibility.

I am well aware that there are certain sections of this country where the tax revenue potential of each will not provide for all of the children in that area that level of education deemed generally required in discharging the duties of enlightened electorate.

In such areas I would heartily support Federal aid, under formulas that would permit no abuse, no direct interference of the Federal authority in educational processes and no opportunity to expand the flow of Federal money into areas where need could not be clearly demonstrated. I would flatly oppose any grant by the Federal Government to all States in the Union for educational purposes. Such policy would create an ambition—almost a requirement—to spend money freely under the impulse of competition with other localities in the country. It would completely decry and defeat the watchful economy that comes about through local supervision over local expenditures of local revenues.

In short, unless we are careful, even the great and necessary educational processes in our country will become yet another vehicle by which the believers in paternalism, if not outright socialism, will gain still additional power for the central government.

In no way should my position be interpreted to mean that I am opposed to Federal contractual arrangements with schools for scientific research which is essential to the public interest. Federal Government support of such ventures, and even certain types of fellowships and scholarships to meet unusual Federal requirements, would not weaken local government or sap community enterprise. These specific items are a far cry from a blanket usurpation of local responsibility and obligation.

The completely spurious argument is frequently advanced that because the Federal Government skims off so much of the available tax revenue it must, as a consequence, bear more of the local expenditure. This is putting the cart before the horse. If local communities do their job, then there will be no need for additional centralized revenues for Nation-wide subsidies of an essentially local character; and we will avoid the certain pitfalls of extreme centralization.

Very frankly I firmly believe that the army of persons who urge greater and greater centralization of authority and greater and greater dependence upon the Federal Treasury are really more dangerous to our form of government than any external threat that can possibly be arrayed against us. I realize that many of the people urging such practice attempt to surround their particular proposal with fancied safeguards to protect the future freedom of the individual. My own conviction is that the very fact that they feel the need to surround their proposal with legal safeguards is in itself a cogent argument for the defeat of the proposal.

If you feel that your committee would seriously like to have my own simple views upon this important matter, I have no objection whatsoever to your using this letter for that purpose. I do earnestly believe in the need for education, I so earnestly believe that a thorough education is the best assurance we can provide that our American free system shall endure, that I don't want to see the educational processes used directly or indirectly to weaken that free system.

Sincerely,

DWIGHT D. EISENHOWER.

Memorial Day Address of Commander R. M. Metcalf

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, I am happy to be able to place in the Appendix of the CONGRESSIONAL RECORD the Memorial Day address delivered at Lake Mills, Wis., in the Second Congressional District, by Commander Ralph M. Metcalf, United States Navy, now serving as executive officer of the Naval Reserve Officers unit at the University of Wisconsin. Commander Metcalf has a distinguished record as commanding officer of submarines in World War II.

I commend Commander Metcalf's remarks to my colleagues.

Ladies and gentlemen, I want to take this opportunity to thank Post Commander Roberts for his kind and rather flattering introduction, but I must also mention that combat experience does not necessarily qualify one for oratory.

I am, nevertheless, very glad to be here today, and it was very kind of Mr. Eshleman, acting in behalf of your Memorial Day committee, to invite me.

I'm very glad to be here for two reasons: First, because this is the sort of a community that I was born and brought up in. I spent the first 18 years of my life in a small town down in central Illinois. Consequently, I feel very much at home here. Second, and most important, I'm glad to be here because in my opinion the true strength of the United States resides in communities like these, whose citizens are not easily swayed by propaganda, prejudice, or foreign ideologies, and who always answer loyally our country's call to the colors in her hour of need.

The Middle West has been traditionally isolationist in sentiment. We have distrusted foreign alliances; we have insisted that only the people, through the Congress of the United States, can bring about war; and we have tried to avoid war if it was possible, because we have realized that it is a terrible thing and that even the victor loses more than he gains.

But when events have forced us into war, this same isolationism has always immediately been replaced by a common patriotism. Our young people flock to the colors and those who stay behind give them full support.

The people of Wisconsin have always showed their patriotism to the fullest throughout our country's history. When the Civil War started the State had a population of less than 800,000, yet she furnished more than 90,000 soldiers to the Union Armies. The most famous fighting unit in the Army of the Potomac, and the one with the highest casualty rate, was the Iron Brigade—the First Brigade, of the First Division, of the First Corps. This brigade was composed of the Second, Sixth, and Seventh Wisconsin Regiments, the Nineteenth Indiana, and the Twenty-fourth Michigan.

Wisconsin furnished four infantry regiments and an artillery company in the Spanish-American War. In World War I more than 125,000 men from this State served with the colors. Wisconsin and Michigan National Guard units in the Thirty-second Division served with distinction in France, as did several Wisconsin National Guard companies that were incorporated into the famous Forty-second or Rainbow Division.

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World War II is so recent that I am sure most of you know the extent of Wisconsin's participation far better than I do. Few States had a higher percentage of men in the armed services, and Wisconsin men served on every battle front and in every arm of the service. It fell to the lot of the same Thirty-second or Red Arrow Division, composed again of Wisconsin and Michigan National Guard units, to see early and bloody combat in the jungles of New Guinea. Inadequately supplied and equipped, and committed to battle when it seemed that the Japanese were invincible, they did a magnificent job, and suffered heavy casualties.

True patriotism demands that we not only support our Nation in time of war, but also that we remember and honor those who made the supreme sacrifice. This is the purpose of Memorial Day and this is the reason for this gathering. In 1868 Gen. John A. Logan, then commander in chief of the Grand Army of the Republic, proposed that May 30 be set aside as a day for decorating the graves of those comrades who died in defense of their country. Since then there have been other wars and other men have lost their lives in battle, in enemy prison camps, or in training. On Memorial Day we honor these men, and we take occasion also to remember those who served their country well in time of war and who have now passed on to the great reward.

I counted 23 names on your World War II honor roll. Many services are represented, and I am sure many distant, foreign battlefields as well, for this was truly a global war.

My own first-hand knowledge of this war was confined to submarines. For this reason I would like to tell you a little more about the way in which one of the men on this honor roll gave his life for his country. His name was Robert H. Taylor and he was a fireman, second class, United States Navy. He was lost in action on the U. S. S. *Gudgeon*, the SS211.

The *Gudgeon* had a distinguished record. She had sunk the Japanese submarine *I-173* on her first war patrol and at least 11 other Japanese cargo ships and warships. She had made a total of 11 war patrols in such diverse places as the South China Sea, off the east coast of Japan, in the Java Sea, off Truk, in the Philippines, off Saipan, in the East China Sea, and off the northern New Guinea coast.

The *Gudgeon* left Pearl Harbor for the last time on April 4, 1944. She fueled at Johnston Island and should have reached her patrol area in the Marianas about April 16. She was not heard from again and when she did not return to Midway on May 23 as was expected, she was reported overdue and presumed lost.

At that time we had many submarines off Saipan to prevent the Japanese from reinforcing or supplying their garrison. Our own landings on the island were to be made a month later.

After the war was over we got a certain amount of information from captured Japanese records. The Japanese Navy claimed to have sunk a submarine by a combined aircraft and surface ship attack on May 12, 1944, in a position corresponding to where the *Gudgeon* should have been at that time. We assume that the *Gudgeon* attacked a convoy and was in turn sunk. All on board were lost, 8 officers and 71 men; among them was Robert H. Taylor, of Lake Mills.

Now I will grant that we still live in a world from which the threat of war has not been banished. It is a world in which isolationism is no longer possible due to the terrible new weapons of modern war. Half of this world has come under the cominance of a basic philosophy of life that is in utter contradiction to our own, and that endeavors constantly in every conceivable way to undermine the social structure of this country and all others like it.

Yet I will quarrel violently with those who say that the sacrifice of the 23 men whose names are on this honor roll, and the other thousands of honored dead in this country, has been in vain. As the direct result of their sacrifice, this country is still rich and prosperous beyond any other nation in the world, it is still a democracy, its Government directly responsive to the free will of the people, its foreign policy is established by the President and by Congress, and not by military men, and most important of all, we continue as citizens to live in a country where the freedom and dignity of the individual, as opposed to the theoretical welfare of the state, are paramount.

No man can tell what the future will bring. If we believe that our country and our way of life are worth maintaining, then we must be ready to defend them again, as long as world government remains a topic of debate on the United Nations agenda, and not an actuality. These men we honor today dramatize for us the fact that the privileges of citizenship carry with them certain obligations, and foremost among these obligations is the duty to defend one's country. Let us hope that no further sacrifices will ever be necessary, but let us also remember these men, and do as well as they, should our country again need us.

Not All Waste

EXTENSION OF REMARKS

OF

HON. CLAIR ENGLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. ENGLE of California. Mr. Speaker, I call the attention of the House to an editorial appearing in the June 6, 1949, issue of the Red Bluff Daily News in regard to an article appearing in a national magazine by a former Governor of Wyoming relative to the waste caused by the competition between the Army engineers and the Bureau of Reclamation. The article very properly points out, I think, that although this competition may cost the taxpayers some money it has not caused a waste of all the money spent by either or both of these agencies. The editorial referred to follows:

SLIGHT EXAGGERATION

A former Governor of Wyoming, perhaps overcome by the ease with which billion-dollar statements are tossed about these days, has written an article which taxes the credulity of even dollars-hardened present-day observers.

He makes the statement that feuding between the Army engineers and the Bureau of Reclamation has resulted in the waste of $50,000,000,000. That's right, billions.

The ex-Governor, Leslie A. Miller, is a member of the Hoover Commission investigating means of streamlining the executive branch of the Government.

Where he gets such a whopping figure, we wouldn't know.

But somewhere in the body of the story, he presents such a figure as the total of irrigation, flood control, and reclamation projects in the United States.

Possibly there has been added a certain amount of waste because of competition among the two agencies.

But to take his figure at face value, one would have to subscribe to the theory that every publicly built dam, power plant, flood-control levee, or canal was a complete failure, and hence a waste of funds.

He charges that the two agencies are engaged in a "senseless" race to see which can build the most water projects of some kind or another.

What he has not mentioned, is that by far the great majority of these projects are demanded by a public which is rapidly becoming more and more educated to the need for such construction.

For instance, it has been claimed by experts that only limitations on water will ever prevent the ultimate growth and development of California to top State in the Union.

Can anyone say that projects supplying this water, could be called waste?

We cannot argue with Miller that there has been some duplicated effort, but when he talks of $50,000,000,000 waste, he is speaking in typical political exaggeration.

Peace Taxes

EXTENSION OF REMARKS

OF

HON. JOSEPH W. MARTIN, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. MARTIN of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Boston Herald of Tuesday, June 7, 1949:

PEACE TAXES

Two and a half years have passed since President Truman declared the war to be formally over. We no longer need to restrict train travel nor restrain spending for luxuries. Indeed we need to do precisely the opposite. Yet the system of excise taxes that were set up to support the unique requirements of a war economy are being preserved in a peace economy. In fact, these are the only taxes that have not been considerably altered since the war.

President Truman has steadfastly resisted any reform, and has even sat tight on a reported recommendation by his economic advisers for reductions. This penny-wise, pound-foolish attitude will almost certainly cost the Government more in total revenue than the little that may be preserved by clinging to the present schedules.

In the first place, the retention of obvious inequities is likely to arouse the public to demand too sharp a reduction in excise taxes. Indignation already runs high.

The 20-percent cosmetic tax on baby oil and talcum is an unwarranted burden to many a mother. A working girl who contrives to save $100 for a mouton coat and is taxed $20 extra isn't pleased to know that the wealthy lady who buys a tailor-made ermine-lined velvet evening wrap pays no tax, because the fur is not three times the value of the other material.

If there are to be anything more than sales taxes, they must have in the public mind some consistent moral purpose. The levies on luxuries like club dues and the nonessential toilet articles are comprehensible. But why, the women want to know, is face powder taxed when shaving cream isn't? What justifies a tax on a cheap handbag when a woman has no other place to carry her impedimenta? What luxury is there in an electric light bulb? Such disparities can be accepted in wartime but not in peace.

There is also the damping effect on the general economy from many of these taxes. During the war it was well to discourage

travel with a tax. But to continue to discourage travel now is to add to the subsidy needs of the air lines and the financial difficulties of the railroads. A $4 tax on a $20 leather bag is a sales curb on one group of manufacturers.

No one expects to do away with excise taxes. But we can insist that they really distinguish between luxuries and necessities, and that they do not deprive the Government of greater revenue by unwisely restricting demand. Republican leaders in Congress have recognized the need for revision; Mr. Truman may lose some popular support by refusing to accede.

Effects of Basing-Point Decision

EXTENSION OF REMARKS
OF
HON. HAROLD H. VELDE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. VELDE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include an article entitled "Effects of Basing-Point Decision" appearing in the May 27 issue of Railroad Data.

The United States Supreme Court decision in the celebrated Cement case is so drastic and far reaching as to make it clear that immediate legislation is necessary if we are to prevent a complete change in our competitive system of business.

The article follows:

EFFECTS OF BASING-POINT DECISION—RAIL EXECUTIVE SAYS CURTAILMENT OF TRADING AREAS WILL SERIOUSLY AFFECT RAILROADS AS WELL AS MANUFACTURERS

If American industries are compelled to adopt universally an f. o. b. mill system of pricing in place of delivered prices as a result of last year's decision of the United States Supreme Court in outlawing the basing-point practice of the cement industry, "the free movement of goods will be severely restricted and the volume of commerce drastically curtailed" in the United States, Fred Carpi, vice president, traffic, of the Pennsylvania Railroad, declared recently.

In an address before the Philadelphia chapter of the Association of Interstate Commerce Commission Practitioners, Mr. Carpi stated that this curtailment of trading areas would exert a most serious effect on the Nation's railroads as well as on the manufacturing industries themselves. He said the result might well be "serious impairment of the financial stability of the railroad industry * * * [because of] a decrease in the total volume of commerce, but more directly from the shortening of hauls in the marketing of goods."

The basing-point system of pricing, Mr. Carpi explained, permits the establishment by industries such as cement, iron and steel, farm equipment, and building supplies, of uniform delivered prices at each destination, and thereby permits all producers, regardless of location, to compete in each market.

"Under this method," the Pennsylvania Railroad executive continued, "the delivered price of a commodity is determined by adding to the base price at each basing point, the freight charge to the point of delivery, and the lowest price so determined becomes the charge to the buyer."

Showing the merits of this system, Mr. Carpi added: "It is evident that the basing-point pricing system permits any manufacturer to expand his market to the extent that he is able to absorb freight charges in order to meet his competitors' prices. This is an essential element of a free economy without which the forces of supply and demand would be largely nullified. Producers having efficient operations based upon improved methods would be unable to market their products nationally if deprived of this opportunity.

"If this method must be completely abandoned after many decades of use in this country," Mr. Carpi said, "many disadvantages are certain to follow." Among them he cited these:

1. A monopoly area will be established around each plant or production district, leading to inevitable deterioration in the quality of the goods produced by the local industry.

2. With the lessening of competition, there would be less incentive to cut costs and improve methods—a factor which in the long run might well result in increased prices to the consumer.

3. The very economic factors which have been responsible for our Nation's advanced industrial development—such as equalization of supply specialization of labor and large-scale production—would be severely hampered and curtailed, and the socialistic state with its planned economy would become much nearer to reality.

4. In many cases, the local monopoly areas would not provide sufficient outlet to sustain capacity production and, in some instances, would not furnish adequate volume to justify continuation of the plant. This would lead to relocations of plants, the appearance of ghost towns, and much unemployment.

Concerning the effect of the change in industrial pricing methods on the railroads, Mr. Carpi declared, after noting that f. o. b. mill pricing would cause a shortening of hauls in the marketing of goods.

"The railroad plant was built for mass transportation and depends for its existence upon a heavy volume of long-haul traffic. The continuing heavy volume of long-haul traffic through the years made possible these low costs per ton-mile. A large portion of the investment in railroad plant is in the terminal areas—likewise, a very substantial portion of the operating expense is incurred by terminal service. Short-haul traffic alone would not produce adequate revenues to offset these high terminal costs and earn sufficient return to maintain a productive and healthy plant. This is the basic economics of the situation with which every student of rail transportation is familiar.

"Probably the most serious aspect from the standpoint of the railroads is that short-haul traffic is particularly susceptible to handling by motor truck. The trucking companies have low overhead costs, particularly as a result of their use of public highways, which enables them to make lower charges than the railroads for the shorter hauls on many classes of traffic. The eastern rail carriers would be more adversely affected than those in other sections of the country due to the close proximity of the large centers of population and production—distribution would be localized to a greater extent than in the more sparsely populated sections.

"Another serious potential development which might flow from a rigid f. o. b. mill pricing system would be an influx of goods from foreign countries to the heavy consuming areas along the Atlantic seaboard. If interior manufacturers are prevented from competing in these markets on a delivered price basis, the foreign producers with the advantages of cheap labor and low-cost ocean transportation would be able to place their goods in these markets at a lower price than domestic producers. This influx of foreign wares would adversely affect not only the railroads but would also produce repercussions throughout the entire economy."

Communist Tactics

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Clinton (Mass.) Daily Item of June 13, 1949:

"A GRAVE SITUATION CONFRONTS THE WORLD," SAYS CONGRESSMAN PHILBIN, IN DECRYING COMMUNIST TACTICS IN THE UNITED STATES

Speaking at the Franco-American reception to Gov. Paul A. Dever, at the Leominster Municipal Auditorium, last night, Congressman PHILIP J. PHILBIN, of this town, warned of the pending crisis, the outcome of which he stated would determine the future of democracy and the free American way of life.

Deploring the sinister attacks by long-haired, brain-tied doctrinnaires upon the fundamental make-up of our economic system and our parliamentary institutions, Congressman PHILBIN asserted that only courageous, unflinching, honest, and far-sighted public servants stanchly supported by a determined American people could definitely insure the continuance of democratic government and the basic freedoms associated with it.

"No governor has had more difficult tasks than Governor Devers," said Congressman PHILBIN. "He is beset by a multitude of complex problems—financial, political, social, and economic. The way these problems are decided will affect for good or evil the whole future course of State government. It is fortunate, indeed, that he brings to these tasks such outstanding ability, experience, and courage. In the vital work at hand, he is entitled to the encouragement and sympathetic consideration of every citizen regardless of race, creed, color, or partisan attachment."

Referring to the current international outlook, the Clinton Congressman warned that the situation in the world, as a whole has greatly deteriorated since the end of the war, and still continues to be extremely grave.

"The same tactics which were used in scuttling the efforts of the United Nations to bring about an orderly, peaceful, democratic world are now being used in international conferences to check every possibility of satisfactory settlement of the great problems of democracy and peace. It is regrettable but absolutely necessary that this Nation, mindful of the progress and aims of the world-wide Communist conspiracy, should maintain its armed forces in a state of preparedness and readiness to defend the Nation in case of emergency and to implement a firm, unyielding, pro-American, pro-democratic foreign policy."

Touching on domestic questions, Congressman PHILBIN deplored the trend toward socialization which he declared is largely responsible for present recessionary economic conditions in this country. "There are some signs that our great American business machine is threatening to stop at dead center because of lack of confidence, uncertainty as to the future, and the fear of oppressive taxation which if continued would ruin the traditional profit system upon which the employment and prosperity of our citizens so largely depends. This Nation cannot socialize its institutions or move further in that direction without completely destroying the confidence and incentive of those who have heretofore provided the spark and motivating force of our unmatched productive enterprise. Regimentation of our busi-

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nessmen, our professional men or any other class of our citizens along socialistic lines is not only a violation of American principles but would be destructive of our business prosperity and would produce widespread unemployment and an economic stalemate," he said.

"It is high time for us to recognize that the power to tax is indeed the power to destroy, and that if we seek to put greater burdens upon our businessmen and working people that we will bring down upon this Nation the same baneful consequences which have followed such policies in other countries. As we fight against communism, as we strive for a forward-looking progressive government eagerly aware of and responsive to the social needs of our people, let us make sure that above all we preserve and maintain the fundamental tenets of our political and economic system which have kept the spirit of freedom alive and which have contributed so greatly to our own achievements and our contributions to the whole civilized world."

Congressman PHILBIN lauded the Franco-American people as unexcelled in their devotion to God and country and the high order of their patriotism and citizenship.

"When I think of the services to America in war and peace of the Franco-Americans, I am virtually at a loss to express appreciation for their magnificent contributions. The American people are profoundly grateful to your God-fearing, liberty-loving, industrious and patriotic group who, through the years, have furnished such an inspiring example of constructive citizenship and unfailing loyalty to America and all it stands for."

The Fantastic Arizona Project

EXTENSION OF REMARKS
OF
HON. CLAIR ENGLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. ENGLE of California. Mr. Speaker, the attention of the House is invited to the fantastic central Arizona project and what it means, if authorized, to western reclamation, the taxpayers, and the Nation generally.

The central Arizona project, if authorized:

First. Will cost more than a billion dollars—more than the combined cost of TVA and the Boulder Canyon project, and more than twice the cost of the Panama Canal.

Second. Require a capital subsidy of at least $1,750 per acre, or $280,000 per 160-acre farm, because the irrigators cannot repay any of the $400,000,000 of capital to be invested in irrigation works.

Third. Pump water 985 feet, nearly twice the height of Washington Monument, and transport it a distance of 315 miles (farther than from New York to Washington) to grow cotton, corn, and other crops now subsidized by the Federal Government.

Fourth. Consume energy for pumping in such quantities that over 2,000,000 barrels of fuel oil per year must be burned to replace it.

Fifth. Add $400,000,000 to the power bills of the Government's public power customers, to provide just part of the subsidy. The taxpayers furnish the rest; for example, writing off $35,000,000 for "recreation."

Sixth. "Rescue" 150,000 acres of desert land put into cultivation during the war, owned by fewer than 500 men.

Seventh. Will have no water supply unless it takes it away from projects already built and operating that can repay every dollar of their costs.

Communism and Education

EXTENSION OF REMARKS
OF
HON. HAROLD H. VELDE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. VELDE. Mr. Speaker, under unanimous consent, I include in the Appendix of the RECORD excerpts from a speech which I delivered at the Bradley University alumni banquet in Peoria, Ill., on June 11, 1949:

Tonight I would like to talk to you about communism and education. Every time we pick up a newspaper we see headlined some new investigation of communism. We see the infiltration of communism into the Atomic Energy Commission and other fields of scientific investigation. We see it rear its ugly head into labor-union groups, into our schools and our churches, and as a matter of fact, into practically every free institution necessary to our American way of life. Today our American educational system is faced with one of the greatest dangers in our history. Stalin has sent an army of spies and agents to our shores to establish in the minds of our children the philosophy of communism and the socialistic way of life. Stalin realizes that our free schools are the most fertile fields for furthering his plan for the overthrow of our democratic system of Government and establishment of world dictatorship of the proletariat. He realizes that the children of today are the men of tomorrow—that if he can govern the thinking and beliefs of our children now, they will, later on, help him realize his ambitions for world power.

So in order to be prepared for the fight to keep our free schools and to retain our democracy, let us pause for a moment to examine the Soviet school system as it is maintained today. How does the Russian school system differ from our own system? That question can be answered simply. In our great country, we teach children how to think. In Russia they teach children what to think. One of the first things that Communists did in Russia when they came to power was to smash the existing school system. They deliberately broke down college entrance standards and abolished degrees like the bachelor of arts, master of arts, and doctor of philosophy. Universities became cheap diploma mills. Any person, regardless of intelligence or ability, could graduate if he had learned to take orders from the Kremlin and could forget there was such a thing as individual thinking. Why did Russian political leaders do this? Because they knew they could never control the public mind until they had first smashed the school system as it had existed. After the break-down and explosion period following the Revolution, they rebuilt the school system into a tremendous machine for training rather than education—to teach children what to think, not how to think. Today, a teacher under communism never has freedom, academic, or otherwise. He teaches only what the government tells him to and police watch to see that he does.

Now just how does the Kremlin propose to change our educational system to correspond with its own? By three principal methods: First, by treacherously converting our teachers and educators to believe in communism so that they will teach their students what to think instead of how to think. Secondly, by establishing and promoting Communist organizations and front groups among the students themselves, and lastly, by actually setting up private schools of communism where only Communists will be allowed as instructors, and where only communism will be taught.

The dangers of Communistic domination of the American educational system are real and close at hand. We here tonight must join hands—as teachers, as businessmen, as political leaders, and as everyday American citizens—to take up the battle against this menace which seeks to destroy us. We must first know the facts and be prepared to face the facts. We must be prepared to face accusations of "witch hunting" and "Red baiting." Above all we must remember that whatever we do we must always keep the Constitution of the United States in one hand and common sense in the other. Our object must be, not to destroy academic freedom, but to stop communism before it destroys us. The Communists can be stopped under our system of laws and must be stopped before it is too late.

Deserved Recognition Comes to Hon. John C. Kunkel, of Pennsylvania

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. DAGUE. Mr. Speaker, a deserved recognition has come to a distinguished Member of the Pennsylvania delegation, the Honorable JOHN C. KUNKEL, who has just received the degree of doctor of laws from Franklin and Marshall College, which is located in my district.

The older Members of this House have long recognized his worth as a legislator, but it is to the members of the Banking and Currency Committee and especially to his colleagues from Pennsylvania that a calm and somewhat retiring exterior has come to conceal a keen analytical mind and a studious approach to the problems which daily confront us. A farmer by inclination, a banker by profession and a lawyer by training at Harvard Law School, JOHN KUNKEL has a multifaceted experience upon which to draw in the discharge of his legislative duties. Indeed, his reports to our delegation on pending measures are perhaps as brilliant analyses as this House will ever be permitted to hear.

In addition, however, to these compelling considerations which have recommended him for this signal honor he possesses an open-handed generosity and a heart-warming personality which invite and hold the esteem in which he is regarded by all who come in contact with him. In my humble opinion, Franklin and Marshall College in honoring JOHN KUNKEL brings honor to itself as well.

Economic Expansion Act of 1949

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mrs. DOUGLAS. Mr. Speaker, on June 6 of this year, Mr. WRIGHT PATMAN, of Texas, inserted in the Appendix of the RECORD, a draft of the Economic Expansion Act of 1949, a bill designed to carry out the objectives of the Murray-Patman Full Employment Act of 1946. This is not only a good bill but the most important one to be drafted in this session.

Cosponsors of this bill in the Senate are Senator MURRAY, of Montana; Senator SPARKMAN, of Alabama; Senator THOMAS, of Utah; Senator MCMAHON, of Connecticut; Senator KILGORE, of West Virginia; Senator KEFAUVER, of Tennessee; Senator HUMPHREY, of Minnesota; and Senator PEPPER, of Florida.

I shall introduce this bill along with WRIGHT PATMAN in the House.

I am for this bill for four reasons:

First. It will promote regional expansion in our great underdeveloped areas, including the west coast;

Second. It will provide positive and direct assistance to small business and aid in the prevention of monopoly;

Third. It will eliminate bottlenecks in our industrial economy which are holding back industrial production and employment; and

Fourth. It will provide for the advance planning of public-works projects so that in the event of a downswing in economic activity, the machinery for providing jobs through public-works projects can rapidly be set in motion.

In regard to the first point, regional expansion, the bill provides that an Office of Regional Economic Development shall be created in the Department of the Interior which shall (a) assist State and regional development organizations, both public and private, in making studies of the needs of their own areas for economic development; and (b) provide insurance for private investment in regional development organizations which lend money to private business for regional expansion.

Everyone knows that the expansion of the underdeveloped areas must be stimulated. It has been estimated, for example, that between 1948 and 1955 the nonfarm population on the Pacific Coast will increase by nearly 20 percent. The rapid increase in our population, combined with the displacement of farm workers resulting from improvements in agricultural technology, makes it absolutely essential that regional expansion be vigorously promoted. With the passage of this bill there is a good prospect that this vital objective will be accomplished.

In addition to promoting regional expansion, the bill also provides direct means of assistance to small business everywhere in the country. Specifically, it provides for (a) the insurance of loans by private banks to small business; (b) where such credit assistance is not available, direct loans to small firms; (c) technical and scientific aid to small business; and (d) continuous investigations of the extent to which production and investment, including the expansion of small business, is held back by monopoly.

Hardly anyone disputes the facts that small companies are unable to go to the capital markets for their funds; that they have great difficulty in securing long-term credit; and that even on the short-term loans which they do secure, they have to pay much higher interest rates than does big business. Scores of bills have been introduced into the Congress over the past two decades designed to provide adequate financial aid to small business. This bill would at long last provide the means of accomplishing that objective.

Just as there is general agreement that small business must be provided with financial assistance, so also is there general agreement that small business must receive the fruits of scientific research and development. Everyone knows that the large corporations are in a position to avail themselves of the benefits of modern technology; and everyone also knows that the continuous channeling of the benefits of modern scientific research to the large members of our industrial community can only lead to the disappearance of small business. It is only through governmental assistance, such as that provided in this bill, that small firms can be placed on anything approaching an equal basis with big business in obtaining the fruits of modern technology.

The bill will also help small business by turning the spotlight of publicity on these actions and practices of monopolies which hold back the natural growth of our economy. This spotlight of publicity should not only serve to dissuade large corporations from engaging in antisocial practices which they might otherwise adopt, but in addition it will provide us with a continuous fund of knowledge on which to base permanent and more effective legislation designed to deal with this critical problem of monopoly.

The bill also provides for specific ways and means of eliminating individual and particular bottlenecks that have held back the expansion of the economy. Contrary to certain comments made in the press, there is nothing vague and ambiguous concerning this provision of the bill. The individual bottlenecks are spelled out by name; specifically, steel, freight cars, iron ore—including taconite ore—and iron ore shipping facilities; manganese and chromite; copper, lead, and zinc; bauxite and aluminum; synthetic liquid fuels; electric power; fertilizers; timber; and newsprint. It is obvious that if we are to maintain a high level of production and employment, the bottlenecks represented in these specific fields must be eliminated.

In order to step up the output in these critical areas the bill provides for (a) accelerated amortization which was so successfully used by the War Production Board during World War II as a means of bringing about a rapid increase in private investment; (b) the use of the powers granted elsewhere in the bill for the expansion of small business through credit, research, and technical service; (c) the purchase abroad and stock piling of certain of these strategic materials; (d) the rehabilitation and expansion of Government war plants to be leased or sold to private enterprise.

After all of these steps have been exhausted, the bill provides as a means of last resort that in the case of the most critical bottlenecks, synthetic liquid fuel, steel, freight cars, or fertilizer, the Federal Government, by or under contract with private enterprise, may construct the needed plants or facilities or equipment, for lease or sale to private enterprise. In regard to this last step, which will undoubtedly be vigorously opposed, I want to stress, first, that it can be taken only after it has been found that the needed expansion cannot be obtained any other way, and, second, that the plants built under this provision by the Government must be leased or sold to private enterprise.

Finally, I am for the bill because it provides for advance planning of public works. We must recognize the fact that unemployment in this country is growing. The next few months will probably hold the answer as to whether unemployment will continue to rise or whether it will taper off at its present moderately low levels. In any event, however, it is only the better part of wisdom for the Federal Government to step up its advance planning in this critical field. When, as, and if we become faced with a large body of unemployed workers, we must have on the shelf plans and blueprints fully developed for the immediate initiation of public works. Competent authorities have maintained that the severity of the disastrous depression of 1929–33 could have been greatly lessened if a comprehensive public-works program had been put into immediate operation as soon as economic activity began to move downward. It is only common sense that we do not again repeat this disastrous mistake of failing to plan.

In summary, the bill simply recognizes the compelling necessity of promoting regional expansion; of aiding small business; of eliminating certain specified bottlenecks in industry; and of planning for the possibility of substantial unemployment, a possibility which none of us wish to see.

These are the basic problems which the bill recognizes and is designed to meet. In my opinion it meets them adequately and within the accepted American tradition of free private enterprise. The philosophy of this bill is the achievement of a desirable and indeed necessary economic and social objective by the expansion of private enterprise, an expansion which is to be stimulated in a number of specified and particular ways by indirect Government action. This is a type of business-Government relationship which has long characterized American history and one which is wholly consistent with our democratic traditions and ideals.

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Legislation for Gold Star Wives and Their Children

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1949

Mr. TEAGUE. Mr. Speaker, I wish to have inserted in the RECORD a letter sent to me by the Dallas chapter of the Gold Star Wives of America concerning the necessity of providing appropriate legislation to help them care for themselves and their children. It has been my sincere belief since I have had an opportunity to study the entire veteran program that those who gave the most during the war are receiving the least now. Certainly a wife who lost her husband and the children who lost their fathers as well as the parents who gave their sons are the ones who are suffering the greatest losses.

These persons together with our veterans who have been injured or wounded during their military service should receive priority and first consideration from the Veterans' Affairs Committee and the Congress when legislation is taken up.

The letter follows:

GOLD STAR WIVES OF AMERICA, INC.,
Dallas, Tex., June 10, 1949.
COMMITTEE ON VETERANS' AFFAIRS,
United States Congress,
Washington, D. C.

HONORABLE CONGRESSMEN: Following World War II, and the cessation of hostilities, there has been peace for the civilian world. The battle rages on for the Gold Star Wives of America, and the children of the men who died. Our trials and burdens increase by the day.

If you, as Congressmen, could by some instrument of science, more telescopic than television—look into the homes of the wives and children who are left with the wounded and the dead, you would not hesitate to see that our homes are those in which tragedy dwells, not for today—but for always.

You would not hesitate to use all speed in legislating on those matters which would relieve, partially, the heavy burden that is ours now. No burden or responsibility is greater than that of the Gold Star Wives. We are responsible for the care of our wounded and disabled, as only the wounded and disabled, and their wives know the heartaches that follow. Those who have lingered, and then died have suffered too greatly. Our children have suffered with their fathers, as have we.

Today, our children need medical care. We have nothing to provide medical care. Twenty-five dollars monthly won't buy food for these children much less clothes, and pay the rent. Must our own orphans at home suffer so, while the United States Congress pours out billions to Europe, and our voices go unheard?

Congress has appropriated millions for the GI schooling program.

Congress has given many benefits to the veterans who came home without casualty.

The veterans, abled and disabled, who have been able to take advantage of such benefits are getting along.

The Gold Star Wives who have children are handicapped in a manner Congress has not yet seen. Let us earnestly call your sincere attention to the fact that $75 plus $25 for the first child, and $15 additional child is about the only source of means we keep alive. Our children are young. We cannot leave them, to go out to work. If we did leave them, the expense of paying someone to give them decent care is more than we would earn. Therefore, the majority of us are in the same position. We, as a group, are most of the time, desperate, as to how we shall provide for our children now, tomorrow and tomorrow.

Congress has appropriated billions for overseas relief. Most of our children in America, who are Americans own orphans of World War II need badly, food, clothes and shelter. You would not hesitate to give us adequate pensions, if you fully realized our great need.

We, as Gold Star Wives of the Dallas Chapter do so respect and approve of our countrys ruling legislators, but there are places in all rules and regulations for the affected to put across a more thorough understanding of its consistency.

We are asking for that which we feel only fair to those who have given, and who now should receive some helpful compensation in return. The Gold Star Wives cannot continue to meet the high cost of living with the present compensation allocated to her and the children. There is little time for us to earn more to supplement our pensions.

The wives and children of our casualties of World War II should be more thoroughly covered by the approval of the bills now in Congress which will, if passed immediately, come to our relief. We therefore urge you to pass the following bills:

H. R. 1433.

H. R. 148, for the education of the widows and children of men who died in service or whose death resulted from service disability.

H. R. 2747 and S. 685, increased compensation for children and wives.

S. 1084, for a charter for the Gold Star Wives of America, Inc.

H. R. 2746, for adjustment of social-security laws.

The Gold Star Wives of Dallas earnestly request that some of you introduce a bill immediately which will grant the wives and children of the deceased and the disabled hospital and medical care. In time of war, this was true. How sorely we need such a benefit at this date. Will you give this your most immediate attention. When our children are ill, we cannot wait to take them to a doctor. When we have taken them, we cannot pay the bill. Where is the peace our men died for?

We shall appreciate a personal reply to the Dallas chapter. The wives in Texas are too far away to make a personal appeal to you in Congress. Will you hear our plea from across the miles in the only way we can present our cause—by letter?

Our thanks we extend to you all for your efforts in the past. Our thanks to you, we send in all sincerity for your future assistance.

Very sincerely yours,
The Gold Star Wives of Texas, Dallas Chapter: Lettie R. Andes, Mildred C. Eupay, Mary Ruth Gray, Lois Hais, Ruth Richard, Alene Niemann, Roberta Schnitznis, Wanda Stone.

Enlistment of Aliens in the Regular Army

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. PHILBIN. Mr. Speaker, I have today introduced a bill to permit the enlistments of aliens in the Regular Army.

In this action, I am prompted by the views and recommendations of high-ranking Army officers and other military experts who see an urgent need at this time in our armed forces for accomplished linquists who also possess special knowledge of the history, ethnology, customs, psychology, geography, and political characteristics and peculiarities not only of our future potential allies but also our potential enemies.

I am also mindful of the large number of former Polish Army officers and personnel who fought valiantly for the allied cause during the recent war, but are now unable to secure admission to the United States. Many of these heroes who fought bravely and gallantly against our enemies have close relatives and friends in this country. Other nationalities who assisted us and fought for our cause are in the same status. Under the terms of this bill these men could enlist in our Army and later become eligible for American citizenship. A limit is placed upon the number which can be enlisted. It is contemplated of course that all enlistees will be scripulously and rigidly screened as to fitness and loyalty.

Gulf States Marine Fisheries Commission

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1949

Mr. TEAGUE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a resolution adopted by the Continuing Conference Commitee of the five Gulf States expressing its appreciation to their congressional delegations for obtaining passage of Public Law 66 of the Eighty-first Congress. This law gives Federal consent to the Gulf States marine fisheries compact.

Whereas representatives of the States bordering the Gulf of Mexico have been meeting for the past several years to form a compact known as the Gulf States Marine Fisheries Commission; and

Whereas in order that such compact be given legal recognition, it was first necessary to gain consent of the Federal Government through congressional action; and

Whereas Senate Joint Resolution 42 in the Congress of the United States, upon its passage, became Public Law 66 granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries of the Gulf coast and creating the Gulf States Marine Fisheries Commission; and

Whereas Public Law 66 of the Eighty-first Congress of the United States was approved by the President of the United States on May 19, 1949, thus giving the Gulf States marine fisheries compact the existence for which the several Gulf States had been working: Now, therefore, be it

Resolved by the Continuing Conference Committee of the Five Gulf States, That a resolution be prepared expressing the deep appreciation and gratitude of said committee for the efforts and guidance of the congressional delegations of the five Gulf States, in steering to a successful passage Public Law 66 of the Eighty-first Congress of the United

States, which has given Federal consent to the Gulf States marine fisheries compact as required by the Constitution of the United States; be it further

Resolved, That copies of this resolution, expressing gratitude for the able work of said congressional delegations and for their tireless efforts, be sent individually to each member thereof.

Respectfully submitted.

A. J. HARRIS,
Attorney, Department of Conservation, State of Alabama, Acting Secretary, Continuing Committee.

Un-American Internationalism

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. WOODRUFF. Mr. Speaker, Mr. E. F. Tompkins, of the editorial staff of the Hearst newspapers, has written an outstanding article entitled "Un-American Internationalism." This article seems to have been inspired by the fact that on June 7, 91 Members of the House of Representatives—64 Democrats and 27 Republicans—introduced a resolution whereby the Congress would formally declare that world government is the fundamental objective of American foreign policy.

To me, Mr. Speaker, that declaration is tantamount to a repudiation of the oath which every Member of Congress takes when he assumes his seat in this House. I say this with all respect to the purpose of seeking an end to war which impelled some of my colleagues to sponsor this resolution.

Mr. Speaker, I beg my colleagues not to forget that even under our own Constitution of a Federal Government, conditions once arose which brought about the most frightful fractricidal struggle of which there is any record on the pages of history.

If the Members of this House will look back to volume 6 of the report to the Immigration Commission entitled "Dictionary of Races or Peoples," presented by Senator Dillingham on December 5, 1910, and actually read that book, I believe they will wonder what on earth impelled them to suppose that it would be possible to establish a workable form of government for such divergent races and peoples other than an all-powerful and ruthless dictatorship.

There is actually in existence today a government whose fundamental purpose is known to be the establishment of the supremacy of its system over all peoples of the earth. I refer, of course, to the Soviet Union. The population of that country is composed of 182 different nationalities, speaking 149 different languages or dialects, and the Government of the Soviet Union only maintains itself in power by the exercise of a ruthless dictatorship, which is utterly unthinkable to people who believe in popular self-government.

I doubt that there is a single one of the sponsors of the resolution which I am discussing who would venture to suggest that the United States seek admission into the Soviet Union. But, logically, as a dictatorship is the only system which could control the heterogeneous mass of people scattered throughout the world, that is the position in which they find themselves.

Mr. Speaker, I say to my colleagues that there is no way to simplify the problem of maintaining peace other than through the development of a moral code in the minds of every man and woman that war is absolutely unjustifiable, except in defense of their own country and their own people.

Mr. Speaker, under unanimous consent, I insert Mr. Tompkins' article in the RECORD, and I hope that every one of my colleagues will read it from an objective point of view:

UN-AMERICAN INTERNATIONALISM
(By E. F. Tompkins)

The stealthy crawling movement to denationalize the United States and to submerge its sovereignty and independence in a visionary but predatory world government has grown into an alarming portent.

It was pointed out in these columns some weeks ago that the legislatures of 21 States had favored resolutions to repeal the Declaration of Independence.

On June 8 the Christian Century—an undenominational religious periodical—presented approvingly as its leading editorial a summary of the State attitudes.

It noted that the Tennessee Legislature had authorized the election of delegates to an international convention, to be held at Geneva next year, to write a constitution for a federal world state.

The editorial reported that the legislatures of six States—California, Connecticut, Florida, Maine, New Jersey, and North Carolina—have approved an identical resolution which calls for a constitutional convention in this country to amend the Federal Constitution to expedite and insure the participation of the United States in a world federal government, open to all nations.

Approval of the resolution by 32 States would compel Congress to call such a convention.

That this may happen soon is indicated by two circumstances.

First, the résumé by the Christian Century shows that 14 legislatures, besides those already mentioned, have adopted, in the so-called Humber resolution, a general approval of the idea of world government.

These are the Legislatures of Alabama, Arkansas, Georgia, Louisiana, Maryland, Massachusetts, Missouri, New Hampshire, Oklahoma, Oregon, Rhode Island, Utah, Virginia, and Washington.

Furthermore, proposals for popular referendums for or against American entrance into a world government are pending in New York, Pennsylvania, and Wisconsin, as well as in Maryland and Oklahoma.

Thus 20 legislatures out of the necessary 32 have been induced to put themselves on record, and 3 others may soon do likewise.

Second, action favoring world government has been suddenly instituted in Congress itself by a bipartisan coalition.

The congressional action occurred on June 7, when 91 Members of the House of Representatives—64 Democrats and 27 Republicans—introduced a resolution whereby Congress would formally declare that world government is the fundamental objective of American foreign policy.

To accomplish this objective, this country would pledge itself and its resources to support and strengthen the United Nations and to seek its development into a world federation open to all nations.

No Congressman could vote intelligently or patriotically on that singular proposition without thoughtfully considering what the United Nations is now, and what kind of world government it would provide.

Nonetheless, the development in Congress is significantly disturbing, because its participants include a majority of the Foreign Affairs Committee of the House of Representatives, which in itself seems to show that the world government resolution will be reported almost automatically to the House with a recommendation that it be adopted.

Thus, before the American people have any opportunity whatsoever to express their American sentiment, half of their Congress and nearly half of their legislatures may be committed to signing away their national freedom and involving them inextricably in a supernational entanglement.

Obviously, in a world government this country would be submerged by any plan of representation that could be devised.

It is proposed to bring into the organization all of the 64 nations on the earth.

If each nation has one vote, as in the United Nations, the vote of the United States will be equal only to the vote of Siam, while the British Empire will have five or more votes and Soviet Russia and its satellites will control a larger number.

There would be a constant danger, if not an absolute certainty, that we would sit incessantly as a defeated minority.

If a plan of proportional representation be accepted—one based upon populations—world government would be dominated by the vast populations of Asia, probably in coalition with Russia.

Our only safeguard would be in a voting system based upon national contributions; and other countries would never assent to that, as it would mean what they call "American imperialism."

Even at present, through the medium of the United Nations, we are about to lose control of our commerce, and be compelled to degrade our standards of living, by such devices as the reciprocal trade agreements scheme, the International Wheat Treaty and the International Trade Organization.

Other United Nations proposals would nullify our immigration restrictions, would alter the character of our citizenship, and would abrogate our labor laws.

We are already financing socialism abroad through the Marshall plan, and are presumably undertaking to finance all the backward and pauper areas in the world under President Truman's bold new program—point four of the proposals in his Inaugural Message on the State of the Union.

As to point four on June 2, in response to an invitation from the New Deal, Mr. Trygve Lie, Secretary General of the United Nations, submitted to the Economic and Social Council at Lake Success a report of 328 pages by which the United Nations proposes to expend $85,943,383 in 2 years.

Many projects are to be surveyed on a quota basis.

"In some cases, it is believed," the New York Times said, "the United States, as prime mover of the whole idea and as the country with the most money and technical resources, would pay the bulk of the initial costs."

Eighty-five million dollars is only the preliminary expense of the Truman program which apparently the United Nations is to direct.

Who then, will pay the bulk of the vastly greater subsequent costs, which will be numbered in billions of dollars?

The United States, of course.

These are facts which should be presented to the American people in any honest discussion of world government as a putative means of promoting world peace.

We are getting a taste of it. Do we want the whole menu?

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A Good Neighbor

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. KEATING. Mr. Speaker, in western New York the name Al Sigl is a household word. In print and on the air this capable but modest servant of humanity has devoted himself for years to helping others.

Men and women of all walks of life respond wholeheartedly to his suggestion of aid for an unfortunate. His activities are as varied as the weather.

In the Rochester area a family had its possessions wiped out in a fire. By nightfall the family was rehabilitated after he had told the neighbors about what happened.

A woman planned happily for the coming of a baby. Three arrived. The good mothers of the Rochester area made provision for the unexpected arrivals.

Someone poisoned a dog belonging to a very sick boy, and the lad promptly went into a physical tailspin. Al's neighbors provided 10 dogs for that lad, including a pedigreed collie.

A doctor said a little girl in a nearby village would not live long beyond her ninth birthday. The neighbors, by exact count, 1,702 of them, representing many sections of the Eastern States, gave that child a worth-while birthday. She has lived through her tenth birthday and is looking forward to many more of them.

More than 300 crippled Rochester area residents have the comfort of wheel chairs through his cooperation. Those able to buy them, and no longer needing them, at his earnest solicitation, turned them over to those unable to buy them.

Way back in 1937 he started a volunteer blood bank to serve Rochester and many other places. This unique group served with marked success for a decade, providing a pattern for other places and finally flowered into the present outstanding Red Cross activity.

He was among the first to bring the plight of children afflicted with cerebral palsy into the spotlight of public attention. From that beginning a movement developed which is spreading throughout the country.

In recent months he has brought hope to the many sufferers from "multiple sclerosis" in the Rochester area. Congress, United States Public Health Service, and private groups are enlisted in that cause.

Throughout the years, Al Sigl has endeared himself to countless thousands by his many contributions to the friendless, the needy, the ill, and anyone who has needed help.

Recently the Jewish War Veterans of the United States at their Western District Council, Department of New York Convention, honored Al Sigl through the award of a bronze plaque annually presented to the citizen of the community who best exemplifies the designation "A Good Neighbor."

Through the courtesy of Hyman T. Maas, honorary chairman of the convention committee and commander of David J. Kauffman Post, No. 41, my attention has been drawn to the short, simple, but powerfully eloquent, response which Al Sigl made in acknowledging this gift.

The high quality of American citizenship exemplified by his words, and the deep significance of the fundamental truths he speaks merit reading and rereading by those who, through public activities or private pursuits, are sincerely seeking to build a better country and a better world. The community which I have the honor to represent is richer because of the life of Al Sigl. Under leave to extend my remarks, his stirring words are included:

Mr. Commander, district officers of Jewish War Veterans, Mr. Mayor, ladies, and gentlemen, there are three phases in the life of every American of today which we all must recognize and respect but which, essentially, are none of our business. They are his religious views, his family life, and his political opinions. Add to them his racial origin. The one feature of his life in any community with which we all are entitled to concern ourselves is his type of Americanism.

You have gathered here tonight and paid me an impressive honor—an honor personally undeserved—but accepted with humble wholeheartedness because of what it represents.

It has been my proud pleasure, down through the years, to be the mouthpiece of a vast number of average run-of-the-mill, ordinary residents of this area, and the significance of this plaque, to me, is that I am privileged to accept it in their behalf because, after all, they represent what I regard as the highest type of Americans.

Perhaps I am queer. Many of you cheerfully will subscribe to that. But I don't like to think of men like Abraham Lincoln in the days of his glory in the White House. I like to think of him as the humble grocery clerk in Springfield, Ill., eager to do his little bit to make life easier for someone else. He built, by these little, fine acts, a sterling character which was to stand him in good stead in the dark days which followed. I like to think that Lincoln never even dreamed of what the years would bring to him in the way of honor and glory.

I like to think, in our own area, not of the men and women upon whom the spotlight of publicity has focused, but rather of those quiet, unassuming men and women upon whom the spotlight never shines. It's true we need a bit of clear vision to evaluate lives like these in terms of community life. Again it's been my privilege through the years to view the deeds of some of these average men and women. I've seen them rise at all hours of the night, at great personal discomfort, to go to a hospital, go give a blood transfusion for someone whose name they didn't even know. I've seen them in the dark days of the depression, go to their own meager store—and all stores were meager in those days—and take all they could spare for someone less fortunate.

I could devote hours to cite you similar instances, but the point I want to make is this, there never was any question of racial discrimination or color then. It was just a case of needing the helping hand and theirs was indeed the helping hand. This is the American way. None of us can go it alone. All of us need that helping hand. It may be nothing more than a cheering word, but the influence we all exert on the lives of others is astounding. It has been so from the days of the foundation of the Republic. Men and women both sacrificed then, just as men and women sacrifice their comfort and convenience now. What we have today we owe, in a large measure, to that spirit of neighborliness which has prevailed since the beginning of these United States. What the future will bring to us depends on how we can foster that spirit to even greater possibilities.

It has indeed been worth while to help develop this American spirit of neighborliness. Perhaps you are the best exemplars of that American spirit tonight. You have honored one of Dutch ancestry, of a religious belief other than your own and, by so doing, have made him a very happy man, eager for the opportunity to continue to be of service in this truly American way.

Who Is Holding Up Legislative Action on the Hoover Commission Recommendations, and Why?

EXTENSION OF REMARKS
OF
HON. H. R. GROSS
OF IOWA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. GROSS. Mr. Speaker, there are steadily growing demands on the part of taxpayers in my congressional district in Iowa for action on the Hoover Commission recommendations.

They are demanding, and rightly so, that waste, inefficiency, and duplication in the Federal Government be ended now. The Hoover Commission recommendations point the way to an end to at least some of these evils, and the people are unable to comprehend why President Truman and his administration leaders in Congress have failed to bring about full consideration of the Commission's proposed reforms and economies with promised savings of hundreds of millions of dollars to the taxpayers.

There is no reason why the people of Iowa or any other State should be impressed with President Truman's plea for higher taxes until at least the House of Representatives, where tax measures originate, has given full consideration to the specific means by which economies can be effected.

Failure to launch action on the Hoover Commission reports and recommendations—action that should have started many weeks ago—rests squarely upon the Democratic majority which holds the whip hand in this Congress. There can be no shifting of this responsibility.

Typical of the letters I have received on this subject is the following from a fine group of women, speaking out as members of their church society:

JANESVILLE, IOWA, *June 3, 1949.*
The Honorable H. R. GROSS,
House of Representatives Office Building, Washington, D. C.

MY DEAR MR. GROSS: We, as members of the Woman's Society of Christian Service and of the Methodist Church at Janesville, Iowa,

strongly believe that our Federal Government should be less wasteful and more efficient. We wish to urge you to work for immediate and favorable action on the Hoover Commission's recommendations.

Very truly yours,

Mrs. Vernon Stribley, Chairman, Christian Social Relations and Local Church Activities; Mrs. Paul Asmus; Mrs. Edwin Vossberg; Mrs. William Johnson; Mrs. Harold Wagner; Mrs. H. V. Bannister; Mrs. F. R. Decker; Mrs. F. L. VanderVeer; Mrs. Amanda Hutton; Mrs. B. B. Shores; Mrs. C. E. Kyle; Mrs. Clifford Boomer; Arlene B. Warm; Mrs. Mae McMurray; Mrs. Vernon Stribley; Sandra Stribley; Mary Sietam; Anna Bryan; Mrs. Casper Koepke; Mrs. Glen Shere; Mrs. Floyd George; Mrs. Myron Rohrabacher; Mrs. Glen Winner; Mrs. John Huntzinger; Mrs. Paul V. Clements; Mrs. R. E. Bannister; Mrs. E. H. Hersog.

Does the Farm Bureau Represent the Farmer?

EXTENSION OF REMARKS

OF

HON. CECIL F. WHITE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. WHITE of California. Mr. Speaker, under leave to extend my remarks, I include therein the following letter which speaks for itself:

JUNE 11, 1949.

Hon. CECIL F. WHITE,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN WHITE: Proceedings of board of directors of the Orange Cove Chamber of Commerce, in regular session June 9, 1949, branded the statement recently made by a so-called representative of the leadership of the California Farm Bureau that the membership of the Farm Bureau favored the elimination of funds for the power facilities of the Central Valley project as an outrageous misrepresentation of facts.

The silly statement before the Senate committee that the Farm Bureau thinks the Reclamation Bureau lacks the ability to press more than one phase of the project at a time, is doubly silly when it is common knowledge that the power phase is essential to finance the irrigation phase. Such flimsy claim is an insult to the intelligence of the members of the Senate committee.

Very truly yours,

ORANGE COVE CHAMBER OF COMMERCE,
By DUANE MOSER, *Secretary.*

The Acute Need for Housing in Los Angeles

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include the following resolution which was passed by the County of Los Angeles Board of Supervisors on June 7, 1949:

Resolution in re housing conditions in the county of Los Angeles, calling attention of Washington Representatives to acute need of additional facilities

Whereas Los Angeles has experienced an unprecedented growth in population in recent years; and

Whereas a large proportion of the new residents are men who have seen service in the armed forces of their country; and

Whereas the aggravated housing condition that resulted has brought about many bad results such as domestic trouble and juvenile delinquency—which in turn place a heavy financial burden on the taxpayers; and

Whereas the housing shortage is being greatly aggravated by the building of freeways and the expansion of the civic center for courthouse sites; and

Whereas after exhaustive study of housing needs legislation has been introduced in Washington looking toward relieving the housing shortage, particularly for those in the low economic levels: Now, therefore, be it

Resolved, That the board of supervisors call attention of our Washington Representatives to the acute need of additional housing facilities and express the hope that Federal assistance will be made available for families, particularly with children whose families are on the lowest economic levels.

Villanova College Commencement Address by Hon. James P. McGranery

EXTENSION OF REMARKS

OF

HON. PAT McCARRAN

OF NEVADA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 15 (legislative day of Thursday, June 2), 1949

Mr. McCARRAN. Mr. President, I hold in my hand the text of an address delivered by the Honorable James P. McGranery, Judge of the United States District Court for the Eastern District of Pennsylvania, upon the occasion of the graduation ceremonies of the class of 1949 at Villanova College.

I am very happy to inform the Senate that, as a part of those ceremonies, the honorary degree of doctor of laws was conferred upon Judge McGranery.

Many Senators, I know, number Judge McGranery among their personal friends. The address which Judge McGranery delivered to the graduating class at Villanova is one of the finest commencement day addresses I have ever read, and I think many Senators will be interested in reading it. Accordingly, Mr. President, I now ask unanimous consent that the text of this address may be printed in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Very Reverend Father Provincial, Very Reverend Father President, members of the faculty, parents and friends of Villanova, members of the class of 1949: The ages of man have been described in varying phrases—but if this era in which we live is to be viewed at all in perspective by succeeding eras, if there are to be future eras of the world, then our time will be known as the heroic age of man—the century of heroism.

The world of tomorrow will be built not by the common man—but by the man valiant for truth. Not little men—but men great in their eternal dignity—will mold the coming days. For they will be men exercising calm dominion over their own humanity and ever conscious that in possessing patience, they will have: Justice, incapable of revenge; charity, incapable of hate; and meekness, incapable of anger.

As I greet you, the members of the class of 1949, I must speak of my deep gratitude for the privilege of addressing you on this day of dedication. You know well that I come not as a prophet, nor as a sage, but rather, as a comrade separated from you only by the years and closely united by shared experiences. Like many of you I fought in the armed services of my country during a world conflict; and like you I later returned and resumed my studies to prepare for a peacetime career. Like you, I ponder the shape of things to come.

Today, standing in the shadow of the spires of Villanova, I can sense your feelings, your hopes, and even the questions that confront you.

I might well say, as did the Egyptian scribe who wrote more than 2,000 years before the coming of Christ:

"Would I had phrases that are not known, utterances that are strange, a new language that hath not been used, free from repetition."

Yet I am thankful that you and I share a common tongue, for our language is one that has been enriched by the history of the coming of the Redeemer and that has been strengthened by the story of Christianity and her holy sons.

I rejoice with you that your college days have been passed at an institution endowed with a great tradition, with the legacy of Catholic learning entrusted to the Order of St. Augustine by the heroic saint who prayed:

"Strengthen me, that I may be able, grant what thou dost command, and command what thou wilt."

Again and again he announced with Paul: "I can do all things in Him who strengthens me."

Even today we can hear his confidence in the well-loved words:

"For Thou lightest my lamp, O Lord; O my God, enlighten my darkness."

The lamp of Augustine has burned with a holy radiance through the centuries. It was more than a coincidence that this mighty father of the church wrote his greatest work, "The City of God," as a consequence of the sack of Rome and in reply to the pagan onslaught upon Christianity. He had found his own way to God and had been baptized in his church at the age of 33; 4 years later he had been ordained a priest and within 5 years he had been consecrated a bishop. While the barbarians marched onward to plunder and to devastate, Augustine busied himself in the scholarly refuting of heresy. Yet Christopher Dawson has well said of him that:

"He was, to a far greater degree than any emperor or war lord, a maker of history—a builder of the bridge which was to lead from the Old World to the New."

This great saint was the link of western Europe to the classical tradition, the bond uniting the western church to its intellectual sources. For the Christian world he preserved all that was most precious in the classics; and it would be difficult, indeed, to appraise his influence upon the men in the centuries that followed.

It is recorded that His Holiness, Pope Gregory the Great read and reread the Confessions. Charlemagne and numerous other truly Christian rulers acknowledged their indebtedness to Augustine. All of the monas-

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tic schools, that guarded the light of civilization through the centuries, based their program upon the writings of the Bishop of Hippo, who "looked beyond the aimless and bloody chaos of history to the world of eternal realities."

His towering intellect, his mighty heart, his greatness of soul exercised an influence on world events, so far-reaching, that we, who are limited by our finite vision—can only guess—as "time in mists confounds."

We can look, however, upon the Order of St. Augustine, most venerable order of the church, and scan the monastic honor roll of priests and brothers, saints and scholars, missionaries and educators. What a joy it would be to trace their steps through the ivied, old abbeys, the stone chancels, the lofty arcades in other lands. Yes; it would be a blessed pilgrimage to follow them to the far places of the earth where they have steadfastly borne their Catholic faith to the pagan and to the unbeliever.

For this truly religious order has from the beginning been consecrated to the interests of religion and humanity. Militant in the forces of the kingdom of Christ, its missionaries have again and again sacrificed their lives in the service of their eternal Lord. Ever aware of their spiritual mission in every continent, Augustinian fathers have brought Christ to His people through the divinely inspired force of their saintly lives Never forgetful of a vocation to serve, these holy priests have ministered to the poor, the ill and the afflicted, and prepared the path for beauty and truth and salvation.

To call the roll of the Order of St. Augustine would be to utter the names of eloquent preachers, brilliant writers, eminent teachers, and distinguished men of science and the arts. Their spiritual memorials are the thousands and tens of thousands of alumni whose ranks you join today. Their material monuments are the many and varied universities, colleges, and preparatory schools encircling the earth and bearing constant testimony to the Augustinian ideal of education which is based upon a divine philosophy of life and aimed at the full and harmonious development of all the faculties of man.

Numerous and beautiful buildings of Villanova rise about us on this campus to enclose an institution of learning that has written its own glorious and gracious history upon the hearts of men. You are familiar with the scholastic excellence of her colleges of science and the arts. You have benefited by the high standards of her courses, whether they have prepared you for the competitive arena of business, for further study in the civil or military professions, or for the challenging sphere of public service.

Above all you are conscious that at Villanova you have been prepared to fulfill your vocation in society as gentlemen of learning, judgment, and character. You have been trained for citizenship with the seasoned comprehension and serenity of outlook which characterizes the great tradition of Catholic thought. You have been briefed in your role as citizens of earth who are "destined for eternal citizenship in heaven."

In your wisdom, you chose Villanova rather than one of the many institutions of learning of which America's foremost columnist spoke when she deplored that:

"Our universities have been given over for years now to a philosophy of historic relativism, under which there are no absolute standards for anything."

You have been fortunate indeed in your faculty who, whether they are drawn from the priesthood or the laity, are qualified not only in pedagogy—but also as men of firm convictions about the meaning of life and with the moral character capable of conducting a course of studies—physical and mental—which aims at training the heart and the will as well as the intellect: They are altogether unlike the men upon whom Walter Lippman places blame for the modern tragedy, "which has come about because men thought it clever to be cynical, and enlightened to be unbelieving, and sensible to be soft."

Grapple to your soul with hoops of steel the eternal criteria of judgment, the ultimate principles for action that you have gained at Villanova. Then the shield of your fortitude will never be pierced by the devious slanting of news practiced by a materialistic press; and the armor of your perseverence will keep you inviolate from the character assassination indulged in by reckless radio commentators and sensation-seeking columnists.

Whether you have chosen a civil or military career, today you enter battle ranks as colleagues with the rest of us in a modern legion defending the eternal values of humanity.

In the decades to come, you will think back on your years at Villanova with appreciation and tender affection for your fellow classmates and for the members of the college administration. Always there will be gratitude in your hearts for the vision and spirituality of Very Rev. Father Provincial, Dr. Mortimer Sullivan—for the firm farsighted leadership and inspiring devotion of your president, Very Rev. Dr. Francis McGuire—and for the wise guidance and direction of all those who have shown you the way to live and shared with you the zest and power and dignity of living.

In this day of decision, each one of us may well take inventory of our spiritual resources for the titanic struggle ahead. We are living in a period of revolution—and we can make it—we must make it—a revolution of the spiritual forces of men.

Someone has said that ours is an age where war is never declared, yet where war never ends. There is indeed war abroad in the world today, and the forces of materialism—of communism—press ever westward. They seek not merely dominion over more lands, but rather—sovereignty over the souls of men. They prepare the way with a fifth column of weakness and hopelessness to betray and crumple the city from within.

The men of our generation have gradually become aware that if the lamps of democracy are quenched elsewhere in the world we cannot isolate ourselves from universal darkness. We know that our Nation still has the sacred task of tending the vestal fire of freedom and it rests with us as it did with the men of Lincoln's time to determine if we shall nobly save, or meanly lose, the last, best hope of earth."

We have a star fixed in the firmament to guide us in the way that we must go. It is the star of peace, and it will shine out over all society only when the words of His Holiness Pope Pius XII are heeded in their fullness.

In clear and succinct fashion he has drawn the blueprint for the order and tranquillity that constitute together the only enduring peace.

His familiar words have well described the dignity and the rights of the human person; the intrinsic unity of society and the essential sacred family unit; the inherent dignity of work for the perfection of the person; the necessity of a complete rehabilitation of the juridical order; and the need for a state conception and practice founded on reasonable discipline, kindliness, and a responsible Christian spirit.

Our Holy Father has appealed for a vast legion of those handfuls of men who, bent on bringing back society to its center of gravity—the law of God, aspire to the service of the human person, and of his common life, ennobled by God.

If this holy crusade for the cleansing and renewal of society is to be victorious, heroism must be restored to its rightful place in the lives of men. The men of our day need the heroic spirit even more than did the men of the first century of our Lord.

During the past three decades the man on the street has been stripped of his armor of faith and hope by the disillusionment of disgruntled agnostics. Because it is man's nature to follow a star—too many of our generation have been led astray by the false star of communism—offering to the ordinary man a part in a large design which has been camouflaged to appear heroic. This has been the appeal of communism; and her totalitarian government has made use of the language of liberty to betray men into slavery.

Only the true star of Christian heroism will guide all men back to the paths of eternal freedom. The true Christian "can be a hero, indeed he must be a hero." No wonder that the tribute he pays to heroism is deep, understanding, and heartfelt. "It is the tribute of one hero to another, even though that tribute is the tribute that the Christian sinner gives to the sinless Christ."

The patience of Calvary is a constant reminder that we face in our time an adventure of incredible courage and that we have need of weapons of incredible strength as well as of a fighting heart to outlast the dull, relentless thud of the powers of darkness. The path of virtue is as perilous as the path of heroism.

Our century will indeed be the heroic age of man—the century of heroism—if we join together in sufficient numbers, a legion of handfuls of men to unite in this pledge, first phrased by a poet:

"I press God's lamp close to my breast;
Its splendor soon or late
Will pierce the gloom;".

Removal of Federal Rent Control

EXTENSION OF REMARKS

OF

HON. JOHN W. BRICKER

OF OHIO

IN THE SENATE OF THE UNITED STATES

Wednesday, June 15 (legislative day of Thursday, June 2), 1949

Mr. BRICKER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Thwarting Home Rule," published in the Cleveland Plain Dealer of June 3, 1949. This editorial deals with the attempt on the part of the Expediter to thwart the action of local government in relieving communities from rent control and also the inhibition placed upon relief from rent control by reference to the governors of the States.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THWARTING HOME RULE

Congress wisely gave to the municipalities of the United States a substantial measure of home rule on the question whether rents should be decontrolled.

It provided for the removal of Federal regulation over rental property in any given municipality upon the passage of an appropriate ordinance by its city council and approval of the ordinance by the governor of the State.

This is a sound provision and, from the standpoint of reducing at least a little bit the

enormous centralization of governmental powers in Washington, a good one. A city council knows the housing situation in the community it represents. Its members are elected by, and are directly responsible to, the people of their community. Members of a council have to stand for reelection at 2-year intervals; Federal bureaucrats do not.

Regrettably, there have been a couple of developments here recently that are inimical to the home-rule provisions of the national rent-control law.

One of these, and by all odds the worst, was the appearance before the Bay Village Council of Karl Duldner, Cleveland area rent director, in the role of a lobbyist against the rent-decontrol ordinance on which the council had called a hearing. The only objection to the ordinance was that expressed by Duldner. And so the Bay Village Council, as it should have done, passed the legislation.

Duldner had no right to appear in Bay Village to lobby against municipal legislation. As area rent director he is paid by the taxpayers of the United States to administer a law enacted by Congress—not to peddle propaganda for the retention of his own powers. Duldner's appearance before the Bay Village Council symbolized one of the worst aspects of the Federal bureaucracy: its desire to perpetuate itself at any cost.

The other development in this matter that we regret was Governor Lausche's declaration that he would not approve rent-decontrol ordinances until he received reports from the rent advisory boards for the areas in which the decontrol action is taken. The Governor implied that he would depend as much, if not more, on the views of the advisory boards as on the judgment of the city councils.

Ordinances decontrolling rent have been passed by the Councils of Bay Village and Orange. It would be a specious contention to say that the Cleveland area rent advisory board, which, to the best of our knowledge, has held only one meeting since the present rent law was enacted, knows as much about the housing situation in Bay Village and Orange as the councils and administrations of those two municipalities do.

We believe Governor Lausche should be guided primarily by the judgment of the elected representatives of the people of a community, rather than by the judgment of a spasmodically functioning board which has no direct or official responsibility to the people. The Governor's responsibility to the legislative representatives of the people of Ohio is a good deal greater than that to a Federal bureau, such as the one Duldner represents, or to the Truman welfare-state program.

Milwaukee

REMARKS
OF
HON. CLEMENT J. ZABLOCKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. ZABLOCKI. Mr. Speaker, undoubtedly some of the Members have read the latest edition of Holiday magazine and to arrest possible misconception due to the article "Milwaukee" in this issue that I take this opportunity to address the House.

It was with interest that I have read the 26-page portfolio devoted to Wisconsin, which appeared in the July issue of Holiday magazine. I have enjoyed the extensive coverage given my State, as well as the colorful illustrations and the story describing the past and the present of the State of Wisconsin. However, Mr. Eli Waldron's article on Milwaukee, the city in which I was born and in which I have lived all my life, struck me as a strange combination of fact and fiction. Commendably outlining some historical detail, yet devoting much space to unduly overstressed farcical instances, Mr. Waldron not only fails to give a reasonable picture of present Milwaukee and its people, but succeeds in leaving the reader, who may depend on this article for his knowledge and understanding of Wisconsin's largest city, with a most certain misconception of the city and its people.

The most obvious and distracting departure from fact in Mr. Waldron's article is the writer's description of the nationality groups which compose Milwaukee's population. Dividing one-half of Milwaukee's population into Germania and Polonia, Mr. Waldron characterizes those of Polonia as wild, devout people—can these characteristics be imagined compatible?—black-haired, bright-eyed and fierce, mentioning as a noteworthy member of this group one individual who, unfortunately, neither brought credit to his ancestry, nor was, as some readers may suppose, an exemplary member of Polonia, indicative of the character of this group. One could easily gather from Mr. Waldron's article, should he not know any better, that the Poles arrived in Milwaukee during the early period of this century, settled on the South Side of the city, built few churches—which do not even merit a word of due praise from Mr. Waldron—began cooking sznycel wiedenski, dancing mazurka, and being of no great asset to the community. Their only merit, it would seem, was that, through their fervor, they brought a great relief from the turgid solemnity of the burghers. The article says nothing about the fact that from the time when the early Polish settlers came to Milwaukee in the middle of the nineteenth century, Polonia has materially contributed to the building and expansion of our city, has been taking an active part in its civic functions, and has produced many good, and few outstanding, citizens of our country. It is not for me to go into detail and enumerate their meritorious achievements, but I feel compelled to say that Mr. Waldron's article, aside from many serious omissions, has the tone and the flavor more becoming a barroom taleteller than a writer who, in the interest of his readers and that of the subjects he writes about, can be expected to produce a more accurate and just description than the one rendered in this particular article.

To the other nationality groups which comprise the other half of Milwaukee's population, Mr. Waldron devotes one whole sentence:

> The other half consists of every nationality there is, including a lone Eskimo who lives in a house made out of walrus hide underneath the Twenty-seventh Street viaduct.

Perhaps there was no room for more. It would seem to me, however, that if less accent was placed on the Gertie incident, on the gastromaniacs who, in Mr. Waldron's opinion, are everywhere in Milwaukee, or on the supposed similarity between the shape of a human stomach and that of our city, something could have been said about the fine cultural and educational history of the other nationality groups in Milwaukee, among whom are the Italians, Swedes, Norwegians, Bavarians, Irish, Croatians, and many others. Their rich lore, activities, and accomplishments, would truly be a much more interesting and worthy subject for a writer to explore.

In calling attention to this article I want to make it clear that Milwaukeans, although proud of their ethnic origins and ancestral customs, are nevertheless citizens remarkably without the stigma of hyphenated Americanism. Their over-all greatest virtue is working together as a cohesive unit toward good citizenship, with small-town hospitality and friendly, homespun philosophy, in coping with big city difficulties. And, I may add, they do this with admirable success.

It is most unfortunate that the excellent illustrations were accompanied by an article which will prove a great disappointment to many Holiday readers.

Congress and Economy

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. HORAN. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include an editorial from the Washington (D. C.) Evening Star on the need for economy in Government based upon a speech made on the floor of the House Tuesday afternoon by our colleague, Mr. MACK of Washington.

The editorial on Mr. MACK's speech follows:

CONGRESS AND ECONOMY

Representative MACK, Republican, of Washington, may not get very far with his novel proposal for a special economy session of Congress this fall, but the figures he cites on growth of the Government in the past 20 years justify his concern over continued free-spending tendencies.

In two decades, for example, the number of bureaus and commissions in the Federal establishment has increased from 300 to 1,818. The number of employees on the Federal pay roll has grown from 570,000 to 2,000,000. The cost of the pay roll has risen from about one billion to almost six billions a year. The tax revenues exacted from the citizens have soared from about four billions in 1930 to more than forty-four billions this year.

Mr. MACK points out that during these 20 years Congress has held 24 regular and special sessions, each of which has increased Government spending and most of which have burdened the people with new taxes. He thinks it is about time that Congress should hold a session devoted exclusively to the objective of reducing spending.

But Congress never seems to generate much enthusiasm for self-imposed special sessions.

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Its enthusiasm for economy is even less pronounced. The Washington Representative suggests that the proposed special session could well consider the Hoover Commission's proposals for Government reorganization. There are, as he says, opportunities in the reorganization field for the saving of up to $3,000,000,000 a year. The practical difficulty of doing anything very effective about reorganization in a special session is great, however. The session would have to be at least a 2-month affair, if the requirement for a 60-day period of consideration of any administration reorganization plan is to be met. And the Members would not relish the idea of staying in special session that long, just to meet a legal requirement of the reorganization law.

Anyway, there is no necessity for a special session on reorganization. The present regular session could take effective action, first, by reaching agreement on the Senate-and-House-passed legislation now deadlocked in conference, and, second, by postponing adjournment long enough to validate any reorganization plans submitted by the President. That would be an epochal economy move that would enhance the record of the Eighty-first Congress for all time.

Promotion of Full Employment

EXTENSION OF REMARKS
OF
HON. GEORGE D. O'BRIEN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. O'BRIEN of Michigan. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the text of a bill, H. R. 5010, which I introduced in the House of Representatives on June 6 and which was referred to the Committee on Public Works. It reads as follows:

A bill to authorize the expenditure of $5,000,000,000 through the Federal Works Agency to provide for needed public improvements and to promote full employment

Be it enacted, etc., That it is hereby declared to be the policy of the Congress that within the provisions of this authorization and through the organization of the Federal Works Agency measures be taken to restore full employment within the United States and to construct projects in cooperation with the local communities in order to provide needed public improvements.

SEC. 2. Work on all projects shall be paid for at the hourly rates of wages equal to those prevailing for similar work in private industry in the locality or to the union scale of wages obtained for such work in such locality.

SEC. 3. No worker shall be denied employment because of sex, race, color, religion, length of residence within a community, political opinion, or membership in any economic, political, or religious organization, excepting persons who are members of organizations advocating the overthrow of the United States Government by force or violence.

SEC. 4. The Administrator of the Federal Works Agency is hereby directed to distribute equitably between the States the various projects with a view especially to meeting the unemployment situations as they may exist.

SEC. 5. There are hereby authorized to be appropriated to the Federal Works Agency the sum of $5,000,000,000 for the purposes named.

Behind the Red Curtain in China

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include two articles on conditions under the Communist Regime in North China, taken from the London Times of May 20 and 21, 1949.

Myths die slowly, especially when they have had behind them for more than three years the full support of powerful forces in our own Government, an effective score or two of proleftist writers and lecturers, and several supposedly neutral educational organizations, like the Committee for a Democratic Far Eastern Policy which the Attorney General recently disclosed is a Communist-front—after its deadly work of misleading the American people had been done.

The only way to dispel myth is by fact. Unfortunately it has not been easy to get the facts about communism in China. Never in the last 22 years have Communists in China been willing to allow foreign observers to travel freely and unescorted in areas under their control. There was plenty of bad in free China to keep the reporters busy. The Communists would not and will not let outsiders, unless favorably disposed to themselves, see what is going on in their hinterland. So our people had only the daily reports of the weaknesses in free China, little recognition of any strength there, and no information at all regarding Communist China with which to compare. Some of us who had long first-hand experience with Chinese communism—in my case, from 1927 to 1931, and again from 1936 to 1938—have tried our best to warn our people and our Government regarding the nature, the objectives, and the methods of communism in China and its leaders. But we have been voices crying in the wilderness. When one set of myths, for example, that the Communists were just agrarian reformers, could no longer be sustained, others were skillfully promoted to assure us that the Communists would not try to capture the big cities, could not organize the Chinese, would probably be Tito's—in any case would have to use westerners to run things for them—and so on and on. One being plugged vigorously nowadays is that we should give diplomatic recognition and economic help to the Communists in order to turn them from communism. In other words, the way to defeat communism is for America to give it the help it needs in order to succeed. That idea may seem a little difficult at first, but it will have plenty of support in the coming weeks, especially among the intelligentsia and the experts, so it may well be adopted as our policy. The big lie is the one easiest to put over.

It is impossible to predict whether we will wake up to the truth before it is too late to prevent the complete loss of China to Russia—and the loss of other parts of Asia which will certainly follow (although few will believe that yet). But one must continue to spread on the record the facts as they slowly leak out, and hope and pray that we will not get into war a second time in a decade because of failure to realize how imperative it is to our own security that China as the hub of east Asia be independent and on our side, not under the control of an aggressive foreign military dictatorship, violently hostile to everything we believe in and stand for.

The enclosed articles give illuminating glimpses of the Communist pattern of life at the outset. It invariably becomes sterner after the initial period of good behavior. How many will take the trouble to read and learn in time?

[From the London Times]

THE NEW REGIME IN CHINA

I—REPETITION OF THE BOLSHEVIST EXPERIMENT

(From a correspondent lately in north China)

In each of their revolutions and other attempts at reform during the present century, which have all been copied from the West, the Chinese have invariably been some 30 or more years behind the original. It is the same with the present experiment. The Chinese Communists would appear to have learnt nothing from the experiences of their Russian mentors and are starting off at exactly the same point as the Russians in 1917.

There is the same insistence on slovenly general appearance as the hallmark of the true proletarian (now called New Democrat). An ugly slate-blue uniform, padded for winter wear, is the garb of this new democracy. The people of Peking, who were formerly noted for their attention to their dress, now follow the new fashion and go about in dirty old cloths.

A second Kremlin

The first thing that was done when the trains started running again was to institute a single class; and in order to drive this point home, special care was taken to pull out the cushioned seats of the former first- and second-class carriages. Although the wealthy classes have long ago disappeared, one still sees plenty of luxurious cars on the streets. But they are now the property of the people, whose representatives are the only persons that can afford to be seen in them. The two large modern hotels have been taken over for the use of Communist officials and their official guests. Imitation might have gone farther and the Forbidden City might have been turned into a second Kremlin had the ancient palaces been fitted up with modern conveniences.

In speeches and writing there is endless advertisement of the fact that the fortunate citizens of Peking and Tientsin have at last been liberated and that everything now belongs to the people: The factories belong to the workers, the universities to the students, and the government to the people as a whole, for whose sole good everything is now done. In explaining the action of the authorities in closing down a newspaper that had attempted, mildly, to preserve its former independent attitude, the official Communist organ ends with the following unintentional sarcasm: "In order to deprive such counterrevolutionaries of the freedom of speech and writing, so as to protect the freedom of speech and press of the people, the authorities have ordered the closing of this paper."

Cultural offensive

Newspapers, magazines, radio, and cinemas have all been regimented. Most of the former newspapers have been suppressed. The

leading official organ, the People's Daily, contains nothing but propaganda articles, accounts of public meetings, speeches, and endless congratulatory addresses from the happy peasants and workers, but no news whatsoever of Peking, the rest of China, or of the outside world except Russia, and Tass agency telegrams. As a result, people have given up reading the papers, and if the official organ still has a large circulation that is because all public offices and similar bodies are forced to take it in while private persons buy it to display in some conspicuous place in their homes as proof of political orthodoxy.

American films and music are strictly banned. Only Soviet films may be shown, and the receipts of cinemas have fallen off badly as a result. The theaters, once the great attraction, especially for the less literate classes, now have to include propaganda pieces and plays of the new culture, so that their receipts, too, have fallen off. Worst hit have been the restaurants, for which Peking was famous all over China. Several have closed; others perforce remain open to avoid even greater loss by having to pay off their staff. As a result of all this there is no night life in Peking. The authorities considering this a slur on a modern city have tried to liven things up by allowing night dance halls to reopen—partly no doubt because these were banned by the Kuomintang authorities. But they are strictly new people's dance halls, where only tea is served and the charge cannot exceed about 1 shilling.

Although all fighting has ceased in north China for over 2 months, economic conditions not only show no signs of improvement but the standard of living has even further deteriorated. Inflation continues as before. In order to offset the consequent rise in prices the authorities have opened a municipal trading company with some 50 branches where necessities can be bought at publicly notified prices kept slightly below the general market price. This does not help much, because owing to the widespread stoppage in trade the workers' incomes are even lower than before.

Business of every kind is at a standstill and the shops are all empty. The main retail business of the city is conducted in the street markets, to which even the larger shops are now forced to send their goods if they want to do any business at all. Significant is the fact that many of the large rentier class, who formerly lived comfortably, if modestly, on their small savings, are now putting in an appearance at these markets and selling off some of their belongings.

Payment in kind

Now that Chinese—but not foreigners—are permitted to travel freely again inside Communist-controlled territory, many persons have been arriving in Peking and Tientsin from towns in the interior which have long been under Communist control. All tell the same tale of an initial short period with little change, then of the running down, and finally closing, of factories and small industries owing to the lack of raw material, excessive wage demands, and heavy taxation. Above all, there is the difficulty of food, because the peasants will only sell their produce against commodities. In some areas they are actually being encouraged to revert to the use of peanut and sesame oils for lighting purposes, instead of kerosene, ostensibly because the latter is called foreign oil in Chinese, and it is a sign of the old "colonial status" to have to use foreign products—though more probably because under the present economic policy the government is unable to supply them with kerosene.

The reduced standard of living and the difficult economic position are shown by the fact that millet has become the staple food in the north, even in the large cities. This is due to the shortage of flour caused by the stoppage of imports and by the ban on ECA assistance. The Tongshan miners, one of the most powerful labor groups in China, raised such an outcry about this that the Communist central committee agreed to barter some of its precious coal supplies for flour with which to pay the miners and to permit two special ships from Shanghai to carry on this exchange. Millet has, in fact, become the real currency in north China. The wages of workers, government employees, students, and university professors are all fixed at so many catties of millet a month. They can either take it in kind or convert it to people's notes at the market rate of the day. Moreover, in order to encourage deposits, these wages are entered in the bank's books at the value of certain goods—flour, corn meal, or cloth. The depositor makes his choice, and the sum deposited is then credited at the market rate of the flour, etc., and on withdrawal he is paid out at the then reigning market rate of the flour or other goods.

Nor have cultural matters been neglected. There are frequent meetings to which writers, dramatists, actors, and even musicians are summoned, when they are indoctrinated in the "new culture." The whole system of higher education is in process of being regimented. The former colleges and universities are being abolished and each one is being converted into a new specialist institution (politics, military, technical, etc.) as a branch of one single general people's revolutionary university.

II. REVIVED DOCTRINE OF SPLENDID ISOLATION

The people of Peeping, especially the poorer classes, had as usual placed great hopes in the change of regime. Great, then, was their disappointment and loud the grumbling when they found themselves, if anything, worse off than before. The city workers having heard how the land was being parceled out in small lots, were full of pleasurable expectations that the same would be done with the capital and stock of the large business concerns in the cities. The authorities quickly disillusioned them, explaining that the land was divided up, in order that it could be worked productively, but that if the same was done with capital of a big business, it would merely mean ruining it without creating fresh wealth.

In another case the workers in a Tientsin factory sent a deputation to the authorities to complain that they were worse off than formerly because they were getting only coarse millet instead of flour. They were told that, as they had now been liberated, everything belonged to the people, and the factory was therefore their own, so they had nothing to complain of. The deputation promptly replied that they would prefer to hand back the factory and get paid in flour again.

Unwanted foreigners

In general, the common people are by no means pleased with the turn of events. Only a small number have been really influenced by the propaganda uproar. Most of them only attend meetings and parades in order to avoid trouble with their labor bosses and the authorities. The shopkeepers and small-business men are very worried and full of forebodings. From what they have heard from other places they are only too well aware that the real thing has not started yet, and that it is still to come when the present military control is relinquished to the politicians.

As regards foreigners, the indications in Peiping, Tientsin, Mukden, and elsewhere are that the Communists are completely uninterested and do not want them, believing themselves quite capable of carrying on without their help. Nowhere have they tried to make contact with foreign consular authorities, while attempts by foreign chambers of commerce, banks, and correspondents have been cold shouldered. In speeches, newspapers, and posters there have been most violent attacks on the American imperialists, with Britain a close second. Recently an order was issued forbidding the use of foreign languages on signboards, shop signs, and on Chinese products, in order to eliminate the last traces of the old colonial status. Nevertheless, it is possible that they will suffer, if not welcome, foreign technicians and allow foreign-owned factories to be run by foreign experts—naturally under close government control.

An agrarian economy

Foreign merchants, anxiously watching the recent disconcerting developments in north China, tried to comfort themselves with the assurance that China could not do without foreign trade. This ignores the usual trend of revolutionary processes when the extremists or fanatics are the real driving force, at any rate in the early stages. Nor is it borne out by past history, when for centuries China got along quite well without foreign trade.

The doctrinaire extremists of the Communist Party might well be prepared to sacrifice everything to their theories—as has been done elsewhere—and by reverting to a purely agrarian economy and forcing the people over a long period to live at an even lower standard than today thus try to rebuild the country's economy without outside help. Recently a Communist newspaper commented with great pride that in the previous month trade with Shanghai had dropped by 99 percent.

Nevertheless, it is just in this matter that the theorists have been hoist with their own petard. One of their most successful pieces of propaganda has been the accusation that the Kuomintang government has always neglected the welfare of the masses whereas the Communist Party promises to raise their standard of living to the level of that in western countries. In explaining their failure to attain this standard at present, they say that the civil war is still going on and that not until they have obtained control over the whole country will they be able to fulfill the hopes of the people. They have, needless to say, their own 10-year plan, but the Chinese Communists have so far learnt by experience that they speak more cautiously of 30 years instead of the usual 5.

To raise the standard of living in China to the level of those in the west will require an enormous development of her present comparatively negligible mines, industries, and means of transportation. That, again, would only be possible by a vast expansion of foreign trade, whereby China could acquire the raw material and machinery needed to build up her industries. In the first flush of victory, Communist theorists may talk loudly about the iron curtain, about China being self-supporting, and about her "pulling herself up by her own braces." But the stark fact is that China today has not even the braces with which to raise herself. Her railways, mines, and heavy industries are still in a most primitive state of development. Nor does she possess, except in negligible quantities, the most elementary raw materials: Steel, oil, lumber, cotton, and rubber, to quote only the most vital.

Trade and theory

Her railway system not only must be enormously enlarged, but the complete renovation of most of the existing track, of rolling stock, and engines is a matter of urgent necessity. China has practically no shipbuilding facilities. The much-advertised boom in her merchant shipping since the end of the war has been due to lavish gifts of ships made to her by Britain and America, as also to the ban on foreign ships in inland waters and the coastal trade, to the detriment of her own exports. Even were a Communist government to make an exception and grant full trading facilities to their ideological friends, it would not help them much. Russia could spare little, and in any case

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herself would demand in return machinery and finished products which China could not supply.

As against these pressing and practical considerations, it must be remembered that the Communist rulers, even if they desired to do so, cannot tackle the economic problem solely from the economic point of view. They are strictly bound by their whole political doctrine. This question has been much discussed in their press, and also by certain professors and other political and economic experts. Claiming that the Marxist system is the only one suitable for a modern society, they argue that, until the Chinese people have been fully indoctrinated, free intercourse with the western capitalist democracies, foreign concerns, and missionaries would constitute not only a hindrance but even a danger to the development of their principles, and can therefore not be tolerated.

The general impression one gets of conditions in north China, after more than 2 months of Communist experiments, is that of a civilization rapidly running down and reverting to a kind of agricultural community in which certain doctrinaire theories which the Chinese Communist Party has been preaching for many years are being enforced according to rote, no matter what the consequences. It is beside the point to argue that, unless the population is satisfied, the Communist experiment cannot succeed. The Chinese, especially those of the north, have always been a very docile people and could not in any case overthrow the regime, even if they wanted to. It is possible that for economic reasons the Communist experiment may fail in the long run, but not until there has been a split in the party itself, leading possibly to more civil wars and similar upheavals.

For Some Time I Have Been Concerned Over the Personnel Situation in the Armed Forces—We Are Having Great Difficulty in Attracting and Retaining the Caliber of Personnel, Both Officer and Enlisted, on a Career Basis Which Is Essential to Our Fighting Forces

EXTENSION OF REMARKS

OF

HON. FRANK W. BOYKIN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. BOYKIN. Mr. Speaker, the words I have just spoken are from a letter written to your own good self—by the Commander in Chief of the United States Army, Navy, and the United States Air Force. I do not think a more businesslike proposal has ever been presented to Congress than the career compensation bill, H. R. 5007, which is now before us.

I am not talking as an expert on matters of pay. I am merely talking as a hard-headed businessman who thinks he has retained some of the sense that God gave him and who is now invoking the use of that sense in an endeavor to inculcate into government the same principles of business administration that he applies to his own personal affairs.

Now I do not know much about the Army or the Navy, but I do know about the Department of the Air Force and I certainly ought to know. I ought to know something about its good—and how it functions—and what it does—for I am constantly reminded about it every time that I look upon and have a visit with my own boy.

He, and the young men like him, believe in the destiny of the United States Air Force.

They believe that it is the greatest power in this world for world peace and national security that we must exercise to protect the birthright of this Nation.

He tells me that the Air Force—and in fact all of our armed services—are so geared up today that they require the best and most highly skilled personnel necessary to the defense of these United States.

This incentive pay bill, or the Career Compensation Act, as we are discussing it here today—is the most direct adaptation of good business administration applied to the United States Government that I have ever had the privilege of voting for.

It contemplates an increase in compensation, not alone for the Army, Navy, and the Air Force of these United States, but also for the Marine Corps, the Coast Guard, the Coast and Geodetic Survey, the Public Health Service, all Reserve components, the National Guard and the Air National Guard, the militia of the 48 States, the naval militia of the 48 States and the Army and Navy Reserve of the 48 States.

As one listened to the debate that took place on the floor 3 weeks ago he was given the impression that all of the money that was going to be appropriated was to go to the brigadier generals but, to my mind, those who suggested those thoughts were indulging themselves in the sheerest of demagoguery.

Now I made it my business before coming on the floor of this House today to ascertain just how much benefit would go to the enlisted men and the privates in the armed service forces as well as to just what percentage would go to all commissioned officers in the armed forces. I am authoritatively advised that of all the money to be appropriated under this bill, more than 60 percent will go to enlisted men in the ranks, about 2 percent to warrant and other enlisted officers and only some 38 percent to all officers from second lieutenants to generals.

Mr. Speaker, need I remind my colleagues that not since 1908—41 years ago—did this House attempt to enact a pay bill for the commissioned officer personnel of the armed services.

Oh, yes; we amended officers pay with respect to this or that provision—we gave them certain exemptions and deductions in their income tax, we allowed certain overseas pay—which we now take away—and maybe increased subsistence but I do not think as of this hour that anybody in the United States knows just what the pay of the officers in each grade of our armed services really is as fixed by the law.

Certainly somebody determined what they would receive last month and someone will determine what they will receive under the law for each grade in the coming month, but I say without successful contradiction that the ascertainments are a matter of administrative ruling and the opinion of those charged with administering the pay schedules.

That is because of one thing, and one thing only: This Congress has not faced the facts intrinsic in this case, and spelled out the pay rates by grades specifically, in the letter of the law.

Mr. Speaker, here at last we come to something realistic. Here at least we attempt to apply to government a business principle of pay scales for all men in the armed services.

The rates of pay under this splendid bill brought out by our able committee of the armed services under the guidance of the Honorable PAUL J. KILDAY and our own beloved Hon. CARL VINSON finds all pay scales fixed on the basis of the responsibility and the service which the individual recipient renders.

They apply to all—from the rawest recruit to the highest four-star general, or admiral in the Navy. The increases they will receive are predicated on their remaining in the armed services and giving to this country all the benefits which they acquired in the training received at governmental expense.

This career compensation bill is not altogether a raise in pay for all ranks and grades of service. In many cases flying officers, who as of today receive 50 percent of their base pay as flying hazard pay, are going to find the flying hazard pay cut to as little as 10 or 15 percent.

There is another wonderful provision for enlisted men. From time immemorial it has been the practice to allow subsistence and housing only to commissioned officers. Under this new career compensation bill any enlisted man who spends as little as 7 years in the service of his country will if he continues in the service receive the same subsistence and housing allowances as are now extended to commissioned officers.

I cannot in the time allotted address myself as fully and completely to this matter as I should like. But I warn my colleagues that we in this House are flying in the face of all authorized recommendations and wisdom and acting without rhyme or reason if we reject all consideration of the wonderful work that was done for us by that marvelous group of independent, studious, thoughtful business executives who constituted what we call the Hook Commission.

It was not the braid and brass of the Pentagon or the Navy Annex that recommended this legislation to Congress. It was men such as Mr. Charles Hook, chairman of the board, Armco Steel Corp., Chairman; Father John J. Cavanaugh, president, Notre Dame University; Mr. Keithe S. McHugh, vice president, American Telephone & Telegraph Co., and Mr. Lawrence H. Whiting, president, American Furniture Mart Building Co., and Whiting & Co.

I wish to emphasize that the members of this Commission are all civilians and that they pay high income and other taxes. These, one group of men who have recommended the legislation, would in no manner expect, as citizen taxpayers, private profit by its enactment.

Their interest is your interest and mine—a public interest in peace and security of our country and the welfare of our Nation's economy.

Mr. Speaker, in conclusion let me make reference to the letter addressed to your own good self by President Harry Truman, Commander in Chief of the Army, the Navy, and the United States Air Force:

THE WHITE HOUSE,
Washington, May 23, 1949.

Hon. SAM RAYBURN
The Speaker,
House of Representatives.

MY DEAR MR. SPEAKER: For some time I have been concerned over the personnel situation in the armed forces. We are having great difficulty in attracting and retaining the caliber of personnel, both officer and enlisted, on a career basis which is essential to our fighting forces.

The Career Compensation Act of 1949 now pending before the House of Representatives will, in my opinion, provide the necessary incentive to follow a career in the armed services.

I feel that this legislation is a most important part of our defense program, and that it will do much to strengthen our national security in this critical period. Consequently, it is my hope that the House will see fit to take favorable action on this legislation.

Sincerely yours,

HARRY S. TRUMAN.

Acting in prudence, wisdom, and with a view to governmental efficiency, this House cannot do less than pass this bill—and let us do so by a rousing vote, if not unanimously.

CARE's Book Program

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following bill which I have today introduced to provide a contribution to CARE for its book program in war-devastated countries. The contribution is to be in an amount equal to a fund which was created during the war out of wages earned by conscientious objectors, working on farms and in hospitals. Under orders of the Selective Service System, employers to whom conscientious objectors were assigned for work were required to pay regular wages, but the payments were made into the Treasury where they were kept in a special deposit until the end of hostilities.

On March 7, 1947, the amounts in the fund, totaling $1,247,018.47, were covered into the Treasury as miscellaneous receipts. Technically, therefore, the fund no longer exists. The Comptroller General has ruled that the payments received by the Treasury belonged to the United States—24 Decisions of the Comptroller General 75, August 7, 1944. However, the United States received these payments as the result of the work of the conscientious objectors and not from taxes. Accordingly, in connection with previous legislative efforts to appropriate the fund for relief purposes, the Treasury Department has indicated that it had no objection.

An informal poll was taken in 1945 among the men whose earnings created the fund. This poll indicated a preference that it be used for relief purposes.

In 1947, my colleague from New York, Hon. STERLING COLE, introduced a bill, H. R. 1938, authorizing a contribution to the International Children's Emergency Fund of the United Nations in an amount equal to the special deposit previously in the Treasury. This bill passed the House, but in the Senate it was dropped from the Unanimous Consent Calendar on the objection of a Senator who felt that sufficient funds had already been appropriated by the United States Government for the work of the Children's Fund.

The CARE book program was developed to replace scientific, technical, and professional books lost during the war years in Europe and Asia. Distribution of the funds among the countries will be on a percentage basis determined by the original library facilities and the loss suffered.

The list of books to be sent has been prepared by a committee headed by Dr. Luther Evans, Librarian of the Library of Congress, with the assistance of representatives of the American Library Association, the New York Public Library, and the Yale University Medical School.

It will be possible to deliver books abroad at their retail prices in the United States without any additional charge for delivery, shipping, insurance, or overhead. The program has the active support of the Library of Congress, the American Library Association, the United States National Committee for UNESCO, and a number of educational, scientific, and cultural organizations.

Each book will contain a book plate bearing the name of the donor or donors and indicating that it has been made available through the CARE book program. The plates in the books financed through the proposed legislation could carry as the name of the donor, "The American people," or some similar phrase.

Starvation of the mind can be as great an obstacle to sound recovery as undernutrition of the body. Especially do professionally trained persons hunger for information regarding developments in the last decade in their field. Nothing gives greater lift to discouraged and oppressed people than books that enable them to be transported to other times and places, to see their own condition in the perspective of history, to share in the noblest thoughts and emotions great souls have regarded during the development of man on this earth. Surely few gifts could bring greater benefit than that of good books.

The text of the bill is as follows:

A bill to authorize the contribution to Cooperative for American Remittances to Europe, Inc., of an amount equal to the moneys received by the Selective Service System for work performed by persons assigned to tasks of national importance under civilian direction pursuant to section 5 (g) of the Selective Training and Service Act of 1940, as amended

Be it enacted, etc., That the Department of State is hereby authorized and directed to make to Cooperative for American Remittances to Europe, Inc., 50 Broad Street, New York, N. Y., a United States nonprofit voluntary relief agency registered with and recommended by the Advisory Committee on Voluntary Foreign Aid for operations in Europe, for use by said agency in its book program, a contribution in the amount appropriated pursuant to the authorization hereinafter made. There is hereby authorized to be appropriated for such purpose an amount equal to the amount covered into the Treasury as miscellaneous receipts on March 7, 1947, from the special deposit account which had theretofore been maintained in the Treasury for moneys received by the Selective Service System from private employers for work performed by persons who were assigned to tasks of national importance under civilian direction pursuant to section 5 (g) of the Selective Training and Service Act of 1940, as amended.

Labor Situation in the Hawaiian Islands

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON

IN THE SENATE OF THE UNITED STATES

Wednesday, June 15 (legislative day of Thursday, June 2), 1949

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter under date of May 27, 1949, which I have received from Mr. Earl B. Wilson, of the California & Hawaiian Sugar Refining Corp., in which he comments upon the strike situation now prevailing in Hawaii. I also ask to have printed my response, dated June 14, 1949, which I once again defend voluntary arbitration as the proper method of settling the dispute in Hawaii.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

CALIFORNIA & HAWAIIAN SUGAR REFINING CORP., LTD.,
San Francisco, May 27, 1949.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: I have read with interest the CONGRESSIONAL RECORD of May 16 and your comments regarding the labor situation in the Hawaiian Islands and, in particular, the current strike of longshoremen.

Inasmuch as you say that you know very little about the local situation in Hawaii, I am going to take the liberty of putting before you, in as concise a form as possible, a somewhat broader picture of labor relationships in the Hawaiian Islands than merely the strike of longshoremen. It is always difficult to appraise a general situation by considering only the factors that are incidental to one specific aspect.

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The present strike of longshoremen has been, on the surface, the result of a disagreement over wages.

The water-front workers have made a demand on the employers for an increase in wages of 32 cents an hour to bring the level to within 10 cents of the San Francisco rate. The present longshore wage in Hawaii is $1.40 an hour. The union has picked as a basis for a parity demand an isolated and temporary period of time at which the relationship between wages paid on the water front in Hawaii and in San Francisco was the most favorable from the point of view of Hawaiian workers. But going back over a period of many years, there has been no fixed differential. It has varied according to economic conditions and the resultant outcome of wage negotiations in the two areas. The plea is used by the union that the same cargo is handled in Honolulu, for instance, as in San Francisco and therefore there should be approximately equal wages paid. This is hardly a valid argument since cargo is handled in different ports all over the world at varying stevedore rates. Wages in each case are generally influenced by local conditions and not by the point of origin or discharge of the cargoes. I might add at this point that the Hawaiian longshoremen have regular employment with their respective employers and therefore receive sick leave, group insurance and other benefits typical of a stabilized industry which are not received by Pacific coast longshoremen.

The Hawaiian longshoremen in rejecting the employers' most recent offer of an increase of 12 cents an hour have maintained their initial demand of 32 cents an hour and have called for arbitration. Arbitration of the application and administration of an existing contract may be perfectly logical and proper. Arbitration of rates of pay during wage negotiations leaves the employer in the position of not being able to control his costs; eliminates free collective bargaining; and places in the hands of a third party, who has no responsibility for the operation of the business, the success or failure of the enterprise. A union is in a position to demand an exorbitant rate at the beginning since an arbitrator generally makes an award somewhere between the union's demand and the employer's offer.

The work of the longshoremen in loading ships is one of the costs incidental to the production and movement to market of Hawaiian sugar and, therefore, this issue is of concern to the sugar industry. The Hawaiian sugar industry is at present the highest wage-cost area contributing sugar to the United States market.

From the point of view of sugar yield per acre, it is probably the most efficient branch of the sugar industry in the world. Despite this efficiency, its present costs are excessive in relation to the costs of its competitors because of the much higher labor costs in Hawaii. The Hawaiian sugar industry represents a capital investment (on the basis of actual dollars spent—of about $175,000,000. The combined net earnings of all the sugar properties in the Hawaiian Islands in 1948 were only about $500,000.

In view of its efficiency in the production of sugar, why is Hawaii unable to show better earnings when the present price of sugar is substantially above the prewar levels?

During the recent war, it was impossible for the sugar mills to obtain replacements and new equipment. First, there was difficulty in obtaining such supplies on the mainland, and secondly and more seriously, shipping space had to be reserved for war supplies. As a result, the plantations and mills were in a sadly run-down state at the end of the war. Postwar delays in deliveries of orders for machinery, equipment and supplies, made it impossible for the plantations promptly to correct the situation. Then prices began to advance, with the result that the improvement and modernization programs have required much more cash than would have been needed had the prices of 1945 continued. At the same time, substantial advances in wages were granted in all branches of the Islands' industrial life.

Hawaiian sugar, when finally prepared for the consumer, must compete with that produced in other areas, both cane and beet. Field and mill wages comprise in the neighborhood of 50 percent of the cost of producing sugar. The Hawaiian Islands pay the highest wages of any sugar-producing area of the world. In addition to this, the plantations give year-round employment to practically all of their laboring forces. I have been in all the major areas producing cane and beet sugar for the American consumer and in no area have I seen living conditions as favorable for the worker as those that have existed for many years on the Hawaiian plantations. Many of the plantations, especially the larger ones, maintain hospitals, recreational centers, baseball fields, and in a few cases, swimming pools, for their workers and families.

The plantations (at the insistence of the unions) no longer furnish free housing to their employees, but the rentals and service charges are exceedingly low.

Wages paid to field workers in the different sugar-producing areas vary considerably. It can be said that the efficiency varies also, and so it is difficult to balance the results of a day's labor in one area as against another which, after all, to the employer is the most important factor. Some areas have mechanized more than others, which gives a better work return per man-day used.

However, sugar workers earn approximately the following for 8 hours of work in the various production areas supplying sugar to the United States:

In Cuba, an average of from $2.50 to $3. Some cultivating work is at a lower rate but harvesting is at a higher rate.

In Puerto Rico the average is about $2.35.

In Louisiana the range is about from $2.90 to $4.60 for a 9-hour day. The higher levels are for operators of mechanical harvesting machines. During and immediately after the war these producers frequently had to pay somewhat higher rates in competition with war industries.

In Florida, because of piece-work harvesting, it is not too easy to determine daily wages, but cultivating is paid for at 45 cents an hour. Harvesting ranges from $3.60 per day to slightly higher levels.

In the domestic sugar-beet areas the minimum wage determination requires not less than 60 cents per hour for nonharvesting and 65 cents per hour for harvesting work. This is what generally is being paid but in some areas, particularly California, where competition with vegetable growers is high, it is frequently necessary to pay 80 cents to $1 per hour for limited periods. Because of the broad expanse of country which includes the growing of beets, local conditions affect wages substantially, but the afore-mentioned figures are tops.

In all of the foregoing areas the work is much more seasonal than on the plantations in Hawaii. As I have already stated, in Hawaii the employment is year-round for almost all of the workers.

In the Philippines, production costs are not yet stabilized, but it is known that on some plantations field workers are paid the equivalent of $1 to $1.50 a day, United States currency.

In all areas, factory workers average slightly higher pay than field workers, and here again the Hawaiian worker has an advantage because of his longer season of employment, as well as higher wage.

In Hawaii the minimum hourly wage is 78.5 cents (except on two plantations where it is 73.5 cents) for both field and mill workers, but less than 20 percent of the workers are in the minimum-wage category. The average earnings for all plantation workers (not including office) below supervisory grade in 1948 were $8.20 per 8-hour day.

In spite of the fact that the Hawaiian sugar industry is already paying the highest wages, both hourly and annually, of any sugar-producing area in the world, the union currently is demanding increases of 10 to 16 cents an hour. The employers have offered to make the present wage scale, which was established when sugar was $126 a ton, equivalent to a market price for raw sugar of $112/114 a ton (which is slightly below the present market quotation of $116 a ton), and have suggested that wages then move up or down with the sugar price. This has been rejected by the union and it appears as though a plantation strike is imminent. It seems quite clear to most of us in the Hawaiian sugar business that the union heads are determined to push for higher wages in the islands regardless of ability to pay. This is in keeping with the political and economic beliefs of many of these top union figures. In other words, the sugar industry in the Hawaiian Islands is confronted with a choice of being slowly choked by gradually increased costs in the face of declining returns for sugar or entering a battle now to prevent any further increases in the hope that the probable declining price of sugar in the years ahead will not be sufficiently sharp to put the plantations out of business. There can be but one choice; further increases in costs have got to be prevented.

While I am on the subject, I should like to point out the economic strangulation of the Hawaiian Islands that is possible when union leaders wish to exert pressure. The same union group controls the bulk of the longshoremen and warehousemen on the Pacific coast, certain of the crews of ships going to the Hawaiian Islands, the longshoremen in the Hawaiian ports, the sugar plantation and mill workers, the pineapple workers, most of the public-transportation workers, and several other smaller groups. We hear constant talk of business monopolies but there is no group of employers in the United States having the economic power possessed by this group of union leaders, and this monopoly power is being administered by men many of whom differ basically with the economic principles upon which our country is founded.

I hope I have explained that the merits of the strike of longshoremen cannot be judged without considering the entire labor problem of the islands. If arbitration of wages in the strike of longshoremen should be agreed upon by employers, it would be but one step further for the unions to demand and obtain the arbitration of differences between employers and union in the sugar industry. Further increases in the costs of producing sugar will close many of the island's plantations with resulting unemployment and decrease in general business activity.

Arbitration is frequently referred to as action in the public interest and correctly so in many cases, but it must have a companion principle, namely that industry cannot yield its very survival to a third party.

I hope I am not giving you the impression that I am antilabor. I believe in unions. They can be factors for stability in business. I believe in high wages. This enables our people to be good customers for the things they produce. But if high wages in one area are carried too far, competition forces the elimination of the producers of such area and the production goes to a lower-wage area.

The large majority of the Hawaiian sugar plantations are rapidly being pushed to the

wall by the inordinate demands of labor leaders who, apparently, are seeking just this result regardless of the public welfare or the welfare of the workers.

This letter has become much longer than I had anticipated. I hope you have had the patience to wade through it. As it is an effort on my part to supplement with details the situation you touched on in the CONGRESSIONAL RECORD, I would deeply appreciate your having this letter also inserted in the RECORD.

Sincerely yours,

EARL B. WILSON.

JUNE 14, 1949.

Mr. EARL B. WILSON,
California & Hawaiian Sugar Refining Corp., San Francisco, Calif.

DEAR MR. WILSON: Thank you very much for your letter of May 27 containing your comments regarding the labor situation in the Hawaiian Islands, and particularly the current strike of longshoremen. I shall be very glad to insert your letter in the CONGRESSIONAL RECORD.

It seems to me, however, that your letter adds up to a strong case for submitting the dispute to arbitration. The only alternative is a test of economic strength, with the public in the last analysis paying the bill. You say if arbitration of wages in the strike of longshoremen should be agreed upon by employers, it would be but one step further for the unions to demand and obtain the arbitration of differences between employers and the union in the sugar industry.

Your observation causes me to ask the question, "Why not?" If the industry has a strong case, as you appear to think it has, the industry would not lose in arbitration case on the merits. It seems clear to me that basic in your philosophy, as set forth in your letter, is the view that the employers should be left perfectly free to decide for themselves what the wages, hours, and conditions of employment in the sugar industry should be.

Whether you are willing to recognize it or not, I think the fact is that free collective bargaining in the American economy is here to stay; and employers and unions who take the position that they will not accept voluntary arbitration as a reasonable way of breaking economic deadlocks are going to lose the sympathy of the public.

I am afraid you are laboring under the misapprehension that arbitration is a mediating or compromising procedure rather than a judicial process which functions on the basis of the evidence in the record presented in a case. If you have a good case, I don't think you should fear arbitration, if you are willing to ask such impartial person as Cyrus Ching, Director of the Federal Mediation and Conciliation Service, to appoint an arbitrator to hear your case.

With kind regards,
Sincerely yours.

The Truman-Byrd Controversy

EXTENSION OF REMARKS
OF

HON. JOHN J. WILLIAMS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Wednesday, June 15 (legislative day of Thursday, June 2), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a series of editorial comments on the Truman-Byrd controversy.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Cincinnati (Ohio) Times-Star]

NATION'S EDITORS DISCUSS TRUMAN-BYRD CONTROVERSY

The President's reported chance remark that "there are too many Byrds in Congress" was, if he said it, petty and uncalled for. Most people in this country wish there were more Byrds in Washington.

Senator HARRY BYRD is no crackpot penny pincher. He believes now, as he has for years, that the Federal Government is spending too much and that there is plenty of room for economy. He has fought for a cut in Government expenses under Roosevelt, and now under Truman, and he has the facts and figures to back up his arguments.

Harry Truman is, of course, annoyed with Senator BYRD for another reason. BYRD opposed the President's nomination of Mon C. Wallgren to the National Resources Board. He was right in that opposition, too, just as he is right in championing economy, for Wallgren is not the man for the post. In the feud that seems to be developing between the two Harrys, the Senator from Virginia, enjoying the advantage of sound convictions, stands on firmer ground.

[From the Charlotte (N. C.) Observer]

Mr. Truman says there are too many Byrds in Congress. * * * a spendthrift naturally does not like the bank accountant who sends his checks back marked "insufficient funds."

And it is natural that Mr. Truman does not like Senator BYRD, because the Virginian just last week made a masterful speech in the Senate showing where the Truman spendthrift policy is taking us.

The Byrds cramp the style of the spenders, and the spenders don't like it or them.

But if we continue on the present course, there will come a time when all of us will rue the day that those in authority did not listen to the Byrds and that we, the voters, did not make them listen, as we clearly could have done.

For our money there are * * * too few—far too few—BYRDS.

[From the Charleston (W. Va.) Daily Mail]

With a careful look at Mr. Truman's program and at the available resources for carrying it out, Senator BYRD conservatively estimates a $10,000,000,000 deficit by 1952. What is so alarming about Mr. Truman's reply is that he does not dispute Senator BYRD's figures or attempt to minimize them. He merely complains of too many BYRDS in Congress and generally of those men who lack the Truman capacity for large plans. It is a poor joke on a subject which is hardly a joking matter. When the prospect of a $10,000,000,000 deficit inspires nothing more than a pun it is useless to pretend that the national welfare is being seriously considered.

[From the Carlsbad (N. Mex.) Daily Argus]

Many good Democrats will dispute President Truman's assertion to a group of veterans that there are too many Byrds in Congress. As a matter of fact, Congress could use a few more Byrds, in our opinion.

HARRY F. BYRD is one of our most able Senators. He stands like a lighthouse in the fog against the administration's moves toward socialism, and he is our country's outstanding soldier in the never-ending war against senseless Government spending and waste.

[From the Walla Walla (Wash.) Union-Bulletin]

President Truman's comment to a group of veterans that "there are too many Byrds in Congress" is one of those remarks which will probably be around to haunt him for some time. Aside from the fact that Senator BYRD is a recognized leader of the upper branch of Congress, and a member of Truman's own party, it is clear that the Virginia Senator has done an extremely valuable service to his country over a period of years by his insistence that some brakes be placed on Federal spending.

[From the Henderson (N. C.) Daily-Dispatch]

Not only are there not too many Byrds in Congress, there are not half enough.

[From the Toledo (Ohio) Times]

A news dispatch informs us that President Truman told a group of veterans that there are "too many Byrds in Congress." He asked them to see that "Congressmen are elected who are able to see things in the terms of national interest, rather than local interest and make large plans, rather than small plans."

Well, there is only one Byrd in Congress, namely, the hard-working, economy-minded, prodder of Presidents, Senator HARRY F. BYRD, of Virginia. The President's meaning is clear. He resents any move to restrict Government spending. He dislikes any Member of Congress who works for economy.

What Congress needs is more Byrds, more Members who have his great knowledge of fiscal matters, who works in season and out to reduce Government expenditures, to liquidate, as rapidly as possible, the public debt, and to reform the Nation's tax structure.

Mr. Truman's remarks are an indication of his political philosophy and his bankruptcy of leadership. If there ever was a Senator who had the "national interest, rather than local interest" at heart, it is Mr. BYRD. And, if the President knew what he was talking about, he would realize that only a sound fiscal situation makes "large plans, rather than small plans" possible. Mr. BYRD is doing infinitely more to promote large plans than the President.

[From the Tampa (Fla.) Morning Tribune]

Our answer—and the answer of a large majority of American taxpayers—to that blast is that we need many more Byrds in Congress. It is unfortunate for the people that there are only a few of that species—the forthright Virginian himself and those who join with him in urging governmental economies.

[From the Bristol (Conn.) Press]

Our comment is that we would appreciate more men in Congress with the independence and honesty of Senator BYRD.

[From the Christian Science Monitor, Boston]

If Mr. Truman had made no play on words but had simply said that there were too many men in Congress who oppose him, much less would have been made of his remark. For few would be aroused by the further words attributed to him—a plea for the election of more Congressmen "able to see these things in terms of national interest rather than local interest, and to make large plans rather than small plans." But few also would see any bar to Senator BYRD in this recipe for representation.

His largest role has been as a watchdog of the Treasury—surely a service to the na-

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tional interest. His opposition to the appointment of the President's friend, Mon Wallgren, as Chairman of the National Security Resources Board seems to have nothing small about it. This action is the one that seems to have put the Senator in active disfavor at the White House.

It has also been suggested that the anti-BYRD remark was intended to throw Presidential support behind Democrats who are trying to break the Senator's hold on the party organization in Virginia. Cracks are reported in the State machine, and an anti-BYRD Democrat, F. Pickens Miller, a liberal with a fine reputation, is said to have a chance in the race for governor. Now it would be no new thing for the White House to lend aid to one party faction in a State contest. But it is usually done with jobs, not words.

[From the Los Angeles (Calif.) Times]

Speaking of Senator BYRD, the President's personal criticism of him shows a point of view not widely shared. Instead of being parochial-minded, as the President intimates, the Virginia Senator is one of the few who see legislation from a national rather than a local angle. Instead of the country being better off if there were fewer Byrds in Congress, we could use a few dozen more.

[From the Augusta (Ga.) Chronicle]

Judging by the President's recent remarks about Congressmen who don't agree with him, it would seem that he is advocating the leader type of government under which the leader calls the turn and Members of Congress meekly attach their rubber stamps.

If we might be permitted to say so, perhaps we need more and not less Byrds in Congress.

[From the Albuquerque (N. Mex.) Journal]

Presidential purges have usually failed, thus it is going to be a colossal job now to purge a man whose only sin has been that of striving for economy and efficiency in Government.

[From the Providence (R. I.) Evening Bulletin]

Mr. Truman's ill-considered remark to a veterans' group that there are too many Byrds in Congress points up the sad fact that there is not enough fiscal sense in the White House. For several years the name of BYRD has been synonymous with economy, just as the name of Truman has been synonymous with extravagance * * *

If we are to achieve saner legislative action in fiscal affairs, we shall need more rather than fewer Byrds in Congress. Now, unfortunately there is only one in name. But even Mr. Truman concedes there are more in spirit. May their numbers increase, however much they vex the President.

[From the Minneapolis (Minn.) Morning Tribune]

On Monday President Truman was quoted as saying there are "too many Byrds" in the Senate. But the fact is that there are not enough of them. By calling attention to the grave dangers which lurk in Government spending policies, Senator BYRD serves the national interest with courage and distinction.

The country needs more statesmen in Washington who are not afraid to speak the disagreeable truth about the need for economy in Government. There are not too many Byrds at all; there is only a surplus of those who fail to perceive the disastrous consequences to the whole Nation of unbridled Federal spending.

[From the Cleveland (Ohio) Plain Dealer]

Ordinarily the spectacle of a Democratic President openly declaring political warfare against a Democratic Senator would be merely amusing, at least to Republicans, or at most would be dismissed as a personal feud between two rival politicians.

But the issues and implications inherent in President Truman's remark that "there are too many Byrds—B-y-r-d-s—in the Congress," meaning Senator HARRY F. BYRD, of Virginia, are of such a nature that they are bound to have wide repercussions during the remainder of the President's term of office.

For BYRD is not an ordinary run-of-the-mine politician. As chairman of the joint committee on reduction of nonessential Federal expenditures, BYRD has become a symbol of economy in Washington. And as one of the most influential Members of Congress from below Mason and Dixon's line, he is a respected spokesman of the southern Democrats.

This newspaper cannot agree with the President that there are too many Byrds in the Congress. On the contrary, there are too few.

[From the Los Angeles (Calif.) Examiner]

If President Truman means to imply that national interest is not well served by statesmen of the integrity of Senator BYRD, he will find very few of the American people in agreement with him. * * *

The American people have great respect for statesmen who serve them with sincerity and integrity, and they serve their own best interests most ably by voting their confidence in such statesmen—as the people of Virginia have so often done in the case of Senator BYRD.

[From the Mobile (Ala.) Register]

Senator HARRY F. BYRD's recent remarks about the enormous cost of Federal Government have attracted wide notice and comment.

For example, Senator JAMES P. KEM, of Missouri, has called the attention of Congress to an editorial in the Cincinnati Enquirer commenting on a speech delivered by the senior Senator from Virginia the other day.

"The Virginia Democrat," said the Enquirer, "is a foremost authority on economy in Government, or the lack of it. His words have more than ordinary weight, therefore, because he knows what he is talking about."

The Enquirer went on to comment that "unless Congress calls a halt in the onrush of centralization and greater spending," the fiscal picture may be even blacker than he (Senator BYRD) painted it.

[From the Morgantown (W. Va.) Post]

President Truman should have thought twice before he blurted out that there "are too many Byrds in the Senate."

Even those who don't agree with Senator BYRD must concede that he is one of the most useful Members of the Senate, and that if he were not in the Senate, the danger of waste and extravagance would be much greater.

Almost single-handed, Senator BYRD for several years has kept a check on extravagance in the executive and administrative branches of the Government, and has saved the taxpayers many hundreds of millions of dollars.

If Mr. Truman, in his own group of advisers, had even one man who followed the Byrd attitude toward waste and extravagance, the President would be spared many of the embarrassments which his spending policies have produced.

[From the Athol (Mass.) News]

Senator BYRD is one of the most valuable Members of Congress. He has been supported by the Virginia electorate for a long time. Evidently, the Virginians approve of his ideas and principles. Should he continue to carry on for the people of Virginia, or should he yield to President Truman?

[From the New Haven (Conn.) Register]

With his usual unwarranted self-assurance President Truman has now indicated displeasure with the attitudes of Senator HARRY F. BYRD, of Virginia. In Mr. Truman's view there are "too many Byrds in Congress." But it is the opinion of most careful observers of the Washington scene that there are not enough men like BYRD in any of the branches of government.

Great numbers of Americans from all parts of the country consider him one of the most important "watchdog" legislators in Washington. Only President Truman seems to find Senator BYRD's devotion to efficiency and economy a burden.

[From the Lewiston (Maine) Sun]

Apparently President Truman—and this is entirely in character with his actions over the past 4 years—does not think that zeal for Government economy is in "the national interest." A passion for decreased Federal spending has been the outstanding accomplishment of Senator BYRD's lengthy career in the Senate. The Senator and the people of the Old Dominion, to go no farther, ought to resent the President's fling at one of the most competent Members of Congress.

[From the Hartford (Conn.) Courant]

A great many people will believe that there are too few, not too many, Byrds in Congress.

[From the Columbus (Ohio) Dispatch]

Surely, President Truman cannot really know what he is doing when he openly expresses a desire for the liquidation of such stalwart men as Senator BYRD. Virginia's Senator has been long in the forefront of those patriotic Americans who have battled ceaselessly—and effectively—to restrain the encroachments of Federal bureaucracy, Federal greed and Federal power into the lives of individual American citizens.

President Truman's rightful place is solidly behind the men in Congress, who like Senator BYRD, would protect not only the individual citizen of the Nation but the Nation itself from the dangers of over-federalization and uncurbed and dangerous extravagance.

[From the Ohio State Journal]

If other Members of Congress were anywhere near as economy-minded as Senator BYRD, the Government's financial outlook might be substantially different. The trouble is that he sees the total picture, with an eye on tomorrow as well as today, while too many of his colleagues are local in their views, yielding to pressure groups and quite willing to let tomorrow take care of itself. The plain truth is that despite the Truman dictum what Congress really needs is more Byrds. Instead of being too many, there are not enough.

[From the Utica (N. Y.) Daily Press]

In other words, Senator BYRD is one of the few able men in Congress who have consistently opposed extravagant Government spending. Being a Democrat this criticism causes more discomfort at the White House

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than would be the case if it came from Republicans. But Senator BYRD happens to be correct in his basic argument and a great many of his fellow Americans agree with him.

[From the Fort Wayne (Ind.) News-Sentinel]

The tiff between Mr. Truman and Senator BYRD, in which the White House sneeringly referred to "too many Byrds," should interest many Americans because it pits an economy-minded legislator against a spend-happy President.

Men of the caliber of Senator BYRD are all too rare. The Byrd smear which Mr. Truman tossed out in his interview with a group of American Veterans Committee members, is a greater tribute to an able Senator than a studied compliment would have been.

[From the Miami (Fla.) Herald]

When President Truman made his all-graced intemperate remark last week that there were "too many Byrds in Congress," he set the country to asking what had gotten under the President's skin.

Senator HARRY BYRD, of Virginia, a few days before had made a bitingly clear attack on the administration's economics, the policy of spending billions without thought or care of where the billions must come from. The Senator's speech might have passed without too much notice by people generally had Mr. Truman learned to put a seal upon his lips. Now people everywhere want to know just what the Senator from Virginia had to say about the Truman economics.

Senator BYRD has made Government economy a crusade for the people. He has not been able to make a dent on the Truman doctrine of spending all we have to rehabilitate the world, even though we go broke as a Nation in the doing.

The Virginian does not underestimate the gigantic task that he has taken on—trying to teach his fellows and the American people that we are dangerously close to the bottom of the dollar barrel * * *.

That's why Mr. Truman petulantly complains that there are too many Byrds in Congress. Too bad for the country there are not more.

[From the Denver (Colo.) News]

Mr. Truman, it seems, did not admire Senator BYRD's speech.

He probably was more favorably impressed by the remarks of Senator J. C. O'MAHONEY, of Wyoming, who had just warned of dire peril "If the Government starts trimming its spending too deeply or firing too many employees."

So it's likely that a chorus soon will be shouting that O'MAHONEY, the Liberal and Progressive, is the true prophet, and that nobody should listen to BYRD, the conservative and reactionary.

But what Congress really needs just now is more men like BYRD, of Virginia—more men who react against danger of national insolvency and dare to advocate conserving the Government's credit.

[From the West Palm Beach (Fla.) Times]

We feel that Senator BYRD performs a vital, as well as a valuable, service by his demands for economy. It is apparent to him that wasteful bureaus are being imposed on the people and he fearlessly says so. Who could do more?

[From the Fort Lauderdale (Fla.) News Sentinel]

Mr. Truman forgets that Senator BYRD was elected to the office he holds. He is responsible to the people of his State and to nobody else. If he chooses to disagree with the President, it is because he believes the people of his State also disagree with the President.

[From the Bridgeport (Conn.) Telegram]

There is only one BYRD in Congress and that is Senator HARRY F. BYRD, of Virginia, one of the ablest, most respected and most useful men in either branch. His crime in the President's eye is that he is working endlessly for economy, to prevent waste, to cut out needless Government expenditures, to put a ceiling on our bond issues and our extravagance and to try to restore something like fiscal sanity to save us all from bankruptcy and depression.

[From the Houston (Tex.) Post]

A man's outlook is conditioned by his environment and experience. From the perspective of the average taxpayer and businessman the Byrd situation in Congress may look quite different from the White House view.

[From the Denver (Colo.) Post]

If President Truman is contemplating a purge of Democratic Congressmen and Senators who are too economy-minded to go along with the administration's ambitious spending and tax-upping program, he may have a bigger task on his hands than he knows.

The President seems to be showing a dogged determination not to look at the road signs as he goes along, but he may find out that Members of Congress in general have been watching them with eagle eyes.

The Communist Threat to Hawaii

EXTENSION OF REMARKS

OF

HON. HUGH BUTLER

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 15 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Our Misguided Friend," published in the Honolulu Advertiser, of May 31, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OUR MISGUIDED FRIEND

The influential Washington Post sincerely is the friend of Hawaii. Whenever an occasion arises where it thinks it can aid the Islands, it does so. Yet the Post's very affection sometimes does mischief by prompting it to action based on second-hand information that does not accord with the facts.

This happened Monday when the Post editorially minimized the Communist threat to Hawaii. Communists are few in Hawaii, the Post said. It could have added, also, so are they few throughout the United States. Yet wherever they are they work tirelessly and constantly for the overthrow of American Government. It is leadership, not numbers, that create the Communist threat.

The Post fails to take into account the arrest of the San Francisco commander of the strike that had blockaded Hawaii, harassing and tormenting the people of these Islands, denying them all but the bare necessities of life. Harry Bridges is under Federal indictment charging that he lied about his affiliation with the Communists. Indicted with him are the militant leader of the blockade, Henry Schmidt, and J. R. Robertson, the man who attempted to make Hawaii's public schools a training ground for his union. This does not prove them to be Communists. It does show the pattern of leadership in the strikes that repeatedly torment Hawaii.

What the Post needs is a first-hand look at Hawaii by its own trusted representatives. If it would take this look, it would see that no matter how few Hawaii's Communists may be, they have a strong underground leadership here that is destroying the social and economic life of the Islands. It would see, too, that it is the unmasking of this leadership and the guidance of its misled followers back into the paths of loyal Americanism that is Hawaii's problem.

Our advice to the Washington Post is to look at Hawaii with its own eyes, not through the rosy glasses of an informant.

Hawaii's life is at stake. It is no time for sophistry.

Disastrous Results of "Free" Medical and Hospital Care in New Zealand

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks, I include an article from the Winnipeg Free Press of June 7, 1949. The advocates of Government supported and controlled medical service in this country are eloquent in their presentation of the alleged advantages it will bring; they seldom see, or at least they do not report, the grave disadvantages that will follow. Therefore, it is important for us to look at a country like New Zealand where the system has been tried for 10 years under most favorable circumstances. Clearly the bad results outweigh the good.

MEDICAL POLICY IN NEW ZEALAND

(By Dr. A. Hollenberg)

Free drugs on prescription is a curse rather than a benefit in the New Zealand medical policy. Many visits to doctors' offices are for nothing more than minor incidents requiring aspirin or a similar popular remedy like a laxative. Instead of going to buy this, the patient sees a doctor, gets a prescription which costs the state 7/6 ($1.50) and goes to the drug store, where he gets it free.

These visits for trivial matter so fill up the general practitioner's time that he cannot examine and much less treat the ones who really require his attention.

SICKNESS BENEFITS

Sickness benefits require certificates and each certificate each week means a visit to the general practitioner and another $1.50 cost to the state. Free health services and free medicine have bankrupted New Zealand medicine by throwing upon it a burden of useless work which costs the nation a large part of its income and which fails in its main purpose of healing the sick.

The specialist in New Zealand medicine is unduly penalized by this system, both because of the public hospitals being free for his services and because private hospitals are

so few and ill-equipped for modern work. It is true that he may charge his own fee for his services in his office or in private hospitals but fewer and fewer people can afford to pay him.

The public hospitals are not open to private patients—they are all for free patients. So he must either work for the state on a salary or depend upon work in a private nursing home or hospital.

There is great discontent among the specialists and those whose family roots are not too firmly planted are moving out to other countries. There is no inducement for young physicians to become specialists because they see that there is no future for them under the existing scheme.

It is sad to realize how ill-considered social change, with the best of intentions, has wrecked a sound system of medical care and substituted for it a frustration both to those that give and those that receive the services.

The hospitals are also free. If one goes to a public hospital, there are no fees to pay; if one goes to a private hospital or nursing home he pays the regular charges of that institution and receives in return a small daily allowance ($1.80) from the Government.

The effect of "free" public hospitals has caused an enormous increase in their utilization. In the public hospitals a patient may have to wait a few weeks to a few months for a bed, unless it is an emergency. The private hospital beds are few in number and are somewhat more easy to obtain because they are not entirely free and because the physician or surgeon must be paid for his attention.

In the latter case, the patient may claim 7/6 ($1.50) for every visit made to him by the attending physician from the central authority. New Zealand has 10 beds per 1,000 population, almost double what we have in Manitoba. "Free" hospitals mean greater occupancy and less easy access of a patient in need to a hospital bed.

Nursing services are equally hard to get. Special nurses are rarely seen. There is generally a scarcity of nurses just as we have here and there is a great effort on the part of the government to improve this situation by paying the student nurses a liberal stipend during training.

FEW IN NUMBER

Technical staff for X-ray work and laboratory services are also few in number. Personnel, as well as beds, are the bottle-neck of hospital services.

With "free" medical and hospital services, utilization has so increased that with present numbers of doctors, nurses, technicians, and hospital beds, there is great difficulty for those who are really sick to obtain the necessary attention either at home, in the doctor's office, or in the hospital.

In New Zealand, the government has sold something which it cannot deliver and by so doing has wrecked for several years to come a system of medical care which was second to none in the world.

Address by Alex Hillman at Commencement Exercises of Pacific University

EXTENSION OF REMARKS

OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Monday, June 13 (legislative day of Thursday, June 2), 1949

Mr. BRIDGES. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address delivered at the commencement exercises of Pacific University by Mr. Alex Hillman, outstanding publisher and authority on international relations.

I have been informed by the Government Printing Office that the manuscript will make approximately 2⅔ pages of RECORD, at a cost of $200.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. President, members of the faculty, graduating class of 1949, ladies and gentlemen, it is a great honor to be called upon to meet and speak with you today at the centennial celebration of our Pacific University, and the convocation of the graduating class. My gratitude is matched only by my humility. I am uncomfortably conscious of the high qualities which you have a right to expect from a speaker on this most important occasion.

Having been invited in early February to speak to you in late May, I promptly put the assignment aside and did nothing about it. Now this is something that you as students who have completed four university years, would know nothing whatsoever about. But there is an art which most of us cultivate in later years—the exacting art of putting off jobs until the last moment, then cramming grimly just before the dreaded deadline. This art reaches its greatest height in the spring, when climate and nature conspire to lay us low. I mention this because I realize it is something totally foreign to your own experiences and habits.

But I was brought up sharp by a telegram a few weeks ago from Dr. Giersbach. The programs for the convocation, he apprised me, were in the hands of the printer, and would I be good enough to wire a title for my address. So, looking neither right nor left, I decided that I would attempt to compart the world which I faced as a young man coming out of college in 1920, with the one which you young people face, coming out of college on the threshold of 1950. That explains how I arrived at the title of this talk today, "Two Worlds, 1920–50."

Only after committing myself to this ambitious theme did I realize how much I had bitten off. To do this thesis justice, one would have to rehearse a crowded half century of history and analyze revolutionary changes, physical and spiritual, affecting the very heart of man's destiny on this planet. Since I do not have the power to undertake anything so grandiose, and you do not have the time at this important moment in your lives, I must content myself with a rapid and cursory treatment of the subject.

What a different world my generation confronted after the First World War. America had emerged victorious and was entering the main stream of what we now call the Atlantic civilization. It was generally recognized that her military and economic prowess had made our country one of the great powers of the world. Proudly and confidently, we entered into a period of leadership of the Western World. England and America—the two great Anglo-Saxon civilizations—had proved their vitality. They were ready to lead mankind forward in economic, cultural, and spiritual endeavor, according to the best traditions of Anglo-American hegemony.

The military victory merely confirmed our deep inner conviction that we had the right to show the world the way. We had a robust self-confidence which the rest of the world, by and large, acknowledged as well-founded.

For democracy had vindicated itself. We had demonstrated that the loose, slow, lumbering, and sometimes inefficient democratic systems could defeat the bureaucratized German and Austrian autocracies, reducing their towering walls to rubble. What seemed most significant on both sides of the struggle—in the camp of the victors and of the defeated Central Powers alike—was the fact that the democratic governments had survived, while the autocracies had perished through military defeat and popular revolutions.

Russia fought on the side of the Allies in that First World War as an absolute autocracy, but it proved unable to mobilize its human and material resources. Having suffered crushing defeat by the Germans, it crumbled even before the war's end. The Romanoff dynasty and its medieval ruling class went down in a revolutionary storm, which, in turn, was tamed by the Bolsheviks. At the time, for all our misgivings, it seemed a development in the right direction.

Turkey, allied with the Central Powers, of course, shared their defeat. But a new reform regime was installed under Kemal Pasha. Though far from democratic by our standards, this new Government certainly seemed a long step in our direction for a people which had endured through the centuries a cruel, semioriental despotism.

All the evidence thus pointed to the triumph of democracy. One ideology seemed destined to prevail—that of a liberal government and free enterprise. Not only the Anglo-American powers but the continental nations seemed to be entering an era of relative peace, quiet, and constructive effort.

Of course, here and there we saw signs of international political tension. Italy, discontented with its spoils under the Versailles Treaty, seized Fiume from Yugoslavia. Poland grabbed a chunk of Ukrainian and White Russian soil from chaotic Russia. The Japanese made aggressive demands on China.

But these episodes seemed easily contained and caused no major world tremors. Even the early excesses of the Russian Revolution caused only momentary shivers. After the abortive Allied attempt to overthrow the Bolshevik rulers, the general feeling was that the revolutionists, once done with their birth pangs, would adjust themselve to the family of nations. The new rulers, it was taken for granted, would soon be wearing striped trousers and sitting at the table of normal diplomacy.

Nobody bothered too much with the fundamental Marxian ideology, or was too concerned with the Communist philosophy of class struggle and the eventual decay of all capitalist society. These were discounted as the mind play of intellectuals. The practical men of the Kremlin, it was assumed, eventually would take hold and in the long run they would be little different from the practical men in Downing Street or on Capitol Hill.

And indeed, as one follows the tortuous changes in Soviet Russian policy, one finds as many periods of Communist collaboration with western capitalism as periods in which they have openly fought our way of life. That, in fact, has been one of the problems faced by students of communism in action. When were the Communists being in earnest—when they insisted that all capitalism must be forthwith liquidated, or when, speaking from the other side of their mouths, they insisted that the two systems could live side by side?

In any case, the world scene in the twenties was fairly calm. As for the American scent, it was wholly serene. With the exception of a considerable price depression in 1921, the basic picture was good and promised to grow consistently better. On the economic side, we were constantly expanding, with standards of living for workers and standards of prosperity for employers constantly rising. We could honestly assure ourselves that the new economic era—as it was called at the time—had really dawned. Capitalism and democracy, those healthy and

inseparable twins, seemed to dominate the world scene.

We of my generation thus could face the future with complacent confidence that our world was a good world and self-evidently an enduring one; that we could fashion a good life for ourselves; that there was no insuperable challenge to us or to the world with which we were pleasantly in tune.

Yes, the era of the twenties offered immense promise. Our political and economic mores seemed to be meeting the essential requirements of a civilization in equilibrium. The American contribution to the techniques of production and distribution was the wonder of the world. Everybody seemed to be getting more out of life and work all the time.

And in matters political, the same thing held true. In a population that is basically satisfied, there are no cruel strains and stresses, no obvious complaints by minorities that they are being oppressed by the dominant majority. Examine the twenties and you will find very little literature of protest. Examine the programs of the major political parties, and you will find that no really fundamental issues agitated our people. The differences were only in degree, not in kind.

Here was an epoch without threatening tensions—and therefore, an epoch made to order for the processes of democracy. After all, democracy is not merely a political system. It is an expression of a certain spiritual climate, the political mechanism of a free culture. It can work most effectively when the strains and stresses within that culture are not irreconcilable. As a political system, it is geared to reason rather than to emotion, to mediation rather than to conflict.

All of these essential conditions existed in the twenties and we had every reason to believe that our democracy was not only working, but also gradually extending both in depth in our own country and in width all over the world. We believed in our civilization. In the perspective of time, it is amazing to look back on the confidence and inner tranquility with which the average intelligent American was fortified in viewing the world of the twenties.

Of course, here and there a prophet cried out in warning, but we were hardly in a mood to hear him. There were a few, a very few, who sensed that our failure to join the League of Nations boded ill. There were others who realized that all our financial schemes for exacting reparations from Germans were weakening the foundations on which the German Social Democrats hoped to build a sound democracy; they noted in alarm the deterioration of the young student body and professional groups in that country because of poverty and unemployment. But not many recognized that in such a climate, the new-born German democracy could not flourish. Only in retrospect was it realized how much trouble the world might have been spared if the democratic elements in the defeated countries had been aided and nurtured.

In general, there were too few people who could discern the seeds of a future cataclysm in the economic decline of Europe. Those who did see it caused hardly a ripple on the surface of prevailing smugness.

In our country, not many observers recognized the looming economic dangers. While technological progress of the big industries was providing the urban communities an ever higher level of living conditions, the gains were not properly filtering down to our farm population; unless this disbalance were cured, we would soon have a peasant class growing the raw materials for world consumption but increasingly unable to buy back the products of the cities. Increased production was not being fairly apportioned among labor, capital, and farmers.

In any free, spirited world, there are problems. That, of course, is the nature of life. What mattered, however, was that we lived in the basic conviction that all such problems could be solved once they were attacked with good will, patience, and fairness through democratic processes. What could be more natural, therefore, than the fact that young people, graduating from the colleges of America, should be armed with faith in their future? The world around them seemed stable and the prizes of the good life within every man's reach if only he adhered to the basic Christian virtues and social decencies.

I trust that in describing this period of the twenties, I do not sound too much like a nostalgic middle-aged man looking back on the landscape of his youth. But if this brief attempt to recapture the spirit of that period is not as objective as it might be, it is still true in its basic outlines. And it provides a startling contrast to the period you must deal with as we approach the fifties.

Suddenly, in 1929, from a cloud no bigger than a man's hand, so small that the most intelligent observers failed to see it and to prepare for it, came the storm of an unprecedented economic depression. It engulfed not only America, but the entire world. And it brought in its train consequences greater than anyone could foresee.

Almost half of our working population was unemployed. Bread lines appeared in the large American cities. Local relief machinery proved too meager to care for the victims of the sudden catastrophe. Financial markets, wheat markets, commodity markets, were swept by panic. The savings of a nation's lifetime were destroyed overnight.

The holocaust, of course, was not limited to our shores. It had begun, in fact, in other countries years earlier, and now it worked its havoc throughout the world. In a few short years, the values we had built in generations crumbled all around us and seemed marked for utter destruction.

And the disaster was not confined to the economic domain. Everywhere it raised the dread question whether free democracy, free economy, could work at all; whether we were doomed each 10 or 15 years to strike bottom in an economic cycle, making life unbearable and threatening to annihilate our concepts of freedom in every sphere. More terrifying than the physical suffering was this creeping bankruptcy of faith in our way of life, in our insights and traditions. The underlying pattern of our existence began to come apart.

It would be difficult to exaggerate the political, economic, and especially the moral effect of the thirties on our present-day world. Perhaps we are still too close to that phenomenon to evaluate it properly. But of this, we may be sure, the fevers of the thirties have left indelible marks on our psychology, and that there is as yet no convincing sign that these marks can or will be fully eradicated.

Because we started from a firmer base, with more fat on our bones, America actually has felt the impact less than Europe. On the other side of the Atlantic, the repercussions were truly cataclysmic. Two of the great centers of western civilization, Italy and Germany, saw the emergence of two wicked, maniacal figures, who became symbolic for their time. For, unfortunately, the philosophy of despair of Musselini and Hitler, expressed in violence and bravado, found disciples in all other countries.

But these were only the most obvious symptoms of a disease that went to the very marrow of our world. Mass unemployment and mass starvation caused the mass questioning of all accepted values. Old institutions which had commanded the allegiance of people for centuries began to collapse. A fear psychosis was generated probably without match in modern times. Fear has been the predominant note in men's minds and in their conduct ever since.

The era of the twenties captured popular imagination in the search for abundance economically and the good life spiritually. But the era of the thirties and the war-torn forties brought instead a search for security—no matter how low the level, no matter how high the price. Millions everywhere were prepared to bargain away any human and spiritual values in return for animal security. And there is little doubt that this dark and essentially defeatist mood will persist in the fifties.

In its simplest and most understandable form, we see the frantic drive for security in the policies of trade unions. Fearful of unemployment, they tend to insist on job monopolies in their particular fields—so much so that it has now, for instance, become more difficult to gain admission to a bricklayers' union than to get elected to Congress. Deep in the psychology of the craft union is the memory of the thirties, when 75 percent of its members were jobless.

Wage earners, however, are not the only ones under the powerful influence of the fear psychosis. Talk to the American financier, banker, industrialist, merchant. They will tell you that never again will they borrow so much or lend so much; never again will they hazard what they have in order to make more. The spirit of bold risk-taking, the adventuresome plunge into the unknown, do survive. But they are more restrained and circumspect. In American economy, youthful zest has tended to give way to middle-aged caution.

We must face up to the truth that the dominant economic and social characteristics of the forties are related to a search for safety rather than the former search for enlarged horizons. In America this shift in emphasis has weakened the pioneer ingredients in our social make-up. Security has taken precedence over adventure as the leitmotif of existence. We want so desperately to protect what we have that we hesitate to reach out for more.

Under these conditions, a society cannot expand and indeed, seems fated to contract. Government is growing ever bigger, and in that measure, individual initiative and independence are being constricted. The State, called upon unavoidably to protect submerged groups, is compelled to extend its dominion over all groups.

I do not criticize this turn of the wheel of history, this determination of underprivileged segments of our people to look to the government as the Great White Father. I am only trying to describe it. Happily in our country, we have not yet surrendered basic democratic processes to this obsession with security. Perhaps it will be our role and our great good fortune to demonstrate that we can employ the State to shield all submarginal groups without sacrificing our freedom in the process.

To do this, we shall have to muster more political ingenuity than most of the European nations have been able to muster. Even before the war, a substantial part of the old continent gave up its freedom to pay for a pledge of security—only to learn the hard way that they were paying for a great illusion. Their demagogues have succeeded in stealing the people's freedom without providing the economic safety they promised. They have succeeded in impoverishing the rich, but not in enriching the poor, or even in guaranteeing the absolute minimum of food, clothes, and shelter. Rarely in human history has a trade been made for so many traditional values in return for values not yet accrued and probably never to accrue. Never before, to paraphrase Mr. Churchill, has so much been sacrificed for so little.

Since the end of the war, that exchange of freedom for security has been stepped up.

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The fact is that a large part of the human family has already sacrificed the political and spiritual benefits of five centuries of the Protestant revolution which brought with it free press, freedom of thought, and free political institutions. The soul, the conscience, the dignity of the individual, have been surrendered to the keeping of omnipotent States, with economic security as the supposed quid pro quo. The sinister principle that the end justifies any means, has overtaken whole governments and whole peoples.

In its extreme form, this defeat of the human spirit is the totalitarian Communist state, in which the human being is reduced to a cipher, and in which an abstraction—society—becomes the only valid entity. That philosophy, armed to the teeth, has already conquered half of Europe, and is at this very moment, sweeping over Asia. It has its intellectual and political fifth columns in every other country, our own United States, not excepted.

The most alarming fact is that a great many otherwise intelligent people, raised in a tradition of individualism and freedom, people who logically should be the stoutest defenders of our system of life, forsake us for the chimeras of the totalitarian promise. They deny the mainsprings of our whole history and in effect, become internal enemies.

In our universities, in our professions, even in business and finance, there are those who would destroy the essence of our way of life and substitute some version of the totalitarian machine. What is the reason? Is it a hunger for power? Is it an impulse to escape the challenge of a difficult period?

Whatever the answer may be, we must concede that here and everywhere there is a dangerous decline in faith among people who should take the lead in bolstering that faith. In their defeatism, they concentrate on the injustices around them without realizing that more and worse injustices are implicit in the system they would impose upon us.

It seems to me that the fundamental problems of our time are economic and political only in a secondary sense—in the same way that the symptoms of a disease are secondary. The true essence of our trouble is spiritual. You young people who are about to take up the burdens of maturity, must deal with a serious, basic problem—the failure of our culture.

If the downhill trend is to be arrested, we must first of all restore belief in the world that we have created, in the set of values we have inherited. We must once again insist on freedom at any cost, on the dignity of man under any circumstances.

It is not true that the danger stems from economic conditions. Actually our world has done a monumental job on the material level. In America, we have attained for the overwhelming mass of people standards of living undreamed of in all human history. Even the least privileged segments of our population enjoy material advantages that are the envy of Communist nations.

No; the danger is to be found, I am convinced, in a deterioration of spiritual fiber. We have failed increasingly in our devotion to a culture which makes possible and places the highest value on free conscience, free speech and thought, free political institutions, and free economic techniques. These are the fundamentals; everything else is trimming. If we compromise them, we give up everything. If we consent to bargaining them away to the highest demagogic bidder, we shall be lost beyond recovery.

I am not underrating the importance of economics. But we have been so intent on making our material position more tenable—on enlarging our so-called security—that we seem increasingly willing to throw away the fruits of 500 years of progress in the human and spiritual domain—the victories of five centuries of struggle—for freedom.

There has never been a time when we had more need or pride in our culture. Instead of apologizing for our way of life, as has become so fashionable, we must learn to glorify it. Admitting its shortcomings—perfection, when all is said and done, is beyond mortal compass—we must cease to make light of its attainments and potentials. We must renew and fortify our allegiance to the basic design of a free society.

In the great duel for the mind of man now under way, the totalitarians have the offensive. They hawk their spurious wares in loud voices, with unlimited vigor. Perhaps this is not unnatural. They are on the aggressive with a world to win, whereas we, who have only a world to defend, are forced into the defensive positions.

It is precisely this advantage of initiative we should resolve to capture. Truth is on our side; experience is on our side. We are doing a better job for our people, no matter how it is measured, than any of the wretched, half-starved, police-ridden countries behind the iron curtain. Our populace is still free and vital.

Once we accept the challenge of these times in a consciousness of our right and our advantages, we can bring color and verve and adventure to the defense of our world, and that will turn it before long into an offensive against the economic destroyers—against the spiritual vandals.

Our world will triumph only if we believe in it deeply, to the exclusion of compromises and surrenders. Only then will we be in a position to mobilize the enthusiasm for the great struggle now under way in every country, and in every individual mind, between freedom and slavery—between the concept of man as an inert thing and the certainty of man as an inviolate creature of God.

We have only just emerged from a great war. I know that many of you graduates took part in that conflict. Once again, as in 1917–18, we proved that the loose, easy-going democracy based on individual dignity can win through. Our productive genius, our technological miracles, astounded the world. Not only did we provide the arsenal for democracy—we provided democratic armies as strong as anything the world has ever witnessed. Most significantly, the individual American has shown in action a courage, a tenacity, and a capacity for heroism and self-sacrifice without match in man's career on this earth.

We have in large measure been cheated out of the fruits of our victories on both the diplomatic and the spiritual sides. By reason of a series of political blunders, we now face a ruthless opponent who stands astride the Eurasian continent from the River Elbe to the brink of the Pacific, an opponent who even now is pushing his dominion over the teeming populations of China and the rest of Asia.

Distressing as this situation may be, we cannot afford tears and regrets, but must deal with the existing reality. We dare not become disheartened by the magnitude of its challenge. And we can again be victorious. We possess both the human and the material resources for this purpose, provided only that we can back them up with spiritual resources to match.

The struggle will not be resolved in a day or a year. It is likely to be the background for the major portion of your active lives, as you now step forward to reinforce us of the older generation and then take our places right down the line. But it will probably be resolved in your lifetime, and therefore it is very much your problem.

Its issue will not be determined only in the great arena of international affairs and the smaller arena of our national scene. The duel between two ways of life, two clashing philosophies of good and evil, will be settled in the smallest communities and in the final analysis in your immediate and intimate circle of activities. Its weapons will not be merely dollars and explosives. These will be worthless unless we are fortified with the weapons of deeply cherished ideals.

It is not exactly an optimistic picture I have drawn. The temptation on occasions like this is to pretty up the vista with a Pollyanna brush. But I am convinced that our youth can "take" the truth and take it straight. That is why I have chosen to draw the contrast between the world of 1920 and that of 1950 without too much retouching.

Unquestionably, you young people emerging today from the shelter of your college years, will find a world that is tougher, less resilient, on the whole more hazardous than the one I faced as a graduate three decades back. Your temptations to follow false gods and betray old ideals will be more numerous and stronger than those with which we wrestled.

But if I know anything of the temper of American boys and girls—especially out here in the pioneer West—you will accept the more difficult conditions as a test of the best that is in you. The very size of the problems will lift your spirits—will imbue you with the feeling of a good fight to be fought, fought cleanly, and won. It holds the guaranty that you will find in yourselves reserves of energy and wisdom and daring that otherwise might have remained dormant.

We who have been close to the events of the years when you were in your formative stage, cannot promise you an easy road. But we can promise you an inspiring road and endless opportunities to prove the real quality of the American mettle. Naturally we would be easier in our conscience if we could usher you into a period more peaceful and placid. But every period has its own compensations.

The American conception of the good life does not rest on any class or group or section. It does not even rest on the Nation or on society as a whole. It is geared first of all, to the individual—his opportunities, his freedom to make the most of these, and his spiritual health. Which is another way of saying, that it rests on you. You cannot play false to yourself without playing false to your neighbors, your time and, in the final upshot, to a world in which America is the last outpost of civilized democratic values.

That world needs the energy, the devotion and the faith with which you who are graduating today have been armed by your home, your religious mentors, your teachers. I have no doubt you will use them boldly and well.

Since I have a son of my own, I permit myself to speak for your elders, whether in this hall or elsewhere. They look upon you with pride and with confident hope. In their name, I welcome you to the ranks of active participants in the life of this period. Whether it will be a time of decline or a time of renewed upsurge will depend primarily on you.

We have learned the hard way, as you will learn in due time, that life is noble and thrilling, even when it is hardest; and sometimes, especially when it is hardest. Whether you reach the particular goal of your private dream, you will discover, is less important than the gallantry and zest you bring to the journey. The more you put into life—in terms of courage and high idealism—the more you get out of it.

Rarely in our history has there been more vital and exhilarating work to be done, never more need for the leadership you can provide.

God bless you!

Stassen's Star Rises

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by the astute political writer of the Washington Star:

STASSEN STRENGTHENS HAND AS PENNSYLVANIA CITIZEN

(By Gould Lincoln)

Pennsylvania in 1952 may have a first-flight candidate for the Republican presidential nomination—Harold E. Stassen, president of the University of Pennsylvania. Mr. Stassen, former Governor of Minnesota, has become a resident of the Keystone State and soon will qualify as a voter there. Much will depend on the attitude of the Republican leaders toward Mr. Stassen when it comes time for picking the State's big delegation to the Republican National Convention, now 3 years in the future.

Senator EDWARD MARTIN, of Pennsylvania in 1948 was Pennsylvania's favorite-son candidate for the GOP nomination. At a crucial moment Senator MARTIN withdrew his candidacy and urged the Pennsylvania delegates to vote for Governor Dewey, of New York. Working in alliance with former Senator Joe Grundy—who has been a great factor in Pennsylvania politics for more than a quarter century—Senator MARTIN, despite the opposition of Governor Duff and Joseph Pew, who had no use for Governor Dewey, was able to throw 41 of the State's 73 delegates to the New Yorker. It was this strategic move that clinched the Dewey nomination.

DUFF BID FOR SENATE SEEN

The Pennsylvania Republicans' particular job in the next year is to name their candidates for Governor and Senator. Governor Duff, under the State law, is ineligible for reelection. A Pennsylvania Governor cannot succeed himself. Governor Duff, according to reports, would like to make a bid for the Senate. It has been a kind of unwritten law that Pennsylvania should have Senators from both ends of the State, east and west. Senator MARTIN and Governor Duff both come from western Pennsylvania. It also remains to be seen whether the bitterness of last year's fight has been eleminated and whether Senator MARTIN and Mr. Grundy would go along with a Duff senatorial nomination. With Governor Duff in the Senate, however, Mr. Stassen might have a strong supporter, for the Governor last year would have been glad to take Mr. Stassen for a presidential nominee—or Senator VANDENBERG, of Michigan. It is always possible that Governor Duff, as Senator, may have presidential aspirations himself.

Jay Cooke, a strong Stassen man, is a candidate for the gubernatorial nomination. It is pretty well understood that Colonel Cooke wants the governorship, with its vast patronage, so that he may be able to influence the selection of a Pennsylvania delegation to the Republican National Convention favorable to the nomination of Mr. Stassen for President. Colonel Cooke has been prominent in Republican politics for years and in 1940 was the party's senatorial nominee against former Senator Guffey, and he made a good run, although he lost in that Roosevelt year.

President Stassen has been mentioned as a possible candidate for governor himself, and if he could be nominated and elected he would, of course, be in an ideal position to become Pennsylvania's candidate for a presidential nomination 2 years later. There seems, however, to be too much against such a program. Mr. Stassen knows practically nothing about Pennsylvania's problems and about the State government; nor could he acquire that information in the short time before next year's campaign. If he were a gubernatorial nominee, Colonel Cooke might try for the Senate. That is mere speculation. Mr. Stassen himself has made no move whatever looking to such a program.

STASSEN EAR TO GROUND

By all accounts, Mr. Stassen is making good as president of the university. This is not surprising, for Mr. Stassen has made good at every job he has tackled in his 43 years—as Governor of Minnesota (an office to which he was elected three times), as a captain in the Navy during the war, and as a United States delegate to the United Nations when the charter of that organization was drafted. In fact, he is doing himself no harm in Pennsylvania, but a great deal of good in his administration of the affairs of the university.

There is no doubt in the minds of persons who know Mr. Stassen that he has political aspirations, however; that he has his ear close to the ground; and if he could get the backing of Pennsylvania's big delegation to the 1952 national convention, he would be in a strategic position, particularly as he would undoubtedly have support from Minnesota and other Midwest States. His campaign for the presidential nomination last year made him many supporters throughout the country.

Memorial Day Address by Rev. John S. Streng

EXTENSION OF REMARKS
OF
HON. KENNETH S. WHERRY
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Wednesday, June 15 (legislative day of Thursday, June 2), 1949

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD a Memorial Day address delivered by Rev. John F. Streng, pastor of St. John's Lutheran Church, Beatrice, Nebr., before the American Legion post at Fairbury, Nebr., on May 30, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

My fellow Americans, it is with sincere humility that I publicly acknowledge my utter unworthiness to speak upon this occasion. Surrounded by a gallant group of present and ex-military service personnel, it would be presumption, bordering on sacrilege, were I to attempt to extol their career or detract from their noble deeds. They stormed the bloody beachheads in dozens of operations; they manned heroically the naval task forces defending the seven seas; they shuddered amid flak and fire as their planes screamed toward its target; they suffered the privations and human indignities of concentration camps and prisoner-of-war stockades; they saw their buddies fall at their side, and remember the horrible scene of red-hot human blood gushing from fatal wounds, staining a few inches of devastated no-man's land. They stood in silent requiem as they watched their comrades lowered into the bivouac of the dead.

Should we, who remained in the sheltered security of the homeland be given the honor to speak on this Memorial Day? God forbid, that we desecrate this moment with vain repetitions of pious platitudes. This is a hallowed hour in our Nation's glorious history. Let me, therefore, speak earnestly and seriously.

In the hush of this sacred moment let us forget personal aims and ambitions, and concentrate upon the tremendous sacrifice in human blood shed to preserve our way of life. Let us dedicate these moments to a solemn review of the three fundamental R's that will perpetuate a nobly conceived patriotic Americanism. I speak not of readin', 'riting, and 'rithmetic; this is no time for facetiousness.

I submit to you three R's which must of necessity burn themselves deeply into our hearts this day, namely, I. Retrospect, II. Repentance, III. Rededication.

I

Civilizations world without end have always dedicated memorial days and documents to God and man. From the altar of stone, erected by a grateful Hebrew Nation on the banks of the Jordan River, to the Tomb of the Unknown Soldier on the banks of the Potomac River, peoples have given expression of their gratitude to God and fellow men who saved them from impending doom. On this day, a grateful nation pauses again to thank Almighty God, and pay tribute to heroes proved in liberating strife, who more than self their country loved and mercy more than life. Lest we forget, it is our solemn duty to speak briefly in retrospect on the significance of this globe-encircling observance.

Thinking citizens may well carefully ponder historic proclamations made by national heroes and leaders, who, under God's guidance so nobly shaped our Nation's destiny since the days of the founding fathers. American fathers and mothers may well gather their loved ones in the family living room and solemnly discuss the fundamental principles of our country. This is the day when gold-star service flags should be reverently removed from above parlor portraits of deceased heroes, and hung again in front-room windows. And every passerby might at least remove his hat in respect and heartfelt gratitude. This is the day when criticizing rabble rousers, armchair patriots, conscientious objectors, and draft dodgers should visit a gold-star mother, burying her furrowed brow in tears, yet inwardly assured and proud that her son sacrificed his last ounce of blood and devotion that this country, under God, might not perish. Such painful experience might awaken a patriotism that is more than skin deep.

Carved into the gleaming white marble canopy of the Tomb of the Unknown Soldier is this simple tribute: "Here rests in honored glory an American soldier known but to God." This shrine is the national symbol for countless rows of white crosses carefully guarded in vast American cemeteries on foreign soil; a symbol for the unknown resting places for thousands bedded in the cradle of the deep; a symbol of those lost in action without benefit of identification. We join, in reverent spirit, the innumerable caravan of crowned champions that has marched from glory unto glory. This day, their massed chorus of victory, mingled with the cadence of agony and admonition, reaches us from the far corners of the world to impress upon us that eternal vigilance is the price of liberty. In grim reality their unconquered spirits hover over us, disturbing our conscience with the merciless question: "American countrymen, did we, or did we not die in vain?"

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II

Well, did they? What is the meaning of this day and its memorials? Where is the public which but 4 years ago shouted that they would never forget what these heroes have done? I say we have desperate need of repentance and self-examination. There are too many that say: "Why spoil this day's fun, frolic, and festivity, with a farfetched, uncalled-for admonition to repentance? What do I need to repent of? I am an American citizen. I stand on my rights." Here lies the dread cancer of our times: a complacent callousness, an unprecedented ignorance and willful disregard for America's fundamental right to greatness. As a Christian citizen, I submit that the only way in which America can retain her God-given greatness, is to return unconditionally to an appreciation of the eternal principles of God and the fundamental concept of our accepted democratic Government.

The Holy Bible, which our pioneers cherished, has become a forgotten book; the Constitution of the United States has become an unknown document. We have forgotten the blood-bought history of our Nation. Today America has a date with destiny. And speaking of dates how many citizens can recall what really happened in 1776, 1812, 1863, 1898, 1918, 1945. The public is saturated with obscene, pessimistic literature, while copies of the Declaration of Independence lie undisturbed on library shelves. People revel in moronic radio and movie propaganda, while genuinely disturbed statesmen speak to deaf ears. Patriotism has apparently been wrapped up and shelved; even the Stars and Stripes have gone into hiding in many a store and home. American youth croons every modern juke-jive from memory, but cannot sing even the first stanza of our national anthem. Civilians glibly prate about a Third World War that would wreck civilization. They cannot conceive an America burned to the ground and sold into slavery. The people are afraid to think for themselves.

Let us frankly admit that we have contributed nothing to our Nation's glorious past. It would, therefore, seem far better to cease our boasting and bragging. We ought to call a halt to hilarious centennial celebrations and give some serious thought to the design of world history during the next 5 years. That may be all the time we have left on this globe.

It is an insult to our deceased heroes to speak of world peace while we permit American security to disintegrate and greed invades every community of our free country. The Jeremiahs of lamentation are always ready to take over our Government. Is there no moral and spiritual fiber left among the common people to unite and shatter the monopolistic world-empire dreams of foreign and domestic Quislings, who never slumber or sleep? Every military cemetery and every lone grave on which flutters our American flag is an indictment upon us that we too are guilty of death if we fail the heroes who sleep beneath the hallowed sod.

The Bible states: "Unto whom much is given of him much will be required." So abundantly has God lavished His goodness and mercy upon America that we take everything for granted without even giving thanks. We do not want to be reminded that what we have inherited constantly presents its bill to us and calls for payment in full. What the citizen refuses to sacrifice in taxes, tolerance, and talents he must pay with precious blood of his children to preserve peace. Strength that does not serve God and man becomes stagnant. We either pay the price of making democracy available to all who desire it, or its springs will dry up here at home. We either export Christianity and Christian democracy to the uttermost ends of the world, or both will become a sounding brass and tinkling cymbal. No American can ride the "gravy train" without paying the fare.

We boast of life, liberty, and the pursuit of happiness, but we refuse to shoulder individual responsibility. Liberty is not license to do as we please; free speech does not mean malicious slander; a free press does not permit libel; and a free religion is no pass to Paradise. We must repent of our sins and selfishness and ask God to have mercy upon us. We need to apologize to yesterday's heroes and take stock of our brand of Americanism.

We need to pause this day in shame before our weather-beaten, unkempt, almost illegible, warped rolls of honor, tottering in a thousand city squares. There's something radically wrong with a patriotism that will not even pause in its mad rush to make another dollar, while some overseas hero's casket is lowered into its final resting place in the local cemetery. It is a scathing indictment upon any community to pay so little heed to committal services of our war dead. I submit that it is our solemn duty to close every business firm and toll every church bell during the hour when such services are held. And if someone objects that they might be losing money, then I say that these young men lost their lives. If they had not fought for us, we wouldn't have a business left to open.

III

No government can save the people. The people are the government. To that end we must rededicate our life to the service of our country. We cannot tolerate compromises or substitutions for liberty. We must restore and retain a United States, for in union there is strength. Let us denounce and destroy that vicious philosophy which segregates groups of citizens under a fictitious name, such as labor, capital, industry, religion, and then wantonly restricts their rights. That is the diabolic principle known as divide and conquer, so successfully used in devastated Europe. We can keep America's coat of arms unblemished only when we stand shoulder to shoulder. The average citizen is not, by nature, given to prejudice and hatred. Only when he is lulled to sleep by subtle propaganda, or roused to false hysteria, does he act like an animal.

Since God is Creator and Preserver of mankind, let us worship Him, and dedicate our life to a spiritual righteousness that exalteth a nation. Since church and state are separate powers under our Constitution, let them live peaceably side by side, each laboring constructively in their respective sphere of responsibility. Since American education is designed to develop good citizenship, let that be a required course of instruction in every public and private school of this land. Since the church is the bulwark of a Christian people, let us respect and restore her leadership in every community.

In my humble and honest opinion, we are faced with unconditional surrender either to God and country or chaos, either to Christianity or totalitarianism, either to democracy or dictatorship. We shall either be loyal American citizens or sell out as traitors! Will we have to make room at Arlington for another Unknown Soldier? Not the atomic bomb but the atoning power of God will decide America's future. Let there be no doubt about the eternal supremacy and sovereignty of Almighty God in shaping the destiny of any nation. We must learn to decipher the handwriting on the wall of the earth. It may be much later than we think.

On VE-day, 1945, Gen. Dwight Eisenhower, broadcasting from the suddenly silenced European theater of operations, said:

"As we celebrate victory in Europe let us remind ourselves that common problems of the immediate and distant future can best be solved in the same conceptions of cooperation and devotion of the cause of human freedom. Let us have no part in the profitless quarrels in which other men will inevitably engage. This we shall remember—and in doing so we shall be revering each honored grave, and be sending comfort to the loved ones of comrades who could not live to see this day."

On VJ-day, 1945, Gen. Douglas MacArthur told a waiting world from an American battleship anchored in Tokyo bay:

"We have had our last chance! If we do not now devise some great and more equitable system, Armageddon will be at our door. The problem basically is theological and involves a spiritual recrudescence and improvement of human character. It must be of the spirit if we are to save the flesh."

I submit, that when military leaders, hardened by war's grime and bloodshed, steeled obliviously against false sympathy and sentimentality, will unreservedly and unashamedly proclaim that divine mercy is the only remaining hope of civilization, civilians ought to stop and do some serious thinking.

We cannot deliberately insult God and invite His wrath upon us without realizing the consequences. For a warring world is headed toward global tyranny unless we recognize the hand of God and the citizen keeps watch. Do we ever stop to imagine what tyranny would really mean? It includes complete destruction of our form of government, annihilation of church and school, dissolution of community life, and disintegration of the home. In our continued daily free use of the American silver dollar we need soberly to ponder its inscription, "In God we trust." We face the choice of living under God or underground. Modern weapons defying both description and destruction prove that peace cannot be preserved by brute force. No government is wise enough to know tomorrow's answers. For decades to come we face more or less permanent duty on the world's ramparts of freedom.

"Let us then raise a standard to which the wise and honest can repair; the rest is in the hands of God," said an American statesman. On this day let us humbly yet confidently confess our American creed in public:

"I believe in the United States of America as a Government of the people, by the people, for the people; whose just powers are derived from the consent of the governed; a democracy in a republic; a sovereign Nation of many States; a perfect Union; one and inseparable; established upon those principles of freedom, equality, justice, and humanity, for which American patriots sacrificed their lives and fortunes. I, therefore, believe, that it is my duty to my country, to love it; to support its Constitution; to obey its laws; to respect its flag; and to defend it against all enemies."

This has been the motto of the American Legion, the Veterans of Foreign Wars, and kindred permanent protective peacetime military organizations. The citizens must uphold their high standards and undergird their ambitious program over against sinister influences parading under many assumed names. As we return from this service of honor to the tranquility of our homes let us remember that "greater love hath no man than that he lay down his life for his brethren."

Let us pause in spirit at yonder military cemeteries. Snow-white crosses cover the ground like morning dew. All is quiet on the western front for there sleeps the flower of American youth. The stars and stripes flutter leisurely in the crisp air. Not a sound except for the silent sentinel keeping vigil on sacred soil. Yet One other walks there among the crosses. He lifts His holy voice in benevolent benediction: "My peace I give unto you. Well done, good and faithful servants." So shall they rest in peace.

Address of Hon. Edward Martin, of Pennsylvania

EXTENSION OF REMARKS
OF

HON. JOHN C. KUNKEL

OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. KUNKEL. Mr. Speaker, under permission to extend my remarks, I include the fine address delivered by Senator EDWARD MARTIN, of Pennsylvania, at the commencement exercises of the Annville High School, on Wednesday, May 25, 1949.

Annville has one of the finest high schools in the country. As Senator MARTIN points out, Annville is made up of "hard-working, God-loving, and law-abiding Americans." Annville is also the seat of Lebanon Valley College, one of the outstanding smaller colleges in the United States.

I am sure the young men and women of the Annville High School, now entering on their careers, will be a force for progress and Americanism wherever their paths may lead them.

ADDRESS BY HON. EDWARD MARTIN, OF PENNSYLVANIA

It is a real pleasure to be with you tonight for I admire this fine community, made up of hard-working, law-abiding, and God-loving Americans. It is also a welcome opportunity to speak to a high-school class.

Disraeli once said that "the youth of a nation are the trustees of posterity." There has never been a time in the history of America when its progress depends as much upon the determination, the aggressiveness, the inspiration, and the courage of our young men and young women as it does right now.

Therefore, for a few moments tonight I want to discuss with you the importance of the work you will soon be called upon to undertake in your communities and in your government. For it will be only a short time until you young men and women will be in the drivers' seats. You will operate our farms, our mills, our plants, our mines. You will have the responsibility for our Government, our schools, and our churches.

In the beginning I would like to impress upon you the fact that in the United States the measure of success you achieve depends upon your own effort. You all want to succeed. First you must determine what you want to do. Your purpose must be right and just. Then give all of your energy to attain your desires and you will succeed.

It makes no difference whether you are a farmer, a professional man, a businessman, a laborer, or a housewife. Whatever calling you follow if you do the best job you know how and do something to improve the lot of your fellow man, you are a success.

Whatever may be your choice I hope everyone of you will decide that one of your real objectives in life will be to save for America all the God-given rights that our fathers fought to secure.

The Government of the United States was founded to give freedom of religion, freedom of speech, freedom of the press, the right of peaceable assembly, and freedom to work at the job of our choice.

The Declaration of Independence, the greatest human rights document of all times, pronounced:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness."

Please note it is the pursuit of happiness that is listed among the sacred rights of mankind. Nothing is guaranteed. No government on earth has ever succeeded in giving happiness.

Then we find this important sentence:

"That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed."

Our founding fathers, in these expressions, were thinking of individual liberty. They realized that governments were often tyrannical, and that they denied life, liberty, and the pursuit of happiness.

The first article of the Bill of Rights, which is the first amendment to the Constitution, provides:

"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

It does not set up regulations, or bureaus, or commissions to put these freedoms into effect. They were made part of the fundamental law to prevent an all powerful government from taking their liberties away from the people.

Our Constitution restricts the power of government. It is not only a great document setting forth human right, but also protects property rights. The right to possess property is one of the greatest human rights of all history. It creates incentive and the desire to advance to greater progress and prosperity.

When the founding fathers enumerated the objectives and purposes of our Republic they were guided by principles which would provide a sound foundation of national strength and security.

In language of biblical simplicity they listed the paramount determination of the people "to form a more perfect Union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity."

None of these objectives can be achieved by the mere spending of money by the Government, even though the spending is measured in billions.

None of these purposes can be reached under the dictatorship of a government that controls the lives of the people by restricting their liberties.

We cannot have a more perfect Union if we encourage sectionalism, grasping always for selfish advantage at the expense of the whole country.

We cannot establish justice unless we cleanse our hearts of intolerance, prejudice, and hatred.

We cannot have domestic tranquillity unless we are united in patriotic purpose—not divided into groups constantly at war with each other.

We cannot strengthen the national defense without building our spiritual resources as well as our material and military might.

We cannot promote the general welfare if we abandon self-reliance, hard work and thrift and expect the Government to do things for us that we should be better able to do for ourselves.

Therefore, I offer this word of warning and advice. Do not be attracted by gaudy promises and glowing pictures of a care-free future without effort or sacrifice.

If you do you will be disappointed and disillusioned. Your hope of success in life will be shattered.

Whether or not our Government is to be a healthy Republic depends upon the interest taken by its citizens.

Our churches, which are the bulwark of our freedom, will be strong or weak, depending upon the interest and the support of the people.

Everything in America depends upon a militant and intelligent people. Our institutions will be just as strong as the zeal of the people makes them.

Unfortunately, we have witnessed in the last two decades a change in the whole thinking of millions of our people. They have been misled into believing that hard work and thrift are outmoded virtues. They have been taught that Government is the source of everything that is needed to make life comfortable and secure.

No more dangerous theory has ever threatened our national existence, or the happiness of our people.

There is now a tendency among teachers, columnists, editors, some schools, and the Government itself to have everyone conform to a pattern.

This is not American. It is not in accordance with God's laws.

In all history every demagog who has sought to enlarge and perpetuate selfish power has posed as a friend and benefactor of the people—and has pretended, for selfish motives, to be the protector of every minority group.

They promise to give something to the people but with each so-called gift they take away from the individual some precious God-given liberty.

Too many of our people have accepted the idea that governments, local, State and national, have inexhaustible sources of revenue. They seem to think that money spent by the Government does not cost the individual citizen anything.

The result has been a mad scramble for new and higher taxes all over the country in order to provide funds for bigger Government spending. There is nothing mysterious about raising taxes. They come from the pockets of those who work. Taxes are taken from wages, salaries, and income and not from accumulated wealth.

I cannot emphasize too strongly the fact that you young people should be more deeply concerned than any other group about the cost of Government, taxes, and the national debt. Remember that out of your earnings you will have to pay the bulk of the taxes and the tremendous debt that you had no part in creating.

To my mind the rapid increase in the cost of Government, the mounting taxes and the staggering national debt reveal one of the most shocking stories in American history.

I don't want to burden you with too many figures but I would like to show how government in our country is becoming too costly and too much centralized.

In 15 years the number of Federal employees has increased from a little over 600,000 to more than 2,200,000. In the same period the number of bureaus and commissions have been increased from 400 to over 1800.

In 1930 the cost of operating the Federal Government was less than $4,000,000,000. Today it is more than $42,000,000,000 a year.

In 1940, only 9 years ago, tax collections for all levels of government were $14,000,000. In 1948, last year, that figure had skyrocketed to above $55,000,000,000.

Spending by the Federal Government alone is now greater than all the money spent for food by all the people of all the 48 States.

Let us now consider the debt—and this is one of the most distressing things now confronting America as far as young people are concerned. So many people want to postpone the day of paying debts. We must realize that our debts must be paid if we are to remain free. Our colonial fathers faced facts without fear. We must have the same courage.

In 1930 the Federal debt was $16,000,000,000. In 1940 it had climbed to nearly $43,000,000,000. Today we owe approximately $252,-

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000,000,000—the greatest debt of all history. Each of us owes $1800.

In other words, the Federal Government owes $15 for every $1 it owed 19 years ago.

Let us look at the debt from another angle.

In 1930 the total debt of all levels of Government, plus the private debt, was 44 percent of the national wealth at that time.

Today the same public and private debt has shot up to almost 71 percent of the present national wealth.

Obviously, at the rate we are going it will not be long before the debt of our country will be greater than our national wealth. Then we are bankrupt. Our freedoms are gone.

Yet in spite of these cold, stark, ugly facts, new spending proposals have been recommended that would add many billions to the present tax burden if put into full operation.

What does all this mean?

It means, first of all, that unless we stop this spending we will soon find ourselves at the end of the road we have been traveling—the road to bankruptcy.

All the elements of American greatness will be destroyed. A socialistic pattern of government dictatorship will seize control. The freedom of the individual will be lost. The free enterprise system will be wiped out.

The youth of America will be robbed of a chance to get ahead. The American way of life will be lost.

This threat of disaster is not something that may worry us in the distant future. It hangs over our heads at this very moment. It has been brought about by excessive governmental expenses.

As an example, 15,000,000 Americans now receive checks from the Federal Government. This amounts to billions. It is paid by the people of our country. In addition, another 4,000,000 receive checks from the local and State governments.

Not only is the cost dangerous, but grants from the higher levels of government to the lower levels of government carry with them controls which are destroying the local levels of government. For example, here in Annville, your schools should teach the things your own fine people prescribe. They should be controlled here at home, not from Harrisburg or Washington. That is home rule. It is freedom to govern ourselves.

The picture I have been painting is not pleasant. Perhaps it should not be brought up at commencement time, but I have so much faith in the young people of our country that I am willing to commit our cause to them. It is your Government, and upon your action will depend our future.

The founding fathers, in order to have liberty, pledged their lives, their fortunes, and their sacred honor. I believe the present generation has the same courage.

I believe that you will agree with Benjamin Franklin when he said:

"Those who would give up essential liberty to purchase a little temporary safety deserve neither liberty nor safety."

And with Daniel Webster when he said:

"God grants liberty only to those that love it and are always ready to guard and defend it."

Victory is challenging, electrifying, and dynamic when it represents something that is right. It may be in business, in athletics, in politics, or on the battlefield. It is the result of faith, preparation, and hard work.

It is like Grant's firm conviction when he said: "We will fight it out on this line if it takes all summer."

Or Dewey's confident words, "You may fire when ready, Gridley."

Or Washington's humble prayer at Valley Forge.

America was not made through conformity to a pattern. America was made by rugged individuals who wanted to carve out their own destiny. That individualism gave us our teachers, farmers, statesmen, craftsmen, soldiers, and preachers. It gave us victory in the struggle for freedom.

Again I am very much complimented by this invitation to speak to this class and your community.

In the long lifetime that God's goodness has granted me I have seen prosperous times in America and I have seen times of economic decline and hardship.

Twice in a little more than a generation I have seen the Republic mobilize the flower of our youth and all its material resources in defense of American freedom and the preservation of our homes and our free institutions.

Out of the lessons learned in my varied experience as a soldier in three wars, as a public official, as a lawyer, and a businessman I would like to suggest to each of you, briefly and humbly, some principles for your guidance.

Cherish within your heart and mind loyal and devout adherence to American ideals and principles. These ideals and principles should be your constant goal.

2. Respect and support your church. A republic cannot live without the church, and a dictatorship cannot live if a strong and militant church exists. There should be tolerance in religion, but everyone should strongly support his church.

3. We should all support and respect the law. If everyone would obey our laws, what a wonderful country we would have. If we would all obey the Ten Commandments and the Golden Rule, our country would be ideal.

4. In order to become better citizens and to make better communities you should assist in public-spirited movements. This will develop care and relief for the unfortunate and handicapped.

5. Let us all take an active interest in the government of our local communities, our counties, our State, and the Nation. A free republic cannot exist where there is indifference and neglect by the electorate. The French writer, Bertrand de Jouvenel, was so correct when he said:

"A society of sheep must in time beget a government of wolves."

6. Let us keep uppermost in our minds that America has no more precious assets than freedom and opportuuity. So long as these blessings are preserved and maintained the youth of our land will go forward to new heights of achievement for America and the world.

7. Let us all practice the fundamentals of good citizenship—work, thrift, self-reliance, fair play, tolerance, respect for the rights of others, and the love of God.

Upon this framework, upon the firm foundation of eternal truth set forth in the Holy Bible and the ideals enunciated in our Declaration of Independence and the Constitution of the United States, every American can help build a better life, a better community, and a better country.

If we live in righteousness and walk humbly in the fear of the Lord, we can then make a better world, where peace will rest eternally.

Rural Housing

EXTENSION OF REMARKS

OF

HON. ROBERT E. JONES, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. JONES of Alabama. Mr. Speaker, early in the session I introduced H. R. 1376, a rural housing bill, which has been adopted as title 4 of H. R. 4009 and cited as the Housing Act of 1949. Senator SPARKMAN, of Alabama, is the coauthor of the same rural housing bill, which has been passed by the Senate as title 4 of S. 1070. I have long been aware of the urgent need, and the necessity for the Federal Government to afford to farm people the same opportunities under the law in acquiring housing that has been, and is available to urban areas. The provisions of title 4 of the rural housing bill are the products of long study and evaluation of all the economic opportunities such a program would present.

For decades there has been a growing realization of the importance of adequate housing to the health and to the social and material well-being of people and a recognition that the public interest requires special ways and means of enabling large population groups to gain access to better living quarters. For the most part, however, inadequate housing has been associated in the public mind with cities. Little thought has been given to the rural situation. Yet the fact is that rural-farm dwellings in general are inferior to those of urban families, and the homes of hired farm workers are even less adequate than those of farm operators.

In view of the fact that housing improvements are more urgently needed on the farms than in the cities and that the picture is much worse in the South than anywhere else, the South has a tremendous stake in the farm housing provisions of the pending housing bill, H. R. 4009.

What are our southern farm homes like? What do they offer in the way of safe, healthful, and convenient living conditions?

One-fourth of them are in need of major repairs, according to special census studies made in 1947. Because of rotting floors, sagging roofs, weak walls, or poor foundations, they are considered hazards to health and safety. Many of the houses have such leaky roofs that it is impossible for the family to place the beds where rain will not fall on them. Proper heating is almost impossible in winter.

Eighty-one percent of the farm homes in the South still do not have running water. The tremendous burden of lifting and carrying water is part of the daily chores on the typical farm—and a contributing factor to many chronic physical conditions. Only one farm home in five has a kitchen sink with drain, although this is the one convenience most universally desired by homemakers.

While 70 percent of the southern city dwellers now have private bath and flush toilet, only 10 percent of the neighbors in rural areas live in houses so equipped.

We hear a great deal about overcrowding and doubling up in the cities and towns. Actually, conditions are worse on farms. The 1947 survey showed 15 percent of southern farm dwellings overcrowded, compared with 9 percent of the city homes.

One of the most encouraging trends of the last few years has been the rapid spread of rural electrification. Yet only 44.5 percent of the rural homes in the

South had electric lights in 1947, as compared with 60 percent of the farmers in the United States as a whole.

Summarizing the contrast between urban and rural housing, 69 percent of the city homes in the South have all the usual modern facilities—lights, running water, bath and flush toilet—while only 9.8 percent of the farm houses are as well provided.

Many reasons can be given for the unsatisfactory conditions in rural areas, but most poor housing can be related directly or indirectly to lack of income. When money is limited, the necessities of food, clothes, and emergency medical care leave little cash for even the most urgent needs of the house. A large proportion of our farmers never have the financial resources to build new homes or modernize their old ones and install the conveniences that will lighten their work, safeguard their health, and make farm life more attractive to their children.

Census figures show clearly that the farmer of moderate income seldom can afford the home improvements we usually consider essential to American living standards. Of the one and a half million farmers in the Nation whose products were worth from $1,000 to $2,500 in 1945, only 21 percent had running water and only about 30 percent had a kitchen sink with drain. But of the 378,000 farmers whose 1945 output was valued at $6,000 to $10,000, more than half had installed running water systems in their homes, and 70 percent had sinks with drain.

The housing bill, H. R. 4009, provides a practical method by which thousands of our lower-income farmers may undertake the improvements long overdue. Long-term direct Government loans at moderate interest rates would be available for farm owners who do not have the financial ability to provide decent houses for their own families or for their tenants and sharecroppers and are not able to get credit for this purpose from usual credit sources on reasonable terms and over long enough payment periods. The loans would also cover other essential farm buildings—a very wise provision because with adequate barns and poultry sheds and dairy buildings the farm earnings can be increased.

The bill also recognizes that there are many farmers with both a housing problem and a farming problem. They have not been able to get their land into the full production of which it is capable. Hence their earnings are low. Many southern farmers unfortunately are in this position. The program would assist them to put into effect plans for farm improvement or enlargement or better practices so that their incomes could be increased year by year. During this period of developing a more profitable business if the farmer could not meet his housing-loan payments in full while caring for his family's needs, he would receive partial credits for the amounts he could not pay. The farm-development period would be limited to 10 years and the credit he would receive could not exceed the year's interest payment and half of the annual principal installment due each year through the tenth year. This would benefit a considerable group of farmers on potentially adequate farms who could become much more successful if given help with their special requirements. Some need to enlarge their productive acreage, or clear and level more land. Others need to convert to another type of agriculture in order to make full use of their land and labor. In some cases better irrigation or drainage will open the way to better production. We have already recognized many times the benefits that would accrue to the Nation from such agricultural improvements, and have created farm programs to help make them possible. Aiding the family farmer to improve his work through a loan program tied in with rural housing is simply a new application of principles which we have already adopted.

The bill would also provide a small amount for grants or combinations of loans and grants to remedy some of the basic health hazards existing on poor farms which hold no possibilities of becoming productive units. It is not intended that permanent homes will be developed on these submarginal tracts, thus tying families to their unfavorable situation indefinitely. Grants would be made only to aid these low-income families to make temporary improvements essential to decent, healthful living—to obtain clean-water supplies, repair leaking roofs and sagging porches, screen windows and doors against disease-bearing flies and insects—or, in other words, to correct conditions which we often overlook in our rural areas at the same time we hear heated discussion and condemnation of unhealthful city slums.

Another section of the bill would authorize research in better design and construction of farm homes and buildings and reducing costs. This subject has not received the attention it deserves. Too often the farmhouse is copied from the city house, with little thought to the particular needs of rural life. All farmers, whether or not they need financial assistance, would receive the benefits of this research. In addition, building plans and specifications and technical advice on farm houses and buildings would be available to all farmers who request them.

I call particular attention to the farm housing provisions of this bill because I believe it is not generally realized how important this matter is. I have heard the bill described as a city bill, one that would benefit only the urban areas of our country. It is true that the urban redevelopment and public housing features of the bill are of primary importance to nonfarm areas. But the farm housing title—title IV—covers the urgent need for better housing on the farm. It is an integral part of the measure. It makes the Housing Act of 1949 an act which will serve the welfare of all Americans, no matter where they may live, and it is therefore doubly important that we address ourselves to giving strength and happiness to the most valuable and sound political segment of our Nation, and the time for positive action is now.

Alaska Statehood

EXTENSION OF REMARKS
OF
HON. E. L. BARTLETT
DELEGATE FROM ALASKA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. BARTLETT. Mr. Speaker, under leave to extend my remarks, I include the following editorial from the University Daily Kansan of March 19, 1949, written by Leonard Snyder:

STATEHOOD FOR ALASKA

Statehood for Alaska was approved this month by the Territories Subcommittee of the House Public Lands Committee. The disclosure of the North Atlantic security pact has given new emphasis to the question of statehood for Alaska since it is a strategic necessity to American defense. It is time for statehood action now.

Recently the Territory's biggest boom has been in military construction. Uncle Sam has been pouring millions of dollars into the land which is only 52 miles across the Bering Straits from Russia.

Statehood is indispensable for the progress and development of the land. A populated, thriving, strong Alaska is a necessary northern and western rampart. Ernest Gruening, the Territorial Governor, said "that objective has not been, cannot be, and will not be achieved under Territoriality."

With an area twice the size of Texas, Alaska has abundant resources and a climate and physical condition which compares with the Fenno-Scandic countries. Yet there are only 90,000 Alaskans as compared to 13,000,000 persons in Fenno-Scandinavia.

Governor Gruening has well stated that the failure in Alaska arises from the lack of continuity among the remote rulers of her destinies and the circumstances inevitably surrounding far-away control. He added that Alaska suffers from and is throttled by every variety of absenteeism: Absentee industry control, absentee labor control, absentee Government control. Less than 2 percent of the land is home-owned. Is there any wonder why this rich country needs roads, health centers, people, lower living costs, and even a Territorial police force?

The population will not grow by mass migration, but only through development of commercial, industrial, and agricultural wealth. Her potential assets are vast. She has some 80,000,000,000 feet of virgin forests, abundant waterpower, cheap transportation by inland waterways, and great untapped oil and coal reserves are known to exist. Commercial quantities of other important minerals are also present.

Alaska has been the scene of spectacular economic exploitation, especially in fur, fish, and gold. But despite all this, the country remains our last great frontier with no evidence of compact, intensive growth. Yet only 870 miles of Canadian land lies between Alaska and the United States.

The handful of laws that Congress has enacted since 1867 are totally inadequate to develop this rich country. Since she became a Territory—a period of colonialism longer than that of all but five of our States—Alaska has been a victim of gross discriminations.

Congress has turned a deaf ear to the Territory's voteless Delegates for more than a quarter of a century. Only as a State with the rights, privileges, and power thereof, can Alaska really develop. Alaska needs to be a part of the United States, and the United States needs Alaska—now.

LEONARD SNYDER.

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Old Folks in Big Increase

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein an article by Herbert A. Kenny, entitled "Old Folks in Big Increase," which appeared in the Boston Sunday Post, Boston, Mass., June 12, 1949:

OLD FOLKS IN BIG INCREASE—OVER 11,000,000 NOW OF 65 OR MORE AND MANY OF THEM ARE SADLY NEGLECTED

(By Herbert A. Kenny)

The United States is becoming a nation of old people—and most of them are being neglected, or, at least, denied adequate care or a suitable place in our industrial society.

There are now more than 11,000,000 persons 65 years of age or over in the country and the number is increasing at a rate five times that of the general population growth.

The problem of providing adequate care for this ever-increasing segment of our population, particularly those in it who are public dependents, is one of the gravest social problems of our times, according to John J. Griffin, supervisor of old-age assistance for the city of Somerville, a nationally recognized authority on the problems of old-age assistance, and a consultant for the National Conference of Catholic Charities.

PROBLEM OF AGE

What makes the problem worse is the public apathy toward it; public ignorance of it, Mr. Griffin says. While the general public is pretty much aware of such social problems as alcoholism, juvenile delinquency, and the inadequacies of our educational system, few are aware of the intense problem of the aged and its tragic implications.

In 1900 there were 3,000,000 persons in the United States 65 years or over. In 1930 the number had doubled. Ter years later there was another increase of 3,000,000. The increase of 35 percent in the number of persons over 65 years of age occurred while the population was increasing only 7 percent.

Our social economy, Mr. Griffin points out, is badly in need of orientation. Men who are able and willing to work should not be shunted into oblivion at 65 and made economically useless. Their experience should be put to good use. If they must retire, they should not be allowed to rust away or simply vegetate in a vacuum. They should have recreation geared to their health conditions; work that they can encompass.

"In a simpler economy," Mr. Griffin declared recently in a lecture before a college class, "when the home and the farm were the traditional centers of trade, work, and social life, the elders succeeded in maintaining an acknowledged usefulness. Their authority was respected and their accumulated knowledge and wisdom were cherished. But the ascendancy of property values over intrinsic human worth, the high-pressuring processes of the impersonal factory system, the introduction of machinery into agriculture, the vanishing of domestic services, the frenzied pace and ruthless selfishness of city life, the worship of athletics, and the cult of Hollywood placing a premium on youthful activity and charm, all have combined to lessen the place, the prestige, and the participation of both the senescent and the actually aged."

FOUR MILLION HELPLESS

Of the 11,000,000 persons over 65 in this country, approximately 43 percent only are considered nondependent by virtue of possessing invested funds or income derived from employment. While approximately 1,800,000, or less than 20 percent, receive pensions of some sort, 4,000,000, or a little less than 40 percent, are regarded as dependent upon some kind of assistance.

Of the pension group, more than 1,200,000 are receiving old-age and survivors insurance, with primary benefits averaging less than $25 monthly. Of those receiving assistance, about 2,800,000 receive old-age assistance, with an average monthly grant of somewhat more than $36. The Social Security Board has estimated that 1,600,000 aged persons are dependent on relatives, friends, and churches.

Of the 11,000,000 persons over 65, only 2 percent, roughly, about 210,000, are now receiving institutional care. Of these 140,000 are in Government-controlled homes, and 70,000 in private institutions. The homes, of course, are not designed to take care of many persons. For example, there are 235 homes maintained by Catholic charities throughout the country with 25,000 residents, an average of less than 100 persons per home.

With few exceptions all the homes for the aged are overcrowded, understaffed, and in poor condition. All have waiting lists.

Curiously, Mr. Griffin pointed out in an interview, our society has made tremendous medical advances. The life expectancy of Americans increases every year. The life expectancy of the average American has increased 16 years since the turn of the century.

ARE LIVING LONGER

"While medical science is boosting the life expectancy above 65," Mr. Griffin points out, "the Government and business are insisting that persons retire at that age." When a person reaches the age of 65, he, today, has a life expectancy of 13 years more. Further, there is good reason to believe that many persons in the homes for the aged will outlive their expectancy as calculated by actuarial tables.

The problems of the aged are intensified when it comes to the problems of the aged who are sick and invalided. The science of the medical care of the aged is a developing one. It is called geriatrics. Geriatrics is defined as that branch of medicine which deals with the care of the aged. Mr. Griffin recently published Classified Bibliography on Geriatrics and the Care of the Aged, a source book of more than 1,200 references which now enjoys an international reputation. It is the first such in the field and indicates just how virgin this field is.

Geriatrics lacks the glamor of many of the other fields of medicine. Younger patients are aided in their fight against disease or injury by a great will to live, a desire to get back into action. This is usually lacking in older people; they haven't the spirit, the enthusiasm of youth. There is a great deal of satisfaction for a physician to restore a child to sound health and see him go forth to conquer the world. But a physician working his heart out to save the life of a woman 87 from one ailment or another, Mr. Griffin points out, faces the realization that she is going to die in 1, 2, or 3 years anyway of something else.

Above all else, Mr. Griffin says, old folks must have recognition, affection, and personal attention. Those are the essential human cravings, Mr. Griffin declares, and are even more exaggerated in elderly persons; particularly in our present-day society which is shunting old people to one side.

NEED TO BE BUSY

They should be given work to do, encouraged in hobbies, brought into family activities, given financial independence. Mr. Griffin pointed out that there is a great reservoir of talent, ability, and manpower among the aged in this country. During the war, it was used in great part. Now younger persons are being given the work. He cited the case of Grandma Moses, recently honored by the Women's Press Club, who took up oil painting at 76 and won an international reputation.

"In the Post the other morning," he said, "was a more homely instance; an arthritic man who took up violin playing at the age of 80 and now entertains his family and friends and plays for group dances."

"Such recreation must be provided for the old people," Mr. Griffin continued. "There is a desperate need in our society for lay groups and organizations such as the Grey Ladies of the Red Cross, who will devote their time solely to visiting the aged and infirm, providing companionship and recreation for them.

"There is a particular need for visiting housekeeper services on a grand scale to relieve the infirm aged who naturally desire to live in their own homes.

"The old neighborly spirit is rare in this day of urban industrialism and the widespread employment of women," he pointed out.

"Unfortunately," he said, "a large number of children in these days manifest no solicitude for their aged parents. While children may not be able to assist financially, they should at least visit or write their parents and show interest in them.

"Most of all are needed thousands of volunteers to help our aged, to visit them in institutions, write them, read to them, take them for motor rides, be consistently good to them."

CAN HELP SELVES

Psychiatrists have pointed out, Mr. Griffin declared, that the aged tend to break down mentally when they become aware that they are without a future. Their faculties deteriorate quickly and they become a greater care than before. Aided in time, they cannot only take care of themselves but can contribute greatly to the country and its culture. Neglected and they become a greater burden.

"Their care is one of the greatest social problems in the United States," Mr. Griffin said, "and it is everyone's responsibility."

Bulwark of Free Men

EXTENSION OF REMARKS
OF
HON. E. H. HEDRICK
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. HEDRICK. Mr. Speaker, under unanimous consent, I include in the Appendix of the RECORD an article written by Mr. John M. Hamric, of Charleston, W. Va., entitled "Bulwark of Free Men":

BULWARK OF FREE MEN

The best guaranty of a world of free men today is the House of Representatives of the United States. Not the President, the Senate, nor the Supreme Court, important as these are in popular government. The present House, composed of 435 men and women elected as provided in the Constitution for terms of 2 years, insure a constant barometer of the moods, tempers, desires, and needs of the American people. The framers of our Government were aware of the dangers of

static rule; therefore, the House of Representatives was created as the vehicle by which the people might meet the inevitable changes of the times. It is the greatest legislative body in the world. Through it, the people of this Nation air their pleasures and displeasures, but compose their differences in laws and provisions tending to promote the general welfare. In so doing they give evidence to the world that men may govern themselves and remain forever free. Members of this body are just what their titles imply, representative. Each of them represent the voters who elect them. They are the best cross-section gage available of the mass moods, manners, and actions of the American people. In expression they sometimes appear unwieldy, sometimes willful, sometimes supremely compassionate, sometimes portentious, but always interpretative of the will of the people—powerful, creative, protective. So long as there is a House of Representatives of the United States of America the hopes of free men need not die. Membership in this body of public servants is an honor and opportunity for highest service to mankind. Election to the Speakership of the House is to attain the highest in positions of Government. Because of its inceptive and creative work, the House is not so readily thought of as the Presidency of the Senate; however, only a moment's reflection is needed to call to mind that it is the most important branch of our Government and closer to the homes and firesides than all the balance of Government combined.

Arizona's Water Bid Unsound Business

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. McDONOUGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Mirror for May 14, 1949:

ARIZONA'S WATER BID UNSOUND BUSINESS

Arizona is wrong by a country mile in seeking Colorado River water for the central Arizona irrigation project.

Arizona is so aware of the weakness of her claims that the State opposes submission of the case to the Supreme Court.

Arizona wants Congress to pass on the controversy. They know that vote-trading deals impossible in the Supreme Court are possible in Congress.

There is scant merit in the Arizona case, no matter whether you judge it on a basis of comparative benefits to the most United States citizens, or as an isolated project.

The central Arizona project is economically insane.

At most, it would benefit 260,000 acres of land, a 400-square-mile area that wouldn't make a patch on the seat of southern California's pants.

The project would cost $400,000,000 for irrigation, of roughly $750,000,000 total dam cost. That figures to $1,750 an acre. Past reclamation experience shows that $300 an acre for irrigation is the outside limit of reasonable cost.

But Arizona wants to make the hydroelectric power unit at the proposed dam absorb the whole $400,000,000 irrigation cost, although it would take two-thirds of the power generated there to lift the project's water to project levels.

Additionally, the central Arizona project is not truly a reclamation project to bring new land into production with irrigation. It would simply bring water at incredible expense to land already put in cultivation by land speculators who overestimated their water resources.

It sets up the wholly indefensible principle that any speculator tripped by his own bad judgment can expect the United States Government to bail him out with a $1,750 per acre subsidy. A prospector could just as logically expect Uncle Sam to fill his glory hole with gold if his mine didn't pan out.

Not more than 150,000 people would derive any benefit from the central Arizona project. From a dollars-and-cents standpoint, the plan is idiotic.

It is simply a bald-faced, $400,000,000 attempt to make the United States taxpayer pay to benefit a handful of Arizona landowners at the expense of 5,000,000 other citizens of the Southwest who have a prior and better claim to the water involved.

Hysteria Should Not Grip Country in Search for Communists

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an article by John Griffin, which appeared in the Boston Sunday Post, Boston, Mass., June 12, 1949:

HYSTERIA SHOULD NOT GRIP COUNTRY IN SEARCH FOR COMMUNISTS—ABSURD TO CALL B. U. PRESIDENT A FELLOW TRAVELER—ONLY CREATES CONFUSION, PLAYS INTO REDS' HANDS

(By John Griffin)

The extent to which communism has become a factor in American life, either through actual operation of Communist work or through the threat it offers, can be appreciated nowadays by even a quick glance at the headlines.

It has reached the point where about half the front page headlines in the newspapers are concerned with Communist activities of one sort or another. Last Friday, as a typical example, the front page of the New York Times carried 11 stories. Of that number, four were about Communist activities and two were about Russia and the Paris Conference. The previous day 9 out of the 13 front page stories dealt with communism.

The same ratio seems to prevail in most of the big newspapers, for they are only reporting the news, and the news is about communism in one way or another. There is the trial of the Communists in New York, the Hiss trial, the congressional committee hearings on the Atomic Energy Commission, the naming of prominent educators and movie people as fellow travelers, and any number of other stories.

JUST PLAIN HYSTERIA

There doesn't seem to be any sense to much of the publicity, as unjustified accusations are flying around. The result of the disclosure of names in the espionage trial of Judith Coplon is to place a stigma on prominent people without any evidence to justify the charges.

The absurdity was most marked in the case of President Daniel L. Marsh, of Boston University, whose name was among the FBI records as possibly a fellow traveler. As far as anyone can judge, his name was sent in to the FBI and recorded without investigation.

If the FBI accepts and makes a record of every name that is given by anyone, then nobody in the United States is protected against abuse. What is there to prevent a person sending the name of someone he doesn't like into the FBI as a possible Communist?

If the information is accepted and a record is made, it might come out at some subsequent trial, and no matter what sort of denials are made, it will be almost impossible to clear the name.

This is just plain hysteria and can hardly be justified. Maybe some Hollywood personages are Communists or fellow travelers; some have definitely been revealed as such. But there is no evidence to show that others who were on the lists revealed in the Coplon trial are in any way connected with communism.

The practice can do a great deal of harm; in fact, it would seem to be playing right down the alley of the Communists. They deal in confusion, and the more confusion and hysteria there is, the better they like it.

DIFFICULT JUDICIAL DECISION

In the Coplon case there was no effort by any Government official to bring out the names, but the defense demanded the records be produced. Although there was a possibility that it would force the Government to reveal secrets involving national security, the judge balanced the requirements of American justice against those of national security and ruled in favor of justice.

It was a difficult decision, and a right one, but it resulted in the disclosure of names of people who have had no chance to fight back and clear themselves. This must be the substantial justice that the legal philosophers talk about, in which individuals may be hurt but society, as a whole, is served.

Maybe the same reasoning can apply to all the various investigations undertaken by congressional committees. A great many individuals have been besmirched and have not had a chance to clear their names, but a lot of valuable information for the fight against communism has been brought out.

This was emphatically shown during the past week when a group of famous educators urged barring Communists from the teaching profession. The group included General Eisenhower, President Conant of Harvard, and others of high standing in the educational field.

"The whole spirit of free American education will be subverted unless teachers are free to think for themselves," the group said. "It is because members of the Communst party are required to surrender this right, as a consequence of becoming part of a movement characterized by conspiracy and calculated deceit, that they should be excluded from employment as teachers."

NEED MORE ORDERLY WAY

It wasn't so many months ago that a lot of important educators were refusing to make any such statements and insisted that complete freedom be given to all teachers to do as they pleased. This is an acceptance of the way the public looks upon teachers and communism.

So progress has been made in combatting Communist activities in this country. It may be that the only way of continuing that progress is to swing wildly as the congressional committees have been doing in the hope of knocking down some important Communists, even though a lot of innocent bystanders get hurt.

But it would seem as if there ought to be a more orderly way that would be not only more just but also more effective, a system in which rumor would not be enough to justify the broadcast of names. Certainly the record of the FBI indicates that it knows what the score is at all times, and when names are brought out, as in the Coplon trial, the whole story should be told.

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It should not be left with the simple fact that names were sent to the FBI; the results of the investigation should be revealed. Perhaps the FBI placed no credence in the reports, but that is not brought out one way or the other. Unless it is done, there can be only confusion, which is the goal of Communist activity.

Housing Bill

EXTENSION OF REMARKS
OF
HON. CHRISTIAN A. HERTER
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. HERTER. Mr. Speaker, on June 8, the Honorable ADOLPH J. SABATH, chairman of the House Committee on Rules, inserted in the RECORD a letter from the Director of the Bureau of the Budget, Mr. Pace, which was in response to a letter which Mr. SABATH had sent at the request of the Rules Committee. Mr. SABATH omitted the letter which the committee sent Mr. Pace, and I am therefore inserting it at this point in my remarks:

DIRECTOR, BUREAU OF THE BUDGET,
Washington, D. C.

DEAR SIR: The Committee on Rules now has before it H. R. 4009, a bill to establish a national housing objective, etc. We can find no evidence in the record that this bill has been approved by the Bureau of the Budget, and would welcome your advice thereon in general, and in particular with respect to the following matters:

1. Title I, section 103 (b) permits the Administrator to make capital grants under certain conditions for certain slum-clearance projects in an amount not to exceed $800,000,000 during the next 5 years. The last sentence of that subsection reads as follows: "The faith of the United States is solemnly pledged to the payment of all capital grants contracted for under this title, and there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments."

Question. Does not this subsection in effect constitute an actual appropriation for future years which cannot be reviewed in any way by the proper appropriating committees of the House and Senate?

2. Title II, section 205 (a) provides for subsidies to approved low-cost rental-housing projects in increased amounts during the first 4 years, and thereafter in amounts not to exceed $480,000,000 per annum for a period of 40 years. These contracts, which might total over $16,000,000,000 in the next 44 years can be pledged as revenue for the payment of interest and amortization on the obligations of local housing authorities and thereby become a binding obligation year by year upon the United States Government through the instrumentality of this legislation and without further action by the appropriating committees of the House and Senate.

Question. Do you favor making a binding commitment of this kind for outright grants without any possibility of review in the next 44 years?

3. With respect to the construction of low-rental public housing under title II of this act, it would appear that the limit provided for in the bill is approximately one million units. Assuming that each unit contained 5 rooms constructed at the normal maximum of $1,750 per room, the total capital cost of these projects would come to $8,750,000,000. However, if the Federal commitment for subsidies of $400,000,000 a year for 40 years were capitalized, the Federal Government could have available to it $11,300,000,000 for the same purpose ($11,300,000,000 borrowed at 2 percent and amortized at 2½ percent per year would be completely paid up in 40 years by spending $400,000,000 a year). In other words, if the Federal Government today borrowed $11,300,000,000 and constructed all of the housing units contemplated under this title of the bill, and then gave those units away free of charge to the local housing authorities, it would still be ahead some $2,500,000,000.

Question. Is it in accord with the President's program that Federal subsidies for low-rent housing should exceed by a considerable margin the entire construction costs of such housing?

Most sincerely yours.

Mr. Speaker, a careful reading of the answer from the Bureau of the Budget makes it clear that the points raised in the letter from the committee have not been met.

With respect to our first question, Mr. Pace states that while section 103 (b) of title I constitutes a firm commitment of the Federal Government, he then states two paragraphs later that—

> Payment of these grants could be made only on the basis of specific annual appropriations, hence only after review by the Appropriations Committees.

While he is technically correct in this statement, the only action that the Appropriations Committees could take in view of commitments made would be to appropriate enough to cover the contracts already made. The Appropriations Committees, as I see it, could not in any way reduce this amount because of the firm commitment which Mr. Pace admits.

In answer to the second question in the above letter, Mr. Pace states, and I quote:

> Second, a binding commitment is clearly necessary if we are to achieve the objective of assuring construction and operation of low-rent housing at minimum cost.

Here again the Administrator could bind the United States Government up to the maximum provided for in the bill and the Appropriations Committees could have no power of review with respect to the amounts that would have to be appropriated to meet these commitments.

Mr. Pace's reply with respect to the third question is even more difficult to understand. He states:

> Thus, as indicated above, the basic premise of your question "that Federal subsidies for low-rent housing would exceed by a considerable margin the entire construction costs of such housing" is in error.

He then makes a guess that the total amounts required over the life of the program would be only nine or ten billion dollars, rather than the $16,000,000,000 which is the maximum provided for in the bill. This, it seems to me, is a rather naive argument. Any Member of Congress in trying to ascertain the commitment which the Federal Government is assuming under any piece of legislation must obviously take the maximum figure which is set forth in the legislation and which the Congress can be committed to by an administrative officer, rather than guess as to what might be required.

Furthermore, in making these computations, Mr. Pace makes certain assumptions which do not seem warranted by the language of the legislation itself. The law covering the method of determining Federal contributions and the limits set on such contributions appears on page 66 of the report of the Banking and Currency Committee which accompanied H. R. 4009. While the language used is obscure, to say the least, I interpret the last sentence of section 10 (b), as modified by the last sentence of section 10 (c), to authorize Federal contributions which, if capitalized, would exceed considerably the construction costs of the projects. To sustain my interpretation, I am quoting section 10 (b) as amended under H. R. 4009, as well as section 10 (c) as likewise so amended.

> SEC. 10 (b). Annual contributions shall be strictly limited to the amounts and periods necessary, in the determination of the Authority, to assure the low-rent character of the housing projects involved. Toward this end the Authority may prescribe regulations fixing the maximum contributions available under different circumstances, giving consideration to cost, location, size, rent-paying ability of prospective tenants, or other factors bearing upon the amounts and periods of assistance needed to achieve and maintain low rentals. Such regulations may provide for rates of contributions based upon development, acquisition, or administration cost, number of dwelling units, number of persons housed, or other appropriate facts: *Provided*, That the fixed contribution payable annually under any contract shall in no case exceed a sum equal to the annual yield, at the applicable going Federal rate plus 1 percent, upon the development or acquisition cost of the low-rent housing or slum-clearance project involved.
>
> SEC. 10 (c). Every contract for annual contributions shall provide that whenever in any year the receipts of a public-housing agency in connection with a low-rent-housing project exceed its expenditures (including debt service, administration, maintenance, establishment of reserves, and other costs and charges), an amount equal to such excess shall be applied, or set aside for application, to purposes which, in the determination of the Authority, will effect a reduction in the amount of subsequent annual contributions. In no case shall any contract for annual contributions be made for a period exceeding 60 years: *Provided*, That in the case of projects initiated after March 1, 1949, contracts for annual contributions shall not be made for a period exceeding 40 years from the date the first annual contribution for the project is paid: *And provided further*, That in the case of such projects or any other projects with respect to which the contracts for annual contributions (including contracts which amend or supersede contracts previously made) provide for annual contributions for a period not exceeding 40 years from the date the first annual contribution for the project is paid, the fixed contribution may exceed the amount provided in the first proviso of subsection (b) of this section by 1 percent of development or acquisition cost.

If I am correct in my reading of the above language, any project undertaken after March 1, 1949, could receive a maximum annual contribution, limited to 40 years, from the Federal Government equal to the applicable yield at the going Federal rate—elsewhere defined as 2½

percent—plus 1 percent, plus an additional 1 percent under the last section of 10 (c), upon the development or acquisition cost. This would make a 4½-percent total upon development cost. The latter cost must necessarily be in excess of construction costs, and the 4½ percent Federal contribution paid over a 40-year period would clearly be in excess of the amount required to amortize and service the capital construction costs of these projects. Mr. Pace's statement, "In other words, the maximum cost under the proposed program could not exceed the actual cost which would be involved in direct construction" would seem to me to be in direct variation with the language of the bill.

Small Business Is Entitled to Compensation for Collecting Income Taxes for the Federal Government

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. McDONOUGH. Mr. Speaker, as a result of the increased income-tax rate which became effective during the recent war, and the introduction of the pay-roll deduction plan whereby private employers were legislated into the position of collectors of income tax for the Government without recompense, an enormous burden was placed upon the businessmen of the United States which has resulted in extra cost to them for the time spent by their employees in keeping the records of this tax collection, and in many cases has necessitated the hiring of one or more additional employees for this purpose.

Small business has been penalized most by the requirement that it act as the agent of the Government without compensation for its services in the collection of these taxes. Elaborate and individual records are required and full reports must be submitted to each employee and to the Government. Since penalties, including fine and imprisonment, can be imposed on the employer if records are not properly maintained, many small-business men find the cost of keeping such records exceeds the actual tax payments.

Certainly employers are entitled to relief from the added expense which they must incur and are entitled to be paid for services rendered to the Government in the collection of withholding taxes, and this should be a matter for the consideration of Congress.

The following editorial by Mr. J. B. Sebrell, of Los Angeles, Calif., makes a timely survey of the tax-collecting problems of small business:

WHY 9 OUT OF 10 FIRMS FAIL

Do 9 out of 10 business firms fail because our teachers, our legislators, our Government employees, or bureaucrats lack practical education? Our great Nation today has 10,000,000 Government employees. There are 10,000,000 who belong to labor unions. There are 4,000,000 small-business men who employ 75 percent of the workers of America.

Have you ever heard a teacher, a Government employee, or a legislator raise his voice or his hand to help small business? Labor unions get all kinds of help. In the past, and today, many workers are being driven into unions against their wishes. Workers now get unemployment insurance, old-age benefits, disability benefits, health insurance, workmen's compensation, and numerous other benefits. Farmers get loans on farms, equipment, crop subsidies, payment for not planting crops, etc. The Government pays agricultural agents to show them how to farm, and in many instances they receive free seeds to plant.

Banks receive assistance in the form of loans and guaranteed deposits. Insurance companies receive help in many forms, including guaranteed loans, etc. Railroads, oil companies, air lines, aircraft manufacturers, etc., also receive their due share of aid.

The blind, the needy, orphans, etc., all receive their rightful share of help. Now we are spending billions, going far afield, to feed and help the entire world.

Does small business receive any help? No.

What are our teachers, our legislators, and Government bureaucrats advocating to help the small-business man? Absolutely nothing. What they do advocate tends to bankrupt him and make his lot more difficult. They tax him out of all proportion to his ability to pay. The poor "sucker" pays, pays, and pays. He pays even when he is losing his last dollar going broke. He pays in proportion to his earnings at least 10 times as much as the farmer or employee. He must pay:

1. City license.
2. Workmen's compensation.
3. County taxes.
4. Excise taxes.
5. Income taxes.
6. And 101 other taxes.

If he loses $25,000 one year * * * that's just too bad. The next year if he makes $25,000 you'd think the poor devil was even. But no. What he lost is ignored. He must pay roughly $11,000 in Federal income taxes alone on the $25,000 he made. Now comes the most vicious tax, the most unfair tax of all—the tax that has bankrupted millions of businessmen—the social security, old age, and unemployment tax.

On social security, unemployment, and old age taxes, the employee pays 2 percent of his earnings, while the employer pays 4 percent on each employee's earnings, providing he employs 8 or more, or 3.7 percent if 8 or less are employed. A small restaurant owner that I know employs 18 people. This poor man is earning only $25 a week in profits. His business is getting worse every day. His waitresses earn, with tips, approximately $100 a week. Yet this restaurant owner must pay 36 times as much toward these taxes as do his individual employees. All of his employees earn more than he does. If he goes bankrupt or becomes incapacitated he is not even eligible for any benefits.

But that's not all. A businessman must keep the most involved and accurate time card and employment records, withholding taxes and income, both State and Federal. Without pay he collects taxes for the State, city, and Federal Governments. At the end of the year, he must report to each employee, and to the State and Federal Government what each employee has earned. This responsibility for record keeping is very vicious. You are fined and threatened with prison, jail, and other penalties if your records are not properly kept. The average man is so frightened and perplexed that he takes the lines of least resistance and hires an extra bookkeeper at terrific expense, and then an auditor to make certain that the books will pass Government inspection.

The average cost of keeping these records is two to three times the cost of paying them. So in addition to being taxed out of all proportion to his ability to pay he is further taxed by having to pay two to three times as much to keep records and collect the taxes for the Government.

Address by Secretary of Commerce

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein an address by Secretary of Commerce Charles Sawyer, at the seventy-eighth annual general meeting of the Canadian Manufacturers Association, St. Andrews-by-the-Sea, New Brunswick, Canada, June 8, 1949:

CANADIAN-AMERICAN COOPERATION

Last week I visited Toronto where I participated in the opening of the Canadian International Trade Fair. I was deeply impressed by the wide range of products displayed at the fair. I was impressed by the skill and imagination with which you Canadians have organized the fair and introduced this technique of trade promotion to the Western Hemisphere. What impressed me most, however, was the spirit of friendly cooperation between Canadians and Americans. Naturally we wish that we had been the first to stage an international fair in the Western Hemisphere; but we are deeply grateful to you for taking the initiative, because we know that what benefits you will benefit us, just as our prosperity means prosperity for you.

The tradition of cooperation between Canada and the United States is deep-rooted. No two countries in the world have maintained a more cordial and beneficial relationship. Our unfortified border, reaching from sea to sea across the North American Continent, is the symbol of our friendship and understanding.

Our cooperation during the war was a dramatic demonstration of our ability to work together without friction. This wartime cooperation, however, was the result of a long history of mutual confidence and open consultation. For many years we have worked out our common problems by means of incredibly simple institutional methods.

The oldest of the institutions we have set up for working out our common problems is the International Joint Commission, which was established in 1911. This Commission is composed of only six members, three Canadians and three Americans. In the nearly 40 years of its existence this Commission has worked in such harmony that on only one occasion did the group vote on strictly national lines, and on that occasion the matter under discussion was a matter of procedure, not of substance. The International Joint Commission was set up to consider all disputes concerning the rights and interests of the two countries along our common frontier. In practice the Commission has been concerned chiefly with the use of the boundary waterways. Other agencies which have been established for the consideration of our common problems are the Permanent International Commission for the conciliation of disputes, the Boundary Commission, and three commissions concerned with problems relating to the fishing industry on both

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coasts and in the Great Lakes. One of the most successful cooperative efforts between the two countries was the building of the highway to Alaska. This great highway provides the only means of transportation by land between our northern Territory and the continental United States; and at the same time it makes possible exploration and development of vast natural resources in your own Northwest. It is an excellent example of the way we can work together toward the full development of our economic potentialities.

The Alaska Highway was built during the war when cooperation between Canada and the United States covered nearly every phase of our economic activities. All of us have heard a great deal about the Hyde Park Agreement, which is often cited as the formal basis of our wartime cooperation. Like our other arrangements for working out our common problems, the Hyde Park Agreement was extremely simple. On April 20, 1941, Prime Minister King called upon President Roosevelt at his Hyde Park home. The two men agreed that "as a general principle * * * in mobilizing the resources of this continent each country should provide the other with the defense articles which it is best able to produce, and, above all, produce quickly, and that production programs should be coordinated to this end." Throughout the war this simple declaration stood as a symbol of the interdependence of our two great countries in welding our defense against a common enemy. The people of both countries understood that by working together and by calling upon the assistance of other nations of the Western Hemisphere they could provide an "arsenal of democracy" which would be the greatest resource of the free nations of the world in fighting the war.

Canada had been at war for more than 2 years when the United States entered the war. At the end of 1941 Canadian industry was geared to full wartime production, and we in the United States found that we could place contracts in Canada immediately for some of our most urgently needed supplies. Throughout the war we worked as a team, each of us assuming the tasks best suited to our economies.

In March of this year Canada and the United States established jointly an Industrial Mobilization Planning Committee by means of which we can plan together for achieving the maximum use of our resources in the event of war or serious emergency.

In war and in peace we have worked together and we have given each other advance notice of important changes in our policies. Our cordial relations are based on many things. We draw our political and social ideals from the rich heritage of the democratic tradition of western Europe. We live together on a great continent which has been unusually blessed with an abundance of natural resources and a temperate climate. Most important of all we both believe in utilizing the resources of this continent efficiently so as to produce the greatest possible benefits to our own people and—through commercial interchange with other nations—to benefit the other nations of the world. We both believe in dynamic growth; and we believe that the best way to achieve this growth is to free the energies of our people through the operations of private business. We believe also in doing rather than talking. We are pragmatists. We are more impressed by actions than we are by words.

There stands before us a great challenge. It is the challenge of a work to be done—a specific work that will make us stronger as nations, better off as individual people, and more prosperous as businessmen. I refer to the building of the St. Lawrence seaway.

Among the resources with which the people of Canada and the United States have been blessed, none is more impressive than the great system of waterways along our common border. As the early explorers pushed their way through the Great Lakes, looking in vain for a northwest passage to the Indies through the North American continent, they could not foresee that these Great Lakes would some day become the busiest waterway in the world. Neither could they foresee that two great nations would some day sit down together to plan the completion of a deep-water passage 2,300 miles long from Newfoundland to Minnesota and western Ontario.

For more than three centuries people have been thinking about a passage from the Great Lakes to the sea. Early in the seventeenth century King Louis XIII, of France, sent engineers to the New World to build a system of canals 2 feet deep to bypass the Rapids of Lachine. Some work was done, but the canals were not completed. In the first half of the nineteenth century a system of canals and locks was built by Canada with the aid of England. By 1847 a small American schooner sailed through this channel from the port of Chicago to Liverpool with a cargo of wheat. Ten years later a small British ship traveled from Liverpool to Chicago.

In the last 100 years, most of the work to create a passage from the Great Lakes to the sea has been done by Canada. At the turn of the century Canada had built a modern system of canals and locks between Montreal and Thousand Islands that would accommodate ships drawing up to 14 feet of water. In spite of its limitations, this canal system has been immensely useful. Last year alone over 7,000,000 tons of freight were shipped through the St. Lawrence canals. Some shipping companies have built small ships designed specifically to travel between Europe and the Great Lakes, using the present system.

Canada's greatest contribution to the building of a deep-water system of transportation from the Great Lakes to the sea was the construction of the Welland Canal, which was completed in 1932. This canal, built to bypass Niagara Falls, contains 8 locks, 80 feet wide, 30 feet deep, and each over 800 feet long.

Although most of the work to open up the Great Lakes system to ocean traffic has been done by Canada, the United States has made a contribution. In 1943 we built the MacArthur Lock at Sault Ste. Marie, Mich., to facilitate the heavy wartime movement of iron ore through the Great Lakes. When the St. Lawrence seaway is built the MacArthur Lock will be a vital link in a chain of locks and canals that will carry ocean-going ships from Montreal to Duluth. The United States has also worked with Canada to improve the channels in the Thousand Island section in the first 68 miles of the St. Lawrence River below Lake Ontario.

The Government of Canada and the Executive branch of the Government of the United States have been sponsoring the St. Lawrence project for many years. The latest proposal was the agreement reached on March 19, 1941. According to its terms, the United States will deepen the connecting channels in the Great Lakes and will perform most of the work on the 46-mile stretch of the St. Lawrence between Chimney Point and St. Regis, N. Y. The project involves the construction of a control dam at Iroquois Point for the purpose of maintaining the level of Lake Ontario and the construction of the Long Sault Dam near Massena, N. Y., with the necessary canals and locks to provide a navigation channel around these structures. The project also includes installation of a power development at Barnhard Island which will provide more than 12,000,000,000 kilowatt-hours of electrical power per year to be shared equally between Canadians and Americans within a 300-mile radius of the dam. Below the International Rapids section Canada will construct canals and locks to provide a 27-foot channel from St. Regis, N. Y., to Montreal. This work will include the deepening of the channel in Lake St. Francis, and the improvement of the existing Soulanges Canal. Canada will also build a new Lachine canal between Lake St. Louis and Montreal.

The total cost of the remaining work on the seaway and power project has been estimated as slightly more than $800,000,000, at current costs. Of this amount, Canada will furnish approximately $229,000,000 and the United States approximately $573,000,000. The chief reason for the difference in the contributions of the two countries is that Canada has already constructed the Welland Canal—an important part of the seaway system—at a cost of $132,000,000, and at a time when construction costs were far below what they are at present.

Costs of constructing the seaway and power project will be met through the sale of the power facilities and by toll charges on freight and passengers. The power facilities could be sold immediately upon completion at a price fully covering the share of the project cost assignable to power. It is estimated that the costs assignable to navigation can be liquidated in well under 50 years through the charging of tolls, on which a separate agreement is to be negotiated.

So much for the basic facts about the project on which the Governments of Canada and the United States have been in essential agreement for many years. Working together we can open up our continent to the sea lanes of the world. We can provide a great new source of cheap power in an area vitally in need of more electric energy. To the practical mind of a businessman a simple question presents itself. What is stopping us? Many people have asked this question. Presidents of the United States have been supporting the seaway for 30 years. Leading statesmen of both parties in the United States have repeatedly urged Congress to support the seaway. President Truman has recommended ratification of the Seaway Agreement in six separate messages to Congress. The people of Canada know that the seaway is strongly supported by the Executive Branch of the United States Government. They also know that this support is not enough. The consent of Congress is required to any proposal that involves the appropriation of money. As a representative of the Executive Branch of the United States Government, I cannot give you any definite assurance that the seaway project will be ratified by Congress at this session. I believe, however, that the chances for ratification have greatly improved. Why?

First, there is a new realization in our country of the interdependence of the United States and the rest of the world, and in particular, a new realization of the importance of our economic ties with Canada. The United States has not been a trading nation in the sense that Canada and the United Kingdom are trading nations. We supply most of the raw materials we need from within our own borders; and we sell most of our products to our own people. In this respect there is a difference between the Canadian and the American economies. Canada depends upon foreign trade to a greater extent than the United States. In 1948 Canada's imports were equivalent to about 21 percent of her national income and her exports to about 24 percent. In the United States, on the other hand, exports were equal to 5 percent of national income and imports to about 3 percent. Despite this difference, however, trade with other countries is vitally important to the United States. We are relatively self-sufficient; but other countries supply certain materials that are critically important to American industry and to the American standard of living. Among these materials are the minerals and lumber products

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of Canada; the sugar of Cuba; the hemp, copra, and natural rubber from the Far East; the petroleum, the copper, tin, lead, zinc, iron ore, and other minerals from South America; and the manganese and chrome from various parts of the world. Some of these and other materials I have not mentioned cannot be produced in the United States at all. Without them we could not maintain our production of the American goods that are in such heavy demand throughout the world today.

For more than 60 years our heavy industries have fed upon the seemingly limitless riches of the great Mesabi Range. The tremendous iron deposits in northern Minnesota have been one of our most impressive natural resources. We are now facing the hard fact that the Mesabi Range will not last forever. Most authorities are agreed that, at the present rate of consumption, the high-grade deposits in the Mesabi will approach exhaustion within 20 years. This does not mean that the United States will be left without iron ore when the Mesabi Range is dug out. Around the Mesabi Range there are billions of tons of taconite which can be used for the production of iron. Yet these taconite ores contain only about half the iron content of the ores now being used. To prepare such ores for the blast furnace, it will be necessary to crush them as fine as talcum powder, then form the iron-bearing particles into cakes or sinters. This process can be used if better ore is not available—but it is costly.

Fortunately, high-grade iron ores are now being discovered, developed, and mined in other parts of the world. The Bethlehem Steel Co., for instance, now uses iron ore that is shipped from Chile through the Panama Canal and up the Atlantic coast to Sparrows Point, Md. This ore, which travels a distance of nearly 5,000 miles, can be laid down at Sparrows Point at a lower cost than our own Mesabi ores—a striking example of the economy of water transportation. It is dramatic proof, too, of the economic value of the Panama Canal. Various American companies are now exploring iron-ore deposits in Venezuela and Brazil. In western Africa there are deposits of iron which will yield close to 70 pounds of iron for every 100 pounds of ore.

More important to us than all of these sources of iron ore, however, are the deposits that have been discovered in recent years in Labrador and Quebec, and which are being explored through the joint efforts of the Hollinger Consolidated Gold Mines, Ltd., of Canada, and the M. A. Hanna Co., of Cleveland, Ohio. Already engineers have proved the availability of more than 300,000,000 tons of unusually rich ore in the area. This ore is at least as rich and possibly richer than the ores in our own Mesabi Range. It is close to the surface so that it can be easily mined. No one knows the full extent of this vast deposit. The exploration of this ore deposit is a thrilling example of joint enterprise between Canadian and American businessmen. The technical skills of both countries are being merged to develop a vital resource as a guaranty against the future.

As our own high-grade iron ores are depleted, Canadian ores become more important to American industry; and as we become more interested in the great Quebec-Labrador venture, we become more interested in the St. Lawrence seaway. It is estimated that at least 30,000,000 tons of ore a year could be brought through the proposed seaway. In 10 to 20 years this amount of ore may be of tremendous importance to the American steel industries in the Great Lakes area. In time of war it would be a great advantage to both Canada and the United States to have a source of ore that is not vulnerable to the hazards of transportation in the Atlantic.

The development of Canadian iron ore would mean more than a new source of supply for the American steel industry. It would mean better business between Canada and the United States. Trade between Canada and the United States in 1948 was well over $3,000,000,000. This trade is the largest exchange of goods between any two countries in the world today. Unfortunately, the United States has not been buying as much from Canada as Canada has bought from the United States. We know that Canadians are concerned about this imbalance in our trade. I assure you that we are equally desirous of achieving a balanced trade with Canada at the present high levels. The importation of Canadian iron ore into the United States is not an immediate or complete solution to the balance of payments problem. In the long run, however, the sale of iron ore to the United States will provide Canada with more dollar credits and will thus help to solve the problem.

We Americans face the fact that our iron-ore deposits are shrinking. We are beginning to realize that our deposits of petroleum will not last forever. It is clear that we are consuming oil in steadily increasing quantities, and newly discovered fields in the United States may not prove adequate to meet this expanding consumption. Fortunately, the new fields in Alberta appear to be very rich, possibly as rich as our own fields in west Texas. We cannot predict with any certainty what this new discovery will mean to the economic relationships between Canada and the United States. For one thing, it may mean that Canada will no longer have to worry about a deficit in her balance of payments with the United States. We cannot foresee the changes that may be made in the continental patterns of oil transportation and distribution. Probably new pipe lines will be built from Alberta to the head of the Lakes and to the west coast. It is possible that oil from Alberta will be shipped through the Great Lakes and the St. Lawrence seaway to eastern Canada and to the east coast of the United States. In coming years the demand for oil in Canada and the United States may exceed the available continental supplies. If that should happen, substantial imports from overseas sources will be needed. As we begin to import more oil from overseas, the St. Lawrence seaway will become increasingly important as a carrier of this traffic.

The importance of the seaway in the transportation of iron ore and petroleum is a relatively new reason for pushing ahead with this project. The older reasons which have been advanced by far-sighted Canadians and Americans for over half a century are as convincing as ever. The seaway will give both countries a new coast line. The factories in the great inland industrial centers of both countries will virtually have tidewater sites. Grain will move from the elevators at the head of Lake Superior directly into the Atlantic without transshipment at Port Colborne and Buffalo. Coal—one of the raw materials the United States can contribute to the industrial development of Canada—will move downriver to Montreal. Canadian woodpulp, lumber, and newsprint will come upriver and be unloaded directly on the docks of our Midwestern cities. Coffee, sugar, and other foodstuffs will move by water to the heart of the continent. All of these uses for the seaway we can prophesy with confidence. No one knows how many other uses will develop as the businessmen of both countries learn to make use of cheap water transportation. New resources, like inventions, have a way of outstripping the dreams of the men who discover them.

If the St. Lawrence Seaway project brought only the economies of water transportation to the people of our inland States and provinces, it would provide an immense economic gain. It will bring more than cheap transportation, however; it will mean more and cheaper power for the people of Canada and the United States. The Long Sault Dam at Massena will produce almost as much electric power as is now produced by all the dams constructed by the Tennessee Valley Authority. This power will be available to Ontario, to New York State, and to parts of New England. All three areas are now suffering from shortages of power.

It is difficult to overestimate the importance of electric power in a modern industrial society. The dams built by Canada and by the United States before the war were among the strongest weapons of the allies. The power generated on the Saguenay, in the Tennessee Valley, and in the far West produced the aluminum to build 100,000 planes a year; this power also helped produce the atomic bomb. In modern civilization, there is a direct relationship between a country's ability to produce energy and its total economic strength.

Every year the reasons for completing the St. Lawrence Seaway become more convincing. Each year the special objections to the project seem more trivial. In a free economy new developments of the magnitude of the Seaway always cause dislocations. Our two Nations will produce more and cheaper goods with the Seaway than without it. The standard of living for the people of both countries will go up. In the long run our businessmen will be more prosperous.

By working together to make this exciting project a reality, we shall take a long step forward in realizing our rich and common heritage on the North American continent. To the rest of the world Canada and the United States present the world's most dynamic center of economic energy. On this continent we have put to full use the amazing technological achievements of the twentieth century. We each emerged from the war stronger than we entered it—partly because we were protected by two oceans and by the armies and navies of our allies from the direct devastation of war, partly because of the inherent strength of our political, social and economic institutions.

It may be well to ask ourselves: What do we propose to do with our strength? Before we undertake to discuss its use, I might refer to the need for its preservation. I have stated frequently to my fellow citizens of the United States my great concern that the strength of our American institutions be preserved and that the strength of our economy also be preserved. And I say to you that in my opinion it is equally important to preserve the strength of the Canadian economy. Our interests are so closely related and in many ways so interdependent that we should be equally zealous to see that your strength and your substance are not sapped or dissipated.

We present to the world today the most outstanding example of the successful operation of what is sometimes referred to as the capitalist system. When I say capitalist system I do not describe a way of life under which a few people enjoy privileges at the expense of the many. I am naming a way of life under which more people of every age and group live a finer, more comfortable, and happier life than any group of similar size has enjoyed throughout the world's history. It behooves us to preserve this way of life for ourselves and our children. It is well for us to preserve it also for the benefit of other nations who share its blessings and as a deterrent to those who would destroy it. The way of life which I describe is identical in Canada and the United States. We are preserving the same thing in each country. This common effort, and in some aspects this joint effort, is worth all of the prayerful consideration and realistic thinking which we can give to it.

We can, however, do more than preserve this way of life; we can in many ways share it with others. President Truman in his inaugural address pointed out that vast areas of the world contain resources which need to be developed by the application of technology. He suggested that we of the United States make available to peace-loving peoples the benefits of our store of technical knowledge. He thus stated an ideal to which I am sure any citizen of Canada will subscribe. In this connection, however, he used language which is of interest to you as businessmen. He stated that in the promotion of this program "we should foster capital investment in areas needing development."

I have undertaken to demonstrate the vast possibilities which lie before us in developing other areas of the world and raising the standards of living of other peoples, if American businessmen carry their techniques and their money around the world. I have stated that neither our ideas nor our capital will be forced upon any other peoples—that the first condition of this program is that other countries should welcome us. I hope that you agree as businessmen with my feeling that a great future lies ahead of the businessmen of this North American Continent, if other peoples indicate that they want our help. I hope that you agree with me in this matter, and I hope that we undertake to develop this program the businessmen of Canada will approve of what we are doing and feel inclined to join with us in this effort.

May I say to you that any technical information which we develop in the Department of Commerce in connection with this program will be made as equally and freely available to you as to the businessmen of the United States. This program in many of its aspects furnishes an answer to trade problems which now afflict us, but it furnishes also an answer to the question as to how we can use our strength for the betterment of others. It is a thrilling prospect—it deserves consideration by businessmen of both of our great countries.

Proposed Basing-Point Legislation

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Wednesday, June 15 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter from Rankin Peck, president of the National Congress of Petroleum Retailers, relative to the basing-point legislation now being considered by the Congress.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL CONGRESS OF
PETROLEUM RETAILERS,
Washington, D. C., June 13, 1949.

Hon. ESTES KEFAUVER,
United States Senate,
Washington, D. C.

DEAR SENATOR KEFAUVER: The bill S. 1008 dealing with the basing-point problem is now being considered by the House Judiciary Committee. We have considered carefully the effect of the bill and are strongly for the amendments written into the bill upon your suggestion when it was being considered on the floor of the Senate.

The following is an analysis of the probable effect of the deletion of the so-called Kefauver amendments from S. 1008 on small business and competition. This analysis was prepared by Attorney Cyrus B. Austin who has been associated with Cadwalader, Wickersham & Taft, 14 Wall Street, New York City. While thus associated, Mr. Austin represented numerous small business interests, namely the interests of some 276,000 petroleum retailers in the case of *Federal Trade Commission v. Standard Oil Company of Indiana.*

Unless some adequate refutation is presented of the analysis advanced by Mr. Austion, it will be clear to all that the passage of the S. 1008 without the Kefauver amendments will have ruinous effects on small business. Senator KEFAUVER made that plain when he offered his amendments on the floor of the Senate.

Section 3 (b) of the present bill is the same or substantially the same as section 3 (b) of the amended bill (S. 236) introduced in the Senate by Senator JOHNSON of Colorado on February 17, 1949, after the extended hearings held by his Committee on Interstate and Foreign Commerce. Mr. Austin addressed a letter to Senator JOHNSON on February 28, 1949, setting forth the dangerous consequences that would result from section 3 (b) if enacted. The following quotation is from Mr. Austin's letter and is made part of this letter:

"The purpose of this letter is to call your attention to what I believe to be certain serious defects in this bill and particularly to one proposed amendment which would tend to promote rather than to hinder the growth of monopoly and injury to competition and free enterprise. It is believed that this bill is the result of over-concentration upon the problems of manufacturers selling their goods in interstate commerce under the policies of the Federal Trade Commission recently upheld by the courts, without giving sufficient consideration to the interests of the hundreds of thousands of independent retailers and other small businessmen who make their living from buying and reselling the goods of these manufacturers in local markets.

"Attention is called primarily to section 3 (b) of the bill amending section 2 (b) of the Clayton Act, and to the first proviso of the amendment to that section which reads as follows: '*Provided*, That a seller "may establish that his price or prices, practice or practices, are lawful" by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet the price of competitor or the services or facilities furnished by such competitor.'

"The words inclosed in double quotation marks are new and would make a showing by a seller that his lower price (or services or facilities) were given to meet the price (or services or facilities) of one of his competitors a complete and absolute justification for discrimination between purchasers regardless of the effect upon competition between the purchasers.

"This bill, in making a seller's meeting of his own competition an absolute defense regardless of the effect of his price discrimination upon competition between the purchasers of his goods, returns to the provisions of old section 2 of the Clayton Act, a step which will hardly be taken if consideration is given to the history of that section and the reasons which impelled Congress to enact the Robinson-Patman amendments of 1936. Old section 2 provided 'that nothing herein contained shall prevent * * * discrimination in price in the same or different communities made in good faith to meet competition.' The same proviso was inserted in the Senate Robinson-Patman bill in 1936, but was stricken out in conference and the House version adopted. It was the opinion of the conferees that the old proviso was one of the principal obstacles to the enforcement of old section 2 (CONGRESSIONAL RECORD, June 8, 1936, p. 9410). Senator Logan, in explaining the Robinson-Patman bill in the Senate (CONGRESSIONAL RECORD, March 3, 1936, p. 3228) said:

" 'As pointed out in the report of the Judiciary Committee, the weakness of section 2 of the Clayton Act is in that it places no limit upon differentials permissible on account of differences in quantity and in that it permits discriminations to meet competition and thereby tends to substitute the remedy of retaliation for that of law which results in destructive consequences to the main purposes of the bill.'

"Federal Trade Commissioner Robert E. Freer, in reviewing the history of section 2 of the Clayton Act in an address before the New York State Bar Association on January 23, 1946, stated:

" 'The country became convinced by 1936 that section 2 of the Clayton Act had two fatal loopholes. As judicially interpreted, it placed no limit upon differentials permissible on account of difference in quantity; it was understood to permit all discriminatory price differences made to meet competition, thus in effect licensing oppressive retaliation.'

"When Congress passed the Robinson-Patman Act it was concerned with the growth of chain stores and the use of the mass buying power of these large chains to obtain price concessions from sellers greatly in excess of the concessions and allowances granted to their smaller independent competitors. The Federal Trade Commission had made an exhaustive investigation of the chain-store problem at the direction of Congress. Its report contained comprehensive analyses of special discounts and allowances made by hundreds of manufacturers of grocery, drug, and tobacco products and demonstrated the much greater frequency of special offers to chains and larger accounts than to independent distributors. It was shown that many manufacturers granted greater discounts to the large retail chains than were granted to wholesalers.

"Under old section 2 of the Clayton Act, and under the present bill if enacted, a large buyer, merely by finding two or more sellers of like goods willing to grant to him the same preferential price, could obtain an unearned competitive advantage over his smaller competitors with impunity. Under this bill the preferential prices need not even be identical to meet the test of good faith. A large grocery chain, for example, might be given, and might use to its competitive advantage, preferential discounts from various competing sellers of flour, sugar, canned goods and other products, not offered to independent grocers, and neither the sellers nor the chain would be subject to prosecution even though the ability of the independent grocers to compete with the chain were seriously threatened by such price concessions.

"During the debate on the Robinson-Patman bill in the House pending final passage, the chairman of the House conferees stated, in explanation of the present proviso of section 2 (b) (CONGRESSIONAL RECORD, June 15, 1936, p. 9560):

" 'This procedural provision cannot be construed as a carte blanche exemption to violate the bill so long as a competitor can be shown to have violated it first, nor so long as that competition cannot be met without the use of oppressive discriminations in violation of the obvious intent of the bill.

" '* * * If this proviso were construed to permit the showing of a competing offer as an obsolute bar to liability for discrimination, then it would nullify the act entirely at the very inception of its enforcement; for in nearly every case mass buyers receive similar discriminations from competing sellers of the same product.'

"The present bill ignores the history of the Robinson-Patman Act and in effect restores the proviso of old section 2 of the Clayton Act which was for many years found by the Federal Trade Commission to be practically unenforceable. It would result in making a discrimination in price, unlawful when engaged in by one seller, lawful when in by two or more even though its injurious effect is thereby heightened.

"A good example of the injurious price discrimination which would result if the meeting of competitive offers by a seller were made a complete defense is shown by the record in the Standard Oil case in which the Commission's order is under review (and has since been affirmed) by the United States court of appeals in Chicago. Standard Oil Co. sells its regular brands of gasoline to some 350 to 400 retail service stations in Detroit. One of these retailers (engaged in selling many other products besides gasoline) expanded its business and established a chain of four large service stations located in various parts of the city. After the volume of this retailer had reached more than 2,000,000 gallons annually it demanded that Standard sell to it as a jobber at a differential of 1½ cents a gallon below the price charged the other retail dealers with whom it was directly competing. It cited an offer from another oil company to grant it an equally low price, and threatened to withdraw its business from Standard unless its demand was complied with. Standard for a time granted this chain retailer a ½-cent price differential, and thereafter permitted it to buy at the jobber differential of 1½ cents a gallon. This retailer thereupon used its price advantage to cut prices, and increased its volume to more than 4,000,000 gallons a year, this additional gallonage, of course being taken away from its competitors. These facts and the resulting competitive injury to hundreds of independent service-station operators were not disputed. Standard Oil Co., however, claimed that its discrimination was justified because its lower price to the chain retailer was made in good faith to meet competition and it would otherwise have lost that business. This case squarely presented to the court the construction of the present proviso of section 2 (b) of the Clayton Act.

"(The court has since decided that the present proviso of sec. 2 (b) does not make a seller's meeting of his own competition an absolute justification for a discrimination in price which injures competition between purchasers.)

"Making meeting competition a defense is not necessary to enable a seller to absorb freight in order to compete in a distant market with a competitor whose plant is located closer to the customer. This is taken care of by the definition of 'price' included in the bill and by the amendment of the 'due allowance' clause in section 2 (a). If those portions of the bill are enacted, a manufacturer in New York will be able to sell in or near Chicago at the same delivered price at which he sells in New York, absorbing all the freight; or he may add all or any part of the freight from New York to Chicago to his New York price, as the competitive situation may require. He will not be discriminating in price if he absorbs all the freight, and if he absorbs a part or none of the freight he will be able to justify the difference in his delivered prices by the difference in transportation costs. He will have no need to show that his price in Chicago is made to meet competition. It is only in a case where the seller not only absorbs all the freight but in addition grants an outright discriminatory price that he will run afoul of the act and wish to fall back upon the claim that he is meeting a competitor's price. It is submitted that it is seldom economically justifiable for a manufacturer to charge the more distant of two competing customers a lower delivered price than he charges the customer nearer his factory. If he loses a customer as a result of unlawful discrimination by a competitor he will have a cause against the competitor for triple damages. If his competitor is not discriminating in price then the situation is the normal one of price competition between two sellers and his remedy is to meet his competitor's price without unlawful discrimination.

"The ultimate question presented concededly involves a balancing of interests. Is the protection of an interstate seller against the occasional loss of a customer of greater importance than the protection of perhaps hundreds of small-business men against competitive injury which may result in the loss of their entire businesses? Is constructive competition to be sacrificed to permit destructive retaliation? It is submitted that in our system of free competitive enterprise the question answers itself.

"It is suggested that the first proviso of section 2 (b) as contained in section 3 (b) of the amended bill be changed to read as follows: '*Provided*, That in any such hearing or judicial proceeding the person charged with such violation may show that the seller's lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet the price of a competitor or the services or facilities furnished by a competitor, and such proof if made shall be considered together with evidence of the effect of the discrimination in determining as an issue of fact whether the discrimination was justified.'

"The effect of this language would be that even where the Commission (or the plaintiff) has proved that the discrimination will probably result in injury to competition, and where the seller has not established any of the affirmative justifications available under section 2 (a), proof that his lower price was made in good faith to meet the equally low price of a competitor would be sufficient to raise an issue of fact as to justification. This would permit the Commission or the court to balance the seller's interest in meeting his own competition against the injury to the competitive interests of others resulting from the discrimination. It is submitted that this is the maximum effect that should be given to 'meeting competition in good faith' as a justification for injurious price discriminations.'

I am in complete agreement with the views of Mr. Austin as expressed above. This is shown by the telegram that I have this day dispatched to Hon. Tom Clark, Attorney General of the United States, which I quote as follows:

"It has been reported in the press that the Department of Justice has urged the deletion of the so-called Kefauver amendments from the O'Mahoney basing-point bill (S. 1008). If this is done, the decision of the circuit court of appeals in the case of *Standard Oil Co. of Indiana* v. *Federal Trade Commission* will be nullified. That decision was one of the greatest victories ever won by small business. Specifically it provided that large suppliers cannot justify their action in granting big discounts to their favored large buyers, enabling these large buyers to put their small competitors out of business, merely by holding that such discriminations are made in 'good faith.'

"Recently, the Department of Justice won a major victory against the Great Atlantic & Pacific Tea Co. affirmed a few short weeks ago in the circuit court of appeals. One of the practices in which the Great A & P Tea Co. was involved was exactly the same as that which was condemned by the court in the Standard Oil of Indiana case. The Great A & P Co. received big discounts from its suppliers which enabled it to put its smaller retail competition out of business. Since the suppliers were probably competing in 'good faith' in securing A & P's business, the practice would be placed beyond the reach of the Robinson-Patman Act if the Kefauver amendments were removed. What this boils down to is that you have proceeded against the Great A & P Tea Co. for pursuing the same practice which you now urge Congress to legalize. Which is the position of the Department of Justice? Are you in favor of protecting small business as your A & P case would indicate or are you in favor of throwing small business to the wolves of predatory price discriminators as your urging of the deletion of the Kefauver amendments would indicate?

"I would appreciate your immediate answer to this vital question.

"RANKIN PECK,
"President, National Congress of Petroleum Retailers."

I contend it is obvious that there is much excitement in business circles over the Supreme Court's basing-point decision. It is obvious, too, that additional fat was put on this fire by the decision of the United States circuit court of appeals in the Standard Oil case. What is almost equally apparent is the confusion that seems to prevail over the problem (so simple in its fundamentals) as to what the long- and short-range effects of these decisions might be. In the present confusion it seems those fundamentals are largely obscured; but they must be dusted off, kept in sight, and never forgotten—if free enterprise is to continue to be a way of life in this country.

One of those fundamentals is the well-known tendency of financial power (or any other human power, for that matter) to enhance itself in something quite like a geometrical ratio of its size. Our Federal Government is distinguished by an unwavering recognition of this fact—as is shown by its long record of what has always been called antimonopolistic legislation. This tag, "antimonopolistic," is not too appropriate. It has been subject to a type of degradation that has resulted in its becoming almost synonymous with "antibig business." This, undoubtedly, is an unfortunate thing for nothing could be more self-evident than these two facts: (1) Bigness of accomplishment is not possible without a corresponding bigness of the accomplisher. (2) "Bigness" of accomplishment by American business is, today, the one great hope for an impoverished human society.

So we are faced with two problems, irreconcilable only on the surface. "Bigness" in business is not, in itself, separable from the "bigness" of America. In fact, it is the parent of our country's "bigness." Yet, "bigness" always tends to devour "littleness." At the same time "littleness" in business is just as necessary for the continuation of America's "bigness" as it is necessary for the race to have children in order to perpetuate itself. We are not, as a race, in the habit of destroying our own offspring. Business has not yet reached that state of enlightenment except as is represented by its submission to the conscience of our Federal Government. That Federal conscience has been manifest for a long time in the record of our so-called antimonopolistic legislation.

The intent of our Federal Congress, over the years, has been as right as rain, with reference to this problem. This intent shows its form in the very family tree of antimonopolistic legislation. First came the Sherman Act, then the Clayton Act, then the now controversial Robinson-Patman Act. Each was more or less a hesitant step, never taken without the utmost circumspection—nearly always subject to the criticism that it was almost "too little, too late." Little business in this country cannot pat itself on the back as being the recipient of hasty or ill-advised support from Congress. Yet, to Con-

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gress it can (and does, I think) give thanks for being in America's big picture at all.

Now to drop down to the present obvious confusion that is raging on a level too low to warrant hope that any good will come of it unless the sights are raised. Much of this confusion stems from two divergent views of what "good faith" means as a term that appears in the Robinson-Patman law, as has been pointed out above. Big business thinks "good faith" means one thing; little business thinks it means something quite different. As to which, if either, might be right is not so important as is the question as to what Congress meant when it wrote that term into Federal law.

Now we have the spectacle, by no means a novel one, wherein violators of the Robinson-Patman law profess surprise at finding themselves held in violation by our highest courts. There is a certain naïveté about this situation that quite belies complete innocence. It is a type of naïveté, so clever (if that is what it is) as actually to be confusing in quite a big way. The naïveté consists in the theory, advanced by big business, as to what the words "good faith" added to the meaning of the remaining language of the law that permitted a competitor to meet lower prices. Now, it must be obvious that if those words were without meaning, they would never have been used by Congress. If meaningful, on the other hand, they can have but one large meaning which is: Lower prices can always be met by a competitor provided that this action does not violate the spirit of the law in which the words "good faith" were used for a specific purpose. The spirit of the Robinson-Patman law is the absolute necessity for prohibiting price discrimination by those possessing financal power. That was recognized then, as now, as the most potent tool of monopoly. The United States court of appeals (as would any good lawyer on the proper side) understood this specific meaning of "good faith" as written into the statute.

"Good faith," written into a law, is not a matter of private conscience separable from any relation to the law in which it is used. On the contrary, it must always be related to the body and intent of that law as expressed, generally speaking, in its title or caption which, in turn, is intended to express its general purpose or function.

It is perfectly clear that the Senate had a complete grasp of the large principles involved, when it so promptly adopted the Kefauver amendments to the O'Mahoney bill. That was one of the most reassuring things I have seen happen during all the prevalent confusion and bickering. Its meaning is so clear to any unbiased lawyer. That one action should serve to resolve the whole present unholy confusion that has arisen simply because of two recent far-sighted decisions by our highest courts. If the Congress will stick to its guns, the action of keeping in the law the Kefauver amendments could go down in the history of this country as something that operated to prevent big business from committing race suicide by destroying its offspring, little business.

The unanimous opinion of the Seventh United States Circuit Court of Appeals in the case of *Standard Oil Co.* v. *Federal Trade Commission*, Docket 4389, rendered on March 13, 1949, did for the Robinson-Patman law what would have inured to the tremendous benefit of this country had it been done long ago. We now, by virtue of this high court decision, have a seasoned, tested law, clarified and finally settled as to all possible ramifications of meaning, harming no one but holding out great hope and promise of benefit to the whole of America's free enterprise. We are for the Robinson-Patman law without further tampering.

Sincerely yours,

RANKIN PECK, *President,*
National Congress of Petroleum Retailers.

CVA Legislation and Columbia River Development

EXTENSION OF REMARKS
OF

HON. HUGH B. MITCHELL

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1949

Mr. MITCHELL. Mr. Speaker, preliminary hearings have been held by the Committee on Public Works and the Committee on Public Lands of the House relative to existing plans for the development of the Columbia River Basin. In view of the fact that hearings on CVA legislation, which I sponsor, have been scheduled by the Committee on Public Works, it may be of interest to the Members to know more about the relationship between these two sets of hearings. I include with these remarks a copy of a letter sent by me to the chairman of the Committee on Public Lands and testimony which I presented to the Committee on Public Works.

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 10, 1949.

Hon. J. HARDIN PETERSON,
Chairman, Public Lands Committee,
House Office Building,
Washington, D. C.

DEAR PETE: It is my understanding that a subcommittee of the House Public Lands Committee is now holding hearings on the reclamation aspects of Columbia River Basin development.

You have publicly stated that the purpose of these hearings is to acquire background information on reclamation progress in the Columbia Basin and not to make extended inquiry into the matters covered by pending Columbia Valley legislation.

The interest of the Public Lands Committee in the important work of Columbia Basin development is greatly appreciated. However, as a sponsor of CVA legislation, I respectfully direct the committee's attention to the fact that opponents of this legislation, both within and without the Government, are utilizing the present plans of the Bureau of Reclamation and the Corps of Engineers, and their so-called agreement on the Columbia, as a means of mobilizing opposition to the proposed CVA. Back in March I called to President Truman's attention the manner in which Northwest hearings of the Corps of Engineers on the so-called "308" report were used as a sounding board against CVA. Subsequently the House Public Works Committee, to which the CVA bills have been referred, was persuaded to call a "quickie" hearing on the "308" report, despite the fact that the report was not officially before the committee. Considerable one-sided testimony was presented by witnesses which directly or by implication was intended to place the proposed CVA legislation in a distincly unfavorable light.

It is my earnest hope that the present hearing before your subcommittee will not constitute another "quickie" hearing for opponents of CVA. Hearings on CVA and other Columbia Valley legislation were begun several weeks ago in the Senate Public Works Committee and will be shortly resumed. The House Public Works Committee has advised me that it will hear Government witnesses on CVA commencing June 20.

Because of the one-sided nature of the testimony presented to the House Public Works Committee in its hearings of May 20, I presented to that committee a statement outlining my reasons why the present reports of the Bureau of Reclamation and Corps of Engineers should not be considered independently of the pending CVA legislation. Accordingly, I would appreciate having the same privilege extended to me by your subcommittee.

May I assure you again of my appreciation for the committee's interest and the fine work it has done.

Sincerely yours,

HUGH B. MITCHELL.

STATEMENT BY HON. HUGH B. MITCHELL, OF WASHINGTON, BEFORE THE HOUSE COMMITTEE ON PUBLIC WORKS

Gentlemen of the committee, it is my understanding that testimony is being presented today on the Columbia River review report, the so-called "308" report, of the Corps of Engineers in the Department of the Army.

According to the information I have received from Maj. Gen. Lewis A. Pick, Chief of Engineers, copies of the detailed basic report of the division engineer were transmitted to the Governors of the Columbia Basin States and to the heads of the Federal agencies involved, and subsequently the Board of Engineers for Rivers and Harbors reviewed these findings and recommendations in the form of a separate report. The latter report, together with a report of the Chief of Engineers to the Secretary of the Army, have been submitted in turn to the Governors of the Columbia Basin States and to the Secretary of the Interior, prior to transmission to the Congress.

Whether the committee is officially in receipt of these various reports by the Corps of Engineers, I do not know at this moment. However, since the committee has decided to hear witnesses on the Columbia Basin development program as viewed by the Corps of Engineers, and because of my long-standing and active interest in these problems, I have requested the privilege of appearing before the committee.

My purpose today, Mr. Chairman, is to ask that the "308" report be considered in the broader perspective of the Columbia Valley Administration bills which have been referred to this committee. Although I appreciate that the committee intends to hold hearings on the CVA bills at another time, in my judgment there are at least three reasons why the Corps of Engineers "308" report should not be considered in isolation.

The first reason is that the Columbia Valley Administration bills which I sponsor embody the Administration's considered recommendations for development of the Columbia Basin, and these recommendations have been made the subject of a special message by the President to Congress (H. Doc. 156).

The second reason is that the local hearings and discussions on the Division Engineer's "308" report, whether so intended or not, have provided a sounding board for one-sided criticism and opposition to the proposed CVA. I may add further that there is implicit in the "308" report, particularly as modified by agreement with the Bureau of Reclamation, the argument that the CVA is unnecessary, despite the President's urgent message for prompt action in CVA.

The third reason is my frankly stated belief that the program proposed by the Corps of Engineers for the Columbia River and its tributaries, whatever our individual judgment as to its scope or adequacy, requires a Columbia Valley Administration for its successful execution.

In amplification of the first point, I wish to submit for the record a copy of a letter I have written to Chairman WHITTINGTON, of the House Committee on Public Works, and his reply, indicating the present status of the CVA bills.

APRIL 29, 1949.

Hon. WILL M. WHITTINGTON,
Chairman, Public Works Committee,
House Office Building,
Washington, D. C.

DEAR MR. WHITTINGTON: The Columbia Valley Administration bills, H. R. 4286 and H. R. 4287, which have been referred to your committee, were introduced in accord with the President's special message to Congress (H. Doc. 158) urging the early enactment of such legislation.

It is my hope that the preliminary work of referring these bills to the various executive departments for comment can be undertaken immediately and that the necessary preparation for hearings in this session can be made.

CVA legislation is a matter of vital importance to the development of the Pacific Northwest and to the Nation's welfare. The people of the region are actively interested, and I know they would be extremely gratified if hearings would be expeditiously arranged.

Sincerely yours,

HUGH B. MITCHELL.

APRIL 30, 1949.

Hon. HUGH B. MITCHELL,
House of Representatives,
Washington, D. C.

DEAR COLLEAGUE: This will acknowledge receipt of your letter of April 29, relative to the Columbia Valley Administration bills, H. R. 4286 and H. R. 4287.

I am pleased to advise you that today I have requested reports from Interior Department, Army, Agriculture, Commerce, and Budget Bureau on these two bills.

Sincerely yours,

WILL M. WHITTINGTON,
Chairman, Committee on Public Works.

In amplification of the second point, regarding the manner in which the "308" report has been utilized to attack the proposed CVA, I submit for the record a copy of the following letter dated March 28, which I addressed to President Truman:

MARCH 28, 1949.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Many people in the Pacific Northwest are looking forward with great interest to the CVA legislative recommendations which you have requested from several of the executive departments.

Inasmuch as you have clearly set forth the administration policy in support of CVA, I respectfully call to your attention the fact that the Army Corps of Engineers in the Pacific Northwest is continuing its thinly veiled attacks upon this policy.

At the time local hearings were held by the Corps of Engineers on its so-called "308" plan for Columbia River development, testimony in favor of CVA was ruled inadmissible, which afforded opposing witnesses an opportunity to attack CVA.

In an AP dispatch from Pocatello, Idaho, dated March 24, Col. T. P. Weaver, division engineer, was reported as saying "the 308 report had been coordinated with other Federal agencies and all of the report objectives can be accomplished through existing agencies." Colonel Weaver was further quoted as saying, "the people interested in development of the area must get behind this plan."

An earlier AP dispatch from Spokane, dated January 13, quoted Colonel Weaver thus: "No grandiose new scheme of administration is required for the development of Columbia basin resources."

It appears to me that the Corps of Engineers is stepping outside the bounds of propriety and jurisdiction in permitting policy declarations which are antagonistic to the CVA program you have announced.

Sincerely yours,

HUGH B. MITCHELL.

The President, in reply to my letter, stated that such opposition to CVA could be expected and expressed his confidence that ultimately the job would be done as it should be.

It is appropriate here to recall the warning served by the Honorable Leslie A. Miller, former Governor of Wyoming, and chairman of the Task Force Committee on Natural Resources for the Hoover Commission. In an article in the Saturday Evening Post of May 14, 1949, recounting the waste of public moneys and inefficiencies resulting from present administrative arrangements for river-basin development, Governor Miller scored the Pick-Sloan plan for the Missouri Valley and continued:

"I will go a step further and predict that, unless firm steps are taken, President Truman will have trouble in bringing about his proposed Columbia Valley Authority plan. Both Engineers and Reclamation have staked out claims on this area. I have seen the 14 volumes of plans that the Engineers have prepared for Columbia River development; the documents weight 41 pounds and make a stack more than a foot and a half high. Unless the President can be effectively tough—and the Engineers have sabotaged the wishes of Presidents many times in the past—another Pick-Sloan deal may result for the Columbia Valley."

This brings me to an amplification of the third point, the relationship between the program proposed in the "308" report and the means of its execution. Two basic concepts underlying the "308" report, as I understand them, are in conflict. One concept is sound; namely, the comprehensive development of the Columbia River Basin as a unit. The other concept is highly questionable; namely, that the existing agencies as presently constituted can carry out this program most efficiently.

The rich and varied resources of the basin that must be conserved and developed, the many lines of endeavor that must be pursued, the separate and sometimes conflicting interests that must be adjusted—these manifold requirements can be satisfied only by the formulation of a comprehensive plan and a unified administration.

We now have several comprehensive plans for the Columbia Basin, one by the Corps of Engineers and one by the Bureau of Reclamation, but we still lack the unified administration. The plain truth of the matter is that the felt and recognized need for comprehensive unified development has outrun existing administrative arrangements. The Columbia Valley Administration simply would bring the Government up to date on Columbia River development by establishing for the program an administrative organization adequate to carry it out.

Thoughtful persons are coming to understand more and more that the TVA, under the auspices of a Democratic Congress and administration, pioneered a vast new experiment in democracy; that the results have been good; and that the principle of administration so created is no longer an experiment, but an established and continuing method of democratic government for the development of natural resources. The TVA, in other words, is here to stay, and the sooner we apply its lessons to the other great river basins of the country, the healthier and more prosperous will be the internal economy of the country.

For some time it has been recognized and accepted that a dam constructed to serve multiple purposes, such as power, flood control, navigation, and water supply, is far more economical and efficient than several dams, each devoted to a single purpose. Likewise, due regard to the protection of, say, fishery resources in dam building is far more economical, far wiser policy, than subsequent attempts to replenish fishing stocks that have been impaired or destroyed.

And what is true of structures that pertain to the controlled storage and release of water is the more true of the region's resources taken in their entirety. How we cut our forests, how we till the soil, make a difference to the work of the river. Devastating floods and chronic shortages of electric power have brought to our people a sharp realization that there is much to be done on the Columbia, and to be done in an intelligent and coordinated way.

The advantages of comprehensive multiple purpose development seem simple and obvious, but it is surprising how many years it took the agencies of Government to recognize them. The assumption of responsibility by the Federal Government over water resources has evolved slowly through the years. Each agency pursuing a specialized service found inevitably that it must broaden its eid of activity or do less than an adequate job.

Today the Bureau of Reclamation in the Department of Interior and the Corps of Engineers in the Department of the Army both talk in terms of comprehensive river basin planning. These two Departments of the Federal Government have each prepared reports calling for a broad development program on the Columbia and its tributaries.

The mere fact that there are two plans, each varying in detail or emphasis, by itself implies the need for appraisal and integration by an agency possessed of the requisite jurisdiction and authority. But even assuming that the two plans are made into one, and that their component parts adequately cover the complex phases of river-basin development, there is still the big gap between the plan and its execution.

Under present administrative arrangements, the execution of such a program necessarily implies the cooperation of a host of individual agencies still pursuing specialized but related and more or less overlapping lines of activity. There are good and sufficient reasons for believing that the limited cooperation among existing primary agencies renders hopeless the unified administration of the Columbia River Basin.

The general public is not often aware how intense can be the conflicts among various governmental agencies. But those of us who follow closely the operation of Federal agencies and their field divisions know that there is more wish than fact in the cooperation of key agencies as presently set up. Such agencies, vertically organized, with their lines of jurisdiction running back to some remote central office in Washington, D. C., cannot effectively carry out a program which must take the Columbia Basin as a unit for resource development.

The various interested agencies, in an attempt to meet the evident need for unified regional administration, and possibly to forestall a CVA, have set up so-called interagency and even interdepartmental committees. Useful as these committees are for the airing of views and the interchange of information, the loyalties of their component members stay with the agencies represented. The interagency committee is a forum for discussion, not an instrument for unified resource administration. The necessarily limited role of the interagency committee has been emphasized by the President in his CVA message and by the Hoover Commission in the findings of its task force committee on natural resources.

It is possibly more than mere coincidence that 3 days after the CVA bills were introduced into the House of Representatives, the Corps of Engineers and the Bureau of Reclamation reached an agreement purporting to iron out their differences regarding Columbia River development. The two agencies, in the words of General Pick, "have agreed to a definition of spheres of predominant interest and, insofar as consistent with directives of Congress, will recognize the pri-

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mary responsibility of each agency in the designated area and will consult and reach agreement on responsibilities for work in such areas at the outset of investigations and studies for future projects."

This agreement does not guarantee, of course, that agreements will in fact be reached where spheres of predominant interest are not clearly delineated, nor will it solve the difficult problems posed by scheduling, design and day-to-day operation of great multipurpose dams. Other related resource programs are not within the jurisdiction of these agencies nor necessarily within the province of their agreement. Furthermore, even if these agencies are now disposed to cooperate more and compete less in related activities, the mechanical difficulties still remain of presenting numerous department and agency budgets to Congress in a manner that would convey a clear, balanced, and comprehensive picture of long-range regional needs. Where each agency or department is responsible only for its piece of the program, responsibility for the development of the whole region is still diffused or divided. Where each agency or department is concerned about its own particular interest, the best interests of the region as a whole are not necessarily assured.

The CVA would not eliminate the need and desirability of agency cooperation; rather, it would establish an administrative pattern which makes such cooperation meaningful and effective. The CVA would have responsibilities broadly defined by law and subject to continuing congressional approval. It would be the guiding instrument for the work of the agencies, public and private, and it would retain existing agency functions wherever they prove desirable to a coordinated program of resource development.

Significantly, the Commissioner of Reclamation, in outlining the agreement of April 11 with the Corps of Engineers, has stated:

"Nothing in the coordinated plans or agreement conflicts with or forecloses the later adoption by the Congress of any other method of administration such as a Columbia Valley Administration or the establishment of any other vehicle or operation conceived on the theory of taking over the existent facilities or those that might be authorized prior to the creation of such vehicle."

This position was earlier affirmed in a joint press release on April 19 by the Departments of the Army and Interior which stated:

The agreement provides the basis for further Federal development of the region's water resources efficiently and in consonance with the views and needs of the people of the region. In this respect it provides an inventory and framework which would be extremely valuable to the proposed Columbia Valley Administration recommended by the President.

Subsequently, in reviewing the report of the Bureau of Reclamation as revised by agreement with the Corps of Engineers, Secretary of Interior Krug stated very succinctly that this report was not to be taken as a satisfactory substitute for the proposed Columbia Valley Administration. Secretary Krug's memorandum of May 6 to Commissioner Straus contains the following:

"I find that your report, and that of the Army, reflecting as they do the terms of my agreement with the Secretary of the Army of April 11, 1949, represent substantial progress in meeting the requirements prescribed by the President for perfecting a fully coordinated and comprehensive plan for the development of the resources of the Pacific Northwest. Despite the excellence of these reports, I do not believe, however, that they present as effective a plan for accomplishing and administering a comprehensive program of resource development as that proposed by the President in his recommendation for the establishment of a Columbia Valley Administration. This recommendation has my wholehearted approval and support.

"Accordingly, my approval of your report is not to be construed as implying that it is a satisfactory substitute for a Columbia Valley Administration. These reports do provide, however, a statement of projects and related resource development programs which, as they are authorized and carried out, will facilitate the work of a Columbia Valley Administration."

It is one thing, Mr. Chairman, to consider the recent agreement of the Corps of Engineers and the Bureau of Reclamation as progress in greater cooperative effort for the development of the Columbia Basin, and I am prepared to take agencies at their word in recognizing the possible contributions of this effort to a Columbia Valley Administration. It is quite another thing, however, to cite this agreement as a satisfactory alternative to CVA, and to employ it as a technique of opposition to the CVA recommended by the administration. However well-intentioned may be the heads of the respective agencies, some officials in the lower echelons and a variety of outside interests take a different view of the matter.

We have at this hearing a number of witnesses, including the Governor of my State, who have consistently opposed CVA and who have publicized this opposition constantly by asserting that existing agencies were doing in a satisfactory way all there was to be done in the Columbia Basin. These assertions fly in the face of known facts and disregard completely the factual findings of the Hoover Commission. Although the Governor of Washington happens to be in the opposing party, the criticism of his position that I make is not a partisan matter. Congressman WALT HORAN, a Republican colleague, has well said: "To those who have smugly insisted that the existing Federal agencies were doing a good enough job and that no need existed for a program of comprehensive river development, the findings of the (Hoover) Commission's task force are more devastating than any statements I might make."

The Governor of Washington, in his opening message to the newly assembled State Legislature, had made a pledge "to examine, critically, any proposed Federal legislation which would subject our power and irrigation resources to further national control." Yet, a few hours after the President's announcement, late in January, calling upon the executive agencies to draft new CVA legislation, the Governor expressed his unqualified and, I may say, uncritical opposition. The Governors of Oregon and Idaho also made immediate protest, despite the fact that the new CVA legislation was not yet in the making.

Subsequently, aides of the President accompanied me to the Northwest to confer with interested persons and groups on positive legislative recommendations, and later a spokesman for the governor complained that he had not been consulted. It was exceedingly regretful to me that the Governor had seen fit to make his opposition to CVA automatic and unqualified and smacking of party considerations. To allay any possible misinterpretation of the Governor's opposition and to invite a reconsideration of his views I sent him the following message:

"GOV. ARTHUR B. LANGLIE,

"State Capitol, Olympia, Wash.:

"Press reports quote you as opposing the creation of a Columbia Valley Authority and claiming overwhelming sentiment in Pacific Northwest is for development through existing agencies. Your position is unrealistic and without any solid basis in fact. Furthermore your position is identical with that taken by P. L. Smith, high-bracket lobbyist for private power companies. Impartial observers as well as the great majority of citizens in the region recognize and accept need for more efficient and greatly enlarged program of Columbia River development through CVA. Our people are not indifferent to continued threat of floods, to acute power shortages which are causing loss of new jobs and pay rolls, to need for comprehensive and unified program of resource development. I sincerely hope you will not allow narrow partisan considerations make you continue to withhold support of CVA legislation. By supporting CVA you will have an excellent opportunity to show the hidebound conservatives of the Republican Party that you stand for progress in the Pacific Northwest. Will you take the opportunity?

"HUGH B. MITCHELL,
Member of Congress."

In fairness to the Governor, I include his reply, which is relevant in this testimony because it relates his CVA opposition to the "308" report of the Corps of Engineers and the work of the Bureau of Reclamation:

"Hon. HUGH B. MITCHELL,

"House Office Building, Washington, D. C.:

"Contents of wire carefully noted and all implications considered. Apparently I am being correctly quoted and continue to stand on my right and obligation to protect the interest of this State. Believe we have a solid basis for our convictions and are realistic in our efforts to resist any authority that will take from our State and our people direct representation in proportion to the development that is within our State.

"We recognize the urgent need for rapid development of Columbia River resources and as stated before the United States Army Engineers' hearing held at Seattle, February 1, in which we gave general approval to the "308" report, we realize our State and region is dependent on power and land development and believe the United States Army Engineers and the Bureau of Reclamation must coordinate their efforts and bring to completion dams already authorized and with it subsidy of power profits for development of irrigation.

"We hold no brief for private power interest and take issue with your comparisons. We accept the thinking of the majority of citizens that we need a greatly enlarged program of Columbia River development and assure you it is the method in which which we arrive at the development and administration of authority that we are concerned with. Certainly H. R. 427 recently introduced, which is the only CVA legislation introduced so far, does not meet the requirements or insure any of the objectives above referred to.

"Your support of legislation that will bring State participation and regional administration to Columbia River resources will hasten development and minimize misunderstandings. I hope you will avail yourself of this opportunity.

"ARTHUR B. LANGLIE,
"Governor, State of Washington."

Frankly, it is extremely difficult to determine where the Governor of Washington stands in relation to Columbia River development. Although we are naturally pleased to have the governor appear in the Nation's capital in support of greater appropriations for Northwest projects, an AP dispatch in the Seattle Post Intelligencer of April 6, headed "Langlie Backs Private Power" quotes the governor in saying:

"All we do now is lie on our back and scream for money from the Federal Government. It is high time to stop that and take a hand in the development ourselves."

Later, the governor sent me, as a member of the Washington delegation, the following telegram calling for funds for Chief Joseph Dam:

"Hon. HUGH B. MITCHELL,

"House of Representatives,
"Washington, D. C.:

"Our attention has been called to an apparent long-time understanding, scheduling

construction of Chief Joseph Dam next following McNary. For years Northwest development plans have provided for virtually simultaneous construction McNary and Chief Joseph (Foster Creek) Dams, but our people deferred in favor of McNary 2 years ago on assurance from lower river interests that Chief Joseph would be launched the following year. It is demoralizing to have these projects taken from logical and planned sequence. The economy of our State and the entire Northwest depends upon rapid completion of authorized dams. Chief Joseph should have been given substantial appropriations last year. I strongly urge full suggested appropriation of $21,375,000 be made available for this project.

"ARTHUR B. LANGLIE,
"Governor of Washington.

A citizen of my district, struck by the obvious inconsistency in the Governor's position, commented in a letter to a local radio station:

"On April 27, just 22 days after the Spokane address of the Governor, where he vowed to stop crying for Federal funds, we were appalled to find the Governor, flat on his back, screaming (by wire) for $21,375,000 to push operations on Chief Joseph Dam construction."

To round out the story, I should include my own reply to the Governor's wire:

"GOV. ARTHUR B. LANGLIE,
"Olympia, Wash.:

"Reurtel when we obtained authorization of Foster Creek in the Seventy-ninth Congress in 1946, I contemplated the appropriation of construction funds in 1947. Instead, legislative action in the Eightieth Congress was practically limited to the change of name from Foster Creek to Chief Joseph.

"Inability of Federal agencies to agree on a schedule is a part of the general failure under the present divided authority and planning, which would be corrected if responsibility was correctly placed in a unified Columbia Valley Administration proposed in H. R. 4286.

"In meantime, I have and will continue to urge the full appropriation for Foster Creek Chief Joseph Dam."

I have gone into these matters at great length, Mr. Chairman, because it is important to gain perspective of the other testimony being submitted here today. In my concern for the welfare of the Pacific Northwest, with its wealth of undeveloped resources and its prospects for a great future, I am determined to see that the legislative goal we seek, as proposed by the Administration, is not thwarted by one-sided criticism and devious attacks.

Housing

EXTENSION OF REMARKS
OF
HON. THOMAS E. MARTIN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. MARTIN of Iowa. Mr. Speaker, with the prospect of immediate consideration of the housing bill, H. R. 4009, I know you will be interested in a letter I have received today from one of my close personal friends as follows:

At this time when a vast housing bill to put the Government in the housing business is being proposed I am running into difficulty in getting one little FHA house started. Early this spring I thought in order to do my part to help relieve the housing shortage I would build a few little FHA houses this summer, starting with one, then maybe build two at a time, and then more if possible. Two months ago I sent to the Prudential Life Insurance office at Cedar Rapids complete plans and other FHA papers for them to get approved so I could get started building housing. This would have been a conventional well-built home. Two months ago I bought the lot and had the house staked out on it. There has been nothing done since. At first I was told that the FHA officials had not been paid for a few months and for that reason they were not working and that my approval would be held up until they went back to work. I understand that a few weeks ago they were paid and had gone back to work and that my project would be taken up in its proper order. I do hope I hear from them in the next couple of days so we can at least get the first house started this summer.

However the thing that I am thinking is that the present administration is not much interested in getting private enterprise to build homes that will be needed in the next few years. They would rather have the Government go into a vast socialistic housing project and personally I think they have gone as far on this as they should go. I hope that my own experience will give you some idea as to the direction things are drifting unless a definite change in this policy is made.

The writer of the above letter is a lifelong Democrat.

Fight Socialism

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks I am including a letter received from a constituent who realizes the dangers of socialism to the American way of life. Every citizen should recognize the threat to their liberties which lurk in the regimentation that must surely follow in the wake of socialism:

RACINE, WIS., *June 7, 1949.*
HON. LAWRENCE H. SMITH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN SMITH: Fight socialism. Fight socialism. Fight socialism.

I think the actions and thinking of our President and many of the leaders of our country are appalling, disgusting, and an insult to the intelligence of the American people. Washington is infested with rotten politics, dishonesty, and selfishness, and it is time something or someone got a hold there for a good house-cleaning job, but I know it isn't that easy. Congressman SMITH, what can we do?

The socialistic trend that our President is directing will be the downfall of our people and country if not stopped. I worked in Washington during the war with two different groups. The one agency was a typical example of all of our Government agencies overrun with waste, inefficiency, people who try so hard how to figure ways to get out of work, red, white, and blue tape, and it is the people's money that is being wasted foolishly. It was sickening, and more than I could stomach.

Socialism kills the very soul of men. Hard work for righteousness and truth gives an inner feeling that no amount of money can buy. The very ambition of people will be torn out of their bodies if we continue this socialistic trend. What can we do about it?

I disagree, and sincerely so, with the President's ideas toward higher taxes, socialism, bleeding business, constant spending.

These shorts at the movies and mailing of circulars to buy bonds, buy bonds, are ironical and idiotic because what right does the Government have to tell the people to buy bonds so they can continue to waste, waste, waste, and spend more money. The spending of money by our administration is unbelievable. Don't misunderstand me. I believe, and wholeheartedly so, in saving for that rainy day which comes to all of us, but I don't see any sense in saving by bonds so the money can be spent foolishly by our Government.

Aren't there enough honest men left in the District of Columbia with guts and determination to fight rotten politics, to fight for honesty and justice and for the betterment of our people? Can't we clean house down there and make a good job of it?

The President keeps screaming higher taxes, higher taxes. What is happening to the very handsome sum of taxes from cosmetics, handbags, luggage, furs, and other items which was put on during the war and the war is now over?

I disagree with the way and attitude of bleeding business. If it wasn't for the fact that many, many men had courage, faith, and determination to work, work, and work to build a company no matter how big and small and invest all their money in the company, if it wasn't for many of those men where would all the work come from? If a man invests his money, takes a risk with his money, he is entitled to a reward. I believe in working toward a goal, a right goal and getting exactly out of it what you put into it.

Every time a person picks up the paper the headlines tell us of Communists who are heading up various responsible positions. Can't a law be passed whereby all Communists be shipped back to Russia? They are hurting our country, they are bringing destruction to our people and warping or trying to warp people's minds, and with people of that caliber roaming our country, the President of the United States dastardly remarks—red herring.

Congressman SMITH, what a sorry state of affairs we are in and I write you and take up your time only because I as one individual want to help in my small way. I agree with much of your thinking and many of your comments and I as one Wisconsinite am glad and proud to have you at Washington.

Good health to you and keep fighting for the right and may God give you strength, courage, and determination to keep fighting the adverse forces in the District of Columbia.

Respectfully yours,
FLORIS M. BARTA.

Private Utilities in Washington Help Finance Anti-CVA Groups

EXTENSION OF REMARKS
OF
HON. HUGH B. MITCHELL
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. MITCHELL. Mr. Speaker, private power companies are a substantial source of finances for organizations actively opposing CVA. The following tabulation,

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made April 15, 1949, is a partial list of contributions by Washington utility companies to three such organizations. The tabulation is partial because all companies have not filed detailed reports for all years and because only the Washington Water Power Co. has filed at this time its detailed report for 1948. The information contained herein has been compiled from reports submitted in accordance with the law to the Department of Public Utilities of the State of Washington. These reports are available for public inspection in Olympia, Wash.

Contributions to Pacific Northwest Development Association

1945:	
Mountain States Power Co	$1,100
Washington Water Power Co	4,100
Pacific Power & Light Co	5,900
Total	9,100
1946: Washington Water Power Co.	750
1947:	
Washington Water Power Co	1,750
Pudget Sound Power & Light Co.	3,250
Pacific Power & Light Co	1,760
Total	6,760
1948: Washington Water Power Co.	2,000
Total 1945–48	18,610

Contributions to Washington State Reclamation Association

1945:	
Pacific Power & Light Co	$500
Washington Water Power Co	2,400
Total	2,900
1946: Pacific Power & Light Co	500
1947:	
Pacific Power & Light Co	1,000
Puget Sound Power & Light Co	1,500
Washington Water Power Co	2,000
Total	4,500
1948: Washington Water Power Co	3,002
Total, 1945–48	10,902

Contributions to Idaho State Reclamation Association

1945: Washington Water Power Co	$1,750
1947: Washington Water Power Co	1,000
Total	2,750

Four Years After Roosevelt

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1949

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include a speech by Mr. J. Ray Files, delivered before the Democratic Luncheon Club of Los Angeles, Calif.

Mr. Files is a leading member of the bar, a man of very great attainments, a scholar and an orator. For the past 25 years the Democratic Party in California has looked to him for inspiration and guidance.

I believe that the speech that Mr. Files made 4 years after the death of Franklin D. Roosevelt will be of interest to the Members.

FOUR YEARS AFTER ROOSEVELT

Four years ago today Franklin D. Roosevelt left us. His passing shook the Nation to its very foundation. This is a little late for a eulogy; it is too early for us to read the verdict of history. We are still too close to the man. Memories are too fresh; feelings—feelings of affection and of hate—have not yet subsided. Only time can temper the emotions and measure the value of a life, about which beat the storms of passion for thirteen critical years. Those of us who knew him best and loved him most, are quite willing to leave his good name and his final appraisal to the verdict of history. After all, it is not what we say, but what he did, that will determine his stature for the future.

Certainly the galaxy of a half dozen men, to whom we give top billing in American history, are not dependent for their positions of eminence, upon either the fulsome praise or the intemperate slanders of their contemporaries. When I used to teach American history, I felt like taking such characters as Washington and Jefferson and Lincoln off the pedestals where they had been consigned, dusting them off, and reintroducing them to my classes. All of them were as much the victims of their friends as of their foes. It is even harder to destroy a myth than it is to brand a falsehood. The vaporings of "Bill" Herndon, Lincoln's old law partner, did more to cast a shadow over the character of Lincoln than the assaults of his enemies. Dear old Parson Weems, with his cherry tree story and all the other fantastic tales of young Washington, almost transformed a rugged, red-blooded, two-fisted man, into a lily-white legend to every American boy for 150 years.

The Roosevelt generation covers the period from 1910 to 1945. His climb to the top was not easy. I wish first to speak of his courage. He was a fifth cousin of a very popular President of the same name. His wife was a niece of the same President. When Franklin Roosevelt was married, it meant something that a popular Republican President, gave away the bride. Roosevelt came from a family of wealth; he lived in a silk-stocking district, that was overwhelmingly Republican. Yet, with that background and with that atmosphere, he chose to be a Democrat. As a Democrat, he ran for the State senate in 1912, where no Democrat had ever been known to succeed—and was elected. A United States Senator was about to be selected by the joint ballot of the legislature. The legislature had a Tammany-controlled Democratic majority. Roosevelt refused to support blue-eyed Billy Sheehan, the Tammany candidate. Neither would he bolt to the Republican candidate. He stood his ground in what was supposed to be a negligible minority, deadlocked the balloting, and dictated the election of a Democratic liberal.

In 1912, organization Democrats everywhere were backing Champ Clark for the Democratic nomination for President. Clark had a clear majority in the Baltimore Convention on 14 consecutive ballots. Roosevelt broke again with the New York organization by supporting the hopeless candidacy of Woodrow Wilson. Wilson was nominated and elected, but politically, again Roosevelt was through in New York.

In 1920, when the country turned on its better instincts and went isolationist, with Woodrow Wilson stricken, the Democratic Party was again a hopeless and muddled minority. Politicians again finished the career of Roosevelt by nominating him for Vice President. He accepted the challenge and made a whirlwind campaign for the League of Nations.

A year later he became a polio victim. It appeared that a dread disease would accomplish what designing politicians could not. But in 1928, his sorely pressed party, in the desperate hope that New York State might be carried by Al Smith over Hoover for the Presidency, drafted the convalescent but reluctant Roosevelt from the pools of Warm Springs, Ga., to make the race for Governor. It was a Republican landslide that year in which Hoover carried New York State over the popular Al Smith, but Roosevelt was elected Governor by 25,000 votes. Two years later he was reelected by 725,000, and from that day he was marked for the Presidency.

In every campaign Roosevelt ever waged, it seemed that everyone was against him but the people. All the support he ever had from the press was negligible. Professional politicians looked askance at him. You don't have to tax your memories too much to recall what was said about him right here in California during the primary campaign of 1932; they said that he was a man of wealth, who could not understand the problems of the man in the street; they said he was a cripple and could not live out a term in the White House; and the fabulous statement was made that he was tarred with Tammany and a tool of Wall Street. But they never uttered that fantastic charge again.

Not since Lincoln had a President faced such a distressing national condition. He inherited a state of economic collapse. Banks were closed; trade was paralyzed; confidence was shattered; commerce destroyed. But the country was electrified with the Roosevelt declaration that there was nothing to fear but fear itself. In rapid succession came guaranty of bank deposits, the Security Exchange law, the Agricultural Act and the Home Owners Loan Corporation. Both bankers and depositers got more sleep during the first 4 years under Roosevelt than they had during the preceding 10. Peddling of worthless securities was stopped dead in its tracks. Homes were rescued, farms were saved and faith and hope were restored in the hearts of millions of people who had seen nothing before them but the blackness of despair.

And yet, as danger began to disappear, when our feet began to touch bottom, a doubtful courage repossessed the timid souls of those who had called loudest for help. In three short years they had found lusty lungs, and appealed in concert for the defeat of the man upon whom they once called in a chorus of craven fear. The patient was throwing its crutches at the doctor. But the people were not fooled. In 1936, Roosevelt carried every State but two, carried California by 930,000 votes.

Of course, by 1940 tangible grievances had accumulated. Ninety percent of the press was still hostile. Big business was apoplectic in its hatred. The third-term issue was distorted out of all proportion to its importance. But the President was reelected by an electoral vote of 432 to 99.

The campaigns of 1940 and 1944 dealt directly with problems of the war. As we look back in retrospect, as unworthy as the opposition was, as incredibly stupid as was the attack, it seems almost a miracle that the President was not unhorsed. It required all the calm judgment of a Washington, all the intelligent understanding of a Jefferson, all the courage of a Jackson, and all the patience of a Lincoln to survive. In 1940, with isolationists in the saddle, the central theme of the opposition was that Roosevelt was a "war monger." In 1944, the same opposition, without regard for consistency, hurled the reckless charge that Roosevelt had done nothing to prepare the Nation for a war that was inevitable. Just as the future historian must do, so should we go back to the record.

1. Of course we were not prepared for war. No democracy was ever prepared for war. But because of Roosevelt alone, we were fifty times better prepared for that war than any in which this country ever engaged.

2. In 1939 Roosevelt asked Congress for the paltry sum of $5,000,000 to improve the defenses of Guam. Fifteen Republicans in the House voted for it and 138 against.

3. Two months before war broke in Europe, he asked Congress to appropriate money for 6,000 airplanes. Five Republicans in the House voted for it and 122 against.

4. Later the President asked Congress to build up to a program of 50,000 planes a year. This was after Hitler had overrun Europe. Mr. Dewey retorted that this was preposterous. Before we won the war we went to 110,000 planes a year.

5. Ten weeks after Poland was blitzed, the President called a special session of Congress and asked for a repeal of the iniquitous arms embargo. Only 20 Republicans in the House voted for it and 140 against. The German Bund, the Communists and the isolationists were moving in for the kill. A resolution was offered for the impeachment of the President. There was still a chance of isolating the war. The President declared that "these perilous days demand cooperation between us without trace of partisanship." He thereupon appointed two distinguished Republicans to his Cabinet—Henry L. Stimson, Secretary of War, and Frank Knox, Secretary of the Navy. The Republican National Chairman promptly answered in stinging tones: "Nothing can be more disastrous to the Nation than an adjournment of politics"—and he promptly read Stimson and Knox out of the Republican Party.

6. The clouds grew darker. After France had fallen and the continent of Europe was under Hitler's heel, Roosevelt asked that an army of a million men be conscripted and trained. Fifty-two Republicans in the House voted for selective service and 112 against it.

7. But the worst was yet to come. After that army had trained for a year, and only 4 months before Pearl Harbor, a bill was offered to disband it. It chills our very imagination to think of the tragic consequences of such action. It came within a single vote of carrying. One hundred and thirty-three Republicans in the House voted to send the Army home, only 21 opposed it.

8. Then came lend-lease—a measure that alone enabled Britain and Russia to hold the Nazis from overrunning the world before we could prepare. Twenty-four Republicans voted for lend-lease and 135 against it. Mr. Dewey bitterly denounced the measure. This is what he said: "Lend-lease would be a grave blow not only to national unity, but to all free government everywhere." Why? He didn't tell us. He couldn't tell us. He didn't know.

So this is the record of the President who did nothing to prepare for the war that was inevitable. We have had five war Presidents. I am confident that history will record that Franklin D. Roosevelt was the most successful of them all. Lincoln was dogged by a recalcitrant Congress and a hostile press. He too was working his heart out to save the Nation, but in that war, command of the Army of the Potomac changed seven times in 2 years without winning a battle. In the late war, Marshall and Eisenhower and Bradley and Patton and Nimetz and MacArthur and Halsey and Arnold, didn't just happen along. They are the historic evidence of Roosevelt's genius.

I have an abiding faith that history will give an equally favorable verdict as to Roosevelt's domestic program. He believed in democracy as implicitly as did Jefferson. But there were two things that annoyed him and with which he was impatient.

First, he was intolerant with the disposition of courts to invade the field of legislation. He believed that legislation belonged to the legislative branch of government. In this field he lost a battle, but he won a war. Other Presidents had found the same problem just as perplexing. Jefferson, in effect, temporarily suspended the Supreme Court for 14 months. Jackson defied it. Lincoln ignored it—he disregarded a writ of habeas corpus that was issued by the Chief Justice. Theodore Roosevelt admonished the Court, and proposed a recall of judicial decisions. Franklin Roosevelt, alone, tried to reform the Court. Yet, none of these chapters has impaired the integrity of any of the divisions of government.

Second, Roosevelt challenged an overstrict construction of the Constitution. This was a weapon Tories had employed for more than a century. In this he was eternally right. It was the liberal forces of America that gave us the Constitution. It has been the liberal forces that kept it alive. You can track the Tory back through the pages of history, to the convention itself. His argument now was his argument then. He opposed ratification. He fought Marshall's liberal interpretation. He savagely attacked Jefferson for consitutional invasion when Louisiana was purchased and the territory of the country doubled. He fought the building of the Panama Canal. He accused Lincoln of criminal disregard for constitutional limitations. The Tory then as the Tory now, stood for the status quo. Precious little has been added to our Constitution by written amendments, but the scope of constitutional extension has come to include a thousand things never dreamed of by the men who wrote that immortal document. But for that fact—but for liberals in government—our Constitution would have become decadent a hundred years ago. But for the liberal interpretation it has been given, to meet the changing needs of an advancing age, we would not have a constitution left for Tories to talk about. Cupidity and stupidity yield grudgingly. Just as the Bourbons defied the deluge; just as Nero fiddled while Rome burned; so the forces of reaction always have set their faces against every progressive step the country has taken. The agility of the devil in quoting scripture is tame compared with a Tory presenting a constitutional argument.

The Constitution was not built in a day. It never has been, and until it shall cease to be the law of the land, it never shall be a finished product. It was never intended as a strait-jacket. It was never given to us to thwart progress. And the day it shall fail to respond to any national emergency that may confront us, that day will its usefulness be at an end and its glory shall have departed. A check upon haste it will always be. An instrument to stifle the fulfillment of the responsibilities of a new age, never.

Anyone may honestly differ with Roosevelt's philosophy of government. But the Constitution must never be a barrier to beat back progress. If national need shall point the way, the fundamental law of the land will allow the remedy.

For instance, when Roosevelt faced the chaos of 1933, he had the vision to see and the courage to admit the existence of certain facts to which so many well-meaning people preferred to remain blind. He knew that the distress and disorder that confronted him were only symptoms of the real infirmities from which we suffered. He knew that merely filling empty stomachs would only postpone revolution. He knew that a cancerous cause must be removed, and he set himself to that task. He was not an enemy of capital. He knew that capital has never been in peril except from its own excesses. He believed that neither the President, nor Congress, nor the Supreme Court, nor even the Constitution can protect capital unless capital is willing to recognize the paramount claims of human rights. When these rights are made secure, capital will always be safe. In that sense, he was the best friend that capital ever had. But he preached the gospel of correlative responsibility. He held that wealth could not be allowed to pyramid indefinitely while millions starved. Most of all, he was not willing to fold his hands in smug complacency or in helpless submission and say that the Constitution barred relief. Roosevelt pioneered the field. Social problems? Some of us didn't know what they were. Most of us didn't recognize them when we saw stark tragedy entering a million homes. We were accustomed to carry in the blue book the name of the man who, all too often, had money he didn't earn and didn't deserve. When we saw men and women, through no fault of their own, come to tragic old age in poverty and fear, we said: "Over the hill to the poor house—how much will it cost?" These are not words of communism—but they are facts that make Communists. It was Roosevelt that gave us the "four freedoms." But what is more important, it was he who declared them to be a responsibility of government. It was Roosevelt that found the Lost Chord in government; it was he that restored to us the spirit of the Constitution. "The letter of the law killeth, but the spirit maketh alive."

Congress Should Finish Job Before Quitting for Summer

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Buffalo Evening News of June 6, 1949:

CONGRESS SHOULD FINISH JOB BEFORE QUITTING FOR SUMMER

(By Thomas L. Stokes)

WASHINGTON, June 6.—Members of Congress are talking about how soon they should close up shop here, call it a year's work, and go back home, despite all that remains to be done, and needs to be done. It is perhaps highly impertinent and utterly disrespectful to ask the question a perplexed layman once propounded in a letter to the newspapers here in a similar situation, to wit: "We pay them by the year, why don't they work by the year?"

Yes, we pay them by the year and very nicely—straight salary of $12,500, plus a tax-free expense account of $2500, with all sorts of perquisites that mount up—such as travel allowance, free postal service, an adequate allowance for telegrams, free medical care for themselves and their families, and such. For clerk hire, they are allowed $16,300 a year. They get their checks every month, whether they are here on the job or back home or somewhere else.

Their office building is air-cooled and so is the Capitol Building. Thousands and thousands of other people, both in Government and in business here, work the year around with the usual 2- to 4-week vacation, many of them without air-cooling in the summer. It is not unbearable.

President Truman and Democrats who control this Congress were elected on a platform with certain commitments, and the President himself spelled out the party's proposed legislative program in his successful campaign. He submitted it to Congress in January. He has asked repeatedly that Congress act upon measures embodying his program. He has announced that he will remain in Washington until Congress does its job.

Is it asking too much of Congress that it do its job?

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While it is perhaps not possible to get final action on every major measure in the President's legislative program, it is possible to get quite a number of them enacted in the next several weeks and months.

During most of the years of the Roosevelt administration, including the war period, Congress sat almost all year around, and nobody seemed to suffer from it particularly. If a Congressman can't stand the gaff, then he shouldn't ask his people to send him here in the first place. Once having appealed for their votes and having pledged himself to do the job required and having been elected, it is certainly his responsibility to do his job.

What all the talk of going home is about may be explained by a very simple fact. This is that the best strategy of opposition is delay, and opponents of the President's program are playing that strategy now to the limit. Both in and out of Congress, they are promoting the back-home-for-Congress campaign. That is the real story. No one should be fooled.

The argument is that Congress should quit in the next 2 months or so and come back next year to finish its work. Those who advance it know full well that next year is an election year, in which not a great deal is usually accomplished because of attention on the primary elections and the regular election in November and the political maneuvering that encourages. Members who are up for reelection, which includes all House Members and a third of the Senate, have a valid excuse to get back home.

The flimsiness of the argument about waiting until next session is illustrated by what happened in the Eightieth Republican Congress. Republicans put over their social-welfare program until the second session. Nothing whatever was done, for the postponement played right into the hands of the delaying strategy. The party's failure to enact a social-welfare program contributed a great deal to its defeat.

This is the time for action, and the Democratic Party can't escape that fact.

We Have Nothing To Fear Except Fear Itself

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following article by Marquis Childs which appeared in the Washington Post of June 10, 1949:

WASHINGTON CALLING
(By Marquis Childs)
AMERICANS AT WORK

Because news that makes the headlines is almost always bad news, the latest figures on Americans at work were played up in such a way as to show a new postwar peak in unemployment. If you read far enough, you find that employment has also risen in May to a total of 58,694,000, which was slightly higher than a year ago when no one was haunted by the specter of deflation that now hangs over Washington.

That old saying about lies, damned lies and statistics is something to remember at the present moment. Certainly the figures on employment released by the Census Bureau are checked and rechecked. But nevertheless, putting one set of figures alongside another set of figures can lead to some strange results that have not too much to do with what is really occurring.

Since mental attitudes have a lot do do with the ups and downs of business activity, the interpretation of the figures becomes pretty important. Consider, as an example, what is likely to happen when the employment statistics for the current month are released some time in early July.

The total unemployed reported for May was 3,289,000. The Government experts who follow this box score from day to day believe that the total for June will be close to four million, although for various reasons they will not go on the record with such a prediction. That four million figure will produce scare headlines far beyond any real justification in the business picture, according to these same analysts.

What happened last June, when the country was still in the full tide of inflation, throws light on the true picture. From May of 1948 to June of 1948 what the experts call the total labor force increased by about three million, to a total of 63,479,000. At the same time in that period of peak prosperity the number of unemployed increased from 1,761,000 to 2,184,000.

The reason for these changes is obvious. Toward the end of May and all through June a lot of young people come out of high schools and colleges and start looking for either temporary or permanent jobs. Housewives decide to make a little extra money in the nearby canning factory or by picking cherries in neighboring orchards.

The census taker going around to check up on the families making up the sample on which the statistics are based, lists all these people as part of the "labor force." And those who don't get jobs are recorded as unemployed.

This June the number of young people and housewives seeking jobs is likely to be larger than a year ago. Consequently, also, the number recorded as "unemployed" will be larger. But in terms of breadwinners actually looking for work and not finding it and needing it for support of their families, the picture will not be nearly as dark as the 4,000,000 total would indicate.

In July several million Americans will be recorded as having jobs but not at work. In this classification will be those on paid vacations, and the number of American wage earners now entitled to holidays with pay is astonishingly large. The figure will also include workers laid off but told to report back for work on a definite day.

To lump all these with the unemployed would be to add even darker clouds to a picture already artificially darkened. And on the extreme left and the extreme right are those who want to do just that.

Certain Communist-dominated unions, conspicuously the United Electrical Workers, attack the official employment figures, trying in every way possible to show that they should be far higher. That is the basic strategy of communism in this country—to show that America is sinking into a depression. Gloomy figures or gloomy interpretations are propagandized by communism around the world.

At the other end of the political scale are ultrareactionary Republicans who see in a depression a chance to discredit President Truman and all his works and come to power themselves. There are times when Republican strategy in this respect looks very much like the Communist tactics.

For this country to fall into a depression psychosis with 60,000,000 people at work would be worse than nonsensical. It would be insane folly. In my opinion the Census Bureau should recast its figures to make them more nearly in accord with facts. There's no point in helping those who want to bring about the calamity of a depression.

Republicans Are Challenged

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, I am including a copy of a letter received from Mr. Alfred Kohlberg, of New York, a Republican, addressed to the chairman of the Republican Party of New York State, our colleague, Hon. WILLIAM L. PFEIFFER. It is a challenge to every member of our party:

JUNE 7, 1949.

Hon. WILLIAM L. PFEIFFER,
Chairman, New York State Republican Committee, New York, N. Y.

MY DEAR MR. PFEIFFER: I am honored to receive from you an invitation to attend the dinner at the Waldorf on June 14 at $100 per plate.

Although a lifelong member and contributor to the Republican Party since I cast my first vote for William Howard Taft in 1908, I regret to advise you that I am not going to take advantage of your kind invitation.

My reason is that I feel the Republican Party has failed in its duty to the Republic.

I have always thought that the Republican Party should offer more to the electorate than promises of better administration. There has been much criticism of the Republican Party for failure to properly criticize the New Deal on domestic issues. Because domestic issues, the New Deal, the welfare state, and creeping socialism are now being argued in the party, I shall limit my criticism to the party's position on foreign policy.

For 5 years we have "me-tooed" Democratic betrayal of America's traditional foreign policies; of American principles; of America's wartime pledges; and of the cause of freedom everywhere in the world. Our record is such that Prime Minister Nehru recently told an American reporter that India wondered whether she dared line up with the United States of America.

In June 1944 I wrote the Republican National Chairman that there was evidence that President Roosevelt was engaged in betraying China and Poland to the Soviet Union. The Republican Party refused to raise the issue. Instead, John Foster Dulles conferred with Secretary Hull and Candidate Dewey approved the meaningless statement of bipartisan support for a secret and unstated foreign policy to be determined by the Democratic fourth-term candidate. The excuse that we Republicans should not weaken the hand of our President abroad was spurious. Republican objection to the slightest hint at appeasement would have strengthened his hand.

Immediately after his fourth election, President Roosevelt went to Yalta without Republican advisers. The election had been won, so he didn't need us in his business any longer. There he sold out the Kurile Islands, half of Korea, the rest of Poland, all eastern Europe and agreed to repatriate by force nearly a million Soviet citizens who had fled the slavery of the Red dictatorship.

Our 150-year record of haven for political exiles was broken by one of the bloodiest forced movements of men, women, and children in all history. The Republicans took it all lying down, and a Republican Senate confirmed the treaties that turned over Hungary and the Balkans. Hundreds of thousands of German and Austrian POW's captured by us were turned over to the Russians as forced laborers, contrary to all rules

of civilized warfare. We Republicans apparently approved.

Likewise, at Yalta the veto deal was made and a hamstrung UN was arranged to replace the real UN set-up in Washington January 1, 1942, which won the war and in which the United States held the balance of power. The Republicans in the Senate approved this monstrosity.

Also, at Yalta the open-door policy in China was completely sold out. The Russians were given Manchuria and Mongolia, and it is believed that there are still secret clauses in which we recognized Russia's special interest in China. How otherwise explain our continuing betrayal of that country to the Reds?

On November 20, 1941, in a formal "draft" proposal, the Japanese agreed to move no farther south in Asia and to withdraw from Indochina. In a formal "draft" agreement in reply on November 26, 1941, Secretary Hull demanded that they withdraw from both Indochina and China. On December 7, 1941, the Japanese refused these terms in a formal note handed Secretary Hull almost at the moment that the bombs fell on Pearl Harbor.

Thus, we went to war for the preservation of an independent China. If it was not essential to our security, President Roosevelt sacrificed 350,000 young American lives frivolously. If it was essential to our security then, as I believe it was, it still is now. Where does the Republican Party stand on this issue of our security in the Pacific Ocean and the security of Alaska and our west coast?

The Democratic administration has sold out the three Baltic Republics, our allies and fellow members of the United Nations. The Republican Party has made no effective protest.

The Democratic administration sold out the free government of King Peter of Yugoslavia to the Communist Tito. Last year we gave Peter's gold to Tito. The Republicans made no effective protest.

At Chapultepec we signed a pact providing for consultation with 21 other nations in case of threat. Such consultation had been specifically refused by President Monroe when he proclaimed his Doctrine in 1823. Against this emasculation of the Monroe Doctrine, the Republicans have not protested.

Now the administration proposes a 20-year alliance with certain western European nations. Maybe this will prove an alliance of real force though without quid pro quo; maybe only a paper pact at ruinous cost to us. The future will tell. What is not questionable is that it is a violation of our 150-year policy of no permanent European alliances as recommended by President George Washington in his Farewell Address. The Republican Party in Congress is preparing to vote confirmation of this 20-year alliance, without forcing the administration to reveal the facts that either justify, or do not justify, this reversal of policy.

For 3½ years the Democratic administration has stumbled from one foreign emergency to another, with no discernible policy. The least informed American today recognizes that the greatest military victory in our history has been turned into defeat; that the man who signed the Stalin-Hitler pact of 1939, and the Stalin-Masuoka pact of 1941 is the only victor.

Furthermore, we know our diplomatic defeat is due to traitors in advisory positions; that the secret testimony of Igor Gouzenko named a man close to the Secretary of State as head of the A-bomb spies; yet we acquiesce in concealing this treachery from the American people.

Today four close personal friends of Alger Hiss sit as our representatives to Vishinsky in Paris. Senate Republicans confirmed their appointments. They are Secretary Acheson, Assistant Secretary Rusk, Ambassador Jessup, and John Foster Dulles.

Because there is nowhere else to go, I shall have to remain a Republican. I cannot, however, support the present timid leadership of the party, subservient as it is to Democratic initiative in foreign affairs.

I am ashamed of my party because—

1. It has been too callous to protest the turning over of hundreds of millions of human beings to the Red secret police and the Red slave-labor camps; because

2. It has been too timid to protest the betrayal of our Polish, Latvian, Lithuanian, Estonian, Yugoslav, and Chinese allies; because

3. It has been too ill-informed to protest the destruction of tens of billions of dollars of American military equipment in Europe, in the Pacific, and in India—the very arms that we will now have to manufacture all over again for the Atlantic alliance; and

4. Too inert to realize that there will be no peace on earth until the Red dictatorship in the Kremlin is overthrown, and its 650,000,000 unwilling slaves are freed.

Aren't you ashamed, too?

Sincerely,

ALFRED KOHLBERG.

Medical Education in United States

EXTENSION OF REMARKS

OF

HON. ANTHONY F. TAURIELLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. TAURIELLO. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article by George E. Sokolsky that appeared in the Buffalo Evening News of June 6, 1949:

GEORGE E. SOKOLSKY SAYS SERIES OF EVENTS HANDICAPS MEDICAL EDUCATION IN UNITED STATES

NEW YORK, June 6.—The standards for medical education and for hospitalization are set by the private medical schools, the voluntary hospitals, and the organizations of physicians and surgeons in their various specialties. There was a time when there were various grades of medical schools, from the diploma-mill type which taught nothing to what is today regarded as a Grade A school. Practically speaking, all medical schools are today grade A, but there are too few of them and, therefore, there are not enough seats for those who aspire to this calling.

Modern medical training goes back to the Flexner Report of 1910, which laid the new basis that is now standard for the entire country. To support these fine standards, gifts amounting to $250,000,000 were made by the Carnegie, Rockefeller, and other foundations and individuals to medical education.

Phenomenal progress has been halted by a series of events, the first of which was the depression, which resulted in the medical schools losing one-third of their income from endowments, and a sharp, almost catastrophic, cessation of giving.

Then came the war, which took so many men out of medical life into the armed forces that an inadequate number remained for training as junior medical teachers. But worse than that was accelerated education, the speed-up in learning which, while saving time, left the student inadequately trained. Also, pressure was put upon the schools to accept more students than they could care for.

The figures on the cost of medical education are taken from an address by Dr. Alan Gregg, director for the medical sciences of the Rockefeller Foundation: The current annual operating expenses of all 78 medical schools totaled approximately $51,000,000 with an enrollment of twenty-two-thousand-odd students. The offsetting income to sustain these expenses under the following headings was: From tuition, $12,800,000, or approximately 24 percent; from endowments, $7,000,000, or 14 percent; from other private sources $13,700,000, or 27 percent; and finally, from the taxpayers in the form of State aid, $17,500,000, or 35 percent. These figures, when broken down to a per-student basis, indicate an average tuition of $550 against an average cost of $2,000 a student per year.

Two dangers lurk in these figures: One is that medical schools will be forced to lower their standards, increase their tuition, or close down; the other is that an increasing number of those schools will be taken over by the State. At present, there are 34 publicly supported schools and 44 privately endowed institutions. Practically all the outstanding medical schools, those with the greatest reputations, are the privately endowed schools, which set the standards of all medical institutions. It is already clear that the financial weakness of the privately endowed schools is producing an unwholesome condition in the entire medical field. Hoover's remarks on this subject are pertinent:

"A determined effort should be made to bring adequate financial support to the medical colleges; such support is essential to augment their capacity for training an increasing number of highly qualified doctors and thus raise the national health standards."

Soviet Attitude Toward the Jews

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following article which appeared in the New York Herald Tribune on June 12, 1949:

SOVIET ATTITUDES TOWARD THE JEWS—CURIOUS RECORD OF RUSSIAN SHIFTS ON SEMITISM SHOWN IN MR. ARONSON'S STUDY

(By Heptisax)

In July 1918, Izvestia published a report to the council of the people's commissars, attributed to Lenin, in which anti-Semitism was equated with counter revolution and was vigorously denounced. "The pogromists and those who promote pogrom agitation," it read, "must be put outside the law." So they were; and so they continue to be on paper. In the only comment on anti-Semitism that Stalin is known to have made, he told an interviewer in January 1931, that: "Communists cannot be anything but outspoken enemies of anti-Semitism. We fight anti-Semitism by the strongest methods in the Soviet Union." This was not then published but was quoted for the first and last time by Molotov in 1937. Although Zionism has been rigidly banned in Soviet Russia for 30 years, as one of the many forbidden movements that divide loyalty and promote race consciousness, the Stalin regime surprised the world 2 years ago by changing its attitude toward the Jewish-Arab struggle in Palestine. It became a patron of Israel's nationhood; and, while it embarrassed the

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British, not only permitted but fostered big-scale Jewish emigration to Palestine from the captive Balkan states.

For these several reasons the Stalinists in this country profess to think the Jewish community here is exceedingly ungrateful for assembling and publishing much material to show that the Kremlin's policy, both at home and in the victim states, is definitely anti-Semitic. But the louder they protest, the more material appears and the more thoroughly the charges are documented. The latest to appear, compiled by Mr. Gregor Aronson and translated by Dr. (Rabbi) Benjamin Schultz, executive director of the American Jewish League Against Communism, is a 49-page booklet entitled "Soviet Russia and the Jews," from which the quotations above have been taken. It is a very tightly condensed record, because the English translation is half the length of the Yiddish original, of the disabilities which bolshevism imposed upon the essentially bourgeois Jewish community; then of the Kremlin's cold indifference to the fate of the Jews (described as "Asemitism") from the time of the Hitler-Stalin entente in 1939 to the end of the war; and then of the slow but sure development of an official anti-Semitism, which broke surface last September 21, with a very long article in Pravda by none other than Ilya Ehrenberg. To any non-Jewish reader all this will be very new; so the psychology of this Kremlin policy, which is rapidly costing the Stalin dictatorship whatever Jewish good will the diplomatic support of Israel had earned it, and then some, will be perplexing.

I think that there is a clue to this psychological mystery, however, in a Stalin pronouncement of long ago which Mr. Aronson partly quotes, partly paraphrases. It seems that in 1913 the relatively obscure Josef Stalin produced an opus entitled "Marxism and the National Question," in which he said that "Jewry is 'a mystical, incomprehensible, unrealistic' phenomenon"; and that "the Jews are not a people but are destined for assimilation." This would, of course, mean spiritual assimilation, as well as physical—through intermarriage. It would be the concern of a man, who had the desirability of this fixed in his mind when he came to power, to destroy every organization or institution which would remind a person of Jewish origin that he had a different background from others and thus give him an interest in things Jewish. This would begin with the practice of religion, the use of a different language, whether Hebrew or Yiddish, the publication of Jewish papers and circulation of Jewish books and proceed to the suppression of charitable, social, and cultural societies, the maintenance of Jewish theaters, and so on indefinitely. What Mr. Aronson's material shows is that, from the time that Stalin really started throwing his weight around in 1928, down to the Nazi invasion in 1940, there was such a piecemeal, but nearly complete, elimination from the Russian picture of everything that would remind a Jew that he was a Jew. As a feature of the collectivization of agriculture, the Jewish farm communities in the Crimea and the Ukraine, into which $20,000,000 of American money had gone to provide a new life for the bourgeois Jews "declassed" and pauperized by the revolution, were liquidated and the dismal Birobidjan swindle in far away eastern Siberia was substituted for them.

Warming up to the grand purges in 1934, Stalin began liquidating a long list of Jews prominent in government, the arts and sciences. In 1938 the most prominent of the Jewish Communists who had survived the purge trials, Dimanstein, "Stalin's eye," went the way of the rest; and "Emes," the last publication devoted to Jewish affairs, was closed down. The organization set up to promote the Birobidjan colony was dissolved.

And so it went on until the Nazis rolled over White Russia and the Ukraine, systematically butchering the Jews whom Moscow failed to evacuate. About the number evacuated and the great number left to their fate, the Soviet government has published few figures and on this subject has permitted almost no comment. Mr. Aronson has collected every scrap of information on this subject, and has come up with the conclusion that more than half of the Jews in Russia, the Baltic States, eastern Poland, Besserabia—the Greater Russia of 1940—were exterminated by the Nazis, or went into Siberian slave camps from the newly acquired territories before Hitler struck, because they were unassimable.

At any rate, the Nazis did succeed in reviving, in the territories which they overran, the ancient pogromism of the natives; so that, when those who had escaped the Nazi butchers returned to claim their properties, they ran into a vicious anti-Semitism which the Soviet officialdom has not brought under control. That is at the lowest level, however; and what is of liveliest interest in this country now is the intellectual pogrom, the attacks in the official press on the rootless cosmopolites, who are said to draw their inspiration from New York and Tel Aviv. This must be directed from the highest level.

Much has lately appeared in print along this line. Mr. Aronson's booklet would justify itself if it did no more than tell the story of the Jewish anti-Fascist committee, organized after Hitler struck, with Stalin's approval, by the Polish socialist refugees Erlich and Alter, but under the direct patronage of Beria, head of the secret police. It was scarcely started when other Jewish participants were greatly discouraged by the disappearance of these worthies. As everyone suspected, they had been shot long before Stalin assured Wendell Willkie that no harm would come to them. The organization, formed to win Jewish sympathy for Russia, had to be taken over by Jewish police agents. It produced a Yiddish paper, Einigkeit, in 1942 which since the war has had nothing to say about, to, or for Jews. Nevertheless, the committee is dead, Einigkeit was suppressed this past January and in March it was reported that the last of the Jewish police agents who directed this front, which somehow took on a Jewish character, indicating that even the reddest Jews had not been spiritually assimilated, had been liquidated.

Now what does it all mean? During the past 9 months, the anti-Semitic heat has been turned on at just about the speed at which Israel's prospects improved. Doesn't this suggest that, among the supposedly assimilated Jewish intellectuals in Russia, an interest in Israel has been stimulated which has thoroughly irritated and disgusted the exalted promoter of Jewish assimilation?

Low-Rent Public Housing

EXTENSION OF REMARKS
OF
HON. JAMES J. MURPHY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. MURPHY. Mr. Speaker, we will soon take up legislation to provide for Federal assistance to low-rent public-housing projects initiated by local agencies.

The need for low-rent housing projects is very widespread in the Nation and quite evident in almost every community. There is not a city in which there are not areas which have been deteriorating for years, some almost uninhabitable. Yet, year after year, little is done to reclaim such residential localities and to restore them to the revenue-producing sections they were in the beginning.

We have spent enormous sums of public money through correction and welfare agencies for the so-called redemption of human beings existing in dilapidated dwellings, while expending nothing to remove a traceable cause of deliquency and crime—inadequate and improper housing in crowded areas.

In reflecting on the cost of crime and human degradation arising from impoverished homes, or slum environment, it is hard to believe that Federal aid to low-rent public housing is being characterized as communism by some well-meaning citizens. Such a characterization is an unintentional reflection on democratic government for it indicates that the American system prohibits correction of evil at its root, while communism has no such restrictions. I believe that our American system affords the means for the elimination of social evils by maintaining the dignity of the individual whose well-being is essential to such dignity.

Can it be that every time an attempt is made by the Government to improve the general welfare, socialism or communism receive the compliments of the opposition by the assertion that every beneficial project belongs in the radical category. Such accusations have been made many times in the past against improvements that are now common place and taken for granted.

The approval by religious organizations of various denominations and by veterans organizations of Federal low-rent housing aid is in itself a refutation of contentions that this legislation is a radical departure from the American viewpoint that places first emphasis upon the family and the home that holds it together.

It is reliably reported by the social and religious groups that present intolerable housing conditions have increased separations and divorces because so many young couples have been compelled to double-up with their in-laws, thus creating the frictions that end in the courts and destroy the family.

My district, which includes Staten Island and lower west Manhattan, needs low-rent public housing.

The Staten Island section contains no slums in the generally accepted sense, but there are run-down areas, that should be replaced, and a necessity exists for increased housing units at modest rentals. In lower Manhattan both clearance and low-cost housing projects are needed.

At present there are no low-rent public housing projects on Staten Island. The three projects now being built by the city housing authority will rent at $16.39 per room while I have had reports that one project may go as high as $20 per room.

On the other hand, other parts of the city are now being provided with projects to rent as low as $8.60 a room, such as that in Gowanus section of Brooklyn.

So great is the demand for housing that there were 5,100 applications reported for the 600 apartments soon to be made available at the South Beach, Staten Island, city housing project, despite the fact that this is not a low-rent unit.

After supporting legislation authorizing low-rent housing and appropriating Federal Government funds for the purpose, I intend to see that both the Staten Island and lower Manhattan sections of my district receive the proper share of low-rent housing projects. As a Representative in Congress I propose to be watchful that the housing functions of the Federal Government will be administered in accord with the objectives and policies established in Congress and to maintain an official interest in the selection of sites and every other activity leading toward better low-rent housing through Federal help.

In connection with low-rent housing, the Staten Island Advance editorially states the case very aptly in the following excerpt from the issue of April 26, 1949:

Any additional public housing—and it seems likely there will be with Federal and State funds—should be pointed at replacing old and run-down areas. That should be the purpose of public housing, to improve the community, to end or prevent slums. Present construction of public housing is only evading the issue—the poorer areas are still there.

Vacant land construction of Government housing hurts taxpayers in several ways. The run-down areas become worse and worse until the tax revenues from them are negligible. Meanwhile, the Government is using up land that should be encouraged for development by private interests because of the tax revenues that would be gained. To top it all, run-down areas usually have all utilities and services, while they have to be brought in for vacant land development, at taxpayers' expense.

It is to be hoped, too, that these newest projects will really be in the low-rent classification for low-income families. That's the way public housing started out, but it has gone far afield. By low-rent projects we mean those for $9 or $10 a room, not $16 to $18, as in the three projects now under construction.

Public housing designed as replacement for poorer areas and as low-rent apartments would go a long way toward helping improve certain sections of the borough.

Mr. Speaker, although I agree generally with this editorial excerpt, I believe that well-located vacant land, preferably that taken over by the city for taxes, should also be considered for low-rent housing to avoid the overcongestion which has been too often the principal cause of deterioration.

Alcoholic Beverage Advertising

EXTENSION OF REMARKS
OF
HON. BURR P. HARRISON
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. HARRISON. Mr. Speaker, in accordance with the request of the signers, and under unanimous consent to extend my remarks in the Appendix, I include the following petition of citizens of McGaheysville, Va.:

To Our Senators and Representatives in Congress:

We respectfully request that you use your influence and vote for the passage of a bill to prohibit the transportation of alcoholic beverage advertising in interstate commerce and the broadcasting of alcoholic beverage advertising over the radio. The most pernicious effect of this advertising is the constant invitation and enticement to drink. The American people spent $9,640,000,000 for alcoholic beverages in 1947 as compared with $7,770,000,000 in 1945. During the same period there was a corresponding increase each year in crime, juvenile delinquency, broken homes, deaths and injuries due to intoxicated drivers, in the number of alcoholics and also of habitual or heavy drinkers. There is every reason why this waste of money and of human values should not be increased but rather greatly decreased.

Mrs. John Hopkins, Mrs. Sallie Miller, Mrs. G. D. Hensley, Mrs. John Coffman, Mrs. C. V. Funkhouser, Mrs. T. A. Berry, Mrs. C. H. Oliver, Mrs. M. P. Hinsee, Miss Louise Melone, Mrs. A. L. Hammer, Mrs. Christine Leap, Mrs. Lida Armstrong, Mrs. Becky Butler, Mrs. Gladys Bowman, Pearl Almond, Christina Yancey, Lorena Libo, Ruby Almond, Mrs. Ruth Brown, Mrs. Bob McInturff, Mrs. C. C. Rush, Mrs. A. B. Sam, Mrs. Ben Ralston, Mrs. J. F. Dennett, Ruth Leap, Mrs. Brook Bonty.

A Job for Both Parties

EXTENSION OF REMARKS
OF
HON. SIDNEY R. YATES
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. YATES. Mr. Speaker, under permission granted me to extend my remarks in the RECORD, I include the following editorial from the Christian Science Monitor for June 8, 1949, entitled "A Job for Both Parties":

A JOB FOR BOTH PARTIES

HOOVER REFORMS—I

The vast project to give the American people an efficient administration of their Federal Government was initiated by Congress as a nonpartisan enterprise, was carried on by the Hoover Commission on that basis and should be put into effect by both parties in that spirit.

Somebody on the Republican National Committee has taken excerpts from perfectly proper speeches by Mr. Hoover and inserted them in radio records as answers to questions by Republican Congressmen. By this misleading device they make it appear that the former President is joining the Congressmen in harsh denunciation of a spendthrift Democratic administration.

The Republican National Committee should apologize and recall these records—and quickly. The Democrats are asking for equal time on the radio to reply. In special cases this may be justified, but we should judge that the Republicans have lost more than they gained by this blunder, and that it would be better now to wipe the slate clean and keep the Hoover reforms clear of party bickering.

It will be almost impossible to get these reforms adopted—much less carried out—without genuine nonpartisan support. If they win, there will be plenty of credit for both parties. And if the voters get really interested, promotion of the Hoover reforms may become good politics in the most practical sense.

For the sake of effective government as well as for savings, the American people should emphatically warn politicians who would mess up this opportunity with petty partisanship. If they will take a bit of time to look at the antiquated machinery the Hoover Commission has exposed, and to note a few of the improvements offered, they will put politics in its place.

The Commission in its concluding report summarizes its work under such heads as these: Executive Authority and Accountability; Sharpening the Tools of Management; Wastes of Overlapping and Duplication; Red Tape; Decentralization Under Centralized Control; Reorganization by Major Purpose. It has found, for instance, such waste as the red tape which makes the paper work involved in half the annual purchase orders cost as much as the articles bought. It has found that the Government has records stored in valuable space six times as great as the Pentagon Building. It has found that at no point is there a complete picture of fiscal affairs. It has found a laxity which permits a clerical error adding $30,000,000 to the budget to go unnoticed.

The basic purpose of the Hoover reforms is to reshape Federal administration so that it will have something of the order and efficiency any successful business is forced to develop. Their general approach is to set up direct lines of authority and responsibility. Even a little study of the Commission's work will persuade most citizens that these reforms cannot only save money but, by giving democracy more effective instruments, have a large part in saving free government itself.

This newspaper considers them so important that it will run a series of numbered editorials, of which this is the first, designed to explain and support the major sections of the project.

Our Greatest Asset: Youth

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following article written by A. N. Spanel, chairman of the International Latex Corp., of Playtex Park, Dover, Del.:

OUR GREATEST ASSET: YOUTH

(By A. N. Spanel, chairman, International Latex Corp.)

This month an event of incalculable national importance is taking place—an event that will have a profound effect on every community, every city, every State, every business and profession in our country. Specifically, a million three hundred thousand young men and women will be graduating from the high schools of America, and over 300,000 more will be graduating from 1,238 universities and colleges. Significantly, a hundred and fifty thousand of these college graduates will be men, over 70 percent of whom are veterans of World War II.

Here is the wealth of a nation in its richest form. Here they are—young men and women trained to think and eager for work. They are the richest asset this country possesses

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and the poorest prospect for the rabble rouser.

These new graduates have the youth, the energy, the mentality, and ambition to make useful, productive places for themselves in the system under which they were raised and trained, a system in which they place their faith. All they want is the chance to make their contribution of skills and knowledge to the free society in which they grew up.

It is therefore of utmost importance to our Nation and way of life that they be given the job opportunities they deserve. We know all too well what job scarcity did to thousands of our best-trained young minds during the last depression. They became victims of many spurious doctrines that promised just about everything this side of heaven. Disillusioned and frustrated young people who walk the streets jobless in the richest Nation on earth don't find themselves glorifying the Bill of Rights, the Constitution, or our free-enterprise system. A nation courts disaster when its young people beging to examine, with bitterness and contempt and a sense of foregone defeat, its entire economic structure in the hope of changing it, often to suit the proddings or urgings of the agitator who has an ideological ax to grind.

In terms of personal need and the needs of our Nation, employment now is of first priority. America cannot again afford the frustration, the bitterness, and the hopelessness that great numbers of young people experienced during the thirties. In such an atmosphere, the fear of disaster flourishes.

Fortunately for all of us, we are not now anywhere near a steep or critical depression. On the contrary, there are indications that American business is settling down to something like a peacetime level. A summary of the published reports of the profits of 300 companies for the first quarter of this year reveals that their net profits are 9 percent above last year's corresponding period. Admittedly, this picture does not reflect business as a whole, yet with a measure of vision and drive on the part of American business and professional people, job opportunities now for these new graduates of our high schools and colleges can be provided, and without governmental assistance. In the end, these very businesses and professions will profit immeasurably from the fresh thoughts and energy our young people will bring to them.

Right now, every individual employer, every member of the skilled professions, and every business and industrial organization in America has the opportunity to exert influence to help provide employment for the youth of America, the Nation's greatest asset. This kind of effort in a democracy pays dividends, not merely for years, but for generations.

The Federal Budget Crisis: What It Means to You

EXTENSION OF REMARKS

OF

HON. BURR P. HARRISON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. HARRISON. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial from the Richmond Times-Dispatch, Richmond, Va., of June 13, 1949:

"THE FEDERAL BUDGET CRISIS: WHAT IT MEANS TO YOU

"Our national strength is not, however, simply a matter of weapons and trained men. Even more important are our economic growth and continued prosperity. Our economy is the center of a world economy. The hope of economic revival throughout the world depends in large measure upon the prosperity of the United States. If our production and purchasing power are badly impaired, if the buying and selling and investing that we do in other parts of the world are cut off, other nations will be plunged into chaos and despair."—President Truman at Little Rock, Ark., June 11.

Attempts of the economy bloc to curtail Federal expenditures in order to balance the budget have been futile. Every suggestion is met with indignant protests. Every Member of our National Legislature pays lip service to economy, but though the spirit be willing, the flesh is weak.

The same is true of the people themselves. It is not unusual for Senators and Congressmen to receive letters protesting against Federal extravagance, and some days later letters from the same person or organization vigorously protesting against a cut in projects affecting their particular State or locality. Meantime the Federal budget has been getting bigger by the minute.

Not only are there "not enough Byrds" in Congress; there are not enough articulate Byrds among the rank and file of the people. Congress is most sensitive to public opinion, but public opinion insisting upon economy is still in the minority, not organized.

In his January budget message President Truman reckoned revenues at $41,000,000,000—an estimate obviously based on his delusion that "inflation" would continue, that income and taxable profits would be higher than ever It was a grievous mistake. The congressional Joint Committee on Internal Revenue Taxation now estimates total revenue for fiscal 1950 as $38,900,000,000, or $2,000,000,000 less than the President's guess. It may drop lower than that.

The President's message asked expenditures of $41,900,000,000, which would have meant a $900,000,000 deficit. But Mr. Truman's estimate of expenditures was far too low. According to Senator BYRD, the total expenditures now listed will exceed $44,000,000,000, which would mean a deficit of $5,000,000,000.

Obviously, there are only three ways to meet the dilemma:

1. Increase taxes, as proposed by Mr. Truman; but increase in taxes would have a decidedly depressing effect at time when business is on the downgrade.

2. Add the deficit to our national debt, which now stands at the phenomenal figure of $252,000,000,000. But deficit financing (a course we have pursued for 17 out of the last 19 years) can lead only to disaster. We cannot have monetary stability without fiscal stability. Not only does the world look to us as the richest Nation, able to maintain that stability, but we have been preaching economy-in-government to foreign nations, and telling them to put their fiscal houses in order as the first prerequisite of postwar economic rehabilitation. Let us sweep in front of our own door first. Not to set a salutary example would seriously impair confidence of the western nations in our ability to act as a balance wheel, a stabilizer in the economic machinery of what's left to them of free enterprise. Uncurbed deficit financing inevitably leads to the ultimate break-down of Government credit, to inflation, and to eventual repudiation in one form or another. The very prospect of this alternative being chosen by Congress would choke up long-term capital commitments, which would lead to unemployment and further Government spending to make work. Deficit financing is therefore the worst sort of poison. We must shun it as though it were the devil himself, or, to use a common phrase figuratively as well as literally, there'll be hell to pay.

3. We can pursue the only sensible course, the same course which a private business caught on the horns of the same dilemma, would pursue. We can cut down on expenditures.

This can be done in only two ways:

(a) Eliminate waste, along the lines proposed by the Hoover Commission.

(b) Educate the people of the Nation to the utter necessity confronting them, namely, that they, as States and localities, as economic groups, and ultimately as individuals, must expect the Government to do less for them than it has in the past. The Committee on Public Debt Policy, in an enlightening volume, Our National Debt—Its History and Its Meaning Today, stresses this need of public education in sound Government policies. Congress is most sensitive to what is known as "the climate" of public opinion. Too many of its Members are still ensorceled with the New Deal superstition that "a public debt is a debt we owe to ourselves" and a good thing in that money spent by the Government goes "back into the pockets of business." That fallacy can be the death of democracy.

The average citizen must be made to see that our entire program for international reconstruction for the revival of trade, for the preservation of freedom and the defeat of communism hinges on our fiscal policies.

As Harold G. Moulton of the Brookings Institution put it, in his analysis of The New Philosophy of the Public Debt (published during the war year of 1943)—if we take the easiest way, if we do not balance the budget during the (still precarious) postwar days, "the foundation stone of international reconstruction will rest on quicksand."

The "world is too much with us," fiscally speaking. We are not isolated. A worldwide deterioration of trade occasioned by a deep depression in this country, whether this year or next, or the year after that, would produce chaos outside the iron curtain.

That is what the men in the Kremlin are banking on. They know we are our own worst enemies.

Every American citizen, by voicing his recognition of the seriousness of this crisis, by writing his Congressman, by threatening reprisals at the polls, must become a minuteman in this fight to preserve our fiscal integrity—by the only means in which that can be accomplished: A cut in Federal spending deep enough to bring expenditures to the minimum level of anticipated revenues.

Graduating Address by the Secretary of the Navy, the Honorable Francis P. Matthews, With Remarks by Admiral J. L. Holloway

EXTENSION OF REMARKS

OF

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. RIVERS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, it is my distinct pleasure to include herewith an address by the recently appointed distinguished Secretary of the Navy to the one hundred and ninth graduating class of the United States Naval Academy.

Secretary Matthews was introduced by my close personal friend, Admiral J. L.

Holloway. So thought-provoking, timely, and appropriate were Admiral Holloway's remarks, I include them therewith:

REMARKS OF REAR ADM. J. L. HOLLOWAY, JR., UNITED STATES NAVY, SUPERINTENDENT, UNITED STATES NAVAL ACADEMY, IN INTRODUCING THE GRADUATION SPEAKER, THE HONORABLE FRANCIS P. MATTHEWS, SECRETARY OF THE NAVY, FRIDAY, JUNE 3, 1949

Ladies and gentlemen, I bid you welcome. We have been blessed with sunny skies this June week. I know we all are grateful for the fairest of fair weather.

To the class of 1949, my congratulations. As Superintendent of the Naval Academy I would leave you one thought at the threshhold of your careers. This school, and the United States Navy are the media of service, richly endowed with the noblest traditions of devotion and self-sacrifice, through which we transmit the loyalty we give our country with all our minds and hearts. The 4 years here are a way of life creative of that ultimate standard of professional enthusiasm and keenness which is the very essence of spirited and confident leadership at the junior officer and subaltern level. Such leadership is the only foundation upon which tactical and battle effectiveness can rest, one you must achieve successfully as the first step of your career, and without which, over the long pull, even the most profound strategical direction and skillful logistic planning and implementation cannot prevail. Cherish this standard humbly as an obligation and responsibility.

And now, our speaker of the day. Devoted to the moral, spiritual and material welfare of our people, our distinguished chief stands, a great citizen, before our country. Ladies and gentlemen, I have the honor to present the Secretary of the Navy, the Honorable Francis P. Matthews.

ADDRESS BY FRANCIS P. MATTHEWS, SECRETARY OF THE NAVY, AT GRADUATION EXERCISES, UNITED STATES NAVAL ACADEMY, ANNAPOLIS, MD., FRIDAY, JUNE 3, 1949

The privilege of speaking to you, the members of the one hundred and ninth graduating class of the United States Naval Academy, is an experience, the memory of which I shall always cherish. Its value to me individually could not possibly be overestimated. The opportunity which it affords at this, the very threshold of my service as Secretary of the Navy, to think out loud, as it were, with you graduates, with the officers and enlisted personnel of the Navy, and with all my countrymen, is a particularly fortunate development for me.

I congratulate all of you on the achievements which your graduation represents. Your parents, your families, and your friends are here today and they are justly proud of your distinction. The Navy is very proud of you and I know you are proud of it. May God let you prove worthy, particularly of your parents' faith in you. Above all be true to yourselves, and you cannot be false to your parents, to the Navy, to your country, or to God.

This occasion, and the significant meaning which it holds for you young men, has for me an equally vital importance. Today, you become commissioned officers in the Naval Establishment of our country, confronted with the grave obligations which such rank entails. I joined this great partnership with you when I qualified as the civilian head of the Navy Department, with all the solemn responsibilities which occupancy of that exalted position involves.

The traditions of civilian leadership of the Navy during the war and since have been justly great. Two of these leaders, Secretaries Frank Knox and James Forrestal, may truly be said to have given their lives in the defense of our country. The complete integrity and the outstanding qualities of Secretary Johnson who succeeded Mr. Forrestal and of Secretary of the Navy John L. Sullivan, whom I succeeded, are known to all Americans.

As you and I assume our new duties practically together I would like to consider myself an extracurricular member of your class. That idea may or may not be appropriate, according to the consideration directed toward it from different viewpoints. However, I trust that the suggestion that I become honorary anchor man of the class of 1949 will not be utterly unwelcome to you.

Of course, let me hasten to admit, there is a material difference in the circumstances under which we embark upon our respective naval careers together.

You gentlemen are being commissioned after 4 years of highly technical training and very special education for the particular duties to which you are to be assigned. No such good fortune has favored me. I enter the ranks of the Navy with little prior training or preparation to guide me in the sphere of service in which I have been placed. Need I say that I feel a wistful regret because of the advantage in that respect which you young gentlemen enjoy? However, I will make every possible effort to bring to my task the same determination and loyalty to the Navy that our country expects from each one of you 790 graduates.

You all appreciate, I am sure, that in the difference which prevails between us in the measure of our preparation for our approaching tasks, there is an element of national strength to be noted, and a lesson in governmental philosophy to be learned by all of us. It involves a fundamental and fortifying phase of our idea of government as it relates to the Military Establishment. The circumstances of your commissioning and of my appointment in our respective categories emphasize the wise national policy which in the United States has always entrusted military operations to specially educated and technically trained personnel, and reserved its top administrative authority to civilian direction.

That arrangement reveals, in reassuring reality, the fact that the people of the United States never have wanted, and do not now want, a professionally militaristic Nation. It emphasizes democracy's determination to keep a firm check on the military.

The experiences of those governments which history records as basing their foundation and continued existence on military might and power has always been a challenging warning that under such a system it is hopeless to seek the "life, liberty, and pursuit of happiness" which is the natural craving of mankind, and which has ever been the most cherished desire of every true American heart.

That is why, thus far in our national life, the proportions of our Military Establishment have been jealously restricted to the minimum size and numbers that, in the opinion of Congress and the President, would provide only the measure of national security currently indispensable. The wisdom of that policy as the Nation's guide, notwithstanding the vigorous criticism to which it has been periodically subjected, it seems to me, is amply established by the triumphant victory which has terminated every war which we have been compelled to fight.

Those wars in the past were successfully prosecuted without the necessity of maintaining large armies and large navies in peacetime. They were fought and won in large part by men who came voluntarily and directly, with very limited preservice preparation, from the homes and family firesides which are America itself. Those men were not regarded by themselves, or by those who remained at home, as aggressors. They did not seek to be conquerors. They fought as defenders of their homeland and its precious ideals. In victory, they became the saviors of that "life, liberty, and the pursuit of happiness" without which, in our very souls, we Americans have always known no human existence is worthy of man's essential dignity.

Civilian control of the Military Establishment has always been conceded to be of such basic importance that Congress has imposed it upon governmental administration by statutory enactment. Today it applies equally in the Army, the Navy, and the Air Force. It was that provision, embodied in the law by act of Congress in response to the will of the people, which justified the President, as our Commander in Chief and at this critical time, in appointing me, a civilian, as Secretary of the Navy.

The situation is not entirely without precedent. Similar situations have existed in the past, and, in spite of that fact, the Navy's growth and progress has continued to advance to the lofty pinnacle it now occupies as the greatest and most powerful naval establishment the world has ever seen.

We intend to keep it so and we intend that it shall take full advantage of every technological development and invention in the years to come. We intend that you gentlemen shall have every means at your disposal to transfer into terms of effective sea power the lessons and techniques you have learned here at the very fountainhead of naval science and knowledge.

I have no illusions about the hard task that lies ahead for all of us in the Navy. I am accustomed to hard work and discipline and I know that you are, so I am confident that together we will forge ahead. I am confident that within a reasonable time, by hard work, the intense application of a fairly well-trained mind, and by taking advantage of the good will and loyal cooperation of all those in the naval service, whatever technical deficiencies I now have will be overcome. I think that I can properly assure you, on this occasion which marks the beginning of our mutual association, that during my term of office, and for the duration of your service, we both will justify in some measure the confidence expressed in us by our President and Commander in Chief.

We Americans are straightforward, thinking people. We seldom attempt to fool ourselves. With wise discretion, we are accustomed always to look the brutal facts of any menacing situation squarely in the face.

That is a redeeming quality, and its unfaltering exemplification throughout our relatively brief history has served the Nation well.

There is woeful need for our accustomed straightforward thinking in this particular period of this present generation.

In the evolution of our national life, we have seen the founding fathers' original concept of our governmental charter modified from time to time in greater or less degree in response to the forces resulting from the impact of the climactic crises encountered in the national emergencies of peace and war.

The greatness of America in the past has been built largely on the fearlessness of Americans to change, on their readiness to improvise and modify and evolve new techniques to make our economy more productive and our way of life more abundant. Whenever the circumstances of our national life have required it, we have never recoiled from making necessary changes in our political, social, and economic institutions.

Twenty-one times the States have ratified amendments to the Federal Constitution. Twenty-one times, therefore, have the fundamental provisions of our Federal Constitution been altered in some greater or smaller measure. Those alterations have embraced such matters as the bill of rights, the popular election of United States Senators, the right of universal suffrage, the adoption and repeal of prohibition, the adoption of the Federal income tax, and the abolition of

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slavery. All these changes are now features in our form of government not provided for in the Constitution as originally written.

Modifications also have transpired in the field of fundamental national policy. We know the benefits and the strength of the two-party system of government as it exists in the United States, but we have witnessed the two parties establish a bipartisan foreign policy, and have seen their action vindicated by the highly beneficial results thereby attained for us and for the world.

You and I have seen our national economy loaded with new and almost insupportable burdens in recent years. We could not escape the knowledge of how relations between individuals are being readjusted in our national society. War debts and the cost of more satisfactory and equitable social security for the average citizen promise to tax our financial resources as they have never been strained before.

These demands, and the anxieties which they inspire, are not the only causes for apprehension that we have to face. Fundamental differences in ideologies have appeared in the world, drastically affecting the relation of society to the individual. Western Christian civilization, whose spiritual concepts have permeated every phase and feature of our national structure, is in head-on collision with the materialistic apocalypse of Karl Marx.

In that conflict is embodied the gravest challenge that has yet menaced America. For 125 years this Nation faced no serious threat to its safety from any foreign force. In 1914, the security we had enjoyed from Washington's day by reason of our geographical position and the protection previously afforded by our ocean-bounded shore lines, was rudely shattered. From that day to this, we have seen our geographical isolation grow less and less, until we realize that through the fruits of man's inventive genius, the problems, the rivalries, and the threats of the Old World ideologies, are closer to us Americans and to all sections of our country than ever before.

We can no longer rely on the former safety factor of wide oceans and great distances to retard an enemy's attack in case of war. Vigilance in anticipating the peril of impending attack and readiness to act promptly in the face of danger have become more vitally essential than ever to national security. Times have changed, and it is undeniable that we cannot hope again to win victory in war without being adequately prepared for war in time of peace. As a consequence, another fundamental change is being effected in national policy.

The peacetime Military Establishment has had to be greatly enlarged, thoroughly reorganized, and modernized in its management and direction. Much has been done to increase the size and effectiveness of the Army, the Navy, and the Air Force. Much also has been accomplished in reorganizing and coordinating the three departments of the Army, the Navy, and the Air Force.

A great deal remains to be done to achieve the complete team unity of our armed forces which the requirements of total defense against total war demand. The Navy intends to cooperate in every way as a member of the new national defense team to hasten the achievement of the goal embodied in the National Security Act of 1947, which represented the lessons learned by all services during World War II and the best thought of the military and civilian leaders of all the armed services.

Congress is now seeking ways and means to strengthen the National Military Establishment, of which our Navy is an essential part. We cannot tell exactly what changes will be made by the present Congress but we can be confident that they will reflect the combined views and efforts of many patriotic leaders on the all-important subject of national defense.

We can be equally confident that the new legislation will not alter fundamentally the traditional concept of naval power nor the fundamental necessity for American superiority on the seven seas. Your Navy as the traditional exponent of America's determination to uphold the freedom of the seas, can look forward to a future as brilliant and inspiring as its great and historic past.

This is not the time for indecision or defeatism in any segment of our population or in any branch of the armed services. This is not a time for the display of weakness, but for the mustering of strength.

I believe the legislation in prospect will materially strengthen the power and authority of the Secretary of Defense and, I think, very properly so. I believe that this legislation, through integration, fuller cooperation and more effective disposition and use of the military forces at the command of the American people will make America stronger, more united, and better prepared to meet any challenge to our way of life than it has ever been before.

I know I bespeak your thoughts and your devotion to this land of ours when, pledging myself to the full support of the National Military Establishment, I pledge your loyalty and mine to our beloved country. The true measure of whatever we do today and in the days to come is in service to the United States of America.

I am sure that I speak for all of you officers as well as for myself when I say that not one of us in the Navy is serving our country for personal advantage or for the sake of personal glory. Such an attitude would not be in keeping with our oaths of office, nor would it emulate the unselfish and edifying examples of those valiant officers and Secretaries of the Navy who have preceded us in peace and war.

Besides, most of you are old enough in experience to know as well as I do that the best way to get worth-while things done is utterly to forget to worry about who is going to get credit for what is achieved, or what honor its attainment may bring to someone. May I dare to say, after such brief service association with you, we are Navy men, all of us, it is true, but, by the blessing of God, we are Americans first. With a consciousness of what that implies, we shall serve America as Navy men should serve her, strong in the conviction that our country could ask nothing greater from us.

If ever there has been a time in our history that called for complete and unselfish unity of purpose and action this is it. The slogan for all Americans today and from this day forward must be: One for all and all for one.

Let me pause here to offer a few additional thoughts to you graduates. As I said in the beginning, it is my judgment that you are entering on your naval careers especially well prepared for the arduous duties you will face. In partaking of the educational training of the United States Naval Academy, you have enjoyed advantages bestowed upon a very small portion of America's young men. There is no more excellent educational institution on the face of the earth.

May I then respectfully remind you that when you came to Annapolis, you acquired a privilege that many other youths of your generation would have given of their very heart's blood to possess. For each one of you who is here, there are 10 other boys who today pensively observe your happiness and success, and longingly contemplate what might have been if their application had been a first choice for appointment to Annapolis.

The fact that you are here, and some other young man because of that fact is denied this rare distinction, imposes a very special and sacred obligation upon each one of you. It has cost your country much to bring you to this period in your life's course. You are entering the Navy's official family at a crucial time for your country and for the Navy. They both need your loyalty and your devotion. They need your unselfish service. Show heartfelt gratitude to your beloved country which made it possible for the Navy to educate and train you for her official ranks. Be true to your vocation as a Navy man. Be true to the highest ideals of an American.

In conclusion, may I offer to this audience and to America this profession of purpose:

The Navy has become for me the highest obligation in life. I pay reverent tribute to her sublime service to our country in peace and in war. Without the Navy in our past, America could not possibly be what she is today, the unquestioned leader of the world. With a faith that is unshakable, I firmly believe that in God's providence, America is a land of destiny, and that she will continue to lead the world toward the ultimate goal wherein the injunctions of God's natural law will endow each human being with opportunity to enjoy that "life, liberty, and the pursuit of happiness" which is our most precious heritage as Americans.

To fulfill that destiny in this present troubled world, I realize as you should do, that America must remain strong, so strong in her civilian-controlled military power that no other nation will dare challenge her preeminent position.

The greatness of America reposes in the God-given gift of our natural resources and in the unity, industry, and integrity of our people. The security and perpetuity of that greatness depends upon the coordinated power and loyalty of our Army, our Navy, and our Air Force, working together to accomplish the efficient and economical discharge of their high responsibilities to the Nation in time of peace and in time of war.

As Secretary of the Navy and in the presence of this Naval Academy Class of 1949, I would like to dedicate myself, the Chief of Naval Operations, and all the men and women of the entire Naval Establishment to the sacred purposes of maintaining our Navy ever ready to uphold its important position in the defense of our country. May no act of ours cause the power or the usefulness or the might of our Navy to be impaired or the brilliant flow of its prestige to become dim.

May we all, pursuing this appointed course together, deservedly find fair winds and good sailing.

Back Post-Office Employees

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the New York World-Telegram of June 9:

BACK POST-OFFICE EMPLOYEES

Congress would be unfair to some 375,000 faithful post-office workers if it ended its current session without acting on their cost-of-living and other requests which are, briefly:

Salary increase of $650 a year for all postal employees.

Vacation of 26 days and 15 days sick leave. This is what other Federal employees get now, whereas postal employees are allowed only a present 15 days vacation and 10 days sick leave.

Service in the armed forces in World War II to be credited as time employed in the post office for promotion in automatic pay grades.

Past-service credits in longevity grades for older workers.

Retirement at a full annuity after 30 years of service, with minimum age 55.

The above are what seem reasonable equalizations urged upon congressional committees by the more than 18,000 members of the Joint Conference of Affiliated Postal Employees (AFL) in Greater New York and vicinity, through their legislative representative, Jerome J. Strauber.

These postal employees, remember, have no strike weapon. For fair treatment in the matter of wage and living standards, they have to rely solely on Congress and pressure of public opinion.

Amid rounds of industrial wage boosts the public should be in no mood to see post-office workers forced to take extra jobs to eke out insufficient incomes the Post Office Department is against raising unless it gets bigger revenues.

Nothing compels Congress to neglect postal personnel while handing out pay increases for other Federal employee groups.

Nor has Congress ever yet declared the post office must be self-supporting, no matter how its own employees may suffer.

The danger is that Congress may stall along on these postal workers' requests until it can suddenly pretend it's too late.

To prevent that, it's up to the public to do some prompt and pointed prodding. Letters and telegrams to Congressmen are still delivered—often with marked effect.

Van Zandt Fights Another War

EXTENSION OF REMARKS
OF
HON. LEON H. GAVIN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. GAVIN. Mr. Speaker, from the Herald-News, of Passaic, N. J., comes a most interesting editorial concerning my colleague from Pennsylvania, JAMES E. VAN ZANDT.

The editorial comes from the pen of Lt. A. G. McMahon, USNR, who served under Captain Van Zandt in the Pacific area during World War II. The editorial is as follows:

VAN ZANDT FIGHTS ANOTHER WAR

Representative JAMES E. VAN ZANDT has made serious charges involving the ethics of President Truman and Defense Secretary Louis Johnson. Briefly, Congressman VAN ZANDT thinks there is something fishy about the great haste to stock the Air Force with B-36's, manufactured by Consolidated-Vultee.

It is more than a coincidence, Mr. VAN ZANDT thinks, that Secretary Johnson was a director and counsel of Consolidated-Vultee until shortly before he was named to succeed the late James B. Forrestal. Furthermore, Mr. VAN ZANDT wonders if the fact that Floyd Odlum, head of Consolidated-Vultee, helped Mr. Johnson raise an amount estimated in some quarters as a staggering $6,500,000 for Mr. Truman's 1948 campaign, is responsible for the enthusiasm for the B-36's.

Among the facts are cancellations of big contracts with other aircraft companies and the diversion of the moneys to B-36's. Curtiss-Wright, of Caldwell, lost an $80,000,000 contract for F-87 all-weather fighters in one maneuver.

Mr. VAN ZANDT, a Navy man, to be sure, says the Navy has a jet fighter capable of knocking down the B-36. A radio commentator suggested that Mr. VAN ZANDT is eyeing a promotion from captain to rear admiral in the Naval Reserve and will be rewarded if the Navy makes headway in this B-36 fight.

It could be. Could be, too, that Mr. VAN ZANDT, a Pennsylvania Republican, knows whereof he speaks. While he is probably ambitious as a legislator and as a naval officer, it is a matter of record that he was a fighting, fearless, and capable officer.

Mr. VAN ZANDT was a chief signalman in World War I. He resigned from Congress to enter the Navy in World War II. He was with the Seventh Fleet amphibious forces, the LST arm, right from the start to the finish. He can talk about bombing at Milne Bay and Buna, in the early days, until Balikpapan, Borneo, the final action of the war.

He didn't smoke, he didn't drink, and from sun-up to midnight he toiled, sometimes training new forces fresh from the States, sometimes leading convoys to D-day landings. More than one civilian, turned sailor by necessity, remarked that he'd rather be under VAN ZANDT in battle than an Annapolis professional.

In the last stages of the war, Congressman VAN ZANDT went up from lieutenant commander to commander. After the war he got his captain's four stripes. And the Navy could do a lot worse than make him a rear admiral, even if it fails to make Mr. Johnson a bit Navy-conscious.

Teacher's Day

EXTENSION OF REMARKS
OF
HON. THOMAS J. O'BRIEN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. O'BRIEN of Illinois. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include the following article on Teacher's Day by Rabbi A. M. Hershberg, president, Federated Rabbinical Colleges of Chachmey Lublin:

TEACHER'S DAY

(By Rabbi A. M. Hershberg)

The purpose of this article is to set forth the idea of a national day dedicated to education in general and educators in particular.

The teacher has played a very important, if not the most important, role in both leading the way and smoothing the path of the young American Republic. Our leaders in the early days of our country understood, immediately, that despotism and slavishness thrived among a people who were ignorant and behind in their development. They realized that education—and education for the masses—was vital if democracy and freedom were to survive and grow in the United States. As early as 1647, the colony of Massachusetts adopted a statute providing for free elementary and secondary schools.

As if to prove the analysis of the American leaders, Berkeley, a royal Governor of Virginia during the colonial period, opinionated: "I thank God that there are no free schools or press in Virginia, and I hope that there will not be any during the next hundred years, because mass education has always resulted in rebellion and in freethinking."

Governor Berkeley knew whereof he spoke as far as the English domination was concerned. He was afraid that free schools would awaken the American masses to a resistance against British tyranny. That is why he called the results of mass education rebellion and freethinking, and these did help to overthrow the English rule in the Colonies.

With the end of the British hold upon them, America began to consider education in its broadest terms. In simple language, it took this form: Free education for all must be the cornerstone of the newly established democracy, for democracy for all is dependent upon a system of free education which will develop all of its people to an appreciation of the truly democratic way of life.

A further development was the principle of compulsory education, laws providing for it being adopted by each of the 48 States without exception, stating that parents must send their children to elementary and secondary schools between the ages of 6 and 17. The statutes, adopted first in Massachusetts and New York and then in the other States, also regulated child labor, forbidding parents to send their minor children to work as indiscriminately as previously.

The modern American educational system costs us billions of dollars. Thousands of cities and towns receive special funds earmarked for the support of their schools which are open to all regardless of race, religion, or political faith.

The teacher occupies an immensely important position in developing the coming generation and in directing him onto the path of thought, freedom, democracy, and morality.

The great American educator, John Dewey, said: "What the best and wisest parent wants for his own child, that must the community want for all its children. Any other ideal for our schools is narrow and unlovely; acted upon it destroys our democracy."

The teaching profession is complex and intricate and the teacher's problems are manifold and keep pouring and streaming in upon him daily in new shapes and forms. The teacher must be a psychologist, health director, supervisor, and a friend of the student. And it must be recognized that the teacher has a more complicated job than parents. Whereas the latter deal with the mind and body of their single child or few children, the teacher deals with a multitude of youngsters that come from different social and economic environments. He must regard each one as a single, separate entity of a different composition. The teacher is, therefore, without question, in a position where he can exercise great influence upon the individuals with whom he comes in contact in a student-teacher relationship.

And yet, the teacher's salary and reward cannot be compared with the much larger incomes of those who engage in business and industrial fields. It cannot even compete with skilled labor. Yet we must admit that it is a highly specialized occupation and requires constant learning and studying. It is an endless progression toward greater and higher achievements in the development of the American people. The events of tomorrow are shaped and decided in the classrooms of today.

When one pauses for a moment in the busy American scene—leans back—and reflects on these vital functions of the teacher in the life of the American people, his task of developing the character of generations and his constant, everyday responsibility of imparting knowledge and guidance, it is indeed strange that in this land of ours, which regards education so highly and so vitally, never has there been put forth the request that the President of the United States, by official proclamation, to bring the vividness they deserve to the values of edu-

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cators and education, set aside one day each year in honor of teachers.

The results of such a day would be evidenced in—

1. The increase in prestige of education in general and teachers in particular. And who will say that this is not important?

2. More thinking in terms of education itself, instead of in terms of the professions that can be reached and the income that can be derived by means of education—an emphasis sadly and tragically ignored too often.

3. The building and cementing of wide bonds of attention and affection between the students and their teachers.

4. The participation of children, parents, and teachers in this day and thus their moving closer to each other, their joint consultation on mutual and individual problems and therefore, the enrichment of our life and a possible decrease in juvenile delinquency.

Teacher's Day, in my opinion, could be celebrated in the following ways:

1. Meetings and assemblies at which could be discussed education in general.

2. Gifts be brought to the teachers, by their students, young and old.

3. Dramatizations and talks on the meaning of education, via the radio, and articles and pictures in the press.

Education is the guaranty that a people will not come under the sway of tyranny. When a people are enslaved, they begin, immediately, to burn books, as in Germany. As Americans we must be intensely interested that our country should continue in the forefront of those nations which give their citizens ample opportunities for education and development. If we are to succeed in this objective, we must have able and enthusiastic pedagogues and that, in turn, can be aided by the support and respect given to them by all of us, adults and youth alike. In ancient Rome, an empire based on force, the educator was a slave; in the United State, a nation built upon justice and freedom, the teacher should be the true pathfinder of the people. This should be a fundamental of all nations formed on principles similar to those on which our country is founded.

There is another point to be considered. The teacher has come in for his share of blame for the wave of juvenile offenses, for 14-year-old Roy Adams, of Chicago, who smothered little 8-year-old Nancy Schuler, for Betty Jane Kroeger, of Eminence, Mo., 17 years old, who was found guilty of murdering her father and for too many others that occur every day.

These items reflect a trend, not in a few parents or single families, but in mankind. To counteract that, we must find the right kind of inoculation. It must be strong and effective and it can begin in the classroom.

A respect for the teacher must be instituted.

We have Mother's Day when children bring gifts to their mother and a Father's Day to remember the breadwinner of the family. Not that they are or should be forgotten and neglected all year around. Far from it. Nor is it being done. But the fact that a special day is set aside to honor the mother and the father brings a light to bear on their true value and lifts them to a position where they receive greater and better appreciation.

A great man once said: "Wars and battles are not won on the battlefield, but in the schools." The Talmud teaches us that we are to honor our teachers in the same measure as we honor our fathers and mothers because the teacher that imparts wisdom to the student is as a parent.

If 1 day in the year were to be set aside as a Teacher's Day, it would mean that the United States endorses the respect and honor due to the teachers of our Nation in whose care we entrust the physical, mental, and spiritual well-being of our children—and through them—all mankind.

When the teacher is elevated to his proper position in social space, then his words will carry more weight and he will become not only an example of an educated individual, himself, but one who represents the finest in the intellectual and spiritual world.

There is an enormous gap between the theorizing, the talking and writing about education and its practical application and execution. Experts may speak and write volumes and discover and recommend new systems, but unless they enlist the wholehearted cooperation of the teachers, the theories will remain theories, the new systems will remain dreams.

The education of our children does not only mean the preparation for a life in the future, the life of tomorrow. It is the life of today and every day, just as it comes along that the teacher faces.

The social, moral, religious, and intellectual aspect of the world are largely determined in the classroom. To win the cooperation and mutual respect of teacher and pupil, the teachers must be lifted to a much higher level economically and socially. A teacher's day would serve just such a purpose. The mere fact that attention would be centered on teachers would make the parents and children launch upon a campaign of thoughtfulness and admiration. Each teacher would be discussed, their subjects of instruction criticized and evaluated. There would be an understanding association of all concerned. The teacher, then, would be respected in the classroom and in the home.

Education is a continuous process of growth and evolution and life. Let us start right now and become part of that growing organism.

Remember that children live in the same world, breathe the same air, and often think the same thoughts as adults do, and may, therefore, be subject to identical actions and reactions. Let us realize, as we view the growing juvenile delinquency, that it is a product of our own day and age and of our own creation. It is for us to resolve, instead, to devote our creative powers to building a better environment for our children and ourselves.

Teacher's Day would, in this way, accomplish much. The occasion would become a fountain from which, each year, clear and clean water would pour, which would refresh and stimulate the world around it.

Reds and Education

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I should like to include a very timely editorial which appeared in the Worcester Telegram of June 10, 1949.

The editorial follows:

REDS AND EDUCATION

The organized teaching profession of the country is still wrestling with the problem of combating communism without sacrificing the traditional principles of freedom of opinion that form the basis of American democracy. The National Educational Association has just adopted two statements of policy on this controversial subject by its endorsement of the report of its Educational Policies Commission.

The commission says that school children should be taught about the theories and the practices of communism, but they should not be taught by Communists. In fact, the right of Communists to teach in the schools is denied. And that involves a point that needs to be better understood.

The commission explains it in this way: "The whole spirit of free American education will be subverted unless teachers are free to think for themselves. It is because members of the Communist Party are required to surrender this right, as a consequence of becoming part of a movement characterized by conspiracy and calculated deceit, that they should be excluded as teachers."

It is a good thing to have the teaching profession make it plain to the public that our educational policy does not aim to regulate the thinking of the profession. It is equally important to have it made plain that membership in the Communist Party involves control of the thinking and the action of the individual members.

If that Communist control can be legally demonstrated, we have a basis for charging that Communist members are subject to direction by a foreign government which they hold superior to the loyalty they owe to America. This legal demonstration has been so often lost sight of that a popular impression prevails that anybody can be considered a Communist who happens to hold opinions that differ from the accepted views of the majority of the public.

If the NEA commission carries out its proposal for teaching communism, the first step will naturally be to distinguish between socialism in Britain and socialism in Russia. There are many well-meaning Americans who can't tell the difference.

The British have democratic self-government. The Russians, throughout history, have always lived under autocratic authority. So we get a fundamental definition of communism. It is socialism in a police state. We may question the wisdom of British socialism. But we cannot tolerate the doctrine of the modern police state, whether it is in Russia or in Spain or in Latin America.

If the National Education Association can make these distinctions clear to the school children of the country, we may hope to clear up some of the confusion that muddled much of our popular opinion.

The Keystone Dam

EXTENSION OF REMARKS

OF

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. STEED. Mr. Speaker, under leave to extend my remarks, I desire to call attention of the Congress to an editorial on the Keystone Dam project on the Arkansas River in Oklahoma, published in the Oklahoma City Times on June 8, 1949, which follows:

ONE MAN'S LONELY FIGHT

Jo Ferguson, editor of the Pawnee Chief, has no connection with the mythical power trust, which is the favorite whipping boy for the proponents of TVA, MVA, AVA, and the other big dam projects. He has done a lot of work on his own time, fighting the proposed Keystone Dam which the Army engineers want to build in his area, and he recently made a trip to Washington in this effort.

As mentioned in a recent Saturday Evening Post article, the Army engineers have unlimited amounts of the taxpayers' money to spend, partially in propaganda. The program, as it now stands, comes to about $57,000,000,000 for the Nation, and a powerful lobby is always at work in Washington.

In his paper, the Pawnee Chief, the other day, he tells what will happen to his community if the Keystone Dam is built. Here is his impressive indictment:

"It will flood 30,000 acres of our best farm land.

"Drive thousands of farm people from their homes.

"Destroy all the town of Keystone and part of Cleveland, all of Prue and Osage, and part of Mannford. Flood Boston pool.

"Require rerouting of more than 20 major pipe lines that cross the Pawnee County part of the proposed reservoir. (To get away from the watershed into the reservoir the pipe lines probably would be placed below the dam, taking them entirely out of Pawnee County. Pawnee County collects thousands of dollars in taxes from these lines each year.)

"Inundate or isolate 416 producing wells from which the Johnson Oil Refining Co. is taking oil. Flood over 600 miles of pipe line that serve these wells.

"Back water up Cedar Creek to the Johnson refinery, making necessary the building of a dike, destroying the recently installed $200,000 water-cooling system, probably driving this industry from the county.

"Flood and force the rerouting of highways 64, 99, 33, and all county roads in the reservoir area.

"Flood the approaches to the Arkansas River bridge at Cleveland.

"Require the Frisco to reroute its line from the dam site to Hallett—moving most of it from Pawnee County—and the M. K. & T. from Hallett to Hominy and from Sand Springs to Osage.

"Reduce the taxable wealth of Pawnee County about one-third."

In a previous editorial Mr. Ferguson gave the result of a survey which showed that 40 percent of all the livestock received by the Tulsa stockyards are now grown in the area to be flooded. In view of this fact it is hard to figure out why many Tulsa businessmen want this dam, but perhaps they know their own business best.

In addition to the above damage, there will be even greater damage to the Arkansas Valley above the reservoir, by deltation which may extend to Ponca City or beyond, judging from experience.

No wonder Mr. Ferguson opposes the dam.

No Place for Communists

EXTENSION OF REMARKS

OF

HON. BURR P. HARRISON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. HARRISON. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial from the Washington Evening Star of June 9, 1949:

NO PLACE FOR COMMUNISTS

It is hard to conceive of a group more dedicated to the cause of academic freedom than the commission which has just issued a report on "American Education and International Tensions." The sound principles laid down by this distinguished group of educators will be rejected, of course, by Communists who seek to misuse traditional academic freedom for propagandistic purposes. But the prestige of the commission and the manifest objectivity of its findings enhance the importance of this valuable policy guide on the problem of communism in education.

The commission was commendably direct and unequivocal in disposing of the much-debated question of the right of schools and colleges to have Communists on their faculties. It declared bluntly that Communists should not be permitted to teach. It reached this conclusion because it was convinced that members of the Communist Party subscribe to doctrines that are totally inconsistent with academic freedom as Americans know it. These doctrines require party members to submit to a discipline that tolerates no deviation from the Marxist line of thought. There is no room for independent thinking under such a system. As Dr. Raymond B. Allen, president of the University of Washington (who was not a commission member), commented several months ago in defending dismissal of several Communist professors, a Communist is "incompetent to teach the truth." In short, a Communist cannot be a good teacher and a good teacher cannot be a Communist.

But has communism any place in the schools? The commission, which included such men as General Eisenhower, president of Columbia University, and Dr. James B. Conant, president of Harvard, answered this question with equal candor and common sense. It believes that academic freedom does require the teaching—as distinguished from the preaching—of communism. Here, again, objectivity is essential. And this is another reason why Communists should be excluded from the faculty. It is asking too much of a Communist to expect him to be objective about the conspiracy of which he is a part. Students should be taught to know what communism, fascism, and other ideologies are—for this knowledge should become one of the bulwarks of a free society.

One other recommendation was of a type that did not make headlines, but it was an important one, nonetheless. The commission urged that the schools, in order to be properly objective, do not overlook the teaching of Americanism, either. There is no better way of combating communism than by instructing children in the American way of life. If this should mean a return to the emphasis that once was placed on American history, civics, and related subjects, so much the better. The schools will have an unbalanced program if they fail to stress the value of the American heritage, while teaching about other ways of life.

Dairying Difficulties in South America

EXTENSION OF REMARKS

OF

HON. THURMAN C. CROOK

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. CROOK. Mr. Speaker, last February Mr. and Mrs. Orville Sherman, a prosperous young farm couple living southeast of Goshen, Third District, Ind., sold their farming equipment and goods at auction and left for Venezuela, South America, to assist dispossessed European immigrants who were arriving in that land.

These European people who had lost all, except their faith and hope in adjusting themselves in their new homes, are now gaining a new lease on life under the supervisorship of an esteemed Indiana couple that was willing to make heavy sacrifice and dedicate their efforts to a humanitarian cause. We are pleased to have such citizens obsessed with a burning desire to do their part in building for an established brotherhood of man throughout the world.

So, Mr. Speaker, under unanimous consent to have my remarks printed in the Appendix of the RECORD, I include the following letter from Mr. and Mrs. Sherman that was so graciously printed in the June 10 edition of the Farmer's Exchange, of which W. E. Yeater, of New Paris, Ind., is the editor.

DAIRYING DIFFICULTIES IN SOUTH AMERICA

EL TROMPILLO, ESTADO CARABOBO,
Venezuela, South America, May 31, 1949.

To Our Many Friends Who Were So Kind to Us Before We Left and Since:

We have put off writing this letter because we wanted to wait until the cattle started coming from the States. Wednesday, May 25, the first plane load of 11 head of cattle landed here in Venezuela. We were thrilled to have these cattle come because it will mean so much to the people here, for immigrants as well as natives. We do not minimize the value of the cattle given, but we know the spirit in which they were given is deeper than that and the most important is the fact that there are people in the world who still believe that there is a better way for peace than the one the whole world has taken, which was war. Not one of you in your wildest dreams could ever imagine the misery and suffering that this last war has caused. Until you meet individuals like we have, who saw their wives led to a gas chamber and killed and who himself was standing in line when the prisoners were liberated. This story is repeated time and again. And individuals who have lived in concentration camps for two or more years and have been people die like flies from starvation.

We have been directing the remodeling of an old sugar refinery into a dairy barn. Here we expect to keep 50 head of dairy cattle in this barn for milk production. The average cow down here gives 2 quarts of milk a day if she is fed. Some children never get a taste of milk and over 50 percent of the milk used in Venezuela is dried milk shipped from the States.

We are building a trench silo inside the barn 50 by 12 by 12 feet and expect to fill it with corn silage during the rainy season. We hope this silage will carry our cows over during the dry season when there is no pasture. There is no feed storage of any kind, no hay of any kind to feed cows during dry season. By the end of the dry season, the cows are walking skeletons and you know that they can't produce under that condition. On the way to Maracay the other day, we saw a cow lying along the side of the road that was dying from starvation and buzzards waiting for it to draw its last breath. The natives just don't know how to care for cows and the immigrants haven't a thing to start with.

They burn all the vegetation off of the land and it is depleting the humus in the soil very rapidly. We hope to teach them that they should plow the vegetation under instead of burning it. There is a lot of very good soil down here but they have very little knowledge as to how it should be farmed. Farm machinery is very expensive and the average man cannot afford to own it.

Yesterday, Orville brought to our room the largest grasshopper that I've ever seen. We measured him and his body alone was a good 5½ inches long. (We are considering using them for pack animals.)

Contrary to the belief of many tourists, who never get much farther than Caracas, Venezuela is a land of many poor people, especially in the interior where they do many

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things very primitive. The women make corn into meal, using the same method as in Biblical times by placing it in a large log standing upright that has been hollowed out at one end to a depth of about 18 inches and using another pole about 3 feet long and 4 inches in diameter to pound the corn into meal. In contrast, working in the field next to this mud hut, a government-owned caterpillar D6, with 78 horsepower on the drawbar, is pulling a large 12-disk plow. The people live in mud huts (mud put in between bamboo poles) with thatched roofs and dirt floors. Most of the children run naked until they are 6 years old. Many of the mothers make a little hole in the dirt floor of their hut and sit the baby in it as soon as they are old enough to sit up. The dogs, chickens, and pigs come in and rub around them. When the baby gets sleepy, it just lays its head over on the floor. Many of the babies are sick and nearly all have several different kinds of intestinal worms.

Women carry most of their loads on top of their heads and many have to carry water at least a half mile. They carry as much as a 5-gallon can of water on top of their heads and a baby in their arms. (Maybe we wouldn't be so clean if we had to carry all of the water we used in such a primitive way.) We do appreciate good, pure water as never before as we must boil all the water we use. (I never knew we could possibly use so much water every day.)

Regardless of all this, you can't help liking these native people. They have a very good sense of humor, they laugh and smile very easily. We especially like the little children with their black curly hair and black eyes. I will admit they do move a little slower than we do in northern Indiana but you don't have a tropical sun to work under. When you really learn to know them, they are not much different than anyone else.

The immigrant people are very nice people, like you and I, contrary to many stories we have been told about them. You can't imagine what a terrible thing it is to be a people without a country and not wanted. The native people resent them very much as the immigrants are more ambitious and cleaner and are taking business away from them. The natives are making it harder all the time for the immigrants to get a new start in life. You don't have to be here long until you are assured of the fact that immigration can help this country a great deal. We have found that speaking Spanish is a must. There is only one person here who can speak English besides we four. We have been studying Spanish ever since we arrived here. The natives speak very poor Spanish and after we learn Spanish we have to learn their language which is making it very difficult.

It is very hot here during the day but most of the time it cools off enough evenings and we can get our rest for which we are very thankful. We hear you had a heat wave and that it got up to 97 degrees. If it didn't get that hot here during the day, it would be very unusual. If it gets down to 70 degrees by early morning, the natives wear their coats. The other day when I set a chair out in the sun to dry some clothes, it blistered the paint. The rainy season is starting with it raining nearly every day. We are told that it is unusually late and we have been taking advantage of it in getting some of our work done. We must shake our clothes out each morning before putting them on as small lizards and insects crawl in them during the night. We have a lizard that insists on living in our room through the week. We have chased him out several times but he comes right back. (We didn't kill him as they eat insects and bugs and goodness knows there are plenty here.) He is about 10 inches long and a pretty green. I don't mind him as long as he doesn't crawl in bed with me.

We are very happy that we can be of some service to these people. It has been heartbreaking sometimes to hear our friends' stories and to see the living conditions. We realize it is a big job and there is lots to do. We have deeply appreciated the support and interest of all of our friends before we left and since we have been here.

Sincerely,

ORVILLE and LOIS SHERMAN.

Victors' Justice—The Nuremberg Trials Are a National Disgrace and We Should Repent

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EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, at this point in the RECORD, I am including a review of Montgomery Belgion's book Victors' Justice, by Mr. J. M. Lalley. The Nuremberg trials are so repugnant to the Anglo-Saxon principles of justice that we must forever be ashamed of that page in our history. Now, Dictator Stalin has us where he wants us in the event we go to war with Russia. The Nuremberg farce represents a revenge policy at its worst.

The review follows:

VICTORS' JUSTICE

(By Montgomery Belgion—reviewed by J. M. Lalley)

In the pattern of justice established at Nuremberg, Mr. Montgomery Belgion perceives one of the crises in the spiritual history of Western mankind. It was, he tells us, a fateful turning away from the legal tradition that has been the glory of the English genius and its greatest contribution to civilization. At Nuremberg the representatives of Great Britain and the United States abandoned the notion that the true end of justice is the protection of innocence rather than the punishment of guilt. The single purpose for which the international military tribunal was established was to exact retribution for crimes, defined as such after the event; and at the trials both the law and the rules of evidence were improvised to suit that purpose. Prosecutors, judges, and executioners stood for identical interests, and the verdicts were in every sense predetermined. The tribunal itself had no other authority than the physical power of the victors to inflict what penalties they pleased for whatever actions they might declare to be deserving of punishment. The usages evolved among Christian nations were thus repudiated, and the powers that had professed themselves champions of Christian principles reverted, as their adversaries had previously done, to the practices of pagan antiquity. Thanks to the precedents set in Nuremberg, and in Manila, Tokyo and elsewhere, it seems certain that the sequel to every war of the future that ends decisively must be the slaughter, under some mockery of judicial forms, of the leaders of the defeated side and the enslavement of the rest. The sum, then, of Mr. Belgion's brilliant and remorseless analysis is that the material victors of the recent war were, according to a rule well attested by history, conquered morally by the vanquished, and one of the principal accomplishments of the recent crusade against Nazidom has been to universalize the totalitarian mind and its apotheosis of power.

Mr. Belgion is not primarily concerned with the personal fates, any more than with the personal characters, of those who were sent to the scaffold or to prison by the military tribunals in Germany, the Philippines, and Japan. It appears to be part of his thesis that condemnation of defeated generals and politicians by drumhead courts martial, or even by proscription after the practice of Marius and Sulla or the French Revolutionary Tribunal under the Law of Prairial, would have been preferable to a legal process which has served to bring the forms of justice into contempt. As a historian has observed, it is one thing to tolerate injustice, another to enthrone it. Mr. Belgion challenges first of all the charter of the Nuremberg tribunal itself, showing that it had no sanction in international law; the powers which it claimed could have been conferred upon it only by some supranational authority, and no such authority existed. Nor could the tribunal claim to represent the organized conscience of the world outside the orbit of German influence, for although 17 nations had concurred in its establishment, the judges represented only the four most powerful of Germany's enemies. But even assuming the validity of the jurisdiction claimed in the charter and the propriety of the ex post facto principle upon which the crimes were defined and the indictments drawn, the difficulty remains that the very accusations were such as could have been brought against those who sat in the seats of judgment.

The principal charge against the leaders of the Nazi Party and of the German military was that of conspiracy to destroy the peace of the world; this was supported by evidence of an intention to wage wars of aggression in violation of existing treaties. But, as Mr. Belgion shows us, the definition of war crime under this title would apply to the Russian invasions of Finland, Latvia, Lithuania and Estonia, and also to the contemplated dispatch in 1940 of French and British reenforcements to the Finnish armies then resisting Russia; it would apply to the British and American occupations of Iceland, to the Anglo-American invasion of French North Africa, and to the Russian seizure of Manchuria in 1945. Thus to accept the validity of the indictment is to admit that, had the Nazis been victorious, they would have been legally justified in prosecuting and punishing the Russian, British, and American war leaders.

So, too, with the other charges arising out of the definitions of war crimes and "crimes against humanity." The Russians had certainly been guilty in Poland, the Ukraine and the Baltic States, of mass deportations upon an even greater scale than was attempted anywhere by the Germans; the advance of the Russian armies had invariably been accompanied by wholesale killings and rapings and by systematic pillage; indeed such crimes were being repeated in the Russian zone of Germany while the Nuremberg trials were in progress. Looting was also practiced upon a considerable scale by the British and American soldiery in Germany. A very large proportion of the prisoners of war taken by the Russians have disappeared without trace; but at Yalta Messrs. Roosevelt and Churchill agreed that prisoners of war should be kept at forced labor after the cessation of hostilities, and this enslavement of war prisoners was actually in effect in Great Britain and France throughout the trials. The uprooting and evictions of whole populations at the cost of incalculable suffering were taking place in Czechoslovakia, Hungary, and East Prussia with the encouragement or complacent approval of the powers which at Nuremberg were trying the Nazis for similar crimes. The nadir of cynicism, perhaps, was to include among the barbarities charged to the Nuremberg defendants the slaughter of several thousand Polish prisoners at Katyn in the Soviet Union, although the burden of evidence uncovered by Polish

and neutral observers indicated that the Katyn massacres were actually the work of Russian executors obeying orders of the Kremlin, and had occurred long before the German invasion of Russia.

Mr. Belgion also manages to show that among the British and Americans brutal treatment and even torture of prisoners of war and other capitives were not unknown. Julius Streicher, for example, was obliged by Americans to kiss the feet of Negro soldiers, to swallow spittle, and was offered urine when he asked for water; surely it is hard to conceive that Streicher himself could have devised or imagined much worse indignities than these for the Jews. The expatriate American poet, Ezra Pound, who had supported the cause of Mussolini, was kept, after his surrender, in solitary confinement in a stockade with a concrete floor without furniture or bedding, exposed by day to the Italian sun and by night to the ceaseless glare of searchlights. Physical tortures and the seizure of hostages were employed by the British soldiery to extract confessions from persons suspected of Nazi affiliations, and such confessions were admitted as evidence by the tribunals even when repudiated by the defendants. The deliberate destruction of living standards in countries occupied by the German armies, included among the crimes of the defendants at Nuremberg, has its analogies in the dismantling of German industries and the levying of grandiose reparations; and the crime of wantonly destroying villages like Lidice and cities like Belgrade and Warsaw had counterparts in the saturation bombings of Hamburg and other German cities and in the experimental bombardments of Hiroshima and Nagasaki. The murder of political opponents is not unheard of in countries under Soviet domination, and the persecution of political adversaries, also included in the catalog of crimes, is not totally unknown in either Great Britain or the United States. Even genocide, meaning the proscription of whole categories of persons, has parallels in the practices of the victorious powers, as for example the liquidation of landowners, clerics, and bourgeois intellectuals by the Russians in Poland, and in the denazification programs in the American and British zones of Germany.

Thus, point by point, Mr. Belgion demolishes the whole elaborate case established by Mr. Justice Jackson and his collaborators. And as he does so, it becomes clear that the moral difference between ourselves and the Nazis is at best one of degree rather than of kind. The same indeed may be said about the differences between us and our recent allies in the cause of freedom, the Communist Russians. It is perhaps not too far a cry from the juridical principles fashioned at Nuremberg to those recently invoked in Budapest at the trial of the Prince Primate of Hungary or in Sofia at the trials of the Bulgarian evangelical pastors. For in the conduct of all these cases the fundamental criminality of the accused lay in their identification with what had proved the weaker side. Thus justice has become precisely what Thrasymachus, the antagonist of Socrates in the opening debate of the Republic, asserted it to be, that is, the interest of the stronger. The question, then, is not whether the sins of the Nazis credit out for vengeance; assuredly they did, but as much, Mr. Belgion reminds us, might be said about the sins of certain victims of lynch law in the United States. The real question is whether the spirit of justice can survive after the forms of justice have been debauched. Mr. Belgion, I think, has proved that it cannot.

And yet the distance still separating our world and the totalitarian world is to be measured, almost exactly, by the fact that 1 year after the Nuremberg trials a publisher could be found in England for such a study as Mr. Belgion's, and that one has now been found in the United States. We have here at least proof that it is still possible to appeal from the passions and intoxications of power to the court of conscience and to the sober second judgment upon which the hope of justice must finally depend. But, alas, in time of war, revolution, and general calamity, the force of conscience and the devotion to justice grow progressively weaker.

The Crisis in Sino-American Relations

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. MANSFIELD. Mr. Speaker, I am inserting in the RECORD, under unanimous consent, a speech delivered by Prof. Russell Fifield, of the University of Michigan, on the crisis in Sino-American relations. Professor Fifield is one of the country's outstanding authorities on the Far East, and I commend his remarks to the thoughtful consideration of the Congress:

THE CRISIS IN SINO-AMERICAN RELATIONS

Fifty years ago Secretary of State John Hay asserted that "The storm center of the world had gradually shifted to China. Whoever understands that mighty empire * * * has a key to politics for the next 500 years." The success of the Chinese Communists under the leadership of Mao Tse-tung over the Kuomintang forces of Chiang Kai-shek is changing not only the political economy of China but also the balance of world power. Winston Churchill even declared in his Boston address on March 31, 1949, that "The worst disaster since our victory has been the collapse of China under Communist attack and intrigue." The rise of Communist China may be the most significant development in the Far East since the fall of the Japanese Empire.

American foreign policy in the Far East has stressed two cardinal principles—the open door in China and the territorial integrity and administrative entity of that country. At no time, however, have these principles been completely observed in China. Even Secretary of State John Hay became interested in a Chinese coaling station. The Lansing-Ishii notes in 1917 could be interpreted as a definite challenge to the cardinal principles of American foreign policy in the Far East.

The Nine-Power Treaty of 1922 placed the concepts of the open door and the integrity of China on a multilateral treaty basis for all the leading Pacific powers except the Soviet Union. The United States was a leader in the formation of the Nine-Power Treaty but was not prepared to use force to carry out its terms. The Stimson Doctrine in 1932 of nonrecognition of Japanese aggression in Manchuria proved ineffective in preventing the new order in east Asia and the coprosperity sphere. Nevertheless the United States refused to sanction Japanese violation of the open door and the integrity of China. The famous memorandum of Secretary of State Cordell Hull to Japan on November 26, 1941, emphasized the fundamental principles of American foreign policy in the Far East. Japanese violation of the open door and territorial integrity of China constituted one of the underlying reasons for the outbreak of the Pacific war and led eventually to the termination of the new order in greater east Asia.

After the end of the Second World War the United States made a sincere effort in the Marshall mission to end the Chinese civil war and to create a unified, democratic, friendly China that would stand as a bastion of peace in eastern Asia. The Marshall mission was one of the most unique efforts in history. Involving an armistice in a large battle zone, a number of truce teams each consisting of a ranking American, Communist, and Kuomintang officer to enforce the armistice in respective areas, and a key committee of three, Gen. George C. Marshall, Gen. Chou En-lai, and Gen. Chang Chun, to negotiate a settlement of the conflict on the top level, The Marshall mission would have succeeded if both Kuomintang and Communist parties had been willing to compromise. The Chinese themselves torpedoed the mission but Marshall was criticized by the Communists for giving too much aid to Chiang Kai-shek and by the Kuomintang for giving not sufficient help to the government in Nanking.

The failure of the Marshall mission followed by the gradual economic and military collapse of the Kuomintang created a situation that has worked to the advantage of the Communists of China. Despite some two billion dollars of American aid since VJ-day, the government of Chiang Kai-shek lost control of the country. If the Chinese Communists become puppets of Moscow, the United States may well have lost the Pacific war as far as the principles of the open door and the territorial integrity of China.

Although a partial eclipse of American and Western influence in China may be imminent, a complete withdrawal of the United States and the Western Powers from that country is doubtful. At least some degree of trade can be expected regardless of the nature of the Chinese national regime. It is significant that the Honorable Arthur Morse, chief manager of the Honk Kong and Shanghai Banking Corp., reported to his stockholders on March 5, 1949, that "The fierce flames now enveloping the political and economic structure of China are potentially more ominous for foreign traders than anything that has occurred since they established themselves on Chinese soil. In my view all those engaged in foreign trade in China must be prepared to face an entirely new situation during the coming years, and to adjust their ideas and their actions to conditions without any guiding precedent. However, I do not expect foreign and Chinese merchants experienced in trading on the China coast to pack up in despair. The clamorous needs of China for imported consumer goods as well as for capital goods from abroad and the overriding necessity for exchanging exports for imports cannot easily be denied."

American and foreign missionary interests, moreover, are likely to remain in China for some time. At the end of 1948 more than half of the estimated 7,408 American private citizens residing in the country were missionaries. Most of these people have no intention of leaving China unless it becomes absolutely necessary. The educational and medical services of the missionaries are badly needed in the country devastated by foreign invasion and civil war. The financial support given the missionary institutions in China by citizens in Western nations is a factor no Chinese regime can overlook. The trend toward the establishment of native Chinese churches will serve to maintain contacts with the West.

American citizens leaving China will consist largely of certain official personnel of the United States and of Americans employed in a number of capacities by the Chiang Kai-shek regime. The American Embassy and consulates will probably remain in China but the activities of the United States Information Service in the country may be curtailed and the work of the cultural attaché restricted. The Joint United States Military

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Advisory Group whose function was to provide guidance and schooling for the Chinese armed services has already left the country. The only American uniform in China is likely to be worn by the military attachés at the American Embassy.

In the foreign policy of the United States toward a Chinese Communist Government, the determining factor is likely to be the relations' 'p between the Kremlin and the Chinese Communists. The best the United States can expect in the near future from the Chinese Communists is neutrality in the cold war between the East and West. The worst Americans can expect is the emergence of a Communist China ruled by fanatics obedient to the orders of the master in the Kremlin. The watchful waiting of the United States provides a flexibility that can be utilized to considerable advantage by American diplomats. At the same time the Soviet Union may seek to pursue a similar policy depending upon the degree of loyalty of Mao Tse-tung and his followers to Stalin.

The exact relationship between the Chinese Communists and the Politburo in Moscow is a subject of considerable controversy in the outside world. A subcommittee of the Committee on Foreign Affairs of the House of Representatives in a report entitled "Communism in China" asserts at the very beginning that "Chinese communism is regular communism. Its doctrines follow those of Lenin and Stalin. Its leaders are Moscow trained. Its policies and actions, its strategy and tactics, are Communist. The Chinese Communists have followed faithfully every zigzag of the Kremlin's line for a generation." Mao Tse-tung himself wrote in his New Democracy in 1940: "It is becoming exceedingly clear now that * * * any holding back from alliance with the one socialist country in the world (U. S. S. R.) is bound to lead down to the policy of alliance with the imperialists, with imperialism. * * * As the struggle between the socialist country and the imperialist countries is becoming sharper and sharper, it becomes absolutely necessary that China makes her choice between the two camps. * * * In short, there can be no neutral position but either a revolutionary or a counter-revolutionary position."

No one can deny that the Chinese Communists have echoed the ideas of Moscow even to the extent of denouncing Marshal Tito's heresy and criticizing the Indonesian Republicans. In March 1949, the Chinese Communists declared that in the event of a world war they would march forward hand in hand with the Soviet Union. In April they denounced the North Atlantic Pact and pledged loyalty to the Soviet Union if war came as a consequence of the treaty. The record truly indicates a close relationship between the Kremlin and the Chinese Communists. But if the Chinese Communist regime becomes the national government of China, will the record then remain the same? Responsibility has often changed the pledges of political aspirants. An American missionary in Honan has recently quoted a Communist officer as saying: "When the kettle belonged to Chiang Kai-shek we tried to destroy it, but now that it is ours we want to preserve it and use it."

Some evidence already exists that the Chinese Communists may not be subservient to the Soviet Union once they gain control of China. At the present time the backbone of Chinese communism is agrarian reform based on the cardinal principle of a wider ownership of land. In a country where industrialization is still in its early stages the support of the peasants is a prime consideration for any government. It is noteworthy that the Kuomintang regime failed largely because the peasants withheld their support. The current policy of the Chinese Communists is somewhat similar to the new economic policy of the Soviet Union in 1921 and the present heresy of Marshal Tito, of Yugoslavia. As yet Mao Tse-tung has made no genuine effort to collectivize the peasant holdings of China in line with the development of collective farms in Russia. The Chinese Communists in their present land program of wider ownership, however, may not succeed in increasing the productivity of the land. Basic in the economic future of China is an increase in agricultural productivity, an objective that will not be reached by a mere change in land ownership but by the application of modern methods of scientific farming.

If Mao Tse-tung pursues a policy similar to Marshal Tito and if the Kremlin is as rigid in its requirements to the faithful in Asia as in Europe, the Chinese Communists may join Tito in the band of heretics. Stalin himself has reportedly asserted that the Chinese Communists are like radishes, red, on the outside and white on the inside. It is possible, however, that Mao Tse-tung's present program is only a temporary expedient and that the Chinese Communists eventually will try to turn the country into an oriental version of the Soviet Union. In his New Democracy Mao Tse-tung believed that China would move from feudalism to capitalist democracy and then to socialism. He indicated that the two-stage revolution could be molded into a continuous process in many respects although an intervening period of modified capitalist democracy would be necessary between the old feudalism and the new socialism. The three people's principles of the new China, according to Mao, are Alliance With the Soviet, Alliance With the Communists, and Alliance With the Workers and Peasants. Mao does not believe that the new China can be created in a few days that will shake the world but rather in a long period of time he does not attempt to delimit.

The establishment of socialism in China involving a system of collective farms and the expansion and transformation of industry would represent a social upheaval that would require the most powerful police state on earth operating over a period of many years. Even the use of tractors instead of hoes in the Chinese agricultural landscape would be revolutionary. In 1947 the Yellow River was again diverted north of the Shantung Peninsula from its previous channel of 1938 to 1947 south of the peninsula. In the former "flooded areas" an opportunity was presented for an experiment in modern agricultural methods utilizing tractors given by UNRRA. The returning peasants, however, were determined to restore the old ways of farming and they bitterly criticized the use of tractors. On the industrial side, socialism would not directly affect more than some 10 percent of the people, considering the present scale of industrialization in China. However, the increased industrialization of the country, a rapid growth of the proletariat in the cities, and the socialization of industry would be objectives of the Chinese Communists. In a meeting of the Central Executive Committee of the party in March 1949, it was agreed that more emphasis should be placed in the future on the role of the urban workers in Chinese communism. Until late 1948 the Chinese Communists held very few cities of importance, with the exception of Harbin in Manchuria. The final conquest of Manchuria and North China placed much of the industrial potential of the country in Chinese Communist hands.

Only a completely unified Chinese Communist Party could make much progress in transforming China into a socialist state. At present the party has two wings: One which is conservative, led by Mao Tse-tung; and the other, which is radical, led by Li Li-san. Both Mao Tse-tung and Li Li-san were born in Hunan; both were early converts to communism; both are members of the central executive committee of the party. Mao Tse-tung has based his communism on the support of the peasants seeking aid from a class of people making up 80 percent of the population. Li Li-san has shown more interest in the possibilities of using the small urban proletariat of China as the basis of the socialist revolution. In the rivalry between the two men in the 1920's Mao emerged victorious as the leader of Chinese communism, and Li left for Russia, where he studied at the Lenin Institute. While Li was in Russia, Mao Tse-tung, Chou En-lai, and Chu Teh kept alive the Communist movement in China and directed the long march from Kiangsi to Shensi in 1934 and 1935. Toward the end of the recent war Li Li-san returned to the Chinese scene with the invading Soviet troops in Manchuria and soon became adviser to Chinese Communist Gen. Lin Piao in that area. The appearance of Li in the potential industrial heart of China is not without significance in Soviet politics. Possibly the Kremlin has more faith in Li than Mao. The latter has never been in Russia, although a number of his close advisers, like Chou En-lai and Gen. Chu Teh have studied in the Soviet Union. On the other hand, Li Li-san is undoubtedly a devout follower of the present teachings of Moscow. He is even reported to have significantly asserted in the summer of 1948 that "Some of our comrades have been in error. * * * We cannot tolerate a Tito in Asia." The struggle for power within the Chinese Communist Party is certain to have ramifications in world politics. Under certain conditions this struggle might work to the advantage of the United States.

The victory of the Chinese Communists is largely due to their own efforts, a factor not without significance in the formation of their future foreign policy. Neither the Russian Army nor Soviet loans nor Russian technical advice is primarily responsible. Beyond making the contents of the Japanese arsenals in Manchuria open to the Chinese Communists, the Russians have probably not substantially aided the Chinese Communists. In the case of eastern Europe the Russian Army was responsible for the establishment of a number of puppet regimes loyal to Moscow. In China no similar dependence upon the Kremlin accounts for the victory of Chinese communism. The Chinese themselves are placing Mao in power, not the bayonets of Russian troops. Moreover, the Soviet Union has been officially correct in its relations with the Kuomintang regime. The Soviet Ambassador was the only leading diplomat from a major power to follow the government of former Premier Sun Fo to Canton. Even in March 1949, when the fortunes of the Kuomintang were at a low ebb, the Soviets sent a mission to Tihwa to negotiate an agreement with Kuomintang representatives regarding the economic development of Sinkiang. These facts would seem to indicate that the Kremlin is not at all certain of the subservience of Mao. Since the Chinese Communists are probably coming to power under their own sails, it is quite possible that they may observe a more independent policy in world politics.

It would be difficult, furthermore, to expect Chinese communism over a period of years to merge its entity into that of Russian communism. The Chinese are not tied to the Soviet Union by the common bonds of Slavdom. Their historic background, their cultural heritage, and their philosophy of life are different. Foreigners have never been able to absorb the Chinese—rather the Chinese have assimilated their conquerors. The rise of Chinese nationalism, still in its early development, will be a strong deterrent against any government, even a native regime, that is subject to the orders of a foreign power. The greatest contribution of Chiang Kai-shek to the development of China was the termination of the "unequal treaties" between China and the West. The criticism leveled against the Generalissimo

because of limited American support after the recent war will be leveled with even greater intensity against any Communist regime in China that becomes a puppet of Moscow. It is possible in the near future that foreigner in the minds of the Chinese will not mean Englishman, Japanese, or American, but Russian, a development that may be a political boomerang to Moscow. Paul S. Reinsch, American minister to China from 1913–19, once asked the Russian minister in Peking whether he thought the Chinese considered the Russians half-Asiatic and therefore brothers. The reply was "No, they count us with you and with the other Europeans, as a scourge and pestilence."

Once a Communist government is established in China, the nationalism of the new regime may be severely tested by the Soviet role in Manchuria. Chinese nationalism has always been most intense in areas where the people have come in closest contact with foreigners. It is true that up to the present time the Chinese Communists have chosen to stress the American military intervention in the Chinese Civil War behind Chiang Kai-shek, calling him the running dog of American imperialism, and to ignore the Soviet role in Manchuria as a result of the Yalta agreement of February 11, 1945, the Sino-Soviet pact signed the following August 14, and the Soviet occupation of that strategic area. But it is one matter for a faction struggling for power to pursue such a policy, it is another matter for that faction once it assumes power and has responsibility to continue such a policy. A Chinese Communist Government would see the Americans holding no bases, stationing no troops, and running no railroads in China. On the other hand, the government would see the Soviet Union entrenched in the naval base of Port Arthur and the commercial port of Dairen for 30 years, the Chinese eastern and south Manchurian railways jointly run with the Russian Government for the same duration, and the industrial plants of Manchuria stripped since the war by fellow Communists from the Soviet Union. Chinese nationalists may not be pleased to note the Soviet activity in Sinkiang and the possible efforts to lead Inner Mongolia toward the puppet state of the people's republic in Outer Mongolia. Chinese Communists will also observe northern Korea, adjacent to Manchuria, in the hands of a regime of Korean Communists who are puppets of Moscow. Nationalism in China is eventually certain to resist Soviet expansion all along the Russo-Chinese boundary from Sinkiang through Mongolia and Manchuria to Korea.

Finally the reconstruction of China devastated by the Japanese invasion and the civil war cannot be brought about entirely by the Chinese themselves. Foreign aid in terms of technological skill and ample capital will be essential. China needs to develop her industry as one of the answers to the ever-growing population. The transportation system of the country, especially the railroads, must be reconstructed and expanded to meet the economic needs of the present and the future. The agricultural foundations of the nation must be improved by modern technology. Power projects like a Yangtze Valley Authority must eventually come. The Communists may bring peace and order to the vast country but they will not be able to develop it along modern lines without foreign aid. From where will this help come? For many years the Soviet Union will be so busy developing its own vast territory that little aid can be expected from that source. Great Britain, once the leading power of the world in the great Yangtze valley in China, is no longer able to play a great role in the economic development of the Far East. Only the United States has the capital and skill available at the present time to assist in the reconstruction of China. Political conditions, however, will determine the future American role in that country. If the Chinese Communists can bring about a stable government in China and if they do not become mere puppets of Moscow, the fundamental relations between China and the United States may not be radically altered. If, on the other hand, the Chinese Communists turn their backs on the West and hitch their wagon to the Soviet Star, then the traditional friendship between China and the United States will be destroyed.

American foreign policy toward China is now at the most crucial stage in the history of Sino-American relations. Realizing that Soviet power for this generation will be based west of the Urals and that western Europe is presently greater in power potential than eastern Asia, the United States has chosen to expend billions in the Marshall plan in Europe and the North Atlantic alliance. Aid to Chiang Kai-shek, although not insignificant, has not compared with that allotted to western Europe. At the same time Russian power is not yet primarily Asiatic and China does not possess the power potential of western Europe. If worst comes to worst, the United States can afford to withdraw for a generation to the latter of islands rimming the coast of eastern Asia—Japan the Ryukus, and the Philippines. Here American sea and air power is presently supreme. General Douglas MacArthur in a recent statement to a British correspondent talked along these lines when he said:

"Our defensive dispositions against Asiatic aggression used to be based on the west coast of the American continent. * * * The Pacific was looked upon as the avenue of possible enemy approach. Now the Pacific has become an Agio-Saxon lake and our line of defense runs through the chain of islands fringing the coast of Asia. It starts from the Philippines and continues through the Ryukyu Archipelago, which includes its main bastion, Okinawa. Then it bends back though Japan and the Aleutian Island chain to Alaska. Though the advance of the Red Armies in China places them on the flank of that position, this does not alter the fact that our only possible adversary on the Asiatic continent does not possess an industrial base near enough to supply an amphibious attacking force."

The present American foreign policy of watchful waiting in China is dependent upon events in that country. After all is said and done, the Chinese themselves must solve their own problem. Neither the United States nor the Soviet Union can long afford to determine the foreign policy of the new China. All that America can hope is the emergence of a friendly China, serving as a bastion of peace in eastern Asia.

Dodging the Issue

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Indianapolis News of June 13, 1949:

DODGING THE ISSUE

In an attempt to defend his fantastic farm plan, Secretary of Agriculture Charles F. Brannan stooped to the political device of impugning the motives of its critics.

The Secretary may have felt that politics, instead of reason, was the order of the day, since he made his rebuttal at a party powwow Monday in Des Moines. But it is probable that he erred, for a good many in his Corn Belt audience are strongly opposed to the plan. They know that it is unworkable, and it is doubtful if they relished being told that their opposition is dictated by unworthy motives, rather than common sense.

Opponents of the plan, the Secretary contended, fear the farmer will get more than what they deem his fair share of the national income.

That is demagoguery of the first order, for as the Secretary knows full well, agriculture organizations such as the Farm Bureau are opposed to the plan, yet no one would accuse the bureau of ignoring the best interests of the farmer.

Mr. Brannan made no attempt to come to grips with the real issues: That his plan would almost automatically entail Government-administered farm prices and farm income, with Government control of all land and livestock production; that it would cost untold billions; that this expense to taxpayers would be far more likely to precipitate or feed a depression than to help stabilize farm markets; that its administrative requirements alone would further regiment the farmer and increase the Nation's already top-heavy bureaucracy; that the farmer would be made dependent upon annual appropriations from the Federal Treasury—in effect placing his income on a hand-out basis.

These are the valid criticisms of Mr. Brannan's program, made repeatedly by farm groups and urban citizens alike. Until he answers those satisfactorily, no one will place much credence in his effort to hide the real issues.

Career Compensation Act of 1949—Family Allowances

EXTENSION OF REMARKS
OF
HON. JOHN R. WALSH
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. WALSH. Mr. Speaker, when the original pay bill was recommitted for further study, the committee accepted the recommittal as a directive to protect the family allowances of wives and children of enlisted personnel for the duration of their current enlistments. We have gone even further, as I will explain in a few moments.

Mr. Speaker, I believe I should first attempt to explain the difference between temporary wartime family allowances payable under the Servicemen's Dependents Allowance Act and other allowances to which enlisted personnel are entitled.

The Servicemen's Dependents Allowance Act was passed in 1942 when we began inducting large numbers of men with families. It was a most necessary piece of legislation. Should we go to war again, and I pray we will never need to so do, it will undoubtedly be necessary to reestablish the payment of family allowances. That act was passed because the Congress and the American people felt that there was a moral obligation to provide a man and his family with sufficient funds on which to live while the breadwinner was serving his country. These

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men were drafted. They did not select the Army or the Navy as a career and, in fact, they had little choice in the matter. The Servicemen's Dependents Allowance Act states as follows:

The dependent or dependents of any enlisted man * * * shall be entitled to receive a monthly family allowance for any period during which such enlisted man is in the active military or naval service of the United States on or after June 1, 1942, (1) during the existence of any war declared by Congress and the 6 months immediately following the termination of any such war or (2) during a period of enlistment or reenlistment contracted by such enlisted man prior to July 1, 1946.

We of the Armed Services Committee feel that the war is over. We feel that our armed services are now manned by volunteers for all intents and purposes, with the exception of the few draftees in the services. Insofar as draftees are concerned, we are not drafting men with dependents. On the other hand, we recognize that enlisted men who enlisted prior to July 1, 1946, entered into a contract for the payment of family allowances until the end of their enlistments.

These allowances are paid to the dependents of enlisted men. The enlisted man has $22 of his pay deducted and the Government contributes the rest. Under existing law, he can bring in brothers and sisters and mothers and fathers, and the Government pays the bill. These are the family-allowance benefits we have heard so much about. They have no connection whatsoever with subsistence allowances to which enlisted men are entitled, nor do they have any connection whatsoever with quarters allowances to which enlisted men are entitled, except that no enlisted man can draw both family allowances and quarters allowances at the same time. And if an enlisted man occupies Government quarters and is receiving family allowances, he must pay rent for those quarters. This is existing law.

Now, there was much discussion on the floor when the original bill was presented to the House with respect to a moral contract on the part of the Government to continue family allowances for wives and children. I believe, in retrospect, that the Members of the House who were concerned about family allowances were correct in wishing to protect those allowances for wives and children for the duration of current enlistments. Perhaps our original proposal of terminating these allowances at the end of 6 months was a little drastic for these people. Therefore, I, for one, am happy to concur in the proposed changes that we have made with respect to family allowances.

I do not wish to be misunderstood in this matter. I believe we should protect family allowances for wives and children, or for a man whose sole dependent is a parent who receives most of his or her support from that individual. And that is what we have done. But I do not believe in continuing the principle of temporary wartime family allowances in a peacetime Army. I believe any system that pays a man according to the number of dependents he may have violates all traditions of American individualism. I am opposed to such a method in time of peace and believe that it is justified only in time of war. In other words, I do not favor baby derbys. I do not believe a man's compensation should be dependent upon the size of his family or the size of his parent's family. I believe the American system is to pay a man according to his worth. I believe the armed services should pay a man according to his responsibilities, according to his rank and according to his ability. And, therefore, the sooner we can eliminate family allowances the better off we all will be, including the man who is receiving those allowances. I know that is like telling a child that candy is not good for him, but, nevertheless, I am convinced that a system which compensates a man according to the number of dependents he can claim is without merit and should not be continued. And I might say that every enlisted man who appeared before the committee was of the same opinion. I do not believe that the armed services should be a substitute for relief agencies. I do not believe the armed services should be called upon to act in the place of welfare boards, and too often in the past this has been true.

However, assuming there is a moral contract for those who are already in the services, and that we do not want to take away family allowances for wives and children, but, at the same time, recognizing the fact that no pay bill is possible if we pyramid increased pay on top of family allowances, we have arrived at what we feel is a fair and equitable decision. We have provided that—

First. Persons who enlisted or reenlisted prior to July 1, 1946, will continue to be eligible to draw their present pay and family allowances until the end of their enlistments.

Second. Persons who enlisted or reenlisted after July 1, 1946, will be eligible to draw their present pay and family allowances until the last day of the sixth month following the date of the bill is enacted.

Third. Married men who enlisted or reenlisted prior to the date the bill is enacted but after July 1, 1946, will continue to be eligible to draw their present pay and family allowances for their wives and children until July 1, 1952, or the expiration of their enlistments, whichever is earlier.

Fourth. Enlisted persons who do not have dependent wives and children, but who do have parents dependent upon them for chief support, will continue to be eligible to draw their present pay and family allowances until the end of their enlistments of July 1, 1952, whichever is earlier.

Fifth. Enlisted persons will not be eligible to claim brothers and sisters as dependents after the last day of the sixth month following the date the bill is enacted.

Sixth. Persons whose enlistment terminates in the period between the date of enactment and October 1, both dates inclusive, and who reenlist within 1 month of such termination will be eligible to draw present pay and family allowances until the expiration of their new enlistment, or until July 1, 1952, whichever is earlier, subject to the same limitations on dependents as are applicable to persons who enlist or reenlist prior to the date the bill is enacted.

Seventh. No person who enters into an original enlistment after the bill is enacted will be eligible to draw family allowances. (This should not be confused with quarters allowances which are increased for qualified enlisted personnel.)

Eighth. This is important. As soon as the total compensation to which an enlisted man may be entitled under the new bill exceeds the total compensation he is presently receiving, he will automatically qualify for the higher pay and allowances.

Ninth. Any enlisted man who suffers a reduction in total compensation upon the elimination of any or all of his family-allowance benefits, from that which he was receiving prior to enactment of the bill, may upon application be discharged from the service.

What I have just stated to you will be found in the report, but I believe that every Member should be aware of what we have done with respect to family allowances. And that is why I have repeated what is before you in the report.

Mr. Speaker, I believe this to be a satisfactory solution to the problem of family allowances. It is costly to be sure, and as a result of a continuation of certain classes of family allowances, it has been necessary to reduce the pay of all but the two lowest enlisted grades. In other words, the majority must suffer in order to aid the minority, but, nevertheless, the reduction for enlisted personnel is slight in individual cases insofar as the pay increase is concerned.

Now, Mr. Speaker, let me state for the benefit of the House that many persons will be entitled to the new pay and quarters allowances in lieu of their present family allowances because the new pay and quarters allowances will exceed their present compensation, including family allowances. Do not overlook the fact that we have increased the quarters allowances for qualified enlisted personnel from $37.50 per month to $67.50 per month and, in addition, have increased basic pay considerably. Therefore, many persons, as in the previous bill, will qualify for the new increased pay in lieu of their present pay and family allowances. This solution has been carefully analyzed and cannot be changed without affecting the cost of this bill materially. I commend it to you completely and without reservation.

Attitude of Coal Miners Toward Production Problems

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following excerpts of

remarks made by Mr. Thomas Kennedy, vice president of the United Mine Workers of America, at a meeting of the Coal Mines Committee of the International Labor Organization on Thursday, April 21, 1949:

Mr. KENNEDY (United States workers delegate). On behalf of the United States workers delegates, I join with the United States Government and employers delegates in welcoming the coal mines committee to the United States and to Pittsburgh. There are approximately 180,000 coal miners employed in the State of Pennsylvania. Of these 80,000 are employed in the anthracite mines and the remainder in the bituminous mines. The coal mining industry in the United States is really composed of two industries, as problems of the anthracite coal-mining industry are quite different from those in the bituminous coal-mining industry.

Workers in the coal-mining industry of the United States always have been organized into their labor unions on an industrial basis. Since 1890 American mine workers have been organized in the United Mine Workers of America, the country's oldest industrial union. All workers employed in and around the coal mines, no matter what their craft, are organized into the United Mine Workers of America.

The attitude of coal miners in the United States with respect to production problems of their industry is different from that of workers in some other countries. American coal miners, through their union, always have supported technological improvements and the mechanization of the coal industry. In adhering to this policy, the United Mine Workers of America believe they are advancing their own interests looking toward the improvement of work standards.

The Under Secretary of Labor has referred to the fact that 680,000,000 tons of coal had been produced in 1947. Recent estimates indicate that coal requirements in 1949 will be approximately 550,000,000 tons—130,000,000 tons less than were required in 1947. This means that there probably will be a surplus production of coal in 1949 which will present an economic problem for both workers and employers. I see no reason why hours of work shall not be fixed accordingly to adjust to decreased consumption demands.

During the war, the coal miners of America adjusted hours upward to as much as 10 hours a day 7 days a week to meet the needs of the armed forces. This was done by agreement between the United Mine Workers of America and the coal operators. By the same token, hours of work should now be reduced to stabilize the economy of the industry and employment in accordance with decreased consumption demands.

Now I would like to touch on the new departure the United Mine Workers of America have made in regard to social-security measures covering old-age pensions, disability, disease, and rehabilitation.

Pension programs providing $100 a month to coal miners 60 years of age who have worked 20 years in the industry are in force in both the anthracite and bituminous industries. These programs, as well as the other welfare programs for American coal miners, are administered by the United Mine Workers of America welfare and retirement fund, in behalf of 400,000 bituminous coal miners, and by the anthracite health and welfare fund, in behalf of 80,000 anthracite miners.

It is the policy of the United Mine Workers of America that the cost of these programs should be paid by the employers as a charge against the cost of production of coal and that the workers should not be required to contribute.

In the American coal industry, by agreement between the coal operators and the union, a levy of 20 cents a ton is made for the welfare funds. These welfare funds are administered by two boards of trustees, one for the bituminous fund and one for the anthracite fund.

In connection with the anthracite health and welfare fund, of which I am the chairman of the board of trustees, we have carried out a special project for the treatment of anthracosilicosis. Investigation by the United States Public Health Service has shown that in the anthracite industry 25 percent of the workers are afflicted with this disease, known as miners' asthma. A research project, concerned with the treatment and possible cure of this disease is now being carried on by the Jefferson Medical College and Hospital with funds provided by the anthracite health and welfare fund.

In conclusion, I want to say that I cannot agree with the statement that has been made here by the Polish Government delegate concerning the work of the international labor organization. Workers in the United States believe that the ILO is doing useful work in connection with the coal industries of various countries. While American coal miners cannot agree with workers in all other countries on certain policy matters, such as nationalization of the coal mines—to which American miners are opposed—we feel, nevertheless, that there are certain fundamental problems which exist in all countries. It is only by international meetings such as this one that there may be an exchange of ideas looking toward solution of these problems.

The Philippine Flag a Monument of American Democracy

EXTENSION OF REMARKS
OF
HON. KARL STEFAN
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. STEFAN. Mr. Speaker, under permission to extend my remarks, I include the following article by Maximiano Marmito Villareal:

The Philippine flag stands as monument of American democracy. Today the expanding activities of the Philippine foreign affairs so the flag follows, and there also stand the monument of American democracy. In every Filipino heart there stand symbol of monument of gratitude for the democratic tutelage by America in the past until the young country reached the point of nationhood.

The description in Esperanto and the English languages are reprinted from the American Esperanto magazine, an organ of the Esperanto Association of North America, published at 114 West Sixteenth Street, New York, N. Y. Two copies of the original manuscript are deposited in the Acquisition Division, Congressional Library, Washington, D. C. The author received formal certificate or diploma of acknowledgment from the Librarian of Congress in 1940.

EN ESPERANTO

La filipina standardo enhavas du striojn.
La supra strio estas blua; la suba, ruga.
La rugo signifas forton kaj kuragon.
La bluo signifas idealojn kaj justecon.
Apud la stango trovigas aparta triangula spaco.
Tiu spaco estas blanka.
En la centro estas ora suno, havanta ok radiojn.
La suno signifas liberecon, aŭ la naskigon de nova nacio.
La ok radioj aludas al la ok provincoj, en kiuj ribelado kontraŭ Hispanujo komencigis.
Tiuj provincoj estis: Manila, Bulakan, Pampanga, Neuva Ecija, Morong, Laguna, Batangas, kaj Cavite.
La blanka triangulo signifas egalecon kaj fratecon.
En ciu angulo de la triangulo trovigas ora stelo.
La tri steloj aludas al la insulo Luzon, la Visaya-insularo, kaj la insulo Mindanao.
Kelkfoje oni nomas la filipinan standardon "Filino de la Revolucio," car tiu flago ekestigis dum la filipina revolucio.
La 12-a de Junio, 1898, estis la dato, kiam tiu nacia standardo estis oficiale akceptata kaj rajtigata de la filipina Kongreso.
Inter ciuj standardoj de sendependaj landoj, tiu de Cekoslovakujo plej similas tiun de lo filipina insularo.

IN ENGLISH

The Philippine flag consists of two stripes.
One is red and the other is blue, the blue being on the top.
The red signifies bravery and courage.
The blue representa ideals and justice.
Near the staff is a triangular space.
This space is white.
In the center is a golden sun having eight rays.
The sun signifies liberty or the birth of a new nation.
The eight rays represent the eight provinces in which rebellion against Spain started.
These provinces were: Manila, Bulakan, Pampanga, Nueva Ecija, Morong, Laguna, Batangas, and Cavite.
The white triangle stands for equality and brotherhood.
In each corner of the triangle is a golden star.
As there are three stars in all, they represent the islands of Luzon, the Visayas, and Mindanao.
Sometimes the Philippine flag is called "Daughter of the Revolution," because it came into existence during the Philippine Revolution.
It was on June 12, 1898, that the national flag was officially adopted and recognized by the Philippine Congress.
Among the flags of independent nations, the flag of Czechoslovakia is the nearest in appearance to the Philippine flag.

Subsidizing the World Against Us?

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Altoona Tribune of June 9, 1949:

SUBSIDIZING THE WORLD AGAINST US?

Perhaps we are not giving our leaders in Washington credit for foresight. On the other hand, perhaps they do not have very much of that precious attribute.

In view of the wholehearted support given the Marshall program in official circles in Washington, it seems, indeed, a difficult proposition to criticize it effectively.

Yet, we'll dare to do that. We have seen the working of the high-pressure propaganda turned on from White House and State Department in favor of their pet programs, and, perhaps we are "far enough removed from the forest to see the trees."

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General Marshall the other day admitted that the program which bears his name was inadequate. Although, it was sold to the American people as the answer to all the European problems.

No, says the general, more is required. To wit, the Atlantic Pact.

But, while the objective of the Marshall program to halt expanding communism undoubtedly is worthy in every respect, it remains extremely doubtful if we shall do any good by trying program after program, finding each needs more until the time comes when we can't give more, and the problem perhaps remains as it was, or even worse.

Then, what?

For example, may we not be subsidizing the whole world against the United States, by our efforts to reconstruct Europe?

If the Marshall program were to work as some in Washington say they hope it will, what would become of American production, trade, and employment in a few years?

Perhaps, if no war appears within the next 5 or 10 years, we may suddenly become aware that we have played the part of fools and let our Government tax the American people to destroy all our world markets.

American industrialists and businessmen have never lost sight of the danger of low labor cost products from Europe, as a menacing competition to American production and markets.

But, the State Department is determined to build them up, come what will.

Some day, not far distant, we may find that the Marshall plan, our reciprocal trade agreements, and low labor costs abroad may have combined to isolate us from world markets.

Already, we have noticed how the British are invading our foreign oil markets. They are trying hard to take them. Export trade is Britain's life, says Sir Stafford Cripps. Our State Department is doing all it can to help Britain. That is very fine, perhaps.

But, what our State Department apparently forgets, and what no Briton ever forgets, is that world markets are the principal economic base for most empires, and most nations. They have been the cause of a great many wars. The loss of them has meant death to many a regime and many a nation.

So, here we are, forgetting the laws of world economics, and making our people pay to have foreign nations take our markets from us.

It seems inconceivable. Yet, the British oil deals are tangible proof of how this thing is working out. And not only in oil, but in other exports too.

It brings up the thought again: Are we dividing up America to rebuild a shattered world, which, if it ever recovers, will do so upon the absorbed strength of the United States, leaving only a shattered shell in North America?

The Free Man Versus the Puppet Man

EXTENSION OF REMARKS

OF

HON. LEON H. GAVIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. GAVIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Mrs. Norman K. Beals, of Franklin, Pa.:

THE FREE MAN VERSUS THE PUPPET MAN

Today sweeping against the Statue of Liberty and across our great Nation are strong winds of socialism, communism, materialism, and atheism. These subversive forces and influences which are hostile to the ideals and institutions on which our great Nation was founded, have been spreading until today they constitute a real and increasing danger to our national life.

One of the greatest bulwarks of the American life has been private enterprise. Every page in our history reveals to us that there is but one source of progress, namely the independent man in a free world. We are free Americans, free to speak without fear; free to worship God in our own way; free to stand for what we think right; free to oppose what we think wrong. The right of liberty means every man's right to individual action, individual initiative, and freedom of choice.

We who are true Americans in spirit are vitally interested in the preservation of our freedom. We are one of the last remaining countries defending the sanctity of the free active man in a free world. Here we have the highest standard of living of any other nation in the world. Why? You have heard it said that it is because of our huge natural resources; yet did not the American Indian have all these resources available before the country was settled by the white man? Does not Russia, China, and India have more natural resources than we have? Yet their standard of living is so much lower than ours that there is no comparison. So it cannot be a question of natural resources. Although we admit they have been a vital factor in the progress and achievements of the American people. But these tangible material things are but a part of America. The things that have counted the most in her past, and that will count the greatest in her future, are the great intangibles of the spirit of the people—our sense of freedom, of liberty, our traditions of past glory and sacrifice, our lofty ideals and spiritual appreciation, all of which spell greatness and the true glories of the American people.

From the beginning of history two antagonists have stood face to face; one is the free active man, the other is the passive governed puppet. Every type of good work, from laying bricks to writing a symphony, is done by the free active man; the puppet man would live softly and easily from the toil and hardship of others.

Let me give you a few examples of the freeman in a free world: Andrew Carnegie came to the United States in 1848 as a 13-year-old boy, and because our Constitution offered him freedom of choice and individual initiative he became one of the greatest leaders in our Nation. From a poor bobbin-boy in a cotton factory, to a self-made multimillionaire. And he so appreciated what America had done for him that before he had died he had given away to his fellowmen $350,000,000.

Henry Ford, under our system of private enterprise, became the father of mass production, of world-wide low-cost transportation which has extended all men's horizons and brought citizens together as neighbors; friend of the workingman and the farmers. America's great citizen who built an industry by enriching the world. Whose honest life is an inspiration to youth everywhere, and who, like Abraham Lincoln, climbed from poverty to the service of mankind.

Dr. George Washington Carver is one of the most remarkable men of this age. Born in slavery with obstacles almost insurmountable, he climbed to a position of equality with the foremost scientists of the world. The peanut has yield to this great scientist, marvels ranging from food to dyes, wood stains, face powder and ink. From the clays he has produced over 100 tints and shades of colors, from wood shavings and other waste materials he has produced synthetic marble. From peanut hulls he has made insulating boards for houses. Many other common things usually thought of as waste products have been turned into useful commodities.

He was not only a scientist but a botanist, chemist, musician, artist, and an educator. And where under God's sun would a man born of Negro parentage and in slavery have the chance for success, except in the good old United States? These men—these souls in bodies of different colors, of all races and all faiths, were given in America, the greatest gift to mankind—faith. Faith in a great God, faith in the ability of the people to govern themselves and belief that they were capable of building a richer, fuller and happier life. Which all means faith in the value and potentialities of the common man.

Who is the puppet man? He is not an individual but a serial number, owned by the State, regardless of ability or effort. That is what socialism means. It makes the individual dependent upon the State in all material, social, and political matters. It nullifies ambition by putting restriction in choice of occupation and reward of attainment, and smothers initiative, the backbone of progress. The result is impersonal service and indifference. It is the death knell to all that we hold most dear, individual liberty and progress.

This is what some officials in Washington are trying to bring about in America. So that today we are faced with the danger of the socialization of one of the greatest private enterprises of our Nation the medical profession.

Mr. Oscar Ewing's report to the president last spring, entitled "The Nation's Health—A Ten-Year Program," is nothing more than compulsory health insurance, which has only one meaning—political medicine controlled by the bureaucrats at an overwhelming expense to each and every citizen. Do you realize that since 1930 tax-eating Federal jobholders have increased from 2 per 100 families to 5 per 100 families in 1947, and now a total of more than 2,000,000 jobholders are living on taxpayers? Senator HARRY F. BYRD stated: "These politicians calculate a million jobholders can be counted upon to swing three or four million votes to keep the spenders in power."

Sir William Darling, a member of the House of Commons in England, made the following remarks to the Senate of the United States on December 8, 1947, "Before I go back to my country with its shilling's worth of meat, its declining standard of life, its business desperately entangled, please let me tell you, my friends in the United States and in Canada, that the road Great Britain is traveling is the road you should not travel. The experience is not worth while. It is a road which has led to degradation and lowering of our human standards in which you and we believe. I believe that the organization of communities on a large scale is the greatest danger with which the world is faced. There is a deep-rooted conviction that somehow, government can do things better than the people themselves. So our socialist government in Britain is attempting it. I can tell you the result very simply by quoting the remark made by one of my electors: 'This nationalization is a very queer thing. The more you own, the less you have. We own the Bank of England in Britain, but I am no better off. We own the coal mines, and I have less coal, we own the railroads, but I can't get a train for my holidays. This is socialism, the more we own, the less we get.'

"All that my friend said is true—and more. We discover that we are approaching a real dictatorship, because the British citizens have no choice but to accept what is offered them, and even then they have less of the satisfaction which they formerly enjoyed."

New Zealand has been described by some as the socialistic laboratory of the world—this may or may not be true. The following

is part of an editorial which appeared in the Oil City Derrick of Oil City, Pa.:

"The Government of this country is seriously considering whether that country's free physician service will be continued. The record of New Zealand's compulsory insurance reveals they have been unable to keep its cost of operation on an even keel; due to the fact of the human tendency to take advantage of benefits offered under a compulsory system; another is the political pressure for increase in rates and duration of benefits. New Zealand has had the compulsory health insurance since 1939, and in these years of trial its operation has become more costly with every passing year."

This is something for America, now burdened with a Federal debt of nearly 300 billion, to think about when it considers entering the field of socialized medicine. If the Government is so concerned with the welfare and health of its citizens (which incidentally is the best in the world as proven by surveys) why doesn't our Government take care of the American Indians which are legally and technically wards of the Federal Government? Have we forgotten the shameful facts which received national attention through the newspapers, Time, and Life magazines in regard to the Navajo Indians last year? There are about 70,000 Navajo Indians, much the largest of the surviving Indian tribes, living on an immense but arid area of about 30,000 square miles. It was pointed out that the Navajos are existing on 1,000 calories a day, less than the Germans are getting under United States control, and that so many of them are so weak that they cannot stand moderate exertion. They have been so plagued with illness and mortality rates are so high that only an amazingly high birth rate has kept the tribe on the increase. For instance the rate of tuberculosis infection is 14 times the average of the country as a whole. The single tuberculosis sanatorium has only 100 beds. There is only one doctor for every 6,000 Navajos.

It has been our privilege to know and talk with a Christian Navajo Indian who just came from the reservation in Arizona where he has been a missionary for 2 years. It was heartbreaking the revealing things we learned from the color films he showed here in our community. We saw one-room shacks built without any windows and without a floor known as hogans. We were told that as many as 16 people lived in one of these hogans, that in most instances water has to be carried long distances. We are told of a family that had to carry their water a quarter of a mile up the hillside from a spring that was also a watering place for hogs and a stamping ground for cattle. That thousands of school-age children have never seen the inside of a schoolhouse. That hundreds of them are so far away from the Government hospitals, they only go there in cases of life and death, that the means of transportation are so poor and the roads so bad that many of them die on their way to the hospital. Most Navajos depend almost completely on their sheep for a living. But even this meager source of income has been cut by the Government. Life magazine puts it in this way, "It has been estimated that a small Navajo family could get by on 250 sheep. But the Government's cold arithmetic proves that the range can support only 600,000 head, or enough for only 2,400 of the 11,000 Navajo families. More than nine-tenths of the other Navajo families have less than is needed to sustain even the simple way of life they value above all else."

If the present helpless and desperate situation of the American Indians who are wards of the Federal Government is a picture of the paternalistic management of our Government, then it behooves each one of us to beware of Government controlled medicine.

Touro Synagogue: A National Shrine

EXTENSION OF REMARKS
OF
HON. AIME J. FORAND
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. FORAND. Mr. Speaker, under leave to extend my remarks, I enclose a statement I have prepared which should be of interest to all who are familiar with Touro Synagogue in Newport, R. I., which only a short time ago was made a national shrine. It is my hope that this statement will also be of interest to those who are not familiar with this old synagogue, which opened on December 2, 1763. The statement follows:

A NEW NATIONAL SHRINE

In these days when religious liberty is menaced in so many countries of the world, Americans cling more firmly than ever before to the principles of freedom of worship for all. The people of Rhode Island have particular reason to be proud of their heritage of religious liberty, for it was in this State that Roger Williams first established a colony dedicated to protecting the rights of every man to worship God as he saw fit. Only recently, an event took place in Newport, R. I., which underlined the historic role played by the people of that State, in making America a home of religious freedom.

On August 31, 1947, President Truman sent the following message to Dr. Bernard C. Friedman, president of Congregation Jeshuat Israel of Touro Synagogue:

"I am happy to congratulate the Congregation Jeshuat Israel and the community of Newport, R. I., on the setting apart of the Touro Synagogue as a national shrine. It is fortunate that the venerable fabric of the synagogue, opened on December 2, 1763, a century after the founding of the congregation, is still in use and admired by all lovers of good architecture.

"The setting apart of this historic shrine as a national monument is symbolic of our tradition of freedom, which has inspired men and women of every creed, race, and ancestry to contribute their highest gifts to the development of our national culture.

"I trust that through long centuries to come the spirit of good will and tolerance will ever dominate the hearts and minds of the American people."

This message high lighted the dedication ceremonies in which Touro Synagogue was made a national shrine. Carl Van Doren, the noted American historian, acted as master of the formal ceremonies. The Honorable JOSEPH W. MARTIN, Jr., Speaker of the House of Representatives, delivered the main address. Dr. David De Sola Pool, rabbi of the Spanish and Portuguese Synagogue in New York City, gave the benediction. Miss Patrice Munsel, youngest star of the Metropolitan Opera, enriched the occasion with her fine soprano voice. Dr. Francis S. Ronalds, of the National Park Service, Department of the Interior, unveiled the tablet on the outer wall of the synagogue, concluding the ceremonies.

Less than 6 months after that memorable occasion, the Society of the Friends of Touro Synagogue National Historic Shrine was formed. Its purpose was to enlist public support in maintaining the structure and grounds of the Touro Synagogue as a pilgrimage center, open to visitors throughout the year; to make available educational material on Touro and to build, eventually, a museum that would house the priceless gifts of manuscripts, paintings, and other treasures associated with the early congregants, that are coming in from all parts of the country.

The Society of the Friends of Touro have published an attractive volume describing the history and background of that historic site. This brochure makes inspiring reading, for it throws light on another facet of our great and many-sided American heritage.

Nine distinguished Americans contributed essays to this brochure, each of which gives us a glimpse of a different aspect of Touro's history. Together, their work provides a well-rounded picture of Newport in colonial days.

Rabbi David De Sola Pool tells the story of the synagogue. Dedicated on the 1st day of the Jewish holiday Hanukah, December 7, 1763, Touro is the oldest synagogue building in the United States. At the time when Newport was building its temple, there were Jewish congregations also in New York City, Charleston, Savannah, Philadelphia, and Richmond. But none of these possesses a house of worship comparable in age to Touro. Newport boasts not only the loveliest, but also the oldest, synagogue building in the country.

The Touro Synagogue played an historic role in the State of Rhode Island. In 1780, after the evacuation of Newport by the British, the General Assembly of the State of Rhode Island held its first meeting in the synagogue. In the words on the tablet affixed to the building when it was officially designated as a national historic site:

"Here in 1781–84 the Rhode Island General Assembly met, and during Washington's visit to Newport in 1781 a town meeting was held here. The State supreme court held sessions here at that period."

The distinguished Mr. Fiske Kimball, director of the Philadelphia Museum of Art, tells the story of Peter Harrison, the amateur architect who designed Touro Synagogue. Harrison, a merchant by profession, received no pay for most of his work, taking his reward in the thanks and well wishes of his fellow citizens. He designed many of the public buildings in Newport including the Redwood Library and the Brick Market.

Dr. Morris A. Gutstein, rabbi of Congregation Shaare Tikvah, Chicago, and formerly rabbi of Touro Synagogue, contributes a history of the Jews of Newport in colonial times. In so doing, he provides valuable insights into the whole prerevolutionary period.

In the spirit of Roger Williams who advised them to purchase that land, the settlers of Newport adopted the ideal of religious freedom as the very first principle of their government, thus inviting to their new community all those hardy souls of all faiths who refused to compromise with conscience.

Toward the end of the seventeenth century, the Jewish congregation of the Newport community was greatly increased by a group of settlers who came from Curacao. These Jews, like their coreligionists already living in the city, were of Spanish-Portuguese origin. With their natural energy and ability, they brought new grace to Newport.

By the middle of the eighteenth century, Jewish colonists in town owned 7 vessels engaged in inter-colonial and foreign trade. They were active also in manufacturing. As early as 1705, they had introduced into the colony the manufacture of soap. They joined in the established foundries as workers of brass and iron and also worked as silversmiths.

In the armed forces of the colony, there were Jewish soldiers from earliest times. Jacob Judah served in the French and Indian War in 1747. Michael Isaacs volunteered in the campaign of 1755. Isaac Moses marched in the company of Capt. J. Whiting in 1757.

Thus in Newport, Christians and Jews, though worshiping in different churches, had

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the same aspirations and met as neighbors in the street, the home, the factory, the club, and the town meeting throughout the early part of the eighteenth century.

This fine volume contains a glowing account of the history of religious freedom in America, by the eminent Judge Joseph M. Proskauer, former president of the American-Jewish Committee. Judge Proskauer pays tribute to George Washington as the staunch advocate of religious liberty. He tells of Washington's famous letter to the Congregation of Touro Synagogue in which the first President wrote this historic declaration, "For happily, the Government of the United States, which gives to bigotry no sanction and to persecution no assistance, requires only that they who live under its protection should demean themselves as good citizens, in giving it on all occasion their effectual support."

The American people, says Judge Proskauer, are Washington's living memorial. Only recently, they have overwhelmingly approved the report of the President's Committee on Civil Rights, which called for a sweeping legislative program to insure full opportunity in jobs, housing and education for all Americans. And the American people have also endorsed the Charter of the United Nations which sets forth the aim of "promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language or religion." In so doing, they have proved themselves the true spiritual descendants of Washington.

This bond between the early heritage of our Nation and its present dedication to human rights is further investigated by Lee M. Friedman, president of the American Jewish Historical Society. Mr. Friedman tells of the founding of Rhode Island by Roger Williams in 1636.

Although many of our American colonies were settled to afford religious asylum for oppressed sects—Massachusetts for the Puritans, Maryland for Catholics, and Pennsylvania for Quakers—none welcomed a dissenting minority. It was not until the day of Roger Williams and the formation of Rhode Island, that those whose religion differed from that of the ruling majority found a shelter free from persecution. Thus, Rhode Island was the pioneer haven of complete religious liberty in America.

Another historian and scholar, Mr. Leon Huhner, paints a vivid picture of Judah Touro, son of the first rabbi of the synagogue and the man after whom it is named. As a result of an unhappy love affair, Touro left New England as a young man and settled in New Orleans where he soon became a prosperous merchant. In the War of 1812, he fought as a volunteer under Andrew Jackson and was severely wounded in the Battle of New Orleans. He was one of the first to realize the significance of steam navigation and, after the war, he expanded his enterprises on a large scale.

But Judah Touro's name stands out most prominently as a philanthropist. At his own expense, he built the free library in New Orleans which is named after him. He rescued the First Congregational Church from bankruptcy, endowed research to combat yellow fever and established a leading Southern hospital, Touro Infirmary, for the same purpose. On his deathbed, he executed a famous will providing liberally for various charities, including bequests to six Christian orphan asylums in New Orleans. As he desired, he was buried in Newport where there is now a Touro Street, Touro Park and, of course, Touro Synagogue.

The cemetery at Newport where Judah Touro lies has been celebrated by Henry Wadsworth Longfellow in his famous poem, The Jewish Cemetery at Newport. In a special piece written for the Touro brochure, a descendant of the great poet, Henry Wadsworth Longfellow Dana, tells of the deep impression the cemetery made on Longfellow and how hard and painstakingly the poet worked on the lines commemorating it.

Behind the associations of both cemetery and synagogue, Longfellow seemed to see looming the great misty figures of ancient Israel. In his first draft he wrote:

"But in the background figures vague and vast
Of patriarchs and prophets rose sublime;
They had the grand traditions of the past,
They had the promise of the coming time."

Carl Van Doren, noted historian, contributes a stimulating section to the Touro volume, in which he tells of the impression which the beautiful interior of Touro makes on the observer. He describes it as, "White except for the domed ceiling which is blue, with silver stars. The 12 pillars, 6 on a side, that support the gallery, represent the tribes of Israel; but they are cut from New England trees and the columns are Ionic. Above them Corinthian columns rise to the beams on which the ceiling rests. The Ark is in form of a superb Georgian cupboard against the east wall, beautifully carved and painted white. The lamp before the Ark, with its perpetual flame, the bronze candelabra hanging from the dome, and the clock on the gallery are the work of eighteenth century craftsmen in the strong yet graceful style of the period. And against another wall is the seat of the presiding warden, not a mimic throne, but a high pew with a solid rail in front of it."

Mr. Thomas J. Allen, regional director of the National Park Service, tells us that Touro Synagogue is the fourth church edifice to be designated as a national historic site, not federally owned. Those which preceded it in order of establishment are San Jose Mission, near San Antonio, Tex., June 1941; Gloria Dei (Old Swedes Church), in Philadelphia, Pa., November 1942; and St. Paulos Church, Eastchester, N. Y., July 1943. These, being national historic sites, were established under the authority of the Historic Sites Act of August 12, 1935, which declares "that it is a national policy to preserve for public use historic sites, buildings, and other objects of national significance for the inspiration and benefit of the people of the United States."

Thus, Touro Synagogue now takes its place as a national monument to religious freedom and to this land where all have a chance to contribute to the national welfare. Let us see that we pass on to our children, untarnished by bigotry or prejudice, this heritage of freedom and opportunity for all—the priceless estate we have inherited from our forefathers.

Outstanding Executive Approves Resolutions to Strengthen United Nations

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. HAYS of Arkansas. Mr. Speaker, under leave to extend my remarks I wish to include in the RECORD the following excellent statement by Mr. W. T. Holliday, president of the Standard Oil Co. of Ohio, with reference to House Concurrent Resolution No. 64 and other similar resolutions, to strengthen the United Nations.

Mr. Holliday's letter follows:

THE STANDARD OIL CO.,
Cleveland, Ohio, June 13, 1949.

Hon. BROOKS HAYS,
House Office Building,
Washington, D. C.

DEAR MR. HAYS: I wish to express to you my deep personal gratification and my congratulations for the work which you have done in bringing about the introduction in Congress of the joint resolution, sponsored by 91 Members of the House, urging that it be a fundamental objective of our Nation's foreign policy "to support and strengthen the United Nations and to seek its development into a world federation."

I congratulate you for your courage and statesmanship in pressing this matter to its present status, and I earnestly hope that your efforts will have the support of a large majority of both the House and the Senate.

It is most fitting and appropriate that our Congress should take the proposed action. It is inevitable that the Government of a democracy such as ours can have no strategy, no fundamental objectives in its foreign policy unless those objectives are determined and impressed upon it by public opinion. In a democracy such as ours the responsibility for fundamental foreign policy rests squarely upon the people, and the spokesmen of the people are their elected representatives in Congress. It is indeed the function of Congress to state what the fundamental objective of our foreign policy should be. The executive department of our Government needs the assurance offered in the proposed resolution if it is to have the confidence and the courage to stop opposing world federation and to take its accomplishment as the fundamental objective of our foreign policy.

I think the resolution in question is much superior to the ones which were offered at the last session of Congress, because it confines itself to fundamental strategy and does not attempt to go into the tactical questions of when and how.

If the United States clearly announced to the world that its fundamental objective in international affairs is the elimination of international anarchy and the achievement of world law and order, I believe that world federation, limited to the prevention of war, would be achieved much more quickly than we think.

Again I extend to you my deep appreciation and congratulations.

With every good wish,
Cordially yours,

W. T. HOLLIDAY.

The Challenge to Lincoln's Party

EXTENSION OF REMARKS
OF
HON. LEONARD W. HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. LEONARD W. HALL. It is with a real sense of privilege and satisfaction that I include in the RECORD, under the leave granted me, a speech by our colleague from Connecticut, the Honorable JOHN DAVIS LODGE, at a meeting sponsored by the New York Republican State Committee at the Waldorf Astoria Hotel, New York City, on Tuesday, June 14, 1949.

The speech, in full, is as follows:

THE CHALLENGE TO LINCOLN'S PARTY

It is a real privilege and a genuine pleasure for me to be with you here this evening. I

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am happy to meet with my Republican friends and colleagues from New York. They are rendering distinguished and courageous service at a time of great stresses and strains.

I regret that we do not have with us tonight the great Governor of the Empire State, Thomas E. Dewey. His notable accomplishments as chief executive of the most populous State in the Union have twice earned for him the party's nomination to the highest office in the land. I join with you all in expressing the hope that his energies and talents will remain available to the Republican Party for many years to come.

This occasion is a most heartening expression of the vigor of the Republican Party in New York State. We shall need all the vitality we can muster if we are to gain control of the Congress in 1950 and of the Presidency in 1952. A Republican victory is not only essential to our national political health; it is also vital to the effective functioning of the two-party system.

For the two-party system is probably the most important single factor in the preservation of American freedom.

If we had less than two parties we would quite obviously have a one-party system and this would completely invalidate our Constitution, our Bill of Rights, and all our free institutions.

And yet we have a growing body of independent voters in America.

More serious still, there were in the last election some 45,000,000 people who failed to exercise their franchise.

The independent voters represent the balance of power in our elections. To some extent this can be a healthy condition. It can produce a fine spirit of political competition from which the country can benefit. But if such independence is carried too far, it can undermine our two-party system.

As the executive branch of our Government has extended its power, as the virus bureaucoccus has infected our political structure, it has become increasingly difficult for the people to understand how their Government operates. This difficulty has caused many people to think of their Government as a vast organism over which they have no control and for which they, therefore, assume no responsibility. They do not identify themselves with their Government. When they fail to vote they fail to participate in the work of their Government and thereby create a condition which produces minority rule and which threatens the survival of our two-party system.

The concept that the Government is a thing apart, that it has a life of its own, has, I believe, done a great deal to create the feeling that our political parties operate in an ambit outside the field of action of the average citizen. Indeed, many people think of our political parties as groups organized mainly for the purpose of playing the game of politics whereas they are, in fact, the lifeblood of the entire political structure on which our freedoms depend.

In reality the independent voter of America depends upon the effective functioning of our two-party system. The system is more important than the party, but it in turn depends on the survival of the opposition party.

Narrow partisanship is, of course, deplorable. Partisanship which places party above patriotism, patronage above principle, and personalities above policies is highly reprehensible. Yet the best way to discourage such sordid attitudes and demagogic practices is not to retire to the sidelines in derisive independence but rather to plunge into the political melee and endeavor to influence the party of your choice. This then is the primary function of the Republican Party: to promote increased participation in politics which is, after all, the science of our form of government.

The grave issues of the day should, of course, be met in the most responsible manner and without regard to party advantage. But it is a disservice to the people of the country to deprive them of a second voice in matters of serious import. Bipartisanship in foreign affairs does not consist in following blindly, especially when there is inadequate leadership. It is more important to be right than to be bipartisan.

Neither does bipartisanship in foreign affairs require us to be partisan when the welfare of the working men and women of this country is at stake. Surely they are entitled to be influential in both parties; they are entitled to as lofty an approach to their problems as are the people of Europe. It should be the mission of the Republican Party to take labor legislation out of politics.

Similarly, while economy in government is certainly not a partisan matter, it is of vital concern to all Americans. We Republicans should not remain silent while the Hoover Commission reports and recommendations remain dormant. It is to be feared that the dust will be allowed to settle on the work of the Hoover Commission as it has settled for the past 5½ months on most of the Democrat legislative program promised to the voters in the last campaign. It is to be hoped that the President and the Democrat leaders of the Eighty-first Congress will act promptly and energetically in order to save the American taxpayers upwards of $3,000,000,000 a year.

While principle rather than expediency should be our watchword, it is also in the public interest that fundamental differences of opinion among the American people should be reflected in the platforms and in the actions of the Republican and Democrat Parties. That there are substantial divisions of thought among the people of our country is indicated by the fact that nearly 22,000,000 people voted for Governor Dewey in the last election. The American people want a choice. They want to be faced with constructive, with feasible alternatives. This does not mean disagreement for the sake of disagreement. It does mean, however, that what has been referred to as the "me-too" policy involves not only a sacrifice of principle but a departure from political reality.

The Republican Party—the party of Lincoln—is the party of individual freedom. Lincoln believed that the individual is the complex heart of society. That these principles of freedom are timeless in their validity is evidenced by the fact that Democrat Party gives them lip-service while recommending policies which would tend to destroy them. If one could believe the Democrats' heated protestations of faith in the private property free competitive system, the Democrat Party would be the "me-too" party. Actually, Democrat actions frequently constitute a betrayal of that system, thereby creating the dramatic issue of principle on which our party should stand.

Indeed, the value and the present power of these immortal principles is further illustrated by the fact that none other than the Vice President, the Honorable ALBEN W. BARKLEY, made a Lincoln Day address at Springfield, Ill. In these circumstances I may perhaps be forgiven if I quote the words of Thomas Jefferson: "Were we directed from Washington when to sow and when to reap, we should soon want bread * * * when all government, in little as in great things, shall be drawn to Washington as the center of all power, it will become venal and oppressive." And it was Lincoln himself who remarked: "The principles of Jefferson are the definitions and axioms of free society." Under a deceptive fog of hypocritical incantations on the altar of free enterprise, the Democrat Party has departed from these principles.

Actually then, the Republican Party, being the party of freedom, has been, and is today, the party of the people in their eternal fight against vested interest, wherever that interest may be centered.

Fully as important as our failure to familiarize the American people with the record of the Eightieth Congress and with the principles and objectives of the Republican Party was the impression created in certain quarters that the Republican Party is the party of special interests.

But if Wall Street and cartels and monopoly interests are sitting astride of the American people, as the Democrats say they are, surely it must be the fault of the Democrats, since, for a great many years, they had complete control of the executive, the administrative, and the legislative branches, and virtual control of the judicial branch of the Government. One is entitled to wonder at the wide gap which separates Democrat protestations of concern for the common man and the conditions which the Democrats decry and for which they must assume responsibility, since they failed in the 14 years preceding the Eightieth Congress to provide the very legislation for which they have made such an outcry.

In fact, the Republican Party has no room in it for anyone who will put the welfare of any organized group, no matter how large or powerful, ahead of the welfare of the people. The Republican Party has no place for complacent reactionaries, for purveyors of intolerance, for sowers of confusion and discord. The Republican Party is the party of insurgents, of true liberals; it is the party of progress, of intellectual ferment—the party of Lincoln; the party of freedom.

That our choice is not between reaction and me-tooism is further illustrated by the felicitous fact that there is a large middle ground for useful governmental action. There are many accommodations which Government should make to modern needs. In a Nation of our industrial power and productivity abject poverty and extreme hardship can and must be prevented. While many of these problems are primarily for the States and municipalities, there is a substantial area for limited and directed Federal aid. There are many instances where the Federal Government should step in and fill the gaps where our private property system does not reach. The Government can run the traffic signals without operating the automobiles.

Yes, the health of our Nation and the education of its citizens, old-age pensions and social security, minimum wages and unemployment compensation, large scale production and full employment, rural electrification and flood control, adequate housing and soil conservation are all matters for proper Federal concern. They all involve the people's welfare. But it is most important how these objectives are approached and it is all important to bear in mind that the essential, the ultimate welfare of the American people depends upon the continuation and increase of the vital opportunities inherent in our free society.

These legislative goals require money. In spite of the fact that taxes now absorb 39 cents out of every dollar, the revenue of the Federal Government for the first 5 months of 1949 is more than $3,000,000,000 less than for the first 5 months of 1948. The most insidious way to socialize America is by a tax burden which will cause a break-down of the American economy and thereby give the State an excuse for the investment of public funds. These objectives will become purely illusory if, in our efforts to reach them, we obliterate the very sources which produce the taxes and destroy the free society which is the source of our greatest strength. There lies the basic public interest. It is there that the Republican Party must make a

stand. It is there that it must furnish effective and constructive opposition.

In order to provide more jobs and higher wages, in order to increase our standard of living, we must increase and improve our tools of production. This we cannot do if incentives are stifled, if risk investments are made so risky that people won't take a chance.

This is the paramount interest of all our citizens and in particular of labor. It has been estimated that the average job in America requires a $6,000 investment. It is a disservice to labor to discourage such investments.

The interests of the people who work come ahead of the interests of capital and this is traditional Republican policy. Lincoln said: "Capital is only the fruit of labor; it could never have existed if labor had not first existed. Labor is the superior of capital and deserves the much higher consideration." And he went on to say: "That men who are industrious and sober and honest in the pursuit of their own interests should, after a while, accumulate property and after that should be allowed to enjoy it in peace, is right." Labor and capital are component parts of what is essentially a cooperative effort. In order to retain the right to enjoy the fruits of his labor, it is imperative that the working man should not be weighted down with taxes.

Is it not clear then that we must, in the interest of our national security—of which our economic health is such an essential part—postpone some social legislation, however desirable it may be, in order to achieve the larger, primary objective of world peace and security?

Any social gains we make will melt like snow in the sun if we have war.

For we are faced with the relentless fact that although we are legally at peace, actually we are inextricably engaged in a mortal conflict of titanic proportions. We know from grim and recent experience that when freedom succumbs abroad, freedom in America is threatened.

A world contracted by science must be united by freedom if peace is to prevail.

We can take heart from the success achieved to date by the Marshall plan. We can take heart from the Atlantic Pact and from the growing power of our national defense establishment. We can take heart from such splendid victories as the Italian election of a year ago. We hail the birth of the new State of Israel. We can be encouraged by the growing determination of all free peoples to resist the onward tide of communism.

But essentially we are engaged in a holding action. No conflict was ever won by holding. Victories, whether in peace or war, are achieved by pressing forward with patience, with imagination, and with courage. Furthermore, if we do not win the cold war, we shall inevitably have war.

It is the historic tendency of those who have been in power for too long to concentrate on justifying their mistakes rather than on correcting them. A stupendous example of this weakness is to be found in the State Department's announced policy with regard to China to "wait until the dust has settled." Well, the dust is settling pretty fast in China and, intermingled with that dust are the ashes of our great Pacific victories. Surely, in view of the stake which we have in this fateful game, we cannot afford to throw up our hands in despair and say that nothing can be done.

My friends, the evil tentacles of communism are reaching round the world in an effort to strangle the United States. A strong American economy is a vital factor in our struggle for the preservation of freedom.

We Americans stand today on a pinnacle of power and prestige with the floodlights of the world upon us. The people who have been enslaved by our godless "self-made" enemies look to us for help and guidance. The responsibilities of leadership in the fight for freedom both at home and abroad devolve in large part upon the Republican Party. We can take comfort from the knowledge that our opportunities for useful service, for dynamic leadership, are equal to these responsibilities.

The ideals which, in spite of our victories in World War II, are still embattled must be made as vital, as vibrant, as victorious in peace as they were in war.

We must find in peace the progressive counterpart of our war effort. The enemies of human progress are still on the march.

This is a formidable challenge. It is a challenge worthy of our mettle. This is a good time to be alive, to be a Republican, to be an American.

Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. CLEVELAND M. BAILEY

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. BAILEY. Mr. Speaker, under leave to extend my remarks, I include herewith an editorial from the New York Herald Tribune and a news article from the New York Times by Bess Furman on Federal aid to education:

[From the New York Herald Tribune of June 15, 1949]

THE PRINCIPLE IS THERE

Dwight D. Eisenhower, president of Columbia University, holds that Federal aid to education should be distributed solely on an equalization basis. He has written Representative GWINN that though he is not against aid to the poorer States, he would flatly oppose any bill applying to all States. He is convinced that power added to the central government undermines the vitality and responsibility of local government; that Federal funds defeat the watchful economy that local supervision over locally provided funds entails. And he is right.

This newspaper has long held that the major justification for Federal aid to States is the equalization principle. We also believe, with General Eisenhower, that no child should be handicapped because his State lacks adequate resources to provide for his education. The bill passed by the Senate offers far more aid to Mississippi than it does to New York. However, partly because schools everywhere in the country are hard-pressed, it is utopian to hope that Federal aid can be voted solely to the poorer States, even though their need is more desperate. During the Senate debate, Senator TYDINGS tried an amendment which would have limited disbursements to the 25 States with the lowest incomes. It was defeated 57 to 17.

The emergent question, then, is whether there is to be a measure to meet a universal need for new schools, better teachers, more teachers, more teachers-in-training—and to meet a real school crisis in the most-handicapped States. We believe that the measure which has passed the Senate and is now before the House should be enacted. It preserves, in large part, the ideal which General Eisenhower wisely and consistently holds before the country. The absolute ideal is seldom achieved in one sitting in the legislative halls of a democracy.

[From the New York Times of June 15, 1949]

SCHOOL-AID STAND OF EISENHOWER HIT—SENATOR MORSE CALLS GENERAL "SOPHOMORIC" FOR HIS FEAR OF DANGER TO LOCAL CONTROL

(By Bess Furman)

WASHINGTON, June 14.—Senator WAYNE MORSE, Republican, of Oregon, today attacked as "sophomoric" a statement by Gen. Dwight D. Eisenhower yesterday that Federal aid to education would endanger local control.

While the Senator, in conducting a hearing on Federal aid to school construction, did not mention the general's name during the proceedings, he did so later in a recess. He made clear to a committee room filled with superintendents of "distressed" school districts that he was referring to the Eisenhower statement. He also told them he would take up the subject again on the Senate floor when the school construction bill was considered.

The Oregon Senator said that "misleading propaganda" had been coming from "high personages" in "schools supported by private endownments," adding:

"A background of leadership in military affairs is not to my mind the background for making pronouncements on the public school system. And I say that as an alumnus of Columbia University."

Senator ROBERT S. KERR, Democrat, of Oklahoma, then on the witness stand said:

"Without Federal aid our roads would be of little use to the military, and the same principle applies to human resources."

"To me it is so perfectly obvious that the Government can aid without control," Senator MORSE added; "that for someone to come along and raise the scarecrow that to provide such funds will endanger the schools is sophomoric and shows lack of understanding of the whole history of the country."

Senator MORSE then added to the witness stand more than a dozen men whom he described as "on the firing line" of public school problems.

W. E. Wilson, superintendent of schools of Jacksonville, Ind., testified that up to 1940 his district, with an enrollment of about 500, could support its schools. Then a very large arsenal works moved in, "taking 15,000 acres of our best land off tax."

Said Superintendent Wilson:

"We were warned by the Government that 1,450 school children would come in, increasing our enrollment 300 percent. The 2 percent construction bonds allowed by our State would not start the foundation of the school that we needed. So we made a careful survey and were allocated the first $600,000 Federal grant made under the Lanham Act.

"But we had a local trustee who was afraid to accept Federal money. It was obnoxious to him, tainted. We had five extraconservative board members who thought the district would go bankrupt after the war, having such a large building on our hands. We did not get the building. The children came as had been predicted.

"No one here could testify to a situation as bad as ours—children in farmhouses, storehouses, basements, churches."

EFFECT: CHILDREN DROP OUT

Mr. Wilson said that with such a school system, the children dropped out instead of finishing. With an enrollment of 1,485 in grades 1 to 12, he said, there were 200 in first grade, only 28 in twelfth, and the graduating class was far smaller than 12 years ago.

"Sometimes a small minority can prevent the good of a whole group," he added.

"Very frequently," commented Senator MORSE, who said also that it might take another election to convince Congress that the American people did not wish to continue unjustifiable discrimination in education.

He charged the House of Representatives with "bottling up" the aid-to-education bill.

Superintendent Oscar V. Rose declared that in Midwest City, Okla., school attendance jumped from 104 before the war to 2,648 now, and that the school housing situation gave obvious evidence of health, sanitation, and fire hazards.

Superintendent Glen T. Goodwill, of Monterey, Calif., said that Army, Navy, and Coast Guard installations had taken more than 29,000 acres of finest residential property from his district. He showed pictures of the overcrowding in the Monterey schools.

The Equity Capital Market: Its Significance to Management

EXTENSION OF REMARKS
OF
HON. JAMES J. DELANEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. DELANEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following remarks by Emil Schram, president, New York Stock Exchange, at the general management conference of the American Management Association at the Waldorf-Astoria Hotel, New York City, Thursday, June 9, 1949:

THE EQUITY CAPITAL MARKET: ITS SIGNIFICANCE TO MANAGEMENT

In many respects, this is the most pleasant time of the year. To me, June always signifies a month of youth and hope, when young men and women by hundreds of thousands turn their backs on a sheltered world and put the knowledge and skills acquired at school to the acid test. That means jobs, which, in one word, is the significance of the equity capital market to management.

There is no crueler fate than to provide these eager, hopeful thousands with the best in education and have them find that no jobs are available. Grandiose words about the virtues of our political institutions are no substitute for jobs.

Youth abroad rejected democratic institutions because they themselves were rejected in their efforts to become useful men and women. This June some 700,000 new workers will be added to the labor force. We must not permit them to become exhibit A of a stark contradiction between the claims of democracy and actuality.

This is a pleasant time, but not a time for pleasantries. If there are more shadows across the minds of the graduates of our high schools and institutions of higher learning than a year ago, we have to share the responsibility.

Recently, one of the New York daily newspapers was good enough to write that I have been conducting a one-man crusade in behalf of venture capital. This, of course, is an exaggeration. Although I have made four other addresses on this topic within recent weeks, I have no desire to appear in the role of a knight in shining armor. The plain truth is that, until recently, our fight had not aroused the enthusiasm of responsible executives and other leaders or had the cooperation which it merited. I think I know why some thought: "Schram is talking through his hat; all he wants is more activity on the stock exchange."

When our tax study, Economic Progress: Tax Revision and the Capital Markets, was published in October 1947, and in the period following until this year, my warnings seemed to run athwart the times. We said, in our 1947 study:

"Funds for business expansion cannot be met entirely through the generation of funds through internal sources, and we must, (1) make it possible for the groups which are the traditional source of venture capital to accumulate funds; and (2) provide incentive for them to invest such funds profitably. The only other course is to have the Government provide funds. Nowhere has this policy been compatible with the maintenance of initiative and incentive and, in the end, of freedom."

Who cared if the equity market was stagnant? All of the economic indices—that is, all of the other economic indices—were pointing upward and making new highs, in employment, production, and profits. Labor could only see in our concern an effort to capture a greater part of the national income. Government, still under the influence of a school of thought that envisions automatic economic adjustments as if they were as simple as the setting in and pulling out of plugs at a national switchboard in Washington, had scant sympathy. And, as for management, beyond polite agreement and sporadic evidence of genuine interest, I had the feeling that satisfaction with the way the ball was rolling and the strong position of many leading companies, as well as the large additions to net worth through retained earnings, were militating against the campaign to release risk capital for inevitably necessary expansion.

Having found fault with others, it is only fair to see where I may have been amiss. It may be that, in discussing the equity capital market, we have not driven home sufficiently its social significance or adequately stripped away the mysteries associated with finance. What has the equity capital market been saying? When the values of evidences of ownership move inversely to business activity and profits, when reinvested earnings seem to have no value and practically every new offering of common stock is greeted by a wave of apprehension and fall in the price of the outstanding stock, it should be clear that something is wrong. The equity market is a place where evidences of ownership can be acquired and transferred, but it is much more than that.

That one of the largest banks should have to pay 6 percent for additions to capital funds and dilute the equity of existing stockholders by offering stock at 64 percent of conservative book value at a time when corporate bonds are salable at prices to yield less than 3 percent is eloquent proof that investment funds are absent insofar as savings going into ownership securities are concerned.

By necessity, only the stocks of very large or sizable companies are dealt in publicly. Yields of 7 and 8 percent or more for the equities of cash—rich companies earning money spells lack of interest. It is as if the wares of a merchant were advertised at ridiculous prices in his windows and the public merely passed by and said, "No thanks, we are not interested." But important as these companies are, they present only a part of the economy.

Small and medium size businesses are effectively precluded from raising equity capital. We may talk about the vast pool of savings. For these enterprises it might just as well not exist. The most persistent force adding to the strength of bigness and to the weakness of small and medium size business is the present tax structure.

Big companies under present conditions cannot sell common stock except on a costly basis, but at least they have access to the marketplace. Not so with smaller companies, and yet in a readjustment period their needs are likely to be most urgent. According to data compiled by the Federal Trade Commission and the Securities and Exchange Commission, all manufacturing corporations at the end of 1948 had a current ratio of 2.7 to 1. Those with assets of $1,000 to $249,000 had a current ratio of only 2.14 to 1. The liquidity ratio, or ratio of cash plus Government securities to total current liabilities, improves steadily as one moves from small to medium size, and upward to companies in the high group. This indicates where the inability to obtain additional equity funds is most serious.

Applications to the Reconstruction Finance Corporation for business loans have mounted rapidly in recent weeks. The place of the commercial banker in the financial organization of society is secure and life insurance companies have aided companies which did not want to pay going market rates for equity money. Again I say with the utmost emphasis at my command: None of these sources can or should take the place of the individual seeking a participation in enterprise. Trouble is bound to arise, as it already has cropped up, when management cannot accept the values placed by the market on common stocks.

To every estate faced with the problem of liquidation of business interests and every individual proprietor or family-owned enterprise, a market such as we are now experiencing means that all capital values must be reduced proportionately. To every group contemplating investment in new enterprise or debating expansion, the question is raised as to what rate of return must be earned to justify the use of funds for unsheltered investment, and the prices of stocks cannot be ignored. Our studies show that, depending on the industry, it takes from $3,000 to $36,000 per worker to provide a job and this figure is an understatement because the worker in going companies is using other assets acquired when the price level was much lower.

Savings, however, we are told are plentiful. The saving figures are brought up every time we bring up this question. Without going into detail, the very size of aggregate savings, in conjunction with the apathy toward ownership, tell the story. Savings, like water, will not run uphill. The flow of savings is largely in the direction of riskless investment and the attainment of a creditor or preferred position.

Until recently, everyone—domestic and foreign observers alike—admired the adventurous spirit of Americans. New products, new businesses, and new jobs—these cannot develop from riskless investment alone. Rather than conclude that Americans have changed, the inference must be that the change in conditions has forced a change in their attitude.

These conditions arise out of the faulty tax structure. Your knowledge of industry and your experience in meeting the various and sundry tax bills undoubtedly have convinced you as to the imperative need for improvements in this structure. I am afraid, however, that revenue requirements in the foreseeable future preclude the thorough revision of the Federal tax structure and the integration of Federal and local taxes and personal and corporate taxes that are urgently necessary. When the best is unattainable, it is good sense to accept the better. It is for that reason we are concentrating, in our new study, Jobs and Taxes, to be published shortly, on only two phases of Federal taxes. With no loss of revenue to speak of, and a prospect of ultimately increasing revenues, changes at these strategic points made now would turn the tide and help make the jobs without which disappointment and frustration face so many of our young people.

Whether you represent consumer goods or capital goods industries, I am sure you are agreed that a dynamic economy is synonymous with adequate capital formation. The high degree of postponability of consumer durable goods accentuates the fluctuations of business activity and employment. Gov-

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ernment economists would like to have the public spend more of their income. They will if they are confident about their jobs. High employment goes hand in hand with high expenditures on capital and equipment. In fact, the deficit at the end of the war was so large that in current prices it is estimated it would require nearly a decade of spending on new plant and equipment at recent rates in order merely to erase the accumulated deficit.

To quote from the study to which I have alluded: "In view of the ravages of the past 16 years on our stock of capital, we would expect to find both capital formation and expenditures for new plant and equipment proceeding at a pace considerably in excess of the average ratio of the years before 1929. Instead, they have been falling behind or, at best, just about equalling these rates. Still more serious, however, in its implications for our future economic growth, is the fact that expenditures for plant and equipment tended to level off during 1948 and threaten to show an absolute decline in 1949.

"While plant and equipment outlays for the four quarters of 1948 were larger than outlays during corresponding periods one year before, the successive percentage increase showed a generally downward trend. Official estimates indicate that expenditures for the second quarter will fall slightly below those of the corresponding period of 1948, and that during the second half of 1949 they will be about 14 percent below those of the last half of 1948. It is particularly significant that the decline in capital expenditures reflects in part the fact that the growth in the number of business enterprises had virtually ceased before the close of 1948 and that the increase in the number of small firms already in existence was seriously retarded. A continually increasing proportion of expenditures by manufacturing concerns was accounted for by firms with assets of $5,000,000 and over. It is vital that we take steps to create a more favorable climate for investment so that no serious drop in expenditures on new plant and equipment will materialize. We would not indeed be setting our sights too high if we endeavored to maintain such outlays in the future at a rate above 1948 levels."

To this end I make the following recommendations:

1. Attack the problem of double taxation of dividends by allowing individuals a credit for dividends received when computing their Federal-income liability. The credit should begin with 10 percent and be increased later as the general budgetary situation permits.

2. Change the tax treatment of capital gains and losses by reducing the maximum effective rate on capital gains from 25 percent to 10 percent and the long-term holding period from 6 months to 3 months. Allow individuals to charge a maximum of $5,000 of capital losses against their ordinary income each year.

Given these changes, I visualize a current of renewed vigor running through the economy. This would break the vicious cycle which has caused only a trickle from either the vast pool of stagnant capital or the present accretions of savings to enter the job-making processes. It would enable business to liberalize dividend payments and avoid contractual obligations that necessarily restrict freedom of action and add to economic rigidities that are already too severe.

Earlier this week the monthly report on the labor force was published by the Bureau of the Census. It showed that unemployment had risen again to the highest level since the spring of 1942. The rise in unemployment was contrary to seasonal expectations, and was partly attributable to the number of young persons of high-school and college age seeking work.

We cannot attribute unemployment to speculative excesses or to a weak banking structure; or to the failure of wage rates to keep pace with the cost of living. Certainly, the answer can't be that the Government is spending too little. All of the standard arguments fall by the wayside.

My message to you is that we should begin at once a new campaign—a venture capital campaign. You and your associates can, out of your unusual experience and knowledge, tell Congress, in specific, understandable terms, how much your company has to invest to hire an additional employee, or install an additional machine; how much you or others who might be in a position to assume risks of enterprise would have to receive to make a dividend attractive, after taxes; what your rate of profit on a dollar's additional investment would have to be to pay such a dividend; the change in your debt-net worth ratio and the reasons why you would prefer, under more equitable tax treatment, to obtain permanent ownership funds rather than borrowed capital. And you can tell Congress why capital-gains taxes represent a mingling of two different concepts, income and capital, and why the present rate cuts into the willingness to put funds to work to bear the brunt of inevitable economic squalls and storms; tell the story to stockholders and workers, in annual reports and enclosures with dividend checks and in house organs, at social gatherings and in meetings of businessmen. No story is fraught with greater significance to the country's economic welfare.

What I propose is an all-out attack on a tax structure that is obstructing expansion and throttling incentive and initiative. Squeezed between institutional changes of a deep nature and a hostile tax structure, realistic treatment of ownership savings is demanded. When farmers were injured by forces of a general character in relation to the conditions affecting the rest of the country, farm parity was devised to correct the situation; when legislation lagged behind economic forces and labor was at a disadvantage, labor was granted the equivalent of parity treatment. Ownership, which lies at the base of the whole economic structure, is threatened. The situation must be corrected. What I am striving for, in effect, is merely parity for ownership insofar as the extraordinary fiscal situation will permit. Fortunately, strategic changes can be made that will help activate stagnant pools of existing funds and energize current savings. But these changes cannot wait.

This isn't a fight in behalf of a few imaginary absentee owners of industry; or executives who have already made their place in industry. It is a fight to encourage industry, to remove the basis for the fear that is spreading, to prevent hardening of the economic arteries.

Equity for equity capital is the slogan in this venture capital campaign. I ask you to join with me in the interest of the Nation's continued well-being.

Address by Hon. Andrew F. Schoeppel, of Kansas, Before Gettysburg College Alumni Association

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Thursday, June 16 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very able address delivered by the junior Senator from Kansas [Mr. SCHOEPPEL] at the annual alumni association meeting of Gettysburg College, at Gettysburg, Pa., on June 3, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am most appreciative of the opportunity of meeting with you, the alumni of Gettysburg College, tonight.

Mrs. Schoeppel and I enjoyed the drive from Washington to this historic spot in the Blue Ridge Mountains. The panorama of fertile valleys and beautiful mountains, with the unfolding of the history of our Nation throughout the day, indeed brought pleasant relaxation from the strenuous schedule of a legislator's day in Washington.

One cannot help but think in retrospect of the story that might be told by those who have passed through the halls of this college since its founding in 1832. What magnificent pages of our history could be written by the alumni of this seat of learning, which I have recently learned ranks among the 50 best colleges in America.

You may well be proud of the religious and cultural contributions made by the Lutheran Theological Seminary since 1826, and Pennsylvania College.

This heritage passed on to you places upon the alumni a responsibility to guard well the wholesome traditions symbolized by Old Dorm. Guard well against attempts to infiltrate into the halls of higher learning creeds that would undermine all that is good and sacred in our religious heritage—that would teach philosophies of hate and bigotry and so destroy our free Government.

I like the story that is told of the period during the War Between the States, of a postmaster of a village in Illinois. He probably spent almost as much time writing and reading letters as he did in sorting them for delivery because it was considered part of his duty to write letters to the boys at the front for parents who never learned to write.

And when the answers came back, often written for the boys by an officer in the field, he would read them. In those days about 20 percent of the grown men and women in the United States could not sign their names. In 1865 less than 10,000 were graduated from all the colleges and universities in this country.

The differences achieved in less than three generations is the miracle of American public education. We are now 95 percent literate. When my neighbor's boy who is now in high school graduates from college in 1955, he will be one of at least 300,000 in that year. The children of today are getting, on the average, four more years of schooling than their parents had.

They have to know more to live in this changing and difficult world. Knowledge must be the common possession of our people and we have to keep on learning as long as we live. In the schools we lay the foundation for a free and rational life.

Tonight we meet on hallowed ground, made sacred to every American 86 years ago the first day of next month. And just 86 years ago, on the 3d day of July, the most important battle of the Civil War had been won by a Union victory. It was decisive in the sense that it was the definite turning point of the fortunes of the Confederacy. It meant the preservation of the Union and the Republic. Preservation of liberties and freedoms, never before known in the history of governments.

It was on November the 19th, 1863, when the immortal Lincoln dedicated this shrine to those brave men whose supreme sacrifice contributed to that victory. The words of that great man, uttered here at that time, with the simplicity and honesty which so personified the speaker, are engraved upon

the hearts of every man, woman, and child who loves this great land of ours.

I cannot refrain, however, from quoting just a few of his words to you tonight, for they are the theme of thought that I would like to leave with you.

Lincoln said, "It is rather for us to here be dedicated to the great task remaining before us, that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion. May we here highly resolve that these dead shall not have died in vain. That this Nation under God shall have a new birth of freedom and that Government by the people, for the people, and of the people shall not perish from the earth."

Here Lincoln gave utterance to his faith that the national idea was one of constant issue, for which he had asked his countrymen, and would continue to ask them, to die.

And in three conflicts since that time the flower of the youth of this Nation has again been called upon to lay down precious lives that this Republic might remain the beacon light for freemen.

Have we, and are we, heeding the admonition that these dead shall not have died in vain?

Within the past few days throughout the Nation on Memorial Day homage was paid to our heroes of the past. On this one day patriotism and national pride were foremost in the hearts and minds of most of our citizens. I have said on this one day, with meaning, for I fear that we have too many one-day patriots among our people.

I have recently said, and I repeat—political apathy is the most dangerous and fastest-spreading disease in America today. It is the result of worshipping the golden calf of economic security. It substitutes dependency for independence. Its end product is bondage rather than freedom.

Just what is the extent of this apathy? In 1900, when it was difficult for many to get to the polls, 75 percent of those eligible got there and voted. But in 1943, when it was much easier, the percentage dropped to 63 percent. In 1944 it was 55 percent.

In 1948, it was 45 percent.

Contrast with these figures the situation where the right of franchise is fresh and new and is a prize that has been long sought and only recently attained. In Puerto Rico, at its first election last fall, 80 percent of the eligible voters went to the polls.

There was a time, in this country, when even a whole day of life was not taken for granted; much less water, shelter, a safe night's sleep. Now, by reason of a uniquely bountiful heritage, we take for granted—too much. We assume. Expect. Insist. Nowhere else in the world is this possible.

Unthinking, we accept not only the great urgencies of food, shelter, and clothes, but the whole spate of little things that make up a way of life, a pattern of security. We take for granted the protection of our locked front door; a roof to our living room; heat, lights.

We expect our children, bursting with vitality and vitamin B, to knock our hats askew with the vigor of their welcome. As breathing, we take for granted a hot bath, soap, penicillin, sodas at the corner drug store.

We assume that young husbands will make a successful future for themselves, that older husbands will retire on what, over the long years, they have put away. We expect our daughters to have an evening dress. We cheerfully assume that some decent men will be voted into public office. We know that veterans can get a GI loan, and assume that, with it, one of them will start a future United States Steel. Another will marry, and produce an Edison, a Jefferson, a Carver. We take for granted that we will not be shot, imprisoned, or have our "everything" confiscated; that our children will live to grow up.

What we forget every day, every moment, is our own history. That it was not entirely to give us these luxuries-become-necessities that those men stayed on at Valley Forge for 22 cents a day; that Lincoln did the fine, unpopular thing, unwaveringly; that over 56,000 men died in prison camps between '61 and '64; that later, half a million lay in their blood on foreign soil. It was not to guarantee us ice cream and radios that women bore children during Indian attacks, were partners in the great pioneering sweep to the West.

It is good to remember what our simple right to vote cost other human beings. Perhaps they had no thought of us; they were concerned with making their America. What they made is what we have. To take this heritage, unthinkingly, for granted, is a first step to losing it.

These facts I have given you should convince anyone that there is political apathy, because failure to exercise such a simple, yet valuable, function as voting is the first evidence of the disintegration of self-government.

I am afraid that because we enjoy the greatest freedom of any people we have become so accustomed to that freedom that we now take it as a matter of course, and expect to reap the harvest of its bounty and accept none of the responsibility of planting its seeds or cultivating the field to destroy the insidious weeds which may destroy the crop.

Yes, my friends, the weeds are growing—and as weeds grow—are growing fast.

Unless an enlightened and vigilant American citizenry plows under that growth within our body politic, we shall one day in the not too distant future find ourselves engulfed in an ideology of government unfamiliar to the American way of life.

The average American tends to think of protecting free government in terms of protecting it from violence. He fears foreign conquerors or domestic revolutionists and believes that when a free government has an adequate army or police force its security is secured as far as it is possible to assure it. Like the Chinese, centuries before Christ, who thought to preserve their civilization by building a great wall on their western frontiers, only to be conquered from the sea, this kind of thinking does not provide against the really effective way in which free governments have been destroyed in history.

Up to the time of World War II, eight important free governments had flourished and perished in the last 25 centuries. Five hundred years before Christ a vigorous, democratic government prospered in Athens. Two thousand years before the American Revolution Rome had been the center of a thriving free government. The Venetians maintained political freedom for some nine centuries in the Middle Ages, while the people from medieval Florence fought off tyranny for hundreds of years. The people of eighteenth-century France established a free government based on manhood suffrage. Although it lasted for only 10 years, it was in its day a beacon light of hope in a Europe dominated by despots. Shortly after the middle of the nineteenth century, free government reappeared in France, this time on a more enduring basis. And France became one of the great republics of the modern world.

Then it was that the Republican Government bobbed up in modern Germany for a brief period of 12 years. For a nation that had been many years under the iron heel of the Hohenzollerns, the birth of a republic in modern Germany was a notable achievement. Even in modern Italy after centuries of despotism, the people had finally managed to re-create their ancient Republic into a nation again united, only to lose it in a few fateful years.

I believe it well to point out that of these eight free governments only two were destroyed by conquest. Athenian democracy was destroyed by Philip of Macedonia in the third century before Christ, while the Third French Republic, born in 1870, perished from the sword of Hitler only a few years ago. Not one of these free governments was destroyed by revolution. History fails to record a single instance of any important free government being destroyed by revolution.

The destruction of the other six free governments was accomplished entirely within the framework of democratic processes. In the case of five, startling as the thought may be, free government passed away by the vote of the people. Or perhaps it would be well to say by the failure of the people to vote. History thus presents the strange paradox of despotic government created by consent of the governed, a result as strange as if an absolute monarch had voluntarily relinquished his despotic powers and conferred sovereignty upon the people. Six important free governments in the past 25 centuries have been destroyed, not by war or revolution, but by internal economic conditions.

By giving consideration to the past of history, is it not therefore proper for us to consider on a down-to-earth basis our own Nation today? Is it not proper to consider what we as citizens owe to this Government, in order that we, too, may not be recorded in the history of the future of having failed our responsibility and by our own consent changed the form of government which we love so well? The kind of government which, Lincoln said, the dead shall not have died in vain to preserve for us and for posterity.

The cross currents of our national life and world affairs are such that there was never a more urgent need than now for American citizens to assume a responsible role in national politics. There is a proper place for you, the alumni of Gettysburg, and for those who graduate this year, in the political scene of our country.

Good citizenship does not alone mean the paying of taxes, contributing to your community fund, membership in your church, or supporting your chamber of commerce. Good citizenship demands your active participation in government in some form. Too often laymen take too lightly, not only their responsibility as citizens, but also their job in national politics. I am not speaking of politics in the narrow sense, but rather in the broad sense of government, involving the enactment and administration of laws. It is a fact, nevertheless, that Government policies are projected, tested, and weighed in the political arena.

It is in the political arena that the spotlight is turned on the stand taken by parties and by candidates. It is in the political arena that citizens endorse or reject, the policies espoused by parties or candidates.

It is for that reason that I have said that our form of government can be changed by consent, by the vote of the people. In fact, by a minority of the people, if the present apathy continues to grow. It is up to the citizens of the Nation to decide whether they want to take more responsibility in politics and have a say on how things are run or whether they want to give centralization a free and unfettered hand. If the citizens make the latter choice they can blame nobody but themselves for what happens.

From this fine college, steeped in fine traditions of the American way of life could come many young Americans who could in public life leave behind them a monument of service to the Nation and a symbol of achievement for their college, but too few young Americans, of the sturdy stock you have here, make the choice of such a career.

It is the fashion with many to discourage the young from political activity. The common advice is "politics is dirty, keep out of it. You will never make any money. It is not a good career."

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Perhaps the remuneration is low as compared with other walks of life. Even so, part of the reward remains in a sense of making the most progressive and enlightened form of government prove itself capable of meeting the people's needs.

We need good, clean, young Americans who are willing to make public service a career. Not the Hans Freistadts, who embrace the Communist philosophies and receive their education from funds doled out by the American taxpayer. This one example, my friends, proves all that I have said tonight.

Let me give you an example of one fine young American of my State of Kansas, who was turned down for enlistment in the Navy during the war. Intent upon service to his country in time of crisis, he joined the merchant marine and made many trips across the submarine-infested waters. With the event of peace he sought to return to college. He could receive none of the benefits under the GI bill of rights, nor did the Government have any scholarship for him, but in the case of Hans Freistadt, son of one of the European Communist leaders, himself a Communist writer and adherent, a scholarship of $1,600 a year was granted, under the jurisdiction of the Atomic Energy Commission.

Need I say more in a plea for some semblance of activity by the citizens of this Nation, that "these dead shall not have died in vain?"

We have a great country and we should be grateful to God for it.

We cannot expect to succumb to all of the isms and hand-outs of a paternalistic government, and still have our freedom.

Everybody craves security. But there are two kinds of security and as surely as one leads to success—the other leads to failure. Static security is the illusion that something outside yourself can protect you. Static security makes people bury their one talent in the ground. It causes them to build Maginot lines. Slaves have static security. So did the serfs. So does the oyster which has only to open its shell and food comes to him. But man was not made for this kind of security, which saps initiative, destroys ambition, makes men fearful, and literally "kills their souls."

The other kinds of security is dynamic security. It is the security a man feels when he has the absolute knowledge that he can make his own way. It is the security in adventure, the security that the pioneers felt when they founded this country. They had very little in the way of static security—no bank accounts—no Government to pay them old-age pensions—no stocks and bonds—no guaranteed yearly wage. What they did have was the spirit of adventure, within themselves—the determination to achieve—and the open fields and prairies—a "land of opportunities" ahead of them.

While the oyster is the symbol of static security, the eagle is the symbol of dynamic security. He lives on the crags, he flies hundreds of miles in search of food. And it is fitting that the eagle is the symbol of our country.

For it was dynamic security that made our country great. The right to express our own individual powers, the right to do and dare, to adventure and achieve, is what makes life worth living. Yet there are those who would sell us the idea of static security, of looking to the Government or some other protector of our "security," instead of within ourselves. But when we accept that sort of false security from any outside source, we always give up a portion of our real security inside us. This is a poor bargain, as any man who ever sold his birthright for a mess of pottage can testify.

This is a time for the rebirth of American traditions. A time to protect our inalienable rights of life, liberty, and the pursuit of happiness, against the designs of socialism, and communism, or the other isms, by whatever name they may be called.

The time to esteem the sacrifices and triumphs of those who have gone on before us, to acclaim the good in America, which lightens our day. A time to prepare the way for a greater America, which by God's grace shall be hereafter. A time to again dedicate ourselves that those dead shall not have died in vain.

Appropriations for the Central Valley Project

EXTENSION OF REMARKS

OF

HON. THOMAS H. WERDEL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. WERDEL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement presented by Edson Abel, assistant director, public-utilities department, inserted by request of members of the California Farm Bureau Federation, to the Subcommittee on Interior Department Appropriations, Committee on Appropriations, United States Senate:

Mr. Chairman and members of the committee, my name is Edson Abel. I am an attorney by profession and by occupation the assistant director of the public-utilities department of the California Farm Bureau Federation. I am here representing that organization in connection with appropriations for the Central Valley project and with a plea for expedited construction of the irrigation features of that project and lower and more realistic water costs for the irrigators so as to bring it within their actual ability to pay. For record purposes, the California Farm Bureau Federation is a nonprofit corporation representing the voluntary association of 51 county farm bureaus in the State of California. These county farm bureaus have an aggregate voluntary membership on an annual renewal basis of over 52,000 farm families. The California Farm Bureau Federation was organized and is maintained for the purpose, among other things, of representing, protecting, and advancing the social and economic interests of its members, their members and farmers generally in the State of California. The public utilities department is one of the service departments maintained by the federation for the achievement of these objectives, and its personnel has been engaged for over 25 years in obtaining power, telephone, water, and transportation services for its members and other farmers of California at the lowest possible lawful rates.

The interest of my organization arises from the fact that over 9,000 Farm Bureau families carry on their farming operations within the five counties of Fresno, Madera, Kings, Tulare, and Kern, which, roughly speaking, comprise the area the relief of which is supposed to be the primary objective of the Central Valley project. I say "supposed" because there have been many things happen which create doubt that this objective still retains its original status so far as the construction agency is concerned. The interminable delays which have characterized the construction of the irrigation features and the absence of any indication of a change in policy have dimmed the hope of immediate relief. Virtually all of these 9,000 farm families are vitally concerned in early access to supplemental water supplies as in all too many cases, their very existence is contingent on speedy relief.

As a preface to my remarks, I want to make it perfectly clear that what criticisms I subsequently voice do not in any way refer to the Congress or to any of its committees. The people of California are extremely grateful for the generous treatment which this committee and the Congress have accorded the Central Valley project. Funds have been provided faster than they have been spent by the Bureau of Reclamation and the fact that the delivery of water from the project is no nearer than it is today is not in any way due to any stinting on the part of the Congress. We are deeply appreciative of that treatment.

The five-county area which I mentioned needs water and needs it desperately. The unprecedented drought of last year aggravated a situation which had already progressed beyond the critical stage. The need for water to take the place of the usual rains caused still larger draughts upon water supplies already receding beyond economic pumping lifts. This year the snowpack in the Sierras east of the San Joaquin Valley is considerably better than it was last year but the rainfall situation in the valley is worse. The city of Fresno is fairly representative so far as rainfall conditions in the southern San Joaquin Valley are concerned. The latest reported figures from the Weather Bureau station there, as of May 26, 1949, are: seasonal rainfall to date, 6.66 inches; normal rainfall to date, 9.26 inches; seasonal to date last year, 7.57 inches. Thus, the farmers in that area have less natural irrigation than they had last year and that was about the worst of record.

This drought situation has been recognized, seized, and dilated upon by the publicity agents of the Bureau of Reclamation for its own purposes but so far there has been no indication of any effort by the Bureau to accelerate its irrigation construction program to take care of this urgent need. This easily could be accomplished. The irrigation facilities still to be constructed readily lend themselves to sectionalization. Congress has always supplied ample funds as is shown by the fact that from April 8, 1935, to June 30, 1947, the average annual unexpended balance of appropriations to the Bureau of Reclamation for the Central Valley project was over $12,000,000. The only thing lacking apparently is inclination on the part of the Bureau of Reclamation to hasten the actual delivery of irrigation water.

In its justification to the Congress in 1944, the Bureau of Reclamation said the Friant-Kern canal could be constructed in 2 years. This work started in September 1945, and here nearly 4 years later, it is not yet half done. There are over 40 miles of this ditch untouched and the Bureau has announced that it will not ask for any bids on this last stretch until December 1949. This new statement is to be contrasted with its statement on March 4, 1947, at the hearings before the House committee that this canal would be completed in 1949.

The story on the Delta-Mendota canal is a similar one of dawdling and dilly-dallying. This is one of the key units in the project. Commissioner of Reclamation Straus told the Senate Committee on Appropriations in 1947 that the Delta-Mendota canal had to be finished and in operation before any water could be delivered from the Friant-Kern canal. As of the first of this year, the canal was only 20 percent completed. The Delta Cross Channel is the conduit through which Shasta water is to be conveyed from the Sacramento River across the Delta to the Tracy pumps; thence to be lifted to the Delta-Mendota canal. It is an essential unit in the plans. All of the estimates of the Bureau of Reclamation for construction time on this unit say that 4 years will be required to complete it. As of

now, they haven't even started on its construction.

It was this dilatory construction record that caused the adoption over a year ago of a policy resolution by my organization which I now offer for the committee's consideration. It was adopted by the State delegates from the 51 counties comprising the California Farm Bureau Federation at their annual meeting in November of 1947. Voting on all resolutions of this nature is by the delegate body composed of farmers elected by the 51 county farm bureaus, one from each county organization. This resolution reads as follows:

"COMPLETION OF CENTRAL VALLEY PROJECT

"The Central Valley project had its inception in the increasing and critical shortage of water for irrigation in the San Joaquin Valley. This project has been under construction since 1935 and present plans of the Bureau of Reclamation do not include the delivery of any water for irrigation in the areas of critical shortages until 1952. The hydroelectric-power feafeatures of the project were included in the project for the purpose of financially aiding and assisting the other purposes of the project.

"We insist that the long and unduly delayed delivery of irrigation water in the central valleys be expedited beyond the present program and to the greatest possible extent and that other authorized Federal water-conservation and flood-control projects in the central valleys be completed at the earliest practicable date.

"Irrigation is the primary objective of the Central Valley project and the basic law authorizes the inclusion in the project of hydroelectric-power facilities for the purpose of financially aiding the project.

"We oppose the expenditure of any funds for the construction of electric-power facilities which will reduce the financial aid to the project which can be derived from hydroelectric-power developments."

As stated in the resolution, the Central Valley project is the solution developed by California after many years of study to alleviate the critical water shortage of the southern San Joaquin Valley.

The responsibility for the construction of this great project was enthusiastically assumed by the Bureau of Reclamation in 1935. It has been at the job ever since that time and has had all the money it could spend, but aside from limited deliveries of water to Madera and Contra Costa Counties, the extensive agricultural developments for whose sake the project was originally conceived have as yet received no water. And what is more, a tally of the actual construction record, as of February 1949 shows that the strictly irrigation features, viewed as a whole, are less than one-third done. These are shocking and disheartening facts to irrigators who have placed their faith in their Government.

Under these circumstances, it is our position today that the situation demands drastic remedies. With that in mind it is our plea that generous appropriations should be made for the completion of the irrigation and power-generation features of the Central Valley project and that no money at all be provided for transmission lines and facilities, at least until the project's irrigation obligations are being satisfied. Our reasons for that recommendation are:

1. The Bureau of Reclamation has shown it has neither the inclination nor the ability to press with the required vigor more than one phase of this project at a time.

2. With only the slightest encouragement, it will, more than ever, concentrate its attention on the commercial power system which it is seeking to establish and will neglect the primary purpose of the project—irrigation.

3. The present method of disposing of Shasta power is bringing in more net revenue to the project than any other method suggested but if the Bureau is permitted to establish its commercial power system, the solvency of the project will be in serious jeopardy.

4. The continuance of the present method of disposing of Shasta power will not only assure the solvency of the project but will also permit power revenues to carry out their lawful assignment of financially aiding the project.

In support of the first thesis, we have only to point to the dismal construction record so far made to which we have already alluded, and to the known gloomy prospects for the future. The Bureau has been dividing its attentions in the past between irrigation and power, with the latter receiving the major consideration. The record discloses the result.

The second thesis also is sustained by the record. The Bureau of Reclamation has been so obsessed with the creation of a Government-owned commercial power system operated by the Bureau of Reclamation that it has diverted to that objective all of the funds and attention it was possible to so apply. That has been the major objective of the Bureau in connection with the Central Valley project virtually ever since it took over the project. It has never needed any appropriations to spend a large amount of its time and overhead on its power pet. It has even defied Congress and used funds supplied for other purposes for the building of transmission lines. During this period, it has also compiled its record of dawdling and dillydallying in the construction of the irrigation features.

The irrigators are being forced to pay dearly because of a bureaucratic obsession and are faced with mounting penalties unless the Congress takes the necessary action. It is a foregone conclusion, based on experience, that the irrigation phases of the project will receive less attention than ever if Congress fails to confine the Bureau of Reclamation to its proper channels of activity. The most detrimental action that could be taken, so far as the irrigation phases of the project are concerned, would be to appropriate funds for the Central Valley project without specific allocations. That would discount in toto all of the promises made by the Bureau as to completion of the irrigation features.

With all due respect to the House, it took the action best calculated to encourage further delays in the construction of these irrigation features. We do not quarrel with the amount of money but it was appropriated to the Bureau of Reclamation for the Central Valley project in a lump sum which is tantamount, in the light of the record, to a green light on all of its commercial power system aspirations. Under that arrangement, irrigation will be short shrift indeed.

Turning to the third thesis, the arrangement under which Shasta power is now being disposed of is bringing in, and will result in, more net revenue than any other proposed method of handling. The purpose of the inclusion of the transmission lines, in the first instance, was to assure a satisfactory selling price for Shasta power. They were intended to be a club to persuade power purchasers to pay fair prices. We would be the last to suggest that this club be discarded. The potentiality of these transmission lines has done a very fine job because they have caused the present purchasers to pay a price which gives the project more net revenue than it would receive under any other proposal so far made. And the Bureau of Reclamation wants to throw that revenue in the ashcan because it conflicts with its commercial power system.

It has a demand and energy rate of a postage-stamp character at which it offers to deliver power f. o. b. any point in an area approximately 250 miles square. This is the rate at which the power is now being sold to the private utility at Shasta substation, a point about 25 miles from Shasta Dam. The Bureau of Reclamation is violently opposed to this arrangement and has proposed to the Congress that it be given millions of dollars for the construction of transmission facilities so that it can obtain, 200 miles and $77,000,000 away from Shasta substation, the identical gross price per kilowatt-hour it is receiving now at Shasta substation, in entire disregard of additional costs of investment, operation and maintenance, and very substantial and unavoidable transmission losses.

The Bureau stands all of these charges in order to sell the energy, 200 miles and $77,000,000 farther away, at the identical gross price per kilowatt-hour it now receives and can get in the proximity of Shasta Dam. It is a most fantastic proposal, violative of every principle of economy and sound business. Only an obsessed bureaucracy with unlimited access to a public treasury would consider it for a moment.

We have lately heard that the voice of economy is becoming louder in the Halls of Congress. This is a rare opportunity for that voice to be heard and one in which the difference between economy and abject squandermania could not be more strongly high-lighted. The Bureau's program is simply a case of spending more millions so as to make absolutely sure of getting less revenue.

Furthermore, sight cannot be lost of the fact that the additional salable power made available by the proposed steam plant cannot be produced for the price at which the Bureau proposes to sell it. The proposed unit is mainly for stand-by or firming service and it cannot be used to any great extent except to fill out the demands on Shasta power. Compared with its capacity, its actual production of salable energy will be relatively small. In other words, the cost of fuel for that plant will make the small amount of power it produces so costly that the rest of the power operations will have to subsidize its production.

There is another aspect of this matter which demands attention. The Bureau of Reclamation proposes to set up and operate a Government-owned and bureaucratically operated electric power system. This system will have for disposal to the consuming public the power generated from an installed capacity of approximately 460,000 kilowatts. When in operation, this will be roughly about one-sixth of the serviceable capacity of the competing privately owned power company which serves the central valleys of California. The energy from the Government-owned facilities will be sold, according to Mr. Ben W. Creim, regional power manager of the Bureau at Sacramento (see hearings, fiscal year 1947, p. 319, February 19, 1946), at a rate which will save the favored consumers "some $2,500,000 per year on their power bills." In other words, approximately one-sixth of the power consumers in the central valleys area are to be selected by the Bureau of Reclamation as the recipients of an annual governmental beneficence of $2,500,000 while the other five-sixths will be left to obtain their service from the privately owned utilities and through them and otherwise will pay taxes to support the gratuities showered on its personal selectees by the Bureau of Reclamation.

Perhaps to avoid this rank favoritism to those selected by the Bureau to be the recipients of governmental beneficence, this Government is prepared to go further into the power business and put all consumers in the areas involved on the same preferred basis. Otherwise, what answer can there be to this unexampled generosity to only a selected few of a given class.

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With reference to the fourth thesis that, if the present revenues are continued without diminution the irrigators could be given water at substantially lower rates than are now proposed, a little background is necessary for a complete understanding of the proposition.

The rates for irrigation water now offered by the Bureau of Reclamation to Central Valley project irrigators are $3.50 per acre-foot for class I water and $1.50 for class II water. The latter is not firm water and is available only occasionally. Both of these prices are canalside and the irrigators must take the water there and pay the additional expense involved in conducting the water from the canalside to its place of use on the land. This additional cost varies from $1 to $5 or more per acre-foot. Thus, at the place of actual use, it is far from cheap water. In fact, with a few exceptions, it is probably the most expensive water available to California agriculture.

The $3.50 per acre-foot figure was arrived at by the Bureau of Reclamation after an exhaustive study by it of the irrigator's ability to pay and represents the maximum which the Bureau thought the irrigator could afford. The figure has been seriously criticized as not including items of expense customarily paid by irrigators but its major defect lies in the fact that this ability to pay was calculated on 1939–44 farm prices. One does not have to be an economist to know that the average prices prevailing on all agricultural commodities during that period were more or less inflated and could not possibly serve as any sound basis for the calculation of ability to pay in any more normal period. The Bureau, in its report to the Congress (H. Doc. 146, 80th Cong., 1st sess., pp. 21 and 22), concedes that $3.50 per acre-foot is a maximum figure and admits the probability that a lesser figure will more closely approximate the actual ability of the irrigators to pay.

In passing, it is interesting to note that under the Bureau's program the irrigators whose relief was supposed to be the original and primary purpose of the project, are to be required to pay to the maximum of their ability while the power users are to financially aid the project by getting their electricity at the lowest possible cost.

Now if the present method of disposing of the project power, which is satisfactory to everybody except the Bureau and its cohorts, is unchanged and the present price is maintained, project water can be sold to irrigators at rates which are less than half the presently proposed charges. Firm or class I water could be furnished at not more than $1.50 per acre-foot canalside, and class II water at 65 cents per acre-foot even if interest on the investment in power facilities was returned to the Federal Treasury. The Bureau does not propose to do this and in that case the cost of water could be reduced to $1.25 and 55 cents per acre-foot for class I and class II water, respectively.

In 1937, Congress authorized the inclusion in the project of power facilities for the purpose of financially aiding the project. Without the exercise of some strict congressional guidance it is very evident that anything derived by the project from its power facilities will be on the debit side and that the financial aid mentioned in the authorizing statute will be of a minus character.

We believe that some drastic action by the Congress to expedite this construction work on the irrigation features of this project is overdue and badly needed. The necessities of the irrigators seem not to have influenced the Bureau of Reclamation. We can only hope that the Congress will take a different and more sympathetic view and that it will confine the Bureau to irrigation construction in the Central Valley project until that part of the project is done.

We deeply appreciate the time and consideration accorded by this committee to this presentation of our position.

The Coplon Trial

EXTENSION OF REMARKS
OF
HON. CECIL R. KING
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. KING. Mr. Speaker, on Tuesday, June 14, I addressed the House of Representatives and answered the criticism by a colleague of the Attorney General's handling of the Judith Coplon espionage trial. In connection therewith I submit an editorial contained in the Washington Evening Star under date of Wednesday, June 15, and an editorial contained in the Washington Post under date of Tuesday, June 14, which I believe very concisely analyzes the issues:

[From the Washington Evening Star of June 15, 1949]

CHOICE OF LESSER EVILS

The jury will have to decide the guilt or the innocence of Miss Judith Coplon. But two decisions made in the course of the trial seem to overshadow in importance the question before the jury.

One was Judge Reeve's decision that the Government must produce all of the evidence upon which it relied in the prosecution or drop its case. It could not suppress part of the evidence on the ground that it would endanger national security. As far as this principle is concerned, it is hard to see how the judge could have decided otherwise.

The other decision was Attorney General Clark's, to go ahead with the case despite resulting embarrassment to the Government. And here again, it is hard to see how Mr. Clark could have decided otherwise. For such a decision would have served as notification to spies that their safety from prosecution lay in the importance of the documents they stole.

If the judge was at fault in his decision, the fault was in one of the refinements of the principle at stake, rather than the principle itself. Undoubtedly he was correct in saying that the Government could not withhold from evidence some of the data slips—brief, index-like references to complete FBI reports—alleged to have been found in Miss Coplon's possession. For, as the judge said, the mere act of withholding them on the claim of their importance to the Government, would prejudice the defendants' case.

But the Government had good reason to suppose that when it came to the documents themselves, only parts of which the data slips referred to, the judge would exercise his judicial responsibility of deciding how much of these documents had any relevant bearing on the case. A great mass of matter contained in the documents had nothing to do with the data slips. That the judge permitted all of this material to be brought in, thus suggesting a decision of his own that all of it was relevant, came as a surprise.

That was when Mr. Clark had to make his final decision. He was naturally aware of the embarrassment to the Government—especially to the work of the FBI—which revelation of these voluminous documents, filled with gossip, hearsay, and innuendo against innocent citizens, would entail. He also knew that their publication would undermine some of the past work of the FBI by revealing methods and sources of information. But the criticism he has encountered for going ahead with the case, once he was powerless to prevent revelation of this matter in the prosecution, is small as compared with the criticism he would have received had he dropped the case. And dropping such a case, in the Star's opinion, would have been a great mistake. It seems incredible that the Government has become so enmeshed in the web of its own secrecy that it must admit paralysis in the prosecution of suspected crime against itself.

Caught in the middle of this dilemma, of course, and with no control over decisions made, has been the FBI. Its Director, Edgar Hoover, has nothing to apologize for. No one has fought more consistently or with greater determination to protect the confidential nature of FBI records. He knows a great many of the records have no value as evidence in a court of law, that they contain highly damaging innuendoes concerning innocent people. Like the millions of fingerprint records on file in the FBI, much of the documentary information channeled into FBI files will never be referred to unless circumstance prompts detailed investigation. And the record of the FBI's own investigations shows that the FBI does not depend on hearsay and gossip. That some of this unevaluated assortment of information found its way into print is highly unfortunate, in its effect on FBI work and for its smearing effect on innocent bystanders.

But in balancing all the risks involved in the decisions made, this risk of revealing the secret FBI records may have been the lesser one. Both the citizens who have been unjustly smeared and the FBI, some of whose secrets have been revealed, will recover. But we have not compromised the principle of a fair trial or the Government's determination to prosecute suspected spies.

[From the Washington Post of June 14, 1949]

GOSSIP AND THE FBI

Dr. Edward U. Condon's assertion that "any American can be slandered, his name ruined, his career blasted by any other person who chooses to relay malicious gossip to the FBI" is a charge of the gravest sort. If true, it means that we have traveled a long way toward the loss of cherished liberties. If not true, then Dr. Condon himself is throwing mud in much the same fashion that the Committee on Un-American Activities threw mud at him.

It is an unquestioned fact that the FBI assembles a great deal of gossip and unsubstantiated evidence. When this is dragged out into the light of day the reputations of innocent persons may be gravely damaged. Dr. Condon has good reason to be sensitive over the malicious use of such information. But misuse of unsubstantiated evidence does not alter the fact that every investigator must take advantage of hearsay and gossip in trying to track down the facts. An FBI agent who did not record clues, tips, and suggestive facts bearing upon an important case would not be worth his salt.

It is well to remember that the FBI does not investigate every complaint made to it. If a complaint appears to be merely malicious, no investigation whatever is made. As we understand the operations of the FBI, the first question asked when a complaint comes in is whether, if the report should prove true, the conduct complained of would constitute an offense over which the FBI would have jurisdiction. If so, an investigation is made. The agents who conduct these investigations are sometimes indiscreet in the type of questions they ask, and it seems to us that they should exclude a vast number of trivialities that have no bearing on the case at hand. But it is a fact that the hearsay and evidence they collect are overwhelmingly favorable to the average individual investigated. The favorable and unfavorable facts go into the file together.

More important is the fact that the FBI's files have heretofore been kept strictly confidential. A number of criminal charges related to security have been dropped because of fear that the court would order secret data spread upon the record. In Chicago an FBI agent has been cited for contempt for refusing to yield a confidential

file. And it is fresh in the public memory that the Department of Justice resisted the opening of FBI files in the Coplon case. If Dr. Condon feels that an apology is due his wife in the light of these facts, he should obviously seek it from Judge Reeves instead of FBI Director Hoover.

The secret FBI report incidentally "indicated that Emily Condon and Morton Kent have met concerning Sotiroff at which time Kent was furnished with Sotiroff's address in New York." Sotiroff, suspected of being a Russian agent, is the subject of the report. The report itself suggests that Mr. Kent may have been attempting to use Sotiroff as a sales entry to the United Nations. In the light of this and Dr. Condon's explanation, it may be assumed that nothing more than a prospective business transaction was involved. But any investigative agency under obligation to cope with the widespread Soviet espionage in this country would be naive to close its eyes to facts of this sort. Certainly every conceivable safeguard ought to be taken to prevent the disclosure of such undigested bits of information that may reflect upon the reputations of innocent citizens. Nevertheless the FBI could not ignore such data without failing in its duty in connection with our national security. In this instance it looks as if the previous injustice to Dr. Condon has led him into making excited charges that only confuse a very grave problem.

Deplores Reduction in Funds for Merchant Marine Academy

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. SHAFER. Mr. Speaker, under permission to extend my remarks, I include an excellent letter from Hans Isbrandtsen, highly regarded and successful merchant and shipowner, which stresses the importance of maintaining the high standard of the United States Merchant Marine Academy at Kings Point, N. Y. This letter should prove to Members of the House of Representatives that they voted right when they restored funds for the Merchant Marine Academy when the independent offices appropriation bill was considered.

The letter follows:

NEW YORK, N. Y., *June 14, 1949.*
Hon. PAUL W. SHAFER,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN SHAFER: I am sending this letter to you * * * to set before you my views with respect to the reported reduction in the allocation of funds for the United States Merchant Marine Academy at Kings Point, N. Y. At least I have understood from reports circulated in the press and in the industry that a substantial reduction was or is contemplated.

You may have attended, as I did, the graduation exercises of this institution and noted that there were young men from every one of the States, including undoubtedly some from your own.

The Academy, as we know, was built up from scratch at a time when the country found itself in urgent need of young men who could be trained to fill the breach and carry on with the industry. From the excellent results achieved it has more than justified its inception and continued existence.

My concern, along with others, is always glad to take on the graduates of the Academy for duty aboard our ships as well as for shore duty within our organization, and on our part we have not had a single case yet where the excellent training they received at the institution did not carry over. The whole plan of the Academy as it has developed has apparently attracted a high grade of our young men.

I believe that I am in a position to fully evaluate and appreciate this because I happen to be an American merchant and the owner of American-flag vessels engaged in the foreign commerce of this country. I have no ax to grind politically or otherwise, having enough to contend with in my own affairs with international competition such as it is today and, incidentally, am not a recipient of subsidy or favor of any kind. I am interested to see that our American flag is held high wherever it is carried and that the whole business of shipowning and the foreign commerce of this country is conducted and maintained on the highest plane possible and pursued in an energetic and honorable manner.

Carrying this out, so far as my part has been concerned therewith, has been no sinecure in these turbulent years since the war. To exponents of restraint upon such institutions as the Academy on the grounds that the young men coming from it would take opportunity away from seamen or transport workers now on the beach, let me say that the best way I see to avoid that is to stop the decline in the industry.

And to what is this decline due? Our foreign seafaring neighbors, such as Holland, England, Belgium, and the Scandinavian countries (and I suppose Germany and Japan will put in their appearance shortly), are coming to these shores with ever-increasing numbers of new, well-built ships, which are well-officered and manned, and all the while new buildings in this country have come to a virtual halt. One of the causes of this decline has been the left-handed prohibition that the American shipowner may not set aside reserves by which new and replacement tonnage could be built, and another contributing factor, in our opinion, has been the sort of union leadership which leads its flocks into economic blind alleys from which there are no out for themselves or the industry.

As a result, we here keep working down (as a young visiting Finn expressed himself to me lately) while the others work themselves up.

And now, indeed, we appear on the verge of begrudging the cost of training a few young men each year from each State to be fitted properly to go out and represent this country with its far-flung interests, and at a time when we know that every effort is being made by our maritime neighbors to put their young people in a progressively better position competitively.

I can tell you that the percentage of indifferent, negligent people on our crew lists in these latter years has been altogether too high, and if that condition, which we have had on many American vessels during this period, should be allowed to continue, then we might just as well call it a day. Conditions aboard at times have been such that one wouldn't countenance them for a minute in one's affairs here at home. I could relate instances that would get your temperature up, too, as it did ours, but I do not wish to lengthen this letter.

It has always been in this country, I think, that when things got bad enough somehow we woke up. The efforts on the part of those who brought about the founding of such institutions as this Academy must have been instinctively inspired with that traditional thought in mind. Subsidies and that kind of thing are not worth looking forward to as a means of setting things permanently to rights. But getting new blood into the industry distinctly is worth while. The men who man the ships that carry the foreign trade of this country to a great extent are what we are judged by abroad, and it behooves us to put our best foot forward. The Academy makes a contribution hereon indeed.

I personally would be the last to advocate unnecessary public spending, but believe that the training of good people to do a good job, along with the instilling of moral concepts and the fundamental American principles, is something which is not expense, but a good national investment.

These are indeed confused times, with accounts almost daily in the newspapers of our huge expenditures for this and that purpose abroad—western Europe, the Far East, the Mediterranean—even now reaching out to complete rehabilitation of our late adversaries, a part of which will undoubtedly go toward training of their coming generations. This being so, we ought not to be so unselfish as to place our own youth in the background and cut off the comparatively insignificant amounts required for much-needed facilities here in our own front yard. Our thought ought not to be to curtail such institutions, but to enlarge upon them and give them plenty of rope to assist in our country's progress.

I may be writing this somewhat expressively, but I believe so sincerely that our future is in the hands of these young people that I do not hesitate to express myself forthrightly. Their opportunity, which is also ours, should not be denied them.

Sincerely yours,

HANS ISBRANDTSEN,
President, Isbrandtsen Co., Inc.

Colonel Vogel Will Be Missed

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I herewith include an editorial from the Buffalo (N. Y.) Evening News of May 28, 1949, which pays tribute to Col. Herbert D. Vogel, Buffalo district engineer, who has been reassigned to the Panama Canal Zone.

COLONEL VOGEL WILL BE MISSED

The transfer of Col. Herbert D. Vogel to Panama is one occasion on which the "tour-of-duty" policy of the Army Corps of Engineers will be thoroughly regretted by every Buffalonian who came in contact with his office during his 3½-year "hitch" as Buffalo district engineer. The Army has never had a more competent representative here, nor one more keenly aware of, and interested in, the city's problems. In a very special way, Colonel Vogel has exemplied the highest type of Federal-local cooperation in approach to mutual problems.

Careerwise, this assignment to Panama represents a distinct advance for Colonel Vogel. His work will be primarily civilian and his capacity, as engineer of maintenance, will be that of an understudy in line of succession to the governorship of the Canal Zone, an appointment which normally becomes the next tour of duty for the man occupying his new post. Buffalo wishes him every success, and—Army affairs being ordered as they are—it can only hope that his successor will be of his same high caliber. In Colonel Vogel, the Corps of Engineers has an officer, a gentleman, and a civilian-minded public servant of whom it can well be proud.

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Buffalo will indeed miss Colonel Vogel. However, it has been fortunate in securing as Colonel Vogel's replacement a man of wide and varied Army experience, Col. Frank H. Forney, who is rounding out his twentieth year as a commissioned officer in the Army. He is being assigned from the office of the Chief of Engineers in Washington, D. C. He has been stationed in many parts of the United States and, during World War II, was commander of the One Thousand One Hundred and Thirty-second Engineer Combat Group in England. He was assigned to the British Second Army which was preparing to cross the Rhine River into southern Holland and after the war he became engineer for the United States forces in Austria.

I join with all Buffalonians in welcoming Colonel Forney and his family to Buffalo and I sincerely hope that his tour of duty in our city will be a pleasant one.

How the Taxpayers of Each State Will Share in the Cost of the Proposed 1950 Foreign-Aid Programs

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. REED of New York. Mr. Speaker, I am receiving many communications from my congressional district, and from other areas of the country, urgently requesting that Government spending be reduced. This is not a new program for me. I have been voting against these wild and reckless expenditures that have now brought the Government to a deficit.

In view of the fact that Government spending is not quite so popular as it was some time ago, I feel that the people should have some more pertinent facts with reference to this Democratic raid on their pocketbooks. The Council of State Chambers of Commerce has furnished a table showing how the taxpayers in each State will share in the cost of the proposed 1950 foreign-aid programs. Let me emphasize and reemphasize that the cost to the States, respectively, is only for the 1950 foreign-aid programs, and does not account for the billions upon billions of dollars heretofore spent for foreign aid.

I want to also stress the fact that these are not loans—these are dollars right out of the taxpayers' pockets. I might also mention that each of these dollars donated to foreign governments will have to be earned by the sweat of the brow of the persons who work.

Now, then, I am inserting, under leave heretofore granted, the cost not only to other States, but especially the cost to New York State, which, for the year 1950, will amount to $772,591,000. I might also mention that this extracting money from the pockets of the taxpayers will continue for years if the present crew of spenders are permitted to remain in office.

I mention again that these are not loans, but outright gifts. There is no use of talking economy in Government with billions of dollars going through a pipe line into 17 foreign countries.

	Percent allocable to each State [1]	Amount to be borne by each State
United States total	100.00	$4,990,900,000
Alabama	1.14	56,896,000
Arizona	.34	16,969,000
Arkansas	.64	31,942,000
California	8.32	415,243,000
Colorado	.81	40,426,000
Connecticut	1.73	86,343,000
Delaware	.40	19,964,000
Florida	1.29	64,383,000
Georgia	1.41	70,372,000
Idaho	.30	14,973,000
Illinois	7.88	393,283,000
Indiana	2.23	111,297,000
Iowa	1.48	73,865,000
Kansas	1.16	57,894,000
Kentucky	1.17	58,394,000
Louisiana	1.12	55,898,000
Maine	.45	22,459,000
Maryland	1.70	84,845,000
Massachusetts	3.57	178,175,000
Michigan	4.68	233,574,000
Minnesota	1.85	92,332,000
Mississippi	.65	32,441,000
Missouri	2.57	128,266,000
Montana	.32	15,971,000
Nebraska	.88	43,920,000
Nevada	.13	6,488,000
New Hampshire	.29	14,474,000
New Jersey	3.25	162,204,000
New Mexico	.26	12,976,000
New York	15.48	772,591,000
North Carolina	1.57	78,357,000
North Dakota	.34	16,969,000
Ohio	5.83	290,969,000
Oklahoma	1.07	53,403,000
Oregon	1.01	50,408,000
Pennsylvania	7.76	387,294,000
Rhode Island	.58	28,947,000
South Carolina	.72	35,934,000
South Dakota	.33	16,470,000
Tennessee	1.33	66,379,000
Texas	4.03	201,133,000
Utah	.33	16,470,000
Vermont	.18	8,984,000
Virginia	1.48	73,865,000
Washington	1.58	78,856,000
West Virginia	.86	42,922,000
Wisconsin	2.06	102,813,000
Wyoming	.16	7,985,000
District of Columbia, Hawaii, and Alaska	1.28	63,884,000

[1] Percentage of total Federal taxes borne by each State.

Federal Educational Finance Act of 1949, S. 246—Amount To Be Paid and Amount To Be Received by Each County in Ohio

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. McGREGOR. Mr. Speaker, the estimated cost of Senate bill 246 to the taxpayers of Ohio, $15,629,000, is based on the average of the total Federal taxes paid by Ohio taxpayers—approximately 5.83 percent of the total. This figure applied to $268,083,000, the estimated cost of the bill, yields $15,629,000, as the portion to be paid by Ohio taxpayers.

The amount to be returned to the State of Ohio under the provisions of S. 246, $7,320,000, is determined by the formula incorporated therein.

In determining the share of the cost to be borne by each county, the proportion of the total Federal taxes paid by each of the 88 counties to the total for the State was applied to the $15,629,000 previously determined as Ohio's share of the total cost.

The amount to be returned to each county is based on the percentage of the population of Ohio, residing in each of the 88 counties as of January 1, 1949. This percentage was applied to the $7,320,000 previously determined as the amount to be received by Ohio under the formula incorporated in Senate bill 246.

Federal Educational Finance Act of 1949 (S. 246)—Amount to be paid and amount to be received by each county in Ohio

County	Amount to be received	Amount to be paid to finance S. 246
Adams	$18,440	$14,066
Allen	86,596	209,429
Ashland	29,426	57,827
Ashtabula	69,174	134,409
Athens	41,504	53,139
Auglaize	28,036	50,013
Belmont	87,694	87,522
Brown	19,984	14,066
Butler	135,932	251,627
Carroll	16,324	26,569
Champaign	27,011	37,510
Clark	114,485	226,621
Clermont	33,965	37,353
Clinton	27,230	37,978
Columbiana	91,720	159,416
Coshocton	31,476	48,450
Crawford	36,527	67,205
Cuyahoga	1,329,824	3,297,719
Darke	38,576	60,953
Defiance	25,620	40,635
Delaware	25,327	35,947
Erie	46,775	101,589
Fairfield	47,360	70,331
Fayette	21,008	30,073
Franklin	436,418	1,355,034
Fulton	24,302	40,635
Gallia	23,644	21,881
Geauga	17,056	20,318
Greene	46,628	65,642
Guernsey	30,162	50,013
Hamilton	683,249	1,678,555
Hancock	38,210	90,648
Hardin	27,304	40,635
Harrison	18,446	15,629
Henry	23,570	35,947
Highland	27,304	31,258
Hocking	17,056	25,006
Holmes	17,056	12,503
Huron	31,915	70,331
Jackson	24,302	31,258
Jefferson	92,452	142,224
Knox	30,232	56,264
Lake	59,219	98,463
Lawrence	44,652	39,073
Licking	66,100	101,589
Logan	30,012	56,264
Lorain	121,732	235,998
Lucas	354,434	1,020,574
Madison	22,180	28,132
Mahoning	241,780	540,763
Marion	48,312	104,714
Medina	35,722	56,264
Meigs	21,448	20,318
Mercer	25,181	45,324
Miami	54,607	107,840
Monroe	16,250	6,252
Montgomery	346,748	984,314
Morgan	11,126	10,471
Morrow	15,445	11,722
Muskingum	69,540	139,098
Noble	11,126	7,815
Ottawa	26,572	37,510
Paulding	14,054	15,629
Perry	26,572	23,444
Pickaway	28,036	28,132
Pike	13,469	7,815
Portage	53,143	73,456
Preble	24,302	29,226
Putnam	22,180	29,695
Richland	78,031	203,177
Ross	51,240	68,768
Sandusky	43,554	79,708
Scioto	83,155	123,469
Seneca	46,116	96,900
Shelby	25,327	45,324
Stark	265,570	575,147
Summit	392,059	904,919
Trumbull	145,814	221,932

Federal Educational Finance Act of 1949 (S. 246)—Amount to be paid and amount to be received by each county in Ohio—Con.

County	Amount to be received	Amount to be paid to finance S. 246
Tuscarawas	$66,466	$114,092
Union	19,984	25,005
Van Wert	22,838	39,073
Vinton	8,857	3,124
Warren	33,965	35,947
Washington	41,212	53,139
Wayne	51,094	96,900
Williams	25,181	39,073
Wood	49,555	73,453
Wyandot	17,788	28,132
State total	7,320,000	15,629,000

Episcopalians Worship With 1549 Rite

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article and editorial from the Buffalo Courier-Express of June 10, 1949:

EPISCOPALIANS WORSHIP HERE WITH 1549 RITE—ORIGINAL PRAYER-BOOK SERVICE FOLLOWED

Commemorating the four hundredth anniversary of the English book of common prayer, Episcopal clergy and laity of the diocese of western New York filled St. Paul's Cathedral yesterday morning for a choral eucharist which followed word for word the service ordered in the 1549 prayer book for "the Supper of the Lorde and Holy Communion, commonly called the Masse."

The mass took place at 11 o'clock in the morning and was celebrated by the Very Reverend Edward R. Welles, dean of St. Paul's and president of the American branch of the Anglican Society, under whose auspices the anniversary observance was held.

BISHOP DELIVERS SERMON

The Right Reverend Austin Pardue, bishop of Pittsburgh and former dean of the cathedral, preached the sermon. The Right Reverend Lauriston L. Scaife presided. Others participating in the mass were:

The Reverend L. Densmore Jacobs, rector, Church of the Good Shepherd, Binghamton, gospeler; the Reverend Arthur J. Rantz, rector, Church of the Epiphany, Cleveland, epistoler; the Reverend Paul B. Hoffman, rector, Trinity Church, Hamburg, deacon; the Reverend Rudolph O. Liesinger, rector, St. Matthew's Church, Buffalo, subdeacon; the Reverend Frank S. Patterson, rector, Calvary Church, Williamsville, master of ceremonies; and the Reverend Robert R. Spears, canon, St. Paul's, assistant master of ceremonies.

In an afternoon session, also at St. Paul's, the Reverend Dr. William H. Dunphy, rector of St. Mark's Church, Philadelphia, declared that Communist attempts to build a "holy community" fail because they neglect to place "Holy Communion at its center."

SEES TASK FOR CHRISTIANS

The Philadelphia cleric quoted the Russian Orthodox philosopher, Nicholas Berdyaeff, as observing that "the three words, communion, communism, and community come from the same root."

"The trouble with the Communist is that he tries to build a holy community without Holy Communion at its center," said Dr. Dunphy. "He tries to build heaven on earth, but instead he gets the opposite.

"But the Communist propaganda would not even be plausible, if Christians had remembered their own tasks to go out from the Holy Communion to build a holy community based on a common faith and common prayer."

RECALLS CHURCH HISTORY

Stressing the theme of "common faith and common prayer," Dr. Dunphy traced the history of the Anglican reformers who produced the book of common prayer. In the early time of the church, he said, the bishop of Rome "was the president or primate of the church."

"But his primacy was a constitutional primacy. It was the whole church which acted and bore witness to its faith. It was the action of the one body and the one spirit.

"In the Middle Ages all of this changed in western Christendom. The western church became a totalitarian pyramid, with an autocrat at its apex. Each diocese reproduced the same pattern with a bishop as a local autocrat.

SERVICE TRANSLATED

"The Anglican reformers did not try, like Protestant reformers on the Continent, to reform the church on their own ideas of what the New Testament taught. Instead, they went back to the Catholic Church of the early centuries, the one body under the one spirit.

"Especially was this true of the worship of the church. They wished to restore common prayer, and so they translated the service into English, simplified and gathered into one book, the Book of Common Prayer."

Speaking on the afternoon program along with Dr. Dunphy was William R. Castle, of Washington, former Undersecretary of State under President Hoover.

"The prayer book," he said, "should be our companion in meditation just as it is our gateway to prayer and praise in common with others. It is the answer to the question of life in all ages. The Book of Common Prayer makes us laymen realise that the church is truly the body of Christ."

GREAT SPIRITUAL HERITAGE

There long has been general recognition of the great influence, literary as well as spiritual, which the King James version of the Bible has had on English-speaking people of all religious affiliations. Recognition has been less general, perhaps, of the comparable influence of the English Book of Common Praper. Yet the Book of Common Prayer of King Edward VI, the first unification and translation into English of the chief ancient liturgical books, antedated the 1611 translation of the Bible by more than 60 years. The magnificent and majestic phrases of the Prayer Book found their way into the currency of English speech in the latter half of the sixteenth century and undoubtedly influenced the writers of the Elizabethan era.

In a letter published elsewhere on this page, Donald Bain, Buffalo lawyer and Shakespearean scholar, cites evidence of Shakespeare's familiarity with the Book of Common Prayer; and such instances undoubtedly could be multiplied as to the Elizabethan writers generally. The Book of Common Prayer first was used in English churches on Whitsunday, June 9, 1549, and the religious significance of the four hundredth anniversary, of course, far transcends the literary aspects.

Buffalo will participate today in the English-speaking world's observance of this anniversary with a celebration in St. Paul's Cathedral of the Eucharist which will follow precisely the service ordered in the 1549 Prayer Book for "the Supper of the Lorde and Holy Communion, commonly called the Masse." This observance, arranged by the American Branch of the Anglican Society of which the Very Reverend Edward R. Welles, dean of St. Paul's, is president, is one of many which will take place in English-speaking countries today. This is a fitting recognition of a spiritual heritage which is not confined to Anglicans.

FEPC Is Not the Remedy

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, once more we are confronted with a so-called Fair Employment Practice Act.

In 1946, similar legislation was proposed and, at that time, I put into the CONGRESSIONAL RECORD—volume 92, part 9, Seventy-ninth Congress, second session, page A494—a statement and an analysis of the then pending bill.

As the present bill—H. R. 4453—differs somewhat in its provisions, I am printing herewith an analysis of that bill, which came to my desk this morning:

MR. EMPLOYER: HERE IS WHAT THE SO-CALLED FAIR EMPLOYMENT PRACTICE BILL, HOUSE BILL NO. 4453, MEANS TO YOU

This so-called fair employment practice bill is now awaiting congressional consideration and enactment.

The title of this bill is, "To prohibit discrimination in employment because of race, color, religion or national origin."

No fair-minded person can quarrel with the elimination of discriminatory practices. There are several ways, however, of accomplishing this objective. The best way is by the process of education, which has already achieved results. The desired objectives can be defeated by improper legislation.

With this in mind every Member of Congress, every employer and every labor leader should examine the provisions of this bill.

Consider the following words and phrases quoted verbatim in terms of how the national economy might be affected. Note the wording is subtle—the implications are hidden—but authority is written into this measure which can and may destroy the fundamental principles of a successful, private free enterprise.

1. "With respect to his terms, conditions, or privileges of employment."

This bill provides for control of your hiring by outsiders—persons not in your employ. It aims not only to tell you whom you may employ but controls all phases relating to employment, including promotions, wages, hours, retirements, vacations, lay-offs, discharges, and in-plant employee activities.

2. "The term 'employer' means a person engaged in commerce or in operations affecting commerce having in his employ 50 or more individuals, and any person acting in the interest of an employer, directly or indirectly; but shall not include any religious, charitable, fraternal, social, educational, or sectarian corporation or association, not organized for private profit."

By this language the test is not whether you as an employer of 50 or more persons authorized an act made unlawful by the bill. The above provision makes you liable for back pay awards and subject to expensive legal proceedings if the alleged act was done by a person who was acting even indirectly

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in your interest. These words have been held to include trade associations, civic organizations, counsel, superintendents, foremen, or anyone placed in a position to represent you.

This provision is in itself discriminatory in that it is aimed at larger employers only, specifically exempting all those who employ less than 50 individuals, as well as religious, charitable, fraternal, social, educational, or sectarian corporations, or associations not organized for private profit. If such proposed legislation is sound and fair it should apply alike to all employers and employing organizations. Its failure to do so is, in itself, an admission of its inherent weakness.

Under this section an employer of 50 or more persons comes under the act if the work of his employees in any way affects interstate commerce. The Supreme Court has held that elevator operators in a building having tenants doing business in interstate commerce come under such language.

3. "It shall be an unlawful employment practice for any labor organization to discriminate against any individual or to limit, segregate, or classify its membership in any way which would deprive or tend to deprive such individual of employment opportunities, or would limit his employment opportunities or otherwise adversely affect his status as an employee or as an applicant for employment, or would affect adversely his wages, hours, or employment conditions, because of such individual's race, color, religion, or national origin."

This in effect puts governmental agencies in control of labor union membership.

4. "It shall be an unlawful employment practice for an employer * * * (2) to utilize in the hiring or recruitment of individuals for employment any employment agency, placement service, training school or center, labor organization, or any other source which discriminates against such individuals because of their race, color, religion, or national origin."

This places an investigatory burden upon the employer. Even his occasional utilization of an employment agency without first fully ascertaining whether it discriminates against individuals because of their race, color, religion, or national origin is done at his own risk.

If closed-shop labor contracts are once again legalized this section could require an employer to breach a closed-shop contract with a union which discriminates in violation of the act.

5. "The Commission shall have power * * * to cooperate with regional, State, local, and other agencies * * * to make such technical studies as are appropriate to effectuate the purposes and policies of this act and to make the results of such studies available to interested governmental and nongovernmental agencies * * *."

In what other law have secret and confidential data and official files involving the rights of the individual citizen been turned over by specific statutory command to private nongovernmental agencies? Who are these mysterious nongovernmental agencies left undefined and anonymous in the law? The so-called "interested nongovernmental agencies" might be irresponsible, self-serving, or subversive organizations.

6. "The Commission shall cause a copy of such written charge to be served upon such person who has allegedly committed any unlawful practice, together with a notice of hearing before the Commission, or a member thereof, or before a designated agent, at a place therein fixed, not less than 10 days after the service of such charge."

Before you can prove that you did not discriminate against an individual the following train of events are by the above and other language contained in the bill placed in motion against you:

(1) You would be investigated by the Commission and subjected to a hearing before the Commission or an agent or member of the Commission.

(2) You might be required to answer the charges in 10 days and appear in any place designated by the Commission, subject to any limitations of the Administrative Procedure Act.

(3) The Commission or a member or agent thereof would have power to examine your records or those of any person under such investigation and the Commission or a member thereof could issue subpenas requiring the attendance and testimony of witnesses and the production of any evidence relating to any investigation, proceeding, or hearing before the Commission, its member, or agent. Any member or agent of the Commission may administer oaths, examine witnesses, and receive evidence.

(4) The Commission may require witnesses to appear and produce evidence from any place in the United States or its Territories or possessions at any designated place of hearing.

(5) In case of contumacy or refusal to obey a subpena the Federal district court in the proper district would have jurisdiction of the person refusing to obey and could order his appearance before the Commission. The refusal to obey a court order could be punished by contempt of court proceedings.

(6) The Commission would have power to issue its own regulations subject only to the limitations of the Administrative Procedure Act.

(7) Anyone who shall forceably resist, oppose, impede, intimidate, or interfere with a member, agent, or employee of the Commission while engaged in the performance of duties under the act shall be subject to a $500 fine or imprisonment for 1 year or both.

(8) If, after such an investigation and hearing, the Commission finds you guilty of discrimination, you will be required not only to cease and desist but to take such affirmative action as will carry out the broad policies of the act, including reinstatement or hiring with or without back pay, as the Commission determines.

7. "This power shall be exclusive, and shall not be affected by any other means of adjustment or prevention that has been or may be established by agreement, code, law, or otherwise."

This language would seem to interfere with the rights of States to regulate employment matters within their own borders. It would also permit the Commission to nullify provisions of labor contracts establishing grievance procedures for the disposition of discrimination charges.

8. "The President shall have power to provide for the establishment of regulations to prevent the committing or continuing of any unlawful employment practice as herein defined by any person who makes a contract with any agency or instrumentality of the United States (excluding any State or political subdivision thereof) or of any Territory or possession of the United States, or of the District of Columbia, in any amount exceeding $10,000."

Anyone who makes a contract in excess of $10,000 with any Federal governmental agency or instrumentality may thus come under this act. Governmental agencies and instrumentalities have been held by the courts to include even national banks. While this section contemplates that the regulations which may be established by the President shall be enforced by the Commission according to the procedures provided for in the act, there is no other limitation expressed in the act as to what those regulations shall contain.

Bear in mind that every time an employer hires or discharges anyone, or anyone is dismissed from membership in a labor union, a potential unlawful employment practice is committed. If there are 100 applicants for a job, it is possible for charges of discrimination to be brought by the 99 unsuccessful applicants. In this event, the employer, in effect, must demonstrate to the satisfaction of the Commission or its agent that the applicant selected was clearly the best qualified for the job.

When an employer is forced to hire a particular applicant, and the employer and applicants not hired believe that someone else was entitled to the job according to sound standards of personnel administration, ill feeling would be engendered that could only cause racial antagonism and strife.

In cases where hearings are extended over long periods of time and large awards of back pay are ordered, many small businesses could be bankrupt.

In my humble judgment, education, not legislation, is the answer to any problem growing out of claimed discrimination.

The issue at the moment, as so often heretofore, is merely being kicked around as a political football by some politicians, used by professional agitators to earn a livelihood or to get a little easy money.

If we must have legislation, then the remedy made available should be one given by legislation administered through our courts, which, through the years, have been found to be the most efficient tribunals for the administration of justice, the righting of wrongs.

Such a bill I have introduced on several occasions. It is my hope that, if and when legislation of this type comes before the Congress, it will give consideration to the bills to which I have referred.

The Credit Bubble

EXTENSION OF REMARKS

OF

HON. ROBERT F. RICH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Bristol (Pa.) Courier of June 13, 1949:

THE CREDIT BUBBLE

Only a handful of Americans are thinking seriously about the weakness of national finances.

The fact that a good many millions are openly uneasy about what the future holds, and are frankly worried for fear we are sliding deep into a renewed depression, doesn't mean that they have analyzed the situation and know just what things are wrong.

You can be afraid of something without knowing what it is, and can sense danger without understanding it.

For those who do examine the national situation, there are factors in it which justify all the present uneasiness.

Part of our present crisis comes from the existence of vastly overexpanded credit structure—a bubble of inflated public and private credit which, like a bubble, is held together by the thinnest imaginable sort of a skin, and which, again like a bubble, trembles and shivers at the slightest breath of air.

If the bubble bursts, no one can possibly figure what will happen next.

There is great likelihood that not merely the National Government, but all the American people, would be bankrupted overnight. We could be thrown at once into mass destitution such as, for example, the Chinese and other races have experienced in the past.

One thing is certain, or almost so—if the bubble breaks, free Government as outlined by the American Constitution will cease to exist. We will slide into dictatorship, just as Germany and Italy did after World War I. Unlike their situation, however, there would then be no remaining rich and prosperous areas remaining in the world where we could try, as they did, to seize other people's wealth when our own disappeared.

The most conspicuous side of America's credit bubble is that which involves the national or public credit.

Part of this can be measured with some exactness. The two direct obligations of a government are its currency and its bonded debt. What has happened to these in the course of seventeen New Deal years? Here is the picture in rounded-off figures:

In 1932, when Franklin D. Roosevelt was running for President the first time, the United States Government had a debt of roughly $20,000,000,000 and currency in circulation of about $5,000,000,000—a total of these direct obligations amounting to $25,000,000,000.

Aside from a government's "good intentions" the actual asset back of its currency is the amount of gold held by the Government. In 1932 the Government owned $4,000,000,000 worth of gold, as valued at the official price of $20.16 an ounce, which had been based on a full century's experience with gold values.

That gold was freely available, in the ratio of about 70 percent, to "back up" the currency—that is, anyone with a dollar bill could easily swap it for a dollar of gold, and at a price for the gold which had been proven by a hundred years experience.

The ratio of debt-plus-currency to gold on hand was 25 to 4, or 16 percent.

These figures have changed as follows: National debt, $252,000,000,000; currency in circulation, $32,000,000,000; gold stocks on hand, valued by Government at $24,000,000,000. However the Government valuation on its gold is a wholly fictitious price, representing an arbitrary mark-up from $20.16 an ounce, the century-old price, to the $35 an ounce level set by Messrs. Roosevelt, Morgenthau, et al., on January 31, 1934 (the "59-cent dollar" transaction).

Correcting the value of gold to its price as set in a hundred years experience with gold as a free commodity, the actual value of the gold (i.e., what it would bring on an open market) is approximately $14,000,000,000.

These figures add up to a ratio of direct obligations, or debt-plus-currency, of $284,000,000,000 in debt matched by $14,000,000,000 in assets—a ratio of a little less than 5 percent.

These figures show that Uncle Sam, in 17 years, has expanded public credit in this one field alone so that assets have fallen in ratio debts from 16 percent to 5 percent.

They show Government credit inflation of more than 300 percent.

This figure of 300 percent public-credit inflation may or may not be precisely accurate, but any error in it is in the nature of being too low rather than too high. In innumerable other fields, the Federal Government has expanded its credit in manners where it has no tangible assets whatever to meet its obligations.

There is a rule-of-thumb calculation which strongly supports the 300-percent figure as showing the extent of public-credit inflation. This is the ratio between Government-controlled interest rates and those which are natural—determined by the laws of supply and demand.

The general rate of interest, in all fields in which the Government dominates the situation, is, as everyone knows, approximately 2 percent.

Where can we find the natural interest rate which would be current if all Government controls and pressures were removed? We cannot do it in bond market figures, for in that field Government "pegging" of its own bond prices creates an artificial situation. The place to look is in the field of reasonably sound income-bearing stocks, where the free price in the exchanges is the factor which establishes the ratio between capital value and return.

This is easy to ascertain. In a list of "gilt-edge" stocks, their current prices call for an annual return on investment of 6 percent or a little better.

This 6 percent, freely determined by buyers and sellers, is obviously the natural interest rate of the times. The 2 percent represents what has happened to the natural rate as a result of the Government so greatly expanding its own credit.

Note that the natural interest rate is 300 percent higher than the rate where Government inflation has been the controlling factor.

Trying to pump-prime industry and commerce so as to support the immense spending of the present national administration, Uncle Sam has been quietly encouraging the expansion or inflation of private credit.

This is much harder to measure, in any over-all sense, than is the public credit, since the asset figures are almost impossible to analyze. But many sample statistics show the inflation which has been going on—and show also how vulnerable the credit bubble has become.

Recent figures on automobile purchasing show that credit use has risen to (in very rough figures) $2,500,000,000, or a billion dollars more than in 1939, the last prewar free market for cars.

Now, think of these figures a moment. There are now being sold just about the same number of automobiles as in 1939. In actual value they are worth the same, possibly a little less—measured in terms of man-hours and materials involved. Being turned out more by machinery now than in 1939, having more efficient practices available, and using in most cases less materials and less valuable materials—these are factors which justify the statement that the true value of 1949 cars is less than the true value of 1939 cars.

Yet a billion dollars more credit is being drawn upon to finance auto buying. A billion dollars more of somebody's credit has been put up for this purpose, and the automobile industry has a billion dollars more in paper on the same number of cars.

If you think this isn't inflation, just stop to think what would happen if the bubble were hit from either side. Suppose, on the one hand, that there were to be a sudden sharp tightening of credit—where would the auto industry come out? Or where would it come out if someone somewhere suddenly found a way to produce cars for sale at their true value, instead of an inflated price, how long would it take for a popular $500 car to bring this whole inflated credit structure down on everybody's ears?

Here is another sample of how far private credit has been expanded. The television is a lusty new industry. The demand thus far has much exceeded the supply.

Yet some months back, when a financial survey of the industry was made, it was revealed that approximately 67 percent of television set buying was on credit—and that substantially half of this credit was being drawn upon by border line income families who will be the first to go into a hole if a serious recession hits us.

Or take another field where the facts are better known to the average citizen—that of housing. As everyone knows, thousands of homes have been built at prices at least double what always was considered normal before—and probably twice what they will bring in the future if normalcy returns.

In innumerable cases, with Government support, the mortgage has been generous even for the inflated price. In the case of war veterans, in some instances the mortgages have been substantially a hundred percent.

This means several things. In many cases the war veterans already have found that the "bargain" the Government offered them wasn't as good as it seemed at the time.

For one thing, it means that the war veteran and his family are tied up in a mortgage requiring them to pay about twice as much for their home as it will probably be worth when they finish paying for it.

For another, it already has meant that the veteran's "equity" in his property, which is the amount by which the value of the house exceeds the mortgage on it, disappeared months ago and may never reappear until he has retired half or more of the mortgage.

For still another, it means that a great deal of public and private credit has become tied up where it may never successfully get out—tied up by the process of making $10,000 loans on tangible assets worth normally no more than $5,000.

That's a process which will bankrupt anyone in the long run. Whether it is done by individuals or by a government, or both, where it eventually comes out is all too obvious: To the poorhouse—and nowhere else.

Father Smith Says Unionism Is Labor's Only Salvation

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Westbrook Pegler, from the Buffalo Evening News of June 8, 1949:

FATHER SMITH SAYS UNIONISM IS LABOR'S ONLY SALVATION

(The first "guest columnist" for Westbrook Pegler is the Reverend William J. Smith, S. J., director of the Labor School in Brooklyn. He is a brother of Miss Helen Smith, of 54 Yale Place, and was graduated from Canisius High School and Canisius College. From 1926 to 1929, he taught in Canisius High School, and in 1933–34 was student counselor there.)

(By Westbrook Pegler)

NEW YORK, June 8.—The Reverend William J. Smith, a Catholic priest of the Society of Jesus and an authority and teacher in the field of labor relations, occasionally has disagreed with my opinions on phases of unionism. Better to understand an opponent in debate and for the enlightenment of others who read these compositions, I invited Father Smith to write a piece stating his position. I refrain from fly-catching and present the only "guest-columnist" I have ever entertained, the director of the Crown Heights School of Catholic Workmen, Father Smith:

(By William J. Smith, S. J.)

The fact that this piece appears in this column is an earnest of good will on the part of Mr. Westbrook Pegler which should be appreciated by those who hold views contrary to his.

Our dissent from Mr. Pegler's viewpoint on trade-unionism has been deepened by a recent charge that some of the Catholic clergy have been taking moral short-cuts in their

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defense of the labor movement. This accusation was the occasion of a protest and Mr. Pegler has consented to print a reply in his column. We speak only for ourselves, but we feel confident that our remarks are typical of the reaction of most of the so-called "labor" priests.

Our position, in general, is that the trade-unions, in spite of certain abuses, are a beneficial and a necessary means for workers to gain the ends to which they are rightfully entitled. Mr. Pegler, concentrating his attention entirely on the abuses, seems to conclude that the trade-unions as they presently exist and operate are an evil.

We do not believe that you should cut out a man's heart because he has a boil on the back of his neck. Nor can you meet a barrage of artillery with a popgun. The first of these statements refers to the racketeer elements in the trade-unions. The second symbolizes the plight of the individual worker in his struggle for existence against the giant corporations.

We will agree with Mr. Pegler that a racketeer is a racketeer whether he calls himself a Catholic, a Christian Scientist, or a Holy Roller. We believe Mr. Pegler has done a service by his writing in making his readers racketeer-conscious. Long ago, however, he lost sight of the forest for the trees and the end result has been the formation of an antiunion mentality among a vast multitude of the reading public. Refusing to assent to this narrow, one-sided, isolated viewpoint on a subject that involves endless relationships is not a moral short cut. It is a dictate of right reason.

To defend the trade-union movement, in spite of certain parasites masquerading as labor leaders, is no more an approval of the racketeers than the defense of freedom of the press is an approval of a journalist who pillories an honest man even unto death by character assassination.

On the other hand, it has been our experience that 9 out of 10 people who read Mr. Pegler regularly are not merely antiracketeer, they are antiunion. Unwittingly they ally themselves with the antisocial elements who actually make every effort to deprive workers of legitimate rights and union activities.

We believe we have the moral obligation to defend and promote the trade-union movement. The labor unions are not isolated entities. Neither management nor the unions are absolutes, standing alone. They are corelatives. The good and evil in both represent action and reaction.

There are evils and excesses on both sides. The abuses which are peculiar to either side alone are often police problems rather than labor or industry problems. Extremes which flow from the mutual relations of the two parties—for instance, in the closed shop and the open shop, strikes, picketing, boycotts, etc.—have their source primarily in the class-warfare nature of the capitalistic system itself.

The principle of free competition, devoid of any norm or code, divorced from the guiding principles of justice, charity, and respect for the common good, has created a class-warfare economy. Most people do not stop to think about it, but it works two ways. Freedom to produce implies freedom not to produce. A strike is free competition in reverse, with the union pulling the switch.

The labor leaders of today are the products of the system that has produced them. When John L. Lewis follows this capitalistic principle to its logical conclusion he is as logical as the law of gravitation. Lewis gives everybody concerned all the free competition they can handle.

Granted that a certain number of labor leaders are corrupt. (It would be naive to assume that they do not have their counterparts, shielded from notoriety, in management and financial circles.) The fact remains that 16,000,000 American citizens are dependent for social and economic protection upon the leadership that now prevails in the labor movement. Some 44,000,000 other workers need a similar protection but to date do not enjoy it.

The history of our industrial relations clearly attests that only through labor unions, free of company domination, can the majority of the workers attain the ends to which they are rightfully entitled. Strip the movement of its present leadership, good or bad, and they would become the prey of an evil worse than anything that exists at present. They would be at the mercy of the monopolists, subject to the threat of dictatorship inherent in the economic power wielded by the giant corporations, victims of discriminatory legislation which was their lot for almost 100 years. Is it a moral short cut to defend them against such a fate?

In determining the morality of any problem all the circumstances must be included. Not the least of these is the class-warfare nature of the capitalistic system itself.

The Marshall Plan at Work in Italy

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. RODINO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith one of the series of articles by W. G. Hetherington, staff correspondent of the Newark Evening News, dated June 12, 1949, from Rome, Italy.

Mr. Hetherington was in Italy covering the election in April 1948. He saw a freedom-loving people give the Reds a sound trouncing.

His assignment in Italy now, reporting at first hand the results of the Marshall plan in operation, is not only interesting but illuminating as factual evidence of the recovery of a country that was previously torn politically asunder by agents of Communist Russia.

The full impact of American aid under the Marshall plan is graphically shown in the following article:

ITALY GEARING FOR RECOVERY

(By W. G. Hetherington)

ROME.—Thanks to the Marshall plan, Italy today has communism on the run. And, in the rest of Europe, where political prestige means so much, this is a score against Soviet Russia to compare with Western Powers' successes in Germany.

After postwar years of mortal political conflict, Premier de Gasperi and his democratic coalition are free to face the problems of state, without first fearing for the very life of the state at the hands of Palmiro Togliatti and the extreme left. The Communists are still present, to be sure, and still buzzing, but their sting has gone.

Here in the capital, surface appearances bear out the expressed conviction of the government—that Italy has turned the corner, politically and ideologically, though its major social and economic problems are still to be solved.

At Capriccio's, where the elegant of Rome still linger over luncheon cocktails. Mario, the waiter captain, tells the story of the workingman.

CHANGED HIS VOTE

"For me," said Mario, looking over the prosperous and well-fed guests, "times are better because I live off the rich, and most of them are richer. But the story of my brother is what you want * * *.

"He is what you call the expert mechanic. He still earns 2,000 lire a day (roughly $3), and the prices are as high as ever. Last year he voted Communist because he didn't work steady, nor did he trust De Gasperi.

"But today, my brother's factory is very busy, and he is sure of a raise. He has quit the Communist Party because he is convinced now that De Gasperi can do more for his future than Togliatti."

The case of Mario's brother is important inasmuch as Italy's destiny lies in the convictions of its working millions. Last year, there was a marked lack of confidence in De Gasperi, even among those who voted for him against the Communists in the crucial elections of April.

CONFIDENCE BOLSTERED

In those dark days, before and after the national elections, lack of popular confidence in the government seemed to be as much a danger to democracy as the underground army of the Communists.

That situation has been reversed by a full year of American aid, represented by some $550,000,000 applied to the Italian economy by the Economic Cooperation Administration.

Business indexes have risen sharply, as will be detailed in another article. This strengthening of the Nation's economy has enabled the government to conduct its affairs with a new firmness and assurance. Both of these factors, in turn, have inspired the confidence of the masses.

This confidence, paradoxically, is the only appreciable benefit which has percolated down to the masses from the upper levels of government and industry. As with Mario's brother, prices are still too high and wages too low, yet there is this new confidence—at last—that conditions will improve faster under De Gasperi's Democrats than under Togliatti's Communists.

This change of political climate induced by ECA has had a positive and deleterious effect upon Italy's Communist Party. Last year its membership was a rebellious 2,500,000, whose strikes and riots crippled the nation's industry, terrified its masses, and threatened, time and again, to plant the hammer and sickle atop the Parliament Building itself.

Today, the party has shrunk to 2,000,000, but, more important, it has lost its punch. Communists still riot, as they have in the recent land strike in the Po Valley, but the disturbances are put down in short order by the security forces which the government has brought to a high state of anti-Communist efficiency.

Instead of striking fear the length and breadth of the nation, Communist uprisings now are regarded by the people as isolated incidents—to be stamped out by the Regular Army, which is limited by the peace treaty to 165,000, or by the Carabinieri, similarly restricted to 65,000, or by baton-wielding municipal police, the "reparto celere" mounted in jeeps and trucks.

This application of government force, popularly approved, has flattened the Communist Party as a national menace. The strengthened economy has deflated Communist warnings and drained much of the appeal from Communist promises.

For all of this, the credit must go to ECA. The job in Italy is not finished—as Mario's brother would tell you—but it is well begun.

Wheel-Chair Queen of the Chin-Uppers

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. ANGELL. Mr. Speaker, a unique organization exists in my State known as the Chin-Uppers which has for its purpose the bringing of sunshine, hope, and the opportunity to be of real service to the thousands of our citizens who through misfortune have become handicapped by physical or other injuries or defects. This group of Chin-Uppers are doing a marvelous work. Much of the success of the organization and its outstanding achievements are due to the foresight, tireless efforts, and boundless enthusiasm of a citizen of my State, Beth Sellwood. Her great work in behalf of the disabled and handicapped citizens, of whom she is an outstanding member, through this organization, is worthy of consideration by all of us and for that reason I am including as a part of these remarks an article appearing in the May 1949 Coronet, entitled "Wheel-Chair Queen of the Chin-Uppers." I commend its perusal to all of our colleagues. The article written by Norman and Amelia Lobsenz follows:

WHEEL-CHAIR QUEEN OF THE CHIN-UPPERS

(By Norman and Amelia Lobsenz)

The farm wife peered cautiously at the husky man who stood on her porch.

"Evenin', ma'am." He tipped his hat awkwardly. "My name's Sellwood. I have a farm down the road a bit."

"Yes?"

"It's my daughter," he went on. "She's tryin' to get a club organized, and I was wondering if I could talk to your son about it."

Hastily the woman began to shut the door. "No," she said. "He can't belong to clubs. He doesn't want to see anybody."

As the door was closing, a low voice came from a woman in a wheel chair resting in the porch shadows. "Would he see me?" she asked softly.

The farm wife sucked in her breath as she saw Beth Sellwood. Beth sits sideways in her chair, her twisted shoulders sloping at an unnatural angle. Virtually fleshless arms end in withered, tortured fingers. The creeping paralysis of muscular dystrophy has ravaged even her face, freezing it into an immobile mask. Her tongue, too, is partially powerless.

Only in her wide, blue eyes does life shine through, and there it glows with unquenchable spirit. "Would your son see me?" she repeated.

The farm wife nodded. Beside this woman, her son's affliction was as nothing. If she could have such courage, then perhaps—. The door was opened wide.

Beth went in, that spring evening in 1941, to begin a labor of love that will end only when she dies. For that visit to an Oregon farmhouse was her first step toward breathing life into an idea that has since brought inspiration, faith, and happiness to hundreds of physically disabled persons. It was the start of one of the most amazing organizations in America, the Chin-Up Club of Oregon.

More than 600 men and women—the paralyzed and the deformed, the blind and the bedridden—have been raised by the club from their half-world of mere existence into the flush of a full and active life.

Many who were helpless burdens on their families now have their own homes and businesses. A man doomed to an invalid's bed learned to tie fishing flies. Today his flourishing enterprise not only gives him financial independence, but also provides jobs for half a dozen fellow Chin-Uppers.

Another, totally paralyzed save for his head, operates a message service with a special telephone worked by chin pressure. A young woman, stricken with polio in her childhood, is now a successful secretary in a childen's hospital.

Other handicapped persons, who hid from the world in darkened bedrooms, today are the life of numerous Chin-Up parties. One youth, his body made rigid by arthritis, is a jovial master of ceremonies at monthly get-togethers of the Portland chapter. Two young girls, crippled by polio, stage gay holiday affairs which they hostess from their wheel chairs.

The Chin-Up Club's annual Christmas dinner draws 300. Tables are spaced far enough apart to give plenty of room for cots and wheel chairs. There are socials almost every week in various towns, and Chin-Uppers manage to get to nearly all of them. And every one of these reborn people tells you:

"Beth did it. Without Beth, we'd still be more dead than alive."

Five days a week, the 38-year-old Beth Sellwood works at a large table in the kitchen of her farm home near Salem, from 10 in the morning to well past midnight. Doctors have expressed astonishment at this display of stamina; yet there are reasons why Beth must put in a 14-hour day. For one thing, she can peck at her typewriter only with the second finger of her left hand. It took her 3 years to teach herself this.

For another, almost every move she makes—reaching into a card file, answering the phone—takes an agonizing amount of time. Beth's atrophied muscles make it necessary for her to go through involved motions to attain a physical position which a normal person assumes without thinking.

Finally, Beth's paralyzed tongue and jaw make it difficult for her to talk. But through constant effort, she has overcome that obtacle, too.

Beth devotes her time and strength to Chin-Up Club business: handling official correspondence, seeking jobs or business opportunities for members, soliciting ads for the organization's newspaper, the Beacon, writing handicapped persons to boost their morale, and answering the sacks of mail that pour in each week.

Most of it is addressed properly to route 2, box 366. But even a letter from South Africa sent merely to "U. S. Chin-Up Club" reached its destination.

Greatest handicap to Beth Sellwood's work is the crippled person's fear of being ostracized or pitied. "That was my own first big fight," she says. Today, she has even reached the point where she can laugh at her condition.

However, few handicapped persons can so completely overcome self-consciousness. To battle this problem, Beth has often journeyed to distant Oregon towns to prove what can be accomplished simply by facing—and then fighting—unpleasant facts.

There was, for instance, the day she went to the village of Milwaukee to see Bill Judd, who at 19, fell out of a rowboat and broke his neck. He is permanently paralyzed from the chest down. When Beth entered his bedroom Judd had his hands behind his wheel chair.

"What's the matter with your hands?" she asked.

"They're—no good," muttered Judd self-consciously.

Beth had a book on her lap. Slowly she worked her fingers around it, lifted it, and held it out. "I brought you this," she said. "I want you to take it from me."

"I can't. I can't do anything with my fingers."

Beth's eyes flashed. "There's no such thing as can't. If I'm able to hand you the book, you're able to take it."

Bill slowly drew his hands from behind the chair and awkwardly grasped the book. He stared at Beth Sellwood. "This is the first time in years," he whispered.

But Beth was not satisfied with this triumph. When Judd admitted he was ashamed of his hands, she gave him the address of a Chin-Up girl in Portland whose hands were even more deformed. Judd wrote to her. When he learned that she worked delicate embroidery, he decided that anything was possible.

Judd taught himself how to type by hitting the keys with a wooden block grasped in the palms of his hands. Beth urged him to get a gasoline-powered wheel chair—which he drives with his thumbs—and started him in the greeting-card business.

When Judd was sure of success, he thought the Chin-up Club had done everything possible for him. But at one chapter meeting, he met Opal Berlincourt, confined to a wheel chair by polio since childhood. Letters blossomed into romance, and romance into a wedding. Bill and Opal have been married 4 years now, and they live in a house built especially for them.

Twenty-four years ago, doctors gave Beth Sellwood only 6 months to live. But that was no news to her. She had been living on borrowed time since she was seven, when her young muscles first began to wither into uselessness. For weary years she existed in hospitals, where even specialists were unable to check the advance of the paralysis which made her case one of the most extensive in medical history.

When doctors gave up, Beth returned to live with her parents. Yet, knowing from experience the despair that affliction and loneliness can bring, she determined to reach out beyond her wheel chair to help others. She wrote to handicapped persons she knew or heard of, and to others she learned of through their advertisements for wheel chairs and invalid beds. The response was eager.

In October, 1941, the Chin-Up Club, with a nucleus of 18 members, held its first meeting in Salem. Next year, Beth was elected president. She was reelected by acclamation for the seventh time last June, when more than 200 Oregon Chin-Uppers attended the annual State convention.

"Beth will be president as long as she lives," one member declared.

As the club grew, it attracted the cooperation of many prominent nondisabled Oregonians, including the late Gov. Earl Snell, who helped solve one of the group's big problems by arranging for special busses to transport Chin-Uppers to meetings and parties.

If you congratulate Beth Sellwood on what she has accomplished, she will figuratively shrug you off. For Beth has plans that go far beyond any mere club. She is determined to found a home to be operated and occupied exclusively by physically disabled persons. It would be a four-sided venture, for in addition to conventional living and hospital quarters the home would include a school, a social center, a manufacturing shop, a printing press and a craft shop where handicapped people could combine occupational therapy with income-producing work.

The dream is no idle one, since more than $9,000 has already been contributed to the building fund. But the ultimate goal, $125,000, seems far off. Beth, however, is not discouraged. "We know it will be slow work," she says, "but the fund is beginning to snowball."

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We asked Beth Sellwood the question that leaps to the minds of all who meet her: What keeps her going as the driving force behind this organization? What philosophy holds her upright on the edge of the black pit?

"Belief," she answered simply. "Belief in God, in a happier future, and in a faith that you can't be beaten if you keep your chin up."

Address by Hon. Hubert H. Humphrey, of Minnesota, Before Society for Advancement of Management

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Thursday, June 16 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me before the Society for the Advancement of Management, in Washington, D. C., on June 4.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

There has never been a greater challenge to scientific management than that which exists today. The world is beset with crumbling and decadent institutions. The unprecedented changes in the fields of government, economics, and science during the past half century have literally strained the established institutions of society to the breaking point. Every year change and the need for change is evident. Fantastic advances are being made in the realm of scientific achievement. This within itself presents a whole new series of problems in the sociological and economic areas of human conduct.

A world that has been beset with two world wars in a period of 25 years inevitably finds itself confronted with the need of rebuilding a society that literally has crumbled under the impact of economic and political pressure. No matter where we look, there is a crying need for effective and scientific utilization of our human physical resources. In a world rich with people and natural resources we find approximately 75 percent of that world afflicted with poverty, disease, and turmoil. In Europe, Asia, and Africa the issue of the proper utilization of our human and natural resources is the basic problem of our time.

People everywhere look to the United States for guidance, help, and experience. Our country is the cornerstone of freedom. It is the beacon light in a storm-filled world. Fortunately for mankind we are blessed with tremendous reserves of scientific knowledge, practical experience in government and an essentially sound economic system. We have the resources to back our commitments but like all nations and all peoples these resources are not unlimited. The efficient management of these resources becomes ever more important when we view our great responsibilities in a world that looks to us for help.

Our problem is not only one of being able to help others. It is also one of so directing our own energies and using our own resources as to be able to maintain an economy that is capable of giving an ever-rising standard of living to the American people while extending the helpful hand of charity and rehabilitation to others.

Yes, in our own economy we are forced by necessity, if not by humanity to do more—much more for our own people. We are compelled by the obligations of our leadership and our own responsibility to strengthen our own economy. The basic threat to our political and economic institutions does not lie outside our own borders but rather lies within. We are now facing the issue as to whether or not our Government has the strength and the integrity to properly direct its efforts in such a way as not to deplete the strength of our national economy.

We must provide for our own citizens, but the cost of our Government is running perilously high. Our task is to obtain the maximum use and production use of every budget dollar. Economy in government does not necessarily mean spending less. It basically means obtaining the most that is humanly possible out of every dollar committed to public service. The question of economy in government could well be stated not in terms of dollar appropriations but in the use of those appropriations. The effective use of public revenues is directly concerned with proper organization of administration. Modern tools of government are no longer matters of academic theory. They are absolute essentials if we are to continue our program of social welfare, public improvement, and international leadership.

The biggest business in the world—the Government of the United States—can no longer be managed with the political instruments of the eighteenth and nineteenth centuries. Government in the United States is no longer a simple thing that can be left to political chance and mediocre administration. A twentieth-century economy propelled by the boundless energy of mass-production industry and constantly accelerated with new advances in the field of science cannot be managed or regulated with the mechanism of a hodgepodge, unplanned, unrelated administrative establishment. The need for governmental reform and organization is imperative. It is a matter of sound economics and literally life or death for American political and economic survival. When 20 percent of the national income is utilized by the Federal Government, it is time to take stock of the means and methods which are employed in the use and expenditure of such a vast sum.

It is for these reasons that I strongly support the basic recommendations of the Commission on Reorganization commonly known as the Hoover Commission. This is not a partisan issue. It is not one of mere dollars or of the number of governmental employees. It is an issue that runs deep into the very survival of free government and a free economy. Either we learn how to manage government or the bigness of government will overwhelm us. Either we learn how to properly utilize the vast sums of public revenues and how to appropriately control and manage their use or we will bleed our economy into an impoverished condition. This is the issue that the Society for the Advancement of Management faces in its consideration of the legislation which is now before Congress and I refer in particular to S. 1809 and H. R. 4754 which would creat a new agency entitled "The Office of General Services." It is this agency which affords a real opportunity for those in government service to make a significant saving for the American taxpayer.

The Director of the Budget recently estimated that the annual cost of the National Government is about 20 percent of our national income. It is around $42,000,000,000 a year. It only reached the billion mark during World War I except for the Civil War year 1864. Our national debt as of May 24 was about $252,000,000,000. And yet, despite our gloomy fiscal picture, we need to do more essential things in the way of health, schools, homes, conservation of resources, and recreation for our people. How can it be done?

Obviously, we must do more at less cost. We must practice better management in government and in industry. We must get more from our resources and from our tax dollars. It is fine that institutions such as the Society for the Advancement of Management are organized to consider ways and means to accomplish these objectives. I congratulate its officers and its members.

If tax money is to be saved, we should examine to see how it is being expended. I have been surprised to learn that, except for the cost of personnel, the cost of supplies, equipment, transportation of things, and related objects constitute the greatest element of cost in our Federal budget.

I would like for you to consider with me some figures derived from analyses made by the Bureau of the Budget.

Summary of obligations by object (estimate, fiscal year 1949)

Object classification:		*Millions of dollars*
01	Personal services	8,869
03	Transportation of things	853
04	Communication services	58
05	Rents and utility services	184
06	Printing and binding	45
08	Supplies and materials	4,380
09	Equipment	2,299
	Total	7,819
	Total supplies and equipment only	6,679

The personnel cost of administering objects 08–09 is included in object 01. The Hoover Commission Task Force on Supply reported an estimate of 150,000 persons on this work with annual salaries of $440,000,000. But salaries of part-time workers are not included in this total.

To know the object of our costs is revealing but let's consider for a moment who does the spending with respect to these objects. In this connection we learn that the NME will spend in fiscal year 1949, 83 percent of the supply money, 90 percent of the equipment money, and 60 percent of the transportation supply.

Where is the money spent? This is a difficult question. However, in the continental United States there were, as of December 1946, 46,865 offices operated by Government agencies in the 3,050 counties of the United States according to the Committee on Nonessential Federal Expenditures. This means that on the average there were 15 Government offices in each and every county of the United States. We know that each office uses paper, pencils, typewriters, space, cards, files, telephones, electricity, and many other things. Just think of the size of the Federal organization. Here is a chart which shows the organizational set-up. These individual lines represent agencies—not individuals. This one has ——— employees, this one ——— employees.

Before attempting any solutions I would like to give you some more figures showing the scope of our supply, space, records management and related problems.

The Hoover Commission Task Force Report on Federal Supply (p. 2) indicated that the agencies had an inventory of approximately $27,000,000,000 about a year ago. This is a minimum figure since some agencies consider inventory as expended when it is issued to various kinds of subunits. As a matter of fact, property accounting is such that we don't know the extent of our inventories.

No one has the slightest idea as to the value of personal property that is in use in the Government. And as to the value of real property, we know much less.

As to one class of equipment, i. e., motor vehicles, the Budget Bureau report for the fiscal year ending June 30, 1948, shows:

Civilian vehicles in continental United States on hand June 30, 1948

	Number	Miles run [1]	Cost of operation, maintenance
Automobiles	20,886	241,248,415	$8,675,240
Trucks, ambulances, etc.	59,374	282,469,047	31,134,080

[1] Does not include vehicles reported on hourly basis.

Information as to military vehicles is sketchy. However, it is estimated that the Government has approximately 1,000,000 vehicles of all types in all agencies. They probably cost $2,000,0000,000. This does not include aircraft and ships and other floating equipment. Not counting the combat vehicles, but including the noncombat (administrative) vehicles, of the military agencies, more than 237,000 motor vehicles were operated by the Federal Government as of June 30, 1948, approximately 180,000 of them within the continental United States. You can estimate that each vehicle ran 6,000 miles so the 237,000 administrative type vehicles ran about 1,400,000,000 miles. Remember this does not include the much greater number of combat vehicles. You may do your own computing of gas consumed at 9.8 miles per gallon for automobiles and considerably less for trucks on the average. You may also be interested to learn that the civilian agencies as of January 1947 had 391 federally owned and operated automotive repair facilities in the continental United States. From the taxpayers point of view, can we justify the situation where several agencies have repair shops in the same town? Isn't it fair to expect that the agencies can get along and not duplicate staff, space and equipment?

The semiannual report of the Public Buildings Administration as of December 31, 1948, shows that the Government owned or rented almost 31,000,000 square feet of space in the Washington area. The uses of the space were as follows:

	Square feet
Office	13,849,074
Files	5,162,287
Storage	3,297,570
Special equipment	1,963,790
Concessions	978,470
Libraries, exhibits, conference rooms, auditoriums	1,161,400
Building maintenance	986,373
Garages	547,696
Assigned vacant space	417,128
All other space	2,469,688
Total	30,833,476

Please note that some 14,000,000 feet of space were used for office purposes and some 10,000,000 feet for files, storage, and special equipment. Over 5,000,000 feet for files alone. The net space in the Pentagon is only 3,689,066 feet. One hundred and thirty-four of the 199 buildings, with an area of 28,000,000 feet, were Government-owned and 65, with 2,600,000 feet, were leased.

At this point, I would like to raise a question: Does the Government really need all this space?

What about the space situation in the field where approximately nine-tenths of the employees work? Accurate figures are not available but we know that there are Government-owned or occupied buildings in the 46,865 offices throughout the country that use millions of feet of space. In this connection, the Senate Committee on Expenditures in Report No. 1617, Eightieth Congress, second session, reported that as of December 31, 1947, the Government leased over 28,000,000 square feet of space in the 48 States and District of Columbia. Of this, 17,500,000 million square feet were in 20 cities. The Senate report makes this pertinent comment:

"The United States Government is the largest single user of space in the Nation. Offices for its departments, agencies, and field branches, storage space for files, war surplus and strategic materials and equipment, conference, training, and examination rooms to consider and process the many Federal activities initiated by Congress in the public interest; and numerous other activities have necessitated the establishment of a widespread policy of Government ownership of property extending into all the States and practically every city in the United States. The Public Buildings Administration estimates that the Federal Government held by lease or title, as of December 31, 1947, a total of 340,500,000 square feet of space, of which approximately 31,300,000 square feet are located in Washington, D. C., the seat of government. The remainder is spread over the entire Nation."

It has not been possible to obtain data as to warehouse space in use in the United States but recent figures from the National Military Establishment alone show that in 130 locations in the United States, the gross storage space is about 530,000,000 square feet. Of this amount, about 240,000,000 square feet, or 45 percent, is open storage, most of which is improved hard-standing space. Two hundred and ninety million feet, or 55 percent, is covered space. That is roughly the equivalent of 80 Pentagon Buildings.

The cataloging experts have estimated that there are some 12,700,000 items listed in the Federal agency supply catalogs. When duplications are eliminated, the number may be around 3,000,000.

The picture of general statistics would not be complete without some mention of forms. I have already stated that our printing and binding cost for this fiscal year will be around $45,000,000. Much of that is for forms. The space statistics show that over 8,000,000 feet are used for files and storage. A great deal of this is for forms, both new and used.

It is estimated that an average agency uses 1,000 different forms. Of these only 5 to 20 percent are standard forms. Using a conservative figure of 100 agencies, we find that at least 100,000 different forms are in use. A few years ago, it was estimated that the Government uses several billion envelopes per year.

It is not my intention to overwhelm and confuse this audience by quoting a great mass of statistical data. However, it is my intention to convey to you an idea of the enormity and complexity of the supply and related general-services problems in the Federal Government at the present time. It should be abundantly clear to everyone that the time for constructive action is past due.

It seems to me that a short historical review of action that has been taken with respect to this important subject will be of help in orienting our thinking at the present time.

The Constitution in article IV gave to the Congress "power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States."

That is the fundamental property-management charter. What has been done under it?

In 1879 Congress passed an act (now R. S. 161) providing that each "department head was authorized to prescribe regulations, not inconsistent with law, for the government of his department—and in the custody, use, and preservation of the records, papers, and property appertaining to it."

It should be remembered that in Washington's administration there were only three departments in our Government. The population in our country in 1790 was 3,929,214. The average annual expenditures from 1789–1800 were $5,776,000. For the present fiscal year it is estimated that 12 agencies will spend in excess of $500,000,000 each. Puny and undernourished, indeed, is the agency that will not spend as much as the entire Government did during the period 1789-1800. In fact, there are many agencies that today spend more than the entire Government did before the World War I period.

When the Government was small and the agencies few, there was no need for comprehensive property legislation and R. S. 161 which left the departments independent to buy, use, and dispose and manage without regard to other agencies, was adequate.

But as the agencies grew in size and number common problems arose in Government and with respect to vendors who asked for uniformity in forms and procedures. Common problems call for common solutions. So functional concepts that cross agency boundaries emerged to challenge the peace of mind of the heretofore autonomous agency heads. The situation is comparable to States' rights versus interstate commerce. Common problems require common solution through central control.

In 1861, R. S. 3709 with respect to competitive bidding was enacted. This was required since several agencies were buying in unrelated ways. So the Government and the vendors needed the protection of a simple law to provide for common practices.

By 1877 the Congress was aware of the lack of adequate property accounting so the act now known as R. S. 107 provided that the Secretaries of the Departments "shall keep, in proper books, a complete inventory of all the property belonging to the United States in the buildings, rooms, offices, and grounds occupied by them, respectively, and under their charge, adding thereto, from time to time, an account of such property as may be procured subsequently to the taking of such inventory, as well as an account of the sale or other disposition of any such property, except supplies of stationery and fuel in the public offices and books, pamphlets, and papers in the Library of Congress."

In 1910 a General Supply Committee was established to eliminate duplications in specifications and to buy common items for all agencies.

Strangely enough no one seemed to anticipate the surplus problem of World War I so it was not until December 3, 1918, that President Wilson issued Executive Order 3019 to deal with surpluses in the District of Columbia. Prior to this time, the surplus-property problem had been very small and each agency took care of its own needs—there were no common areas.

Executive Order 3019 directed that surplus materials, supplies, and equipment should be transferred to the Secretary of the Treasury for reissue to other Government establishments through the General Supply Committee. The committee thus claimed all surplus material and endeavored to classify, warehouse, repair, and reissue it. It was estimated that by June 1921 there existed an inventory of surplus stocks of approximately $5,000,000,000. Incidentally, I ask the general public to note that a much bigger job has been done much better in connection with World War II surplus property. Gen. Charles G. Dawes, assuming the post of first Director of the Bureau of the Budget, set about disposing of this surplus before deterioration. On July 27, 1921, he issued Budget Circular No. 15, approved by the President. The basic provisions of Budget Circular No. 15 which created the Coordinating Service were:

1. To provide for the prompt location, inspection, and inventorying of supplies, and to determine whether they had been reported as surplus.

2. To supervise the purchase functions of all departments and establishments coordinating purchasing with the transfer, sale, or disposal of Government property.

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8. To fix the fair market price in transfers of surplus property between departments, and to determine whether public surplus-property sales should be held and are in the interest of the Government.

The Coordinating Service was established to take action with respect to certain weaknesses which were found in Government service during World War I. It was dedicated to "enabling the President, in matters of routine business, to so coordinate the activities of the different departments and establishments as will insure the most economical and efficient expenditure of moneys appropriated by Congress."

Under the Coordinating Service 12 boards, composed of representatives of departments and establishments in Washington, were created. They were:

The Federal Purchasing Board.
The Federal Traffic Board.
The Coordinator for Motor Transport of the District of Columbia.
The Federal Specifications Board.
The Interdepartmental Board of Contracts and Adjustments.
The Federal Real Estate Board.
The Interdepartmental Board on Simplified Office Procedure.
The Coordinator for Purchases.
The Interdepartmental Patents Board.
The Forest Protection Board.
The Federal Standard Stock Catalog Board.

The Permanent Conference on Printing (an activity already in existence at the time, it was also announced as an agency for coordination).

Most of these boards remained in operation for several years. While some worth-while work was accomplished by the boards, none had legal authority to enforce action, and in the final analysis was merely an advisory agency dependent upon participating agencies for staff and funds. They did, however, high light certain common practices which required attention, and subsequently, when the Procurement Division of the Treasury Department was created, many of the functions of the Coordinating Service were transferred to the new agency.

It is significant to note that the supply and related problems which arose during the stress and strain of World War I have been repeated and reemphasized during World War II.

Executive Order 6166 of June 10, 1933, pursuant to the Economy Act of 1932, established the Procurement Division in the Treasury Department and it was presumably given broad authority with respect to procurement functions in the Federal Government. While Executive Order 6166 provided a theoretical charter for all types of supply activities emphasis in operation has been placed upon purchasing, specifications, and special emergency programs and very little has been accomplished in the way of traffic management, warehousing, and the broader phases of supply management.

During the thirties, the liquidation of emergency agencies, such as CCC, NYA, and WPA, created certain property-disposal problems since large quantities of property became available for use in the Government establishments generally. The concept of a property-utilization program began to develop in the Bureau of the Budget and in the Bureau of Federal Supply. This concept may be expressed as a combined procurement use-surplus property program. In other words, use well what is available before going to the open market for more. Don't buy what you have. This concept has as a corollary the idea of inventory control, positive item identification, and a central clearance agency.

As stated in A Federal Inventory Control System, prepared by representatives of the GAO, Budget Bureau, and Treasury, "property cannot be managed if its indentity, classification, location, quantity, and physical characteristics are not known. What is it? Where is it? How much is there of it? These are some of the questions to which management needs the answers. In most Federal agencies studied management does not appear to have adequate answers to these questions."

With the advent of World War II and the critical need for many types of property, the Bureau of the Budget was instrumental in obtaining the issuance of Executive Order 9235 which had provisions for the survey, identification, and declaration of property which was actually surplus to the needs of Government agencies and the provision that the Procurement Division of the Treasury Department should undertake certain warehousing, rehabilitation, and distribution of supplies and equipment, including the consolidation of facilities of other agencies, as might be necessary in furthering the property utilization program of the Federal Government.

Under this Executive order there has been a stimulation of property management in the Federal Government. Since the order was predicated on the First War Powers Act primarily, it was a temporary directive. By 1942 it became apparent that the time had come to develop comprehensive property management legislation dealing with all phases of a complicated subject instead of treating the closely related parts piecemeal as had been the approach in the past. Bills were introduced by the Seventy-seventh and Seventy-eighth Congresses to develop permanent property legislation. But in 1943 and 1944 Congress became deluged with surplus property legislation which culminated in the Surplus Property Act of 1944, so the development of permanent legislation was temporarily set aside. It is noteworthy that the Surplus Property Subcommittee of the Committee on Military Affairs, pursuant to Senate Resolution 129 in Subcommittee Print No. 14, December 30, 1946, urged "the appropriate committees of Congress to carry on with respect to permanent property management legislation where the Seventy-eighth Congress left off."

Executive Order 9425 of February 19, 1944, established the Surplus War Property Administration, which superseded the surplus-property phases of Executive Order 9235. The section relative to consolidation of warehouses remains effective, and during the period 1942 to 1945 the Procurement Division, with the approval of the Director of the Bureau of the Budget, consolidated many agency warehouses into a national system of 12 common service centers located at Boston, New York, Washington, Atlanta, Cleveland, Chicago, Kansas City, Denver, Fort Worth, Seattle, San Francisco, and Los Angeles.

As the volume of war surplus material diminished and the administrative expenses of the War Assets Administration correspondingly increased, the President, in a special message dated March 5, 1948, recommended that the Congress renew consideration of comprehensive property-management legislation and directed the Federal Works Administrator to submit a draft bill. Following the general pattern of that draft, this committee unanimously reported out a bill termed the Federal Property Act of 1948 (S. 2754, 80th Cong.), which would have provided a uniform system for property management. Due to the press of other work, the Senate did not take up this bill before adjournment.

As everyone in this audience is aware, the Congress passed Public Law 162, which was approved July 7, 1947, and established the Commission on Reorganization of the Executive Branch of the Government. The task force did a great amount of work with respect to the Federal supply system of the Government, and also with respect to a related subject, records management. Accordingly the Commission on Reorganization in February 1949 issued a report recommending the establishment of an Office of General Services. This office would include the Bureau of Federal Supply, the National Archives, part of the Public Buildings Administration, War Assets Administration, and it also provides that certain other institutions, such as the District of Columbia, the Smithsonian Institution, the National Park and Planning Commission, the National Capital Housing Authority, and the Commission on Fine Arts, report directly to the head of the General Services Agency, rather than to the overburdened President of the United States. It is significant to note that the recommendations of the Commission on Reorganization closely relate to the administration bill, S. 2754 (80th Cong.), which has now become S. 1809, and upon which hearings have been held before the Expenditures Committees in both Houses. However, the bills now before Congress, that is, S. 1809 (H. R. 4754), would create a new agency, the Office of General Services and transfer thereto (1) Bureau of Federal Supply, (2) War Assets Administration, (3) Federal Works Agency, (4) National Archives Establishment.

I want to repeat that the time is at hand to take some definite action toward better management, and it should begin with a basic reorganization of our property and records system. At the beginning of my remarks I said that the United States must remain strong from within if we are to maintain a strong foreign policy.

It is crystal clear that we cannot do this if we are to waste our national wealth. Conservation of our national wealth, of course, encompasses many factors in our economy. I am directing my remarks today only to that of proper management in Government—management in particular in the fields of equipment, materials, and supplies, and the use and disposition of such property. S. 1809, or better known as the General Services Agency bill, deals directly with the problems of inventory, procurement, maintenance, transportation, records, management, and the operation and maintenance of public buildings. This bill provides an efficient, business-like system of property management. It is the result of long study and has the full support of the Hoover Commission. The passage of this bill is essential if the executive branch of Government is to be properly reorganized.

The Business Picture

EXTENSION OF REMARKS
OF
HON. ELBERT D. THOMAS
OF UTAH
IN THE SENATE OF THE UNITED STATES

Thursday, June 16 (legislative day of Thursday, June 2), 1949

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "The Business Picture," delivered by the Secretary of the Treasury, Hon. John W. Snyder, before the Utah Bankers Association at their annual convention on Tuesday, June 7, 1949, at the Sun Valley Lodge, Sun Valley, Idaho.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE BUSINESS PICTURE

I have been most interested in the note of confidence in the economic and financial picture, emanating from the various bankers' conferences this year. I have found

these reports particularly reassuring, since you bankers have generally been the first members of the business community to detect approaching economic adjustments.

Bankers must be able to appraise much more than their customers' needs. They must be specialists in the whole broad field of business analysis. They must be able to interpret the changes occurring in business conditions, not only in their own communities, but in the Nation.

The requirements for successful banking have changed greatly since bankers in this part of the West began doing business in the early days as a side line in connection with the pioneer mercantile establishments. Banking techniques, in those days, were fairly simple. As recently as the 1890's, it is interesting to recall, there were only a few small banking offices in this area and most money transactions were in silver and gold.

Today, you bankers are responsible for the guardianship of hundreds of millions of dollars of funds entrusted to you by your depositors. To stay in business, you must make money on these deposits. Your investments must be sound, and yet—generally speaking, they must be capable of ready conversion into cash.

There are many financial pitfalls in the performance of obligations of this magnitude in the complex business world of today. A modern banker must find his way past all of them.

Moreover, bankers must make their decisions in the light of a multiplicity of laws and regulations which would have astounded and bewildered the founders of many of the institutions which you in this audience represent.

I have on my desk in the Treasury, for example, the 463-page volume of the last issue of Federal Laws Affecting National Banks. In the comparable volume for 1900, only 63 pages were needed to cover the ground. This is just one illustration of the complicated nature of modern financial operations, as compared with the situation a half, or even a quarter of a century ago.

Not only banking, but the entire life of the country has seen vast changes in the past 50 years. We have passed from a predominantly rural and small-town economy to a highly complex urban and industrial civilization.

In this part of the West, the railroads were the turning point. They spelled the end of the self-sufficient economy of your pioneers. Put the energy and determination which the early settlers showed in grappling with the problems of their environment still symbolize to Americans everywhere the pioneer spirit of triumph over physical and economic hardship.

Today, I believe that we can look forward to an era of expanding national opportunities equally as promising as those which began with the opening of the West.

This is a strong statement. It is made with full realization of the immense strides taken by the Western States in every decade of the last 100 years. But it is a statement which I believe is borne out by the plain facts of our present situation. Let us look at that situation.

As soon as we try to line up the major factors in the current state of affairs, two fundamental questions immediately arise: First, what are the prospects for further progress and further achievement in this country? Second, what is the significance of the current adjustments now going on in business conditions throughout the country?

Let us consider the first question—our prospects for the future. I believe that we have largely lost sight of our future prospects in current discussions of the short-term business situation.

To begin with, we have almost 17,000,000 more people in our population today than we had before the war. This is an increase as great as if six cities the size of New York, Chicago, Philadelphia, Detroit, Los Angeles, and Cleveland—our six largest in 1940—had been added to the population in the short space of 10 years.

Moreover, there have been vast shifts in the population as between different areas of the country. Our newly expanded communities need new schools, hospitals, roads, shopping centers, municipal service plants. More than that, many existing facilities—largely neglected during the war—have yet to be repaired, modernized, or replaced.

And finally, our entire population has come to demand a continually improving standard of living. Food consumption, alone—in terms of quantity—meat, eggs, fruit, and so on—is 10 percent higher per person now than the average in the years 1935 to 1939.

All of these facts point to a continuing ground swell of demand for the basic essentials of living, which will contribute to active business in the near future.

But there are even stronger elements in our present business situation. We have in our hands today a vast array of new techniques and new processes which undoubtedly hold the promise of future industrial revolutions as great as those brought about—for example—by the airplane and the automobile. Under the stimulus of wartime necessity, our scientists pushed far ahead of the ability of peacetime industry to explore the possibilities of the new findings. I am willing to hazard the guess that not even our most advanced atomic physicists are able to foresee the transformations which atomic energy—to take only one example—may make in the whole industrial life of the Nation.

Our great chemical and rubber industries, likewise, hold dramatic possibilities for the development of new markets and new products.

Many new products—such as penicillin and streptomycin in the medical field, and the new insecticides in the agricultural area—are already widely accepted as necessities. Yet, they were unknown outside of laboratories a few years ago. In the field of antibiotics, aureomycin, chloramthenicol, and bacitracin are just three of the new discoveries which promise a rapid broadening of demand in this field.

The rubber industry, too, is experiencing dynamic changes. This industry for volume production used to lean very heavily on tires and other transportation equipment. Now, an enterprising and resourceful leadership has opened up new outlets—and discovered new profits—in diversification. An example of recent experimentation and market research which is paying big dividends in the industry is foam rubber. This product is already in demand for cushions, mattresses, upholstery, and so on. This year, in fact, foam latex cushions are being used in all makes of passenger automobiles, even in the lower-priced models—a striking illustration of the extensive market opened up by just one new product.

Many other uses for rubber are in the experimental stage. One current field of investigation—the introduction of rubber powder admixed with asphalt to improve road surfacing material—may hold particular promise as an important new outlet for the rubber-manufacturing industry.

The field of electronics—to take another example—offers exciting possibilities. Today, the instantaneous preparation of a meal by means of electronic devices is odd enough to be featured by the news services. Yet, only a little more than 50 years ago, the news that a stove in a millionaire's home cooked entirely by means of electricity was just as novel a piece of information.

Television is, of course, an example familiar to all of us. The radio industry was among the first to run into a buyers' market. It responded with the introduction of television. Research had been going on for some years, but when people were grabbing old-model radios off the production lines as fast as they could be turned out, there was no incentive to change. It took the challenge of a lagging market to bring mass production of a new product. In 1946 around 6,400 television sets were produced. By 1948 the yearly output was 975,000. This year production estimates run to something like 2,000,000. Yet the television industry, it is evident, is only in its infancy.

I could cite many other examples. The fields of metal alloys, of plastics and other synthetic materials, of heating and temperature-control devices, of home equipment in general, to name only a few, appear to be at the threshold of developments which may result in replacing many common products now in daily use. Experiments with the new light metal, titanium, for example, indicate that a structural material equal in importance with aluminum or stainless steel may be about to come onto the market.

We do not know exactly what forms these new developments will take in the years ahead, but we can be sure that new industries will appear which will be as important to our future economic development as the great industrial enterprises which have grown up during the past 50 years

Moreover, we have, right now, the plant and equipment for moving ahead. American business has invested the enormous sum of $75,000,000,000 in new construction and new equipment since the war ended. This means that business is now in an excellent position to put the new techniques and new processes to good use. With aggressive leadership, new and improved products will help retain old markets and will uncover new ones.

As was to be expected, the rate of investment has slackened a little this year, but published reports on plans for further capital expenditure—this year and next—show that American industry is continuing to invest in the future of this country in amounts which are still far beyond anything experienced in the years before the war.

In short, the basic factors in our national picture today boil down to just this:

We have the opportunities—in our expanding needs, in our resources, and in our people.

We have the techniques.

We have the equipment.

And, finally, we have the buying power. That is a crucial factor, and I should like to discuss it a little further at this point.

Take employment and incomes, to begin with. In April, the number of people working was within 1 percent of the number employed in the record-breaking spring of 1948. And, currently, people in this country are earning money at the rate of about $214,000,000,000 a year—4 percent higher than a year ago, and within 3 percent of the all-time peak of last December.

It is an American custom, of course, to try to outdo the other fellow. That is why record-breaking figures are always news. But, in the period since the war, we actually became so used to new business records—month after month, and year after year—that our failure to keep making new highs during 1949 became the headline news of the year. The remarkable performance of American business in operating at close to peak levels, after 3 years of unprecedented output, was brushed aside.

This performance, however, is the real news of the year. And it has been accomplished without any impairment of our financial strength.

It is remarkable—when we look back on it—that the pressure to buy or stock everything that could be turned out in three record-breaking years of peacetime activity failed to result either in overextended credit or in a dissipation of assets. Throughout the reconversion period, businessmen—and I

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include bankers—have been on the lookout for unhealthy signs. Their very caution has tended to keep the situation under control.

The current position of our great financial institutions is an excellent example. As you will recall, there has been times in the past, following periods of active business, when frozen assets were a serious problem. Today, these problems are absent. There are virtually no excessive speculative positions to liquidate. On the contrary, holdings of cash and short-term Federal securities are at impressive levels.

In your own field of commercial banking, as you are well aware, caution and good judgment have prevented the overextension of inflationary credit which characterized some earlier periods of easy sales and large profits.

I am very much impressed—and I am sure that thoughtful people throughout the country were likewise impressed—with the results of the voluntary credit-control program of the American Bankers Association last year. When it looked as if the loan situation might get out of hand, you people had the energy and backbone to do something about it; and the whole country, today, is reaping the benefit. I know that American bankers will continue their record of good banking performance, now that conditions have changed and the situation in the business and financial world is returning to something more like normal.

American business in many sectors of the economy has exercised good judgment since the end of the war; and, in many cases, it has been with the aid and assistance of you people in the banking field. Agriculture is one example that readily comes to mind. Bankers in many communities in this region have particularly close ties with agriculture; and I know that you are gratified, as I am, with the sound financial condition in the agricultural portion of our economy as a whole. Farmers of this country have $20,000,000,000 of liquid assets; that is, their cash, their demand deposits, their savings accounts, and their Federal Government securities. This is a tremendous figure. It is nearly eight or nine times the entire agricultural income of the Nation 15 or 16 years ago. Another bright point is the relatively small volume of farm mortgage debt. The total of $5,000,000,000 is actually lower than it was at the beginning of the war. The entire farm situation is in striking contrast to the experience during and after World War I.

I have singled out the farmers merely for purposes of illustration. The same is true with respect to the liquid-asset position of individuals as a group. It is equally strong concerning business corporations and financial institutions.

The total liquid savings of all individuals, including farmers, are currently estimated at over $200,000,000,000—an amount which is more than four times the entire national income in the mid-1930's. About $67,000,000,000 of this amount is in savings accounts. Something like $43,000,000,000 is in checking accounts. Individual holdings of Federal securities amount to a little over $68,000,000,000, and $22,000,000,000 is in currency.

We have to remember, moreover, that the two-hundred-billion-dollar total figure for the liquid savings of individuals is not a complete picture of their asset position. In addition, individuals have very substantial savings in the form of insurance, equities in unincorporated business, securities of private corporations, obligations of State and local governments, and so on.

The figures on liquid assets alone, however, represent a tremendous backlog of funds available for future spending. They drive home the fact that whenever there is reluctance on the part of buyers as at the present, it is not primarily the result of a lack of money to purchase. The hesitancy this year reflects rather, a new determination on the part of all of us to get our money's worth.

Business enterprise in this country, prior to the war, always operated in an economy of abundance. Techniques were constantly being improved, and new products better than last year's models were constantly coming onto the market. The result was that the American consumer occupied the driver's seat. It is not surprising that, today, he is enjoying the feeling of the resumption of his former position.

Certainly, this return to normal conditions should not dismay our alert businessmen. Better than anyone else in the world, we know how to get out and sell. Private enterprise in this country has always operated best in response to the challenge of competition.

I have taken a good deal of time in discussing the business picture, because I believe that the spotlight has too often been played on the readjustments going on this year, and too seldom on the reassuring features of the current business outlook.

My confidence in our future comes from a close analysis of economic factors which warrant this conclusion. Not the least of these factors is American intelligence, and the determination to develop opportunities for increased production and distribution of goods and services. The economic development of the United States and of every nation has been built upon the vision and confidence of its people.

Our opportunities for national economic progress and for sustained high prosperity are tremendous. Our financial and economic position is basically sound. With the application of reasonable intelligence and foresight, I believe that we have every reason to face the future with confidence and enthusiasm.

Broadcast on Public Questions by Arthur Capper

EXTENSION OF REMARKS

OF

HON. CLYDE M. REED

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Thursday, June 16 (legislative day of Thursday, June 2), 1949

Mr. REED. Mr. President, our old friend and recent colleague, former Senator Arthur Capper, is maintaining contact with his long time constituency, the people of Kansas, talking through public address and otherwise. In a recent radio broadcast he uttered so much truth and common sense that I ask unanimous consent to have inserted in the Appendix of the RECORD his radio address of Sunday, June 12.

There being no objection, the broadcast was ordered to be printed in the RECORD, as follows:

These Democrats certainly are making the headlines in this part of the country these days.

Today, at Des Moines, Iowa, Midwest Democrats are opening a 2-day conference on the so-called new Brannan farm program. My prediction is that the Des Moines conference will approve the Brannan program and urge farmers and city folks alike to get back of it, and perhaps even suggest they vote the Democrat ticket in 1950 as proof of their support.

There always is a chance, you know, that politics will creep into a meeting called by the leaders of a political party.

I have mentioned the Brannan program off and on in these talks since it was first sprung on the Congress. I do not intend to go into a detailed discussion of it today. Perhaps I will some time soon.

For the moment it is sufficient to reiterate that it seems to promise so much to so many and has so much pocketbook appeal that it will get a lot of support.

In sum, the Brannan program seems to promise farmers high prices for their crops and other products. At the same time it seems to promise that city consumers will be able to buy food—these same crops and products for which farmers are to get high prices—consumers seem to be assured low prices.

It looks pretty simple, doesn't it?

You take a group of sellers and a group of buyers. You tell the sellers that their Government will see to it they get high prices for what they have to sell.

You tell the buyers that their Government will see to it that they will be able to buy at low prices.

Sounds as if that is a fine, paternalistic government—a Great White Father in Washington who will buy high from the sellers and sell low to the buyers.

Of course, there will have to be strings attached to any such program. Just as there were strings attached to the benevolent guardianship that the Great White Father in Washington exercised over the Indians who were wards of the Government.

The Indians only yielded themselves as wards of the Great White Father in Washington when they couldn't help themselves.

Perhaps the white consumers and farmers will become wards of the Great White Father in Washington with more enthusiasm than the Indians showed. The pocketbook appeal is hard to resist.

Some of the strings attached to the Brannan program are:

1. For farmers: To make the program work, rigid production and marketing controls will be necessary. In effect, each farmer will have to get permission from Washington to plant his crop. Then, when time comes to market, unless he has followed implicitly every Government directive, he may lose the Government check to make up the difference between actual cash receipts and the income the formula says he is entitled to.

2. For consumers: Taxes will have to be levied to make up the difference between farmers' cash receipts and his formula-determined cash income to which he would be entitled under the Brannan program. Not all these taxes can be levied on the other fellow down the road.

3. For both farmers and consumers: Farmers will be dependent upon Government (the administration in power) for their income. At the same time, consumers will be dependent upon Government (the administration in power) for adequate food at low prices.

I think both sides and all angles of this program should be considered before either farmers or consumers give it their support—or their disapproval. That is what I intend to do. But I must admit that so far my feeling is that the future evils outweigh the promised immediate benefits.

I note that repeal—or modification—of the Taft-Hartley Act has been given priority in the United States Senate over consideration of the North Atlantic Pact. Apparently, so far, the Eighty-first Congress now in session has not been convinced by the 1948 election returns that repeal of the Taft-Hartley Act was one of the mandates of that election, in which Harry S. Truman won his surprising victory, and 4 years in the White House on his own.

The act will be amended, somewhat. I was one of those who voted for the Taft-Hartley bill, and voted also to pass it over

President Truman's veto. I have no apologies for that vote. I think it was in the interest of the national welfare, and in the long-range interest of the American workingman.

I believe, during my 30 years in the Senate, I voted consistently for most so-called labor legislation. I believed in giving labor its rights in dealing with management. I still do. But it was my best judgment, and still is, that the Wagner Act and the way it was administered, had thrown the balance too far in favor of labor leaders. The power it gave them was being abused, and I voted for the Taft-Hartley Act as an honest attempt to restore a healthy balance.

I do not believe it will be repealed by this Congress. I do not think it should be repealed.

My information is that the North Atlantic Pact will be ratified as a treaty by the Senate, when the Senate gets around to it. There may be some reservations attached, to preserve the theory that the power to declare war still remains in the hands of Congress.

Of course, as history has demonstrated, the President has had, and Presidents have exercised, the power to wage war without prior approval of Congress.

But that is a different proposition from ratifying a treaty which some hold will place it in the power of some foreign nation to make a first and final decision whether the United States shall participate in a war overseas. It does seem to me that foreign governments would be entitled to place that construction upon the provisions of the Atlantic Pact, unless some reservations are attached to it.

I am trusting Senator VANDENBERG, whom I consider just about the ablest statesman of our generation, to see that the proper reservations are made.

It is my understanding also that the congressional leadership has decided to pass over to a future session the matter of appropriation of one billion to one and one-half billion dollars to our partners in the pact for armament purposes.

Expressed opinions in Washington, even in administration circles, are divided at present as to whether ratification of the pact carries with it a promise to other nations in the pact that we will provide funds and materials for their armament program.

It is my opinion, which perhaps on this is not much more than a guess, that once the Atlantic Pact is ratified, the President will inform the Congress it carried the obligation to arm our—presumably—allies in the next war with armament in preparation for that war.

The Margarine-Butter Tangle

EXTENSION OF REMARKS

OF

HON. J. WILLIAM FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Thursday, June 16 (legislative day of Thursday, June 2), 1949

Mr. FULBRIGHT. Mr. President, on May 24, 1949, there was inserted in the CONGRESSIONAL RECORD an article from the Cleveland Plain Dealer of May 16, 1949, purporting to set out some facts picked at random on the margarine-butter tangle." The article was written by John C. Davis, upon the basis of information furnished him by the American Butter Institute. In a letter to that newspaper from Mr. Paul T. Truitt, president of the National Association of Margarine Manufacturers, every so-called fact set out by Mr. Davis is completely answered. His letter appeared in the Cleveland Plain Dealer of May 25, 1949, and I ask that it be printed in the Appendix of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

REPLY TO JOHN C. DAVIS

EDITOR, PLAIN DEALER.

SIR: The article by John C. Davis in Monday's Plain Dealer, entitled "Added Color Raises Price," is pure butter lobby propaganda.

Mr. Davis frequently alludes to Mr. Russell Pifer, secretary of the American Butter Institute, as his source of information. He repeats the same arguments that Mr. Pifer made (vainly, as it turned out) before congressional committees this year. The committees weren't impressed. No one can be impressed with the butter line who knows the facts.

Please permit me to expose Mr. Davis' butter lobby line.

His main point is that if restrictions on margarine are repealed, margarine manufacturers will raise prices exorbitantly. To anyone who knows the food business, this is the silliest nonsense. Margarine is one of the most competitive items in the stores—ask the housewife. She has seen its price go down and down for well over a year, although margarine repeal was being accomplished in seven States, repeal of the Federal taxes is imminent, and butter is price supported.

What are Mr. Davis' facts? That a recent survey of retail stores of yellow and white margarine in nine cities showed that yellow margarine was priced well above the white even allowing for the 10-cent Federal tax and a penny for wrapping costs. That survey is as full of holes as a fish net.

It was made by the butter people, who are not exactly impartial friends of the housewife or grocer as regards margarine. You can find it as stated by Mr. Pifer himself, page 137 of the published margarine hearings of the Senate Finance Committee last month. (The committee voted out a repeal bill.) The nine cities include Olive Branch, Miss., and Harrisonburg, Va.

As the committee itself pointed out, Mr. Pifer failed to include the costs incurred by the retailer who must pay $48 Federal license fee to handle yellow margarine, and $6 for white. But, actually, the survey is no good. Compared to the butter institute's surveys on margarine prices, the polls on the last Presidential election were perfect. Here's why:

1. It isn't fair to compare yellow and white margarine prices regardless of brand, for different brands sell at different prices (just like butter). But the butter survey quietly slips over that. If a white margarine brand A is selling at 27 cents and a yellow nationally advertised brand B at 40 cents, that is gravy for the butter survey but is a lie concerning the price differential the housewife at that store actually found when she compared white brand A with yellow brand A, and white brand B with yellow brand B.

2. The butter survey was not a survey at all. It was merely an attempt to find isolated examples that would prove the butter claim. In the whole United States, 316,000 and more grocers are selling margarine. But the survey finds only 9 examples.

The fraudulent character of the butter survey on margarine has been shown by checks made of areas concerned. On April 7, in Georgia, the differential between yellow and white margarine of the same brand, excluding federal tax and 1-cent packing cost; but not including retailers' license cost prorated, was 2 cents for one brand and 1 cent for another. On that day, in Virginia, the amount was 1 cent for six different brands. In Arizona, none.

Why didn't Mr. Davis mention El Paso, Tex.? Because the butter lobby first tried the price argument when it found a little known brand of white margarine selling on one day last September in one El Paso store at a 30 cents differential (excluding all taxes and costs) over a yellow margarine (brands not specified). But a check of grocery ads throughout Texas for that week showed an average differential within brands of only 10 to 13 cents (many retailers did not even charge the tax). Mr. Davis' survey does not refer to Texas.

Mr. Davis alludes mysteriously to a foreign element in margarine. He tries to connect this with Unilever in the foreign margarine field and their Jelke Co. in this country. Mr. Davis took this right from the butter testimony before Congress, too, where the name of "Unilever" was brought up to scare domestic oils producers. But on page 237 of the Senate hearings the Lever firm claims only 4 or 5 percent of American margarine production, and none of this from foreign oils. Mr. Davis' fears of Unilever are probably not matched by his fears of the large butter-making firms in this country, three of which control 21 percent of production (Federal Trade Commission).

Finally, Mr. Davis brings up the you'll-be-fooled bogey. Again he goes to the butter lobby for a survey—this time made of restaurants in Arkansas. There it was found that about two-thirds (of a hundred covered) served margarine instead of butter. This reflects on the enforcement of the Arkansas law requiring notification to consumers when margarine is served but has no real connection with the basic right of consumers to have margarine yellow—properly labeled and stated. The butter alternative is not remedial—the butter people want yellow margarine prohibited in interstate commerce (which would not help the Arkansas eating places situation at all). But the butter interest wants margarine prohibited not to protect you or me but so the price of butter will go up.

Mr. Davis concludes with the usual butter theory that butter has some preemptive right to yellow color. This, although much if not most butter is artificially colored. In demanding sole right to yellow color, the butter industry demands a monopoly. But, actually, antimargarine laws are a monopoly of the worst sort—special privilege legislated in their special interest.

In this connection every Ohio citizen should know how the butter line really goes. A year ago the butter interest proclaimed as it had for 62 years that only Federal antimargarine taxes and license fees would protect the consumer, save the dairyman's income, etc., etc. Last fall, under pressure of public opinion, this line was changed. Taxes and fees should go, it was said, but yellow margarine should be prohibited. Then, in March, the House Agriculture Committee at Washington reported out a bill to repeal the taxes but prohibit yellow margarine only in interstate commerce. This absurd happenstance has been the butter line ever since, although the restrictive provision was cut out by vote of the House of Representatives and voted down by the Senate Finance Committee.

Mr. Davis and the butter interest are not presenting the true picture. They are trying to scare farmers and consumers. Their object is to keep the out-of-date special privilege they've had too long in antimargarine laws.

PAUL T. TRUITT,

President, National Association Margarine Manufacturers.

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The Western Tradition

EXTENSION OF REMARKS

OF

HON. ROBERT C. HENDRICKSON

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Thursday, June 16 (legislative day of Thursday, June 2), 1949

Mr. HENDRICKSON. Mr. President, on April 23, just before the recent illness of my distinguished colleague from New Jersey [Mr. SMITH], he had the privilege of attending the annual convention banquet of the American Society of Newspaper Editors at the Hotel Statler. The guest of honor on that occasion was Sir Oliver Franks, the British Ambassador, who made a most significant speech on the subject The Western Tradition.

In this speech, the Ambassador discussed the significance, as he saw it, of the preamble to the North Atlantic Treaty, which reads as follows:

The parties are determined to safeguard the freedom, common heritage, and civilization of their peoples.

Because of the relevancy of this address to the consideration by the Senate of the ratification of the North Atlantic Treaty within the next few weeks, on behalf of the Senior Senator from New Jersey I ask unanimous consent that the address in full be published in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE WESTERN TRADITION

When I wondered what I should talk about in the few minutes tonight, I reflected that you would have had your fill of news and policies and problems, their possible solutions and the objections and advantages thereto; you would have had all the news. So I thought that I might perhaps, remembering that I was speaking to editors, talk a little bit about ideas.

I want to do that because, for once, it enables me to play truant or, if you like, to revert to type. I want to do it, too, because in the last 2 or 3 weeks, I found myself wondering about ideas and I should like, if I may, to tell you what the course of my thoughts have been.

One of my teachers at Oxford was always telling me that the Owl of Minerva took wing as the shadows of evening were falling. What he meant to say was that action normally precedes reflection.

That has been true in my case. For some months I was engaged in discussions that preceded the signing of the Atlantic Pact. That took place, as you know, nearly 3 weeks ago. Since then I have found myself wondering about one element in that pact we signed. That element is in the preamble. It is the second sentence of the preamble and, if I may, I will read it to you. That sentence says that the parties "are determined to safeguard the freedom, common heritage and civilization of their peoples, founded on the principles of democracy, individual liberty and the rule of law."

What I have been asking myself at intervals since the date of the signing of the pact is: Why did we put that sentence in? We all thought it important. We were all clear that it should go in; that it recorded something relevant to our purpose at that time and that these matters were significant in our lives. But what was it that we wrote in? What is this western tradition that we sum up in those words?

I have been thinking about that and I want to tell you the rough analysis that has occurred to me. I do not know whether you will agree, but at least I would like to put it before you. The western tradition means to me, I think, two factors, their interrelationship and the consequences of that interrelationship. We all know in general terms what this western tradition is. We know that it is one of the most violently expansive and explosive things that the world has ever seen; that in 3 or 4 centuries it has had its impact on every continent in the world; that there is no great civilization not affected by it; that it is still in process.

We know that it had its roots in Jerusalem, in Athens, and in Rome; but we know, too, that like all living things the roots are not its total explanation, any more than the parents are the explanation in full of the various talents, vagaries, and qualities of the child.

We can look back and trace characteristics; we can see inherited aptitudes; but the western tradition is something substantial in itself.

What are these factors, their interrelation, and what are their consequences? The first factor (I am going to use, if I may, old-fashioned names) I am going to call the material factor. The western tradition involves techniques, material skills, exemplifying man's insight into nature, control over nature, understanding of nature, to which no other civilization knows any parallel.

Let your minds drift back 300 years. Men had the control of fire. They knew the use of the wheel. They could make hand instruments out of metal. We have found energy in coal, in oil, in electricity, in atomic power. We have harnessed that energy to all the machines of the modern age and with the machines we have tamed continents. We have erected our great cities. We have put into every ordinary home endless conveniences never thought of before—conveniences of life, which save labor, making things more comfortable, and less difficult. That is the material factor.

Suppose that factor were the only element in the western tradition. Then it would be true that all our energy and all our activity would be devoted to the multiplication of things to the satisfaction of the desires which we had from time to time, so that in the accumulation of possessions we should fulfill our destiny.

If that were true (and by a false abstraction I ask you for a moment to think of it as if it were true), then we should be materialists; we should believe that all that there was in life lay in the relation of man to matter. Out of that sort of relationship only could come the satisfaction of living as our inventive skill and applied techniques developed the means.

If we carried our theory a little further, we should see that what the idea generated was power; that power was served by expediency; that in such a life there was no room for concepts like right or wrong, true or false, beautiful or ugly; that nothing reigned except power, the power that the exploitation of these natural skills could yield. If we ever erected a state on those terms, we should find it would be a power state. Once, at least, in western tradition, that abstraction came true. Hitler's Germany was such a state, a power state, not treating those peoples who lived around its boundaries as neighbors, but looking on their territories as opportunities for exploitation, looking on their peoples to be used according to expediency or, according to expediency, to be discarded and destroyed.

That is an element in our tradition, an element of power over the material world exploited to a degree never dreamt of in all the history of man until our countries on both sides of the Atlantic developed this part of our lives.

But there is a second factor, a different factor not relating to man and his control over nature, but relating instead to man's insight and understanding of man.

Going on with my old-fashioned terminology, I will call that the spiritual factor in Western tradition. It goes a long way back. You all know what I mean when I speak of it. Its central concept is freedom, which it opposes to the necessity and the expediency of matter. It stands for the dignity of the individual. Its ultimate roots are religious. It has broadened out into that valuation of the individual which has expressed itself in equality before the law, in equality to vote, in the common membership of all the many social and political institutions of our countries.

This factor is the factor of reason. This element in Western tradition believes that there is a life in which the intellect is not simply served by material gains, that there are reasonable activities—the pursuit of science for its own sake, the pursuit of arts and literature, the pursuit of philosophy, the pursuit of religion—things which are worthy and dignified in their own sakes, things which we practice and which adorn the society in which they occur and ennoble the individual whose activities they are.

This is another factor in our Western tradition. What is the interrelation of these two factors? How do they interact? In our tradition, they interact, it seems to me, in two ways. All through the history of the Western tradition, there is a continuous effort, at times successful, at the assertion of the primacy of the spiritual factor 'n relation to the material, an assertion that power can be used, made rational by the spirit, that freedom can control the necessities of nature, that all the rich discoveries of men in the material world can and should be used for the wider spread of a rational life worthy of the dignity of creatures possessing reason, born in freedom and capable of absolute values in their activities and work.

That view has always struggled to the surface. May I illustrate it. You will excuse a reference to my own country. It came into my mind simply because it is part of my experience.

In 1940, for the one time in my adult lifetime, my country stood in absolute danger. The future and the existence of my country was at stake. At that time we had a great leader, Mr. Churchill, who spoke to the British people. He wished to touch a chord which would rally them at that time. You know the words he used. He did not talk about comfortable things; he did not talk about material satisfaction; he mentioned no bread or circuses. He said, "Blood, sweat, and tears." Those words have meaning if there is something to appeal to for which we use the words loyalty, devotion, self-sacrifice, a sense of right, a sense of duty. He got his response. He appealed to the primacy of the second factor in the western tradition, one which all the countries in the western tradition share and have, but which shows up in times of crisis with this electric clarity.

Then there is another element in this relationship. These two factors are always in tension; they are always balancing one against the other—the victory of reason over the material possessions that come into our hands, their rational ordering, their morality, is never complete.

Every year, every decade, our conquests over nature extend. Every year and every decade the problems that they present in

terms of morality, in terms of society, multiply. We have to stretch ourselves again and again so to alter our society that we hold both these factors together and, holding them together, yet maintain the primary of the one.

That is my picture of the essence of the tradition, but what are the consequences? First of all, there is one very obvious consequence. That is the kind of democracy that we on our side of the Atlantic and you on yours have today. Unless these factors interacted we could have no such form of political life. For we have very widespread suffrage, as wide as all adults—men and women alike—and that involves something. It involves a certain level of literacy; it involves a certain standard of life; it involves a certain ability to decide; it involves a reasonably rapid and accurate service of information and news; it involves the dissemination of responsible opinion. Without these things, political democracy, as we know it, could not flourish.

After all, the democracy of Athens was the democracy of a relatively small club, a superstructure, a fairly frail superstructure on the great nameless slave society beneath.

With us it is different. It is the advance in material skill and achievement we have made that has rendered possible that higher standard of living, that has made the tools by which we learn to read and write available to all, that has made the very tools of your trade accessible.

All these things come from the material side, but their use is on what I call the side of the spiritual factor. We owe to the interaction of these factors our political life today. We owe something else to it. The idea of progress is not strange to us. We tend to take it for granted as a natural element in our thinking, something which we believe happens even though, from time to time, we are jolted in our belief. Yet it is a very new idea, barely 200 years old. And think of the ages of mankind before 200 years ago! If you go back to classical times, what do you find? If you read your Plato and your Virgil, where is the golden age of man? Where does he project his hopes, his fears, his aspirations? In the past. The past is always the golden age from which the present comes by derivation and deterioration. We look back with a sigh, but we do not look ahead with hope.

That was the classical view and, even when you came later on to Rousseau, the view was still the same. If you want to find the ideal society, look back, not forward.

How have we come to think that we should look forward? How have we come to think that the future means hope, that there is improvement, that we can make things better? By the interaction of these two factors. Because the material goods we have do multiply from year to year and because upon the whole we have been able in terms of that other factor of our western tradition to turn them to our use as free, moral, reasoning beings to work out, in part in fact, in part in hope, the framework of a better and a more satisfying life.

To us, therefore, the idea of progress is real and gives us a basis for our life and for our effort, and we owe it to the interaction of these two factors of our western tradition. It is something which no one outside the tradition has ever had. By it we believe that we are at least in part masters of our fate and masters of our destiny, that we are not compelled to comply with the inevitable, that we can guide our own ships even though there are storms that we cannot foretell and heavy seas that we cannot control.

We can contribute something in that sense. It falls on the side of freedom: the idea of progress has meaning and significance.

Then there is a third consequence. In our tradition we value persons; we think of them as individuals and not units. We value their diversity; wish to appreciate their different talents; wish to see them develop in their individual pursuit of life, liberty, and the happiness of each, not by standardization but by bringing out what each has in him that is different, peculiar, and rare.

Because of that, because we are diverse, we have to have in our society some point, some clear point, of authority, some point to which loyalty is due, some point to which obedience can be given; otherwise, we might fall into anarchy; we might not know how to order our affairs.

It is no accident that there has grown up in the western tradition, through the interaction of the two factors in the tradition, national sovereignty, the reign of nation-states. They have commanded the loyalty of millions of men and women as has nothing else yet in this world. That is true on my side of the Atlantic. I believe it to be true on your side of the Atlantic.

These nation-states, although they sometimes develop evil tendencies and do evil, are by no means wholly bad. In them are embraced all the traditions of loyalty that men have to great societies wider than themselves. They mean very often the framework and the cradle of a language, a literature, a culture. They stand for freedom hardly won; they stand for independence and liberty gained with difficulty and in struggle. These are not cheap things and yet they are enshrined in nations and national sovereignty and they spring from the western tradition.

These are the things that I thought of when I looked back on these words written into the preamble of the pact. And when I thought about it, there seemed to me to be one or two things to say. One of them is this: If what I have said is true at all, the tradition, the western tradition, that we have inherited, live by, and try to improve, is dynamic through and through. There is no point at which a society framed according to its ideas, built according to its practices, is finished. There is no end to change, to alteration, and to modification.

We believe in progress; we accept the reality of improvement; therefore, we can never sit back; we can never say our job is done; we can never look for a life of frictionless ease.

Our life in the western tradition must be a life of activity, a life in which we continue to build what we have inherited from our fathers.

That is to me not a dull, not a deadening, but an inspiring thought. It is inspiring because I believe that the primacy of the spiritual element, that freedom of the rational, moral man, which we have asserted more or less through the centuries, gives an aim and a dignity and a purpose to life; it gives worth, too, to the activities that the attempt to hold the factors of our tradition together imposes on every country which acknowledges it.

Then again, I wonder whether we are right when we sometimes say, "Wouldn't it be better if we could wipe away these nations and these national sovereignties?" It may be so. I am not sure. I sometimes think we might go further and in the end faster if we were willing to take the good that was in them, if we were willing to say, "Let's use rather than destroy; let's train rather than discard; let's adapt rather than do away with." If you could use all the loyalties that are summed up in these nation-states, working toward a wider unity in which they could merge bit by bit that sovereignty which they have inherited and prize, you might achieve something that, being in the long line of tradition, would last and endure and be real progress.

But, if you sweep away the centers to which the loyalty of people attaches, is it certain that your short cut will not be a blind alley? I don't know. But in the limited experience which I have had in Paris, in the conference which called into being the Organization for European Economic Cooperation, it seemed to me that there was a possibility of progressing by gradualism, progressing where you used what you inherited, without discarding it, to build a better future; where the idea of unity in Europe was real and where you forwarded it by approaching functionally these different problems of the sovereignty of nations, finding matters of genuine common concern, using our reason to hammer them out and finding agreed policies which all present could adopt and carry out.

That is not an ignoble thing to attempt. It may not produce a rapid, full bloom, but, as the plant grows, it may grow into a stately tree, and I wonder whether, given our tradition, this method of training and molding and merging may not in the long run be better than the alternative of quickly discarding and perhaps missing something good in what you have left behind.

These are the things that have floated through my mind in thinking about that sentence in the Atlantic Pact. I feel there is one more thing to be said and that is this: We of the western tradition live in a world girded by people of other civilizations and other traditions. They are already powerfully affected by elements in our tradition. There is a wave of nationalism spreading through the Middle East and the Far East in large part due to their contact with us. There is an avidity in the world for our material skills and for all they bring, our techniques and our technology, and yet, if all that is taken, they have not taken what matters most. Perhaps they don't need it. We certainly cannot impose it. But at least we can say this: The western tradition is not the tradition of a closed club. It is not the tradition which does not welcome new members. It stands open to all who are likeminded and, in that sense, it is jealous of none and exclusive of none.

It seems to me important that we who inherit the tradition should keep the membership wide open. I believe that what we stand for, this curious combination of reason and power, the refusal to believe that the relations between men or states can be dealt with wholly in terms of power, the feeling that it is in the combination of the two, in the control of power by reason that progress is possible, conveys a message and a mission for the world, but in terms of reason, in terms of persuasion.

It is not an accident that in the last 25 years the western tradition has twice attempted to set up a world organization after its own heart and idea. The League of Nations was an attempt to superimpose over power politics reason, persuasion, and freedom. And it fell.

The United Nations is another such venture. It springs right out of our tradition. It springs out of the refusal to believe that the relations between nations, the relations between countries, can ever be satisfactorily dealt with if the criteria of power and expediency alone are primary. And, therefore, it tries to add the primary element in western tradition—reason, values, and standards, assemblies for discussion where men may meet, may discuss and have the opportunity to agree.

These are not small things to which to be committed. We have this dynamic tradition. It is our business to carry it on.

That is my picture of what this sentence stands for. I wish to put it to you because, if it is true, it at least gives a purpose in life and a meaning to all that one does.

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Basing-Point Legislation

EXTENSION OF REMARKS
OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Thursday, June 16 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the RECORD two articles by W. K. Kelsey which appeared in the Detroit News of June 8 and June 11. The articles have to do with the basing-point legislation, and more particularly with the amendments offered by me in the Senate, which would continue to give small business the protection of the decision in the Standard Oil case. The articles are well-reasoned, and state the absolute necessity of maintaining the amendments referred to.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Detroit News of June 8, 1949]

THE COMMENTATOR

(By W. K. Kelsey)

An act, by no means the final act, in a drama of vital importance to the future of this country, was played last week in the National Senate. The issue of this drama will determine whether the United States shall have free competition in business, or become a socialist state.

In saying this, the commentator is raising no imaginary spook to scare the reader. What he means is that if monopolies are permitted to drive free enterprise to the wall, they will be the masters of the American people. This the American people will not endure. Rather than be the slaves of monopolies, they will take over those monopolies and run them through the Government. And that will be socialism.

Background: The Sherman Act, passed in 1890, forbade combinations in restraint of trade, and was directed against the monopolies then existing or in process of formation. It was far from effective.

In 1914 the Clayton Act was passed and the Federal Trade Commission was created, with power to investigate and put a stop to all forms of unfair competition, such as were being used by big business to gain control of industries.

In 1936 this act was given additional teeth by the Robinson-Patman Act, more explicit in defining unfair competition.

Would-be monopolists hired the best legal brains to get around these statutes, but the Government also had astute lawyers, working for far less money. In round after round, in recent years, the monopolists have lost out in the Federal courts, as one after another of their schemes was found illegal.

BIG BUSINESS BRINGS PRESSURE

Recent court decisions involving the basing-point system of fixing prices, the quoting of identical delivered prices through the absorption of freight rates, and discrimination in prices in favor of one group and against its competitors, brought big business screaming to Congress for relief.

The cry was that business no longer knew what was legal and what was not. It demanded that Congress legalize the basing-point system and the absorption of freight rates. It put pressure on smaller industries to back up this demand. Senator WAYNE MORSE, of Oregon, exposed its propaganda methods in a Senate speech last week.

Now every legal expert who is familiar with these matters (and there are many in Congress) knew that the FTC had been carrying out the laws; that the courts had supported its interpretations of the statutes; and that the monopolists were trying to put one over on Congress and the people. But the uproar in Washington was terrific, and it was impossible to determine how many Members of Congress were being taken in by it.

If Congress were to let down the bars as big business demanded, it would be pilloried by the people as soon as they understood what had been done. But if it did nothing, it would be pulled, hauled, buttonholed, pursued, and made miserable by the plausible agents of big business.

So Congress was in a mood to duck the issue temporarily. Bills were introduced in both Houses to provide for a period during which the Clayton and Robinson-Patman Acts would not be construed to interfere with the basing-point system, selling at delivered prices, and absorbing freight rates, if these practices were continued for the purpose of engaging in competition in good faith in any and all markets. Meanwhile Congress would try to work out a definite act.

The monopolists licked their chops. They had one foot inside the door. The good-faith clause meant nothing to them if they were allowed their price-fixing practices. If Congress could not agree on a definite statute, the moratorium could be continued till kingdom come.

THE MORATORIUM ABANDONED

But the little people began to be heard from. Their associations got busy. The CIO, with its staff of experts who keep their eyes on the ball, pushed into the game. And despite the fact that committee hearings in Congress were packed with defenders of Big Business, and great numbers of petitions circulated by its agents among the ignorant and fearful poured in, it became evident to the wiser Senators that the moratorium bill was not going to pass without causing uproar and scandal.

So these Senators conferred, and May 31 Senator O'MAHONEY, of Wyoming, introduced a substitute measure to define what business might legally do, thus killing the proposed moratorium.

There is no doubt of Mr. O'MAHONEY's sincerity. During his 15 years in the Senate he has fought to protect small business. But there were loopholes in his hastily constructed bill, and when debate was continued June 1, LONG, of Louisiana, and KEFAUVER, of Tennessee, pointed them out. They insisted that the bill would permit practices such as that which the Seventh Circuit Court of Appeals found illegal recently in *Standard Oil* v. *the FTC*.

In this case it was shown that Standard had granted a lower price to certain wholesalers than it was charging its tank-wagon customers, which permitted those wholesalers to cut retail prices at gas stations which they controlled.

Said the court: "The petitioner (Standard) had given a club to its wholesalers which they passed on to their retailers to bludgeon their competitors. This is what the FTC is trying to stop, and it is toward the elimination of this evil that the cease-and-desist order is directed."

For if the practice were allowed, the big oil companies could use it to force the independent retailers out of business and take over complete control of retail sales.

After Mr. LONG had raised the point, and Mr. KEFAUVER had driven it home, Senator O'MAHONEY confessed that the matter had never been called to his attention. He then accepted a Kefauver amendment that the test of fair price shall not be "good faith" so much as the effect on competition.

Then Mr. KEFAUVER obtained another amendment, changing an indefinite definition that would have given lawyers much play, to a definite one already recognized by the courts.

WRIGGLING OFF THE HOOK

The measure was passed the same afternoon by a voice vote. Thereupon the Senate jubilated; it had got itself off the hook. Mr. O'MAHONEY thanked five Democrats and two Republicans by name. Senator WHERRY, the Republican whip, said the bill was a step in the right direction.

But the Senate's clarification was a defeat for big business. It means simply this—that a company may quote delivered prices, and absorb freight rates, if it acts independently. But if it engages in collusion with other companies in fixing prices, that's illegal—which is what the FTC and the Federal courts have been saying all along.

The bill now goes to the House. Representative WALTER, of Pennsylvania, second member of the Judiciary Committee, is dubious about the principal Kefauver amendment. But if Representative WRIGHT PATMAN, of Texas, can swing his fellow southerners, the measure is likely to pass.

[From the Detroit News of June 11, 1949]

THE COMMENTATOR

(By W. K. Kelsey)

The House Judiciary Committee is apparently all set to report the bill passed June 1 by the Senate to legalize, under certain conditions, sales at delivered prices and absorption of freight charges by the seller. But it intends to report it without the amendments introduced by Senator KEFAUVER, of Tennessee, and accepted by Senator O'MAHONEY, who introduced the compromise measure adopted by the Senate.

On Tuesday, a subcommittee of the Judiciary Committee, headed by Representative FRANCIS E. WALTER, Pennsylvania, Democrat, approved the O'Mahoney bill after striking from it the Kefauver amendments. This action was taken after hearing only two witnesses—Senator O'MAHONEY and Assistant Attorney General Herbert A. Bergson.

Now, the Kefauver amendments were written into the Senate bill during the debate on the floor, in which it was pointed out that without these amendments the bill would open the door to practices prohibited by the Federal Trade Commission, whose cease-and-desist orders in these matters have been upheld by the courts.

This facts makes puzzling the statement made by Representative WALTER to reporters: "We are going to make it clear in our report to the full committee that this legislation does not affirm powers which the Federal Trade Commission has presumed to assert." He made no reference to the fact that this presumption has passed the test of the Federal judiciary.

Elimination of the Kefauver amendments has so embittered those who for years have carried on the fight to protect the small-business man that many of them, who were satisfied with the bill as it passed the Senate, are ready to demand, if they can get a hearing in Congress, that the Judiciary Committee bill without those amendments be defeated.

Their argument is that the measure, if passed, will give big business powers it does not now possess to harass, curb, and even ruin small business. Under recent court decisions, big business does not have these powers. "Let the situation remain as it is," says small business. "The court rulings are clear and do not require legislative interpretation, particularly an interpretation that hurts our interests."

THE KEFAUVER AMENDMENTS

What has been going on is not easy for the general public to understand. In fact, it was not easy for Senator O'MAHONEY to get what Mr. KEFAUVER was driving at in his amendments. Mr. KEFAUVER explained it thus:

"If A is a large consumer and is buying something from B at, let us say, $10 a ton, and he is charging all the small customers—X, Y, Z, L, M—$15 a ton, C can come along, even though he is at a distance, and absorb freight and sell also to A at $10 a ton. If the Federal Trade Commission tried to prosecute C under the Clayton Act, the fact that B was charging $10 a ton in his sales to A would be a complete defense. That is, the showing that another seller was charging the same price would be a showing of good faith under the language of subsection B" of the bill introduced by Senator O'MAHONEY.

Senator KEFAUVER continued: "When B happens to have been selling A at $10, and C comes along and does the same thing, whereas they are selling to their small customers at 50 or 100 percent more, that is going to put the little fellows out of business. I do not think that competition which may have been established for the purpose of putting these little fellows out of business in the first place should be considered good faith. I think it takes away whatever protection there may be to small business. It takes away a remedy the FTC can now enforce."

And he cited the cease-and-desist order of the FTC against the Standard Oil Co. in such circumstances, which last March was upheld by the Seventh Circuit Court of Appeals.

Senator O'MAHONEY replied that there was no doubt that subsection B would have the effect described by Senator KEFAUVER, and he welcomed Mr. KEFAUVER's amendment to protect the small-business man. The Senate passed the bill with the changes suggested by Mr. KEFAUVER.

PROTECTION FOR SMALL BUSINESS

It looked as if small business would thus keep the protection it now possesses under the law as interpreted by the courts. But no sooner had the bill reached the House than Representative WALTER announced that the Kefauver amendments would not be accepted. Later he claimed to have support for his position from the Department of Justice and FTC itself.

Assistant Attorney General Bergson showed Tuesday that Mr. WALTER indeed had the support of the Justice Department which, after the FTC has won the Standard Oil case, now is apparently eager to throw away that advantage. He may also have obtained the consent of some members of the FTC, but if so, they have not taken the advice of their counsel who won the victory in March.

To put it briefly, the "clarification of the situation" demanded by big business with so much clamor is not merely a matter of making definitions, under the bill reported by the Walter subcommittee, but a changing of established rules for the benefit of big business. Which is why big business is satisfied with the O'Mahoney bill without the Kefauver amendments, and why those amendments must be eliminated, in the interests of the chain stores, the big oil industry, and others against whom the antitrust laws are directed.

Is it any wonder that those who have battled for years to protect the little fish from the big ones are throwing up their hands and crying: "Better no law at all than one without the Kefauver amendments?"

PRESERVING COMPETITION

Those who would toss out the Kefauver wording—aimed at preventing "discrimination which would successfully lessen competition"—say that competition must and shall be preserved. What competition? And on what level?

Nearly 20 pages of the CONGRESSIONAL RECORD of June 1 are devoted to Senator TOBEY's presentation of the manner in which, under the basing-point system, competition was not preserved, but prevented.

The argument that business "doesn't know where it stands" under the decisions of the Federal courts is absurd. It knows exactly where it stands, and it doesn't like the position. When the steel industry abandoned the basing-point system, didn't it know where it stood?

When big business raises no cry against the O'Mahoney bill without the Kefauver amendments, but fights those amendments to the death, they must be important—extremely important. So they are, in the Commentator's estimation. They make all the difference between a bad bill and one that will continue protecting small business from the boys who are aiming at complete industrial control of this country.

Capitalistic Communists

EXTENSION OF REMARKS
OF
HON. CLYDE R. HOEY
OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, June 16 (legislative day of Thursday, June 2), 1949

Mr. HOEY. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Capitalistic Communists," written by Walter Winchell and published in a recent issue of the Charlotte (N. C.) Observer.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BROADWAY

(By Walter Winchell)

CAPITALISTIC COMMUNISTS

It takes millions to keep subversive machinery humming. The activities of Communists cannot be brushed off as a penny-ante proposition: The poison they manufacture has an expensive price tag. Communists here may pose as devotees of the downtrodden and curl their lip at capitalists, but the ironic fact is that the Red set-up is big business. Communism could not be in a position to destroy the United States without the aid of United States dollars. Cut its financial pipe line and native communism would wither and die. It has been estimated the party's income per annum exceeds $10,000,000.

Oddly enough some of the chumps who top the Communist sucker list are well-heeled Americans. For one reason or another they have poured millions into the Red treasury. Communist Earl Browder once publicly confessed that many affluent people here have contributed to the upkeep of communism. Naturally, he refused to mention names. The Communist Daily Worker has received financial support from several wealthy dowagers. Their names: Ferdenanda W. Reed, Anna W. Pennypacker, and Susan H. Woodruff.

The recently published the Whole of Their Lives (Scribners) reveals: "Credit for coining the slogan for the Communists' unemployed campaign, "starve or fight," must be given to a widow, a Communist who inherited millions from her husband. Left childless, she induced the head of the New York Communist Party organization, who was a member of the Central Executive Committee and the husband of one of her secretaries, to have an affair with her. Part of the connubial deal involved generous contributions and large loans to the New York organization, which was badly in need of money.

The same book declares Phillip J. Jaffe is a leading Communist money-man. He has contributed many thousands of dollars for Red activities—also his time and energy. And who is Phillip J. Jaffe? He is a prosperous greeting card manufacturer. Ironically enough, he has handed financial aid to atheistic Communists via profits earned by selling Christmas cards.

Corliss Lamont has also opened his pocketbook to Communists. He has never made any secret of his Communist sympathies. Recently he accused the United States of starting the cold war with Russia and insisted the Soviet Union has followed a peace policy ever since it was founded. Incidentally, Lamont was cited for contempt by the Un-American Activities Committee in 1916.

Corliss Lamont is the son of the late Thomas W. Lamont—who was J. P. Morgan's partner.

One of the most lucrative sources of income for Communist causes has been the Garland fund. It was concocted by Charles Garland (of Boston), who inherited $2,000,000 and contributed it for the support of numerous radical movements. Much of the fund's money has been used to back Communist publications. The Daily Worker got a $57,000 chunk of the loot.

One of the directors of the Garland fund is the current chief of the Communist Party—William Z. Foster.

Make no mistake about it—Communists are wily punks. They have managed to transform many labor unions into gold mines for the CP. When they sink their hooks into a union, a Communist is first put in charge of the organization's treasury.

And it isn't long before union members are asked to contribute to seemingly worth-while causes that are usually handled by Communist fronts. Exactly how the coin is spent is seldom explained to the suckers. This is a $1,000,000 racket.

The amazing extent of Communist financial operations here can be gaged by this fact. The accountant for the Un-American Activities Committee once examined 43 accounts of the Communist Party and affiliated or subsidiary groups. He later testified that the total deposits in these 43 accounts amounted to $10,164,730.

On February 15, 1941, a Satevepost article noted that "51 percent of an organization called International Publishers is held by the Communist International, and the rest by A. A. Heller."

Heller is an alleged American who made a fortune during World War I and has footed the bill for various Communist publications.

William Montgomery Brown was an unfrocked Protestant Episcopal bishop who died in 1937. At that time the New York Times reported that "Brown left between $300,000 and $450,000, and this amount was earmarked for the advancement of Marxism."

P. S.: The Daily Worker got the money.

The only thing that rings true about Communists is the gold they seem to attract. They are past masters of fund-raising gimmicks. They have even set up sumptuous apartments on Park Avenue and hold swanky parties there. While the champagne is guzzled and the caviar gulped, wealthy guests are asked to make contributions. You'd be surprised how many well-heeled "dopes" are pushovers for this pitch.

Communists here have always loudly denied that they get hand-outs from Moscow. That's a lie. Stalin started the Communist Party in the United States with a $50,000 grant. And Moscow has continued to pour money into this country—while Russians starve. For propaganda and espionage ac-

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tivities in Washington alone Russia has spent over a million a year. And it's still tossing dollars around like confetti. Arthur M. Schlesinger, Jr., one of the Nation's leading historians, pointed out in a mag article that the native Communist Party has received funds from the Soviet via courier.

Proof that the Communists have plenty of coin was revealed recently when newspapers reported the current trial of Communists is costing the Reds more than $10,000 a week for legal defense.

This reporter has often emphasized the importance of exposing the financial supporters of subversives. Yet very little has been done about them. If the un-American Activities Committee is really anxious to battle communism here it should launch a thorough probe of its moneybags. They can't stand publicity. That's why the lists of financial contributors to anti-American outfits have always been one of their big secrets. Let's have the names and facts. And why doesn't the Treasury Department make a complete check of their income-tax returns? The time to do something is now.

It would be one of the most bitter ironies of history if the Communists destroyed the United States with the help of our own money.

The FBI Records in the Coplon Case

EXTENSION OF REMARKS
OF
HON. JOSEPH R. McCARTHY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Thursday, June 16 (legislative day of Thursday, June 2), 1949

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "FBI Urged Coplon Case Be Dropped in Order To Guard Confidential Data," by Constantine Brown.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THIS CHANGING WORLD—FBI URGED COPLON CASE BE DROPPED IN ORDER TO GUARD CONFIDENTIAL DATA

(By Constantine Brown)

The FBI and its Director, J. Edgar Hoover, are under severe and emotional criticism because the defense attorney in the espionage trial of Judith Coplon, former Justice Department employee, succeeded in making public records of that agency containing the names of prominent people.

This could have been avoided had Attorney General Clark, the immediate chief of Mr. Hoover, ordered the prosecution to drop the case. The FBI is reliably reported to have advocated such a step rather than reveal names and places it has kept through the years as a confidential matter to which only the President and his Attorney General have access.

Investigations of the security agencies of this country—the FBI, the CIA and those of the Army and Navy—are painstaking. Much material is gathered before the final estimate on an individual is put in black and white and a "verdict" about his case is reached. Then the Attorney General must decide whether the individual should be prosecuted. In the case of those patient and protracted investigations all kinds of reports are gathered for the purpose of screening and sifting.

APPLIES TO ALL PROBES

This applies not only to the loyalty cases but to all FBI investigations. In the case of the notorious Al Capone and others of his ilk—some of whom eventually had to be prosecuted on charges of income tax evasion and not for other crimes they had committed—long and complex investigations took place. It is not beyond the realm of possibility that had a judge issued at Capone's trial a decision similar to that of Judge Reeves, names of some prominent persons who had been in contact with Capone might have been read in court. There would have been then as now no wish on the part of the investigators to smear such people.

The FBI, which is charged with domestic security involving treason and subversion, considers these no different from the other crimes it is charged to present for prosecution on the Attorney General's orders. The investigating routine has not and cannot be changed. Yet a wave of criticism and denunciation of cloak-and-dagger methods has been hurled at Mr. Hoover and his agents because it happens that in the preliminary investigations the names of a number of prominent people in art and science have come to the fore. Some of them had been connected—innocently it is presumed—with organizations which the Attorney General has listed publicly as subversive. The FBI could do nothing but look into the cases of such persons and gather for sifting all the evidence that was available.

STAVISKY CASE RECALLED

This method is not peculiar to our own FBI but to all such services in the western democratic nations. Few people will remember the spectacular Stavisky case in France in 1932 when this unsavory financier was finally uncovered not only as a dishonest individual who had robbed widows and orphans but also as a foreign agent.

For some reason or other there is a violent outcry against all security agencies in this country whenever the name of a scientist is mentioned as a "doubtful character."

Because a person is a distinguished man of science it is assumed that he must be, by definition, a good security risk although there are instances showing that some of them are active members of Communist parties or outright traitors. Thus, M. Joliot-Curie, a distinguished French physicist, is openly a member of the Communist Party, while Dr. Raymond Boyer, an equally distinguished Canadian scientist, has been sent to jail for 2 years by the Canadian courts for having betrayed secrets from his laboratories to Soviet agents.

The fact that an individual happens to be a scientist cannot serve as a shield against any investigation and suspicions, particularly in these days when American scientists especially have in their hands the most vital secrets of the Nation's defense. The security services of this country would be sadly derelict if they did not place such persons on the same level as other citizens.

American Aid to Europe

EXTENSION OF REMARKS
OF
HON. WILLIAM E. JENNER
OF INDIANA
IN THE SENATE OF THE UNITED STATES

Thursday, June 16 (legislative day of Thursday, June 2), 1949

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article by George Sokolsky relating to American aid to Europe, from the Washington Times-Herald of this morning.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THESE DAYS

(By George Sokolsky)

The final 1948 report of the Economic Cooperation Administration has this to say:

"In the fourth quarter of 1948, aggregate industrial production in western Europe regained its prewar level and the volume of exports attained a postwar peak. Much of the expanded output has been channeled into investment and exports.

"As a result, the standard of living of the growing population is generally much below prewar, and the supplies of some foods and other consumer goods are still inadequate.

"The expansion of exports combined with the restriction of imports to less than the prewar volume has enabled western Europe to make some headway in closing the gap in its balance of trade."

Nevertheless, sizable trade deficits remain. But it is quite difficult to understand what ECA really is doing. The Marshall plan did not guarantee any country a total return to prewar conditions, nor did it assure any people that their standard of living would be precisely what it was before the war.

All it did was to promise that out of American beneficence a helping hand would be given some of the nations that had suffered dire consequences during the war.

The Marshall plan did not agree to underwrite socialism in England, nor did it propose to safeguard France against the consequences of an inability to govern itself effectively. It simply promised to give them some aid.

There has been a long series of such promises, each being advertised as the last one, each costing the American taxpayer huge sums of money, and each ending in the preparations for the next request, demand, promise, and payment.

It started at Bretton Woods in 1944; it moved on to the British loan for $3,750,000,000; it went on to aid in Greece and Turkey; then came the Marshall plan and ECA. Now we have the North Atlantic Pact and the proposal to arm our former allies.

The theory behind all this is that if we do not put up at least $5,000,000,000 a year, our allies will all become Communists, that they will immediately join the Federation of Socialist Soviet Republics and that we shall be isolated by our own diplomacy.

In a word, the course of events has forced us to buy our friends, and the friendship is of such a nature that unless we continue to pay for it, we shall lose it. It is a bought marriage, existing constantly in the shadow of annulment.

Perhaps it is cheaper to do it this way than to go to war. Certainly, a war would cost more than $5,000,000,000 a year; it would cost more than the at least $20,000,000,000 which relief, aid, and the Military Establishment put together now cost.

Therefore, this may be a way out of our difficulties. But what guaranty do we have that after we pay this insurance or blackmail or whatever you call it, we won't get war anyhow? If we do get a war, the money we spend would all be wasted.

And obviously, if we are forced to spend all this money in Europe and let the Russians conquer Asia, as we have let them conquer China, then we are wasting our money, because China counterbalances whatever gains we have made in Europe.

All of this is indicative of only one fact, namely, that the United States is still improvising its foreign policy and paying cash as the only means for giving the appearance that each improvisation works.

From an American standpoint, it is only possible to establish the success of any program and that is that the program has terminated in our stopping to spend money to

aid nations which should be on their feet by now, and that when the aid ceases, we still have allies and we are not at war. Less than that means that the program has failed.

And there is another point to consider, namely, that we are being drained to restore Europe, but what provision is being made to prevent us from collapsing under that heavy drain? The so-called Fair Deal is no provision, for that only means throwing more good money after bad.

The Worcester, Mass., Industrial Development Plan

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. DONOHUE. Mr. Speaker, I consider it most timely to call to the attention of my colleagues the industrial development plan being carried out in my home city of Worcester, Mass., and which could be profitably emulated in all American communities.

This plan was initiated and is sponsored by the local chamber of commerce, under the direction of its president, Mr. Everett F. Merrill, a distinguished citizen of the Commonwealth and one of this country's most able business executives.

On May 17 last, Mr. Merrill explained this project in a speech, in Boston, before a convention of members of the New England Daily Newspaper Association.

In his extended remarks, Mr. Merrill pointed out that the venture was based on an economic study of the city and its smaller industries, as well as the larger ones, conducted by the chamber of commerce in 1943.

He stated it was decided, from the study, that the outstanding feature of Worcester's economy, upon which to concentrate as the best source of future development, was the presence in the city of some 300 manufacturing companies employing less than 50 persons. Therefore, the industrial development plan emphasizes a program of facilitating the growth and promotion of small industries by providing them with skilled engineering counsel in the fields of production, sales, transportation, and foreign trade.

Under the plan, which was made possible by almost tripling the dues income of the chamber of commerce, the Industrial Bureau Division was enlarged by the addition of four engineers and supplementary personnel.

The more than 300 Worcester companies, employing fewer than 50 workers each, along with their bigger brethren, are getting vital technical advice that ordinarily would be far out of their financial reach. This original cooperative industrial engineering idea is paying real dividends in Worcester and is worthy of wider study and adoption.

Mr. Merrill and his associates are to be congratulated in formulating a community service that will, undoubtedly, extend its beneficial influence throughout the industrial development of the United States.

I am pleased to include a summary of Mr. Merrill's address to the Newspaper Association representatives.

THE WORCESTER, MASS., INDUSTRIAL DEVELOPMENT PLAN

The Worcester industrial development plan was the result of a survey made in 1943 which covered 1 year of research, going back over the past 40 years.

This survey developed the fact that we had been slipping industrially for about 20 years and that the South and Southwest had been gaining. Apparently we had become complacent and, as you know, when complacency sets in, progress stops.

From the survey we realized that Worcester would be faced with a chronic shortage of 10,000 jobs in the postwar period which would mean thirty to forty thousand people on relief.

The question was how could we make 10,000 jobs and the obvious answer was industrial development. In view of the fact that newspapers, like all other industries, live off pay rolls, it became our duty to try to create 10,000 jobs.

Very fortunately, in 1907 George F. Booth, publisher of the Worcester Telegram and the Evening Gazette and one of the most civic-minded newspapermen in America, was instrumental in bringing together the board of trade and several other industrial and mercantile groups which were operating at that time under one head and this group was organized as the Worcester Chamber of Commerce. For this reason Mr. Booth can be termed "the father of our chamber of commerce."

It was decided that if we were going to create these jobs, it must be done through our local chamber. In other words, we were the ones to develop the necessary tools for this industrial development program.

The usual method of hiring salesmen to buy or steal industries from other communities was what we termed "external development." We wanted no part of this because we found from experience that it would not work.

Therefore, our plan would be "internal development." Our study revealed that Worcester had 500 industries, 350 of which employed less than 50 people, and we found that practically every industry in our city started as a very small company. The Norton Co. started as a two-man shop on Water Street. The American Steel & Wire started as a one-man blacksmith shop.

The question to be answered was: Why did some companies grow fast while others continued to remain small—and the answer was lack of management know-how. Therefore, it was up to the chamber to furnish this management know-how.

This would be done by a staff of trained consultants consisting of the following: (1) Engineering production, (2) sales, (3) foreign trade, (4) transportation.

These services would be furnished free of charge to everyone, whether they were members of the chamber of commerce or not.

It was estimated that we would need $80,000 per year to put this project into operation. At that time the chamber budget was only $60,000 per year. In the fall of 1945 we put on a 1-week drive to increase our revenue by $80,000, or a total of $140,000.

Conservative New Englanders do not support the chamber of commerce easily but we had something to sell. In 1 week's time we had collected $83,000 and we immediately put to work the four consultants who we hoped would do the job for us.

Has Worcester's industrial development plan worked? Yes; it has worked exceptionally well. At the peak of wartime production, Government figures showed 91,000 employed; the last figures we have show approximately 90,000 employed.

Worcester has added 118 new industries, employing about 3,000 people, with an annual pay roll of $5,658,000. All except one industry are Worcester men and Worcester money.

We were able to accomplish this because we first found out the facts and then went intelligently about creating these jobs. It has worked well for us and we have every reason to believe that it will continue.

Middle East Problem

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. MULTER. Mr. Speaker, I commend the following article by Marquis W. Childs, which appeared in the New York Post of June 10, 1949, to the attention of my colleagues:

MIDDLE EAST PROBLEM—NEW PALESTINE FLARE-UP PREDICTED BY BUNCHE

(By Marquis W. Childs)

WASHINGTON, June 10.—No one knows better than Dr. Ralph Bunche, the skilled United Nations trouble-shooter, that the present peace in Palestine is no more than a temporary truce so long as certain causes of friction exist in the explosive Middle East. That conviction is behind a confidential report Dr. Bunche made after his return from his successful mediation of the Palestine war.

There can be no permanent peace, he reported, until some solution is found for the problem of the 700,000 to 800,000 Arab refugees who fled from their homes during the war. These refugees are now being cared for with UN funds in temporary camps that are seriously overcrowded.

The same conclusion was reached by George McGee, new Assistant Secretary of State for Middle Eastern Affairs. McGee has just returned from a month in the Middle East, much of his time having been spent in a study of the Arab refugees and what to do about them.

A plan is being worked out, as yet carefully shielded from publicity, to apply President Truman's now famous point IV to the problem of what to do about the Arab refugees. Point IV in the President's inaugural address, it will be recalled, proposed to apply America's advanced technical skill to retarded regions in order to raise living standards.

Trygve Lie, Secretary-General of the UN, made a speech the other day intended to prepare the way for a point IV plan for the Middle East. He was speaking at the University of Chattanooga in Tennessee and he took as his theme the great achievements of the Tennessee Valley Authority and the urgent need for the same approach in the impoverished Arab countries. Referring to point IV and the presence of the refugees on the borders of Israel, Lie said:

"The interests of the new State of Israel, the newest member of the United Nations, coincide in respect to economic development with the interests of the neighbors with whom she has been in conflict. Lasting peace in Palestine—and in the whole Near East—cannot be achieved by any possible political settlement alone. It will require a comprehensive economic development plan that will harness the waters and other resources of the region for the benefit of all

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the people living there in the way that TVA has done for the people living in this valley."

Lie urged that with boldness and the best speed possible the valleys of the Jordan, the Tigris, the Euphrates and the Nile be developed with hydroelectric, irrigation, and flood-control projects. A somewhat similar proposal came from the American Zionist Emergency Council in a memorandum prepared by Eliahu Ben-Horin urging the extensive development of Iraq as a home for the refugees.

A political issue arises here. Israeli officials until recently opposed the return of Arab refugees to communities within Israel from which they fled, making an exception for broken families.

The Arab countries insist that the refugees be returned to the villages from which they came. The deadlock might be broken by the kind of speedy action to restore the fertility of desert valleys that Trygve Lie called for.

But here, of course, you come up against politics in the United States. At the thought of going to Congress for a point IV appropriation, which would either be part of a UN fund or spent directly under American supervision, State Department officials look unhappy.

The time is short. In August the fund now being spent to maintain the Arab refugees will be gone. Then at the very least a new relief fund will be necessary.

Memorial Day Address of Brig. Gen. Julius Klein, Past National Commander, Jewish War Veterans of the United States

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EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. JAVITS. Mr. Speaker, there is appended hereto the address of Brig. Gen. Julius Klein, past national commander of the Jewish War Veterans, the Nation's second oldest veterans organization, delivered on the occasion of the fifty-fourth annual Memorial Day services at Temple Emanu-El in New York on Sunday, May 22.

The story of Brigadier General Klein's career is a saga of the opportunity our country offers to its talented youth. Brig. Gen. Julius Klein, who was educated in Berlin, Germany, joined the United States Military Mission in 1918. He distinguished himself as war correspondent, was a newspaper editor and a motion-picture executive with RKO and Universal Pictures. He headed an investigation into activities of subversive elements in Middle East which resulted in action against the German-American Bund by the United States in 1933.

In World War II, General Klein was activated with the Thirty-third Infantry on March 5, 1941, and later commanded 10,000 troops in the active theater of the South Pacific and the Philippines. He was appointed special assistant to the then Secretary of War, Judge Robert P. Patterson, and left the active service in 1946. He was cited for bravery in the South Pacific. His decorations are many—Brig. Gen. Julius Klein was awarded the Soldier's Medal for Heroism by the President, and also received the Bronze Star Medal, Legion of Merit, French Legion of Honor, and commendations from Admiral William F. Halsey, Lieutenant General Richardson, and Generals of the Army MacArthur and Eisenhower. At present he is commanding general of the One Hundred and Ninth Antiaircraft Brigade of the Illinois National Guard.

Typical of the many expressions of regard that Brig. Gen. Julius Klein received upon his retirement as national commander of the Jewish War Veterans was this telegram from Gen. Dwight D. Eisenhower:

> I join the National Convention, Jewish War Veterans, in paying tribute to Brig. Gen. Julius Klein whose distinguished service merits the respect and honor of all Americans.

Vice President BARKLEY, then a Senator, congratulated General Klein on "the most valuable contributions he has made for the general welfare and national security during his long and distinguished tenure as national commander."

In addition, messages of congratulations on his retirement came to General Klein from General MacArthur, Gen. Omar Bradley, Lieutenant General Eichelberger, Senator Brooks, of Illinois, Louis B. Mayer, Senator Robert A. Taft, of Ohio, Mayor Rokach, of Tel Aviv, Israel, Mayor Kennelly, of Chicago, Senator Baldwin, of Connecticut, Attorney General Tom Clark, and Governor Green, of Illinois.

The address follows:

ADDRESS BY BRIG. GEN. JULIUS KLEIN

Our mission has not yet been accomplished.

The peace is under attack. The security of free peoples is uncertain.

We honor today the long, immortal roster of Americans who fought for these blessings. We pay them our tribute in this house of worship which stands in peace and dignity because of the sacrifices made by men of every creed in order that all of us may continue to live in freedom.

But threats to this—and other free institutions of our beloved country—have not been banished from the earth. As never before in our history, they need again to be made safe from aggression beyond our shores and from attacks within our borders.

None of the Americans to whom we pay tribute today fell as an aggressor. They fell only as liberators. We must remember that in the days ahead. We must remember it when those in our country who have failed to heed the lessons of the wars of our lifetime cry out that we are seeking only to militarize our youth.

America today does not need—nor does she seek—to establish the largest standing military force in the world. She needs only a defense establishment strong enough to discourage assault upon us—strong enough to convince any potential enemy that America is a self-reliant Nation whose people can only be dealt with on a peaceful basis of mutual understanding and respect.

For us in America, diplomacy is a relatively new art. We had no diplomats to defend us when we undertook to gain our liberty 170 years ago. We gained our freedom because our men, women, and children formed themselves into a fighting army. Our statesmen came to us later—after victory had been won by our citizen soldiers.

The history of the years that followed shows clearly that whenever our diplomats have failed to overcome the hostile designs of foreign statesmen bent on achieving their ends by forceful means, we had to rely upon our armed forces to train and develop our citizens into a fighting force strong enough to preserve our existence. Up to the present moment, we have been able to make allies of time and space because of the two oceans that separated us from aggressors to the east and west. But these allies are being taken from us. They are rapidly becoming casualties of science. With every hour that passes they are being overcome by the world's military laboratories which are now pouring out great quantities of jet- and rocket-propelled weapons capable of spanning oceans and continents at incredible speeds.

We can count upon time for only one more effort in our behalf. It can render only one more service to our security and our freedom if we call upon it now. We American veterans know that the lack of 1 hour of adequate training in time of peace can mean the loss of an American soldier's life in time of sudden emergency. We remember that one day after the attack on Pearl Harbor, there were barely enough men and weapons in our armed forces to defend a single port on our West coast against any well-coordinated attack the Japanese might have made. We remember that on the second day after Pearl Harbor, our military authorities were seriously considering the evacuation of some 3,000,000 American citizens from the cities of the Pacific coast. We were spared this terrible ordeal. Because the faithful—though neglected—cadres of our Regular, Reserve, and National Guard forces performed miracles of training under emergency conditions, we were able to wage global war successfully against enemies who had trained and equipped themselves for years for one purpose—to wipe our form of government off the face of the earth.

We paid a tremendous price for victory. In terms of money, we shall continue to pay for years to come. But the dearest cost of all was the lives and sufferings of our comrades. Let us never forget that peace and security are not commodities to be bought at bargain rates. They are luxuries, and their price has been on the rise since Cain went to war against Abel. I cite only two figures. World War I cost us more than 364,000 of our fellow Americans in killed, wounded, and missing. World War II exacted from us nearly a half-million in casualties.

Just before we gathered for these memorial services, we heard of the death of that great American—James Forrestal, former Secretary of Defense, who died earlier this morning. His death is as truly a war casualty as the deaths of tens of thousands of our comrades who died in battle.

History will record that Jim Forrestal's long hours of unceasing effort as Secretary of the Navy, contributed immeasureably to our success in World War II. His strenuous efforts since the end of World War II and especially since his elevation to the office of Secretary of Defense in effecting the unification of our armed forces, leaves our Nation forever indebted to him. In these memorial services, today, we have one more noteworthy comrade to honor.

No, peace doesn't come in free samples. It cannot be purchased in large, economy-size packages. It can only be purchased by courage, by faith, by unity of purpose and effort. These were the primary weapons Americans took with them into war. We must take them up again if we are to secure the peace. We must call upon those we have elected to guide our destinies to give affirmative evidence to the world that we are prepared to cope with any threat to law and order. We must remain alert at home to prevent any threat to our internal security by forces

that would divide and weaken us by pitting class against class, race against race, religion against religion.

Twice in this century, our country has given without stint of its men, its labor and its industry in order that the human rights and dignities we cherish for ourselves might be shared by all other peace-loving peoples.

We have been the arsenal of democracy in war. With the end of war, we have converted that arsenal into a reservoir of humane and generous aid—not only to those who fought by our side—but to the sick and hungry people of governments that were our enemies.

Today American pilots risk their lives to fly food and medicine to the priority bombing targets of yesterday. Our seamen sail the oceans with cargoes of mercy instead of materials of destruction. And our peacetime Army is manned by a soldier who is studying the art of how to live with his neighbor as well as the science of military defense.

Today it is true as never before that our country bears a major responsibility for aiding the physical and economic recovery of nations that want to remain free. In seeking to carry out that obligation, we have answered the opposition of powerful and ruthless forces alined against us by adoption of the European recovery program. To those who disagree with our belief that Government was created to serve the people, we have shown with the European recovery program that we will not be swayed from a basic concept of our way of life since our Republic was founded. And to show that we cannot be swayed from this program, our Congress is now studying adoption of the North Atlantic Pact in order that we—and those governments who believe in freedom as we do—may reserve the right to come together in mutual defense if one of us should come under attack.

With these measures, we can demonstrate to the world that we understand our obligation to maintain the peace. For peace is a byproduct of security. The list of nations and peoples who have learned that lesson is long. It stretches through all the pages of human history.

We pause today in tribute to all the brave men who have died so that mankind may one day conquer fear and hatred, bigotry and oppression, for all time.

It is for us who have survived this continuing war to move forward until this great mission has been completed.

German Bishops on War Crime Trials

EXTENSION OF REMARKS

OF

HON. WILLIAM E. JENNER

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Thursday, June 16 (legislative day of Thursday, June 2), 1949

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "German Bishops on War Crime Trials," published in the Christian Century for June 15, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GERMAN BISHOPS ON WAR CRIME TRIALS

When Senator JOSEPH R. MCCARTHY, of Wisconsin, withdrew from the current Senate investigation into the Malmedy trials, that malodorous case gained an ill repute. Senator MCCARTHY is a former marine who has no interest in coddling guilty Germans. He became convinced, however, that the proceedings before the Senate subcommittee are being pointed toward another whitewash of the Army, and after saying so publicly he refused to continue in the proceedings. American Christians, whose consciences are very uneasy over this whole business, will be interested to learn that about the time Senator MCCARTHY was making his protest, Bishop Theophilus Wurm, of Stuttgart, gave the American press associations a blistering statement on the one-sidedness and the problematic character of the methods used in the war crime trials. The aged leader of German Protestantism, in commenting on the denials made in Washington that torture was used to extract confessions from the Germans accused of the Malmedy massacre, simply said: "Never will the people of Schwabisch Hall, who in the nights heard the cries of pain of the tortured beyond the prison walls, be made to believe that these investigators were servants of justice and not servants of revenge." At almost the same time Bishop Otto Dibelius, of Berlin, president of the German Evangelical Church Council, was quoted in the press as saying that "as Christians we refuse to recognize the Nuremberg verdicts as justice, but we have to accept them, as a defeated people, as acts of reprisal imposed by the victors." German Protestantism contains no more distinguished leaders than these two bishops. Their devotion to democratic ideals, their abhorrence of nazism and all its works, has been amply proved. When they talk like that about the justice the Army authorities have been dispensing in Germany, it portends a moral revulsion at the war crime verdicts which, within a few years, will be world-wide.

Graybeards and Black Eyebrows

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. KLEIN. Without making any concessions in my long-held position that this Congress should repeal the Taft-Hartley Act in its entirety, reinstate the Wagner Labor Relations Act, and then proceed to consider reasonably and conscientiously any amendments which may be shown to be in the public interest, I wish to bring to the attention of the House and of the country a trenchant editorial from the New York Post Home News of Wednesday, June 8.

Under consent, I am inserting the editorial in the RECORD, as follows:

REASON AND RITUAL

There is a fighting chance for repeal of the Taft-Hartley law and enactment of equitable labor amendments at this session of Congress.

The prospect that reasonable men may find a reasonable solution to the threatened deadlock has enraged John L. Lewis and the Communist labor forces who are staging another revival of their intermittent love affair with him.

The National Association of Manufacturers is similarly disturbed by the possibility of an honorable settlement.

Mr. Lewis roars "sell-out" at Messrs. Murray and Green. Their offense, it appears, is that they have worked with enlightened Senators in both parties in an attempt to find a compromise legislative formula—rather than invite total defeat on an intransigent line.

The Communists naturally applaud Mr. Lewis' words.

And the NAM statesmen cry "sell-out" at any legislator who is prepared to concede that the Taft-Hartley law is less sacred than Magna Carta.

All this may seem painfully confusing, but it should not be. For what we are witnessing is simply a new effort by the dramatic irresponsibilities on the extreme left and right to thwart the flexible democratic process of reconciliation. In a curious way the NAM die-hards and the Communists share a nostalgia for the era of jungle warfare on the labor front.

Lewis, a wrathful compound of conservative economics and Communist tactics, personifies the unity of the two extremes.

But as the Senate debate begins it becomes increasingly clear that there are decent and rational compromises that men of good will can find if the country supports their efforts; the plant-seizure proposal symbolizes this trend.

In a sense the underlying problem has been to resolve two deep insecurities.

One is labor's historic fear of injunctions, a fear justly acquired in bitter decades when the phrase "injunction granted" epitomized the oppressive use of police power on the side of corporate tyranny.

The other is a widespread popular belief that a democracy must have an ultimate protection against strikes that genuinely threaten the national welfare.

Most contemporary essayists like to labor the second point and ignore labor's point. They romanticize the extent to which a law can assure continuous production if the punctuation is sound and the phrases well turned. Our own view is that the right to strike, like the right to voice unpopular opinion, is fundamental to democracy; that the discomforts caused by strikes, like the unpleasant sounds created by uncongenial orators, are part of the minimum price we pay for the larger freedoms we enjoy.

But we concede the validity of the fear that at some moment in some critical national hour a national strike could not be light discounted. We share the growing belief that plant seizure is the soundest formula for dealing with such strikes, if drastic profit limitations can be imposed; otherwise, it could become a device by which management transfers its labor problems to Government and continues business as usual.

All the clashing rhetoric points to this compromise. It is not the whole story of the labor debate; but it is a vital chapter. Political maneuvers may obscure the issue. The doctrinaires on both sides will protest that they have been sold out; their creeds thrive on unresolved conflicts. They want to be permitted to slug it out for another year while democratic society suffers the usual fate of an innocent bystander. We see some small signs, however, that in this debate reasonable men may no longer be viewed as Washington's lunatic fringe.

A House Vote on Housing

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. MULTER. Mr. Speaker, the following editorial which appeared in the New York Times of June 16, 1949, is a

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complete answer to those who are urging opposition to the housing bill on the basis of the latest argument that Government must retrench and economize. We should have long since learned that this Government will not retrench and economize where the health and welfare of its people are concerned.

A HOUSE VOTE ON HOUSING

Whether or not it can be construed as a preliminary victory for housing legislation, the democratic process has certainly been served by the Rules Committee surrender to permit the housing bill to go to the House floor for open debate and a vote next week. On June 7 the committe had voted, 7 to 5, to table the bill, in spite of the fact that the Banking and Currency Committee, which had primary jurisdiction, had reported out the bill by 14 to 7 on May 12. Now the Rules Committee, responding to pressure from the House leadership and in part, perhaps, to public opinion, has reversed itself and cleared the measure by a vote of 8 to 4. An anti-bottlenecking rule passed by the House early in the present session also had a salutary effect on the committee.

Now housing can be discussed on its merits. We can expect that some spurious arguments will be advanced, and some that are sincere, even though ill-founded. Some House Members who have been against housing all the time, or have paid lip service to it on a yes-but basis, will not find that they are against the housing bill because they are for economy in Government. Let us examine this argument.

The Rules Committee asked the Budget Bureau for a report on costs of the housing bill. The reply was that Federal subsidies involved over a 40-year period would cost actually $9,000,000,000 to $10,000,000,000, instead of the full $16,000,000,000 authorized. So the outlay by the Government would run at most $400,000,000 a year and, on the Budget Bureau's estimate, not more than $250,000,000 a year.

We do not view this as an inconsiderable amount of money by any means. We have steadily advocated governmental economy when exerted wisely, and we believe it especially desirable under present circumstances of uncertain business prospects. However, the impact of this housing bill will not be felt, at least to any considerable effect, on the fiscal year just ahead, so that it cannot add to the immediate need for a tax increase which it is desirable to avoid. If a period of growing unemployment is ahead of us, a housing construction program will provide jobs in the area of greatest usefulness to the public. Slum areas in cities, which this bill would help to clear, yield far less than their proper share of local taxes and absorb municipal services far beyond their proper due. Thus we will be substituting subsidized housing for subsidized slums, to the general benefit of the public, and these are gains that offset, even to some extent financially, the cost of Federal subsidies.

House Members, particularly Republicans, who suddenly find that the popular cry of governmental economy is their favorite reason now for being against public housing will forgive us if we recall the House action June 1 on pensions of $72 a month for veterans of 65 years of age and over. The House passed this bill by a vote of 365 to 27, thus rushing headlong into a commitment of governmental expenditure of $65,000,000,000 over the next 50 years. In favor of this bill, and blithely forgetful of economy at that moment, were 138 Republicans, as well as 226 Democrats.

Only 18 Republicans and 9 Democrats voted against the pension bill. Among the Republicans voting for this expenditure of well over a billion dollars a year for the next 50 years was one Representative MARTIN of Massachusetts, who, as House Republican leader, is leading the fight against the housing bill on "economy" grounds. "I am in favor of housing," said Mr. MARTIN recently, and before his vote on the pension bill. "But it is like a lot of other things. If you don't have the money you have got to do without them for another year. I very seriously question whether we can embark on any new spending ventures."

To the 365 House Members who voted for a $65,000,000,000 veterans' pension we say that the public will be somewhat skeptical of an "economy" explanation for voting against a $10,000,000,000 housing bill which has the superior advantage of being in the public interest, which could not be said of the pension bill.

What's the Deal Between United States Steel and German Steel Cartels?—Old Friends Meet Again

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks, I wish to include an article which appeared in the summer issue of the magazine published by the Society for the Prevention of World War III, 515 Madison Avenue, New York City:

OLD FRIENDS MEET AGAIN

After having announced the "history shaking" plan for the internationalization of the Ruhr, which was supposed to herald a new era of peace and security, the occupying authorities got down to practical tasks by reappointing Hitler's old supporters to control the steel industry of the Ruhr.

For months the American people had been bombarded with all kinds of promises that never again would the heavy industries of the Ruhr be controlled by the men who were Hitler's partners in war and crime. But all that noise was designed to cover up the real plans which had been worked out behind the scenes.

The allied authorities have finally accepted the 12 Germans who are to run the iron and steel industries of the Ruhr. Among them you will find a sprinkling of so-called democrats and others whom the occupation authorities have admitted are "innocuous." They are supposed to give the democratic touch to the whole scheme. They provide the window dressing to soften the shock for those who are trying desperately to reconcile their anti-Nazism with the "goings on" in Germany today.

But tear away this window dressing and you will find that the real managers of the German steel industry are indeed Hitler's fellow travelers and staunch supporters. For example, take the case of Herman Dinkelbach, who was among the 12 appointed to run the steel industry. We have exposed this gentleman in other issues of Prevent World War III, but it is not out of place to remind our readers that for 30 years Dinkelbach was the financial brains of the German steel trust, Vereinigte Stahlwerke. Believe it or not, the British employed him as a trustbuster. Mr. Dinkelbach "without regrets" admitted that he was a very substantial financial contributor to Hitler's SS. Moreover, he had been a member of the Nazi Party way back, before most German industrialists thought it prudent to link their names with the "Paperhanger." Dinkelbach is today the biggest name in German steel and because of the high respect which he commands, the Allied authorities very obligingly and meekly accepted him.

Another gentleman who has been appointed to the trusteeship is one Guenther Henle. In 1940, Henle became the chairman of the Kloeckner Steel Combine, which of course played a very important role in Hitler's war plans.

Dinkelbach and Henle are joined by Karl Barich, a bigwig in the Rheinisch Westphalien Electrical Co., a public utility network covering western Germany from the Dutch to the Swiss border. This company, incidentally, is closely tied up with the notorious Deutsche Bank, one of the chief looters of occupied Europe. The Deutsche Bank launched its piratical raids under the direction of Herman J. Abs, another Nazi favorite. As a matter of fact, Barich at one time worked for the Nazi Price Control Administration. In speaking about the Deutsche Bank, another one of its fair-haired boys, Gotthard von Falkenhausen, has also been appointed as a trustee.

Finally, there is Herbert Mondon. He bossed the steel plants in Silesia for the Herman Goering Steel Works. This is the crowd that is going to bring a new era of peace and economic well-being to Europe and the world. Who has reason not to be satisfied?

The Allied authorities at the behest of Herman Puender, chairman of the German bizonal executive committee, put their stamp of approval on these men. Puender is nobody's fool. After all, he served as a lieutenant colonel in the German Counter Propaganda Service of the German General Staff during the war. He worked in division III-H. This outfit was concerned with preserving Nazi morale and ideology among the German troops. Thus, as one can see, by Puender's appointments, he most certainly knows how to preserve Nazi morale and ideology.

Now what are these steel barons going to do as overseers of German steel? It is not very hard to predict, if one consults United States documents on how these steel tycoons operated after World War I.

Some will say that that was past history, but is it? The London Economist replies as follows: "The industrial leaders in the Ruhr are in general the men who helped Hitler; one of their first reactions . . . has been to seek to form cartels to maintain prices and their attitude to trade union cooperation has been reactionary in the extreme.

This authoritative journal then asks: "Is there no cause for alarm when the revival appears to be recreating under the Allies' eyes, the old unrepentant Germany of cartels * * *." Indeed, there is cause for alarm and the victims of this ruthless power in Europe are not at all complacent. Though they are closer to the scene of the crime, its effects are inescapable for us as well.

Just who is responsible for the unfolding of this new tragedy? Who has forced the hand of our government to accept law No. 75 which lays the foundation for the rebirth of the German cartel network? Undoubtedly German propaganda has played a great role in this matter. They launched a pamphleteering campaign in this country which even managed to take in a few members of Congress. But they are not alone in this enterprise. They have found aid and comfort among individuals whose business concerns have had close financial tie-ups with German steel.

When Mr. George Wolf of the United States Steel Corp. surveyed the German steel

industry last year, he came home with tales of how important it could be. He did not say for whom. Mr. Benjamin Fairless, president of the United States Steel, publicly endorsed the Wolf report and admitted that it was amazing how much steel capacity remained intact in Germany. Now, Mr. Fairless, who has some 30 years' experience in steel, is not as naive as all that. Doesn't he know that as far back as 1945 Congress revealed to the American press that in the western zone of Germany alone the steel capacity was upwards of 20,000,000 tons—greater than any of her neighbors? Surely Mr. Fairless, a practical businessman whose company has had dealings with German steel in the past, was not asleep during the last 3 years.

When asked what the Wolf report contained, Mr. Fairless unassumingly declared that it was confidential. This report is now under lock and key in the office of Mr. Paul Hoffman's ECA. Yet Mr. Hoffman has been prodding our State Department to abrogate agreements on the level of German steel production. No doubt he received his inspirations from this report. These agreements on the level of steel production for Germany and reparations had been for some time basic objectives of American foreign policy. If the foreign policy of this country is the direct concern of the people, then why are they kept ignorant of the Wolf report, which has a direct bearing on our foreign policy?

The United States Steel Corp. has more than a finger in the German pie. Having been able to influence American policy with respect to German steel production, they have also managed to take over the Allied Steel Commission which is to have over-all direction in the German steel industry. Four of the five Americans appointed are members of United States Steel—William J. Brinkerhoff, Werner P. Naumann, Ronald Clark and Ian F. L. Elliott. Mr. Elliott is the representative for United States Steel in Europe. At one time he fronted for the British iron and steel federation in the International Steel Cartel, another brainchild of the Dinkelbachs. Mr. Elliott should be especially useful because of this connection.

Another Elliott—Prof. W. Y. Elliott, of Harvard—has been very useful to German steel interests. One of the many ways he tried to influence the "powers that be," was through a memo which he recently wrote for a congressional committee. Believe it or not, the main point in Professor Elliott's memo was the advocacy to expand present steel production in Germany and Japan as the primary means to avoid inflation in the United States.

If any of our readers can figure this one out, we will tell it to Professor Elliott.

In addition, the head of the ECA mission in western Germany is Norman H. Collison. The United States Steel has been a client of his law firm. Thus we are back to the "good old days." Things have hardly changed. The American people are expected to endorse this new marriage of the international cartelists, though President Truman has publicly announced his opposition to the reestablishment of German cartels.

This tragic picture can be of little comfort to the people. They have been asked to support a billion dollar armament program to strengthen American security against future Pearl Harbors. But the genesis of the first Pearl Harbor goes back to the days when the German cartelists were strangling free trade throughout the world and throwing monkey wrenches into American productive enterprise. It was not so long ago that our war effort was seriously jeopardized by these unholy arrangements. Just how our present security requirements can be squared with the reemergence of this cartel network is a question which has yet to be answered.

Extension of Veterans' Readjustment Benefits

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. KLEIN. Mr. Speaker, under consent, I am inserting in the CONGRESSIONAL RECORD the text of an address made by me over radio station WLIB in New York City last Monday evening in support of extension of veterans readjustment benefits. Following the end of the text I am including also the language of my bill H. R. 4621.

The address is as follows:

I want to start out by saying that it is a good thing for the Congress and for the people of the United States and for the Jewish War Veterans that there are public-spirited leaders like my friend, Nelson Levitt, who started battling for extension of readjustment allowance to veterans when most people were not even aware that time was running out.

For almost a decade our country has not had to worry about people getting jobs. We met the challenge of total war with nearly total mobilization of our manpower and our womenpower.

We looked ahead to the transition period. We passed the Full Employment Act, we prepared skeleton programs for public works on a massive scale should there be a sudden sharp recession.

As it happened, demands of dammed up purchasing power and American aid in foreign rehabilitation kept our factories spinning and our workers on pay rolls.

At the same time, to help the 16,000,000-odd men in the armed services make the change from war to peace, and to protect them and their dependents, we passed the National Service Life Insurance Act, the Vocational Rehabilitation Act of 1943, and the GI bill of rights.

So far the Government has paid out about $7,000,000,000 under the educational benefits; about $800,000 for vocational training, and about $3,500,000,000 in the readjustment benefits of the GI bill of rights. By way of contrast, the World War I bonus payments cost about $3,800,000.

Tonight we are talking about the provisions of the GI bill of rights which, under certain fairly easy conditions, gave a former serviceman of World War II a chance to draw $20 a week for 52 weeks if he could not get a job or if he lost the one he had.

As you can see, it was a lot like unemployment insurance. The benefits did not have to be drawn on in consecutive weeks. It was a cushion against possible unemployment.

Now here is a peculiar thing about the readjustment benefit title of this act. It runs out just five weeks from now, on July 25, 1949.

That is 2 years after the close of the war.

All the other special laws for veterans have a longer life.

The time limit for benefits under the vocational rehabilitation act is July 26, 1956.

The provisions of the life-insurance act and of the various disability acts are continuing.

The irony is that this year, for the first time since 1941, there are fewer jobs than there are workers. We have not been able to open up new jobs fast enough to take care of the new labor force, and in some sections there is definite unemployment and displacement of steady wage earners.

For thousands upon thousands of the most deserving veterans this is the real transition from war to peace.

The men who have benefited from the $3,500,000,000 already paid out were largely the young fellows who had been inducted into service before they had ever held a job. It is only natural that some deliberately sponged on Government bounty; most of them quite legitimately had a little trouble getting jobs because they had no training.

The story now is different.

The veterans running into joblessness today are the older, settled men who walked straight from the demobilization centers into jobs, and disdained the opportunity to draw their readjustment benefits; or they are the men, also family men, who went into vocational training or back to school, and now are looking for jobs, with wives and children dependent on them, at a time when jobs are scarce and growing scarcer.

These are men who served their country well in peace as in war.

That is the first and best reason the effective date of the act should be extended.

Another good reason is the cushioning effect the payments will have on business conditions.

We all hope, and I believe, that the process we are going through is only a leveling off process.

We hope that we are not facing a depression, or even a recession, and we are going to do everything that intelligent people of good will can do to head off any economic trouble.

One of the things we can do is to extend the 52–20 law right now.

My colleague and good friend, Congressman WALTER HUBER, of Ohio, was I believe, the very first to introduce a bill to extend the act.

His bill is a simple extender making no changes in the benefits.

I want to make it clear at this point that if the Huber bill is the best bill which can be brought out of committee I shall support it and vote for it. Hearings will open soon on a similar bill in the Senate. In the House no hearings are scheduled, and I have been given to understand that the chairman is opposed to any extension.

Every national veteran organization except Veterans of Foreign Wars has asked for extension; VFW will bring it before the next national convention. The CIO also has endorsed it.

The American Veterans Committee has gone even farther, and expects a special committee studying the subject to make public in 2 weeks a startling report on unemployment among veterans. As you know, the Jewish War Veterans has been in the forefront of the fight for extension.

Now, it so happens that I am one of four Members of the House who has introduced a bill to extend the effective date of 52–20; but my bill goes a lot farther, for reasons that I think everybody should think about.

When the GI bill of rights was passed, we were still living in a prewar economy as far as the cost of living was concerned.

Thanks to President Roosevelt's insistence on adequate price and rent controls, we had virtually no wartime inflation.

Five years ago, under such conditions, $20 a week for 52 weeks seemed like a lot of money.

Twenty dollars a week today is just about the same as $10 a week in 1944; and employment may be dropping, but the cost of living is not.

Furthermore, although provision for dependents was made in the servicemen's pay acts, in the educational and vocational benefits sections, and almost everywhere else, the present law doesn't add a dime for a man's wife and children.

I think we will all agree that as long as there are young people in love and anxious

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to start families, there are going to be babies, and I can see no reason to penalize the man raising children for America.

Therefore the bill I have introduced not only extends the life of the act to July 25, 1951, but also would, if enacted, provide for modest increases in weekly payments, for a longer benefit period, and for extra money for each dependent. A dependent is defined as having the same meaning as in the income-tax laws.

The number of my bill, in case you want to ask your own Congressman for a copy, or ask him to support the bill, is H. R. 4621, and the title is "A Bill To Extend the Servicemen's Readjustment Act of 1944."

My bill would stretch the weekly payments out to 104 weeks; it would strike out the discriminatory antilabor clause in the present act; it would raise the weekly payments to $30; and it would give an additional $5 a week for each dependent.

In the case of a self-employed veteran the maximum benefits would be increased to $150 a month, with $20 a month for each dependent.

Otherwise, the present restrictions would not be changed.

I think my bill is fair and drawn to fit present conditions, and I am hopeful it will get serious and earnest consideration immediately.

H. R. 4621

A bill to extend the benefits of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes

Be it enacted, etc., That title V, chapter VII, section 700 (a), of the Servicemen's Readjustment Act of 1944, as amended, is further amended to read as follows:

"CHAPTER VII—READJUSTMENT ALLOWANCES FOR FORMER MEMBERS OF THE ARMED FORCES

"SEC. 700. (a) Any person who shall have served in the active military or naval service of the United States at any time after September 16, 1940, and prior to the termination of the past war, and who shall have been discharged or released from active service under conditions other than dishonorable, after active service of 90 days or more, or by reason of an injury or disability incurred in service in line of duty, shall be entitled, in accordance with the provisions of this title and regulations issued by the Administrator of Veterans' Affairs pursuant thereto, to receive a readjustment allowance as provided herein for each week of unemployment, not to exceed a total of 104 weeks: *Provided*, That no such allowance shall be paid for any period for which he receives increased pension under part VII of the Veterans Regulation 1 (a) or a subsistence allowance under part VIII of such regulation."

2. Title V, chapter VII, section 700 of the Servicemen's Readjustment Act of 1944 is hereby amended by adding a new subsection (d) to read as follows:

"(d) This title shall be effective until July 25, 1951."

3. Title V, chapter VIII, section 800, of the Servicemen's Readjustment Act of 1944 is hereby amended by striking out subsection "(b)" thereof, by striking out the words "(c)" and "(d)" and inserting in lieu thereof the words "(b)" and "(c)", respectively.

4. (a) Title V, chapter IX, section 900 (a), of the Servicemen's Readjustment Act of 1944 is hereby amended by striking out "$20" and substituting in lieu thereof "$30, and an additional $5 for each dependent,".

(b) Title V, chapter IX, section 902 (b), of the Servicemen's Readjustment Act of 1944 is hereby amended to read as follows:

"(b) Upon application by the veteran showing in accordance with rules prescribed by the Administrator, that he has been fully engaged in such self-employment and that his net earnings in a trade, business, profession, or vocation, having been less than $150 in the previous calendar month, the veteran shall be entitled to receive, subject to the limitations of this title as to time and amount, the difference (adjusted to the next highest multiple of $1), between $150 and his net earnings for such month. In addition, the veteran shall be entitled to receive $20 per month for each dependent."

5. Title V, chapter IX, of the Servicemen's Readjustment Act of 1944 is hereby amended by adding a new section 903 to read as follows:

"SEC. 903. As used in this chapter the term 'dependent' shall have the same meaning as defined in the internal-revenue laws of the United States."

6. This act shall take effect on the first day of the first calendar month next succeeding its enactment.

Let's Tell the People

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. KEATING. Mr. Speaker, under leave to extend my remarks, I include the following recent editorials from the Olean (N. Y.) Times-Herald and Binghamton (N. Y.) Press:

[From the Olean (N. Y.) Times-Herald of March 5, 1949]

WELL, WHY NOT?

Representative KENNETH B. KEATING, the forthright Congressman from Rochester, N. Y., believes that the Government should tell the people what it is doing with the money they pay in for social security.

Years and years ago, when this social security scheme first was promulgated, this newspaper made the assertion that the cash that was contributed from the pay rolls of the people was not being held in a special fund, to be used for just one purpose—social security payments—but was being turned helter-skelter into a general hopper and was being used for any old purpose that the Government saw fit to utilize it for.

That statement brought protests from various Government officials; but they didn't receive much satisfaction.

For the facts remained. Oh, yes; the Government did put in what amounted to I O U's for the money. But the money was spent just the same; and only the I O U's remained.

Tons of water have passed down the river since then; but the indiscriminate spending of the social-security money still goes merrily on.

And Mr. KEATING thinks there is something not quite according to Hoyle about it.

"Let us discontinue the practice in the Government of collecting money for one purpose and using it for another," he urges, "or, if we are going to follow that questionable practice, let us tell the people who put up the money, frankly and openly, what we are doing with it."

Well, that's fair enough, isn't it?

But it isn't likely. American employers and employees now have built up an accumulation in the past 12 years—hold your breath—of $10,700,000,000; yet as Representative KEATING says, the money just isn't there.

It has all been spent—with the exception of the insignificant amount of $150,000,000.

Let's get that matter of the I O U's clarified; and let Mr. KEATING do the clarifying:

"This money, collected from the working people of this country and their bosses over a 12-year period, has simply been spent for other purposes through the device of substituting Government bonds in the trust fund for the hard-earned dollars and pennies which people thought they were paying for future benefits."

The Rochester solon admits, of course, that the Government bonds in the funds are as good as the Government itself; but he points to the big joker in the deck.

"The only way that benefits can be paid," he says, "is by selling those bonds, making new appropriations, or tapping future pay rolls still more to raise the cash."

Representative KEATING adds another interesting observation.

It should not be required, he said, that funds more than necessary to meet operating expenses and normally anticipated benefit payments, should be held in cash.

"It is not the method of administering the fund, but the failure to fully inform the public to which I object," he declares.

"Staggering sums have been collected from pay envelopes to run the Government on the pretext and representation to workers that this was an insurance fund."

The plain fact, friends and neighbors, is that when and if that $10,700,000,000 is needed, the money will have to be raised—some way, somehow—all over again.

Which isn't in accordance with Grandma's ideas of running things.

And maybe it isn't in accordance with yours; but nothing will be done about it unless there is a public demand that something be done about it.

How far Representative KEATING will get in his move—his remarks were made on the floor of the House this week—must remain to be seen.

But at least he has performed the service of bringing home to us once again the fact that we Americans are a remarkably complacent people. Maybe, that is a providential circumstance.

[From the Binghamton (N. Y.) Press of March 9, 1949]

YES, TELL THE PEOPLE

Representative KENNETH B. KEATING, of New York, believes the Government should tell the people what it is doing with the money they have paid in for social security.

During 12 years a social security "fund" of $10,700,000,000 has accumulated. Actually this "fund" exists only as Government I O U's, for the money for the most part has been spent, and payments out of the "fund" will have to be derived from new tax revenue. As Representative KEATING points out, the Government's I O U's are as good as the Government itself. Nevertheless, it's true that the "fund" many believe exists, does not exist.

Another matter not to be ignored in discussion of security in social security is long-term devaluation of currency. For more than 100 years, prices on average have gone up in the neighborhood of 20 percent each decade, meaning that the buying power of the dollar steadily has declined.

Government spending currently in prospect suggests an enormous further long-term depreciation of the dollar. If future benefits are not related to dollar purchasing power, how much real social security will be provided? If the purchasing power of the dollar is not stabilized, then the taxes taken should be invested in something that would rise in terms of dollars in ratio to the depreciation of those dollars.

If the Government cannot meet this economic problem, then it should not propose a social security it cannot create. The social-security program as it is now set up can bring only cruel disillusionment.

Washington Home Rule

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. MILLER of California. Mr. Speaker, the Louisville Courier-Journal on Friday, June 3, 1949, published an editorial entitled "Congress Should Grant Washington Home Rule."

On June 4, 1949, Marquis Childs touched on this same subject in his column, Washington Calling, as it appeared in the Washington Post.

These two pertinent articles are included herewith:

[From the Louisville (Ky.) Courier-Journal of June 3, 1949]

CONGRESS SHOULD GRANT WASHINGTON HOME RULE

Municipal affairs in Washington, D. C., are piddling in comparison with the issues Congress now faces. Yet for the past few days the Senate has been forced to set aside the Atlantic Pact, repeal of the Taft-Hartley Act, and proposals for housing, health insurance, and educational aid, in order to consider a bill aimed at relieving them of responsibility for District affairs. This bill would give residents of the District of Columbia the right to elect their own local officials and school board.

It would give to approximately 900,000 citizens the rights and duties of citizenship inherent in the Constitution. This alone would justify passage of the bill, for it is clearly a violation of the spirit of the Bill of Rights to deny some measure of representation to citizens. It would also improve the present haphazard system of city government, by making city officials responsive to the voters.

Most important of all, it would relieve Congress of its duty as an unwilling city council for Washington. Members of Congress who have seen the present system admit they have neither the time nor the intimate knowledge of local affairs to do justice by residents of the Capital.

There is a minority objection to home rule. Some citizens oppose it because they say it would increase their taxes. Others object to the fact that it would give Washington Negroes the right to vote on city affairs. This latter group was represented in the Senate by southern Senators EASTLAND, of Louisiana, and JOHNSTON, of South Carolina, who tried to amend the bill to prohibit any change in Washington's existing racial segregation laws without the approval of Congress. The Senate, in defeating the amendment, must have noted the inconsistency of its authorship by men who last year championed Dixiecrat opposition to interference by Congress in home management of racial matters. We trust the House will also ignore this opposition and pass a bill which is long overdue.

[From the Washington (D. C.) Post of June 4, 1949]

WASHINGTON CALLING

(By Marquis Childs)

HOME RULE FIRST

For Secretary of State Dean Acheson, tied up in a diplomatic poker game with the Russians at the Paris Conference, the news from home must be somewhat disturbing. He must feel as though a long arm from Washington had reached over his shoulder to take out of his hand some of his strongest cards.

The Senate has put off consideration of the Atlantic Pact until after action on a labor bill, which is certain to provoke a great deal of debate and parliamentary skirmish. More serious, Majority Leader SCOTT LUCAS suggested in an interview that it might not be possible in the present session to consider the proposal to send American arms to the Atlantic Pact countries.

While President Truman said the contrary—that Congress would find time to consider the arms proposal—the damage had been done. The strength from which Secretary Acheson was leading was weakened.

Watching the Congress, you sometimes get the feeling that even the best-intentioned men are trying to evade the difficult decisions of our difficult age. There seems to be, at times, a dogged determination to put first things last.

But the Senate the other day took a step toward unloading some of the cumbersome excess baggage out of the past. With very little debate, by a voice vote, a bill was adopted giving a considerable measure of home rule to the District of Columbia.

The connection between home rule for the District and the Paris poker game may not at first be apparent. It is nevertheless a very real connection. Both in the Senate and House, in committee and on the floor, a fantastic amount of time is taken up with the small details of governing a city of less than a million population.

For example, the Senate took 4 days to consider whether or not the District of Columbia should have a sales tax. That seems almost incredible when that Chamber is so bogged down that Majority Leader LUCAS indicates civil rights, health insurance, and other vital parts of the Truman Fair Deal will not be considered at this session.

A Senate subcommittee has been plagued with the problem of the District dog pound. Fanatical antivivisectionists are pushing a bill that would deprive medical schools in Washington of animals essential for research. So for several days Senator MARGARET CHASE SMITH, of Maine holds hearings on whether the pound is clean and whether the dogs are happy there or whether they should be sacrificed to science.

Chairman of the Senate District Committee, and in effect mayor of Washington, is Senator J. HOWARD MCGRATH, of Rhode Island. But MCGRATH has so many different jobs that he can give comparatively little time to this assignment.

Most of the burden of pushing through the home-rule bill has been carried by Senator ESTES KEFAUVER, of Tennessee. Ably and skillfully, KEFAUVER has kept the issue down to the essential beginning of giving the citizens of Washington the right, within limits, to self-government.

Contrary to advance rumor, the southerners in the Senate wisely decided against any effort to filibuster the home-rule measure to death. Their apprehension is over the question of segregation in the Nation's Capital, and the reports had it that they meant to put a segregation provision in the bill.

That would have made a mockery of home rule, for obviously one of the motives is to give Washingtonians a chance to decide for themselves how they will manage their own affairs. Essentially, Washington is a conservative city with a strong southern flavor, and Washington voters would not be likely, at least in the immediate future, to upset present patterns.

From the point of view of the Nation, the question is not whether Washington is to get the right of the vote and therefore, perhaps, a fairer and more equitable government. As important as this may seem to those who live here, the issue for every American is in clearing away some of the road blocks that holds Congress back.

If the home-rule bill could be got out of a subcommittee dominated by men who oppose the idea, it would quickly go through the House. This would be one constructive step from a lagging Congress that would help other Congresses in the future to keep up with urgent national business. It is a small but important step toward putting first things first.

One Example of Lobby Pressure

EXTENSION OF REMARKS
OF
HON. TOM STEED
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. STEED. Mr. Speaker, I desire to call the attention of the House to a recent attack made on me by a Mr. E. J. O'Connor, who calls himself the executive vice president of the Associated Industries of Oklahoma. I am reprinting herewith a letter this man wrote to certain persons in my congressional district and the text of his letter speaks for itself.

I know every Member of Congress resents this sort of thing as bitterly as I do. I am advised that this same man has written other letters about other Members of the Oklahoma congressional delegation.

In his letter he refers to his inability to cause me to vote as he thinks I should. In this connection I think you ought to know that this man has never even given me the benefit of his advice, so he is in no position to say I have been unfair with him. And, after reading this letter, I want to assure this House that this man never will have any influence with me. I trust all of us can find a more fair, decent, and better source of advice in the discharge of our duties than the sort of thing exhibited here.

I think this letter shows better than my words how low some people will stoop to gain their ends. I think this sort of thing ought to be stopped. That is why I am making this information known to the House.

ASSOCIATED INDUSTRIES OF OKLAHOMA,
Oklahoma City, Okla., June 2, 1949.

Mr. W. P. WOOD,
Wood & Co., Shawnee, Okla.

DEAR MR. WOOD: We are encountering great difficulty in persuading Congressman TOM STEED to the idea that he was elected by the votes of a majority of the people in the Fourth District, other than the limited minority constituting the labor vote.

He has been a problem child largely because of his position on the House Labor and Education Committee and many times in critical matters his has been the deciding vote in that committee, and invariably it has been antibusiness.

As you know, the Taft-Hartley repeal bill is back in this committee, and also the revision of the wage-hour law is being considered by this committee. Both of the measures vitally affect Oklahoma industry and the best information we are able to get from our Washington contacts is that STEED may have the deciding vote in that committee as to whether or not they report out good or bad legislation. The time is here to urge you to renew your efforts in prevailing upon

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STEED to consider the rights and needs of everyone in his district, and to that end we strongly suggest that you contact his personal friends, his campaign contributors, and if possible get some of your employees to write him that they would like to have the labor legislation reported out that does not endanger their jobs or seriously affect the economy of his district. The two most important groups that could be persuasive would be the campaign contributors, and your employees, and perhaps a banker or two that have had some transaction with him in the past, but in any event, please lend all the help you can in straightening out his thinking on these labor matters. Your help in this matter may be the clincher, inasmuch as it appears to be that close; however, it's going to require an extraordinary effort to change him around and the seriousness of the situation in our judgment warrants such effort.

Let us know the results please, whether favorable or unfavorable.

Very truly yours,

E. J. O'CONNOR,
Executive Vice President.

Are We Coddling Socialism Abroad, Too?

EXTENSION OF REMARKS
OF
HON. JAMES P. KEM
OF MISSOURI
IN THE SENATE OF THE UNITED STATES

Thursday, June 16 (legislative day of Thursday, June 2), 1949

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Are We Coddling Socialism Abroad, Too?" written by Fred I. Kent and published in the June 1949 issue of the magazine Banking.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARE WE CODDLING SOCIALISM ABROAD, TOO?

(By Fred I. Kent)

(Mr. Kent, a director of the Bankers Trust Co. of New York, and long prominent in banking, had extensive experience in handling the problems of financial reconstruction after World War I. He served, at various times, as financial adviser to the American Ambassador to Great Britain, as deputy governor of the New York Federal Reserve Bank for organizing an international exchange control, as Director of the Federal Reserve Board's Division of Foreign Exchanges, as financial adviser to the director of sales of the War Department, and as organizer of a plan that saved the Austrian people from starvation. He was also on the Organization Committee of the Reparation Commission and was a member of the Commission's Finance Committee. Other services included conferences in Europe that eased Franco-German difficulties and laid the foundation for the Dawes plan of reparations.)

The purpose of the Marshall plan or Economic Cooperation Administration is beyond reproach. Nevertheless, this huge project is not beyond question as to advisability. There is a grave question as to whether the beneficiaries of the ECA can recover as going nations as quickly and effectively under such a system of huge gifts as they could under a program that required greater effort on their part and a program that penalized socialistic practices such as nationalization.

It is very doubtful whether we are doing the British a favor or whether we are creating a situation which will make it more difficult for them for years to come by giving them huge funds that enable a socialistic government to lead the people to feel that its methods are bringing the British nation out from under the burdens left by the war.

In speaking of socialization abroad, we are not unmindful of certain socialistic trends in this country. However, the people of the United States have not yet had, and it is hoped they never will have, a sufficient taste of nationalization of industry to appreciate what it means. They do not know that nationalization carried on within even a few industries necessitates Government spending and regulation which reach deeply into the individual lives of the people and prevent them from exercising normal rights of human beings and individual intelligence. These are necessary if people are to obtain the highest degree of betterment in living.

The bureaucracies which carry on nationalization find, as they proceed in their work, that they are obliged to control a vast series of activities which spread through the whole economy. Just a few instances in the British situation show this conclusively. For instance, the farmers in Britain have been prohibited from picking or selling small green onions. Then the bureaucracy felt that it must explain what it meant by small, and this is the regulation that resulted: "Diameter shall be construed as meaning the maximum diameter of the bulb measured at right angles to the axis through the bulb and shoot." The onion must be 1¾ inches in diameter and if a smaller one is sold, the farmer is liable to fine or imprisonment.

The Board of Trade produced an edict that metal discs be attached to the horns of pedigreed Angus bulls being exported. Later the order was amended; it required instead that the horns be branded. Then it was revoked * * * the board discovered that Angus bulls have no horns.

A carpenter at Bath gave up his job and applied to the Labor Exchange for other employment. He was told to go back to the job he had left or he would have to go to prison for 3 months or pay a fine of £100. The Ministry of Food tells the British people what to eat for breakfast, lunch, and dinner through its rationing. A man in Jarro laid a garden pavement without a license. He was acquitted, however, of crime because he explained that a government official had told him "no license was needed if the cement was applied, not by trowel, but through a watering can."

The Ministry of Health controls the repairing of homes. Not more than $50 annually can be spent for repairs to a home. Any additional expenditure requires a special permit, which takes weeks or even months to obtain.

The Ministry of Fuel determines who may drive an automobile and where they can go. The Ministry of Agriculture has the last word on who can kill a pig and when.

A farmer may be taken off his own land if the results of his labor do not please the bureaucrat who inspects it. A short time ago there were some 25,000 rules and regulations that the British people were obliged to follow, but this total has undoubtedly increased largely since.

On July 1, 1948, a socialized medical service was established by the British Socialist Government with the statement that medical service for all "would be free." During the first 8 months of its operation, the cost exceeded the original estimate by $234,000,000, but it was not free, as the Exchequer collected the sum from the British through taxes and all had to pay directly or indirectly. Under the arrangement the services include medical doctors and dentists, hospital treatment, maternity and child welfare, home nursing, spectacles, dentures, deaf aids, artificial legs, and drugs, and medicines. Those who are bald, if men, are given wigs and if women, transformations. As things have developed under this system, there are not enough doctors, enough nurses, enough hospitals, enough dentures, enough clinics, and there are not enough wigs. It is also understood that wigs can be refurbished once a year at a cost of $10.

The status of a doctor as a confidential agent of the patient was to be maintained, so the government said, but under the rules and regulations all privacy has been eliminated, even though the Ministry of Health, in one of its leaflets, made the following statement: "Your dealings with your doctor will remain as they are now, personal and confidential." However, in one of the statutory instruments under "terms of service," the practitioner has "to keep records of the illnesses of his public patients and all his treatments of them in such form as the Minister may from time to time determine and to forward such records to the local executive council." This council is made up of lay persons who are, of course, the neighbors and possibly the next-door neighbors of some of the patients. The doctors feel that the state, in thus acting, is causing them to break the Hippocratic oath which they take upon getting their degrees as doctors.

In large areas each practitioner is allotted 4,000 patients, but in the small areas the "clientele" may run as low as 2,500. Inevitably, under such conditions, the time of doctors must be taken up by those with unimportant disabilities to such an extent that doctors cannot be available for all emergency cases. The whole thing has become a totalitarian sort of development and, unless it can be stopped in some way, it is going to require secret police to take care of the situation, particularly as malingering has already set in, and hypochondriacs are legion.

At present a big fight is being made by the government to nationalize the steel industry. Should this occur, owners of the steel organizations stand to lose a very large part of their investments through the activities of the government, which, in effect, is rigging the market for steel shares. This is done by depressing them first through the threat of nationalization, then by demanding that dividends be cut, and further by ignoring the pledge made by the government that new capital could be put into the steel business. This has operated to prevent proper rehabilitation.

If the steel business is nationalized, the owners will receive securities of the British Government at the market, when the government takes over on a compulsory basis, that will unquestionably be greatly below real value.

It is truly amazing what a government is willing to do to its citizens, while at the same time making regulations to prevent them from doing constructive things that good business management would provide because business people know that otherwise the enterprise might be put in jeopardy.

The purpose of pushing through the nationalization of steel is very evident from the remarks of one of the Socialist Members of Parliament who said during a debate: "Once we have nationalized steel we shall have broken the back of capitalist control of industry in Great Britain and its domination forever. If that happens, whatever party is in power, we shall be a socialist state."

It would be well for the American people to commit this statement to memory so that if they allow our Government to go into the steel business they will know just what it will do to our country.

Naturally, those in the world who are opposed to the private-enterprise system are fighting it in every way that is open to them.

In carrying on the fight they have taken a position opposing any agreements that the United States might require before providing funds for, say, Great Britain. These include possibly a provision that ECA funds could not be used for furthering nationalized industries or that such funds would not be provided if the steel industry were nationalized. Such statements say, in effect, that we have no right and that we must not demand that other peoples guide their economies as we do. Further, that we are being imperialistic if we try to lead other countries into carrying on the private-enterprise system.

Actually, such statements would be unwarranted even if we did make demands of this nature. The money that the United States Government is allotting to foreign peoples is only available from taxation taken from American citizens. Under the law if the ECA believes that any allocations would further nationalization of British industry and would not, therefore, accomplish the purpose for which they were intended—that is, the rehabilitation of the British economy—the ECA would not be justified in allocating such funds. Should the administrator take this position, the British Government would be entirely free to go on with its nationalization and refuse to accept the funds from the American Government.

There is no reason whatsoever why the American taxpayer should pay to further nationalization in Great Britain if he believes it would be harmful to that nation and unfortunate for his own country. It just does not make sense. If conditions were turned about, can you imagine any foreign Socialist or Communist advocating that his country give funds to the United States to further the private-enterprise system?

NO FUNDS FOR NATIONALIZATION

It is clearly in the interest of the British people, as well as in the interest of the people of the United States, for the ECA to advise the British Government that under the law creating the ECA the allocation of funds which directly or indirectly act to further nationalization in Great Britain cannot be allowed. It is entirely possible that such a stand taken by the ECA would be welcomed by the British Government as well as by the British people. The British dilemma is increasing day by day due, in important part, to the nationalization that has already been accomplished, and that which is in process of being undertaken. It does not seem possible that those in the British Government fail to realize that they are in a dead end and that they cannot get out of it without dropping nationalization.

The Atlantic Pact may change the methods that should prevail between the United States and the countries included within the ECA.

There is not the slightest doubt but that the sums allocated by the ECA in the first year of the plan have been far greater than they needed to be. More might actually have been accomplished for the nations concerned on smaller advances from the United States. Lessening the responsibility of the governments and the people of these countries by giving them too much has been most harmful.

Recovery following war, regardless of the degree of destruction that has occurred, is dependent more upon the constructive activity of the natives of the country than upon anything else. The only true purpose of the ECA was to supply such things as were necessary to enable foreign nationals to resume constructive activity. This meant, in the first place, food so that they could live and work and, in the second place, such raw materials as were needed for them to work.

RECOVERY INTERFERENCE

Everything furnished these nations beyond such requirements has interfered with recovery instead of helping it. Extraordinary efforts are required to rebuild a war-torn country, and in the interest of the individuals themselves they must feel this responsibility. It is better for their mental health, their physical being and for their rehabilitation. Everything that is done for a people under the stress of recovery from war that breaks down the necessity for them to strive with all their power is debilitating mentally and physically.

Spiritual rejuvenation is essential to the rebuilding of the life of a people under adversity. This comes about in large part through the inspiration of accomplishment. As the people follow the improvement in conditions which their work brings about, it re-creates their powers of resistance to discouragement and it makes for happiness that cannot come through having life made simple for them by others.

When a people become soft through coddling, every false promise, whether based on so-called ideologies or not, becomes attractive. The menace of communism is undoubtedly greater than would have been true if the United States under ECA had confined its giving to those particular things which make it possible through hard work and very hard work for people in the nations concerned to rebuild their own minds and bodies while restoring their own countries. As conditions got better, little by little a great national spirit would have arisen that would have created forces for right in the world that could not have been blighted by false promises.

However, we have in the United States, with the best of intentions, overreached ourselves and have given to the European countries amounts far in excess of those needed to meet the requirements, and now we have the question before us as to how best to go on from here.

OPPORTUNITY IN ATLANTIC PACT

The Atlantic Pact shows us the way. Because of this pact, if it is made effective, we will have assumed a character of obligation that makes it essential that we provide a minimum of military production that might be required in case of war. This opens the opportunity for the ECA to cut drastically its allocations and other aids to foreign countries. This can be accomplished without increasing the strain upon the peoples concerned if it is done intelligently. With the cooperation of the peoples involved, the supplies of all kinds which they have been receiving, but can now provide for themselves, could be stopped.

Where food does not exist in sufficient quantities but can be earned through the effort of those needing it, it can be supplied. Where raw materials required to enable the people to utilize their time in the interest of themselves and their country are needed, they can be given. But no final recovery is ever going to be effected if the ECA does not promptly limit itself to the allocation of minimum essentials.

In carrying out the program we have been giving the governments goods which they have, in turn, sold to their people for the moneys of their countries. These moneys have then been made available to the governments to do things which their people should have done. They have enabled some governments to go on with some deficits and prevented them from striving to bring their financial houses in order. Bureaucracies have been built up that are self-destroying. The United States should have no more part in helping to build up bureaucracies in other countries than it should have in helping to build up bureaucracies in our own country. It is just as important to break down such bureaucracies that have already been built up in other countries as it is in our own.

We have apparently overlooked this fact entirely and have seemingly been trying to spend what we have legislated to spend instead of trying to spend to accomplish the rebuilding of strong peoples, which is possible only in a nation where its citizens are willing to work and obtain happiness through accomplishment.

In the United States we have undertaken a system of rehabilitation of broken down human beings that in its success has proved beyond question that similar processes must be used if the world is to succeed in the reestablishment of the spiritual strength without which no nation can rise above its difficulties. This process is one under which every patient, no matter what parts of his body may have been lost to him or rendered useless, is taught to utilize what he may have left to earn his living and give himself a full life. The patients who come out under this treatment take their part in their communities in a wonderful way.

When people, because of war, are afflicted with mental turmoil, they need work and purpose to get out from under it and the opportunity to receive the inspiration that comes from accomplishment. It is clearly our duty in the United States, therefore, if we would really be helpful, to exercise great intelligence and careful judgment and act only in ways that will reconstruct the minds of those involved. Otherwise we will surely delay recovery and develop a world where dissatisfaction prevails, while at the same time we are destroying our own resources.

Bearing all of this in mind, there would seem no question but that we must, in the interest of all countries and of the United States, bring within bounds the relief which we extend.

If we are to do this successfully, the ECA must reduce its expenditures and lean over backward to keep within the terms of the law which created it.

German Cartels

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an editorial that appeared in the very conservative Alexandria (Va.) Gazette under date of June 7, 1949.

In recent weeks there have appeared numerous articles and editorials throughout the Nation protesting against the perpetuation of German cartels. During the war we had promised to the German people and to all the people of the world that the German war barons and junkers would be driven out of business forever, and that the German cartels would be busted up. This pledge was given by President Franklin D. Roosevelt and was wholeheartedly supported by President Harry Truman, who as a United States Senator had achieved fame as the Nation's great trust buster.

The German cartels were the huge monopolies that strangled democratic life in Germany and turned the whole nation into a war machine. Hitler himself and the vicious thugs around him owed their jobs to the support of the cartelists. During the war no one dared to say a good word for the German

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cartels, but after the war ended it took a year and a half of military occupation before a law ordering the dissolution of the cartels was passed, in February 1947. A decartelization branch was set up composed of 150 people, and a plan was made ready for the breaking up of the Henschel Co.—this was the company that produced tanks and other weapons of war. I. G. Farben and other cartels were slated for dissolution. Then something happened—the decartelization branch was suddenly cut in strength from 150 people to about 25 in number. The decartelization policy was scuttled, and the heavy guns of the military government were turned upon the American trust busters who were to carry out the decartelization policy. It was then that Richardson Bronson gave the famous oral order which set aside the decartelization program. Upon receiving this oral order, 19 of the most courageous American trust busters signed a memorandum addressed to General Clay asking for clarification. Instead of receiving clarification, they were fired. I herewith submit the memorandum:

OFFICE OF MILITARY GOVERNMENT
FOR GERMANY, UNITED STATES,
Berlin, Germany, APO 742, March 13, 1948.

Subject: Decartelization policy.
To: The Military Governor, Office of Military Government for Germany, United States, APO 742, United States Army:

1. On March 11, 1948, Mr. Bronson called a meeting of all the members of the decartelization branch and read excerpts from a memorandum which he said you had approved and had been approved in principle by the State Department. This memorandum announced a new policy for decartelization. In the opinion of the members of the staff it virtually repeals the decartelization law and contravenes the July 15, 1947, directive. We asked Mr. Bronson to furnish us copies of this memorandum and he refused. Therefore, many members of the staff prepared memoranda and we herewith respectfully submit a composite version for whatever clarification you might consider necessary.

2. Mr. Bronson stated that your orders were as follows:

(a) No deconcentration action is to be taken against enterprises in the capital-goods or heavy-industry field but only against enterprises having monopolies in consumer goods.

(b) No action is to be taken against vertical integrations.

(c) The only standard to guide our future proceedings is a rule of reason.

(d) No action is to be taken against Henschel, although the Bipartite Decartelization Commission had found it to be an excessive concentration within the terms of law No. 56, and no action is to be taken against VKF.

(e) Enterprises against which no action is contemplated are to be officially given a clean bill of health soon.

(f) Violations against trade-practices provisions of law No. 56 are to be pursued and eight such cases against now unknown companies are to be submitted by May 2, 1948.

3. It appeared to be the unanimous opinion of the staff of the decartelization branch, or at least no contrary opinions were expressed, that the order given by Mr. Bronson excludes from decartelization action the principal group of monopolistic enterprises which the law says must be eliminated. We do not believe that such amendatory restrictions should be made except by either repeal or drastic revision of the law itself. The law does not draw any distinction between capital-goods industries and consumer-goods industries. On the other hand, it is our view that monopolies in the capital-goods industries are far more frequent and more repugnant to the purposes of the law than are concentrations in consumer-goods industries. The effect of such an amendment, we believe, would be to leave the fundamental concentrations of economic power intact while engaging in little more than harassing attacks on the smaller companies. This, of course, aside from being in contravention of the law would tend to make its enforcement unpopular and completely ineffectual.

4. We also think there are very serious objections to giving immunity to vertical integration since the law makes no such exceptions; we believe that to give a clean bill of health to subjects of investigation is contrary to all established principles of law and law enforcement; and we think that being guided by a rule of reason rather than standards in the law offers many obvious dangers.

5. Since it is inevitable that such a new policy, given only by verbal instructions, has produced a state of demorialization throughout the staff we respectfully request that you give us a clarification.

6. It is of importance to add that no solicitation was made in behalf of this memorandum. The following members of the staff are among those who voluntarily asked to join in this expression.

Johnston Avery, Francis W. Laurent, John J. Barron, Charles Rotstein, R. R. Rathbun, David Denson, Charles C. Baldwin, Alexander Sacks, Fred Levy, Irene Ball, George J. Stanger, Samuel L. Kobre, Henry Heymann, Charles A. Dilley, Virginia M. Marino, Kathryn R. Beaty, Clifford A. Russell, Harry Gabermann, Leslie Grant.

(Copies to: Hawkins, Bronson.)

Last December a special investigating committee headed by Garland S. Ferguson of the Federal Trade Commission was sent to probe the decartelization program. Alexander Sacks, one of the trust busters, gave a full and honest report to the committee, and as a result he was not only fired, but must stand trial for disloyalty to his superiors, which was nothing more than opposition to the procartelization policy of the military government.

The report of the Garland S. Ferguson investigating committee was suppressed for 5 months. When the report was finally made public it revealed that not a single German combine or monopoly had been eliminated during the 4 years of American military occupation. The committee report laid the blame primarily on General Clay's three top officials in charge of the decartelization program: Lawrence Wilson, economic adviser; Philip Hawkins, deputy economic adviser; and Richardson Bronson, chief of the decartelization branch. The report said that the advisers were "not in sympathy with the decartelization program and did nothing to insure its enforcement." One of the three committee members, Samuel C. Isseks, attached to the report a separate recommendation that Wilkinson, Hawkins, and Bronson should be fired.

The report said General Clay substantially modified in March 1948 the original decartelization orders issued by President Truman, but it made clear that it believed the principal blame should be attached to his three subordinates. The committee members emphasized that outside of the decartelization program they believed that General Clay had performed an outstanding job in Germany. The report was signed by Garland S. Ferguson, A. T. Kearney, and Samuel S. Isseks.

Now, Mr. Speaker, it should be the interest of all of us that these American trust busters like, Alexander Sacks, and the others who were sincerely engaged in carrying out the orders of Franklin D. Roosevelt and President Truman to decartelize Germany be given a clean bill of health, and that those who had opposed the program be removed from their jobs. Millions of innocent lives have been sacrificed in two world wars that can be charged directly to the German war makers, the barons, the junkers, and the cartelists. We cannot permit these men and the cartels to be restored to their former power.

The editorial from the Alexandria Gazette follows:

GERMAN CARTELS

In their administration of the affairs of Germany, particularly in that part of the country which they occupied, did the Western allies—the United States, Britain, and France—succeed in destroying the infamous German cartels. Or are they in process of being broken up to such extent that there will not be a nucleus left upon which they may be reestablished. In operation they are a threat to world peace and a menace to the industrial interests of this country.

The American people have a right to know their present status, and if they have not been broken up, they should be. Among American officials who should be in a position to know the situation with respect to these huge monopolies there is a wide difference of opinion. A report to the Secretary of War by an investigating commission declares that not a single German monopoly has been broken up to date. General Clay, the American military commander in Germany who has just retired from that position where he is accredited with having done a good job, denies the charge made by the commission. He says that these trusts have been smashed in a big way and in proof of his statement he offers the record to show the break-up of the I. G. Farben chemical octopus, 6 big banks, and 26 steel and coal companies.

Mr. Lawrence Wilkinson, economic adviser to General Clay takes a position differing from that of his former chief. He expresses the belief that the breaking up of the German trusts would retard Germany's recovery.

A while before the end of the late war it was clearly seen that Germany would be defeated, there was much discussion in this country as to the character of treatment that should be accorded her after peace. Former Secretary of the Treasury Morgenthau advanced the suggestion that Germany should be reduced to an agricultural nation which would preclude her from again developing military strength. Many thought that would be too harsh treatment for the German people, and that to enable them to recover economically from the wreckage into which Hitler had plunged the nation, Germany should be allowed to retain a limited number of her industrial plants. It may be, however, that Mr. Morgenthau was right, especially if there is danger of the revival of the German cartels.

It is not particularly surprising that Mr. Wilkinson should entertain the view that order should be restored so that industries could again produce profits for investors. That is in accord with his line of thinking. He is a brother-in-law of Maj. Gen. William

H. Draper, who in private life is a member of the banking firm of Dillon, Read which lent large sums of money in Germany after World War I. The cartel enterprises were th: recipients, and it was their funds which enabled Hitler to build up his monstrous military machine and supplied the sinews of war. General Draper was one of the authors of a report which proposed mild treatment of German monopoly. This sort of thinking is not appropriate from the standpoint of a nation that proposes to deny German industrial monopolists a chance to set the world afire with another war.

The breaking up of German monopolies is a matter of highest national consequence to the United States. To disperse their power should be a fixed objective of American policy, and it should be entrusted only to representatives of the Government who believe in it.

At this point I also wish to include a letter which appeared in the Daily Compass:

CARTEL CHALLENGER FACES TRIAL WHILE CLAY IS CALLED HERO

DEAR EDITOR: While General Clay is accorded a hero's welcome in New York, while General Clay receives the key to the city and a free meal at the Waldorf-Astoria, and while General Clay gets a free ride up Broadway, a military government employee in Frankfurt is being taken for a different kind of ride. On May 25, Alexander Sacks will stand trial for "Disloyalty to his superiors," disloyalty to the procartelist military government which was headed by Gen. Lucius D. Clay.

I spent 3 years in Germany and Alexander Sacks was a personal friend of mine. I think of the irony in labeling such a man as Alexander Sacks "disloyal." I think of the rotten, dirty, unfair deal that he's getting, and wonder how the man who signed the court-martial order can be presented to the people as a hero.

Is it disloyal to expose the revival of the I. G. Farben combine of the Henschel and VKF cartels? Is it disloyal to expose the idiocy of allowing big-wig Nazis to be set free to run their potential war machines again? Is it disloyal to show the folly of a procartel policy backed by General Draper, Laurence Wilkinson, Philip Hawkins, and Richardson Bronson? If all this be disloyal, then all of us are traitors for decrying General Clay's commuted sentence of Ilse Koch, the Bitch of Buchenwald.

Mr. Sacks has been General Clay's personal target since the day that 19 brave men and women of the military government decartelization branch publicly objected to the order to keep their hands off the heavy-industry cartels. In a meeting with General Clay and the 19 people, Mr. Sacks pointed out the economic reasons for abolishing cartels. Our military governor for Germany stood up, turned to Mr. Sacks, and said: "I did not come here to be lectured to." He then strode out of the room.

No matter who sabotaged the United States anticartel policy, General Clay was fully aware of the events that were taking place under his command, and as such, partial blame should be placed upon his shoulders.

It's high time that we wake up to the facts, high time that we stop persecuting such men as Alexander Sacks, high time that we stop g: ing a hero's welcome to a man who ignored common sense and the basic laws of economics in the administration of the German cartels.

In conclusion, may I offer my congratulations to Howard Watson Armbruster for his series of articles in your paper. It's unfortunate, however, that so many punches were pulled. Why not try to get a story directly from Mr. Sacks? I'm sure he'd be more than happy to oblige.

MELVIN LONDON.

NEW YORK, N. Y.

I also wish to include an article which appeared recently in the New York Post Home News, entitled "Crack-Down Is On Foes of Cartels:"

(By Ernest Leiser)

FRANKFURT, May 20.—Gen. Lucius D. Clay, former United States military governor of Germany, acted in direct opposition to the Army Department when, on the eve of his departure for home, he reopened the proceedings against a military-government official for criticizing that body's asserted failure to break up German industrial trusts in the American zone, that official charged today.

Alexander Sacks, former member of the military government's decartelization staff, now employed in its democratization branch, accused the military government of illegal proceedings in seeking his dismissal.

Sacks said he had just learned that on May 13 Gordon Gray, Acting Secretary of the Army, had notified his lawyer, Wendell Berge, former United States Assistant Attorney General, that the case against him had been definitely closed.

"However, General Clay on May 14 ordered the case against me reopened," Sacks said.

He made no attempt to deny that he had sharply criticized a number of military-government officials for failure to implement the United States Government's policy on deconcentrating the giant trusts in western Germany. That criticism was made in testimony to the investigative committee headed by Garland S. Ferguson, of the Federal Trade Commission, which probed the decartelization program of the military government here last December.

"The military government has not questioned thus far, and I doubt if it ever will question, the accuracy of my criticism," he pointed out. He noted that the Ferguson committee report has confirmed the charges against a number of Clay's aides.

Sacks said that as a loyal public servant, he felt he could not have acted otherwise than criticize the decartelization policy when called on to testify before an official body. He remarked that he had left the decartelization staff before the initial attempt last January to discharge him.

The proceedings were then dropped on orders of Secretary of the Army Royall, and he was fully reinstated, Col. James Duke, military-government personnel officer, told him then that Clay disagreed with the order, and was filing an appeal from it.

Sacks has been ordered to appear before a military-government grievance board hearing next Wednesday. "I have been given only 9 days' advance notice," he said.

Anti-Semitism

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. MULTER. Mr. Speaker, the following which appeared in the New York Post of June 6 and 7, are the first two of a series of articles by Max Lerner. I commend them to the attention of my colleagues:

NEW DRIVE AGAINST JEWS OPENED IN UNITED STATES

(By Max Lerner)

Do you know that within 10 days a national convention will be held in Illinois which will seek to mobilize and unite in a single holding company all anti-Semitic groups in the country?

This is one of the things I have come across in doing some digging on the condition of anti-Semitism today. The question I put to myself was this: What is the balance sheet of anti-Jewish hatred in the world, 4 years after the end of a war against racism and religious bigotry?

I have tried in this series of columns to set down a straight-forward and honest answer. The problems are not restricted to one part of the world only: you have to look at America as well as Russia, at eastern Europe as well as Israel. And you have to keep your mind clear of cant and of special pleading.

The problem of anti-Jewish racism in America falls into three issues. One is: How strong is it as compared with 4 years ago? The second is: What kind of propoganda and other hate-material do the anti-Semites have at hand as clay to shape to their purposes? The third is: What organizations are fanning the flames of racism?

On the first question—the strength of anti-Semitism—nobody knows the answer clearly. The last election cast doubt on the capacity of the polls to measure even so simple a question as whom one would vote for. The quantitative measuring of the attitudes toward Jews or Catholics, Negroes, labor, or the other debated questions in our society is much more delicate and much harder. No figures are reliable.

The belief, however, of those who have studied the available figures carefully is that anti-Jewish attitudes are quantitatively about as bad as they were at the end of the war.

The greatest force behind anti-Semitism during the 1930's was the strength of the Fascist governments which served as the focal centers of anti-Semitic infection. Every time Hitler made a speech, every time he won a diplomatic victory and the shadow of his power moved on, the shadows of anti-Semitism in America deepened. Every time the Nazis massacred and burned a group of helpless Jews in central or eastern Europe, Jew-haters everywhere felt the elation of the beast of prey getting ready for the kill.

At the end of the war the focal centers of racist infection—in Germany and Italy—were in ruins. Anti-Jewish propaganda in America suffered a serious blow.

After every war one expects the postwar tensions to increase racist hatreds. Added to that, almost everyone feared there would be a serious depression in America, and whenever men are hungry and jobless their hatreds increase. Fortunately for American democracy the depression did not come as expected, although there are some signs of it now.

But racist hatreds feed on whatever comes to hand. The old lies have been revived, and new ones have been fabricated. The purveyors of hatred still brush up the big lie which portrays the Jews as performing the miracle of running both big finance capitalism and communism; columnists still single out the names of Frankfurter, Lilienthal, Keyserling, when they attack the socialism of the Fair Deal; the same columnists still accuse the bitterly antitotalitarian labor leader, David Dubinsky, of being totalitarian. And there are still the same dismal parrotings as of old about the Jews as cowards in war, when not only their record in every American Army but now the impressive military achievement of the Israeli Army gives it the lie.

But new tensions have arisen. The hunt for subversives has cast the Nation into a hysteria. Whenever, among the various names of the suspects in the quest for disloyalty a Jewish-sounding name appears in the press, the anti-Semites pounce on it as fodder for their hatred. This despite the fact that the Jew has always been in the end

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a victim of totalitarianism, sometimes from the start it. chief victim—and knows it.

Finally there is the biggest and most dangero : lie of all—the "double allegiance" charge, with which I shall deal in my next column.

It is well known that there have long been numerous crackpot and fanatic racist groups scattered through the country. Thus far they have not succeeded in building a unified organization or agreeing on a single fuehrer. Ten years ago, in 1939, ex-Gen. George Van Horn Moseley seemed a likely candidate to unite Bundists, Klansmen, Silver Shirts, Coughlinites, and the others, and weld together such fledgling leaders as Joe McWilliams, Robert Edmonson, George Detherage, and Gerald L. K. Smith. But Moseley made a fool of himself before the Dies committee and his boom petered out.

Last year there were two attempts to unify the extreme "nationalist"—that is, anti-Semite—groups. One was a conference of pro-American Nationalists, sponsored by Andrew B. McAllister and George E. Hornby, which talked of forming a united nationalist front. The second was Gerald Smith's convention of the National Christian Party, at St. Louis, which nominated Smith for President and at which Moseley turned up again as a speaker. But Smith didn't get on the ballot in a single State.

Last week in Philadelphia two anti-Semitic groups got together to lay plans. Present were W. Henry McFarland, Jr., of the National Action League, and Conde McGinley of the Loyal American group. They announced that they would hold a national convention at Hinckley, Ill., on June 15-17 and make another attempt at the elusive one big union of anti-Semitic and racist groups.

It has proved a will-o'-the-wisp. But it may not be forever.

PHONY DOUBLE ALLEGIANCE ISSUE

(By Max Lerner)

The most dangerous item in the hate campaign being conducted now against the American Jews by the "nationalist" anti-Semite groups I described in yesterday's column is the charge of double allegiance.

It is a phony charge. But let's look into its history, and some of its predecessors.

The big issue used to be whether the Jews were fighters or fellows better at talking than fighting. During the early stages of the Palestine war, some of the American Jews were worried at the support that Israel was receiving from the Jewish community here. They expected the Israelis to be licked badly in the war, and they didn't relish the backwash this would create in the muddy waters of anti-Semitism here.

I say to them now as I said then: Even if it were a matter of risking their own skins, the American Jews had to help the Jews of Israel in their crisis of life and death with material and moral support. As it turned out the risk would have been greater the other way if the support had been withheld.

The fabulous fighting qualities of the Israeli Jews electrified the world—Christians and Jews alike. Everyone likes a fighter and a winner. The Jews had for centuries been fighters, but they had also been victims and losers against their enemies. Now they silenced even the dullest-witted critic on that score.

As I have observed Americans in the past year in traveling around the Nation, I cannot say that anti-Semitism has decreased. It has not. The Jews are still hated by bigots and racists. But with a difference. The hatred used to be mingled with contempt for their weakness. It is now mingled with admiration for the fighting strength they have shown. Qualitatively that is a big difference.

But a new myth has arisen to take the place of the myth of cowardice. It is the myth of double allegiance. Unfortunately it is not the professional anti-Semites alone who spread it. Some of the leaders of the Jewish community play into their hands. They are sensitive to the possibility that all American Jews might be charged with being hyphenated, owing emotional allegiance not only to America but also to Israel.

Their way of answering it, as in the case of some of the members of the Council for Judaism, is to attack the Zionist fanatics and dissociate themselves from them. Their intentions are good, but the result is to underscore the charge of the anti-Semites that most Jews are fanatics and owe double allegiance. They even quote Jewish sources.

What is the truth? The truth is that the anti-Semite will change his tune with the times, but retain his hatred. The great cry of the racists against the Jews used to be that they were "queer," "clannish," "outsiders." It used to be that when an anti-Semite wanted to gibe at a Jew he said: "There goes a man without a country." Now he points to the Jew and says: "There goes a man with two countries."

Perhaps this is progress. But both gibes are lies. The Jew has always wanted to be part of the nation he has lived in, only to be rebuffed time and again by those who hated him. He was never in his mind a man without a country. Nor is he now a man with two countries.

On the score of political allegiance, there can be no question about it. The American Jews feel allegiance only to America. And he is happy, as the Zionists have again affirmed, to let Israel be run by the Israelis. But just as American Catholics rightly have a sense of kinship with Catholics all over the world, so American Jews have that sense of kinship with Jews elsewhere. Their enthusiasm for Israel is intense because what Israel has done has helped restore their pride as Jews, and remove from their hearts the terrible fear that they will always be doomed to be victims. But it is the bond of a common religious and historical community, not a political bond.

"All decent interests are in harmony," someone has said. This applies to the interests of American Jews as unqualified Americans and as members of a world Jewish community. So far from feeling himself split by any conflict of loyalties the American Jew for the first time is fulfilling himself as an American and a Jew, and feels himself becoming a whole man.

Willard Seventy-Fifth Anniversary

EXTENSION OF REMARKS

OF

HON. ALVIN F. WEICHEL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. WEICHEL. Mr. Speaker, transportation has been one of the outstanding achievements in making America great, especially the pioneering of the railroads throughout the Midwest. Railroad transportation throughout our country has not only made it great in time of peace but has preserved it in time of war. The Baltimore & Ohio Railroad in World War I as well as World War II was an important link of our national defense and the community of Willard, Ohio, with its ever faithful attention to duty helped to keep this great link of transportation in efficient running order, and I want to congratulate the Baltimore & Ohio Railroad and the citizens of Willard on the seventy-fifth anniversary of the founding of the town of Willard and this division of the Baltimore & Ohio Railroad.

Under leave to extend my remarks, I include the following news items from the Willard Times, of Willard, Ohio:

DIAMOND JUBILEE WAS BIGGEST CELEBRATION IN TOWN'S HISTORY—FOUR DAYS PACKED WITH INTERESTING EVENTS, FORTY TO FIFTY THOUSAND ESTIMATED ATTENDANCE

Willard's 4-day diamond jubilee which closed Sunday afternoon was the greatest celebration in the history of the town.

The gala event gloriously marked the close of the third quarter century since the Chicago division of the Baltimore & Ohio Railroad was extended on westward, with the consequent founding of the town at what has become one of the most important terminals on the B. & O. system.

The unexcelled program which filled almost every hour of the 4 days, the B. & O. historical exhibit, the two wonderful parades, fireworks displays, sports events, the midway, and other attractions brought to the town the largest crowds ever here for any occasion.

Ideal weather all 4 days contributed to making the celebration such an outstanding success.

In a large degree, a homecoming as well as a celebration, the diamond jubilee brought back to Willard hundreds of former residents, as well as being attended by large numbers from surrounding towns and communities.

The diamond jubilee committee anticipated twenty-five to thirty thousand people would be attracted, and reports are that the estimate was too low. Between forty and fifty thousand is believed more nearly correct.

BIGGEST DAY

The largest crowd was on hand Saturday afternoon and evening, Baltimore & Ohio day. Thousands lined the streets for the grand jubilee parade, and later heard President R. B. White's address at the YMCA Park. Myrtle Avenue was such a mass of people Saturday evening that progress through the midway was slow. Parking space blocks away from the main section of the town was completely taken by visitors who had come to the city to enjoy the festivities.

President White spoke in the highest praise of the town and the committee which promoted such an outstanding celebration. That all of the B. & O. officials here especially enjoyed the event and the special recognition of the railroad's part in the history of the town was evident from their many expressions and interest shown.

Thursday, June 2, the opening day, was railway labor organization day, with the program designed to emphasize labor's part in industry. The luncheon was in honor of George M. Harrison, grand president, International Union of Railway and Steamship Clerks, the main speaker for the afternoon, and local shop craft and union representatives.

The celebration was officially opened at 10 Thursday morning by the firing of aerial bombs, a band concert at the speakers' platform at the YMCA Park, presentation of the large golden key by Mayor Ray A. Snook to J. E. Wise, master of ceremonies, and the address of welcome by D. W. Gates, superintendent of schools.

OHIO DAY

Friday was State of Ohio day, when the luncheon honored State and local officials and addresses were given in the afternoon by Don H. Ebright, treasurer, and Robert Moulton, director of commerce, of the State of Ohio. The Bowling Green State University swimming and diving team participated in the aquacade in the evening at the swimming pool.

Saturday was Baltimore & Ohio day with special honors paid President White and other railroad officials. Mr. White's address was a high light of the afternoon program.

The junior parade with hundreds of children taking part was a main feature of the Friday morning program, and the grand jubilee parade a colorful pageant in the program for Saturday afternoon.

On Sunday, church homecoming day, many visitors helped fill auditoriums of churches for the morning services, and in the afternoon two outstanding addresses were heard at the special church day union service at 3 o'clock in the high-school auditorium. The speakers were Bishop Grant D. Batdorf, Cincinnati, of the Evangelical United Brethren Church, and Rev. Dr. Ignatius T. Kelly, pastor of St. Louis Catholic Church, Toledo.

Mansfield's One Hundred and Sixty-fourth Fighter Squadron of the Air National Guard flew aerial escort and gave a flying exhibition overhead during the parade Saturday afternoon.

SAW EXHIBIT

Nearly all visitors spent time looking over the B. & O. exhibit, which depicted the development in railroad transportation during the past 120 years and hundreds boarded the special train which left the station each morning for a sightseeing tour of the new railroad yards here. People were thrilled by the daring performances of the Marions, aerialists, twice each evening and the fine fireworks displays at 11 o'clock each evening. These were free acts provided by the committee. The midway of the Gooding Co., of Columbus, was above the ordinary with the latest rides, shows, and clean entertainment, and was devoid of the usual rowdyism of most carnivals.

The sports and other events at the city park drew large crowds and furnished fine entertainment.

A much appreciated feature of the celebration was the window displays of Willard merchants and business places. The old pictures, relics, and ingenious collections were a constant source of interest to the visitors and people of the town.

SUPERINTENDENT GATES GIVES JUBILEE WELCOME SPEECH—KEYNOTED BIG 4-DAY SEVENTY-FIFTH CELEBRATION

Because of the fine welcoming address of Supt. D. W. Gates of the Willard schools so fittingly launched the Diamond Jubilee Thursday morning of last week, it is printed in full, as follows:

"For the past several months the planning committee of the diamond jubilee has been working diligently to make this celebration a success. Although I am not a member of this committee, I have been assigned the pleasant duty of welcoming you, and the thousands of other persons who will visit Willard in the next 3 days. At this time, I would like to name the members of the planning committee: John Wallace, chairman; Raymond Clark, Robert Hamilton, Frank Jarres, Harry Jump, and Ray Snook.

"I am happy to see so many young people present this morning. They will have the responsibility of planning the centennial celebration in 1974.

"Naturally the people who attend the diamond jubilee will fall into two classes—those who will visit Willard to be entertained, and those who have deep-rooted ties in this community.

"For those who are seeking entertainment, the next 2 days will be crowded with activities—the B. & O. exhibit depicting 120 years of progress in railway history, the midway on Myrtle Avenue with its many attractions, parades, contests, banquets, and speeches.

"Today is Railway Labor Organization Day, tomorrow is State of Ohio Day, Saturday is Baltimore & Ohio Railroad Day, and Sunday is Church Homecoming Day."

PROUD OF THESE

"We trust that our visitors will take time to admire our city building and modern business section with more than 65 retail stores; our 7 established churches; the most modern railroad yards in the world; our municipal light, water, and disposal plants; our 33 acres of beautiful park, recreation grounds, and swimming pool; our 40-bed modern and complete first-class hospital which will soon have an addition.

"Our first-grade high school accredited by the State department of education and the N. C. A. of C. and S. S.

"Our very complete county library of over 20,000 volumes with six branch libraries; Celeryville with its 10,000 acres of peat muck which makes it the garden spot of Ohio; the Pioneer Rubber Co. which employs nearly 500 persons, the world's largest manufacturers of balloons and surgical gloves; the most modern airport for a city of its size in Ohio; the Railways Ice Co. with facilities to manufacture 120 tons of artificial ice daily; the Ideal Laundry which serves Willard and seven nearby villages and cities; the Willard United Bank with branches in North Fairfield and Greenwich; the railroad YMCA which has been serving railroad men for 43 years.

"We are justly proud of our city's possessions. We want you to enjoy them with us.

"For those who have deep-rooted ties in this community there will be the meeting of old friends—renewed acquaintances and the visiting of familiar landmarks. This is one of the really great joys of life.

"Since that memorable day in 1872 when T. J. Frazier and Robert Henderson, engineers in the employ of the Baltimore & Ohio Railroad, set the stake in the middle of the tracks of the S. M. & N. lines (only a few hundred yards from where we are now standing) to build a railroad west to Chicago, Willard was destined to become a city."

MANY GRADUATED

"In the past 75 years countless thousands have been employed here. Many have reared their families in Willard. More than 2,000 persons have been graduated from Willard High School. In fact, with the graduation last night of the class of 1949, 2,019 young men and women have received diplomas from our high school. Other thousands have attended school here and formed friendships which still exist.

"Working for a railroad means transferring and moving. Many will return here during this celebration.

"To these the diamond jubilee will be a joyous homecoming.

"You have just witnessed the presentation of the key. That presentation is a symbol that each visitor has a share in that key and that this city's facilities will be open to you.

"Welcome to the diamond jubilee."

TIMES PRINTS ADDRESS GIVEN BY PRESIDENT R. B. WHITE IN FULL—INFORMATION IS OF SPECIAL IMPORTANCE TO THIS B. & O. TOWN AND RESIDENTS

The enlightening address of President R. B. White, of the Baltimore & Ohio Railroad, given Saturday afternoon at the diamond jubilee is printed in full because it is believed that all Times' subscribers will want to read it.

President White pointed out that the railroad paid in wages to its 1,314 employees here in 1948 the total of $4,441,524.72, was Huron County's largest taxpayer, and that the railroad invested $264,000,000 from 1939 to 1943 in improvements, including $29,000,000 since 1941 in Willard and within a radius of 75 miles.

His address not only dealt with the B. & O. but with other forms of transportation and the kind of competition the railroads must meet. His address follows:

"Mr. Chairman, city officials, honored guests, members of the Baltimore & Ohio family, ladies, and gentlemen, Willard's diamond jubilee committees have dealt generously with the Baltimore & Ohio. The official letterhead of the celebration shows B. & O. locomotives as the symbols of the dates that are being celebrated today. A balloon-tacked steam engine represents the year 1874 and a streamlined Diesel represents 1949. The liberal use of the B. & O. colors of blue and gold in your decorations recognizes the important part our railroad has had in the development of your community. We are pleased, also, that you selected a setting on our property and bordering so closely to the right-of-way as a focal point for this celebration.

"His Honor, Mayor Snook, and other Willard citizens visited me in Baltimore last January to discuss their plans for this celebration. They were assured of our desire to cooperate. Among other things they asked that our exhibition train of historical equipment be stopped here for the period of the jubilee. It was on that account that they graciously agreed to make today, June 4, Baltimore & Ohio Day, as it is necessary for the exhibition train to be in Chicago on June 6. These exhibits are to play an important part again this year at the Chicago Railroad Fair in the impressive transportation pageant, Wheels A-Rolling."

MENTIONS FAIR

"Some of you visited the Fair on Baltimore & Ohio day last summer. This year Baltimore & Ohio Day will be August 20. We are planning to run special trains and I hope that many citizens of this community can make the trip, including such Baltimore & Ohio employees as can be spared from their duties. It was a fine fair last year and will be even better this year.

"Another gratifying proof of the B. & O.'s place in this community is found in the May 26 issue of the Willard Times, which was devoted largely to your jubilee. I wish to thank the editor of this paper, Mr. Earl S. Frye, for his many references to the Baltimore & Ohio and also to congratulate him on the all-around fine character and content of this issue.

"It is a real pleasure for me to be here today, and may I say the same for the other members of the B. & O. official party who have come from Baltimore and other cities. When you held your fiftieth anniversary in 1924 I was general manager of the New York properties of the B. & O. and did not have the opportunity to come here. But Mr. Daniel Willard, for whom your city was named in 1917, and whom I succeeded as president of the B. & O. in 1941, was here with other officers of the company and addressed you.

"Mr. Willard was a great citizen, as well as a great leader, and was an inspiration to those who were closely associated with him. His career will continue to be an inspiration as long as he is remembered.

"It has been a source of great satisfaction to me to follow Mr. Willard, whom I knew so well and so greatly admired. He developed many principles and policies on the Baltimore & Ohio, especially in the field of employee and public relations."

PRAISES JENKINS

"I wish now to pay tribute to another man, a long-time resident and benefactor of your community. I refer to Mr. R. R. (Railroad) Jenkins. He entered the service of the B. & O. here as secretary of the YMCA on March 1, 1909. He is the oldest secretary in point of service and also of age of any connected with the YMCA in the United States. He will be 83 years old on June 21 next, and is still going strong.

"I realize that there are many in this audience who are not B. & O. employees or members of their families. Yet the B. & O. is such an important factor in the lives of most of the people here that you will understand why I wish to talk to you primarily about the railroad situation. It might be pointed

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out, for illustration, that we had an average of 1,314 employees at Willard with an annual compensation of $4,441,524.72 in 1948. For the same period, in Huron County, including Willard, the annual compensation was $4,558,531.80. That is a pretty sizable amount of money to distribute in any community, and I am sure it has had much to do with the prosperity of your city.

"The B. & O. is also a big taxpayer. In Huron County, including Willard, B. & O. taxes in 1941 were $55,661, but in 1948 had been increased to $67,764. The last available figures from the Department of Taxation of Ohio indicates that the B. & O. pays almost 7 percent of all the taxes collected in this county.

"The first train between Chicago Junction, as Willard was then called, to Chicago, operated on November 23, 1874. It gave the B. & O. entrance to what has become the greatest railroad center, and one of the greatest traffic-producing centers, in the world. It also gave us a through route on our own lines from Baltimore, on the east coast, to Chicago."

FIRST TRAIN

"The rapid development of railroad transportation is strikingly illustrated in the B. & O.'s exhibition train now on view here. One exhibit is the pioneer horsecar. It hauled excursionists from the old Mount Clare station of the B. & O. in Baltimore as early as January 1830. And cars of this type, horse-drawn, were advertised in the Baltimore American of May 21, 1830, to begin operation three times a day, each way, between Baltimore and Ellicott's Mills, Md., on May 24 of the same year.

"This pioneer car and the B. & O.'s Tom Thumb locomotive of 1829, the first locomotive built for a railroad in this country, show the first steps taken to create what is now the greatest continental railroad system in the world. And the progress made in the physical equipment of the railroad in the intervening 119 years is forcibly illustrated by the beautiful modern coach on this exhibition train. An even further development, namely, the Diesel-electric locomotive, is now a familiar sight to the people living along the line of the B. & O. And when you see one of the long four-unit Diesels passing through Willard it is well to remember that it cost the B. & O. about a half a million dollars.

"Over the 120-year life span of American railroads, more than $30,000,000,000 have been spent for their construction and equipment. And seldom has there been greater difficulty in the securing of new money for improvements than now. The reason is not hard to find. The earnings which the railroads have been permitted to make have been so small, relatively, that investment in railroad properties and improvements has had little appeal. Even so-called rich railroads have been unable to sell new stock at par. Investors have found more profitable opportunity for the employment of their money in other industries.

"Yet the need for new investment in railroads is as great today as it ever was. Indeed, it is greater than ever before because the railroads now face unprecedented competition from other forms of transportation."

BIG SUM

"It is estimated that the Baltimore and Ohio spent $400,000,000 in improvements in the 20-year period between 1910 and 1930. Investors looked with greater favor upon railroad prospects during that period than they do today although most of that investment was borrowed money.

"Little new money was invested in the B. & O. in the early 1930's. The money was neither in hand nor could it be borrowed. It may, however, surprise you to know that in the ten-year period, 1939 to 1948 inclusive, the Baltimore and Ohio has invested more than $264,000,000 in improvements. About $90,000,000 of this was spent in improvements to roadway, and about $174,000,000 was spent in new and improved equipment, largely locomotives and cars.

"A substantial part of this improvement program was paid from the relatively good earnings resulting from the peak business handled during the war years. An even larger part, however, was borrowed, largely for the purchase of new equipment, on a partial payment plan. Here, not having funds available for outright purchase we made a down payment. And we agree to pay the balance in installments. Not until these are completed do we get title to the equipment.

"The people of Willard have reason to know of the B. & O. improvement program, since substantial sums have been invested here since 1941 on new facilities. The investment includes yard improvements, the automatic car retarder installation, Diesel freight locomotive facilities, new storage tanks and new and improved interlocking plants.

"Within a radius of 75 miles of Willard, more than $29,000,000 has been spent on improvements since 1941. The largest of these is the new dock facility at Toledo, constructed jointly by the B. & O. and the New York Central, and the second largest is the new dock facility at Lorain. In Chicago new yard and terminal improvements have been made as well as substantial improvements to line of road on the Chicago division."

BETTER POSITION

"The Baltimore & Ohio Railroad is in a better position today to attract and handle business than ever before in its history. We can run our trains safer, faster, and more efficiently. We can give better service and keep our operating costs in better control, despite the fact that our wage and material costs during the past year were higher than ever before.

"We have no choice in this matter of improving the property so as to bring about better service and greater efficiency. We are constantly faced with the competition of many strong railroads in our territory and, in addition, the competition offered by the common carriers of the highways, inland waterways, and the airways.

"Our problem, however, would be relatively simple in meeting the competition of our rail competitors. Nor would it be too difficult to meet other competition were it not a fact that a large part of the operating costs of the common carriers on the highways, the airways, and the inland waterways are paid for by the taxpayers through Government subsidies.

"No method of inland transport has ever been discovered that is more efficient than the railroads. Nor, in my opinion, is it likely to be discovered. The entire record of American railroading is one of increasing efficiency. Year after year, decade after decade, service has been improved and charges for that service, generally, have been lowered as related to the charges for other services and commodities. I have pointed out that the first regular rail passenger service in American began on the B. & O. on May 24, 1830. This was between Baltimore and Ellicott's Mills, 26 miles for the round trip. The charge was 75 cents. Now it happens that a round-trip ticket today would cost just about that much. But the service today is much safer, more comfortable, and faster. And it should be remembered that in 1830 fresh eggs could be bought at 5 cents a dozen and a good suit for $5."

CHEAPER TRANSPORTATION

"Railroad people have every right to be proud of their industry. The faithful, old steam locomotive uses only a glass of water and a handful of coal to haul a ton of freight 1 mile, and a Diesel uses only one teaspoon of oil to perform the same task. The railroads are now paid about 1¼ cents to move a ton 1 mile. No other type of land transport is nearly as economical—if all the real costs of providing the service are included in the rate. No other type of land transport has even remotely approached railroad efficiency in handling the mass movements required by modern civilization.

"In doing their job, the railroads as private enterprises stand on their own feet without any Government subsidy whatever—nor do they want any. It is of vital importance to America's future that they continue to do so. Every competitor of the railroads is subsidized by the American taxpayer in one form or another. Trucks and busses, river barges, ocean shipping, and air lines all are dependent on the taxpayer for their continued operation. They should be made to stand on their own feet, pay their own way, and pay taxes comparable to the railroads. If this is done there will be no hidden costs paid by the taxpayer and we will have no trouble meeting competition, regardless of its type. As taxpayers you should insist at every opportunity that this be done. We should have all forms of transportation the public requires and that their patronage on a fair-rate basis will support. The railroads ask only for equality of opportunity.

"Of all the subsidized competitors of the railroads, inland waterways are a glaring illustration of inefficiency and waste. The people of this community and State have a vital interest in knowing the facts in this connection because for many years a determined effort has been made by special interests to promote the Lake Erie-Ohio River Canal, in large part through the State of Ohio. You may depend upon it that in the long run this would cost the taxpayers a great deal more than they could ever get out of it, and only the special interests backing it would benefit."

CITES EXAMPLES

"A typical illustration of what the advocates of inland-waterway improvements call, erroneously, 'cheap waterway transportation' is the Ohio River.

"I cite this because it is an important waterway. The tonnage moving over it is heavy. It is not by any means as costly to the taxpayer as some of the other inland-waterway developments of the country. But it is bad enough from the viewpoint of the taxpayer and the railroads.

"The Ohio River from Pittsburgh to Cairo is 981 miles. The Government has poured more than $226,000,000 into its improvement, or at the rate of more than $231,000 per mile.

"In contrast, the investment in railroad roadway, tracks, bridges, and other fixed facilities averages about $60,000 per mile. And, of course, the rail route from Pittsburgh to Cairo is only two-thirds as long. It can handle just as much traffic as the Ohio River, and handle it faster, and handle it every day in the year.

"You may have seen pictures in the newspapers during recent years when the Ohio River has been frozen for weeks at a time. Traffic couldn't move. Shippers then quickly turned back to the railroad, and they expected it to be there, ready to serve. And it was, reliable and dependable as always.

"No thinking person will regard it as fair for the railroads to be obliged to maintain their facilities in the public interest every day in the year, in part to provide for shippers who only use the facilities when the river is frozen up, or is too low or out of commission for some other reason, such as the oft-recurring floods.

"Of course the reason shippers use the Ohio waterways and other improved inland waterways of the country is because their costs of shipping are subsidized by public taxation. For the average ton of freight shipped 1 mile on the Ohio the taxpayer puts up about one-quarter of a cent. The

tax-paying consumer gets nothing for his money. The cost to the consumer of goods moved over the Ohio River is no less than had it moved by rail. The profit goes to the relatively few shippers who are equipped to use this and other waterways. It is the taxpayer who, in the last analysis, pays this profit."

TAXPAYERS PAY

"Time permits only bare mention of the competition of the airways. You must know that practically all of the airports are built by public tax money, and that many of them are operated in varying degree the same way. Services such as navigational aids used by the air lines are also paid for by the Government.

"And that is not all. The Government further subsidized airplane service in the transportation of United States mail. While the railroads carry 94 percent of the mail, they actually receive less in pay than the air lines receive for carrying the remaining 6 percent of it. And remember the railroads are one of the Nation's largest taxpayers and, of course, a part of their taxes are used by the Government to pay this subsidy.

"This is unfair competition and it seems especially unfair to railroad people because the paying of so large a part of their capital and operational costs out of public taxation makes it possible for the air lines to reduce their rates for passenger travel to levels approximating those of first-class passenger travel by rail. And, what is more, advertise this fact. This makes people believe that air travel is as efficient from a cost viewpoint as rail travel when, obviously, such is not the fact.

"All good Americans have the utmost admiration for the amazing development of air carriers, both passenger and freight, and for the tremendous job they did during the war. But we want to keep our feet on the ground when it comes to comparing the cost of airborne traffic with the cost of rail traffic. It is difficult to find out the cost of building a great modern airplane. Yet we know that a manufacturer of big cargo planes recently made a contract with the Government to build 37 of the most modern types at a cost of $22,000,000. That represents a cost of about $600,000 per unit. For about the same amount the B. & O. could purchase a freight train of 60 cars, hauled by a Diesel locomotive of 3,000 horsepower. The maximum load of the plane would be 30 tons net cargo. The minimum load that could be hauled by this freight train on our line, except on a few mountain grades, would be about 1,150 net tons, or more than 30 times as much tonnage as the maximum capacity of the plane."

NEED RAILROADS

"General Hoyt S. Vandenberg, Chief of Staff, United States Air Force, speaking in commemoration of Army Day on April 6, 1949, in Baltimore, said: 'Lest anyone think that the advent of air transport has made land transport obsolete, it may be well to remember that for every man who travels a mile on our air lines in this country today, 10,000 men travel a mile on our railroads.'

"The most serious form of subsidized competition which the railroads experience, however, is that of the common carriers of the highways. And it is clear that the people of the country as a whole are becoming more and more aware of how serious it is to them because of the way it affects them as taxpayers and owners of private automobiles. Indeed, the truckers' organization alert most of us to this problem by their constant demands for greater privileges. Hardly a meeting of a State legislature passes without the introduction of bills designed to permit bigger trucks with heavier loads to operate on our public highways. There has also been afoot for some time a movement designed to take away from the States altogether the right to set limits on the sizes and weights of highway vehicles and place it all in the hands of the Federal Government. I do not believe any of you want to see this happen.

"In State legislative meetings held this year some new bills introduced by trucking interests have been defeated. Others have passed. There is only one thing of which we may be sure, namely, that the common carrier trucks will continue to demand more and more use of the public highways and that if their demands are granted the results will hurt both the railroads and the national well-being.

"Despite the almost unanimous protest of State public road officials against increases in the sizes and load limits of trucks, such proposals are constantly being made. In addition to the demands the trucking interests are making for greater privileges on the public highways, press reports indicate clearly that there is an organized flouting of laws and that the overloading of trucks and trailers is a common practice. You must all be familiar with what is going on in this respect in your own State."

MANY VIOLATIONS

"In the first 3 months of this year, 1,150 cases of truck weight violations were reported by the State Roads Commission in Maryland.

"In 1946 the State of North Carolina, with only six inspectors observing overloaded trucks on its highways, collected $501,751 in fines for overloading. This total went up to $608,681 in 1947, and to $708,209 in 1948. Furthermore, the General Assembly of the State this year increased the penalty which could be ordered paid by overweighted trucks, outside of court, from $3 to $10 per 1,000 pounds.

"Similar violations of truck weight laws are noted generally. The people of the country are becoming increasingly aware of this. They recognize that truck weight laws have been passed for the protection of the highways which they have paid for. They do not relish seeing violators of these laws destroy their highways. Furthermore, owners and operators of private automobiles know from their own experience the hazards, inconveniences and unnecessary costs created by the huge freight trucks which, they encounter on the highways.

"This is a question affecting the well-being of the country and all its citizens.

"No one questions the fundamental need of an efficient railroad system for this country in peace and war. We remember that 90 percent of the intercity freight and 0.98 percent of organized troop movements were carried by the railroads during the last war. No other form of transportation could have possibly taken on this load, and there was no other form of transportation to take it. It has been clearly proven this Nation cannot function without its railroads, and until a way is found to get along without them they must be kept strong. To weaken them would be disastrous.

"We have a good cause. We have no apologies to make. We are proud of our accomplishments. In fact, we have performed so long and so well that the public takes for granted a continuance of railroad service. We must now have a full understanding of the real facts of the situation and what is being done with the taxpayers' money.

"I believe that we are making steady progress to that end and I urge you to join me in that effort.

"Surely, the great American railroad system has been more responsible than any other single element in our economy, save agriculture, for the great development of our Nation. It is as essential today to national well-being as ever, and deserves universal support and equality of opportunity.

"I appreciate the cordial welcome which we B. & O. people have received from our friends of Willard today."

Inflation Is Not Prosperity

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. SHAFER. Mr. Speaker, for years I have been warning the people of my district and the people of America to expect more and more inflation as a result of the New Deal and Fair Deal policy of frittering away the people's hard-earned money both at home and overseas.

I have been saying that the kind of inflation against which I warned was not synonymous with prosperity. That is a fact which many New Dealers and a lot of muddled economists of both parties have been forgetting. The history of Italy and of other nations in all recorded history where there has been disastrous inflation has proved that inflation and prosperity were not synonymous.

So it was with more than casual interest I noticed the other day a report from the United States Department of Commerce commenting on the fact that, at the very same time general business was falling off and unemployment was increasing, prices were rising at the consumer lever. It is a fact. After a drop of only 3 percent in the cost of living, extending over a period of 5 months, the cost-of-living index last month turned upward again.

In other words, we, the people, are finally beginning to see how the shoe of inflation really pinches. We are experiencing the inevitable results of the causes the New Deal has espoused so long.

As this inflation picks up more and more, comparably, the American people will see that something is wrong with the theories about our tariff policies, and the give-away and throw-away policies of the present political administration.

Mr. Speaker, 2 years ago, I stood in the well of this House and declared that 1 year from then there would be higher prices, directly attributable to the lend-and-spend policies of this administration. A year ago I predicted that we were headed for economic stresses and strains and that prices would get higher. I said at that time that some day, inevitably, the fruits of the trees being planted by the New Dealers would be apparent to all who would look. Now, those fruits are becoming more and more apparent.

Today, unemployment is increasing. I hold in my hand an Associated Press report, dated June 7, 1949, in which it is reported that national unemployment jumped 273,000 in May, hitting a new postwar peak of 3,289,000. As we all

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realize, this is not a true picture, because there are millions of men who technically are employed but are working only 1 or 2 or 3 days a week.

I do not predict a depression of the kind that came to this country as a result of the stock-market collapse. There were few good things one could say about such a depression as we used to have in the olden days. But one is that they bore within themselves their own cures. As prices went down and as adjustments took place, the economy stiffened, and, if left alone, headed back upward. But during the last depression we saw the New Dealers enter the picture with their fake cures. They pretended to cure the depression, but, as every statistic proved, they never did. Finally, the war cured the depression that began in 1929. It would have been over long before had the New Dealers not come into the picture with their grandiose ideas of spend and spend.

I do predict, for the years ahead, a very bad future for the American people unless we change our leaders. These leaders have only one cure for every ill. They are quack doctors with only one medicine—spend and spend and spend. Presented with a new and unusual kind of depression, such as the one that now is coming upon us, they do not know what to do. They suggested Government ownership of the steel industry to get more production. Now, they suggested Government ownership to be sure that steelworkers will have jobs when a fall in steel production appears. In other words, the same old cure for diametrically opposite ills.

They want to get control, of course, not only of the steel industry, but of every industry. They are collectivists at heart. Since the people, for the most part, cannot look ahead annd see what these New Dealers are seeking to do, it is my duty as a Republican to expose their aims to the people.

What is going to happen, economically? You are going to see unemployment continue to increase. You are going to see the Government budget unbalanced for year after year, thus further depreciating the value of your dollar. You are going to see prices stay high, due to the very effects of the New Deal. Wages are stratified. Wages cannot come down. Costs of doing business are more or less stable. In industry after industry and on farm after farm, you will hear the plaintive cry: "Our volume of business is going down, but we are strapped to the same high cost position."

As we have to replace roads, barns, homes, and other capital improvements and structures that were built back under the old price level, we will see that taxes—local and State particularly—will go up and up and up. This is necessary because of the high prices brought on by New Deal policies from the very first of the Roosevelt administration and continued right down until today by the New Deal party in power.

Yet, we will strangely see, in the midst of these high costs and high prices, more and more unemployment. Fewer men are able to go into business, because the cost of starting a business has become prohibitive. Thousands of small businesses now operating on the borderline will go into bankruptcy. The rate of business failure is picking up more and more. Yet, the Federal Government will see to it that money is plentiful, for the politicians who got into this mess will not want to see money get scarce. That is how you explain the billions in savings in the savings banks, insurance companies, and other institutions throughout the Nation. It will not be a fast process. Unemployment will pick up little by little. It will go on for years and years. Yet, prices will remain high.

Who, then, will pay the price for the follies of the New Deal? The very men and women who thought they could vote themselves into economic heaven by voting for the New Dealers. The poor widow on a pension. The social-security recipient. The millions who have jobs in little industries that are going broke. They are going to feel the result of the economic sins practiced by their leaders so long.

Mr. Speaker, I do not like to pose as a prophet of doom, but I challenge any man here to bring up this speech a year from now, or to go back and to reread the speeches I delivered a year ago or 2 years ago on this subject. We are heading into the shoals of economic trouble because of the long-continued economic fallacies of the New Dealers and the Fair Dealers.

The Republican Eightieth Congress tried its best to change the trend. It lowered Federal expenses and it lowered taxes. It tried to prevent business from being placed in an economic strait-jacket from which neither our private enterprise system nor our free, representative government could ever again obtain its freedom.

You will see prices for houses go higher a month after the administration rams through the new so-called Federal housing program. This is not a Federal housing program at all. It is a taxpayers' housing program. Every dime spent by Uncle Sam will come out of the jeans of farmers and laborers and businessmen throughout the Nation and used for the benefit of the lucky few who get to occupy one of the swank new homes or apartments to be erected at Government expense. This program, if enacted, will cause prices of lumber, bricks, building materials of all kinds, to go up almost immediately, thus causing the prices of new homes to go up, for Uncle Sam, as is well known, is a profligate spender once he gets started. There you will have more inflation. But the program will not create a single new bricklayer, a single new carpenter, nor will it make those carpenters and bricklayers now employed work for less. In fact, they will be demanding more. That is the way we are going, under the New Deal.

There is a better way, Mr. Speaker. The people still can awaken and arise and see the error of their ways, politically. They can vote into office men who are determined to stop the constant drain on the taxpayers of this country to feed, clothe, furnish with motion pictures, and all the luxuries of life, the peoples of other nations abroad. They can vote into office men who know that one word—work—and work by every American, and that alone, can rebuild this United States and make it into a nation of happy, peaceful citizens. The people can vote into office men who will vote against any laws that put the heavy hand of government on the necks of more and more Americans, whether on farms or in business or in factories. The people can vote into office men who are determined to give the people a chance to work out their own salvation, not come with tincups, kotowing to bureaucrats and asking for hand-outs for medical services, free homes, or any other charity.

The people are waiting for us Republicans to tell them what every red-blooded, loyal American wants to hear—that the Government will stay out of business, attend to its own business, and let the people of this country run their own lives insofar as this is consistent with public safety and the protection of the public against shysters and crooks.

Unless the people do heed the lessons of history and turn from the New Dealers who have fastened themselves upon the backs of the people, this Nation can never dodge a long, steady slide into inflation, accompanied by widespread social unrest, unemployment, bewilderment and chagrin and, finally, a social revolution. It is tragic that there should be any possibility that the people would take such a road, but that road lies ahead if they continue to vote for demagogues whose sole aim is power and the emoluments of office, not service to the Government and maintenance of our precious way of life.

Truth-Giving Press Called Peace Builder

EXTENSION OF REMARKS

OF

HON. HAROLD C. HAGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. HAGEN. Mr. Speaker, under permission heretofore granted, I wish to include in the RECORD an address, Truth-Giving Press Called Peace Builder, delivered by Gardner Cowles in Minneapolis May 26, 1949.

The Minneapolis Star and Tribune are owned by John Cowles, Gardner Cowles, members of their families, and employees. The company, of which John Cowles is president, has just dedicated a new building, which is one of the most modern newspaper publishing plants in the world.

Incidental to the dedicatory services, Gardner Cowles, who is chairman of the board of the Minneapolis Star and Tribune Co. as well as publisher of Look and Quick magazines and the Des Moines Register and Tribune, delivered one of the principal addresses to some 600 businessmen of the Twin Cities and Minnesota. His excellent address, which was printed in the Minneapolis Morning Tribune of Friday, May 27, follows:

TRUTH-GIVING PRESS CALLED PEACE BUILDER

(Following is the complete text of the address of Gardner Cowles, chairman of the

board of the Minneapolis Star and Tribune, and president of Look magazine and of the Des Moines, Iowa, Register and Tribune, at the second civic dinner of the Star and Tribune dedication program at the Radisson Hotel Thursday night.)

As you may know, I am close to the Minneapolis Star and Tribune as an officer and a substantial stockholder. But even though I sometimes kibitz from New York, I am not a worker on the staff day after day. So I know you will forgive me for speaking first tonight a few words of the pride I feel for the Minneapolis papers.

The Star and Tribune are good newspapers—honest newspapers. I am sure any competent newspaperman would agree to that. And that fact is mighty important to Minneapolis. Superior newspapers help build a superior community. We know that an outstanding college or a great university lifts the culture and stimulates the thinking in a city and a State. So better newspapers can contribute much to the education, to the civic consciousness, to the business growth, to the general welfare of the community through the years.

While serving this community, the Star and Tribune have, in my judgment, developed an outstanding news and editorial staff. They also have built competent and vigorous management. These are important facts to remember as the new building is dedicated this week. The building is important only to the degree it serves. It will help the staff develop even greater newspapers through better working conditions and better facilities. And I sincerely believe that in the decade ahead, the Star and Tribune will build for themselves a record of achievement and service of which the whole upper Mississippi Valley will be proud.

MUST KEEP JUDGMENT

But as we think ahead to the work that will be done here, we are conscious that as persons, as newspapers, we are part of a great Nation. And this Nation, part of the free half of one world, faces a half world that is not free. Although this raises fundamental problems that must be solved, we need not be afraid. True, the prophets of doom have just about turned America into a crowd of nervous, neurotic Paul Bunyans. But we can face the future with confidence and optimism. We can if we remember our strength. And if we keep our judgment.

If we are to have good judgment, we must know what goes on. This was well emphasized by Bernie Baruch, a wise, hard-headed, kindly elder statesman, who loves to quote his saying: "Every man has a right to his own opinion, but no man has a right to be wrong in his facts." And that, I think, spotlights the major reason the American people are having such a struggle making up their minds on a policy toward Russia and communism. They have had, and are having, such a hard time learning the facts.

Without facts, it is difficult for Americans to believe that 14 men in the Kremlin are determined to cause a revolution in the United States. We can't appreciate why they feel an American revolution, and the chaos which would result, is so important to their welfare.

I speak feelingly on this point because in the fall of 1942 I accompanied Wendell Willkie to Russia and sat in the Kremlin when he talked with Stalin. I heard Stalin say, with much emphasis, that he had no real interest in territorial expansion. Nor was he interested in the world-revolution thesis of the Marxist philosophy. He said that when the war ended, all he wanted was to rebuild Russia. Then he could give the people some of the things constantly promised, ever since the revolution in 1921, to raise their standard of living. Stalin impressed me then as sincere and honest on this basic position; no Russian expansion, no world revolution.

After my return from that trip, I went around the United States speaking and writing that we would have no serious problem with the Russians after the war. I suppose I will never know whether Stalin was insincere in his talks with Willkie, whether he later changed his mind—or whether he may no longer be sole master of Soviet policy.

It's natural, perhaps, that the American people want a quick and easy solution of the Russian problem. But I don't think there is any such solution. I am afraid the problem will be with us for many years. Russia is a growing, vigorous nation. It is rich in resources and is just learning to flex her muscles in an industrialized world. Even if her Government were not Communist, I am afraid her expansionist dreams would persist.

PROBLEM TO LINGER

So we may have the Russian problem for years. That probability brought a comment from Winston Churchill just a few weeks ago in New York. I heard him say that the United States will have to learn to live with a Russian problem just as England has lived with a Russian problem for more than 140 years. You will recall that Czar Alexander the First marched with the Russian Army into Paris in 1814 when Napoleon collapsed. The main question of the peace conference that followed—the Conference of Vienna—was how to get Russia out of Europe.

During much of that troubled period from 1815 to 1865, Lloyd Palmerston was Foreign Minister or Prime Minister of England. And he made this significant observation: "Russia is always expanding as much as the apathy or timidity of her neighbors will permit."

You remember that Russian expansion also brought some of the most bitter words ever spoken by Teddy Roosevelt at the time of the Russo-Japanese War: "If the Russians go on as they have gone ever since I have been President," he said in 1905, "they are hopeless creatures with whom to deal. They are utterly insincere and treacherous; they have no conception of truth."

Now, of course, the expansion aims of Russia are a dark thundercloud on our horizon. Just how much I realized only last week when I spent an evening with Gen. Bedell Smith who recently returned from 3 years in Moscow.

He feels it is dangerous for us to hope that the death of Stalin, a palace revolution or other internal troubles will halt the Soviet drive to expand. And he emphasized what a foothold Russia has today in Europe; in 1803, one out of seven Europeans were Russians. In 1900, one out of four were Russians. Today, one out of every two people in Europe are Russians or are people living under a government taking its orders from the Kremlin.

If the Russian problem is going to perplex us for years, we obviously need allies. Along with the Atlantic Pact nations, we can look to Germany. Winston Churchill told a group in New York that America must forget her bitterness toward the Germans—difficult as that is after two world wars. And he made a lot of sense.

"After all," Churchill said, "why do you knock down a man except to pick him up in a better frame of mind?"

Churchill's feeling about German is sound, I think—just as I think history will record that his war strategy, which did not always prevail, was prophetically sound. And now his pleadings of today for a real coalition of the free peoples to form a new and adequate balance of power against an expansionist Russia and the infiltration of communism is, I think, the right way to avoid world war III.

COMMON MAN'S TASK

But this balance will be hard to hold. For on one thing alone do all men agree who have been dealing with the Russians: The men in the Kremlin are tough realists. They are not starry-eyed opportunists. They will not provoke a new world war if the array of strength against them is overwhelming—as it can be if the free half of the world unites.

This, although oversimplified perhaps, is the power-politics side of the problem. But there is a much more complex part of the struggle. And because it is complex, it is usually inadequately described as an ideological war between communism and democracy. Yet, it is really a good deal more than that. It concerns basic concepts of social progress, political organization, and human relationships. It poses such fundamental questions as: How can the material lot of man be improved while retaining freedom? What are the social requisites of freedom? What, after all, is freedom worth?

As we consider the framework of freedom, we realize that a profound change has occurred in human affairs in the last 50 years. This change is the result of three great social developments: Nearly universal suffrage or the right to vote, popular education and the perfection of techniques of modern mass communication. The net result has been a transfer of unprecedented power to the masses. Great groups of men and women, acting together, have learned ways to make their potential power effective. As you might expect, these unaccustomed powers are being abused in many quarters. They can terrify you and make you despair. But I think we had better face up to the fact that the common people are in a commanding position the world over. They will not be displaced short of dictatorship. So the future of freedom is really now in the custody of the common man.

If I am right that the preservation of freedom has become a charge of the common man, then it follows that the common man must acquire knowledge equal to his new responsibilities.

Real knowledge, of course, is too often a rare thing. We pride ourselves on the literacy of the American people. But it is a primitive literacy measured against the need for knowledge and understanding in our complex society. To what extent, for example, does the man in the street have any real awareness of these factors: The requisites of popular rule and stable self-government; how justice is administered; the importance of maintaining law and order? To what extent does he realize the significance in our economy of private initiative, of the sustained flow of venture capital? What does he really know about the importance of high productivity on the part of labor, of the profit motive as a prime mover in any free, competitive system? To what extent does he see the inescapable connections between collective freedom and individual honesty, tolerance, charity, courage, and honor? These are matters of understanding. Without understanding, people are ignorant—and through sheer ignorance can lose their freedom.

The only answer to ignorance is education and more education. And I mean more than just the formal education in more and better schools, colleges, and universities. I mean more adult education, more public forums, more discussion groups. But above everything else, I mean better newspaper and magazine editing, better news and discussion and debate programs on the radio. And I mean the use of the powerful new medium of television to make the people understand and think. Too much thinking nowadays goes on in a bath of noise, because life is so busy, so complex. This noise and the complexities of life are leaving the common man appallingly confused and misinformed.

DISCIPLINE NEEDED

Such confusion and misinformation bring me to my basic point: Knowledge alone is not enough. Freemen must learn self-discipline or freedom cannot be preserved even in an educated United States. I ask these questions: Can men and women who are ex-

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sentially free be taught to subordinate their individual interests to the well-being of all? If in possession of power, can they see the necessity of exercising it for the common good? Can they be led to show generosity toward the less-privileged and courage in the face of frustration and failure?

This concept of discipline is crucial with us. For the present world conflict is essentially a struggle of fundamentally opposed social disciplines. The discipline of the dictatorship is forced, regimented, ruthless, utterly demanding, built on fear. The discipline of the free or democratic society is built on hope and aspiration, on the promise of greater hapiness and well-being. It is a discipline that must be responsible and self-imposed. Without this sort of discipline, our democratic way of life is doomed to self-destruction.

Self-discipline and responsibility are corollaries of freedom in our society. Yet in recent years, it seems to me, we have talked too much about freedom and ignored what goes with it. We have had the Atlantic Charter of the "four freedoms." We need an additional Atlantic Charter covering the responsibilities and disciplines required of a freeman if his society is to remain free. Soon we must begin to persuade the common man that he has obligations of responsibility and self-discipline. Otherwise his complacency, apathy, ease, and excessive self-interest will ruin even America.

In the light of these problems of power politics and the war of social disciplines, let us look at our strength. And, believe me, our strength is fantastic. For example:

On the average, productivity has increased in the United States almost one-fifth every 10 years since 1850. Today, with 6 percent of the population and 7 percent of the land, we are literally supporting the world. Or, to put it another way, with roughly one-fifteenth of the population of the world, with one-fifteenth of the natural resources, we are producing one-third of all the goods and services in the world. And that is the final test of the efficiency of our system.

With such efficiency and strength, why do we spend so much time talking about the defects in our system? Perhaps we foolishly expect perfection. Yet one expert, Prof. John Jewkes, the great critic of socialism and author of Ordeal Through Planning, recently said: "It is fertile source of disenchantment to expect that there ever can be a perfect and ideal economic system combining absolute justice, complete efficiency, no waste, and no need for readjustment. That is true of a free economy as of any other. Some unemployment there will be, although I believe that we now have financial techniques which, sensibly and courageously used by statesmen, can prevent the evil of mass unemployment.

"Some waste there must be so long as consumers change their minds and technicians improve methods of production. Some inequality there ought to be if incentives are to be powerful enough to keep the system going. And as it seems to me, some monopoly is inescapable in the nature of any economic system. I am sure the right defense of the free economy is not to deny these things, but to point out first that such weaknesses can be kept within tolerable limits; and second, that most of these evils are much intensified in a collectivist society. The neurotic pursuit of unattainable tidiness in a real workaday world can well be left to the planners."

FALLACIES FILL AGE

Jewkes is right. Our system will never be perfect. But unfortunately so many of our people are so badly educated and informed on economics that they are in danger of thinking the millennium can be found in socialism or communism or the welfare state—whatever it be called. I am constantly amazed to see young and old, innocent and sophisticated, conservative and liberal, all bitten in some degree by the belief that, in some way, the state should and could order all the economic affairs of its citizens as a good housewife orders the affairs of a happy household. Truly, this is the age of economic mysticism.

One mystic belief that so many are indulging in right now is the silly notion that any problem can be solved by Federal spending. They think Federal spending will solve inflation or deflation, pensions, housing, education, medicine, health, unemployment, or what have you. I think the height of ridiculousness was reached when the Federal Treasury, in 1948, spent more money to support the price of potatoes than it spent to operate and supply the atomic plants at Oak Ridge, Tenn., and Hanford, Wash. And the 1949 potato bill will be almost as bad. All of which shows that in a democracy, particularly in the United States, the pendulum always swings too far.

In spite of our mystical economies, I think as a Nation we have got to make a choice for the next several years. This choice is between adequate armament, particularly air power, coupled with a reasonable but somewhat smaller program of foreign aid, on one hand. On the other hand, a greatly expanded domestic spending program on social security, health, education, housing, and so forth.

Our economy will not stand expanded spending both abroad and at home. If we attempt both, we are headed for disaster. The many domestic welfare projects which President Truman is proposing should properly be shelved until our gifts abroad can cease and when we can safely reduce our military expenditures.

After all, the important thing is to avoid another war and get some real peace in the world. Some of you have heard me use these statistics before, but I think it is well for us never to forget them: The last war cost the world more than $1,000,000,000,000. This is to say nothing of the dead, the maimed, and the broken-hearted by the tens of millions. A trillion dollars would build a comfortable 5-room house for each of the world's families. In addition, it would pay for the common-school education of 400,000,000 children for 25 years. In addition, it would build a $1,000,000 hospital for every community of 2,500 people the world over. When you realize the astronomical cost of war today, any expenditure now is cheap if it helps one little bit to avoid another war.

TRUTH MUST BE TOLD

Our efforts to avoid war have borne some fruit. We have achieved in the last year a great victory in western Europe, although we have suffered a great defeat in Asia. But on balance, I think we are winning out against the Soviets. A real peace is getting nearer.

With peace, the last half of this century can be a golden era for the United States. It can be, if the people of this great land are made aware of the basic truths: that the standard of living can be raised only through greater productivity, and that freedom is secure only where it marches hand in hand with responsibility and self-discipline.

Making the people aware is an educational job all of us face. Better and better newspapers will help accomplish this goal—and find in their work great rewarding satisfaction.

Soviet Anti-Semitism

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. MULTER. Mr. Speaker, the following, which appeared in the New York Post of June 8, is the third and last of a series of articles by Max Lerner. I commend it to the attention of my colleagues.

SOVIET ANTI-SEMITISM

(By Max Lerner)

For the last few months the American press has been raked by angry charges of a mounting anti-Semitism in the Soviet countries, and equally angry defenses of the Soviet position on racism. Typical of the first was Frederick Woltman's series in the World-Telegram. Typical of the second was the series in the Compass by Tom O'Connor.

As I read the two their intensities managed to cancel each other out. The issue is too important to be left to the mercies of rival propagandas. Important, I mean, not only as it affects the fate of Jews in eastern Europe or the fears of Jews in America. One of the facts about anti-Semitism is that its importance has always stretched beyond the Jews themselves as victims, and has become a massive moral touchstone of a civilization. The issue, as this paper put it in an editorial on June 2, is a moral issue that reaches to men everywhere. It sheds light both on the nature of communism as a going system and on the nature of man as a hating animal.

The first thing to do is to separate out the facts from the arguments. With the facts isolated we can weigh the interpretations.

It seems clear that communism has always been hostile to zionism, and while allowing Jewish religious worship and cultural life as it allows all forms of worship and cultural life as such, it has drawn the line there. It has suppressed zionism as a form of religious politics just as it has suppressed political catholicism for the same reason. Even granted the Communist assumptions, the rub lies in where you draw the line between religious worship and religious politics.

For example, I find it a heavy charge—and one I have not seen denied or answered—that Russia has recently suspended the leading Yiddish newspaper in the Soviet Union, along with suspending a Yiddish magazine, dissolving a Jewish organization, shutting up a Yiddish publishing house, and arresting (presumably among others, but the links in the pattern are disturbing) six important Yiddish writers.

These items seem to me more telling than some of the more hotly debated ones. For example, it is hard to draw any firm conclusions from the now famous caricatures against "homeless cosmopolitans." A New York Times writer was clearly way off base when he translated the name Zhid on the portmanteau of the "cosmopolitan" as "Jew" instead of the "Gide," part of Andre Gide's name. The Times ran a brief correction which is always futile. But while this incident sheds a doubtful light on American credulity it does not dispose of the problem of Soviet practices and institutions.

In the Russian drive against "cosmopolitanism" in culture, it seems to be a fact that a large number of those who have been attacked are Jews. Perhaps this is due to the Jew's traditional leaning toward being culturally a citizen of the world, which may apply even among Soviet functionaries. Perhaps it is all again a coincidence, since Jews have been dropping out of power positions in the hierarchy and occupy mainly the cultural posts. But it also fits into the pattern.

Those who argue that the Soviets are innocent point to the clear antiracist clause in the Russian Constitution, and some sharp utterances in the past by Stalin, Molotov, and others against anti-Semitism as a form of cannibalism. But an impressive scholarly study by Solomon M. Schwarz in the June issue of Commentary documents another trend alongside this one.

It shows that there was anti-Semitic hatred even among Communist Party members in the 1920's during the NEP period; that in the 1930's the tension eased but when the

purge trials came many of the victims were Jews in high posts; that the anti-Semitism of the Nazis was attacked in the popular-front period, but ignored (fascism is a matter of taste) during the Nazi-Soviet pact honeymoon; that while it was the Nazis who murdered the Russian Jews in the occupied regions the Russians seemed to lack the moral force to protect them, as the Bulgarians did and some of the people in western Europe; that while the Polish Jews were obviously better off as refugees in Russia than as corpses in Germany, they voted with their feet and left Russia as soon as they could.

Given this pattern of the past, is it unthinkable that one should discern anti-Semitism in the Russia of the present? The attitude of the Soviet bloc has been a forthright and generous one on the diplomatic issues of Palestine and Israel. But foreign policy is always decided by the Russians on grounds of realism as well as principle, and they seemed better informed than we on the weakness of the Arabs and the strength of the Jews.

The internal Communist line in Russia has always changed in response to world pressures. The present cold war seems to demand a tightening of ideological discipline in Russia and a campaign against Jewish cosmopolitans which are unreliable politically exactly because they took too enthusiastically to the earlier line. If the Russian rulers see it thus, they are capable of anti-Semitic practice. They have not shown themselves too tender on other matters.

I put this tentatively, but the pattern is strengthened by what is happening in eastern Europe. Not only have Zionist organizations been dissolved in Rumania and Hungary and Czechoslovakia, but the non-Zionist forms of Jewish cultural life have been gravely impaired. Worst of all, emigration out of Rumania to Israel has been completely stopped, and Jews trying to cross the border have been shot down.

One might call this, as one of the newspaper series does, the wiping out of the ghettos in which the Jews have lived. From a lofty Communist standpoint it may make sense to tell the east European Jew that he must stay put, not to try to emigrate, give up his Zionist dangerous thoughts, and his hopes of getting to Israel, become proletarianized, and help build the new Communist society.

But except in Bulgaria and Yugoslavia the Jews are tattered remnants of larger numbers, who have come to the end of a long road. In most cases they have no land and have been stripped of property and jobs. With the help of the JDC and ORT and American money, efforts are being made (I take this from Prof. Nathan Reich's excellent and dispassionate article, Jewish Life in the Russian Satellites, in the April Commentary) to retrain them and group them in producers' cooperatives. The prospects for this are especially hopeful in Poland. But in Rumania the offices of the JDC and ORT have now been closed.

What does this add up to? The trend is against the Jews both in Russia and its satellite countries. It is an obvious exaggeration to compare these trends, as Frederick Woltman does, to Nazi anti-Semitism. The Nazis killed the Jews. The Communists grant them physical survival, but they are crowding them hard to make them stop being not only Zionists but Jews. That is not murderous anti-Semitism but it is anti-Semitism nonetheless.

It is not mysticism, as some put it, for a Jew to want to remain a Jew, whether under a democratic or a Communist system. Nor is it racism. It is part of cultural inheritance, common memories, common sufferings, and hopes. That applies to others also, but the Jews have purchased their right to be whatever they wish to be too dearly to give it up willingly.

The experience of our time shows that Jews, like other minority groups, thrive best as whole persons under the old democracies of America and western Europe, and the new democracy of Israel. For there is something about a Jew that recoils from a storm trooper and there is something about a storm trooper that hates a Jew.

Federal Aid to Education

EXTENSION OF REMARKS
OF

HON. BROOKS HAYS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. HAYS of Arkansas. Mr. Speaker, under leave to extend my remarks I include the following statement which I recently made to the subcommittee of the Committee on Labor and Education considering Federal aid to education:

Mr. Chairman, I hesitate to take the time of the committee on a question which has been considered so long and so thoroughly by the people of the United States and by the Congress. However, in fairness to the people whom I represent and in fairness to my vital interest in this issue, I requested an opportunity to submit some facts and opinions on this question. Perhaps no issue before the Congress holds such large opportunities for good in our democracy as Federal aid for education.

I shall avoid further arguments to substantiate what I believe to be an irrefutable fact that Federal aid to education is a matter of great national interest. However, I seek your indulgence for a few statements concerning the principles of legislation which I hope this committee will embrace.

One of the best indexes of potential educational load in any State is the proportion of total population in the age groups 5 to 17 years, inclusive. Practically all children in this age group should be in school, and consequently there is an obligation to support a school program for this group. According to figures from the Census Bureau the proportion of school-age children range from 16.6 percent of the total population in New Jersey to 28.3 percent in New Mexico. Arkansas ranks eighth among the 48 States, with 26.1 percent. The potential educational load in Arkansas is approximately 57 percent greater than it is in New Jersey or New York.

Wealth and income constitute the economic basis of support for all phases of Government. In States where the average level of income is high the people can devote more to the support of governmental functions than they can in States where the average income is low. One good measure of a State's ability to support a desirable program of education, therefore, is the average income per person in the total population of that State. A 1947 study shows that the most wealthy State has nearly three times the per capita income of the least wealthy. In eight States the per capita income in 1947 was over $1,600, in Arkansas it was $710.

Since the ratio of school-age children to the total population varies so greatly among the States this factor must also be considered in determining the ability of a State to support education. The income per child of school age varies more strikingly than the income per capita. In the most wealthy State, New York, the income per child between the ages of 5 and 17 inclusively is nearly four times that in Arkansas. The income per child of school age is more than $9,000 in five States but it is only $2,716 in Arkansas.

With slight variations these are facts which have been before various committees of the Congress for the past 25 years. However, I hasten to assure you that the people of Arkansas have not faced these facts with an attitude of hopeless futility. On the contrary, they have taken decisive steps to improve our educational system. With limited financial resources and a wealth of children it was imperative to provide a more economical school administrative structure. Because of this need and because of the desire to provide educational opportunities extending throughout 12 grades for every child, they adopted in the last general election an act to dissolve all school districts which had fewer than 350 children and annex this territory to larger school districts. This act will reduce the number of school districts in Arkansas from over 1,500 to approximately 400 on June 1, 1949.

While this act will provide a more economical school administrative structure in terms of cost per child, it will actually cost more money because it seeks to provide high school opportunities for thousands of children who have not had a high school to attend. Just to get these children to school will increase transportation costs by approximately $750,000 annually. The additional teachers will require an additional $1,000,000, $500,000 annually even on the present low-salary scale.

The people of Arkansas also adopted a constitutional amendment authorizing the people in every school district to levy by majority vote a property tax in such an amount as they deemed necessary for the support of their schools. And it is reasonable to expect a substantial increase in local school district taxes in the next 2 years. However, a substantial portion of this increase will have to be used for capital outlay purposes if Arkansas is to maintain any semblance of school buildings to house her children.

Just to provide the present limited educational program for a 9 months' school term for all the children of the State would require an additional $7,000,000 annually for current operating expenses. Even with its limited financial resources, the people of Arkansas will provide this 25-percent increase in total tax revenues in order to secure this $7,000,000. But this program is woefully inadequate. It will mean only 50 cents per day per child in average daily attendance. It is simply impossible to provide an adequate school program for this amount of money in any State.

No judgment concerning the effectiveness of any school program or its needs can be valid without considering certain factors relating to teachers. In the economic world we accept as a truism the statement "You get what you pay for." This statement is is not quite true in the area of teaching, but the fact remains that in low-salary schedules we are constantly discouraging competent young people from entering the profession. From 1937 to 1948 the average annual salary of all teachers, superintendents, and principals in Arkansas was increased from $571 to $1,548, but Arkansas continued to rank forty-seventh among the 48 States, even though the percentage gain was the highest of all the States.

Education is a science which requires the special training of those who seek to teach. A majority of those teaching in Arkansas have not had the training we would like for them to have, but what can be expected when teaching pays such low salaries? This situation can never be corrected until teaching pays salaries comparable to those paid in other lines of endeavor requiring similar training and experience. In Arkansas this

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can be accomplished only through Federal aid.

Because of the unmistakable conclusions which the foregoing facts warrant I introduced a bill to provide Federal aid for education, H. R. 1218. This bill is of the general grant-in-aid type of legislation having as its purpose the giving of financial assistance to the States to do a job which is generally accepted as a State function. I do not claim authorship of the various provisions of this bill. As a matter of fact, no single individual or single group of individuals can claim credit for all of the provisions which I have included in my bill. These provisions are the product of years of deliberation by congressional committees and interested individuals and groups. They are the product of expert professional advice and practical school administrative and legislative experience. The bill which I introduced is substantially the same as S. 246, which recently was passed by the Senate and is before the committee now for consideration.

I have given some consideration to the bill introduced by you, Mr. Chairman, H. R. 4643, and I want to assure you that in many respects it is the best Federal aid-to-education bill which I have considered. I particularly like your treatment of Alaska, Hawaii, Puerto Rico, and the Virgin Islands separate from the grants-in-aid to the States. Of course, I am not in a position to pass judgment on the respective allocations to these possessions but I do think that the idea of separate treatment is a sound approach to this matter.

Mr. Chairman, I think your simplification of the formula is excellent. It accomplishes the same purpose as the formula in my bill but it is much better stated. No one can fail to understand exactly how your formula operates. I particularly like that portion of the formula which allocates the full $300,000,000 to the States. I think that any bill passed by the Congress should authorize that full amount, though the budget problem may force a decrease in the appropriation. In my opinion, yours is the only bill before the Congress at the present time which does exactly that.

Personally I am very favorably impressed with the section on judicial review. I would like to see such a provision incorporated in any measure adopted by the Congress. The section of your bill dealing with annual reports is excellent. If any deficiencies appear in your bill, certainly they are not in the direction of making it possible for any Federal officer or agency to exercise any control over our public schools. The overwhelming majority of the Congress opposes Federal control. I, too, am opposed to Federal control of our schools, but it is obvious that there cannot be complete agreement as to what constitutes Federal control. The kind of Federal control to which I am unalterably opposed is that relating to educational policies as distinguished from fiscal policies. On matters of educational policy such as the employment or discharge of teachers, the determination of curricula or courses of study, selection of textbooks, and the like, I think that no Federal officer or agency should be in a position to exercise the slightest degree of pressure influence. On fiscal matters, however, I think that it is not unreasonable for the Congress to include in a Federal aid-to-education bill certain safeguards in order to see that the fiscal objectives of the legislation are adopted and that Federal funds are rigidly devoted to the ends described in the bill.

Since one of the major purposes of the bills now pending before your committee is to equalize educational opportunties by making grants of Federal funds to the States, to implement State and local funds for the establishment of minimum standards for every child it does not do violence to my opposition to Federal control to include in the bill a requirement that the State and local school districts shall not reduce their appropriations for school purposes without receiving some penalty with regard to their participation in Federal funds, nor does it do violence to my conviction to urge that a requirement be placed in the bill that States must provide a minimum expenditure of $55 per child. As a matter of fact, failure to include these safeguards would constitute a disregard of our responsibility as Members of Congress to assure the program success.

Another provision which I have included in my bill deals with a most difficult problem, a problem which is fraught with emotion. This is the problem of protection for minority races in those States where dual systems of education are maintained. There are many varied points of view on this problem. I have given more than a little thought to it, not only in the area of education but in many other areas. I recognize that a problem does exist and further that it does not yield to categorical treatment. This problem as it relates to Federal aid for education has been considered by persons with many points of view and a provision which meets the favor of those holding divergent opinions was incorporated in my bill. This same provision is embodied in S. 246. It is a minimum safeguard for minority races which, in my judgment, should be included in any Federal aid bill. It simply provides that in those States where separate schools are maintained for minority races, such States must adopt a plan of distribution which results in the expenditure for the benefit of such minority a proportion of Federal funds not less than the proportion that such minority in such State bears to the total population of that State. It is my opinion that such a provision is not necessary for the protection of minority races because I believe that a just and equitable distribution of Federal funds will be made in the Southern States. However, this conviction does not lead me to oppose the incorporation of such a safeguard. On the contrary, it impells me to urge the committee to include it in the bill. There are those who are genuinely skeptical of the benefits that Federal aid will provide for the improvement of educational facilities for Negroes. Even though I do not share their skepticism, I respect their sincerity. In deference to their sincerity and in complete reliance on my confidence in the integrity of the people of the South, I urge the inclusion of this provision in the bill which you report.

We've Got Shock Absorbers

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1949

Mr. SABATH. Mr. Speaker, under leave to extend my remarks, I insert in the RECORD the following editorial that appeared in the Chicago Sun-Times under date of June 15, 1949:

WE'VE GOT SHOCK ABSORBERS

Those of us who still remember the early thirties are properly suspicious of Pollyanna stuff about the economic situation.

Right after the stock market crash of 1929, moguls of business and Government began assuring the people that nothing was wrong. President Hoover did his bit with the famous remark about prosperity being just around the corner. It turned out to be a moving corner.

For a while there, it seemed that whenever a big-wig announced imminent recovery, the depression deepened a notch.

We were trying to talk ourselves into prosperity, and it didn't work.

Today the danger is that we may talk ourselves into a depression.

It isn't Pollyanna stuff to look realistically at the differences between our economic situation now and in 1929. The United States News did that this week, and discovered some contrasts that ought to reassure those who are overly gloomy about current trends.

For example: In 1929, the building cycle had run its course, whereas today it is still in the early stages, with many unfilled needs, especially for housing, still to be met.

In 1929, there was no floor under farm prices; today farm income may decline but is unlikely to plumb the depths. Whereas farm mortgages amounted to more than a year's farm income in 1929, today mortgage debt is only one-fifth of farm income.

In 1929, many banks were ripe for failure; today most are in good shape, and their deposits are insured. Then, there wasn't much to prevent a precipitate drop in personal incomes; now, union organization, social services, and Government spending work against a sharp collapse of purchasing power.

Such facts bear out the view that the country today "is well shored against an uncontrollable business slide." Plenty of shock absorbers, both public and private, are available to prevent a recession from turning into a long and deep depression.

What we are going through is a price adjustment, more akin to the 1920–21 recession after World War I. A lot of people—people with money—have eased up on buying until prices come down. When they do come down, the odds favor rapid recovery of business activity.

Don't get us wrong. Any deflation, big or little, can be painful to those involved in it. Any deflation calls for a sharp eye on public and private policies, and swift action to prevent its cumulative effects from going too far.

What can be avoided, and should be avoided, is the creation of a psychology of fear which causes a great many people simultaneously to start acting as if a major depression were right around the corner.

The facts, coolly appraised, don't justify that assumption. Let's hang on to our hats.

NAM Launches New Program To Extend Its Propaganda Campaign Into the American School System—President Truman Quoted

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. PATMAN. Mr. Speaker, I have pointed out to the Members from time to time the fact that big business is using full-page newspaper advertisements in an organized campaign to sell its concepts to the American public. The National Association of Manufacturers has just announced the inception of a new even more insidious method of disseminating big-business propaganda. An article in Labor on June 18, 1949, describes the formation of a new NAM

education department "with the aim of greatly expanding the activities [of NAM] in the field of education." A description is given of extensive plans to reach the pupils in every grade level of our educational system through teacher mailing lists, speakers, films, slides, charts, and lobbyists at teachers' conventions and conferences. It appalls me to think that immature minds are to be subjected to such a pressure campaign as this one.

NAM has great resources for carrying on campaigns such as this excursion into the field of education. And the greater part of this expense will be tax-free. President Truman in one of his campaign speeches described the campaign by NAM to destroy price controls:

The director of public relations of the NAM told how his organization spent a million and a half on newspaper advertising. They sent their own speakers to make a thousand talks before the women's clubs, civic organizations, teachers, another one to 15,000 clergymen, another one to 35,000 farm leaders, and still another to 40,000 leaders of women's clubs. A special clip sheet with NAM propaganda went to 7,500 weekly newspapers and to 2,500 columnists and editorial writers. There never was a more vicious or a better organized campaign to mislead and deceive the American people.

NAM is known to be backed and sponsored by America's industrial giants. These corporations remain in the background and work through front men from smaller companies who are duly impressed with the power and prestige of the big boys. This new NAM campaign to invade our educational system would not have the support of the approximately 6,000,000 common-stock holders in this country if they were given an opportunity to voice their opinions, but this is only another example of the control which the officers and directors of the large corporations have over policy although their collective ownership of stock may amount to as little as one-thirty-third of 1 percent.

I urge every Member to read the following article which appeared in Labor this week, with particular attention to the actual quotes from the National Association of Manufacturers press release:

VAST PROPAGANDA PROGRAM—NAM LAUNCHES BIG DRIVE TO POISON MINDS OF PUPILS—EDUCATIONAL DEPARTMENT SET UP TO PILOT CAMPAIGN; AIMS TO TURN STUDENTS AGAINST LABOR

For years the National Association of Manufacturers has tried to pump its reactionary, antilabor propaganda in the Nation's schools. Teachers have regularly been on its mailing list for so-called background material.

That's only small potatoes, however, compared to the program unveiled this week in the NAM News, the official organ of the association. The NAM gloatingly announced it has established an "education department with the aim of greatly expanding its activities in the field of education."

From now on, the NAM intends to go all out in telling "industry's story to students," Managing Director Earl Bunting informed the employer-members of the association.

ALL SCHOOLS TO BE TARGET

The campaign, he said, will be pressed "in grade and high schools, as well as in colleges and universities." In short, no trick will be missed. Bunting even let it be known that the NAM intends to line up a council of "outstanding educators" to serve as "advisers" in the drive.

"Another top-priority activity of the department," the NAM said, "is in arranging for leading industrialists to tell the story of American enterprise before student assemblies on the campuses of colleges and universities across the Nation.

"This activity is already functioning but will be expanded even further when the new semester opens next autumn."

The propaganda to be fed the students will stress the glories of "free enterprise," NAM style, and "make available informative material concerning the role of industry in the growth of our country."

BORE INTO TEACHERS' GROUPS

Agents of the department are to be at hand at all major conventions and conferences of teachers' organizations in an effort to put over the NAM "line."

Also, the NAM is mobilizing an army of "topflight industrialists and businessmen" who "will take the enterprise gospel to the Nation's students." They are to "offer their services as speakers at student assemblies, graduation exercises and other gatherings of pupils. In all, the NAM said it will try to reach all the 25,000,000 students in elementary schools and institutions of higher learning.

Films, slides, charts, and all sorts of other material will be poured into the schools as vehicles with which to plant the NAM propaganda. The campaign will be lavishly financed, since the NAM has a budget of $5,000,000 a year to work with.

NOTORIOUS NAM RECORD

The high-sounding phrases in the announcement are just cover-ups for the kind of drive the NAM will conduct. Its own vicious record offers the best clue as to type of tactics it will pursu

Ever since it was founded over a half century ago, the NAM has spearheaded campaigns to cripple organized labor and to block every piece of progressive legislation.

After World War I, it led a Nation-wide drive to impose the "open shop." Labor spies, vigilantes, industrial munitions and other forms of terrorism were used in the campaign. Every measure of the New Deal was resisted tooth and nail by the NAM.

The Role of Education

EXTENSION OF REMARKS
OF
HON. LAURIE C. BATTLE
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. BATTLE. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include an editorial which appeared in the New York Times on Thursday, June 9, 1949.

This editorial is entitled "The Role of Education" and deals with American democracy and communism. I think it is important for every Members of Congress to read this editorial.

THE ROLE OF EDUCATION

The thoughtful and penetrating discussion of the responsibility faced by the American educational system in our troubled world which was published yesterday by the National Education Association is an important document. Through its clear vision and practical common sense, it should wield a vigorous, wholesome influence.

The report cuts through a perplexing underbrush of wide confusion over the question whether Communists should be employed as teachers. It states the role that education should play in the building of intelligent patriotism in our youth. It establishes a reasonable course of action on the teaching about, but not the advocacy of, totalitarian philosophies of foreign nations. It does not flinch from undertaking—in the midst of the great traditional burdens already resting on the school system—a major additional duty of educating the young citizen to help maintain an honorable world peace.

This report is the product of about 6 months' study and discussion by the Educational Policies Commission sponsored by the NEA and the American Association of School Administrators. The commission is headed by Professor Norton of Teachers College, Columbia University, and among its members are such respected leaders as President Conant, of Harvard, General Eisenhower, William Jansen, superintendent of schools in New York City, and O. C. Carmichael, president of the Carnegie Foundation for the Advancement of Teaching.

It approaches with courage and wide scope the problem of what our educational program shall be in the midst of international tensions which are not likely to abate for some years. "On the one hand," says the commission, "stands the political system and ideology which we call democracy, dedicated to the proposition that intellectual freedom is essential to the worth-while life and development of mankind. Implacably opposed to this proposition are the political system and ideology which we call communism." The issue of intellectual liberty appears as the most basic, clear-cut, and persistent difference between these two societies.

The commission evaluates the influence that the United States will have in years to come on world affairs, and decides that what happens in American classrooms "may affect the fate of the world." Teaching that peace is desirable is one thing, while disapproval of war, of any kind, and under all circumstances, is another. Education must teach the ability to distinguish between different kinds of war. We are engaged now in a cold war as the surest and least costly way to insure survival of the Nation and our ideals. It is a defensive war. Our attention to world history should be increased. Our teaching of current affairs requires constant evaluation. Peace through education is a responsibility shared by every teacher.

Schools must develop strong national loyalties, and to develop "the kind of patriotism that is true to the best ideals of America" is a major task. It is not disloyal or naive, though some would try to make it seem so, to teach anything favorable about a foreign nation. To omit such teaching would leave education incomplete, a danger in itself.

So, accurate and objective teaching about the principles and practices of totalitarianism, including those represented by the Soviet Union and by the Communist Party in the United States, is the part of wisdom. But advocacy of such doctrines "should not be permitted in American schools." Principles of the American way of life should be vigorously taught, for there is no better way to combat communism than to show that people can achieve a maximum of freedom and justice and well-being by supporting and bettering American democracy. Meanwhile we try to correct, on the American scene, the discrepancy between what we preach as democracy and the sometimes disagreeable conditions of life as they are.

Finally, members of the Communist Party, should not be employed as teachers. Here the commission grasps, with clarity, the essential reason. Freedom of thought is basic

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to the whole spirit of American education. The Communist Party member is not free to think for himself. He has surrendered that right when he joins the party, "becoming part of a movement characterized by conspiracy and calculated deceit."

Here is a charter that should be in every teacher's hands, to fulfill with boldness, with the pride of speaking in a great cause. We do not expect our hundreds of thousands of teachers to put this charter into practice in their classrooms without making some mistakes. All that we ask is that the mistakes be honest, made in enthusiasm and not in timidity. And of ourselves, the public, let us demand a participation in the democratic process just as vital, free from the hounding of teachers who, though loyal to the best principles on which our Nation was founded and grew great, tremble in many a classroom today at the fear of unjust inquisition and carping, trivial criticism. Surely we can rid our schools of the Communist and the indubitably subversive without paying in that process the far too costly price of losing our most cherished heritage, freedom of thought and expression.

Noted Attorney States That Passage of S. 1008 Will Lead To Return of Basing-Point Price Systems and Monopolistic Evils

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. PATMAN. Mr. Speaker, a letter from Mr. Eugene W. Barr, noted attorney and an authority on the basing-point price system, appeared in the Washington Evening Star for June 15, 1949. Mr. Barr was for many years an attorney for the Federal Trade Commission and was associated with the trial of the famous Pittsburgh Plus basing-point cases. He is a thoroughly capable and well informed gentleman. His views as expressed in the following letter should be carefully considered by the Members of this Congress.

BASING-POINT PRICE SYSTEM SEEN LEADING TO MONOPOLISTIC EVILS

To the EDITOR OF THE STAR:

The enactment of a bill relating to basing-point pricing systems (S. 1008), as rewritten by Senator JOSEPH C. O'MAHONEY, of Wyoming, seems practically certain. Let substantial reasons exist for believing that such an outcome would be a serious mistake, if the antitrust policy is to remain fundamental in the national economy.

The bill, modified somewhat from its form when passed by the Senate on June 1, has been reported favorably to the House Judiciary Committee.

It is of the greatest importance that the Congress and the public understand the character of the pricing systems and of the bill. Little attention was given, in the examination of industry witnesses during the lengthy hearings, to the price-fixing character of these systems, but such character was shown by witnesses for the Federal Trade Commission and for unions and is implicit in the record as a whole.

All these systems are devices whereby each member of an industry makes precisely the same delivered price at each respective destination in the country as every other member makes at such destination. For example, it has been proved that the unit delivered price of cement often runs identical to one ten-thousandths of a cent.

Under these systems no producer makes any price concession to hold the highest nearby net-return market. Everyone engages in an Alphonse-Gaston act of reciprocity with his competitors, each inviting all the others to share his home market with him, on the implied condition that they will share theirs with him.

AT EXPENSE OF CONSUMER

But all this is at the expense of somebody—the quiet, unorganized, uninformed, ill-advised, unprotected chap, the consumer.

When all your competitors will automatically use your base price in selling in your home territory, if you should decide to reduce it, the urge to reduce it reaches the disappearance point. And when, if you should raise your base price, you know that every competitor who wants to sell in your territory will automatically raise his to the same figure when selling there, the hesitancy about raising base prices is much diminished.

A staff writer of the New York Times has estimated that the number of basing-point industries is over 600. This includes nearly if not all the producers of building materials. What this has done to the cost of homes can be surmised.

It must be realized that, insofar as these systems prevail, there is complete destruction of price competition.

What this kind of thing does in bringing about boom prices need not be argued. What it does in retarding the return to the market of buyers driven out by high prices is a matter of history. The last depression was the longest ever experienced in this country, partly at least because the "Blue Eagle" codes carefully preserved high prices through these delivered-price systems.

Whether the O'Mahoney bill if enacted will accomplish all that is intended by its sponsors may easily be doubted, but to those who have followed the legislative preliminaries, there can be no doubt of what their intent is. It is to permit continuance of basing-point systems.

TREND OF COURT RULINGS

The Federal Trade Commission and the United States courts had shown tentative indications that they might apply, in basing-point cases, the principles laid down in several Supreme Court opinions; specifically that businessmen must be deemed to intend the natural results of their acts; and that when all competitors use identical delivered prices at each market, with mutual knowledge that they are doing so, they must be deemed to have an understanding in restraint of trade and in violation of law.

Such an outcome would be sound law and common sense. But this would never do for the industries fixing prices and thus contributing to booms and to busts, and happy over their escape from the American system of price competition.

The O'Mahoney bill is intended to fix it so that they can continue. But they must follow these systems independently. They may all make the same delivered price at any given time and destination with mutual knowledge that each other concern is doing the same; but if they leave no evidentiary trail of overt cooperation, the intent is to place them in the clear as regards the present grasp of both the Federal Trade Commission and Clayton acts.

The measure reflects a notable shift in the thinking of the remarkably able Senator from Wyoming since, as chairman of the Temporary National Economic Committee, he reported to the Senate in March 1941 a unanimous recommendation that "the Congress enact legislation declaring such (basing-point) systems to be illegal."

Neither the obvious intent of the bill nor its text protects the fundamental economic and legal principle of this country that competition shall govern prices rather than either combinations among businessmen or Governmental fiat.

If the Congress permits monopolistic prices we shall drift rapidly into Governmental control and extinguish our freedom in both industry and individual life. Economics and politics in this matter are inseparable. The Congress, without realizing it, is toying with something absolutely basic for our future welfare.

EUGENE W. BURR.

College Textbook Inquiry

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by the retiring president of Wellesley College:

WELLESLEY HEAD ASSAILS INQUIRY INTO TEXTBOOKS—MRS. HORTON, RETIRING, HITS AT HOUSE INVESTIGATION, DENOUNCES "RED-BAITERS"

WELLESLEY, MASS., June 13.—Mrs. Mildred McAfee Horton, Wellesley College's retiring president, today denounced "Red-baiters and black-haters" and "the fear which permeates our modern age," as she disclosed that the House Committee on Un-American Activities had demanded copies of Wellesley's social-science textbooks.

Mrs. Horton, who was wartime commander of the Navy's WAVES with the rank of captain, told graduating students that she was concerned that the congressional committee members "fear that you have been exposed to dangerous ideas."

"And, of course, you have, in this free market place of ideas," added the educator, who has been president of Wellesley since 1936. She will be succeeded by Miss Margaret Clapp, Brooklyn College historian.

In her valedictory address to students and college trustees, Mrs. Horton quoted General of the Army Dwight D. Eisenhower, now president of Columbia University, as saying, "Ignorance of communism, fascism, or any other police-state philosophy is far more dangerous than ignorance of the most virulent diseases. Who can doubt the choice of future Americans, between statism and freedom, if the truth concerning each be held before their eyes."

"The very existence of this committee," Mrs. Horton said, "suggests a widespread fear."

The House committee wanted to know, she said, not only in textbooks but in supplementary literature, what Wellesley girls have been studying in "American literature, geography, economics, government, philosophy, history, political science, and any other of the social-science group."

"I suppose," Mrs. Horton went on, "this must include the Bible. But it may be unwise to let it be known that you have been allowed to read the injunction to 'love your enemy.'"

The House committee recently sought similar information from many other colleges.

Use of the Water of the Colorado River

EXTENSION OF REMARKS
OF
HON. DONALD L. JACKSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. JACKSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolutions:

RESOLUTION OF THE BOARD OF WATER AND POWER COMMISSIONERS OF THE CITY OF LOS ANGELES, ADOPTED JUNE 10, 1949

Re House Joint Resolution 3, Senate Joint Resolution 4, Eighty-first Congress.

Be it resolved, That action heretofore taken by this board recommending to the Congress of the United States the adoption of Senate Joint Resolution 4 and House Joint Resolution 3 is reaffirmed, and this board again respectfully recommends to the President of the United States and the Congress of the United States the adoption of Senate Joint Resolution 4 or House Joint Resolution 3 authorizing a suit in the United States Supreme Court to adjudicate the respective rights of the States of Arizona, Nevada, and California to the use of the waters of the Colorado River; and be it further

Resolved, That the secretary of this board be, and he is, hereby directed to transmit a copy of this resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the United States, and to each Senator and Member of the House of Representatives from California in the Congress of the United States.

SENATE RESOLUTION 32, CALIFORNIA LEGISLATURE, ADOPTED JUNE 10, 1949

Re House Joint Resolution 3, Senate Joint Resolution 4, Eighty-first Congress.

Whereas more than 3,500,000 inhabitants of this State are dependent upon the Colorado River as a source of supplemental water supply from domestic, agricultural, municipal and industrial use; and

Whereas the States of California and Arizona have been unable to agree as to their respective right under the Colorado River Compact and the Boulder Canyon Project Act to the use of the waters of the Colorado River; and

Whereas resolutions (S. J. Res. 4 and H. J. Res. 3) are now pending before the United States Congress which would, if adopted, authorize a suit in the United States Supreme Court to determine the respective rights of the States of Arizona, Nevada, and California to the use of the water of the Colorado River: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California (jointly), that the action taken by this Legislature in adopting on January 25, 1949, Assembly Joint Resolution No. 10, memorializes the President and the Congress of the United States to adopt Senate Joint Resolution 4 or House Joint Resolution 3 is reaffirmed and this Legislature again respectfully memorializes the President and the Congress of the United States to adopt Senate Joint Resolution 4 or House Joint Resolution 3 authorizing a suit in the United States Supreme Court to adjudicate the respective rights of the States of Arizona, Nevada, and California to the use of the water of the Colorado River; and be it further

Resolved, That the secretary of the senate is directed to transmit copies of this resolution to the President of the United States, the Speaker of the House of Representatives of the United States and to each Senator and Member of the House of Representatives from California in the Congress of the United States.

RESOLUTION OF THE CITY COUNCIL OF LOS ANGELES, ADOPTED JUNE 10, 1949

Re House Joint Resolution 3, Senate Joint Resolution 4, Eighty-first Congress.

Whereas the present and future economy of this city is dependent on the Colorado River as a source of supplemental water supply for domestic, municipal, and industrial use; and

Whereas the States of California and Arizona have been unable to agree as to their respective rights under the Colorado River Compact and the Boulder Canyon Project Act to the use of the waters of the Colorado River; and

Whereas resolutions (S. J. Res. 4 and H. J. Res. 3) are now pending before the United States Congress which would, if adopted, authorize a suit in the United States Supreme Court to determine the respective rights of the States of Arizona, Nevada, and California to the use of the waters of the Colorado River: Now, therefore, be it

Resolved, That the Los Angeles City Council reaffirms all previous action taken by it urging the adoption by Congress of Senate Joint Resolution 4 and House Joint Resolution 3, and again respectfully urges favorable consideration by the President and the Congress of the United States of Senate Joint Resolution 4 and House Joint Resolution 3, authorizing a suit in the United States Supreme Court to adjudicate the respective rights of the States of Arizona, Nevada, and California to the use of the waters of the Colorado River; and be it further

Resolved, That copies of this resolution be air mailed to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives of California in the Congress of the United States.

Hospital Goods Kept in Cold Storage Despite Poland's Needs—Public-Donated Mercy Supplies Left to Rot in Scotland Warehouses

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an article written by John Cartwright which appeared in the New Epoch.

I was very much surprised to learn that the hospital equipment which was provided by the Paderewski Hospital Foundation Fund for the relief of the sick and disease-stricken children and people of Poland was still lying around in the warehouses of Scotland. I would not want to charge anyone with inhumaneness and callousness toward the suffering of the war-stricken Polish people. That the situation, however, deserves a thorough investigation goes without saying.

Certainly, if the great Polish pianist and patriot, Ignace Paderewski, were living today there would be no doubt in anyone's mind as to what his desires would be in this situation. Likewise, I am sure that if Mayor LaGuardia, one of the sponsors of the foundation, were living today there would be no doubt about his desires and intentions. I likewise feel sure that Mrs. Eleanor Roosevelt, who also was one of the sponsors of the Paderewski Hospital Foundation, will not hesitate to express her views and feelings.

There are no people in Europe who suffered more from malnutrition, privation, and disease than did the Polish people. Before the war Poland had 30,000 orphaned children. After the Nazis' terrific slaughter of the Polish people, Poland now has 1,500,000 orphaned children. All of these children suffered from malnutrition and disease. Today there is seven times as much tuberculosis in Poland as there was before the war.

No country is so desperately in need of hospitalization and medical supplies. I am sure that the noble and kindhearted people who contributed to the Paderewski Hospital Foundation fund would be unanimous in their desire to see that these hospital facilities and medical supplies are made immediately available to the sick and disease-stricken children of Poland. It just seems inhuman that someone might be deliberately withholding these supplies. No one has the right to play politics with sickness and disease.

The article follows:

HOSPITAL GOODS KEPT IN COLD STORAGE DESPITE POLAND'S NEEDS—PUBLIC-DONATED MERCY SUPPLIES LEFT TO ROT IN SCOTLAND WAREHOUSES

(By John Cartwright)

EDINBURGH.—An article in a national Sunday newspaper has revealed that vast quantities of valuable hospital equipment destined for Poland have been lying in storage in Scotland since 1947. The equipment, subscribed for in America under the Paderewski Hospital Foundation scheme, originally cost some $700,000.

The fact that this material is still here has come as a distinct shock to many people in Scotland who believed that the hospital had been sent to Poland over 3 years ago, and there is a good deal of justifiable indignation at the news of what has actually happened to it. The story is certainly an astonishing one.

So far as can be counted, there are upwards of 1,500 cases of modern equipment. It was a complete hospital with 600 beds, blankets, etc., surgical instruments, X-ray apparatus and four dental outfits officially described as superb. With complete thoroughness nothing was omitted, right down to toilet paper. (It was this paper, bearing the imprint of the Paderewski Hospital, found in Edinburgh, that set inquiring people on the trail.)

All this valuable material is, at the moment of writing, stored in Glasgow, Edinburgh, and some parts of the east of Scotland. It has been well packed—the packing took 4 months—but 150 cases had to be removed from a leaky garage in Edinburgh. It is felt in medical circles that the delicate instruments cannot be stored without fear of deterioration in such a damp climate as that of Scotland; and medicines and drugs, of course, can deteriorate very quickly.

This material has a long history. In 1940, the Paderewski Hospital Foundation was set up (its sponsors included Mrs. Roosevelt and Mayor LaGuardia) and over a million dollars

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were subscribed for the best hospital America could produce. The hospital, costing $700,000 was in the first instance for the use of Polish nationals in Scotland, wounded and sick. Afterward, at the end of the war, it would go direct to Poland where it was considered the need for it would be greatest.

In the meantime, arrangements were made with Edinburgh Corp. by which 1 hospital with 140 beds was made available in 1941. This hospital was the admiration of Scots doctors, but it closed down in 1947. Since that date it, too, has been in storage, the whole storage charges amounting to 40 pounds a month.

In 1945, 6 months after the end of the war, Deputy Foreign Minister Modzelewski (as he then was) and Professor Koskowski, who was deputy director of the Paderewski Fund, met to consider a site for the hospital in Poland. At that time, Poland was desperate for hospital accommodations, medicines, and drugs. The sick and wounded were lying on concrete floors in gutted-out factories. So appalling was the situation that Mr. Antoni Jurasz, a director of the Paderewski Fund, traveled to Poland to arrange for the arrival of the hospital.

A site was chosen at Bytom, in Silesia. Back again in Scotland, in 1947, it was discovered that removal of the hospital seemed to rest with Washington. Mr. Bliss Lane, a former Ambassador to Warsaw and a member of the hospital foundation, had to do with the question, but no agreement could be reached despite Poland's desperate need.

Further investigation shows that, since then, the hospital and all its belongings have been offered to Puerto Rico, South Africa, and elsewhere.

The present position is uncertain. The equipment is ready for shipment at short notice and its destination is believed to be America; but even those in charge state that they have had no definite information.

Many questions are being asked regarding this extraordinary situation. Whence comes the money to finance storage and salaries? Was the hospital offered to the Scottish Department of Health or to the Ministry of Health and was the offer refused? Why has the hospital not been used in accordance with the wishes of the subscribers? And, above all, why has the hospital not reached the Polish people, whom the subscribers to the Paderewski Fund intended it should benefit?

Address of Hon. John W. Snyder, Secretary of the Treasury

EXTENSION OF REMARKS

OF

HON. EDWARD H. KRUSE, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. KRUSE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following inspiring address delivered on Monday, June 13th by the Honorable John W. Snyder, Secretary of the Treasury, at the commencement ceremonies of the Capitol Page School Graduation Class of 1949:

Mr. Trueworthy, members of the graduating class, parents, distinguished guests and friends: At Independence, Mo., recently I participated in a bond drive ceremony by which we sought to recapture some of the spirit that once moved great wagon trains out of that town, bound for the far West. Today all the world knows of that great mass movement and of the vigor and courage of the men and women who made it possible. Stories about it are the content of schoolbooks in every language.

Sometimes I wonder whether those stories about the 49'ers, while very properly emphasizing their vitality and fortitude, don't neglect the skills, training, and preparation which were also devoted to their great effort. Independence was the principal scene of final preparation before the trains were formed. I am sure that care and thoroughness at Independent meant fewer casualties on the Great Plains and in the Rockies, and a better chance of reaching the destination.

It must have occurred to many of us, particularly this year, that every graduating class is another train of 49'ers in many respects. If you thought of yourselves in that connection, you would see yourselves tonight in a wagon camp in Independence, Mo. You have been born and reared in a free and civilized country. You have had its nurture and training—advantages neither cheap nor commonplace in world history. You are about to move out into unfamiliar terrain. That will not be the terrain of an isolated tropical island, which invites the traveler to peace and indolence. But it is and has been inviting to men of other, more ambitious sensibilities. I am sure that you have the same taste for this adventure that Americans had a century ago. If you do, your preparation will have been proved good and your commencement here a happy one.

When people reach that phase of their lives which Independence, Mo., meant to the 49'ers, it is natural for them to reflect on the two views which the world offers them. One is the view of the past—the world of things which are familiar and loved, of experiences past and difficulties surmounted. The other view is that of the future—unknown, perhaps unfriendly and hazardous, but challenging. This is the way I am sure the 49'ers saw it and the way graduating classes always see it.

Let us look together for a few minutes at your past record and the preparation you have made for the venture ahead.

Your life here has been an active one. It has involved preparatory school work of a very high order of merit. This is demonstrated by the imposing college record made by the Page School graduates of past years. It has also involved the ordinary extracurricular activities of high school—both social and athletic. Finally, it has involved enviable service with the Congress and the Supreme Court. All of these demands on you have in the aggregate made an unusally fine training. I sincerely congratulate you on the attainments which this day signifies.

You have had the priceless opportunity to observe closely the machinery of a great democracy working at its highest level. It has been your good fortune to participate in the activities of the greatest legislative and judicial bodies to be found in the world. You not only have received sound training in school; you have also acquired through experience, a wide range of knowledge which it is almost impossible to learn from books. This education, both formal and informal, has trained your minds and broadened your perspectives. It has provided equipment with which you can continue to build wisdom and character and the ability to render useful service in a highly complex world. Of special importance to you, I think, are the values of character, of honor and integrity, which are so fundamental to our Government and our society. Practicing the basic principles of right living which you have learned will earn you the respect and confidence of your fellow men.

I am sure that the education you have received here, and the associations you have enjoyed, have endowed you with respect for the views of those whose beliefs do not coincide with yours. You have seen at first hand that the free discussion of ideas is essential to the shaping of the course of our democracy.

Yes, your education has enhanced your chances for intelligent participation and leadership in public and civic affairs. It certainly has instilled in you an awareness of the vast unsolved problems of this Nation and of the world. I hope that you have been inspired with a desire to understand these problems and to assist others in gaining an understanding. For it is only through an informed and active citizenry that societies and governments can progress.

Let us turn now to another view—that of the future.

With the advantages you have had, and with the interest you have developed for continued study and inquiry, you must accept your full share of responsibility in shaping the affairs of your community and Nation. The greater our opportunities, the greater are the obligations we have for service to our country and to our fellow men. Soon your generation must assume the privileges and responsibilities of government at all levels, a trust which I am sure you will not shirk.

The conduct of government, if it is responsive to its purposes, should have not only the intelligent consent but the vigorous guidance and support of every citizen. Otherwise, the governed in a democracy must bear much of the blame for its shortcomings and failures. Good government is a matter of personal interest, of individual concern. It deserves the active attention of all of us, for "no government demands so much from the citizen as democracy and none gives so much back."

And if democracy should ever fail, and it certainly must not, it will fail through the apathy of the citizen and his indifference to the affairs of his government.

We can be grateful for the fact that we in this country have a higher standard of living and far more advantages than the citizens of any other country in the world. Peace, for which we are striving so diligently, will enable us to make secure and advance the economic and social progress we have made.

Modern industrialism and technology have made us interdependent nationally and internationally. We know that we cannot isolate ourselves from the rest of the world. We realize that disturbances abroad can have a marked effect on our economic and political life here at home.

The United States emerged from the war as the country to which much of the rest of the world looks for hope, for leadership, and for direction. Many of the other great nations were enveloped in the wreckage, confusion, and misery compounded of war. We have taken great steps in assisting them to recover economically and spiritually. This has been done at some sacrifice, but with the full realization that the needs of humanity are intimately connected with our hopes for peace, and that our security, and prosperity are bound together with those of other democratic, freedom-loving nations. There have been serious problems and many differences of opinion as to the means of solving them. Such problems, and others arising in their wake, will continue to challenge all of us. Their solution depends greatly upon the awareness of the American people.

Probably every graduating class looks with some foreboding to a future full of problems which test the best in the mind and spirit of man. It is true today that we are living in an uneasy and far from perfect world. It is certain that life's challenge to the minds and abilities of your generation is not going to be a soft one. But it should be no cause for apprehension or despair that we are troubled by many new and many long-unsolved social, economic, political, and scientific problems. Challenge and opportunity

go hand in hand. If there are difficult questions to answer, there are great achievements to be wrought. This country was built upon the determination to face and conquer difficulties and hardships.

If you are inheriting a great number of difficulties, it should be remembered also that you are receiving the bounty of this Nation. You are being given a priceless heritage that was won by the blood and sacrifices of your forebears.

We are now living in a period which has witnessed great scientific and economic changes. It would be vain for anyone to attempt to prophesy for you the nature or the shape of things to come. No one can tell with any certainty what tomorrow holds. History, for hundreds of years, has mocked those who thought they could divine its course.

In his report to the Congress in 1844, the Commissioner of Patents stated:

"The advancements of the arts, from year to year, taxes our credulity and seems to presage the arrival of that period when human improvement must end."

Since that time more than two million patents have been granted. Since then we have invented the telephone, motion pictures, electric lights, automobile, farm tractors, airplanes, radio, plastics, and television. We have achieved the harnessing of atomic energy. We have developed hundreds of other miracles which even the most visionary once scoffed at as being impossible. Think of the tremendous effect of such inventions and discoveries upon the economic and social structure of civilization.

Today, as was the case a century ago, our Nation is entering a new era of opportunity. The knowledge we acquired during the crisis of war makes us realize that ahead of us lie vast, uncharted fields for learning. Scientists can mark out great areas unknown to the knowledge or understanding of man. No known limits to the discovery of knowledge can be suggested. Many new discoveries, techniques, and processes which exist today have not yet been adapted fully to the needs and the material comfort of society. We know, however, that our advances in knowledge and wisdom have and will continue to increase immeasurably our prosperity and standard of living.

The United States has not reached its maturity. Opportunities for adventure and for individual achievement are greater than ever before. While geographical frontiers have vanished in large part, we have new and more challenging frontiers in science, agriculture, sociology, education, industry, business, government, the arts, the professions, and other phases of human endeavor and relationships. Our civilization is dynamic—it was never less static than now—and great social and economic changes will take place in which you will participate.

Some people fear change, because its unknown implications make them feel insecure. Similar fears were known and conquered by the 49'ers. Seeking a better future for themselves and their families, they blazed the trails for what are now great transcontinental highways; they established what are now great cities. Similar apprehensions did not halt the genius which transformed this country from a predominantly rural to a complex industrial society. The same old spirit of faith, determination, and sacrifice is needed to breach our modern frontiers. We must have the same faith, indeed, which saw the 49'ers through the risks and hardships which they so resolutely faced.

Yesterday's solutions will not fit many of the problems of today or tomorrow. As has always been true in this great land, men of vision are needed who are not mentally chained to traditional approaches. Men are needed who have the imagination and courage and skill to meet and deal with the novel and difficult. Resoluteness of character; the willingness to face up to unpopular issues; the courage, in the face of opposition, to do the hard things which you consider right—these are the sort of qualities which identify a man who towers above the throng.

We should realize and remember that achievement of the things we want from life seldom comes quickly or easily. Most of us have to start and climb slowly. We have to make plans for the future and struggle for their realization. But this is an essential part of happiness—the zest of striving, the stimulation of accomplishment and progression, the pride and satisfaction of achievement.

I again congratulate you members of the graduating class and offer you my best wishes for a happy and worthy life. You are facing unprecedented opportunities and great responsibilities. Your future rests upon you alone. I know you will make the most of it.

It's Mutual, Senator Tenney

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mrs. DOUGLAS. Mr. Speaker, the House of Representatives may be pleased to consider these four editorials from three excellent California newspapers; the San Francisco News, the San Francisco Chronicle, and the Los Angeles Daily News. These editorials were written in reply to a California State legislator who had condemned these papers because they failed properly to applaud a sideshow he was running.

Under permission to extend my remarks in the RECORD, I include these editorials:

[From the San Francisco Chronicle of June 9, 1949]

IT'S MUTUAL, SENATOR TENNEY

Senator Jack Tenney and his un-American activities committee have divided California newspapers into two general groups. The Chronicle and two other papers have continued to "misrepresent, misreport, and attack" the committee editorially, the report says, while the others cited, including the Hearst newspapers, "have been in the forefront of newspapers representing the finest in patriotism and understanding of America's greatest menace."

It is an interesting distinction; in a sense, we rather appreciate it. Under the law of averages, Senator Tenney must occasionally be right on some points, and we acknowledge readily that he accurately places this newspaper among his critics. But we are not exactly abject about being put there; we wouldn't be elsewhere. So much for our concession as to the rightness of Tenney in that limited area.

We assert, on the other hand, that Tenney is quite without justification in accusing us of "misrepresenting" and "misreporting" the activities and policies of his committee; we regard those statements as hysterical, phony, and politically opportunistic.

And we particularly rise to his backhanded implication that because we have attacked his razzle-dazzle, headline-grabbing, witch-burning techniques, we are unpatriotic and unperceptive of the dangers confronting America.

We are aware of the dangers and the idiocies of communism; several hundreds of Chronicle editorials will attest to that. As a matter of fact, and despite Tenney, we are rather widely regarded, in our own area and throughout the Nation, as one of the more effective forces in the fight against communism.

Our criticism of Tenney has been on the ground that he has persisted in making that struggle needlessly hard. Indeed, we regard Tenney as having contributed more to the Communists than any other one influence in California, excepting possibly some of the hysterical newspapers he extolls. He has helped the Communists in these important respects: By holding up Americans before the world as a pack of frantic old women, afraid of our own shadows; by mislaying the emphasis upon overt Communists and thus distracting attention from the nucleus of sly and expert spies who never seem what they are; and, most importantly, by riding roughshod over fundamental American principles, without which—if we ever lost them—we would be no better off than the helpless hordes of the Soviet Union.

It is beyond the ability of a hysterical mind to perceive what danger to the American people lies in the Tenney policy of fixing a man's guilt by association; the Tenney committee even found cause for suspicion in a lawyer who represents a Communist client. If that policy were followed to its logical end, it would be unsafe to speak to a neighbor for fear he might turn out to be a Communist or the friend of one. We have reminded our readers from time to time that that's how it is in Russia.

It is also beyond the ability of a hysterical mind to understand what danger lies in cutting one group and another off from the citizenry and requiring loyalty oaths of them. The very fact of having, under penalty of law, to reswear allegiance violates the principle of equality before the law and, beyond that, drives a wedge of suspicion between segments of the American people.

Perhaps our main quarrel with Tenney is on the question of what constitutes 100-percent Americanism.

In our opinion, 100-percent Americanism is not established by shouting, "I am a 100-percent American." And, in our opinion, the percentage is diminished to a fraction in the cases of those who, in the stampede to drive Communists to cover, do violence to those principles that give American democracy its flavor, its substance, and its vitality.

The Chronicle will not slacken its fight against communism; it will remain in that fight to the finish. But neither will it slacken its fight for academic freedom, for privacy of thought, for the right of a defendant to representation at the bar of justice, for the rule of law. And for as long as Tenney and his committee continue to menace those freedoms and rights we will go on fighting Tenney and his committee. To do otherwise would be to play the Communists' own long-range game, and there are already too many doing that.

[From the San Francisco News of June 9, 1949]

TENNEY COMMITTEE CONDEMNS THE NEWS

In its 1949 report, just filed in Sacramento, the California Senate Un-American Activities Committee, of which Senator Tenney, of Los Angeles, is chairman, had this to say of the San Francisco News, the San Francisco Chronicle, and the Los Angeles Daily News:

That the newspapers have continued to "misrepresent, misreport and attack" the committee with editorials;

That the newspapers have been characterized "by an almost total unwillingness to cite a single specific criticism or refutation of any specific hearings or reports by this committee, while blithely publishing un-

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truths, half-truths and vague, generalized attacks upon the committee and upon public officials who have supported the committee in its work."

From our files we could produce a complete refutation of the committee's charges. But we don't believe our readers expect or require such a defense from this newspaper.

We have been critical of some of the Tenney committee's activities, and we shall continue to be critical of any committee or group we deem guilty at times of violating the basic liberties of the people.

[From the San Francisco News of May 31, 1949]

WILL LOYALTY BILLS ACCOMPLISH PURPOSE?

State Senator Jack B. Tenney was quoted as saying the other day that he knows what he is doing in urging legislation to require loyalty oaths of public employees and lawyers. No doubt the senator knows what he would like to accomplish by this kind of lawmaking, but we wonder if he actually can know just what the ultimate effect will be.

His purpose, commendable enough, is to purge governmental ranks of Communists. To accomplish it he would have all public employees, with some exceptions (legislators, for instance) swear they do not belong to any party or organization that advocates overthrow of the United States or California by force and violence. The oath would be taken annually. And no employee could receive his pay until he had sworn.

School teachers would be under further compulsion not to each communism, nazism, or fascism with intent to indoctrinate pupils with preference for any of these ideologies.

Lawyers, the only nonofficial group Senator Tenney thus far has included in his oath-swearing segment of the population, would have to declare (as the bill originally was written) they have never belonged to a subversive party or organization.

"Organization," in the sense used in the bills, means any group designated by the Attorney General of the United States as subversive.

Will these precautions keep Communists out of Government and the schools and the legal profession? It would be naive to think so. Communists subscribe to a doctrine which teaches that any means are legitimate that accomplish the Communist aims, even lying. If a Communist were planted in a Government office to spy or to disrupt the procedure, or just to be there when the time came to make trouble, he would not shrink from taking any kind of an oath in order to stay there.

Will annual oaths of loyalty make Government employees any more loyal? Or is it possible the oath will become so commonplace as to have little meaning? Indeed is it not likely a feeling of contempt might be engendered by the practice in time?

The principle of law that Americans cherish and respect is the tenet that every man is presumed innocent unless and until proven guilty. There is an uncomfortable implication in the Tenney bills that a man is to be considered disloyal until and unless he takes an oath to the contrary once a year. Is this presumption in accord with the fundamental protection of innocence guaranteed to every citizen?

The question with which these considerations leave us is this: Will the Tenney bills gain the end sought by their author, or is it possible they may result in more harm than any good that may come of them?

We believe the legislature should take great pains to weigh them in the light of long-range public interest and avoid reaching conclusions about them under the influence of contemporary hysteria.

[From the Los Angeles News of June 11, 1949]

ONCE AGAIN, THE REDS

Let's get this straight: The Daily News and this writer believe that communism, as it exists in fact, is a dangerous world conspiracy, out to destroy the United States Government. It's chief exponent is Soviet Russia.

Communism, like a trap, is baited with ideals, promises, clever phrases and distortions. There is a particular bait for each individual; if a man is having hard luck financially, communism will punish the man who had good luck and solve the problems of the loser; if he feels that he is being discriminated against because of race, creed, or color, communism will be the great equalizer; it will exalt him and destroy his enemies. Communism will end injustice and solve all problems.

So the promises go. Each is a bait calculated to trap the individual.

Communists are trained to become agitators, confusers, and troublemakers. When the hard core of the Communist Party entered the United States, it found a virgin field for operations. No people anywhere in the world—except perhaps in Great Britain and, for a time, in France—so enjoyed, or for that matter, so abused, freedom of speech, freedom of the press, and freedom of action. The clever Communists took advantage of these freedoms and used them for their own sinister purposes.

No sane, thoughtful American citizen could view objectively the state of affairs that has prevailed in the United States—especially during the last 17 years—without realizing that Communist activities have permeated many of our most sacred institutions, and, if allowed to remain active, will destroy them.

A democracy is slow to take action and, by its very nature, lacks the efficiency and the thoroughness of a dictatorship.

The Federal Government and many of the States undertook to combat the Red menace through democratic processes. Un-American activity agencies were established and undertook to ferret out, expose, and, wherever possible, throw out Communists and their fellow travelers.

California, like many other States, has its un-American activities committee.

Because we believe that such a committee is indispensable to the welfare of the State and should be supported, we repeat what we should have said before in this column: We believe that our un-American activities committee, as directed by its chairman, Senator Jack B. Tenney, not only has failed to serve the purpose for which it is intended but has been used more effectively than any other governmental institution in the State of California to aid, assist, and develop communism in this State.

Since the congressional Un-American Activities Committee more than 10 years ago linked Jack Tenney with radical left-wing movements in California and so found in its investigations, there was and is justifiable suspicion that he could be actively working for the Communist Party.

I do not, however, think that Jack Tenney is the master mind for the Reds. I think he is a political opportunist who is playing with fire and has what amounts to a moronic concept of what fire can do.

My view is that he was a Red during the depression when he thought that being a spokesman for the Communist element would advance his political fortunes, and that he switched over when he saw a great light and believed that he could get farther on the other side.

What Jack B. Tenney thinks and says, however, is one thing; what he does is another.

The service that Jack Tenney is rendering the Communist Party in California follows precisely and exactly the Communist line. There is a phrase for it—it is called reductio ad absurdum. That means reduce a thing to absurdity and you destroy it. The Communists want to destroy all un-American activities work—not only in the National Capital but in California. They know they cannot destroy it through straightforward opposition and so they use a political trick that has been successful down through the centuries: Make it absurd and it will die.

In plain words, what the Communist conspirators want is to have as many prominent, decent citizens named as Communists as possible.

Let's take a concrete example: The San Francisco Chronicle. Here is a newspaper that is regarded as one of the best edited in the United States. It has long served as a conservative, constructive journal. It has the respect of hundreds of thousands of citizens in San Francisco and elsewhere.

The Communists would pay handsomely to be able to say to the people in San Francisco: "You have read and followed the Chronicle for many years. You believe in it. Well, see here, the un-American activities committee, headed by Jack B. Tenney, now implies and reports that the San Francisco Chronicle is on the Communist side. Now how do you explain that? If communism is good enough for the Chronicle, it must be good enough for you. Join up."

Or take another example: The San Francisco News. This is one of a chain of newspapers owned by the Scripps-Howard organization. As far back as I can remember, the entire chain has been part and parcel of the American way of life in every respect.

The Communists would like to say to a prospect: "Now you see that according to Jack Tenney and his un-American activities committee, the San Francisco News is helping the Communist cause. Well, if people like that see something worth while in communism, it is good enough for you, isn't it? Why don't you join up?"

The Communist Party and all of its publications have printed more derogatory articles about me than perhaps any single newspaperman in California, notwithstanding which the Los Angeles Daily News continues to receive the strong and faithful support of hundreds of thousands of readers in Los Angeles.

If the Communists could say to a prospect: "According to Jack B. Tenney and his un-American activities committee, the Daily News does not support anticommunism," they would have gained an important objective.

Jack B. Tenney now makes that statement possible.

No one can read the list of men and institutions who have been included by Jack Tenney in his un-American activities reports without being appalled that he has taken his high position so lightly; that he has apparently been a willing tool in the hands of the Communists who want nothing more than to confuse the public by "authenticating" such a list.

Even his apologists explain that he considers his un-American activities committee as a club that he can use to collect campaign contributions and political endorsements. If an individual or newspaper refuses to endorse him for office, he is in a position to say: "I will see that you are mentioned adversely in the report of the Un-American Activities Committee."

Whether he does this with malice or forethought, I do not know. Perhaps he has a moronic blind spot and is unable to see how perilously un-American such activities really are.

In any event, the State of California cannot afford to have an irresponsible opportunistic firebrand in charge of the most important committee in its government.

Jack B. Tenney should be removed as head of this committee and a man who understands the words "United States of America" should be put in his place. And the sooner, the better.—M. B.

Oil Imports

EXTENSION OF REMARKS
OF
HON. LINDLEY BECKWORTH
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. BECKWORTH. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following letters:

DEPARTMENT OF THE INTERIOR,
BUREAU OF MINES,
Washington, D. C., June 7, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

MY DEAR MR. BECKWORTH: I take pleasure in sending you the following remarks with reference to the article in the Fort Worth Star-Telegram of May 29, 1949, that you attached to your note dated May 26.

During the period of rapidly growing demand for petroleum that terminated toward the end of 1948, the market readily absorbed production from United States fields at progressively higher record rates (at advanced prices) and in addition sharply increased imports from foreign sources. There seems to be rather general agreement that domestic production was at or very near to maximum rates during most of 1947 and 1948. Hence, expanded imports were required to avoid very severe shortages.

With the beginning of 1949 an abrupt decline in the demand for petroleum developed, as reflected in statistics of the United States producing and refining industry. Under this condition there is little doubt that the influence of imported oil has been felt, particularly in Texas which has absorbed the major part of the decline in demand. Imports have declined but are still materially greater than they were in the early postwar period. In States other than Texas and the Pennsylvania grade-producing area, the income of crude-oil producers and royalty owners has suffered relatively little because production rates and crude prices at the wells have not changed greatly.

We believe that the indicated demand for oil in the late months of 1949 will be significantly above current and recent rates and that Texas oil will regain much of the recent loss.

We agree, however, that the maintenance of conditions in the United States that will cause a continuation of active exploration and development of petroleum reserves is essential to the national interest. Such a program can provide the means of achieving again a productive capacity within the United States sufficiently in excess of current needs to serve as an effective safety factor in the event of a future war. The attainment of this objective will be influenced, of course, by future policy of the Government with respect to imports of petroleum.

Your clipping from the Star-Telegram is returned herewith.

Sincerely yours,

THOS. H. MILLER,
Acting Director.

THE SECRETARY OF THE INTERIOR,
Washington, June 14, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

MY DEAR MR. BECKWORTH: I was glad to receive the copy of the editorial, Oil Imports Rising to Danger Level, from the Fort Worth Star-Telegram, which you sent me on June 1.

The keynote of the editorial is in the last paragraph, I think, where it is stated that the danger from oil imports is in halting or severely curtailing the constant search for and development of our oil resources.

The Railroad Commission of Texas has released information which shows that through June 4, 1949, there were 197 new oil discoveries in Texas as compared with 131 in 1948; gas discoveries totaled 50 as compared with 27; oil-well completions in 1949 totaled 3,671 as compared with 3,000 last year; gas wells totaled 307 as compared with 258; and drilling applications 6,220 as compared with 5,847. The commission also has stated that new oil-well completions in Texas add about 35,000 barrels per month to the daily oil allowable, which gives us another measure of the extent of new oil finding in Texas.

Although the current output of Texas crude oil is substantially below that of last winter, it is good to note from the figures of the railroad commission that the search for oil continues in Texas at a rate well ahead of last year.

Sincerely,

WILLIAM E. WARNE,
Assistant Secretary of the Interior.

Government Reorganization

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. MILLER of Nebraska. Mr. Speaker, I am pleased to know that the conferees have finally come to an agreement upon the procedure to be followed in the bill to give the President powers to reorganize the executive branch of the Government.

I think the compromise we have before us this morning is excellent. I take a rather dim view of proposals that may be presented by the bureaus. You know it is not easy to take $3,000,000,000 off the Federal pay roll, because that would mean in the reorganization, the elimination of three or four hundred thousand Federal employees. Mr. Speaker, these are pay-roll votes and bureaucracy will fight fiercely to grow larger instead of smaller. I personally expect to support every phase of the reorganization plan which will bring efficiency to government.

I spent a few days in Nebraska this last week, and I found that the people in my district have three things uppermost in their minds.

One was for economy in government which included adopting the Hoover reorganization plan and implementing it with necessary legislation to cut out the overlapping, inefficient bureaus in government.

They are nearly 100 percent against the Brannan farm program. They feel it means regimentation and controls which they abhor. I expect to take some time in the next few days to deal further with this subject.

They are anxious that a labor bill be passed which would be in the interest, not of big business and big labor leaders, but in the interest of the public and the man in overalls who must work to make a living for himself and family.

Radio Service to the Great Lakes Region

EXTENSION OF REMARKS
OF
HON. CHARLES E. POTTER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. POTTER. Mr. Speaker, as a member of the Committee on Merchant Marine and Fisheries and as the Representative of a Michigan district bordered by three of the Great Lakes, I am well aware of the need for radio service to those who make their living on the Lakes and to those who enjoy unexcelled boating in the vacationland that is Michigan.

WJR, Detroit, in my State, renders an exceptionally fine weather service, one not only of prime importance to listeners in homes in Michigan and nearby States but a special daily marine weather service to the thousands of seamen who make their living on vessels plying the Great Lakes.

WJR is a clear-channel station; therefore, it is protected during the daytime from interference from other stations, and at night it is the only station to operate on that frequency, 760 kilocycles, anywhere in the United States and North America. With its clear channel, it is able to reach beyond greater Detroit, to the rural and sparsely settled areas which otherwise would have little or no opportunity to receive the innumerable benefits of radio—weather and market information, news broadcasts, and entertainment.

Under leave to extend my remarks, I would like to include in the RECORD the following statement on WJR's clear-channel marine weather service, plus letters of commendation from the United States Department of Commerce, the Detroit branch of the United States Navy Hydrographic Office, the physics department of Denison University in Ohio, and several others from grateful sportsmen:

Every sailor must know two things at all times—where he is, and what kind of weather he can expect. This vital information must be his whether he be aboard a Great Lakes freighter, a commercial fishing boat, or a private yacht. On March 4, 1946, WJR established a complete farm weather report and forecast direct from the Detroit office of the United States Weather Bureau. It was soon found that many sailors and commercial fishermen were making extensive use of this weather data despite the fact that these broadcasts were not designed specifically as marine reports. The reason for this was two-fold. First, and foremost, the Goodwill Station's clear-channel signal and extensive coverage; second, a great majority of boats and ships are equipped only with broadcast receivers. In view of this, three

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series of marine weather reports were instituted: One, a complete report at 12:06 a. m. each day Sunday through Saturday; two, the farm weather report at 6:40 a. m. Sunday through Saturday (broadcast by U. S. Weather Bureau personnel direct from the Detroit office of the Bureau) was expanded to include specific hydrographic information; three, marine weather material was incorporated into a news program 5 to 5:15 p. m. Monday through Friday.

To insure complete coverage of weather data needed by lake seamen, an inquiry was made by WJR from Weather Bureau experts, the United States Navy Hydrographic Office, and the sailors themselves to determine what exact information was needed and what would be the best form for its broadcasting. As a result, the broadcasts were set up as follows:

12:06 a. m. report: A complete forecast for Lakes Huron, St. Clair, and western Erie, including expected weather, wind direction and velocity; prevailing conditions at selected stations from Sault Ste. Marie to Cleveland (weather, wind direction and velocity, barometer, temperature, and dewpoint); storm warnings (when indicated).

6:40 a. m. report: Forecast for Lakes Huron, St. Clair and Erie, including expected weather, wind direction and velocity; the present Detroit barometer reading, temperature and dewpoint; storm warnings (when indicated).

5-5:15 p. m. report (as part of news program): Lake forecast, including expected weather, wind direction and velocity; present wind direction and velocity, temperature; storm warnings (when indicated).

This series of broadcasts represents one of the most far-reaching coverages of marine-weather information of any commercial radio station on the Great Lakes. That these reports are filling a vital need for lake sailors and fishermen has been verified by a number of responsible sources. The United States Weather Bureau has commended WJR on the extensive effects of the broadcasts. The United States Navy Hydrographic Office has indicated them to be of great value to marine traffic on the Great Lakes. Representatives of Great Lakes yachtsmen have expressed the manifold benefits derived from these reports by the hundreds of small-boat sailors they represent. Private individuals continually inform the Goodwill Station of the importance of these broadcasts to them.

Just as thousands of mariners on Lakes Huron, St. Clair, and Erie use compass, lights, and beacons to give them their position, they depend on WJR's clear-channel voice to bring them the other portion of information—the weather—which they must have for safe navigation.

WEATHER BUREAU,
UNITED STATES DEPARTMENT
OF COMMERCE,
Detroit, Mich., May 13, 1949.

Mr. HARRY WISMER,
General Manager, Radio Station WJR,
Detroit, Mich.

DEAR MR. WISMER: Through courtesy of Station WJR, the Weather Bureau in the Detroit area is enabled to give what we consider an outstanding service to the public of Michigan and surrounding areas. The broadcast direct from our office on Mr. Wells' program at approximately 6:40 each morning enables us to not only inform the public of forecasts, but also to give spot weather conditions over a considerable area and a general picture of the weather map, which enables our many listeners to visualize the current situation and formulate plans for their activities.

These broadcasts are designed primarily for the benefit of agricultural interests and from comments received both by your station and our office, it is apparent they constitute a real service covering a large area. Owing to magnitude of industrial and maritime interests concentrated in this area, there has been a popular public demand for the inclusion of material and forecasts applicable to needs in addition to those of agriculture, and we have been permitted to broaden the scripts to cover, insofar as possible, all types of interests in the community.

In addition to this direct broadcast, your station is also providing an excellent service to small-boat owners and fishing interests through a special broadcast of spot weather information and lake forecasts on a program given at 12:06 a. m.

These special broadcasts, together with the frequent inclusion of local and State forecasts as a part of all news broadcasts, and the special distribution of lake warnings when issued, are indeed furnishing weather information vital to the economy and safety of many thousands of listeners. The value of such service cannot be overestimated.

Very truly yours,

W. W. OAK,
Meteorologist in Charge.

BRANCH HYDROGRAPHIC OFFICE,
Detroit, Mich., May 16, 1949.

Mr. HARRY WISMER,
General Manager, Radio Station WJR,
Detroit, Mich.

DEAR SIR: Your attention is invited to page 90 of the May 13 issue of the Notice to Mariners relating to the Great Lakes which corrects the WJR entry in the Great Lakes Radio Aids in accordance with your requests.

I would also like to inform you at this time that these broadcasts are providing a service to yachtsmen and the fishing interests that otherwise would not be available without great expense to each of these small-boat owners, since these weather broadcasts and warnings can be received on any standard receiver in areas that a station of less power than your 50,000-watt broadcasts would not be received.

These broadcasts are furnishing information vital to the safe operation of not only pleasure craft, but to the small craft of the fishing industry as well and such services cannot be valued too highly.

The services of this office are always at your disposal in matters concerning navigation on the Great Lakes.

Yours very truly,

G. K. COWLES,
Lieutenant (Junior Grade), United States Navy, Officer in Charge.

DEPARTMENT OF PHYSICS,
DENISON UNIVERSITY,
Granville, Ohio, December 13, 1947.

Mr. MARSHALL WELLS,
Station WJR, Detroit, Mich.

MY DEAR MR. WELLS: Just a note to tell you how much we in Granville, Ohio, appreciate and use the weather information and forecast portion of the 6:30 to 7 o'clock portion of the morning program from WJR, and what a good job Don Comstock and his associates do in giving us the kind of weather information we like and are unable to obtain from any other station.

We like details of the locations and probable movements of the warm and cold fronts and high- and low-pressure areas over this and adjacent portions of the United States and Canada as well as the other existing conditions. Weather maps usually reach us about a day and a half late, so your morning information really brings us up to date on the weather and fills a big gap. It is used by many air-minded persons in this vicinity having their own planes and by students in flight training courses here at Denison University.

Your weather details are transferred to a mimeographed blank map of the northeast portion of the United States and placed on the bulletin board for general consumption. You may be interested to know that our weather customers are quite numerous and that our physics department bulletin board is now one of the most popular on the campus.

Thanks again to you and Don.

Cordially yours,

RICHARD H. HOWE,
Instructor, Flight Training.

DETROIT RIVER YACHTING ASSOCIATION,
Grosse Pointe, Mich., May 12, 1949.

Mr. HARRY WISMER,
General Manager Radio Station WJR,
Fisher Building, Detroit, Mich.

DEAR SIR: Now that the 1948 yachting season is getting under way, I feel it is a good opportunity to express the gratitude of some 10,000 yachtsmen in this area who have benefited by the weather broadcasts of Radio Station WJR.

The Weather Bureau forecasts, broadcast by Station WJR several times weekly, surely have prevented many dangerous and hazardous boating trips.

Our yachtsmen cruise and race to practically all sections of Lake Huron, Erie, and St. Clair. These yachting enthusiasts are good sailors and depend greatly on such conveniences as your radio station's weather forecasts to ensure them a safe passage from one harbor to another. The racing sailors pour over weather maps and glue their ears to their ship's radio to hear Station WJR give out the latest in weather reports. I know this to be a fact from personal experiences and have discussed this fact with many sailors.

Radio statiton WJR is the only local station that radio receivers can pick up while out on Lakes Huron and Erie. Your signal is always clear and strong.

The yachtsmen of the Detroit River Yachting Association are loud in their praise for this fine service your facilities provide. We hope for your continued success and hearty cooperation.

Very truly yours,

KENNETH P. LEIPPRANDT,
Commodore.

Flag Day Address of Hon. W. Kingsland Macy, of New York

EXTENSION OF REMARKS

OF

HON. JOSEPH W. MARTIN, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. MARTIN of Massachusetts. Mr. Speaker, under permission to extend my remarks in the RECORD, I include herewith the address of the Honorable W. Kingsland Macy, of New York, at the Flag Day exercises of the Patchogue Lodge, No. 1323, Benevolent and Protective Order of Elks, Patchogue, N. Y., on Sunday, June 12, 1949.

Representative MACY, after paying his respects to Exalted Ruler Mengel and thanking County Clerk Hughes for his friendly words of introduction, paid high tribute to the Benevolent and Protective Order of Elks for their outstanding work in publicly honoring year after year Old Glory, the emblem of our Republic, and highly commended those participating in the Patchogue flag celebration: The American Legion, the Veterans of Foreign Wars, the United Spanish War Veterans, the National Guard, the scouting

organizations, the participating members of the clergy, Rabbi Cohen, and Reverend Crosset who has already officiated, and Father Walsh who closed the ceremonies, not to omit favorable mention of the music program rendered by the military band and the fine rendition of our national anthem by Mr. Gracy.

His address follows:

All over America on June 14 the Stars and Stripes will be flying but if we do not identify ourselves for a moment at least with the flag of this day, the day shall have failed of its purpose. Pomp and circumstance have their places and it is meet that we especially mark the calendar of the year for flaunting and honoring our colors. Exhibiting the flag, though attended by the blowing of bugles, the parade of uniforms and even battle insignia, is not enough. The flag, both as patrimony and a personal possession to be passed on to future generations, must have individual meaning for you and you, and for every citizen of our land.

We celebrate our birth as a Nation on the Fourth of July in a manner replete with firecrackers and fusillades of resounding crashes reminiscent of the roistering and lusty days of the Liberty Pole. On the Fourth it is as if we were celebrating our corporeal body, but on Flag Day, we think not of defiant gestures to tyrants, to victory won by valor and blood; on Flag Day it is as though America were celebrating its spirit.

When Walt Whitman, of Huntington, wrote I Celebrate Myself, he listed what he believed were his assets and liabilities; he examined his conscience and strove to aline himself and the world. On Flag Day America might well do the same; might well do it severally and individually.

What of our moral fiber, its strength and weakness; what of our place in the world? What accounting on our inheritance? What of our husbandry and stewardship? What of our shaping of the future for our sons, and our sacred trust to those men who made the Fourth of July our day of exultation? What governs us—the letter or the spirit of the Constitution? What controls our public men—desire to pander to the popular, or conviction that right must be made to prevail?

First as to our moral fiber, we know it to be sufficiently strong to hold us together and of such enduring quality that time alone will not ravage it. Unwatched, however, it could become forage for ideological rats and do-gooder mice. While godless Communists and Fascists gnaw away and do-gooders merely nibble to make cozy little nests of expediency, both destroy, and it behooves us well to remember that in the Constitution we have an alert and ever-watchful cat.

If my allegory seems frivolous, I do not intend it so, for in this figure of speech that built itself as I thought on the word "fiber," there is my abiding and growing belief that in our Constitution with its great Bill of Rights, we have a vigilant guardian of all that America represents, was, is, and can be.

Five years ago when I had the pleasure of speaking at the Elk's Flag Day ceremonies in Brooklyn, while our country was still toiling in war, I spoke of our Constitution then and said that under it our Government has given "more health, welfare and happiness to a larger number of people over a period of years than any other in the world." I recently had those remarks reprinted in the CONGRESSIONAL RECORD and am sending them out along with an interesting article by Mr. Morton Pennypacker, our county historian, telling the story of the John Hulbert flag. This Bridgehampton flag of red, white and blue, with stars and bars, antedates Old Glory and I truly believe inspired George Washington to commission Betsy Ross to make a Star-Spangled Banner. Should there be those here who do not receive a copy in the mails within a week or so, I shall be glad to send one of these history-filled documents upon request. I shall also be pleased to have such of you as desire them—and so long as my supply I have with me holds out—accept a copy of an excellent illustrated story of our Bill of Rights, recently prepared and sent to me by Lyttleton B. P. Gould.

We of America have had, by and large, a good life and I do not wish to appear before you as a prophet of doom. We Americans are not instinctively attuned to tragedy. As a people we are buoyant, expecting the best. We have a joy-of-living look about us that one does not find on the faces in enslaved countries. I like to believe there is in us the embodiment of laughter and that our resilient good humor is the steam valve on the pressure cooker that our melting pot has become. At any rate, humor is a characteristic we are rich in having, and undoubtedly an incalculable asset, provided that in the cultivation of the lightsome, we do not neglect developing and treasuring the sound and the serious. If we substitute the slang phrase and the wise-crack for considered thought and words of wisdom; if we picture life as merely "a bowl of cherries," and bury the spiritual under earthy layers of materialism, the energy and dollars we spend for educating and serving the public will have been wasted indeed.

Today perhaps more than in any other modern period, things are evaluated by size. Bigness seems beautiful; it represents better business and better bureaucracy; colossal becomes supercolossal. It is the crass objective toward which the assembly line is geared in this accelerative age that does all things in a rush and looks upon the careful and diligent as dolts. That sort of impatience which manifests itself in unthinking hurry, was responsible for the downfall of the German Weimar Republic, for the rise of fascism, and ultimately for World War II, in the wake of which we are still floundering toward unarmed peace.

Despite the uncertain world picture, at a glance here on this June afternoon everything seems more or less normal though somewhat disorganized, but then it is only the long view that shows the turning and direction of the road. This is, I say most earnestly, the time to take the long view, and it might be rewarding if we were to recall the handwriting that appeared on a wall at the feast of Belshazzar for people whose only wish was to eat, drink and be merry. I can only wonder how many of us would heed if some skywriter in this more modern age were to appear in a plane upon the blue and write in filmy mist made to seem substance, "Mene, Mene, Tekel, Upharsin," or even the words, "Praemonitus, praemunitus," forewarned, forearmed.

The virtures of patience, forebearance, and tolerance are admirable, but there are times when anger instinctively arouses us to do in inspired wrath what we slothfully condone in more dispassionate moments. The capacity for public indignation is at a low ebb, and perhaps this is because we dissipate our grievances in headlines, vilifying someone or other in a newsprint trial not much fairer than the medieval trial by fire. So much energy is expended in shouting that there is none left for action, but unless strength comes from somewhere to keep us from departing from principle, we shall be lost indeed.

Men from the days of Zoroaster have concerned themselves, creed by creed, with the dual forces of good and evil, and man's movement toward good ethics has been a process slower than evolution. If we do not bestir ourselves about ethics, if we lose awareness of our relationship to God and build a purely material civilization, we may all know surfeit of creature comforts but at what a price! Few of us today have sufficient time for reflection, so fast does the current of events move—especially is this true of Congressmen, but as one such, and your duly chosen Representative I feel that respect for the fundamentals is the one saving rock to which an elected official can cling when in doubt about the direction in which to swim.

Our forefathers had what might be termed civic integrity and when the Constitution and the Bill of Rights were framed and voted, they were paternalistic in the highest sense; they were concerned with assuring unto men the true necessaries—freedom and justice under law.

Not even the most observing and insensitive among us can have failed to notice and feel a trending toward some modification of our concept of government • • • a newer form of paternalism that would make it government's duty to see that we are spoon-fed from the cradle to the grave? Are we divesting ourselves as individuals of the responsibilities of individuals? If so, we will soon be hard put to reconcile this overextension of government with the thoughtfully circumscribed intent of our founding fathers.

What has brought about this new notion of government's function? Is it increasing numbers, the close of our geographic frontiers, economic complexity, or the immigration of ideas from old and tired countries without potentials of expansion?

America has unlimited potentials, right here within itself. We do not need paternalism or socialism. We need social betterment, yes, through judicious aid to the handicapped and helpless, but the only form of paternalism we require or want in essence is that form which motivated the creators of this Nation and set the flag we honor today to flying so gloriously.

Artists Equity

EXTENSION OF REMARKS

OF

HON. CHARLES A. PLUMLEY

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. PLUMLEY. Mr. Speaker, friends of mine, as to whose 100-percent loyalty as American citizens there can be no question, certainly not in my mind, feel aggrieved at certain statements which have appeared in the RECORD concerning the Artists Equity Association; to which remarks they take exception.

They insist they have a right to their day in court before the forum of public opinion as it is reached by the CONGRESSIONAL RECORD.

With this statement I agree. Therefore I sought to obtain some information relative to the subject matter of their complaints, in order that they might be assured their "day in court."

Under permission heretofore granted I am therefore including the following letter from Hudson D. Walker, executive director of Artists Equity Association:

ARTISTS EQUITY ASSOCIATION,
New York, N. Y., May 6, 1949.

DEAR REPRESENTATIVE PLUMLEY: I am happy to have the opportunity to write you about Artists Equity Association in response to your request.

We believe that any organization which seeks the support and confidence of the American people, owes them, and their elected representatives, a full and frank disclosure of its objectives, its methods of operation and its program.

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Acting on that conviction, I am pleased that you have taken the trouble to seek me out for relevant information about Artists Equity. Be assured that the association, which has already made its program and activities as widely known as possible within our limited means, will be happy to furnish any additional material you may desire.

The formation of the association has been condemned in some quarters, regrettably on the floor of the House of Representatives, as a novel and dangerous departure from the traditional pattern of American social and economic organization. It has been alleged that the participation of artists, without regard to their personal political beliefs, in an organization formed to better their economic and artistic position is an alien practice, foreign to American concepts.

The criticism and condemnation of the association is not in accordance with the facts.

The organization of persons in the professions, united by a common interest, for the advancement of their own and the general welfare, are an established part of our national life. The most cursory study of history discloses that the organization of professional persons—lawyers, doctors, teachers and almost all of the other professions—is almost coincidcnt with the founding of the Republic. The activity of such groups, as well as the activity of such organized groups as labor, farmers, and businessmen, has had profound and beneficial effects essential to the functioning of our democratic society.

Experience has taught the artists of this country that they cannot discharge their obligations to their calling and improve their general welfare as individuals. They have found it necessary to band together, much in the same way as have writers, musicians and actors. The Artists Equity Association, formed by leaders in the profession during March 1947, in organization and basic approach was modeled after the Author's League of America. We sought, and continue to seek, ways and means to bring about the kind of economic security for artists as has been attained for writers by the Author's League.

Our membership takes no cognizance of either the political or esthetic views of its members. These matters we feel to be beyond the scope of the association. It is not now, nor do I believe it ever will be, considered the province of the association to control the political thinking of its members or to impose any official artistic approach. The sole qualification for membership in the association is technical competence to the degree that the applicant is engaged in the art on a professional basis and has had proper recognition.

Despite the effort made to brand the association as an organization engaged in activities outside of its stated economic purpose, its only concern since its inception has been to do those things which, in the opinion of its membership, will serve to further their economic well-being and to bring about a wider appreciation of the graphic arts by as large a section of the general public as possible.

It is impossible in the confines of this letter to give you in detail the scope of the work of the association. However, a few highlights may be of interest.

The association has paid considerable attention to a reexamination of the relationship of the artist to the dealer, exploring such aspects of the relationship as equitable commissions, representation, frequency of exhibits, and the pricing of art to the buying public.

The association is also much concerned with the relationship of the artist to the museum. While the association is concerned with the immediate benefits for its members, it also believes that there are long-range objectives which should be pursued with equal vigor. It wishes above all to help American painting and sculpture to achieve its fullest development, and to that end, feels that a constantly enlarging audience is of first importance. Because of this, the association has instituted a program designed to stimulate the exhibition of contemporary painting and sculpture in the museums of the country. The response of directors and curators to this program has been extremely gratifying, the directors of the major museums of the country having agreed to participate in a joint program with the association to the end that contemporary painting and sculpture will be seen by a wider audience than heretofore.

Another problem of great concern to the association has been the improvement of the economic situation of the artist. The average annual income of the professional artist in this country is shockingly low. While the long-range objective of the association is to increase the artist's income through a wider distribution and sale of his product, in the meantime the association has established a welfare fund to try to meet some of the acute emergency problems which must and do arise.

These are but a few of the major objectives of the association. In addition, it supplies counsel on such matters as copyright law, reproduction fees, professional ethics, and related matters. As clear from the foregoing, the association is primarily and exclusively a professional association devoted to improving the economic situation of its membership. I want to stress again that the association has no political affiliation or political intent. Correspondingly, we do not feel it to be our right to attempt to interfere in the political or aesthetic affairs of our membership. We have operated on the principle that these matters are exclusively the concern of the individual.

On behalf of the officers and members of Equity, I wish to express our gratitude to you for the opportunity of making this statement.

Sincerely yours,

HUDSON D. WALKER,
Executive Director.

Accompanying the above letter was enclosed an informative statement, which follows:

STATEMENT

Twice during the month of March, Representative DONDERO, of Michigan, spoke at length on the subject of contemporary American art. On March 11 he charged that an art exhibition held at St. Albans Naval Hospital in Queens, N. Y., was used for spreading left-wing propaganda among the disabled veterans. On March 25, Mr. DONDERO accused Artists Equity Association, an organization of professional painters, sculptors, and graphic artists, of being a radical organization.

I wish to take this opportunity of bringing to your attention some findings of fact, because I believe that such attacks are dangerous to cultural development in this country. In these times of stress we should nurture and protect, rather than attack and disrupt, creative workers in cultural fields.

Artists Equity Association is a national, nonpolitical, esthetically nonpartisan organization representing the professional artists of America. It was formed in March, 1947, to further the economic interests of American artists and to give strength and effectiveness to their united voice. Any resident of the United States of America who is a painter, sculptor, or graphic artist whose work has been accepted in a major exhibition, or who has a recognized dealer in the fine-arts field, or who has a one-man show at a recognized gallery, is eligible for membership.

The organization of persons in the professions, united by a common interest for the advancement of their own and the general welfare, is an established part of our national life. The most cursory study of history discloses that the organization of professional persons—lawyers, doctors, teachers, and almost all of the other professions—is almost coincident with the founding of the Republic. The activity of such groups, as well as the activity of such organized groups as labor, farmers, and businessmen, has had profound and beneficial effects essential to the functioning of our democratic society. Experience has taught the artists of this country that they cannot discharge their obligations to their calling and improve their general welfare as individuals. They have found it necessary to band together, much in the same way as have writers, musicians, and actors. That the association has a great appeal for artists is evident by its growth. On April 30, 1947, membership was 300; on April 30, 1948, 875; and on April 30, 1949, the membership exceeded 1,400, representing 38 States of the Union.

The importance of artists in our day is best expressed by the words of Dr. Raymond Fosdick, former president of the Rockefeller Foundation, in the Foundation report for 1941:

"And particularly must we rely on the humanists—the historians, the philosophers, the artists, the poets, the novelists, the dramatists—all those who fashion ideas, concepts, and forms that give meaning to life and furnish the patterns of conduct. It is they who really construct the world we live in, and it is they who, with sensitive awareness to human perplexity and aspirations and with the power of imaginative presentation, can speak effectively to a distracted world." Consideration of the artist's role in such a light makes his survival individually and collectively in our society of paramount importance.

Looking a little more closely into the economic environment of our artists, I wish to quote some of the figures compiled by Miss Elizabeth McCausland in 1945 and published in her article, Why can't America afford art? in the Magazine of Art for January 1946. Five hundred leading artists were sent questionnaires, and about 40 percent replied. Of these, 44 percent of those reporting "depend largely or entirely on incomes from other sources than art." She further stated "that for these 200 painters and sculptors, with an average of 4 years devoted to an art education, and an average of 20 years devoted to the practice of their professions, such a costly long-term social investment of time, study, skill, and creative energy brought back just this much in worldly goods: An average total income for 1944 of $4,144 and an average art income of $548. Such was the economic picture in a year of high incomes."

In answering the question, "How does the artist live?" Miss McCausland reported that 42 percent of the painters and 53 percent of the sculptors teach, 32 percent of the painters and only 6 percent of the sculptors do commercial art, and only 2 percent of the painters and 3 percent of the sculptors have an independent income. Other jobs to which artists turn include framing, apartment management, beauty shop management, museum curatorships, production, and printing. I quote these to indicate the economic pressure under which our artists work, all of which means that they must devote creative time and energies to noncreative jobs. This involves a great cultural loss to the Nation, both now and in the future.

Against this background of economic insecurity, Artists Equity Association was formed solely to help artists economically, and you may be interested to know specifically just how it is accomplishing its ends.

Several years ago the fellows of Saybrook College at Yale University commissioned a portrait by an artist who subsequently became a member of Equity. Through misunderstandings, changes in personnel, and an incomplete contract, the artist had received no payment of any kind from the college when he brought the matter to the attention of Equity. Equity was able to effect a satisfactory settlement by the payment of $1,000 to the artist and the return of the portrait. Inasmuch as Equity charges no commissions to its members for such collections, the settlement was net.

Similarly, Equity was able to recover over 50 works of art recently for nearly as many artists, not all of them Equity members, from a dealer who had held them in storage for more than a year. The individual artists had been put off endlessly, but Equity was able to recover their work at no cost to them.

Artists Equity was influential in having Pepsi Cola pay a rental fee to artists for their work, which the company borrowed and circulated throughout the country. Equity was also consulted by the Wildenstein Gallery in New York in connection with the Hallmark Franco-American competition which is being run by the Hall Bros. Co. of Kansas City. The Hall Bros. Co. agreed to the $100 fee, an increase in some of the prizes, and a royalty arrangement on any reproduction of these paintings for Christmas cards. Likewise Equity was instrumental in getting Life magazine to agree to pay for reproduction rights when an artist's work is used in feature articles. Please note that all of these last-mentioned activities with commercial sponsors have helped all artists, not merely Equity members.

Last year Equity Fund, a separate charitable coporation, was established to increase the use of art in America and eventually to have funds to help needy artists. It has received the sponsorship of many museum directors, collectors, etc., and it, too, will benefit all artists of every esthetic category through stimulating the formation of local art centers throughout the country.

Free legal advice has been given members by Artists Equity's exceedingly competent attorney. One artist, for instance, had a dispute with a large Canadian shipping magnate over a commissioned work. He refused any payment, but Equity's lawyer was able to make a settlement at no cost to the member. In the case of Alfred Crimi, in which a church covered up his murals with whitewash, Equity's lawyer acted as amicus curiae in the case to help establish a precedent for the rights of artists under such circumstances. Equity now is active in a move to have certain murals installed in the Salina, Kans., post office. These murals were painted on the Government program, and installation was delayed due to the war. It has been further delayed by antagonistic elements who have kept them from being put up, although the artist's contract called for their placement.

Equity is concerned with relationships with art galleries and has drawn up a list of terms and conditions to be embodied in any agreement with a gallery. It is also committed to help artists without galleries to get a hearing.

Equity has cooperated with the museums of the country in working out mutual problems. This was emphasized on May 19, 1949, when Hudson Walker, executive director of Artists Equity Association; Robert Beverly Hale, of the Metropolitan Museum, and William M. Milliken, director of the Cleveland Museum, spoke on the joint problems of artists and museums at the annual meeting of the American Association of Museums at the Art Institute of Chicago. A panel discussion followed, and it was the consensus that artists and museums can work together to their mutual advantage.

Returning to the subject of Mr. Dondero's March 11 attack on modern art. He intimated that the showing of contemporary art in the Naval Hospital at St. Albans, Queens, N. Y., was in some way identified with left-wing activity. Interestingly enough, the great national magazine, Look, sent their reporter and photographer to the exhibition and published on March 29 a very favorable article, based on this exhibition, on the good that could come to our injured veterans through the showing of contemporary art. I suggest that anyone who is interested look at this article, which shows the condition of the patients and the type of work shown. Look Magazine can be taken as a very impartial witness to the good such exhibitions might do for disabled veterans throughout the country.

May I reiterate my initial premise that only in a democracy can art remain free and creative, and in preserving our democracy we must preserve freedom of expression for our artists. Any other course leads us to the brink of totalitarianism.

Housing

EXTENSION OF REMARKS

OF

HON. JAMES C. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. DAVIS of Georgia. Mr. Speaker, I present herewith a title by title analysis of H. R. 5085 which I introduced on June 9. It is a bill to provide for slum clearance, low-rent housing, housing for veterans through veterans homestead associations, for housing research, for farm housing, and for the disposition of war housing.

TITLE I. ASSISTANCE TO STATES FOR THE ACQUISITION AND LEVELOPMENT OF SLUM LAND

This section presents a plan under which a beginning can be made to clear the slums of the Nation under what are believed to be sound principles. It deals with the question of slums in a manner that recognizes that they are a problem within themselves and that a plan to deal with them should not be one which makes the question simply a feeder for public housing. The two problems are separate and distinct and should not be connected.

The declared slum lands are, under this title, put to their highest and best use without having any preconceived preference for housing, and its administration is placed under the Federal Works Agency which is the agency of the Government which has for years handled such matters as this for the Government. The slum c earance title of H. R. 4009 places its administration under the Housing and Home Finance Agency. I believe this is a serious mistake. The responsibility for the success of this program should not be placed under an agency which has the direct supervision of public housing.

Under the provisions of this title of H. R. 5085 the Federal Works Agency deals only with the States and the States in turn deal with the cities and counties of the States. I consider this sounder procedure than that provided for under H. R. 4009 under which the Federal Government deals directly with local agencies. This preserves the principle of local self-government and States' rights.

Under this title of H. R. 5085 the Federal Government makes loans and grants to the States to be used by the States to acquire slum property for redevelopment for its highest and best use. Land so acquired may be devoted to commercial or industrial uses, housing, parks, playgrounds, or appropriate public uses as determined by a redevelopment plan. The land is sold at a reasonable price with due regard for the new use thereof.

The Federal Government may lend the State an amount equal to the estimated value of the land when cleared.

The State and the Federal Government shall each pay in cash one-half of the difference between the cost of acquiring and clearing the land and the price at which it is sold under the redevelopment plan of the area.

The plan set forth in this title of H. R. 5085 is only intended to cover slum areas where housing and other conditions are substandard. It does not contemplate the use of the funds available under the title for the purpose of building housing in vacant suburban areas as is permitted under H. R. 4009. This title of H. R. 5085 provides that families which are dispossessed by reason of the acquisition and clearance of the lands under the title shall be given immediate accommodations in any Federal low-rent housing project receiving Federal subsidies, or otherwise such dispossessed families shall be provided with rental assistance for a reasonable period.

No land shall be acquired under the title except after open public hearing held after due notice, nor shall any land acquired under the title be sold or otherwise disposed of except after such public hearing.

There is authorized to be appropriated to the Federal Works Agency the sum of $350,000,000 to be used for the purpose of the act with the provision that not more than 20 percent of the funds shall be expended in any one year and not more than 10 percent shall be allocated to any one State. Funds received in repayment of loans, pursuant to the title, shall be covered into the Treasury as miscellaneous receipts.

Attention is called to the fact that the Government is not committed to expenditure of any money under this title of H. R. 5085 until it is appropriated by the Congress, while under the slum-clearance provisions of H. R. 4009 the Government is committed to the expenditure of $1,000,000,000 which is provided by direct loans from the Secretary of the Treasury without any approval by Congress.

The slum-clearance provision of H. R. 4009 is contained in title I of that act. That title authorizes loans for the cost of purchasing land and preparing it for redevelopment.

The loans under H. R. 4009 are made only to local public agencies. This means, as a matter of fact, that these loans will be made to local housing authorities which are the agencies through which all public housing in the country is built and under this plan all housing provided under that bill would probably be siphoned into public housing. These

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loans may be for 40 years and are repaid in such manner as the Housing and Home Finance Agency prescribes.

The administration of the section is placed under the direction of the Housing and Home Finance Agency. As I have stated, I do not believe this is sound administration.

That title of H. R. 4009 not only includes the clearance of built-up slums but also under section 102 (b) it includes development of land which is "open or predominantly open."

The Administrator may advance funds for making surveys and plans for these projects and such advances may be repaid out of any funds which become available to such agency for the undertaking of the project.

The money to make loans and grants under this title of H. R. 4009 is obtained by loans made to the Administrator by the Secretary of the Treasury through the issuance of bonds under the Liberty Loan Act. In this way Congress is completely bypassed and the bill itself commits the Government to a definite financial responsibility of $1,000,000,000, while the funds provided by H. R. 5085 are limited to $350,000,000 and are not available until appropriated by Congress.

In addition to these loans, under H. R. 4009, capital grants can be made by the Federal Government for two-thirds of the cost of all projects in any one local public agency as against half of the cost under H. R. 5085. The obligations issued by the Secretary of the Treasury covering grants under this title under H. R. 4009 may total $500,000,000 and are made directly by advances from the Treasury and are not subject to the jurisdiction of the appropriation committees of the Congress. Under this title of H. R. 4009 the Administrator may enter into agreements to pay annual sums in lieu of State or local taxes and there is a provision that not more than 10 percent of the loans and grants authorized may be made in any one State. The total commitment of the United States under title I of H. R. 4009 is $1,500,000,000 without action by Congress, while the maximum amount authorized to be appropriated under H. R. 5085 is $350,000,000.

TITLE II. HOUSING FOR FAMILIES OF LOW INCOME

This title of H. R. 5085 amends the Internal Revenue Code by inserting therein a new section 124A which provides for accelerated authorization deduction for tax purposes in the case of rental housing certified by FHA to be built for and limited in occupancy to persons of low income.

The low-income feature of such housing is made possible, in addition to the savings arising from such accelerated deduction, by requiring that such certificates may be issued by FHA only where the locality has agreed to freeze taxes upon the project, for a period of at least 10 years, at the present level of taxes upon the land. Such real-estate-tax abatement is an established device provided in many States under various State laws for encouraging lower rentals by private construction, among which are New York, New Jersey, and Massachusetts.

In order to assure that the project shall be available only to families of low income, it is provided in H. R. 5085 that no certificate shall be issued under this section except upon agreement of the beneficiary thereof that tenants, to be eligible for admission to the proposed project, shall be certified by the appropriate agency in the locality as either in an income bracket qualifying them for public rent assistance, or of such low income as to be unable to pay economic rents for their housing. To assure compliance with the conditions of the certificate, the FHA can revoke a certificate at any time if the conditions and specifications under which it was issued are not met.

A taxpayer constructing a rental-housing project, with respect to which a certificate has been issued by the Federal Housing Commissioner, may at his election deduct for tax purposes amortization at the rate of 10 percent a year over a period of 10 years, in lieu of the deduction for depreciation presently provided in the Internal Revenue Code. Revocation of the certificate by FHA terminates such accelerated amortization deduction privileges.

The taxpayer may elect to take the accelerated deduction by so stating in his tax return.

The various terms used in this title are defined. The term "rental housing facility"—with respect to which certificates of necessity are issued by FHA under this section—is stated to mean any dwelling unit or units held for rental purposes the construction, alteration, or remodeling of which is begun after July 1, 1949. Alteration or remodeling means the provision of one or more additional units.

There is a technical provision which covers cases in which property is held for life with a remainder over to another person. In such cases the tax deduction is computed as if the life tenant were absolute owner.

These are technical amendments to various sections of the Internal Revenue Code to effectuate the purpose of this title.

This section gives to families of veterans and servicemen preference in occupancy of projects assisted under this title.

TITLE III. VETERANS' HOMESTEAD ASSOCIATIONS

This title of H. R. 5085 amends the Servicemen's Readjustment Act of 1944 as amended to provide the following new sections:

SECTION 511. VETERANS' HOMESTEAD ASSOCIATIONS

Section 511 authorizes the Administrator of Veterans' Affairs, on the application of five or more veterans, to grant charters in nonprofit veterans' homestead associations for the purpose of acquiring or constructing housing for sale or rent at actual cost to veterans. Such associations would be authorized to borrow money from the Administrator of Veterans' Affairs at an interest rate to be determined by the Administrator with the approval of the Secretary of the Treasury. Loans to the associations would be repayable to the Administrator on either a short-term or long-term basis. Long-term loans would be amortized over a period of 40 years if the housing constructed or acquired is held by the associations for rental to veterans, or over a period of 32 years if such housing comprises multiunit structures to be sold or held on a cooperative or mutual ownership basis. The associations would be empowered to construct single-family dwellings, either urban or rural, for sale to individual veterans, but individual purchasers would be required to finance such purchases through local financing institutions, and the associations would be required to apply the proceeds of such sales upon the indebtedness of the association to the Administrator. Where units in multiunit structures are sold or held on a cooperative or mutual ownership basis, the associations would be permitted to finance the cost over a 32-year period. Veterans purchasing single-unit housing from an association could obtain loans guaranteed by the Administrator under title III of the Servicemen's Readjustment Act amortizable over a 32-year period.

The estimated cost of units to be constructed or acquired by an association could not average more than $10,000 per unit, and the associations would be compelled to sell or rent such units at prices reasonably representing the cost to the association. The associations would be regulated and supervised by the Administrator of Veterans' Affairs. Approval would be denied for the purchase or construction of units in excess of local veteran demand, or involving a cost found to be too high locally in comparison with the current price or rental of similar units.

Membership in associations would be limited to veterans of World War II and each association could otherwise prescribe its own bylaws defining eligibility to membership in the particular association. Each veteran desiring to become a member would be required to deposit $100 with the association and to file with the Administrator an affidavit to the effect that he is not a Communist and does not belong to any subversive organization.

The net incomes of associations would be exempt from Federal taxation and State and local taxing authorities would be precluded from imposing any taxes upon associations greater than taxes imposed in the locality upon similar nonprofit corporations (similar authority now exists for Federal savings and loan associations). Associations would, however, be required to pay normal property taxes. Associations could be dissolved or placed in receivership by the Administrator, if necessary, by suit in the Federal courts. Upon dissolution of any association the net assets of the association remaining after payment of its obligations would be covered into the United States Treasury as miscellaneous receipts. An Advisory Council is provided to assist the Administrator of Veterans' Affairs in the execution of his duties with regard to the association. Authority to charter associations and to make loans to them would expire July 25, 1957.

It is expected that an association will actually undertake its construction through private building contractors, but that through the award of firm contracts, the elimination of speculative

profits, the cut-back or recapture of contingency margins, the advantageous financing, the land-development grants, and the elimination of sales expenses, the net cost to the association of each unit constructed will be substantially lower than the price of any comparable units which could otherwise be made available to veterans. Once completed, the monthly carrying cost or rental of the individual units, due first, to the lower initial cost, and second, to the longer repayment periods in conjunction with low-interest rates, will be substantially less than veterans could obtain under either existing facilities or those contemplated by other pending legislation. Prior review and approval by the Administrator of each project proposed by an association will insure against unwise or unsound activity. Annual audit of the associations' accounts and records will, with other proper regulatory and procedural requirements, supply needed safeguards to assure against improvident or inefficient operations.

Under section 513 of this bill an appropriation of $250,000,000 is authorized to provide funds for loans under the above section 511.

SECTION 512. GRANTS FOR PUBLIC FACILITIES

Section 512 is intended to offset the present scarcity and high cost of improved land. It authorizes the Federal Works Administrator to aid State and local governments or associations by 50-percent grants for streets, water and sewer, and other similar facilities wherever the Veterans' Administrator finds such community facilities necessary for effective use of the housing provided under section 511 of the bill. Subsections (c) and (d) contain safeguards to assure that the public facilities will conform to local standards and will be adequately maintained, as well as that the veterans and their families will receive the benefits extended. Where the grant is made to an association, the bill provides for the transfer of the completed public facilities to the appropriate local government.

This section will substantially lower the first cost of the home as well as the annual assessments and other charges usually imposed on home owners for public facilities. It will also assure that these vital facilities are ready to serve the veteran when he moves into his home.

An appropriation of $50,000,000 is authorized for the purposes of this section.

TITLE IV—HOUSING RESEARCH

This title of H. R. 5085 declares it to be the policy of the United States that matters of pure research, looking to improved techniques, be separated from purely operational functions. Responsibility for technical, economic, and statistical research in the housing field is placed within the Department of Commerce, leaving responsibility for operating statistics and matters of technical and economic operations with the present operating agencies of the Housing and Home Finance Agency.

Provision is made for the establishment in the National Bureau of Standards, within the Department of Commerce, of a housing research unit for purposes of technical research, looking to reductions in housing construction costs. Such unit is broadly authorized to undertake such research in cooperation with other agencies of the Government, with State or local governments, educational institutions or non-Government research and technical organizations. It may make contracts for technical research for work to be done by such cooperating agencies, such contracts to extend for a period not more than 4 years from their date. For that purpose, it is provided that unexpended balances of appropriations so obligated by contract may remain outstanding on the books of the Treasury for up to 5 fiscal years.

The existing operations of the Bureau of the Census and of the Construction Division of the Bureau of Foreign and Domestic Commerce (both of which Bureaus are within the Department of Commerce) which have over a period of years produced economic and statistical data important to the building industry are expanded. These existing Bureaus would be authorized to undertake studies looking to increased production, reduction in cost, and improvement in methods of construction and marketing of housing.

The appropriation of sums necessary to carry out research under this title are authorized.

TITLE V—FARM HOUSING

Financial assistance under this title of H. R. 5085 is limited to farm owners who can demonstrate that they have not the resources and cannot obtain credit to provide themselves, their operating tenants, and sharecroppers with "decent, safe, and sanitary" dwellings and related facilities.

Loans for dwellings on adequate farms: Where he finds that the farmer can be expected to repay the loan, the Secretary may make 33-year loans at 4-percent interest, on the security of the owner's equity, without stated limit as to amount.

Loans for dwellings on potentially adequate farms: Where he finds the owner does not have sufficient income to repay the loan but might be expected, as a result of following a plan of farm management, to have sufficient income within a 10-year period, the Secretary may make loan as described in section 401, and make the owner annual contributions for 10 years in an amount equal to the interest and half the principal payments due within that period.

Other special loans and grants: In cases where the provisions of neither section 403 or 404 would work out, the Secretary may make loans or grants or combinations thereof, for the purpose of farmhouse repair and improvement—but not new structures—not in excess of $1,000 for any one dwelling or $2,000 to any one owner, of which not more than $500 on any one dwelling may be an outright grant. Repayment terms on the loan portion follow section 402.

Technical services and research: The Secretary may provide free architectural services in connection with the provisions of the title.

The Secretary is to prepare estimates of farm housing needs and to correlate and recommend proposals for executive and legislative action.

Preference is to be given to veterans in the distribution of benefits under this act.

Local public agencies and committees: The Secretary is to utilize the services of local housing authorities or county committees of farmers in carrying out the provisions of this title.

The Secretary is to set housing standards as a basis for administering this title. This section also sets forth the Secretary's legal powers and responsibilities in executing its provisions, including authorization to compromise claims against borrowers.

Loan funds: Through use of the public debt procedure, loan funds are provided as follows: An aggregate amount of $325,000,000, of which not more than 20 percent shall be loaned or expended in any one year, and not more than 10 percent in any one State.

Contributions: Pursuant to section 503 are authorized up to a limit of $15,000,000.

Appropriations are authorized to cover payments or obligations issued under section 510, the contributions made under section 503, the interest due on obligations issued by the Secretary, an additional $60,000,000 for grants under section 504, and such other amounts necessary to carry out the provisions of this title.

TITLE VI. DISPOSITION OF WAR HOUSING

This title of H. R. 5085 deals with the disposition of the permanent housing accommodations constructed under the provisions of the so-called Lanham Act—Public Law 849, Seventy-sixth Congress—as amended, and Public Law 781 of the Seventy-sixth Congress; Public Laws 9, 73, and 353 of the Seventy-seventh Congress; and Public Law 140 of the Seventy-eighth Congress. The bulk of this housing was constructed under the so-called Lanham Act and is generally referred to as Lanham Act permanent housing. The job of constructing this needed war housing was assigned by statute to the Federal Works Administrator but on October 14, 1940 was transferred to the Federal Public Housing Agency pursuant to Executive Order 9070 of February 24, 1942. The Federal Public Housing Agency has continued to exercise jurisdiction over the management and disposal of this housing until the present time. This title is almost identical to H. R. 3492, Eightieth Congress, which passed the House June 18, 1947.

According to a 1947 report of the FPHA—see House Report 414, Eightieth Congress, first session—the Government constructed approximately 78,113 permanent buildings of which 30,783 were designed for single-family occupancy, 35,072 were designed for two-family occupancy and the remainder or 12,289 were designed for occupancy by more than two families. These 78,113 buildings provided permanent housing accommodations for approximately 166,615 families. Later tabulations indicate there were several thousand other perm-

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anent buildings bringing the total number of permanent units up to 191,116.

The buildings constructed for one or two families present no disposition problem. They can and should be sold for individual owner use. The so-called multifamily buildings contain an average of 5.3 dwelling units per building. These multifamily buildings will prove attractive for purchase by an individual or by a few families joining in cooperative ownership of the building.

According to the directory of the Federal Public Housing Authority the development costs of the 166,615 permanent housing units were approximately $743,296,000 or approximately three-fourths of a billion dollars. This development cost includes both the cost of the site acquisition and the development of the projects. The average cost per housing unit was approximately $4 461. The cost of operation, maintenance, and expense are met out of rental income from the properties. According to the fourth annual report of the National Housing Agency for the calendar year 1945, the net income after such expenses for this type of dwelling averages about $13 per month per unit or an annual income of approximately $26,000,000. It is assumed that these figures would also apply to the thirty-odd thousand units reported in the later tabulations.

The intent of Congress with reference to the disposition of this housing is clearly expressed in section 4 of the Lanham Act, as amended. In this act Congress provided as follows:

> It is hereby declared to be the policy of this title to further the national defense by providing housing in those areas where it cannot otherwise be provided by private enterprise when needed, and that such housing may be sold and disposed of as expeditiously as possible: *Provided*, That in disposing of said housing, consideration shall be given to its full market value and said housing or any part thereof shall not, unless specifically authorized by Congress, be conveyed to any public or private agency organized for slum clearance or to provide subsidized housing for persons of low income: *Provided further*, That the Administrator may, in his discretion, upon the request of the Secretaries of War or Navy, transfer to the jurisdiction of the War or Navy Departments such housing constructed under the provisions of this act as may be considered to be permanently useful to the Army or Navy.

The Federal Public Housing Authority has not, nor now shows any intention of, complying with the clear intent of the Lanham Act to sell and dispose of these properties as expeditiously as possible. Despite the provisions of the Lanham Act prohibiting the transfer of any of these properties for subsidized housing use unless approval of Congress is obtained, the Federal Public Housing Administration has already taken off the market for possible transfer to communities or local-housing authorities for low-rent use, more dwelling units than it has actually sold. Up to April 30, 1947, the FPHA has withdrawn 120 projects involving 32,486 units from sale and reserved them for transfer to communities or local-housing authorities for low-rent use if Congress approved of such transfers. These projects after 4 years are still reserved for such transfer even though Congress has not been requested to approve such transfers.

Illustrative of the policy of the Federal Public Housing Agency in this regard is the fact that they have reserved many more units for transfer to communities and public bodies for low-rent housing than they have actually disposed of. Moreover, of the 24,535 units sold a large bulk of them consisted of structures not suitable for low cost public housing projects. Of the 191,116 permanent units which the Agency has had under its jurisdiction since the end of the war it has disposed of 51,558; 24,535 were sold, 6,654 were transferred to the Navy, 7,965 were transferred to the Army and Air Force, 69 were transferred to War Assets Administrator, 6,508 are listed as lease cancellations, and the balance of 5,935 consist of all other types of disposals, including fire and demolition.

The record of the Agency speaks for itself and is one which justifies Congress in transferring the disposal program back to the Federal Works Agency who originally had such jurisdiction prior to Executive Order 9070. After 4 years the Agency has actually sold less than one-seventh of the total housing it had under its jurisdiction at the end of the war. On the basis of its present record it will take the Agency about 30 years to effectuate the whole disposal program. If the Congress permits one agency to disregard its specific obligation then other agencies are likely to follow suit. If for no other reason the Congress should transfer this disposal program to the Public Works Administration to prove that Congress intends to have its policies carried out by the executive agencies. This bill provides for veterans' preference in the purchase of these housing accommodations, and I believe that this is some of the most reasonably priced housing that the veterans of World War II will have an opportunity to purchase at this time. These housing accommodations were constructed in the early war years prior to the material increase in building costs, and will be offered for sale under the provisions of the bill at a price which reflects their reasonable value on a long-term economically sound basis, and not the present high market cost for housing accommodations. These properties are eligible for FHA insurance of 90 percent of the appraised value, on a mortgage up to 25 years. In the bill it is provided that the Federal Housing Commissioner shall supervise the appraisal of these properties because I have complete confidence in his judgment and administrative ability in the field of residential appraisals and mortgage insurance.

The bill (H. R. 5085) provides that these permanent housing accommodations shall be sold for cash; that is, the proceeds of the sale will return cash to the Treasury. The veteran purchaser can obtain his financing of the purchase price through FHA insurance. Or he may obtain such financing through a GI loan. These methods of financing provide the means by which the veteran can readily acquire these housing accommodations at a low price on the current high market.

Address by Hon. Clinton P. Anderson, of New Mexico, at Commencement Exercises of St. Lawrence University

EXTENSION OF REMARKS
OF

HON. CLINTON P. ANDERSON

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Friday, June 17 (legislative day of Thursday, June 2), 1949

Mr. ANDERSON. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address entitled "The Amazing Interlude," which I delivered at the commencement exercises of St. Lawrence University at Canton, N. Y., on Sunday, June 12, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Soon after World War I had closed with the proclamation of an armistice, a novel appeared on the bookstands. It was entitled "The Amazing Interlude." The story dealt with the way war grips us and produces its miracles, with the fashion in which people who may have lived in unexciting and often unimpressive circumstances find themselves caught up by currents that blow freshly and fiercely across the earth—people who see their hitherto plain selves cast for the moment into figures that strike the eye. Here is the way the author tells it:

"The stage on which we play our little dramas of life and love has for most of us but one setting. It is furnished with approximately the same things. Characters come, move about, and make their final exits through long familiar doors. And the backdrop remains approximately the same from beginning to end. * * But now and then amazing things are done on this great stage of ours. Lights go down; the backdrop, which has given the illusion of solidity, reveals itself transparent. A sort of strange fairyland transformation takes place. Beyond the once solid wall, strange figures move on—a new mise en scene, with the old blotted out in darkness. The lady, whom we left knitting by the fire, becomes a fairy and meets the prince. Adventure, too; and love, of course. And then * * * the lights go out, and it is the same old backdrop again, and the lady is back by the fire, but with a memory."

That story of amazing interlude was repeated again and again in the lives of American service men and women, both in the world war of a generation ago and in the one just concluded. They came from strange corners of our land, knew their hour of greatness and glory, and frequently when the conflict ended, returned to familiar paths and quiet lives.

Have we a parallel in the current widespread interest in education? This June the colleges of this country will graduate a record number. If we look back to 1940, we find about 216,000 receiving college degrees. Four years later, due to the war, the number had dropped to 141,600. That, of course, was only a temporary set-back. Once the armed conflict had ended, our young men and women swarmed again to campuses all over the land. By 1947, the crop of graduates climbed to 240,000, by 1948 to 319,000, and this year it is estimated that 338,000 diplomas will be awarded, an all-time high.

What about this record harvest that is going on today and is in progress on every other campus throughout the Nation, the harvest of young minds grown from the seedbed of democracy, nurtured in the climate of freedom, maturing in the sunlight of truth?

Surely we have no more important harvest. And the fact that it is diffused over hundreds of educational institutions need not blind us to the problems involved in its utilization.

Personally I must express at once my pleasure in the size of the crop. During the years that I was dealing so closely with farmers, I found that many of them were worried as the war neared its end over the possibility that surpluses might quickly develop in wheat, corn, and cotton. Do we look at our educational plants and feel that a like surplus may develop in doctors, lawyers, and dentists? Do we ask ourselves if all of the crop is really needed? Do we wonder if there are to be more graduates than there are places of opportunity? Have we come to the point which agricultural leaders reached some years ago, when they decided that it might be better to plow under every third or fourth row and try to steady the market by a more limited harvest?

I want immediately to put myself on the side of those who believe that the market for educated minds is not overcrowded in this country, who believe that not too many college graduates are being turned out, who believe that education still has its responsibilities and who want to see this harvest of diplomas grow rather than be restricted.

I know what that means in pressure on classrooms, dormitory space, and laboratory facilities. But these problems of physical needs which rest on the consciences of the men and women directing our educational institutions are not the only educational problems in our land today. The very number of these graduates indicates that they themselves may have difficulties as they leave school and find the going harder than it was for those who have gone out in the past few years. One of our national magazines summed it up only a few weeks ago by saying, "College graduates, job-hunting, are to find the pickings slimmer this summer. Good openings are getting hard to find. Employers are getting more and more choosey as the biggest graduating classes in history enter the 1949 job market."

Will these graduates encounter disappointment? Will the going be rough? Will they conclude that college training has not paid off? If so, will their experiences tempt the next generation of high-school seniors to put less emphasis on further formal education? In other words, will the universities of the land see this blaze of interest in education die down, the fairyland fade out and the old familiar backdrop reappear—a quiet campus designed to give the thoughtful mind a proper atmosphere for meditation?

To me the happenings of the last generations have materially altered the course which many young people will follow as they start their professional lives. Your grandparents grew up in the days of the giants of industry when men were stretching bands of steel across the continent, were building financial institutions almost overnight, were developing new cities and new factories and putting into the service of the American Nation labor-saving devices powered by steam and electricity. Not for a moment would we forget the great heritage left us by those people who observed the mechanical revolution in England, transplanted a section of it to our shores and gave us the engineering marvels which harness energy in every corner of our land and create a productivity the like of which the world had never imagined.

We are the inheritors from their great genius. We enjoy the opportunities which they created. On the foundations which they laid we were able to enter this last great war without the best guns, the best tanks, or the best planes, far behind in the knowledge of radar and with no start whatever toward the creation or use of atomic energy. But the training of American minds and the skill of American hands had so expanded the possibilities of invention and improvement in this country that we came out of the war 4 years later with the finest guns, the stanchest tanks, the fastest planes, with the greatest knowledge of radar and with the only productive skill in the field of atomic energy.

You inherit that, but with it some complications. As you go from this school into your career, you will find it more difficult to be an empire builder in 1949 than if you had followed the trail to California as a forty-niner a century ago. There are some road blocks in the way—the prior appropriation of the field by others, the greater size at which industries must be launched in this day of sprawling corporations, and, if you are trying to build a fortune, the restrictive operation of income- and inheritance-tax laws.

But there will be opportunities nonetheless, worlds of infinite beauty and reward, careers that will surpass those great moments in our national heritage when men and women have been privileged to lift higher the religious, cultural, professional, and commercial values that have made this country great.

Who knows today the limits of beneficial use in atomic energy? We see its principle now associated with an instrument of destruction. You are to be the guardians when nuclear fission becomes an agency of good. You will direct the commissions and man the laboratories when its exploding power will lift burdens from the backs of mankind. I envy you that long look down the years that will let you watch the unfolding of the atomic era and at the close of your lives will let you look back upon the emergence of new and amazing manifestations of that power just as we of another generation have watched the forward rush of the automobile, the telephone, the radio, and that combination of telephone and radio that we know as television.

But before nuclear research means much to any of us its use for destruction must be brought under control. To a great degree the same processes that are employed in the building of an atom bomb must become common knowledge if atomic energy is to be harnessed so it can propel trucks, drive locomotives, fly airplanes, and be as a servant to those who inhabit the earth. But before there can be control of the atom bomb there must be agreement among nations and it must come quickly. If you have talents in the field of political science, here surely is an area where your talents may find employment.

When I think of the proposals to build a St. Lawrence seaway, to harness the floodwaters of the Missouri River and spread them at more proper seasons across the old Northwest Territory, to use the sweet waters of the River Jordan to irrigate three-quarters of the million acres and thereby permit Arabs, Christians, and Jews to find that plenty which could permit them to live together in harmony in Palestine—then I know that the day of opportunity for the engineer is just dawning.

But I recall that new types of energy may mean new styles of machinery, new modes of transmission, completely different composition of our cities, a relocation of industrial plants. I wonder how we will ever accomplish it all. It will take trained minds and strong bodies if we do not fail.

This rush for education is, therefore, no interlude. We are not going back to the old life. He will not be satisfied with a world economy in which there is not enough to eat, not content with our Nation unless it accepts the responsibility that a disordered world seems anxious to press upon it. To take a line from The Devil and Daniel Webster, it can be truly said that "we have sown freedom over this earth like wheat" and we are not going to be afraid of the harvest. Similarly we have been spreading wheat over the world for freedom, 500,000,000 bushels of our wheat from the past harvest, 400,000,000 bushels from the current one. We have tried to remove the pressures of hunger to permit a choice in type of government. That is a first step, but your whole lives will see this endeavor go on—perhaps with different tools but with like goals.

You do not face a world of idleness. It will not be easy, this plastic surgery to uplift the face of old Mother Earth to conserve its covering of topsoil and utilize the last acre-foot of water to find food for a steadily expanding population, this strengthening of unity among nations through United Nations and a score of its agencies to the end that aggression may be curbed and order may be restored. It will be glorious work, but it will not be easy.

May you strengthen yourselves with the words of Tom Paine: "If there be trouble, let it be in my time, that my children shall have peace."

Increased Pay for Postal Employees

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Friday, June 17 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement by G. M. Higley, legislative representative, Central Pennsylvania Postal Employees' Council, of Harrisburg, Pa., in support of Senate bill 558 and Senate bill 1772.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT IN SUPPORT OF S. 558 AND S. 1772 BY G. M. HIGLEY, LEGISLATIVE REPRESENTATIVE, CENTRAL PENNSYLVANIA POSTAL EMPLOYEES COUNCIL, HARRISBURG, PA.

Regardless of the many statements made recently on the air and in the press, the cost-of-living index has dropped only about 5 percent from the all-time high of last August. In fact, the index is approximately 8 percent higher now than the figure given by the Bureau of Labor Statistics at the hearings before the Post Office and Civil Service Committee last January.

Postal employees were having a hard time trying to make their salaries reach last year, and they still are. Since last year more postal workers have found it necessary to cash war bonds, borrow from the credit unions, and to send other members of their families, including their wives, to work to provide sufficient income for necessary household expenses.

On behalf of the Central Pennsylvania Postal Employees Council, of which I am legislative representative, I endorse S. 558 and urge its early favorable report and enactment. I should also like to endorse this bill as secretary of local 1566, National Federation of Post Office Clerks, of Harrisburg, Pa.

During these hearings this subcommittee will consider, among others, S. 1772, introduced by seven distinguished members of the Post Office and Civil Service Committee. As

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you gentlemen know, this bill will correct some of the inequities under Public Law 134, and I will briefly state some of my reasons for the early enactment.

At the outset, I would like to request that S. 558 be substituted for section 4 of S. 1772.

Suppose we consider the amendment that will eliminate the lowest or first four grades. This would give some badly needed help to our veterans of World War II who make up a large majority of this group. Men making from $2,550 to $2,850 certainly cannot provide properly for their families and themselves in these days of high prices. These men have served their country and only expect a reasonable break to establish themselves economically.

When Public Law 134 was enacted in July 1945 the older employees did not get credit for all their past service. This was eminently unfair to many men who have spent a lifetime in the service of the United States. Let us see how it works: A new employee entering the postal service can reach the top grade in 26 years which is not too soon. Under the provisions of this bill all employees can reach the fourth longevity grade in 22 years and in addition all previous service will count which will correct the bad situation under existing law. This will only be fair and just to many employees who now have as much as from 25 to 45 years service but can never reach the top grade.

For many years now postal employees have been receiving 15 days' vacation and 10 days' sick leave while the rest of the Government employees have been enjoying 26 days' vacation and 15 days' sick leave. We in the postal service feel that we are also entitled to the same leave privileges. Not long ago in a report to Congress the Civil Service Commission stated that they had no objection to granting the additional leave privileges to postal employees. This is only fair and should have been done long ago.

I should like to include two quotations regarding the postal service which I feel are very pertinent to this general subject. The following is an excerpt from the speech of the Honorable JOHN C. KUNKEL, Eighteenth District of Pennsylvania, before the Eastern States Postal Employees Conference, held in Harrisburg, Pa., Saturday, February 14, 1948:

"In particular reference to postal employees, the only universal service in the United States today is the postal service. Few people realize that. Millions of citizens do not have electricity or telephone or telegraph facilities or, even transportation. The United States mail goes everywhere, and under all kind of conditions at all times. By the same token, the postal service is the one way in which everyone comes in contact with the United States Government. I have never kown a group who were so uniformly polite and considerate."

Congressman KUNKEL is a distinguished member of the Banking and Currency Committee of the House of Representatives.

At the same conference, Senator FRANCIS J. MYERS, the distinguished majority whip of the United States Senate, said:

"Your excellency of service and devotion to duty are the most effective lobbying activities in your behalf. When your representatives come before Congress, they find the good will has already been created for them by the rank and file back home in every post office and in the postal service. That does not mean that you have always gotten from the Congress the things that you want and have a right to expect, or gotten them promptly enough when you did get them. The delays in acting upon employee benefits of all Government employees, including the postal employees, and sometimes the postal employees, have at times verged on the tragic side."

Postal employees are happy to know that the Members of Congress and the American people are appreciative of their efforts to render the best possible service.

The postal service has a tradition dating before the adoption of the American Constitution. We employees are anxious to maintain and if possible, improve on this record of service. It will be a little easier if we are free from the worry of making an inadequate salary provide the necessities of life for our families.

It has been a privilege to file this statement with the gentlemen of this committee and I again urge the prompt enactment of S. 1772 with the salary provisions of S. 558. Thank you.

Respectfully submitted.

G. M. HIGLEY,
Legislative Representative, Central Pennsylvania Postal Employees Council, Harrisburg, Pa.

Food Problems and Farm Programs

EXTENSION OF REMARKS
OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Friday, June 17 (legislative day of Thursday, June 2), 1949

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "Food Problems and Farm Programs," delivered by the Senator from Vermont [Mr. AIKEN], at the fiftieth annual convention of the National Association of Retail Grocers, Chicago, Ill., on June 12, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FOOD PROBLEMS AND FARM PROGRAMS

Food problems are as old as the world itself, and farm programs are not much younger. If we go back into the centuries, we will find that price ceilings, production incentives, allotments, quotas, and penalties were all tried hundreds of years ago. Both support prices and penalties made their appearance in the United States about 300 years ago.

So, the subject which I am talking about today can hardly be called a new one.

Only 90 years ago, about 80 percent of the people in the United States were engaged in the production of farm commodities and about 20 percent of the people were engaged in industry, commerce, and other professions.

Today, the situation is reversed. Eighty percent of the people live off the farm while only about 20 percent of our citizens are now engaged in the production of food and fiber.

But, with this reversal of population, we find the country in far less danger of going hungry than it ever was before. Not only is food more plentiful than ever, but the housewife is actually spending a smaller portion of her dollar for food than she was even a generation ago.

Thirty years ago about 37 percent of the wage earner's dollar was spent for the purchase of food. Today, only about 33 percent of the worker's dollar goes for food. This comparison of percentages, however, does not tell the whole story.

If the consumer would be satisfied with the kind of food bought 30 years ago, the percentage of cost would be even less than it is now.

Instead of buying flour and corn meal from a barrel and lard from a tub and vegetables only in season and meat that had to be cooked for several hours, the housewife now buys a good share of her food all ready for the table.

The green salad is chopped for her and is available every day in the year, along with tomatoes, lettuce, and other fresh vegetables.

The ham is precooked and almost ready for the table, while frozen foods of about every description are ready to eat a few minutes after being thawed out.

When the housewife goes shopping today she buys not food alone. She buys cook service and maid service with it and all for a lower percentage of the dollar than she used to pay.

What a contrast there is, in the methods of buying food, as between today and a quarter of a century ago.

I was raised in a small town where the cracker barrel meant much more than a philosophical term. Not only was it the source of supply for our Sunday evening cracker-and-milk diet, but it literally provided a forum seat for the town's loitering philosophers.

In the store where my family used to do most of its trading, the cracker barrel was located at such a distance from the old coal stove that only the most unerring and expert chewers of "Mayo's dark" could be depended upon to hit the hole in the old isinglass front.

Romantic, yes; sanitary, no, and a very, very great contrast from the modern grocery store with its shelves and neatly packaged goods, its bright lights, its cleanliness and a general atmosphere which makes shopping for food more the nature of a pleasant outing.

Keeping pace with the improvement in processing and merchandising methods has been improvement in production methods on the part of the farmer.

Many crops that a generation ago were produced by hand or team labor are now produced almost wholly by mechanized methods.

Improvements in varieties, in fertilizers, insecticides, fungicides, and weed killers have also enabled the farmer to produce more with less labor than ever before.

While science has met the problem of how to produce enough to meet our needs, it has created another problem of what to do with our overproduction.

In the early thirties when consumer purchasing power dropped, farmers were paid by Government to destroy their surplus production. Obviously, this method of meeting the problem was not popular with those who were going hungry in the cities.

It was back in the early thirties too that Government officially first recognized the necessity for maintaining farm purchasing power in order to maintain our national economy.

When the price of wheat dropped to 30 cents and the price of corn to 15 cents a bushel on the farms, our national economy became well-nigh paralyzed.

It was only when Congress decreed that the price of corn should not be less than 45 cents a bushel that national recovery began.

This was the beginning of modern farm support-price programs.

In 1938, the Triple-A Act was passed which provided support for basic farm commodities at a level ranging from 52 to 75 percent of parity.

This support, however, could not be given until the price of the commodity dropped to 52 percent or the supply reached a burdensome level.

In other words, it was designed to help the farmer after he got into trouble.

Soon after this law was enacted, the war came on.

Surpluses of wheat and cotton, accumulated by the Commodity Credit Corporation under the price-support program, disappeared and our problem became one of getting an adequate production rather than one of meeting surplus conditions.

In order to induce the farmer to produce more and to enable him to acquire facilities necessary to increase his production, Congress made mandatory a support of 90 percent of parity—92½ percent in the case of cotton—for the six basic commodities—corn, wheat, cotton, rice, tobacco, and peanuts—and also for 12 other important farm commodities known as Steagall commodities.

Under wartime legislation, the Government was authorized to increase this support when necessary to get adequate production and in fact the Department of Agriculture did maintain support prices of much higher than 90 percent for several commodities.

As a result of this incentive program, the agricultural production of the United States was stepped up about 35 percent.

This was sufficient to provide for our own domestic needs, the needs of our armed forces and those of our Allies, and helped to meet the needs of the deficit food areas of the world during and after the war.

This wartime incentive program was to run for the duration of the war and for 2 years thereafter. The "2 years thereafter" expired on December 31, 1948.

Recognizing that something had to be done to keep the bottom from falling out from under farm prices, both Houses of Congress in July 1947 authorized their Committees on Agriculture to study the situation and to report their findings and recommendations to the Congress.

Frankly, the committees of the House and Senate did not see eye to eye and the resulting legislation approved on the last day of the Eightieth Congress is of a hybrid nature.

In order to get its long-range program of flexible price supports adopted, the Senate had to agree to the House insistence that the high wartime supports be continued for 1 year more, or until January 1, 1950.

It is this incentive of wartime prices for 1949 crops that has induced heavy overplanting this year, and which, barring abnormal weather conditions, will add greatly to our already heavy surpluses of some commodities.

I don't blame any farmer for taking advantage of a last opportunity to produce at wartime prices, but I do maintain that the accumulation of huge surpluses as a result, will in the long run, react to his disadvantage.

The long-range farm program, which is the Senate part of the Agricultural Act of 1948, is an effort to keep the farmer out of economic difficulties rather than to help him after he gets into trouble which was the purpose of the 1938 act.

The 1948 act is an effort to put farm support on an income rather than a commodity price basis. Its authors believed that the farmer's over-all income is more vital than the unit price for a particular commodity.

This act points toward the conversion of more farms to an animal industry, thereby providing a wider market for surplus grains and putting the American consumer on a higher dietary level.

It provides a formula which fixes minimum levels below which the Secretary of Agriculture cannot go in providing supports for basic commodities. He must fix the support level between this minimum and 90 percent of parity unless the national security demands a higher support level.

The act provides for the support of nonbasic or perishable commodities at a level to be determined by the Secretary ranging up to 90 percent of parity.

It is intended, however, that the Secretary shall support the prices of the more important nonbasic commodities, such as meats and dairy products, at a level comparable to the support given to wheat, corn, cotton, and other basic commodities.

The Senate believed that the production of farm commodities and the stabilizing of farm incomes could be controlled to a large degree through raising or lowering the support level rather than through strict and arbitrary Government controls emanating from Washington.

The over-all aim of the Agricultural Act of 1948 is to assure an adequate supply of food and fiber to prevent collapse of farm purchasing power, to guarantee the farmer a decent living and to keep him free. Although production controls are provided in the 1948 law, they are to be used only temporarily and in emergencies.

When the farmers of America lose their freedom through the permanent application of Government controls and penalties, there will be little hope left for maintaining democracy in America as we now know it.

Let me tell you a little more about this Agricultural Act of 1948.

It is not a Republican law, as some critics have indicated. It is a bipartisan law. It was developed as far as possible from the heat of a political campaign and partisan politics never entered into our deliberations.

The Agriculture Committee of the Senate, comprised then of seven Republicans and six Democrats, unanimously approved this legislation. President Truman also urged its approval by the Congress. The Senate voted for it 78 to 3. Is that partisanship?

To clinch the matter, both the Republican and the Democratic national conventions adopted resolutions standing unequivocally for flexible farm price supports which is the foundation of the 1948 act.

Since the law was drawn on a nonpartisan basis, with the full cooperation of the United States Department of Agriculture, and since the flexible support provision of the law was supported by all major farm organizations, including the Farmers Union which now opposes it, there was no reason to believe that new basic price support legislation for agriculture would be required for some time.

On April 7 of this year, however, Secretary of Agriculture Brannan appeared before the Joint Agriculture Committees of the House and Senate and presented what was publicized as a new program for agriculture.

Immediately after the presentation, the program was broadcast and publicized under the auspices of the Democratic National Committee and thus the welfare of the American farmer and the food supply of our urban population was tossed head over heels into politics.

Farmers throughout America are very properly resentful of making a political football out of their economic welfare.

As a matter of fact, the Brannan program, as it has come to be called, follows closely the provision of the long-range Agricultural Act of 1948, which does not take effect until January 1, 1950.

The public can scarcely be blamed for thinking a brand new plan was being offered in view of the fact that the long-range part of the 1948 law is not yet in operation.

The Brannan program has since been implemented by a bill to put its provisions into effect. This bill, which the Secretary sent to the House and Senate for introduction, did not, however, have the approval of the Bureau of the Budget.

The Secretary's program contains only three radical departures from the Agricultural Act of 1948. But these three departures spell the difference between life and death for a free agriculture.

These are (1), and I quote from his bill, "conservation and good land use practices as prescribed by the Secretary, may be required as a condition of eligibility for price support."

This provision very obviously would give the Secretary the right to prescribe the manner in which each farmer should use his farm, what crops he should grow, and how they should be cared for.

The second provision of the Secretary's program which departs from the 1948 act is the placing of a limitation on the amount of production per farm which would be eligible for price support.

This recommendation has some merit because it is not healthy for our Nation to have small groups acquire whole counties thereby depriving several hundred families of the right to hold ownership in, and to make a living from, our land resources.

The weakness of this recommendation lies in the fact that it would penalize the more efficient areas and the more efficient farmers inevitably resulting in an increased cost of over-all production.

The third departure of the Secretary from the 1948 act lies in the level of support.

While the 1948 law provides that the Secretary must fix the support level somewhere from 90 percent down to a minimum provided for by a formula in the act, his new program would require support for 10 major farm commodities at 100 percent of parity, or "income-support standard" as he now chooses to call it.

One hundred percent of parity would represent such a satisfactory income to any farmer that only immediate, complete, and permanent controls could prevent overproduction to a degree which we have not yet experienced.

If a 90-percent guaranty has resulted in plaguing us with a huge overproduction of certain commodities and has already resulted in the obligation of several billion dollars of Government funds since last July, I leave the cost of 100 percent support to your imagination.

Mark this, however, I am in favor of farmers getting their full share of our national and per capita income. I want this income to come through their own organized efforts and not through depending on Government to provide the principal market.

A support price level should normally be just below a fair market price in order to encourage conversion to the production of commodities most needed to encourage the production of commodities in areas best suited for their production and to encourage the development of new markets and new uses.

Dependency on Government will inevitably result in subservience to Government.

On the face of it, the Brannan plan guarantees to farmers a satisfactory income.

One hundred percent of parity today represents cost, plus a substantial profit for wheat, cotton, and many other farm commodities.

This guaranty cannot fairly be confined to agriculture alone, nor controls be confined to agriculture alone.

There has been much talk about letting perishable farm commodities find their own price level in the market and then reimburse the farmer for the difference between the market price and the support level.

Evidently the Secretary contemplates a much wider use of this provision of the 1948 act than the Eightieth Congress did.

We intended it to be used sparingly and carefully, for there are cases where use of payments in supporting prices would save money.

We never intended it to be used as a means of bringing about a general reduction in consumer prices.

If this is the purpose the Administration contemplates using this provision for and succeeds in doing so, it may necessitate re-

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storing price ceilings in order to insure that low farm prices will be translated into low consumer prices.

A guaranty of 100 percent prices to farmers, plus assurance of low costs to consumers might well result in bringing the OPA in again through the back door.

Let us not forget that the President has several times within the past few months indicated his desire to have Congress grant him the power of stand-by price controls.

For what purpose does he desire price control powers in the face of falling prices?

If it is desirable to make surplus foods available to low income people at prices within their means, and I believe it is, then I say let that food be made available in an orderly and nonrestrictive manner through the normal channels of trade.

Let us guard against the disruptive forces which created so much havoc in the fields of distribution and marketing during the depression years. I refer, of course, to the political distribution of food. I for one still believe that the distribution of food can be handled better by those who know the business than by all the professional politicians put together.

In spite of the fact that it takes a smaller percentage of the wage earner's dollar to buy food today, it is nevertheless true that the farmer is receiving a smaller portion of the consumer's dollar than he has for several years.

You grocers are being partly blamed for the widening spread between farmer and consumer.

Actually, increased labor costs, increased transportation costs and improved processing methods are eating up much of this increased spread. These are sticky costs and will not come down much under normal circumstances.

As a matter of fact, the distribution of food has probably never been handled as economically and efficiently as it is today, if we take increased quality and better services into consideration.

Better methods of producing better commodities should be the aim of the farmer—better methods of processing and distribution should be the aim of processors, distributors and retailers.

Better understanding of each other's problems should be the aim of all.

It is only through cooperation of producer, distributor, consumer, and Government that our intricate economy can operate effectively and remain strong. I mention Government in this connection because Government, it if fulfills its responsibilities has a useful and proper function in this day of rapid communication and fast travel that has brought nations and the people of the world into close contact with each other.

No nation can isolate itself or its problems in a world of jet propulsion and guided missiles. An economic set-back in any area, or in any major economic group, cannot be contained in that area or confined to that group. It will spread inevitably across state and national boundaries. So national governments in the family of nations occupy much the same role now that local governments used to occupy in the days of slow travel and retarded communication.

While our Government has inevitably become big government, it should never occupy such a dominant role in our day-to-day lives that we would ever—on a permanent basis—be dependent solely upon Government for our economic welfare.

Government should not undertake, or be expected to undertake, to do for the rank-and-file citizen what he, through individual initiative or group enterprise, can do for himself.

The American farmer is endowed with the tradition of wholesome self-reliance. That tradition as a basic attribute of democracy must be preserved.

No segment of the population of a nation can make its political voice effective in the control of government if it permits government to exercise rigid control over the economic destiny of the people.

America stands as the best remaining bulwark of freedom of enterprise in the world today. It stands as a stalwart example of democracy.

It is our responsibility to keep it that way.

We have been dealing with food problems and farm programs for a long time. We have made progress in both of these related fields. We must maintain the progress that has been made.

In fulfilling its responsibility in our way of life, Government should lay dawn the rules of the game of free enterprise; it should insure that competition shall remain free and unfettered; it should provide assistance for the needy and the sick; it should protect the welfare and integrity of the individual; and, above all, it should guarantee that paternalism shall not become the dominant spirit of this Nation.

We are faced with the challenge of continuing to adapt our farm programs to the pattern of our democratic processes rather than to embark upon the course of changing Government to meet the pattern of an illusionary farm program.

There are certain fundamental attributes of democracy that we hold dear above all else. Among these are liberty, justice, and freedom to think and act.

Let us make sure that these ideals of the founders of our Nation shall never be sacrificed on the altar of economic or political expediency.

United States Policy Weakened by Favoritism

EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Friday, June 17 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "United States Policy Weakened by Favoritism," written by Edgar A. Mowrer, and published in the Philadelphia Inquirer of June 13, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES POLICY WEAKENED BY FAVORITISM

(By Edgar A. Mowrer)

American foreign policy under President Truman is obviously at its most vigorous since James Monroe.

Yet everybody can see that there is still room for improvement. Nobody in Washington can quite swallow the contradiction between containing communism in Europe and allowing it virtually a free hand in Asia. Apparently it is a personal matter. As such the President can remove it when he chooses.

There are other bugs in our foreign policy that are anchored in the American constitutional structure and traditional practice.

Several of these are on the surface today.

The most spectacular was the recent effort made by Senator WALTER F. GEORGE, of Georgia, to limit the President's constitutional powers to send the armed forces of the United States wherever he believes them necessary.

GEORGE has been in the Senate since 1922. One might expect him to be familiar with the American Constitution. Yet during the discussion of the North Atlantic Pact, he learned for the first time that whatever the Senate says, the President will still be free to send Americans in uniform anywhere. He can even commit them to an international conflict.

For the President derives this right, not from any treaty but straight from the American Constitution. He might presumably promise that he would make no use of his right. He could not legally renounce it if he chose.

This lesson was recently demonstrated by Senator HOMER FERGUSON, of Michigan, in a remarkable address to the Ohio State Bar Association in Dayton, Ohio, last May 13. FERGUSON pointed out that—contrary to the prevailing belief—the North Atlantic Pact is not the second, but the eleventh defensive military alliance in time of peace made by the United States.

He showed that while Congress alone has the power to "declare war," the power to "make war" belongs to the President.

Another cause of confusion in American foreign policy is the administration practice of making some international agreements by treaty, others by Executive agreement. The first need the consent of the Senate. The second do not.

A third rattle in the foreign policy gear box comes from the House of Representatives. The Constitution knows nothing of any such claim. The tradition that finance bills must originate in the House of Representatives is, however, being used by Congressmen as a wedge for sticking their noses into international policy.

Finally, President Truman himself is not innocent of throwing sand into his own policy. He has reverted to the ancient American practice of allotting diplomatic posts abroad on a basis of friendship or political contributions.

So long as the United States had no world-wide policy it did not much matter if an inexperienced stock-market gambler represented us in one capital and an ousted State governor in another. But today every American diplomat abroad commands an outpost in a political struggle whose stake is nothing less than human freedom. The best and most experienced students of world affairs are none too good.

Many of these can obviously be found in the highly trained American Foreign Service. But President Truman dislikes stripe-pants diplomats.

So first he filled the diplomatic posts with internationally green generals and admirals who thought in terms of all or nothing. Then he began to auction off (the phrase is not mine) embassies to businessmen even more innocent of diplomatic experience.

Now—a climax—he apparently contemplates filling vacant posts in Europe with agreeable but untutored ladies who love the Trumans and the Democratic Party.

There is every reason why qualified women should represent our country abroad. If Mr. Truman had picked Dorothy Thompson or Anne O'Hare McCormick or Helen Kirkpatrick or Dorothy Fosdick, he would deserve congratulations. For these four are more familiar with the diplomatic jungle than most men.

But to pick for the two militarily most exposed capitals in free Europe—Oslo and Luxemburg City—a pair of amiable Democratic women who may not know Kamchatka from Kandahar, is to deal frivolously with American foreign policy.

Propaganda and the Law

EXTENSION OF REMARKS
OF
HON. JOHN J. WILLIAMS
OF DELAWARE
IN THE SENATE OF THE UNITED STATES
Friday, June 17 (legislative day of Thursday, June 2), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Propaganda and the Law," published in the Washington Evening Star of April 21, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PROPAGANDA AND THE LAW

The Department of Justice has come a cropper in its first criminal prosecution under the much-heralded Federal Regulation of Lobbying Act.

A year ago the Justice Department obtained an indictment against the United States Savings and Loan League. According to some administration propagandists, this organization practically has the Congress in its pocket. But when the indictment had to face the test of court challenge it was found to be fatally defective.

After hearing arguments, Judge Edward M. Curran ruled that one count was so vague that it was meaningless, and that the two others failed to charge any crime. In other words, either the Department of Justice did not know how to draft the indictment properly, or it lacked the evidence upon which to base a charge that would stand up in court.

Judge Curran's ruling, of course, is not a final one. The Justice Department has the right to seek a new indictment, or it may elect to proceed in some other way. In any event, it will be interesting to see what is done.

There is a ring of phoniness about the campaign against the lobbyists. For years almost every group of any consequence that is for or against a particular piece of legislation has engaged in what is loosely described as lobbying. But this administration saves its invective for the business lobbyists. The labor lobbyists, for instance, can threaten and browbeat Congressmen in their campaign for repeal of the Taft-Hartley Act without drawing a word of complaint from the administration. The same thing goes for any other pressure group whose aims happen to coincide with those of the party in power. It is only when some business lobby raises its head that the propaganda artists would have us believe that the foundations of the Republic are being eaten away.

Fortunately, however, it is one thing to shout from the housetops, something else to make a case stick in court. And this is why it will be interesting to watch the future course of the complaint against the Savings and Loan League.

General Marshall

"One of the Greatest Americans of All Time."

EXTENSION OF REMARKS
OF
HON. CLARENCE CANNON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. CANNON. Mr. Speaker, under leave granted to extend my remarks in the CONGRESSIONAL RECORD, I include the proceedings on the occasion of the dinner in honor of Gen. George C. Marshall, former Army Chief of Staff and former Secretary of State, on the second anniversary of his speech at Harvard University, given by the Chiefs of Mission of the 16 countries, members of the Organization for European Economic Cooperation, at the Carlton Hotel, Washington, D. C., Sunday, June 5, 1949:

REMARKS BY MR. WILHELM MUNTHE DE MORGENSTIERNE, THE NORWEGIAN AMBASSADOR, ON BEHALF OF THE HOSTS

It is rather characteristic, I think, of our guest of honor that, when 2 years ago today General Marshall spoke at Harvard University, the official bulletin of his Department modestly referred to his speech as "remarks by the Secretary of State."

Seldom, if ever, I believe, have any "remarks" led to such positive, far-reaching, and amazingly quick results.

We all remember what the free world faced in June 1947. As General Marshall said in the first sentence of his speech: "I need not tell you, gentlemen, that the world situation is very serious." Yes, it was very serious, indeed.

Yet, I do not think, in spite of the rather clear intimations of General Marshall's speech, that the world realized its full implications. The problems were too complicated. The solution suggested was too unfamiliar, too vast—and generous. Perhaps even today it is not possible to gage fully what the Marshall plan means to the free world. It may be that only in the perspective of history will we realize to what extent the European Recovery program has been a decisive factor at one of the fateful crossroads of human destinies.

What among other things placed the Marshall plan on such a high level, was the fact that—like another great American plan, the UNRRA—it was offered also to countries which ideologically—which in their conception of freedom and popular government—were far removed from the western world. It was a hand stretched out to any European government willing to assist in the task of world economic recovery. It was something rare in the annals of humankind: It was something far above frontiers, above mistrust and hate—it was that rare manifestation of a spirit of human interdependence and brotherhood which must come to prevail if the world shall escape indescribable calamities.

As General Marshall said at Harvard University: "Our policy is directed not against any country or doctrine, but against hunger, poverty, desperation and chaos."

The suggested cooperation with the war-torn countries of Europe was not in its inception meant to be an instrument in the so-called cold war. On the contrary, the idea of the Marshall plan was to create such healthy and mutually trustful economic cooperation which is essential to the material and spiritual well-being of all the peoples of the world. It was, indeed, an instrument of good will and peace.

Some countries in Europe, however, turned down the American suggestion, and certain groups in the countries which joined in this great undertaking did everything in their power to sabotage and undermine the Marshall plan. It was this all-out attack on the plan which forced it into the position of a factor in the cold war.

The fundamental idea of the Marshall plan was, of course, that the countries of Europe should do their utmost themselves, and through close cooperation with other European countries, to rebuild their shattered economies. They must make a supreme effort for self-help and mutual aid. The initiative, as General Marshall emphasized, must come from Europe, while the role of the United States should consist of friendly aid in the drafting and carrying out of an over-all European reconstruction program.

I think we can say today that on the whole things have worked out this way. There is, of course, something in Emerson's words, that "all details are melancholy." Perhaps some of our details did not work out entirely according to plan. But let me quote what Mr. Paul G. Hoffman said in a recent speech: "All we can say now is that the progress of European recovery during the last few months has been more rapid than any of us had dared to hope. We have tangible evidence in the form of statistics of increased output in the factories, mines, and farms of western Europe." I could, but I shall not, cite any statistics. I believe that my colleagues from the other Marshall countries will have something to say as to what that plan has meant to their respective nations. Let me only mention—on behalf of my own country—that we do not know what would have happened to Norway without the Marshall plan, or perhaps I should rather say that we know only too well what would have happened. We are accustomed to be self-dependent. We want to continue to be self-dependent—just as soon as hard work and rigorous austerity shall make it possible.

If we try to measure the total effects of the Marshall plan, we should not forget that it has done something more than stimulating and extending production and increasing scant rations. It has given confidence and courage to peoples who had gone through too much to tackle alone the burdens of postwar existence with vigor and hope. And as a by-product, it has been a lesson in economic cooperation among nations which will not be lost, but will, perhaps, prepare the way for that still closer economic and even political cooperation which may hold the ultimate solution of our problems. Let me add one thing which I believe all the 16 of us understand and appreciate deeply: What the American Government and the American people are doing is not being done out of superabundance. It is done, and it is keenly felt, by every taxpayer and every household in this great and generous land.

Today, on this anniversary, we, the representatives of the 16 nations, members of the Organization for European Economic Recovery, have wanted to honor General Marshall—as far as it is possible to do so to a man whom the entire free world delights to honor. In war and in peace General Marshall has been a tower of strength to those who deeply believe in freedom and the decencies of human civilization. At all times he has stood immovably for principle and refused to pull back the frontiers of freedom, democracy, and justice.

When military victory and peace came, General Marshall was still there—realizing that the fight had not been fully won until the fundamental causes for which the free world fought, had been definitely safeguarded—until we had kept faith with those who gave their lives for what they deeply believed they were fighting for. But even General Marshall could not have accomplished what he did if he had not had the unlimited confidence and support of the President of the United States, who at all times so clearly and persistently saw the issues involved in securing peace with freedom.

It was a time in human affairs when the hard-won freedom and the freedoms and human rights of the peoples of the Western World were in deathly danger. How close the free world came to defeat, perhaps we shall never know. The free and liberated nations of Europe were too exhausted alone to safeguard their freedom. America stepped into the breach, and with the Truman doctrine and the Marshall plan saved the free world. That, surely, is bound to be one of the greatest chapters in the history of the unceasing struggle for human freedom.

I am sure that we, the representatives of the Marshall-plan countries, shall always

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consider it a memorable privilege, to have had the opportunity here and now, to say to General Marshall, our honored guest, and to the President, Congress, and people of the United States, that Thank you, which, surely, will be in the hearts of coming generations of our countrymen.

REMARKS BY MR. HENRI BONNET, THE FRENCH AMBASSADOR

No enterprise in the field of international politics can succeed unless there is behind it both clarity of purpose and continuity. These are the two factors which allow one to direct events rather than be directed by them. Thanks to you, General Marshall, there has been such a driving force behind the European recovery program.

After having conceived and carried out with indomitable tenacity the plans which brought about victory, first over the Nazis in Europe and shortly afterwards in the Far East, again you had the vision of the strategy for the winning of the peace. By laying the plans for the recovery of your partners on the other side of the Atlantic, for the salvation of a large area of great democratic traditions, you set a major landmark in contemporary history and pointed out the way of the future, that of an ever closer solidarity between our nations. And I personally shall never forget how charming, friendly, and enlightening was your cooperation in those vital days.

As for my country, I am happy to say today what the Marshall plan means to her. Gradually, we are rebuilding the foundations for a healthy, and later on, a prosperous life. One cannot build on sand. It is on firm ground that we shall, during the coming years, raise the structure of a France which will, as always, work efficiently side by side with the United States for progress and peace in the world.

REMARKS BY BARON SILVERCRUYS, THE BELGIAN AMBASSADOR

Five years ago, between the 5th and 6th of June, a combined operation was launched on the shores of Normandy, that led to the political liberation of Europe—and to victory.

Three years later to the day, when he was Secretary of State, General Marshall delivered, at Harvard University, an address that paved the way for a new combined operation, integrating the same forces of freedom in the promotion of economic liberation and peace.

On this fifth of June, the anniversary of those two dates written in the history of mankind, Belgium heartily joins in paying grateful tribute to the contribution of the United States to this great cause. Outstanding as this contribution may be, and is, when measured in financial terms, its value is best estimated in the opportunity it affords the nations of western Europe to band together and to organize, in the incentive it provides for closer integration and for unity in the future.

To this very purpose the people of Belgium, whom I represent today, are dedicated, determined as they are to uphold the common destiny to which the names of President Truman and General Marshall will ever be attached.

REMARKS BY AMBASSADOR ALBERTO TARCHIANI OF ITALY

To express tonight gratitude and public recognition to General Marshall, in the name of the Government and people of Italy, is for me an honor and a reason for high gratification.

Italy, according to unanimous testimony, is one of the nations of Europe showing evident signs of a speedy recovery under the effects of the progressive realization of the Marshall plan.

The capacity for work and the ingenuity of the Italians (together with their stubborn resistance and reaction to misfortune developed through the centuries) have rendered practical and effective results, through the fraternal aid of the United States organized according to the conception and the initiative of General Marshall.

His name—connected with the supreme events of the war—will also be closely linked with the greatest and most successful plan which represents an unprecedented enterprise of international assistance, encouragement and reconstruction.

Therefore, the historical figure of General Marshall stands out as that of a noble interpreter and a symbol of American comprehension and generosity toward the sister nations of Europe.

Italy—one of them—is happy to express here the most fervent feelings of her people (from the highest officials to the humblest ranks) with a plain and sincere: Thank you.

REMARKS BY MR. HENRIK DE KAUFFMAN, THE DANISH AMBASSADOR

The day of your Harvard speech, General Marshall, is a red-letter day for Denmark as it is for the other countries represented here tonight.

For us Danes it happens to be a red-letter day for more reasons than one. At this moment the whole of Denmark is celebrating the centennial of our constitution that helped to make us one of the freest and most democratic peoples in the world.

On June 5, 4 years ago, a newly liberated Denmark joined the United Nations in San Francisco.

It is Whitsunday. We are also commemorating other events much further back in the long history of mankind when, more than 1,900 years ago, the disciples of Christ received inspiration and strength to carry their faith—the doctrine of mercy—from Jerusalem to the four corners of the world.

In some way all these events seem to me to show the same spirit and the same hope as the Marshall plan; a spirit of understanding, helpfulness, and kindliness transcending class and nation.

I join my colleagues in honoring you, General Marshall, and in voicing the gratitude of Denmark for the American help that justly carries your name.

REMARKS BY AMBASSADOR DENDRAMIS OF GREECE

The 5th of June 1947 is a memorable day in the history of mankind. It is the day when General Marshall, through his plan, gave new life to Europe and new hope to humanity.

These hopes are now being fulfilled. As far as Greece is concerned, I cannot fail to remind you that, 2 months before the above date, the Truman Doctrine enabled my long-suffering country to stay outside the iron curtain.

Without the Truman Doctrine, the Marshall plan, and the sacrifices of the Greek people, Greece would long ago have shared the fate of all the unfortunate countries in the Soviet orbit, and I, myself, would not have the honor to be present tonight to address these few words to you.

REMARKS OF MR. E. N. VAN KLEFFENS, THE NETHERLANDS AMBASSADOR

There are two ways of measuring the importance of the gigantic undertaking of President Truman's administration which, in spite of all attempts to designate it by official symbols like ERP or ECA, continues stubbornly to be commonly known as the Marshall plan.

One way is to look at what has been accomplished in the positive sense, and that, as other speakers have pointed out, is a very great deal.

I should like today to choose the other, the negative way, which consists in an attempt to assess what would be our present condition, had there been no Marshall plan.

The problem is twofold: economic and political.

I am speaking only of my own country.

In the economic sphere, we in Holland were faced in the beginning of 1948 with a very serious economic situation. In the 2 minutes at my disposal I cannot describe how, in spite of all our exertions, that emergency had arisen. Let me say, however, that the specter of a catastrophic reduction in the standard of living haunted all informed minds. Production and consumption levels were both threatened. Even normal replacement of capital goods was menaced. A vicious downward spiral movement of the utmost gravity seemed about to set in, for if production was to be reduced because of fewer purchases abroad, the volume of exports would necessarily dwindle, resulting in turn in further diminishing imports. Food rations would have to be decreased, the level of public health was sure to fall, unemployment and social unrest had to be reckoned with, results obtained through hard toil in the preceding years would be set at naught—in short, an economic and social calamity of incalculable dimensions was at hand.

What this would have meant in the political field was as somber as it was certain. Everyone would have suffered disastrously, except those who, for aims that are not ours, thrive on disorder, national and international. Their opposition to ECA is the measure of their evaluation of its success.

Let me add my salute to the President and General Marshall at this commemoration of an eventful speech. The Marshall plan may be, as some have called it, a signal instance of enlightened self-interest, but we from Holland join with other Europeans who say: "Thank you."

REMARKS BY THE PORTUGUESE AMBASSADOR, SENHOR PEDRO THEOTÓNIO PEREIRA

In certain occasions, as when the cornerstone for a monument is set, it is customary to preserve for future generations some kind of testimony—coins, engravings, or documents, highlighting a great idea or a great deed.

General Marshall, I have recently reread your Harvard speech. Recalling the world picture of that time, and the efforts made by this country to put your ideas into practice, I believe that the United States could hardly have found a nobler and more exacting symbol of their idealism of these days. The Harvard speech reflects much that we find in the American spirit: Christian fraternity, understanding and respect for others, the generous impulse, and an honest and realistic sense to go directly to the root of the problem.

In the files of our Embassy I have the instructions received from Lisbon on that occasion; they brought to the American Government the immediate and willingful support by Portugal to the ideas of the Marshall plan. As a tribute of our understanding to those ideas, it was happily possible not to ask that Portugal benefit from aid in the first year of the plan. Even with some sacrifice, we were thus able to cooperate, within our limitations, so that others more directly affected by the war effort or its sufferings might pass ahead of us. Although, by force of circumstances, our position inside the plan now appears changed, it is still in the same feeling of high appreciation for its universal spirit, that today we join all your other friends, General Marshall, to say, in gratitude and affection, that your enlightening words of 2 years ago will not be forgotten.

REMARKS OF BRITISH AMBASSADOR, SIR OLIVER FRANKS

Britain is proud to join with her neighbors of western Europe to honor General Marshall.

We have known the great leader in war. We have been partners with him in difficult decisions and great undertakings. We saw a man who thought it his privilege to do his duty and who interpreted his duty with courage, steadfastness, and inspiration.

This evening we honor the statesman pioneering in the aftermath of war. It is given to few by one speech to alter the destinies of nations and redress the balance of the world. Two years ago your words changed the course of world events. Help from America, self-help, and mutual help by the free peoples of Europe, have become fact. European recovery is moving forward.

I was concerned in preparatory work in Europe for the Marshall plan: I can bear testimony to the awakening of hope and resolution it brought. I still feel "that the very pulse of the world seems to beat to the surface in this enterprise."

General Marshall, Britain gives thanks to you, to the American Government, and to the American people. We have shown gratitude in our deeds as well as in our words. With your help we are building our recovery.

I end with the words of another Ambassador first used 84 years ago at another Harvard commencement:

"Our children shall behold his fame
The kindly earnest, brave, foreseeing man,
Sagacious, patient, dreading praise, not blame."

(NOTE.—The first quotation is from President Wilson at the Paris Peace Treaty meeting in 1919, and the second is from an ode read by James Russell Lowell at the Harvard commencement in 1865.)

REMARKS BY FERIDUN C. ERKIN, THE AMBASSADOR OF TURKEY

On the occasion of the second anniversary of the speech given at Harvard by General Marshall initiating the European recovery program, it is a privilege for the Ambassador of Turkey to unite the voice of his country to the tribute being rendered here to a great American soldier and statesman.

In my opinion, the Marshall plan incarnates the sublime impetus of an ideal which, setting aside the antagonism of national boundaries, aspires to unite the peoples of the world into one great human family. This is the manifestation of the spirit of a great Nation which, looking beyond boundaries, sees only the human being with his sufferings, his miseries, and his deprivations, and undertakes to do away with these, aiming at the building of a world united under the rule of fraternity, and based on the dignity of man. The Marshall plan is also an undertaking for peace, because in assisting to bolster the economies of the participating countries through self-help and mutual cooperation, it enables them to maintain their free institutions and independence.

Turkey is an enthusiastic adherent to this admirable flowering of international solidarity. The task of providing the Marshall plan countries with food, fuels, and mineral ores, is rendering the attainment of the Turkish development programs laborious, but however hard and difficult this task may be, Turkey, in a spirit of self-denial, is doing her utmost to help to the success of the European recovery program.

General Marshall, who is the very personification of American idealism, has endowed this spirit with magnificent realization. To his country and to him, I bring the gratitude of the Turkish people.

REMARKS BY ERIK BOHEMAN, THE SWEDISH AMBASSADOR

It is a great privilege and pleasure for me, speaking on behalf of Sweden, to associate myself with the representatives of other participating countries in expressing Sweden's admiration and gratitude at the historical initiative taken 2 years ago today by you, General Marshall, in your Harvard speech on initiative that we are tonight commemorating. The sense of responsibility for the world's well-being, the farsighted intelligence, and the determination to put its high ideals into practice, that the United States has demonstrated in sponsoring and supporting, materially and morally, the European reconstruction program, are now in multiple respects showing their blessings in western Europe.

Sweden was not, at the end of the war, faced with the same problems of reconstruction as some other participating countries. Sweden is, however, for its productivity dependent, to a greater extent than most other nations, on its foreign trade. If we shall be able to contribute, as we are able to do in many respects, to the economic well-being of Europe, we need to import a relatively great deal of essential goods. In old days, when there were no soft and hard currencies, we could convert our foreign assets into almost any currency we needed. Our difficulties in the field of foreign trade arose, when that convertibility ceased to exist. In helping to restore, to the largest extent possible, that interchangeability of currencies, the ERP program has already been of the greatest value to Sweden. The loans we receive will be put to the best use possible in Sweden's interest as well as in the interest of the European community. They will be repaid and, through the mechanism of drawing rights opened in favor of other participating nations, the conditional aid that we receive is gradually reimbursed. The task we have set ourselves is to achieve balance in our foreign payments without recourse to borrowing. Through continued efforts and in close cooperation with the other participating nations, we trust that we shall be able to reach that goal.

REMARKS BY MR. CHARLES BRUGGMANN, THE MINISTER OF SWITZERLAND

Your Harvard speech, General Marshall, kindled the hope that the terrible economic crisis, which was the aftermath of the war in Europe, might be overcome. I need not tell you that your words found a strong echo in my country, located in the heart of Europe. Your initiative gave encouragement to the efforts already afoot to help alleviate the effects of the war.

My country, which was spared the ravages of the war, has endeavored ever since the conclusion of hostilities and within the limits of her means and possibilities, to further the reconstruction of the European economy. We have answered your appeal to the European countries to cooperate in the struggle against hunger, poverty, desperation, and chaos by joining the Paris Convention, with the understanding that we would be free to continue the activities we had begun for this purpose. Although Switzerland was not in need of assistance for her own economy, but conscious rather of her obligation to grant such aid to other countries, our people knew very well how closely their welfare is tied to the welfare of Europe as a whole.

We Swiss are deeply grateful to the American Government and the American people for the aid which they are giving Europe. It is for me, as Minister of Switzerland, a special pleasure and honor to express tonight to the author of the European recovery program our thankful appreciation of his generous initiative.

REMARKS OF MR. HUGHES LE GALLAIS, THE MINISTER OF LUXEMBOURG

Acting on behalf of the smallest country represented here, it gives me great pleasure to express to General Marshall the gratitude of the people of Luxembourg for his personal contribution toward winning the Second World War, also for what he has done to bring about the economic recovery of my country and of many other friendly states.

Progress at home has shown remarkable results—for instance, the production of steel, our most important industry—was increased last year by 43 percent over that of the previous year. This would not have been possible without Marshall plan aid which greatly augmented the purchasing power of so many countries, and these beneficial aspects will be felt even more strongly right now with the demand for steel products already slackening.

I started out by saying that I was speaking for the smallest country here represented and I hope my honorable colleague, the Minister of Iceland, will not mind my using that term. As a matter of fact, Luxembourg is in area much smaller than Iceland; however, my friend could possibly argue that his country is the smallest since Iceland has fewer inhabitants than Luxembourg. Let us hope that this question will not disturb the tranquillity of the world, but should it arise, I suggest that General Marshall be asked to act as arbitrator. Until that day arrives, may General Marshall enjoy good health and happiness at his home in the country.

REMARKS OF MR. THOR THORS, THE MINISTER OF ICELAND

To my friend and distinguished colleague, the Minister of Luxembourg, I owe just one remark: Let Luxembourg and Iceland both be great in their smallness, the degree of which will never become an issue, as we in Iceland are also most desirous that General Marshall may continue to enjoy good health and happiness at home for many, many years to come.

Two years ago the general, who had led his army to victory, spoke to the world. This time in his new role as Secretary of State of the greatest and most powerful nation of the world. A representative of an Army and a Nation that twice in our lifetime had come to the rescue of Europe and brought victory to the cause of freedom, in wars where the destiny of free men was at stake. And what was his message? He said:

"Our policy is directed not against any country or doctrine, but against hunger, poverty, desperation and chaos."

General Marshall's words were an expression of friendship, superb vision and unparalleled generosity. They immediately achieved their aim to restore the confidence of the peoples of Europe in the future. The hand of friendship was stretched out by the strongest nation of the world to all European nations.

Has ever any single speech been the source of so much help to so many? History will state that General Marshall's outstanding victory was not connected with his plans of any battle. It was the speech, the thoughts that helped free men win the peace and build the peace.

Iceland, my little country, hopefully and confidently accepted the Marshall plan. We have not been disappointed. We are grateful for this assistance to restore our trade and bring it back to normal. With the fullest confidence and friendship we wholeheartedly will render our small share under the able, efficient, and impartial leadership of Mr. Hoffman and his associates toward the noble aim to achieve restoration and rehabilitation within every country.

REMARKS BY DR. LUDWIG KLEINWAECHTER, THE AUSTRIAN MINISTER

Since the liberation of Austria in April 1945 particular efforts have been made by the United States Government to help in overcoming hunger and despair in my country, which suffered so badly in these last 10 years. UNRRA, congressional aid and the assistance given by the United States Army as well as the contributions and gifts of countless private citizens and voluntary organizations of

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this country, helped Austria to survive the first years of destitution.

But it was left to General Marshall to conceive the idea of self-help and economic cooperation, and to substitute reconstruction for relief. In this second year of the European reconstruction program, rightly called the Marshall plan, Austria—I may say with due reservations—is back on the way to recovery. In spite of the fact that we have to carry the burden not only of occupation armies but also of approximately half a million displaced persons and refugees from other countries, there is a definite upward trend in the figures of Austria's production and trade.

Self-confidence and courage are beginning to return to the Austrian people. The thought that the American people are now definitely assuming their position in world affairs, has inspired new hope in the people of the old world.

As Austrian Minister I may say that the Austrians are extremely grateful for this program of economic cooperation which sprang from General Marshall's famous Harvard speech, and they hope that a solution of Austria's burning political problems may soon allow them to fully reap the fruits of the Marshall plan.

REMARKS OF MR. SEAN NUNAN, THE MINISTER OF IRELAND

It is a great pleasure and a distinct honor for me, as Minister of Ireland, publicly to express the gratitude and appreciation of the Irish Government and people to you, General Marshall, for the opportunity afforded Ireland—an opportunity created by your inspired speech 2 years ago today—not alone to begin the rehabilitation of our own depleted economy, but also to do our part to help our neighbors to recover from the ravages of war, and to keep alight the torch of liberty and democracy in Europe.

The unparalled generosity of the American Government and people in implementing the suggestions made by you, sir, was a gesture of faith in human nature and a declaration of belief in the essential good will of man for man, and in that spirit my government was glad indeed to cooperate to the limit of our ability.

Ireland is neither a rich nor powerful country as far as economic wealth or political power are concerned, but our people do have a faith and idealism based upon the Christian tradition of our nation, and in addition to any material contribution we may be able to make, we know we can, and will, make a worth-while contribution to the betterment of mankind by reason of that living tradition.

For this opportunity, as well as for the assistance your country has given us, Ireland is sincerely grateful.

THE NORWEGIAN AMBASSADOR

I now have the great honor and pleasure to introduce to you the man who, as the Administrator of the ECA, has done such a magnificent job in organizing and supervising this great undertaking. Without the ceaseless efforts, patience, and kindly will to understand and cooperate with Europe, which Mr. Hoffman and his associates have shown, even the greatest idea could not have succeeded: Hon. Paul G. Hoffman.

REMARKS BY MR. HOFFMAN

Mr. Ambassador, Mr. President, General Marshall, your excellencies, fellow guests, only rarely in any generation is an address given which contains an idea so potent that the course of history may be redirected.

It is even more exceptional when an address not only contains such a dynamic idea but also a clear directive as to how its potentialities can be realized.

Such an address was Gen. George C. Marshall's at Harvard University on June 5, 1947.

Ambassador Morgenstierne has been gracious in saying that ECA has administered the Marshall plan effectively. If that is true it is because the activities of ECA have been kept squarely beamed both to General Marshall's basic idea and to the directives for its implementation.

We have concentrated our activities wholly on helping our European partners in their struggle to restore those conditions which give men the opportunity to live in decency, dignity, and freedom. Increasingly we have come to believe that this is the most effective way to bring peace to the world.

We have remembered that General Marshall insisted that if there was to be substance and vitality in the recovery program it must be European in origin and operation. We have kept our role consistent with that concept. The recovery programs of the participating nations have been planned and operated by the nationals of those nations and by their central agency—the Organization for European Economic Cooperation.

General Marshall, the military genius, has an enduring place in world history. But, in my opinion, it is General Marshall, the apostle of peace, through the Marshall plan, who will live forever in the hearts of free men.

ADDRESS BY GEN. GEORGE C. MARSHALL

I am highly honored this evening by the presence of the President of the United States, by the generous expressions of Mr. Hoffman, the leading figure of the recovery program, in introducing me, and especially by you gentlemen—the ambassadorial representatives of the 16 nations engaged in the greatest cooperative effort in history to ake the world safe again, prosperous, and peaceful.

To be your guest tonight, having in mind all that you represent in the history of civilization and in the struggle for freedom today is a very special honor that makes me feel both humble and grateful beyond mere words to express.

In thinking over what I might say tonight the thought occurred to me that you would probably be interested in a first-hand account of the events and conditions which finally led to the statement made by me at Harvard 2 years ago today, which initiated the present recovery program and all that it involved.

Statement recalled

I took over the office of Secretary of State in late January 1947, with a date already set for a meeting of the Council of Foreign Ministers in Moscow in the following March. The Senate of the United States was about to ratify the treaties for the satellite countries which had been finally agreed to by the Council of Foreign Ministers in December of 1946. The next step, so far as we could see, was the completion of the Austrian treaty then being drafted by the deputies of the council, and to reach the basic agreements necessary for a unified German economy and for the conclusion of a German peace treaty.

I went to Moscow with a very sincere purpose of finding agreement with my three associate foreign ministers, if it was at all possible to do so, to bring about a feeling of security for the future along with a reasonable hope of restored prosperity and individual freedom.

After weeks of futile and frustrating negotiations it was apparent that we would not, at least for the time being, be able to organize all of Germany into a sound economic union. Something, therefore, was immediately necessary to meet the desperate situation in Germany and the increasing cost of governing a portion only of the country. A new level of industry was indicated which would be necessary if we were to operate without the participation of the Soviet-controlled zone.

And this meant a new schedule for plant removals on reparation accounts, since more plants would be needed to support the country controlled by us, and, therefore, a new and higher level of industry than had been previously agreed upon by the four allies on the basis of a unified Germany. However, it was late in May of 1947 before this new level could be accurately determined and agreed upon. By that time it was increasingly apparent that our immediate problem was a far wider one than the problem of Germany alone, that a serious situation was rapidly growing up throughout western Europe in general, and that much more drastic action was to be necessary if a serious dissolution of stable government in that portion of Europe was to be prevented.

Special funds needed

To those of us in this country directly concerned in this matter it was evident that special financing by the United States would be necessary in order to break the vicious circle in which the general economy of western Europe was laboring. A situation existed which was beggaring the people and breeding reactions that lead to the development of police states, where the liberties of the individual are lost and the forward march of the civilization of the world is set back to an alarming degree.

It was also apparent to us that mere relief measures would, in the end, be not only futile but would be very wasteful. The United States Government could not embark on such a program. But, given the compulsion of the desperate state of affairs then existing in Europe, there appeared to be a strong probability that the sovereign nations concerned might be persuaded to get together in mutual cooperation to a degree never before reached; which cooperation, with our assistance, would make possible the rehabilitation of the countries involved. It was based on this conception that the suggestion for the action leading to the European recovery plan was made. We felt that this country must not become involved in the initial agreements and recommendations. That was for those nations who were willing to enter into the cooperative effort which is now the basis for the recovery program.

Expectations recalled

I think you will be interested in our expectations as to what would be the response to the Harvard suggestion. You will recall that the suggestion was not limited to any particular part of Europe. We thought that it would be generally accepted in principle though the acceptance might not, in time, be followed by the degree of international cooperation and necessary concessions by sovereign states to be essential to the success of the program and to its acceptance by the United States. Frankly, we anticipated that considerable immediate opposition would be developed against the idea in this country. That this opposition did not make itself apparent for some weeks was due in all probability to the dramatic rapidity with which the European powers concerned rallied to a formal consideration of ways and means. History will give credit to those European statesmen who responded with such energy and vision to the needs of the moment.

It was a matter of serious regret to us in this country that certain nations refused to participate, though it was evident in some instances that their peoples desired very earnestly to do so. Plainly it was not a decision of peoples but of small groups of arbitrary rulers responding to Soviet direction. History will decide how wise or how deplorable was their decision.

What followed is well known to all of us, and some of you here present tonight have been leading actors in the enormous accomplishments of the past year, which in effect have reversed the trend of centuries and, in

the words of Mr. Hoffman, have made more progress than since the days of Caesar.

United States reaction cited

There is one phase of this affair which I think may not be fully understood and appreciated by my ambassadorial hosts, and that relates to the reaction of the American people. You can hardly be expected to understand fully, certainly your people could never completely grasp what is in the mind of a man, say, in Nebraska, regarding the intimate affairs of the people in Europe. He is a long distance from the seacoast that marks the boundary of this country in that direction. And even if he lived on the seacoast, there are many hundreds of miles of deep water between him and the trials and sufferings, the conflicts, and the traditions of the people so far distant.

There is a great difference between reading history and actually living it. For generations, ever since the birth of this Republic, our people have not only felt very remote in distance from Europe, but many of them are descendants of people who fled from Europe to escape the peculiar trials and limitations that fell upon people from time to time in the changing fortunes of that crowded but divided continent. Yet, seemingly in a moment, our American people found themselves in a position of not only the most intimate relationship with western Europe, but called upon to make more and heavy contributions to the welfare of your people.

To me, the impressive fact is that these people of the United States made an overwhelming and unhesitating decision to do their best to bring western Europe back to peace and prosperity. There were, of course, speeches pro and con but the American people rose to the occasion, to that world crisis, and declared themselves partners in the stupendous effort to restore Europe to a level of continuing peace. All participated—cities, towns, women's clubs, and the young people. Even the little children played a valuable part. That was, and continues to be, an impressive demonstration of the heart of America. And so it is hard to view this spirit of helpfulness, of unselfish public action, in the light of the disparagement and defamation that has been heaped upon us through the propaganda of dictatorships in a collection of police states where freedom, as we know it and as the common people of this earth long for it, is lost through the tyranny of a few who completely dominate the many.

Much to be done

There is much yet to be done and it is vitally important to the world that it be done. The recovery program was directed to the renewal of a working economy in the world so as to permit the emergence of political and social conditions in which free institutions can exist. That task is being accomplished. I think and I am advised, that the 16 nations concerned have in general met their estimates, and in important instances have far exceeded them. But these are economic details. We must now see that the political and social conditions are developed to the degree necessary for a continuing peace and prosperity. A feeling of security is essential to the future of Europe and the world. Improved economy helps tremendously to that end, but in the light of conditions as they exist today, that alone is not enough. The Atlantic Pact is significant of the future steps that are necessary to a restored Europe.

I feel that the prompt ratification of that pact is very important to the world, as is a continued and increasing cooperation on the part of all our countries in everything that that pact involves, as well as in the original recovery program.

I am deeply indebted to you gentlemen for the distinguished honor with which you have greeted me tonight, I repeat, it is a high compliment to come to a mere citizen such as I now am. I am very grateful and I thank you sincerely.

REMARKS OF HON. HARRY S. TRUMAN, PRESIDENT OF THE UNITED STATES

We of the United States are grateful to the other nations represented here tonight for honoring George C. Marshall. We are happy to join with them in this tribute to one of the greatest Americans of all time.

The nations represented here owe as much to General Marshall, in war and in peace, as they owe to any one man in the world.

He shaped the victory of the Allies in the recent war to an extent that may not yet be fully realized. He was one of coequals among the Joint Chiefs of Staff and the Combined Chiefs of Staff. Yet by the authority of his character and the quality of his judgment his influence was predominant in developing the strategy that brought complete victory.

Although General Marshall had richly earned the right to retire when the war ended, I asked him to give further of his great talent in the service of his country. His response was generous and complete—the response of a soldier and a patriot.

As Secretary of State in a critical period, he rose to new heights of leadership and achievement. He had been the master strategist of the war; now he rallied the democratic forces for peace. He found the free nations near despair and uncertain of their course.

He restored their confidence.

He revived their belief in the strength and the ultimate triumph of the cause of freedom and democracy.

When our times are viewed in the long perspective of history, I think General Marshall will be more widely remembered for the peacetime effort which bears his name than for his services of the war years, important though they were.

This is because the countries represented here tonight have embarked on a new venture in the history of nations. It is not new for nations to fight together against a common enemy. But it is new for nations to work together, as our nations are working together now, in close economic cooperation, to create a better life for their citizens and to build a lasting peace.

I believe that in years to come we shall look back upon this undertaking as the dividing line between the old era of world affairs and the new—the dividing line between the old era of national suspicion, economic hostility, and isolationism, and the new era of mutual cooperation to increase the prosperity of people throughout the world.

General Marshall will be known as one of those who brought this new era into being. But he would be the first to agree that it is more than the creation of statesmen. It comes from the minds and hearts of the people. Our peoples are united in their determination to work together to deal with the basic problems of human life.

This is the strength of the European recovery program. It was developed in concert and is being carried out by cooperative action. Western Europe is recovering its economic strength. The spirit of self-reliance and democracy is resurgent. Economic recovery is matched by a revival of hope, confidence, and faith in the capacity of people to govern themselves wisely and justly and to build a better world through their own efforts.

We have made real progress up to this time. But the ultimate test still lies ahead. None of us can afford to relax our efforts. I am confident that with mutual devotion to our common cause we shall succeed.

Our great hope for peace and prosperity lies in the developing sense of unity among the free nations of the world. We have learned full well that no nation can live to itself alone. And we have also learned that when the free peoples of the world stand united they are unconquerable.

The United States will continue to dedicate its strength and resources to the building of a peaceful and prosperous world. We will do so in the spirit so well exemplified by this great American we are honoring here tonight.

Dutch Government Commended on New Statement of Policy in Regard to Indonesia

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. SHAFER. Mr. Speaker, the Dutch Government which underwent considerable criticism late last year because of its determined police action in Indonesia, has assuredly made a definite come-back in international relations and for this, in due fairness, it should be complimented.

It is one thing to pursue uncompromisingly a course thought necessary, but it is another to accommodate one's stand and to bend to world opinion.

By this, Mr. Speaker, I do not mean that the policy of the government of the Netherlands has been wholly unreasonable in the past, or that outside forces, working for their own self-interest, have not caused some unfair smearing in our press. Smart publicity on the part of those who wish to monopolize the wealth of the Dutch East Indies has been used. Of this I think we are all well aware.

Since the subject of Indonesia was raised in connection with ECA, a new, and to me, a gratifying development has taken place. A spirit of mutual forbearance and compromise has been exhibited by both parties to the dispute. In addition, more information has reached this country as to the just desserts of each cause. We find that the grip of the American promoter and his pack of publicity men has been loosened on the Indonesians.

A preliminary accord was made under the auspices of the United Nations Commission for Indonesia on May 7. The Commission reported last week that conversations to work out the implementation of this accord had been held in an amicable spirit which seems to augur well for the future. Final agreement is obviously not immediately at hand, but a much more hopeful spirit of settlement is present, vastly improved over the violent times of only 2 years ago.

The armed intervention on the part of the Netherlands has come to an end—and considerable order has been the result. In justice to the Netherlands Government, a great and peaceful people, they acted when they thought that a surgical operation was needed.

The so-called Indonesian Republic, aided by American money, reached out for all the Indies, like Prussia reached for Germany, although the inhabitants of the nominal republic were only one-third of the people of the islands and the supporters were less.

The peaceful and long-range United States of Indonesia, which I am con-

UNIVERSITY OF MICHIGAN LIBRARIES

vinced the majority of the people want, and which involves Dutch cooperation and support, was lost sight of in America. Press agents confused the issue deliberately and fooled a lot of people in the United Nations Assembly and in the Congress.

Last December the Dutch told us that extreme disorder and chaos reigned in Java and that order must be restored for the protection of the Indonesians themselves, who did not want to be ruled by the Indonesians of the republic with their long record of collaboration with the Japanese and later the Communists.

We paid more attention to the press agents than the facts. But now, the chief exponent of the stern pacification policy in Holland has resigned and a new spirit now prevails. We now learn how the Dutch have already given the fullest possible autonomy to large sections of Indonesia, covering at least two-thirds of its vast territories which stretch 4,000 miles or more from end to end. Free governments are in operation there, responsible not to the Dutch, but to parliamentary assemblies elected by the people.

This fact should be broadcast far and wide in justice to the Dutch. They are apparently in earnest and trying to solve a problem of freedom, in an area of the world where communism has just conquered the world's most populous nation—China.

The fall of China points to Indonesia as a possible next on the agenda. The task of the Netherlands Government is not easy in these ominous times. To give deserving peoples full self-government is a problem fit for a Solomon in the twin dilemmas of founding a stable state, which takes time, and the onset of communism which allows little time.

We would be the first to condemn the Dutch if they abandoned these people to communism in the onrush through Asia. Let us be as temperate in our estimate of their task as they have shown themselves over hundreds of years.

We, in this country, do not like colonialism, but we like communism less. Let us withhold mistrust until the danger is past.

In Indonesia we find that people resent being called puppets of the Dutch when they achieve their freedom under the republic forming the United States of Indonesia Government. They practice evolution, not revolution. They are as resentful as Canadians would be were we to consider them puppets of the British.

Perhaps we have paid too much attention to the Republic of Indonesia with which the Dutch did have trouble, partly because the name of the government tends to make people think that it comprises the whole of Indonesia, while, in reality, it covers only part of it and is, by its own statement, destined to become a state of the common government in the future.

Under permission to extend my remarks, Mr. Speaker, I include a statement of the Netherlands Government with respect to Indonesia, as outlined by the Netherlands Foreign Minister, Hon. D. U. Stikker, in his address June 15, 1949, to the American correspondents on tour of Indonesia. It is this position on which I believe the Netherlands Government is to be complimented.

1. Indonesians want independence and the Dutch want them to have it.

2. The Dutch want to see a sovereign and independent United States of Indonesia established before the end of this year, if possible.

3. The Dutch want the new government to be formed under conditions which will permit all the elements in the population to be fairly represented without coercion or domination by armed minorities.

4. The Dutch believe that the majority of leaders of Indonesia want to establish a democratic government which is able to maintain law and order, deal fairly with foreign investors, and promote the political and economic development of Indonesia. The alternative to such a government is chaos and eventual seizure of power by communism.

5. The Dutch believe that the majority of Indonesians want and need the support of western democracies until such a government has had a chance to become firmly established, and until Indonesia's most pressing economic problems have been met.

6. Because of the historical ties between the Netherlands and Indonesia the Dutch are prepared to offer the fullest cooperation to the United States of Indonesia, and have suggested as an instrument of such cooperation a Netherlands-Indonesian Union under which the relationships of the two countries would be defined by entirely voluntary agreement and would be those of equal sovereign powers. Federalists and Republican leaders in Indonesia have agreed to such a union in principle and to attend a round-table conference at the Hague this summer to establish the union and arrange the details of the transfer of sovereignty.

7. The Dutch do not seek any special privileges as opposed to those of other nations in any economic relationship it may have with the future United States of Indonesia.

8. The Dutch believe that the western democracies should view all decisions with respect to the future of Indonesia in the light of advancing communism in Asia.

9. The Dutch believe that western nations should seek ways in which they can help Indonesia raise its living standards, maintain and develop a democratic form of government, and stand as a bulwark of freedom in southeast Asia.

The Committee on Un-American Activities

REMARKS

OF

HON. EUGENE J. McCARTHY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. McCARTHY. Mr. Speaker, I protest the unwarranted and unauthorized action of a minority of the members of the House Un-American Activities Committee in requiring reading lists from colleges and universities in the United States. Members of the House were given assurance when this committee was reestablished at the beginning of this session that the committee would submit to the discipline of the rules, and that it would not again be a device for publicity seeking, to the discredit of the House of Representatives, and in violation of the American tradition of freedom of thought and of expression. This most recent action grossly violates this tradition, and betrays the assurance given when the House was called upon to authorize the committee. Primary time is approaching. There are, undoubtedly Members of the House who would rather run for office as investigators than run as legislators.

I am including in the RECORD today the statement of Mr. J. L. Morrill, president of the University of Minnesota, and recommend it to the membership:

It is gravely unfortunate that the House Committee on Un-American Activities proceeded as it did in seeking information. The disturbed reaction to its request for textbook lists indicates widespread doubt and concern about what turn its investigations may take. They could harm educational institutions irreparably.

But even though we question vigorously the wisdom or justifiability of the request, as Vice President Malcolm M. Willey has rightly said, we shall furnish the textbook list because this is readily available and because the university will not refuse information to any duly constituted committee of the Congress. The list of reference books, running into the thousands upon thousands, we shall not spend time and money to compile unless it is insisted upon.

So far as I am concerned, I have confidence in the integrity and the good judgment of the Congress, regardless of the activity of any single committee. The Congress certainly will repudiate any serious threat to democratic freedom in general, or academic freedom in particular. I would hope that the House committee, sensing the sounder judgment in which the American people undoubtedly share, will back off from its own questionable course of action, and I hope educational associations in this country will exert every possible pressure to force them to do so.

It is the business of educational institutions to understand and analyze ideas, and to protect freedom by developing an awareness of the dangers to it. They must stand together in proclaiming this fundamental truth.

The best answer to the committee's dubious procedure is in the statement of the Educational Policies Commission of the National Association, which puts communism in perspective and reaffirms the intelligent patriotism of the teaching profession.

The Farm Program

EXTENSION OF REMARKS

OF

HON. CLYDE M. REED

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Monday, June 20 (legislative day of Thursday, June 2), 1949

Mr. REED. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Tough Job Ahead" from a recent issue of the Fredonia (Kans.) Herald, which is one of the representative newspapers of Kansas.

There being no objection, the editorial was ordered to printed in the RECORD, as follows:

TOUGH JOB AHEAD

Yesterday at Des Moines organized labor put its arm about the shoulder of the American farmer and said, in honeyed tones, "Come on baby, let's woo."

If, say labor leaders, if the American farmer can be persuaded into the voting camp

of organized labor, the rest of the world can go its sweet way, for farm and labor will control the world.

It makes sense, but only with a great big "if."

In the first place, no man has yet operated a farm on a 40-hour week, with time and a half for overtime, double time for Sundays and holidays, hospital pay, old-age retirement and 2 weeks off each year for vacation.

It is a queer thing, but the weather doesn't give a hoot for unfair labor practices, and the little chickens, calves, and pigs have to have theirs, whether it's 10 minutes past quitting time or not.

The farmer must work the clock around, it seems, 365 days a year and he looks with no kindly eye on the antics of labor leaders who insist their followers be paid from the time they rise from the breakfast table until they tuck their tootsies under the patchwork quilt at night.

The farmers get no kick out of Wagner act inspectors snooping around to see if their kids go after the cows and thus place their little souls in mortal jeopardy. They want no one around to see that the farm-wife has proper ventilation in the kitchen, a stool to sit on, and a separate toilet from the menfolks. They look on a lot of what labor consider a just due as so much folderol.

It's going to take a lot of educating, and we don't believe it will come in our time.

And on top of that, it is a dangerous practice, trying to inculcate the farm mind with certain labor prerogatives, for if the farmer ever goes on strike a lot of laboring folks are going to have mighty thin stomachs before it is over.

Remember Malmedy?

EXTENSION OF REMARKS
OF
HON. MATTHEW M. NEELY
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES

Monday, June 20 (legislative day of Thursday, June 2), 1949

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Remember Malmedy?" written by Herbert Pell, former United States Ambassador.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REMEMBER MALMEDY?

(By Herbert Pell, former United States Ambassador)

What happened at Malmedy? Almost everybody has forgotten that name. German SS soldiers massacred Americans who had surrendered to them. In March 1948, General Clay reduced 43 original death sentences in the Malmedy case to 12. The cases of the 12 were once more reviewed by General Clay and some sentences confirmed, others commuted.

After all, what did these men do? They shot a lot of American privates whose names today are forgotten by all but their immediate families, and they now represent that efficiency which may build up in 5 years a prosperous customer in Germany. They are men who will be, as their fathers were, ready to borrow money through big New York banks with which again to buy the products of American factories in which the bankers are interested and set up a new war machine.

Why should we not pardon these men? The profit will come to us; the present leaders of government and of finance will have slipped into their graves before the next war, just as most of the leaders of the United States who sacrificed the hope of peace to elect Harding in 1920 had left the scene before Pearl Harbor.

It has even been suggested that these kindly Nazis who, of course, never were willing to hurt a fly, were actually roughly and discourteously treated while they were prisoners—men who had killed a lot of Jews in concentration camps, who had stolen and raped all over Europe because they had the power to do so, but who apparently had done nothing really reprehensible, were not kindly treated by the American soldiers merely because the American were the companions of the people they had murdered.

Would it not be better to offer these men a reward and an apology, understanding that the country of Goethe and of Wagner (should we or should we not offend them if we said of Heine and of Bach and of Einstein?) cannot really mean to do any wrong, however much appearances may from time to time be against them. Poor deluded fellows, they were fooled by Hitler as their fathers were dazzled by the Hohenzollern and as their sons are preparing to be bamboozled by someone else in the not so distant future.

Our Saviour taught us to pray God to forgive us our trespasses as we forgive those who trespass against us, but he did not say as we forgive the strong for the trespasses that they committed against the weak who have no hope for earthly justice except in the fairness and determined courage of the United States.

Justice, and we can thank God for it, means more in the long run than profits. If all the injured and shattered of Europe who have with such pathetic confidence turned to us are denied justice because of legalism, sentiment, political pressure, or financial gain, we need not be surprised if they turn elsewhere when in the future they want to see their humanity treated as something else than a number in a question of economics.

Put it perhaps more crudely still: fear is a more powerful force than hunger. No amount of wheat, bulldozers, or bathtubs will prevent them from turning away from us when again they need a bastion against brutality.

Long after all human and material hope seemed to have departed, they continued to fight for the hope of justice and for nothing else. Again speaking from the lowest and most selfish point of view, is there any military or business sense in once more abandoning them and reenforcing the argument of the opponents of the United States who say that no one but a fool will trust the fairness and determination of America?

Facts About Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. McGREGOR. Mr. Speaker, as I am not a member of the Education and Labor Committee of Congress, before which S. 246—Federal aid to education—is being heard, I, at this time, am taking no sides as to whether the bill should be passed or defeated. I do feel, however, that full consideration of the bill—both pro and con—should be given.

With this thought in mind, on Thursday, June 16, I inserted in the Appendix of the RECORD a chart showing the cost and benefits to each county in Ohio of S. 246—Federal aid to education. This chart shows that of the $268,083,000, which is the total cost of the bill, Ohio taxpayers will pay $15,629,000, or about 5.83 percent of the entire cost. The amount returned to the State of Ohio, under the provisions of S. 246, is $7,320,000.

The costs and benefits, as it would affect the six counties of the Seventeenth Ohio District, are as follows:

	Cost	Received by county
Ashland	$57,827	$29,426
Coshocton	48,450	31,476
Delaware	35,947	25,327
Knox	56,264	30,232
Licking	101,589	66,100
Richland	203,177	78,031
Total	503,254	260,592

In addition to the costs and benefits derived from this legislation, the big question is "Will our State department of education, our local school boards, and the heads of our local school systems lose their control by the passage of S. 246? Will this bill put the control of our schools in the hands of Federal officials in Washington and further lead us down the road to socialism and statism?

Government Economy

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Monday, June 20 (legislative day of Thursday, June 2), 1949

Mr. WILEY. Mr. President, from all over Wisconsin I have received messages emphasizing the deep concern of the people of my State in the Federal deficit that is looming up. Our people are more aware than ever before that the time is overdue for Federal economy and retrenchment if we are to maintain this Nation solvent.

The Hoover Commission reports represent a bright hope for Federal economy. In addition, Senate Joint Resolution 108, of which I am a cosponsor, and which would cut some two to four billion dollars from the Federal budget, also represents a source of hope for fiscal sanity.

I ask that there be printed at this point two editorials from two newspapers in my State. The first is a terse statement from the Shawano County Journal on deficit financing and the second a brief commentary by the Milwaukee Journal analyzing the increasing trend toward Federal grants-in-aid and pointing out the huge costs that are involved.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Shawano County Journal of June 9, 1949]

DEFICIT FINANCING

The President of the United States has asked Congress to approve a budget for the fiscal year beginning next July of $42,000,-

000,000 to $44,000,000,000. The budget for the year ending July 1, 1948, was $33,800,000,000. Are we going nutty?

Let's face the facts: Tax receipts are falling off. The business volume is slipping. The President stands pat for his tax plan. "We, the People" can't understand all of this.

And apparently the political powers that rule the Nation evidently ignore the fact that we are going deeper and deeper into the hole.

At least one outstanding publication in Washington predicts that the new victory loan drive will not bring enough money into the Government Treasury to meet its financial needs. In short, it is charged that the new bond drive is embarked on an era of deficit financing.

[From the Milwaukee Journal of June 3, 1949]

THE STORY OF TAXES AND AIDS

Year after year, local governments go to State Governments and State governments go to the Federal Government to promote schemes for aids. In recent years, the emphasis has been on Federal aids. The theory apparently has been that, when Uncle Sam carries the burden, the people are somehow spared the costs. The fact, of course, is that, when Washington does the job, costs multiply.

Just look at the matter practically and it will be clear that the farther away is the administration of the money, the more costly the administration is bound to be.

When the Federal Government aids a locality, it does so through a State set-up. Local administration, which must meet Federal standards, costs more than it would if only the locality's own money were involved. State administration, which must also meet Federal standards, adds a considerable item of cost. The Federal administration itself, which must expand to take care of all the 48 States, usually ends by involving literally thousands of employees who take care of literally millions of records.

The end result is that taxes must not only cover the actual costs of doing the desired job of construction, or relief, or security, but must also cover an army of administrators, acres of filing space and tons of supplies.

Federal aid is anything but cheap to the poor local taxpayer. The tax burden on all of us may easily be twice the benefits which flow back to the local projects.

The Work of Paul G. Hoffman Is Appreciated Notwithstanding Impressions Left to the Contrary

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REMARKS

OF

HON. THURMAN C. CROOK

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. CROOK. Mr. Speaker, recently we received a letter edged in black reminding us that the Honorable James Forrestal, a great public servant, met with untimely call to join the bosom of divinity. Perhaps many of the living that have never learned the art of appreciation for service well done, played no small part in hastening his early departure.

While our Nation yet mourns the death of this noble patriot, we, here on Capitol Hill, have experienced an episode that has placed a discouraging burden upon the shoulders of another esteemed public servant, and I refer to no other than the Honorable Paul G. Hoffman, ECA Administrator, who recently, in the Senate Appropriation Committee, was told it would be better for our country were he to resign from his position.

Paul G. Hoffman was never on his knees praying and shedding crocodile tears for the position he now holds, and he is not so attached that it is impossible for him to relinquish his claim when his services are no longer appreciated.

Mr. Hoffman was asked to take over the administration of the ECA and he answered the call at much personal sacrifice. His unexcelled administrative ability as president of the Studebaker Corp. of South Bend, Ind., honesty, integrity of character, lofty ideals, foresight, and broad perspective, linked with profound desire for early European recovery and the building of a superstructure of brotherly love throughout the world reenforced with a just and lasting peace, fully qualified him for the gigantic task which he was called to perform.

Sometimes in our hasty remarks we say not what we mean. A good businessman must have frank opinions. Whenever any man working in the affairs of Government is fearful of facts and desires to classify them as "unduly high pressure," then he should insist on the employment of a puppet rather than an administrator with whom to work.

Sometimes I am stimulated to wonder how we are ever able to secure the services of good, honest, capable, and reliable officials when they know they are ever subjected to criticism and accusations too often designed to defame their name, character, and honorable standing in their home community, State, and Nation.

We of South Bend and the State of Indiana highly revere Paul G. Hoffman by virtue of his splendid business record, integrity, and civic leadership, and we consider recent statements that have shaded and retarded his efforts in the European Recovery Program to be unwarrantable. Further expression of our feeling is disclosed in the following editorial taken from the South Bend Tribune:

HOFFMAN'S POSITION

ECA Administrator Paul G. Hoffman did not commit a crime when he told members of the Senate Appropriations Committee that he would resign if the appropriation for operation of his agency in the 1949–50 fiscal year seemed inadequate to him. In a sense Senator KENNETH MCKELLAR, Tennessee Democrat, was right when he said that Administrator Hoffman attempted to bring pressure on Congress in that statement. It does not, however, appear to be illegitimate pressure.

Administrator Hoffman, who is giving public service at considerable personal sacrifice, is entitled to and has positive ideas about what is needed for ECA maintenance. He naturally does not have a desire to serve as head of an organization having mere token significance. Honest differences of opinion exist about the maximum and minimum responsibilities that this country should assume through the ECA system. Administrator Hoffman should not be accused of sinister plotting, even by implication, for expressing his opinions frankly. Fortunately it looks as if Senator MCKELLAR spoke only for himself when he said that Mr. Hoffman ought to resign.

The Housing Bill

REMARKS

OF

HON. CHARLES W. VURSELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. VURSELL. Mr. Speaker, Wednesday of last week my very good friend and able colleague of Chicago [Mr. O'HARA] attempted to answer and refute certain statements I had previously made on June 7 in opposition to the Federal housing bill.

He attempted to convey the impression that I had secured some of the information with reference to the housing bill, and that I had been influenced in my thinking by what he termed the real-estate lobby.

I have been in Congress over 6 years now, and I have never yet been influenced in decisions I make by lobbyists from any direction. This administration, when it attempts to put over socialistic legislation, always cries out against special public interests and powerful lobbies in an effort to give the people the impression that the supporters of the administration are immune from lobbyists and are trying to protect the interest of the masses. In attempting to put over this Federal housing bill, which is shot through with socialism, they are using the same false cry from the President down.

In the years I have been in Congress, I have seldom been approached by the representatives of the big-business interests. I have been lobbied by bureaucratic organizations, left wingers by the hundreds, labor organizations, and various pressure groups time and time again. The national public-housing organization, and Government-paid propagandists are the lobbies really spending large sums of the taxpayers' money in support of this bill.

When people high in Government, and Members of Congress, give our statements to the public which would indicate that lobbyists representing special interests are controlling the action taken by the elected Representatives of the people of this country, they are striking a blow at and doing great damage to our representative form of government.

Mr. Speaker, in Mr. O'HARA'S address of considerable length, he does attempt to make one point worthy of consideration. It is "that I was mistaken when I made the statement that this public housing program, if carried through, would cost the Government a total of $20,000,000,000."

I am quite frank to admit that it is possible that it might cost a little less than $20,000,000,000. However, it is more likely that the real mistake I made was putting the cost as low as $20,000,000,000, because if this project to house 1,050,000 people in the low-income group is put through and completed, the same socialistic planners, having won the first victory, will doubtless come back to the Congress at the next session with plans to expand this legislation to include 7,455,800 families in the 70 percent just above

those provided for in the present bill whose annual earning income is less than $1,600 a year. Anyone must know that if you take care with low rentals the group just under this $1,600 income that this larger group will feel that they are entitled to the same equal treatment. A program to include the latter group, added to the present program, would cost over $100,000,000,000.

Mr. Speaker, fortunately, however, there is that added possibility that this political vote-catching scheme of housing, which is planned to be operated through the setting up of local housing authorities, when analyzed by local groups in the various States who will be called upon to join in its cooperation, will realize that it is so wild and unworkable, so worthless and dangerous to the country, that few local housing authorities will be willing to cooperate. If this happens, the Government may not be able to find such housing authority outlets as would permit the spending of this $20,000,000,000. It is just possible that might happen, and if it does my figures, of course, would be too high.

The bill itself provides and authorizes the expenditure of $19,312,500,000 for the purpose of building 1,050,000 family units, plus unlimited expenditure for research, which will bring the total expense to $20,000,000,000. I have never known a governmental agency set up for the purpose of spending money, as this agency is being set up, that has failed to spend to the limit of its authorization. It will be difficult, with the experience the Congress has had with bureaucracy here in Washington, to convince the Members who must pass on this legislation that they will not spend the entire $20,000,000,000 limit if given the opportunity. If, as they say, it will not require more than $10,000,000,000, they should reduce the amount in the bill at once to that amount.

Mr. Speaker, it will be argued by some Members favoring this legislation, that under the wizardly confusion set up by the bureaucrats in financing these projects, that out of the small-loan provision, some of the money will be paid back.

Let us say that the average rental of apartments in a certain housing authority is $30 per month, but that the real rental to properly amortize such a rental investment should be $60 a month. The $400,000,000 given by the Government to local agencies goes to pay administrative expenses, interest on bonds, the differences in subsidies on rentals, maintenance, and upkeep, along with the small amount the renter pays. There is a possibility that a very small amount of this loan fund may be paid back into the Government, which might amount to 10 or 20 percent. There is a very definite possibility that none of it will be paid back, because you are dealing with a paternalistic Federal Government that generally spends more, or as much as their authority will permit.

In that connection, the gentleman from Michigan [Mr. WOLCOTT], in the hearings before the Committee on Banking and Currency at the Seventy-sixth Congress, upon a similar bill, entered into the following discussion with Mr. Leon Keyserling:

Mr. WOLCOTT. In other words, your annual contribution, according to this example which you are using, is about the equivalent of the debt retirement.

Mr. KEYSERLING. Yes.

The facts are that while we talk about loaning them this money for building the houses, we, on the other hand, through the $400,000,000 a year, are giving them money with which to pay the loans. So in reality, it is not a loan, but a subterfuge.

Mr. Speaker, I am aware that the Bureau of the Budget, hard pressed by the members of the committee for an answer to how much in its judgment this program will cost, has, after the use of a great number of words, estimated it may not cost over a total of $11,000,000,000. This report, when carefully analyzed, shows conclusively that their reasoning is not based upon sufficient facts to justify such an estimate.

I think it would be well in this connection to refer to a report made by the reputable accounting firm of Snyder, Farr & Co., of 1333 G Street NW., Washington, D. C., who, after having made an analysis of this piece of legislation, make the following report:

The direct financial commitments of the Federal Government as specified in H. R. 4009 and detailed in schedule attached hereto, are summarized as follows:

Direct loans and grants, $2,750,000,000; grants and contributions, $16,562,500,000; total direct financial commitments, $19,312,500,000.

In addition to the direct financial commitments, the Federal Government is committed to the expenditure of indeterminate amounts for: housing research (title 3), administrative costs, etc.

Due to the number of government departments involved, and the lack of adequate information on which to base an estimate, no attempt has been made to determine the probable cost of these items.

Respectfully submitted by Snyder, Farr & Co.

G. R. SNYDER.

I think when you add to this estimate that many of the ablest Members of this Congress, who have had a chance to thoroughly study this bill, who are members of the Banking and Currency Committee and the Rules Committee, that it is their contention that the completed operation will cost approximately $20,000,000,000, my statement is justified.

Mr. Speaker, for the information of the gentleman from Illinois, I should like to state that it did not require any lobbyist for or against this legislation to help me make up my mind to oppose it. I opposed this legislation 2 years ago, and I am opposing it now because I know that any time you ask the Federal Government to do a job, that it costs more money than would be required if done by private industry.

I oppose it because it is poltical housing. Were it not for the political aspects of this housing bill, it would not be before this Congress. Were it not tied up with the political possibilities and the political influence, such legislation may have on the masses, who are promised rentals at half price at the expense of the public, this bill would not get a hundred votes in this House.

I oppose it because it is, in fact, using the power of the Federal Government to destroy the great building industry of private enterprise. When the Government destroys a private enterprise, then the Government takes over its functions and that is socialism. This will mean that the Government will socialize the building of homes as it did in France.

I am opposed to this bill because it will take money, through excise taxes and otherwise, from the really poor, like those living on small annuities and old-age assistance, who will not be permitted as occupants in these low-rental buildings.

I am opposed to this legislation because out of the 3,700,000 families, who earn less than $1,000 a year, a special group of 1,050,000 families would get the benefit of these low rentals, while 2,200,000 families in this same category with an income of less than $1,000 a year would have to pay additional taxes for the favored few.

I should like to point out that in the strata of income of families just above this lowest one-tenth I have discussed, that there are 7,456,000 families whose annual incomes are under $1,600. The taxes of this great group of low-income people, again, would be increased as well to give the 1,050,000 low-cost rentals.

If this bill is passed, it would be only justice to the 7,456,000 families to extend this legislation next year to provide them with equal rental opportunities, and that would cost far beyond $100,000,000,000.

If we pass this legislation, there will most likely be a bill presented to the Congress next year by these same planners to take care of this group.

I give you these figures from the Bureau of Labor Statistics to show you what a dangerous mistake we are about to make, in even seriously considering this revolutionary, socialistic program which will destroy the financial solvency of this Nation.

I am opposed to this legislation because it will rob the men and women of their cherished ambition to work and save to build and own their own homes. This legislation strikes another destructive blow at the moral fiber of the American people.

I am against it because it will mean less homes at greater cost, rather than more homes.

Mr. Speaker, the bill in section 2, in its declaration of policy in its first paragraph, holds out a false and impossible promise to the American people when it promises: "the realization, as soon as feasible, of the goal of a decent home and a suitable living environment for every American family." What a false, dangerous, and deceptive hope to hold out to the people.

Everyone knows that the attainment of that goal, physically and financially, is impossible. It is a utopian, deceptive political statement. It has never been the policies of the founders of our Government to make such a guaranty to our people. Such guaranties could not

be kept, if made, and every sensible person knows it.

The American people who are worth their salt, and most of them are and will remain so, unless the moral fabric is further destroyed by the Federal Government promising them everything, still have enough pride that they want to build their own homes like the pioneers who builded their early homes and at times log cabins along the rivers in the early days of this country. And who by their own efforts conquered the plains and builded the greatest nation in the history of the world. If their pride and character had been weakened by such legislation, they would not have succeeded.

If you take away this incentive, as this bill attempts to do, you will strike a terrific blow at the greatest heritage and wealth this Nation has today—that is the ambition, character, independence, morals and pride of the American people.

Mr. Speaker, the gentleman from Chicago in his address before the House, was questioned by the gentleman from New York [Mr. MULTER] as to the selection of tenants for admission to public housing projects now operating in Chicago. His reply, with reference to the operation of public housing in Chicago was as follows:

As is the case elsewhere, there has been good administration of public housing in Chicago, and there has been complete divorcing from politics. No one has even suggested scandal. There has been none.

I think the best evidence to show that my very worthy colleague is not fully informed as to how well or how bad public housing has been operated in Chicago, is to close my remarks by inserting an editorial under date of October 15, 1948, appearing in the Chicago Tribune. When you read this editorial, which gives the facts as to political housing in Chicago, I think you will agree that my colleague was wholly uninformed and that you will further agree that the conditions uncovered in Chicago will be multiplied a thousand times throughout the United States if this housing bill is approved by the Congress:

YOU PAY HIS RENT

The Chicago Housing Authority has notified a photo instructor, earning $8,290 a year, that he will have to move out of one of its projects for "low income" families. His is one of 200 families ordered to move because their incomes exceed the maximum allowed in the projects. All have family incomes exceeding $5,000 a year. One family, with four employed, earns $12,638.

The housing authority's press release says that the 200 families were told "that October will be the last month in their present living quarters." That's real optimism. The authority started eviction proceedings against some other high income tenants a year ago August. They are still living in the projects, while the appellate court decides an appeal in the case.

There are another 2,833 families in the projects whom the authority is making no move to evict, although their incomes also exceed the maximum. They and the 200 families average $3,394 a year. The last average wage reported in Chicago by the State department of labor—for individuals, but not family units—was less than $3,000 a year.

As a Federal income taxpayer, you pay a large part of the rent of the $8,290-a-year photo instructor. Federal subsidies to the projects are calculated to pay off the total building cost, with interest. If you own real estate in Chicago, you pay a second time to provide police and fire protection for this man of means and the schooling of his children, if any. The so-called contributions in lieu of taxes by the Housing Authority are about one-tenth of what taxes would be on property of equal value owned by a private citizen.

All this was done on the theory that it was a public duty to provide housing for people of low incomes. The moment they started building the public housing people announced that, of course, they still couldn't provide housing for people of the lowest income. Now, in Chicago, they report that 39 percent of their tenants have incomes in excess of the very liberal maximums. They accept tenants earning as much as $53 a week, only about $4 under the city average. The Housing Authority warns that it will not be possible to evict the over-income tenants in a month or so. Considering progress to date, the warning is hardly necessary. Actually, the tenants probably couldn't all be evicted if the Authority went at the task in earnest, because of the disposition of municipal judges to ignore the law whenever a chance appears to woo a vote.

There is no reason why a group of 7,680 families, among all of the thousands in Chicago seeking adequate shelter, should have the larger part of their rent paid by other and often less comfortably housed families. If the favored few can't be evicted, they can be required to pay what their apartments are worth.

That is unlikely to be accomplished under the Housing Authority. The projects should be sold to private owners, free of rent controls, so that the taxpayers whose money is tied up in them can salvage as much as possible. Private management, eliminating the social worker fads and frills and the overloaded pay rolls of the public operators could probably make a profit at rents which most of the present tenants could afford to pay.

Veterans' Legislation

REMARKS

OF

HON. JAMES G. POLK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. POLK. Mr. Speaker, I wish to call the attention of the House to a resolution recently adopted by the Mathews-Carter Post, No. 325, of the American Legion of Manchester, Ohio, concerning veterans' legislation.

The resolution is signed by Harold C. Wilson, post commander, and attested by R. W. Poole, post adjutant, and was sent to me by Mr. Oscar R. Howell, vice commander of this American Legion post. It is as follows:

Whereas the present compensation program for veterans of World War I is wholly inadequate, and most veterans of World War I have passed their fiftieth birthdays and are finding it increasingly difficult to compete on the present labor market which demands younger men; and

Whereas many of these veterans are suffering from diseases or wounds incurred in or aggravated by World War I service:

This post resolves that you support with all your energy and integrity any measures designed to relieve financial distress in so many of World War I veterans' lives, and care for them in a manner befitting the valiant service they gave to their country in 1917 and 1918.

HAROLD C. WILSON,
Post Commander.
Attest: R. W. POOLE,
Post Adjutant.

I fully concur in the views expressed by this resolution and wish to call the attention of the House to a discrimination against World War I veterans in the housing bill, H. R. 4009, which limits veterans' preference in low-rent public housing to those who served in the armed services between September 16, 1940, and July 26, 1947—page 30, lines 9, 10, 11, 12.

To remedy this situation I propose to offer an amendment to section 202 of H. R. 4009—line 9, page 30, as follows:

The term "veteran" shall mean a person who served in the air, land, or naval forces of the United States during any war between the United States and any other nation and who shall have been discharged or released therefrom on conditions other than dishonorable. The term "serviceman" shall mean a person who served in the air, land, or naval forces of the Unites States during any war between the United States and any other nation. Deceased veterans and servicemen shall mean men or women who served in the air, land, or naval forces of the United States during any war between the United States and any other nation and who died in service before the termination of such war.

On behalf of the veterans of World War I, I urge your support for this amendment when the bill comes up for consideration in the House.

Utilization of Womanpower

EXTENSION OF REMARKS

OF

HON. MARGARET CHASE SMITH

OF MAINE

IN THE SENATE OF THE UNITED STATES

Monday, June 20 (legislative day of Thursday, June 2), 1949

Mrs. SMITH of Maine. Mr. President, Hon. FRANCES P. BOLTON, the distinguished Representative from Ohio, has written a most thought-provoking article which appears in the June 1949 issue of the American magazine. She writes on a matter that we all should give serious consideration. Her manner of expression is not only courageously direct and intellectually honest but it is arresting and easy reading.

While the title of the article is "Women Should Be Drafted," the article at no point proposes a peacetime draft. It does emphasize peacetime reorganiza- of the women's components of the armed services for adequates preparation.

FRANCES BOLTON'S article is a forward-looking challenge based on findings of experience in World War II. It should stimulate calm, serious consideration of the whole practical problem of how womanpower, as well as manpower, can best be organized on 24 hours' notice in

the event of an emergency. It underscores a slogan of mine, "Don't Wait—Anticipate."

I ask unanimous consent that this article be inserted in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WOMEN SHOULD BE DRAFTED

(By FRANCES P. BOLTON, United States Representative from Ohio)

(Under our present laws, in case of national emergency young American men can be drafted into the armed services on 24 hours' notice. There is no such provision for the drafting of women. All indications are that another war would require the services of women more than ever. If we are to consider revising our draft laws to include girls, the time to decide is now rather than to wait until after an emergency has arisen. That is why we asked Representative BOLTON to express her views on the question.—The Editor.)

In order to win World War II, the United States Army found it necessary to keep 10 soldiers behind the lines for every fighting man at the front. If we should ever become involved in a third world war—a possibility which we are today spending billions of dollars to prevent—military experts say that those 10 men would not be enough to support one combat soldier. Yet we came close to the limits of our manpower in the last war. If we are to be prepared to defend ourselves in the future, we had better get ready, for the first time in American history, to draft women into the armed forces.

This is not war hysteria. We know that preparedness is the best peace insurance. We also know that only the total strength of the Nation mobilized behind our combat troops could bring victory in the technological, push-button warfare of tomorrow. Our total strength is not just the male half (actually less than half) of our population. We shall need fully mobilized womanpower, as well as manpower, in any future emergency. I believe it is time to consider a new basis for selection which will make it possible to draft our young women the same as we now draft our young men: according to their fitness to do a vitally important job—the job of defending America.

The drafting of nurses was proposed during World War II. I made up my mind at that time that such discriminatory legislation was unjust, particularly when the group involved had raised a corps of 57,000 trained women to meet a pressing need. If we are to look at future possibilities realistically, it seems to me imperative that we face up squarely to what total war in an atomic era would mean, and set up such defensive machinery as we can to meet it.

During the course of the last war, some 250,000 American women were in uniform. They served gallantly, but there were never enough of them. Although the War Department tried to recruit 1,000,000 volunteers for the Women's Army Corps, peak strength barely exceeded 100,000. The goal of 1,000,000 was based on urgent requests for Wacs from commanders in the field, who found, once they became accustomed to women in "a man's army," that they couldn't get along without them. They discovered that a modern defense machine needs women's skills as much as it needs men's strength. Had the war continued, military leaders estimated that 1,500,000 Wacs would have been required for an efficient army. Yet few persons had the courage to suggest openly that they should be drafted.

I have heard chivalrous members of the male sex—including some of my esteemed congressional colleagues—express unalterable opposition to any measure which would require their daughters, their sisters, or just women in general, to serve in the armed forces. I am afraid that such gallantry is sadly out of date, and as a woman I find it rather stupid. Why should we imply that American women are not as ready as American men to serve their country? We do not draft our young men because we think they are shirkers, but because selective service is the most efficient way to organize our national strength. I believe that women today are more than ready to assume even these responsibilities of their citizenship.

Most of the arguments against using women in the armed forces should have been settled by the magnificent performance of our Wacs, Waves, Spars, and Women Marines in the last war, and by our Army and Navy nurses in one war after another for half a century. Evidently this story has not been told often enough, however. I still hear it said that women aren't suited to military life, that they can't submit to discipline, that they cost the Government more money than men—and maybe it would just be better for everyone if they stayed home out of harm's way.

General Eisenhower gave the answer very plainly in testifying before a congressional committee in 1947. "For the particular tasks for which the woman is particularly qualified in war," he said, "she is far better than any man in the Army." The general made it plain that he did not consider women merely as pinch hitters in men's jobs. He also testified that disciplinary problems in the WAC were practically nonexistent.

I remember being told once by an Army officer of the old school that it would take at least two women to do the work of one man, so that using them in the services would be an inexcusable waste. Actual World War II experience proved that there are hundreds of essential noncombat jobs in the Army, Navy, and Marine Corps where women make the first team and it's the men who are misfits.

As typists, telephone, radio, and teletype operators, training instructors, dental and medical technicians, cryptographers, and in many other posts, women's aptitudes and usual civilian training make them the natural choice. To quote General Eisenhower again: "The jobs to which women are assigned are performed more efficiently than men do them in the normal case. When you can fill various types of duty with women, you save actually in total numbers."

At the beginning of the war, the Army decided that women could be useful in four jobs: clerk, telephone operator, driver, and cook. Before the end of the war, women were doing more than 200 different kinds of jobs in the Army, and filling some 450 different billets in the Navy. In tasks that demanded patience and concentration, attention to detail, or nimble fingers, the armed forces found that women carried off the honors.

WAC contingents followed our troops to England, France, New Guinea, and the Philippines, working under sniper fire and buzz-bomb attacks. In Italy, WAC telephone operators manned switchboards a few miles behind the fighting front. Army nurses were on the Normandy Beach behind the first wave of troops on D-day. Women were not exposed unnecessarily to danger, however. Although a number of nurses were killed by enemy action, WAC casualties amounted to only 13 wounded, according to Army figures.

Most of our women did not serve under battle conditions. They were to be found mostly in supply depots, hospitals, air bases, ports, and in administrative jobs in various headquarters. At the huge naval communication center in Washington, three-fourths of the personnel were Waves. Women Marines made up 87 percent of the enlisted personnel at corps headquarters. Servicewomen ran hospital laboratories, instructed fliers in navigation and gunnery, operated flight-control towers and radar stations, and even tested rockets for the Navy.

Some 500 young women Wasps served as ferry pilots for the Air Force, delivering combat planes from factories to air bases all over the United States. Although they were doing a highly skilled and hazardous job which released Air Force pilots for combat duty, these girls were never given the recognition nor the benefits of military status.

All this is enough to show, it seems to me, that the armed forces have not only a definite place, but a desperate need, for women. At first, of course, there were veteran Army and Navy officers who stoutly defended their services from the feminine invasion. They were sure that the mere presence of women would destroy efficiency and ruin discipline.

I knew a colonel who had once shared this feeling, and who told me after the war of an experience in a certain headquarters where he had served. "Our nerves had been frayed out for months," he said, "and every time something went wrong we all lost our tempers. Then they sent us two WAC lieutenants. After that we couldn't cuss one another and kick the furniture around when we struck a snag. We had to sit down like gentlemen and work it out. Efficiency went up 200 percent, and I decided right there that every high-level office should have a couple of Wacs around, just to keep the machinery oiled."

I don't think much time need be spent in answering those few gossips who whispered about the character of the young women who volunteered to wear their country's uniform. It may be noted in passing, however, that a similar lack of respect was occasionally shown to American servicemen by civilians, in the years before the draft and the war brought the facts of military life home to everyone. Women should not be in the position of serving their country on sufferance; they should serve as men do—because their country needs them.

A step in this direction has already been made with the passage by Congress last year of the Women's Armed Services Integration Act, which for the first time makes it possible for women (other than nurses) to become a part of the Regular Army, Navy, Air Force, and Marine Corps. Heretofore women were accepted only as a part of our Reserve, or temporary wartime, forces, without the job security or retirement benefits which go with Regular service.

It was recognized by Congress that if we were to keep any sort of professional nucleus of women officers and noncoms in the service, it would be necessary to offer them a permanent career. This professional group is limited by law to 2 percent of the authorized strength of the Regular services, and the act provides as well for a reserve of trained women.

While I am heartily in favor of encouraging women to enlist and earn commissions in the Regular Army, Navy, Air Force, and Marines, this does not solve the problem, any more than the existence of our small corps of career soldiers and sailors does away with the need for selective service for men in time of national emergency. The professionals provide the leadership; they do not provide the manpower. So far as the women's services are concerned, we are creating trained leadership with nothing to lead.

We are proceeding on the prayerful assumption that the right kind of women are going to volunteer and in the proper numbers. Such optimism is not justified by our past experience in wartime nor by the present situation. Today we have fewer than 9,000 women on duty with our armed forces, although at the end of the war every effort was made to hold the women's services together. The Army slowed the WAC demobilization rate below that for men, and the Navy and marines offered their women Reserves the chance to continue on active duty.

Both services asked Congress to allow them to keep women in the peacetime organization. General MacArthur, in Japan, and General Clay, in Germany, stated emphatically that the occupation forces could not get along without Wacs.

The question, to my mind, boils down to a very simple choice: Either we need women in our armed forces or we do not. The hard-won lessons of the war prove that we do and that there is only one way to get them—by a general registration and selective service. Just as our young men from 18 to 25 are being asked—in whatever numbers the armed forces and the Congress deem necessary—to serve for a period of training, so, it seems to me, should their sisters.

I have been told that such a suggestion threatens the future of the family and the very basis of our society. I imagine that much the same prophecies were made when male civilians were first drafted to fight beside professional soldiers. But the fact is that no army in modern times has been raised without resorting to conscription. Great Britain, in the face of her manpower shortage in the last war, drafted every woman between the ages of 18 and 52 for a defense job, yet the institution of the family was not destroyed.

In drafting women I think we can easily guard against any threat to marriage and the home. Much the same rules might apply as those set up to regulate the selection of women volunteers today. Married women and those with dependents are not being admitted to the Regular service, but once a woman is admitted marriage is not considered a cause for her discharge unless it interferes with the performance of duty. A married Wac or Wave who becomes a mother is naturally separated from the service, on the ground that a mother's first duty is to her child.

This is the same common-sense rule which applies to women in business and industry. We think nothing of allowing daughters, when they graduate from high school or college, to work until marriage, and many choose to continue even after marriage. When the babies arrive, the transition from typewriter to bottle warmer is generally made without difficulty.

I think most of us agree, in fact, that a career in the business world, no matter how brief, is likely to broaden a young woman's interests and finally make her a better wife and mother. I believe the average American girl can find similar benefits in the service of her country. In fact, I have known several girls who left home to join the WAC as shy and helpless creatures, and returned a few years later as competent, poised, and completely mature young women—literally women of the world.

One of them had been trained as a traffic clerk with the Air Transport Command, and had flown all over Europe, the Mediterranean, and north Africa in ATC planes. She now has a good job with an air line, thanks to her Army training.

Another, an only child, had lived at home until she was nearly 30. Because her mother thought she was "delicate," she had never been encouraged to work or to marry. She suddenly summoned enough courage to walk out one day and enlist in the WAC. I met this same young person a short time ago, and did not recognize her until she told me who she was. My former "delicate" friend is now a captain in the Regular Army, running an office in the Pentagon Building in Washington with all the poise and efficiency of a trained executive.

These are only two examples, but I know of many others where the special training and discipline of the armed forces, the lessons in tolerance, in leadership, and in the workings of our democratic government have been of greater benefit than a college education. I don't think we need fear that such service will turn our daughters into social outcasts. On the contrary, it is likely to make them better citizens, better workers, wives, and mothers.

One more thing which our World War II experience proved is that we cannot afford to wait until an emergency is upon us, and then improvise a solution. Our first efforts to fit women volunteers into the Army and Navy in 1942 were time-consuming, chaotic, and wasteful. The whole complicated procedure of training, housing, uniforming, and job assignment had to start from scratch, by the method of trial and error.

The selling campaign necessary to recruit volunteers was naturally costly, and not very successful. Women officers who were engaged in recruiting work have told me that under the pressure of filling their quotas, they often accepted enlistments which appeared likely to turn into bad investments for Uncle Sam—women who were joining on a spur-of-the-moment whim, or just to spite their husbands or their parents, and who had no real qualifications for service.

Many of these volunteers managed to adjust themselves, no doubt, but that is beside the point. America deserves the service of her best-qualified citizens in time of national peril, and a thoroughly democratic, honestly administered draft—both of men and of women—is the only way to get such service. We must have the power to choose the fit and reject the unfit.

The method of voluntary enlistment is bound to fail for another reason, namely, that it isn't taken seriously by those to whom it is supposed to appeal. As one young woman told me during the war, "I'd sign up tomorrow if I thought I was needed. But if the Army and the Navy really wanted women, they'd draft them."

Women who did volunteer often waited weeks or months to be called up, and after basic training they waited again before being assigned to duty—all in the midst of a highly advertised manpower shortage. Such delays were inevitable in a program that was being patched together from day to day, without the benefit of planning and foresight. There is no need to repeat the mistake.

Nor is there any need to put ourselves in the absurd position of drafting young men to do jobs which women can do better. It's high time we got over the idea that "women should not have to fight a man's war" when modern war can wipe out the populations of whole cities, including male and female, young and old.

I don't believe in distinctions between the sexes either in their privileges and opportunities nor in their duties. By giving women an equal place in our armed forces, the last exclusively made profession, we shall be opening a new career field to them in time of peace and recognizing their obligation in time of war. When our house is burning down let's revise the old saying that a woman's place is in the home. Let's realize that today a woman's place includes the saving of that home.

Radio Interview of Hon. Homer E. Capehart, of Indiana, by Upton Close

EXTENSION OF REMARKS

OF

HON. HOMER E. CAPEHART

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Monday, June 20 (legislative day of Thursday, June 2), 1949

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a portion of the transcript of the broadcast on Sunday, May 22, 1949, of an interview of me by Upton Close.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Mr. CLOSE. Senator CAPEHART, of Indiana, who speaks out as a true Hoosier, pioneered in warning us against national bankruptcy when people seemed to think that only a Shylock would oppose spending. Now even our liberal spenders are frightened. Senator CAPEHART, would you tell us just how bad you think the situation is—and specifically, what you would like to see done about it right now, and what you think this Congress could do about it?

Mr. CAPEHART. Maybe the best way to answer your question is to ask each person listening to our voices, this question, and let them answer it for themselves. The question is, How long do you think that you, or any institution, or any company, or any organization, or any government can go along spending more money each day, and each week, and each month, than they take in? Now, that is exactly what our Government has been doing for the past 18 years. They have been spending more money than they have been taking in—in revenues. In spite of the fact, as you all know, taxes are almost to the point where they are unbearable. I doubt very much that even if we increased taxes that we could increase the total revenue which the Government would receive.

Mr. CLOSE. Do you suppose some people think there is a way for Government to get and distribute money without taxes?

Mr. CAPEHART. There are some people who seem to think, Mr. Close, there is no way of doing it. We simply must face the facts—we either balance the budget, we either stay within our income, or we are going to go bankrupt in this Nation. There is no question but what if the Congress appropriates $45,000,000,000—and it looks like they will this year—that for our next fiscal year we will run a deficit, in my opinion, of anywhere from five to fifteen billion dollars. For example we are running a deficit this year of possibly two to two and one-half billion dollars—think of that, during 1949—the most prosperous year in the history of this Nation. In 1949, when business is good—excellent—here we have a Government that is spending more money each day than it is collecting in revenues.

It might interest our listeners to know that up to yesterday, this fiscal year—the one ending June 30, 1949—our Government is out of balance to the extent of $6,000,000,000, in that revenues are $4,000,000,000 short of what they had anticipated, and expenditures are up to $2,000,000,000 over what they anticipated—or out of balance to the extent of $6,000,000,000.

Mr. CLOSE. Constructively, Senator, what do you think could be done right now, since we have gone this far?

Mr. CAPEHART. Congress can do anything it cares to do. The Congress could today if it wanted to, reduce the appropriation by 20 percent, which is the figure I have been talking about all year. My personal opinion is that the Federal revenue for the fiscal year ending June 30, 1950, will not run one penny over $35,000,000,000. Congress could reduce expenditures. The responsibility of doing this is the responsibility of Congress. You can talk about reorganization bills acts, but the one institution that has the responsibility of appropriations is the Congress. As you know, I recommended as strongly as I knew how that we reduce the ECA from five billions five hundred and eighty millions to $3,000,000,000. We would have saved $2,500,000,000. I strongly urged that we reduce the national defense by two and one-half billions—that is five billion—and

then take three billion out of other appropriations—or a total of $8,000,000,000, bringing the budget down to $35,000,000,000. It can be done, it should be done, and we are going to be sorry if we don't do it.

Mr. CLOSE. Do you think the Senate might take some such action in this session?

Mr. CAPEHART. I'm afraid they will not, because up to date we have been unable to get one little penny out of a single appropriation bill. The House of Representatives has increased the amounts carried in either six or nine appropriation bills by a total of approximately $4,500,000,000 more than was spent last year by the agencies for which the appropriations are made.

I am fearful that we are not going to be able to take anything out of the budget unless the people of the United States become sufficiently alarmed over this situation and insist that Congress do it. I feel strongly that they should do it because I cannot think of any greater calamity that could happen to this Nation than to continue to run a deficit in peacetime. We simply cannot stand it. If we are going to maintain world peace, we must maintain a strong economy in our Nation. So I say it is in the best interests of each and every person throughout the United States for our Government to remain strong, balance its budget, and live within its income.

Mr. CLOSE. Thank you very much Senator CAPEHART, for bringing this situation home to our American people. I trust that your rather pessimistic view of what is being done in the Congress will not prove to be the result. I think there has been an awakening going through the Nation. I've been traveling across the country and I notice people are getting very uneasy about this situation. I thank you for helping the people to understand it.

Independent Merchants' Friend, United States Wholesale Grocers' Association, Inc., Warns Against Passage of O'Mahoney Substitute to Myers-Walter Bill Since It Would Scuttle Price Discrimination Laws That Now Protect Home Merchants, and Would Legalize Price Fixing for Cement, Steel, Sugar, and Other Trusts

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. PATMAN. Mr. Speaker, the United States Wholesale Grocers' Association, Inc., through its executive vice president, Harold O. Smith, Jr., in a communication addressed to independent merchants stated, "The Senate on June 1, 1949, passed the O'Mahoney substitute for the language of S. 1008 along with other amendments offered by Senator ESTES KEFAUVER, of Tennessee. This substitute and amendments amount to a new bill which among other provisions drops the moratorium feature of the old bill and would effect permanent delivered pricing legislation. S. 1008 as passed by the Senate was referred to a House Judiciary Subcommittee which further amended the bill. The bill as amended is now pending before the full House Judiciary Committee for action at its meeting on Tuesday, June 21."

In this statement this association, which has always been known as a friend of the independent merchants, warns that the changes proposed will be in favor of chain stores and other large buyers, and asks that the bill be rejected. A quotation on these points is as follows:

In our opinion and that of our general counsel, W. A. Quinlan, the subcommittee version of S. 1008 makes many ambiguous changes in the law which might be so interpreted as to weaken the provisions of the Robinson-Patman Act against price discrimination in favor of chain stores and other large buyers. It jeopardizes the effectiveness of the Robinson-Patman Act and the welfare of all independent merchants, and should therefore be rejected by the full House Judiciary Committee or the committee should give it additional study with benefit of public hearings.

There was, of course, no opportunity for public hearing on the O'Mahoney proposal in the Senate as it was passed by the Senate as a substitute for the provisions of S. 1008, also highly unsatisfactory to the interests of small business. The House Judiciary Committee conducted closed hearings on S. 1008 as passed by the Senate and amended by the House subcommittee but held no public hearings at which trade representatives could testify. Permanent changes in the antitrust laws should not be hurriedly considered and acted on by Congress or any congressional committee.

It is appropriate that this association sound the alarm since it was greatly instrumental in the passage of the Robinson-Patman Act. In fact, this group and the National Association of Retail Druggists, which represents only independent druggists—not chains—are entitled to the major share of the credit for the passage of the Robinson-Patman Act.

A Rhode Island Community Is United Behind Roberts Hirss in His Struggle With Red Tape

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1949

Mr. KLEIN. Mr. Speaker, last winter one of my good friends, Mr. Harry Grossman, of New York, a respected member of the bar and a former New York county commander of the Jewish War Veterans, brought to me as amazing, fascinating, and romantic story of the efforts of Roberts Hirss to reestablish his industrial empire and create new wealth in the United States.

Roberts Hirss was born at Erglos, Latvia, in 1895. Before the war, he was the chief executive officer and, with his wife, virtually sole owner of two textile manufacturing enterprises, Rigas Audums at Riga, Latvia, and Kauno Audiniai at Kaunas, Latvia.

How Roberts Hirss escaped from Latvia, smuggled his dismantled mills out of the country, literally buried them in friendly foreign soil, made his way to the United States, and became an American citizen, is a romance which some day an enterprising writer will use to fill a book, or at least a long magazine article.

UNIQUE MACHINERY DEMANDS UNIQUE WORKMEN

The point of the story here is that by infinite patience Roberts Hirss transported his unique textile machinery to America. In Woonsocket, R. I., he bought the Nyanza mill and started assembling his machinery.

But here he struck the snag with which my remarks are concerned.

Mr. Hirss, in Latvia, was the producer of extraordinary textiles which demanded extraordinary, as I have already called it, unique machinery.

Such machinery demands unique workmen to assemble and operate it.

Roberts Hirss found eight living men who had escaped the Nazi holocaust and the Russian annexation and had, in fact, escaped from Latvia, and were also former workmen of his who knew every bolt and screw in the delicate and complicated machines.

Three of those men have been in the United States for some time; one just entered as a quota immigrant; four others have been in Toronto for almost 3 years while Mr. Hirss has done everything in his power to obtain some kind of official permission to allow them to come in long enough to get his machinery set up and his mill going, offering to post any kind of bond to insure their departure at the end of a reasonable time.

The United States consular officers at Toronto have been adamant.

Not one of these four men has ever filed an application for an immigration visa. Their families are in Canada.

If they could enter the United States, 2,000 people in Woonsocket would go to work at the Nyanza mill.

EFFORTS FRUSTRATED

Mr. Speaker, I should explain my interest in the matter at this point. Mr. Hirss, although his industrial interests are in Woonsocket, is my constitutent, and of course Harry Grossman is my long-time friend.

The Rhode Island delegation has done everything possible.

I myself have exerted every effort.

High officials of the Immigration and Naturalization Service and of the State Department have advised Mr. Hirss and Mr. Grossman that they believe these men could and should enter the United States for a temporary period.

The law gives full discretion to the American consuls, and the American consul in Toronto has determined in his own mind that these men are intending immigrants, and as such may not be allowed to enter the United States on a temporary visa.

Without them, the wheels of industry remain stilled.

SPECIAL KIND OF BILL DEVISED

In cooperation with the Members of the Rhode Island delegation in both Houses and with the Judiciary Committee staff and my own office, a very unusual private bill was devised, which follows closely the thinking of the most influential members of the Subcommit-

tee on Immigration in the way of a principle of selective immigration.

I introduced this bill in the House as H. R. 4604, and Senator THEODORE FRANCIS GREEN introduced it in the Senate as S. 2029.

The texts are identical, and I insert at this point in my remarks the text of the House bill:

A bill to authorize the admission into the United States of certain aliens possessing special skills, namely, Alfred Zorgis, Teodor Egle, Karlis Fogelis, Vasily Kilis, and Aleksanders Zelmenis

Be it enacted, etc., That the Secretary of State and the Attorney General be, and are hereby, authorized and directed jointly to provide for the temporary admission of Alfred Zorgis, Teodor Egle, Karlis Fogelis, Vasily Kilis, and Aleksanders Zelmenis, who are foreign specialists possessing special and unique skills vitally needed for the operation of a textile mill by Robert Hirss, of Woonsocket, R. I.

If, at the expiration of 12 months immediately following the admission into the United States of these foreign specialists, the Attorney General shall, upon application filed with the Commissioner of Immigration and Naturalization by these named aliens, find that such persons have maintained employment with Roberts Hirss, he is hereby authorized and directed to amend the record of such aliens' temporary admission to show admission for permanent residence as of the date of their respective actual entry into the United States.

COMMUNITY UNITED

Mr. Speaker, the Woonsocket community is united behind these bills. I can safely say that the State of Rhode Island is united behind them.

Approving mail is flooding my office and the office of the Rhode Island Members and Senators from business people, labor leaders, and just plain citizens. The newspapers have taken up the crusade in earnest.

Space does not permit me to quote all of the newspaper stories and letters I have received. However, I do wish to present a sampling.

First, I present a letter from Buell W. Hudson, publisher of the Woonsocket Call:

THE WOONSOCKET CALL,
Woonsocket, R. I., June 7, 1949.

Hon. ARTHUR G. KLEIN,
Member of Congress from New York,
Washington, D. C.

DEAR CONGRESSMAN KLEIN: I was happy to learn from Harry Grossman, Esq., the other day that you had introduced bill H. R. 4604, which is a private bill designed to admit four Latvian nationals to this country so that they may work with Roberts Hirss of this city in opening a new industry here.

I have been familiar with this story for some time, and we of Woonsocket are extremely anxious to see Mr. Hirss able to open his plant, provide employment, and produce the unusual and fine textiles possible under his process.

The work is so intricate, as you doubtless know, that without his eight trained executives, he is unable successfully to operate.

I hope that the bill receives a prompt hearing and favorable action on the part of the House and Senate, and I can assure you that whatever you may be able to do to facilitate the passage of this bill will be deeply appreciated.

Yours very truly,
BUELL W. HUDSON, *Publisher.*

The second is a letter from Arthur S. Kirk, secretary of the Woonsocket Kiwanis Club:

KIWANIS CLUB OF WOONSOCKET,
Woonsocket, R. I., June 9, 1949.

Hon. ARTHUR G. KLEIN,
Congressman from New York,
Washington, D. C.

DEAR SIR: The Kiwanis Club of Woonsocket, R. I., at its regular meeting on June 7, 1949, voted to thank you for your efforts in introducing a bill entitled H. R. 4604, providing for the temporary admission of four foreign specialists vitally needed in the operation of a textile mill by Mr. Roberts Hirss, of Woonsocket, R. I.

This is a matter of great concern to the people of this area, and in an effort to secure early passage of this bill, we have also asked Hon. JOHN E. FOGARTY and Hon. AIME J. FORAND, United States Congressmen from Rhode Island, to do their utmost to secure its early passage, and have also asked Hon. J. HOWARD MCGRATH and Hon. THEODORE FRANCIS GREEN, United States Senators from Rhode Island, not only to support H. R. 4604 but to introduce a similar bill into the Senate.

We are sincerely appreciative of your efforts in introducing this bill and it is our earnest prayer that it be passed at as early a date as may be.

Yours very truly,
ARTHUR S. KIRK, *Secretary.*

From the Woonsocket Call of June 8, I introduce the following news story, and I want to repeat and emphasize that I am giving only a small sampling of the letters and news stories available in support of this legislation:

INDUSTRY BOARD ACTS FOR HIRSS—CONGRESS AID SOUGHT TO ADMIT FOUR LATVIANS

In its first formal action since its formation in April, Mayor Parent's industrial commission yesterday pledged its full support to Roberts Hirss in his efforts to bring four technical experts into this country as a necessary preliminary toward beginning the manufacture of fine textiles at the former Nyanza mill.

With this end in view the commission voted to send letters to Rhode Island Senators and Representatives urging them to work for passage of House bill 4604, which would permit the four technicians to enter this country from Canada.

It was voted also to send an identical letter to Representative FRANCIS E. WALTER, of Pennsylvania, chairman of the House subcommittee, to which the bill has been referred.

CITY COUNCIL AID SOUGHT

In addition, the commission decided to request the Woonsocket City Council to pass a resolution urging immediate passage of the bill.

The bill is in the form of private legislation which would make a special exception to the law barring aliens from this country. It would allow only the four Hirss technicians, all Latvians, to enter the United States. They would be permitted to remain as permanent residents upon termination of a full year of service at the Hirss plant.

Operations at the Nyanza mill have been held up because Hirss feels his complicated textile operations cannot be successfully conducted unless a full team of eight key technicians is available to train new help.

FOUR NECESSARY IN PLANT

Four of the technicians were allowed to enter the country, but the remaining four have been blocked in their attempts to come here, because the Latvian quota has become exhausted.

The eight technicians, working as a team, were credited by Hirss as a major factor in the success of his Latvian operations, in which more than 4,000 hands were employed before the war.

The commission meeting was held in the Hamlet Avenue offices of the Diocesan Bureau of Social Welfare. Buell W. Hudson, chairman, presided.

And finally, Mr. Speaker, I present another news story from the June 4 issue of the Woonsocket Call:

TWO GROUPS SEEK TO AID INDUSTRY DENIED CITY BY IMMIGRATION BAN

Whether Roberts Hirss, a Latvian immigrant who is now an American citizen, will finally be able to begin his fine textile operations in the old Nyanza mill, Singleton Street, after more than 2 years of waiting, is a question with which two of the city's industrial groups are now wrestling.

Launching of the new industry hinges on the availability of four expert Latvian workers who are described by Hirss as keymen, and who are stranded in Toronto because of immigration complications.

Hirss already owns the mill property. He plans to set up an industry fabricating fine textile fabrics, the nature of which is so intricate that they are now manufactured only in France and Switzerland.

APPEALS TO TWO GROUPS

Hirss has appealed to both the industrial development committee of the Woonsocket Chamber of Commerce and the mayor's industrial committee and both groups are now striving to iron out his immediate problem.

The textile man needs eight experts from Latvia to set up his operation at the old Nyanza. Four of these experts are already in the country and are, in fact, living in Woonsocket with their families.

The other four, however, are in Toronto and are having difficulty gaining legal entry to the United States because of the nature of our immigration laws.

Hirss has everything else ready to start. He even has the machinery all threaded and ready to operate as soon as he can complete his keyman team of eight. These men, he says, are necessary to start operations and train American workers for the fine production work he plans to do.

RAN EUROPEAN MILLS

Prior to the war, Hirss had large mills in Latvia and Lithuania. His Latvian mill at Riga employed 2,800 hands, while his plant near Kaunas, the capital of Lithuania, employed about 1,600. He is not certain yet just how many his Woonsocket project will employ but he has plans for utilizing at least two-thirds of the sprawling Nyanza mill as soon as he starts operations.

At a joint meeting this week of the chamber of commerce group and the mayor's committee, Hirss' problem was outlined by his attorney, Harry Grossman, of New York and Washington.

Grossman disclosed that Representative ARTHUR G. KLEIN, of New York, had introduced into the Congress, at his request, a private bill which would permit admission to Woonsocket of the four Latvians now stranded in Toronto.

FOUR SPECIALLY SKILLED

This measure, which lists the men as Teodor Egle, Karlis Fogelis, Vasily Kilis and Aleksanders Zelmenis, is now in the Judiciary Committee's Subcommittee on Immigration and Naturalization, of which Representative FRANCIS E. WALTER, of Pennsylvania, is chairman.

The bill describes the four men as aliens possessing special skills and asserts that they possess special and unique skills vitally

needed for the operation of a textile mill by Roberts Hirss, of Woonsocket, R. I.

The measure provides that if, at the expiration of a year following their admission to this country, the Attorney General finds they are still employed with Hirss, he shall instruct the Commissioner of Immigration and Naturalization to admit them to permanent residence in this country as of the actual date of their entry.

NOT LISTED AS DP'S

It appears that the four Latvians in question do not come under the Displaced Persons Act since they left displaced persons areas prior to the time when they would have become eligible for admission as DP's. That is why special legislation or special efforts are necessary to permit their admission from Canada.

Hirss has told local officials he wants to establish his business in Woonsocket inasmuch as he has already invested a large sum of money in his plant. However, if he is not able to secure the services of his keymen he may find it necessary to move to Canada where the four in question may remain indefinitely.

For that reason both the mayor's industrial committee and the chamber are intensely interested in the case.

GIVES INDIVIDUAL SUPPORT

While the mayor's commission has taken no official stand as yet on the Klein bill, individual members are reportedly ready to give it support. A commission spokesman said the bill, together with other problems involving the Hirss operations, would be discussed at a commission meeting next week.

Meanwhile the chamber of commerce has taken official cognizance of Hirss' plight in its June bulletin, issued today

Says the bulletin:

"The industrial development committee of the chamber and the city's industrial commission are working closely together in an effort to assist the Roberts Hirss Co. to begin operations in Woonsocket.

"The problem centers on the necessity of bringing several technical specialists into this country. Immigration laws stand as a barrier. Over 2 years of effort have not been successful. Special legislation has now been prepared to meet the situation. We still need the active support of the entire community to be certain of success."

Byrnes on the Welfare State

EXTENSION OF REMARKS

OF

HON. ERNEST K. BRAMBLETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. BRAMBLETT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Daily News for today:

BYRNES ON THE WELFARE STATE

James F. Byrnes made a remarkable speech Saturday at Washington and Lee University in Virginia. It will cause long and loud reverberations here in Washington.

For Mr. Byrnes asserted that the Truman administration is advocating "welfare state" policies which threaten to take this country "down the road to statism."

"Every segment of society is demanding special privileges," he said. "Too many people want more pay for less work. Too many people are trying to transfer power to the Government.

"We are not only transferring too much power from the individual to the Government, but we are transferring too many powers of State governments to the Federal Government.

"Where we will wind up, no one can tell. But if some of the new programs seriously proposed should be adopted there is danger that the individual, whether farmer, worker, manufacturer, lawyer or doctor, soon will be pulling an economic oar in the galley of the state with the Federal Government regimenting our lives from the cradle to the grave."

Mr. Byrnes gave vigorous support to the administration's foreign policy and the European recovery program, but added:

"Our first line of defense is a sound, solvent American economy. The only wise course is to reduce expenditures and live within our income." And he went on to advocate that Government spending for purposes other than fixed obligations and national defense should be cut or deferred.

None of that is new doctrine. All of it has been said many times before, but seldom if ever with the force it acquired when it was said by James F. Byrnes.

For Mr. Byrnes, though a southern Democrat, is no Dixiecrat.

He served long as a Senator from South Carolina. But he can't be tagged with the "reactionary" label which the administration has sought to fasten on Senators like BYRD of Virginia.

Mr. Byrnes was President Roosevelt's trouble-shooter in Congress. He was one of those most effective in steering New Deal measures to enactment. Mr. Roosevelt appointed him to the Supreme Court, and later called him to serve as wartime Director of Economic Stabilization.

President Truman chose him to be Secretary of State 2 months before the war ended; and, a year and a half later, when ill health compelled Mr. Byrnes to leave that post, Mr. Truman accepted his resignation "with great reluctance and heartfelt regret."

Mr. Byrnes, we may be sure, did not say the things he said at Washington and Lee without long and thoughtful consideration. Congress and the country cannot afford to dismiss lightly his warning of the dangers in the trend toward a welfare state.

Where the Blame Rests

EXTENSION OF REMARKS

OF

HON. HUGH BUTLER

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Monday, June 20 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter entitled "Where the Blame Rests" written by William P. Morgan and published in the Honolulu Advertiser of June 12.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WHERE THE BLAME RESTS

EDITOR, THE ADVERTISER:

I am a school teacher at Lahainaluna High School. I am in charge of a poultry flock of 4,590 chickens. For the last 2 weeks we have been slaughtering birds. Our egg production is now down 50 percent. We have 3 days' feed supply on hand; what then? We have 1,200 pullets which would normally come into lay in the next few months. What shall we do with them? What shall we do with the young stock which is too small to market? We have spent years in breeding our own stock to its high rate of productivity. It's not pleasant to start over again. Since this is a public institution, how does the public feel about taking this loss?

As a school teacher, it is my duty to weigh all data carefully before expressing an opinion. This I have done. I have tried to give labor its due as I have been a laborer myself. Strong unions are necessary to the welfare of our country. It is not the rank-and-file labor that is to blame. I understand how difficult it is for them to buck organized leadership in the union. I do not blame them individually. Their leaders, however, I do blame.

I have come to the conclusion that the labor leaders are communistic and are out to break the Territory. I give them credit for being smart and shrewd. The shrewd thing would have been to allow ships to bring in all the food supplies necessary for both humans and livestock. This would have been smart. Tieing up our two fundamental industries, sugar and pineapple, would have served the purpose. Most of the public would not have then been as directly concerned as they are now. The union without personal public opinion against it might have won their demands.

Since the union leaders did not follow the shrewd attack, I am led to believe they are not out to win the strike. In fact, I now believe they would be disappointed if the strike was settled. They ask for an impossible raise to safeguard the company accepting a reasonable wage increase. In this way they can assure themselves of a strike lasting long enough to break industry, the workers, and the general public. This is good communistic strategy. They asked for arbitration because the companies are not in favor of it. If the companies had asked for arbitration first, they would have refused and demanded negotiations, anything to guarantee a stalemate.

Unfortunately for them, the American people have never stood for high-handed methods. They are slow to anger but they will conquer this ism as they have all others.

WILLIAM P. MORGAN.

LAHAINA, MAUI, *June 12.*

Westward Shift of Political Power Aids Democrats

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. MANSFIELD. Mr. Speaker, I am inserting in the RECORD an article carried in the St. Louis Post-Dispatch of February 20, 1949. Mr. Richard Neuberger, an Oregon State senator, is well qualified to write on the subject of politics and I know the Members of this House will find his article not only interesting but very much worth while.

WESTWARD SHIFT OF POLITICAL POWER AIDS DEMOCRATS

(By Richard L. Neuberger)

SEATTLE, WASH., February 19.—American political power is moving westward. As migrants head toward the sundown rim of the Nation, they bring with them additional

seats in Congress, more votes in the electoral college and extra strength in party-nominating conventions.

The 3 States of the Pacific seaboard—California, Oregon, and Washington—now have a total of 33 Members of the House of Representatives. Next year another census will be taken. If this census confirms present population estimates, the west coast's delegation in the House of Representatives will be increased to at least 44.

This gain in the House will be matched by equivalent increases in electoral votes and in delegates to national political conventions.

Even more striking is the fact that the new congressional desks acquired by the Pacific Coast States will be at the expense of the States which long have been considered the citadels of political might in the Nation.

New York, Pennsylvania, and Illinois are expected to lose House seats as a result of the 1950 census.

For many years Congress has followed a policy of continuing the size of the House of Representatives at 435 Members. This means that when certain States qualify for new seats as a result of population gains, other States must diminish correspondingly in congressional strength.

New York, Pennsylvania, and Illinois have not declined in population since 1940, but their increases have failed to keep pace with the national average. In the past 8 years New York has inched forward 6.6 percent in population, Pennsylvania 7.9 percent and Illinois 9.3 percent.

The gain throughout the country has been 10.6 percent. But the population boom along the Pacific's heaving surf has been prodigious—41.6 percent in the State of Washington, 44.3 percent in California, and 49.3 percent in Oregon.

California now has 23 House Members. It probably will have 30 after the next official census, which is taken at the turn of each decade. Washington is expected to ascend from 6 House seats to 7 or 8, and Oregon from 4 to 6.

At the same time, the State of New York, according to Census Bureau forecasts, will decline from 45 to 42 in House allotments, Pennsylvania from 33 to 31, Illinois from 26 to 25. Several other States may relinquish congressional posts, including the home bailwicks of the President and his Vice President.

Missouri may drop from 13 to 12 in House representation, Kentucky from 9 to 8. Other potential declines are Arkansas from 7 to 6, Oklahoma from 8 to 7, Alabama from 9 to 8, Georgia from 10 to 9. These States have failed to keep abreast of the national population spurt of 10.6 percent. Missouri has gained only 4.3 percent, while Kentucky has sustained an actual loss in population of 1.7 percent.

Most of these abandoned seats will be allocated to the Pacific coast, but not all of them. Michigan has climbed 17.8 percent in population since the previous census, and may notch upward to 19 seats in the House, from its present total of 17. Florida also is burgeoning, and will add 1 House seat to its current quota of 6.

But the bulk of the increases will be enjoyed along the Pacific coast. Indeed, the three States of the country's western rim will soon equal the political strength which has made New York the Nation's greatest prize in elections and party nominating conventions.

New York now has 45 Members of the House of Representatives. This, combined with the State's two Senators, gives it 47 electoral votes. However, New York in 1951 probably will slide to 42 House Members and 44 electoral votes. Simultaneously, the Pacific coast States will mount from their present aggregate of 39 electoral votes to a new total of 50.

Toward what political objectives will this new strength on the coast be directed?

All surveys have shown that the migrants rolling westward are preponderantly Democratic in their allegiance.

The majority of them are under 44 years of age and in the lower income brackets. Many left the plains to work in logging camps in Oregon's fir forests. Others rolled out of Grand Central Station in special trains to man Henry J. Kaiser's shipyards on the Columbia River.

Oregon, for example, has been the Western State most consistently Republican in its political sympathies, yet the Democrats have gained in party registration in Oregon ever since the population boom got under way. Now, with nearly 700,000 people on the polling books of the State, the Republicans hold a scant lead of less than 12,000. The Democratic surge has been most pronounced in those Oregon counties where the residences of newcomers are concentrated.

Indeed, of all the 11 States of the Far West, comparatively few have voted Republican since 1932. Colorado gave its votes to Wendell Willkie in 1940, Colorado and Wyoming supported Governor Dewey in 1944, and Oregon backed Dewey last November 2. This is the total of Republican victories in the Western States during the past five presidential elections. In fact, some Western Democrats speak of building a political citadel from the Continental Divide on westward which will replace their threatened dominance in the solid South.

Western population gains since 1940 represent one of the most amazing migrations in the Nation's history. More new inhabitants have entered Oregon during the past 8 years than in the entire first century after Lewis and Clark paddled down the Columbia to the sea. The frontier State of Washington has overtaken in population such industrial giants as West Virginia, Maryland, and Connecticut. And California presses Pennsylvania for second place in the country.

The bulk of the West's newcomers is in cities and towns. Relatively few are farming. Those beyond municipal limits generally are engaged in such industries as logging and dam-building. This also has given a Democratic slant to the political fealty of the migrants.

Marshall Plan a Howling Failure

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. REED of New York. Mr. Speaker, how long are the taxpayers going to finance this international boondoggling program? Is this to be a perpetual drain upon our resources and our taxpayers? Under leave to extend I am inserting an editorial which appeared in the Wall Street Journal of June 20, 1949:

NO HOWLING SUCCESS

Sir Stafford Cripps, no man to sugar-coat bad news, last week gave another report on Britain's economy and the Marshall plan aid program. Said he:

"The vast reliance we in this country (Great Britain) still have to place upon gifts and loans of dollars from the United States and Canada demonstrates how far we are from a solution of our problem of a balance of trade and payments with North America, nor do our problems appear to be growing less.

"Indeed, they are becoming temporarily greater as the gap tends to widen again due to changing economic conditions as we emerge from the period of acute world shortages into a less inflationary situation. Europe still needs Marshall plan aid on a scale that will enable it to maintain the dollar imports essential for its recovery."

We might well ponder what Sir Stafford is telling us.

Four years after the beginning of planned economy by the Socialist government, 3 years after the nearly $4,000,000,000 United States loan, and more than a year after the launching of a full-scale, multibillion dollar American aid program. Great Britain's economic position is not a whit better than before. Indeed, matters are getting worse.

Four years ago Britain, like nearly every other country, was suffering from shortages. People everywhere were on austerity, a short supply of nearly everything they used in their daily lives. Everywhere there was the paraphernalia of governmental planning, consumer rationing, industrial allocations, export-import curbs, price controls and the rest—all designed to manage the shortages.

Today the United States, which junked its straitjacket early, has shortages of practically nothing. Most of the other countries—even those like Belgium that suffered invasion—have made great strides forward toward freeing their economies and raising living standards. Only Britain, of all the countries of the west, has gone backward, not forward.

Britain had shortages when the rest of the world had them. It is still trying to manage shortages as the rest of the world turns to other problems.

Now it is true that the British people have "got by." But, as Sir Stafford says, this is due to the gifts and loans, running into many billions, from the United States and Canada. These gifts and loans have done little to raise the economy or living standards of the British people. They have merely provided the margin to keep Britain from toppling over into open bankruptcy.

And so what hope does Sir Stafford offer for the future? Why, that the United States keep up its subsidies. For how long? Well, the British admit they are going to still have a dollar shortage and all that goes with it even after ERP ends its 4-year span. Four years past and no end in sight for 4 years more.

Incidentally, Sir Stafford insists that we just pay and do no more. Any interference by us in British socialist policy would spell failure for the Marshall plan.

We don't know how Sir Stafford counts failure. But nearly 8 years of austerity and ten billions of charity that ends neither the austerity nor the need for more charity will not strike us as a howling success.

A Report to the People of Litchfield County and the Naugatuck Valley

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. PATTERSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a report compiled by the Naugatuck Valley Industrial Council, Inc., which documents the financial

story, in comprehensive form, of 50 manufacturing companies of Litchfield County and the Naugatuck Valley.

I have never heretofore had occasion to see a financial report presented in this manner. It tells a story with a minimum of dry facts and figures.

THIS IS A CONSOLIDATED INCOME AND EXPENSE STATEMENT OF 50 NAUGATUCK VALLEY MANUFACTURING COMPANIES FOR THE YEAR 1948

1. These companies received from customers	$471,037,397.21

When they bought the products from these 50 companies, these customers paid for the following, as outlined below in numbers 2 to 8, inclusive:

2. The cost of materials and services supplied by others (52.25 percent)	$246,077,915.66
3. The cost of wages and salaries (pay roll plus benefits):	
Officer employees (0.71 percent)	3,338,925.61
All other employees (37.17 percent)	175,081,416.04
4. The cost of tools and plant (depreciation and obsolescence) (1.65 percent)	7,763,188.29
5. The cost of payments to the Government (that is taxes—local, State, and Federal) (4.04 percent)	19,050,326.60
6. The cost of using tools (payments to owners of business—that is stockholder's dividends) (2.42 percent)	11,406,024.00
7. Interest paid on money borrowed (0.11 percent)	535,354.66
8. Cost of expansion and other money plowed back into the business (1.65 percent)	7,764,246.35
Total payments made by customers (100 percent)	471,037,397.21

1. RECEIVED FROM CUSTOMERS, $471,037,397.21

The customers of the industries of the Naugatuck Valley are the bosses of both the workers and the management. If the customers won't buy from the industries then there are no jobs.

If managements don't plan ahead with an aggressive sales policy, up-to-date machinery, sound financing, and effective production, they lose their customers.

If workers are tempted to coast on the job; or if they do not do the job in such a way that inspectors can pass the work; or if they demand more pay per hour or more money in fringe benefits (pensions, free insurance, longer vacations, etc.) than the customers will pay, then they price their company out of the market.

That has happened right here in the valley recently.

2. THE COST OF SERVICES SUPPLIED BY OTHERS—$246,077,915.66, 52.25 PERCENT OF SALES

Practically everything that the 50 companies purchased in 1948 went up in price—steel, copper, wood, paint, plastics, rail and motor transportation, telephone, gas, coal, oil, advertising, building materials, engineering services—everything.

If purchasing agents, traffic men, and salesmen had not been on their toes, and if management of these companies generally, had not been on the alert, we would have seen more of the same kind of unemployment which did occur in some instances of wage pyramiding and customer desertion in the valley in 1948.

Now we are in 1949. Despite all efforts of management, customers are not buying as they did.

3. THE COST OF WAGES AND SALARIES—$178,420,341.65, 37.88 PERCENT OF SALES

In 1948, the 50 valley companies paid out—

To officer employees of the companies (0.71 percent)	$3,338,925.61
To all other employees (37.17 percent)	175,081,416.04

Weighted average cents per hour cost

Payments for time not worked in 1948:	
Paid vacations	0.040
Pay for holidays not worked	.017
Overtime premiums	.030
Shift premiums	.013
Wash-up time	.019
Other	.003
Total	.122
Supplemental payments in 1948: [1]	
Workmen's compensation insurance premiums	.013
Other insurance premiums, health, hospitals, etc	.004
Pension premiums	.007
Christmas bonus and service awards	.002
Recreation, etc	.001
Other benefits	.006
Total	.033
Total for time not worked and supplemental payments	.155

[1] Federal and State unemployment insurance and social security taxes not included. They are shown in No. 5.

Four or five cents an hour increase doesn't sound like much when it is given either in direct pay for hours worked or for hours not worked, but let's look at a plant with 1,000 workers, who worked 48 hours a week during 1948:

	Per week
4 cents per hour for 40 hours, equals	$1.60
6 cents per hour (time and a half for 8 hours)	.48
Total increase for 48 hours	2.08

$2.08 times 50 weeks equals $104 per year; 1,000 workers time 104 equals $104,000—which the customers of this plant employing 1,000 persons, are called upon to pay in addition to what they were paying before the increase. This goes all along the line wherever wages are raised, from the mine or forest, to the store where the public buys—and it piles up fast.

4. THE COST OF TOOLS AND PLANT—$7,763,188.29 1.65 PERCENT OF SALES

Here's something to think about:

One of the 50 companies bought a press in 1936 for $37,500. They figured it would last 15 years and so did the company which made the machine. Therefore, this Naugatuck Valley company set aside, as any company must do, a reserve in the form of 1/15 of the cost, $2,500, (1/15 of $37,500=$2,500) each year for 15 years.

They figured that in 1952, they would have laid aside enough to buy a new machine, but along came the Government tax men who said "You can't do that because we think that machine is good for 20 years. Therefore you can lay aside only 1/20 ($1,875) each year for 20 years.

However, the price for a new press of the same kind increased not long after 1936, and it increased several times after that, but still the Government tax men wouldn't permit the company to lay aside any more than $1,875 per year.

Well, because of the three-shift-beating the press took during the war it was completely worn out last August—that is August 1948.

The company had laid aside $22,500 to buy a new machine but when they inquired about the price, they found that it was now $52,500, so the company was short $30,000. Even if the cost of the machine had remained at the 1936 price of $37,500, the company would still have been short $15,000.

It takes a lot of money to buy tools and plants and the money must either be borrowed or set aside from the funds shown in No. 8. If a company doesn't show any money in No. 8, it has difficulty borrowing money, because its credit isn't good.

5. THE COST OF GOVERNMENT PAYMENTS—$19,050,326.60, 4.04 PERCENT OF SALES

How much did the customers pay the 50 Naugatuck Valley companies for taxes in 1948? Well, the figure is shown above—$19,050,326.60. Will they be willing to pay more in 1949 and the years to follow, or will they stop buying? Nobody knows for sure but most everybody agrees that the Federal, State, and local governments are spending an awful lot of money, probably a good deal more than they ought to spend.

When a person or a corporation puts a price on a thing, he or it wants to sell, they figure what their taxes are going to be and include that figure in the price of the thing they want to sell. Sometimes Congress and the State legislature pass a law which says that the taxes must not be passed on to the consumer. That's just a phony to fool the people, because the customer is the only source of money and he must therefore pay all the taxes, whether he pays them separately at the time he buys the article or whether they are included in the price of the article itself.

This stuff and nonsense about absorbing taxes just isn't possible if wages are to be paid, if money is to be plowed back into the business and if the owners of the business are to be paid for the use of their money.

We all know that the Federal, State, or local governments don't make any money of their own. They get the money they need to run the government's business by taxing the people. Therefore, they ought to be just as careful as the people are, of how they spend money.

6. THE COST OF USING TOOLS—$11,406,024, 2.42 PERCENT OF SALES

Tools include the plant and everything in it—not just hand tools and power machines.

The money which the owners (stockholders) of the 50 companies invested made possible full-time jobs for over 55,000 people in the valley in 1948.

If the stockholders went on a strike and said, "We want our money. We won't let it work for you any longer," what would happen? Well, it happens quite often. It is called liquidation and that means going out of business, which in turn means no jobs.

Yes; a business must pay its owners for the use of its money or they will take it out and let somebody use it who will pay them for the use of it. That is if they can get out before they lose their money.

For every $15.64 paid to employees by the 50 companies, only $1 is paid the owners of the businesses.

7. INTEREST PAID ON BORROWED MONEY—$535,354.66, 0.11 PERCENT OF SALES

Why was it necessary for some of these companies to borrow money on which they had to pay over half a million dollars in interest during the comparatively prosperous year of 1948?

A manufacturing company is in the same position as an individual when it comes to meeting obligations.

If John Doe, whose credit is good, but who has no money in the bank, needs money to buy food and clothing for his family, he charges the bill at the store but the storekeeper won't wait forever for him to pay.

Maybe John puts a mortgage on his house and gets the money that way (in the case of a manufacturing concern, that's "borrowing money to meet accounts payable").

If John has some money in stocks and bonds he may decide to put these stocks and bonds up as security at the bank and borrow money. (In the case of a manufacturing concern, that's "borrowing money on collateral").

If John needs to build an addition to his home, he may have to borrow money to finance that (that's "borrowing for plant expansion" for the manufacturing company).

Then again, Joe Dokes might owe John some money but can't pay it just now so John has to borrow money—(that, in the case of a manufacturing concern, is "borrowing money on accounts receivable").

Maybe John's wife needs a new sewing machine. He pays something down but he pays interest on the unpaid balance, whether he knows it or not. That's borrowing money for the press that we spoke about in No. 4.

If either John or any one of the 50 manufacturing companies doesn't lay aside enough to take care of these things, they are in trouble.

With high taxes, high cost of help, high cost of everything which a manufacturing plant buys or does, the day is past when new additions, new plants or new products can be financed entirely by getting more money from stockholders.

There have been only four new stock issues by Naugatuck Valley industries in 10 years.

Nowadays, the manufacturer, after he has paid off what he owes must plow what's left back into the business and in the case of some of the 50 companies, another $535,354.66 to boot, to keep things going.

It's just as foolish to call the money left, before everything but taxes and money which the stockholders are paid, profit, as it is to call profit, all that is left before wages are paid.

Both John and the manufacturing company have to pay all of their bills before they are out of debt and they aren't safe even then unless they carry insurance or have something laid away.

8. COST OF EXPANSION AND OTHER MONEY PLOWED BACK INTO THE BUSINESS—$7,784,246.35, 1.65 PERCENT OF SALES

No business can keep going if it pays out in wages or dividends an unwarranted amount of the money which its customers send in. Sometimes this is tried but it never, never succeeds. Tools wear out, buildings crumble and rot, products must be changed and additions built.

Money must come from some place to pay for these things. It can come from only one place and that is the customer.

Some of the customers' money must be set aside to pay for these things and that is what some call profit. It's plowed back into the business so as to keep things going and provide jobs.

When there is a big demand for goods, production is high and the profits are good. But remember this—when production drops, the profits go down much faster than the production.

There were no "huge profits" even in the prosperous year of 1948. As this consolidated financial statement shows, profits of these 50 companies employing over 55,000 people in that year were only slightly over 4 percent made up of dividend payments to stockholders of 2.42 percent and money put back into the business of 1.65 percent, 2.42 percent plus 1.65 percent equals 4.17 percent). What happens in a less prosperous year?

The management of one of the 50 valley companies worked it out for his company the other day and let us have the figures. He showed that his production (he is in the metal fabricating business) went down 10 percent in the first 4 months of 1949. His profits, which were 6.2 percent in 1948, will go down 21 percent if his production stays at the 10 percent for the rest of 1949. That means his profits will be cut to 1¼ percent and he can't pay the wages he now pays nor give the jobs he now gives.

One big reason why American industry is ahead of the industries of all other countries of the world is because it produces in large quantities.

If the customers decide that they are footing too big a bill and decide to stop buying (many of them have already decided) from the 50 Naugatuck Valley manufacturing companies, production of course, will suffer, and when industries in the valley suffer everybody suffers.

Bridgeport Isn't in Hock

EXTENSION OF REMARKS
OF
HON. ANTONI N. SADLAK
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. SADLAK. Mr. Speaker, under leave to extend my remarks, I desire to call the attention of my colleagues to a timely and interesting article by Mr. John Innes, Bridgeport (Conn.) Post-Reporter as it appeared in the Washington Post yesterday, June 19, 1949.

A week ago it was my pleasure to speak in the House about the plans for the P. T. Barnum festivities at Bridgeport. It was my privilege to participate in some of the programs on 2 of the 5 days set aside for what proved to be a tremendous success from every standpoint for the great cosmopolitan city. A gala celebration commemorating the great deeds and benevolences of Phineas T. Barnum will hereafter be an annual event at Bridgeport. The article follows:

HARD-HIT BRIDGEPORT ISN'T IN HOCK

(There were 3,289,000 unemployed in mid-May, the greatest number in more than 7 years. Yet fortunate cities like Washington have fewer jobless than they did in March. Obviously there are "soft spots" around the country which boost the total. One city which has been singled out as hard hit by the current trend is Bridgeport, Conn., which has 500 factories of various size to support a population of 154,000. Unemployment in Bridgeport is up to 12 percent, and 4,500 of the jobless have exhausted their unemployment compensation rights since January. But the city isn't too down in the mouth about the situation. There are some encouraging factors. Here is the situation in Bridgeport today, as presented by a local newspaperman at the request of the Washington Post.)

(By John Innes)

BRIDGEPORT, CONN., June 18.—A piece in one of the New York papers the other day made things look mighty grim for Bridgeport, the "industrial capital" of Connecticut.

Fellow who wrote it hinted that the city's real reason for staging a 5-day festival tribute to P. T. Barnum, once its mayor, might be desperation attendant upon taking inhabitants' minds off an unemployment problem worthy of the great circus showman's "colossal," "stupendous" and similar stock adjectives.

Actually, things aren't quite that bad. Mayor Jasper McLevy, thrifty Scot Socialist in his eighth term, hasn't even considered selling the city hall. Matter of fact, a brand new one is on his list of municipal projects.

No point in denying, though, that the number of Bridgeport area claimants for unemployment compensation for the week ended June 11 rose to 16,605—the highest since 1938—from 15,540 the preceding week and 6,002 a year earlier. Or that the 87,480 workers employed in factories and businesses reporting to the State labor department in mid-May failed to match the 92,230 on the pay rolls in mid-April and the 104,950 on the roster a year earlier.

Can't quibble, either, in admitting that the city's relief rolls, protected from mass onslaught thus far by the State unemployment set-up and other factors, will soar soon unless the trend is reversed. About 4,500 area claimants have exhausted compensation rights since January.

And, as the mayor notes, the unemployment compensation figures do not reflect the added numbers of our workers who are on part-time or reduced hours, with correspondingly reduced income.

Furthermore, the signs are present everywhere. Liquor store sales have dropped sharply, a sure indication that family budgets are being tightened. In other retail lines, even the most staggering bargains fail to produce anticipated results. Theater attendance is down. On the other hand, as evidence of a lesson once learned, savings deposits are up.

Diversification may well provide the answer for the community which ranks ninth among America's 11 principal industrial centers, although fifty-ninth in population, and produces thousands of items in 500 large and small plants, many of which have operated profitably from 50 to 100 years.

Bridgeport was a major production arsenal in both World Wars, and in both instances, after the shooting stopped, its industries varied production to meet the times. Currently, many manufacturers have taken on sidelines which promise to equal the volume of traditional products.

WOMEN A FACTOR

Relying on statistics to tell the story of Bridgeport (population 154,000) is risky; the result depends on whose statistics you use. According to one set, a pay roll estimated at $1,500,000 a week in 1937 reached $5,000,000 a week at its peak in 1943. Area employment, at 65,000 in December 1941, reached 118,500 in March 1943. At one time, women workers represented between 35 and 40 percent of the labor force, posing an interesting problem for compilers of current unemployment figures.

The chamber of commerce has compared postwar and prewar Bridgeport and found:

"In April 1939 there were 55,800 people employed, of which 41,500 were engaged in manufacturing. At that time there were 6,700 people unemployed, or 12 percent of total employment.

"In March 1948 there were 108,310 people employed, of which 75,760 were engaged in manufacturing. At that time there were 4,300 people unemployed, or 4 percent of total employment.

"In March 1949 there were 94,980 employed, of which 61,720 were engaged in manufacturing. There were 11,600 unemployed, or 12 percent of total employment."

BIG POPULATION GAIN

The decline in employment has continued since those figures were compiled, but at that time the chamber reported:

Several things stand out from these statistics. Total employment has gained by 39,180, an increase of 70 percent in 10 years. Industrial employment, 10 percent greater than the total employment of 55,800 in 1939, has increased by approximately 50 percent.

Our population in the Bridgeport area has increased by approximately 50,000 persons in the past decade. Bridgeport itself

accounts for approximately 28,000 of the increase, which is eight times the increase of the city's population from 1920 to 1940.

Before the war very few plants were working more than one shift. Even today, most plants are working two shifts and some three shifts.

United States Employment Service figures show 16,252 applicants (including would-be job-switchers) listed for 802 job openings. A year ago, 7,310 registrants were listed for 850 openings.

Appraising the current unemployment situation, it's necessary to bear in mind that the total of jobless workers includes 2,100 idled by a strike at the Singer Manufacturing Co.; also that the area has been absorbing 7,000 of the 8,500 workers paid $20,000,000 a year by Chance Vought A'rcraft before it transferred operations at the Navy's behest to Texas, taking along only the cream of its personnel.

A chamber's business survey shows a weekly average pay roll as reported by the two largest commercial banks, of $2,698,345, compared to $2,905,475 for the preceding month and $3,147,374 a year earlier; savings deposits of $248,179,269, compared to $248,183,311 for the preceding month and $246,275,824 a year earlier; bank clearings of $27,212,368, compared to $28,455,699 for the preceding month and $35,880,660 a year earlier, and postal receipts of $227,014, compared to $244,969 for the preceding month and $195,980 for a year earlier.

Federal Aid to Education

EXTENSION OF REMARKS
OF

HON. WILBUR D. MILLS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. MILLS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following testimony prepared for presentation before the House Committee on Education and Labor on Federal Aid to Education by Dr. George S. Benson, president Harding College, Searcy, Ark.:

My name is George S. Benson. I am president of Harding College of Searcy, Ark. I am appearing before you because of my very deep concern for the future of this Nation and because I am greatly exercised over the many definite steps that are now being taken, which, if carried to an ultimate conclusion, will lead the whole of our people into mediocrity.

One of the most dangerous and far-reaching requests now being made in that direction is for Federal aid to education. This request is usually justified on the grounds of equality of educational opportunity itself or on the grounds that the States are unable to provide the educational opportunities required.

I wish in the very beginning to agree that teachers' salaries during the war and immediately after the war were comparatively too low as most Government salaries were then and have remained. While much has been done throughout the Nation to correct that situation for teachers there is still more to be done particularly in some localities. Nevertheless, that situation is being very rapidly corrected. For instance, in Arkansas, my own State, teachers' salaries have been approximately trebled since 1940. This is probably a little more rapid than increases in some States but nevertheless, in all States the trend is upward. Finally, the cost of living is now going down. Wages for those in other fields of endeavor either are already or will likely go down over the next 1 or 2 years, whereas all of us are still increasing teachers' salaries. Accordingly, within 1 or 2 years we will probably have a reasonable measure of equality between teachers' salaries and other salaries in the same community.

It is my firm conviction that no single step now being considered by Congress has such far-reaching consequences and carries with it such dangerous implications as Federal aid to education.

I would not say this if the question involved no more than the present bill requesting $300,000,000 to be distributed among the States of the Union. However the question involved is not merely $300,000,000 to be distributed among the States. The question involved is one of principle. It is a question as to whether we shall keep State and local control of education or whether we shall go into a system of Federal support and Federal control of education. At this point, I am not merely dreaming. Basing my argument upon present bills before Congress and upon recommendation from influential sources, I want to indicate how serious these implications are.

The fact that the present $300,000,000 request is merely to serve as an opening wedge is evident for the following two reasons:

1. In 1941 a bill was presented in Congress calling for $300,000,000 for Federal aid to public education, on the grounds that certain southern States were in great need of this aid and must have help. However, the 19 States that would get more out of the present bill than the minimum of $5 per child have since 1940 increased their own funds for education $588,290,910. This means that these 19 poorer States alone have already increased funds for local education almost twice the total appropriation then sought, and approximately four times the aid that would have gone to these 19 States. However, we still have the same size request presented, even though the cause on which it was then sought has entirely disappeared.

2. In the second place, both friends and opponents of Federal aid have freely declared that the present bill would represent only the beginning. While none of those promoting bills in the past were courageous enough to indicate how rapidly they expected increases to follow, the President's Commission on Higher Education proved bolder. The President's Commission for instance, has recommended $120,000,000 in scholarships in higher education for the present school year and has indicated a scale of increase which would bring the total annual appropriation for scholarships up to $1,000,000,000 a year by 1960. The President's Commission further recommends that $63,000,000 more be allocated among the States for higher education, to be annually increased until it would reach $265,000,000 a year by 1960. The commission advocates another appropriation which should take the place of the present GI aid and which should be increased to $210,000,000 a year by 1960. The Commission further recommends $216,000,000 annually for buildings. This would make a grand total of about $2,250,000,000 annually by 1960 as aid to higher education alone.

If we were to apply this same measuring rod to present appropriations sought for aid to grammar schools and high schools we would find that the amount would increase to about $1,000,000,000 a year by 1960. The grand total would then be about $6,000,000,000 a year by 1960. This figure is approximately double the total amount required to support our entire educational program annually up to the beginning of World War II.

Should there be any real virtue in the present declaration that there would be no Federal control with this Federal aid, which I very seriously doubt, we could all understand that by the time the Federal Government was appropriating $6,000,000,000 a year as aid to education, there would no longer be any question about who would control it.

Serious minded people cannot be so naive as to believe that we can have Federal aid to education without Federal control, especially in view of the fact that the Federal aid would assuredly increase rapidly, once the principle were accepted. Let me state briefly the following reasons for this conclusion:

A. There has never yet been presented a Federal bill for aid to education in which there was not some actual control such as affirming the amount that each State must itself continue to contribute to education; affirming requirements relative to reports that must be made, and which must meet the approval of a Federal agency. More than once there have been attempts to put in a regulation relative to division of the funds and the funds they supplemented, with regard to white and colored. Moreover, it is my firm conviction that the Federal Government has a responsibility to regulate the use of the appropriations it makes. Money always carries with it responsibility and when the Federal Government appropriates sums of money on the basis of a blank check and without restrictions, it is contrary to the principles of moral integrity that must characterize a responsible governing agency.

B. No Congress can limit the power or determine the action of succeeding Congresses. When once the principle of Federal aid has been accepted, and the practice established, the public would submit to Federal regulation before they would permit the appropriation to cease. Hence the way would have been entirely paved for a succeeding Congress to add on any regulations that it might choose.

C. The Federal Government, according to a Supreme Court opinion, is already declared to have the right to control that which it subsidizes. Herein I am referring to a farm case which originated in the State of Ohio and regarding which Chief Justice Jackson ruled "It is hardly lack of due process for the Federal Government to control that which it subsidizes." For these reasons and in view of the fact that these appropriations would greatly increase until the Federal Government would likely be carrying the majority of the load, I believe you will agree with me that there would be Federal control of education within a few years after Federal aid was accepted as a principle.

Now, with your permission, I want to submit some statistics relative to the claim that the Southern States are unable to finance an adequate educational program.

1. First, I call your attention to the fact that each of the 19 poorer States have already more than doubled their teachers' salaries, and a few of them have actually trebled their teachers' salaries since 1940. Many of them are making additional local appropriations this year for further increases in teachers' salaries. These poorer States have increased teachers' salaries faster than the richer States and are approaching a satisfactory solution.

2. The cost of living is not so high in these 19 so-called poorer States and therefore they can maintain satisfactory educational opportunities without actually spending an equal amount of money per student in comparison with New York and California.

3. In the poorer States, new mineral discoveries are being made, ore deposits are being found, the wealth of the States is increasing, and industry is moving in at a rapid pace. For instance, more than 850 new industries

have come into Arkansas since 1940. Our industrial pay roll has quadrupled and the average per capita income has trebled since 1940.

4. Salaries for teachers in the poorer States are in keeping with salaries paid to policemen, firemen, and ministers. Gentlemen, do you not fear that these latter groups—the ministers, the policemen, the firemen—might feel greatly disheartened and seriously discouraged at seeing the Federal Government discriminating against them in favor of helping the teachers? Moreover, is there one reason why the Federal Government should supplement the salaries of teachers in these poorer States but not supplement the salaries of the firemen, the policemen, and the ministers who are rendering a service equally as effective and equally as important?

5. The quality of education moreover is not entirely determined by money. The great need in American education is not for more money but for more moral character. Utah is on about the medium line with regard to money spent on education. Yet, Utah, according to research statistics, is achieving better results in the field of education than any other State in the Union. Our poorer States are approaching and probably can within a few years reach that medium figure which now represents the expenditure per child in Utah. At any rate, Utah is proving that the efficiency of an education program is not entirely determined by the amount of money spent.

6. I am in agreement with a statement made by the late Nicholas Murray Butler who said "the glory and successes of education in the United States are due to its freedom, to its unevenesses, to its protection of the needs and ambitions and capacities of local communities and to its being kept in close and constant touch with the people involved.

Gentlemen, may I also call to your attention the fact that these 19 poorer States in 1948 paid to the Federal Government in income tax alone $2,975,065,000. These same 19 States would receive only $165,351,000 in aid from the present proposed appropriation. In other words, in income tax alone these poorer States are paying to the Federal Government 18 times what the Federal Government is proposing in turn to aid them. This means that if a 5½-percent reduction in Federal expenditures were made the saving to these poorer States alone would be approximately equal to the total of the present proposed Federal aid. I would like to propose gentlemen, that we make the 5½-percent reduction in expenditures and thus aid every State in the Union in genuine reality and aid even these poorer Southern States more than the present proposal would help them.

While we are talking about economizing, I'd also like to call attention to the fact that one-third of the Federal civilian employees could be removed from the pay roll without decreasing efficiency of Government services but thereby making a saving to the States of $2,109,000,000 in pay roll alone. The saving to Arkansas taxpayers alone would be approximately $16,000,000. This is 50 percent more than the amount offered Arkansas under the present Federal aid bill. Such an economy, gentlemen, would be heartening to the entire population of this Nation, would be a morale builder, would be a blessing to everybody and would bring far greater aid to every State in the Union than the present proposed Federal-aid bill.

Gentlemen, with your permission, I want to comment briefly in a general way on arguments that have been presented to you in favor of Federal aid to education. I want to call attention to the fact that those favoring Federal aid have for a number of years usually presented old figures relative to conditions in the South. As businessmen, I know that you recognize that these old figures are not representative and that we must have up-to-date figures. It is for this reason that I want to present the following tables:

TABLE 1.—*A statement of the expenditures in education for the 19 poorer States in 1940 and in 1948*

State	1940	1948	Increase	
			Amount	Percent
Ala	$20,488,649	$53,898,499	$33,409,850	163.1
Ariz	8,510,619	21,528,445	13,017,826	153.0
Ark	11,704,484	30,152,325	18,447,841	157.6
Ga	24,621,333	64,091,077	39,469,744	160.3
Ky	23,070,880	60,707,239	37,636,359	163.1
La	22,522,926	[1] 53,503,495	[1] 30,980,569	[1] 137.6
Miss	14,560,149	30,350,665	15,790,516	108.5
N. Mex	8,119,654	19,061,686	10,942,032	134.8
N. Car	32,276,972	[2] 81,000,000	[2] 48,723,028	[2] 151.0
N. Dak	8,614,882	18,038,366	9,423,484	109.4
Okla	30,587,966	54,815,350	24,227,384	79.2
S. Car	15,275,130	40,506,619	25,231,489	165.2
S. Dak	10,275,730	[2] 15,068,515	[2] 4,792,785	[2] 46.6
Tenn	23,773,093	62,030,492	38,257,399	160.9
Tex	73,532,404	229,029,954	155,497,550	211.5
Utah	9,718,743	23,611,135	13,892,392	142.9
Vt	4,799,601	[3] 6,286,746	[2] 1,487,145	[3] 31.0
Va	23,667,098	60,511,765	36,844,667	155.7
W. Va	26,223,019	56,431,869	30,208,850	115.2
Total	392,343,332	980,624,242	588,280,910	149.9

[1] Includes evening schools.
[2] Estimated by State Department of Education.
[3] 1946 data.

Source: U. S. Office of Education and State Department of Education.

TABLE 2.—*Average comparative teachers' salaries for these 19 poorer States for 1940 and 1948, indicating the amount of increase which has already been made*

State	1940	1948	Increase	
			Amount	Percent
Alabama	$744	[1] $1,909	[1] $1,165	[1] 156.6
Arizona	1,544	[1] 3,300	[1] 1,756	[1] 113.7
Arkansas	584	1,595	1,011	173.1
Georgia	770	[1] 1,715	[1] 945	[1] 122.7
Kentucky	826	1,809	1,073	129.9
Louisiana	1,006	[1] 2,198	[1] 1,192	[1] 118.5
Mississippi	559	1,752	1,193	213.4
New Mexico	1,144	2,759	1,615	141.2
North Carolina	946	2,125	1,179	124.6
North Dakota	745	[1] 1,816	[1] 1,071	[1] 143.8
Oklahoma	1,014	2,209	1,195	117.9
South Carolina	743	1,762	1,019	137.1
South Dakota	807	[1] 1,811	[1] 1,004	[1] 124.4
Tennessee	862	1,891	1,029	119.4
Texas	1,079	2,634	1,555	144.1
Utah	1,394	2,916	1,522	109.2
Vermont	981	[2] 2,050	[1] 1,069	[1] 109.0
Virginia	899	2,062	1,163	129.4
West Virginia	1,170	[2] 2,364	[1] 1,194	[1] 102.1

[1] Classroom teachers only.

Source: U. S. Office of Education; State Department of Education; and article in New York Times, Jan. 10, 1949.

TABLE 3.—*Table showing what the present Federal-aid bill would offer each of these 19 States in comparison to how much each has already increased its own expenditures for education since 1940, when proponents started offering the proverbial $3,000,000 aid. You will readily note from this table that most of the States have already helped themselves two times as much as the experts said in 1940 and 1941 they needed in aid*

State	Estimated Federal-aid allotments (table 1)	Increase in school expenditures, 1940–48 (table 2)	Increase in school expenditures over Federal-aid allotments
Alabama	$14,451,000	$33,409,850	$18,958,850
Arizona	1,500,000	13,017,826	11,517,826
Arkansas	11,708,000	18,447,841	6,739,841
Georgia	14,163,000	39,469,744	25,306,744
Kentucky	13,367,000	37,636,359	24,269,359
Louisiana	10,370,000	[1] 30,980,569	20,610,569

[1] Includes evening schools.

TABLE 3.—*Table showing what the present Federal-aid bill would offer each of these 19 States in comparison to how much each has already increased its own expenditures for education since 1940, when proponents started offering the proverbial $3,000,000 aid. You will readily note from this table that most of the States have already helped themselves two times as much as the experts said in 1940 and 1941 they needed in aid*—Continued

State	Estimated Federal-aid allotments (table 1)	Increase in school expenditures, 1940–48 (table 2)	Increase in school expenditures over Federal-aid allotments
Mississippi	$15,469,000	$15,790,516	$321,516
New Mexico	3,130,000	10,942,032	7,812,032
North Carolina	21,070,000	48,723,028	27,653,028
North Dakota	860,000	9,423,484	8,563,484
Oklahoma	8,350,000	24,227,384	15,877,384
South Carolina	13,365,000	25,231,489	11,866,489
South Dakota	1,080,000	[2] 4,792,785	3,712,785
Tennessee	10,629,000	38,257,399	27,628,399
Texas	10,845,000	155,497,550	144,652,550
Utah	1,170,000	13,892,392	12,722,392
Vermont	390,000	[2] 1,487,145	1,097,145
Virginia	4,074,000	36,844,667	32,770,667
West Virginia	9,360,000	30,208,850	20,848,850
Total	165,351,000	588,280,910	422,929,910

[2] 1946 data.

TABLE 4.—*Estimated cost of the Federal-aid bill to each of the 19 poorer States and the amount each would receive from the bill and the amount of final gain or loss*

State	Estimated allotments [1]	Cost to taxpayers of State	Net gain (+) or loss (−)
Alabama	$14,451,000	$3,036,000	+$11,395,000
Arizona	1,500,000	911,000	+589,000
Arkansas	11,708,000	1,716,000	+9,992,000
Georgia	14,163,000	3,780,000	+10,383,000
Kentucky	13,367,000	3,137,000	+10,230,000
Louisiana	10,370,000	3,003,000	+7,367,000
Mississippi	15,469,000	1,743,000	+13,726,000
New Mexico	3,130,000	697,000	+2,433,000
North Carolina	21,070,000	4,209,000	+16,861,000
North Dakota	860,000	911,000	−51,000
Oklahoma	8,350,000	2,868,000	+5,482,000
South Carolina	13,365,000	1,930,000	+11,435,000
South Dakota	1,080,000	885,000	+195,000
Tennessee	10,629,000	3,565,000	+7,064,000
Texas	10,845,000	10,804,000	+41,000
Utah	1,170,000	885,000	+285,000
Vermont	390,000	483,000	−93,000
Virginia	4,074,000	3,968,000	+106,000
West Virginia	9,360,000	2,305,000	+7,055,000

[1] Allotments computed by National Education Association and includes deductions in States which fail to spend 2.25 percent of the total income of all its citizens for schools.

Gentlemen, the testimony I have presented demonstrates that Federal aid is not a necessity but in reality an absurdity.

I have also shown that Federal aid once accepted as a principle will increase rapidly and ultimately end with the Federal Government carrying a very large share of the cost of education throughout the Nation and in dominating the program of education. Now, I wish to indicate briefly how dangerous it would be for the Federal Government to become the major supporter and the master of the Nation's educational program.

The totalitarian state is the enemy of human progress. Throughout the world individual freedom and human progress are going hand in hand. This has also been true back through the 6,000 years of human history.

Should our educational system become chiefly controlled from Washington, it is my very firm conviction that within a generation our children would have been educated to seek Federal control of our industries, of agriculture, and of our social welfare, thus making America a totalitarian state.

Gentlemen, we are now standing at the brink ready to step into those dark regions from which other nations have gone into totalitarianism. We have fought two world wars to preserve democracy. It now appears we are winning the cold war in Europe. Certainly this would be an unfortunate time to lose our struggle for freedom at home.

In all seriousness I consider this attempt to federalize public education in America the most serious step this Nation has considered in connection with our gradual trend toward state socialism.

Gentlemen, I must further call attention to the very sobering fact that this is a once-for-all decision. If we start down the road of Federal aid and the people become accustomed to depending upon it, there will be no turning back. We are actually at the point of deciding whether we shall keep education under management and control of the States and the local communities or whether we shall turn to a federalized program of education.

The argument that the States cannot afford an adequate educational program is absurd. The Federal Government is able to obtain no money except that which it obtains from the States. Moreover, it is my firm conviction that if the Federal Government were maintaining our present educational system at its present level and its present efficiency, the cost would be at least 50 percent more than the same system is now costing under State and local control. I say this because of the fact that the record of the Federal Government in anything that it long handles is a wasteful record. For instance, the Hoover Commission recommends that $140,000,000 a year could be saved by an efficient reorganization of the present postal system. The Hoover Commission estimates further that with the reorganization of the executive branch of Government at least $3,000,000,000 could be saved the American taxpayers annually, which is 10 times the amount of the present Federal-aid bill. To put the Federal Government in control of anything so big as our educational system would mean sufficient waste to constitute a millstone about our necks with which we would not long be able to swim. The poor States would all soon be worse off than they are now.

The late Nicholas Murray Butler declared "there is not enough money in the United States even if every dollar of it were spent on education to produce by Federal authority or through what is naively called cooperation with the Federal Government and the several States educational results that would be at all comparable with those that have already been reached under the free and natural system that has grown up among us."

With your permission, may I one time more refer to what we are doing with regard to public education in Arkansas. In 1948 Arkansas approved at the polls a plan to reorganize its own entire public-school system thereby putting high-school opportunity within reach of every child in Arkansas. This reorganization plan also means much better schools without increased cost. Yet had there been Federal aid to continue the old system we would have found it impossible to obtain the reform that was necessary to achieve these better results without increased cost to anybody.

Gentlemen, I might not be quite so concerned about these socialistic trends if I had not spent 11 years abroad and if I had not studied economic conditions under 20 different flags. In the Orient I observed much dire poverty caused by the absence of freedom of individual opportunity. I saw the best countries in Europe offering to their workers only half the purchasing power in food, clothing, housing, transportation, entertainment, and education for their children that American workers enjoy. Russia, a nation with a territory three times as large as our own, with an abundance of good farm land, and with as great a variety of resources as we and with twice the quantity, provides her workers with a purchasing power only one-fifth as great as that provided our workers at similar jobs. Russia's poverty is likewise clear because it has no freedom of individual opportunity. Regimentation and totalitarianism destroy enthusiasm and progress.

For 4 years England has experimented with government management of her major industries. Because of the law-abiding qualities of the British citizenry that country is probably the most favorably situated of any in the world to make state socialism work. But after 4 years of government management of major industries there we find present elections explaining that the people are unhappy with the results. The last 6 months have indicated more dissatisfaction than the previous 3½ years. This shows that the British were willing to give state socialism a very patient trial. But now, after 4 years of trial, the rapidly growing dissatisfaction is very evident.

In our own country, where wages are two times as high as in the best countries of Europe, five times as high as in Russia, and where we send more young people to high school and college than all the rest of the world combined, and where our national income is equal to the total national income of any other six nations in the world, I am thoroughly convinced that the outstanding results are due to freedom of individual opportunity—freedom from the regimentation of a totalitarian state.

It is my firm conviction that if we keep freedom of individual opportunity and maintain industrial harmony and understanding among our people, we can see the standard of living in this Nation increased by 100 percent within the next 33 years. I say this because for a generation we have been increasing man-hour productivity by 3 percent annually. There is every reason to believe this will continue and probably at an accelerated pace. Accordingly, it is quite certain that if we keep our American way of life our standard of living will rise 100 percent within the next 33 years. On the other hand, if we turn to a government-managed economy—to the totalitarian state—it is my firm conviction that our man-hour productivity, our national income, and our standard of living would go down by 50 percent within a generation. Consequently, whether we go on up 100 percent, or whether we go back 50 percent, depends upon what this generation does with regard to this very prominent trend toward statism.

I am closing my testimony with a prayer that God may give to you wisdom to make the right decision in this very important matter that so vitally affects the whole of our people and the future of our Nation.

Development of Low-Grade Iron Ores

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Monday, June 20 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, one of the most significant features of the proposed economic expansion bill of 1949, which has already evoked considerable discussion throughout the country and which I and other Members of the Senate will introduce in the near future, is its provisions for the development of low-grade iron ores. These provisions have been carefully drafted to solve one of the most crucial problems involved in the maintenance of our national security and in the prevention of economic depression.

It is a common saying that "As steel goes, so goes the country." But it is also true that our great steel industry, so essential to our military strength and to all our manufacturing industries, depends upon our sources of iron ore. It is also true that the high-grade iron ores of the Mesabi Range are being depleted at a rapid rate.

All experts who have studied this fundamental problem are agreed that it would be the height of folly for us to rely entirely upon iron ores from Labrador or iron ores from other countries. All are agreed that we have already been remiss in failing to develop the low-grade taconite ores in the Lake Superior iron ore district.

In this connection, the able and distinguished Senator from Montana [Mr. MURRAY] has made available to me a letter he has just received from Mr. Arthur B. Rathbone of Oglebay Norton & Co., one of the iron ore companies which has thus far shown the greatest foresight in trying to meet this grave national problem. Mr. Rathbone points out that steps should be taken now toward the replacement of present reserves through the development of new ores and that taconite is the only logical new ore to maintain the productivity of the Mesabi Range. He also endorses some of the major provisions of the economic expansion bill applicable to taconite ores and makes some very interesting and constructive suggestions for improvement in the measure.

I ask unanimous consent to have inserted in the RECORD Mr. Rathbone's letter on behalf of Oglebay Norton & Co., together with an attached memorandum entitled "Lake Superior Iron Ore District—The Need for More New Ore."

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ECONOMIC EXPANSION ACT OF 1949

OGLEBAY NORTON & CO.,
Cleveland, Ohio, June 10, 1949.

Hon. JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MURRAY: With reference to your letter of May 27 concerning the above act, my remarks will be limited to that section of the act, namely, sections 204 and 206 of title 2.

Our interest in the act is limited to what assistance may be given for the development of taconite ore in the Lake Superior district.

We believe that it is fairly common knowledge now that the ore reserves in the Lake Superior district are being depleted at a rather rapid rate and that steps should be taken now toward the replacement of these reserves through the development of new ores. Taconite is the only logical new ore to maintain the productivity of the Mesabi Range. As you probably know, taconite must be concentrated in about a 3 to 1 ratio in order to make it usable as a blast-furnace burden. This is a costly process involving crushing and fine grinding, separation of the iron units by a wet magnetic process and then agglomerating by sintering or pelletiz-

ing. The capital investment is estimated somewhere between $15 and $20 per annual ton of output, that is, to build a plant capable of producing 10,000,000 tons a year would cost in the neighborhood of a hundred and fifty million dollars or so.

Because the profit factor is not at all clear today and because of the terrific amount of capital investment required to build a plant, it may be that unless there is some governmental assistance in the construction of and financing of these plants now that this new ore will not come into being soon enough to replace the dwindling supply on the Mesabi Range. Attached is a very general summary of the ore reserve situation in the Lake Superior district.

With specific reference to section 204, "accelerated amortization" should be offered to the operators of taconite plants. This, of course, is merely a deferment on the payment of Federal income taxes. However, some companies may be prone to use the provision and some may not, but it should be available to the companies that would desire it. Also, under section 204, line 1, page 14, with reference to the procurement abroad of iron ore: We believe that the words "iron ore" should be omitted. It may very well be a stumbling block to corporations that take on the responsibility and obligation of building taconite plants to be faced with the possible competition through Government purchase of foreign and imported ores. I would strike the words "iron ore" from line 1 entirely.

Under section 206, we believe that in our own case the interest rate on any long-term loan of this nature should be in the neighborhood of 2½ percent. In line 14 on page 19, interest rates not in excess of 4 percent are satisfactory and we would, of course, be very willing to explain our reasons why a lesser interest rate should apply for the development of the taconite ores. Likewise, we feel that a 20-year loan is not long enough in the case of taconites. Once a plant of this kind is in operation the ore reserves are sufficient to keep it operating for at least a hundred years. My personal suggestion would be to make long-term loans payable on a production basis because it takes at least 4 or 5 years to build one of these plants which means that there is no revenue being produced during the first 4 or 5 years and it would be a financial hardship on the operators of taconite plants to make material loan payments with no income being generated by the plants. If payments are made on a production basis this would take care of depressed times when production would be cut or stopped. This method is better than negotiating the reduction or deferment of principal and interest payments during periods of national declines and demands of employment.

The Government has set up loaning agencies, namely, the International Bank, or the Export Import Bank, which can and do provide funds to foreign countries and foreign corporations for the development of foreign sources of raw materials. These loaning agencies have wide discretion as to the interest rates, the amount of the loan and the length of time the loan should run. It is clear to me that such opportunities should be offered to domestic corporations for the development of our own natural resources. RFC is limited to 10 years for the length of the loan and strictly 4 percent interest. It puts our own domestic corporations in a less competitive position for the development of our own national resources, employment, etc., than foreign corporations.

I trust that the above will be of some assistance to you in developing a bill that will be able to promote and maintain the production of iron ore from our own Lake Superior region.

Very truly yours,

ARTHUR B. RATHBONE.

LAKE SUPERIOR IRON-ORE DISTRICT—THE NEED FOR MORE NEW ORE

The Lake Superior iron-ore district lies within the States of Minnesota, Wisconsin, and Michigan as well as the Province of Ontario, Canada.

Shipments of iron ore have come from this district for almost a hundred years. Starting with the year 1854, 2,500,000,000 tons of iron ore have been dug and shipped from this district either by rail or vessel. It has come from the Mesabi, Cuyuna and Vermilion ranges in Minnesota and the Gogebic, Marquette and Menominee ranges in Michigan and Wisconsin and from the Michipicoton and Steep Rock areas in Canada.

Iron ore has three separate classifications:

1. Direct shipping open pit, meaning that ore which can be mined with a power shovel and sent direct to the blast furnace.

2. Direct shipping underground, meaning that type of ore hoisted by shaft and shipped direct to the blast furnace.

3. Open pit concentrates, meaning ore that is mined by a power shovel and then treated by a simple process of washing or sink-float to increase its iron content before being shipped to the furnace.

The first question is, that if 2,500,000,000 tons have been shipped to date, how many tons are left in the Lake Superior district? An exact figure is not known and many guesses have been made. The latest accepted figure is a billion seven hundred million gross tons of iron ore, distributed according to the ranges as follows:

Mesabi Range	1,200,000,000
Cuyuna Range	117,000,000
Vermilion Range	15,000,000
Gogebic Range	58,000,000
Menominee Range	72,000,000
Marquette Range	110,000,000
Ontario, Canada	128,000,000
Total	1,700,000,000

And divided as to the classifications as follows:

Direct shipping open pit	766,000,000
Direct shipping underground	601,000,000
Open pit washed ores	333,000,000
Total	1,700,000,000

How long the present rate of production can be maintained to keep pace with the present-day consumption, plus any increase in the natural growth in steel-making capacity, is a matter of some conjecture, but it is felt that within a year or two there will be a gradual decline in the rate of production because of mining deeper in the underground mines and the open pits, smaller ore bodies, as well as the exhaustion of others. A glaring example of this is the huge Hull Rust Mahoning pit which in 1942 shipped 25,000,000 gross tons and in 1948 shipped 14,000,000 gross tons.

There follows an estimate as to the maximum rates of production from the Lake Superior district to 1960:

1949	85,000,000
1952	81,300,000
1956	75,000,000
1960	67,000,000

This compares with actual shipments as follows:

1947	79,900,000
1948	84,700,000

The decrease in production will come almost wholly from the Mesabi Range open pit direct shipping and washed ores. Production from the other ranges combined should remain fairly constant, accounting for 20,000,000 tons annually.

The next question is prompted by the 1960 figure above, namely, what new ores are going to replace the deficiency from the Lake Superior region? The answer to this question is—

(a) Manufactured close-at-home taconite (magnetic iron-bearing material on the eastern end of the Mesabi Range) from the domestic Lake Superior district.

(b) Foreign ores imported from Chile, Venezuela, Brazil, Sweden, and Labrador.

If the American steel industry is going to depend upon iron ores within our own boundaries, both in peace and war, then this deficiency must first be made up from the manufactured taconite ores from the Lake Superior district.

There is an abundance (meaning billions of tons) of low-grade iron-bearing material in the Lake Superior district. It may be divided into two classes, that in which the iron-bearing material is predominantly hematite and that in which the iron-bearing material is predominantly magnetite. The only method known today to concentrate low grade hematite material is to roast it, converting the iron mineral to magnetite and then it is susceptible to separation by a magnetic process. Roasting is a costly process. It is estimated to be not less than 60 cents per ton of crude ore or $1.50 or more per tone of concentrate.

The iron ore industry today knows how to treat low-grade magnetite-bearing materials. It is simply a matter of crushing and fine grinding until the iron material is released from the gangue, usually silica, and extracting the magnetite by means of wet magnetic separators. On the Mesabi Range it takes about 3 tons of crude to produce one ton of concentrate analyzing approximately 65 percent magnetic iron. The other two tons are discarded. This extremely fine concentrate (about 300 mesh) must be put in usable form for the blast furnace. There are four means of agglomerating, namely, sintering, briquetting, nodulizing, and pelletizing. The latter process gives promise of being the most economical and large-scale research is now being conducted on the making of pellets endeavoring to develop a commercial process which will yield pellets of the proper size, shape, porosity and hardness. Within the next year the iron ore industry should have the complete answer as to how to agglomerate taconite concentrates.

One might ask that if this problem of manufacturing ores from magnetite taconite is so simple, then why aren't plants today in operation in the Lake Superior district? The answer to this lies primarily in the amount of capital required to produce a ton of concentrated taconite. The capital investment in an open-pit mine is about $3 per annual ton of output. In an underground mine the capital investment is between $5 and $6, and to produce taconite concentrates from the magnetic taconite ore the capital investment will run between $15 and $20 per annual ton of output. If one were to construct a manufacturing plant to produce 5,000,000 tons of concentrated magnetite taconite ore, the capital required would be between $75,000,000 and $100,000,000. It can be seen that steel manufacturers will continue to use the cheaply mined ores until it becomes an absolute necessity to invest huge sums in the manufactured ores.

A taconite iron ore manufacturing plant cannot be built overnight on the Mesabi Range. The time of construction will be somewhat between 4 and 5 years and the first unit plants will probably not exceed 2,500,000 tons per year. These smaller units will be operated a year or so before any attempt will be made to increase their productive capacity to 5,000,000 tons a year or greater. The year 1953 is about the earliest one could reasonably expect taconite plants to be operating on the Mesabi Range even if the capital were available today for the venture. Then, too, the profit factor is

not sufficiently clear today to permit risk capital being invested.

If the Government is interested in the preservation of easily mined open pit ores from Minnesota for national-security reasons, and also developing a new supply of ore to protect the domestic economy because of the dwindling supply of direct shipping ores from the Lake Superior region, then it would seem that Government financing should be offered to the interests that own the taconite reserves. Whether these interests will accept Government financing cannot be foreseen but as an inducement they might borrow funds for the venture if loans were offered with the following general terms:

(1) Length of loan, 30, 40, or 50 years. The mineral resources will last many years beyond the length of the loan.

(2) Low interest rates, not to exceed 2½ percent.

(3) The entire loan should be repaid, both principal and interest, on the basis of tons shipped. The reason for this is because of the length of time required to construct a plant before it can produce iron ore for sale to generate revenue and in times of depression principal and interest payments should be deferred when shipments are not being made.

Iron ore, the backbone of the steel industry and national security, should not be in short supply. Likewise, with an expanding domestic economy, there should be ample iron ore to supply the steel mills for the general welfare of the country. Concentrated taconite from our own domestic boundaries can and will be the new ore to complement and enhance the dwindling supply of Lake Superior direct shipping ores.

THE NEED FOR NEW ORE IN THE LAKE SUPERIOR IRON-ORE DISTRICT

1. Lake Superior district has shipped to date 2,500,000,000 tons of iron ore.

2. There remains an estimated 1,700,000,000 tons of iron ore.

3. The rate of production (85,000,000 in 1948) of the remaining tonnage will decline to about 67,000,000 in the next 10 to 12 years if the present rate of consumption continues.

4. The only domestic source of iron ore to offset the decrease in production is magnetite taconite from the Mesabi Range, which must be beneficiated.

5. Taconite beneficiation plants require invested capital of $15 to $20 per ton of annual output, i. e., to produce 5,000,000 tons annually would require $100,000,000 and 4 to 5 years to construct.

6. For national-security reasons, it would be prudent for the United States to have an ample supply of the basic raw material which so affects our domestic economy.

7. The offer of governmental financial assistance would induce the owners of the reserves to produce taconite concentrates if the loans were repayable over a period of 30 to 50 years; the interest rates were low, and capital and interest payments contingent upon the product shipped.

Economic Problems Affecting Farmers

EXTENSION OF REMARKS

OF

HON. GEORGE D. AIKEN

OF VERMONT

IN THE SENATE OF THE UNITED STATES

Monday, June 20 (legislative day of Thursday, June 2), 1949

Mr. AIKEN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a summary of a discussion relating to the economic problems affecting farmers, prepared by O. B. Jesness, chief of the division of agricultural economics of the University of Minnesota. This discussion was presented at the thirty-first annual conference of the Minnesota vocational agriculture teachers, at Morris, Minn., on June 3, 1949.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

ECONOMIC PROBLEMS AFFECTING FARMERS

(By O. B. Jesness, chief, division of agricultural economics, University of Minnesota)

A combination of large output and favorable prices in recent years has resulted in record farm incomes. This is not to say that all farmers are rolling in wealth, but by and large the financial position of agriculture today is in a good shape. The debt burden of agriculture is much less than it was following World War I. Farmers are in a good financial situation in respect to current assets represented by investments in Government bonds and other securities, bank deposits, and cash.

In spite of the favorable situation in which agriculture finds itself, there is in evidence considerable uneasiness over what may lie ahead for the farmer. The experiences following World War I and more particularly those of the severe depression of the thirties are still fresh in the minds of many farmers and they are concerned lest World War II be followed by a similar period.

This fear is being played upon by some proponents of specific farm programs. They are inclined to argue that if their program is not adopted then agriculture will again find itself in a situation similar to that of 1932. This is something which we should not accept blindly. We ought to endeavor to think problems through and to see what actually is involved.

The last two decades have supplied two eloquent demonstrations of the interdependence among the various parts of our economy. The depression of the early thirties with its large unemployment and nonagricultural inactivity was reflected in greatly reduced demand for farm products and farmers consequently had to accept ruinously low prices. The war period brought full employment and a high level of money incomes for consumers. This situation was reflected in very strong markets for farm products. To be sure, lend-lease and military demands added to the farmers' market but the major strength came from the increased purchasing power on the part of domestic consumers. To be sure, there are those who still like to think of agriculture as the basic industry on which everything else depends and they are inclined to argue that if we will maintain agricultural income then we will have prosperity generally. Farming accounts for only a minor share of the population and of the total national income. It is well for us to recognize that there are a number of lines which are essential to our welfare today and that we will do better to recognize the interdependence among these lines rather than to single out any one for special emphasis. We need good health in all parts of the economy.

One reason for the farmers' concern today is that we are going through a shaking-down process at the present time. We have caught up or are catching up with the backlog of unfilled demands in various lines. Some downward readjustment of prices is taking place in some lines because of this situation. While this period may last somewhat longer and the adjustments may be somewhat greater than anticipated by some of the more optimistic forecasters, there seems to be strong support for the idea that there is no real reason for anticipating a return to the conditions of the early thirties in the near future. We are in a much more favorable situation than we were in 1929. Our banking structure is in much better shape. We have avoided a speculative boom in the stock market. There is still a backlog of unfilled wants in such fields as housing. Employment still is at a high figure. While we should not be blind to the readjustments which need to be made, we should not be overcome by fear of these readjustments.

There are a variety of farm programs in the picture today. Some of them are carryovers from the programs of the 1930's, some come from the war period, while still others represent proposals intended to deal with the situation ahead.

Price supports at 90 percent of parity are in force for this year or this year's crop on some of our major farm commodities. If the Agricultural Act of 1948, otherwise known as the Hope-Aiken Act, is permitted to go into effect in 1950 these price supports will be placed on a sliding scale from a high of 90 percent of parity to a possible low of 60 percent. This sliding scale is intended to adjust price supports to supplies. The 90-percent level will be in effect only if supplies are relatively short and the supports will drop to the 60-percent level only if surpluses accumulate so that supplies are 130 percent or more of normal. Moreover, in instances where production control or marketing quota programs are in effect, the participants are provided with supports 20 percent above this minimum level. The contention of some that this program will lower farm prices generally to 60 percent of parity is not tenable. Farm prices in general did not fall below this level even in the worst of the depression. While individual commodities for which production has been expanded greatly might fall to this level or below, a general situation of this sort is not foreseen.

Secretary Brannan recently has made some proposals for a program to replace the Agricultural Act of 1948. In brief, his proposal gets away from parity based on 1910–14 and develops a purchasing-power standard based on a recent 10-year period to be kept current by a moving average. He divides farm commodities into two classes, the storable and the nonstorable. The former includes such crops as wheat, corn, cotton, tobacco, rice, dry peas, dry beans, oilseeds, and the like are suggested for price supports determined by his purchasing-power standard. For the nonstorables, Secretary Brannan has proposed that the market be permitted to find its level and that farmers be paid production payments representing the difference between the average prices received by farmers and the figure indicated by the purchasing standard.

The storable commodities such as wheat, cotton, tobacco, and rice include major agricultural exports. Mr. Brannan has not yet outlined his views with respect to how we are to operate actively in export trade on such commodities if we maintain prices here at home on an arbitrary basis. It is not clear whether Secretary Brannan shares the view that we should have a two-price system on these commodities. Any such program at this time is open to serious question because of its nationalistic implications. Such an operation would involve export dumping and would be likely to get us into difficulties with other nations for that reason. Moreover, we would find it necessary to raise barriers to imports in order to protect such an artificial price structure. It is difficult to see how a program of this sort can be made consistent with our efforts to revive and expand world trade on a multilateral basis.

In appraising any program of agricultural-price support, it is well for us to note the functions which price plays in our every-day life. All of you know how conscious farmers are of prices and how interested they are in outlook. One of the functions performed

by farm prices is that of guiding the production plans of farmers. An attractive price serves as a magnet to draw out production. On the consumers' side, however, a high price works in the opposite direction in that it acts as a repellent and tends to reduce takings by consumers. The third function of price is to help decide how the national income is to be distributed. Price-support programs are concerned with this function. However, a price maintained at an arbitrarily high level will still continue to influence production and consumption. If the Government undertakes to maintain farm prices at an artificially high level over any period of time, it will have to assume controls over production and disposal necessary to make such a price effective.

These controls will have to be much more effective than those we talked about during the 1930's. There are a whole list of considerations which we need to weigh carefully before we embark on a program requiring such controls. Will these controls lead to the best use of resources? Will the decisions of some governmental agency lead to better resource use than the decisions of the individual farmer? Will controls tend to restrict desirable changes in production on individual farms, between areas, and between commodities? Will the arbitrary prices involved tend to be bid into higher land values and consequently be translated into costs rather than incomes? Will they tend to hinder rather than help desirable shifts in population?

Earlier in the discussion we pointed out that farmers are concerned over the possible return of a situation such as that which prevailed during the early thirties. Actually, however, we are not proposing programs primarily designed to protect the farmer against that situation but instead are proposing programs designed to maintain prices and farm incomes well above depression lows. Price supports at high levels are not the real answer to depression. If a serious depression should return at some time in the future, there certainly will be strong argument for providing some protection for farmers against conditions which they have had no part in creating and against which the individual farmer has little or no defense. There is no merit in letting prices fall clear to the bottom in a situation of that sort, consequently, a strong case can be made for price supports which will serve as a stop-loss in such a situation. Similarly, a case can be made for income payments in a period of that sort. That, however, is quite a different matter from having price supports or income payments in force as a regular situation.

Price manipulation, however, is not the only way in which help may be supplied to the rural population. Rural areas supply not only food and raw materials to urban centers but also are sources of population. This is a point which deserves recognition in connection with providing financial supports for schools. The disadvantages of rural areas in connection with medical and health services also deserve attention. They already have gone a considerable distance in sharing highway costs.

As far as the farmer is concerned, there is no adequate substitute for a strong market supplied by a high level of production and employment in nonagricultural lines. The answer to depression lies in finding ways and means of restoring productive activity in other lines. Instead of putting so much emphasis on farm price programs, farmers might do well to devote part of their thinking to the question of maintaining economic health generally. It would not be out of place for them to remind the leaders of industry, business, labor, and Government of the concern which agriculture has in a high level of productive activity generally. The farmer has demonstrated by deeds his belief in full production.

The tendency in our modern economy is to become too price-minded. No intelligent person will deny that price is important. However, we will do well to keep in mind at all times that it takes production as well as price to provide an income. Naturally, all of us are concerned with our prices because we want to get as large a share as possible of the national income. But if there is no production, there will be no income to distribute. Along with our interest in prices, we need consequently to have an enlarged concern over a fullest possible production of goods and services needed to satisfy human wants. Each individual and each group needs to recognize that they have a responsibility to produce income as well as a privilege of sharing in that income. The way to better living lies in better and more abundant production of goods and services as well as in the better distribution of the resulting income.

The Excise Tax on Copper Must Be Restored

REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. MANSFIELD. Mr. Speaker, I have been very much disturbed by events of recent weeks as they affect the price of metals, especially copper, in the United States. As the Members of this House know, I have opposed the lifting of the excise tax of 4 cents per pound on copper imported into this country because copper produced in the United States cannot compete with the low-cost copper production of Chile, Rhodesia, Katanga, and elsewhere. It costs approximately 12 to 13 cents to produce a pound of copper in the mines of Butte, Mont.; whereas copper from outside sources can be laid down in New York at anywhere from 7 to 10 cents a pound.

The economic well being of Butte and Anaconda depend entirely upon the production of copper from the Butte mines. Within the past 2 months the Lexington, the Belmont, Orphan Girl, and Badger mines have shut down in Butte and work on the Kelly shaft has been stopped completely. This means a bad situation is building up that will seriously affect the one type economy—the production of copper—in both Butte and Anaconda. If some action is not taken, it will seriously affect the welfare of the people in that area.

Mr. Speaker, on June 13, I introduced H. R. 5119, a bill to repeal the act entitled "An act to suspend certain import taxes on copper," approved March 31, 1949—Public Law 33, Eighty-first Congress. I have already written to the Ways and Means Committee asking that hearings be held on this measure because of the importance of it to my State and it is my hope hearings will be held soon so that those of us who are interested in restoring the excise tax on the importation of copper, can be heard. It has been my contention also, in view of the fact that certain parts of my State, like the Butte and Anaconda areas which are dependent upon one product only, would be able to be benefited in the future by the creation of a diversified economy in western Montana. Toward that end and for that purpose I have been advocating the building of Hungry Horse Dam as well as the building of transmission lines from Hungry Horse to Spokane, Hot Springs and Anaconda. If we are able to get these transmission lines, it will mean that we will be in a position to develop new industries such as the mining and processing of phosphate and manganese which are both in abundant supply in southwestern Montana and both of which are vitally important to the national economy.

As the Members of this House know, Russia has stopped its shipments of manganese to the United States with the result that we have less than one year's supply of that metal on hand. Manganese is necessary for the hardening of steel and the keeping alive of our economy which is based on that commodity to such a great extent. In the matter of phosphate the supply will not equal demand in the foreseeable future and in the Northwest we have 60 percent of the known reserves in this country in that particular product. These transmission lines which I am advocating and which passed the House by a three to one vote, are vitally necessary to supply the low-cost power in large enough blocks to attract the industry which is waiting and eager to come in and develop our phosphate and manganese resources. With these transmission lines we can create a degree of security heretofore unknown among the people of western Montana and take them out from under their dependence on one particular product. The best thing that could happen to western Montana would be the creation of a diversified economy so that in times of stress, such as we seem to be going through at the present time, our dependence on one product—copper—will not be so complete as to shut down cities like Butte and Anaconda and throw the people living in those cities out of work. The answer to the welfare of western Montana lies in the reimposing of the 4-cents-a-pound excise tax on copper and the building of the transmission lines from Hungry Horse to the vicinity of Anaconda so that industrial loads can be carried on them and new industries can be brought into our State. In this way, we can create a well-rounded type of economy which will function in the best interests of the people of Montana, in particular, and the welfare of the Nation as a whole.

Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. HARRY J. DAVENPORT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks, I wish

to include in the RECORD a sermon delivered by the Reverend Thomas F. Coakley, pastor of Sacred Heart Church in Pittsburgh, Pa., on Sunday, June 12, and also to include a letter sent by Father Coakley to the Pittsburgh Press.

The matters referred to follow:

FEDERAL AID TO EDUCATION

The debate over Federal aid to education seems to engender a considerable amount of cross-fire emotionalism. But it should not; it need not; it would not if two essential facts were kept in mind. The first is that Catholic-school pupils are American citizens. All American citizens, including Catholics, are entitled to equal protection under the law. America is not America if this fact is ignored.

The pupils in Catholic schools were born in America, they have lived all their lives in the United States; their fathers and mothers were born in America, or else they became naturalized citizens of the United States; their fathers and brothers entered the armed services just as other American citizens. They paid taxes, engaged in civic undertakings, bought farms and houses, took part in American sports and elections, entered into American business organizations. They became doctors, lawyers, dentists, engineers, teachers, professors, nurses, aviators, architects, musicians, just like other American citizens. If we keep this tremendous fact in mind that Catholic-school pupils are American citizens, we would be far along the road to a swift solution, both amicable and just, of the whole problem of Federal aid to education.

The second fundamental fact to be forever remembered is that when a child goes to a Catholic school he is fulfilling a civic and a state obligation. He is obeying the law of the land which requires all pupils to attend school for a certain number of years. Compulsory school attendance is statute law all over the United States. The law says the child must be educated, but it does not say where. It very wisely permits parents to select the schools to which they will send their children.

The prime purpose of compulsory education laws is social; it is for the benefit of the State; it is legislation enacted by the State to insure that all American citizens of tomorrow will have the proper basic training in order to intelligently exercise their duties as citizens, and to be an asset and not a burden to the community.

The State has made compulsory education the law of the land to enable American citizens to make a living, so that they may increase thereby the total prosperity of the Nation. The State realizes that educated children are better able to found a home and raise a family, and to cooperate with others in community enterprises. Education enables them to conform to American ideals of living; it equips them with knowledge to enable them to vote properly and intelligently, and to form a sound public opinion, and to bear arms when necessary to defend the Nation when its very life is imperiled.

State compulsory legislation was made the law so that all American citizens could be properly educated, so that when they join labor unions for instance, or become officers of business corporations, they will know what they are doing, and because the State wants well-educated prospects for the medical, dental, legal, teaching, engineering, nursing, and other professions.

In other words the State wants an educated, intelligent body of citizens for tomorrow's America.

The public schools have carried the burden of educating American citizens, and they have done a remarkably fine job, and they are still achieving a striking success in this difficult task. But the public school system has not carried the burden alone. Catholic schools have educated millions of American citizens, indistinguishable in their patriotism and their learning, from the millions of American citizens who received their training in the public schools. These Catholic trained citizens entered the Army and Navy and Marines and Air Force, fought and bled and died side by side on all the seven seas, and in every test, at every point where there could be a comparison, the pupils of Catholic schools have shown themselves just as much loyal and intelligent and progressive Americans as the products of public schools.

The public-school system is not the American school system. It is only a part of it. Catholic schools are a very important section of the American system of education.

Therefore, when the question of Federal aid to education arises, it should be solved in the American way, the fair way, the just way, the equitable way. That means it should include all pupils being educated in America, whether in public or private schools, because all citizens are entitled to equal protection under the law, just as all American citizens are expected to share equally the Nation's burdens.

Not to give Catholic pupils equal advantages with public schools is unfair, it is unjust, it is discriminatory, it is un-American. Catholic schools have performed this notable service of making educated American citizens out of millions of young men and women, but they have done so under an enormous handicap. They are compelled to go down in their pockets twice for education in this country; once to educate all American citizens who are not Catholics, by submitting to taxation to support the public schools. Then again they must find many millions more as a voluntary tax upon themselves to educate their own children for the benefit of the State and Nation, and for which neither the State nor the Nation contributes a single dollar.

American citizens are accustomed to fair play: let us have fair play in Federal aid to education. When our fellow American citizens know and realize the stupendous double burden of taxation Catholics are carrying to make good American citizens, we feel sure they will make fair play not a theory but a fact.

[From the Pittsburgh Press of May 25, 1949]

SCHOOLS ARE PARTNERS, NOT COMPETITORS

EDITOR, THE PITTSBURGH PRESS:

There are too many angry words about Federal aid to education. May I ask your indulgence while I attempt to turn on some light minus heat?

Catholic schools and public schools are partners, not competitors. They are associates, not rivals. In the United States there are approximately 2,200,000 pupils in Catholic schools. Perhaps 2,500,000 more Catholic pupils are in public schools. Consequently Catholics have a very vital intellectual and financial interest and sympathy in the welfare and success of public schools, and there is friendly cooperation among them.

If there were no public schools Catholics would gladly erect and maintain them for their neighbors and fellow citizens, so highly does the Catholic church cherish popular education.

In local, State and national tests Catholic school pupils rank equal to and sometimes rank superior to pupils in public schools. Buildings and physical equipment in new Catholic schools are among the finest, rivaling and at times exceeding public schools. One new school for 1,000 pupils would cost at least $850,000, and 2,200 of them would cost the staggering sum of $1,875,000,000. However, it is not the first cost but the upkeep that brings headaches to school administrators.

It would take nearly 2 years to buy land and erect all the 2,200 new public schools necessary to care for the immense increase from Catholic enrollment. Many thousands of trained and certificated teachers must be procured. Billions of dollars borrowed by school boards to erect, staff and maintain these new schools would enormously increase school taxes, even though our backs are now just about broken with the tax burden.

No American multimillionaire, be he a Rockefeller, Carnegie, Frick or Mellon, or all of them combined, ever has made such a gigantic contribution to education as have the Catholic people of the United States. American taxpayers should be everlastingly grateful to their Catholic neighbors and fellow citizens, most of whom are poor, for the magnitude of their contribution every year to give to millions of American children a thorough training which emphasizes the over-all religious significance of life.

THOMAS F. COAKLEY,
Sacred Heart Church.

German War Crimes Trials

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mrs. ST. GEORGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered in the House of Lords, by the Lord Bishop of Chichester:

GERMAN WAR CRIMES TRIALS

(The Lord Bishop of Chichester rose to call attention to the present situation in Germany in relation to war crimes trials; and to move for papers. The right reverend prelate said:)

My Lords, the motion which stands in my name raises issues of justice, humanity, and political wisdom. It affects the Germans, for the future of the new West German Republic, and indeed of Germany, depend in no small part on the question whether or not it develops in an atmosphere of confidence; and the war crimes trials are among the deepest troubles of the German people. But still more this motion affects ourselves, and our reputation for justice and humanity; and on that ground in particular I plead against a further continuance of trials in any form, including the prosecution of the three German generals, and I ask for a review of the sentences of all war criminals who have been already convicted. This subject has been much discussed in this House and elsewhere, and there is general agreement on the magnitude of the atrocities perpetrated by the instruments of Hitler's domination in the occupied countries, and on the legal rightness of punishing the main criminals. But it has been recognized from the start, first, that the important thing is to establish a proper idea of the international rule of law and to make examples and, next, that the dealing with the criminals should be just and prompt.

Now, my Lords, it is 4 years since the end of the war, and the War Crimes Commission was itself deliberately wound up in March 1948; and, whatever we may think of the ultimate principle involved in the whole system, the longer it continues the more difficult it is to defend, and to carry the

conscience of the enemy with us. We have to remember that nothing like it was instituted before on such a scale—and note the gravity and the vulnerability of the position of the President. No one could have presided over the International Military Tribunal in a more masterly or more fair manner than did Lord Oaksey; but the law imposed upon the tribunal was a very rigid law, in some respects, novel; and the making of a special charter at all opens out all sorts of dangers in circumstances different from those which were under our control.

There are three main points of criticism. First, the charter deals only with the crimes of the vanquished; but, it is very difficult for a defeated foe to appreciate the justice of punishing such crimes as the deportation of civilian populations in occupied territory, looting, murder of prisoners of war, and devastation not justified by military necessity, when similar charges could be brought against one or more of the Allies, but are not brought. The second point of criticism is that the charter makes war of aggression a crime against peace. I can at least safely say, as an amateur, that this is much disputed among international lawyers; and the history, just published, of the United Nations War Crimes Commission gives a very interesting and full account of this disputability—not in morals but in international law. It points out that the majority of the special subcommittee and of the Legal Committee of the War Crimes Commission regarded it as by far the most important issue of substantive law before taking the view that aggressive war, however reprehensible, did not represent a crime in international law, and that this position was not altered by the Kellogg Pact. The arguments at Nuremberg and Tokyo agreed with the charter. All I would say is that the issue is highly controversial, and that Nuremberg made a new enactment.

The third point of criticism concerns the rule about superior orders. Article 8 of the Nuremberg Charter runs thus:

"The fact that the defendant acted pursuant to order of his Government or of a superior shall not free him from responsibility but may be considered in mitigation of punishment."

Law No. 10, under which all subsequent proceedings took place, defines that responsibility much more precisely. Article 11 of this law says that "any person without regard to nationality or the capacity in which he acted is deemed to have committed a crime * * * if he was (a) a principal or (b) was an accessory to the commission of any such crime or ordered or abetted the same, or (c) took a consenting part therein, or (d) was connected with plans or enterprises involving its commission, or (e) was a member of any organization or group connected with the commission of any such crime."

I do not see how anyone, however remotely connected, could under these provisions be free from responsibility. The principle respondeat superior must be recognized as important in law—and all the more when we remember that Germany was a military, and, indeed, a police state, and that a man was likely to be shot if he disobeyed.

Again, so far as war crimes proper are concerned, this article in the charter goes much further than the manuals of military law in force when the war broke out. I have studied some of the actual texts of these, and I find that the German, the French, the Russian, the American, and the British manuals all allow superior orders to be a valid defense on a charge of war crimes. The British manual, up to April 1944, was the plainest of all. Paragraph 443 of the British Manual of Military Law includes these words:

"It is important, however, to note that members of the armed forces who commit such violations of the recognized rules of warfare as are ordered by their government, or by their commander, are not war criminals and cannot, therefore, be punished by the enemy."

This paragraph, and a similar paragraph in the American Manual, were drastically altered in April 1944; but that was the rule from 1914 to 1944. It was the rule at the time of the Moscow declaration of atrocities of October 1943.

All these points have a bearing on the general issues. But the last point of criticism deals with a principle of the greatest importance, concerning the responsibility of individuals in the case of all types of war crime—crimes against peace and against humanity, especially where administrators, diplomats, and naval and military chiefs are concerned. The ultimate guilt lies with the makers of policy. It is the originators of the policy—men like Hitler, that man of diabolical power, and his most intimate political accomplices—on whom the gravest responsibility lies. I think we ought to have distinguished, far more radically than any government has yet distinguished, between the primary and principally guilty men and the rest.

The last Nuremberg trial took place under three American judges, and ended in April. It is, I believe, their last trial. It tried diplomats and civil servants. Some of these were deeply involved in policy; others were diplomats and administrators only. Von Weizsacher, the Permanent Secretary of State in the Foreign Office, was the most important of the diplomats. Two judges sentenced him on certain counts to 7 years' imprisonment. Judge Powers gave a dissenting judgment that he was not guilty at all, but the majority opinion includes this surprising statement:

"While admitting that many things passed over his desk and received his initials of approval as to which he harbored mental reservations and objections, he states he remained in office for two reasons: First, that he might thereby continue to be at least a cohesive factor in the underground opposition to Hitler by occupying an important listening post, maintaining members of the opposition in strategic positions, distributing information between opposition groups in the Wehrmacht, the various governmental departments, and in civil life; and, second, that he might be in a position to initiate or aid in attempts to negotiate peace. We believe him."

That phrase "We believe him" is extremely important. We may wish that he and many others had refused to cooperate, but many diplomats, including permanent Under Secretaries of State in other Foreign Offices, have disapproved the policy of their Prime Minister or Foreign Secretary and have yet not resigned. I hope that there may be a radical revision of the majority verdict.

The case is hardly less strong in connection with naval and military chiefs. I personally greatly regret the weakness and timidity of the generals in failing to stand up against Hitler, both before and during the late war. Many of their actions, or their failures to act merit strong moral condemnation. But we must beware lest the ultimate result of the policy adopted by the victors after the war has this result, as described by Brig. Gen. J. H. Morgton, K. C., in his examination at Nuremberg. He says:

"It may be that in the wars of the future, the belligerents, confronted with the possibility of losing them and, in that event, of being predestined, if vanquished, to be accused of 'aggression,' will wage them with all the greater fury and inhumanity, on the principle that it is as well to be hung for a sheep as a lamb."

Field Marshal Viscount Montgomery in Paris, at the Franco-British luncheon on July 8 of last year, said that the Nuremberg trials made the waging of unsuccessful war a crime, for the generals of the defeated side would be tried and then hanged. I shall come to the two field marshals and the one general in a moment, but with this background I urge the time has come to bring all prosecutions to an end and grant a general amnesty.

Let us just look at the figures. The history of the United Nations War Crimes Commission states that on March 31, 1948, there were 34,270 German individuals listed, of whom 22,409 were war criminals proper, 9,339 were suspects, and 2,522 were material witnesses. If we add 1,677 war criminals proper of other European nationalities, we arrive at a total of 23,086 war criminals proper listed by the War Crimes Commission. Of these, on March 31, 1948, a year ago, 3,470 had been brought to trial in Europe and 2,857 had been convicted. Lord Wright, the Chairman of the War Crimes Commission, said in your Lordships' House on March 30, 1945, that if 10 percent of the war criminals were apprehended and dealt with, it would be more than satisfactory.

Let us see who now await trial in the British zone. I know there are not many left. A great many have been tried and convicted and some have been acquitted; but there are three classes awaiting either trial or consideration for surrender. First—as I believe; I do not know now the exact figure because it varies—there are 12 Germans accused of crimes against humanity. There may be grave offenders among them. I do not know any of their names but, in view of the time that has elapsed, I think we should be prepared to risk now that some criminals escape punishment. The second category is the category of those two field marshals and one general to whom so much attention has been directed. Field Marshal Von Runstedt and General Strauss are old and ill. Field Marshal Von Manstein, younger, aged 61, is not so ill, although I understand his eyes are very bad. The answer to the question which the noble and learned viscount on the woolsack put last November: "Are these men fit to stand their trial?" maybe "No" in the case of two, and "Yes" in the case of one. But, in my opinion, to allow any trials to proceed is to miss the main principle, which is one of justice at this date.

The circumstances of their removal from Britain are well remembered. It is sufficient to say that the first formal notice that they would be tried by a military court was received on August 28, 1948, 3 days before the last day for deciding on further prosecutions at all, but no precise details were given as to charges or facts. Last November the noble and learned viscount on the woolsack spoke of the immense amount of work to be done and of papers in the United States. On January 1, so-called holding charges of war crimes were delivered to these three survivors. I have seen them. They consist of short sentences describing the type of crime without giving any details enabling the defense to prepare its case. Up to the end of last week—I do not know what the position is today—no detailed statement of the case for a prosecution together with copies of documents had been handed to them. Supposing that indictment is handed to them next week the defense must be given sufficient time to prepare their answers, and they should surely have access to the files of the military establishments which were under their command. The noble and learned viscount in November hoped that the trial might be staged in March, though he gave no promises. It will be June or July, or even August, before the trial is likely to be staged now; and

my question is: How shall we be able to justify to history the trial of any, in these circumstances, at this date?

I do not dispute that the charges may be very grave. Nor do I dispute that their subordinate, Lt. Gen. Carl von Rogues, was sentenced by an American tribunal in October last to 20 years' imprisonment, and Lt. Gen. Otto Wothler Von Manstein's chief of staff, to 7 years' imprisonment. We know that both Von Manstein and Von Runstedt were asked in July, to give evidence in these cases. Important facts regarding them must surely have been known in March 1948, when the Russians pressed for the delivery of these two field marshals. It is the delay that is the crux of the matter. After all this time, at this distance from the Moscow declaration, after 4 years of imprisonment, let them go. Incidentally I would like to ask whether they and other war criminals, after they have served their sentences, or after they have been set free, are subjected to denazification in German courts if they want their funds unlocked or for any other purpose.

There is the third category—namely, the much larger class of alleged war criminals in British custody whose surrender is asked to the governments of the countries in which the crimes were committed, in accordance with the Moscow declaration. The method of deciding what is prima facie evidence justifying surrender has been greatly improved since the tribunals were established in 1947, but we can understand the terror of surrender to certain eastern countries. I need only remark that, according to the history of the War Crimes Commission, up to May 1947, Yugoslavia had tried 79 war criminals, 63 of whom were sentenced to death and none acquitted. A recent order has been given that no fresh applications for surrender will be entertained except on charges of murder. But murder charges are often an excuse for the interrogation of such persons about the politics of other people in the country to which they have been surrendered. A death sentence passed in absence on a person who was a boy of 15 when the war broke out—and there are such cases—can hardly be regarded as adequate prima facie evidence. I have much correspondence on these matters and I am grateful to the foreign office for the trouble they have taken in them, and I know personally many cases of a most tragic character, many suicides in different camps, after the order of surrender has been given. They have chosen suicide rather than go to certain torture or death in particular countries. So I would urge an end to the surrenders.

I have spoken of the field marshals and the general; I have spoken of those charged with crimes against humanity and of those demanded for surrender. As I have no doubt the noble lord will tell us in his reply, there are many signs of a general closing down of these war-crimes trials, in the British zone as well as elsewhere. So in my plea for a general amnesty I ask for a reconsideration of the sentences already passed. In the American zone last year charges were made, to us the words of the American judge, Judge Van Roden, "of atrocities committed by American investigators in the name of American justice at the United States court in Dachau." The American Army Department accordingly appointed a commission consisting of Judge Simpson, Judge Van Roden, and Colonel Lawrence, to investigate 139 confirmed but unexecuted death sentences, and their circumstances. The Commission's report was published in January of this year. They found that no general charge of improper methods could be sustained but that in the Malmedy case—and here I quote:

"The propriety of many of the methods employed to secure statements from the accused is highly questionable and, we conclude, cannot be condoned."

They recommended the commutation of death sentences in altogether 29 cases. They also recommended—and this is my point—that the Commander in Chief should establish as soon as practicable a permanent clemency program for the consideration of the sentences of prisoners convicted in war-crimes cases. So I would ask His Majesty's Government to establish a similar permanent-clemency program, with machinery for reconsideration of all sentences of persons convicted. It is only too well known that some prisoners who were sentenced earlier in a rather severe way would not today have been prosecuted.

I have one final point before I sit down. I would ask His Majesty's Government to look at the conditions in which the major war criminals are imprisoned at Spandau Prison in the British sector of Berlin. I am not speaking of the merits or, rather, the demerits of the major war criminals, but I would call attention to this point. All these major war criminals at Spandau are completely isolated from the outside world and forbidden to read newspapers or to get any news. Their relatives are allowed to visit them for a quarter of an hour every other month. Correspondence between prisoners and their families is so delayed and so heavily censored at times that it is often stopped for weeks, and so defaced as to be unintelligible. And the severity of the confinement is such that the chaplain is able to administer spiritual counsel only in the presence of a sentry. Probably the decision a year ago to terminate the Allied Control Council, which decision is now to be reversed, has made it impossible to secure consideration of individual cases.

My Lords, I have put the general situation before you. I ask for an amnesty at this stage; no more prosecutions; no more surrenders to other governments, and a reconsideration of all sentences passed. I do it, not because I am under any illusion as to the gravity of the crimes or as to the terrible part so many have played in bringing misery and suffering to millions, but because a time comes when an end ought to be put to the penal process. The noble and learned Lord, Lord Wright, in the course of some words upon the United Nations war crimes trials, stated:

"Once it is felt that the idea of an international rule of law and its suitable endorsement, have been established, with the support of sufficient precedents, humanity is glad to be relieved of the nightmare of the past. * * * The majority of the war criminals will find safety in their numbers. It is physically impossible to punish more than a fraction. All that can be done is to make examples."

The rule of law has been demonstrated, many examples have been made, and exactly a year ago—on May 5, 1948—the noble and learned viscount who sits on the woolsack said in this House, in a debate on the United Nations Commission on Human Rights:

"I look forward to the day when at long last these trials can come to an end. I think that the indefinite prolongation of the trials, although of course there may be exceptional cases where delay is necessary, is no longer performing a useful or a desirable task. If justice is spread out over too long a period it begins to look like vengeance, which is very different from justice."

He closed with the remark that, in saying what he had said, he had the support of an overwhelming body of opinion among all parties. With the proviso that after one more year it can no longer be necessary to maintain even one exception, these words of the noble and learned viscount are truer than ever today, and I ask His Majesty's Government to act upon them. I beg to move for papers.

What F. D. R. and Stalin Really Did at Yalta

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Monday, June 20 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, I think it very fortunate that there was published in the June 21 issue of Look magazine an article by Hon. Edward R. Stettinius, Jr., on the subject of what really happened at Yalta. I ask unanimous consent that the article by Mr. Stettinius, former Secretary of State, be published in the RECORD.

An estimate from the Government Printing Office indicates that the article will exceed by one-quarter of a page the two printed pages allowed under the rule without a statement of cost, and that the cost will be $168.75.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT F. D. R. AND STALIN REALLY DID AT YALTA

(By Edward R. Stettinius, Jr.)

The American people have encountered grave disappointments in our relations with the Soviet Union since 1945. These have resulted in widespread acceptance of the idea that at Yalta vital interests of the United States were sacrificed to appeasement of the Soviet Union.

The idea is false.

It is important for the public to know exactly what took place at Yalta and, almost equally important, what did not take place. I was present at Yalta as Secretary of State, and there are certain facts that may be known to me alone since the deaths of President Roosevelt and Harry Hopkins.

The record of the Yalta Conference clearly reveals that the Soviet Union made greater concessions to the United States and Great Britain than it won from them. The agreements reached among President Roosevelt, Prime Minister Churchill, and Marshal Stalin were, on the whole, a diplomatic triumph for the United States and Great Britain.

The attacks on the Yalta Conference, excluding those which seem to be motivated by a blind hatred of Franklin D. Roosevelt, are really the result of bitter disappointment over what happened afterward. Difficulties developed, not from the agreements reached at Yalta, but from the failure of the Soviet Union to honor those agreements.

Yalta was an honest effort on the part of Great Britain and the United States to determine whether or not long-range collaboration with the Soviet Union could be attained. Had such an effort not been made, the world would quite rightly be in doubt as to where the blame lies for the present world situation.

I firmly believe that when all the evidence is in, and when the conference is seen in its proper perspective, Yalta will become a symbol—not of appeasement, but of a wise and courageous attempt by President Roosevelt and Prime Minister Churchill to set the world on the road to lasting peace.

LEADERS REACH AGREEMENTS

The Yalta Conference lasted for 7 days—from February 4 to February 11, 1945. It was not only the longest meeting of the three war leaders, it was also the first time in a

formal conference that the three leaders reached fundamental agreements on postwar problems as distinct from mere statements of aims and purposes.

Two of the most controversial matters on which agreements were made concerned the United Nations world organization and Poland. What did Marshal Stalin concede on these questions?

In the agreement on the world organization, the Soviet Union accepted the American formula for voting in the Security Council. Originally, the Russians wanted a big power veto in all decisions of the Council where one of the big powers was involved in a conflict. But the United States insisted that the veto should not apply when the Council sought a peaceful settlement, as opposed to economic and military sanctions. And Marshal Stalin finally agreed.

John Foster Dulles reported to the American delegation at San Francisco on May 26, 1945, that "Ambassador Gromyko recently had told him the voting formula represented a big compromise from the Russian point of view."

It was clear from the discussions at Yalta that Marshal Stalin was primarily interested in an alliance of Great Britain, the United States, and the Soviet Union. By securing his agreement to the American voting formula, however, President Roosevelt was able to achieve more than an alliance of the great powers.

UNITED STATES FAVORED VETO

It is absolutely incorrect that the permanent members were granted the veto power on most questions only because of Russian insistence. The American delegation, at Dumbarton Oaks and after, favored the big power veto on matters involving sanctions. The United States delegation had been advised that the Secretary of War, the Secretary of the Navy, and the Joint Chiefs of Staff were united on this question, as a matter of fundamental military policy. They felt that the United States should not join any world organization in which its forces could be used without its consent. The veto was also favored by the Members of Congress who were consulted on the plans for the United Nations.

The whole controversy over the veto power of the permanent members of the Security Council overlooks the fact, anyway, that it is not the veto itself but the misuse of the power to veto that has impeded the effectiveness of the Security Council.

Another concession by the Soviet Union on the world organization came when it withdrew its request for 16 votes in the face of the adamant position of the United States and Great Britain.

The Soviet Union also withdrew its request that Great Britain and the United States agree at Yalta to invite the Ukraine and White Russia to the opening session of the San Francisco Conference. The President and the Prime Minister did pledge to support admission of the two when the San Francisco Conference voted on this matter. The additional votes in the Assembly were not too significant. They have not been an important factor in the work of the United Nations, one way or the other. The effectiveness of the United Nations has been limited by the inability of the Soviet Union, Great Britain and the United States to work together in an amicable fashion, not because the Soviet Union has three votes in the Assembly.

In view of the many concessions made by the Soviet Union to the American position on world organization, the two additional votes were only a minor concession to the Russians. It was far wiser, President Roosevelt decided, to meet the request of the Soviet Union on this point, and secure its participation in a United Nations Conference, than possibly to drive it entirely away.

F. D. R. WINS UN CONCESSIONS

It is also worth noting the assurances the President got from the other two leaders in this connection. Both promised to support a proposal for additional votes for the United States if he should find it necessary to ask for them. Mr. Roosevelt, however, decided before his death that the United States would not ask for additional votes.

Other matters the Soviet Union agreed to included the American definition of the countries to be invited to the San Francisco Conference. As a result, those associated nations who declared war by March 1, 1945, were able to take part in the conference as original members. This decision made it possible for a number of Latin-American nations, particularly, to take part. Here was a substantial concession that Stalin made at the urging of Mr. Roosevelt.

Still further, President Roosevelt insisted on the right of full and frank discussions in the world organization. Although the Soviet Union did not like it too well, the President made it clear that all nations had the right to be heard. As a result, the smaller nations have been able to use the United Nations as a forum to present their views to the world.

So much for the concessions Mr. Roosevelt won on the world organization. How did he fare on the Polish issue?

RED ARMY IN CONTROL

This proved to be the most controversial and the most difficult of all the questions considered at Yalta. While the three leaders were meeting, American and British troops had just recovered ground lost in the Battle of the Bulge. The Allies had not yet bridged the Rhine. In Italy, our advance had bogged down in the Apennines. The Soviet troops, on the other hand, had just swept into almost all of Poland and East Prussia, and had reached at some points the Oder River in Germany. Most of Hungary had been liberated, eastern Czechoslovakia had been occupied, and the Yugoslav Partisans had recaptured Belgrade in October 1944.

By February 1945, therefore, Poland and all of eastern Europe, except for most of Czechoslovakia, were in the hands of the Red army. As a result of this military situation, it was not a question of what Great Britain and the United States would permit Russia to do in Poland, but what the two countries could persuade the Soviet Union to accept.

President Roosevelt refused, as did the Prime Minister, to accept the Russian request that the western boundary of Poland be the western Neisse River. Marshal Stalin finally withdrew this demand and agreed to leave the western frontier of Poland to be settled at the peace conference.

Later, at Potsdam, the Oder-Neisse was made the boundary between Poland and the Soviet Zone of Occupation in Germany. But the final determination of the western boundary continues to await a German peace treaty.

At the eastern frontier of Poland, Marshal Stalin insisted upon the Curzon Line. The Curzon Line had been drawn on December 8, 1919, by an Allied Commission, headed by Lord Curzon of Great Britain, in an attempt to define Poland's eastern frontier. The line roughly followed ethnographical frontiers. The Soviet Union considered that the area east of that line had been taken from them by force after World War I. Before the Yalta conference, Mr. Churchill had already supported the Curzon Line in the House of Commons.

STALIN INSISTS ON CURZON LINE

President Roosevelt suggested that the Soviet Union might consider leaving the Polish city of Lwow and some oil lands to Poland. The Prime Minister also suggested that some such gesture would be reassuring to the world. But Marshal Stalin insisted that he could not be "less Russian" than Curzon and Clemenceau, who had first agreed to this frontier line. However, he did later propose minor deviations of from six to eight kilometers in favor of Poland.

The United States was in no position at Yalta to change the Russian attitude on the eastern boundary.

The question of Poland had been further complicated by the Lublin Provisional Polish Government which the Soviet Union had established by the time of the Yalta Conference. Both President Roosevelt and Prime Minister Churchill adamantly refused to recognize this puppet regime. Agreement on the government of Poland proved to be the most difficult and time-consuming question at Yalta.

The Soviet Union insisted that all that should be done to the Lublin Government was to enlarge it. President Roosevelt and the British insisted that it had to be reorganized so as to include democratic leaders from both inside and outside Poland. This position took into account the existence of the Polish Government in London.

LEADERS GIVE AND TAKE

Marshal Stalin finally agreed to the reorganization of the Lublin Government by the inclusion of democratic leaders from at home and abroad. He also agreed with the British and American request that free and unfettered elections be held at an early date.

President Roosevelt withdrew from the American formula the phrase that "the Ambassadors of the three powers in Warsaw following such recognition (of the reorganized government) would be charged with the responsibility of observing and reporting to their respective Governments on the carrying out of the pledge in regard to free and unfettered elections."

Although President Roosevelt did withdraw this wording, he made it clear that the Ambassadors would nonetheless still perform this function. The sentence was reworded, therefore, to read that the three powers "will exchange Ambassadors (with Poland) by whose reports the respective Governments will be kept informed about the situation in Poland."

It is true, of course, that the decision was not as clear-cut as President Roosevelt had desired. President Truman, in discussing the Polish agreement with me on April 21, 1945, expressed regret that the agreement was not more specific. But he added that he realized President Roosevelt had made every effort to make it crystal clear.

The agreement on Poland was—under the circumstances—a concession by Marshal Stalin to the President and the Prime Minister. It was not exactly what he wanted, but, on the other hand, it was not exactly what the Soviet Union wanted.

POLAND NOT SOLD OUT

It was not a sell-out of democratic Poland, as has been widely charged, but a pledge from Marshal Stalin that he would allow a new government to be organized and that free elections would be held in a country that was entirely at his mercy. The trouble was not the Yalta formula but that the Soviet Union failed to live up to the terms of the agreement.

Many other questions taken up at Yalta found the President winning concessions from Stalin. At Mr. Roosevelt's request, Stalin agreed, for the first time in the war, that there should be a real coordination of Russian and western military activities.

Marshal Stalin also agreed with the President's request that Soviet air bases near Budapest and elsewhere be made available to the United States Army Air Force.

For the first time, too, there was a frank statement by the Soviet Union of its future plans for offensive operations.

SOVIETS ACCEPT FRENCH ZONE

The Russians also backed down on the subject of the French zone of occupation and

France's membership on the German Control Commission.

Very early in the conference, the Soviet Union withdrew its objection to the recommendation made by the President and the Prime Minister that the French be assigned a zone of occupation from the British and American zones.

The British all along had insisted that the French should also be on the control commission. When President Roosevelt eventually agreed with the British, the Soviet Union also withdrew its vigorous opposition to this proposal.

It should be noted that the German zones of occupation were worked out by the European Advisory Commission in London before Yalta. I know of no evidence to support the charge that President Roosevelt agreed at Yalta that American troops should not capture Berlin ahead of the Red Army. General Eisenhower has written that the question of American troops not pushing into Berlin was decided in March 1945 solely on military grounds.

GERMAN REPARATIONS DISCUSSED

The subject of German reparations, as settled at Yalta, also has been misunderstood. Both Great Britain and the United States agreed on the principle of exacting reparations. But we were most anxious to avoid the disastrous experience of reparations after the First World War.

In July 1946, V. M. Molotov, at a meeting of the foreign ministers, stated that President Roosevelt at Yalta had agreed to $10,000,000,000 of reparations for the Soviet Union. This was incorrect. President Roosevelt was willing that the Russian figure of $20,000,000,000—with 50 percent to go to the Soviets—be considered by the Reparations Commission in its initial studies only as a basis for discussion and not as an agreed amount. The Soviet Union accepted the American position.

Ivan Maisky, Russian vice commissar of foreign affairs, at the foreign ministers' meeting on February 10 at Yalta—and Molotov was present—agreed that the reparations formula "did not commit the Allies to the exact figure." Marshal Stalin at the plenary session that same day stated that no commitment as to figures was involved. The figures mentioned, he explained, would be used merely as a basis for discussion by the Reparations Commission.

Two final questions on the postwar settlement of Europe on which the Russians backed down concerned the agreement on Yugoslavia and the declaration on liberated Europe.

The Yugoslav agreement called for a new government for that country. The Soviet Union accepted two British amendments to the agreement.

And the declaration on liberated Europe followed the American draft, which was accepted with almost no opposition. When Marshal Stalin realized that President Roosevelt would not accept two amendments proposed by Molotov, the Marshal withdrew them.

What then did the Soviet Union gain in eastern Europe that she did not already have as the result of the smashing victories of the Red Army? The answer is nothing. And yet the United States and Great Britain were able to secure pledges at Yalta, unfortunately not honored, beyond anything that could be expected.

Some critics point to the Far Eastern Agreement made at Yalta. This agreement specified that Russia would declare war on Japan 2 or 3 months after VE-day. The conditions attached to it included preservation of the status quo in Outer Mongolia; restoration of Russian rights in the Far East violated by Japan in 1904 and the transfer of the Kurile Islands to the Soviet Union.

What, with the possible exception of the Kuriles, did the Soviet Union receive that she might not have taken without any agreement? If there had been no agreement, the Soviet Union could have swept into North China. The United States and the Chinese would have been in no real position to prevent it.

It must never be forgotten that the Pacific war was far from won while the Yalta Conference was taking place. President Roosevelt had been told by his military advisers that the surrender of Japan might not occur until 1947. Some predicted an even later date.

It must be remembered, too, that it was still uncertain whether the atomic bomb could be perfected. And, since the Battle of the Bulge, it was uncertain how long it might take to crush Germany. More than a military reversal, the Battle of the Bulge cast a deep gloom over the confident expectation that the German war would end soon.

In hindsight, it might be said that the widespread pessimism was unwarranted. The significant fact is not this hindsight, however, but the effect of this pessimistic thinking on the strategy and agreements worked out at Yalta.

It was important to bring the Soviet Union into the war against Japan and win the same cooperation there as on the European fronts and in the world organization.

Furthermore, critics of the Far Eastern Agreement have tended to overlook the fact that the Soviet Union made two pledges in the agreement; that China was to retain full sovereignty in Manchuria and that the Soviet Union would conclude a pact of friendship with the Chinese Nationalist Government.

The far eastern agreement was not handled by the State Department. President Roosevelt advised me at Yalta that, since it was primarily a military matter, he and Ambassador W. Averell Harriman would conduct the negotiations with Stalin. Harriman—our over-all coordinator of American military and civilian affairs in Moscow—had had conversations with the Russians on this before Yalta.

It is my understanding that the American military leaders felt that the war had to be concluded as soon as possible. There was the fear that heavy casualties in Japan or the possible lack of continuous victories would have an unfortunate effect on the attitude of the American people.

President Roosevelt had great faith in his Army and Navy staffs, and he wholeheartedly relied upon them. Their insistent advice was that the Soviet Union had to be brought into the far eastern war soon after Germany's collapse. The President, therefore, in signing the far eastern agreement, acted upon the advice of his military advisers. He did not approve the agreement from any desire to appease Stalin and the Soviet Union.

It is apparently the belief of some critics of the Yalta Conference that it would have been better to have made no agreements with the Soviet Union. Yet if we had made no agreements at Yalta, the Russians still would have been in full possession of the territory in Europe that President Roosevelt is alleged to have given them.

The failure to agree would have been a serious blow to the morale of the Allied world, already suffering from 5 years of war. It would have meant the prolongation of the German and Japanese wars; it would have prevented the establishment of the United Nations and it would probably have led to other consequences incalculable in their tragedy for the world.

President Roosevelt did not surrender anything significant at Yalta which was within his power to withhold. The agreements, on the other hand, speeded up the end of the war and greatly reduced American casualties.

The Yalta Conference also made it possible to create the United Nations. Events since Yalta have made it difficult for the United Nations to operate effectively. But I am convinced that the United Nations still can become the greatest achievement in history toward the building of a stable and peaceful world.

Resolution of House Republican Conference

EXTENSION OF REMARKS

OF

HON. JOSEPH W. MARTIN, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. MARTIN of Massachusetts. Mr. Speaker, in the last meeting of the House Republicans in conference, the following resolution was adopted:

Whereas the Eightieth Congress, recognizing the need for greater economy and efficiency in the conduct of public business, enacted H. R. 775, by Mr. BROWN of Ohio and Senator LODGE in the Senate, now known as Public Law 162, to create the bipartisan Commission on Organization of the Executive Branch of the Government; and

Whereas the Commission has completed nearly 2 years of study and investigation of the executive branch of the Government, and has submitted to the Congress 3,018 recommendations and findings, which, if adopted, can save at least $3,000,000,000 a year in the operational costs of the Federal Government and bring about greater efficiency in public affairs; and

Whereas it will require not only the cooperation of the Chief Executive and his various subordinates in the executive branch, but also the enactment of various legislative measures by the Congress to put the recommendations of this Commission into effect; and

Whereas it is of the greatest importance to the welfare of the United States that the reforms and changes recommended by the Commission, which was headed by our only living ex-President, the Honorable Herbert Hoover, be put into effect at the earliest possible moment; and

Whereas the President of the United States has publicly stated that he would extend his full cooperation to the end that the objectives sought may be obtained; and that "the present organization of the executive branch, in many instances, imposes handicaps on effective and economical administration and must be brought up to date," and that the "task * * * is to crystallize this general belief into concrete and wise proposals for action." In a recent special message to the Congress the President hailed the work of the Commission as representing "a landmark in the field of Government organization": Therefore be it

Resolved, That this conference of the Republican Members in the House of Representatives of the Congress of the United States hereby officially pledges its support of all endeavors to obtain prompt consideration of the recommendations of the Commission as submitted to the Congress; and be it further

Resolved, That it will be the purpose and intent of this conference to support all proper and necessary legislation which will most effectively carry forward and translate into action the recommendations and findings of the Commission as far as it is practical and possible to do so by legislative procedure; and be it further

Resolved, That the Republican conference will extend its cooperation to all other efforts which may be made by other branches of the Government to properly implement recommendations and findings of the Commission on Organization of the Executive Branch of the Government.

Address of Admiral Louis E. Denfeld

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. McCORMACK. Mr. Speaker, I herewith include, with pleasure, in my remarks a splendid and inspiring address delivered on June 12, 1949, by Admiral Louis E. Denfeld, United States Navy, Chief of Naval Operations, at the commencement exercises of Father Flanagan's Boys' Town.

"By your actions will you be known," said Admiral Denfeld. How true. These words, if adhered to and lived up to constitute the road to worldly and eternal happiness.

The address follows:

Your Excellency Archbishop Bergen, Monsignor Wegner, the Honorable Secretary of the Navy, Father Walsh, graduates, undergraduates, and friends of Father Flanagan's Boys' Town, ladies and gentlemen, it has been a privilege and an inspiration for me to have had the opportunity to spend the past 2 days at Boys' Town and to see the wonderful work done by Monsignor Wegner and his staff for the boys here.

A few days ago, I attended the graduation exercises at the United States Naval Academy, a school that is justly proud of its traditions and of the men who are its sons. It was my happy duty to administer the oath of office to the several hundred graduates entering the naval service, the young men who are dedicating themselves to a way of life.

Boys' Town too has its noble traditions, its share of illustrious sons, and I am grateful to you for asking me to speak to you today.

The beautiful surroundings of this school that are a living monument to a great man's practical dream inspire me, and it is with a deep sense of humility that I pay tribute to him now.

I count it a privilege to have known Father Flanagan; his friendship was, and is, one of my most valued possessions. He was a national figure when I first met him, a man loved by people of all faiths and races.

But 32 years ago Father Flanagan was hardly known. He had, however, a great vision, an even greater heart. It was then that he borrowed $90, enough for the first month's rent on a two-story house in Omaha to found what became Boys' Town.

Father Flanagan had faith. A strong, Christian faith. He knew that "faith would move mountains." The mountains he had to move was the lethargy of his fellow men. But Father Flanagan moved that; and now Boys' Town is not just a single house in a city, but many houses and an area of over 1,000 acres.

The growth of Boys' Town is a lasting example of the power of faith; faith in an ideal; faith in God.

But with his sublime faith Father Flanagan also was endowed with a generous amount of courage.. It was the kind of courage that has made our Nation morally strong.

It is the kind of courage all of us must display if we are to achieve peace and decency in a world that for all too long has seemed bent on its own destruction.

History is replete with Father Flanagans—gentle men, humble men, but it is to their faith and courage that we owe the progress of all mankind.

You boys who are graduating today are indeed fortunate to have had the privilege of living in Boys' Town. All your education, all your training has been directed to this day.

I congratulate you.

But as the Commander in Chief of your Navy, let me ask you individually, where do you go from here?

That is the question I would ask any young man entering the Navy. It is a question that every man should ask himself all the days of his life.

Asking, however, is not enough. You must look ahead and plan. Like the navigator at sea, you cannot sail blindly. Use the many aids that are available to guide you. Consult the sailing directions—the things you learned here at Boys' Town by precept and example. Follow the charts of the teachers you have known. They will keep you away from the reefs of trouble. Be guided always by the pure light of the men who have given so much to you.

There will be times, of course, when you will be tried to the limit of your endurance. And because of your youthfulness you will wonder why certain things happen to you. But don't just sit and wonder. Do something about it. Search yourself for the answer, and once you find a ray of hope, carry through to the best of your ability. Your action may be important not only to you but to others around you.

There were many examples of this during the last war. I will relate one case of one branch of the Navy—the submarine service.

One of our submarines had finished an attack on a Japanese convoy. The attack had gone off well. The submarine had fired its torpedoes and heard the explosions as they hit home. Then came another sound—the sound of enemy destroyers bent on vengeance as they dashed in quickly for the counterattack.

The skipper of the submarine ordered his craft to dive deeply. Down the boat went until it reached the bottom. Then with engines silent the crew quietly awaited the depth charges that were sure to come.

Waiting in a submarine, hearing depth charges go off all around, and not knowing whether the next one will bring destruction to you and your boat, is a terrifying ordeal. It is terrifying because there is nothing you can do except wait and hope that the enemy will lose the scent and give up the hunt. The submarine's only protection in such a situation is to keep quiet, hidden in the black depths of the ocean.

This particular attack lasted a long time. The Japanese destroyer kept on hunting, and many of its depth charges went off uncomfortably close. So close that the submarine suffered a lot of damage—water came into the boat and the men were understandably extremely tense. Moreover they were losing hope.

It was then that the captain decided he would make a tour through the compartments of his ship and try and cheer up the men. As he went from one compartment to another, as he looked in the drawn faces of his men, he mustered all the courage and faith at his command and said: "Don't worry, men. I got you into this. Trust me and I'll get you out."

The men were cheered by the captain's action, and in a little while the explosions stopped. The submarine eventually limped back to port for repair. Now my point in relating this episode is that although the captain couldn't do much, he at least did something.

I hope, of course, that you boys will have, as sailormen say, fair weather in your life's cruise. But I know you won't always have calm seas. In any cruise, be it that of a ship going from one port to another—or a man's life—there are bound to be periods of stormy weather. When the storm hits you, turn adversity to your advantage. Meet the challenge by overcoming it, and in its wake will come a gratifying sense of accomplishment, the only lasting reward that life can give you.

We live in a democracy. The basic tenet of a democratic society is that people in it work for the welfare of all the individuals comprising the democracy. This requires teamwork—the same kind of teamwork that has given Boys' Town such an enviable record.

Our democracy also makes it possible for the individual to become recognized in his chosen field. We do not tolerate any preconceived notions that a boy must follow his father's trade or profession. Neither is a man's rise limited because he happens to come from a certain section of the country. Race and religion likewise are no barriers to a man's ambitions in this great unification of States.

Your own State of Nebraska is hundreds of miles from the sea, yet it has given the Navy some of its finest sons. Without regard to religion or color, there are men from Nebraska who are serving in all grades and ranks, from seaman to admiral.

Recently, Mr. Francis P. Matthews from this State was appointed as Secretary of the Navy. As Chief of Naval Operations, I want you people who have known Mr. Matthews to know my pleasure and that of the Navy in having Mr. Matthews as our Secretary.

There is no leveling off permitted by our democratic philosophy; rather our way of life encourages men to rise as high as the individual's intelligence and industry will take him. And because of our concept of what human freedom really means, our country has grown great and prosperous, and we have used that combination of strength to help others besides ourselves. Since the end of the war, our Nation has given without stint of goods and men to help rebuild the ravaged countries of the world.

We will probably have to keep on doing this for some time to come. Our farms and our factories will of necessity have to continue their gigantic efforts, for only by means such as this can the peoples of the world find their way back to peace.

Peace is what we all want. Only in peace can we progress. Only in peace can we spread the ideals of our way of life. And the proof that our way of life is good, that it is appreciated and desired by peoples of other lands, is the extreme means taken by some malignant forces in the world to discount it. I am firm in the faith, however, that outside forces will never be able to destroy our way of life. If democracy ever fails, it will come from within, we ourselves will be the destructive forces. That day will arrive only when we are no longer equal to our heritage, when we are not worthy of meeting the demands of the moment, when we fail to have a clear vision of the future. Thus far, the generations of our people have carried the burden without faltering. Our strength is still equal to the task, in fact, it is swelling, rolling onward as certain as the tides of the mighty oceans.

You boys have a responsible part of the load to carry. You are Americans. In a little while you will be alumni of a truly democratic institution. At this moment you have, I am sure, mixed feelings. While naturally happy and full of enthusiasm, ready and willing to pit your strength in the world, you are also, I know, feeling a twinge of sadness because you are leaving one home for another of your own making. Henceforth you assume the responsibilities of earning a living and directing your life, not only for

your own betterment but for the betterment of your fellow citizens and your country.

I would not have you leave, though, without reminding you that you have until this time lived by a pattern. In the early, formative years, it is necessary that all of us follow a design of life if we are later to fit in the scheme of things to come. We are all guided by the wisdom and experience of older men while we conform to that pattern. Later we progress, and then possessed with a new awareness, we come to hold certain principles, to live by the things we know to be right.

By the time you boys reach maturity, these principles will have become so ingrained that you will have a code to live by. I don't mean to infer that you will discard your early teachings, but rather you will use them as the foundation upon which to build your character, the thing that is really you. And in your building you will evaluate, appreciate, and accept.

Only then will you know and live a full life.

The development of a man's character is the cornerstone of all human endeavor. Without character a man can do little—but with character all things are possible. Strong character was the force motivating the men who manned the continental Navy; strong character bound in common cause the men who signed the Declaration of Independence. Strong character has preserved our Nation to the present moment.

I, therefore, like to think of you as modern apostles of your founder. "By your actions, will ye be known." Take this with you, but in departing remember that you also take with you the love and hopes of all who have been associated with Father Flanagan's Boys' Town.

Goodbye, good luck, and may God bless you!

Diplomatic Relations With Spain

EXTENSION OF REMARKS

OF

HON. GUY M. GILLETTE

OF IOWA

IN THE SENATE OF THE UNITED STATES

Monday, June 20 (legislative day of Thursday, June 2), 1949

Mr. GILLETTE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Perpetuating a Fraud," from the Washington Evening Star of May 17, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PERPETUATING A FRAUD

Fifteen of the fifty-seven nations represented in the UN General Assembly have succeeded in retaining the fraudulent ban on the maintenance of top-level diplomatic relations with Spain.

The delegates from 26 countries voted in favor of a resolution which would have left each member nation free to send an ambassador or minister to Spain if it wanted to do so. A two-thirds majority was needed for passage of the resolution, however, and its supporters fell four votes short of the required total. The delegations of 16 nations, including that of the United States, contributed to this result by sitting on their hands when the vote was taken. They took refuge in the device of abstention, refusing to take a stand either for or against the resolution.

This is a notable victory for the iron-curtain bloc in the UN. The fight against the resolution was led by that model of democracy, Poland. And voting with Poland among the 15 successful dissenters were Byelorussia, Czechoslovakia, the Soviet Union, the Ukraine, and Yugoslavia.

It is this aspect of the matter which lends the fraudulent taint to the position of the General Assembly. The opposition to Spain pretends to rest on moral grounds. It is said that he aided the Axis, that he is a dictator, that he suppresses civil liberties and religious freedom. Perhaps all of this is true. But Russia also gave aid and comfort to the Axis before the German attack. And in all of the iron-curtain countries there is a more ruthless form of dictatorship, and less freedom, than in Spain. Yet the General Assembly, with some pretension to morality, singles out Spain for censure, and the United States cannot bring itself to choose one way or the other.

If anything more is required to demonstrate the unhappy dilemma in which this leaves an organization which is supposed to be above cheap expediency, it can be found in the vote on a Polish proposal to denounce the Franco regime as Fascist and as having been imposed by force by the Axis. If this is not true the whole case against Spain falls to the ground. Yet this resolution was beaten, 32 to 11. And the General Assembly is thereby reduced to the absurdity of being unwilling to affirm what is, essentially, the whole basis of its refusal to lift the ban on the exchange of Ambassadors with Spain.

Even a child can see that this is a result which is dictated, not by principle, but by shallow politics. It is a result which is an affront to any sense of justice that is rooted in the doctrine of even-handed treatment, and it reflects nothing but discredit on the UN, and on those governments, including our own, which had not the moral courage to stand up and be counted when the decisive vote was taken.

Federal Aid in Construction of Public-School Facilities

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Monday, June 20 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement which I have prepared on the subject of Federal participation in financing the construction of public school facilities.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SCHOOLS FOR OUR CHILDREN

Mr. President, during the past several weeks a Subcommittee of the Committee on Labor and Public Welfare has been holding hearings on proposals on Federal participation in financing the construction of public school facilities. The evidence is amazing and the situation is so critical that I wish to summarize some of this evidence for the Senate at this time. We in the Senate have taken a first and necessary step in educational legislation, which we hope and believe the House will also take very soon, by the recent passage of S. 246. But the better teachers this insures must have places to teach, and their increased millions of pupils must have schools to attend.

THE NEED FOR SCHOOL CONSTRUCTION

Mr. President, the critical need for school plant construction is a matter that must be of concern to all Americans who are acquainted with the facts. The testimony we have heard makes clear the reasons why this need exists and points to some of the solutions of the problem.

Estimates of the extent of the need range from $7,000,000,000 to $12,000,000,000 of construction by 1957. Some of these estimates are based on careful surveys in a number of States. A conservative average of the statistics and estimates leads to the conclusion that public elementary and secondary school construction of a total value of $1,000,000,000 each year for the next 10 years will barely meet the minimum requirements. The needs are, on the basis of State surveys, as follows:

Public elementary and secondary school plant needs as reported to the Office of Education as of Jan. 1, 1949, by the State departments of education

	Percent of national population, 5 to 17, inclusive	6-year school plant needs as reported	Remarks
Alabama	2.614	$125,000,000	
Arizona	.512		No report.
Arkansas	1.706	100,000,000	
California	8.606	1,238,000,000	
Colorado	.846	35,000,000	(1).
Connecticut	1.151	163,625,000	
Delaware	.190	5,000,000	(1).
Florida	1.582	192,700,000	
Georgia	2.804	132,429,000	
Idaho	.438	50,000,000	(1).
Illinois	5.051		No report.
Indiana	2.604	190,000,000	Adjusted to 6 years.
Iowa	1.818	50,000,000	(1).
Kansas	1.283	75,000,000	(1).
Kentucky	2.420	110,000,000	
Louisiana	2.100	104,364,000	(2).
Maine	.651	50,000,000	
Maryland	1.382	139,800,000	For 5 years.
Massachusetts	2.814		No report.
Michigan	4.378	400,000,000	
Minnesota	2.002	100,000,000	(1).
Mississippi	1.997	110,000,000	(2).
Missouri	2.600	144,300,000	
Montana	.403		No report.
Nebraska	.923	40,000,000	
Nevada	.083	10,584,000	(1).
New Hampshire	.340	35,000,000	
New Jersey	2.478	252,000,000	(2).
New Mexico	.535	40,000,000	
New York	8.108	1,250,000,000	
North Carolina	3.363	156,588,000	
North Dakota	.508	30,000,000	
Ohio	5.002	245,000,000	
Oklahoma	1.891	80,000,000	
Oregon	.916	76,900,000	
Pennsylvania	6.842	500,000,000	(1).
Rhode Island	.453	15,000,000	(1).
South Carolina	1.855	45,815,000	(2).
South Dakota	.487	27,000,000	(2).
Tennessee	2.543	150,000,000	
Texas	5.497	250,000,000	(1).
Utah	.561	68,997,000	Adjusted to 6 years.
Vermont	.264	20,000,000	
Virginia	2.332	325,000,000	Adjusted to 6 years.
Washington	1.499	282,000,000	(1).
West Virginia	1.695	46,785,000	(2).
Wisconsin	2.277	50,244,000	(2).
Wyoming	.206	12,000,000	
District of Columbia	.300	38,000,000	(4).
Total, States reporting	91.220	7,552,131,000	
National projection	100.000	[5]8,280,000,000	(6).

[1] As reported on a study made by another agency during the fall of 1948.

[2] As reported to the Office of Education in October 1947. The national projected total on that study was $6,600,000,000.

[3] Reported $100,000,000 on another study.

[4] Strayer report for 5 years.

[5] Approximately.

[6] This amounts to $1,380,000,000 per year for the next 6 years.

Increased birth rate

One of the major causes of school building shortage is the progressive increase in the national birth rate from 17.9 per thousand population in 1940 to 25.9 per thousand population in 1947. Thus far, only the lower grades of the elementary schools have felt the impact of this increased birth rate, but there will be tremendous cumulative increases in school enrollments during the next few years. The Bureau of the Census predicts that the total enrollment in elementary and secondary schools will jump from 24,546,000 in 1947 to 34,091,000 in 1957. Reliable estimates show that more than 200,000 new classrooms are needed now and that at least another 250,000 new classrooms will be needed by the time the children already born are in school. The stork has been busy. The children are here. Schools must be provided for them.

The lag in school construction

The lag in construction of school plant facilities has existed since 1930. During the depression years, local communities were unable to finance the schools needed, although some were built with Federal assistance primarily to create employment. During the war years neither materials nor labor were available, and there was no appreciable amount of new school construction from 1939 to 1946. Since 1946 building costs have soared beyond the financial reach of numerous local school districts. The present rate of construction is totally inadequate to meet replacement requirements and the necessity for additional school building space.

The shifting population since 1940

Another cause for the great need of school facilities is found in the shifting school population. Certain far Western States have increased their school populations more than 50 percent during and since the war and will double their school enrollment in the next decade. Even in most States where the average increase in population since 1940 has been smaller, certain communities have mushroomed in population, often because of the activities of the Federal Government in the area.

Expansion of school programs

Part of the backlog of school building needs results from the expansion of the school programs beyond the three R's. The Federal Government itself has provided funds for the current operation of some aspects of vocational education since 1917, but it has done nothing to provide classrooms in which to offer such education. The national school-lunch program is financed partly through Federal funds and surplus commodities are supplied by the Federal Government but there is no provision for the construction of lunch rooms in which the meals must be prepared and served. There are Federal funds for industrial education but there are no provisions for the construction of trade schools and shops which are necessary to provide for the industrial expansion of the country.

Mr. President, the three R's are still important, but they are not enough. Our schools must go far beyond the rudiments to prepare American citizens to live in our modern world. It is no longer a simple world, and a short and simple education will no longer prepare Americans to live adequately in it. We need facilities for making the school the community center it should be. We need to make our educational system the basis for the most effective operating democracy the world has ever seen.

INABILITY OF SCHOOL DISTRICTS IN STATES TO MEET SCHOOL BUILDING NEEDS

The people have emphasized their desires for additional school facilities, but they have not been able to meet their building needs through State and community action alone. Many of our 100,000 local districts are handicapped by statutory debt and tax restrictions and limitations in State constitutions, some of which require a minimum of several years to change. The education of growing children of school age cannot await the necessary changes in laws and constitutions. Sometimes, in some communities and States, there are forces which prevent the making of these changes. We must move forward in spite of these forces. The children are growing up. The classrooms and other facilities are needed now.

Increased State and local funds have often been used to increase teacher salaries in order to check the exodus of teachers from the classrooms, leaving little for the construction of facilities. Some States, because of a large proportion of children in the total population and low per capita income, are unable to provide either needed school buildings or adequately trained teachers. The range of financial ability per child is about 4:1 between the wealthiest and the poorest States. The range is sometimes more than 100:1 between the poorest and richest local school districts within an individual State

Wide variations in school loads, in per capita income, and in relative efforts to support schools in terms of income have been detailed in a recent study made by the Council of State Governments.[1] This comprehensive report shows that in one State 28.3 percent of the population is of school age while in another State only 17.1 percent of the total population is of school age. The educational load due to the larger proportion of school-age children in the population is almost twice as heavy in the first State as in the second, yet the per capita income in the first State is $1,053, while in the second State it is $1,671. The State with the low income (and I might say, Mr. President, that this is not an extreme case but that there are several States with lower per capita income than this one) spends 3.6 percent of its income for public education compared with 1.5 percent for the wealthier State. With more than twice as much effort in proportion to income the first State has an educational program which for current expenditures averaged $169.50 per child in 1947-48. With comparatively slight effort the second State had a program the same year which averaged $220.92 per child.

The report of the Council of State Governments shows that State governments are contributing 39.8 percent of all funds used for current expenses by local school districts throughout the United States. This is where the States have concentrated their financial efforts, although nearly half the States also expend some funds for school construction. The States often cannot meet the needs for school construction which are beyond the abilities of their local school districts. Other States could do so only if they decreased drastically their State financing of current educational costs. State aid for current operational costs is a prior obligation and the States cannot reduce this already inadequate program without immediate and serious effects on the entire system of public education.

There is no way for some districts and counties and States to meet school building needs without Federal assistance. Mr. President, I ask that the Members of the Senate consider the evidence brought out in these hearings concerning hundreds of local school districts with critical needs for school facilities to discover these facts for themselves. I submit, Mr. President, the conclusion that there must be Federal assistance is obvious and inescapable, provided we are to have reasonably decent schools for all the children in this country. Our national policy should be, I believe, to place good schools high on the list of conditions which must be maintained as the basis of our democracy.

Overwhelming need in rural areas

Public education in rural America is chaotic because of the lack of school building facilities and qualified teachers. It is in rural areas that the ratio of school children to total population is greatest and the per capita income is lowest. An analogy is in order here. The shortage of medical services in rural areas is an accepted fact, and one of the reasons given for this shortage is the lack of hospital facilities in which to treat patients. For several years the Federal Government has assisted in the financing of hospital construction. Is there any more reason to expect teachers to teach with antiquated and completely overloaded plant facilities than to expect doctors to treat patients without adequate hospital facilities?

The country committed itself to improvement of rural education in 1862 through plans for land-grant colleges, and again in 1917 through aid to vocational education for current operation, but we have left the burden of making capital investment for education buildings on rural America. Vocational education begins in the ninth grade. Do we not have an obligation as a Nation to aid in providing education to children to reach the ninth grade? We must do even more. We must assist the rural areas to obtain school buildings to serve both children and adults. We must assist them to provide vigorous and broad educational programs, so the rural areas will have a fair chance to pull their own weight in their economy and in that of the Nation. The local capital is not there for the initial capital investment in adequate school plants. Rural districts must look to a broader governmental base for a large part of this investment. It is more than an investment in school buildings. It is an investment in people. It is an investment in democracy. It is an investment in national defense. It is the best investment we can make.

The special needs in areas affected by Federal activities

In or near several hundred school districts throughout the country, the Federal Government has set up tax-exempt operations which have almost wrecked the educational systems of those communities. These Federal activities have often removed much of the local property from the tax rolls and have made the owners of the remaining property pay for the education of both their own children and those of the Federal employees. Children are on double sessions in basements, churches, and temporary structures which are often unsuitable for school purposes. There is a clear responsibility, Mr. President, to aid these communities to restore normal school services. Many of them have done everything possible locally, including issuance of bonds to the limit allowed by law.

The special needs for Negroes

Mr. President, the backlog of school construction necessary to provide adequate education for Negroes is especially acute in the South. In many southern communities school buildings now in use were constructed a long time ago on a matching basis, with the people donating part of the cost. As a result poor communities failed to obtain adequate classrooms. The Federal courts have become more insistent that the facilities be equalized between the races. This necessity strikes at a time when there is also a great shortage of school facilities for white children. The testimony indicates that segregated schools for the races have not contributed significantly to the classroom shortage, since both the schools for Negroes and those for whites are overcrowded. In spite of great progress which has resulted from exceptional local and State effort, numerous southern school boards simply cannot finance the equalization of school facilities for the

[1] The 48 State School Systems. Council of State Governments, Chicago.

races. Federal aid is desperately needed to alleviate this situation.

MEETING THE NEED

Mr. President, the record of the hearings makes clear that something must be done. It makes clear that the Federal Government has a definite responsibility. The witnesses before our subcommittee have evaluated all the bills before us. All who represented either official or professional agencies of education have supported either an amended S. 287 as introduced by Senators NEELY, MAGNUSON, and nine other Senators or S. 1670 which was introduced by the junior Senator from Minnesota. With the evidence at hand our subcommittee will be able to submit a bill which will go a long way toward meeting the Federal responsibility.

Mr. President, there are a number of important issues involved in this legislation. Some of these are similar to those we have encountered in the consideration of the Thomas-Taft bill, S. 246, and involve Federal-State-local relationships in education. It has been my attitude as chairman of the subcommittee that in these matters we ought to consider seriously the recommendations of official educational agencies and the professional educators who must have a major part in the construction of the facilities. After all, more than 1,000,000 administrators and teachers in America are concerned about what is done. They must plan facilities. They must be constantly at work with school boards and building committees as the facilities are constructed in local communities. Then they must use these facilities day after day and year after year for the next several decades. It seems to me, Mr. President, that their recommendations ought not to be shunted aside in the absence of clear and impelling reasons.

The testimony has shown that the construction of school facilities directly affects numerous aspects of the educational program. We want to help, not to hinder. For instance, we plan to recommend Federal assistance under circumstances which will encourage rather than discourage the proper reorganization of local school districts in the United States. At least 15 States now have sound State-wide programs of school district reorganization. These involve the building of larger and more useful schools.

We plan to coordinate any Federal program to assist in the financing of school construction with the present systems of cooperative State and local financing of schools. We should provide for some equalization among the States according to their respective pupil loads and per capita incomes. We want to fit Federal assistance into the State systems of equalization among local school districts within States, leaving the States free to assist districts in critical situations which have reached the limits of their legal bonded indebtedness and which must have substantial amounts of assistance to provide reasonably adequate school facilities for their children.

We should bring out a bill which will meet the immediate and urgent need for assistance in school districts which have been upset and undermined in their educational programs because of the activities of the Federal Government. There has been little or no conflict in the testimony on these points.

The great preponderance of testimony has been in favor of State and local responsibility for planning of facilities, for standards of construction, and for supervision of construction in local school districts. The same is true of the principle that the State educational agencies, as in the instance of Federal funds for current expenditures under S. 246, should be fully responsible for the accounting to the Federal Government for Federal funds.

Most of the testimony favors a simplified Federal administration through a single Federal educational agency. There is also strong sentiment in favor of protecting the construction of local school facilities against any sort of direct Federal control, on the convincing grounds that educational facilities determine to a large extent what the educational program itself shall be. As a former teacher, Mr. President, I know that this is true. School buildings should be constructed to fit the educational program. It should not be necessary for teachers and administrators to change their educational programs to fit the buildings.

TIMING

There are undoubtedly those among my colleagues here who will say that this is not the time for the Federal Government to aid in the construction of school facilities. They will say that the Federal budget is not in balance, and that the country has entered upon a business recession which may even deepen into a depression. They will point out that business is declining and that the economic danger signals are out.

Mr. President, we recognize both the business situation and the precarious state of the Federal budget for 1950. Federal assistance for school construction is, of course, related to the budget problem. We have to pay for some things and refuse to pay for others. It is primarily a question of relative values. Mr. President, day after day we vote millions and billions of dollars for purposes which are less important to the welfare of this country than the provision of adequate school facilities for our children. We vote extra billions for European aid. We vote extra billions to strengthen the physical aspects of our national defense. We vote hundreds of millions to build civil works, many of which are undoubtedly less important than needed school buildings for the welfare of our country. We need to develop the habit of putting first things first. On the basis of relative values involved, Mr. President, we ought to be anxious to meet the Federal responsibility to our children for safe and suitable school facilities.

There are honest differences in economic philosophy among us. I am one who believes we ought not to wait until we become so poor that we cannot afford to build schools before we begin to build them. I believe we ought not to wait until we are in the depths of a depression before we extend Federal funds and encouragement to those aspects of the economy which can prevent us from sinking into depression. I believe the time to build the schoolhouse is now.

Mr. President, the major reason why schools should be built now is because they are absolutely necessary and indispensable to give reasonable educational opportunities to American children. These children are the hope of our democracy; they are the hope of a truly effective national defense; they are the basic element in the future welfare of our country. But to those of my colleagues who may decide the issue of Federal assistance for school construction mostly on economic grounds, I say we should pass such legislation in this session on economic grounds. We need to see that programs of Statewide planning for school construction in all the States are begun at once on a modest basis, that acute emergency needs are met, and that the groundwork is laid for an immediate and large extension of building activity as soon as labor and materials are fully available.

Mr. President, I would like to close on a repetitive note. The sense of values of the American people does not remain static. They are coming to value education more and more, and they value less and less some of the things for which we almost automatically pass huge appropriations. In the scale of relative values, we have long neglected education; I hope, Mr. President, that we will meet our responsibilities for assisting in the construction of necessary school facilities by passing suitable legislation as soon as possible.

Cost of Housing Bill H. R. 4009

EXTENSION OF REMARKS

OF

HON. HUGH B. MITCHELL

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

MAXIMUM FINANCIAL COMMITMENTS UNDER H. R. 4009

Mr. MITCHELL. Mr. Speaker, when I say to the Members of the House of Representatives that total costs over the life of the proposed housing bill of 1949 (H. R. 4009) will amount to approximately $10,500,000,000, I am expressing a simple truth.

And, moreover, this cost will be spread over a long period of years, not exceeding 40. In the first fiscal year of the program, the cost will amount to only a few million dollars; thereafter, the annual costs will gradually increase until at the maximum about $310,000,000 a year would be required.

Of course, I am fully aware that figures of $20,000,000,000 and more have been broadcast throughout this Nation to frighten the people and Members of this body. I know how opponents of public low-rent housing have added repayable loans to maximum grants and maximum annual contributions, then multiplied by 40, and reached false totals because they were based on false premise.

For the purpose of the record, and I hope for the information of this body, it is my purpose to present a few simple facts, each of which can be verified, so that the House of Representatives may discuss this vital legislation in an atmosphere of fact, rather than fiction.

GRANTS AND CONTRIBUTIONS REPRESENT COST

Under H. R. 4009, loan funds of $1,950,000,000 are authorized for the various programs. These loans are fully repayable together with interest at the cost of money to the Federal Government. They therefore in no sense represent costs to the taxpayer, and the inclusion of them in estimates of cost by opponents of the program is manifestly misleading.

The actual cost of the program to the taxpayer is represented by capital grants made in lump sums and annual contributions payable over a period of years.

Capital grants: Under title I, grants for slum clearance amount over a 5-year period to $500,000,000. Under title IV, grants for farm housing over a 4-year period amount to $12,500,000.

A total of all grants amounts to $512,500,000.

Annual contributions: Under title II, annual contributions for low-rent housing would reach a total maximum of $400,000,000, at the end of 5 years. These annual contributions may be paid over a 40-year period.

Under title IV, annual contributions for farm housing would reach a total maximum of $5,000,000 at the end of 4 years. These annual contributions may be paid over a 10-year period.

By simple arithmetic you multiply total annual maximum contributions for low-rent housing by 40, total farm housing annual contributions by 10, and you obtain a figure of $16,050,000,000 for an-

nual contributions. To that you add total grants of $512,500,000 and obtain a total possible maximum cost over a 40-year period of $16,562,500,000.

If maximum annual contributions are required over the full 40-year period of the commitment, that figure would be accurate and therefore fair. That, however, is not the case.

WHAT ARE ANNUAL CONTRIBUTIONS?

Annual contributions serve to make up the difference between the gross rent that low-income families can afford to pay, and the cost of operating public housing projects including interest and amortization. The amount required to meet annual contributions is, therefore, subject to many variants. Economies in operation and increases in family incomes are reflected in lower annual contributions.

Any one of us who has studied this question knowns that as a practical matter maximum annual contributions will probably not be paid either for the maximum number of years or at the maximum annual rate. That is true because:

The number of years depends upon the amount available for principal repayments each year. The lower the rate of interest obtainable on the bonds issued by local housing authorities, the larger would be the amount remaining for debt retirement, and the sooner the debt could be retired. The Director of the Budget, Frank Pace, Jr., recently advised the chairman of the House Committee on Rules that on the basis of expected interest rates, the contributions would run for 29 to 33 years.

Mr. Pace pointed out also that under the present low-rent-housing program in recent years only 25 to 30 percent of the maximum amount contracted for has been required. This is unusually low due to war and postwar increases in incomes and rent-paying ability of tenants. In an average year under the new program, contributions actually paid will probably not exceed 75 to 80 percent of the $400,000,000 authorized or roughly $310,000,000 annually.

An honest statement of the total cost of the low-rent program, as Mr. Pace pointed out, would therefore be about $10,000,000,000 over a period of 29 to 33 years, and might be as low as $9,000,000,000. Adding the capital grants of $512,500,000 and the farm contributions of $50,000,000 brings a total probable cost of about $10,500,000,000 over the life of the program.

THE AMERICAN PEOPLE PROFIT

We know what decent living environments will mean to the millions of families which will benefit from this program. We know that there will be billions of dollars saved in health, police, and fire costs that would otherwise be spent from city-tax dollars to maintain slums.

We know that when the projects have been amortized and Federal contributions cease, our cities will own housing plants throughout the Nation amounting to billions of dollars, which will continue to serve families of low income at no cost to the Federal Government.

In simple, fair, and honest terms the cost of the housing program under H. R. 4009 will result in one of the greatest profits to the American people this Nation has ever known. It is our greatest insurance for the continuation of our democratic way of life that we in this body will ever have the privilege to endorse.

Mr. Speaker, I ask that the following objective letter I received from Miss Anna Lord Strauss, president of the League of Women Voters, be printed as a part of my remarks:

LEAGUE OF WOMEN VOTERS,
Washington, D. C., June 20, 1949.

Hon. HUGH B. MITCHELL,
House of Representatives,
Washington, D. C.

DEAR MR. MITCHELL: The substance of the national housing bill, H. R. 4009, which is now before the Members of the House of Representatives for consideration, has been the object of many years of study and deliberation both inside the Congress and out. A similar bill (S. 1070), with wide bipartisan support, was recently passed for the third time by the other body of Congress by overwhelming vote.

We in the League of Women Voters have been supporting this legislation since 1945. We are disturbed by one of the arguments now being circulated by the opponents of the measure—namely that for reasons of economy the United States should not undertake a housing program at this time.

The large national debt and the need for curtailing governmental expenditures wherever possible are indeed matters of great concern to all of us. Every authorization of Federal funds must, in our opinion, be weighed in terms of its contribution to the safety and well-being of the Nation.

It is recognized that the country must be kept strong from a military standpoint and Congress, with the consent of the people, makes available billions of dollars for this purpose. Some expenditures must also be made, in our opinion, to assure a citizenry morally and physically strong and devoted to its institutions. We must demonstrate before the world that within the democratic form of government the basic needs of living can be attained. Of these, housing is one of the most important.

Some who in previous years opposed the housing bill as inflationary are now opposing it on the grounds of economy. We think the bill should be judged primarily on what it does to fill a basic need of our society. Another major consideration is what effect enactment of such legislation will have on the economy. On this basis, a period of economic recession is a particularly appropriate time for enacting a housing program. Such a program can make a substantial contribution toward a more stable economy by employing labor and increasing the national wealth.

Unfortunately, the cost of the program has often been misrepresented. The facts are that no appropriation (except for administrative expenses and a small amount for the farm housing program) will be required for fiscal 1950. Thereafter, the cost of contributions and grants will increase gradually over a 5- or 6-year period and finally level off at about $300,000,000 a year for an estimated period of about 30 years.

According to the official communication of the Bureau of the Budget, inserted in the Appendix of the CONGRESSIONAL RECORD at p. A3585, instead of requiring total contributions of $16,000,000,000 for the low-rent housing program, a reasonable estimate of the total amount actually required for contributions would be nine to ten billion dollars over the life of this program; to which would be added the contributions for slum clearance and farm housing, totalling somewhat over $500,000,000.

We know you will want to make your decision as your vote on H. R. 4009 on the basis of facts and in the interest of your constituents and the country as a whole. We feel confident that on both of these counts the housing bill merits your support.

Sincerely yours,
ANNA LORD STRAUSS,
President.

The Housing Bill, H. R. 4009

EXTENSION OF REMARKS
OF

HON. GEORGE D. O'BRIEN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. O'BRIEN of Michigan. Mr. Speaker, under leave to extend my remarks, I include in the RECORD the following article which appeared in the New York Times, Sunday, June 19, 1949:

Mr. Truman's attack of last Friday on what he called the little group of ruthless men who are opposing the administration's housing program has the merit of dramatizing the housing problem. The members and backers of the housing lobby may not be as wicked as Mr. Truman thinks they are. For all we know every one of them may be completely sincere. Nevertheless, forgetting for a moment the extremely personal nature of Mr. Truman's letter to Mr. RAYBURN, the arguments therein presented are powerful.

The program presented in the House bill, which is to be taken up Wednesday, would probably cost, over a period of about 30 years, $10,000,000,000, not $20,000,000,000. A great part of this sum would take the form of annnual Federal contributions to local housing authorities for the benefit of low-income families. These families would be selected from among those who could not possibly pay for decent housing. The cost of construction would be kept down under the House bill to an average of $8,465 for each dwelling unit. There would be aid to farmers and some money spent in research. The whole program is a continuation of a previous housing program. It should benefit by the experience and even the mistakes of that program.

There are two points to be noted about any Federal housing plan. One is that subsidized housing with the aid of the national Government, the States and the cities could not take care of all the need. There remains an enormous field for private enterprise. If private builders can get their costs down sufficiently, they may in time make subsidized housing unnecessary. The building industry faces a challenge. We can hope that, like the automobile industry of a generation ago, it can eventually modernize itself. Meanwhile, low-rent housing and slum clearance are legitimate objects of governmental activity.

In order to get his housing legislation Mr. Truman will need Republican support to offset Democratic desertions. He should have such support and, on the past record, he will have it. Even though the housing plank in last year's Republican platform was almost meaningless, there are many Republicans—Senator TAFT among them—who have worked for progressive housing legislation. Compromises may be necessary. There is a wide gap between the Senate bill providing for 810,000 public housing units in the next 6 years and the House bill calling for 1,050,000 such units in a 7-year period. But the need for low-rent housing is so great and we still have so many veterans living

in crowded and unwholesome conditions that Federal action is certainly called for. Those who denounce such action as socialistic can make their own answer by working to bring down the costs of private housing.

The Basing-Point System — Monopoly, Cartels, Trusts Growing Bigger and Stronger—Is Socialism the Alternative to Big-Business Control?

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following article written by W. K. Kelsey for the Detroit News of Saturday, June 18, 1949:

This week the United States Supreme Court, in a 5–4 decision, upheld an injunction granted by a California court against the Standard Oil Co. of California, restraining it from enforcing or entering exclusive supply contracts with any independent dealer in petroleum products and automobile accessories.

Standard had contracts with 5,937 independent gas stations, by which the independent dealers operating those stations agreed to purchase one or more of their products from Standard exclusively. Such contracts the majority opinion pronounced invalid under a section of the Clayton Act, which provides that certain arrangements are illegal if their effect "may be to substantially lessen competition or tend to create a monopoly in any line of commerce."

The division in the court was created by the quoted words. The minority opinion of Justice Jackson, in which Chief Justice Vinson and Justice Burton concurred, stated in effect that there had been no showing that the practices complained about had diminished competition, or tended to do so. Because of lack of such proof, the minority would have reversed the decision of the district court.

But Justice Frankfurter, who wrote the majority opinion, said:

"To interpret that section as requiring proof that competition has actually diminished would make its very specificity a means of conferring immunity upon the practices which it singles out. Congress has authoritatively determined that those practices are detrimental where their effect may be to lessen competition. * * *

"To insist upon such an investigation would be to stultify the force of Congress' declaration that requirements contracts are to be prohibited wherever their effect may be to substantially lessen competition.

"If in fact it is economically desirable for service stations to confine themselves to the sale of the petroleum products of a single supplier, they will continue to do so though not bound by contract, and if in fact it is important to retail dealers to assure the supply of their requirements by obtaining the commitment of a single supplier to fulfill them, competition for their patronage should enable them to insist upon such an arrangement without binding them to refrain from looking elsewhere."

THE KEFAUVER AMENDMENTS

Now it is exactly this "substantial lessening of competition" which is at issue in the measure pending in Congress to permit basing prices and freight absorption when entered into in good faith to meet the price of a competitor.

It was Senator KEFAUVER, of Tennessee, who insisted on amending the Senate bill to permit these practices only "where the effect of such absorption of freight will be to substantially lessen competition," which is the language of the Clayton Act, except that the Clayton's "may" is changed to "will"—which is, in the commentator's opinion, a weakening of the Clayton Act.

However, the Judiciary Committee of the House seems determined that the Kefauver language be thrown out and that the bill be passed without the language which was the crux of the Supreme Court's decision of last Monday.

The effect of such action would be to take from the Federal Trade Commission power which it now possesses to proceed under the Robinson-Patman amendment to the Clayton Act, since the House measure, without the Kefauver amendments, tells the FTC not to enforce what the Supreme Court has now held the Clayton Act provides for the protection of the public interest.

The first effort of big business was to obtain from Congress a moratorium, or prohibition of enforcement of the law against basing-point and other practices found illegal by the Federal courts, until Congress had studied the matter and enacted a law which, big business hoped, would legalize these practices. But the Senate hastily put together and passed a bill providing what it considered a proper definition of the conditions under which these practices could legally be indulged in.

It was made evident this week that the Senate bill is satisfactory to big business only if the Kefauver language is knocked out of it, thus making inapplicable the Federal court decisions.

THE FEARS OF JUSTICE DOUGLAS

Turn now to the independent opinion written by Justice Douglas, who said that the "economic theories which the court has read into the antitrust laws have favored rather than discouraged monopoly * * *. Monopoly has flourished. Cartels have increased their hold on the Nation. The trusts wax strong. There is less and less place for the independent."

Justice Douglas continued: "The increased concentration of industrial power in the hands of the few has changed habits of thought. A new age has been introduced. It is more and more an age of 'monopoly competition.' Monopoly competition is a regime of friendly alliances, of quick and easy accommodation of prices even without the benefit of trade associations, of what Brandeis said was euphemistically called 'cooperation.' The lessons Brandeis taught on the curse of bigness have largely been forgotten in high places. Size is allowed to become a menace to existing and putative competitors. Price control is allowed to escape the influence of the competitive market and to gravitate into the hands of the few. But beyond all that there is the effect on the community when independents are swallowed up by the trusts and entrepreneurs become employees of absentee owners.

"Then there is a serious loss of citizenship. Local leadership is diluted. He who was a leader in the village becomes dependent on outsiders for his action and policy. Clerks responsible to a superior in a distant place take the place of resident proprietors beholden to no one. These are the prices which the Nation pays for the almost ceaseless growth in bigness on the part of industry."

NOT THE COURTS, BUT CONGRESS

This is all true; but why blame the courts? Archangels, if there were any in the Justice Department, would find it all but impossible to get cases decided in face of the tactics of the best legal brains in the country, for which big business can afford to pay. The Government's case against the oil interests has been pending since 1940, tied up in technicalities in the lower courts, while heaven and earth have been moved by the oil attorneys to get the Justice Department to drop it.

And now the House, with the Senate probably acquiescent, appears determined to do big business another favor, and help along the movement which Justice Douglas deplores so strongly. Big business shouts that we are sliding down the hill toward socialism. Big business is getting behind us and pushing; for just as soon as big business gets control, socialism will be the only alternative for a people determined not to be governed by financiers and industrialists.

Shortage of Venture Capital

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mrs. ST. GEORGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following summary of an address by Emil Schram, president, New York Stock Exchange, at the General Management Conference of the American Management Association, at the Waldorf-Astoria Hotel, New York City, Thursday, June 9, 1949:

The lack of vitality in the equity markets is of personal concern to all—those who work, those who seek jobs, those whose money is invested in enterprise, those who are seeking employment for their idle funds. Our largest and best established companies cannot sell stock on an attractive basis. The liquid position of small and medium-sized companies is deteriorating.

Those contemplating new enterprise or debating expansion are adversely affected. Consequently jobs are curtailed. Savings, at record level, will not run uphill and are flowing toward riskless investment.

A faulty tax structure is to blame. It has dampened the venturous American spirit. It needs complete overhauling. This is impossible now, but the following tax changes can be made at this time and they would do much to reverse a dangerous trend:

1. As a step toward the elimination of double taxation of dividends, allow the taxpayer a credit of 10 percent on all dividends received.

2. Reduce the maximum effective rate on capital gains from 25 percent to 10 percent and shorten the holding period from 6 to 3 months. Allow $5,000 of capital losses to be charged against each year's ordinary income.

All of the conventional arguments fail to explain the current business hesitation. Shortage of venture capital and the basic reasons for the shortage do explain the problem.

My message to you is that we should begin at once a new campaign—a venture capital campaign. You and your associates can, out of your unusual experience and knowledge, tell Congress, in specific, understandable terms, how much your company has to invest to hire an additional employee, or install an additional machine; how much you or others who might be in a position to assume risks of enterprise would have to receive to make a dividend attractive, after taxes; what your rate of profit on a dollar's

additional investment would have to be to pay such a dividend; the change in your debt-net worth ratio and the reasons why you would prefer, under more equitable tax treatment, to obtain permanent ownership funds rather than debts. And you can tell Congress why capital-gains taxes represent a mingling of two different concepts, income and capital, and why the present rate cuts into the willingness to put funds to work to bear the brunt of inevitable economic squalls and storms; tell the story to stockholders and workers, in annual reports and enclosures with dividend checks and in house organs, at social gatherings and in meetings of businessmen. No story is fraught with greater significance to the country's economic welfare.

What I propose is an all-out attack on a tax structure that is obstructing expansion and throttling incentive and initiative. Squeezed between institutional changes of a deep nature and a hostile tax structure, ownership savings urgently need realistic treatment. When farmers were injured by forces of a general character in relation to the conditions affecting the rest of the country, farm parity was devised to correct the situation; when legislation lagged behind economic forces and labor was at a disadvantage, labor was granted the equivalent of parity treatment. Ownership, which lies at the base of the whole economic structure, is threatend. The situation must be corrected. What I am striving for, in effect, is merely fair treatment for ownership insofar as the extraordinary fiscal situation will permit. Fortunately, strategic changes can be made that will help activate stagnant pools of existing funds and energize current savings. But these changes cannot wait.

This isn't a fight in behalf of a few imaginary absentee owners of industry; or executives who have already made their place in industry. It is a fight to encourage industry, to remove the basis for the fear that is spreading, to prevent hardening of the economic arteries.

Equity for equity capital is the slogan in this venture capital campaign. I ask you to join with me in the interest of the Nation's continued well-being.

All of Us Get Hit

EXTENSION OF REMARKS
OF
HON. ANGIER L. GOODWIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. GOODWIN. One of the distressing experiences of a Member of Congress is to find so many constituents who seem to feel that they have no stake in the Government and no real interest in keeping down the expenses thereof because they do not appear to be aware that they are contributing to the cost of Government unless they happen to be substantial taxpayers. Under leave to extend these remarks, I append an excellent editorial which recently appeared in the Somerville (Mass.) Journal. The editorial follows:

ALL OF US GET HIT

When the average person thinks of taxes he visualizes the withholding tax on his salary or wages, the tax he must pay on his real estate, if any, and other assessments which are easy to see and even easier to feel. But it must be apparent to anyone with any knowledge of our economy and how it works that in the end all taxes must come out of the pockets of the consumer.

When the Federal Government slaps a heavy tax on a corporation, it is really taxing the man who buys the corporation's product. This is because of the simple economic fact of life that all costs that enter into the manufacture of a product must be covered by its selling price. And when the State increases the tax on savings banks, the cost of the services the bank gives to its customers—the depositors—goes up and the interest rate paid on savings goes down.

The trouble is, however, that many, many people do not know how our economy works; nor do they realize that in the end all taxes must come out of the pocket of the consumer. It is an old saying that you can tax the shirt off a man's back if you do it indirectly in the form of hidden taxes. If the people can be made to realize that they pay the taxes in the final analysis, unless they are indigents living entirely off charity, there will be a decided swing toward economy in Government spending, whether it be at the Federal, State, or municipal level. But it will take a real campaign of education to bring about this realization.

Basing Point and Conspiracy—What May Happen to Independent Merchants if O'Mahoney Bill Passes

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following article by W. K. Kelsey which appeared in the Detroit News of May 25, 1949:

Irate defenders of the basing-point system of fixing prices have been blaming the Supreme Court for finding it illegal, and the Federal Trade Commission for attacking it on the ground that it constitutes conspiracy in restraint of trade.

The truth is that the FTC has been trying to enforce the statutes as it reads them, and the Supreme Court has merely held that the FTC's lawyers have read them correctly.

If businessmen don't like the laws passed by Congress to maintain competition, their remedy is to get the laws changed, not to assail the agencies of Government which interpret and enforce them.

This is prelude to a report in the Wall Street Journal that Pittsburgh is making a mighty effort to induce industries to locate in that city and its environs. It says:

"Pittsburgh's industrial and political leaders are well aware that the city turns out more steel than her fabricating companies consume, and they see trouble ahead unless new steel-using industries locate here.

"In boom years when supply is short, like the past decade, Pittsburgh's economy is not hurt by this 'oversupply' of steel. It can be sold to consumers in all parts of the country. But as the Nation's prosperity wave recedes, consumers will hunt mills nearer their plants to cut freight costs, and Pittsburgh's steel makers will have a hard time peddling their metal outside the area.

"Under the old basing-point system of pricing, Pittsburgh producers were able to sell their steel in other areas at competitive prices by absorbing freight costs themselves. But they generally discarded this system last year after the Supreme Court ruled it was illegal as used by the cement companies, so the burden of high freight costs falls on distant customers. With this price disadvantage—and steel getting harder to sell—Pittsburgh must find new customers close at hand."

Yeah. Or cut prices, and really compete.

WHO ABSORBS FREIGHT RATES?

A word as to the "absorption" of freight rates by the seller, under the basing-point system. Here is a quotation from a letter the Commentator has received from a defender of the practice:

"The heart of the basing-point system is that the seller farther from the buyer will absorb the difference in his freight charges and what the charges would be if the materials were sold and shipped by the nearest seller to that buyer. This means, for example, that the Detroit customers buying iron and steel could buy his iron at Cleveland, the nearest producer, or Pittsburgh farther away, at the same delivered price to him in Detroit."

True; and he could buy it from a Detroit producer at the same price. All of which means that the price was fixed so that the seller would not lose by paying the freight to any point within the basing-point area. Who, then, paid the freight which was "absorbed" by the seller? The natural deduction is that most of it was paid by his nearby customers.

Therefore, Pittsburgh can now put up this argument:

"Locate your industry here, next door to the mills, because now you can buy f. o. b. mill at a price which doesn't include freight charges. You don't have to pay a price which would enable the mill to sell profitably in Cleveland or Detroit, since the buyers there are now paying their own freight."

BASING POINTS AND CONSPIRACY

How could the basing-point system be maintained without conspiracy on the part of sellers?

The magazine Business Week took up that question recently with Thurman Arnold, the Government's trust buster in 1938-43. Mr. Arnold said:

"I don't think there ever has been the rule that you have to catch two people talking together before you can prove conspiracy. * * * A conspiracy is an illegal combination, or an illegal agreement, or an illegal concert of action. * * * I think if you read the opinion"—of the Supreme Court in the rigid-steel-conduit case—"it was the same old one—that the producers were utilizing the basing-point system as a method of controlling prices. And the Court said they can't do this.

"Now it often happens in an antitrust case that where machinery has been set up which has been used to control prices, the Court will break down the machinery. * * * For instance, there has been a very famous oil case. There we had a policy on the part of the oil company not to deal with jobbers who weren't gentlemen. And it just so curiously happened that none of the gentlemanly jobbers they selected were price cutters. They may have fooled even themselves. They may have honestly wanted only gentlemen as jobbers, and at the same time have been convinced that anyone who cut prices was not a gentleman.

"But there was also the fact that an artificial differential was kept between high-test and low-test gasoline at 2 cents. Prices were kept stable because they were using this method of fixing prices. Again we had no evidence of a meeting. Yet this organization was enjoined by the court."

WHAT MAY HAPPEN TO INDEPENDENTS

Mr. Arnold continued in this happy vein:

"Now, in one case investigated by the TNEC the big concerns testified that they

were making the price independently, and the small people testified they followed them only because they knew that the big organizations knew so much about prices, and they must be the wise boys, and so the prices were the same.

"I got one of the independents off to the side, and I said: 'Now, this won't be made part of the record. * * * Just tell me privately what would happen to you if you didn't follow the prices of the major companies.' And he said: 'That is something, Mr. Arnold, which I expect never to learn from personal experience.' "

Business Week asked if he would say that "per se the basing-point system is a conspiracy."

Mr. Arnold replied: "I would say that, if you wanted to put in a basing-point system and did it on your own, there is nothing that would prevent you. But I would also say that it is unquestionably true that the basing-point system has been used as a method of not only fixing prices but fixing production."

The Commentator repeats that the gist of the matter is that Congress has passed laws to compel competition, the FTC has been enforcing these statutes, and the courts have upheld the FTC. If the people of the United States don't want competition in business, all they have to do is elect Members of Congress who will repeal that legislation. Maybe they have already elected them unwittingly.

The New Task in Germany—Cartels Must Be Broken Up

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an article which appeared in the New Republic on June 20, 1949. This article was written by James Stewart Martin, and contains most valuable information about our policies in Germany.

The article follows:

THE NEW TASK IN GERMANY

(By James Stewart Martin)

On Tuesday, May 17, 1949, Gen. Lucius D. Clay returned home triumphant from the new Trizonal Germany. He had left that newly unified portion of the former Third Reich a land restored to third place in European economic potential, and advanced to first place in combined direct relief and ECA grants; a country which, while receiving billions in American dollars, has promised to other countries as reparations a total of only $178,000,000 in external assets and $203,000,000 in industrial plants, the latter amount now subject to reduction in a move to retain plants in Germany.

General Clay left a land whose citizens are increasingly cynical about democracy, many going so far as to conceal past records of anti-Nazi activities, more and more of them openly espousing a militant nationalism. He left a country where, by accidents of history, a few of the industrialists responsible for financing Hitler were given prison terms, but where a greater number equally guilty, got key jobs in control of the new economy.

This is not what we asked for. It is what we got. We had better decide soon whether we like what we have, because in a short time we are going to be stuck with it.

In the next months we will witness the change-over in Germany from 4 years of military government to an era of Allied civilian observation of a new German Government of Trizonia. Once a German Government takes hold and the occupying powers relegate themselves to the spectators' bench, the day of basic reforms or drastic changes from our side will have passed. The appointment of John J. McCloy, lawyer of the Chase Bank group, to be the new civilian High Commissioner, and the prospect of outwardly sweeping changes in American personnel and in the pattern of administration offer an occasion of reassessment.

The job facing a civilian High Commissioner will above all demand statesmanship. It cannot be rated as a job for a general or an investment banker as such. If the appointment of McCloy is confirmed, it must be assumed that those who vote for confirmation believe him to have the necessary qualities of statesmanship.

For a statesman, the prospects and possibilities in Germany are not all bad. Plans and policies were restated in a revised directive approved by President Truman on July 15, 1947. This policy directive took account of the many changes that had occurred in the first 2 years of occupation. As a document, it is surprisingly good; the new High Commissioner could do a great deal just by swinging his organization behind the official directive. Unfortunately, that may not be easy. Policy squabbles and the organization Clay has left behind him—an organization disposed toward Germany first—must be straightened out before there can be a return to first principles.

Aside from international troubles, the years of military government were marked by violent internal storms, mostly generated by disagreement between AMG and Washington over economic policies; and by an unnatural claim in such areas as education and social reform, where not the actions but the omissions of military government made trouble. The High Commissioner may step into a first-class policy battle, based on the false premise that recovery and reform must exclude one another. Even the Ferguson committee report on cartels which ripped into the pet theme of the Germany-first group, that any effort to eliminate the excessive concentration of power in the German economy would delay recovery, has not ended this kind of thinking.

That report, submitted to the Department of the Army on April 15, 1949, by the three-man investigating committee (Federal Trade Commissioner Garland S. Ferguson, chairman; Samuel S. Isseks, the Attorney General's representative; and A. T. Kearny, ECA representative), exploded as a middleweight bombshell on April 29 despite a press release designed to make it sound like a vindication of military government's "hands off" policy on the cartel system. The Ferguson committee "found no support for the proposition that deconcentration procedures would interfere when carried out along the lines of a sound policy." The report found that the official policy, which had remained unchanged throughout the occupation, was sound and ought to have been energetically enforced. Military government simply had failed to carry it out. The decision to vest the High Commissioner with power over ECA matters in Germany will not prevent industrial advisers in ECA from advocating "recovery" measures of a type that will collide with necessary reform.

Throughout the first 4 years of the occupation the course of military government's behavior on reforms has been an unusually accurate weather vane for the economic program as a whole. Some recovery measures have delayed both recovery and reform. Previous issues of the New Republic have raised storm warnings over military government's complacency in allowing the economic advisers to throw the weight of recovery efforts behind the cartel-dominated heavy industries, thereby frustrating the recovery and development of light or consumer-goods industries in the western zones. For this reason it was no surprise to read in the Wall Street Journal for May 16, 1949, of the sudden "Paradox in Trizonia." As the headlines put it, "West German industries boost output, but dip hits consumer goods. Unemployment rises, retail sales fall; steel and coal producers top targets."

It has been clear from the beginning that the lack of balance between heavy and light industry in Germany was going to prove the biggest single stumbling block in the way of a sensible, as well as peaceful, solution of a European economic problem that dates back at least to World War I. From the outset General Clay's economic advisers allowed the managerial groups who ran the Hitler economy to exploit their hold-up value and to set the conditions under which they would cooperate with military government. Despite military government's almost absolute authority, General Clay's policy of turning the important reform measures over to "the Germans themselves" tied our hands and enabled the German old guard to rebuild a system in which their own services would be considered essential.

The reappearance of Hermann J. Abs, formerly of the Deutsche Bank, in his new capacity as deputy chairman of the Reconstruction Loan Corporation under the German Bizonal Economic Administration, is only one of many cases where important valves in the new economic pipe-line system have come under the control of the old operators. In 1945 Abs and other heads of the Deutsche Bank were kicked out, and the Deutche Bank itself was dissolved by the finance division of military government, because of the bank's big role in the rise of Hitler.

Quite aside from policy squabbles, it will be no simple matter for McCloy to clean up the organization he is inheriting. Too many booby traps are already in evidence. A man thoroughly determined to correct the previous defaults and mistakes of military government would, by best estimates, be in office about 3 weeks before he was completely submerged in the sea of troubles already prepared for him by the existing organization. That organization has built itself into its present shape and manufactured its own policies through 4 years of suppressing, weeding out, freezing out, frustrating, and discharging practically everyone who gave any active support to occupation policies as written by Washington.

The military government organization in Germany had been completely overhauled from the inside, between November 1946 and November 1948, in the expectation of a Dewey administration. Trying to make it perform now in the service of peace, the Fair Deal and the brave new world will be like trying to make waffles on a turret lathe.

What then are the prospects of a new economic policy for Germany? Granted that a lot of water has gone over the dam in 4 years, that many conditions have changed, that many things which could have been shifted about in 1945 have now become permanently rooted, what might be done, ideally, by a new civilian high commissioner who came in with a stock of new brooms?

There has been no lack of specific plans and proposals for treatment of German problems. But all the current crop is subject to the overriding criticism that we have not established firm agreement among ourselves on final objectives. No system guarantees its own success. It is not enough to say we want a democratic economy in Germany. Military government has found it convenient, in certain cases where control over the German industrial brass was clearly essen-

tial, to plead that it would be undemocratic to dictate to the Germans. In other cases, the needs of a working democracy have been blandly ignored, and military government has intervened to save the American taxpayer's money.

Assuming the new high commission starts with the objective of establishing a democratic economy in Germany and not merely establishing certain forms of voting and office holding, several general principles must be preserved no matter what particular schemes may be adopted. Here are a few of them:

1. Forget the idea that reorganization of the ownership and control of German finance and industry, especially the Ruhr industry, will cause German "irredentism."

German nationalism produces a great drive for horizontal or geographical unification of Germany, a drive that will scarcely be stopped by splitting off trizonal Germany into a separate western German federal republic. Germany is not by any means unified vertically under the leadership of the industrialists who controlled the heavy combines and the banks. To see a threat of irredentism growing out of changes in the control of the Ruhr industry is to ignore the fact that German labor, by and large, and most other segments of the German population, regardless of previous Nazi affiliation, waste no love on the top Ruhr industrialists. The proposal to extend the area of international control by including the industries of neighboring countries, and to give these same German industrialists a voice in international management as a way of avoiding "irredentism," would only discourage the few democratic elements in German labor.

2. Revise the balance between heavy and light industries in Germany to accord with the needs of a balanced economy for Europe as a whole.

Two of the biggest mistakes under military government were: (a) looking at Germany exclusively and shaping economic policies to reduce costs there as quickly as possible, regardless of the effect on other nations of Europe; and (b) rebuilding Germany along the old lines, to avoid collision with previously established business interests. When the United States assumed responsibility under the Marshall plan to underwrite the recovery of all western Europe, the shortsighted Germany-first policy of military government no longer made any sense at all. And with the American public spending billions to bolster the European economy, protection of a few hundred millions in private investments in Germany at the expense of the whole plan amounts to sabotage.

3. Face up to the fact that necessary changes in the economic balance of Germany will bring protests from the business groups in the United States that are affected.

A rapprochement among top American, British, and German interests after World War I, working through international cartel agreements and other devices, established Germany as the major European exporter of heavy equipment and made other European countries dependent on Germany for capital equipment. To correct this unbalance while maintaining full employment in Germany means greater concentration on building up light industries. This means that countries like the United States must be willing to import products of light and consumer-goods industries. The first attempts in this direction brought screams from American business that new imports would cause unemployment here. The proper answer is not the restrictive one of excluding German products. Ability of American consumers to purchase must instead be increased, to absorb both the domestic and the imported production.

4. Get rid of the autarchy principle.

Prewar Germany, whose natural resources included only coal, potash, and forests, tried to produce synthetically at high cost all the items needed for the economy, in peace and in war. In addition, continued currency restrictions in Europe have driven most European countries toward an economy of self-sufficiency. German autarchy wasted prodigious amounts of coal to make synthetically the kinds of products that tropical sunshine and vegetation produce naturally in other parts of the world. Continuing autarchy, while it may reduce slightly the current year's burden on the American taxpayer, will build an economy that is permanently costly and permanently dependent on trade restrictions, tariffs, exchange controls, or other expensive protective devices. The only way out in the long run is to adopt a functionally sound scheme in the first place. The prospects for an autarchy program do not improve with age.

5. Resist the centralization of power.

The principle of organizing a Federal Government to take the place of a loose confederation of sovereign States was the great political invention of the eighteenth century. It made possible the modern Federal Republic, combining the advantages of great geographical extent with the preservation of individual freedom. This Federal principle has equally valid application to the organization of a national economy. In the United States, a corporate giant like General Motors approximates a federal organization of separate firms making different automobiles, in contrast with the centralized organization of a company like U. S. Steel, dominated by a full-fledged bureaucracy centered in its Pittsburgh office.

Under military govern.nent, application of the federal principle to economic organization was not only directed by official policies, but was practically demanded by the existing division of Germany into zones and the grave difficulties of transport and communication. Instead, on the specious claim that a centralized bureaucracy will be an asset in the event of a future decision to socialize industry, a complex system of licensing and other restrictions has been set up in the bizonal agencies at Frankfurt with the help of pfenning-a-month men from the old Big Six banks and the top industrial combines.

Attempting to maintain centralized bureaucratic control, with detailed management decisions from the top, has kept control in the hands of a few, at the cost of frustration and inefficient production. Despite daily evidence of this fact, General Clay's economic advisers resisted decentralization in practice, and pressed constantly for tightly centralized control over economic details. An honest study would show tremendous opportunities for delegation of powers, which would distribute responsibility more widely, while releasing productive energies which in the past have been stymied by licensing arrangements and other red tape.

6. Face the need for new and younger technicians and industrial plant supervisors.

Instead of trying to keep the old management personnel, along with their habitual preferences in economic organization, military government should have recognized that the old experienced management is not only 10 years older than it was when direct economic dealings were broken off between Germany and Britain in 1939. Those who survived either had agreed with Hitler in the first place, or had learned to do so in the 12 years of Nazi power. The attempt, begun in 1945, to teach the old dogs new tricks of democratic economic organization was quixotic in prospect and is a flop in retrospect.

7. Place more reliance on laws and general rules, less on individuals and personal whims.

The concept of centralized rule from the top by a small clique of uninhibited and able men is fast becoming a fixed characteristic of our age. John Marshall's dictum that ours is a government of laws, not of men, may have been starry-eyed in one way, but this current practice, running in the opposite direction, is bleary-eyed. From the beginning of the occupation, Germany has had need of both economic and political guide posts, with a clear statement of what thou shalt and shalt not do. Instead, the Germans got military government administrators vested with almost unlimited discretionary powers, and endowed with practically no idea of what is meant by the rule of law.

These seven points of policy are not exhaustive, but they may provide some basis for measuring gains and losses when the results of the present meeting of the Council of Foreign Ministers become apparent. Military government sold part of our birthright 3 years ago by abandoning the federal principle and working with the British for economic centralization. Now that the Russians have espoused centralism, our negotiators face some of their own guns in trying to readopt decentralization.

We need something better than mere jumping to the other side of any fence from the Russians. Too many clashes with the Soviets have already provided the occasion for counter moves that "happened" to preserve the trusts, to reinstall Nazis in powerful positions, and to pave the way for new cartel-like arrangements.

The new High Commissioner can show where he stands by the changes he makes in the American organization in Germany. If he falls down on the job, we may have lost our opportunity for peace.

Our Air Force Policy

EXTENSION OF REMARKS
OF
HON. GEORGE M. GRANT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. GRANT. Mr. Speaker, on Friday, June 17, 1949, Hon. W. Stuart Symington delivered the commencement address on Air Force policies to the graduating classes of the Air War College and the Air Command and Staff School at Maxwell Air Force Base, Montgomery, Ala.

I doubt that any public official in the Nation is doing a better job than is Secretary Symington. His work with the Air Force is showing definite results and I am sure that he has the thanks of a grateful Nation.

The Air University is headed by Gen. George C. Kenney as commanding general. The Air War College by Maj. Gen. Orvil A. Anderson as commandant, and the Air Command and Staff School by Brig. Gen. John A. Samford as commandant.

The people of this Nation can rest assured that these officers and their competent aides are doing everything within their power to assure this Nation air supremacy.

The excellent address of Secretary Symington is as follows:

In these remarks I plan to discuss Air Force policy in terms of those basic facts of the world situation and those basic elements of national policy from which Air Force policy is derived.

I am sure all of you are aware that the military services do not exist for their own

sake, but rather as a vehicle for expressing the national will. The policy of a military service, therefore, must be derived from national policy, and not the other way around. The fundamental test of military policy is whether it is designed to carry out the national policy.

I would not burden you with such truisms were it not for the fact that there are still some who seem to believe that the Military Establishment is led by men who put service interest ahead of the national interest.

That attitude is not supported by the facts as I have found them during years of close contact with ranking members of the Army, Navy, and Air Force. I believe these critics of the military represent a definite minority point of view.

Nevertheless, they are quite vocal, as evidenced by the following extracts from the recently publicized volume I of the report of the Eberstadt task force committee of the Hoover Commission.

"The result (of Air Force efforts in behalf of its program in the late spring of 1948) was, however, a case of a service program making national policy rather than national policy being implemented by a service program."

"The military have picked up the ball of national policy and are starting down the field with it."

"Both services (Air Force and Navy) have too often allowed their statements of requirements to be affected by service ambitions and a desire to hold their end up."

Again I say that these criticisms are contrary to the facts as I see them, and to Air Force policy as I know it to be.

This antimilitary attitude is recurrently pronounced after a war. We of the military departments must earnestly search our souls to be sure that we act and think in such a way that there is no justification for such accusations. But, on the other hand, we must realize that we are the repositories of professional experience and therefore responsible for judgments on military matters. And when convinced that the national interest requires a strong military position we must not permit any fear of possible criticism to deflect us from recommending that position.

I shall first state three principal Air Force objectives and then touch briefly on 10 broad factors which produce the requirement for those objectives.

In essence, Air Force policy and programs are aimed toward concurrently achieving these three goals:

1. Air supremacy for the United States and the other democratic nations of the world.

2. Adequate air power at minimum cost to the American taxpayer and at minimum sacrifice of our individual liberties.

3. Real unification, both within the National Military Establishment and within the framework of the entire integrated national security program. Without this unification the other two objectives cannot be achieved.

Now for a brief mention of the essential elements of the international situation—and our national policy—which establish the validity of these Air Force objectives. Let me quickly list them and then go back and discuss each one in turn.

As I see it, the American people recognize that:

1. Our so-called traditional national policy of political, economic, and military isolationism has been abandoned.

2. Our traditional dependence on ocean and polar barriers must yield to the necessity for military readiness.

3. There exists only one current source of threat to our national security, instead of multiple sources as in the past.

This threat is quite different from the one we last faced; and, therefore, we must be sure that the military means we develop are designed to meet the new threat, and not the old one.

4. Our resources—both manpower and matériel—are not unlimited, hence they must be husbanded, lest we squander our children's heritage.

5. The military forces of democracy are numerically inferior to the military forces of communism; therefore, the military forces of democracy must attain and maintain qualitative—technological—superiority.

6. We cannot afford to face repeated wars, and threats of wars; and, therefore, our current military effort must be designed to destroy the root sources of an enemy's military power—this as distinguished from merely defeating his military forces in the field.

7. Modern war is fought on four major fronts—diplomatic, economic, psychological, and military. Military strength is essential, but the role of the military nevertheless is distinctly limited.

8. In the process of preparing to defeat a regimented enemy, we must not ourselves surrender to regimentation.

9. We must develop and maintain adequate military strength without committing economic suicide.

10. We are in the midst of a battle for the minds of men, and in such a battle the only absolute weapon is truth.

I do not pretend that the above list completely covers all the factors bearing on the problem, but to me those are the essential elements as they pertain to this discussion of Air Force policy.

Turning now to a brief elaboration of each of these 10 points.

The first point was abandonment of our former national policy of isolationism. The world knows that this Nation will always continue to seek a formula for settling international disputes without resorting to arms. But never again with our eyes closed; never again through a policy of self-inflicted unilateral weakness.

Two recent world wars have convinced the American people that it is futile to seek peace and security through isolationism and disarmament. We know now that we must maintain sufficient military strength to meet our obligations in the world community of nations. Without this strength a pact or treaty is little more than a pious wish.

The political isolationism of the United States ended with the United Nations charter.

Our economic isolationism ended with the Marshall plan.

And now our world position may end our military isolationism.

Whether these recent changes in national policy represent a reversal of our so-called traditional isolationism depends on how far back in our Nation's history you go to establish the tradition. If you go all the way back to our founding fathers you will find that they felt then as we feel now. As example, George Washington said:

"There is a rank due to the United States among nations which will be withheld, if not absolutely lost, by the reputation of weakness. If we desire to avoid insult, we must be able to repel it; if we desire to secure peace, one of the most powerful instruments of our rising prosperity, it must be known that we are at all times ready for war."

The chairman of the Senate Armed Services Committee said much the same thing in his recent Army Day speech. These are his words:

"Whether we like it or not, time, destiny, and the will of God have made us the leader in the coming contest for the survival of civilization. We must be internationally minded enough to meet this challenge. If we wear the blinkers of isolationism in this modern day, we will do nothing more than refuse to see our eventual, inevitable destruction. If we are alert to our new role, if we discharge well our responsibility, if we furnish the leadership necessary, if we keep this Nation strong, God willing, I believe that eventually we will bring forth on this planet a new code which will make mass killings a thing of the past."

This military strength, so obviously essential to our national security, must be strength in being—this as distinguished from potential military strength, which does not become combat-effective until long after the call for mobilization. That was the second of our principal points.

More than any other factor, the airplane is responsible for this requirement that we maintain a much larger Regular Military Establishment in so-called peacetime. The airplane robbed us of those ocean and polar barriers which for centuries were the principal safeguards of our security. The airplane has brought the battlefield into every man's front yard, regardless of where he lives. The ramparts we must watch in this air-atomic age are aloft—and every literate person in these United States knows it.

Time—that is, time to mobilize our resources for war—has been shortened to a tiny fraction of what it formerly was.

The incredibly rapid development of weapons is responsible for this. As example, the existence of the intercontinental bomber carrying the atomic bomb, or other weapons of mass destruction, has created a military task without parallel in the world's history.

The task is this: To make sure that the first day of a future war will not be our day of defeat.

And by defeat I do not mean surrender in the traditional sense. I mean the infliction of a mortal wound from which the Nation could not recover, no matter how long, desperate, and agonizing the ensuing struggle might be.

In brief, we must maintain adequate military strength in being, and an essential element of this military strength must be an adequate Air Force in being.

This obvious requirement for adequate air power is but a part of the larger problem of determining over-all force requirements for the Military Establishment as a whole—the Army-Navy-Air Force team. And that leads us to consider the source and nature of the external military threat we face. This you will recall, was the third in our list of 10 principal factors affecting our problem.

The beginning of wisdom in military planning is to size up your opponent. In this respect we are now in a peculiarly advantageous position. Our military-planning problem is now more clearly isolated than ever before.

This should enable us to bring our military plans into much sharper focus than in the past, when we had to provide plans and forces for several possible combinations of opponents.

With our plans in sharper focus, we should be able to balance our forces more specifically against the tasks to be performed—which is the true objective of balancing forces.

As General Eisenhower has expressed it:

"The problem of balance between the armed services is the creation of those forces which enable each service to make its contribution to the over-all strategic plan."

I interpret that to mean that balance among military forces is a quantitative and qualitative relationship, based on the sequence of military tasks called for in the strategic timetable.

That is the kind of balance that provides greatest effectiveness, at least cost in lives and treasure. That is the kind of balance the Air Force seeks.

It's also the kind of balance the Nation must have—because our national resources cannot support any other.

That, you will recall, was our fourth point—we now recognize that our national resources are clearly limited, and therefore we cannot repeat our past errors of trying to produce huge quantities of everything that might conceivably be useful in a war. There is now no military necessity for

tolerating such errors. Our military problem is clearly isolated. Hence, our strategic plans must exploit this opportunity for greater focus, and thus make optimum use of our land-sea-air team.

Then—and not until then—will we get really big economies from unification.

I dare say you recognize the truth of that position, so I won't belabor it further, except to quote you this illuminating extract from the War Department "Plan for Industrial Mobilization" produced in 1931, just 18 years ago:

"In practice, therefore, it is customary to approach our mobilization problem from the standpoint of determining how many men we believe it necessary to organize * * * rather than how many we could safely organize. Since the maximum forces we are potentially capable of supporting greatly exceeds any we would conceivably mobilize, this is a logical and certainly the most direct method we could use."

The thinking behind that plan of just 18 years ago is in striking contrast to our thinking today. We now recognize that even with total mobilization for war, the military forces of democracy would be much smaller numerically than the forces of communism. And therefore, in order to win, the military forces of democracy must be qualitatively superior, and must be employed so as to make the most of that qualitative advantage—by proper timing and sequence of military operations.

Recognition of that fact underlies the Joint Chiefs of Staff's emergency defense plan, which as you know, calls for a powerful air offense at the very outset of hostilities.

The core of this air offense is the strategic bombing effort. As General Bradley stated in a speech last February 4: "At the instant of aggression, the United States must fling the full force of its strategic bombing offensive against the enemy's heartland."

The strategic-bombing elements of the Air Force are, therefore, primarily designed to destroy—at the very outset of hostilities—the enemy's means of making, and supporting an attack against this Nation and its allies. This vital job, well done at the proper time, is the essential foundation—the beginning point—in the joint plan for using the mobilized land-sea-air team.

"The proper time," as General Bradley emphasized, is first—at the very start. Therefore, Air Force policy requires that an adequate strategic-bombing force be maintained in a constant state of combat readiness to do this job on a moment's notice.

Unfortunately, this particular aspect of Air Force policy is being misinterpreted, misquoted, and distorted completely out of perspective.

The stress placed by the Air Force on the importance of a successful strategic-bombing offensive has led some critics to accuse the Air Force of claiming it could win a future war by itself—perhaps by the use of strategic bombers alone.

That is a misinterpretation of the Air Force position. The Air Force is fully aware that a future war can be won only by the highest degree of teamwork among the three services. That is, and always has been, the policy of the Air Force. General Vandenberg and his staff have stated that policy—and only that policy—many, many times. I, too, have constantly reiterated it.

In fact, if that were not the Air Force policy, the group composition of the Air Force—indeed, the composition of the Military Establishment as a whole—simply wouldn't make any sense.

The group composition of the Air Force demonstrates that the Air Force knows a future war could be won only by the highest degree of teamwork among the Army, Navy, and Air Force. Two-thirds of the Regular Air Force groups are equipped primarily for air defense, and the support of land and sea operations. In addition, the Air National Guard—which would be mobilized immediately upon outbreak of hostilities—consists entirely of groups equipped primarily for air defense, and the support of land and sea operations. Thus, upon mobilization, more than 80 percent of the Air Force would consist of groups primarily equipped for purposes other than strategic bombardment.

On the other hand, if the composition of the Air Force did not contain enough strategic bomber groups—equipped with aircraft capable of accomplishing the required mission—then both the Air Force and the whole Military Establishment would be out of balance.

The strategic bombing groups are primarily designed to destroy the root source of any enemy's military power. That is the grand objective in modern total war, as distinguished from the mere defeat of the enemy's military forces. That was our sixth principal point for discussion.

If anyone doubts the validity of this objective, he has but to recall the rebuilding of German military power between World Wars I and II. Germany's military forces were defeated in World War I, and for many years the world believed the German military threat had been eliminated. However, the rebuilding of German military power—especially German air power—began before the ink was dry on the Treaty of Versailles.

By 1926—the year Germany became a member of the League of Nations—she possessed an enormously important war potential. Her leaders perceived the decisive importance of weapons superiority, and the opportunity for exploiting weapons research and development without overtly violating the terms of the Treaty. As example, although denied a military air force, Germany nevertheless launched her glider program and developed commercial aviation in such a way that her aircraft industry could be promptly converted to war purposes. And thus, during 5 short years—1935 through 1939—Germany produced Hitler's big stick—the Luftwaffe.

"Britain and France were caught with their aerial defenses weak and their fleets and fortifications outmoded. They had no alternative but to appease Germany's political demands until they could fill their own aerial scabbard."[1] At the risk of oversimplification, you might say that the failure of Britain and France to recognize the importance of adequate air power as a principal factor in modern warfare, led directly to Munich—where the threat of the Luftwaffe was used as an instrument of national diplomacy.

Our national objection, of course, is to prevent war, not to invite it. But should we ever be committed again to war, we must make sure that the end of those hostilities leaves little likelihood that the enemy's military threat will soon rise again, phoenix-like, from the ashes. We must destroy the enemy's war-making capacity for a long time to come—this in the hope that we may in time convince him of the immorality of aggression and the idiocy of war—so that he will genuinely cooperate in an international brotherhood wherein war is effectively outlawed.

If a potential enemy is aware that this is our war objective—and further that we are fully capable of accomplishing it—he will not attack us. That of course, is the fundamental basis underlying our national policy of maintaining a strong military posture.

That same principle is fundamental in determining the missions of the Army, Navy, and Air Force. To destroy the enemy's air force is only part of the offensive mission of our Air Force. The other part is—by strategic bombing—to destroy the enemy's war-making capacity as discussed above.

By so doing, a successful strategic bombing offensive assists the Army and Navy in accomplishing their offensive missions. That is real unified military teamwork of the highest order, and of the character that really decides the outcome of the military phase of modern war.

But we must not lose sight of the fact that this military phase is not the only phase—or even the decisive phase of modern war. This is the seventh of the 10 principal points we have been discussing.

I shall not dwell on the fourfold nature of modern war—the fact that such war is fought on diplomatic, economic, and psychological grounds as well as on the military front—because you have already covered that subject in your studies here and elsewhere in your military education.

Also there is a masterful discussion of this subject in the report of the President's Advisory Commission on Universal Training—the Compton Commission. However, the fact that I only give it passing mention should not be taken to mean that the Air Force regards it lightly. On the contrary, you could not establish the policy of the Air Force without first recognizing this fourfold nature of modern war—hence, the relatively limited role of all armed force in such a war.

This leads us to the eighth and ninth of our ten points of discussion—the necessity for maintaining military strength without losing our individual liberties and without committing economic suicide.

There is no denying that a totalitarian government, exercising dictatorial powers over a completely regimented population, can attain more flexibility in the use of manpower and other resources for military purposes than can a democracy. Consequently, a totalitarian government can place itself in a high degree of military readiness at relatively low cost. But should we resort to such methods and regimentation in a democracy, we would lose the very thing we would be preparing to fight for—our freedom as individuals. By regimenting ourselves in order to put ourselves on an equal footing with the totalitarian nation we would, in effect, be surrendering to totalitarianism.

This is not just an academic observation. It has very practical applications in our current military planning.

Equally applicable is the necessity for maintaining a sound national economy. In our efforts to achieve necessary military readiness we must not tax ourselves into defeat by economic collapse. It makes no difference whether the purpose of unbearable taxation is to finance military preparedness. The result would be the same: economic collapse followed by a political surrender to internal forces of disorder, some form of totalitarianism which would destroy our cherished freedom.

Those two political and economic facts of life point up the critical need for genuine unified effort to tailor our Military Establishment to a sound strategic plan, and thus eliminate unnecessary duplication of forces, with its attendant waste and inefficiency.

That is basic to the Air Force concept of unification in the national military establishment. In plain language it is:

1. That the above three services are mutual interdependent.

2. That in order to avoid costly duplication, each service should specialize in developing forces for certain specific functions.

3. That these specialized forces should be combined into a balanced team, as parts of the Military Establishment in which each component will be assigned those missions which it can perform most effectively, and most economically.

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[1] The Impact of Air Power Upon History, by Prof. Eugene M. Emme.

The Air Force is striving earnestly to put these principles into practice. Within the Air Force itself we are aggressively pursuing a modern management program—designed to keep our capacity up and our costs down. I won't go into the details of this program—management control through cost control—because you are already familiar with it.

Turning now to the tenth and last of our principal points for discussion—the fact that we are in the midst of an ideological struggle—a battle for the minds of men, as distinguished from a material objective.

This fact strictly limits the role of all armed force in the current conflict. Armed force, fighting for an immoral principle or objective, has never been able to gain a lasting victory over a morally superior idea.

The wars against Christianity are sufficient case in point.

In brief, the only real way to defeat a bad idea, is with a good idea. Ideas are the currency of thought—and good currency always outlives the bad.

In this struggle between democracy and totalitarianism, therefore, the only absolute weapon is truth—which is not a military weapon.

Armed force, fighting on behalf of truth, at best can only create conditions favorable to the spread of truth. If armed force fails to do this, it defeats itself.

"Might cannot make right" is a basic policy of democracy and therefore, it is basic to all military policy within a democracy.

And so we complete the discussion of our 10 principal points.

From this discussion w.. conclude that:

1. As leader of world democracies, the United States must support the United Nations, and be prepared to carry out other commitments such as the North Atlantic Pact.

2. The principal threat to world peace is totalitarian aggression. To meet this threat requires an integrated security program which includes many elements in addition to the purely military element.

3. The maintenance of armed force in being is a basic requirement, and an adequate air force is an essential element.

These facts being true and self-evident, air force policy must be designed to achieve concurrently the three goals defined at the beginning of these remarks, namely:

1. Air supremacy for the United States and the other democratic nations of the world.

2. Adequate air power at minimum cost to the American taxpayer, and at minimum sacrifice of our individual liberties.

3. Real unification, both within the National Military Establishment and within the framework of the entire integrated national security program. Without this unification, the other two objectives cannot be achieved, and therefore our freedom as a Nation will be jeopardized.

Yalta—The United States Reaps Fruit of a Diabolical Agreement

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EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, the evil that was committed at Yalta becomes more apparent every day. Kiyoshi Kawakami in the current issue of Human Events, June 15, 1949, points out what is happening as a result of the Roosevelt agreement and under leave to extend my remarks, I am including the article in question:

THE FRUITS OF YALTA

(By Kiyoshi K. Kawakami)

The debacle of Chiang Kai-shek's China has already forced the Department of State to urge an emergency appropriation of $150,000,000 for southern Korea. Here is an initial consequence of abandonment by the United States of its twin traditional policies in the Far East—the open door and the balance of power.

Enunciated by John Hay, as Secretary of State just 50 years ago, the open-door doctrine was officially abandoned when the United States in 1945 approved special treaty rights and privileges for Soviet Russia in Manchuria. This was wholly at variance with Secretary Hay's assertion of September 6, 1899:

"The Government of the United States will in no way commit itself to a recognition of exclusive rights of any power within or control over any portion of the Chinese Empire."

On the other hand, the principle of the balance of power was never officially proclaimed in Washington. Not a few American statesmen and publicists, indeed, have expressed abhorrence at suggestions that their country should embrace this principle in the conduct of its diplomacy. Balance of power, which of course is the acceptance of a condition rather than the promulgation of a theory, has often been denounced as an evil British invention designed to perpetuate an empire upon which the sun never sets.

And yet the very principle so distasteful to Americans has actually guided the Far Eastern diplomacy of their own country. Unhonored and unsung, the American policy of maintaining political equilibrium in Asia has played an even more important role than the much publicized open-door doctrine. This is wholly logical, because the open door inevitably swings shut when any single power in a given area becomes so strong as to dominate all others.

As long as American diplomacy adhered to the principle of the balance of power, American prestige and interests in the Far East were preserved, though sometimes precariously. When this principle was abandoned at Tehran and Yalta the carefully developed moral and material investment of the United States was doomed to disintegration.

II

Theodore Roosevelt was the first President who adopted the balance of power as the guiding principle of American diplomacy in the Far East, though he never officially proclaimed it. On June 16, 1905, when the Russo-Japanese war was approaching a climacteric stage, Roosevelt wrote Senator Henry Cabot Lodge:

"While for the rest of us, Russia's triumph would have been a blow to civilization, her destruction as an eastern Asiatic power would also in my opinion be unfortunate. It is best that she should be left face to face with Japan so that each may have a moderating action on the other."

And later, on July 24, 1905, Roosevelt confided to his friend Sir Cecil Arthur Spring-Rice (later British Ambassador to Washington) this significant information:

"As soon as this (Russo-Japanese) war broke out I notified Germany and France in the most polite and discreet fashion that in event of a combination against Japan to try to do what Russia, Germany, and France did to her in 1894 (1895) I should promptly side with Japan and proceed to whatever length was necessary on her behalf."

A Russo-French-German coalition had forced Japan out of Port Arthur and Dairen when these Manchurian strongholds were surrendered by China as a result of the Sino-Japanese War of 1894–95. Theodore Roosevelt, a decade later, would tolerate no repetition of this combination at Japan's expense. Quite possibly this President, in thus committing himself to a policy of grave international significance, acted in contravention of the spirit of the Constitution. More certainly, his action kept France or Germany, or both, from coming to Russia's aid and thus localized the war to Manchuria.

From the closing decades of the last century, down to the opening of World War I, Russia was a perpetual menace to China, Korea, and Japan. To preserve even a semblance of power equilibrium across the Pacific, Theodore Roosevelt therefore thought it in the American interest to support Japan, since China and Korea, even with foreign aid, seemed incapable of standing up to what Rudyard Kipling contemporaneously called "the bear that walks like a man."

Even after the peace of Portsmouth, N. H., effected through Theodore Roosevelt's good offices, the Russian menace was not removed. To guard against Russia's possible war of revenge, Japan allied itself with Britain, a step which had Roosevelt's support.

III

World War I brought temporary eclipse to Russia's Asiatic ambitions and resulted in a radical realinement in the Far East. The Japanese Navy had come to rule much of the Pacific; the German foothold in Shantung was taken over by Tokyo; the Japanese leaders cast covetous eyes on eastern Siberia. In short, Japan in turn threatened that balance of power which Theodore Roosevelt had sought to maintain.

Now the American policy was to restrain Japan. In 1918 an American contingent was dispatched to Siberia ostensibly to cooperate with Japan against the establishment of Communist control, but perhaps as much to keep a watchful eye on the exuberant Japanese forces. Washington even maneuvered to appoint an American engineer as supervisor of the Russian-owned north Manchurian railway, to forestall possible Japanese domination of the road.

The Washington Conference of 1921–22, whatever its stated purpose, was actually promoted to restore the balance of power in the Far East. This aim was revealed in the treaties and agreements adopted by the conference. The United States successfully brought pressure to terminate the Anglo-Japanese Alliance. Japan was deprived of her new acquisitions in Shantung. The Japanese Navy was reduced to the ratio of 3 as compared with 5 each for the United States and Britain.

For some years after the conference Japan, mollified by the temporary prosperity engendered by wartime and postwar business expansion, seemed inclined toward a course of moderation. Then came the great depression of 1929. The Japanese military leaders seized their opportunity. Tokyo again embarked upon a course of overseas expansion, particularly in Manchuria and north China.

In the eyes of official Washington, the resurgent Japanese expansionism brought a renewed threat to the balance of power so carefully restored at the Washington Conference. The nonrecognition principle, enunciated by Secretary Stimson in 1931 toward the puppet state of Manchuko, and President F. D. Roosevelt's recognition of Soviet Russia in 1933, both had for their purpose the reestablishment of balance of power in the Far East. Franklin D. Roosevelt, perhaps unwittingly, then upheld Theodore Roosevelt's policy of keeping Russia "face to face with Japan so that each may have a moderating action on the other."

IV

The end of World War II brought the United States—rather than Japan—face to

face with Russia. It was entirely foreseeable, but American statesmen and strategists responsible for the conduct of the war seemed curiously blind in their adoption of measures which were cumulatively certain to produce the present overshadowing problems.

Even at the height of Japan's victories in the Pacific no one with a knowledge of its resources, relative to those of the United States, could fail to foresee the ultimate American victory. By the time of the Yalta Conference Japan had suffered defeat after defeat; the greater part of its naval and merchant fleets were sunk, the country was on the verge of starvation, its surrender only a matter of time.

Surely the problem for American statesmen, then, was how to salvage what they could out of the wreckage of the balance of power. To every well-informed layman it was as clear as day that Soviet Russia, riding the crest of the American victories, would press toward the Pacific and help the well-organized Chinese Communists toward the control of China.

In 1945, as Human Events at least then pointed out, it was the historically logical and politically obvious course of American diplomacy to support Nationalist China as a counterbalance against the certain Soviet advance. Most of all, American leaders should have seen to it that Manchuria should be wholly restored to Nationalist China. For whoever controls Manchuria, at once the most industrialized and the most prosperous agricultural region of China, will eventually control the entire country.

Yet, at Yalta, Mr. Roosevelt virtually surrendered Manchuria to Soviet Russia, which in turn handed it over to the Chinese Communists. The defeat and obliteration of Chiang Kai-shek has been the wholly predictable result. Even now many Americans are deluding themselves, by hopefully asserting that Mao Tse-tung will prove a Chinese Tito, or that he cannot extend his control much further south because he has not enough administrative personnel for the purpose.

Mao has been a most faithful follower of Moscow. But should he prove unsatisfactory to Russia, Stalin could and probably would give Manchuria and North China to Mao's old and bitter rival, Li Li-san, whom the Kremlin has already set up at Harbin as administrator of Manchuria. Li was brought back to Harbin after years of indoctrination in Moscow, and is said to be Stalin's fairhaired boy.

The balance of power, which for half a century served as America's diplomatic bulwark across the Pacific, died an ignominious death at Yalta, as did the "open door." Inevitably Soviet Russia became the master of the Far East. Extension of the Marshall plan to southern Korea is scarcely an effective measure to retrieve the loss which the United States has inflicted upon itself, and upon China.

[Mr. Kawakami is a veteran Japanese liberal who has lived in the United States since 1901.]

To Prevent Criminal Waste

EXTENSION OF REMARKS
OF
HON. ANGIER L. GOODWIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. GOODWIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I append hereto a recent editorial from the Christian Science Monitor bearing upon the report of the Hoover Commission and commenting upon some of the difficulties which will stand in the way of carrying into execution the recommendations made by the Commission:

TO PREVENT CRIMINAL WASTE

Over the last week end the Hoover Commission turned in its final report on reorganization of Federal administration. Judging by headlines, the American press and public gave it less attention than the latest "whodunit." Yet this effort represents a magnificent program for improving their Government. Adoption of these reforms is more than a matter of preventing billion-dollar waste; it is a matter of preventing the criminal waste of this unique opportunity to make democracy work more successfully.

When again can America hope for this conjunction of advantages in a plan to reform their Government: A nonpartisan project, initiated by Congress, headed by a former Republican President and indorsed by an incumbent Democratic President, representing 2 years' work by a staff of 500 people, including top-rank executives in the fields of business, public service, and the professions, and directed by a man whose skill and experience in administrative organization has won world-wide recognition.

It is not going to be easy to simplify and dramatize this massive, complicated body of information and recommendations. This newspaper hopes to do its part in helping the public to understand the major purposes and methods. Success will also require continuing insistence on action. We intend to keep this reform steadfastly in the forefront of discussion until its principal objectives are attained.

The greatest business in the world—the conglomerate of Federal administrative agencies—has, like Topsy, "just growed." As Mr. Hoover says, it is like a forest of lean-to's around the Presidency. In the last 20 years it has increased 4 times in size and 12 times in cost. Only 10 percent of it is in Washington. The Commission estimates that every present Federal service—it did not attempt to say any service is unnecessary—can be performed with a 10 percent reduction in personnel. Savings are estimated at from $3,000,000,000 to $5,000,000,000.

But any study of the Commission's work quickly corrects the impression that it was simply trying to save money. Its proposals are directed toward making Government more effective. A Government that will carry out the will of Congress and the people more responsibly and responsively is the aim. The Commission remarks that efficiency in itself is no guarantee of democratic government, but that "the highest aims and ideals of democracy can be thwarted through excessive administrative costs and through waste, disunity, apathy, irresponsibility, and other byproducts of inefficient government."

Already vested interests are building backfires against the Commission's proposals. The battleground is Congress, and minority groups of every type are already bombarding the Capitol with pleas to make one agency or another "untouchable." One Senator had 2,000 letters objecting to any effort to consolidate the construction agencies in one place. Mr. Hoover points out that even the American Bankers Association is opposing changes in the handling of Federal finances.

Much of the necessary reform can be achieved by Presidential order under the reorganization authority Congress appears about to grant. But further action by Congress will also be required in practically every field. The largest opportunity lies in the military establishment. This should be the first goal.

We do not urge blind or blanket acceptance of the Hoover Commission's proposals. They should be examined thoroughly. But on their face they offer so much in the way of reasonable, logical, and businesslike reform that the public can safely put the burden of proof on those who would block them.

Atomic Energy Secrets

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. POULSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial by Virgil Pinkley, editor of the Mirror, Los Angeles, Calif. This article definitely expresses my viewpoints.

All week long the Atomic Energy Commission has been under fire in Washington.

Gradually more people are becoming aware of the fact that atomic energy secrets, and especially pertaining to military aspects, should be kept as secrets. We have tossed around freely and with little restraint, information which any would-be aggressor could use to tremendous advantage.

With conditions as they are in the world today, it is simply too dangerous to announce or publish many of the details pertaining to top atomic energy secrets. Especially appalling are the facts about location of our atomic energy plants, their physical and geographical factors and other such information which could enable a perfect bomb pattern.

Senators are correct in rebuking the Atomic Energy Commission for granting scholarships to known or self-pronounced Communists. Not only should we avoid spending money in this fashion but we must not teach Communist scientists everything we know and discover about atomic energy.

FOOLISH QUESTION

Has anyone heard of Russia offering to take young Democrats, Republicans, or true liberals to Moscow and let them work and study in Russian scientific laboratories or research arsenals? Of course, the question is foolish and the answer is "No."

Until we are convinced over a period of years that the Russian leaders and Communist Party sincerely desire, want and work for peace of positive deeds, and until full reciprocity prevails in the exchange of scientific information, we should not and we must not pass on top secrets.

One fallacy in the present Atomic Energy Commission's attitude is a fear it won't be considered liberal—that it will be charged with being reactionary.

Concerning atomic energy there is very little question of being liberal or conservative. The issue is life and death.

Many facts about our atomic-energy production, and especially for military purposes, simply should not be debated.

In fact, the time has come to review the entire atomic situation in this country and to change the controlling set-up.

A solution which would bring about better security and simultaneously promote atomic-energy developments for civil purposes, would be to appoint a new Atomic Energy Commission.

SUGGESTED COMMISSION

This group could be composed of the three Chiefs of Staff—Army, Navy, and Air—and three civilians selected by the President with the concurrence of the Senate, with the Secretary of National Defense serving as the seventh member.

It seems to me and many who have studied the atomic-energy question an almost perfect solution.

The Joint Chiefs of Staff would make certain that security was not jeopardized.

The three civilian members would assure that atomic energy was developed for civil as well as military use.

The Secretary of National Defense, being a civilian, would give the civil side the deciding vote, but it would place any deciding vote in the hands of the man who on the final count is charged with our national security.

PRESENT SYSTEM BAD

Our present system for the Atomic Energy Commission headed by David Lilienthal, composed of five civilians with no military representation, is extremely dangerous. Events of the last 2 years have amply demonstrated this fact.

Checks which have been made by the Mirror show that much of the information, especially physical and geographical, connected with our production of atomic energy has been released or published without the knowledge of the Chiefs of Staff.

As a matter of fact, several months ago when General Eisenhower, who was temporarily in Washington on leave of absence as president of Columbia University, was fully informed of some of the recent leaks, he was appalled.

Numerous top-ranking generals and admirals, who assigned and lost hundreds of fine American soldiers, sailors, airmen, and marines to secure vital information of German or Japanese military and industrial installations, are staggered and alarmed by our willy-nilly handling of atomic information.

PRECIOUS INFORMATION

They state frankly and flatly that information we have given out in some cases is more detailed and exact than we were able to secure about Germany and Japan after we had been at war for several years.

Information and details which mistakenly already have been released would enable a would-be aggressor nation to plot and prepare a detailed bombing and sabotage campaign against this country.

With the possibility of fifth column activities inside the United States and with the distinct likelihood of enemy planes being able to reach this country should we be forced into war, it is little short of suicidal and criminal to permit free dissemination of vital atomic energy secrets.

VIRGIL PINKLEY.

MAY 21, 1949.

Eisenhower Dissents

EXTENSION OF REMARKS

OF

HON. ANGIER L. GOODWIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. GOODWIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a recent editorial from the Boston Herald on the pronouncement of General Eisenhower on the issue of Federal aid to education:

EISENHOWER DISSENTS

The plan of distributing Federal money to all the States to perk up public schooling is regarded so fondly by its proponents that dissent is held to be a sign of a misspent youth and a perverted mind. If you are "agin" it, you are "agin" better education, is their view. So when an educator comes out on the other side, it is unpardonable heresy, and when Columbia's President Eisenhower does, he's a—well, he's not an educator at all, he's just a military leader, incompetent to make pronouncements on the public-school system.

That, anyhow, was Senator WAYNE MORSE's retort to General Eisenhower's declaration that Federal aid should be limited to those States which definitely lack the revenue potential to provide proper education, and not spread out over all the States. It was the general's contention that "unless we are careful, even the great and necessary educational processes in our country will become yet another vehicle by which the believers in paternalism, if not outright socialism, will gain additional power for the Central Government."

We think General Eisenhower is perfectly competent to make pronouncements on the matter, and if public education policies have become the proper concern solely of a pedagogical elite, then we all better take a new and still more suspicious look at the Federal-aid-to-education bill. Is that to be a plan to remove public schools from the public?

Norway's Traditions Exalt the Individual and His Rights

EXTENSION OF REMARKS

OF

HON. HAROLD C. HAGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. HAGEN. Mr. Speaker, of interest to readers of the RECORD, I am sure, is an editorial from the St. Paul Pioneer Press of May 17, 1949, entitled "Syttende Mai," which in English means 17th of May, Norway's national holiday, similar to our Fourth of July.

The editorial follows:

SYTTENDE MAI

Today is the Norwegian Fourth of July, the anniversary of Norway's modern constitution, promulgated at Eidsvold on the 17th of May in 1814.

St. Paul's traditional observance, among American descendants of Norway, was held last Saturday night. The occasion is commemorated tonight in Minneapolis, and the day is one widely observed outside Norway itself. It has so many features common to our own Fourth of July as to make the central theme one well worth honoring among those who do not share ties of kinship with it.

What the Norwegians did 135 years ago was to assert their independence anew, resisting the trend of the post-Napoleonic era typified by the endeavor to hand them about like a collection of chattels. They had been ruled by the Danes for years. In remaking the map of Europe after Napoleon's bloody revision of its borders, Norway was to be handed over to the Swedes. Through a flowering of nationalism marked in music and literature as well as in statecraft, those Norwegians of the early nineteenth century decided to recapture the spirit of their own earlier era of independence, issued a declaration much like ours in 1776, and wrote a modern constitution that has many parallels with our own.

The Norwegians at Eidsvold even elected a king—a prince of the Danish royal house—thus indicating that sovereignty with them, arose in the people themselves, who could alone delegate powers to others. That arrangement was not a permanent one. Union with Sweden was effected, but it was a union of coequal kingdoms, joined only by the bond of a common constitutional monarch. That tie was peaceably broken in 1905, but the foundations of that final step as laid 135 years ago provide the basis of the country's national holiday.

The traditions of ancient and of modern Norway are those exalting the individual and his rights. Indebted as we in this area are to the many who came from that country to help build Minnesota and neighboring States, we can all join in the congratulatory greeting: "Til lykke med dagen."

Public Housing

EXTENSION OF REMARKS

OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I should like to include two editorials, one entitled "Mr. Truman on Housing," which appeared in the New York Times of Sunday, June 19, and the other entitled "Cost of Public Housing," from the Washington Post of Monday, June 20.

These editorials are comments on the President's letter to you, Mr. Speaker, on the Housing Act of 1949. Both editorials point up the consistent misstatements and misrepresentations put out by the real-estate lobby and its propaganda in opposition to its legislation.

[From the New York Times of June 19, 1949]

MR. TRUMAN ON HOUSING

Mr. Truman's attack of last Friday on what he called the little group of ruthless men who are opposing the administration's housing program has the merit of dramatizing the housing problem. The members and backers of the housing lobby may not be as wicked as Mr. Truman thinks they are. For all we know every one of them may be completely sincere. Nevertheless, forgetting for a moment the extremely personal nature of Mr. Truman's letter to Mr. RAYBURN, the arguments therein presented are powerful.

The program presented in the House bill, which is to be taken up Wednesday, would probably cost, over a period of about 30 years, $10,000,000,000, not $20,000,000,000. A great part of this sum would take the form of annual Federal contributions to local housing authorities for the benefit of low-income families. These families would be selected from among those who could not possibly pay for decent housing. The cost of contruction would be kept down under the House bill to an average of $8,465 for each dwelling unit. There would be aid to farmers and some money spent in research. The whole program is a continuation of a previous housing program. It should benefit by the experience and even the mistakes of that program.

There are two points to be noted about any Federal housing plan. One is that subsidized housing with the aid of the National Government, the States, and the cities could not take care of all the need. There remains an enormous field for private enterprise. If private builders can get their costs down sufficiently, they may in time make subsidized housing unnecessary. The building industry faces a challenge. We can hope that, like the automobile industry of a gen-

eration ago, it can eventually modernize itself. Meanwhile, low-rent housing and slum clearance are legitimate objects of governmental activity.

In order to get his housing legislation Mr. Truman will need Republican support to offset Democratic desertions. He should have such support and, on the past record, he will have it. Even though the housing plank in last year's Republican platform was almost meaningless, there are many Republicans—Senator Taft among them—who have worked for progressive housing legislation. Compromises may be necessary. There is a wide gap between the Senate bill providing for 810,000 public housing units in the next 6 years and the House bill calling for 1,050,000 such units in a 7-year period. But the need for low-rent housing is so great and we still have so many veterans living in crowded and unwholesome conditions that Federal action is certainly called for. Those who denounce such action as socialistic can make their own answer by working to bring down the costs of private housing.

[From the Washington Post of June 20, 1949]

COST OF PUBLIC HOUSING

President Truman threw a good deal of righteous indignation into his letter to Speaker Rayburn on the public housing bill. The letter is one of the most effective statements of the case for slum clearance and low-rental housing that we have seen. It blasts the real estate lobby's propaganda by a skillful combination of facts and common sense. If the Members of the House will read this statement with open minds along with the flimsy reply of the National Association of Real Estate Boards, the housing measure will be in no danger of defeat.

One has to begin with the fact that slums are a cancerous growth in every American city. They can be eliminated only by governmental action. Experience has shown that each city can best deal with its own slum problem, using the powers of eminent domain, but the cities must have financial aid if they are to undertake any extensive rehousing programs. Such Federal aid is provided in H. R. 4009, soon to be considered by the House. It is true that this program will cost a good deal of money, but there is no excuse whatever for the gross exaggeration of the costs in which the real estate interests have indulged.

The chief items of expense are (1) grants to the localities to aid them in wiping out their mistakes of the past in permitting residential areas to deteriorate into slums and (2) rental subsidies to enable low-income families to occupy the new housing that is provided. If the job of eliminating these cancerous growths in our cities is to be done, these expenses cannot be avoided. Crime-breeding neighborhoods cannot be cleared, replanned and redeveloped without providing decent housing for the displaced slum dwellers. It is not necessary, as the President points out, that the new projects be located in the areas that are reclaimed. Often the cleared land can be more appropriately used for parks, schools or commercial buildings in accord with city-wide, redevelopment planning. The important point is to remove the slums and to relieve the pressure on other blighted housing by providing decent low-rental dwellings at least as numerous as the slum houses that are destroyed.

It would be possible, of course, to make these new projects self-sustaining. But experience has shown that if they are to serve their primary purpose of rehousing the displaced slum dwellers and of relieving the critical pressure upon low-rental housing, the rents which their occupants can afford to pay must be in some measure supplemented by a Federal subsidy. In its effort to make certain that there will be no competition between public and private housing, the Senate provided that the projects authorized may be occupied only by families with incomes 20 percent below what is necessary to afford decent private housing. The result will necessarily be to increase the amount of subsidy required.

We hope the House will pass the bill. But it could reduce the amount of the rental subsidies by eliminating this unwise restriction and allowing city housing authorities to accommodate any family now living in substandard housing, without trying to maintain this artificial and discriminatory 20-percent margin. If the argument of real-estate interests that the program would discourage thrift had been aimed at this provision of the bill, it would have been dead right. For families living in public housing are not going to increase their earnings, if the result would be to throw them into the no-man's land between public housing and the lowest rentals that private housing can provide. Minority Leader MARTIN and his friends who are worried about the cost of the bill could most profitably direct their efforts toward elimination of this restriction that will make subsidies unnecessarily excessive.

Compulsory Health Insurance

EXTENSION OF REMARKS

OF

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. MILLER of California. Mr. Speaker, maybe the AMA is right. Perhaps we do not need some form of compulsory health insurance to assure people with limited incomes medical services.

I am of the opinion, however, that the high-priced lobbyist employed by the medics with their $25 a head tax would have a hard time converting courageous Mrs. Archie Olson of the soundness of its position.

Let me read you a United Press story coming out of San Diego, Calif., under a June 4 date line:

FINANCIAL APPEAL: SOUTHERN CALIFORNIA WIFE OFFERS LEFT EYE FOR SALE TO AID STRICKEN SPOUSE

SAN DIEGO, June 4.—A Lemon Grove housewife yesterday offered to sell her left eye and appealed to the San Diego Union to help find a purchaser.

Mrs. Archie Olson, whose husband is bedridden with coronary thrombosis, made the offer.

Olson is an upholsterer by trade. He was stricken with a heart ailment 2 years ago and medical and hospital expenses have exhausted their savings, Mrs. Olson explained.

"We get some help from the boys," Mrs. Olson said, "but we have to pay $60 a month rent and I find it a problem to buy food and pay for the medicine my husband requires. I have decided to sell an eye as the only way I know to take care of him. I know he would do the same for me."

The Olsons formerly lived in Minnesota. They came to San Diego in 1945 and have five sons, one of them in grammar school. The eldest boy is employed on a Texas ranch. Another is in New Jersey working as a television engineer. A third one is employed in England and one grown son living at home has a part-time job at a San Diego filling station.

Testimonial Banquet for Secretary of the Navy, Hon. Francis P. Matthews

EXTENSION OF REMARKS

OF

HON. KARL STEFAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. STEFAN. Mr Speaker, many distinguished people gathered together at Omaha, Nebr., on Monday night, June 13, to pay tribute to our new Secretary of the Navy, the Honorable Francis P. Matthews. Among the speakers at this historic gathering was Admiral Louis E. Denfeld, Chief of Naval Operations. By leave granted me, I include in my remarks the following address of Admiral Denfeld delivered on that occasion:

It gives me extreme pleasure to be with you tonight. As Chief of Naval Operations for the United States Navy, I appreciate the honor of speaking at the headquarters of that other illustrious navy—the great navy of the sovereign State of Nebraska.

Every military force values allies, and it makes me glad that the close ties between our respective naval services have been further strengthened by our acquisition of one of Nebraska's most prominent sons to be Secretary of the Navy.

When Francis Patrick Matthews was in your midst, he gave of his talents without stint to enrich materially and spiritually many diverse Omaha endeavors. You could always count on him—but you couldn't hope to keep him for yourselves alone. I think you must have known that the time would come when you would have to share him—and you have, for never in our Nation's history have we needed such ability as he possesses.

Gathered here in pleasant, peaceful surroundings, it is difficult to realize how perilous is the road ahead, for our country and for the world.

Five years ago when the agony of war still held the earth in its iron claws, civilization's fervent hopes were buoyed by the startling news that a successful landing had been made on the continent of Europe. It was the beginning of the end of the long and cruel European conflict.

Thereafter, every battle, every campaign was fought with increased determination, for the hearts of all decent men yearned for the defeat of nazism. Once that pestilence was destroyed we knew we could turn all of our effort toward the remaining partner in crime.

Then, and only then, could we have peace. The elusive ideal would become a reality.

We believed that we and our Allies, men of all races and creeds, united as we were in a common endeavor in war, would turn our mutual talents toward the establishment of an enduring peace.

But our men were hardly home, the soil of the battlefields barely dried of the blood that had won them, before that ideal was shattered.

Hope, however, is not dead. Nor will it be so long as there remains the single tick of one honest heart. Indeed, without hope that the United Nations can effect a workable plan, there would be little purpose in our present efforts.

It is not enough that we have hope alone. With it we must have the wholehearted effort of everyone at home and abroad to foster mutual understanding among nations. And although clouds of mistrust and enmity linger on the horizon today, they will vanish once all peoples have a sane and balanced

knowledge of the affairs of the world in which they live. It is our task, more than that, it is our privilege to carry that light to dispel darkness and doubt.

Noble as our aims may be, we must be prepared for opposition to them, no matter what form the opposition may assume. During those periods of distress let us preserve a calm outlook: let panic be no part of our moral fiber.

Historically, peace seems to have been all too ephemeral. The pages recording the acts of man are drenched with his own blood more often than not. I wish this were not so—I pray that it may never be so again. But at this stage of the world's morality it seems that the only insurance, the only guaranty, of peace of any sort is for us to maintain a strong and efficient Army, Navy, and Air Force.

To admit this is to apologize for all mankind. Yet this is no less than the truth about the world's present attitude. Staggering as the financial burdens are that go to maintain protective forces today, sobering as the realization is of the ruin those same armed forces may vent on the world in but a matter of days, we must, nevertheless, continue to support them until there can be no question about the wisdom of banishing them forever.

But of even greater importance than the arms we possess is the high and strong character of the men who direct their use. We must have men of integrity, men of unquestioned patriotism, men who would not place into action these terrible weapons except as the final way out. I refer specifically to Francis Patrick Matthews.

Our Secretary of the Navy has entered his high office at a time when the world is sadly torn by two opposite ideologies. On one side is a community of nations which adheres to a democratic system, believing in and permitting freedom of the individual. On the other side is a community of nations that believes the welfare of its citizens depends upon the absolutism of a small group of rulers—men who dictate what or who the individual may believe in, what he may and may not do—and that same community rationalizes its stand by saying that the state is the supreme being, that the individuals are but mere cogs in the machinery of the society.

Whether these two communities will ever satisfactorily resolve their differences I shall not venture to predict or discuss now. I do not believe that recourse to war will aid in solving them, for war, in the last analysis, has never in the thousands of years of known history resolved anything satisfactorily. Rather wars have always brought a host of new and more complex problems that have been the seeds for deadlier future conflicts. But this belief that I hold, joined in it as I am by millions of my fellow countrymen, does not mean we should relax our vigilance.

We must be realists—prepared for any eventuality. Scientific advances have so shrunk the world, that we must be ready to repel instantaneous attack. No longer can we rest behind our ocean barriers, secure in the belief that the vast distances across the oceans afford us immunity.

All of our potential enemies and most of our friends are across the seas. If world disaster comes again and we want to help our friends and our allies, we will have to supply food, materials, men, and guns. They must go by sea—in ships. Unless our allies receive help we risk their collapse, and if that tragedy happens America won't be isolationist—America will be isolated.

The Navy's responsibility is the seas that surround our continent. Ours is the duty of denying the enemy the use of the seas, in order not only to defend our country but also our bases from sea-borne invasion. Ours is the duty of providing sea-borne tactical air support no matter where it may be required.

Strategic air offensive is the duty of the Air Force and I am in complete accord with my colleague, Gen. Hoyt S. Vandenberg, Chief of Staff, United States Air Forces, who recently stated: "For our own protection from direct or air-borne attack, for the maintenance of our freedom of maneuver, for the retention of our bases and sources of supply, we need an effective Army and Navy. Any realistic plan for our security which can be drawn up today requires the complete participation of all members of our national security team."

Without control of the seas, our whole machinery for gaining victory would bog down disastrously. And ships will arrive at their destination only if the United States has control of the seas. Shipping must be protected against enemy aircraft, submarines, and surface ships. Protection means naval forces—strong United States naval forces—capable of destroying enemy aircraft launched to seaward, capable of defeating submarines, and capable of sinking enemy surface ships.

As we learned during the last war, we can't protect shipping by defensive methods only. We need defensive methods—strong convoys, for example—but that's not enough We must have offensive naval forces equipped with the weapons to destroy enemy aircraft—to destroy his home bases—before he launches his attacks. We don't want to be surprised by the enemy. We must surprise him.

We must have naval power sufficiently strong to strike submarines at their bases before they go to sea. We still need to have the capability of mining submarine egresses. Only by infesting the enemy harbors with our own weapons will we keep the enemy submarines from infesting the high seas.

The intimate relationship between our economy and our ability to use the seas makes it almost impossible to separate them. That is why we are a maritime Nation—and why American naval forces are needed to preserve and protect our national sea power throughout the world. In support of our economic security, naval forces maintain our freedom of the seas for movement of trade with every nation.

It has been said that diplomacy is as strong as the forces behind it and no stronger. The Navy, free to proceed at will to any port of any nation, is an impressive evidence of American power. Especially is this impressive when I tell you that our fleets are self-sustaining at sea. Our ships in the Mediterranean today operate there without local shore facilities—they are supplied and maintained from the United States.

These fleets of ours that roam the world are able, in the event danger threatens our nationals abroad, to bring our citizens to safety. They are able too, by their mobility to press our attack in the event of war.

The essence of American strategy, once we become involved in war, is to attack. And we are determined that should war come, it will not be fought on American soil. This means that we must have a balanced fleet of surface, air, and underwater elements to keep the waters surrounding us—our oceans.

Our modern Navy is not a static organization. Naval research and development is a continuing process. Improvements, based on the experiences of the past steadily change the outward looks of the Navy. And although the looks may change, the fundamentals are the same. The Navy of today has the same mission that the Navy of yesterday had. It will have the same mission a century from now, as long as we exist—the security of the United States. This security it will maintain by the proper use of sea power.

What the future Navy will be like can only be imagined. Just as the ironclad superseded the frigate, just as the carrier has superseded the battleship, so might the dreadnaughts of the deep—the progeny of our modern submarines—become the capital ships of tomorrow. No one knows. But all of us know without question that the geographical position of the United States will not change, and that to reach us, an enemy would have to pass over, on, or under the seas surrounding us. The future Navy will prevent him—just as our enemies have been prevented in the past.

We will prevent him. And by "we" I mean the Army, the Navy, and the Air Force—the team that makes up our National Military Establishment. That is the feeling, the belief of the Joint Chiefs of Staff, and I can do no better than to quote another colleague of mine, Gen. Omar N. Bradley, who so aptly said: "American armed strength is only so strong as the combat capabilities of its weakest service. Overemphasis on one or the other will obscure our compelling need—not for air power, sea power, or land power—but for American military power commensurate to our tasks in the world."

World leadership has been thrust upon our country. We have the strength and the spirit to discharge our trust. We will not fail. We cannot fail, for we have a birthright of freedom that has enabled our country to bring forth citizens who are blessed with the wisdom and the strength of character to guide us when we need it most.

The Navy looks to its new Secretary as such a man. The loyalty he gave and in turn received amidst his fellow Nebraskans now encompasses the entire Navy. Under his leadership we face the future with high resolve and confidence. It will be an era of continuing naval progress of incontestable national security.

Brotherhood of Railroad Trainmen Are Against the Recent Suggestion That the Social Security Administration Should Absorb the Functions of the Railroad Retirement Board

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EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. VAN ZANDT. Mr. Speaker, Mr. A. F. Whitney, president of the Brotherhood of Railroad Trainmen, speaking for the large membership of his organization, is strongly opposed to Congress disturbing, in any way, the Railroad Retirement Board.

At my request Mr. Whitney has furnished me a statement outlining why the Brotherhood of Railroad Trainmen strongly opposes the proposed merger.

The thousands of railroad employees residing in my congressional district are in accord with Mr. Whitney's views contained in the following article:

The Railroad Retirement Board was established by the Railroad Retirement Act of 1935. The other principal authority of the Board derives from the Railroad Unemployment Insurance Act of 1938 as amended. Under these two statutes the Board administers (a) a retirement system for aged and disabled railroad employees and survivors, and (b) an unemployment insurance system including unemployment, maternity and sick benefits. The system takes in the railroad industry, affiliated companies and joint associations and employees of the national

railway labor organizations and employee representatives. The Board is composed of three members appointed by the President and with the advice and consent of the Senate. The President appoints the Chairman independently, but the other two members are nominated one each by the carrier representatives and employee representatives.

The Railroad Retirement Board activities are much broader in scope than the welfare functions to be included with social security. That part of the Board's functions that belong with the unemployment compensation service, if merged with the social security system, would work a direct hardship to the transportation employees and the entire railroad industry.

The Railroad Retirement Board, as an independent agency of the executive branch of the Government as now constituted, serves the entire industry to old-age annuities, survivor annuities, monthly benefits for widows and children, in addition to the unemployment compensation and sick benefits.

Under social security the unemployment would be administered by the various States. The excise taken from employers would be limited to the various States, and chaos would be the result of the transportation employees who are in interstate service such as assignments through one or more States. Unemployment and sick benefits would be prorated among the States, which would delay benefits and in my opinion the service would be inefficient.

Under the Railroad Retirement Act railroad employees are eligible for monthly annuities if they have 10 years' compensable service, regardless of age, and are totally and permanently disabled for employment. If an individual has 20 years of service or is 60 years of age and has a disability that prevents him following his regular railroad occupation he is eligible for a monthly annuity.

Under the social-security system no individual is entitled to benefits until reaching age 65 as there is no provision for disability under the Social Security Act. The Social Security Act makes no provision for sick or accident benefits.

As the Railroad Retirement Board is comprised of a public member, employer and employee member, we feel that the labor member has an opportunity to formulate the policies and regulations of the Retirement Board in administering the law. Being practical men from the railroad industry is a great asset to administrating. There is no similar provision under the Social Security Act.

I am further of the opinion that administratively there is no economy or efficiency to be achieved by destroying the present well-integrated system and transferring it in whole or in part to one or more agencies. The present system is uniquely administered and is a completely, privately supported system operated under Government auspices. The actual collection of taxes is the only part of the system financed by the Government. The system is completely Federal, and if a change or merger was effected the employers would pay taxes for unemployment and sick benefits to the States. However, nothing would be gained in efficiency by segregating the employer functions, which are so interrelated with retirement functions throughout the Board's organization.

Under the Railroad Retirement Act of 1935 and subsequent amendments, all annuities that have been granted to date have a prior service record based on earnings between 1924 and 1931 to be considered as a base period for all creditable service prior to 1937. This record has practically been completed by the Retirement Board at a tremendous expense to the employers and will continue to be a factor on each individual's annuity until the year 1967.

The following statistics present superior protection under the Railroad Retirement Act as compared to the inadequate Social Security Act:

Railroad employees have a guaranty that their survivors will receive benefits in excess of taxes paid.

Any credits established under the Railroad Retirement Act assures an individual of a retirement benefit at age 65.

Approximately 100,000 employees have been awarded annuities under the Railroad Retirement Act who would not have qualified for any benefit under Social Security Act.

It is true that railroad employees pay considerably more for their retirement and survivor protection than do employees covered by social security. However, they are aware of the greater value they will receive. Present average railroad retirement annuity is approximately $84 per month as compared with the average primary benefit under social security of $29 per month. Monthly death benefits under the railroad system average 25 percent higher, and lump sum death benefits 67 percent higher than if paid under the Social Security Act.

Authorities in the field of social insurance agree the railroad plan is superior to any other. In fact, it is considered to be a model which other systems have tried to emulate.

The fact of efficiency, benefits, and employee satisfaction and tradition all militate against transfer of the Railroad Retirement System to the Social Security Act.

Farm Abundance or Scarcity

EXTENSION OF REMARKS

OF

HON. CHARLES R. HOWELL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. HOWELL. Mr. Speaker, under leave to extend my remarks, I am including an interesting editorial from a recent issue of the Trenton (N. J.) Sunday Times Advertiser commenting on the Brannan plan:

FARM ABUNDANCE OR SCARCITY

Secretary of Agriculture Brannan has brought imagination and a high degree of courage to his program of Government aid to farmers. Whether it is wholly sound and practical are questions to be answered by the economists and the farmers, among whom there will be no agreement. At least, however, it is challenging and the fact that it has been approved by Democratic farm leaders of the Midwest is an important point in its favor. These leaders, of course, are political-minded but not to the extent of placing their own economic interests in danger.

Economy of scarcity has been the Government peacetime policy since 1932. It has involved practices which Americans have found it difficult to reconcile with common sense—the plowing under of surplus crops, killing of pigs, payment for crops not raised, all designed to support prices to farmers. Secretary Brannan proposes that there shall be a radical turn toward "economy of abundance."

As he has explained his program to the farm leaders of the Midwest, this purpose is to be accomplished by public contributions to farmers' income instead of supports to their prices. The distinction is vital. Supporting prices means creating artificial scarcities. Mr. Brannan proposes that the consumer be given the benefits of abundance through low prices. To this end he would encourage the production of fresh foods by assuring the producers of these foods a larger fraction of the Federal-aid money than they have had in the past.

This country has had good crops in recent years, and another is coming up. Farmers and consumers want to see it eaten, not wasted or plowed under. Secretary Brannan is a sincere and practical man. His program is undoubtedly an honest approach to the solution of a difficult problem. But it should be considered carefully.

Letter to Tighe Woods

EXTENSION OF REMARKS

OF

HON. WINGATE H. LUCAS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. LUCAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newspaper article:

THE HOME TOWNER

(By Walter R. Humphrey)

LETTER TO TIGHE WOODS

Mr. TIGHE WOODS,
United States Housing Expediter,
Washington, D. C.

(Or should you be addressed at Austin or some other State capital?)

DEAR SIR: So you have flown to Texas to ask the Governor of this sovereign State to veto a State rent control bill.

For pure insolence and bureaucratic interference with the functions of the State government, this incident is unmatched.

Your job and business, as I understand it, is to administer your department under the laws passed by the Congress.

And it is strictly none of your business what the State of Texas does, or how.

For you to fly to Austin (presumably at the taxpayers' expense) to attempt to circumvent the decision of the Texas legislature and to influence the decision of the Governor is an insult to Texas.

The question is not whether rent control is good or bad or whether the law which has been passed is good or bad.

The question is one of Federal interference with a State function properly granted to it. In this case, by the Congress itself.

And every Texan ought to resent it.

You are quoted as going so far as to say if Mr. Jester does not knuckle under to you and veto the bill that your office will not recognize the law if there is any way to prevent it; you implied a threat that your office would see the matter in court in an effort to erase this State's judgment on the decontrol issue.

"Washington is worried about decontrol," you said. (A great many Federal jobs are at stake, you might have added.)

A great many individual citizens are worried, too, and that's all right. In this State, as elsewhere, there is an honest difference of opinion whether the time for decontrol is here.

But Texans are worried about Washington too, Mr. Woods, and they are concerned about your political invasion and your brazen attempt to dictate to our Governor what he shall do.

If it is in the best interests of the people of Texas that pressure be put on the governor to veto this bill, you'll find plenty of good honest Texans capable of putting on that pressure.

You don't have to come down here to do it.

If Mr. Jester had any idea of vetoing the bill, I don't see how he now can do it with a

clear conscience after your little Washington squeeze play.

Your interference is typical of all the evil things about Federal bureaucracy. Where you might have made friends, you have made enemies.

You can't club Texans into line and get by with it. Texans don't like your tactics; and you have rendered your own program and your own branch of the Federal Government a grave disservice by putting it on a basis of cheap pressure politics, applied with the big stick of Federal authority.

It will be a dark day for our State when its own elected public officials bow to this kind of dictatorial interference.

THE HOME TOWNER.

Indiana State Teachers' Association

EXTENSION OF REMARKS
OF

HON. JOHN R. WALSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. WALSH. Mr. Speaker, the executive secretary of the Indiana State Teachers' Association recently presented to the Subcommittee on Education a very clear statement of his views on Federal aid to education, and how it would affect the great State of Indiana.

I know the membership of the House would like to read these remarks:

STATEMENT BY ROBERT H. WYATT, EXECUTIVE SECRETARY, INDIANA STATE TEACHERS' ASSOCIATION, INDIANAPOLIS, IND.

The Indiana State Teachers' Association, with a paid membership of 24,000 teachers, which, incidentally, is 100 percent of the profession, is desirous of calling to the attention of the members of this committee the grave needs existing in the schools of the Nation and would like to have these remarks recorded in the report of these hearings.

Our association has been on record for many years in favor of action by the Federal Government to insure a minimum education to all children of this Nation and on numerous occasions has presented facts to congressional committees on this important subject.

I should like to add at this time that the events of the past 2 years have greatly accentuated the needs as well as the wide discrepancies in educational opportunity. They have brought us as a Nation face to face with a crisis.

We have witnessed a mass exodus of our teachers from the schools to other vocations in order to maintain an acceptable standard of living. Some 350,000 of our 900,000 teachers in addition to normal turn-over have left the profession.

This exodus has been more striking among men than among women and has brought us a condition where eight of our States have a total teaching force comprised of over 90 percent women and 11 of our States have elementary school teaching forces comprised of more than 97 percent women, as reported by the United States Office of Education. There were exactly the same number of men teachers in the United States in 1900 as there were in 1944, 126,000, while women teachers increased in number from 296,000 to 701,000 or 137 percent. These facts need little interpretation since it is recognized by educators and laymen alike that a much more equal balance between men and women in the profession is necessary for a well-balanced school environment.

In our own State of Indiana we have seen similar conditions prevail though not nearly as serious as those in numerous other States. In our own State, however, we have lost many of our teachers, and as a result have found it necessary to issue some 2,000 special teaching permits to persons not qualified under the law to teach, and have found it necessary to suspend our retirement laws to attract back into the schools some thousand or more persons beyond the retirement age.

At the same time, teaching as a profession has failed to attract the graduates of our high schools, and as a result our enrollments in teacher-training institutions have fallen to a very low point. A recent survey of our 32 teacher-training institutions in Indiana showed that we had available for graduation this year only 166 elementary teachers including some 13 men for a probable demand of at least 1,500 positions.

These facts and many others that have been presented to this committee indicate that substantial action must be taken.

The bill now under consideration by this committee offers a most just and equitable solution to the problem. It is particularly sound in its approach because of its three basic provisions, namely:

1. The automatic formula for distribution of funds to be administered solely by the State;

2. The basic distribution of $5 per child; and

3. The equalization factor which guarantees to every child within this Nation at least a fair education.

Whether one views this problem from humanitarian considerations or from the cold-blooded considerations of national self-preservation, there is no escape from the inexorable logic of a necessary solution. The opposition to this proposal is placed upon philisophical grounds and may be summed up as either:

1. Dangerous from the standpoint of what might develop from Federal control;

2. Not the responsibility of the Federal Government to consider education; or

3. Out of harmony with our beliefs in local self-government.

The first of these objections, that it will lead to Federal control, is disproved by the history of Federal aid to schools.

An impartial study of Federal grants to schools in the past indicates that with few exceptions they have not led to Federal control when provided by Congress on a uniform basis. The land laws of 1785 and 1787 and the Morill Acts during the Civil War granted money from the sale of land equal in area to 25 States the size of Connecticut. This money has been used and controlled entirely by the States. The Morill Acts and acts subsequent thereto have granted millions of dollars to land-grant colleges in the various States amounting at the present time to $233,000 a year of Federal money for each such land-grant college, including our own State University of Purdue. The various vocational education laws, including Smith-Hughes, George-Deen, and others, have for many years provided Federal money to every high school in Indiana and throughout the country that sought it to the extent at present of $21,000,000 per year.

These laws have not led to Federal control, but on the contrary have proved a tremendous boon to education. They are responsible in a considerable measure for the ability of our schools in the recent emergency to provide the technicians to fight our war. To say that the present movement for Federal aid is the beginning of a movement for Federal control can evidence nothing less than an ignorance of history. The danger of Federal control, if such a danger exists, lies in the establishment of a Federal system of schools with a separate overhead, administration, and personnel. Such a development would be not the result of Federal assistance to public schools but rather the alternative if the individual States cannot find assistance for the existing public-school systems.

I might point to the development during the depression and during the war when our needs became very great and very critical, to the necessity for instant and immediate action in this very direction which caused considerable concern among educators.

It is time that the citizens of this Nation cut through the maze of propaganda in opposition to providing an enlightened citizenship. It is time that we outline clearly the impending doom that will overtake any democracy that will not provide for its own intellectual preservation.

The second objection that is held before the eyes of the general public is that it is not the responsibility of the Federal Government to consider education. This is an assumption that never had any validity, as indicated by the history of Federal grants to schools discussed before. A mere superficial examination of this principle indicates its fallacy. Here in America we have established a Government that must depend upon the intelligence of citizens to make right decisions and thus preserve the form of government. How can such a government stand if it permits the boys and girls of the poor areas to grow up in ignorance and thus become the victims of demagogs and dictators?

Our democratic Government in America was founded on the principle that all men are created equal before the law. Education is a prerequisite to the development of human personality and there can be no equality and no freedom unless a minimum education is offered by all.

The third objection to Federal aid to education, found in the emphasis upon local self-government and the alleged responsibility of each State to provide all of the education of its children, has been distorted to an extent that has obscured certain hard, cold, economic facts.

A striking example is the fact that in 1946 the State of Mississippi had income that produced a total of only twenty-three one-hundredths of 1 percent of Federal revenues, whereas it has eight times as high a percentage of the Nation's children to educate. At the same time, the income of New York State was sufficient to provide some 20 percent of Federal revenues, while only some 8 percent of the Nation's children have to be provided for by that State.

These shocking inequalities grow particularly out of the great variations in natural wealth and in the size of families. To say that the people of the poorer States are responsible for their condition simply ignores economic facts. Are the people of New York responsible for the location of the New York harbor and all of the tremendous wealth-giving power that goes along with it? Are the people of Chicago responsible for the presence of Lake Michigan plus this natural gateway to the West? Are the people of southern Indiana responsible for the barren condition of their soil? Such a concept is indeed elementary.

These inequalities grow out of the two factors mentioned above and are being accentuated by two existing social conditions, namely, the rise of the corporation as an instrument for owning and managing wealth and in the educational poverty which binds down the people of the poorer areas with a yoke which in their poverty cannot be thrown off. There is no way to counteract the present economic trends toward still greater inequality other than to tax the wealth where it is and educate the children where they are. This practice is, of course, odious to some who now are escaping their social obligations to the children of the whole country, by advocating a doctrine of local self-government that would claim responsibility for the education of only those children who live within a stone's throw of the center of

wealth. This ignores the fact that wealth was created, and will be protected and increased by all the children of all the people.

My home State of Indiana is a proud State. She is not a rich State as compared to all the States of the Union, standing as she does almost at the median as far as income payments of her citizens are concerned. Some of our citizens have been taking the position that Indiana can and will support her own public schools, but a rapidly growing number of those citizens are gradually coming to understand the major developments referred to above, and as a result, are rapidly accepting the premise of Federal assistance to schools. They are coming to see that the tremendous concentration of wealth in fewer and fewer places within the Nation, the widening gap between the ratios of children to be educated in the various sections of the country, and the absolute necessity for a relatively high level of education if we are to preserve democratic government demand a reappraisal of previous conclusions on this subject.

Any American who takes the position that a child deserves only the kind of an education that his local community can afford is ignoring the basic principles of democracy and what is much worse is flirting with the death of free government. At the same time he demonstrates an ignorance of economic facts which have been so ably brought to light by the United States Chamber of Commerce showing the absolute parallel between educational attainment and the economic welfare of the community.

More than one-fourth of the people residing in Indiana have migrated there from other places. It is obvious, therefore, that the economic life of our State as well as other States is determined in considerable measure by the level of education of the citizens of the whole country.

In Indiana we have 2.6 percent of the population of the country, while our people will pay some 2¼ percent of the Federal revenues. This means that we are a median State in the matter of ability to educate our own children. There are, however, within the State of Indiana enormous variations in wealth behind each child, ranging all the way from several hundred dollars per child to $15,000 per child, with expenditures for education ranging all the way from $100 per child to $353 per child.

The result of these discrepancies within our State makes it absolutely necessary for the State as a whole to bear the major portion of the cost of education. With the free flow of commerce throughout the Nation, which now prevails, there are many sources of taxation that are completely outside the grasp of State-taxing agencies, as for example, the New York stock-transfer tax, some 90 percent of which is collected in New York State. It therefore becomes more and more imperative as our economic life becomes more and more complex, that a reasonable amount of equalization on a national basis should be practiced. The State as a unit of taxation is slowly but surely finding itself challenged in its race with scientific and industrial progress.

It is a source of great satisfaction to all of us in Indiana that H. R. 4643 incorporates the same two basic principles of distribution, namely, the $5 per child minimum to all States, and, secondly, the amount necessary when added to a given minimum effort on the part of the State to produce a $50 education for each child. H. R. 4643 is an excellent bill. It harmonizes completely with the principles underlying our whole philosophy of government. It guarantees to each child in this Nation at least a $50-a-year education. When it is considered that the average expenditure for education in the whole country last year was more than three times that amount, it is obvious that anyone who would deprive children of such a pittance would indeed find difficulty in squaring his views with the basic tenets of our Federal Constitution. It matters not whether one bases his argument upon what the child deserves or upon what the Nation must have. There is no escape from the conclusion that somehow or other this Nation should and must provide its children with at least that modest beginning for life.

The future of the public schools in America rests with the citizens of America. We are one Nation, not 48. We will continue to live as one Nation or we shall fall into sectional or class groups and destroy ourselves by internal disunity. National unity can be achieved and maintained only if the wealth of the Nation and all its resources bear their fair share of the burden of defending, preserving, and building the future of the Nation. We have passed the day when a man, because of his residence, his wealth, his family, or his creed, shall be condemned to play an inferior part and to remain in a subservient class in this Nation. It cannot be that way in America.

Therefore, I should like to urge this committee to give consideration to this excellent proposal for legislation.

Truth Is Out—Hoffman Warns Cut in ECA Funds Is Threat to Our Economy

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, when Paul Hoffman appeared before a Senate committee last week in opposition to a cut in ECA funds he confessed that any reduction in the amount would seriously affect our domestic economy. For a long time the charge has been made that the program was designed to sustain the New Deal efforts to bolster our own situation but this is the first affirmation of that fact. I am inserting at this point an article that appeared in the New York Herald Tribune on this subject:

HOFFMAN WARNS AID CUT WOULD REDUCE EXPORTS—TELLS SENATORS REDUCTION OF BILLION MEANS SHARP DECLINE IN FARM SALES

WASHINGTON, June 16.—Paul Hoffman told Senators today that a $1,000,000,000 cut in European recovery spending would mean a sharp drop in purchases of American tobacco, cotton, wheat, and other commodities. The Economic Cooperation Administration chief outlined for the Senate Appropriations Committee what such a reduction would mean to both Europe and the United States.

He added: "A set-back of this magnitude at this time would surely make it apparent that we have given up hope of achieving recovery in Europe."

For Europe, Mr. Hoffman said, the cut would mean a loss of $3,000,000,000 to $4,000,000,000 in exports, in addition to upsetting western Europe's food supply. If the cut fell solely on goods for Europe's industry, the loss might run from $4,000,000,000 to $6,000,000,000, he said.

Mr. Hoffman gave his estimates in answer to demands from Senator KENNETH WHERRY, Republican, of Nebraska, that he produce a memorandum to show what effect a $1,000,000,000 cut would have on Europe's recovery.

Mr. Hoffman listed these cuts which would have to be made in dollar purchases: Tobacco, $50,000,000; dairy products, $30,000,000; other foods, $40,000,000; wheat, $30,000,000; fats and oils, $25,000,000; corn, $75,000,000; protein feeds, $10,000,000; cotton, $100,000,000; lumber, $35,000,000; metals and ores, $85,000,000; fuels, $100,000,000; other raw materials, $63,000,000; machinery, $125,000,000, and shipping freight costs, $50,000,000.

Security for the Aged

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. DAGUE. Mr. Speaker, my attention has been called to an editorial which appeared in a recent issue of the Philadelphia Inquirer calling for the liberalization of old-age benefits. I think that all fair-minded persons will agree that the present average of less than $26 per month for the retired worker touches the depth of niggardliness in the light of the almost profligate way in which we pour money into foreign nations and apparently plan to embark on new and costly experiments.

I cannot help but take issue, however, with that portion of the Inquirer article which states that—

The only possible objections would be on grounds of economy, and these are not valid.

To me objections on the grounds of economy are the most valid that can be raised against any legislation and certainly we will be doing our older citizens a great disservice if we undertake to provide for their security with borrowed money. An insolvent America is a threat to the security of everyone.

It would also seem that while there is a compelling urgency to more adequately take care of those who are already on the rolls there can be no sound argument for extending the coverage to other groups until we have determined as a Nation to live within our means. Social-security benefits must be paid out of taxes and under the present pernicious system, whereby social-security receipts are paid directly into the Federal Treasury, we have a set-up in which in times of stress we may be called upon to pay anew for benefits for which both the retired worker and his employer have already paid. The first step toward bringing security to the beneficiaries of this program would be to place it on a sound actuarial basis. Certainly if our much-maligned private insurance companies undertook to operate along the lines followed by our Government they would be put out of business. The Inquirer editorial follows:

SPEED THE LIBERALIZATION OF OLD-AGE BENEFITS

Reluctance of the House Ways and Means Committee to take decisive action in reporting out a bill to liberalize old-age benefits and social-security legislation is an injustice to many thousands of older persons.

Unless Congress undergoes a quick change of heart, the bill at best will be made to wait until next year for action by both Houses.

Senator LUCAS, Senate majority leader, has indicated priority for the reciprocal trade program, the North Atlantic Pact, and the

Taft-Hartley Act, in the rush to get the session's business wound up in time for an adjournment by the end of July.

This means that in spite of devout preelection pledges that social-security legislation would be high on the list of preferred measures, the Democrats have smothered the program in committee, and are now attempting to hold off on the issue altogether.

This is made all the more disillusioning by the fact that the measure is strictly nonpartisan, according to precampaign promises. Supporters of both parties want the present totally inadequate payments, averaging less than $26 a month for the retired worker under the old-age and survivors' insurance, to be raised. Everyone seems agreed on the manifest injustice of the provision banning any earnings over $14.99 a month.

There doesn't seem to be one good reason why a sound measure to liberalize the present law should be rejected if it were allowed to come to a vote. The only possible objections would be on grounds of economy, and these are not valid.

There is no economy in condemning the bulk of our elderly people to accept charity, or to live in want.

The House committee should stop its dallying over this measure, and call it immediately to the floor in a form that the Senate could accept without any further delay. It is nonsense to say that there isn't time left to consider a measure over which there is no real disagreement.

The issue is squarely up to the House committee. It should report this bill without further stalling, and both Houses should push it to enactment.

Crisis at Prague

EXTENSION OF REMARKS
OF
HON. MARY T. NORTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mrs. NORTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Post:

CRISIS AT PRAGUE

The pattern of battle recently developed at Budapest between the Roman Catholic primate and the Communist rulers is now being repeated in detail at Prague. By every sign it will be but a matter of days or possibly hours before Archbishop Beran becomes, like Cardinal Mindszenty, a prisoner of the Communist political police. Whether the archbishop, too, will one day reemerge from prison to play the leading role at another propaganda trial remains to be seen, but he has publicly instructed his followers to disregard any confessions that may be issued in his name. However, the terror in Prague is evidently neither as complete nor as efficacious as it was in Budapest on the eve of the seizure of Cardinal Mindszenty. This is shown in the fact that the archbishop was able to leave his palace and repair to a monastery outside the city for a celebration of the feast of Corpus Christi and that several thousand persons found courage to gather there in an impressive demonstration of loyalty.

He also found means to smuggle from the palace a pastoral letter attacking the "anti-Christian ideology" of the state and asserting that in matters affecting the freedom of the church further compromises were impossible Thus Archbishop Beran, like Cardinal Mindszenty, has met the challenge head-on, and by totalitarian logic, the regime has no choice but to destroy him. It is probable that the Communist leaders would have preferred to move slowly and cautiously, suppressing some church organizations and activities piecemeal, and assuming control and direction of others, with the view to forcing an ultimate breach with Rome and the establishment of a national church that would be a submissive instrument of propaganda and government, such as the orthodox churches appear to have become in most of the satellite countries.

But while such prelates as Archbishop Beran remain these tactics are destined to failure. As long as the church is able to assert its independence it must gain strength and influence as the only remaining highly organized center of resistance to a regime that is hated as well as feared by the great majority of the people. Of course Protestant groups in Hungary, Bulgaria and perhaps also in Czechoslovakia, have also offered resistance and have their own lists of martyrs, but the Catholic resistance has been more effective because, like communism, it is organized on an international basis.

In short, the consolidation of totalitarian rule in any of the satellite countries where the church continues to exist is impossible. Thus the crisis in Czechoslovakia is certain to be followed by another in Poland, where resistance to the regime is even more formidable. Nor has it yet been shown that, with all the resources of terror at their command, the advantage in this conflict necessarily rests with the Communist rulers.

Singing Salesmanship

EXTENSION OF REMARKS
OF
HON. ANGIER L. GOODWIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. GOODWIN. Mr. Speaker, singing salesmanship has been introduced into the United States savings bond Opportunity Drive, which opened May 16 and will extend through June 30.

Twenty-seven thousand members of the Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America, Inc., are matching their chords with dollars to help Uncle Sam sell $1,040,000,000 worth of series E bonds.

These business and professional men of SPEBSQSA, who sing the old songs in four-part harmony for fun and fellowship, hope to have the whole country singing and saving as they make their distinctive contribution to the Opportunity Drive.

To accomplish this objective, SPEBSQSA conducted a bond song contest among its members. The 7 best songs out of 43 entries, as selected by Fred Waring and his fellow judges, have been published by the Treasury Department. This folio of original bond songs is available to all singers on request to State offices of the United States Savings Bond Division. It is worthy of note that the gentleman from Illinois, Mr. Arends, the Republican whip, is a distinguished member of SPEBSQSA.

One of the songs in the folio is entitled, "Bonds for Happiness." It was written by Ed Place, former Boston newspaperman, and until recently a harmonious assistant to the gentleman from Pennsylvania [Mr. MCCONNELL]. Ed, whom I have known for many years, believes in saving for bonds and also saving our natural resources, as he is currently associated with the National Wildlife Federation, headed by David A. Aylward, of Boston.

I also note that Ed Cronin and Pat Sands, of Boston, employees of the Internal Revenue Bureau, are represented in the folio by a prize-winning song entitled "Freedom Rings."

Bonds for Happiness expresses a theme that the possessor of savings bond not only contributes to the Nation's security but also to personal happiness by having a nest egg to fall back on in time of possible future need. The lyrics go as follows:

Happiness is knocking at your door,
The future has many joys in store.
Savings Bonds will see you through,
So be ready when that man comes up to you.

(Chorus)

Sign up for Savings Bonds today,
Buy your limit, don't delay.
Uncle Sam needs you and me
To keep a sound economy.
Savings Bonds you will agree
Are vital to security.
Sign up for your bonds right away,
Buy your bonds today.

Do Not Forget the Farm Homes

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. BURDICK. Mr. Speaker, in the frequent discussions we hear about the housing measure soon to come before us, I note a common tendency to forget a part of that measure that is of great interest and concern to me. I refer to title IV of the bill, providing aids for housing on the farm.

The housing needs of farm families are all too often forgotten needs. The farm is the basis for our national productivity and our national prosperity. Its economic problems have very properly received constant attention from all of us in the House. I think it is fitting now that we give some belated attention to the family that makes our agricultural productivity possible.

I know all of us have traveled the highways that cross our vast farm lands and have admired their beauty. How many of us have thought that, off the highway and sometimes hidden from view, are some of America's worst slums, the homes of American farm families? How many of us realize that our daily sustenance comes from men, women, and children who suffer daily hardship because they are not adequately housed?

The farm housing problem is no small matter. It is not something that affects a scattered handful of farmers. A Census Bureau survey made as recently as a year ago revealed that 1,400,000 farm dwellings—roughly one-fifth of all farm dwellings—were in urgent need of major repairs to make them livable. What is more, over half of the other farm homes had no running water, no bathtubs, no inside toilets.

These are the facts which lie behind the concluson expressed by our own Banking and Currency Committee that this Nation must be prepared to build between 200,000 and 300,000 farm homes each year in the next decade if we are to make any substantial progress in bettering farm housing conditions.

I know I do not need to tell my colleagues who come from congested cities how pressing the housing problem is in their localities. We have had many vivid descriptions of that aspect of the housing situation laid before us.

But I say that the farm housing problem is even more urgent than the city housing problem. The available statistics tell us that 8 percent of the nonfarm dwellings are in need of major repairs. Compare this need with the fact that 19 percent of farm homes are in that deplorable condition.

We have been told many times about overcrowding in the cities. Yet how many of us are aware that overcrowding in farm homes is proportionately twice as prevalent as in city homes?

The result, of course, is the same as in the cities. It is social and economic erosion. It means undermining the health and well-being of the children in whose hands the future of this Nation will rest. It would be true economy to put a halt to these inroads at the foundation of our society.

It does no good to respond to these facts and figures by pious reference to the traditional hardiness of American families. Housing is something that cannot be separated from economics. And the central economic fact we must face here is that more than 2,000,000 farm families in 1947 produced farm products valued at less than $1,500. Obviously, these families can do nothing to improve their housing conditions without financial assistance.

The farm housing provisions of the pending housing bill are specifically designed to meet this problem. They constitute recognition that improvement of farm housing standards is essential to a sound and secure rural economy.

I do not say that passage of this bill will solve the farm housing problem. As a matter of fact, when compared with the extent of the problem, the provisions of the bill are modest to a fault. Nevertheless, this bill would permit a significant start to be made in improving family life on the farm.

Fundamentally, the farm housing provisions are planned to meet three major types of farm situations in which housing needs become particularly acute.

The first situation involves the owner of a self-sustaining farm who is unable to improve his farmhouse or other buildings because the normal sources of credit are not available to him. For such a farmer, the bill would provide loans with terms up to 33 years at not more than 4 percent interest. The loans may be secured by the farmer's equity in his farm.

The second problem situation concerns a farm which is not now self-sustaining but which offers reasonable prospects for becoming so by application of improved farm practices, by farm enlargement or development. For farmers in this situation the bill would make available similar loans, supplemented by annual contributions where needed for a period up to 10 years.

The third situation treated by the bill is that of the farm that has no prospect of becoming self-sustaining. Small loans, and a limited amount of outright grants, are made available for families living on such farms. The purpose of this assistance is not to provide new housing of a permanent nature but to make it possible for the families to make repairs and necessary improvements to their housing so that they and the rural community will have the benefit of essential health protection and a decent minimum shelter.

The loans and grants will be small and are to be used for such purposes as proper sanitation, providing a pure water supply, screening doors and windows, making roofs weather-tight, and similar minimum repairs and improvements. The object is to protect the health and well-being of a family that is caught in an impossible economic trap. It is a matter of salvaging a priceless human resource, not of subsidizing an uneconomic farm.

This bill holds the only hope in sight for the thousands of farm families who are desperately in need of adequate homes. I earnestly urge my many friends and colleagues who represent the farmers of America to join with me in supporting this bill. I also appeal to representatives of cities where the housing question is acute; I appeal to representatives of labor who know what it is to live in homes that are far below the standard of what an American home should be.

Britain Still Short of Dollars—When Will It Stop?—Cripps Says Situation Getting Worse

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EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, notwithstanding the great sacrifice by the American taxpayer, Cripps of Britain says the dollar shortage is getting worse. And all this, Mr. Speaker, when the ECA program is pouring billions of dollars into that country. In view of what is going on, how long can that program be justified?

Mr. Speaker, I am including as part of my remarks a news article that appeared in the New York Herald Tribune under a date line out of London on June 16:

CRIPPS TERMS BRITAIN'S DOLLAR SHORTAGE WORSE—TELLS PILGRIMS TIGHTENING OF WORLD MARKET MEANS NEED FOR MORE UNITED STATES AID

LONDON, June 16.—Great Britain's dollar problem is growing worse because the world no longer offers a sellers' market, Sir Stafford Cripps, Chancellor of the Exchequer, said tonight. Because of the changed market situation, he said, Britain is having increased difficulty selling goods and getting American dollars.

Sir Stafford spoke at a dinner of the pilgrims in honor of Thomas K. Finletter, retiring chief of the Economic Cooperation Administration in Great Britain. He joined Mr. Finletter in crediting the ECA with turning back communism in western Europe.

America's unprecedented financial help "changed the whole political as well as economic outlook of Europe," Sir Stafford said.

"The vast reliance we in this country still have to place upon gifts and loans of dollars from the United States and Canada demonstrates how far we are from a solution of our problem of a balance of trade and payments with North America, nor do our problems at the moment appear to be growing less.

"Indeed, they are becoming temporarily greater as the gap tends to widen again due to changing economic conditions as we emerge from the period of acute world shortages into a less inflationary situation.

"Europe still needs Marshall plan aid on a scale that will enable it to maintain the dollar imports essential for its recovery over the period of the aid program."

Mr. Finletter called for a continuing drive to tear down barriers against travel and trade among western European countries. "Those which affect the movement of persons could be done away with tomorrow," he said.

CALLS UNITED STATES DIPLOMATS FOOLED

LONDON, June 16.—The right-wing British weekly, Truth, today labeled three high-ranking American diplomats "ventriloquist's dolls" for the ruling Socialist government. It expressed amazement at "their capacity to be duped and humbugged and bamboozled."

The three mentioned in the article are Lewis Douglas, Ambassador to Britain; W. Averell Harriman, roving ambassador in Europe for the Economic Cooperation Administration; and Thomas K. Finletter, administrator of the Marshall plan aid in Britain.

The writer complained that all three Americans in public statements praised the "extraordinary effort of recovery" by the Socialist government. They ignored mentioning, he said, that Britain "has kept afloat from the beginning by American dollars and by nothing else."

What Is Justice in This Case?

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Times-Herald:

WHAT IS JUSTICE IN THIS CASE?

President Truman was right the other day when he said the spy trials and other disclosures of communism have sent a wave

of hysteria across the United States. Uncle Sam has looked under the bed and, by gum, finds a burglar is waiting for him down there with gun in hand.

IT'S TIME TO BE BOTHERED

Who wouldn't feel a chill? Anybody who doesn't have concern for the safety of the United States of America in present circumstances, just lacks ordinary common sense.

Mr. Truman went on to say that the present agitated state of the public mind is only to be expected as the aftermath of great upheavals and disturbances of war, and pointed to historical precedent.

Does he mean by that the agitation and disturbance have no sound basis in fact? If so, why is the Department of Justice so hard at work prosecuting cases involving communism?

Let's just have a look at some of the items that have the public agitated in its mind.

Alger Hiss: Former assistant to the Secretary of State, former president of the Carnegie Endowment for International Peace, indicted December 15, 1948, for perjury because he denied that he had ever given secret and confidential United States Government information to a Communist agent. The Communist, who has quit the party, has testified against Hiss in court under oath.

Hiss went on trial in Federal court in New York City, May 31, 1949, with the United States Department of Justice presumably straining every nerve and muscle to prove its charges against him.

Does Mr. Truman think that such a matter should be ignored by the American people?

Judith Coplon: Department of Justice employee in a position of trust and confidence who had been complimented for her work by Attorney General Tom Clark himself, indicated March 17, 1949, by the Federal grand jury in this city. Charge, theft of United States Government documents with intent to injure the United States and aid a foreign power.

She had been nailed in New York City 13 days before with extracts of such documents in her purse, as she walked along a street in company with a Russian agent.

On April 25, 1949, she went on trial here and like Hiss in New York is now in the process of offering her defense.

William Z. Foster, Eugene Dennis, et al.: On July 20, 1948, these and 10 other officers of the Communist conspiracy were indicted by a Federal grand jury in New York City on charges of advocating the overthrow of our Government by force and violence.

They went to trial January 17, 1949, in the United States district court of New York City.

In addition to these world-shaking cases, the Criminal Division of the Department of Justice has indictments and presentments in other cities from coast to coast. Trials are scheduled in New Orleans, Detroit, Kansas City, San Francisco, Seattle, and other communities.

WHY THESE PROSECUTIONS?

We don't profess to know what will come out, wouldn't tell if we did, but it is safe to guess there will be shocks and sensations, equal to if not surpassing those in the three trials now running.

It is obvious that the United States Department of Justice is locked in a death struggle with the Communists in our Federal courts.

Why?

Is all this some kind of political sideshow to get votes for Mr. Truman, just because the people of the United States of America want action against the Communists? Or is it because the Government of the United States is literally fighting for its existence?

If Attorney General Clark and the head of his criminal division, Alex Campbell, have ordered these prosecutions just to catch votes, they should be impeached and all the defendants freed with the apologies of the Republic.

If, as we believe, Messrs. Clark and Campbell have ordered these prosecutions because they are good patriots doing their proper duty, they should be supported by the President and the people.

What is justice, here anyhow?

COMMUNISTS HAVE ONLY CONTEMPT FOR THE UNITED STATES OF AMERICA

Communists have no hesitation in saying that the Government of the United States is their enemy, and must be destroyed.

The hallmark of Communist tactics before a court of this country is contempt and ridicule for our constitutional processes.

If such tactics succeed, not only are our courts reduced to a mockery and a laughing stock, but also our Republic is gone.

These are serious times, a deadly danger to our Nation, and people had better look on them as such.

We compliment Attorney General Clark and Mr. Campbell for bringing these prosecutions and we urge them to drive harder, and keep on driving until communism has abandoned these shores in retreat and defeat.

The Iron Hand of General Pick May Be Softened

EXTENSION OF REMARKS

OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. BURDICK. Mr. Speaker, the President can now remove all clashes between the Bureau of Reclamation and the Army engineers as the Hoover Commission Report recommended. The Army engineers were pretty well entrenched in the House, but the Senate applied the Hoover Recommendation to them as well as other departments of the Government. The conference between the House and Senate resulted in making the Army engineers subject to the same recommendations as others.

The President can consolidate and eliminate and arrange matters in view of efficiency and expenditures and his plan can be vetoed by both Houses of Congress within a given period. In the case of the Army engineers in civil functions, the President will undoubtedly follow the recommendations of the Hoover report, which say, eliminate them from this function. If the President does that, he will be supported by both the House and Senate, because of the high-handed performance and unauthorized and excessively unnecessary expenditures. These engineers care nothing for expense, because they still think they are in the war. They still think they are building coastal roads where the cost was triple what it should have been during the war. When a large cat slipped off the grade, they didn't stop to haul it back, but buried it, and called for a new one * * * and they got it. They could have anything in time of war. But now that the war is over, the people of the United States don't want them ordering people around in peacetime and blowing in at random the taxpayers' money.

The Pick-Sloan plan was authorized at $200,000,000 for the Garrison Dam and $200,000,000 for the Missouri-Souris diversion. According to the way the engineers have unlawfully purchased land, and built a city at Riverdale, the best estimates now are that this project will cost a billion if the engineers run the show. When the work has been completed, Riverdale will become another Virginia City—a ghost town—and will finally be sold in chunks and moved away.

The outstanding engineers of the country are not found only among the Army engineers. They know that themselves, and hence hire engineers to aid them. I think there are only 187 Army engineers in the whole corps and to think that this great Nation cannot run its own business in peacetime without men who are schooled in destruction and used to unlimited money, is to admit that this Nation is in a bad way.

This Pick-Sloan plan can be carried out without a hitch and great benefit result if business sense and observance of the law now is adhered to. An end will be put to the propaganda campaign carried on by the engineers to stir up the people in the area to support them in constructing a different dam than that authorized by Congress. They should be builders and not perform like a bunch of ward politicians in the location of a post office.

General Pick's unauthorized and arrogant conduct in the upper Missouri Basin has brought discredit on the United States Army which is an institution for which every citizen wants to feel proud. General Pick is the direct cause of the intense and bitter difference among the people of North Dakota, which can never be settled or abated while he is connected with the project.

He started all the trouble himself. He first said a water pool of 17,000,000 acre-feet was enough, but when he came out to this area the first thing he said was that the pool was to be 23,000,000 acre-feet, and that is what he campaigned on before commercial clubs, meetings, and interviews with news reporters. There was not and is not now an authorization by Congress for a pool of 23,000,000 acre-feet of water. That is what Pick wants and he has spent more time on that propaganda and building Riverdale than he has in creating a pool level that will take care of 17,000,000 acre-feet of water as authorized by law.

He is impossible—those with who he was to cooperate from the Bureau of Reclamation he in substance calls liars and tells about the understanding arrived at in a meeting at Omaha, when he was not there and was not even in the United States. He said there never was anything said about a pool level of 1,830 feet. That is correct. But he fails to state that there was also nothing said about a pool level of 1,850 feet. The question was to the area of the pond in acre-feet, and Pick himself fixed the area at 17,000,000 acre-feet. If the area was to be increased, the law provided that the Army engineers and the Bureau of Rec-

lamation, by agreement, might enlarge it. To this very hour, no such agreement has been made, and a pool of 23,000,000 acre-feet is a pure product of the general's imagination and nothing more.

The engineers' activity in the basic law was limited to flood control and navigation. Irrigation and power development was placed under the authority of the Bureau of Reclamation. Does General Pick follow this directive? Not on your life. He has more irrigation schemes than there is water. The more irrigation he develops at the Garrison Dam, the less water there will be for navigation, because the law places irrigation first. By his very own scheme of irrigation, he destroys any chance of navigation. He wants full power development at Garrison—full development, mind you—but his scheme of irrigation and a canal to Devils Lake will, to that extent, lessen power development. This scheme of irrigation and canal, according to his plan, is to draw the water from the pool above the Garrison Dam—not below the dam, as at Fort Peck. The more water is lowered for this purpose, the less power will or can be developed. His schemes, if analyzed, contradict themselves.

What on earth does he want two canals to Devils Lake for? The Bureau of Reclamation has a plan for that very purpose which the Army engineers approved. His ditch to Devils Lake was never approved in the basic law, or since the law was passed. That makes no difference to this genius of engineering. He is going to have his own ditch.

The sad part of the whole thing is that there never was, is not now, or ever will be water enough in the Missouri River to carry out General Pick's wonderful schemes. Still, that does not deter him in the slightest degree. He will arrange nature some way—make it rain more—make it snow more than it has since we have a record of the river. Any engineer who can use all the water in the river for irrigation, and at the same time, maintain a 9-foot channel in the Missouri River from Sioux City to the Mississippi, can make it rain or snow at his pleasure.

The general says that if he cannot have this extra 6,000,000 acre-feet of water, his whole plan will be disrupted. Knowing now what his schemes are and how they contradict themselves, it is barely possible that a little interruption might be a good thing for the people who live in that area, and a good thing for the taxpayers of the United States.

Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. JOHN R. WALSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. WALSH. Mr. Speaker, one of the most pressing needs of this Nation at this time is adequate schools and teachers for our youth. The House of Representatives will soon present a proposed bill for Federal aid to education.

I am in receipt of an article appearing in the May 20, 1949, issue of the Marion (Ind.) News-Herald in the form of a letter from a school teacher of that city. I feel it will be of interest to the Membership of the House.

The article follows:

"EDUCATION FOR ALL MUST BE ATTAINED THROUGH FEDERAL AID TO EDUCATION," SAYS MARION TEACHER IN LETTER

DEAR EDITOR: For about as many years as I have been a teacher, I have seen articles about Federal aid for education in the local daily newspapers—all against. "Guest" editorials from such neighboring cities' presses as Kokomo, Logansport, et al., appear at decent intervals between local papers issues and/or lift the finger of warning, the voice of protest, concerning education for all American youth.

It would seem from these articles that Marion's opinion surrounded by Hoosierdom's other good opinion is a unanimous outcry against the slow-in-coming but at-last-in-sight best hope for the Nation; equalization of opportunity in schools throughout the United States.

"Seem" only. What of the voices of parents—organized, teachers—organized, voters? I don't see their opinion newsspread in this section. However, their work toward Federal aid has been of at least 30 years' patience; but apparently opinion of parents (organized), educators (organized), and voters (ditto) is either discounted altogether as the work of a few dangerous creatures or puffed up as the propaganda of blind-lead-the-blind agitators.

Now I have used the "organized" (popular-word No. 1) advisedly, because we do know that it is through organization that the splash is made. This-and-that is accomplished through organization, and we see Federal aid for schools is on its way. It will look as though, again, the organized way is responsible.

And yet I wonder if there have not been some very vital factors at work which are, in their very nature, highly unorganized.

Take parents. Odd creatures! They try to take their youngsters to places of "opportunity unbounded." They move. From the South they have come North; from the mountains they move to the flatlands; from the rural winterlands they have gone to urban areas, where—bless them—they felt their kids would have a better chance in life. That chance always carries the idea that "the schools'll be better there." These moves, I've noticed, are one-family, two-family migrations. Nothing highly organized, but we who know who go to school to us see how effective these ingressive families are in maintaining upping or lowering the standards of our particular schools. How happy the community which adds a nicely adjusted, educated family. And how disconsolate the neighborhood which has to take in another one of those families whose kids aren't "eddicated up to nithin'."

With Federal aid aimed at equalizing school opportunities, I believe America is going to have fewer worries about its neighbors' movings-in. If the "readin', writin', and 'rithmatic' " chances are about the same for all of us, we can devote our good griping time to considering more important aspects of our community relationships, morale, character.

Too, the unorganized teachers, I believe, have made their tiny weights felt down capitol way. Such tiny weights. Their unorganized way is this: Miss Annie Laurie Tatum teaches in Red Mountain, Miss., for 2 years after her license is issued. Not a very good job, but one does have to get a start. Brother Ansleigh Tatum is set up as a doctor over in Meridian; he (Annie Laurie's favorite brother) is only one reason she moves there to teach. Besides the obvious (quarters, friends, kinfolk), there's a better salary and better working conditions. So Annie Laurie hies herself to Meridian. Red Mountain loses a fine teacher; and Red Mountain cannot afford to lose. Next to Birmingham (we'll say) and then to Long Beach, Calif. In this first new school city, we'd have to cut the parenthesized obvious to quarters and friends while retaining better-yet salary and better-yet working conditions.

In the second new school city, the parenthesis is entirely cut; now we have left salary and working conditions.

Annie Laurie may not have been part of the letters-sending educators group. She wasn't even a member of the National Education Association, but her name was legion. There's a teacher migration as well as a parent migration. It happens, not only in Mississippi, but also in Center Township, Marion, Grant County, Ind.

With Federal aid to equalize school opportunities, I believe America is going to have fewer worries about its teachers leaving. If opportunities for working and earning are more nearly the same for all of us, we can devote our good planning time to more important aspects of our teaching life: community betterment through the schools and through the teacher's own life in the community.

Then, there is the third unorganized whose little squeak has been heard. He is no dues-paying member; he does not trot down to the State house, probably doesn't even know the name of a county chairman; but he does vote. Yes, the un-nondis-organized little voter went to cast his ballot. He voted for the fellow who said education must be better provided for (the other candidate hadn't been too clear on the subject and he voted that way without a noncommittal warning that he liked all of Harry's program except the Federal aid for a decent school program.

With Federal aid as promised by his President, I believe America, etc., etc.

So, Mr. Editor, although I please to be a highly organized parent, teacher, and voter, I still think we should see in the newspapers some castigation of tribute to these others whose very actions have so impressed the nation's lawmakers that last week the Senate, led by converted ROBERT TAFT, of Ohio, passed a good basic bill which will go a long way in bringing about education for all American youth, a consummation devoutly to be wished. I'm glad News Herald shows tendencies in that direction and don't worry about your competition. Print the truth and the people will read.

HIGH SCHOOL TEACHER.

Arlington of the Middle West

EXTENSION OF REMARKS

OF

HON. PETER F. MACK, JR.

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. MACK of Illinois. Mr. Speaker, Recently it was by privilege to attend the rededication service at Camp Butler Cemetery, the "Arlington of the Middle West," in Springfield, Ill. The original tract of land for this national cemetery was selected upon the recommendation of Abraham Lincoln, while he was President of the United States and has served this section of the country as a national cemetery since the Civil War. It now is

the burial site of several thousand men, including over 500 from World War II, who gave their lives so that others might live.

Under leave to extend my remarks, I would like to include the following article by V. Y. Dallman, editor of the Illinois State Register:

(By V. Y. Dallman, editor Illinois State Register)

A great general, who had counted 10,000 casualties in his division—2,000 of them dead—in the Philippine campaign in World War II, had spoken to approximately 10,000 people in Camp Butler National Cemetery.

Taps had echoed across the burial ground. There had been sacred music, a military parade, the tender placing of flowers on the "little green tents" of departed heroes.

There had been prayers for peace, a synchrony of tears for the departed and reverential hopes for the future safety of mankind.

Thus the "Arlington of the West" was dedicated yesterday in a sun-kissed ceremony which will be written into enduring history.

The gallant soldier who flew to Springfield from Washington to sound the keynote of the occasion, and who won a place in the hearts of all who saw and heard him, was Maj. Gen. William H. Arnold, combat hero of Pacific operations against the Japanese in the recent war. He emphasized moral and spiritual values as transcendent to military power. He paid tribute to the dead. He honored future generations by insisting that the future peace and progress of the world depend upon everyday righteousness.

JOSEPH RIDER, CHAIRMAN

The chairman of the committee of the Inter-Veterans' Council, Joseph S. Rider, who presided at the ceremony at the cemetery, presented leaders of all groups who had cooperated to make the dedication a success. The Five Hundred and Fifth United States Air Force band led the parade of flag-bearing units past the reviewing stand. Rabbi Karl Rosenthal gave the invocation. Rev. James J. Haggerty spoke of the fundamental values of peace and practical righteousness. Rev. Richard Newhall gave the benediction.

Louis B. Hellmeyer, cemetery superintendent, was honored, as was Gold Star Mother Mrs. Norman Larson, to whom a memorial folder was presented for all Gold Star Mothers. The Springfield Harmony Club and the Harmonettes of the Riverton High School were vigorously applauded for their songs. James E. Zook was the efficient coordinator. W. R. C. White, as grand marshal, was given a big hand for a great job well done.

Among the guests presented by Chairman Rider was Peter F. Mack, Carlinville, Member of Congress; United States Senators Scott W. Lucas and Paul H. Douglas, of Illinois, unable to attend, were publicly thanked by the chairman for obtaining the active cooperation and attendance of General Arnold. The latter was met at Capital Airport in the late morning, entertained at luncheon at the St. Nicholas by members of the Inter-Veterans' Council, escorted by them to the Butler cemetery, and also to the airport where he departed in a Navy plane at 5:30 p. m.

GENERAL ARNOLD'S ADDRESS

General Arnold spoke briefly but to the point. He held his great audience despite the hot sun which boiled down upon them. His hearers were manifestly conscious of a great and memorable occasion. He quoted Lincoln and sought Divine guidance for all. He said "the world is looking for leadership, both spiritual and political." In conclusion he said in part:

"We cannot long remain a prosperous Nation economically without accepting the responsibilities of political leadership. Our good intentions, inspired by democratic ideals, cannot continue indefinitely to perform the miracle of the 'loaves and fishes.' The nations to whom we have extended the hand of friendship and support are growing stronger. They are recovering from the ravages of war. They are looking to us for moral and spiritual support as surely as they looked to us for economic aid. One is as important as the other. We must never again substitute the seemingly easy expedients of the moment for the more difficult decisions of leadership.

"Bridging the broad gulf between opposing systems in the family of nations is now our chief responsibility. To be equal to the task, it is necessary to make clear that our interests are open-minded and sympathetic; that we are not worshipers of mechanical technocracy, obsessed with its inanimate products, but that we are a people who view with understanding the field of mankind's problems. Let others understand that we threaten no rash exploitation, that instead we offer the promise to plow into the soil as much or more than we take from it—and we shall achieve thereby international friendships as surely as we have achieved national unity. No force, no matter how vast, nor any world organization, however representative, can be effective for peace, if we lose sight of the need for friendship and determination.

"Centuries of thinking and habits must be revised before we can reach our goal. Peace, we have learned, is a more calculated thing than a wish. Democracy is based on Christian ethics. By its precepts of responsibility of each man to his neighbor we may perhaps be able to bring the miracle of peace to reality.

"Thus, while we may still be in the stage of laying the foundation, I think we must acknowledge that it is the spirit of honesty and courage of the type rendered by the men we honor today that will count in the end. Without this spirit which in the past has formulated the ideals of our own people, we would have no religion worthy of the name, no ethics of any value. And in the field of broad politics, without such spirit, there can be no bill of rights, no true government for the people.

"Here before this hallowed spot we stand with grief in our hearts and renunciation of war in our minds. We now know that the time to stop war is before it starts. By statesmanship, honesty, and a steadfast adherence to well-defined principles, we may prevent the resort to arms and the loss of all the things these men to whom we pay tribute today fought to protect.

"In dedicating Camp Butler National Cemetery we should recall the words of the immortal Lincoln with whose life this fair city is so closely associated—'It is rather for us to be here dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion—that we here resolve that these dead shall not have died in vain, that this Nation under God shall have a new birth of freedom, and that government of the people, by the people, for the people shall not perish from the earth.'"

Palestine's Holy Places

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. CELLER. Mr. Speaker, despite a few propaganda pieces that have been put forth, the fact remains that the Israeli Government has been most scrupulous in protecting the holy places in Palestine. Had it been otherwise, more than a few propaganda pieces would have reached the press for so serious an offense. By this time, when news from Palestine has been featured in all newspapers and periodicals, friendly or hostile to Israel, the stories of vandalism on the part of Israel would have received a wide and inclusive coverage. That it has not been so is testified to by the absence of such stories in the press. The eyewitness report of the American Christian Palestine Committee emphatically states that the holy places in Palestine have been most scrupulously protected even during the heat and height of battle. I saw this myself when I visited Israel. It was pointed out to me by the Israelis themselves, and with pride, how careful they had been in preserving the holy places. The Arabs themselves have not dared make that accusation in open discussion before the United Nations, powerful as they knew such an argument would be. The evidence was too much against it. As the Palestine Post puts it:

The Jews have no desire to overrun or possess places that are holy to other religions. All they want is safe access to their own.

The few propaganda pieces that have appeared are obviously tied to the issue of the internationalization of Jerusalem. Following the partition plan of the UN, the internationalization of Jerusalem was put to trial and failed miserably. When the Arabs invaded Israel, Jerusalem was left wide open to attack. It had been previously believed that the whole world would rush to the defense of Jerusalem, but the sorry fact remains that Israel and Israel alone defended Jerusalem, and alone defended the demolition of the new city, together with the holy places. Jerusalem was under siege for weeks, without water, light, or food, but the whole world kept silent. I believe this one fact shocked Israel more than any other indifference to Israel's fate, for here were not only the Israelis concerned, but the sanctity of the city of three religions.

This must not be permitted to happen again. A realistic and honorable peace precludes the internationalization of Jerusalem.

The following article on the holy places will be, I am sure, of interest to all:

[From the Palestine Post of May 2, 1949]

HOLY PLACES

It may have been chagrin at the friendly agreement between the French consulate general in Jerusalem and the Israel military commander there, providing for the return of part of the Notre Dame Hospice to civilian use, that caused Ramallah Radio yesterday to emit the canard that Jews were occupying monasteries and convents in Ain Karem and that the French consul general had protested. Charging an opponent with the very offenses which one commits is a common form of propaganda, but if used too often tends to defeat itself. And in these particular matters the facts are plain. Jews are not engaged in occupying religious buildings of any kind in Ain Karem; as the French consulate general informed the Palestine Post yesterday, no protest against the alleged occupation had been lodged. In fact, nothing whatever was known there of the matter; and, in response to a French request, the

Israel military commander in Jerusalem had agreed to the evacuation of part of the Notre Dame Hospice, the French consul general appreciating that the rest of the building was needed by Israel for defense purposes.

So much for the facts. Certain lessons may be drawn from them. Apart from the east wing of the Notre Dame Hospice, which faces the Arab lines only a few yards away, the Christian religious institutions in Jerusalem in Jewish occupation are the Ratisbonne Monastery and St. Joseph's Convent, the former by generous permission of its owners, housing Jewish refugees—it is apt to be forgotten that the Arab invasion created a Jewish refugee problem—and the latter, again by kind permission of the owners, serving as a hospital to replace the Hadassah Hospital, which was bombarded by the Arab Legion and made inaccessible. All the other Christian religious institutions in Jerusalem and the Christian holy places, to say nothing of the Jewish holy places, are in that part of the city which is in Arab hands. In the discussions on the future of Jerusalem that, too, is apt to be forgotten.

The Jews have no desire to overrun or possess places that are holy to other religions. All they want is safe access to their own, and the ability to provide that protection against attack on their habitations which the events of the past year and more have shown to be imperative. For their part, they have every intention of giving all necessary safeguards to the religious institutions of other faiths in their own territory, and the return of part of the Notre Dame Hospice is the latest demonstration—it is not the first—of their good will and good faith. The armistice agreement with Transjordan stipulated free access to the holy places. It is not Israel's fault that no progress in the detailed arrangements for this has been made.

Bob Feller Youth Foundation Encourages Leadership

EXTENSION OF REMARKS
OF
HON. CLYDE DOYLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. DOYLE. Mr. Speaker and colleagues, recently I was privileged to fly to the city of New York and there participate in what appeared to me to be a very significant and memorable dinner. For, Mr. Speaker, it was in honor of two distinguished American lads of high school and junior high school age, respectively, who had saved human lives during the preceding 12 months. It was the Popsicle youth award dinner on the evening of May 18, and in attendance were the following distinguished American citizens, amongst others: Bob Feller, of baseball fame; Chancellor Tolley, of Syracuse University; Hon. Vincent Impelleteri, president, NYC Council; Brother Potamian, dean, Manhattan College; Charles Brecht of St. Johns University; Mr. Joe Lowe, president, Joe Lowe Corp.; Lt. Glenn Davis, United States Military Academy.

I considered it a great privilege and honor to be asked by the Bob Feller Youth Foundation to present a 4-year scholarship in Syracuse University to John Paul Cunningham, of San Marino, Los Angeles County, Calif. And while the lad does not reside in my congressional district, it is in the same county, and the lad had saved the lives of a father and son from drowning in one of the mountain lakes in the nearby majestic Sierra Nevada Mountains. To me, Mr. Speaker, it was significant that Mr. Joe Lowe, the outstandingly successful president of this commercial corporation of Nation-wide spread, should conceive it as conducive to the American way of life that he and his associate owners contribute some of their money profits to encourage the youth of America in terms of successful leadership and unselfish devotion to the helpfulness of others.

The other distinguished lad who received a 4-year scholarship in Syracuse University was Joseph Fisher, of 707 Somerset Place NW., Washington, D. C. The parents of both of the lads were brought to New York at the expense of the foundation.

In speaking with Bob Feller, of baseball fame, he made it clear to me that he felt that emphasis upon leadership of youth by youth was a very desirable and necessary emphasis and Mr. Lowe, the president of the Popsicle Corp., made it clear to me that he felt that by rewarding leadership and responsibility in American youth the foundation would be making the wisest expenditure of its money in terms of American youth.

It was a very happy occasion, very largely attended, and I returned to my work in the United States Congress the next morning at 9:30 with renewed and inspired vigor and determination to do that each day which would more nearly lead to cause American youth to think in terms of doing good for others.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith a letter to the editor of the Granite City (Ill.) Press-Record from the Madison (Ill.) Federation of Teachers, local 763, endorsing Federal aid to education:

THE FORUM

TEACHERS FEDERATION FAVORS SALARY FUND BILL

Mr. C. E. TOWNSEND,
Manager, Granite City Press-Record,
Granite City, Ill.

DEAR MR. TOWNSEND: So much has been said concerning Federal aid to education among educational circles that we should like our many friends to know that our organization is backing the following bill which came up, along with the Taft-Thomas bill, for hearing on June 2, and that the following telegram was sent to our Washington correspondent to be inserted in the hearing on Federal aid:

"The Madison Federation of Teachers, Local 763, wishes to go on record as sponsoring the Lesinski labor bill for education. After reading the various bills, we are confident that this Federal aid to education bill meets the needs of schools and teachers more effectively than any other Federal aid bill. We heartily endorse that 75 percent of funds be set aside for teachers' salaries; that funds be made available for only public school teachers' salaries; that funds be made available for the services of all children in the States; that if a State or person believes it or he has not received just allocation, that the right to an appeal to the Federal courts from the decision of the United States Commissioner of Education be granted; that full benefits of the law be given United States possession; that it is the only bill which will actually equalize educational opportunities; that services to all children, scholarships to needy students, public-school construction, eradication of adult illiteracy are not only highly desirable but absolutely necessary if the great institution of democratic public schools is to perpetuate itself. We endorse the Lesinski bill, urge its support and passage."

Thanking you for your fairness and many past courtesies, I am,

Yours truly,

MARJORIE SMITH, *Secretary.*

Control of Tidelands

EXTENSION OF REMARKS
OF
HON. F. EDWARD HÉBERT
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1949

Mr. HÉBERT. Mr. Speaker, the very able and thorough Bernard L. Krebs of the staff of the New Orleans Times-Picayune has prepared a series of five articles on the attempt of the Federal Government to grab the tidelands of the coast States. Mr. Krebs in his articles draws a comparison between Federal and State operation of oil leases.

If you will but take the time to read these very informative articles you will be able to understand a great deal better some of the things which are involved in this land grab, or attempted land grab, by the Federal Government.

I am presenting three of these articles for the consideration of the House and will later present the remaining two articles in order to complete the entire series which bears not only reading but also serious thought and consideration by each Member of this House.

Here are the first three articles:

FEDERAL-STATE OIL LEASES

(By B. L. Krebs)

The United States and three States are engaged in a contest to determine who shall control the tidelands—the offshore lands which still are under the ocean at low tide.

Oil-producing California, Texas, and Louisiana are fighting to keep control of these tidelands. The United States has asked its Supreme Court to support its claim to them. In addition, several Federal bureaus have suggested legislation to guarantee Federal control.

The belated contest raises questions in which residents of all sections of the Nation have an interest. How are the tidelands being managed under State authority? How would they be managed by Federal bureaus? How would financial returns from tidelands under Federal management compare with returns under State management?

In four years the State of Louisiana has leased for oil development more than 2,500,000 acres of its offshore tidelands in the Gulf of Mexico—an area almost equal to that of the State of Connecticut.

A dozen major oil companies have paid $25,744,000 in bonuses for the first year's rental and an additional $10,350,000 in subsequent rentals to hold the lands that are not being drilled or have not been abandoned to the State.

This $36,095,000 in bonuses and rentals is an average of $14.16 per acre for the gross amount of water bottoms leased.

From million-dollar drilling platforms out in the open waters of the Gulf the State's lessees have already proven up 17 leases which either are producing oil or contain closed-in gas wells.

Had the United States Government been in control of these tidelands in the same 4-year period and leased an equal amount of acreage under its policies and existing Federal laws, it would have netted 50 cents an acre, or $1,275,000 against the $36,095,000 obtained by the State of Louisiana.

Under Louisiana law, the State mineral board grants leases to the highest bidder after advertising for bids.

Under Federal law, the Department of the Interior grants leases on a flat price basis, without competitive bids.

Secretary of the Interior Julius A. Krug on a recent visit to New Orleans said that the States have nothing to lose through transfer of the tidelands to the Federal Government.

"Government control of the tidewater oil fields," Secretary Krug told the Times-Picayune, "would actually put the States in a more profitable position than at present. The charge that the States will lose millions of dollars is ridiculous. In the west the States get 37.5 percent of the royalties paid by private companies operating on Government lands.

The State of Louisiana now gets 100 percent of the royalty from oil produced from the State's water bottoms.

Just how much oil the tidelands will eventually produce is of course an unknown factor. First production out in the open waters of the Gulf of Mexico came near the close of 1947—although there had been a small producing field a mile offshore for several years.

Actual proof of the existence of oil in commercial quantities in the open waters of the Gulf of Mexico brought a burst of activity by major operators, and additional producing areas were soon discovered.

Tidelands oil royalties to the State so far have amounted to $52,000 not including the royalty due on oil held in storage but not sold. The royalty figure is expected to increase rapidly. June production in the Gulf is at the rate of 1,000 barrels a day, and the figure will rise as additional wells are drilled in areas now producing.

The highest price paid for a lease in the Gulf of Mexico was a year ago. Superior Oil Co. acquired a tract of 5,000 acres of tidelands 30 miles out in the Gulf, and more than that distance from the nearest oil field, for a bonus of $103 an acre, or $515,000, and an annual rental starting with the second year of half that amount.

Superior has already constructed a drilling platform and is ready to start in search of oil. By turning the drill stem before the second year of the lease starts it can save the $257,500 rental, since actual operations will serve to hold the lease without further payment of rental.

The substantial prices that the State has obtained for its leases is the key to rapid development of the area. If the Federal Government had been in control of the tidelands and Superior had been able to get the 5,000-acre lease for the 50 cents per acre over 3 years that the Bureau of Land Management of the Department of the Interior has been getting for inshore leases in Louisiana, Superior would have been without the strong inducement to drill immediately in order to save the $257,500 per year rental.

Forty or more leases have been made in the tidelands at figures which would cost the operators $50,000 or more a year to hold them without drilling.

Up to the time the State discontinued leasing tidelands, following suit by the Federal Government to assert paramount rights to the oil, the amount received for the leases was constantly rising.

In August 1945, when the first tidelands were leased, the State received a bonus of $5.12 per acre. In three succeeding years the average rose to $10.87 per acre.

Then the oil fields began to come in, and prices advanced sharply. Between May and October 1948 the State mineral board at competitive bidding let 429,028 acres of tidelands for $7,339,491 or $17.11 per acre.

A letting on October 6 disposed of 130,095 acres for a bonus of $3,058,322 or $23.51 average. Had these acres in the Gulf of Mexico been disposed of the way the Department of the Interior has been handling Government lands in the State, they would have brought $65,000.

Two-thirds of the Gulf of Mexico waters between the shore line and 30 miles out are still unleased by the State. The tidelands were estimated to contain 6,000,000 acres, of which 2,500,000 have been leased, with 500,000 of these acres surrendered by the companies and returned to the State.

With interest in the tidelands at a peak, due to recent discoveries, millions of dollars of additional bonus and rental money would be rolling into the State treasury, were it not for the Federal Government's suit seeking to take control of the water bottoms away from Louisiana.

FEDERAL-STATE OIL LAND HANDLING

(By B. L. Krebs)

The United States Government has granted oil leases for 50 cents an acre after the State of Louisiana leased its lands in the same area for $1v.22 an acre.

Within the same marshland area near the mouth of the Mississippi River in Louisiana, the United States Government owns the land surface, which it operates as a migratory wildlife refuge, and the State of Louisiana owns the water bottoms.

In July 1948, the State mineral boards, after competitive bidding, leased its water bottoms to the California company, large oil operator, for a bonus of $15,130 for the first year, and an annual rental of $7,565 for each of two subsequent years.

The State water bottoms were estimated at that time to contain 1,480 acres, but engineers for the State board of public works now estimate the bayou beds and small ponds at half that acreage.

However, on the original estimate of 1,480 acres the State received $10.22 per acre for the first year of its lease.

On March 1 of this year the Federal Government's 9,742 acres of land surface were leased by the Bureau of Land Management of the Department of the Interior on a noncompetitive basis. The lessees paid the Government 50 cents per acre for the first year, with the second and third years rental free.

Thereafter if they wish to continue holding the leases, and no drilling for oil has started, they will pay 25 cents per acre for the fourth year, with the fifth year again rent-free. That would make an average return to the Government of 15 cents per acre per year for the 5-year period.

This is in accordance with the law passed by Congress a couple of years ago, with the active support of the Department of the Interior. This law placed the leasing of minerals in acquired public lands under the Bureau of Land Management.

Within a 6-mile half circle of the wildlife refuge, leased by the Government March 1, 1949, for 50 cents an acre, the State mineral board in the past couple of years has negotiated at public bidding a score of leases which have netted the State in bonus and rentals from $3.30 per acre to as high as $103 per acre.

There have been four public lettings by the State for the area, most of them on tidewater lands. Bids have been approved on a total of 56,156 acres, which have brought bonuses and rentals amounting to $1,941,880 to the State of Louisiana by three big oil companies. The average paid for prospective oil lands was $34.58 per acre.

One of the profitable deals made by the State was on July 22, 1947, when Shell Oil Co. was high bidder on three tracts of tidelands 6 miles northwest of the migratory game refuge. Their three leases contained 10,722 acres. Shell paid a total bonus of $595,592. It is now holding one of the tracts by drilling, and has paid rental of $163,748 for the second year on the other two.

Return to the State to date on these leases has been $759,341, or $70.82 per acre, plus a drilling program that may bring in an oil field from which the State would receive a one-eighth royalty.

The 50-cents-per-acre leases on the Government's land were applied for August 6, 1947, under the provisions of the public lands leasing law which at that time was being extended by Congress to lands acquired by the United States Government for various purposes. It had previously applied only to mineral leasing in the original public domain.

The applicable provision of the law under which these applications were filed reads:

"Any person qualified to hold a lease who, on the date of this act had pending an application for an oil and gas lease for any lands subject to this act, which on the date the application was filed was not situated within the known geologic structure of a producing oil or gas field, shall have a preference right over others to a lease of such lands without competitive bidding."

The question of the tidelands was at that time before the Supreme Court, and they were specifically exempted from the law, pending final court determination as to whether the United States Government or the States had title to their oil and gas.

This act was approved August 7, 1947. The applications filed the previous day by Allen L. and Frank J. Lobrano of Pointe-a-la-Hache, La., were thereby pending and they had priority in leasing the land. These applications were for four leases, covering about 2,400 acres each in the Delta Migratory Waterfowl Refuge and the Big Delta Migratory Wildlife Refuge.

While the lease applications were following their leisurely progress through the Fish and Wildlife Service and the Bureau of Land Management of the Department of the Interior, the State mineral board held three additional public lettings on water bottoms in the general area of the wildfowl refuges.

Six leases with a total of 11,670 acres, mainly tidelands, were granted to two bidders December 9, 1947, for an average return to date of $43.11 per acre. One of these leases brought an initial bonus of $153,000 for 3,000 acres, and was subsequently drilled and brought into oil production. It lies a few miles southeast of the combined Government-State leases to the California company and the Lobranos.

In April 1948, the State mineral board let two more leases, one for $504,700 bonus on 4,900 acres, or $103 average per acre. This tract, 4 or 5 miles northwest of the California company-Lobrano leases, is now being drilled. Last July the State held its fourth letting, receiving an average of $4.47 per acre on 13,451 acres of land, but including the lease to the California company of the water bottoms in the wildfowl areas for $10.22 per acre.

The leases by the Bureau of Land Management to the Lobranos for 50 cents per acre of the land surface in the wildfowl area where previously the State had leased its water bottoms for $10.22 per acre, was brought to the notice of the State mineral board at a meeting April 21, 1949. An attorney for the California company told the board that the Lobranos had obtained the Government areas and had entered into an agreement with with his company whereby the latter would drill a wildcat well.

The California company's attorney asked the mineral board to agree to unitization of the State and Government leases. This would mean that regardless of whether a well was drilled on Government surface lands or State water bottoms, the royalty would be divided on the basis of the amount of acreage owned by each in the unitized lease.

Over the opposition of Harley B. Bozeman, of Winnfield, one of its members, the board approved the project 4 to 2. Bozeman dictated into the minutes the following statement:

"In voting against the motion to unitize State-owned lands under lease by the California company with United States Government lands leased by the Department of the Interior I did so because I oppose in principle the practice of said United States Government lands being leased by the Department of the Interior without competitive bids."

Prior to the unitization application to the State mineral board the arrangement between the Lobranos and the California company had been approved by the Bureau of Land Management on April 19. A Washington representative of the Times-Picayune was requested to ask the Bureau of Land Management:

"(1) The amount of the overriding royalty reportedly received by the Lobranos from the California company, or any other consideration involved, and

"(2) Why the Government itself couldn't have gotten this extra consideration by making direct leases to the California company, which already held the water bottoms."

To which the Bureau replied:

"That the Government under the leasing law can't accept more than a one-eighth royalty;

"That the owners of leases may do whatever they please about arranging for overriding royalties, except for a limit of 5 percent on wells producing 15 barrels or less per day, and

"That any considerations involved in the deal between the Lobranos and the California company are confidential, so far as the Bureau of Land Management is concerned."

FEDERAL-STATE OIL LEASES

(By B. L. Krebs)

In Winn Parish (county) in central Louisiana, private landowners in the 12 months ending March 3 leased 11,680 acres of land for oil and mineral development. They received $165,042 in bonuses, and will get a dollar an acre rental for each succeeding year.

In 3 years the private landowners would receive in bonus and rentals, $188,402, or an average of $16.13 per acre for the period.

The Bureau of Land Management of the United States Department of the Interior has been handing out, on a noncompetitive basis, oil and gas leases in the Kisatchie National Forest in central Louisiana to bring 50 cents an acre for the same 3-year period.

This is the reason officials of the parishes of Winn, Rapides, Grant, Natchitoches, and Vernon, in which the half-million-acre Kisatchie Forest is located, want to see something done about the leasing law under which the Department of the Interior handles its minerals business.

Revenues of the national forests, whether from minerals, timber of other sources, are of vital interest to the parishes and counties throughout the country in which the forests are located, because one-fourth this revenue goes back to the local subdivisions. This is to compensate them for the tax-exemption the lands enjoy.

It is true that some of the Kisatchie Forest leases made by the Department of the Interior are of questionable title, until proceedings now pending in the United States courts are settled. But Winn Parish officials contend that even in these circumstances the Department of the Interior could get a great deal more than 50 cents an acre by asking for competitive bids, even if it didn't want to wait for the suit to be decided.

This is the reason Harley B. Bozeman, Winn Parish citizen and member of the State mineral board, recently voted at a board meeting against approving unitization of State and Federal leases near the mouth of the Mississippi River, where the State netted an average of $10.22 for its water bottoms in competitive bidding, and the Department of the Interior leased the Government's land surface without bids for 50 cents an acre.

The Department of Agriculture handled the leasing of the national forest lands up to June 1946, when the presidential reorganization act became effective and obtained more than $3,000,000 in competitive bidding. After that the jurisdiction of leasing passed to the Department of the Interior. The leasing law under which the Department of Agriculture had operated, however, remained effective for another year.

Then in August 1947, Congress, under vigorous urging from the Department of Interior, decreed that mineral leases on acquired public lands should be handled under the same law which had prevailed in the leasing of the original public domain. The effect of this change was to preclude competitive bidding for leases on lands thought to be potentially productive of oil and gas, but which were not a part of a geological structure actually procducing oil or gas at the time the lease was effected.

First qualified applicant for a lease on a tract was given the land on a schedule providing for a rental of 50 cents an acre covering the first 3 years, 25 cents an acre covering the second 2 years, and $1 an acre yearly thereafter. Bonuses were not required, and the Government's royalty was held to 12.5 percent. The agriculture department had a sliding scale of royalties which pumped to 15 percent on a 70-barrel-a-day well, and went as high as 32 percent.

Oil development in the areas where the Kisatchie Forest is located has become active only in the past few years. Consequently only a minor part of the forest is now under lease, and a change in the national leasing law could retrieve the situation.

The Department of Agriculture negotiated two leases in the forest before its functions were taken over by the Department of the Interior. On 3,752 acres of land it received $22,515 in bonuses, and 3-year rentals totalling $5,629, or a return of $7.50 per acre.

The Department of the Interior up to March 22 of this year had made six leases for a total of 9,969 acres, bringing $3,984 in rentals. Had it done as well as the private owners in Winn Parish in its leasing program the return would have been more than $150,000.

The State of Mississippi has not been so fortunate with the Department of Interior leasing policies. Several oil fields were developed in central and south Mississippi, where the Homochitto and Heidelberg Forests are located, and before the Interior Department took over, the Department of Agriculture, through an active program of competitive bidding, collected more than $2,000,000 in oil bonuses from the national forest lands, of which one-fourth went to the counties in which the lands were located. Since the Department of the Interior took charge, with its "50 cents per acre for 3 years" schedule, the Bureau of Land Management, according to a list furnished by it to the Times-Picayune, has without competitive bidding negotiated 147 leases in the national forests of Mississippi, covering 192,000 acres of forest lands.

Proceedings of the House and Senate Committees on Public Lands, show that a vigorous effort was made at the 1947 session by Charles F. Brannan, Assistant Secretary of Agriculture, to have the law amended so as to provide for competitive bidding for oil and gas leases, but without result.

Oscar L. Chapman, Under Secretary of the Interior, in a letter dated May 2, 1947, advised the Senate Public Lands Committee that he favored the enactment of the measure putting acquired lands under the public domain leasing law. He noted the fact that the Department of Agriculture had been letting after competitive bids on prospective oil and gas lands, that it had derived substantial bonuses from the practice, and that the counties in which the leased lands were located shared in the revenue. Without expressing himself as to whether or not he favored this method, he suggested how the proposed law could be amended "if the committee feels that this practice should be continued in the interest of the United States and the local governments which participate in the returns."

Assistant Secretary of Agriculture Brannan in his report to the Senate committee on the same day said he favored the placing of the administration of mineral deposits under one agency, but that his Department was opposed to applying the "too generous" public domain disposal policies to acquired lands purchased for a particular purpose.

Discussing the competitive bidding policy hitherto followed by the Department of Agriculture, he declared:

"As a result of this practice, in the 2 years ending July 1946, the Department of Agriculture obtained approximately $3,200,000 in bonuses alone from leases principally for oil and gas, on lands which although of a competitive nature were not within any known structure of a producing oil or gas field. * * * Under the provisions of Senate bill 1081, which would apply the nominal filing fee provisions of the mineral leasing acts to such lands, this important source of revenue would be eliminated."

In reporting the bill favorably on May 12 the Senate committee said that the measure was designed "to further stimulate the discovery of new petroleum reserves and to promote the development of oil and gas on acquired lands."

India's Independence Day

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1949

Mr. CELLER. Mr. Speaker, I rejoice with the good people of India on the advent of India's emergence as an independent republic on August 15, 1949.

The people of the United States view with great interest the setting up of the new democracy of the East. India and the United States have much in common, and may the democracy which unites us

continue to grow from strength to strength.

The leaders of India, Jawaharlal Nehru and Sardar Patel, and other renowned men of India, have done a remarkable job of bringing India out of her age-worn chrysalis into independence. These brilliant minds have steered India past the shoals of disaster that accompanied partition, they have resisted the extremists, and by tact and statesmanship have set up a government which enables the Moslem minority to live in security, and we view with amazement the skill with which these men have solved the problem of the princely states.

Many problems lie ahead, however, and they cry out for solution. Most important of these are the economic problems, and it is hoped that the many attractive schemes, including a dozen projects modeled after our own Tennessee Valley development, will soon go beyond the blueprint stage. It is hoped that there will soon be consummated a treaty of friendship, commerce, and navigation between the United States and the Republic of India—a treaty which will give great impetus to the enhancement of trade between the two countries. India needs capital goods and machine tools, and the wherewithal to set up a workable merchant marine and shipbuilding industry. I am one of those in the United States Congress who wishes to aid India uninhibitedly in this regard. This aid should be given to India by the United States in an enlightened self-interest. I am one of those who would be willing to loan dollars to India to help her procure the necessary machinery and capital goods. I also know that if the United States would come forward and render such aid, Indian capitalists would take much of their money out of hiding and do their share to help India prosper by expanding her production, and by supplying the capital for the creative ventures of the Indian Government.

One cannot let this occasion go by without paying a tribute of respect and honor to the great Gandhi who has gone to a martyr's death. The Congress Party under Gandhi's leadership became a great mass party which claimed the allegiance of every Indian—from millionaire to the untouchable. This Congress Party was the sine qua non of the independence of India.

Gandhi has left an ineradicable impression upon India and upon the world. His benign influence will live forever. Jai Hind.

Southern Crossing Over San Francisco Bay

REMARKS

OF

HON. RICHARD J. WELCH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. WELCH of California. Mr. Speaker, the United States Government has jurisdiction and control over all navigable streams and bodies of water within the United States and its insular possessions. Just and reasonable discretion is always exercised in granting a crossing in keeping with the importance to the security of the Nation of the stream or body of water and with due consideration for the safety and economy of the communities in the vicinity.

The great San Francisco Bay, which in reality is an arm of the Pacific Ocean, by reason of its geographical and strategic location contains more military establishments than any other given part of the United States.

While a member of the legislative body of the city and county of San Francisco, I introduced and secured unanimous approval by that body of the original and all other resolutions directed to the United States Government which made possible the now world-renowned Golden Gate Bridge. The publicly owned Golden Gate Bridge was built during the depth of the depression at a cost of $35,000,000 and without one dollar of financial aid from the Federal Government. During my time as a member of the board of supervisors of San Francisco I was chairman of the Trans-Bay Bridge Committee, appointed in connection with the building of what is now the San Francisco-Oakland Bay Bridge. This bridge, like the Golden Gate Bridge, was also built during the depression at a cost of $85,000,000, of which the Federal Government likewise did not contribute one dollar. The construction of these bridges was bitterly fought by the San Francisco Bay ferry interests.

I finally appealed to President Herbert Hoover who appointed a commission, a part of the commission being appointed by the then governor of California, the late Honorable C. C. Young, at the request of the President, and the President naming the majority of the Hoover-Young Commission. After long and exhaustive studies, the Hoover-Young Commission worked out a plan and location for the present San Francisco-Oakland Bay Bridge. This bridge was built pursuant to an act of the California State Legislature creating a toll bridge authority, which under the provisions of the act authorized the issuance of revenue bonds. These bonds were purchased by the Reconstruction Finance Corporation. The bridge was opened for traffic on January 15, 1939, and it is expected to be fully amortized in 1951 or 1952.

Mr. Speaker, the traffic on this bridge has exceeded all expectations, and in less than 5 years after its completion its capacity during peak hours was reached. Traffic has continued to increase until today a second San Francisco Bay crossing has become an imperative necessity. In 1941 and again in 1946 I introduced the following resolution:

House Resolution 529

Whereas the city of San Francisco, its bay, and the territory adjacent thereto are of the highest strategic importance to any adequate defense of the entire Pacific coast; and

Whereas in recognition of this importance there have been located in or near the city of San Francisco the Presidio Military Reservation, Fort Winfield Scott, Fort Mason, the Army transport docks, the United States Risdon Naval Plant, the United States naval base at Hunters Point, Mare Island Navy Yard, Oakland Naval Air Base, Oakland Naval Supply Base, the United States Army Moffett Air Field, Fort Barry, Fort Baker, the United States Bombardment base, the Suisun Air Base, and many other military and naval establishments in the San Francisco Bay area; and

Whereas the lessons of the recent war have demonstrated the necessity of adequate highways between national defense activities; and

Whereas the natural development of the great international seaport of San Francisco makes it imperative that additional highway and railroad facilities be made available; and

Whereas the San Francisco-Oakland Bay Bridge constitutes the only direct approach by highway to San Francisco from the Oakland-Alameda side of the bay: Therefore be it

Resolved, That the Secretary of War and the Secretary of the Navy are requested to review their report submitted to Congress in response to House Resolution 158, Seventy-seventh Congress, first session, for the purpose of investigating and reporting upon the need and feasibility, from the standpoint of the national defense and the development of peacetime economy, of constructing a bridge from San Francisco to Bay Farm Island, or a system of dams across San Francisco Bay as provided for in the so-called Reber plan, and to be forwarded to the Congress as soon as practicable by the Secretary of War and the Secretary of the Navy, who are further requested to transmit therewith their recommendations in the premises.

The resolution was referred to the Committee on Naval Affairs, the distinguished gentleman from Georgia, Hon. CARL VINSON, being the chairman. The resolution was reported unanimously by the committee and passed this House by unanimous vote.

Mr. Speaker, with the assistance of President Truman, the Joint Army-Navy Board provided for in the resolution was appointed without delay. After long and exhaustive public hearings and studies, lasting well over a year, the board of engineers recommended what has come to be known as the "Southern Crossing." I include herewith report of the Secretary of Defense, the Secretary of the Army and the Secretary of the Navy, as provided for in the resolution:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D. C., June 17, 1949.

Hon. RICHARD J. WELCH,
House of Representatives,
Washington, D. C.

DEAR MR. WELCH: As you know there are a number of bills pending before the Armed Services Committee granting easements in connection with the proposed San Francisco Bay crossing.

In view of your interest in the subject I inclose a copy of a letter I have just received from Secretary of Defense Johnson commenting on a bill introduced by Representative LEROY JOHNSON, H. R. 4079, on this subject.

With best wishes, I am,
Sincerely yours,

CARL VINSON,
Chairman.

THE SECRETARY OF DEFENSE,
Washington, June 16, 1949.

Hon. CARL VINSON,
Chairman, Committee on Armed Services, United States House of Representatives.

MY DEAR MR. CHAIRMAN: The views of the National Military Establishment with re-

spect to H. R. 4079 have been requested by your committee.

The Army, the Navy, and the Secretary of Defense are all on record in favor of what has come to be known as the southern crossing of San Francisco Bay, as the preferred location from the military viewpoint.

In view of our position in favor of the southern crossing, we recommend against the enactment of H. R. 4079.

A copy of an earlier letter on this subject, addressed to the mayor of San Francisco, is attached.

The Bureau of the Budget has been consulted and advises that, while there is no objection to the submission of this report, the expression for the preference of the southern crossing should not be construed as an indication that the National Military Establishment would support a request for Federal funds to assist in construction should that route be finally decided upon.

With kindest regards, I am,

Sincerely yours,

LOUIS JOHNSON.

After 2½ years delay, due to unwarranted objection on the part of the California State Administration, the California State Assembly, now in session, took the matter in hand and appointed a bipartisan committee from that body. The committee secured the services of a board of outstanding bridge engineers, including O. H. Ammann, who was the chief of engineers who built the George Washington Bridge across the Hudson River. Mr. Ammann was also the chief consultant on the Golden Gate Bridge and the San Francisco-Oakland Bay Bridge. This board of engineers, after exhaustive studies, reported in favor of the southern crossing of San Francisco Bay. Under unanimous consent, I include the report by the board of engineers:

REPORT ON SAN FRANCISCO BAY VEHICULAR CROSSINGS, MAY 25, 1949

Prepared for Assembly Interim Committee on Reclamation of Tidelands and Related Traffic Problems of the Legislature of the State of California, Mr. George Collins, Mr. Arthur H. Connolly, Mr. Randal F. Dickey, Mr. Francis Dunn, Mr. Edward M. Gaffney, Mr. Ernest R. Geddes, Mr. Robert I. McCarthy, Mr. John F. Thompson, Mr. Richard J. Dolwig, chairman.

MAY 25, 1949.

Hon. RICHARD J. DOLWIG,

Chairman, Committee on Reclamation of Tidelands and Related Traffic Problems, Assembly Chamber, Sacramento, Calif.

DEAR SIR: On behalf of your honorable committee, you have requested us to submit our comments and advice in connection with the plan for additional toll crossings of San Francisco Bay as prepared by the Division of San Francisco Bay Toll Crossings of the Department of Public Works of the State of California and embodied in its report of November 1948.

That plan contemplates the construction of two additional crossings; one, the so-called Parallel Bridge, located about 300 feet north of the present San Francisco-Oakland Bay Bridge and parallel to the latter; and the other, the so-called southern crossing, which would cross the bay from the vicinity of Army Street in San Francisco to Fifth Street in Alameda, with connection to Oakland.

In view of the decision of the California Toll Bridge Authority to build the parallel bridge first, and to defer the construction of the southern crossing until it can be financed, you have asked us in particular to give you our advice as to which, if either, of the two crossings should be built first.

We have attended the hearings which have been held by your committee, have studied various previous reports bearing upon the problem, visited the existing bay bridge, and made our own studies as far as the short time available to us has permitted. We have also been supplied with much useful information by the State of California Department of Public Works, by the City Planning Commission and the Department of Public Works of the City of San Francisco, and others.

As the result, we submit attached hereto an abbreviated report containing our essential conclusions and our recommendation.

Respectfully submitted.

T. T. MCCROSKY.
O. H. AMMANN.
OLE SINGSTAD.

PLANNING AND TRAFFIC CONSIDERATIONS

The geographical pattern of the southern bay area has concentrated intensive urban development within a few miles of the waterfronts, below the crests of the surrounding hills and mountains. The coastal area tributary to the bay bridge extends roughly 18 miles on the San Francisco side and 24 miles on the Alameda side. Future industrial growth is expected to be principally to the south, on both sides of the bay. It is axiomatic that coastal areas of such great linear extent should be divided into two or more parts on each side of the water, and the separate parts then connected by separate crossings. This axiom was clearly recognized by the Joint Army-Navy Board. To violate it by building the second bay crossing immediately adjacent to the first would abet further undesirable concentration and congestion, and would fail to provide for the needs of logical southward expansion. Congestion in San Francisco has already reached the point where decay may be imminent; and on the Oakland side, the parallel bridge would shortly produce the same detrimental conditions.

Coverdale and Colpitts calculated, by recognized methods of traffic analysis, that only 18 percent of the total transbay traffic would be more conveniently served by a southern crossing from Army Street to Fifth Street, Alameda, than by the bay bridge. Consequently, if the parallel bridge were built, it is irrefutable that this 18 percent of the traffic would find the twin bridges less convenient; whereas the construction of the southern crossing would, in conjunction with the present bay bridge, serve all traffic reasonably well.

Allowance should be made for many borderline divisions of interzonal traffic, which were assigned by Coverdale and Colpitts almost 100 percent to the bay bridge, due to the rigidity of their application of their basic criteria. Changes in express connections between future freeways and the southern crossing would also alter the percentage division of the traffic between the bay bridge and the southern crossing. For purposes of design, it is prudent to make a much greater allowance for new induced traffic on the southern crossing than the 0.69 percent figure used by Coverdale and Colpitts. Ten percent would be a proper factor.

Combining these allowances, it is considered that the southern crossing may attract the following proportions of total transbay traffic:

	Percent
1956	27–30
1960	31–32
1970	32–33

The Joint Army-Navy Board made very clear that they considered a southern crossing preferable to the twin bridges, from the standpoint of national security. National security is not to be considered the ruling factor in locating the second crossing. However, in view of the Board's conclusion, national security certainly should not be ignored.

Had the southern crossing been designed on the premise that it would be constructed next, and that a parallel bridge might never be constructed, then an entirely different concept of approaches might very logically have evolved.

EXISTING BRIDGES

The roadway capacity of the upper deck of the existing bridge to accommodate passenger cars and other light vehicles without undue congestion and delay has been nearly reached.

The roadway on the lower deck, which accommodates trucks and busses, is now utilized to only one-half its potential capacity, but it would not be advisable under the present arrangement of partly two, partly three, lanes of traffic flowing in both directions to permit passenger automobiles to travel on the lower deck.

The two tracks used by interurban passenger trains are now utilized to less than one-third of their capacity, and the number of passengers carried has been continuously falling off.

The six vehicular lanes of the upper deck are only 9.7 feet wide. This is inadequate for safe high-speed traffic and the lack of a safety mall between lanes of opposite traffic direction tends further to invite accidents. The condition of the three-lane lower deck is even more dangerous, since vehicles going in opposite directions are allowed to use the same central lane.

The existing bridge under the present arrangement is therefore not utilized to its full potential traffic capacity and does not provide adequate safety for high-speed traffic.

PROPOSED PARALLEL BRIDGE

The parallel bridge proposed by the department of public works is to be practically a duplicate of the existing bridge, except that initially the two tracks for rail passenger traffic are to be omitted and either built later, or in their place two additional vehicular lanes are possibly to be provided.

Full utilization of the combined vehicular capacity of the two bridges, amounting to about 60,000,000 vehicles per annum, would be far greater than the traffic which can reasonably be anticipated for 40 or more years to come. It is far beyond any volume that should be concentrated at one location and forced to pass through the densely developed and congested area in the San Francisco business district.

The construction of the parallel bridge with its proposed enormous traffic capacity would make it practically impossible to justify the financing and construction of another crossing to serve the rapidly expanding southern areas for an indefinte time to come.

INCREASING VEHICULAR CAPACITY AND TRAFFIC SAFETY ON EXISTING BRIDGE

An efficient San Francisco and East Bay rapid-transit system is a possibility, but it is not likely to become a reality for many years. If and when such a service can be undertaken tunnels under the bay will serve as effectively and economically as tracks on a bridge.

Removal of the tracks from the existing bridge and the substitution of additional bus service is entirely feasible and would add a very small percentage to the volume of vehicular traffic. It would permit transformation of the lower deck into a modern four-lane highway, with safety mall between roadways of opposite traffic direction, and with ample width of lanes for safe and efficient operation for mixed traffic. The vehicular capacity of the bridge would thus be increased sufficiently to meet the growing traffic comfortably until another crossing

can be completed. The potential revenue from vehicular traffic which would utilize the space now occupied by tracks is far greater than the present revenue from the train service.

The reconstruction of the lower deck can be accomplished without interference with the flow of vehicular traffic over the bridge, and may therefore be undertaken as soon as conversion from train service to busses has been effected.

Our studies indicate that, when the tracks and the heavy load now moving over them are removed, there will be enough carrying capacity in the bridge to permit the construction outside of the bridge cables, towers, anchorages, and trusses of two additional two-lane roadways on the upper deck for automobiles and other light vehicles.

The present six-lane roadway on the upper deck, having narrow lanes and no separating curb, could thus be transformed into two two-lane roadways of ample width and with safety mall between, and the entire upper deck would form a modern eight-lane or dual-dual highway for high-speed travel affording a maximum of safety. Suitable additional approach and toll-collection facilities would have to be provided.

We estimate that this reconstruction, together with the conversion of the lower deck from train to bus service, can be accomplished at close to one-third the estimated cost of the proposed parallel bridge. This estimate covers conversion of the existing rapid transit terminal in San Francisco to a bus terminal, and provision of additional approach ramps and toll-collecting facilities.

Reconstruction of the upper deck could not be accomplished without serious interference with traffic on that deck and would have to await the completion of a second crossing to which part of the traffic would be diverted. Its financing can be deferred until that time, or until need for additional capacity on the existing bridge arises.

SOUTHERN CROSSING

The southern crossing, as proposed by the Division of San Francisco Bay Toll Crossings, follows the general location and plan recommended by the joint Army-Navy Board. It consists of a six-lane causeway and tunnel under San Francisco Bay, a depressed freeway through the city of Alameda from the bay to the Oakland Estuary and a four-lane tunnel under the estuary. The crossing extends from the vicinity of Army Street, San Francisco, to Fifth Street, Alameda, and Clay Street, Oakland, where it connects with the East Shore Freeway. In Alameda it has a traffic interchange at Central Avenue, and on the San Francisco side it is connected to the Bay Shore Freeway by means of a freeway paralleling Army Street and another freeway along Tennessee Street and Six and One-Half Street.

We consider the proposed plan and method of construction practicable and sufficiently developed to form a basis for a reliable estimate of cost.

We are of the opinion that the following modifications of the plan should be made:

The bay crossing should be built as a causeway and tunnel with four lanes, two for traffic in each direction. A recently completed traffic estimate shows that a four-lane crossing at this location would adequately serve the traffic for many years to come. This change in plan would result in a very substantial saving in cost. The freeway in Alameda, from the bay to the estuary, should be on the surface with the principal intersecting streets carried above the freeway on elevated structures. This would effect a material saving in cost. The proposed four-lane tunnel under the Oakland Estuary should be built substantially as proposed by the Division of San Francisco Bay Toll Crossings. The Oakland approach should be connected to the East Shore Freeway in such a manner as to provide traffic movements to and from the freeway in both directions. In Alameda a traffic interchange at Central Avenue, as proposed by the Division, should be built and in addition, means of ingress and egress to the estuary tunnel at the Alameda end should be provided for local Oakland-Alameda traffic.

We believe that consideration should be given to changing the location of the route through Alameda from Fifth Street to Main Street, to avoid passing through the residential area in that city, and also to provide for better means of handling traffic in Oakland.

On the San Francisco side a connecting freeway along Tennessee Street to the Embarcadero should be provided, and also a freeway paralleling Army Street connecting with the Bay Shore Freeway, permitting traffic movements to and from the north, as well as to and from the south.

BAY CROSSING CAPACITIES AND FUTURE ESTIMATED TRAFFIC

The following tabulation gives our judgment as to the "comfortable" capacity of the recommended bay crossings at each stage of progressive construction and expansion. In 1948, the bay bridge carried a total of 26,210,000 vehicles, with considerable crowding in heavy peak hours. Much of the present congestion will be relieved when the four additional toll lanes, now under construction, are in operation.

Our tabulation also indicates the year in which estimated total transbay traffic may be expected to approximate the comfortable capacity of the then existing transbay facilities. Long-term future traffic estimates are evidently subject to many unknown factors. Those that we here present are an extension of Coverdale and Colpitts predictions beyond their figure for 1970, with suitable allowances for nonrevenue vehicles, induced traffic assumed for design purposes, and additional bus traffic replacing key system trains.

Capacities of recommended bay crossings and future estimated traffic volumes

Bay crossing	Comfortable capacity		Combined capacity		Estimated transbay traffic [1]	
	Peak hour, 1 way	Annual	Peak hour, 1 way	Annual	Year	Annual volume
Present bay bridge:						
Upper deck	3,600	21,600,000				
Lower deck	900	5,400,000	4,500	27,000,000	1950	27,538,000
Total	4,500	27,000,000				
Bay bridge with reconstructed lower deck:						
Upper deck	3,600	21,600,000				
Lower deck	2,000	11,400,000	5,600	33,000,000	1954	30,900,000
Total	5,600	33,000,000				
Southern crossing, 4 lanes	2,350	14,300,000	7,950	[2] 47,300,000	1978	47,300,000
Bay bridge with both decks reconstructed:						
Upper deck	5,200	31,200,000				
Lower deck	2,000	11,400,000	9,550	56,900,000	After 2000	55,000,000
Total	7,200	42,600,000				

[1] Based on projection of Coverdale Colpitts figures, with 3 percent allowance for nonrevenue vehicles and 10 percent allowance for induced traffic on southern crossing. Includes busses to replace rapid transit trains after 1950.
[2] If the southern crossing achieves 33 percent of total transbay traffic, it may reach its "comfortable" capacity by 1970. It would not, however, become congested, in our judgment, before 1980.

TIME AND COST ESTIMATES

The short time available to us has not permitted the elaboration of close cost estimates and time schedules for construction. However, we believe that the following program is feasible and the cost estimates adequate as an indication of the practicability of financing the plan and procedure we recommend:

Bay bridge lower deck reconstruction:	
Track removal, paving, vehicular ramps, reconstruction of rapid transit terminal and ramps, real estate; additional toll lanes in Oakland; and allowances for engineering, contingencies, and legal and insurance costs	$7,000,000
Purchase of key system equipment (trains plus new busses)	12,000,000
Total for bay bridge lower deck and key system	19,000,000
Southern crossing:	
Construction costs:	
Bay crossing proper	63,684,000
Alameda freeway	3,000,000
Clay St. estuary and East Shore Freeway connections	$22,000,000
Southern crossing—Continued	
Construction costs—Continued	
Army St. Freeway	[1] $5,400,000
Tennessee - Embarcadero Freeway	[1] 17,800,000
China Basin High Level Bridge	[1] 2,800,000
Miscellaneous items	[1] 1,216,000
Total, construction costs	115,900,000
Real estate:	
Alameda and Oakland	[1] 4,172,000
Army St.	[1] 2,576,000
Tennessee-Embarcadero	3,960,000
Total, real estate	10,708,000
Contingencies at 10 percent of construction costs	11,590,000
Engineering at 7.5 percent of construction costs	8,700,000
Legal and insurance at 1.3 percent of construction costs	1,510,000
Subtotal	21,800,000
Total for southern crossing (round figure)	148,500,000
Total cost, including bay bridge lower deck reconstruction	167,500,000

[1] Division of San Francisco Bay Toll Crossings' estimate.

Debt retirement	[1] $22,793,675
Capital reserve	4,000,000
Total first phase financing, Mar. 1, 1950 (round figure	1P4,500,000
Bay bridge upper deck reconstruction:	
Cantilevered lanes, dividing malls, and necessary improvements to approach ramps and toll collection facilities; contingencies; engineering; and legal and insurance costs	31,000,000
Real estate	5,000,000
Total, upper deck reconstruction and approaches	36,000,000

[1] Division of San Francisco Bay Toll Crossings' estimate.

NOTE.—Reconstruction of upper deck should be undertaken immediately upon completion of southern crossing, expected in 1955, in order to assure completion before traffic demand exceeds the capacity of the southern crossing plus the reduced capacity of the bay bridge during the construction period. Financing is feasible at any time after 1955.

SUMMARY OF CONCLUSIONS AND RECOMMENDATION

It is our opinion that the afore-described plan for the construction of the southern crossing with a four-lane causeway and tunnels, in conjunction with the reconstruction of the existing bridge to provide on the lower deck four lanes for mixed traffic and on the upper deck eight lanes for passenger cars and light vehicles, offers the best and most economical solution of the problem of providing additional traffic facilities between San Francisco and the East Bay area.

We recommend that detailed design studies and cost estimates be made of the plan for increased vehicular facilities across the Bay as outlined in our above-enumerated conclusions.

Respectfully submitted.

T. T. MCCROSKY.
O. H. AMMANN.
OLE SINGSTAD.

National Science Foundation

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith a letter which I have received from S. S. Cairns, head of the department of mathematics, University of Illinois, at Urbana, Ill., in the interest of the proposal to establish a National Science Foundation:

UNIVERSITY OF ILLINOIS,
DEPARTMENT OF MATHEMATICS,
Urbana, Ill., June 15, 1949.

Representative MELVIN PRICE,
The House of Representatives,
Washington, D. C.

DEAR REPRESENTATIVE PRICE: I am informed that House of Representatives bill 4846 establishing a National Science Foundation is coming before you for action. I wish strongly to urge that you give full support to this bill. I was informed by the chairman of the mathematics policy committee, representing the four principal mathematical organizations in this country, that he had written to a number of Congressmen, recommending that a suitable National Science Foundation be established. He also remarked that certain replies from Congressmen had indicated doubts in their minds as to the extent to which scientists are behind such a measure since it appears that not many of them have written to Members of Congress on the subject. In this connection it is to be noted that the mathematics policy committee takes action only when it has assured itself that it has the general support of the mathematical profession.

I have had personal connections with basic research projects being supported through the Office of Naval Research and I have been greatly impressed by the value of that support to scientific research workers and, through their efforts, to the Nation as a whole. Much of the basic research work now coming under the cognizance of the Office of Naval Research is of a nature more appropriate to the functions of a National Science Foundation.

It is my own opinion and, to the best of my knowledge, the unanimous opinion of those mathematicians who are interested in these matters, that the establishment of a National Science Foundation, with the resulting definite separation of military and basic scientific affairs, is extremely important to the development of a suitable research program on a national scale.

Yours sincerely,

S. S. CAIRNS,
Head of the Department.

Communists Making China a Russian Satellite

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include another eye-witness report of what the Chinese Communists are and do. What costly blunders could have been prevented in our dealings with the Communist rebellion in China if it had been possible to get our policy makers to realize the one fact this article belatedly drives home, namely that Chinese Communists are Communists and subservient to the Soviet Union. What a frightening responsibility those American writers and officials bear who so skillfully and persistently for years have disseminated the agrarianism myth and persuaded our Government to base our China policy on it, thereby losing the victory in Asia which 108,000 Americans died to win.

The article is by Spencer Moosa who, wittingly, or unwittingly, helped develop the myth during the years he spent in Chungking and Nanking, daily seeing and hearing and reporting to American readers the unfavorable fact and fancy about the Chinese Government gathered by the self-styled "anti G-mo clique" of American reporters and officials which set out years ago to pull down the Government of China. Most of them doubtless sincerely believed nothing could be worse than that government, exhausted after its long fight against Japan. And besides, were not the Communists merely Chinese peasants spontaneously struggling to get their freedom from rapacious landlords? Was not a Chinese always first a Chinese?

Unfortunately it was not possible to get them at that time to believe what some, like Moosa, are now discovering the hard way. The tragic miscalculations regarding the nature of communism are producing bad results for the Chinese; they will prove still worse for our country, unless there is a drastic reversal of our policy of "waiting until the dust settles." Mr. Moosa has belatedly discovered the truth, all honor to him for reporting it frankly. Will our Government also wake up before it is too late to keep any of China free and on our side?

Under leave to extend my remarks, I include the following AP dispatch, as it appeared in the Minneapolis Tribune of June 16, 1949:

(Spencer Moosa, veteran Associated Press correspondent in China, was at Peiping when the Communists occupied it January 22. On February 26 all foreign correspondents were told to cease filing dispatches. Now en route from Peiping to Canton, Moosa is free for the first time in nearly 4 months to write of what he saw and heard in Peiping under the new regime.)

(By Spencer Moosa)

PUSAN, KOREA.—Communist China shines as an apparently willing satellite of Russia.

There is no sign of coercion or compulsion in the relationship. There is every sign the Chinese Communists are in fact eager to follow the dictates of Moscow.

As one just coming from Communist Peiping, I have been asked: "Are Chinese Communists simple agrarian reformers who by an unfortunate mischance chose the wrong label?"

The answer is a positive "No."

EXPLODED MYTH

The idea that they are only agrarian reformers is a myth which has been exploded in the minds of nearly everyone in north China. That goes for Chinese as well as foreigners.

Chinese Communists are exactly what they say they are—Communists.

Their doctrines are those of Karl Marx, as adapted by his disciples, Lenin and Stalin—and by Mao Tze-tung, leader of China's Communists.

Through the rule of Mao and his party, China is becoming an extension of the Soviet power bloc.

There is as yet no open evidence that the Kremlin is giving direct, active aid to the Chinese Communists.

The affinity between the Kremlin and Peiping, the capital of Communist China, however, is indisputable.

FOLLOW THE LINE

Chinese Communist leaders are such well-trained Marxists that by following Soviet propaganda they know what tack to take.

For example, when Russia proposed the four-power talks to discuss the Berlin question, the Chinese Communists called a temporary halt to their attacks on "American imperialism."

One of the first things the Chinese Communists did when they felt firmly on their feet in Peiping was to proclaim that they would fight on Russia's side in event of war.

There is no evidence Russia asked for this declaration. In fact, Peiping gossip had it that the Russians were somewhat put out

bec..use the Chinese Communists took the step without Moscow's direction.

Numbers of Russians serve with the Chinese Communists. Chinese Communist employment of Russian technical and political advisers is taken for granted in Peiping.

USE RUSS FLAG

Many Chinese in north China are bewildered and dismayed by the use of the Russian hammer and sickle flag in Chinese Communist meetings and parades.

It is common at big rallies to see pictures of six men, two Chinese and four foreigners.

The Chinese are Mao and Gen. Chu Teh, commander in chief of Chinese Communist armies. The foreigners are Marx, his collaborator Friedrich Engels, Lenin, and Stalin.

This puzzles many Chinese, but not most foreigners. They take it as more confirmation of the fact they have learned in Peiping that Chinese Communists are not fooling when they say they are Communists.

The Painful Realities of Planned Abundance

EXTENSION OF REMARKS
OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article on the flip-flop the administration is carrying out regarding its grandiose promises to our farmers. As so frequently happens Government programs turn out to be unworkable because they fail to take into account facts which do not agree with their theories. The article was prepared by the Economic Trend Line Studies, an authoritative research organization on economic conditions:

THE PAINFUL REALITIES OF PLANNED ABUNDANCE

We, the free people of the United States of America, in the year 1949 A. D. possess one of the greatest powers ever wielded by mankind. This is the power to produce food in an abundance far beyond our own needs in a world where the vast majority of the population accepts conditions bordering on starvation as a simple everyday reality.

Our plenitude is so great in fact that we are able to give away in a single year more food than the entire Nation consumed a hundred years ago.

Abundance has been a far off worshipful goal to humanity through all the civilized ages. In the ancient world the power of abundance was regarded as an attribute of Deity. The ancient Greeks had their cornucopia, a mythical horn of plenty, from which a goddess could pour forth abundance. The ancient Egyptians had their goddess Isis whose tear was supposed to have caused the River Nile to overflow, and water and fertilize the land. Christianity had its multiplication of the loaves and fishes.

In the early history of this country, the abundance with which our country was blessed was the product of a vast area of fertile virgin soil rather than of unusual effort. Even as late as World War I, farm production under the stimulus of wartime prices was increased only an estimated 10 percent or less in a period of 4 years.

The introduction of scientific methods into agriculture came with the establishment of the United States Department of Agriculture in 1865. From then until the end of World War I, there was a slow but certain improvement in agriculture's productive efficiency. The changes, however, which brought about a veritable revolution in farm production did not gather force and momentum until after the collapse of farm prices in 1921. Failure of farm prices to recover their prewar relationship with industrial prices put agriculture under a severe handicap. The ratio of prices received by farmers, to prices paid, remained below parity from 1921 to 1941.

As a result of this price disparity, improved efficiency and lower production costs were a necessity for the farmer if he were to survive. Under the whiplash of such adversity, which was not wholly eliminated until the Nation entered World War II, farm production made its most impressive gains. These gains were the result of a number of factors, of which better farm management and improved soil practices were first; farm mechanization, second; and improvement in livestock breeds and seed strains, third.

The great depression of the thirties bankrupted the weakest farmers as well as many of the strong. The group that survived were enterprisers of the most competent, efficient and self-reliant character.

Nevertheless, when World War II broke out, no one could be certain that agriculture would or could deliver the tremendously increased food production demanded by war necessities. The farmers were offered every possible inducement to produce, including subsidies and price supports, which were to continue after the war ended.

The wartime performance of American agriculture surpassed everybody's expectations, and, long before the war ended, it became clearly evident that the Nation possessed an agricultural productive power of the first magnitude.

Washington politicians were not slow to grasp the social and political implications of this new-found national power, nor to seek ways of exploiting it to advantage. Why not extend this war-achieved abundance into the peacetime years by Federal planning? The administration was convinced apparently that by proper management a price-support program would succeed in maintaining farm prices at predetermined levels and that, with the incentive of supported prices, farmers would keep on producing at peak levels. The objective, planned abundance, has a seductive appeal that a social-minded Government bureaucracy would find hard to resist.

Apparently the belief is or was widespread in Washington that consumers, if they possessed sufficient sustained purchasing power, would absorb the increased farm production. At least, Agriculture Secretary Charles F. Brannan, then Assistant Secretary, was quoted by the Associated Press in a dispatch dated July 23, 1947, as telling a Senate hearing that Americans would like to buy about one-third more food than in the prewar years 1935–39, and that it is possible to meet these needs. "We have never used, nor are we using, systems of soil and forest management that will sustain permanent high-level productivity." Mr. Brannan was further quoted as saying, "If we do choose to build and conserve our resources—and we must in order to survive—then we have no alternative but to accept abundance and live with it."

In a speech before the National Grange Convention in Portland, Maine, November 14, 1948, Secretary Brannan spoke even more positively. He was quoted by an AP dispatch as declaring that the Truman administration's future farm programs will emphasize "abundant" production. As a consequence, both farmers and the Government will have to learn to "live successfully with abundance."

The one-third more food Mr. Brannan mentioned may have had reference to farm production, which, compared with prewar levels, had increased by that amount. An estimated one-third increase in consumer demand for food would assume that the American people could absorb almost the entire wartime increase in farm production.

At any rate it was precisely at this point that Washington committed the colossal error that was to swamp their carefully laid plans for abundance in an avalanche of farm products.

Washington seems to have overlooked or ignored a simple but very fundamental fact. That fact is that per capita food consumption in the United States is an unusually stable factor. In terms of food energy (calories), per capita consumption of food averaged an estimated 3,300 calories per day in the year 1948, compared with a high of 3,380 in 1946 and 1947, and with an average of 3,250 calories in the 5-year period 1935–39. In the 5-year period 1909–14, when a great deal more physical work was performed, consumption in calories was about 3,500 per day. The average quantity consumed has varied less than 5 percent from one year to another during the 36-year period for which figures have been compiled by the Bureau of Agricultural Economics of the Department of Agriculture. Such increases as there have been, moreover, have occurred during periods of increased expenditure of energy, the two World War periods, for example, and at the end of these wars the quantity consumed has gone back to the original proportions. This means, of course, that no matter how much food production is increased, it will not result in an increased food consumption. With per capita consumption a stable factor, overall consumption will increase only as the population increases.

This stability in per capita food consumption, however, has particular reference to the per capita consumption of food in terms of calories of food energy. The total per capita consumption in terms of pounds of weight can and does vary considerably. During the past four decades there has been a persistent decline, for example, in the consumption of potatoes and cereals and a rise in the consumption of fruits and vegetables.

Apparently the variation in the average pounds consumed per capita is what fooled the architects of our national farm policy. Measured in pounds rather than calories, the peak in food consumption per person was reached in 1946 and represented an increase of 12 percent over the average for the period 1935–39. The United States Department of Agriculture, however, places the increase in consumption at 18 percent instead of 12 percent by weighing it with retail prices for the 1935–39 period. This would have the effect of putting consumption on a comparative dollar of buying power basis. There is nothing wrong of course with this method of computation, but there is grave doubt of the validity of the conclusions drawn from it.

Typical of conclusions drawn from this premise is the following taken from Technical Bulletin 963, United States Department of Agriculture, published in October 1948, which assumes that sufficiently increased consumption is possible to absorb our swollen farm production.

"A relatively high level of food consumption, as compared with that of prewar years, will be necessary to make full use of agricultural production capacity in the period ahead. For example, if per capita food production continues at the same rate as in recent years and if foreign trade returns to prewar levels, enough food would be available for per capita consumption to average 27 percent higher in the years ahead than it did in 1935–39. Exports of food products may remain high for the next several years. But if they decline to prewar levels by 1955 and if production equals the recent wartime volume, enough food would be available for per capita consumption of the expected population to average 15 percent higher than it did immediately before the war.

"Total demand for food products has been large enough in recent years to provide market outlets at relatively high prices for all

that could be produced. This general situation can be expected to continue if domestic demand remains high. A reduction in foreign demand to prewar levels, of course, would mean some reduction in total demand for food products."

The joker in this 12 percent, or 18 percent purported increase in per capita consumption is this. The increase occurred in the food products containing the highest percentage of water, such as milk which is 88 percent water, and fruits and vegetables, which are at least two-thirds water. During the same period consumption of concentrated and high caloric foods, like butter, sugar, and fats and oils, on the other hand, actually decreased. As supplies of the concentrated foods have become freely available since the war, the per capita consumption of the watery foods has declined, and the total poundage of food consumed per capita has shown corresponding reductions. Thus, the apparent increase in per capita consumption of food actually consisted mostly of an increased proportion of water in the foods consumed rather than an increase in nutrients.

The failure of consumption to absorb the present high level of food production has put the Washington agricultural administrators on the horns of a very difficult dilemma. Farmers are left with vast unsalable surpluses of farm crops, much of which the Government is committed by law to buy, or will acquire on default of loans against commodity supplies on the farms. These surpluses are making it impossible for the Government to hold prices of principal farm products at the so-called parity levels. At the same time, due apparently to the Government farm price support activities, prices at the consumer level have failed to reflect the substantial decline in food prices at the producer level.

Finally, acknowledging the untenable nature of his position, the Secretary of Agriculture did a complete about face at a recent Senate hearing. Throwing overboard the policy of agriculture abundance which he had promulgated at the National Grange convention quoted above, Secretary Brannan plumped for marketing quotas on the principal feed crops, designed to prevent unsalable farm surpluses from reaching commercial channels. Such quotas are provided for in the farm-price-support law extended by Congress last year to June 30, 1950.

The farmers, however, had already been told by Secretary Brannan in the heat of an election campaign that they were not going to be the goats in the next depression as they had been in the last, inferring that the Government intended, without any hedging whatever, to make its price-support program effective in preventing an undue decline in farm income. If instead, marketing quotas or production quotas are going to be imposed on farm production, it will acknowledge the failure of price-support operations as now constituted. In short, it will be an abandonment of "planned abundance."

Farmers have notoriously long memories and they are not going to like marketing quotas or production controls, nor are they going to be any better pleased with the severe decline which is now taking place in farm prices and farm income, and which, in spite of promises, intentions and efforts, the Government is unable to prevent.

Out through the countryside these failures can be as devastating to political popularity as a killing frost in September. Meanwhile the Washington administration is not able to offset this political damage in farming areas by building up political capital through benefits of farm price declines passed on to food consumers. Bound to the chariot wheel of statutory price support to the middle of 1950 and to whatever further supports are imposed by Congress for ensuing years, the administration has got itself into an impossible situation. Powerless to prevent the decline of farm prices and of farm income, the Government is prevented by the price support law from marketing the big surpluses that would mean low food costs to consumers. Thus consumers were not allowed to buy the surplus potatoes purchased by the Government last fall in price support operations. These potatoes were either destroyed or turned into stock feed. Similarly the surplus egg production at the present time is not permitted to enter consumer channels. These eggs are dried and stored and exported, if possible. Thus, although the price support program is failing in its purpose, it still continues to penalize consumers.

Meanwhile consumers are being told over their radios that food prices at the farm levels have suffered severe declines but when they go shopping they fail to find the lower prices reflected by the price tags in the grocery stores. The latest available figures show the index of prices received by farmers to be down about 7½ percent and the index of retail food prices to be down about 2 percent. This is creating a discontent that may ultimately cause serious political disaffection before the administration is able to extricate itself from the politically painful situation in which it is so tightly caught.

Thus it appears that a Socialist-minded government grasping what appeared in planned food abundance to be a political tool of great power, has found that it can easily become an instrument of political self-destruction. It would seem as if a workable man-made plan for the management and control of farm production and prices, superior to the methods provided by nature and a free market, still remains as remote a goal as ever. Planned abundance so hopefully envisioned by the Washington administration has by a curious perversion of purposes, become planned scarcity instead.

ECONOMIC TREND LINE STUDIES.

Letter From Harvey W. Brown, President of the International Association of Machinists

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EXTENSION OF REMARKS
OF

HON. ANDREW J. BIEMILLER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. BIEMILLER. Mr. Speaker, under leave to extend my remarks, I include in the RECORD a letter from Harvey W. Brown, president of the International Association of Machinists. This letter seems to me to give a clear and simple explanation, from a man who knows what he is talking about, of the reasons why labor is opposed to the Taft-Hartley Act. As one who is a believer in collective bargaining, I would like this statement to be read by all who do not fully understand the union point of view.

The letter follows:

AN OPEN LETTER TO THE EIGHTY-FIRST CONGRESS

GENTLEMEN: This will be my last communication to you as president of the International Association of Machinists. Within a fortnight I am retiring as president of this union which I have served as a member and officer for the past 44 years. At this time, when it must be clear to everyone that I have nothing to gain for myself, I want to sum up my convictions on the importance of your deliberations on the Taft-Hartley Act.

I have done a lot of traveling all over the United States and a little of it overseas. I have taken part in hundreds of negotiations with employers for whom our members work. I know that free collective bargaining is the best system of adjusting disputes between employer and employees that has yet been devised in our imperfect world.

Most of you will agree with me, I assume, that an individual workman has no power at all to bargain for himself when it comes to dealing with a modern business corporation. The workmen are heard by management only when they talk through a free, democratic trade union.

Most of you will agree with me, I assume, that collective bargaining has helped to maintain some balance between wages, prices, and profits in our country. Union contracts have put a floor under the purchasing power of the plain people in this country who are industry's and the farmers' biggest customers.

When collective-bargaining rights have been won by employees in any shop, there are bound to be differences of opinion with the owners of the shop.

In my experience these disputes can and will be settled if the forces are equally balanced between the parties, and if there is no outside interference. The problem you face as legislators is to maintain the equality of the parties at the bargaining table without permitting interference by the Government.

For all practical purposes, collective bargaining didn't begin on a Nation-wide basis until Congress adopted the Wagner Labor Relations Act of 1935. Except in a few industries, there was no bargaining because the employer held all the cards. He could fire or demote active union members and he could refuse to meet with the union if his employees did run the considerable risk of joining a union.

The Wagner Labor Relations Act established the equality of the parties in collective bargaining by protecting the right of employees to join unions and by insisting that the employer bargain with the unions after they joined. Beyond establishing the right of employees to a seat at the bargaining table, the Wagner Act did not interfere with free collective bargaining.

The repeated charge that the Wagner Act was one-sided is horsefeathers. If the Wagner Act was really one-sided, we could reasonably expect that business profits would have suffered at the expense of wages. But this is not the case. The Department of Commerce reports that corporations took the same proportion of profits in relation to wages in 1946—the year before Taft-Hartley—that they took in 1929. Despite all the propaganda, business corporations suffered no losses under the Wagner Act. That is proof of the pudding.

The Taft-Hartley Act, on the other hand, has disrupted the balance between employer and union. It has rekindled, in the minds of many employers, the idea that they do not have to reach an agreement at the bargaining table. The Taft-Hartley Act has rearmed employers with weapons which many of them believe are sufficient to drive the unions away from the bargaining table.

As surely as God made little apples, I know that if the Taft-Hartley Act remains on the books, corporation after corporation will try to break the unions in their plants as business conditions continue to tighten up. I cannot believe you want that to happen. If it does happen, any one of you who votes to continue the one-sided employer weapons of the Taft-Hartley Act will share in the responsibility not just to working people but to the entire country whose prosperity depends on the stabilizing force of collective bargaining.

Respectfully,

H. W. BROWN,
President, International Association of Machinists.

Address by Secretary of Defense Johnson Before the National War College

EXTENSION OF REMARKS
OF
HON. ELMER THOMAS
OF OKLAHOMA
IN THE SENATE OF THE UNITED STATES

Tuesday, June 21 (legislative day of Thursday, June 2), 1949

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered today by the Secretary of Defense, the Honorable Louis Johnson. This is an outstanding address, and gives some very valuable information.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

When the United States declared—first in the Truman doctrine, then in the Marshall plan, thereafter in the Atlantic Pact—that it would not, and indeed could not, abide the conquest of western Europe, this Government for the first time joined its economic, political, and military power in a barricade against aggression by treachery or by force.

Thus, in company with free nations, we have labored diligently to immunize them against the economic paralysis that invites political conquest. And by identifying the security interests of the United States with the integrity of free peoples, we have forewarned any aggressor that he cannot trespass upon western Europe without also trampling upon our toes.

With the produce of our farms and the substance of our cities, we have resisted the Communist virus that feeds on economic despair, the conspiracy that prowls in political chaos. We have challenged the strategy of intimidation.

In linking our security interests to those of the Atlantic community, we have lessened the likelihood of resort to armed defense against aggression. For where an aggressor is forewarned that his lawlessness must reckon with the judgment of the American people, he will not lightly challenge the combined resources of our free world.

On the other hand, this diminished possibility of armed aggression does not nullify—or even reduce—the need for powerful military forces in the United States. Rather it multiplies the long-term importance of ready combat forces in the Army, the Navy, the Air Force. And it magnifies the need for superior personnel, modern equipment, and continuing weapon research.

For only if American armed strength stands constantly on the political horizon, can we hope to derive maximum value from our armed forces as a long-term deterrent to war. And only so long as constancy in American military policy reassures free peoples that our moral persuasions in behalf of peace are backed by military muscle, can we expect to hold the free world's front against armed intimidation.

This long-term requirement for American armed strength is not an admission that war is inevitable. Nor is it a denial of United Nations as a forum for negotiation. Instead, long-range military readiness is dictated by Soviet Russia's intransigent opposition to peaceful relationships with the free world.

We have no recourse but to provide for our self-preservation just so long as the attitudes of Soviet Russia are animated by concepts which assert that sovereign and independent governments cannot live peaceably as neighbors; that peoples who do not concede the supremacy of the collectivist state are enemies of human progress; that collaboration cannot serve the interests of both the Communist and non-Communist worlds.

While our free world lies within the shadow of a power addicted to these incorrigible myths—a power hostile to its world environment, conspiratorial in its international conduct, despotic in its internal affairs—we have no choice but to maintain for an indeterminate part of our lifetimes military strength as a deterrent to armed aggression.

As a result the military has become a major factor in the fiscal life of our Nation. It must continue in each successive Federal budget to compete for tax revenues with measures dedicated to the health, progress, and social welfare of the American people. Planes, ships, and tanks cannot be purchased on pay-as-you-go plan without substantial impact on our economy. This is part of the price we pay for self-preservation—part of the cost we must bear for the freedom we prize.

Because of the weighty tax burden we represent to the American people, we in the armed forces must exert ourselves to provide honest value for the dollars we spend. The alternative to efficient and unified management of our armed forces is sacrifice by the American people of a share of their standard of living for waste, duplication, and competition among the services themselves.

This, I submit, they cannot afford in the years that lie ahead.

Prior to enactment of the National Security Act of 1947, each of the armed services was responsible for but a functional share of the Nation's defense. That there was inadequate correlation and some duplication was to be expected.

Today, responsibility for the Nation's armed security has been joined with authority in the National Military Establishment.

And it is here, under the roof of this establishment, that the military chiefs of all three services—as members of the Joint Chiefs of Staff—have been invested with indivisible responsibility for the Nation's security—a responsibility greatly in excess of that devolving upon them as ranking officers of their respective forces.

Thus, in determining the forces that can be supported with funds available to the National Military Establishment, the Joint Chiefs incur responsibility not only for the combat competence of their separate services, but more important—individually and jointly—they become accountable for the sum total armed defense of the United States. For it is upon the considered military judgment of the Joint Chiefs of Staff that the Secretary of Defense must rely for guidance.

It can no longer be claimed that each service is entitled to exclusive judgment and autonomous control of the funds allocated for its role. Since the Joint Chiefs are mutually responsible for the Nation's whole defense, it is their duty to consider the major decisions of any service.

To those who contend that each service must be the sole arbiter of its own need, I would reply that this Nation can no longer tolerate the autonomous conduct of any single service. The unaudited conduct of its affairs by any single service is an open invitation to spendthrift defense. And the waste of our resources in spendthrift defense is an invitation to disaster.

The problem of resolving conflicts within the armed forces is not a simple task of knocking heads together. Its complexities extend into the intricate and technical operations of highly specialized endeavors. With the exception of a few unregenerate warriors of the old-school tie, the separate services have searched diligently to resolve their differences. These differences exist not so much in the acrimonious criticism of one service by another as they do in honest disagreement among earnest men formidably equipped with expert opinion. These men have been done a sad disservice by critics who ascribe to them service loyalties in excess of their duty to country.

Despite the severely contested service disagreements that have handicapped the work of our establishment, there exists today a readiness and defense potential superior to that of any previous period in our Nation's peacetime history. Joint planners of the three services have fashioned strategic plans for the Nation's defense far advanced beyond those of any previous peacetime year. I can truthfully report to you, Mr. President, and to the American people that their defenses have never been in as competent and promising a condition. Let these accomplishments be a monument to my predecessor—Jim Forrestal.

It has become our task to speed this unification of the armed forces into a Military Establishment that will not impair their separate capabilities—but one that will enlarge their constant opportunities for development. By freeing them the burden of dispersal and duplication in effort, the National Military Establishment can help the several services better to concentrate on their primary roles, missions, and functions.

These tasks were defined first at Key West and thereafter at Newport where the Joint Chiefs of Staff met to delineate their service responsibilities in the united defense of the Nation.

Those agreements exist today as a charter for the guidance of each service in its long-range planning. It is a charter sufficiently stable in its definition of roles, missions, and functions to curb uncertainty in our armed forces. At the same time it is a charter so flexible that it can be modified to acknowledge significant changes in world conditions or revolutionary developments in science and research.

As Secretary of Defense, I subscribe to that military charter of service roles and missions. I gladly defer to the professional military knowledge of our Joint Chiefs of Staff, and I shall not knowingly repudiate their judgment unless convinced their views are in conflict with other considerations beyond their province. For to exercise civilian control of our military institutions is not to abrogate military command but to guide it conscientiously in accord with the economic and political policies of this Nation.

There exists in our present strategic concept of national defense an essential and honorable role for each of the armed forces. For security is a cooperative venture to be gained with cooperative effort by the Army, the Navy, and Air Force. It is not a competitive enterprise, where one service can profit at the expense of another. It admits of neither preeminence nor first emphasis. To provide effectively for security, the National Military Establishment must adjudge impartially the representations of our armed forces in weighing the priorities of their needs.

The cancellation of construction plans for a naval supercarrier has been twisted into a charge of persecution against the Navy. Some partisans of that service have exaggerated this action and have represented it as part of a conspiracy either to sink the Navy's air arm or to reduce the Navy to a second-class role.

In their campaign of terror against further unification of the armed forces they have

roused false issues without the substance of truth.

With the extension of American commitments overseas—both in Europe and in the Pacific—a strong Navy is absolutely vital to the security of the United States. Because the naval air arm is a critical weapon in modern sea warfare, we could no more deny the fleet its carrier aircraft than we could deny ships their radar.

That we may put an end to this charge of conspiracy, let me assure you that I am convinced of our continuing need for carrier aircraft.

At the same time I reaffirm the birthright of the United States Marine Corps and its air arm. The Marine Corps' role in the future is guaranteed not by sympathy for its historical tradition but by the proven necessity for equipping fleets with assault forces for the seizure or defense of naval bases essential to the conduct of naval campaigns.

It will be the duty of the Navy by prompt and sustained combat operations at sea to control vital sea areas, to deny ocean highways to an enemy, to guarantee the uninterrupted flow of vital strategic and war materials to ourselves and our allies, to transport overseas Army and Air Forces.

Air warfare has passed through a period of adolescence to find maturity in a new concept of strategic air bombardment. Thus, the threat of instant retaliation through an air offensive has become one of the greatest deterrents to war today.

Strategic air bombing has been chartered by the Joint Chiefs of Staff as the primary mission of the Air Force.

At the same time, the Air Force is held responsible for air defense of the United States. And it is enjoined to provide tactical air support for the Army and for the Navy when required in sea actions.

Tactical air support has become especially crucial to land operations of the Army. For today no army can operate effectively in the field until tactical air operations are coupled with the maneuver of infantry and tanks on the ground.

Even in the combined employment of air, naval, and ground arms, modern war presents a problem of priority and sequence in mounting an offensive against the aggressor's forces and the sources of his strength. In the event of war, the United States has no choice but to join the conflict with an attack of increasing violence, growing intensity, and widening global dimensions.

Since Hiroshima, to a great extent, the fortunes of air power have been linked to the fortunes of the atom bomb. For while the atom bomb may eventually admit of alternative delivery through pilotless rockets or submarines, the strategic bomber today derives its enormous security value from its prospective ability to deliver the bomb on distant land-mass targets.

The long-term American advantage in atomic warfare lies not in exclusive possession of the atom bomb but in the quantity of its bomb production and in the speed and accuracy with which we might deliver these bombs on enemy objectives.

For within a few short years we may witness the end of this era of atomic secrecy—an era whose end will be signaled by the explosion of some other nation's bomb. From that day on, our advantage in strategic bombing will rest not in monopoly possession of the atom bomb but in our superior stockpile, our production capacity, and in the effectiveness and quantity of aircraft required to deliver those bombs.

While the atom bomb has greatly multiplied the destructive force of air power, its effect upon war strategy and the length of war has not yet been completely explored. Certainly the atom bomb is not the absolute weapon. But neither is it just another piece of ordnance which has modified only slightly the strategy of war. The great significance of the atom bomb lies in the destructive and denial power that may be carried in a single aircraft.

Though air power has given promise of a speedier end to conflict, it has not supplanted the soldier who must finally defeat the enemy land forces. For ultimately war between nations is reduced to one man defending his land while another attempts to invade it.

Unlike the Air Force with its bombers on the ready line, unlike the Navy with its ships at sea, the Army must devote a greater share of its strength to nourish a later war potential rather than a large-scale force for instant combat. Nevertheless, it is essential to the security of this Nation, vital to the conduct of war that the Army have a mobile striking force, combat trained and available for urgent dispatch anywhere in the world.

Because the United States could not—without grave distress to the civilized world—abandon western Europe to enemy occupation with the later promise of liberation, our long-term strategy—in the event of war—must rest in the containment and thereafter in the defeat of an aggressor's land-army strength. To live in preparation for so onerous a wartime task, the Army must plan for the rapid mobilization of its mechanized manpower. And it must compensate for our numerical disadvantage both by the destructiveness of its firepower and the mobility of its maneuver.

The postwar military strength of Eurasia has been centered in a land-mass land-oriented power. To prevent this power from spilling over the borders of free nations, we have made it our policy to help those free peoples maintain their integrity and independence. By pledging our resources to their aid, we have identified our security with the security of a free and stable world. We have declared that freedom when threatened anywhere is freedom threatened everywhere. We shall no longer wait behind the seas for the fires of aggression to engulf us. For it is the intent of the American people that we prevent war by construcing such formidable barriers to the likelihood of success in war that no aggressor will chance the adventure.

Thus the primary test of our American military institution lies in its ability to exist indefinitely in peacetime as a forcible deterrent to war without militarizing the Nation or bankrupting it in the ordeal. This we have sought to do by enlisting the resources of science. For in the increased destructiveness of new weapons lies our most promising prospect of achieving adequate defense without dislocation of our economy and waste of personnel in the nonproductive pursuits of war.

You gentlemen who graduate this day from the National War College have studied our security problems not from the abridged viewpoint of the service whose uniform you wear but from the wider range of our national interests. For this institution has fused into a unified concept of national security the most advanced thought of the Army, the Navy, the Air Force and the civilian agencies of our Federal Government.

More than weapons national defense is essentially a business of people. In the last analysis the security of this Nation rests upon the wisdom, the judgment, the integrity, and the professional ability of people like you. If you will lift up your eyes to contemplate the monumental tasks which you as officers of the National Military Establishment share in this Nation's defense, and that of our allies, I am confident the American people can vest their good faith in you.

Chain-Store Lobby and Other Monopolies, Trusts, and Cartels Seek To Repeal Antitrust Laws, Destroy Home Merchants, and Legalize Price Fixing for Big Business—S. 1008 Favorably Reported Without Committee Hearings—Rules Committee Requested To Hold Up

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EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. PATMAN. Mr. Speaker, the following letter is self-explanatory:

JUNE 21, 1949.

Hon. ADOLPH J. SABATH,
Chairman, Committee on Rules,
House of Representatives,
Washington, D. C.

DEAR MR. CHAIRMAN: The Committee on the Judiciary this morning reported favorably to the House of Representatives S. 1008, a bill that was introduced by Senator MYERS, of Pennsylvania (a companion bill by Representative WALTER, of Pennsylvania), as entirely changed by a substitute offered by Senator O'MAHONEY, of Wyoming.

This substitute was presented on the Senate floor, and without any hearings of any kind having been held on the substitute in the Senate, the substitute was adopted.

This O'Mahoney substitute substantially repeals the antitrust laws of the United States and will be in the interest of monopolies and trusts. It will favor big business and cartels and legalize price fixing against the public interest.

This letter is to ask you and your committee not to grant a rule to expedite this bill before the House of Representatives for the following reasons:

1. As chairman of the Committee on Small Business of the House, I am asking our committee to have hearings on this bill at once and to bring out important information that Members of Congress should have before voting on this important proposal that is not now available to them, and especially point out its devastating effects on small business.

2. The chain-store lobby is pushing for the passage of this bill, knowing it will assist chain stores to destroy local independent merchants.

3. The passage of this bill will absolutely nullify and repeal three important decisions of the United States Supreme Court in the Cement, Rigid Conduit, and Salt cases. These decisions are in the interest of the people generally and Congress should not take any action that would in any way interfere with these decisions going into effect.

4. The rules of evidence will be changed if this bill becomes a law so that identical bids would no longer be unlawful; therefore, industries that have heretofore fixed their own prices can, by unconversational understandings, resort to such practices in a perfectly legal manner.

5. The Supreme Court in 1945 entered a decision outlawing basing points, but it was not until 1948 when the toes of big steel and big cement were stepped on that such strong objections, highly financed, supported by people of great influence, were urged to basing points.

6. The passage of this bill is against the public interest and the bill should not be presented to the House before adequate hearings are available. Our committee will conduct these hearings promptly and keep the Committee on Rules fully advised of progress made.

There were no hearings in the Senate and practically no hearings in the House—certainly inadequate hearings—and the House should not be called to vote on such a major proposal involving the economic affairs of our country without full and complete hearings.

Sincerely yours,

WRIGHT PATMAN.

Why Laurens Won

EXTENSION OF REMARKS

OF

HON. JOSEPH R. BRYSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. BRYSON. Mr. Speaker, yesterday I called attention of the House to an award which had been won by Laurens, S. C., in the national pedestrian-protection contest. I now desire to further extend my remarks on the subject.

Laurens, S. C., was awarded first place among cities under 10,000 population in the 1948 national pedestrian-protection contest because of its outstanding program of pedestrian protection and its perfect record of no pedestrians killed or injured in traffic during 1948. The award was won in competition with 360 cities of 5,000 to 10,000 population.

Among the 896 cities of all sizes reporting in the contest, Laurens received more contest points than any except Peru, Ind., winner of grand award among cities under 50,000 in population.

Laurens' pedestrian protection program was balanced and top ranking in practically every phase. Its accident records system was one of the best reported and received 93 percent of possible contest points. Laurens was the only city receiving full contest credit for pedestrian legislation and enforcement. This reflects great credit on Chief William T. Ivey and the Laurens Police Department. Laurens is one of the few small cities having pedestrian control regulations and enforcing them. While 91 of Laurens citizens were arrested for violating pedestrian laws, 107 drivers were arrested for violating pedestrian right-of-way. As can be seen, while using enforcement to teach pedestrians that they are a part of traffic and as such have definite responsibilities, Laurens police are eternally alert to protect the walker from irresponsible drivers.

The engineering program carried out to improve traffic conditions for the pedestrian also received full contest credit. During the year Laurens added new miles of sidewalk, new street lighting, marked crosswalks at additional intersections and provided new loading zones for transit riders.

For its community organization for pedestrian protection, Laurens ranked first among cities in its size class and received 83 percent of possible score. This is an important phase of traffic safety in which most cities do not do nearly enough. An aroused public, vigorously supporting a traffic safety program is almost essential to the success of the effort. That the people of Laurens are behind their city's program and that it has become a community effort is indicated by the outstanding results obtained.

Only 6 of the 360 cities in its size class received as much credit as Laurens for school safety activities. Laurens has school safety patrols in all of its elementary, junior high, and high schools. It conducts a program designed to get pupils to use the safest route when going to or from school. The schools have bicycle clubs, student safety councils and do an intensive job of teaching pedestrian safety in the classroom.

Driver education with behind-the-wheel instruction is taught in high school. An important part of this course relates to driver and pedestrian responsibilities.

Laurens ranked fifth among cities in its size class in public education activities carried out. These included showings of traffic safety films, extensive use of radio and press, talks before civic groups, and the use of educational materials such as posters, cards, leaflets, and so forth.

SOMETHING ABOUT THE NATIONAL PEDESTRIAN PROTECTION CONTEST

The national pedestrian protection contest, begun in 1939, is sponsored by the American Automobile Association and affiliated automobile clubs, to furnish State and city officials with an effective tool for arousing public interest in preventing needless pedestrian traffic deaths. That officials are using this tool is shown by the fact that nearly half of the eligible cities in the country—over 5,000 in population—submitted rather extensive reports on their pedestrian protection activities carried out during 1948.

Cities compete in classes based on size and States in groups based on similarity and severity of problem. At the end of the year a national board of judges composed of leaders in the fields of highway transportation and traffic safety examine the reports filed by the participating States and cities and select the winners. The judges for the 1948 contest are shown on the attached list.

When a city or State enters the contest the chief executive designates a person to serve as his contest representative. The contest representative for South Carolina is Lt. George E. Hurteau of the highway patrol. Lieutenant Hurteau was cited by the national board of judges for outstanding leadership in the field of pedestrian protection for his work in encouraging city programs in South Carolina during 1948.

Increased attention to pedestrian traffic during the past 10 years has produced striking results. In 1947 pedestrian deaths totaled 15,300 for the United States as a whole. In 1948 this number was down to 9,900—a saving of 5,400 lives. During that same period nonpedestrian traffic deaths were reduced only 2,043—from 24,143 in 1937 to 22,100 in 1948.

The committee of judges at the tenth annual national pedestrian protection contest, held at the Mayflower Hotel, Washington, D. C., Thursday, April 28, 1949, follows:

Hon. Thomas H. MacDonald, commissioner, Public Roads Administration, Washington, D. C.

Rudolph F. King, president, region I, American Association of Motor Vehicle Administrators, Boston, Mass.

Pyke Johnson, president, Automotive Safety Foundation, Washington, D. C.

Robert A. Mitchell, president, Institute of Traffic Engineers, Philadelphia, Pa.

Hal H. Hale, executive secretary, American Association of State Highway Officials, Washington, D. C.

Judge Joseph Wyatt, vice chairman of traffic and transportation conference, National Safety Council, Baltimore, Md.

Walter F. Anderson, second vice president, International Association of Chiefs of Police, Raleigh, N. C.

Mrs. O. G. Hankins, president, District of Columbia Congress of Parents and Teachers, Washington, D. C.

W. Robie Dunman, assistant director, President's Highway Safety Conference, Washington, D. C.

Is There a Surplus of Hogs?

EXTENSION OF REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, the following official letter and table from the United States Department of Agriculture is rather revealing:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING ADMINISTRATION,
Washington, D. C., June 14, 1949.

Hon. REID F. MURRAY,
House of Representatives.

DEAR MR. MURRAY: This is in reply to your request by telephone on June 10 to Mr. H. E. Reed, director of the livestock branch, for information regarding pig goals and production.

In accordance with your request, we are enclosing a table showing the pig goals and production for each spring and fall pig crop 1945 to date.

With regard to pork production this year, for which you requested an estimate, it is estimated that the production of pork, excluding lard, will be about 10.7 billion pounds in 1949. This compares with the production of 10,246 million pounds in 1948, and includes farm slaughter and noninspected wholesale

and retail production, as well as slaughter under Federal inspection.

Sincerely yours,

RALPH S. TRIGG,
Administrator.

Pig goals and production, 1945–49

Year and season	Goal	Production	Production as percent of goal
1945:			
Spring	57,563,000	52,189,000	91
Fall	37,000,000	34,593,000	93
1946:			
Spring	51,651,000	52,392,000	101
Fall	31,551,000	30,548,000	97
1947:			
Spring	58,000,000	52,802,000	91
Fall	35,000,000	31,345,000	90
1948:			
Spring	50,000,000	51,286,000	103
Fall	34,400,000	33,995,000	99
1949:			
Spring	60,000,000	(1)	----------
Fall	(2)	(3)	----------

[1] To be reported June 22, 1949. Reports of Dec. 21, 1948, showed farmers' intentions were to have 14 percent more sows farrow in spring of 1949 than a year earlier.

[2] None established.

[3] No report available. Farmers' intentions regarding sows to farrow fall pigs to be reported June 22, 1949.

Source: PMA, Livestock Branch, U. S. Department of Agriculture.

If it is now necessary to use public funds to support hog prices, who asked for the surplus? Who, but the Department of Agriculture when they asked the hog farmers of our country for 60 million pigs, and then in just a few weeks time asked for millions of dollars for a subsidy. Why was the pig goal stepped up from 50 million in 1948 to 60 million in 1949? Was this expected surplus "planned that way"? Why do the planners plan so poorly?

Economic Status of the United States

REMARKS

OF

HON. EDGAR A. JONAS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. JONAS. Mr. Speaker, the importance of giving more than passive consideration to the economic status of the United States presently can no longer be ignored. There are too many factors which point conclusively toward the road to depression and this picture is abundantly supported by conditions that prevail in our country relative to employment as well as to those conditions that deal with industry, manufacturing, and transportation. Big Government is now up for examination and trial and the following editorial ably and succinctly sets forth the reasons why. It was published in the Chicago Daily News under date of Saturday, June 18:

THE EDITOR'S NOTEBOOK—SPENDTHRIFT GOVERNMENT DRIVES US TOWARD RUIN

Each month, the National City Bank of New York publishes a thoughtful letter on economic conditions and Government finance. In the current issue, it foresees a probable deficit of $5,000,000,000 between tax revenues and Government expenses, even though the Government's prospective income is eight times larger than in 1939.

"This," says the National City Bank sedately, "is an alarming trend."

This, say we, is a disastrous trend.

Unless it can be curbed, and quickly, Russia's fond dream that economic collapse will overtake the United States may not be as fantastic as it seemed a short few years ago.

RECKLESS WASTE A CRUSHING BURDEN

The curse of the Nation today is big Government, a force far more sinister in its impact upon our daily lives than either of those twin whipping boys, big labor and big business.

Until the work of the Hoover Commission was completed, few people paid much attention to the dangers of Government extravagance. Today, there is a growing awareness that if big Government is permitted to run hog wild, as it has for so many years, the crushing burden of the individual taxpayer will be more than he is able to shoulder.

According to the Hoover reports, the executive branch of Government employs 2,092,180 people who are distributed into 9 departments, 104 bureaus, 12 section, 108 services, 51 branches, 460 offices, 631 divisions, 19 administrations, 6 agencies, 20 commissions, 19 corporations, 5 groups, 10 headquarters, 20 units, 3 authorities, and 263 miscellaneous and functionally designed parts.

A few examples of the disorganized manner in which these bureauacies function may be interesting:

1. Two different Government agencies, the Army engineers and the Bureau of Reclamation, each drew up plans for the building of a reclamation project at Hell's Canyon, Idaho. Each set of plans cost the taxpayers a quarter of a million dollars. When completed, cost estimates differed in the amount of $75,000,000.

2. Not so many months ago, Congress appropriated money for a project in the Middle West on the assumption that it would cost $44,000,000. The actual cost turned out to be $131,800,000.

The well-named Hungry Horse project in Montana grew from an estimated $6,300,000 to a final figure of $93,500,000, more than 15 times the original estimate.

3. Construction costs of Government hospitals run as high as $51,000 a bed as compared with $16,000 to $20,000 per bed for voluntary or private hospitals.

4. In a private insurance company each employee handles an average work load of 1,762 policies. In the Veterans' Administration, each employee handles only an average of 450 policies.

5. The difficulties of getting rid of incompetent or superfluous help in a Government bureau are appalling. It requires an average of 7 months to fire an incompetent worker. Some have held their jobs as long as 17 months by resorting to the appeal method. In one of the bureaus, it was found that 24 subordinates receive as much salary as the head of the department.

6. The Bureau of Ships in the Navy Department is financed by 27 appropriations, many of which have no apparent connection with it.

7. The Veterans' Administration offered no explanation of a request for an appropriation of more than $1,000,000,000 other than the title "Salaries and expenses."

8. The Government pays 100,000 employees more than $270,000,000 a year to store and issue supplies. Fortune magazine says that most agencies have enough of certain supplies on hand to last them 1 to 50 years.

9. The Army requested $1,298,000,000 for the National Guard in 1950, as compared with $197,000,000 in 1949. Of this amount, $529,000,000 was set aside for the purchase of 1,537 M–46 tanks at $337,500 a tank. An investigation disclosed that most of the money was to be used in retooling industry to produce tanks—even though the Ordnance Department obtained permission in 1946 to retain the Detroit Tank Arsenal built during the war at a cost of $48,000,000 and was also given a large allotment of tools.

10. Government records in 1948 filled 18,000,000 square feet of floor space—the equivalent of six Pentagon buildings. The rental value of this space is estimated at $20,000,000 a year; the value of the filing equipment in it at $154,000,000.

The Hoover report charges that the Government's housekeeping job is performed "without central direction, under no orderly system, and with enormous waste."

WELFARE MEASURES BEYOND OUR MEANS

Shocking as these examples of Government waste may seem to you, they represent only a few of the evils which are undermining our national solvency.

The chief threat lies in appropriating more money for welfare measures and reform than can possibly be paid for out of current Government income.

A continuation of this fantastic unrealism can only mean higher taxes, or deficit financing. In the end, it means insolvency.

Who is to blame? Where does the responsibility lie for such a sorry state of affairs?

In my judgment, it rests upon the President, the Congress, and the people themselves. Here is why:

1. The President, despite his own unfortunate personal experiences in bankruptcy, seems to believe the resources of the country are great enough to finance not only his welfare measures but the rehabilitation of the rest of the world as well.

It has long been evident to any informed citizen that Truman's campaign pledges and recommendations to Congress could be financed only in a period of boomtime prosperity. Now that the bite is on, the President and his economic advisers seem confused as to which course of action should be taken.

Publicly, he has not receded from his demand for $4,000,000,000 in additional taxes, even though new levies would constitute an additional load on business in a period when it is steadily declining.

The President has consistently scoffed at advocates of economy as typified in his remark that "there are too many Byrds in Congress." Truman's reference to his fellow Democrat, the senior Senator from Virginia, was intended as a warning to other members of his party not to monkey with his spending program.

As President of the United States, Truman has set the political pattern for his followers in Congress and is therefore responsible for the fact that our country is living beyond its means.

2. Congress, both Republicans and Democrats, cannot avoid sharing a good measure of the blame. Members of both parties have voted for needless appropriations in order to serve their personal interests at election time.

Even Senator WHERRY, of Nebraska, the great economizer, voted against Senator PAUL DOUGLAS' proposal to cut the "pork barrel" bill 40 percent.

Every Congressman knows the only way to reduce the budget is to eliminate useless functions of Government. Thus far, Congress has been anything but courageous in facing the problem. Last Thursday's vote giving the President broad powers to reorganize the executive branch of the Government shows, however, that Congress is finally catching up with the public's demand for retrenchment. It is an encouraging development.

3. Finally, the people themselves cannot dodge the responsibility for the extravagance of their Government.

Until the recent economic pinch set in, they were indifferent to the manner in which their taxes were spent; soft-headed over Truman and security.

Even businessmen believed that Federal aid in the form of grants to communities and States was a sort of largesse that came from the Great White Father in Washington without costing them hard earned tax money.

As good citizens, they lobbied tirelessly for more Government funds.

No one seems to have given much thought to the fact that when more and more Government services are demanded by the people, someone has to pay for it.

They are learning now.

Venango County, Pa.

REMARKS
OF
HON. LEON H. GAVIN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. GAVIN. Mr. Speaker, talk about balancing the budget—some of these renowned unbalancers of the budget might take a day off and go up into Venango County in my district—the Nineteenth of Pennsylvania—and take a leaf from the book of the county commissioners, Huling, Brecht, and Brower. Their recent audit for the county for 1948 shows a balance of $700,000.

I would say that this is a splendid report for a small county of approximately 63,000 people and proves there are parts of the United States where the people do regularly balance the budget.

This outstanding achievement might well be emulated by the Federal Government if the Nation is to remain solvent. It is about time we cut out all unnecessary spending, balance the budget, live within our income, and take off the backs of the American people this terrific tax burden that is now crushing the economy of the Nation.

It is a fallacy to think that Uncle Sam is a rich uncle and his pockets inexhaustible, because we all must eventually pay the taxes to raise the money to meet these spending obligations.

So, let us not delude ourselves into thinking that by the proposed programs that shortly will come before us that Utopia can be reached without paying the bills. I would say if we turned back to the States and local units of our government most of those matters which the Federal Government has undertaken we would get value received for our money at a great savings to the American people. If these programs, now being proposed, were turned back to the home folks to decide they would be laughed out of court and would never see the light of day.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Pennsylvania.

Mr. RICH. Why not have the Congress hire those men, bring them down here to Washington, and show us how to do it. We do not seem to be able to do that down here.

Mr. GAVIN. I thank the gentleman for his contribution.

[From the News-Herald, Franklin and Oil City, Pa., June 17, 1949]

COUNTY FUNDS SHOW BALANCE ABOVE $700,000—FINANCIAL CONDITION REMAINS STRONG, AUDIT FOR 1948 DISCLOSES

Venango County finances controlled by the county commissioners continued in excellent condition through 1948, the annual report of the board of county auditors, filed late yesterday, revealed.

Balances in the various county funds totaled $710,488.33 on January 3, 1949, the report of the auditors, A. Tory Peterson, S. M. Beighlea, and Mrs. Mary A. Splain, showed. These balances are approximately $32,000 less than the balance at the beginning of 1948.

The excellent financial structure is being maintained despite the fact that no real estate taxes are being levied by the county. Chief revenue comes from the 4-mill personal property tax (stocks and bonds, levied by the State for county purposes. This tax in 1948 brought in $231,053.10. Other revenue included $20,796.08 from the register and recorder's office, $13,725.59 from the prothonotary's office, and $3,038.81 from the sheriff's office.

EXPENSES TOTAL $262,480

Total governmental expenses in 1948 were $262,480.06, and included $108,153.46 for administration, $66,685.85 for the judicial department, $48,185.95 for corrections (maintenance in correctional institutions). There was a balance of $617,560.96 in the general county fund at the beginning of this year.

Under the heading of administration, the auditors' report shows expenditures in the commissioners' office of $18,134.09, including salaries; county solicitor's salary and expenses $2,402.44; court house maintenance $10,945.67; registration, $4,646.95; elections, $13,982.57; tax assessment costs $23,262.88; treasurer's office, $18,638.05; tax collectors' pay, etc., $9,672.27, and the county auditors' salaries and publishing of report, $5,128.54.

It cost the county $24,770.09 to maintain the register and recorder's office; $13,032.45 for the sheriff's office; $604.60 for the coroner's office; $11,538.07 for the prothonotary's office; $3,874 for the district attorney's office; $2,500 for the law library; $4,301.61 for civil court; $3,857.49 for criminal court; $1,137.89 for justices and aldermen and $621.20 for constables.

The cost of maintaining Venango County prisoners in penal institutions was $34,953.90 and maintenance of the county jail cost $9,351.76, including groceries, meat, and provision of $3,544.03. The warden and matron of the county jail were paid $2,642.73 and there was an item of $1,100 for other employees.

Under roads and bridges there was only one item of expense, $128.32 for repairs to a truck and insurance. Miscellaneous items included $10,000 to the Franklin airport and a similar amount to the Emlenton airport.

BONDED DEBT REDUCED

The bonded debt of the county was reduced by $50,000, leaving a balance to be paid of $169,272.69. The balance in the sinking fund at the beginning of 1949 was $56,818.47. Money is transferred from the liquid fuels tax account to the sinking fund for the payment of road and bridge bonds and interest. The liquid fuels account showed a balance of $24,251.01 on January 3, 1949. Receipts in this account in 1948 were $86,775.31 and this together with a balance of $11,087.52 at the beginning of 1948 brought the total in the account to $97,862.83. Paid out of the account was $53,850 to the sinking fund, property damage, $24,251.01, bridge lights, $24,251.01, and other smaller items.

The institutional district report, including the maintenance of the county home, showed receipts of $76,397.17, including a balance from the previous year of $73,442.57. Total expenditures were $58,448.12. At the end of the year there were 73 residents in the home, 47 men and 26 women.

Low-Cost Housing and Slum Clearance

REMARKS
OF
HON. STEPHEN M. YOUNG
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. YOUNG. Mr. Speaker, the Republican Eightieth Congress left homeless veterans still homeless and slum dwellers in our cities hopeless.

This Congress, before the present session is permitted to end, must, above everything else, provide for adequate low-cost housing and slum clearance.

The administration low-cost housing bill has for its purpose the glorification of democracy by extending its benefits, not to a favored class, but to all the people of our country.

One great purpose of the public housing bill is to eliminate slums in our cities. Passage of public-housing legislation will end a shameful waste of people and money. Slums in Washington, Cleveland, and elsewhere represent private enterprise at its worst, operating under a subsidy paid by the taxpayers. Nearly one-fifth of the people in our great cities have been living crowded in slums, yet slum areas require on an average half of the time of police and law enforcement officers, half of the available medical and institutional care, one-third of the time of fire departments and nearly all welfare and charity benefits. Slums, therefore, are not only eyesores but they are wasteful of people and of money.

American people pay willingly for education, health, and other necessary services, for which their less fortunate are unable to pay.

They do this because the welfare of the communities of our Nation require it. So it is with housing for low-income families and the clearance of slums—it is a public responsibility.

Thousands and thousands of our fellow citizens are in a pitiful situation, walking the streets looking for a room or for some shelter. Thousands and thousands of veterans of World War II have reason to feel that they have been let down by the Government, for whom they made sacrifices.

Soldiers knew they were being taken for a long ride when they embarked from Newport News, New York, or San Francisco but that was nothing compared to the long ride they have been given since that time in connection with housing matters.

Some of my comrades of World War II have expressed wonder to me as to what the folks at home were doing while they were away fighting to maintain the American way of life.

During World War II, I had the honor to serve overseas for 27 months. I believe that overseas service gives perspective to those who served in the armed forces. Those soldiers who returned and have been pushed around in housing matters rightfully feel their sacrifices must be made to count. There was not any future in the combat zone but those who came through and returned should be determined there must be a good future for everyone—a home, a job, security, and permanent peace.

Modernize House Chamber

REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. MILLER of Nebraska. Mr. Speaker, preparations for remodeling the House and Senate Chambers have moved me to bring to the attention of the House the urgent need for making the improvements necessary to provide for carrying on the work of this body in the years to come. We will never, in the foreseeable future, have the opportunity we have today. The people are demanding efficiency in government and a better understanding of the way their Government works. Much criticism is being leveled at the Congress and it is essential that we take every opportunity to impress upon them our sincere purpose not only to do our work efficiently but in a manner that will give them that understanding.

My experience as a member of the Nebraska Unicameral Legislature, where voting was done on an automatic recording machine, has caused me to be concerned over the wasteful practice of calling the roll, name for name, as is now done. I realize the practice is the result of a time-honored custom and is sometimes used as a delaying tactic. However, the time has come to seriously consider this practice in relation not only to the present but to the problems of the future. We can no longer indulge in the luxury of time-consuming practices and customs that were fitted to the days before World War I when the Congress met for a few months a year and considered the relatively few domestic problems and the negligible problems presented by our relations with foreign countries. Our predecessors of those years could afford to waste time for it cost the people little. I need not remind you that all this has changed. The Federal Government has expanded its activities over the whole field of economic and social life at home and has assumed leadership in the field of world affairs. So vast has the field of Government expanded that we are compelled to save every minute and every penny possible.

Let us consider this practice of calling the roll to assemble a quorum or record a vote. Each time the roll is called it consumes at least 45 minutes. Given 15 minutes for a Member to come to the Chamber and record his presence or his vote, there would be a saving of 30 minutes on each call. What this means can be readily seen when we realize that there were 489 roll calls in the Seventy-ninth Congress, 285 in the Eightieth, and 107 to date in the Eighty-first. Figuring a 5-hour day, it would have meant a saving of 49 days in the Seventy-ninth, 29 in the Eightieth, and 11 days to date in the Eighty-first Congress. It has been estimated that it costs on an average of $5,000 per day to print the RECORD and $415 per day for the calendar. Even though we do not save 1 penny—and we must not ignore the saving—the business of the House would be carried on with more dispatch and efficiency. Voting by machine would necessitate the assignment of a seat to each Member but that would tend to cause the Members to remain in their own seats and improve the decorum of the House.

While remodeling is being accomplished the House should consider the need of televising and broadcasting its proceedings that is sure to come in the not too distant future. As matters now stand only through the medium of the press and radio commentators are its proceedings made available to the public. With the increasing practice of commentators to slant the news for the purpose of emphasizing a story there is need for the people to hear and see for themselves what their Representatives say and do. May I urge the Members to give careful consideration to these suggestions for improving the work of the Congress.

The Story of a Washington "5 Percenter"

EXTENSION OF REMARKS
OF
HON. DONALD L. JACKSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. JACKSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Jack Steele, from the New York Herald Tribune of June 21, 1949:

THE STORY OF A WASHINGTON "5 PERCENTER"
(By Jack Steele)

WASHINGTON, June 20.—This is the story of a "5 percenter" and a small-business man who signed up as his client on the strength of his assurance that he could secure lucrative government contracts through his influence in Washington.

The "5 percenter's" name is James V. Hunt. He was a war-time lieutenant colonel in the office of the Army Quartermaster General and later an official of the War Assets Administration. For the last 3 years he has been a management counselor in Washington.

The small-business man is Paul Grindle. He is president and treasurer of the C. W. Laing Woodworking Corp., of Framingham, Mass., a furniture factory.

Mr. Grindle came to Washington late in April in search of a government contract for his factory.

He had been referred to Colonel Hunt by a Boston friend of the colonel.

Mr. Grindle was astonished and shocked by Colonel Hunt's recital of his influence with close and dear friends in high Government posts—and by his boasts of the profitable deals he had made for his clients through the "influence" he said he wielded.

BIG NAMES IMPRESS MANUFACTURER

Mr. Grindle was impressed—as any businessman would have been—by some of the names Colonel Hunt tossed off as those of men he knew.

Among them were:

1. Maj. Gen. Harry L. Vaughan, military aide to President Truman.
2. Secretary of Defense Louis A. Johnson.
3. Maj. Gen. Herman Feldman, Army Quartermaster General.
4. Jess Larson, former War Assets Administrator, who was recently named Federal Works Administrator.
5. Maj. Gen. Alden H. Waitt, Chief of the Army Chemical Warfare Service.
6. John R. Steelman, the top-ranking assistant to President Truman.
7. Lt. Col. Roy T. Evans, Jr., executive officer of the supply division of the office of Quartermaster General.

(It should be emphasized here that Washington is a city in which part of the stock in trade of some lobbyists and "5 percenters" is the casual mention of big people they claim to know and the avenues of influence they claim to have. Quite often the big people are no more than nodding acquaintances of the lobbyists and "5 percenters" who bandy their names about. This account does not purport to reveal what the men he named think about Colonel Hunt; it merely discloses how he used their names to Mr. Grindle.)

Colonel Hunt—in his efforts to impress Mr. Grindle—did not stop with the simple mention of the big names he knew.

He described in considerable detail his alleged business and social relations with some of them.

Further, in discussing a number of deals he claimed to have swung for clients, he alleged that some of his big names had directly helped him with them.

CLAIMS OF INFLUENCE

Among such deals mentioned by Colonel Hunt were these:

1. An implied promise Colonel Hunt claimed was made by General Vaughan to help him get part of a contract for remodeling the White House for a client.
2. A claimed assurance by Secretary Johnson to a group of banker clients of Colonel Hunt that the Secretary had not promised to another outfit a contract in which the banker clients were interested.
3. A claim that Colonel Hunt could save one client a $60,000 fine for late delivery on a contract by intervening with General Feldman.
4. A claim that Colonel Hunt was arranging a deal with WAA to buy $200,000,000 worth of surplus airplane parts as junk and resell them as new parts.
5. A claim by associates that Colonel Hunt arranged with WAA the deal to lease the $171,000,000 Dodge plant in Chicago to Preston T. Tucker. They said Tucker never paid off on a promise to give Colonel Hunt 5 percent of his company's stock.
6. A claim that Colonel Hunt represented Kenneth Strickland, owner of the Strickland Furniture Co., High Point, N. C. An RFC loan to this company is now being investigated by a congressional committee.
7. A claim that Colonel Hunt received a $102,500 fee, which he said was his largest, for 6 weeks' work arranging a deal with WAA through which a client hotel chain bought back a hotel for less than half the amount for which the chain had previously sold it to the Government.

SECRETARY JOHNSON'S WORDS RECALLED

Mr. Grindle, after talking briefly with Colonel Hunt in late April, conferred at length with him on May 9, 12, and 20. At the May 12 meeting Mr. Grindle's attorney, Richard Hunt, of Boston (no relation to Colonel Hunt) was present.

They conferred in Colonel Hunt's sumptuous suite of offices in Washington's Barr Building and, with Colonel Hunt as host, at luncheon at the Army and Navy Club.

One wall of Colonel Hunt's private office was lined with autographed photographs of Washington notables, including many Members of Congress as well as military and civilian officials.

Mr. Grindle found Colonel Hunt's words to be in sharp contrast with some uttered by Secretary of Defense Johnson in an address to the United States Chamber of Commerce on May 5, which was a few days after Mr. Grindle first met Colonel Hunt.

Secretary Johnson inveighed against the "five percenters," threatened to "drive them out of the National Military Establishment," and assured small-business men they did not have to deal through such operators to get contracts.

Colonel Hunt, on the other hand, assured Mr. Grindle that it was difficult, if not impossible, to get Government contracts without having such a representative as himself.

On May 9 the "five percenter" and the little-business man signed a written contract.

Mr. Grindle's firm as the first party to the contract, agreed to pay Colonel Hunt's firm $1,000 down, $500 a month for 1 year, out-of-pocket expenses, and 5 percent of the gross amount of any Government contract he received.

Mr. Grindle gave Colonel Hunt a $1,000 check for the down payment on May 12. Colonel Hunt indorsed it in his presence.

Colonel Hunt's firm, as the second party, agreed to aid and assist Mr. Grindle in obtaining contracts from Federal agencies and departments and civilian sources and to promote the prestige and reputation of Mr. Grindle's firm with such agencies and sources.

Colonel Hunt did not guarantee in writing to get Government contracts—or anything else—for Mr. Grindle.

On the contrary, the contract provided that his powers of representation would be limited to negotiation and solicitation.

BUSINESSMAN'S DILEMMA

But Colonel Hunt's verbal assurances were rosy ones.

Businessmen who come to Washington, the Colonel told Mr. Grindle, often find they cannot get Government contracts through regular channels. Some then go to their Congressmen for help, Colonel Hunt continued.

"Ninety percent of my clients are referred to me by Congressmen," Colonel Hunt told Mr. Grindle.

Colonel Hunt suggested that Mr. Grindle throw a cocktail party in Washington for prestige reasons. Colonel Hunt said he would see that seven Senators attended such a party.

Mr. Grindle listened to Colonel Hunt's every word.

Then, believing it his duty as a good citizen to inform other businessmen of the practices he encountered, he made available to the New York Herald Tribune detailed accounts of his conversations with Colonel Hunt—accounts dictated immediately after the conversations occurred.

SOURCES OF INFLUENCE

Mr. Grindle said that Colonel Hunt repeatedly said—even boasted—that many officials were his bosom friends and strongly implied that they were the sources of his influence in Washington.

Here is what Colonel Hunt told Mr. Grindle about some of the names:

General Vaughan: He identified General Vaughan as "my closest and dearest friend." He used these words to Mr. Grindle: "General Vaughan is Harry Truman's closest friend and I am one of Vaughan's closest friends."

Colonel Hunt said he saw General Vaughan at the White House all the time. One of Colonel Hunt's assistants, Richard A. Martin, told Mr. Grindle that Colonel Hunt was known by security guards at the White House and that they let him go right by.

Colonel Hunt told Mr. Grindle that he represented Dorothy Draper, the interior decorator. Colonel Hunt said he was trying to get Dorothy Draper part of a contract for redecorating the White House, which is to be completely remodeled.

Colonel Hunt added that he thought this was possible. Colonel Hunt related to Mr. Grindle that General Vaughan had told him that he (Colonel Hunt) should be able to get the White House redecorating contract for Dorothy Draper.

Among the photographs on the walls of Colonel Hunt's office were several of General Vaughan which he pointed out to Mr Grindle. They were autographed and flatteringly inscribed by the General. One of General Vaughan and Colonel Hunt and his wife was taken at the White House. Colonel Hunt told Mr. Grindle it was taken at a White House party in his honor.

Colonel Hunt, during his conference with Mr. Grindle and Richard Hunt on May 12, mentioned General Vaughan's name as much as 50 times, they reported. He said he had been to the White House to see General Vaughan the day before and related many incidents indicating that they were close friends.

Colonel Hunt told them of one incident which occurred when he was in General Vaughan's office last December. The telephone rang, he said, and General Vaughan got red in the face and swore at great length into the phone.

Colonel Hunt said he later asked: "Harry, who were you talking to?" He quoted General Vaughan as replying: "It was that S. O. B. Drew Pearson."

Secretary Johnson: Colonel Hunt told Mr. Grindle on May 9 that he was very close to Secretary Johnson.

(This was only 4 days after Secretary Johnson had denounced "five percenters" who boasted that they could sell influence to businessmen and has promised to drive them out of the National Military Establishment.)

Colonel Hunt said he was one of four present in General Vaughan's office in the White House last November 4 when Mr. Johnson was called in and notified by one of the group of four that he would be appointed Secretary of Defense by President Truman. Colonel Hunt did not say or imply that President Truman was present.

(This was only 2 days after President Truman's election and 4 months before Johnson's appointment was announced.)

Colonel Hunt had an explanation for Mr. Grindle on May 9 for Secretary Johnson's May 5 blast at "five percenters."

Colonel Hunt declared he had inspired the blast. He explained that some banker clients of his had become alarmed over reports that Secretary Johnson had promised a contract in which they were interested to a certain company. He said he had taken the banker clients to see the Secretary.

"We saw Johnson," Colonel Hunt told Mr. Grindle and Richard Hunt on May 12. "Johnson was hopping mad. He told the bankers that the company had no such promise and added: 'Stick with Jim, and things will be all right.'"

Colonel Hunt said that he received a "large fee" from his banker clients for getting this information.

Colonel Hunt told Mr. Grindle that Secretary Johnson made his attack on "5 percents" out of anger over the reports that had been circulated about that specific contract.

Mr. Grindle said he drew the inference that Colonel Hunt wanted to emphasize that Secretary Johnson was angry at somebody else—not at Colonel Hunt.

(This reporter has learned that an entirely different episode touched off Secretary Johnson's attack. The episode involved an engineering consultant who went to Mexico City and boasted to Mexican purchasing officials that he had an "in" with Secretary Johnson and could help in getting them railway rails.)

General Feldman: Colonel Hunt described General Feldman as "a dear friend" whom he said he saw personally "all the time." Colonel Hunt also told Mr. Grindle: "I don't want to brag, but I am the most influential man in Washington with the Quartermaster Corps."

Colonel Hunt, in one explanation of how he could be helpful to his clients, gave Mr. Grindle his version of how the Quartermaster Corps awards contracts. It follows:

"It isn't always the low contract that gets the bid. They don't have to take the low contract. They can consider ability to fulfill the contract. I can be very helpful in satisfying them of your ability to fulfill. You won't have to fill out any papers. The Quartermaster Corps will take my word for you."

Colonel Hunt also told Mr. Grindle he had intervened with General Feldman to save a client a $60,000 fine for late delivery on a contract. Mr. Grindle's account of what Colonel Hunt told him follows:

"Colonel Hunt said he had been to the Quartermaster General's office to discuss this $60,000 fine and while there had seen Quartermaster General Feldman. He said Feldman suggested that Hunt take the whole thing up with General Crist, head of the Review Board in New York. Hunt said that Crist owed him his job. Hunt said he knew Crist would take care of him and would recommend that a 60-day extension be granted on this contract which would invalidate the fine. He said he knew that Feldman's office would take care of him."

(This reporter telephoned Army Public Relations in Washington and requested "General Crist's" full name and title. A public relations officer called back and reported that the quartermaster general's office said it had no officer by that name and was "very anxious" to know what information the New York Herald Tribune wanted. Within a half hour a telephone call was received at the New York office of the Herald Tribune. It was from E. R. Dibrell, who identified himself as deputy to Brig. Gen. Letcher O. Grice, of the New York office of the quartermaster corps. He explained that the Herald Tribune's Washington bureau had been inquiring about General Grice, but had gotten his name "wrong." He added that the general wanted to know what it was all about.)

Jess Larson: Colonel Hunt told Mr. Grindle that he was "instrumental" in getting Mr. Larson appointed War Assets Administrator.

Colonel Hunt gave Mr. Grindle and Richard Hunt on May 12 a detailed account of some of his claimed successful "deals" in behalf of clients with the WAA while it was headed by Mr. Larson. He wound up with this comment: "I am the reason for getting Jess Larson appointed."

General Waitt: Colonel Hunt told Mr. Grindle on May 12 that General Waitt was one of his "closest friends" and that the

General had been a guest at his house the night before.

On May 20, Colonel Hunt's representative informed Mr. Grindle that Colonel Hunt was "just completing" a deal that would give a client a negotiated research contract from General Waitt. He identified the client as a research laboratory located in Connecticut.

He also claimed to have obtained contracts from the Chemical Warfare Service for some chemical companies and to have received a 15-percent commission on this deal.

John R. Steelman: Colonel Hunt described Mr. Steelman as a friend, but did not say or imply that Mr. Steelman had helped him get any contracts.

Colonel Hunt told Mr. Grindle that Mr. Steelman had given him a tip that Mr. Larson was being considered by the President for War Assets Administrator. He said he had asked Mr. Steelman to hold up action on Mr. Larson's appointment for several hours until he could warn Mr. Larson that the job would "ruin his health." (Colonel Hunt did not explain to Mr. Grindle how this squared with his claim of being responsible for Mr. Larson's appointment.)

Colonel Evans: Mr. Grindle has received no Government contracts in the 6 weeks since he signed up with Colonel Hunt. He did get an invitation through the mail from the Chicago Quartermaster Depot to bid on a list of furniture items needed by the Army.

Mr. Grindle had made no personal application for such a list. He received it only 4 days after Colonel Hunt promised to get it for him. Colonel Hunt told him later that Colonel Evans had telephoned Chicago to have the list sent immediately.

Colonel Evans' name was mentioned frequently by three friends of Colonel Hunt who first put Mr. Grindle in touch with Colonel Hunt.

GRINDLE GETS AN INSPECTION

One of these friends is Arthur J. Conlon, a Boston investment counselor, whose firm is now trying to collect a $1,000 finder's fee from Mr. Grindle for steering him to Colonel Hunt. The other two are associates of Mr. Conlon known to Mr. Grindle only as "Michelson" and "Small."

These three men went to Framingham and inspected Mr. Grindle's factory in April after he had telephoned Michelson on a tip from another Massachusetts businessman that Michelson could help him get a Government contract.

Two days later Mr. Grindle received a call from Mr. Conlon in Washington. Mr. Conlon introduced Mr. Grindle on the telephone to Colonel Hunt. Colonel Hunt told Mr. Grindle on the telephone he thought he could get Mr. Grindle part of a $3,000,000 Government furniture contract and urged him to come to Washington.

Mr. Conlon, who served briefly during the war as a management representative on the Economic Stabilization Board, then faded out of the picture. Michelson and Small, however, visited Mr. Grindle again at Framingham on June 9 and demanded that he pay the $1,000 finder's fee to A. J. Conlon Associates, Mr. Conlon's investment counseling firm.

WIFE TAKES NOTES

Mr. Grindle talked with Michelson and Small with his wife taking notes on their conversation in an adjoining room. He refused to pay the fee, demanding instead that they give him further assurance that Colonel Hunt could actually get him contracts from the Quartermaster Corps.

"Of course he can get the contracts," the man named Small said. "That's his business—that's the only way he has of making a living and he makes a very good living."

(Colonel Hunt used much the same language at their conference on May 9, according to Mr. Grindle, and reported that he had just been out to inspect the new house he was having built in Washington for $60,000 cash.)

"My people would like to know just who Colonel Hunt talks to in the Quartermaster Corps," Mr. Grindle insisted.

"Hunt talks to both Evans and Feldman, but it's Evans who does the work," the man named Small replied, according to Mrs. Grindle's transcript of their conversation.

Small and Michelson also told Mr. Grindle in detail of Colonel Hunt's alleged role in getting Preston Tucker a lease for the Dodge plant from WAA. They said Tucker promised to give Colonel Hunt 5 percent of the Tucker corporation's stock in return, but that the colonel was never able to collect one stock certificate.

"But Tucker is going to get his," the man named Small told Mr. Grindle. "Hunt would do anything to get even with him."

Small and Michelson left Framingham without collecting the $1,000 finder's fee they claimed for the Conlon firm, but not without a parting word of warning by Michelson to Mr. Grindle.

"I tell you, Grindle, never cross up the syndicate," he said. "If you do, you'll end up with nothing but your throat cut."

Socialized Housing

EXTENSION OF REMARKS

OF

HON. HERBERT A. MEYER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. MEYER. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include copy of a radio broadcast recently made by me over five stations in my district on the subject of socialized housing. The broadcast follows:

Recently I talked with you on the subject of socialized medicine. Today I am going to discuss another socialized scheme—the administration's housing bill. This housing bill will come before the House next Tuesday for debate, with a final vote expected the latter part of the week, and I believe all of us should know what this measure really means.

This socialized housing bill provides that there will be built in the next 7 years 1,050,000 low-rental family units of public housing, paid for by Federal funds, at a total cost to the Federal taxpayers of $16,000,000,000.

This socialized housing idea arose from the housing shortages that developed during the war when workers and materials were channeled into war work and no new housing was built.

It totally ignores the fact that in 1947 and 1948 private builders constructed 1,785,000 new homes, the greatest number of housing units in 2 years in the history of the country. This construction, incidentally, was encouraged by and built under the Republican Eightieth Congress.

In addition to authorizing grants and loans of $1,500,000,000 for what is termed "slum clearance" in the big cities. This bill also authorizes loans up to $312,500,000 to repair and improve farm homes and buildings where such loans cannot be obtained from local banks.

The total cost for this experiment in socialized housing will amount to $19,312,500,000. It will mean an average additional $518 in taxes on every family in the United States.

Just how will this housing plan be financed and how is it going to be paid for?

Well, this administration's socialized housing bill provides that the Federal Government shall make a maximum contribution at the rate of $400,000,000 for 40 years. This money is not used directly from the United States Treasury. Local or State public-housing authorities will issue bonds and sell them to the general public. Then the Federal money will be pledged as security for the repayment of the money obtained by the sale of bonds and the interest on those bonds. There will be $3,500,000,000 in interest which will also come out of the pocket of the taxpayer.

It is well to keep in mind that Government does not make money. Every time the Government issues a check for anything, the money to cover that check must come out of your, the taxpayer's pocket.

Although the total amounts will be reduced some, since the proposed legislation provides that State and municipal authorities must establish a housing authority covering a part of the bill and this local housing authority, through taxes or bonds, raise one-third of the money, still this public housing will be owned perpetually by the Government and the local housing authorities. None of these houses or apartments will be sold to private owners. They will be rented at a probable $30 per month for four or five rooms. This rental, in most cases, will be far less than the rental value of the properties.

And so we have a new subsidy, this time to tenants. If past experience means anything, it will cost the Government, which means you, the taxpayer, more to erect this public, socialized housing than if the same work was done by private business.

Now let's look a bit into past Federal housing efforts for a comparison as to what has been or can be done.

The Senate recently made a study and investigation of Federal housing constructed by the Government during the past few years. The chairman of that committee, Senator MCCARTHY, of Wisconsin, reported: "We made a very thorough investigation of the Federal Housing Administration and found many things wrong with that agency." Senator MCCARTHY pointed out that the situation got so bad that the General Accounting Office, in attempting to make an audit, reported it was absolutely impossible to intelligently audit the books. The committee called in Price & Waterhouse, nationally known public accountants, who agreed that no possible audit could be made. This investigation revealed gross inefficiency and the waste of millions of dollars.

And so, in my opinion, one of the greatest mistakes this Congress can make is to put the Government into the housing and rental business. It is the same step France took after the First World War when she socialized housing to such an extent that the investment of private funds in building construction practically stopped, with the result today that French cities are largely slums.

This socialized housing bill is also politically tinged. Let me quote the testimony of John W. Edelman, representing the CIO, before the legislative committee at the hearings on this bill. This is what Mr. Edelman said—and I quote: "Once this program is well under way, it will develop sufficient political momentum * * * in the future to increase and extend this authorization to whatever extent may be necessary."

The vote-pulling power in public housing projects was borne out recently in California. Though the State over all voted heavily against public housing, those people who lived in public housing projects voted 2 to 1 for this kind of subsidy.

Now what about the slum-clearance angle? Will these projects help in any way in southeastern Kansas?

The answer is, "No; they will not." The one and one-half billion dollars provided for slum clearance will be used mostly for the purchase of land in the heart of big cities such as Chicago, New York, etc. The people living in these areas will be moved out for a year or so while the old buildings are being torn down and new ones erected. And that won't solve a housing problem, since other quarters will have to be found for them while they are waiting for the new buildings to go up.

As for cost, a twelve- to eighteen-thousand-dollar residence or apartment will be rented to people earning very little, perhaps up to $3,500 a year. These rental units, which should bring in $60 to $90 a month in return on the investment, would be rented for from $30 to $50 a month.

The people of southeastern Kansas and the Nation would be compelled to pay the difference between the rental of these so-called low-income groups and the real cost of carrying this investment. This cost would come out of every taxpayer, no matter where he himself lives.

Before and during the war thousands of such buildings were constructed and rented by the Federal Government. In practically every Federal housing district, the record shows that families earning from $3,000 up to $5,000 and $6,000, even $10,000 and $30,000 a year were allowed to move into these buildings. And they are still occupying them 4 years after the war is over.

As for those slum areas, the taxpayers of southeastern Kansas and the rest of the country who have been thrifty enough to own their own homes will be taxed to clear city slums throughout the Nation. They will have to clear the slums, for instance, brought about by the waste and high taxes of former Mayor Frank Hague, the erstwhile powerful political Democrat boss of Jersey City, N. J. Time magazine had this to say with reference to Hague: "Left to the new mayor was a city with one of the highest tax rates in the Nation, rigged assessments, discouraged businesses, factories deserted by fleeting industry, a city turned into a patchwork of slums by political graft."

If this legislation is passed the lowly taxpayers of southeastern Kansas will also have to contribute to the rebuilding of slums in New Jersey.

I believe that not over 10 percent of all the residences in our district cost the owners $15,000, or could be sold much above that. Many workingmen are living in good, comfortable cottages that they struggled and saved to build that cost them from $3,000 to $7,000. Many a farmer has raised a fine family and is living in a farm home which when built, cost less than $3,000 or $4,000.

Yet these people and these farmers must pay additional taxes for the shiftless people in other areas, if this socialized housing bill is adopted.

And when and if the Government begins spending these billions of dollars for material and labor, it will be tough on the little fellows who want to build a home or a business building, to compete with the Government which will be bidding up the price of construction. And the waste on these projects, judging from past experience, will amount to millions of dollars, a part of which will be taken away from every family in our district.

Frankly, I don't believe this housing program if it goes through, will greatly increase the number of houses that will be built. Instead, if this socialized-housing bill does go through, housing will cost more money and, in my judgment, we will get less units of housing.

You just can't get housing by legislation. Houses are built by carpenters, painters, bricklayers, and other workmen. Practically every workman in the building trades industry who wants to work, can work every day at the present time in the building of new houses or the repairing of old ones. When the Federal Government goes into the housing business, it will slow down private investment capital which would otherwise go into housing. That has been proven in the past. I repeat, in 1947 and 1948, even with the shortage of material we had then, private builders built 1,785,000 homes, the greatest number of housing units ever built in the history of our country.

If the Government will stay out of this housing business, I predict within a short space of time the housing needs of the people will be met. And, as the cost of materials drop, at prices the people can afford to pay.

This bill would provide homes or apartments for about 4,000,000 people. They would be securing their rent at approximately 50 percent less than normal rentals. In addition, the contracts which must be let, the commissions paid, the jobs created, will work to the benefit of political leaders; both national and local. If you get housing well into politics, it will be a gold mine * * * for the politicians. And there will be additional hordes of political bureaucrats hired out of the taxpayers money to administer this program. Public housing has already made itself felt in the political field. Where it exists today it is used politically.

While the Rules Committee waited for cost data from the Bureau of the Budget, one member, Representative EUGENE COX, Democrat, of Georgia, charged that the bill would establish political ownership and control over human shelter. "As written," he said, "it is the most dangerous threat to home ownership and private enterprise that has arisen since I have been in Congress."

I feel the people in my district should not be compelled to pay the rentals of citizens in Chicago, New York, or Jersey City, for instance, and continue to pay it for the next 40 years. Take a look at France and at England where the socialistic government is taxing the people more and more. We don't want that nor do we need it here.

United States Engineer Office, Philadelphia

EXTENSION OF REMARKS

OF

HON. WILLIAM J. GREEN, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. GREEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Journal-Every Evening, Wilmington, Del., of May 14, 1949:

ORCHIDS TO THE ENGINEERS

Reopening of Summit Bridge this morning is cause not only for rejoicing on the part of Middletown, Mount Pleasant, and other points north and south of the canal—but also for congratulating the United States Engineer office in Philadelphia. Col. Fred F. Frech and his military and civilian bridge experts have done something to be proud of. And we are proud of them for performing a major operation on the bridge and restoring it to health nearly 2 months ahead of schedule.

After the winter rains had caused the north bank to slip, dislocating the structure, the lift span had to be kept raised for ships to go through. Meanwhile work started in removing 20,000 cubic yards of earth pressing against the north abutment, which in turn was shoving the north tower toward the center of the canal.

They "tied back" the tower to a concrete "dead man." They put in a "well-point" system to drain off the water from around the abutment. Then they drove 16 heavy steel piles, 80 feet long, to "underpin" it. A lot of other engineering tricks they tried—which worked. They pulled back the tower, and took the strain (we're glad to say) off the dead man. Finally a new timber trestle was built for a vehicular approach.

All this the engineers accomplished in the accustomed single-minded manner of their profession. They made no rash promises, but just went right ahead and did the job. They deserve our thanks.

And No Farm Program Yet

EXTENSION OF REMARKS

OF

HON. CLYDE M. REED

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Tuesday, June 21 (legislative day of Thursday, June 2), 1949

Mr. REED. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial from the Chanute, (Kans.) Tribune, And No Farm Program Yet. The Tribune, one of the representative newspapers of Kansas, makes a significant statement regarding the long-range farm problem now facing the country.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AND NO FARM PROGRAM YET

A few days ago, after nearly 2 years of turning the subject over in its mind, Congress gave the Commodity Credit Corporation authority to provide more storage space for wheat. The action came so belatedly that any additional wheat that can be housed as a result of it by harvest time could be put in a combiner's right eye.

The consequences of the Government's dilatoriness will be some loss from the forced piling of grain in the open and a sacrifice of 30 cents a bushel or so below the plan price for those producers who are unable to find approved storage facilities for themselves.

Conspicuous and aggravating as the delay in building more wheat storage has been, however, it is only a small part of the major crime of omission of which the Government is guilty. Although it has had 10 years to appreciate the need, to study, and to act, it is no nearer establishing a long-range farm program than it was when the last war began.

Through the war and for two seasons thereafter there was a market for all the farm pfoducts this country could produce, and the Government merely compromised with the problem by paying for the exports the consuming nations were unable to finance for themselves. Since then the Government has depended on stop-gap and expedients without yet having to come to grips with the basic questions.

Unfortunately, guilt is not to be placed on any one party. The Republicans have no more evolved a satisfactory long-range farm program than have the controlling Democrats in either the administration or in Congress.

So American agriculture today finds itself on the verge of being in as dangerous a surplus situation as it was in the early thirties, with the Government knowing little more about what to do about it today than it did then.

The Marshall Plan at Work in Italy

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. RODINO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith the second of a series of articles on the Marshall plan at work in Italy, by W. G. Hetherington, staff correspondent of the Newark Evening News, dated June 13, 1949, from Rome, Italy:

ECA PROPS INDUSTRY AND AGRICULTURE

(By William G. Hetherington)

ROME.—For three convulsive years after World War II Italy's wretched living conditions gave life and rebellious vigor to its Communist Party. Yet today, with no appreciable improvement in those conditions, the Communist menace has passed—at least for the foreseeable future.

Such is the political phenomenon that has been worked by the Marshall plan, as guided by the Economic Cooperation Administration. But no amount of American aid could have succeeded were it not for the eternal optimism of the Italian people.

ECA, now 1 year old, has applied $550,000,000 to the Italian economy, not in hit-or-miss relief, but in a well-ordered program of economic rehabilitation. Under its aggressive chief, James D. Zellerbach, ECA has struck at the root of Italy's economic troubles, whereas in previous years the United States Army, UNRRA, and United States winter relief spent $2,000,000,000 with little more aim than to keep the people alive.

PEOPLE STILL HOPEFUL

In one year ECA has invigorated industry, put a crutch under agriculture, and measurably stiffened the democratic coalition government of Premier De Gasperi.

But these upper-level benefits of ECA have not yet reached down to the masses. That they eventually will, the ever-hopeful Italian people now appear to be confident. Hence, the popular optimism after years of disillusionment and the new confidence in a democratic regime backed by American aid.

To sustain this newly granted support of the people there still remains a monumental job for De Gasperi and ECA. Wages and prices have yet to be adjusted. Housing conditions are as abominable as ever for the workingman. Those are the continuing complaints of the man in the street.

EMIGRATION BOGS DOWN

On a national level, some 1,850,000 are still unemployed, which would compare with perhaps 10,000,000 jobless in America. With these new jobs to be provided, the birth rate continues to soar between 4,000 and 5,000 a month, adding that many more Italians to the Nation's already overburdened economy.

To ease the population problem, the Government has an ambitious emigration program. This caught on shortly after the war, and thousands of Italian workmen and their families moved to labor-hungry countries of Western Europe, notably France, and to South America. But the program bogged down for several reasons, among them a slackening need for labor among the receiving nations.

Another piece of unfinished business is land reform, which still is a matter of debate in Parliament. Giuseppe Saragat, right-wing Socialist member of De Gasperi's coalition, wants to move quickly. Under his plan of land redistribution, some 9,000 large and almost feudal estates would be affected. The Government would buy up to 50 percent of these great acreages, divide them, and resell on easy terms to Italy's landless peasants.

DE GASPERI OPPOSES HASTE

De Gasperi, who is a more practical politician, advises, with reason, against too much haste. He argues for improved farming methods first, on the theory that the peasant will be no better off as a landowner if production remains at its present low levels.

Today's most pressing problem involves wages and prices, as it did when this correspondent covered the Communist campaign to overthrow the Government last year. As already pointed out, substandard living conditions show no appreciable improvement.

The Italian workingman, if skilled, may earn perhaps 40,000 lire (about $70) a month, working a 5-day, 40-hour week on a spread-the-work plan to keep down unemployment. That amounts to $3-plus a working day. If unskilled, he may receive as little as 800 lire (about $1.40) a day.

RED GAINS BLIND WORKERS

If these figures for working men are low, consider the plight of many so-called white-collar workers. School teachers, university professors and many categories of civil servants and general clerical help are still paid at the prewar rate of the lire. This means that, in the present inflation, their wages run in many cases to as low as $10 a month.

The complaint this correspondent heard so often last year is still repeated: "A university professor earns less than a garbage collector."

Parenthetically, that is because the garbageman, like other laboring men, belongs to a trade union, usually Communist-led, which has forced up his wages by strikes and, in many cases, violence. The Communist record of improving wages often has blinded the workingman to the more sinister motives of the party.

RELY ON GOD AND UNITED STATES

As against excessively low wages, prices remain exorbitantly high. Rationing has been removed, except for bread and the ubiquitous "pasta," the staple which shows up in all forms of spaghetti, macaroni, fettucine, and other Italian dishes. But increased availability has not lessened the cost of the necessities of life.

The average workingman's family subsists on dried beans, cheese, "pasta," and a few fresh vegetables. It is fortunate to have meat once a week. The head of a family may work four days or more for the price of his wife's new shoes. His habitation, more often than not, will be a cramped, cold-water flat in the city, or an incredibly dirty hovel in the country.

Where once these conditions had fattened communism and threatened the very life of democracy, they are—in the main—now suffered in patience and in hope. Such is the temperament of the Italian people and their faith, as the hall porter put it, that "God and America will help us all."

Politics From the Inside

EXTENSION OF REMARKS
OF
HON. PETER F. MACK, JR.
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. MACK of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I herewith include the following article from the Independent Newspapers by Hon. James A. Farley, entitled "Politics From the Inside":

POLITICS FROM THE INSIDE

(By James A. Farley)

Politics is at once the most hazardous and the most noble worldly career open to man.

Politicians stand more abuse, year in and year out, than perhaps any other class of citizens. And yet the success of our form of government, in a large measure, is entrusted to their care. Public opinion in our country must find an outlet. We have grown too large for the town meeting with its individual participation. Orderly and effective expression now comes through political parties. The organizing of political parties and employing them to express the will of the people is the work of a politician. The political leaders must harmonize conflicting points of view. When politicians fail the country fails.

Politics may be as pure or impure as the people themselves determine. If there is no public conscience, why should there be complaint that none speaks in the politician's breast? Often have I heard eminent and successful businessmen announce they are in business, not in politics. It has always seemed to me that this is a confession of neglected duty, rather than the boast of superiority which is intended. If the wrong kind of politician gets control and uses his office for his own advantage or that of his organization, it is frequently the fault of those who conceive themselves to be too busy to be interested in their own Government, except when the Government adopts a policy which they deem harmful to their own personal interests or withdraws a privilege they have employed.

Unhappily, the politician is no better and no worse than his fellow men. Politics has its share of conscientious, high-minded, incorruptible men. And it has its share of scoundrels. I have known men of both types and I must say there was more good in the worst of the political scoundrels than there was in prototypes I have known in other walks of life.

Politicians, as a class, like people. They delight in serving people. Of course, they hope to gain advancement by this. But I can testify there is a genuine satisfaction in being of service to your fellow men. To this day, I am warmed when someone clasps my hand to give thanks for a favor rendered long ago.

In rendering service, the politician has nothing to offer, in the final analysis, but his own word. If he tells the truth and keeps his word he gains the devotion of his friends and the respect of his enemies. Honest men can and do have honest differences. More often than not there is something to be said on both sides of a public question. Most legislation is the result of compromise in committees, on the floor of the House, the floor of the Senate and in conference of House and Senate conferees. Compromise does not mean the surrender of principles or ideals but is the leveling influence of tolerance and understanding.

Politics is no place for the coward or the grumbler. The man who will not fight fearlessly for what he believes is doomed to anonymity. Discontent is more common. Discontent's invasion of the pride is a common disease of humanity, but in the politician it sears the soul and dries public progress. There is no shame in losing a fight, as there is in running away from a contest of principle.

Politics is no place for the sluggard. Probably no man works longer or harder than the successful politician. Duties of office are exacting enough, but he must make himself accessible to all people at all times.

Let me note here parenthetically that public service makes heavy inroads on family life.

The man who likes people finds that the hours he can give to his family become fewer and fewer, but are the more precious. Time after time I have been struck by the fact where there is a man successful in public life there is a patient, charming and noble woman at his side. I do not know why politicians, as a class, have such fine wives. It must be because there are so many wise, understanding, and beautiful women, although I like to think, in my own case, that politicians are excellent pickers.

As a lifelong Democrat, I am a firm believer in the two-party system and believe it would be a tragedy if the Democratic or Republican Party were to pass from the scene. I am sure that if all Democrats would be stricken at one fell swoop, the Republicans would carry on the Government with conscientious regard for the principles of Jefferson, just as the Democrats would, I am certain, give consideration to the principles of Lincoln, if all the Republicans were suddenly stricken.

Americans look out upon a world torn by strife and discord. We have not contented ourself with compassion, but have given freely of our resources to help other nations to liberty and plenty. America is leading the other nations through dangers and vicissitude toward liberty and abundance.

Salaries of Federal Judges

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. RODINO. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include a resolution adopted by the New Jersey State Bar Association at its annual meeting in Atlantic City, N. J., on May 21, 1949, advocating an increase in the salaries of all of the judges of our Federal courts and to provide for two additional for the State of New Jersey:

Whereas the New Jersey State Bar Association believes that the compensation provided for the Justices of the United States Supreme Court, and for the judges of the United States circuit court of appeals, and for the judges of the United States district courts is inadequate and far below compensation provided for judges and justices of the courts of the several States; and

Whereas such inadequacy of compensation makes it impossible for such judges and justices to maintain the economic standing and dignity of such essential and important positions in our system of jurisprudence: It is

Resolved, That the New Jersey State Bar Association recommends and urges that the salaries of the Federal judges be increased so that the annual salaries of the respective judges will be as follows:

For Chief Justice of the United States	$40,000
Justices of the United States Supreme Court	35,000
Senior judge of circuit court of appeals	27,500
Judges of circuit court of appeals	25,000
Chief judge of the United States district court where there are 5 or more United States district court judges in the district	22,500
Judges of the United States district court	20,000
Full-time referees in bankruptcy	15,000

And it is further

Resolved, That copies of this resolution be sent to the chairman and members of the Senate Judiciary Committee and to Members of Congress; and

Whereas there has been a substantial increase in civil actions, bankruptcy matters, and other litigated cases in the United States District Court for the District of New Jersey; and

Whereas the number of United States district court judges provided for the district of New Jersey cannot adequately attend to the increased work of said court; and

Whereas the processes of the administration of justice are unduly delayed because it is physically impossible for the judges to give such attention to pending actions as the dignity of the court, the needs and welfare of the public, and the ends of justice require: It is

Resolved, That the New Jersey State Bar Association does hereby recommend and urge the Congress to provide for two additional United States District Court Judges for the District of New Jersey; and it is further

Resolved, That copies of this resolution be sent to the chairman and members of the Judiciary Committee and to Members of Congress and to the President of the United States.

This is to certify that the above resolution was unanimously adopted by the New Jersey State Bar Association at its annual meeting in Atlantic City, N. J., on May 21, 1949.

EMMA E. DILLON, *Secretary*.

The Bureaucrats Love It

EXTENSION OF REMARKS
OF
HON. HARRIS ELLSWORTH
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. ELLSWORTH. Mr. Speaker, under leave to extend my remarks, I include the following editorial from the Grants Pass Daily Courier, an excellent newspaper published at Grants Pass, Oreg., in my congressional district:

MAJORITY IS AGAINST A CVA

Despite the ballyhoo following the 1948 Presidential election to the effect that the left-wingers had captured the Government lock, stock, and barrel by electing the President and capturing both Houses of Congress, things don't seem to be turning out that way.

However, the result of the election unquestionably pepped up the radicals in Government to the point where they are making a real fight for their pet measures.

The activities of C. Girard Davidson, Assistant Secretary of the Interior, should be noted in that respect.

Davidson, apparently, has no other immediate duties than campaigning throughout the Northwest to break down the widespread opposition to a Columbia Valley Authority.

Davidson is appearing on every program he can reach and is calling both public meetings and private conferences with businessmen to push the CVA. He is meeting plenty of opposition.

Developments at the Oregon Bankers' Association convention in Portland early this month is a case in point. Robert Ormand Case, Portland author, then was the fly in the ointment.

As Davidson made various claims as statements of fact in connection with the proposed CVA, Case countered with the query, "Does it say so in the bill?"

The subject matter being discussed was the question of the extent that the CVA Board could control industries and how far it could go in setting up its own.

Davidson has rounded up some converts by the argument that there is confusion and overlapping of activities among Federal agencies participating in Columbia Valley development, an undisputed fact.

Davidson would obviate such a situation by empowering a Board of three men appointed in Washington to control the economic future of the Northwest.

To emphasize the inherent danger in such a program, Case reminded Davidson that, under the brief requirements of the proposed legislation, the future of the Northwest States might well be found in the hands of a Board consisting of ex-Gov. Mon Wallgren, of Washington (for whom President Truman is seeking an important post), Glen Taylor, Idaho Senator, and Davidson himself.

Certainly it is no great stretch of the imagination to envision Wallgren and Davidson as the majority Board members.

We refer to these individuals merely to emphasize what kind of a deal the Northwest might receive under a CVA.

On the other hand, if the States involved were permitted to handle Columbia development through an interstate commission, there is little likelihood that Presidential political favorites would land in the seats of the mighty. Political support or campaign financing would not be the determining qualifications for appointment.

Davidson is using the typical demagogic approach in his barnstorming for CVA. Its opponents, he says, are private utility corporations, the power lobbies * * * operating behind front organizations such as the development associations, reclamation associations, and water-users' protective councils recently organized in the Northwest * * * the railroads and the chambers of commerce.

We are familiar with some of the local organizations of the type listed by Davidson and we know he is peddling plain political buncombe when he makes such a charge.

Recently, we heard the Josephine County member of the lower house of the Oregon Legislature touch upon the subject of CVA.

"It (and other VA's) is an attempt to divide the United States into a group of regions instead of into 48 States now existing," said Representative RAY COULTER.

Tennessee Valley Authority, the administration's model, is being referred to repeatedly by pro-CVA sources.

Such an argument reminds us of the old truism that a benevolent dictatorship is a more efficient form of government than our democracy, with its waste, duplication of authority, and varying policies.

What the people of the Northwest fear is whether CVA will be a benevolent dictatorship.

The history of politics under both past Republican and Democratic administrations does not engender the hope that a CVA would be such.

Should events prove otherwise, it would then be too late for the people of the Northwest to protect themselves from the all-powerful CVA administration.

Davidson knows full well that the preponderance of public sentiment in the Northwest is against CVA. Otherwise, he would not be making an all-out effort personally to swing over that sentiment to his pet project.

If the people who are running this Government believe that this should be a Socialist Nation, they should campaign frankly on that basis, not by piecemeal introduction of social legislation while soft peddling its real import.

Public Housing

REMARKS
OF
HON. FREDERICK C. SMITH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. SMITH of Ohio. Mr. Speaker, President Truman's communication to the Speaker of the House, June 17, importuning passage of the housing bill is a masterpiece of rabble rousing and fabrication.

It is an affront to the intelligence of Members of Congress who oppose it and an insidious attempt to demean their integrity.

President Truman says he is extremely anxious that when the Members of the House vote on this important legislation they should be aware that "the real-estate lobby," which he says does not really represent the real-estate business and the home-building industry, but consists of "a little group of ruthless men," has put on an extraordinary propaganda campaign of deliberate misrepresentation, distortion, misstatements, and falsification.

By innuendo, Mr. Truman seeks to create the impression that those who vote against this bill are either so lacking in intelligence or so devoid of probity, or both, as to become willing tools of the "little group of ruthless men."

Having been continuously somewhere in the forefront of the opposition to this communistic housing scheme since 1938, and since 1941 a member of the House committee which has jurisdiction of this legislation, I think I know something of the score.

It is true that the real-estate and home-building industries and property owners have appeared before our committee in opposition to so-called low-rent housing and other provisions of the bill, but there is no warrant whatsoever for Mr. Truman to say that they do not speak for those groups in general. Nor have they been guilty of the things with which the President charges them. The fact is that every charge which the President makes against the representatives of the real-estate and home-building industries can perforce be made against the proponents of this housing scheme. Furthermore, the amount of lobbying those interests have carried on is insignificant indeed, compared with that promulgated in support of this communistic housing scheme by the great army of Federal, State, and municipal bureaucrats and politicians at taxpayer's expense.

President Truman himself, as his letter to the Speaker shows, unrestrainedly resorts to the deception and misrepresentation with which he charges "a little group of ruthless men." He says the total cost to the Government of the low-rent housing program is estimated at nine to ten billion dollars plus administrative expenses over a period of 29 to 33 years. But the bill provides for annual appropriations of $400,000,000 over a period of 40 years totaling $16,000,000,000. This amount was necessary in order to market the bonds to finance the program. It is against the $400,000,000 annual appropriations over the 40-year period that the bonds will be sold, and not against the nine or ten billion dollars which President Truman would have you believe. Just common honesty would demand that the cost of this housing would be the amount provided in the bill.

President Truman resorts to the same trickery as the men who originated this political housing scheme when he says, "The local public-housing authorities will sell their bonds on the private investment market." This statement is intended to convey the idea that the project is privately financed, the bonds being sold by the local housing authorities against assets of the local housing authorities and hence differing from bonds sold to the public by the Treasury. Now the fact is the local housing authorities have no assets of their own whatever. These local housing authorities are merely dummies of the Public Housing Authority, which is itself but an agency of the Treasury in the financing of this program.

It is to the Treasury that the purchasers of the bonds look for the interest and repayment of their capital—not to the local authorities. That is provided in the law under the annual $400,000,000 appropriation provision. The procedure ultimately resolves itself into a purely Treasury transaction. The Treasury would also sell its bonds on the private investment market. There is no other capital but that of private capital to finance the cost of any publicly owned structure.

But why continue further? The President's letter, in all likelihood, was written by one of the leading proponents of this communistic housing scheme, Mr. Leon Keyserling, vice chairman of the President's Council of Economic Advisers and one of the original authors of the 1937 low-rent housing act and the amendments contained in H. R. 4009.

Address by Hon. Herbert R. O'Conor, of Maryland, as Chairman of the United States Delegation to the ILO Conference at Geneva

EXTENSION OF REMARKS
OF
HON. ELBERT D. THOMAS
OF UTAH
IN THE SENATE OF THE UNITED STATES
Tuesday, June 21 (legislative day of Thursday, June 2), 1949

Mr. THOMAS of Utah. Mr. President, the distinguished Senator from Maryland [Mr. O'CONOR] delivered an address in the United Nations General Assembly Hall at Geneva yesterday, Monday, June 20, in his capacity as chairman of the United States delegation to the ILO conference. It was translated simultaneously in three languages—French, Spanish, and English. Fifty-two nations were represented, including three countries from behind the iron curtain—Poland, Czechoslovakia, and Bulgaria.

In his official response to the report of the Director General of the ILO, the Senator from Maryland stressed the benefits of point 4 of President Truman's Inaugural Day program as a bulwark to international peace, pointing out the great benefits to labor's welfare, employment, and standards of living.

He deplored the obstructionist efforts of the Communist countries in the field of labor and in practically every other endeavor and declared that the policy of the United States is to do all it can to aid the revival of production in trade, with the single restriction that we cannot allow any of our exports to impair national security.

I ask unanimous consent that the address delivered by the Senator from Maryland be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

INTRODUCTION

It is a gratifying experience for one who, like myself, sits as a member of his nation's legislature to have the honor of representing that nation for the first time in this great parliament of many peoples. To one who comes from a country where economic, industrial, and social problems are solved by the method of discussion, compromise, and democratic decision, it is impressive to see these methods applied on a world-wide basis by the International Labor Organization.

It is the essence of democracy to approach these problems not merely with an appreciation of the material and social advances which we have already made, but also with the vision of how much more we can do to lift man's standard of living, and to enable him to live in freedom and in peace. For, as a great American teacher has said, it is only by seeing the world as it might be, that we can truly see the world as it is.

DIRECTOR GENERAL'S REPORT

Toward that clearer view of the world as it is and as it might be, the report of the Director General makes a real contribution. We appreciate the range and breadth of his analysis of the world in which this conference meets and in which the office functions, and his specific proposals for the work program of the ILO.

In commenting on his report, may I, first of all, touch upon some specific questions, and then discuss a few of the urgent problems we face today.

RATIFICATION OF CONVENTIONS

Recommendations and conventions are among the major tools used by the ILO in the attainment of its ends. The Director General has raised questions relating to the number of conventions ratified since 1945. We in the United States are conscious of the need for ratification and are working on the matter. Our work has not yet come to the point where it can be shown in the record, but progress is being made.

I believe that the conference will have a sympathetic appreciation of the problems of Federal states in this connection. A large proportion of the ILO conventions deal with matters which in our country are in whole or in part subject to the jurisdiction of our 48 constituent States. The amendment of the ILO constitution has provided us with a procedure for dealing with such conventions, but even in cases where our law and practice fully meet an ILO convention, we still are without power to take formal action to ratify. We can simply report the fact to the Director General. The pattern of State

labor legislation is uneven; a large proportion of the States meet ILO standards, some of them are below in certain respects and many of them exceed the ILO standards, in one or more aspects of their labor legislation.

Each year, our Secretary of Labor calls a conference of officials responsible for enforcing labor legislation in the States and Territories. The last two sessions of this conference have given serious study to the obligations of the States and Territories under the revised ILO constitution. The matter was also discussed at a recent meeting of the Association of Government Labor Officials, which includes Federal, State, and Territorial officials not only from the United States and Puerto Rico, but also from Canada. The association recently requested the Federal governments to give assistance to the States and Territories in meeting the requirements of the ILO constitution.

REVISION OF CONVENTIONS

The governing body had decided that the Committee of Social Security Experts should meet early in 1950 to consider, among other things, the revision of the ILO Social Security Conventions and Recommendations. This committee will be able to analyze these standards in relation both to unsolved problems and to developments in the social-security legislation of member states since the conventions and recommendations were passed, and to advise the governing body as to desirable revisions.

The precedent set by this governing body action might well be followed in regard to other groups of conventions. It may be advisable for the governing body to appoint a staff committee to analyze conventions and recommendations already passed in other fields. This staff committee could then recommend which ones might profitably be referred to expert committees, for study and advice on bringing them up to date in the light of present-day law and practice, and present-day problems.

TECHNICAL CONSULTATION

There is a great need, as the Director General's report suggests, for technical consultation with states members on the practical aspects and implementation of conventions and recommendations. Obviously some of the most important problems still remain to be solved after an ILO convention has been ratified. This realization does not take anything away from the importance we attach to the conventions which the conference has adopted and those which it will adopt. You know from experience that the passing of a law, or even the signing of a collective agreement, is often not the end, but the beginning, of the job of putting agreed decisions into practice.

POINT 4

No more far-reaching proposal could be envisioned than that made by the President of the United States as point 4 of his inaugural address of last January. Under this proposal, the benefits of scientific advances in the United States and its exceptional industrial know-how would be made available in generous measure for the development and betterment of underdeveloped areas of the world. So vast are its implications that it may well become a major factor in United States foreign policy.

Laborers in industry and in the fields and the vineyards would be the principal beneficiaries of such an endeavor, inaugurated under Government auspices and fulfilled by private enterprise coordinating with governmental agencies. In this long-range program, immediate benefits would be afforded primarily to under-developed areas. Corollary benefits would be afforded to all countries on a global basis.

We commend this proposal enthusiastically, realizing that its cost will not be inconsiderable, but convinced that the allocations, large as they may be, will prove to be insignificant when compared with the results to be achieved.

Specifically we visualize the improvement of labor's standards of living through assistance to health, sanitation, and food production. We foresee addition to labor's welfare through improvement in social security and civil liberties standards. We perceive stimulus to greater employment of labor by creation of new enterprises, expansion, and increased productivity in agriculture, industry, and commerce. Under a world-wide program, the improvement of many areas offers the strongest bulwark to universal peace and stability. It will contribute to the solution of the challenging problem of displaced persons and refugees. It will vitalize democratic government.

On economic grounds alone, and regardless of the humanitarian aspects of such a vast undertaking, the relatively small investment required initially and the later participation of normal enterprise on a reasonable risk and profit-motive basis would seem to be well justified.

Such a program would lessen the danger of economic distress and the hardship to labor—and we must never forget that labor's welfare is essential to lasting progress.

The United States strives to further the interests of all people in this common endeavor. To the end that it may be a joint enterprise the United States invites all interested nations to pool their specialized knowledge for the success of this venture. The experience and enterprise of the various cooperating nations can insure the success of the undertaking outlined by the President of the United States. Through the combined efforts of labor, private capital, agriculture, industry, governments, and international agencies this program can effectively stimulate activity in all nations.

No international agency is better prepared than the ILO, in terms of experience and field of activity, to assist in developing the skills and techniques vital to increased productivity and general economic developments.

The ILO long has been in the forefront of international cooperative efforts to promote social justice and to raise living standards. Before World War II the emphasis was largely on agreement, in the form of international standards, as to what should be done to accomplish these aims. Now the ILO added a second major emphasis designed to implement this "what" by assisting countries to find out how to do it—and as requested to help them to do it. The importance of this step cannot be overemphasized. It is this kind of an approach, to provide practical know-how, geared to the varying needs of different countries, that constitutes the care of the President's point 4 suggestion.

The ILO, in other words, already is engaged in a program of technical assistance. Its competence in many fields essential to a growing economy (statistical and social-welfare programs, improved labor standards and conditions of work) is well recognized, and it is already carrying on effective work to assist in locating manpower where it will do the most good. The manpower programs will, no doubt, have to be expanded and intensified in response to many requests, both those of single states and of groups of nations working together for economic reconstruction and development. As the Conference studies and acts on the recommendations of the governing body in the broad fields of technical assistance we hope that the manpower program will be given the high priority it deserves.

COORDINATION WITH UN AGENCIES

We are gratified to note from the Director General's report that the ILO has made substantial progress in developing close cooperation with the United Nations and the various specialized agencies, thus avoiding overlapping and waste, and making for more effective work programs. The Government and the people of the United States attach great importance to this cooperation within the framework of the United Nations.

We are vitally interested in the ILO. We are also vitally interested in the United Nations system as a whole. And the more the ILO is willing to share with the United Nations and the other specialized agencies their problems and their opportunities, the more successful the ILO will be. The more we strive for joint or closely integrated action on the front of peace and social progress, and the less we think in terms of prestige or privileges of this or that organization, the better we shall discharge our responsibilities to the peoples of the world and to generations yet unborn.

I am not suggesting that the ILO or any other specialized agency should give up its autonomy. Nothing is further from my mind. But there is a world of difference between genuine autonomy, and the kind of organizational isolationism which at times creeps into the discussions of almost any established institution.

For many reasons, we welcome every opportunity to concert with other specialized agencies operating as parts of the stellar system of economic and social agencies revolving around the United Nations and its Economic and Social Council. My Government will continue to press for the closest possible coordination and integration of activities.

WORLD TRADE

Among the basic problems of the postwar world to which the United States is devoting earnest study, and which the Director General mentions in his report, is the level of world trade. It is low even as compared with prewar—when the volume of trade was far from satisfactory. We feel that an increased volume of world trade, serving peaceful purposes, is basic to the long-range advancement of the people's standards of living.

A few of the speakers before this Conference have injected a political note into the discussion by repeating allegations about the trade policies of the United States Government. We ourselves do not propose to turn the ILO from its important work by using it as a political sounding board. The same charges about alleged discrimination in United States trade policies have been made over and over again. They have been answered fully in other bodies where these issues are at least relevant—that is, before the General Assembly of the United Nations, the Economic and Social Council, the General Conference on Tariffs and Trade at Annecy, and the recent meeting of the Economic Commission for Europe. The record there is clear for all to read, and it shows the policy of the United States to do all it can to aid the revival of production and trade, with the single restrictions that we cannot allow any of our exports to impair our national security or impair the peace.

To promote increased trade and international stability of employment, the International Trade Organization, a specialized agency of the United Nations, is now in the process of creation.

The United States has played a positive role in the development of the ILO and also in the multilateral conferences which seek general agreement on tariffs and trade to promote an increase in the exchange of goods which will be of mutual advantage to all the countries which take part.

Beginning in Geneva in 1947, following a number of years of piecemeal bilateral trade barrier reductions, many specific barriers were reduced and tariffs affecting a very substantial proportion of world trade were lowered on a multilateral basis, for the first time in history. Now, just across the border, in Annecy, representatives of 34 nations are

meeting, under the terms of the 1947 Geneva General Agreement on Tariffs and Trade, to negotiate further tariff barrier reductions and to broaden the bases of trade among nations.

The workers of all countries have a special interest in the reduction of tariff barriers and in having the principles of the International Trade Organization put into practice. For as those principles are effectuated, they will expand markets and help to raise the standards of living of peoples everywhere. In the mandate to work for fuller and more productive employment, at fair labor standards, the International Trade Organization will, of course, cooperate closely with the International Labor Organization.

THE UNITED STATES AND HIGH LEVELS OF EMPLOYMENT

As the report says, while there are shortages of skilled workers around the world, there is also considerable unemployment and underemployment. We in the United States have taken active steps to maintain a high level of employment, under conditions of freedom and dignity for the individual worker.

We have set forth our policy on this subject in the Employment Act of 1946. Both our Congress and our President—with the aid of the Council of Economic Advisers—are closely watching general economic developments, at home and abroad, so that when storm signals appear, we can initiate the measures necessary to keep employment at high levels.

There has been some increase of unemployment in the United States during the past year, although its volume is not large for a country the size of ours, in which workers move freely from job to job and from place to place. Much of this unemployment is a natural consequence of the postwar readjustment of production, and the leveling of prices, as postwar shortages are gradually met in one commodity after another. It is far less than the amount of unemployment predicted by some students of the United States economy. Frankly, we are concerned about any unemployment beyond that which is normal as workers go from one job to another. But I am convinced that never again in the United States, whatever political party may be in power, will there be a repetition of the tragic unemployment of the early 1930's. To this end, we have developed our system of unemployment insurance which now has reserves of more than $7,000,000,000. We have also our program of support for farmers' incomes and our proposals for dealing with the international ramifications of economic instability. We are determined to act wherever necessary against unemployment and insecurity.

WORKER AND EMPLOYER PARTICIPATION IN RECOVERY PROGRAM

During the last 2 years, we have been particularly interested in the means which have been taken to associate both working men and women and employers with the efforts at economic reconstruction.

In formulating and carrying out the European recovery program, the trade-unions and employers of our country have contributed a large share from the very start. Men from both groups are now active in the ECA, the Economic Cooperation Administration.

A man who has several times acted as United States Employers' Delegate to this conference is now head of the ECA mission in one of the major capitals of Europe. Two of the men from the labor movement of our country who went to Europe last year as labor advisers to ECA missions have since been appointed heads of missions themselves.

Employers and unions in our country are cooperating with those of many European countries in joint programs—under the auspices of ECA—to increase the productivity of European industry and make possible higher standards of living.

Consultation of this sort had its beginnings when the ILO was founded 50 years ago. Unquestionably, the experience of these 50 years has contributed to the significant cooperative efforts in which employers and trade-union organizations have worked with the recovery program.

CONCLUSION

In the calm and beauty of this pleasant city of Geneva, no one should forget the magnitude of our tasks. No one should forget, as we strive to raise labor standards and productivity, that the world is passing through one of the most crucial periods in history. We must never lose sight of the ultimate objective—the achievement of a durable peace based on mutual confidence among peoples who are devoted to social justice and the freedom of the individual. There cannot be any dispute as to this objective—though there may be some honest difference as to the means of achieving it.

In the kind of cooperation among workers, employers, and governments that is the genius of the ILO, and in the common devotion to social justice, we take strength and courage for the future.

Farm-Labor Coalition

EXTENSION OF REMARKS
OF
HON. EDWARD J. THYE
OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 21 (legislative day of Thursday, June 2), 1949

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial from the Minneapolis Sunday Tribune of June 19, 1949, entitled "Farm-Labor Coalition?"

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FARM-LABOR COALITION?

Democrats at their Des Moines conference last week made a spectacular bid to achieve what long has been considered politically impossible—a working coalition of farmers and city workers.

In the past politicians have been discouraged by what appeared to be hopelessly antagonistic self-interests. The city worker's concern for high wages and low food prices always seemed to be at odds with the farmer's desire for high commodity prices and low prices for manufactured goods.

Attempts at political union of farmers and laborers failed because sooner or later one group tended to overshadow the other. That is why Minnesota's Farmer-Labor Party began to disintegrate long before taking root as a national organization.

Yet enlightened farm leaders and enlightened union leaders know that their two groups are interdependent. The prosperity of one cannot long endure at the expense of the other. Whether they can find common ground for political action under the banner of the Brannan farm income support plan, however, remains to be seen.

Secretary Brannan's proposal, which President Truman now thinks ought to be adopted by the Eighty-first Congress, promises to stabilize farm income at near wartime peaks. At the same time it promises city workers lower food prices by paying farmers the difference between free market prices and the new support prices. Federal income taxpayers would have to provide the additional billions necessary to cover the subsidy payments.

At first glance this gift horse looks like the answer to a politician's prayer. Yet both farmers and city consumers would do well to look in its mouth before accepting it in return for allegiance to the Democratic Party.

The farmer, who must plan his work a year or two before his produce goes to market, needs protection against unexpected price drops. But he surely should be suspicious of a Government-guaranteed income.

Guarantees mean controls and surrender of freedom to take risks in the hope of extra rewards. The guarantees Brannan has in mind would be expensive. Just how many billions even Brannan declines to estimate. And if farmers' incomes are to be underwritten by the Government, why not those of labor, professional people, and business?

Consumers, who would indirectly pay the subsidy through higher taxes, also need to take a second look. Average prices paid to farmers for their crops are 15 percent below a year ago (prices of some specific commodities are down even more) while retail food prices have declined only slightly. Why? Because marketing and processing costs take 47 cents of every dollar consumers spend for food. The Department of Agriculture estimates that only one-fifth of the drop in the price of the consumer's market basket since last summer represents lower marketing and processing costs. Are these charges also to be shifted to taxpayers in order to keep retail prices down?

If that is what sponsors of the Brannan plan have in mind, we can expect a drive for price and wage controls throughout the food and transportation industries. After that it is but a short step to a completely regimented economy.

Surely neither farmers nor working people want this for America.

Endorsement of Housing Bill by Scranton Times

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 21 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, I ask unanimous consent to have inserted in the Appendix of the CONGRESSIONAL RECORD an editorial from one of Pennsylvania's most influential and important newspapers, the Scranton Times, of June 18, 1949, entitled "Backs Housing Bill," which declares that the President has the backing of the public in calling for prompt passage by Congress of the long-range housing bill which recently was passed by the Senate.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BACKS HOUSING BILL

President Truman went to bat for Federal housing again yesterday and in doing so registered telling blows against what was described by the Chief Executive in a letter to Speaker SAM RAYBURN as the real-estate

lobby, rated by many congressional observers as one of the most powerful lobbying groups in Washington. The President's remarks opened an intensive campaign to insure passage of the proposed multibillion dollar national housing bill slated for consideration in the lower branch next week.

This program of the administration is designed to help people in the lower-income brackets. It calls for an outlay of $10,000,000,000 spread over 30 years. It also deals with slum clearance. Realty interests have been trying to sprag the program on the ground it is not needed and because they say it would be too expensive. These arguments are labeled 100 percent misleading by Mr. Truman who points out the real-estate lobby pictures the total expense as being double the estimated outlay of $10,000,000,000.

The public, we believe, is behind Mr. Truman in this drive to provide many thousands of families with decent living quarters at rentals they can afford to pay. In some cities the housing shortage may not be as critical as it was a few years ago but on the whole reports indicate the home scarcity for these groups continues. The condition is specially true in the larger centers of population and in smaller cities where there has been a definite lag in building construction.

There are two housing proposals before Congress. The Senate bill would provide 810,000 public housing units in the next 6 years. The House plan calls for the erection of 1,050,000 low rent units in 7 years. Strong sentiment is growing in the House in favor of the Senate measure. This probably means whatever conclusions are reached by the lawmakers will be in the form of a compromise. It is timely to note that Mr. Truman told Speaker RAYBURN more than 470 town, city, and State boards have applied for public-housing projects since the war ended. This would seem to uphold the contention that the home shortage is still acute.

One clause in the housing bill provides for a $1,500,000,000 revolving fund for loans to local housing agencies for temporary support of projects and to be repaid with interest. There is another provision for annual contributions to local authorities in amounts required to make up differences between rents which low-income tenants can afford to pay and the costs of operating and maintaining the buildings and retiring interest debts. These features, coupled with the $15,000,000 fund Pennsylvania has authorized for housing should insure real headway in the fight for greater and better housing in this State. It might even lead to the completion of the housing development launched in the south Scranton section several years ago.

Gratitude of a Veteran for Opportunity To Complete College Education

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Tuesday, June 21 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, among the thousands of letters and postcards and telegrams and even cables flowing into our offices in the Senate every day, there occasionally comes a letter so heartwarming and so sincere and genuine that it instantly catches our eye and impresses us greatly. I have here such a letter.

It comes from Joseph A. Meyers of 825 South Manor Street, York, Pa. Mr. Meyers served in the Navy for 3½ years. After the war he matriculated at Syracuse University under the GI bill and on June 6 of this year he received his diploma.

Millions of our veterans have benefited from the educational provisions of the GI bill. I know many of them feel the same way that Mr. Meyers has written me he feels. He has asked me to express his gratitude and extend his thanks to all the Members of Congress who joined in making possible the college education which he has just completed. So that every Member of Congress will have the opportunity to read this delightful letter which expresses dramatically the gratitude of one veteran for a higher education, which further expresses his complete confidence in the flexibility and the strength of our system of government based on the freedom of the individual, I ask unanimous consent that this letter be printed in the Appendix of the CONGRESSIONAL RECORD where I hope all Members of Congress will read it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

YORK, PA., *June 20, 1949.*

Senator FRANCIS J. MYERS,
Washington, D. C.

DEAR SIR: On June 6, 1949, I fulfilled an ambition I had held since my early high school days—to graduate from college. Like the many thousands of men who entered the service earlier in the war, I had no idea that I would realize the ambition to enter college. Through the generous aid of the United States Government I was given the opportunity to learn more of the American ideals and democratic ways of life which I had so wholeheartedly fought for in the Navy for 3½ years.

When I had finished high school my funds were not nearly enough to continue on in higher education. But you and others in your capacity, as representatives of the people, enabled me to receive my diploma at Syracuse University on June 6, 1949.

I cannot adequately express my appreciation and gratitude by a few written words but I know you will understand when I say I sincerely thank you and the American Congress most humbly.

I know that the GI bill of rights has promoted greater unity and understanding among our diverse peoples and that the money invested by the Government will be repaid tenfold through a more educated and a better-adjusted veteran.

I believe I speak for most of the veterans when I say that we will not be daunted by talk of hard times in the future; nor discouraged over the slowness of peace movements. The tradition of the freedom of the individual has carried us through many hard times in our history and each time has made our Government stronger and more united than ever before. I am not afraid of Russia because I know it can never destroy this faith in the freedom of the individual. It is as strong as the Pyramids.

I hope you will express my gratitude and extend my thanks to your fellow Senators and Congressmen for the aid you have given me toward improving my education.

Very truly yours,

JOSEPH A. MEYERS.

Farmer-Labor Unity

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Tuesday, June 21 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD an address entitled "Farmer-Labor Unity," delivered by Joseph D. Keenan, director of Labor's League for Political Education, at Des Moines, Iowa, on June 13, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FARMER-LABOR UNITY

It may seem strange for me as a representative of organized labor to be present at a farm meeting.

To get this straight let me say that I am not a farmer and do not know anything whatever about the details of agriculture. I am not a candidate for office and so I cannot provide you with a picture of myself leaning on a cow.

However, organized labor is very much interested in one of the greatest problems that face the Eighty-first Congress—the proposed reduction of the farmers' income and the proposed reduction of the farmers' standard of living.

Now, who has proposed that the farmers' income be reduced?

1. Senator TAFT, of Ohio, in his speech in the Nebraska presidential primary in the summer of 1948 was the first publicly to advocate that the Government price supports for agriculture should be reduced, thus lowering the farmers' income.

2. Former Governor Stassen, of Minnesota, was the second to propose that the farmers' income be reduced by lowering the Government price supports for agriculture.

3. The Eightieth Congress at 4 o'clock in the morning on the last day of its session enacted a law which provides that the farmers' Government price support should be reduced and that the farmers' over-all income should be reduced—but the Eightieth Congress put on an amendment to avoid embarrassment in the 1948 presidential campaign which provided that the reduced income for farmers should commence January 1, 1950. This act of the Eightieth Congress puts the Eighty-first Congress directly on the spot. If the present Congress does not act, then, automatically, beginning January 1 next, the Government price supports for farmers will be lowered.

4. President Allen Kline, of the Farm Bureau Federation, has publicly endorsed the program laid down by TAFT; then by Stassen; and then by the Eightieth Congress.

Consequently, a fundamental issue has been raised which affects everyone in the United States—shall the farmers' income be reduced by Government action and shall the farmers' standard of living be lowered?

To this question, of course, labor says—no. It is opposed to any and all proposals to reduce the over-all farm income and it is opposed to any and all proposals to lower the standard of living on the farm.

Organized workers look upon the Government price supports for farmers as Government action to maintain the farmers' "wage scale." Many times it has been pointed out that Government farm supports give the farmers a "minimum wage."

Organized workers as taxpayers know that the farmer has been given Government funds for price supports of various kinds and for soil-conservation payments out of the Federal Treasury since 1933. Organized workers have never complained about paying their share of the taxes necessary to provide these farm aids which have increased the standard of living in rural areas. In addition, organized workers as consumers have paid the higher prices maintained by the working out of the Government farm program during the past 16 years.

Organized workers know that the Government farm program has been a success and that the farmer has improved his position greatly in the 16 years that the farm program has been carried on. Nineteen hundred and twenty-nine was the most prosperous year before Roosevelt. In 1929, there were 827,000 tractors on the American farms. At the beginning of 1948 there were 3,250,000 tractors in use. In 1929, there were 37,000 combines in use. At the beginning of 1948 there were 540,000 combines. In the same period corn pickers have increased from 9,000 to 300,000. In short, with Government aid the farmer is unbelievably better off than he was under the so-called "free economy" that prevailed before 1933—he is better off in machinery, in soil, in cash, and in net worth.

Organized labor is opposed to the Taft-Stassen-Kline proposal to reduce the farmers' standard of living because this proposal is part of a general drive for a smaller and shrinking American economy. The great financial interests behind the proposals made by these three persons are working in Congress for smaller social-security payments—for a smaller health program—for a smaller housing program—and to shrink down or kill all of the programs that provide for the development of the West—such as reclamation, irrigation, public power, etc. And, of course, these same forces are working to destroy free trade unions so that wages can be lowered and the standard of living in the cities reduced.

Organized labor does not believe that there is any advantage in a lower standard of living for our country, in a shrinking economy, or in a lower national income. Organized labor believes in an expanding economy. Organized labor believes that we should aim at increasing the national income from its present $214,000,000,000 a year to $300,000,000,000 a year. Incidentally, more businessmen than you think, agree with labor's desire for an expending economy. We hope that the farmers will take the same position. We hope that the farmers will help organized labor and the forward-looking sections of business in defeating all those who advocate a smaller or shrinking economy with the lower standard of living that goes with it.

We know that many sections of business will be hurt if the advocates of a little economy or a shrinking economy continue in office or are returned to office with power to carry out their reducing program for the United States. For example, when the bipartisan reactionaries in the Senate and the House strike hard at the farm program and try to reduce the farmers' standard of living they are striking at the farm machinery manufacturers. They are striking at the automobile manufacturers and the truck manufacturers and the businessmen who make home furnishings and at those who manufacture the so-called soft goods.. They are striking especially at the manufacturers of durable goods so important to the farmer. In fact, these reactionaries are striking at the whole Sears, Roebuck catalog.

Organized workers know that at the present time the farmer is a thirty-billion-dollar customer of American business and organized workers know that the farmer can be even a bigger and better customer in the future if the Eighty-first Congress does its duty. Organized workers are against Congress injuring all of these businesses by reducing the farmers' income. Organized labor has a right to be disturbed at such reactionary proposals because all of these businesses provide millions of jobs in the cities.

If these advocates of a smaller economy and a shrinking economy have their way a lower farm income will be followed by a smaller demand for the products of business and labor. This, in turn, will be followed by a smaller demand by the workers in the cities for farm commodities and so on down until we are back in the days of Harding, Coolidge, and Hoover when agriculture was flat on its back. The proposal before the Eighty-first Congress to reduce the farmers' income is simply the road back to 1920 and 1921. Labor remembers those years and we are sure that farmers, too, remember those years.

In the years of the farm depression, 1921 forward, the farmers had no Government price supports. There was no soil conservation program. There was no rural electrification program—(let us remember that the rural electrification program established in 1935 has increased the number of electrified farms from 700,000 to 4,500,000—an increase from 10 percent to almost 75 percent of the total farms). And, of course, in those years, the farmers were absolutely free from Government regulations and Government red tape and Government controls. In those same years, organized labor had no old-age pensions. It did not have any other form of social security. It did not have a 40-hour week. There was no minimum wage (either for labor or agriculture) labor had no right to organize or to bargain collectively.

So let us not follow the advice of the Eightieth Congress and march to the rear under the slogan, "Back to 1920."

Now, what is the alternative to the proposal to reduce the farmers' income? It is the Brannan plan. As I said, I am not a farmer. I do not know how to milk a cow or to cultivate corn and I am no judge of the detailed methods of operation proposed in the Brannan plan. However, the over-all purpose of the Brannan plan to maintain the present standard of living on the farm is just as important for labor as labor's program to maintain the workers' standard of living in the cities. And, of course, the Brannan plan has one advantage not present in the farm programs of the past 16 years. It provides that the consumer shall have the benefit of lower prices for meat, milk, fresh vegetables, eggs, butter, and other perishable farm products that represent 75 percent of the farmers' income and which also represent by far a major part of the consumers' cost of living items. Certainly, in every respect, this plan is much to be preferred to the program of the Eightieth Congress which aimed at reducing the farmers' income and which inevitably would guarantee all the undesirable results that occurred in 1921 and the following years.

Organized labor would like to know if there is any other plan available to preserve and expand the American standard of living. Much of the talk favoring the Brannan plan comes about because reactionaries have offered no constructive plan to take its place. They merely continue to plug for a shrinking American economy. They say, "cut and cut." "Lay off workers and lay off more workers." "Cancel this project and cancel that project." I am sure that the American people will reject at the polls all candidates who advocate this "little economy" of cut and slash, reduce and postpone—delay and reduce.

When the farm program was first set up 16 years ago it had the support of forward-looking and progressive Congressmen and Senators, both from the city and from the farm. Many a Congressman who has had a perfect record of voting in the interest of the farmers did not have even a blade of grass in his city district. Many a forward-looking Congressman who had a 100 percent labor voting record came from a district without a single factory and only a few scattered organized building trades workers who voted in the district.

This combination of farmer and worker representatives is the combination that put on the books the Government support program for farmers and the labor laws that have made possible a higher standard of living in the cities, which, in turn, has maintained and supported the better standard of living in the rural areas.

It seems to me that it is our job to reconstruct this all-American coalition that did so much for us in the past. It should be easy for us to create worker and farmer unity in the halls of Congress and on the floor of the United States Senate because we have both been attacked.

In 1947, a bi-partisan reactionary coalition in the House and Senate led off with the Taft-Hartley Act to lay the groundwork for reducing the standard of living in the city. In the summer of 1948, Senator TAFT laid the groundwork for the Eightieth Congress attack on the farmers' standard of living. We have both been attacked by the same great financial interests—we have been attacked by the very same individuals who speak for these big interests and who disregard the welfare of the people they represent. In the unity of the attack against us we should find the unity which will make us strong enough to defeat this attack—to prevent a little economy for our country—and all the evils that go with it.

While our opponents have a first mortgage on the slogan, back to 1920, we might well consider the advantages of going back to 1922. It was in 1922 that a farm revolt occurred which sent to Congress many United States Senators and many Congressmen who voted for labor and who tried to pass a farm-aid program. Whenever they did pass a measure that helped the condition of agriculture it was vetoed. In the 1922 election labor was not able to do its full part. The same forces that crushed agriculture also crushed organized labor. Our membership was smashed down from 8,000,000 to 2,500,000 by the use of injunctions and other anti-labor measures employed by the antilabor and antifarmer administration of that era. So while the slogan of back to 1922 refers to a progressive and liberal revolt at the polls against reaction, it was a revolt that was handicapped by the lack of realistic and energetic political activity on the part of labor. In 1950, however, the situation will be different. After the Second World War labor was attacked first and was the first to react politically. Labor is now in a position to hold its own in urban areas. Those of you who are engaged in agriculture were not attacked first after this war. You were attacked second so that now all that is necessary is for you to do what you did in 1922. And this time you may be sure that labor will be an equal partner in the enterprise. It will not lag behind in 1950 as it did in 1922.

As a matter of fact, the political league of the AFL in its campaign of last year tried everywhere to work with farm organizations, rural electrification organizations, and farm cooperatives. We did not have sufficient time to accomplish the best results because we did not start out until almost June 1, 1948, and the election took place November 2. However, we learned that the best results in the public interest were obtained in those States where we had a working arrangement with the farmer interests. So, in 1950, you may be sure that we will go further and expand

our 1948 beginnings of cooperation between the farmer and the worker in the political field.

It is only this combination that can guarantee continued and growing prosperity in the United States—and check the reactionary campaign for a little economy.

Jack Bell

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 21 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article from the Miami Herald of June 3, by Luther Voltz, paying tribute to a distinguished newspaper columnist, Jack Bell.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEN BEHIND THE COLUMNS—JACK BELL

(By Luther Voltz)

Jack Bell believes in pixies.

He has ever since he sat in childhood wonderment as his grandfather, with Gaelic sincerity, spun tales of good fairies and leprechauns of Irish folklore.

Perhaps that explains best why Jack loves little people. Maybe that's why he'd rather fight their battles and write of their tribulations and triumphs than interview the world's giants.

He can discuss world affairs with leaders of nations. But he'd prefer chewing the fat with some backwoods judge or constable with tobacco juice in his whiskers.

Jack Bell likes people—especially the little people he usually pictures in his own folksy style as the Herald's Town Crier and for the Chicago Daily News Foreign Service.

This man Bell is something of a study in contrasts.

He was born on a farm outside St. Joe, Ill., down near Urbana. He picked corn, watered the stock, did all the chores a farm boy must and learned to love the good earth.

But though he now owns a farm of his own, he hasn't lived on one since he was 21.

He's essentially a family man. His proudest and happiest hours are with Nora (familiar to all his readers for her daily trials with maids) and their daughters, precocious Sharon and tiny Rita.

But let the opportunity for travel or an overseas assignment come along and he's off without even the drop of a hat. He'll talk about how tough it is to have to go, but a tractor couldn't keep him from flying to far places.

HIS SHIRTS ARE LOUD

His tastes in books and wine are those of a man who loves the finer things in life. But he picks out—and actually wears—shirts that a respectable person wouldn't be found dead in.

He has that happy faculty of being able to laugh at his own misfortunes, but not at those of others. He's a sucker for a hard-luck story.

He'll listen to some character's tale of woe and write a note to Louie's across the street to give the down-and-outer a meal.

When he goes to pick up the tab, Bell usually finds the character has ordered the best steak in the place, topped it off with two orders of strawberry shortcake and a handful of cigars.

But he doesn't sour and he never loses his patience with little people.

That's why he gets a daily stream of characters to the desk that is always piled high with wooden legs, toys, clothing, a trombone for some aspiring musician, crutches, old books—well, name it. It's usually on Jack's desk.

His callers are just as varied. There's the moon woman, who waited for hours to tell him about the world's end that day at noon. Legless men on skate platforms zip through a startled city room to see Bell. The chances are they'll have to wait while some tearful mother with a baby in arms and dirt-streaked children hanging onto her skirts tells her story.

He gives them all a sympathetic hearing.

But let some real-estate man call up and kick about something Jack has said about inflated property values and watch the mood change. Then the Irish temper really shows.

His is the soul of understanding with the "have-nots."

But the "haves" who complain of their State get nothing but the back of his hand.

HATES WAR; SEEKS FRONT LINE

His hatred for war and those who make wars is undying. But let shooting start anywhere on the globe and he'll pull every string until he gets into the front lines.

Perhaps he knows that's where he's at his best, retelling the frustrations, the heroism, and the suffering of little people who must kill and be killed when big people make war.

As a sports editor Jack often as not would devote his column to national politics, the gambling situation in Miami, the literature of James Stevens, or a night-club act. Now he's just as likely to do his daily stint in sports.

There's no predicting what the man may write. That's because he's a natural left-hander. Or, he was.

Jack was a pretty fair baseball pitcher when he got out of high school. He was good enough to play in a fast winter league out on the Pacific coast.

That was before World War I. He got into that show as a machine gunner. The left arm what whipped 'em past batters on American baseball diamonds was shattered by a German shell on a Belgian battlefield.

Back home he didn't create much of a stir at first on the campus at the University of Illinois. He was just a farmer's son. He didn't dance. He was shy. He didn't talk about his war experiences.

And then there was the day Gen. John J. Pershing came to town.

"Black Jack" himself, commander in chief of the AEF, pinned a Distinguished Service Cross on the young veteran with the empty left sleeve.

The accompanying citation which Pershing read, told how Sgt. John Arthur Bell, with "extraordinary heroism" and in defiance of orders, had saved an entire company of men from destruction.

COMES TO MIAMI

Jack came to the Herald and Miami in the boom days of 1925.

There was a kid hanging around the sports desk back then, pecking out accounts of junior high school sports. Jack took a liking to him, gave constructive criticism on stories and advice on being a newspaperman and a man.

One night Jack was hammering out a yarn as only he can. The kid hung over his shoulder watching every word take form under the tapping keys.

Jack came to the end of a page, whipped it out of his typewriter. Eager to help, the kid picked up two clean sheets of copy paper, rustled them together as newspapermen do, rolled them into the typewriter and stepped back for a smiling "Thank you."

What he got was something vastly different.

Jack deliberately unrolled the paper from the typewriter. He put the sheets back down neatly on the pile on his desk. He picked them up again, balanced them against the typewriter platen and with a quick movement of his right hand spun them into writing position before they could fall.

He didn't look up, didn't speak until the story was finished. Then he said quietly:

"Son, don't ever do anything for a one-arm man unless he asks you. You see, he might not want help."

It was a perfect insight on this man Bell, I know. I was the kid.

What's Jack Bell like? Well, he loves little people.

Stand him still or spin him like a whirling dervish, you can see only one side. That's the human side.

Possible Economic Slump

EXTENSION OF REMARKS
OF
HON. EDWARD J. THYE
OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 21 (legislative day of Thursday, June 2), 1949

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article which appeared in the Washington Evening Star last night, June 20, written by David Lawrence. It is entitled "President Seen Faced With Economic Slump He Pledged To Avoid." It is an excellent article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESIDENT SEEN FACED WITH ECONOMIC SLUMP HE PLEDGED TO AVOID—WRITER HOLDS RECESSION WAS INEVITABLE, TRUMAN SHOULD HAVE ADMITTED IT

(By David Lawrence)

Just a few short months ago President Truman was going up and down the country telling the American people that unless he were elected the Nation would experience a depression.

Many persons took seriously his warning and voted for him—comprising enough votes perhaps to swing a close election. Mr. Truman's campaign was based on an assurance of continued prosperity—high-level employment, high wages, and high rewards to every group. His whole strategy was based on a materialistic, selfish appeal—to farmers and to workers.

Today the Nation is in the midst of a slump that could become a serious depression if leadership fails and confidence in the President himself continues to diminish.

For the trouble with Mr. Truman is that he has not yet learned that the best politician is a man who forsakes the evil ways of politics.

A recession was inevitable no matter who was elected last November. Mr. Truman would have been a bigger man today had he stated that simple truth to the people and outlined instead an economic program that was balanced and fair. The words "Fair Deal" are remarkably descriptive of what the Nation ought to have. But until Mr. Truman emancipates himself from the hold which pressure groups and meretricious advisers have upon him, he cannot make the words "Fair Deal" mean anything.

MUST TELL PEOPLE TRUTH

At heart Mr. Truman is a good man. Again and again it is said about him that he means

well. There is no dislike for him personally. He could be a popular President with all classes. But he has not yet started to do those things which could make him a great President.

To be a great President does not mean to give away the people's money. The first requirement is to tell the people the truth—all of it, no matter how painful it is. Nothing is to be gained by being a partisan—by denouncing groups or individuals who did not agree with him last summer and do not agree with him now. Everything is to be gained by summoning the most disinterested men of all parties and developing a national policy that is right for the United States today—and which may indeed seem to be contrary to what the politicians or pressure groups want.

The kind of advice Mr. Truman needs was given publicly over the week end by James F. Byrnes in a speech at Washington and Lee University's 200th anniversary celebration.

Here is a Democrat who served in the House and the Senate for many years and won the respect of both parties. Here is a man who served as Associate Justice of the Supreme Court by appointment of President Roosevelt. And here is a man who left that high post to take a difficult and nerve-racking job as director of economic mobilization during the war. President Truman later appointed him Secretary of State. Certainly here is a disinterested man who does not aspire further to political honors.

And what did Mr. Byrnes say. He declared a national policy in a few words:

WARNED OF WELFARE STATE

Our first line of defense is a sound, solvent American economy. But to achieve such strength, he suggested that the only wise course is to reduce expenditures and live within our income.

Mr. Byrnes warned that certain Federal programs before Congress today would create a welfare state in which the American people would be economic slaves. Unless there was economy, he expresed fear that the United States may be going down the road to statism.

The former Secretary of State, therefore, made a concrete proposal, namely, that Congress authorize the President to make the reduction necessary to bring the expenditures within our income. He pointed out that because several appropriation bills have passed both Houses, a blanket reduction by Presidential authority was logical and the only way out.

He is right about it. But Mr. Truman will have to become a new kind of President to accomplish it if Congress should give him the power. Many men can win elections, but can they win the respect of all the people—the confidence that means a real place in American history? The next 60 days will bring the test and perhaps fix the level of prestige or ignominy that historians will record for Harry S. Truman.

Agricultural and Industrial Progress in the South

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. EVINS. Mr. Speaker, under leave to extend my remarks, I wish to have included in the RECORD an article which appeared in the July issue of Reader's Digest entitled "The Rebirth of the South," by Louis Bromfield, which was a reprint of the article originally published in the Country Gentleman.

I should like to say that this is a splendid article which Mr. Bromfield has written. It is authentic and reflects careful research and a scientific knowledge of agriculture. What Mr. Bromfield has to say regarding the progress which is being made in the South in an agricultural way is true and appreciated, and I have nothing but praise for his article. However, I do wish to say that in writing so authoritatively of the progress of the South, Mr. Bromfield has made several omissions in his explanation of that progress. I should like to take note of these omissions. First of all, he has neglected to mention that the key to the progress in the South is the character of the southern people, the willingness to work to overcome handicaps; he has omitted the mention of the industrial growth of the South and of the industries which, through faith of southern people in their native land, has made possible and by which the determination of southern people to overcome economic handicaps has been most evident. He has neglected to mention the great boon to agriculture and industry alike of the Tennessee Valley Authority and the countless benefits which have been derived therefrom, and which were made possible through the belief of the southern people that harnessed resources of nature are the surest path to universal progress and prosperity. Yes; the South continues to make progress industrially and agriculturally and I should like to suggest that Mr. Bromfield and others write more fully and expansively on this subject for the information of all the Nation.

The article is as follows:

THE REBIRTH OF THE SOUTH

(By Louis Bromfield)

Only 10 years ago President Roosevelt spoke of the South as the Nation's No. 1 economic problem. Today no other part of the Nation is growing and developing so rapidly. Hard-working, intelligent new pioneers have taken wornout land from the tyranny of King Cotton and turned it into rich, diversified production. Meanwhile, as farm mechanization has progressed, hundreds of thousands of low-wage seasonal farm workers have found year-round employment in rapidly expanding southern industries.

I have a deep affection for the South and periodically make tours along its back roads. Each time I revisit the same territory I am astonished by the progress in prosperity, living conditions and happiness. The Old South of the rotting, pillared plantation house, a wretched, single-crop cotton agriculture, the share cropper living in a mud-plastered cabin, is rapidly becoming obsolete. Within only 7 years, for example, I have seen agricultural slums virtually disappear from North Carolina, where agricultural income has increased from two hundred million to nearly eight hundred million dollars per year.

Almost every year I visit my friends, the Simpson brothers, in Alabama. About 15 years ago they inherited 600 acres of cotton land with a $40,000 mortgage. Today these brothers raise more cotton on 50 acres than the whole farm produced when they took it over. The rest of the land is given over to sweetpotatoes, pecans, grass and legumes, beef cattle and hogs, with occasional seed crops. The 600 acres have grown to 3,000 acres, and the brothers have built themselves two handsome brick houses.

Then there's Tom Necker over in east Texas. He hasn't a lot of land, and until 10 years ago he had it all in cotton. On a Government loan he bought cows and planted grass and legumes. The gross return on his land the last year he raised cotton was less than a thousand dollars. Last year his gross on the same acreage was more than $10,000.

The rebirth of the Old South has come about through the brains and energy of hundreds of individuals like the Simpsons and Tom Necker. It has come about through Government financing and the devoted work of county agents and soil-conservation engineers, through the contributions of experiment-station and agricultural-college researchers in finding new crops.

Most of the soils in the South, however depleted or eroded, are fundamentally good soils which react richly to knowledge and good treatment. The potentially rich red soils are deep and easy to work and the marl or limestone base of the black soils makes possible the growth of miracle-working legumes. The legumes feed the whole range of succulent grasses, which in turn make for profitable beef- and dairy-cattle production. In some areas where even lime failed to make alfalfa grow, science discovered what was missing—the trace element boron. When as little as 10 pounds of borax per acre was applied to the soil, alfalfa and other legumes flourished.

The chain of limestone, legumes, grasses, and livestock has increased immensely the organic content of soils which in the past under single-crop cotton had been reduced to nearly zero. Rotation of crops, with emphasis on legumes, has brought back to so-called worn-out soils bacteria, fungi, molds, earthworms and other living factors which make dormant fertility quickly available.

Of the crops that have played a part in the southern renaissance some had been growing under the very noses of farmers and experiment stations. Only a few years ago, for example, a county agent noticed that a long-familiar grass on a steep Kentucky hillside was deep green in midwinter. Now widely propagated as Kentucky fescue 31, it provides succulent pasture for livestock through the winter months on thousands of acres.

The Cayley or Singletary pea grows wild along roadsides in the Deep South. It took a farmer named Cayley—who had come down from Ohio to Alabama—to observe that this plant continued growing throughout the winter, an observation made also by Professor Singletary of Louisiana State Agricultural College at about the same time. It is now worth millions to the South, for after the crop has been used as pasture during the winter it is plowed in as organic material, along with quantities of nitrogen it has fixed out of the air.

Other valuable plants have come from remote parts of the world and found southern soils and climate singularly adapted to their growth. Alfalfa, credited with an Asiatic origin, has become one of the great wealth-producing crops of the South not only because of its high protein and feeding values but because it checks erosion and produces nitrogen deep in the soil.

Kudzu, from Japan, a deep-rooted leguminous vine, has a prodigious summer growth, sometimes as much as 40 to 50 feet. It was first brought to this country by clipper ship and was long used as an ornamental plant called "porch vine." Someone discovered that it is a fabulous erosion-checking cover for gullies too deep to be bulldozed over. Not only that—it furnishes high-protein pasture and forage. Throughout the South it has reclaimed land once regarded as hopelessly lost.

Crimson clover, one of the best of winter clover crops and nitrogen-producing legumes, comes from Europe and Asia. A sport, or variation, of this plant occurred a few years

ago in Alabama. In a pecan orchard seeded to crimson clover, a patch about 10 feet square reseeded itself—not immediately as was its habit but a year later, the seed remaining dormant in the ground during the intervening time. Gradually it took over the whole orchard. This seeding habit makes it possible to grow a crop of corn or cotton during the period the seed is dormant and, when that crop is harvested, to find the field covered with a thick carpet of young crimson-clover plants to keep the earth protected during the winter.

Ladino clover, a rival of alfalfa as "the green gold of agriculture," was brought to this country about 25 years ago from northern Italy. Under proper rainfall conditions it is the greatest known producer of high-protein pasture for cattle, hogs, turkeys, and chickens. It, too, covers the ground and builds rather than destroys soils. It has helped produce the enormous recent growths of the poultry industry in the South.

Another cover crop of Asiatic origin is the blue lupin, a legume which can be sown after the corn or cotton harvest to protect the earth against winter rains. It blossoms in February and is ready to plow under with all the nitrogen and organic material it produces in time to seed another crop of corn or cotton the following season. Sometimes it is used for grazing before being turned into the soil.

Strawberries, asparagus, truck crops, peanuts, and other products are adding millions to the agricultural income of a vast area where once only cotton grew. The growth and sale of tomato plants, seeded early in the South and shipped to northern growers for replanting, has become an industry. Tung oil, our entire supply of which formerly came from China, is being produced for use in paints and varnishes by an increasing number of southern orchards.

It has at last been realized that the southern livestock grower and dairyman has great advantages over farmers in the North and Middle West. Through most of the South investment in barns and equipment to house livestock and store forage during the long winter is unnecessary since it is usually possible to keep cattle on pasture the year round.

Until recently most of the milk consumed in the South came from the North and Middle West. It was too expensive for many families. But today one sees everywhere, in fields which only a little while ago were bare and gullied, fine herds of beef and dairy cattle up to their knees in grass and legumes.

One of the soundest developments is the gradual disappearance of the absentee landlord. Land has been passing into the hands of men working as owners rather than under the tenant-farmer, sharecropper arrangement which contributed so much to poverty and low living standards. No other factor has destroyed more good land in the Nation than the short-term, year-by-year arrangement between absentee landlord and tenant farmer. That system encourages both to steal as much as they can out of the soil. In 1936 only 44 percent of the farms in the South were farmed by owners; today more than 60 percent are so farmed.

Statistics on agricultural income in the Southern States show an increase from about two and a quarter billion dollars in 1940 to more than eight billions in 1947. Even allowing for inflated prices and for the general rise in farm income, the figures are remarkable. While the farm income in the whole of the United States (including the South) increased over the same period 300 percent, the income of the Southern States increased nearly 400 percent.

The record of southern agriculture is ample proof that most basically good soils are not worn out and can rapidly be restored at low cost. And that with economic rebirth come other things—better diet, better education, and a better South and America.

Blueprint for Disaster

EXTENSION OF REMARKS

OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, in a recent issue of Collier's weekly magazine there appeared a very significant article by Mr. Walter Winchell entitled "Blueprint for Disaster." It is well done, impartial, fair, and to the point. It brings to the attention of the American people the great importance of having a smooth operating military team composed of our respective services. And just as important, it brings to our attention here in this Congress the necessity of our maintaining our constitutional prerogative of civilian control over the military services. This constitutional power of civilian control rests completely here in this Congress and it is our solemn duty to see to it that we do not permit this control to accidentally or inadvertently pass to others.

In this Collier's article, Mr. Winchell very correctly points out the importance of tradition in our military services. He brings to our attention the overwhelming victories of the United States Marine Corps and the United States Navy in those days when we were pushing the Jap back to his homeland. Make no mistake about it for there is no question but that any legislation which might curtail the tradition and spirit behind the respective uniforms of our military services will operate as a dagger in the heart of the fighting spirit of the men who must carry the burden of protecting our freedom.

There are more ways than one to strike a death blow at one or more of our great military organizations. One is by legislation and that concerns us. We should be very careful that the Congress never enacts any laws which in the end might boomerang and prove disastrous. Another way is by Executive order or decree. Through this method of Executive order it is possible to transfer the military functions or missions from one service to another and thereby ruin morale and spirit to carry into the future the glorious traditions of the past. Through this method a great military service can be left to wither on the vine. If the Congress is to maintain civilian control over our military forces it is essential that it exercise the right of review of all Executive orders relating to the creation, assignment, and operation of military missions. There is no point and no value in maintaining complete control at the front door of our military house and forgetting all about the back door.

In this brief message to you this morning I suggest that all of you read Mr. Winchell's article which I am including here as a part of my remarks. I am doing this because I feel that it is essential to the welfare of this country for every Member of Congress to read this article. In conclusion my plea is this—as Members of this great parliamentary body let us not dissipate our powers through inaction but let us enforce our powers and show the people of America, whom we represent, that their Congress is still in control of their Government.

The article is as follows:

BLUEPRINT FOR DISASTER

(By Walter Winchell)

Mr. and Mrs. United States: When a nation is about to depart from the proven way of its ancestors there should be, at least, a pause at the crossroads. Before a nation plunges off at a tangent from the straight and narrow path it has traveled with honor and dignity for 170 years, the theory of the new way should, at least, be tested by challenge.

America is at a constitutional crossroads today.

While this Nation hopefully gropes for new objectives, it actually is abandoning the sacred procedures which were the topmost concern of the men who created it. The fundamental concept of the American definition of law and order is that the end never justifies the means. In our seeking toward the end—that we shall be a perfectly defended country by twentieth-century standards—we are now in danger of sacrificing the means by which we live in these United States as freemen.

That is why I believe the American people should now cry, "Halt!" on two military bills before the Congress—the Tydings bill (S. 1843) and the Vinson bill (H. R. 3845)—because these documents, in effect, may wreck the very Constitution they are supposed to protect. It is not because I condemn the new objectives of military unification, but because I, like the rest of my fellow citizens, have not been informed of them; it is not because I have reached conclusions, but because I have not even been informed of the methods by which conclusions were reached. I am in doubt.

When an American is in doubt as to whether his rights under the Constitution are being impaired his conscience leaves him no choice. He must defend the Constitution on the steps of his own Capitol as certainly as he must defend his country in the stratosphere or in the pounding surf if need be.

I, therefore, write this as a citizen to you, my fellow citizens, urging that we demand an explanation of the legislation which proposes transfer and centralization of great new power—military and financial—in the Department of Defense. I do not say that the transfer is iniquitous. But I most certainly do say that the procedures by which it is being accomplished are contrary to the traditions of this Republic; that they are unaccompanied by a really clear public understanding, and that, unchallenged, they are a threat to the liberties of the American people.

We are told that modern warfare requires a unified command in the military, but we are given no assurance that our fundamental democratic system of checks and balances will continue to control it. Thomas Jefferson, James Madison and Alexander Hamilton would no more have created such a military-political machine such as that being formed than they would have loosed into a holiday parade a crazed stallion, without rider, bridle, saddle, whip or checkrein.

President Theodore Roosevelt once received a committee dedicated to protecting migratory bird life. It was shortly after the war with Spain. The committee complained that American soldiers in Cuba were wantonly shooting sitting birds who had come to rest on the tropical waters there on their seasonal flights south. The Rough Rider, with his customary effectiveness, grabbed a telephone, asked for the Secretary of War and tersely ordered: "Mr. Secretary, tell Wood to stop that damned bird slaughter down in Cuba."

ABUSE OF PREROGATIVE CHALLENGED

The committee withdrew, overwhelmed by the decision and the dispatch of its execution. A distinguished visitor, who had witnessed the entire episode, remarked to the commander in chief: "I think I have some knowledge of your prerogatives, Mr. President, and you may believe me your whole procedure was unconstitutional."

"I know that," said Teddy, "but one of the most dee-lightful things about this office is that nine tenths of a President's illegal acts aren't ever questioned."

The trouble with the beloved Teddy's statement, unfortunately, is that this is true. And just as unfortunately a whole Nation's civil rights can be killed—just as easily—as a bird's life can be spared.

This Republic was founded on the theory of checks and balances. The Constitution did not restrict the sovereign powers of the Government. On the contrary these powers, delegated to our central government, were so formidable that they had to be proved out, finally, at Gettysburg. But even as the founding fathers entrusted great powers to the Federal Government, the touchstone, indeed the watchword, of American liberty was that no one man, and no single department, should ever wield them all. The powers inherent in Government are so great that the founding fathers feared that if any one man were to be vested with them all, he would automatically become a dictator, whether he wanted to be or not.

There is no doubt about which branch of our Government is meant to have final power, the Congress, the President or the Supreme Court. It is the Congress. Congress is the expression of the will of the people, and so closely was this differentiation made, that no appropriation can be obtained unless the bill for it originates in the House of Representatives. Not even the Senate may initiate financial measures; the House, the body nearest the people, was designated to control forever the purse strings of our country.

Accordingly, the invasion of the powers of Congress is a body blow to the rights of the people. The Hitlers, the Mussolinis, the Stalins cannot exist in a nation which has a congress or a free parliament. Yet the legislative branch of the Government of these United States stands challenged—and successfully challenged—by a special gag order issued by the Department of Defense even before Congress has had a chance to act finally on the Tydings and Vinson bills. This presents a tremendous constitutional crisis, completely without precedent in the history of our country. Had such doctrine charged across our borders under the battle flag of a foreign enemy, it would have been recognized. We would have fought it, if necessary, from behind the fishermen's shacks on the Maine coast to the irrigation ditches of California.

But because the threat bears a Washington date line, we accept it. What is worse and almost criminal, the Congress accepts it—without a murmur.

DEFENSE DEPARTMENT BUCKS CONGRESS

Under the Defense Department mandate, officers and men of the United States armed forces are forbidden to give information to Congress, unless their statement is approved first by the Department of Defense. This is far more than an invasion of the military man's rights as a citizen; it is an outright defiance of Congress as a body. Had George Washington himself ever issued such an order the Continental Congress would have driven him out of Independence Hall.

Congress has the constitutionally guaranteed right to know anything about the Republic, because unless Congress has the facts it cannot pass intelligent laws. Yet the Department of Defense has indicated that it will present to Congress only those facts that it wishes Congress to hear. This is control of Congress—by censorship. Yes, believe it or not, Mr. and Mrs. United States, your Congress is censored—and it is accepting this censorship from a department which Congress is supposed to control.

My fellow Americans, write, wire, ask, beg—and demand—of your Congressman that your fundamental right of information (removed from his pocket while he slept) be returned at once.

The strongest actions are necessary to counteract the censorship of Congress by the Department of Defense. The fact is that unless this censorship order is countermanded by the Department there is sufficient evidence right now for Congress to impeach the officials who are ordering that information be withheld from it. Further, under his oath to the Constitution, any member of the National Military Establishment who refuses to furnish Congress with information bearing on the defense of the Republic should be subject to impeachment by trial in the United States Senate, not by military court martial.

The final power must be civilian. All of history is shouting its warning. The cannon of Louis XIV bore this inscription:

"The final argument of the King."

The Department of Defense appears to be urging the same "argument" when it censors the Congress.

In 1948 the Department of Defense was not capricious in its unconstitutional defiance of Congress. It was deliberately concealing one of the greatest scandals in American history. There is evidence to support the belief that right now the Department is withholding from the American people information on a collective dereliction of duty unmatched in the annals of any nation which ever survived. The truth is that the high command in Washington has failed the American people. Rivalries among the fighting services are being fought to a bloody draw at the expense of the security of the country. Of this, every foreign capital, including Moscow, is well and fully aware.

The reason for censorship of Congress—and of you—is not obscure. You and the country have been sacrificed. Your Congressman, and he alone, can prove I am right by officially demanding an investigation. I dare the Secretary of Defense to countermand the order of November 8, 1948, and to permit the admirals, the air chiefs, the Army Ground Force generals, or the Commandant of the United States Marine Corps to take the stand under oath and to voice their convictions on the state of this Nation's defense to those who are ultimately their constitutional commanders—the American people.

I believe at first the now bitterly competitive big brass was actuated by honest convictions. But somewhere, somehow, the squabble became so savage, so personal, and so unreasoning that it is now the chief danger to the safety of the Republic.

The fight is far from finished. The contestants have merely concluded another vicious round. With baleful eye and somber intent each service is measuring the other in preparation for the next frightful heat.

Maj. Gen. "Wild Bill" Donovan has declared that the most perfect subversive action that can be effected against an enemy nation is to achieve disunity among the various branches of its armed forces. The general stated that the acme of intelligence goals would be to stir up disunity in any enemy's high command.

Why should the Department of Defense be permitted to deprive the American people of these facts? Why should this Department be allowed to put felt around the doors behind which this brawl is taking place—to soundproof them so well that not even Congress can hear the sounds of the titanic struggle? Some Senators I know, who are familiar with this undercover battle, are darkly muttering the word "treason."

SILENCE IMPOSED ON ARMED FORCES

For this reason—the conspiracy of silence—I am opposed to pending legislation for further unification of the armed forces, though I am not opposed to unification. Facts for any honest debate on these bills have been withheld by the Department of Defense, by blanket orders against discussion or argument on the subject of unification among personnel of the armed forces, and by the implied threat that swift demotion, transfer, or even court martial will follow for any man or woman in the services who dares speak his mind.

The principle involved is far more important than the military bills themselves. I do not know enough about these bills to approve them. But I am ashamed to report that, as a matter of fact, neither does the Congress of the United States.

The moral overtones of the method by which these unification bills were manufactured amount to even more of an attack on self-respecting people than upon their Constitution. There is only one thing worse than government by bureaucrat—and that is government by "expert." The creed of the "expert" is that no amateur should be allowed to touch delicate machinery. This is sound, up to a point. It may take an expert to assemble a motorcar, but any amateur can tell you instantly whether or not it works when he applies his foot to the self-starter. An "expert" in a cubbyhole is no substitute for a responsible public official under oath on an open witness stand before Congress.

Whether or not Congress likes its job, it in the end is responsible to the people—and it is not within the power of Congress to abdicate, allocate, or delegate that responsibility.

The Congress of the United States owes to the American people an immediate explanation as to just how, where, when, and why the Secretary of Defense acquired his power to defy constitutional subpenas generally, when many American citizens have been thrown in jail at various times in the past century for ignoring them individually.

On the record, the Department of Defense is not only in contempt of Congress, it is in outrageous violation of the Bill of Rights.

Gen. Lucius D. Clay once sardonically observed that a United States citizen leaves his Constitution behind him when he goes abroad. At the time, your correspondent corrected: the American citizen leaves his Constitution behind only when he is lowered into his grave. But the Department of Defense now goes far beyond that. In effect, it holds that when an American boy is drafted he becomes a second-class citizen in his own land. Should his superiors blunder away his life, should they mistreat him as a man, should they squander away his vitality and youth through some misguided whim of theirs, these facts could not be brought out before Congress—except by permission of the Secretary of Defense.

HUMILIATING THE LAWMAKERS

The day Congress accepted this usurpation of its sacred constitutional duty, Congressmen should have tied a small piece of crepe to their brief cases—in memory of great Representatives and Senators who would have been carried down the Capitol steps to their hearses rather than countenance it—instead of crawling back to their offices under such public humiliation to themselves and to the American people.

Can anyone imagine Daniel Webster being refused the plan of campaign by Gen. Winfield Scott? Would Calhoun have taken without a whimper an order limiting his brilliant interrogations? Had Senator Walsh

been ignored by the Interior Department, the Teapot Dome scandal would never have been exposed.

Over the Senate door there should be placed this inscription: "Through these portals since November 8, 1948, passed the most stultified Senators in American history." The Senate has been defied before—but never successfully—and never without a fight. Now, for the first time in our land, a Senator must confide to you—if he is telling the truth—that, militarily, he doesn't know what is going on, because the Department of Defense won't tell him.

The vast powers about to be made the law give jurisdiction over more than mere numbers of men. The essence of the Bill of Rights, and of the American way, is the respect of personality. If the right of personality belongs to the individual American, how much more does the esprit de corps earned on the field of battle belong to its great fighting services? When the frigate, U. S. S. *Constitution*, was to be scrapped ignominiously 120 years ago, the American public rose en masse. The *Constitution* is still afloat—and fully restored. Her tattered ensign has not been torn down, "and many an eye has danced to see that banner in the sky"—the frigate's officers and crew—would rejoice to see how the American people have preserved the ship, the flag, and the country they loved.

Weapons have changed since they sanded her gun platforms before she engaged the enemy—sanded them to prevent slipping on her bloody decks in battle. But there is no new twentieth century model of a human heart. *Old Ironsides* won her reputation for the valor of her crew far more than for her oaken bulwarks. The battleship *Missouri*, the carriers *Coral Sea* and the *F. D. R.*, plowing through the billows, are sparked by the morale of their officers and crews far more than by the steam in their turbines.

That applies to every branch of the American forces. The Fighting Sixty-ninth, the U. S. S. *Salt Lake City*, the magnificent Second Division, Patton's Third Armored, the Eighty-second Airborne—these are names which rang out like their own musketry fire in the hearts of men who followed their colors into battle. Congressional Medals of Honor have been awarded to men who waved these colors in the face of the enemy.

The tattered battle flags of the Republic cannot become rags overnight by a mere act of Congress. They have lived far too long—and they have been carried by too many brave men—to be put to death with the scratch of a pen in a departmental order.

TRADITIONS THAT ARE SACRED

A fighting ship or battalion is not an administrative classification, but a tradition which lives in the souls of sailors and soldiers—and it will be a tragic day for this Republic when the men who wear the uniforms feel otherwise. The personality of a service is entitled to as much consideration as the personality of an individual. For one reason, the Republic owes its very life to the existence of an esprit de corps—and the existence of the Republic depends upon its continuance. To see 175 years of pride in fighting service traditions kicked around the legislative halls as if our fighting men were a self-seeking mass of supplicant office seekers, is about the most ungrateful act that a democracy can perpetrate.

For instance, Iwo Jima was—even by tough Marine standards—a very rough show indeed. On D-day minus 1, the day before the landing, it was estimated by the command that Iwo would cost 15,000 leatherneck casualties. The hearts of Marine generals faltered for love of their men. But neither the men nor the generals faltered when they looked at the globe and the anchor. That famed insigne had been faithful for 174 years.

A GRIM TOLL OF CASUALTIES

Fifteen thousand dead and wounded American men on a strange beach are enough to make even the Marines swallow hard—swallow everything but their pride in their corps. You know the rest. The Fourth and Fifth United States Marine Divisions went in, and then the Third. The enfilading fire from Mount Suribachi to the left and Motoyama to the right mowed them down.

Semper Fidelis means "Always faithful" in Latin, to a Marine it means the honor of the corps—and on February 19, 1945, it meant "Faithful unto death." Col. Harry Liversedge, 28th Regiment, Fifth Division, USMC, was handed his orders at dawn. They read very simply: "Capture Mount Suribachi." You have seen the picture—at the end. The 28th carried the volcano, but it carried home, also, its dead.

Marine Gen. Holland M. Smith wrote that he was standing down on the beach with Secretary of Navy Forrestal when "the tiny speck of red, white, and blue broke and fluttered on the gaunt crest of the volcano. Turning to me, Secretary Forrestal said gravely: 'Holland, the raising of that flag on Suribachi means a Marine Corps for the next 500 years.'"

Obviously Forrestal, who later was to become the first Secretary of Defense, neglected to take into consideration the forgetfulness of the politicians and the bureaucrats. Within the next 500 days the Marine Corps was fighting for its life—not on Mount Suribachi, Iwo Jima—but on Capitol Hill, Washington, D. C. The wounds the corps has received in the corridors of the Capitol are far more grievous than those the enemy delivered from the foxholes. The Japs killed only their bodies. It remained for American bureaucracy to stab the spirit of the Marine Corps in the heart—from the back—with the poison dagger of brutal ingratitude.

The Department of Defense in an off-the-record statement during the last week in April indicated that the marines would no longer have an air arm. This is the twentieth-century equivalent of saying that, henceforth, beachhead marines would fight without rifles. Twenty-four hours later the report was denied. It was discovered that the American people had a longer memory than Washington desk men. Much to their own surprise the marines found that being first in battle had left them first in the affections of the American people.

Even more to their surprise, they found that this was one battle which they wouldn't have to fight—for the good and simple reason that the American people were going to fight it for them.

TOO MUCH POWER FOR ONE MAN

The politician who introduces any bill to abolish the United States marines will have dropped into the hopper his own political death warrant. Yet the Secretary of Defense can emasculate the Marine Corps with a sheet of paper, an administrative order, any time he pleases. No single man should have this power. If the Republic's battle flags must be folded, let it be done in the open by the will of the people, and where, at least, our colors can be paid the final and full honors of war.

Secretary of Defense Johnson is not only in charge of the Nation's safety—he has the power of life and death over its traditions. If the Marine Corps is to pass into history, this Nation and the world will be less a great fighting spirit and a magnificent personality. One thing is certain: Bureaucracy is not going to kill the Marine Corps by a scratch of the pen, at least not publicly. If "taps" are ever blown over the blood-stained flag of the corps it will be because the bureaucrats have thwarted the will of the American people—in the dark.

Your correspondent believes in a 70-group air force. In carrying that fight to the people this reporter mentioned the fine integrity of Air Force Gen. Carl A. "Tooey" Spaatz, who resigned rather than take the responsibility for the safety of our cities without adequate air weapons to defend them. Congress passed the 70-group bill, and since then the administration has given a gigantic example of executive sabotage—the kind we must protect ourselves from in the Department of Defense. The executive branch refuses to enforce the measure, though the President's own committee reported it was the minimum necessary, not for war, but for defense.

Following that fight there occurred one of the most desolating experiences which this reporter has ever faced as a citizen. The 70-group air force bill was hailed as an Air Force victory over the United States Navy. This reporter crusaded for the 70 groups as a necessary weapon against all possible enemies of our country—not as triumph of one service over another. That the outcome of any issue can be construed as a victory of one American service over another belies every tradition of the past cooperation of those forces. It is sickening to think of the implications.

There are no degrees of supreme devotion to duty. Two men typically prove it: Army Air Force Gen. Jimmy Doolittle, who took off for Tokyo from the deck of a Navy carrier with the odds at 10 to 1 against his return, and Rear Adm. Daniel J. Callaghan, an old-school sea dog who believed that the gun turret was more important than the aircraft carrier. The weight of authority branded him wrong in that, but Dan Callaghan was the rightest man in the world at the Battle of Guadalcanal. Had he not been there, there would be 18,000 more white crosses in Solomon Islands cemeteries.

The White House lights burned late the night of November 12, 1942. They knew in the war room that a much more powerful Japanese task force than Admiral Dan had was in Indispensable Strait to wipe out the First Marine Division, thinly spread out on Guadalcanal, Tulagi, Gavutu and Tanambogo. They knew also that Admiral Callaghan, U. S. S. *San Francisco*, was on his way up the "slot" to grapple with the giant. They told F. D. R. that his old aide had accepted battle—with nothing more formidable than a puny cruiser-led task force, and a theory. Callaghan did the incredible. He drove right through the two battle lines of the enemy fleet.

VICTORY FLAG AT HALF MAST

The next morning they told the President that Dan had won. The man with the wrong theory had held the "slot." The cruiser *San Francisco* came through with colors flying, but at half mast, for Admiral Dan Callaghan, Congressional Medal of Honor, posthumous, was dead on his bridge. Loyalty and devotion to this country is no monopoly of any one branch of our armed forces. The acid test of true loyalty to this Nation on the part of the various services is to concede that there is equal devotion to the flag in each of the other fighting arms.

The admirals have issued a warning on sea transportation. They declare they cannot accept that responsibility unless they directly command a covering air arm of their own. Yet, merely because the war plane carries wheels instead of pontoons, it must come under Air Force command as of this writing.

Thus, for practical purposes, this achieves the damaging result of splitting the command—not unifying it. For a fleet to have insufficient carrier planes in the twentieth century is the equivalent of an army with insufficient cavalry in the nineteenth century. It is just as ridiculous as to suppose

that Grant could have landed the Army of the Potomac while Sheridan's cavalry was under the command of Admiral Porter. For the historians, an examination will reveal that Gen. George Washington lost the Battle of Brooklyn Heights because, though he commanded the right and center of his battle line, the left was under the direct and conflicting orders of a Continental committee.

What the Tydings and Vinson bills are supposed to do and what they would do are two different things. These bills have already, in peace, divided the morale of our armed forces. If in war they would divide the theaters of command, then they are indeed the blueprint for disaster.

The admirals have issued their warning, a warning just as portentous as the Air Force's. The time to fix the responsibility is now. If the sea around and the sky above our task forces and convoys are not the Navy's theater of command, what is? No officer in his right mind can take the full responsibility without absolute command. A sinking transport in the raging North Atlantic, with thousands of GI's in the water, is a terrifying picture—enough to give pause to a Congress which legislates, but does not fight, a war. Congress is certainly entitled to hear every viewpoint of the admirals. But it cannot get them unless they are first approved by the Secretary of Defense.

The Tydings and Vinson bills do not purport to solve any tactical problems. They do attempt to establish the chain of command. That's excellent—if they achieve their objective. Mr. Justice Oliver Wendell Holmes once observed that a page of experience was worth 10 volumes of logic. The whole experience of government is that the man who votes for the law is quite secondary, ultimately, to the man who enforces it.

Vast sums will be voted for the Defense Department—but will there be a legislative check on its expenditures? Indeed, the Secretary of Defense can forbid an officer to tell Congress how an appropriation is being expended. (Just how important this check-up on the executive branch is, in practice, can be estimated from the fact that President Truman established his prestige as presidential timber from the manner in which Senator Truman conducted his senatorial investigation committee—a check-up on the war effort itself.)

DANGER IN LACK OF CRITICISM

Thus the checkrein of the appropriating power dies with the killing of the right to obtain information. The constitutional safeguards of the right of freedom of speech—so valuable in civilian life—are now excised from the military phases of our national existence. The Secretary of Defense is insulated from the criticism of his subordinates; his superiors are isolated from the facts on the manner in which he is conducting his office. These are powers which the head of any large corporation would shun as the very formula for general catastrophe. The wisdom of the Bill of Rights is more than the right of the citizen to be heard. It is also to guarantee the official the benefit of criticism.

Thus, my great objection to these bills—which purport to establish the armed forces chain of command—is that they are breaking the first great constitutional order of responsibility; that the Executive shall be responsible to the Congress and the Congress shall be responsible to the people.

The Congress has already allowed that power to slip from its grasp even before the bills have become law.

I repeat: It is beyond the constitutional authority of the Secretary of Defense to effect—and beyond the constitutional power of Congressmen to permit—the wresting away of Congress' investigatory, its appropriative and its legislative functions. The question and the crisis have now come before the final judges—the American people.

Intrinsically these unification bills may be good—or they may be bad—but the extra-legal usurpation of authority by the Defense Department under the color of law is absolutely unconstitutional. Candidates for political office are sometimes picked in smoke-filled rooms; but the Constitution lives by the light of day. There was no back door to Independence Hall, Philadelphia, in 1776; there is no place for trap doors in the ramparts of national defense today. Before any department is given sweeping powers to act it must first satisfy the fundamental constitutional rights of the American people—the right to know, to approve, and to reject.

The Germans and Italians voted away their liberties—and the jagged wrecks of their public buildings are now monuments to that sorry day in their respective histories. It is because there is such a great danger to our own country that I wrote this article. The proceeds from it will go to the Damon Runyon Memorial Fund for cancer. But its results, I hope, will be your letters to your Congressmen and Senators. The vast powers about to be delegated in these two unification bills, unless they have constitutional safeguards, will represent not the will of the American people—but, instead, the last will and testament of the American Republic.

Elections Made to Order—Democracy in the Captive Counties

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. MANSFIELD. Mr. Speaker, under unanimous consent, I am inserting an article on the recent Irish elections which I think will be of interest to the Members of the House. The article was carried in the May 1949 issue of the magazine Columbia:

ELECTIONS MADE TO ORDER—DEMOCRACY IN THE CAPTIVE COUNTIES

(By David O'Neill)

On February 10, 1949, a general election was held in the partitioned area of Ireland, that is, the six northeastern counties. The total number of votes cast in the election was 376,973 out of a registered electorate of 843,412. Of the votes cast the Tory party and all government supporters got 238,697 and the opposition parties who stood for a united Ireland polled 138,356. The difference—100,341 votes—elected a government. Before the election took place, over 38 percent of the seats (20 out of 52) had been filled without a contest. In some of the contested areas the constituency boundaries had been so carefully arranged by the Tory party (who of course were able to act as a government) that even where the opposition cast a majority of the votes the government won the majority of the seats. Although the total opposition poll was much more than half the Tory poll, the Tory party won three times as many seats as the opposition. The opposition has never won an election in the 28 years since the area was cut off from the rest of Ireland. Even when, of the votes cast for the contested seats, the official government party was in a minority—as happened in two of the five last general elections—the Tory party still held three-fourths of all the seats.

To understand these and other anomalies it is necessary to understand why general elections are held in such an area at all.

It is not a natural geographical unit—its boundaries pass up the middle of streets, through houses, across individual farms and bisect bridges. There is no division in ideals, outlooks, or attitude between the people immediately south of the border and immediately north of it. Those living along the line are of the same race, practice the same religions, are engaged in the same economic pursuits, use the same language, and marry into one another's families. Groups on each side of the line share the varying political beliefs of the citizens as a whole.

Why then have they been separated into two states? Certainly not by their own will.

NEITHER PARTY WANTED PARTITION

Today there are two principal parties in the separated area—the Tory Party and the Nationalist Party, who between them speak for 90 percent of the people. We shall come later to understand how these parties were brought into existence. At the moment we are concerned solely with the fact that they are there. Both of them have put on record in repeated public declarations that they never wished Ireland to be partitioned into separate states. "We never asked for Partition and we never wanted it," said Lord Glentoran, then chief whip of the Tory Party speaking on October 10, 1946, at Belfast. The Nationalists have always made the ending of partition their chief aim and have never accepted their separation from their fellow countrymen. So that partition was imposed upon the Irish nation against the will of any of its political groups, for in the free part of Ireland every political group has said with Lord Glentoran, "We never asked for Partition and we never wanted it."

The Partition of Ireland was in fact carried out by Britain for her own purposes. The British Government, in 1920, was predominantly a Tory Government. It had by then despaired of success in its efforts to deny freedom to the insurgent people of Ireland. It decided, however, to prevent part of the island from becoming free. As has been the method in other parts of the world, a local minority was incited against the national majority. This local minority was then used as an excuse for the claim that the territory occupied by the minority must be separated from the national territory. In this way the British Tory policy could be achieved of denying to Ireland the right of self-determination which had just been won for all peoples by World War I.

Irish consent for this policy of mutilation was not forthcoming but that did not dismay the British Tories. They had at that time majorities in the British House of Commons and the British House of Lords and they passed a statute called (sardonically) the Better Government of Ireland bill. By this bill 6 of Ireland's 32 counties were separated from the rest of Ireland and kept under British rule, with a grant of local autonomy.

Six Counties—but why six? That must be the most difficult thing to understand for all who have not realized the purposes behind Britain's action in dismembering Ireland. When they do understand it they will know at once why the general election of February 10 had the result it had.

If Ireland were to be divided at all why not one of its ancient territorial divisions? Ireland is made up of four provinces. The northern province is Ulster, an area of nine counties. It has boundaries many centuries old. It has been historically and geographically as distinctive a part of the Irish Nation

as Connacht has been. But it was not the nine counties of Ulster that Britain chose to separate from the rest of Ireland.

Again, the real antagonism to Ireland's national majority created by British propaganda and influence is centered not in nine counties or six counties but in two. These two are counties of Down and Antrim. In the other four of the six counties, taken as a unit, that is Armagh, Derry, Tyrone, and Fermanagh there is a majority against separation, a fact confirmed on February 10 when in the contested areas in these four counties the antipartition candidates polled more votes than all the Tory candidates put together. And in the two most southerly counties of the six—Tyrone and Fermanagh—the majority for inclusion in the rest of Ireland is so strong that if the wishes of the people were really consulted union must follow immediately.

Britain, when her Tory Government came to dismember Ireland, had two rational alternatives:

(a) The two counties of Down and Antrim where a national minority holds a strong local majority position; or

(b) The nine counties of Ulster which form an old and distinctive territory within the Nation.

Britain chose neither. Instead, an area of six counties was chosen having no distinctive features of any kind, either natural boundaries or any particular geographical setting, nor any racial, religious, economic or political differentiation from the people of the territories adjoining it. What on earth was the basis of so curious a choice?

ANSWER TO THE MYSTERY

The recent General Election and every general election since the separation took place gives us the answer to the mystery.

Britain intended the separated area to remain under her rule and in her occupation not for a short period (as her statesmen pretended to Ireland's national leaders) but always. A territory of two counties would have been absurdly small either to justify the creation of a separate State or economically to exist as one. On the other hand a territory of nine counties would be very dangerous from the British point of view since 2 years before, when Ulster as a province was given a chance to express itself on the issue of national unity, it returned a majority for "one Ireland and that free."

Faced with this difficulty, that too small an area could not survive and too large a one would refuse to exist separately, Britain decided to manufacture a state on the basis of arithmetic. Britain thought she could count on 800,000 people to whom she had sold the proposition of remaining in the Empire. Therefore, a territory containing a lesser number of people holding the opposite view could be placed in conjunction with it with the certainty that that opposite view could never express itself effectively if the safety factor were great enough. It was decided that the safety factor should be 2 to 1; so an area in which 400,000 Nationalists resided could, it was thought, be cut away with some chance of perpetuity.

The query will immediately arise in the non-Irish reader's mind, how anybody could (a) determine, so accurately as to make it the basis of a long-term policy, the politics of a people in a given area; and (b) rest reasonably assured that the politics of 1920 would be the politics of 1949. The answer is a significant one in these times. The originators of Partition decided to make religion the issue. Upon a difference of creeds (all scruples in the use of propaganda being barred) a deeper division could be created than on any other question and it would, with the support of a sectarian press, be easier to keep alive. Nor need the people of two creeds be incited. It would be sufficient to incite one, to fill it with fear and horror of the other, to inflame sectarian passions at every crisis and to stand back when mobs took the street. It was brutal, it was cynical, but it was successful.

PROPAGANDA DIRECTED AT THE MOB

It is true that the more educated Protestants were not by this means converted either into fanatics or into opponents of the unity of Ireland. Indeed, all the Protestant Churches, as well as the Catholic, jealously preserve their unified national organizations and have never in that sense recognized Partition. But the British propaganda was not directed at the discriminating but at the mob. Their prejudices were played upon shamelessly. The Pope of Rome was at the gates ready, in the person of "Papists," to snuff out the civil and religious liberties of all who would not sprinkle themselves with holy water.

In the case of the North-East, pogroms followed propaganda and partition followed the pogroms and Britain had her bridgehead, though the rest of Ireland by the courage of her young people and the sacrifices of their elders, won its freedom. That bridgehead has been kept under British control ever since through the Tory Party in the six counties. Whenever it has seemed that despite all Britain's care there may yet be a possibility of reuniting Ireland by consent, the same old sectarian catch-cries are sent the rounds, the same inflammatory propaganda. In the election just over, the picture was painted that had been painted to create the excuse for Partition—hordes of Papists waiting on the border to smother the rights and liberties of the Protestants. As a result of this scare the unofficial Tory movement and the Labor movement, both of which were helping to bring more normality into six-county politics, were wiped out on February 10 and reaction entrenched. The mathematical precision with which the area of the State had been decided, coupled with the misrepresentations designed to startle the mob, insured the result of this general election as it has been insured at every General Election since 1921.

In studying the results of these northern polls we must bring to them a new meaning in words. This was not an election in which the voters were given the chance to change a government or to decide upon the issue of national unity. The composition of the electorate was devised nearly 30 years ago to give but one result, always the same result. In a House of 52 members, the strength of the Tory Party has been in the last seven General Elections—1921, 40; 1925, 33; 1929, 37; 1933, 36; 1938, 39; 1945, 33; 1949, 37.

All over the world governments changed—old regimes fell, and new ones took their places as new ideas filled men's minds. In the Six Counties there was no change. Not only the same ideas, and these the narrowest, but actually the same groups, and these most reactionary, hold sway as held it in 1921. When it has become clear that every election in the last generation has had one result, and that prearranged, we can understand some of the other anomalies better.

When Britain partitioned Ireland she provided as a safeguard for the minorities in the two parts the electoral system known as proportional representation, or P. R. This system, which is difficult for majorities, does give minorities full representation. Despite its shortcomings, it has ever since been retained in the free part of Ireland where the minority is given so privileged a position. But after the Six-County election in 1925, when the Tories lost seven seats, it was abolished—the minority had done too well.

Since the abolition of P. R. the Six-County elections have become more unreal than ever. In the five general elections from 1929 to 1949 the average total of contested seats has been 23 out of the 48 filled popularly, or almost 50 percent. (The other four are university seats filled by P. R., and there, significantly, the official Tory Party got on this occasion only two out of four.) If one could regard as a test of public opinion an election in which 200 Members of Congress, or 45 Senators, were returned without a vote being cast, then public opinion in the six counties has been tested. In the free part of Ireland the average number of unopposed seats in the last five general elections is less than 1 percent. In the same period the unopposed returns in Britain were 2.9 percent. In the northeast the percentage has ranged from 63 percent in 1933 to 38.6 percent in 1949, with an average of 44. This means that nearly half the electorate are never consulted. Twenty is the lowest uncontested since 1929.

It follows that there are areas which have never had a poll in 24 years, such as Mid-Down, Mid-Derry, and South Antrim. Others have had but one contest in the same period—the Carrick division of Antrim, Central Armagh, North Down, South Derry, Mid and West Tyrone, and two of the three Fermanagh seats. In this last election there was only one election in the whole of Antrim, which contains a sixth of the entire population of the six counties. Imagine an area peopled by 25,000,000 Americans in which only one seat was contested in an election year.

Why is this? The answer again is illuminating. Not only was this part of Ireland cut off to produce an electoral majority saecula saeculorum; but inside that cut off area the majority (being in power) has been able to arrange the boundaries of constituencies so that their own party's votes count to the last man, but the value of the opposition's votes are halved. The Nationalist minority, to say nothing of Labor, forms at least 33 percent of the Six-County population. It should then get something like 17 of the 52 seats. It has 9, barely half its due. This is achieved by the well-known process of gerrymandering.

Take Fermanagh with 33,942 electors, where the Nationalists number 18,600 and the Tories 15,300. The county was divided into three constituencies, one so arranged that the Nationalists were given a thumping and wasted majority, leaving the other two areas with small but effective Tory majorities. So, although the Nationalists polled 15,891 votes in this election, they got one seat while the Tories polled 13,985 and got two. County Tyrone also has a Nationalist majority and, if the constituencies were fairly drawn, they would get three of the four seats. Instead, clever boundary work wiped out the Nationalist plurality and both minority and majority get two seats, so that in the whole Nationalist area of Tyrone and Fermanagh, where there are 20,000 more Nationalists than Tories, the Tories get 4 of the 7 seats.

How the minority is cheated of its due is shown in another way. The seats in the Parliament are fixed at 52. In order to control as wide an area as possible, the Tory Party thinks it useful to arrange for one seat for every 19,000 votes in Down and Antrim where they are strong, but in Tyrone and Fermanagh where they are weak one seat for every 13,500 votes. This enables them to get a seat with a smaller vote where they are in a minority.

When this method does not work, as in Derry City where the Nationalists have a strong majority, another simple device is used. The Derry City constituency is enlarged so that it takes in half a countryside—the Tory half of course—and the election of a Tory for a normally Nationalist constituency has thus been brought about in every election since 1929.

In Belfast city, the Nationalists are at least a fourth of the population (nearer a third, in fact). At the least they should have four of the 16 seats. They have never been able to secure more than two and more

recently have only got those two by going forward as Independent Labor and Socialist-Republican.

By these methods the Tories have coralled the Nationalists into electoral enclosures where their majorities are wasted, leaving the Tories to pick up seats with tiny majorities close by. The inevitable result is that the elections lose their meaning as a test of public opinion and candidates of all parties know it is useless to fight this or that seat. The phenomenal percentage of unopposed returns logically follows.

One would think that with the dice so well loaded in their favor the Tories would be content. But, for the elections of February 10, they still had a card up their sleeves, indeed two. The main one, a regular trump, was an out-of-date register. Had they waited 2 months, the register compiled for 1949 would have been ready. They timed the election so that a register 3 years old had to be used—that simply meant that all young people who came of age since January 1946 were disfranchised, all who changed their addresses likewise lost their vote, and many who had been away during the war years also were rendered voteless.

Young people take a less prejudiced view of Partition than their elders; by disqualifying them from voting the Tories played for their own safety. Two comments on this action, neither of them Irish, are revealing:

"When Sir Basil Brooke," said the Manchester Guardian, "rushes a general election in Northern Ireland on the partition issue and prefers a stale register 3 years old to the new one that will be available on April 1 he is indulging in a pure party maneuver. There is no serious partition issue that calls for an election in February rather than in April."

Mr. Arthur Johnston, who is the chief organizer of the British Labor Party in the six counties, said on January 21:

"It is my considered opinion that the effective strength of this register will be 60 percent and no more. A new register would have come into force on April 1 and it is undemocratic for the sake of 6 weeks to disfranchise so many thousands of six-county citizens."

That 40 percent of the electorate could have made a considerable difference. The three seats won from Labor were all won by majorities of much less than 40 percent.

The final arrow in the Tory quiver was the old one of violence and it was directed mainly against Labor and very little against the Nationalists. The reason for this will be obvious if we remember that the Tories feel they have nationalism in an electoral straitjacket from which it cannot work itself out. But Labor is an unknown quantity and might loosen the Tory grip.

So when Mr. Costello Taoiseach, of free Ireland, called an all-party conference in Dublin during the election and that conference decided to collect funds for the support of anti-Partition candidates of whatever group, the Tory leaders and their very obedient newspapers loosed the whirlwind. This, they said, was a papist effort to exterminate the northmen's rights and destroy all they held dear. Excited mobs took the streets (armed with a new and unpleasant weapon in the form of an orange studded with razor blades) and beset the Labor Party meetings. Labor candidates became, in their eyes, tools of the Pope and they were wiped out, even in areas where Labor had held the seat for 20 years.

That is perhaps the most serious result of the election from the point of view of the future. In 1945, all groups of Labor (both those for and against partition) polled nearly 108,000 votes as against 178,652 for the Tories. It was a serious threat to those chosen by Britain to hold the area for the Empire. It is gone. On this occasion the well-exploited bogey of a papal army massed on the border, every man with a liberty-extinguisher in his mailed fist, combined with an out-of-date register and gerrymandered electoral boundaries have scattered Labor who, with less than 30,000, lost all their contested seats.

So another election has taken place in the six counties of partitioned Ireland and it has put into the mouths of those who favor Ireland's dismemberment the apparently telling argument that "the people have just been consulted and are more than ever determined," and so on and so on.

The reality is very different. The area has been designed to give always a fixed result. On this and on previous occasions that fixed result was made doubly sure by delicately arranging the constituency boundaries to make one Tory vote worth two opposing votes. An out-of-date register and mob violence were hardly necessary but they were brought in for good measure.

From the beginning it was never a test of public opinion on the issue of partition and it can only mislead those who, in prewar days, were impressed by the continental "elections."

As a tailpiece, nothing is more significant than that the one Communist candidate, who in 1945 got 5,000 votes against his Tory opponent's 9,000, on this occasion got 623 votes and the same Tory opponent got 14,000; thus absorbing all the comrades.

And there, as we say in Ireland, I leave ye.

New World Union Movement

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following editorial which appeared in the Brooklyn Eagle of June 17, 1949:

NEW WORLD UNION MOVEMENT

In Switzerland, at the end of this month, a momentous meeting will be held. Delegates from labor unions in practically every anti-Communist country in the world will assemble there. The purpose is to form a new world organization of trade-unions.

The significant feature of this meeting from the American viewpoint will be in the fact that both AFL and CIO will send representatives.

CIO in May withdrew from the abortive attempt called the World Federation of Trade Unions to establish a similar organization. The WFTU was doomed to failure from the beginning. It was overloaded with representatives from Communist countries and the inevitable happened in a hurry. Joe Stalin's international stooges immediately went to work to turn the organization into a gigantic world-wide pro-Communist propaganda machine. The CIO and the British trade unions went along with the building up of the group until a few months ago. The AFL turned thumbs down on it without taking a second look.

Most of the cooperation, however, which was given to the project was offered before the Marshall plan became the established policy of the United States. The acceptance of the Marshall plan spelled the downfall of the Soviets' hopes to control the labor thought of the world through the WFTU. It symbolized and crystallized the sentiments of trade unionists throughout the world. There was no ducking the issue. You had to be for it or against it. Stalin, of course, was against it. The anti-Communists everywhere naturally rallied in defense of it.

In addition to the Marshall plan, the bid for power by Henry Wallace gave the CIO here at home a grand opportunity to put the issue into concrete form. The sudden, open break with the Commies within CIO has since been seen as an established fact.

United now with AFL and the powerful anti-Communist unions throughout the world, the new international organization about to be formed can become one of the greatest grass-roots influences the world has ever witnessed.

Compulsory Health Insurance

EXTENSION OF REMARKS

OF

HON. CHESTER E. MERROW

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein a resolution passed by the New Hampshire Medical Society at its one hundred and fifty-eighth annual convention, June 15, 1949:

RESOLUTION AGAINST COMPULSORY HEALTH INSURANCE BY THE NEW HAMPSHIRE MEDICAL SOCIETY

Wheras, under a system of free enterprise and personal initiative, the American medical profession has attained for the people of these United States the highest standards of scientific performance, treatment, and research to be found in the world; and

Whereas there exists in many forms voluntary health insurance whereby payments for health care may be effected on a purely voluntary budgetary basis; and

Whereas, under voluntary health care programs the people of this country are left free to select their physicians, hospitals, and to carry such voluntary health insurance as they may wish; and

Whereas, under compulsory health insurance, both employees, employers, the self-employed as well as those in other categories would be faced with a compulsory tax on annual income, earning power, or wages to support a governmental controlled medical program; and

Whereas the experience of all nations where government has assumed control of medical services has shown that there has been a gradual erosion of free enterprise and a progressive deterioration of medical standards and medical care to the detriment of the health of the people: Now, therefore, be it

Resolved, That the New Hampshire Medical Society does hereby go on record against any form of compulsory health insurance or any system of politically controlled medicine, firm in its belief that the American tradition of free enterprise may best be carried out by the people and for the people through voluntary means.

That a copy of this resolution be forwarded to the President of the United States; to Senators STYLES BRIDGES and CHARLES W. TOBEY; to Congressmen CHESTER E. MERROW and NORRIS COTTON, representing the State of New Hampshire in the national Congress; and that they be urged and respectfully requested to use every effort at their command to prevent the enactment of compulsory health insurance legislation.

JOHN P. BOWLER, M. D.,
President.
CARLETON R. METCALF, M. D.,
Secretary.

Dated this 15th day of June 1949.

Housing Bill

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. MULTER. Mr. Speaker, the following two editorials are very timely. The first, entitled "Time To Mend the Roof," appeared in the New York Herald Tribune of June 17. The other appeared in the Brooklyn Eagle of June 20. I should think that some of the opponents of the housing measure should be heartily ashamed of themselves in labeling the bill socialistic and communistic. Almost the entire American press has urged early enactment of the measure.

[From the New York Herald Tribune of June 17, 1949]

TIME TO MEND THE ROOF

The arguments for a public-housing program that have been sufficient for the last 5 years hold with still greater force as the House, at long last and for the first time, prepares to face this legislative proposal. The opposition in the House to any housing program now finds it expedient to express its hostility in terms of the cost of the program. That cost has been atrociously misrepresented. But even assuming that capital grants for slum clearance and annual subsidies to secure low rents would come to around one-third of a billion dollars annually, the benefits to hard-pressed cities and ill-housed families would be cheaply bought, and the maximum rate of contributions would not exceed 1 percent of the present Federal budget. Poorly bargained economies are not a cloak of respectability in this case. Such arguments lack sincerity when found in the mouths of legislators who last year opposed the same program on the ground of its alleged inflationary effect. They too closely resemble the old saw about the right time to mend a leaky roof. We are more impressed when individuals so widely separated in ideology as Senator TAFT and Walter Reuther realistically plead for the bill as a necessary economic weapon in fighting back a slump in house building.

Any short-term arguments will fail to fit a long-range program like that proposed in the housing bill the House is about to consider. We have too long delayed attacking the twin problems of slums and the housing shortage. The sooner we get on with them the better. The legislative issue in the House is not the details of this program, but a declaration of national policy within which more precise determinations of program can later be made. That decision cannot be shirked. We hope it will be favorable.

[From the Brooklyn Eagle of June 20, 1949]

SOUND HOUSING MEASURE WOULD AID UNITED STATES ECONOMY

As the housing show-down nears, President Truman, through his unrestrained denunciation of the "ruthless men" who have "s'ocked" him with their "propaganda" against the pending legislation, has succeeded in dramatizing the issue in a manner to capture the attention of the people.

The President has undoubtedly vitalized support of the bill, which will come up in the House on Wednesday. He has accomplished this purpose through severe treatment of the real-estate interests and other opponents who have stifled action on this problem since the war's close. The President has stung these interests into angry replies but they have not succeeded in giving any semblance of decency or legitimacy to their unscrupulous fight to deny to millions of Americans, including veterans and their families, the homes to which they are entitled in the wealthiest land on earth.

Spokesmen for the National Association of Real Estate Boards, one of the most determined and effective forces in Congress against low-cost housing and slum-clearance, are particularly incensed by the President's statement. It is doubtful, however, if thoughtful public opinion will be impressed by their attacks upon political dabblers in housing and self-appointed wise men in Washington.

And Representative MARTIN of Massachusetts, Republican floor leader, insists that the opposition to housing is not influenced by the real-estate lobby but rather by the cost of the housing program. Heavy Government expenditures, he warned, threaten to send the Nation into a tail spin.

If Mr. MARTIN were inclined to go into the economics of the issue fairly, however, he would have to concede that the maximum annual outlay under the bill is a very small fraction of the Federal budget and that even this expense will not begin to accrue for a year or two. There is no possibility that the cost of the housing program would cause a depression. This money would properly be considered as a timely investment to increase the national wealth. It would strengthen, rather than weaken, the Nation's economic structure.

Last year the familiar coalition of Republicans and southern Democrats prevented the housing bill from coming to a vote in the House. Now the bill is at last in the open, where it must either be passed or defeated. It will be a matter of enlightenment for the American people to know just where each Member stands on this issue.

Palestine Peace Talks—Israel Not To Blame for Lausanne Stalemate

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. CELLER. Mr. Speaker, it is most unfortunate that the current impression that the United States has changed its line in relation to Israel is gaining wide circulation. It is devoutly to be hoped that we do not once again travel the circuitous route we did last year following the adoption by the United Nations of the partition resolution. It can easily be recalled what damage we did then to both our own national prestige and that of the United Nations.

Are we again obscuring the facts and refusing to face the realities? It has been asserted that the United States has taken unilateral action in reprimanding the Israelis for blocking the peace talks at Lausanne. If that is so, I believe it is time for those high in authority in our Department of State to investigate what is going on in the unpublicized desk corners within the Department. We have seen before what mischief arose out of improperly digested and improperly interpreted reports which came to the policy makers from lesser officials. To cite but a few, we had reports on the Russian menace in Israel, the strength and unity of the Arab countries, the revolutions that would follow in the wake of recognition of Israel and the menance to our oil supply. All of these reports proved to be completely without foundation.

True, the peace talks at Lausanne are stalemated. But the vital question before us is: Where does the responsibility lie for the stalemate? Is it all Israel's fault? Assuredly, not when Israel has made the only concrete proposals to date.

First. The offer to take 230,000 Arab refugees in the Gaza strip if that bit of land were ceded to Israel.

Second. The proposal to unite Arab families by permitting those Arabs who fled to return to Israel to join their families.

Third. A change in procedure in the peace talks to permit subcommittees to get down to basic issues, and

Fourth. A proposal that the Arab delegates get wider powers from their governments to discuss other questions beyond that of the refugees.

The Arabs have refused to discuss any of these proposals. They admit openly that the only question they will discuss is that of the Arab refugees and no other.

Naturally, then, the stalemate exists. In the procedure at Lausanne, Arabs and Jews do not sit down face to face to negotiate. The United Nations Palestine Conciliation Commission is the go-between, talking first to one side and then to the next, but there is no meeting between the two principals which could permit for a more thorough examination of proposals and counter proposals.

The strategy of the Arabs appears to force a complete concession from the Israelis to admit to Israel the major portion of the Arab refugees. Not only has this sentimental value to win world-wide public opinion, but, far more concretely than that, once having gained the readmittance of these refugees, the Arabs will have succeeded in obtaining a powerful fifth column within Israeli territory in the event of the resumption of hostilities. The admission of the Arab refugees would likewise so burden the economy of Israel that it would be immeasurably weakened should the Arabs decide to open fire again. The possibility of another Arab attack is by no means to be overlooked.

Israel has reasonably consented to participate in plans for resettlement of the Arabs, though not within Israeli territory. She has likewise reasonably contended that the issue of Arab refugees is part of the whole picture and cannot be resolved without discussion of such major issues as boundaries and economic pacts. Until such issues are settled, what guaranties of further peace talks can be made should the Israelis concede to the resettlement of these Arabs in Israeli territory? It must not be lost sight of that the Arabs fled, not by pressure of the Israelis, but as a result of Arab aggression.

If the threads of the peace discussions are to be picked up again, it is not quite clear why the onus is being placed on the Israelis by the United States, as reported. I sincerely trust this is not so. This will need careful watching to determine that the United States is acting in the interest of peace and not in the interest of the Arabs only.

The Late Dr. Hugh Smith Cumming

EXTENSION OF REMARKS
OF
HON. SCHUYLER OTIS BLAND
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. BLAND. Mr. Speaker, one of the most distinguished careers in the service of the United States, of help to his fellow man and in the history of public health, came to an end December 20, 1948, with the death of Dr. Hugh Smith Cumming at his home in Washington, D. C.

Dr. Cumming, Surgeon General of the United States Public Health Service from 1920 to 1936, and for many years a world figure in his profession, had suffered a thrombosis on November 19, 1947, from which he only partially recovered.

It was during Dr. Cumming's administration of the Public Health Service and the important Pan-American Sanitary Bureau, of which he had been director for 27 years, that public health came to be recognized in the United States as a major responsibility of Government in international as well as domestic affairs. Dr. Cumming, in his more than a half-century of service, became one of the dominant figures in this development.

Dr. Cumming was born in Hampton, Va., August 17, 1869, and acquired his early education in the Symmes-Eaton Academy, oldest public school in America, and in private schools before studying for a year at City College of Baltimore. Upon returning from Baltimore he continued his studies in languages and sciences under private tutoring. For a year he taught school in Harford County, Md.

In 1891 he entered the medical department of the University of Virginia, from which he was graduated in 1893 with the degree of doctor of medicine. He was a member of Chi Phi Fraternity, Eli Banana Society, and the Raven Society. He was president of the Jefferson Literary Society and was one of the founders of the Pi Mu medical fraternity. He was elected most popular man in the university and historian of his class.

Following his graduation, Dr. Cumming went to Richmond as house doctor in Dr. Hunter McGuire's old St. Luke Hospital, at the same time assisting Dr. McGuire in surgery in the Medical College of Virginia.

On February 10, 1894, young Dr. Cumming wrote a letter from St. Luke's to Surgeon General Walter Wyman asking concerning examinations for entrance into the United States Marine Hospital Service.

He was 1 of 4 who were successful among 27 applicants and on May 28, 1894, he was advised that the President of the United States had signed his commission as Assistant Surgeon.

Twenty-six years later, during which time the United States Marine Hospital Service had become, on July 1, 1902, the United States Public Health and Marine Hospital Service, and on August 14, 1912, the United States Public Health Service, Dr. Cumming received a communication from Washington that gave historic significance to the letter he had written to Surgeon General Wyman in 1894.

The message awaited him in Rome upon his return from a tour of inspection of ports in the Mediterranean area. It was a cable announcing his appointment as Surgeon General of the Public Health Service. On March 10, 1920, he took the oath for the first of his four successive terms in that high office.

From the time he first entered the Service, Dr. Cumming served under nine Presidents, under five of them as Surgeon General.

During his 26 years of service, culminating in his appointment as Surgeon General, Dr. Cumming proved his abilities not only in the realm of science but in administration and diplomacy.

At his first Service station, the United States Marine Hospital, Staten Island, N. Y., Dr. Cumming became acquainted with the clinical activities of New York hospitals and studied tropical diseases on ships arriving from all parts of the world.

During the next several years, he served successively at Norfolk, Ellis Island, and Montauk Point, N. Y.; in Mississippi and Louisiana, at Philadelphia and Cape Fear. These assignments included medical inspection of aliens, quarantine inspection of returning troops, and participation in service work during a yellow-fever epidemic.

In June 1899, Dr. Cumming was placed in charge of the South Atlantic Quarantine at Blackbeard Island, off the coast of Georgia. Here he treated yellow-fever cases, and saw his first case of bubonic plague.

Following his recovery from an operation for appendicitis, Dr. Cumming was ordered, on December 2, 1901, to San Francisco, Calif., as chief quarantine officer and during this tour of duty, Dr. Cumming's abilities as an administrator and diplomat first came into important play.

Bubonic plague was known to be rampant in the area, but a disagreement had arisen among Federal, State, and local authorities as to the seriousness of the outbreak and jurisdictional handling of the problem. Dr. Cumming was of assistance in harmonizing the differences and aided in instituting constructive action.

So successful was his administration as chief quarantine officer of San Francisco that at the end of his 4-year detail commercial and health interests joined in requesting his reassignment.

Following his San Francisco detail, Dr. Cumming served for 4 years in Japan, where he was sent in March 1906 to the office of the United States Consulate General in Yokohama to guard against exportation of plague and cholera to the United States. In Japan he had an opportunity to follow the research work of Kitisato and other great Japanese scientists and to further his knowledge of both the administrative and scientific handling of tropical diseases.

From Japan he was ordered back to the United States and placed in charge of the Cape Charles Quarantine Station at Fort Monroe, Va., to coordinate the quarantine situation in Hampton Roads.

In the autumn of 1912, Dr. Cumming requested leave of absence to pursue his studies of tropical disease in London, but was prevented from leaving by reports that pollution of tidal waters in the Chesapeake Bay was threatening wholesale destruction of the great oyster beds in that area. He was assigned to this work, and his service gained him recognition not only in this country but abroad. His assignment later was extended to cover the entire Atlantic coast.

With the advent of World War I, Dr. Cumming was detailed to the Office of the Surgeon General of the Navy, where he remained until the fall of 1918, when he was ordered by the President to report on sanitary conditions at camps in France and elsewhere, and at the ports of embarkation of returning United States troops.

As travel restrictions were relaxed following the war, intensifying the danger of infection from abroad, Dr. Cumming was given a general assignment by the President to conduct sanitation studies at European ports.

This and similar assignments in this country and overseas made Dr. Cumming an outstanding authority on quarantine matters that stood him in good stead in his work of completing the United States quarantine system during his tenure as Surgeon General, and gave him an unusual comprehension of the importance of international cooperation in the field of health.

During this period he took part in the conference at Cannes which resulted in the organization of the League of Red Cross Societies, and he held frequent conferences with leading health authorities of other countries on the subject of an international health organization.

In 1920, when he first took office as Surgeon General of the Public Health Service, Dr. Cumming was elected Director of the Pan American Sanitary Bureau, created by treaty in 1902 as the world's first international health organization. He held this office, concurrently with his other duties, until his retirement and election as Director Emeritus on February 1, 1947. He attended every Pan American sanitary conference from 1920 until his retirement in his capacity as Director of the Pan American Sanitary Bureau or as a representative of the United States Government. He saw the Bureau grow, in large part through his efforts, from little more than a reporting service to a full-fledged health organization, with professional, technical, and administrative representatives throughout Latin America.

In addition to his work with the Pan American Sanitary Bureau, Dr. Cumming found outlet for his interest in international health problems in the Office International d'Hygiène Publique and in the health section of the League of Nations. He had played important

parts in both bodies for nearly a quarter of a century prior to their dissolution in 1946 to make way for the new World Health Organization of the United Nations. In his capacity as Director of the Pan American Sanitary Bureau he attended both the Paris and New York conferences which led to the establishment of the new organization. For his work in international health, Dr. Cumming was decorated by many foreign countries and held honorary membership in a number of the world's leading medical bodies.

It was because of his broad concept of health as an international, as well as a national, responsibility that many of the programs of Dr. Cumming's administration as Surgeon General of the United States Public Health Service were conceived, developed, and carried through.

It was during Dr. Cumming's administration that the national quarantine system was completed with Federal acquisition of the last State-owned quarantine station at the port of New York. Other achievements of the period included:

Reorganization of the Hospital Division of the service and expansion of facilities, following World War I, to meet the needs of ex-service men and women; establishment of a national leprosarium; control of several outbreaks of bubonic plague in United States port areas; inauguration of the plan of assigning medical officers to American consulates abroad for examination of prospective emigrants to the United States; development and expansion of important research and field investigation activities of the Service, and the inauguration of studies of silicosis and other dust diseases which greatly extended knowledge in this field.

Dr. Cumming was also the key figure in a number of programs carried out with congressional authorization during this period, including:

Construction of a new building for the Public Health Service headquarters in Washington, now occupied by the Atomic Energy Commission; construction of 11 new marine hospitals in the United States; construction of 2 hospitals for treatment of narcotic addicts; establishment of the Division of Mental Hygiene in the Public Health Service; construction of new quarantine stations at principal ports of the United States; enlargement of the Corps of Commissioned Officers of the Public Health Service to include dental, engineering, and pharmacy personnel as well as medical officers.

Dr. Cumming inaugurated a study of malignant growths by medical officers of the service at Harvard University and at the hygienic laboratory, forerunner of the National Institute of Health, which has developed into a major function of the service.

An alumnus of the first class of the old hygienic laboratory, which had carried on its work in the attic of the old Service Headquarters, Dr. Cumming, as Surgeon General, made it his business to obtain appropriations for an expansion of this activity.

His efforts in this direction were culminated shortly before his retirement through a gift of land at Bethesda, Md., and the passage of appropriations with which were constructed the present National Institute of Health.

Following the discovery of vaccines for Rocky Mountain spotted fever, by an officer of the Public Health Service, Dr. Cumming arranged for the service to take over a small laboratory at Hamilton, Mont., and obtained appropriations for its enlargement. It was in this laboratory that these vaccines, as well as the present yellow fever vaccine, were manufactured.

Industrial medicine and sanitation was another field in which considerable progress was made during Dr. Cumming's administration. When many leading public-health authorities in the country were campaigning against the use of tetra-ethyl lead in gasoline, Dr. Cumming appointed a board to prescribe the conditions under which tetra-ethyl might safely be manufactured and used. As a result, use of the fuel was greatly facilitated—a fact of incalculable significance not only in the industrial and social progress of the country but in its position as a military power as well.

It was during Dr. Cumming's administration also that standards for safe production, processing, and handling of milk were introduced throughout the country. Important strides also were made in the field of steam sanitation.

Dr. Cumming's foreign citations were additional to the many honors accorded him in the United States by educational, professional, and public organizations and institutions. He was an honorary fellow of the American College of Surgeons, the American College of Physicians, and the American College of Dentists; a life member of the American Public Health Association, the American College of Physicians, the Association of Military Surgeons of the United States, the American Hospital Association, and the United States Mexican Border Public Health Association.

He was a past president of the Association of Military Surgeons of the United States, the Southern Medical Association, the American Public Health Association, and the Gorgas Memorial Institute of Tropical and Preventive Medicine.

He served from 1929 as a member of the Board of Visitors of Saint Elizabeth's Hospital, Washington, D. C., a Presidential appointment, and also was an active member of the board of directors of Garfield Memorial Hospital, Washington, D. C. He held honorary degrees from the Medical College of Virginia, the University of Pennsylvania and Yale University. In 1936 he was awarded the Hartley Gold Medal by the National Academy of Science for Application of Scientific Knowledge to Public Service. Other citations included the Gorgas Medal and Prize of the Association of Military Surgeons of the United States for distinguished service in the field of national and international public health and the William Freeman Snow Award For Distinguished Service to Humanity.

Dr. Cumming was married on October 28, 1896, at Carters Grove, Va., on the James River, to Lucy Booth, daughter of Dr. Edwin Gilliam Booth. In addition to his wife, he leaves a son, Hugh Smith Cumming, Jr., counselor to the American Embassy at Stockholm, and a daughter, Clara Diana, wife of Manville Kendrick of Sheridan, Wyo. Two grandsons also survive, John B. Kendrick II and Hugh Smith Cumming Kendrick.

Dr. Cumming was buried at Hampton, Va., in the churchyard of St. John's, oldest English parish in America, December 24, 1948.

From the very earliest informal discussion of a proposed World Health Organization until the ratification by Congress of the constitution of the World Health Organization, Dr. Cumming fought actively for the maintenance of the autonomy of the Pan American Bureau and its continuance as the regional agency for all public-health matters on this hemisphere. He fought practically a one-man battle and realized and understood far better than many others that the public-health problems on this hemisphere were entirely different from those in other parts of the world. It was very fortunate that he realized the danger of having certain foreign organizations undertake to solve public-health problems on this hemisphere when conditions peculiar to our own countries were unfamiliar to them. Dr. Cumming felt that there should be regional agencies for various sections of the world and that the Pan American Sanitary Bureau should act as the regional agency on this side of the Atlantic.

At the World Health Conference in New York, Dr. Cumming, aided by his Latin-American colleagues, fought against the so-called integration of the Pan American Sanitary Bureau and its complete subjugation under the new organization. Dr. Cumming's fight was made to preserve the integrity and autonomy of the tried-and-true Pan American Sanitary Bureau as the regional agency for the American Republics and other countries on this hemisphere.

Dr. Cumming was not fighting against the creation of a World Health Organization but he was fighting for the preservation of the Pan American Sanitary Bureau as a regional agency for this hemisphere and for other regional agencies in other parts of the world. Time and world conditions have demonstrated beyond possible question that the course he pursued was the best for this Nation and for the world.

A few days before his death Dr. Cumming had the supreme satisfaction to learn that his fight had not been in vain and that the Pan American Sanitary Bureau had been made the regional agency of the World Health Organization for this hemisphere. He knew then that it might be truly said of him and his work, "Well done, thou true and faithful servant."

I feel that I would be remiss if I did not add that during the entire 27 years that Dr. Cumming served as director of the Pan American Sanitary Bureau he received no remuneration of any kind and that during the period from his retirement as Surgeon General in 1936 to his election as director emeritus of the Bureau in 1947 he gave his entire time and

strength to the administration of the Bureau continuing with no remuneration whatsoever.

I can truly say that in my public life, I have never met a man with more patience, humility, and surpassing ability than Hugh Cumming. I feel myself wholly incapable of describing fully his merits and services to the Nation. I invite a minute study of his labors and life, for by these deeds we may best know him.

On February 24, 1935, I spoke on the life and service of Dr. Cumming, Surgeon General of the United States Public Health Service, and I refer to those remarks for further comments on the splendid career of this great man. As was said in an editorial which appeared in the Daily Press, Newport News, Va., on December 23, 1948:

Dr. Cumming, during a lifetime spent in the United States Public Health Service, served his fellow men as abundantly as any other American of his time.

Speaking of his service to humanity the editorial also further said:

No greater service could have been rendered humanity, and Hampton may feel the warmest pride that he was a son of Hampton.

An editorial in the Times-Herald, Newport News, Va., December 22, 1948, closes with these words:

The peninsula may be proud that this eminent man of medicine is native to her soil and that his life and work brought so large a benefit to his generation.

The Evening Star, of Washington, in an editorial on December 23, 1948, truly said of Dr. Cumming:

His death at 79 removes a health crusader to whom the world, as beneficiary, owes a debt of gratitude.

The Richmond Times-Dispatch of Richmond, Va., in an editorial on December 23, 1948, said of Dr. Cumming:

That he should have been retained by five successive Presidents until his voluntary retirement in 1936 is a testimonial to the universal esteem in which he was held. Dr. Cumming was one of the truly notable Virginians of his generation.

In the Journal of the American Medical Association, January 1, 1949, vol. 39, No. 1, there is an announcement of Dr. Cumming's death which closes with these words which should be preserved as they truly portray this great man:

Dr. Hugh Cumming was, throughout his life, a firm supporter of the ideals of American medicine. He was forthright in his views and dependable in his actions. His friendships were innumerable and his loss is mourned by many great leaders of medicine who held him dear.

He was my very dear friend and during a fairly long life, I can truthfully say that I never met anyone whom I held in higher esteem or more devoted affection. Peace to his ashes. His memory deserves to be remembered and cherished by all who knew him. He was a great man. Virginia should remember him always as one of her greatest sons.

Coast Guard Honors Auxiliary With "Day"

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article which appeared in the Brooklyn Eagle of June 19, 1949:

COAST GUARD HONORS AUXILIARY WITH "DAY"

Two events in Brooklyn yesterday high lighted the activities of the Coast Guard Auxiliary, volunteer organization of boatmen whose services to the Coast Guard in war and peace will be observed throughout the Nation on June 23, the tenth anniversary of the signing by the late President Roosevelt of the act which created the present auxiliary.

Borough President John Cashmore issued a proclamation establishing June 23 as Coast Guard Auxiliary Day, and urging all citizens "to observe the anniversary in an appropriate manner."

At the same time, announcement was made by Capt. John A. Sutter, of the Rockaway Inlet Division, that local auxiliarists would again put in 24 hours around the clock with the Coast Guard, beginning next Saturday.

Brooklyn and Queens members of the division will serve on Saturdays and Sundays during the summer at the Coast Guard's Rockaway Point Lifeboat Station, assigned to boat work to supplement the station's skeleton crew of regulars.

CONTINUE COOPERATION

With Brooklyn one of the critical areas of port security work during the war, members of the local auxiliary, sworn into the Coast Guard as temporary members of the Reserve on unpaid intermittent duty, stood watch on piers and ships and did boat patrol work.

Honorably disenrolled after the war's end, the temporary reservists reverted to their civilian status as auxiliarists and began a new phase of cooperation with the Coast Guard—promotion of safety at sea and in small-boat handling.

The local auxiliary organized free courses in seamanship and boat handling, which were given during the last two winters at Brooklyn College to more than 200 adult students, most of them owners of pleasure craft.

The auxiliary's principal summer work, carried on from its Jamaica Bay base at Beach One Hundred and Seventeenth Street, Rockaway Park, has been its courtesy inspection program of small boats.

The inspection program, carried out at the request of the Coast Guard, enables owners of motorboats to obtain free inspections of their craft on application to the auxiliary. Boats found to meet minimum legal requirements for safety receive red-and-white stickers to display.

AVOIDS INSPECTION

Display of the sticker exempts a boat from being boarded for routine inspection by the crews of Coast Guard cutters, which will cruise local waters this summer in search of safety violations. Captain Sutter pointed out that failure to pass the auxiliary's courtesy inspection did not entail any penalty. Owners of such boats are informed how they may correct the crafts' deficiencies if they care to do so.

If they continue to operate without meeting minimum legal requirements they run the same chances of being picked up by a regular Coast Guard boarding crew as do boat owners who did not avail themselves of the auxiliary's inspection service.

Requests for courtesy inspections may be made in writing to the auxiliary at the Coast Guard's Rockaway Point Lifeboat Station or to Captain Sutter, at 2501 Knapp Street, Sheepshead Bay. Captain Sutter, one of Brooklyn's veteran small-boat men, has operated a ship repair yard at Sheepshead Bay for more than 40 years.

The Rockaway inlet division is made up of two flotillas, both headed by Brooklyn men. The commander of flotilla 1000 is Eugene Hoffman, and the commander of flotilla 1100 is Reginald Berry.

The Wrong Audience

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial which appeared in the Amsterdam (N. Y.) Recorder of May 24, 1949:

THE WRONG AUDIENCE

Former Postmaster General James A. Farley, in an address made some time ago before the New York State Bankers Association, uttered these words of wisdom: "Our people must not expect unending miracles of generosity from Government."

Genial Jim's outline of the situation in which this America of ours finds itself was an able one. "The two fears about America we must, with all our will and intelligence, defeat and dissipate. The first of these fears is that this time, as in the years after the First World War, we shall lose ourselves in our own concerns and forget our responsibility for world leadership. * * * The other fear is that history might repeat itself and that by its own mistakes and excuses we shall fall into another depression. That is what every follower of Marx everywhere hopes and believes. Such a disaster here would set the forces of Communism on the march everywhere. We must frustrate that hope of our enemies."

Now that is excellent doctrine. In general, it expresses our own opinion and advice as to the course which this country should pursue. But we could wish that Mr. Farley had explored a bit further his hint to the American people that they must not expect unending generosity from Government. Just who is responsible for the hold which anticipation of protection from all the ills of mankind, from the cradle to the grave, has upon our people? Is it not the candidates of the major political parties, who have been promising all things to all men for so many years, who are chiefly at fault? Mr. Farley was addressing the wrong people when he talked to the bankers about this. He should have been advising the Democratic and Republican Parties in both State and Nation. They could really do something along this line. But Mr. Farley's speech has been printed in the appendix to the CONGRESSIONAL RECORD. Maybe Mr. Truman will read it.

The American Dream

EXTENSION OF REMARKS

OF

HON. FRANCES P. BOLTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mrs. BOLTON of Ohio. Mr. Speaker, I had the pleasant privilege to deliver the commencement address at the very splendid Meharry Medical, Dental and Nursing College for Negroes in Nashville, Tenn.

Under unanimous consent to extend my remarks, I include herein my address:

THE AMERICAN DREAM

Mr. President, members of the faculty and staffs, all of you who have the privilege of studying at this splendid college, trustees, alumni, and guests, I deeply appreciate the honor you have done me in selecting your commencement speaker. Miss Gault and I have known each other lo these many years. I have felt the stimulation of her rare spirit more often than she is aware. I am not surprised to find this school of nursing of such high standard—nothing she touches could be otherwise.

Let me take this opportunity to thank you, Miss Gault, and those associated with you in the Meharry School of Nursing for the joy of coming to Meharry.

You see, ever since I can remember medicine and nursing have been a part of my life, and for the past 20 years dentistry too has come into the intimate sphere of my interests. This will perhaps surprise you. So let me explain for a moment. It is really orthodontics—work my oldest son has been interested in with B. Holly Broadbent, D. D. S., professor in the Western Reserve University School of Dentistry—research, and fascinating findings that are revolutionizing the science of orthodontics.

So you see it was an irresistible temptation you offered me when I realized I should have all three professions completely at my mercy.

I have so very much I should like to say about the need for nurses equipped to meet tomorrow's requirements, to say nothing of today's. I could make many suggestions to you dentists about the importance of teaching every person you meet up with the need for understanding of what teeth require by way of foods, of cleanliness, of watching, and oh a lot of other things.

As to you doctors: If I had you alone with a whole day before us I should be but part way through the much I long to pour out upon you. And as to this business of Government medicine, mercy what we could do to that together.

But none of this will happen, for that belongs in your professional lives and I am not here to speak of those.

To you, Dr. Dawson, and all your faculty and trustees and guests I want to say how good it is to be among you, to have had a little moment to see and feel Meharry, the symmetry of your buildings, the beauty of your grass, your trees, your shrubs. But best of all I have broken bread with you.

It is always a bit of a sacrament to me, the first breaking of bread. One moment we were strangers, the next we could never be so again.

So I say to all of you: I am so glad to be here.

But what I shall say, the remarks I shall make are to the graduating students most of all, to each of you quite apart from your companions, to each of you as an individual in those innermost recesses of mind and heart where you live but into which you cannot see. What I have to say is to each of you as an American with the peculiar responsibility that rests upon each one of you because of that fact, for I have come from the halls of Congress to talk with you of the American dream.

"There was a dream, that men could one day speak the thoughts of their own choosing.

"There was a hope, that men could one day stroll through streets at evening, unafraid.

"There was a prayer, that each could speak to his own God—in his own church.

"That dream, that hope, that prayer became—America.

"Great strength, youthful heart, vast enterprise, hard work, make it so.

"Now that same America is the dream, the hope, the prayer of the world.

"Our freedom—its dream. Our strength—its hope. Our swift race against time—its prayer.

"We must not fail the world now.

"We must not fail to share our freedom with it.

"Keep singing, keep working, and fight for America." (From The Flag Speaks.)

All down the ages after the spark was kindled in the human breast men have dreamed dreams of freedom. Then a man saw a vision—and in spite of confusion, bitterness, hardship, and bloodshed, brought it into being, protected its first steps, and made it a nation. This man was George Washington. Towering above his companions in physical, mental, and spiritual stature, he drank deep of the cup of loneliness that freedom might be given form.

And again a tall figure raised himself up by the sheer force of his inner need to serve that same freedom under law—and the Union was saved. Lonely beyond most men's knowledge of loneliness, Lincoln lived out his destiny and forged a great link in the chain of human freedoms.

Leadership is a lonely business, friends—made up of courage and wisdom and a great carelessness of self, and yours has been a training for leadership.

Think for a moment of what dramatic importance it has been for you that two men met under the stress of war and came together in the consequent peace, dreaming the same dream.

Each separate one of you chose to take advantage of the opportunities available to you because those two men dreamed that dream and a third man caught their vision and five others joined in. You have spent wonderful years here at Meharry—years of serious work bound together with the joys of fellowship in a community of common purpose.

Until now you have been members of groups—family, church, community, school, college, perhaps the armed services, and recently Meharry. You have been subject to the training, the disciplining, and the equipping which the human race provides for its young. You have been learning from each other, stimulated by each other, dependent upon each other and upon those under whom you have studied.

Now you step out of the world of preparation into the world of action, taking with you only those things you have made your own, a part and parcel of yourselves.

It is true, of course, that with each new dawn we face a new day, a new world—but at such a moment as this, when the school years are done and one stands on the threshold of life looking out, there comes a poignant need for courage and for faith—faith in one's self, confidence in the future.

You have chosen a life of service—you will not belong to yourselves any more, you will belong to suffering humanity, and everywhere in the world there is need of you. That is a thrilling and a challenging thought, a humbling one, especially when the need is so very great right here in America—just beyond these halls. You have taken an oath to serve mankind. In so doing you have asked the God within you to stand close beside you, to give you judgment, wisdom, courage. He will not fail you if you call upon Him.

A wonderful opportunity lies before you, carrying with it not only the responsibility of your professions, but in addition the responsibility of leadership as privileged Americans. What you do professionally will give relief and help to many—but friends, what you live, what you do as human beings, as citizens of this our beloved country—that matters most.

The very fact that you have come through school and college and have taken this fine professional training sets you apart, and your influence will be more far reaching than you know. Decisions of every sort await you out there, just across this golden threshold. Judgments, defeats, victories, misfortune, and good fortune, they are all there awaiting you. Whether you marry, whether you find close companionship in work or play, one thing is certain, the moment has come when you must live with yourself, accepting the consequences of your actions, taking full responsibility for them. Leadership is a lonely road, friends, an exacting one. Let me repeat the words written by John Buchan (Lord Tweedsmuir) in one of his books, "Leadership is wisdom and judgment and a great carelessness of self." That is perhaps the key: "Carelessness of self"—unselfishness—a constant giving, a continuation of learning by doing, a never ceasing outpouring of your own need to appease suffering, to teach ways of life that mean health and joyous happiness. And again I say to you that what you live will be as truly productive and often more so as what you do.

The responsibility you have assumed in your choice of a calling reaches out into every area of your living—for you are Americans and America needs you. "There was a dream, a hope, a prayer," and a new nation was born. That nation is still less than 200 years old, the dream is not yet reality. There is so much still to do—and you and I have the burden and the glorious chance of the doing.

As Americans we cannot escape the responsibility not only to protect such freedoms as we have secured, but also to extend these ever nearer to the dream that brought us into being, that means opportunity for all. Is that not so?

Let us look about us for a moment at this great country that is ours to build, ours to mold, ours to love.

What a strange picture we see. A seething cauldron into which have been poured people of all races from all climes. By whom? Surely by the great force which, for a moment, I shall call evolution, to rub against each other and so generate new sparks of life, new and different phases of living. To what end? Who knows save the Eternal One within whose life we live and move and have our being. It isn't necessary that we know why. It is supremely necessary that we know what we as Americans believe and what faces us in the strangely confused and struggling world into which you must now go forth.

As Americans we believe profoundly that the individual is important—not just important of himself, but because he is a part of the very being of the Living God, created in His image, indestructible. As such he shares with every other individual the responsibility to keep America strong, to keep her free. The fundamental principles of our living is the certainty that because God is, because His laws created and continue the universe, because He is we are. Out there in the world of armed truce and continuing wars we are pitted against an adversary whose fundamental principle is that the individual is of no importance at all except as he serves the state, that there is no force, no power higher than the state, and that all

must bow before it and do its will. And what constitutes the state? Fourteen men who have taken control with a ruthlessness never before imagined.

This struggle that is going on is not one between nations. Friends—this is a struggle between darkness and light, between the man who says "there is no God—all power belongs to the state" and the man who knows that he of himself is part of the Eternal Creative Energy, the all-pervading Power that is life, ever changing and indestructible.

Nor is the struggle all way out yonder. It is right here in our own beloved country. Everywhere there are those who are infusing into our people many subtle doubts. They suggest that because we have not perfected our dream in 150 years there is no value in it. They seek to undermine our confidence in it and in ourselves. To meet this impact you will need an inner security that no one can give you other than yourself. You will need a few fundamental bits of basic knowledge, of deep and abiding faith to keep you strong when you are assaulted by the cohorts of this other ideology as you most surely will be.

Should you find yourself at some future moment questioning values, stop for a moment and look about you quite calmly, quite objectively. Has it not been a miracle? Less than 200 years from wilderness to world power!

Oh! there is still much to be done, but the onward march will never stop until the dream has become reality. It will not stop because you and many like you know from personal experience that opportunities bring with them responsibilities of leadership that you must fulfill.

You know as some as yet do not that there was a dream of freedom and opportunity for all, not just for a selected few. You who are so vitally a part of the miracles of our development know that America is dedicated to freedom under law—consecrated to the protection of the individual from domination by other individuals, by groups, even by Government itself. You, with countless others partake now more, now less, of its opportunities for development and growth. You are equipped for leadership and so must assume responsibility for the protection and the continuance of these freedoms.

You are a part and parcel of a people—a Nation—who, from the very beginning, declared their trust to be in God. Our great men have turned to Him when, in their hours of despair, hope left them and they had nothing but their certain faith that if they reached out, no matter how dense the darkness, and put their hand in His, that would be "better than a light, safer than a known way."

All of us are faced with heavy responsibility to God Himself in these days when the forces of those who deny His very existence grow in strength. If we are to prevail—and we must—we must know our strengths and our weaknesses, we must learn to recognize the temptations that might make a strong appeal, the pitfalls that are on every hand. Only when we know these are we safe on the road—only when we can recognize them in any guise can we stand against them.

I am not offering you ease, friends. I am offering you a hard path—a lonely road—a road that winds across vast arid plains, across broad fertile valleys, over rocky mountain ranges—a road that turns and twists and climbs—and climbs. And perhaps I am not just offering it to you. Rather, am I saying:

When a man or a women chooses to take hold of opportunity and be instructed and practiced in some special field, responsibility for leadership results. Oh, I do not mean you must all become Presidents—but I do mean that what you make of your lives not only in your professions but as citizens of this our country is of far-reaching importance. They are honored professions that you have chosen. But let me say what I believe with all my capacity for belief, that serving well America's dream is of all ways of life the most worth while, the most soul-satisfying, and the most significant.

Yes; I offer you a lonely path, friends, for you will often be misunderstood, misjudged. But I assure you that once your foot is really on the road you will find others going the same way, weary, perhaps, but with a light in their eyes seldom seen on sea or land. I can assure you that if you will step across this threshold that confronts you today with the dream of this young, virile, eager country ever before you, consecrating yourselves to the hard task of making that dream come true, you will be given a strength no man can take from you. You will go forward with the song of freedom in your heart.

And may the Infinite have you deeply aware that you are in His keeping now and beyond time.

The Real-Estate Lobby

EXTENSION OF REMARKS

OF

HON. FRANK M. KARSTEN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. KARSTEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the St. Louis Post-Dispatch of June 18, 1949:

A SCATHING MESSAGE

Seldom has a President used more scathing terms than those employed by Mr. Truman to denounce the real-estate lobby. He says a "little group of ruthless men" is trying to mislead Congress and the Nation on housing legislation and he adds in a letter to Speaker Rayburn:

"I do not recall ever having witnessed a more deliberate campaign of misrepresentation and distortion against legislation of such crucial importance to public welfare."

But the President did not confine himself to general condemnation. He took up the lobby charges point by point to show that they are false. Actual expenditures under the House bill will be about ten billions, spread over 30 years, rather than the twenty-billion estimate of the lobby. Unit costs of low-rent public housing will average $8,465, instead of more than $15,000. Such housing will be restricted to people of low income, and not be made available to persons with good incomes. So runs the President's bill of particulars.

In reviewing the fight of the real estate lobby against public housing legislation, it is sometimes necessary to rub one's eyes in wonder at some of the things it has said and done. Here is a private interest which, through previous housing legislation, has been greatly benefited by governmental action and governmental funds.

Yet, like a dog in the manger, it does not want similar action taken in behalf of the poorest part of the population. The effect of the lobby's activity is to perpetuate the crime and disease-breeding slums in both urban and rural areas. These slums are profitable to their owners, who are willing to batten on human misery.

Private enterprisers cannot and will not replace the slums, because they cannot do it with profit. That is well understood and private enterprise cannot be blamed for refusing to engage in losing ventures. But private enterprise, which willingly takes subsidies for higher types of housing, cannot reasonably object to the grant of subsidies for slum clearance.

Never before in the Nation's history have the American people suffered so much for want of places to live. The housing shortage is causing domestic unhappiness, divorces, and even murder as people are crowded together in intolerable intimacy. It is not a sentimental exaggeration to say that the plight of many is reminiscent of the line from Matthew: "The foxes have holes, and the birds of the air have nests; but the Son of man hath not where to lay his head."

The real estate lobby has the nerve to place itself direct', in the path of the national welfare, and even to attack men like Senator TAFT for failure to do its bidding. It is an incredible state of affairs, and it fully justifies the President's strong language.

Red Attacks on Religion Fail To Purge Man of His Faith

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following editorial which appeared in the Brooklyn Eagle of June 13, 1949:

RED ATTACKS ON RELIGION FAIL TO PURGE MAN OF HIS FAITH

The points of similarity between fascism, which survives now only to an extremely limited degree, and communism, a much more imminent menace to peace and freedom, become more apparent as time goes on and the Soviet ideology encounters increasing resistance.

Basically, of course, there is little difference between the two schools of political thought although theoretically they are the antithesis of each other. Both are destructive of human dignity and freedom and, to exalt the state, bring about the degradation of the individual.

One of the means to this end is the elimination of religious belief and practice on the very sound and practical assumption that it is difficult to cast the lives of great numbers of people in a common and degraded mold when there is the sustaining force of spiritual faith to be overcome.

Hitler recognized this obstacle early in his regime and proceeded against it with characteristic ruthlessness. Recognizing the clergy as among his most formidable opponents, he sought through ingenious and even fiendish means to discredit them in the eyes of his people preliminary to their imprisonment and the closing of their churches.

In Poland, in Hungary, Bulgaria, Yugoslavia, Czechoslovakia, and Rumania today the techniques of Hitler are being followed faithfully. Russia has by now succeeded in denying to its people the spiritual sustenance of religion and the satellites are proceeding swiftly toward the same end.

The arrest of Dr. Antonin Mandl, secretary of the Catholic Action Organization of Czechoslovakia, and the wholesale imprisonment of priests represents a speeding of the tempo of religious persecution. It is also a tribute to importance of the church as a barrier to authoritarian rule.

In connection with the current crusades of Europe's dictators, the history of the last 2,000 years provides a great deal of comfort. From Nero to Hitler they have failed to pluck faith from the hearts of men.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. HENDERSON LANHAM
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. LANHAM. Mr. Speaker, with leave to extend my own remarks in the Appendix of the RECORD, I am including, with my entire approval, an editorial that appeared in the Atlanta Journal under the date of June 15, 1949, entitled "Eisenhower Disapproves of Federal Aid to Education."

I am sure that General Eisenhower is wrong in his views and that he is not really familiar with the proposed bill.

The editorial follows:

EISENHOWER DISAPPROVES OF FEDERAL AID TO EDUCATION

When General Eisenhower was being urged to run for the Presidency of the United States about this time last year, his proponents did not know whether he was a Republican or a Democrat, a liberal or a conservative. They knew he was, and is, a fine man, and that he would probably be a winner. Now that the General is making statements as president of Columbia University, enjoying a freedom that his military responsibilities denied him, it is possible to tell more about the nature of his political credo.

Asked by a Republican Congressman for his views on Federal aid to education, General Eisenhower replied that he favors help for poorer sections but is against a general over-all program for assistance to all States, "Unless we are careful," said he, "even the great and necessary educational processes in our country will become yet another vehicle by which the believers in paternalism, if not outright socialism, will gain still additional power for the Federal Government." General Eisenhower drew a distinction between specific Federal grants to schools for specific purposes, such as scientific research, and a broad program which would involve "a blanket usurpation of local responsibility and obligation."

"The completely spurious argument is frequently advanced," General Eisenhower wrote the Congressman, "that because the Federal Government skims off so much of the available tax revenue it must, as a consequence, bear more of the local expenditure. This is putting the cart before the horse. If local communities do their job then there will be no need for additional centralized revenues for Nation-wide subsidies of an essentially local character; and we will avoid the extreme pitfalls of extreme centralization."

It strikes us that General Eisenhower would profit by reading the Federal aid to education bill. The legislation clearly provides that control of schools will be left to States, a point upon which southern Congressmen have insisted from the start. It also is drawn in such a manner as to encourage, rather than to discourage, an increase of effort at the local level. The question is not whether the Government will take over the schools, but whether it will use its financial resources to bring educational facilities in poor areas—like the South—more nearly into line with those of the richer sections.

General Eisenhower's views are sound enough once his premises are granted, but we doubt that they are the same views he would hold if he were superintendent of schools in Gilmer County, Ga., rather than the president of one of the Nation's most heavily endowed universities in one of the richest States.

Ignorance breeds poverty. Both are the concern of every American, no matter where they exist. It is impossible to isolate them, or to say they are solely the concern of the State, the town, or the county. When educational standards are raised, the entire Nation benefits. We believe that Federal aid to education, when it is passed, will be among the most progressive and beneficial steps ever taken by Congress.

Schoolbook Probe

EXTENSION OF REMARKS
OF
HON. CHET HOLIFIELD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. HOLIFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Marquis Childs, from the Washington Post:

WASHINGTON CALLING
(By Marquis Childs)
SCHOOLBOOK PROBE

Prodded recently for inactivity, the House Un-American Activities Committee seems to have decided to start on a new trail. That is as good an explanation as any for the remarkable step just taken by the committee.

A letter has gone out signed by the chairman, Representative JOHN S. WOOD, of Georgia, to nearly every college and university in the country and to every public-school system. It requests lists of textbooks now being used, along with the authors of the texts.

This first came to light when the heads of several institutions telephoned to Washington to try to find out what was behind the demand. The letters went to large privately endowed institutions, such as Harvard, Wellesley, and Vassar, as well as to State tax-supported schools.

The smaller institutions and the high-school and grade-school systems were asked for lists of all the texts used. To the larger institutions the request was somewhat narrowed down, as the letter indicates:

"The Committee on Un-American Activities is desirous of obtaining lists of textbooks and supplementary reading—with names of authors—in use in our educational institutions throughout the country in the fields of American literature, geography, economics, government, philosophy, history, political science, and any other of the social-science group. Since we have immediate need for this material, the committee will very much appreciate your cooperation in making this material available to us at the earliest possible date."

What led up to this request is revealing of the fear and suspicion that today border on hysteria. It is the climax of what seems to me to be a concerted drive to put curbs on the right of free inquiry.

For some years the Un-American Activities Committee has been under pressure to investigate American education to determine whether subversive doctrines are being taught in the Nation's schools. For the most part, the pressure has come from those who tend to regard as subversive anything that deviates slightly from the propaganda of the National Association of Manufacturers.

In some instances they are superheated patriots of advanced years who looked on the whole Roosevelt New Deal as part of a Communist plot. Others are cynical opportunists deliberately whipping up fears about education in order to serve their own political ends, which in some cases are just as subversive as communism.

Under the Republicans for the 2 years of the Eightieth Congress, the committee resisted this pressure. Smarter members, such as Representative RICHARD M. NIXON, of California, realized that such a line of inquiry might stir a hornet's nest of resentment. And, furthermore, they were aware that a large and carefully trained staff would be necessary for such an investigation if it was to be anything more than a sort of junior edition of the Hitler book burning in the heyday of the Nazis.

If all the schools respond to the un-American request, the volume of material coming in to the committee is likely to be large. That the present staff could analyze it intelligently is very doubtful. In about 30 States a board approves the textbooks for all public schools, but in the other States the choice is made by counties or local school boards.

What immediately precipitated the committee's letter was a petition from the National Council of the Sons of the American Revolution. The demand for an investigation of the Nation's textbooks was approved by the Sons at their last national convention. The Sons, even more nervous in their reaction to anything faintly subversive than the Daughters of the American Revolution, have about 20,000 members.

Chairman WOOD plays down the letter. He says it is merely a staff request, and the committee will decide what to do about the Nation's textbooks when they see what the staff turns up in this preliminary inquiry.

In my opinion, it is an ominous move. Even if the committee decides not to determine what is American and what is un-American in the schoolbooks, it will further increase the fear and doubt that have a baleful effect on the morale of the American people.

If I were a Member of Congress, I would hesitate a long time before I voted for Federal aid for education. Even though I believe such assistance necessary, I would be fearful of the long arm of the Federal Government thrust out to police all teaching. The strange thing is that those who oppose aid to education are also those who want Uncle Sam to become snooper and policeman on the thought-control beat.

The Problem of the Palestine Arab Refugees

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article entitled "The Problem of the Palestine Arab Refugees":

THE PROBLEM OF THE PALESTINE ARAB REFUGEES

(Memorandum submitted by Eliahu Ben-Horin, author of The Middle East: Crossroads of History)

1. The question of the future of the Arab refugees from Israel continues to be a source of uneasiness in international relations. Until settled, it may be expected to intensify the friction between Israel and the Arab states, to provoke tension between the great powers and the countries of the Middle East, and to confront the world with the existence

of a group of frustrated and unhappy human beings who might easily become prey to demoralizing influences. For these reasons, a rapid and satisfactory settlement of that problem appears eminently desirable.

2. Further urgency is lent to the question by the fact that the maintenance of a large mass of Arab refugees in their present position of uncertainty, is very costly, while it does not bring a solution any nearer. A sum of $16,000,000 has already been appropriated for the relief of these refugees by the United States Government. A similar sum has been or is being appropriated by several foreign governments. This money is due to be expended by next August, at which time the question of further relief expenditures will undoubtedly arise. Considerable amounts have also been provided for Arab refugee relief by private relief agencies and voluntary contributors. These funds, too, are wellnigh exhausted and more will be required. The demands on the United States Government and on private funds, largely from the United States, will continue and may have to be met again and again.

3. Growing recognition is given in all quarters to the need to proceed speedily with the resettlement of the large mass of the Arab refugees. It is generally understood that only a small part of these refugees will be able to return to Israel, and that even such a limited return will hardly be possible except as part of a general resettlement scheme for these refugees and in connection with an over-all improvement in Arab-Israeli relations. There is growing agreement that most of the Arab refugees in question should be enabled to settle on the land or to find a place in urban occupations in the various Arab countries whose recent war against Israel has had so much to do with the emergence of this particular refugee problem. It is understood that officials of the American and the British Governments, as well as United Nations circles, tend towards this viewpoint in growing measure, and that informal discussions are afoot with various Arab governments to explore the willingness of the latter to cooperate in such a resettlement scheme.

4. A serious danger that has to be faced in this connection is the danger of a diffusion of effort. There seems to be some feeling that the mass of the Arab refugees might be distributed among the different territories of the Middle East, notably Transjordan, the Arab part of Palestine, Iraq, Syria, and Lebanon. (Egypt has officially declared that it is in no position to absorb any of the Palestine Arab refugees.) It is understood more particularly that the government of Transjordan is willing to accept for resettlement within the territories under its control most of those refugees, presumably in consideration of the large monetary expenditures which would be made by outside sources, especially by the Government of the United States, to facilitate such a settlement. It is open to serious question whether such a large-scale operation could be successfully accomplished in the relatively arid territories under Transjordan control. It is quite conceivable that, once the money has been expended, it would appear that the future of the refugees has not been assured after all. Similarly, opportunities for the resettlement of the refugees in Lebanon and Syria are open to serious doubt.

The governments of those countries, disinclined as they are at present to accept any considerable number of the refugees for permanent residence, may be coaxed into doing so by the promise of American largesse. But once foreign funds have flowed directly or indirectly into the treasuries of those countries, it may well be that the Arab refugees would once more find themselves facing an unsettled future and therefore remain a burden on the world. Because of this, every effort should be made to decide beforehand on the most feasible large-scale scheme for Arab refugee resettlement and, once the answer is found, to concentrate on its execution. Thus there would be avoided a great deal of waste motion, waste of funds, human misery, and international friction.

5. From an over-all viewpoint, it seems that Iraq is the country which can most easily provide for large-scale resettlement of all of the Arab refugees from Palestine with greatest benefit to the country itself. For several decades attention has been focused on Iraq's need for additional population and on the tremendous opportunities existing in that country for agricultural development. The British Government, at the time when Britain still held the mandate over Iraq, was interested in large-scale agricultural development there. Iraqi statesmen themselves raised the question from time to time. International authorities in the field of economics, nutrition, and soil development have repeatedly drawn attention to this situation in Iraq. In the United States, Mr. Herbert Hoover, among others, suggested in 1945, long before there were any Arab refugees from Palestine, that everybody's interest might be served by encouraging the large-scale resettlement of Palestinian Arabs in Iraq. The former President put it as follows:

"In ancient times the irrigation of the Tigris and Euphrates Valleys supported probably 10,000,000 people in the kingdoms of Babylon and Nineveh. The deterioration and destruction of their irrigation works by the Mongol invasion centuries ago, and their neglect for ages, are responsible for the shrinkage of the population to about 3,500,000 people in modern Iraq. * * *

"My own suggestion is that Iraq might be financed to complete this great land development on the consideration that it be made the scene of resettlement of the Arabs from Palestine. * * *

"There is room for many more Arabs in such a development in Iraq than the total of Arabs in Palestine. The soil is more fertile. They would be among their own race, which is Arab-speaking and Mohammedan. The Arab population of Palestine would be the gainer from better lands in exchange for their present holdings. Iraq would be the gainer, for it badly needs agricultural population. * * * It would be a solution by engineering instead of by conflict."

The fact that several hundred thousand Arabs who formerly lived in Palestine now find themselves uprooted only lends further strength to Mr. Hoover's suggestion. We must remember, too, that even those Arabs who may be able to return to Israel will have to undergo a process of rehabilitation and adapt themselves to totally new conditions. As Dr. Clarence E. Pickett, executive secretary of the American Friends Service Committee, who recently returned from supervision of the Friends' Arab refugee relief program in southern Palestine, puts it in a letter to me: "The third problem, and a very important one, would be an additional program for those who return to Israel as well as those who go elsewhere, for the Arab will have to pursue modern farming methods wherever he may be and this will involve real training."

6. A further consideration militating in favor of the choice of Iraq as the place where most of the Arab refugees should be encouraged to resettle is connected with the international situation. As the most northeastern of the Arab lands, lying close to the borders of the Soviet Union, Iraq, from the long-range viewpoint, occupies a particularly important strategic position. But Iraq is very weak internally and will remain so until and unless the Arabic element of its population is considerably strengthened. At present the many national minorities and particularly the very sizable Kurdish minority form too large a section of Iraq's population. The claims of the Kurds to an independent Kurdistan (which would be carved out of the territories of Iraq, Iran, and Turkey) are on record. All this makes Iraq particularly vulnerable to attempts from whatever quarter to foment trouble and threaten the political stability of the area. The addition of a considerable number of new residents, Arab in race, Moslem in religion, and agricultural by occupation, would greatly strengthen Iraq internally and thus also heighten its chances of resisting the forces of disorder.

7. Assuming that the above considerations represent a correct analysis of the situation, nothing can be gained by further delay. It would seem best to have action undertaken at once to prepare the ground for large-scale development projects in Iraq. It is understood, of course, that the consent of the government of Iraq to admit the refugees in question must be obtained. There is no reason to doubt Iraq's concurrence with the scheme if necessary measures are taken on the diplomatic, financial, and technical levels. As for the execution of the project, consideration might be given to entrusting it to a suitable agency of the United Nations, working in cooperation with the government of Iraq and with such other governments or official institutions as would assume certain responsibilities in this connection. In order to lift the question at once to the necessary level of a major humanitarian and statesmanlike project which would command the respect of world opinion at large and of public opinion in the United States more particularly, it might be advisable to request the only living former President of the United States, the Honorable Herbert Hoover, to undertake a study of this project, together with a suitable committee.

World Federation

EXTENSION OF REMARKS
OF

HON. HENDERSON LANHAM

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. LANHAM. Mr. Speaker, with the extension of my own remarks in the RECORD, I am happy to include an editorial which appeared in the Atlanta Journal under date of June 9 entitled "A Resolution Looking to a World Federation."

I am glad to see that this great southern newspaper approves of the efforts being made by the Members of Congress looking toward the strengthening of the United Nations so that it may become a true and effective instrument for the peace of the world.

The editorial follows:

A RESOLUTION LOOKING TO A WORLD FEDERATION

Ninety-one Members of the House of Representatives, including a majority of the Foreign Affairs Committee, have joined in sponsoring a resolution to put the Congress on record as favoring the development of the United Nations into a world federation, empowered "to preserve peace and prevent aggression through the enactment and enforcement of world law."

The sponsors, numbering 64 Democrats, and 27 Republicans, affirm their faith in the principles and purposes of the United Nations. They would do nothing to impair it,

but instead would strengthen it so as to make it an effective instrument for a just and lasting peace. Moreover, they recognize that "before any concrete measures can be taken to this end much must be done to stabilize Russian-American relations, as well as to improve world economic conditions." They declare, however, that the orderly conversion of the UN into a world federation, with powers duly defined and limited but also duly adequate should be "a fundamental objective" of American foreign policy.

There is nothing strange or new in the thought of this resolution. It simply applies to current conditions a theme that runs far back into history, a concept that was sung a century ago in Tennyson's famous lines:

"Till the war drum throbbed no longer and the battle flags were furled,
In the Parliament of Man, the Federation of the World."

Practical statesmanship is now at work on an old ideal of philosophers and poets. There are divers opinions as to how a world federation could be formed and as to what its chances of success would be in a foreseeable future. There were divers and hostile opinions as to how the loose alliance of 13 independent and jealous States from which our Republic sprang could form an effective national Government. In the critical 1780's only a few leaders believed the goal to be attainable. The Constitution which finally replaced the weak articles of confederation was opposed by many as a death warrant to the integrity of the States and a surrender of the people's liberties. Yet, the union thus formed has survived the storms of more than 160 years and stands today the world's strongest power.

St. Louis Real Estate Board

EXTENSION OF REMARKS
OF
HON. FRANK M. KARSTEN
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. KARSTEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the St. Louis Post-Dispatch of June 19, 1949:

LOCAL ECHO OF HOUSING DISTORTIONS

The St. Louis Real Estate Board has lost no time in making itself a party to the deliberate campaign of misrepresentation and distortion which President Truman denounced last week in his statement on public housing.

It repeats, in a mailed broadside, misstatements of fact which the President as shown up: That family unit costs may be $15,000, when the actual average is $8,465, and that the 30-year cost of the House bill would be $16,000,000,000, when the actual figure is $10,000,000,000.

These falsifications of fact are followed by the St. Louis Real Estate Board with such statements as that public housing is communistic because its occupants will have to vote the way their landlords want them to. If landlords can control the votes of their tenants, the private landlords, who have the overwhelming mass of tenants, certainly made a poor showing of it at the last presidential election.

Another equally nonsensical argument advanced against public housing by the St. Louis realtors is that two bank bandits occupied public housing here. If these are the only criminals the realtors can think of who occupied public housing, all the rest, amounting many times that number, occupied privately owned housing. Is that any argument against private ownership of housing?

The present moment is a golden opportunity for real-estate men to lead in making real estate useful to everybody. A sad commentary on the quality of the realtors' response to this opportunity is the real estate board's broadside, Political Public Housing.

Mrs. Hawkes Views Our Legislative Program

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. PATTERSON. Mr. Speaker, under leave to extend my remarks, I wish to include a letter received from Mrs. William V. Hawkes, Middlebury, Conn., which is a pungent commentary on our national welfare. Mrs. Hawkes evinces the interest of a forthright citizen in our future undertakings as a legislative body responsible to the people.

We should look askance at many proposals which limit individual initiative and foster a national feeling of "let's get ours while the getting is good."

MIDDLEBURY, CONN.

The Honorable JAMES T. PATTERSON,
House of Representatives,
Washington, D. C.

DEAR SIR: Because of various organizations in which I am interested, and because of the nature of my husband's business—the Waterbury and Naugatuck manager for the Metropolitan Life Insurance Co.—we meet and talk with many hundreds of Naugatuck Valley people each year. To the best of our abilities we seek to publicize the democratic form of government which has made us so grateful to have been born in America. We also call as much attention as possible to our public representatives who oppose—or do not—those dangers inherent in various efforts to nationalize such American institutions as industry, medicine, etc.

A man of your intelligence and knowledge can have small doubt that if various bills now pending in our Congress are passed, economic suicide for our country will be the inevitable, ultimate result. I think it unnecessary to itemize these bills to you. But I do say that we and our widespread friends are watching with the greatest alertness your stand regarding all legislation designed to curb personal, individual initiative and ambition, and to cast our people into the mass frame of mind of "Oh, the Government will take care of us" without the realization that drastically mounting taxes for all can be the only answer; that an increasing power for a relatively small group of intensely ambitious persons (who would enlarge their power with no thought whatever for the country's economic health, taxation of our children and grandchildren and millions of yet unborn Americans) will precede that ultimate answer.

I saw my husband during the war work himself to the point of illness helping to sell hundreds of millions of dollars worth of war bonds, thus to aid the boys and girls overseas and to perpetuate democratic freedom. Not only was this time and energy freely given; but it was considered a privilege to do anything and everything we could for our country. Is this work and the tremendous sacrifice made by millions of our young people to be scrapped for an ambitious few who talk like economic morons but who, it is not difficult to understand, feel they will have had their power and passed on before paying for all their fine promises begins to take its toll?

Let me tell you a little story. Recently, I said to a school teacher that I favored better pay for teachers. She gave me an odd look and replied: "Well, so do I, but I'm more worried about something else—about what is happening to school children today because they hear so much at home about how the Government is going to take care of everything—health, jobs, old age—everything. They are beginning to see no reason whatever to learn to do or be anything. They don't even care whether they pass. They know that sooner or later we will have to pass them to make room for other pupils. Yes, I could use more salary—a lot more—but the honest fact is that I am much more concerned with what a good many of our legislators are teaching young America about how to sell democracy short. I'm worried because I don't think I'm going to enjoy living in the America of the future if it is going the way it seems to be headed. I don't think I'm going to like it nearly as much as I like being ambitiously poor yet free as any millionaire."

Very truly yours,
Mrs. WILLIAM V. HAWKES.

Why Democracy Works

EXTENSION OF REMARKS
OF
HON. CARL ALBERT
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. ALBERT. Mr. Speaker, this year the Benevolent and Protective Order of Elks sponsored a national essay contest among high school students on Why Democracy Works. The importance of stimulating interest among the youth of our country in the fundamentals of democratic government in this age of uncertainty is apparent even to the most casual observer.

Hundreds of thousands of high-school students competed in this contest. I was pleased indeed to learn recently that William Johnson, one of the outstanding young men of my own home town, McAlester, Okla., won the $1,000 first prize in the national contest. His essay contains such a clear and lucid analysis of the basic precepts of our Government and such a graphic picture of its significance to our people in their everyday lives that I think it should be brought to the attention of the Congress. Under leave to extend my remarks, I am accordingly inserting it in the CONGRESSIONAL RECORD. The essay reads as follows:

WHY DEMOCRACY WORKS

(By William Johnson, McAlester, Okla.)

We, in the United States, are truly "heirs of all the ages," building upon a foundation of the vast experiences of others. From the years of the Anglo-Saxons to our present time, we have been building a democracy—a place where, guaranteed by our Constitution, all men are considered equal. Here men are given the right to worship when and where they may wish, an opportunity to enjoy their own leisure and to carry out their own desires

insofar as these do not interfere with or endanger the rights, the privileges, and the lives of other people.

But why is this possible? Why can we in the United States live in comparative peace and security while so many in the world suffer? One very good reason for this difference is that the people are themselves the best guardians of their liberty. If the people are the power in their country, no petty demagogue or selfish tyrant can long take away their cherished rights. This is exactly what a democracy is. For democracy is that way of self-government by which the many choose the few who are to carry out their mandates instead of the few determining the will of the many. Democracy is, in the words of that great American leader, Abraham Lincoln, "government of the people, by the people, and for the people." Democracy determines that the will of the many shall prevail, not the will of the few.

Democracy encourages unhampered initiative in the individual, rather than placing him at the mercy of those who would regiment him to their own way of restricted working and living. As a civilized, intelligent individual, respected for his individuality, he has the right to protest against wrongs which may be done against him and other men and is encouraged to seek correction of these wrongs in an orderly and worthy manner in courts set up for his protection.

This principle of living, based on the Golden Rule, is that which dictators dread and tyrants fear. Its deepest concern is to protect human rights instead of exploiting the people who should possess these rights.

Democracy encourages and fosters the public school, whereby every child has the same opportunity to learn how to make a living, and also how to live a life which is useful and abundant, both for himself and his fellowmen.

Every person is given the right to speak whatever his mind and his heart may dictate; the right to say whatever he desires about his Government and the defects in his society, provided, of course, he does not speak words of treason, or those which counsel the tearing down instead of the building up of free institutions, or the jeopardizing of the inherent rights of free men and women.

Where all men are considered equal, the human spirit is exalted rather than crushed. Here men are granted an abundance of life instead of the pitiful existence which is the lot of millions who live under the dread shadow of dictators and secret police or even those in whose country freedom has been only partially achieved.

Democracy is an ideal, a way of life that is embedded in the heart of every American citizen, conversely every American citizen is democracy.

Throughout the years, since the establishment of our Government, we, as a Nation and as individuals have made mistakes. Hence, we realize that democracy is not a perfect government, but we also realize that under our Constitution we can correct our mistakes and that we grow in stature by our experiences. Perhaps our American democracy will never reach perfection, because our ideals advance with our progress, but we can make it serve more and more people better as the years go on. Our goal is to put laughter in the eyes of little children, hope in the hearts of youth, and contentment on the faces of the aged, instead of leaving all these with the despair and the hopelessness which is the universal and grim bequest to all who live in lands where democracy is unknown.

The ultimate worth and value of a government is determined by its end results. The results of democracy are so evident that they prove beyond any shadow of doubt it is the finest form of government ever conceived by man.

Civil Rights and Antilynching Bills—H. R. 4682, To Provide Means of Further Securing and Protecting the Civil Rights of Persons Within the Jurisdiction of the United States—H. R. 4683, To Provide Protection of Persons From Lynching, and for Other Purposes

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. CELLER. Mr. Speaker, with your kind permission, I would like to analyze the sections, H. R. 4682, a bill to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States and H. R. 4683, a bill to provide protection of persons from lynching, and for other purposes. I believe it is high time we dissipated the heat surrounding this subject matter and replaced it with some light. I know of no legislation before this Congress—and I say this with due deliberation—which has engendered more irrelevant emotionalism. The need for this proposed legislation emphatically exists, as will be shown, and the measures laid before you meet that need without violation to our Constitution and the principles of our democracy.

H. R. 4682 is divided into two titles. Title I contains provisions to strengthen the Federal Government machinery for the protection of civil rights and has three parts:

First. Establishment of a Commission on Civil Rights in the executive branch of the Government.

Second. Reorganization of the civil-rights activities of the Department of Justice.

Third. Creation of a Joint Congressional Committee on civil rights.

Title II contains provisions to strengthen protection of the individual's rights to liberty, security, citizenship, and its privileges. It likewise has three parts:

First. Amendments and supplements to existing civil-rights statutes.

Second. Protection of right to political participation.

Third. Prohibition against discrimination or segregation in interstate transportation.

Section 2 is a declaration of findings, purposes, and policy, stressing the basic doctrine of the integrity and dignity of the individual, the danger to national security and the general welfare arising out of the curtailment and denial of civil rights. It sets forth the national policy which is to protect the right of the individual to be free from discrimination based upon race, color, religion, or national origin as guaranteed by our Constitution and the United Nations Charter to which we are committed and to the United Nations Universal Declaration of Human Rights, thus relating the significance of secured civil rights to our role in international affairs.

Title I, part 1, section 101 creates in the executive branch of the Government a Commission on Civil Rights. The Commission is to be composed of five members to be appointed by the President by and with the advice and consent of the Senate. Each member of the Commission is to receive $50 a day while engaged in the work of the Commission together with necessary traveling and subsistence expenses.

Section 102 provides for the duties and functions of the Commission which are, among other things, to gather all information relative to social and legal developments throughout the Nation concerning civil rights consistent with the Constitution and laws of the United States, to evaluate the policies, practices, and enforcement program of the Federal, State, and local governments as well as the activities of private individuals and groups. The Commission is to make an annual report to the President, incorporating therein its findings and recommendations. In addition to the annual report, it may report and recommend at any time it deems appropriate or at the request of the President. It will be noted that no hearing or subpena powers are conferred.

Section 103 provides for the use of advisory committees, consultation with public and private agencies and Federal agency cooperation. A paid staff is authorized as well as the use of voluntary services.

Section 111 of part 2 which deals with the reorganization of civil rights activities of the Department of Justice provides for the appointment of an additional Assistant Attorney General to be in charge, under the direction of the Attorney General, of a Civil Rights Division of the Department of Justice.

Section 112 calls for the increasing of the personnel of the Federal Bureau of Investigation to investigate civil rights cases, and for the Bureau to include special training of its agents for such investigations.

We now come to part 3, page 8, which establishes a Joint Congressional Committee on Civil Rights. Section 121 provides for such a committee to be composed of fourteen members, seven Senators to be appointed by the President of the Senate, and seven Members of the House of Representatives to be appointed by the Speaker, with due regard for party representation.

Section 122 concerns itself with the function of the joint committee which is to make a continuing study of matters relating to civil rights under the Constitution and laws of the United States, to study means of enforcing civil rights and to consult with the several committees of the Congress dealing with such legislation. Its functions are thus confined to investigations and studies without legislative powers.

Section 123 concerns itself with vacancies and selection of presiding officers.

Section 124 makes provisions for hearings, power of subpena and expenditures.

Section 125 provides that funds appropriated to the Joint Committee shall be disbursed by the Secretary of the Senate on vouchers signed by the Chairman and Vice Chairman.

Section 126 authorizes the use of advisory committees and consultation with public and private agencies.

We come now to changes in existing law. This is undertaken in title II, part 1.

Section 201 amends title 18 of the United States Code, a criminal-conspiracy statute, which has been invoked to protect federally secured rights against encroachment by both private individuals and public officers. The word "citizen" therein is deleted and the phrase "inhabitant of any State, Territory, or District" is substituted. It has been held that the word "citizen" deprives an alien from the benefits of the section. "Inhabitants," on the other hand, would include citizens as well as aliens as it does in section 242 of title 18 of the United States Code which is aimed at State officers who deprive inhabitants of the rights, privileges, or immunities secured or protected by the Constitution or laws of the United States. Without the addition of subsection (b), section 241 would still remain only a conspiracy provision. The proposed new subsection (b) extends responsibility to persons acting individually. In addition thereto, penalties are set in subsection (b) at $1,000 or imprisonment for not more than 1 year or a fine of $10,000 or 20 years' imprisonment, or both, if death or maiming results.

Subsection (c) is likewise new. It provides the necessary authorization, an authorization not heretofore clearly set forth, for the bringing of proceedings for damages. Therein jurisdictional provision is given Federal district courts and the State and Territorial courts to hold civil proceedings as was done under the Emergency Control Act of 1942 and under the Federal Employers' Liability Act. The money-value requirement of $3,000 or more for Federal district court jurisdiction as has been often applied to individuals has been removed by the language "without regard to the sum or value of the matter in controversy."

Section 202 amends title 18, United States Code, section 242, only in regard to penalty. The violation of this section still remains a misdemeanor since there are less difficulties presented in prosecution by information rather than by indictment. However, in cases resulting in death or maiming, a fine of not more than $10,000 or imprisonment for 20 years, or both, are imposed.

Section 203 on page 12 adds a new subsection to section 242 of title 18 of the United States Code. Therein, the rights, privileges, and immunities referred to in title 18, United States Code, section 242, are set forth not as a matter of limitation or exclusion but rather as a matter of clarification. The intent is to provide an enumeration of some of the rights, privileges, and immunities secured and protected by the Constitution and laws of the United States, of which inhabitants shall not be deprived. In the recent case of *Screws* v. *United States* (325 U. S. 91 (1945)) it was held that the Government, in order to obtain a conviction under section 242, is required to prove, and the judge must adequately instruct the jury, that the defendant has "willfully" deprived his victim of a constitutional right which specific right the defendant had in mind at the time. Proof of a general purpose alone may not be enough. The enumerated rights do not create any new right. These have all been upheld by the courts:

First. The right to be immune from executions of fines without due process of law.

Second. The right to be immune from punishment for crime except after fair trial and due sentence.

Third. The right to be immune from physical violence applied to exact testimony or to compel confession of crime or alleged offenses.

Fourth. The right to be free of illegal restraint of the person.

Fifth. The right to protection of person and property without discrimination by reason of race, color, religion, or national origin.

Sixth. The right to vote as protected by Federal law. I draw the attention of this committee to the line of court decisions which have upheld these rights as enumerated: *Culp v. United States* (131 F. (2d) 93), *Screws* v. *United States* (325 U. S. 91), *Crews* v. *United States* (160 F. (2d) 746), *Moore* v. *Dempsey* (261 U. S. 86), *Mooney* v. *Holohan* (294 U. S. 103), *Chambers* v. *Florida* (309 U. S. 227), *United States* v. *Sutherland* (37 F. Supp. 344), *Catletts* v. *United States* (132 F. (2d) 902), *United States* v. *Trierweiler* (52 F. Supp. 4), *Yick Wo* v. *Hopkins* (118 U. S. 35), *United States* v. *Classic* (313 U. S. 299), *United States v. Saylor* (322 U. S. 385), *Smith* v. *Allwright* (321 U. S. 649).

The old civil-rights laws protect, presumably, any and all rights established by the Constitution or Federal statute. But the Constitution nowhere lists personal rights which may be protected, nor does any Federal statute enumerate them. Thus the civil-rights section denied, or abridged, or interfered with by State officers and individuals. The enforcement of civil rights also ran into the legal defense that criminal laws must adequately define the crime or conduct forbidden. To do away with the defense of vagueness of statute we set forth, and enumerate, and define as best we may, and with fair degree of clarity just what these rights are. Thus the defendant has sufficient warning that his conduct is forbidden.

Following this section concerning enumeration and defining of rights is section 204 which amends section 1583 of title 18 of the United States Code. This statute provides for the punishment of the kidnaping or enticing of persons for purposes of subjecting them to slavery or involuntary servitude. The amendment makes clear that the holding in involuntary servitude is punishable. The insertion of "other means of transportation" is simply to bring the statute up to date, supplementing the word "vessel."

We come now to part 2 of title 2 which concerns itself with the protection of right to political participation. Thus section 211 of the bill is an amendment of section 1 of the present Hatch Act. Presently, under this section, intimidation and coercion for the purpose of interfering with the right of another to vote as he chooses at elections for national office is punishable. The purpose of this amendment is to make the provisions applicable to primary and special elections as well as to general elections for Federal office. The existing language is "any election." The amendment would make it "any general, special, or primary election."

Section 212 amends section 2004 of the Revised Statutes. Section 2004 declares it to be the right of citizens to vote at any election by the people in any State, Territory, county, municipality, or other territorial subdivision without distinction as to race, color, or previous condition of servitude. In order to avoid any question as to the kind of punishment or remedy which is available in protection of the right to participate politically, the amendment inserts a specific reference to the two basic criminal and civil remedy provisions directed at State officers, namely, Eighteenth United States Code, page 242, and Eighth United States Code, page 43. Likewise the phrase is added "and other applicable provisions of law" to preclude any implication that by specifying two statutory sections there is an exclusion of other sections of the criminal and civil statutes. The words "religion or national origin" have been substituted for the words "previous condition of servitude." Again I call the attention of the committee to a line of court decisions which hold that the guaranty against distinctions in voting based on race or color is expressly authorized by the fourteenth and fifteenth amendments to the Constitution, and that the equal protection clause of the fourteenth amendment upholds the doctrine that distinctions in voting based on religion or nation origin are arbitrary and unreasonable classifications: *United States* v. *Reese* (92 U. S. 214), *Smith* v. *Allwright* (321 U. S. 649), *Chapman* v. *King* (154 F. (2d) 460), *Nixon* v. *Herndon* (273, U. S. 536), *Nixon* v. *Condon* (286 U. S. 73), *Cantwell* v. *Connecticut* (310 U. S. 296), *Hirabayashi* v. *United States* (320 U. S. 81), *Truax* v. *Raich* (239 U. S. 33).

Section 213 of this bill supplements the section just discussed and the one before it by creating civil remedies for their violations, and to authorize the bringing of suits by the Attorney General in the district courts for preventive, declaratory, or other relief.

The last part of this bill, part 3, deals with prohibitions against segregation in interstate transportation. The Supreme Court has stated time and again that constitutional rights are personal and not racial. Thus in the case of *Morgan* v. *Virginia* (328 U. S. 373), the Court held a State statute which required segregation of the races in motorbuses unconstitutional in the case of an interstate passenger as a burden on interstate commerce, but that case dealt only with State law and not with the action of the interstate carriers themselves who may and do continue to segregate. Hence, the necessity for section 221 of this bill which states that "all persons traveling within the jurisdiction of the United States shall be entitled to the

full and equal enjoyment of the accommodations, advantages, and privileges of any public conveyance operated by a common carrier engaged in interstate or foreign commerce, and all the facilities furnished or connected therewith, subject only to conditions and limitations applicable alike to all persons, without discrimination or segregation based on race, color, religion, or national origin."

Section 221 (b) makes punishable by fine—there is no imprisonment penalty—and subject to civil suit, the conduct of anyone who denies or attempts to deny equal treatment to all travelers. Civil suits may be brought in the State courts as well as in the Federal district courts.

And finally, section 222 makes it unlawful for the common carrier engaged in interstate or foreign commerce to segregate or otherwise discriminate against passengers. Violations are subject to fine and civil suit in State as well as Federal courts.

So much for the bill itself. I have gone into this detailed analysis because it was my purpose to show that nowhere has this proposed legislation overstepped constitutional limitations. To deny that reason exists for the necessity of such legislation is to deny all the evidence of our senses. As has been aptly put, we have a moral reason, an economic reason, and an international reason for enacting this legislation now. I believe the President's Committee on Civil Rights was completely justified when it stated, "The pervasive gap between our aims and what we actually do is creating a kind of moral dry rot which eats away at the emotional and rational bases of democratic beliefs." Where disenfranchisement, political coercion, and intimidation exist based on race, color, religion, or national origin there exist alongside of it the belief of might over right, disrespect for the law, and a corruption of all human values. You cannot keep the dismaying effects of such kind of thinking confined to the locale of its origin; it seeps through to pervade the whole national scene. You cannot ask local enforcement when those responsible for the enforcement refuse to accept these responsibilities. Hence, the necessity for strengthening the arm of the National Government.

Much has been made of the behavior patterns of the Negroes. How many of us would have different patterns if we were denied equality of opportunities, oppressed by fears of physical violence, denied a voice in the affairs of the Nation, segregated and discriminated against, and knowing that ever the law offers no protection?

Only recently, the United States and Britain started treaty action against Bulgaria, Hungary, and Rumania, accusing them of denying civil rights to their inhabitants. You may well believe me that this irony is not lost upon our foreign friends and foes alike when they can point to our national indifference to the denial of civil rights to our own inhabitants. Our international cloak of virtue slips a bit from our shoulders, do you not think?

There is no attempt in the proposed bills to legislate prejudice out of existence. But what we can do is to legislate the manifestations of this prejudice out of existence. We are not attempting herein to outlaw prejudice; we are attempting to outlaw lawlessness. There is not a provision in H. R. 4682 which can be called unreasonable or arbitrary. It creates no new rights; it only secures existing ones. It closes gaps and cuts into the heart of the relevant statutes to reveal fully the congressional intent. For example, in the establishment within the FBI of a special unit of investigators trained in civil rights work and in the reorganization of the Civil Rights Section of the Department of Justice, no radical departure is made. The FBI is already charged with the responsibility of enforcing Federal law which include the already existing civil rights statutes. A Civil Rights Section of the Department of Justice already exists. If these functions are to exist, why should they not be performed in the most effective way? The outlines exist and if we found the outlines a pertinent part of our national machine, why do we not give them substance?

And so it is with the existing statutes, sections 241 and 242 of title 18 of the United States Code, and with the amendment to section 594 of title 18 and section 2004 of the Revised Statutes. If reason at all exists for their being on our books, then sufficient reason exists for giving them meaning and strength.

And, finally, remember we are concerned with human beings, and that nobody, no group, no faction, no sect, has the moral right to play God and arrogate unto himself or themselves the meting out of the reward, privileges, or immunities based on color, race, creed, or national origin.

You have before you, as well, gentlemen, the consideration of H. R. 4683, a bill to provide protection of persons from lynching, and for other purposes. This proposed antilynching act defines that a lynching may be committed by an assemblage of two or more persons. It is directed against two general types of lynch mob violence; namely, that committed or attempted because of the race, color, religion, or national origin of the intended victim, or that attempted or committed by way of correction or punishment of the victim who is either in the custody of a peace officer or suspected of or charged with or convicted of a criminal offense.

The bill provides for the punishment of any member of a lynch mob, as well as a person who instigates, incites, organizes, aids, or abets in the commission of a lynching. The penalties provided are graded according to the seriousness of the offense and range from a fine of $1,000 to $10,000 or imprisonment from 1 year to 20 years, or both.

It also provides for the punishment of peace officers who neglect, refuse, or willfully fail to make diligent efforts to prevent a lynching or to protect a person from a lynching mob. It also provides punishment for the peace officer who willfully fails to make diligent efforts to apprehend and to retain in custody the members of a lynching mob. The coverage of this particular section extends both to State and municipal peace officers, as well as Federal peace officers where the United States exercises exclusive jurisdiction. Another section amends the present kidnaping law so as to make punishable the transportation, in interstate or foreign commerce, of persons abducted or held because of race, color, religion, or national origin, or for the purposes of punishment, correction, or intimidation. In 1937 and again in 1940 an antilynching bill passed the House and was reported in the Senate. In the Eightieth Congress, H. R. 5673 was reported by this committee to the House, and S. 2860 was reported in the Senate.

No year since 1882 has been free of lynching. Nineteen hundred and forty-nine was no different. The flagrant incident at Irwinton, Ga., where a Negro was taken out of jail and shot to death, is only too familiar in detail. Yes; it has been said that lynchings have decreased, but it is still possible for a mob to abduct and murder a person in some sections of the country with almost certain assurance of escaping punishment for the crime. The decade from 1936 to 1946 saw at least 43 lynchings. No person received the death penalty, and the majority of the guilty persons were not even punished. The reasons for this are quite obvious. The State or local governments refuse to punish lynchers. Participation by State officials, actively or passively, is not uncommon. Local government and citizens refuse to cooperate. There were over 200 attempted lynchings in the past decade, which is a clear indication of how far this idea of lawlessness has spread. There is no moral will in these communities to view these lynchings as violations of the law. It is a terrorist device and, as such, clearly against the Constitution of the United States. Article IV, section 4, of the Constitution, states:

> The United States shall guarantee to every State in this Union a republican form of government.

A lynching is government by mob and not government by law; it invalidates the courts, the very cornerstone of government, and nullifies the law. Those who hold a Federal antilynching law is unconstitutional are using the veil of the Constitution to protect and uphold unconstitutionality. This bill is within the ambit of the fourteenth amendment which reads:

> No State shall make or enforce any law which shall abridge the privileges or immunities of the citizens of the United States nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws.

In his message to Congress on February 2, 1948, the President stated the case most clearly:

> The Federal Government has a clear duty to see that constitutional guaranties of individual liberties and of equal protection under the laws are not denied or abridged anywhere in our Union. That duty is shared by all three branches of the Government, but it can be fulfilled only if the Congress enacts modern, comprehensive, civil-rights laws,

adequate to the needs of the day, and demonstrating our continuing faith in the free way of life.

H. R. 4682 and H. R. 4683 are administration bills, but by no means partisan. I ask your most favorable consideration of these measures, gentlemen, and to exercise justly your responsibility to enact such legislation as will really and truly make this country as free and as fearless as are the words of the preamble to our Constitution.

Address Delivered by Dr. Bunche at First Annual Convocation Exercises, Brandeis University, Waltham, Mass.

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein the convocation address delivered by Dr. Ralph J. Bunche, senior director, united trusteeship council, at Brandeis University, Waltham, Mass., on Sunday morning, June 19, 1949:

THE ROAD TO PEACE: THE UNITED NATIONS WAY

There is no road in the world today more important than the road to peace. It is, to date, insufficiently traveled, and indeed, not at all clearly charted. The United Nations is attempting both to chart it and to guide the nations and peoples of the world along it. For peace is the business of the United Nations. At times it is a pretty grim business.

The United Nations was conceived in the throes of war. When the United Nations Conference on International Organization convened at San Francisco in the spring of 1945 for the purpose of drafting the United Nations Charter neither Germany nor Japan had yet capitulated. The war in both east and west was in its final, decisive phase.

It was inevitable, therefore, that peace should be the overriding concern of the delegates to that historic Conference. They sought to devise an international organization to succeed the League of Nations which would have the achievement of a peaceful world as its most fundamental objective, and which would possess the means to give maximum assurance against war or the threat of war. They spoke of peace-loving peoples. They made the desire to maintain peace the basic qualification for membership in the Organization.

They strove to avoid the weaknesses of the League of Nations. They were sick unto death of war. They did not seek peace at any price, but they were eager to go very far to insure it.

Thus the United Nations was designed to prevent wars and to stop them if unhappily they should break out. Elaborate machinery for this purpose was created. To this end the United Nations was endowed with certain enforcement powers and was to have an international security force.

It was recognized also that to insure a peaceful world solid foundations for peace must be laid. Therefore, great stress was put on human rights and fundamental freedoms, on the equality of peoples irrespective of race or creed, on economic collaboration and advancement, on the rights of colonial peoples to aspire to and move toward freedom and the control of their own destinies. The intent was to eliminate the irritants, the foci of unrest and rivalry, the inexorable pressures, which in the past had twice set the world on fire.

For many reasons, not the least of which is the unfortunate conflict between East and West, the enforcement machinery of the United Nations has never become operative; the international security force has not yet materialized. Does this mean that the effectiveness of the United Nations as an instrument for the cultivation and preservation of a peaceful world has been destroyed?

I believe that the answer is emphatically no. The United Nations today has no military force with which to impose its decisions. It does not presume to be a world government. It has obvious imperfections and weaknesses. It suffers from that dread virus, veto. It often appears that the great powers have it at their mercy. Yet the voice of the United Nations has become an instrument of tremendous and increasing influence in our world. That voice is the one great hope for all of us that the world will not be consumed by atomic warfare.

There is a popular tendency to take a somewhat cynical attitude toward the United Nations. This is because, in the turbulent postwar period, the United Nations has been seized with so many delicate, complex, and explosive problems and has not produced definitive solutions for most of them. But if United Nations action has not often produced definitive results and tidy decisions, it has nevertheless always dulled the dangerous edges of the problems and has at least eliminated them as frightening threats to the peace of the world. This has been the case in an impressive array of situations, including such disputes as those in Iran, Indonesia, Korea, Kashmir, Palestine and even Berlin, where United Nations intervention has been an important catalytic agent. Each of these situations has been heavily charged; each posed a potential and frightening threat to the peace of the world. In each the tension has been greatly eased as a consequence of United Nations intervention, and the threat to the peace has been either eliminated or greatly lessened.

Because the United Nations is functioning in this way, I am optimistic about the prospects for peace in the future. War, in our day and age, is a product of the state of mind of peoples. If the generality of peoples are peace-loving and are determined to live in peace—and I firmly believe that throughout the world they are—the prospects of war are remote. But it is not necessary for people to be warlike, to be wishing for war, to demand it, in order that war will come to their doorsteps. It is fatefully ironic that essentially peaceful peoples may have war thrust upon them only because they have fallen into a fatalistic state of mind which persuades them that for one or another reason, war is inevitable.

There is too much of that kind of dangerously loose thinking in the contemporary world. There are too many people who are prepared to draw the fatal conclusion that war is inevitable, or virtually so, because of the apparent inability of the United Nations thus far to repair the breach between East and West. That is reckless and irresponsible reasoning in an atomic age. In the final analysis, the United Nations can be an instrument for peace no stronger and no more effective than the peoples of the world make it, by their confidence and support.

Many, perhaps most, of the problems which beset the contemporary world are due in large measure to a lack of understanding among peoples, and to the suspicions and recriminations which are the inevitable by-product of misunderstanding. Despite the great technical advances in transportation and communication, which in fact, make the world physically "one world," there is as yet no deep sense of world brotherhood among peoples. That which is strange and foreign is still looked at askance by most of us. Barriers of language, religion, modes, and ideology, continue to be formidable, and these barriers become even more formidable by political curtains and the instruments of propaganda.

The United Nations ideal whereby peoples would "practice tolerance and live together in peace with one another as good neighbors" is still far from realization. But no ideal has ever been more worthy.

The vital role of the United Nations in the settlement of disputes is to bring representatives of peoples together in order that they may apply reason to their problems, that they may argue out their differences in the full glare of international public opinion—to give them every possible assistance in finding means of peaceful settlement.

That the role of the United Nations in this regard may be decisive is perhaps no better illustrated than in the experience of the United Nations with the Palestine problem.

The encouraging results thus far achieved in Palestine are the product of a prolonged and intensive United Nations effort to restore and secure peace. But they have not been achieved without great cost. Ten members of the United Nations staff in Palestine, including Count Bernadotte himself, have sacrificed their lives in this peace expedition and twice that many have been wounded.

Because there is a readiness on the part of Arabs and Jews to heed the insistence of the United Nations that peace shall reign in Palestine; because a great number of men and women have been willing to risk their lives in serving the United Nations ideal; because Arabs and Jews have been sensible enough to sit down together and negotiate their differences; because of these factors big steps toward permanent peace have been taken in Palestine. The truce checked the fighting. The armistice agreements have taken the warring parties much further along the road to peace. They define armistice demarcation lines. They provide for substantial reduction and withdrawal of armed forces on both sides, with a view toward eliminating any possibility of offensive military action by either side. Each agreement incorporates an article which, in substance, is a nonaggression pact. In each instance, mixed armistice commissions are established whereby, through joint and cooperative effort, assisted by United Nations observers, the parties themselves supervise the application of the armistice terms. The agreements were signed at the governmental level and firmly bind the governments. Any violations of their terms would be an act of bad faith by the responsible government.

But undoubtedly the greatest significance of the agreements is to be found in the fact that they are voluntary agreements, that the representatives of the Arab and Israeli Governments have now, for the first time, sat down together as equal parties in earnest consultation, and have learned that it is possible for them to resolve vital differences by statesmanship and a mutual spirit of conciliation. This is the United Nations way. This is a vital lesson not only for Arabs and Israelis but for a troubled world at large.

It would be a serious mistake, however, to exaggerate the significance of the Palestine armistice agreements. Serious problems of a nonmilitary character await solution. These include the repatriation and resettlement of the Arab refugees, those tragic and innocent victims of the conflict of whom there are now estimated at some 900,000; the status of Jerusalem and the holy places; and the definition of permanent frontiers. The United Nations Palestine Conciliation Commission, now meeting at Lausanne with Arab and Jewish delegations, is engaged in assist-

ing the parties to find amicable and just solutions for all of their outstanding differences. The settlement of these differences poses a strong challenge for both Arab and Jewish statesmanship. Their settlement will require important concessions from both sides.

The burden of finding agreement rests upon the parties themselves, but it has been abundantly demonstrated that the United Nations is the indispensable catalytic agent in the process. I am quite convinced that the Palestine experience has amply demonstrated that the United Nations has a vital role to play in world disputes as mediator and conciliator, quite apart from any enforcement action, and that it can play this role effectively. It has shown that by persistence and by firm resolve to maintain the peace the United Nations can assist the opposing parties, bitterly antagonistic though they may be, along the road to peaceful settlement of their differences, however serious, and thus avert a dangerous threat to the peace.

The processes of conciliation and mediation are slow and tedious, but they can pay handsome dividends. In the long run it may well be that they will provide the most firm procedural foundations for a peaceful world. It is very doubtful, in my view, that a peace founded upon force alone could long endure. In the final analysis, lasting peace must be founded upon consent freely given and agreement voluntarily achieved.

In Palestine, as in many other troubled areas of the world, the United Nations has been pursuing vigorously its vital role of insuring a world at peace, a secure world in which men will walk together as brothers. When men think and act as brothers, the world is big enough for all of us. It is only when, in their perversity, they govern their conduct by the law of the jungle that the world becomes too small.

The problems of the world are problems of the relations among its people. They are human problems, and therefore they should be and are susceptible to man's reason and conscience and elemental decency. I believe that the world has a rich supply of men and women of good will and vision, of peace-loving individuals, and that these men and women, working through the channels offered by the United Nations, can light the way to universal peace and justice in our time.

The United Nations' experience in Palestine is demonstrating cogently that although the United Nations is not a world government, that although lacking in enforcement machinery, its voice can be an instrument of tremendous influence and great good. This is a voice which must be forcefully and increasingly heard and heeded in all the troubled areas of the world. It is, perhaps more difficult to wage peace than war. There is certainly no magic means of achieving peace once war has begun. Nor is there any easy way to give expression to the will of the overwhelming majority of the people throughout the world that peace shall reign. It is only by tireless, persevering, and courageous action of the United Nations that peace can be secured, whether in Palestine or elsewhere in the present-day world.

But it is not only on behalf of a world at peace that the voice of the United Nations is raised. That voice is also being increasingly heard and felt for a just world, a good world, a world fit to live in for all the people. A just world, in the eyes of the United Nations, and, I submit, in the eyes of all honest and fair-minded people, is a world in which racial and religious bigotries are universally outlawed, a world in which all peoples, irrespective of race or creed, are accepted as equals in a fraternal bond of human kinship; a world in which the right of a people to self-determination is unchallenged; a world in which discrimination, segregation, underprivilege imperalism and colonialism will have become the unsavory relics of a dark age happily past. To insure peace in the world it is not enough to stop wars once they are started or are threatened. It is indispensable that secure foundations for peace be laid. The foundations for peace will be insecure and uneasy so long as hundreds of millions of non-self-governing peoples throughout the world are denied the elemental right to control their own destinies, to govern themselves, and a reasonable hope for the realization of their aspirations. The Charter of the United Nations has recognized this and holds forth the promise of a new day and a new way of life for the colonial peoples. That promise remains a long way from fulfillment.

The Charter also reinforces and gives new inspiration to the heroic struggles of racial and religious minorities as, for example, the Negroes and Jews of America, to free themselves of unjust disabilities which they suffer only because of race or creed.

There is much to be done in our world. But in a democracy what needs to be done can be done if the people are alert and determined. I have great faith in democracy because I have great faith in the basic goodness, in the conscience and instincts of mankind. I am convinced that the common people everywhere long for a world in which peace and justice shall reign. That kind of world is the world which the United Nations seeks to achieve. It is lighting the way that man may live in peace, happiness, and security. It is still a dim and flickering light, but it grows stronger and surer each day. Can there be any who doubt that better this light than the oppressive darkness of a modern dark age?

Better it is to make sacrifices and to strive mightily now for a world of peace and justice than later to fight an unwelcome war for mere survival only because we lacked both realism and vision.

CAB Decision

EXTENSION OF REMARKS
OF

HON. J. PERCY PRIEST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. PRIEST. Mr. Speaker, I wish to bring to the attention of the House a proposal which may result in increasing enormously the public expenditure for the carriage of United States mail by air and to complicate further the present financial distress of our air lines.

Recently the Civil Aeronautics Board, by a close 3-to-2 vote, tentatively, but not finally, decided to issue certificates of public convenience and necessity to four all-freight air lines, thus adding multiple specialized competition to an industry presently regulated, yet positively ill financially. Chairman Joseph O'Connell and Vice Chairman Oswald Ryan and member Russell Adams constituted the majority, and Members Josh Lee and Harold Jones dissented vigorously.

The opinion indicates that the majority believes that these exclusively freight air lines can succeed without support of mail pay. Specifically, they say:

The potential market appears to be sufficient to warrant economic operations by the carriers we are certificating. Facts of record lend credence to the assertion of the applicants that air freight can be developed without subsidy from the Government in the form of mail payments. * * * It must not be forgotten that between practically all of the major cities of the country there is available today an adequate air-mail system by the existing certificated carriers. * * * The carriers herein certificated have strongly urged that they can conduct the service without benefit of Government aid and have, in fact, exhibited a determination to do so.

On the other hand the dissenters Jones and Lee point out their fear that the million-dollar losses already incurred by these all-freight carriers operating under an exemption, will continue and that if certificated, these carriers will look to the Federal Government and mail pay to make up their losses.

It is surprising how strongly the public record of these freight air lines supports the suspicion of Members Lee and Jones. And this is my very point.

On the one hand, the majority is convinced these applicants can live and prosper without Government aid. On the other hand the applicants themselves have a long record before committees of Congress, the President's Air Policy Commission, and in fact, before the Senate Interstate and Foreign Commerce Committee now investigating the financial condition of the air lines—of urging that they be allowed to carry parcel post, which, of course, is mail, which, of course, must be paid for by the Federal Government, and which, of course, will be the Government aid for which the Civil Aeronautics Board majority would disclaim any need.

If further experimentation in the field of all-freight transportation is desirable, as it may be, it can readily be accomplished by permitting these all-freight carriers to continue their service under the exemption rules under which they have operated these past 2 years, and are presently operating. This would provide them the opportunity of developing their business without opening the door to an increasing drain on Federal funds through mounting air-mail subsidies that certification may imply, and in fact, ultimately require.

I include here some excerpts from official records indicating repeated expressions of the all-freight carriers for parcel post:

1. In late 1947, at the hearings before the Civil Aeronautics Board on the Air Freight case (Docket No. 810 et al.), Mr. Moorman, of Slick Airways, testified in behalf of the freight carriers' proposed carriage of air parcel post and air mail:

"Question. Then the answer to my question is 'Yes, that you are very much interested in carrying air parcel post'?

"Answer. If it is on the right basis and at what we believe to be a reasonable rate.

* * * * *

"Question. It has already been brought out that you did amend your certificate of incorporation to include authority to carry United States mail?

"Answer. I believe that is in there." (Transcript, p. 331.)

2. On September 22, 1947, before the President's Air Policy Commission, Earl F. Slick and H. Struve Hensel, general counsel for the Independent Airfreight Association, made the following statements to support the carriage of mail by the nonscheduled lines:

"Mr. HENSEL. That is what leads us frankly to say that if you were to approach this problem [certificated carriers subsidized freight

operation], (1) you have got to stop the use of air-mail subsidy to finance freight competitive wars; and also (2) if you were to approach it on the fully competitive basis, we are perfectly willing to carry the air mail at a rate that we thing is compensatory, which over our routes we think is 18 cents a ton-mile. So that there is quite a difference. (Transcript, p. 413.)

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"Mr. HENSEL. I think certainly if we can carry mail for 18 cents a ton-mile, as we have offered to do, backed up by a bond, I should think that they [American Airlines] would be able to do it [carry mail at 18 cents a ton-mile] if their operation is any good. * * *

"Mr. BAKER. You would offer to give a mail service on as many flights, that is, you could offer the frequency and regularity of flights of the present common carriers, and do it at this much less cost?

"Mr. HENSEL. We think so, over our routes. It would take some time to establish these other routes. (Transcript, pp. 424–425.)

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"The CHAIRMAN. You said somewhere, as I remember it, Mr. Slick, that you would recommend that noncertificated air lines should be permitted to bid competitively on air-mail carriage. Would not that mean a return to the pre-1938 condition when competitive bidding on air-mail contracts was generally regarded as damaging to the industry?

"Mr. SLICK. I agree that it is damaging to the industry and I don't think it should be open to bidding regularly as they did at that time. However, if you were to recommend a policy and one carrier said that it can be done for 18 cents a ton-mile and another said $5.01 a ton-mile, I think maybe it should be reconsidered once, the whole policy of it.

"Mr. HENSEL. In competitive bidding, I don't think it is necessary to have the advertising for bids and then the acceptance that way. We discovered that during the war in many of our procurement contracts where we kept up competition by inquiring of a number of manufacturers what they would produce the article for, and then carrying on the negotiations. But we were interested in developing some competition so that these rates might find a natural level rather than an artificial one. (Transcript, pp. 454–455.)

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"Mr. BAKER. Where there is a demand for a product and you can produce it for less than the demander is willing to pay, do you feel that involves a subsidy, not just an ordinary profit?

"Mr. HENSEL. I think when the Government gives it to a man and keeps everybody else out from competing, it is a plain subsidy." (Transcript, p. 458.)

3. Excerpt from prepared statement of Earl F. Slick presented to the President's Air Policy Commission in 1947:

"(3) The presently noncertificated air-freight lines should be permitted competitively to bid on air-mail carriage and all other governmental transportation needs. If that be done, the prophecy is ventured that efficiency will soon be forced on the aviation industry. We have already offered to carry the mail over our routes at 18 cents per ton-mile. And at that we would expect to earn a fair profit.

"(4) Air parcel post on a competitive non-subsidized basis should be established by statute." (Statement, p. 5.)

4. Late in 1947, at the hearings before the Civil Aeronautics Board on the Air Freight case (Docket No. 810 et al), Robert Prescott, president, Flying Tigers, testified in behalf of his all-freight airline carrying parcel post:

"Question. Is your company interested in parcel post?

"Answer. Oh, yes, indeed." (Transcript, p. 745.)

5. On December 10, 1947, in hearings before the Subcommittee of the Committee on Post Office and Civil Service, House of Representatives, Robert Prescott testified in behalf of the Flying Tigers, urging freight carriers be given right to carry parcel post:

"That parcel post can take to the air at low attractive costs and rates has been amply demonstrated by the operating experience of the non-certificated cargo air lines. We now blanket the country and among us service most of the major centers of the United States. We have demonstrated that air freight—and therefore parcel post—can be carried at low rates without subsidy between those points which can be expected to furnish the great bulk of parcel post. At only a modest increase in cost, large volumes of parcel post can be carried to other points. We are prepared to carry parcel post at such low rates. The passenger-mail air lines should be ready to do likewise.

"The obvious secret of low-cost parcel post lies in a steady, large volume. If the Congress should decide to initiate parcel post on a progressive scale, starting first with parcel post between the big cities, it is possible to start immediately at a low rate. For example, if the Flying Tigers were given an opportunity to carry parcel post on long hauls between the cities it is now permitted to serve under its letter of registration issued by the Civil Aeronautics Board, and could anticipate a steady, predictable volume. It is prepared to contract to carry parcel post at approximately 18 cents a ton-mile. And it is prepared to demonstrate that its costs of operation would justify that low figure.

"If a larger program should be initiated, calling for short hauls and many intermediate stops on a flight, a higher base rate would be required. Short hauls and many stops would increase costs. Smaller planes would be required. For example, if the Flying Tigers were to carry parcel post in the short hauls, we would utilize two-motored planes for such work while making the long hauls in the four-motored planes more economical in operation. The composite cut of the two types of operation would justify, we calculate, a rate of approximately 20 cents a ton-mile under present operating conditions.

"We are prepared to sit with the appropriate Government agency and develop a proper set of rates which would return our costs and a fair profit, and still permit low parcel-post rates. The Government could do the same with other air lines, certificated and noncertificated. It could obtain a composite cost upon which to set its parcel-post rates which would attract the great volume of parcel post which is admittedly available and at self-supporting rates.

"Care should be exercised to require the most economical operation. Parcel post, like air freight, does not require multiple flights between points. Parcel post should move at night with air freight for delivery on the following day. Fewer flights with concentrated loads will make for low-cost operation. And the public interest will be served." (Hearings, p. 7.)

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"We are very much interested in the inauguration of a parcel-post system, because we would like to bid on those contracts in some manner on a just plain business basis. We would like to carry them for what the carriage costs, cost plus a normal reasonable profit.

"Studies have been made by the lines in our own freight business that we can carry with a profit at the rate of somewhere between 14 and 15 cents a ton-mile on our normal carriage of air freight. My statement to you on the probable cost of air parcel post will be somewhere around 16 cents or 20 cents a ton-mile. I place that higher because I want to be safe. I wouldn't want to tell you that—I wouldn't want to mislead you, and you go aboard on assumption of, say, 12 cents or 14 cents a ton-mile, and when you get a bill passed nobody will carry it for that.

"I can positively assure you that no parcel-post rate should be over 20 cents a ton-mile with this precaution: You won't be able to give air mail service to every hamlet and every village in the country—that is, air parcel-post service—but it is our contention that you don't need to fly airplanes into every one of these little places." (Hearings, pp. 9–10.)

6. On December 10, 1947, in hearings before the House subcommittee of the Committee on Post Office and Civil Service, Earl F. Slick urged that freight carriers be given the right to carry parcel post:

"I have dwelt on the subsidy question at some length, not only because I believe its early elimination is a prerequisite to the development of a sound and fully vigorous air-transportation system, but also because I wish to urge as earnestly as I can that it has no place in the air-parcel-post picture and to call attention to the fact that the subsidy feature is responsible for restrictions surrounding air-mail carriage which need never apply to air parcel post.

"My company is interested in air parcel post. As a freight carrier we feel that much that we have learned about air freight can be put to good use in the development of parcel-post traffic. We are convinced that air parcel post can be organized on a basis which will result in an efficient operation with low cost to the public. Split-second scheduling should not be the goal, rather the economy that results from the flexible schedules now in effect for commercial freight and from nightly departures from principal points is to be desired. Moreover, in the beginning, air deliveries at all way stations and smaller communities should not be attempted. It is an astounding fact that the members of our association working with the surface carriers can guarantee second-day delivery to virtually any town in the United States. No more speed than that is required to generate an immense volume of air-parcel-post traffic.

"Furthermore, if this method is used, the cost of the service will put air parcel post in reach of a great many people who could never afford the service if it is set up on any other basis. This is the service which is required and this is a service which the all-freight carriers are preeminently qualified to render. And yet, if an air parcel post bill is passed, containing only rates and zones as that proposed in the last session (H. R. 955), the Post Office Department and the public would not be able to use for air parcel post the services of the all-freight carriers. While not a lawyer, I understand this arises from the fact that under the present Civil Aeronautics Act only air-mail carriers could qualify. This situation should by all means be cured by appropriate provision in the next air parcel post bill or by amendment of the Civil Aeronautics Act. Some provision must be made authorizing the Post Office Department to make use of the services of the all-freight carriers.

"We have not yet made any detailed analysis or projection of air parcel post rates. However, it is obvious that air parcel post can be put on a sounder basis, from the very beginning, than has been the case with air mail. The rate should be low enough to attract the traffic in volume and yet high enough to pay the air transportation cost and a reasonable return thereon, plus the charges of the Post Office Department. But in the air parcel post there is no reason to start with an air transportation charge of $1.02 a ton-mile, the average air-mail rate, or even 45 cents a ton-mile, the so-called service rate. The proper rate can be determined

only after further study of the costs involved in affording parcel post its proper priority, and only after consultation with the Post Office Department as to its requirements. In any event, however, the air transportation charge should not, even at the outset, exceed 20 cents a ton-mile." (Hearings, p. 38.)

7. On December 10, 1947, George Haney of California-Eastern Air Lines, appeared before the House Subcommittee of the Committee on Post Office and Civil Service urging parcel post for the freight carriers:

"Insofar as parcel post is concerned, another reason that I would like to advance for the fact that we should receive that business if the Post Office Department and the Congress starts and decides to go into air parcel post, we feel that the freight operators should receive the business." (Hearings, p. 42.)

8. On May 17, 1949, Earl F. Slick testified in behalf of Slick Airlines before the Senate Interstate and Foreign Commerce Committee in support of all freight air lines carrying air parcel post:

"The CHAIRMAN. Do you want to carry the mail?

"Mr. SLICK. No sir, we do not. We stated in the Freight case we did not want to carry it, and we thought it would hurt our freight service.

"And last year before the House Post Office and Civil Service Committee, I testified on air parcel post. And we made a proposition then to that committee and to the Post Office Department to carry air parcel post at slightly above our air freight rates which were 18 cents a ton-mile, to allow for any special services that they might want, but just to get the volume of business and to do it on a business basis. I think all mail and air parcel post should be done to give the public a service at a low cost, which they need, and which would increase the volume tremendously.

"That was our only proposition we have made as far as carrying the mail. That was strictly on a nonsubsidized cost basis, a fair cost and fair profit to us, and a fair cost and fair profit to the Post Office Department.

"We asked that subsidies be separated from mail and the public know what the subsidy is and who is getting it and for what.

"The CHAIRMAN. But even so, you did not want to carry the mail, even though it were separated?

"Mr. SLICK. Not the mail. We thought that air parcel post could possibly be in such large volume, if the rates were put low enough, we could carry that in an all-freight airplane. But we think the mail is an expedited service, a special service, to the public and belongs in the passenger service who have schedules to fit that need.

"The CHAIRMAN. I am very much interested in what you say about parcel post because I have asked the Post Office Department to give us some specific testimony with respect to parcel post. We want to explore the possibilities of parcel post fully. And you are the first witness who has mentioned the subject, and I hope that some place in your statement there will be another reference to parcel post.

"Mr. SLICK. Sir, I will be glad to refer to it a little more in detail right now.

"Last year, when we had the hearings before the House Post Office Committee, the air lines and ATA asked that air parcel post be put on the same basis as air mail, which meant 45 cents, or whatever the subsidy was, that was involved in that be given to them.

"We thought it could be done on a low-cost basis, and we could give second-day delivery to any place in the United States, which is comparable to what the passenger air lines could do at 67 or 70 cents, or whatever their mail payments were.

"And we thought we could increase the volume so tremendously and give such a much greater service to the public as a whole in this country, and to the people that want to use air parcel post at these low rates, and we could make money at it by getting a volume at those rates. (Transcript, pp. 1628–1630.)

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"Mr. SWEENEY. Mr. Slick, I wonder if you would give us the total potential you believe can be realized at various air freight rates.

"Mr. SLICK. This is a study we reached after considering it later on when we put in our application in the Air Freight case. We considered the development that had occurred already at the rate we had had, and we were trying to estimate how many cargo planes could be put in the air-freight service commercially without a subsidy and national defense needs.

"I presented these figures last year to the Congressional Air Policy Board.

"And these figures are in million ton-miles per year: 1,300 at the rate of 13 cents a ton-mile; 2,100 at the rate of 11 cents a ton-mile; 5,000 at the rate of 9 cents a ton-mile; and 12,000 at the rate of 7 cents a ton-mile.

"A lot of people say that our potentials are visionary, that they are not going to be realized, that you cannot operate planes that cheaply.

"But there are freight planes that are going to be out within the next year, the next 2 years, that will operate in a 9 to 10 cents a ton-mile total cost range.

"With the planes that we have today, which are fairly obsolete airplanes—they are the best available but they were not designed for freight—we can operate profitably under the fair competition for 14 to 15 cents a ton-mile.

"If the volume increases, if they put air parcel post in all these planes, they estimated there would be, I think, 100,000,000 ton-miles at 20 cents air parcel post to the public. That is feasible today. If they put that 100,000,000 ton-miles in the airplanes not as a subsidy but as an increase in volume, increase in utilization, increase in the number of airplanes in service, the cost would probably be, with the present equipment, between 13 and 14 cents a ton-mile." (Transcript, pp. 1655–1656.)

9. On May 27, 1949, Robert Prescott, president of Flying Tigers, testified in favor of air parcel post being carried by all-freight lines (before the Senate Committee on Interstate and Foreign Commerce on Investigation of the Financial Stability and Operational Efficiency of the Airline Industry):

"The Flying Tiger Line has not sought certification for the carriage of mail, although it stands ready to do so without subsidy should the Government so elect." (Transcript, p. 2181, vol. 26.)

"Air parcel post has been instituted within the past year. Parcel post is classified as mail and is a high-priced special air service. We have contended that air parcel post should be treated as freight, with corresponding low rates and high volume to the benefit of the shipper, the taxpayer and the carrier. We may still have our piece to say on this at some future and appropriate forum." (Transcript, p. 2182, vol. 26.)

Wolf, Wolf, Wolf

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Boston Post of June 19, 1949:

WOLF, WOLF, WOLF

The little shepherd boy in the fable didn't just cry "Wolf." If he had he might not have ended up as a warning for all the peoples of the world for all time not to overdue things. His trouble was that he cried "Wolf, wolf, wolf." He didn't know when to stop. Even when told the first time that he was figuratively playing with fire, after he turned in a false alarm for aid for his flock, he did not desist.

No one now remembers his name. If anyone had passed it along the stepping stones of history, his name would now stand for practical jokers who end up hurt—like the name of Captain Boycott of Ireland became the synonym for curtailment, and the name of Quisling became an alternative for a traitor.

If we knew the little boy's name we would apply it to those who at the moment are not only crying "Wolf," but repeating it, shouting it aloud, whispering it in the corners and acting it out in pantomime which includes a dolorous visage with a turned-down mouth.

Something is happening in America at the moment, economically. The wartime shortages are being met. Production is overcoming demand. The inflation which frightened us half to death is not the ascending spiral that F. D. R. described.

We do not know and we do not think anyone knows whether we are suffering disinflation, deflation, or depression. One could safely say we are settling back to normalcy, if one were sure what normalcy meant in a country whose population and domestic demand grows daily, and at a time when the world demand is not diminishing perceptibly.

A distinguished solon in Washington the other day, chiding the administration to which he is opposed with lack of action to meet the situation, shouted that the depression was already here. All right, where are the breadlines? Has anyone lately stopped you on the street for a dime? Has someone come to the back door asking food? Has any town father suggested that it is time to take the boards down from the windows of the almshouse?

Let's be frank and face it. There is unemployment. But how much of it is due to the so-called depression and how much is due to buyers' resistance, by people and emporiums delaying purchases until if or when prices go down?

How much of it has come about because too many people who should know better are crying "Wolf" and scaring folks into keeping their money in the bank or in the family sock, thus delaying the purchase of articles which would keep the factories and mills at full employment? We are all aware that we cannot talk oneself out of a depression. That was evident in the days when we were told that prosperity was just around the corner. We can talk ourselves into one.

What are the facts? The banks are bulging with savings. More people have bonds, war bonds and peace bonds, than ever in history. More people own their own homes, possess automobiles, have children in high school and college than ever before. And have you noticed how many chimneys now sprout television masts?

In the face of those facts what is happening? Let's illustrate it this way. There are sadistic people in the world who have an oblique way of being funny. They meet you when you are feeling fine and tell you wryly you look pale. They then ask, "What's the matter? Are you sick?"

That kind of abominable kidding has put many a man or woman in the full bloom of health on the sick list. The same thing, carried too far, can send Uncle Sam reaching for the aspirin and calling in special nurses.

The cure? Production is the key. Instead of giving up sewing because we mislaid the needle, if we buy just one needle, we give someone a few minutes more employment. Let's use the money we earn for the purpose for which we earned it, to buy things to make our lives and living a little happier, a little less burdensome.

For Freedom in Education

EXTENSION OF REMARKS
OF
HON. SIDNEY R. YATES
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. YATES. Mr. Speaker, the House Committee on Un-American Activities has now gone into the field of education. Acting upon a petition of the Sons of the American Revolution, the committee has addressed letters to approximately 100 schools in this country, asking for a list of their textbooks. There is a suspicion that there may be subversive influence in the books which is slanted, as the petition says, to favor socialism and communism, and which is designed to convert this country into a social-welfare type of state. Upon this broad general charge the investigation by the committee was ordered. I assume that if the committee finds any language in the books which it considers un-American, there will be a book burning.

Many Representatives in the Congress are opposed to the manner in which the operations of the Un-American Activities Committee have been conducted. This does not mean that we are at all sympathetic to the communistic philosophy. On the contrary, we abhor communism. We recognize it as deceptive and cruel; that it is reactionary, both in government and in economics; that it is government by a police state and in conflict, directly and entirely, with the freedom and individual liberties which are our sacred birthright under the Constitution and which we must protect at all costs.

Our objection, however, lies in the methods used by the committee and the narrow-minded scope of its viewpoint. In the past it has used every kind of scare and hysteria for partisan political purposes and has recklessly thrown Communist charges against all kinds of people—good as well as bad.

The latest activity of this committee now proposes to police that which should be taught in our schools. It is difficult to see how this differs in principle from the Communist dictate that only education fostering communism shall be provided in its institutions.

I agree with those who condemn this latest activity of the committee, and who point out that our great danger lies from those who, in the guise of attacking communism, attack something quite different. I feel certain that this latest charge is an underhanded and devious sniping at much of the legislation constituting the President's program.

The American way has been to encourage thought and discussion and we have never been afraid to permit a full disclosure of ideas. A policy of repression of ideas never has worked and cannot work. Our way of life requires that we shall have faith in the principles and practices of democracy—faith that when our people are permitted to discuss and analyze all forms of government that they will prefer democracy and will be better citizens if they are convinced rather than compelled to follow certain lines of thinking.

Chancelor Robert M. Hutchins, of the University of Chicago, has stated that the danger to our free institutions is not from the tiny minority who do not believe in them, but from those who would mistakenly repress the free spirit upon which those institutions are built.

He says:

In America we have had such confidence in democracy that we have been willing to support institutions of learning in which the truth might be pursued and when found, might be communicated to our people. We have not been afraid of the truth or afraid to hope that it might emerge from the clash of opinions. The American people must decide whether they will longer tolerate the search for truth. If they will, the universities will endure and give light and leading to the Nation. If they will not, then as a great political scientist has put it, we can blow out the light and fight it out in the dark; for when the voice of reason is silenced, the rattle of machine guns begins.

We must keep the light of freedom burning in our educational institutions.

A. P. Giannini Was Ahead of His Time

EXTENSION OF REMARKS
OF
HON. FRANCK R. HAVENNER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. HAVENNER. Mr. Speaker, under the above caption Mr. M. S. Rukeyser, economic commentator for the International News Service, wrote an extremely interesting sketch of the life of the great American banker, Amadeo Giannini, who passed away recently in California, his native State and the capital of the financial empire which he had created.

Mr. Rukeyser's article, which was published in the San Francisco Examiner and many other newspapers, was as follows:

The meaning of the career of the late Amadeo Peter Giannini runs beyond the fact that he created the Nation's biggest commercial bank.

He was ahead of his time in instinctively grasping the importance of integrating his business activities into the social interests of large numbers of people. His concept of banking for the little fellow was more than a mere slogan.

The Californian anticipated the recent social changes, which have elevated the stature of large numbers of little fellows.

In making his bank, with its myriad of branches, part of the economic warp and woof of the State of California, Mr. Giannini made himself relatively impregnable against onslaughts from business baiters and Federal bureaucrats.

Some years ago when the Comptroller's Office raised eyebrows, Mr. Giannini avoided the psychological blunder of becoming defensive and apologetic.

A similar philosophy animated the recent defense of the Giannini bank holding company in the antitrust proceedings brought by the Board of Governors of the Federal Reserve System.

Behind the Giannini boldness and courage was an astute understanding that the Bank of America structure had become so much a part of the economy of California that it was puerile and immature to talk in terms of unscrambling the egg.

Giannini's strength inhered in a capacity to think in terms of public usefulness, rather than personal cupidity. He made a virtue of not becoming a millionaire long before the Federal tax structure ended that hazard for most of us. Even when his institutions attempted to be generous to him with bonuses, he used such windfalls to make endowments for social purposes.

This very quality made him a different type of banker. It invested him with the qualities of a public benefactor.

And this reputation paid dividends.

In the toughest fight of his career, after initial retirement when he regained control of the empire in 1932 after a bitter fight against Wall Street interests headed by Elisha Walker, Mr. Giannini again assumed the responsibility of management. During the fight for control, when the Giannini interests were making serious and highly emotional charges against the former management, the bank at the nadir of depression was losing deposits at the rate of $1,000,000 a day.

After he returned to the driver's seat, Giannini was confronted with the task of reversing popular psychology, and restoring confidence.

It was a delicate challenge, and a bungler could have done irreparable damage.

Faced with crisis, Giannini showed himself a master of public relations. Recognizing that it would be crude for the former attacker to switch immediately to a new role of conventional booster of the bank, Mr. Giannini bought full-page newspaper ads to dwell on the long-term growth possibilities of California and the West.

At a time of low confidence, he correctly pointed to the vast potential resources in water power, minerals, and agricultural wealth, and stated the thesis, amply sustained by subsequent events, that California and the West were destined for quickened growth and development.

To hoarders and others who were depressed, he said: "Put your funds on deposit in the Bank of America or in any other bank."

The advertising was enormously successful. The touch of genius was in the unselfish note, boosting all the West and all its banks, not merely the one institution which he again dominated.

When I was in San Francisco during the presidential campaign of 1936 to make an address at the convention of the American Bankers Association, I attended a press dinner of which Mr. Giannini was the host. At that time Mr. Giannini had not yet broken with the New Deal. In a joshing mood, I said to him: "I hear you're for Landon." Giannini flare up: "Landon! Why he won't carry a single State in the Union." At the time, the Literary Digest poll was still predicting a Landon victory. Giannini's remark seemed extreme, but the record showed that Landon carried only Maine and Vermont.

In 1932 during the fight to regain control, when I was in California, I wrote in my column that Giannini doubtless regarded

himself as a man of destiny. I revealed that he had retired in 1929 at the peak and that in 1932 he was attempting a comeback at a time when he doubtless felt that bottom had been touched.

Although the column appeared to Giannini to have a critical undertone, there was no protest from Giannini. However, more than a year later at a bankers convention at Chicago, Giannini good humoredly introduced me to his wife and his chief aides as "the man who attacked me last year."

Through his infinite capacity for making friends, he gradually converted me from a critic to an admirer. The climax came when I invited him to write a guest column for me during a vacation season. He regarded this as a tremendous compliment.

Giannini had imagination, courage, and a capacity to understand the accents and emotions of plain folks. He possessed boundless energy, and, like Socrates, he knew how to get at the nub of a subject through asking questions.

The Textbook Hunters

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. CELLER. Mr. Speaker, it is difficult to understand the action of the House Un-American Activities Committee. Its demand for lists of textbooks used in our institutions of learning smacks of censorship and is a blow against academic and cultural freedom. In opposition to the committee's action the New York Herald Tribune editorializes this day as follows:

THE TEXTBOOK HUNTERS

If the House Un-American Activities Committee put its foot in it with its casual summons to the universities to submit their social-science textbooks, it has certainly in nowise improved matters by a hurried letter now dispatched, explaining that the committee "does not desire to interfere in any manner with academic freedom nor does it intend to censor textbooks." What it can possibly do with the books other than to interfere with the universities' academic freedom or to produce comments that would have the effect of a censorship does not appear. The explanatory letter might even be considered worse than the original, for in disclaiming the intent to meddle with the universities' texts it still seems inferentially to claim the power to do so if it wished. When its chairman (who seems chiefly responsible for the affair) guilelessly fell in with a demand of the Sons of the American Revolution for a textbook heresy hunt he was misconstruing the whole function of his committee and getting into complex difficulties of which he still seems only dimly aware.

The anguished outcries from Representative McSWEENEY, one of the committee members, over the implied smear on Mr. McSWEENEY's own alma mater, is the least of the trouble. Even if the committee were careful to hold the universities unsmeared, the effort by this congressional body to set itself up (on the allegation of a patriotic society) as judge and critic of university social-science teaching is so completely beyond any reasonable terms of reference which it properly holds as to indicate that the committee is once more losing its sense of proportion. In the course of its labors it has found more than one legitimate subject for congressional investigation in the thorny fields of subversive activity. But it will only destroy whatever of value it has done if it falls into the megalomaniac idea that any whisper of communism is enough to give it authority and control over any part of the Nation's political and intellectual life.

The President's Legislative Program—The Congress' Executive Program

EXTENSION OF REMARKS
OF
HON. DEWEY SHORT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. SHORT. Mr. Speaker, it is only natural, I suppose, that each Member of Congress thinks he represents the greatest district and the finest people on earth.

Avoiding comparisons, I think everyone who has visited the Ozarks in southwest Missouri will testify to the ruggedness of the hills—and especially to the ruggedness of the character of the people who inhabit them. It is my high honor to represent that pioneer and patriotic citizenry who possess so many sterling qualities of mind, heart, and soul.

Among the outstanding citizens of that region is a retired, able, and successful lawyer, Mr. M. E. Morrow, of West Plains, Mo.

Under leave to extend my remarks, I include a letter written by Mr. Morrow on May 2, 1939, which appeared in the West Plains Journal-Gazette on May 9, 1949. The sound advice in it is most timely, and if followed, would prove most beneficial to our whole country. If not followed, I fear we shall end in disaster:

1. THE PRESIDENT'S LEGISLATIVE PROGRAM;
2. THE CONGRESS' EXECUTIVE PROGRAM

What constitutional authority can be found for a President to have a legislative program, about which we hear so much during the last 16 years? Except to recommend, and a qualified veto power in the President, all legislative power is given to the Congress by the National Constitution; except, further, such portion as is reserved to the States by amendment 10 of the Constitution. After repeatedly recommending in campaign speeches, formal and informal interviews, messages to Congress, and other ways, that the Taft-Hartley labor law be repealed, we heard over the radio only this morning that the President would accept no amendments to the outright repeal of that law.

Again, we ask, where is the constitutional authority for the President to thus usurp the powers of Congress? Suppose Congress should try to usurp executive power from the President, and demand the right to dictate to him whom he nominates for members of his Cabinet; or, whom he nominate for foreign ambassador in these troublesome times; what would the President and his New Deal friends say? I think they should condemn it as being unconstitutional. But would not Congress have as much authority for such action on their part as the President has to try to seize so much legislative power? I think so.

I further think that both the President and Congress, sometimes in these last 16 years, recommend, and enact into law, certain measures that belong within the jurisdiction of the States. Amendment No. 10 is as old as any part of our Constitution, having been adopted at same time; and this amendment reserves to the States and the people certain matters over which no Federal official should assume authority of any kind. States existed before the Nation; and the former were not destroyed by the latter. We hear so much today, to the effect that "the President has a mandate from the people" to make laws. These good people seem to think that the temporary opinion of the people, expressed in a general way, at a political election, can overthrow and repeal a permanent constitutional charter; when that same charter contains the only methods by which it may be amended or repealed.

I fear there has not been as much study of our Constitution in these last years as there should have been. And I fear that the lack of such study has permitted the following of men who have given little or no study to it. Had they given greater study to it, they would doubtless give more than lip service to such great leaders as Jefferson and Jackson. And had we followed different leaders in these recent years, we might not now be so close to those two dangerous precipices—communism, and a big, perilous debt; both of which dangers are growing worse, it seems, daily. And had all New Deal administrations lived faithfully to the financial plank on which its first one was elected; and had no Communist government ever been recognized in Russia; and had America warned Germany in understandable language, when she began to rearm before World War II would we not now be at peace with all the world, and in better financial condition, than we've been for a hundred years? I think so.

Had each and all of the above steps been taken in time, as any well-informed historian could have foreseen in due time, might we not next year be ready for the second celebration, like the one held in Washington, D. C., on January 8, 1835, before a great national gathering? I think so.

Before that great national meeting in 1835, called to celebrate two great deeds of Andrew Jackson, Missouri's old bullion Senator Thomas Hart Benton offered the following toast:

"The national debt is paid. This month of January 1835, in the 58th year of the Republic, Andrew Jackson being President, the national debt is paid. And this apparition, so long unseen on earth, a great nation without a national debt, stands revealed to the astonished vision of a wondering world. Gentlemen, my heart is in this double celebration; and I offer you a sentiment, which coming from my bosom, will find a response in yours: President Jackson; may the evening of his days be as tranquil and happy for himself, as their meridian has been resplendent, beneficent, and glorious for his country."

The Butte, Mont., High School Band Is the Nation's Best

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 1949

Mr. MANSFIELD. Mr. Speaker, the Butte High School band is the Nation's best. I make that statement without fear of contradiction because I have seen

this organization and I know whereof I speak.

I am sure that the citizens of Pasadena, Spokane, Seattle, and Portland will confirm this statement because the Butte band has been seen and heard in these cities and, by their outstanding performances, have captured the hearts of the people who saw them.

To say that I am proud of the Butte High School band is to understate the esteem I have for its members. I want the Congress of the United States to know about this group and to express the hope that their next venture will be to the Nation's Capital. The Nation's best deserves to be seen and heard in the Nation's Capital.

Mr. Speaker, I am inserting in the RECORD, three feature articles by Frank Quinn and covering the send-off of the band by Butte and the receptions accorded to it in Spokane and Seattle, Wash.:

[From the Montana Standard of June 6, 1949]

SPECTACULAR SEND-OFF IS GIVEN BUTTE BAND AS IT LEAVES ON TOUR OF PACIFIC NORTHWEST

(By Frank Quinn)

ABOARD THE BUTTE HIGH SCHOOL BAND SPECIAL, June 5.—Butte's traveling ambassadors of good will, 139 boys and girls forming the Butte High School band, as fine a scholastic musical organization as exists anywhere in the Nation, embarked on a new adventure Sunday night.

Laden with well wishes of parents, relatives, friends, teachers, and hundreds of other Butte citizens, who despite the late departure hour, 11 o'clock, Butte time, were assembled at the Northern Pacific depot when the 12-car special train pulled out, the teenage musicians sped westward Sunday night in quest of added laurels.

An estimated 5,000 proud parents, friends, and well wishers gathered in Naranche Memorial stadium Sunday afternoon to encourage the band youngsters in a final dress rehearsal. The crowd packed the north section of the bleachers as the band went through its sparkling routines and parade formations. Several band selections also were played for the entertainment of the audience.

It is 17 months to the day since the band returned home from Pasadena, where it achieved Nation-wide distinction in the Tournament of Roses parade, and a trip on which it also won acclaim in appearances in downtown Los Angeles, Salt Lake City, and Las Vegas, Nev.

This year the goal of the group, under direction of Henry J. Schiesser, bandmaster, and Mrs. Schiesser, who is in charge of majorette and twirling routines, is the Portland Rose Festival. During that festival it will lead the famous Grand Floral parade Friday morning, give a command performance in the Multnomah Civic Stadium that night, lead the Junior Rose Festival parade on Saturday morning, and as a forerunner to those events in which it will take an honor role, will participate with 2,000 other high school musicians in a band jamboree on Thursday night.

The Grand Floral parade will be witnessed by nearly a million spectators from all parts of the Nation. The Multnomah Stadium performance, in which the Butte musicians hold the command spot, will attract an overflow crowd of some 40,000 people. The Jamboree and Junior Rose Festival parade will attract similar crowds.

Many of the band members, majorettes, and twirlers are veterans of the Tournament of Roses trip. But they, like the youngsters who have become a part of the organization in the last year and a half, are thrilled and happy at the opportunity to bring added glory to Butte during this second out-of-State trek for the noted pageantry musical organization.

Parade appearances in Spokane on Monday, and in Seattle on Tuesday, together with concert showings in both cities, will serve as preludes to the grand opportunity in Portland, and at the same time give residents of those Washington cities an opportunity to see and hear this sterling musical organization in action. The band also will visit Victoria, British Columbia, on Wednesday, but a concert in that city is indefinite.

Because of the late departure hour and the fact that the youngsters were scheduled to rise and shine at 6 a. m. mountain standard time, an hour and a half before arrival time in Spokane, there was little activity aboard the train after it left Butte. Some of the twirlers, younger members of the troupe, did get in last-minute practice, aided by older girls in the group, but by the time the special whistled through Deer Lodge it was "lights out" in cars occupied by the students.

The same held true for the most part in pullmans quartering parents of the musicians, or other Butte residents making the trip. Between Deer Lodge and Missoula the only ones stirring were members of the official school party, including George Haney, principal, and party chaperons who reported to him that "all were bedded down although all were not asleep."

Thrilled boys and girls, many sleeping in an upper or a lower for the first time, found sleep hard to achieve, Haney said. Conversation, however, died out by the time a 10-minute stop was marked up in Missoula.

Working late were Eddie Price, general chairman in charge of arrangements for the trip; B. E. Lam, Northern Pacific general city freight and passenger agent, who is in charge of the train; Ray Sims, property man; and Director and Mrs. Schiesser, who discussed details regarding handling of uniforms and costumes in conection with the Spokane stop.

Mrs. W. J. Barnicoat, registered nurse, and president of the Butte High School Band Boosters Club, also was late in retiring as she made a last-minute check before the lights-out signal, to determine that her charges were still in the tiptop condition that weeks and weeks of training for their rigorious enterprise has placed them. Dr. W. E. Crawbuck is available for any emergency, but they are a healthy bunch of youngsters, and it is not anticipated that anything other than minor ailments, such as a blistered toe or possibly a sunburn, will be encountered on the 7-day journey.

In addition to Mayor and Mrs. Thomas R. Morgan, their son, Thomas, Jr., 18, official school party members, "On to Portland" committee members, and chaperones, Mining City residents aboard the special include:

Mrs. George Haney, wife of Principal Haney, and their two children, Marlys and Mickey, Mrs. Hattie Duncan, Mrs. Robert Rhind, Mrs. Tim Thomas, John Mulhern, Harry Falancer, John (Fink) Kelly, Mrs. E. J. Berg, Mrs. Victor Anderson, Dr. and Mrs. W. E. Crawbuck, Mrs. Elsie Barry, J. F. Ham and granddaughter, Joan Hill; Mr. and Mrs. Thomas Carrig. Mrs. Joseph Dodds and daughter, Nevis; Mrs. W. H. Harkins and daughter, Dilene; Mrs. Ann Schauer and granddaughters, Ruth and Mary Lou Barnicoat; Mrs. M. J. Cavanaugh and daughter, Marilyn; Mrs. V. L. Olson, Mrs. Stella Kekich, Mrs. Alvin Herzog and son, John; Mr. and Mrs. William Penaluna, Mr. and Mrs. J. W. Harkins, Mr. and Mrs. J. W. C. Haller, Mr. and Mrs. T. H. Estlick, Mr. and Mrs. Ernie Wiles, and Mrs. William Fraser, of Los Angeles, sister of Mrs. Eddie Price.

[From the Mountain Standard of June 8, 1949]

CONFETTI SHOWERS AND CHEERS OF 60,000 ARE EVIDENCE OF BAND'S SEATTLE CONQUEST

(By Frank Quinn)

WITH THE BUTTE HIGH-SCHOOL BAND, SEATTLE, June 7.—The grandest boys and girls in America—the Butte High School band—Tuesday night paid glowing tribute to the grandest American game—baseball—while 8,500 spectators at Sicks Stadium, home of the Seattle Rainiers, roared approval. Playing a 25-minute field performance and concert, the band went through part of its famous "Parade of the Months" scene on the greensward of the stadium outfield.

Earlier in the day the band gave a triumphal performance before 60,000 Seattleites as confetti wafted down from the office buildings lining the 28-block parade route and cheers thundered.

"They're major leaguers, each and every one," said Jo-Jo White, field manager for the Seattle club. "I need some of those twirlers and their accuracy in my line-up," he added.

The band was given a tremendous ovation before it entered the playing field. Its appearance at the east end of the stadium was the signal for uproarious applause as Seattle baseball fans recalled the superb performance of the boys and girls in the street parade downtown earlier in the day.

Earl Sheeley, business manager of the Seattle club, through courtesy of whom the stadium performance was arranged, said, "Bring them back every year—they're wonderful."

Before the game Field Manager White posed with several of the Butte majorettes. He wore a drum majorette's hat and swung a baton while he showed the girls how to swing a bat.

The performance of the youngsters was broadcast over the public-address system and over Seattle radio station KING.

The band goes to Victoria, B. C., by boat Wednesday.

In the words of Mayor William J. Devin, of Seattle, the mining city pageantry, marching and playing organization, "took Seattle by storm." Lauded by scores along the line of march, the Butte outfit was hailed by one observer as the "finest band to perform in Seattle in more than 37 years"; the mining city youngsters presented a show along a 28-block-long marching route that long will be remembered by Seattle.

En route to Portland and the rose festival aboard a 12-car special Northern Pacific train, the band paraded here during the noon hour and thrilled the thousands who lined both curbs for the entire route or watched the spectacular show from windows of the sky-reaching business blocks. The stirring music of Henry J. Schiesser's teen-agers drew almost never-ending rounds of applause from spectators. But with all due respect to the young musicians, top honors must be awarded to the gaily (although scantily) clad drum majorettes and twirlers. Their intricate routines with sparkling silver batons, cartwheels, horn-pipes, and prancing dance numbers left Seattle's populace gasping.

Capt. R. V. Shaughnessy, in charge of the parade police detail, after receiving reports of his traffic squad of 19 motorcycle officers and some 20 other traffic officers stationed along the route, revised an earlier estimate of the crowd including those in office building windows and said the number of persons who witnessed the procession topped the 60,000 figure.

The parade formed promptly at 11:45 o'clock (Seattle daylight saving time) at the Northern Pacific station with Mayor Thomas R. Morgan and Mrs. Morgan, Mayor Devin, Eddie Price and Mrs. Price, principal and Mrs. George Haney, W. C. Greer, Sherrill A. Brown

and N. E. Dobbins, presidents of Seattle Active Clubs, occupying cars of honor. Immediately preceding the band was a Marine Corps recruiting station and Reserve color guard. At the conclusion of the parade, the band was lauded by Mayor Devin, who said:

"This band is the most wonderful musical aggregation Seattle has seen in a long time. The playing ability, color, and pep of these Butte boys and girls is astounding. I am deeply impressed with their ability to play apparently countless numbers without music scores. Their training and discipline is superb."

The band enjoyed its first continuous ovation as it rounded the turn at Second and Yesler, site of the L. C. Smith Building. Hundreds had thronged that three-way intersection long before the parade formed and, as the band passed beneath the shadows of the skyscraping Smith Tower, the applause was deafening.

The ovation continued along Second Avenue to Pike and for blocks along Pike and Third to the disbanding point. The number witnessing the parade was smaller, but the ovation was as great as that accorded the band in Pasadena New Year's Day, 1948.

Along every foot of the parade, the band continued to play and the majorettes went through a seemingly endless series of acrobatics, leaving the huge audience limp from hand-clapping. Traffic from every side street leading into the parade channel was halted. Especially popular with the spectators was the number Beaut from Butte, which includes a prancing act by the majorettes, who also vocalized this selection. Yea, Butte was heard from all sides as this selection was played and pantomimed.

The first paper shower complimenting the band came as the band staged an impromptu concert at Second and Union, in front of the large Rhodes department store. The ovation following that lone break in the marching routine lasted fully 10 minutes.

A similar reception greeted the band along Third Avenue and was climaxed in front of the city hall, just a short distance from the L. C. Smith Building, near the end of the parade route. During another concert played at that point, paper fluttering from the towering Smith Building and the city hall littered the streets for blocks.

[From the Montana Standard of June 7, 1949]

BUTTE'S BAND IN THREE SPOKANE APPEARANCES

(By Frank Quinn)

WITH BUTTE HIGH SCHOOL BAND, SPOKANE, June 6.—Butte's inimitable traveling emissaries of good will and public relations did it again.

Monday afternoon and evening in street parades and concert appearances, the Butte high school band, majorettes and twirlers literally stole the hearts of residents in this inland empire metropolis.

The Spokane Active Club sponsored appearances of the band here, and arranged for its three programs. Familiar to Butte residents, nonetheless always thrilling, always new performances of the mining city boys and girls drew enthusiastic acclaim from the citizenry of Spokane proper and from Garland, a suburban business district, which Monday night dedicated a new post office, dental building, and bus route.

"Spokane owes Butte a debt of gratitude for having given our city an opportunity to hear and see these wonderful boys and girls perform," Mayor Arthur Meehan, of Spokane, said in a brief address Monday evening. "Their performances here have been superb," Mayor Meehan added, "and it is gestures of this type and the spirit of people like the citizens of Butte that makes the Northwest great. To all my many friends in Butte and in Madison County, I want to say that Butte can't be too proud of this splendid musical organization. It's magnificent."

Mayor Thomas R. Morgan, in replying to the Spokane chief executive, expressed appreciation on behalf of Butte for the generous response given the band in Spokane, and invited Spokane citizenry to pay a return visit to Butte during the summer. Eddie Price, chairman of the band travel committee, expressed his appreciation to the Spokane Active Club for its part in sponsoring the organization's visit to Spokane.

Happy over the gracious reception tendered them upon arrival in Spokane Monday morning, the band members practically went all out in their endeavors to entertain Spokane. To those who knew little about the band, except what they read in advance publicity, it appeared that Schiesser-directed musicians and the lovely majorettes and twirlers in flashing costumes went through their entire bag of tricks more than once along downtown Spokane streets, in front of the new Garland Theater, and during a street concert broadcast to Butte; playing ability of the young musicians, dexterity and nimbleness of the majorettes drew spontaneous applause from assembled throngs.

Capt. L. B. Ferguson, in charge of traffic, estimated that at least 10,000 persons who jammed sidewalks and countless hundreds of others in windows, watched the pride of Butte on review.

Following the parade and dinner, the band traveled to Garland on the outskirts of Spokane, where it highlighted the new post office dedication ceremony. Attended by 5,000 persons. It played a concert performance on the concourse of the Garland theater, and then staged a short street parade. Mayor Arthur R. Meehan, Postmaster William Simpson, and Otto Warn, president of the chamber of commerce, were among the principal speakers. All paid tribute to the band, Warn said:

"We have heard much about the Butte high-school band. It has lived up to our highest expectations. The talent of these boys and girls—their sterling showing in Spokane—reflects great honor upon the mining city."

The Spokane Chronicle gave the band front-page coverage Monday evening and carried two pictures inside. The Spokane Review scheduled a half-page spread on Tuesday morning including pictures taken at the station on arrival in the parade and at the aluminum company plant.

The band was given a surprise at Garland when businessmen of the district presented it with a registered English bulldog, the bulldog, purchased through funds raised by public subscription, was presented Director Schiesser. Eddie Price was also presented a token of esteem by the district.

Immediately following the Garland festivities the band returned to its special train and prepared for departure to Seattle, where it is scheduled for two appearances on Tuesday, one a downtown street parade, the other a performance at Sicks stadium in connection with the Seattle-Los Angeles Coast League baseball game.

Monday morning Spokane citizens extended the Butte high-school band one of the warmest receptions the purple and white clad musicians have received in varied travels in five States.

Led by Mayor Arthur Meehan, a former Montanan; Chamber of Commerce President Otto Warn, and Henry R. Harder, district governor of Active Clubs, several hundred Spokane residents assembled at the Northern Pacific station to greet the band upon its arrival.

Only one incident marred the welcome. The 12-car Northern Pacific special gained an hour in travel time and arrived in Spokane a full 60 minutes ahead of the scheduled reception time of 8:30 (10:30 Butte time). Band members remained aboard the train until the arrival of Mayor Meehan and his party.

The weather was as warm as the reception. The thermometer was pressing the eighties and band members and majorettes sweltered beneath rays of a burning sun.

As Mayor Meehan and the Spokane reception committee approached the train, along with Miss Glenda Bergen, Miss Spokane of 1949, the band played Beaut From Butte, and then swung into a varied selection of numbers honoring members of the reception party. In tribute to the fascinating Miss Spokane, who was attired in Indian costume, the young mining city musicians played Indian Love Call. This was purely incidental as Director H. J. Schiesser had no previous knowledge how Miss Spokane would be garbed. It was another example of the versatility of the band.

Alleged Communism in Labor Unions

EXTENSION OF REMARKS
OF
HON. JOHN C. DAVIES
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1949

Mr. DAVIES of New York. Mr. Speaker, in these times when most American unions are being accused of embracing communism, it is encouraging to me to be able to reveal to the House an incident which I think is indicative of the attitude of the overwhelming majority of union members in this country. It is the story of a constituent of mine who joined the Communist Party in Rome, N. Y., because he suspected that a union to which he belonged was being infiltrated by Communists, and he wanted to find out for himself. Other union members knew of his plan and helped him.

I am certain that the membership in American unionism consists mostly of true Americans, and I further believe that the union movement will never be controlled by Communists if the membership maintains the vigilance exemplified by the incident related in the following article from the Buffalo Evening News of June 6, 1949:

TWO ACTIVE IN COMMUNIST PARTY TAKE PART IN RICHARDSON STRIKE—ROME, N. Y., UNION MAN, WHO JOINED REDS TO TRACE ACTIVITIES OF UNITED ELECTRICAL LEADERS, GIVES FACTS IN AFFIDAVIT

A veteran, Rome, N. Y., union man who joined the Communist Party to trace the connection between it and certain elements of the United Electrical Workers today told the Buffalo Evening News that two men now prominent in a local strike had been active in the Communist Party in his home city.

The two men recently came to North Tonawanda to participate in the 8 weeks' strike of 70 employees of the Richardson Boat Co. who are represented for collective bargaining by Local 308, United Electrical Workers.

The two are Daniel Fitzgerald and Michael Jiminez, both organizers for the United Electrical Workers and active in union work in Rome. The latter has been a leader in the Blackstone strike in Jamestown.

The author of the statement, who made an affidavit which is in the possession of this

newspaper, is Andrew J. Madonia, a copper plater with the Rome Manufacturing Co. He is a member of the Interstate Metal Workers Division of the MESA (Mechanics Educational Society of America) and a former UE member.

ATTENDED FIVE MEETINGS

Mr. Madonia told the News he had been suspicious of the connection between the Communist Party and certain United Electrical Workers leaders in Rome, and in early 1947 joined the party "for the express purpose of confirming my suspicions." He joined with the knowledge of other union men sympathetic to his plan.

He attended five meetings over a period of 3 months of 1947, he says in his affidavit. Some of the meetings were held in the Fitzgerald home, where were present some of the officials of UE Local 331 and the Communist Party, he adds.

He exhibited a photostat copy of a receipt he says he got for dues in the Communist Party.

"Look closely at the initials on the lower right-hand corner and with some difficulty you will make out the letters 'S. F.'—Sophie Fitzgerald, wife of Daniel Fitzgerald. This is one of three such receipts issued to me for payment of dues to the Communist Party local," he asserts.

SAW JIMINEZ PAY DUES

The affidavit goes on to say that Mr. Madonia saw Michael Jiminez present at Communist meetings as well as Mr. Fitzgerald. He further says:

"I have seen Michael Jiminez pay his dues to Mrs. Sophie Fitzgerald, the party's chairman (1947), and then tear his receipt to bits to prevent it from falling into the wrong hands.

"At the last meeting I attended in Mr. Fitzgerald's home, March 29, 1947, a stranger from Schenectady explained that the Communist Party had launched a drive for funds to assist Soviet Russia because, and I quote him, 'We don't want this country [meaning the United States] to dominate the world.'

"Mr. Fitzgerald contributed $10; Mr. Jiminez gave $15 and others gave in varying amounts. A total of $137 was collected. I did not contribute."

Mr. Madonia swears in his affidavit that in his presence in 1947, a conversation took place between Mr. Jiminez and a union official of local 331 (General Cable Co.) at which time a loan of $20 was negotiated from the General Cable Co. local 331 treasury and turned over to the Communist local to help it get started.

USED IN REVERE CAMPAIGN

Much of what is contained in the affidavit was used in the campaign at the Revere Copper & Brass Co. preceeding the May 7, 1947, union election. The UE was beaten 3 to 1 by the Interstate Metal Workers Division of MESA. Mr. Madonia, who had helped organize the UE local at Revere, publicized his knowledge to defeat it.

He said one of the things that first made him suspicious of Mr. Fitzgerald was when he (Madonia) bought a plot of m ckland to help support his wife and seven children, and Mr. Fitzgerald sneered at him as a capitalist. He originally joined the UE in 1936 and put in as high as 20 hours a day advancing its interests, he said, adding:

"I attended numerous meetings and conferences in various places throughout the State. I was selected to serve on many committees and for a time I was chairman of the workers alliance."

In a news release May 5, UE, local 308, stated it had informed the boat company through Leo E. Rose of the State mediation board that it had offered to substitute in negotiations Mr. Jiminez for Emanuel J. Fried, a district UE organizer. The company has declined to meet either of the two men on the grounds of their leftist affiliations.

Mr. Fitzgerald marched in the pro-Communist picket line of March 1948 but left the Westinghouse plant where he was employed shortly after the crushing defeat of the Communist-liners there last year.

Address of Hon. William F. Knowland to California Savings and Loan League

EXTENSION OF REMARKS

OF

HON. WILLIAM F. KNOWLAND

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 22 (legislative day of Thursday, June 2), 1949

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD my talk before the California Savings and Loan League on June 15.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman and fellow Californians, from your Nation's Capital I extend greetings to the California Savings and Loan League and express my regrets at not being able to be present at your convention in person.

There is no group that could be gathered together that is more interested in preserving free enterprise in this country.

Our economic system is tied with Siamese-twin attachments to our constitutional form of government. If one is destroyed they both perish. There is no need for either catastrophe to happen if we get off the perpetual defensive and take the offensive.

There are too many people who have had our hospitality or advantages joining forces with Moscow and her satellites in spreading their views on "What's wrong with America."

Those who believe in our system should start a crusade to tell "What's right with America." We, of course, will not close our eyes to the liability side of the ledger. But as businessmen with our feet on the ground and common sense gained from experience and observation we know that America's assets in fiscal, industrial, agricultural, educational, moral, and governmental categories, to mention but a few among many, greatly exceed our liabilities.

To permit this solvent going concern of ours to be liquidated by the strong-armed action of international communism or to consent to the voluntary bankruptcy proceedings of state socialism are both unthinkable and unnecessary.

We must not let complacency destroy the spirit that has developed a great world power out of a small colony in less than 175 years. We must not build or depend upon military or economic Maginot lines.

This Nation has never been wedded to the status quo or ruled by the dead hand of the past. Our economic as well as our political system broke away from old world patterns.

Short-sighted European-style capitalism built the gallows for its own execution by allowing and encouraging monopolies, cartels, and great aggregations of capital narrowly held.

The lifeblood of our system to the contrary is competition, productivity, good wages, and widespread ownership of our economic structure. In no other country is there such widespread corporate stock ownership.

In addition, 78,000,000 life-insurance policy holders own policies of over $200,000,000,000. Individuals who still believe that thrift is a virtue also own directly over $56,000,000,000 in Government bonds. They have over $30,000,000,000 in various types of savings institutions and $3,300,000,000 in the Postal Savings System. A substantial part of the $36,000,000,000 of time deposits in commercial banks is theirs. They also have a stake in annuities and pension funds amounting to an estimated $5,000,000,000 and a direct stake in the Social Security System (Federal, State, and local) of $29,000,000,000.

There have never been so many people in the entire history of the world who have had as large a stake, as much to gain or as much to lose as the people of the United States of America.

Nor does history record a people who have been as unselfish in their possession of their power, their resources, and their good will.

In this century, which is not yet half over, they have sacrificed blood and treasure in two World Wars to prevent the destruction of free institutions on the Continent of Europe. Few dispute the fact that all of western Europe and perhaps even Britain would today be behind the Communist iron curtain if it had not been for the firm stand taken by this Republic and a considerable contribution of our resources to prevent the complete economic collapse of those war-torn nations. Both Washington and Moscow understood the facts of life.

Communism thrives on chaos. A rehabilitated Europe was the only chance for survival had by free institutions in that area of the world.

Both our own people and our friends abroad must recognize the fact that a strong America is the priceless ingredient for world peace. An American economic collapse would be the signal to the men in the Kremlin to turn the cold war into a hot one. Failure to recognize this reality would be worse than folly.

A strong America requires, among other things, a solvent Federal Government, a sound national economy, and an adequate national defense. These three factors are closely interwoven.

Our Federal Government's budget, as recommended by the President for the fiscal year 1950, amounts to $42,000,000,000, and if all his additional recommendations were accepted by Congress, it would top $45,000,000,000. I do not believe that our present national economy can in peacetime stand for long any such burden.

It is hard for many people to grasp the meaning of the astronomical figure of $42,000,000,000 included in the President's budget. Since Columbus discovered America 457 years ago the total gold production in the entire world has amounted to approximately $40,000,000,000.

Streamlining the executive branch of our Government is long past due. The report of the Hoover Commission has outlined how the elimination of duplication and overlapping can make substantial savings in expenditures and at the same time increase efficiency. I strongly favor expediting final congressional action to put the bulk of the Commission's recommendations into effect as rapidly as possible. If there is the will, a way can be found to make substantial progress this year.

Ten years ago the Federal debt stood at $40,000,000,000. Today it is over $252,000,000,000, or more than six times as large.

Ten years ago our Federal expenditures were less than $9,000,000,000. Now near the $42,000,000,000 level, they are approximately five times as great.

Our Federal tax revenues of over $42,000,000,000 compare with Federal receipts of $5,000,000,000 10 years ago. Despite this eightfold increase the President is asking this Congress to levy $4,000,000,000 in new taxes. This in itself is more than the total cost of the Federal Government in any peacetime year in the decade 1922 through 1931, inclusive.

There are some in Government who believe that if an individual spends his own money it is inflationary or will not properly curb the disinflation, whereas if the Government takes it from him and spends it such is not the case. This is economic nonsense.

I make no claim that we can "unscramble the eggs" of Federal fiscal policies, but I do maintain that neither Congress nor the people should ignore the warning lights that have led to disaster when ignored elsewhere.

The budget can and should be balanced by reduced expenditures and not by new taxes. This will require intelligence and determination on the part of Congress and some restraint and sacrifice on the part of the people back home. Some ask: "Can it be done?" The alternatives are higher taxes, with their cumulative adverse effect upon our unsettled economy, or the start of a new extended period of deficit spending, which ultimately will lead to inflation, Government controls, and great changes in our economic and governmental structure. The answer then is: "It must be done." A solvent Federal Government is essential to our well-being as a nation.

Our Federal Government is now so large that prudent citizens and governmental officials must examine new proposals, regardless of how desirable, to see if they will endanger its solvency.

We have made great progress over the years in promoting in local, State, and National Governments social-welfare programs. An insolvent Government would jeopardize all this progress to date.

There is a vast difference between sound social-welfare legislation advanced in amounts that can be carried and the doctrine of the welfare state that would seek to gain utopia overnight and destroy our American system in the process.

Security alone is definitely not the answer. The most secure man in the world is the one who has his housing, medical care, food, and clothing guaranteed for life as an inmate of San Quentin Prison.

The pseudo liberals, fellow-travelers, and outright Communists who advocate statism as their objective should be recognized and labeled for what they are—Red reactionaries.

It has taken western civilization centuries to rise out of the clutches of all-powerful governments. Magna Carta, the Declaration of Independence, the Constitution of the United States are all milestones along the way. Here under our Bill of Rights the individual has rights that the Government itself cannot take from him. We must not surrender these for any mess of pottage.

In the 4 years I have represented California in the Senate of the United States I have become more convinced than ever that this Nation is too large geographically and too complex economically for its industry, commerce, and agriculture to be either efficiently or effectively operated in peacetime by any Government in Washington.

For this reason I have opposed and will continue to oppose the recommendation of the President to reestablish economic controls. In my judgment, even so-called stand-by controls would be dangerous. There are many pressure groups, having little faith in our economic free-enterprise system, who would urge their use once the powers were given.

Under OPA we should have learned that you cannot effectively control retail prices unless you control all the factors that go into the cost of manufacturing, including labor and raw materials. In peacetime Britain the Labor Government found they needed the added power to freeze a worker to his job to prevent the flow of labor from lesser-paying to better-paying positions. We want no part of that in America.

In meeting the growing challenge of socialism and communism the dynamic American system must continue to demonstrate that labor, management, and investors, all have a vital interest in maintaining our way of life.

High productivity at low-unit cost and widespread distribution of that which our Nation can produce is more sound than the doctrine of scarcity brought about by stoppages of production or governmental decree. Expanding markets require fair wages for a fair day's work and our people should have the incentives of better wages and more goods of an expanding productive economy rather than the dismal future of the Socialist prospect in many European economies of sharing more and more of less and less.

A free economy has produced and can continue to furnish a higher standard of living for our people than any regimented economy of domestic origin or foreign import.

In the growth of our economy there have developed powerful groups in business and in labor. Not all of them have recognized that with power must go responsibility. No man or group of men in business or in labor have the right to strangle the economic life of 150,000,000 Americans and by so doing endanger the whole free world.

The Government of the United States many years ago established economic traffic laws to protect our businessmen and consumers against unregulated monopolies. These were the antitrust statutes.

More recently, first through the Labor Relations Act of 1935 and later through the Labor-Management Relations Act of 1947 the Government sought to bring some balance into the field of labor-management relations. Government should be the impartial umpire and not a player on one of the teams.

Our objective should constantly be to establish and maintain laws in this field that are fair and equitable not only to the employees and the employers but to the general public as well.

It is neither a constructive or realistic approach to the problem for Congress to be requested to repeal the 1947 Labor-Management Act and to reenact the old Wagner Act.

Widespread threats on the part of labor to defeat Members of Congress who refuse to go along for outright repeal is an attempt to legislate by intimidation. This is not the American way. While some well thought-out amendments may be in order they should be weighed in the light of their effect on the entire population and not just one segment of it.

Our entire national economy must never again be at the mercy of one man or small group who can give an order that will cause a creeping paralysis to close down our factories and transportation systems and work an extreme hardship on countless people. This is far too much power for any responsible man to want or any irresponsible man to have.

Each one of us should recognize the fact that we are all interdependent one upon the other. We ought to develop that sense of community responsibility that motivated the individual wagon owner when the wagon train was attacked by Indians while en route to California a hundred years ago and each man, woman, and child knew that if each did not contribute his utmost the whole group would be scalped.

With the same courage and common sense that motivated the members of the Constitutional Convention and the pioneers who settled the West there is no domestic problem we cannot solve, there is no foreign foe we need fear.

Denazification Program in Germany

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 22 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have incorporated in the Appendix of the RECORD the script of a radio program entitled "Is Congress Doing Its Job?" on which program the Senator from Iowa [Mr. GILLETTE] was interviewed by Ed Hart in support of a resolution recently offered in the Senate in connection with the denazification program in Germany.

There being no objection, the script was ordered to be printed in the RECORD, as follows:

This is Ed Hart speaking from Washington.

Two Democratic Senators, PEPPER of Florida and GILLETTE of Iowa, and two of their Republican colleagues, IVES of New York and HENDRICKSON of New Jersey, just the other day threw into the Senate hopper an important resolution. For some unknown reason that resolution received hardly any notice from the press or radio.

S. 125, that is its number, calls upon the Foreign Relations Committee of the Senate to conduct a full and complete (and now I am quoting) study and investigation of all matters relating to the conduct and status of our denazification program in Germany.

We Americans have been so busy fighting a cold war with Soviet Russia that we have paid scant attention to what has been happening to the nation that twice in one generation set the world afire. For many months snibits of news have been filtering through to the effect that the antidemocratic, antihuman philosophy of intense militarism and nationalism has been manifest, not only in the American zone of Germany, but all through the German nation. Of course, what happens in eastern Germany is the responsibility of the Soviets. But what occurs in the West is largely our responsibility. That is why four Senators have asked for a comprehensive survey of the result of our efforts to make human beings out of a people who used incinerators to destroy countless millions of innocent lives, and who made soap and lampshades from the chemicals and skin of their victims.

To discuss the various aspects of the resolution, its reason and design, I am delighted that our guest on this program is the very human and beloved Senator GUY M. GILLETTE, of Iowa, one of the two Democrats responsible for the resolution.

Senator GILLETTE, tell us why you place so much significance upon S. 125 and a few of the questions that you think would be answered if Congress approves the resolution and sets up a comprehensive investigation of our denazification program.

Mr. GILLETTE. As you have indicated, Ed, our resolution is nonpolitical—it is bipartisan. That is as any matter of legislation should be when it concerns the peace of the universe. While, as you have said, snibits of news have come through that

Germany is undergoing a resurgence of the political and social philosophy that twice in a generation brought Europe and the world to the insanity of war, we simply do not know whether our efforts to cleanse German society of its barbarity have been successful or not.

The world has invested a few hundred billions of dollars and tens of millions of human lives to defeat those who would ravish and plunder the planet. Would it not be wise, therefore, to take stock of our efforts to make normal human beings out of those people—those who attempted to enslave humanity and make barbarians out of all mankind.

Mr. HART. Well, Senator GILLETTE, the purpose of the resolution then is to determine whether or not we have had any success in eradicating the brutalitarian instincts of Germany.

Mr. GILLETTE. It is more than that, Ed. We want to determine whether we ourselves have been making the same mistakes that we made before. Hitler's Germany was an effect, not a cause. We, and all peoples, bear some responsibility along with the Germans. We allowed conditions to exist whereby poisonous seeds of militarism, of insane economic and political nationalism and of sadistic racism were planted and nurtured.

It seems to me to be very prudent on our part to make sure that we are not recreating the political, social and economic climate in Germany that led ultimately to a Hitler. The purpose of our investigation would be to determine whether Adolf Hitler really won the ideological triumph, though we won the physical victory. If the Nazi idea still rides high in the hearts and minds of most Germans, then I ask: who is safe?

Mr. HART. Do you have in your possession material which would lead you to believe, one, that we are making the same mistake we made before, and two, that there is a resurgence of Hitlerism in Germany today?

Mr. GILLETTE. As for our making the same blunders, I believe there are indications that the answer may be yes. That is one big reason why I want an investigation. After World War I there was a bidding for the favor of the Germans by the various victorious allies. Today the same process has recommenced. First the Russians, then the British and the Americans have begun once again to bid for the favor of the Germans. It may sound fantastic, Ed, but only a few months ago an American general was telling his high-ranking staff officers that the time has come to invite Nazis to cooperate with us. He wanted no further denazification proceedings, and he wanted to keep Germany militarized. Is it any wonder then that a Dr. Adenauer, leader of the Christian Democratic Union, a favorite party of the west, dared to say, in a public speech, "The German people did not surrender unconditionally—only the German army." Hitler, you'll recall, Ed, used to use those exact words in his harangues.

Mr. HART. Are there any other indications that we are making the same blunders, Senators, that we made before?

Mr. GILLETTE. Indeed there are, Ed. After World War I, you'll recall that the militaristic-minded industrialists who built the Kaiser's war machine were not replaced. The democratic forces of Germany ultimately were defeated by these people. And today we have the word of a most able former Congressman, Charles LaFollette, for a time director of our administration of Württenberg-Baden, who said, "It is tragic that former Nazis are taking over German industry."

Ed, the New York Times quotes an obviously conscientious but despairing American official who said, "What does it all matter? If we get out tomorrow, the Nationalists and Nazis would return in full strength."

Mr. HART. Senator GILLETTE, all this does not augur well for the break-up of the prewar German cartel system. If the same German industrialists and financiers, the men who backed Hitler, are restored to their former authority, that old cartel set-up that nearly defeated us, will, in all likelihood, remain in effect. Wouldn't this indicate that some of our enforcement officials have either been negligent or aiding the resurgence of nazism?

Mr. GILLETTE. We have to find out whether any of our officials have been remiss in their duties. That is one of the purposes of our investigation. There are indications that, through short-sightedness and irresponsibility on their part, plus a degree of stupidity, some of our people have been carrying on mutual-admiration societies with old German Nationalists, and the newer German Nazis. They would justify their philandering by an erroneous contention that we need these people on our side in our difficulties with the Russians. Brown shirts to check the Reds. Enlist storm troopers on the side of democracy.

Mr. HART. It seems to me an American official was removed from his office a few months ago because he protested just that type thing.

Mr. GILLETTE. You refer to the Sacks case.

Mr. HART. Yes, Alexander Sacks, a former Antitrust Division lawyer.

Mr. GILLETTE. I think his testimony bears out what we have been discussing. I have it here. Let me quote: "The policy of the Roosevelt and Truman administrations has been flagrantly disregarded by the very individuals who were charged with the highest responsibility for carrying them out. * * *"

Mr. HART. So much for our blunders, Senator GILLETTE. What evidence is there that the Nazis are still Nazis? If I recollect correctly, Senator, there were a few million Nazis.

Mr. GILLETTE. You wouldn't call the Herald Tribune a very radical newspaper, would you? Recently it carried an article a column long with this headline: "New Nazi-like party rising in west Germany" At party rallies, said the article, Deutschland Uber Alles is sung, amid the trappings and decorations of the old Nazi colors of red, white, and black. Their party chairman in a recent speech said: "The process of denazification is, in fact, a crime against humanity, the purpose of which is to rob prostrate Germany of its last remaining values and block the road to recovery."

Mr. HART. Senator, do you have any figures on the number of Nazis who are actually back in the political and educational life of Germany?

Mr. GILLETTE. A few scattered figures. I don't know how accurate they are but they come to me from reliable sources. Take for example Schleswig-Holstein, 91 percent of all judges, prosecutors, and court officials are former members of the Nazi party. The Bavarian Ministry of Education discloses that 11,000 former Bavarian teachers who had previously been dismissed because of their association with the Nazi party, are back teaching German children the ways of——

Mr. HART. Democratic society?

Mr. GILLETTE. Ed, what do you think?

Mr. HART. What about the German press, Senator?

Mr. GILLETTE. According to a well-written article in the Herald Tribune many German newspapers are attempting to build up their circulation by featuring militaristic, nationalistic, and anti-Semitic news and articles.

Mr. HART. They're using the oldest political trick of all—anti-Semitism.

Mr. GILLETTE. I am told that from March to June 1949, 19 Jewish cemeteries were desecrated in the American zone alone. I am also informed that a new anti-Semitic and Nazi group masquerading under the name of Jewish-Christian Friendship League has been organized in the American zone. Its leader is Dr. Scharangel, a notorious Nazi.

Mr. HART. Senator, the shambles of Berlin, Frankfurt, and other cities seem to have taught the Germans little. Now before we leave the air, I wonder whether you would be fairly explicit in telling us what ground you think an investigation such as S. 125 calls for should cover. Let's take a look at your resolution.

Mr. GILLETTE. There are eight points, Ed, but we won't go into the legalistic wordage of all of them. We want to find out the result of transferring responsibility for denazification from our authorities to German authorities. We want to know whether there is infiltration of Nazis into the denazification tribunals. We want to determine whether Nazis have been eliminated from high positions in the public and economic life of Germany. We want to look into the reinstatement of Nazi teachers in Bavarian and other public-school systems. We'd like to know how great is the resurgence of anti-Semitism and militant nationalism, whether or not there is a rise of strong new political parties based upon Nazi doctrine. We want to discover all there is to know of the reappearance of Goebbels'-type propaganda in the German press and we'd like to find out whether the German youth is being given the opportunity to learn the benefits of democratic ideas and institutions.

Mr. HART. Those are eight exceedingly pertinent points worthy of careful study. They are pertinent to the cause of world peace.

Mr. GILLETTE. We should have them answered, Ed, fully and completely, however embarrassing the answers might be to some. We simply must know what is going on in Germany, whether or not the German mind remains the repository for the Hitler doctrine. Left to fester and ferment, this poison will spread, and in 5 years, or 10, within our time and our children's time, we will be confronted with Nazi fascism again. Unless we destroy this force now, once and for all, while it is prostrate, its voice will rise and grow stronger, and the finale of our humanistic and democratic society, so abhorrent to the neo-Fascists, will be enacted to the accompaniment of Wagnerian music. Someone has criticized what we have been doing in Germany in an article entitled "Botch on the Rhine." We must get to the bottom of this thing and stop the botch on the Rhine at once.

Mr. HART. Thank you, Senator GILLETTE, for discussing so ably your efforts, along with Senators FEPPER, IVES, and HENDRICKSON, to keep a judicious watch on the Rhine.

This is Ed Hart saying good-by from Washington.

Government Pay Rolls in Utah

EXTENSION OF REMARKS

OF

HON. ARTHUR V. WATKINS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Wednesday, June 22 (legislative day of Thursday, June 2), 1949

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial, entitled "Government Pay Rolls in Utah," from the Desert News, Salt Lake City, published under date of Wednesday, June 15, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOVERNMENT PAY ROLLS IN UTAH

Government costs money; but we have to pay it, or lapse back into anarchy. Govern-

ment officers and employees have to be recompensed; we have to pay their salaries or do without their services. Nobody advocates the elimination of government spending; but many have wondered why government has to spend so much.

Getting away from the national spending problem, which is too big for most of us to grasp anyway, let us look at the situation close home, within the State. A recent bulletin issued by the Utah Department of Employment Security furnished some figures that should stimulate thought on the subject.

The number of people in Utah on government pay rolls—State and National, city and county—is given as 40,200. Note that figure.

The number of employees engaged in the mining industries is stated to be 14,000; why do we need nearly three times as many people to govern us as to produce our metals.

Employees engaged in construction total 9,500; why do we need more than four times as many people to run our government activities as to build our houses?

Manufacturing industries in Utah have pay rolls including 26,200 workers; why do we need 50 percent more to run our governmental units than we need to do the processing of all that we produce beyond the raw state?

Self-employed personnel in Utah is estimated at around 21,000. This includes doctors, lawyers, dentists, and other independent professionals, as well as independent salesmen, brokers, and such. Why should it take nearly twice as many to take care of our Government as it does to take care of our health, our legal rights, and our teeth and part of our purchases?

Agriculture in Utah has long been our greatest industry, but now, with 40,000 it runs second to government, and has done every month since the close of the harvest season. Why should it take more people to run our Government offices than to raise our food?

Government pay rolls list about 17 percent of the total number of earners in Utah. The Nation-wide average approximates 9 percent. Why does Utah need nearly twice as many Government employees in proportion to population, as does the rest of the country?

It seems entirely probable that there are perfectly good answers to some of these questions. It seems even more probable that there are not any good and sufficient answers to all of them.

In the face of these figures, is it any wonder that our taxes—direct and hidden—amount to more than our total grocery and meat bills?

Which brings up the big question, to which the others are all subordinate:

Why should Government cost more than food?

It should not.

Economic Conditions in the United States

EXTENSION OF REMARKS

OF

HON. SCOTT W. LUCAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Wednesday, June 22 (legislative day of Thursday, June 2), 1949

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial regarding economic conditions in the United States, from the Illinois State Register of June 16, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SENATOR LUCAS' TIMELY WARNING

A few days ago the State Register quoted from a well-known authority on economic trends to show that although there has been a heavy stock market decline, there is no cause for apprehension as to the Nation's future stability.

At that time we urged individuals and groups to grasp the importance of the psychology of depressions. We said that if enough people spread economic gloom they could talk themselves into a depression. The corollary of that is—adhere to facts and make the best of conditions to promote economic stability.

Senior United States Senator SCOTT LUCAS, of Illinois, stressed these very facts in an effective way in Washington yesterday. He said that in his opinion Republicans who are heckling the present administration are not doing any good, and may be doing much harm, by persistently talking about a mythical depression and thus creating fear.

Senator LUCAS recalled that the late Franklin D. Roosevelt said in 1933 that "the only thing we have to fear is fear itself."

Springfield, the very hub and center of the Nation, is a trustworthy standard of economic trends. We have no Wall Street, but plenty of Main Street in the heart of a vast agricultural area with industrial forces going strong.

Our banks are bulging with money, so to speak. Sales of "Opportunity" savings bonds are on the up and up. So with savings accounts and commercial deposits.

These barometers leave no doubt that economic trends are favorable, and that spreading gloom to the contrary is as inaccurate as it is deplorable.

Let us take one major line of merchandising, for instance. Automobile dealers can't meet demands for immediate delivery on new cars. As one authority said to me yesterday:

"If you want to get an interesting light on economic trends, just stand at the curbing a few minutes and watch the new automobiles of a great variety of makes go rolling by. There you have prosperity on wheels."

The writer of this editorial watched the milling throngs in the downtown shopping area during the noon hour yesterday. People have money. They look prosperous. They are well dressed. They represent prosperity on the farm, in the factory, in office buildings, and wherever the vast constructive forces of progress are at work.

Senator LUCAS urged that people everywhere look about them for these evidences of progress and talk about them in positive refutation of false alarms which breed disappointment and disaster.

Roosevelt College Grows Up

EXTENSION OF REMARKS

OF

HON. PAUL H. DOUGLAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Wednesday, June 22 (legislative day of Thursday, June 2), 1949

Mr. DOUGLAS. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD an article entitled "Roosevelt College Grows Up," written by Mr. Robert Lasch and published in the magazine New Republic, of the issue of June 6, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROOSEVELT COLLEGE GROWS UP—THE SCHOOL THAT HONESTLY PRACTICES RACIAL EQUALITY IS GRADUATING ITS FIRST 4-YEAR CLASS AND BEING BAITED FOR DEMOCRACY

(By Robert Lasch)

This month three young Americans—James H. Andrews, Donald C. Ahrens, and Bernard A. Abrams—will be graduated from Roosevelt College in Chicago. They are members of the first senior class to go all the way through Roosevelt's 4-year curriculum. Roosevelt College is just 4 years old.

No college in America would think of denying admission to Andrews, Ahrens, or Abrams because their names begin with "A." But many colleges would close the door to Abrams because he is Jewish, and to Andrews because he is a Negro. For four successful years Roosevelt College, whose 6,000 students throng the historic corridors of Chicago's Auditorium Hotel on Michigan Avenue, has insisted that Andrews and Abrams have exactly the same right to a college education as Ahrens.

Roosevelt College meant it so sincerely that no quotas in any guise are established for racial groups of minorities; meant it so firmly that no applying student is asked any question bearing on race or origin; meant it so unequivocally that its records actually do not show how many Negroes, how many Jews, how many Nisei, or members of any other group compose its student population. Roosevelt College takes the novel view that one young person is as good as another, and that therefore race, creed, and color are irrelevant even in the college statistics.

That this elementary exercise in democracy should excite comment is a measure of the distance the Nation still has to go before it attains democracy in education. The other side of the story is that Roosevelt's example, standing unswayed through four crucial years, is beginning to leave its mark on colleges throughout the country.

Because Roosevelt has worked at full human equality and proved that the theory can be successful in practice, other colleges are finding it more and more difficult to justify the racial and religious quotas which they have long imposed upon their student bodies. Partly because Roosevelt crystallizes in its own experience the Nation-wide movement toward equality, one college after another is now quietly dropping from its admissions policy the racial and religious considerations which frequently reserve their opportunities for the best people.

Wellesley recently announced that its application blanks would no longer carry the questions by which a prospective student's race or creed can be assayed. The University of Illinois Medical College and the University of Chicago have abandoned the requirement that applicants submit photographs. Several colleges in Ohio have embarked upon a more liberal admissions policy. New York State has enacted into law the principle of nondiscriminatory education. The president of the Junior College of Connecticut, soon to become the 4-year University of Bridgeport, expressed the attitude of educators all over the country when he recently cited Roosevelt College as an example of the democratic principles which Bridgeport hopes to realize in its own community.

No doubt this movement would have taken place without Roosevelt College. Neither is there any doubt that Roosevelt's experience has accelerated it. As a laboratory tests the claims made for industrial products, so Roosevelt has been able to provide demonstrated answers to the many excuses and rationalizations that are drummed up to justify discrimination.

For example, take the canard that a kind of Gresham's law operates in education—the theory that unreserved devotion to a policy of nondiscrimination must lead to the taking over of the college by one or more minority groups. Even without exact figures, Roosevelt administrators know that in 4 years there has been no undue shift in the racial composition of the student body. Negroes and Jews are naturally more heavily represented than their proportion to the population warrants—since so many other colleges still exclude them. But minority representation has not significantly expanded since the college opened its doors.

Or take the assumption, frequently advanced, that a college which declines to discriminate while others continue to discriminate must encounter serious administrative or disciplinary problems as a consequence of being a free island in a society of prejudice. It just isn't so, they tell you at Roosevelt.

The college does not pretend to have eliminated prejudice. That is not its aim. Officials readily admit that young people who have been raised in an atmosphere of discrimination and who find discrimination widely practiced in the life around them will not instantly throw off all habits and influences to which they have been subject. In the cafeteria, in the elevators, one can detect an almost automatic self-segregation, which tends to separate the students into self-conscious racial groups. Equality is not realized overnight. But nobody expected that it would be.

What Roosevelt does is to deny official recognition to inequality. And it has found that no unmanageable administrative problems arise from that simple decision. There is no evidence of any unusual social problems, lowered academic standards, or irresponsibility. The college may have more than its portion of racial agitation—that is, active and vocal interest in the spread of democracy throughout Chicago and throughout America. It would be surprising if this were not so in a college conspicuously dedicated to that cause. The point is that the agitating fringe does not interfere with the main business of educating 6,000 young people.

From a nucleus of 57, the teaching staff has grown to more than 300 members. About one-third come from racial, national or religious groups that are subject to discrimination. None was hired who had any reservations on the equality principle. Has this meant an undue preoccupation with the race problem? In 3 years the dean of faculty has received only one complaint that a faculty member was preaching on the subject in an irrelevant manner. The curriculum is, for the most part, standard. A Negro professor does an excellent job teaching chemistry; one who happens to be Jewish is an outstanding teacher of sociology; a Catholic teaches physics with high competence. The conclusion is that an interracial educational philosophy does not necessarily involve disproportionate emphasis upon sociological problems. Rather it channels the entire educational process toward the ideal of individual merit in both teachers and students.

Among the students, there is no question that racial relations are a live issue. On several occasions student groups have picketed employers who practice discrimination in employment. Students, along with faculty members, have taken an active part with other community groups in combating discrimination in housing or other areas of civic life. Last year the student council demanded revision of a history outline book which contained a disparaging reference to Negro morals. A lively row broke out when the college paper accused the director of the college theater of discriminating in casting. The charge was found to be unjustified, and a public apology was tendered to the director. It turned out that he had merely insisted on casting Negroes in Negro parts.

As you walk about Roosevelt College you have little doubt that racial groups here are as thoroughly integrated as they could be, given the condition of American society at large. All college parties and dances are unsegregated, and members of all groups seem to accept the others with complete naturalness. On the other hand, student politicians who sought preferment solely on the basis of their race have been firmly rebuffed by the student body.

Perhaps one reason for the workability of democracy at Roosevelt is the fact that its administration, as well as its student body, functions on democratic principles. The college had its roots in revolt. It was born in 1945, when President Edward J. Sparling, of the Central YMCA College in Chicago, declined to accept a trustees' demand for the imposition of racial quotas to hold down Negro representation. Bucking the trustees, Dr. Sparling had an overwhelming majority of both faculty and student body with him. So the president, the faculty, and the students abdicated, leaving the Y trustees without a college. Roosevelt came into being with scarcely an interval.

As with all persons who fight discrimination, President Sparling discovered that many of his enemies were to be found among the community's best people. He reasoned that one potent source of discrimination in American colleges is the socioeconomic group which controls them. One study shows that proprietary, legal, and managerial occupations represented 73.6 percent of university boards of control in 1930, when the last survey was made. This social class, of course, has no monopoly on prejudice. Nevertheless, Dr. Sparling was convinced that the quota system and other forms of discrimination are at least related to the type of upper-middle-class mores which have dominated American schools in this country. He resolved that Roosevelt's trustees should represent not this class alone, but a cross section of the community as a whole.

Of the 21 members of the board of trustees, 5 are elected by faculty members from the faculty. The others represent business, labor, and the professions; they include Catholics and Protestants, Negroes and Jews. With this organization no segment of the board controls academic and administrative processes according to its own ideas. Roosevelt is probably the only college in the country with white students that has Negro trustees. It is one of the very few that have given labor a voice on their boards of control.

Economically the college may not have faced its most rigorous test as yet. Eighty percent of its support comes from tuition fees; in 4 years contributions have totaled less than $1,000,000. As a city college it has a high proportion of students (roughly, two-thirds) who work their way. Thus a depression, deflating both job opportunities and tuition payments, could throw Roosevelt's finances into jeopardy. But so far, so good. The college has been gaining students while others showed a downward trend. Much, though of course not all, of the initial hostility with which Chicago's business community viewed this venture into radicalism has disappeared.

Roosevelt has come of age. Not only is it turning out its first 4-year class in June but in April it achieved the distinction of being investigated, along with the University of Chicago, by an Illinois legislative committee on the hunt for subversive activities. The committee found nothing worth a second glance at either institution. The Communists, in fact, long ago gave up Roosevelt as a bad job after their efforts to dominate it had failed.

The only subversive activity at Roosevelt College is democracy—real democracy, the kind you can live, not the kind you just talk. It is pioneering, courageously and without compromise, in the field laid out for all colleges by the President's Commission on Higher Education, which said: "Colleges have a unique opportunity to offer an experience in tolerance and understanding which grows out of democratic relations with students from various national and religious backgrounds. Colleges should become laboratories of interrace and interfaith fellowship."

Postal Employees

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1949

Mr. MULTER. Mr. Speaker, the following is a statement which I filed with the House Committee on Post Office and Civil Service in connection with legislation benefiting postal employees:

Mr. Chairman and gentlemen of the committee, I am very pleased to have the opportunity to appear before your committee and voice my support of this legislation. I talk as one who started out in life as a railway-mail clerk, and, although I haven't been connected with the postal service for many years, I know from my personal experience in the service and my contact with Federal employees and other civil-service employees throughout the years that the postal group, by and large, is the most loyal group of men and women in Federal Government today. I think that these men and women are entitled to every possible consideration when it comes to compensation and we certainly would be remiss as governmental officials if we didn't at least do for governmental employees that which we require by statute for private employees. I think this legislation is late in enactment. These men and women should have been given an increase in compensation long since, commensurate with the increased cost of living. I am sure that you gentlemen do not need any statistics on the subject, because you have so many volumes of testimony taken by the various committees of both Houses indicating the stress under which these men and women must labor. They are entitled to an increase of $650 per year, 26 days vacation a year and 15 days sick leave. That will merely put them on an equal basis with other Federal employees.

They are entitled to credit for promotion in automatic pay grades for time served in the armed forces in World War II.

They should be allowed to retire after 30 years of service at age 55 with full annuity.

These are the very minimum that the postal employees are entitled to. I strongly urge the early enactment of this legislation.

Knotty Problem in Housing Outlook

EXTENSION OF REMARKS
OF
HON. ARTHUR V. WATKINS
OF UTAH
IN THE SENATE OF THE UNITED STATES

Wednesday, June 22 (legislative day of Thursday, June 2), 1949

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial from the Salt Lake Tribune entitled "Knotty Problem in Housing Outlook," published under date of June 16, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

KNOTTY PROBLEM IN HOUSING OUTLOOK

Now that the administration's public housing and slum clearance bill has been smoked out of the House Rules Committee the legislative body will come to grips with one of the most controversial measures of the period.

In one respect the issue boils down to economy, lately affecting leading Congressmen of both parties, versus keeping a promise which both parties made. Certainly Congress must apply the brake to unlimited spending and the figures tossed around in connection with the housing plan are frightening. But since platforms of the Republicans and Democrats both pledged public housing and slum clearance legislation, there is a solemn obligation to carry through.

Opponents of public housing brand it socialistic and point to the billions which might be involved, helping to push the United States into bankruptcy and making Communists glad. Proponents claim, contrarily, that furnishing decent housing to low-income families would be the best possible insurance against communism.

The Senate already has passed the bill by more than 4 to 1, but its fate is uncertain in the House. Contrary to the propaganda line that the Government would be put into the business of building, owning, and operating apartments, the bill provides that a local municipal authority would run the housing projects. It would act only as trustee for the community which needed housing and for the private enterprise which built them and financed them through bonds. (The question is academic, so far as Utah is concerned, since the State senate rejected a measure which would have permitted communities to participate in the national program.)

The bill would authorize, over 5 years, a maximum of $1,000,000,000 in loans for slum clearance, $700,000,000 for redevelopment, and $250,000,000 for rural housing. The loans would be repayable, and experience has shown these types are good risks. Authorization is included for $308,000,000 a year in subsidies until the cost is amortized and bonds (private capital) are paid off, where it is necessary to preserve the low-rent nature of the public housing. Such authorization has never been fully used in the past by low-income public housing units.

With deficit spending in the offing, it behooves Congressmen to examine carefully every spending program and to cut the corners wherever possible. It may be that the country cannot afford the National Housing Act of 1949, but neither can it afford to have its cities sink deeper into slums. In the words of Senator TAFT, it cannot afford to abandon large numbers of its people to subhuman living conditions.

Address by Hon. George W. Malone, of Nevada, on the Impact of Free Trade on American Labor and Industry

EXTENSION OF REMARKS

OF

HON. GEORGE W. MALONE

OF NEVADA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 22 (legislative day of Thursday, June 2), 1949

Mr. MALONE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on the subject The Impact of Free Trade on American Labor and Industry, broadcast by me over the facilities of the National Broadcasting Co. from radio station WRC in Washington, D. C., on June 17, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE IMPACT OF FREE TRADE ON AMERICAN LABOR AND INDUSTRY

I thank the National Broadcasting Co. for making its coast-to-coast facilities available to me tonight. In coming into your home through the medium of radio, I have something to talk over with you that is of tremendous importance to both of us. That something is your job and the jobs of the 65,000,000 other employable Americans caught in the current recession.

UNEMPLOYMENT

Today many of you found a pink slip in your pay envelope. Many more of you are about to join the ranks of the many millions already unemployed. Government sources tell us that already unemployment has reached some 4,000,000. Business publications estimate the total to be 5,000,000 with probably an additional 10,000,000 on part-time work.

In the Western States most of our copper and other metal mines are closed. In New England the woolen mills and shoe factories are operating on only a part-time basis. The same is true in pottery, glassware, cotton, and rayon textiles, in fisheries, and, yes, even in the automobile industry. Everywhere business and industry seem to be in a spiral of retrenchment.

Now there is a rather startling paradox to this unemployment picture. It comes at a time when economists tell us that we are still operating in a buyers' market.

FACTORS IN THE RECESSION

The American people today are hearing a great deal about a business recession, fear of large-scale employment, threatened devaluation of the Brtish pound, and dollar shortages in foreign countries. It is unfortunate that the separation of these items in the news makes them appear as separate problems. In fact, they are only different aspects of the same problem.

They all are directed to the American market which is the one market in the world which every nation would like to have.

It is the fear of American businesses that it will be deprived, through Government interference, of a share of its own market, that causes uncertainty and retrenchment. It is this new factor—dividing the source of our income—our own markets—which makes an accurate forecast of the future based on past experience impossible.

THREE-PART FREE-TRADE PROGRAM

The Congress of the United States has been plunged into a disastrous foreign economic undertow by a State Department operating through its three-part free-trade program, which can only result in leveling the American standard of living to that of the low-wage living standards of Europe and Asia.

TRANSFER AMERICAN JOBS TO FOREIGN SOIL

The ECA through its Director, Mr. Hoffman, is now advocating and financing an industrial production program, through the 16 ECA European nations, which will not only make them completely self-sufficient, but, in the Director's own words, will increase their exports 65 percent, chiefly to the United States under the free-trade program. This is a frank admission of a program to transfer American jobs to the foreign low-wage countries and slave labor of Europe.

There is no practical difference in importing the products of low-cost labor and importing the cheap labor itself.

THE BOLD NEW PROGRAM

In order to do the same thing on a world scale, the President has proposed a bigger and better Marshall plan or ECA, known as the "bold new program." Under this program, American taxpayers will guarantee foreign investments of manufacturers and processors not only in Europe but also in Asia and Africa—its magnitude will be sufficiently colossal that it will not only supply the foreign market that the original Marshall plan was supposed to develop for American wage earners and industry, but the surpluses that will stream into American ports from all over the globe will supply a large part of the American market itself and displace the American workingmen.

The three-part free-trade program will then be complete and American jobs will be transferred to foreign soil under the guise of promoting world peace.

I have coined a phrase to describe our present program. I call it the three-part free-trade program designed to level our wage standard of living with the nations of the world, and it includes:

1. Appropriations from American pocketbooks to make up the trade-balance deficits of the European nations in cash each year—currently labeled ECA—our chief export is cash.

2. Extend the selective free-trade principle adopted by the State Department through a 3-year extension of the 1934 Trade Agreements Act.

3. The copper rivet in the free-trade program will be the proposed adoption of the International Trade Organization—58 nations with 58 votes—each with one vote will meet each year to distribute among themselves the remaining production and markets of the world.

Since the end of the war, under the guise of making up trade-balance deficits, we have fed into the bottomless maw of Europe and Asia, the fantastic sum of $41,000,000,000. I wonder if you fully appreciate the magnitude of that sum.

Forty-one billion dollars is $5,000,000,000 more than the combined assessed valuation of the 11 Western States, including California, Oregon, and Washington—and the 14 Southern States, including Texas, and accounts for approximately 60 percent of the area of the United States. At this rate we can dispose of the whole business in a very short time.

THE FRENCH TRADE CONFERENCE

For some 3 months now the American delegates have been in France in an international conference designed to again slash United States duties rates. This is the second general slash in 18 months, despite complete ignorance of the effects of the first slash. When as a result of the horse-trading methods the foreign nations finally agree what the United States duty rates shall be, these rates will then be made permanent by signing an international agreement.

CURRENCY MANIPULATION FOR TRADE ADVANTAGE

Now in the beginning of my talk I mentioned the current lively interest in the value of the British pound and said that its value had a direct bearing on the present business uneasiness. I will now tell you why. As soon as the ink is dry on the international agreement fixing American duty rates, any lowering of a foreign currency, such as the British pound, renders worthless the entire agreement. The present pegged but artificial value of the pound is $4.03 and the international tariff agreement is being signed on the basis that the pound will continue to be worth $4.03.

If the pegging of the pound is discontinued and it is permitted to fall to the level of its real worth its value would be between $2 and $3. For example, a British imported item worth 1 pound now sells for $4 in our market, in competition with American items worth $4. After devaluation, the same British item would promptly be offered for sale in our market at a price reduced anywhere from 25 to 50 percent.

A flexible import fee bill which I have recently offered would automatically take into account the depreciated value of the British pound and our duty or import fee would vary in direct relationship to the economic situation. This would take away the incentive foreign nations now have to circumvent American duty rates by tinkering with value of their currencies. This flexibility permits immediate adjustments to changing circumstances which is impossible under a duty rate frozen by international agreement for an indefinite period.

The second step in the three part free-trade program was inaugurated through the 1934 Trade Agreements Act, under which the State Department has adopted the selective free-trade principle, and which is to be extended for 3 years at this session of Congress.

Free trade has been sold to this country through the catchwords "reciprocal trade."

CATCH PHRASE TO SELL FREE TRADE

The phrase "reciprocal trade" does not occur in the 1934 Trade Agreements Act—the act is not reciprocal and does not operate that way—but is simply a catch phrase to sell free trade to the American people, cloaked in more involved and less understandable phraseology.

Until recently each of the three-part program—the ECA—the 1934 Trade Agreements Act—and the International Trade Organization were each represented to Congress and to the Nation as great emergency legislation in itself—now, however, even the Secretary of State admits that it is all one program.

TRADE TREATIES A ONE-WAY STREET

No other nation wants this so-called trade agreements program which our State Department is pushing to apply to their own trade treaties. Last week Britain made a bilateral agreement with the Argentine in direct violation of this program and over the violent opposition of our State Department. Today's papers announced a similar treaty between Britain and Yugoslavia, which is equally contrary to the program, and, of course, our State Department in due time will make its routine but ineffectual protest.

Britain has already made similar trade treaties with other European countries, including Russia. There are some 88 bilateral treaties made by these very Marshall-plan countries with Russia and her satellites behind the iron curtain. Thus every important trading nation in the world has evidenced its opposition to the program by ignoring and disregarding it. However, these nations are always willing to sit down at any international conference and watch the United States reduce its remaining tariffs to whatever point these nations suggest—but as for reducing their tariffs—well that's a different thing.

They give that well-known diplomatic lip service to this program and promptly nullify every concession they have made through quotas, manipulation of their currencies for trade advantage and in other ways. Of course, these nullifications are couched in Alfonse and Gaston language, and our State Department never fails to extend its sympathetic understanding.

ECONOMIC STRUCTURE BEING WRECKED

The Members of Congress are kept busy on legislation to correct the problems of constituents who have been hurt, or afraid they will be hurt by some action of the administration taken under a previous congressional act, while the problem to wreck the fundamental economic structure of this country is supposed to go through almost without debate.

It is just like a mustang eared down by a buckaroo in a western rodeo—and bites his ear while the saddle is being cinched on him. The ear hurts so bad that he can only think of one thing at a time and when the buckaroo lets go of the ear, the saddle is on and he cannot buck it off.

Recently, however, a considerable number of Senators have denounced the State Department's free-trade program.

ASSIST FOREIGN NATIONS WITHOUT WRECKING ECONOMY

We can assist foreign nations by feeding emergency hungry people to the extent of our ability without injuring our economy.

We can loan money to private industry within the foreign nations whose integrity is important to us, in the same manner as the RFC loans money to our citizens in times of stress.

FLEXIBLE IMPORT FEE

We can adopt the flexible import-fee system to establish a market for the goods of foreign nations on a definite basis of bringing such goods in on our basis of costs—thereby maintaining our standard of living through the floor under wages while we are assisting other nations in raising their own. Such a tariff or import fee does not prevent imports—but brings such imports in on our level of costs.

I have recently introduced a bill in the Senate with the sole aim of restoring fair and reasonable competition in the American market between foreign products and those that we produce, and I intend to offer it as a substitute for the 1934 Trade Agreements Act when it comes before the Senate for the 3-year extension. Under the present Trade Agreements Act as amended last year, the United States Tariff Commission is directed to determine after investigation the rate of duty which should be applied to an imported item so that the rate below which the duty might not be cut without endangering American industry will be known in advance.

This is the so-called peril point to which the State Department has objected because they do not want that point of injury to American business to be a matter of public record. My bill would simply make the peril point the tariff or import fee, thus correctly representing the differential of cost of production due mostly to the difference in the standards of living and preserve our own standard of living with the floor under wages—while assisting other nations in raising their own.

I have no quarrel with anyone who believes sincerely that the wage-living standard of living is too high in this country and that it should be lowered through a reduction of the floor under wages which is the tariff or import fee making up the differential of the cost of goods produced by the low-wage foreign labor.

However, the same man cannot be for free trade and for maintaining higher wage-living standard—the two positions are simply not compatible.

The Bold New Program

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following article by John G. Rogers, which appeared in the New York Herald Tribune of June 17, 1949:

THE BOLD NEW PROGRAM—UNDER PRESENT PLANS IT WILL EMPHASIZE TECHNICAL ASSISTANCE IN AGRICULTURE AND HEALTH

(By John G. Rogers)

LAKE SUCCESS, June 16.—The phrase "technical assistance" has become a shibboleth in international economic conversations ever since President Truman announced in January that the United States was projecting a bold new program to speed the progress of underdeveloped countries.

In the imaginations of statesmen and economists in backward or needy countries, there arose immediately the pleasant picture of the United States pouring out hundreds of millions of dollars to build dams and power plants and factories in scores of places around the world where such installations were needed.

The next development, however, was a great anticlimax and it caused the delegate of India to remark sadly and a bit caustically before the United Nations Economic and Social Council that the Truman plan seemed to be not bold, not new, and hardly even a program.

In that next development, which occurred in February, the United States simply asked the United Nations to set down on paper the outline of a plan through which underdeveloped countries might be assisted toward faster economic progress. Gone suddenly was the original vision of dollars immediately pouring out of Washington and heading all over the world.

Now, the United Nations and one of its specialized agencies have produced a paper plan that calls for spending $36,000,000 the first year and $50,000,000 the second year in a long-term program to supply expert know-how to countries which need it to enable them to make fuller use of their own resources.

Having received their first disappointment at the hands of the United States, the have-nots received their second one from reading the UN report. They found the figures small for a program that had started with the words "bold" and "new."

They found that they did not stand to acquire much of anything free excepting some instruction. They found that a potential recipient should be prepared to pay part of the cost himself. And they found that the $86,000,000 to be spent the first 2 years was to be raised through voluntary contribution by the countries members of the UN and the specialized agencies participating.

In plain fact, that means that if there is to be any substantial UN program of technical assistance to underdeveloped countries, the United States will have to foot the major part of the bill.

While the UN program is now out in the open, awaiting Economic and Social Council approval in Geneva next month and General Assembly approval here in the autumn, the United States is still working in Washington on a plan of its own. The first details are expected to be made public shortly.

It is not expected to be a big plan, in terms of dollars. And there will be still another disappointment for the potential recipients when they find that a good part of the American plan will be done through the UN framework. Instead of two plans—a UN plan and a United States plan operating side by side—the plans will duplicate in part, thus reducing the total of money to be applied.

The crowning disappointment of all will come if Congress fails to approve the American plan with its contributions to the UN plan in time for the whole program to get started early in 1950.

Most of these disappointments were caused because the potential recipients were not realistic and because they were misled by the "bold new program" phrase used by President Truman. Actually, the United States has been administering for some time now technical assistance programs to other countries of about $18,000,000 a year and the new totals of such work projected by the UN and the United States scarcely rate the adjective "bold."

Limitations on the size of these technical-assistance programs are practical ones. In essence, the programs are teaching programs. A man who can build a better mouse trap is sent out to impart his secrets to a man in another country. Such teachers and experts are not plentiful. After shortage of personnel, another limitation is the ability of the recipient country to use new projects and knowledge as quickly as would be desirable.

The technical-assistance planners, who aim to bring a country along in sound improvement so that it will depart from the poor-risk class and attract private investment, like to have first things come first. But they find that a country whose people are ridden with disease comes in with a request for some complicated machinery. A country whose farmers are 150 years behind the times in growing the simplest of foods, wants a strip mill.

The technical-assistance planners, be they United States or UN, will reject the requests. The first country will have to ask for a health project to get rid of some of the disease. The second will get an agricultural project to make the grain grow faster and better. Other things can come later.

One planner remarked recently, "We don't always give 'em what they want. We give 'em what they ought to want."

In the UN plan, it is significant that health and agriculture projects make up more than half the total for the first year, and nearly half for the first 2 years. So the emphasis at the start is not on dams and power plants. It starts at the bottom by trying to promote societies of healthy people with sufficient food.

And in those homely fields the technical-assistance programs are dramatic and exciting in their possibilities of achievement. Consider, for example, that in the Middle East 90 percent of the rural populations suffer from schistosomiasis through infection from polluted water. Consider that 30,000,000 tons of grain and legumes—10 percent of the world crop and enough to feed 150,000,000 persons—is lost annually through rot and insect and rodent damage.

Behind the citing of such situations there is an indignation. In a sense, indignation is one of the motives of techical assistance planning. To put in extreme terms, why can one man have all the comforts in the world when another can't even scrape together one meal a day? Isn't it possible to help the hungry one, to teach him to help himself?

Secretary General Trygve Lie also cited some strong practical reasons for technical assistance in a recent speech. He said:

"There is a potential long-range danger to the prospects of achieving a stable peace in one of the economic trends that has persisted after the war. I refer to the growing economic gap between the countries with the highest standards of living and productivity and those with the lowest. The peoples of the least-developed countries—and they constitute far more than half the population of the world—are increasingly aware of this growing gap."

It is inevitable that political considerations will figure in various ways in the projects of technical assistance. One political motive on a high plane is in the mind of Secretary General Lie. He thinks that the Near and Middle East should receive high priority in assistance projects not only because it is very badly needed in that area but also because it might set up fields in which Arabs and Israeli could cooperate and hasten the day when they might get along as friends and neighbors.

Another political aspect—the inevitable one that bedevils everything the UN does—will be opposition from the Russian bloc. A UN program financed largely by American money and staffed largely by western experts will be attacked by the Russians, who will say it is more economic imperialism, more western attempts to influence and gain control over other populations.

Such Russian talk, however, will weigh nothing at all with the countries in the potential recipient class and the technical-assistance program can be an effective anti-Communist program in a small way, as the Marshall plan was in a big way.

Talking Books for the Physically Incapacitated

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. KEATING. Mr. Speaker, under leave to extend my remarks, I include a letter from Mr. F. H. Price, librarian of the Free Library of Philadelphia, endorsing H. R. 4034, introduced on April 5, 1949, to extend to those so physically incapacitated that they cannot read in a normal manner the privilege of sharing, like the blind, in the program for furnishing talking books. I am hopeful that early and favorable action may be taken by the Committee on House Administration on this measure, which would bring a ray of sunshine to the necessarily drab lives of these unfortunates.

The letter follows:

THE FREE LIBRARY OF PHILADELPHAA,
Philadelphia, June 18, 1949.

Mr. KENNETH B. KEATING,
Washington, D. C.

DEAR REPRESENTATIVE KEATING: A copy of your House bill No. 4034 has just come to my attention, and I am writing to congratulate you for having drawn this bill, which I consider one of the most outstanding pieces of legislation and one which would provide reading matter to many invalids who are now prevented from using the Government talking-book records (which are now restricted to the blind).

As librarian of the public library, which circulates more literature for the blind than any other depository of the Library of Congress, I am writing to report to you that I have personally received (and was forced to turn down) many applications for reading matter from bedridden invalids, who, as the law now stands, cannot use the talking-book records.

I trust that your bill will pass at this session of Congress, and I assure you that it will be a great pleasure for the Free Library of Philadelphia to operate under this law in providing talking-book records to persons who are physically incapacitated, as established by a competent medical opinion.

Very truly yours,

F. H. PRICE, *Librarian.*

Growing Unemployment Must Be Stopped—Western Industries Require Protection

EXTENSION OF REMARKS

OF

HON. ARTHUR V. WATKINS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Wednesday, June 22 (legislative day of Thursday, June 2), 1949

Mr. WATKINS. I ask unanimous consent to have printed in the Appendix of the RECORD a radio address delivered by me over radio station KSL, Salt Lake City, April 25, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Friends of the Intermountain West, I want to discuss a problem that affects every man, woman, and child, as well as every business and industry in our great intermountain empire. More specifically I mean the Nation's tariff policy and our reciprocal trade program.

This matter has been forcibly called to my attention at this time by a letter from a Utah constituent. This correspondent specifically pointed out the decline in nonferrous metal prices and their effect on the western mining industry.

I also know that domestic oil production, the fur industry, the clothespin industry, the watch industry, and many other industries, are being hurt severely by foreign imports.

Presently before Congress is the administration's bill, H. R. 1211. This measure, now pending in the Senate, would repeal the Trade Agreements Extension Act of 1948.

The Trade Agreements Act first became a national law in 1934. That law authorized the President to enter into trade agreements with foreign countries within certain limits. In other words, the President could enter into agreements with foreign nations whenever it appeared that such foreign nation or the United States itself had duties or import restrictions on a commodity or commodities that might burden or restrict foreign trade.

This act was extended periodically with very little change until 1945, when Congress further granted the President the power to make tariff rate adjustments up or down, provided, that such adjustments did not exceed 50 percent of the tariff rate in effect in January 1945. The amended law further provided that the President could not transfer commodities from the duty-free list to the duty list or vice versa.

Utilizing this power, the executive department now has reduced tariff rates until they are at their lowest point in history. At the same time, factors governing the cost of production in the United States are at a near all time high.

The Eightieth Republican Congress only a year ago held extensive hearings on the tariff problem. As a result of these hearings, two important fundamentals were recognized:

First. High labor cost American industries could not compete in this country on a free trade market basis with the extremely low-cost industries existing in foreign countries.

Second: It was the conclusion of the committee hearings and the Congress that the only agency of the Government competent

enough to analyze and make recommendations regarding tariffs to the executive department was the Federal Tariff Commission.

Therefore, last year, the Congress passed the Trade Agreements Extension Act of 1948. The principal change over the old law was the recognition and establishment of a peril-point plan. This peril-point plan was a safety device designed entirely for one purpose and one purpose only—to protect American industry, labor, and agriculture from low cost of production of foreign competition.

It worked this way:

The President will notify the Tariff Commission of articles that might be affected by tariff agreement. The Tariff Commission would hold hearings and report its findings to the President. The findings would specify how low a tariff rate could be established without injuring the American producers. The Commission also should report instances where increased tariff protection should be established to protect home industry against foreign competition.

The President, under the act, must find that existing restrictions are burdening foreign trade and that purposes of the law will be carried out by the agreement.

If the President proposes to enter into an agreement with foreign countries which will relax rates below those found by the Tariff Commission to be advisable from a standpoint of protection to American producers, he must send a copy of such agreement to Congress setting out each article on which he did not follow the advice of the Commission and give the reasons for his failure to follow such findings. However, the President is not prohibited from making any agreement he deems necessary.

He has a free hand to make any agreement. The only requirement is that he follow the peril points of the Commission or report his reason for not doing so to the Congress.

This safeguard for American producers has not yet had a chance to work for the protection of our standards of living because no new treaties have been entered into since the 1948 act. At the present time, however, the administration is negotiating with 13 nations on a trade agreement which will adversely affect American producers by revising the tariff rates.

A repeal of the protection to American producers provided by the peril-point system will give the State Department a free hand in these negotiations. It is expected that further reductions in our tariff rates will be granted.

Let it not be forgotten that the American taxpayers' dollars through the Marshall or ECA program has enabled foreign countries to rebuild their industries with the latest labor-saving machines available. Cheap labor on these machines is competing for American markets. Without adequate protection our own money given to these foreign countries will bankrupt the American economy.

Administration spokesmen have constantly asserted that they do not intend to make any trade agreements which will jeopardize American producers. Yet the facts show otherwise.

The American watch industry is now facing extinction and its employees unemployment because there is not adequate protection against low-cost foreign competition.

Farmers, employers, and employees in the intermountain area might think that this program will have little effect on them. The fact of the matter is that there is hardly a western State whose industries could exist on a completely free-trade market.

Let's analyze our economic conditions. The wool industry certainly could not compete with South American and Australian wool if it were allowed to be sold in the United States without restrictions. Our feed prices, our wages for herders are far higher than in the countries named.

Our western sugar-beet industry would be completely wiped out in a free-trade market.

Our western mining and smelting activities would be unable to operate if the foreign producers could sell their products in American markets without limitation.

Now, how about the mining industry. I want to quote a letter I have received from a Utah producer on this matter.

Said the writer:

"The continuance of present low prices is attributable almost entirely to the huge importations of tariff-free metals from foreign countries. I refer specifically to the catastrophic declines in copper, lead, and zinc. Copper has dropped in price from 23½ to 18 cents per pound; lead from 21½ to 14 cents and zinc from 17½ to 12½ cents per pound.

"I can most emphatically assure you from my recent many contacts with our own employees and the heads of labor unions in this State that unless something is done in the very near future by our entire western congressional delegation, there will be a most bitter and violent reaction against the present policy of Congress in giving away our markets to underpaid competitors in foreign countries.

"Let me assure you most solemnly that this is a condition which we must face and not merely a theory," my correspondent concluded.

Recognizing these facts the Republican Eightieth Congress adopted the peril-point program. This program provided that Tariff Commission experts determine rates of duty below which domestic producers would be unable to compete with the imported products of foreign competitors.

This provision was objected to by the President upon advice of the State Department clique who believe in free world trade, regardless of the effect on American producers.

The State Department negotiates these treaties. Therefore, the administration bill, H. R. 1211, proposes to repeal this protection to the American public. They have called this protective provision a crippling amendment because it is their contention that the President would not have the courage to disregard the facts and recommendations of the Tariff Commission. They, the State Department free traders, fear that the President could not adequately justify any action of his which would go beyond the peril-point recommendations of the Commission. They fear, and justifiably so, that the voters of the country would likely support the tariff rates protecting the American public as recommended by the Commission.

It seems to me that it is a logical conclusion that the administration expects to reduce tariff rates to the detriment of many of our domestic industries. They apparently do not want these facts to become known to the public for fear of the consequence of such publicity.

It should also be kept in mind that the proposed North Atlantic pact was negotiated by the same free-trade clique in the State Department. Article 2 of that pact reads as follows:

"* * * They will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them."

What type of economic collaboration was contemplated by this wording? Remember, if the administration succeeds in amending the extension act of 1948, which includes the peril-point protection program, and if the pact is ratified, there will be no protection of any kind from cheap foreign competition.

The Republican Party is wholeheartedly in support of a reciprocal trade program. But the party members are also in favor of maintaining adequate protection for American producers. By adequate protection I do not mean a return to the old high-tariff-wall program. That is out. The Republicans seek only protection to the extent that foreign commodities are placed on a competitive-price basis with American-produced products.

If the administration leaders were sincere in their protestations, they would have no objection to continuing the peril-point protection features of the present law.

I intend to vote for amendments to H. R. 1211, which will insure the continuation of the peril-point protective device established by the act of 1948.

A Grateful GI

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. KEATING. Mr. Speaker, when so many recipients of Government aid of one form or another take such help for granted, it is refreshing to find a young man who takes the time and evidences the thoughtfulness to express gratitude for the aid he has received. As he has requested, I quote his letter in order that his thanks may be expressed to the Members of both legislative bodies.

It is not we, however, but the people of a grateful Nation who have given our fighting men this educational opportunity. I feel sure that most of them would echo the sentiments of my constituent.

The letter follows:

TODD UNION,
UNIVERSITY OF ROCHESTER,
Rochester, N. Y., June 16, 1949.

Congressman K. B. KEATING,
House of Representatives,
Washington, D. C.

DEAR SIR: I have just completed 3 years of training under Public Law 346 leading to the degree of bachelor of science in physics. Would it be possible for you to express my sincere thanks to both the House of Representatives and the Senate for the opportunity and the aid they have given me through the GI bill of rights during this time?

Sincerely yours,

WILLIAM SPRY.

The Basing-Point System Diverts Steel From Water Carriers to More Costly Rail Carriers

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1949

Mr. PATMAN. Mr. Speaker, one of the effects of the basing-point system in the steel industry has been to encourage

shipment of steel by rail where water carrier is available and where shipment by water would be a great deal cheaper. The reason is, in general, that the basing-point formula used in this industry for computing delivered prices utilizes factors which are based on rail freight charges.

BASING POINT THREATENED

Early in the year 1938 there were several Government actions pending which seemed to threaten the continuation of the basing-point system in the steel industry, a threat which caused apprehension among the railroads as well as among the steel companies. Among these were the following:

First, the Federal Trade Commission had issued a formal complaint against members of the cement industry, charging conspiracy to fix prices, through the use of a similar basing-point formula, and public hearings on this case had been in progress since the previous year.

Second, the Commission had, at the request of the President, in 1937, made an investigation of this system in the steel industry, and had submitted a report in the spring of 1938.

AFRAID OF TNEC

Third, the organization of the Temporary National Economic Committee—TNEC—was under way, and plans for investigations and studies were being drawn up. The basing-point system in the steel industry, was high, if not first, on the list of economic matters to be investigated. Members of the staff of both the Federal Trade Commission and the Department of Justice were assisting in the development of plans for this investigation.

All of these activities caused some apprehension in the industry and caused the railroads to fear that the system would indeed be stopped by application of the antitrust laws. The railroads expected, in this eventuality, that with an outbreak of competition in steel, the steel producers would be inclined to adopt more economical means of transportation wherever these means were available. The fact that this fear was a very real one and that the railroads took joint action to circumvent the possibility of losing traffic to the water carriers in the event the basing-point system was broken, is documented in the evidence presented by the Department of Justice in its Sherman Act suit against the railway associations in 1944. Among this evidence is the docket of the twenty-fifth meeting of the Traffic Advisory Committee of the Association of American Railroads, on July 20, 1939, which contained the suggestion that efforts be made to induce the steel companies to discontinue use of water transportation. Mr. Cleveland, vice president of the American Association of Railroads, had been urged the previous month, to have Mr. Pelley, then president of the AAR, arrange a conference with the chief executives of the larger steel corporations to discuss the question of rail versus water. The following is an extract from the proceedings of the meeting which ensued between the executives of the AAR and the executives of the major steel companies on August 4, 1938:

PROCEEDINGS OF MEETING, CHICAGO, ILL., AUGUST 4, 1938, H. WILSON, VICE CHAIRMAN, TRAFFIC EXECUTIVE ASSOCIATION, EASTERN TERRITORY, PRESIDING

This conference with representatives of the iron and steel industry had been arranged because of the desire of the rail carriers to ascertain whether the change in conditions arising from recent decision of the Federal Trade Commission with respect to competition in that industry and method of pricing iron and steel products would result in disturbing the present channels of transportation through diversion of traffic to other transportation agencies, because of desire to effect economies necessary to meet competitive delivered prices.

Request was made on behalf of the rail carriers that before negotiating with other transportation agencies, shippers discuss the matter further with the rail carriers in order that the latter may be apprised of the circumstances and be given an opportunity to ascertain what can be done to continue the traffic in rail movement.

From the discussion which ensued it was apparent that shippers were not certain as to the extent of the competition which they would be called upon to meet, and that until this question had been resolved they would not be in position to advise what readjustment of freight rates would be necessary to hold the traffic to rail movement.

Under the basing-point system, shipments of steel have in a great many instances been made by water, in which case the steel companies have usually charged the customers rail rates. This means, of course, that where water carrier is available, the steel producer may ship by this method and make some extra profit on the difference between rail and water rates. However, there have been a great many other instances, involving a very substantial volume of traffic, when shipment was made by rail, although water carriers could have been utilized at a lesser cost.

WHY STEEL PRODUCERS FAVOR RAILROADS

There are several reasons why the steel producers have a preference for the railroads over water carriers in any event. In the first place there is a financial community of interest between many of the railroads and the large steel producers. Both the roads and steel producers have the same financial backers who cement this community of interest. The influence of these backers is frequently out of all proportion to their direct holdings of securities in either of the enterprises. Such, for example, is the case where one of the prominent investment banks is the backer of both railroads and steel producers. The influence exerted by the banker is that of the financial mentor. Both types of enterprises depend upon the cooperation and good will of the banker when the need for new financing arises. Moreover, the various board members of both types of enterprise depend upon a similar good will whenever the need for financing arises in other enterprises in which they may be interested. In the second place, the relationship between railroad and steel producer is that of one best customer serving another. The railroads are very large purchasers of steel and, on the other hand, the steel producers are very large users of railway services. The result is that the business between railroad and steel producer tends to be an allocated business. That is, the railroads tend to distribute their purchases of steel among the various producers on the basis of the amount of traffic the producers provide to the road; and, on the other hand, the steel producers tend to divert and allocate their traffic among the roads on the basis of the amount of steel business the various roads provide.

But beyond this general community of interest between railroad and steel producer, there are several other specific reasons why use of the basing-point system tends to divert steel traffic to the railroads and away from alternative water carriers. One of the important reasons is, that since the customers of steel are charged rail rates anyway, many customers tend to insist upon getting the services which they know they are paying for. That is to say, since a customer knows that delivered prices charged for steel include all rail rates, he sees no reason why he should permit the steel producer to ship by water and take an additional profit on the sale. Furthermore, the shipment by water will frequently cause the customer some additional trouble in arranging for delivery by truck or other exceptional means from the water terminal to his plant, and he sees no reason why he should take this additional trouble when he is not permitted to share in the savings which result from water shipment.

A second reason is that the steel producers are themselves reluctant to ship by water carrier to many communities on terms which would require them to charge those communities rail rates for the shipments. Such a practice involves a rather clear and obvious piece of discrimination against the community which is likely to arouse a storm of protest which would threaten not only the continuation of this particular practice, but perhaps the entire basing-point system as well. Some communities are much more keenly aware than others of the far-reaching effects of discriminations upon their economic well-being, and are more alert than others in protesting such discriminations when they arise. Consequently, in the interest of the larger goal of preserving the basing-point system and thereby avoiding an outbreak of price rivalry between competitors, the steel producers are inclined to use rail shipments to such communities, maintaining a fiction that the alternative water carrier would not meet the needs of the sales transactions, or that the savings in costs would not be worth the time lost to the generally slower means of transportation.

While such diversion to a costly means of transportation is undoubtedly of benefit to the railroads, it discriminates against another type of business, namely, the water carriers; it adds unnecessary costs to the customer's steel bill; and it results in waste of national resources and

inefficiency in the economic system as a whole.

The TNEC recommended that the basing-point system be declared illegal by Federal act. The O'Mahoney substitute would legalize the basing point after it has been outlawed by the Supreme Court.

Municipal Judge Milton S. Kronheim, Jr., Exposes Questionable Credit Practice

EXTENSION OF REMARKS
OF
HON. PAT SUTTON
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 1949

Mr. SUTTON. Mr. Speaker, recently appointed Municipal Judge Milton S. Kronheim, Jr., has pioneered the exposition of questionable credit practices in the District of Columbia. The action of Judge Kronheim is to be commended because of his exposition of certain credit rackets now existing in the Nation's Capital. Such courageous action on the part of our courts in exposing would-be credit racketeers will ultimately eliminate such unfair practices. Judge Kronheim is to be congratulated upon his fair-minded and considerate attitude for the downtrodden.

The following articles appeared in the local press and are explanations of the type of credit practices that are in existence here. More power, Judge Kronheim. Keep up the good work.

[From the Washington Star]

FAR-REACHING KRONHEIM RULING SEEN IN SMALL CLAIMS CASE

A ruling that may have a far-reaching effect on certain types of retail sales on credit was handed down yesterday in Small Claims Court when Judge Milton S. Kronheim, Jr., voided a contract between a merchant and customer in the latter's favor.

The merchant, the Universal Jewelry Co., Inc., 635 F Street NW., had brought suit for $11.95, the balance due on a pair of shoes sold to Joseph McIver, 65, colored coal hustler.

Mr. McIver, who is nearly blind and makes $18 a week, had paid $3 down on the shoes with the balance to be paid at $1 a week.

Judge Kronheim, declaring he did not think there was any sound basis for granting such a credit, dismissed the suit with prejudice against the plaintiff and ordered the $3 deposit returned to Mr. McIver.

STORE TO FILE APPEAL

Attorney Bertrand Bernath, counsel for the store, announced that the case would be appealed to the Municipal Court of Appeals and said that a tremendous amount of business here may be affected by the ruling.

In giving his decision, Judge Kronheim declared the credit extended in this instance was not a business matter, but rather a gamble or a serious business error, and he warned:

"I don't think Congress contemplated setting up a small claims court for the purpose of correcting such an error."

Testimony brought out that a salesman for the store sold the shoes to Mr. McIver last March 9.

But when Mr. McIver took the shoes, he warned that if his wife didn't like them he would have to turn them back, he testified. When he arrived home, his wife said she thought they were too expensive.

WANTED TO RETURN SHOES

The defendant testified, and the plaintiff denied, that he phoned the store to tell them he wanted to return the shoes. The suit was filed after the store later tried unsuccessfully to obtain the rest of the purchase price, the court was told.

A test given by Judge Kronheim in the courtroom showed Mr. McIver's eyes were so weak he was almost unable to read. His signature on the purchase agreement, testimony showed, was an X.

Attorneys for the jewelry concern argued that the shoe sale was a normal business risk, but Judge Kronheim held otherwise.

"In business as in war, calculated risks must be taken. But this is no calculated risk. I do not think there was any sound basis for granting such a credit," the jurist declared.

STUDIED STANDARD TEXTS

Judge Kronheim pointed out that he had studied standard texts on credits and collections. Citing one by title, he added:

"There is nothing in that book or any other book on credits and collections, or any businessman's experience, which in the court's opinion could justify granting judgment in this case."

The jurist also remarked that he had some doubt as to the jurisdiction of the small claims court over such a claim. The court adjudicates suits involving debts up to $50. It handled 2,500 cases last month, many of them brought by merchants selling on credit terms, officials said.

Announcing plans to appeal the judgment, Mr. Bernath last night labeled it "dangerous" and "arbitrary," and said it was essential that it be clarified.

"This decision violates the fundamental right of two perfectly competent parties to enter into a contract," Mr. Bernath asserted. "With this decision, because a man had bad eyesight or hearing, a merchant couldn't sell to him. A contract wouldn't be good without a physical exam."

[From the Washington Times-Herald]

CREDIT STORE'S SUIT REJECTED BY KRONHEIM

(By George Norris)

Under a finding expected to have a far-reaching effect in collection of small debts here, Municipal Court Judge Kronheim denied a $12 claim of a store because of what he considered a questionable credit practice.

The newly appointed jurist, sitting in small claims court, took issue with the methods of the Universal Jewelry Co., Inc., in its "ordinary course of business," in denying its claim against Joseph McIver, 65, Negro, 2600 block Stanton Road SE.

MAY SET STANDARD

Court observers believe Kronheim's decision will set a standard requiring that many debt collectors must show the conditions under which credit of less than $50 will be extended to borrowers or persons purchasing items on time. The ruling also is expected to have a marked effect on small downtown merchants doing credit business and who bring a large number of the 2,500 cases taken into court monthly.

In the trial, it was brought out McIver contracted a $12 debt with Universal on March 9 when a company salesman sold him a pair of $14.95 shoes on a southeast street near his home. The salesman had been selling shoes to another customer in a nearby house and met McIver on the street.

McIver said he was required to make a $3 deposit and pay the balance at $1 a week. He admitted signing a contract with an "X mark," but contended the salesman said he could return the shoes if he did not like them. The defendant said he called the store to arrange for return of the shoes. However, Donald C. Gorman, the store credit manager, stated the store had no record of the call. The store's attorney, Bertrand Bernath, argued McIver should be required to pay, stating "the contract was made in good faith and the defendant received the merchandise."

PATRON NEARLY BLIND

Kronheim found in a courtroom test that McIver was nearly blind, being able to read only large letters, and could not write. The judge, also noting McIver earned only $18 a week as a coal hustler, said:

"There is nothing in the books on credit and collections I've read which would justify granting credit in this case. I am driven to the conclusion that the credit given here was not as a business matter, but as a gamble.

"If it wasn't a gamble, then it was a serious business error. Congress, in setting up this court, did not contemplate that the court would correct such an error."

COMPANY PLANS APPEAL

Kronheim then dismissed Universal's suit and granted McIver's claim to recover the $3 deposit. He also ordered the shoes, which he said were still unworn, returned to the company.

Later Bernath said he will appeal, stating he felt the decision denied the constitutional rights of two perfectly competent parties to enter into a contract.

Address Delivered by Maj. Aubrey Eban, Representative of the State of Israel to the United Nations

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein an address delivered by Maj. Aubrey Eban, representative of the State of Israel to the United Nations, at Brandeis University, Sunday morning, June 19, 1949, in Waltham, Mass.:

You have registered a moving and significant occasion in honoring the State of Israel through its representative within the walls of an institution bearing the name of Louis Brandeis. Our generation has beheld the fulfillment of a vision which many who went before us saw as an act of pure faith. It is the vision of Israel reviewed and established. Many who were never granted the boon of seeing this aspiration realized in their lifetime are nevertheless the partners of modern Israel in the laurels of its victory. The revival of Israel as a free polity and culture rooted in the soil of historic memory, taking its equal place amidst the distinguished families of mankind became the yearning and passion of Justice Brandeis in the dignity of his declining years. In his name the cause of Israel became linked with the highest traditions of American liberalism and Jewish solidarity. It remains so linked unto this day.

The rise of Israel to sovereign independence after 2,000 years of anonymity and submergence is no ordinary event of contem-

porary history. It represents one of those rare impulses whereby the human spirit from time to time bursts out from the confines of its ordinary limitations. Social science and political research will find this a fruitful area of inquiry, long after Israel has outgrown the attentions of topical journalism. One of the oldest cultures of mankind having somehow survived at the depth of the emotions which they challenge and arouse. While we look for peace we shall do ourselves and the world no service if we distort the true proportions of aggression and defense of innocence and guilt. When wars are waged and finished the world asks one question alone. It is the question of initial responsibility; the question who first chose war. They who are convicted by this challenge owe it as their least duty to take a preponderant, constructive, and humble part in repairing those ravages which are still within the capacity of repair.

The first year of Israel's independent national life found the new republic in a desperate struggle for survival. The second year presents it with problems of consolidation, no less intricate and hazardous than any of those which it has successfully surmounted in the past. The attention now focused upon our social and economic difficulties should not lead anyone to imagine that Israel's political tasks are over. Yet at least we face these tasks in the full stature of sovereign equality within the very United Nations of whose judgment the State of Israel was born. When we raised the Star of David in the honored circle symbolizing the unity and common fraternity of mankind, we were assuming added responsibility as well as enhanced privilege. The Jewish spirit must now prove itself upon a world-wide arena. The universal concepts of Israel's prophecy, which constitute the moral foundation of the charter, are faced with concrete challenges in the manifold issues of international relations and fundamental human rights.

Israel's policy within the United Nations will be based upon democratic principle, international brotherhood, and regional responsibility. The first two principles need little explanation. Israel can never be neutral between reaction and progress, between the lingering ghosts of nazism and the reviving spirit of democratic government. As for universal brotherhood, we dare not be forgetful of the grim and awful holocaust to which the doctrines of racial and religious discrimination led our own people who were consigned in their millions—men, women and children—to cold-blooded slaughter. Surely this unique and tormenting experience must have left us with a sharpened sense of individual sanctity, a deep and abiding concern for fundamental human rights. It is of the third principle, that of regional responsibility, that I would speak to you in my concluding words. By regional responsibility I mean a sense of Israel's identity with the genuine interests of the Near East. There is much in the Arab world that we can neither emulate nor admire. We cannot be associated with conceptions of government based on personal autocracy, regarding government in terms of privilege, not of responsibility. We cannot endorse the huge social contrast, the sad disparity between the squalor of the many and the extravagant luxury of the few. We look with sympathetic aversion upon the illiteracy, ignorance, endemic disease and primary poverty which ravage and degrade the somber life of the common man in the countries of the Arab East. The squalor of the present insults the greatness of the past. Yet, whenever we see an impulse for peace and liberation awakening among our neighbors, Israel will be identified with that impulse. It was in that spirit that we seized the occasion offered by the discussion on Italy's former colonies to affirm our sympathy with the desire of the Arab people for swift liberation from outside rule. Israel wishes for its neighbors that which it has obtained for itself.

Yet this objective of regional cooperation must await the conclusion of peace. Armistice agreements have been produced by brilliant and disinterested mediation, and they must be conserved until a new basis of agreement is reached. In no circumstances will Israel abandon this position; except in favor of a new one resting equally upon initial consent. Yet the transition to permanent peace is proving difficult; and the world is entitled to know the reason why. The Government of Israel and the Arab states are under imperative obligation to negotiate a settlement of all questions outstanding between them. This is precisely what Israel has agreed and the Arab states have refused to do. The resolution of the general assembly contains basic principles on the international responsibility of the holy places and Jerusalem, on the refugee problem, on access to ports, on the signature of peace agreements. Israel has made proposals, all with an element of concession, on each and every one of these basic principles. The Arab states have made no response to these proposals, have submitted none of their own accord, and still refuse to comply with the basic objective of the general assembly's resolution which is an injunction to negotiate a peace settlement. Israel must declare that this refusal to negotiate peace when called upon to do so by the United Nations constitutes a grievous offense against the international community and against peace-loving peoples everywhere. Until that attitude is changed the deadlock will endure and the prospect of a reviving united Middle East must linger in suspense.

But the prospect must on no account be relinquished; the stake is too momentous both for Israel and the Arab world. No amount of support which Israel can obtain in Europe or America, in the Old World or the New can compensate for the lack of a stable and secure relationship with the immediate environment in which we live. The Arab world will find no salvation for itself until it replaces the conflict with Israel by the pacific attitude which the charter dictates for the relations between member states. Will Israel's second year resolve the issue of peace as decisively as the first year settled the issue of war?

Few questions of international relations are of greater moment in our time. I know that the community of America together with public opinion generally will continue to follow this episode with vigilance and pride for Israel has given substance to the fact and the prestige of Jewish identity. It is good to work for such a people at such a time—for it is thus that we link ourselves with immortality. Israel sets out upon its journey from the United Nations haven in which it found original shelter, determined to play its part in the common defense of the human spirit against the perils of conflict and despair.

England Be Just

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1949

Mr. McDONOUGH. Mr. Speaker, in the current issue of the Catholic weekly, America, there appears an editorial entitled "Ireland and the Atlantic Pact." This editorial is very timely in view of the present consideration of the Atlantic Pact agreement in the other body and the frequently asked question as to why Ireland has not joined with the other European nations in signing this pact.

If Ireland were to join the Atlantic Pact, it would mean that Ireland would be in effect guaranteeing the independence of the six counties in northern Ireland, which are an integral part of the island and which should be an integral part of the nation. The six counties were cut off from the rest of Ireland by an act of the British Parliament for the sole purpose of maintaining a British foothold in Ireland and of retaining land and sea bases on which to design the defense of England. This was done without the consent of the Irish people, without the assent of a single Irish member of the British Parliament, and through the force of superior arms in the hands of the British.

It is time that the British Government should exercise at home the principles of democracy, individual liberty, and the rule of law which she professes to favor for the other nations of Europe. In short, England should first be just at home if she is to bring about justice abroad. This is so well-expressed in the editorial in America that I ask unanimous consent to have the editorial inserted at this point. The editorial, entitled "Ireland and the Atlantic Pact," reads as follows:

IRELAND AND THE ATLANTIC PACT

In a last-minute move on May 2, the British Government announced that the bill it was introducing on the next day to recognize the Irish Republic would contain a clause guaranteeing the perpetuity of the Government of Northern Ireland, which rules the six counties cut off in 1920 from the rest of Ireland. This move was in contravention of an agreement between the Irish and British Governments to consult together concerning their respective parliaments on the occasion of the setting up of the republic.

Since this raises the partition question, which is the sole stumbling block in the way of Ireland's adherence to the Atlantic Pact, it is worth considering what kind of government the British are guaranteeing in Northern Ireland. That Government was set up by the British in 1921. In 1922 it passed a special powers act, which became permanent law in 1933—an act giving the Government unlimited power of arresting and imprisoning without trial persons it deems dangerous to the state. The Government is little more than the state organ of the Orange Order, a virulently anti-Catholic body. Of the use of these special powers by the Northern Government, Britain's National Council for Civil Liberties—which included people like George Bernard Shaw, Lady Astor, the late H. G. Wells—had this to say in its report on the anti-Catholic riots in Belfast in 1935:

"Through the use of the special powers, individual liberty is no longer protected by law, but is at the arbitrary disposition of the executive. This abrogation of law has been so practiced as to bring the freedom of the subject into contempt."

In the summer of 1947 some 200 members of the British Parliament, which retains suzerainty over Northern Ireland, tried to have the British Government do something about this long-standing denial of civil liberties, but Mr. Attlee did not seem interested. In fact, at no time in the past 27 years has the British Government lifted a

finger to protect human rights in Northern Ireland. Its present action is a gratuitous insult to the Irish people and their Government, for existing legislation rendered the addition of the offensive clause completely unnecessary.

History would seem to be repeating itself. After the First World War, when the United States was debating the League of Nations, Irish-American opinion was inflamed against the League by Britain's denial in Ireland of the "right of self-determination" she was proclaiming for Europe. At the present moment, with the Atlantic Pact under consideration, Britain has gone out of her way to anger Irish-Americans by her disregard for "the principles of democracy, individual liberty, and the rule of law" which the Atlantic Pact, according to its preamble, is designed to safeguard.

The Irish Government understandably feels that to sign the pact under these circumstances would be tantamount to underwriting the existence of partition for the next 20 years.

In view of the paramount importance of building a strong defense against Communist aggression, it has been argued that Ireland should waive such considerations and sign the pact. It would be more logical to urge first that Britain show some concern about the denial of civil liberties in Northern Ireland. Surely we should ask England to be just before we ask Ireland to be generous.

It needs only a glance at the map to understand the strategic importance of Ireland in the Atlantic defense. Since the United States will bear so great a share of that defense, it would seem that our Government has sufficient standing to offer its services toward mending a situation that threatens to leave a dangerous loophole in the Atlantic armor.

Wasteful Spending and Destructive Taxing

EXTENSION OF REMARKS
OF
HON. LEO E. ALLEN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 1949

Mr. ALLEN of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith some very fundamental economic thoughts as expressed to me in a letter from a constituent, Mr. Tom H. Kerr, of Galena, Ill.:

America attained her greatness through the freedom of enterprise and the law of supply and demand. The prospect of adequate reward for initiative has been the primary contributing factor in achieving our high standard of living. Under the profit system, government's position was intended to be that of a monitor—the maker and enforcer of basic rules to insure fair play.

Today, the greatest emphasis of government rests on promoting the welfare of the pressure groups that control the largest number of votes. Self-discipline and foresight are of secondary value in present-day politics. Each year since 1932, the drift toward the welfare state has been more pronounced. Funds to support the functions of the expanding welfare state naturally must come from the profits and income of individuals, business, and industry. While a constantly larger proportion of profits are drawn off by government in the form of taxes, the normal and healthy growth of individual and corporate enterprise from within itself becomes increasingly more difficult. We have reached the state where property can be sustained only when stimulated by outside forces—war, rehabilitation after war, and then deficit spending or monetary inflation. Apparently through such artificial stimuli alone can consumption be expected to support a high level of productivity.

Government now absorbs over 25 percent of national production and spends it nonproductively in keeping alive its own huge political machinery, in donations to pressure groups, and in aid to foreign competing systems. Unfortunately, under such a program of short-sighted extravagance, our system of private enterprise becomes overburdened. The only prospect of revival is in a resumption of "shots in the arm" from government.

The consequences of wasteful spending and destructive taxing are abundantly evident throughout history. Authorities say the Roman Empire in its closing days required 40 percent of average personal income for maintenance. A flight from money resulted in an unwieldy barter system. Free flow of trade on a broad scale became impossible. Thus deprived of its lifeblood, the whole order turned into chaos. Let us remember as our tax rates trend higher that levies approximating 40 percent have often been effected in the past; but, without exception, the economy of such nations collapsed and failed to recover over long periods.

This year the Dominion of Canada has announced a 32-percent reduction in personal income taxes. Furthermore, Canada has acknowledged that taxing corporate profits and also dividends received is double taxation. A large number of excise taxes are to be eliminated or reduced. Total Canadian tax reductions will amount to $370,000,000. On the basis that our population is about 12½ times that of the Dominion, this reduction would figure about $4,500,000,000 in our terms. Canada's total debt is now only $11,800,000,000. Again applying the population ratio, this would be the equivalent of $145,000,000,000 for the United States. But our actual national indebtedness, by comparison, is practically twice that of Canada.

Canada is to be commended for her prudent fiscal policy. It creates confidence in her government. Under the principles of true democracy, government should serve as an aid to the business of production for profit. It should act as an auxiliary stimulus to the individuals and corporations by whose efforts it is supported.

The greatest contribution the United States can make toward world recovery is to permit capitalism to function smoothly. This can be done only through business having confidence in government. Confidence that billions in tax revenue will not be spent to promote socialism. Confidence that government at least has the intent to foster conditions favorable to business health; favorable to initiative; favorable to the free flow of venture capital in normal wealth-producing channels.

The words "capitalism" and "democracy" are too often used as if synonymous. In their relationship there is a psychological counterplay that, while apparently incompatible, could be made to operate in the support of what we call our American way of life. The obstacle in the promotion of social stability is in the political strength of self-seeking pressure groups in both camps. The counterplay of antagonisms make for social unrest, economic insecurity, and the deterioration of investment values in our many corporations.

The security of labor and the stability of capital rests on the same foundation, their mutual welfare. Let us hope that labor and capital will soon discontinue their pressure-group antagonisms, for only by so doing can we retain our present form of government and our American way of life.

Independent Oil Jobbers' Cooperative

EXTENSION OF REMARKS
OF
HON. KARL M. LeCOMPTE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. LECOMPTE. Mr. Speaker, for a number of years the Ways and Means Committee has had before it proposals for taxing cooperatives, but no definite conclusion appears to have been reached as to action to be taken. In the meantime, the cooperative movement has spread and very recently the Independent Oil Jobbers of Iowa announced that it plans to reorganize its State association on a cooperative basis, with the objective of benefiting under the tax laws. Under leave to extend my remarks in the RECORD, I desire to include therein the following story that appeared in the Des Moines Sunday Register on June 5, 1949, on the subject of the oil jobbers' plan:

OILMEN PLAN STATE-WIDE CO-OP—ACT TO OBTAIN TAX BENEFITS FOR JOBBERS

Independent oil jobbers of Iowa Saturday announced plans to reorganize their State association on a cooperative basis to provide for payment of consumer dividends of the same type now paid by cooperatives with which they compete.

Tax exemptions enjoyed by cooperatives also would be obtained for the jobbers under this plan.

DECISION REACHED

A State-wide jobbers cooperative, organized so that it will be exempt from corporation taxes, will be set up by the Iowa Independent Oil Jobbers Association. It is expected that 6 to 8 months will be needed to make the change.

A major shift in strategic tactics was apparent in the announcement to swing to the cooperative plan.

For many years the independent oil jobbers have been among the leaders demanding that Congress change Federal income-tax laws so that cooperative dividends would be taxed against the co-ops.

Decision to form the organization, to be known as the Iowa Petroleum Cooperative Association, was reached at a board of directors meeting of the Iowa Independent Oil Jobbers Association here last week.

PARENT GROUP

The jobbers association will be the parent group. The articles of incorporation and bylaws of the association will be changed by incorporating into them the provisions which now give cooperatives tax exemptions, said J. A. Dennis, of Des Moines, association secretary.

With approximately 800 Iowa jobbers eligible to participate in the cooperative, the usual cooperative practices would be followed.

Consumer dividends would be paid to the ultimate consumer—the motorist who buys gasoline for his car—under this plan.

No business, corporate or other, is taxed on patronage dividends paid as a result of a prior commitment to patrons. Money now paid by jobbers as corporation taxes presumably would help to swell the funds available for dividends to ultimate consumers.

TAX EQUALITY

Purchasers' certificates would be sold, which in turn would allow the corporation to pay patronage dividends to consumers, Dennis said.

Under this plan the individual oil jobber, or wholesaler, would continue to have a free

hand to buy from whatever source he might choose.

He would continue to sell to his regular filling-station customers. The filling stations would issue the purchase certificates to motorists buying their products.

At the end of 3 or 6 months—or some designated period, the dividends would be announced by the cooperative and the motorists participating in the plan would be paid dividends on the basis of their purchases.

"The independent-business man," Dennis said, "has fought for tax equality, and on the other hand the co-ops and the privileged groups have fought to maintain their tax exemptions. For several years these privileged groups, because of their tax exemptions and subsidies, have seen fit to engage in nearly all lines of business.

"Now the time has come when anyone in competition with such privileged groups is unable to compete with them unless he is afforded the same privileges.

"We speak now for the independent oil jobbers of Iowa, because in the petroleum business the co-ops and Farm Bureau have expanded to the extent that we can no longer ignore their existence.

"In order to compete in this field, it becomes necessary for the independent jobber to face the issue and do something about it.

FULL SHARE

"The independent oil jobber has heretofore paid his full share of the national tax burden, while his competitors, through the exemption, have been able to expand by buying production, refineries, and pipe lines.

"They have a big advantage, so regardless of our thinking in the past we must meet the issue head-on."

Dennis said that at present the association did not anticipate the plan would have any effect on supplying companies.

"Everyone making his purchases through a major supplier can continue as before," he said.

The approximately 800 independent oil jobbers in Iowa are in competition with about 130 separate units operated by the Farm Bureau and other cooperatives.

All oil jobbers in Iowa are invited to participate in the plan and association membership is a requirement, Dennis said. He added that a State-wide meeting to explain the plan will be called.

Veterans' Insurance Program Needs Improving—Let Us Create a Separate Government Corporation To Handle Veterans' Insurance on Sound, Businesslike Basis

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EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1949

Mr. EVINS. Mr. Speaker, I desire to congratulate the President upon his action in submitting to the Congress plans for making a reorganization within the executive branch of the Government. These reorganizations are needed and should be approved. They will effect improved efficiency and operation of the Government and also provide desired economy.

The American people are greatly interested in both—improvement and efficiency in the operation of the Government—so I commend the President in the recent bold and prompt action which he has taken in this connection. There is need for other reorganizations within the executive branch of the Government, and I am today introducing a bill to provide for the reorganization of the Insurance Branch of the Veterans' Administration—by creating a separate Government corporation along the lines of the RFC and the Commodity Credit Corporation—to administer the veterans' insurance program on a more efficient and businesslike basis. The measure which I have introduced is in line with the recommendations of the Committee on Reorganization of the Executive Branch of the Government and certainly it should be favorably considered.

Mr. Speaker, the matter of the Government's vast insurance program operated in the interest of the veteran and servicemen is, as we all recognize, one of the most important functions administered by the Veterans' Administration.

Yet, I believe, we recognize also that this major function of the Veterans' Administration has been for some time past and is presently the source of general dissatisfaction among veterans—a situation which has resulted in the failure of many veterans to reap the full benefits to which they are entitled and which they have every right to expect under the provisions of the United States Government life insurance program and the national service life insurance program.

It was certainly not news to many thousands of veterans when the Commission on Reorganization of the Executive Branch of the Government, after detailed and extended study of the Veterans' Administration, concluded that the type of service rendered by the insurance branch of the VA was unsatisfactory and inefficient. Veterans who have had insurance dealings with the VA are well aware that the type of service in this connection leaves much to be desired. Indeed, because of the unsatisfactory service many veterans through sheer frustration or disgust have dropped their service insurance altogether or have transferred all such business to private insurance companies. The permitting of veterans insurance to lapse is not in the best interest of the veteran nor in line with the intent of Congress in writing these statutes.

The Committee on Veterans' Affairs of the House of Representatives during the previous session of Congress made an inspection of the Insurance Division of the Veterans' Administration and held hearings on this operation for the purpose of evaluating the effect of the methods and procedures employed and for making recommendations for the effect of improving the insurance service to veterans. During the course of this study many officials of the veterans' insurance branch were questioned; field officers and offices visited; clerical and accounting personnel in the insurance division were observed and studied; documents and correspondence pertaining to the subject were examined. Representatives of veterans' organizations and officials of commercial insurance companies were interviewed. As a result of the inspection and hearings, it was determined that the VA insurance service to veterans and dependents was most unsatisfactory.

This branch of the VA has been the source of a greater number of complaints than any other VA activity. Yet this is the one service in the veterans' program that the veteran pays for himself. He is entitled to comparable service to that which he could purchase from a recognized company.

Among other things, he is entitled to an attractive policy—the only tangible thing a purchaser of insurance receives. He is entitled to prompt and regular notices of premiums due, follow-up notices if he overlooks payment, prompt notice if he permits his insurance to lapse, prompt action on requests for changes, prompt action on an application for conversion and dividends when due.

Only recently the Administrator of Veterans' Affairs announced that the refund on overpayment of premiums and dividends on VA insurance by veterans would perhaps begin to be made during January of next year. I am glad the VA Administrator has made this announcement. It is long overdue. Veterans have in many instances overpaid premiums and this money belongs to them and not to the Government. Likewise, dividend payments are long overdue.

The committee called this matter to the attention of the Veterans' Administration more than a year ago, but as yet no action has been taken in this regard. An efficient, businesslike organization with much less personnel would have properly handled this matter long before the present time.

Among other things causing a great number of complaints regarding veterans' insurance are:

First. Letters of inquiry and requests for action are invariably ignored, from the viewpoint of the veteran, because he received no acknowledgment or reply for weeks or months.

Second. Delays in accomplishing requested actions frequently result in overlapping actions, thus further confusing the status of the insurance.

Third. Veterans whose insurance has been paid regularly receive lapse notices.

Fourth. Other veterans who have not kept up premium payments do not receive lapse notices.

Fifth. No policies have been issued.

Sixth. Applications for conversion of term insurance to regular forms are unacknowledged and piling up into serious backlogs.

Seventh. Settlements of death and disability claims are subject to inexcusable delays which frequently cause hardship.

These and other insurance service deficiencies are freely admitted by VA officials. With a peculiar complacency which says in effect, "Considering all our difficulties, we are doing a pretty good job." The net result of the VA insurance efficiency is to cause veterans who

can afford insurance to drop it with resulting loss of insurance authorized for the veterans by the Congress.

A recent compilation of statistics by the Veterans' Administration show that there are approximately 5,688,000 national service life insurance policies in force. Further, United States Government life insurance policies in force number 540,000. Number of veterans carrying national service life insurance, 4,800,000; number of men still in military service, 2,000,000; number of remittances received per month, 2,000,000; number of employees in VA insurance division, 18,500.

It should be borne in mind, in analyzing the above figures, that, first, immediately following World War I there were approximately 4,000,000 Government life insurance policies in force, showing that the number has fallen off sharply, to 540,000 policies; second, that of a total of 19,000,000 veterans on the Veterans' Administration rolls only 5,340,000 have retained any kind of Government insurance; third, that of 4,800,000 World War II veterans retaining veterans' insurance, 2,000,000 men are still in service, requiring no attention from the Veterans' Administration; fourth, that the 18,500 people employed in Veterans' Administration insurance far exceeds the number of employees per policy required by any commercial insurance company.

The committee investigating this matter further found that methods and procedures employed by the VA insurance division was antiquated and provided very poor service.

An offer was made by an old-line and well-known commercial insurance company to make recommendations to the VA without charge for improving the service but VA officials turned this offer down.

Following its investigation the committee concluded that, first, the present methods, procedures and system used in the Veterans' Administration insurance operation are inefficient and inadequate for satisfactory service to veterans and their dependents; second, the continued refusal of the Veterans' Administration insurance division officials to act on suggestions for changes and improvements in methods or to concede that there is anything wrong with the present system indicates the desirability of a change of top personnel in the administration of veterans' insurance.

I do not wish my remarks in this connection, Mr. Speaker, to be interpreted as a general criticism of all Veterans' Administration operations. The VA as a whole is doing a good job and is the source of many beneficial actions in the interest of the veteran. My remarks are addressed only to the type of insurance service which the veteran is receiving from the VA and I want to add that it is my opinion that this operation is too vast and too complex for proper administration in its present set-up as a part of the regular business of the VA.

The veteran has a right to expect and does expect from the VA insurance division service comparable to that provided by private industry. On a peacetime basis, the Government insurance, as I have indicated, is largely paid for by the veteran himself. His expectation of commercial-type service is, therefore, natural and reasonable.

In this connection, Mr. Speaker, the bill which I have today introduced is directed, as I have indicated, at this service, and will, I believe, correct these unsatisfactory conditions.

As I have indicated, the bill is in line with recommendations made by the Hoover Commission. It would establish a Veterans Insurance Corporation—an organization separated and divorced from the VA—to handle all Government insurance matters.

This would in no way be a new bureau, as such, of the Government. It would merely effect the separation—a needed separation—of an operation which has become too big for the Veterans' Administration to handle along with all its other functions. It would be in the interest of efficiency and economy. When the Government's insurance service to veterans is put on the same basis of operation as the great commercial companies of the United States, we will not only have the benefit of economical and efficient service, but we will be rendering the type of service which every veteran has a right to expect and which is in his best interest.

Address by Brig. Gen. Hugh B. Hester, Commanding General, Philadelphia Quartermaster Depot, at Flag Day Exercises, Betsy Ross House, Philadelphia, Pa., June 14, 1949

EXTENSION OF REMARKS

OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. WOLVERTON. Mr. Speaker, on June 14, of this year, Flag Day was observed in the city of Philadelphia with ceremonies at the Betsy Ross House in that city.

It is the custom of the city of Philadelphia to observe Flag Day each year by having an outstanding and distinguished person deliver a commemorative address at the birthplace of the American flag. This year Brig. Gen. Hugh B. Hester, Commandant of the Philadelphia Quartermaster Depot was selected for the honor of delivering the annual address. His address was of a high character. He expressed thoughts that are entitled to have the careful and thoughtful consideration of all citizens. Therefore, in accordance with consent of the House granted to me I submit the speech of this distinguished soldier delivered on the above occasion:

It is a great honor and privilege to meet with you at the American Flag House and Betsy Ross Memorial in commemoration of our flag, which was adopted here in this city 172 years ago. In a way, it is particularly fitting and appropriate that I meet with you at this shrine, as the organization which I command, the Philadelphia Quartermaster Depot, is the real heir, flagwise, of Betsy Ross. At the depot we manufacture many thousands of flags annually for our armed forces and other agencies. Like most material things in our life, flag-making today is vastly different from that of the time of Betsy Ross. In her day, many hours, perhaps days, were devoted to the making of a single flag. At the Quartermaster Depot, hundreds are made daily through advanced techniques.

We like to think, however, that what the flag represents today has changed in no fundamental way. It was then a rallying point of the defense of our country's ideals, an emblem of our unity, strength, and purpose as a people. That purpose meant freedom from the arbitrary exercise of power over our lives, from whatever source, including our mother country; freedom to seek truth, goodness, and beauty in our own way. We like to think, too, that through the years this emblem has come to signify a love for liberty and freedom, not only for ourselves, but for others with similar aims.

Liberty and freedom, unfortunately, cannot truly be inherited by a nation or a people, any more than children can inherit the knowledge, courage, and character of their parents. Each generation must learn to understand and must dedicate itself anew to the pursuit of liberty and freedom. Unfortunately, these do not have the same meaning for all of us. To some, liberty means license; to others freedom means its denial to some. Of one thing we are sure, however, in the time of Betsy Ross, liberty and freedom were the two most meaningful words in the English language, and while their flame may have flickered and become dim at times, even in our minds and in our national struggles, nevertheless we have always recovered as a people to restore their brightness and strengthen our resolve to secure even greater liberty and freedom for ourselves and to assist others in their struggle for them. I urge now that we dedicate our lives again as individuals to the pursuit of freedom, which means not only for the American people, but for all people a freedom from want, a freedom from fear, a freedom from intolerance; a liberty that permits men and women, not only in the United States, but everywhere, to live in a world where their highest physical, intellectual, and spiritual possibilities may be achieved.

Liberty and freedom, when combined in a political system, become democracy. In a democracy, the individual is the important thing. The welfare of the individual is the supreme purpose for which government is formed. It has no other purpose, no other reason, than to free men, women, and children to live their lives according to their own choice, provided that choice does not interfere with its proper exercise by others. It means men and women have the power to achieve, as well as the right to work for a fair wage, a fair profit, free speech, free assembly, and freedom of worship. In its finest form, it means the absence of intolerance and bigotry, the freedom to seek truth wherever it leads.

I repeat, liberty and freedom, which when synthesized become democracy, must be sought and achieved by each generation. Today, as a backwash of war, liberty and freedom everywhere are under attack. Rumors of war and fears of depression are coming thick and fast and may frighten us into abandonment of some of our liberties and freedoms; yes, even into an imitation of totalitarianism. Some say we must limit freedom of inquiry, freedom of research, freedom of assembly, even freedom of dissent, for purposes of national security or some other equally plausible reason.

I do not believe our democracy is so weak that it must imitate in any way the methods of the dictator. Our real danger is fear or mistrust of our own way of life, a lack of faith in those things which gave birth, strength, and direction to our country—the

liberty and freedom which are democracy. Fear of fear itself can and may cause us to commit national suicide.

I'm a professional soldier, and in speaking to you here on Flag Day, I represent the officers' corps of the armed services—a corps that has no politics, a corps that will lead your sons and daughters into any future war of ours as efficiently, as gallantly, as courageously, as devotedly, as their abilities permit. Have no doubt about that. However, you, our citizens, have a great responsibility to make certain that we have no future war if avoidable, and if unavoidable, that it be a just war. It is my prayer, and I believe it is the prayer of the overwhelming majority of the officers' corps, that it may never again be necessary to lead your and our sons and daughters into battle. If it should nevertheless become necessary, I pray, and I believe you all pray too, that it will be in defense of a way of life that is true and good and beautiful—the way of life symbolized by the flag which Betsy Ross made 172 years ago.

I want to thank you, Mr. Chairman, for the privilege of assisting in this commemorative exercise in Philadelphia, a city so filled with the shrines of our country's past and the cradle of its liberties.

Mr. Mayor, yours is a friendly city, still possessed of that charm and fine community spirit and pride that marked our colonial and pioneer life. We have been here barely 7 months now and already feel that we are citizens of your city; we admire and revere its past; we take pride and satisfaction in its present achievements; we have faith and confidence in its future.

Are the Nation's Schools in for a Witch Hunt?

EXTENSION OF REMARKS

OF

HON. E. E. COX

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1949

Mr. COX. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Atlanta Journal:

ARE THE NATION'S SCHOOLS IN FOR A WITCH HUNT?

Taken at face value, the statement issued by Chairman JOHN WOOD'S House Committee on Un-American Activities Saturday should comfort educators who feared that the committee's inquiry about textbooks meant the schools of the Nation were in for a well-publicized dose of tar and feathers. The committee now reassures the public with the assertion that it does not desire to censor textbooks or interfere in any way with academic freedom.

Not only has the House group not accepted as gospel the petition made by the Sons of the American Revolution, Mr. Wood's statement emphasized, but "it is of no concern to the committee if the Communist Manifesto or any other book or document containing the tenets of communism is being studied for comparative purposes in our educational institutions." That is clear enough.

What the Sons of the American Revolution have charged, in asking the investigation, is that the national security is threatened by a subversive textbook problem, national in scope. Their petition says so-called progressive educators have succeeded in introducing material slanted in favor of socialism and communism. Some of it is designed, they add, to convert this country into a social-welfare type of State. As a preliminary to weighing these allegations, the House committee asked a number of schools for lists of their textbooks. The result has been a storm of protest and criticism.

This newspaper has not joined the chorus because it seemed to us that Mr. WOOD'S committee, if it does merely wish information, should not be attacked for seeking the truth. If investigation should reveal that a group of Red plotters are poisoning the wells from which the youth of America is drinking, then a disclosure of this fact would be a proper function of the committee and a matter of concern for every citizen. We may think the SAR's fulmination absurd but a sane, reasonable weighing of the charge should be no threat to academic freedom.

That, of course, is just the point. Can the House Committee on Un-American Activities be trusted to make a sane and reasonable judgment or will it, in fact, use the information that it gathers on textbooks as a springboard for another harmful and thoroughly inconclusive publicity extravaganza? The spectacle of politicians meddling with school texts is one that fills liberal-minded people with horror, as well it might. Considering the committee's past record, small wonder their inquiry into the schools has brought misgivings.

But the caliber of the new un-American group has not yet become evident. This is in fact its first real test. Mr. WOOD has shown thus far none of the limelight-seeking proclivities of his predecessors in the chairmanship. Let us hope that he has too much judgment and common sense to allow his committee to be used for a hysterical tar-brush campaign against the Nation's teachers.

Failure of Denazification

EXTENSION OF REMARKS

OF

HON. GUY M. GILLETTE

OF IOWA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 22 (legislative day of Thursday, June 2), 1949

Mr. GILLETTE. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Denazification Fails, German Editor Says," written by John London and published in the Washington Post of June 20, 1949.

There being no objection, the article was ordered to be printed in the RECORD as follows:

DENAZIFICATION FAILS, GERMAN EDITOR SAYS

(By John London)

The western powers have definitely failed to denazify the Germans because of the military government's ignorance of German psychology, a prominent German publisher stated here last night.

The statement was made in an interview with Franz Joseph Schoningh, publisher and editor of the Sudeutschen Zeitung, largest newspaper in southern Germany, with a circulation of 280,000, and Hochland, leading Catholic monthly periodical.

Schoningh, on a visit here with other newspapermen to study American journalism, outlined several reasons why the occupying powers have not reached the mind of the average German.

While stressing that his views are not meant as a rebuke to the military government, many of whose officials have heard his suggestions sympathetically, Schoningh pointed out:

1. Most Germans realize Goebbels' propaganda was false. They also suspect any source of information now.

They can only be persuaded as to the wrongness of nazism by facts, facts, facts—and the western powers have failed to produce documented, proven facts.

GOT OFF TO BAD START

2. The Allies got off to a bad start. They initiated reeducation of the Germans by stressing mass guilt of the German people, which created resentment and suspicion, not conversion and belief.

3. The Allies have not sufficiently used German leaders to enlighten the people. What the Allies themselves have said about Hitler's schemes for world conquest and the vicious brutality of nazism has been held suspect. After all, the Germans thought, conquerors and occupiers were doing the talking.

4. Denazification courts boomeranged. By hauling into court masses of small fry, many of whom belonged to the Nazi Party only for expediency, by delaying action against bigwigs, the courts antagonized the masses and discredited themselves.

As an example of the lack of documented material on the history and roots of National Socialism in Germany, and how it led to war, Schoningh pointed out that he had to get material from Switzerland to produce an article on the subject.

Textbooks in the schools mentioned nothing at all about recent history, not a word about nazism, how it arose and what it did to the world, he said.

"If I ask a man in a German street why World War II started," said Schoningh, "9 out of 10 say it was because the English declared war over the Polish corridor.

"They have a feeling instinctively that something the Nazis did wasn't right because it all ended disastrously—but what was wrong they don't know."

This reaction is understandable, inevitable, he said, noting that only one small book has been published in Germany since the war to explain the causes of the holocaust. That book, by one Kordt, tries to show how Hitler connived for war—but it is written for "highbrows," beyond comprehension of the masses, he declared.

NEWSPRINT SHORTAGE CITED

It is even difficult to keep Germans informed of current events, because of the shortage of allocated newsprint, he said. "During the Nuremberg trials my paper could only publish twice a week," he said, "and then we were happy to get 16 pages of newsprint all week.

"We need a flood of pamphlets, books, articles—all positively, irrefutably documented—and cheap enough for the man on the street, on such topics as: Did Hitler want war? Was it Hitler's intent to destroy the Polish Nation? What really happened to the Jews?"

Then, he said, "there will be an answer for the average man who asks for proof when he is told of the evils of the Hitler regime."

He stressed the importance of the Hosbach documents, vital evidence in the Nuremberg trials. They are documents of a high-ranking Nazi official who attended secret policy conferences when Hitler blueprinted his scheme for world conquest.

Such documents, the publisher insists, should be reproduced prolifically, made available to all German educators, writers, intellectuals, politicians, and other leaders.

NEED RESEARCH CENTER

Schoningh believes the Allies should help establish a German research center, to probe into the origins and history of nazism. This would be the academic fountainhead for documented information to convince the people, he asserted.

Other media, such as radio and films, should be utilized by Germans themselves to sell democracy on the basis of sound understanding of the German mind today, he suggested.

For example, he said, "the Allies after the war showed films depicting atrocities in concentration camps. At first attendance was terrific. But the commentary indicted the entire German people, also, not just the regime and its leaders."

"The terrifying impact was wasted," he is convinced, "because the approach was psychologically unwise."

SUGGESTS SEQUENCES

He suggested such documentary sequences be knitted together:

Scenes from the Twenties of July, filmed at Hitler's behest. It shows the trial and hanging of German military leaders whose plot to kill Hitler was foiled.

One sequence shows a German officer being asked by an hysterical judge why he as an officer turned against his Fuehrer. He replies: "Because I was shocked and horrified by the savage murder of innocent civilians in Poland."

That scene—showing top German officers themselves were disgusted with nazism—and a scene showing a conspirator being hung by thin wire, at Hitler's request, so his agony would be protracted—should be capped by documentary shots of Nazi atrocities, Schoningh advised.

Another idea would be to show a frantic Nuremberg Nazi Party rally, followed by the Russian documentary on the slaughter of German youth at Stalingrad.

WOULD STRIKE HOME

"That would strike home," he said. "They would see the connection, how it began, yes, and where it ended—in destruction."

By such means, Schoningh said he believed the Germans can positively be convinced of the evils of the old regime, a necessary prelude to their acceptance of democracy.

"Meanwhile," he said, "Russian propaganda has happily failed in the western zone." This was because the recent currency reform has raised the western zone standards of living while Russian maltreatment of Germans in their zone has been made known, by word of mouth, throughout the country.

DENAZIFICATION PROBE ASKED

Senator GILLETTE, Democrat of Iowa, yesterday urged an immediate congressional investigation of the denazification program in Germany to prevent what he called a threatened revival of fascism.

Speaking over local radio station WWDC, Gillette revealed that he and three other Senators are supporting a bipartisan resolution to authorize such an inquiry. He criticized short-sighted, irresponsible, and somewhat stupid American policies in Germany and said there are indications that some of our people have been carrying on mutual admiration societies with old German nationalists and newer Nazis.

Southern Key to Housing

EXTENSION OF REMARKS

OF

HON. JOHN J. SPARKMAN

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 22 (legislative day of Thursday, June 2), 1949

Mr. SPARKMAN. Mr. President, there appears in the New York Times of today an editorial entitled "Southern Key to Housing." I ask unanimous consent that this editorial be printed in the Appendix of the RECORD, and I commend it to the careful reading and consideration of everyone.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SOUTHERN KEY TO HOUSING

The South may gain more from the passage of the housing bill now before the House than any other region of the Nation, and its representatives hold the key to its program in the Eighty-first Congress. Out of 435 Members of the House, 84 come from the southern States of Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, and Georgia. The 21 Congressmen from Texas should be added to this group, making 105 House Members from below the Potomac. A coalition of northern and southern opposition to the bill could defeat the long-deferred program of public low-rent housing, farm housing, and slum clearance in the Eighty-first Congress.

Yet no region of the Nation has shown more interest in the continuation of the housing program than the South. Included in the portfolio of applications for additional low-rent housing units filed by local housing authorities with the Public Housing Administration, a total of 94,813 units, or more than 25 percent of the 374,840 units requested, would be located in those States which hold the key to the program's future. There are 191,700 public low-rent housing units now in operation under the housing act of 1937, and 56,000, or 29.6 percent of the total, are located in the South.

In no American region has the public housing program been more successful than in the southern region. More than half the families living in its public-housing projects are Negro families, many of whom formerly lived in slums subsidized by the costs of an excessive burden of services they imposed on municipalities. The passage of the housing bill would spur the industry of the South and other regions. Local housing and redevelopment authorities could clear a slum area, acquired through purchase or condemnation, and then make the site available for redevelopment by private enterprise. Private capital could move in when the slum was moved out.

Lie Offers UN Plan for Aid to Retarded Areas

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1949

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article by David Perlman which appeared in the New York Herald Tribune of June 17, 1949:

LIE OFFERS UN PLAN FOR AID TO RETARDED AREAS—SAYS MUCH OF THE FINANCING MUST COME FROM DOMESTIC SAVINGS IN SUCH COUNTRIES

(By David Perlman)

LAKE SUCCESS, June 16.—United Nations Secretary General Trygve Lie today offered the world's underdeveloped countries a program for raising an estimated $17,000,000,000 a year over the next 4 years to finance their difficult climb toward economic health.

Mr. Lie outlined the program in a 142-page report to the UN Economic and Social Council that, in effect, proposed the second phase in the UN drive to raise living standards on all the continents.

Phase one was the technical assistance plan, under which the UN is called for an expenditure of $86,000,000 in the next 2 years, to teach the underdeveloped nations how to lick such problems as disease and food shortages, so they can be ready for modern, economic development in industry and agriculture.

The second phase, according to Mr. Lie's report, must be accomplished largely by the underdeveloped nations themselves, and involves the far more difficult task of finding the money for large-scale modernization and expansion of all forms of production.

WOULD CALL ON SAVINGS

A major part of the money, the report points out, must come in the form of domestic savings, and the plowing back of investment income into planned expansion within each underdeveloped nation.

At least $4,000,000,000 a year, however, will have to come from foreign investments, according to a report of the Food and Agriculture Organization, which formed a part of Mr. Lie's report.

The FAO's analysis showed that this amount has already been funneling into the underdeveloped countries since the war, but that 90 percent of it came from governments, and three-quarters of that total came from the United States and Canada alone.

International financing by governments is on the decline, the report pointed out, and the underdeveloped nations must now turn to private investment for funds. But to get private money from abroad, Mr. Lie said, substantially greater incentives than now exist must be given to foreign investors by the nations concerned.

THREE MAJOR INCENTIVES

Mr. Lie detailed these three major incentives by which foreign capital can be attracted to the underdeveloped areas:

1. Tax relief, either through preferential tax treatment of foreign investments, or—at the very least—through agreements abolishing the old bugaboo of double taxation, under which investors have in the past paid taxes in their own countries as well as the country in which their income is earned.

2. Fair compensation to foreign investors when nations decide to nationalize or expropriate investments; and nondiscriminatory treatment of foreigners on tax questions, employment of domestic personnel, or the participation of domestic nationals in management of foreign-owned enterprises.

3. Guaranties to foreigners that they can take their earnings out of the country and convert their earnings into their own national currencies.

DOMESTIC FINANCING

Domestic financing of economic development by the backward countries themselves, the report said, could be spurred by these means:

1. Increasing the amount of voluntary savings by popular campaigns, by insuring adequate interest rates, and security of savings accounts, and by avoiding inflationary fiscal methods that cut the real holdings of savers unless they channel their money into uneconomic hoards of gold or foreign exchange.

2. Prodding savers to put their money into useful channels through such methods as differential rates of interest or preferential tax treatment, special taxes on speculative gains, or direct control of the investment policies of banks and insurance companies.

3. Using import duties to build revenue and to curb unessential consumption.

4. Using direct controls to restrict consumption, to channel labor into development projects and to allocate raw materials through essential enterprises.

5. Increasing exports to obtain foreign currencies with which to buy raw materials and equipment abroad for building up factories and farms.

An idea of the role that investments, both domestic and foreign, will play in the economic development was given in the FAO annex, which illustrated the need for them in the underdeveloped countries:

"Dams for flood control, irrigation and power can increase food supply and provide electric power for villages and industries. New roads, canals, and railways can move food from areas of floods to where it is needed.

"Processing in refrigeration plants can save perishable products and expand food production. Expanded production of textiles, home equipment, and farm tools and machinery can make jobs for surplus farm populations and raise living standards."

The FAO estimated that of the $17,000,000,000 which the underdeveloped countries will require annually for the next 4 years, $3,000,000,000 will be needed for agricultural development and the rest for industry, public works, and other projects. The countries themselves should be able to raise $13,000,000 a year through domestic financing, the FAO said.

Mr. Lie's report, with annexes from the FAO, the International Bank, and the International Monetary Fund, will be debated at the ninth session of the Economic and Social Council, opening at Geneva on July 5

Mr. Byrnes Dissents

EXTENSION OF REMARKS
OF
HON. A. WILLIS ROBERTSON
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES
Wednesday, June 22 (legislative day of Thursday, June 2), 1949

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Mr. Byrnes Dissents," published in the Richmond News Leader of June 20, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. BYRNES DISSENTS

The importance of former Secretary Byrnes' denunciation of the Truman welfare state, as voiced at Washington and Lee Saturday, lies in the prominence of his position as one of the few seniors of southern public life who had remained a supporter of the administration. A few notorious weather vanes and some time servers among the older southern Senators and Representatives continue to do lip service to the revived New Deal. Included in the southern delegations are some like CLAUDE PEPPER, of Florida, who were elected by labor in a divided field and are committed so far that they could not turn back if they would. Byrnes outside the Senate and CONNALLY in its membership were the only other men of large political stature and long experience who continued to say aye, aye to orders from the bridge. Our guess would be that Senator CONNALLY is by no means reconciled to the program Mr. Truman has presented, but that the gentleman from Texas keeps silent on other issues because he has a special and commendable sense of responsibility for the Atlantic alliance. In the belief that he must rally as many of his colleagues as possible to support a sound foreign policy, he does not put himself in a position where prejudice against his views on other questions will hamper his handling of the treaty. If this is true, then Byrnes' dissent removes the last of so-called elder statesmen of the South from the councils of President Truman. We except Mr. BARKLEY for the obvious reason that, as Vice President, he is in honor bound to stick by his chief. In his heart of hearts he probably lacks a great deal of being a hundred-percent Trumanite.

Most of Mr. Byrnes' address at Lexington was devoted to an exposition of the foreign policy of the administration, which is far more his and Marshall's than Truman's. The dissent of Mr. Byrnes was from the domestic policy of the existing regime and was epitomized in these monitory sentences: "Where we will wind up, no one can tell. But if some of the new programs seriously proposed should be adopted, there is danger that the individual, whether farmer, worker, manufacturer, lawyer, or doctor, soon will be an economic slave pulling an oar in the galley of the state."

Every word of that is somber truth. The cost of the various programs advocated by Mr. Truman, when added to the current expense of government and of past wars, will reach a total of at least $60,000,000,000 a year. That represents between 20 and 25 cents of every dollar the American people are receiving today in income of all forms. If we taxpayers were as realistic as we flatter ourselves we are, the humblest wage earner among us would take one-fourth of his wages every week and put it back in the envelope to pay, directly and indirectly, to the agents of the Federal Government. Men of larger income have learned long ago that at least half of what they make every day must be deducted in advance for taxes.

This burden, which Mr. Truman would increase by at least $4,000,000,000 in the next fiscal year, is a load that barely can be supported now. It will be intolerable if and when national income declines. Many indications of a falling off in income are observable already. Those that have to do with American exports are not yet discernible to any except the far-sighted, because America is pouring out billions for European relief. That is an elaborate way of saying that the emergency of European prostration has compelled us to give our customers the money with which to buy the goods on which we foolishly think we are making a profit. This European recovery plan is fundamentally sound and, in fact, is part of the price of peace, but it is to terminate in 1951 or 1952 at most. The inevitable loss of European markets will cut a big hole in American governmental revenues at a time when most American consumers will have restocked their homes with the articles they could not procure during the war.

To illustrate what this means, we may take a text from the experience of the kindly little Virginia town of Bridgewater, which had a flash flood Friday and Saturday. This created an emergency during which many household furnishings and supplies were destroyed. Bridgewater merchants consequently face today a brisker demand for goods than usual. Many things they normally sell in very small quantities will be in large demand. If, as a result, every merchant in Bridgewater raised his own standard of living, enlarged his store and began a program of expansion, all of us would call him a fool. Could he not realize, we would ask, that he was dealing with a temporary demand—that he would not possibly sustain the income he was having during the emergency created by the flash flood?

So, on an infinitely greater scale, it is with America. Millions are assuming blindly that demand created by the shortages, the restrictions and the rationing of wartime are going to continue indefinitely. They cannot; they never have after previous wars when there was as much economic quackery and as much tinkering with the industrial machine as that which now afflicts America. It is entirely possible that even in terms of devalued dollars, national income will dwindle to half the present total. If, meantime, we continue to pile up governmental costs and to make commitments that politicians never will have the courage to undo, we shall be compelled as a people to put aside at least 40 or 50 cents of every dollar for Uncle Sam—though we shall have fewer dollars to start out with. That is what Mr. Byrnes means when he says we are heading for the time when we shall be the economic slaves of government.

Some short-sighted farmers, some trade unionists, and some advocates of pensions for all veterans will read this and will say complacently, "It all may be true; millions of Americans may be 'pulling an oar in the galley of the state,' but it will not be I. No, sir; I'll be sitting on the deck, because I belong to the new class of masters, and I'll be taking it easy while the other fellow pulls the oar."

A man could not make a worse mistake. If our political system is so organized that any group can make itself the new master of America, then surely it may find itself unseated in turn precisely as the old ruling class was. Political and economic revolution may be ceaseless and may be faster in accomplishment.

Besides, no matter how confidently a man may boast of the political power of his class, experience has demonstrated times unreckoned, that there can be no real and permanent prosperity for any class apart from the economic unity, advance or decline, of all elements of society. Every man who has common sense ought to learn before the crash comes that the maximum benefit or subsidy which Government gives a favored class cannot equal the wages an honest man can make by diligence. If he destroys the economic stability by bankrupting the Government, he loses his job. How, then, is he to eat? What can he do, except to come down from his passenger's chair and take his place among the sweating economic galley slaves? Is he wise enough to see this? We shall not give up faith in American sanity even though we remember that men of another secure society, that of the town of Pompeii, laughed confidently even when they heard rumbles and saw ashes shooting upward from Mount Vesuvius.

Disclosure of Secret FBI Files in Judith Coplon Trial

EXTENSION OF REMARKS
OF
HON. ANDREW F. SCHOEPPEL
OF KANSAS
IN THE SENATE OF THE UNITED STATES
Wednesday, June 22 (legislative day of Thursday, June 2), 1949

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Too High A Price," published in the Washington Daily News of June 10, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TOO HIGH A PRICE

Attorney General Clark made what looks to be a monumental mistake when he decided

to go ahead with the Judith Coplon trial after Judge Reeves ruled that secret FBI files must be presented to the jury in open court.

Great damage has been done to the future effectiveness of the FBI, by the disclosure of serious and important information gathered by its agents in counter-espionage work. Those people are in a dangerous business. When their identities are revealed, their usefulness is ended and their very lives imperiled. Naming names in open court will close up sources of information vital to national security. Information revealed will be invaluable to our potential enemies. So much for the serious data.

Information of another type recklessly spread on the record has unjustly smeared the reputations of innocent citizens. These papers read in court are for the most part only unsubstantiated complaints and accusations. They are merely work sheets in proposed, pending, and inconclusive investigations. As the first line of defense against the Communist underground, it is the FBI's duty to run down reports it receives, wherever they may lead, even though it knows most of them may wind up in blind alleys.

The Coplon case is a mere rabbit hunt compared to the real job to be done. It would have been better to have dropped the prosecution than to conduct it in a way which may wreck our whole counter-espionage organization and destroy the good names of innocent citizens.

Mr. Clark in the past has jealously guarded the FBI files in cases that might have embarrassed politicians and public officials, even denying scrutiny to committees of Congress.

But mere citizens have been thrown to the wolves of scandal and the FBI's counter-espionage work has been compromised by the Attorney General's red-faced eagerness to punish a person accused as a spy in his own office.

Reciprocal Trade Agreements With Czechoslovakia

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 1949

Mr. PATTERSON. Mr. Speaker, I am in receipt of a communication, under date of June 13, 1949, from George B. Roberts, chairman of the American Legion, Frank A. Johnson Post No. 758, Johnson City, N. Y.

Mr. Roberts cites arguments relative to the damage being done to the American rubber footwear industries because of the negotiation of reciprocal trade agreements with Czechoslovakia.

I called this matter to the attention of the President and Congress on March 24, 1948, as I was much disturbed, at that time, by our action in negotiating these reciprocal agreements with the Communist-dominated Czechoslovakian Government.

I believe that the facts and figures quoted by Mr. Roberts are sufficient vindication for my previous actions, and should awaken in the minds of our Government officials the danger which is befalling American enterprise because of this ill-conceived negotiation. American labor, now facing increasing unemployment, will be further retarded by the increasing inroads of Czechoslovakian imports.

I still fail to see what reciprocity is existent in the agreement which we undertook at that time.

THE AMERICAN LEGION,
FRANK A. JOHNSON POST, NO. 758,
Johnson City, N. Y., June 13, 1949.

DEAR CONGRESSMAN PATTERSON: As chairman of the committee of the American Legion which has been actively engaged in endeavoring to call official attention to the grave danger inherent in the operation of the reciprocal trade agreement with Czechoslovakia, and in support of the American Legion in your district, I am writing you this letter so you will know that your participation in the effort to forestall the threatened prosperity of our country is most essential right now and will be greatly appreciated.

It is understood by our committee that a letter concerning this subject has been written by Mr. Ernest A. Gross, Assistant Secretary of State, to several Members of Congress who are concerned with this situation. In this letter, Secretary Gross seems to infer to some extent that the American Legion (and the same thing, of course, would be true also of other veteran and nonveterans organizations) is unduly alarmed concerning this situation. With this letter he has provided summaries of pertinent information with regard to production, exports, and imports of rubber and leather footwear, tariffs now imposed, and the relation of imports to the footwear industry. By this letter, and also by the accompanying data, it is made to appear that competitive Czechoslovakian industry is so, comparatively, inconsequential, as far as American trade is concerned, that no harmful effect upon American industry and employment is to be anticipated and, therefore, American labor and industry should not be alarmed or unduly concerned because of the present competitive situation as far as it is affected by the Czechoslovakian trade agreement.

The main observation which should be brought to your attention concerning this view is that it relates entirely to past conditions. The statistics cited are invalid as to the future. This is so because these industries in Czechoslovakia have only recently become rehabilitated to such an extent that production has become many times what it had been up until the year 1949. The communication by Secretary Gross ignores the fact that salesmen of American industries (speaking for a moment only of the footwear trade) have found that they are losing orders to the large wholesale purchasers because they have been underbid from 20 to 40 percent by representatives of Czechoslovakian industry in this country. These are orders taken during the present year, which provide for deliveries during the latter part of this year. For this reason, the idea conveyed by Secretary Gross that American industry has not suffered greatly from Czechoslovakian competition up to the present time may be true, but this is no reason why we should blind our eyes to the present development which is certain to bring about widespread unemployment and distress among workmen. To avert depression and distress, to retain the American standard of living, immediate action must be taken.

Another most important comment as to the attitude of the Department of State, as far as this is indicated by the letter of Secretary Gross, is that his observations are confined to the footwear industry only. The trade agreement embraces about 125 different industrial lines and products. Attached hereto is a clipping from a Buffalo, N. Y., newspaper which shows that Czechoslovakia, behind the iron curtain, is shipping into these United States large exports of religious articles. This should give the American people and their legislators an idea of what can and will happen to our American markets in the future as to all industries generally, unless adequate remedial measures are rushed into effect.

Why does the Department of State annually spend billions of dollars protecting and safeguarding these European countries, with the only thought in mind that these nations in the future will be our friends and quit their Communist connections? Should not the Department of State look into the future of the American worker and manufacturer, with the same vigor that they seem to be exercising on behalf of Soviet-controlled industries?

It is we, the people who are making it possible for the Department of State to spend the American dollar lavishly in European countries, with the hope that we can depend on their friendship in case of another crisis. This money is coming from the taxes levied against the American worker and he needs some protection and must receive it.

At the Popular Price Shoe Show of America held in New York May 24, 25, and 26, a St. Louis, Mo., importer offered the following items of waterproof footwear manufactured in Zlin, Czechoslovakia, at firm prices, f. o. b. New York City. By comparison, these prices run from approximately 14 to 41 percent lower than similar items manufactured by United States rubber footwear manufacturers:

Women's shearing cuff, zipper stadium boots	$2.65
Child's brown one-strap gaiter	1.19
Child's white one-strap gaiter	1.30
Misses' brown side-zip boot	1.88
Child's brown side-zip boot	1.75
Women's black pull-over boot	1.52
Women's red pull-over boot	1.75
Women's white pull-over boot	1.80
Misses' brown pull-over boot	1.46
Child's brown pull-over boot	1.38

Yours for America first,
GEORGE B. ROBERTS, *Chairman.*

[From the Buffalo Courier-Express of April 21, 1949]

LABOR

(By Victor Riesel)

A kid's love for a wide-eyed doll and the yearning of the devout for comforting prayer, even in moments than these holy days, should be immune from the international shenanigans of Communist operators. But, neither the young nor the worshiping are exempt from leftist weltpolitik. They are exploited to make a buck for the "cause" as today's unholy tale will quickly prove. Let me pick this story up for you as a letter is laid on State Secretary Acheson's desk a week ago. A letter, oddly enough, from the CIO Playthings, Jewelry, and Novelty Workers, whose leaders had a weird story to tell.

For a year they had been counting imports from Czechoslovakia forced-labor factories and now were able to report that the Communists had been flooding America with millions of articles of religious devotion.

Of these imports over 1,250,000 were rosaries, skillfully and anonymously poured into the United States. Religious buyers have had no idea they were subsidizing the regime set up a year ago by the first successful revolt of specially trained and secretly armed Stalinist Action Committees. At a strategic moment in February 1948 these committees streamed out of the very factories which today produce these objects.

The traveling action committees not only seized Czechoslovakia but later were shifted into Austria, where they now await a signal for similar assaults. They also slipped quietly into Hungary. There they helped

"keep order" during Cardinal Mindszenty's "trial."

Now the iron-curtain Reds need United States food and machinery, so they set aside huge plants for the manufacture of articles of devotion for sale to unsuspecting American Catholics.

Czech Communist industrial commissars ordered also the construction of large new jewelry factories, to flood us with bracelets, brooches, clips, and other such items, on which profit in American currency is large.

And from Hyman Powell's AFL International Jewelry Workers, which unionizes United States toy manufacturers, it is learned that these special Czech plants are turning out also dolls which they hope you'll buy for your youngster next Christmas.

If you do, there may well be the tears of many a Czech worker on the doll's garments—for there no longer is free labor in Czechoslovakia.

Unions there have been reduced to registration headquarters. The 5- and 6-day week have been wiped out and with them went the 8-hour day. In their place are slave camps, officially and publicly established some 10 months ago by the Communist regime.

To these camps are sent work shirkers and disrupters.

Our own United States Bureau of Labor Statistics reports the meaning of these terms—"So ill-defined, and so sweeping it appears they may be applied to anyone whose political and economic character is not acceptable to the (Communist) government."

That means Czech factories producing rosaries or dolls, religious articles, or brooches for the show-off who loves to boast of imported jewelry are manned by forced labor at peons' wages.

Because the United States has not torn up the 1948 treaties we had with the chainless democratic Czech regime of the beloved Benes, the Communist trading chiefs can still flood the United States with cheap slave-made products.

Aside from the sacrilegious aspect of these gruesome goods, there's the serious problem of the American jewelry workers—now hit by mass lay-offs.

In his letter to Acheson, the CIO union chief, Tony Esposito, said:

"The jewelry trade has been one of the first to feel the effects of the growing recession and unemployment which is now general. Large-scale lay-offs, a phenomenon not seen since before the war, have again become commonplace.

"The Czechoslovakia of today is not the government with which trade agreements were originally negotiated. I believe there must be some administrative remedy."

If there isn't, we might as well package our folding money and send it to Moscow direct. We'll save them trouble and ourselves the embarrassment of the stupid.

Radio Broadcast by Al Warner

EXTENSION OF REMARKS

OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast by Al Warner:

A former sergeant in the Air Force, shot down over Germany on a bombing mission, both legs gone, spoke from a wheel chair today at a Senate Civil Service Committee in behalf of his job, his security and his sense of being wanted. The Government which sent him out on the bombing mission is now firing him from his Veterans' Administration job which he has filled acceptably for 27 months.

He and about 120 other badly disabled veterans throughout the country who have lost arms, legs, or eyes have received their ouster notices—their firing papers in the VA retrenchment program which is dismissing more than 8,000 employees throughout the Nation. From crutches and wheel chairs the representatives of the small group of badly disabled veterans are asking Congress for prompt action on the bill of Senator HUBERT HUMPHREY, of Minnesota, to give special priority to those 60 percent or more disabled or suffering from severe loss of limb or eye.

The sergeant who testified is William C. Bardon, of Cincinnati, Ohio. He is listed as 100 percent disabled, both legs gone near the hips. He was shot down over Ludwigshaven on December 30, 1943. He was a prisoner of war 9 months. In the prison hospital in Germany he counted the roses on the wallpaper around the border of the room, to keep, he said, from going nuts. Altogether he spent 40 months in hospitals. Then he got a job with the Veterans' Administration and has filled it capably for more than 2 years. He has been contact man, listening to the stories of veterans and telling them their rights. But a few weeks ago he received a notice that he was fired as of June 24. Then came another letter. He was offered another job at a lower rating, losing $800, perhaps $1,300 a year. Some other badly disabled veterans who are VA employees didn't even get this consideration.

"I got married 3 months ago," said Sergeant Bardon. "Now I get fired from what is probably the only job I can get, or take a pay cut and maybe even then the job is not secure."

Other of the disabled veterans said that if they are kicked from their jobs, it may be they will have to end up going back to their jobs where they will be much more of an expense upon the Government.

David Fass, of Brooklyn, who was a private in the infantry, and lost his right arm, noted that the Government has been carrying on a campaign to have private industry hire the physically disabled. And now the private organizations are saying: How can the Government ask us to hire them when the Government itself is firing them?

Robert Lewis Coffey, Jr.

MEMORIAL ADDRESS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1949

On the life, character, and public service of Hon. ROBERT LEWIS COFFEY, JR., late a Representative from the State of Pennsylvania

Mr. WALTER. Mr. Speaker, in the long history of the House of Representatives many men, some of them very great men, have passed through its portals and, in its records, have left the imprint of their personalities and their labors upon the Nation and the world.

But I venture the prophecy—it can be vindicated only by the records of another world, though I still venture it—that none who served with us so briefly as ROBERT LEWIS COFFEY gave larger promise of joining the company of the great on earth before becoming a part of what the ancient liturgy of the church speaks of as "the cloud of witnesses looking down upon us from above." We find ourselves in something of the mood that led Thomas Gray to write his immortal Elegy in a Country Churchyard, that in some hallowed spot, in this case, there has been laid:

Hands that the rod of empire might have swayed,
The applause of listening senates to command,
The threats of pain and ruin to despise,
To scatter plenty o'er a smiling land
And read their history in a nation's eyes.

Fortunately, with reference to our late colleague, his influence had already gone far beyond the village stage. It had spread out from the confines of the congressional district he had been elected to serve, also. Having been born in Tennessee and educated in Pennsylvania his call to duty in the service of his country during the late war took him, through his days of training, into Florida and Kansas and Virginia. In all of them he left his mark of leadership and with the famed poet of our Union, Walt Whitman, he could say "I hear America singing—the varied carols I hear." He carried that song in his heart when he flew combat missions over Italy, Yugoslavia, France, and Germany. He did not forget it either when, after the war, he served as military attaché in Chile and from which vantage point he journeyed into other areas of the great neighbor continent that lies to the south of us. That South American stay alone should have augured well for his future statesmanship, for we need hemisphere solidarity and friendship.

Of course the mere experience of travel—whether in war or peace—does not of itself guarantee the worth of a man. There are all too many encirclers of the globe who see and feel no more than if they had stayed at home. But not Colonel COFFEY. His world-wide background—for those who knew him—was one of his assets—one of his most potential assets to an America which he firmly believed must assume an ever more significant role in world affairs. It was to be, therefore, an American strong both in her own might and in the might of cooperation with those other nations who share our hopes and our fears.

Only 2 weeks before his death he was pleading in a radio forum in Philadelphia for the ratification of the Atlantic Pact, urging our immediate getting together with all of the freedom-loving peoples around us and reminding us of our tragic failure to do that in the aftermath of World War I. "Tragic" is the word for it today, likewise, for it is tragic—and yet symbolic—that death came to Colonel COFFEY while he was helping to make this Nation's contribution to the Atlantic Pact as powerful as is humanly possible. He died while at the controls of a jet plane—a type of plane in the perfection of which he saw vast possibilities for our safety.

At any rate—whatever our own future—death came with wings for our lamented coworker; and if we value his

vision and his spirit we will ourselves assume wings, yes, of death, too, if it becomes necessary to rain war from the skies upon an enemy, though always with the prayer that the angel of death will become at last the angel of life and of peace and good will on earth even as we believe that it is in heaven.

Alfred Lord Tennyson puts the matter as beautifully as it has ever been put and all the more significantly, also, because he wrote these lines before the advent of the airplane.

For I dipped into the future, far as human eye could see,
Saw the vision of the world, and all the wonder that would be;
Saw the heavens fill with commerce, argosies of magic sails,
Pilots of the purple twilight, dropping down with costly bales;
Heard the heavens fill with shouting and there rained a ghastly dew
From the nations' airy navies grappling in the central blue;
Far along the world-wide whisper of the southwind rushing warm,
With the standards of the peoples plunging through the thunder storm;
Till the war-drum throbbed no longer, and the battle flags were furled
In the parliament of man, the federation of the world.
There the common sense of most shall hold a fretful realm in awe,
And the kindly earth shall slumber, lapped in universal law.

ROBERT LEWIS COFFEY is part of that prediction. At least he will be if we will strive to bring it to pass by our own assumption of leadership in that direction.

The Housing Bill

EXTENSION OF REMARKS

OF

HON. FREDERICK C. SMITH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1949

Mr. SMITH of Ohio. Mr. Speaker, my position on this socialistic housing scheme which the House is about to consider is well known in the Congress, my district, and throughout the country. I am opposed to it because it is communism in its rankest form. When politicians own your home, they own you and your family.

Another reason I shall do everything humanly possible to defeat passage of this housing bill is that on a population basis it will fasten an additional tax burden of $1,044,000,000 on the State of Ohio and $24,500,000 upon the people of the Eighth Ohio Congressional District, which amounts to approximately $536 for every family in my district and totals for each county:

Crawford County	$4,766,514
Hancock County	5,466,262
Hardin County	3,626,174
Marion County	6,016,332
Morrow County	2,096,564
Wyandot County	2,575,212

And this will only be a starter.

Long-Range Farm Plan

EXTENSION OF REMARKS

OF

HON. HAROLD O. LOVRE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1949

Mr. LOVRE. Mr. Speaker, because of the uncertainty that is developing over enactment of a long-range farm plan at this session of the Eighty-first Congress due to dissension among the leaders of the majority party and the difference of opinion among farm organizations, I have today introduced a bill which would repeal the Aiken farm law but which would continue indefinitely support prices at 90 percent of parity as provided in the section of the law now in effect.

It is not meant as a substitute for long-range farm legislation. It is, instead, a stopgap measure presented to prevent the disaster which would fall on the American farmer if the 60 percent of parity provisions of the Agricultural Act of 1948 were allowed to become effective.

This bill is presented to protect the farmer until farm organizations, farm-minded legislators of both political parties, farmers themselves, and the administration can agree on a workable long-range farm law that will not bankrupt the Nation, but which will provide the family-sized farmer with full parity of income without making him the slave to Government controls. In our deliberations, we should constantly keep in mind the fundamental philosophy of providing the family sized farmer with full parity of income with the fewest controls at the least possible cost to the taxpayers.

It is absolutely imperative that we have fair farm price support levels at this time, in view of the downward trend in crop prices and the general trend of agricultural economy. Because of the dissension over the method of arriving at a long-range farm plan and the opposition to some programs which has been expressed, I believe that it is wise to give the matter further careful study. My bill provides the means whereby Congress and others can give the matter careful attention, at the same time not jeopardizing the farmer's present economic footing.

In connection with a farm plan which is being considered by the House Agriculture Subcommittee, I might say that I believe there is considerable merit to the proposal. However, I believe that the basing of farm economy on revolutionary price-support standards and production payments as proposed therein should be given more intense study. In these critical times when our entire agricultural economy is endangered, I believe that we should be careful not to drift away from proven concepts of parity and price supports while groping for untried new methods. I do not mean by that I do not believe in change, but I do believe that before we attempt change, we should be absolutely sure that such changes will not work a hardship on the very industry we set out to protect. I call attention to the fact that the support price of wheat is lowered 7 cents a bushel under this proposal.

I am willing to give the committee proposal careful study, along with other plans which have been advanced. My main interest in this bill at this time is that the farmer continue to be protected through adequate legislation and that he not be made the goat in what is developing into a game of political chess playing for the advantage of some at the polls. I repeat that I am willing to remain in session this summer if the Congress will devote itself to a farm plan.

Any farm program which is developed should be one upon which the farmer can depend for years to come. It should be one which will be as nearly independent of the whims of Congress as possible and it should be completely divorced from the realm of partisan politics. Playing politics with the Nation's farm economy is as dangerous to the farmer's welfare as if he himself depended upon a game of Russian roulette to determine his future.

Man and Science

EXTENSION OF REMARKS

OF

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1949

Mr. BROWN of Ohio. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Brig. Gen. David Sarnoff, chairman of the board, Radio Corp. of America, at the International Congress on Rheumatic Diseases, New York City, June 1, 1949:

MAN AND SCIENCE

In addressing this learned group, I must at the outset disclaim any specialized knowledge of the fields I shall venture to discuss. As a part-time student in the "university of life," certain phenomena have stimulated my curiosity, and I have chosen them for discussion tonight because they seem related to the great profession you are dedicated to serve.

I appear before this notable group of experts on medicine in the role of an amateur, but I gain some measure of courage from the fact that I also began my career as a wireless amateur. After 43 years in radio, I do not mind confessing that I am still an amateur. Despite many great achievements in the science of radio and electronics, what we know today is far less than what we have still to learn.

Probably the same may be said of biology and medicine and of many phases of the older physical and social sciences. The opportunities that lie ahead for research and development in all these fields, and especially in the new divisions of science involving atomic energy and radiobiology, would seem to be unlimited.

THESIS

My thesis is this:

1. Despite the great advances of science and technology, the human race remains in dangerous ignorance of itself. Largely because of this ignorance, a world that might have peace and plenty and happier and wiser inhabitants, is threatened by violence, hunger, and desolation.

2. The time has clearly come in the life of mankind for a penetrating study of man himself—employing and coordinating every new force at our command in the realm of the physical as well as the social sciences, to learn what makes man "tick."

3. These studies should include the use of atomic energy and radiations, electronics, and all the other scientific tools now available for research and investigation. Used together, these should point the way to improve man's health and his physical, mental, and spiritual equipment.

4. Only through such a concerted scientific study of man, as well as of machines, can we make full use of our God-given powers to improve man's mental capabilities and his spiritual outlook.

A NEW THRESHOLD OF OPPORTUNITY

The subject of atomic energy has long fascinated me. In fact, in 1945, before the splitting of the atom created the death-dealing blast at Hiroshima, I had prepared a paper entitled "Science for Life or Death"—the theme of which was atomic energy. At that time, I thought primarily of the application of atomic power to science, industry, and warfare Since then, I have been thinking about the possibilities of atomic energy and electronics, inside of man as well as outside of him. My thoughts on the subject, therefore, first concerned what man could do with atomic energy, and then, what atomic energy could do with man.

It is my belief that controlled atomic energy puts us on the threshold of new opportunities. Coupled with electronics, it offers vast possibilities to look inside of man—and perhaps to discover what makes him function and why he behaves as he does. Men have explored and have begun to comprehend the very hearts of atoms. Yet, they largely fail to understand each other. Men may see and hear electrically to the utmost limits of this planet. Yet, their minds fail to cross even the narrow boundaries of their individual and group consciousness. Nor do they understand how their thoughts and emotions are born and by what power they grow to fruition.

Is this force electricity? Is the human body an electric powerhouse? Does it have a communication system that continually radiates waves of thought and emotion?

When we understand each other, is it because we are attuned to each other electrically, or should I say electronically, in much the same way that a distant radio receiver is in tune with a broadcasting station? If this be so, we should learn the electrical characteristics of the human body. We should learn how its communication system functions. That cannot be done alone by social science or psychiatry. It calls for the help of the physical sciences, including the science of the electron and the atom.

If we can determine that each individual has such a system of communication, and if we can measure its intensity and frequencies, then possibly we can learn from the outside what causes thoughts and emotions inside the human body. It may be that people who are incompatible have divergent frequencies, and are therefore completely out of tune with each other. Nervous people afflicted with hypertension may have too violent an excitation or too high a frequency; lazy people may have too feeble an activation or too low a frequency.

Think of the vast possibilities if we learned how to detect and influence these human frequencies. The eminent scientist Nikola Tesla declared that all radio communication is nothing but light; that every person is but a light wave. Physicists tell us that the material atoms, which make up our bodies, are but orderly arrangements of electrons, protons, neutrons, and possibly mesons—all of which have a wave aspect.

RADIONETICS

Electronics, first associated with radio, is spreading into many fields of activity, including medicine. The electron microscope has revealed new and unknown worlds in the study of bacteria, viruses and the internal structure of the human cell itself. We may well hope, therefore, that the electron and its atomic companions will lead us to the cure of dread diseases. And it may be that in the further study of man's electrical frequencies and his intercommunication system—in the application of electronics to the human body—we shall develop a new branch of science. Coining a new word to describe it, I would offer the term "Radionetics."

Recently, in this field, eminent physicians have reported the development of electro-acoustic devices, sonic and ultrasonic, as aids in the detection of kidney stones and gallstones, in the location of foreign objects in the body, as well as tumors in the brain, Further, a new technique for detecting cancer of the cervix has been reported, in which a simple electrical test shows when a malignant growth exists in the body.

Cancer is a scourge. We are told that this malignant growth destroys living cells. To fight the disease, we attack the malignant growth and, by so doing, run the danger of destroying healthy tissues and thereby destroying life itself. Scientists have expressed the hope that atomic tracers may be sent through the body to ferret out the spots where malignancy is attacking and killing the living cells. By this new means, the physician may be able to act early enough to repair and restore the cells under attack.

If human cells can be destroyed, why should there not be some way to protect and heal them without resorting to surgery? There would seem to be some reason for hope in this idea, for already we have discovered how to split, change, and control the atom and its energy. If we can learn how to do the same with the human cell, we may discover how to control the individual cells of man and thus be enabled to improve the functioning of the human body.

NEED FOR STUDY

This is but one of the possibilities that emphasizes the urgency of a penetrating study of man himself, as well as of the methods and plans which would secure to all mankind the benefits to which the individual instinctively feels himself entitled. The need of such a program cannot be overemphasized. The impact of new scientific advances on the mind, emotions, and physical make-up of man has been profound and at times bewildering.

Atomic energy, electrical power, instant communication, winged transportation, radio, television, motorcars, and a host of other dynamic manifestations of life have basically changed the human environment. No wonder so much of humanity finds its surroundings confusing and, therefore, is unable to adjust itself to these rapid changes.

COORDINATED SCIENTIFIC STUDY OF MAN

There is grave need for a new type of scientific worker or, to be exact, groups of workers and associates, to conduct as their supreme quest—the study of man. These scientists should be highly skilled experts capable of carrying out original research in their individual branches of knowledge. But they also must be well-informed and capable of understanding the techniques, methods, and data of allied fields. They should be able to apply the knowledge of their own specialized fields to the other branches of science.

Until scientists possessing this over-all knowledge can evolve, specialists should be coordinated in carefully associated groups. On the one hand, there will be needed experts in mathematics, physics, chemistry, and engineering, to provide the fundamental methods, physical laws, apparatus, and analogues necessary to research on man himself. But there must likewise be assembled correspondingly skilled men in the fields of biology, psychology, and medicine. The latter will define the problems, analyze them, and use their cumulative knowledge of science toward finding the solution.

Fortunately, significant beginnings have been made toward accomplishing these aims. An important instance of such integration of the various branches of science is found in the work of Norbert Wiener, a professor of mathematics at Massachusetts Institute of Technology. He has applied the theory, methods, and equipment used in the fields of communications and electronics to the study of biological processes. He has termed this new study of the behavior of living things, in the broad light of their communications aspects, "cybernetics," a term derived from a Greek word meaning the "steersman"—thus indicating the governing function of communications in living bodies.

Another instance of coordinated attack by physical and biological scientists has been made by the Sloan-Kettering Institute for Cancer Research and the Memorial Hospital in New York. I am happy to say that the research laboratories of the Radio Corporation of America are cooperating in this vital work. For this privilege we are indebted to Mrs. Albert D. Lasker, who first suggested the idea to me and arranged a meeting between the scientists of RCA and of the Memorial Hospital which led to this cooperative effort.

TOOLS NEED DEVELOPMENT

It is clear that the tools needed for any fundamental research of man himself will be complicated and numerous. Means will be required to measure many types of characteristics. Computing methods and machines must be supplied to deal quickly and easily with the many variables involved, and to discover the controlling relationships or laws. These tools will include electronic, electro-mechanical, electro-chemical, and acoustic devices. And there will be needed visual aids for the close observation of the human structure under extreme magnifications, as well as means for the deliberate and planned modification of body elements.

The control systems of electrical and electronic engineering, as well as the scanning processes used in modern television, offer great promise toward providing new methods for studying certain biological actions. Television scanning and its related techniques offer special possibilities in the realms of computation, and it is interesting to observe that computing machines exist which can perform some of the functions of the human mind—but far more swiftly than any mind can think. They can make calculations in a few seconds that would take the human mind months to perform. They can store more facts better than the human memory and make them available for use, when needed.

STUDY OF LIVING CELL

There are many lines along which such an intensive study of man might proceed. One of the most promising directions is to select that element in man which is found at the smallest end of the scale—namely, the living cell. Considered as a biological specimen, man consists of trillions of such individual cells. Each carries an indication of the nature, personality, and behavior of the individual to whom it belongs. Each cell also

carries some mechanism or structure which controls its own functions as well as its part in the life of that particular human being.

MAN'S COMMUNICATION SYSTEM

A group of cells, acting independently, would never function in any effective fashion. But the cellular assembly, known as an animal, is provided with an amazing intercommunication system. Somehow the cells, individually and in groups, are interconnected so that whatever messages and orders are required for their effective functioning and responses are carried from point to point.

Incidentally, the invention of the coherer, the first detector of radio waves, by Edouard Branly, French physicist, resulted from his rather accidental discovery when testing different theories as to how the nerves carry messages from the skin to the brain and back again. He observed that nerves are not continuous fibers, but are forms of neurons and synapses, massed closely, but not necessarily in contact. The coherer used in wireless telegraphy resulted from the application of that observation.

Branly was on the right track for it has been found that man's communication system consists of a number of groups or portions which operate concurrently. It is what communications experts term a "multiplex system." Thus there are communication channels, or neurons, which carry impressions of the outside world from the sense organ to corresponding cells within the central nervous system—the brain and spinal cord; and reverse communication channels from from this central system to the muscles, glands, and all other parts of the body. Scientists tell us that there are billions of cells in the brain which make possible the voluntary and involuntary functions of the individual. And, perhaps even more striking, there are additional channels which continually report back to the brain cells the extent to which a willed act has been or is being carried out.

Some of the present limitations of the human communication system are, however, most serious in their practical effects. For instance, the required speed of the reflex actions of the skilled combat pilot in the guidance of a fast plane, as well as the necessary accuracy in handling its armament, are rapidly reaching the point where human capabilities falter or fail. Men are literally too slow to respond accurately and safely to conditions which change radically in minute fractions of a second. Therefore their perception and translation into instant thought and action must be aided, perhaps by electronic devices of greater speed than man's internal communication system.

In studying the carrying of messages by the nerves of the human body, there is evidence that these normal carrier or excitation currents do exist. The electronic study of heart action by means of the electrocardiograph, and of brain conditions through the electroencephalograph, are of course conventional and accepted diagnostic methods. A study of nerve actions has revealed that there is generally a series of impulses passing through each neuron. The frequency of such impulses per second varies, as does their wave form. But the nature of these impulses and their frequency have definite meaning, both in health and illness, and have equally definite effects.

To understand more clearly the functions of these complex living systems, and their interrelations, there is need for more intensive study, analysis, and experimentation. It is within the realm of possibility that such investigations would teach us how to improve the functioning of the communication system of man himself. It might also teach us how to repair defects or how to substitute artificial channels for those that have been worn out or destroyed by accident or disease.

STUDY OF THE INFINITESIMAL

Wherever we turn, we discover additional evidence of the wisdom of working in the world of the infinitesimal, of studying the power of little things in the hitherto unseen, submicroscopic world. The molecules of the gene determine the major structures and capabilities of the individual. The civilization of Europe came near its end when the infection of the black plague—carried by then invisible and tiny agencies—turned that continent into a shambles of the dead and dying. More recently, the fission of the atom turned the harsh dreams of a ruthless empire into barren regrets.

By dealing with tiny things, man has released atomic energy and literally clasped hands with Nature. But he should be warned that unless his mastery of the other forces of the world of the infinitesimal increases apace, he may unintentionally annihilate his own dwelling place and himself. Even this solid earth might be reduced to glowing gas or drifting dust through lack of human knowledge and wisdom of how to control the forces within the atom. To paraphrase a famous saying: Never will so many depend so much on so little.

So we may be watching the birth of a new philosophical concept, based on dependence on the tiniest elements. Its human and physical significance may well be incredibly greater than that of the older modes of thought which centered on large bodies or theorized vainly and incorrectly about small ones.

USE OF ATOMIC ENERGY IN BIOLOGY

The course of research into the utilization of atomic energy in the human body has already begun, and it has progressed to a point where it is rapidly becoming significant. Physicists have learned how to make artificial radioactive elements. These materials break down, either slowly or rapidly, depending on their nature. In the breakdown process they release atomic energy in the form of rapidly moving matter of more or less powerful radiation. On an extremely minute scale they are the original atomic bombs.

These synthetic radioactive elements are now in ample supply. They can be introduced into living beings, and their action in the body studied by electrical, photographic, and other means. They open the door to a host of new biological and medical techniques. These substances have been aptly termed "tracers." In living organisms they act as "biological detectives" and reveal much that would otherwise be unknown. This is a branch of scientific investigation which is already in rapid evolution. It will facilitate the detailed study of body functions, metabolism, and circulation in the living animal.

In studying the effects of radioactive materials introduced into the human body, it was found that the effects of these materials on healthy tissue were often different from those on nonhealthy tissue. Admittedly this is an art in its earliest stages of development, and one requiring much research for the full realization of its potentialities. However, the medical results already obtained offer hope of startling advances in the future.

One may pass into the realm of speculation at this point by assuming that atomic energy will not only serve for the treatment of abnormal conditions of the human body but may be used to repel bacterial invaders and perhaps strengthen and stimulate normal cells and tissues. How far such tissues and their cells might be increased in their efficiency and probable life span, is so far unknown. Who can say how powerful and long-lived man may become as he learns further how to master these fundamental cosmic forces and to apply them to himself as well as to the outside world?

HELPING MAN'S NERVOUS SYSTEM

There is another field of conceivable application of atomic energy to the human body which is of particular interest in these days of storm and stress. This relates to modifications of man's nervous system. Under existing conditions, modern man is subjected, to an increasing and dangerous extent, to the need of living at high speed under continued and sometimes intense strain, and to the necessity for enduring these conditions for prolonged periods. Many persons suffer severely, particularly in their nervous systems, by the pace of life today. Sedatives and similar expedients are poor substitutes for a stronger, more enduring nervous system. Maybe correctly selected and applied forms of atomic energy will feed and strengthen our nervous make-up, thus helping us better to meet the pressures of life.

Today man is largely ruled by his emotional reactions. Perhaps, even the human brain can be strengthened in its relation to the remainder of the human controlling mechanism. If so, much good would come to mankind.

HUMAN BODY MAY BE POWERHOUSE OF ENERGY

So powerful an agency as atomic energy naturally encourages speculative thought as to its potentialities for other uses. It is stimulating to go beyond the frontiers of present-day knowledge and hazard a guess as to the future use by man of the vast atomic power within himself. This at least is certain: if man were capable of releasing and beneficially controlling even a minor portion of the atomic energy within himself, his powers would be tremendously enhanced.

What is more, there would be placed at his disposal a practically limitless reservoir of energy. Today, men face such questions as: Why does our individual store of energy deteriorate and our physical and mental powers progressively weaken until eventually we die? Often, old age and its cramped capabilities are inflicted too early in life. Could it be that our stores of energy are atomic in character? Could it be that through lack of our control of them they gradually decrease and finally fail?

It is well known that our cell structure gradually loses its orderliness as the years pass and that our power to restore energy within ourselves wanes. The injury, that heals in an hour in youth, may prove fatal in old age. It is fascinating to speculate that there may some day be discovered, processes of recharging human beings, through the use of atomic energy or other agencies, so that we may reform or repair our own constitutions, both chemical and physical.

Today our circulatory system must ceaselessly perform its appointed task in waking hours and in sleep. The pumping of our heart continues through the decades. But, in all too many instances, weariness or malfunction at last overtakes that faithful servant and we succumb. If, instead of the forces of limited scope which now keep our hearts at work, we had available greater stores of energy, the ultimate cardiac breakdown might be longer deferred.

If this seems too fanciful, we have but to reflect that plants feed on sunlight—a form of radiation. If radiation of one sort may bring into the world the beauty of a flower, the growth of a tree, and of food for our bodily nourishment, may not energy or radiation of another sort bring strength, order, and endurance into the human frame?

It is true that today we have no more idea of just how such a process could be carried out than primitive man had of the action of radio, television, or nuclear fission. But the unknown is not the unknowable. In the case of atomic energy, there is a strong intuitive feeling that this agency will yet lay rich stores of amazing gifts before us, if

only we have the determination to overcome the barriers which now guard these gifts.

IS MAN A SELF-CONTAINED COSMOS?

When we consider the external universe, and compare it broadly with an individual man, certain striking resemblances or even identities are found. This thought is less radical than it seems, for the universe, too, contains matter and energy moving in evolutionary trends. All parts of the universe influence each other. By the law of gravitation a central sun controls the paths and, the physical conditions of its satellites. Radiation profoundly affects the neighboring stars and planets. All are controlled by orderly evolutionary processes.

Each man is a self-contained aggregation of matter, endowed with certain stores of energy, and passing through a series of broadly predictable stages in his path through life. All parts of his body are manifestly coordinated by forces which, though of a nature that is still largely obscure to our biologists and biophysicists, nevertheless, exist and function with amazing orderliness. In fact, if one contemplates the complex and coordinated cosmos which we call man, one can truly be amazed that it functions effectively for even the briefest fraction of a second.

However, if we regard man as an evolving cosmos within himself, he seems to have capabilities and potentialities as yet unrealized. Thus the theory of the cosmic nature of man suggests the possibilities for speeding up these evolutionary processes.

HOPE FOR MAN'S IMPROVEMENT

In the history of mankind, the struggles of men often have been mainly for sheer survival. For his continued existence, man has needed food, shelter, and clothing. The world wars which devastated the earth have sprung primarily from the desire on the part of one or another people to control the limited resources of this planet. Vital resources are not evenly distributed on this earth and this fact has produced dissatisfaction and hatred.

With the increase in our understanding of the universe and of our mastery of the great forces of atomic energy, the struggle for mere physical survival should disappear. With freedom from this physical struggle, the opportunity for advancing mentally and spiritually will be immeasurably increased. With greater powers and better functioning of our physical bodies, may we not reasonably hope for a corresponding improvement in our mental capabilities and spiritual outlook?

In conclusion, I would like to repeat my belief that the new tools, including electronics and atomic energy, which science continues to make available put us on the threshold of new opportunities. Likewise, they impose upon us great obligations to use them constructively. The hour has come to bring their vast potential benefits to humanity through concerted and systematic research for the development of man himself. Only through such coordinated scientific efforts can man be assured of his survival in this atomic age and of the full use of his God-given powers to progress, to live in peace, and to fulfill his destiny.

Arab Refugees and Point 4

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following article written by Marquis Childs which appeared in the Washington Post of June 11, 1949:

WASHINGTON CALLING

(By Marquis Childs)

ARAB REFUGEES AND POINT 4

No one knows better than Dr. Ralph Bunche, the skilled United Nations troubleshooter, that the present peace in Palestine is no more than a temporary truce so long as certain causes of friction exist in the explosive Middle East. That conviction is behind a confidential report Dr. Bunche made after his return from his successful mediation of the Palestine war.

There can be no permanent peace, he reported, until some solution is found for the problem of the 700,000 to 800,000 Arab refugees who fled from their homes during the war. These refugees are now being cared for with United Nations funds in temporary camps that are seriously overcrowded.

The same conclusion was reached by George McGee, new Assistant Secretary of State for Middle East Affairs. McGee has just returned from a month in the Middle East, much of his time having been spent in a study of the Arab refugees and what to do about them.

A plan is being worked out, as yet carefully shielded from publicity, to apply President Truman's now-famous point 4 to the problem of what to do about the Arab refugees. Point 4 in the President's inaugural address, it will be recalled, proposed to apply America's advanced technical skill to retarded regions in order to raise living standards.

Trygve Lie, Secretary General of the United Nations, made a speech the other day intended to prepare the way for a point 4 plan for the Middle East. He was speaking at the University of Chattanooga in Tennessee and he took as his theme the great achievements of the Tennessee Valley Authority and the urgent need for the same approach in the impoverished Arab countries. Referring to point 4 and the presence of the refugees on the borders of Israel, Lie said:

"The interests of the new state of Israel, the newest member of the United Nations, coincide in respect to economic development with the interests of the neighbors with whom she has been in conflict. Lasting peace in Palestine, and in the whole Near East, cannot be achieved by any possible political settlement alone. It will require a comprehensive economic development plan that will harness the waters and other resources of the region for the benefit of all the people living there in the way that TVA has done for the people living in this valley."

Lie urged that with boldness and "the best speed possible," the valleys of the Jordan, the Tigris, the Euphrates and the Nile be developed with hydroelectric, irrigation, and flood-control projects. A somewhat similar proposal comes from the American Zionist Emergency Council in a memorandum prepared by Eliahu Ben-Horin urging the extensive development of Iraq as a home for the refugees.

A political issue arises here. Israeli officials until recently opposed the return of Arab refugees to communities within Israel from which they fled, making an exception for broken families, where the man of the household left behind his wife and children. They have just announced their willingness to restore a larger number in the framework of a general peace treaty.

The Arab countries insist that the refugees be returned to the villages from which they came. The deadlock might be broken by the kind of speedy action to restore the fertility of desert valleys that Trygve Lie called for.

But here, of course, you come up against politics in the United States. At the thought of going to Congress for a point IV appropriation, which would either be part of a UN fund or spent directly under American supervision, State Department officials look unhappy.

With the request for arms for western Europe added to aid for Greece, Turkey, and assorted trouble spots, the bill for foreign spending is already threatened with drastic economy cuts. But if a Middle-East plan is not worked out and the drift continues, then trouble will follow.

Therefore, all possible ingenuity must be used. Perhaps private capital could be interested in some form of investment underwritten by UN authority, this to be combined with a small initiating fund provided directly by UN.

The time is short. In August the fund now being spent to maintain the Arab refugees will be gone. Then at the very least a new relief fund will be necessary.

During the inflation it was argued that America could not spare equipment to be shipped abroad. Now in a deflationary period the economy argument is raised against any proposal to implement point VI. But leadership—and tangible, practical assistance—can only come from this country.

Paraplegic Housing

EXTENSION OF REMARKS

OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks, I include a letter I have received from two badly disabled veterans who are patients at Cushing General Hospital, Framingham, Mass.

These veterans are vitally interested in my bill, H. R. 3116, which would extend to those veterans who were paralyzed as a result of brain trauma the same benefits now enjoyed by paraplegic veterans whose disability was caused by spinal cord injury. Under Public Law No. 702, Eightieth Congress, the latter are given assistance in building houses specially adapted for paraplegics.

This was a most worthy and fine law, and through an oversight was limited to those paraplegics who had suffered a spinal cord injury. There are only about 25 of these combat-wounded veterans who were denied the benefits because their paralysis was caused by brain injury.

The two veterans who wrote this letter came to Washington several weeks ago to urge prompt consideration of the proposal. They met a number of Senators and Representatives and it is in answer to their questions that this letter is submitted. It follows:

FRAMINGHAM, MASS., *June 8, 1949.*

DEAR SIR: This letter contains information requested by Members of Congress during our interviews with them on May 25, 26, and 27. This information is meant to clarify certain points concerning S. 1938, a housing bill which was introduced in the Senate on our behalf, as well as H. R. 3116, introduced by Mrs. ROGERS in the House.

Among the issues then raised were the following points:

1. Why is this bill, which is, in effect, an amendment to Public Law 702, Eightieth Congress, necessary?

2. Approximately how many veterans would receive benefits from this new legislation?

3. What would be the approximate cost of this legislation?

4. Would this legislation further the rehabilitation of the veteran affected by it? If so, how?

5. Would it be possible for us to obtain a statement from a doctor who is familiar with the type of disability covered by this legislation containing information as to the direct and indirect effects of this type of injury, its degree of disability, degrees of permanency, and any other medical data which would be pertinent to it?

Our sources of information have naturally been limited by the time element involved, by the limited amount of information that is to be had concerning this rare type of case, and by the fact that this type of information is not ordinarily given to patients. What few sources were accessible to us, however, are authoritative.

1. Why is this bill necessary?

Public Law 702, as it stands now, provides for Government assistance in the planning and construction of homes for veterans of World War II, who sustained a service-incurred paralysis of both lower extremities due to spinal-cord injury or disease only.

There are others of us who returned from overseas with lower extremities paralyzed, but, because of the fact that we had been paralyzed as a direct result of a brain injury, rather than spinal-cord injury, the very small number of us that are thus afflicted are denied the benefits of this legislation.

As long as we are denied these benefits, it will be necessary for us to remain in Veterans' Administration installations or in soldiers' homes, because the homes that we left to enter the service are not adapted to the specialized needs of the handicaps we bear as a result of that same service. Until we too can build our own homes and provide therein for our specialized needs, we must continue to be a perpetual drain on the resources of our Government. With these new homes we would have a chance to become once again citizens with a hope of living as normal a life as would be possible; citizens with something to look forward to; and, more important, citizens with something to work forward to. In this role, we may be considered on the credit, rather than on the debit side of the community ledger.

2. Approximately how many veterans would receive benefits from this new legislation?

To the best of our knowledge, and with the help of the few available records, we believe that there are approximately 25 to 50 cases wherein paralysis is present in both lower extremities as a result of damage to the brain proper, that was incurred in actual combat or in otherwise service-connected instances.

3. What would be the approximate cost of this legislation?

Computed with the above statistics as a base for calculation, the cost would range from $250,000 to $500,000. In some instances, as the individual desires a smaller amount, the cost would be lessened appreciably. Inasmuch as it is at present costing the Veterans' Administration close to $7,500, to maintain the average case of this type in a VA installation for 1 year alone, the $10,000 required to afford him a place to live alone and at home seems to be a trivial sum by comparison.

4. Would this legislation further the rehabilitation of the veteran affected by it? If so, how?

Yes. This legislation will further the rehabilitation of the veteran affected by it. Rehabilitation, defined, is a "restoration to former capacities, privilege, or rank." A wheelchair patient has only one of two choices. He can either live in a hospital because of its necessary conveniences or build a home incorporating those same necessary conveniences. It has been proven that living in a hospital eventually results in physical and mental stagnation. The pride of living in one's own home is a stimulus and catalysis in restoring the individual concerned to a life of usefulness, self-sufficiency, and prestige.

Respectfully yours,

IRVING NANNIS
ANTHONY J. DIGLIO.

Federal-State Oil Leases

EXTENSION OF REMARKS
OF
HON. F. EDWARD HÉBERT
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1949

Mr. HÉBERT. Mr. Speaker, I herewith submit the two concluding articles by Bernard L. Krebs, of the New Orleans Times-Picayune, on the proposed grab of the coastal waters of the several States by the Federal Government.

FEDERAL-STATE OIL LEASES

(By B. L. Krebs)

(This is the fourth of a series of five articles)

A Federal Department of the Interior oil and gas lease on 2,415 acres of Kisatchie national forest land in Winn Parish awarded on February 1 of this year, is within half a mile of a well producing oil and distillate at the rate of $12,000 a month.

The applicant for the lease paid the customary 50 cents per acre for the first 3 years, or $1,208 rental for the tract of nearly 4 square miles.

This lease was one of three applied for July 12, 1946, 3 days before the Department of the Interior issued its departmental order No. 2225 on July 15, 1946, providing for the administration by its Bureau of Land Management of the acquired lands of the United States, transferred to it by the Presidential Reorganization Plan No. 3.

The three applicants were Ernest Villere, who obtained the lease near the producing well; Lester Pallet, who on August 11, 1948, was granted a lease on 1,649 acres of Kisatchie land; and Donald W. Doyle, who obtained 2,140 acres of forest land. All are residents of New Orleans, made their applications the same day, and all three applications were sworn to before the same notary public.

Validity of the Government's title to the minerals under the land is involved in a suit against the Nebo Oil Co., now pending in Federal court. This does not, however, affect the methods under which the Department of the Interior leases the minerals under public land.

The story behind the Villere lease goes back to 1932, when the Goodpine Oil Co. was organized, and Bodcaw Lumber Co. and the Grant Timber & Manufacturing Co. vested in it the title to the minerals under 101,000 acres of land in Winn Parish. They received stock in exchange, the Goodpine Oil Co. being in effect a holding company for the minerals.

In 1934 the Bodcaw Lumber Co. sold 74,048 acres of land in Winn Parish to the United States Government for the Kisatchie Forest for a consideration of $148,096, "subject to the sale of all the oil, gas and sulfur under all of the land conveyed herein * * * wherein Bodcaw Lumber Co. of Louisiana, Inc., was the vendor and Goodpine Oil Co., Inc., was the vendee."

Seven years later Goodpine Oil Co. leased part of the Winn Parish minerals to H. L. Hunt, in checkerboard quarter-sections. The rest of the minerals apparently had been turned over to Nebo Oil Co., controlled by the same interests that held Goodpine Oil. The lease to Hunt did not disclose the terms or conditions, but referred to a certain agreement between the parties hereto copies of which were in the possession of both parties. This undisclosed agreement, never filed for public record, was to constitute a binding part of the lease as though set out herein at length.

Hunt drilled a well, Goodpine F-24, which in June, 1942, was brought in as a producer of gas and distillate, which is oil in the form of vapor in the gas. The well was closed in for lack of a market. There is speculation in Winn Parish as to whether the electrical survey of the well also disclosed oil sands which have not been placed in production. The Louisiana department of conservation has a copy of the survey, which it cannot disclose under an opinion of the attorney-general without Hunt's permission, which Hunt has never given.

Not even the conservation department has seen the electrical surveys of five other wells which Hunt drilled on three sides of the gas-distillate discovery, and which were reported as dry. Where a well is abandoned as dry the operator is not required to furnish a copy of the survey to the State authorities.

Villere filed his application in June, 1946, after the Hunt discovery well in the Calvin field had been closed in 3 years. The land he sought was southeast of the Hunt well, in the only undrilled part of the Calvin area.

The Villere application was on a printed form issued by the Department of the Interior, and those of Doyle and Pallet were on exact typewritten copies of the same form. Among other statements contained in the forms was the following declaration, required by the Department as a basic condition for its leasing oil and minerals without competitive bids:

"To the best of my knowledge and belief the lands applied for are not within the known geologic structure of any producing oil or gas field and are believed to contain oil and gas."

The applications were referred to the National Forestry Service in due course for comment, with an answer requested by the Department of the Interior to the following question, among others:

"What information does the Department of Agriculture have as to a competitive interest in these (oil and gas) deposits?"

On March 12, 1947, the Forest Service, through L. L. Bishop, acting regional forester, replied:

Villere application—"High competitive interest. Well already producing gas 1 mile northwest of this area."

On the Doyle application, which was for forest lands in sections 27, 28, 33, and 34, township 11 north, range 5 west, L. E. Hoffman, chief of the Mineral Division, reported on March 25, 1947, for Lyle F. Watts, Chief of the Forest Service:

"Well is now being drilled to depth of 9,500 feet in T. 10 N., R. 2 W., section 21. Another well has already been drilled in T. 12 N., R. 5 W., section 24 and produces gas; and another one is now being drilled in about T. 11 N., R. 5 W., section 25."

The same report was made by Hoffman on the Pallet application, the words quoted above being repeated, and preceded by the comment: "High competitive interest."

The Villere application, which included land previously leased by the Goodpine Oil Co. to Hunt, stayed in the files of the In-

terior Department through 1948. Meanwhile, in April of that year the Government filed suit against the Nebo Oil Co. on land in another area of the forest, seeking to obtain title to the minerals originally sold to the Goodpine Co. in 1932.

It was contended by the Government that under Louisiana law minerals cannot be held separate from the land for longer than 10 years, unless they had been brought into continuous production. Since there had been no drilling and no production on the tract involved in its suit, the Government asserted, the minerals had reverted back to the land in 1942, and since the Government was owner of the land surface by purchase from the Bodcaw Lumber Co. in 1934 it had become the owner of the minerals when the 10-year prescription went into effect. This claim of the Government is being contested by the Nebo Oil Co. against which the suit was directed.

Hunt's long-closed discovery well in the Calvin area assumed sudden importance at the close of 1948. Tennessee Gas & Transmission Co. had built a long-distance natural gas transmission line through the area, and made a contract with Hunt to purchase gas from the Goodpine F-24.

The well was reopened January 1, 1949, and by the end of the month had produced 80,000,000 cubic feet of gas and 2,862 barrels of distillate, worth conservatively $12,000.

On February 1, with the Hunt well in active production, the Department of the Interior made up its mind about the Villere application, after 2½ years. The lands sought to be leased did not fall within the known geologic structure of a producing oil or gas field, it decided, therefore it was precluded by law from asking for competitive bids.

The lease thereupon was signed over to Villere.

FEDERAL-STATE OIL LEASES

(By B. L. Krebs)

(This is the fifth of a series)

In July, 1948, the State mineral board of Louisiana, at competitive bidding, leased 2,700 acres of land in the eastern end of Lake Salvador, south of New Orleans, to the Union Producing Co. It received a bonus of $275,000 and an overriding royalty of one forty-eighth in addition to the regular one-eighth royalty.

Immediately to the north of this lease, again at the eastern shore line of the lake, Union Producing Co. obtained an additional 1,000 acres as a second lease from the State, for a bonus of $40,000 and an overriding royalty of one forty-eighth.

The average return from these two leases, covering the first year only, was $85.14 per acre.

Immediately adjoining the leases, within the shore line, is a tract of 322 acres of land which has been owned by the United States Government since the days of the Louisiana Purchase.

Six months after the State had obtained a bonus of $85.14 per acre for the first year only, plus an overriding one forty-eighth royalty on water bottoms in the lake the Bureau of Land Management of the Department of the Interior leased the Government's acres.

It obtained from Tidewater Associated Oil Co. 50 cents per acre for 3 years, and no override.

The Government's return from this lease for a 3-year period was $161. This is in accordance with the Federal leasing law, which provides that leases can be let at competitive bidding only if the land is within the geological structure of a producing gas or oil field.

Had this Government land been under control of the State of Louisiana, and been offered at a public letting in accordance with State law, it should have brought $27,000 for the first year and half that amount for each of the two succeeding years, unless drilled upon in the meanwhile.

The Lake Salvador leasing demonstrates certain vital differences between methods of the State of Louisiana and of the Department of the Interior in making oil and gas leases, which State authorities believe make them vastly more competent to administer the 6,000,000 acres of tidelands in the Gulf of Mexico, off the shore line of Louisiana.

The State leases are limited to 3 years, except in the tidelands themselves, where 5-year leases are granted because of the greater difficulties encountered in exploration and drilling.

By requiring a rental for the second and third years equal to half the bonus, the State discourages the bidding in of State water bottoms for speculative purposes.

The Union Producing Co. leases, for instance, must either see the start of drilling by July 8 of this year, anniversary date of the letting, or the company has the alternative of surrendering them or paying the second year's rental in order to hold them without drilling. This would be $137,500 for the 2,700-acre lease at $85.14 per acre, and $20,000 for the 1,000-acre lease at $40 per acre.

Again at the end of the second year, if drilling had not started, the same alternative would confront the lessees.

Union Producing Co., in fact, has already started drilling a well on its 2,700-acre Lake Salvador lease, which is cheaper than holding on to it and paying the State of Louisiana $137,500 for a second year's rental in July. But had the water bottoms of Lake Salvador been under control of the Department of the Interior, the leasing situation as between the State and Federal Government, with the tract undrilled for 3 years, would have been:

Under State leasing, bonus $275,000; 2 years' rental, $275,000; total $550,000.

Under Federal leasing, no bonus; 3 years' rental at 50 cents per acre, $1,350.

At that time the holder under State lease, not having drilled the acreage, would have to surrender it, and the State could try some other bidder (as has frequently happened).

But the holder under Federal lease, not having drilled in the 3-year period, could pay an additional 25 cents per acre, or $675 for the 2,700 acres, and hold them another 2 years. After that he could pay $1 an acre, or $2,700 and hold them the sixth year, and so on up to 10 years.

These policies of the State mineral board, in conjunction with the mandatory provision of the law requiring public advertisement and bidding on all State lands, have almost entirely eliminated the speculator and the middleman. When the State leases its lands for mineral development—and that is what the State wants—it is assured that the tract will be drilled in 3 years or the land will be returned.

The situation in the Gulf of Mexico off the coast of Louisiana is analagous to this. A brief 4 years ago the first tidelands leases were made—after competitive bidding. Little was known of the productivity of these submerged ocean acres.

Drilling platforms cost a million dollars each to build—and one was toppled over in a hurricane, and another million-dollar operation went up in fire when a well blew out.

Transportation methods to get oil ashore, once it was in production, had to be developed—one platform with three flowing wells was on restricted production for 2 months when stormy weather interfered with the barge fleet carrying oil to shore, and closed in wells sanded up.

New techniques for subsurface exploration had to be devised—in the first geophysical operations it was found that the gulf waters distorted the sound waves, giving erroneous maps or pictures of the underground formations.

The reason for the great development that has taken place in the offshore area, in the opinion of Louisiana officials, is to be found in the application of State leasing policies that had already proven effective for the inshore water bottoms.

With the bonuses from tidelands leases averaging $23.51 per acre at the last letting of the State mineral board, prior to the filing of the Government suit to take the tidelands away from Louisiana, the question as to whether development of a lease by drilling would more likely result under State practices or under Federal regulations can be determined by the following:

Customary tidelands lease, 5,000 acres.

Bonus and rentals in five years under State regulations at the October, 1948, price for leases, if not drilled sooner, $352,650.

Rentals (no bonus) for five years under department of interior leasing law, at 75 cents per acre, $3,750.

These are the reasons why the State of Louisiana, conscious of its 757 tidelands leases covering 2,000,000 acres of Gulf water bottoms, its $36,000,000 in bonuses and rentals collected in four years, its 17 known areas already discovered in the Gulf either producing or known to be capable of producing oil and gas, its 26 wildcat wells now seeking oil in new areas in the Gulf waters; and looking at the Department of the Interior "50 cents per acre" leases, says to the Federal Government:

"The tidelands belong to us.

"But if you are trying to take them away from us, not merely to cut-in on these oil-rich areas as a lot of people think, but only to see that they are properly developed, as you claim:

"You had still better leave the business to us."

Freight Absorption—News Report on Address by Senator O'Mahoney

EXTENSION OF REMARKS

OF

HON. EDWIN C. JOHNSON

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Thursday, June 23 (legislative day of Thursday, June 2), 1949

Mr. JOHNSON of Colorado. Mr. President, recently the Senator from Wyoming [Mr. O'MAHONEY] delivered a most timely and significant address before the luncheon session of the Chicago Association of Commerce and Industry on the general subject of freight absorption.

I ask unanimous consent to insert in the Appendix of the RECORD the Chicago Journal of Commerce of June 23 news report quoting from the Senator's speech under the glaring headlines "Freight cost assimilation held urgent." Also the report of the Chicago Daily Tribune.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago Journal of Commerce of June 23, 1949]

FREIGHT COST ASSIMILATION HELD URGENT—O'MAHONEY CALLS DELAY COSTLY

(By Harry Adams)

Senator JOSEPH C. O'MAHONEY declared yesterday that early action on his bill to legalize freight absorption is necessary to

prevent present uncertainty on the issue from having a dampening effect on general business.

He told a luncheon session of the Chicago Association of Commerce and Industry in the La Salle Hotel that the longer action is delayed on his measure the worse it would be for business.

"As the economy climbs down from its all-time high," he said, "any action that promotes uncertainty also tends to promote unemployment."

STRIKES AT UNCERTAINTY

Senator O'MAHONEY stressed the fact that one of the main purposes of his bill was to abolish uncertainties among Government officials and business leaders on the status of delivered prices and freight absorption.

His bill contains a simple declaration that it shall be lawful for a seller, acting independently, to quote or sell at delivered prices or to absorb freight. Action taken in a collusive agreement by a group of sellers would be unlawful.

Senator O'MAHONEY said delivered prices and freight absorption of themselves are not fundamentlly wrong. He added that he could see where these practices could be used in a conspiracy in restraint of trade.

WARNS OF F. O. B. PRESSURE

If his bill is not enacted, the Senator warned, an argument now being used that an f. o. b. method is the only legal pricing system would continue to circulate. This means uncertainty on the issue that could be detrimental to business, he said.

Senator O'MAHONEY's bill has been passed by the Senate. It was approved Tuesday by the House Judiciary Committee.

[From the Chicago Daily Tribune of June 22, 1949]

O'MAHONEY HITS MUDDLE OVER PRICING—URGES ACTION BY CONGRESS

Congress should clear away the existing confusion and uncertainty regarding the basing point and f. o. b. price systems so that business and industry can get its bearings, Senator O'MAHONEY (Democrat, Wyoming) warned yesterday at a luncheon meeting of the Chicago Association of Commerce in the LaSalle Hotel.

He said recent decisions of the United States Supreme Court leave doubts in the minds of many businessmen regarding their legal rights in pricing their goods. Under the basing-point system, producers quote delivered prices and absorb freight on some distant shipments to meet competitive prices. Under f. o. b., prices are quoted at the factory and the buyer pays the shipping costs.

COURTS CREATE DOUBT

Until a year ago the basing-point system was in wide use throughout the country. Then several court decisions created doubt regarding the validity of such prices. Shortly afterward the steel industry generally abandoned basing points. Some industries followed, but others did not, legal opinion being sharply divided on the exact meaning of the court decisions.

O'MAHONEY, recalling the Supreme Court's 4-to-4 decision in the Rigid Steel Conduit case, said that when "the Court is divided 4 to 4 on a question you can understand why businessmen and their legal counsel might have some varying opinions in this matter."

"What we need more than anything right now is to promote the investment of private capital in business and industry," O'MAHONEY said. "With the Court divided 4 to 4 on a question that affects business and industry throughout the country, there is created a dampening effect on investment because of the uncertainty and confusion."

He believes widespread adoption of the f. o. b. prices would "utterly upset business and would be a disturbance of great magnitude."

He is author of a bill which would permit delivered prices and freight absorption provided "that this shall not make lawful any combination, conspiracy, or collusive agreement, or any monopolistic, oppressive, deceptive, or fraudulent practice."

The measure, which the Wyoming Senator believes is a "definite restatement of existing law and the least possible disturbance to business," has passed the Senate and is in the House Rules Committee for assignment to the Legislative Calendar.

Columbia Valley Administration—Statement by Hon. Charles W. Hodde

EXTENSION OF REMARKS

OF

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Thursday, June 23 (legislative day of Thursday, June 2), 1949

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement by Hon. Charles W. Hodde, speaker of the House of Representatives of the State of Washington, before the Senate Committee on Public Works on the Columbia Valley Administration bill, on June 22, 1949.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF CHARLES W. HODDE, SPEAKER, HOUSE OF REPRESENTATIVES OF THE STATE OF WASHINGTON, BEFORE SENATE COMMITTEE ON PUBLIC WORKS, ON COLUMBIA VALLEY ADMINISTRATION BILL, JUNE 22, 1949

Mr. Chairman and members of the Committee, my purpose in appearing before you with relation to Columbia Valley Administration legislation stems from the very real necessity of continued and rapid progress development of the Pacific Northwest. Previous development in the region sponsored by the Federal Government and the necessity of rapid expansion of industry during the war has brought us a population increase and established a trend in population movement that our resource development is not keeping abreast of at the present.

With little over a million and a half population 10 years ago we have nearer two and a half million in the State of Washington today. Our burdens as a State are heavy due to the increase. We are forced to make large investments in schools, State institutions, and public facilities. Our State tax system depends largely on excise taxes for its revenue. Our income is directly related to business activity. Our unemployment rate is high because of new people in the region and our failure to provide industry opportunity in proportion to our increased population. Locally, we will spend several hundred million in new construction of facilities within the next 5 or 6 years. Our welfare problem is acute. Costs are over $100,000,000 per year. Much of this is due to migration of opportunity seekers from other States. They are good citizens but not the most affluent. In the State of Washington, we can meet these problems properly only if we get our opportunities back in balance with our numbers.

With the rapid development that must be accomplished comes the very real problem of proper coordination of all related resources in the region. There is definite danger that failure to establish coordinated development will result in irreparable injury to some resources. Production of power is, at present, the greatest problem, but failure to consider related subjects concurrently will lead to serious impairment in the future.

Soil erosion is not a theoretical but a very real problem in the Northwest. Fish and wildlife are definite business assets. Recreation is an industry. Reforestation is in the national interest and development in mineral production is very important. Some of these resources are not especially regional in importance, but their development is essential to the national welfare and must be coordinated and considered with every development in the region. Improper location of dams can make mineral resources unavailable and failure to attend to erosion problems will eventually make dams useless.

Most of us interested in State government are very jealous of our local prerogatives. Some are of the opinion the States should be the ones to plan and carry out regional development. In the two most important respects, the States are incapable of doing this. They do not have the financial ability nor the authority to carry out the necessary work. The development of the Columbia Valley involves international agreements inasmuch as a large part of lower Columbia water originates in Canada.

An illustration of the failure of proper jurisdiction for a State to develop its own facilities lies in the fact the Columbia River, greatest development project in the region, actually forms the boundary between the two largest States in the region. In the relatively small matter of the Columbia River salmon industry, the States have worked for years in an effort to coordinate their programs without very satisfactory results. A compact of the States involved would be unsatisfactory unless the larger States were dominant in the organization and if they were, the smaller States would be but poor relatives in the program. The proposed act does not prohibit any State from doing anything they can now do to enlarge on the powers of the Federal Government. It would make more effective the work of both.

A minority, composed largely of the same people and groups that have opposed Federal development of power in the past, are being very vocal in opposition to the CVA. The Governor of the State of Washington has publicly opposed it on occasion. The Governor is a fine fellow and undoubtedly sincere, but his election was occasioned by other matters in no way related to this problem. To my knowledge, all the other elective State officials are supporting the Columbia Valley bill. Almost all of the members of the legislature elected at the last election are supporting it.

In the Washington State Legislature, the house passed a memorial to Congress approving the CVA last spring by over a two-thirds vote, and it included the votes of several members of the Governor's party. Probably out of deference to the governor's personal opposition, the Republican-controlled State senate did not bring the matter to a vote. As you must realize, the question of centralization of Federal authority is being used to develop opposition to the CVA when the actual result would be to give the operation much more local activity and place the administration in a position where it would be reached by the thoughts of the region affected. Government furnishes a basis for composite public thinking, and doing a regional authority is the only vehicle that can adequately do this without becoming so far removed that considerations of elements extraneous to the region are in danger of becoming controlling factors. It is the proper compromise between centralization and provincialism. The proposed act would make mandatory certain considerations of local opinion that is not present in current statutes. The committee would find the people of the region agreeable if any

way can be found to still further guarantee this local recognition. I only point out that this act moves in the proper direction in this respect and would be distinctly better than the present situation.

May I say, in closing, that the opposition to this CVA is, in reality, opposition to public-power development. May I also call your attention to the fact that those people that said that when Grand Coulee was being built that we would never use the power sat in their homes last winter with lights dimmed to conserve power. Areas of similar size to the Columbia Valley with fewer and less varied resources are now supporting many millions more people. The degree of underdevelopment in this area compared to its possibilities is unbelievable, but this very fact gives us the opportunity to do a better job. Where little is done, there is little to undo.

Process of Obtaining Fresh Water From Sea Water

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES
Thursday, June 23 (legislative day of Thursday, June 2), 1949

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter addressed to me by Mr. John J. Beckman, an attorney of Portland, Oreg., and the material referred to in his letter, relating to obtaining fresh water from salt water.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *May 3, 1949.*

Hon. WAYNE MORSE,
United States Senator,
Washington, D. C.

MY DEAR SENATOR: I have been watching for come time with great interest the various articles written on procuring enough water to take care of California and Arizona. One particularly that came to my notice was about the separation of salt and other solids from sea water. Last evening Lowell Thomas made some mention of it over the radio. So far as I have seen, no one has even speculated upon world-wide importance of the success of a process to obtain water from the sea. I have written a short article about this which I believe is self-explanatory, and also am enclosing a copy of a digest of Dr. Clift's article of the separation of the salt from sea water which was the subject of his address before our State college.

The more I think of it, the more I believe that the mobilizing of our scientists and universities to work out this problem is as important for us now as the atom bomb. It takes a man of your vision to bring about a general appreciation of what such a process would mean, not only in Congress, but among the people generally.

If you are interested, perhaps you might have this article of mine inserted in the CONGRESSIONAL RECORD. They tell me that some people do take occasion to read it. Please understand that I have no interest in this matter in a financial way, nor have any of my clients. I merely want to be of some help as I can.

With kindest regards and best wishes, I am,

Sincerely yours,

JOHN J. BECKMAN.

THE SEA FLASH PROCESS—V. S. CLIFT, UNIVERSITY OF SOUTHERN CALIFORNIA

Because of the current interest in the development of supplemental water supply for the Los Angeles area, a process of obtaining fresh water from sea water by use of modification of the Claude process has been investigated. In the process warm surface water is raised by siphon and vapor lift through a deaerator into a low-pressure flash drum where a small amount vaporizes and passes overhead to a condenser. The heat of vaporization is supplied by cooling the much larger amount of unvaporized water. The cooled reject water leaves the flash drum and is discharged to the sea at a subsurface level. The vapor from the flash drum enters a surface condenser shell and is condensed by cooling water brought up from the depths of the ocean. Since the water from the lower depth is at a lower temperature than the overhead vapor this condensation is possible. The only external power needed is for the pumping involved, including, (1) overcoming friction in the cooling water pipe, (2) overcoming the P in the condenser tubes, and (3) the removal of the condensate.

On March 31, the Journal published a front page article of a statement by William E. Warne, Assistant Secretary of the Interior which he made at Riverside, Calif., to the effect that the waters of the Columbia River could be utilized by transportation of especially built tankers to thirsty southern California and Arizona. Both States are contesting the allocation of water from the Colorado River. Some irrigators are now paying $40 per acre-foot for water. The tankers could deliver for $150 or less per acre-foot.

California is desperate. Arizona is desperate. Probably so it is in Nevada. Admittedly it is so in many other regions fairly contiguous to the sea. An equally chimerical idea has been proposed to use a pipe line to bring the waters of the Columbia from some point below the Bonneville Dam into California. The cost in either case would be well nigh astronomical.

Why not, at least, explore the possibilities that seem quite obvious?

Nature provides water for the land in the main part by evaporation from the sea, the transportation of this evaporation in clouds over the land, and precipitation, all through a combination of temperature and winds. Much of this water which comes from the sea is returned to it by the various rivers that we have. However, nature seems not to act with exactitude and precision, and we do have years of drought as well as of devastating floods.

It can be seen at an instant that if water could be annually provided from the sea to more or less arid areas, on an economical basis, this would practically amount to insurance against drought, year after year.

Recently there have been some advances in attempting to solve this problem. In January of this year at the Oregon State College there was a conclave of the student chapter of the American Institute of Chemical Engineers, consisting of students from some eight western schools who were all pursuing courses in chemical engineering. At that meeting, many papers were presented, and one of these reports was The Sea Flash Process for Obtaining Fresh Water From Sea Water. This was presented by Mr. V. S. Clift, of the University of Southern California. In the main, the process he described was to raise surface sea water by siphon and vapor lift through a deaerator into a low pressure flash drum where a small amount vaporizes and passes overhead to a condenser. The heat of vaporization is supplied by cooling the much larger amount of unvaporized water. The cooled reject water leaves the flash drum and is discharged to the sea at a subsurface level. Now this is an idea for a start, but as we well know, there is no limit to plumbing the secrets of nature. Separation of salt and other solid materials from water might well be brought about by some sort of catalyst or electrolytic process. Probably more efficient ideas may be developed.

We have, for example, the fact that people even from the time of Leonardo da Vinci have experimented with the idea of flying machines and it was on the principle that such a machine would have to imitate the bird in the way of flapping wings, and until it was discovered that the real reason that birds could fly was because of forward motion which created a vacuum over the wings and supported the bird, and then the rigid heavier-than-air flying device came into being. We have also observed that the atomic bomb which suddenly ended the last war was worked about through slowly discovered principles of Nature. No one has ever seen an atom, and further, no one has ever seen the constituents of an atom in the way of protons, electrons, and neutrons, and yet scientists have been able to say with assurance that certain types of atoms contain so many of each of the elements named.

Now, in view of the urgent necessities of certain regions of our own country, particularly the Southwest, it would seem that the Federal Government should mobilize all the great scientists and universities of this country into an intense and determined effort to discover an economical way to utilize the water of the seas for irrigation and other purposes. The cost of this would no doubt be just a drop in the bucket compared to what it cost to develop the atomic bomb and would be of infinitely more benefit to this country as well as the whole world.

Just something less than 3 years ago, King Saud of Arabia brought something like 60 or 70 county agents from this country who developed a 3,000-acre project around an oasis that converted it into a veritable Garden of Eden, which was supposed to be originally located somewhere around that area. They used American methods of farming, such as tractors and power-propelled machinery and other methods well known to us here. This is an indication as to how swiftly many countries could be made self-sustaining if we could utilize the waters of the sea. For instance, northern Africa, Arabia, Iran and Iraq, India, and the vast continent of Australia. In northern Africa alone, there is enough rich land which would be capable of feeding and providing for practically all of Europe, particularly the Balkan countries.

The people of any land who are self-supporting and able to provide themselves with the necessities of life are inherently indifferent to propaganda of any kind and care little or nothing about shouldering a musket.

The possibilities of this are tremendous. It would tend quite shortly to neutralize anything that Russia might attempt to do; make these satellite nations, that they dominate now, insist on being independent and reduce our own taxes through less cost of the Marshall plan, which, though the hope is thrown out that it will be gradually reduced in expense, just doesn't seem logical to be early terminated the way things are. Then too, there would be also the resultant diminution of cost of being the mightiest fighting nation in the world. If we could only get our Congress and the people of this country generally alive to the possibilities of utilization of the sea, and if our scientists and universities were financed to point the way, it would be well worth while. More than that, it would solve most of the world's perplexing problems.

In his inaugural address, President Truman said: "The supreme need of our time is for men to learn to live together in peace and harmony. * * * Democracy alone can supply the vitalizing force to stir the

peoples of the world into triumphant action, not only against their human oppressors but also against their ancient enemies—hunger, misery, and despair."

Here is the answer, if the brains and ingenuity of our scientists do just this thing which seems so fundamentally possible.

JOHN J. BECKMAN,
Portland, Oreg.

As the Editor Sees It

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. VURSELL. Mr. Speaker, with leave to extend my remarks, I am attaching hereto an article written by the editor, Mr. John D. Lope, of the Albion Journal, of Albion, Ill., in which he discusses the effort of certain people in New York City to ban Oliver Twist and the Merchant of Venice from the New York City schools.

It is important in the fact that it shows how clearly small-town newspaper editors and the people they serve are able to think in an atmosphere far removed from the metropolitan centers.

The article follows:

We read in the news dispatches that a society for the prevention of this or that is seeking to ban Oliver Twist and the Merchant of Venice from the New York City schools. They claim a couple of characters in these classics portray an unfair and intolerant picture of the Jewish race.

Which is a lot of "malarky."

Literature is supposed to mirror life—it can't be whitewashed—no story can be successful without conflict. Boy must meet girl—then lose girl, then get girl again. You've just got to have a villain. And to ban two perfectly good yarns—and they are just that—we know because once upon a time many years ago, we read both of them and liked them—merely because the villain happened to be Hebrew, is just as silly as to outlaw them because the menace was Italian or French or Ku Klux or of good old 100 percent tobacco chawing, long rifle lugging descent.

Shylock was no lily pure angel, and we'll admit that Fagin was far from an admirable character. But why pick on them?

Carry that line of reasoning to its final and logical conclusion and you'll ban all literature, except perhaps the Elsie Dinsmore series, and we will be fresh out of villains and almost everything else.

We'll wind up with no books at all—because if two volumes that have earned their places in the hearts of generation after generation can be banned because a race thinks that the villains are a personal slur at all of their people, some other race can think the same of some other book—and just as legitimately demand it's suppression.

When will minority groups quit insisting upon being minority groups, get the chips off their shoulders and settle down to being Americans—and we mean Americans without a prefix of some other nationality?

The melting pot is what made America great—and it functioned until the New Deal, with its divide and conquer policy, conjured up the minority group propaganda.

Now this group and that group whines that it is being persecuted and demands special favors as proof that it isn't. And usually it gets them.

So if it soon becomes illegal to read Portia's speech about the quality of mercy to the boys and girls of New York State, we're going to start agitation to ban "Harvey" from being played in Illinois.

We think the author made light of rabbits and as a rabbit lover and a rabbit out-of-the-hat snatcher we resent it.

Public Must Make Selves Heard To Cut Government Costs

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. DONDERO. Mr. Speaker, the House of Representatives has just granted me permission to extend my remarks in the CONGRESSIONAL RECORD. As a part thereof I include an editorial appearing in one of the great daily newspapers of the Nation—the Detroit Free Press—on June 19, 1949.

One of the most outstanding editors of national fame, John S. Knight, sounds a timely warning and, I hope, not in vain. Restraint in Federal spending does not exist. Collapse of our economic system or change in public thinking and demand alone can halt the trend which ultimately will bring wreck and ruin to our people.

The editorial follows:

PUBLIC MUST MAKE SELVES HEARD TO CUT GOVERNMENT COSTS

Each month, the National City Bank of New York publishes a thoughtful letter on economic conditions and Government finance. In the current issue, it foresees a probable deficit of $5,000,000,000 between tax revenues and Government expenses, even though the Government's prospective income is eight times larger than in 1939.

"This," says the National City Bank, sedately, "is an alarming trend."

This, say we, is a disastrous trend.

Unless it can be curbed, and quickly, Russia's fond dream that economic collapse will overtake the United States may not be as fantastic as it seemed a short few years ago.

The curse of the Nation today is big Government, a force far more sinister in its impact upon our daily lives than either of those twin whipping boys, big labor and big business.

Until the work of the Hoover committee was completed, few people paid much attention to the dangers of Government extravagance. Today, there is a growing awareness that if big Government is permitted to run hog wild, as it has for so many years, the crushing burden of the individual taxpayer will be more than he is able to shoulder.

According to the Hoover reports, the executive branch of Government employs 2,092,180 people who are distributed into 9 departments, 104 bureaus, 12 sections, 108 services, 51 branches, 460 offices, 631 divisions, 19 administrations, 6 agencies, 20 commissions, 19 corporations, 5 groups, 10 headquarters, 20 units, 3 authorities, and 263 miscellaneous and functionally designed parts.

A few examples of the disorganized manner in which these bureaucracies function may be interesting:

1. Two different Government agencies, the Army engineers and the Bureau of Reclamation, each drew up plans for the building of a reclamation project at Hell's Canyon, Idaho. Each set of plans cost the taxpayers a quarter of a million dollars. When completed, cost estimates differed in the amount of $75,000,000.

2. Not so many months ago, Congress appropriated money for a project in the Middle West on the assumption that it would cost $44,000,000. The actual cost turned out to be $131,800,000.

The Hungry Horse project in Montana grew from an estimated $6,300,000 to a final figure of $93,500,000, more than 15 times the original estimate.

3. Construction costs of Government hospitals run as high as $51,000 a bed as compared with $16,000 to $20,000 per bed for voluntary or private hospitals.

4. In a private insurance company each employe handles an average work load of 1,762 policies. In the Veterans' Administration, each employe handles only an average of 450 policies.

5. The difficulties of getting rid of incompetent or superfluous help in a Government bureau are appalling. It requires an average of 7 months to fire an incompetent worker. Some have held their jobs as long as 17 months by resorting to the appeal method. In one of the bureaus, it was found that 24 subordinates receive as much salary as the head of the department.

6. The Bureau of Ships in the Navy Department is financed by 27 appropriations, many of which have no apparent connection with it.

7. The Veterans' Administration offered no explanation of a request for an appropriation of more than $1,000,000,000 other than the title, "Salaries and Expense."

8. The Government pays 100,000 employes more than $270,000,000 a year to store and issue supplies. Fortune magazine says that most agencies have enough of certain supplies on hand to last them 1 to 50 years.

9. The Army requested $1,298,000,000 for the National Guard in 1950, as compared with $197,000,000 in 1949. Of this amount, $529,000,000 was set aside for the purchase of 1,567 M-46 tanks at $337,500 a tank. An investigation disclosed that most of the money was to be used in retooling industry to produce tanks—even though the Ordnance Department obtained permission in 1946 to retain the Detroit Tank Arsenal built during the war at a cost of $48,000,000 and was also given a large allotment of tools.

10. Government records in 1948 filled 18,000,000 square feet of floor space—the equivalent of six Pentagon Buildings. The rental value of this space is estimated at $20,000,000 a year; the value of the filing equipment in it at $154,000,000.

The Hoover report charges that the Government's housekeeping job is performed without central direction, under no orderly system, and with enormous waste.

Shocking as these examples of Government waste may seem to you, they represent only a few of the evils which are undermining our national solvency.

The chief threat lies in appropriating more money for welfare measures and reform than can possibly be paid for out of current Government income.

A continuation of this fantastic unrealism can only mean higher taxes, or deficit financing. In the end, it means insolvency.

Who is to blame? Where does the responsibility lie for such a sorry state of affairs?

In my judgment, it rests upon the President, the Congress, and the people themselves. Here is why:

1. The President, despite his own unfortunate personal experience in bankruptcy, seems to believe the resources of the country

are great enough to finance not only his welfare measures but the rehabilitation of the rest of the world as well.

It has long been evident to any informed citizen that Truman's campaign pledges and recommendations to Congress could be financed only in a period of boom-time prosperity. Now that the bite is on, the President and his economic advisers seem confused as to which course of action should be taken.

Publicly, he has not receded from his demand for $4,000,000,000 in additional taxes, even though new levies would constitute an additional load on business in a period when it is steadily declining.

The President has consistently scoffed at advocates of economy as typified in his remark that there are too many Byrds in Congress. Truman's reference to his fellow Democrat, the senior Senator from Virginia, was intended as a warning to other members of his party not to monkey with his spending program.

As President of the United States, Truman has set the political pattern for his followers in Congress and is therefore responsible for the fact that our country is living beyond its means.

2. Congress, both Republicans and Democrats, cannot avoid sharing a good measure of the blame. Members of both parties have voted for needless appropriations in order to serve their personal interests at election time.

Even Senator WHERRY, of Nebraska, the great economizer, voted against Senator PAUL DOUGLAS' proposal to cut the pork-barrel bill 40 percent.

Every Congressman knows the only way to reduce the budget is to eliminate useless functions of Government. Thus far, Congress has been anything but courageous in facing the problem. Last Thursday's vote giving the President broad powers to reorganize the executive branch of the Government shows, however, that Congress is finally catching up with the public's demand for retrenchment. It is an encouraging development.

3. Finally, the people themselves cannot dodge the responsibility for the extravagance of their Government.

Until the recent economic pinch set in, they were indifferent to the manner in which their taxes were spent; soft-headed over Truman security.

Even businessmen believed that Federal aid in the form of grants to communities and States was a sort of largesse that came from the Great White Father in Washington without costing them hard-earned tax money

As "good" citizens, they lobbied tirelessly for more Government funds.

No one seems to have given much thought to the fact that when more and more Government services are demanded by the people, someone has to pay for it.

They are learning now.

Big Government in the United States must be cut down to size. It is trying to do too many things at once, and in too ambitious a way.

The excuse that a 5-percent cut across the board would hamper vital functions of Government is nothing but drooling bunk. Every businessman knows it can be done without impairing the efficiency of his establishment.

Why should you pay out your hard-earned money to support waste and extravagance in Government? You don't handle your own affairs that carelessly.

Let your voice be heard. Write, telegraph, or call up your Congressman. Tell him how you feel. Be insistent that he vote against the spenders. Accept no excuses. Remember, he is supposed to work for you, not you for them.

If enough of you get tough-minded about it, those ear-to-the-ground public servants of yours will begin to listen as they did last Thursday in passing the reorganization bill.

For your convenience, a blank addressed to President Truman will be found on this page.

Use it! Let the President know that here in Michigan the people have decided the spending spree is over.

JOHN S. KNIGHT.

Is So-Called Brannan Plan the Brain Child of Wallace, Baldwin, Tugwell, et al.?

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. SHAFER. Mr. Speaker, the much-publicized Brannan plan is the brain child of Henry Wallace, Rexford Tugwell, "Beanie" Baldwin and other repudiated New Deal planners, according to word that has reached Members of Congress from responsible persons within the Department of Agriculture. They say it was written when Wallace was Secretary of Agriculture, then buried, only to be resurrected by Mr. Brannan when he became head of the Department. Dusted off, it is now to be "sold" the American farmer, regardless of cost, to "bring prosperity and prevent depressions," as a 1950 election issue. If the plan will bring prosperity and prevent depressions, as Mr. Brannan and his propagandists claim, then why wait until 1950 to put it over? In view of present conditions, it is needed now.

The fact is, the Administration already has a farm program, passed by the Eightieth Congress, if they will give it a chance to work—the Aiken-Hope law. When it was passed by the Republican Congress, it was supported by a majority of the Democratic Members of both House and Senate, and leaders of farm organizations. It also was endorsed by the then Democratic Secretary of Agriculture. Later, the Democratic National Convention and the President, himself, went on record in favor of the principle of the Aiken-Hope law.

Recently a greatly publicized meeting was held in Des Moines, Iowa, to inaugurate a campaign to put over the Brannan plan. It was not only attended by Washington officials, but also hundreds of AAA, SCS, REA and other Federal employees, all of whom made the trip on Government time, at the expense of the taxpayers. The meeting turned out to be a political rally rather than a session to study farm problems. Of all the farm leaders working on the farm question, and farm economists of the agricultural colleges in the Middle West, not one was invited to attend the meeting or consulted regarding farm legislation.

Mr. Brannan has had months to work out the details of this Wallace-Tugwell-Baldwin plan, but according to observers at Des Moines he was unable to reveal a single definite item on the cost. He did not answer charges that milk subsidies alone would cost the taxpayers nearly $2,500,000,000. He refused to hazard a guess on the cost of guaranteeing his miraculous income standard on corn and wheat surpluses. He merely asked the farmers to buy a mirage which he labels "prosperity," without any mention of cost to the taxpayer or without any mention of probable socialistic regimentation. Of course, AAA, SCS, REA, and other Government employees will now go forth among the farmers to sell the so-called Brannan plan. They will do it because they will be paid as employees of temporary bureaus who hope not only to perpetuate their jobs, but to take over through its subsidies, its controls of production and marketing and farm profits, in fact, the entire Nation's food production.

Leaders of independent farm organizations have repeatedly charged that Government employees are paid to administer laws and have no right whatsoever to set themselves up as a policy-making, law-drafting group. Farmers do not want their future dependent on the whims of political planners who, within a single year, have revised their own publicly announced platform. Farmers still resent the killing of little pigs, ordered by the Wallace-Tugwell-Baldwin combination 15 years ago, and they will resent the dictatorial controls Mr. Brannan proposes.

If the Democrats do not like the present Aiken-Hope farm program, why did they endorse it in the first place? Here is what the Democrats said in their party platform:

> Specifically, we favor a permanent system of flexible price supports for agricultural products, to maintain farm income on a parity with farm operating costs.

And here is what President Truman recommended on May 14, 1948:

> A permanent basis for a system of flexible price supports for agricultural commodities.

The Brannan plan repudiates the principle of flexible supports—and also the Democratic platform itself. The Des Moines meeting was stacked with men who are on the Federal pay roll, and who were instructed on how to sell the already-repudiated ideals of Wallace, Tugwell, and Baldwin.

As has been well said, when we start writing programs of this sort in Washington and then poking them down the people's throats, we can no longer call our Government a republic.

Editorial Comment by Washington Star on Speech by Hon. James F. Byrnes

EXTENSION OF REMARKS

OF

HON. BURNET R. MAYBANK

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, June 23 (legislative day of Thursday, June 2), 1949

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Our Coming Struggle," published in the

Washington Evening Star of June 23, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OUR COMING STRUGGLE

The speech which James F. Byrnes made a few days ago at Washington and Lee University, and the subsequent debate which it provoked in the Senate, have not received the attention they deserve.

Some of Mr. Byrnes' remarks were reported in the press. Unfortunately, however, although it is understandable enough, attention was centered on those of his remarks which seemed to be directed in criticism to certain aspects of the Truman legislative program. But Mr. Byrnes was talking about something more important and more fundamental than particular items of a particular program of legislation. And it is this which really deserves attention.

Here is a man whose thinking has been influenced by rich experience in all phases of American public life. Mr. Byrnes was an influential figure in both House and Senate. If not a New Dealer in the extreme sense, he had much to do with the implementation of what we call the New Deal. He served on the Supreme Court. He was at the very center of the war mobilization effort. Finally, he entered the Cabinet as Secretary of State and was a close adviser to the President.

Now the public phase of his career is closed. When Mr. Byrnes spoke at Washington and Lee he spoke as a private citizen, without partisan interests to serve. But he also spoke from a fullness of experience which commands respect for his appraisal of this country's basic political issue and its underlying causes.

It would be an exaggeration, perhaps, to say that Mr. Byrnes is frightened by the political dangers which he envisions. But certainly he is deeply disturbed. He believes that the philosophy of life and the attitude toward government of our forefathers, the men who laid the foundations of this country's greatness, have been forgotten. Their concept of a self-reliant people is dying out. In its place, as he sees it, there is growing up a society bent upon securing special privileges, a mounting clamor for Federal aid in furtherance of one special project or another. He describes the term "Federal aid" as an opiate—an opiate which blinds the people to the fact that there can be no Federal aid except as it comes from their own pockets, and which renders them indifferent to the curtailment of liberty which is apt to accompany the expanding proposals put forward in the name of the public welfare.

This philosophical break with the past, this new public attitude, is cited by Mr. Byrnes as one of the basic dangers confronting us.

The other danger concerns the reaction of politicians to the public mood. "Unfortunately," says Mr. Byrnes, "each political party tries to outpromise the other." That is true, all too true. But it is one thing to diagnose a political ailment; another to prescribe a remedy. Our recent political history seems to indicate that the people want more and more from the Government. And it also seems to indicate that the way to win elections is to promise the people what they want. If that is so, what prospect is there that any major political party will campaign on a program of self-denial, or, if it should do so, that it could hope to win an election?

The debate in the Senate came after Senator ROBERTSON, of Virginia, put the Byrnes speech in the CONGRESSIONAL RECORD. Some of the Republicans suddenly discovered in Mr. Byrnes qualities of statesmanship which theretofore had escaped their notice. So Senator PEPPER, of Florida, took the floor in behalf of the administration.

In contrast to some of his oratorical efforts, the Florida Senator, on this occasion, did an admirable job. He was both restrained and persuasive. It may be doubted that anyone in the Senate could have done better in defending what has been undertaken in the public-welfare field and the good intentions underlying this effort. But he did not really get down to the basic question—the question of where this kind of Government activity, once set in motion, can be stopped short of the kind of statism which everyone wants to avoid.

Senator CAPEHART, of Indiana, made an interesting point at this juncture. He recalled that when the Senate was debating the first Federal income tax the issue was whether it should be fixed at 3 or 4 percent. Someone suggested that it might be well to prescribe by law a limitation of 10 percent. President Wilson urged that this not be done because, he said, "that will be an invitation immediately to go to 10 percent." The intentions of the Senate in 1913 were moderate and good, but the Federal income tax now goes up to 91 percent.

It is essentially the same problem with which we are faced today. How and where is this trend of the people toward reliance on the Government, instead of relying on themselves, to be stopped? Will not the assumption by the Government of ever increasing responsibility for the welfare of the people lead necessarily to an ever growing demand for power to regulate the lives of the people?

This was what Mr. Byrnes had in mind when he spoke of a coming struggle between those who believe in individual freedom and those who subordinate the individual to the dictates of government. It is a struggle to which none of us can afford to be indifferent. For no matter how good our intentions, if the decision is in favor of more and more Government activity, and less and less dependence by the people on themselves, there is real danger, as Mr. Byrnes said, that today's free American "will soon be an economic slave pulling an oar in the galley of the state."

Action on Genocide

EXTENSION OF REMARKS
OF
HON. MARGARET CHASE SMITH
OF MAINE
IN THE SENATE OF THE UNITED STATES

Thursday, June 23 (legislative day of Thursday, June 2), 1949

Mrs. SMITH of Maine. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Action on Genocide," published in the New York Herald Tribune of June 18, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ACTION ON GENOCIDE

The brutalitarian modern state has posed a problem which the world hoped had vanished with the ancient conquerors, who marked their armies' track with mountains of skulls. It can no longer be assumed that victory in war or politics will not be followed by sheer extermination of the vanquished, or that the moral sense of mankind is sufficient to prevent mass murder in cold blood. But if the human race has discovered within itself the seeds of atavistic savagery, thinly disguised under theories of racial superiority or the "dictatorship of the proletariat," it has also found the means to express its higher aspirations in law. It is thus that the United Nations drafted its convention against genocide, the crime of attempting to destroy a national, ethnical, racial, or religious group." And, at last, this convention has been presented formally to the Senate of the United States for ratification.

It was in large part through American initiative that the genocide pact was drawn up. Ratification, to demonstrate that this Nation "is prepared to take effective action on its part to contribute to the establishment of law and justice," in President Truman's words, is the logical and necessary next step. The American people have sought through their representatives in the UN to embody their abhorrence for the crime of genocide into a treaty; they expect the Senate to seal the task without delay. The danger of group destruction will not, of course, be ended by this document. It is, however, a step, and an important one, toward a genuine code of international conduct—one which will proceed from the principle that there are crimes which nations cannot commit, crimes which cannot be excused as an exercise of national sovereignty, or condoned because the offenders are too many, or too powerful.

Pegler Ignores the Forest

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Buffalo Evening News of June 13, 1949:

PEGLER IGNORES FOREST

A number of readers have asked recently why the Westbrook Pegler column is no longer used regularly in the News. One factor in this decision was aptly summarized, paradoxically, in Mr. Pegler's own column the other day by a "guest columnist," the Reverend William J. Smith, S. J., who has frequently criticized what he calls the anti-union bias of the columnist's writings.

Father Smith gave all credit to Mr. Pegler for his diligence in exposing rackets, for his valid attacks on union abuses and for generally making his readers racketeer conscious. But then he made a charge that no friend or sponsor of Pegler could deny—that he "long ago * * * lost sight of the forest for the trees and the end result has been the formation of an antiunion mentality among a vast multitude of the reading public."

As a reporter, a digger for facts, Mr. Pegler is still one of the best in the business. But as an opinion purveyor, his viewpoint on certain subjects has seemed to us so bitter that the News has felt it could no longer sponsor him as a regular columnist.

Mr. Pegler, to be sure, spoke for himself and not for this newspaper. The News publishes many columns with which it does not necessarily agree, and some with which it sharply and frequently disagrees. But it does feel obliged to insist that the columnists it sponsors keep within the bounds of good taste, and that their viewpoints be reasonably tenable and constructive within the realm of the known facts. In the field of labor relations, particularly, Mr. Pegler has grown so obsessed with union abuses that he not only has "lost sight of the for-

est for the trees," but he seemingly can see no comparable trees of abuse in the rival forest of industrial management. He has made himself, in short, an antiunion special pleader.

The News has never shrunk from printing legitimate news of racketeering in labor, industry, or anywhere else. When Mr. Pegler has such news to offer, we deem it a privilege and duty to publish it. But when he adds up specific instances of union abuse into a general and one-sided condemnation, we part company with him, as we would with anyone who turned an attack on specific business abuses into a general indictment of the free-enterprise system.

Letter From Polish-American Congress

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following letter I have received from Mr. John M. Groom, president of the eastern Massachusetts district, Polish-American Congress, Inc.:

POLISH-AMERICAN CONGRESS, INC.,
June 21, 1949.

The Honorable THOMAS J. LANE,
House of Representatives,
Washington, D. C.

DEAR SIR: It is almost a decade since the Nazi hordes dealt a cruel blow to peace by attacking their Polish neighbors, abetted by the treachery of Soviet Russia. The heroic resistance of Poland against overwhelming odds and her uncompromising defiance of her enemies constituted an epic unrivaled in the annals of mankind, but this heroism cost that nation dearly, for 6,000,000 of her people vanished and found peace in cold graves.

Despite all this sacrifice and the immeasurable aid rendered to its victorious allies, the Polish Nation still remains enslaved, and the tragic plight of that nation is of deep concern to all who believe in justice and fair play. For the vast number of Polish-Americans it is a matter of grave concern, compelling them to speak out through their leaders for a righteous cause.

The Polish Nation, held in an iron grip of Communist dictatorship, cannot raise its voice for it is silenced, but we hear the voices of her oppressors which proclaim unity and love of the Soviet and hatred and defiance of the Christian world.

So, even at the risk of prickling the sensitivities of this, our beloved country, it is only right and proper to demand correction of the grievous errors committed by our leaders in making the pacts of Tehran and Yalta the instruments binding the Polish Nation to the Soviet slave caravan.

So appalling is the tragedy of the nation which President Roosevelt once called the inspiration of the world that we Polish-Americans stare uneasily and fearfully every time a conference of ministers is held. We fear that again, as in the past, compunction will give way to expediency, and in trying to woo the Germans to our side, our diplomatic elite may try to accomplish this at the expense of Poland and deprive her of her western territories which historically belong to her, but which were supposed to have been given her as compensation for her loss of eastern Poland to Soviet Russia.

Poland must not again be deprived of justice because of her enforced status as an iron-curtain country; we speak in defense of the Polish nation's interest and not of the present regime. There must be hope that as the future unfolds Poland is destined to be free once more, for her people will not succumb to the hateful immoral communistic ideology.

Therefore, on the behalf of the many thousands of Polish-Americans who live in this area, we feel impelled to call upon you that you may use your great office and your influence so as to prevent any further inroads that would inflict further adverse justice upon the Polish nation.

To phrase the above in short: We of the Polish-American Congress steadfastly hold that the territories of western Poland between the rivers Oder and Nisse are hers historically and ethnographically, and have finally been returned to their rightful owner. We also hold that the Tehran and Yalta agreements are not valid and highly immoral, and therefore must be repudiated by the Congress of the United States.

Sincerely yours,

JOHN M. GROOM,
President, Eastern Massachusetts District, Polish-American Congress, Inc.

Arms and Money for Atlantic Pact Countries

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, Henry Hazlitt, writing in Newsweek for May 30, 1949, points out there quite properly that the commitments made to the Atlantic Pact countries have been forced upon us by the belligerent attitude of Russia. These are grave and tremendous commitments, but there seems to be no good reason why we had to promise both monetary and military aid at the same time. Under leave to extend my remarks, I am including this challenging and interesting article by Mr. Hazlitt:

ARMS AND THE MONEY

(By Henry Hazlitt)

The commitment we have made to defend the integrity of western Europe has been forced upon us by the Russian threat. It is a grave and tremendous commitment. In return for it, our negotiators had both the right and duty to ask heavy quid pro quos. Instead, they assumed that they had to promise monetary and military aid in addition in order to bribe western European governments to accept the tremendous pledge from us for which they have been begging ever since 1914.

If western Europe has a will to defend itself, it will have little trouble in finding the means. The $1,130,000,000 grant that we have promised them for the first year is after all only 3 percent of the present total governmental expenditures of the Atlantic Pact nations. They can easily make that up by cutting less essential things out of their swollen governmental budgets.

On the other hand, as I pointed out in a Newsweek article of April 4, there is no way in which we can insure that either the money or the equipment we contribute would actually result in a net increase of European armament by that amount. To the extent that we free European governments from the necessity for military spending, we release just that much more of their resources for bigger social-security schemes, bigger food subsidies, bigger nationalization deficits, or what not.

It is now being argued that we can solve this dilemma by insisting that each beneficiary European government spend on armaments in the next fiscal year, say, at least as much as we contribute, in addition to the amount it has already been spending in the current fiscal year. But it is dubious policy to try to force any country to spend more on defense than it thinks it ought to spend. This could easily give rise to the unwholesome belief in that country that it was spending large sums on defense, not for its own self-preservation but as a favor to us. It might also tend to encourage bookkeeping fictions under which government expenditures were charged to the military budget that did not in fact belong under that budget.

If our administration is none the less determined to go ahead with its $1,130,000,000 military-aid program, then Congress, instead of adding this to the already dangerous burden upon our taxpayers, should take it out either of our proposed military budget of $15,300,000,000 or of the $5,430,000,000 authorized for the ERP.

Consider the military budget first. For a single year it already equals the military expenditures for the entire 19 years from 1922 through 1940. Must our military budget now be larger still? Does it make any sense to assume that our military expenditures with the Atlantic Pact must be actually higher than without the Atlantic Pact? Even if we do not assume that the Atlantic Pact in effect adds the existing military expenditures of western Europe to our own, can we not assume that if we transfer a billion dollars of our defense expenditures to Europe, it at least removes the necessity of spending that billion dollars here?

Finally, if the administration refuses to take this $1,130,000,000 out of the home military budget, Congress could take the whole amount out of the $5,430,000,000 authorized for the ERP. It could simply authorize the beneficiary European governments to use up to this amount of their ERP funds for buying armament from us instead of other things. As it is, we are about to throw most of this $5,430,000,000 away anyhow.

We are turning it over to European governments to meet a trade deficit that they themselves have brought about by exchange control with overvalued currencies. Our ERP funds, in short, are being used in the main to subsidize and prolong a vicious totalitarian device that strait-jackets economies, retards recovery, and makes impossible the free multilateral flow of world trade.

The further burden on our budget involved in the proposed European armament-aid program is without logic or excuse.

Housing Bill

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. JAVITS. Mr. Speaker, the bipartisanship of housing is again indicated by the following editorial in the New York Herald Tribune of June 17:

TIME TO MEND THE ROOF

The arguments for a public housing program that have been sufficient for the last

5 years hold with still greater force as the House, at long last and for the first time, prepares to face this legislative proposal. The opposition in the House to any housing program now finds it expedient to express its hostility in terms of the cost of the program. That cost has been atrociously misrepresented. But even assuming that capital grants for slum clearance and annual subsidies to secure low rents would come to around one-third of a billion dollars annually, the benefits to hard-pressed cities and ill-housed families would be cheaply bought, and the maximum rate of contributions would not exceed 1 percent of the present Federal budget. Poorly bargained economies are not a cloak of respectability in this case. Such arguments lack sincerity when found in the mouths of legislators who last year opposed the same program on the ground of its alleged inflationary effect. They too closely resemble the old saw about the right time to mend a leaky roof. We are more impressed when individuals so widely separated in ideology as Senator TAFT and Walter Reuther realistically plead for the bill as a necessary economic weapon in fighting back a slump in house building.

Any short-term arguments will fail to fit a long-range program like that proposed in the housing bill the House is about to consider. We have too long delayed attacking the twin problems of slums and the housing shortage. The sooner we get on with them the better. The legislative issue in the House is not the details of this program, but a declaration of national policy within which more precise determinations of program can later be made. That decision cannot be shirked. We hope it will be favorable.

Praise for President Truman's Calmness

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1949

Mr. KLEIN. Mr. Speaker, under consent, I am inserting in the CONGRESSIONAL RECORD sage comment from Samuel Grafton as published in his daily column in the New York Post Home News of June 21, 1949, and with it a brief extract from a new book, "Strategy for Liberals," which appeared in the Post immediately under Mr. Grafton's column, and is so apropos that perhaps the make-up man placed it there deliberately.

What Sam Grafton says makes sense to me. It follows:

I'D RATHER BE RIGHT
(By Samuel Grafton)

I am glad President Truman feels that the wave of hysteria which is now sweeping the country over the questions of disloyalty, subversion, etc., is going to pass away. I don't know whether this wave of fear is going to end quite as automatically and obligingly as the President seems to think. But, as I say, I'm glad he thinks so; if a Chief Executive can set styles, as sometimes happens in hats or necktles, then perhaps he can set a style in calmness, too.

The plain truth is that we have been living, politically, in a melodrama for the last year or two, and the President has perhaps dealt it a hard blow by indicating that he is bored with it. A melodrama can stand anything but that. If it can't keep the customers on the edges of their seats, it is a dying show, and the President's yawn may turn out to have been a first-rate political contribution.

The theme of the melodrama in which we have been living is that the great questions of human destiny can be decided, in our age, by a sinister figure creeping down a back alley at night. The idea is that the fruits of 175 years of our history can be blown up, if we are not careful, by one person's dirty work, by our failure to shut a window somewhere, or to notice a clue. Under this conception everything that Washington labored for, and Jefferson, too, everything that Lincoln struggled to achieve, and that we, all of us, have built with our hands, can be set at naught by any nondescript rascal with a mind to do us dirt. It was for this, then, that mankind struggled up out of the original muck, and went through an agony of thousands of years—to build a structure that can be knocked down by any casual individual outfitted with a secret number and an expense account.

It is a pretty spectacular piece of plotting, and I can see that it has its fascinations. After all, what is the function of melodrama? The function of melodrama is to make us forget the real drama of life. The mind that is tired of the realities of the struggle to win success in life finds refreshment in a tale of a criminal who can ooze through locked doors, and of a detective who can catch him by sniffing the wind. Politically, a good many of us have spent the last year or two curled up in a hammock with a detective story.

For such as these, the human drama has ceased to be a story in which nations win success by standing up manfully against their problems, against homelessness and depression. Life has become something like a rattling good yarn, instead; a much more garish, more superficially exciting tale, in which the great questions of our destiny are decided not in the innermost places of our hearts, but in the hall bedrooms of plotters and spies. Give us, we say to the invisible librarians of our spirit, none of your dreary stories about the long, hard struggle of mankind to solve its age-old problems; let us have, instead, a corking good tale of cops and robbers.

I am willing to admit that there are probably odd characters around who would like to do us harm, but it is my strong feeling that the police are probably well equipped to deal with them, and I have never heard it stated as a principle of law enforcement that an aroused or perhaps even hysterical public is of any great assistance in this type of work. Yet—let us admit it—it is sometimes hard to turn from Sherlock Holmes to Hamlet, from the fascinations of incident to the terrible strains of decision, from stories which are too frightening to be quite real, to problems which are so real as to be rather frightening.

PAGE PROOF

(From Strategy for Liberals, by Irwin Ross, to be published tomorrow by Harper & Bros.)

We must not only overcome our economic maladies; we must do so in a fashion that furthers political democracy. The goal must be economic stability in a setting of expanding freedom—the full dinner pail and free speech, not one at the expense of the other.

In recent years, the concept of the mixed economy has been advanced as a new answer to this old need * * *. The mixed economy would promote planning, abolish depression and unemployment—without threatening anybody's freedom. It would allow us to raise our economic sights without debasing our political morality. It would give the Government enough power to mastermind the economy, but not enough to mastermind the lives of its citizens. The mixed economy, in short, would combine the traditional virtues of both socialism and capitalism. * * *

For years Sweden and New Zealand have offered a rare counsel of sanity. They have proved that a mixed economy could work. It has been a laboratory demonstration, to be sure, under especially favorable, if not controlled, conditions. Other countries—America, particularly—may not be able to repeat the experiment quite as readily. But in a world threatened by an extremist smash-up it has been a laboratory demonstration well-nigh invaluable.

IRWIN ROSS.

The Atlantic Federation

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Thursday, June 23 (legislative day of Thursday, June 2) 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD two thoughtful editorials on Atlantic federation, one from the Houston Post, the second from the Anderson (Ind.) Herald. As we approach consideration of the Atlantic Pact, I hope Members of Congress will consider and act upon this necessary further step.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Houston Post of March 28, 1949]

ATLANTIC FEDERATION?

A resolution, sponsored by a group of distinguished Americans, will be introduced in Congress, asking President Truman to call a conference of representatives of the signatories of the Atlantic Pact to explore the possibilities of forming an economic as well as a military union of the western democracies. Congress should pass the resolution without delay and Mr. Truman should have no hesitancy in calling the conference.

Behind the movement to weld the western democracies into a compact group are such men as Houston's W. L. Clayton, who has had wide experience in international affairs; Owen J. Roberts, former Justice of the United States Supreme Court; and Robert P. Patterson, former Secretary of War. They are looking beyond the necessity of meeting the immediate peril involved in Communist aggression to a long range program designed to lay the groundwork for permanent peace.

If there is any virtue in the old adage about there being strength in union, the more closely the world's democracies are bound by political and economic ties, the better will be their chances of successfully meeting the challenge of communism. That challenge, it appears, must eventually be met on both military and economic grounds.

The pending Atlantic alliance will take care of the military phase. The Atlantic union committee is probably right in contending that military measures alone are not enough and it seems plain that in the prolonged struggle shaping up between the opposing ideologies, it will be necessary to pool economic resources as well.

At any rate, the proposal should be considered with open mind, thoroughly discussed and deeply pondered. An international convention to explore just how far the western democracies could wisely go at this time to form a true federation, would

bring the issue into the open. Something might be evolved which would make brighter the prospect of a world of peace and plenty.

[From the Anderson (Ind.) Herald of May 10, 1949]

STARRY-EYED, BUT SOUND

The movement initiated by a group of national figures to promote a federation of the present signatory nations of the North Atlantic Defense Alliance is an attempt to put into immediate and practical use the spirit of collaboration which the alliance pact contemplates chiefly on potential military grounds. The names of the backers of the North Atlantic federation are impressive, including former Associate Justice Owen J. Roberts, of the Supreme Court, ex-Secretary of War Robert P. Patterson, ex-Under Secretary of State Will L. Clayton, etc. There is no question of the lofty purpose of these men or their group—nor, for that matter, can the exalted idealism of other movements of global perspective and harmony-aspiring nature be questioned. The world can never have too many sincere idealists; some are ultravisionary, their heads in the clouds, their feet unbound to earth. Some are plain crackpots. A reasonable proportion inevitably are practical folks, working on a sound basis, ever cognizant of realities, never ignoring human nature, wary of the label of perfectionists.

The fundamental principles of the North Atlantic federation of the now more closely cemented democracy-loving and communism-fearing nations is the same as promoted by the World Federalists, the latter merely covering more terrain, paying less heed to military collaboration, and being not so much concerned with political philosophies. These and similar movements envision a slight surrender of national sovereignty by granting a degree of mutual intergovernmental direction to a joint organization. The basic idea rose and waned with the League of Nations, but will not down. Here in the Middle West are many sensible, rational persons valiantly sure the ultimate answer to world peace lies in just such an amicable union.

Why Renew Draft?

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. SHAFER. Mr. Speaker, according to the following article from the Michigan State College News, selective service plans to renew the draft in order to get men with better education in the armed services. Here is what the article says:

RUTHVEN SAYS DRAFTING WILL RESUME SOON

Drafting of men under the Selective Service Act will be resumed, possibly by June of this year, predicted Dr. Alexander Ruthven, University of Michigan president, in a speech before the annual banquet last Tuesday (May 10, 1949) of Michigan Alumni Club of Lansing.

He further predicted that in a year's time a plan would be instituted under selective service which would "exempt men from draft to attend recognized institutions of higher learning, provided they pass competitive examinations."

According to Ruthven, voluntary enlistments are filling the numerical needs of the military, but armed services educational requirements are not being fulfilled.

The reason for reopening the draft would be to obtain men with more education, he said.

I cannot quite understand, Mr. Speaker, why there should be talk of renewing the draft when the March 25 issue of United States News reported that the Army and Air Force has raised physical standards for enlistees and were accepting men only if they get a 90 grade on their mental tests. Even with these standards, said the United States News, there are one-third more eligible applicants than the Army is able to accept.

I agree with the following editorial which recently appeared in the Christian Century:

Peacetime conscription must be set down as a costly and unnecessary fiasco, which should not be repeated. On the record, this departure from American precedent was not justified and it should not be extended. The Selective Service Act expires on June 30, 1950, and the Army has indicated that no more men will be drafted before that time. As a matter of fact, the armed services now have in uniform 49,000 more men than the President has asked for, and his budget request of funds for 1,616,000 was high enough to satisfy any reasonable person. Since selective service conscripted only 32,569 men before it stopped drafting, and has now ceased operations in the field, the question might legitimately be asked what that department plans to do with the $27,476,700 which is its appropriation for the current fiscal year. The fact that this Government organization used 4,861 full-time paid employees, 1,303 part-time workers, and 35,115 volunteers—a total of 41,279—to draft 32,569 men indicates something of the sort of thing Congress led the people of this country into by its adoption of this legislation. Since the law runs for 2 years, it must be admitted that it wasted at least $50,000,000 in money, to say nothing of its harmful effects of a less tangible but no less important kind. That being the case, it is not too early to begin consideration of what is to happen when the present act expires a little over a year hence.

Housing Legislation

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. MULTER. Mr. Speaker, the following are the first three of a series of articles written by Mr. Charles Abrams and appearing in the New York Post Home News. Mr. Abrams is one of the foremost housing authorities in the country. His articles are most apropos and I commend them to the attention of every Member of this House:

WHY SOCIAL LEGISLATION RUNS OBSTACLE RACE

(By Charles Abrams)

WASHINGTON, June 10—I spent the last few days here seeking the answer to one of the most perplexing developments in the American political system. A technique seems to have been perfected for blocking social legislation in Congress, though it may have the strongest popular approval.

Between 1939 and 1948, a public housing bill passed the Senate on three separate occasions only to be throttled in the House each time. The Senate has now passed a housing bill for the fourth time by the overwhelming vote of 57 to 13.

Despite this, the House Rules Committee this week refused to release the bill for a vote. Because the House recently curbed the Rules Committee's power, the housing bill will nevertheless reach the floor in 2 weeks, but political observers believe the committee's delay has damaged the measure's chances and that despite the telling victory in the Senate, the House vote will be close.

That the overwhelming Senate vote reflects the people's attitude seems confirmed by the fact that 41 separate State legislatures representing a population of over 120,000,000 people have adopted public-housing legislation and set up housing authorities. The current measure has the overwhelming approval of the United States Conference of Mayors, and in a questionnaire circulated last year by Senator WAGNER (Democrat, New York) more than 80 percent of the governors polled, and almost all the Nation's mayors, favored the legislation.

Why the marked difference in attitudes between the Senate and the House, each of which is supposed to be speaking for the American people? Here are some of the answers:

Senator DOUGLAS (Democrat, Illinois): "Rural districts are overrepresented in important House committees where members sit on the basis of seniority. They are often reactionary and do not speak for the people. When a Senate committee reports a bill it automatically reaches the floor. There is a more enlightened group of Republicans in the Senate—men like TAFT, TOBEY, FLANDERS, and AIKEN who have given public housing their intelligent leadership."

Senator SPARKMAN (Democrat, Alabama): "A Senator represents both city and rural districts. He speaks the will of the people in his whole State. Some Congressmen haven't any public housing in their districts, yet they are on strategic committees or wield influence on the floor. Another thing—a growing wave of reaction against spending is sweeping the country and this is being used to curb social legislation. I've been amazed at the misinformation being spread about on the cost of the public-housing program. Some of it I've identified, of course, as stemming from those who make their living out of trumping up false issues."

Confirming the opinions of DOUGLAS and SPARKMAN, three southern Democratic members in the House Rules Committee, all serving through seniority, kept the housing bill from reaching the floor this week. Joining the Republican opposition in the Rules Committee, Representatives COX (Georgia), serving for 13 terms; COLMER (Mississippi), 9 consecutive terms, and SMITH (Virginia), 10 terms, voted to keep the bill pinned in committee. COX represents a rural district, COLMER a rural and resort area, SMITH a district heavily populated with Government employees who do not vote in Virginia but who are counted in establishing SMITH'S district.

CLIQUE DOMINATION

Joseph McMurray (secretary to the Senate Banking and Currency Committee and to Senator WAGNER): "Some congressional districts are dominated by a single powerful individual or a clique that controls the Congressman's renomination. The Congressman is more easily pressured than a Senator, who is often apt to be the policy-making member of the party by virtue of his position. His longer tenure of office makes him less sensitive to lobby pressure. Young progressives too often consider Congress a stepping stone instead of a career, leaving strategic positions to House diehards."

But there were other experts here whose reasons were less scientific, particularly when assured their name would be withheld. One

said: "There has been a great deal of money thrown around lately by the real estate lobby in the form of 'lecture fees,' counsel fees to Congressmen, and in other ways."

Another said that if the number of Congressmen who have been made counsel or directors of building and loan associations were disclosed it would shock the country.

Lee F. Johnson, executive vice president of the National Housing Conference, said: "Give the credit to the real-estate lobby. Congressmen are easier to get at. The power of the building and loan associations, with their $1-,000,000,000 of assets and the 'favors' they can offer, can't be written off easily. Nor can the power of the real-estate boards. Together they make up the most unscrupulous lobby the people have ever faced."

REAL ESTATE LOBBY IS PRESSURE GROUP CHAIN

(By Charles Abrams)

WASHINGTON, June 13.—President Truman has called the real estate lobby the most vicious in the country. Yet few people know who is behind the lobby and whether it is the real force behind the blocking of housing legislation in the House on the four occasions such bills passed the Senate.

The real estate lobby is actually a group of lobbies, no one of which really represents real estate owners. Many owners in fact do not oppose public housing. The National Association of Real Estate Boards, however, guided by suave and persuasive Herbert U. Nelson, proudly takes credit for being the lobby as well as for representing real estate.

In reality, Nelson's organization is a loose alliance of local real estate boards dominated by brokers. When Nelson, with much fanfare, tried to organize real estate owners into a National Home and Property Owners Foundation, he failed miserably.

Nelson's NAREB, however, is only a single link in a bigger lobby chain. NAREB's function is that of the whipping boy for the lobby. He openly advertises himself as a lobbyist and takes the spotlight from the real powers who work less openly with individual Congressmen.

Nelson's effectiveness is not to be underestimated. The income of NAREB has swelled handsomely since it made public housing its main target. Its 1948 receipts are close to $408,000, and among its expenses is an $80,000 item allocated to services described as "department of education," "department of public relations," "committee work and policies," "research and services," "professional and contractual services."

NAREB is lodged in a fine stone building at 1737 K Street, in Washington, where the services of 13 girls and a host of assistants turn out antipublic housing copy. In his Chicago office is another staff of a dozen girls and an office manager dispensing propaganda.

EDUCATIONAL, TOO

Nelson shares his Washington offices with some of his subsidiary organizations, like the Society of Industrial Realtors, the Institute of Real Estate Brokers, the Institute of Real Estate Appraisers, and the Urban Land Institute, all of which have additional budgets. The Urban Land Institute is the intellectual front for the lobby and is partly supported by NAREB, though it poses as an educational institute.

In contrast to Nelson's set-up is that of the National Housing Conference, headed by Lee F. Johnson, which is carrying the fight for public housing. The conference reflects the tough struggle of social legislation in the Washington arena.

For a four-page brochure called Headlines, which consists mostly of a weekly tirade against public housing, NAREB in 1948 got $206,619.06, most of which was profit.

But NAREB's $408,000 budget is only a fraction of the millions spent by the other links in the lobby chain. The most important groups in the chain are the United States Savings and Loan League, representing funds equal to about $14,000,000,000; the National Association of Home Builders, claiming to represent 126 local builders' organizations, the Producers Council (representing the materials industry). Also operating to a lesser extent against public housing are the National Retail Lumberman's Association and the United States Chamber of Commerce. Each of the links in the lobby chain has a stake in opposing decent housing and each plays a forceful role in the campaign.

HAS A REGULAR PARTY LINE

Each year that public housing legislation has come up, the party line against the measure is discussed and pressures are exerted in corners where they can prove most effective.

The party line differs from year to year depending upon the political climate in Washington: The reasons for delaying or scuttling public housing run about as follows:

1939: The localities should do the spending.

1940: All materials must be used for defense.

1945: We must wait on the Taft committee report.

1946: There is a shortage of materials.

1947: We must wait for the report of the Joint Committee on Housing.

1948: Public housing is inflationary.

1949: We can't afford it.

The current campaign by the lobby leans heavily on the Communist scare and on the economy drive. "It's communism," is Nelson's continuous cry, and the fact that public housing as a reform is supported by President Truman, by most governors and mayors and by 57 out of 70 Senators voting, has not made him alter his line.

On one occasion he even accused Senator TAFT of being a Communist, but when TAFT called him on it, he backed down. "I will not again imply that he is in any way interested in communism," he apologized.

LOAN LEAGUE SPEARHEADS DRIVE ON HOUSING BILL

(By Charles Abrams)

The most important link in the lobby chain opposing the Federal housing bill is the United States Savings and Loan League. This organization of building and loan associations claims to speak for about $13,000,000,000 of assets that belong mostly to moderate and low income families. Yet with the funds deposited by these families, the league wages a persistent campaign against housing legislation, the beneficiaries of which would be many of the depositors themselves.

The building and loan association was intended to be what its name implies—an agency to build a home for a worker and lend him the money with which to build it. As time went on, however, it ceased being a builder and became a bank and a mortgage lender on homes for higher income families. Control of the associations became vested in self-perpetuating directorates.

GET HELP FROM UNITED STATES

With the establishment of the Home Loan Bank System, the building and loan associations burgeoned into big business. The Government bought $300,000,000 of their stocks and rediscounted their mortgages at a fraction of the rate they charged on their mortgages. Better still, the Government has lent them $2,700,000,000 since 1932 and now insures their shareholders or depositors against loss.

Since the associations charge upwards of 5 percent to homeowners and can offer depositors a somewhat higher interest rate on savings than savings banks can, deposits have zoomed. Today, thanks to Federal aid, their assets are increasing at the rate of $1,000,000,000 a year.

The steersman for the $13,000,000,000 lobby is one Morton Bodfish and the swelling benefits of Government aid have made his associations jealous of any competition for the Federal bounty. Once their main lobbying activities were directed toward securing tax exemption. Now their main aim is to destroy public housing. When Representative BUCHANAN, Democrat, Pennsylvania, last month asked Bodfish why he opposes loans and subsidies to help slum-dwellers but doesn't object to the Government's lending his own associations $2,750,000,000 at Government rates, Bodfish made this distinction—"I consider it an aid but not a subsidy."

A GIVE-AND-TAKE PLAN

The relationship between the United States Savings and Loan League and the Federal Home Loan Bank System is one of the remarkable innovations in politics and banking. It is developing into a give-and-take proposition in which the Government agency makes concessions to its member banks and, in return, relies on the league for congressional support in legislation and appropriations. The description by its former administrator, John H. Fahey, of the Home Loan Bank System as a cooperative alliance of its member associations is apt. When Fahey was asked at Temporary National Economic Council hearings in Washington why the associations were charging home owners 5 to 6 percent when they were borrowing from the Government at as little as 1½ percent, the Federal Administrator said he saw "no real public advantage" in giving home owners a lower-interest rate.

In his efforts to influence Congress, however, Bodfish has shown his real skill. He and his associates have boasted of their good friends in Congress and their many friends in the lower House.

When Congressman ABRAHAM MULTER (Democrat, New York) at the hearings on the housing bill last month asked Bodfish "why there was so much pressure last year to prevent the House from acting * * * why are your people afraid to let the House pass on the bill," Bodfish did not deny his role in the blocking of the legislation.

The campaign of persuasion includes newspaper advertising by his associations against the public housing bill paid for with depositors' funds, and costly propaganda campaign of which the latest product is a booklet subtitled "Some Facts About the Dangers of Public Housing," says the booklet, will bring about a black market in materials, skyrocketing building costs, and inflation.

A spokesman for the Federal Home Loan Bank System, when asked whether there were any limits on lobbying by agencies for lobbying purposes, they are private agencies anyway, and since the American Bankers Association and the CIO are allowed to lobby, why shouldn't federally aided associations?

In Washington, Bodfish's lobby has been called the most powerful force in the "invisible Congress." The liaison between federally aided companies, Federal agencies, and Congress, and the influence of these companies on legislation is one of the novel, if dangerous, political phenomena of the decade.

Arab Refugees—A Sorrowful Commentary on the United Nations

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, the American people are always prompt to protest against injustice.

Hitler's treatment of the Jews in Germany was resented by every right-thinking person and contributed considerably to our decision to enter the war. Now a situation prevails in the Holy Land which, from all reports, is beyond description. It is much worse than that which prevailed in Germany. Under leave to extend my remarks, I am including a news article from the Washington Star under date of June 20, 1949, containing a statement by Mrs. Mark Ethridge in which she attacks the treatment of Arabs by Israel. Also, another news article which appeared in the Washington Post on June 21, 1949:

[From the Washington Star of June 20, 1949]

MRS. MARK ETHRIDGE ATTACKS TREATMENT OF ARABS BY ISRAEL

NEW YORK, June 20.—Mrs. Mark Ethridge said today she considered it very unfortunate that Israel was admitted to the United Nations before it agreed to internationalize Jerusalem and take back Arab refugees.

Mrs. Ethridge, author-wife of the former United States delegate to the United Nations Palestine Conciliation Commission, arrived here today after a 3-month tour of Israel. She was a passenger aboard the liner *La-Guardia*.

Referring to Palestine problems, Mrs. Ethridge said, "I don't think we'll have peace there for generations and generations. The bitterness in the Arab refugee camps is simply terrific."

Mrs. Ethridge said there were 910,000 displaced Arabs who had fled or been "pushed out" of Israel by the Jews. These refugees, said added, now are living "in the most squalid and horrible conditions in the valley of the Jordan."

Mrs. Ethridge's husband, who is publisher of the Louisville Courier-Journal and the Louisville Times, resigned from the Palestine Commission post June 10.

Mrs. Ethridge said the plight of the Arabs was not well known in America because "they have no publicity in this country to tell us about it."

The Jews, Mrs. Ethridge said, have refused to "take back one single Arab."

Creation of the Jewish state provided a haven for 250,000 European displaced Jews, but in so doing, the displaced Arabs have presented a "much more serious problem," Mrs. Ethridge said, adding:

"They're living under worse conditions than the Jews ever did."

[From the Washington Post of June 21, 1949]

MRS. ETHRIDGE REGRETS UNITED NATIONS LET IN ISRAEL

NEW YORK, June 20.—Mrs. Mark Ethridge today said she considered it "very unfortunate" Israel was admitted to the United Nations before it agreed to internationalize Jerusalem and take back Arab refugees.

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Repay Veterans Now

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. SHAFER. Mr. Speaker, nearly 2 years ago a group of Republican Congressmen, of which I was a member, began probing into the national service life insurance to which at least 16,000,000 American men had subscribed during World War II.

We learned, to our surprise, that, according to actuarial studies, at least $2,000,000,000 and perhaps $3,000,000,000 had been overpaid by our men in uniform.

Naturally, we began to agitate for this money to be returned to the veterans who had paid it in, for it was the veterans' money and not the money of the Government.

We received assurances from the Veterans' Administration in mid-1948 that this money would be returned just as soon as the bookkeeping problems involved could be solved.

Some delay was to be expected. A Veterans' Administration representative and a representative of the Bureau of the Budget pointed out that at least 6 months or more would be required.

After a year had elapsed and the bureaucrats in the Veterans' Administration had not acted, I took the floor of the House of Representatives. Word had come to me that the administration intended to hold up these repayments to the veterans until next year, just before election.

In a speech on the floor of this House, I declared that—

It was unconscionable to delay these repayments because they may have a political effect (naturally favorable to the Democrats) in the elections of 1950.

I say that it is a cheap political trick that ought to be shouted from the housetops.

I continued:

With the number of superfluous employees in Washington and the tremendous facilities of the Veterans' Administration, there is no excuse for these payments to be delayed any longer.

I am serving notice on the Veterans' Administration right now that they had better get those checks out to the veterans within the next few weeks or months. If they do not, they will not have heard the last of it.

That speech was delivered on March 25, 1949.

On March 30, the Veterans' Administration issued a lengthy press release, assuring veterans that the repayments would be forthcoming this year, instead of in 1950. A month later, the Veterans' Administration again issued a release assuring veterans the money was forthcoming.

Now, the Veterans' Administration has said definitely that distribution of the checks will begin next January 1, and will continue through next June.

It is better late than never for our veterans to get their money back, but it still smells to high heaven to anyone who is familiar with the workings of the New Dealers and the Fair Dealers. Nineteen fifty is an election year. They will want the millions of veterans to think that these checks are a gift from Fair Deal heaven, when, in reality, each check is merely the veterans' own money coming back to him, long overdue.

This is a perfect example of how the Fair Dealers handle your money. If you make a mistake, you get a notice from the Bureau of Internal Revenue in 3 days telling you to cough up or get locked up. But if they make a mistake, it takes 3 years for them even to find out how much they owe you, if they ever do find out without prodding from the outside.

The 16,000,000 veterans will get close to $3,000,000,000 back in refunds. The payments will range from $50 to $300 a person, depending upon how long he kept his NLSI and other factors.

This money has been due to the veterans since VJ-day. No veteran should give the Fair Deal credit because he is getting his money back 3 years late—without interest.

Now It's Hysteria

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Mount Vernon (Ohio) News:

NOW IT'S HYSTERIA

President Truman the other day branded the current spy hunt as the part of postwar hysteria which he said is sweeping the country.

And on the day he was making this statement a former State Department employee testified at the perjury trial of Alger Hiss, another former State Department official, that he as a Communist sympathizer had handed over secret documents from his office to Whittaker Chambers, self-styled courier for a Russian spy ring, and a second man.

The witness was Henry Julian Wadleigh, an economist who was educated in England and who had held jobs with two United States Government agencies and with the UNRRA.

Mr. Wadleigh testified that at the time he entered the employ of the State Department he was a Communist sympathizer and as such was willing to do anything to further the cause of communism.

Mr. Wadleigh said he later became disillusioned when Russia entered into a nonaggression pact with Nazi Germany.

But the fact remains that he, a highly educated American citizen, used his office in the United States Government for the purpose of aiding a foreign ideology at the time he was accepting his salary from taxes contributed by the American people.

He is not alone in this. Mr. Chambers, the confessed former courier for a Russian spy ring, has testified that he served the cause of communism, and that he perjured himself by swearing he was not a Communist in order to obtain Government jobs in this country.

The fact that two have owned up in court to subversive activities while in the pay of the Government they were operating against indicates there must have been more.

A number of men and women have been mentioned in this connection. Probably some have been unjustly connected with Russian espionage, possibly some others may succeed in clearing their names.

But two men alone could not successfully operate a spy ring which naturally would have the task of stealing all of this country's most valuable secrets.

The fact that Russian espionage has been established beyond reasonable doubt is significant.

Therefore, Mr. Truman's attempt to pass off the spy hunt as a part of postwar hysteria deserves little consideration.

It takes rank with his declaration that congressional investigations into Communist activities in this country are a "red herring."

We wish the spy hunt was hysteria, and the congressional investigations were a "red herring." The country would be a lot safer if this were the case.

Arab Refugees

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. JAVITS. Mr. Speaker, there are appended an editorial from the New York Herald Tribune of June 13, 1949, and an article from the New York Times of June 21, 1949, on the subject of Arab refugees in the Near East. It is important that the facts should be very clear as the efforts proceed to bring a lasting peace to the Near East.

The editorial and article follow:

[From the New York Herald Tribune of June 13, 1949]

THE ARAB REFUGEE

Mr. Mark Ethridge, American representative on the United Nations Conciliation Commission for Palestine, has returned from Lausanne with a pessimistic account of negotiations there. Both Arabs and Israelis, according to Mr. Ethridge, "are like trains running on parallel tracks. They back up and go forward, but they never meet." This, in itself, is not surprising. The difficulties, psychological and material, in the way of any long-term settlement of the Palestine problem are still very great, and the passage of time will not, unassisted, go far to reduce them. In some respects they become more serious.

The principal bone of contention is the Arab refugee, who left his home during the fighting, and who is now being maintained, precariously, as an object of international charity. The Arab states insist that some beginning be made on the problem which the refugee represents; the Israeli Government refuses to do so except within the context of a general agreement. There is no easy solution. Modern Palestine is not, after all, a land flowing with milk and honey. To make of Israel an economically viable nation will require years more of the toil and sacrifice that have already been given in such lavish measure; to cope at once with the Jews who seek their homeland and the Arabs who may wish to return could place an intolerable burden upon the new state. Nor, for both economic and political reasons, can the refugees be readily absorbed by Israel's neighbors. The whole Near-Eastern region, shaken by war, largely undeveloped economically, plagued by divisions, is in a very poor position to deal with the dislocation of hundreds of thousands of persons.

Outside help could be of real value in meeting the material needs of the resettlement or the return of the Arab refugees. But even more important is the recognition by every interested party—and, thanks to the responsibilities imposed upon the United Nations, this includes the world at large—that harsh words and brusque gestures will only intensify the difficulty. Admitting that the bitter residue of passion remaining among the late combatants, the shame of defeat or the elation of victory, are not conducive to objective thought and action, it is still essential that the problem of the refugees be approached with humanity and statesmanship. Attempts toward a solution should not be blocked by protocol, or used as a counter in bargaining. A forthright statement from Israel, which has already expressed a willingness to accept some returning Arabs as part of the peace settlement, as to the numbers, or percentages, which it considers feasible to admit under existing circumstances, would go far to bring the question out of the deadlocked confusion which now perplexes world opinion.

And, by the same token, forthrightness on the part of the American Government would be useful. The attack by the Israeli Foreign Minister, Moshe Sharett, on American policy in the Near East is confusing because the American people do not know what that policy is. If this country is not to enter again upon the dreary round of official double-talk and half-secret diplomacy which characterized the earlier phases of the Palestine dilemma, it is time that the public be informed as to what steps its representatives have taken at Lausanne and Tel Aviv—and why.

[From the New York Times of June 21, 1949]

ISRAEL PROPOSES ARAB PLEBISCITE—SHARETT ADVISES VOTE TO LEARN WHETHER PART OF PALESTINE WANTS TO JOIN JORDAN

(By Gene Currivan)

TEL AVIV, ISRAEL, June 20.—Moshe Sharett, Israeli Foreign Minister, told the Knesset [Assembly] tonight that he had advised the Lausanne delegates to advocate a plebiscite in Araba Palestine to determine whether the inhabitants desired a separate state or annexation to Jordan.

The aim of this strategy, apparently, was to dispel the uncertainties of the present situation in Palestine in which no one knows what Arabs are represented by whom. It is not clear whether the Arabs now residing in Arab Palestine are properly represented by King Abdullah, who seems to have taken over the country, or whether those outside Jordan would rather have a separate state.

Israel consistently has advocated a separate state, in accordance with the resolution of the United Nations Security Council of November 29, 1947, but at the same time Israel has indicated that she would not fight against control by Jordan. This problem, it was said, indirectly solves the refugee problem, as it is difficult to come to terms with a country divided within itself.

SOME REFUGEES TO RETURN

M. Sharett said that plans had been formulated to receive the refugee wives and children of Arabs already here. These, he said, will be special cases and subject to screening.

Two Arab members made strong appeals tonight in the Knesset for the return of Arab refugees. Foreign Minister Sharett, who recently reiterated the Israeli policy that refugees would be considered only at peacetable talks, showed unusual interest in both speeches.

Seif el Din el Sabi and Amin Jarjura, both representing Nazareth Democrats, who lean toward the governmental Mapai party, caused quite a stir with their addresses.

Both insisted that the return of refugees would not constitute a "fifth column" as charged by the government, but would be a humanitarian gesture appreciated by all Arabs. No figures were mentioned, but it was implied that those who had homes and families to return to should be permitted to find sanctuary in Israel.

ARAB LEADERSHIP CRITICIZED

Mr. Sabi charged that the Arabs who had fled had been "ground under the heels of imperialism and so-called Arab leadership."

He held that history would absolve the Jews for the Arabs' flight because it was known that they had tried to persuade the Arabs to stay. He held that the Arabs had fought against the Jews under duress, but that the Arabs wanted to return and live as loyal citizens.

Mr. Sabi declared that the Arabs had had a taste of imperialism and would fight for Israel against any outside interference. He said the Arabs had learned their lesson after having been chased from pillar to post by the Arab state and their leaders. The Arab states, he said, are exploiting the fate of the refugees.

Housing Legislation

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. MULTER. Mr. Speaker, the following are the fourth, fifth, and concluding articles of a series written by Mr. Charles Abrams and appearing in the New York Post:

HOME BUILDERS ASSOCIATION THIRD LOBBY CHAIN LINK

(By Charles Abrams)

The third link in the lobby chain opposing the Federal Housing bill is the National Association of Home Builders, a group claiming to represent 126 builders' associations.

NAHB is another byproduct of Government expansion in the housing field. It speaks neither for construction contractors nor for large builders, but for a group of 15,000 builders of small homes who are the beneficiaries of Federal Housing Administration mortgage insurance.

Like the building and loan association lobby, these home builders have a stake in Government aid and are out to thwart any competition for it. They therefore oppose any subsidies to local housing authorities for slum clearance and are fighting the Federal housing bill that now faces a tough battle in the House.

Prior to FHA, the bulk of these home builders were petty operators, with the average home builder putting up no more than four houses a year.

The advent of FHA did not rationalize the home-building operation but it did give these home builders a vested stake in Government aid and they rose to the occasion with all the lobbying strength they could muster.

The logic of their position was clear. The FHA system insured mortgage lenders against loss and the mortgage lenders in turn felt safe in advancing to the builders as much as 20 percent more than houses cost to build; the builders thus needed no cash investment of their own with which to venture. When

they sold the houses the 10 percent equity money put up by the home buyer was added profit. The building and loan associations favor the FHA system too because, they admit, it enabled them to insure their less desirable loans.

Following the pattern of the building and loan lobby and its liaison with the Federal Home Loan Bank System, FHA, home builders are lobbying for bigger and better FHA legislation. In turn, FHA is reasonable with their builder-beneficiaries. FHA has acquiesced in the guile essential to make the FHA formula look respectable, such as land-cost inflation by builders and juggling of building cost estimates. It has winked at poor design and workmanship. When building costs went up, it cut standards and approved the economy house, a substandard, two-bedroom job, less than 600 square feet in area. Until recently FHA even joined with builders in keeping Negroes and other minorities from FHA developments.

FHA also boomed home ownership for the builders, establishing a series of better-sales meetings, conducting radio programs and sponsoring expositions to tempt home-buying prospects. As a former deputy FHA administrator put it at a builders' meeting, "Gentlemen, the National Housing Act is a profit-producing sales tool for realtors."

From the beginning FHA and the builders have worked hand in hand and have had a pleasant relationship. Last week FHA announced it is investigating two FHA officials who have just resigned for allegedly accepting gifts from builders. Most often, however, the relationship between builders and FHA officials is one strictly of political give and take.

On the eve of "Dewey victory," for example, the Home Builders Association advised the Republican Party to continue FHA officials in office and avowed that neither Housing Administrator Foley nor FHA Administrator Richards would be displaced by "President Dewey."

The main task of the home builders in the lobby chain is to work on local newspapers and get them to publish attacks on the proponents of public housing. "Remember, the more noise you make, the more attention you will get," it advises.

HOUSING BILL STRATEGY LAID BY A REALTY GENERAL STAFF

(By Charles Abrams)

When the housing bill finally reaches the floor of the House of Representatives next Tuesday, the opposition will reflect the concerted work of one of the most effective pressure coalitions this country has ever known.

Once the various factions of the real estate lobby acted independently. Now they work in concert, meet in Washington week after week to discuss common strategy and parcel out tasks. Between now and Tuesday their job will be to high-pressure the 65 uncommitted Congressmen on whose votes the fate of the legislation now rests.

Three of the groups which make up the lobby have been discussed in previous articles.

The fourth link in the lobby chain is the Building Products Institute, headed by Douglas Whitlock who also guides the Producers Council. These two organizations represent the materials manufacturing industries.

The National Lumber Manufacturers Association is a fifth link in the lobby chain that speaks for lumber interests separately.

Building material is the largest single item in the cost of a home, ranging from 45 to 60 percent of building cost. Control is closely knit and power concentrated. Four leading corporations control 82 percent of prepared finished plaster and 91 percent of molding and gaging plaster. More than three-fourths of the output of important plumbing products are manufactured by four producers. Two corporations control 95 percent of all plate-glass production and four companies almost 80 percent of copper production.

The practices of the materials industry have often come to the attention of the Attorney General, but little has even been accomplished to break the blockade. Large producers of mill lumber continue to peg prices in metropolitan areas; associations set and maintain base prices for windows, window frames, stairs, banisters, door frames, cabinets, and ornamental woodwork. Dealers and jobbers of plumbing supplies are often forbidden to sell directly to the job on penalty of being disciplined. Manufacturers have cancelled trade discounts of jobbers who sell direct to the consumer or to the contractor. One lumbermen's association distributed membership lists to wholesalers and if they sold to a nonmember they were penalized or faced boycott.

While other links in the lobby chain are assigned the jobs of reaching Congressmen, tackling the home-town newspapers or political leaders, the Building Products Institute and Producers Council have done their most effective work in influencing the editorial policies of major publications. Their members are large national advertisers.

One very important magazine in a chain of national publications was recently importuned to change its friendly attitude toward public housing on the threat of a cut-off of advertising by members of the producers council. This magazine not only served the building field but supplied information on housing to other magazines in the chain whose circulation runs into the millions. In recent months the attitude of the magazine toward public housing has changed and Whitlock boasts of having done the trick.

The National Lumber Manufacturers Association was organized in 1902, and in 1921 moved to Washington to increase its contacts with the Federal Government. It openly fosters the notion that the road to genuine low cost housing should be lined with frame houses. Crying socialism, its real reason for opposing public housing projects is that they are built of fireproof materials instead of wood.

REALTY LOBBY HIT AS PRIVATE GOVERNMENT

(By Charles Abrams)

The real-estate lobby has effected a profound change in the American political system. But by taking the offensive against public housing and hurling epithets of communism and socialism at its proponents it has succeeded in obscuring the change.

The American system was built around a capitalist economy and a plan of checks and restraints to keep any single group from dominating the organs of government. Lobbies have a legitimate function when their exertions are confined to pressure and counterpressure in legislation. But when a lobby imbeds itself into the administrative and legislative organs of government, it is no longer a lobby but private government.

The first phase of the liaison between government and the expansion of Federal interest in housing. The following then occurred:

1. The business of mortgage insurance was nationalized and put into a Federal Housing Administration.

2. A formula was devised under which only lending institutions were eligible for the insured loans and despite Federal backing of the mortgages, interest rates on home loans remained the same or more than on uninsured loans.

3. The Federal credit became the principal influence in home financing through a federally owned Home Loan Bank system which lent $2,700,000,000 to building and loan associations, bought their stock and insured their shareholders.

4. A socialization of risk in small-home construction took place through the use of Federal credit enabling home builders to venture without investment of their own other than "front money."

The Federal Government intervened in public housing too, but it was a traditional intervention through grants to public bodies for a public purpose. In the private-housing field, however, the governmental expansion gave rise to four powerful interests competing for the Government bounties: building and loan associations, builders, mortgage lenders, and materials manufacturers. These interests have now organized into a lobby chain. The coalition operates as follows:

1. The lobby defends the Government agencies and works for their appropriation in Congress.

2. The Government agencies in return repay the lobby by making concessions to it. FHA reduces building standards to enable the builders to profit, winks at their double bookkeeping methods, sells indiscriminate home ownership as a national policy through federally sponsored sales meetings, radio programs, and other devices and has even joined with builders in encouraging racial discrimination.

3. The beneficiaries of governmental subsidy who are behind the lobby interest Congressmen in various activities connected with building and loan associations or real-estate operations, hoping thereby to induce favorable votes in committees or on the floor.

4. The Government agencies have become umbrellas for the protection of private entrepreneurs against prosecution for rigging interest rates stifling competition, and other practices.

Of Italian fascism it was said that through it "the state administration allies itself with private enterprise and the preservation of the capitalistic order." This was declared to be the "most practicable and feasible means for serving national interests."

While I believe we are still a long way from fascism, it is also clear that the new liaison is hardly consistent with democracy. When housing legislation, which the people want and desperately need can pass the Senate on three separate occasions and fail each time in the House, a danger signal flares over Capitol Hill. It cries for an investigation. What happens next week on the House floor in the fourth effort of the housing bill to clear the lobby blockade may make history.

Chinese Red's Infiltration Into United States Agencies in China Revealed

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following news story from the Washington News of June 23, 1949. Is it any wonder our activities in China have so frequently been ineffective when the internal security of our organs in China, both military and civilian were infiltrated by Chinese Communists who could pass on to their comrades secret

information of greatest value; and, perhaps even more important, could in some degree influence the thinking and planning of the American officials with whom they worked? Is it surprising that so many Americans came home from China indoctrinated with the myths about the Chinese Communists which have led us to disaster in Asia?

The article follows:

CHINESE RED'S INFILTRATION INTO UNITED STATES AGENCIES IN CHINA REVEALED

(By Clyde Farnsworth)

TAIPEH, FORMOSA, June 23.—Chinese Communist infiltration into United States agencies in China was disclosed here today by a reliable Nationalist.

The most recent case reported was that of a Chinese telephone operator planted in the United States Embassy at Nanking. He escaped arrest by the Nationalists through a mysterious tip-off a week before the capital fell to Communist troops.

My informant said the Nationalist Foreign Ministry secretly informed the Embassy it had a Communist telephone operator.

The nationalists couldn't make an arrest because the embassy grounds are not under Chinese law. But United States authorities were informed that Chinese police would wait outside the embassy and arrest the man when he stepped into the street.

HE GOT AWAY

Secret agents took up their vigil. They waited for a few hours but the operator never appeared. Inquiry in the embassy disclosed that the man had gone to the employees' dormitory. That area was searched but the Communist had escaped.

The usual practice in local employment by United States agencies is to make a security check of prospective workers who might have access to secret papers. My informant said Chinese authorities were seldom consulted in such matters, the Americans preferring to make independent investigations.

TWO PREVIOUS CASES

The disclosure of two previous cases of Communist infiltration was made possible recently by publication in Communist New China News Agency of the names of two men now identified as Communist partisans. One served in Maj. Gen. A. C. Wedemeyer's headquarters in Chungking during the last year of the war and the other was chief secretary to F. M. Fisher, head of the China Office of War Information, also in Chungking.

Nationalist sources said the first was Chin Ju-chi, a graduate of Chicago University. In the war with Japan he became a brigadier general and deputy director of the information and civil affairs bureau of Chinese Ministry defense. Later General Chin became chief Chinese secretary of the United States Army's Chungking headquarters.

Still later, Chin appeared in Hong Kong where he acted as spokesman for the democratic league, an organization which had been outlawed as a Communist front by the nationalist government.

Now the Communists have identified him as one of their own.

MANY WERE IN OWI

My nationalist informant said the Chinese staff in the OWI office in Chungking included a host of Communists, mostly from Yenching University in Peiping, over which United States Ambassador Leighton Stuart once presided. They were brought into the OWI through influence of Liu Tsun-chi, chief of the Chinese division of OWI.

Liu recently was identified by the Communist news agency as an official of the Communist youth league.

Can Air Power Alone Win a War?

EXTENSION OF REMARKS

OF

HON. RAYMOND E. BALDWIN

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Thursday, June 23 (legislative day of Thursday, June 2), 1949

Mr. BALDWIN. Mr. President, during the past few weeks we have heard a good deal of discussion about the conflict which goes on among the admirals and the generals concerning the national defense establishment of our country. I am one who believes that that fight is not as bitter as it has been represented to be in some quarters. On the other hand, I recognize that it deals with some vitally fundamental questions which are of great consequence to the national welfare, inasmuch as they pertain to our defense. It seems to me that these questions must be very carefully considered by the Congress and by the people of the country, and that we will make a grave mistake if we accept the recommendations of any authority or claimed authority on the subject, be he an admiral, a general, or otherwise, without looking at what some other authority may say on the other side of the question.

For example, there are many people who feel that all we need in the United States for an adequate defense is an Air Corps, and I am one who subscribes to the proposition that we need the best air force in the world; but, I do not subscribe to the proposition that we can provide a complete and adequate national defense with an Air Corps alone. I still believe that we need an Army and a Navy to supplement the Air Corps, and the Air Corps to supplement them, and each to supplement the other.

So, Mr. President, I ask unanimous consent to have inserted in the RECORD an article by a distinguished officer, which is published in this week's Saturday Evening Post, and which is entitled, "An Admiral Talks Back to the Airmen." The article is written by Rear Adm. D. V. Gallery, of the United States Navy. In my humble opinion, it is a notable, thoughtful, able contribution to this whole subject by a man who knows a great deal about it, who has the courage of his convictions and is willing to speak out frankly and boldly.

Rear Adm. Dan Gallery is, on his record, as much an airman as any Air Force officer. He has been roaming the wild blue yonder since 1926, and has over 5,000 hours of pilot time in torpedo planes, dive bombers, patrol planes, and fighters. The article contains a picture of the admiral in the cockpit of a McDonnell Phantom jet fighter. Last summer he and two other admirals formed a stunt team and performed in single-seat jet fighters at Idlewild and the national air races.

Admiral Gallery is now Assistant Chief of Staff for Guided Missiles. During the war he demonstrated his versatility by commanding a submarine; but he first had to capture it from the Germans at sea with his flattop, the U. S. S. *Guadalcanal*, before he boarded it.

This article, Mr. President, expresses opinions which are the admiral's own private opinions, and are not to be construed, by his own statement, as official or reflecting the views of the Navy Department or of the Navy service at large.

I have had an estimate made of the cost of printing this article. I find that it runs a little over two pages, and that the cost of printing it will be $187.50; but, because of the real value that the article has, the character and knowledge and ability of the man who wrote it, and the fine contribution it makes to the whole subject of national defense, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN ADMIRAL TALKS BACK TO THE AIRMEN

(By Rear Adm. D. V. Gallery, U. S. N.)

This article may put me on the spot, but I have to write it just the same. The United States has treated me well during the 29 years that I have served it in the Navy. I feel it is my duty to speak up now when the country is being deluged with propaganda designed to sell an unsound concept of the national defense.

Of course, naval officers are not supposed to discuss such subjects as this. For the past 2 years they have been "advised" to avoid controversial matters in their public utterances. They have been permitted to make forthright statements about freedom of the seas, the Constitution of the United States, and the Star-Spangled Banner. But they have evaded such debatable questions as how to defend the United States against foreign aggression.

I know there is a lot of talk these days about knocking a few brass-hatted heads together to settle differences among the armed services, and I suspect that mine will be one of the first to get knocked. The Air Force Association will demand my scalp, and they may be powerful enough to get it. However, I feel that at this critical stage in world history, when we are reorienting our defenses for the atomic age, the American people have a right to expect more from the naval officers whom they have supported and trained than bedtime stories and nursery rhymes. So, I'm going to tell the truth as I see it, and let the chips fall where they may.

The most important question that faces this country today is: How should we realine our military forces to protect our way of life and to provide maximum security to the country? Starting last December, the country has been snowed under with propaganda to take the greatest gamble in our history and buy a package labeled: "Quick and Sure victory—at bargain rates." This label has great popular appeal. But the package to which it is currently attached will neither prevent war nor insure winning it if war comes.

We are now being told by the Air Force Association and by a man named William Bradford Huie, who has been using the Reader's Digest to peddle his wares to a large and trusting audience, that if we simply build enough long-range bombers and atom bombs, our way of life will be secure and we will all live happily ever after. These "men of vision" say that armies and navies are a useless drain on our resources, and that all we need now is an Air Force. "In-

stant and devastating retaliation from the air" is the magic concept which will keep peace in the world. If, in spite of this formula, war should come, then, say the prophets, the atomic blitz will insure victory for our arms and restore a lasting peace. The only instruments needed for negotiating this peace will be the B-36 and the A bomb—so goes the story which the United States has had served up to it for the past 6 months in a sensational publicity campaign.

There are a few booby traps in this idea of the atomic blitz. It is a desperation concept which holds good only for a war of the United States versus the rest of the world. It is an all-out business which can't stop at geographical or political boundaries. Neutral or allied countries may simply provide safe havens for the ground forces of our enemy if we commit ourselves to a purely aerial war. While we are devastating the cities of the enemy hinterland with intercontinental bombers, his ground army may be occupying the rest of Europe.

What happens then? Do we blitz Paris, Rome and Brussels?

That kind of atomic victory might do more to advance the cause of communism than years of propaganda from the Cominform. We might win the war in 30 days and lose the peace for the next 300 years

A recent talk by a great American soldier sums this whole question up very much better than I can do it. This soldier-statesman said, "I do not deprecate the vast capabilities of air power as a priority weapon for attack against any aggressor state. But I must part company with those enthusiasts who ascribe to air power limitless capabilities in winning an instant decision. However crippling air attack can be, I am convinced beyond any reasonable doubt that should this Nation be forced into still another conflict, we shall once more be forced to gain the inevitable victory over dead bodies—those of our soldiers on the ground. Ultimately a war between nations is reduced to one man defending his land while another tries to invade it. Whatever the devastation in his cities and the disorder in his existence, man will not be conquered until you fight him for his life."

Of course, statements such as the above are brushed off by Hule & Co. as being the stubborn last-ditch stand of oxcart soldiers and battleship admirals who refuse to recognize that this is the atomic age. If you want to put me in that category, I will be in distinguished company, because I am quoting one of the most illustrious military men of our time, Gen. Omar Bradley.

Quoting further from this same speech of General Bradley: "To provide long-term security for the Nation, our military requirements must be related both to American foreign policy and to the known offensive capabilities of likely enemy states. They must be predicated upon preparedness for a plan of war—a strategy that can defend our shores, aid our allies, and preserve a foothold from which to strike the aggressor in his homeland.

"If we were to accept the inevitability of enemy superiority on the ground, we should not only be forced to abandon our allies with frail hope of liberation, but we might also find ourselves trapped in a long and punishing war of attrition through air bombardment.

"While the odds in such a conflict would presumably lie with us, an air war of attrition could readily lead to disaster—to a duel in the best fabled tradition of the gingham dog and calico cat who ate each other up."

Ideas such as these, are, of course, very unpleasant to dwell upon. How much more comfortable it is to think of simply lobbing atom bombs across the ocean until the misguided enemy sees the error of his way. But this sort of wishful thinking is really the last vestige of die-hard isolationism. Since it is now apparent that we cannot actually isolate ourselves from European wars, we are seeking a way to participate only from the side lines at long range.

Another objection to this blitz concept is that it commits the United States to a war against a population rather than against its leaders. In every war we always say we have no quarrel with the enemy people—our grievance is against their government. We say today that our potential enemies are really a potentially friendly but misled people who would probably be eternally grateful to us if we were to throw out their leaders and make it possible for the common people to enjoy the same freedoms as our citizens.

But the atomic blitz is a war against the common people. The atom bomb is a weapon of indiscriminate destruction and mass slaughter. You win an atomic war by destroying so many cities and killing so many little people that their leaders finally decide to give up. How many million little people you must kill before this happens remains to be seen.

However, in winning such a war there is a good chance that you will alienate the affections of the potentially friendly survivors.

What the blitz enthusiasts are actually driving at was shown very clearly in recent newspaper stories which stated that after painstaking study by our military experts 70 strategic targets in a possible enemy country have been selected for destruction in case of war. These targets were said to be so shrewdly chosen that their destruction would paralyze the enemy's economy and insure early victory. A glance at a reference book shows that there are 70 cities of more than 100,000 population in that country. How simple strategy has become. One bomb, one city; 70 cities, 70 groups.

All that the Joint Chiefs of Staff need to plan the broad strategy of a war is a handy reference book. The prophets of the blitz profess to aim at strategic objectives, but what it really boils down to in the long run is simple destruction of cities.

The major mistake we are making now is: We are losing sight of the fundamental fact that war is simply a means to an end. War is not like a football game, in which the sole objective is to win the game and then go on about your business. Wars are fought for political objectives, and the accomplishment of the objective doesn't begin until the war is over. It is quite possible to win a military victory and to lose the political objective for which the war was fought. There isn't much use in winning a war if the manner of winning it makes it impossible to accomplish the purpose for which the war is fought.

Wholesale destruction of the populated areas of an enemy country is a poor way to promote a lasting peace. It merely sows seeds of hate for another war. All over Europe we are discovering to our sorrow now the penalties which the victor pays in the postwar peace for indiscriminate destruction. A large part of the billions now being appropriated for the European recovery program can be charged to this account.

It is true that our possession of the atomic bomb has a powerful deterrent effect, up to a certain point. Winston Churchill says it is the only thing which has prevented the communization of Europe and the bombing of London. But this effect is not permanent. Back in 1938, fear of a devastating attack on London was largely responsible for Munich.

A year later, London still expected wholesale obliteration or saturation with deadly gases the moment war was declared. Nevertheless, Britain finally chose war with Hitler despite a prospect which was just as frightening to them at that time as the prospect of an atomic blitz is today. Whether you expect to be killed by a TNT bomb or a nuclear explosion, the prospect is equally grim.

Fear is a greatly overrated emotion. You get used to it after a while. Every normal soldier is scared when he goes into battle, but he does his duty anyway. If fear were the deterrent which we are now asked to believe it is, the pages of history would not record the endless series of battles in which so many men have been killed. A nation bent on aggression can always persuade itself that it will be able to fend off the opponent's attack or to strike a crippling blow first. Japan had no trouble convincing her people that the military might of the United States was greatly exaggerated. England and Germany both saw their cities devastated from the air on an unprecedented scale, but neither gave the slightest consideration to surrender on account of terror bombing.

The only thing that a dicatorship fears is the possibility of being overthrown. Speaking of a dictatorship, Churchill recently said, "Self-preservation, not for their country but for themselves, lies at the root and is the explanation of their sinister and milgnant policy."

It is especially futile to think that you can scare a di tatorship into behaving itself by the threat of killing large numbers of its citizens. Why should this threat bother a police state which kills its own citizens in wholesale numbers? Certainty of losing the war is the only factor that may deter them, and it is very difficult to convince dictators that they are certain to lose a war.

Heavy casualties among their own people in the early part of a war, which might turn out successfully in the long run, would be a matter of very small moment to a dictatorship.

"But," say the prophets of the atomic blitz, "if we don't succeed in scaring them into keeping the peace, we'll blast them out of existence in 30 days after war starts."

This is simply wishful thinking of a very primitive kind, although I must say it isn't quite so new an idea as you may think. Read the following and see if it doesn't sound as if it came out of yesterday's newspaper:

"For example, take the center of a large city and imagine what would happen among the civilian population during a single attack by a single bombing unit. For my part, I have no doubt that its impact upon the people would be terrible. * * *

"What could happen to a single city in a single day could also happen to 10, 20, 50 cities. And, since news travels fast, even without telegraph, telephone, or radio, what, I ask you, would be the effect upon civilians of other cities, not yet stricken, but equally subject to bombing attacks? What civil or military authority could keep order, public services functioning, and production going under such a threat? And even if a semblance of order was maintained and some work done, would not the sight of a single enemy plane be enough to stampede the population into panic? In short, normal life would be impossible in this constant nightmare of imminent death and destruction. And if on the second day another 10, 20, or 50 cities were bombed, who could keep all those lost, panic-stricken people from fleeing to the open countryside to escape this terror from the air?

"A complete break-down of the social structure cannot but take place in a country subject to this kind of merciless pounding from the air. The time would soon come when, to put an end to horror and suffering, the people themselves, driven by the instinct of self-preservation, would rise up and demand an end to the war—this before their army and navy had time to mobilize at all."

Does this have a familiar ring today? Does it sound like Huie and his atomic blitz? Don't jump to any such hasty conclusion—this is taken from General Douhet's book, Command of the Air, written 20 years ago. In the closing chapters of this book, Douhet gave us his idea of what World War II would be like. This "man of vision" predicted World War II would last 48 hours.

"Oh, but that was back in the primitive days before Hiroshima," say the blitz prophets. "Everything is changed, now that we have the atom bomb."

Studies by outstanding atomic scientists show that the damage done by the bombing of Germany was the equivalent of the damage to be expected from about 500 atom bombs. Germany is a comparatively small, compact country. But still, as proved by the official records of the Strategic Bombing Survey, her production of munitions and aircraft kept going up until after the invasion, in spite of the bombing. We had to invade Germany and defeat her armies before she surrendered. Hitler didn't simply blitz a lot of Russian cities, he actually captured the entire Ukraine. But still Russia didn't give up. I don't think anyone, except perhaps Huie, will claim that Japan was defeated by air power alone. Japan surrendered because of the combined effect of naval blockade, of air bombardment made possible by our amphibious operations, and of our obvious ability and readiness to invade her homeland.

The British can testify, from experience, as to the futility of terror bombing unless it is backed up by the ability to invade. I was in London during the blitz and the millions of people I saw sleeping underground on the subway platforms every night are not apt to underestimate the effect of indiscriminate bombing. But the considered opinion of the British is that this form of warfare does not pay off. Leading British experts, such as Admiral Dickens, General Fuller, and Air Commodore MacLean, condemn bombing cities as being a losing proposition. Even the RAF now concurs with this view that area bombing is useless. These opinions deserve great weight because they come from people who have had actual experience with the blitz, from the point of view of both the man in the bomb shelter and the one in the bomber's cockpit.

I favor playing this atomic-blitz threat for all it is worth and using the bomb itself, if we have to. At what point the atomic threat becomes more inflammatory than deterring is a judgment not for military men. But we've got to be able to back up this threat with sea power and ground forces—in case the handful of men against whom it is directed decide to shoot the works and call our hand.

This instant and devastating retaliation plan is doubly dangerous because it has terrific appeal to the popular imagination. It sweeps all the unpleasant facts of war under the rug and promises easy victory without much fighting, in case war does come. It offers us a sort of sugar-coated war in which the only horrors are experienced by the enemy, and which we win at the expense of comparatively few long-range-bomber crews. Of course, the air war over Germany cost us and the RAF over 150,000 airmen, which is not so few, at that. But there will be no more amphibious landings, no more tank warfare, and no more Battles of the Bulge—it will all be over in a hurry and will be more or less painless for us. As an additional bargain attraction, you can reduce the Army and Navy to practically nothing, thus saving the harried taxpayer many billions of dollars. That is an easy bill of goods to sell, and you can hardly blame the public for buying it so eagerly.

But it's no good. The very fact that it offers something for nothing should be enough to arouse our native American suspicions. War has always been a ghastly business and always will be. The only way to avoid the horrors of war is to avoid war itself. War will never be cheap, either in money or lives, no matter how you fight it. One of the greatest dangers of the current easy-war propaganda is that it may lull us into thinking war is not so bad after all.

Even from the purely cold-blooded military point of view of getting the shooting war over with as soon as possible, blasting cities does not pay off. Such bombing has much more effect on post-surrender problems than it does in bringing about surrender. It is a diversion of effort and may, therefore, prolong instead of shorten the war. The United States Strategic Bombing Survey Summary Report, drawn up after careful postwar studies by a group of experts from the Air Force, Army, Navy, and civilian life, states on page 16:

"The Germans were far more concerned over attacks on one or more of their basic industries and services—their oil, chemical, or steel industries or their power or transportation networks—than they were over attacks on their armament industry or the city areas."

Düsseldorf was one of the most heavily and frequently blitzed cities of the Ruhr. The Detailed Study of the Effects of Area Bombing on Düsseldorf, by the United States Strategic Bombing Survey, says on page 4:

"From the study of Düsseldorf, as detailed in the accompanying report and summarized here, it must be concluded that area raids, as they were planned and executed against this city, did not and probably could not permanently cripple the economic activities of the community nor seriously affect for long the industrial production of its plants."

The blitz prophets seem to have forgotten that the air operations which really paid off during the war against Germany were of the much belittled tactical variety. The attack on transportation, just preceding the invasion of Normandy, not only pinned down the German armies but did more to stop production than all the so-called strategic attacks combined. The Survey Report states on page 12 of the summary:

"The attack on transportation was the decisive blow that completely disorganized the Germany economy. It reduced war production in all categories and made it difficult to move what was produced to the front. The attack also limited the tactical mobility of the German Army."

One of the prime targets for strategic attack was the German aircraft industry. It turned out that even these attacks on aircraft factories actually had little effect in reducing German fighter strength. The Survey Report says on page 6:

"The culminating attacks on the German aircraft industry began in the last week of February 1944. * * * In that and succeeding weeks every known aircraft plant in Germany was hit. * * * Production was not knocked out for long * * * acceptances were higher in March, the month after the heaviest attack, than they were in January, the month before. They continued to rise."

One of the big lessons of the aerial war was that bombers cannot operate deep in enemy territory beyond the range of the fighter escort. In two disastrous attempts to destroy the ball-bearing factory at Schweinfurt, we lost 98 planes shot down and 138 badly damaged out of 428 B-17's taking part in the unescorted raids.

What actually broke the back of the Luftwaffe and gave us command of the air over the Normandy beaches was the attrition of German fighters shot down when fighter escorts accompanied our bombers.

This by-product of the bombing actually had more influence in speeding up the end of the war than the bombing itself. But, of course, fighter escort is out of the question when you talk about 3,000-mile bombers.

The bombing survey reports that more than 2,500,000 tons of bombs were dropped on Germany. This is, indeed, a staggering total. The very size of this figure should give pause to those prophets who now claim they can blitz much larger countries than Germany out of existence. Of course, tons of bombs dropped has always been one of the vital statistics of the blitz business, but it is really a measure of effort rather than an index of accomplishment. All of that tonnage did some damage of course, but a lot of it is affecting postwar recovery more than it affected the military course of the war.

In addition, this whole quick and sure concept rests on the blithe assumption that we can blitz any city in the world, using planes based on this continent. I do not intend to take issue in detail with this assumption for several reasons. To debunk the fantastic newspaper stories, on which it depends, you would have to produce actual performance figures, and these figures are, or at least should be, confidential.

Stories about long-range bombers usually quote the maximum altitude ever reached, the top speed wide open and maximum range at economical speed. These data are all thrown together in such a way as to convince the public that this is average performance throughout a normal mission. The big danger in this is that enemy pursuit pilots may not read these same newspapers, and so may shoot down our long-range bombers in naïve ignorance of their advertised performance. The survivors of Schweinfurt can tell you that deep pentration of enemy territory by unescorted bombers is a bloody and costly business.

I have no proposals to offer here as to what better methods of winning a war there may be than the atomic blitz. This is not the proper place to make such proposals. The war plans of the United States belong in a top-secret safe rather than in public print. My plea is simply that we quit kidding ourselves into thinking that all we need is long-range bombers. Let's have an Army to help our allies and a Navy to get it across the Atlantic Ocean.

I am emphatically in favor of a powerful Air Force with fast long-range bombers—very much faster and very much longer range than any we have now! But I also favor a reasonable number of lowly foot soldiers and an adequate Navy. I don't want to see this country throw away its aces in the hole and at the same time bet its shirt on a strategic concept which has been discredited by actual war experience.

I believe in air power as our first line of defense. After all, I have spent nearly half my life flying Navy airplanes and helping in a small way to fight the battle for recognition of air power within the Navy. I believed enough in air power to risk my neck for it for 22 years, but I'm afraid that an aviation admiral is rapidly becoming a displaced person now.

If I ever got started on what the Navy can contribute to survival in the air age, this article would go on interminably: "Three-quarters of the earth's surface is water * * * carriers are mobile air bases * * * antisubmarine warfare is vital * * * vulnerability of carriers is a myth * * * you can't fight a major war without command of the sea, etc., etc." I believe in these things, and my belief has been tested in battle using live ammunition. I have learned these things, at public expense, over the past 29 years, and I feel that I owe it to my employers to tell them what I have learned while in their employ.

Of course, it is rather late for me to sound off now. For the past 9 years the Air Force Association, a powerful unofficial organiza-

tion which can do and say what it pleases, has been promoting the blitz doctrine with consummate skill. Under the spell of this propaganda, one publication, at one point, stated that it would not publish anything on the other side of the question, because in its opinion there was no other side. This statement was made, mind you, by an American publication!

I have great confidence in the common sense of the American people, but if the people are to decide this question intelligently, they must hear both sides of it. So far, they have heard only one. This is a dangerous state of affairs because it means that one of the most vital questions of our times may be settled on the basis of hysteria, whipped up by publicity stunts and sensational headlines.

For example, the headlines say: "Round the world flight proves we don't need bases." Of course, the one thing which this splendid flight did prove beyond all doubt is that to fly around the world you have got to have advance bases. However, this question of the 30-day blitz has got beyond the realm of logical argument and has become a sort of religious crusade. Anything tending to support the popular cause of quick, cheap, and sure victory gets the right-hand column of the front pages. But facts debunking this proposition make unpleasant reading bordering on heresy and are relegated to the inner pages.

Putting forth such arguments in the face of the Air Force Association's gale of publicity is very much like shoveling snow against the wind. You are even apt to find yourself accused of giving aid and comfort to the enemies of the United States.

In such an argument as this you run up against one of the very baffling facts of modern life. That is that, in the year A. D. 1949, a "fact" is not by any means what the dictionary says it is. A "fact" is any statement which has appeared in the headlines often enough.

I have seen certain statements in headlines which I know contradict the laws of physics and of aerodynamics. But I wouldn't think of getting into a public argument about these facts. After all, what are the laws of physics and of aerodynamics compared to the power of the press?

If a high public official makes the front pages with a statement that says you can hang four turbo-jets under the wings of a propeller-driven airplane and thereby increase not only its speed but also its range, the simplest thing to do is just forget what you learned in engineering school and readjust your ideas to conform to this new concept. After all, this is the atomic age, so relax and enjoy it.

The quest for cheap and sure security from the ravages of war is a will-o'-the-wisp which can never be caught, particularly if we blithely accept the inevitability of war and simply concentrate on finding a way of waging war at bargain rates. When two powerful nations decide to settle their differences by war, the issue is determined by blood, sweat, and tears, at a cost of billions of manhours and millions of lives. Every major war in history has always been more expensive than the one before it, and this pattern will continue.

The major objections to the blitz plan for world peace are:

1. It leaves our friends in Europe out on a limb.

2. It makes war look too easy and painless.

3. It provides only for weapons of mass destruction and, therefore, commits us to a war against a population rather than against the military forces of a dictatorship.

4. It gambles the future of the United States on the big bomber by discarding the Army and Navy.

5. It calls for a form of war which insures losing the peace, even if we win the war.

Antitrust Policy

EXTENSION OF REMARKS
OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. JAVITS. Mr. Speaker, an article from the New Republic of May 2, 1949, entitled "The Unseen Revolution," by Amos S. Basel, a member of the New York bar, shows a point of view on antitrust policy entertained by many liberals. It is well worth comparing with other considerations which must also be considered by liberals if we would give adequate room for opportunity in our economic system.

It is true that there are great concentrations of industry in America and they have been increasing in size, and it is also true that mass production and high wages were first made possible by some big businesses. The Supreme Court has said that size is not itself an offense against the antitrust law.

Also, small-business men complain bitterly about how the antitrust laws hurt them in preventing them from cooperating together to get the benefits of size without many of its disadvantages. Many small-business men say that the antitrust laws hamper them; hence, make them less competitive with big business, put some of them out of business, and are therefore partially responsible for the continued advances in the size of big business. In short, a repetition of the traditional arguments of the 1880's and 1890's and the early 1900's with respect to trust busting, certain of which are covered in Mr. Basel's article, is not complete in the modern day.

We cannot be doctrinaire or partisan about this issue. The antitrust laws are as much a Republican as a Democratic policy. Senator Sherman, the author of the original antitrust law was a Republican and so was President Theodore Roosevelt, who first enforced the law. Great improvements through the Clayton Act and the Federal Trade Commission Act were made under President Wilson. Our fundamental problem is to adapt the antitrust policy to the complexities of the modern day. It will take a flexible system involving more rather than less regulations. I have suggested such a plan in the proposal for a National Economic Commission with power to approve agreements in business and industry and to supervise performance under them, fitting these activities into established goals of production and consumption for our private economy.

This is one suggestion, there should be others. The problem of maintaining the virility of our private economy so essential to the maintenance of our freedom will not be solved merely by adding another phase to the antitrust laws or by stricter enforcement, desirable as these may be in certain situations. An amendment to the Federal Trade Commission Act to cover acquisitions of assets as well as acquisitions of securities of competitors such as Mr. Basel's article contemplates seems unobjectionable and logical although it certainly is no complete answer to the antitrust problem.

The article from the New Republic follows:

THE UNSEEN REVOLUTION

(By Amos Basel)

The vanishing American of the twentieth century is the small-business man. He is being devoured, or as lawyers put it, "absorbed, merged, and acquired," at such a rate that the whole process amounts to a little-publicized revolution in the American free-enterprise system.

Going on under the diverted noses of United States consumers is a great upswing toward complete economic concentration. Between 1940 and last year, 2,450 independent manufacturing and mining firms disappeared by merger into gargantuan corporations, and this total includes only two areas of the whole American economy. These 2,450 formerly independent companies had assets worth $5,200,000,000. They furnished competition among themselves and with the giant corporations that dominated their industries. Today, like the cigar-store Indian, they have vanished.

The present trend toward monopoly and bigness in American business is far more widespread, more important, and involves much more money than ever before in our history. The period of the growth of the trusts, from 1879 to 1894, when Rockefeller and Morgan led the way, looks like small potatoes in comparison.

New methods, entirely legal under present laws and court decisions, are being used to remove the small-business man from the market place. The trust had its beginnings in simple arrangements among competing businessmen concerning prices, markets, outlets. The next step was to establish such working arrangements legally. The tycoons devised trusteeships as an ideal method.

That type of trust is out of date and dead as a modern tool of monopoly. It had its day during the final quarter of the nineteenth century, when the railroad, oil, meatpacking, and other big American industries were rising and sweeping across the continent. Under these trusteeships, the voting stock of the various companies to be brought together was placed in the hands of trustees who thereafter operated the combination for the benefit of the stockholders. Obviously, it was not of any benefit to the stockholders to allow the companies in the trust to cut one another's throats. Markets were allocated, prices were set, and everybody benefited except the competitors and the general public.

Rockefeller's Standard Oil Trust was the first such arrangement. The Lead Trust, the Cottonseed Oil Trust, and others followed rapidly in its wake. The elimination of competitive business went forward at such speed that the public began to take notice and complain. The giants of American industry were threatening political democracy, some said. Legislatures were corrupted, public officials were bribed, and the public clamor grew so great that Congress took action. It passed the Sherman Antitrust Act in 1890 with one dissenting vote.

This law declared that all combinations in restraint of trade were illegal. It contained provisions for jail sentences and heavy fines. Temporarily, at least, it threatened the trusts and halted the dangerous tendency toward monopoly. Between 1894 and 1896 not a single combination of importance was created. The businessmen who had organized this economic concentration liked the idea of staying out of jail. They stopped their now illegal actions. They waited to see what the Supreme Court would say about the Sherman Act. In the meantime New Jersey passed legislation which made the holding company legal in that State. Many leading corporation lawyers were of the opinion that the

Sherman Act did not apply to holding companies organized in and operating under the laws of New Jersey. The Supreme Court backed them up. In 1895 it held that the American Sugar Refining Co., a New Jersey holding company, could not be prosecuted as a monopoly under the act. This despite the fact that American Sugar Refining controlled 98 percent of the industry.

When the gates had thus been opened the new gold rush to monopoly rapidly got under way. A little more than 9 years after this ruling 318 industrial combinations were in existence. They had a total capital of more than $7,000,000,000. Of the 318 giants, 234, with capital of $6,000,000,000, were organized between 1898 and 1904. The holding companies controlled two-fifths of the manufacturing capacity of the United States.

Once more, public opinion became aroused. This time the hue and cry was so loud that even the Republican platform of 1900 carried a mild antitrust plank. As a result, when Theodore Roosevelt entered the White House by virtue of a historical accident, he had his party's lip service as a basis for his trust-busting activities. Even though such powerful figures as J. P. Morgan and James P. Hill were involved, the Northern Securities case was brought to trial.

In that action, the Supreme Court in 1904 broke up the holding company which had consolidated the Northern Pacific, Great Northern, and the Chicago, Burlington, and Quincy Railroads. Trust busting became popular politically and a large number of antitrust actions were carried on under Presidents Roosevelt and Taft. Corporation consolidations and mergers fell off.

Under the drive of Woodrow Wilson's new freedom, the Federal Trade Commission Act and the Clayton Act were passed in 1914. These laws accepted the current concentration of wealth in the United States, but were designed to control such economic concentration and prevent it from spreading.

More than half a century later after much political oratory, laws, legal actions, and campaigns against monopoly, how does the picture look?

In June 1947, the 78 largest manufacturers held net working capital of $10,000,000,000. These assets, in highly liquid form, were more than enough to purchase all the 50,000 manufacturers who listed individual assets of less than a million dollars each. The 78 had more than enough ready cash to buy out 90 percent in number of all United States manufacturing corporations.

Today there are 48 American corporations, each with assets of a billion dollars or more. Many of the 48 are richer than most State governments.

Fifty percent of the Nation's manufacturing plant is owned by 113 companies, each worth $100,000,000 or more.

The earnings of the small companies—those grossing less than $250,000 per year—made up 23.4 percent of the total gross income of all corporations in 1914. In 1942 these small companies grossed only 11.6 percent of the total, and the situation has rapidly worsened since that date.

Five companies control more than 90 percent of the rubber-tire business; three companies, with annual sales in excess of $3,000,000,000, do more than 86 percent of the cigarette business; 11 bank holding companies own or control 330 banks with 800 banking offices in 20 States and with aggregate resources of nearly $14,000,000,000.

The same pattern repeats itself throughout our economy. How has this tremendous concentration come about despite all the laws on the statute books? Why the disappearance of the little fellow the antitrust laws were to protect?

The present situation is largely the consequence of the corporations discovering another loophole—one of the biggest of all time. The gateway to a large part of concentrated economic power lies in section 7 of the Clayton Act. This section was intended to prevent companies from merging when such a merger would substantially lessen competition in the industry or tend to create a monopoly. The intent of the act seems plain.

However, here is the loophole: The act controls only stock mergers, i. e., companies combining when one of them buys up the outstanding stock of the other. The Federal Trade Commission, charged with administering the Clayton Act, was given the power to prevent such mergers.

Unfortunately, the FTC was not empowered to stop one company from buying the physical assets of the other. For example, the tycoons discovered that if one company bought up the outstanding million shares of another company in order to control the market for a certain product, the FTC could step in and stop the action. But if the first company bought up the name, factory buildings, machinery, trucks, and other physical and intangible assets of the second company, the FTC couldn't do anything. Such actions by corporations were perfectly legal and and proper, even if they tended to create monopolies, because the law did not specifically prevent them. The intent of the Clayton Act died a horrible death in the process. It was often undesirable, however, to buy the assets first. A dodge was tried. The stock was purchased in violation of the law. The acquired stock was then voted to accomplish merger of the assets. Once the assets were owned, the argument was made that the Commission was helpless to act because the law allowed assets to be acquired. The Supreme Court decided, 5 to 4, that it was legal.

The next step in the final undoing of the act was to buy the stock, and if the FTC went after you, to buy the assets. The Court again approved, also 5 to 4. At this point the Commission threw in the towel and ceased attempting to enforce this section of the law.

These Supreme Court decisions were handed down during the days of Coolidge and Hoover, when the Department of Justice paid little attention to antitrust enforcement. It happened during the period when the Court held that United States Steel and International Harvester were not monopolies since they achieved their size and economic power by lawful means. It was the postwar, loose-money, speak-easy age, and business was as fancy free as the rest of the population. Large wartime earnings were available for expansion and were used lavishly, unimpeded by legal hurdles. These attitudes, plus the lack of teeth in the Clayton Act, brought the second great merger era, which rose to its height in 1928 and 1929. Thus between 1919 and 1930, there were 7,259 mergers, 1,029 in the utility field alone.

Since the clear intent of the Clayton Act continues to be evaded, we are now in the midst of the third great period of merger. The FTC recently summed up the practical results of the law as it is now:

"The antitrust laws condemn attempts to control the market by means of mutual understandings or agreements among competitors, but if the same objective is achieved through the purchase of physical properties * * * antitrust agencies are powerless to act. In other words, the weaker less effective methods of eliminating competition are prohibited, but the permanent and more effective method of consolidating ownership under a single management is permissible."

Not only are the Federal enforcement agencies hog-tied by the interpretation of this antitrust legislation, they find that the harder they try to enforce the law, weak as it is, the more they defeat their own purpose. For when they move against "mutual understandings or agreements" among competitors, their actions are an inducement to those very same companies to get a move on and combine through legal means. An example of this is the cement industry. Liberals cheered loudly when the Supreme Court held that the basing-point system of price fixing in the industry was a violation of the antitrust laws. However, while the case was being tried, from 1937 to 1948, more and more cement companies got together. The 10 largest companies now own more than 60 percent of the industry.

For 22 years the Federal Trade Commission, a bipartisan body, has unanimously urged the amendment of the antitrust laws to eliminate this loophole. The Temporary National Economic Committee, also a bipartisan group, made a similar recommendation. In the Seventy-ninth and Eightieth Congresses, Senator JOSEPH C. O'MAHONEY (Democrat, Wyoming), and Representative ESTES KEFAUVER (Democrat, Tennessee) introduced bills to carry out such recommendations. The bills were blocked in committee. They have been reintroduced in this session by O'MAHONEY and KEFAUVER in the Senate, and CELLER, of New York, and HOBBS, of Alabama, in the House.

The greatest percentage of recent asset acquisitions has been in the food, nonelectrical machinery, textiles and apparel, chemicals and transportation equipment industries. In the past, these have been mainly areas of small business.

The big boys have moved in on such industries as steel drums, wine and tight cooperage, always considered a bulwark of small business. The great steel corporations have increased their ownership of steel-drum fabricating capacity from less than 10 percent before the war to 87 percent now. They have also gone into other types of fabricating. Since steel is scarce, they supply themselves first. The independent who can't get his materials from the giant corporations is driven into the gray market or the bankruptcy courts. The case of the Bronx contractor who was unable to bid on the job of building structural-steel skeletons for Government hospitals in New York is fairly common. The only bidders were Bethlehem and United States Steel. When the producer becomes the fabricator, competition exists only by his sufferance.

The activities of the distillers are typical. In order to guarantee themselves a supply of whisky barrels to age their stocks of alcohol, they took over 10 independent companies. These former independents made up almost 100 percent of the tight-cooperage industry in the United States. At the same time, the large distilling firms bought up nearly one-fourth of the Nation's wine-storage capacity, and about one-half of all the aging wines. By 1946, the Big Four distillers held 75 percent of whisky stocks aged 4 years or longer.

Another acute danger to small business in the United States economy arises from corporations which reach backward to buy up suppliers. For example, during the war, Safeway Stores, Inc., now the Nation's second largest grocery chain, grew from 966 to 2,442 stores. At the same time, it moved into the manufacturing field. Safeway purchased 12 meat packers, a gelatin-dessert manufacturer, a biscuit and cracker factory, a butter plant, and 15 cheese companies.

Such acts squeeze the small corner grocery or butcher shop particularly hard at a time when supplies are short and the market is tight. The independent finds it impossible to survive. He becomes dependent upon the large chain. His former supplier often becomes his competitor. As more and more suppliers are cemented into the country's monopoly structure, the chances of the small-business man's staying afloat get steadily smaller.

The merger of various types of unrelated business into one organization concentrates

enormous economic power in the hands of a small group of men. Such power can then be wielded over many scattered industries. For example, the Universal Match Co. purchased three candy-manufacturing companies. Only recently, Schenley Distillers changed its name to Schenley Industries. Its great variety of activities no longer was covered by the original name.

Another, American Home Products Co., a pharmaceutical concern, spread out into cosmetics, insecticides, dyes and paints, chemicals, waxes and polishes, and food specialties. If this conglomerate organization, for example, ever decided to drive an independent from the market, it could take a loss on its product in that field while financing the loss through profits on its other businesses. Such mergers are one of the major dangers to small business, and more than 22 percent of recent mergers were of this type.

If the economists' predictions that depression can only be avoided by lower prices and increased production are true, more monopoly will mean a bigger depression quicker. The favorite economic pastime of large corporations is to keep prices up, and output down, while salting away reserves for the bad times ahead which such actions make inevitable.

Study after study has shown that in times of deflation, competitive prices are forced down rapidly, while prices of products in monopolistic industries decline little, if at all. If the present trend toward monopoly continues, competitive American small business, the healthy core of free enterprise, will be destroyed. If that occurs, one of two things will happen: the Nation will have to control industry, or be controlled by it.

There is still time to check the trend. A long, necessary step toward keeping the free-enterprise system free will be amendment of the Clayton Act. Of course, after the law is changed, rigorous enforcement measures will be necessary to outlaw mergers which tend toward monopoly. This in itself is not enough. But it is crucial in the fight to prevent giant corporations from continuing to increase their power at the expense of small business.

The continued life of the small-business man makes the free-enterprise system free. If he passes on it will die with him.

Address of Raymond M. Foley, Housing and Home Finance Administrator

EXTENSION OF REMARKS

OF

HON. A. S. MIKE MONRONEY

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. MONRONEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to call attention to the Members of the House to the following address by Mr. Raymond M. Foley, the Housing and Home Finance Administrator, which he made before the regional conference of the National Association of Home Builders in Oklahoma City on June 18:

Let me start by thanking you for this opportunity to appear before a representative assembly of residential builders of the Southwest at a time that appears to me of the greatest significance in the development of housing progress in America. You have given me a chance today to further the performance of my very weighty duties as administrator of the Nation's first peacetime permanent over-all housing agency—and placed upon me the responsibility of speaking with the frankness necessary if I am to be essentially helpful to you.

Over the years we in America have come to a better realization of the importance of good housing to the welfare of the people and, therefore, of the Nation. During the recent World War we were forced suddenly to an understanding of how essential it is to national safety in a time of armed conflict under modern conditions. Since the war we have had a concentrated experience in realization of the directness of its impact upon peacetime security.

If there ever was a day when we could ignore bad housing conditions in this country with impunity, that day has passed. If we have learned anything at all from the experience of other modern nations, we have learned that the living conditions of the people have a very direct bearing on their degree of satisfaction with their form of government and that they find a significant expression of their living conditions in the sufficiency of their housing for wholesome family life. Even if we were willing to forget the individual human problems involved, we could not isolate large numbers of badly housed people from the rest of the Nation and thereby keep the whole free from bad effect. Our society has become too closely interwoven and interdependent for that.

In America we pride ourselves upon the free-enterprise system, commonly but rather narrowly called private enterprise, and the advantages and progress it has brought us under a democratic form of government of which it is a cornerstone. But pointing with pride to its accomplishments does not relieve us of a responsibility for its shortcomings. In housing, as measured against our American standards, only an unreasoning advocate could claim there are no present areas of failure.

You all know from the years of my activity in official connection with housing that I am a champion of private enterprise. I believe in the system. I have worked to make it work better in housing. And the longer I have worked, the more I have realized that there remains much room for improvement in performance and results. In spite of its great and continuing accomplishments, I sometimes feel like blushing for some of its practitioners and apologizing for the statements of some of its spokesmen. In that feeling, I know I am not alone in the ranks of those who believe, as President Truman has stated, that the great bulk of the housing job must be done by private enterprise.

But what is the housing job?

And what is free enterprise?

And what have some spokesmen of the builders meant when they have declared in effect: "The industry wants only to be left alone; we will solve the whole housing problem"?

This is perhaps the best moment in the history of housing effort for the responsible Government official and the conscientious private advocate of private enterprise to examine those questions.

For right now, after years of discussion and parliamentary struggle, we stand on the threshold of debate of those questions in the final legislative forum. We are about to have the long-denied opportunity for decision on major housing questions on the floor of the United States House of Representatives.

You have suggested in your official program that I talk about an interpretation of Federal housing legislation. Since you already have the actual interpretation of existing legislation, through experience, I take it you refer to major pending legislation. It would be a mistake, however, to consider pending housing legislation, especially H. R. 4009, as though it stood alone and were the first step in Federal legislation on housing. It must be considered against the background of past legislative history and of governmental performance with respect to industry aids, and public assistance in emergency, as well as with reference to other pending proposals advocated by the administration, such as are contained in Senate 712. Time will not permit a review of all the past, but you know the picture of governmental aids to your industry well enough to let it be a background in your minds for this discussion.

First. What is the housing job?

I have no intention of tiring you now with another recital of statistics of housing need today or 10 years from now. Those estimates have been made by many and often published. They vary in size. But the significant fact is that all the estimates are very large. The lowest call for a sustained production never yet reached and maintained by the industry in this country. Another significant fact is that they identify the areas of worst housing as the areas in which we have given least evidence of ability to serve the need under present conditions. The identification is incomplete and imperfect, it is true. Why is that true? It is because after all the years of debate we don't have the facilities and authority anywhere to find out many of the things we need to know to push our progress faster. We have never had an adequate statistical and research program.

Take your choice of needs estimates as to numbers. They are all high. But on one point you have no choice, unless you wish merely to ignore the situation. There are problem areas of housing so serious that no present facility can be demonstrated to have the capacity to solve them reasonably soon. If you doubt that, go as I have into the slums of cities, large and small. It is said that people make slums. I agree, but seldom, and in only very small part, are they voluntarily created by the people who have to live in them. I grant you there are local variants in the situation, and you pride yourselves, perhaps, that your locality is better than another. But we must evaluate the situation nationally.

If you doubt further, look in town and country at the housing conditions of a very large percentage of our minority groups, especially the people of the Negro race. No realist can believe that we can long ignore that problem, to the profit of the Nation.

If you doubt still further, consider the plight of the families of low and modest income who cannot buy homes for a variety of reasons and must rent. In most areas of the country we are producing nothing in rental accommodations many of them can afford.

You and I are more fortunate. But some of us have experienced something of those problems in our youth. We managed to surmount them. So the cynic may say all these other millions can do so also. By and large that is exactly what they want—the chance to do it. So I sum up the housing job thus:

"Our task is to bring about, by use of all our American resources, within a reasonable time, a situation within which the mass of American families may with industry and thrift attain a decent home in a suitable environment."

You will all say "amen" to that, as a leading middle western editor did when I made such a statement recently. "That," he said, "is a far cry from socialism."

But before you say that disposes of the problem—think. What is a reasonable time? Spokesmen of the industry who imply that our present progress is all that is needed are mostly silent on that point. Gentlemen, I measure the pressure of time with the eyes of children. There are hundreds of thousands, probably millions, of them growing up today in slum surroundings, urban and rural. Their future is being shaped there.

Their outlook on life, on America, on citizenship—on our system of free enterprise, is being shaped by the impact of slums upon them. Can we safely assume that it is being well shaped? And the years of their childhood are few.

I have four grandchildren. Many of you have small children or grandchildren. Their lot in life is more fortunate. You and I may take some credit for that. Despite this, but for the grace of God, they, too, might be living in slums.

So to my second question: What is free enterprise in the home-building industry?

You operative builders are not the building industry. Examine your relationship to it; then examine that of labor and of land and of finance. Put these parts all together and then examine the sum of them. Will you have then an industry that could be expected to function readily, smoothly, and steadily in our modern complicated social scene? The answer is "No." There would still be an important factor missing; namely, government. I mean government in the broad sense of the exercise of common authority and the application of common resources. Without that today your troubles in providing a million houses a year would be insurmountable. To me it is obvious that free enterprise today in the building industry is a team of labor, management, finance, and government, each doing its proper part, and each doing a part the others cannot practicably do for themselves. I was questioned on this point in Congress recently and my reply in brief was: "Private enterprise in the residential building scene is a combination of private management, private capital, labor, and governmental resources. Through the teaming of them together to do each the part it can best do, and perhaps which it alone can do, we further most the free-enterprise system of this country."

In the minds of the mass of people that is the conception of American free enterprise. To them the proof of the pudding is in the eating; the sufficiency of the system is judged by the extent to which it serves their needs. So long as the system in total leaves a large segment of them badly served, you can expect the whole system to be more and more under attack.

And then the third question: What do some spokesmen of parts of the industry really mean when they declare they can solve the whole housing problem unassisted and assert that government should be taken out of the picture?

I think I know what most of them do not mean. They do not mean repeal of the FHA and the insured-mortgage system which brought the residential building industry out of the depression and brought about reform in home finance and liberal lending that has made thousands of big builders out of little ones. They do not mean to abolish the Home Loan Bank System and the Federal Savings and Loan Insurance Corporation that have developed stable home financing resources for thousands of communities. They do not mean to abolish the Federal Deposit Insurance Corporation which has given a security to savings in banks that unquestionably has contributed vastly to the availability of pooled funds to make your marketing task easier. They do not mean to discontinue the veterans' home-loan system. Nor do they mean to abolish the Bureau of Labor Statistics, the Forest Products Laboratory, or the Bureau of Standards—to name only a few of the activities of Government at the Federal level that bear directly on housing.

They mean, I suppose, only those activities of Government that they claim compete with or curtail their activities. But even in that regard there is no agreement. Some would abolish the Federal National Mortgage Association secondary market as to some extent entering the field of private lenders. I wonder how many operative builders would agree with that. Some would even abolish the Federal Housing Administration. I have heard such voices. How many of you builders would agree with that?

Why are there these differences of opinion? It is because the whole complicated business of producing housing is not an industry in the ordinary sense, with one broad, inclusive, single point of view. Maybe it never can be. But by the same set of circumstances, it has never been in a position to treat the whole of housing as one broad single national problem, although seeking to claim it all as its exclusive field of operation.

That is a basic mistake. Housing is a national necessity, a national asset, and a matter of national concern. Perhaps in the next 2 weeks it will have been officially declared so by Congress for the first time. Not the least important part of the major housing bill up for debate is the declaration of national housing policy. I don't know how many of you have read it for yourselves. In some places I have found but few builders who have actually studied the legislation they are opposing. They are taking someone else's word about it. If any of you are going to be content with that, then I am glad you have asked for my view. It is this:

The best long-range interest of the American public in housing will be served by the strongest, best coordinated, most efficient private building industry we can devise. The long-time interest of the private building industry will be served best by so utilizing public and private resources that there will be no large and long-continued fester-spots in our housing economy. The best way to bring ourselves into that situation is to marshal all possible public resource and authority to improve the effectiveness of the industry and so to hasten the broadening of its operation in the whole field. In the meantime, because of the stark considerations of social and human necessity the Nation and free enterprise will be best served if we supplement what we more narrowly call private enterprise with public assistance in the provision of housing for those whose need we cannot serve otherwise.

I believe pending housing legislation officially declared to be in accord with the program of President Truman, in H. R. 4009 and S. 712, is soundly conceived in the American tradition to further exactly those objectives. I hope they will be enacted. I believe those in the industry who have been opposing one and supporting the other are mistaking their own real interest. As a champion of private enterprise in the true sense, I believe you should be supporting both. I think they will be enacted and in a decade many of you will be glad they were, because you will find your industry the better and more useful for it.

We come now in this frank discussion to other points of keen interest. What of the immediate future, for instance? Can we go on with large production this year and next? I believe we can. I think so chiefly because I see progress in the attack upon high costs of building. There can be no question that costs have been too high to maintain a market of last year's volume. In my opinion they have been unnecessarily high. They could be reduced without any cut of basic hourly wages or basic unit material costs. That process has begun. It can continue with elimination of contingent items, increased efficiency all along the line, development of new materials and better use of those we have, better design and method, and a sharper pencil on the profit margins of general and subcontractors. We think there is large promise in cooperative undertakings. The need for these moves and the possibilities of them have been clearly apparent since the first postwar difficulties were surmounted. The housing agency has called attention to them for 2 years. The economy housing program launched as a joint endeavor this year was based upon a firm belief in those potentialities and of the possibilities of joint action to accomplish them. We have always held that the best market and a great challenge was in the middle-income field. There were voices of protest. We were accused of deceiving the people, of promising the impossible, of weakening the market. One builder wrote me last fall that only a general depression would lower housing costs and prices, and that our economy compaign would hurt the market. The other day he wrote me he has hundreds of orders for his 1949 model—reported to be the equivalent of one selling for several hundred dollars more last year.

The economy housing program was misinterpreted by many as being only a small-house campaign. It was and is a campaign to reduce the cost of all housing production, with emphasis upon a lower-priced market. It is succeeding. The average FHA mortgage is declining in size; the percentage of modest house business is increasing rapidly. But there is much farther to go. We have too much emphasis on two-bedroom houses. We need many more threes and fours. Following our long-time policy of applying the most liberal financing method to the lower priced field, we have proposed special applications of 95 percent insured mortgages in that area. Our experience with the beginning test in section 203 (d) has been encouraging and grows more so. We hope for early passage of that legislation, too, because we believe the industry can make a better, faster attack upon the moderate priced housing need through it. In this bill also are provisions for a better secondary market for mortgages in the lower brackets; an improved proposal for cooperatives; a back-up of Federal direct loans for rental projects where private funds are not available. There is a very promising revision of title II structure for FHA and a provision for mortgage insurance in place of class 3 title I new houses. By that means we believe we will be offering an extremely useful means for builders to enter a market for small, low-priced houses in certain areas for which financing has often been nonexistent.

I believe we, all four factors of that private enterprise team, can achieve growing progress in cutting costs as reflected in prices and rents. You in the Southwest area have been leaders in the progress. I congratulate you—but I urge you not to rest on your oars. You have certain advantages, which should help you to keep in the forefront.

What, you will ask, about availability of finance? That situation is still not uniform—but it is notable that the worst predictions of last fall have not come to pass. There is still, on the whole, ample finance available, but it is somewhat spotty and not flowing freely for all types of loans. Again, I believe, the federally financed secondary market is proving its value as a backstop and a stabilizer, rather than as a substitute for private lending. Provisions of S. 712, if passed, will further improve that picture.

What of materials? The bugaboo of 2 years ago is gone. Very rare today is a report of a shortage delaying construction. Incidentally, there goes, too, one of the original causes and later excuses for a part of high costs. There seems no reason to fear shortages of materials this year or next.

What of market? The housing need remains great, where it always was great, among the people of modest income. Builders producing a good value below $10,000 in many areas, and below $9,000 or $8,000 in others, are not even yet having to be salesmen. We will have a better situation when you do find selling is required, in the sense of healthy competition for customers in those fields. And the market for rentals at $60 downward for a good family accommodation is only just being scratched. But there is evidence that builders, in a number of areas

are getting very much interested in that field, too.

I must bring this talk to a close without touching on a great mass of detail that might interest you. Rather than spend time on that, I want to discuss a subject of paramount importance to us all. If pending major legislation passes, including public housing, slum clearance, research, farm housing, and the proposed added aids to private enterprise in S. 712, what will be the result? What will be the attitude of the administration and its housing agency with regard to the situation thus created?

There have been prophecies of doom, aimed to prepare you for the worst. In my considered opinion, the prophets are seeing ghosts.

If you want to know fully what the attitude will be, read the testimony of the Administrator before committees of Congress. Or, more briefly, read the declaration of policy in H. R. 4009. Remember that those statements are officially declared to be in accord with the program of the President and, therefore, of the executive agencies. They are susceptible to only one interpretation. The Government aims to use every authority and resource granted to assist in extending to the utmost the effectiveness of private operation in the field of housing. It will regard the legislation as a mandate from Congress so to do. It will use to the utmost the resources and facilities of private enterprise in carrying out its task. For instance, for some reason unfathomable, there was formerly bitter resistance to a research program, on the ground it would set up a tyranny over business. In spite of that, the Eightieth Congress passed a bill calling for a partial research program, limited to building codes and standardized measurements for home building. We have established that research. We are seeking to use to the full the facilities of private enterprise. The expressions of satisfaction at the approach are general. Opposition to a general research program has lessened. One of the ghosts is by way of being laid.

And why do we seek a public housing program? The prophecies of doom say it is to invade the field of private enterprise in the low-income groups, to begin to socialize all housing, to gain political control of the tenants, and so on. If the defenses private enterprise depends upon in the lowest-income field are the slums that serve many of them now, it is hard to envision the entry of public housing there as an invasion. The fact is that there is no truth in any of those charges. The position of the administration has been clearly stated. There is no desire to have public housing for its own sake. There is nothing in pending legislation that expresses or encourages such a purpose.

There is no desire to invade or preempt any field of housing, nor to enter in any field further than is required to serve the need and to bring about a means whereby it can be served otherwise.

The major point the prophecies of doom overlook is that every proposal for governmental aid to the needy is far overbalanced by a great variety of proposals to help private enterprise do the job itself.

I don't pose as a prophet—but let me point out that for years there was grave apprehension over what would happen to the industry if a peacetime housing agency were established. It was said the Administrator would be a czar, a tyrant, a dictator. You now behold the tyrant. Two years have passed since the Agency was set up to succeed the wartime emergency agency. In that time the industry has equalled its all-time record of sustained production. The Congress proposes more tasks for the Agency. The industry, if I may judge by all the signs, is coming to realize that that fear, too, was only the seeing of a ghost.

It all boils down to this: We have a great and challenging task to do. The Nation cannot and will not permit it to go undone. We have the soundest foundations in the world on which to build our future building industry. It can be progressively improved, but we can't go back to the nineteenth century. We must use all our resources under twentieth-century conditions and conceptions. All that is proposed in the legislation I have discussed is that we use all we have, together, to strengthen America in its most vital bulwark—the home of the average family, and that we do it in such fashion and in such time that the total American system, based as it is upon free enterprise, will be fully justified.

What I Believe

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks, I am incorporating an article written by a great American, Henry E. Sheets, of Shelby, Ohio. This article was written prior to Pearl Harbor, but it certainly is applicable as of this date. I hope that every Member of this Congress will read what Henry Sheets has to say, because it is a philosophy worthy of all of us.

The article follows:

WHAT I BELIEVE

(By Henry E. Sheets)

THE FUTURE OF AMERICA AND THE WORLD IS BOUND UP IN YOUR BELIEFS

I believe that the vast majority of labor, whether in field, factory, or forest, is honest. I believe that the vast majority of management throughout this land is likewise honest and trustworthy. I believe in the old maxim, that the laborer is worthy of his hire; that his compensation should be based on his intelligence, his loyalty, his ability to perform, and his value to the business that employs him.

I believe that the lazy, the shirker, the troublemaker, the indifferent, the inefficient, should have a merit rating based upon their value. That the good should be weeded from the bad, and that preference should go to the deserving. All of the above applies to management whose acts and methods largely influence those less fortunately situated.

I believe that the future of this world of men and women is largely bound up in what men and women think and do today. I believe that the old adage, "The survival of the fittest," will hold true in the future as it has always done since man came on earth. I believe that those now in authority, whether it be the President of the United States, the Congress, or the Supreme Court, have a tremendous responsibility. I believe that much of the future is bound up in what labor organizations, management of business, and the public as a whole decide to do.

I believe that the enemies of mankind are always busy. That they have no vacations, and that constant vigilance, whether in peace or war, is necessary if the people of the world desire any degree of liberty or the possession of happiness. I believe that the good in men will always survive, no matter how long oppression and injustice hold away. I believe there is no such thing as a millennium. That the evil is constantly working against the good of society, and that society must be in constant anticipation of the outbreak of those whose desire it is to dominate.

I believe that peace to all nations in the future years is bound up in what future generations of men and women will do. That the thoughts of those living will be no guide to those living 25 or 50 years hence. Every generation must learn the hard way. It has always been so, and likely the future will bring no change in human thought.

I believe in economy and thrift, whether it relates to the great corporation, the Government, or the humblest citizen. I believe in efficiency in knowledge applied to the work in hand, to the end that the greatest volume of product may be produced, thus permitting it to be sold at the lowest possible price. I believe in the unrestricted liberty of every citizen so long as he obeys the laws.

I believe all men and women possess the inherent right to work where they choose, and to follow such occupations as pleases them best. I believe all men and women, unless prevented by nature, should earn their own way in life and that they should have every opportunity to secure an education that will permit them to become useful, patriotic citizens.

I believe in the elimination of every bureau and commission that assumes to enact laws through directives from the President. I believe that the functions of the President should be strictly confined to his constitutional limits. I believe that the Supreme Court should represent all classes of our society; that they should be men who believe in American institutions and not foreign ideologies; that they should be selected for their legal knowledge, their belief in the Constitution, their fairness, and not because of political favoritism.

I believe in the Constitution of the United States. I believe in all the freedoms which it gives to every citizen—freedoms that were bequeathed to us by generations over a century and a half ago. I believe in the limitations which the Constitution places upon every branch of our Government. I believe in our courts of justice, in our jury system, and the fair interpretation of the law. I believe in fairness and equal opportunities to all citizens; that there shall be no favorites before the laws, and that all men and women shall have equal rights and privileges.

I believe that some business management has been unfair to labor and the community. I likewise believe that some labor management has been unfair to business and the Nation as a whole. I believe that the laws relating to industry and labor are unfair to the public because they recognize but one element of our working population. I believe that paternalism in any form to any group of our people will eventually work disaster to all of us.

I believe in making money on your business operations, so long as money is the measuring stick of human activities. I believe in the profit system because of its incentive to greater accomplishment. I believe in being regarded as prosperous other than a reputation of a failure. I believe in the profit system; that it develops the best as well as the worst in the human mind; that it creates employment for others, and in the end builds a better society than any other system yet devised.

I believe in steady employment to the end that all may be prosperous. I believe that strikes, lock-outs, and other upheavals of business disrupt society, create enmities and bitterness to any community. I believe in getting together with the other fellow to the end that men and women may live together in peace and harmony. I believe in cooperation, recognizing the rights of the other fellow as just as important as my own. I believe in good wages to the employed—vacations with pay—profit sharing—free insurance—and, above all, an atmosphere that makes every employee—from the president to the janitor—feel that each is an integral

part of the successful operation of the business.

I believe in free enterprise; that every human in America has the right to engage in any legitimate business; that every man and woman may organize his or her industry in his or her own way without consulting any bureau of government; that governmental retrictions on the honest leads to oppression, favoritism, extravagance, waste, and eventual decay of all mental aggressiveness; that before the people of the world can hope to better their condition, a complete reversal must be accomplished in the constant spending of money through the sale of bonds; that deficit spending now means plenty of trouble in the future; that pay-as-you-go is imperative if we wish to survive as a nation of free people. There is no substitute for living within your income. Thousands have tried it in the past, and the invariable answer is disaster.

I believe that regardless of treaties and the complete defeat of all enemies of civilization, human nature will not change; that there is and always will be a sizable portion of the human family who will seek to dominate the vast majority; that this minority is constantly active; that eternal vigilance is required on the part of the good to protect society from the bad.

I know that history will appraise the period of peace in the same way that it renders a verdict on armed conflict; that those living in peace must assume responsibility for future conditions under which men and women must live; that we now are building for tomorrow. Let us hope that greater wisdom will prevail in building the new structure that has been the case in past attempts.

I believe that Government can, within its authority, lead America into security, happiness, and prosperity, or disaster that will enter every household and penetrate into every industrial institution. If, during peace, our outgo constantly exceeds our income—if we must, year after year, issue bonds and still more bonds to make up our deficits, then we are on the high road to national bankruptcy. If we place a premium on idleness through the payment of excessive unemployment compensation, excessive distribution of money to any group of our people, then we face a constantly increasing demand for still larger payments from those who represent these groups.

If, on the other hand, thrift is our watchword—if, after the war with Japan has been victoriously concluded, we balance outgo with income—if we use common sense in our over-all expenditures—if we can pay something each year on our public debt—if we can maintain the purchasing power of the dollar—if we can give industry and the individual a constant lowering of taxation, then we can look forward with the satisfaction that the road has been found that leads to security, happiness, and full employment.

Whatever future America has is entirely in the decision of the people of this country. Labor can do much to steer the ship of state in the right direction. Management of industry is also a great factor. But above all single groups, the destiny of America must rest in the decisions made by all the people.

I want to envision the day when mankind will have a new birth of freedom. A birth that will outlaw war as an instrument in the settlement of international disputes. When men and women will gather in peaceful converse to discuss and settle the question of nationality without venom or hatred. When labor, management, and the public will outlaw strikes and lock-outs, and thereby secure justice to all elements. When a free world of people will know no boundary lines of opportunity. And when each individual will be unrestricted in his or her efforts to make the world a better place in which to live.

Chiropractic and the Nation's Health

EXTENSION OF REMARKS

OF

HON. ANTHONY F. TAURIELLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article:

CHIROPRACTIC AND THE NATION'S HEALTH

(Prepared and submitted by the International Chiropractors Association, Davenport, Iowa)

PREFACE

Various proposals are before Congress designed to increase the availability of adequate health care to the people of the United States. None of them make specific reference to chiropractic, and presumably a citizen would have no right to request chiropractic care under any of said proposals if adopted in their present form. Attention is invited to the accompanying resolution adopted by the officers and board of control of the International Chiropractors Association. This brief has been prepared for the purpose of presenting the need to include chiropractic in any national health plan which may be enacted into law.

RESOLUTION

Whereas the Government of the United States of America, acting through its authorized agencies, has made an exhaustive and comprehensive survey of the Nation's health needs, and

Whereas the welfare of the people of the United States requires that the Congress inquire into the problem of making adequate health care available to all people regardless of economic status, and

Whereas a large portion of the people of the United States now regularly depend upon chiropractic for their health care, and

Whereas the practice of chiropractic is separate and distinct from the practice of medicine, and

Whereas the Congress is now considering various national health proposals, and

Whereas some of the proposals now being considered by the Congress would not permit the people to exercise freedom to choose the particular type of health care to be employed in their respective cases, and

Whereas freedom of choice is the bulwark of a democratic form of government; now, therefore, be it

Resolved by the officers and members of the board of control of the International Chiropractors Association, That the Congress of the United States be respectfully petitioned to include the practice of chiropractic on an equal basis with other branches of the healing art in any national health plan which it may hereafter enact into law, to the end that every person shall have the unqualified right to the selection, use, and benefit of chiropractic health care.

Be it further resolved that copies of this resolution be furnished to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Committee on Labor and Public Welfare, the Chairman of the House Committee on Interstate and Foreign Commerce, and to the Federal Security Administrator.

In witness whereof we have hereunto subscribed our names this 30th day of April, A. D. 1949.

Officers: President, B. J. Palmer, D. C., Ph. C., Davenport, Iowa; First Vice President, L. George Grupe, D. C., San Angelo, Tex.; Second Vice President, A. A. Adams, D. C., Tacoma, Wash.; Third Vice President, Herbert R. Reaver, D. C., Cincinnati, Ohio; Secretary-Treasurer, M. E. McDermott, Davenport, Iowa; Board of Control: Ernest S. Grandchamp, D. C., Ph. C., Holyoke, Mass.; Walter O. Peterson, D. C., Ph. C., Pueblo, Colo.; C. F. Aumann, D. C., Ph. C., Indianapolis, Ind.; Charles Heiss, D. C., Ft. Lauderdale, Fla.; A. E. Lill, D. C., Belleville, Ill.; E. R. BeBout, D. C., Ph. C., Indianapolis, Ind.; G. M. O'Neil, D. C., Ph. C., Fort Wayne, Ind.; L. K. Griffin, D. C., Fort Worth, Tex.; Walter Gingerich, D. C., Reseda, Calif.; Elmer G. Green, D. C., Ph. C., Seattle Wash.; Fred C. Sears, D. C., Worcester, Mass.; R. W. Tyer, D. C., Ph. C., Jackson, Miss.

CHIROPRACTIC PROFESSION SERVES LARGE PROPORTION OF POPULATION

More than 30,000,000 people in the United States have accepted chiropractic health service * * * served by the second largest of the healing arts professions, chiropractic, comprising nearly 20,000 practitioners located in every section of the country.

If a national health plan is adopted, the 30,000,000 chiropractic patients must be provided for in a way which will permit freedom to choose chiropractic care as well as medical and dental care, and on the same equal basis.

CHIROPRACTIC SEPARATE AND DISTINCT FROM MEDICINE

Chiropractic has approached the problem of the cause of disease from an entirely new and fresh viewpoint from that of medicine. It was developed independently from medicine, and does not employ medical procedures.

Furthermore, chiropractic offers a type of health service not otherwise available. Medical doctors do not practice chiropractic * * * Chiropractors do not practice medicine. The two types of service are entirely separate and distinct. This separate and distinct, coequal and independent, status of chiropractic has been recognized by State legislation and licensure without reference to medical licensure.

SCOPE OF CHIROPRACTIC PRINCIPLE AND PRACTICE

Chiropractors limit practice to the adjustment, by hand only, of the articulations of the human spinal column for the purpose of removing interference to the transmission of nerve energy between brain and body.

Briefly, chiropractic holds that human ailments are caused by interference to the natural flow of nerve energy between brain cell and tissue cell. Thus, if an organ of the body is failing to receive normal quantity flow of nerve energy, this is manifested in the particular organ affected by either lack of function or excess of function, which is disease.

Interference to free flow of nerve energy occurs most frequently in the nerve trunks passing through the spinal column. The interference is produced by misalignment (called subluxation) of the vertebral segments composing the spinal column.

SCIENTIFIC CHIROPRACTIC ANALYSIS

The chiropractor detects subluxations by use of palpation, X-ray and other scientific instruments. The chiropractor determines whether interference to natural flow of nerve energy is present. From this analysis, the chiropractor decides whether the particular case is a chiropractic case, or whether the individual should be referred to another type of practitioner. If, in the opinion of the chiropractor, there is a chiropractic case, the chiropractor will make an adjustment of the subluxated vertebra or vertebrae in the manner indicated by the analysis, thus removing the interference to natural flow of nerve energy between brain and body. Func-

tion of the affected organs of the body is thereby restored to normal—which is health.

Chiropractic services do not depend on medical diagnosis for a proper application. None of the analytical procedures above outlined are medical procedures. However, the chiropractor is adequately trained to recognize the various diagnosed conditions for the purpose of complying with health laws, rules and regulations.

CHIROPRACTIC REGULATED BY SEPARATE LICENSURE

The chiropractor is an expert in a particular field of practice, as evidenced by licensure recognition in the various State jurisdictions, the District of Columbia and Territories of Alaska and Hawaii. Thus, the people are assured of qualified practitioners, and the maintenance of high professional standards. Wherever legislators have failed to provide coequal status with medicine, the regulations are frivolous, unrealistic, and unenforceable. Medical students are not examined to test a knowledge of chiropractic principles; chiropractors are not trained to practice materia medica. Studies of sciences which are dissimilar in theory and practice are bound to be poles apart. For these reasons, the national health plan must give recognition to the independent status of chiropractic.

CHIROPRACTIC RESEARCH

Science is a body of provable facts. Science, therefore, is not the subject of belief, but the subject of observable phenomenon. Chiropractic is a science and has demonstrated the indisputable fact that correct application of the chiropractic principle restores health to sick people in the vast majority of cases in which chiropractic care is indicated. Therefore, it is of no consequence that a particular group of individuals believe in or do not believe in chiropractic. Chiropractic is performing a vital health service to the Nation, and a vital health service to the people, and that service must be recognized by including chiropractic in the national health plan.

THE PEOPLE MUST BE SERVED

Public sentiment is the most vital constituent of our democratic society. No law can endure against public opinion.

The chiropractic profession has continued to grow because the science of chiropractic gets sick people well. The same people will demand that chiropractic be accorded a proper coequal status in Federal health legislation. Not only chiropractic patients, but all who believe in justice and equality before the law, insist that in any issue as important as the Nation's health, full consideration must be given to the rights and privileges of all citizens.

Respectfully submitted by International Chiropractors Association, B. J. Palmer, D. C., Ph. C., president.

Reorganization of Executive Branch of the Government

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. HOLIFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following analysis of the status of the recommendation of the Commission on Reorganization of the Executive Branch of the Government:

FIRST ANALYSIS OF THE STATUS OF THE RECOMMENDATIONS OF THE COMMISSION ON REORGANIZATION [1] OF THE EXECUTIVE BRANCH OF THE GOVERNMENT, AND OF BILLS, REORGANIZATION PLANS AS WELL AS OF OTHER PERTINENT MATERIAL (81ST CONG., 1ST SESS., TO JUNE 20, 1949) [2]

Commission Chairman's letter transmitting statement in regard to filing of the Commission's report in a series of parts or volumes with the Congress, and recommending that authority be granted the President to initiate reorganization plans; filed January 13, 1949 (H. Doc. No. 37).

Report

General Management of the Executive Branch. Filed February 7 (H. Doc. No. 55). Appendix E, Task Force Report on Departmental Management. (Only those supporting documents published by the Commission as appendices are listed here.)

Status in House

Report referred to House Expenditures Committee.

Status in Senate

Report referred to Senate Expenditures Committee.

President's message of January 17 (H. Doc. No. 42) recommends enactment of a new reorganization act.

Status in House

H. R. 1569, Reorganization Act of 1949, introduced January 17; referred to Expenditures Committee.

H. R. 2361, Reorganization Act of 1949, introduced February 7; referred to Expenditures Committee. Reported February 7 (H. Rept. No. 23); passed February 7.

Status in Senate

S. 526, Reorganization Act of 1949, introduced January 17; referred to Expenditures Committee; reported April 7 (S. Rept. No. 232).

S. 942, General Executive Management Act of 1949, introduced February 14; referred to Expenditures Committee.

Senate asks for a conference, May 16. House agrees to a conference, May 17. Conference committee reports, June 16 (H. Rept. No. 843).

Conference report agreed to in Senate and House, June 17. Bill signed by the President, June 20, now Public Law 109, Eighty-first Congress.

President's message of June 20 (H. Doc. No. 221) transmits seven reorganization plans, with explanatory comment, for the consideration of the Congress.

Status in House

H. R. 2613, General Executive Management Act of 1949, introduced February 10; referred to Expenditures Committee.

H. R. 103, Federal Traffic Bureau Act of 1949, introduced January 3; referred to Interstate and Foreign Commerce Committee.

Status in Senate

S. 1095, Federal Traffic Bureau Act of 1949, introduced February 25; referred to Interstate and Foreign Commerce Committee.

REORGANIZATION PLAN NO. 4 OF 1949

Transferring the National Security Council and the National Security Resources Board to the Executive Office of the President (H. Doc. No. 225); submitted June 20, and referred in each House to the Committee on Executive Expenditures.

President's message of May 9 (H. Doc. No. 176) contains statement on reports of the Hoover Commission.

[1] Referred to hereafter as "The Hoover Commission."

[2] Whenever a date is given below, it is understood to refer to the year 1949.

Report

Personnel Management. Filed February 10 (H. Doc. No. 63). Appendix A, Task Force Report on Personnel Management.

Status in House

Report referred to House Expenditures Committee.

H. R. 808, to increase the salaries of the President, Vice President, the Speaker of the House, and of the heads of executive departments; introduced January 5; referred to Committee on Post Office and Civil Service.

H. R. 5181, to provide for the extension of the civil service; introduced June 16; referred to Post Office and Civil Service Committee.

Status in Senate

Report referred to Senate Expenditures Committee.

S. 103, to increase the salaries of the President, Vice President, the Speaker of the House, and of the heads of executive departments; introduced January 5; referred to Committee on Post Office and Civil Service.

S. 498, to increase rates of compensation of the heads of executive departments and independent agencies; introduced January 13; referred to Post Office and Civil Service Committee; reported March 18 (S. Rept. 130).

S. 1762, Position Classification and Pay Act of 1949; introduced May 4; referred to Post Office and Civil Service Committee.

S. 2111, to revise the personnel policy governing the civil service of the United States, and for other purposes; introduced June 20; referred to Committee on Post Office and Civil Service.

REORGANIZATION PLAN NO. 5 OF 1949

To provide for unified direction by the Chairman of the United States Civil Service Commission of the executive affairs of the Commission (H. Doc. No. 226); submitted June 20, and referred in each House to the Committee on Executive Expenditures.

Report

Office of General Services-Supply Activities Filed February 14 (H. Doc. No. 73).

Status in House

Report referred to House Expenditures Committee.

Status in Senate

Report referred to Senate Expenditures Committee.

Report

Appendix B, Task Force Report on the Federal Supply System. Appendix C, Task Force Report on Records Management.

Status in House

H. R. 1745, for the more economical operation of the general supply fund of the Bureau of Federal Supply, Department of the Treasury, and for other purposes.

H. R. 2641, Central Administrative Services Act of 1949, introduced February 14; referred to Expenditures Committee.

H. R. 2781, Federal Property Act of 1949, introduced February 16; referred to Expenditures Committee. Reported May 18.

H. R. 4754, Federal Property and Administrative Services Act of 1949, superseding H. R. 2781; introduced May 18; reported May 24 (H. Rept. No. 670).

Status in Senate

S. 597, revising provisions relating to the general supply fund in the Treasury Department, introduced January 24; referred to Expenditures Committee.

S. 990, Federal Property Act of 1949, introduced February 17; referred to Expenditures Committee.

S. 991, Central Administrative Services Act of 1949, introduced February 17; referred to Executive Expenditures Committee.

S. 1809, to simplify the procurement, utilization, and disposal of Government property,

to reorganize certain agencies of the Government, and for other purposes, introduced May 9; referred to Expenditures Committee; reported May 9 (S. Rept. No. 338).

S. 2020, superseding S. 1809, introduced June 8; referred to Expenditures Committee; reported June 8 (S. Rept. No. 475).

Report

The Post Office. Filed February 17 (H. Doc. No. 76). Appendix I, Task Force Report on the Post Office.

Status in House

Report referred to Post Office Committee.

H. R. 5177, to provide for the reorganization of the Post Office Department, introduced June 16; referred to Committee on Post Office and Civil Service.

Status in Senate

Report referred to Senate Expenditures Committee.

S. 2062, making changes in laws applicable to the Post Office Department in order to furnish a basis for a reorganization of the Department, and for other purposes, introduced June 13; referred to Post Office and Civil Service Committee.

REORGANIZATION PLAN NO. 3, OF 1949

To provide for the strengthening and improvement of the organization of the Post Office Department (H. Doc. No. 224), submitted June 20, and referred in each House to the Committee on Executive Expenditures.

Report

Foreign Affairs. Filed February 21 (H. Doc. No. 79). Appendix H, Task Force Report on Foreign Affairs.

Status in House

Report referred to House Foreign Affairs Committee.

Status in Senate

Report referred to Senate Expenditures Committee.

President's message of March 4 recommends the reorganization of the Department of State.

Status in House

H. R. 3559, to strengthen and improve the organization and administration of the Department of State, introduced March 15; referred to Foreign Affairs Committee; reported May 3 (H. Rept. No. 500); laid on table May 12; S. 1704 passed with amendments, May 12, in lieu.

Status in Senate

S. 1704, to strengthen and improve the organization and administration of the Department of State, introduced April 16; referred to Committee on Foreign Relations reported April 26 (S. Rept. No. 304); passed May 6; passed House, amended, May 12. Senate agrees to House amendments, May 16; approved May 26; became Public Law 73, Eighty-first Congress.

Report

Department of Agriculture. Filed February 22 (H. Doc. No. 80). Appendix M, Task Force Report on Agricultural Activities.

Status in House

Report referred to House Agriculture Committee.

H. R. 5179, to provide for the reorganization of the Department of Agriculture, introduced June 16; referred to the Committee on Agriculture.

Status in Senate

Report referred to Senate Expenditures Committee.

S. 2055, to permit the President and the Secretary of Agriculture to effectuate the recommendations of the Hoover Commission relating to the Department; introduced June 13; referred to Committee on Agriculture and Forestry.

Report

Budgeting and Accounting. Filed February 25 (H. R. Doc. No. 84). Appendix F, Task Force Report on Fiscal, Budgeting and Accounting Activities.

Status in House

Report referred to House Expenditures Committee.

H. R. 5178, to improve the budgeting and accounting systems of the Federal Government, introduced June 16; referred to the Expenditures Committee.

Status in Senate

Report referred to Senate Expenditures Committee.

S. 2054, to authorize the President to determine the form of the national budget and of departmental estimates, and for other purposes, introduced June 15; referred to the Expenditures Committee.

Report

National Security Organization. Filed February 28 (H. Doc. No. 86). Appendix G, Task Force Report on National Security Organization.

Status in House

Report referred to House Armed Services Committee.

Status in Senate

Report referred to Senate Expenditures Committee.

President's message of March 7 (H. Doc. No. 99) recommends transfer of certain authority within the National Security Organization to the Secretary of Defense.

Status in House

H. R. 2216, to amend the National Security Act of 1947, to provide for an Under Secretary of Defense, introduced March 8; referred to Armed Services Committee. Reported March 10 (H. Rept. No. 104); passed March 18; passed Senate May 7; became Public Law 36, Eighty-first Congress.

H. R. 3845, to convert the National Military Establishment into an executive department, introduced March 28; referred to Armed Services Committee.

Status in Senate

S. 108, amending the National Security Act of 1947 by establishing a single executive department (Department of Defense), introduced January 5; referred to Armed Services Committee.

S. 1269, to convert the National Military Establishment into an executive department, introduced March 16; referred to Armed Services Committee.

S. 1845, National Security Act Amendments of 1949, introduced May 12; referred to Armed Services Committee; reported May 12 (S. Rept. No. 366); passed May 26; referred to House Armed Services Committee May 27. (To convert the National Military Establishment into an executive department, and to enlarge the powers of the Secretary.)

S. 2054, to authorize the President to determine the form of the national budget and of departmental estimates, and for other purposes; introduced May 13; referred to the Expenditures Committee.

Report

Veterans' Affairs. Filed March 2 (H. Doc. No. 92). None.

Status in House

Report referred to House Veterans' Affairs Committee.

H. R. 1844, to establish a Department of Veterans' Affairs, introduced January 25; referred to Expenditures Committee.

Status in Senate

Report referred to Senate Expenditures Committee.

S. 2019, to establish a Veterans' Insurance Corporation, introduced June 8; referred to Finance Committee.

Report

Department of Commerce. Filed March 7 (H. Doc. No. 100). (See Task Force Report, Appendix N, on Regulatory Commissions.)

Status in House

Report referred to House Interstate and Foreign Commerce Committee.

H. R. 5180, to provide for the reorganization of the Department of Commerce, introduced June 16; referred to the Committee on Interstate and Foreign Commerce.

Status in Senate

Report referred to Senate Expenditures Committee.

S. 2058, to provide for an additional Assistant Secretary of Commerce and to facilitate the effectuation of the recommendations of the Hoover Commission relative to the Department, introduced June 13; referred to Interstate and Foreign Commerce Committee

REORGANIZATION PLAN NO. 7 OF 1949

To transfer the Public Roads Administration from the Federal Works Agency to the Department of Commerce (H. Doc. No. 288); submitted June 20, and referred in each House to the Committee on Executive Expenditures.

Report

Treasury Department. Filed March 10 (H. Doc. No. 115).

Status in House

Report referred to House Expenditures Committee.

H. R. 2084, directing the payment by the United States of premiums on bonds of Government officers and employees, introduced April 7; referred to Expenditures Committee.

H. R. 2871 and H. R. 2945, identical bills, were introduced February 21 and 22, respectively; referred to Expenditures Committee.

Status in Senate

Report referred to Senate Expenditures Committee.

S. 193, directing the payment by the United States of premiums on bonds of Government officers and employees, introduced January 3; referred to Expenditures Committee.

S. 1559, to establish a National Monetary Commission, introduced April 11; referred to Banking and Currency Committee; reported June 1 (S. Rept. No. 43); passed June 1.

Report

See appendix F, Fiscal, Budgeting and Accounting Activities, under Budgeting and Accounting, above.

Status in House

H. R. 2830, directing the payment by the United States of premiums on bonds of Government officers and employees, introduced February 17; referred to Expenditures Committee.

H. R. 5174, to provide for the reorganization of the Treasury Department, introduced June 16; referred to the Committee on Ways and Means.

Status in Senate

S. 1692, to amend title VI of the United States Code to provide for the issuance of official bonds covering Government officers and employees without charge to such officers and employees, and for other purposes, introduced April 25; referred to Expenditures Committee.

S. 1997, to establish a Fidelity Trust Fund to issue fidelity bonds to Federal employees without cost to them, introduced June 6; referred to the Expenditures Committee.

S. 2058, to permit the President and the Secretary of the Treasury to effectuate the recommendations of the Hoover Commission relating to the Department, introduced June 13; referred to Finance Committee.

Report

Regulatory Commissions, filed March 12 (H. Doc. No. 116). Appendix N, Task Force Report on Regulatory Commissions.

Status in House

Report referred to House Expenditures Committee.

H. R. 306, Department of Transportation Act of 1949, introduced January 3; referred to Expenditures Committee.

H. R. 5173, to provide for the reorganization of the regulatory agencies, introduced June 16; referred to Expenditures Committee.

Status in Senate

Report referred to Senate Expenditures Committee.

S. 402, Department of Transportation Act of 1949, introduced January 13; referred to Interstate and Foreign Commerce Committee.

S. 2059, making certain changes in the laws applicable to regulatory agencies, so as to effectuate the recommendations of the Hoover Commission relating to them, introduced June 13; referred to Expenditures Committee.

S. 2073, identical with S. 2059, introduced June 14; referred to Expenditures Committee.

REORGANIZATION PLAN NO. 6 OF 1949

To strengthen the administration of the United States Maritime Commission by making the Chairman the chief executive and administrative officer of the Commission and vesting in him responsibility for the appointment of personnel, and the supervision and direction of their activities (H. Rept. No. 227); submitted June 20, and referred in each House to the Committee on Executive Expenditures.

Report

Department of Labor. Filed March 14 (H. Doc. No. 119). None. (No bill relating to the reorganization of this Department during the present session of the Congress has come to the attention of the staff of the Executive and Legislative Reorganization Committee.)

Status in House

Report referred to House Expenditures Committee.

Status in Senate

Report referred to Senate Expenditures Committee.

REORGANIZATION PLAN NO. 2 OF 1949

Transferring the Bureau of Employment Security from the Federal Security Agency to the Department of Labor and vesting in the Secretary of Labor the functions of the Federal Security Administrator with respect to employment services and unemployment compensation (H. Doc. No. 223); submitted June 20, and referred in each House to the Committee on Executive Expenditures.

Report

Department of the Interior. Filed March 17 (H. Doc. No. 122). Appendix L, Task Force Report on Natural Resources. Appendix Q, Task Force Report on Public Works.

Status in House

Report referred to House Public Lands Committee.

H. R. 5176, to provide for the reorganization of the Department of the Interior, introduced June 16; referred to the Committee on Public Lands.

Status in Senate

Report referred to Senate Expenditures Committee.

S. 2057, to permit the President and the Secretary of the Interior to effectuate the recommendations of the Commission relating to the Department, introduced June 13; referred to the Committee on Interior and Insular Affairs.

Report

Social Security, Education and Indian Affairs. Filed March 18 (H. Doc. No. 129). Appendix P, Task Force Report on Public Welfare.

Status in House

Report referred to House Expenditures Committee.

H. R. 782, to constitute the Federal Security Agency a Department of Welfare, introduced January 5; referred to the Expenditures Committee; reported February 15 (H. Doc. No. 122).

H. R. 1402, to establish a Department of National Health and Welfare, introduced January 13; referred to Expenditures Committee.

H. R. 5175, to provide for the establishment of a Department of Welfare, introduced June 16; referred to Expenditures Committee.

Status in Senate

Report referred to Senate Expenditures Committee.

S. 656, National Education Agency Act of 1949, introduced January 27; referred to Labor and Public Welfare Committee.

S. 2060, to establish a Department of Welfare, introduced June 13; referred to Committee on Expenditures.

REORGANIZATION PLAN NO. 1 OF 1949

To provide for a Department of Welfare, which will perform the functions, and conduct the programs, now administered by the Federal Security Agency, this Department is to take its place among the principal executive departments of the Government (H. Doc. No. 222); submitted June 20; referred in each House to the Committee on Executive Expenditures.

Report

Medical activities. Filed March 21 (H. Doc. No. 128). Appendix O, Task Force Report on Federal Medical Services.

Status in House

Report referred to House Expenditures Committee.

H. R. 184, Health, Education, and Security Department Act of 1949, introduced January 3; referred to Expenditures Committee.

H. R. 1402, Department of National Health and Welfare Act of 1949, introduced January 13; referred to Expenditures Committee.

H. R. 5182, for the establishment of a United Medical Administration, introduced June 16; referred to Expenditures Committee

Status in Senate

Report referred to Senate Expenditures Committee.

S. 1581, to establish a National Health Agency, introduced April 4; referred to Committee on Labor and Public Welfare.

S. 1679, to establish a national health insurance plan, introduced April 25; referred to Committee on Labor and Public Welfare.

S. 2008, to establish a United Medical Administration, introduced June 7; referred to Committee on Labor and Public Welfare.

Report

Overseas Administration. Federal-State relations. Federal research, filed March 25. (H. Doc. No. 140). None.

Status in House

Report referred to House Expenditures Committee.

H.R. 5172, to provide for the administration of overseas activities, introduced June 16, referred to Expenditures Committee.

H. R. 2389, to establish a temporary National Commission on Intergovernmental Relations, introduced February 7; referred to Expenditures Committee; hearings held by joint committee May 9–13.

H. R. 3184, H. R. 3994, and H. R. 4507, identical bills with H. R. 2389.

H. R. 12, National Science Foundation Act of 1949, introduced January 3; referred to Interstate and Foreign Commerce Committee.

H. R. 185, H. R. 311, H. R. 1845, H. R. 2308, and H. R. 2751, identical bills with H. R. 12.

Status in Senate

Report referred to Senate Expenditures Committee.

S. 2061, to create a commission to study the administration of the overseas activities of the Government and to make recommendations to Congress with respect to these activities, introduced June 13; referred to the Expenditures Committee.

S. 2072, identical with S. 2061, introduced June 14; referred to the Expenditures Committee.

S. 767, to establish a National Commission on Intergovernmental Relations; introduced February 3; referred to Expenditures Committee.

S. 810, to establish a temporary National Commission on Intergovernmental Relations, introduced February 7; referred to Expenditures Committee.

S. 1946, to establish a permanent National Commission on Intergovernmental Relations, introduced May 26; referred to the Expenditures Committee; reported June 13.

Senate Joint Resolution 41, to establish a Commission To Study Intergovernmental Fiscal Relationships, introduced January 27; referred to Expenditures Committee.

S. 247, National Science Foundation Act of 1949, introduced January 10; referred to Labor and Public Welfare Committee; reported March 3 (S. Rept. No. 90); passed March 18; referred to House Interstate and Foreign Commerce Committee, March 22.

Report

Business enterprises. Filed April 1 (H. Doc. No. 152). (No bill relating to the reorganization of business enterprises during the present session of the Congress has come to the attention of the staff.) Appendix J, Task Force Report on Revolving Funds and Business Enterprises. Appendix R, Task Force Report on Lending Agencies.

Status in House

Report referred to House Expenditures Committee.

Status in Senate

Report referred to Senate Expenditures Committee.

Report

Concluding report. Filed April 20 (H. Doc. No. 197).

Status in House

Report referred to House Expenditures Committee.

Status in Senate

Report referred to Senate Expenditures Committee.

This report contains an index to all commission reports and all published task force reports.

NOTES

This material has been prepared by the staff of the Subcommittee on Executive and Legislative Reorganization, in cooperation with the Legislative Reference Service, Library of Congress, and the staff of the Senate Committee on Expenditures in the Executive Departments. It is the intention of the subcommittee to provide Members of Congress from time to time with information relating to these important reports. All pertinent additional information regarding their progress will be inserted in this analysis in future revisions.

Typescript reports: In addition to the Commission reports and the published task force reports, there are available in many cases additional typescript reports. These were not reproduced in such quantities as to permit of general distribution, but a complete set of them is available in the office of the subcommittee (room 1611), where they may be consulted.

Indexes of reports: Reports and Published Task Force Reports, an index prepared by

the Legislative Reference Service, Library of Congress, for the Senate Committee on Expenditures in the Executive Departments, appears (1) in the Concluding Report of the Commission and (2) as a Senate committee print.

Unpublished Task Force Reports: An index of these was also prepared by the Legislative Reference Service, Library of Congress, for the Senate Committee on Expenditures in the Executive Departments.

Summaries of reports: Among numerous summaries of these are listed below in separate groups. So far as summaries emanating from private sources are concerned, the staff assumes no responsibility for either their contents or their adequacy, but lists them here because it is believed they may be useful.

OFFICIAL ORIGIN

Commission on the Organization of the Executive Branch of the Government, concluding report (Government Printing Office, Washington, 1949).

Senate Committee on Expenditures in the Executive Departments, Digest of Reports of the Commission on Organization of the Executive Branch of the Government (81st Cong., 1st sess., Senate committee print, 1949).

PRIVATE ORIGIN

Big Government, Can It Be Managed Effectively?—Fortune magazine supplement, May 1949. Twenty-page summary.

Hoover Commission High Lights: Report Recommendations Summarized, Tax Digest (California Taxpayers Association), May 1949, pages 149–173.

Summary of Reports of the Hoover Commission, Public Administration Review, spring 1949, pages 73–99. Reprints available from the American Society for Public Administration, 1913 East Sixtieth Street, Chicago, Ill.

The Hoover Commission Report on the Organization of the Executive Branch of the Government (McGraw-Hill Book Co., New York, 1949). Contains text of reports and recommendations, minus statements of dissenting views.

Reorganization: A Time-Honored Means to Good Government

EXTENSION OF REMARKS

OF

HON. NEIL J. LINEHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. LINEHAN. Mr. Speaker, the attention of the entire Nation has been directed to the need for reorganization within the executive branch of our Government. The accomplishment of this, it is felt, will reward with new standards of economy and efficient service. In 1947 with bipartisan sponsorship, we saw the creation of a Commission on Organization of the Executive Branch of the Government. This body was composed of 12 distinguished citizens, drawn from various phases of public and private life.

The reports submitted to the Congress by this Commission have met with enthusiastic response in all quarters.

At this time it may be well to point out, that the reports of the Commission on Organization, sometimes referred to as the Hoover Commission, do not in themselves embody a plan or blueprint. They are primarily drawn to focus attention on keystone needs in the departments of our Government. It might be well to add also that not all of the reports submitted to the Congress were unanimous. Accordingly, we find frequent dissents among the commission members themselves as to the feasibility of this or that proposal. In this respect they parallel the decisions of, for instance, the Supreme Court of the United States. It would be well to bear in mind also, that appropriate weight should be given to many of the dissenting views, because they were offered by individuals with specific experience in the particular field under study. These recommendations represent a real beginning in improved administration and reduction of the costs of Government. Needless to say, consideration for possible enactment has met with a most heartening reception among the Members of the Eighty-first Congress.

It becomes apparent after a study of these reports, that a very real problem confronts our Congress today. They have the difficult task of evolving from these recommendations legislation which will achieve the objective sought, and desired by all interested citizenry.

The recommendations of the Commission on Organization can be accomplished by substantive legislation initiated by the Congress itself, on the one hand, or by reorganization plans submitted by the President to the Congress, or finally, by Executive orders of the President.

With the passage of the reorganization bill of 1949, the good faith of the President and his sincere desire to carry out the recommendations of the Commission on Organization was demonstrated when he submitted, on June 20, 1949, seven far-reaching reorganization plans. In another instance, earlier than this, the House of Representatives passed the Federal Property and Administrative Services Act of 1949. This measure passed the Senate on June 21, 1949. In this bill, a piece of substantive legislation, we see congressional action, paralleling in kind and degree, the reorganizing enthusiasm of the President. It is expected that after further appropriate study, Executive orders will be formulated, aimed at achieving certain much needed and specific improvements for better Government.

I am happy to report that my Democratic colleagues from Illinois, Congressmen DAWSON, O'HARA, GORSKI, CHESNEY, BUCKLEY, O'BRIEN, YATES, PRICE, MACK, SABATH, and GORDON, as well as other forward-looking Members of the Congress, favorably endorse the work of the Commission on Organization.

Again I state a real job now faces the Congress. It must, through drafting of legislation and hearings thereon, develop such remedial steps as to bring to our Government improved service and reduction of unnecessary duplication and governmental overlapping of services and pyramided costs. It would be well, however, to state that this cannot be accomplished in a brief space of time. However we urge all possible speed, consistent with thoughtful reflection of our needs. If we are to seek the best in reorganization, appropriate weight must be given to all the views expressed by the Commission on Organization. We all know a mere series of general recommendations cannot of themselves produce worthwhile legislation. Nor can the best of intentions produce a better and a more economical governmental administration. Action is needed.

In keeping with these recommendations, it is well to remark that only by attracting to the Government service an influx of high-calibered individuals can the best governmental planning and legislation be carried into effect through capable administration.

The Commission on Organization has completed a most laudable project and my colleagues of the Illinois Democratic delegation, together with the other Members of the House, are indebted to them for the industry and zeal they have shown in the service of their country. We intend that this shall not have been without avail, but shall be reflected in prompt enactment of worth-while legislation, based on these studies, which will create higher governmental standards of efficiency with resultant savings to the American taxpayers.

Wisconsin Farm Income

EXTENSION OF REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, the following is an excerpt from a communication from a representative of the Bureau of Agricultural Economics of the United States Department of Agriculture and indicates what is taking place in Wisconsin:

For Wisconsin the income from marketings in the first 4 months of the year is down 17 percent. For the United States the decrease is only about 5 percent. The income in April shows a decrease of about 17½ percent in Wisconsin compared with April of last year. For the United States it is about 9 percent.

One reason why the Wisconsin farm income has been reduced nearly twice as much as the national farm income is because the Department of Agriculture has not carried out the present price-support law on milk and its products.

On June 1 I received the following official information from the same source:

The price of milk estimated for the middle of May in Wisconsin was $2.85 per hundred pounds compared with $4.27 in the same month of 1948, a decrease of 33 percent. For the United States the May milk price averaged $3.60 compared with $4.65 in May 1948. This is a decrease for the Nation of over 22 percent. Most other farm products have not declined in price as much as has milk.

A large percentage of the milk produced in Wisconsin is converted into

manufactured dairy products, and thus this milk does not enjoy the special privilege legislation accorded the milksheds. The legal, lawful support price for milk used for manufactured dairy products should be $3.21 per hundred pounds. The Wisconsin average of $2.85 per hundred pounds includes the milkshed milk, so the milk used for manufactured dairy products is bringing from 40 cents to 60 cents less per hundred pounds than the legal support price under the present law.

There is not much logic in promising higher prices when the present support law is not being followed. Less promises and more performances is the need of the day.

Statement of Dr. Israel Tabak

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. MULTER. Mr. Speaker, much has been said in the American press recently about Soviet suppression of religion and more particularly about Soviet anti-Semitism. Reference has also been made to the statement made by Dr. Israel Tabak, president of the Rabbinical Council of America during the course of its annual convention in Atlantic City, N. J., on May 23, 1949. I am very pleased to submit herewith the following excerpt from Dr. Tabak's presidential message delivered at that convention as follows:

The time has come for a redefinition of the principles of Judaism in terms of the new turn which Jewish history has taken. We must become aware of the fact that the birth of the state of Israel has changed the course of Jewish history. It has marked as complete and as radical a departure from the established patterns of Jewish life, as the discovery of the atom has done with regard to the experience of humanity in general. In order to meet the challenge of the new age a concept of Judaism will have to be advanced that will be broad and sweeping so as to fill the spiritual needs of every Jew, no matter what his ideas on religion may have been a year or 2 years ago. Divisiveness and denominationalism within Judaism is a manifestation of the Galuth. Now that there is one people of Israel and one state of Israel there should be but one religion of Israel. The time has come to shake off all symptoms of Galuth—right here in America.

Reports have reached us through reliable sources that a systematic attempt is being carried on to suppress all the religious, social, and cultural life of the Jewish people in Poland, Rumania, Hungary, and other countries under Soviet domination. It is frightening to contemplate the lot of these people who are the only surviving Jewish communities left in Europe. I know these people well and I am fully convinced that by depriving them of their religious institutions and denying them of the privilege of educating their children in religious schools, those responsible are depriving them of the very elements of life.

We feel impelled to bring their cry before the conscience of mankind from the platform of this convention. It is ironical indeed that the forces of the Soviet Union that have saved these people from the clutches of the Nazi murderers, should now compel them to die a spiritual death.

If there is no room for Judaism and for Jewish culture in these countries, let the authorities remove the iron bars, which have been used even more rigorously of late, and permit all those wishing to do so to emigrate to Israel.

If the Soviet countries expect a more amicable relationship to be reestablished between east and west, they will have to make amends for this injustice and inhumanity.

Chinese Adventure

EXTENSION OF REMARKS
OF
HON. JOHN A. BLATNIK
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. BLATNIK. Mr. Speaker, some 14 months ago during the Marshall plan debate I pointed out that granting military aid to the rotten and corrupt Chinese Government of Chiang Kai-shek was a foolish and "rat hole" operation. But there were those in the House that refused to face facts, and who chose to regard Chiang as a "knight in shining armor who was defending western civilization." Since then it has become a well-documented fact that much of American military aid was sold outright to the Chinese revolutionary forces, and the rest was surrendered without a fight. Now comes a report by Drew Pearson to the effect that even as America was giving arms to the Nationalist regime, Chiang was seeking a deal with the Russian Government whereby he would change sides in the cold war. I believe that there is a moral to this story, so under leave to extend my remarks in the RECORD, I include Drew Pearson's column which appeared in the June 21, 1949, edition of the Washington Post.

CHINA-RUSSIA DEALING HUSHED UP

(By Drew Pearson)

An amazing story of Chinese bargaining between the United States and the U. S. S. R. has been carefully hushed up by the State Department. At one time during the China war the Chiang Kai-shek Government was almost on its knees before the Soviet Ambassador to patch up a deal with Russia—at the very same time it was yelling for aid from the United States.

The hitherto untold story began 9 months ago, September 1948, when the Soviet Ambassador at Nanking suggested that the Nationalist Government sign a nonaggression pact with Russia—including a highly important clause whereby, in case of Russo-American war China would side with Russia.

The Chinese nationalists stalled their reply. Meanwhile, Russian pressure increased in Manchuria. Finally, on October 11, Chiang Kai-shek replied that China would accept a nonaggression pact provided it did not contain the clause putting China against the United States in the event of a Russo-American war.

News of this leaked back to Washington 3 days later, October 14. But it was not until October 17 that someone thought to inform the White House or else the White House woke up to the situation.

At any rate, on October 17, at 5:30 p. m., Presidential Assistant John Steelman phoned Gen. Al Wedemeyer, head of the War Plans Division, with the ultimatum that unless the President received a full report on sending war materials to the Nationalist Government, the Pentagon Building would be blown higher than a kite.

Supplies to China must start moving within 2 weeks, Mr. Steelman warned. The first ships actually left November 16. But meanwhile, on November 2, the Nationalists evacuated Manchuria.

Later, as the Chinese Communists approached the Yangtze River, the Nationalist Government decided to accept the Russian treaty overtures of last September. Suddenly Soviet Ambassador Nikolai Roschin was informed that China was willing to accept the nonaggression pact with no reservations whatsoever. It would even accept the clause against the United States.

By this time, however, Russia had cooled. Knowing that victory was just around the corner anyway, Ambassador Roschin replied that there was no hurry.

But the Nationalist Government was now frantic. It informed the Russian Ambassador that it was willing to sign anything—provided General Mao Tse-tung and his Communist army was stopped. And the Chinese Ambassador to the Kremlin went so far as to state that since the United States had betrayed China, the Nationalists were willing to make any kind of arrangement with Communist leader Mao. They were even willing to enter a coalition government with Mao as prime minister.

Two years before, Gen. George Marshall had urged that Chiang Kai-shek form a coalition Chinese government with Communist leaders in his cabinet, but with Chiang retaining control. Chiang had said no. But by spring of this year, the Nationalist Government was so desperate it was even willing to accept its hated enemy, General Mao, as premier. This time it was the Russians who in effect said no.

Latest stage of the frantic Nationalist attempts to make an alliance with Russia came last month after the government was moved to Canton. Once again Nationalist Foreign Minister George Yeh tried to draw the Russian Ambassador into a discussion of a Nationalist-Soviet alliance. But once again the Ambassador was coy. Studiously he avoided all personal contact with the Nationalist leaders.

Premier Hu Ying-Ching then held an official reception to which all foreign envoys were invited, and the Russian Ambassador was urged to come ahead of time for a conference. He refused, however, on the ground that such action would cause unfavorable comment among the other diplomats.

Then he was asked to stay behind after the reception. This he also refused, for the same reason.

Finally Ambassador Roschin was told that unless he accepted this invitation tendered by the head of the Chinese Government to come early to the reception, he would become persona non grata and his recall would be requested forthwith.

Roschin therefore finally agreed to arrive at 8 p. m., knowing that the Premier had an appointment with the British Ambassador at 8:45.

He actually arrived, however, 5 minutes late, and without giving Premier Hu a chance to say a word, launched a long series of complaints about the fact that he had been in Canton since April, housed in lamentable quarters, and in all this time had not been able to get a telephone. Communications, he said, were abominable. He had suffered great delay in receiving mail, the servant shortage was terrible.

By the time Roschin had rattled off this stream of complaints, the British Ambassador had arrived for his 8:45 appointment. The Russian Ambassador bowed out.

British-Argentine Pact Points Up Trade Problems

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. MULTER. Mr. Speaker, the daily press has recently been filled with news items and commentaries on the manner in which Great Britain is again garnering unto herself the world trade markets, much of it being done with the money and help of this Government. I call the attention of the Congress to another such article, which appeared in the Brooklyn Eagle of June 21, 1949, by Ernest Lindley, pointing out how Britain in violation of her agreements and pledges with and to the United States is taking over the trade with Argentina. It is high time that some of our officials put America first in their thoughts and efforts. What Great Britain is doing, as indicated by this article, in the Argentine is typical of what she is doing in every corner of the world. On the Continent, in the Middle East, in the Far East, and throughout Latin America, to the detriment of American traders, she is making agreements depriving this country of the right to do business.

The article follows:

NEWS BEHIND THE NEWS
(By Ernest Lindley)
BRITISH-ARGENTINE PACT POINTS UP TRADE PROBLEMS

There is scarcely a doubt that the British-Argentine bilateral trade agreement violates the spirit of the British trade agreement with the United States and the general pledges to work in the direction of freer trade made by Britain in return for Marshall plan aid. Although not published at this writing the agreement is said to give Britain a virtual monopoly of the market for machinery in Argentina in return for Argentine beef.

The United States Government already has protested. It realizes that the British are in serious straits and that this agreement is not different in character from many bilateral agreements previously made by them. It would not object so strenuously to an agreement for 1 year. But it had hoped that within 5 years great progress might be made in the direction of a freer flow of trade.

The British also have been resisting the American-backed proposals for a new intra-European payments agreement—an agreement, that is, providing for a greater degree of convertibility for European currencies. They hold that the end result of the plans proposed would be a demand on them for dollars which they could not satisfy. They may be right about this.

These are only two examples of the obstacles the United States is running into in trying to promote a greater flow of international trade. The blame cannot be put entirely on an ideological preference for controlled economies in Britain or other more or less socialistic countries.

One of the difficulties is that Europe seems to be—or feels that it will be—faced with a chronic shortage of dollars after the Marshall plan expires in 1952. The easiest way for most European countries to meet this problem probably will be to cut down imports from the United States. This means manufacturing for themselves, or planning to buy elsewhere, things which they bought in the United States even before the war.

At the end of last year each of the Marshall plan countries submitted its program for attaining self-support by 1952. These revealed a strong tendency toward separate, more or less self-sufficient national economies. The OEEC—the central planning ground of the ECA countries with headquarters at Paris—is trying to check this tendency. But some of the partners do not see how they can make their own way after 1952 unless they make for themselves some of the things they now buy abroad

The problem is complex and not easy to solve. But there is growing feeling in Washington that greater pressure must be put on the Marshall plan countries to cooperate with one another and with us in promoting a freer flow of international trade. It is beginning to be realized at the same time that this may require some changes in the Marshall plan concept.

Prices and Perspective

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, the following editorial appeared in the Christian Science Monitor on Friday, June 17, 1949:

PRICES AND PERSPECTIVE

The business boom has ended. But America does not have to have a "bust." The long-desired buyers' market has arrived. If "competition is the life of trade," business is going to be healthier than for many a year.

Failures of weak businesses and the loss of jobs bring individual hardships. But the national economy may be strengthened by processes of natural selection which weed out the inefficient and stimulate the enterprising. That does not mean a depression is desirable. For then millions suffer through no fault of their own, and vast maladjustments of the industrial machine cause intolerable waste. The American people are determined to prevent anything like another 1929.

Indeed, there are already proposals for the Government to step in with pump priming in amounts ranging from $50,000,000 to $15,000,000,000. Rare judgment will be needed in determining when and how much governmental action is wise. In this situation it seems to us two considerations should get primary attention.

First is the need for perspective. Manifestly 1949 is not 1929. The crash 20 years ago came from an extreme credit inflation. What is ending now is a price inflation. Then Americans had indulged in an orgy of speculation; today good stocks are going begging. In 1929 private debts totaled nearly twice the national income; in 1949 they are roughly 85 percent of national income. Then banks were in precarious condition; today their assets are largely fluid and deposit insurance is in force. In 1929 cash and bank deposits were only $55,000,000,000; in 1949, they are three times that and savings bonds provide a further backlog of near $50,000,000,000.

Further perspective can be gained by comparisons with 1948. Great alarm has been caused by rising unemployment in the last few weeks. But in May more Americans were employed than a year ago. Personal incomes were reported to have dropped sharply from March to April, but the actual decline was about four-tenths of 1 percent, and the April figure was still 2.5 percent above April of 1948. Most prices are still near or above 1948 levels. The trend is down, but this is no time for panic.

The second point we should like to emphasize is that the primary job of stopping a depression is one for private enterprise. The tendency to expect the Government to take care of us is dangerous economically and politically. It should be noted that Government is already spending tremendous amounts. Social security, farm price supports, public-construction projects, vastly increased arms expenditures, and $5,000,000,000 for foreign aid—these all have the effect of governmental support for purchasing power—raising bulwarks against a slump. To increase them risks additions to the national debt, which should be done only if the danger of depression is clear.

Moreover, private business still accounts for four-fifths of the national income and must be the chief reliance for continued prosperity. Many businessmen are alert to this fact, and are taking vigorous, forehanded measures to cut costs and prices. Many who have decided to cut prices 20 percent now rather than trying to barely shade them now and risk a 40-percent cut under depression pressures, are keeping up sales and employment. Some Government policies should be reviewed in an effort to give business more freedom to help itself, but wise businessmen today, by putting the emphasis on enterprise, are going far to prevent a depression and maintain free enterprise.

Mr. Speaker, as stated in the editorial, "manifestly 1949 is not 1929." In 1930 the Democratic Party had control in the House of Representatives and a working control in the Senate. I have read many of the debates held in Congress in 1930 and found them rather empty. Many positions were taken in the House which were for political advantage only, utterly disregarding the welfare of the country. I saw first-hand how our citizens suffered as a result of the politics displayed by the Seventy-first Congress in 1930 and 1931.

In the present Eighty-first Congress the Democrats hold a majority of 91 Members in the House and 14 in the Senate. Being in minority today the Republicans cannot and will not embarrass the administration to the extent that the Democratic Seventy-first Congress embarrassed the Republican President in 1930 and 1931. I do not believe that any Member of Congress, who is worthy of representing the people of his district, should vote against or oppose desirable legislation strictly for partisan advantage, even though the Democratic controlled Seventy-first Congress indulged so freely in this process.

Unemployment is being accelerated mainly because of the positions taken by the present administration. First of all, employers are being constantly confused by the administration spokesmen, and, secondly, efforts are still being directed toward inflation control while deflation is evident on every hand. We hear demands for more and more taxes instead of making a constructive effort to reduce Federal expenditures.

And now we are faced with the new and various proposals for agricultural legislation. This certainly cannot help but have an evil effect on the livestock industry, as the livestock industry operates on a long-range program. No one

will be willing to expand livestock production without some assurance that his program will not be ruined by the political meddlers in Washington. Can you expect a farmer to invest in sheep and wire for sheep fences without some assurance that sheep industry is not to be tampered with continually? Is it then surprising to learn that the sheep industry has reached a 50-year low, and that we import twice as much wool as we produce in the United States?

Evidently present unemployment is hitting the cities first and hardest in this recession. As pointed out in this editorial, the one-fifth of our economy dependent upon Federal funds is not sufficient to carry the load.

Address at St. Joseph Church, Webster, Mass.

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following account of an address I made at the St. Joseph Church dinner on May 30, 1949:

"This gathering is a notable landmark in the history of American free religious worship in the town of Webster," said Congressman PHILIP J. PHILBIN at the St. Joseph Church dinner, "and this occasion will long be remembered as exemplifying the superb faith, unflinching loyalty and unbounded generosity of the Polish people of this community.

"America is the richer for the strong infusion of Polish blood," said the Congressman. "Blessed with historic traditions of liberty and democracy, your people have contributed greatly and constructively to the building and preservation of the Nation. This church and its outstanding spiritual leader and his associates gloriously adorn this community and stand for the very highest type of American citizenship. For God and country has indeed been your motto. Cling to it always."

The Clinton Congressman bitterly denounced the continued enslavement of Poland. "It was a great and tragic error, a ruthless and cold-blooded betrayal of our own ideals, to permit enslavement of Poland by Godless Russian communism," said PHILBIN. "Imperialists and dictators and other misguided people may consider Red domination as an accomplished fact. But so long as the spark of freedom animates America, so long as our people honor the hallowed dead who have died in order that freedom might live, so long as justice finds a place in the American heart, just so long will all true lovers of liberty and all true Americans sponsor the cause of Poland.

"This gallant nation cannot be abandoned to this cruel fate. It must be restored to its rightful place among the self-respecting nations of the earth. Its gallant people, who have contributed so much to the world, must be liberated from the shackles which now hold them in bondage. It is the duty of this Government to work in international councils and in every other way, for the early liberation of Poland. The American people will be satisfied with nothing less."

Government and Business

EXTENSION OF REMARKS
OF
HON. HARRY J. DAVENPORT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article from the Pittsburgh (Pa.) Press which contains a speech made by Irwin D. Wolf, vice president of Kaufmann's Department Store:

SEVEN-POINT PROGRAM—GOVERNMENT URGED TO AID BUSINESS, NOT SNARE IT WITH MORE RED TAPE—"BUREAUCRATS" HIT BY IRWIN D. WOLF

NEW YORK, June 22.—A plea that Government help business, rather than entangle it with more red tape, was made by Irwin D. Wolf, vice president of Kaufmann Department Stores, Pittsburgh.

Mr. Wolf outlined a point-by-point program of what business could do to help free itself from "bureaucracy" in a talk before the mid-year convention of the merchandise division of the National Retail Dry Goods Association. He spoke at the Hotel Statler.

LAWS OF CONGRESS

All the laws that Congress has passed since 1789, Mr. Wolf pointed out, have been codified in four volumes.

On the other hand, it takes a full 47 volumes to hold all the rules and regulations of Federal agencies.

"Do not think for a moment that their job is ended," Mr. Wolf told the group. "Not at all—in fact theirs is an unending project."

CRITICAL QUESTION

The Pittsburgh executive said the question was particularly critical now because of the part business is being asked to play in the ideological and economic battle now being waged.

"American business," he said, "because of its part in this battle, stands at bay to the forces of regimentation, almost as did England not quite 10 years ago. If our battle fails, the last substantial bulwark of free enterprise will be swept away, and American business will be swept with it."

Mr. Wolf pointed out that, since World War II, our business system has been the big gun used to influence if not shape, the political pattern of the world. He cited the billions spent for European recovery.

ROLE OF BUSINESS

"Business must accept that responsibility and must equip itself to meet the demands which that role entails," he said. "Government, on the other hand, must now make it possible for business to discharge these responsibilities which have been thrust upon us."

In this connection, Mr. Wolf said, it is the prime duty of Government to strengthen and foster conditions under which business will thrive.

"Are we able to maintain the volume of business which is necessary to support our own standards of living, provide for our own needs, meet our fiscal problems * * * and at the same time contribute to the needs and welfare of others throughout the world?" he asked.

"I, for one, am confident we can, provided we recapture for business the basic principles of democratic life which have made our Nation great."

Mr. Wolf stressed that he was not attacking the present administration or any other administration.

HITS BUREAUCRATS

"But," he said, "bureaucrats have again reared their ugly heads * * *. Hardly a day passes without presentation to Congress of additional and dubious proposals for further regulation or control of some phase of our life-giving business."

He concluded with the following seven-point program which he suggested business leaders fight for:

1. End the merger of legislative, judicial and executive function in the administration of laws affecting business. Keep them separate.

2. Do away with Federal business laws so loosely worded they confuse legitimate businessmen. Simplify and make uniform all laws governing business.

3. Resist further Federal centralization; encourage action by State and local government in local affairs.

4. Eliminate State burdens on and barriers to interstate trade. They incite demands for further Federal regulation.

5. Insist on recognition of the fact that the overwhelming majority of businesses are honest. Promote self-regulation as distinguished from Government regulation.

6. Foster a study of business laws by all segments of business, and help propose revision of existing law with unselfish interest for the welfare of the Nation.

7. Encourage the Government to reactivate the Department of Commerce so it will function as effectively in national decisions as have the Departments of Agriculture and Labor in past year.

"Ike" on Education

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Minneapolis Morning Tribune of June 18, 1949:

"IKE" ON EDUCATION

Popular "Ike" Eisenhower, president of Columbia university, is proving that as an educator he intends to stand by his convictions, whether they are popular or not.

Eisenhower has reaffirmed his opposition to proposed Federal aid to education legislation already passed by the Senate and enthusiastically backed by the National Education Association.

In a letter to the House subcommittee conducting hearings on the Senate-approved bill, Eisenhower says he favors Federal aid to areas which can't raise enough in taxes to keep schools up to standard. But he flatly opposes "any grant by the Federal Government to all States in the Union for educational purposes."

Eisenhower is convinced such a policy would create an ambition—"almost a requirement"—to spend money freely under the impulse of competition with other localities in the country. He feels it would "completely decry and defeat the watchful economy that comes about through local supervision over local expenditures and local revenues."

Contractual arrangements with schools for scientific research and even Federal scholarships are often in the public interest, he admits. The Federal Government has made many such arrangements in the past without

weakening local government or sapping community enterprise. But they are a far cry from "blanket usurpation of local responsibility and obligation."

What about the argument that since the Federal Government skims off so much available tax revenue it might as well take on more local responsibilities?

Completely spurious, replies Eisenhower:

"If local communities do their job, then there will be no need for additional centralized revenues for Nation-wide subsidies of an essentially local character; and we will avoid the certain pitfalls of extreme centralization."

The army of persons who urge greater centralization of authority and greater dependence upon the Federal Treasury, in Eisenhower's opinion, is "really more dangerous to our form of government than any external threat that can possibly be arrayed against us."

These are strong words for amiable "General Ike." But they are those of a man who so earnestly believes education is the key to preservation of the American free system that he doesn't want to see the educational process used directly to weaken that system.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. HUGH J. ADDONIZIO
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. ADDONIZIO. Mr. Speaker, I had hoped that the House would quickly follow the lead of the Senate in the passage of S. 246, the Federal aid to education legislation which is so vitally needed today. I was very much disappointed that the House measure on this subject, the so-called Barden bill, differed from the Senate version in specifically directing that under no circumstances would nonpublic school pupils receive the health benefits and transportation services provided for children attending public schools. It must be remembered that schools under religious control exist by right in our country, and hence the discrimination contained in the Barden bill cannot be justified. I was happy to learn that my distinguished colleague from New Jersey, Congressman CHARLES HOWELL, as a member of the education subcommittee voted against reporting the bill to the full Committee on Education and Labor because of these discriminatory features. I wish to compliment him on his position on this issue which is consistent with his fair and reasonable approach to all legislation. Included at this point is an editorial from the Trenton Evening Times of June 21 entitled "Howell's Creditable Position":

HOWELL'S CREDITABLE POSITION

Representative HOWELL of the Fourth District has taken a reasonable and commendable position in his opposition to the Barden bill providing for $300,000,000 in Federal aid to education in local school districts. The need of Federal aid if municipalities are to maintain adequate standards is manifest. School costs are rising constantly and the ordinary needs of local government are becoming so onerous that they cannot be met without almost intolerable taxation.

The Barden bill, however, is not designed to meet this problem equitably and adequately. For the purposes of obtaining Federal funds under the prescribed formula, all children are included, regardless of race and religion. But in the actual distribution of the Federal funds, the children of parochial and other private schools are excluded.

This money is for use in the transportation of children to and from school and for various health needs. Discrimination in these fields of governmental responsibility is not defensible. The children involved are American children who are being educated without expense to the public and they should have the benefits of the health and transportation programs which would be financed with Federal funds.

Mr. HOWELL, although a consistent advocate of Federal aid for education, voted against reporting the Barden bill to the full committee of the House because of what he considers its discriminatory features. Senate bill 246, for which the Barden bill is a substitute and which does not include these prohibitions, is the more satisfactory measure.

Relationship Between Home, School, and Church

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address I made at a meeting of the Wincherdon (Mass.) Parent-Teacher Association on April 3, 1949:

These time-honored institutions have been responsible in largest measure for the progress of our Nation. I can hardly find words to congratulate this fine group upon the distinct and invaluable contributions which it is making to civic betterment and our future moral and spiritual well-being.

I wish that there could be groups like this in every community in the land animated by the same high purposes, because if we are going to retain the home, the school, the church, and other American institutions, we will have to be prepared to fight unitedly against malignant forces studiously and deliberately working to destroy them.

It is of utmost importance that people in a democracy be educated and informed, and they must also be self-disciplined in the ways of free government. There is a clear distinction between liberty and license which must be kept in mind. There are certain basic principles and values relating to our relations with the Government and with each other which must not only be taught to the young but scrupulously observed if the free way of life is to be sustained.

The fiercest attacks of radicals are leveled at organized religion because subversive groups know that so long as people believe in God and remain true to their faith that no atheistic, totalitarian doctrines can possibly gain headway. It is by the destruction of the church and everything it means by which Communists hope to weaken the moral fiber, discipline, and restraint of our people and open the floodgates of license. It is by subverting the school system into a giant source of poison and propaganda that they seek to accomplish their ends. It is by breaking down respect for the home and the family unit and thus inculcating bestial materialistic ideologies that they hope to destroy Christianity and democracy and the free institutions which are associated with them.

But Americans are not guileless and they are not gullible. Most of our people have perceived the evil designs upon our freedom and it will not be long if we remain united that the influence of subversive groups will be smashed. Let us, however, not fail to recognize the widespread gains which communism has made throughout the world. It has reached its tentacles over a great many nations on continental Europe and across the wide stretches of the Orient. The leaders of the Kremlin are well on their way to bring over a billion people under their dominion and sway or about half the population of the world. Regrettable and tragic as it is, particularly in the light of our colossal sacrifices during the recent war, the Nation must be prepared to cope with the widening orbit of power, pressure, propaganda, infiltration, and force which are being manifested by the Soviets and their puppets. We must have the strength and the zeal to command the respect of every nation and to implement and sustain a strong affirmative foreign policy which will protect the security of the Nation.

There are some encouraging signs that with our help the tide of Communist influence in Europe has been stemmed but we are living in a world of dread and apprehension where men, women, and children are yearning and seeking universal peace but where constant danger of horrible destruction is lurking. Before our potential enemies secure the atomic bomb in significant military quantities this Nation must arrive at definite understanding concerning the maintenance of world peace, the security of democratic institutions, and our own safety.

Believing in peace with all our hearts and striving to achieve it with every ounce of our energy, united, courageous, and confident, by adhering to the American pattern we will in the end, God willing, stifle the forces of subversion and aggression which are threatening all nations outside the iron curtain and inaugurate a reign of just and lasting friendship and amity among nations. Keep up your good work in this community so that you may continue to serve the health and well-being of our children and thus contribute your full share to the building of a stronger and better America.

The Butte, Mont., High School Band Blossoms at the Rose Festival

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. MANSFIELD. Mr. Speaker, the Butte High School Band has added to its laurels because of its outstanding performance at the festival of roses held in Portland, Oreg., on June 9 and 10 of this year.

The American beauties from the richest hil' on earth put on a magnificent show and captured the hearts of the citizens of Portland.

The entire West, from Mexico to Canada, knows now of the outstanding qualities of this great musical and marching organization. It is my hope that the Butte High School Band, the Nation's

best, will seek further honors and will make its next trip to the Nation's Capital.

All honor to a great bunch of young Americans who have again put Butte and Montana on the map. They are a credit to their school, our State, and our country.

Mr. Speaker, I am inserting two articles from the Montana Standard of June 10 and 11, 1949:

[From the Montana Standard of June 10, 1949]

BUTTE HIGH BAND ACCORDED ROUSING ACCLAIM AT JAMBOREE IN PORTLAND

(By Frank Quinn)

WITH THE BUTTE HIGH BAND, PORTLAND, June 9.—Who said you can't see music?

The Butte High School Band, Thursday night, disproved that theory when it was accorded the rousing acclaim of approximately 18,000 spectators in Multnomah Stadium here.

During the second annual territorial band jamboree in which 16 high-school bands participated the only thing to top the Butte band in applause was a lighted blimp soaring over the stadium. The pageantry students from Butte staged a great and colorful show which was greeted with great applause.

There were exceptional concert bands among the eight out-of-Portland high school organizations to perform as individual units, but from a pageantry standpoint, Butte's nearest rivals in applause and performance were the Bremerton and Roseburg organizations and the Dalles boosters girls. Among the concert bands, splendid and show-stopping music was provided by the Eugene, Oreg., and Vancouver, Wash., organizations.

The Eugene, Vancouver, and Klamath Falls bands were outstanding in concert performances. Eight Portland high school bands performed as a single unit in a most imposing spectacle.

Weather was perfect—cool and clear—for the performance.

Dick Glasgow, manager of Multnomah Stadium, said, "They are the best Portland ever saw. A huge stadium crowd even watched them during practice here this afternoon. The show tonight was great. I wouldn't miss them Friday night for anything."

Selected as the No. 1 band in the pass-in-review entrance of the band jamboree, the famous Montana musical organization, also was honored in the fact that it closed the program of individual band exhibitions with one of its spectacular stadium shows as a finale. Director Schiesser, for this, the opening stadium appearance of the band in Portland, where it will perform again in Multnomah Stadium on Friday night, used a western motif as a theme.

The demonstration was thrilling with its fast-moving action, inspiring music and clever majorette effects. The show, which, following outstanding performances given by other bands, required every iota of perfection in playing and intricate maneuvering by the Mining City boys and girls to equal, let alone surpass the splendid work of their predecessors on the jamboree scene. That the Butte band accomplished this feat was evident from the rousing applause it received.

Following a grand entrance with rapidly changing marching maneuvers, during which they played Western Fanfare, Out Where the West Begins, and Montana the band swung into a variety of western numbers. These included Pony Boy, Wait for the Wagon, Wagon Wheels, Red River Valley, and Bury Me Not on the Lone Prairie.

With typical precision and speed the band members, with charming majorettes and twirlers, depicting Indian dancers, prancing ponies, lariat-swinging cowboys or square dancers, presented nine different formations in record-breaking time.

The formations included a tepee, bow and flying arrow, during which majorettes formed arrowheads to light Indian fires as the band played Fire Dance, a prairie schooner, a buffalo skull and cattle brands depicted in red lights in a darkened stadium, a fiddle and bow, and as a finale a queen's crown, honoring Barbara I, Queen of Rosaria for 1949. As the band formed the crown it played Hair of Gold, and then Land of Hope and Glory as a closing selection.

At conclusion of the jamboree performance the Butte youngsters, after receiving a well-earned demonstration, joined other bands to bring the jamboree program to a close with a mass concert conducted under direction of Prof. Andy Loney, director of music in Klamath Falls School.

Then, tired but happy over the success of their first rose festival appearance, 139 boys and girls headed back to their hotel headquarters and some few hours of sleep before facing their sternest test on this year's band trek, appearance on Friday morning before nearly a million spectators who will witness the grand floral parade over a 5-mile route which starts in Multnomah stadium where on Friday night the Butte band will be the top attraction in a command performance honoring the Queen of Rosaria, her princesses and royal court.

[From the Montana Standard of June 11, 1949]

BUTTE HIGH'S BAND CAPTIVATES CROWD IN PORTLAND

(By Frank Quinn)

MULTNOMAH STADIUM, PORTLAND, Friday night, June 10.—The American Beauties from Butte, 139 well-groomed, fresh, and wholesome young men and women from the site of the "richest hill on earth," Friday night captivated the "command performance" crowd of the Portland rose festival.

The toast of Oregon, following their superb showing in the grand floral parade Friday morning, Butte high-school band members, majorettes, and twirlers Friday night, before more than 23,000 persons who filled spacious Multnomah Stadium, staged a "Barnum-Bailey-Billy Rose-Earl Carroll-George White" extravaganza all wrapped up in one spectacular show.

Never before, according to rose festival officials, did subjects of the Queen of Rosaria, traditional ruler of the Portland spectacle, pay more magnificent homage to the reigning monarch than the boys and girls of Butte rendered Queen Joyce, her princesses, white-clad Rosarians, and other court attendants. And never before, veteran news writers covering the "command performance" said, did a musical organization of the type of the Butte high-school band receive a more enthusiastic ovation.

Bob Broeren, who is prime minister for the rose festival and a prominent Portland attorney, said, "The band was the most terrific I have ever seen, including organizations of its type at the Mardi Gras in New Orleans and in other national festivals."

He added, "The band surely should receive national acclaim."

Bob Hancock, publicity chairman for the festival, said: "The band made tonight's show in addition to having drawn more public attention than any other organization ever invited to the festival."

The young mining city musicians shared the spotlight with the 80-voice Multnomah Athletic Club Balladeers, a 43-piece professional modern-concert orchestra, and 80 Clark Junior College choristers, splendid, outstanding instrumental and vocal groups. As favored subjects of the queen, Butte's best, honored group for the stadium show, were last to perform. And despite the highest class amateur and professional competition, the pride of Butte fully lived up to the top billing.

For the moment the band opened its spectacular Parade of the Months show, with an intricate pass in review entrance, until the concluding number on its stage concert, and Melodies in Roses review dedicated to Portland, the City of Roses, it won roaring acclaim from the thousands of spectators in the stadium.

Playing 41 compositions, entirely from memory, and employing every trick known to gridiron pageantry, Henry J. Schiesser's musicians, and the flashy majorettes and twirlers, trained by Mrs. Schiesser, never before performed in the ear-pleasing, eye-striking manner with which they drew the resounding plaudits of the overflow multitude. Their display was a glorious combination of music, beauty, pageantry, and gaiety, combined in one great spectacle. There is no doubt they left a lasting memory in the hearts and minds of those who witnessed Friday night's superb performance. Once more the Butte High Band reflected everlasting credit to the metropolis of the Treasure State.

Eye-appealing dances and novelty effects highlighted the parade-of-months portion of their program. In a little more than 17 minutes, to continuous and appropriate music, the Butte teenagers unfolded a complete calendar year and its celebrated events before the cheering throng. Rapidity and precision with which 26 major formation changes were made were amazing even to the scores of Butte residents in the stands, who had watched the band in similar maneuvers in Naranche Stadium. To the thousands of Portland residents and their rose festival guests it was breath-taking.

Striking lighting effects in which color blended into color until they were living, shimmering rainbows, were used to advantage during portions of the program presented in a darkened stadium.

Some of the musical selections and field formations apparently held just a little more popular appeal than others. There was no doubt many persons of Irish birth or descent were present. The salute to March, during which the stadium lights were turned off and the band formed a huge shamrock with green lights attached to miners' helmets, and the accompanying selections, Killarney, Wearing of the Green, and Irish Eyes, drew applause which would have surely shattered an applause meter.

The same was true when the band depicted July Fourth celebration with bursting bombs heralding formation of a huge flag, the letters U. S. A., as the stirring notes of Grand Old Flag and Stars and Stripes Forever pierced the night.

October, with its Halloween theme, flaming torch rings and ghost dancers, and the old favorite, Harvest Moon; November, a winter wonderland festival marked by formation of a sleigh drawr by 34 spirited ponies (prancing majorettes), and the grand finale marking celebration of Christmas, were other outstanding pageantry displays. The finale, a tribute to December, was high lighted by formation by the band of a lighted Christmas tree with whirlwind lighted baton action by majorettes serving as tree trimming in varied colors, vivid in the accompanying darkness.

As the lights flashed on to mark conclusion of this part of the band's program the group made a flying wing exit while playing an appropriate salute to the Queen of Rosaria, Red Roses (for a blue lady), and Thanks for the Memories.

Following a 10-minute intermission during which distinguished guests were introduced over the stadium address system, the Butte band again took over the spotlight, this time to present its 40-minute command performance concert, and Revue in Roses.

The concert section of the program opened with Concert March Paraphrase from the operetta Sari, by Kalman, and included Caribbean Fantasy (Morrisey), and Purple Pageant (King). The selections, appealing

though difficult, gave the band vast opportunity to display its splendid instrumentation.

The band performed on an elevated stage centering the stadium while the revue portion of the program was presented on the field immediately in front of the band group.

Thematic material for the revue was built around famous rose songs easily recognized. The show itself high lighted skillful combination of precision twirling styles featuring the majorettes in ensemble routines with lightning costume changes, fast action, rhythm, and sparkle.

Varied lighting effects also added color to this portion of the program as the band and majorettes performed in the dark. Introduction of the revue was particularly entrancing as majorettes and twirlers flitted across the field with lighted batons as the young musicians softly played Bouquet of Roses and Moonlight and Roses.

Beaut from Butte, a salute from the band to the Queen of Rosaria, played as the majorettes worked wizardry with lariats and Jolly Coppersmith, a number augmented with majorettes performing with miniature pickaxes and lighted miners' helmets on a darkened field, drew the same type of spontaneous applause which has marked every appearance of the band in the Rose City.

The assembly line precision baton chorus in which the snappily attired majorettes spun batons, capes, wooden guns, and military service flags to the tunes of Yankee Rose, Rosie the Riveter, Rocket Rhythm, and other such numbers, and the grand finale, Grand Old Flag, played as the majorettes swirled into an intricate flag drill, all drew rousing cheers.

Apart from the audible applause tribute to the band was paid by Friday night's stadium assemblage in the fact that although the hour was late when the Butte organization completed its performance, few people left the stands until the last rousing demonstration of approval was given as the band and majorettes left the field. Butte residents in attendance, through courtesy of the rose-festival association, occupied a united section of seats, and their faces were beaming as they heard the band praised in glowing terms by Portland residents, and rose-festival visitors as they filed out of the spacious arena.

WITH THE BUTTE HIGH BAND, PORTLAND, June 10.—Every step taken by 139 Butte boys and girls in the grand floral parade of the rose festival here Friday morning brought added glory to the mining city.

After enjoying a huge success Thursday night in the territorial band jamboree, the Butte organization came back Friday morning as the honor band of the Melodies in Flowers parade and made a truly magnificent showing along the entire 5-mile route.

While the thundering plaudits showered on the justly famed Butte High Band couldn't be heard back home in the mining city, the people in Butte are certain to learn of the tremendous triumph scored by these all-American youngsters. It was a repetition, but in even greater measure, of some past successes scored by this great band as it added to laurels already won in Pasadena, Salt Lake City, Las Vegas, Spokane, and Seattle.

The beauty of the rose predominated in the parade as for more than 2 hours thousands of spectators marveled at the breathtaking gorgeousness of the festival's annual high light.

Weather conditions were ideal. It was cool and, except for some scattered, fleecy clouds, the skies were clear as the procession filed out of Multnomah Stadium for the long parade trek. In formation the parade units stretched for about 4 miles.

It was a day of rampant colors, bands, pretty girls, and flaming hues of millions upon millions of flowers, which made up the floats, creations of sheer beauty. It all combined to provide a blazing array of splendor, and the Butte High band, snappy in its purple and white uniforms, and the majorettes and twirlers in their brief, eye-striking white satin costumes, added no little to the grandeur of the display.

There were 27 bands in the parade and ahead of all the others marched the Montana group. It was the first musical organization to appear as the procession left the stadium. It followed a police escort and the Marine color guard and immediately preceded Gov. John W. Bonner, honorary grand marshal of the parade, who was in the leading section with other dignitaries of the parade.

This division included the queen's float, Royal Rosarians, Gov. Douglas McKay, of Oregon, grand marshal; a police drum and bugle corps and beautifully decorated cars in which Portland Mayor Dorothy Lee and Howard Holman, president of the rose festival, rode.

Governor McKay, as grand marshal and a member of Oregon's mounted posse, rode a palomino horse with a silver-trimmed saddle.

Governor McKay was first to pay tribute to the band. He said, "Butte boys and girls were outstanding. Oregon expresses gratitude to citizens of Butte for sponsoring the band's appearance in Portland. Those youngsters have done a grand job of publicizing their own city and State and providing peerless entertainment for our rose festival. If every city in the world had the spirit and progressiveness of cities such as Butte, and our rose-festival city, the world would be a much better place in which to live."

Mayor A. Roy Benedict, of Pasadena, honor guest for the festival, said, "Your band was great in its showing in Pasadena at the tournament."

There Is Probably No Man in These United States Who So Long Has Held His Finger on the Pulse of Labor and Management and Certainly None More Fitted by Education and Experience To Know the Needs, Wants, and Ambitions of the American People Than the Honorable John R. Steelman

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EXTENSION OF REMARKS

OF

HON. FRANK W. BOYKIN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. BOYKIN. Mr. Speaker, last week while in attendance at a business conference in New York City, I heard the president of one of the largest, if not the largest of all American corporations, declare that "John Steelman, assistant to the President of the United States, is today one of the most able men in all the world."

That expression was prompted by a citation given to the Honorable John R. Steelman but a few days previous, and I quote:

> In recognition of his distinguished leadership in public administration in the service of the Government of the United States.

In the short discussion which followed I listened to the evaluation of Mr. Steelman's service to his country, and to mankind—and in that small, distinguished group of business executives—there was not a man present but who gave substantial endorsement to the sentiments of the speaker.

Mr. Speaker, that all may read that brief, clear, and concise direct record of the accomplishments of Mr. Steelman, I shall extend my remarks and include the citation as a part thereof.

The Honorable John Steelman comes from down in my part of the country, and he was not one to the manor born. Rather he was born on a little cotton farm of the best of all our southern ancestry, of a father and a mother who sent their son John to grade and to high school, only to have him finish his secondary education in time to join the colors of his country when but 18 years old, in World War I.

John R. Steelman had attained the maturity of years when mustered out of service and he was on his own.

He determined to inform his mind not alone on some subject that would afford him an affluent life and good income but to inform his mind fully on every subject that had to do with the peace and happiness of his fellow men in every walk and station of life.

Mr. Speaker, a true philosopher is one who loves wisdom as he does his fellow man, and John Steelman is a true philosopher.

It was because of that love of knowledge that he attended four institutions of higher learning in the next 10 years and there earned four of the degrees which he now holds.

Not alone did he earn those degrees, but he earned the money to pay for that education by working during the summer months as a logger and a sawmill hand and in the winter by waiting on tables, peddling books, and correcting papers for his professors.

Thus by 1922, and when only 22 years of age, he had a B. A. degree from Henderson-Brown College in Arkadelphia, Ark.; by 1924 he had earned his M. A.; by 1925 a Ph. B. from Vanderbilt University; by 1928, and after a year spent at Harvard in 1926, he received his Ph. D. from the University of North Carolina.

In addition to the four degrees mentioned, he has additionally thereto earned two honorary degrees of doctor of laws—one from Alfred University in New York and a doctor of laws from Redlands University, California.

It was in 1928 that I met John Steelman when he came as professor of sociology and economics to our little college in Montevello, Ala.

Mr. Speaker, John Steelman was never a pedantic professor. In the years he lived with us in Alabama he worked among our people. He broke bread at our tables and taught—not by word alone, but by deed and by action, that inasmuch as God is Father—that all men are brothers.

The great educational work which he did in Alabama so distinguished him among our people that it won him recognition in the Nation's Capital. He left us in 1934 to become a Commissioner in the United States Conciliation Service. His personal prowess in handling labor problems has left a deep and everlasting

impression upon all those concerned with management and labor throughout the great South as well as the Nation.

In the year 1937 he was named Director of the Conciliation Service. That year labor unrest was particularly rife in these United States and probably no man in America was handed a more difficult duty than that assigned to John R. Steelman by our beloved President Franklin D. Roosevelt.

Indefatigable in his labors, he spent an average of from 10 to 15 hours each day at his desk and he did so 7 days a week. He patched up coal disputes; he helped to settle the Washington, D. C., hotel strike which paralyzed the local hotels, the inconvenience of which many of us in Congress will never forget.

Mr. Speaker, not alone did John Steelman help settle strikes but he kept miners, machinists, builders, and industrial workers in hundreds of plants and other major industries from striking. Equally effective, he induced employers on every hand to refrain from lock-out and retaliatory actions. Each year the department which he directed handled several thousand cases of labor disputes involving millions of American workers, and each year the record of the settlements effected under his direction was a percentage high up in the nineties.

It is unnecessary for me to recapitulate to this House the marvelous achievements of our friend, John Steelman, in effectuating a better understanding between labor and management in these United States—and especially so in the particular congressional district which we here represent.

I remember reading of one instance when John Steelman kept a meeting between employers and employees going without a single adjournment or rest period for more than 30 consecutive hours; and of other times when he himself had not left his office in the Department of Labor building for over 60 hours at a stretch.

Mr. Speaker, I hope that you and my colleagues will indulge— a personal reference. Not alone have I been knowing John Steelman and knowing him for a long, long time but I knew Mrs. Steelman before her marriage to John.

It seems that we have always been friends—the Steelmans and the Boykins, and certainly no man has ever lived who has had a more splendid helpmate nor one more understanding or considerate of her husband's well-being and problems than Mrs. Steelman herself. Prior to her marriage, she was herself intimately connected with the labor-management problems and the Construction Trades Council.

I recall on one occasion Mrs. Steelman telling Mrs. Boykin and myself that "It seems that we even breakfast to the ringing of the telephone." "When John is on the road," she continued, "and I am privileged to be with him, we snatch our meals in our hotel rooms between conferences and this sometimes keeps up until 3 or 3:30 in the morning."

His propensities and the direct actionist that he is causes him to use the telephone and thus get in personal touch with the principals to any issue. This recourse to the telephone I recall on one occasion left him with sort of a paralytic cramp in the wrist—but his determination to get things done with precision and dispatch was solved by installing a kind of a telephone gadget that permitted him to carry on his conversations and still leave his hands free to write—at the same time.

His personal attention to duty, the rush and drive that he gives to his work does not in any manner whatever seem to affect his great physical strength.

Probably the most significant work which John Steelman has done for his Nation in the field of labor management came about as the result of him addressing himself personally to the question of industrial peace in the great crisis of labor unrest which engulfed the Nation in 1941.

This was the year of Pearl Harbor. Strikes, lock-outs, stoppages were almost daily if not hourly occurrences in the hundreds of plants, manufacturing defense materials.

Congress had long been debating compulsory legislation against these labor outbreaks. The public were daily becoming more concerned with the results of impaired production. The Conciliation Service had been working day and night to bring peace and to maintain peace between employers and employees.

As Director of that service, Mr. Steelman had spent days in conference with miners and with the soft-coal operators. He had handled the crippling strike at the Allis-Chalmers plant in Milwaukee, the strike at the International Harvester's various plants. He personally brought an end to the Vultee Aircraft Corp. strike.

Without authority and without coercive powers, when he sat down he could only reason, plead or maybe bluff his way through to a settlement, but he kept himself hopping over and about the country doing these things as a one-man unit.

He himself stated:

> The Service works on the theory that, if a dispute is settled by the parties themselves at the conference table, the resultant peace will be more enduring and leave less bitterness and rancor than if the dispute had been settled by authority of law or force. * * * There must be no pressure of the Government in the process on one side or the other. * * * The minute you make a cop of a conciliator, you have destroyed his usefulness. * * * We do not want police authority. We believe it to be the very antithesis of the spirit in which really effective conciliation is carried on. * * * Abolition of the right to strike was the entering wedge of fascism in each of the countries it conquered.

That was the complete but simple policy enunciated by this distinguished American business administrator and executive the history of whose success is supported by the records of things he accomplished.

In the single year of 1940 the Conciliation Service was * * * called in * * * on a total of 4,665 situations—strikes, threatened strikes, controversies, arbitrations, lock-outs * * * and less than 3 percent of that prodigious number were listed as unable of achievement.

The work of the Conciliation Service as administered by John Steelman has received the unqualified endorsement and support of such varying and diverse groups—Labor and Management as—the American Federation of Labor, the CIO, the United States Chambers of Commerce and the National Association of Manufacturers.

So successful was the work of settlement accomplished that decision was reached at the very start of World War II—that only where there was a dispute that John Steelman's Conciliation Service could not settle would the newly congressionally created National Defense Mediation Board be called upon for action.

Mr. Speaker, need I remind you that for the duration of the war there were relatively few instances where that was necessary.

Mr. Speaker, between the year 1937 and the year of Mr. Steelman's resignation 7 years later—he induced the embattled protagonists in 80,000 cases involving labor-management show-downs to settle their labor problems and squabbles without lay-offs or strikes. Exactly how he managed, I could never understand except that he seemingly was ever careful in schooling his every last conciliator to whom he delegated any authority.

> Frank—
>
> He once told me—
>
> I have often said that one damn fool can ruin the settlement of any labor dispute. I learned that more than 20 years ago and it is equally as true now as it was then * * * exercise patience when dealing with ornery or stubborn men. Sometimes you have to keep their feet right in the fire * * * until they come to the realization this question must be settled some day, and today is as good as any.

I remember one story that they tell of John Steelman when he spent an entire night going back and forth from one room full of the angry representatives of management to another full of restless, impetuous labor representatives, and finally how at last he got them all into one room * * * there to compose their differences.

"A meeting of the minds," he stated on one occasion, "is the general basis of ongoing civilization, and arguments will never be a substitute for good will."

Is it any wonder therefore that our new President, Harry S. Truman, wise, sagacious, and prudent, recognized that any man with such knowledge of personalities and technique in handling men would be just the kind of a personality who should sit at the right hand of the Chief Executive of these United States.

Mr. Speaker, is it any wonder that that great captain of American industry last week expressed his opinion that John Steelman was one of the ablest men in the world.

There is probably no man in these United States who has so long held his finger on the pulse of the American people or who is more able to gage their wants, their needs, hopes, and ambitions than is John R. Steelman, Assistant to the President of the United States.

The 10 years that he spent in the Labor Department in Washington have built a

niche for him not alone in the hearts of my colleagues here on Capitol Hill but in the hearts of leaders of labor and industry as well as every executive in all departments of government. They respect him for what he is, a simple, homey man who knows his fellow men, loves them, and enjoys their respect.

Is it any wonder, therefore, that the Members of Congress were so eager and quick to express their pleasure and approval when President Harry Truman appointed him the Assistant to the President of the United States. Certainly by training, education, and experience he is now in an enviable position to advise President Truman on public reaction with respect to almost all public matters.

Experienced and at home in Washington, he is equally at home in the White House, as one who knows the Capitol and how it runs.

As the Assistant to the President, much has been heard of him and much more is likely to be heard from him in the years that are to come.

His broad experience, the economic and businesslike manner in which he directed the war mobilization and reconversion found him in a position wherein he held more of the domestic policy power in his hands than anyone in the United States with the exception of President Truman himself.

Our President learned quickly to trust his judgment and, more important, his unimpeachable loyalty.

Mr. Speaker, it was no surprise to me when with the appointment of John Snyder to his position as Secretary of the Treasury, and with our own Fred Vinson's appointment to the Supreme Court of the United States, that the President should have called John Steelman to sit beside him in the White House.

Is it any wonder, therefore, that John Gunther, in his book "Inside America" wrote that John Steelman has long been one of the 50 or 60 men who have shaped the course of American history?

Is it any wonder that in diplomatic circles and in other governmental circles he is called the man behind the White House—for his capacity as the President's assistant, John Steelman is called upon—at one time or another to work—as would the President himself—with the hundred-odd executive departments and agencies of Government as well as with various committees, commissions and congressional bodies.

I know that his every friend on Capitol Hill rejoices in the accomplishments of my friend and your friend, the Honorable John R. Steelman—one man among a million.

I know of no greater expression of the accomplishments of any living man than those expressed in the citation recently given to the Assistant to the President by the University of Redlands on June 12 last.

In order that my every colleague may avail himself of the opportunity of reading that memorable document, as herein before stated, I will, with the unanimous consent of this House, include the same in the CONGRESSIONAL RECORD and as part of my remarks.

The citation reads as follows:

UNIVERSITY OF REDLANDS

CITATION TO JOHN R. STEELMAN IN RECOGNITION OF HIS DISTINGUISHED LEADERSHIP IN PUBLIC ADMINISTRATION IN THE SERVICE OF THE GOVERNMENT OF THE UNITED STATES

To John R. Steelman, alumnus of Henderson Brown College, Vanderbilt University, Harvard University, and the University of North Carolina; student of the social sciences; teacher, administrator in the service of the Government of the United States; expert in the direction of human relationships under tension; respected director of the United States Conciliation Service in the Department of Labor, whose respect for the dignity of personality, impartial interpretation of public law, and respect for and use of Christian principles earned for him the respect, confidence, and admiration of both management and labor; organizer, whose knowledge of the processes of social and economic organization have made him uniquely competent and successful in performing extremely difficult new assignments as a member of the Maritime War Emergency Board, as Director of the Office of War Mobilization and Reconversion, as Director of Economic Stabilization, and Chairman of the National Security Resources Board; educator believing in the equality of opportunity and the responsibility of government for providing education for all according to ability and unlimited by financial ability; coordinator of scientific research in his capacity as Chairman of the President's Scientific Research Board, and now liaison officer for the Interdepartmental Committee on Scientific Research and Development, an agency charged with the elimination of duplication in research and the protection of the national welfare by recommending to the President of the United States matters of importance for study; a constructive citizen, loyal, trustworthy, unselfish, and untiring in devotion to duty, with abilities so varied and great as to merit the confidence and trust of the President of the United States and the appointment to the responsible position—assistant to the President of the United States of America, the University of Redlands, upon recommendation of the faculty to the board of trustees, and by the authority given me by the board of trustees of the University of Redlands and by the laws of the State of California, I confer upon you the honorary degree, doctor of laws, with all the rights and privileges thereunto appertaining, in token of which I present you this diploma and cause you to be invested with the hood of the University of Redlands appropriate to your degree.

GEORGE H. ARMACOST,
President of the University of Redlands.
JOY JAMESON,
President of the Board of Trustees.
REDLANDS, CALIF., *June 12, 1949.*

Inscription on the Statue of Liberty

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1949

Mr. JAVITS. Mr. Speaker, the following is a summary of an interesting book about the author of the eloquent and heroic words inscribed on the Statue of Liberty:

THE WORLD OF EMMA LAZARUS

(After the book written by H. E. Jacob, 1949)

This July 22 America will celebrate the one hundredth anniversary of Emma Lazarus, poetess of Statute of Liberty fame. Brought up as the daughter of a well-to-do New York businessman, enjoying all the advantages of her social position, she first gave no sign to her contemporaries that she once would be known as a champion for the American ideal of liberty and the right of minorities.

Yet the verses of her early youth show to us already a remarkable precocity. Within 14 years she translated into English the best of Europe's literary offerings, works by Victor Hugo and Heinrich Heine. The first book of the 17-year-old authoress drew the attention of the leading men of American literature upon her, William Cullen Bryant and Ralph Waldo Emerson. It was Emerson, the septuagenarian, who started to correspond with this young girl, becoming by that a guiding influence for her whole life.

But she, herself, for a long time, remained dissatisfied with her work. Although she had produced already so perfect a poem like Heroes, dedicated to the veterans of the Civil War, she felt more and more strongly that it was the contemporary social question which demanded all her powers. Not the recreating of ancient Greek themes in modern English verse, but to speak to the American of her day about the things of her day became her goal.

In August 1881 when the first refugees from Russian pogroms arrived in New York Harbor, Emma Lazarus came to understand fully her great vocation. These people—harassed and expelled by race hatred and religious bias—taught her to fight for the inalienable rights of minorities, a fight for which there was to be no let-up during the whole of her lifetime. Not only the cause of the Jewish people, but of all the persecuted on this earth forced this gentle and frail girl into the rough arena of polemics and politics. She consumed herself in relentlessly striving to help make a decent home for those new immigrants (there would be hundreds of thousands more in the years to come) and to help make them fit for the new life they would live in this country.

When in 1883 a patriotic committee was planning to erect on Bedloe Island the French-sponsored colossal statue, Liberty Enlightening the World, Emma Lazarus was approached for a spiritual contribution by the former Secretary of State, William M. Evarts. Money was needed to build the pedestal of the statue and subsequently manuscripts of famous people had to be auctioned off for that purpose. Emma Lazarus responded immediately and wrote the 14 lines of her sonnet The New Colossus which were to become immortal:

THE NEW COLOSSUS

Not like the brazen giant of Greek fame,
With conquering limbs astride from land to land;
Here at our sea-washed, sunset gates shall stand
A mighty woman with a torch, whose flame
Is the imprisoned lightning, and her name
Mother of Exiles. From her beacon hand
Glows world-wide welcome; her mild eyes command
The air-bridged harbor that twin cities frame.
"Keep, ancient lands, your storied pomp!" cries she
With silent lips. "Give me your tired, your poor,
Your huddled masses yearning to breath free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tost to me.
I lift my lamp beside the golden door!"

This poem is now a part of world literature. It shows to the world that freedom carries a torch and that America is resolved to make new men and citizens out of the downtrodden and persecuted of all countries.

Emma Lazarus did not live to see the deep stir she had made with this sonnet. A victim of cancer, she died in 1887 at the age of 38 years. But in 1903 her sonnet was chiseled on the pedestal of the Statue of Liberty, linking her name forever with that symbol of the American ideal.

Military Appropriations

EXTENSION OF REMARKS
OF
HON. CHARLES W. TOBEY
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES

Friday, June 24 (legislative day of Thursday, June 2), 1949

Mr. TOBEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement by the junior Senator from Vermont [Mr. FLANDERS] before the Committee on Appropriations on yesterday. The committee had under consideration House bill 4146, the military appropriation bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Congress must resolve two related problems. In the first place, we must strive for military and economic strength. Secondly, we must adopt an enlightened budget and fiscal policy to meet the needs of the times. Our decision on these questions will have far-reaching results.

We already know that military strength is impossible without a strong economy. Dr. Edwin Nourse, Chairman of the President's Council of Economic Advisers, has addressed the joint civilian orientation conference of the National Military Establishment several times recently on this subject. Business, labor, and agriculture are giving increased attention to the military budget. It is right that these groups should be concerned. The Nation and the Congress cannot rely exclusively on the desires of the military. The best illustration of this fact is the original budget request of the armed services for more than $30,000,000,000 for 1950.

This discussion of the military appropriation bill assumes that the economic strength of the Nation is our strongest bulwark against Communism. It does this without neglecting the parallel necessity for maintaining and developing our military defenses. The program suggested is a balanced one designed to apply our limited resources in the most effective manner.

Government policies on taxes and expenditures have profound effects upon our economic strength. I am of the opinion that the Appropriations Committees of Congress are in a key position at the present time. I believe the expenditure programs suggested by the President require modification. However, before discussing these, let me say one word about taxes.

Congress has been asked to increase taxes so that the budget may be balanced. Committee technicians tell us that we face a Federal deficit of $3,000,000,000 for the fiscal year 1950 on the basis of the President's budget and existing tax rates. Under normal prosperity conditions, increasing taxes would be a reasonable proposal. However, with declining production and increasing unemployment suggesting a downward trend in economic activity, it would be unwise to increase taxes now. Such action would intensify and prolong the recessionary tendencies, and the additional revenue would not be forthcoming. Federal receipts are determined by the level of our national income, and therefore suggested modifications in our fiscal programs—both taxes and expenditures—should be judged to a large extent by their effects on national income. If deflationary tendencies persist, I think we should move toward tax reduction, starting with excise taxes.

What about Federal expenditures? Can they be reduced? This is difficult, since we do not want to impair modest Federal programs for housing, health, education, and conservation which strengthen our economy and our way of life. Reclamation and other essential public works should increase our productive capacity and our economic strength. No one, of course, would suggest defaulting on our public debt. Our European aid program is geared to restoring the economies of our western allies and is essential. It represents our positive program for peace. I am confident, however, that some reductions can be made in the President's civilian budget through greater efficiency.

The Bureau of the Budget recently told the Senate Expenditures Committee that of the total $42,000,000,000 budget for 1950, only $17,500,000,000 is reducible at this time. Of the reducible total, at least one-half represents military expenditures and is authorized by the military appropriation bill before Congress. It is quite obvious, therefore, that any congressional resolution calling for the President to cut enacted appropriations would fall heavily on the military program. If this is the intent of Congress, why not attack the problem directly by effecting reductions in the military appropriation bill?

Outlays for military purposes, however necessary, are uneconomic and unproductive. Military expenditures sap the economy of goods and services and productive capacity which would otherwise build up the economy and the standard of living of the population. Their benefit to the economy is at best indirect. They represent insurance against a failure of our positive program for peace.

You are now being asked to direct 35 percent of the Federal appropriations to the military. Britain is spending less than 23 percent, and France 18 percent, of their budgets for this purpose. Even the Soviet Union is reported to be spending only about 19 percent of their annual budget on armaments. Our emphasis on military preparation is striking in comparison to other nations.

I believe that we can justify reducing the military appropriations in the interests of a strong national economy. Furthermore, I believe we can be strengthening our military position while so doing.

I would like to outline a proposal for reducing the military appropriation bill by $3,000,000,000. I realize that a reduction of the obligating authority contained in this bill will not necessarily reduce budget expenditures in fiscal 1950 by an equal amount. On the contrary, my proposal will not have an immediate effect on military expenditures because of the lag between appropriations and expenditures. Rather, it would be in the direction of leveling off military expenditures at or near their present levels. The President's budget message, on the other hand indicated that military expenditures, if requests for appropriations are granted in full for 1950, will increase in 1951 and thereafter. This is startling to me.

Without referring to specific appropriation titles, let me suggest three areas where reductions could be made in military appropriations:

1. Do not exceed the President's recommendations for the Air Force program (48 groups in fiscal 1950). The House-passed military appropriation bill increases the Air Force program over that recommended by the President's budget and calls for a 58-group force in fiscal 1950, costing an additional $851,000,000. Of this $218,000,000 are allotted in appropriations and $643,000,000 are authorized in new contracts. The latter amount would be reflected in greater expenditures after 1950. I wish to support the more modest program which was initially recommended by the Joint Chiefs of Staff. Even that may be too great. I question the wisdom of building fleets of particular types of aircraft that are admittedly obsolete before they are completed. Instead, I believe we should concentrate on the development of a wide range of prototype models. Let the improvement of our Air Force be recognized as a dynamic problem. Let us not freeze it prematurely into a static pattern, quickly obsoleted.

2. Reduce military strength to 1,300,000. I realize that significant savings in the military budget can be accomplished only by a reduction in military personnel. The President's budget and the House-passed bill call for a combined military force of just over 1,600,000 officers and men for fiscal year 1950. My proposal of a 1,300,000 force would place strength approximately at the level of 15 months ago. The President's budget estimates suggest that the direct costs of pay allowances, subsistence, travel, and the like, for each person in the armed forces are somewhat over $3,000 per year. Thus a reduction of 300,000 in projected strength would result in savings of approximately $1,000,000,000.

I believe that such a reduction could be made by more efficient use of military personnel without impairing our military strength. There has been an alarming rise in the proportion of nontactical personnel since the war. Surely, the large staffs used in public relations and administrative functions could be pared; and there is good reason to challenge the number of aides and orderlies which the military feels necessary to maintain its prestige.

For reasons which I will explain later, it seems clear to me that our program, so far as the Army is concerned, should not be directed primarily toward the development of infantry forces. We can say this while still recognizing that in past history, and presumably in history yet to come, the final decisions are won and sealed by the infantry. It will be most effective in the long run if this country specializes in the development and production of the munitions and mechanisms of warfare and focuses its personnel training most largely on the tactical use and technical instruction as relates to these mechanisms and munitions. Production and technical proficiency will be our contribution to any future military crisis of mankind.

3. Increase efficiency and reduce general military activities to conform with the proposed reduction in military force. A reduction of 300,000 in military personnel from the levels proposed in the President's budget should be accompanied by a reduction in the Military Establishment's projected maintenance, operation, construction, civilian employment, and similar activities. The President's budget calls for an outlay for these activities of roughly $5,700 for each person in the armed forces. A reduction of 300,000 in military strength should permit a reduction in activities resulting in savings of $1,700,000,000. However, I would not recommend a pro rata cut, but suggest that a reduction of over $1,000,000,000 could be applied to these items in the appropriation bill, including a sizable reduction of civilian employment in the Military Establishment.

Savings could be made if the amendments to the National Military Establishment Act of 1947 become law as provided in Senate-passed S. 1843. The Hoover Commission report indicates savings of one and a half

billion dollars as a result of such amendments. The distinguished chairman of the Committee on Armed Services, Senator TYDINGS, has estimated such savings at over one-half billion dollars. I am sure that increased efficiency, together with the decline in prices for goods that the military will have to buy for a smaller military strength, can be made to total the $1,150,000,000 required to achieve the proposed three-billion cut in military appropriations.

There is great need for viewing the military program as a whole. In addition to this military appropriation bill, Congress will be called upon to implement the North Atlantic Pact and Greece and Turkey with military assistance estimated to cost $1,450,000,000. The military also is requesting pay increases for officers and enlisted men, an increase in expenditures of $300,000,000 a year or more. And, finally, there are pending before the Armed Services Committee bills authorizing extensive construction programs which, if passed by the Congress, will result in additional requests for appropriations aggregating hundreds of millions of dollars for fiscal 1950 and more in the immediate years ahead. I am inclined to think that expenditures for these additional programs for fiscal 1950 should be absorbed in the amounts provided in this military appropriation bill.

All of the preceding is based on a definite concept of the part we can play most effectively in the defense of the civilized world against aggressive barbarism and totalitarianism. If we take Russia as an example of the direction from which such an attack might come, we may properly make the following assumptions:

We cannot start on the assumption that western Europe will be quickly overrun and that Great Britain and ourselves will be depended upon to furnish the foot soldiers for massive land operations beginning at the Pyrenees and extending for 1,500 miles into the borders of Russia. To attempt such a campaign would ruin us economically and end our cherished political institutions. It would leave western Europe completely ruined and so far as that region or ourselves is concerned, we would have lost the war in winning it. We have rather to reckon on the continued successful operation of ECA in building up the material resources and the spiritual strength of the western European nations so that they will be willing and able to play a major part in defending themselves. ECA is our first line of defense. With this assumption, and we can make no other, the functions of the three branches of the armed services fall logically into place.

To the Air Force falls the responsibility of strategic bombing and of furnishing air cover for land operations. As indicated earlier, I feel very strongly that it is better to depend on a moderate striking force at this moment rather than to be forced into the extravagant necessity of replacing an obsoleted full-sized force with completely new planes. Planes are going to improve. We must have them coming of all sorts in a continuous flow, each yearly or semiannual lot representing improvements over those previously delivered. A continuous flow of continuously improving planes should be the policy rather than a complete equipment of frozen design. Likewise the whole field of airplane activity must be recognized and not simply bombing alone.

The functions of the Navy are equally clear. It is their job to keep the seas open to transports and the merchant marine. The great enemy is the submarine. The Schnorkel must be sought and destroyed from the air, from the surface, and if necessary, by attack from beneath the surface.

As to the Army, we cannot provide the infantry forces for massive land movements, but we will again be the arsenal of democracy. We will be the developers of the latest weapons of attack and instruments of defense. We will be the operators and instructors of these weapons and instruments. We will furnish them in overwhelming quantities. We will play our part with moderate land forces, but the final defense of western civilization will lie with our techniques and productive ability rather than with our infantrymen. Here again, as well as with the Air Force, it is more important to keep coming a small but steady stream of constantly improving mechanisms than it is to prepare immediately for the equipment of a huge army and then find ourselves equipped with obsolete material.

It is not easy to find any over-all statement as to our over-all military policy such as I have just outlined. Secretary Johnson's speech at the War College the other day is the first approach to it. Such a statement is needed for the guidance of the Congress, whether in the budget for the armed forces or in the support of our foreign policy or in much else besides. The suggestions I have just made are not set forth as the final conclusions of an expert in foreign policy and in the support which can be given to that policy by military preparation. It is suggested tentatively to fill a vacuum and the vacuum needs to be filled if we are to move effectively toward the development of our political, economic, and military strength.

In conclusion let me summarize certain of the proposals made with regard to the appropriations provided for in this bill.

I have heard the argument that a cut of $3,000,000,000 in this bill under current conditions would harm the economy. It is said that a cut of $3,000,000,000 in the military program would be as deflationary as a tax increase of $3,000,000,000. I disagree completely with this idea. My proposal to cut the military appropriation bill $3,000,000,000, as I said earlier, will not immediately reduce Federal expenditures by the same amount. Rather it will have the long-run effect of leveling off the present rapid ascent of military expenditures near their present level.

It is quite possible that before long we will have to step up Federal expenditures to counteract emerging deflationary pressures. But when we do step up outlays, we should not be overly committed to military outlays as provided in the military appropriation bill now before Congress. We want to be sure that any expenditures undertaken by the Federal Government to sustain employment are productive, carefully prepared programs of useful and liquidating projects. It is true that Hitler, through military expenditures, kept everyone working and factories humming all through the 1930's, but at what cost to the standard of living of the German people? Leaf raking and unnecessary military outlays merely to give people a meal ticket should not be resorted to in fighting another depression. Therefore, I support a rather substantial reduction in the military appropriation bill, not only because I believe we can safely do so from a military standpoint, but more importantly, as a calculated step in the direction of readying our fiscal machinery for the job of fighting the current downward trend.

Address by Hon. William Langer, of North Dakota, at Hartford, Conn.

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Friday, June 24 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent that a speech that I delivered at Hartford, Conn., on June 4, 1949, the twenty-ninth anniversary of the Carl Schurz Unit, No. 22, of the Steuben Society of America, be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is a great honor for me to be invited to share with you in this celebration of the twenty-ninth anniversary of the Carl Schurz Unit No. 22, of the Steuben Society of America.

Ninety-seven years ago, Carl Schurz landed in Philadelphia. He was born on March 2, 1829, in Liblar-bei-Cologne. Carl Schurz, as we all proudly recall, was an outstanding opponent of human slavery and degradation. Throughout his life, he was a champion of the underdog, of the underprivileged and the oppressed. He served with greatest distinction as United States Ambassador to Spain under President Lincoln, as United States Senator from Missouri in 1868, and as Secretary of the Interior in 1877 under President Hayes. His integrity and defense of American principles, and his burning conviction that servants of the people were the guardians of a public trust inspired him to become the originator of what we know as our Civil Service Commission.

By joining together in this anniversary celebration, we are keeping alive a great tradition, for Carl Schurz was also a representative of the greatest single blood stream that now flows in the American body politic.

However, bound together as we are by a common ancestry and common ties, it is always as Americans that we join in these observances. It is as Americans that we view the past with pride and gratitude. It is in this spirit that we have always united to solve the problems of the present, and to lay the groundwork for the future.

Whenever this primary fact is forgotten by any group of American citizens, the ideals of decency and justice, and the innate humanitarianism of our great tradition as a free people, are the first to suffer. What could be more convincing than the conditions with which we are now confronted in central Europe. The terribly complicated and burdensome problems which we are now called upon to solve, are the direct result of the complete abandonment of our great American ideals and principles, during and since the war, by the ranking policy makers of this Government. These men blinded by hatred and vengeance, betrayed their American heritage.

The great task before us now, is to salvage America's integrity and honor, to make restitution, for the wrongs that have been suffered at our hands, and to restore to our dealings with the German-speaking people, American principles, upon which, together, we may build a just and lasting peace.

We need to keep reminding ourselves of how far we have traveled in the wrong direction, in order that we may be fully aware of the continuing demands that will be made upon our time, our efforts, and our resources, if we are to be successful in this task of restoring sanity and justice to our relations with the German-speaking people. We must remember that which has taken years to come into being cannot be changed over night.

The American people still do not know what a gigantic task this has become. Most of them do not have the slightest grasp of the way in which American principles and American interests have been bartered away by the power politicians representing the victorious powers, both during and since the war. Those of us who are gathered here have a better understanding of this problem, perhaps, than others, because we have been

fighting these very politics which could not help but produce such tragic consequences.

The American people were solemnly told that we were fighting for the principles of the Atlantic Charter, principles which at the victorious conclusion of the war would be applicable to victor and vanquished alike. Yet, no sooner had those principles been stated to the world, than they were repudiated, both in word and deed, by their authors. Indeed, it turned out to be not even "a scrap of scribbled paper."

Immediately following the signing of the Atlantic Charter, the propaganda was started in this country that the United States Senate was largely responsible for the Second World War, because it failed to ratify both the League of Nations and the Treaty of Versailles. Behind the scenes, those who started this propaganda began to talk us into the late President's great design, or what we came to know as Dumbarton Oaks, the San Francisco Charter, and the United Nations organization to enforce the peace. What happened, as a consequence? These propagandists based their strategy for getting us into the United Nations on the fact that the reason why the United States Senate would not ratify the League of Nations, was because the Versailles Treaty was attached to the League, and thus we would be committed to enforcing the impossible terms of the Versailles Treaty. This time, these strategists determined, they would not make the same mistake that Wilson made. Instead they would get us involved in the United Nations, to enforce the terms of a peace treaty that hadn't even been written. At the same time, to make sure they would have a free hand in writing that peace treaty, they threw the Atlantic Charter onto the ash heap, substituted the formula of unconditional surrender in its place, drafted the terms of the outrageous Morgenthau plan, as a basis for the final peace settlement with Germany, and incorporated article No. 107 into the United Nations Charter. This article 107 removed any jurisdiction whatever over the peace settlements from the United Nations organization. Then these power politicians asked the American people to foot the bills.

Up to the present moment, the United States Senate has not had one single word to say about any of these agreements which constitute the basis of peace settlements, although the Constitution provides that until they are ratified with the advice and consent of two-thirds of the United States Senate, they are not binding on the American people.

As a consequence, the policy makers in the executive branch of this Government violated their own oath of office, flaunted the power they had usurped in the faces of the elected representatives of the people, and trapped Congress into a position where it was compelled to continue to pour out billions of dollars in deficiency appropriations to pay for these outrages. Then in rapid order, these men refused to recognize the surrender of the Germans to the American Army; permitted a second surrender performance with the Russians acting as the great liberators in control of Berlin, withdrew American armies of occupation, in some cases over a hundred miles from territory they had conquered, and turned it over to the Russians; agreed to the insane five-power division and occupation of the German state; permitted the American occupation authorities to be trapped in a Russian prison in Berlin, and set up the most impossible, unworkable, and pro-Communist system of controls it is possible to conceive.

Behind the smoke screen of the confusion that ensued, President Truman signed the Potsdam Declaration based on the Morgenthau plan, which in the annals of American diplomatic history will remain an eternal monument of shame. Then in swift succession, at the instigation of American authorities, they took the German fishing fleet into the North Sea and sank it; they imposed a deliberate starvation diet on 50,000,000 people; they agreed to the inhuman uprooting and mass deportation of some 16,000,000 Germans of ethnic origin who were driven like cattle across the winter wastes of eastern Europe into the western zones, 5,000,000 of whom never arrived. Of these 5,000,000 no one knows how many have died or how many were sold into the slavery of Siberian concentration camps.

In spite of the loss of the food-raising areas of the east, American authorities refused to permit the manufacture of fertilizer, farm machinery equipment, and of industrial potentials necessary for export and exchange for food. All of this went on while the American Government itself refused to open the mails, refused to let the churches' representatives, or even the Red Cross, administer relief to the suffering and the dying. Then General Eisenhower signed a document imposing slave labor on the civilian population; American representatives agreed to recognize the use of slave labor by prisoners of war, and the denazification process was set in motion, which was a mockery of American concepts of justice and which played directly into the hands of the Communists who wanted to wipe out what remained of the middle class of Germans by indicting them as Nazis.

On top of all of this, 13 war-crimes trials have been conducted by American Government representatives in such a fashion as to shock the conscience of the world. And to cap this whole program has been the insane, senseless program of dismantling which has continued the madness of the destructiveness of war for 4 years on into the peace—all at the expense of the American taxpayer.

The insanity of this continued destruction which is going on at this very moment can best be revealed by the story about just one plant located in Essen, the most modern steel-fabricating plant in Europe. It was built at an original cost of 120,000,000 marks. It would now cost $120,000,000. Incredible as it may sound, this plant was given to the Russians as reparations. And the dismantlement and shipment of that factory was begun and completed during the year of the Russian-imposed blockade. But what is even more incredible is the system that was used in valuing this plant for reparations. Its value was set at 60,000,000 marks. A 15,000,000-mark reduction was made because the Russians didn't want such luxuries as the washrooms and social-recreation facilities. This brought it down to 45,000,000 marks. Then the Russians were allowed a depreciation of 36,000,000 marks because of the loss in dismantling, which left a value of 9,000,000 marks. But then the Germans also had to pay the costs of dismantling and shipping to the frontier, estimated at 30,000,000 marks, all of which left a debit of 21,000,000 marks, which the Germans had to pay to the occupation authorities to make this plant available to Russia.

The consequences of these policies became so frightening that our policy makers revised the original level of industry agreements, first in November 1946, then again in October 1947, and finally again in April 1949, until now we have some reason to believe that the light is slowly dawning on this administration. Yet, we must take nothing for granted. We who have been close to this whole problem must continue to recognize facts for what they are and deal with them accordingly.

What is the real situation with which we are called to deal as of the present moment? The economic life of Germany would go into a tailspin overnight, millions would just automatically starve to death, if we did not continue appropriations to underwrite the deficits. An independent British and American board of experts have made the findings of an independent survey available to their respective authorities in which they frankly stated that, in spite of all these revised agreements, in spite of all the aid we are continuing to pour out, including the Marshall plan, Germany's economic life cannot possibly support even a minimum standard of living, necessary to maintain its vastly overcrowded population, without at least the initial investment of $26,000,000 in the next 4 years.

We have also been confronted with a lot of propaganda about how this Government was going to turn over controls to the new German Government that is to be elected on the basis of the Bonn constitution, and the American people have been given every reason to believe that this is a genuine forward step. Yet we know that no government could possibly function, even though democratically elected by the German people, when it is shackled by the restrictions contained in the occupation statute drafted by France, England, and the United States on April 8, 1949. This occupation statute makes a mockery of the functions of a German Government by reserving to the occupation powers authority in the field of control of scientific research, industry, and civil aviation; continued controls in regard to the Ruhr, the reparations program, decartelization, and foreign interest in Germany; control of foreign affairs, including international agreements made by or on behalf of Germany; continued control over displaced persons, expellees, and the admission of refugees; continued control over taxation for occupation costs; continued control over foreign trade and exchange.

Such flagrant hypocrisy, by the occupation powers, does American concepts of democracy a criminal injustice, makes it impossible for a German government of any kind to inculcate a faith in Democratic procedures, and will leave it powerless to control its own internal development.

Such policies cannot help but continue to play directly into the hands of Stalin. Yet we can all be certain now that such an outcome would be a catastrophe. We know that this must not be allowed to happen. We also know that in continuing our fight to prevent Germany from being forced into the hands of Russia we have the wholehearted support of an ever-growing number of American admirals, generals, and statesmen who are determined to keep Germany within the framework of western civilization.

Our task, then, is to continue to fight, to change basic American policies, in such a way as to enable the German-speaking people once more to put their feet on the ground and to be granted a maximum of aid and freedom with which to work out their own salvation. We know that the final test of a German Government is whether it will be able to provide a minimum standard of living and to guarantee the protection of the life and property of its citizens. All these paper agreements by the major powers are meaningless unless they enable the Germans to set up the kind of government within the framework of sufficient economic opportunities to enable the German economy to weather the ups and downs of the world's economic life. We remember that the Weimar constitution collapsed, and the German Government along with it, because it could not weather the world depression of the late twenties and early thirties. If we are not to finance and force the repetition of such a tragedy again, we must continue to demand such changes in our own American policies as will enable the German people this time to lay a solid foundation on which their government can stand.

If this problem is to be solved, it can only be solved by the German-speaking people

themselves, with our help. We cannot lay the enduring foundation of economic stability and of democratic institutions with bayonets. We can only help these people to help themselves. Second, we must demand that Germany be forced either into the position of becoming an ally either of the East or of the West, but that she be free to develop in cooperation with the European nations as a bridge between the two. To do this, she must at the earliest practicable moment be permitted to play her role as a free people. This is why we must take the lead in demanding what this Government present a policy to the major powers providing for a unified civilian government by setting up the democratic machinery for the creation of a constitution for all of Germany; for the mutual withdrawal of all occupation troops; for the removal of all controls over peacetime industrial development, and for an allied control commission to supervise the prevention of rearmament. Then we must restore financial controls, and export-import controls to such a German civilian government, and enter into agreements to provide financial aid to finance necessary imports, together with guaranties of fair treatment in granting access to world markets until Germany gets back on her feet. Germany has to manufacture and export or die.

It is my solemn conviction that it is our duty now to try and force a change in American leadership which moves in this general direction, for failure to achieve this objective will involve America in a catastrophe from which we cannot emerge without the loss of our form of government and our way of life.

Therefore, united as Americans behind a drive for the realization of such peace aims, we must continue to be inspired by a faith in the justice of our cause and continue to make our contribution to a just and lasting peace. Again, I want to compliment those of you who together with millions of your fellow Americans have sacrificed and worked through the the darkest hours of suffering and despair in the field of relief and reconstruction. We are all proud of the humanitarian concern that has inspired these efforts. We must continue our efforts in the field of relief. We must enlarge our activities in the field of reconstruction. We must do everything we can to open the channels of trade and investment of private capital between the United States and central Europe. We must encourage the exchange of cultural, educational, labor, scientific, industrial, and religious and political representatives at every opportunity. In 1950 and 1952 we may get our last chance to correct the criminal mistake of permitting election years to go by without making our foreign relations, particularly with the German-speaking peoples, a primary political issue in major political campaigns. This is the one place where the power of the American people to exercise a voice, in the control of their own destiny, can be most strongly and effectively used. In the coming campaigns, we must use this power to force this issue finally into the open, and, putting aside all jealousies and fears, united in this common cause, we must speak with one voice.

The time has now come for the American people as a whole to recognize the dangers which are confronting us. With the Far East fast falling prey to the onrushing Communist armies; with the reconstruction of the foundations of western civilization increasingly threatened by the insanity of the anti-American policies we are continuing to finance in central Europe; with the increasing burdens which are being placed upon our shoulders now threatening to destroy the financial solvency and the freedoms of our own economic social and political life, we cannot wait longer to awaken the conscience of the American people.

We cannot stop the spread of communism; we cannot restore self-respect and confidence in democratic institutions in the hearts and minds of the German-speaking people or of any other peoples, by continuing to carry on indefinitely into the peace, the hatred, and the insanity and the destructiveness of war.

We can only win this fight by competing with Russia on the basis of American principles and practices for the confidence and allegiance of these tragic peoples who are now caught between us, both in Europe and in Asia.

Moved by the conviction that in this fight we are on the side of truth and justice, and with the magnificent traditions of America once more at stake, I am confident we shall not fail the future.

The Denazification Program

EXTENSION OF REMARKS

OF

HON. ROBERT C. HENDRICKSON

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Friday, June 24 (legislative day of Thursday, June 2), 1949

Mr. HENDRICKSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Nazis Helped, GILLETTE Says," published in the Baltimore Sun of June 20, 1949. The article comments at length, and very favorably, upon an address made by the distinguished junior Senator from Iowa [Mr. GILLETTE] on the subject of denazification.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NAZIS HELPED, GILLETTE SAYS—11,000 TEACHERS REINSTATED IN BAVARIA, SENATOR CHARGES

(By Joseph H. Short)

WASHINGTON, June 19.—Senator GILLETTE, Democrat of Iowa, charged tonight that 11,000 Nazi school teachers had been reinstated in Bavaria alone.

The Iowan's charges were made in a radio interview over Station WWDC, in connection with a bipartisan resolution for a Senate investigation of United States policy in Germany.

Responding to questions by Commentator Ed Hart, GILLETTE said also that 91 percent of all judges, prosecutors, and court officials in Schleswig-Holstein were former Nazis and that the German press was "playing up militaristic and anti-Semitic propaganda."

STUPIDITY CHARGED

"There are indications," the Senator added, "that, through short-sightedness and irresponsibility, plus a degree of stupidity, some of our people are carrying on mutual admiration societies with the old German nationalists and newer German Nazis."

GILLETTE quoted a presently unidentified American general as having advised his staff that "the time has come to invite Nazis to cooperate with us * * * to end denazification and demilitarization."

The Senator said identity of the general would be brought out in the investigation.

"It is an erroneous contention," he stated, "that we need Brown Shirts to check Reds, Storm Troopers on the side of democracy." He asked for a "judicious watch on the Rhine" to replace what we called our botch on the Rhine.

THREE SENATORS JOIN GILLETTE

"We simply must know," GILLETTE declared, "what is going on in Germany—whether or not the German mind remains the repository for the Hitler doctrine.

"Left to fester and ferment, this poison will spread and in 5 or 10 years, within our time and our children's time, we will be confronted with Nazi-fascism once again."

GILLETTE was joined in the sponsorship of the proposed investigation by Senators PEPPER, Democrat, of Florida; IVES, Republican, of New York; and HENDRICKSON, Republican, of New Jersey. The proposal now is in the hands of a Senate committee.

PURPOSE OF INQUIRY

The purpose of the inquiry, the Senator said, would be to determine:

1. The result of transferring responsibility for denazification from United States to German authorities.

2. The extent of infiltration of Nazis into denazification tribunals.

3. Whether Nazis had been eliminated from high positions in German public and economic life.

4. How many Nazis had been reinstated in the public school system.

5. The extent of the resurgence of anti-Semitism and militant nationalism.

6. The extent of the reappearance of Goebbel's-type propaganda in the German press.

7. Whether new Nazi parties were forming.

8. Whether German youth was being taught the values of democratic ideas and institutions.

GIVES PURPOSE OF INQUIRY

"It would be very prudent on our part," said the Senator, "to make sure that we are not recreating the political, social and economic climate in Germany that led ultimately to a Hitler.

"The purpose of investigation would be to determine whether Adolph Hitler really won the ideological triumph though we won the physical victory.

"There can be no peace in Europe or the world as long as the Nazi idea rides high in the hearts and minds of most Germans. * * *

"The world has invested a few hundred billion dollars and tens of millions of lives to defeat those who would ravish and plunder the planet. Would it not be wise, therefore, to take stock of our efforts to make human beings out of those people who attempted to enslave humanity and make barbarians out of all mankind."

Big Soviet: Stronger America

EXTENSION OF REMARKS

OF

HON. HARLEY M. KILGORE

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, June 24 (legislative day of Thursday, June 2), 1949

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article which appeared in the June 10, 1949, edition of United States News and World Report. This article compares the United States with Russia, and it clearly reveals that the U. S. S. R. is a poor

match against the west. I believe the article to be a very informative one.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIG SOVIET—STRONGER AMERICA

Stalin, looking things over, finds his Russia a poor match against the west. He has lots of land, people, little else.

Russian industry is weak. Transport is creaky, labor inefficient. Living standards stay low, despite 5-year plans.

Trade with the west, a shot of United States dollars are wanted to bolster Moscow. Acting tough didn't get them, so peace talk is given a trial run.

ABS's of Russia, her strength and her weaknesses, are important at this stage in order to understand why Russians are trying to deal again with the west.

Simple facts about Russia reveal that she needs things that only the outside world can supply. Russia is strong in manpower and in square miles of territory, but weak compared to the United States in nearly all else. To break the bottlenecks now limiting Russia's drive to industrial power, the Soviet Union must look west.

The idea that Russia is immensely strong as a nation has tended to dominate much United States thinking. Now, however, diplomats at Paris and officials in Washington are paying more attention to everyday facts in appraising Russia's real strength. What shows up is encouraging to the United States at this stage.

At first glance, Russia appears a formidable competitor for the United States.

People, for example, are abundant in Russia. Population is close to 200,000,000 against about 148,000,000 in the United States.

Square miles of territory in U. S. S. R. makes the United States look small. The Soviet Union has 8,708,000 square miles of territory to the 3,022,000 in the United States.

Iron ore in the ground in Russia is about twice the amount of United States reserves. Russia has plenty of high-grade manganese and bauxite ore, scarce in the United States.

Coal and petroleum reserves still underground in Russia are large, too, but only one-third as large as probable United States reserves.

Looking closer at the facts, Russia turns out to be weaker than the map and the population figures suggest—much weaker, in fact, than the United States.

Machinery to match United States machinery in quality or in quantity is lacking.

Skilled labor is short, too. Most Russians are untrained farm workers. Nonagricultural workers in Russia total only 33,600,000, as compared to a 1948 average of about 51,000,000 in the United States.

Soviet planners are out to expand Russian industry at all costs. But, to support even the existing industrial population, Russia is forced to concentrate much of its energy on the farms.

Food production in Russia is beset by troubles not evident on the surface. But a few facts tell much of the story.

Arable land in the Soviet Union, a nation almost three times as large as the United States, is about 600,000,000 acres, compared to 500,000,000 acres in the United States. Much of the Soviet area is swampy tundra, frozen wastes, and desert.

Cattle total 52,000,000 head in Russia, while the United States has 78,600,000 head.

Hog population of Russia is 13,400,000. There are 55,000,000 hogs in the United States.

Tractors now in use on Russian farms total 400,000. American farmers use 3,114,596 tractors.

Horses on Russian farms number 12,000,000, compared to 6,607,000 on American farms. A bushel of Russian wheat represents much more humar labor than a bushel of United States wheat. And distribution of food is a greater problem in Russia.

Transportation is a basic Russian weakness. To knit their great country together as a match for the United States, the Russians would need greater networks of railroads, highways, and air lines than those in the United States. These are lacking.

Railroad mileage in Russia totals 70,000 miles, less than a third of the length of United States railways. Russian railways are in poor repair; much of the equipment needs replacement.

Locomotives produced in Russia last year totaled 890, not enough for replacement of worn-out locomotives. In the same year the United States produced 1,487 locomotives.

Freight cars built in Russia in 1948 numbered 39,200, while the United States put 102,737 new freight cars in service.

Roads in Russia add up to 481,000 miles. Only about half are hard-surfaced roads, and even the best of these do not compare with the majority of the United States roads, which add up to 3,010,000 miles.

Motor vehicles in Russia, both trucks and passenger cars, total 760,000. The United States has nearly 38,000,000 trucks and passenger cars.

Air-line routes in Russia, stretching the length and breadth of a vast country, total 110,000 miles. United States air lines provide service on 95,500 miles of routes.

Air passengers carried on Russian air lines last year totaled 305,000. In the United States in the same period the air lines carried 12,749,733 passengers.

Transport, as a result, is a major bottleneck for Russian industry. In addition, Russian executives have trouble just keeping in touch with one another.

Communications in Russia are far below United States standards.

Letters are frequently lost and often delayed. Mail from Moscow to Odessa, for example, takes about 20 times as long as mail from New York to Chicago, a comparable distance.

Telegrams transmitted inside Russia in 1946 totaled 175,000,000, as compared to 220,000,000 transmitted within the United States.

Telephones, widely used in Moscow and Leningrad, are few outside the large cities of Russia. There are only 1,500,000 in the Soviet Union, while the United States has nearly 35,000,000.

Delay in communications and transport adds to the burden of an economy hard hit by war. Invasion and the destruction of war wiped out about one quarter of all property in Russia.

Industrial output in Russia, as a result still is 6 percent below the levels of 1940, while production in the United States is about 54 percent above United States levels for the same year. And Russia still has far to go to reach United States industrial power.

Steel produced in Russia last year was only 23 percent of United States output.

Coal mined in 1948 was only 31 percent of the amount mined in the United States.

Oil pumped out of the ground in Russia is only about 10 percent of the oil drawn from United States wells.

Electric-power production in Russia is about one-fifth of United States output.

Trucks and automobiles made in the United States outnumbered those made in Russia 30 to 1.

In addition, United States production is geared to consumer needs while the Russian consumer stands at the end of the distribution line, getting what is left after the planners take what they want for industrial expansion.

Standard of living in Russia, as a result, remains one of the lowest in the world. It is higher than the Chinese standard, but lower than the standards of the Balkans, lower by far than those of western Europe or of the Americas.

Housing, always bad in Russia, is a major problem. The average Russian today may have as much as 65 square feet of housing as compared to 280 square feet for each American. In Russian cities, housing space is down below 40 square feet per person. In the country, many Russians live in huts.

Bathtubs and showers are few in Russia and most of those few are shared by many families. City dwellers have access to public baths. Few country dwellers in Russia have running water.

Daily diet for the average Russian consists largely of black bread. Grain products are 80 percent of the Russian's food, but only 14 percent of the average American's food is made of grain.

Clothing is hard to get in Russia. An industrial worker in Russia must pay a sum equal to his total wages for 12 weeks to get a new suit. An American worker can get a better suit with 1 week's pay.

Radios are a luxury that few Russians can afford. In the whole of Russia there are only 130 radio stations and 5,500,000 radio sets. In the United States there are 2,713 radio stations and 75,000,000 radio sets.

Television in Russia is based on transmission of 625 lines, as against 525 in the United States, resulting in a clearer picture, postcard size, for the Russians. But there are only two television transmitters and 15,000 receivers in Russia as compared to 60 transmitters and about 800,000 receiving sets in operation in the United States.

Motion-picture theaters in Russia total 768, as compared to 18,765 in the United States. Russia also has 15,000 sound-picture projectors, but most of these are used for propaganda purposes, not for entertainment.

Medical care, though free for the Russian, does not approach United States standards. In the whole of Russia there are only 831,800 hospital beds and 130,300 doctors. The United States has 1,425,222 hospital beds and 165,000 doctors to take care of a smaller population.

Added up, the simple facts of present-day Russia are helping the diplomats at Paris to decide just what Moscow wants and how badly Moscow wants it. To attain even the production targets set for the current 5-year plan, the Soviet Government needs the kind of help that can be obtained only through increased trade with the west. This need is turning out to be a major objective of Russian tactics in negotiations with the western powers at Paris.

Dangers of Bureaucracy

EXTENSION OF REMARKS

OF

HON. JOHN W. BRICKER

OF OHIO

IN THE SENATE OF THE UNITED STATES

Friday, June 24 (legislative day of Thursday, June 2), 1949

Mr. BRICKER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "The Real Danger," published in the Cleveland Plain Dealer of June 20, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE REAL DANGER

The great danger posed by the present day Federal bureaucracy is not that it maintains on its payrolls more employees than are necessary, or that it resists the adoption of a businesslike administrative structure for the executive branch of the Government.

The great danger lies elsewhere.

It lies in the pernicious penchant of so many bureaucrats to perpetuate the existence of their governmental agencies after the need for them has passed.

It lies in the use by bureaucrats of their official position to propagandize for the retention of all existing grovernmental controls over the people and for the acceptance of new schemes for socializing and increasing the cost of the Government of the United States.

A short time ago we had occasion to rebuke Karl M. Duldner, Cleveland area rent director, whose only legal function is to administer the rent control law enacted by Congress, for speaking up as an opponent of the passage by the Bay Village Council of an ordinance to remove rent regulations in that municipality.

Duldner contended that he was merely answering a verbal onslaught on his bureau by a spokesman for the Apartment House Owners' Association, but, whatever his motive, his words were the words of a bureaucrat opposed to the removal of Government control of rent anywhere.

Now comes a minority report by members of the Cleveland area rent advisory board charging Duldner with a breach of the proprieties of his Federal position by permitting his office to be used for the drafting of the majority report, which urges Governor Lausche to disapprove rent decontrol ordinances passed by the duly elected Councils of both Bay Village and Orange.

"To the minority of the board it seems improper that the Cleveland area rent director should place himself in a position where the office established by law to administer rent control takes action of this kind, the purpose of which can be only to retain rent control and thus create a necessity for the continuation of the office of the Cleveland area rent director. The office of Cleveland area rent director is established by law for the purpose of administering a Federal act free from any propaganda efforts to retain rent control."

So reads the report drawn by Attorney Robert H. Jamison and Howard Whipple Green, who as director of the Real Property Inventory knows more about the housing situation in Greater Cleveland than the most expensive Government survey could ever ascertain. Jamison and Green, with Roy C. Carpenter and Mrs. N. H. Boynton, voted in favor of recommending to Governor Lausche that he approve the Orange and Bay Village decontrol ordinances. Six members of the rent advisory board voted the other way around.

The vote of the six-member majority in urging the Governor to disapprove the decontrol ordinances in the two small municipalities, where there is little rental property in existence, was taken at a closed meeting, so the public could not know the basis of that action.

The minority report supplies the first enlightenment on this matter. It disclosed that the report adopted by the majority advanced as a reason for gubernatorial veto of rent decontrol in Bay Village and Orange this telltale one: "Decontrol of one or two small communities would set the stage and prepare the way for decontrol in other communities (sic), even though it is a well established fact that the general housing situation is such that rent control is still necessary."

The removal of rent control cannot take place in a municipality unless the Governor approves the decontrol ordinance. It is now up to Lausche to say whether he concurs in the view of the advisory board majority, in which the influence of Federal bureaucracy is readily discernible, or whether he concurs in the view of the elected representtives of the people of Orange and Bay Village and in the revealing report by the advisory board's minority.

We believe Governor Lausche should uphold the action of the two suburban councils. It was taken by men who know intimately the conditions prevailing in their communities. It was taken in public meeting after the opportunity for expression by proponents and opponents of rent decontrol had been advertised. It was taken in municipalities where there is but a negligible amount of rental property, where it is senseless to maintain rent regulations.

A majority of the rent advisory board was, we are now convinced, exposed to decontrol of rent in the two suburbs just because it would set a sensible precedent.

Nationalists Form Party in Germany

EXTENSION OF REMARKS
OF
HON. GUY M. GILLETTE
OF IOWA
IN THE SENATE OF THE UNITED STATES

Friday, June 24 (legislative day of Thursday, June 2), 1949

Mr. GILLETTE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very informative article on the Nationalist Party which has been formed in Germany, written by Jack Raymond, and published in the New York Times of June 23, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATIONALISTS FORM PARTY IN GERMANY—MILITARISTS AND AGITATORS JOIN ORGANIZATION URGING PUBLIC TO SPURN LICENSED GROUPS

(By Jack Raymond)

FRANKFURT, GERMANY, June 22.—A new political movement was founded today in the Rhine River resort city of Bad Godesbuerg by reputed militarists, nationalists, and agitators.

Its manifesto appealed to all Germans to forsake the western allied-licensed parties, to fight for national unity and to protect the honor of those who did their duty for their fatherland.

Among the signers of the manifesto was Dr. Hugo Eckener, the famed Zeppelin designer. Another was former Maj. Gen. Otto Ernst Remer, who is said to have contributed to the thwarting of the July 20, 1944, bomb plot against Hitler.

The group is known as the Association of Independent Germans. About 30 persons attended the day-long closed deliberations, according to Wolfgang Koeltin, one of the organizers.

The primary appeal of the founders appears directed at former Nazis, Germans expelled from eastern territories and returned prisoners of war.

Its basic theme is national unity. According to the manifesto the existing parties, approved by the western military governments sanctioned the split in Germany.

Otto Schultze, leader of a group of expelled Germans; Fritz Geistbauer, leader of an association of prisoners of war returned from the Soviet Union; and Hans von Ostav, who has been associated with attempts of Dr. Otto Strasser, former Hitler associate, to return to political life in Germany, were prominent among those present at the organization meeting.

The new group does not seem to have any traces of Communist influence.

It is probably more accurate to describe the new group as strongly right wing, with an eye to taking advantage of the bitterness against all occupiers, but especially the anti-Soviet feeling of German refugees and former prisoners of the Russians.

Herr von Ostav said that "German policy must not be allowed to fall into hands of either the Americans or the Russians."

Justus Krause, a leader of the Christian Democratic Party in the British zone, also was among the participants. He is widely known as the lower Saxony chairman of the so-called German Union, which represents itself as a super-party movement.

The manifesto denounced the licensed parties, charging them with obstructing the right of the German people freely to decide their future in the coming (August 14) elections.

ELECTION LAW ASSAILED

The newly proclaimed electoral law, the manifesto stated, is used to prevent the people from choosing men who are fit to bring about a turn in Germany's destiny.

The denazification laws were assailed as having driven millions of decent men and women into despair.

The German people want to stand by their own history and to protect the honor of those who did their duty for their Fatherland, the manifesto declared.

It asserted that the Germans claim the rights and respect to which they are entitled as a decent and illustrious and highly civilized people in the community of nations. Then it concluded:

"Germans! Do not let yourselves be split into residents and expelled, haves and have nots, employers and employees, Catholics and Protestants, those who are affected under denazification laws and those not affected, East and West, North and South Germans. Vote for Independent Germans as the standard bearers of true German unity."

Since the session was closed it was impossible to get a complete list of those who attended. However, some idea of the character of the group may be obtained from the names of persons invited. They included Dr. Hjalmar Schacht, Lieut. Gen. Kurt Dittmar, Col. Gen. Heinz Guderian, Field Marshal Hugo Sperrle, Col. Gen. Jurgen von Arnim, and Lieut. Gen. Kurt von Manteuffel and Hans Krebs, former gauleiter in Czechoslovakia.

Dr. Schacht declined, saying he was too busy writing his memoirs, but his attorney at the Nuremberg trial before the International Military Tribunal, Rudolf Dix, was reported present.

General Guderian declined, saying he did not believe retired generals should mix in politics. A Major General Pape was said to have been present on behalf of General von Manteuffel.

General Dittmar, who was famous as a German Army radio commentator during the war, is known not to have attended.

Economic Indicators Now on Sale

EXTENSION OF REMARKS
OF
HON. JOSEPH C. O'MAHONEY
OF WYOMING
IN THE SENATE OF THE UNITED STATES

Friday, June 24 (legislative day of Thursday, June 2), 1949

Mr. O'MAHONEY. Mr. President, the President of the United States on June

23 signed Senate Joint Resolution 55, which authorizes the publication as a permanent Government document of the monthly issue of the Economic Indicators. This publication was initiated by the Joint Committee on the Economic Report during the Eightieth Congress, under the chairmanship of the distinguished Senator from Ohio [Mr. TAFT]. It has been continued throughout the present year because the committee has found that there is a great public demand for the document.

It contains charts and tables which present a precise and concise picture of current economic trends and developments. It is widely used by Members of the Congress, representatives of business, labor, agriculture, consumer organizations, and members of the press in assessing and weighing the current economic situation.

The publication presents selected economic measures in a convenient booklet of 32 pages. The information appears both in the form of numerical tables and easily read charts and covers the general areas of prices, employment, production and business activity, purchasing power, and money, banking and Federal finance. Under each of these general headings are grouped 3 to 10 important statistical series. For example, under prices are found charts and tables on consumers' prices, wholesale prices, prices received and paid by farmers, and securities' prices; under employment, charts and tables are given for the labor force, employment in business and government, average weekly hours, and work stoppages.

The committee in its publication of these materials, which are assembled for the joint committee from Government reports by the Council of Economic Advisers, hopes to broaden the common understanding and acceptance of the basic statistical measures of our economy. By virtue of the legislation just passed this publication will now be available to the general public on a subscription basis. The price will be $1.50 per year and orders should be addressed directly to the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C. The price of a single monthly issue will be 15 cents.

I ask unanimous consent that the President's letter be printed in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, June 23, 1949.

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

DEAR SENATOR O'MAHONEY: It is particularly important to our Government's efforts to promote the objectives of maximum employment, production, and purchasing power, as set forth in the Employment Act of 1946, that there be broad public knowledge concerning economic facts and developments. It is, therefore, with great pleasure that I am signing Senate Joint Resolution 55, which authorizes the publication of Economic Indicators as a regular Government document.

It will now be possible for people throughout the country to follow each month the compilation of economic charts and statistics prepared for the Joint Committee on the Economic Report by the Council of Economic Advisers, as this document will be available on a subscription basis from the Superintendent of Documents.

Please convey to each member of the Joint Committee on the Economic Report my appreciation for the constructive work your committee has done in bringing basic economic facts to the attention of the Congress and the people.

Sincerely yours,

HARRY S. TRUMAN.

Are We Afraid of Freedom?

EXTENSION OF REMARKS
OF
HON. BRIEN McMAHON
OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Friday, June 24 (legislative day of Thursday, June 2), 1949

Mr. McMAHON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Are We Afraid of Freedom?" appearing in the Hartford Courant for June 19, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ARE WE AFRAID OF FREEDOM?

Over all of us hangs the threat of communism. Though the cold war with Soviet Russia is not now being fought with arms, it is a deadly war. The overwhelming proportion of the American people have been convinced by three decades of Soviet history, and especially by Soviet actions in the 4 years since the war, that the masters of Russia plot our downfall. Whatever twisted ideals may lie behind communism, its aim is to conquer the world and make it a police state ruled from Moscow. Where opposing forces are weak, the Communist threat takes the shape of military might. But most dangerous is the insidious penetration of ideas.

How are we to defend ourselves against this double attack? If we stop to think, we know it is silly to fear Russian arms. Despite Russia's vast resources, it is inconceivable that there is a present danger that the Russian Army, Navy, and Air Force—even with the atomic bomb—can conquer us. The real danger is not the armed strength of the Russian national state but the subtle, intangible penetration of ideas.

It is when it comes to defending ourselves against this attack on the mind that Americans differ among themselves. Many among us rush to embrace the seemingly natural way of seeking to stamp out Communist ideas. Hence the current wave of loyalty purges, censorship, suppression, snooping, and intimidation. Yet these are the very stuff of which the police state is made. If we resort to them, we shall fasten upon ourselves the very chains we want to keep off.

The only way to fight dangerous ideas is with ideas that are more magnetic. And we have them, if we will but trust them. They run through our history from the beginning. Take that sermon of Thomas Hooker on which the fundamental orders were based. "The foundation of authority," said Hooker, "is laid in the free consent of the people." And article I, section 5 of the Connecticut Constitution of 1818 says this: "Every citizen may freely speak, write, and publish his sentiments on all subjects, being responsible for the abuse of that liberty." Note that this freedom applies to all subjects. There is no official orthodoxy, no idea, that is to be immune from criticism or approval by any citizen who chooses to give it. The only check is the tonic one of responsibility for what one does.

Throughout our history it has been the same. Yet now many would, in the name of freedom, turn their backs on freedom. The House Committee on Un-American Activities would examine textbooks in schools and colleges. We laughed at, and scorned, Hitler's book burnings. But in what essential is this different? And so it is in all the other places, whether in the Atomic Energy Commission, elsewhere in Government, in labor, and wherever Americans look with distrust upon their neighbors.

Already this has led to tragedy. One man has died of a heart attack after being subjected to the hue and cry of the pack. Another has committed suicide. Uncounted others have lost their jobs, or are shunned by their friends, because someone has pointed the finger of suspicion at them. These blows take many forms. Consider the atomic physicist, Dr. Frank F. Oppenheimer. He has said candidly that, "seeking an answer to the problems of unemployment and want in the wealthiest and most productive country of the world," he became a Communist in 1937. When he found that communism was not the answer, he quit it. Thereafter he helped contrive the atomic bomb. In 1945 Gen. Leslie R. Groves, wartime atomic chief, praised Dr. Oppenheimer for his contribution to the bomb, even though he knew Dr. Oppenheimer had once been a Communist. Could that happen today? The University of Minnesota is reported to have betrayed the trust of free scholarship by accepting the resignation of this man who, above all others, should know the weakness of communism.

What hurts most about all this is that many of us are willing that the innocent should suffer with the guilty. This is a betrayal of the Anglo-Saxon heritage. Somehow we have suddenly become afraid of freedom. We are no longer willing, with Justice Holmes, to grant freedom to the thought we hate. Unlike John Stuart Mill, we are not willing to grant that "we can never be sure that the opinion we are endeavoring to stifle is a false opinion." We forget that we cannot kill ideas. They can only die of themselves, when they encounter an idea that is more dynamic.

Why should we fear communism? It is neither so new nor so fearsome as it seems. All that is new is the technique of fifth-column infiltration. And even that is only a new twist in the old game of conquest. The basic threat of ideas we have met before in our history. It is no defense to persecute individuals for what they think or for their motives, still less because some self-appointed patriot points an accusing finger at them.

New challenges require new responses. Perhaps the trial of the top Communists in New York, under the wartime Smith Act, will make membership in the Communist Party a crime. But even without that we have ample defenses. Acts of spying or of sedition are punishable now as they always have been. Through it all we shall be strongest if we prosecute individuals, not for what they say or think, but only for what they do. When acts of subversion are proved in court, let punishment be swift, sure, and relentless.

As the Taft-Hartley Act has shown, loyalty oaths have their place. But it is a limited place, to be used with care lest it destroy liberty. Loyalty can come only from within. To those who would betray the great trust of our universities by setting a watch over teachers, and to all who think with them, let us say that there is a better way. Rather than to fall into the old error of trying to enforce orthodoxy, is it not better to trust freedom, to bet, if you will, that the idea of freedom can conquer all others? Then we shall have no disloyal professors. And if there should still be one here or there, he would attract no following—if indeed any

does now under our inheritance of freedom. For today, just as always before, error falls of its own falsehood when it meets truth in fair and open encounter.

But what of those who would insinuate communism into our minds by wearing the mask of free inquiry? They have no place in our life, least of all in our schools and colleges. Because they do not have free minds themselves, they are not playing the game according to the rules. But let the fact that their minds are not free first be proved by their acts. Do not blaspheme the name of liberty by discharging a professor because some alumnus or trustee calls him a Communist or a fellow traveler. Do not fancy that a competent workman who has lost his job through no fault of his own, and who wants to do something about it, is necessarily a Communist. Do not hold that a Government employee who thinks atomic energy too terrible to be controlled by private hands must be a Communist. Least of all, do not suppose that, because a man has had a drink or a dinner with a Communist, he is ipso facto a Communist himself.

In this land of freedom the danger from communism is not nearly so great as the danger from suppression. To fear communism is to ascribe to it a strength it does not have. It is fantastic to suppose that Americans can be tricked into trading freedom, the hope of mankind that they hold in trust, for communism. Students in our schools and colleges, our people in Government or out of it, are not such fools and weaklings as to fall for the dark, conspiratorial philosophy of communism—unless by prohibition we indicate to them that it has a fascination we dare not face. If communism were really as strong as that, nothing we could do, no wall of defense we built, no suppression by methods as ruthless as those of Russia's own secret police could keep it out.

Communism does not have that strength. Not communism but freedom is strong. It is strong because it rests on a fierce inner conviction that every thought, every idea ought to stand up in the open and be tested. If it cannot stand that test, we would rather discard it.

Have no fear, freedom can stand that test. It is in the realm of the spirit what the atom is in the realm of energy. Release its inner power and you have a force that no other idea can conquer. Let us not turn our backs on our history. Let us not be afraid of freedom.

Editorial Comment on Extension of Reciprocal Trade Agreements Act

EXTENSION OF REMARKS
OF
HON. SCOTT W. LUCAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES

Friday, June 24 (legislative day of Thursday, June 2), 1949

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD several editorials commenting on proposed legislation to extend the Reciprocal Trade Agreements Act and the expansion of world trade.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 10, 1949]

TO EXPAND WORLD TRADE

On the Senate's calendar this week is a measure which has been accurately described as "the indispensable other half of the Marshall plan." This is the bill which would extend the Hull reciprocal trade agreements program for another 2 years.

A year ago Mr. Truman called for a 3-year extension of this legislation, which had been renewed regularly at each expiration date since 1934. Instead, Congress voted to continue it for only 1 year (until June 30, next) and substantially curtailed the President's freedom of action in tariff negotiations. Under the revision the Tariff Commission was removed from the Interdepartment Committee on Trade Agreements, representing seven interested Government agencies. (It is this latter group that has served as the central operating body for working out the individual bilateral agreements with other nations.) In the 1948 revision the Tariff Commission was charged with the impossible task of subjecting every item under tariff discussion to study, and reporting independently to the President the point below which, in its opinion, no further tariff reduction would be feasible. While the President is permitted to reduce tariffs below these so-called peril points, he must notify Congress of his intention to do so. In effect this provision largely transfers primary responsibility for determining tariff reductions from the administration to the Tariff Commission.

The reciprocal trade program as it functioned before 1948 was a proven instrument of foreign-trade policy. Prior to the war the United States had concluded agreements for the mutual reduction of trade barriers with 29 countries—agreements affecting about one-half our commerce. Since 1945, under this same legislation, these activities have been renewed and expanded. In 1947, at Geneva, the United States and 22 other nations worked out the most important and comprehensive network of tariff-reduction agreements in history. In addition, the Geneva meeting resulted in commitments to curb the use of such arbitrary trade restrictions as import quotas and preferential devices which discriminated between individual countries.

If we are to maintain this same economically enlightened policy in the future, not only is it necessary that the trade agreements program be extended, as the President has asked, but that freedom of action on the part of the Executive be restored. Happily, there seems to be every reason to hope that this will be done. The House passed a measure to accomplish these objectives on February 9 by a vote of 4 to 1, and the roll call on the bill was a milestone in the 15-year history of balloting on this legislation. The proposal was supported by an actual majority of Republicans, something that had never happened previously except in the wartime year 1943, when the program had no immediate practical applicability.

The target of the Marshall plan is increased production of goods and resources; the target of the Hull program is the maximizing of international exchange of those goods and services. The program represents in its philosophy the only economic attitude that befits an intelligent creditor nation. It is not only fitting and proper, it is, as Paul Renaud accurately pointed out in an address in this city in a few days ago, the only approach by which our efforts to rehabilitate Europe can succeed "in replacing the American taxpayer with the American consumer," to the advantage of both.

[From the New York Times of June 8, 1949]

A "MUST" FOR THE SENATE

Extension of the Reciprocal Trade Agreements Act is a "must" on the legislative program for this session; but it is a disturbing report that the Senate Republican leadership plans one of the stiffest fights of the year on this essential piece of legislation. It is surprising, too, inasmuch as in the House of Representatives a majority of the Republicans who voted on the bill when it passed in February were recorded in its favor.

As approved by the House, the bill would in effect revive the Hull reciprocal trade program, which was so successful a feature of American foreign trade policy from 1934 to 1948. The hampering and restrictive terms of the act passed last year, which expires at the end of this month, would be done away with. The House bill would restore the Tariff Commission to its rightful place as one member of an interdepartmental team making recommendations to the President on tariff negotiations. Under present law, the Commission has a special status which on the one hand isolates it from the interested departments—State, War, Agriculture, Commerce, etc.—and on the other hand tends to elevate its specialized point of view above that of the other agencies.

Tariff policy is not something to be treated in a vacuum. It does not merely involve the interests of those businesses directly affected, although of course their interests must be considered. It involves also the welfare of the entire people of the United States, and it should be considered—in the spirit of the Hull program—from that broader point of view. Morever, it is clear that American tariff policy is no longer (if it ever was) a purely domestic question. It must be obvious by now that it is an integral part of our entire world policy. The Marshall plan is a magnificent effort to restore Europe's productive powers and increase the flow of multilateral trade. It would be economic folly to spend billions for this purpose and yet to ignore the necessity of easing the obstacles to trade with this country. It would not only be economic folly; it would be political folly. For the United States to fail to take positive action on its own part to smooth the flow of international trade—particularly at a time when economic clouds are gathering both in Europe and America—would be a signal to all other countries that we really do not believe in the principles we are constantly asking them to adopt. As a Nation, we cannot afford such a grave mistake.

[From the Boston Herald of May 25, 1949]

WORLD TRADE WEEK

One would hardly get the impression that foreign trade was one of the most important things in the lives of Bostonians from observing the amount of attention the community is giving to World Trade Week. Yes; this is it—a week set aside to think a bit about the importance of world trade to America, and America to world trade. It should be a subject of special attention here because ours is one of the country's leading ports and because we have many thousands of workers whose livelihood depends, at least in part, on American export trade.

Actually how many of us have given much thought to it? True, there is a booth on the Common sponsored by the Chamber of Commerce and the Joint Council for International Cooperation where one can obtain information about America's stake in world trade. No doubt some of the schools and colleges are paying some attention to it. They should if they have overlooked it—and there's still time.

Unfortunately the language of international trade and finance has been made so complicated by the experts that the subject is seldom discussed in terms which the average citizen can understand. It needs simplification, but most of all it needs to be understood. The basic fact is that the United States has long been the world's leading exporter. Everybody wants our products. And we want to sell them. Our productive plant is so gigantic that it needs every market it can get.

The second important fact to remember is that in order to buy our wonderful products the foreigners must have dollars. We will not accept the various varieties of pesos, francs, and other currencies. They have to have dollars. This fact partly explains why there is a dollar shortage in the world.

The other part of the explanation is that we do not, and maybe cannot, buy enough from our overseas customers to give them the dollars they need to continue as customers. That is the only way they can get American purchasing power unless we lend them the dollars, or unless they have gold which we will accept for dollars. The Reciprocal Trade Agreements Act is designed to lower our tariffs so that we can buy more from abroad. It is a good law and must be continued as the fundamental approach to our trade dealings with the rest of the world. Obviously American industries must not be exposed to a cutthroat foreign competition which will wipe them out. Fortunately most of our industries are so technically proficient and far ahead of their foreign competitors in industrial know-how that they can outsell them even paying the higher wages which are part of our high standard of living. It may be that we could never lower tariffs enough to create an American demand for foreign products sufficient to balance our foreign sales (exports) with our foreign purchases (imports), but we had better try.

As the world's leading creditor nation we must buy more abroad just as Great Britain did during the long period when that nation held a comparable position. Also like Great Britain, we need to invest more overseas—to build factories, farms, and transportation systems which will help raise the standard of living (purchasing power) of our potential customers.

We should take pride in what our country has done during and since the war to help create the conditions under which world trade can flourish. It took bold and ingenious steps—the United Nations Relief and Rehabilitation Administration, the World Bank and Fund of Bretton Woods, the great loan to Britain, and finally, the Marshall plan (ECA)—all in an effort to quickly overcome the chaos of war and restore healthy trading systems under mutually agreed upon rules aimed at the goal of multilateralism in both trade and currencies.

The latter terms are a mouthful, but they mean simply this: Maximum trade can only be realized if it can move freely in every direction. That is multilateralism as distinguished from bilateralism, a system of two-way trade. But trade cannot move freely everywhere unless the means of payment, currency, is just as free. In other words, you should be able to take pesos or francs or what not in payment for your goods knowing that these currencies are freely exchangeable for dollars at a fixed rate. It has been the consistent objective of the United States to achieve that kind of a system.

No one, however, was able to estimate in 1944 when the Bank and Fund were created at Bretton Woods how devastating the then-raging war would be. Tremendous as they seemed at the time, the Bank and Fund were too small for their jobs. Moreover, 5 years after the war then seemed a reasonably adequate time in which to achieve the goal. It will probably be somewhat longer. And the British problem, sidetracked at Bretton Woods to be dealt with later by the United States, should have been faced up to.

Another basic difficulty, which we have not even yet learned to deal with, is the divided ideological state of the world. Even in the west there is a sharp division between capitalistic and Socialist countries. How, then, to work out a system of freedom in trade with governments which believe in controlled trade? Most of the weaknesses of the ambitious schemes contrived during and since the war to deal with the trade problem resulted from the necessity of compromising this problem.

Such a compromise in the case of the prospective International Trade Organization caused a number of influential people, like Philip Cortney, president of Coty, Inc., for example, to strongly denounce that attempt to set up rules for the conduct of trade relations between the nations. But Mr. Cortney shows in his book, the Economic Munich, that he has such a blind spot of affection for the old gold standard that he cannot stomach any departure therefrom, or any course leading away from it. The idea of a national commitment to promote full employment makes him furious, but he surely recognizes that in the present and probable future the attitudes of the peoples who constitute nations will not tolerate governments which do not stand so committed. And it is this commitment, made or implied, that seems to assure that the old, supposedly automatic gold standard will not come back. Why? Because the people would oust governments which bound themselves to the shocks and imposed depressions which arose from the workings of that system. We don't like it any more than Mr. Cortney, but it is the reality with which we have to deal.

Bostonians, more than other Americans, should explore the world-trade picture. They should try to understand what their Government has been trying to do, and why. The problems are great and there are few perfect answers. We can't have the old international gold standard, but desiring the trade conditions it produced, we have to try to get them some other way. We don't like socialistic trade practices, but we live in the same world and, in many cases, have to trade with such countries. There is plenty of room for dispute and no frank student of the problem would fail to admit that America has made some pretty bad mistakes.

The main thing is that, as a nation, we have been trying to face up to our world economic responsibilities. It behooves us as citizens to try to do the same.

[From the Tampa Tribune of May 23, 1949]

It is easy to convince people of the vast importance of selling our goods abroad. * * * But often it is something else again to show them that foreign trade is a two-way operation, that there cannot be unlimited exports without encouragement of imports. * * * World Trade Week is an appropriate time to remember that the big foreign trade problem is not of selling goods abroad but of buying goods abroad. Our foreign trade can be on a sound basis only if we import substantially as much as we export.

[From the Richmond Times-Dispatch of May 22, 1949]

It is fitting, as World Trade Week opens, that the bill extending the power of the President to make reciprocal trade agreements with other governments is on the Senate calendar with excellent prospects for approval. * * * High tariff advocates in this country are strategically placed and determined to sabotage the whole program if they possibly can. Similarly, there are forces at work abroad which make the drastic lowering of trade barriers more difficult. * * * Passage by the Senate of the pending reciprocal trade legislation should provide an important impetus * * * for the over-all expansion of world trade, without which it is futile to hope for a reasonably sound, peaceful, and prosperous world.

[From the Dallas News of May 23, 1949]

The most prosperous countries are those which engage actively in trade with their neighbors. In our own history, the main periods of prosperity have been those in which our imports and exports were high. The enactments of tariff barriers that held back trade have been followed by business depressions. Expanding foreign trade can help to convert our postwar prosperity into a stabilized economy that will assure a continued high standard of living.

[From the Minneapolis Star of June 4, 1949]

The secret of our lead in efficiency is not our tariffs. It is the big head start we have in knowing how to use advanced forms of machinery and to arrange mass production. Give the American workingman jobs in industries which can use lots of machinery and he'll outproduce and outsell the world. Actually, we ought to lower tariffs still more so that we gradually shift workers over into efficient lines at which European and other countries do better by hand. Thus, all would gain.

Improving the Voice of America

EXTENSION OF REMARKS

OF

HON. BRIEN McMAHON

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Friday, June 24 (legislative day of Thursday, June 2), 1949

Mr. McMAHON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Improving the Voice of America," published in the Bridgeport Post for June 21, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IMPROVING THE VOICE OF AMERICA

In his talk before the men's communion breakfast of St. Mary's parish in Ridgefield on Sunday, Msgr. Fulton Sheen, after pointing out that world-wide communism is on the wane although the danger from it has by no means passed, gave some pointed and constructive criticism of the Voice of America—the radio propaganda barrage which is beamed at Russia from 50 short-wave stations on the European continent.

The trouble, as Monsignor Sheen sees it, is that our broadcasts are continually harping on our material superiority. We forever remind the Russians that we have so many more telephones than they, so many more automobiles, so much more luxury, etc. All this is intended to impress the hearers with the idea that our economic system is better than their own in producing the goods that people want. But the psychological effect, as Monsignor Sheen pointed out, is to create resentment rather than envy or emulation in the minds of the hearers.

Suppose we were in Russia's position and had to listen to tales about the superiority of some other nation every time we tuned in a short-wave broadcast. Add to this that such gadgets of modern civilization as the automobile, the telephone, and the television set are as far from the aspirations of most Russian peasants as a trip to the moon is from most American citizens, and the futility of this kind of propaganda becomes even more apparent.

The great point, says Monsignor Sheen, is that we are failing to understand the real soul of the Russian people. There are about 200,000,000 Russians of whom only 6,000,000

are members of the Communist Party and these exercise all the ruling power. The rest of the Russians are much as they always were—a basically simple, kindly, and innately religious people. If our broadcasts emphasized only the fact that we recognized these aspects of the Russian character and were anxious to be friendly and helpful, we might be more successful in convincing the Russian masses that we were really their friends, and not merely "those rich so-and-so's, and tools of Wall Street in capitalistic America."

Monsignor Sheen's advice, we hope, will be considered by our State Department. In the science of public relations and the art of influencing people, he is no amateur. In these respects, as the records prove, he probably has no peer in the whole field of Christian influence. But even a downright amateur in the art of public relations can appreciate the common sense of his suggestion, which is basically to propagandize unto others the way we should like them to propagandize unto us.

Development of Low-Grade Iron Ores in Minnesota

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Friday, June 24 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, one of the major provisions in the economic expansion bill of 1949, soon to be introduced by a number of other Senators and myself, provides a practical and realistic method of developing the low-grade iron ores in the Lake Superior district in Minnesota, Michigan, and Wisconsin.

In this connection, the distinguished senior Senator from Montana [Mr. MURRAY] has just made available to me an extremely important communication he has received from Mr. E. W. Davis of the University of Minnesota's Institute of Technology.

Mr. Davis points out that in order to maintain iron and steel production at present levels for any considerable period of time—10 years or more—new sources of iron ore—either domestic or foreign—must be made available to our steel industry quite soon.

Mr. Davis also makes the following pertinent observation: "If this Nation desires to make its steel industry independent of foreign ore supplies and at the same time provide additional employment for its own citizens, then making the capital available on favorable terms for taconite processing developments in the near future is essential. It is my understanding that the proposed bill will do just that."

It is my sincere hope that the iron-making companies will recognize the opportunities opened for them under the economic expansion bill and that with their support, and with whatever improvements in the bill may prove necessary, we can write the economic expansion bill on the statute books before the end of this year.

I ask unanimous consent to have printed in the Appendix of the RECORD the letter from Mr. E. W. Davis of the University of Minnesota on the development of taconite ores in the Lake Superior district.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNIVERSITY OF MINNESOTA,
INSTITUTE OF TECHNOLOGY,
MINES EXPERIMENT STATION,
Minneapolis, June 14, 1949.

Senator JAMES E. MURRAY,
Committee on Labor and Public Welfare, United States Senate, Washington, D. C.

DEAR SENATOR MURRAY: I have been away, so please pardon my delay in answering your letter of May 31 enclosing the Confidential Committee Print No. 6 of a bill to promote cooperation between government and business.

I can comment on this bill only as it pertains to developments in the iron-mining industry of the Lake Superior district in Minnesota, Michigan, and Wisconsin. My remarks will be in specific reference to the financing of plants to produce high-grade blast-furnace ore from the low-grade iron formation of this district, often referred to as taconite and mentioned on page 10, line 4, of the bill.

The situation can be outlined as follows:

(1) In order to maintain iron and steel production at present levels for any considerable period of time (10 years or more), new sources of iron ore—either domestic or foreign—must be made available to our steel industry quite soon.

(2) So far as is known the only source of iron ore in the United States available to our present industry and adequate for this Nation's requirements over an extended period of years is the iron formation of the Lake Superior district, referred to as taconite.

(3) Almost unlimited quantities of iron exist in this formation and iron-mining companies are now operating million-dollar-pilot plants producing high-grade iron ore on an experimental basis from this material.

(4) The plants required to produce taconite concentrate commercially will cost about $15 per ton of annual capacity, or between three and four hundred million dollars for an annual capacity of 20,000,000 tons (This is about one-fifth of the United States annual consumption).

(5) If the mining companies are to build up a taconite industry to make this Nation independent of foreign sources of iron ore, production costs must be low enough to make the operation profitable. Interest and depreciation are large items of expense.

(6) The steel industry will get its future ore from whichever source is cheapest, and if this Nation desires to make its steel industry independent of foreign ore supplies and at the same time provide additional employment for its own citizens, then making the capital available on favorable terms for taconite processing developments in the near future is essential. It is my understanding that the proposed bill will do just that.

Whether or not the provisions of this bill will be acceptable to the iron-mining industry, I am not sure. It will probably be only the larger mining companies that can handle taconite processing and several of these companies are now seriously investigating foreign ore sources.

I hope I have not left you with the impression that foreign ore can be developed and delivered to our steel industry far more cheaply than taconite. Exact costs are not known but the capital required will not be much different, whichever the source, because it will cost several hundred million dollars just to build the ocean boats to bring 20,000,000 tons of foreign ore to this country, let alone develop the foreign mining fields. However, Government funds for developments in foreign countries seem to be obtainable in some instances under very favorable terms and I believe that funds for the development of domestic resources should be made available under terms that are, at least, as favorable.

Very truly yours,
E. W. DAVIS, *Director.*

Communism in Asia

REMARKS
OF
HON. ROBERT HALE
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. HALE. Mr. Speaker, I rise for the purpose of expressing the hope that our State Department, which has failed so shockingly and so disastrously in China, will do what it can to resist Communist aggression elsewhere in Asia, notably in Indochina, where apparently the cause of freedom is not yet altogether lost.

I call particular attention to an article by Joseph Alsop, entitled "The Foot Draggers," which appears in the Washington Post this morning, and to a brief article by David Sentner, of the Boston Evening American of June 20. I ask unanimous consent to incorporate both of those articles in my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

The articles referred to are as follows:

[From the Washington Post]

MATTER OF FACT

(By Joseph Alsop)

THE FOOT DRAGGERS

A crucial debate is now going on within the State Department. The issue can be crudely stated as follows: Will the Far Eastern Division, having made its mess in China, at last adapt its views and actions to the foreign policy this country has been following in the rest of the world for the last 4 years? The outcome, it may be added, is still in doubt.

A symptom, a passing sputter, from this debate was the guarded statement issued by the Department on Tuesday expressing cool but not unfriendly interest in the new government being established in Indochina by the Emperor Bao Dai. This sort of thing must seem immensely remote and trivial to the average American. But the unfortunate truth is that this sort of thing may later turn out to have all the importance of war or peace.

In brief, as reports from the scene have indicated in this space, the Communist power in Asia has reached the uttermost limits of safety. If the Soviet Union can extend its sphere beyond China, into Indochina, a chain reaction will become highly probable. All of southeast Asia will be threatened. If southeast Asia goes, Japan and India will be immediately menaced. And if this situation arises, the odds on war will be far better than even. It is tiresome to rehearse this

series of grim probabilities, yet they must be daily borne in mind.

Indochina is the key, for two reasons. First, it is the state in southeast Asia most accessible to China. And second, French folly has caused the Communist-nationalist movement of Ho Chi-Minh to gain great strength among the Indochinese. The new regime of Bao Dai is the last chance to win over the Indochinese people to an independent, non-Communist government. On all sides it is acknowledged that if Bao Dai fails, Ho Chi-Minh will succeed.

Such are the bleak basic facts. The debate in the State Department concerns the extent of American support to be given to the new Bao Dai regime. As has also been reported from the scene in this space, Bao Dai is almost certain to fail if he is not actively supported by this country (since exclusive French support actually discredits him in the eyes of his people). The Far Eastern Division of the State Department is extremely reluctant, however, to support Bao Dai.

The reason for this reluctance is certainly not fear of offending the French. The French Government has actually hinted that American aid for Bao Dai, whom they have fully recognized, will now be exceedingly welcome. Furthermore, the European division of the State Department, whose staff is a trifle more aware of the Soviet problem than the far eastern division, has urged that the Bao Dai experiment be promoted and assisted in any way possible.

Yet the statement that was just issued, which could hardly be more cautious or gingerly, represents an elaborate watering down of a public avowal of sympathy for Bao Dai that was originally proposed. Equally, those who see the appalling danger now confronting us in southeast Asia have been urging the expenditure of ECA funds in Indochina. But the Far Eastern Division has succeeded in watering this project down also, to a decision to consider the matter.

The arguments that are being made for this foot-dragging approach may be superficially convincing. It is true that Bao Dai is a risky investment. But the fact remains that although supporting Bao Dai is by no means an ideal solution to the southeast Asia problem, it is the only solution available. The other approach is simply to drift with the tide, as we did in China, until we land on the rocks. And the rocks are now 10 times bigger and 10 times more sure to destroy us.

Such is the rather unpleasing choice confronting Walton Butterworth, the new Assistant Secretary of State for Far Eastern Affairs, who is not a Far Eastern Division man. His situation is further complicated by another grave fact. Although the members of the State Department Far Eastern Division have recovered from their sentimental delusion that far eastern Communists are mere reforming agrarians they still have their record in China hanging round their necks like an albatross. Their main aim now seems to be to prove that the albatross is not an albatross, after all, but a peacock or possibly a bird of paradise.

When officials have made one disastrous failure, their judgment should be suspected the second time round. This rule should now be followed. It must also be recognized that choosing the least bad alternative is preferable to drifting into the worst. Otherwise we shall have no policy at all in the deeply dangerous Asiatic situation.

[From the Boston Evening American]

CHINA AIDE SAYS REDS AIM TO DRIVE UNITED STATES OUT OF PACIFIC

(By David Sentner)

WASHINGTON, June 20.—The Chinese Communists will be on the march within the next year to drive the United States out of the Pacific.

Unless the United States acts:

The Philippines will fall.

Australia will be invaded.

Japan will be overrun.

This is the grim warning of Col. David Li, among the last nationalist officers to leave Shanghai before its fall to the Communists.

Millions of Chinese will starve under the Red regime before 1950, Colonel Li also predicted.

Colonel Li asserted that even minimum American aid—mainly economic to provide pay for the central government army—would avert a tragic turning point in global history.

WARNS OF WAR ON UNITED STATES

Li, assistant military attaché of the Chinese Embassy here, warned:

"When the Red Chinese tidal wave engulfs the Pacific, the United States will be forced to fight for survival. It may be too late, then."

Li stressed that the government army is in a stronger position now than when it withdrew to Chungking and fought the well-trained invading Japanese troops.

"Crack nationalist divisions with the Chinese aviation corps are concentrated in Formosa, eager to launch a counterinvasion of the mainland," he said.

"The truth about the fighting at Shanghai has never been recorded," Colonel Li added. "A comparative handful of poorly equipped nationalist units outfought for a time the gigantic Soviet-equipped Chinese Red army," he said.

The Chinese Communist army is supplied by Russia with artillery and trucks seized from the Japanese forces, Li revealed.

"Captured Japanese officers, trained by the Russians, are leading many Chinese Red units," he asserted.

"Outnumbered 4 to 1 at Shanghai by the Chinese Red army, a few corps of nationalist troops killed 40,000 Reds," Li said.

Nationalist planes, desperately short of fuel, successfully strafed the Red troops while havoc was spread through Communist ranks by the forays of only 70 nationalist tanks.

These tanks were cannibalized from 150 old American medium tanks which Colonel Li himself had brought from the scrap-salvage heap in the Philippines.

"Just a little more ammunition and equipment and we would have been able to hold Shanghai," he said.

"Chinese in Communist territory have found out that the glowing Red promises are false.

"They are sick unto death of the Communist people's committees. Nationalist prisoners are sent to their villages by the Red army to be judged and executed by these committees to spread fear.

Unemployment in the State of Connecticut

REMARKS

OF

HON. ANTONI N. SADLAK

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. SADLAK. Mr. Speaker, later in the session today, we shall consider H. R. 5300, the third deficiency appropriation bill for 1949. Because this measure deals in part with the growing unemployment situation in the Nation, I would like to include in the RECORD the latest facts and figures as they pertain to my district, the State of Connecticut, in accordance with the release of June 23 by the State labor department.

Because the release is the over-all State picture, I ask that this release, in its entirety, be included in my remarks:

The first paragraph is as follows:

Jobless claimants for unemployment benefits in Connecticut rose to 83,856 during the week of June 13–18, continuing an almost unbroken rise since last October when 21,485 filed jobless claims. Last week there were 81,822 claimants and during the corresponding week a year ago 27,496.

This very distinctly gives us the unfavorable picture that such a statement reveals to the reader. The over-all unemployment total in addition to the 83,856 indicated in this report includes also those who have withdrawn the total unemployment benefits to which they are entitled; also, those who are not covered by the act. This total is presently estimated at about 110,000. In order that we might retain the additional personnel that is necessary to service these claims, I shall unqualifiedly endorse the amounts that are provided in H. R. 5300 and with the added sincere hope that there shall not be a necessity for additional deficiency appropriation in this regard.

The remainder of the release is as follows:

The amount paid to the unemployed during the week was $1,512,543. Since January 1 the amount paid out has been $20,480,954.

Bridgeport continued to lead the State in the number of unemployed claimants with 16,547, followed by Waterbury, 11,017; New Haven, 9,540; Hartford, 7,987; and New Britain, 6,147. The other 14 offices were each under 5,000.

Initial claims, which denote new unemployment, rose to 9,183 from 9,048 for the previous week and 4,465 for the corresponding week a year ago. Most of the increase was from World War II veterans who completed school terms and courses and are seeking work. Initial claims have averaged 7,800 weekly since January with the lowest week 6,809 and the highest 10,115.

Lack of work lay-offs were reported in each of the following industries: Garment, 350; brass goods, 200, of which 100 were for 1 week; metal products, 130; hardware, 95, of which 75 were on a week-on, week-off schedule; rayon, 75; bearings, 60; submarines, 55, of which 35 were on a week-on, week-off schedule; steel, 50, on a staggered schedule; electrical appliances, 50 for 1 week; chucks, 50 part time; tires, 50; boxes, 50; silverware, 40; iron works, 35, on a week-on, week-off schedule; cameras, 25; and toys, 20.

The Bridgeport office reported a 1-week lay-off of 50 by an electrical appliance company and 30 by another electrical-appliance firm. A steel mill placed 50 on a week-on-week-off schedule.

In the Bristol area, a bearings plant laid off 60.

The Hartford area reported lay-offs of 100 by a metal-products company and 75 by a rayon plant.

In the Meriden area, a silverware company laid off 40, a box manufacturer 30, and a hardware concern 20.

A Middletown dress company laid off 40.

The New Britain office reported that a hardware factory placed 75 on a week-on-week-off schedule. A camera concern laid off 25 and a chuck manufacturer placed 50 on a part-time basis.

A New London garment shop rehired 40. A transportation-equipment concern laid off 20 and placed 35 on a week-on-week-off schedule.

The Norwalk office reported a lay-off of 200 by a robe shop, 50 by a tire concern, 20 by a sweater manufacturer, and 20 by a toy maker.

A Stamford garment shop laid off 90 due to seasonal conditions.

In the Waterbury area, one brass-goods company laid off 60, another 40, and another brass-goods concern 100, for 1 week. Other lay-offs reported were wire goods, 30; boxes, 20; electrical contracting, 20; and iron, 35, on a week-on-week-off schedule.

Repeal of Taft-Hartley Act

EXTENSION OF REMARKS
OF
HON. WILLIAM J. GREEN, JR.
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. GREEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me over Station WCAU on June 19, 1949:

WHY THE TAFT-HARTLEY ACT SHOULD BE REPEALED

If there was any one issue emphasized more than another in President Truman's election, it was repeal of the Taft-Hartley labor law. The President featured it repeatedly in his addresses as did most of the successful congressional candidates, including me. Our idea was to repeal Taft-Hartley and return to the Wagner labor-relations law. Then we would revise the Wagner Act in the light of what has been learned since its enactment.

The Wagner Act was born of the fact that the average workman could not protect himself in regards to wages, hours of work, and conditions of employment when he dealt individually with large employers.

It assumed that workingmen would find greater freedom and security in their jobs when they dealt collectively with their employers through unions of their own choosing.

In the great mass production industries, like steel, machinery, rubber, and chemicals, men and women did not refrain from joining unions because they did not believe in them. They were afraid of losing their jobs.

While industrialists joined in associations—to act upon their mutual interests—the right of union participation was denied the workers. In many an industry, men who joined unions were fired and then blacklisted throughout the industry so that they could not get a job anywhere.

"Yellow dog" contracts were imposed upon workers. A condition of such a contract was agreement upon the part of the worker not to join a union. Or so much as to hold conversation with a union organizer.

Before the Wagner Act, the courts enforced these "yellow dog" contracts—even to the point of declaring as unconstitutional, any State laws which would outlaw them.

Before 1932, of course, there were employers who knew there was no equality, or social justice, in some of industry's tactics. Leaders in religion saw their precepts and teachings flouted in some of the actions of management.

The Wagner Act was a major move toward righting some of these wrongs and establishing something of equality between management and the workers.

It declared it unfair for an employer to discharge or discriminate against a worker because he belonged to a union. When investigation disclosed such a dismissal, employers had to give the employee-victim back pay.

This liberated the worker from fear of discharge and union membership in America was greatly increased. It made collective bargaining real in name and in practice.

Also, the Wagner Act enabled a majority of the employees—voting in a free election—to choose a given union to represent them.

It became the duty of management to bargain collectively with the representatives of that union—and at least try to arrive at an agreement.

Under this plan there was no objection for the workers to bargain collectively if the majority willed it otherwise. And—of course—there was no obligation for the employers to meet union demands.

They could reject all or any of the union requests. All that was required was that they sit down with the workers' representatives and at least try to iron out differences.

Many employers welcomed the Wagner Act and have had their best employee relationship under it.

But there were also those industrialists who could not or would not see that a new era had dawned. This element greeted the election of the Eightieth Congress in 1946 elections with great anticipation.

They were not disappointed for long. Because the Taft-Hartley law was enacted over President Truman's veto.

Among its features: It forbade the so-called closed shop even where both employer and employees favored it.

It counted all votes of employees, absent through sickness or any reason, as "No" when voting for a union shop.

When Taft-Hartley was harsher than a State law, Taft-Hartley was to apply. If State law was more severe, State law was to apply.

Taft-Hartley encouraged the breaking of unions and destruction of collective bargaining. Employers were permitted to ask the Labor Relations Board for new elections upon the mere statement of an individual or an organization that they in fact were the representatives of the workers. This has enabled strikebreakers to come in and swing an election during a strike.

In Taft-Hartley's outlawing of secondary boycotts, union members are required to work on goods that will later be sold by a plant whose fellow unionists are on strike. Thus they are denied the right to view their industry as a whole and are forced to contribute toward the tearing down of their own working conditions.

While Taft-Hartley does not attempt to define them, it says it is illegal for a union on strike to use restraint or coercion. Under this loose use of phrases, even peaceful picketing could be prohibited by law.

Taft-Hartley took the Conciliation Service out of the Department of Labor and made it an independent agency. It is so independent, in fact, that it is responsible to nobody.

The Labor Department is charged with the job of viewing the entire labor picture and reporting to the President, through the Secretary of Labor.

The Conciliation Service acted as an impartial observer and umpire for the 34 years previous to Taft-Hartley. During that time, in the Department of Labor, it has settled 150,000 serious disputes without a strike.

In these days when we are about to streamline the Federal departments, the Taft-Hartley law makes an island in government of the Conciliation Service.

Instead it should have been kept in the Labor Department, where it always was and where it always belonged.

The Eightieth Congress named Cyrus Ching, former United States rubber executive and former director of the National Association of Manufacturers, as head of Conciliation Service.

For all I know he has been fair. But his background does not favor it. It seems to suggest the motion of loading the dice on the part of the man who backed the Taft-Hartley legislation.

Within the short time allotted to me you have some of the reasons why I believe that we must first unwrite the Taft-Hartley law before America can be assured of real collective bargaining and a continuing industrial peace. There is nothing more important, considering our role of world leadership. And nothing can contribute so heavily to the economic well-being of all our citizens.

Protests From Germany Against Dismantling of German Plants

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Friday, June 24 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD three letters and a telegram I have received from Germany protesting against the dismantling program now being conducted in Germany.

There being no objection, the letters and the telegram were ordered to be printed in the RECORD, as follows:

CHEMISCHE WERKE
ESSENER STEINKOHLE,
AKTIENGESELLSCHAFT,
Essen, den June 20, 1949.

Hon. WILLIAM LANGER,
United States Senator from North Dakota, Washington, D. C.

DEAR SIR: We take it that you are already in receipt of our telegram of June 7, referring to our case of dismantling. You will meantime have learned from United States of America press about the regrettable fact that our works have been occupied, on June 13, 1949, by a Belgian military detachment reinforced by armored cars.

Dismantling is going on in the presence of the Belgian armored cars and executed by foreign hirelings.

We thought you might be interested in the development of our case.

Sincerely yours,

CHEMISCHE WERKE
ESSEN STEINKOHLE,
AKTIENGESELLSCHAFT,
WERNING G. REINHAUS.

RUHRCHEMIE AKTIENGESELLSCHAFT,
Oberhausen-Holten, June 17, 1949.

Hon. WILLIAM LANGER,
United States Senator from North Dakota, Washington, D. C.

DEAR SIR: We beg to confirm our wire of June 8, 1949, referring to dismantling of our Fischer-Tropsch plant and are attaching copy of this cable herewith.

As we meanwhile gather from news reports, the British Foreign Office has, on June 10, 1949, in support of the dismantling orders declared that the German industry for the

production of synthetic fuels had, above all, been established from the strategical point of view and had been one of the most important parts of German war preparations. These arguments, however, are by no means correct with regard to the Fischer-Tropsch synthesis.

Our company has been established in 1927. Its purpose is, according to its statutes, the promotion of chemical processing and refining of products from coal. After first erecting a production unit for the synthesis of ammonia and the fabrication of nitrogen fertilizers we got in touch, in pursuance of said purpose, with the Kaiser Wilhelm Institute for Coal Research at Mülheim-Ruhr. In particular we took, as early as 1928, interest in the process developed by Prof. Dr. Franz Fischer and Dr. Tropsch for the production of hydrocarbons employing gasification products of solid fuels as raw materials. This new development had at that time just become known under the name of Fischer-Tropsch process. On December 14, 1928, Fischer agreed in writing to discuss licensing of the process to our company at a later date and not to dispose of it otherwise in the meantime. By letter of September 26, 1929, we were asked for an offer in detail. In order to make this offer careful investigations were necessary requiring several years on account of a great number of details in process and design which had to be worked out. Essential progress having been made in this direction until fall of 1932 closer cooperation between the Kaiser Wilhelm Institute and our company developed. Eventually, in 1933, final negotiations were entered and brought to a close in 1934 by signing a general license contract. In the same year our pilot plant on semitechnical scale was started. Based on the results obtained from this pilot plant design of our commercial plant began in 1935 and production was started in summer of 1936.

The development described above shows clearly that the decisive steps for acquisition of the process and erection of our plant have not been taken under the Nazi regime but already before that time. Our plant, therefore, had no reference to the preparation of a later war or to any strategical reasons.

These facts may be emphasized by mentioning that we have negotiated since 1935 with a great number of foreign firms, granting licenses to them. Quite a number of contracts were entered, e. g., by France, the Union of South Africa, Japan, United States of America, and Italy. This means that we have been ready to grant licenses to foreign countries at any time. There is no doubt that this would not have been permitted under the export control of that time if the Fischer-Tropsch plants would have been considered important for war purposes. Further proof of this not having been the case is rendered by the fact that after 1938 none of the interested German firms, and there were many, has been permitted to erect a Fischer-Tropsch plant.

If, in addition, the reasons given by the British Foreign Office refer to fuel industry, it must be noted that the Fischer-Tropsch plants have been of extremely small importance for the production of fuel and, thereby, for rearmament and war purposes. Maximum production of our plant has been yearly 60,000 metric tons of Fischer-Tropsch products, production of all six Fischer-Tropsch plants 300,000 tons yearly. Only part of this production could be used as fuel, while the gasoline produced was not even knockproof. Our Fischer-Tropsch plant and the five others together furnished approximately 2½ percent of the total German mineral oil consumption or, with reference to conditions abroad, a yearly production which corresponds to the mineral oil production of the United States of America within less than 10 hours.

Already during study of the process in the years of 1930–34 it became clear that this process had a great disadvantage by furnishing a gasoline which was not knockproof and that it could become an economical success only by developing a method of producing preferably those hydrocarbons which as such or after chemical processing sell for higher prices, this means products for the soap, detergents, textile, and leather agents industries as well as solvents, softeners, and waxes. This was the goal of our development work which was carried on even during the war but could not be fully put into practice. In our country the Fischer-Tropsch synthesis has developed in a direction entirely different from the latest work in United States of America which, as well known, aims at the production of as much knockproof fuel as possible.

According to our opinion, the facts above show clearly that the Fischer-Tropsch plants cannot be classified under fuel industry, and even less it can be said that the Fischer-Tropsch plants have been erected for strategical purposes and have been part of the German war preparations.

Since the reasons for prohibition as given do not apply to our Fischer-Tropsch plants we should greatly appreciate if you would kindly take action in our favor as suggested by our cable and the above statements.

RUHRCHEMIE AKTIENGESELLSCHAFT,
TOMBERS,
Chairman of Workers Delegation.
ROHE,
PPA. SCHUFF.

KRUPP TREIBSTOFFWERK
G. M. B. H., ESSEN,
Werk Wanne-Eickel, June 13, 1949.

HON. WILLIAM LANGER,
United States Senator from North Dakota, Washington, D. C.

DEAR SIR: We hope that you received our wire of 8th instant, informing you of the intended dismantling of our work.

For a correct affirmation you will find enclosed again the text of our wire.

In between dismantling of some parts of our plant, which are out of operation at the moment, has been started today. Though the dismantling of those parts of our plant, which are on line, is not yet started, the dismantling of the whole plant is intended at the end of the year, according to newspaper reports. In the present situation we are waiting with interest for the speech of Mr. Dean Acheson, Secretary of State.

If you would like to get any other information, please let us know, so that we can let you have those.

KRUPP TREIBSTOFFWERK
G. M. B. H.,
COMBLES, *Management.*
JULI, *Workers Chairman.*

[Telegram]

Since we are informed that you concentrate your interest on recovery of western Europe by ERP we want you to know that we received order by British Government by June 4, 1949, announcing dismantling of our Fischer-Tropsch-plant in Wanne-Eickel. Start of dismantling has been fixed on June 8, 1949, to be accomplished not later than by the end of this year. Consternation amongst workmen and employees is tremendous since nobody comprehends order for further dismantlings are demanded in this town already extremely ravaged.

The plant was restored in 1946, immediately by order of British military government. For this purpose 12 million marks were invested. Mr. Heimüller, trade-union representative, Wanne-Eickel, declared quote why should building materials and iron be wasted by dismantlings, considering that these materials could instead have been used to build and to repair houses? unquote.

Unemployment in this town already twice the average of North-Rhine-Westphalia. In case of closing down this plant number of unemployed in this region would increase dangerously. Fifty percent of employees are pit-invalids, disabled men and women. No other jobs available. Political radicalism amongst population inevitable, democratic team work idea being perilled immensely.

On posters workmen proclaimed following slogan: quote Bevin, why don't you stop dismantling, don't forget: war is won, peace not yet unquote and quote: Is Vishinsky right? 10,000 more proletarians unquote.

Production of plant is serving peace market as everybody can give evidence of. Therefore nobody grasps idea of enlisting plant in war-industries category. We produce raw material for chemical industries of peacetime character, which in dismantling case must be imported via foreign exchange expenditures. This would imply increase of exports at any price. Allied control of plant would be adapted readily. Your assistance badly needed. Help us. Stop dismantling.

FISCHER-TROPSCH-ANLAGE
TREIBSTOFFWERK WANNE-EICKEL,
DIR COMBLES,
For the Management.
A. JULI,
Chairman of the Workers.

[Telegram]

JUNE 8, 1949.

We kindly ask you to direct your attention to following vital facts: Our Fischer-Tropsch plant is on the verge of destruction because of application of the Washington agreement on prohibited and limited industries in Germany. Five hundred workers of the Ruhrchemie Co. would have to quit among whom are many war victims and disabled persons.

One thousand two hundred Germans, including persons disabled by war, and female workers could find productive jobs in case of a working permit for them. Withdrawal of license means important set-back to plant and to fettered genius of invention among younger generation since Ruhrchemie developed the Fischer-Tropsch procedure from small laboratory stages into big-scale technique. Nobody catches the purpose of this measure since Fischer-Tropsch production definitely does not serve the war potential. From start on our aim of production was the output of Fischer-Tropsch products: different types of hydrocarbons serving as raw material for the chemical industries.

We anticipate political radicalization.

Jammed workers meeting unanimously okayed spontaneous statement by Johann Tombers, president of Workers Council, "Our young democracy will faint by these dismantlings."

RUHRCHEMIE AG,
OBERHAUSEN-HOLTEN,
Dr. TRAMM,
J. TOOMBERS,
Chairman of Workers Delegation.

Importation of Foreign Oil

EXTENSION OF REMARKS
OF
HON. ED GOSSETT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. GOSSETT. Mr. Speaker, our domestic oil industry is alarmed over the

tremendous importation into this country of foreign oil. Oil production in Texas has been reduced drastically because of this importation.

I have just received a resolution on this subject from the State Senate of Texas. This resolution follows:

Senate Resolution 21

Whereas a situation exists concerning the oil industry of this State, which directly seriously affects and threatens the economic structure of this State; and

Whereas the greatest problem that is facing the economy of this State and endangering its future revenue is the mounting importation of foreign crude oil; and

Whereas the Railroad Commission of Texas in January 1949, found it necessary to reduce the production of oil in Texas approximately 10 percent, and again for the month of February 1949, it was necessary for the commission to reduce the allowable of crude oil in Texas another 5 percent; and

Whereas this 15-percent decrease in production below Texas wells maximum efficient rate of production will cause Texas to lose $15,000,000 per year in taxes from the production of crude oil; and

Whereas there is today being brought into this country approximately 625,000 barrels of crude oil each and every day, which imported oil has replaced Texas crude in the domestic market in this Nation approximately 350,000 barrels per day; and

Whereas the imports of foreign crude oil into this country can be expected to appreciably increase in this Nation and in Texas, thereby further decreasing domestic demand; and

Whereas it is apparent that unless remedial steps are taken by the proper authorities to arrive at a fair quota for foreign imports of oil, the oil industry in Texas will be not only seriously curtailed in its operations but further developments of Texas' greatest natural resource might come to a complete halt; and

Whereas the Nation's economy, welfare, and security require a policy on petroleum imports which will encourage exploration and development efforts in the domestic industry, and which will make available a maximum supply of domestic oil to meet the needs of this Nation; and

Whereas the operation of the schools of this State, and other functions of State Government, depend largely upon the continued development of our greatest natural resource for revenue; and

Whereas the present alarming increase of importation of foreign crude oil, coupled with the sharp decline in demand for Texas crude oil, is an immediate and pressing problem of concern to every person in Texas; and

Whereas it is estimated that the present decline in demand for Texas crude will cause a drop in the Comptroller's estimate of 1949 covering expected revenue from oil production, amounting to approximately $40,000,000; and

Whereas the very structure of the economy of this State is seriously endangered; and

Whereas our national security depends largely upon the development of new domestic reserves of oil for use in order that this Nation shall have ample domestic supplies of crude oil for use in time of war: Now, therefore, be it

Resolved, That the senate of Texas call this most dangerous condition affecting the people of Texas and Texas' greatest industry to the attention of the Members of Congress; and that copies of this resolution be forwarded to the members of the Texas delegation in Congress.

ALLAN SHIVERS,
President of the Senate.

I hereby certify that the above resolution was adopted by the senate June 14, 1949, by the following vote: Yeas 28, nays 0.

[SEAL] GARLAND A. SMITH,
Secretary of the Senate.

New Threat to Israel

EXTENSION OF REMARKS
OF
HON. ISIDORE DOLLINGER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. DOLLINGER. Mr. Speaker, I wish to call to the attention of the Members of the House an editorial entitled "New Threat to Israel," which appeared in the New York Post Home News on June 14, 1949. Under leave to extend my remarks in the RECORD, I include the editorial which follows:

NEW THREAT TO ISRAEL

Once upon a time the wise men in Washington said that Israel's Army was doomed. They declared there was nothing they could do about it except try to fashion a gentleman's agreement; if that failed, they said, Israel would suffer untold agony and total destruction. They said all this cheerlessly, pointing out that some of their best friends were soldiers in Israel's front lines.

But the form-chart was upset. Despite all the prophecies of disaster Israel won the war. It was, in fact, an amazingly brief and bloodless conflict and the outcome was decided before many of the learned arguments could be resolved. And when Israel had demonstrated its will to fight, and had proved (as the Irish did long ago and as oppressed peoples almost invariably do when their right to existence is challenged) it did not seem likely that the meaning of the victory would be swiftly questioned. The commentators gave the decision to Israel and the Arabs, it was fondly believed, prepared to fold their tents. There were many who said that the shooting was all over and that the clock of history could never be turned back. They were wrong. For the statesmen who gambled on Israel's inability to survive in time of war refused to give up when an armistice was achieved. They proposed to accomplish through diplomacy, double-dealing and maneuver what they had failed to achieve on the battlefield.

That is the real story behind the current dispatches reporting disagreement over the fate of the Arab refugees.

It must be remembered now that at the peak of the struggle in Israel the Arab High Committee implored all Arabs to leave; the Arab chieftains promised that a new offensive against Israel was in the making. Thousands responded to this summons. And those thousands are momentarily men without a country. But Israel has not abdicated responsibility for Arab humanity. At Lausanne the Israeli Government agreed to absorb more than 200,000 refugees in the so-called Gaza strip taken over by the Egyptians. This offer at first evoked an affirmative response from the United States State Department. It provided the foundation for a reasonable agreement. Now, mysteriously, the climate has changed; behind the change, it appears, is the hand of the die-hard anti-Israel faction in the British labor government. As a result of this shift Israel's proposal has been blanketed. The impression is widely circulated that Israel has bluntly refused to discuss any plan for disposition of the Arab wanderers, which is false.

Israel has admittedly refused to assume the total burden. It has insisted that the problem is a world problem. It has refused to accept so vast a number of Arab refugees that Jewish immigration into Israel would be halted and that Israel's security would be imperiled. It has urged Arab resettlement in such areas as Syria. It has maintained that the plight of the Arab refugees must be resolved in the context of an over-all middle eastern peace settlement. But Israel has never denied the reality of the problem nor coldly disregarded the Arab victims as casualties of war.

The danger of the present deadlock is that it may either revive a "get-tough" American attitude toward Israel or create a new split in western democracy. Our world-wide alliance with the British labor government derives its true strength from our mutual respect for the dignity of man; that alliance has been repeatedly threatened by Ernest Bevin's abberation. We cannot follow Britain in a new crusade against Israel; we cannot cement our relations with Britain as long as Bevin clings to the dead dream and sordid scheme of middle eastern empire; we cannot retain our moral leadership in the contest of ideas if we sanction a new conspiracy against Israel. In the past we have blundered into this blind alley. Each error has produced a new one; and, having lost our way, we have frantically sought a scapegoat. We are inviting a similar debacle; this is the moment to reconsider, to find out where we are headed before little men and vengeful irresponsibles fix our course.

The Housing Bill

EXTENSION OF REMARKS
OF
HON. PORTER HARDY, JR.
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. HARDY. Mr. Speaker, the two largest newspapers in my district have expressed editorially certain pertinent comments on the pending housing legislation. I believe the Members of the House will find these editorials interesting and instructive, and I am submitting them for inclusion in the RECORD. First, is an editorial from the Norfolk Virginian-Pilot which appeared on Sunday, June 19, followed by an editorial from the Norfolk Ledger-Dispatch of June 23:

[From the Norfolk Virginian-Pilot of June 19, 1949]

THE SOUTH HOLDS THE KEY TO HOUSING

When it appeared that the House Rules Committee would keep the housing bill bottled up indefinitely, its patrons filed a discharge petition which, under rules adopted last January, would have got it to the floor by June 27. By a switch of the votes of three members, the bill was reported and will come up on the House floor Tuesday for debate. Representative COX, of Georgia, who voted for the unfavorable committee report, was one of the three members who changed his vote. He explains that he

did so because the earlier release of the bill will afford a better opportunity for resistance.

Now that the bill is through the bottleneck of the Rules Committee, the public will also be afforded an opportunity to see it debated on its merits. Last year a housing bill with substantially the same provisions passed the Senate, but by smothering it in the Rules Committee Members of the House were able to avoid going on record on the measure. That strategy has now been blocked.

The Cox declaration of war comes from the region of the country that has already profited more heavily than any other from slum-clearance programs, and also the section that will hold the balance of power in the forthcoming House vote on housing. Northern Republicans already know where they stand and will vote almost solidly against the bill. Democratic Congressmen from the Northern States are just as solidly supporting it. It is in the South where the slums are concentrated that opposition to the administration housing program is centered.

An almost identical housing bill has been approved by the Senate under joint Democratic and Republican sponsorship, including that of Senator TAFT, of Ohio, who is the congressional expert on the program. Yet a campaign of misrepresentation, under the sponsorship of a powerful lobby, is damaging the case of the House bill. Fantastic estimates are being made of its costs, and it is being described as a blow to private enterprise. Its housing program would cover a 40-year period, but in reply to a question raised by Representative SABATH, the Budget Bureau has pointed out that the present Congress cannot bind its successors. It can only make a firm commitment with respect to the future. The Bureau estimated the program would only cost $250,000,000 annually, moderate enough when compared with some of the expenditures of the present Congress.

The primary purpose of the bill is to clear the slums of American cities, but under title I it gives private capital the chance to rebuild residential areas when slums are cleared. The act authorizes $1,000,000,000 in loans and $500,000,000 in grants for locally managed slum-clearance programs over a 5-year period. Local agencies like the Norfolk Redevelopment and Housing Authority could clear a slum area, acquired through purchase or condemnation, and then make the site available for redevelopment by private enterprise. Private capital could move in, when the slum—heavily subsidized by its excessive costs to municipalities—was moved out.

[From the Norfolk Ledger-Dispatch of June 23, 1949]

PUBLIC HOUSING IN THE HOUSE

President Truman's slashing attack on the real-estate lobby for opposition to the public-housing bill reflect almost surely a combination of probabilities, including the following: (1) That the House shows signs of more opposition than the Senate did in the bill which it passed in April by 57 to 13; (2) that the extensive efforts against this program have aroused new opposition, especially when Congress is looking harder at many cost items; (3) that the President himself is anxious to gain with this program an objective for which he campaigned vigorously and needs politically at a time when his broad legislative program is not going well.

But none of these, nor all of them combined, should distract the House or the country from the essential needs for this program or the methods by which, after long labor and long delay, it proposes remedial action. The chief merit of Mr. Truman's letter to Speaker RAYBURN last week was not in the asperity of his language or the bluntness of his attack. It was in his point-by-point discussion of objections which have been raised. Back even of this detailed analysis and argument lie his statement of the need and his portrayal of the fact, which the reply of Mr. T. H. Maenner, president of the National Association of Real Estate Boards, does not seem to us to touch, that the only way the country can obtain relief in the admittedly deplorable and costly slums of the Nation is through Federal funds.

It is not enough to sweep this part of the argument away, with a wave of the hand, as being socialistic. By that definition a great many things which cities, States, and the Federal Government do, without any criticism, could be called socialistic—and in earlier years was sometimes so called. But that is straining heavily, and, in addition, ignoring the demonstrable inability to accomplish certain results by any other method than that of Federal action.

In reality the degree of local control which would be retained is important and effective. Norfolk knows much about that. Its modest achievements under the Norfolk Redevelopment and Housing Authority have felt the guiding hand of the local commissioners—Charles L. Kaufman, C. W. Grandy, David Pender, James E. Etheridge, Thomas H. Willcox—at point after point. They receive their authority from the city government under State law. No one who knows them could think of them as either creatures of the Federal Government or as protagonists of socialism. Their concern is the improvement of the blighted areas of Norfolk which are responsible for a wholly disproportionate share of the city's social problems.

There are details in the bill which the House is debating this week as in the bill which the Senate passed in April, about which the most sincere and disinterested men disagree. But there is no disagreement about the fact that (as Mr. Truman put it in a few words) "the private housing industry is not supplying, and cannot in the foreseeable future supply adequate housing for low income families." The program will certainly cost much money, although Mr. Truman's analysis of costs and his charge that they had been greatly exaggerated (100 percent more than his figures) do not seem to us to be answered by Mr. Maenner. Any supposition that the program will be light, however, is a mistake. This plan will cost a great deal. But the cost of doing nothing at all will almost surely be a great deal more. The American people can tackle this difficult responsibility only by vigorous and concerted action.

What Next?

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. RODINO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herein an editorial which appeared in the Newark Evening News of Tuesday, June 21, 1949.

The editor expresses righteous indignation when he queries, "What next?" Surely those of us who placed confidence in the work of the present Committee on Un-American Activities by voting it a further appropriation could never have, by any stretch of the imagination, assumed that it would embark upon any program which smacks of an educational witch hunt.

Democracy will surely be struck a telling blow if we permit academic freedom to be menaced.

WHAT NEXT?

To say "It never occurred to me that anyone would object" is no excuse for the outrageous conduct of Representative JOHN S. WOOD, of Georgia, chairman of the House Un-American Activities Committee, in demanding, without even the backing of his own committee, that some 70 colleges and universities and the educational departments of all 48 States furnish a list of textbooks, authors, and supplementary reading in numerous fields.

The 70 institutions picked at random and the State school systems were given the impression that the committee had started upon an educational witch hunt, and there were instant protests from coast to coast. Five of nine members of the committee say they never heard of the plan to seek this information, and they are angry that it was put forth in their name. Three Republicans on the committee now urge that the inquiry be dropped.

But regardless of Mr. WOOD's ignoring his own committeemen, any such demand for information, if made by majority vote of the committee, would have been entirely unjustified. There is no authority vested in the Federal Government to tell privately endowed institutions and the 48 States what they shall or shall not teach in the fields of sociology, geography, economics, government, philosophy, political science, and literature.

A hasty follow-up letter, also signed by Representative WOOD, occasioned by the country-wide educational uproar, said that the letter to each individual college should not be construed as having the slightest unfavorable reflection on your school or any person connected therewith. This was a letter authorized by the committee, and asserting there was no intention to censor books or interfere with academic freedom.

The committee's letter, however, instead of repudiating Representative WOOD, did not withdraw the request for lists of textbooks and authors, but was willing to dispense with the supplementary material. At most it merely seeks to soften the impression created by the original letter. But, if, acting upon a petition submitted by the National Sons of the American Revolution that the committee investigate charges that there is subversive propaganda in some textbooks, the committee adheres to its chairman's sweeping demand for these lists, how can the educational world take at face value the assertion that academic freedom is not menaced?

Know the Facts—More Information About DP's

EXTENSION OF REMARKS
OF
HON. ED GOSSETT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. GOSSETT. Mr. Speaker, in my opinion, most of our people and many Members of this Congress have been misinformed concerning the so-called DP problem. I have just received a most intelligent letter from a Lithuanian student in the University of Maryland, concerning some of the so-called displaced persons. This letter is well worth reading, and is placed in the RECORD for public information.

BALTIMORE, MD., *June 16, 1949.*

Hon. ED GOSSETT,

House Office Building, Washington, D. C.

DEAR SIR: I want to express my sincere gratitude to you on your speech which you presented to the rural women's group at the University of Maryland in which you were in sympathy to a halt in immigration of the type such as we are now witnessing.

I am a student at the university and a veteran of the Second World War and I want to say that you deserve merit for bringing to the attention of the fellow-Marylanders the nature of immigrants which are now coming in to this country. No greater truth could have been stated when you declared that "many of these people have been planted in these camps to infiltrate in this country to serve alien causes."

The Baltimore Morning Sun carried a report on your address to the university group at College Park, Md., and at the same time inserted some comment from William L. Laukaitis, chairman of the Maryland Displaced Persons Committee, who charged (quote) about you and your statements:

"I think he is talking bunk when he describes the displaced persons as he does. They are liberty-loving people who have fled their homelands, fled from the Communists, because they wanted freedom."

The reason I want to bring this to your attention sir, is because Mr. Laukaitis is, as I am, of Lithuanian descent. I know the gentleman who made the remarks about your speech and wish to say that he represents the most reactionary, pro-Nazi interests in the city of Baltimore. No sooner had Mr. Laukaitis helped bring these displaced persons (especially the ones from Lithuania) over, he has allowed them to speak, almost immediately, at rallies about our need to join a crusade to help liberate "poor little Lithuania." Nothing is said against the Nazis or their methods. As an American I know allegiance to America is foremost—but do these people who are bringing these immigrants over know that? Also, what about the present unemployment situation in the United States. Already there are nearly four and a half million unemployed—where are these newly arrived displaced persons to get work? Are they to take over the jobs of the Americans and the many ex-GI's who have fought to defeat the Axis Powers?

It is these same Lithuanian dispaced persons, although I admit not all—for there probably are some sincere ones in the group, that were recruited by Dr. Rosenberg into branches of the Nazi SS. These Lithuanian SS troops carried out mass pogroms against the Jews in Lithuania and against Russian troops that were in the area. I bring to your attention the true documentary evidence as is produced in the United States Government publication Trial of German War Criminals, which is available in the Government Printing Office store.

It is these same displaced Lithuanians who cannot return to their native country, not because they are afraid of communism, but because of their war crimes which their Lithuanian neighbors so well know about.

Mr. Laukaitis is affiliated with the United Lithuanian Relief Committee which has been sending aid to such persons under the guise that they are anti-Communists. This committee no doubt has played an important part in bringing many of these undesirables over here. This committee has asked me and many other persons of Lithuanian descent to give funds and clothing to aid the war ravaged Lithuanians. But, however, in 1947 only $16 was sent to Lithuania. Upon investigation which I made to the State Department and also documentary record made in the booklet Foreign Aid Appropriation Bill for 1949, hearings of the House of Representatives, volume 2, I found these figures correct. Upon further investigation I found that the practice of sending aid to Lithuania has been discontinued and all funds running as high as several thousands of dollars were sent to camps in Germany, Austria, and so forth to aid these people who were no doubt, as you have charged, planted in those camps.

Mr. Laukaitis no doubt will say that these people will be a benefit to America because they are such good anti-Communists. No doubt. But we must remember that the Nazis and Mussolini's Fascists were also good anti-Communists. I think our present Government is doing more than well in keeping down any subversive threat in America, and I don't think we have to bring over pro-Nazis, criminals, and the scum of Europe over to do that job for us.

Thank you for your honest information to keeping America informed. If we can only make those of foreign descent who are living here willing enough to open their eyes and really see what is going on. Unless they do, they are being used by fifth-column aliens to serve alien purposes.

Sincerely yours,

ARTHUR JACOBS.

FOURTEEN MILLION EXPELLEES

Mr. Speaker, I have several times pointed out to this House that while we have been discussing the DP camps in Europe, we have wholly ignored and disregarded the problem of expellees. While we have been listening to wails of anguish concerning 500,000 so-called DP's, who are reasonably well fed and well housed in our camps, no one has pled the cause of 14,000,000 expellees who are in much worse plight than are the so-called DP's. These 14,000,000 people were uprooted from behind the iron curtain and driven to our zones in Europe. Many of them are of fine stock and of good character. Their plight is far worse than that of the so-called DP's.

Again, we have heard little of the displaced Arab problem. I was interested to read in the Washington Star on June 20, a statement by Mrs. Mark Ethridge on this subject, and I wish to place this news item in the RECORD:

MRS. MARK ETHRIDGE ATTACKS TREATMENT OF ARABS BY ISRAEL

NEW YORK, June 20. —Mrs. Mark Ethridge said today she considered it "very unfortunate" that Israel was admitted to the United Nations before it agreed to internationalize Jerusalem and take back Arab refugees.

Mrs. Ethridge, author-wife of the former United States delegate to the United Nations Palestine Conciliation Commission, arrived here today after a 3-month tour of Israel. She was a passenger aboard the liner *LaGuardia*.

Referring to Palestine problems, Mrs. Ethridge said, "I don't think we'll have peace there for generations and generations. The bitterness in the Arab refugee camps is simply terrific."

Mrs. Ethridge said there were 910,000 displaced Arabs who had fled or been "pushed out" of Israel by the Jews. These refugees, she added, now are living "in the most squalid and horrible conditions in the Valley of the Jordan."

Mrs. Ethridge's husband, who is publisher of the Louisville Courier-Journal and the Louisville Times, resigned from the Palestine Commission post June 10.

Mrs. Ethridge said the plight of the Arabs was not well known in America because "they have no publicity in this country to tell us about it."

The Jews, Mrs. Ethridge said, have refused to "take back one single Arab."

Creation of the Jewish state provided a haven for 250,000 European displaced Jews, but in so doing, the displaced Arabs have presented a "much more serious problem," Mrs. Ethridge said, adding:

"They're living under worse conditions than the Jews ever did."

The Marshall Plan at Work in Italy

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. RODINO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith the third of a series of articles on the Marshall plan at work in Italy, by W. G. Hetherington, staff correspondent of the Newark Evening News, dated June 14, 1949, from Rome, Italy:

(By William G. Hetherington)

ROME.—Italy's new-found confidence in the future takes many forms these days—one of them an almost childlike desire to show how much hardship can be endured against the day of full social and economic rehabilitation.

After 1 year of the Marshall plan Italy's millions, in the main, are convinced that this happy day approaches. For these harassed people, this is the great psychological change that has been worked by the Economic Cooperation Administration.

To many Italians, if not to the great majority, it is now a mark of national fortitude to endure miserable housing, poor wages, and high prices while ECA continues to strengthen the basic structure of the nation's industry and agriculture.

GRASPING FOR UNITED STATES LIFELINE

To other Italians—the more nationalistic, perhaps—it gives some pleasure to compare their present plight and their future with those of the people of other war-wrecked nations—notably France.

At a dinner party, and in all seriousness, a responsible Italian official offered me this analysis:

"I am sure," he said, "that your Marshall plan will have a greater success in Italy than in France. That is because the people of Italy are more like children. They are more optimistic and hopeful, where the people of France, for many generations, have been pessimistic and cynical."

"Historically," he continued, "the Italian of the working class will seize at the merest straw of hope—as he did with Mussolini—and you have thrown him a lifeline. This Italian will suffer—much so that your Marshall plan will fully succeed, and some day he can have the few simple things he wants—his job and his family and a little red wine and music."

"But in France," he concluded, "the workingman will not be so patient with your Marshall plan. He will fret and he will distrust any government you seek to help. Why? Because it is his nature to distrust any government that does not meet his every wish. Since that never happens, he is forever dissatisfied, forever voting one government out and another one in."

That is a sweeping if not unfair indictment of the French mentality. Yet it indicates a widespread recognition among Italians that no nation can hope for ultimate prosperity without continuing to suffer the pangs of rehabilitation.

The life line of ECA has indeed been seized by the masses of Italy. Before ECA showed results the Communist Party and the democratic government of Premier De Gasperi had nothing but promises to compete with for popular support.

REDS FREE WITH PROMISES

For the masses, ideology—that is, communism versus democracy—never was a major issue. It was a case of which system could offer the best future, or any future.

The Communists, holding no place or responsibility in the Government, could promise Utopia wrapped in red ribbons. But De Gasperi, with an economic yoke of government around his neck, was forced to be more realistic, thus more restrained in his promises.

Unlike De Gasperi, the Communists drove for immediate and widely flung improvements in living conditions. It meant nothing—in fact, it was their plan—that these would wreck the nation for fair.

By these richer but irresponsible promises, the Communists waxed strong and increasingly dangerous. They had a party membership of 2,500,000, backed by an underground army estimated at close to 80,000. They controlled the 5,000,000-member CGIL, the general labor confederation, and, prior to the national elections of April 1948 it looked as if they might transform Italy, legally, into another satellite of Russia.

RIGHTISTS TEAM UP

To repel the Communists at the polls required the combined, almost superhuman, efforts of every anti-Communist faction in the nation. Ignoring all other political differences, De Gasperi's Christian Democrats teamed with the right-wing Socialists, with the Republicans, with the Liberals, even with the neo-Fascist MSI—Movemento Sociale Italiani. These forces, in turn, had the spiritual and material help of the Catholic Church and the United States Government, though American aid of that period had not the organization nor planning of ECA.

The Communist-dominated Popular Democratic Front was beaten, but its 8,000,000 votes were enough to keep the nation in a constant state of jitters. For months after the election many who voted for De Gasperi were nevertheless uncertain whether he could ever make democracy stick in Italy.

At that point, following those fateful elections, ECA stepped in. This time United States aid was dispensed by economic plan, not as hand-to-mouth relief. The plan worked, and so long as it is permitted to work by the American Congress and the Italian people, Italy need no longer fear her Communists.

A Summary of H. R. 4009, the Housing Act of 1949

EXTENSION OF REMARKS

OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following summary of H. R. 4009, the Housing Act of 1949:

A SUMMARY OF H. R. 4009, THE HOUSING ACT OF 1949—WHAT IT IS, HOW IT WILL OPERATE

GENERAL SUMMARY

Question. What is the purpose of H. R. 4009?

Answer. H. R. 4009 would establish a comprehensive national housing policy and objective, provide Federal financial assistance for slum clearance, low-rent public housing and farm housing, and authorize a comprehensive Federal program of housing research. Its purpose is to meet, in cooperation with local communities, housing needs which cannot be served by private enterprise, even with the Federal financing aids presently available.

Question. What is the declaration of national housing policy?

Answer. The declaration of national housing policy establishes, for the first time, a statement of national housing objectives and policies to be followed in their attainment, applicable to all Federal housing activities. The basic objective is stated as the realization as soon as feasible of a decent home in a suitable environment for every American family. In the attainment of that objective, according to the statement, primary reliance shall be placed on and maximum assistance given to private enterprise, but Federal assistance is to be extended to those needs which cannot be met by reliance on private enterprise.

Question. What will the programs authorized in H. R. 4009 cost the Federal Government?

Answer. The maximum costs authorized under the bill are the amounts made available for subsidies and grants, together with amounts which may be appropriated annually by the Congress for the research program and administrative expenses. The maximum subsidy and grant authorizations average slightly more than $400,000,000 per year over a maximum 40-year period. As explained later, the actual costs are not expected to exceed $310,000,000 per year for a maximum span of 33 years, or aggregate between $9,000,000,000 and $10,000,000,000.

The bill also authorizes loans, repayable with interest, aggregating $1,950,000,000.

TITLE I. SLUM CLEARANCE

Question. What is the purpose of the slum-clearance title?

Answer. To provide Federal financial assistance to local communities which desire to clear slums and blighted areas, in which millions of American families live under unhealthful and demoralizing conditions, and to make the land available for redevelopment in accordance with the best use of the land for the community's welfare and growth.

Question. What types of Federal assistance are made available?

Answer. Two types of Federal financial assistance are provided as follows:

1. Repayable loans, which may not aggregate more than $1,000,000,000 at any one time, to finance local costs of acquiring, clearing, and preparing the sites for redevelopment. The interest rate may be not less than the going rate for Federal bonds of 10 years or more maturity.

2. Grants, which may not aggregate more than $500,000,000, which may be used to absorb up to two-thirds of the loss, or net cost, which generally will be realized from the slum-clearance operation.

Question. Who operates the slum-clearance program?

Answer. Local public agencies, authorized under State law and directed generally by boards of citizens appointed by local governing officials, will have responsibility for operating slum-clearance programs. Subject to the approval of local governing bodies, these agencies will acquire the sites by negotiation or condemnation, clear the land, prepare the sites, and sell or lease the land for redevelopment in accordance with local plans. The Federal Government's role is limited to providing the financial assistance as authorized in the bill and to seeing that the purposes of the bill are achieved. This role is assigned to the Administrator of the Housing and Home Finance Agency.

Question. How will a typical slum-clearance project be financed under this title?

Answer. Let us assume a 50-acre project in a moderate-sized city. Let us assume further that the capital cost of acquisition, clearance and site preparation will be $2,500,000 and that the land is sold for a total price of $1,000,000. The loss, or net cost of the project, would thus be $1,500,000.

The expenditures of the local public agency, or any part required, could be financed with a temporary Federal loan. This loan would be retired on completion of the project from the proceeds of the sale of the land and from the Federal and local grants covering the loss.

The loss of $1,500,000 would be shared by the Federal and local grants. The Federal grant could cover up to two-thirds of the loss, or $1,000,000, and the local contribution would have to cover the remaining $500,000, or at least one-third of the loss. The local contribution could be in the form of cash or essential local public facilities (except public housing) and services provided in connection with the development or redevelopment of the area (such as utilities, street work, municipal labor or equipment).

If any part of the cleared land is leased instead of sold for redevelopment, the leased portion could be refinanced at reuse value with long-term Federal loan, repayable in not more than 40 years.

Federal loans (but not grants) may be used also to finance the acquisition of open land (when essential to permit dispersion of population from slum areas) and to provide temporary financing for certain public facilities essential for the development of such land.

Question. May Federal funds made available under this title be used for housing construction?

Answer. No.

Question. What is the relationship of the slum-clearance program to housing?

Answer. H. R. 4009 clearly recognizes that the primary purpose for Federal assistance is the assurance of better living conditions for slum dwellers. The slum-clearance program is therefore a part of a bill which has as one of its principal purposes the provision of decent housing for low-income families, who make up the bulk of slum dwellers. Specifically, the bill requires assurance of adequate housing for families displaced in slum-clearance projects. It also limits Federal assistance to areas which consist predominantly of residential slums (which may be redeveloped for any use or combination of uses) or to other areas if such other areas are to be redeveloped for predominately residential use.

Question. Will the cleared slum sites be redeveloped with public housing?

Answer. A bill requires that in their redevelopment plans the local agencies give maximum opportunity to private enterprise. There will undoubtedly be cases where the local communities will determine that the most feasible use of some of the land will be for low-rent public housing. In such cases the public-housing projects will be charged the reuse value of the land on the same basis as private redevelopers.

Question. What will the slum-clearance program cost the Federal Government?

Answer. Since the Federal loans are to be repaid with interest, the cost of the slum-clearance program authorized in H. R. 4009 will be limited to the capital grants, together with administrative expenses as authorized in annual appropriations by the Congress. The Federal grants may not exceed two-thirds of the losses sustained in the local slum-clearance programs undertaken under the bill and in no event may they exceed the maximum authorization of $500,000,000.

The $500,000,000 will become available for commitments in five annual installments of $100,000,000, beginning July 1, 1949, unless the rate is accelerated by the President as authorized in the bill. Since the undertaking of a typical project will be a lengthy process and since the grants are not payable until the cleared land is sold or leased for redevelopment, payments of grants are expected to extend over a considerably longer period than 5 years. No substantial payments probably will be required before July 1, 1951.

TITLE II. LOW-RENT PUBLIC HOUSING

Question. What is the purpose of the public-housing title?

Answer. To make available Federal financial assistance to urban and rural nonfarm communities desiring to provide decent housing to families who, because of their low incomes, are presently forced to live in slums and other bad housing.

Question. How much low-rent housing may be assisted under H. R. 4009?

Answer. One million fifty thousand dwelling units. These units may be started at the rate of 150,000 per year, over 7 years beginning July 1, unless the annual rate is increased or decreased by the President as authorized under the bill.

Question. Is this a new program?

Answer. No. The public housing title expands and amends the United States Housing Act of 1937. Under this and related acts, 191,700 dwellings have been provided in 268 localities, located in 37 States and in the District of Columbia, Hawaii, Puerto Rico, and the Virgin Islands.

Question. Who operates the public-housing program?

Answer. Local housing authorities, authorized and established under State laws and governed by citizen boards appointed generally by local governing officials, have responsibility for initiating, constructing, and operating the low-rent public-housing projects. The local program must be approved by local governing bodies. The Federal Government's role is limited to the provision of financial assistance and seeing that the purposes of the bill are achieved. This role is assigned to the Public Housing Administration, a constituent agency of the Housing and Home Finance Agency.

Question. What types of Federal assistance are authorized in H. R. 4009?

Answer. Two types of Federal assistance are authorized, as follows:

1. Seven hundred million dollars in repayable loans, increasing the present $800,000,000 loan authorization to $1,500,000,000 which is placed on a revolving fund basis. The interest rate may not be less than the going rate of interest on Federal bonds of 10 years or more maturity.

2. Annual contributions not in excess of $400,000,000 per year, payable for not more than 40 years.

Question. How will the capital cost of the low-rent public-housing projects be financed?

Answer. Under the perfecting amendments of H. R. 4009, it is expected that local housing authorities will be able to obtain their capital financing through the sale of securities at low-interest rates in the private bond market. Long-term bonds, amortized over not more than 40 years, may be secured by the pledge of Federal annual contributions sufficient to cover interest and payments on principal. Temporary notes financing construction may be secured by a contractual agreement of the Federal Government to refinance such notes on maturity. It is to provide adequate security for such private temporary financing that the loan authorization is increased to $1,500,000,000.

Question. In what ways are the costs of the public housing limited?

Answer. Limitations on the capital cost include the following:

(a) The requirements that the projects be of economical and unelaborate design, materials, and construction, and that the Federal Government approve construction contracts before they are awarded.

(b) The specific limitation of average construction cost, in a project, to $1,750 per room for the dwelling facilities. This limitation may be increased to not more than $2,500 per room where necessary in certain high-cost areas.

(c) The limitations on annual contributions. The commitments for annual contributions may not exceed at the current level of Federal interest rates, 4½ percent of the total cost of a project, including all construction, land, site preparation, and overhead. Thus the maximum contributions authorization of $400,000,000 per year will permit a total construction cost of not more than $8,900,000,000 ($400,000,000 capitalized at 4½ percent). For 1,050,000 units the average total cost per unit may not exceed $8,465.

Question. How will low rents be achieved?

Answer. Through the annual Federal contributions, through local tax exemption (less payments in lieu of taxes of up to 10 percent of annual shelter rents) and through low-financing costs. On a project having a total cost of $8,465 per unit, the Federal contribution could average $31.74 per unit per month. Assuming a monthly project cost of $47.45 per month, including operating costs, payments in lieu of taxes of 10 percent of shelter rents and debt service, the maximum contribution would permit an average shelter rent as low as $15.70 per month, or a gross rent, including utilities, of $22.70 per month. Since there will be a range in rents charged, the rents on some of the apartments in this typical project could be substantially below this average.

Question. Will the maximum contribution be paid every year?

Answer. No. Except in years when tenant incomes are unusually low, it is expected that the average rents will be somewhat higher than the achievable minimum. Thus, the average low-income tenant in the average community will be able to pay an average of $23 per month shelter rent, instead of $15.70 as shown in the example previously cited. This will reduce annual Federal contribution to $24.45 per unit per month, or 77 percent of the maximum.

Question. How will the rents be determined?

Answer. Rents will be based on the paying ability of tenants. The bill requires that the incomes of families on admission, less an allowance of $100 annually for each child, not exceed 5 times the gross rent, including utilities. Thus a family with three children which has an annual income of $1,800 per year would be required to pay a gross rent of at least $300 annually ($1,800 minus $300 divided by 5), or $25 per month. This rent will be adjusted upward or downward in accordance with changes in family income as shown in periodic reexaminations.

Question. How is the eligibility of tenants determined?

Answer. The United States Housing Act of 1937 limits occupancy of low-rent housing projects to families living in slums and bad housing whose incomes are so low that they may not obtain decent private housing in their communities. This limitation was modified during the war to permit the housing of essential war workers. Since the war, reconversion to a strictly low-rent purpose has been largely achieved. Families admitted to low-rent projects during the first half of 1948 had a median income of $1,481 and families residing in the projects had a median income of $1,884, despite the continued presence of over-income families whose removal had not been accomplished because of the housing shortage.

H. R. 4009 contains additional provisions to assure that occupancy will be limited to low-income families unable to find decent private housing. Rents on admission (which, as explained in the previous answer, limit incomes) must be at least 20 percent below the lowest rents at which an adequate supply of decent private housing, new or used, is available in the respective communities. Thus, if the lowest rent at which decent 2-bedroom apartments or houses are generally available in the communities is $37.50 per month, including utilities, a similar low-rent, public-housing unit could not be offered to a new tenant at more than $30 (and the family's income would be limited to $1,800 per year, plus the allowance for children).

The bill also requires that families be admitted in accordance with the urgency of their housing needs and that there be no discrimination against welfare families. This requirement is subject to stated preferences. First preference is to be given to low-income families displaced in slum-clearance projects. Among such preferred families, as well as among other low-income families, disabled veterans of World War II and other veterans and servicemen, including families of deceased veterans and servicemen, shall have preference in the order named. For a period of 5 years families of veterans and servicemen do not have to come from substandard housing, as required of other families.

Local housing authorities are required to establish maximum-income limits, approved by the Federal Government, for admission and continued occupancy (similar to those now in effect), to reexamine incomes of tenant families periodically and to obtain the removal of those families whose incomes have passed the maximum limits set for continued occupancy. Thus a family with three children, in a typical case, might be admitted if its income is less than the established limit of $2,100 for admission and continue to reside in the project until its income exceeds the established limit of $2,400 for continued occupancy.

Question. Is the low-rent public-housing program limited to large cities?

Answer. No. Of the 268 localities in which present low-rent public housing is located, 104 had a 1940 population of less than 25,000. H. R. 4009, in addition to specifying that aids be available for housing in both urban and rural nonfarm areas, specifically reserves 10 percent of the annual contributions authorization for 3 years after the amounts are made available. Enabling acts in a number of the States authorize regional housing authorities for economical operation of housing scattered in various small localities.

Question. What will be the cost of the low-rent public-housing program to the Federal Government?

Answer. The cost is limited to the annual contributions required to achieve rents which low-income tenants can afford to pay, together with administrative expenses as authorized in annual congressional appropriations. The aggregate cost of the program is not expected to exceed $10,000,000,000 over the life of the program.

This estimated cost is less than two-thirds of the maximum authorization for annual contributions over 40 years, at the rate of $400,000,000 per year. As explained in the discussion on rents, the annual contributions paid in the average year are not expected to exceed 75 to 80 percent of the maximum permitted. Annual contributions for 1,050,000 units thus would average $310,000,000. A further factor in reducing the aggregate cost would be the low-interest rate at which, on the basis of experience, local authority securities could be sold. On the basis of an average of 2½ percent interest, the debt on the average project could be retired in not more than 33 years, after which annual contributions would be terminated. Thus the aggregate cost of the program is not expected to average more than $310,000,000 per year payable over not more than 33 years.

TITLE III. HOUSING RESEARCH

Question. What is the purpose of the Federal research program contained in title III?

Answer. To provide a comprehensive Federal housing research program. This program is directed to the encouragement of better housing at lower costs through improved techniques, materials, and methods and through improved building codes, and includes the development of more adequate housing data and standards.

Question. Who will conduct the research program?

Answer. Under H. R. 4009 the Administrator of the Housing and Home Finance Agency has responsibility for the housing research program. The bill, however, directs him to utilize to the fullest extent, available facilities elsewhere in the Federal Government and authorizes him to cooperate with industry and labor, with State and local agencies and with educational institutions and other nonprofit organizations.

Question. What will be the cost of the housing research program to the Federal Government?

Answer. The cost is not expected to exceed $5,000,000 a year in the forseeable future and will be determined by funds made available through annual appropriations by the Congress.

TITLE IV. FARM HOUSING

Question. What is the purpose of the farm housing program in title IV?

Answer. To provide Federal financial assistance, in the form of loans, subsidies, and grants, for the provision and improvement of housing and other farm buildings for farm owners who are otherwise unable to finance them for themselves or their farm tenants and workers and also to provide research and adequate data on farm housing.

Question. May housing for farm workers not living on the farms be financed under this title?

Answer. No. Such farm workers of low income may be housed in low-rent public housing projects in rural areas provided under title II of this bill.

Question. Who operates the farm housing program?

Answer. The Secretary of Agriculture who shall utilize, in the case of financial aids, the Farmers Home Administration. The Secretary is authorized to utilize and to compensate local committees of farmers for the examination of applications and the submission of recommendations.

Question. What types of financial aid for farm housing will be available under title IV?

Answer. The financial aids will be available as follows:

(a) Loans for adequate farms: A farm owner whose income is considered sufficient to carry the payments but who is unable to obtain credit elsewhere may be eligible to receive a 33-year loan at 4 percent interest to finance the provision of housing for himself and his farm workers or other farm buildings. The loan will be secured by the farmer's equity in the farm, or other such security as the Secretary of Agriculture may require, and thus will not impair the security of existing mortgage indebtedness on the farm.

(b) Loans and subsidies for potentially adequate farms: A farmer whose income is insufficient to carry a loan as described above, but whose income could be sufficiently increased within 10 years through a program of farm improvement or enlargement may be eligible to receive, in addition to the previously described loan, annual subsidies for not more than 10 years covering the amount of the inadequacies but not exceeding the annual payments of interest and half the annual payments of principal on the loan.

(c) Loans and grants for inadequate farms: In such cases loans and grants will be available only to finance minimum improvements, such as a new roof, privy, or screens, which are essential to health and safety. The total amount available for any farm, house, or building would be $1,000, of which no more than $500 may be a grant. No individual may receive more than $2,000 of such assistance.

Question. What will be the cost of farm housing program to the Federal Government?—

Answer. The cost to the Federal Government will consist of the subsidies paid in connection with potentially adequate farms and the grants made for minor improvements on inadequate farms. The subsidies may reach a maximum of $5,000,000 per year and, since they are payable for only 10 years, they may not aggregate more than $50,000,000. Grants may not exceed $125,000,000 in total. Thus the maximum Federal cost of the farm program will be $62,500,000, plus administrative expenses.

The loans, which may aggregate $250,000,000, are to be repaid at 4 percent interest.

The New Crisis

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. RODINO. Mr. Speaker, once again, the godless seek to stifle the soul of man. Whether they be Protestant or Catholic, those who preach the word of God become more and more the victims of communistic oppressors. For the teachings of God and religious freedom have no place in a communistic regime.

And so, in an unprecedented broadcast to the Nation, Premier Antonin Zapotocky, the other day charged Roman Catholic Archbishop Joseph Beran with sabotage against the Communist regime and said law and justice must be enforced against him.

Will not this be another travesty on justice?

Under leave to extend my remarks in the RECORD, I include herein an editorial which appeared in the Newark Star-Ledger on Wednesday, June 22, 1949. I believe it foretells what can be expected from the law and justice as administered by those who live under the godless state of communism.

THE NEW CRISIS

The gathering church-state crisis in Czechoslovakia differs from the tragedy in Hungary in the important respect that the Reds are much more brazen in their controversy with Archbishop Beran.

In Hungary, the Communists felt the need for confusing the issue by dragging in the question of economic and land policy, asserting that Cardinal Mindszenty was opposed to the government's program for confiscating and dividing large estates. In Czechoslovakia, where a liberal government ruled between the time of the establishment of the republic and its overthrow by Adolf Hitler, the land issue does not exist.

REDS MORE BRAZEN

Here, the conflict is over the naked question of religious freedom. The Communist state is asserting the right to make the church its tool, while Archbishop Beran is asserting the right of the church to be independent of the state, while subject to its law.

The Mindszenty case thus appears to have been but a curtain-raiser for the tragedy of religious persecution in the satellite states behind the iron curtain. Shrewdly, the Communists chose Hungary, where the economic and land questions could confuse the main issue, as their first testing ground. In Czechoslovakia, they are attempting to regiment a church that has been closely associated with the finest aspirations of the people, and they are using as their target a man who endeared himself to the people by suffering years of imprisonment in a Nazi concentration camp.

Archbishop Beran has looked clearly ahead, advising his followers among the priesthood that they must be prepared to make their own decisions in the dark days ahead without guidance from him. He is obviously under no illusions concerning the character of those who would master him, and he is making his comprehension of their ruthlessness clear to all.

Questions and Answers on the Housing Act of 1949, H. R. 4009

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. BUCHANAN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following questions and answers on the Housing Act of 1949, H. R. 4009:

QUESTIONS AND ANSWERS ON THE HOUSING ACT OF 1949 (H. R. 4009)

Question. Why is this legislation necessary and desirable?

Answer. The persistence of the acute housing shortage and the disgraceful conditions under which millions of American families are forced to live have made it clear that comprehensive Federal assistance is essential if real progress is to be made toward achieving decent homes and a satisfactory home environment for the American people as a whole. Doubling up and overcrowding are still widespread. Even under the prosperous conditions of today, the prices and rents of decent housing, new or old, are beyond the financial reach of a substantial portion of our population. As a result, more than 5,000,000 low-income families are crowded into city slums or other substandard housing. Virtually no progress is being made in the clearance and redevelopment of slums. Bad housing is also widely prevalent on American farms.

The purpose of the Housing Act of 1949 is to provide the foundation for the comprehensive action needed to overcome these problems. It would do so on four fronts: (1) Through authorization of Federal financial assistance to communities for a long-delayed, but vitally needed start on the clearance of slums and blighted areas for redevelopment; (2) through continuation and expansion of Federal financial assistance to communities for low-rent public housing for families of low income; (3) through authorization of a comprehensive program of Federal research in housing aimed at relieving the many technical, social, and economic problems which beset the whole field of housing, and (4) through the authorization of Federal financial assistance for the provision of decent housing for farm families and particularly for farm families of low income. The bill also would establish, for the first time, a broad national housing objective aimed at achieving as soon as feasible the goal of a decent home and a suitable living environment for every American family, and would define the policies to be followed in attaining that objective.

Question. What is the background of this legislation?

Answer. The basic provisions of the Housing Act of 1949 are the product of exhaustive congressional investigation and consideration during the past 4 years. The bill incorporates the major unenacted provisions of previous comprehensive housing measures, with certain revisions to meet changing conditions and needs.

The subject matter in the pending bill is in accord with the recommendations of the Joint Committee on Housing in its final report on March 15, 1948, after an intensive investigation of housing conditions involving hearings in 33 cities and the receipt of more than 6,000 printed pages of testimony. Legislative hearings on similar provisions were conducted by the House Banking and Currency Committee from May 3 through June 8, 1948, after which the committee reported favorably a bill containing substantially the same subject matter. This bill, however, was tabled by the Committee on Rules.

The Banking and Currency Committee held hearings on the Housing Act of 1949 during the period from April 7 through May 9. The bill as reported is basically similar to S. 1070 which passed the Senate on April 21 by a vote of 57 to 13.

Question. Does the bill cover all phases of a comprehensive housing program?

Answer. The provisions of the Housing Act of 1949 are fundamental to any comprehensive and effective housing program. They deal with the chronic problem areas in housing—slum clearance and the redevelopment of blighted areas, low-rent public housing for families of low income, a comprehensive program of housing research, and farm housing.

These provisions are essential in order to meet the most urgent housing problems where direct Federal financial assistance is clearly required. At the same time, it is recognized that there are other important phases of the housing problem which are not covered in the pending bill. These involve in the main further improvements to financing aids for private housing. A number of additions to the existing Federal programs for the assistance of private housing were contained in the Housing Act of 1948, enacted at the special session of Congress last year. Further proposals to improve and broaden those programs are now pending, as well as proposals for substantial Federal aid to housing cooperatives.

While these proposals also merit full consideration, it was determined to proceed first with the basic programs contained in the Housing Act of 1949, which have been so long considered and on which wide agreement has been reached during the course of the past 4 years.

Question. Is it true, as sometimes charged, that this bill would give the Federal Government dictatorial powers over local communities and would threaten to nationalize or socialize the housing industry?

Answer. This is not true, on either count. Participation by communities in either the slum clearance program or the low-rent public housing program would be entirely at the option and initiative of local governments. Projects would be locally planned and locally executed. The role of the Federal Government would be restricted to the provision of financial assistance, the furnishing of technical aid and advice, and the administration of statutory requirements to assure that the intent and standards of the law are faithfully observed.

Neither is there anything in the bill that would threaten or undermine the position of private enterprise in housing. On the contrary, there is much that would strengthen it. The declaration of national housing policy stipulates that private housing enterprise shall be encouraged to serve as large a part of the total need as it can and that governmental assistance should be utilized to the extent feasible to enable private enterprise to serve more of the total need. The slum-clearance title requires that the plans for redevelopment of slums or blighted areas afford maximum opportunity for participation by private enterprise. The public-housing title requires a gap of at least 20 percent between the upper rental income limits for admission to public housing and the lowest rents at which private housing is providing an adequate supply of decent housing, new or old, for rent or sale in the locality involved, thus assuring no competition between public housing and private enterprise. Under the farm housing title, loans would be made only to those farmers who are unable to secure credit from other sources at terms within their paying ability. Finally, a primary objective of the Federal research program is to place the private housing industry in a much stronger position to serve a much broader market than today through improved methods and organization.

Question. Is there any merit to the claim that the declaration of national housing policy and objectives in this bill would violate our constitutional principles, bypass States' rights, and lead to some form of statism?

Answer. There is no merit in this claim. The philosophy of the policy declaration in the pending bill rests four-square on the well-established principle that the Federal Government can and should supplement the resources of State and local governments and of private enterprise in order to meet urgent national problems which affect the welfare of the people as a whole. There is wide agreement that housing constitutes such a problem.

This same principle underlies the existing Federal programs for social security, soil conservation, reclamation, rural electrification, aids to road building, aids to hospital construction, and similar matters.

The policy declaration in the pending bill establishes as our national housing objective the achievement as soon as feasible of a decent home in a suitable living environment for every American family. The bill also defines the basic policies to be followed in advancing toward that objective. These policies are entirely compatible with the American system for making progress. They recognize local responsibility and initiative and the primary role of private enterprise in housing. Furthermore, there is nothing in the bill which would authorize or permit Federal dictation to States, cities, or private enterprise. There is no authority in it anywhere which would permit the Federal Government to force any program on any community.

Question. What justification is there for Federal financial assistance to communities for slum clearance? Why cannot the localities and States handle this problem themselves without Federal aid?

Answer. The continued use of well over 5,000,000 slum dwellings and other substandard housing raises issues of national importance from the standpoint of the health and morals of millions of families and millions of children who will represent a substantial percentage of our citizenry in the coming generation. These slums and blighted areas have existed and have spread for generations, and experience has shown that they will continue to exist and to spread unless Federal financial aid is made available for their clearance.

The heart of the slum-clearance problem is the high price commanded by land in the central areas of cities, even when those areas are blighted or deteriorated, and the necessity for a substantial write-off of that price if slum areas are to be redeveloped on a sound basis which will prevent the recurrence of slum conditions.

States and cities are increasingly aware of the social costs of slums, of the threat to municipal solvency arising from the spread of slums and from the increasing spread of new building to the outskirts of cities, and of the heavy municipal outlays for city services in slum areas which greatly exceed the tax revenues derived from those areas. Nevertheless, they have lacked the financial resources to undertake more than a few scattered slum-clearance projects under the redevelopment legislation which is now on the statute books of half of the States. This, in turn, reflects the basic limitations on the sources of revenue for both State and local governments and the mounting costs of established public services.

Question. Are the provisions of the slum-clearance title sufficiently broad to assist comprehensive local redevelopment programs?

Answer. The basic justification for Federal assistance in slum clearance is the serious impact of slum conditions on the lives and development of millions of American families and their children. For that reason, the bill limits Federal financial assistance to the assembly and clearance of areas which either are predominantly residential slums or are blighted and commercial areas or open tracts which will be redeveloped primarily for residential use.

However, this requirement in no sense will interfere with the carrying out of local programs combining slum clearance with comprehensive plans for the development and redevelopment of communities as a whole. Most slums and blighted areas are predominantly residential in character and, in these cases, the bill would permit their redevelopment for whatever new uses are considered best by the locality. Where blighted commercial or industrial areas are isolated from residential slum areas and hence must be redeveloped separately, Federal loans and grants would still be available but with a requirement that they are to be redeveloped for predominantly residential uses. This would not preclude the inclusion of a variety of other land uses within the redeveloped area provided its predominant character was residential.

The bill also recognizes that the clearance of crowded city slums will frequently make necessary a dispersion of the families now living in those slums into new housing developed on presently open urban or suburban land. It therefore makes loans (but not grants) available for the acquisition and preparation of such sites, including temporary loans for the construction of schools or other public facilities necessary to serve the new area.

Question. What about the claim that slums can be cleared or rehabilitated simply through the enforcement of local health and safety regulations?

Answer. While the development and enforcement of sound local housing codes establishing minimum standards of health, safety and sanitation is a desirable objective, such codes in no sense can be considered as an acceptable substitute for effective slum-clearance programs. In the first place, most of the housing in slum areas is not worth permanent rehabilitation, by reason of deficiencies in design, structure and location. Second, to the extent that some slum buildings could be restored to standard condition through substantial repairs and remodeling, the rents charged for those accommodations would necessarily have to be increased sufficiently to finance those expenditures, thereby removing that housing from the supply available to the low-income families now living in slums.

Again, even if local ordinances compelled the demolition or boarding-up of unsafe and insanitary slum structures that are beyond economic repair, such demolition could not be expected to remove fully the principal barrier against sound redevelopment of slum areas, i. e., the high cost of central city land. The piecemeal character of such action also would stand in the way of redevelopment on an economic scale. Finally, reliance upon health and safety regulations as the total answer to the slum problem would completely ignore the basic problem of the low-income families now living in slums. Those families do not live there by

choice but rather from economic necessity arising out of their inability to pay even the lowest rents at which decent housing is available.

It is significant that the mayor of Baltimore, where a widely advertised local program of slum repair has been under way for some time, has testified that this program is purely a palliative measure and in no way is a substitute for a broad-scale program of slum clearance and redevelopment.

Question. Why cannot private enterprise meet the housing needs of all income groups, either through new low-cost housing or through the "trickling down" of used housing?

Answer. According to the Bureau of the Census, 19.7 percent of urban American families had money incomes in 1947 of less than $2,000 and 30.3 percent had incomes of less than $2,500. On the generally accepted basis of paying one-fifth of their incomes for housing, the average rent which the families in this lowest income group can afford to pay would be approximately $37 per month, including heat and all other utilities.

With new housing construction concentrated in price brackets above $7,000 and rental brackets above $70 a month, it is clear that new private housing is far beyond the financial reach of these families.

With respect to the supply of used private housing available to these families, experience has shown that generally only that portion of the housing supply which has deteriorated to substandard condition has declined sufficiently in economic rental value to be within the rent-paying ability of low-income families. The very existence of the slums and their predominant occupancy by low-income families is proof of that experience. It is further borne out by the fact that the average rent being charged for substandard dwellings in urban areas is $28.50 per month.

Question. Why cannot cities make a substantial capital contribution toward the cost of additional public housing?

Answer. Under the Housing Act of 1949 the contribution of local governments to the subsidized rents in public housing projects is in the form of local tax exemption. While this form of local financial participation is workable, and makes a substantial contribution to the low rents in public housing projects, the imposition of a local capital-contribution requirement would greatly diminish if not entirely destroy the workability of the program. The severely limited sources of local tax revenue and the constantly increasing cost of essential municipal services would rule out most cities from participation in such a program. In the survey of slum clearance made for the Joint Committee on Housing during the Eightieth Congress, the mayors of principal cities were asked whether their municipality was in a financial position to share in the capital cost of constructing low-rent public housing; 63 out of 69 mayors replied in the negative. The effect of a local capital-grant requirement for low-rent public housing might well be to permit a few wealthy cities to secure Federal benefits while barring less wealthy cities where the need for public housing is at least as great.

Question. Is it true, as sometimes claimed, that public housing projects do not house low-income families and discriminate against those families most in need of aid?

Answer. The best answer to this claim is the actual experience in the present Federally assisted low-rent public-housing projects. In the first half of 1948, the average income of the families admitted to those original projects was $1,481, or 17 percent below the median income of urban families in the lowest-income third in 1947. The average family income of all tenants in those projects who were eligible for continued occupancy was $1,504, or 11 percent below the median for the lowest third.

While 26 percent of the tenants were ineligible for continued occupancy because their incomes had increased above the maximum ceilings, the legal restrictions then preventing their eviction have since been removed by the Congress and the local housing authorities are now in the process of gradual removal of overincome tenants.

The claim is also sometimes made that families on relief or other welfare cases are discriminated against in public housing. This is not so—and, moreover, would be specifically prohibited in the pending bill. The policy of the public-housing program is to recognize the responsibility for housing families who are being assisted by welfare agencies along with other low-income families in equal or greater need of low-rent housing. However, the public-housing program does not and cannot set rents so low as to accommodate indigent families without the means of existence; in such cases welfare agencies are looked to provide such families with a minimum subsistence income and rents are then set in proper relation to their actual incomes regardless of its source.

Question. Would it be feasible to establish by law a fixed dollar ceiling on the incomes of families eligible for admission to and continued occupancy of low-rent public housing?

Answer. Any fixed income ceiling would be completely impractical and unworkable. The variations in levels of incomes and prices throughout this country are too wide to permit the establishment of a uniform income ceiling for tenants of public housing which would be equitable and workable in all sections of the country. An income ceiling which was adequate to meet needs in the highest-cost large metropolitan areas, where both incomes and prices are in excess of the national average, would be entirely too high for other areas where incomes and prices are below the national average. Conversely, an income ceiling adjusted to conditions in the lowest-cost area would be completely unrealistic and inequitable for the highest-cost areas. Furthermore, fixed dollar ceilings would always be open to distortions resulting from major national fluctuations in the levels of prices and incomes.

On the other hand, the formula contained in the pending bill for the determination of income ceilings is sufficiently flexible to be accurately adjusted to prevailing conditions in every community and to changes in incomes and prices in the course of the years. Under this formula, local housing authorities would fix maximum income ceilings for admission and continued occupancy of their public-housing projects (subject to review and approval by the Public Housing Administration), rents would be set at an equitable proportion of tenants' incomes, and the maximum rents would have to be at least 20 percent below the lowest rents at which private enterprise is providing an adequate supply of decent housing, new or old, in the locality involved. This formula would assure that occupancy will be limited to low-income families and that any possible competition with standard private housing will be avoided.

Question. What about the claim that the cost of public housing under this bill would greatly exceed the cost of comparable private housing and that the construction-cost ceilings for public housing are too high?

Answer. Public-housing projects assisted under this bill would be constructed by qualified private contractors under contracts let by local housing authorities after competitive bidding. The bill requires the Public Housing Administration to make certain that the projects not be of extravagant design and materials and that economy be promoted in construction and operation. The bill also requires the PHA to approve the amount of each main construction contract, after taking into account the level of construction costs prevailing in the locality involved.

These requirements provide assurance that public housing will be constructed economically and at costs no greater than for comparable private housing built under similar conditions. The average net construction cost of the dwellings built under the existing public-housing program, principally during the years 1938 to 1942, was $2,882 per dwelling and the average over-all development cost, including sites, utilities, and all other expenses, was $4,649. While these costs could not be duplicated at today's price levels, they were substantially below the maximum cost limits then established and compared favorably with the costs of comparable private construction during the same period.

The cost limits in the pending bill—$1,750 per room for dwelling facilities with authority to increase this limit by not more than $750 if local conditions require—are necessary in order to permit public housing to be built in the highest cost metropolitan areas. It is well known that there are wide regional variations in construction costs and the setting of cost limits at a level too low to permit construction in large cities would be manifestly unjust and unreasonable. It is anticipated that actual construction costs for the entire program will average substantially less than the permitted maxima.

Question. Will the public housing proposed in this bill compete with private housing?

Answer. Occupancy of the low-rent public housing to be assisted under this bill will be restricted to families with incomes too low to afford adequate new or existing private housing. In fact, the bill requires that local housing authorities, in establishing maximum income limits for admission to low-rent projects, leave a gap of at least 20 percent between the upper rental limits for admission and the lowest rents at which decent private housing, new or old, is generally available for rent or for sale in the locality involved.

The bill further requires the local authorities to set maximum income limits for continued occupancy of the projects, to reexamine the incomes of all tenant families each year, and to require those families whose incomes have increased beyond the maximum for continued occupancy to move from the project.

Under these requirements, there clearly can be no competition between low-rent public housing and decent privately owned housing, whether new or old.

Question. Since the comprehensive bills before previous Congresses would have authorized a program of only 500,000 public-housing units, what is the justification for the program of 1,050,000 units proposed in the pending bill?

Answer. The prevous bills would have authorized the construction of 500,000 public-housing units over a period of 4 or 5 years. The pending bill calls for 150,000 units a year over a period of 7 years.

The earlier bills in no way contemplated that the provision of 500,000 public-housing units would meet more than a small fraction of the need for decent shelter on the part of low-income families living in the slums. On the contrary, it was the intention of the supporters of that legislation that before the completion of those 500,000 units, Congress would reexamine the whole need for public housing, measure the results accomplished, and make provision for whatever further action was shown to be justified.

With no action taken to authorize a resumption of the low-rent public-housing program, the need for such a program has been reexamined by the Congress in studies which have shown conclusively the prevalence of bad housing for millions of low-income families. These studies include the findings of the Joint Committee on Housing in 1948, after an exhaustive investigation

of housing conditions, and the conclusions of the Banking and Currency Committee in 1948 and 1949 after extended housing hearings. In the light of those findings, the extension of the public-housing program proposed in the pending bill represents a minimum program in terms of the acute housing needs of underprivileged families, as well as an effort in some measure to make up for past delays in the resumption of the program.

Question. What about the claim that the public-housing program in this bill would increase the inflationary pressure on the supply of materials and labor?

Answer. The bill would authorize the construction of 150,000 dwelling units per year, representing less than one-eighth of the total annual housing construction which the report of the Committee on Banking and Currency estimates to be the average requirement if real progress is to be made in solving the housing problem.

Building materials production has expanded remarkably since the end of the war and the supply situation has greatly improved. Similarly, there has been steady growth in the supply of trained building labor. On the basis of this past experience, it is reasonable to anticipate that the supply of both materials and labor will continue to expand as total housing production is built up to the needed levels. In the light of the over-all level of needed housing production, the volume of public housing authorized in this bill clearly would represent a minor factor in the supply situation.

The bill also would authorize the President to increase or decrease the number of public housing starts authorized in any one fiscal year if he finds such action to be in the public interest, after advice from the Council of Economic Advisers as to the effect of such increase or decrease upon conditions in the building industry and upon the national economy.

Question. Why is it necessary or desirable for the Federal Government to undertake a comprehensive program of housing research?

Answer. There is wide agreement that the basic cause of the excessive cost of housing is the relative technical backwardness of the housing industry as compared with other mass industries. At the same time, because of the complexity of the industry and the fact that it is composed largely of a wide range of specialized small-business firms, no single firm or group of firms has either the resources or a sufficiently broad stake in the industry as a whole to undertake the comprehensive program needed to modernize the whole process of housing production and marketing.

For this reason, it is clear that leadership and assistance by the Federal Government is essential if real progress is to be made. The establishment of a comprehensive Federal program of housing research was strongly recommended by the Joint Committee on Housing in 1948.

The research program authorized in the pending bill would provide Federal leadership and assistance to bring about consistent progress in the reduction of basic housing costs through more efficient production methods, in the improvement of housing standards, and in overcoming maladjustments in housing production and distribution.

Under this program, the Housing and Home Finance Agency would coordinate the housing research now in progress both publicly and privately, cooperate with both private and public institutions and with industry in stimulating additional needed research, undertake through its own facilities the types of research which cannot otherwise be accomplished, and make widely available the results of these coordinated activities for application by the housing industry and communities.

Question. Is there any merit to the argument that the authority for research should be placed elsewhere in the Federal Government rather than in the housing agency in order to avoid distortions in information?

Answer. There would appear to be no merit in this argument. Under the same reasoning, Federal research in agricultural problems should be divorced from the Department of Agriculture, research on monetary and banking problems should be divorced from the Treasury Department and the Federal Reserve Board, and research on atomic energy should be divorced from the Atomic Energy Commission.

Clearly, the responsibility for housing research should be placed in the agency which has responsibility for the principal housing programs of the Federal Government and which is the central point of contact on housing for the Congress, industry, communities, and the general public. While important research activities affecting housing are conducted in other Federal agencies and departments, these are incidental to other programs and in no case are housing problems as such the primary concern.

Under the pending bill, the Housing Administrator would be directed to utilize to the fullest extent feasible the available research facilities of other Federal departments and agencies. But the responsibility for conducting the research activities needed to overcome many of the basic housing problems long confronting the Nation would necessarily and logically be centered in the same agency which has the primary responsibility for the other major housing programs aimed at relieving those same problems through Federal financial aid and assistance.

Question. What is the justification for a special program of Federal aid for farm housing?

Answer. While there has been improvement in farm housing conditions during recent years, nevertheless a much higher proportion of farm dwellings than urban dwellings are in bad physical condition and a large majority of farm houses lack many of the facilities considered essential in urban housing. Furthermore, nearly a third of the Nation's farm families do not receive sufficient income from their farming operations to finance the needed improvements to their homes and the other building improvements essential to successful farm operations.

At the same time, it is clear that a farm housing program must be closely related to the farm economy and that housing programs developed primarily to meet the needs of city dwellers, either through private housing or public housing, are not adaptable to the special requirements of the farmer.

The farm housing title in the pending bill recognizes, first, that Federal financial assistance for the improvement of housing conditions on farms is an indispensable part of any broad housing program, and, second, that such assistance should be closely related to the Federal Government's over-all program of aids to farmers.

The bill therefore authorizes a special program of financial assistance through the Department of Agriculture and the Farmers Home Administration. This program is designed specifically to meet the problems of farmers who cannot get credit elsewhere to finance the construction of adequate homes or other essential farm buildings. The program would also provide research and technical services, pointed toward more efficient and more economical construction of farm dwellings and buildings.

Question. What will be the cost to the Federal Government of the various programs proposed in the pending bill?

Answer. Aside from certain administrative expenses, the direct costs to the Federal Government would be through capital grants for local slum-clearance programs, annual contributions for low-rent public housing, and grants and contributions for farm housing.

The bill authorizes contracts for capital grants for slum-clearance projects at an annual rate of $100,000,000 for 5 years, or a total of $500,000,000. Contracts for annual contributions for low-rent public housing could be made for a maximum of $35,000,000 in the first year and could be increased by annual increments to an over-all maximum of $400,000,000 a year. These annual contributions could run over a 40-year period. The figure of $400,000,000 represents the maximum which could be paid in annual contributions for public housing in any one year; on the basis of past experience it is anticipated that actual payments will not average over two-thirds to three-quarters of this maximum. For farm housing, the bill authorizes an aggregate of $12,500,000 in grants over a 4-year period and commitments for annual contributions starting at $500,000 the first year and reaching a peak of $5,000,000 after the fourth year. These annual contributions could not be paid for more than 10 years.

At all stages, these direct costs would amount to only about 1 percent of the present Federal budget.

The loan authorizations in the bill for slum clearance, low-rent public housing and farm housing would all be repayable with interest. The cost of the program of housing research would be determined from year to year by the Congress through the normal appropriations procedure.

Widespread Geographic Distribution of the Low-Rent Housing Program

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EXTENSION OF REMARKS

OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. BUCHANAN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement showing the widespread geographic distribution of the low-rent housing program:

WIDESPREAD GEOGRAPHIC DISTRIBUTION OF THE LOW-RENT HOUSING PROGRAM

STATE LEGISLATION

Forty-two States, together with the District of Columbia, Alaska, Hawaii, Puerto Rico and the Virgin Islands, have adopted legislation authorizing low-rent public housing programs and providing for the appointment of local housing authorities.

LOCAL HOUSING AUTHORITIES

There are now 472 urban housing authorities which have had actual experience in connection with one or more of the housing programs administered by the Public Housing Administration. In addition, there are upward of 200 local authorities which have been organized but have not yet worked with PHA. The 472 authorities which

have worked with PHA serve 582 localities of the following sizes:

	Localities
Less than 2,500 population	118
2,500 to 9,999 population	125
10,000 to 24,999 population	122
25,000 to 99,999 population	138
100,000 to 249,999 population	44
250,000 to 499,999 population	21
500,000 to 999,999 population	9
1,000,000 and over	5
Total localities served	582

Sixty-three percent of these places have populations of less than 25,000 while 86 percent are below 100,000.

The program for low-rent housing in rural nonfarm areas which would be provided under H. R. 4009 will, of course, serve still smaller localities.

PRESENT LOW-RENT HOUSING PROJECTS

The present low-rent housing projects which are now being administered under the United States Housing Act of 1937 are widely dispersed. The attached table, which gives the number of low-rent units by cities and States, shows that the present program is distributed as follows: 191,700 dwelling units; 268 localities; 37 States, the District of Columbia, Hawaii, Puerto Rico, and the Virgin Islands.

LOW-RENT HOUSING PROGRAMS PROPOSED BY LOCAL AUTHORITIES

By an Executive order issued before the end of the war, the President instructed all Federal agencies to prepare estimates for a postwar shelf of projects. Pursuant to this order, local housing authorities were requested to submit estimates showing the size of low-rent housing programs which they would propose for development over a 3-year period after the war. These estimates were submitted in 1945-46, but have not been acted upon in any way by PHA.

The second column of the attached table, which gives these programs by cities and States, shows that these programs were distributed as follows: 374,840 dwelling units; 357 localities; 37 States, the District of Columbia, Hawaii, Puerto Rico, and the Virgin Islands.

It should be borne in mind that these 3-year programs, averaging approximately 125,000 units per year, were prepared before demobilization and the return of veterans, and before the housing shortage reached its present peak. State legislation was not as complete as it is today, and a large number of the present local authorities had not yet been organized. Moreover, at the time these estimates were prepared, no extension of the low-rent housing program was in sight, and many of the local authorities did not submit estimates. Finally, the rural nonfarm program to be authorized by H. R. 4009 is not represented in these figures.

On the basis of today's conditions, requests which would be made by the local authorities for low-rent housing projects would undoubtedly be several times these figures.

Low-rent urban public housing programs, by States and localities

State and locality	Number of present low-rent units under U. S. Housing Act	Number of units estimated for 3-year programs submitted in 1945-46
Alabama	5,204	9,800
Anniston	164	
Attalla		122
Bessemer		726
Birmingham	2,766	3,000
Decatur		389
Dothan	102	148
Fairfield	90	
Gadsden		1,000

Low-rent urban public housing programs, by States and localities—Continued

State and locality	Number of present low-rent units under U. S. Housing Act	Number of units estimated for 3-year programs submitted in 1945-46
Alabama—Continued		
Homewood		300
Huntsville		372
Jasper		160
Mobile	398	1,000
Montgomery	1,011	1,526
Phenix City	421	630
Selma	200	255
Tarrant	52	172
Arizona	867	4,219
Buckeye		78
Douglas		308
Glendale	51	75
Holbrook		80
Maricopa County		1,275
Mesa	53	210
Kingman		301
Phoenix	604	1,065
Safford		50
Tucson	159	
Winslow		177
Yarapai County		200
Yuma		400
Arkansas	618	2,577
Arkadelph'a		200
Blytheville		250
Conway	50	100
Fort Smith	170	800
Little Rock	250	600
North Little Rock	148	227
Pulaski County		150
Russellville		250
California	9,378	28,798
Antioch	36	53
Brentwood	44	
El Cerrito		80
Fresno	216	250
Kern County	110	550
Los Angeles	3,453	5,000
Los Angeles County	1,541	1,500
Martinez	52	21
Oakland	922	5,000
Oxnard		1,050
Palm Springs (Riverside County)		100
Paso Robles		60
Pittsburg	86	60
Richmond	200	5,000
Riverbank		50
Riverside County		1,200
Sacramento	310	450
Sacramento County	168	
San Bernardino County	320	1,425
San Luis Obispo		90
San Luis Obispo County		50
San Francisco	1,740	5,000
San Mateo		500
Santa Barbara County	40	150
South San Francisco	40	200
Upland	100	
Vallejo		950
Colorado	770	4,540
Denver	770	3,570
Grand Junction		250
Montrose		120
Pueblo		600
Connecticut	6,231	4,700
Bridgeport	2,255	500
Hartford	1,878	1,300
Middletown	190	
New Britain	340	
New Haven	1,035	1,400
Norwalk		300
South Norwalk	136	
Stamford	397	200
Waterbury		1,000
Delaware: Wilmington	380	2,000
District of Columbia: Washington	3,147	5,700
Florida	7,324	10,532
Clearwater		150
Daytona	299	
Fort Lauderdale	256	
Fort Myers		208
Jacksonville	1,523	1,700
Jacksonville Beach		90
Key West	220	260
Lakeland	220	220
Miami	1,317	3,500

Low-rent urban public housing programs, by States and localities—Continued

State and locality	Number of present low-rent units under U. S. Housing Act	Number of units estimated for 3-year programs submitted in 1945-46
Florida—Continued		
Orlando	500	464
Pensacola	440	500
St. Petersburg	446	900
Sanford		150
Sarasota	60	120
Tampa	1,676	2,020
West Palm Beach	367	250
Georgia	10,501	9,340
Albany	96	190
Americus		400
Athens	260	220
Atlanta	4,987	2,500
Augusta	695	750
Brunswick	272	450
Columbus	1,748	1,400
Dawson		150
Decatur	200	
Griffin		300
Macon	759	600
Marietta	252	250
Rome	242	
Savannah	970	1,680
Thomasville		34
Valdosta		210
Waycross		200
Idaho	84	266
Pocatello		150
Twin Falls	84	116
Illinois	13,401	48,387
Alton		590
Cairo	300	120
Chicago	8,479	40,000
Collinsville		100
Danville	220	150
Decatur	434	100
East Alton		65
East Moline	97	
East St. Louis	408	1,400
Granite City	151	300
Jacksonville		140
Joliet		522
Kewanee	125	50
La Salle (La Salle County)		250
Madison	80	210
Moline	184	
Oglesby (La Salle County)		90
Ottawa (La Salle County)		300
Peoria	1,326	2,120
Quincy	249	500
Rantoul	100	
Rockford	200	
Rock Island	305	100
Springfield	599	600
Streator (La Salle County)		350
Venice	36	160
Wood River		170
Indiana	3,105	3,161
Delaware County		111
Evansville	191	
Fort Wayne	206	
Gary	787	125
Hammond	400	275
Indianapolis	748	
Jeffersonville		300
Kokomo	176	
Muncie	390	600
New Albany	124	500
South Bend		700
Terre Haute		550
Vincennes	83	
Kentucky	4,351	1,525
Covington	398	
Danville		100
Frankfort	85	32
Georgetown		90
Lexington	576	300
Louisville	3,004	
Madisonville	95	
Owensboro		350
Paducah	199	375
Paris		128
Richmond		150
Louisiana	5,773	20,075
Alexandria	148	300
East Baton Rouge	130	
Lake Charles	145	
Monroe		775
New Orleans	5,350	18,000
Shreveport		1,000

Low-rent urban public housing programs, by States and localities—Continued

State and locality	Number of present low-rent units under U. S. Housing Act	Number of units estimated for 3-year programs submitted in 1945–46
Maryland	5,296	7,800
Annapolis	158	250
Baltimore	5,021	7,400
Frederick	117	150
Massachusetts	7,913	16,650
Boston	5,102	7,500
Brockton		400
Cambridge	618	1,750
Chelsea		400
Chicopee		250
Fall River	579	500
Holyoke	386	400
Lawrence	202	800
Lowell	536	1,000
New Bedford	400	600
Newburyport		200
North Adams		200
Pittsfield		400
Revere		350
Somerville		1,000
Woburn		300
Worcester		600
Michigan	5,177	6,000
Detroit	4,877	6,000
Hamtramck	300	
Minnesota: Minneapolis	464	
Mississippi	1,539	350
Biloxi	288	150
Clarksdale	120	25
Hattiesburg	240	
Laurel	275	
McComb City	160	175
Meridian	456	
Missouri	1,315	18,170
Cape Girardeau		350
Kansas City		4,500
Poplar Bluff		120
St. Joseph		1,200
St. Louis	1,315	12,000
Montana	533	185
Anaconda	80	60
Butte	225	
Great Falls	156	
Helena	72	125
Nebraska: Omaha	1,078	
Nevada: Las Vegas		140
New Hampshire: Manchester		600
New Jersey	9,017	19,050
Asbury Park	185	300
Atlantic City	609	500
Bayonne		600
Beverly	71	
Burlington	90	200
Camden	1,099	2,980
Elizabeth	828	750
Freehold		75
Hackensack		200
Haddonfield		80
Harrison	214	600
Jersey City	1,600	1,000
Lodi		300
Long Branch	210	235
Morristown		300
Newark	2,707	5,580
New Brunswick	60	500
North Bergen	172	
Orange		400
Passaic		1,500
Paterson	300	1,500
Pennsauken		200
Perth Amboy	258	500
Trenton	614	750
New Mexico: Clovis		47
New York	18,663	25,729
Buffalo	2,570	5,000
Fort Edwards		50
Hempstead		79
Lackawanna	271	
New York City	14,161	19,300
North Tonawanda		200
Schenectady	218	
Syracuse	678	
Utica	213	600
Yonkers	552	500

Low-rent urban public housing programs, by States and localities—Continued

State and locality	Number of present low-rent units under U. S. Housing Act	Number of units estimated for 3-year programs submitted in 1945–46
North Carolina	2,964	6,730
Asheville		500
Beaufort		70
Charlotte	818	1,800
Clinton		75
Concord		200
Dunn		85
Fayetteville	112	550
Queensboro		600
High Point	448	450
Kinston	294	250
Lexington		200
Morehead		110
New Bern	360	300
Raleigh	462	600
Smithfield		90
Wilmington	461	
Winston-Salem		850
Ohio	15,438	16,243
Akron	550	2,000
Barberton	219	
Cincinnati	3,807	2,850
Cleveland	5,178	6,000
Columbus	1,352	1,548
Dayton	1,191	
Elyria		160
Hamilton	141	
Lorain		310
Portsmouth	395	250
Struthers and Campbell		350
Toledo	1,439	1,840
Warren	224	
Youngstown	618	935
Zanesville	324	
Oklahoma	434	
Enid	80	
Oklahoma City	354	
Oregon	600	400
Milwaukie	100	400
Oregon City	100	
Portland	400	
Pennsylvania	13,286	27,365
Aliquippa	154	
Allentown	426	600
Ambridge	72	
Arnold Borough and New Kensington		225
Beaver Falls	192	
Bethlehem	202	
Braddock Borough		700
Braddock Township		100
Centerville		150
Chester	1,200	1,500
Clairton		300
Connellsville	150	
Donora		150
Duquesne	265	
Easton		150
Erie	264	276
Farrell	150	330
Fayette County		629
Harrisburg	460	1,250
Johnstown	211	1,686
Leet Township	288	
Masontown		46
McKeesport	406	600
McKees Rodes Borough		400
Monessen		220
North Braddock	182	
Philadelphia	3,248	9,750
Pittsburgh	4,463	7,000
Pottstown	117	
Rankin Borough		300
Reading	400	228
South Union Township	240	
Washington	146	250
Wayne	50	
West Moreland County		525
Rhode Island	1,928	1,110
Newport	262	
Pawtucket	310	500
Providence	1,056	
Woonsocket	300	600
South Carolina	2,347	3,190
Aiken		40
Charleston	1,343	1,250
Columbia	646	400
Greenville	88	900
Spartanburg	270	400
Sumter		200

Low-rent urban public housing programs, by States and localities—Continued

State and locality	Number of present low-rent units under U. S. Housing Act	Number of units estimated for 3-year programs submitted in 1945–46
Tennessee	6,956	9,382
Chattanooga	934	1,600
Clarksville		150
Jackson	196	600
Kingsport	184	312
Knoxville	764	2,000
Memphis	3,305	2,500
Nashville	1,573	2,100
Union City		120
Texas	10,471	17,166
Amarillo		800
Austin	329	500
Bay City		150
Baytown	60	
Beaumont		1,100
Borger		250
Brownsville	244	200
Brownwood	84	300
Corpus Christi	738	1,000
Dallas	1,750	2,900
Eagle Pass		50
El Paso	660	660
Fort Worth	500	925
Galveston	434	1,400
Houston	2,215	3,300
Laredo	272	
Lubbock	129	350
McAllen		300
Mercedes		200
San Antonio	2,550	2,000
San Beristo		200
Texarkana	264	
Texas City		180
Waco	242	
Wichita Falls		500
Virginia	2,991	5,671
Alexandria	406	344
Bristol	204	200
Hopewell	96	120
Newport News	753	397
Norfolk	726	1,600
Portsmouth	510	1,120
Richmond	296	1,800
Washington	3,608	4,912
Anacortes		75
Bellingham		400
Bremerton	600	
Black Diamond	50	
East Port Orchard		134
Ephrata		250
Everett	250	250
Grandview		40
Kennewick		125
King County		3,072
Longview		125
Pasco		175
Port Angeles	40	266
Seattle	1,068	
Tacoma	1,600	
West Virginia	1,556	775
Charleston	474	300
Fairmont		225
Huntington	500	80
Martinsburg	100	
Mount Hope	70	60
Wheeling	302	
Williamson	110	110
Wisconsin	903	1,750
Milwaukee	750	1,750
Superior	153	
Hawaii	361	2,107
Honolulu	221	2,107
Oahu	140	
Puerto Rico	5,612	27,249
Adjuntas		126
Aibonito		170
Anasco		150
Aquadilla	198	560
Arecibo	100	1,050
Arroyo		100
Bayamon	89	1,050
Catano	160	450
Caguas	270	340
Carolina	195	150
Cayey		210
Coamo		280
Fajardo	206	280
Guanico		125

Low-rent urban public housing programs, by States and localities—Continued

State and locality	Number of present low-rent units under U. S. Housing Act	Number of units estimated for 3-year programs submitted in 1945-46
Puerto Rico—Continued		
Guayama	146	200
Guaynabo		280
Humacao	108	350
Isabella	170	170
Juana Diaz		160
Juncos		175
Manati	193	280
Mayaguez	797	2,400
Naguabo		175
Ponce	1,579	3,850
Rio Piedras	254	1,750
Sabana Grande		150
San German		280
San Juan	830	9,520
San Sebastian		170
Santa Isabel		126
Utuado		175
Vega Alta		126
Vega Baja		175
Yabaicoa		200
Yauco	227	315
Virgin Islands	116	450
Christiansted	27	
Fredericksted	36	
St. Croix		150
St. Thomas and St. John	53	300
Totals:		
Number of States and Territories	41	41
Number of localities	268	357
Number of dwelling units	101,700	374,840

How the Low-Rent Housing Program Under H. R. 4009 Will Work With Provision for 810,000 Dwellings

EXTENSION OF REMARKS

OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. BUCHANAN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement on how the low-rent housing program under H. R. 4009 will work with provision for 810,000 dwellings:

HOW THE LOW-RENT HOUSING PROGRAM UNDER H. R. 4009 WILL WORK WITH PROVISION FOR 810,000 DWELLINGS

BRIEF SUMMARY OF STATEMENT

Low-rent public housing authorized by State laws. Local housing authorities created by cities, and members appointed by mayors.

Local authorities develop, own, and manage all low-rent projects. Federal role limited to making loans if necessary, paying annual contributions, and securing compliance with law.

All projects built by private contractors after open, competitive bidding. Prevailing wages are paid to all workers.

Capital cost of projects limited by requirements for (1) economy in design and construction, (2) PHA approval of amount of main construction contract, (3) limitation of dwelling cost to $1,750 per room, in specific cases may be increased by not more than $750.

Permanent financing is by sale of bonds, primarily to private investors, secured by pledge of Federal annual contributions. Financing expected at about 2 percent interest, with complete amortization in 29 to 33 years.

PHA loan authorization increased from $800,000,000 to only $1,500,000,000 in view of primary reliance on private financing. Actual borrowings of PHA will be substantially below authorized total.

Tenants eligible only (1) if of low income, and (2) if coming from slums, displaced by slum clearance, or without housing. Preference in admission given families displaced by slum clearance, veterans, and families with most urgent housing needs. Discrimination against welfare families prohibited.

Occupancy restricted to families of low income by five principal provisions, assuring that all tenants are actually in need of assistance and that there is no competition with decent privately owned housing.

Rent schedules based on needs of low-income families, costs of operating projects, and contributions available. Rent for any given family determined on basis of the family income.

All possible economies secured in operation of projects.

Federal contributions limited to actual cash deficits in operating projects; will be low in prosperous years, but may reach maximum poor years when rent-paying ability is low. Maximum in any year limited to 4½ percent of project cost, but actual amounts expected to average only three-quarters of maximum. Contributions expected to terminate in 29 to 33 years, although maximum period is 40 years.

Local contributions made through tax exemption of projects. Payments in lieu of taxes permitted up to 10 percent of shelter rent. Local contributions average about half of Federal contributions.

Total amount of Federal contributions estimated at seven to eight billion dollars over period of years. Present value of contributions about $5,000,000,000. No cost involved in loans, which are fully repaid with interest.

Annual contribution system has great advantages over any other form of Federal aid. It is economical and flexible, is self-adjusting to needs of different projects in different years, puts Federal assistance on a pay-as-you-go basis, and avoids any large increase in the national debt.

Widespread benefits of new program amply justify its adoption. Workability demonstrated by 10 years' actual experience. Will serve both large and small cities and also rural nonfarm areas. Benefits to low-income families universally recognized. Will give new life and hope over a 40-year period to some 4,000,000 families with 16,000,000 persons, half of whom will be children in their formative years. Projects continue to serve low-rent needs after end of Federal assistance.

BRIEF SUMMARY OF STATISTICS

State laws and local housing authorities

States with low-rent housing laws	42
Active local housing authorities with public-housing experience	472
Localities served by these local authorities (63 percent below 25,000 population, 86 percent below 100,000 population)	582
Localities with present low-rent projects	268
(Lists are available of localities with present projects, and of localities which some years ago requested new projects.)	

Size and capital cost of low-rent programs

Actual number of dwellings in present urban program	191,700
Capital cost per dwelling in present program	$4,649
Maximum number of units authorized in new program	810,000
Total capital cost possible in new program	$6,844,000,000
Capital cost per dwelling if maximum authorizations used	$8,450
Loan-fund authorization increased from $800,000,000 to	$1,500,000,000

Income limits and actual incomes, present program

Average maximum income limits for admission, per year	$1,947
Actual average income of families admitted, 1948	1,481
Actual average income of eligible families in projects, 1948	1,594

Estimated monthly operating costs, rents, and contributions, new program

Operating costs, including repairs, maintenance, and replacements		$13.50
Heat and all other utilities		7.00
Payments in lieu of taxes (10 percent of $23 shelter rent)		2.30
Debt service (amortization in 29 years and interest at 1⅞ percent)		31.69
Total monthly cost		54.49
Less amounts paid by tenants:		
Shelter rent	$23.00	
Utilities	7.00	
		30.00
Actual Federal contributions, estimated average per month		24.49
Maximum Federal contribution per month, average at 4.5 percent		31.69
Actual Federal contributions as estimated percent of maximum		77.3

Total cost of new program to the Federal Government

Maximum contributions per year	$308,000,000
Maximum contributions, total for maximum of 40 years	$12,320,000,000
Actual contributions, estimated average per year	$238,000,000
Actual contributions, estimated total for 29 years	$6,902,000,000
Present estimated value of such total actual contributions	$4,868,000,000
Present value as percent of maximum capital cost, percent	71

Families and persons served by new program

At any given time:	
Total families	810,000
Total persons (½ children)	3,200,000
During 40-year period:	
Total families	4,000,000
Total persons (½ children)	16,000,000

HOW THE NEW LOW-RENT HOUSING PROGRAM UNDER H. R. 4009 WILL WORK WITH PROVISION FOR 810,000 DWELLINGS

The low-rent housing program authorized by H. R. 4009 will be administered under the United States Housing Act, as amended by the pending bill. Under the present act, which was originally adopted by the Congress in 1937, a total of 191,700 simple but adequate homes have been provided in American cities at rents which low-income families can afford to pay. The new bill authorizes the development of an additional 810,000 low-rent dwellings.

The best way to understand how the low-rent housing program has worked, and how it will work under H. R. 4009, is to follow through the steps in the development and operation of a typical project.

State laws and local housing authorities

Low-rent housing can be developed in any State only if the State legislature has specifically authorized such programs and provided for the establishment of local housing authorities in the various localities. Such legislation is now in effect in 42 States, as well as in the District of Columbia, Alaska, Hawaii, Puerto Rico, and the Virgin Islands. Under these laws, local housing authorities are set up by the city governments, and members of these authorities are appointed by the respective mayors. These authorities are purely local public bodies, and are in nowise controlled or dominated by the Federal Government.

There are now 472 active local housing authorities (serving 582 localities) which have had experience in one or more of the public-housing programs of the Federal Government. Low-rent projects are now in actual operation in 268 localities. Several hundred additional authorities have been created but have not yet had experience in operating public housing, and additional new authorities will doubtless be created as soon as Federal assistance is available. These will include new authorities set up on a county basis, or on the basis of a group of counties, to administer the low-rent program authorized by H. R. 4009 for rural nonfarm areas.

Responsibilities of local authorities and of Federal Government

The need for low-rent public housing in each locality is determined by the local housing authority, and the development of every project must be approved by the local government. The local housing authorities construct the projects under contracts with private builders, own the projects, and operate them with their own management staffs. Local governments contribute to the cost of providing low-rent housing through the complete exemption of the projects from all taxation, subject to the making of small payments in lieu of taxes from project revenues.

The role of the Federal Government in the low-rent housing program is limited to the making of loans to cover part of the capital cost when necessary, the payment of annual contributions to help meet the deficits incurred in achieving low rents, and the review of local actions as to conformity with the provisions of law. These Federal functions are administered by the Public Housing Administration, a constituent of the Housing and Home Finance Agency.

Development of projects by local housing authorities

After a local housing authority has demonstrated that there is a need for low-rent housing not being met by private enterprise, the PHA will make a small preliminary loan to cover the cost of preparing plans for a proposed project. Before this loan can be made, however, the application for it must be approved by the local governing body.

The local authority then selects the site for the project and has it appraised, prepares preliminary plans through architects and engineers selected by it, and makes firm estimates of the cost of the project and of its operation. The local housing authority is required to enter into a contract with the local government for cooperation in the development and operation of the project, including a statement that tax-exemption is provided by State law and providing for any payments which are to be made in lieu of taxes.

On the basis of these submissions, the PHA, if it approves the feasibility of the project after a careful review, will enter into a defensive contract for assistance to the project, including payment of annual contributions. This contract, like the contracts for preliminary loans, must be approved by the President before it is executed.

The local authority then proceeds to acquire the project site, and prepares final plans and specifications. Bids for the construction of the project are taken on an open competitive basis, and after PHA approval the construction contract is awarded and construction proceeds.

The act specifically requires that in the development of a project, and also in its management, prevailing wages must be paid to all mechanics, laborers, and technical employees. Other usual conditions relating to labor standards are also included in the act.

Limitations on cost of projects

In order to achieve the lowest possible capital cost of projects, H. R. 4009 requires that—

1. Projects shall not be of elaborate or extravagant design or materials, and economy must be promoted both in construction and administration.

2. Award of the main construction contract must be approved by the PHA, taking into account the level of construction costs in the locality.

3. The cost of dwelling construction and equipment must not exceed $1,750 per room, except that when absolutely necessary the PHA may increase this limit in a specific case by not more than $750.

Under the original program, the average over-all cost of the low-rent projects was $4,649 per dwelling, including land and demolition of old slum buildings, construction and equipment of dwellings, nondwelling structures, architects' and engineers' fees, and local authority overhead and carrying charges. The low level of costs obtained in the present program is testimony to the diligence with which the local authorities and PHA have striven to obtain the greatest possible economies. The costs achieved are particularly significant in view of the following facts:

1. Low-rent projects are planned for hard and continuous use over a long period of years. The most durable and efficient materials and equipment have been used in order to secure savings in operating costs which accumulate to large amounts over the life of a project.

2. Nearly half of the projects were built on cleared slum sites, which involve extra costs of acquisition.

3. Utility distribution systems have usually been included in the projects, in order to permit the purchase of utilities at wholesale rates, affording large economies in operating costs.

4. Most of the projects are of fireproof construction, resulting in insurance savings of approximately $1 a month, or about $480 per dwelling over a 40-year period.

5. In order to accommodate large families with the maximum number of children, the projects built in the low-rent program have averaged half a room larger than the average size of all tenant-occupied urban dwellings in the United States.

6. Prevailing wages are paid on the construction of all projects.

Construction costs have more than doubled since the present program was developed, and this increase will naturally be reflected in the new program under H. R. 4009. For the new program the annual contributions which are authorized will suffice to cover aggregate project costs of $6,844,000,000. If the full number of new dwellings authorized by the bill (810,000) is built, the maximum possible cost of the projects, including all items, would average $8,450 per dwelling.

This is, of course, the average maximum cost. In small localities and in rural nonfarm areas where land and construction costs are relatively low, the total development cost should be well below this figure. On the other hand, in the large metropolitan centers where all cost levels are high, costs under present conditions can be expected to run above this average, and the dollar-cost limits in H. R. 4009 are set so as to permit such higher costs where necessary.

It is manifestly impossible to estimate what the average cost per dwelling will be over the next 5 or 6 years, but on the basis of expected construction costs and the use of the provisions of title I for writing down the value of slum sites (when used) to their use value, it is believed that the total cost of the new projects should average between $8,000 and $9,000 per dwelling. If construction costs decline in the future, this reduction will be fully reflected in the costs of the new program.

Financing of the capital cost of low-rent projects

After the definitive contract for a project has been entered into with the PHA, the local authority makes use of temporary loans to finance its capital costs during the first part of the development period. These loans are, in general, obtained through the sale by the local authorities of their temporary loan notes to private investors. These notes are secured by an obligation of the PHA to loan funds if necessary at the maturity of the temporary notes, sufficient to cover the principal and interest thereof. Due to this excellent security, the temporary notes of the local authorities are now being sold at interest rates averaging less than 1 percent per year. All temporary loan notes on a project are retired as soon as it is permanently financed.

When the construction of a project is partially completed and its cost known with sufficient accuracy, the local authority proceeds to permanent financing through the sale of its long-term serial bonds. These bonds are secured, under the terms of the act, by a pledge of the annual contributions which the Federal Government has contracted to pay to the local authority. Because of the excellent security which will thus be afforded under the terms of H. R. 4009, it is believed that substantially all of the permanent bonds for a project can be sold to private investors at very attractive interest rates. Under present market conditions, it is believed that interest rates of 2 percent or somewhat less should be obtained for this long-term financing.

The maximum contribution thus available for pledge as security for permanent bonds is a percentage of the total development cost, this percentage being fixed at a rate equal to the cost of long-term money to the Federal Government (going Federal rate) plus 2 percent. Under present conditions, the maximum contribution rate would be 4½ percent. In the permanent financing of projects, the maturities of the serial bonds are so arranged that the debt service (including payments on principal plus interest) will in each year be in the same level amount. In order to pay off the capital cost of a project in the shortest possible period, and thus terminate Federal contributions, this level-debt service is arranged so as to substantially equal the maximum contributions available as security for the bonds. Thus, under present conditions, the debt service per year would be set at just under 4½ percent of the capital cost. If the local authorities succeed in obtaining interest rates averaging 1⅞ percent, this debt service wil make it possible to completely amortize the capital cost in 29 years. If interest rates on local-authority bonds go as high as 2½ percent, 33 years would be required for amortization.

For a project costing $8,450 per unit (the maximum possible average cost if full contribution and construction authorizations are used), the debt service corresponding to 1⅞ percent interest would amount to $31.69 per month. The total cost of the project would in this case be amortized in 29 years, at which time Federal contributions would cease and the local authority would continue to operate the project for low-rent use without further Federal assistance.

Loan funds authorized for PHA

The present act authorizes PHA to borrow from the Treasury a total of $800,000,000 for loans to local housing authorities, which cannot exceed 90 percent of the development cost of the projects. Under H. R. 4009 this amount will be increased by $700,000,000 to a total of $1,500,000,000. The authorization to make loans to local authorities out of these funds will be used by the PHA for the following purposes:

1. To make small preliminary loans for the planning of projects.
2. To permit PHA to obligate loan funds as security for temporary loan notes sold by local authorities to private investors.
3. To make temporary loans to local authorities when conditions do not warrant the sale of temporary notes to private investors.
4. To make permanent loans for any part of the permanent financing not covered by the sale of bonds to private investors.

Because of the primary reliance upon the financing of project costs by private investors, H. R. 4009 increases the loan funds available to PHA by only $700,000,000, although the total development cost of the new program can amount to a maximum of $6,844,000,000. Since one of the principal uses of the PHA loaning power will be to provide security for temporary loan notes sold to private investors by the local authorities, it is expected that the funds actually borrowed from the Treasury at any time will be very substantially below the total authorization of $1,500,000,000.

Selection of tenants: eligibility and preferences

While a project is being constructed, the local authority will complete its plans for the management and operation of the project and will commence the selection of tenants. Applications are accepted well in advance of the opening of a project, and these applications are carefully reviewed in order to determine the eligibility of tenants and to administer the preferences prescribed by law.

In order to be eligible for admission to low-rent projects, H. R. 4009 requires that (except in the case of veterans for a 5-year period) the families must either come from slum housing, have been displaced by public slum clearance or urban redevelopment projects, or actually be without housing through no fault of their own. They must also be families whose income falls below the established maximum income limits as described in the next section.

In order to make it possible to carry out public slum clearance and urban redevelopment projects, H. R. 4009 extends a preference in admission to low-rent housing to families displaced by such clearance projects. As among such families, preference in admission is given to veterans, with a first preference to disabled veterans and a second preference to the families of deceased veterans and servicemen whose death was service-connected. A similar veterans preference is also given as among all other eligible families. Moreover, in the initial selection of tenants for a project, local authorities must, subject to the above conditions, give preference to families having the most urgent housing needs.

In the selection of tenants, the local housing authorities will be prohibited from discriminating against families, otherwise eligible for admission, because their incomes are derived in whole or in part from public welfare. As a matter of fact, local authorities have always recognized their obligation to house welfare clients, and at the present time from 10 percent to 25 percent of the tenants in most projects are welfare families.

Occupancy restricted to families of low income

The occupancy of low-rent housing projects will be strictly limited to families of low income. This is assured by the following provisions in H. R. 4009:

1. The top rent for admission to a proposed project must be at least 20 percent below the rents at which private enterprise is providing a substantial supply of available standard housing, either new or existing.
2. The net income of families at the time of admission (less an exemption of $100 for each minor member) cannot exceed five times the annual rent to be charged them, including all utilities.
3. Maximum income limits must be set by the local authorities for admission to their projects, and maximum limits must also be set for continued occupancy therein—all subject to PHA approval.
4. Local authorities must make written reports to PHA showing that incomes of families admitted did not exceed the maximum limits.
5. Local authorities must periodically reexamine the incomes of all tenant families in order to adjust rents, if necessary, and to evict families whose incomes have increased beyond the maximum limits fixed for continued occupancy.

These provisions, which will be written into law, make it abundantly certain that public housing will be restricted to families which actually need such public aid, and that there will be no competition between public housing and decent housing provided by private enterprise.

The maximum income limits for admission are set by the local authorities after a careful study of local needs, including such factors as the incomes of families forced to live in slum housing, the lowest incomes being earned by regularly employed workers, and the income levels permitted by relief agencies for their clients. Maximum income limits for continued occupancy are generally set at 20 to 25 percent above those for admission, in order to permit some increases in family income without necessitating eviction.

The maximum income limits for admission of average-sized families which are now in effect for the original program average $1,947 per year. This is an extremely low figure in view of present-day economic conditions. For an identical list of cities, the maximum income limits set by the local authorities average 36 percent less than minimum adequate budgets (as determined by the Bureau of Labor Statistics) for the essentials of life for an average city worker's family of four in the same cities.

The actual incomes of the families in low-rent housing projects are naturally well below the maximum limits. In the first half of 1948 the average income of the families admitted was only $1,481 per year, and the income of all tenants eligible to continue in occupancy was $1,594. These figures are respectively 17 percent and 11 percent below the average incomes of all urban families in the lowest income third, as shown by the 1947 figures of the Bureau of the Census. It is thus apparent that the families admitted to and living in public housing not only come from the lowest income third but from the lower segments of that income group.

Under the proposed extension of the low-rent housing program, the maximum income limits for comparable cities should not be appreciably greater than those which now prevail, and lower limits are to be expected in smaller communities and in rural nonfarm areas which participate in the new program. The actual incomes of tenant families under the new program should not be substantially greater than those which prevail in the present projects.

Rents charged in low-rent housing

In fixing the schedule of rents to be charged in a low-rent project the local authority must take into account the following factors:

1. The level of rents required to serve low-income families coming from the slums.
2. The cost of operating the project and paying debt service (including the repayment of capital costs together with interest).
3. The contributions available for the reduction of rents from the Federal Government (in the form of annual contributions), and from local governments (in the form of exemption from real and personal property taxes).

Families living in low-rent housing are required to pay all that they reasonably can in relation to their incomes. On the other hand, the pressure of food, clothing, and other necessities of life on the meager budgets of these families is so insistent that rents must not exceed a reasonable proportion of their incomes.

Local authorities, therefore, fix the rent to be charged a given family, not according to the size of the dwelling which it requires, but on the basis of its net family income. Each family is required to pay a fixed proportion of its income for rent (including all utilities), which percent may not be less than 20 percent. In order to aid large families, a deduction of $100 from the net family income is allowed under H. R. 4009 for each minor member of the family.

It is estimated that the shelter rents which will be needed to serve low-income families during the life of a new program will average about $23 per month, in addition to which utilities would cost a further $7. Under the new program, it should be possible (as explained below) to achieve this level of rents with the use of only 75 to 80 percent of the maximum Federal subsidy. In bad times, when the rent-paying ability of low-income families decreases, it will therefore be possible to reduce rents by a further $7 per month through the use of the maximum Federal contribution.

Costs of operating and managing low-rent housing projects

Low-rent projects are operated by full-time staffs employed by the local authorities. Every possible attention is given to securing the utmost economy in operation. Projects are planned so as to reduce maintenance costs, and materials and equipment are designed to withstand hard usage over a long life of operation. Utilities are generally purchased at wholesale rates, with very important savings in the cost of electricity, gas, and water. The cost of repairs, maintenance and replacement is kept to low levels by encouraging tenant cooperation, and by requiring a maximum amount of tenant maintenance, such as care of their grounds, interior painting, and minor repairs. Very low insurance rates are obtained because of the fire-proof or fire-resistant design of dwellings and by the spacing of buildings far enough apart to greatly reduce fire hazards. Vacancy and collection losses have been reduced to a minimum, in lieu of the 5 to 10 percent generally allowed by private developers for such losses, the actual amount of these losses on low-rent projects in 1948 averaged only 0.3 percent of total rents.

It is estimated the average over-all cost (including utilities and debt service) for the operation of projects under the new program would be about as follows, per dwelling per month:

Operating costs, including repairs, maintenance, and replacements	$13.50
Heat and all other utilities	7.00
Payments in lieu of taxes (10 percent of $23 shelter rent)	2.30
Debt service (amortization in 29 years, 1⅞ percent interest)	31.69
Total monthly cost	54.49

Federal contributions to secure low rents

In order to secure rents within the means of families of low income coming from the slums, contributions are required both from the Federal Government and from local governments.

The Federal contribution is in the form of an annual cash contribution. The actual amount paid in any year is limited to the actual cash deficit in such year incurred by the local authority in the low-rent operation of the project.

The maximum contribution which can be paid in any year, as explained earlier, is equal to a percentage of the capital cost of the project. This percentage, under contracts entered into at present rates, would be 4½ percent. On a project costing $8,450 per dwelling (the maximum possible average cost if the full contribution and construction authorizations are used), the maximum Federal contribution would thus be $31.69 per dwelling per month.

Although less than the maximum contribution will be required for most projects and in most years, the contracts entered with local authorities permit the payment of maximum contributions, when needed, for two principal reasons:

1. In bad years, the maximum contribution will be available, if required, in order to achieve rents within the means of low-income families.

2. Maximum annual contributions will be available, if needed, for the payment of interest and amortization on the bonds sold to private investors. This pledge of maximum contributions provides security for the largest possible debt service and thus accelerates amortization and saves interest.

On the basis of the expected average operating costs and rents, the average actual Federal contributions are estimated as follows:

Operating cost, including utilities and debt service		$54.49
Less amounts paid by tenants:		
Shelter rent	$23.00	
Utilities	7.00	
		30.00
Actual average Federal contributions, per month		24.49

This is an estimate of average Federal contributions over the full period during which they will be paid. Experience with the present program has shown that in good years, when the rent-paying ability of low-income families is somewhat increased, less than this amount will actually be required. In bad years, on the other hand, higher amounts may be required, running up in the case of some projects to the full maximum amount contracted for.

The estimated actual amount of $24.49 is only 77.3 percent of the possible average maximum of $31.69 per month. That this estimate of the amounts actually required is a conservative estimate is shown by the fact that for the projects on which contributions have been paid under the present program, the contributions actually paid have averaged only 58.5 percent of the maximum amounts authorized for such projects.

The maximum period over which Federal contributions may be paid under H. R. 4009 is 40 years. However, as explained earlier, the expected interest rates which will be obtained on permanent financing will permit amortization of the whole project cost in a substantially shorter period. If actual interest rates average 1⅞ percent amortization can be completed in 29 years; if the average interest rates go as high as 2.5 percent, amortization can be completed in 33 years. The Federal contributions will terminate when amortization is completed, and will thus be actually limited to periods substantially less than the full 40 years.

Local contributions to secure low rents

Contributions by the localities are also required in order to assist in securing rents within the means of low-income families coming from the slums. For this purpose H. R. 4009 requires that low-rent projects be exempted from all real and personal property taxes. Such exemption is now granted pursuant to all State low-rent housing laws except in the case of Ohio, and corrective legislation is now before the legislature of that State. In the event that any State does not provide tax exemption for its low-rent projects, H. R. 4009 permits the localities, in lieu thereof, to make cash contributions equal to 20 percent of the actual Federal contributions.

In order that public housing projects shall bear a share of the cost of municipal services, such as schools, streets, and so on, H. R. 4009 will permit the local authorities to make payments in lieu of taxes not greater than 10 percent of the shelter rents charged in their projects. This is the amount formerly authorized by PHA, and represents an amount which is both fair to the cities and at the same time assures an adequate local contribution through tax exemption.

Experience has demonstrated the practicability of these arrangements for securing local contributions. Indeed, tax exemption is the only feasible and available means through which local communities can bear their fair share in the costs of the low-rent program. Under the provisions of H. R. 4009 it is expected that the contributions thus made by the localities will, over the life of the projects, average approximately 50 percent of the actual Federal contributions.

Total cost of the program to the Federal Government

The total cost to the Federal Government of the new low-rent-housing program, with the exception of administrative expenses, is represented by the annual contributions paid to achieve low rents. The increase in loan authorization of $700,000,000 does not represent a cost to the Federal Government, since all loans made to local authorities (including also all loans made out of the original $800,000,000 authorization) will be repaid in full, together with interest equal to the cost of long-term money to the Federal Government.

The total contribution authorization under H. R. 4009 is a maximum of $308,000,000 per year for a maximum period of 40 years. Although it is necessary to have maximum contributions available in the event they are needed in specific cases, both experience and logic prove that the contributions actually paid will neither be in the maximum amount nor for the maximum term of years. As shown above, it is conservatively estimated that the contributions will average only 77.3 percent of the maximum yearly authorization, and they may well be substantially less than this amount. On this basis, the average of the annual contribution over the years during which they will be paid would amount to approximately $238,000,000 per year.

If expected interest rates averaging 1⅞ percent are obtained in permanent financing, the contributions will cease after 29 years, and in this case would aggregate approximately $6,902,000,000. If, because of higher interest rates on permament financing, contributions extended over a 33-year period, they would aggregate $7,854,000,000.

This estimate of aggregate contributions of between seven and eight billion dollars does not, however, represent the present value of the contributions to be made by the Federal Government. This can be illustrated by an example of a privately owned house purchased subject to a $10,000 mortgage to be paid off over 25 years under conventional FHA-insured financing with 4½-percent interest, plus one-half percent for mortgage insurance. The mortgage payments (on an annual basis) would amount to $709.52 per year, and over a 25-year period would aggregate $17,738. However, a purchaser would never think of adding to his down payment this amount of $17,738 in order to determine what he is paying for his home, but would add only the original mortgage amount of $10,000. In other words, it is common knowledge that such future payments of $17,738 when computed at 5 percent have a present value of only $10,000.

Obviously, the annual contributions to be made for low-rent housing over a period of years should be similarly computed in order to determine their present value. In such a computation of the present value of Federal contributions, it is appropriate to use the interest rate which the Federal Government is now paying for long-term money, namely, 2½ percent per annum. On this basis, the present value of annual contributions totaling $6,902,000,000 ($238,000,000 per year for 29 years) would be $4,868,000,000 while if these contributions extended over 33 years their present value would be $5,305,000,000.

In determining what proportion of the capital cost of the low-rent projects will eventually be borne by the Federal Government, it is appropriate to use these figures of the present value of the aggregate contributions. It is obviously unfair to compare present capital cost with the aggregate of future contributions, as is so often done by opponents of the program. On a proper basis of a comparison, the present value of actual contributions over a 29-year period would amount to 71 percent of the maximum capital cost ($6,844,000,000) which is possible in the new program. If the contributions have to be extended over 33 years, their present value would be 77 percent of the aggregate development cost. It is thus utterly fantastic to claim, as is done by some opponents of the program, that its cost to the Federal Government will greatly exceed the total cost of the low-rent projects themselves. The truth is that a safe estimate of the ultimate cost of the program to the Federal Government, when properly computed, will be only about three-fourths of the present cost of developing the projects.

Advantages of the annual contribution system

It is apparent that the annual contribution system embodied in H. R. 4009 is an efficient, flexible, and economical system, for the following reasons:

1. Contributions are limited in each year to the actual cash deficits made necessary by the operation of the projects for low-income families.

2. Maximum contributions may be paid in any given year if bad times necessitate such payments, while in good years contributions are reduced to the amounts actually required.

3. Annual contributions, when pledged as security for permanent financing, will make these bonds extremely attractive to investors, and serve to secure very advantageous interest rates. These low interest rates will very materially reduce the cost of Federal contributions.

4. The low interest rates obtained through the pledge of annual contributions will make it possible to amortize project costs and terminate Federal contributions within a period estimated from 29 to 33 years.

5. The present value of the total annual contributions required will approximate only three-fourths of what it would cost the Federal Government to make capital grants covering the full cost of the low-rent projects.

6. The cost of the benefits provided by annual contributions are spread over future years, rather than burdening present taxpayers with the ultimate cost of the whole program. The annual contribution system thus puts low-rent housing on a pay-as-you-go basis, similar to other programs of social betterment.

7. Under the annual contributions system, local authorities are enabled to raise substantially the entire cost of their projects through the sale of their bonds to private investors. It is thus possible to finance the entire capital cost of low-rent housing with a very lim-

ited recourse to Federal borrowing and with a correspondingly limited increase in the national debt.

Widespread benefits of the new program amply justify its adoption

Ten years' experience under the present United States Housing Act of 1937 has clearly demonstrated the workability and practicability of the low-rent housing program. Simple but adequate homes have been provided within the means of families of low income coming from the slums, at costs to the Federal and local governments which are reasonable in relation to the great benefits secured.

The new low-rent housing program will have a wide geographic distribution. The bill provides that not more than 10 percent of the contributions can be expended in any one State. The program will serve cities ranging in size from the smallest hamlets up to the great metropolitan areas. Of the places now served by active local housing authorities, 63 percent have populations of less than 25,000, and 86 percent are below 100,000. New authorities will be formed for many more small places as soon as Federal aid is available. Moreover, the program under H. R. 4009 is to be extended into rural nonfarm areas where housing needs are equally as urgent and desperate as in the cities.

The regenerative effects of public housing in improving the health, character, and morale of low-income families is universally recognized. After a period of residence in low-rent housing, experience has shown that the incomes of tenants generally increase, and that when they leave public housing because their incomes exceed the permissible limits, 20 percent of them purchase homes of their own.

The 810,000 new dwellings authorized under H. R. 4009 will accommodate some 3,200,000 persons. Because of the turn-over in tenancy in public housing, the number of families served over a 40-year period will be approximately five times the number in residence at any one time. It is thus conservative to assert that the new low-rent program will eventually bring new life and hope to 4,000,000 families, comprising some 16,000,000 persons. The majority of these will be children in the impressionable ages of youth when the benefits of living in decent housing rather than in the squalor of the slums will have a lasting effect in molding their characters as future American citizens.

Although the Federal contributions for low-rent projects will terminate as soon as their capital costs are amortized, their usefulness will not then be ended. They will continue to be operated by the local authorities as low-rent housing and will continue to serve low-income families as long as their useful life permits and as long as they are needed in the locality.

Economy in the Cost of Public Housing Is Assured by Provisions of H. R. 4009

EXTENSION OF REMARKS

OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. BUCHANAN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement entitled "Economy in the Cost of Public Housing Is Assured by Provisions of H. R. 4009":

ECONOMY IN THE COST OF PUBLIC HOUSING IS ASSURED BY PROVISIONS OF H. R. 4009

The cost of public housing must, in the public interest, be held down to the lowest possible limits consistent with producing adequate dwellings of long-term usefulness. The United States Housing Act as amended by H. R. 4009 will have three principal provisions limiting project costs:

1. Congressional directive to secure economy.

2. Federal approval of amount of main construction contract.

3. Specific dollar cost limits on dwelling construction and equipment.

CONGRESSIONAL DIRECTIVE TO SECURE ECONOMY

The act as amended will specifically require that every contract entered into must provide that the project shall be undertaken in such a manner that it will not be of elaborate or extravagant design or materials, and economy will be promoted both in construction and administration."

A similar provision in the present act has been the most important and the most effective of the three provisions dealing with project costs. The local authorities, almost without a single exception, have followed this provision literally and seriously. The PHA and its predecessors not only have seen to it that the local authorities conform to this provision but have provided much technical advice and assistance in this connection. The projects which were built under the United States Housing Act are of the simplest design consistent with providing homes of decent minimum standards of livability. They are planned for hard and continuous use over a long period of years, and great attention was given to selecting durable materials and equipment, and facilitating efficient operation. Since small savings in monthly operating costs accumulate to large amounts over the life of a project, special emphasis was laid on securing such future economies even though this involved some increase in capital costs.

The effectiveness of the congressional directive to secure economy is demonstrated by the actual cost record of the present low-rent projects. The average cost per dwelling, including every item of cost, is as follows:

Site:		
Acquisition	$631	
Improvements and utility distribution systems	459	
		$1,090
Dwelling construction and equipment:		
Net construction cost	$2,882	
Movable equipment	116	
		2,998
Nondwelling structures		126
Architectural, engineering and superintendence		243
Local authority overhead		84
Carrying charges, interest, etc.		108
Total development cost		4,649

The average total development cost per room amounted to $1,083.

The low level of these costs obtained by the local housing authorities is particularly significant in view of the following facts:

1. Nearly half of the projects were built on the sites of cleared slums which are more expensive than vacant sites, and involve costs not generally incurred by private builders who do not generally build on sites of this character.

2. Low-rent projects generally install their own utility distribution systems for electricity, gas, and water, rather than relying on installations provided by the utility companies, as in private practice. As a result, low-rent projects can purchase their utilities at wholesale, making savings over the life of the projects sufficient to pay the added capital costs several times over.

3. Most of the projects are of fireproof construction, resulting in insurance savings of approximately $1 a month, or about $480 per dwelling over a 40-year period.

4. The dwelling space provided has been cut down to a minimum for decent living, dining rooms have been abandoned, and eating space has been incorporated in the living room or kitchen. However, public housing has provided as many bedrooms as possible in order to accommodate families with substantial numbers of children, since public housing pays greater dividends in respect to these future citizens than in respect to any other age group. The average number of rooms in the present public housing projects is 4.4 and should be somewhat larger in a new program. This figure of 4.4 rooms is one-half a room larger than the average size of all tenant-occupied urban dwellings in the United States as shown by the census of 1947, and is seven-tenths per room larger than the average size of rental projects insured by FHA during the period when the present projects were being built. The larger number of rooms provided in public housing, of course, involved an increase in capital costs, but greatly increased the usefulness of the projects and the number of people who could be accommodated.

5. In the low-rent program, Congress has required that prevailing wages be paid to all laborers, mechanics, and technicians employed in the development or administration of the projects. This is a very proper requirement in connection with any program of public construction, but it does, however, result in a somewhat higher cost for public housing than for private housing produced by builders who do not pay prevailing wages.

In view of these factors, the average cost of $4,649 is testimony to the diligence with which local authorities and the PHA have striven to carry out the congressional mandate to secure the greatest possible economies. The same provision will be equally effective in securing low costs under any extension of the low-rent housing program.

REQUIREMENT FOR FEDERAL APPROVAL OF MAIN CONSTRUCTION CONTRACT

The act as amended by H. R. 4009 requires that no award of the main construction contract for any project shall be made unless the PHA "taking into account the level of construction costs prevailing in the locality where such project is to be located, shall have specifically approved the amount of such main construction contract."

The PHA requires local authorities to construct their projects under lump-sum contracts awarded to private contractors after competitive bidding. Before a construction contract can be let by a local authority, the act will require the specific approval of the amount of the contract by PHA.

This approval will be given only after a thorough review as to the suitability and economy of the proposed design and as to the durability and usefulness of the proposed materials and equipment. The PHA would also be required to make a thorough review of the current levels of construction costs prevailing in the locality to make sure that the amount of the proposed contract is in line with these cost levels.

This provision of the act gives the PHA an effective control against the construction of any uneconomical project and against any inflation of construction costs.

SPECIFIC DOLLAR COST LIMITS ON DWELLING CONSTRUCTION AND EQUIPMENT

The original cost limits on dwelling construction in the United States Housing Act have not been revised since its passage in

1937. The level of construction costs has more than doubled since that date, and the original cost limits are utterly unrealistic today.

In lieu of the original cost limits on dwelling facilities of $1,000 or $1,250 per room (depending on city size), H. R. 4009 provides a uniform cost limitation on dwelling construction and equipment of $1,750 per room. In order to meet expected higher costs in some areas and to permit a reasonable degree of latitude in the event of any future rise in prices, PHA would be authorized, if necessary, to increase the cost limit per room by not more than $750. This increase in the authorized cost limit would be available only if the PHA finds that in a given geographical area it is not otherwise feasible to construct a proposed project without sacrifice of sound standards of design, construction, and livability, and only if there is an acute need for such housing in the locality.

The dollar cost limits proposed in H. R. 4009 been the subject of careful scrutiny both by the PHA and by a number of local housing authorities. They are as low as it is feasible to set them without defeating the purposes of the program, at least in some localities.

This does not mean that actual project costs are expected to equal or even to approach these limits in the great majority of cases. Under the original program, the average cost per room of projects in larger cities was only 66 percent of the applicable cost limit, while in smaller cities it was only 71 percent of the limit. In the new low-rent housing program similar experience would be had in respect to the cost limits proposed in H. R. 4009.

In this connection, a study has been made of the costs which might be expected if a number of typical existing low-rent projects were being built under present conditions. The local housing authorities asked their contractors to reestimate these projects on the basis of the cost levels prevailing at the end of 1948. The expected average costs per room of dwelling construction and equipment were as follows:

Cost per room:	*Number of projects*
$1,000–$1,249	8
$1,250–$1,499	7
$1,500–$1,749	8
$1,750–$1,900	7
$2,000–$2,249	5

These figures indicate the great diversity in the costs which are to be expected in different parts of the country, ranging from Northern States where extensive heating equipment is required to southern areas where little or no heating is necessary. The projects represented in these estimates range from very simple projects in small communities to the great multifamily projects which are necessary in New York and other metropolitan centers.

On the basis of these figures, costs would go over the proposed normal limit of $1,750 in only about one-third of the cases, and even then it would not be necessary to make full use of the additional authorized amount. The authorization to exceed the normal limit by $750 per room is, however, necessary unless we are to risk depriving great metropolitan areas, such as New York, Newark, Chicago, Detroit, Philadelphia, and Boston, of their rightful chance to participate in the program. Price levels in these areas are high, not only for housing but for all the necessities of life, and the income taxes paid in such municipalities to the Federal Government are also high. Slum conditions in these cities are fully as bad as elsewhere, and low-income families living in these cities should not be deprived, because of higher price levels, of the same right to look forward to decent homes as is accorded citizens in smaller communities.

Moreover, any reduction in the proposed cost limits which would result in reducing the size of the dwellings in public housing or the sturdiness of their construction would be a very false economy. Public housing is built for a long life of hard wear, and the use of durable materials and of well-built equipment pays for itself many times over in reduced operating costs over a long period of years. Other special features of public housing projects, which are not usually found in private residential construction, serve to keep annual costs down and reduce Federal contributions. Such economies, which, over the life of a project far exceed the additional capital costs involved, might well be made impossible if cost limits were set too low.

NO STATUTORY LIMITATION SHOULD BE SET IN TERMS OF PRIVATE CONSTRUCTION COSTS

The three requirements limiting the cost of public housing in H. R. 4009, together with the record of economy achieved by the local authorities and PHA on the present program, are amply sufficient to guarantee that the lowest possible costs will be reached on a new public housing program.

The Banking and Currency Committee of the House, however, noted that contentions have sometimes been advanced that the cost of public housing should be limited by law to the lowest levels at which private housing is being produced. The committee stated that it did not believe that these contentions are realistic or well founded.

In the first place the fact that some private housing is being produced in some sections of the country at prices of $6,000 or $7,000 does not establish that even in those sections housing of this type would be suitable for the intensive, long-term use required in public housing or for the wide range of family sizes which clearly should be accommodated in publicly assisted projects.

In the second place, these arguments ignore the fact that the public housing program is a national program which must be workable in all sections of the country where there is a demonstrable need for such housing. The committee called attention to the fact that isolated examples of low costs cannot be accepted as a valid basis for a maximum cost limitation to cover all conditions everywhere in a country as vast and as varied as ours. It is well known that building conditions and costs vary greatly in this country. In some areas, climatic conditions permit lighter construction than in other areas. In some sections, the entire level of prices and incomes is lower than in others. It follows that while the costs of both private and public construction will be relatively low in some localities, any over-all limitation that would have the practical effect of barring construction except in those areas would be manifestly unjust and unreasonable.

EXPECTED COSTS UNDER NEW PROGRAM

H. R. 4009 authorizes maximum annual contributions which would suffice to cover projects with a total development cost of $8,889,000,000. If the full 1,050,000 units authorized by the bill are provided, the average total cost, including land, dwelling construction and equipment, nondwelling structures, architects' and engineers' fees, and local authority overhead and carrying charges would average $8,465 per dwelling.

It is, of course, impossible to estimate what the average development cost of low-rent dwellings will be over the next 5 or 6 years. On the basis of expected construction costs, and assuming that slum lands when used are written down to use-value with the aid of the slum-clearance provisions of title I, it is believed that the total development cost per dwelling of low-rent projects should average between $8,000 and $9,000.

These expected costs, taking into consideration the fact that building costs have more than doubled since the original program was developed, are well in line with the low costs actually achieved on the present projects. If there are reductions in the level of building costs in the next few years, these will, of course, be fully reflected in the costs of public housing built under the new program.

CONCLUSION

The present provisions of H. R. 4009 are amply sufficient to assure that maximum economy and efficiency will be obtained in the new low-rent housing program. It is strongly urged that these provisions be accepted as recommended by the Banking and Currency Committee of the House, and that no reduction be made in the dollar-cost limitations now embodied in H. R. 4009.

Statement Against Proposal To Limit the Costs of Public-Housing Projects to the Average Cost of FHA-Insured Dwellings

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. BUCHANAN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement against the proposal to limit the costs of public-housing projects to the average cost of FHA-insured dwellings:

STATEMENT AGAINST PROPOSAL TO LIMIT THE COSTS OF PUBLIC-HOUSING PROJECTS TO THE AVERAGE COST OF FHA-INSURED DWELLINGS

Prior to the Senate debate on the proposed Housing Act of 1949 (S. 1070), Mr. CAIN and Mr. BRICKER submitted an amendment (No. 4–13–49–B) to limit the cost of public-housing projects to the average cost of FHA-insured dwellings. This amendment was rejected by the Senate by a vote of 46 to 28.

The proposed amendment was objectionable and unnecessary, and no similar amendment to H. R. 4009 should be agreed to by the House.

The proposed amendment would have stricken out the present requirement in the pending bill that public-housing projects be so built that "economy will be promoted both in construction and administration." The amendment would further require that the cost of the dwellings in public-housing projects be not more than the costs of new privately built dwelling accommodations currently being insured in the area by the Federal Housing Administration.

ADEQUATE PROVISIONS ALREADY IN BILL

S. 1070 and H. R. 4009 already contain restrictions on the cost of low-rent public housing which are amply sufficient to assure that the greatest possible economy will be achieved consistent with the provision of housing meeting minimum living standards and suitable for a long life of hard usage. In the first place, there is a revision of the dollar-cost limits per room which increases the original cost limits set in 1937 in keeping with the increases in building costs since that date. In the second place, there is a provision that no award of the main construction contract for any project shall be made unless the PHA has specifically approved the amount of such contract. This approval would include a review as to the suitability and economy of the proposed design, and would also be based upon the level

of construction costs prevailing in the locality. In the third place, there is a firm declaration of policy by the Congress that low-rent projects shall "not be of elaborate or extravagant design or materials, and economy will be promoted both in construction and administration." In practice, it is this statement of policy which in the original act was most efficacious in securing low costs.

The costs secured in the original program amounted to only $4,649 per dwelling, including land and any old buildings on the land, all site improvements, construction, equipment, and fees and overhead costs. In relation to the dollar-cost limits set in the original act, the actual costs averaged about one-third below the statutory limit. It is apparent that the low costs achieved were due to the unremitting efforts both of the local authorities and the PHA to achieve the lowest possible costs and safeguard the use of public funds.

The proposed amendment would have repealed an essential part of the congressional mandate to secure low costs through the deletion of the requirement that economy will be promoted both in construction and in administration. The present language of S. 1070 and H. R. 4009 in this respect should most certainly be retained.

PROPOSED AMENDMENT UNFAIR TO PUBLIC HOUSING

The requirement that the cost of low-rent public housing be not more than the cost of new privately built dwellings insured by FHA is unfair and objectionable on a number of counts.

1. It is unfair in that the size of the individual dwellings in public-housing projects is larger than the average size of dwellings now being built under FHA. Public housing emphasizes, and properly emphasizes, provision for larger families. These are the ones who are most in need of decent housing and they are the ones for which private enterprise makes the least provision. It is certainly wise public policy to make the greatest possible provision for decent homes for our future citizens rather than allow them to grow up in the slums. In accordance with this policy, the original low-rent projects average 4.4 rooms per dwelling. Under a new program it is intended that this average be substantially increased. In contrast, the FHA large-scale projects built at the same time as the original low-rent projects averaged only 3.7 rooms per dwelling and the ones being built today are even smaller. To require that public housing projects meet the cost of FHA projects would make it almost impossible to provide the larger units which public housing could and should provide.

2. Low-rent propects are built for a long life of very hard usage. Exceptionally durable materials and well-built equipment are insisted upon and the extra capital costs involved in their use is paid for many times over through reduced operating costs during the long life of the projects. FHA projects, on the other hand, do not place the same emphasis on long-term life and low operating costs. In this connection it is, therefore, manifestly unfair to require that public housing meet FHA costs. Such a provision, if enacted, would make it far more difficult to build low-rent housing projects which would achieve economies of operation over a long period, and because of increased annual costs and resulting Federal contributions would be a measure of very false economy.

3. Public-housing projects have in general been built of fireproof or fire-resistant construction. As a result, the cost of fire insurance, together with all other coverages, has been reduced to a very low average figure of only 26 cents per dwelling per month or $3.12 per year. This is believed to be at least $1 a month less than the comparable cost to private owners, and over a 40-year period would result in a saving in Federal annual contributions of $480, a very substantial fraction of the entire capital cost. In contrast, FHA projects are generally not of fireproof construction. Therefore, it would be unfair to make low-rent projects meet the FHA costs, and such a provision if insisted upon would result in increased costs of operation—another measure of false economy.

4. The low-rent projects embody many other special features designed to insure low annual costs of operation with subsequent savings in Federal contributions. For example, most low-rent projects have included utility-distribution systems which permit the purchase of utilities such as water, electricity, and gas at wholesale rates. The savings over a 40-year period pay for the additional capital costs of such installations several times over. Such features are not embodied in most FHA-insured dwellings. Here again the insistence on meeting FHA cost levels would be a measure of false economy indeed.

5. Under the terms of the United States Housing Act prevailing wages or fees must be paid to all architects, technical engineers, draftsmen, technicians, laborers, and mechanics employed in the development and administration of low-rent housing projects. This is a very proper requirement in connection with a program of public construction. On the other hand, the wages paid on much of the FHA-insured construction, particularly single houses, fall substantially below the level of wages paid pursuant to statute in the construction of low-rent projects. It would, under these conditions, be manifestly unfair to require that the low-rent projects meet the FHA average cost.

For the above reasons no amendment of this nature should be made to H. R. 4009. The provisions of the present bill are amply sufficient to insure the greatest possible economy in the development of low-rent housing projects. The past record of the local authorities and the PHA guarantee that the lowest possible costs will be achieved in any new program which Congress now authorizes.

Statement Against Proposal of Fixed Dollar Income Limits for Admission to Low-Rent Housing

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. BUCHANAN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement:

STATEMENT AGAINST PROPOSAL OF FIXED DOLLAR INCOME LIMITS FOR ADMISSION TO LOW-RENT HOUSING

Prior to the Senate debate on the proposed "Housing Act of 1949" (S. 1070), Mr. BRICKER submitted an amendment (No. 4–12–49 B) to provide fixed dollar income limits of $1,200 and $1,500 for admission to low-rent housing. This amendment was not called up by its sponsor during the debate in the Senate, and accordingly no action was taken on the proposal.

The proposed amendment was objectionable and unnecessary, and no similar amendment to H. R. 4009 to provide any fixed dollar income limits should be agreed to by the House.

The proposed amendment would have prohibited the admisison of any person or family into public housing with an income in excess of $1,500 per annum if the project is located in a county or parish with a population of more than 100,000 persons or with an income in excess of $1,200 in smaller counties or parishes. Income limits for continued occupancy would be 10 percent higher. No Federal contributions could be made for the operation of public housing if any unit were occupied by a person or family with an income in excess of the specified limits, except in the case of a tenant's misrepresentation of his income or during the period while an over-income tenant is being evicted. Any citizen, association or corporation could sue for the recovery of any Federal contributions paid in violation of this section, and could also recover a penalty equal to the amount of the Federal contribution.

It is impossible in our country with its wide diversity of economic conditions to set any Nation-wide dollar limit for admission to public housing projects. Any limit which, in New York, Chicago, and other great metropolitan centers, would permit the admission of families who are in desperate need of decent housing, would be so high as to be meaningless in smaller communities. Conversely, if a limit were set that was realistic for smaller communities, particularly in the South, it would be utterly unrealistic in larger cities. The fact that two limits ($1,200 and $1,500) were specified in the proposed amendment does not provide a sufficient range, nor does the relating of these limits to county populations provide a realistic base for differential.

Under the present act, the setting of income limits is left to the various local authorities, who have an intimate knowledge of local conditions. The income limits set by them are determined after careful study of local needs and are subject to approval by the Public Housing Administration. The income limits which have actually been set for families of average size run from $1,300 to about $2,700. In almost 50 percent of the localities, the income limits fall between $1,600 and $2,000, with another 25 percent falling between $2,000 and $2,200. The average maximum income for admission is $1,947. This average of maximum income limits, of course, is far higher than the average income of the tenants who are admitted. For example, in the first half of 1948, the average income of families admitted to low-rent projects was only $1,461, or 24 percent below the average of the maximum limits.

The present method of setting income limits has worked well in practice, and the limits set by the local authorities have met with the approval of their respective communities.

The proposed amendment is objectionable on the further ground that it does not provide for any adjustment of income limits with changing economic conditions. Within the past 8 years, the cost of living has increased by 70 percent, and income limits set on a realistic base before the war have had to be increased by somewhat similar amounts today. Conversely, in an era of falling prices, downward revisions to income limits would be in order. Such revisions in line with changing economic conditions are possible (and under H. R. 4009 are required) when income limits are determined from time to time by local authorities, but they would not be possible—at least rapidly enough—if embodied in long-term permanent legislation.

Finally, the administrative provisions of the proposed amendment are burdensome and restrictive, and the proposed penalties are altogether out of keeping with the magnitude of the offenses. For the mere admission of one over-income family, a whole project would be penalized by the denial of an entire year's Federal contribution. A

penalty of like amount would be given to an informer who brought suit. These administrative provisions and penalties in themselves reveal the fact that the intent of the sponsor of this amendment was not a bona fide intent to properly restrict the income of tenants in public housing, but is rather an intent to undermine and, if possible, destroy the whole low-rent housing program.

Any amendment which attempts to set specific dollar limits for admission to low-rent housing projects is open to similar objection, and any such proposed amendment to H. R. 4009 should be rejected by the House.

Statement Against Proposal To Require Equivalent Elimination of Slum Dwelling as a Part of the Low-Rent Housing Program

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. BUCHANAN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement against the proposal to require equivalent elimination of slum dwellings as a part of the low-rent housing program:

STATEMENT AGAINST PROPOSAL TO REQUIRE EQUIVALENT ELIMINATION OF SLUM DWELLINGS AS A PART OF THE LOW-RENT HOUSING PROGRAM

Prior to the Senate debate on the proposed Housing Act of 1949 (S. 1070), Mr. CAIN and Mr. BRICKER submitted an amendment (No. 4-21-49 A) to restore the provisions in the original United States Housing Act of 1937 requiring the equivalent elimination of slum dwellings on a one-to-one basis as a part of the low-rent housing program. (This original provision is repealed by S. 1070 and H. R. 4009, and the proposed amendment would strike out this repeal.) The proposed amendment would also require that such equivalent elimination be carried out under local police powers and be accomplished within 1 year after the low-rent housing is available for occupancy. This amendment was rejected by the Senate by a vote of 50 to 22.

Although everyone heartily endorses the objective of eliminating slums as rapidly as possible, the proposed amendment is not a sound or feasible method for securing this objective and is contrary to the entire philosophy of H. R. 4009. Any such amendment is unwise and unworkable and should be rejected by the House.

The present provisions in H. R. 4009 are the result of the most careful deliberations by the Congress and its committees over a 5-year period. These studies have shown that slum clearance and low-rent housing, although closely interrelated, are in reality two separate matters. These two programs are therefore dealt with separately in H. R. 4009. The responsibility for removing slums is embodied in title I. The responsibility for rehousing slum families of low income is embodied in title II. The bill clearly recognizes that although a large low-rent housing program is necessary to facilitate slum clearance, slum clearance is not a part of low-rent housing.

Slum elimination should properly be undertaken under the provisions of title I. To include it as part of the low-rent program would not accomplish the purposes which are sought and would only serve to hinder and impede the carrying out of the low-rent housing program, for the following reasons:

1. Low-rent dwellings must be provided before slums can be torn down, and equivalent elimination, if required as a part of the low-rent housing program, would have to be deferred until this is done. (Incidentally, the proposed amendment includes no provision for deferment and is doubly unworkable on this account.) When such elimination had been accomplished, additional low-rent housing would have to be provided before further slum clearance could go forward. There would thus, of necessity, be a perpetual deferment of at least one installment of equivalent elimination which could never be caught up with.

2. Housing shortages are more desperately acute for families of low income than for families in any other income group. The overcrowding of the slums today is one of the most vicious aspects of the whole slum-housing problem. In many cases two, three, and even four families are crowded into dwelling units which would be inadequate for even one family. A sound housing program must therefore provide for very substantial increases in the supply of housing available to families of low income. A statutory requirement that one slum dwelling be eliminated for every new low-rent dwelling, would make it absolutely impossible to achieve this necessary increase in the supply of decent low-rent housing.

3. Present acute housing shortages will force most cities in the immediate future to locate the bulk of their low-rent projects on vacant sites. Equivalent elimination, if insisted on as part of the low-rent program, would of necessity, in such cases, have to be accomplished by off-site elimination. Congressional investigations over a period of years have repeatedly demonstrated how impossible it is, under present conditions, to secure this sort of slum elimination through an exercise of police power. Additional funds for off-site elimination and additional machinery would therefore be required as part of the low-rent housing program if equivalent elimination were insisted upon. This would, of course, conflict with the slum-clearance program of title I, and lead to administrative waste and duplication.

4. If equivalent elimination were made part of the low-rent program, substandard dwellings would be eliminated wherever this could most easily and economically be done under existing conditions. The dwellings eliminated would, of necessity, be scattered sporadically through all of the slums and blighted areas of the various cities. Anyone who has visited slums where scattered units have been removed will testify as to the utter ineffectiveness of such a procedure. Where a few old dwellings are removed from a slum block, the abandoned sites accumulate rubbish and become new eyesores and new hazards to health and decency. The unified and final elimination of slum areas, with provision for proper reuse of the reclaimed sites, can be achieved only through a unified slum clearance program such as that in title I of H. R. 4009; it cannot be achieved through an equivalent elimination provision added to the low-rent housing title.

A very real and substantial start on the ultimate removal of slums from our American cities can be made with the funds provided under title I. If the Congress desires to step up the slum-clearance program, this can be done now or at some future date through an increase in the funds made available for this purpose. It would, however, be unsound to seek such an increase in the slum-clearance program through inserting an equivalent elimination requirement in the low-rent housing title.

The various localities, under the terms of H. R. 4009, will themselves determine the manner in which to proceed with their local programs of slum clearance and low-rent housing. This is as it should be, for the conditions in the cities of this country are too diverse to warrant the imposition of iron-clad procedures by the Federal Government. In some cities slum clearance may go forward in the near future with the aid given in title I. Other cities may find it more in keeping with local needs to first provide a considerable amount of low-rent housing, and then, when conditions permit, proceed with slum clearance under title I, supplementing this with a more extensive use of the police power to require the closing and demolition of slum dwellings.

If the Federal Government provides adequate financial assistance for slum clearance and low-rent housing, the local governments and their public agencies can be trusted to carry out these programs in the manner best suited to the needs of their respective communities. The testimony of mayor after mayor indicates the willingness and overwhelming desire of their cities to eliminate their slums as rapidly as possible. The Congress does not need to tell them exactly how this should be done, and should not, therefore, insist on a one-for-one requirement for equivalent elimination.

Both experience and logic have proved that an equivalent elimination requirement as part of the low-rent housing program is neither feasible nor in keeping with sound public policy. Any amendment of this nature should, therefore, be rejected by the House.

Answer to Congressman Herter's Statement in Congressional Record of June 15, 1949

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. BUCHANAN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following answer to Congressman HERTER's statement in the CONGRESSIONAL RECORD of June 15, 1949:

ANSWER TO CONGRESSMAN HERTER'S STATEMENT IN CONGRESSIONAL RECORD OF JUNE 15, 1949

The Director of the Budget, in his letter to Mr. SABATH of June 6, in respect to the low-rent housing program, stated that "the maximum cost under the proposed program could not exceed the actual cost which would be involved in direct construction." Mr. HERTER, in a statement in the Appendix of the CONGRESSIONAL RECORD, page A3719, questioned the correctness of this conclusion.

The statement made by the Director of the Budget is in accord with the facts, and his conclusion is fully justified, as shown in this memorandum. The figures used in the body of this memorandum relate to the program of 1,050,000 units, but figures for the reduced program of 810,000 are shown in the last two paragraphs.

It is correct, as Mr. HERTER points out in his statement, that the maximum contribution rate authorized under H. R. 4009 is

4¼ percent upon total development cost. Such maximum contributions could be paid over a maximum period of 40 years.

The maximum contribution authorization amounts to $400,000,000 per year for a program of 1,050,000 units. The maximum amount of development cost on which 4½ percent contributions could be paid out of the $400,000,000 contribution authorization would be $8,889,000,000. This is the effective upper limit on the total development cost for 1,050,000 units.

WHY MAXIMUM CONTRIBUTIONS ARE CONTRACTED FOR

If maximum contributions were paid in every year for every project, and if such maximum contributions extended for the maximum of 40 years on every project, the aggregate of the contributions would exceed the total development cost of the projects. But the payment of such maximum contributions for all projects for the maximum period could never happen in actual practice.

As a matter of fact, the actual contribution paid for a project in any year is limited to the actual cash deficit incurred in such year by the local authority in the low-rent operation of the project. Contributions which are substantially less than the maximum contribution will be required for most projects in most years. However, the payment of maximum contributions, when needed, is permitted under contracts entered into with local authorities for two principal reasons:

1. In bad years the maximum contribution will be available, if required, in order to achieve rents within the means of low-income families.

2. Maximum annual contributions will be available, if needed, for the payment of interest and amortization on the bonds sold to private investors. This pledge of maximum contributions provides security for the largest possible debt service and thus accelerates amortization and saves interest.

ANNUAL CONTRIBUTIONS ACTUALLY REQUIRED FOR 1,050,000 UNITS

Although on these contracts running over a long term of years it is necessary to have contributions available to meet the maximum needs which may occur in some few years, this does not imply that the maximum will be paid in every year. Quite the contrary is the case. Under the present program the annual contributions paid have amounted to only 58.5 percent of the maximum amount. It has been very conservatively estimated that on the new program the annual contributions will not exceed 77.3 percent of the authorized maximum. This would result, under H. R. 4009 as reported, in actual contributions averaging $309,000,000 for 1,050,000 units over the period during which contributions are actually paid.

The contributions would also, in general, terminate substantially before the expiration of the maximum 40-year period. How soon they will terminate depends upon the interest rates which are secured when permanent bonds on the project are sold. If interest rates averaging 1⅞ percent are obtained, as is now expected, total amortization would be completed in 29 years, and contributions would cease at that time. If the average interest rates are as high as 2½ percent, amortization can be completed and Federal contributions terminated in 33 years.

It is for these reasons that the actual contributions to be paid over the life of a program for 1,050,000 units will not exceed nine to ten billion dollars, as stated in the reply to the Director of the Bureau of the Budget.

PRESENT VALUE OF CONTRIBUTIONS IN RELATION TO CAPITAL COST OF 1,050,000 UNITS

As was pointed out in Mr. SABATH'S original inquiry of June 1, the present value of these future payments should be discounted to obtain their present value if a comparison is to be made between them and the capital cost of the projects. Since the cost of long-term money to the Federal Government is 2½ percent, it is appropriate to discount these payments at that rate of interest. The present value of the actual contributions would thus be approximately $6,500,000,000. When this present value of actual contributions is compared with the present maximum capital cost of 1,050,000 units ($8,889,000,000), it will be seen that the value of contributions to be paid will actually be somewhat less than 75 percent of the capital cost of the projects. It is inconceivable that the present value of contributions could ever amount to as much as the full cost of the projects.

CONTRIBUTIONS FOR PROGRAM OF 810,000 UNITS

The Democratic Members of the House in their caucus of June 21 proposed a reduction in the program to 810,000 units with maximum contributions of $308,000,000 per year. Under such a program, the above figures would be correspondingly reduced. The actual expected contributions would average just under $240,000,000 per year, and their aggregate over 29 years would be approximately $6,900,000,000. The present value of such contributions discounted at 2½ percent would be just under $4,900,000,000 or somewhat less than three-fourths of the actual cost ($6,844,000,000) of the 810,000 units which could be built under the revised program.

Thus, for both the original program in H. R. 4009 and for the reduced program, it is apparent that, when properly computed, the cost of the contributions which the Federal Government will actually be called on to pay will not exceed, but will in fact be substantially less than the capital cost of the projects.

Brief Explanation of Annual Contributions System Under H. R. 4009 With Provision for 810,000 Dwellings

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. BUCHANAN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following brief explanation of the annual contributions system under H. R. 4009 with provision for 810,000 dwellings:

BRIEF EXPLANATION OF ANNUAL CONTRIBUTIONS SYSTEM UNDER H. R. 4009 WITH PROVISION FOR 810,000 DWELLINGS

H. R. 4009 continues the system of Federal annual contributions which have proved so successful in the present low-rent housing program. These Federal annual contributions, together with local contributions (made through the exemption of projects from taxation) are necessary in order to achieve low rents within the means of families coming from the slums.

The maximum annual contribution which can be paid in any one year on a given project is limited under H. R. 4009 to a percentage of the total development cost of the project, the percentage being 2 percent greater than the applicable going Federal rate of interest. Since the going Federal rate of interest is now 2½ percent, the annual contribution rate would be 4½ percent on contracts entered into under present conditions.

The maximum annual contributions which could be contracted for H. R. 4009 as reduced are $308,000,000 per year. On the basis of the present maximum annual contribution rate this would be sufficient to provide contributions on projects with a total development cost of $6,844,000,000. On a project costing $1,000,000 the maximum annual contribution would be $45,000 per year.

The annual contribution thus determined is the maximum amount which can be paid in any one year. The amount actually paid is limited to the cash deficit incurred by the project during the year, that is, to the total annual cost including debt service, less the amount of rent actually collected. In practice, annual contributions are rarely, if ever, paid in the maximum amount. For example, on the low-rent projects developed under the original United States Housing Act, the annual contributions actually paid have averaged only 58.5 percent of the maximum amount which could have been paid. Under the new program it is anticipated that not more than about three-quarters of the maximum amount will be paid on the average.

The annual contributions under H. R. 4009 may be paid over a period not exceeding 40 years. Since they are not needed after the payment of debt service on capital cost is terminated, the PHA contracts provide that contributions cease at an earlier date if capital costs are liquidated earlier. With the interest rates which can reasonably be expected in today's market, it is estimated that capital costs can be liquidated in 29 to 33 years instead of running on to the full 40 years permitted.

USE OF ANNUAL CONTRIBUTIONS AS SECURITY IN CAPITAL FINANCING

As used in the low-rent housing program, the annual contributions serve not only for the reduction of rents, but also serve as security for the bonds issued by the local housing authorities to cover the capital costs of their projects. Under the terms of the present act, and under H. R. 4009 the annual contributions are pledged to the bondholders. The financing is so arranged that the annual debt service (including interest and amortization) does not exceed the maximum contribution which may be paid if necessary. The faith of the United States is solemnly pledged to the payment of the annual contributions contracted for, and under the provisions of H. R. 4009 the bonds of the local authorities will thus be an almost riskless security.

The exceptional quality of this security will make it possible for local authorities to borrow at substantially lower interest rates than they would otherwise be able to achieve, and to secure private financing for virtually the entire capital cost of their projects. It is believed that in the present market interest rates of somewhat less than 2 percent should be obtained.

ADVANTAGES OF THE ANNUAL CONTRIBUTIONS SYSTEM

The annual contributions system has proved to be an efficient, flexible, and economical method for administering Federal aid to low-rent housing. This system has a distinct advantage over a system of capital grants.

Capital grants would have to be paid in full as soon as a low-rent project is built, despite the fact that these grants would serve to provide a continuing benefit to low-income families over a long period of years. Under the annual contributions system, on the other hand, the cost of these benefits is spread over future years rather than burdening today's taxpayer with the full cost of subsidy for a long term of years. The annual contributions system thus puts low-rent housing on a pay-as-you-go basis similar to other programs of social betterment.

The annual contributions system makes it possible to limit the assistance given in any year to the exact amount required in such year. In good times, the annual contributions needed are only a fraction of the maximum amount, while the full amount can be paid in less prosperous periods if this is necessary. Capital grants, on the other hand, would have to be made in advance and the reduction in rent secured by them would be the same in every year. Once given, no reduction in the amount of a capital grant would be possible in respect to future years which require less than maximum subsidy.

Moreover, under the annual contributions system, it is expected that it will be possible to limit the annual contributions payments to substantially less than the 40 years permitted under H. R. 4009. No corresponding reduction would be possible in respect to a project assisted by a capital grant.

Finally, if capital grants were made they would either have to be met by immediate large appropriations substantially equal to the cost of the projects or else the Federal Treasury would be called upon to raise the necessary funds through an increase in the national debt. Under the annual contributions system, on the other hand, local authorities are enabled to raise substantially the entire cost of their projects from the sale of bonds to private investors. The annual contributions system has thus made it possible to finance the capital cost of low-rent housing at very low rates of interest, with little or no recourse to Federal borrowing and with little or no increase in the national debt.

Benefits to Rural Nonfarm Areas Under H. R. 4009 Through Low-Rent Housing Program Totaling 810,000 Units

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. BUCHANAN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement showing the benefits to rural nonfarm areas under H. R. 4009 through low-rent housing program totaling 810,000 units:

BENEFITS TO RURAL NONFARM AREAS UNDER H. R. 4009 THROUGH LOW-RENT HOUSING PROGRAM TOTALING 810,000 UNITS

A rural housing program was initiated under the provisions of the present United States Housing Act. Because of the war, this program did not get beyond an experimental stage. Contracts were entered into for 8,381 dwelling units although only 515 were actually built before such construction was stopped by order of the War Production Board.

H. R. 4009 will require that at least 10 percent of the annual contribution funds made available must be reserved for 3 years for projects to be located in rural nonfarm areas. Because of the lower capital cost of construction in rural areas, it is estimated that this amount of annual contributions would provide at least 100,000 dwellings in rural nonfarm areas out of the total program of 810,000 units, or about one-eighth.

This reservation required for rural nonfarm housing is the minimum which will be provided. Because of the desperate and deplorable housing conditions in many rural villages and communities throughout the Nation the number of dwellings which will be provided out of H. R. 4009 should undoubtedly exceed the minimum estimate of 100,000 units.

The rural nonfarm dwellings will be built in the main by housing authorities operating on a countywide basis, or by regional authorities covering groups of counties. Rural housing authorities have been already established in 11 States for operations under the present United States Housing Act. In these 11 States there are 62 rural housing authorities, most of which cover a group of counties. For example, in the following States the number of rural housing authorities and the number of counties they cover are as follows:

State	Number of authorities	Counties covered
Arkansas	5	72 out of 75 counties.
Alabama	31	31 out of 67 counties.
Florida	2	38 out of 67 counties.
Georgia	3	42 out of 159 counties.
Louisiana	4	15 out of 64 counties.
Mississippi	8	60 out of 82 counties.
North Carolina	1	11 out of 100 counties.
South Carolina	4	Entire State.

It is expected, as soon as new Federal assistance is available for low-rent housing in rural nonfarm areas, that throughout the Nation many new authorities will be formed to take advantage of this assistance.

Low-Rent Public Housing Actually Serves Families of Low Income

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. BUCHANAN Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement showing how low-rent public housing actually serves families of low income:

LOW-RENT PUBLIC HOUSING ACTUALLY SERVES FAMILIES OF LOW INCOME

The objective of the low-rent public housing program is to serve families in the lowest income group who cannot afford the rents which private enterprise must charge for adequate housing.

The original United States Housing Act of 1937 expressed this policy clearly and unmistakably. The amendments to this act proposed in H. R. 4009 add administrative provisions designed to make doubly sure that low-rent housing is restricted to families of low income who actually need public aid in order to secure decent living quarters.

STATUTORY PROVISIONS ASSURING OCCUPANCY BY FAMILIES OF LOW INCOME

Under the United States Housing Act of 1937, as amended by H. R. 4009, the following provisions will assure that occupancy in low-rent housing is restricted to families of low income:

1. Before a contributions contract is entered into between a local housing authority and PHA, the local authority must show that a gap of at least 20 percent has been left between the upper rental limits for admission to the project, and the lowest rents at which private enterprise is providing (through new construction and available existing structures) a substantial supply of decent, safe, and sanitary housing toward meeting the need of an adequate volume thereof. This provision is in accordance with the basic national policy of encouraging private enterprise to move downward in the income scale as far as possible and provide housing for families which it is not now serving. It makes doubly sure that there will be no competition between public housing and decent housing provided by private enterprise.

2. Low-rent dwellings shall be available solely for families whose net annual income at the time of admission (less an exemption of $100, for each minor member) does not exceed five times the annual rent, including all utilities.

3. Explicit provisions of the act require the local housing authorities to set maximum income limits for admission to their projects and also to set maximum income limits for continued occupancy therein. If conditions change the local housing authorities must set new income limits. All maximum income limits must be approved by PHA.

4. The local housing authority must make written reports to PHA showing that families admitted did not have incomes exceeding the maximum income limits.

5. The local authority must periodically reexamine the incomes of all tenant families. If it finds that the incomes of any families have increased beyond the maximum limits fixed for continued occupancy, such families must be required to move from the projects.

INCOME LIMITS UNDER THE PRESENT PROGRAM

The various requirements which would be in effect after the passage of H. R. 4009 will be similar to those under which the present low-rent housing program has been operating. The results of the present program, therefore, afford a clear indication of what may be expected under the newly authorized program.

The income limits which have been set by local authority, subject to PHA approval, have been based on a careful study of the needs of low-income families in their respective localities. The following table shows the percentage distribution of the maximum income limits for admission of families of average size. Somewhat lower income limits are generally set for families of less than average size, and somewhat higher income limits are set for larger families with three or more minor dependents.

Percentage distribution by local authorities

Income limits for admission of families of average size:	
$1,200–$1,399	1.3
$1,400–$1,599	7.6
$1,600–$1,799	18.3
$1,800–$1,999	31.3
$2,000–$2,199	25.0
$2,200–$2,399	8.9
$2,400–$2,599	5.6
$2,600–$2,799	1.8
	100.0

Median, $1,947.

The wide diversity in these income limits which have been set by the various local authorities is responsive to the wide diversity of economic conditions in a country as large as ours. This diversity of appropriate income limits illustrates how impossible it would be to set any dollar-income limit on a Nation-wide basis which would be both effective and at the same time in keeping with local needs.

The median of the income limits set by the various localities for families of average

size amounted to $1,947 per year. This is an extremely low figure in view of present-day economic conditions. To appreciate how low it actually is, it should be compared with the cost (as recently determined by the Bureau of Labor Statistics) of a minimum adequate budget covering the essentials of life for an average city worker's family of four. These minimum average budgets in June 1947 ranged from a low of $3,004 in Houston, Tex., to a high of $3,458 per year in Washington, D. C. The average of these minimum budgets was $3,244 per year; in comparison with this, the maximum income limits for admission to public housing in the same list of cities averaged $2,062. In other words, the maximum income limits set by the local housing authorities averaged 36 percent less than minimum adequate budgets covering the essentials of life in the same cities for families of the same size.

In view of these figures there can be no doubt that the income limits set by the local housing authorities (with the approval of FHA) effectively restrict the admission of tenants to public housing to families who are in very low-income brackets and who cannot possibly afford to pay the rents which are necessary to secure decent private housing.

ACTUAL FAMILY INCOMES UNDER THE PRESENT PROGRAM

The actual annual incomes of families in the original low-rent housing projects for the first 6 months of 1948 are shown in the following table:

Annual incomes of families in low-rent housing projects, percent distribution and median

[Public Law 412 and PWA projects, first 6 months of 1948]

Annual income	New admissions	Reexamination for continued occupancy		
		All tenants reexamined	Eligible to continue	Ineligible to continue
	Percent	*Percent*	*Percent*	*Percent*
Under $500	0.9	1.3	1.3	----------
$500-$999	11.5	10.4	10.4	----------
$1,000-$1,499	39.7	21.0	21.0	----------
$1,500-$1,999	38.6	22.6	21.6	1.0
$2,000-$2,499	8.2	18.6	14.1	4.5
$2,500-$2,999	1.1	11.9	5.3	6.6
$3,000-$3,499	----------	6.0	.3	5.7
$3,500-$3,999	----------	3.4	----------	3.4
$4,000 and over	----------	4.8	----------	4.8
Total	100.0	100.0	74.6	26.0
Median income	$1,481	$1,884	$1,594	$3,047

The incomes of the families admitted to the projects during the first half of 1948 are shown in the first column of this table. Over 52 percent of the families admitted had incomes of less than $1,500, while only 9.3 percent had incomes in excess of $2,000. The income of the families actually admitted averaged $1,481, a figure which naturally fell far below the average of the maximum income limits ($1,947) set for admission to low-rent projects.

The incomes of all the families living in the projects in the first half of 1948 (as shown by reexaminations of income) averaged $1,884 per year. This average covers a substantial number of ineligible families then living in the projects whom it had been impossible to remove because of acute housing shortages, and because of a congressional prohibition against eviction where hardship was involved. The incomes of the families who were eligible for continued occupancy averaged $1,594, while those of the ineligible tenants averaged $3,047. These ineligible families include families of higher income who had been admitted as war workers, and other families whose incomes since admission had increased beyond the maximum income limits for continued occupancy. All ineligible tenants are being required to move from low-rent housing projects under a plan for gradual removal, pursuant to which they will all have received notice to vacate by the end of the current year.

In order to realize how far down in the income scale public housing is actually reaching, the average incomes of tenants should be compared with figures as to the incomes of all urban families recently released by the Bureau of the Census. In 1947, a figure of $2,630 per year marked the top of the lowest income third of city families, while the average income of these families in the lowest third was $1,789. The average income of $1,481 of families admitted to low-rent projects at about the same time was 17 percent below the average income of all families in the lowest income third, while the income of eligible families living in the projects averaged 11 percent below the same figure. In other words, it is clearly apparent that, as a result of the income limits established by the local housing authorities, the families admitted to, and the families living in, public housing not only come from the lowest income third, but from the lower segments of that income group.

EXPECTED INCOMES UNDER A NEW LOW-RENT HOUSING PROGRAM

Under the extension of the low-rent housing program proposed by H. R. 4009, the maximum income limits for comparable cities should not be appreciably greater than those which now prevail. However, many smaller cities which did not take part in the original program are expected to participate in the new program, and somewhat lower income limits are to be expected in such places. Moreover, a program of low-rent housing in rural nonfarm areas is also provided under H. R. 4009, and the income limits suitable for such areas should, in general, be below the limits which have been found appropriate in urban communities.

In view of these facts, it is safe to assume that income limits and the actual incomes of tenant families under the new program will not be appreciably greater than, and may well be somewhat less than, those which prevail in the present low-rent projects.

Annual Contributions Required for Low-Rent Housing Under H. R. 4009 With Provision for 810,000 Dwellings

EXTENSION OF REMARKS

OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. BUCHANAN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement showing the annual contributions required for low-rent housing under H. R. 4009 with provision for 810,000 dwellings:

ANNUAL CONTRIBUTIONS REQUIRED FOR LOW-RENT HOUSING UNDER H. R. 4009 WITH PROVISION FOR 810,000 DWELLINGS

The contracts of the Public Housing Administration with the local housing authorities make available for each project, if needed, the maximum annual contributions authorized by law. The amounts actually paid in each year, however, are limited to the cash deficits of the projects in such year, that is, to the difference between the actual costs of operating the projects (including the payment of interest and amortization on capital costs) and the rents paid by low-income families.

WHY MAXIMUM CONTRIBUTIONS ARE CONTRACTED FOR

Although it is expected that the contributions actually paid will average substantially less than the maximum amounts, the contracts permit the payment of maximum contributions, when needed, for two principal reasons:

1. In bad years when the rent paying ability of low-income families is decreased, the maximum contribution will be available, if needed, in order to achieve rents within the means of low-income families in such years.

2. The annual contributions (under the terms of the statute) are pledged by the local authorities as security for the payment of interest and amortization on the bonds sold by them to private investors for financing the capital costs of the projects. Contracts providing for maximum contributions, when needed, thus provide security for debt service payments which are large enough, in actual practice, to amortize project costs in substantially less than the 40 years permitted under H. R. 4009. As shown in the typical example below, it is believed that the amortization period can be reduced to between 29 and 33 years. Shortening of the amortization period through the pledge of maximum contributions thus results in very substantial economies, since lower average interest rates can be obtained for shorter maturities and since the period over which interest must be paid is also reduced. These economies are, of course, directly reflected in a reduction in the amount of contributions paid by the Federal Government, since these contributions cease as soon as project costs are amortized.

SIZE OF PROGRAM AND CAPITAL COST PER DWELLING

The maximum contributions which could be contracted for under H. R. 4009 amount to 4½ percent of development cost (the going Federal rate of 2½ percent plus 2 percent). Since the contribution authorization under H. R. 4009, as reduced, will be limited to $308,000,000 per year, the total development cost in respect to which maximum contributions can be contracted will amount to $6,844,000,000. This is the maximum development cost of all projects for which full contributions would be available under H. R. 4009.

The bill will also limit the number of new dwellings to 810,000 units. If the maximum available development cost were used for this number of units, the average cost of unit would be $8,450, including construction, land, site improvements, and all other development costs. It is believed that if building costs can be somewhat reduced from the present level, it will be possible to obtain this average development cost. If, however, the actual development costs run somewhat above this average, a lesser number of units could be provided with the annual contribution authorization. If, on the other hand, the average costs were somewhat less, the number of units would be restricted to 810,000, and some of the annual contribution authorization would remain unused.

EXPECTED OPERATING COSTS AND CONTRIBUTIONS REQUIRED

The following table shows the anticipated operating costs and rents of the new program and the annual contributions which would be required (averaged over the life of the

contracts), based on the best possible present estimates:

	Bonds sold at 1⅞ percent interest, 29-year maturity	Bonds sold at 2½ percent interest, 33-year maturity
Typical low-rent housing unit:		
Total development cost per dwelling	$8,450	$8,450
Maximum Federal contribution, per month	$31.69	$31.69
Monthly project costs:		
Operating costs	$13.50	$13.50
Heat and all other utilities	7.00	7.00
Payments in lieu of taxes (10 percent of $23 shelter rent)	2.30	2.30
Interest and amortization (level debt service)	31.69	31.59
Total monthly cost	$54.49	$54.39
Less average shelter rent of $23 needed to serve low-income families, plus $7 utility charge	$30.00	$30.00
Actual Federal contributions, estimated average over 29 and 33 years, respectively	$24.49	$24.39
Percent of maximum Federal contribution	77.3	77.0
Total program of 810,000 units:		
Total development cost	$6,844,000,000	$6,844,000,000
Maximum Federal contributions per year	$308,000,000	$308,000,000
Actual contributions, estimated average per year	$238,000,000	$238,000,000
Actual contributions, estimated totals over 29 and 33 years, respectively	$6,902,000,000	$7,854,000,000
Present value of total actual contributions discounted at 2½ percent (cost of long-term money to Federal Government)	$4,868,000,000	$5,305,000,000

CONTRIBUTIONS ACTUALLY REQUIRED PER UNIT

The above table shows two different assumptions as to local authority financing. The first column assumes that the local authorities will be able to obtain an average interest rate on their bonds of 1⅞ percent over a 29-year period. With the aid of the improved financing provisions in H. R. 4009, it is believed that it will be possible to obtain such an average interest rate. The second column of the table, however, shows the results if an average interest rate of 2½ percent has to be paid, in which event the period of amortization would be increased to 33 years.

On the two assumptions in the above table, the Federal contributions actually required are estimated at $24.49 and $24.39 per month, respectively; in the first case the contributions would be payable over 29 years, and in the second case over 33 years. These actual contributions amount to about 77 percent of the maximum which could be paid. This would appear to be a very conservative estimate in view of the fact that under the present program the actual contributions paid have amounted to only 58.5 percent of the amounts authorized.

CONTRIBUTIONS ACTUALLY REQUIRED FOR ENTIRE PROGRAM

The table also shows the contributions in respect to a total program of 810,000 units. Based on the best available estimates, the actual contributions paid would be about $238,000,000 per year out of the $308,000,000 authorized. If the local authority financing permits amortization of project costs in 29 years, the aggregate of contributions for the whole period would be about $6,900,000,000. If 33 years is required for amortization, the aggregate actual contributions would amount to $7,800,000,000.

These contributions are payable over a long period of years and their aggregate amount cannot fairly be compared with the amount of a capital grant payable in one lump sum at the present time. In other words, future payments should be discounted to allow for interest up to the time the payments are made. When discounted at 2½ percent, the cost of long-term money to the Federal Government, the present value of the actual contributions is estimated at $4,900,000,000 in the case of 29-year financing, and $5,300,000,000 in the case of 33-year financing. It should be noted that these present values of the actual Federal contributions are equal to only 71 percent and 77 percent, respectively, of the total capital cost of the projects.

CONTRIBUTIONS ACTUALLY REQUIRED IN NEXT FEW YEARS

Annual contributions are not paid until a project is substantially completed. For this reason, it is expected that no annual contributions will be payable in fiscal year 1950. The contributions which will probably be required in the next few years are as follows:

Fiscal year:	*Actual contributions*
1951	$28,000,000
1952	61,000,000
1953	114,000,000
1954	162,000,000
1955	206,000,000

Thereafter contributions will level off at about $238,000,000 per year.

ADVANTAGES OF THE ANNUAL CONTRIBUTIONS SYSTEM

The annual contributions system has proved to be an efficient, flexible, and economical method for administering Federal aid to low-rent housing. This system has a distinct advantage over a system of capital grants.

Capital grants would have to be paid in full as soon as a low-rent project is built, despite the fact that these grants would serve to provide a continuing benefit to low-income families over a long period of years. Under the annual contributions system, on the other hand, the cost of these benefits is spread over future years rather than burdening today's taxpayer with the full cost of subsidy for a long term of years. The annual contributions system thus puts low-rent housing on a pay-as-you-go basis similar to other programs of social betterment.

The annual contributions system makes it possible to limit the assistance given in any year to the exact amount required in such year. In good times, the annual contributions needed are only a fraction of the maximum amount, while the full amount can be paid in less prosperous periods if this is necessary. Capital grants, on the other hand, would have to be made in advance and the reduction in rent secured by them would be the same in every year. Once given, no reduction in the amount of a capital grant would be possible in respect to future years which require less than maximum subsidy.

Moreover, under the annual contributions system it is expected that it will be possible to limit the annual contributions payments to substantially less than the 40 years permitted under H. R. 4009. No corresponding reduction would be possible in respect to a project assisted by a capital grant.

Finally, if capital grants were made they would either have to be met by immediate, large appropriations substantially equal to the cost of the projects or else the Federal Treasury would be called upon to raise the necessary funds through an increase in the national debt. Under the annual contributions system, on the other hand, local authorities are enabled to raise substantially the entire cost of their projects from the sale of bonds to private investors. The annual contributions system has thus made it possible to finance the capital cost of low-rent housing at very low rates of interest, with little or no recourse to Federal borrowing and with little or no increase in the national debt.

Communists Stir Race Trouble

REMARKS
OF
HON. JOHN E. RANKIN
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. RANKIN. Mr. Speaker, I thoroughly agree with the distinguished gentleman from Alabama [Mr. BATTLE] that the less the gentleman from New York [Mr. CELLER] sticks his nose into the affairs of the Southern States, the better off we are going to be.

The people of Alabama, and of all the other Southern States, are capable of looking after their own affairs without any advice from the gentlemen from New York.

This Communistic program of attempting to outlaw segregation in the District of Columbia, and forcing Negroes into the white schools, white playgrounds, and white swimming pools, here and throughout the country, is now bearing fruit.

According to the press reports, on the 21st of this month an order was issued by the director of public welfare in St. Louis, Mo., to wipe out segregation in the swimming pools of that city.

The result was that it brought on a race riot before the sun went down, and the mayor of the city was compelled to revoke the order.

According to an Associated Press report, a similar incident occurred in Youngstown, Ohio, yesterday.

The Communists' program is now, and always has been, to stir race trouble throughout the United States; and this antisegregation movement is one of their weapons.

Right after the First World War they stirred a race riot here in the city of Washington that cost the lives of untold numbers of Negroes.

They stirred a race riot in Chicago in which, at that time, more than 2,200 Negroes were killed—to say nothing of the whites who lost their lives in the fray.

They stirred a race riot in Springfield, Ill., the old home town of Abraham Lincoln, and also one in East St. Louis, both of which resulted in disaster for the Negroes as well as the white people in those two localities.

But these Reds do not give a tinker's dam about the Negroes. They are trying to use them as a smoke screen for their infamous designs of wrecking this Republic, destroying the American way of life, and wiping Christianity from the face of the earth.

Just a few years ago they stirred a race riot in Detroit, Mich., which resulted in the killing of hundreds of people, most of whom were Negroes.

They are trying in every way they can to stir race trouble all over this country today, and especially here in the District of Columbia.

If these communistic elements continue to interfere with the racial relation throughout this country, and especially here in the District, and throughout the Southern States, they will not only stir up race riots, but they will finally provoke the better elements of both races to turn against them and drive the last one of them from American soil.

They have been run out of practically every other civilized country in the world except this one at some time or other, and if they just keep up the agitation they are carrying on now, they may suffer the same fate here.

The Communist Trials

EXTENSION OF REMARKS
OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following analysis by Charles Collingwood:

ANALYSIS

It has been a long time since a story has so completely dominated American press and radio as is the continuing story of the Communist trials, investigations, and broadsides now underway. The New York times estimates that last week New York papers devoted 32 percent of their front pages to the Communist spy theme, and that figure probably isn't far wrong for the whole of the country—might even be larger. I would like to dwell on the colorful and dramatic aspects of these cases—the FBI gossip that came out of Judith Coplon's handbag, the bravura performance of Lloyd Paul Stryker in the Hiss trial, the rapier play between judge and counsel in the trial of the 11 Communist leaders—but it seems to me that there is an aspect to these and the other cases, even more basic, though not half as much fun.

We are approaching in these cases a difficult and basic problem of democracy: How far can we tolerate what most Americans firmly believe to be error of opinion. Thomas Jefferson once said we can tolerate it as long as reason is left free to combat it—on the principle that like good money, good ideas drive out bad. But a good many people today fear that the risks of allowing people with bad ideas to go around like anyone else are too great, and that we should take special action against them. It's not an easy problem and I should like to talk about it today without calling anyone a spy or a traitor or a red-baiter or a witch hunter, because the only way in which we can ever get a clear slant on these things is to think about them as objectively and calmly as we can.

It would all be a lot simpler if there wasn't a line in the Constitution which says "Congress shall make no laws abridging the freedom of speech." This is what complicates the matter. If it wasn't for that, we could put a Communist in jail, or a suspected Communist, or anyone else whose political ideas seem designed to upset the existing order. But we have this basic law of the land which guarantees freedom of speech and that makes it difficult to deal with people who say and believe things which the bulk of our people firmly believe to be dangerous.

Of course, at first glance it doesn't seem that free speech is really an issue in these cases. Judith Coplon isn't being tried for anything she said. The young men who lost their atomic-energy fellowships because they are Communists didn't lose them because of what they said. Even the Communist leaders on trial in New York aren't there because of the speeches they made. But free speech is a broad term which is taken to include the right of anyone to hold and express, without fear of retaliation, ideas with which the Government does not agree. The real issue in all these cases is how far can we tolerate people who are suspected, on better or worse grounds, of putting loyalty to their political beliefs ahead of loyalty to the duly constituted Government of their country. As the law stands now we have to tolerate such people until they can be shown to have performed a specific unlawful act. But that's a pretty difficult thing to do. The people who are conducting these prosecutions of Communists and suspected Communists want to take a short cut. Look, they say, we all know that a Communist is against the Government of the United States. We don't want those kind of people in places where they can do harm. Why then, can't we just put out of harm's way anyone who is a Communist or who helps Communists? After all, they ask, what more should you have to prove? That's an argument which sounds reasonable to a great many people. The only trouble is this thing in the Constitution which seems to mean that you can say and believe pretty nearly anything you want as long as you don't do anything about it—or as long as you don't get caught doing anything about it. And this is where the long roll of distinguished anti-Communists who object to the current anti-Communist procedures, part company from those who want to take the short cut. They say the best rule is the one in the Constitution. You have to prove that a man has done something, they say. It isn't enough to say that his ideas are bad, or his friends are bad, or that he belongs to a party that wants to overthrow the Government. You must show that he has done something wrong; that he's actually had a try at overthrowing the Government beyond simply believing that it would be a good idea. If you don't do that, they say, then no man is safe from prosecution and you open the way to a police state where all opposition can be outlawed ruthlessly and unfairly.

Of course, those who take this stand wind up with some pretty strange bedfellows. They find themselves taking the part of the men with the hard eyes and the weak mouths who belong to the Communist Party and the men with the soft eyes and the weak heads who follow their line. But that's the way it always is when you defend a principle. You're always defending borderline cases, because they're the ones where the principle is tested. It's always the unpopular and the unlovely who get in trouble. After all, no one is going to charge a man with being a Communist when he obviously isn't. Ordinary citizens don't get mixed up in these things. As Mark Twain once said, "We have three unspeakably precious things in this country: freedom of speech, freedom of conscience, and the prudence never to practice either." So it's the imprudent, the borderline cases who get into trouble and who, throughout our history, have been protected by people like Justice Oliver Wendell Holmes who once wrote: "The principle of free thought (is) not free thought for those who agree with us, but freedom for the thought that we hate."

For many years this has been a jealously guarded principle of American law—too jealously guarded some people think today. For this is not a theoretical question as we can see by looking around us. One thing all these Communist investigations has shown us is that subversive activity, particularly espionage, has gone a good deal deeper than most of us thought. The question is whether our traditional insistence on freedom of speech doesn't weaken disastrously our defenses. The current issue of the magazine the Reporter has an editorial which puts this point clearly. It says, "In every country that has fallen under totalitarianism, freedom has been killed by the reckless use of one liberty. Invariably the one liberty that can cripple all the others is freedom of speech." Now that is doubtless true, but it is also true that the first thing every totalitarian country has done is to revoke freedom of speech and that eventually has brought about its downfall. The men who founded our democracy were very sure that if it were to survive freedom of speech and freedom of thought would have to be guaranteed. Remember that our Nation was born in revolution. It came about because a subversive group was able to overthrow the government. And when that group became the Government they were very anxious to preserve in constitutional form those liberties they had fought so hard to establish, and one of those liberties was the freedom to hold unpopular ideas. Thus came about the freedom of speech amendment which, to this day, protects the borderline cases as well as all of those of us who never have to seek its protection.

The controversy over how much freedom of speech we can afford has plagued our country since it was born. The first great political altercation of the new Republic came over the Alien and Sedition Acts which the Federalists passed in 1798. The times were very much like these. The French Revolution had sent a shiver of shock and fear through the established world. The United States broke its treaty with France, embarked on a great defense program—laid down ships, increased the Army, raised a Marine Corps, signed a contract with Eli Whitney, the Yankee inventor, for 10,000 muskets. We were in a state of undeclared war with France. Complicating matters was the presence of thousands of French-born exiles, refugees, and agitators in this country. Wild stories of intrigue and espionage spread. Witch hunting and intolerance were rife. In the middle, Congress passed the Alien and Sedition Acts, which provided penalties against anyone who could be suspected on reasonable grounds of any treasonable or secret machinations against the Government—stirring up sedition or exciting the people against the Government. Very much the kind of laws some people want to pass today. There followed a period which Thomas Jefferson called a reign of terror. Opponents of President Adams were jailed, fined, their newspapers suppressed. A Member of Congress from Vermont was convicted. But the Alien and Sedition Acts backfired. Led by Thomas Jefferson, the more liberal elements in the country rose on their hind legs. The acts were repealed, Jefferson was elected President, and the Federalist Party never fully recovered.

A similar controversy arose after the First World War. Once more the target was radicalism, and Communists and Socialists were in the bull's-eye. There were investigations, laws passed, trials, Attorney General Palmer's famous raids, and once more there were Americans who rose up to protest. Chief among them was Charles Evans Hughes, the Republican candidate for President against

Woodrow Wilson. Hughes, later to become Chief Justice of the Supreme Court, fought against the expulsion of five Socialist members of the New York Legislature. In a powerful declaration, he said, "Let every resource of inquiry, of pursuit, of prosecution be employed to ferret out and punish the guilty according to our laws. But," said Hughes, the Republican, "I count it a most serious mistake to proceed, not against individuals charged with violation of the law, but against masses of our citizens combined for political action." That's the issue which has come up again in our own time: Whether to proceed against individuals for the acts which they have done against the law, or whether to move against people for what they think and what their party stands for on the grounds that this must inevitably lead to dangerous acts. As I have tried to show, it is not an easy problem to solve. Its roots go very deep in our history and in our American traditions of fair play. We can see today how, if you start discriminating against people because of their ideas instead of what they have actually done, you run into all sorts of inequities: innocent men and women get hurt, other innocent people are plagued by fear and insecurity, the realm of inquiry and speculation is narrowed, the whole field of political activity is embittered. On the other hand, we have also seen cases where the legal safeguards of our ancient tradition have allowed people to put our democracy in serious jeopardy. It is not easy to know what to do or what to think about it all. There is no simple solution. Whatever we do, whether we limit freedom of speech, or allow it to continue unhampered, we hazard some of our most precious liberties. But in reaching a decision it doesn't help any to give way to fear, hysteria, or prejudice. We must make out decision as thoughtfully, as honestly, as judiciously as we can. For this is something we cannot, as a Nation, afford to go wrong on.

Force and Freedom

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. MULTER. Mr. Speaker, no truly freedom-loving American can neglect to read the following address of the Honorable Selden Chapin, former Minister to Hungary, before the Catholic War Veterans, Houston, Tex., Friday, June 17, 1949:

FORCE AND FREEDOM

When I first arrived in Hungary in July 1947, I made it my publicly declared business to call on all leaders of Hungarian thought and opinion beginning with the president and the prime minister. Among those leaders upon whom I called was Josef Cardinal Mindszenty. He returned my call. Following custom I again made calls on the principal men of Hungary after New Year's Day in 1948. Cardinal Mindszenty again returned my call. The fifth and last time I met the cardinal was at his request in November of that year.

Now in the standard assortment of scurrilous charges raised against the cardinal at his trial, the Communists had to find something really impressive with which to nail him. They knew that the cardinal had talked on several occasions with the American minister. Now, it is said that when two Communists get together you have a conspiracy. What would be more reasonable, then, to a Communist than to assume that the cardinal and the minister were fomenting a plot? So they worked out this plan in which we were trying to restore the monarchy in Hungary.

I hope it will not be a disappointment when I say that there was no conspiracy. I talked with the cardinal on five occasions, a total of 5 hours, and that was through an interpreter, so you can cut it in half. We were two people talking together, but we weren't Communists—we were a Catholic prelate and a Protestant layman, in other words, two Christians.

I am very pleased to have this opportunity to speak before the Catholic War Veterans. From what I know of your organization, I believe I can work on the assumption that we are all pretty much in agreement as to the objectives the United States is seeking and should seek in world affairs.

In the first place, we all want peace and security in the world. We all want to promote democratic principles and institutions throughout the world, because we believe these are conducive to peace. We want to create throughout the world an atmosphere of economic well-being for all, as a basic condition for peace and democracy. We know that the greatest obstacle to peace and security lies in the relentless drive of Communist totalitarianism for world domination and we are determined to stop that drive.

I suggest again that most of us are in basic agreement with the policies and actions of the Government designed to achieve the general foreign political and economic objectives, and to stem the advance of Communist aggression. These policies represent a realistic and hard-headed approach to world conditions as they exist today. They reflect the will and temper of the vast majority of Americans.

The success of our policies is not, of course, assured. There are certain dangers, but the greatest lies primarily with ourselves. The task we have cut out for ourselves is a long, difficult, and expensive one. There is, and will continue to be, a corresponding temptation to slacken in our various programs whenever there is a real or seeming improvement in world tensions or, particularly, if we run into economic problems at home. This temptation is the main thing we shall have to guard against for many years to come. That is one place where alert people such as you can be a valuable source of strength and vigilance.

We are not likely to yield to this temptation so long as we keep the basic situation clearly in mind. We must constantly remind ourselves that we are dealing with a ruthless and patient force that will take advantage of our slightest lapse of purpose. If we remember this, we shall not be caught napping.

As a sort of refresher course in international communism and its techniques, I would like to talk for a moment about the Communist domination of Hungary. I had some personal experience with that matter and besides the case of Hungary gives a test-tube example of how domination and control over a freedom-loving people has been progressively achieved. It happened to all of the satellite countries, one by one, and by now it probably would have spread much farther had we not taken effective countermeasures.

We might begin the story at Yalta in February 1945, when Stalin, Roosevelt, and Churchill pledged that the liberated peoples of Europe should be allowed to create their own democratic institutions. While the ink was drying at Yalta the Communist Party of Hungary was hard at work undermining the foundations of freedom and democracy in their country. In its work the party had the wholehearted intervention and support of the Red army—numbering several hundred thousand at the time—and with Soviet Marshal Voroshilov as chairman of the Allied Control Commission, they were assured that any efforts by the British or by ourselves to back genuine democratic elements in Hungary would be nullified.

The first postwar elections in Hungary, which were held in November 1945, made it clear that the people had little use for the Communists. The party polled only 17 percent of the vote. A clear majority—57 percent of all votes cast—went to the Smallholders Party, a progressive and democratic farmers party.

In the face of this rebuff, the Communists resolved to force their will upon the people of Hungary. In order to do this, they had to break the power of the political opposition and weaken the hold of the churches upon the people. The way they went about it follows the typical Communist pattern of step-by-step internal conquest by force and subversion. I will summarize it here, because I think that the ease with which a small but ruthless totalitarian minority can impose its will on the majority is one of the things we all should keep in mind as we face up to the problems resulting from the clash of force and freedom.

First the Communists went after control of the police and communications. That is the standard opening move. Having extracted a preelection agreement from all major parties to form a coalition government, regardless of how the election turned out, they demanded the most important cabinet posts for themselves and their puppets, and in this demand they were backed up by curt orders from the Soviet chairman of the Allied Control Commission. They then began to purge key officials in the government and the army.

Second, they increased their strength in the government by forming an extreme leftist bloc within the coalition, to work in opposition to the Smallholders.

Third, they undertook an all-out effort to promote civil, economic, and political disorder and so shake the confidence of the people in the ability of the Smallholder's Party to govern.

Fourth, they resorted to open terror against their opponents, including star-chamber trials on trumped-up charges, kidnaping, and all the usual paraphernalia of totalitarian discipline and justice.

In May–June 1947 the Communist leaders, aided by the intervention of the Soviet occupation forces, forced the resignation of the Smallholder Prime Minister and seized effective control of the Government. This coup was followed by a rigged election designed to cast a cloak of respectability over the seizure of power. It is interesting that this election, held in August 1947 with the Communists very much in command, returned them only 22 percent of the vote.

With the political opposition well in hand, they went after the religious groups. Now I should like to make it very clear that attack on religion is not so much a matter of conflict between church and state as between the secular religion of Marxist materialism and the traditional religion of the churches based on moral and spiritual values. It is an attack on Protestant, Catholic, Jew, and Moslem alike, and it isn't just an attack on the churches, but on all free institutions and human freedoms. It is materialism versus morality. It is violence and treachery versus order and humanity. Communist morality has been expressed in these words of Lenin, "Everything is moral which is necessary for the annihilation of the old exploiting social order, and for uniting the proletariat."

When the Communists went after the churches in Hungary here is what confronted them. Catholics numbered two-thirds and Protestants most of the remainder of the population. Both churches traditionally played a very active part in public life. In 1940, for example, about 17

percent of the Hungarian Parliament consisted of members of the Catholic clergy. All of the churches were wealthy in land, the income of which before the war substantially supported about three-fifths of all educational institutions—Catholic, Lutheran, Calvinist, Jewish, and so on.

In these denominational schools, religious instruction was obligatory, but Protestant and Jewish children in Catholic schools freely received such instruction from their own teachers and vice versa. These schools unavoidably came into political as well as ideological conflict with the Communists who have long since recognized that to consolidate control over the people one must bring up the youth in complete Leninist-Marxist philosophy. Today to be admitted to a high school, technical school, or university, one has to pass a satisfactory examination in Communist philosophy, both theoretical in knowledge and practical in action.

While the land reform had severely hurt the churches economically, the real attack opened in March 1947 with the introduction of measures designed to nationalize and communize the schools. Here the Communists ran into sharp opposition from leaders of the churches. The Catholic primate, Cardinal Mindszenty, went so far as to excommunicate all Catholics assisting the state in its effort to nationalize the schools. The Communists then proceeded to purge all of the resistant church leaders in a very methodical manner.

Taking things progressively, they went first after the Protestant minority. The Calvinists, largest of the Protestant churches, were brought into line by the disgrace of the President of the Republic, Teddie himself a pastor, and by securing the resignation of Bishop Ravasz—this by threatening the livelihood of 3,000 ministerial families if he did not resign—and replacing him with a collaborationist pastor. They then asked for the resignation of Lutheran Bishop Ordass. He replied that he would "rather burn in hell" than desert his flock, and proved very hard-headed, so they tried and convicted him on the usual charges of black marketing and embezzling.

By mid-1948 Cardinal Mindszenty was left as the sole fighting symbol of resistance to communism.

Mindszenty then had to be eliminated. As a symbol, he had, if possible, to be totally discredited in the minds of the people. Now, as you know, the Communists always tried to avoid religious issues in these purges of religious leaders. Both in the press and in the courts they tried to brand the leaders of the opposition as black marketeers, petty crooks, or traitors.

Now, in my few talks with Cardinal Mindszenty I did learn a number of things about him. He was a bold and uncompromising man of Spartan temperament. On one occasion he is said to have told emissaries of Soviet Marshal Voroshilov, who had asked him to pay a call and then had kept him waiting for an hour, that if the marshal wished to see him, the distance from the marshal's headquarters to the primate's palace was the same as the distance from the primate's palace to the marshal's headquarters. He was, I am convinced, quite prepared to become a martyr. But it is one thing to be a martyr yourself and another to bring thousands into martyrdom with you. He was deeply concerned, in our last talk last November, with the fate of the lower clergy. That concern must be kept in mind in any evaluation of the cardinal and his later actions.

On the 26th of December 1948 the cardinal was arrested and charged with being a criminal, a traitor, and a conspirator against the "democratic" form of life. Anticipating his arrest, the cardinal earlier that day had sent to all members of the Bench of Bishops the following message:

"I have participated in no conspiracy whatever; I will not resign my episcopal see; I will make no confession. If, after this, you should hear that I have confessed or resigned and that this is authenticated with my own signature, consider that to be only the consequence of human frailty, and in advance I declare it null and void."

Some 40 days later, during the trial, the cardinal is said to have retracted this statement on the grounds that his viewpoint had altered meanwhile. However, the prosecution did not question the existence of that statement, made while the cardinal was still not under duress. After only 3 days on the stand he was found guilty on all charges and sentenced to life imprisonment. The prosecutor had demanded the death penalty. Compare this speed with the patience being displayed at a certain trial now taking place in New York City.

There has been a great deal of conjecture as to the precise methods used to extract the confession from the cardinal. We do not know exactly what they did. There are, of course, a great many ways of getting at a man, through his family and friends as well as through the various forms of physical and mental torture, and the Communists have a legendary skill at picking the right approach. What is important is that no one, to my knowledge, who was at all familiar with the cardinal and his life, has the slightest doubt that extremely severe pressure was brought to bear on him. Although I have had recent reports that the cardinal's mother has visited him, so far as I know, no unbiased person has been permitted to see him since his sentence.

Now I should like to say just a word about the life of the average Hungarian under Communist rule. I had personal experience with various forms of restraint and got a pretty good picture of what things are like.

As I have said, the Communists are highly skilled at the techniques of keeping themselves in power, and they are willing in many cases—and perhaps prefer—to use measures other than naked force to gain acquiescence from the people. Terror enters in, of course. Everybody knows of someone who has mysteriously disappeared from the scene, but the terror lies in the background, so to speak, and you don't see it happening all around you. The real restraining force is economic pressure.

In the first place, the Hungarians are kept under close surveillance. There are the usual block leaders; all apartment houses and even most private houses are required by law to have a houseman, or sort of superjanitor, who reports on the comings and goings of his people. If a Hungarian's behavior is reported to be out of line, economic pressure is applied. He finds himself out of a job, and after a time he finds that no one else will hire him. Incidentally, despite all the ballyhoo about Communist labor unions, labor in Hungary has lost the right to strike and the few instances of workers protesting against the speed-up piece rate were never even mentioned in the Communist press, even though blood was shed. A citizen in political disfavor may also lose the privilege of buying at state stores and restaurants, where prices are low. He may not renew his driving license. He has to go into the black market, and eventually a time comes when there is nothing left to sell, and no source of income. Then he and his family starve. He may not buy penicillin or other essential drugs in case he or his family fall ill. His children may even be denied entry to the now nationalized schools. All this is a very effective way of assuring compliance with the authorities. I have seen it and it works.

Now I have discussed the Hungarian picture in some detail because to me it portrays clearly the nature of the force we are up against. We believe in fair play. We tend to credit the next man with the basic ideals and beliefs that we ourselves hold sacred, even though they may outwardly take different forms. But we must not forget that the sworn Communist is the sworn enemy of all that we hold to be good and decent. Believe me, if I thought that anything the Communists did in Hungary was really done with the good of the people in mind, I should be the first to give them credit. They are out for power and mastery, and that is that.

What then, can we do? The President in his inaugural address, summarized four lines of policy designed to achieve the kind of world we want to live in.

First, is support of the United Nations system. The UN represents the democratic, friendly, cooperative approach to world peace. It sets the pattern for the kind of world in which nations behave toward each other the way that we like to think Christian individuals do. In practical terms, the UN provides a vast mechanism for negotiation, without which international action today would be greatly hampered. It also provides a forum in which the moral force of world opinion acts as a sharp restraint against overt acts of dictatorial governments.

Second, we must continue our programs for improving the economic conditions of peoples throughout the world. As long as vast masses of people are ill-fed, ill-clothed, and ill-housed the siren song of communism will have great effect.

We must, therefore, continue vigorously the European recovery program, which has already proved its worth in resurrecting hope and confidence among the peoples of western Europe. Although recent news from Europe is encouraging, we must not underestimate the extensive job that still has to be done.

Third, we must support the point-4 program to bring to other areas the benefits of the technological knowledge of the modern world, and encourage the investment of capital in those areas. The possibilities of this program are unlimited in terms of the economic benefits it can eventually bring to all nations. At the least, it can bring to the underdeveloped areas increasing material benefits favorable to the growth of democracy.

We must pursue this same goal through participation in the International Trade Organization in order to promote a broad exchange of the benefits of world industry and agriculture for the betterment of all. That means also that we must continue the reciprocal-trade-agreement program, so that we can function in the ITO.

Finally, we must help friendly nations protect themselves against domination by direct or indirect aggression. That means joining with like-minded nations in collective security arrangements like the Rio Treaty and the North Atlantic Pact, which have been designed in complete accord with the principles and purposes of the United Nations. It means providing military equipment and advice, as in the case of the Greek-Turkish-aid program and the proposed military-assistance program.

Now, I should like to add a point on the military-assistance program. This program is a particularly vital counterpart of the North Atlantic Treaty. It provides concrete evidence of our serious intent, and provides the best way to fulfill our commitment to contribute to the common defense through self-help and mutual aid. This aid, supplementing the productive effort of the treaty countries, and applied within the framework of a cohesive joint military-defense plan under the pact, can buy more security for all the countries concerned than a like amount spent any other way.

These policies all depend on each other. Undercut one and you jeopardize the others. They are the vital parts of the mechanism of our foreign policy. Take out a vital part, and you know what happens to the mechanism.

Now, looking back over what I have said this morning, I imagine one question may be bothering all of you, and that is what the future holds for our oppressed friends in the satellite countries. That calls for the kind of conjecture that people in the State Department are notoriously reluctant to attempt.

Actually, in my personal opinion, the situation does not appear promising. It is hard to see at the present time what might happen to alter the Communist control. Of course, there is always the unpredictable. I do not think many of us would have foreseen Tito's successful defiance of Moscow.

But you can look at the situation that would logically exist if the policies we are now following are successful. If you have a confident western Europe, economically, and defensively strong, and you get a peace settlement in Germany and Austria—which means that the Red Army goes back home—then you obviously have altered the situation affecting eastern Europe. You have for one thing, a strong economic magnetism working on the satellites.

Incidentally, the Voice of America also exercises a strong pull on freedom-loving peoples behind the curtain. It is particularly effective in Hungary.

The main hope for these countries, in other words, lies in the success of our present policies. That is one reason why I personally hope that each of us will become as familiar as possible with the nature of the problems that we face and with what we are trying to do about those problems; and that each of us will give his best effort to support the policies which he thinks are wise, in the difficult and challenging years ahead.

To conclude, the so-called peace offensive is a deadly weapon of propaganda, employed to weaken the resolve of the free nations. We must not be taken in by any such measures. We can relax our vigilance only when we have undeniable proof that the Communists have undergone a basic change of heart and of policy, and that they are making an honest effort by continuous concrete actions to live in peace and friendship with the rest of us.

I suggest that until then we have a set of policies and programs which are proving their worth at the present time. When you are a little ahead of the race, that is the time to make the greatest effort. Now that we are gaining a certain advantage, we must push with renewed vigor the actions which are gaining that advantage.

Coming back to the United States from a country behind the iron curtain, I can assure you that the most welcome sight I have ever seen was the torch uplifted in the hand of Bartholdi's Statue of Liberty—with all the promise and assurance that it extends.

But—and it is a very big "but"—that promise and assurance can only be maintained if we remember and act according to the warning of Daniel Webster to the Senate some hundred years ago, which is just as valid today: "God grants liberty only to those who love it, and are always ready to guard and defend it."

Real-Estate Lobby

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter by William Reinhardt of the Philadelphia Housing Authority:

THE PHILADELPHIA HOUSING AUTHORITY,
Philadelphia, Pa., June 13, 1949.

Mr. HERBERT U. NELSON,
Executive Vice President, National Association of Real Estate Boards, Washington, D. C.

DEAR MR. NELSON: You have noted, I trust, that I stick solely to public housing for the low-income groups, slum clearance, and the redevelopment of and rehabilitation of blighted areas, when I take issue with statements which appear in Headlines.

In your editorial, Let the Eagle Scream (issue of June 6, 1949) I think you are putting all realtors in the embarrassing position of charging that all Members of the Congress who are for these desirable objectives, which can be attained in no other way than by Federal aid, are afflicted with blindness by hypocrisy. You say they "chant the words of freedom and vote to close the gates of opportunity for millions of our people who only seek to stand without crutches."

The realtor who is asked if he today is standing without crutches would have to admit that he isn't and that he can't. This, of course, is true also of lending institutions, savings and loan associations, home builders, home buyers, farmers, and all others who lean heavily on the crutches provided by the Government in the form of mortgage loan guarantys, deposit guarantys, direct business loans from RFC, and all other subsidies.

To make the charge of "hypocrisy" stick to the Congressmen we would have to "come into court with clean hands," and this we could do only by foregoing for ourselves the governmental aids which have enabled us realtors and many others to stay in business and make money for lo, these many years. Headlines, and also the publications of the other associations which are part of the anti-public housing lobby, fight bitterly against the curtailment of any of these governmental aids for us and fight very hard for more and better "crutches." An instance is the comment on Senate bill 721 in the same issue of Headlines as Let the Eagle Scream.

"If we enter the stockade called security, the gates will close. All hope of finding new paths for spirit or talent will be gone." This is a quote from your editorial. If it means what it says then it means that we realtors and all the others accepting governmental aid have been in that deplorable state for lo, these many years, for most assuredly we have entered the stockade called security and are fighting to have the stockade made as impregnable as we can persuade our United States Senators and Congressmen to make it.

Are we not hypocrites to call our national lawmakers hypocrites when we ask them to do for us the very things which we claim constitutes their hypocrisy?

In my contacts with my fellow realtors I have seen no evidence that any of them see anything but a much brighter hope of "finding new paths for spirit and talent" the more and better aids our Congress will provide for us.

This hopeful outlook, in direct contrast with your Cassandra-like Jeremiad, matches the actual results produced by public housing for the low-income groups during more than 10 years of experience with it here in the United States. New paths for spirit and talent have been opened not only to the tenants, but to the residents of all communities in which these low-rent projects are located.

The governmental aid provided for us realtors, as well as for builders, lending institutions, farmers, and others is exactly of the same nature, and has the same purpose as the governmental aid which makes possible low-rent public housing.

To condemn one is to condemn all.

Senator TOBEY, in his speech printed in the CONGRESSIONAL RECORD, May 19, 1949, commenting on the half-truths, omissions, and distortions had this to say: "It is small wonder that the members of the organization cannot form independent judgments on issues of this kind, when its own people in Washington fail to give them the most elementary information."

I sincerely believe all realtors would realize this if they were given the opportunity, through their own publications, of learning what the other side thinks.

While he did not mention NAREB by name he did say, "This real-estate organization."

If he meant our realtor publications, I agree with him. The publications of the other associations in the anti-public-housing lobby are equally silent on very much their members should know.

Senator TOBEY's speech is a good example of what they should be able to read in their own publications.

Should anybody know better than we realtors what the slums cost—what they cost our own clients who own good real estate but must pay extra taxes to maintain the slums?

Do our realtors know, for example, through their own publications, that, for the Nation as a whole, it costs $614,000,000 annually to maintain these slums and that all that $614,000,000 must come out of local taxes?

Do they know that for public housing, slum clearance and everything else in H. R. 4009 the maximum annual Federal contribution, according to the Director of the Budget, would be only $310,000,000 a year although $400,000,000 annually would be available? Balance that against the cost of slums alone. Realtors should know all about it. Based on experience the Director of the Budget estimates the loans will be paid off in from 29 to 33 years and that the 40 years' term mentioned in the bill would be needed only in the event of unforeseen change. Do realtors know through their own publications that Federal contributions to maintain the low-rent character of public housing for the low-income groups, have been only from 25 percent to 30 percent of the amount available under the law over all the years America has had such housing?

It was because I do certainly know that I have not seen these and a host of other facts every realtor should know on this matter in the realtor publications which come to my desk, that I suggested the National Real Estate Journal as the ideal medium in which you and I should debate our opposing viewpoints.

I sincerely hope you will arrange this debate.

Sincerely yours,
WILLIAM REINHARDT, *Chairman.*

Welfare State

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Mount Vernon (Ohio) News:

WELFARE STATE

Warning has been sounded by former Secretary of State James F. Byrnes that some of the suggested new Federal programs "point inevitably to a welfare state."

The warning was made during a speech Mr. Byrnes made at the concluding ceremony of Washington and Lee University's celebration of its two hundredth anniversary.

"We are going down the road to statelsm," Mr. Byrnes said. "Where we will wind up no one can tell. But if some of the new programs previously proposed should be adopted, there is danger that the individual—whether farmer, worker, manufacturer, lawyer, or doctor—will soon be an economic slave pulling an oar in the galley of the state."

"Too many people," he said, "are trying to transfer power to the Government * * * we are not only transferring too much power from the individual to the Government, but we are transferring too many powers of State governments to the Federal Government. We should not have the Federal Government regimenting our lives from the cradle to the grave."

Mr. Byrnes placed much of the blame on the people themselves, saying that every segment of society is demanding special privileges. "The farmer," he said, "wants higher prices, the wage earner wants increased wages, pensions, and hospitalization. Too many people want more pay for less work," he added.

After sounding his warning, and giving his opinion of the forces moving the country in the direction it has taken, Mr. Byrnes suggested a remedy.

"Our first line of defense is a sound, solvent American economy," he said.

He then called for a reduction in Federal spending and Federal powers. "The only wise course," he declared, "is to reduce expenditures and live within our income."

Mr. Byrnes did not say anything particularly new. It has been apparent for a long time that the United States is rapidly moving in the direction of a welfare state, that one of the main reasons is the clamor for Government hand-outs in one form or another, and that the only solution of the problem is a reduction of Government spending and power.

But the warning bears frequent repetition, as does the review of the cause of our trouble and the solution thereof.

Efforts to stem the drift toward statism through the methods Mr. Byrnes mentioned have met with little success so far.

It will take a persistent attack to bring the American people and their officeholders to a realization of the dangers contained in the course which we are blindly following.

Voices of men like Byrnes, who have served in high office and hold the confidence of the people, can do much toward returning the country to an even keel.

Military Pay Bill Was Badly Needed

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I would like to include a very pertinent editorial, which appeared in the Worchester, (Mass.) Evening Gazette, of June 17, 1949.

The editorial follows:

MILITARY PAY BILL WAS BADLY NEEDED

A thorough revision of pay scales in the armed services was needed, and, even if the bill passed this week by the House is not perfect, it is a distinct improvement over what we have had.

The bill is as important in its changes in methods and policies of pay as it is in the specific pay increases authorized. For example, the old longevity pay has been revised to provide for automatic increases within the various grades depending on length of service. This would work much the same as in other Government jobs, in which the employee receives periodic raises even though he does not change his civil service classification. The new bill also cuts out the flight pay percentage bonus and substitutes a flat extra payment for this duty.

As for the pay raises, they wound up as a compromise between the military's original position and the position of a strong group in the House which included those who fear excessive Government spending and those who thought the original bill gave too large an increase to the high officers. It is impossible for anyone to say whether a pay scale is just, but it was obvious that military pay had to be increased—particularly that of the officers who had not been raised in years and who were finding living difficult in a period of inflation. This new law should help to eliminate the resignations from the service of many capable officers who found that the lure of private industry was too strong to resist.

Though the bill adds $300,000,000 a year to defense costs, it has to be viewed as another aspect of the increase of the cost of Government because of inflation. Its adjustment of inequalities has long been needed. If there are any major bugs they can be eliminated in the Senate but, basically, the bill looks like a good one.

Views of an Able and Forthright News Commentator on the Welfare State

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Mark Sullivan, which appeared in the June 24, 1949, issue of the New York Herald Tribune:

TRUMAN CALLED UNWILLING TO LET READJUSTMENT ADJUST ITSELF—MARK SULLIVAN SAYS PLANS TO HALT RECESSION MAY, BY EXPENDITURES, CAUSE RECORD INFLATION

(By Mark Sullivan)

This recession, or disinflation, or readjustment, by whatever name it is called, is undeniably one thing. It is the interruption of a period of rise. That description can be applied to it without encountering argument. That no rise can go on forever is about as safe from dispute as any rule can be.

The rise in this case lasted about 9 years and went so far as to amount to inflation. Five of the early years were war years. That part of the inflation was hardly avoidable practicably. Then at the end of the war, in 1945, the Truman administration adopted policies which resulted in more inflation. Raises in wage rates, as an administration policy, were officially urged upon industry, new raises on top of wartime ones. At the same time, prices of farm crops (which are food) were made higher by statutory Government practice of price support. Rising prices of food and rising wage rates, acting reciprocally and automatically, made a dynamic spiral of inflation.

In late 1948, inflation came to an end (or a pause, whichever it is to be). The ceasing of inflation came mainly through natural forces; an important one was unwillingness or inability of the public to buy some kinds of goods at the current high prices.

FACTOR OF EXPECTATION

The slowing down of buying by the public had a spreading effect. In any period of rising prices, a factor in the current prices is expectation of still higher ones. Merchants buy goods with the expectation of selling them later at a higher price. Manufacturers buy raw materials with the expectation of fabricating them and selling the product at a profit. Once this factor of expectation goes out of a current price, the price tends to fall. This is accompanied by some contraction of business and industry, including some unemployment.

That is where we now are. Whether it is to be a recession only, or something different, depends much on what attitude we take about it. One course is to endure the recession until it works itself out naturally. This comes about through a readjustment to each other of prices, and of the various parts of the entire economy.

The other alternative is to try to stop the recession quickly, by artificial methods, including measures by the Government. One refusal to endure recession, or even admit the existence of it, is in the field of labor. There, unions and leaders demand, and strike to get what is called a "fourth round" of wage raises, the fourth since 1945.

As to the Truman administration, its attitude is strangely bifurcated. Persons in the administration like to call the present condition merely a period of "readjustment." That word and equivalents of it are frequent in administration sources. If the administration regards the condition as a readjustment, it should let the readjustment take place and work itself out naturally.

READJUSTMENT UNPOPULAR

But here enters a complex sector of administration thought and motive. Even the comparatively mild hardship of a readjustment is politically unpopular, particularly to groups the administration especially relies upon. So, from sources within the administration or close to it, come proposals of measures to end the recession, a program of public works and the like.

Yet another bedeviling factor is that the Truman administration, before the recession came, had proposed a number of measures which were to be permanent additions to the so-called welfare state. It is difficult for the administration now to recede from these measures, and they continue to be pressed in Congress.

Both groups of measures, the permanent welfare ones and the emergency ones to end recession, have a common characteristic. All call for money from the Federal Treasury, large quantities of it. The additional expenditures cannot be produced by increased taxation; the very fact of the recession makes that impossible. The expenditures must become an increase of the Government debt.

Increase of the Government debt, at a time when it is already dangerously high, would introduce a wholly new condition. Senator BYRD, of Virginia, says an increase of the debt would be unthinkable, having in mind possible effect on Government credit and public faith in it. Impairment of the Government credit would have effects much more terrifying than any recession. Whatever the initial effect, the second or third stage of it would probably be an inflation going much farther than what we have so far experienced.

Cardinal Spellman's Attack on the Barden Bill

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. HAYS of Arkansas. Mr. Speaker, Cardinal Spellman, whose influence and authority in a great church we all recognize, has by his intemperate statement regarding the gentleman from North Carolina [Mr. BARDEN] made very difficult the further consideration of Federal aid for education without emotion. It behooves all of us in making our defense of our colleague and his views which many share to exert ourselves to avoid even the appearance of prejudice or personal feeling. My primary purpose in making this comment is to express my confidence in the integrity and good faith of the gentleman from North Carolina and his complete freedom from religious prejudice in executing his duties as chairman of the subcommittee considering Federal aid for education. Anyone who has served in the House very long with the gentleman knows that with the vigorous espousal of his own views is a sincere determination to be fair to those who differ with him.

I have carefully examined the statement of Cardinal Spellman and quote the following from his address on June 19:

> For Congressman BARDEN, claiming to be a loyal American, holding a key position in our democratic Government, is in truth violating, and inciting others to violate the very rights and freedoms upon which our democratic Government was founded.

He also said:

> And now in America new apostles of bigotry brazenly come forward from out the halls of our own Congress and, either through ignorance or malice, father the Barden bill, a bill that urges and tries to justify unjust discrimination against our parochial school children. Advocates of the Barden bill, pitting class against class, seeking votes to enforce and sustain it are today conducting a craven crusade of religious prejudice against Catholic children and their inalienable rights.

Mr. Speaker, none of us questions for a moment the right of Cardinal Spellman to urge in all proper ways an acceptance of his views on the subject to Federal aid. Cardinal Spellman believes that funds made available under a Federal statute should be used for health service, bus transportation and related services for private schools in those States which permit such services to be financed at public expense. This in substance is what the bill recently passed by the Senate provides and the cardinal's views are shared by some of the Members of the House. On the other hand, some of us do not agree with this view and it is our right to differ without being accused of bigotry. We cannot afford to do less than our duty, however, merely because of the painful charge to which we are subjected. I cannot refrain from saying therefore that the cardinal has done the cause of interfaith good will a great disservice.

I have observed for a long time the actions of the gentleman from North Carolina [Mr. BARDEN], who has worked diligently to contribute to the devising of a sound and workable policy by the Federal Government in equalizing educational opportunities. He has devoted years of study to the problem. He has adhered to the basic principles of this Government as he interprets them. He may be wrong in some of his conclusions about this difficult and complicated problem but one thing we can be sure of is that there is no venom in his system and no desire to withhold from any child, whatever his religious background, the privileges and rights of American citizenship. Mr. BARDEN opposes the allocation of funds for health and transportation services for public as well as private schools. His conviction bears no relation whatever to religious affiliation.

As indicated, Mr. Speaker, I regret that the pressure of conviction forces this statement and I trust it will be accepted in the spirit in which I offer it. My first participation in politics was against a hate movement that broke out in my State in the early twenties. I take great pride in my participation with outstanding Catholics in the Brotherhood Week activities sponsored by the National Conference of Christians and Jews and other enterprises which have to do with cooperation between the great faiths of our country. We must maintain the cooperative spirit in spite of legislative differences.

The Christian Science Monitor of June 23 contains an excellent editorial on this subject and under leave to extend my remarks I include this statement:

IF THIS BE BIGOTRY

Francis Cardinal Spellman, addressing a large gathering of Roman Catholics in New York, is quoted as requesting prayers for Representative GRAHAM A. BARDEN, Democrat, of North Carolina, whom he designates a "new apostle of bigotry." Mr. BARDEN'S "sin," to use the cardinal's term, consists of proposing an amendment to the Federal aid to education bill which would limit its financial benefits to public schools.

Twice in his argument the cardinal takes sound premises but uses them to prove more than they prove. He says accurately that the Catholic school has been accorded an equal right to exist alongside the American public school—at the expense of those who wish it and profit by it. This does not mean, however, that any denominational school has an affirmative right to be supported even in part at public expense by the taxes of those who disagree as well as those who agree with its creed.

The eminent churchman also says correctly that the Barden amendment forbids the use of Federal money to supply health benefits and transportation services for pupils of nonpublic schools. This he decries as shameful discrimination. But he could have added with accuracy that the Barden amendment proposes the Federal money shall not be used for incidental services to any children, whether of parochial or public schools, but shall be used for direct operational expenses of public schools where they will serve the maximum educational purpose.

Is it being a bigot to stand on one's convictions that this is the soundest public policy and to resist the demands of an organization which claims exclusive religious privileges for itself in countries where it can obtain them? If so, many will risk the epithet.

Federal Housing Legislation

EXTENSION OF REMARKS
OF
HON. THURMAN C. CROOK
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. CROOK. Mr. Speaker, the Federal housing legislation before this Congress has my unqualified endorsement.

If we are to preserve a strong democracy and guard against communism, we we must preserve the integrity of the family home, the greatest of our American institutions.

There is absolutely no excuse in these United States for the existence of slums and shacks. Such environments for domiciles afford us hotbeds of crime, disease and juvenile delinquency at an annual cost of billions of dollars.

To design a housing program that will permit the poor, the low-wage earner and the farmer to build or buy within their ability to pay over a reasonable number of years is a sound investment that will pay incalulable dividends in many ways; greatest of all is a strong and healthy America.

Yes, there are many in our land that have grown obsessed with selfishness, exploitation and greed for the almighty dollar. Naturally, they oppose any kind of a housing program. They still want the green light to drive onward to reap their harvest at the expense of the many, notwithstanding the inestimable damage they do to the Nation.

Whenever any effort is launched to adequately provide conditions conducive to the general welfare of the veteran, labor, farmer and the common man, certain interests classify such action as "socialism." When the Federal Government in 1932 came to the rescue of banks that had fallen in the chasm of bankruptcy, was that socialism? When Federal insurance on bank deposits was given inception and put into practice to safeguard the savings of millions of people, was that socialism?

When the Home Owners' Loan Corporation was established to save countless thousands of farms being sold on the auction block, was that socialism? When provisions were made for flood control and soil conservation to protect the breadbasket of our country and the world, was that socialism? When labor laws were placed on our statute books to protect the working conditions and health of our laboring people, was that socialism? When the Federal Government provided United States highways to improve travel and mediums of safe transportation, was that socialism?

This cry of socialism has grown to be an atrocious vehicle of deception and a sordid Vanity Fair. If we are ever to build our Nation stately and strong we must now grow vitally interested in the

cradle of democracy, the esteemed American home, the greatest of our institutions.

It is deplorable to think how sadly we have neglected the institution which plays such an indelible part in building for citizenship, morale, and spiritual values so necessary in the preservation of our cherished American way of life. Occasionally, we hear the question, Where do you expect to get the money? I have heard that old refrain for 35 years, ever since I started teaching school at $2 per day. We get the money for everything else, so why not use some for the protection of American homes and good family life?

When we learn to provide conditions conducive to a good education and adequate homes for all our people, our standards of living will be tremendously enhanced, resulting in great demands for farm produce and manufactured goods which will bring continuous prosperity to our people and economy for our Nation for many years to come.

Living in the richest country on the face of the earth we cannot longer afford slums and bad housing. The two world wars have reminded us of our gross folly. We are determined to stamp out a great amount of our ignorance, disease, crime, and juvenile delinquency, and in so doing, we strike at the deplorable housing situation which is the hotbed of numerous factors so injurious to an enlightened commonwealth.

So, in this deliberation on a great humanitarian enterprise, may a spark of brotherly love temper our actions in such a manner that others will be privileged to live, grow, and exemplify the great principles on which our Government was given inception.

Academic Freedom

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Mount Vernon (Ohio) News:

ACADEMIC FREEDOM

When the House Un-American Activities Committee, spurred on by a petition of the Sons of the American Revolution, asked a number of schools and colleges for a list of textbooks they are using, it set off an uproar.

Academic freedom was threatened, according to a large number of educators and editorial writers.

Academic freedom is something we must safeguard, of course. It is as important as any of our freedoms.

However, at the same time, educators of the country are almost unanimously in favor of Federal aid to education.

In doing so they ignore the fact that the acceptance of Federal money for support of the schools also is a very definite threat to academic freedom.

Experience has shown that our Federal Government bureaucrats insist upon controlling anything upon which Federal money is spent. The school system would be no exception.

And, at the same time, academic freedom would be destroyed completely were the Communists to gain control of the country and our educational system. There would be no freedom of any kind if the Communists were to prevail in America.

It is to prevent just such a disaster that the Un-American Activities Committee is pushing its far-flung investigation activities in our country.

One of the functions which must be kept out of the hands of the Communists at all costs, is our educational system, to assure that our youth will be brought up with a proper appreciation of American principles and traditions.

It would seem that the educators, to be consistent, should oppose Federal aid and at the same time welcome measures designed to keep our schools safe from Communist infiltration.

The Church and International Relations

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following address by the Honorable Willard L. Thorp, Assistant Secretary of State for Economic Affairs, at the Sixth International Congregational Council, Wellesley College, Wellesley, Mass., on Thursday, June 23, 1949:

THE CHURCH AND INTERNATIONAL RELATIONS

We are heading into a period of increasing difficulty in our international economic relations. So long as the dominant condition in most countries was one of shortages and all peoples were exerting themselves in the same direction, there was little actual policy conflict among nations. To be sure, there were difficult problems which had to be solved such as the satisfactory determination of a fair and equitable allocation of goods in short supply among claiming countries, and the continuing question of how much the more fortunate countries could make available to their less fortunate brothers without weakening their own economies. But the simplicity of the basic economic facts greatly encouraged and facilitated international economic cooperation.

The postwar honeymoon period in international economic relations is now drawing to a close, and the future will apply a much more rigorous test to the capacity and willingness of nations to cooperate with each other in the economic field. It will be a test for the United States and it will be a test of other nations as well. In the immediate postwar period, many countries had no opportunity to make policy choices. But one result of the general improvement in economic conditions has been the appearance of alternative courses of action. The fact is that rivalries and conflicts are now beginning to emerge. Competition is beginning to reappear in foreign markets. Nationalistic tendencies are taking on new force, and bilateral channeling of trade threatens to be not so much a method of getting trade started, as of preempting particular markets. Our efforts to reduce the burden on our budget of economic support to Germany and Japan, conflict with the hopes of those who wish to prevent the return of those two countries to the foreign trade field. Particular interest groups are beginning to be concerned over any improvement in efficiency on the part of their competitors in other lands. So long as expansion was the keynote, solutions were fairly readily reached by agreement, and it was recognized that improvement in economic health was clearly mutual. But balance has not yet been achieved and further substantial adjustments in the flow of trade and capital will be necessary if the countries of western Europe are to become self-supporting and the underdeveloped areas are to make a real measure of progress. The later stage of economic recovery promises to be much more threatening to international good will than the earlier period.

Once more, each country will be faced with the problem of the extent of its concern and interest in what lies beyond its national boundaries. For many centuries isolation was the inescapable condition, for the horizon established a real limit to the actual knowledge of most men. Today in a geographical sense one could argue that the horizon no longer exists. There are no enormous white spaces on our maps where the lines of known seashores or riverbeds come to a stop. Bit by bit and area by area we have pushed out the extent of our knowledge of land and water until the whole could be put together in one unending sphere.

Although it may be true that the horizon has been extended around the world in a geographical sense, it still remains true that within the world total, there are vast unknowns and little knowns. Our geographic maps are perhaps more complete than our social, economic and political maps. We know and yet we don't know. There are probably more Americans living today who have crossed the boundary lines of the United States and seen other lands than at any time in our past history. Thousands of Americans in their uniforms have been in North Africa, Burma, India, Australia, China, Japan, and most of the countries of Europe. Although military groups do not usually see an area in its normal social and economic life, at least the differences in the manner of living cannot help but be observed. Our geographic horizons have been lifted, but perception and international understanding are certainly not yet complete.

It is important to remember that the citizens of any one country are not the only persons with horizons. So far as the United States is concerned, people in other countries are looking at us and wondering about us. We are the dots on their horizons. We are more aware than ever before of the differences which exist among various peoples, and yet we do not fully understand them, and even less accept them. And people in other countries are in the same quandary about us. Nevertheless, mutual understanding is a necessary basis of any substantial degree of cooperation.

One of the basic differences is, of course, that of age. In the United States our civilization and culture are relatively new. The great development of our country as well as a number of other so-called new areas, came largely contemporaneously with the industrial and social revolutions, with the rise of the concepts of individualism and political democracy. Many other civilizations go back thousands of years. Over that long period of time, when there were few forces leading to change, these earlier societies developed rigidities and social patterns built upon entirely different bases of knowledge and with entirely different attitudes toward nature and natural forces. They developed a society oriented toward the preservation of the status quo, itself often strongly resistant to any change.

These different behavior patterns in different countries have meant that unequal advantages have been taken of the great new discoveries in the scientific field, and wide

variations have developed therefore in the ability to take advantage of nature and to reduce natural resources to forms which permit higher and higher standards of living.

In addition, it must be remembered that contacts between areas and people in different areas were exceedingly limited. The locomotive and the steamship are little more than 100 years old. Even today, there are many areas which can be reached by the curious, equipped with color film and medicine kit, but which have no regular contact with the outside world. Language difficulties have been and are another bar. At United Nations meetings, I have never been able to speak in any common language to the representatives of Yemen, even to tell him how much I admire the beautiful dagger which he wears in his belt.

As long as there were these barriers, as long as a real physical isolation existed, the differences which had developed had no disturbing effect. But the new methods of transportation, the increased extent of modern communication, the demonstration both by pictures and by persons like our military travelers with all their equipment, have all called attention to the differences among the nations. The horizon in these other countries has been extended.

In comparison with most other areas, the standard of living in the United States is fabulous, often far exceeding the fact as the story is passed on from one to another. But the fact of the difference is now increasingly known throughout the world, and the less developed areas are seeking ways and means of making similar progress. They naturally look to and at the United States and the other more-advanced countries to see whether or not our society and culture can be taken as an example of the way in which their basic objectives can be achieved.

What does this mean for the United States? Are we concerned about these other areas? Of course the answer is "Yes." The world is too small for us to be able to forget or disregard other nations and other peoples. Our international economic ties are strong, with our dependence upon foreign sources for many raw materials, and our own capacity to produce having been developed with various export markets in view. Our political relationships are now formalized in the United Nations, where, except for the Security Council, the largest and the smallest country cast votes of equal weight. Our culture has been and is being continuously enriched by art and artists from abroad. Just as we were involved not long ago in global war, so today we are involved in global peace.

Even beyond the important international elements of our economic, political, and cultural life, we have a profound interest in what sort of notions become accepted as the basis for the new development of these countries, these people who are eager for change but are by no means clear as to what form the change should take. We ourselves are dedicated to the principle of human freedom, that is freedom from totalitarian governmental powers, and freedom for individual discussion and thought. We believe that this concept of individual freedom and dignity leads to the maximum of human progress and the minimum of that arbitrary and selfish national behavior which leads dangerously in the direction of war.

There is no way in which we can impose our notions about democracy on other countries. One can impose totalitarianism, at least for the time being. By definition, the police state can create obedience to the state. The police state can be quickly created, although it is unstable in life because it depends for its life upon force and violence. But the concept of human freedom and human dignity is more difficult to translate and transfer. Freedom is free and it cannot be imposed, or it is not freedom. It must spring from personal conviction and respect for others. We believe in these things, but how can we get the idea across to others? This is a most difficult problem. You cannot wrap up the notion of freedom or of human dignity in a neat package and export it through any known trade channels. Fundamentally, it must be done by demonstration. We can be effective only as we practice what we preach, both in our foreign and our domestic behavior. The notion of democracy cannot be for home consumption only.

Our foreign policy must be one which seeks to assist the peoples of other countries. This can be in our own interest as well, but it must not be only in our own interest. I was once told by a Lebanese, that after the American University was established in Beirut, for 20 years the native citizens kept wondering what its ulterior motive was, what were these Americans really up to. But they finally decided that this was really an act of good will and accepted it as such. From that time on it has been of incalculable value, just because its basis was clearly one of friendship.

The European recovery program can be justified on grounds of our own economic and political interest, but its greatest justification is that it has helped millions of people in western Europe back on their feet. In spite of the need of the western European countries and the tremendous amount of the assistance given, we have not used the program as a means of pressure for our own selfish ends, and we rejoice that these politically independent countries are becoming economically more independent every day. We can use our economic strength exclusively for our own benefit in such a way as to become feared and hated, or we can use it on a level of decency and fairness, a moral level, which creates respect and voluntary cooperation.

The same spirit must provide the basis for the new program to assist to a much greater degree than heretofore in the development of backward areas. With our technical skills, we can give help to many peoples in their efforts to overcome disease and poverty. With modern techniques, malaria can be eliminated from the face of the globe. Improved agricultural methods are in use by only a tiny fraction of the world's farmers. Half the world's farms today use wooden plows. And there are countries in which 95 percent of the population cannot read and write.

Through the United Nations, and by direct bilateral arrangements, the more advanced countries can do much to help these underdeveloped countries to solve their own basic problems. We can do this on a careful bargaining basis, getting a quid for every quo, or we can do it on the assumption that we, and all other countries, are benefited by higher standards of living, of health, and of literacy in every country. It is not enough to talk about these problems. Here is a great opportunity for us to demonstrate our interest and concern. "By their deeds, ye shall know them" can well be applied to international affairs.

It is most important that we carry on our various foreign projects on a basis which combines our interest with that of the other country. However, to those on whose horizon we are, their greatest curiosity is as to our own accomplishment. Here we must be honest and humble.

I need not take time to describe our own country. It has never really had a status quo, but has always been actively in the process of change and development. We all recognize that the United States has been built in considerable part with foreign material. True, there are many residues still surviving from the Indians, among them a collection of troublesome polysyllabic geographic names, some unusual designs and patterns, and some good literary and football material. However, on the whole, we owe far more to European civilization. Our railroads were built in large part by foreign capital and immigrant labor. Our basic concepts of law and government trace back to foreign sources. And even in the twentieth century, our own great research laboratories and scientific studies have utilized and added to many major discoveries made in other lands. Foreign artists, foreign musicians, foreign authors, and foreign motion pictures are all familiar elements in our cultural life. We have attracted and absorbed immigrants, skills, and technology, equipment and capital, and ideas from many other countries, and we continually acknowledge that indebtedness.

We have of course contributed our own full and original share to the course of American progress. Our progress, such as it is, has been possible in very large part because of the wide acceptance of the notion of the intellectual and economic open door and the resultant cumulative interplay of many contributing sources, domestic and foreign.

We can all be proud of our country, yet we must recognize that it is not yet perfect. We have achieved the highest level of productivity ever reached by any civilization, yet we are not too sure of our ability to maintain full employment. We have a great record for office-boy-to-president opportunity, yet we must admit to racial and class discrimination within our boundaries. We spend billions on education yet we don't quite trust the intellectual or even the college professor. We talk about free elections, yet too small a percentage of our citizens bother to visit our polls, even for national elections. You can make your own list, and when you do, remember that foreign countries are watching. The small world requires us all to be rather more self-conscious than ever before. In the long run, our influence over other countries will stem from our convictions and our actual performance.

What I have been really saying is that foreign policy is limited by domestic policy. We cannot tell other countries that they should balance their budgets if our own budget is out of balance. We cannot argue that they should reduce trade barriers if we ourselves maintain a high tariff. We cannot talk about freedom and democracy unless we give these terms real meaning at home.

I have been talking in terms of national and international policy, and that may seem very far removed from the lives of individuals. But every individual will by his own acts play his part in the unfolding of the future. For example, you cannot help but meet visitors from other lands from time to time, and you can demonstrate then and there whether Americans are a friendly people, or merely the degenerate profiteers some people call us. You will all play some part in creating the United States of the future. Will the American society be an appealing demonstration of how splendid life can be, or will the shadows grow and deepen? What America is, is expressed by human beings and made up of human attitudes.

Our own behavior might be less important if we did not practice freedom of information and the press—if complete censorship controlled the picture which is painted. But American life is fully exposed to view, probably with undue emphasis on its less charming aspects. Every step in the direction of strengthening our democracy and our freedoms within our own boundaries is important not merely for its own sake, but because of its impact on the international scene.

I have been talking in terms of American policy because I can speak of it with some authority. However, it is obvious that what I have been saying, at least in terms of principle and moral implications, is equally significant for other countries.

International relations do not raise moral problems which are strange and new. As a matter of fact, in many ways national life and individual life have their parallels. I have discussed the problems in terms of national and international life. But also as individuals, we all have our difficulties in both foreign and internal relations. We must live with people, and we must live with ourselves. Two individuals cannot be friends unless both are friendly. The basic requirement for living with others happily is good will and understanding. The basic requirement for living with one's self is to satisfy one's own standards.

These same basic requirements apply to international life. They are the fundamentals which the church has always taught and must teach with increasing vigor. Not limited by national boundaries, the concept of human brotherhood can be a tremendous force upon the policies of governments. The test does not come in the easy periods. Families, communities, nations, and the international sphere all have their periods of stress and strain. What happens under these conditions can be destructive of relationships or it can provide the integrating force of common trial and common experience.

You may feel that I have discussed international relations much more than the church, though both are in the title of my speech. I will insist, however, that my comments have all been related to the church. If I have stressed any one thing, it is the basic importance of human attitudes and human understanding. And every point which I have made might have had as its last sentence—this is a matter for action by the church. I am not arguing that the church should take a direct part in the solution of each problem, though often it has done and can do much to improve international relations by carrying on its work across national boundaries. I do mean that its great task is to create that human climate, that level of human sympathy and understanding, without which we can never achieve that great goal, "Peace on earth, good will to men."

The Brannan Plan

EXTENSION OF REMARKS
OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. BURDICK. Mr. Speaker, in the frequent discussions of the Brannan plan, or other proposed farm plans, too often the consumers viewpoint is overlooked entirely. The following article from the June issue of Consumer Reports, published by the Consumers Union of the United States, Inc., a nonprofit organization of consumers, is a well written analysis of Secretary Brannan's plan as seen from the consumer's side of the picture.

THE BRANNAN FARM PLAN

While they are far from flawless, the recent proposals of Secretary of Agriculture Charles F. Brannan for modernization of our farm price support program are a major improvement over the Aiken Act of the Eightieth Congress. The Brannan plan was presented to a full-dress joint meeting of the Senate and House Agriculture Committees in April, and has been the subject of further hearings and discussions ever since. It recognizes the consumer interest in reasonable food prices to a much greater degree than most competing proposals. It tends to favor the two groups primarily concerned—dirt farmers and ordinary consumers—with a minimum of bonanzas and windfalls for the food processors, middlemen, and absentee owners of vast farm acreages who are frequently the ones who benefit most from farm programs.

The plan as a whole, CU believes, warrants the support of consumers despite its shortcomings. Though it is intended primarily to benefit the farm population, the plan could help to stabilize our entire economy.

WHY PRICE SUPPORTS

That some sort of farm plan is essential has by now become a fixed principle of the American economic system. Secretary Brannan makes this point simply. "Price supports," he says, "are the farmer's equivalent of the laboring man's minimum-wage, social-security, and collective-bargaining arrangements."

The reasons why supports are needed stem from the fact that the farmer lives in an economy where the prices of most of the products he buys are set by monopolies by open or tacit agreement among producers, or by simple restriction of production to hold prices up. The prices of the products he sells, on the other hand, are elastic. Within the lifetime of farmers not yet middle-aged, wheat has fluctuated between 44 cents and $3.33 per bushel, corn between 22 cents and $2.88, rye between 30 cents and $4.08, cotton between 5 and 40 cents a pound. The techniques which other segments of our economy use to stabilize prices are not open to the individual farmer acting alone. As a result, the cash income of ordinary farmers on ordinary farms has often, in the past, fallen below the level which would maintain a decent standard of living. Federal aid is needed to stabilize farm prices in conformity with those of the rest of the economy.

This is peculiarly true because, inevitably, farmers acting by themselves will tend to turn even minor farm surpluses into catastrophic gluts. The cycle is simple. If supply exceeds demand, the price falls. The individual farmer finds his income cut while his taxes, mortgage interest, and other charges remain high. And he is in no position, by himself, to adjust to this situation as many manufacturers do, by restricting production. Thus surpluses accumulate.

In classical economic theory, the corrective for this type of overproduction is the elimination of enough producing units to bring supply back into line with demand. In human terms, this means the bankruptcy of farm families, foreclosures on their mortgages, and untold human suffering. Certainly no American Government in the foreseeable future will permit a recurrence of such conditions.

Furthermore, farm price supports are warranted by the need to keep the farm segment of our population in sufficiently prosperous condition to continue to consume the products of our cities. The rest of the country simply cannot remain prosperous while the farm population is depressed. And any substantial reduction in farm income would be almost certain to usher in a depression.

COMMODITY PURCHASES VERSUS PRODUCTION PAYMENTS

The most significant feature of the Brannan proposals, from the point of view of consumers, is the shift in emphasis from commodity purchases to production payments. The change should benefit consumers as well as farmers.

At present the prices of potatoes, milk products, eggs, and some other commodities are being held by up Government purchases of these commodities in the open market. A less efficient means of stabilizing farm prices could hardly be imagined, short of having the Government make its purchases at corner grocery stores. It means, in effect, that everybody along the line takes a cut out of the Government hand-out before the residue, if any, reaches the farmer. Speculator, processor, warehouseman, middleman—each shares in the Government dollar supposedly spent to benefit the farmer.

The consumer is doubly penalized by the commodity-purchase program. First, he pays the cost of the purchases in higher taxes. Second, he pays higher prices for his food as a result of the Government's running up of the price.

The commodity purchase program is self-defeating in another respect. When the price of potatoes, for example, is pegged at a relatively high level two things happen. The high price causes consumers to buy fewer potatoes, while simultaneously it stimulates farmers to raise more. Thus commodity purchases may intensify the very supply-demand imbalance they were intended to remedy.

The production payment program is designed to avoid these difficulties. With respect to products subject to production payments, no attempt would be made to raise or maintain food prices. The price of potatoes, for example, might fall from the pegged level of $1.75 a bushel to $1, or even lower. However, if the price received by the farmer fell, on the average, below the support level, a production payment would be made directly to the farmer to raise the average farm price to the support level.

The immediate advantage to the consumer is readily apparent. Prices in retail stores would fall to their natural levels. As a result, consumption would tend to rise. The farmer, too, would benefit in a number of ways. He would get, directly and in full, the Federal payment, instead of getting indirectly what was left of Federal funds after speculators and middlemen had taken their profits. And he would benefit also from the larger market for his products stimulated by lower retail prices.

SIZE OF FARM LIMITATIONS

A second noteworthy feature of the Brannan proposals is the limitation on the size of the farms which will benefit from production payments. In theory, farm price support plans are justified by the need to maintain a decent standard of living for ordinary farm families. In practice, large corporations operating vast acreages on a semi-factory basis have received tens and even hundreds of thousands of dollars in benefit payments from farm appropriations. The Brannan proposals would limit the extent of participation in production payments. Each farm could participate to the extent of some 1,800 units of production, a crop worth about $20,000 at present prices. (A unit is 10 bushels of corn or the cash equivalent in other crops.) Farms producing more than this would get production payments only on the first 1,800 units. Some 2 percent of the farms, producing 25 percent of the total dollar volume of farm products, would be affected by this limitation.

Some critics of the Brannan plan have argued that the participation limit is too high for channeling benefits to the family farms which most need them. On the other hand, the 1,800-unit limitation is better than none.

PRODUCTION CONTROLS

Any price support plan tends to increase the production of those commodities which are already being heavily produced. If t he price support system is not to be swamped by disastrous gluts, it must exact a ceiling on production as the condition for participation in benefit payments.

The Brannan proposals have been attacked as a "regimentation" of the farmer because of such provisions. Expressing deep sympathy for the regimented farmer, the Wall Street Journal complains that the Brannan

plan "would put tight controls over what a farmer could plant and how he could sell." Brannan's answer is this:

"Farmers fought for the legal rights they now have to impose marketing limits upon themselves. In the view of those who did so, these rights represent an extension, not an infringement, of their freedom. I adhere to this principle."

The major type of control called for—marketing quotas—cannot be imposed unless approved by two-thirds of the farmers concerned, voting in a referendum. Consumers, however, have no voice whatever in the determination of production-control policy. A considerable improvement in the entire farm program, and one likely to win it added popular support, would be provision for consumer representation when basic policy determinations under the program are being made.

LEVEL OF SUPPORT

As important as how farm prices are to be supported is the question of the level at which support should come in. At present, the level of support is set in terms of farm prices for the years 1909–14—an archaic scheme which long since outlived its usefulness. One result of using 1909–14 prices is that some products are pegged at prices far out of line with current cost and market factors, while other crops are left wholly unsupported. Secretary Brannan proposes to eliminate these relative inequities by using a recent decade as the base period. For the 1950 crop year, the period 1939–48 would be used as a base, and this base would be moved up from year to year.

As for absolute level, the Brannan proposal would base supports on the purchasing power of the farmer's dollar today, compared with its purchasing power over the 10-year test period. At present, Brannan calculates, the farmer needs $1.25 to purchase as much as he could get on the average, for $1 during the decade 1939 to 1948. Accordingly, the support level of a crop today would be 25 percent above its average price during the test decade.

There is room for argument whether this level is too high or too low. From one point of view, it would appear to continue the abnormally high price level of the war years for a considerable period into the future. Brannan's reply is that the proposed farm price level would still leave farm purchasing power at a lower level than it has been for the past 6 years. The formula, in short, is a compromise.

MILK PRICES

A particularly interesting and urgent application of the "production payment" plan is suggested for milk. Brannan calls attention to the fact that while retail fresh milk prices have risen more or less steadily since 1947, consumption has been falling. He continues:

"We should be producing and consuming 150,000,000 pounds of milk by now instead of something less than 120,000,000. If it is necessary to get milk down to the area of 15 cents a quart at retail in order to have maximum consumption, and use production payments to assure farmers of fair returns, I think both farmers and consumers will want to do it."

Brannan has proposed that this milk plan, and a similar provision with respect to hogs, be made effective immediately. A slogan on which farmers, consumers and the country at large might well unite would call for 15-cent milk by Thanksgiving—with production payments sufficient to make 15-cent milk feasible for the farmer.

THE BRANNAN PLAN'S SHORTCOMINGS

Much of the recent criticism of the Brannan plan is actually applicable to any plan at all which aims at preventing catastrophic declines in farm prices. For example, it is charged that full operation of the plan would cost the taxpayers billions of dollars a year. This might be true, depending on the future trend of urban employment, prices generally, and other incalculables. On the other hand, given general prosperity, the plan might well exact little or no cost. Large sums are being spent this year to hold up the price of such products as milk, butter, potatoes, and eggs in a wholly unreasonable manner. The same sums, rationally expended, could bring benefits to the farmer without pricing consumers out of the market.

A more significant criticism of the Brannan proposals is that they do not go nearly far enough. For example, Brannan makes a most convincing case for production payments as a means of supporting prices. But with respect to the staple farm crops—especially corn, wheat, and cotton—he proposes to continue the older techniques of loans, purchase agreements, and spot purchases, all of which have the effect of raising consumer prices unduly. Similarly, the limitation of benefit participation to the first 1,800 units of a farm's production is not applicable to the major crops.

Brannan-plan legislation has been introduced into the Senate by Senator THOMAS and into the House by Congressman COOLEY. The process of emasculating the proposals has already begun; the Cooley version eliminates all reference to the 1,800-unit ceiling on the amount of production payments which a single farmer or farm corporation can receive. Hearings have been held by the Pace Subcommittee of the House Agriculture Committee. So far, only one of the major farm organizations—the National Farmers' Union—has come out in favor of the Brannan plan. Food processors, and other middlemen, as well as the corporate proprietors of large-scale "factories on the farm" are of course against it. As this issue goes to press, it is far from certain that the meritorious portions of the Brannan plan which make it worthy of consumer support will survive even the committee stage.

Town of Ludlow, Mass.

EXTENSION OF REMARKS

OF

HON. FOSTER FURCOLO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. FURCOLO. Mr. Speaker, in a section of New England known as western Massachusetts is located a town, the area of which was included in the original grant of land to William Pynchon in 1636 and then formed into a separate district by an act passed by the legislature and signed by the Governor of the Massachusetts Bay Colony on February 28, 1774. Thus was established the district of Ludlow which became the town of Ludlow at the very beginning of the Revolutionary War, August 23, 1775, by an act of the General Court of Massachusetts.

The first district meeting was held on March 16, 1774. Democracy was at work in this small struggling community. These hardy adventurers had come into this area from other towns in the Colony, had fought the wilderness and founded their community.

Almost immediately one in seven of the inhabitants of Ludlow joined in the Revolutionary War and wrote the first pages in the town's history of contribution to American freedom. They were followed by young men of other generations in Shay's Rebellion, the War of 1812, and every succeeding conflict in which America was called upon to defend herself culminating in the splendid record established by the sons and daughters of Ludlow in World War II.

I had the great honor of addressing the people of Ludlow on the occasion of the town's observance of Memorial Day last month. Never have I been more impressed with the basic strength that is America. A thriving community peopled by believers in democracy with a long record of struggle to preserve it in the American way.

But while the challenge to preserve liberty was met, these people continued to work for the improvement of their community and their Nation. The approximately 200 original settlers were gradually joined by others. New Americans from foreign lands continued the effort, and as time went on, many of the nations of the world had contributed strength to the cause. Their children and their children's children continue these efforts always seeking the guidance of God. With love of God and will to succeed the residents of Ludlow to this day have proved their worth.

You may say this is a typical story of the founding and progress of American communities. Perhaps so, but it is well to remember our great heritage in order that we not fail to carry on the work handed down to us.

As I observe the over 8,000 residents of the town of Ludlow preparing to celebrate during the week of June 27, 175 years of progress; as I note the growth of this urban community in many ways over the years—widely known manufacturing concerns, principal State highways, excellent schools, and fine places of recreation; as I think of her beautiful churches representing many denominations without thought of bigotry; as I review in my mind the Americans who descended from those who migrated from the far-flung nations of the world and contributed immeasurably to the community's success, I say, "Yes; perhaps typical of many American communities but worthy of attention at this time so we may recall to mind our continuing responsibility."

I ask my colleagues, therefore, to join with me in extending to the town of Ludlow, located in beautiful western Massachusetts, heartiest congratulations on 175 years of progress and every wish for continuance of this progress in the true American tradition.

Alice in Trumanland

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks in the

RECORD, I include the following editorial from the Cleveland Plain Dealer of June 19, 1949:

ALICE IN TRUMANLAND

At his press conference Thursday President Truman described the current spy trials and loyalty investigations as a form of typical postwar hysteria which, he said, eventually will die down. The President gave the impression that he strongly disapproved of these goings on. In fact, if there should be any manifestations of this sort of hysteria in the executive departments of the Government he would root it out, he said.

This is the kind of stuff that gives an Alice in Wonderland touch to the Washington scene.

Unless the Mad Hatter and the Dormouse have gotten us so confused that we don't know what is going on, it is our impression that it is the Department of Justice which is conducting the spy trials about which the President spoke so disdainfully. That is one of the executive departments, provided the Red Queen hasn't ordered it abolished.

In one of these trials, the Department of Justice is attempting to prove that the Communist Party is engaged in a conspiracy to advocate the violent overthrow of the United States Government. This trial has been going on for 5 months. The only signs of hysteria we have detected in it have been the actions of the 11 defendants and their lawyers.

In another trial the Department of Justice is trying to prove that Alger Hiss, a former State Department official and one of President Roosevelt's advisers at Yalta, committed perjury when he testified under oath that he did not give confidential Government documents to Whittaker Chambers, an admitted former Communist.

Hiss may be acquitted of the perjury charge, but if he is acquitted the fact will remain that there was a leak somewhere in the State Department which enabled Chambers to obtain these documents and make microfilm copies of them. Another former State Department official, Henry Julian Wadleigh, has admitted that he supplied Government documents to Communists.

Is the Hiss trial the result of hysteria, Mr. President, and if it is, are you going to reprimand Attorney General Tom Clark for allowing the trial to proceed? Off with his head, we seem to hear the Red Queen saying.

Then there is the case of Miss Judith Coplon, who is accused of stealing documents from the Department of Justice, no less. The jury might find, just as she said, that the notes she had in her handbag when FBI agents seized her in New York in company with a Russian were the basis for a novel she was writing and that she never had any intention of delivering them to a Communist spy. But was the Department of Justice hysterical for prosecuting her, Mr. President?

If there has been any hysteria connected with this case, it resulted from the judge's ruling that the defense had a right to read to the jury the confidential files of the FBI on which the notes found in Miss Coplon's handbag were based. At this point the Department of Justice had a choice of dismissing the charges against Miss Coplon or of allowing the files to be made public. The Department decided to go ahead with the case. It has been reported in Washington and not denied that Attorney General Clark made this decision, overruling FBI Director J. Edgar Hoover. But the President has created the impression he is displeased with Hoover's conduct in the affair.

Then there is the case of Harry Bridges, west coast labor czar, whom the Department of Justice has indicted for perjury, claiming he swore falsely he was not a Communist when he was granted the privilege of American citizenship. Was this indictment the result of hysteria, Mr. President?

Perhaps the President had in mind the congressional investigation of the Atomic Energy Commission. Is it hysteria when the American taxpayers are shocked by the revelation that they are paying for the education of Communists? Or that security regulations were so lax that two bars of uranium could be taken out of an atomic energy plant without anyone discovering their removal?

During last year's campaign the President referred to the Communist spy investigation as a "red herring." Last week it was "headline hunting." Now it is "hysteria." That's the way the Communists talk when they are investigated. Whose side are you on, Mr. President?

The Housing Bill

EXTENSION OF REMARKS
OF
HON. RALPH E. CHURCH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. CHURCH. Mr. Speaker, under leave to revise and extend my remarks, I am inserting in the CONGRESSIONAL RECORD the following transcript of a radio interview broadcast over Station WIND, Chicago, Ill., on Thursday evening, June 23:

ANNOUNCER. Tonight we have the privilege of interviewing Congressman RALPH E. CHURCH, of Evanston, Ill. He is considered one of the hardest working Members of Congress.

Mr. CHURCH. Well, now, I appreciate the compliment, but I think most Members of Congress are hard working. I don't think I am any exception in that regard.

ANNOUNCER. Yes, but you are on the Appropriations Committee which probably has a heavier work load than any other committee. And I understand that during your entire service in Congress you haven't missed a session of the House or a single vote. How many years have you been in Congress, Mr. CHURCH?

Mr. CHURCH. This is my thirteenth year.

ANNOUNCER. Well, perfect attendance over a period of 13 years seems to me to be quite a record. I think you are to be congratulated.

Mr. CHURCH. Thanks. I am only trying to do the job the people elected me to do.

ANNOUNCER. You are doing that all right, and more.

Being a member of the Appropriations Committee and knowing your efforts to cut Government spending, I probably should ask you some questions on present budget outlook. But inasmuch as the House has been working on the public housing bill this week, I think the people would be interested in your views on that subject.

Mr. CHURCH. I shall try to answer any questions you may wish to ask. Inasmuch as there are certain differences between the Senate public housing bill and the House bill, to avoid possible confusion it would be well to confine our discussion to the House bill as reported by the Committee on Banking and Currency.

ANNOUNCER. I agree, Congressman CHURCH. My questions will be directed solely to the bill before the House this week.

Mr. CHURCH. Of course, the stated objectives and the underlying philosophy of both bills are the same. The differences between the two are largely matters of detail.

ANNOUNCER. We will try to avoid the details in the limited time we have and deal only with the basic issues.

When you were on this program last month, Congressman CHURCH, you stated that you were opposed to the public housing bill. I don't suppose you have changed your mind.

Mr. CHURCH. I certainly have not. I consider it to be one of the most dangerous proposals to come before Congress. The more I learn about the program the more dangerous I think it is.

ANNOUNCER. In what respects do you think the bill is dangerous? The sponsors of it claim that it is the solution to the housing shortage problem, or do you believe there is no existing housing shortage?

Mr. CHURCH. That there is a housing shortage in various sections of the country, particularly the cities, no one can deny. It is not due to any fault or failure on the part of private enterprise. It is one of those problems that arose out of the war when, because of the lack of men and materials, there was very little building construction.

ANNOUNCER. If there is this existing housing shortage, Mr. CHURCH, which you—with your usual honesty and frankness—readily admit, why isn't this public housing bill necessary as a solution to the problem?

Mr. CHURCH. For many reasons—you don't want me to launch into a speech, do you? I feel so strongly about this.

ANNOUNCER. Oh, no. No speeches. Briefly, why isn't the public-housing bill a solution to the housing shortage problem?

Mr. CHURCH. The existing housing shortage is merely the excuse which the socialistic planners use to put their nationalization plans into effect. Some good, well-meaning people have been led to believe that the passage of this legislation will almost overnight provide homes for their relatives, or friends, or neighbors. Insofar as the present housing shortage is concerned, the bill can do nothing in less than 2 years or possibly 18 months toward alleviating the shortage. And so, all this talk about relieving the existing housing shortage by this proposed legislation is just nonsense.

In the meantime, private enterprise is itself licking the housing problem. Last year almost one million new permanent dwelling units were built. That is a larger number than ever constructed in the entire history of the United States. This building boom was generated by the removal of the wartime restrictions and controls on the building industry by the Republican Eightieth Congress.

In a word, the solution to the housing shortage is the continuation of the record home-building program now under way. Private enterprise, free from Government controls and restrictions, free from the deadening hand of bureaucracy, is doing this job.

But if our Federal Government enters upon a public housing program, in competition with private enterprise, the number of housing units built by private enterprise will slowly but surely decrease. The experience of Great Britain with socialized housing attests to drying up of private building. The experience of Great Britain proves that bureaucracy cannot build homes, and the administration is asking the American people to drink from the same bitter cup.

ANNOUNCER. So you believe that the proposed public housing program will ultimately result in fewer homes being built.

Mr. CHURCH. That has been the experience of Great Britain. Private enterprise certainly cannot compete with Government subsidized houses. Government-built houses, owned by the Government, managed by the Government with part of the rent paid by the Government from taxes inevitably discourages people making the sacrifices necessary to own their own home. A

program of this character strikes dangerously at the American tradition of home ownership, thrift and individual incentives.

ANNOUNCER. What about the cost of this proposed public housing program, Mr. CHURCH?

Mr. CHURCH. That is a very important point. Every one is concerned, or at least professes concern, about our present fiscal situation. We have the largest public debt in history, and we have the heaviest taxes in history. And the country is faced with an unbalanced budget, which means deficit financing or an increase in taxes.

Notwithstanding our precarious financial situation, the administration proposes by this public housing program to commit the Federal Government to an expenditure of almost $20,000,000,000 over a period of 40 years. Even if we were to agree that the program is meritorious, we should not undertake it. We simply cannot afford it.

Do you know that 32 percent of our national income now goes into taxes and that history shows that capitalistic systems of government, such as we have in the United States, break down when taxes reach 40 percent of the national income? We are thus within 7½ to 8 percent of national insolvency. We are rapidly approaching the breaking point.

ANNOUNCER. How do they propose to raise the money to finance this program which you say will cost almost $20,000,000,000 in 40 years?

Mr. CHURCH. That's a very good question. It touches on a feature of this program that is generally overlooked. I do not think many of our people realize that once the program is authorized the Congress will have no control over the expenditures.

ANNOUNCER. Do you mean to say that your Committee on Appropriations will not each year review the expenditures and proposed expenditures, as you do with the other agencies, and appropriate such funds as you believe necessary?

Mr. CHURCH. No, sir. It is a believe-it-or-not. Under the terms of the bill the Committee on Appropriations is completely bypassed. We will have no supervision whatever over the obligations incurred to carry out the program.

ANNOUNCER. That strikes me as rather novel. I know that each year your Committee on Appropriations examines the various programs of the Government and makes appropriations for them accordingly, for public roads or for harbors or dams, and so forth. But, if I understand you correctly, under the proposed public-housing program you will not have this control over the money spent by the housing agency. I wonder if you would explain, Mr. CHURCH, how the Administration proposes to finance the program without the Congress making the appropriations for it from time to time.

Mr. CHURCH. I shall try to make it as clear as I can without getting too technical. As you know, the usual procedure is for the Congress to pass a bill authorizing some particular program and then each year the Committee on Appropriations makes the appropriation for the program. It may refuse to make any appropriation, or it may appropriate less than recommended by the budget, or it may appropriate more.

In the pending public housing bill, however, that procedure is discarded. The bill authorizes the Housing Administrator to issue notes or other obligations in such forms and denominations as he decides. The Secretary of the Treasury is authorized and directed to purchase these notes and other obligations. In making the purchases the Secretary of the Treasury is authorized to use the proceeds from the sale of any securities under the Second Liberty Bond Act.

ANNOUNCER. In other words, the money for this $20,000,000,000 program for a period of 40 years is to be raised by debt transactions rather than by appropriations.

Mr. CHURCH. Exactly. By the terms of the bill the Congress would be granting the Housing Administrator the right to incur this huge debt with the full faith and credit of the United States behind it.

Control over the Nation's purse is one of the fundamental prerogatives of Congress. To protect the people in the taxes they must pay it is the very, very important job of Congress to supervise Government expenditures and obligations. But it is proposed by this public housing bill that Congress give up that right.

ANNOUNCER. Congressman CHURCH, I wonder if we can reduce the cost or subsidy figure to simpler terms. When we speak in terms of billions—$20,000,000,000, in this instance—it is difficult for any of us to grasp.

Let me ask you, is there any limitation on the cost of housing units to be constructed by the Government?

Mr. CHURCH. The bill provides that the cost shall not exceed $1,750 per room, plus $750 the Administrator has discretion to add. The cost can be $2,500 per room.

ANNOUNCER. That seems high.

Mr. CHURCH. High is not the word for it. It is extravagant. In other words, each 5-room unit can cost $12,500. As a substidy for that unit the annual amount will be $562.50, or $46.88 a month. In other words, the American taxpayers can be called upon to pay as much as $46.88 a month as part of the rent of the person who is given a 5-room unit costing $12,500. If one can get a house costing that price, with the Goverment paying a large part of the rent, what incentive is there for anyone to try to save for a home of his own? How can private enterprise possibly compete?

And let me point this out: The proponents of the bill, which provides for 1,050,000 units, frankly state that this program is only the beginning. They believe that once it gets under way it will gain such political momentum that it will automatically be enlarged. We are on the road to socialism. I fear for our future if programs of this character are adopted.

ANNOUNCER. One more question, Congressman CHURCH. What other issue, aside from the labor bill being debated in the Senate and the public housing bill in the House, do you think of foremost importance in the minds of the people.

Mr. CHURCH. I think the people are keenly interested in seeing the Hoover Commission recommendations for reorganization carried into effect at the earliest possible date. That is one of the things on which I have been vigorously working. I have urged the need for reorganization for many years. It is long overdue, and we must not let this opportunity to go by, without some definite results.

Postal Pay Legislation

EXTENSION OF REMARKS
OF
HON. JOHN R. WALSH
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. WALSH. Mr. Speaker, on Monday, June 20, I made a statement on this floor in which I expressed the hope that hearings would be scheduled by the House Committee on Post Office and Civil Service relative to postal pay bills pending before that committee. At the same time, I announced that if public hearings were not scheduled, I was prepared to file a discharge petition in favor of H. R. 4495—the postal reclassification bill.

I am very happy to learn that yesterday the Post Office and Civil Service Committee voted to begin hearings on postal pay bills on next Tuesday, June 28. Accordingly, I shall withhold the discharge petition.

There are many Members of the House, I am sure, who feel as I do in the matter of adequate compensation and fair conditions of employment for the men and women in the Post Office Department. It is my sincere hope that the committee will expedite the scheduled hearings, and that an early opportunity will be given the Members of the House to vote on the committee recommendations?

The Law—As It Is Writ

EXTENSION OF REMARKS
OF
HON. BURR P. HARRISON
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. HARRISON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Star of June 23, 1949:

THE LAW—AS IT IS WRIT

The District citizen may now sue in the Federal courts, or be sued by, his fellow citizen in the States. That is what Congress, in 1940, said he might do. And on Monday, as explained here yesterday, the Supreme Court agreed that what Congress said in 1940 was valid under the Constitution.

To reach that decision a Supreme Court majority had to find that the act of Congress was in conformity either with article I or article III of the Constitution or both of them.

In reaching such agreement on the law the Supreme Court established what must be a record in failure to agree. Here is the way it happened.

Six of the Justices—Chief Justice Vinson, and Justices Reed, Frankfurter, Douglas, Murphy, and Rutledge—held that the act of Congress was not supported by article I.

Seven of the Justices—Chief Justice Vinson and Justices Black, Reed, Frankfurter, Douglas, Jackson, and Burton—held that the act of Congress was not supported by article III.

Three Justices—Jackson, Black, and Burton—held that the act of Congress was supported by article I, but not by article III.

Two of the Justices—Rutledge and Murphy—held that the act of Congress was supported by article III, but not by article I.

There were four separate opinions. Three was the greatest number of justices who could persuade themselves to agree on any one of them. A minority opinion of two Justices—opposed by seven of their brethren—combined with a minority opinion of three Justices—opposed by six of their brethren, made an act of Congress valid under the Constitution.

The layman, struggling through the maze of language of these opinions, may have reason to pause and reflect upon the marvelous achievements of a Court of rugged individualists.

The lawyers, well, let the lawyers stew in their own juice. It may do them good. As for the Solicitor General of the United States, who intervened with the appellants and presented a very logical and clear brief

to the Court and argued its points with becoming eloquence, he may content himself with the comforting thought that while overruled by the Court on practically every point he made, he won his case.

Closer Ties Throughout the Free World

EXTENSION OF REMARKS
OF

HON. CHARLES A. EATON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. EATON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Gov. Thomas E. Dewey, of New York, at the Williams College commencement exercises as carried in the New York Times of June 20, 1949:

It is a pleasure to be here under the benign sponsorship of the distinguished president of Williams College, Dr. Baxter, and I am deeply grateful for the honor conferred upon me today. It is also a pleasure to be here in the company of Mr. Hoffman, who has turned with such skill from building automobiles to building the foundations of peace in the largest scale rescue operation the world has ever seen.

Many of you in this graduating class know a great deal about that job. You had a stern part in the war which made it necessary—which brought to an end one effort to conquer the world by fascism and served as the curtain raiser to another effort to conquer the world—by communism.

When I came home from Europe last Thursday I was asked by a newspaper man whether I thought there was going to be a war soon. I said that most of the responsible people I had talked with did not think so, but that tension existed in every capital.

Perhaps a better answer to that question would have been to say: There is a war on now. It is being waged against every free country in the world by every device of propaganda, sabotage, threats, and in some areas, physical violence.

POINTS TO SOVIET GAINS

The question remains: "Will there be a general shooting war?" We know that no free nation wants a war, so the question will be decided by the 13 men of the Politburo in the Kremlin.

But why should these 13 men be stupid enough to change from a cold war to a shooting war? They have won more in the last 4 years of uneasy peace than any nation ever won by war. They have conquered 200,000,000 people in middle Europe and nearly 400,000,000 in China. They believe that by the continued use of native traitors they will gain Indochina, Siam, Malaya and, ultimately, all Asia.

They would then have more than half the people of the world and they obviously believe that the infinite riches of Africa would fall into their hands next. That would leave a pretty skinny free world with a very slim chance of survival against either a cold war or a hot war.

How shall we prevent these dire consequences? No one knows all the answers and certainly I don't. Some things do seem obvious.

At this moment the immediate task is European recovery. Without a free western Europe, we in the Americas would probably soon be a lonesome little island of freedom with little chance of survival. It is high time we stopped thinking of our economic aid to Europe as American charity or as a hand-out to old friends who have fallen on evil days. Europe is just as important to us as we are to Europe and our program is one of personal and mutual interest.

SAYS MUCH REMAINS TO BE DONE

Great progress has been made in 4 years on a continent where devastation still exists and paralysis and starvation existed not very long ago.

But we are not out of the woods by any means. Whether he admits it or not, every statesman in western Europe is looking with grim foreboding to 1952 when American aid is scheduled to come to an end. Every nation has grave dollar deficits and many have budgets which only remain in a precarious balance by reason of American aid.

The first relief stage of the operation is over. Construction is going forward, but it has a long way to go. The living standard generally is still so low that every day brings to the average western European a struggle for the minimum necessities of life. Many millions are living on wages of a dollar to a dollar and a quarter a day. The average wages are one-fourth to one-sixth of those in the United States, while the prices of food and clothing are very little below ours. In most countries in Europe a family must spend nearly three-quarters of its income to get not quite enough food, leaving very little for other essentials. The middle-income groups, whose vigor is so essential, are in danger of disappearing.

But there is a real spirit moving in Europe which no one who looks can fail to see. After 10 years of great hardships the people are still meeting the future with firm determination and on the whole, from England to Italy, they are working hard, with courage and optimism.

But Europe is not the whole answer. Assuming we get every break and Europe wins through, we have just started.

It is time we lifted our sights and viewed the world in the round. As a nation we have concentrated on Europe while Asia has been going under and the Communists are working busily in Africa. We have thought too long that if we could keep Europe free we could keep a free world. That is not true. If we fail to keep a free Europe, we will probably fail to keep our own freedom. But if we do save Europe, the struggle is not won by any means. The fact is that North America and Europe combined have less than one-fourth of the world's population. This is a world struggle. It is time that we thought of it in its true perspective.

A close race is being run between the forces of economic recovery and freedom on the one hand and of economic stagnation and slavery on the other. It is a long race. No one should hold the slightest delusion that it will end soon. The race will not be run and ended in a few weeks or in a few months or even in a few years.

SAYS STRUGGLE IS EPOCHAL

It is an epochal struggle—perhaps the greatest of all history—in which every human being on earth is involved for the first time in history. It is a struggle by communism to take the world. It is a struggle by us to keep a large enough area both free and strong enough to resist that relentless attack from without as well as from within. It is a struggle for table stakes representing the whole world.

If we are successful in saving Europe—as we must be—we may succeed in avoiding a war. That alone would be a tremendous victory. War, even if we won it, would probably destroy everything we believe in. To avoid that war we must, of course, maintain a strong military establishment. It seems obvious to me that we must also provide the European countries with military equipment to be strong enough to defend themselves. Our treaties of mutual defense with the nations of the North Atlantic and of the Western Hemisphere are essential parts of that program to keep the peace.

But I think it would be most unfortunate if our people were led to believe that even when we have succeeeded in all these steps, they alone will keep the peace and our freedom.

NOTES RISING POPULATION

The population of Europe is greater today than it was before the war. Europeans feel that they are locked in a vise between a constantly rising population and limited land and resources insufficient to provide for the needs of the people. Many say emigration of millions to other lands is the only answer to their problems. They look hopefully to South America. They look hopefully to Africa.

Keeping Africa free from Communist domination is an essential part of any program. But that, too, is only the beginning. Enormous investments of capital are essential for the development of Africa and its unexplored resources. Great investments of capital are needed in South America. Almost all of Europe needs great sums of capital if its industrial plants and farms are to be modernized, and the living standard of the people is to reach a tolerable level.

Where is all this capital going to come from and how will it be administered? These questions dominate all others. Some of it must come from government, of course, but if government takes it all from the people by taxation, they will have no money left for investments. The very instruments of enterprise would be smothered.

Moreover, if all capital were to be invested in some form of state socialism, then we would defeat our purpose of building a free world by borrowing the very techniques of the ideology which would enslave us. There is no evidence in either our country or abroad that government operation of industrial or agricultural production can do anything but drag down the living standard of the people.

If we are going to save freedom we can only do it by the methods of freedom and I hope that will be our course.

The same is true in the other essential task of building a United States of Europe. We desperately need a new political unity in the free world. I have urged European unity for a long time and I believe we are making progress toward it. Leaders of Europe are both publicly and privately committed to it and most of them are brave and honest men struggling against great handicaps to achieve such an end.

Everyone is for European union but it drags with leaden feet. It seems that the very steps which seem necessary to rebuild European countries stand in the way of ultimate success. The larger nations all have rigid economic controls or rationing of one kind or another, increasing nationalization of industry, subsidies, wage fixing, and price fixing. Moreover, there is an obvious attempt to achieve what I believe to be a dangerous degree of national self-sufficiency.

Each of these factors is another barrier against the free flow of commerce over borders, another hindrance to balanced budgets, another injury to stable currencies, each of which is essential to European union. There are enough handicaps in ancient rivalries and technical problems without increasing them artificially as is too often being done.

The living standards of the people can only be raised finally by creating larger areas of trade and larger markets for goods, together with the efficiencies of large-scale production of the goods to which each country is best adapted. The people desperately need the rising living standard this would represent. They need also the sense of security which can come only through unity.

Separate nations ranging in population from 4,000,000 to 45,000,000 cannot successfully meet modern economic conditions. For

the same reasons they cannot meet the external threat of a colossus which stretches from the Elbe to the Pacific Ocean for the first time since Genghis Khan.

HOLDS TASKS WILL TAKE YEARS

The United States of Europe could bring about the great free area which is an essential cornerstone to progress. A united western Europe with its 270,000,000 people, with free access to the immense resources of Africa, combined with the strength of the Americas, could become the mightiest force the world has ever seen to build a permanent peace.

As I see it, these are some of the tasks ahead. They will take years and probably decades. They involve an ever closer relationship, a greater give-and-take, a greater interdependence between the people of the five still-free continents—western Europe, Africa, the Americas and Australia. It is imperative that we think in terms of a total world, and not in terms of one corner or one segment of it.

Together with a full understanding we must sustain ourselves and our fellows with a reaffirmed consciousness of our spiritual destiny and our birthright of individual dignity and integrity.

SECURE PEACE DECLARED POSSIBLE

Then, with a vision large enough and consistent, unyielding, unwavering action over however many years it takes, a secure peace can be built. Then and only then can we be sure that the cause of freedom will again capture the imagination of the people of the world and the curtains of darkness begin to lift.

One more thing is essential. That is a consistent devotion to the settlement of all international disputes by peaceful means through such an organization as the United Nations. If we are willing to sacrifice enough, to work hard enough and to be wise enough in our own self-interest, we can succeed.

I doubt if the issue will be settled before your generation has taken over our affairs and I suspect you are going to do a very much better job of it than your elders. Your generation has been exposed to the catastrophe which follows totalitarianism in any form of government domination of the lives of the people.

You have a keen appreciation of the dreadful alternatives which failure in the program for peace would bring. You have a sense of hard-headed idealism from which I believe will spring a new faith in a liberal society guaranteed by a bill of rights and founded upon freedom of conscience and of enterprise.

I congratulate you on your graduation and upon the immense opportunities that lie ahead of you.

A Force for Peace

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I should like to include a well-deserved editorial tribute to our Rotary Clubs, which appeared in the Framingham (Mass.) News under date of June 18, 1949.

The editorial follows:

A FORCE FOR PEACE

Meeting in New York several days ago were 10,000 business and professional men from 50 countries. They were delegates from thousands of Rotary Clubs scattered around the world. They attended the fortieth annual convention of the oldest of service organizations.

The cynical smile at the more enthusiastic Rotarians and their somewhat determined efforts to be men of good will, but Rotary's faith in friendliness is not superficial. Few have joined its fellowship without taking inspiration from its precepts, which emphasize high ethical standards, the worthiness of all useful occupations, and the importance of service to society.

At the local level Rotary Clubs put preaching into practice by numerous good works and at the international level by earnest efforts to promote peace through world fellowship.

Rev. Dr. Norman Vincent Peale, speaking at a session in Madison Square Garden, put Rotary's international ideals into these words:

"Rotary repudiates the dismal pessimism that there needs to be a deterioration of world affairs. It does not share the negative attitude acquiesed in by many that it is not possible to create a world of good will among men. If the politicians cannot attain it, such organizations as Rotary can. An organization that can so effectively get men together at the community level can weld them together at the international level as well."

That Rotary's professions are both sincere and full of promise is indicated by the fact that it embraces men of all colors, creeds, and nationalities. Because it personifies democratic principles, its suppression is one of the first acts of dictators, as was shown in Germany and Japan, where it is now reviving its clubs, and in Russia and the satellite countries, where it continues under ban.

The Rotary approach to international amity may be regarded by some as excessively optimistic, but its basic assumptions cannot be successfully assailed.

Federal Aid to Public Education But Not Federal Control

EXTENSION OF REMARKS
OF
HON. JOSEPH R. BRYSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. BRYSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me before the House Committee on Education and Labor, May 26, 1949, in support of Federal aid to public education but not Federal control:

Mr. Chairman, I appreciate the privilege of appearing before your committee in support of this legislation. I am in full accord with the objective of the measure, which is to assist in reducing the inequalities of educational opportunities of school children throughout the Nation.

During the sessions of the Eightieth Congress a similar bill was passed by the Senate. Unfortunately, that bill did not pass the House. We have now a new opportunity to deal with the mounting crisis in education, and I am heartened by the degree of bipartisan support which is in evidence.

Unquestionably our American public-school system is the greatest bulwark of our democratic way of life. The progress that our Nation has made in every field has been in direct proportion to the educational level of its citizens. There is in every nation a definite relationship between educational standards and cultural and economic standards. I might cite the example of the Scandinavian countries, Norway, Denmark, and Sweden. These countries are relatively poor in natural resources, yet they maintain high standards of education and as a consequence their standard of living compares favorably with that of any nation on earth. On the other hand, I might cite the example of our South American neighbor Colombia. In spite of the fact that this is one of the richest lands in the world in terms of natural wealth per square mile, its educational standards are low and consequently its people are among the poorest in the world.

Among the large nations, Russia and China possess tremendous material resources and their culture antedates our own by many centuries. But living standards in those two countries are low because educational levels have been held at a minimum. The Soviet Union is reported to be correcting this deficiency by spending as much as 20 percent of its national income for education.

We can find further examples in our own boundaries. I represent a section of the country in which educational opportunities are considerably less than those of more fortunate States. As a result, the economic status of my home State is below that of other sections. Many of the problems of the South can be traced directly to the vicious circle through which lack of educational opportunity causes low economic levels, which in turn render it impossible for the Southern States to provide adequate educational opportunity.

Yet the paradox is that the Southern States spend a disproportionate share of their income on education. The States of Virginia, North Carolina, South Carolina, Georgia, Florida, Tennessee, Alabama, Mississippi, Arkansas, and Louisiana educate 24.41 percent of the Nation's children while they receive only 10 percent of the Nation's income. This means that a State such as South Carolina can spend only one-fifth as much per school child as the State of New York.

We see the results reflected in innumerable ways. There is serious economic dislocation in the Southern States, inasmuch as the people of those States must bear relatively greater economic burdens. Recent studies have shown that for every productive worker in South Carolina there is one dependent who must be supported, whereas in New York the ratio is two productive workers for each dependent.

Migration has been another serious problem which may be traced indirectly to lower educational opportunity in the South. During the past 50 years there have been strong interregional population shifts. Up to the latter part of the nineteenth century, internal migration in the United States was toward the western States, but since the turn of the century migration in America has been principally rural-to-urban and from Southern States to Northern or Western States.

The tragic fact is that two-thirds of those who migrate are young people. Their home State carriers the burden of educating them through childhood and adolescence, and at the very time when they reach their period of maturity and productivity, they leave their homes for sections offering greater economic opportunity.

Then again, the efforts of the South to bring about a solution to its complex racial problem have been hampered by its low educational and economic levels. Since the days of the War between the States, the South has been held in virtual economic bondage, and only during recent years have the industrial potentialities of the South found an outlet. As the South is enabled to become stronger economically, and in a position to provide a full measure of oppor-

tunity for all its citizens, its racial problems will diminish and vanish. But as long as the educational systems of the Southern States are forced to operate on totally inadequate budgets, the plight of both races will remain acute.

Thus, we see the imperative necessity for augmenting the expenditures for education in the less productive States, whether they are found in the South or in any other section of our country. The only issue here is the extent and nature of Federal responsibility. There are those who hold that education is traditionally a function of the individual States and localities, a function in which the Federal Government has no concern and no authority. I feel that this is no longer a tenable view. The growing integration of our country and its people makes education a national as well as a local issue. It is a national issue because education is the most powerful single factor in developing the human resources of our democratic society. It is a national issue because every American citizen has a right to equal opportunity in education, whether he lives in New York, California, Mississippi, or South Carolina. It is manifestly unjust when States which depend primarily upon an agricultural economy are forced to compete educationally with States in which industrial and commercial development is at a high level. It should not be said of America that the penalty for living in an agricultural region is an inferior education.

The wastage of human resources fostered by such a situation is incalculable. More than 3,000,000 American youngsters attend classes in primitive school buildings, with inadequate educational supplies, staffed by underpaid and poorly trained teachers. The penalty we pay for our inequitable educational system is a vast army of unproductive human beings whose potential usefulness to their Nation has been choked off at the roots.

We have learned that our national economy functions as a unit, that dislocations in one section have repercussions in every section. Where there is a deficiency as a result of inadequate education, that deficiency is felt over the entire Nation. The handicaps—yes, even the civic menaces—imposed upon an individual in one section soon flow through our fluid economy to every section. This was dramatically demonstrated during the days of the war, when we found that 5,000,000 young men were educationally or physically unfit for military service. Last year, in a hearing before a Senate committee, military authorities stated that good schools everywhere, with compulsory attendance, would have placed at least 250 additional divisions between us and the enemy. In thousands of war plants poorly educated citizens became aware that they had been denied one of their most priceless rights, when they found themselves incapable of performing vital war work and were required to undergo prolonged training. We must not again deny patriotic citizens the educational equipment which will enable them to serve their country in time of crisis.

Mrs. Agnes Meyer has stated the issue clearly. "We speak constantly and proudly," she said, "of the high promise of American life. We do not speak of the high promise of life in New York or Illinois or California. When we think of American life we refuse to admit that its privileges and high hopes are reserved for certain geographical areas."

It is for these compelling reasons that I view education as a matter involving a measure of Federal responsibility. I have always tenaciously upheld the rights of the individual States to manage their internal affairs with an absolute minimum of interference or assistance from the Federal Government. But we must acknowledge that there are certain areas in which the Federal Government has a primary or at least a secondary right and responsibility. The common defense is one of those areas. That is why we have one national military establishment rather than 48 separate establishments. There are certain things that all the States, acting in concert, can and must do for themselves which no one of them can accomplish separately. Education is now one of those areas in which the Federal Government has a strong right and responsibility.

It is unrealistic to assert that education is a matter which must be left entirely to the States and the local communities. For the blunt truth is that many of our States are incapable of doing the job, now or in the foreseeable future. To deny them Federal assistance is to doom those States to continued and prolonged economic servitude. Certainly it is true that some States will receive less of the $300,000,000 than they would pay on the basis of internal revenue receipts. But Federal aid is in complete accord with the fundamental taxing system of our country—in which those who have are taxed to provide essential services for all.

Our country is today engaged in an ideological war with the tyrannical forces of communism. In that war, ideas are the principal weapons. We cannot, in this crucial period, afford the luxury of ignorance or illiteracy among any substantial element of our population. We cannot, at the peril of our own survival, permit brutal inequalities in educational opportunity to exist in our free America. As Dr. Conant has said, "We cannot hold our own against the challenge of the Soviet philosophy unless there is a determined improvement in our system of public education."

That improvement can come about only through Federal assistance to the States.

While I am convinced of the constitutionality of the general principle of Federal aid, I feel that there are certain features in the proposed legislation which may operate to violate the letter and spirit of the Constitution. I cannot subscribe, for example, to the view that sectarian schools are entitled to share in the benefits of the Federal aid program. It is clearly unconstitutional to use Federal funds to support the educational activities of religious denominations. We have already gone too far in this respect by permitting transportation for parochial-school children at public expense. I urge that this committee provide in this legislation effective safeguards against the possibility that any State may divert public funds for the support of schools which are operated and maintained by religious denominations. I feel that such a diversion is too easily made under a system of payment in which the funds paid become the funds of the State, to expend according to State law. I feel that the act must specify clearly that sectarian schools shall not benefit from Federal assistance and it should provide a method of payment which would render such a procedure impossible.

I believe that this measure, with proper safeguards such as I have just outlined, will be an incomparable boon to the welfare of all citizens of all of our United States. I therefore urge its prompt approval by this committee.

The Basing-Point Decision—Ghost Towns Are in the Making if It Stands

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by William Schoenberg on the basing-point decision:

THE BASING-POINT DECISION—GHOST TOWNS ARE IN THE MAKING IF IT STANDS

(By William Schoenberg, president, United Cement, Lime and Gypsum Workers)

(The author of this article heads a union directly affected by last year's far-reaching decision of the United States Supreme Court in what is popularly referred to as the Cement case. While Mr. Schoenberg is speaking for his own organization, the stand taken on pricing by the Federal Trade Commission, backed by the sanction of the Supreme Court, has serious implications, as the author points out, for other unions and other industries.)

It was lately demonstrated that the power to select and to elect is not the exclusive prerogative of big business or of big politics—that it belongs to, and may be powerfully used by, the working people of this country.

We, the people, have resumed the responsibility to see to it that the United States shall have its Government administered by able, efficient men who are responsive to the will of the people and who will act under laws made by Congress. It will be our own fault if the Government is not what it should be.

Today labor is at the crossroads. Labor may choose the hard, narrow path of self-government, the democratic way, where, guided by the laws made by a congress that we elect, we shall go on to the satisfactions of proud and glorious freedom. On the other hand, we may choose the broad, easy, low road of bureaucracy, under which we will work and live subservient to interpretations, regulations and orders capriciously dictated from day to day by mere appointees who are never directly responsible to the voters. The second way leads to the frustrations of ignominious slavery and to the tyranny of government by force—and the end of American free enterprise.

Is this not the time for our international unions solemnly to reaffirm belief and trust in the long-honored fundamental principle that the legislative, executive, and judicial branches of the Government shall be independent?

The Constitution, in article I, provides that the legislative powers granted by the people to our Federal Government are vested in Congress. Those powers are to be exercised only by Congress. They must not be relinquished. They cannot be delegated.

By article II the executive power is vested in the President. He is to give information to Congress and to recommend such measures as he shall judge necessary and expedient. Also the duty is assigned to him to take care that the laws made by Congress are faithfully executed. He needs the assistance of administrative agencies, such as the Department of Justice headed by the Attorney General, the Department of Labor headed by the Secretary of Labor, and the various other departments of Cabinet rank.

Subordinate to these there are many minor agencies designed and created to serve as aids to major Departments. The Federal Trade Commission is one of the scores of such minor boards and bureaus.

By article III the judicial power of the United States is vested in a Supreme Court and such inferior courts as Congress may establish. It is the duty of the courts, thus created, to determine controverted issues of law and fact and to apply the laws that have been made by Congress.

It is necessary and proper that subordinate administrative agencies should act in aid of the various Departments of the Government, but that any such agency should attempt to exercise the legislative powers of Congress, the executive powers of the President, and the judicial powers of the courts is unthinkable under our Constitution.

Yet that is the very thing which the Federal Trade Commission has done and which

the Supreme Court appears to have approved. It is intolerable to expect that Congress will supinely acquiesce in such behavior by any governmental agency which Congress has the power to curb.

In our consideration of the Federal Trade Commission's long efforts to destroy delivered pricing and to prohibit free competition under the mask of eliminating what it calls the waste of cross hauling by our railroads, we are not concerned with trying to defend collusion or conspiracy, or to fix prices or to eliminate competition.

Nor are we interested in securing legislation to legalize any so-called basing-point system or any other system of pricing.

We are interested—vitally interested—in having our duly elected Representatives in Congress, at the earliest opportunity, take whatever action is necessary to curb and to prevent the repetition of acts of the Federal Trade Commission, the courts or any other agency of the Government which has trespassed upon the legislative power of Congress or which sets itself up as the over-all policy maker for free enterprise upon which our whole people depend.

The freedoms which are characteristic of delivered pricing are among those which were guaranteed by the Constitution, under which American business and the American standard of living developed and flourished. Should those freedoms be destroyed, what will happen to the American standard of living, to the future of American business, to the republican form of government created under the American Constitution and to the wage earners?

Although section 8 of article I of the Constitution enumerates powers specifically granted to the Congress, including the power "to regulate commerce * * * among the several States," the Federal Trade Commission has presumed to exercise that power. In so doing, it has created confusion approaching chaos throughout American industry and it has adversely affected the welfare of the working people. That is an example of bureaucracy in action.

Labor's stake in industry should be beyond the power of any such subordinate Government bureau to interfere with it.

Thousands upon thousands of workers and their families are deeply concerned with actions of the Federal Trade Commission to outlaw and destroy delivered pricing, and to forbid a seller to make lower prices to some customers to meet in good faith the lower prices—or delivered cost—offered by a competitor.

Delivered pricing means the freedom of every man who has something to sell to take that something to any place that he chooses and there put a price upon it and offer it for sale, coupled with the freedom of every buyer to request delivered prices and to buy at the competitive prices, which include delivery at his (the buyer's) location.

That is delivered pricing, an expression of a basic freedom, an attribute of free enterprise. Any attempt to restrain such a basic freedom is a threat to a free society and an approach to despotism. Nevertheless, the Trade Commission has sought to compel industry to sell only at uniform f. o. b.-plant prices. Moreover, it has seized the power to carry its intentions into effect.

If American industries are to give up the freedom to compete for business wherever a market is found and compelled to abandon delivered pricing, and to sell their products at uniform prices at the original shipping point or place of manufacture, so that those industries will be confined to selling only in the nearby areas where they have a freight-cost advantage, hundreds of thousands of workers will lose their jobs and become displaced persons who must leave their homes in rural communities and seek jobs in the already overcrowded great centers of population.

Many long-established business enterprises will be compelled to close down or to move from their present locations closer to sources of supply. Disruption in present overstrained production will be inevitable. All of this will have very bad effects upon the general cost of living and the level of living standards.

In reality, those who will be most irreparably hurt are the thousands of workers who have established, built, and put their savings into modest homes, in the small communities where they have brought up their children, established schools for their education and churches for their religious worship, and where the small-town merchants and, in fact, the whole life of these little communities depend upon the pay rolls of one or a few manufacturing plants or business enterprises long established there.

These small American towns will be made into ghost towns, and their inhabitants will be compelled to become displaced persons.

How serious is this situation? How real and immediate is the danger?

This is not intended as a complete survey of what will happen to industry and to workers as a result of the Federal Trade Commission's rulings and interpretations, and arbitrary definitions which go beyond the laws made by Congress. In this brief article we must be confined to a few examples.

Dr. Alfred C. Neal, vice president and director of research, Federal Reserve Bank of Boston, reported in Washington on December 10 upon a survey made in New England as to the effect of the Trade Commission's orders and the decisions of the courts thereon. The survey sought to ascertain the effects of requiring a universal f. o. b.-mill price system and * * * outlawing the practice of freight equalization." He said:

"Our best estimate," said Dr. Neal, "was that requiring uniform f. o. b.-mill pricing would result in a loss of approximately 33,000 jobs in the region. This figure * * * takes into account only the direct short-term losses and does not take into account the loss involved in the secondary effects which are concentrated on the transportation, service, trade, and professional lines.

Itemizing the effects on 10 specific industries, Dr. Neal reported that the direct loss of jobs was estimated as follows:

Estimated job loss

Industry:	
Fabrication of iron and steel	8,800
Paper and allied products	6,350
Nonferrous metals and their products	6,000
Nonspecialized industrial machinery	3,800
Electrical machinery	3,000
Chemicals	1,800
Stone, clay, and glass	1,700
Food processing	1,650
Rubber and rubber products	450
Textiles	300
Total job loss (estimated)	33,850

New England is only one section of America. This is but an example of what will happen across the country.

H. W. Fraser, president of the Order of Railway Conductors, made a statement before the Trade Policies Committee on December 7. In this statement he told of the plight of the Penick & Ford corn-products plant at Cedar Rapids, Iowa.

"This plant," asserted Mr. Fraser, "is faced either with outright economic death or, at best, a difficult and perhaps hopeless struggle for survival." This would involve the closing of a plant that employs 3,500 workers, because it was estimated it would lose 90 percent of its present business to concerns having a freight-cost advantage in delivering to eastern markets.

The bad situation of the western farmers who raise sugar beets and the evidence that, if beet sugar cannot compete in the East with the lower prices made there by cane sugar from Cuba, the beet farmers will have to turn to some other crop were also referred to.

Mr. Fraser said:

"I work in the railroad train service in Colorado. My family residence is there and I know the importance of the sugar-beet industry to the families on the land as well as to the workers in the sugar plants.

"It seems to me that, if we have to live with the idea set down in the Federal Trade Commission order, we will create our own uprooted or displaced persons problem.

"What of these workers, for instance, who have given their lives to the industries threatened by the order? They have made their homes, reared their families, or are doing so, in their various areas, and all of their family ties and friendships are there established.

"The workers in the railroad industry, as well as workers in other important established industries, should not be the victims of a highly experimental change which promises to produce confusion, dislocation, and economic upset that we can ill afford at this time, or any time, if our national economic unity is to be served.

"I urge upon this committee the logic of recommending congressional action legalizing the continuance of absorption of freight charges by all producers in the same voluntary manner that this has been done throughout our industrial history."

Incidentally, the Interstate Commerce Commission, which administers railroad rates, unlike the Federal Trade Commission, encourages the equalization or absorption of cost advantages which one railroad may have over another by permitting competing railroads with the higher costs to lower their rates to meet the competition of roads having lower costs.

Telegrams were sent by the executive office of the Cement Workers International Union to 62 local cement unions in towns of 5,000 population or less. Replies from 60 of these unions showed a total of 15,674 employees in cement plants in these small towns. Dependent upon wages paid to these cement workers were 62,423 people.

Many of the replies revealed that additional workers and various small business in the community would be most adversely affected by a shut-down of the local cement plant.

It was estimated that of the total of 15,674 workers, only 1,406 would be able to get other jobs in or near their home communities. Most of the local unions reported in their replies that no other employment was available. Some stated that possibilities of getting other employment were nominal. Many pointed to the long years of seniority enjoyed by the union men and the skills developed which would be lost. Also mentioned were the adverse effects upon the local school districts, local churches, small local businesses. Many added that their towns were one-industry towns, that the men owned their own homes in these towns and that the whole community would be drastically affected.

The investigation clearly showed the danger of creating many ghost towns where cement plants are now located. Several unions representing workers in paper plants, though not solicited, also sent in telegrams telling of some 1,700 employees whose jobs were in jeopardy. Many similar towns throughout the country, dependent upon other industries, face the same fate.

Since then a large number of local unions of other industries, entirely separated from the cement workers, on their own initiative, have sent letters and telegrams to the cement workers' international office setting forth the difficulties they will experience if the rulings of the Federal Trade Commission remain permanently in effect.

Article VI of the Constitution of the United States declares:

"This Constitution and the laws of the United States which shall be made in pursuance thereof (by Congress) shall be the supreme law of the land" and "the judges shall be bound thereby."

Should this basic command be now discarded in favor of bureaucratic interpretations, regulations and orders?

"The only way to enforce the law is the way prescribed by law," said William J. Gaynor.[1] "That which cannot be done lawfully must not be done at all, by the police or any other public officials, from the President of the United States down. This is a government of laws and not of men.

"We must be vigilant of every little approach to despotism, however little it may be. We must see to it that those whom we elect to office do not go outside of the laws, or set themselves up above the laws, and do as they please.

"It has always been the case throughout the world that the officials who did this did it on the plea that the laws were not good enough: that they could do better than the laws prescribed.

"Beware of all such officials. We do not want officials who have any lust for power. We want officials who are very careful about exercising power. We want officials who are careful to exercise no power except that given to them by the people by their laws.

"There is no more dangerous man than an official who thinks he is better than the laws. The good man in office should be most careful not to set a bad example or precedent for his bad successor, who will come along sooner or later."

We are not interested in legalizing a so-called basing-point system of pricing or any other pricing system. Certainly, we are not interested in weakening the enforcement of the antitrust laws. We are interested only in stanchly defending the basic freedoms upon which the American Government and American enterprise system and the well-being of our people depend.

If these rights are destroyed or invaded, then very soon some Government bureau will undertake to tell the wage earners of this country where they may and where they may not work—and for what wages. The freedom of self-government secured to labor through development of trade-unionism will thus be destroyed.

Since the workers in the mills and plants are an integral part of the industries involved, is it not incumbent upon our international unions to exert every reasonable and practical effort to bring about equitable relief from impending ill effects created by the acts and orders of any governmental commission or bureau?

[1] Quoted in American Federationist, October 1948.

Homes for Decency or Streets for Delinquency?

EXTENSION OF REMARKS

OF

HON. CECIL F. WHITE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. WHITE of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein an excerpt from an important letter from a constituent dealing with the housing situation. This excerpt reads as follows:

Do you know, Mr. WHITE, the land rent for many of these people who find it necessary to live in tents is $10 per 13 square feet per month? These people pay $1.25 extra for electricity. There is one water faucet for at least 25 tents and no modern sanitary facilities. That rent is greater than I pay considering I have a roof and wall provided. Many of these people are on the waiting list for the housing projects. They are people who would like to live in a place they could call a home. The parents worry because the children do not like to stay home in the evenings.

Please support the bill on Federal housing and slum clearance. American youth should have homes with which they are satisfied enough to stay off the streets, where delinquency breeds.

Society for the Preservation and Encouragement of Barbershop Quartet Singing in America, Inc.

EXTENSION OF REMARKS

OF

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. ARENDS. Mr. Speaker, Chicago holds the international barber-shop quartet championship for the fourth time in the 11-year history of the Society for the Preservation and Encouragement of Barbershop Quartet Singing in America, Inc. The Mid-States Four captured the 1949 crown in competition at Buffalo, N. Y., to join the Misfits, Four Harmonizers, and Elastic Four, all of Chicago, in the championship class.

Finalists at Detroit in 1945 and at Cleveland in 1946, the Mid-States Four kept on battling for top honors. They earned third place in the medalist competition at Milwaukee in 1947, and last year at Oklahoma City were runner-up. The songs they sang to clinch the crown were Carolina Sunshine and Fingerprints Along the Window pane.

Tenor Bob Mack, Lead Marty Mendro, Baritone Forrest Haynes, and Bass Art Gracey won their gold medals from a field of 40 top quartets from 17 States, the District of Columbia, and Canada. Their principal competition came from the Clef Dwellers, Oakland County, Mich., second; the Antlers, Flint, Mich., third; the Songmasters, Lansing, Mich., fourth; and Varsity Four, of Lafayette, Ind., comprising three Purdue alumni and an undergraduate of the same university, fifth. The Antlers are well-known in the Nation's Capital, and were guests of the Congressional Secretaries Club here several months ago. Washington will have an opportunity to welcome the Mid-States and other medalist quartets next October 28 at Constitution Hall in the Washington chapter's third annual Harvest of Harmony. Later in January 1950 the Washington chapter will be host for the annual mid-winter convention of SPEBSQSA, which has selected Omaha for its convention city in June 1950, and Toledo for its convention of 1951.

District of Columbia was in the limelight at Buffalo when the Potomac Clippers became finalists, and the Columbians semifinalists. Jean M. Boardman, founder of the local chapter, was elected to be a vice president of the society, while Ed Place, also of Washington, was awarded a Treasury Department citation for his work as national savings bond chairman of the society. Other Treasury citations, presented by Hal Master representing Vernon L. Clark, assistant to the Secretary of the Treasury, went to Past International President Frank H. Thorne, of Chicago, for his prize-winning bond song, Keep America Saving, and O. H. King Cole, of Manitowoc, Wis., re-elected international president, in recognition of SPEBSQSA's singing salesmanship in the opportunity drive for savings bonds.

To Chicago's personable champions of an organization composed of 600 chapters and 30,000 members, I extend the congratulations of a fellow barbershopper from another Illinois chapter, Bloomington. The Mid-States are a shining example of the adage, "If at first you don't succeed, try, try again."

Atomic Energy Commission

EXTENSION OF REMARKS

OF

HON. CHARLES H. ELSTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. ELSTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article by Lt. Gen. Leslie R. Groves, which appeared in the Washington Times-Herald on Sunday, June 19, 1949:

DUTY OF CONGRESS TO CHECK AEC, GROVES DECLARES

(The man who knows the atom bomb best—Lieutenant General Groves—in the following article calls on all Americans to spur Congress into a minute and exhaustive study of the Atomic Energy Commission.)

(By Lt. Gen. Leslie R. Groves, retired)

The propriety and even the legality of the current congressional inquiry into the Atomic Energy Commission and its Chairman, David E. Lilienthal, has been questioned by a number of citizens.

There has been aroused a bitter controversy which has clouded the true issues. This militates against the public interest.

It is even held in some quarters that the Commission occupies a position which, because of the secret nature of its work, makes congressional investigations impertinent if not downright dangerous to the public welfare.

RIGHT AND DUTY TO PROBE

Many Commission supporters insist that politics is behind the current examination—which has revealed, among other things, that Communists were given AEC fellowships at Government expense.

I believe that if Senator HICKENLOOPER or any other member of the Joint Congressional Committee on Atomic Energy is even faintly doubtful as to the efficiency with which the AEC is being run he has both the right and duty to make known his fears.

One of the graver and tougher problems the country had to face after the war was the

creation of a Government civilian agency to handle the enormous questions of atomic energy.

In the face of Russia's apparent determination not to cooperate in any sensible plan for international control, we had to establish this vital atomic unit and operate it in secrecy.

AEC GRANTED PRIVILEGES

The Atomic Energy Commission was born and blessed—a doubtful blessing, perhaps, but essential—with privileges never before granted to a Government agency.

But what assurances could be given to the people that the AEC was being soundly and properly managed; that it was achieving its goal; that it was spending its enormous appropriations efficiently and within the law?

The congressional act of 1946 which created this unique Government department placed upon it only three real checks.

One was placed in the hands of the President, who obviously cannot devote the time necessary to assure himself that the work of the AEC is being wisely managed.

The second was inherent in the constitutional power of Congress to grant or withhold public moneys.

And the third, and most important, was the establishment by law of the Joint Congressional Committee on Atomic Energy.

It is the responsibility of this joint committee and of every one of its members to pass judgment upon any or all of the actions of the Atomic Energy Commission and to report their judgment to Congress, and through Congress to the people. This is democracy at work.

Anyone who objects to this is out of step with our system of government.

HAS POWER TO CHECK

Conversely, he is at heart in sympathy with the Communist-Fascist viewpoint that men who legally or otherwise achieve positions of power are above the people, and that their actions are not subject to the approval or even the review of the electorate.

In the atomic-energy field the joint committee of Congress has the power and duty to check the detailed operations of the Atomic Energy Commission. The safety of the United States now and in the future depends upon the committee's doing it and doing it well.

It is the people's responsibility to ensure that this committee does fulfill its obligations. The Atomic Energy Commission, like any other agency of the executive branch of our Government, falls under the investigative scope of Congress.

California Mayor Urges Enactment of Housing Legislation

EXTENSION OF REMARKS
OF
HON. CECIL F. WHITE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. WHITE of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein a telegram from the Honorable Gordon G. Dunn, mayor of the city of Fresno, Calif., in which he urges the early enactment of housing legislation. The wire reads as follows:

Your presence on House floor Tuesday and favorable support on housing bill without crippling amendments urgently requested.

GORDON G. DUNN,
Mayor of Fresno.

South's Low Income Held Big Problem

EXTENSION OF REMARKS
OF
HON. PRINCE H. PRESTON, JR.
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. PRESTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by John T. Carlton, from the Atlanta Journal:

SOUTH'S LOW INCOME HELD BIG PROBLEM—PRESIDENT'S GROUP CITES NEED FOR NEW INDUSTRIES, CAPITAL AND FARM FORMULA

(By John T. Carlton)

WASHINGTON, June 20.—Substantial economic advancement has occurred in the South during the past 20 years, the National Planning Association Committee of the South reported Monday.

But the new industries, backed by investments of at least $3,000,000,000, and a new farming formula must come before the section's lag in per capita income and living standards can be overcome.

"Fortunately," said the committee in a voluminous report based on exhaustive studies over a 3-year period, "these trends in industry and agriculture already exist. Through their operation the per capita income in the South has increased more rapidly than for the country as a whole during the last 15 years."

But even so, the per capita income below the Mason and Dixon's line remains below that of the Nation as a whole.

The NPA report was made to the President's Council of Economic Advisers who released it to the public at a press conference attended by all three—Dr. Edwin G. Nourse, Leon Keyserling and John D. Clark.

GEORGIANS IN GROUP

The report was prepared by Dr. Calvin B. Hoover, and Dr. B. U. Batchford, of the staff of the department of economics of Duke University.

But participating in its preparation were other members of the committee of the South, including D. W. Brooks, of the Cotton Producers Association, Atlanta; Cherry L. Emerson, vice-president of the Georgia Institute of Technology, Atlanta; Charles H. Gillman, State CIO director, Atlanta; Dean Paul W. Chapman, of the State College of Agriculture, Athens; Raymond R. Paty, director of the Rich Foundation, Atlanta, and Ralph E. McGill, editor of the Atlanta Constitution.

Dr. Nourse and his colleagues expressed satisfaction with the report and predicted that its analyses and findings will be of great value to those concerned with economic developments in the South as an important segment in the national economy.

MORE INDUSTRY NEEDED

The essence of the South's economic problem, the report said, is in the low per capita income which stems from a low ratio of developed natural and capital resources to population.

"The South must have more industry," the report continued, "and the kind of industry in which the value of output per worker is higher.

"It means an agriculture of fewer uneconomically small farms and of more medium-sized farms employing fewer people with larger output per capita and with greater diversification in crops."

The policies of the Federal Government have helped the trends which are diminishing the South's economic lag, the authors believe. They added:

"The Federal Government can continue to be of the greatest possible service to the area in maintaining conditions such that these trends can develop further and in accelerating the rate of change. * * * The Federal Government itself cannot carry out operations which will produce greater income in industry and agriculture. This must be done by private individuals and corporations."

OF MINOR IMPORTANCE

Popular excuses for the South's economic lag—the high protective tariff imposed by the North, higher freight rates, absentee ownership, wage differentials, and lingering effects of the War Between the States—are actually of minor importance or not truly casual, according to the committee findings.

In some cases, freight rates actually have been advantageous to southern producers and even where differences unfavorable to the South have existed, they have not been as great as popularly claimed, and no real obstacle, according to the committee.

Higher rates have existed primarily on class rates, on which very little traffic moves.

"A reduction in the number of persons engaged in farm work is necessary to raise per capita farm income," the report said, "but employment opportunities in manufacturing must come to provide jobs for those no longer needed on the farm."

Red Tyrants in Czechoslovakia in New Conflict Over Freedom

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following editorial which appeared in the Brooklyn Eagle of June 23, 1949:

RED TYRANTS IN CZECHOSLOVAKIA IN NEW CONFLICT OVER FREEDOM

The new crisis in Czechoslovakia is a tragic reminder of the extent to which that nation has departed under Communist control from those democratic principles of government that gave it unique distinctions in the years between the two world wars.

Czechoslovakia was a product of the first war. Its people had the good fortune to choose as their leaders two of the really great men of their time—Masaryk and Benes. These men were idealists with a great reverence for human freedom. They also were practical leaders and able advocates of enlightened and progressive government.

It was this sort of government that they established and consistently maintained. It was a major factor in bringing material prosperity and contentment to the people. Until the Nazis bore down upon Czechoslovakia with their overwhelming military power, seizing the long-coveted munitions plants and other industries, the nation served as a model of good government.

Now, under the Communist rule imposed by the Kremlin, the moral deterioration of the nation is progressing swiftly and there are increasing signs that it is reaching the depths in its emulation of both the Nazis and the masters of Moscow.

Extermination of religion is the current objective in Czechoslovakia, as it has been in Russia and in the other satellites. Events are leading to a familiar drama in Prague and it seems only a matter of time when Archbishop Beran will follow along in the path of Archbishop Stepinac and Cardinal Mindszenty.

Archbishop Beran is a troublesome factor in the Communist-controlled national life. He refuses to submit to oppression and to interference with the practice of religion by his people. He is committing the great sin, unpardonable in a dictatorship, of exercising freedom of conscience.

Tyrants have only one means of meeting these challenges to their authority—death or imprisonment. They do not realize, of course, that in these conflicts with free spirits they can never win.

The Real Danger

EXTENSION OF REMARKS
OF
HON. WILLIAM M. McCULLOCH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. McCULLOCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Cleveland Plain Dealer of June 20, 1949:

THE REAL DANGER

The great danger posed by the present day Federal bureaucracy is not that it maintains on its pay rolls more employees than are necessary, or that it resists the adoption of a businesslike administrative structure for the executive branch of the Government.

The great danger lies elsewhere.

It lies in the pernicious penchant of so many bureaucrats to perpetuate the existence of their governmental agencies after the need for them has passed.

It lies in the use by bureaucrats of their official position to propagandize for the retention of all existing governmental controls over the people and for the acceptance of new schemes for socializing and increasing the cost of the Government of the United States.

A short time ago we had occasion to rebuke Karl M. Duldner, Cleveland area rent director, whose only legal function is to administer the rent control law enacted by Congress, for speaking up as an opponent of the passage by the Bay Village Council of an ordinance to remove rent regulations in that municipality.

Duldner contended that he was merely answering a verbal onslaught on his bureau by a spokesman for the Apartment House Owners' Association, but, whatever his motive, his words were the words of a bureaucrat opposed to the removal of Government control of rent anywhere.

Now comes a minority report by members of the Cleveland area rent advisory board charging Duldner with a breach of the proprieties of his Federal position by permitting his office to be used for the drafting of the majority report, which urges Governor Lausche to disapprove rent decontrol ordinances passed by the duly elected councils of both Bay Village and Orange.

"To the minority of the board it seems improper that the Cleveland area rent director should place himself in a position where the office established by law to administer rent control takes action of this kind, the purpose of which can be only to retain rent control and thus create a necessity for the continuation of the office of the Cleveland area rent director. The office of Cleveland area rent director is established by law for the purpose of administering a Federal act free from any propaganda efforts to retain rent control."

So reads the report drawn by Attorney Robert H. Jamison and Howard Whipple Green, who as director of the Real Property Inventory knows more about the housing situation in Greater Cleveland than the most expensive Government survey could ever ascertain. Jamison and Green, with Roy C. Carpenter and Mrs. N. H. Boynton, voted in favor of recommending to Governor Lausche that he approve the Orange and Bay Village decontrol ordinances. Six members of the rent advisory board voted the other way around.

The vote of the six-member majority in urging the governor to disapprove the decontrol ordinances in the two small municipalities, where there is little rental property in existence, was taken at a closed meeting, so the public could not know the basis of that action.

The minority report supplies the first enlightenment on this matter. It disclosed that the report adopted by the majority advanced as a reason for gubernatorial veto of rent decontrol in Bay Village and Orange this telltale one: "Decontrol of one or two small communities would set the stage and prepare the way for decontrol in other communities (sic), even though it is a well established fact that the general housing situation is such that rent control is still necessary."

The removal of rent control cannot take place in a municipality unless the governor approves the decontrol ordinance. It is now up to Lausche to say whether he concurs in the view of the advisory board majority, in which the influence of Federal bureaucracy is readily discernible, or whether he concurs in the view of the elected representatives of the people of Orange and Bay Village and in the revealing report by the advisory board's minority.

We believe Governor Lausche should uphold the action of the two suburban councils. It was taken by men who know intimately the conditions prevailing in their communities. It was taken in public meeting after the opportunity for expression by proponents and opponents of rent decontrol had been advertised. It was taken in municipalities where there is but a negligible amount of rental property, where it is senseless to maintain rent regulations.

A majority of the rent advisory board was, we are now convinced, opposed to decontrol of rent in the two suburbs just because it would set a sensible precedent.

Compulsory Health Insurance

EXTENSION OF REMARKS
OF
HON. EDGAR A. JONAS
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. JONAS. Mr. Speaker, under leave to extend my remarks I desire to include a resolution adopted by the Senate of the Sixty-sixth General Assembly of the State of Illinois. The subject of this resolution is one of particular interest to every Member of Congress inasmuch as it represents one of the leading issues in the legislative program which has been presented to the Eighty-first Congress by the President of the United States. I refer to the President's insistence on legislation to establish a national system of compulsory health insurance.

I wish to call this resolution to the attention of the Members because I feel that it reflects the attitude and thinking of a great section of the people of the country inasmuch as it is formal action taken by a duly elected legislative body of one of the great States of the Middle West. It definitely places the Senate of the State of Illinois on record as opposed to enactment by the Congress of the United States of any program of socialized medicine.

The resolution follows:

Senate Resolution 32

Whereas stimulated by freedom and competitive effort, American medicine has become the envy of the world, and has brought to the people of the United States the advantages of medical education, research and health care of matchless quality; and

Whereas various proposals have been made to the Congress of the United States for the establishment of a national system of compulsory health insurance; and

Whereas history has demonstrated many times that systems of compulsory health insurance lead, sooner or later, to the socialization and deterioration of all medical, hospital, dental and related health services, and that the socialization of medicine has often been the forerunner of complete state socialism; and

Whereas continued improvement in the health and well being of our people can best be served by preserving our traditional freedom and individual responsibility in the fields of medicine and science: Therefore be it

Resolved, That the Senate of the Sixty-sixth General Assembly of the State of Illinois go on record as opposing the enactment by the Congress of the United States of any program of national compulsory health insurance; and be it further

Resolved, That copies of this resolution be transmitted, by the secretary of state, to the President of the United States and to the United States Senators and Representatives from Illinois, and that said Senators and Representatives be and they are hereby respectfully requested to oppose and vote against any such proposed legislation.

Adopted by the senate June 15, 1949.

SHERWOOD DENIS,
President of the Senate.
EDWARD H. ALEXANDER,
Secretary of the Senate.

A Republican Repents in Sackcloth and Ashes and Castigates "Me-Tooers" and New Dealers Who Masquerade as Republicans

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. SANBORN. Mr. Speaker, I am appending a letter from a disgusted and disillusioned Republican. He has lots of company, because a surprisingly large number of those elected as Republicans are New Dealers and one-worlders inoculated with foreign "isms" and ideologies who would have us surrender our national sovereignty and become a satellite in a federal world government in which we would be outnumbered and outvoted 15 to 1.

CONTROL OF OUR MONEY TURNED OVER TO INTERNATIONAL BANKERS

They have stood complacently by while control over our money and the value of our money was taken from the Congress where it was placed by the Constitution and delivered to the International Monetary Fund which has so manipulated our currency that foreign currencies are overvalued 60 percent. This has the effect of forcing us to pay subsidies of 60 percent on imports and sell our exports at a 37½-percent discount. It also permits foreigners and international bankers to buy our choicest stocks and bonds at a discount of 37½ percent and sell at a premium over our market of 60 percent, and evade paying United States taxes. How can American industry and American labor meet that kind of competition?

NO WONDER THERE IS A SLUMP IN THE MARKET

Small wonder then that the stock market is no longer a barometer of American business; that our choicest industrial stocks are selling for half their real value; that industry after industry is curtailing employment, and that 4,000,000 are unemployed.

MORE MARXIST JARGON

The only solution offered by the administration's economic brain-trusters is to rob Peter to pay Paul by subsidizing everybody. When this mad course throws us into an economic tailspin, just who is going to pay the taxes to pay these subsidies?

A PRACTICAL SOLUTION OF OUR PROBLEMS

The solution is so simple, so practical, so readily applied that it is criminal to longer delay. All we have to do is replace our debauched, manipulated, irredeemable currency with a sound monetary system in strict accordance with article I, section 8, clause 5 of the Constitution of the United States, and section 311, United States Code, Annotated, chapters 8, 28, statute, volume 4; and restore the protective tariff which is the keystone in the arch that supports our domestic economy.

Until we do this all our present frenzied efforts to achieve world peace, economic stability, and national security are just so much futility.

The letter of Mr. Alfred Kohlberg, 1 West Thirty-seventh Street, New York 18, N. Y., referred to above, is hereto appended. You will have a better appreciation of this letter if you will read the article by Edward R. Stettinius, Jr., titled "What F. D. R. and Stalin Really Did at Yalta," in the June 21, 1949, issue of Look magazine, which tells how two dying men, a couple of dummies, and at least one suspected of being a traitor delivered China, Korea, Poland, and the Balkans to the Communist wolves.

After this came the Marshall plan that taxes free enterprise in the United States to build up socialism in Europe which is committed to the destruction of free enterprise everywhere. And now we have the North Atlantic Pact which is similar to Hitler anti-Comintern Pact of November 25, 1936. It will not work any better for the United States than it did for German nationalism; but of course it will drain away more of our wealth to speed the day of that economic collapse for which Stalin and our domestic traitors are waiting.

KOHLBERG'S LETTER TO REPUBLICAN CHAIRMAN

JUNE 7, 1949.

Hon. WILLIAM L. PFEIFFER,
Chairman, New York State Republican Committee, Roosevelt Hotel, New York, N. Y.

MY DEAR MR. PFEIFFER: I am honored to receive from you an invitation to attend the dinner at the Waldorf on June 14 at $100 per plate.

Although a life-long member and contributor to the Republican Party since I cast my first vote for William Howard Taft in 1908, I regret to advise you that I am not going to take advantage of your kind invitation.

My reason is that I feel the Republican Party has failed in its duty to the Republic.

I have always thought that the Republican Party should offer more to the electorate than promises of better administration. There has been much criticism of the Republican Party for failure to properly criticize the New Deal on domestic issues. Because domestic issues, the New Deal, the welfare state, and creeping socialism are now being argued in the party, I shall limit my criticism to the party's platform on foreign policy.

"ME TOOING" NEW DEAL BETRAYAL OF AMERICA

For 5 years we have "me tooed" Democratic betrayal of America's traditional foreign policies; of American principles; of America's wartime pledges; and of the cause of freedom everywhere in the world. Our record is such that Prime Minister Nehru recently told an American reporter that India wondered whether she dared line up with the United States of America.

In June 1944 I wrote the Republican National Chairman that there was evidence that President Roosevelt was engaged in betraying China and Poland to the Soviet Union. The Republican Party refused to raise the issue. Instead, John Foster Dulles conferred with Secretary Hull and Candidate Dewey approved the meaningless statement of bipartisan support for a secret and unstated foreign policy to be determined by the Democratic fourth-term candidate. The excuse that we Republicans should not weaken the hand of our President abroad was spurious. Republican objection to the slightest hint at appeasement would have strengthened his hand.

PRESIDENT ROOSEVELT WENT TO YALTA

Immediately after his fourth election President Roosevelt went to Yalta without Republican advisers. The election had been won, so he didn't need us in his business any longer. There he sold out the Kurile Islands, half of Korea, the rest of Poland, all eastern Europe, and agreed to repatriate by force nearly a million Soviet citizens who had fled the slavery of the red dictatorship.

ONE OF THE BLOODIEST ACTS IN ALL HISTORY

Our 150-year record of haven for political exiles was broken by one of the bloodiest forced movements of men, women, and children in all history. The Republicans took it all lying down, and a Republican Senate confirmed the treaties that turned over Hungary and the Balkans. Hundreds of thousands of German and Austrian POW's captured by us were turned over to the Russians as forced laborers, contrary to all rules of civilized warfare. We Republicans apparently approved.

Likewise, at Yalta, the "veto" deal was made and a hamstrung UN was arranged to replace the real UN, set up in Washington January 1, 1942, which won the war and in which the United States held the balance of power. The Republicans in the Senate approved this monstrosity.

SELLING CHINA DOWN THE RIVER

Also, at Yalta, the open-door policy in China was completely sold out. The Russians were given Manchuria and Mongolia; and it is believed that there are still secret clauses in which we recognized Russia's special interest in China. How otherwise explain our continuing betrayal of that country to the Reds?

On November 20, 1941, in a formal "draft" proposal, the Japanese agreed to move no farther south in Asia and to withdraw from Indo-China. In a formal "draft" agreement in reply on November 26, 1941, Secretary Hull demanded that they withdraw from both Indo-China and China. On December 7, 1941, the Japanese refused these terms in a formal note handed Secretary Hull almost at the moment that the bombs fell on Pearl Harbor.

Thus, we went to war for the preservation of an independent China. If it was not essential to our security, President Roosevelt sacrificed 350,000 young American lives frivolously. If it was essential to our security then, as I believe it was, it still is now. Where does the Republican Party stand on this issue of our security in the Pacific Ocean and the security of Alaska and our west coast?

SELLING OUT THE BALTIC REPUBLICS

The Democratic administration has sold out the three Baltic Republics, our allies and fellow-members of the United Nations. The Republican Party has made no effective protest.

The Democratic administration sold out the free government of King Peter of Yugoslavia to the Communist Tito. Last year we gave Peter's gold to Tito. The Republicans made no effective protest.

At Chapultepec we signed a pact providing for consultation with 21 other nations in case of threat. Such consultation had been specifically refused by President Monroe when he proclaimed his doctrine in 1823. Against this emasculation of the Monroe Doctrine, the Republicans have not protested.

THE NORTH ATLANTIC PACT

Now the administration proposes a 20-year alliance with certain western European nations. Maybe this will prove an alliance of real force though without quid pro quo; maybe only a paper pact at ruinous cost to us. The future will tell. What is not questionable is that it is a violation of our 150 year policy of no permanent European alliances as recommended by President George Washington in his Farewell Address. The Republican Party in Congress is preparing to vote confirmation of this 20-year alliance, without forcing the administration to reveal the facts that either justify, or do not justify, this reversal of policy.

For 3½ years the Democratic administration has stumbled from one foreign emergency to another, with no discernible policy. The least informed American today recognizes that the greatest military victory in our history has been turned into defeat; that the man who signed the Stalin-Hitler pact of 1939, and the Stalin-Matsuoka pact of 1941 is the only victor.

TRAITORS RESPONSIBLE FOR DIPLOMATIC DEFEATS

Furthermore, we know our diplomatic defeat is due to traitors in advisory positions; that the secret testimony of Igor Gouzenko named a man close to the Secretary of State as head of the A-bomb spies; yet we acquiesce in concealing this treachery from the American people.

Today four close personal friends of Alger Hiss sit as our representatives to Vishinsky in Paris. Senate Republicans confirmed their appointments. They are Secretary

Acheson, Assistant Secretary Rusk, Ambassador Jessup and John Foster Dulles.

Because there is nowhere else to go, I shall have to remain a Republican. I cannot, however, support the present timid leadership of the Party, subservient as it is to democratic initiative in foreign affairs.

I AM ASHAMED OF MY PARTY

Because—

1. It has been too callous to protest the turning over of hundreds of millions of human beings to the Red secret police and the Red slave-labor camps; because

2. It has been too timid to protest the betrayal of our Polish, Latvian, Lithuanian, Estonian, Yugoslav, and Chinese Allies;

3. Because it has been too ill-informed to protest the destruction of tens of billions of dollars of American military equipment in Europe, in the Pacific, and in India—the very arms that we will now have to manufacture all over again for the Atlantic alliance; and

4. Too inert to realize that there will be no peace on earth until the Red dictatorship in the Kremlin is overthrown and its 650,000,000 unwilling slaves are freed.

Aren't you ashamed, too?

Sincerely,

ALFRED KOHLBERG.

Trends of International Affairs

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 2, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith a resolution adopted by the Knights of Lithuania with reference to international affairs:

AMERICAN-BORN LITHUANIAN YOUTH WORLD WAR II VETS ASKS UNITED STATES GOVERNMENT TO INTERCEDE FOR THE LIBERATION OF THE BALTIC NATIONS UNDER RED RULE

The Knights of Lithuania, an organization of Lithuanian American Catholic youth, including large numbers of veterans of World War II, voice their regret over the trend of international affairs. Peace has not been won and the principles of the Atlantic Charter and the "four freedoms" are disregarded by the very governments which had urged our American youths of Lithuanian descent to fight for them. A number of countries lie abandoned behind the iron curtain, and no effort is being made to bring them back into the fold of civilized Christian nations under a system of peace based on justice and legal order of the democratic form of government responsive to the will of the people.

The following resolution adopted by the Knights of Lithuania, for the preservation of the nation of Lithuania, calling for immediate United States aid to remove Russia out of the Baltics. Therefore, the Supreme Council of the Knights of Lithuania through the mandate of its last convention adopted the resolution to be distributed to every important agency of the United States Government for immediate consideration of the plight of Lithuania and the other nations in the Baltic:

"*Resolved*, That the American Youth of the Knights of Lithuania respectfully urge the Government of the United States to reaffirm the Christian Moral Foundation upon which democratic way of life is established, to continue strongly to affirm the God-given rights of all people to live in freedom, peace and harmony, to initiate active measures directed at defending these divinely given rights and establishing a peace based upon the high concepts of justice as concretely embodied in the principles of the Atlantic Charter and the "four freedoms." The Knights of Lithuania further respectfully urge the United States Government to employ all just means of establishing a true, just, and lasting peace including, as circumstances might demand, the use of arms in defense of these principles.

"The Knights of Lithuania likewise respectfully requests the Government of the United States to demand that the armed forces and totalitarian Communist apparatus of the Soviet Union evacuate the territories of the sovereign republics of Lithuania, Latvia, and Estonia, thus permitting the people of these enslaved countries to resume their self-government without interference by the Soviet ally of Hitler.

"The Knights of Lithuania Supreme Council, authorized by the mandate of the national convention, a large percentage of whom fought in defense of our rights and justice in World War II, pledge their wholehearted support to any measures the United States Government may take in achieving these objectives of its American youth of Lithuanian descent to liberate the Baltic nations.

"Copies of this resolution to be sent to President Harry S. Truman, Secretary of State Dean Acheson, Mrs. Eleanor Roosevelt of the United Nations, to all Senators of the United States, to all Illinois Congressmen, to the Lithuanian consulate, and to Senator John C. Kluczynski of the fourth senatorial district of Chicago.

"To support this resolution the Chicago youth of Lithuanian descent is staging a demonstration for the Fourth of July at Vytautas Grove, One Hundred and Fifteenth Street and Pulaski Road; a declaration program will take place at 3 p. m. Prominent public officials are invited to attend and speak."

A Warning to the Spendthrifts

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. DAGUE. Mr. Speaker, to those of us who have been viewing with increasing apprehension the tendency of this Congress to appropriate beyond the ability of the people to pay, the article by Mr. Gould Lincoln entitled "Opposition Seen Rising to Heavy United States Spending" can only be considered as another word of warning to those who are pushing us down the treacherous pathway which leads to national insolvency.

Mr. Lincoln emphasizes the overwhelming odds by which the citizens of Detroit have expressed themselves on the subject of Federal spending and Federal taxes. Of particular interest to me is the emphatic manner in which they have rejected the fantastic Brannan plan, which in additional to shackling the farmer with the tightest of controls, makes his security the pawn of each succeeding Congress and for the first time puts him squarely on the dole. It can only be hoped that the Eighty-first Congress will throw off the lethargy which has thus far attended this session and, thus aroused, will discard all of these spending schemes which are to be financed out of borrowed money. Mr. Lincoln's splendid article follows:

OPPOSITION SEEN RISING TO HEAVY UNITED STATES SPENDING

(By Gould Lincoln)

An ominous ground swell among the common, everyday run of Americans against continued heavy spending by the Federal Government, particularly for new paternalistic and socialistic projects, appears to be rolling up. If it is so, it may still be in time to do some good before Congress closes. And should the administration's lack of interest in economy—evidenced by its continued proposal of new and costly programs—meet such a ground swell head-on, there may be something new in the political field. The campaign for the Senate and the House is coming up.

Notwithstanding the millions of people who are drawing money from the Federal Treasury, either directly or through subsidies of one kind or another, there are still more millions who are not. And the whole mass of the people are feeling the increasing pinch of Federal taxes and the ever-growing State and local taxes.

STRAW IN THE WIND

A straw in the wind is an unusual kind of poll, conducted by the Detroit News in the heart of a great industrial center, where the CIO claims tremendous strength. The newspaper published on two successive days ballots containing questionnaires on a proposal to cut Federal appropriations for the next fiscal year by 10 percent, and on Federal aid to education, public housing, the Brannan farm plan, the appropriations for aid to western Europe to rearm, the ECA appropriations, and the President's national health insurance program (socialized medicine to many).

Instead of urging the people of Detroit to send their answers to the Detroit News, the newspaper asked them to cut out the ballots and send them to Michigan's two United States Senators and to the Members of the House from the Detroit area. The results, as tabulated by these Members of Congress, were remarkable. The opposition to spending was overwhelming—and to the new projects also. Only in the matter of continued ECA aid and of aid in arming the North Atlantic Pact countries was there anything like a close division, and that was not too close.

The vote, in the poll, stood about 6 to 1 against Federal housing, 3 to 1 against Federal aid to education, 12 to 1 against national health insurance, and 16 to 1 against the Brannan farm bill. The poll stood 5,293 to 3,982 against spending to arm the western European nations, and 5,553 to 3,832 against large ECA appropriations. The Federal housing bill was defeated in the poll by 6,265 to 1,265; the Federal aid to education measure, 6,959 to 2,293; the Brannan farm bill, 8,870 to 528. On the other hand, the proposal to cut appropriations by 10 percent was voted up by 8,941 to 559, and the Hoover Commission plan to reorganize the executive branch of the Government was supported 9,251 to 245.

LETTERS ARE CRITICAL

Members of the Michigan delegation who receive the ballots say they appeared to come from the ordinary run-of-the-mine citizens. One of the Senators received 200 letters along with the ballots and they, too, were mostly critical of the spending program—half of them coming from persons of small means and half from business people.

There are two ways of capitalizing on this economy sentiment. The first is by having

the Congress itself cut drastically the appropriation bills which are still to be finally acted on—carrying an estimated $30,000,000,000—and by having Congress turn down the new projects. The second is by putting through Congress a resolution authorizing and directing the President to make the proposed over-all 10-percent cut. The first is the direct and courageous way of doing the economy job. The second is a confession of weakness on the part of Congress—passing the buck to the President. It is urged in support of the 10-percent over-all cut, or 5 percent, as the case may be, that the head of the Government can do the cutting job more scientifically than can Congress. The truth of the matter, however, is that many Members hesitate to vote to cut appropriations that affect particularly their own districts and States.

A poll similar to that conducted by the Detroit News was recently taken by the Omaha World-Herald and it showed, too, an overwhelming sentiment for economy and against the proposed administration program.

Housing Bill—A Citizen Speaks Out Against Public Housing

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks, I take this opportunity to insert in the RECORD a letter from a taxpayer at Muncie, Ind. This gentleman, in accounting for his opposition to public housing, has ably reflected the conscientious thinking of thousands of citizens of Indiana's Tenth Congressional District:

MUNCIE CREDIT BUREAU, INC.,
Muncie, Ind., June 21, 1949.

Hon. RALPH HARVEY,
Member of Congress, House of Representatives, House Office Building, Washington, D. C.

DEAR REPRESENTATIVE HARVEY: As an American who loves his country, as a parent, as a taxpayer, and as a businessman, I am alarmed at the possibility of the administration's gigantic housing bill being passed by this session of Congress. I do not belong to any labor group, farm group, veteran's group, welfare group, big business group, or school teacher's lobby. I am one of the unorganized millions who will pay for the privileges given to these special groups. I own a small business, the home in which I live, a car, and a dog. All these I have acquired through my own efforts. And I have been grateful to America because I believe that in no other country in the world could I have accomplished so much with so little.

Taxes have been heavy but I have willingly paid them with a minimum of grumbling, because I believe that high taxes are necessary to reduce the national debt. Instead of reducing the national debt, this administration has evolved one scheme after another for pouring our precious tax dollars down a tremendous rat hole. The Hoover Commission on Government Reorganization has stated that $1 out of every $5 of the national income is now used by the Federal Government on its various spending programs. The Commission says that the national debt alone has a mortgage of about $7,000 on every family in America. And yet, the Administration proposes public housing bill which will cost taxpayers approximately $18,500,000,000, or an additional $500 to be contributed by every American family. Inasmuch as 47,000,000 Americans do not pay any Federal tax, except hidden taxes, the group to which I belong will bear the burden of this tax load.

Aside from the enormous tax load, and the tremendous squandering of the taxpayers' hard-earned money by inefficient bureaucrats, why should the thrifty, the efficient, and the industrious Americans be penalized? Why should we be compelled to work harder, practice greater thrift, and then be deprived of the fruits of our labor so that others might have better housing through no efforts of their own?

I am fully aware of the Christian philosophy which teaches that those who are fortunate should give aid to the unfortunate. Very few Americans will take exception to that philosophy. I am not talking about the class of Americans that actually needs charity, I am talking about the growing class of Americans that believes that it can have the good things that America offers without working for them. As a credit bureau manager, I am in constant contact with all kinds of people and it is my firm conviction that those who benefit most from public housing are the shiftless, lazy ones who will not lift a finger to improve their lot. There are exceptions, of course. But I do not suppose there is enough tax money left in the pockets of taxpaying Americans to buy all the low-cost public housing needed to house the millions of Americans who have been taught to believe that the Government owes them a good living. It never occurs to these people that the way to get ahead is to work long hours and to save something back from each dollar they earn.

In Muncie, which is certainly a typical American small town, any man with courage, initiative, and a willingness to work can own his own home. I know of many areas in and around the city in which lots can be purchased for a dollar down and a dollar a week. There are millions of dollars in our banks, insurance companies, and savings and loan associations available to those who want low-cost housing and are willing to put their time and their sweat to the task of obtaining a home. And it might surprise Washington to know that thousands of Americans are doing just that. You won't hear from these people, because they neither need nor seek Federal help.

Private capital can and is providing low-cost housing to those who deserve it. But private capital cannot give away its money. It can help only those who help themselves. As you know, the money which is loaned by banks and savings and loan associations belongs to depositors. Loans are made to those whose record of thrift and achievement indicates an ability to repay. To the average American this is sound business and good living. But to the "gimme groups" this is too American. They profess not to understand why a person should be paid only what he's worth, receive only what he earns, and have only what he accumulates.

Those of us who do not belong to one of the "gimme groups" do not understand why our Congressmen cannot see this condition when it is so obvious to those of us who live close to the people. We realize that slum clearance is a problem. But isn't it a local problem? Can't sensible laws be passed that would require landlords to keep their buildings habitable? Millions of dollars are taken from slum tenements each month by landlords. Do you think landlords would allow their buildings to stand idle rather than fix them up to meet reasonable requirements?

Why can't something like this be tried before we spend billions of dollars at a time when the people as well as the Nation needs to practice economy? Are votes so necessary that a Congressman must jeopardize the future of all Americans in order that a few may receive charity?

Respectfully yours,

M. F. FISHER,
Manager, Muncie Credit Bureau, Inc.

A Challenging Report on South's Economy

EXTENSION OF REMARKS
OF
HON. PRINCE H. PRESTON, JR.
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. PRESTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Atlanta Journal of June 20, 1949:

A CHALLENGE REPORT ON SOUTH'S ECONOMY

It is an exceedingly significant report that the National Planning Association Committee of the South has transmitted to President Truman's Council of Economic Advisers. The committee has analyzed in detail the effects of existing policies of the Federal Government on the South and, on the basis of its findings, recommends specific changes in those policies to promote Southern employment and production. It is a report which merits careful study not only by the Council of Economic Advisers but by all thinking citizens concerned with the South's economic future.

First study of its kind, this comprehensive report points out that the essence of the South's economic problem with which Federal policy must deal, is that of how per capita wealth and income in this region can be raised effectively. The South's low per capita income stems from a low ratio of developed natural and capital resources to population. It is this meager ratio, the authors say, which is responsible for the relatively low level of physical production in the South, but not wholly responsible for the low value productivity of the Southern economy.

"The fundamental means by which the economic lag of the South can be overcome," the authors assert, "is through the increase of productivity and value of output of southern industry and agriculture. This means that the South must have more industry and the kind of industry in which the value of output per worker is higher. It means an agriculture of fewer uneconomically small farms and of more medium-sized farms employing fewer people with larger output per capita and with greater diversification in crops."

These trends, it is noted, already exist and have enabled the South during the last 15 years to increase its per capita income more rapidly than has the Nation as a whole. Yet, the fact to be borne in mind is that the per capita income in this region still remains well below that of the Nation as a whole.

As a means of expanding physical output per capita on southern farms, the report recommends extension of such Federal activities as support of research carried on in agricultural colleges and experiment stations, erosion control and soil conservation and the Federal-State extension system; more general granting of loans for soil improvement and similar purposes by local banks at reasonable rates; and continuation of the role of the Farmers' Home Administration in making loans available to farmers for improving productive efficiency. The authors

further propose a new farm income-support program, featuring "compensatory payments" to farmers which would have the effect of supporting incomes but would allow prices of farm products themselves to move freely. They believe their program would be less costly than the Brannan plan and would require less administrative apparatus and control of production. Their plan deserves detailed study.

The report proposes two direct ways to help the region's industrialization: (1) The influence, an even authority, of the Federal Government should be exerted to insure appropriate allocation of defense industries in the South, and (2) the Federal Government should provide financial aid for regional research centers and graduate technical schools and for fellowships for study in industrial engineering, industrial management, chemistry and physics. Such support would not be limited, however, to the South alone.

The committee believes that main reliance for capital funds for industrialization will have to be placed in investments by large national companies outside the region, and points out that this source will be affected by Federal tax policy in regard to profits and reserves. A second method of raising needed funds would be for Southern companies to buy or sell securities outside the region. The great mass of small and medium-sized Southern companies will have to depend upon local financing. They suggest, and we think wisely, a South-wide survey to determine the legitimate need for business capital funds and resources to meet those needs.

The study suggests the extension of deposit insurance to cover 100 percent of all deposits and the instruction of the Treasury to watch the regional flow of funds in any period of financial tension and, if there is a pronounced tendency for funds to leave any one region, to move Treasury deposits to counteract that trend.

The report is far too detailed for any concise analysis. It makes specific recommendations for the development of natural resources, for fiscal policy and for foreign trade.

Authors chiefly responsible for this significant study are Dr. Calvin B. Hoover and Dr. B. U. Ratchford, both of whom are on the staff of the department of economics at Duke University. Their findings during the past year were presented regularly to members of the National Planning Association Committee of the South for suggestion and analysis. (Charlton Ogburn, a native Georgian and nationally distinguished lawyer, is general counsel for the NPA.) The report, therefore, is seasoned with the judgment and experience of a cross section of outstanding southern leaders. Altogether, it comprises a stimulating and challenging mass of data. It is a start toward correcting conditions which have retarded the South's progress. Further studies and concerted action should go far toward helping this region to overcome its economic lag and to make the most of its abundant natural and human resources.

Socialist Snowball

EXTENSION OF REMARKS
OF
HON. EARL C. MICHENER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1949

Mr. MICHENER. Mr. Speaker, the American people are much interested in the progress of the British Socialist movement under the present political party in power. My attention has been called to an editorial appearing in the Monroe, Mich., Evening News of June 16, 1949, which is most interesting and informative.

Pursuant to permission given to me by the House, I include herewith that editorial, which is as follows:

SOCIALIST SNOWBALL

The British people are somewhat phlegmatic. They are anything but emotional. But they are dogged and determined. These national traits always have characterized the British Socialist movement. In fact, among international left-wingers, English Socialists long have been known by the ideological term of gradualists.

Early in the British Socialist endeavor a group of Britons first, Socialists afterward, formed what were called the Fabians after a Roman general who let the enemy wear itself out before walking into its camp. The idea was that British socialism wasn't really radical or revolutionary, but just a calm, gentlemanly progress toward gradual state ownership of everything. Little by little was the British Socialists' motto.

Twice before the British Labor Party, which was captured long ago by the glacier-like Socialists, has been in power. But at no time has it controlled a sufficient parliamentary majority to nationalize industry up to its present term. In the 4 years it has held a big majority, it has socialized mines, railroads, utilities, truck transport, the Bank of England, and more recently, the basic steel industry.

Gradualism has given way, under the temptation of power, to something quite different. Fabianism has been forgotten by the British Socialists now that they have the votes. The blunt truth is that even in Britan socialism, as any form of totalitarianism, can survive only by seizing more and more power. The little by little doctrine is incompatible with socialism.

Now the Socialist British Labor Party is preparing for its general election campaign in 1950. Leaders are working on its platform. Inevitably that platform is more socialism.

For socialism is like the drug or liquor habit; once started, it can't be checked. The first thing the Socialists want, if they are reelected, is a permanent rationing and controls law, which would give the Government power to say what and how much the British people eat and wear and consume, and how much they pay for it. The present law is "temporary," renewed each year.

The pay-off on the lengths to which the British Socialists are prepared to go came when Herbert Morrison, second in command to Prime Minister Clement Attlee and one of the most radical Socialists, defined what the platform should be at a recent party conclave. That platform, he asserted, should be "an effort to set up the collectivist state—a cooperative commonwealth of Great Britain—consistent with civil liberty and individual freedom."

Collectivism, of course, is totalitarianism, whether it is under a Socialist, Fascist, or Communist regime. So Morrison's platform is a self-contradiction; you can't have civil liberty and individual freedom in a collectivist or totalitarian state.

Then Morrison listed as the next targets for nationalization industrial insurance, water supply and cement production. Private industry, he added, not mentioning any particular industries, must watch its step.

The British people, he went on, "must be ready to change their jobs and management must be ready to change its line of production when the need arises."

The need he mentions, of course, is the need of the Socialist government to keep on nationalizing more and more business and industry in order to keep going. For socialism must constantly become more socialistic and more radical until the whole economy is under its control. The British are fast learning that socialism is a never-ending grab for more and more political and economic power, which is exactly the same process through which a dictatorship moves. The British people have their last chance to choose that course or freedom in the 1950 elections.

Commencement Exercises, LaSalle Military Academy

EXTENSION OF REMARKS
OF
HON. L. GARY CLEMENTE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. CLEMENTE. Mr. Speaker, on June 16, 1949, I had occasion to address the graduates of the class of 1949 at the LaSalle Military Academy, Oakdale, Long Island, N. Y., at the sixty-sixth annual commencement exercises. LaSalle Military Academy is conducted by the Brothers of the Christian Schools; founded in 1883, it is a senior ROTC unit in the national Reserve Officers' Training Corps program. This year it was selected by the Army as one of the outstanding schools in the country.

As part of the commencement exercises the Valedictory—"Past Memories, Present Parting, and Future Doubt"—was delivered by Cadet Maj. Thomas Francis Field, who was named the outstanding graduating student. Major Field, executive officer of the cadet battalion, entered LaSalle in September 1944 as an eighth-grade student. His accomplishments there include appointment to the rank of cadet major in August 1948, and award of the Fathers' Club trophy for the outstanding speaking and scholastic honors. Major Field, whose home is in Rockville Centre, N. Y., expects to enter the University of Notre Dame in September 1949, where he will work for a bachelor of arts degree.

I wish to include as part of my remarks the excellent talk given by Major Field:

Brother John, auxiliary provincial; Brother Amian, headmaster; distinguished guests, mothers, fathers, relatives, and fellow cadets, today we come to the end of one of the paved, all-weather sections in the road of life. Before most of us lie yet another 4 years of travel on a smooth, concrete highway; then the road ends and we blaze our own trails.

For 4 years we have looked forward to the day of graduation—a day which always seemed nebulous and removed from us by an interminable period of time. Generally, graduation was looked upon as an end to all sorrow, a time of complete bliss; as the beginning of a sort of modern-day utopia, filled with flame-red convertibles and lazy days at the beach, and containing not the slightest hint of officers, shoe brushes, and brass, or history texts. For years we have heard minute descriptions of 3-day Roman holidays immediately to succeed these ceremonies this afternoon. As the senior classes of the past 3 years have promenaded happily up and down these steps, most of us have at least vaguely wondered what the feelings of the graduates were. Now we know, and those feelings aren't exactly what we had expected.

Now that we have run the course and finished the task at hand, the 4 years which once seemed to be eternity have slipped away a little faster than we wanted them to. Of course, we are very glad to be rid of military drill and morning inspections and raucous bells jangling at every hour of the day and night, but nevertheless, today is not a time of unalloyed joy. There is a note of quiet nostalgia because we have past memories.

This concept certainly cannot be understood by the underclassmen who, no doubt, look upon graduation as we once did. But the waters of time have a curious ability to lave away from one's mind and heart all bitter memories; at the same time leaving intact the recollections of joyful days. In us they have worked long enough so that the past years in high school can already be regarded with nostalgia. In yet another decade, these waters will have done their work so completely, and the world of business will have proven so thoroughly trying, that we will long for high-school days once more. The idea may seem ludicrous now, but mark the words, and see if at length they will not ring true.

This feeling of nostalgia is due then to pleasant memories—memories of friends primarily. Nothing is so delicate as friendship—not the finest jewel or the most delicate glasswork—and yet nothing is so durable, so necessary, so pleasant, so inspiring, or as productive of lasting memories as is friendship. There are the ties which we feel toward our fellow graduates. Among the faculty too there are those of whom we will always cherish memories.

There are events which are a part of our past memories; tea dances, or plays, or drills, or varsity games. But there's one happening which will undoubtedly bring smiles for years to come: we won't soon forget the night in the mess hall that Doc announced that a left-handed baseball bat had been lost.

Today our present parting induces in most of us a feeling almost of sorrow, a sorrow which stems largely from the fact that we realized that we are soon to finally bid adieu to those who are sitting beside us today. There are some few here today whom we are seeing for the last time—this side of heaven. By the end of next week, that number will have swelled considerably. The uniform which we wear today we wear for the last time. And for that we may, in some respects, modestly thank God. There is a sense of finality in our hearts—of finality so great that we are as yet unable to comprehend it. When, in a few months, we find it impossible to easily recall the names of those pictured in our yearbook, that feeling will, perhaps, be with us in its entirety.

Above all, there is a sense of parting today from the habits and customs of military life which we knew so well. This is no better exemplified than by the discouraging ease with which the juniors have taken the places which we once held in the battalion. And, oddly enough, those same juniors only a few months ago were almost universally regarded by the senior class as "a bunch'a wise guys."

But today is not so much a day for looking back—we have not traversed enough of life's path for that—it is much more a day for looking ahead. For many of us the future holds grave doubt—doubt as to whether the society of which we are a part, will long survive, or whether it should survive. But this is not the time for an involved discussion of international politics. Rather, it might be better if we sought for fundamental ideas; for ideas which will answer the questions which occur more pointedly today: Questions such as: What do I want in life? and, What reason have I for being? Some will answer: I want happiness in life; others, I want fame; still others, I am determined to do God's will.

Let's take a look at the fellow whose reason for being is "happiness." He is not an unusual person. It is surprising how many of our own actions are dedicated to the achievement of that one goal.

We all want happiness, but, surprisingly enough, true happiness will not come through material things, since happiness in the material order is merely relative. That is, if we have more material things now than we had a few days ago we are materially happy; if we have the same number or less, we are materially unhappy. Any material happiness soon fades, and we are forced to procure more material things in order to be relatively better off, and thus relatively happier than we were a short time previously. Thus the person who seeks purely material happiness as an end in life, involves himself in a mad race to constantly better his material position relative to what it was a short time before. Since such constant betterment is generally impossible, modern man in search of happiness finds continual frustration and despair.

Just to apply this idea to actual life: There is a definite thrill as one steps into a new, canary yellow, leather lined, Buick, dynaflow, convertible. But since this happiness is a material thing, it fades, probably even before we have changed the oil. Soon, in order to improve our relative position in the automotive field, we begin to ogle the Cadillac line. If we have the resources to effect such a purchase, we soon are racing hither and yon behind 160 Cadillac horsepower. After this, comes a similar let-down, and still another attempt to better our relative happiness quotient, perhaps, this time, by importing a Rolls-Royce. The point is, though, that at some time the cycle must end and frustration begin.

No better proof of this idea of the relative nature of material happiness can be had than the fact that the rich, at any one time, are in general no happier than the poor. Again we may cite the fact that, in general, the Clason Military Academy graduates of 1887 were no less happy than the class graduating today, despite the tremendous material progress since that time. Indeed, the very emphasis which our age places on progress is simply a manifestation of the constant struggle of modern man, living in a material world, to secure material happiness by bettering his position in relation to what it previously was. There is even a law of compensation in material life stipulating that each new article, bought or procured, brings less pleasure than the one immediately preceding it.

Fame, too, if sought as a primary end in life, is a subtle poison and a transient thing, for fame has a heavy price, and it too can, if wrongly sought, lead to despair. As Milton has it—

"Fame is the spur which the clear spirit doth raise
To scorn delight, and live laborious days."

Indeed, fame is a goal which, if sought for its own sake, seems to recede ever faster the more sedulously we pursue it.

It should be emphasized, of course, that we here speak only of those who seek fame or happiness as sole and primary ends in life; not of those who find happiness or fame as a result of other laudable activities. A lust for happiness should be distinguished from a legitimate acquirement of it. No one wants long faces or men without ambition.

But if material happiness and an avidity for fame cannot bring true satisfaction into our lives, what goal should we have in mind? The answer is simple—we should devote ourselves to a cause, even if it be a lost cause. If the cause is good, this is a sure way to temporal and eternal satisfaction because such a consecration to an ideal is innate within the human soul. We are already twice consecrated to causes—once to our church and then to our Nation. A devotion to God and Nation fulfills our reason for being, and brings a foretaste of heaven to earth. A life devoted to these two ideals avoids an insane race for material happiness as a primary end in life, and sidesteps the pitfalls of a lust for fame, which overpowering common sense exacts from man a heavy toll. Such a life devoted primarily to the furtherance of two great ideals will merit the appellation "great" both on earth and on heaven's heights.

Lastly, we have the words of our Saviour regarding what men should seek in life. He said "Seek first the kingdom of heaven, and all things shall be added unto you." If we remember nothing else of today's proceedings we should retain that phrase, for it serves as a reassurance for those who fear to lose the things of the world by devotion to God.

Thus, in spite of the doubt, error, and cynicism which our age has bequeathed to us, we are supremely confident for the future, because we are secure in the knowledge that we shall end our lives, in the words of the poet, trailing clouds of glory. Thus we shall attain not dominion over the sky or the stars, but a place in God's eternal heaven.

Statement of Hon. Melvin Price, of Illinois, Before Subcommittee of the House Committee on Education and Labor

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, May 2, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith my statement I made before the Kelley subcommittee, House Committee on Education and Labor in behalf of H. R. 3023:

Mr. Chairman, and members of the committee, I appear before you this afternoon, not as an expert on mine safety—I have never worked a day in a mine in my life, nor have I ever been associated in any way with any organization, State, Federal, or private that have related activities in this field. I know that the able chairman of this subcommittee, Mr. KELLEY, has a career of 30 years from a laborer in the mines to that of operator and owner on which to qualify as an expert. Other members of the committee have far more experience on this subject than I. That is why I am happy this measure is before this group this afternoon. For all of you know, as I, even without a background as an expert in the field, know the urgent need for the legislation proposed in H. R. 3023.

The Nation was shocked by the disaster of March 25, 1947, when 111 men lost their lives in Centralia coal mine No. 5 at Wamac, Ill. That disaster was close enough to home that I have never forgotten it and I hope my colleagues in Congress will never forget it. Too often men in public life are stirred to a point of action immediately in the wake of a national disaster, only to have their enthusiasm wane as the headlines which aroused them fade into small captions on the inside pages.

It is too bad our legislative processes are so slow on such occasions for I am certain that while the memory of Centralia was still alive legislation such as I propose in H. R.

3023 would have been enacted into law by very close to an unanimous vote.

But it has been 2 years since Centralia mine No. 5, so our task in placing this urgent legislation upon the statute books may be a bit more difficult. Yet I remain confident that it will be enacted into law.

I will leave to the experts who will follow me the task of discussing the technical features that would be involved because of the passage of this legislation. I prefer to discuss briefly my reasons for supporting and offering for consideration of this committee and Congress H. R. 3023, a measure designed to put teeth into the Federal Mine Inspection Law.

At this point I would like to state that 39 of my colleagues in the House, who represent the principal coal producing States in the Nation, have by letter assured me of their support of H. R. 3023 and I ask that their names be inserted in the record of this hearing.

I introduced this bill because I felt that the Federal Government owes every ounce of protection it can possibly give to the coal miners of this Nation. I concede that the 1941 Federal Mine Inspection Act gives a good measure of protection, but it fails of its objective because with too many operators, recommendations on safety mean nothing unless power to enforce these recommendations go with them.

Existing Federal laws go only half way in providing the safety precautions this essential national industry demands. Without the authority it needs to enforce its recommendations the Bureau of Mines has no reason to expect any better cooperation from mine operators in the future than it has received in the past—and that cooperation hasn't been a matter to which the coal industry can point with pride.

In the first 5 years of operations under inspection provisions of the 1941 act, from December 1, 1941, to May 31, 1946, the management's record of compliance was 25 percent. For the next year, June 1, 1946, to March 24, 1947, it continued at the low rate of 25 percent. It took the Centralia disaster to make the rate jump to 45 percent from March 25, 1947, to June 30, 1947. But even with the Federal Mine Safety Code, Public Law 328, Eightieth Congress, in effect from July 1, 1947, to June 30, 1948, compliance started to decline and for the period was 41 percent.

Proof enough that the only way in which compliance with recommendations of the Federal mine inspectors can be obtained is through adequate enforcement provisions in the Federal law. In my opinion we can expect compliance to continue to go down unless we act now to put teeth into the law.

I urge the members of this committee to study carefully the reports from the United States Bureau of Mines on casualties in the coal industry over the past 10 years. They are the best arguments in favor of this bill.

It was a death toll of 1,500 coal miners in 1940 that led to the enactment of the existing inspection legislation. But that wasn't an unusually heavy toll. I have a feeling that if the majority of the Members of Congress understood that it is not unusual for the annual death rate in mines of the Nation to exceed 1,000, and that the annual accident rate is well over 50,000 they would demand an opportunity to enact this legislation.

The record of mine fatalities year after year clearly reflects the laxity of State enforcement and the inadequacies of State safety laws.

Fatalities in coal mines rank next to highest in the major industries, only lumber having a higher rate.

I hope this Congress will give its attention to this most important problem and that it will take the action necessary to make the Federal mine-inspection laws meaningful. H. R. 3023 proposes that a Federal inspector who finds imminent danger in a mine can order immediate shut-down. And I propose that failure to obey a close order would be punishable by a substantial penalty. In my bill I suggest a fine of $500 or imprisonment up to 60 days, or both, but I am inclined to agree with Bureau of Mines' officials who have testified on a companion bill in the Senate that this is too mild a penalty for such a serious offense. I agree to their suggestion stepping up the penalty to a fine of $2,000 or imprisonment of not more than 6 months, or both.

The life of a coal miner is constantly in danger. This measure is designed to preserve his health and safety—to save him from recurrence of the disasters which annually cost the lives of hundreds. It is a humane measure and certainly merits approval of this Congress.

We need this tightening of mine-inspection laws to save the lives of the men who mine the Nation's coal. The record of lives lost, the crippled and maimed men, are the evidence of the inadequacies in present laws. I hope the mine owners themselves and officials in charge of State mine-regulating agencies will look upon this legislation as an aid in their own efforts to solve the problem of mine safety. I feel that they should.

Public Law 49, Seventy-seventh Congress, gave to the mine operators and the miners a vast fund of scientific and engineering information held by the Bureau of Mines. It may have accomplished much in the field of mine safety but it could have prevented a few of the disasters which have occurred in the past 7 years had the Seventy-seventh Congress given the inspectors the power to enforce their recommendations. We know that now.

I do not suggest that giving the power of enforcement to the inspectors is a cure-all for coal-mine accidents, but it will strengthen the hand of the Federal inspectors in their efforts to eliminate hazards in coal mines. It will end obstinate operators' disregard for safety recommendations.

Federal inspection and investigation of mines, even after putting the teeth into the act to enforce the inspectors' recommendations, cannot or will not bring about elimination of all accidents, but as time goes by and the activities of the Bureau continue to become more effective with the scientific experimental work, gradual reduction in the accident rate will be apparent.

This is a long step forward and it must be taken. It is long past time for action on the part of Congress, lest the blood of future fatalities be on our hands.

Decent Homes for All

EXTENSION OF REMARKS

OF

HON. ANGIER L. GOODWIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. GOODWIN. Mr. Speaker, an editorial from the Boston Herald of June 21, 1949, is one of the most valuable contributions to the discussion of the housing problem which I have seen and I include it herewith under leave to extend my remarks:

DECENT HOMES FOR ALL

The House next Wednesday begins debate on a crucial social issue: Is the Government to commit itself to an unlimited guarantee of a decent home for every American? The specific subject will be the Senate-passed National Housing Act of 1949. The immediate material problem will be the expenditure of between ten and sixteen billion dollars in Federal grants and loans over the next 40 years, plus expenditures by local governments. But the implication is much vaster than that. It is a choice between free enterprise and the welfare state.

A limited public housing project, designed to fill an immediate shortage, is a reasonable undertaking of a free economy government. But we have here a spacious program, frankly based on the assumption that the Government owes a good home to everyone. What does it entail?

The replacement of slums with habitable units and the construction and repair of comfortable farmhouses are not assured simply by taxing the people, or borrowing from them under deficit financing, and transferring the money. There is no Orphan Annie's cave from which billions can be retrieved. The lack of sufficient good housing has not been simply a lack of cash.

To build substantially more homes than we are now building (we spent $7,000,000,000 in private housing last year), we must have lumber, metals, synthetics, paint, transportation and labor. These must be diverted from other products, meaning that there will be less for private housing, less for automobiles, less for capital goods, less for the things that make up our material wealth. We shall all be a little poorer.

Perhaps it is worth being poorer for the sake of a better housed America. But we must not forget that as we make all a little poorer, we add more families to those who must look to government for their homes. Government subsidized housing inevitably increases the numbers who must be subsidized. The more productivity that is channeled into public housing, the more must be sent there. The billions in the National Housing Act of 1949 will require still more billions in the years to come.

The United States people have already voted on housing. Under a relatively free economy, they have spent their money for automobiles, for liquor and tobacco, for education, for travel, for countless things beside housing. If the Government adopts the philosophy of the National Housing Act of 1949, it will override the people's vote and will say the people must spend less on these other things and more on housing.

We do not have an unlimited national productivity to consume. If we build 1,050,000 nonfarm dwellings, plus an undetermined number of farm homes, as the bill provides, in addition to our present private housing construction, there is no bank to draw on but what we can produce. Do we, as a people, wish to adopt the principle that the Government, even a democratically elected government, shall decide how that account is to be drawn on?

Senator TAFT has said that if the cost of home construction could be cut in half, there would be no slums. That means we could have a well-housed America if our productive capacity in respect to home building could be doubled with the raw materials, capital and labor now devoted to it. Surely this is the challenge we can most nobly undertake, rather than a system of national charity. And we have hardly touched the problem of out-moded practices in the industry.

This is why Senator TAFT, who supported the Housing Act, insisted on the title providing for Government-supported research in housing construction. It is the one feature of the bill that gives hope.

It will take years to achieve results, however. In the meantime the Government can, as we have said, adopt a stop-gap plan of strictly temporary slum clearance and public housing. The House can serve well by so approaching the measure. We do not want Congress to rebudget our national wealth.

Housing Under H. R. 4009

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. MULTER. Mr. Speaker, at the risk of bringing down upon his head a heap of abuse calling him a Communist, emanating, of course, from the opponents of slum clearance and public housing for the lowest income groups, I call the attention of the Congress to the following letter which appears in today's New York Times, written by William L. C. Wheaton, associate professor of regional planning for Harvard University:

LETTER TO THE TIMES

HOUSING UNDER H. R. 4009—MEASURE IS SUPPORTED AS OFFERING SOUND BUILDING PROGRAM

To the EDITOR OF THE NEW YORK TIMES:

The Times of June 17 carries a letter to the editor by Emerson P. Schmidt, of the United States Chamber of Commerce, opposing the housing bill. The arguments raised by Mr. Schmidt are fallacious.

Mr. Schmidt's objections to the housing bill are that it involves subsidies for "only * * * some persons," that it might involve "complete socialization of the house-construction industry," that it will adversely affect the market for private housing, and by implication that public housing will cost more than private housing.

All of these arguments have been answered repeatedly in hearings before seven congressional committees, each of which, after prolonged hearings, recommended the passage of the legislation.

The subsidies proposed in the housing bill will serve the needs of families whose income is so low that they cannot afford decent, safe, and sanitary housing. Over any period of time the million housing units built will serve many millions of families, providing them with decent shelter when their incomes are low, and remaining to serve other needy families after the original occupants' incomes rise sufficiently to permit them to move elsewhere. Surely this group deserves the assistance of a subsidy as much as ship owners, air lines, or highways, or their users, which subsidies appear to have the support of the chamber of commerce.

The housing bill would make possible the construction of 150,000 units a year of low-rent housing. The houses would be financed through bonds sold by private banking houses to private investors, they would be designed by private architects and built by private contractors, of materials produced by private industry. After completion they would be owned and operated by local municipal governments.

Number of units

The number of units built annually would rarely exceed 10 percent of the number of privately built houses needed each year, and the total, after completion of the program, would not comprise more than 3 percent of the housing supply of the country. We clearly stand in much greater danger of socialism from our public highways, water works, and similar enterprises, substantially all of which are municipally owned to the great benefit of our private economy.

The contention that the public-housing program will adversely affect the market for private housing is equally erroneous. The hearings of the congressional committees are full of evidence that public housing creates a demand for better private housing.

Mr. Schmidt fears that public housing will deter investment in private rental housing. But slum dwellers are not potential customers for $90-a-month apartments and never have been.

What little rental housing has been built in this country in the last generation—and it has been far less than a third of the proportion needed—has been built and will continue to be built for those who desire and can afford a higher class of accommodation, those in the highest-income group.

As to the cost of public housing, the record of the committee shows that the prewar public-housing projects were built at substantially lower cost than comparable private units.

In addition to these questions regarding the public-housing program Mr. Schmidt makes several suggestions. He wishes an attack on "obsolete building codes, restrictive practices, and the * * * essentially handicraft character of the building industry." He urges that public funds be appropriated for a program of technical research to achieve these objectives.

Opposition of industry

The sponsors and supporters of the housing bill have long urged such a program. A comprehensive research program was included in the original Wagner-Ellender-Taft bill in 1945, in every subsequent modification, and in the present bill. Yet strangely, the building industry has fought against this provision almost as vigorously as it has opposed public housing. Representatives of the United States Chamber of Commerce, which Mr. Schmidt represents, have repeatedly testified against these provisions, now belatedly recognized as necessary and desirable.

Perhaps the most naive argument in Mr. Schmidt's letter is his closing question: "Would you be willing to support a subsidized press for these people (who cannot afford newspapers)?" Is Mr. Schmidt unaware of the Hoover Committee's revelation that the Federal Government already subsidizes the press of this country through below-cost postal rates which ultimately cost the taxpayer millions of dollars annually?

The housing bill now before the House of Representatives represents a sound, conservative proposal. The bill offers a comprehensive program to widen the market and expand the capacity of the private house-building industry through research. There are enough progressive elements and promising accomplishments in the building industry to suggest that with better leadership and Government aid this goal can be achieved in time.

This legislation was drafted and sponsored from the start by a bipartisan group of Senators. It has been supported by citizen, veteran, civic, and religious organizations representing 60,000,000 Americans of every class, creed, race, and both political parties.

It has been fought by a small group representing by their own admission less than 100,000 people, who believe, incorrectly, that their interests are jeopardized by it. They have thus far failed to convince a single congressional committee that this is the case, but they have succeeded in preventing the Members of the House of Representatives from voting on the bill for 4 years.

When H. R. 4009 comes before the House this week it deserves the enthusiastic support of every Member of Congress.

WILLIAM L. C. WHEATON,
Associate Professor of Regional Planning, Harvard University.
CAMBRIDGE, MASS., *June 18, 1949.*

Address of Gen. Alexander A. Vandegrift

EXTENSION OF REMARKS
OF
HON. J. VAUGHAN GARY
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. GARY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by Gen. Alexander A. Vandegrift, formerly Commandant of the United States Marine Corps, on the occasion of the Flag Day observance ceremonies held in Richmond, Va., June 12, 1949:

Today, on our annual observance of Flag Day, we pay tribute to the emblem of our national strength and unity—the Stars and Stripes. The historical significance of this day lies in the fact that on June 14, 1777, the Continental Congress adopted a resolution "that the flag of the 13 United States be 13 stripes, alternate red and white; that the union be 13 stars, white in a blue field, representing a new constellation."

The Star-Spangled Banner was designed in the days of the Revolutionary War, and was first flown at the head of the Continental Army. From its birth, 172 years ago until today, our flag has witnessed a great history. It symbolizes a great national ideal which we mean to preserve no matter what the cost.

Our flag has been handed down to us from our forefathers, those stanch and rugged individualists of colonial days, men and women of simple and abiding faith. They came to America full of hope, and for them and their children's children their faith and their hopes have been justified.

It is against their background and heritage of faith, hope, courage, optimism, and enthusiasm that we pause amidst our celebration today and contemplate the international problems that beset the people of the United States.

We know full well that without a just and enduring peace the horizons and boundaries of the human spirit will shrink ever inward, and that neither America nor any other nation will achieve its destiny. We are convinced that peace is not an accident that just happens, but rather an objective requiring and deserving the same effort and unity that is required to win a war. We know, too, that there is a price for peace.

In this modern world no land can ever again be an island entire of itself. Henceforth, whenever forces of aggression seek to abridge liberty and disrupt the peace, in however remote corner of the globe, no one will need ask for whom the bells toll. We will know they toll for all of us, unless America, acting in concert with the other peace and liberty loving members of the United Nations, exerts its full influence at once to halt that aggression.

I detest alarmists and I hope I never become one. However, it would take a very optimistic man indeed to survey the world of today and find that all is well. I believe it is possible for us to work out our differences. But only a fool could fail to recognize the potential dangers of today's international tension.

Ever since 1914 we have wondered if we would ever see a return to those conditions we usually describe as normal. While addressing a high school forum in New York recently, the Reverened Robert I. Gannon, former president of Fordham University, said to the young men in his audience: "Your

generation has a different point of view. You were born into chaos. It is part of the providence of God that you, who have to pick up the pieces of this modern age, should look on disorder and uncertainty as a normal condition to be faced without surprise or fear."

I am inclined to agree with Father Gannon that the world is, and for some time has been, in a rather chaotic condition. I fear he is right when he says that we must look on disorder and uncertainty as a normal condition to be faced without surprise or fear. But I feel that despite our lack of surprise or fear we must in the years to come, as never before, stay alert and on guard. We must all broaden our interests and our perception. We must all learn to appreciate just what is at stake in this world today and the methods and techniques that may be used to deprive us of our birthright.

Three and one-half years ago we settled down to enjoy the fruits of victory in a world liberated from aggression, from the dread scepter of future war, and from the bestiality and oppression that brought war to Europe in 1939.

With record-breaking speed this country demobilized the world's greatest Army, Navy, Marine Corps, and Air Force and left America with a skeletonized military organization. To our amazement we saw our international influence disintegrate in proportion to the demobilization of our military power.

Already we have seen Latvia, Estonia, and Lithuania gobbled up. We witness now the death of democratic processes in Poland. We watched Yugoslavia, Hungary, Bulgaria, and Rumania fall victim to as ruthless an aggression as any country had suffered at the hands of Hitler. Then we watched Czechoslovakia die. For the second time in 10 years there was imposed upon the free people of that country a way of life to which they preferred death, even as Jan Masaryk.

Then it was that we experienced something of the same apprehension that paralyzed us in the late thirties and early forties. But today there is one conspicuous difference. We know now that salvation cannot be found in appeasement. We know now that wisdom and vision and military strength that command respect can help to preserve the peace, just as stupidity, blindness, and weakness can invite the very conflict that we seek to avoid. The cold war in which we were so recently engaged was tragic, but it was immeasurably better than the hot war into which we might have been mouse-trapped by a policy of inaction.

I realize that the $15,000,000,000 budget set by President Truman for military expenditures during the coming fiscal year is a very large sum of money. But I ask you to remember that it is still less than 5 percent of the $350,000,000,000 it cost us to win World War II, a war in which 400,000 fine young Americans gave their lives.

Until this world achieves a far greater stability than is apparent today, we cannot afford the luxury of reducing the premiums we pay to insure world peace.

Since our national decision to wage peace with the same vigor with which we waged war, the situation in Europe has improved substantially. In western Europe there has been a gradual and noticeable improvement which encourages us to believe that the Marshall plan is one of the most important paths to peaceful settlement of the problems of the postwar world. All of this, though expensive, has been well worth the price.

Since the German surrender and including the first year's installment of the European recovery program, the people of America have given to the impoverished peoples of the devastated countries of the world, assistance totalling $21,000,000,000, more than 10 times the cost of developing the atomic bomb. As Bernard Baruch has wisely observed: "One could search vainly mankind's whole history for comparable generosity."

Were it not for these saving contributions made by the people of the United States, the condition and future of Europe and many other parts of the world today would be indescribably chaotic.

We are now in the process of considering for ratification an Atlantic Pact to give further assurance to the western European democracies that we do not intend again to stand idly by while they are engulfed by totalitarianism. We do not intend again to see a fortress Europe in hostile hands. For ourselves and for the friendly people of Europe, an ounce of true liberty now may be worth many pounds of liberation later.

Make no mistake about it. All of these acts and every move your Government is making is devised to protect and preserve the peace, and not to prepare for war.

This Flag Day celebration here in Richmond today is typical of the countless such ceremonies taking place throughout the world honoring the glorious Stars and Stripes. These celebrations give tangible evidence of our allegiance to our flag. And allegiance to our flag indicates love of country. We love America and the ideals for which she stands. We love her for what she has given us in opportunity to enrich our lives, to enjoy the freedoms we cherish. We love her for the place she holds in the affection of all mankind, as the land of enlightened liberty, and the champion of human dignity.

Our devotion, however, must be something more than an affectionate optimism that somehow everything will work out all right. We must face present problems with a realistic approach and with full consciousness that we must all continue to devote our best efforts to these ideals if they are to survive and prosper. We cannot close our eyes to the fact that our survival will always be threatened so long as there are destructive ideologies with aggressive tendencies abroad in the world.

We must always remember that the price of the inaction may ultimately be many times greater than the cost of all the steps we can take to preserve our heritage.

The events of the past 3 years of uneasy peace and the reaction of the American people to these events hearten my confidence that all of us are ready to work as hard, as unitedly and untiringly for peace as we did for victory in war.

Our experiences in the last two great wars have taught us a lesson which we are prepared to heed. We are resolved to make every effort while the time remains to weld the strongest possible chains to keep in leash the dogs of war. We believe that a strong America can help to prevent war. As a nation we will continue to take every possible practical step to preserve the peace of the world.

We freely acknowledge that the problems our generation will face in the next 20 years may be as great or greater than those we face today. We must acknowledge that the sacrifices we shall be called upon to make may be greater than those we are now making. Whatever the problems, whatever the sacrifices asked in our remaining years, we gladly accept as the challenges of our destiny. We know that everything we are, that everything we hope our children to become is at stake. We dare not fail, lest civilization suffer its worst retrogression in all recorded history.

Here on this continent our forefathers established a system of government and a way of life which has proved to be the world's greatest contribution to human freedom and the dignity of man. It represents today civilization's brightest promise and strongest hope. It must not perish.

May God give us the wisdom, the courage, and the determination to do all things that must be done to protect and preserve this America, and to help keep the world at peace.

National Service Life Insurance Refunds Should Be Paid to Veterans Without Further Delay

EXTENSION OF REMARKS

OF

HON. J. CALEB BOGGS

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. BOGGS of Delaware. Mr. Speaker, I want to direct the attention of all the Members of this House to the interminable delay by the Veterans' Administration in paying the refunds to which veterans are entitled by reason of having paid premiums in excess of the sums required on their national service life insurance. I also want to direct the attention of the Members to the confusing explanations and flimsy excuses advanced by the Veterans' Administration for their failure to pay to the veterans a sum of approximately $2,800,000,000 which belongs to no one except those veterans.

To the best of my recollection, Mr. Speaker, it was about 2 years ago, in 1947, when the Veterans' Administration first disclosed the fact that tremendous sums were available for distribution in the form of refunds to those veterans who are or were for a period of at least 3 months insured through national service life insurance. Shortly after that initial announcement, it was stated that actual payment would have to be postponed until after the Supreme Court had rendered its decision in the Zazove case. This, it was stated, was so because the total amount available for refund distribution could not be determined until that decision was rendered. The Supreme Court passed down its decision in the Zazove case on June 14, 1948. Not very long thereafter the Veterans' Administration announced that the refund payments would be made in the calendar year 1949, and that the mechanism for doing so was being placed in operation. Now, Mr. Speaker, the veterans of America are told that there will be further delay, but that it is hoped that their money will be refunded to them in 1950.

It must be pointed out, Mr. Speaker, that it was known by the Veterans' Administration throughout all the period prior to the rendering of a decision in the Zazove case, that some amount would be available for refund purposes irrespective of the outcome of the Zazove case. That being the case, I consider it pertinent to ask why there was any need or justification for delay by the Veterans' Administration in proceeding with the mechanical work necessary in preparation for such a payment. If that had been done as it should have been, it would then have been necessary only to apply the formula determined upon to the sum available for refund after the Supreme Court decision had been rendered. Why, Mr. Speaker, was this not done? And why, Mr. Speaker, is there reason to believe that it has not yet been done?

During the past several weeks our attention has repeatedly been directed to the fact that unemployment is increasing and that individual incomes are, therefore, declining. At the same time the administration has repeatedly insisted that this recession will be of only short duration. Such being the case, it appears that there could be no more appropriate time from the point of view of our national economy than that these life insurance refunds should be paid during this very period when they are most needed. Why then are we told that there will be more and more delay?

My friend and colleague the gentleman from New York [Mr. KEATING], who is a veteran himself, has introduced a resolution stating that it is the expressed desire of the Congress that these funds shall in fact be repaid not later than October 15, 1949. I sincerely urge all the Members of this House who believe in justice and fair play for our veterans to support this resolution. After the resolution has been adopted, I further urge the Members to assume the responsibility for seeing that there is full compliance with the provisions of that resolution. And, Mr. Speaker, if there is any effort to avoid compliance, then I believe that the Congress and the veterans' organizations of this Nation should demand a full accounting and a complete report on the existing situation to ascertain whether there are reasons which have not yet been disclosed for this continuing and unjustified procrastination in refunding to our veterans this tremendous sum which is in fact theirs.

Mr. Speaker, under permission to extend my remarks, I include a very excellent editorial on this subject which appeared in the June 21, 1949, issue of the Wilmington Journal-Every Evening:

THEY HAVE WAITED LONG ENOUGH

Although the Supreme Court ruled more than a year ago that refunds on GI life insurance were lawful, it is only now that the Veterans' Administration is getting down seriously to the business of preparing to pay them. Perhaps we should not be surprised. That's the way that bureaucracy customarily operates.

The veterans, however, have a legitimate complaint and the Republicans in Congress are within their rights in voicing it. The money belongs to the soldiers, not the Government, and it ought to be distributed at the earliest possible moment. Such considerations as political advantage or impact on the economy have no place in the picture.

It has been charged on more than one occasion that the administration, mindful of next year's congressional elections, would like to withhold payment of refunds until some time in the spring. That course would give it what amounts to a $2,800,000,000 campaign fund and the opportunity to address itself directly to the 16,000,000 voters who would be receiving checks from the Government. And such is the nature of many people that they would think they were getting something for nothing and that they ought to be correspondingly grateful to the party in power in Washington.

For the sake of honesty and integrity in politics we hope that the Republicans in Congress will continue, first, to insist on the payment of refunds now and, second, to keep hammering home the point that what the veterans will be receiving is due them not out of charity but as a matter of simple justice and fair financial dealing.

The Republican Party's Responsibility to the Farmer

EXTENSION OF REMARKS
OF
HON. NORRIS COTTON
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. COTTON. Mr. Speaker, under leave to extend my remarks in today's RECORD, I wish to include a very able and informative address delivered today by my colleague, the Honorable WALT HORAN, of Washington, before the national convention of the Young Republican National Federation at Salt Lake City, Utah, dealing with American farm policy:

THE REPUBLICAN PARTY'S RESPONSIBILITY TO THE FARMER

(Speech of the Honorable WALT HORAN, Member of House Subcommittee on Agriculture Appropriations, before the annual convention of the Young Republican National Federation at Salt Lake City, Utah, June 24, 1949)

Here in the Promised Valley of Utah, hallowed by the history of a valiant band of pioneers to whom farming was more a matter of life and death than one of national political policy, it should be a far more simple task to sort out our ideas regarding modern agriculture than it seems to be back in the fuss and furore of the Nation's Capital. It is good for all of us, and Young Republicans in particular, to meet in such a place as this for our deliberations on matters of this kind.

It should certainly not be sensational for me to say that the Republican Party's responsibility to the farmer—or the responsibility of any political party or administration, for that matter—is not in the slightest degree different from our responsibility to any other group of Americans caught in the bight between the tax spenders and the tax collectors. I know of a political party which tries to promise different things to different groups of people—and right now is in a terrible stew trying to find a way of carrying out the promises made to one without welshing on the promises made to another.

The first responsibility which any group owes to those whom it would lead is simple, straightforward honesty—the kind of honesty displayed by Brigham Young when he told his fellow-pilgrims their promised valley was to be no Garden of Eden laden with self-producing fruits but a land where honest work and efficient toil would reward them with decent homes, abundancy, and satisfaction in living. You see here about you the results of that work—and this valley became what it is without any handouts from the great white father in Washington.

We have a duty to our farmers to tell them exactly what policies we feel should be followed in our National, State, and local governments and the manner in which those policies will affect them. Then we should be honest enough to do what we have said we would. Remember, back in 1945, when the Democrats told farmers to sell their wheat at one price on the promise it would go no higher? Then they turned around and offered a 30-cent bonus to the hoarders who held off until the next January. That was plain dishonesty and it's just one of the many examples I could cite where farmers have been told one thing and given another.

The second thing we owe to our farmers—as we owe it to everyone else in these United States—is consistency of policy. During the past several years there has been no such thing in the Federal Government except, of course, the tax bill and tax spending. There are so many planners running so many directions at once, back in the hodgepodge on the Potomac, that their glorious schemes frequently fall over one another. Take just one commodity, for instance, hogs. Back in the early postwar years, when the Democrats were worrying more about the votes of labor than of farmers, the price controllers were screaming for a roll-back of meat and farm-commodity prices. But those prices were stimulating production of hogs until, in 1947, the scarcity was met and our producers were ready to export lard to European countries desperately in need of fats. The administration said "No," and in 1948 even opened up the United States to unrestricted imports of fats and oils. This glutted the domestic market and had its effect on all livestock prices. Because lard demands went down—and with it the price—packers had to recover their losses by increasing the price of meat to the consumer and penalizing the farmer for raising the heavy hogs the Government had said it wanted. Able economists consider this series of events to have been the prime mover in the commodity-price drop which quickly extended to all other products.

Another example of inconsistency which Republicans should avoid is found in the switch of the administration's over-all farm policy since the elections of last November. For 3 months last fall, Democrat farm politicians roved across the country preaching an economy of abundance. Apparently believing that the philosophies of Henry Wallace and his crowd really had been thrown out of Democrat thinking, a lot of farmers fell for that line. Now what do we have in this Eighty-first Congress but a resurrection of the most rigid possible restrictions on production, including acreage controls, unit production quotas, and a so-called farm program which would make the income of every farmer wholly dependent upon the vagaries of congressional appropriations and taxes, collected, and taxes expended. There is not one provision in the Democrat administration's new farm program directed at the basic problem of making an abundance of food available to the average city consumer at a cost which the consumer can afford to pay. Yet, under the new scheme, he would pay more than that cost, because his taxes would have to support both the farmer's income payments and the administrative set-up required to supervise the whole program.

Fortunately our farm leaders are realists and students of both political and economic history. The executive committee of the National Council of Farmer Cooperatives has objectively observed among other things:

1. That the new farm program proposal would unnecessarily shift to government decisions, actions, and functions the farmer could best perform for himself;

2. That it would increase the already large staff of Federal employees;

3. That no stable estimate of the ultimate costs has been made; and

4. That the proposed commodity priority list is discriminatory.

Theirs is but one observation that should hearten our free American farmer. The Farm Bureau and the National Grange have made sound contributions also.

Still another inconsistency in present Democrat policy is found in that party's double-crossing of American producers by flooding our markets with cheap foreign products. In a number of instances this year, notably with regard to perishable and preserved fruits and vegetables, fish, and similar products, the Democrats have reduced tariffs so low that American farmers and workers have been put out of work by competition from countries having lower labor standards. The Republican Party in the Eightieth Congress

tried to avoid such actions by institution of the "peril point" in international trade agreements. This provided that tariffs would not be reduced below the point at which foreign competition could undersell farm and other products produced by American workers paid American high wages.

The Republicans have been consistent in the past and must be consistent in the future in holding to farm policies which will not be made unworkable by adoption of conflicting policies regarding tariffs, labor, resource development, banking, or taxation.

The third responsibility of the Republican Party to the farmer is an appreciation of the role that agriculture plays in our overall American economy and the importance of a sound farm economy in maintaining our high standard of living. We like to boast about Americans being the best fed, best clothed people in the world. Much of that happy condition is due to the tremendous natural blessings with which Almighty God endowed this land of ours. But a very large part of it is due to the industry, ingenuity, and resourcefulness of our farm people who have met a million and one problems and solved them. All the vaunted wealth and complained-of taxes owned and paid by the cliff dwellers of New York City and lesser metropolitan areas would be worthless if our farmers, miners, and foresters, all of whom work with the land, did not create and send to the cities the foods, fibers, and minerals which made those things possible.

We must, therefore, see to it that our party's policies in all fields of Federal, State, and local activity are properly balanced by an appreciation of the absolute necessity of a sound farm economy as the basis of our prosperity.

In order to carry out that responsibility, we must maintain policies in all fields of endeavor which will make it worth while for the farmer to produce the things America needs to eat and wear. This means, basically, that we should stop talking about phony price systems based on high—and higher taxes, controls—and more controls, and devote our efforts toward reducing the excessive and mounting costs of processing and transportation and marketing which today are chiefly responsible for the high prices the consumer must pay for food in the market.

With the highest average wage earned by any people in the world, with the greatest per capita production of foods and fibers of any country in the world, it simply does not make sense to claim there are many Americans who cannot afford to pay the farmer—directly—a fair price for their daily needs. We do have some crops which have been overexpanded because of Government demands for foreign relief and which must be adjusted to a realistic peacetime level. The end of premium payments and obvious soil depletion will automatically care for much of this. For the rest, we should begin to explore immediately the realm of new uses for some of these products—a task in which private processors, marketers and farmer organizations should be taking the lead with such assistance as is necessary from the Government and educational institutions. Then we have another job to do, which most Americans have almost forgotten how to do in the years of wartime shortages. We've got to learn again how to sell what we produce. That is true not only of the farmer but of almost every kind of producer of goods—automobiles, furniture, clothing and everything else.

We've got to learn how to sell again, unless we decide we'd rather just have the Government take over all distribution of any product as soon as buyer resistance sets in.

If the Federal Government would only set and adhere to some policies toward business which would encourage continued activity and employment in industry, which would give reasonable fair protection to domestic products against foreign competition, and which would reduce the cost of government so that more tax money could remain in the consumers' pocket, we would have very little worry about whether the average city-dwelling consumer-taxpayer could afford to pay a fair price for his food and clothing.

In contrast to the program of controlled scarcity, higher taxes, and more controls, offered by the Democrat administration to the Eighty-first Congress, the Republican Party could, with consistency of principle, adopt an eight-point program for disposition of apparent surpluses of farm production:

1. Conversion of grains and other starches into alcohol for production of high-grade motor fuels.

2. Development of chemurgical industries, located in rural areas, to be owned and controlled largely by farmers themselves—we've made real starts on both of these; let's continue the good work.

3. Government stock-piling of storable foods, feeds, and fibers for national security and as a reserve to stabilize livestock production.

4. Adherence to the "peril point" in holding tariffs at domestic parity price levels—let's tell the farmers of America what the since-rescinded work of the Eightieth Congress really meant in terms of their protection.

5. Exports of surplus American farm products under Government subsidy to nations otherwise unable to finance such purchases.

6. Improvement of processing, storage, and distribution of farm products, to reduce the gap between the price the farmer receives and the price consumers pay for such goods. In the face of mounting transportation and handling costs, this is the most important single problem in agriculture today, and it is receiving scant attention from the Federal Government today. Facilities and personnel to achieve these results already exist in the Department of Agriculture; yet, the so-called Brannan plan ignores them.

7. Authorize special sales campaigns with assistance of Department of Agriculture when any perishable commodity becomes in temporary excess of demand. This could include special consideration in such diversion methods as the school-lunch program, local relief needs, and foreign relief. This has been successfully done in the past.

8. During the period of transition away from a regimented farm economy, under a program of full utilization of farm commodities, continue provisions of existing farm-aid laws.

Above all else, it should be the attitude and the policy of the Republican Party that any and all forms of Federal farm assistance, whether as price supports, subsidies, income payments, or whatever you may care to call them, shall be considered as available crutches, to be used when, as and if necessary, not as permanent strait-jackets to encumber and ultimately control our entire farm economy.

A Republican farm program must be one under which it will be profitable for farmers to produce and under which consumers will be able and willing to pay a fair price for farm products. There must be no ceiling on opportunity for farmers and no stifling of their ambition or enthusiasm for abundance.

The welfare of the American farmer is an economic—not a political problem. His security still depends upon shortening the distance between himself and the consumer. His dignity still lies in service to Americans through as free an American market as possible.

It is time that we looked twice at the proposals of the tax spenders—since there is a clear waste in merely respreading that which is collected in taxes. It is time we spoke out against these tax spending experiments.

It is our Republican responsibility to the American farmer, the American people—in truth it is also our responsibility to thousands of able men of ability and achievement in the Department of Agriculture itself—whose talents are currently ignored by the administration. It is our Republican responsibility to make use of all the time-tested means our American experience has developed. Now is the time—and this is the place.

The Freedom of the Past in America

EXTENSION OF REMARKS
OF
HON. HUGH D. SCOTT, JR.
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. HUGH D. SCOTT, JR. Mr. Speaker, all of us are aware of the valuable contributions made by Congresswoman FRANCES P. BOLTON, of Ohio, to discussions and debate on the important questions which come before us in Congress. I have followed her activities with unusual interest and upon many occasions sought her advice and help. When Mrs. BOLTON speaks all of us lend an attentive ear and are rewarded by clear, sound, and forthright presentation on the subject under consideration. I would like at this point to call attention to a thoughtful and interesting speech by our able colleague.

I was attracted by a three-column spread in the Sunday Cleveland Plain Dealer, reporting a speech delivered by Mrs. BOLTON before the national convention of Beta Sigma Phi, in Cleveland, Ohio, on Saturday last. Of especial interest was her statement:

> Ninety-one million citizens have no adult experience whatever with Republican administration of national affairs. * * * Then, the Federal Government, living within its annual income, balanced the budget. * * * There were no pay-roll tax reductions made by employers of labor. * * * The workers collected all they earned * * * and saved or spent it—as they chose.

It was truly a remarkable address. It highlighted the developments of our country during the last 100 years. It traced in detail the contributions which women have made to our economic and cultural, our social and political life. It exhibited and pictorialized the change that has slowly engulfed the administration of our national affairs, and particularly during the two last decades.

Mrs. BOLTON'S address made me realize that as Americans we have never before had such compelling reasons to analyze the operation of the Federal Government in order to insure and protect our private lives, privileges and property against further encroachments. She pointed up the proposition that as never before—the American people will have to deal with economic conflicts on a scale hitherto unknown.

Cautioning her audience that the role of Government activities should be determined by the people themselves rather than by their public officials, she indicated that the value of government should lie not in what the party in power does or

fails in doing—to satisfy some minority group or interest—but rather that the true value of government rests upon a rationalized program predicated upon the best interests of the Nation as a whole.

That all Members of this Congress may avail themselves of the knowledge and sagacity which FRANCES BOLTON addressed to this question, I ask unanimous consent to insert her speech in the RECORD, and by permission granted, I include it herewith:

Madame President, honored guests, members of the international executive council, members of the Cleveland council, and of the Ohio membership gathered here, you have done me a very great honor in asking me to join you this evening and I have come on from Washington with a very keen sense of the privilege you have given.

As the Congress was not in session yesterday I was able to take the afternoon plane rather than one of the later trains. It was a smooth flight—though there was a mist over the earth. Delightfully relaxed I let myself go into that delicious region that is neither sleep nor waking, wondering what I might say to you that you would want to hear.

Suddenly an idea intruded itself. How wonderful if you, who constitute such a splendid cross-cut of younger womanhood, would make an address to me. Then I would really know what is in your minds, and having learned, I could expend my energies more effectively to achieve for you and yours something nearer to your hearts' desire.

I realize, of course, that I represent only this great cosmopolitan Twenty-second District, but with only nine women in the Congress, each of us feels a responsibility toward all the women of America—and we need to know what they are thinking, feeling, and dreaming.

Suddenly another idea took its place—a delightfully gay one, I thought. Perhaps it would be more interesting for everyone if I made no formal talk at all, but just presented myself here before you and said: Ladies—your Congresswoman. What is there you would like to know about the much that has come under my observation in the 9 years since I was first given the great honor of going to Washington as the Representative of this great district?"

Just about then we bumped into Pittsburgh, and both ideas were left behind somewhere on that hilltop—and before I knew what was happening my blessed Cleveland was opening its arms to me.

I find myself in a delightfully gay mood, friends—more happy than I can tell, to run away from what is the most wearing session I have yet experienced, into this utterly delightful atmosphere. It is so good to sit down with you, to break bread with all of you—some of you the daughters of my girlhood friends. When your gray hairs spell out as many years as mine do, you will know just how delightful, how heart-warming, such an experience is.

Several letters I had from Miss Vormelker and Miss Spengler made me feel as though it would be quite in keeping with your mood if I came in blue jeans, with a bucket, pick, shovel, and sieve. Though perhaps my great grandmother's brown cotton-market dress would have been more seemly.

What days those were, friends—those and the days of our early Ohio towns. How much we women of today owe to those pioneer women whose courage never seemed to falter no matter what their privations, no matter what their trials.

The men were wonderful, of course, hewing their way westward from the coast, trekking out across the plains and over the mountains. But what courage it took just to go along; what courage and what love. Yes, they were empire builders, those old boys, but what of the women who left the newly achieved comfort and safety of the rocky New England coasts in ox carts and covered wagons, on horseback and afoot, adventuring with their men—out across the Alleghenies, the Ohio and Mississippi Valleys—out across the plains toward the land of the setting sun.

I'm glad I have some of their blood in my veins.

What a miracle this is—this America. Not in all the 5,000 years of recorded history has man built so great a Nation in so short a time. Why, it isn't 200 years yet since we were fighting the Indians.

It would be fascinatingly interesting, but impossible in one evening, to recapture even in part the changes that have taken place in the last 100 years. Can you imagine wolves chasing after your sleigh right on Euclid Avenue—where Trinity Cathedral stands today?

Alas, most of you are too young to have seen the Sunday cutter races under the arch of great elms between Perry Street (Twenty-first) and Case Avenue (Forty-sixth) on Euclid Avenue.

No, we can't recapture the past or evaluate the changes—even the changes of the last two decades. Everything moves so terribly fast these days. But believe it or not, it was less than 15 years ago that a Government order forbade the purchase or the construction of any military planes with a flying range of more than 300 miles. It was presumed there would be no need in time of war for a plane to travel more than that distance from its carrier or its land-based terminal.

Just 300 miles—the distance from Cleveland to Cincinnati. And today our planes make nonstop flights around the world. Today the brawn and brain of our own Cleveland people make possible a speed of something a little more or less than 1,000 miles an hour. And thousands of women work in those factories.

What fantastic changes there have been since that Sunday afternoon at Seneca Falls in 1848 when a group of women were unable to unlock the little church where they were to hold the first meeting to discuss the rights of women and a gallant husband climbed through a transom and opened wide the doors.

I would like to spend time on some of the achievements of American women in the 100 years that have passed since then—but time does not permit.

Suffice it to say that none of us are unmindful of the unremitting toil women have put in to rectify inequalities, to balance inequities and to make right the injustices that seem to have been the lot of women even in the Western World. Surely woman has come of age in America today. She has taken her place in every form of gainful employment, and stands in the front ranks of the professions—as doctors, lawyers, scientists, journalists, businesswomen. In such professions as nursing, teaching, home economics and merchandising she has truly pioneered the way.

That 100 years is over, another has begun, one in which women must assume a far more responsible role, moving out into the creative work that awaits their doing—shoulder to shoulder with men.

These are momentous days we are living, friends—days when I sometimes feel I have forgotten how to laugh—days when the thought of the almost terrible privilege this great Twenty-second District has given me is never out of my mind.

There is still so much that needs doing, so infinitely much that must be done. What of our wee ones—and our children—our youth? What of the men and women in our factories and mines and fields? What of our aged, our disabled, our indigent; what of all of these?

There is so much that must be done in education, health, medication, nursing, old age.

Then turn to the terrible problem of Federal taxes, Government spending, Government regulations, Government regimentation.

We are squarely up against the question of how to manage the public debt, how to reduce the amount of money which each day is taken out of the earnings of our people for the support of the Gargantua of governments which has been built up.

I know, as you do, that taxes are paid in the sweat and toil of all who labor—in the mines, mills, and factories, on the farms, in the countinghouses, and the marts of trade.

But even these problems shrink when one thinks of the horrors of the two World Wars through which many of us have lived. Surely peace is all that matters. Yet how to build peace? With what material and what tools? I ask you in deep earnestness, may not the peace and security of the world, yes, the very future of mankind on earth, rest upon the ability of this, our America, to remain solvent?

What of the human problems we have not yet solved, such as labor and management, unemployment, and housing?

What of our relations with other nations, what of our foreign trade, and the reciprocal trade agreements? What of the Economic Cooperation Administration, the Atlantic Pact, the military-assistance agreement?

These are the problems continually before me—these and more are my constant, deep concern as the late hours of the evening burn into the early hours of morning as I read and study and ask for guidance, that I may not fail those who have sent me, one of nine women, to the Congress of these glorious, eager, valiant United States.

Yes, it is a hundred years since that eventful meeting at Seneca Falls, a hundred years since that day in 1849 when a workingman out in California—out beyond the wilderness—rode into Sutters Fort with a handful of shiny dust particles—and all the country went wild with the news of gold.

One hundred years, but what stupendous changes have come to pass in that short span—a century which has witnessed the growth of our simple economy into a vast and powerful nation and the coming into being of the American way of life.

As we can't go into the details of the swift process of our growth as a nation, and as fundamental principles have more than usual importance in these days, I want to take a few minutes on some of these fundamentals and relate them a little to the problems that we face today.

Go back with me for a glance at our amazing founding fathers who, after much mental pulling and tugging among themselves, finally agreed on the principle that a people to remain free must be free from the tyranny of an overpowering central authority. To this end our Constitution was written to provide that the Central Government should have only such powers as were specifically granted to it by "We, the people."

Moreover, the Constitutional Convention, by working out the principle of dividing the very power of power, gave us the protection of freedom on which our country was built. That principle recognized that if the same man or men make the laws, execute them, and interpret them, despotism results. So they gave us a three-in-one formula: the legislative, the executive, and the judicial branches of government, our well-known system of checks and balances, and clearly set it forth.

Now let us think for a minute of the two seemingly conflicting philosophies,

theories, or doctrines adhered to by the various founding fathers, which brought into being the two great political parties of our country.

I say "seemingly conflicting" because I believe that they do not really conflict at all but merely act upon each other as two opposing teams in a tug of war. They are good for each other. They allow for a flexing of our mental muscles.

The first of these doctrines was held by the Federalists and Alexander Hamilton, the other was advocated by Thomas Jefferson and his followers.

The Hamiltonian theory held that: By and large the great mass of people cannot be trusted to govern themselves benevolently; that in the absence of a strong, enlightened leadership, a pure democracy or the so-called democratic spirit, gets out of hand and degenerates into mob rule.

It was held that because our country had seemingly unlimited space and resources within which to grow and expand, that the States must more and more prepare themselves, through a strong but not dominating central power, to become a united group of sovereign entities, speaking (to a skeptical, doubting world) as a strong union of free States.

It was through the wisdom and dogged determination of Alexander Hamilton, you will remember, that our national banking system came into being.

Despite the fact that this doctrine spoke out in favor of a strong, enlightened central authority, it was a doctrine which held that "That country is best governed, which is least governed," a doctrine that allowed for unlimited activity on the part of the individual to push forward in any chosen venture as hard and as fast as he was capable of doing—to the end of satisfying his thirst or his passion for individual expression in invention, time-saving devices, industry, the arts, and the sciences—yes, even to his own destruction, sometimes. (How that untempered human zeal is finally checked by the people themselves and by laws, makes another story.)

This was the doctrine which invoked the principle of the delegation of power, wherein the community selected one out of its number, sent him to the national legislature, as they had sent their elected representatives to the local and State governments, there to exercise his God-given will and conscience in making law for the country.

This was the Republican form of government, but we see that in truth we have a democracy within a Republic; it is the will of the majority expressing its preference for individual delegates. And what must those delegates to the Central Government do: Compromise with one another in the making of laws, because collectively the delegates represent all the minority groups and all the special-interest groups of all the people throughout the land.

The second and seemingly opposing doctrine was advanced by the beloved Thomas Jefferson—a doctrine known as Jeffersonian democracy—often referred to today as "states-rightism."

Here was the great genius behind much of the wording of the Constitution and the Bill of Rights, speaking out loudly for the reservation of power from the central authority, speaking out in defense of the majority within a community, which constituted the individuality or the character of that community or State.

From the pen of Thomas Jefferson came these dynamic words: "The sum total of the common sense of the common people is the greatest force on earth."

His was the philosophy that demanded protection for the great vocal majority of the people—with special warning against a powerful minority that might exert itself through the Central Government • • • it was a doctrine of yielding to the will of the majority with little or no concern for the minority group, even though the sum total of all the minorities might well constitute a great plurality of the whole.

Here, seemingly, in the name of protecting the majority within the individual sovereign States, was the great deterrent to expansion of the central power.

Can we not see that these opposing philosophies are indeed check mates one to the other—that instead of regarding them as irreconcilable conflict in our minds, they should be looked upon as necessary correctives to the unbridled will of man.

Does not our history show that both of these doctrines can be used rightly to our advantage, or wrongly to our disadvantage? We might sum up by saying that adherence to the first doctrine could be called the great motiviating force to invention and science and vast property development, while the other is a protection to the human rights and individual freedoms.

Can we say that either one should take priority over the other? Can we grow without either? First and foremost we are fellow humans struggling with existence itself; next we are Americans, heirs to the most sacred Constitution ever penned by human hand; next we are partisans, advocates of this doctrine or that, not competing with each other, but pulling against each other so as to steer the middle course.

It was under the principles of rugged individualism as enunciated by Alexander Hamilton that those who built this Nation pushed back its horizons, dragged in its foothills and the oceans, built roads, highways, waterways from the Atlantic to the Pacific, and from Canada to the Gulf. They knew that this continent comprehended all the goodness of life—and out of the fullness thereof gave birth to what we now call the American way of life in these United States.

I am afraid, friends, that with considerable unwisdom we have departed both politically and economically from the form of government laid down by those who founded this Nation.

The great current phase of Government spending, of bureaucracy, of regulations, licenses, and controls, of the enormity of taxation which so heavily burdens our people today—all seem to have emerged during the years following the world-wide economic depression in the late 20's.

It was in the year 1933 that the leadership abandoned the long historically established principle of making our Federal Government live within its income.

It is a long time since members of a majority party in Congress have heard themselves bluntly admonished by the Speaker of the House as they were in the days of Republican Speaker Joe Cannon, who in candor frankly said:

"If you fellows want these appropriations—this pork barrel, this fat frying—and you want that battleship to defend the country at the same time—then you will have to give up the log-rolling and these appropriations for post offices.

"You cannot have both! This Nation has got to live within its budget!"

A Republican pay-as-you-go method of conducting our Federal economy is actually something which 62.3 percent—or more than 91,000,000 of our taxpaying citizens know nothing about. Their adult experience began after the Republicans were put out of office, and the tax-tax, spend-spend deficit financing methods of the New Deal took over. Let me say right here that in the matter of adult experience, I will yield to no one in my respect for the power, the strength, the will, and the ambition of youth. But I am one who believes that if we are to keep our feet on the ground as individuals and as a Nation we need to temper enthusiasm and inexperience with the judgment that comes from years of experience.

Think with me of the profound significance of this one fact:

Today in the Senate of the United States of America, there is but one Republican Member of that great body who has any first-hand knowledge or experience whatsoever under a "stay within the budget" Republican administration. That lone Republican, Senator VANDENBERG, is but one of the 8 United States Senators out of a total of 96 whose service antedated the coming into power of the Democratic Party and its New Deal orgy of deficit spending.

As for the House of Representatives today, there are but 35 Representatives who have had any experience in the economy of Republican governmental administration—all the remaining 400 having come to Congress at some time during the administration of Franklin D. Roosevelt or Harry S. Truman.

Many of our new Members of the House were mere children when the Honorable Franklin D. Roosevelt succeeded to the Presidency and they know no other, at first-hand, as the Chief Executive of the Nation.

Out of the total of 435 members, there are today 174 with but 2½ years of congressional legislative experience, and 95 of these have but 5 months' experience to their credit.

It is always well to remember that throughout the early thirties the Congress was concerning itself almost entirely with the enactment of emergency measures—PWA's, CWA's, WPA's, REA, FERA, and a veritable multitude of alphabetical administrations that were concerned with abating the effects of the so-called depression days.

The congressional acts of that day which were then written into public laws were all supposedly temporary measures, but I have noted for years past that in the main the Congress has concerned itself not with the restoration of those principles and those policies that made this country great, but with the extension and the perpetuation of the administrations and the services that were allegedly set up merely to combat the depression.

It has been conservatively estimated, and by competent authorities, that 1 out of every 12 persons in the country today in some manner or other derives all or a large part of his income from the Federal Government.

(NOTE.—The total sum of people receiving Government aid, all or in part, is 12,000,000. This includes besides the 2,500,000 people on the Federal pay roll, at home and abroad, those in the armed services, the millions of farmers who receive soil-conservation-payment checks and subsidy payments, veterans, civil-service pensioners, those on the rolls of Social Security, and the old-age pensioners in the various States.)

Just look at what this means to the American farmer who is charged with the responsibility of raising the fat, the food, and the fiber to feed and clothe our 143,000,000 people. There are in round numbers 6,000,000 farmers in the country. So by some simple arithmetic it seems to mean that every farmer in America is being called upon to furnish food for two of these pay rollers.

Let me put it this way. If there are 25 people living in your block, or vicinity, or apartment house, those 25 people are supporting two people who are either on the Federal pay roll or are in some degree deriving their income from the Federal Government.

Now I can understand that in time of economic depression—or when there is a great overproduction of goods—that it is wise to

take people out of the production lines and put them into service work—so as not to maintain too high a production.

(NOTE.—Anything nonproductive, such as beauty shops or dry-cleaning establishments or Government projects.)

By the same token, however, isn't it equally true that in times of underproduction such as we have been experiencing in these past years, it would be sanity to take people out of Government service and off the Federal pay rolls? By so doing we could lower taxes, increase production, and thereby reduce the cost of living to our people.

But instead of lowering governmental costs and the cost of living to our people, just the opposite is even now taking place. The senior Senator from the great Commonwealth of Virginia, the Honorable HARRY F. BYRD, chairman of the Joint Committee on the Reduction of Nonessential Federal Expenditures, within the last 72 hours advised me that from 135 to 140 persons per day are additionally being saddled on the back of our taxpayers.

No government ever set up in this world has any source of income whatever except the income which is collected in taxes from its people.

You may not be conscious of the fact that during the past year more than 30 cents of every dollar that was earned by all of you within the sound of my voice was either directly or indirectly collected and spent by the Federal, State, and local governments.

Thirty cents out of every dollar is far too heavy a tax for the upkeep of any government—certainly of a government under which a people can be free—and that is what we pay.

Although I have heard it spoken in the cloakrooms of the House that we of this generation have seen the last reduction made in Federal taxes in our lifetime—I am happy to be able to say to you that this Congress, at long last, is also becoming more economy-minded. This would suggest the possibility that once again we may see this Nation living within its income. Let us all work together in harmony to speed that day.

To this end let us hope the House and Senate leadership is really frightened by the unsoundness of our economic situation and really means to cut down on the demands of every bureau, every department of this great octopus of the present Federal picture. Let us hope so, friends, because from my vantage point on Capitol Hill the situation looks pretty problematical. So let us hope this is true.

We are such a great nation—we have such a wonderful country—our responsibilities are so much greater than we are prepared to meet. But, as General Washington said to his troops at Valley Forge in one of the darkest moments of the war for freedom:

"We must not despair, the game is yet in our own hands, to play it well is all we have to do. And I trust the experience of error will enable us to act better in the future. A cloud may yet pass over us, individuals may be ruined, and the country at large, or particular States undergo temporary distress; but certain I am, that it is in our power to bring these matters to a happy conclusion." (George Washington in 1781.)

We stand upon the threshold of a new day—a day of atom fission, of pioneering into the realms of the eternal forces of the universe—a day when a new age is being born. Undreamed of possibilities lie ahead on the uncharted paths of atomic energy. What marvels in living and working and playing spread themselves before us. Always it is upon women that the responsibility lies to find direction.

Members of Beta Sigma Phi: It is for us as women at this truly solemn moment in man's life upon the earth to accept the challenge of the new age with a profound humility asking Him who maketh all things new to give us the courage and the wisdom and the selflessness of true leadership that we may fulfill our destiny as women in a destined land.

Statements of Guido Jacobacci and Perguido Marzoli Before the Rotary Club of Little Rock, Ark.

EXTENSION OF REMARKS
OF
HON. J. WILLIAM FULBRIGHT
OF ARKANSAS
IN THE SENATE OF THE UNITED STATES

Monday, June 27 (legislative day of Thursday, June 2), 1949

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD two short statements by two Italian boys, Mr. Guido Jacobacci and Mr. Perguido Marzoli—two boys who were brought to this country by the Rotary Club of Little Rock, Ark., earlier this year. All their expenses were paid by the Rotary Club. Last year the Rotary Club of Little Rock in the same way brought two French boys to this country. I think these statements are the best evidence I know of the validity of the exchange-of-students program and are very persuasive regarding an extension of the cultural exchange program of the Department of State. I congratulate the Rotary Club of Little Rock for their contribution to better international relations. I hope the Senate will do as well in supporting the exchange-of-students program.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF GUIDO JACOBACCI

President Jones, Rotarians, and guests; at the end of my stay in Little Rock as your visitor, I can tell you that your club has sponsored a wonderful treat, such as goes far beyond the range of imaginative power of any European mind. Hospitality has become a serious problem in Europe. We have not yet forgotten the time when it was a hard problem to meet the wants of one's own self, and outsiders were an undesirable burden on the distressed mind and scarce supplies.

I have started here a new life again. You have transferred me through the skies to a world which was unknown to me. I longed to visit the United States and my dream suddenly became true. I still consider it a wonder, and it reminds me of Peter Pan's tale.

During and after the war, there has been much talking in Italy about America and Americans, but chiefly about the big modern cities. Italian students have been admitted to courses at leading American universities, and many tours have been organized for professional men or businessmen to visit works, factories, associations in the main cities of the northern States, but it has been our luck to be received as friends for 2 months in one of the States which still retains the charms of the early America, while it acquired the highest degree of culture and modern development of industries and agriculture work, and we are deeply thankful for this to the Rotarians of Little Rock.

I have been trying to deserve the opportunity you have afforded me by intensely watching your methods of thought and life in order that I may fulfill the purpose for which I have come here, which is to understand your spiritual, social and economic structure, penetrate your soul, and give a true report of this experience to my countrypeople, encouraging them to cooperate under the ideals of freedom and justice.

You could not have made my stay among you more pleasant and, I venture to say, profitable, for I have been able to watch you at home, at work, at school, at social meetings, in and out of the city in private and in public life, in church. You have shown me lavishly all aspects of American life and country, and I have been delighted by its up-to-date technique combined with the genuity of American feelings and habits in this charming city of Little Rock.

Conditions are different in Europe, and I am afraid I shall have to use magnifying glasses for some time when I get back until I get accustomed again to the smaller size of everything. Europe is not only small, it is too old, too, and old age is, as everyone knows, accompanied by frailness in both limbs and mind. Now, I think my great problem is, how shall I apply any wisdom I may have gained here to a patient suffering from this ailment? Obviously, the younger European generation must be helped to recover the confidence and faith it has lost as a state of things arose, in which none cared any longer what would become in the future of himself and his belongings or, if he did care, he could not help feeling that everything was very unreal and unreliable. Coming from such a scared world, it was marvelous to watch your self-confidence and the unreserved freshness in your feelings.

I am going back to Italy with the settled persuasion that democracy does not exist only on the paper, but also in the heart and in the mind of the American people. We talked to workers, housewives, and businessmen, poor and rich people, and everybody seemed to be aware of what they get from being part of this American Nation. I think that here stands the difference with the so-called democracy which flourished in Europe: It existed only in their written constitution, not in their people.

When I go back to my old world of prejudice and pride, I will never forget your straightforwardness and open-heartedness and the memory of them may help me to win my country people and myself back to a world more real and conscious of the need for reciprocal understanding and cooperation. Old European countries have behind them traditions that are centuries old. If these traditions have something infinitely fascinating in them, they have become in time, over a long series of generations, very heavy and troublesome to drag along. This has resulted in weariness in part of the Europeans who look back downheartedly to glories of the past and are incapable to face new events and defeat dangers—and in rebellion in others, who believe in an utopian freedom and see their way to it through destruction. So, Europe as a whole has lost self-balance and hope and above all, it is torn by opposite trends, which seriously endanger our effort toward reconstruction.

Americans afford a splendid example of self-balance and reasonable cooperation, and I have enjoyed this much more than I can say and you can imagine. It has done me a lot of good, it has opened new prospects and it may be very helpful to me and my own circle in the future. I feel now that I have something to say and that I can give a small contribution to a better world understanding and to the reconstruction of my own country.

We very much enjoyed what has been offered to us with a generosity and cordiality that we shall never forget, and highly appre-

ciated the principles that inspire your social life, your enterprise, and should it be our destiny to serve our country in any public task in our care, the thought of Little Rock and its people will assist us.

We are returning to a country which is recovering from a terrible adventure. We are perhaps too young now to do a profitable work, but we assure you that we will always do our best to foster principles of true democracy and cooperation as we learned it here, and Little Rock will always be in our mind and in our heart.

Thank you.

STATEMENT OF PERGUIDO MARZOLI

President Jones, Rotarians, and guests, it is with great sorrow that I must tell you good-by. Tonight I'm leaving Little Rock for Washington and New York, and from there I will fly back to Italy on the 21st.

I'm going back rich of new experiences and with the feeling of knowing a little bit about your country. What I knew about it before was very poor and maybe wrong; in Italy we see a lot of American moving pictures and so it was not my fault if I had the idea that the United States of America was a big Hollywood. But soon after the war, I had the occasion of visiting some American GI's and I had the joy of inviting them several times to my house for parties and week ends. Since then, through their speeches, I began to feel that America was a great country and my curiosity about it increased more and more. Seeing America, knowing its people and understanding you became the principal desire of my life.

So, I happened to receive, one beautiful morning, a nice letter from Little Rock's Rotary Club saying that I had been asked for a visit of 2 months to America. Here I am, after 45 days of my staying in your country, wishing you good-by, but with no will of going back. The reason is that I not only knew your country, but loved it. There's nothing that I disliked—the impression that I'm bringing back with me is of a young people, conscious of his duties, that's working hard for his better future; of a people who know what a private initiative means for the good of himself and of the others.

I was amazed by the lot of opportunities that are given the individual. Let's take for example a man who has been born a workman; he has not to be a workman all his life, but he can become a banker, an owner of a factory or something else, if he has the capacity. And that is one of the first things that impressed me.

The Communist propaganda says in Italy that the Americans are a people of slaves of a minority of capitalists. I tell you now, as well as I shall tell in Italy, that it's not true because, in a few words, everybody has a home for himself, his own garden, his car, and money enough to eat enough. And I'm sure that not only Italian Communists, but also those people who live at the Kremlin would be glad to accept this kind of capitalism, as they call it and which they fight with such an ignorance.

I'm happy that I shall be able to tell all that in Italy too, as an aunt of mine wrote me she has been elected president of the Royalist Party, that's playing now an important part in the anti-Communist propaganda. And my aunt told me that she needs me to tell in public speeches what I've seen in the United States of America—and that will be what I'm telling you now.

Many other things have impressed me: The greatness of your factories, the new veterans' hospital that you're building, your bridges, your schools, and your colleges at Fayetteville. Another thing that I will try to teach the Italians is the cordiality between pupils and teachers. But, I guess you all are curious to know what I like most of all in America and I'll simply answer to you: The Americans. The friendship, the kindness, the humanity, and the Christian feelings that you not only showed toward us but that you also show day by day to one another, are things I shall never forget.

The same way, I shall never forget Little Rock, your pleasant town, where we learned so many things that we couldn't learn by the books. We saw you here in all the occasions of your life, and I can tell you that Hollywood means to me now only a little spot in the United States of America. My thoughts of Little Rock will always be strictly close to thoughts of hospitality and of gentle life.

I want you to know also that we never felt homesick because we never had the occasion.

Well, I must come to an end now; but before, I want to thank you all for the wonderful opportunity that you gave us. Heartily, thank you. Don't forget us and—arrivederci, that in Italian means "see you again."

Address by A. F. Whitney Before the Midwest Democratic Conference of States

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EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Monday, June 27 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by Mr. A. F. Whitney, president of the Brotherhood of Railroad Trainmen, before the Midwest Democratic Conference of States, at Des Moines, Iowa, June 13–14, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am happy to return to my native State, and join with you on this auspicious occasion. Centuries of wildness and four glacial epochs prepared the richness of the soil of Iowa, which was admitted as the first free State of the West in 1846. The first railroad was built across Iowa in 1867—6 years before I was born—and that was of considerable importance.

Sidney A. Foster said: "In all that is good Iowa affords the best."

An inscription by Enoch W. Eastman on the Washington Monument reads, "Iowa, her affections like the rivers of her borders, flow to an inseparable union." And Iowa's beautiful motto is, "Our liberties we prize and our rights we will maintain."

I am therefore proud of the fact that I was born in this great agricultural State, in the city of Cedar Falls, where the Iowa State Teachers' College has educated thousands of her young men and young women.

As a man who has represented railroad workers for more than half a century, I can testify that the economic welfare of farmers and workers is interdependent. Turn to any period in American economic history and you will find that the incomes of both go down and rise together. The incomes of farmers and workers have always lagged behind price increases and, therefore, could not cause them. Yet our political enemies try to make us believe the absurdity that effect precedes cause. The corporations have spent millions to lure the farmers into believing that their cost of living is high because of high industrial wages and to tell workers that their cost of living is high because of high farm prices. That is why the financial angels of the Republican Party, such as the Pew Sun Oil interests, spend huge sums to place in the hands of farmers such publications as the Farm Journal and other propaganda literature.

Therefore, the Wall Street operators have been able to win some elections because they have been successful in keeping farmers and workers apart politically. These nabobs of finance who support the Republican Party are made very uncomfortable by this inspirational meeting in this great agricultural State of Iowa. Since the 1920's, the American farmer has learned to his sorrow that the Wall Street banker-dominated Republican Party is not his friend.

The farmers realize that the banker is the fellow who will loan one of them an umbrella when the sun is shining, demand its return at the first fall of rain, and who did not own the umbrella in the first place.

The farmers of America have never had a fair share of the national income. Even if they received 100 percent parity prices, they still would not receive a fair and proportionate share of the national income. Yet the Republican Eightieth Congress thought 60 percent parity prices were good enough for the farmers and Republican Senator ROBERT A. TAFT, of Ohio, told a Nebraska audience that farm parity prices were too high, and that very hopeful Republican, Harold Stassen, advocates abolishing farm subsidies, while Gov. Thomas E. Dewey offered the farmers nothing but thin "unity."

Newspaper columnist John C. Davis, who had Governor Dewey elected months before November 2, 1948, writing in the Cleveland Plain Dealer of October 21, 1948, declared that the farm program presented by Dewey in St. Paul last October would "cinch him the support of the farmers from the Atlantic north of the Ohio River to the western boundaries of Kansas, Nebraska, and the Dakotas." He then quoted Dewey as presenting the following farm program:

"I am unalterably opposed to any Government policy which tries to run the lives of our farmers or any of the rest of our people. I promise to decentralize control of farm programs from Washington and to return it to the farmers themselves in their own home communities. We will soon see the last of administration policies that try to ram theories down farmer throats."

But Governor Dewey overlooked the fact that those Democratic "theories" lifted farmers from bankruptcy into which they were plunged under the last Republican administration to a fairer share of the national income and a larger restored farmer ownership under the Democratic administrations of the last 16 years.

What a program. Yet it is about as specific as anything the Republican Presidential candidate offered during the 1948 campaign. The Republican leaders learned on November 2, 1948, that American farmers prefer Democratic programs of farm price stability, farm security, soil conservation, rural electrification, guaranty on bank deposits, development of our natural resources to having Republican generalities thrust upon them while the Insurance Trust and Wall Street financiers liquidate farm owners and send millions of family-type farmers back to tenancy.

But all is not well either on the farm or the labor front. There are dangerous trends in our economy. The Republican Eightieth Congress refused to do anything for the farmer or the industrial worker, while passing the Bulwinkle-Reed bill to legalize the railroad monopoly and enacting tax laws to benefit corporations and the wealthy at the expense of the lower-income groups. Corporate profits have become so tremendous and monopoly power so great that the security of our free-enterprise economy is threatened. Farmers are getting a smaller share of the national income today than heretofore: In 1929 they received 76 percent, in

1939, 75 percent; in 1947, 81 percent; and in 1948, 70 percent. Yet, in the face of this dangerous trend, big business and Republican leaders demand greater profits and a larger share of the national income for investors.

The National Association of Manufacturers and their Republican representatives in Congress assured us that if price control was destroyed prices would decline, production would increase, and there would be plenty for all. We have experienced the destructive effects of this philosophy. The $208,000,000,000 personal income of the American people in 1948 bought less goods and services than the $178,000,000,000 received in 1946. Even with recent price declines prices are about 26 percent higher than in June 1946, when price control was ended. Under the reckless rule of big business that manifested itself in the Republican Eightieth Congress, industrialists gave labor $1 increase in wages and took $2 to $3 increases in prices, with the result that the real purchasing power of the wage earner declined. Today unemployment is raising its ugly head. The situation is the same for the farmers. In March of this year farm prices were 15 percent lower than they were at the beginning of last year, while prices paid by the farmers were down but 2 percent from the peak reached last summer. These very obvious trends in our economy are alarming and prove the economic destiny of farmers and workers.

The American people are threatened more seriously today than ever before with two evils that have plagued our entire national economic life—inequitable wealth concentration and monopoly power. The Federal Trade Commission has warned that we are in danger of losing our free-enterprise system unless the monopoly problem of this Nation is promptly solved. The Republican Eightieth Congress did much to strengthen monopolies and weaken the democratic organizations of the people. Farmer and consumer cooperatives and labor unions are the most effective counterforces to monopolies. The Republican Party has shown its hostility to both. The opposition to cooperatives by former Congressman Harold Knutson, of Minnesota, caused his defeat, and he joined approximately 113 other Members of the Eightieth Congress who suffered the wrath of an undiscriminating electorate. He who does not understand that the primary purpose of the Taft-Hartley Act is to weaken labor unions and thereby strengthen monopolies is blind to the serious problem of monopoly in this Nation and ignorant of the wicked provisions of the Taft-Hartley law.

As an indication of the seriousness of the monopoly problem, a mere 2 percent of American corporations employ 60 percent of our industrial workers. The insidious economic disease has reached down to agriculture. One-third of our farms provide us with 8 percent of our agricultural goods. In 1900, the average-sized farm was 146 acres; in 1915, 195 acres, or an increase of 33 percent. Farm tenancy rose from 26 percent in 1880 to 42 percent in 1935. As a result of the wisdom of the Democratic Party and its farm program, farm tenancy dropped to the present level of 32 percent, and farmers are being restored to the ownership of their farms, and that trend should continue.

It is the Democratic Party that has restored the welfare of the family-type farmer. A farmer who praises the Republican Party is most likely a plantation farmer. In 1932, under a Republican administration, though farmers comprised 25 percent of the total population, they received but 7.5 percent of the national income. Under such conditions, bankers and insurance companies became farm owners and the working farmers became tenant slaves. Those conditions should never be permitted to return. In the dark days of 1933, when our Nation was ill-fed, ill-housed, and ill-clothed, and 14,000,000 workers were in the bread lines, city workers suffered with their brothers on the farms.

I am confident the organized workers of America realize that the farmers are their best friends and their best customers. The Brotherhood of Railroad Trainmen has always supported legislative proposals that have advanced the welfare and prosperity of the American farmers. We believe that this great group of patriotic Americans, who bounteously produce food and fiber for our people, and supply food to millions of starving people throughout the world, are deserving of the best of everything.

The farmers understand that prosperity of industrial workers is essential to their prosperity. The workers are the best customers of the farmers because much of their income is spent on the produce of the farms.

For more than 16 years, the Democratic Party has proven that it is the friend of those who toil. Its handicaps have been due to Republican interference and reaction in the National Congress and in the State legislatures.

We have a tremendous job to do in 1950. The renegades must be run out of Congress. We must see to it that the "eat less" Taft program of scarcity does not return to plague the millions of Americans from whose labor the world lives and progresses.

Resources Board Stymied

EXTENSION OF REMARKS
OF
HON. HARRY P. CAIN
OF WASHINGTON
IN THE SENATE OF THE UNITED STATES

Monday, June 27 (legislative day of Thursday, June 2), 1949

Mr. CAIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article bearing the title "Resources Board Stymied," written by Francis P. Douglas, which appeared in the Washington (D. C.) Evening Star of Thursday, June 23, 1949. The article gives rise to an important national question, When and where will there appear the leadership to prepare America adequately for any unforeseen or national emergency?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RESOURCES BOARD STYMIED—DEPRIVED OF CHAIRMAN FOR 3 MONTHS, SECURITY RESOURCES BOARD'S VITAL PROGRAM IS LAGGING

(By Francis P. Douglas)

The National Security Resources Board has been without a permanent chairman for almost 6 months. In that period, it was learned, this has taken place:

1. The Board's staff has declined from 300 at the first of the year to about 250. In some instances replacement of staff members is being left until a new chairman is appointed.

2. Work has been carried forward, but not at the pace which would be maintained were there a permanent chairman to set deadlines and check accomplishments. Only on major matters, it was said, does Acting Chairman John R. Steelman insist on completion of tasks by a set time.

3. No civilian and industrial mobilization plan has been put together in its entirety. The Board has not passed on any plans for economic warfare nor has it approved a program for standby emergency legislation.

Mr. Steelman, with other duties as Presidential assistant, was named Acting Chairman of the Board by President Truman when Arthur M. Hill, the Board's first Chairman, resigned December 14 to return to private business.

NOMINATION WITHDRAWN

Last February, Mr. Truman nominated Mon C. Wallgren, former Governor of Washington, to be Chairman. The Senate Armed Services Committee voted to table the nomination and it never reached the Senate for a vote. The nomination was withdrawn by Mr. Truman on May 17 and no other nomination has yet been submitted.

In naming Mr. Steelman as Acting Chairman, Mr. Truman issued a statement which indicated the importance of the Board's work.

He said almost half of the Federal budget "is directly devoted to national defense and international programs and the work of nearly all the major units of our Government bears an intimate relation to mobilization problems."

The Board was established under the National Security Act of 1947 and assigned the function of advising the President concerning military, industrial, and civilian mobilization. The Board is composed of the chairman and the secretaries of these departments: State, Treasury, Defense, Interior, Agriculture, Commerce, and Labor.

Despite Dr. Steelman's other duties, it is stressed at the Board that he spends considerable time at the Board's office in the old State Department Building, across the street from the White House. It was explained also that he has opportunity to meet with the other members of the Board, when such meetings appear necessary following Cabinet meetings.

HOOVER GROUP'S CRITICISMS

Criticisms of the Board's progress made by a Hoover Commission task force last fall were taken as a basis for checking the Board's operations in the period it has been without a permanent head. The criticisms and the answers to them given at the Board follow:

1. The Board has not yet been able to complete an adequate staff.

The Hoover Commission task force survey on which this statement was based was made in August 1948. The condition was said to have been eliminated before Mr. Hill resigned. But since then the staff has declined from 300 to 250 in number.

Some of this decline has been due to what is called normal attrition. In general it was denied that it was due to the absence of a permanent head, but it was admitted that is the reason some vacancies have not been filled. Divisions have been told to "wait until we get a new chairman" before filling vacancies.

There are four top staff places to be filled. The vice chairman formerly was R. E. Gillmore. He resigned to return to private business. Others who resigned to return to civilian pursuits were Kenneth D. Johnson, general counsel, who accepted a position as a Columbia University dean; Ewald T. Grether, director of the office of economic management, who returned to the University of California, and George E. Felton, director of the office of production, who returned to private business.

Associate General Counsel Charles Kendall was named acting general counsel, and Edward V. Hickey, Mr. Felton's assistant, was made acting director of the production office. The appointment of a vice chairman was described as an administrative matter to be decided by the chairman.

2. There is danger that an outbreak of war would once again find the United States without a sound mobilization plan.

The answer to this is that there are emergency plans in practically all fields in which the law assigned the Board to work. These fields include economic controls, manpower, housing, mobilization of key indus-

tries, control of materials and others. In most of them at least first drafts have been drawn up.

A plan for the mobilization of medical facilities and personnel, with recommendations on how best to divide physicians, dentists, and nurses between civilians and the military, is being worked on now.

But not even a guess could be elicited as to when the various parts of the plan would be put together.

3. Neither definite plans for economic warfare nor any organization to handle it were available for examination by the Hoover Commission's survey group.

There now are plans and programs, but they have not yet been presented to the Board.

4. The Board has issued one report on industrial relocation. A further study of dispersion and underground installations is needed.

The further study is being made. There will be more reports on those subjects before long.

5. There are inadequate plans for moving centers of command although the board has explored this with the military services.

While this fits into the whole mobilization problem the decisions are up to the military.

6. The stockpiling condition is deplorable. It was stressed, however, that the responsibility for this was split between the National Security Resources Board and the Munitions Board.

This was answered with the statement that contracts for stock-pile purchases have been made to the extent of the money available and that the opinion in the Board is that the program is "going on pretty well."

LEGISLATION NOT SUBMITTED

The Hoover Commission task force complimented the board on its excellent job in preparing stand-by war control legislation. It said this legislation was to be submitted to the current session of Congress. This has not been done. It was explained that the legislative program was presented to the Board last December, at which time the President had a preview. But the Board has not yet approved the program.

The Board and its staffs have been aware of certain shortcomings as was demonstrated by the appointment of a committee within the organization to study its set-up and to make recommendations. The report was submitted and now is being revised.

One significant recommendation was that there should be a firmer line of command from top to bottom.

Prepaid Health Care

EXTENSION OF REMARKS

OF

HON. RAYMOND E. BALDWIN

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Monday, June 27 (legislative day of Thursday, June 2), 1949

Mr. BALDWIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter signed by both the labor leadership and the management of the Bridgeport Brass Co., of Bridgeport, Conn. This letter demonstrates such a splendid spirit of cooperation in connection with a vitally important matter—that is, the matter of dealing with health—that I thought it worthy of being recorded permanently. It demonstrates that 90 percent of those employed at the Bridgeport Brass Co. have joined the hospital and surgical programs under the Blue Cross and the Connecticut Medical Service, which have to date 880,000 members in the State of Connecticut.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BRIDGEPORT BRASS CO.,
Bridgeport, Conn.

A Letter to Our Fellow Workers in Connecticut Industry:

We believe we have again proved something important at Bridgeport Brass. We have proved that labor and management can accomplish wonders if they work together for the good of all. And we have proved that self-help through teamwork and free choice pays off in self-respect as well as in cash.

We refer to the fact that we at Bridgeport Brass, both labor and management, have long felt the need for a health program of insurance which would enable our people and their families to obtain proper and adequate hospital and surgical care without financial hardship.

We looked over many hospital-surgical programs and picked Connecticut Blue Cross and Connecticut Medical Service as best fitted to our needs. We liked the broad coverage these nonprofit plans provide. We liked their low-cost administration—and the fact that you can take your membership along with you if you change jobs, move or retire.

When the applications were counted last week, we found that 90 percent of us had agreed to trade a small part of our earnings for membership in these great community organizations which now bring prepaid health care to 880,000 Connecticut people.

We hope you feel the same way about this problem of health care. We believe it is the American way of doing things. There's no better system anywhere.

HERMAN W. STEINKRAUS,
President.
LEONARD A. SMISSAERT,
Director of Industrial Relations.
JAMES TAIT,
President, Brass Workers, Local 24411, AFL.
JAMES L. HOLMES,
Chairman for Union Insurance Committee.

Why Democracy Works

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Monday, June 27 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, the Benevolent and Protective Order of Elks, Bemidji (Minn.) Lodge, No. 1052, has sponsored a notable citizenship project. This program was entitled "Why Democracy Works," and was made available to all school children in Minnesota. The prize-winning essay was written by Miss Luella Silverthorn, of Bemidji, Minn. I ask unanimous consent to have Miss Silverthorn's prize-winning essay printed in the Appendix of the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

WHY DEMOCRACY WORKS

(By Luella Silverthorn)

I watched my sisters playing with their dolls one day and with the big question, "Why does democracy work?" milling around in my mind I think that I began to understand.

One doll was told she was sleepy so she slept, another was told she was hungry so she was fed, another was designated as a dancer so she danced. Two boy dolls had a fierce battle of tiny clay fists and fierce words because Irene said, "Come, Virginia, let's make our dolls fight."

Thus it continued. The dolls cried, slept, ate, danced, fought, and played in a truly human way, but all the time they were guided and manipulated by the busy hands and minds of two very active little girls.

Soon the little sisters tired of their play and left to seek new adventure. All that was left were the sawdust-filled dolls with silly, grinning faces. Their masters were gone and so was their animation. They neither moved, cried, danced, nor fought. Their will had been the will of their masters and without their masters' will they were lifeless.

Suddenly I knew why democracy works. Half the world today is made up of just such sawdust-filled dolls. They walk the path their leaders tell them to walk, say the things their leaders tell them to say, do as they are told to do, think as they are told to think, and respond only as puppets on a string respond.

A child born into a dictatorship is looked upon as some raw material to be fashioned in a way that will find him most useful to his leader's purpose. He is trained to believe in, to care about, and to do only those things which will benefit his state. His loyalties are learned by rote. If he fails in his duty to his state, he pays with his life.

In a democracy a child is guided and trained to become a person and not a tool of some half-crazed individual. He is taught to think for himself, and to make his own decisions. When he says, "I'm proud that I live where there's a democracy," he's speaking from his head, heart, and soul. All parts of him have been allowed to develop into a free, thinking whole.

A democracy works, too, because we learn to know that we can be leaders as well as followers. We become leaders when we can call people's attention to matters that ought to be considered. This is apparent in our everyday living. We practice it in our class rooms, in our club meetings, in our families, in business, and in our play. Everyone from grandfather to preschool Johnny has his say and is, at one time or another, a leader if only in his family group.

In a dictatorship there is only one recognized leader. One way or another each individual is convinced that he can only be a follower.

Several hundred years ago a down-trodden people sought freedom of religion in America. They wanted to think as they liked, write what they liked, and worship God as they saw fit. Their ideas and ideals became part of a democracy. Free people today bow their heads to God alone.

If one man in a democracy should rise and say, "I am your leader and, therefore, your God. Come worship me," we'd laugh and say, "Not all the insane are confined, I see." Yet that same thing is going on in countries all over the world, and people have left their God to humble themselves at the feet of a mortal with his feet in the slime. Why? Because the people are not allowed to think or learn. Those who might teach are rendered speechless and so the people grope in darkness.

Democracy works and will continue to work just so long as the people realize that they have an ideal worth living or dying for. Our ancestors gave us the Magna Carta, the Declaration of Independence, and our Constitution. Through documents like these and by bloodshed we have built the wonderful edifice of democracy with its foundations built upon such solid ideas as the right of every individual to choose his way of life, the right of private property, freedom of speech, freedom to seek the truth, and freedom of the press.

In Italy everything was done to glorify the nation. In Germany they tried to glorify the race. In Russia the worker is glorified. In a democracy we glorify freedom and liberty. Everything is done to help the individual no matter from what race he may come.

I say three cheers for liberty, and three cheers for democracy. It has worked, it does work, and it will continue to work as long as there are free thinkers in a free world.

The Pick-Sloan Plan for Missouri Basin Improvement

EXTENSION OF REMARKS

OF

HON. CLYDE M. REED

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Monday, June 27 (legislative day of Thursday, June 2), 1949

Mr. REED. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a very timely discussion of the Pick-Sloan plan for Missouri Basin improvement, by Raymond A. McConnell, Jr., editor of the Nebraska State Journal.

Mr. McConnell is an outstanding newspaperman and was awarded the 1949 Pulitzer prize for disinterested and meritorious public service. He makes some suggestions for reducing the propaganda which has confused the people of the Missouri Basin.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEBRASKA EDITOR DEPLORES PICK-SLOAN PLAN CONFUSION—MCCONNELL DETECTS VAST GRASS ROOTS DISTRUST AIMED AT CURRENT PROPAGANDA GROUPS

(By Raymond A. McConnell, Jr., editor, Nebraska State Journal)

From an out-State organization of irrigation farmers recently came a request to go out to a meeting they were planning, to discuss with them, from as impartial a standpoint as possible, the place of a particular Nebraska reclamation project in the over-all resource development picture. Parts of the letter are interesting because they hint at something rather significant that is happening to public opinion throughout Nebraska, at the grass roots, wherever water use or soil conservation are matters of local concern.

"The ——— association," the letter begins, "instructed me to secure some well-informed person who would really say what he believed, to discuss the ——— project and its effect on Nebraska. * * * We feel that this is one of the most vital problems confronting Nebraska agriculture because what is done now will affect it for all time to come. We also feel that we should have as much unbiased information for our guidance as possible."

BUREAU PROPAGANDA

"At the present, we are thoroughly confused by information put out by the Bureau of Reclamation and those opposed to the Bureau. We are not too certain that a considerable part of both is not propaganda instead of information. We have also discovered that there are entirely too few people in the State who have the over-all picture or the inclination to analyze this, for the impact it might have on the future of Nebraska.

"We know that eventually the people are going to be called upon to make a decision, and we do want them to have as much information as possible. * * * Our own project will make it more difficult for our people to decide, and we want to help them all we can."

The interesting points about this letter, I noted, are that, although to some extent between the lines, it suggests:

1. A distrust, at the farm level, of what the Federal bureaus directly concerned with the Pick-Sloan plan (Army engineers, Pick; Bureau of Reclamation, Sloan) have been putting out about it for public consumption.

2. A distrust of what Missouri Valley Authority advocates and others have been putting out in criticism of the Pick-Sloan plan.

3. An underlying confusion, at the grass roots, as to the objectives of the over-all basin development currently under way as to the place of particular current projects in that development.

4. A desire for more unbiased information about over-all development than the interested Federal bureaus and affiliated organizations, such as the Nebraska Reclamation Association, are providing.

5. A reluctance of some well-informed people to speak their real minds in the matter, possibly because they are on the Government pay roll, or are grinding some local ax.

In the meantime, while from the grass roots were coming such expressions of doubt as to what the shouting is all about, a Nebraska State official was busy propagandizing against the Missouri Valley Authority bill now in Congress.

EMOTIONAL TALK

At a meeting of the Holdrege Chamber of Commerce, Allen Dowling, head of the State resources division, charged that the MVA program would violate the water-access rights of every Nebraska farmer and annihilate the well-launched program for placing 1,600,000 acres of Nebraska land under irrigation. He said enactment of the MVA bill as it now stands would prove "a short-sighted folly" for the Missouri Basin, because it "wholly ignores the principal economic problems of our area and treats us as misguided Dogpatchers." He said he doesn't care what they call the plan for basin development—MVA or Pick-Sloan plan—so long as "it recognizes the basic State water laws and the fundamental rule that water's natural purpose is to nourish the land."

Which is popular enough talk, perhaps, for a chamber of commerce gathering. But it doesn't answer the questions the farmers themselves in the Holdrege and other areas are asking nor settle the doubts they are raising, there and elsewhere, as to the aims and effectiveness of the present Pick-Sloan developments from the over-all standpoint. On the contrary, it merely feeds, at State expense, the propaganda mills which the confused farmers are beginning to complain about.

WHICH IS BETTER?

What Nebraska people need to know—and this is a vital necessity for chambers of commerce as well as for the irrigation farmers whose questions and doubts are quoted above—is whether the Pick-Sloan plans for Missouri Basin development really will accomplish what their proponents in both bureaus claim and whether under the proposed MVA there is any better prospect of truly over-all development.

The test in either case is whether the effort begins at the beginning—when the water falls on the land—or merely tries to cork up the rivers after both water and soil have been lost from the land.

The spokesman for Nebraska's resources development agency would do better to be asking such questions than to be giving out as fact one-sided answers about which the interested Federal bureaus to date themselves have been vague and evasive.

Experience Proves That the Construction of Public Housing Does Not Hinder or Impede Private Residential Construction

EXTENSION OF REMARKS

OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. BUCHANAN. Mr. Speaker, it has repeatedly been charged by the opponents of this bill that the construction of public housing will impede the work of private builders—indeed, that it will so discourage them that they will greatly curtail, if not indeed stop, the production of needed private homes.

No proof has ever been advanced for this contention for the simple reason that there is no such proof.

The fact is that all the experience in cities where low-rent housing was built under the original program proves exactly the opposite. The construction of public housing has had no influence whatsoever in stopping or even decreasing the amount of private housing that was being built during the same period. Indeed, in the cities where public housing was built, private enterprise showed a tendency to increase rather than to decrease its rate of activity in relation to the rate of Nation-wide building activity.

This is well illustrated in the case of San Francisco. In 1937, private builders started 1,946 new dwellings, and in 1938 started 2,724 dwellings. In the next year 1,359 units of public housing were put under construction. In this same year, the number of units started by private enterprise increased to a total of 3,133. Nor did the construction of the public housing units started in 1939 impede the activities of private enterprise in the following year, for in 1940 private builders started the construction of 4,430 units.

If the construction of public housing could possibly discourage private enterprise, it should have discouraged it in San Francisco in the years 1939 and 1940. Yet, as these figures show, the total of private construction in these 2 years was 62 percent higher than it had been in the two preceding years. In these same 2 years, private home building in all cities in the country increased by only 36 percent. It is thus evident that San Francisco, far from lagging behind because of the construction of public housing, actually forged ahead in private construction in the very 2 years in which public housing was also being built in that city.

This experience is typical in city after city—even in cities where the public-housing program was relatively large. In Omaha, Nebr., for example, private enterprise which started the construction of 713 dwellings in the years 1937 and 1938 increased its starts to a total of 1,147 in the years 1939 and 1940. Yet in these same years, 1939 and 1940, the local housing authority of Omaha started work on a relatively large program of 794 units of public housing. Did this impede private enterprise? No. The record is clear because in these 2 years private enterprise in Omaha increased its activity by 61 percent, as against a Nation-wide increase of 36 percent.

To make abundantly sure that this experience is typical, a number of cities have been selected in which the public-housing program was relatively large in relation to the size of the city and in relation to the amount of private construction. The public-housing units in all these cities were started in the years 1939 to 1940. What was the record of the private builders in these 2 years when public housing was being developed, in relation to their record in the two preceding years? In Atlanta, Ga., private enterprise increased its activity by 60 percent; in Birmingham, Ala., private enterprise increased its production by 127 percent; in Charlotte, N. C., by 66 percent; in Huntington, W. Va., by 51 percent; in San Antonio, Tex., by 54 percent, and in Springfield, Ill., by 91 percent. These increases in private construction during the very period when public housing was being developed in these cities compares with a Nation-wide increase averaging only 36 percent. These cities are places where the public-housing programs were relatively large. Here, if anywhere, the alleged discouragement of private enterprise by public housing should have been apparent. These facts reveal that there is no scintilla of evidence pointing to any such discouragement of private enterprise.

These figures prove only what is apparent to any reasonable person who takes the trouble to understand the purposes of the public-housing program. The families which public housing serves have such meager incomes that they can be provided with decent housing only with the aid of some public assistance. Private builders never have catered to these families, nor have they any intention of doing so. These figures demonstrate once more that the market for public housing is utterly separate and distinct from that of private building. The extension of the public-housing program can therefore have no conceivable effect in retarding or discouraging the needed production of homes by private builders, and the opposition of the realtors' lobby to public housing is shown up as nothing more nor less than that of a "dog in the manger."

This Nation needs a large additional supply of decent housing to take care of the families now living in the slums. The existing supply of private housing which meets decent standards is already being used to its utmost capacity, and private enterprise admittedly cannot build new housing for families of very low incomes. There is no other way of getting decent homes for families now living in the slums except through the public-housing program. This low-rent public-housing program should be expanded as provided in H. R. 4009. And it should be expanded now, for every day's delay prolongs by just so much the date when families now living in the slums may commence to move into decent housing fit for American citizens.

Should We Tell How Many Atom Bombs?

EXTENSION OF REMARKS

OF

HON. J. WILLIAM FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Monday, June 27 (legislative day of Thursday, June 2), 1949

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD an article appearing in the New York Times magazine of June 19, 1949, by the distinguished senior Senator from Connecticut [Mr. MCMAHON], entitled "Should We Tell How Many Atom Bombs?"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SHOULD WE TELL HOW MANY ATOM BOMBS?

(By BRIEN MCMAHON)

WASHINGTON.—Our Atomic Energy Commissioners have the disagreeable job of making atom bombs. That, under the law, is their chief assignment. They are currently being investigated on charges of "incredible mismanagement." But the 18 investigators—members of the Senate-House Committee on Atomic Energy—face a dilemma; for they do not know how many bombs the Commission has succeeded in producing. How can Congress fairly judge the accused Commissioners without facts and figures on how well they have discharged their most vital responsibility.

This question leads inevitably to another of great importance: Should we now change our policy and reveal to the joint congressional committee the number of atom bombs that have been produced, or go further and give these same figures general publication. At present the information is believed to be known only to some 24 men—the President, 5 members of the Atomic Energy Commission, 4 chiefs of the defense department, 11 military officers, and 3 heads of the production plants.

Are not Congress and the American people, as stockholders in the Nation's atomic energy enterprise, also entitled to share this knowledge? The basic question is whether or not the Atomic Energy Commissioners have delivered the goods, whether or not they have manufactured weapons in proper quantity.

According to the law, bomb figures may be published if the Commission determines that this step would not adversely affect the common defense and security. However, the Military Liaison Committee—which connects the armed forces with the Commission—has a right of protest. It could, if it chose, oppose revelation of bomb figures and might even carry an appeal to the President for final decision.

In the investigation to date the Commission has been specifically accused of granting too many emergency clearances to people not completely investigated by the FBI. David Lilienthal, Chairman of the Commission, has replied that without these clearances we would not possess as many atomic weapons as we do today. This presents the basic issue that is now before the investigating committee. If the Commission has failed to manufacture as many bombs as it could and should under all the circumstances, we doubtless need a brand-new set of Commissioners. On the other hand, if everyone agreed that a few more emergency clearances have been granted than is necessary and that some mistakes have been made in the field of personnel security, we would probably not for those reasons alone discharge Mr. Lilienthal and the other Commissioners—provided that their record in bomb production is excellent.

The current investigation brings to a head an issue of constitutionality and congressional responsibility. If the Joint Committee on Atomic Energy publishes a report without knowing bomb figures, the atom will have gained a kind of triumph over Congress; for the report will show that Congress can no longer completely fulfill its constitutional duty of appraising the work of executive agencies.

Associated with any revelation of bomb figures to the committee is the matter of general publication. On this question I have not yet reached a conclusion. The decision is a tremendously hard one, but I feel that no member of the Joint Committee on Atomic Energy will want to avoid the responsibility of a definite choice. As chairman of the joint committee, therefore, I believe it desirable to present the arguments for and against divulging to the world how many bombs America now owns.

At this point I must emphasize that I am not talking about bomb design or the method of manufacturing fissionable material or any of the production and fabrication secrets belonging to our country. No patriotic American would so much as dream of divulging this information any more than he would dream of divulging the exact specifications of a B–36 bomber or the blueprints of our new-type submarines or the workings of a turbo-jet engine. I am merely talking about numbers—how many atomic weapons we have—just as we already know how many B–36's and submarines and jet fighters are on hand.

The arguments in favor of Congress and the public receiving this information may be summarized as follows:

Congress needs to know in order to pass atomic energy appropriations.

Congress has been asked for money to build an important new addition to the great atomic plants at Oak Ridge, Tenn. How can I feel genuinely confident that this request is a sensible one unless I know the number of bombs we already possess? How can Congress and the public form a wise opinion?

We need the information to evaluate the power of our atomic weapons.

A hot debate is now raging on the question of whether or not the military threat of atomic energy has been overrated. One side says the bomb is "unique"; the other side says the bomb is "just another weapon." One side asserts that we live in "desperate peril"; the other side deplores what it calls "apocalyptic spasms." The arguments pro and con simply have no meaning apart from concrete knowledge as to the number of bombs already produced and current rates of production.

If, with our tremendous and expensive atomic energy project, we only make the tiniest number of bombs per annum, then indeed atomic explosives are "just another weapon"—in the sense that a whole year's output could do no more damage than several hundred B–29 superfortresses carrying TNT. But if we produce a large number of bombs annually, then atomic explosives are

"unique"—since a stock pile accumulated over a period of years might accomplish more in a few air raids than thousands of B–29's loaded with TNT would accomplish in a decade.

Our own bomb-production figures are the best guide to how great is the danger of atomic attack from Russia.

If Russia could not possibly construct more than a handful of bombs by 1960, we face little immediate danger and the threat of atomic energy has unquestionably been exaggerated. However, if Russia could construct an immense number by 1960, then we do live in "desperate peril," and "apocalyptic spasms" are grounded solidly upon reality.

Today the only halfway valid yardstick which we might use to estimate Soviet bomb production over the coming years is our own past, present, and anticipated future production. This yardstick would be crude and tentative. But it is at least pertinent evidence. If we know that America can manufacture a huge atomic stock pile in 10 years we have no certain proof that Russia will do likewise after she begins producing. Yet we must prudently assume that what the United States can accomplish Russia may also accomplish.

The other nations of the world need the information to pass upon the control proposal presented by the United States.

We have gone before the United Nations and solemnly proposed an atomic control plan which requires each country to accept curtailment of sovereignty. We say that the alternative may be annihilation. But if atom bombs are exceedingly hard to manufacture and if no country could acquire more than a few, our control proposal is not a survival-or-suicide issue. We call the Soviet counter-plan a "fraud upon the peoples of the world"—as indeed it is if bombs may become plentiful. But if our production rate is extremely low, have we not ourselves misled the peoples of the world? Can we reasonably expect the world to take the atomic menace seriously unless our production rate is high and unless that fact is illuminated for all to see?

Congress needs the information in order to pass upon the national defense program.

Under the United States Constitution Congress is required to provide for the common defense and to raise armies and navies. When we debate the necessity of a $15,000,000,000 military budget, we quite literally do not know what we are talking about. When we attempt to decide whether we need selective service or a radar network or a fleet of B–36 airplanes, we are in about the same position as a judge who must write an opinion without knowing the key facts of his case. The threat to democratic principles of government is evident.

There is also a threat—though a less obvious one—to our military security. Our professional soldiers are, with few exceptions, capable and devoted servants of democracy. But they are not superhuman, and in making their plans they need the benefit of widespread public discussion. How can civilian experts counsel intelligently unless informed of atomic production data? How can they help mobilize popular support for sound defense measures unless everyone has knowledge of the broad facts?

The Atomic Energy Commission has revealed the preposterous fact that until mid-1946 top American military men did not themselves know how many bombs we had and how fast we were manufacturing new ones. It may be that even today many of the professionals who help prepare our defense budget, who formulate strategy, and who make public speeches are ignorant of the essential data.

The bomb-production figure is not the type of military secret considered most vital to conceal in the past.

The most precious kind of military secret is the fact that a new weapon exists at all. Germany never suspected, for example, that the Allies had perfected a proximity fuse. A second and less valuable military secret is the design and specifications of a weapon whose existence has become known. Aside from secrecy as to war plans, the disposition of forces, the results of proving-ground tests, and like matters, the traditional kinds of peacetime secret in America are the two just mentioned: the fact that a weapon exists and the details of a weapon's design. Concealment of atomic production data is completely divorced from these accepted and time-tested categories.

Armament is a matter which has always been regarded as of such vital public concern that considerations of secrecy have had to yield. The debate on the proposal for 70-air groups—certainly a most revealing bit of information—was carried on in public. The whole world knows that about 1,600,000 Americans serve in our armed forces, that we possess about 20 aircraft carriers ready for active service, and that we have ordered 90 or more B–36 bombers.

Let us turn to the other side of the question. It is easy to see arguments against public disclosure of bomb figures.

The information would guide Russia in her atom bomb production efforts.

If Russia knew the size of our bomb stock pile, she would gain a clearer idea of the men and resources which must be assigned to her own atomic project in order to rival our progress; and she might be stimulated to work harder than before. The Kremlin would also gain a clearer idea of American war potential, present and future.

The information would make it impossible, in event of war with Russia, for us to exaggerate the threat of atom bombing, as we successfully did with Japan.

In case the tragedy of another war should occur, we could not stage a ruse—that is, we could not drop all our bombs in a few terrible raids and then, pretending we had many more held in reserve, threaten to use them unless the opponent surrendered. After the shock of Hiroshima and Nagasaki, the Japanese believed that unless they yielded their cities would soon receive further atomic bombing. Actually, to quote former Secretary of War Henry L. Stimson, "the two atomic bombs which we had dropped were the only ones we had ready, and our rate of production at that time was very small."

Since Soviet leaders witnessed the ruse played upon Japan, they would scarcely fall victim to a similar ruse played upon themselves. At the same time, if Russia knew just how much devastation to expect, she would undeniably enjoy a psychological advantage. A known quantity, however terrifying, is easier to confront than an unknown quantity

PUBLISHING OF THE REVELATION WOULD SEEM LIKE SABER RATTLING

It is possible to argue that disclosure of our atomic production figures would create an unfavorable impression throughout the world, that we would be accused of a saber-rattling attempt to intimidate Russia. But here the same objection applies to all the military data we have long since revealed: the size of our Air Force, the size of our fleet, the size of our defense budget, and so on. Moreover, those who believe in the deterring power of American armed strength may reason that Russia is less likely to start a war if our stock pile is large and if she definitely knows this fact. Once informed of the true situation, Moscow could not miscalculate and undertake war in the mistaken belief that our stock pile remains smaller than is actually the case.

To be sure, the Kremlin might not choose to believe an American announcement describing the number of bombs we ot i. Yet this possibility should please those who fear lest disclosure benefit Russia too much. Far from benefiting her rulers, an announcement which they did not believe would merely create confusion in their minds. We would have outwitted them by the clever technique of telling the truth.

Publication might create a Maginot-line complex in the American public.

It is also possible to argue that disclosure of production figures (if they are high) would generate a Maginot-line complex in the American people—cause them to rely excessively on atomic weapons and to underrate the need for planes, ships, paratroops, submarines, carriers, bases, allied, and kindred safeguards. However, this argument is antidemocratic in its implications. It assumes that the people cannot wisely shape their own destiny and that only a few Government officials have brains enough to sense what is good for the country.

It might be disclosed that we have few bombs.

The most serious objection to revealing production data is based on the hypothesis that we possess very few bombs, that we are staging a colossal bluff and that we are really pathetically weak in atomic armaments while pretending to be strong. If such a hypothesis is correct, we would need expanded armed forces to compensate for poverty in atomic weapons. Perhaps the only way to supply these needs, assuming we have very few bombs, is to tell our people the facts. On the other hand, Russia might well feel that she could afford to increase pressure upon western Europe and to pursue a flagrantly aggressive policy throughout the world.

It might be an inducement for the Russians to attack before our bomb supply became decisively large.

It may be that the present American stock pile is large, but not large enough to secure a military decision against a continental power. In that event, if we disclosed the figures, Moscow might conceivably decide to attack before our stock pile climbs to a level where it would prove militarily decisive. Of course, this same logic must have seemed much more appealing to Soviet leaders in 1947 and 1948, when we had fewer bombs than we do today.

Clearly much can be said on both sides of this issue. Clearly, too, the issue is a momentous one for our democracy. If it turns out that the present world situation is so tense and so unprecedented as to justify the present tense and unprecedented secrecy, we must recognize frankly that the United States Constitution has been partly repealed.

Naturally, it will be said that the Joint Committee on Atomic Energy should be informed of bomb figures, but that the information should not be circulated outside this committee. Yet such a solution is really no solution at all. True, the joint committee is indisputably entitled to know stock-pile data under the law. But how would it materially help committee members to have the information unless they could use it in reporting to Congress as a whole and to the people?

If the information means that we need smaller armed forces or bigger armed forces; if the information means that we can afford to leave taxes as they are or that we must raise taxes; if the information means that the Atomic Energy Commission has done a good job or a bad job on production; if the information means any of these things, could Congress as a whole and could the American people rely solely on the judgment of a few committee members entrusted with actual figures?

Furthermore, if we assume that this information must be kept a supreme secret,

should even the 18 members of the joint committee ask to be told? Obviously the chance that production figures would become publicly known increases with each additional individual who is given the facts, no matter how careful such individual may be.

In all candor I should note, too, that the committee membership has so far deliberately chosen not to receive the figures. As I said last January 31, "There is a natural inclination in all of us, in Congress as well as out, to shy away from the implications of this problem. No individual willingly assumes the responsibility which it entails. But no matter how awesome the responsibility, we are not justified in evading it."

In conclusion, let me recall that shortly after my address of January 31, the Soviet delegate to the United Nations demanded that America publicly announce bomb figures. The same Soviet demand had been made many times before, but because I had recently raised the same issue, some editorial writers concluded that my position was identical with the Russian viewpoint and that therefore both must be bad. I submit that if we always do precisely the opposite of what Russia asks, the Kremlin will determine American policy. The Kremlin need only advocate the reverse of what it wants us to do and we would then docilely comply with its true desires.

The question of revealing atomic stockpile figures is one for the Joint Committee on Atomic Energy to pass upon without regard for any statement emanating from Moscow. The prime objective and overriding interest of the joint committee is the security of our country, and that principle will control whatever decision may be made.

Better Late Than Never

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, even some New Deal spenders are becoming disturbed, not to say frightened, by the realization that someone sometime must pay. Pointing to the late repentance—or should I say change of views—of a rather prominent statesman is the following editorial by Leo W. Hoffman from the Allegan Gazette of June 23, 1949, published at Allegan, Mich.:

CHARACTER

Retired Secretary of State Byrnes, in a recent speech, came out strongly in opposition to Truman's program and labeled it the beginning of the welfare state.

Ever since Roosevelt turned his back on compaign promises made in 1931 and embarked upon his policy of tax, spend, and elect, there were a few men who continuously, courageously, and persistently pointed out to the New Dealers and the people the danger signs and the path this country was following.

Byrnes, a Senator when the New Deal first became powerful, was one of Roosevelt's strong men in the Senate. Whenever there appeared to be a revolt in the Senate over one of Roosevelt's proposed socialistic laws, Byrnes—acting on Roosevelt's orders—persuaded his colleagues to vote for the measure, for political reasons.

As a reward for his faithful services, Byrnes was appointed to the Supreme Court and then later was made Secretary of State. He continued to serve as Secretary of State under Truman.

Byrnes is an intelligent, well-informed man, but he isn't any more intelligent now than when he was in the Senate, or while he was serving as Justice of the Supreme Court or Secretary of State. He knew then, just as he knows now, that the New Deal was leading the people along the path toward socialism and bankruptcy. During the period of time that he was in office, however, he placed party loyalty above loyalty to his country. He remained silent while Roosevelt, Truman, and other New Dealers were attempting to smear the few who dared to accuse the New Deal of deliberately attempting to change our democracy into a socialistic state.

Now, however, as a private citizen, he openly comes out and states that we are in danger of becoming a welfare state.

The point that we are trying to make is, Byrnes is merely one of many, both in and out of Government service, who for political or personal reasons are willing to salve their conscience while accepting either political or personal benefits.

The farmers who voted for Truman in the expectation of being rewarded by farm benefits, the school organizations which voted for Truman in the hope of Federal aid for education, all of the other minority organizations that wanted Federal aid and were persuaded by greed to cast their lot with the New Deal belong in the same class with Byrnes. Some of them have since repudiated the New Deal, usually because they didn't receive as much as they thought they were going to or because they were taxed to pay for aid to someone else.

The Gazette compliments Byrnes for his stand now, but we wish that he had taken the same position when he was serving in the Senate. Then perhaps we wouldn't be so far along the path toward socialism.—L. W. H.

Montana Smoke Jumpers To Give Demonstration in Washington

EXTENSION OF REMARKS
OF
HON. WESLEY A. D'EWART
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. D'EWART. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Great Falls Tribune of June 23, 1949:

MONTANA SMOKE JUMPERS TO GIVE DEMONSTRATION IN WASHINGTON

MISSOULA, June 23.—Washington, D. C., will see how forest fires of the West are fought from the sky when four forest service smoke jumpers from region 1 headquarters in Missoula make an exhibition jump over the Nation's Capital Tuesday.

The air-minded fire fighters will parachute onto the Ellipse at Constitution Avenue between the White House and the Washington Monument.

The exhibition, marking the first time smoke jumpers will have been dropped east of the Mississippi, was announced by C. S. Crocker, chief of the region 1 fire-control division in Missoula.

The smoke jumper exhibition will be part of a salute to American business for its support in the cooperative forest fire prevention campaign sponsored by the department of agriculture.

Smoke signals, Crocker said, will simulate a forest fire in the center of the Ellipse. The jumpers will hurtle out of a C-47 in their men-from-Mars uniforms. After landing they will be greeted by city dignitaries and be given a police escort to the National Press Club.

There the smoke jumpers will take part in presenting awards to six industrialists in recognition of the advertising support American business has contributed to the fight against forest fires. American industry, Crocker said, has contributed an average of more than $3,000,000 a year for the last several years to this cause.

The smoke jumpers and two other forestry officials will leave Missoula Thursday for Washington aboard a C-47. Crocker said it is one of the same planes that are used in actual smoke-jumping operations.

The men will be dropped from the plane piloted by Bob Johnson, pioneer Montana pilot.

Fred Stilling, of Missoula, superintendent of the parachute division, already has left for Washington to prepare for the jump. Chief Parachute Technician Jim Waite, of Missoula, will accompany the jumpers by plane. Waite in 1940 was the third man ever to jump on a fire for the forest service.

Acting as jumpmaster on the flight will be Al Cramer, of Missoula, a veteran smoke jumper who has bailed onto fires 46 times since 1941. The four jumpers are Edward J. Eggen, formerly of Colfax, Wis.; William J. Hellman, Kalispell; Homer Stratton and William Dratz, both of Missoula.

Statement in Opposition to H. R. 853

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. BUCHANAN. Mr. Speaker, this bill would authorize the Federal Housing Commissioner to provide for the establishment of "home owners' leagues," consisting of 10 or more persons, and to make loans to such persons to finance the purchase or construction of single-family houses for their occupancy. A loan could amount to $15,000, but could not exceed 90 percent of the appraised value of the land and dwelling, thus permitting a loan for a house having a value of $16,666. Interest would be 2 percent per annum on the unpaid balance. The "home owners' league" would guarantee payment of the interest and principal on all loans made to members and would acquire title to all the property upon which loans would be made. Each member would be jointly and severally liable for the obligations of the league in an amount equal to 5 percent of the value of the property involved in his loan. Payments on loans would be deductible for Federal income-tax purposes. The property upon which loans would be made would be exempt from Federal, State, and local taxes.

H. R. 853 is neither a slum-clearance bill nor a bill to provide housing for families of low income. On the contrary, it is a bill to subsidize higher cost housing through local and Federal tax exemption and Federal loans with low interest rates

below the cost of money to the Government. This would tend to increase rather than reduce housing costs, and make housing more unavailable for families of low income. The bill would assist only those who could make a 10-percent down payment on the total cost of the house, which could be $16,666.

The bill would not assist rental housing, which is generally more urgently needed than other housing, and the aids in the bill, if workable, for other housing would cause less rental housing to be built.

An essential feature of the bill, exemption from local real-estate taxes, is entirely unworkable and impractical. In almost every State, such property would not only be subject to taxation under State laws, but a constitutional amendment would be required to grant such tax exemption. This would generally take several years under required constitutional proceedings. Also, there is no basis in reason or equity for granting tax exemption to the housing under this bill and not all other housing.

Also, the requirement of the bill that each member of the league be partly liable for the obligations of other members would, in all probability, make the bill unworkable. This requirement would be extremely unattractive to any reasonably prudent person who can make a 10 percent down payment on a house which may cost up to $16,666.

Dividends on National Service Life Insurance

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. PATTERSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the Torrington (Conn.) Register of June 25, 1949, relative to the delay in payment of dividends on national service life insurance.

The editorial provokes the thought that politics may be the paramount consideration for nonpayment of dividends accrued until next year.

I am pleased to note that my name is appended to the resolution calling for immediate payment of this money which belongs to the veterans who have overpaid their premiums for past years. It would be simple justice to speed up payments so that this money might be distributed now when the need is great. Let me assure all responsible for delay that the veteran will not be grateful for holding his money from him this additional time.

REFUNDS DUE NOW

Although the Supreme Court ruled more than a year ago that refunds on GI life insurance were lawful, it is only now that the Veterans' Administration is getting down seriously to the business of preparing to pay them. This should not be surprising. That's the way bureaucracy customarily operates.

The veterans, however, have a legitimate complaint and the Republicans in Congress would be derelict in their duty if they did not give voice to it. The money belongs to the soldiers, not the Government, and it ought to be distributed at the earliest possible moment. Such consideration as political advantage or impact on the economy have no place in the picture.

It has been charged that the administration would like to withhold payment of refunds until next spring. That course would give it the equivalent of a $2,800,000,000 campaign fund and the opportunity to address itself directly to the 16,000,000 voters who would be receiving checks from the Government.

And such is the nature of many people that they would think they were getting something for nothing and that they ought to be correspondingly grateful to the party in power in Washington.

For the sake of honesty and integrity in politics, the Republicans in Congress should continue, first, to insist on payment of refunds now and, second, to keep hammering home the point that what the veterans will be receiving is due them not out of charity but as a matter of simple justice and fair financial dealing.

Federal Aid for Education

EXTENSION OF REMARKS
OF
HON. SAMUEL K. McCONNELL, JR.
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. McCONNELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter from Hon. Herbert Hoover:

NEW YORK, N. Y., *June 22, 1949.*
Hon. SAMUEL K. McCONNELL, Jr.,
Committee on Education and Labor,
House of Representatives,
Washington, D. C.

MY DEAR MR. CONGRESSMAN: I have your request that I should give you my views on Senate bill 246, which is before your committee. This bill provides for Federal grants-in-aid for primary and secondary education to the States under certain restrictions. It calls for an initial annual Federal expenditure of about $300,000,000 in addition to more than $2,000,000,000 annually, which is already being spent directly by the Federal Treasury for other educational purposes, for veterans, special schools, research work, scholarships, etc.

At the outset let me say that I doubt if anyone in the country is more devoted to the upbuilding of the educational system than myself. Also, I realize the economic limitations which produce backwardness of education in certain sections and the necessity of remedies in the broad national interest. The whole problem is how to remedy the situation without great injury to the entire social and political fabric of the Nation, including education.

One question immediately arises which came vividly to my attention in the recent investigation of the organization of the executive branch of the Government. The views which I express are, however, my own.

THE SYSTEM OF GRANTS-IN-AID

Before we consider this special bill, I believe we should first face certain broad questions involved in the whole method of the Federal Government's grants-in-aid to the States. The amount of these grants-in-aid has risen from $100,000,000 to $1,200,000,000 in 20 years. This does not include the billions being expended by the Federal Government by other methods for social and economic objectives. These grants-in-aid are, no doubt, all intended to do good, but the method of grants-in-aid contains grave dangers.

First. In all cases of grants-in-aid, same are given to economically strong and self-sufficient States, well able to take care of themselves, as well as to those States which are economically unable to provide such necessary services and are thus backward in their educational work. The most appealing argument for such grants is based on situations in a small minority of backward States, yet by a sort of pork-barrel arrangement, the strong States are always also participating in grants-in-aid.

Second. Any such grants-in-aid require the erection or expansion of Federal bureaucracy. But beyond this, they also require the erection or expansion of State bureaucracies. One of the consequences of all grants-in-aid is the organization of pressure groups, with branches in every State, constantly trying to expand and to get more grants-in-aid from the Federal Treasury.

Third. The economically strong or self-sufficient States, which are in a large majority, pay for their own grants-in-aid (and more) by Federal taxes, and whatever they receive back comes only after the cost of Federal bureaucratic middlemen is deducted.

Fourth. The grants-in-aid to economically self-sufficient States add just that much to the cost of the Federal Government, and the practice of requiring some sort of definite expenditure by the States often results in internal pressures to wasteful State expenditures.

Fifth. The inevitable effect of grants-in-aid is to place a Federal bureaucracy into dictatorship over the State or local administrations of these services. No matter what provision is made in the law to prevent such practices, it becomes inevitable that every such grant puts the camel's head of Federal control either under the tent of local self-government, or close to it. With all this we are steadily undermining the sense of responsibility and the fundamental basis of local self-government.

Finally, we may as well face the fact that the grants-in-aid system has become a prime instrument in centralizing the Government of the people in Washington.

So much for observations on grants-in-aid in general.

If we are to attempt to cure education ills by the Federal grants-in-aid method, then the problem is how to do it with the least evil consequences. Therefore, after a review of the weaknesses in this bill in the above lights, I will make some suggestions for their remedy.

1. This particular bill (S. 246), in section 2, makes drastic provisions against Federal bureaucratic dictations in the conduct of State educational facilities; but in sections 7 and 8, it makes requirements of the States and their facilities which would almost immediately bring about the beginnings of Federal bureaucratic control. Even were this latter possibility not expected, we may be sure from past experience that complaints of State waste, inefficiency, or pressure groups will, sooner or later, result in drastic Federal controls. Moreover, the impelling forces within any Federal bureau will, sooner or later, break down any such limitations.

2. This bill, by a complicated economic formula involving also the expenditures on education, endeavors to direct the major aid to backward States which presumably have not the economic strength to care for their children.

3. But it also has the pork-barrel appendage of $5 for every child in the economically strong States as well. It thus tends to spread bureaucratic controls over the school systems of the whole Nation.

4. Aside from dependencies, there are apparently 19 States indicated in the backward category under this bill, although 7 of those on that list should be able to care for their own children. The 36 remaining, with the District of Columbia, include roughly 80 percent of the children in the Nation.

5. Based on the economic formula, the extra grants-in-aid are not based upon the essentials of proper educational standards but certainly, in some cases, upon whether the citizens of the State desire to spend its revenues on education or on something else.

SUGGESTIONS

In order not to deny to children of the real backward States the opportunity they need, and also at the same time to avoid as many as possible of the evils of grants-in-aid and to produce economy which the Nation badly needs, I suggest the following for consideration in this legislation:

(a) There should be no general grants-in-aid to all States. All grants-in-aid should be limited in each case to the real backward States.

(b) While the bill gives special attention to the backward States, to make the discrimination between them and the strong States, it is based upon involved economic calculations instead of upon certain specific standards of education which should be established.

Such specific standards could be based upon the average educational performance of, say, 30 of the most forward States. These standards should include teachers' fitness and salaries, the hours of attendance, and facilities. An additional standard should be that of nondiscrimination with reference to race or religion. And these standards applied to the backward States will need include another requirement. Some of the so-called educationally backward States are spending large sums on improvements such as highways, etc., which should be subordinated to the education of their children. These standards should not be difficult to determine through an appropriate independent commission. I use the term "average," as above, as a base, because it represents at any one time the real progress of the Nation in this field.

The effect of such recommendations would be fivefold:

1. It would reduce the proposed appropriation of $300,000,000 by some $150,000,000 by eliminating the nonbackward States.

2. It would limit both Federal and State costs of government through unnecessary bureaucratic expansion.

3. By eliminating the nonbackward States, it would keep the camel's head out of probably 80 percent of the Nation's educational tents, and it would confine its entry into the States with insufficient economic resources.

4. By the focusing of public opinion, it would stimulate some of the backward States who have resources to meet the national standards.

5. By limiting its operation to the backward States, it would curb Nation-wide drives upon the Congress for new and increasing grants-in-aid by special groups and interests, which are inevitable from any general grants-in-aid method of Government operation.

And let me add that of all the accomplishments of our Republic, the greatest has been our educational system in the strong States. It ranks above that of all other nations. It is the product of private effort, of local and State government. To place a Federal bureaucracy over the whole national system will be, in my mind, a disaster to educational progress—no matter what legal limits are put on it or what advantages are painted.

I agree wholeheartedly with some of General Eisenhower's recent observations in which he pointed out that this act will become another vehicle for the believers in paternalism, additional national centralization of power, and that the very attempts at safeguards are admission of the dangers inherent in it.

What we need in the national interest is to bring the backward States up to the national level of educational care for children and preserve the Nation from the evils inherent in the grants-in-aid system.

I am, with deep respect,

Yours truly,

HERBERT HOOVER.

Dr. Douglas Southall Freeman

EXTENSION OF REMARKS

OF

HON. J. VAUGHAN GARY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. GARY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of Monday, June 27, 1949, entitled "Dr. Freeman 'Retires'."

Dr. Douglas Southall Freeman, who has announced his retirement as editor of the Richmond News Leader on June 30, is a brilliant journalist, a profound scholar, a renowned historian, and a distinguished citizen of whom my district and State are justly proud.

DR. FREEMAN "RETIRES"

Word comes from Richmond, Va., that Dr. Douglas Southall Freeman has decided to retire from his post as editor of the Richmond News Leader. Virginians have known Dr. Freeman since 1915 as a brilliant and courageous journalist—one of the major voices of the New South. A wider audience has valued him as a biographer and historian. His definitive four-volume life of Robert E. Lee won him a Pulitzer prize; he followed this with three volumes on Lee's Lieutenants; and at present, at the age of 63, he is in midcareer with a six-volume biography of Washington.

Early in his working life Dr. Freeman decided that being an editor wasn't enough. He thereupon assigned himself to do 14 hours of historical work each week, and in later years has exceeded that schedule. His extraordinary, self-imposed discipline hauls him out of bed at 2:30 a. m. As an editor, it has been his habit to write two or three columns by 8:30, to do the first of two daily radio broadcasts at noon, and to spend the afternoon and early evening at his beloved historical research and writing. He is also a lecturer, sometimes delivering as many as 100 speeches a year.

Now he is "retiring." All he means to do, apparently, is to broadcast the news once a day (he has a news service teletypewriter in his home), work on the Washington biography from 10 to 14 hours a day, and perhaps do some lecturing. His Virginia public and his national public will wish him well. Few of us can emulate so heroic a character, in which genius and an almost appalling energy seem to have been combined, but we can all admire it.

Senate Bill 1008

EXTENSION OF REMARKS

OF

HON. RAYMOND W. KARST

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. KARST. Mr. Speaker, there is now pending in the Rules Committee a bill, S. 1008, for consideration by the House which, incredible as it may seem, proposes:

First. To impair existing antitrust laws so that monopoly will be put beyond effective reach of the law.

Second. To make it legally possible to restore Pittsburgh plus with resulting price discriminations by big business in the East against the trade interests of the South and West.

Third. To provide big business whose plants are concentrated in the East with the power through price discrimination to destroy the growth of independent industrial enterprise in the South and West which occurred during the late war, and to prevent such a growth in the future.

Fourth. To permit big business through price discrimination to destroy the property of small-business men throughout the Nation, or to force them to sell out for a song, and thereby to destroy the Robinson-Patman Act.

Every Member of this body who is against monopoly, who believes that the South and West have a just right to expand industrially—a right for which these regions have been struggling to obtain for half a century—who is a friend of small business, must be against this bill.

My attention to this disastrous bill was called by the National Congress of Petroleum Retailers through its president, Mr. Rankin Peck. Prior to a few years ago one of the most exploited of all small-business men was the filling-station proprietor or lessee. Through the genius of Mr. Peck, these unorganized and defenseless small-business men were organized for effective action to protect their just interests. Today the national congress is organized in some 37 States of the Union and has already rendered yeoman service in defending the interests of its small-business members.

I asked Mr. Peck to have his organization submit a complete analysis of the bill now pending in the Rules Committee and he has done so. At the end of my remarks I am putting this analysis into the RECORD and it is my sincere hope that every Member of the House will carefully read it. From all sections of the Nation opposition to the pending bill is mounting hourly as small-business men are awakened to its real purpose. Already other powerful organizations of small business are opposing the bill such as the National Association of Retail Grocers, the National Association of Retail Druggists, the Motor Equipment Wholesalers, the independent tire dealers, the National Federation of Independent Business and many more. Small business is hourly grasping the

fact that if this bill becomes law the bell will toll for the corpse of small business. At the same time other organizations whose members realize what the bill will do to the trade interests of the South and West are bestirring themselves. In view of the powerful opposition that is steadily growing against this bill, I urge my colleagues to give it their closest scrutiny, and to that end they will find the analysis of the bill submitted by the National Congress of Petroleum Retailers most helpful:

NATIONAL CONGRESS OF
PETROLEUM RETAILERS, INC.,
Detroit, Mich., June 24, 1949.

Hon. RAYMOND W. KARST,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN KARST: I am glad to comply with your request that I furnish you with a complete analysis of Senate bill 1008, and we appreciate your efforts to see to it that this bill does not do great injury to small business in the United States. We know that you rank high among the Members of Congress who have the interests of small business at heart and who have already won the esteem and respect of not only the National Congress of Petroleum Retailers, but also many other organizations that are laboring for the welfare of small business in the Nation.

Senate bill 1008 has now been reported out of the Judiciary Committee of the House without the Kefauver amendments. It has been a great shock to me to witness the unfair procedural tactics by which this disastrous piece of legislation has finally been maneuvered out of the Judiciary Committee. The bill was first received by a subcommittee of the House Judiciary, whose chairman was Congressman FRANCIS E. WALTER, of Pennsylvania. Congressman WALTER refused to permit any representative of the interests of small business to appear before his subcommittee. Instead, he permitted only two witnesses to appear on the bill and both of these were representatives of Government. His subcommittee then reported the bill to the full Committee on the Judiciary minus the Kefauver amendments. The exclusion of these amendments makes the bill a complete betrayal of the interests of small business and yet before the full committee, Chairman CELLER, of New York State, refused to allow any representative of the interests of small business to appear in protest against this betrayal. Chairman CELLER had this bill considered in executive session of the Judiciary Committee. Thus the bill was apparently railroaded through both the subcommittee and the full Committee of the House Judiciary so as to prevent opposition to it from small business being heard, and yet in many years of the Congress there has not been a measure more calculated to wreck small business and the economy than this bill.

Senate bill 1008, minus the Kefauver amendments, Congressman KARST, is an incredible measure in view of the numerous statements of President Truman upholding the antitrust laws and promising that such laws would be vigorously enforced, and other statements by the President expressing his interest and the interest of his party in the problems of small business. It is an incredible measure from the standpoint of the platform of the Democratic Party, which last fall proclaimed unswerving allegiance to the antitrust laws, their effective enforcement and solemn pledges that the interests of small business would be safeguarded. If this bill in its present form is enacted into law, the Eighty-first Congress will have set the stage for the crucifixion of small business through a crippling of the antitrust laws.

In this letter the National Congress of Petroleum Retailers submits an analysis of Senate bill 1008 as it now stands without the Kefauver amendments—the bill which the House Judiciary has just voted out for consideration on the floor of the House. We make this analysis section by section in the hope that a sufficient number of Representatives may perceive clearly just how this bill betrays the antitrust laws and the interests of small business and act to prevent it from accomplishing these tragic ends.

The first section of the bill, now pending before the House reads:

"That the Federal Trade Commission Act is amended by adding at the end of section 5 (a) the following: 'It shall not be an unfair method of competition or an unfair or deceptive act or practice for a seller, acting independently, to quote or sell at delivered prices or to absorb freight: *Provided*, That this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice, carried out by or involving the use of delivered prices or freight absorption.'"

This section is designed to make it difficult, if not impossible, for the Federal Trade Commission to prevent the price-leader type of monopoly.

Delivered prices can be used in either of two ways to achieve monopoly. One way is for a group of producers to agree among themselves to maintain identical delivered prices in such a way that proof of the collusion is obtainable by the Government. This type of monopoly involves the element of ascertainable collusion or conspiracy by the Government. An example of this type of monopoly functioning through identical delivered prices is found in the cement industry, recently convicted by the Supreme Court of collusively using delivered prices to eliminate competition. But in this case the Government was able to present definite and abundant proof to the Court that cement producers had entered into a collusive agreement to make their delivered prices identical so as to eliminate price competition among themselves.

The proviso in this section of the bill takes care of the situation where there is a collusive maintenance of identical delivered prices among producers and where the Government can find proof of such collusion.

But there is another type of monopoly—very prevalent—which can be effected through the medium of identical delivered prices but where collusion is either nonexistent or incapable of proof. This is the price-leader type of monopoly. In this situation one producer—generally the dominant producer—in an industry leads off with its system of delivered prices to any point in the market, and the remaining producers simply match those prices or "follow the leader." The leader, of course, puts its prices sufficiently high to insure that both it and those who follow its prices will reap profits in excess of what would be secured under competitive conditions (i. e., monopoly profits). In the price-leader type of monopoly it is often impossible to obtain evidence of collusion. In reaching this type of monopoly, the Federal Trade Commission for some 30 years has relied on section 5 of the Federal Trade Commission Act. It has proceeded against producers on the ground that they are guilty of monopolistic behavior and by monopolistic behavior the Commission has contended that the producers have acted in such a way as to substantially lessen competition among themselves.

Now Senator O'MAHONEY, the author of the bill pending before the House, has admitted that this first section will cancel count 2 of the Federal Trade Commission's case against the rigid-conduit industry for using delivered prices to eliminate competition. Count 2 is a charge of monopolistic behavior resulting in a substantial lessening of competition among producers. By Senator O'MAHONEY's own admission, the section will nullify the present power of the Federal Trade Commission to proceed against the price-leader type of monopoly, even where the practice used may result in a substantial lessening of competition or tend to create a monopoly in a line of commerce.

How will the Federal Trade Commission get at the price-leader type of monopoly if this section is enacted into law? The proviso in the section forbids the use of delivered prices or freight absorption which result in a monopolistic or oppressive practice. Complete monopoly is the complete extinction of competition among producers or sellers. Effective monopoly, however, is generally a substantial lessening of competition among producers or sellers. Complete monopoly generally takes the form of an effective lessening of competition among producers or sellers stopping short of its complete extinction over a period of time. Hence, in the absence of proof of a collusive agreement among sellers to maintain identical delivered prices, the price-leader type of monopoly can only be attacked on the ground that such sellers are manifesting monopolistic behavior, i. e., are acting to substantially lessen competition among themselves.

But since the section cancels count 2 of the Commission's case against the rigid-conduit industry—a fact admitted by Senator O'MAHONEY—what legal significance can be given to the words of the proviso "monopolistic or oppressive practice"? They are precluded from meaning a substantial lessening of competition by the admission of Senator O'MAHONEY. If they cannot be construed to mean a substantial lessening of competition, how can they be interpreted to give the Commission power to proceed against the price-leader type of monopoly under section 5 of the Federal Trade Commission Act? If they can't be so interpreted—and we feel confident that they can't—the Federal Trade Commission will be deprived of its existing power to reach the price-leader type of monopoly, and left without any power to do so in the future. This will mean that the price-leader type of monopoly will flourish and existing antitrust laws will have been disastrously weakened.

Section 2 of the bill now pending before the House is divided into two subsections—subsection A and subsection B.

Subsection A is apparently intended to strengthen section I of the bill just discussed.

It cancels another existing power of the Federal Trade Commission for reaching the price-leader type of monopoly. In the historic case of the Commission against the United States Steel Corp. known as "Pittsburgh plus," the Commission attacked the price leadership of the corporation in the steel industry on two counts. The first count invoked section 5 of the Federal Trade Commission Act and charged the corporation with monopolistic behavior resulting in a substantial lessening of competition among producers of steel. The second count, however, charged the corporation with using delivered prices and freight absorption so as to discriminate in price among its purchasers of steel, a practice prohibited by section 2 of the Clayton Act.

Under Pittsburgh plus the United States Steel Corp. had a base price for each steel product at Pittsburgh. This base price was made sufficiently high to insure a fine profit for the mills of the corporation in and near Pittsburgh, many of which were obsolete in comparison with the newer mills of the corporation at Gary, Ind. The price of a steel product at any other place in the Nation was its Pittsburgh base price plus freight from Pittsburgh to the point of delivery; an exception to this general formula was the occasional practice of quoting delivered prices in certain areas, which included the amount of the Pittsburgh base price plus $7.60 a ton plus freight from Chicago.

Under this pricing system the purchasers of steel in Chicago were supplied with their steel from the Gary mills of the corporation located some 30 miles from Chicago. But these mills added to the base price at Pittsburgh imaginary or phantom freight from Pittsburgh to Chicago. The fictitious freight collected by the Gary mills for delivery of steel to Chicago amounted to from a minimum of 12 percent to as high as 30 percent of the Pittsburgh base price. This Pittsburgh plus resulted in giving preferential steel prices to purchasers at or near Pittsburgh as against purchasers in Chicago. Purchasers in Chicago had to pay from 12 to 30 percent higher prices for steel than purchasers in Pittsburgh. Pittsburgh purchasers of steel were, therefore, able to compete in the Chicago market while purchasers of steel in Chicago were unable to compete in the Pittsburgh area. Such price discrimination added great strength to the Commission's case against Pittsburgh plus.

If section I of the pending bill, as we have contended, seeks to put the price-leader type of monopoly beyond reach of the law, then an additional aid in doing that is necessary which section 2 (A) supplies. The existing power of the Federal Trade Commission to attack a price-leader monopoly on the ground that the use of delivered prices and freight absorption has resulted in discriminatory prices in violation of section 2 of the Clayton Act—count two of the Commission's case against Pittsburgh plus as far back as 1921 and invoked in subsequent cases against other price leaders—must be withdrawn. This is exactly what section 2 (A) of the pending bill does.

According to the report which the Subcommittee of the House Judiciary submitted, this section exempts sellers from any charge of price discrimination if they use either a single zone pricing system or a multiple zone pricing system if all delivered prices of a single zone pricing system are identical at different delivery points, and if all delivered prices within each zone of a multiple zone pricing system are identical at different delivery points.

Now a single zone pricing system (i. e., one which charges the same delivered price to all delivery points throughout the Nation), of course, involves price discriminations just as did Pittsburgh plus.

To charge every purchaser in a zone the same delivered price is to force purchasers located near to plants from which the product is shipped to pay a higher net price than purchasers located at more distant points, delivery to which involves substantial freight cost. There is thus price discrimination in favor of less favorably located purchasers against those more favorably located in relation to the plant making shipment. Geographical efficiency is eliminated so that a purchaser a thousand miles from a mill gets a product at a lower net price than one located only a mile away. The result is to discourage the location of new producing plants at the more distant points which would efficiently decentralize industries. The status quo in industry is preserved and this status quo has operated to prevent needed industrial growth in the South and West for many years. Such growth would greatly increase the prosperity of both these regions and at the same time, in an age of atom warfare, would contribute immeasurably to the military security of the United States.

In a multiple zone pricing system there are price discriminations within each zone. Purchasers located near to the plant making shipment are discriminated against in favor of purchasers located much farther away. The desired advantages of efficient location are canceled out so as to equalize competition among the efficiently located buyer and the less efficiently located buyer. But the multiple zone pricing system makes possible another type of price discrimination—regional price discrimination—which can be effectively used to prevent industrial growth in the South and West. Under a multiple zone pricing system provided for in section 2–A of the pending bill there is no prohibition preventing differences between zone prices. On the contrary this section as it is drawn and interpreted by the report of the Subcommittee of the House Judiciary sanctions such differences in prices between zones. A multiple zone pricing system can in consequence be used to set up powerful price discriminations between regions of the United States, the effect of which will be to give purchasers of products in the East a great competitive advantage in penetrating markets in the South and West while greatly handicapping purchasers of products in the South and West, either in defending themselves from such eastern competition in their local markets or in penetrating markets in the East.

Under section 2 (A), as it now stands, the price discrimination which existed against Chicago in favor of Pittsburgh under Pittsburgh plus could be restored and made entirely legal. The steel corporation could establish a multiple-zone pricing system. One zone of this system could embrace the Pittsburgh area and be a zone of low prices, while another zone in which Chicago would be located would be a zone in which steel prices were materially higher. The difference in prices for steel products between Pittsburgh and Chicago could vary from 12 to 30 percent, just as they did under Pittsburgh plus, or the discrimination against Chicago could be made greater.

Let us not forget that in the Pittsburgh-plus case 32 States of the Union, through their legislatures or Governors, fought the price discrimination against the South and West which existed under this system. Do the Representatives of these States today want to put on the statute books a law legalizing regional price discrimination against the South and West and after 28 years find merit in Pittsburgh plus?

Section 2 (B) of the pending bill is a further step in what appears to be a plainly cumulative purpose in the bill to legalize the price-leader type of monopoly and thus to drive such a hole through the existing antitrust laws that they will be in effect badly crippled.

In section I of the bill the Federal Trade Commission is deprived of existing power in the Federal Trade Commission Act to attack the price-leader type of monopoly on the ground of "monopolistic behavior" which results in a substantial lessening of competition between producers or sellers.

In section 2 (A) of the bill the Federal Trade Commission is deprived of the power to attack the price-leader type of monopoly by showing that the use of delivered prices and freight absorption has resulted in discriminatory prices prohibited by section 2 of the existing Clayton Act. Subsection 2 (A) also provides a legal method for preserving the status quo in industry and retarding the more efficient location of new plants or facilities in the South or West.

Section 2 (B) supplies the finishing touches in the bill to putting the price-leader type of monopoly out of reach of the law and preventing industrial growth in the South and West.

1. This section makes the price-leader type of monopoly effective. The success of this kind of monopoly depends on the degree to which sellers in an industry follow the prices of the leader or dominant corporation. Sellers generally follow the prices of the leader because if any seller doesn't he exposes himself to a price war initiated by the leader against him. But under existing law a leader corporation is limited in attacking one who wishes to compete pricewise to meeting in good faith the equally low price of a competitor, and even meeting the price of a competitor is not allowed if the price of the leader is discriminatory among his other customers and may thereby injure competition. Under section 2 (B) of the pending bill, a price leader can sell below the price of a competitor even though his price is discriminatory and injures competition. All he has to do is to find another producer who will make an offer below the price of the competitor. That will not be difficult (because in the price-leader type of monopoly a majority of the producers are generally in favor of maintaining prices and it is only from the minority that competitively-minded rebels arise), and the chances of the Government producing evidence that the price leader induced another producer to make such an offer so precarious that section 2 (B) will give to the price leader such power of retaliation that the success of the price-leader type of monopoly will be assured.

2. Section 2 (B) will also operate to powerfully restrict industrial expansion in the West and South. For many years prior to the war, big business in the United States had been able to protect its concentration of producing plants in the East from new competitors in the South and West by a system of freight rates which discriminated against manufacturing in the South and West. During the war, however, a considerable growth of manufacturing in these regions took place. Though the system of discriminatory freight rates continued, they could not stop this development because Government paid for the products at prices which insured a profit. Now, with the return of peace, this old system of freight discrimination is by itself threatening the existence of this new manufacturing in the South and West. Part of this new enterprise in these regions represents plants which are subsidiaries of big business whose main plants are located in the East. But a substantial part represents independent business. Under these circumstances it is not far fetched to imagine that big business is interested in forcing this independent business to sell out for a song or be liquidated and to put an end to the further industrial growth of the South and West.

Under existing law, the seller whose alleged purpose is to meet competition in good faith but whose real purpose is to force a competitor more efficiently located either to sell out or go bankrupt, is restrainable. Such a seller has not an unlimited right to absorb freight. If his absorption of freight results in discriminatory prices the effect of which may be to destroy competitors more efficiently located, he can not get away with with his purpose to destroy such competitors. A seller under existing law may penetrate distant markets through the use of freight absorption, but he must take care not to push his right of freight absorption to a point where its purpose is to kill off competition from sellers located more efficiently at distant points of delivery. At the same time, existing law puts a definite limit on the prices that sellers can charge at such distant points. They are limited to meeting in good faith the equally low price of a competitor and this price must meet the test that, if discriminatory, it does not injure competition. Existing law thus protects sellers located efficiently from the efforts of sellers located less efficiently to threaten their existence by price discrimination.

Section 2 (B) of the pending bill withdraws this protection. Under it a seller with his plants located principally in the East can reach out through freight absorption and immediately challenge the prices of a seller more efficiently located even though his meeting of the price of this distant competitor is a discriminatory price, the effect of which may be to put the distant competitor ultimately out of business. And he can go further than this. He can cut below the price of the distant competitor, make his price so low that the smaller resources of the distant competitor cannot withstand the attack and such seller will be glad to

sell his facilities cheap rather than be liquidated. All the eastern seller has to do to make legal the slashing of his price below that of his distant competitor is to find in effect "a dancing partner"—another eastern seller—who will make an offer to sell at that price. That will not be difficult to do, since in any industry there are a number of sellers in the East who would be interested in driving independent manufacturers in the South and West out of the picture and the chances that the Government could find proof that the offer was "rigged" so as to make legal violent price cutting by an eastern seller against independent rivals in the South and West would be slight. If section 2 (B) is, therefore, enacted into law one may reasonably expect to witness the destruction of the growth of independent manufacturers in the South and West which occurred during the war, a capture of their plants by big business, whose producing facilities are predominantly in the East, and a thoroughgoing prevention of any further industrial expansion of these regions.

Section 2 (B) has also another injurious effect other than holding back the industrial development of the South and West. This section, together with section 3 of the bill, exposes small business, particularly in the field of distribution, to ruthless and unfair exploitation by big business. As if the bill did not provide a sufficient feast for monopolists in its legalizing of the price leader type of monopoly and protecting eastern plants from industrial growth in the South and West, these parts of the bill make the property of small-business men easy pickings for the big fellows.

Monopolists not only grow rich through raising prices above their competitive levels. They also grow rich by putting smaller competitors out of business and by capturing their property and customers through various unfair methods of competition. By far the most powerful weapon for gathering this kind of riches is that of price discrimination. The Clayton Act was passed by Congress to specifically protect small business from this kind of attack. But the law developed a fatal weakness. This weakness was that under the original Clayton Act the meeting of competition in good faith was made a complete defense to a charge of price discrimination. Because this weakness made the original Clayton Act ineffective from the standpoint of protecting small business from price discrimination, the Robinson-Patman Act was intended to remedy the situation. Under this Act the meeting of competition in good faith could not be a defense to a charge of price discrimination where the effect of such discrimination may be to substantially lessen competition or to injure, destroy, or prevent competition. In the recent case of the Federal Trade Commission against Standard Oil Co. of Indiana the Court of Appeals for the Seventh Circuit specifically upheld the contention that the meeting of competition in good faith was not a defense to a charge of price discrimination where competition was injured. This decision of the court saved the business lives of many small distributors of petroleum products in the State of Michigan and small-business men everywhere were naturally jubilant that the court had refused to go back to the weakness of the original Clayton Act.

But in section 2 (B) and section 3 of the pending bill the meeting of competition in good faith whether achieved by freight absorption or without is made a complete defense to a charge of price discrimination even though the effect of such price discrimination may be to destroy, injure, or prevent competition or tend to a monopoly in a line of commerce. The identical loophole in the original Clayton Act which made it impossible to protect small business from price discrimination, is restored and small business is once more out in the cold.

Mr. Herbert Bergson, Assistant Attorney General in charge of antitrust enforcement for the Department of Justice, has admitted before the subcommittee of the House Judiciary headed by Congressman WALTER that as the bill now stands it would wipe out the decision of the Circuit Court of Appeals for the Seventh Circuit in the case of the *Federal Trade Commission* v. *Standard Oil Co. of Indiana*. Mr. Bergson thus corroborates the plain meaning of sections 2 (B) and 3 of the pending bill which make the meeting of competition in good faith an absolute defense to any charge of price discrimination. His admission also makes it clear that one of the main charges of the Department of Justice in its case against the Great Atlantic & Pacific Tea Co. for violating the antitrust laws will have to be abandoned in the future, leaving powerful chain stores free to put little merchants out of business by the unfair method of price discrimination. In this case sellers furnished A & P with products at discriminatory discounts which violated the Robinson-Patman Act as it now stands. If sections 2 (B) and 3 of the pending bill are enacted into law such discriminatory discounts will be put beyond reach of the law in the future, because there are undoubtedly other sellers who will be willing to grant the same discriminatory discounts to A & P to get the large orders of this giant concern.

Strange to say, this subjection of small business to the terrors of price discrimination made legal is actually endorsed by the Commissioners of the Federal Trade Commission. In a letter to Congressman WALTER, signed by Commissioner Ewin Davis, Acting Chairman of the Commission, the viewpoint is advanced:

"To make the good faith meeting of competition a complete defense (to a charge of price discrimination under the Robinson-Patman Act) involves, therefore, a risk of injury to competition among the seller's customers. On the other hand, if good faith in meeting competition is not to be a complete defense, a seller who competes vigorously by reducing his prices where he encounters lower prices is exposed to the risk that he may thereby be violating the law, and he can avoid such risk only by caution and hesitancy in making price reductions. To refuse to make the good faith meeting of competition a complete defense necessarily involves the risk of impairing the vigor of competition among sellers. The Council of Economic Advisers apparently had this risk in mind in its report to the President in December 1948, in which it referred to the tendency of the law of price discrimination to lead to 'soft' competition.

"On June 7 representatives of the Commission informed you that all of the commissioners believe that on balance it would be preferable to make the good faith meeting of competition a complete defense."

Here is a pretty use of language to becloud an issue. Unfair competition (i. e., price discrimination), which destroys competition, is called "hard" competition by the Commission, while fair competition (i. e., without price discrimination), which protects and preserves competition, is branded "soft" competition.

This is exactly, incidentally, the same kind of argument that defense counsel in the case of the Federal Government against the notorious old Standard Oil Trust (1912) made before the Supreme Court in endeavoring to justify the acts of the trust. The trust had engaged in a number of forms of unfair competition including that of ruthless price discrimination to put independent operators out of business. Counsel for the trust told the Court that competition was competition and that no distinction should be drawn between fair and unfair competition, which was saying in effect that "hard" competition which unfairly destroys competition was desirable competition. The highest tribunal, however, refused to accept such specious reasoning. It was because of the unfair competitive methods employed by the trust that Congress passed the Federal Trade Commission Act which gave the Commission the power to distinguish between fair and unfair competition, to make the one lawful and the other unlawful. Yet today the Commission is willing to sacrifice fair competition to unfair competition by condemning the one as "soft" competition and praising the other as "hard" competition. The defense counsel of the old Oil Trust must be smiling approval in their graves.

But just why should fair competition make sellers cautious and hesitant in making price reductions and impair the vigor of competition among sellers? Any seller can meet a lower price offer to one of his customers at once and without any hesitancy and without any impairment whatsoever of his competitive energies provided he will give his other customers in the same market area the same lower price which he accords to the one customer. This is not "soft" competition. It is the essence of fair competition and it is fair competition—not unfair competition praised as "hard" competition—that the antitrust laws were intended by the Congress to maintain.

If, Congressman KARST, the Congress should feel that the antitrust laws need clarification on the point of whether a seller has the legal right to sell f. o. b. his factory or f. o. b. destination at his discretion, and in that connection to absorb freight to meet competition in good faith, the Congress may act to do that without weakening the antitrust laws. It is respectfully suggested that the Congress could express its intentions in this direction in the words of a short and simple bill which would provide "that nothing in the antitrust laws or the Federal Trade Commission Act shall be construed as making it unlawful for a seller, acting independently in good faith, to quote or sell at delivered prices and to absorb freight except where the effect of such delivered prices and absorption of freight may be to substantially lessen competition or to injure, destroy, or prevent competition or tend to create a monopoly in a line of commerce; or except where such delivered prices and absorption of freight are achieved under combination, conspiracy, agreement, or collusion."

It is, of course, the position of the National Congress of Petroleum Retailers that the existing anti-trust laws are sufficiently clear. It is also our position that if the pending bill is passed by the Congress it would not only weaken the antitrust laws in the respects outlined above but would also create a confusion in the law instead of clarifying it. If, however, the Congress should decide to enact the pending bill in some form we are submitting herewith amendments which will reduce as far as possible the harmful effects of the pending bill on the antitrust laws and small business.

In the following copy of the pending bill we have included in italicized words our suggestions for amendments with footnotes to explain their purpose.

SENATE BILL 1008

"That the Federal Trade Commission Act (38 Stat. 717, as amended; 15 U. S. C. 45) is amended by adding at the end of section 5 (a) the following: 'It shall not be an unfair method of competition or an unfair or deceptive act or practice for a seller, acting independently, to quote or sell at delivered prices or to absorb freight: *Provided*, That this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice, carried out by or involving the use of delivered prices or freight absorption, *or any practice carried out by or involving the use of delivered prices or freight absorption where the effect may be to sub-*

stantially lessen competition, to restrain commerce in any section or community to tend to create a monopoly of any line of commerce.'[1]

"SEC. 2. Section 2 (a) of an act entitled 'An act to supplement existing laws against unlawful restraints and monopolies and for other purposes,' approved October 15, 1914 (38 Stat. 730, as amended; 15 U. S. C. 13), is amended by substituting for the period at the end thereof a colon and adding thereto the following: *'And provided further,* That it shall not be an unlawful discrimination in price for a seller, acting independently—

"'A. To quote or sell at delivered prices if such prices are indentical at different delivery points, *provided that such identical delivery prices at different delivery points do not result in price discriminations, the effect of which may be to substantially lessen competition, or injure, destroy or prevent competition or tend to create a monopoly of any line of commerce,*[2] or if differences between such prices are not such that their effect upon competition may be that prohibited by this section; or

"'B. To absorb freight to meet the equally low price of a competitor in good faith (*except where the effect of such absorption of freight may be to substantially lessen competition or injure, destroy or prevent competition or tend to create a monopoly of any lien of commerce*),[3] and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains.'

"SEC. 3. Section 2 (b) of an act entitled 'An act to supplement existing laws against unlawful restraints and monopolies and for other purposes,' approved October 15, 1914 (38 Stat. 730, as amended; 15 U. S. C. 13), is amended to read as follows:

"'(b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price the effect of which upon competition may be that prohibited by the preceding subsection, or discrimination in services or facilities furnished, the burden of showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided further,* That a seller may justify a discrimination (*other than a discrimination, the effect of which may be to substantially lessen competition or injure, destroy or prevent competition or tend to create a monopoly in any line of commerce*)[4] by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor or the services or facilities furnished by a competitor.'

"SEC. 4. As used in this act—

"A. The word 'price' shall have the meaning which it has under the commercial law applicable to the transaction."

(We have no objection to this section.)

"B. The term 'delivered price' shall mean a price at which a seller makes or offers to make delivery of a commodity to a buyer at any delivery point other than the seller's own place of business."

(We recommend that this section be stricken out entirely. What a seller's delivered price is, should be left to determination by the Federal Trade Commission and a seller should not be given statutory power to say what his delivered price is.)

"C. The term 'absorb freight' shall mean to establish for any commodity at any delivery point a delivered price which, although as high as or higher than the seller's price for the same commodity at the point from which such commodity is shipped, is lower than the sum of the seller's price for such commodity at such point of shipment plus the actual cost to the seller for transportation of such commodity from such point of shipment to the delivery point or the average cost of transportation to the seller."

(We recommend that this section also be eliminated.)

"D. The term 'the effect may be' shall mean that there is substantial and probative evidence of the specified effect."

(This section is particularly bad. It changes the existing language of the Clayton Act, as amended by the Robinson-Patman Act, to impose on the Government such an onerous burden of proof as to reduce the Act to practically impotency.)

It is apparent, Congressman KARST, that the pending bill is the culminating effort of what has been for many months a bold attempt by big business in the United States to trample existing law under foot which protects small business and genuine free enterprise in the economy. This attempt is the result of court decisions which have finally caught up with the predatory practices of big business and legally scotched them. All over the Nation there is discernible a vigorous awakening of the judiciary to the necessity of protecting free enterprise. Big business is now simply endeavoring to get the Congress to wipe out this hopeful progress and give monopolists a free hand. I feel confident that they will not succeed and that Congress will refuse to turn small business and the economy over to big business by passing Senate bill 1008 as it now stands.

Respectfully,

RANKIN PECK, *President.*

[1] This amendment preserves the existing power of the Federal Trade Commission as already upheld by the courts to reach the price-leader type of monopoly under section 5 of the Federal Trade Commission Act on the ground of monopolistic behavior tending to a substantial lessening of competition.

[2] This amendment preserves intact the existing power of the Federal Trade Commission under the Clayton Act, as amended by the Robinson-Patman Act, to reach the price leader type of monopoly where the use of delivered prices may cause an injury to competition.

[3] This amendment preserves the existing power of the Federal Trade Commission to prevent the unlimited use of freight absorption to unfairly kill off competitors more efficiently located by sellers less efficiently located, geographically speaking, and thereby encourages industrial growth in the South and West.

[4] This amendment preserves the existing law of the Clayton Act, as amended by the Robinson-Patman Act, which refuses to make the meeting of competition in good faith a complete defense to a charge of price discrimination where competition may be injured.

Federal Control of Education

EXTENSION OF REMARKS

OF

HON. CHAUNCEY W. REED

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. REED of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith an address made by me over radio station WIND on April 11, 1949, relative to the proposed Federal control of education:

Ladies and gentlemen of the radio audience, besides being a Congressman, I am a citizen of the State of Illinois, a taxpayer, and the father of three children who attend the public schools of my State. It is my wish that they and their fellow pupils receive the best education obtainable commensurate with the amount of tax money that my neighbors and I pay into the tax collector for that purpose. I am particularly concerned that they be taught love of country, reverence for its glorious past, obedience to its laws, and all the necessary branches of learning to develop them into intelligent and useful citizens. My children and their future mean much to me. So much so that I am unwilling that control of their education shall pass, even in the slightest degree to some remote governmental agency and away from the local boards of education that my neighbors and I are privileged to select. In the few minutes allotted to me on this program, I shall discuss with you a proposal that I consider a menace to our educational system and a dangerous step toward a centralized and systematic molding of tender minds to fit a plan that may well be disastrous to our concepts of free government and our American way of life.

For almost a quarter century proponents of an expanded federalism and the consequent destruction of State sovereignty have urged some form of Federal control over education. Failing in one they have advanced others again and again and again. In the Eightieth Congress they won their battle in the upper House but failed to convince that branch of Congress that is closest to the people. In this the Eighty-first Congress they have won the first skirmish for on March 25, the Senate Committee on Labor and Public Welfare favorably reported to the Senate their bill (S. 246) for Federal control of education under the innocuous title of the "Educational Finance Act of 1949."

The committee report states that the purpose of this legislation is to assist the States in equalizing educational opportunity. This is to be accomplished through an appropriation of $300,000,000 to be apportioned among the States, Territories, and possessions. The amount to be paid to each State will depend upon the school-age population of such State, its income, and its appropriations for educational purposes, but each State will receive at least $5 per year for each of its children of school age. To be eligible for Federal aid, a State, through its governor, its legislature, and its school authorities must formally agree to a number of conditions included in the bill to insure that the money is properly used and accounted for; that the Federal Government receives adequate reports; that schools for minority groups receive equitable treatment; that within 3 years the State will spend at least $50 per pupil each year and that each year after 1949, such State will spend for such purpose an amount at least equal to the amount they spent this year. Federal administration of the bill is placed under the Federal Commissioner of Education.

Now, who wants this proposed Federal aid for education? Have the States themselves solicited it? Or has the request come from just those States that will be the greatest beneficiaries under the proposed bill?

A review of congressional hearings on these proposals for Federal aid to education over the years seems to indicate a group-pressure movement. Congressman RALPH W. GWINN of New York, a member for many years of the House Committee on Education, has declared that the leading pressure group in this movement is one of the most active and most powerful lobbies in the National Capital. Throughout the Nation it has organized many of our teachers into action behind these proposals through the lure that a substantial part of this Federal subsidy will be used to increase their salaries. Of course it is natural that, under such an inducement, they would want it. Yet, how many of our teachers, do you suppose, have studied

these proposals, know the full implications of what they have been induced to request, or the ultimate predicament in which they would find themselves when Federal bureaucrats took over? Benjamin Franklin aptly answered this question more than 160 years ago when he said, "He who trades freedom for security will lose both."

Not a single State has officially asked the Federal Government for educational aid. Nor did any taxpayers' group or chamber of commerce or board of education from any State, county, town, or city, appear before the committees of Congress to request Federal aid from Washington.

Do the States need Federal aid for education? One of the alleged reasons repeatedly advanced has been that the States of the South are unable to finance adequate educational programs. Proponents of such Federal aid include among such alleged impoverished States, Virginia, Alabama, North Carolina, Texas, and Mississippi. Of course, Indiana and Illinois are not included as among the impoverished States, yet, under the bill, both would receive Federal grants.

Let us look, for a moment, at the financial status of these so-called impoverished States of the South, not one of which has officially requested this proposed aid, all of which resent the implication that they need it, and most of which openly oppose it.

It is common knowledge that the Federal Government now staggers under an almost intolerable debt burden of $252,000,000,000—a load that not only keeps our Federal income tax at a high level but requires the imposition of other taxes on amusements, on railroad fares, on telephone service, on inheritances, and even on things we eat and things we wear. On the other hand it is just as well known that the States have been constantly reducing and liquidating their debts, and that many of them have large unexpended surpluses in their treasuries. In fact, at the beginning of the fiscal year of 1948 the 48 States had a combined surplus of about $3,250,000,000.

Among those notably in the South is the State of Virginia which, at the beginning of the current fiscal year, had a surplus of more than $70,000,000. Under this bill she would get a little over four million. She has not requested this Federal aid and does not want it.

At the beginning of the present year Alabama had a surplus of more than $22,000,000. Under the proposed bill she would get fourteen and one-half million more. Why? Her surplus is already $7,500,000 in excess of what she would get.

North Carolina, under the proposal, will get about twenty-one millions from the Federal Government, probably the largest share. At the beginning of this year, North Carolina had a surplus of more than $83,000,000 or about four times what she will get from Uncle Sam.

Texas has a surplus of more than eighty-seven millions. Under the proposed Federal grant, she would receive about eleven million. She doesn't want it. She never asked for it, and both of her Senators voted against Federal control of education in the Eightieth Congress.

At the beginning of this fiscal year, Mississippi, always referred to by the proponents of this legislation as the most needy of all the States in the Union, had a balance or surplus of forty-two millions. Under the proposed grant-in-aid she would get about $15,500,000 from the Federal Government. During the past 8 years, Mississippi has increased her teachers salaries 156 percent. She has more than enough funds to pay off all her outstanding bonded indebtedness, and remarkable to relate, her surplus funds are invested in Federal securities. That means that Mississippi actually is right now lending money to the Federal Government.

But what about Indiana and Illinois? Does Indiana, a State that last year spent about $174 per pupils in her own schools want Federal control? If the bill now favorably reported to the Senate becomes law, Indiana taxpayers will contribute almost $6,000,000 to make up the grand total of three hundred million, authorized by the bill. How much will Indiana school children get back? Just about three and one-half million. The net result is that it will cost Indiana taxpayers $6,000,000 to get three and one-half million for their own schools. Their legislature a couple of years ago passed a significant resolution which in part, reads, "The people of Indiana have been fooled for quite a spell with a magician's trick that a dollar taken out of their pockets and sent to Washington will be bigger when it comes back to us. We have taken a good look at said dollar. We find that it lost weight on its journey to Washington and back." That tells the story in a nutshell and I doubt if the Hoosiers will be fooled again.

Now what about Illinois? Certainly Illinois never asked for this measure, and she doesn't need it. At the beginning of the current fiscal year Illinois started with a surplus in her treasury of more than $215,000,000. Under the proposal, she will receive about seven and one-half million. But the cost to Illinois taxpayers to finance this project will be $21,000,000. In other words for every dollar of the twenty-one million that Illinois citizens will be taxed for this monstrosity the Federal Government will generously return us 33 cents to finance our own schools.

While this proposal attempts to assure us that administration of the school systems will be left with the States, the bill itself provides a subsidy and then sets up an involved and intricate system of Federal control. We remember that when farmers accepted subsidies, they found that they must also accept controls. When they objected, and a test case went to the Supreme Court, that tribunal held that the Government can regulate that which it subsidizes. With Federal control come Federal bureaucrats—a vast horde of them. They will swarm over the States like locusts. They will have power to invade every schoolroom in the Nation, to snoop into the expenditure of every dollar of Federal aid they authorize. No school board, no superintendent, no principal, no teacher, no child will be free from their inquisition. All will be in bondage to a powerful, expensive tax eating political bureaucracy. To preserve American ideals and retain for the citizens in every community, the right and opportunity to control through their chosen public-school officials, the destinies of a free thinking young America, this proposal should be rejected by the Congress of the United States.

The Railroads and America's Future

EXTENSION OF REMARKS

OF

HON. FREDERICK C. SMITH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. SMITH of Ohio. Mr. Speaker, by unanimous consent, I insert in the Appendix of the RECORD a copy of a broadcast entitled "The Railroads and America's Future" by Ambrose W. Benkert, a recognized authority on railroad securities, president of A. W. Benkert & Co., Inc., 70 Pine Street, New York; director of the Minneapolis & St. Paul Railroad and other industries. I wish every American citizen might have the opportunity to read this splendid statement.

The address follows:

During the past 100 years we have developed under free enterprise the most comprehensive, efficient, and dependable railroad plant in the world. It provides the safest service at the greatest speed and the lowest cost than can be found anywhere on earth. This is vital for America, for without the railroads our future would be dismal indeed. Without mass transportation we could have no mass production. Industry would stagnate; commerce would be paralyzed; great cities would disintegrate, and our common well-being and national unity would be destroyed.

Why are the railroads so essential? Why are we so vitally dependent upon them?

Because man has not yet developed any other means of transportation for the mass movement of freight and the mass movement of people even remotely comparable in cost and efficiency to power on wheels applied to cars on rails. One Diesel locomotive pulling a freight train of 5,000 tons with a crew of five and using 1 teaspoonful of fuel oil per ton-mile illustrates the observation. It would take 500 trucks, with each truck carrying 10 tons, to duplicate this feat.

Just last Tuesday here in New York City, headlines in the press announced: "Long Island Railroad wins fare rise to stave off crisis." In its decision, the Public Service Commission of New York said:

"The stark issue and the only present choice seems to be: Is there going to be railroad transportation on Long Island continued and improved, or is there likely to be disintegration of service, confusion, and receivership?"

Here is striking evidence indeed that there is no substitute whatever for this railroad in the transportation of 200,000 Long Island commuters. Even at the increased fares authorized, 5-day tickets will cost the user about 1¼ cents a mile compared with local taxicab rates in excess of 20 cents a mile. Despite the belated order authorizing higher fares, bankruptcy was announced a few days later. Such an occurrence should awaken the public everywhere to support railroad petitions for decent compensation.

The common measurement of freight service is the ton-mile. Last year, the railroads moved freight over 700,000,000,000 ton-miles, as compared with 447,000,000,000 in 1929. The average haul was 403 miles. For every man, woman, and child, they moved a ton of freight about 600 miles in 1880, and over 4,500 miles in 1947. During the next 24 hours, the railroads will move 1,800,000,000 ton-miles of freight, equal to 1 ton for a distance of 12½ miles for every man, woman, and child in the United States. And, in the same 24 hours, nearly 2,000,000 passengers will ride an average of 60 miles.

The cost of freight service during the depression and throughout the war was less than 1 cent per ton-mile, and even today, less than 1¼ cents. No other form of transportation can remotely compete with these charges.

INTERSTATE COMMERCE COMMISSION

Freight rates and passenger fares are fixed by the Interstate Commerce Commission under Federal laws requiring a rate structure adequate to the needs of an efficient transportation system. For the past 30 years the Commission has substantially met these requirements. It is mandated to do so in the future. This fact, and the innate cost advantage of the railroads over every other form of transportation for the mass movement of goods and passengers, are the two fundamental bases upon which rest constantly improving service of the railroads to future America.

In doing their job, the railroads as private enterprises stand on their own feet without any Government subsidy whatever. They will continue to do so. This is of vital im-

portance to America's future. Every competitor of the railroads is subsidized by the American taxpayer in one form or another. Trucks and buses, river barges, ocean shipping, and air lines all are dependent on the taxpayer for their continued operation.

Only the railroads pay their own way. Paradoxically, their taxes are used to subsidize their competitors. Railroads carry 94 percent of the intercity mail and receive less than the air lines get for carrying the other 6 percent.

RAILROAD TAX BURDEN

In 1947, out of every dollar received, the railroads paid out nearly 11 cents—10.8—in taxes. This amounted to nearly one billion dollars in 1947, equal to one-fortieth of the entire tax receipts of the Federal Government. This is important to America's future.

ADDITIONS AND BETTERMENTS

In the 11 years ended December 31, 1948, the railroads spent over $6,000,000,000 on improvements. Of this, over $1,000,000,000 was spent in 1948. This, in addition to expenditures for maintenance. The total investment in improvements since World War I exceeds $13,000,000,000. This resulted in improved efficiency and in reduced costs to the public.

PRIVATE VERSUS GOVERNMENT OPERATION

In World War I, Government operation of the railroads cost the American taxpayers $1,616,000,000—an average of about $2,000,000 a day, although both freight rates and passenger fares were materially increased.

During World War II, under private operation, the railroads cost the taxpayer nothing. Freight rates remained at prewar levels and passenger fares were advanced but slightly. In the 4-year period, 1942 to 1945, the privately operated railroads actually paid the Government $2,500,000 a day in Federal income taxes.

Taking losses under Federal control into account, the Federal Government was nearly $4,500,000 a day better off under private operation in World War II than under Government operation in World War I.

During World War I, under Government operation, passengers paid 51 percent more per passenger-mile and shippers paid 80 percent more per ton-mile.

During World War II, under private operation, passengers paid 2 percent more per passenger-mile and shippers paid 1½ percent less per ton-mile than in 1939.

As compared with World War I, under Government operation, the railroads in World War II, under private operation, moved each month twice as many troops, performed twice as many passenger-miles of service, moved 5 times as much Army freight and express, 20 times as much Navy freight for overseas, and double as many ton-miles of freight of all kinds—and they did all this with one-fourth fewer employees, one-third fewer locomotives, one-fourth fewer freight cars, one-third fewer passenger cars. Since 1939 railroad wage rates have increased 86 percent; prices of fuel, materials, and supplies, 118 percent; and the tax bill is 177 percent greater. These greatly increased costs have been offset with rate increases totaling only 52 percent.

This performance record demonstrates the importance to America's future of the railroads constantly having adequate funds for improvements.

Trying to condense the story of railroad accomplishments and railroad indispensability into a few words is like trying to engrave the Lord's Prayer on the head of a pin.

INVESTMENT AND CAPITALIZATION

The investment in railroad property as of January 1, 1948, was over $28,000,000,000. This is $12,000,000,000 greater than the total par value of all railroad stocks, bonds and other securities. Railroad stocks are not watered. They are outstanding to the tune of $12,000,000,000 less than the investment in the property. It is vital for America's future that this fact be known.

The undercapitalization is due to the fact that year after year the railroads have plowed earnings back into property without issuing any stock against such investment. This explains the high earnings per share of many railroads. The Atchison, Topeka & Santa Fe is an example. During the past 4 years, this great railroad showed earnings averaging $15.88 per share per annum. Immediately this figure gives the impression of high earnings. It is cited by labor leaders as proof that the road could pay higher wages, and still make big profits. It becomes a target for shippers who want lower rates and point to high earnings. But actually, earnings are not high on the Atchison. Each share represents not only the original $100 but a reinvestment from earnings down through the years of an additional $200 per share. If the Atchison would capitalize this investment, it would issue two additional shares to each holder of one share and the earnings over the past 4 years would have averaged only $5.29 per share per annum.

Instead of issuing stock to represent this additional investment of $200 for share, the Atchison shows this investment in its balance sheet under "earned surplus." How many labor leaders and shippers who oppose rate increases look at "earned surplus" in balance sheets before saying profits are "big" enough to warrant higher wages and lower rates?

The managements and boards of directors of every railroad in this country are doing the railroad industry and America's future positive harm by failing to issue stock for earnings invested in the property so that the stock at par actually will reflect the whole investment in the property, not just one-third or one-tenth of the investment.

Net value (after depreciation) of the property investment in all railroads is about $23,000,000,000. To this should be added $2,000,000,000 in cash and nearly $1,000,000,000 in materials and supplies, making a total net investment of $26,000,000,000—on which the 1948 earnings amounted to only 4.3 percent, or about $1,200,000,000. After all interest charges, there was left for stockholders $711,000,000.

TROUBLE LIES IN PUBLIC'S THINKING

In other words, there is nothing the matter with the railroads. They have the finest plant and equipment and the largest cash and working capital position in their entire history. The trouble lies in the thinking of the public about the railroads—due obviously to lack of knowledge.

Adequate knowledge of the facts would lead every right-thinking citizen to favor a square deal for the railroads. So long as the railroads are denied a decent return on their invested capital, and so long as they are compelled to subsidize all their competitors, they are not getting a square deal. Notwithstanding the present magnificent plant and equipment hundreds of millions of dollars could be spent right now for additions and betterments to the railroad plant which would result in improved service, increased efficiency and still lower costs to the public.

During the past few years one mid-western road spent $80,000,000 in track realinement which reduced this road's transportation costs by nearly 10 percent. On the basis of present gross revenues of $200,000,000, this means a saving of nearly $20,000,000 per annum or 25 percent on the investment. Another railroad has installed an automatic classification yard at a cost of $10,000,000 with commensurate savings.

FINANCING PROBLEM

The expenditure of the vast sums involved in such a program is only possible if the funds can be obtained from the public. Accordingly, the price level of railroad securities and the cost of raising and servicing the funds is a matter of vital concern to America's future. This invites examination of the present situation in the railroad securities market.

What do we find? Stocks of leading roads selling for less than twice one year's earnings; bonds at prices to return over 10 percent per annum despite large coverage for interest requirements. Whole railroads priced in the market—some for less than their salvage value, others for less than cash and rolling stock alone—the railroad plant itself being given away.

Assets and earnings are such that on a comparable basis many of these securities are worth enough to make financing possible right now if the facts were known.

Let me repeat: There is nothing basically unsound about American railroad securities. The unsoundness is in the thinking of the public, lacking the facts.

To know the facts is of vital importance to America's future. We need a public aroused to give the railroads a square deal and to keep them as private enterprises.

If the withering hand of Government ownership ever falls upon our railroads, God help us all.

Address of Hon. Robert E. Freer

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks, I include a short and interesting address made by Hon. Robert E. Freer, former member of the Federal Trade Commission, to the graduating class of the Honeywell Foundation in Bethesda, Md., on June 4, 1949:

A LEARNER, NOT A LEANER

Dr. Honeywell asked me earlier this afternoon to give him a title for the remarks I shall make to the graduating class. On the spur of the moment I told him it was "A learner, not a leaner."

The United States of America is still the land of opportunity, of hope, and of promise for the individual man or woman, boy or girl. This great stronghold of free enterprise rests on freedom of opportunity: First, for education; and second, for leadership in life based upon capacity.

During your progress through school to this, your graduation day, you have learned what was known in the nineteenth century as the R's—"Readin', 'ritin', and 'rithmetic." There is a fourth "R" about which I wish to speak to you briefly today. To my mind it is a most important "R." It is the "R" in the word "learn." Take away that "R" and you have left only the word "lean." Now, when our people become leaners instead of learners we shall no longer be able to maintain that leadership which is the envy of all the other peoples of the world. When we become leaners we shall sink to the level of those in the rest of the world who do not have our opportunities for learning or for exercising leadership based upon our capacity.

More than 150 years ago Benjamin Franklin wrote in Poor Richard, "These are the evidences of an education: Correctness in the use of the mother tongue, refined and gentle manners, the power and habit of reflection, the power of growth, and the power to do."

These words of Poor Richard were painted on the wall of one of the classrooms of a very respected eastern college when the building was erected sometime around 1870. They exercised, no doubt, a large influence on somewhere near 20,000 graduates of that college before whose eyes they appeared. While perhaps not all of those five evidences are accorded the same respect that they once were, I wish to assure you that the power to do is the hallmark of the free-enterprise system of the United States of America in the eyes of everyone throughout the world.

This power to do is nurtured by the powers of reflection and of growth and in large part is founded upon the development to the fullest extent possible by each individual man or woman, boy or girl, of what I have been pleased to call the three I's; namely, his or her intelligence, industry, and integrity. The way is hard, not easy, but in the United States of America the reward is great, not meager, for those who learn, not lean.

Remarks of a Member of the Committee on Un-American Activities

REMARKS
OF

HON. MORGAN M. MOULDER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. MOULDER. Mr. Speaker, I reluctantly believe that it is fitting and proper for me, as one of the members of the Committee on Un-American Activities, to clarify and briefly answer some of the criticism and statements that have been made or published in the newspapers concerning the committee of which I am a member.

During an executive session of the committee, held on the 14th day of this month, and at the close of the examination of witnesses, with Democratic and Republican members of the committee present, and while members of the investigating staff of the committee were also present, the chairman, the Honorable JOHN S. WOOD, presented and read a petition filed by the Sons of the American Revolution. The petition alleged that Communist-influenced textbooks were adopted and used in the classrooms of our schools; that communism was taught and its philosophy encouraged in classroom courses of studies in many of our schools throughout the country. The allegations of the petition were generally discussed by the committee in the presence of the investigating staff. The discussion on the petition and its subject matter closed and immediately another matter was discussed without any action whatsoever being taken on the petition or the investigation therein requested. No decision nor investigation of any kind was authorized by the committee.

However, the zeal of the staff of investigators was aroused, and they on a day thereafter selected at random a list of schools in different locations throughout the country, and they mailed a letter to the school officials requesting a list of the textbooks and supplementary reading—with names of authors, in use in our educational institutions throughout the country. The chairman's name, JOHN S. WOOD, was stamped or signed on these letters by the investigating staff, but such action by the committee staff was not authorized or directed by the chairman nor any member of the committee, and neither did the chairman, Mr. WOOD, nor any other member of the committee have any knowledge of the letters whatsoever until after they were mailed and received by the school officials. Even so, our chairman, Mr. WOOD, being a southerner from Georgia, and possessing the heritage of a deep sense of personal loyalty, fidelity, and chivalry, so traditional in the South, assumed full and sole responsibility for the letters and instead of disclaiming the letters which were mailed by the staff to the schools, he, in order to protect the committee's staff members, dictated a supplementary letter to each of the schools explaining that the letters were not sent in a spirit of investigation nor intended to interfere with the academic freedom of our educational institutions and that the letters should not be construed as having the slightest unfavorable accusation against any of the schools to which they were mailed.

I do not condone Congressman WOOD's courageous protection of the committee's employees. I do admire him for his loyalty and fidelity in protecting the committee employees responsible for the letters, but in fairness to himself and the committee the foregoing facts concerning the letters should be published.

In the last Tuesday, June 21, issue of the Washington Post, on the front page, there is an article headlined "GOP committee disavow any part in textbook probe." The Republican members of the committee prepared and issued a signed statement for publication requesting the committee to drop all proceedings in this matter forthwith. This published article quoted the Republican members of the committee as having said that the proposed inquiry was begun at the request of some of the Democratic members and without the knowledge or approval of the Republican members, and further stated that the committee should center its efforts on weeding out Communists in the Federal Government. That statement by the Republican members of the committee is grossly false and amounts to cheap political chicanery in its lowest form.

What does the record of the Republican dominated Committee on Un-American Activities of the Eightieth Congress reveal? I hold in my hand a pamphlet entitled "Communism and Education," which was published and distributed by that committee, while under the control of the Republican majority. Some of the members are still on the committee. On page 4 of the pamphlet there appears the following numbered question and answers:

20. Just what makes up the "school system" in America which the Communists want?

There are about 201,100 schools in this country listed by the United States Office of Education. They teach some 31,880,000 students everything from cooking to atomic physics.

Our schools range from public to private to church ownership, and from kindergartens to colleges.

Add to these the thousands of commercial, music, drama, art, business, and trade schools not counted in the list above.

Add the research centers, textbooks houses, teachers' unions, school supply companies, the National Education Association, and its affiliates.

Each and every one would be wrecked and the pieces taken over.

On page 7 you will find the following numbered question and answer:

42. Are there many Communist fronts and fellow travelers in the United States school system?

There are, and they are a deadly danger.

We find the following questions and answers on pages 8 and 9 of the pamphlet:

48. Do they meddle in student activities?

Says Dr. Gideonse: "Perhaps the most effective tactic they employ, however, is their practice of espousing popular causes and protesting militantly against anything which they can make appear as unfair practice, exploitation, or discrimination."

49. Do the students know what they're getting into, when they go to these things?

Hardly ever. They go for the fun and excitement, usually, but then the loops and the snares go out and catch all too many.

50. What happens to them, then?

The girl or boy who falls under Communist influence is in danger of losing his whole future as an independent American citizen.

The same applies for teachers or anybody else.

And on page 13 of the pamphlet the questions and answers are as follows:

70. Does all that come out in Communist-influenced textbooks?

It does not. Instead, the authors deliberately falsify facts to support the fiction that the Communist experiment has been a grand and glorious success in the U. S. S. R.

71. Do these books teach lies about this country too?

Yes. For example, some give students the idea that our country is hopelessly ridden with economic evils.

73. What's biting these textbook writers, then?

Communism. Whoever is touched with communism loses his sense of truth as we know it.

74. How else have American Communists dug into the United States school system?

Besides active teaching in public schools, private schools, and church school, from kindergartens to colleges, they run some schools outright.

75. You mean there are actually Communist schools in this country?

Yes.

In spite of the above-quoted shocking charges made in this pamphlet which was printed and distributed by the Republican Committee on Un-American Activities, they now say that proceedings to investigate the charges should be dropped forthwith.

The unauthorized letters written by the investigating staff of the committee was an improper and unfortunate procedure of investigation, and I wholeheartedly concur with the statements made by the distinguished gentleman from Ohio [Mr. HAYS] when he contends the committee should exercise a most rigid control and supervision over the activities of the investigating staff serving the committee. I, also, firmly believe that if and wherever communism is taught and encouraged in our schools it should be exposed. However, liberal philosophy and teaching should not be

confused with communism and if any investigation is undertaken, it should be strictly conducted in accordance to a plan and procedure which will not embarass educators nor interfere with the academic freedom of our educational institutions.

I favor and support the Democratic administration's European recovery program and the expenditure of American money and resources to prevent the spread of communism and its influence throughout the world, and I, also, believe that the American people, the taxpayer, the American mothers and fathers of our country should be informed and know whether or not our educational institutions are being infiltrated with Communistic teachings detrimental to our form of Government and democratic way of life.

What is your opinion and what would you do if you were assigned to a duty as a member of the Committee on Un-American Activities?

Resolution of Waterbury Lithuanian-American Council

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. PATTERSON. Mr. Speaker, we who are born free cannot at times visualize the terror of our less fortunate contemporaries who have found a haven here in America from despots abroad. This is particularly true in the case of our Lithuanian friends who feel strongly for their loved ones, who have for 9 years borne the yoke of Soviet oppression.

Americans of Lithuanian descent have not yet lost faith, and still retain the hope that our great Nation will lead in reinstating liberty and freedom in their native land. I join with them in calling for strong measures to assure that Lithuania, a land of democratic people, be assisted in every manner to regain its cherished freedom.

A resolution adopted by the Waterbury Lithuanian-American Council on June 18, 1949, follows:

WATERBURY LITHUANIAN-AMERICAN COUNCIL,
Waterbury, Conn., June 20, 1949.

Hon. JAMES T. PATTERSON,
House Office Building,
Washington, D. C.

DEAR MR. PATTERSON: Resolution duly voted at a mass meeting held the 18th day of June 1949 at St. Joseph's Auditorium in the city of Waterbury, Conn., under the auspices of the Lithuanian-American Council of Societies:

"Citizens of Waterbury, observing the sad ninth anniversary of the annihilation of freedom of the Baltic States by Hitler's Russian ally and the eighth anniversary of the institution by Russia of the horrible crime of genocide through mass murders and deportations of the indigenous population of Lithuania, Latvia, and Estonia, vehemently condemn the conspiracy of silence evident in United Nations circles, and demand that the Senators and Representatives of Connecticut in Congress of the United States exert public efforts to induce the Government of the United States to champion the cause of freedom and to honor its solemnly assumed joint obligation in the Crimean declaration to liberated European peoples to restore sovereignty, self-government, and democratic form of government to the peoples of Estonia, Latvia, Lithuania, Poland, and other liberated European countries."

ALEXANDER ALEKSIS,
Chairman.
Miss MARCELLE ANDRIKIS,
Corresponding Secretary.

Macclesfield, N. C.

REMARKS
OF
HON. JOHN H. KERR
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. KERR. Mr. Speaker, the leaders of our Nation and the world who are fighting the threat of communism at home and abroad would do well to pause and observe the example of the people of Macclesfield, N. C. The people of this community, led by the Woman's Club, have banded together to improve their town and make it a better place in which to live. In the recent More Beautiful America competition, sponsored by a national magazine, this North Carolina town triumphed over other towns and cities many times its size by reason of the improvements they had made. The citizens of this community deserve every congratulation for these efforts. Here is an example of democracy at work and these fine people have given to the world an outstanding example of a way to make democracy live and an answer to the threat of communism.

I include in my remarks an item appearing in the June 26, 1949, issue of the News and Observer, Raleigh, N. C.:

EDGECOMBE TOWN HONORED FOR TASK—MACCLESFIELD GETS PLAQUE FOR AMERICA'S BEST COMMUNITY FACE-LIFTING

(By Simmons Fentress)

MACCLESFIELD, June 25.—This tiny Edgecombe town reaped the honors today for America's best job of community face-lifting.

Its 367 residents, and especially its 29 Woman's Club members, gathered in the reward for the Miracle of Macclesfield, an arduous job of community improvement that beat anything in the Nation.

The reward came in the form of a bronze plaque from Better Homes and Gardens magazine, whose More Beautiful America competition was won by the hard-working women of this quiet village. More concrete recognition came 2 months ago in a $2,000 check from the magazine, the top award in the national beautification sweepstakes.

Editor Frank McDonough was on hand today to make the award for Better Homes and Gardens. Plaudits also came from the White House in a telegram from President Truman. State Auditor Henry Bridges, representing Governor Scott, and a host of county and district officials added their words of praise.

Macclesfield's accomplishment was a community job that began in March, 1947. To win its $2,000 award, the Woman's Club launched a campaign that eventually brought the complete remodeling of five homes, the repainting of 11 and landscaping of 10. It brought the town a neat new post office, a rebuilt community house, modernized store buildings, new awnings to replace rusted tin, an ambitious plan of debris removal and a sewer system.

BEGAN IN 1947

When a handful of women began pushing things early in 1947, Macclesfield didn't have a usable public building. It didn't have a civic club to sponsor any improvement campaign until Mrs. J. E. Wright, wife of the town's only physician, undertook to organize one. With Mrs. Wright as the guiding force, the Macclesfield Woman's Club was born. Once it was organized, it started swinging right and left for the improvement of a community that even its residents admitted was probably the worst looking in the State.

When visitors surveyed the results today, they found them amazing, almost as amazing as the idea that a town of 367 could win top honors over such places as Portland, Oreg., Cleveland, Ohio, and Norwich, Conn.

WHY THEY WON

Editor McDonough had the explanation. "You won because so many of you participated, because you did your painting, the planting, the tearing down, the rebuilding with your own hands," he told the town this morning as he awarded the plaque to Mrs. Wright. "You won," he continued, "because you did so many things—the community house, the water mains and sewers, the new awnings and store fronts, the home remodelings, the ball park, the general clean-up. No other town did anywhere near so many things."

As Mrs. Wright took the plaque, the other 28 Woman's Club members beamed from the front rows of the small high-school auditorium. She deserved to be the official recipient, they said later, because the whole thing was her idea. She was the one who had started the "Miracle of Macclesfield" on its way.

One-half of the town's $2,000 reward came for winning in the class of towns under 10,000 population. The second half was the big award, the one that went to the winner of the national sweepstakes.

Macclesfield had the prizes safely tucked away today, but its beauty-consciousness is still producing results. With the presentation only 30 minutes away, painters still were busy on the home of A. B. Felton on the village's main street. Others had projects under way; still others have them in the planning stage. The Woman's Club already has spent most of its $2,000 on further improvement at the sprawling community center, which even now would be a prize asset of a community 20 times this size.

GENERAL HOLIDAY

Today banners flew from the town's clean streets. Merchants closed their stores and headed for the high-school ceremonies. Picnic lunches were spread on the campus and visitors were taken for quick tours of the town. Red-lettered signs with "Stop Here" messages marked the major points of improvement. In the afternoon, the crowd filed to the ball park for nine innings of baseball. The park was a big stopping point on the tour. It was one of the Woman's Club's top-improvement projects. Two years ago it was little more than a cow pasture.

Macclesfield was proud of itself today and prouder of its women. Its residents nodded approvingly as Editor McDonough told them that the important thing is that Macclesfield, "and all the other cities which entered, can hold their heads higher. They are ready to receive visitors more heartily than ever before. * * * Citizens all over the Nation are thinking that if your community can become an attractive town instead of a collection of down-at-the-heel buildings and roads, then they can do it too."

It was 27 months ago when Mrs. Wright picked up her copy of Better Homes and read the America Needs a Bath article which announced the beautification contest. She had an idea in terms of Macclesfield. Soon, four of her friends—Mrs. C. S. Winstead, Mrs. G. W. Peebles, Mrs. D. L. Felton, and Mrs. Roy Phillips—heard her suggestion and approved. The handful set out to convert others and to organize a woman's club for the town.

They did just that on April 5, 1947, at the Wright home. Thirteen members were there when they voted to enter the magazine's contest. The charter members were Mrs. Wright, Mrs. N. T. Parker, Mrs. C. L. Harrell, Jr., Mrs. Peebles, Mrs. R. M. Lewis, Mrs. V. E. Lewis, Mrs. Max Harrell, Mrs. Graham H'gh, Mrs. Roy Eason, Mrs. Phillips, Mrs. E. G. Narron, Mrs. Laura Phillips, and Mrs. C. P. Webb.

COMMUNITY PROJECT

A month later work began. The club had 35 members. It was a long hard job. Suppers were held to raise money. Merchants were talked into spending to improve their places. Contributions as big as $25 began coming in as town people began to realize the possibilities of what was to become the Macclesfield miracle.

There were home-improvement contests, and paint brushes began moving all over town. Mrs. Dorothy Webb and Mrs. Roy Phillips won top prizes for converting unsightly homes into pleasant living quarters. The town's Negroes were interested and they started work, too. Ditches were filled, and work started on the old community house. It took a square dance, a baby contest, and a bridge tournament to raise the needed money. There was a brunswick stew and turkey and cake sales. At the end of the first year, they had scraped together $745.

Last February, the club learned that the $2,000 was headed toward Macclesfield. Better Homes staffers came down in April to gather facts on the big undertaking. They are published, with numerous illustrations, in the July issue of the magazine.

CONGRATULATIONS

The town took special pride in four of its for the award, and they wanted Senator FRANK GRAHAM and their Congressman, Representative JOHN KERR. None could come, but Truman wired his praise anyway. "This seems to be another case of David putting down Goliath," read the White House w're.

The big day came to a close in the evening with movies at the ball park. They included face-lifting scenes shot in Macclesfield.

The town took special pride in four of its visitors today. They were former residents of Macclesfield, England, a town of 35,000 from which this village took its name. Mr. and Mrs. Walter Abrahams and Mr. and Mrs. Horace Lovekin, the visting four, live now in Holyoke, Mass. They came down to see what little Macclesfield had done.

British Deal With Argentina Shows Selfishness and Ingratitude to United States

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. MULTER. Mr. Speaker, I have on many previous occasions directed the attention of my colleagues to the fact that while we are going out of our way to help Great Britain rehabilitate her war-torn economy she has been doing her best to undermine our trade relations with other countries.

The following editorial which appeared in the Brooklyn Eagle of June 26 further substantiates what I have been saying:

BRITISH DEAL WITH ARGENTINA SHOWS SELFISHNESS AND INGRATITUDE TO UNITED STATES

Great Britain has been free and generous in recognizing the value of economic aid from the United States as a factor in her progress toward recovery. Life in Britain, it is true, remains close to the austerity basis but improvement has been constant and conditions on the whole are somewhat easier than they have been since the war. In Britain, as in France, Italy, and the other countries of western Europe, Marshall-plan aid has been a major factor in the change for the better. Prime Minister Attlee, Mr. Bevin, and other leaders of the Labor government have conceded this to be the case.

One of the principles of the European recovery program is that of unity in the efforts to advance a common cause, of practical cooperation in helping all of the participating nations. Mr. Attlee's government has shown a callous disregard of this principle in entering into a unilateral trade agreement with Argentina, an agreement which benefits only the principals involved and which places the United States, from which Britain has drawn the economic sustenance which has held it together, at a serious disadvantage.

Under the terms of this agreement, as it is interpreted by Washington, Britain over the next 5 years will exchange machinery for Argentine beef. The arrangement virtually excludes the United States from the Argentine market for machinery and reduces American agricultural exports to Britain.

Insofar as Britain is concerned, the spirit which this agreement reflects is one of selfishness and ingratitude. Its implications, in fact, are even worse. In the opinion of Economic Recovery Administrator Hoffman, "that kind of trading," if extended, could do infinite harm to the Marshall plan, making it ineffective at a time when so much depends upon its success.

In entering into this agreement with Argentina, the Labor government has shown a mean side. It is eager to grasp the benefits of the Marshall plan and also to reap whatever advantages may be gained by undermining the program. This is not an admirable course of action. Americans cannot be blamed if they are resentful and even angry.

The Portsmouth Naval Base

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. MERROW. Mr. Speaker, the United States Naval Base, Portsmouth, N. H., which has made a most enviable reputation in the construction of submarines for the United States Navy, is located on the islands at the mouth of the Piscataqua River. The major islands in the group include Seavey, Wood, Newcastle, Badgers, Marvin, Goats, Fishing, Squash, Pumpkin, Nobles, Pierce's, Little, Clark's, Jamaica, Gerrish, Cedar, Star, White, Lunging, Duck, Appledore, and Haley's, also called Smuttynose.

The maritime history of these islands had its inception with their discovery in 1603 by Martin Pring, an English explorer sailing for a group of Bristol merchants. The islands and the shipyard play a prominent and outstanding role in the naval history of the United States. From the time of their discovery, 3½ centuries ago, to the recent completion of the newest radar-studded picket submarines, they have made a continuing contribution to the strength of our Navy. Probably there are no tracts of land of equal size which have furnished so much to the material resources behind the United States Navy.

The islands on which the United States naval base is built were formerly used extensively by fishermen who stopped in the well-protected Piscataqua River to dry their fish and to repair their nets. They were first called the Puddington Islands in honor of a prominent fisherman. In 1794, one of the islands was sold to William Dennett, of Kittery, Maine, for the sum of £500.

EARLY SHIPBUILDING

The value of the Portsmouth area was early recognized because of the rich supply of excellent shipbuilding timbers available in practically unlimited quantities. Ship construction in this section soon grew into an extensive industry. Many merchant and fishing craft were constructed previously to the building of naval vessels. The first man of war was the *Falkland*, a 54-gun ship which was completed in 1694. This was the first vessel built in the new world for the Royal Navy.

When war broke out between England and the American Colonies in 1775, Portsmouth had already succeeded in establishing a wide reputation and had acquired extensive experience in shipbuilding. It was therefore chosen to construct ships for the Continental Navy. The first ship of its type—the *Raleigh*—was made by a private firm on what is now known as Badger's Island. Only 1 year after this in May 1777, John Paul Jones became commander of the famous *Ranger* which was launched from the same ways on which the *Raleigh* was built.

NAVY YARD ESTABLISHED

In the latter part of the eighteenth century there were no regular shore plants for the Navy. The Navy was administered by a commission appointed by the Congress under supervision of the Secretary of War. In April 1798 the Navy became a distinct and separate branch of the military service. Benjamine Stoddart, the first Secretary of the Navy, was much interested in establishing Government-owned shipbuilding yards. Because Portsmouth had been successful in constructing the *Raleigh* and the *Ranger*, this area was given immediate and favorable consideration. Dennett's Island was purchased in 1800 and the Portsmouth Navy Yard was established.

FROM 1812 TO THE CIVIL WAR

From 1812 to the Civil War in 1861 the Portsmouth shipyard experienced gradual but continual development. The

temporary wooden buildings were replaced by permanent construction of brick. In 1851 a floating drydock capable of handling ships up to 5,000 tons was commissioned and continued in operation until 1907. At this time the work of the dock was taken over by a graving dock which was completed in the gut between Dennett's and Seavey's Islands. The latter was purchased in 1864. The material removed to construct the graving dock was used as a fill to join these two pieces of land. At the present time the Portsmouth naval shipyard sprawls across both islands.

The Civil War brought increased activity to the Portsmouth yard. The largest ship in the Navy during the War of the Rebellion, the steel frigate, *Franklin*, was constructed in the new ship house. At the start of the Civil War appropriations were immediately increased and the Navy once again came into its own. The yard became alive with workmen, and its piers were crowded with ships. The increased activity is shown in the number of workmen employed at the yard. In the year 1864 from 1,400 to 2,500 mechanics and laborers were on the rolls. The memory of the heroic acts of the Navy during the war between the North and South grew dim as time passed, and again interest in the navy yard took a decided and precipitous slump.

CIVIL WAR TO 1900

Following the War Between the States appropriations decreased annually and the Portsmouth yard was almost deserted. Only 71 men were employed in 1877. Interest, however, soon returned and in 1878, more money was allotted to Portsmouth than in the previous 5 years. This allowed a few ships to be repaired that year and provided additional improvements for the yard. The question of telephonic communication with the city of Portsmouth was considered and by 1882 lines were run between the yard and the city.

The renewed interest in the navy yard was of short duration as a board was appointed by Congress in 1883 to consider closing some of the naval establishments. In the board's report relative to the Portsmouth Yard, it was stated, "That it must be closed whenever the necessity for repairs of wooden ships ceases." Appropriations for maintenance of the yard were subsequently reduced over a period of several years.

Portsmouth again came into prominence when the Greely relief expedition arrived in August 1884. The ships consisted of the *Thetis*—Commander W. T. Schley—the *Alert*—Commander G. W. Coffin—and the *Bear*—Lt. W. H. Emory. Lt. A. W. Greely, United States Army, and five other survivors, with the bodies of 12 men of the expedition who had died in the Arctic, were landed at the yard. Lieutenant Greely occupied house R until October 8, 1884.

Because of reduced funds very little was accomplished by way of yard improvements until 1890. Disregarding the recommendation of the board to close the Portsmouth yard when the need for repairs on wooden ships ceased, Congress granted money for tools and machinery to be used in repairing iron and steel ships. This increase in appropriations again brought activity. When the Spanish-American War began the yard was well prepared to handle ship repairs and consequently received a large share of this work.

RUSSO-JAPANESE PEACE CONFERENCE

The Portsmouth yard achieved international prominence and was given wide publicity when the new supply building—building 86—was selected by President Theodore Roosevelt as the council chamber for the discussion of the peace terms settling the war between Russia and Japan. The peace treaty was signed here on September 5, 1905.

WORLD WAR I

During World War I the importance of submarines in naval warfare rapidly increased. At this time construction of underwater craft began in Portsmouth. Prior to the outbreak of World War I the monopoly of submarine construction in the United States was controlled by two private companies in Connecticut—the Electric Boat Co. of Groton, and the Lake Torpedo Boat Co. of Bridgeport.

Portsmouth soon acquired the status of a submarine specialty yard and was made the home base for all submarines stationed on the Atlantic Coast. It was the construction yard for seven boats whose keels were laid between March 1917 and October 1918. In addition to the production of submarines and the repair work on underwater craft many surface ships were assigned for overhauling. During World War I three new submarines were launched—the *L–3* on April 23, 1917; the *O–1* on July 3, 1918, and the *S–3* on December 21, 1918.

WORLD WAR II

From 1921 to 1940 the yard carried on a submarine building program which averaged approximately one a year. Even with this modest program there was continuous development in improved methods of production. The small design and construction forces were an important development during this period. As a result of the work accomplished in the 1920's and the 1930's Portsmouth, at the beginning of World War II, was in a position to expand its facilities and increase submarine building to an unprecedented level. The 27 years of successful submarine construction prior to the Second World War produced the skill and the craftsmen necessary for turning out underwater craft in mass production.

The total number of submarines manufactured in the United States from 1941 to 1945 inclusive was 214. To this vast undersea fleet whose effect on the Pacific phase of the Second World War is so well known, the Portsmouth Navy Yard alone made the impressive contribution of 79 submarines. Thus 37 percent of all United States submarines built during the last war are credited to Portsmouth. In the yard's record year, 1944, 32 were completed. The building time was reduced from 469 calendar days in 1941 to 173 calendar days in 1944.

So rapid has been the development of the Portsmouth Navy Yard in submarine construction that it has achieved national prominence in this field. It serves as the main design headquarters for submarines. This includes the increase of hull strength or maximum depth for submergence; additional of several types of radar; a change to direct drive with slow speed motors instead of noise-producing reduction gears; addition of considerable sonar equipment; equipment capable of withstanding the shock of depth-charges; sound isolation methods to minimize noise transmitted through the hull by auxiliary machinery and electrical units; and many other types of work.

OTHER SUBMARINE YARDS

The other submarine construction yards in the country include the Naval Shipyard, Mare Island, and the Electric Boat Co., Groton, Conn. During World War II the Manitowoc Shipbuilding Co. of Manitowoc, Wis., and the Cramp Shipbuilding Co. of Philadelphia, Pa., contracted to build submarines. Toward the end of the war the Boston Naval Shipyard and the Philadelphia Naval Shipyard were given submarine construction work which they are now completing.

COMPONENTS OF THE UNITED STATES NAVAL BASE

On the first of December 1945 the Portsmouth Navy Yard became the Portsmouth Naval Shipyard and a component of the United States Naval Base at Portsmouth. The base includes and integrates the naval shore activities in the Portsmouth area as prescribed by the Chief of Naval Operations. The components are the Portsmouth Navy Yard, the Disbursing Office, the Naval Hospital, Marine barracks, the commissary store and the Naval disciplinary barracks.

PORTSMOUTH NAVAL SHIPYARD

The Portsmouth Naval Shipyard is under the management control of the Chief of the Bureau of Ships and under the technical control of the cognizant departmental agencies. The tasks are—to perform necessary and authorized work in connection with building, repairing, overhauling, docking, altering, converting, and outfitting ships and related and special manufacturing work and necessary storage; to carry on authorized work in connection with building, altering, and maintaining shore electronic activities in the First Naval District and to conduct research, development, and test work as assigned.

It is of great interest to note that all standard electrical fittings for the Navy are manufactured at Portsmouth. In addition the electrical manufacturing shop produces much of the special electrical equipment for the submarines under construction and overhaul.

DISBURSING OFFICE

The United States Navy Accounts Disbursing Office is under the management and technical control of the Bureau of Supplies and Accounts. The work of this office is to provide all services relating to pay and accounts of naval personnel of the base and the crews of vessels not carrying a disbursing officer while present at the naval base. It issues transportation for officers, enlisted men, and civilian employees transferred under orders,

and when so authorized, to the families of naval and civilian personnel.

NAVAL HOSPITAL

The United States Naval Hospital is under the management and technical control of the Bureau of Medicine and Surgery. It provides all medical and associated facilities of a hosptial; fleet surgical, medical, and dental services; hospitalization for naval personnel as required by operating forces and naval activities in the Portsmouth area; medical care and hospitalization for dependents of naval personnel in this area; medical care as directed for veterans of the armed forces; and medical care as directed for the Federal Security Agency, Bureau of Employees Compensation patients.

MARINE BARRACKS

The United States Marine Barracks, Portsmouth, is under the management control of the commander, naval base, Portmouth, N. H., and under the technical control of the Commandant, United States Marine Corps. The barracks furnish sentinels and armed guards as required for the security and enforcement of law and order within the naval base.

THE COMMISSARY

The commissary store, United States Naval Base, Portsmouth, N. H., is under the management and technical control of the Bureau of Supplies and Accounts. The commissary operates in accordance with Navy regulations and has facilities to provide for 1,800 families of service personnel on active duty, retired personnel, and widows of service personnel.

NAVAL DISCIPLINARY BARRACKS

In 1903 a naval prison was established on board the U. S. S. *Southery*, a prison ship anchored at the back channel pier. In 1908 the present prison was commissioned under the supervision and control of the Judge Advocate General of the Navy. This is one of the two naval prisons in the United States. On the 5th of June 1946 the naval prison was redesignated as the naval disciplinary barracks. It is under the technical control of the Bureau of Naval Personnel and a component activity under the military command and coordination control of the commander, United States Naval Base, Portsmouth.

THE SQUALUS

No account of the United States Naval Base at Portsmouth would be complete without recalling the now-famous *Squalus*. The 8-year history of this submarine was initiated on October 19, 1937, when the keel was laid. The *Squalus* was launched in 1938. In March 1939 the Navy announced the commissioning of the submarine. Two months later the *Squalus* figured in one of the few peacetime tragedies of naval history. On May 23, 1939, this submarine was operating off the Isles of Shoals. The expected surfacing report was about 1 hour overdue. The failure to communicate with the submarine produced alarm.

The U. S. S. *Sculpin*, due to leave for Newport, was ordered to pass through the *Squalus* operating areas in an attempt to make contact with her. The *Sculpin* sighted the red smoke bomb fired from the disabled craft. Fifty-nine men, including three civilians who were assisting in preparation for sea trials, were trapped in the submarine. The Navy employed every available resource to save these men. The U. S. S. *Falcon* rushed from New London to the scene of the tragedy. It carried the famous diving bell which meant the difference between life and death for 33 survivors. Technicians, divers, and engineers came by plane from Washington.

The Navy finally decided that the *Squalus* ould be worth salvaging. For 3½ months the Navy struggled to lift the craft from the bottom of the ocean. Several times workers almost succeeded and each time they were foiled. In September 1939 shortly after the outbreak of World War II, the *Squalus* was raised from 40 fathoms and came to rest in the navy yard drydock. Six months later Portsmouth recommissioned the U. S. S. *Squalus* as the U. S. S. *Sailfish*. The new-born *Sailfish* sailed to join the Pacific Fleet on January 16, 1941.

The *Sailfish* has 12 war patrols to her credit, 9 of them successful. She sunk or damaged 20 Japanese ships, 8 of them warships, including 2 carriers, 4 destroyers, and 1 submarine. She survived relentless depth charging by the enemy, a bomb hit from a Japanese seaplane, and an uncompensated trim dive with a dozen new torpedoes aboard.

Now the *Sailfish* is home at the Portsmouth Naval Shipyard where her conning tower is appropriately mounted on the Mall to serve as a memorial to all the men of the United States Submarine Force.

PRINCIPAL DESIGN YARD

Since the earliest experience in the construction of underwater craft the yard has continued to acquire knowledge and gain experience in the designing, in the constructing, and in the repairing of submarines. Today it is recognized as the principal submarine design yard as well as the east coast center for the construction and conversion of submarines. The submarine design history of Portsmouth began in 1914 when plans were begun for the *L–8*, the keel of which was laid in 1915.

Now the most modern submarines are being built in Portsmouth. The keel for the U. S. S. *Tang* was laid April 18, 1949. The *Wahoo* and the *Gudgeon* are under contract for construction. Portsmouth produced the first United States snorkel submarine, the first guppies, and the first radar picket submarine. At the present time there are five submarines undergoing overhaul, one submarine for reserve training, and one PCE, also for reserve training. Portsmouth is currently engaged in designing and building an entirely new type of high-speed underwater craft.

EMPLOYMENT

The peak of employment during World War I was in October 1918 when 5,723 employees were on the rolls. During World War II, the peak of employment was reached in December 1943 when 20,466 were employed at the navy yard. Currently there are over 5,000 employees at the naval base.

BASE FACILITIES

The base has facilities to build, overhaul, or construct submarines and small surface-type ships, such as oceangoing tugs, submarine rescue vessels, Coast Guard craft, and patrol vessels. It has the equipment to overhaul medium-sized surface ships, such as submarine tenders, destroyers, LST's, cruisers—turrets cannot be handled because available crane facilities limit lifts to 50 tons—and oilers.

Were it to concentrate solely on repair work the base with its present facilities and manpower could overhaul 10 submarines simultaneously. The overhaul of each would require about 3 months. The base has equipment and plant facilities for utilizing three or four times the present number of workmen. Under conditions existing during World War II, with personnel and appropriations available, it had facilities to build 42 submarines a year without any repair work going on at that time; or to build 20 new submarines while 12 were under overhaul.

THE FUTURE

The naval base at Portsmouth will play a significant part in future United States naval history. It will continue to make an outstanding contribution in the design and construction of submarines. It is vitally essential to the welfare of the country that the Portsmouth base be maintained on an adequately active status so that the necessary skill will be developed and the craftsmen will be trained for the rapid construction of underwater craft to meet any future emergency. From the first use of underwater craft, this base has excelled in highly specialized submarine craftsmen.

The submarine will perform an essential role in any future conflict both as an antisubmarine instrument and as a weapon for the destruction of enemy shipping. United States control of the shipping lanes on the high seas will make it impossible for any power to invade this continent and in the event of another war will extend our ability to strike and at the same time will enable us to aid our allies.

If we possess an adequate submarine fleet any power contemplating the initiation of a future conflict or the precipitation of aggression will give long consideration before deciding to move against us. With proper submarine protection a potential enemy will be faced with the impossibility of employing their own submarines to destroy our shipping and with the impossibility of carrying on shipping for the purpose of making war upon us.

Submarines constitute a most vital part in our program of defense. The history of the Portsmouth Navy Yard, now the United States Naval Base, is one of which the Nation can be justly proud. It has made an outstanding contribution to the superb power and the superiority of the United States Navy. In the future the naval base at Portsmouth will continue as it has in the past to serve as a sinew of tremendous strength to the Navy. It is a decisive factor in guaranteeing the security of the United States.

Yeshiva's Progress

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. MULTER. Mr. Speaker, I am happy to call to the attention of my colleagues who are interested in education the following article which appeared in the New York Herald Tribune of June 26, 1949. It tells a graphic story of the history of Yeshiva University of New York.

YESHIVA'S PROGRESS—JEWISH-SPONSORED UNIVERSITY ENTERS NEW PHASE OF EXPANSION

(By William G. Avirett, education editor)

Yeshiva University, first American university established under Jewish auspices, wound up an 8-day program last Sunday with a dinner at the Waldorf-Astoria, at which Vice President ALBEN W. BARKLEY was a guest of honor.

The occasion marked a successful conclusion to the first phase in the university's expansion and a dedication to the needs of the second phase. In particular, the dinner celebrated the twenty-first birthday of Yeshiva's undergraduate college and the formal launching of plans for a medical school.

If all goes well, the new medical school will open in 1952, with accommodations for 100 students at the outset and for a larger number later. In anticipation, premedical courses were begun at the undergraduate level last fall. Although under Jewish auspices, the school will be nonsectarian.

In addition to the medical school, plans for the second phase include an institute for adult education and provision for graduate studies in mathematics. The work of the present department of mathematics in Yeshiva College, headed by Prof. Jekuthiel Ginsburg, has already won recognition.

According to Dr. Samuel Belkin, president of the university, a main objective of the second phase is to broaden the scope of our program in the sciences and humanities." Enrollment is expected to increase gradually from the present level of 1,500 students to 5,000, but Dr. Belkin is not interested in expansion merely for the sake of bigness and hopes that enrollment can be kept from rising above 5,000.

Most recent development in the university's physical expansion was the dedication of four new buildings on the upper Manhattan campus; a science hall, graduate hall, dormitory, and the Pollack Graduate Library. Louis A. Johnson, Secretary of Defense, was the principal speaker at the ceremony, which was the opening event of the university's week of dedication.

The first two of the new buildings are modest two-story structures erected with Federal and State aid. Between them is the library, a happy conversion of a former public utility plant from one type of powerhouse to another. All four are on Amsterdam Avenue, between One Hundred Eighty-fifth and One Hundred Eighty-sixth Streets, a block south of the $2,500,000 main building of the university.

Other events of the week were an educational conference and the annual commencement exercises, at which Dr. James B. Conant, president of Harvard, and recipient of an honorary doctorate of laws from Yeshiva, defined American strength as a "unity based on diversity and on tolerance of difference of opinion."

A high spot of commencement was the singing of the Israeli hymn, Hatikvah (The Hope), by the audience. Similarly, an outstanding feature of the Waldorf dinner was the liturgical solo of Cantor Moshe Kousevitsky.

Music of this quality, unfamiliar to many western ears, served as an avenue of understanding to the East. It conformed to the Yeshiva purpose as defined by Dr. Belkin: to aid in creating "a harmonious blending between the cultural heritage of our American democracy and the ancient spiritual traditions of Israel."

"Yeshiva" is the traditional term for a center of higher Jewish learning based on the Talmud, the 36 books of Jewish civil and canonical law. The first American institution of this type, from which the present university springs, was established here in 1897 as a theological seminary named in honor of Rabbi Isaac Elchanan, of Kovno, Lithuania.

Growth of the Yeshiva has been steady. In 1915 an elementary school, Eitz Chaim, was merged with the seminary and in 1919 the Talmudical Academy, first American high school under Jewish control, was approved by the New York State Board of Regents.

A teachers' institute, founded by the Mizrachi Organization of America, was absorbed 2 years later. Seven years after that, the undergraduate college opened. Then came the organization of a graduate school named for the late Dr. Bernard Revel, who had become president of the seminary in 1915 and had founded the college in 1928.

Four years ago Yeshiva was officially designated as a university, authorized to grant degrees from Bachelor of Arts through Doctor of Philosophy; it is now fully accredited. In the same year the Harry Fischel School for Jewish Studies was established. The final step of the "first phase" was the opening of a school of education and community administration last September.

Of this school, Dr. Jacob L. Hartstein, dean of the university's graduate schools, states: "It is important that our teachers and our community center leaders have an understanding of each other's problems. The bringing together of courses in education and in community administration in one school recognizes the growing need for closer cooperation between school and community."

Ohio Buckeye Boys' State

EXTENSION OF REMARKS
OF
HON. CLARENCE J. BROWN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. BROWN of Ohio. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the inaugural address of Gov. William I. Goettman, delivered at the ceremonies inaugurating him as governor of the Ohio Buckeye Boys' State on Monday evening, June 20, 1949:

Mr. President, members of the commission, citizens of Buckeye Boys' State, and guests, I am thrilled and humbled in being elected the thirteenth governor of this, the forty-ninth State of the Union—Buckeye Boys' State. Words cannot express my sincere and deep appreciation of the honor bestowed upon me, and it is my first intention to thank those men of my party, the Nationalists, its leaders, Chairman Dick Savage, and Keynote Speaker George Bach and its members throughout the State; also the Federalists, without whose support my victory would not have been possible. To all of you for your untiring efforts in my behalf, I am deeply indebted. I came to Buckeye Boys' State with the desire of running for governor. Ever since I have known of Buckeye Boys' State I have dreamed and hoped that I might by some kindness of fate be elected governor. Little did I know that my dream was to be fulfilled on this day. A dream made possible by loyal and true Americans who banded themselves into an organization, whose sole purpose is to protect and proclaim throughout the Nation, those rights and principles on which our democratic government is founded.

This organization, the American Legion, recognizing the continual influence of those who would destroy our way of life, our cherished institution of free enterprise and freedom of the press, have made it possible through this program to educate us in the principles of practical politics. To the commission, may I express the appreciation of all of us, including myself.

To you men, Nationalists and Federalists, all one in this program, may I express my appreciation to both of you. When one wins, one must lose—when one party is entrusted with the guidance of the responsibilities of this state, the other must be the minority. But as we all know, the very foundation on which our form of government is built, is the party system. A minority party is just as important as a major party, and even though it is not in control, it still plays a vitally important and extremely necessary part in our democratic government.

It is on this idea, the Nationalist Party formed one of the planks of its platform. On this platform, I intend to carry out, to the utmost of my ability, and I ask for the cooperation of my opponents. To my worthy opponent, Jack Feldman, may I thank him for the high quality and clean ethics which he used in the campaign. It was a challenge and an honor to have had him as my opposition. It is my intention to carry forth a progressive and energetic program in complete cooperation with the legislature. Only through this cooperation can such a program be enacted. I will do all in my power to see that such a united program will be carried out.

It will be a government of law and order; a government which will strive to encourage business, to adhere to the calls and problems of labor and management, and the needs of the people within this State. God grant us that we, the leaders of tomorrow, may be strong, loyal Americans. May our spirit ring out clear and firm as did that Liberty Bell in the year '1776. Again, as I have said, we can only live free in this wonderful America if we accept the obligations and responsibilities which go with free government. One of the best ways to fight diligently and intelligently the subversive activities is to be aware of these responsibilities which are ours and to express ourselves at the polls. May I say again, Buckeye Boys' State has made a splendid voting record. It is a challenge to us who live in a country where at present less than 60 percent of our citizens exercised their right to vote. Therefore, we can see that just as we today accepted our responsibilities by over 98 percent going to the polls, we must all work to the end that all Americans awaken to increasing their participation at the polls. But now, we at Boys' State have a great job ahead of us during the next few days, if we are to make our government a success, and one that will rank with the best in the Nation.

Let us therefore, tomorrow, take up our jobs with enthusiasm working through all branches of government, the city, the county, and the State; no one of which is more important than the others. Our time is short; but if we apply ourselves diligently, the job can and will be done. I pledge you my best, but I need each and every one of you. When this is over, I know that this thirteenth Buckeye Boys' State will not only be the best in the Nation, but the best Buckeye Boys' State that has been held. In doing this, we

can justify the faith of those who have made this possible.

So, that our job of tomorrow is to put these ideas and principles into actual practice—and to this end, majority and minority, we pledge ourselves.

Adequate Housing for the Underprivileged

EXTENSION OF REMARKS
OF
HON. GEORGE D. O'BRIEN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. O'BRIEN of Michigan. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution passed by the Wayne County Council of Amvets:

Whereas there is an urgent need for adequate housing for those persons who because of their economic status cannot nor ever will be able to purchase a home nor afford to rent decent living accommodations if they must be solely dependent upon their own earnings; and

Whereas the only means of making available decent housing for these people is by Government financing: Be it

Resolved, That the Wayne County Council of Amvets at their second annual convention hereby go on record as supporting a Government-financed public-housing program which will be exclusively for the clearance of existing slum and blighted metropolitan and rural areas, and the construction of new housing; and be it further

Resolved, That the State and national departments of Amvets adopt this slum-clearance housing program as one point in its over-all national housing program; and be it further

Resolved, That the Wayne County Council of Amvets support bill H. R. 4009.

Communist-Inspired Hysteria

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following article which appeared in the New York Herald Tribune of June 26, 1949:

COMMUNIST-INSPIRED HYSTERIA—WASHINGTON REACTION TOWARD RED MENACE CONTRASTED TO AVERAGE CITIZEN'S VIEW

(By Heptisax)

A few days ago, on a short jaunt into my native territory, I spent an evening with an extremely well read and thoughtful old friend, who charged me with being far too much occupied in my thoughts and writings with Soviet Russia. Just a week before I had faced the same charge in another group, and a third party had come to the rescue by exhibiting a New York newspaper of that date with the greater part of the front page devoted to relations with Russia, or to domestic problems traceable to Soviet policy. Strangely enough, my friend's wife came to my defense by exhibiting the front page of a local paper. There were the trial of the 11 Communist Party leaders, the Hiss trial, the Coplon trial, a report on the progress of conversations with Mr. Vishinsky in Paris, an interview with a general on the Berlin situation, and something about the budget, in which contemplation of military expenditures came up and led around to Soviet Russia again.

Every newspaper makes an effort to cater to various interests and to provide a mixed bill of fare on the editorial page; but on the front page the effort is to give the readers what most of them want. And there is certainly nothing in which most intelligent Americans take a livelier interest than they do in Soviet Russian policy and in its direct and indirect effect upon their own welfare and prospects. Also, it is very often, with very many people, an angry interest; and most of the time, with most of us, a subconsciously irritated interest.

Now this sometimes angry, and most of the time irritated, interest is what our native Stalinists, their apologists and their dupes describe as "hysteria." Many gentle souls are disturbed by that charge. But is there any justification for it? I cannot see it. Before an individual or a people gets hysterically angry, the person, or the mob or the nation, must get unreasonably and vociferously angry. But the anger of the American people is neither vociferous nor unreasonable. It is very well under control; for if it were not, genuinely hysterical persons would be leading demonstrations for war and the crowds in Foley Square would not be howling their abuse of a patient judge, but would be surging up against police lines to get at the defendants.

I have yet to read of a mass meeting in the United States in which resolutions in favor of a "preventive" World War III were adopted or even submitted. For every individual one meets who will confess to a feeling that war is inevitable, and that the quicker it comes the better (usually a working-class veteran who feels that we have been cheated out of a hard-won peace), one meets 10 who are stewing over the problem of winning Uncle Joe over to some sort of live-and-let-live arrangement, whether through kind words or pressure short of war. If there is any organization in this country bringing pressure on public opinion for war, I haven't heard of it. But there are very big organizations, quite apart from the party-line groups that clamor for peace a la Russe, and by no means pro-Soviet, which are so eagerly exploring the possibilities of lasting peace that their anxiety is almost pathetic. In short, hysterical anger against either the Stalinist empire or its fifth columnists here is virtually nonexistent in this country.

Furthermore, when we think of hysteria, as the word is popularly used, we think of a state of excitement, sometimes angry or resentful, sometimes not, which is unreasonable and unjustified. American resentment of Soviet policy and its effects upon our affairs is by no means hysterical in its manifestations, to begin with, and is by no means unjustified, in the second place. The average citizen, "the common man," alias "the man in the street," certainly does not entertain all the grudges against Soviet policy at home and abroad which a close student of Stalinism in action has. But he has at least three, and they are enough. The first is that which I have already attributed to the veteran particularly, but which is in some degree shared by all. We fought and worked and made heavy sacrifices and depleted our resources and rolled up a monumental debt burden to win much more than victory over Axis gangsterism. We thought we were paying heavy premiums on insurance against the recurrence of such a situation as Hitler and his mad colleagues created, without further need of investment in arma virumque. Out of that kind of peace we have been cheated by Soviet policy.

The second grudge is really an extension of the first. Not only have we been cheated out of a lasting peace, through unselfish and mutually tolerant international relations and the spiritual relaxation that should come with it, but, thanks to the Kremlin's clearly expressed ambition, by force of arms in some quarters, by subversion everywhere else, to reduce all humanity to a state serfdom for which there is no precedent in human history, we have this cold war. A few irresponsible neurotics, carrying guns at friction points, might turn it into a world holocaust any hour of any day. The third justified grudge, and perhaps the bitterest, is that of sustaining among us a fifth column of highly disciplined potential traitors, mostly American-born and educated, who are dedicated to body-and-soul service to such a ruthless, savagely policed despotism as neither Caligula, nor Tamerlane, nor Hassan ben Sabbah, grand master of the Assassins and greatest racketeer in human history hitherto, ever dreamed of. The power of Moscow to erect and direct on this American soil such a rattery, with such legally unchecked power to spread a moral typhus among us, is deemed humiliating by the man in the street.

If the reader thinks that an exaggeration let him study and consider the measures that are now being taken within the labor organizations to exterminate their red vermin. There is no hysteria there. There you have most reluctant action, because it breaks the labor front, resulting from long-engendered and long-restrained resentment against an un-American fifth column's effort to hitch American labor to Stalin's triumphal chariot.

All this my old friend and I discussed, agreeing, point by point, that the American attitude toward Stalinism rampant was not hysterical but was well justified and yet singularly restrained. We then came to what goes on in Washington about the Red menace and agreed that that is in an entirely different category. What you have there, whether from the Un-American Committee, as the leftists call it, or from the Attorney General, with his list of subversive organizations, proclaimed by ukase without charges or hearings before their proclamation, and by none worth mentioning after the United States Government is so committed, all appealing to a popular hysteria that does not exist, add up to the worst grudge that thoughtful Americans have against Stalin and company.

This remote gang, so fearful of the consequences of its own outrages against its own people that it has to use almost exactly ten thousand times the number of secret police that the Czars did, has forced us to violate our standards of free expression and fair play to the extent that an American Attorney General can blacklist me tomorrow as a subversive person (as I wish he would) and be under no obligation to tell me why. The Stalinists have never subverted our institutions to that extent and never will; but I hate them most because they have given an agency of the American Government an excuse for imitating their methods.

News and Views on Pending Postal Legislation

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address by George E. Ernenwein, president of the New York State Federation of

Post Office Clerks, over radio station WWRL on Wednesday, June 8, 1949:

Friends and fellow citizens, as president of the New York State Federation of Post Office Clerks, it gives me great pleasure to say a few words regarding pending postal legislation, and thereby at least partially acquaint you with these bills, and at the same time outline our reasons for desiring their enactment.

At present several measures of particular importance to postal workers are receiving congressional consideration. Senate committee hearings on military service credits and reclassification bills, S. 689 and S. 1772, were recently concluded.

House committee hearings on companion bills, H. R. 87 and H. R. 4495, both introduced by Congressman MILLER of California, are now in progress, and efforts are being made to secure favorable action by these committees as well as by both Houses of Congress prior to adjournment of the present session.

The Miller bill, H. R. 87, provides for the granting of credit to veterans of World War II, for service rendered in the armed forces, on the basis of 1 day's credit of 8 hours for each day served in military, and provides for said employee's promotion to the grade to which he would have progressed had his original appointment been to grade 1. It would also grant veterans who were in military or naval service on or before June 30, 1945, an advancement of four additional grades, as provided in Public Law 35, section 3, Eightieth Congress, upon advancement to a regular position.

We might mention that civil-service examinations were suspended during the wartime period, while these men were serving with the armed forces. For these reasons many of the employees in question were prevented from entering the postal service at an earlier date, and thus deprived of benefits to be gained thereby.

It is therefore apparent that these employees are being deprived of benefits to which they are entitled because they were discharging a duty to their country and serving in our Nation's armed forces. The Miller bill, H. R. 87, would correct this situation and grant veterans of World War II, salary credits for time spent in military service. This is simple justice to these men, and in our opinion but minor consideration for those who rendered a gallant and patriotic service to our Nation during the great emergency.

Our State federation is heartily in favor of this very necessary legislation and we urgently appeal to the members of the committee to do all possible to secure favorable consideration upon this measure during the present session of Congress. Those affected are fully entitled to any assistance which may be given them along this line and we hope and trust that our appeal in their behalf will receive every possible consideration.

Other legislation under consideration would provide for an upward revision of postal wages. In this regard I might state that in recent years salaries of postal employees did not advance in proportion to the rise in living costs. When the cost of living increases, employees such as these, with fixed incomes, suffer a reduction in their purchasing power and a lowering of their living standards.

During the session of the Eightieth Congress we were advised that an increase of over $1,100 was needed to bring postal employees' purchasing power to the 1939 level. In order to at least partially assist them, a $450 annual increase was granted during the closing days of that session (Public Law 900, which became effective July 1, 1948).

Actually this did not accomplish the desired results, for while there has been a slight decrease in over-all costs, according to the Bureau of Labor Statistics, a deficiency still exists, and it is estimated that approximately $650 would be needed to bring these employees up to their former living standards. Considerable hardship and inconvenience has been encountered by them due to the aforementioned reduction in their purchasing power.

We, therefore, feel justified in our request for an additional salary adjustment for all postal employees at this time. We seek a basic salary increase compatible with the increase in living costs so as to restore them to their 1939 level.

Several measures at present before the House committee would grant these employees a $650 annual increase in salary, and this would do much to restore their purchasing power. We appeal for early and favorable action upon these bills.

Our State federation also favors several other bills under consideration which would grant postal employees additional beneficial and much needed improvements, such as the Miller bill, H. R. 4495, the provisions of which include:

Credit for past service in determining salary grades. The principle of longevity awards is based on the theory of rewarding long and faithful service. This principle is defeated or greatly minimized if no consideration is given past meritorious service. We therefore appeal for this consideration and urge early and favorable action upon this legislation with an amendment thereto, granting similar consideration to employees in second-class offices.

Twenty-six days annual and 15 days sick leave is another important provision in this bill.

All other Federal employees are given these benefits and we urgently request similar consideration for postal employees. We believe this section of the bill warrants the support of every Member of Congress for it would remove an outright discrimination against employees of the postal service.

In this connection it might be interesting to note the remarks of Congressman KENNETH B. KEATING, of the Fortieth New York District, who, while discussing this matter on the floor of the House of Representatives, on January 31, 1949, stated in part as follows:

"For some time a discrepancy has existed between the annual and sick leave to which a postal employee is entitled and that applicable to other Federal employees. The latter are entitled to 26 days annual leave and 15 days sick leave, whereas, a postal employee receives 15 days annual and 10 days sick leave. There seems to be no reason for this discriminating against a group of Federal workers who certainly in diligence, faithfulness, and devotion to duty are second to none in the Federal service.

"In order to remedy this inequity, I have today introduced a bill to equalize the provisions relating to all Federal employees. If it is enacted into law, postal employees will hereafter be granted 26 days leave of absence with pay (exclusive of Saturdays, Sundays, and holidays) and sick leave with pay at the rate of 15 days a year. This leave is cumulative.

"Also classified substitute employees under such regulations as the Postmaster General may subscribe are given the same right and benefits with respect to annual and sick leave which accrue to regular employees.

"Since this measure represents only justice to the postal workers, it is hoped that it may have early and favorable consideration both in the Committee on the Post Office and Civil Service and in the House."

Elimination of the first four salary grades is another provision of the Miller bill. The present entrance salary for postal clerks is $2,550 per annum, which is increased by $100 each year during this period.

This would bring the entrance salary to $2,950 and do much to eliminate the conditions with which those in the lower grades must contend. We might mention that practically all of these employees are veterans who are striving to live on an equal basis with their friends and neighbors, and we trust that this matter also will receive serious and favorable consideration during the present session.

The bill also provides for compensatory time at the rate of time and one-half for services performed on Saturdays, Sundays, and holidays. A 5-day week is the accepted standard in American industry and if it is necessary for postal employees to work in excess of their 40-hour workweek, they should receive this consideration. The present law is in need of correction for a contradictory situation exists whereby payment is made at the rate of time and one-half for overtime, yet when compensatory time is granted they are given same at the straight-time rate.

Another matter of considerable importance is the rating system. This bill provides for its elimination and with this we heartily agree. The present method of determining an employee's competence and ability has nothing to recommend to any officer or agency, and does not increase the employee's efficiency. A tremendous saving would be brought about by its elimination, by discontinuation of administrative overhead and printing of useless forms necessary to comply with the law. It serves no good purpose to either the Government or the employee and we urge the approval of this legislation for the benefit of all concerned.

Another provision of H. R. 4495, calls for an annual salary increase of $150 to regular employees and 5 cents an hour to employees serving on an hourly basis. As previously stated, approximately $650 is needed to bring these employees to the 1939 level, and we therefore suggest an amendment to increase these amounts in accordance with the aforementioned legislation.

Permit me to add that much of this legislation is of a corrective nature and if enacted would greatly assist in adjusting inequalities and securing improvements in the Postal Service.

We appeal for favorable action upon this measure, the Miller bill, H. R. 4495, as outlined with amendments to increase the salary provision to $650, with proportionate increase to hourly employees, and grant credit for past services to employees in post offices of the second class.

We are now endeavoring to enlist public support in our campaign for this legislation. A letter or postal card to your local Congressman and Senator, asking them to vote for and support the postal military service credits and reclassification bills will be greatly appreciated.

I wish to express my appreciation for this opportunity to present our views upon the legislation pending in Congress, and at the same time say a word of thanks for any consideration that may be given our appeal in behalf of the loyal and faithful employees of our Postal Service.

Any action which may be taken to assist us in securing these much needed improvements and adjustments during the present session of Congress will be greatly appreciated.

I thank you.

New Evidence of Desperate Need for Housing

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. MULTER. Mr. Speaker, only in the eyes and minds of those who would

impede all progress of our country is there no need for slum clearance and public housing. The city of New York alone needs at least 250,000 more units of public housing. The following editorial which appeared in the Brooklyn Eagle of June 24, 1949, is most apropos:

NEW EVIDENCE OF DESPERATE NEED FOR HOUSING

Early this week applications were taken for 2,100 apartments in a city project. More than 42,000 persons, many of them veterans, stood in line to apply for the apartments. It happens that the incident took place in the Bronx. But it could have—and has—happened in Brooklyn and the other boroughs. The plain fact is that there is a desperate need for housing throughout this city and the rest of the Nation. Some of it is housing to accommodate an increasing population; some of it is housing to replace dwellings that were inadequate when they were built and are now downright slums.

That is the reasoning behind the big national housing bill. Certain interests profess to see in its provision for public housing units of the kind familiar to Brooklyn a menace to private enterprise in the housing field. Actually, as Gerald J. Carey, counsel for the New York City Housing Authority, said the other day before the Brownsville Neighborhood Council, the bill is nothing of the kind. Public housing is neither sinister nor subversive—nor can it ever supplant private construction.

Neither private nor public building can do the big job alone. Public housing must supplement private construction, which, at its best, can even carry out the economic rebuilding of whole areas. A keystone in our housing program is the eradication of slums. As Mr. Carey said, "talk, propaganda, and lobbying" won't do that. The only way to eradicate slums is to tear them down and replace them with decent housing.

It is particularly important that the veterans, who gave up so many good years of their lives to the war, should get the decent homes at reasonable prices to which they are entitled. That is why leading veterans' organizations in the borough and the State have come out in support of the housing bill as a supplement to the efforts of private builders.

The bill we are now considering would not permit more than 85,000 units to be built in the entire State of New York in the next 6 years. The need of the rest of the State outside of the city is just as desperate as that of the city. It should be perfectly obvious to the opponents of this measure that the city of New York will pay most for this bill and get the least out of it. The city and the State will still be required to do the bulk of its slum clearance and public housing at its own cost and expense with a minimum of Federal aid

A National Theater

EXTENSION OF REMARKS

OF

HON. FRANCES P. BOLTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mrs. BOLTON of Ohio. Mr. Speaker, under unanimous consent granted me to extend my remarks in the Appendix of the RECORD, I want to express my keen interest in the national-theater project which builds no great building in the Capital but looks toward encouraging theater throughout the country.

A NATIONAL THEATER FOR AMERICA

(By J. K. JAVITS)

The United States is unique among the great nations of the world in not having a Government-supported national theater, opera, and ballet. France, England, Russia, Italy, and many smaller nations such as Cuba, Denmark, and Sweden, can all boast of a national theater, operating with aid from their governments and at the same time maintaining high standards of artistic accomplishment. Groups like the Old Vic in England and the Comédie-Française in France—the former a recent development and the latter the most illustrious national theater in the world—successfully demonstrate that government and private organizations can cooperate mutually in cultural ventures to the great benefit of the entire population. Yet in this country, materially the most fortunate in the world, millions of citizens are deprived of the best in theater, opera, and ballet.

The enthusiasm of the Nation for the theater is not something which press agents manufacture to sell the public. Actors and producers are justifiably excited in their praise of audiences in theater-dry areas. Composed of average Americans, visibly enhanced by the presence of "meat actors"—the phrase comes from Vermont—these audiences in Iowa and South Dakota, Wyoming, and Alabama, are attracted to the theater with a delight that is extremely touching. The reception given to Margaret Webster's Shakespeare touring company, and the experience of the Barter Theater traveling repertory company, also playing Shakespeare to packed houses in rural southern towns, indicates the craving for the drama in America.

It is easy to understand why the theater exercises such a hold on our imagination. In what other art do we find such a personal harmony between artist and audience? Where, but in the drama, do we feel so responsive, so entranced by the presence of flesh-and-blood actors and actresses, performing but a few yards from our seats, speaking words that are not directed to an unseen audience of millions, but directly to us beyond the footlights? But, despite the Nation's overwhelming love of the drama, the sad truth is that today the theater economically is unable to supply the demand for live entertainment.

There are now estimated to be throughout the country about 400 to 500 community theaters, a handful of opera companies, and some 126 professional symphony orchestras. Many of these organizations are limping along, alternately opening and closing for lack of funds. It is an ironic commentary on the richest city in the richest country in the world that the Metropolitan Opera Co. almost failed to open its 1948–49 season and had to abbreviate it for lack of funds.

The ballet suffers serious restrictions under existing high operating costs to such an extent that Agnes de Mille, the distinguished choreographer and ballet director, recently declared that without a national ballet "the dancers of this country are licked."

One prominent booking office which books legitimate shows lists only 30 cities for its tours, while there are 104 cities in the United States with a population of 100,000 or over which should ordinarily have the benefit of living theater. An Actors' Equity Association, the Actors' Guild, with a membership of about 6,000, is stated to have employed about 10 percent of this number during the recent season. The great cultural resources inherent in the American theater, opera, and ballet, and the future of dramatists and composers, producers, technicians, and performers are in grave danger not because of lack of interest or a dearth of talent, but because somehow the audience and the artist cannot be brought together.

There are many reasons for this decline, but the most important is the crippling financial difficulty of successfully operating the theater on a Nation-wide scale. Consequently, it is not too difficult to appreciate why the theater today is centralized in New York City. To bring the theater to Americans all over the country, therefore, involves the wise interference of government.

As the first step in the establishment of a national theater, and of a national opera and ballet, a bill was offered simultaneously in the House of Representatives and the Senate last January by Senators IRVING M. IVES, of New York, ELBERT D. THOMAS, of Utah, and myself. This bill does not specifically request an appropriation to provide for these organizations; rather, it asks for funds so that the President may convene an assembly to determine methods by which the theater, opera, and ballet can be organized on a national basis with Government support. At this constitutional convention, to which representatives of the theater, opera and ballet would be invited—including, besides performers, drama critics, composers, producers, managers, musicians, Government officials—two separate plans would be drawn up; one for a national theater and one for a national opera and ballet. These plans, in turn, would be submitted to Congress, which would have the final word in passing on these proposals and, of course, appropriating funds for their maintenance.

The bill which Senators IVES and THOMAS and I jointly introduced does not seek a revival of the WPA Federal Theater project, which was essentially an emergency relief measure. The role of the Federal Government in the national theater, opera and ballet will be subsidiary. It will be asked only to supplement and improve their opportunities for development and expansion without controlling or directing these establishments. The democratic control of the theater, opera and ballet will be in the hands of the constitutional elements gathered in the assembly. These arts, therefore, will continue to flourish within a private economy aided by the Federal Government.

Before citing the history and development of the national theater abroad, it is worthwhile to describe and summarize the activities of the American National Theater and Academy, which may well become the foundation of the Government-supported national theater. Indeed, ANTA has been the most healthy sign in recent years of the expansion of the theater nationally, and it is to this group that Americans owe a debt for its revitalization of the dramatic arts in this country. ANTA was founded in 1935 as a nonprofit, tax-exempt organization under a charter granted by Congress. Readers may be interested to know that there are few such charters in America; the American Red Cross, the Federal Reserve bank, the Smithsonian Institution, the American Legion, and the Boy Scouts of America are several other examples.

The ANTA charter vested in a group of civic-minded citizens and lovers of the art corporate powers for the following purposes:

(a) The presentation of theatrical productions of the highest type.

(b) Stimulation of public interest in the drama as an art belonging both to the theater and to literature and thereby to be enjoyed both on the stage and in the study.

(c) The advancement of interest in the drama throughout the United States of America by furthering the production of the best plays interpreted by the best actors at a minimum cost.

(d) Further development of the study of drama of the present and past in our universities, colleges, schools and elsewhere.

(e) Sponsorship, encouragement and development of the art and technique of the

theater through a school within the National Academy.

Among the original sponsors of ANTA were Robert Sherwood, Leopold Stokowski, John Hay Whitney, William Rhinelander Stewart, William Green, Mrs. Felix du Pont, and Col. C. Lawton Campbell.

After a number of years of inactivity enforced on ANTA largely by the war, it is now a vigorous and flourishing organization under the leadership of Vinton Freedley, the celebrated producer. Other officers are Col. C. Lawton Campbell, chairman of the board of directors; Robert Breen, executive secretary; Rosamond Gilder, secretary; and Wilva Davis, assistant. Other directors are Clarence Derwent and Margaret Webster who lead Actors Equity Association, and such distinguished performers as Helen Hayes, Blanche Yurka, Raymond Massey, and Lucia Chase; producers such as Gilbert Miller, Oscar Serlin, and Theresa Helburn; dramatists like Moss Hart, and representatives of many theatrical unions.

Since 1946, ANTA has stepped into high gear, and from its offices in New York has organized, planned, and advised theatrical activities throughout the country. The Breen-Porterfield Foundation Plan, a long-range program designed primarily to stimulate the growth of regional theaters was instituted, embracing three main functions:

1. A national foundation to serve the theater much as the Rockefeller, Carnegie, and Rosenwald foundations benefit education, libraries, and race relations and the betterment of human welfare. This part of the program plans for enough funds to lend money to worth-while projects and to assist the growth of the theater in every possible manner. ANTA's resources are derived from membership dues and the income from such projects as Theater U. S. A., a weekly radio show engaging first-rate performers who devote most of their fees to ANTA.

2. A national service bureau which gives assistance to theatrical groups in the form of personnel placement, and advice as to the construction of new theaters. It also finds and distributes new play manuscripts.

3. A clearinghouse in New York City, a news and public relations center which also maintains a research staff keeping up-to-date information on almost every theatrical activity in the country, both professional and noncommercial.

ANTA hopes to see the establishment by 1955 of 100 resident professional companies such as Margo Jones' Dallas Theater, 1949, and 150 professional touring companies such as Margaret Webster's repertory company and the two Barter Theater repertory companies, which have their headquarters in Virginia. The latter, equipped especially for theaterless areas, are high-caliber companies traveling in motorized units. They are sponsored on a guaranty basis and plan their bookings a year in advance. This is the type of touring company that theater-dry areas need desperately, and it is toward the expansion of the professional theater in this direction and of the resident professional company that ANTA is working so hard now.

For all purposes, then, it would seem that ANTA has become the focal point of the American theater. Despite its inadequate funds, this group is laboring mightily to bring live theater to every section of the country.

As we contemplate this first step toward a national theater, opera and ballet, it is well to remember that the theater in the United States has a luminous history. It has its origins in earliest American history, before the Colonies had united in their struggle for independence, and is a vital part of the American tradition.

For the better part of the nineteenth century there were many flourishing theaters in numerous communities of the United States. Records differ concerning the date of erection of our first theater structure; but all agree that the place in which the first theater was founded on American soil was Williamsburg in the Colony of Virginia. The dates vary from 1716 to 1722.

This earliest American theater was, in a sense, the predecessor of our present summer stock theaters, since the entertainment was held in a building closely akin to a barn. This arrangement typified the theater for many years, until the Southwark Theater was erected in Philadelphia 60 years later. After Philadelphia's lead the cities of Baltimore, Mobile, Charleston, Annapolis, Memphis, and New Orleans organized theaters. These cities became theatrical centers and were nourished by traveling companies which journeyed from stage to stage. The annals of the theater reveal that there was enormous interest in these theaters and that inhabitants of rural areas and small towns were fascinated spectators who delighted in welcoming traveling players.

According to Mary Caroline Crawford in Romance of the American Theater, we, as liberty-loving Americans, owe much to the theater. The British officers who served in America during our Revolution were great lovers of stage performances, and became so engrossed not only as spectators but also as participants in play-acting in New York, Philadelphia, and Boston that they increased that very nonpreparedness which made it possible for the patriots to win.

From the early nineteenth century there are records of traveling companies alternating their performances between towns such as Natchez and Port Gibson, 50 miles away, and between Richmond and Petersburg, 25 miles distant. The latter itinerary is part of one undertaken by the famous Junius Brutus Booth, who walked those 25 miles on one occasion to give a performance because he had missed the stagecoach.

These early pioneers of the American theater undertook difficult travels without much reward to bring the theater to the people of the United States. Performances then were generally given only 3 or 4 nights a week, and though the professional skill may not have been of the first rank, the repertoires included plays ranging from Shakespeare's tragedies to comic operas, and included such attractive sounding titles as Sheridan's Pizarro, or the Virgins of the Sun.

Gradually the traveling companies settled down in one place and restricted their travel to extremely limited areas. It was from these companies that the stock companies arose and it was here that the guest-star system was initiated. Famous English performers, such as Fanny Kemble, Edmund Kean, and William Macready, traveled from one company to another demonstrating their art. It was through these players that the touring system arose, as they began to take with them on tour first one, then two, and at last whole companies of players.

By 1915 there were 90 touring stock companies and by 1928 this number had grown to 178. Since the depression, however, economic pressures, organization of the theater on a big business basis, and chain-theater ownership have resulted in the disappearance of the touring companies and the gradual concentration of the theater in New York.

The most famous national theater in the world is the French Comédie Française. It has established the pattern for a national theater in almost all European countries. Molière's troupe, supported by Louis XIV, was the first state company although art and artists were subsidized in France as early as 1515 by Francis I. The French national theater has not been decentralized, however, and since there is general agreement in the United States on the need for decentralization of our theater we should not look to the French theater as our model.

Sweden has found the middle way in a national theater as in everything else. It has a Royal Dramatic Theater and Academy and a Royal Opera all located in Stockholm. The theater and opera have been functioning since 1788. In addition, the government subsidizes municipal theaters in the cities of Göteborg, Malmö, and Hälsingborg. In order to bring the theater to all areas in the country, a state organization, the Riksteatern, was established. This organization provides for presentations in outlying areas by touring companies. The touring companies originate generally from government and municipal theaters, but the Riksteatern covers touring companies of private theaters as well. There is a central office in Stockholm to correlate the tours. An organization has been set up to function as a subscription bureau which stimulates the public interest and guaranties theatergoers good seats at a rebate.

Both the Royal Opera and the Royal Dramatic Theater are operated by a company which has a board of five members, one of whom is the director. Three of the board members are appointed by the Government. Since 1909, the Royal Dramatic Theater has received a regular grant from the Government, and each year experts are appointed to inspect its economic status and artistic program.

Last January 21, the English House of Commons gave a second reading to a bill providing for £1,000,000 ($4,000,000) for the erection and maintenance of a national theater building in London. This is one of the few noncontroversial measures submitted recently to Parliament, and has been praised by all political parties. The plans provide for a building containing two theaters, one seating about 1,200 people and the other about 500. In presenting the bill to Parliament, Glenvil Hall, Financial Secretary of the Treasury, said that it was contemplated that the building would be the national center of dramatic art.

This bill is the culmination of British Government aid to the theater which began during the war with the establishment of the Council for Encouragement of Music and Arts. CEMA was founded in December 1939, by the Pilgrim Trust, a private philanthropic organization, in conjunction with the British Board of Education. While initial support of £25,000 ($100,000) came from Pilgrim Trust money, within 3 months CEMA received a similar grant from the Government. The grant was increased yearly to maintain the council's activities, which provided for the continuance of the arts in Britain during the war and the taking of music and drama to the people cut off by wartime conditions. In 1942, the Pilgrim Trust withdrew its support of CEMA and the Government took full financial responsibility.

The CEMA met with such success that it continued after the war as the Arts Council of Great Britain, and moved from the shelter of the Ministry of Education to the Treasury, which still supervises its activities. The relationship of the Arts Council to the drama is as follows: The Arts Council consists of a central council of 16 members, one of whom is chairman. He is also chairman of the executive committee, which includes four other members of the central council. The central council meets as an administrative and supervisory body passing on all matters dealing with art, drama, and music. Their suggestions are sent to the executive committee, which in turn advises the Treasury, the final administrative power. The Treasury, of course, receives its appropriations for the arts from Parliament. The central council is advised on dramatic activities by a drama advisory panel, consisting of 20 members, all prominent in the theater as managers, producers, or actors. Currently serving on the panel are Peggy Ashcroft, Alistair Sim, and Noel Coward, all well known to Americans. At the base of the working administration

are 12 regional officers, who supervise theatrical programs in their areas and in turn advise the drama advisory panel.

It will, no doubt, come as a surprise to Americans to learn that the British Arts Council is modeled after ANTA. Currently ANTA finds itself in the paradoxical position of citing the British Arts Council as a precedent for its own place in the American national theater.

There are two important facts to note in connection with the subsidy of the drama by the Arts Council. The first is that the council does not have very large sums of money to disburse. The amount allotted to the drama department by the Treasury during 1947–48 was less than £60,000 ($240,000). The second important consideration is that the public has given such wholehearted support to the Old Vic and other beneficiaries of the Arts Council that grants and guaranties—and net costs absorbed by the Government—to many of the enterprises have been substantially reduced since 1945. (The figure for the operating year 1946–47 was about £100,000.) In addition to giving financial assistance the Arts Council aids the British theater by directly managing some touring companies and, most important, supervising resident repertory companies such as the Bristol Old Vic. It is important to emphasize that the policy of the Arts Council is largely to support enterprises rather than to initiate and establish state-run entertainment. As a consequence many theatrical companies receive financial assistance from the council but operate under their own management.

The British Government also subsidizes these groups by eliminating the high entertainment tax. However, in order to obtain the tax exemption, the entertainment organizations must be nonprofit in character. In addition, they must abide by the agreement that each theater company receiving Government aid must make with the Arts Council. One of the stipulations of the agreement is that the subsidized theater company must strive "* * * to spread the knowledge and appreciation of all that is best in the theater, and thus to bring into being permanent educated audiences all over the country."

In designing our national theater we must fit into it all the varied and brilliant aspects of our entertainment world—movies, television, radio; we must even be cognizant of the role of the juke box. We must be careful to include as part of our national organization the great number of little and community theaters throughout America and particularly the university theaters. Some 500 theaters flourish on university campuses like Yale, Stanford, the University of Indiana, Denver University, the University of Wisconsin, the University of North Carolina, Catholic University, and George Washington University. The theater at Catholic University in Washington, D. C., for example, rivals the commercial theater in the quality of its productions.

It would be a mistake to believe that a national theater establishment will hurt or interfere with movies, television, or radio. On the contrary, it will give these media much greater opportunities than exist today, for our motion-picture producers find their best pictures and their best actors in the living theater. The more living theater, the better it is for them. They know, better than anyone else, that business is best on a busy street, and that when show business is active and millions are interested in the theater, they will not only see more theater but more movies and better ones.

Radio and television are in the same position. The enormous material resources and performers made available to these fields will intrigue the public far more than today. How often do we find audiences today getting fed up over a whole period of time with current radio and television fare; and as to the moving pictures—is it not true that many of the foremost cinema stars have been trained on the stage and that some of the best moving pictures have been adaptations of stage plays? Let us think, too, of the enormous potential resources in performers, composers, and dramatists in our land who, with the present limitations of the theater, have little opportunity to show their wares.

To help newcomers to the profession, and to stimulate interest in the theater, a meeting was held earlier this year at Chapel Hill, N. C. Delegates from college drama departments and community theaters of 10 southeastern States met to draw up plans for a southeastern theater conference. One of the plans espoused, to encourage local playwrights, calls for the selection of a play written within the conference for production by six or seven groups. The playwright is to receive royalties for the production of his play. Another plan seeks to employ professional actors and directors to spend several weeks in each college to give theatrical instruction.

Our war experience should certainly convince us of the need for mobilizing our cultural resources through the medium of a national theater, opera and ballet. During the war, the Army, the Navy, and the Air Force, and the American Theater Wing, produced plays and musicals on a wide scale as morale builders, and today the United States Military Government is sponsoring similar projects in the occupied areas of Germany as a potent force for teaching democracy.

It is natural to ask, in the consideration of legislation such as ours, what form a national theater will take, for the bill before Congress does not anticipate a final form. That is one reason it has received such widespread support; it does not put ideas in a strait-jacket, but seeks the democratic development of the best plans from the arts themselves and their audiences. However, a number of suggestions have been made which deserve serious consideration.

First, it has been suggested that the tax of 20 percent on admissions to operas and symphonies produced by nonprofit organizations should be remitted; the same principle could, of course, be applied to university theaters and other non-profit organizations producing plays. Such a suggestion may involve as much as $4,000,000 per year, which would in effect be a Federal subsidy helping those nonprofit organizations. This is one plan and must be carefully considered to determine whether it will also serve the broader purpose of bringing theater, opera, and ballet to the country at large.

Another plan suggested is for the Federal Government to match the funds appropriated by individual States to help university, community, State, and municipal theaters in the respective States. These organizations would then bring the advantages of theater to the people of the State in areas not now normally reached by living theater, opera, and ballet. Such organizations could also travel to adjoining States so that the cultural resources of all the States could be interchanged.

There are other plans, among them, for example, one first developed by Robert Porterfield, the distinguished director of the Barter Theater of Virginia (the first State-aided professional theater, receiving an annual grant of $10,000 from the State of Virginia), and Robert Breen, a member of the board of ANTA and one of its founders, which calls for a number of touring companies to travel through the United States bringing the living theater where it is not now seen regularly. This is also one of the goals of ANTA, as mentioned above. Such touring companies would also afford great opportunities to artists and technicians trained in a national academy as part of the national theater establishment.

It is very likely that in each of the latter two plans the cost to the Government will not be prohibitive. Since Americans are so anxious to see living theater, opera and ballet, I believe they will support these arts to a large extent by their admission tickets.

It will be noted that I have not discussed a national theater, opera, and ballet in terms of a brick and mortar structure to be erected in Washington, Chicago, New York, San Francisco or some other great cultural center. Such structures are not considered an absolutely essential part of the national theater, opera, and ballet. They may come one day in the form of a great theater and music center and academy, but at the present time they are certainly not the first necessity. Rather, the bill Senators IVES and THOMAS and I have offered looks toward the day when the great artists of the United States will be as proud as the artists of France who add after their names "Sociétaire de la Comedie-Française," a title which proclaims the actor—wherever he may be performing—as a member of the illustrious national theater.

Thus, if Americans will think of a national theater not in terms of a physical structure but as an integrated, country-wide, organization aided by the Federal Government, the expansion of theater arts to every section of the United States will become a very real possibility. The establishment of a national theater, opera, and ballet deserves the support and encouragement of every American who believes that culture must not perish in a world sick with anxiety.

New York Herald Tribune Supports Housing Bill

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. JAVITS. Mr. Speaker, the housing bill presents an important policy question to all who believe in the principles of our private economy and who want to make it work effectively. The appended editorial should be an important answer to any accusation of "collectivism" as against the pending Housing bill:

TIME TO MEND THE ROOF

The arguments for a public housing program that have been sufficient for the last 5 years hold with still greater force as the House, at long last and for the first time, prepares to face this legislative proposal. The opposition in the House to any housing program now finds it expedient to express its hostility in terms of the cost of the program. That cost has been atrociously misrepresented. But even assuming that capital grants for slum clearance and annual subsidies to secure low rents would come to around one-third of a billion dollars annually, the benefits to hard-pressed cities and ill-housed families would be cheaply bought, and the maximum rate of contributions would not exceed 1 percent of the present Federal budget. Poorly bargained economies are not a cloak of respectability in this case. Such arguments lack sincerity when found in the mouths of legislators who last year opposed the same program on the ground of its alleged inflationary effect. They too closely resemble the old saying about the right time to mend a leaky roof. We are more impressed when individuals so widely separated in ideology as Senator TAFT and Walter Reuther realistically plead for the bill as a necessary economic weapon in fighting back a slump in housebuilding.

Any short-term arguments will fail to fit a long-range program like that proposed in the housing bill the House is about to consider. We have too long delayed attacking the twin problems of slums and the housing shortage. The sooner we get on with them the better. The legislative issue in the House is not the details of this program, but a declaration of national policy within which more precise determinations of program can later be made. That decision cannot be shirked. We hope it will be favorable.

The Need for an Insurance Investigation

EXTENSION OF REMARKS
OF

HON. EMANUEL CELLER

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I insert the following statement made to the newspapers on June 20:

CELLER PROTESTS INSURANCE COMPANIES MAKING COMMERCIAL LOANS

Again we hear that a group of life insurance companies have privately gobbled up certain issues of commercial companies to the extent of $23,350,000. Munsingwear, Inc., borrowed a million dollars from the Equitable Life. The Employees Credit Corp. borrowed $2,350,000 from the Mutual Life Insurance Co. and a second company. The Continental Can Co. borrowed $20,000,000 from the Equitable, the Mutual, and a Canadian company.

There was deliberate avoidance of the Registration Act and supervision by the SEC. For all intents and purposes they are regular commercial loans, although for a period of years. One would assume that with such and similar loans by insurance companies coming thick and fast and with increasing daily profusion, our banks might complain. They apparently do not. Maybe interlocking directorships of many banks and insurance companies is the reason.

Such loans made by these insurance companies involve no compliance with regulations of any adequate public authority. There is no supervision by any clearing-house, State superintendent of banking, Federal Reserve bank, or Federal Deposit Insurance Corporation. The SEC is disregarded. It will be argued that a State superintendent of insurance exercises control. But such control in most States is nonexistent, and in a few States where it does exist, it is highly inadequate. Assuredly it is high time that these loans be scrutinized so that the public may know about them.

What are the relations between these lenders and borrowers? What intervening agents receive compensation—how much and for what? Policyholders' moneys are involved—many millions of them.

Forty-nine United States legal reserve insurance companies have over $50,000,000,000 in assets. This staggering sum of money is siphoned off from the policyholders all over the land, and is concentrated into the hands of a few men, for them to control, invest, or dispose of with practically no public supervision. It is high time that the public became aware of this baneful situation.

In answer to my statement printed above, the Mutual Life Insurance Co. made the following statement:

We feel that we cannot let Mr. CELLER's statements go unanswered. It is difficult for us to understand his inference that there has been any concealment of the facts regarding directly negotiated loans. Direct loans made by this company are widely publicized. We release to the press the pertinent details about such loans as they are made, so that security holders of the borrowing corporation, other investors, Government agencies, policyholders and any others interested in such transactions are fully and promptly informed. In addition, complete details are made available to the New York State Insurance Department.

Mr. CELLER was also quoted by the Associated Press as saying it might be assumed that banks would complain about such loans. He ascribed the lack of such complaint to the alleged existence of interlocking directorates among banks and life-insurance companies.

There have been many cases in which a bank and a life-insurance company have competed actively against each other for a loan. But it is hard for us to believe there could be any objection to that. It has been our understanding that Mr. CELLER wants to encourage, rather than discourage, competition among lenders. We strongly favor such competition.

Some direct loans made by the Mutual Life and other companies have been for 10 years or more—a duration in which commercial banks are generally not interested. Where such loans have taken the form of serial notes, it has sometimes been possible to work out an arrangement under which a bank takes the early maturities, while a life company takes the longer maturities. Thus, together, the two institutions can provide the borrower with just the kind of financing needed. At the same time each lending institution obtains the sort of investment best suited to its own purpose.

Mr. CELLER was also quoted as saying that insurance-company loans involved no compliance with regulation of any adequate public authority. This will come with the shock of surprise to the New York State Insurance Department and to the insurance departments of other States, under whose investment laws and regulations the life-insurance companies have built an enviable investment record over a long period of years. In spite of the absence of any Federal regulation, no important life-insurance company has failed in the last 25 years, which period included the greatest depression in history. More than 70,000,000 policyholders throughout America look with confidence to the life-insurance companies for their financial security, and we do not think they should be told that their funds are being invested without adequate supervision and safeguards.

According to the Associated Press dispatch, Mr. CELLER also said that, in connection with directly negotiated loans, he wanted to know what intervening agents received compensation—"how much and for what?" Speaking for the Mutual Life, the answer is: "None whatever, to anyone." If a borrowing corporation feels that it needs investment bankers or other financial experts for advice, or to negotiate in its behalf, such experts are paid by the borrower, not by us. We see nothing wrong with the retention of experts by either party to a loan transaction.

We feel that such loans by life-insurance companies have provided American industry with an important source of borrowing and that they have added a new element of competition among lenders.

In referring to the investments of life-insurance companies, Mr. CELLER was quoted as saying that a "staggering sum of money is siphoned off" from policyholders all over the land, and "disposed of with practically no supervision." Such money is not siphoned off. It is money saved by millions of small policyholders to purchase protection and security for their families. Nor, as previously explained, is it disposed of without supervision.

The funds are invested throughout the United States—in home and farm mortgages, in housing developments, in public utilities, in local industries, in transportation systems, and in Federal and municipal bonds. Thus, while our policyholders are providing financial protection for themselves and their families, they also are helping to provide new homes for others; light and heat for those homes; schools, churches, tunnels and bridges, railroads and highways across our lands. In this vital way, life insurance dollars work for the good of the Nation.

Historically, the life-insurance companies have always provided capital for purposes that were most important at the time. The public interest and the general economic needs of the country have always been important factors in the investment policies of such companies.

After the War Between the States, life insurance funds were devoted largely to the development of the country's railroads. In the great growth of the American economy during the late 1800's, life-insurance funds were again an important factor. In World War I, the funds of such companies were dedicated to the winning of the war. This was true again in World War II. And since the close of the war, when the need has been for reconversion of industry to peacetime production and for the curing of the wartime housing shortage, the funds of life-insurance companies have been devoted primarily to those purposes.

On June 24, I answered the Mutual Life Insurance Co.'s assertions with the following statement:

CELLER COUNTERS CHARGES MADE BY MUTUAL LIFE INSURANCE CO.

The Mutual Life Insurance Co. made a lame answer to my charges that the big insurance companies were nosing out banks in making huge commercial loans to industrial entities, by buying complete corporate issues with deliberate avoidance of the Registration Act and the supervision of the SEC.

The denunciation by Mutual was in no way responsive to the contentions I raised. It served only to throw dust and to befog the issues.

I made no charge of irregularity in the consummation of these loans by insurance companies. It is acknowledged that the insurance companies amply publicize details of the loans made, but the publicity occurs after and not before the loans have been effected. Accordingly, advance notice to the public, governmental agencies, policyholders, and interested parties, is completely lacking. There is no competitive public bidding. The issues are privately placed. This is so even in the case of the many issues of bonds of public utilities bought by insurance companies.

Mutual counters to my charges that banking institutions are strangely silent, by saying there is intense competition between the insurance companies and banking companies for the business in question. Well, I wonder.

The Department of Justice has brought suit in the United States District Court for the Southern District of New York against 17 large investment houses and banking institutions wherein it is charged that 27 large life-insurance companies (including Mutual) made an agreement in violation of the anti-trust laws to favor securities offered by these 17 banking outfits, and that these 17 entities had an arrangement among themselves not to handle securities for any firms except those over which these bankers maintain financial and business control. The agreement provided that these insurance companies and bankers would refrain from any competitive bidding.

Mutual denies giving compensation to intervening agents arranging the loans. Of course, the insurance companies do not pay for the services of the intervenor. The lender rarely does. The borrower usually pays the piper. Let us view that situation.

Morgan, Stanley & Co. "arranged" a $50,000,000 loan to the Standard Oil Co. of Indiana. Mutual was one of the insurance companies that supplied the money. Morgan, Stanley & Co. did not act as go-between for their health. Let Mutual tell what commissions were paid and for what.

Quite recently, Mutual, among other life-insurance companies, bought $60,000,000 worth of Texas Gas Transmission 3⅝ percent bonds privately placed by Dillon, Read & Co., who with the blessing of Mutual and other insurance companies, received $235,000. I'd like to know the nature of those services.

In less than 1 year Mutual and other insurance companies have privately purchased $678,260,000 worth of natural gas transmission bonds. Morgan, Stanley & Co., Dillon, Read & Co., Kuhn, Loeb & Co., and a few other bankers reaped rich rewards, for arranging these loans. The services rendered by these banker-brokers would make interesting reading. The public, dependent upon these gas-transmission companies and the stockholders, would like to know the nature of those services. The commissions made by these agents, bankers, and brokers placing hundreds of these insurance loans might well be the subject of investigation.

In no part of Mutual's denunciation does there appear any answer to my major contention, namely, the wisdom or rather lack of wisdom of permitting life-insurance companies to siphon off premiums from millions of policyholders all over the land and concentrate same in and around New York, and then, by loans from their vast assets, become privileged to exert a dominant control over American industry.

I do not know the complete answer to the problem. But I want the intense light of public scrutiny to be focused upon the activities of life-insurance companies in the disposition of their $50,000,000,000 of assets. The public is entitled to know the facts. Perhaps knowledge of the true facts will point a remedy.

I have never asked for Federal control of insurance companies, but my detractors are so charging.

This I know. The great concentration of assets of insurance companies can be most baneful if not properly supervised by public authority. There is no proper regulation today.

It is time for a full-scale congressional objective study and dispassionate inquiry. There is no desire to "get" any company, nor desire for headline hunting.

The insurance companies cannot stave off an inquiry. It must come as night follows day.

The Poll Tax Should Be Abolished by Constitutional Amendment

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. HAYS of Arkansas. Mr. Speaker, the Committee on House Administration has reported H. R. 3199, by the gentlewoman from New Jersey [Mrs. NORTON], making unlawful the requirement of poll tax as a prerequisite for voting. This action overruled the recommendation of the subcommittee, headed by the gentleman from Virginia [Mr. HARRISON], minority members have submitted an excellent statement setting forth reasons for opposing H. R. 3199 and recommending as an alternative the passage of a constitutional amendment to achieve the same result. In an effort to give the House an opportunity to pass upon this alternative proposal, House Joint Resolution 214, I have filed a discharge petition, No. 3, and I urge the Members to sign this petition so that full consideration may be given to the constitutional phases of the poll-tax issue.

Under leave to extend my remarks, I include the following statement of views by the minority of the Committee on House Administration:

In the opinion of the minority, it is unnecessary to cite cases or restate the provisions of the Constitution which are repugnant to legislative action as the method of approach to the outlawing of the poll-tax system in those States which now impose such tax as a prerequisite to voting. It has become common knowledge with those who have interested themselves in this question that cases in point and the Constitution condemn the proposal. Minority views accompanying a similar bill in the Eightieth Congress specifically set forth those decisions, and the authority of the Constitution which, in our opinion, unquestionably and conclusively shows the inadvisability of such action.

We believe that the refusal of the proponents of this bill to accept poll-tax repeal through constitutional amendment is evidence of mistaken reasoning, and that the political philosophy involved is inimical both to the States directly concerned and to the Nation.

The approach to this legislation is based on emotion and confusion, without regard to the right of the States affected. It has been aptly said:

"Concealed in the anti-poll-tax bill is a legal weapon that could destroy our system of government and the local supervision of elections. If the bill passes, something of America will pass with it."

It is the minority view that this legislation should be sent back to the Committee on House Administration in order that the Judiciary Committee may consider a constitutional amendment which would permanently settle the issue. We believe that if a constitutional amendment is passed by the Congress, and there is an indication of strong sentiment in both bodies favoring such a method, in all likelihood many, if not all, of the States now practicing the levying and collection of a poll tax as a prerequisite to voting will have abolished it on their own initiative prior to the submission of the question.

BURR P. HARRISON.
OMAR BURLESON.
THOMAS B. STANLEY.
JAMES W. TRIMBLE.
W. M. (DON) WHEELER.
KEN REGAN.
BENJAMIN F. JAMES.

Labor Relations

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. JAVITS. Mr. Speaker, the efforts being made in the Senate and which have been proposed here by liberals with outstanding records on labor legislation, to deal with the question of "national paralysis" strikes, has been subjected to much misconstruction. It is out of a profound conviction that this question must be removed from consideration by the adoption of an agreed-upon solution that alternatives have been put forward, particularly the alternative of Government seizure and minimum operation required by the public health and safety, and with other strong safeguards to prevent any effort to make men work who do not choose to do so.

The Christian Science Monitor saw the point exactly as a sincere effort by those who were fighting for true repeal of the Taft-Hartley law, and I append its editorial accordingly from the issue of June 7, 1949:

SEIZURE OR INJUNCTIONS?

The great barrier to repeal of the Taft-Hartley Act, observes Republican Congressman JACOB K. JAVITS, is the public's fear of "national paralysis" strikes.

We would like to put this another way: Apparently the chief barrier to a moderate and enlightened substitute for the T-H law is Congress' difficulty in agreeing on just how the Government should handle such emergencies. For many Republicans and some southern Democrats are rallying behind the Taft-Smith-Donnell substitute bill, and even more Democrats are moving over toward the 5 amendments framed by Senators MORSE, AIKEN, HILL and DOUGLAS (with much guidance from Senator IVES) and already backed by liberal Republicans. Some sort of decent, middle-of-the-road labor bill now seems probable.

From one point of view, it is unfortunate that legislation governing labor-management relations, nine-tenths of which should be concerned with ways of promoting agreements, should come to its sharpest issue on the matter of Government compulsions. The fight has put the prolabor forces in the position of appearing to say that a union striking in an essential industry is bigger than the Government, a position we doubt that any national labor leader actually holds—perhaps not even John L. Lewis. It has put the other side in the false light of demanding return of the old-time injunction.

There is deep public concern on this point. We would interpret it as a feeling that the law should spell out for these situations the authority that any sovereign government does possess and must exercise—authority which stems from its power and duty to defend its citizens from any kind of calamity.

It is not authority to make labor keep working under conditions it rejects for the profit of private ownership (here the unions have a point). It is authority to say that the American people shall not be deprived of essential services while capital and labor fight over dividing the fruits of production.

Government seizure, even as a last resort, is always awkward—more so, perhaps, for management than for labor. But it appears the only recourse consistent with this elemental function of all government. A recognition of this view seems to be pointing Congress toward some form of seizure rather than toward retention of the Taft-Hartley injunction.

Agriculture's New Electronic Brain

REMARKS
OF
HON. GEORGE H. CHRISTOPHER
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. CHRISTOPHER. Mr. Speaker, I desire to refer to the remarks of a gen-

tleman who spoke a minute ago about an atomic brain and poked fun at the American farmer and at the Secretary of Agriculture and farm programs in general. I listened to the radio this morning and someone made the statement they were having food riots in Iraq and Iran and that people were starving to death by the thousands over in China and in other parts of Asia.

May I remind the gentleman that instead of poking fun at the American farmers, the Secretary of Agriculture, and suggesting the Secretary use the new electronic brain, maybe the gentleman had better make use of the brain that Providence gave him else we get into the same shape they are in over in Asia?

Your office may be located on the thirty-third floor of a New York skyscraper, but the soil of our land will either support your body or it will perish. Kings and potentates may wear robes of the richest satin trimmed in ermine. Their crowns may be fashioned of gold and encrusted in diamonds, but the vegetables that give them health and life will continue to come from plots of soil fertilized with droppings from the pigeon cote. The eagle that looks into the eye of the noonday sun must seek his food on the ground. The farmer feeds and clothes the world, and when any man makes disparaging remarks about the soil or the people who till it he is talking about the thing that gave him birth and without which he cannot live.

To Ban Pickets From Federal Courts

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the San Francisco Chronicle:

PICKETS ARE OBSTRUCTING JUSTICE

The American Bar Association has sent a committee to Washington to urge Congress to ban the picketing of Federal courts. We have no reservations in saying that the practice must be ended, for the sake of nothing less than the integrity of justice, and if an act of Congress is necessary to strengthen the powers of judges to protect their court rooms from intimidation by pickets, Congress should act—and at this session.

The bar association committee, appearing before a joint House-Senate Judiciary Subcommittee, said the practice of picketing courts is of recent origin and, so far as they were aware, had been "employed solely in connection with proceedings involving alleged Communist Party members or Communist sympathizers." This is the fact. It would make no material difference whether any other group, right, left, or center, had started it ahead of the Communists—any picket line thrown about a court anywhere in America is an interference with the dispensation of justice by the court and hence intolerable.

Picket lines have been thrown around the court of Judge Medina, trying the 12 Communists in New York. In Los Angeles last March, several hundred persons paraded in front of the Federal Building, where nine persons were being sentenced for criminal contempt of the court for their refusal to answer a grand jury's questions about Communist activities. Some of the pickets carried signs calling the prosecution a witch hunt, and large numbers even surged into the corridors and courtroom. Both these incidents were cited by the bar association committee. For some reason, a case of appellate picketing, which occurred in San Francisco, went unmentioned. Last November, in a hearing involving the same Los Angeles defendants, 200 persons picketed the Mission Street side of the post-office building here, carrying placards and handbills comparing this country to Hitlerian Germany. A loudspeaker truck was hauled up to add its stridency to the demonstration. The court being picketed was the United States Court of Appeals for the Ninth Circuit, one level below the Supreme Court.

What conceivable reason can there be for tolerating picketing of the courts as an exercise of free speech or comment? Absolutely none, we think. The action per se aims at influencing the judicial process, which must be kept inviolate. It is an attempt at intimidation of the judge, the court's officers, the jury, if any, and the witnesses, and can have no other purpose.

The fact that such picketing may take the form only of parading on the sidewalk outside the court building does not remove the objection. Judges, witnesses, and jurors have to enter and leave court buildings, and must be protected not merely from physical interference but from the effects of insinuation and intimidation. Freedom of speech for the court-building picket is no more involved in this matter than freedom of the press is involved in the power of judges to hold newspapers in contempt for comment on pending cases that tends to obstruct justice.

We doubt that the Joint Judiciary Subcommittee of Congress has any more important consideration before it than this one of acting to end court picketing, so far as Federal law can end it.

Caseyville, Ill., Observes One Hundredth Anniversary

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith an address which I delivered at the commemoration of the one hundredth anniversary of the founding of the village of Caseyville, Ill. The observance was sponsored by the Caseyville Memorial Post, No. 1117, Veterans of Foreign Wars, and the Caseyville Volunteer Firemen, and was held Sunday, June 12, 1949, in Community Park.

My remarks on the occasion follow:

The one hundredth anniversary of the founding of a community is an important milestone. It is a fine and satisfactory thing to be proud—and all of us are very proud indeed—as we make a celebration out of the occasion, and look back over the accomplishments and the solid, enduring achievements which Caseyville has made for itself and which the men and women who were born here have added to the sum of the whole country's progress in 100 years.

I feel it is a special honor to have been asked to take part in this observance and I am grateful to the Veterans of Foreign Wars and the Volunteer Firemen for inviting me to be here today. These two organizations, I might point out, have something in common which may not come to the mind of most of us often enough. Their membership is made up of men willing to sacrifice themselves in the service of their fellow men—and whose service to their neighbors is usually thought of only when they are called to the rescue.

In this new world 100 years is a good long span in the life of a village. Yet we in this area of Illinois can boast of many communities over that age. Cahokia (which this year observed its two hundred and fiftieth anniversary), Upper Alton, Alton, Belleville (which in 1814 was situated in the flourishing settlement called Turkey Hill), Collinsville, Edwardsville, and Waterloo, all were settled before Illinois was admitted to statehood in 1818.

Caseyville is a few years younger than these neighbors, but it, too, can stake a claim as a pioneer settlement in this historic region of our great country. Possibly, Caseyville may have been the first community in the State of Illinois which was founded for a purely industrial reason—a forerunner for the great industrial centers that now surround it and make St. Clair and Madison Counties so important to our national economy.

Coal, so essential in the life of people and nations—brought Caseyville into existence when the Illinois Coal Co. platted a village here in 1849. This newborn community took its name from an official of the company, Zadoc Casey, and an honorable name it bears.

Zadoc Casey's life commenced in poverty in Georgia on St. Patrick's Day, 1796 and ended September 4, 1862 after he had attained considerable means and much prominence as a statesman, soldier and businessman. He served in the Illinois General Assembly, the Congress, was lieutenant governor of Illinois and a delegate to the second constitutional convention.

They said of Casey as presiding officer of the State Senate that he never had a superior in the State in voice, impartiality, grace, and dignity of bearing.

He must have been a very popular politician in his day for he had a long series of service in public office, interrupted for a brief while during a period of service in the Black Hawk War. He served 17 years in the State legislature and 10 years in Congress. He was one of the few men in Illinois history who had the honor of presiding, at different times, over the house and the senate in the general assembly. He resigned as lieutenant governor to start his first of five terms in Washington.

At the time of his service in Congress this area was in the Second District. There were only three districts in the State.

An interesting sidelight of the times may be found in the fact that Government financial difficulties then were much the same as they are today. Receipts for the State of Illinois for the biennial December 1, 1948, to December 1, 1950, were $402,179 and expenditures for the same period were $640,280. In 1850 the State of Illinois was in debt $16,627,509.

As in the case of most of the early settlements in this area Frenchmen played a part in the community's early history but by the time of the founding of the village the old familiar French names in St. Clair, Randolph, and Monroe Counties were gradually disappearing and American ideas, with introduction of American laws and customs, had begun to predominate. In the new land all groups had already learned how to mingle harmoniously. The new society they formed was agreeable and lively and conducive to the growth and importance of the new State of Illinois. In this Caseyville played its part.

I said at the opening of my remarks it is a fine thing to be proud, but the pride I speak of is not vanity. It is a glowing satisfaction that, in spite of troubles, men have

succeeded in cooperating so well that, all together, they have created something that no one person could do by himself. It is not an easy thing to make a community, but it is a proud thing when you succeed in doing it.

Many generations have shared good times and hard times in these surroundings. Each one has taken something and also has given something. Holding the community together for a century has not been done without sacrifice. Nothing worth while is ever accomplished without sacrifice. The tragedies and disappointments and failures are just as much a part of the community as the achievements and the success.

These are the lessons of the past—and the past is important because of the experience we gain from it. We should promote an understanding of this among our youngsters today.

At a time when the essential ideas of Christianity, of equality and freedom of opportunity are threatened through all the world, when we stand embattled in the war of ideas and ideologies, as our predecessors in this great land were threatened by simple dangers of savage enemies, and of hardship, and cruel weather, it is important that we should teach the children of America the meaning of the past. For without understanding the past, we have no future.

People who have forgotten the values we as Americans cherish, stand ready to take away from us the freedoms the hardy pioneers who settled this region labored to achieve for themselves, and for us, their followers.

The sacrifices our predecessors made, stand today as a valuable relic and living idea to guide us. I hope we will make use of it by imprinting on the minds of our young people the meaning this one hundredth anniversary holds for us. If we do this, the sacrifices we celebrate here today, will have been worth making.

If we but apply the lessons of the past to the problems of the future, they will help us to make headway in our community and in the Nation.

Caseyville sent its sons into military service in four wars and it is fitting that we should remember them on this occasion. We should pay a solemn tribute to the men of this community who served in the armed forces during the great wars which threatened our national existence, and particularly we should remember with pride and affection those who died in uniform.

They were a part of the great citizen forces which our peace-loving republic created out of its own inner strength to defend its right and guarantee its purpose to pursue the ways of peace. They bought with their courage and their devotion a new opportunity for this Nation, and all nations, to seek a larger community spirit which we hope will make it possible for us to prevent wars.

Back of those citizen forces, back of the men who went from Caseyville and all other cities and towns and the countryside of the United States, were the strength of a free and self-governing people, the mighty industrial resources of a highly developed modern society, and the deep spiritual power of a Nation that believes every person has the right to stand on his own two feet, to solve his own problems, to win his own way in his community and in the world.

Those who stayed on the home front know that the job of support was not done without sacrifice. The disruption of normal business, the interruption of home life, the long irregular hours, the strain and the worry, the shortages of food and clothing, and many other things imposed sacrifices on the civilian side.

Yes, Caseyville did its part in every national emergency, and proudly. But our fondest hope should be that Caseyville, nor any other American community, should never again be called upon to face another war.

On Caseyville's first birthday there were only 111 miles of railroad track in the State of Illinois and it was an all-day journey between settlements, even though they might be only 25 miles apart. Today great aircraft circle the world in a matter of hours. There are guided missiles and the atomic bomb. The agents to destroy civilization.

Much has happened to the world since the Illinois Coal Co. platted this village. Let us hope that through these 100 years nothing has happened to disturb the real strength of America. The people who settled here in 1849 had a lot to do with giving this Nation its strength. They were part of the source of it; for it is in the spirit of America that our great strength is found; the foundation of the Republic is the moral sense of her people, a sense of what is right and what is wrong, that the faiths we hold are the chief armament of our democracy.

Even with atomic weapons, America would be weak without the spirit and the faith of the men and the women who founded her villages, her cities, and her towns. To carry the burdens of world leadership that now rest upon us we need this strength of spirit in great measure.

The new world was settled by pioneers who believed in man, not merely as production units but as children of God. The development and happiness of the individual is the purpose and goal of American life. Our flourishing economic life is the consequence of our ethical and moral standards and precepts—of our democratic faith in man.

This park undoubtedly was once a part of the community life. It must have been one of the fields the settlers depended upon to raise their crops. Here men worked together building a new part of a new State and a new nation—they worked together tilling the soil, in the new mining venture which resulted in the founding of the village—they had faith in each other.

Never be misled into believing America can be strong with military force alone—when in truth the foundation of our strength and amazing vitality is not in material things but rather in the faiths we cherish.

We are a people with a faith in each other—and when we lose that faith we are weak, however heavily armed.

We are a people with a faith in reason, and the unending pursuit of new knowledge, and if we lose that faith we are insecure, however heavily armed.

We are a people with a faith in God, with a deep sense of stewardship to our Creator, the Father of us all; and when that is no longer strong within us we are weak and we are lost, however heavily armed with weapons—even with atomic weapons—we may be.

These faiths are the inheritance from the men and the women who made America—the settlers who carried their strength, their courage, their common sense into every part of the land as they founded new communities and opened new fields and opportunities for those who were to come after them.

These are the things we should think of today as we celebrate Caseyville's one hundredth birthday. I have been honored in having been privileged to participate.

Nahant Properties

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Daily Evening Item, Lynn, Mass, Monday, June 23, 1949:

NAHANT AND UNCLE SAM

At its annual convention held in Washington some months ago, the American Municipal Association adopted a resolution calling on Congress either to authorize local taxation of federally owned property or to require the Federal Government to make compensatory payments in lieu of full taxes to the municipalities within whose limits its properties lie.

In other words, the association felt it unfair that Uncle Sam should be permitted to step into any community, take property and deprive the community of the taxes formerly assessed upon it, without making up the loss in some way.

We have a prime example of that sort of thing in nearby Nahant. Wholly disregarding the Fort Ruckman area, which has long been in Federal hands, a survey shows that the War Department in recent years has taken over Nahant properties with an aggregate value of $167,714 and representing a tax loss to the town of $51,803.39. They include the Lodge, Elliott, Mifflin, Harris, and Lowell properties, although the Lowell property has since been returned. Before its return, however, the town lost $5,501 in taxes on it. As of December 31, 1948, tax losses on the other properties were: Lodge, $18,297; Elliott, $21,992; Mifflin, $5,501; and Harris, $510.

So far as the Fort Ruckman property is concerned, there is now a bill in Congress authorizing the War Assets Administration to convey the entire property to the town and a hearing is expected to be held on the proposal shortly.

The fact that Federal installations often bring new business to a community (such as Fort Devens to the town of Ayer) and increase its taxable capacity is not an adequate excuse for the Federal Government's refusing to assume a fair share of the cost of local government operations. It can be argued that private industries also benefit the communities where they are located, yet they pay full local taxes. Furthermore, municipalities today are hard pressed for funds to finance essential services and their prime source of revenue is real estate taxation.

One glowing example of the unfairness of the present Federal policy is San Francisco, where about 6½ of the city's 44 square miles of territory is federally owned and tax-exempt. Thus San Francisco loses $5,000,000 annually in taxation because Uncle Sam won't pay up. Nahant's loss, of course, is relatively small in comparison, but it looms large when one considers the size of the neighboring community. The Federal Government ought at least to recognize an obligation to pay for the services rendered by cities and towns on its behalf.

Unemployment Among Veterans Justifies Extension of Unemployment Allowance Provisions of the Servicemen's Readjustment Act

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1949

Mr. KLEIN. Mr. Speaker, under consent, I am inserting in the CONGRESSIONAL RECORD the report of a special committee

of the American Veterans Committee on the need for extension of the unemployment benefits of the Veterans Readjustment Act.

This is a careful, documented statement from which I have omitted only the detailed statistical break-down of veteran unemployment increase by months.

While AVC specifically endorses a bill other than my own, I am not wedded to the language of my own bill. What I want is the best possible bill for the benefit of this country's veterans that can be reported from committee; and I urge upon you, Mr. Speaker, that time is short.

The report follows:

The following summary study of the question of extending the unemployment-allowance provisions of the Servicemen's Readjustment Act beyond July 25, 1949, has been prepared by the American Veterans Committee in the belief that careful consideration of the facts concerning veterans' job opportunities in the immediate future will indicate the advisability of prompt congressional hearings on this problem:

CONSIDERATIONS IN RELATION TO EXTENSION OF SERVICEMEN'S READJUSTMENT ALLOWANCES

The servicemen's readjustment allowance provision of the GI Bill of Rights was intended to provide unemployment benefits for veterans of World War II during the period following their discharge when they were attempting to make a permanent employment connection. The provisions of the act affecting the vast bulk of World War II veterans are scheduled to expire on July 25, 1949. H. R. 5130, introduced by Representative NOLAND, provides for extension of these provisions for an additional 18-month period, while retaining the same payment of $20 per week.

The following facts should be considered in determining whether this act should be extended:

GENERAL ECONOMIC SITUATION

It is now generally recognized that we are in the midst of a period of economic readjustment. Unemployment totaled 3,290,000 in May, about 1,500,000 above the level of a year ago, according to the Bureau of the Census. Total nonfarm employment has dropped by more than 1,000,000 over the year, the hiring rate in manufacturing is the lowest since 1939. (Source: U. S. Bureau of Labor Statistics.) Most other available indicators point to a decline in economic activity from the high levels of the preceding postwar years. The number of jobless veterans has been appreciably higher in 1949 than it was in 1948.

The general consensus of opinion among economists in both business and Government is that barring unforeseen contingencies, we can expect no return to a higher level of business activity in the period immediately ahead. An average unemployment of between four and five million in the coming 12-month period is probable, and more pessimistic forecasts range much higher.

UNEMPLOYMENT SITUATION OF VETERANS

In the current labor market, the veteran is at a distinct disadvantage. Because of his service in the armed forces the veteran now in industry typically has less seniority and less work experience than other workers of like ages. He is, therefore, typically the first laid off; once laid off, he finds it more difficult to locate other jobs. In May 1949, about 850,000 men veterans of World War II were reported unemployed by the Bureau of the Census—or about 70 percent more than the total of 500,000 in May a year ago. A comparison with men nonveterans in the same age groups shows a consistently higher rate of unemployment among the veterans. In April 1949, 63 of every 1,000 veterans in the labor force, aged 20 to 34, were unemployed, as compared to a rate of 48 per 1,000, among men nonveterans of the same age.

Moreover, large numbers of World War II veterans have not yet entered the labor market to seek their first regular postwar job. Over one million veterans were still enrolled in colleges and universities this spring, completing educational courses interrupted by the war. (Source: Veterans' Administration.) Probably one-third of them will finish their courses this coming year and will look for work commensurate with their training and experience. Included among them are large numbers of men with family responsibilities. Many of these current and prospective graduates are likely to have a difficult period of readjustment still ahead of them, in view of the increased competition for most types of professional and managerial jobs. (Source: BLS press release on Outlook for June Graduates, May 26, 1949.)

LACK OF ADEQUATE PROTECTION AGAINST UNEMPLOYMENT RISK

Large numbers of veterans do not have other sources of income or savings to fall back upon if they become unemployed. Those who have recently entered the labor market, as well as the veterans employed in agriculture or in their own businesses, are not eligible for benefits under State unemployment compensation laws, if they become unemployed. Veterans, moreover, because of their service in the armed forces, were not able to build up their own cushion of savings to the same extent as other workers. In the past few years, many veterans have undertaken heavy financial commitments, particularly for homes, at inflated postwar prices. Unemployment and reduced earnings would therefore cause exceptional hardship.

COST OF SRA PROGRAM

There will be important financial offsets to the gross expenditures entailed by an extension of the servicemen's readjustment allowances. To the extent that veterans file claims under this program, even though eligible for State unemployment benefits, the drain on State system reserves will be reduced. Extension of SRA will also serve to minimize any rise in defaults under the mortgage guaranty feature of the GI bill of rights. From the point of view of city and other local governmental agencies, this measure will have the effect of cushioning the rapidly rising costs of public relief programs.

EVALUATION OF POSSIBLE OBJECTIONS

The President's budget message for 1949 did not provide for an extension of SRA benefits. However, it did recommend that the same ends could be achieved by providing for the extension of social-security benefits and for the passage of a national health program. The message indicated that the size of the veterans group was such as to make it more desirable to operate on the basis of the entire population.

Although it is agreed that full coverage for all unemployed by means of the unemployment compensation provisions of the Social Security Act would be preferable to an extension of the servicemen's readjustment allowances, it would appear that such coverage under social security is unlikely in the near future. In any case, even if changes were made in the unemployment insurance provisions of the social-security program immediately such changes would not meet the problems to be faced by unemployed veterans during the immediate months ahead. For example, if the present system of unemployment insurance were to be extended to workers in industries not now covered by the program, such workers would not be eligible for benefits until pay-roll taxes had been deducted for at least a year and probably 2 years, depending on the requirements of the individual State law.

One school of thought considers that the extension of the servicemen's readjustment allowance provisions is not justified because veterans have had ample opportunity to accumulate wage credits under the State unemployment insurance laws and are, therefore, eligible for unemployment compensation. It is true that at the present time well over half of SRA claimants are eligible for unemployment-insurance benefits, according to estimates of the Bureau of Employment Security. In some instances the figure is even higher. For example, in Michigan, according to the survey of last September, 75.2 percent of all SRA claimants are entitled to some benefits under the National Unemployment Insurance Act. Of these, 63.1 percent would qualify for the maximum rate and duration. Examination of experience in various States does also indicate that there is some tendency for veterans to elect readjustment allowances rather than unemployment insurance because the former are somewhat higher in some States, and by choosing SRA benefits, the veteran is able to conserve unemployment insurance wage credits for possible use after readjustment allowance rights are exhausted.

The fact remains, however, that although a majority of veterans now drawing servicemen's readjustment allowances may have available wage credits which will entitle them to some benefits under State unemployment insurance laws, there remain a fairly substantial number who do not have such credits and who would therefore immediately be thrown onto their own resources and perhaps onto relief.

Further, it should be borne in mind that growing unemployment will place an additional drain on State unemployment insurance funds. Although it is understood that none of these funds are in immediate danger of exhaustion, extension of servicemen's readjustment allowances would provide for shouldering of part of the burden of unemployment allowances by the Federal Government. This would have the effect of modifying the rapid drain on State unemployment insurance funds which is occurring as a result of heavier unemployment volume. Also, it must be remembered that even those veterans who are eligible for unemployment compensation under State laws are limited to aid for only 20 to 26 weeks, while under SRA protection is provided for a longer period during which these veterans may be unable to find work.

CONCLUSION

A number of considerations would seem to indicate that the act should be extended. Large numbers of veterans are completing their training under the GI bill and will enter a labor market in which job opportunities are substantially less favorable than at any time since the initial reconversion period following the war. These veterans have, it is true, received certain important benefits from the Government in terms of schooling. In many instances, however, the training may be wasted if provision is not made to carry them through a somewhat longer period of job-seeking which will apparently become necessary. Although a smaller group is involved, similar problems face veterans leaving hospitals.

Faced with the ominous possibility of further shrinkage in the employment market during the coming months; faced with the fact that thousands of veterans heretofore attending colleges, trade, and secondary schools will make their first appearance in the labor force in 1949; faced with the fact that current statistics on unemployment among veterans and nonveterans indicate veterans, through lack of seniority, are jobless at a higher rate than nonveterans; and

aware, finally, that some type of temporary financial assistance must be provided veterans who are without income through loss of work, the American Veterans Committee believes that this Congress should extend the unemployment allowance provisions of the Servicemen's Readjustment Act and that such action is consistent with the intent of Congress to aid the veterans of World War II in rehabilitating themselves as civilians.

We ask that the House Veterans Affairs Committee open hearings promptly on the Noland bill, H. R. 5130, which provides for extension of these payments until the end of 1950.

A Coal Miner Writes a Letter About Mine Safety

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith a letter which I have received from a coal miner, Mr. Joe Alecci, box 446, Valier, Ill., who writes in behalf of H. R. 3023, a bill which I introduced in the House to put teeth in the Federal mine inspection law.

The letter from Mr. Alecci follows:

VALIER, ILL., *June 22, 1949.*

DEAR CONGRESSMAN PRICE: I have been reading the arguments that have been given against your Neely bill and as a coal miner I wholeheartedly believe that your bill should be passed for protection of the miner and operator.

The Federal inspections and State inspections as they are carried on today are just a farce as far as contributing any improvements toward the safety of the miners.

The management of coal companies always seem to know in advance when the State and Federal inspectors are coming and issue an order to start getting ready for the inspectors as to rock dusting and sprinkling of haulage ways and other noticeable violations and immediately after they leave the premises they start their usual demands for more production and disregarding all safety rules and if any individual makes a complaint he is reprimanded to higher authorities and the company sees to it that they aren't given any advancements.

If the politics were taken out of the assigning of State and Federal inspectors they would feel more freely toward carrying out their duties and the operators would not take their recommendations so lightly.

The operators are afraid to see such authority given to the inspection forces because they would have to be on their toes at all times instead of taking the attitude that some operators do.

In most mines in southern Illinois it is practically an impossibility for men to get out by way of "air courses" simply due to negligence of the operator to keep them properly cleaned and timbered. This condition also causes fires on high voltage cables which are improperly laid according to the Federal code.

I believe that any inspector could take the Federal code which the operators agreed to along with the rank and file and close every mine in southern Illinois for an indefinite period. During war years, they (operators) claimed due to the urgent need of coal and lack of material, they didn't have time to operate according to the Federal code but since the war is over, they still don't have time to correct these safety hazards. The only time anything is done is after some miner or miners lose their life or lives.

I believe that the coal companies need to give their workers an incentive to work toward in the way of fair advancements, and other things. The coal miner today seems to think only of staying on the good side of the boss and the dollar he is going to earn.

I have just finished reading the facts on coal mining as to why the Neely bill should be passed and I, as a young coal miner, feel that Mr. Lewis has spoken the sentiments of all coal miners. It isn't very encouraging to the young men seeking jobs to go to the coal mines after looking around and viewing the various families who have been deprived of a father or husband leaving, in some cases, several children to carry on their future lives the best way they possibly can.

Maybe it would be more impressive to the persons fighting against your bill if they spent a week or two going through some of the coal mines in southern Illinois or anywhere else in the United States of America.

I am desperately hoping that your most needed bill is passed and will be a starting factor toward complete safety in the mines.

A miner,

JOE ALECCI.

Make-Believe Insurance, or Soaking the Poor and Not the Rich

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, I am inserting at this point in the RECORD an article by Mr. Frank Chodorov, which appeared in the June 22 issue of Human Events:

MAKE-BELIEVE INSURANCE
(By Frank Chodorov)

The argument was entitled "Soak the Poor"; it appeared in Human Events (May 4, 1949). The gist of it was that the income tax (sixteenth amendment) was eased into our economy with a "soak-the-rich" slogan, but has turned out to be an instrument for soaking the poor, precisely because there are more poor than rich and the Nation's pay envelope yields more to tapping than do the combined incomes of the affluent.

Since those who live by wages constitute the largest segment of the electorate, political exigency made it necessary to sugar-coat the taxing of their incomes. This was accomplished with the fiction of "social security." It was—and still is—argued that the percentage deducted from the pay envelope is not exactly a tax, a levy exacted to meet the expenses of Government, but is like a premium paid in on an annuity policy. That is, "social security" was likened to, and is believed to be, insurance against the hazards of old age.

I pointed out that this analogy is a false one; that the deductions are not set aside (or so invested as to yield an income) to meet the contractual obligations of an insurance policy. The receipts from "social insurance" taxation are dumped into the funds of the United States Treasury, where they become available without restriction for any expenditure the Government may decide upon. Payments made to the aged do not come from any reserve set aside for this purpose, nor from the earnings from investments in productive enterprise, but from new taxes, levied on current production. It is from the pay roll of the new generation that the pensions come, not from the compulsory "savings" of beneficiaries.

II

This latter point was attacked by a reader of Human Events. It is an exaggeration, he maintained. His criticism is not without point, for technically the social-security receipts are not channeled directly into the coffers of the Treasury. The Social Security Administration receives the money and then loans it to the Treasury in exchange for Government bonds. As a bondholder, the Social Security Administration receives interest (just like any private bondholder) and it is out of this income that payments are made to the beneficiaries, or so the official assertion argues. If more money is needed to meet the contractual obligations, bonds are sold back to the Treasury.

It is on this flimsy pretense that the practices of the Social Security Administration are compared with that of an insurance company. By separating the Treasury into two departments, and giving the offshoot a ledger of its own, it is assumed that a new business is born, whereas, in fact, the arrangement is not unlike the taking in of one another's washing.

If an insurance company did what the Government is doing, if it issued bonds against anticipated premiums, and out of the new premiums paid itself interest on its own bonds, and then met its policy obligations from such income, the directors would be guilty of a felony. If, furthermore, the private company sold its own bonds to itself—well, how can one distinguish between this sort of insurance and the old Ponzi scheme?

That this bookkeeping insurance should be accepted as the real thing by men of intelligence simply proves the effectiveness of unresisted governmental propaganda, or possibly the limitless power of self-delusion. The reality of the matter was put thus by Godfrey N. Nelson, in the New York Times, May 8:

"The Treasury is the only real party to the transaction; it assesses and collects the tax, and issues its own obligations therefor. When it needs the money represented by bonds it must either meet such demand out of current funds—tax receipts—or raise the money again by the sale of bonds."

An even better description of this business comes from Alice in Wonderland: "I'll be judge, I'll be jury, said cunning old Fury; I'll try the whole cause, and condemn you to death."

III

The principal difference between real insurance and the make-believe kind indulged in by the Government lies in the fact that an insurance company, like any financial institution, depends on production for a considerable part of its revenues, while the only income of the Government is taxation. To put it another way, the insurance company is a maker, while the Government is, and can only be, a taker.

After putting aside that part of the premium receipts which actuarial experience has shown to be sufficient to meet its forseeable contractual obligations, the company puts the residue into productive enterprise. Its income—whether for operating expenses, profits for stockholders, or dividends for policyholders—is derived from mortgages on homes and factories occupied by labor and capital, from wheat grown on farms, from freight and passenger services, from the sale of gas and electricity, and so on. It is out of the increased abundance made possible by its loans to industry that the company derives income. Currently, insurance companies are deep in the real-estate field as builders (not as mortgagees) of housing projects.

Even in that kind of insurance where the premiums are calculated on actual risk, the

income of the company is augmented by investment of the premiums until needed for payments.

Since the SSA cannot engage in such operations, even its pay roll must be met by taxes—and no kind of verbal legerdemain can change a tax into an insurance premium.

But, it is maintained, much of the income of an insurance company does in fact come from Government bonds, and to that extent there is a similarity between it and the SSA. One cannot deny that as a bondholder the insurance company is not furthering productive enterprise, for every Government bond is only a lien on the taxing power of the Government; the bondholder is a tax collector, once removed. But the bonds it holds do not make the company a department of Government. Its bonds are contracts with the Government, not with itself.

Even if all the assets of an insurance company consisted of Government bonds, its character would still not be that of the SSA; for it would continue to be a private institution dealing with the Government on behalf of its policyholders and stockholders, not an agency of the Government which issued the bonds. Of course, if we should get around to nationalizing insurance companies, thus making premiums available for governmental appropriations, that would be the end of insurance.

Since the war, insurance companies have been inclined to shift their assets from tax-secured paper—at one time amounting to over 60 percent of their portfolios—to business securities and real estate operations. Apparently, the directors recognize that income from production has advantages over tax-collecting, not the least of which is a larger return per dollar invested. At any rate, such a shift is not possible for the SSA; it has no other recourse than to invest its premiums in the bonds which in effect are issued by itself.

Thus, by whatever criterion we apply to it, the analogy between social-security taxes and insurance premiums is fictitious. One is a form of capital dissipation; the other, at least potential accumulation.

IV

It is estimated that the old-age and survivors trust fund—the debit on the books of the Treasury representing its borrowings from SSA—will eventually reach the fantastic sum of $50,000,000,000.

This brings up an interesting question. Recently Mr. Truman called for an increase in social-security taxes, ostensibly to cover proposed additional benefits. It would seem to be sound business (as well as wise politics) to distribute some of this accumulating fund in the form of benefits, without an increase in taxation. Can it be that the call for higher pay-taxation is prompted by the prospective deficit of the Treasury, due to Fair Deal spending, and that the additional benefits are only additional soporifics?

It may be, as some actuaries maintain, that in due time the fifty billions will be needed to meet the obligations under the social security law; the trust fund must therefore be kept intact. If that is so, one must ask how the Treasury will raise the money to buy back this pile of bonds, or any considerable part of it, when the need arises. The money "borrowed" from the trust fund will long have been spent, and the Treasury will consequently be faced with a fiscal problem of truly staggering proportions.

Let us say that the SSA finds itself in need of only $5,000,000,000, some year in the future. Will the Treasury be forced to ask for that much in taxation, in addition to the regular load—now amounting to 30 percent of our national income? How much additional taxation can our economy stand before it breaks down completely? It is horrendous to contemplate the effect of dumping the entire $50,000,000,000 worth of bonds on the taxpayer, even over a period of 10 years.

The usual practice of the Government is to issue new paper to meet maturing obligations. Even during war, when patriotic fervor favors the undertaking, the floating of a $5,000,000,000 loan is a major task. Can it be done in peacetime? Can it be repeated year after year? One wonders whether in its extremity, the Government will not resort to compelling financial institutions to take its paper, which is tantamount to the confiscation of property.

Finally there is the ultimate avenue of repudiation by inflation. While the prospect of such a desperate step is distasteful to contemplate, both for its immorality and its economic results, it cannot be ignored. The Treasury has never before been compelled to meet so monstrous an obligation. It has, however, learned how to debase currency.

But, whether the Treasury resorts to taxation, refinancing or repudiation, it will be acting as a sovereign government, not as an insurance company. All that an insurance company could do, if forced into a similar position, would be to file a petition in bankruptcy.

D-Day 1944—D-Day 1949

EXTENSION OF REMARKS

OF

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. SIKES. Mr. Speaker, I wish to call attention to an interesting editorial from the pen of Pete Wehmeier, editor of the Gosport, a very fine service publication from the United States naval air station at Pensacola, Fla.

The editorial first appeared in the Gosport, and subsequently was published in a number of other papers.

D-DAY 1944—D-DAY 1949

(NOTE.—The following was contributed by R. S. Wehmeier, of the Public Information Office, Naval Air Station, for the fifth anniversary of D-day in Normandy. It includes his novel editorial written shortly before the actual storming of the beachheads in France.)

Five years ago today, June 6, 1944, the Allies hit the beaches of Normandy, invading continental Europe. D-day 1944 was an important event in the Allied schedule for winning World War II. D-day 1949 is even more important to us in winning a permanent and lasting peace and the prevention of future wars.

Two days before D-day in 1944 this writer wrote a 143-word editorial, which was novel, yet so difficult, it took 10 hours to write it. The editorial was published in the Gosport, Pensacola Journal, and several others newspapers throughout the country. It read:

D-DAY

"Deliverance day, doomsday, deciding destiny.

"Deceitful, dangerous, devilish demagogues deny, discard, disclaim Deity—disintegrate, die, decompose—damnation.

"Domineering, despised, distrusting, disgustingly debased Duce depraves decency-deluded denizens.

"Distinguished, dashing, diligent, daring, dutiful disciples, decipher, declare, demand, dearly defend democracy.

"Despicable, describable, dastardly deeds dictate deprivation, disaster, disgrace. Defiant defense demonstrates desirable disciplinarian distinction.

"Direct deliberate drive, dogged determination, definite devotion, dedication deals destructive damage, dismal death, depredation, disaster, desolation, destitution. Dangerous daggers decapitate distressed disappearing devils. Devastating death-dealing dynamite deafens, dejected, demoralized, dank, damp, dingy, dirty dens. Dreadful dreadnaughts, dynamically destroy desperate, disarranged decaying derelicts—drowning dumb double-dealing dragons.

"Dynamic democrats dethrone degenerate deceiving devils—diminish domain—disarm defrauding disillusioned dupe—denounce doom, deem demise—drum dirge.

"Don't delay depositing dough, displaying desired denunciation, doing destruction, demolishing discontented deceptive damn demons.

"Dawn, departure, dignity, devotion, dwells during democracy."

Although the above was written before the actual invasion, it turned out to be a fairly accurate forecast of events to come. Much of the forecast holds true even today.

D-day 1949 demands determination and decision—not diddling and daydreaming. Determination to intelligently plan, work—and pray—for a lasting peace. A determination to work as hard to keep the peace as we did to win the war.

Decision to pay the price of peace. True, even the price of peace is expensive but it is cheap insurance in comparison to the cost of war. Maintaining a strong military nation costs money; losing a war to an aggressor nation due to unpreparedness is more expensive.

We can all share in the building and strengthening of our Nation and insuring a peaceful future by participating in the present bond opportunity drive and investing in United States savings bonds.

Title of the Texas Tidelands

EXTENSION OF REMARKS

OF

HON. TOM PICKETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. PICKETT. Mr. Speaker, under leave to extend my remarks, I include herein a carefully thought-out statement of principles on the tidelands question. The author, Mr. M. H. Stougaard, of Huntsville, Tex., evidences by the article his careful study of an issue that ought not to be in controversy and his broad conception of good principles of government. While I do not necessarily agree with the author's personal expressions in every respect, certainly the facts stated cannot be successfully controverted. The article merits careful reading and consideration by all Members of the Congress. It follows:

EARLY-DAY SUPREME COURTS FAVORED STATES IN ALL TIDELANDS DECISIONS—THE TITLE OF THE TEXAS TIDELANDS BELONGS TO TEXAS AND IS INDISPUTABLY CLEAR

(By M. H. Stougaard)

Whereas a good many citizens are not posted upon the facts regarding the title of the Texas tidelands, and the important questions involved, I have spent considerable time in order to get the gist of the facts which clearly illustrate the case.

I am indebted mostly to Mr. Bascom Giles, Commissioner of the General Land Office, for evidence there represented and will endeavor

to state these facts as briefly as possible, considering the wealth of information and the magnitude of the subject.

First, we must consider this—that the case of the Texas tideland now before the United States Supreme Court, which case was instituted by United States Attorney General Tom Clark, is but the natural outcome of the rulings of the above-mentioned Court in the California tidelands case, and it may be well to mention that if the Federal Government, in spite of evidence presented can claim the Texas tideland and all other States' tidelands, then we may as well be prepared for other claims upon other mineral resources, manufacturing plants, and so forth—yes, indeed our very homes.

Our farms and industries are at stake and States' rights may be only a relic of the past.

The decision of the Supreme Court in the California tidelands case may well be classed as a most unique decision. Heretofore, every decision in regard to the State's ownership of tidelands has been upholding the State's ownership. Fifty-two Supreme Court decisions have favored the States in this matter. Two hundred forty-four Federal courts rulings have done likewise, 49 United States Attorney Generals, unlike Attorney General Clark (a Texan), have returned opinions in favor of the States and so have 31 Department of Interior rulings.

Could it be possible that the membership of these past Supreme Courts have all been erroneous in their opinions and inferior in the knowledge of fundamental laws to the members of the present court? Could it be possible that the honorable judges composing the present Court are so much more superior in intelligence and so much better posted upon operation of fundamental laws, the Constitution of State's rights, than all the others of the long procession of highly learned and respected judges of the past?

Could it be possible that the honorable Attorney General Clark is such an intelligent giant in the knowledge of law that his opinion overshadows the opinions of his 49 predecessors who ruled differently than he did?

There have been rumors about political expedience, etc. I do not know. I shall not attempt to answer that question nor the question of the inferior or superior qualities of the Supreme Court judges in the past or at the present. That I shall leave to the readers and the citizens to answer.

I only wonder. So, I asked above—could it be possible?

In the case of *Credy* v. *Virginia* (94 U. S. 391 (1876)), the opinion of Chief Justice Waite said:

"The principle has long been settled in this court that each State owns the beds of all tidewaters within its jurisdiction."

Next, let us examine the rulings of the Supreme Court in the case *Martin* v. *Waddel* (16 Peters 367, 410 (1842)):

"When the revolution takes place, the people of each State become themselves sovereign; and in that character, hold the absolute right to all their navigable waters and the soil under them for their own common use, subject only to the rights since surrendered by the Constitution to the general government."

Quite clear, is it not? And I defy anyone, or any lawyer including the members of the Supreme Court and United States Attorney General Clark to show me anywhere where the Constitution gives the Federal Government any rights of ownership over the States' properties or lands.

But let us cite another decision of the Supreme Court in the case of *Shirley* v. *Bowlly* (152 U. S. 1 (1894)).

"Upon the American Revolution, all the rights of the crown and of parliament were vested in the several States.

The Federal Government as first instituted was merely an agent of all the States, the sovereignty of each State and ownership to its lands remained with the States."

The Federal Government has no more right to the tidelands not only of Texas but also of other States than you, my dear reader, have to the money in my pockets.

Time and again, the Supreme Court has ruled that the same rights and ownerships of submerged lands enjoyed by the original States were vested in other States subsequently admitted into the Union.

Let us scrutinize the decision of the Supreme Court in the case of *Pollard* v. *Hogan* (11 L. Ed. 565 (1845)).

"By the preceding course of reasoning we have arrived at these general conclusions: First, the shores of navigable waters, and the soils under them, were not granted by the Constitution to the United States, but were reserved to the States respectively;

"Second, the new States have the same rights, sovereignty, and jurisdiction over this subject as the original States."

A later Court ruling: *Knight* v. *United Land Association* (142 U. S. 161), were similar to the above:

"It is a settled rule of law in this court that absolute property in and dominion and sovereignty over the soils under the tidewaters in the original States were reserved to the several States."

Let us read the opinion of Mr. Upham, the United States Claim Commissioner, in regard to a claim made by an English citizen in 1853:

"The matter of indebtedness of Texas was a distinct subject of argument by the terms of the Union."

"According to those terms, the vacant and unappropriated lands in the limits of Texas were to be retained by her, and applied to the payment of the debts and liabilities of the Republic of Texas, and the residue of the lands, after discharging these debts and liabilities was to be disposed of as the State might direct, but in no event were the debts of Texas and her liabilities to become a charge upon the Government of the United States of America."

When the question of annexation first came before the United States Senate, one of the main objections against annexing Texas was the assumption of her public debts, Texas would have surrendered her public domain to the Union in return for the payment of this debt, but the Union refused this. And instead, it was agreed that Texas retain all her public lands to be used for payment for her debt.

In spite of the above facts, it seems strange that the Federal Government would even entertain any idea of a move to deprive Texas of her undisputed rightful ownership to her tidelands.

Below is a brief quotation of a letter from Charles H. Raymon to Ebenezer Allen, attorney general of Texas, dated May 19, 1844:

"I had a parting interview today with the President (Tyler) and the Secretary of State. * * * They assured me that nothing should be wanting on the part of the Executive toward insuring to Texas her just rights, after she shall have become a member of the Union."

Thus Texas was encouraged to join the United States and finally did so in good faith. Shall it be said by future historians that the trust of Texas was betrayed by the great United States? And, ironically that Attorney General Tom Clark, himself a Texan, would be instrumental in the betrayal of his trust?

The following is from the CONGRESSIONAL RECORD of the Thirty-first Congress, first session:

"Texas was admitted into the Union with specified boundaries, subject only to the rights of United States to settle all questions of boundary which may arise with foreign countries."

According to this, questions of the Texas boundary with any foreign country might have been settled by the United States of America. But as the treaty with Mexico removed this possibility of settlement, the power of the United States was ended, and Texas retained undisputably her rights to all her borders.

Below is a letter from President Tyler, written the day before he died, to Andrew J. Donelson, charge de affiaires in Texas:

"By whatever name the agents conducting the negotiations may be known, and whether they be called commissioners, ministers, or by any other title the compact agreed on by them in behalf of their governments would be a treaty, whether so-called or designated by some other name.

"The very meaning of a treaty is a compact between independent states founded on negotiations."

The above should remove all doubt that the annexation agreement was not looked upon as a solemn obligation and treaty and if you will consult your dictionary you will observe that a treaty is an agreement between two sovereign nations.

Shall it be said by historians in the future that the great United States tore this treaty up like another scrap of paper?

To follow this up, let us quote a letter from President Polk to Commissioner Donelson:

"We desire most anxiously that she (Texas) will accept the offer as made to her, and if she does, she may rely upon our magnanimity and sense of justice toward her. We will act in a way that will satisfy her."

After this, Polk also advised Sam Houston on June 6, 1845, that Texas need have no apprehension in regard to the boundaries of the Republic of Texas because the United States would not allow the boundaries of Texas to be violated or sacrificed. On June 15, 1845, Polk wrote another letter to Donelson:

"Of course, I would maintain the Texas title to the extent which she claims it to be."

What would Polk, Sam Houston and the great historic personalities say if they could observe the way the Federal Government regards the above sacred obligations at the present day?

If they but could know it, they would turn in indignation in their graves.

Let us quote from the proceedings of the Joint Committee of the United States Senate and House by whom the resolution of the annexation of Texas was made and passed March 1, 1845:

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled:* That Congress doth consent that the territory properly included within and rightfully belonging to the Republic of Texas may be erected into a new State to be called the State of Texas with a republic form of government adopted by the people of said republic, by the deputies in convention assembled with the consent of the existent government, in order that the same be admitted as one of the States of this Union.

"2. *And be it further resolved:* That the foregoing consent of Congress is given upon the following conditions, to wit: * * * Said State when admitted into the Union, after ceding to the United States all public edifices, fortifications, barracks, ports and harbors, navy and navy yards, docks, magazines, etc., and all other means pertaining to the public defense * * * shall retain all her public funds, debts, taxes and dues of every kind, which may belong to or be due and owing to said Republic of Texas and shall also retain all the vacant and unappropriated lands lying within its limits to be applied to the payment of debts and liabilities of said Republic of Texas."

Then follows the statement that after the debt is paid the residue of the lands may be used as the State may direct, etc. The United States later plainly showed that she was ready to honor this treaty by paying Texas $10,000,000 as settlement in her border dis-

pute of the lands on the border of New Mexico.

I could go on quoting pages of evidence as conclusive as the evidence heretofore mentioned but have not the space, nor should it be necessary.

It will be well, however, to quote the dissent by Justice Frankfurter in the California Tidelands case:

"To speak of 'dominion' carries precisely those overtones in the law which relate to property and not to political authority. Dominion, from the Roman concept, dominion, was concerned with property and ownership as against imperium which related to political sovereignty.

"One may choose to say, for example, that the United States has 'national dominium' over navigable streams. But the power to regulate commerce over these streams and its continued exercise, do not change the imperium of the United States into a dominium over the lands below the waters.

"Of course, the United States has 'paramount rights' in the sea belt of California. The rights that are implied by the power to regulate interstate and foreign commerce, the power of condemnation, treaty power, war power. We have not before us the validity of the exercise of these paramount rights. Rights of ownership are here asserted, and rights of ownership are something else. Ownership implies acquisition in the various ways in which land is acquired. Conquest, by discovery and claim, by cession, by prescription, by purchase, by condemnation."

"When and how did the United States acquire this land?"

All the rights the Federal Government has over the tidelands is regulatory rights. The Federal Government can produce no actual, valid claims to ownership and this statement I defy any impartial judge, jury or attorney to disprove.

The loss to Texas of her tidelands would not only rob the Texas school children of billions of dollars in the future, but it would result in a loss of millions of dollars already collected by the Texas General Land Office.

The Federal administration has offered a bill of so-called compromise, which, if passed, would give back to the States 37½ cents on the dollar.

But why should we compromise when the title to our tidelands is undisputably clear? This streak of generosity on the part of the Federal Government reminds me of the hold-up man that robbed a citizen of his wallet, watch and other valuable and gave him back a nickel for carfare home.

Why is the Federal Government so persistent in presenting claims to ownership of the tidelands at present under pretense of needs for national defense, when during more than a century and a half it never even thought of disputing the States' right to ownership?

The Constitution provides control for the Federal Government, in case of emergency or war. Why is any more control needed? But the Constitution never provided for Federal ownership.

The whole story can be told in a few lines: Until the past few years, no one thought of the wealth buried under the tidelands and so long as no one knew, the Federal Government was very well content in letting the States hold the title of ownership. What the Federal Government really wants is the millions and billions of revenue that may be derived from the tidelands, not to be used for defense but in order to further present and future bureaucratic schemes. Even the politicians in favor of centralization of government realize that there is a limit on revenue from taxes; otherwise, they kill the goose that lays the golden eggs. So, some other way to raise revenues must be found, a way less painful to the voters. The tidelands offers that way, that source of revenue.

It has been argued by some that the tideland fight is a fight by and for the large oil corporations.

While the oil corporations, I believe, would rather deal with the States avoiding bureaucratic red tape and inefficiency, it matters not a great deal for the oil industry directly, as they will have to pay the Federal Government about the same royalties as they pay the States. But indirectly, the oil industry may be affected as well as any other industry in the Nation.

If the Federal Government can take away title from the States to submerged oil lands, what will prevent it in the future from putting in claims on and to all the industries, or to your farms, your homes, your businesses, your little peanut stand; yes, even your own individually treasured freedom of the past?

Wake up, America. The time is long past due to awake. Unless you do you may wake some day to find yourself enslaved, under a socialized, totalitarian regime. State and individual rights have been the foundation of American expansion, civilization, and growth. Centralization of Government is dangerous. It leads to the road of totalitarianism, dictatorship, and tyranny, and liberty will cease to exist.

I have heard arguments that the Texas school children have to divide with the oil industry and only receive $1 for every seven the oil companies get. If this is true, would it not be better than to divide up with a bunch of Federal bureaucrats to the tune of 62½ cents on the dollar they got from the oil industry for the Federal Treasury and only 37½ cents for the Texas schools.

And as for the $7 to the one for the schools, have you ever stopped to think where that $7 went?

First, to promote new wells, to bring increased wealth; next, to equipment which made possible for other businesses and manufacturers to employ labor at fair wages. And also in salaries for the millions of well-paid employees of the oil industry and its by-products. These millions again go back into trade channels and their employees and suppliers and producers, thus creating more wealth, more employment, more prosperity.

The writer holds no oil stock, is not employed by any oil corporation, nor am I obligated to anyone connected with the oil industry.

But let us be fair. I believe that I could conclusively state that had it not been for the oil industry, the prosperity of Texas and the prosperity and enormous expansion of the city of Houston might have been a different story.

So, let all loyal Texans join in this, our common battle to retain our Texas tidelands. It is a cause in which we all can take part. It is a fight for the future of the children of Texas—your children.

Address of Hon. John Davis Lodge Before National Convention of Young Republicans at Salt Lake City, Utah

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. KEATING. Mr. Speaker, under leave to extend my remarks, I include the keynote address of our distinguished colleague, Mr. LODGE, of Connecticut, delivered at the national convention of Young Republicans held at Salt Lake City, Utah, on Thursday, June 23, 1949.

This trenchant analysis of the issues which confront our country and the course which the Republican Party should pursue in meeting them is characteristic of this penetrating student of government. It deserves thoughtful reading by those who disagree, as well as those who agree. It is the forward-looking product of one who obviously places the welfare of his country first. Along this path, he contends, lies the future glory of his party.

Representative LODGE'S address follows:

Mr. Chairman, fellow Republicans: This is a great occasion. It augurs well for the future of our party and for the Nation. I welcome the privilege of meeting with you in Salt Lake City to celebrate real Republican principles and to plan truly Republican policies.

The Young Republicans did splendid work during the 1948 campaign. I believe that the Republican Party must adopt much of the thinking of the Young Republicans if we are to achieve victory in 1950 and 1952. Political parties should not be exclusive clubs. The Republican Party needs the increased participation of Young Republicans. In order to translate the needs and aspirations of the American people into effective political action, the Republican Party must become impregnated with young ideas.

I believe that the Republican Party must, in its platform and in its actions, reflect the fundamental divisions of thought among the American people. I believe that our party must not be an obstructionist party. It is not sufficient for us merely to carp, to criticize, and to condemn. We must above all conserve, construct, and create. I believe that our party must not be a me-too party; not follow and imitate while others lead and create. I believe that we must not be horse-and-buggy die-hards; we must get the moss off our backs in order to get the country on its feet. I believe that we must be affirmative. I believe that we must confront the people of this country with constructive feasible alternatives. The American people want a choice. I believe that if the Republican Party acts in the tradition of Lincoln the people will choose Lincoln's party.

You who are taking such a significant part in your party's work realize that we are living through perilous and difficult times in which the victory which we won at such tragic sacrifice in human life and such a vast expenditure of national treasure seems to be slipping from our grasp.

Few of you can recall the time when our Government was not a sprawling overlapping bureaucracy sapping the economic strength of our Republic by schemes concocted for the increased power of the bureaucrats rather than for the welfare of the people. And yet most of you have understood well, better, I venture to say, than many of the older members of our party, that the true function of the Republican Party is to maintain individual freedom.

That freedom is threatened. There are sinister forces at work attempting to substitute government by decree for government by discussion. But the presence of these forces seems to me merely to underscore the essential challenge and to define with dramatic clarity the true mission of the Republican Party.

It is true that communism is on the march. It is true that the present administration has failed to deal effectively with the Communist menace in many of its foreign and domestic aspects. It is true that the President has characterized spy trials and investigations undertaken to protect America against Communist infiltration as red herrings, headline hunting, and hysteria. It is true that the Democrat Party has lost

confidence in the American people. But that is no reason why the American people, and particularly the young Americans, should lose confidence in themselves. That is the very reason why we should persevere. The Republican Party, infused with vital, insurgent, progressive elements and transfused with fresh young blood, can meet the dread menace of communism both at home and abroad. It is an unprecedented challenge; it is a challenge worthy of our mettle.

I say with the utmost confidence and with the greatest enthusiasm that, in spite of our present difficulties both at home and abroad, this is a good time to be alive; this is a good time to be a Republican; this is a good time to be an American.

The responsibilities which are inseparable from freedom rest in large part upon the Republican Party. We can be inspired by the sure knowledge that our opportunities for useful service, for dynamic leadership, are equal to these responsibilities.

Let us recognize first that the two-party system is probably the most important single factor in the preservation of American freedom. The Republican Party is the only political instrument standing between the American people and one-party government.

Our two-party system is in danger. It is in danger because there were some 45,000,000 people who failed to exercise their franchise in the last election. It is in danger also because we have a growing number of independent voters in America. The increasing independence of the American voter is in large part the fault of the parties themselves. But it is also due, it seems to me, to the fact that many people do not associate themselves with the political life of the Nation. As the virus bureaucoccus has infected our political structure, as the executive branch of our Government has grown, it has become increasingly difficult for the people to understand how their Government operates. Failure to understand causes lack of interest and lack of interest eventually results in loss of control. That is why we have a minority government in Washington.

Yet the independent voter depends upon the effective functioning of the two-party system. All that America can hope to be depends upon the salvation of the two-party principle. That salvation can come only through a resurgent, virile and victorious Republican Party.

The Republican Party, the party of Lincoln, was founded to fight intolerance and slavery. The greatest American of us all was its greatest statesman and is still its prime inspiration. Abraham Lincoln believed fervently in the dignity of the individual man, in the brotherhood of man under the fatherhood of God, in the freedom not merely of workers or farmers or managers, but in the freedom of the individual. He believed that the individual is the complex heart of society.

In their effort to label the Republican Party as the party of special interests the Democrat Party has called attention to its own failure, during its long years of power, to deal with the very conditions against which it has raised such an outcry during political campaigns. If one could believe Democrat oratory, the Democrat Party would be the me-too party. Actually, however, the Democrat Party by its actions has attempted to destroy our free competitive system and under a deceptive welter of weasel words has surrendered to the minority pressures of the moment.

The Republican Party must be unalterably opposed to special privilege. We believe that it is the function of government to safeguard minority interests while protecting the majority from minority control.

The principles upon which the Republican Party was founded are the principles on which it has always acted in its moments of greatness. Under Lincoln it saved the Union and gave a new birth of freedom to an enslaved people. Under the rallying cry of freedom it made the Nation a kindly refuge for the hunted peoples of many foreign lands. Under Theodore Roosevelt it curbed the excesses of powerful men who threatened to destroy the freedom of the people. Under its great chief justices it evolved a system of law designed to safeguard those freedoms. Actually, the Republican Party, being the party of freedom, has been and is today the party of the people.

It is not an easy fight. The individual, being without spokesman, often seems at a loss in the face of the howling propaganda enthusiastically hurled by the proprietors of vested interest. We Republicans must penetrate through the web of vested interest to the freedom of the individual.

In order to achieve victory we must dedicate ourselves to the principles of Abraham Lincoln. Compromise between men is essential to successful politics but compromise of principle is fatal.

But it should be borne in mind that these principles, on which America grew to her present predominance among nations, are not fixed formulae for reverting to an irretrievable past but are rather felicitous flexibilities for propelling America to a brighter future. The genius of our system in a sense is that we are in a perpetual state of evolution. The Republican Party does not stand for an apathetic stand-pat philosophy. It believes in government by the people precisely because this form of government is not static, because it contains within itself the seeds of its growth. It gives free rein to the largely unpredictable processes of social development. It releases the spontaneous forces in our free society.

Our choice then is not between a mossback philosophy and me-tooism. Between these extremes there is a field in which the Government should act to protect the freedom of all. We need the Government to create conditions favorable to the continued use of private capital, the encouragement of individual enterprise, and the preservation of freedom; freedom for producers and consumers, for employers and employees, for owners and workers. We need it to correct abuses, to protect the weak. In a nation of our industrial power, abject poverty and extreme hardship can and must be prevented.

Because the Government must be the servant of the people it must also be strong enough and wise enough to respond effectively to the problems of the day. While we provide incentives for the creation of new wealth, we must also intercede in behalf of those for whom life is particularly difficult. While, in order to raise our standard of living and buttress our enonomy we should reduce the national debt, effect large scale economies in Government and return to sound fiscal policies, we must also assist those who have no more than a substandard on which to eke out a meager existence. But although the health of our Nation and the education of its citizens, old-age pensions and social security, minimum wages and unemployment compensation, large-scale production and full employment, rural electrification and flood control, adequate housing and soil conservation are all desirable objectives and all involve the people's welfare, we should burn into our brains the incontrovertible truth that the ultimate, the essential welfare of the American people depends upon the continuation and increase of the vital opportunities inherent in our free society. Aid to the needy, to the unfortunate in our society, is right and just and feasible. But if every family receive housing, food, clothing, medical care and education from Washington, if we succumb to the siren call of womb to tomb security, we shall have embarked upon a course which will cause a break-down not only in the American economy but also in the American character. When a government attempts to redistribute to the citizens more than the citizens can produce inflation and dictatorship are the inevitable result.

A policy of government pensions and subsidies to all would also result in a tax burden which would destroy taxable property rather than increase it. It would effectively socialize America. Indeed, although 33 cents out of every dollar is taxes, the Federal income for the first 5 months of 1949 was more than $3,000,000,000 less than for the first 5 months of 1948.

There is a limit to the social welfare operations which we can undertake and still expand our economy. In order to combat growing unemployment, in order to provide more jobs and higher wages, in order to increase our standard of living, we must increase and improve our tools of production. This we cannot do if incentives are stifled, if risk investments are made so risky that people won't take a chance. The average job in America requires a six thousand dollar investment.

The most self-evident fact in the world today is that America's strength and prosperity depend in large part upon its stock of tools. It is the tools of production which our free incentive system has produced which spell the differences between the standard of living of an American truck driver and a Chinese coolie. In 1850 power tools accounted for about 25 percent of all work done. Today, this 25 percent has grown to more than 90 percent.

Furthermore, nowhere in the world are people so secure, nowhere are the fruits of production so equitably distributed as in America. We know this, but we don't prove it to the people. The American whose income is less than $5,000 a year gets 90 percent of all salaries and wages, 69 percent of all interest and dividends, 83 percent of all rents, and 91 percent of the entire national income. Is that a distribution for which we Americans should bow our heads in shame? These are the facts, and there are many more like them. When the people know the truth about their own system, the champions of that system will be properly identified as the champions of the people's welfare. But the Republican Party has not informed our natural majority of this generation of Americans that what we stand for is exactly what they stand for. It has been like winking at a pretty girl in the dark—you know you are winking at her, but she doesn't. When we tell the American people the simple truth, the large majority of voters will once more vote the Republican ticket.

It is traditional Republican policy that the interests of the people who work come ahead of the interests of capital. Lincoln said, "Capital is only the fruit of labor; could never have existed if labor had not first existed. Labor is the superior of capital and deserves the much higher consideration." And he went on to say: "That men who are industrious and sober and honest in the pursuit of their own interests should after awhile accumulate property and after that should be allowed to enjoy it in peace is right." Labor and capital are both indispensable cooperative parts of the same effort.

The real battle is not between labor and management; it is between the customer and the Government. A majority of the customers are the people who work.

Surely bipartisanship in foreign affairs does not require us to be partisan when the welfare of the working men and women of this country is at stake. They are entitled to be influential in both parties. They are entitled to as statesmanlike an attitude toward their problems as are the people of foreign countries. It should be the mission of the Republican Party to take labor legislation out of politics. Similarly, in order to retain the right to the fruits of his labor, it is imperative that the workingman should not be weighted down with taxes. For my part I am prepared to stay in Washington until the snow flies in order to provide the legislation

necessary to implement the reports and recommendations of the Hoover Commission and thereby save the American taxpayers upwards of $3,000,000,000 a year.

We must also recognize that the primary issue facing our Nation is the issue of war and peace. Any social gains we make will melt like snow in the sun if we have war. While this overriding issue should be met without regard to party advantage, it is more important to be right than to be bipartisan.

I suggest to you that a successful foreign policy cannot be predicated on a formula which calls for running with the hare in China while we are hunting with the hounds in Greece and Turkey and Western Europe. At the risk of being accused of partisanship I shall try to persuade the Administration to hew to its own policy which I understand is no longer the policy of appeasement. I shall use my best efforts to hold the feet of the Administration to the fire of its own policy in the patient and determined hope that we may bring the elements of our power and the details of our plans in line with our foreign policy and provide the vigorous consistency and forthright leadership which is so sorely needed. The announced State Department policy of "waiting until the dust has settled in China" is a tragic betrayal of the cause for which 108,000 Americans gave their lives in the great Pacific war. A do-nothing policy in China will not protect American security.

If we Republicans abdicate our prerogatives, if we fail to discharge these responsibilities, America may soon become an island of freedom in a sea of slavery. The Republican Party is the best hope of America and America is "the last best hope of earth."

In addition we must recognize that the world crisis cannot be resolved solely in terms of dollars and commodities, military equipment and personnel, plans and agreements. It is also most emphatically a question of moral leadership. In fulfilling this exacting role, we must bear in mind that while men and women the world over yearn for safety from war and from want, they are also interested in how and why they are living. We who take sharp issue with the Marxian theory that man lives by bread alone must realize that the problem is not simply one of matériel. It is not just a battle of industrial potential—of things. It is a battle of ideas. It has been well described as a battle for men's minds.

We must place our faith rather on the principles on which America has grown to greatness than on the material wealth which we have acquired through their application. We must treat material forces as a means rather than as an end. We know that our material world will crash in splinters around us if it has no lofty thoughts to hold it up.

For it remains wonderfully true that in spite of recent spectacular developments in the scientific machinery of war and peace, the motive power of human conflicts resides as always in the mind of man. As we think, so shall we act. Man can control his own creations if he wills it. Even the new death-dealing gadgets, sad products of man's mechanical genius will move to the measure of men's thoughts. Even the atom bomb is but an extension of yesterday's weapons and of today's conflicts. Even the atom bomb cannot alter or diminish the validity of those timeless truths on which our Nation was founded. The atom bomb does not change the challenge; it merely underlines it and gives it a terrible urgency which before it did not seem to have. We are still faced with the problem of self-control rather than atom control; and we can develop self-control far better under our free system than under the imposed disciplines of statism. The challenge is still a moral challenge and in that challenge the young people of America—the Young Republicans—will play a predominant part. It is still a challenge to us to give a vigorous demonstration that our private property competitive economy can continue to bring a higher standard of living and more freedom to more people than any system yet devised by man.

The American people are still willing and eager to assume the risks of being free. If Patrick Henry had said, Give me security or give me death, we would not know his name today. That is why we Republicans must be relentless in our efforts to preserve in America the free institutions under which our people can continue to strive for the real security of individual accomplishment instead of bending under the bogus security of government hand-outs. This is the peacetime challenge. The final test of any system of education is that it should enable us to recognize the true challenge of life and prepare us to meet it.

Now the real challenges are ever the same.

Changing conditions may require that we adjust the tempo of our lives, modify some of our opinions, accommodate our methods. Our material equipment has altered enormously and has occasioned tumultuous changes in our social order. But man's equipment to meet life, to face its ordeals has not altered perceptibly. Would we not do better then to live according to those principles of freedom for which men have suffered and died rather than abandon them for some reactionary plan which would substitute authoritarian government for self-government, State control for self-control, reliance on Government-sponsored panaceas for self-reliance. There is nothing progressive, forward-looking, or new about the concept of government as the cure-all for human ills. The issue is whether we shall retain, with such modifications as appear feasible, the recent tradition of individual freedom or in abject defeatism return by an easy succession of plausible political subterfuges to the much older threadbare tradition of the paternalistic, dictatorial state.

That is the issue in the world at large and it is the issue right here.

We live in a changing world. We live in a world of constant alarums and recurring crises. But this we know—that there can be no more progressive, no more contagious thoughts, than those which were forged in the tears, the toil and the turmoil of the American Revolution. These thoughts, these ideals, are timeless. They are the thoughts which inspired the author of those memorable lines which appear on the great monument at Valley Forge:

"And here, in this place of sacrifice, in this vale of humiliation, in the valley of the shadow of that death out of which the life of America rose regenerate and free, let us resolve with an abiding faith that to them union shall seem as dear, and liberty as sweet and progress as glorious as they were to our fathers and are to you and me, and that the institutions which have made us happy, preserved by the virtue of our children, shall bless the remotest generations of the time to come."

This is the real challenge of the peace—this is the challenge to the Republican Party—this is the challenge to America.

The Housing Situation in Syracuse

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a copy of a telegram sent to Mr. Paul V. Betters, executive director of the United States conference of mayors, by Hon. Frank J. Costello, mayor of the city of Syracuse, N. Y., on the housing situation in the city of syracuse:

SYRACUSE, N. Y., *June 23, 1949.*

PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

In spite of substantial building program carried on in last 2½ years our housing shortage continues particularly as regards accommodations for families of modest and low income. Our emergency housing service had 1,280 requests for aid in finding homes first 5 months this year compared with 829 same period last year. Need for additional housing variably estimated locally from 3,400 to 5,200 units as of January this year mostly in modest and lowest brackets not now served by private enterprise under existing legislative authorization. Families with children our biggest problem. Efforts of our health commissioner to eradicate some of the most subhuman housing conditions are frustrated due to lack of other accommodations for occupants. Our public housing project developed with Federal aid replaced some of worst slums of city definitely reducing health, fire, and police costs.

FRANK J. COSTELLO,
Mayor of Syracuse.

Paul Robeson

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Boston Sunday Advertiser, Boston, Mass., Sunday, June 26, 1949:

AN UNDESIRABLE CITIZEN

Gross misconduct is an insufficient epithet to describe the behavior of Paul Robeson, the negro baritone, who has just returned from a subservient pilgrimage to Moscow.

Some years ago, as a student at Rutgers University, Robeson was an admired athlete who competed as an equal with young Americans of other heritages.

He received the Phi Beta Kappa key for scholarship, and is listed in Who's Who as a member of Alpha Phi Alpha and Sigma Tau Delta fraternities.

He has had academic honors poured upon him—he has received degrees from Columbia and Howard Universities and from Hamilton and Moorhouse Colleges, as well as from his alma mater.

It cannot be said that Paul Robeson was denied the benefits of an American education.

Since the early twenties he has fared sumptuously in his profession, appearing in a number of successful plays and operas, making many lucrative concert tours as a singer, and having excellent listings on the radio.

Paul Robeson's favored career has made him a wealthy man.

And for all this, Paul Robeson despises his country.

At a Communist congress in Paris last April, he declared that American Negroes would not fight in a war with Russia—an insult to the thousands of loyal Negroes who

fought in the last war and left their blood on its battlefields.

At a Communist rally in New York on his return from Russia, Robeson made a communistic speech in tones and terms calculated to incite racial hatred.

He declared his intentions of supporting the Communist Party leaders who are on trial on charges of conspiring to subvert the United States Government.

And he found time to berate and abuse news photographers peaceably seeking to take pictures of his son's wedding.

Paul Robeson has said that Soviet Russia is his second country.

That is his own choice.

It was an accident unfortunate for America that Robeson was born here.

America owes him nothing, although he owes America much.

So let Paul Robeson, as a free man, exercise his preference and find his home in the Soviet slave state where he and his ungrateful and disloyal kind belong.

Purging of Catholic Priests

EXTENSION OF REMARKS

OF

HON. CHESTER C. GORSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. GORSKI of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Washington Daily News:

VATICAN SAYS REDS HAVE PURGED 1,500 CATHOLIC PRIESTS

VATICAN CITY, June 27.—Vatican sources said today that more than 1,500 Roman Catholic priests have been arrested or disappeared in Soviet-dominated eastern Europe since the end of World War II.

They said an undetermined number of priests had been executed. The rest, they said, had been imprisoned or deported, or had just vanished.

The campaign against Czechoslovak Archbishop Josef Beran is only the latest chapter in a long series of antichurch persecutions behind the iron curtain, a spokesman said.

In Prague, a defiant new pastoral letter from Archbishop Beran brought Czechoslovakia's bitter church-state struggle a step nearer a final show-down.

"HANG THE BISHOPS"

The letter, read in churches throughout the country yesterday, accused the Government of forcibly removing priests and nuns from Slovakia in freight cars and of otherwise destroying all religious freedom in the country.

It was issued at a time when the controlled Czech press was crying loudly for punishment of Archbishop Beran and his bishops. Hecklers interrupted the service after the reading of the letter in one Prague church with shouts of "Hang the bishops and their chief."

The Vatican said the church had been stripped of most of its authority in Hungary, Czechoslovakia, Albania, Poland, Rumania, Yugoslavia, and the Baltic States.

MAY BE HIGHER

"The exact number of Catholic priests who have been deported, jailed, or killed in eastern Europe cannot be known under present conditions," he said, "but 1,500 would be a conservative figure based on actual reports received. We fear the figure may really be higher."

Fears of Czech Catholics that Archbishop Beran's arrest may be near were strengthened Saturday by Justice Minister Alexei Cepicka's statement that the government already has enough evidence to convict Czechoslovak bishops of a hostile attitude toward the state.

The 4,000-word pastoral letter, apparently smuggled out of Archbishop Beran's police-occupied palace, formally accused the Communist government of:

Depriving the Catholic Church of the majority of its free rights and publicly and secretly persecuting it.

Censoring prayer books and placing agents in Catholic publishing houses.

Banning any assembly or teaching of Catholicism outside the church under threat of punishment.

Forcing religious teachers in Catholic seminaries to teach Marxism.

Seizing many church buildings.

Placing the residence (palace) of Archbishop Beran under the surveillance of the secret police, thus completely curtailing the freedom of the chairman of the bishops.

Women wept and groups of men screamed at each other after the pastoral letter was read from the pulpit of the small, ancient Church of the Crusaders in Prague.

When hecklers scattered through the congregation of 400 began shouting demands that the Czech bishops be hanged, the faithful drowned them out by singing hymns.

The California Vote

EXTENSION OF REMARKS

OF

HON. JOHN PHILLIPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. PHILLIPS of California. Mr. Speaker, reference has been made several times, during the debate on the bill now before this House, H. R. 4009, to the vote in California last November on the same subject. Initiative No. 14, on the November ballot, proposed to create a State housing agency, and to guarantee its operations up to $25,000,000 annually. It authorized a bond issue of $100,000,000, for loans for public housing. The other provisions had to do with tax exemptions, State and local government powers, and the customary regulations. One million forty-two thousand and eighty-nine votes were cast in favor of No. 14, and the vote against it was 2,372,646. Every one of the 58 counties voted against the proposed housing amendment, several by votes of 4 or 5 to 1. Even Los Angeles County, with its real need for housing, and its history of liking Government aid, voted 1,021,221 against and only 474,561 for the proposal. Since there were two other measures on the ballot at the time which were bringing out active campaigns, there was little organized effort against No. 14, and the customary effort on the part of planning groups, and present or prospective Government employees for it. This should be significant. Perhaps we misjudge the real feeling of the taxpayers when we say, with such confidence, on this floor, that the people are behind H. R. 4009, or bills like it, which propose to establish in this Nation those social and economic ideas which have wrecked other Nations, some of them now on the list of those the United States is supporting. The California vote follows:

Counties	Yes	No
Alameda	90,068	176,265
Alpine	20	76
Amador	608	2,303
Butte	3,987	14,304
Calaveras	850	2,523
Colusa	802	2,557
Contra Costa	29,002	48,906
Del Norte	396	1,813
El Dorado	1,134	4,072
Fresno	18,783	47,306
Glenn	621	3,759
Humboldt	6,386	12,040
Imperial	1,952	6,987
Inyo	653	2,333
Kern	13,891	33,814
Kings	1,889	7,159
Lake	797	3,466
Lassen	1,240	3,097
Los Angeles	474,561	1,021,221
Madera	1,483	4,853
Marin	7,093	21,160
Mariposa	422	1,301
Mendocino	2,500	6,872
Merced	3,036	10,188
Modoc	468	1,867
Mono	100	487
Monterey	7,710	20,826
Napa	2,839	10,765
Nevada	1,342	5,233
Orange	10,095	61,069
Placer	2,577	9,856
Plumas	1,276	2,608
Riverside	10,306	38,657
Sacramento	17,950	62,780
San Benito	740	2,982
San Bernardino	20,189	63,873
San Diego	55,048	127,997
San Francisco	121,172	165,901
San Joaquin	10,194	38,644
San Luis Obispo	5,019	16,881
San Mateo	21,258	53,780
Santa Barbara	9,077	21,973
Santa Clara	20,946	68,780
Santa Cruz	4,721	17,108
Shasta	2,356	7,767
Sierra	280	640
Siskiyou	2,619	6,978
Solano	12,297	17,771
Sonoma	7,210	24,976
Stanislaus	5,488	25,640
Sutter	969	4,962
Tehama	860	4,289
Trinity	377	1,201
Tulare	6,317	23,927
Tuolumne	827	3,226
Ventura	7,902	20,637
Yolo	2,195	5,225
Yuba	1,191	4,286
Total	1,042,089	2,372,646

Irving Dilliard, New St. Louis Post-Dispatch Editorial Page Editor

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. PRICE. Mr. Speaker, the community of Collinsville, Ill., in my congressional district, feels itself singularly honored through the selection a few days ago of Mr. Irving Dilliard, a native son, as editorial page editor of the St. Louis Post-Dispatch.

Since the Post-Dispatch is among America's greatest newspapers, Mr. Dilliard's new assignment places him in one of the most influential positions in the Nation. And Mr. Dilliard is well qualified to fill this post of such great importance.

I have had the pleasure of Mr. Dilliard's personal acquaintance since the summer of 1926 when, as a young student at the University of Illinois, he did some of his early newspaper work with me on the old News-Review at East St. Louis.

The Post-Dispatch has given to the Nation many of its foremost journalists. Irving Dilliard is another in the long list who have contributed to the greatness of the St. Louis newspaper. As an old friend I wish him a long, successful, and distinguished career in his new post.

Under leave to do so, I include herewith an article written by another great Illinois newspaperman, the Honorable James O. Monroe, announcing the appointment of Mr. Dilliard in Mr. Monroe's Collinsville Herald, June 24, 1949:

IRVING DILLIARD EDITORIAL EDITOR OF POST-DISPATCH

Irving Dilliard, 505 East Church Street, has been made editor of the editorial page of the St. Louis Post-Dispatch, it was announced Monday by the newspaper's executive office. He succeeeds Ralph Coghlan, who has held the chief editorial post for the past 10 years. Coghlan will go to Europe as a special correspondent for the newspaper.

Dilliard has been second in command to Coghlan on the paper's editorial staff for several years, after having been employed in other capacities on the paper since 1927.

Dilliard, born and raised in Collinsville, early developed a taste for journalism and cultivated it while in high school by writing articles for the Collinsville Herald and acting as local correspondent for the Post-Dispatch. In 1923 he entered the University of Illinois. He did reportorial work on the University-controlled newspaper, the Daily Illini, and in his senior year was editor of the editorial page. He also acted as Champaign-Urbana correspondent for the Post-Dispatch, and on his graduation in 1927 he took a position with the newspaper as a staff reporter. In 1930 he was assigned to "vacation relief" of the other writers on the editorial page, and his work proved so satisfactory that the assignment was made permanent. In 1939 he went to Harvard University for a year to study as one of the Nieman Fellows, a group selected from active newspaper workers for advanced study under the Nieman Foundation. Returning to his editorial work in 1940, he continued until 1943 when he entered the military service and attended the Army's Military Government School at Charlottesville, Va. Commissioned as captain, he served on the staffs of Generals Patton and Eisenhower in England, France, and Germany. Ten months before his discharge he was advanced to the rank of lieutenant colonel. In recognition of his war services the British Government last November, awarded him an honorary membership in the Military Division of the Most Excellent Order of the British Empire.

Dilliard returned Sunday, from 15 days of active duty in Washington under Lt. Gen. Raymond S. McLain, who is on the staff of Gen. Omar Bradley, Army Chief of Staff. His assignment was related to the prospective change-over of responsibility for American occupied areas in Germany from the Army to the State Department.

As a worker on the editorial page of the Post-Dispatch, Dilliard has been most zealous in carrying on the paper's traditional policy of prompting measures and reforms in the field of government. This often called for the direction of special correspondents who traveled throughout the country gathering the information required to understandingly present the facts to support the paper's policies.

A notable instance was the treatment of the scandal which developed in Illinois politics in 1947, involving Governor Dwight H. Green in the shake-down of coal mine operators for campaign funds. This disclosure by the Post-Dispatch was followed by a mine disaster at Centralia in which 111 men were killed. Dilliard was given charge of the news and editorial handling of this sensational affair, and the paper's revelations rocked the Nation.

For one not a lawyer, Dilliard, through his study of constitutional law, is recognized as an authority on questions of civil rights and jurisprudence. He enjoys the acquaintance of most of the members of the Supreme Court of the United States, being on intimate terms with some of them. His criticisms of decisions of the Nation's highest tribunal and also of the Illinois supreme court have been penetrating and persuasive. He is one of the stanchest defenders in Illinois of the Bill of Rights.

Dilliard has served as a trustee of the State Historical Library and a president of the Illinois Historical Society.

He is married to the former Miss Dorothy Dorris, daughter of Mr. and Mrs. C. H. Dorris. They have two daughters.

At 44 he has become one of Collinsville's most illustrious citizens.

The American Potential for Greatness

EXTENSION OF REMARKS
OF
HON. SIDNEY R. YATES
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. YATES. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Marshall Field, president and publisher, Chicago Sun-Times, at commencement ceremonies, Roosevelt College, Chicago, June 12, 1949:

It is an honor and a great privilege to be here with you today.

From the beginning I have been deeply interested in the ideals, the plans and the hard work that have made Roosevelt College a reality. It is not easy these days to establish and maintain an institution dedicated to the high principles to which Roosevelt College is committed. I congratulate all of you—administrators, faculty and students—on the substantial progress you have made. Let us hope that the example you have set here in Chicago may inspire other communities to duplicate the work you are doing—and to do it with the same principles and the same effectiveness.

The tradition of commencement day addresses is both ancient and honorable. I fear that it can also be somewhat boring to those of you who are graduating today and who are, presumably, tired of preaching and ready for action. The current state of the Union and of the world certainly indicates that your elders do not have many of the answers you would like them to have. We may have philosophies and points of view but we do not have all the answers—or even the wisdom and other virtues which are essential before answers can be formulated.

These defects, of course, do not prevent us from speculating on the achievements through which you, in the years ahead, may not only find the answers you seek but also the skills needed to apply those answers to world problems.

Perhaps we need a new perspective on achievement. By some standards the achievements of this country during the past 40 years have been substantial. We have made tremendous technological progress. We have performed amazing feats of industry. We have multiplied our creature comforts and we have increased the leisure time in which to enjoy them.

Yet our two greatest achievements have, through force of circumstance, been negative. Twice within the life span of many persons here today we have fought back enemies who would have destroyed the particular freedoms which make America unique among the societies of the world.

Twice we have proved our right to exist. We have earned a chance to survive. We have won for ourselves a chance to go forward, but we have not yet fully capitalized on that chance.

That kind of achievement may not be enough in the years ahead. No civilization can hope to perpetuate or extend its best features solely by armed force.

Spectacular as our achievements in the past have been, they have left us with the same challenge that faced the founders of the Republic—the challenge to develop the American potential for greatness.

Nearly 140 years ago, Thomas Jefferson wrote to his friend, Colonel Duane: "The last hope of human liberty in this world rests on us."

Those words have as much meaning for us today as they did in Jefferson's time. They state the central issue in the conflict between those who believe in the dignity of the individual and those who reject that dignity. The challenge to us today is to demonstrate how much can be accomplished in a system that prizes human liberty. If we can meet that challenge in America, our example will be the most persuasive force for peace that the world has ever known.

The simple fact is that America has never realized fully its potential for greatness. The essential greatness of this country will never stem primarily from its natural resources or even from its technological know-how or from its organizing ability. Its true greatness lies in the powerful Jeffersonian ideal of human liberty—an ideal that had been purely theoretical until it became the basic theme in the American way of government.

This concept of human liberty—of the dignity of the individual—has always been under attack. These attacks have not come exclusively from beyond our borders. Human liberty has always had enemies in its own home. It has them now. Not all of them are visible, but every one of them threatens to stifle the special characteristics that have made America great.

The great enemy of American progress is fear—unrealistic, unfounded fear. In March of 1933, Franklin D. Roosevelt rallied the American people with 10 words we would do well to recall today. "The only thing we have to fear is fear itself," he said. Today, only 16 years later, we are beginning to forget. We are in danger of yielding to a psychology of fear that can be more demoralizing than the greatest threat of physical force.

There is the pervading fear of communism, for example, a fear that is daily being compounded into hysterical attacks upon all nonconformists, whether they are Communists or not.

Of course, communism is bad for America. Of course, we do not want a communistic system in this country.

But why should we dissipate our energies in unworthy fear and suspicion? Who would dare to assert that our American system of human liberty cannot prove vastly superior to any other system, not only on the strength of its past record but also on the basis of any clear analysis of its future potential?

Instead of careful analysis we have expensive witch hunts that implicate not only the avowed Communists but thousands of others whose only visible crime is independent

thinking about the problems facing society today. Instead of clear thinking, we have irresponsible statements whose only result must be to convince the leaders of the Russian state that we welcome a contest of warmongering with them.

The citizen of Moscow today does not have to depend upon his own propaganda factories for evidence of our verbal aggression against Russia. We are contributing the evidence ourselves, every day in the year. It can be seen in the carelessly documented stories appearing in some of our newspapers. It can be heard in the innuendoes and distortions of some of our radio commentators.

In many ways we are talking and acting as if a show-down by force were inevitable. And we appear to be taking the initiative in precipitating that show-down.

We have succumbed to a new element in our national thinking. And that element is fear, a fear that has made us supersensitive in our foreign relations and not sensitive enough to our own ability to provide responsible world leadership.

It will be a terrible thing if we yield completely to this kind of thinking. Already there is evidence in Washington and other places that we are condoning a philosophy of guilt by association. We are no longer content to hunt for witches. We are now seeking out those who have been associated even remotely with radical or liberal thinking. And we are imputing to them all the unproved crimes for which we condemn the twentieth-century witches themselves.

A Washington lawyer reported recently that his firm had been retained by five separate clients to defend them from charges raised by overzealous agents of the Government's loyalty program. In only one of those cases, he said, did any of the accused Government workers have any knowledge of the basis for the charges.

In the fifth case the only evidence against the accused man was a single brief postscript to a routine letter. The postscript was interpreted maliciously by the man's secretary and reported to the loyalty board. The man's entire future was placed in jeopardy. It is not enough to say that he was innocent and that the malicious charge was withdrawn. The man had been accused of disloyalty to his Government. In the eyes of every bureaucrat who has access to his Government record, he will never be the man he was before he was investigated.

These are not isolated examples. Two weeks ago one of our leading nuclear-energy authorities told a press conference that at least 100 qualified scientists had been barred from atomic-energy research for security reasons, without knowing what the charges against them were. These men have not only been disqualified for Government research; they have also been handicapped in their search for employment in private laboratories. And they have no way of defending themselves because they do not know what security rules they are supposed to have broken.

Jefferson's concept of human liberty and human dignity has taken a bad beating when an American can be presumed guilty until he is proved innocent.

Our attitude toward the atom bomb is perhaps symbolic of the fears that are paralyzing us today and keeping us from constructive action.

Virtually every act involving atomic energy during the past 4 years has been negative or restrictive. We have committed ourselves to a policy that is completely untenable, and we have pyramided our efforts to contradict long-term common sense. We are trying to convince ourselves that the laws of nature and of physical forces in nature are, or can be, a long-term national monopoly.

By concentrating on the destructive power which we may some day wish to pour upon some other nation, we have blinded ourselves to the international potential for constructive use of atomic energy. We have forgotten that the first bombs were in no sense the result of exclusively American ingenuity. We have forgotten that science recognizes no national boundaries. We have tried to pretend that the secrets of atomic energy can be hoarded indefinitely.

We should know better. And we should convert our thinking to positive, constructive action. It is sheer folly to hope that the most rigid system of national security can prevent alert scientists in other countries from eventually acquiring the skill and the resources necessary for the manufacture of atomic bombs.

If we cling irrationally to this kind of hope, we do little more than breed suspicion of our motives. We invite reprisals—and we will be certain to get answers to our invitation, even though we may not be able to specify the precise date.

If our fear of communism and our fear of the atom bomb are keeping us from reaching our potential for greatness, there is one other all-pervasive fear that claims our thinking today.

That is the great fear we have for the future of our economic system. In spite of long-sustained abundance that cannot be matched anywhere else in the world, we seem to have lost faith in that system. We seem to have lost faith in its flexibility to meet changing conditions and in our own ability to modify the system continuously to provide the greatest good for the greatest number of our citizens.

We seem to expect the system to crack wide open at any moment. To put it colloquially, we don't seem to be quite sure that we can stand prosperity.

We keep harking back to periods of relative economic stress. At the same time we keep looking forward for omens of future distress. In our casual thinking we have wiped out of our minds the great gains made by Franklin D. Roosevelt in this long-range campaign to help our economic system operate the way it was supposed to operate.

In the darkest days of 1933 President Roosevelt saw clearly that it was not the system which had failed. He saw that the system had been sabotaged through abuse at home and in our economic dealings with other nations. Franklin Roosevelt had a vision of the American potential for greatness. But he was realistic enough to appreciate that this potential could not be achieved without practical safeguards.

Perhaps we are too close to recent history to understand how our economic system has been strengthened during the past 16 years. Perhaps we do not yet appreciate how many safeguards we now have against the abuses and the inequities which nearly stalled our economic machinery during the late twenties.

The important thing is that we have them and that they are working to stabilize our economic system. They have not only been written into legislation; they have also become a part of our social fabric.

Who today would want to revive abuses of child labor? Who would want to abolish the machinery of the Securities and Exchange Commission? or the Federal Deposit Insurance Corporation? or the vitally important Government credit agencies? or the common-sense policy of reciprocal world trade?

Our economic system did not have these and many other safeguards 20 years ago. There was reason, in those days, for yielding to panic and to fear in times of crisis.

We do not have that justification today. Yet, even before VE-day and VJ-day, a great chorus of pessimism and despair was heard from many reactionaries and a few timid liberals. It was predicted that the end of the war would bring a terrific economic slump. It was predicted that we could never maintain high levels of employment and that we must resign ourselves to a serious business slump.

We have been hearing those predictions and reading those predictions ever since. If talking and writing could cause a depression, we should all have been on breadlines years ago.

No business curve can continue to go up without an occasional setback. If we are honest, we will concede that, during the past 10 years, we have transacted a tremendous amount of business with relatively little effort. There is still a lot of business to be done in this country but from now on we are going to have to think and plan and work quite a bit more. These are hard facts for graduates of every class of 1949. But they are not necessarily unpleasant facts. The opportunities for important work were never greater. The rewards can be ample.

I think that a great deal will depend on the viewpoint you take with you when you leave here. If you are cynical about the future of America, if you are discouraged by the frequency with which the forces of reaction divert us from progress, you may find plenty of reason for pessimism in our imperfect society.

But if you believe in the fundamental theme of human liberty, if you will consider realistically the progress that has been made since Jefferson's time, I think you will be excited by the challenge to help develop our national potential for true greatness.

We have always tended to underestimate our capacity for greatness. We have let ourselves be sidetracked by many petty considerations until, in some period of crisis, we have proved again and again our ability and power to rise to unsuspected heights. Peacetime America today needs the same concept of greatness that united us and lifted us to victory in the last war. In more ways than one, we hardly knew our own strength until we were challenged to defend ourselves against a doctrine and a force that would have destroyed our ideal of human liberty.

Because the challenge is less obvious and less dramatic, we probably do not appreciate our own strength for constructive leadership today. The challenge now does not call for guns or tanks or planes or fighting ships. It is a challenge to raise the living standards of all the people in the one nation that is still capable of meeting that kind of challenge.

America has the potential strength to wipe out every slum, to provide a decent education for every child, combat ill-health, and to provide equal opportunities for men and women of all races, creeds, and colors.

Our potential for greatness will not be reached until we have met those challenges.

Those are jobs worthy of our mettle and our resources. Instead, we see our great strength being dissipated daily in time-consuming nonconstructive activities.

We have let red-baiting achieve almost the dignity of a profession in which petty men and women devote their entire energies to proving guilt by association.

We see the fundamental question of civil rights—human rights—become a partisan political issue in Congress and in some of our State legislatures.

We see courageous men and women in business and the professions shrinking from the assumption of public responsibilities to avoid being smeared as subversive or disloyal.

We see an America in which, for the first time, people are becoming afraid to think objectively and to speak frankly in the great liberal tradition of the Nation.

The cost of this kind of hysteria comes high. It costs time, money, and effort to set up "thought police" anywhere in the world. We could have built a great many schools with the appropriations that have been voted to loyalty investigating committees in America during the past decade.

Our fears and our hysteria are costing us dearly in terms of the ammunition they provide those nations which are opposed to our system of government. In a very real sense we are paying for the propaganda ammunition of our critics.

We are certainly cheapening our prestige abroad when we give such a convincing demonstration of our fear of the tiny disruptive minority in our midst. The good that we are doing with the European recovery program and the friends we may be winning through our Voice of America broadcasts are being offset daily by our apparent concern for our own survival.

The most important commodity we can export today is the prestige of American strength engendered by American democracy. That prestige is threatened and the work of our diplomats is hampered every time we betray our hysteria.

It is time we got on with our real job, the job of strengthening the principles of human liberty and making America a constructive force for good in world affairs. We must revise our thinking upwards in estimating the good that we can do not only for ourselves but as an example to all the peace-loving nations of the world. We did not ask for a position of world leadership; it was thrust upon us. As long as we have it, we must face up to a scale of responsibilities that requires more honesty and more courage than has ever been demanded of us in the past.

If we do not face up to our responsibilities, if we fumble them, world leadership may well pass to other peoples who may not hesitate to destroy us—and our principles—to suit their own ends.

Why should we be afraid?

We have proved our greatness many times in the past, always by raising our sights, by calling upon strengths we never knew we possessed. Today, facing tremendously greater challenges, we have still untapped reserves upon which to draw.

The challenge issued by Franklin Roosevelt—the only thing we have to fear is fear itself—remains to be met.

If we can conquer that, nothing can keep us from realizing the American potential for greatness in the crucial years ahead.

Strike in the Hawaiian Islands

EXTENSION OF REMARKS

OF

HON. JACK Z. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. ANDERSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I enclose herewith a timely and pertinent editorial with reference to the continuing strike in the Hawaiian Islands.

This editorial emphasizes the need for President Truman to take action at an early date to terminate this calamity.

WHERE TOJO FAILED, BRIDGES SUCCEEDS

For a while after Pearl Harbor, the greatest concern of every American was the safety of Hawaii. Anxiety did not cease even with the Battle of Midway. Hawaii was not only the key base of the Pacific; it was a community of imperiled Americans—almost the forty-ninth State.

PRESIDENTIAL FRUSTRATION

Things have changed. After Pearl Harbor the Japanese never raided the islands and could not blockade them. But Hawaii is blockaded now. The CIO blockade is the most successful operation of its kind since the German U-boats very nearly starved out Britain, just before we got into World War I.

Mainland Americans seem to be strangely uninformed, or perhaps merely uninterested, in the Hawaiian blockade.

President Truman is excepted from this indictment, for he said that he is "very actively interested." But he also said, at the same time, that he has no powers to deal with the Hawaiian strike, which is imposed by the International Longshoremen's and Warehousemen's Union, Harry Bridges, president.

This is even stranger than the general indifference to Hawaii's plight. For President Truman also said, in the course of the debate over a new national labor law, that the injunctive power in the Taft-Hartley law is unnecessary because the President has an inherent power to deal with emergencies affecting the welfare of the American people. Well, then, injunctive power or no injunctive power, why doesn't Mr. Truman exercise his mandate? The Hawaiians are Americans in the same lawful standing as the citizens of Mr. Truman's State of Missouri, and their welfare should be equally Mr. Truman's concern.

As Commander in Chief of our armed forces Mr. Truman could authorize a multimillion-dollar air operation to feed our former enemies in Berlin, blockaded by the Russians. But, he says, in effect, his powers fall short of being able to maintain normal supply of beleaguered Americans.

THE ILWU STRATEGY

The strategy of the ILWU high command is simple. The strikers will not unload ships at Honolulu and the longshoremen of coast ports will not load ships destined for the islands. In consequence the Association of American Railroads issued an embargo against virtually all Hawaii-destined freight because the much-needed cars would not be unloaded at the coast docks.

The Hawaiian Islands cannot support their population without mainland supply. They are less able to produce food than England. They have a purely export economy, growing and processing and shipping cane sugar and pineapples. Cut the sea lanes and they die. No money crops go out, no food comes in. Few can work and everybody except the Army and Navy personnel face the threat of starvation.

Starvation of the islanders was in prospect when the ILWU graciously agreed to unload enough shipments of food and other emergency materials to sustain life. The act of mercy was a taunt. It declared to anybody who might be listening that the life, liberty, and happiness of more than half a million people—as many as there are in Arizona and Nevada together—are dependent on the line of a Kremlin-bound, CIO-affiliated union.

For there is no reason to doubt any more that the ILWU leadership follows the Communist line. Even CIO President Philip Murray has acknowledged the fact by his actions. Louis Budenz, the backsliding editor of the Daily Worker, said last August at a Honolulu hearing that Communists consider Hawaii the prime target for infiltration because of its role in the defense system. He added that the Communists probably had not been as successful as they would have liked, but 10 months later he might amend that observation.

STATEHOOD AFFECTED

Economic disorder and the threat of hunger are not the only penalties the ILWU has imposed on Hawaii. The union's command of the islands has very likely postponed the day when they will become the forty-ninth State. Last year the House passed a bill to admit Hawaii, and it died in the Senate. But the halfway success encouraged Hawaiians to think that they would do better this year. Yet the event is on the contrary, and it is not difficult, as the Cleveland Plain Dealer points out, to ascertain the reason:

"The fact is the Congress does not relish the idea of admitting to the Union a new State which might conceivably send to Washington two Senators and a Representative who either would be members of the Communist Party or dominated by the Communist-controlled CIO Longshoremen's and Warehousemen's Union."

That is no free speculation; two years ago the ILWU almost won control of the Territorial legislature.

This is probably the first time since Jefferson's day that an alien hand has exercised an effective influence in an important area of American affairs.

But Mr. Truman no doubt would call this hysteria.

Foreign Policy—A Game Being Played by Big Money Men and Politicians

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 24, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, the people of the United States do not yet realize that our present foreign policy is being dictated by big-money men and politicians who profit personally. As down through history, so today, it is the ordinary man who fights the battles and gives his sons and daughters in war so they may continue their selfish ways. They are the ones who are sparking the global program of Truman and the State Department and at some future date our sons will go forth to battle again to protect the investments of the cunning rich.

Mr. Speaker, as part of my remarks I am including an editorial from the Chicago Sunday Tribune of June 19, 1949. It calls the turn of Democratic foreign policy:

WHERE WE CAME IN

There is a certain irony in contemplating a book by the late Prof. John H. Latane, of Johns Hopkins University, first published in 1918, and revised in 1922. The title is "From Isolation to Leadership." Mr. Latane felt on the date of first publication that "the United States was at the high tide of its power and influence." When Woodrow Wilson's League of Nations was rejected, he felt obliged to revise his earlier enthusiastic appreciation of what he considered America's assumption of world leadership. The United States had let him down.

"I do not regard the verdict of 1920 as an expression of the final judgment of the American people," he wrote in the 1922 revision. "The world still waits on America, and sooner or later we must recognize and assume the responsibilities of our position as a great power."

At the time of Professor Latane's death in 1932, his hopes seemed far from realization. Within a month after the professor died, Mr. Roosevelt, as a prospective candidate, was called upon to express himself on the League of Nations and internationalism in general. He rose to the call in a public declaration largely excised from his published papers. He asserted that he did "not favor American participation in the league" and that such

participation "would not serve the highest purpose of the prevention of war." Calling upon Europe to settle its war and postwar debts, he said, "Europe owes us. We do not owe her."

Mr. Roosevelt, as is now well known, subsequently underwent a decided change, put the United States into great wars in Europe and the Pacific, and invented a new league called the United Nations. The United States at the moment is fully committed to the kind of internationalism so highly prized by Professor Latane, and the professor, if he were with us, might consider with satisfaction that the United States had, indeed, by his terms, moved from isolationism to world leadership. Certainly we are promising to fight everybody's wars and pay everybody's bills.

The only thing wrong with the thesis is that we were never "isolationist" in the peculiar meaning coined by Mr. Roosevelt and former Secretary of State Cordell Hull, and that we are not now leading the world in foreign affairs and never have so led it. Mr. Roosevelt in 1932 did not think it wrong to endorse the policy of nonentanglement offered by George Washington and to maintain our international freedom of action. He could not regard the Monroe Doctrine, American intervention in three wars within 50 years in the Eastern Hemisphere, and participation in various international trade and other agreements as isolationist.

As to leadership through foreign policy, that was another figment of the imagination. John Hay was applauded as the father of the "open door" in China, but that policy was taken at English direction for English benefit. The Anglo-Japanese alliance of 1902, recognizing Japanese special interests in Korea, was followed 3 years later by the use of Theodore Roosevelt's good offices to hand over control of Korea to Japan.

Secretary of State Stimson's policy after the Japanese occupation of Manchuria in 1931 was portentous in the later development of American policy toward war and foreign intermeddling. It envisioned the imposition of economic sanctions, and close collaboration, if possible, with other nations in enforcing sanctions, together with a willingness to accept the practical certainty of war if the sanctions failed.

President Hoover would have nothing to do with it, but on January 9, 1933, after Roosevelt's election, but before he took office, and while Stimson was yet a member of Hoover's Cabinet, Stimson met Roosevelt privately and committed him to the Stimson "doctrine." That doctrine was a Wall Street lawyer's policy in support of English investments, which in China were many times our own.

Seven years after this meeting, Roosevelt took Stimson into his Cabinet as Secretary of War and there conferred upon him full power to employ the moral, economic, and military sanctions contemplated by the Stimson doctrine. Stimson later confessed his objective was how to maneuver them (the Japanese) into firing the first shot. A highly stationed naval officer charged with implementing this design admitted that war with Japan was sought primarily as a means of bringing "Germany into the war against us in order that we would be able to give strong support to the United Kingdom in Europe." In other words, the policy was to get into Britain's war with Hitler in the British interest.

Mr. Roosevelt's leadership at Tehran and Yalta and Mr. Truman's leadership at Potsdam, together with Roosevelt's lunacy in permanently shattering the European balance of power through persisting in the demand for Germany's unconditional surrender, have now brought us up against the terrible menace of Russia, aptly described by the late historian, Charles A. Beard, as one of the most ruthless Leviathans in the long history of military empires. The upshot is that we face a perpetual condition of cold war at vast expense and with no predictable outcome.

Plenty of Americans have profited and are profiting because of this idiocy. It brought unprecedented Presidential tenure to Roosevelt and the whole tribe of politicians who troop after him and now point to the United Nations and their asserted labors in the cause of peace as all of the evidence necessary to vouch for their good faith in having brought these calamities upon us. That was also Wilson's device when he created the League of Nations as a testimonial to his humanitarian impulses in having consigned America to the European slaughter.

The war contractors, the suppliers and brokers under the Marshall plan, the lawyers who work out the intricate details—these and many more also are cashing in on America's so-called world leadership, while the ordinary citizen foots the bill. Insofar as there is an American foreign policy, it is to take every risk and make every sacrifice for the politicians and the big money men who, alone among Americans, benefit from America's new world role.

Fallacy of Slum Clearance Shown by Local Marshall Heights Plan

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EXTENSION OF REMARKS

OF

HON. JOHN PHILLIPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. PHILLIPS of California. Mr. Speaker, for 3 years the Subcommittee on Independent Offices, of the House Committee on Appropriations, has been trying to get information from the National Park and Planning Commission on what it really intended to do in a small subdivision called Marshall Heights, and just what was to become of the Negro citizens who now live there and who have committed the unforgiveable sin, to a professional planner, of having bought the land and built their own homes, without Government aid, help from the planners, loans, or mortgages. In other words, they represent a class of people who, if bills like H. R. 4009 should become law, would eventually become extinct. Their houses would be called substandard on a formula set up by the Planning Commission, and since the Commission, or one of the cooperating agencies—for Mr. Speaker, it is a little difficult to determine just which one of the several agencies involved is responsible—has put out a freeze order, it is more difficult than ever for the property owners of the district to improve their properties.

The subcommittee is also going to investigate the recent cancellations of insurance in that area, after years of writing policies without question. To quote from the hearings on the third deficiency bill, 1949:

Mr. PHILLIPS. Do you think there is any connection between the cancellation of these policies, and your refusal to go in with the plans of the Planning Commission?

The WITNESS. There is no doubt about that We think they work together.

Mr. PHILLIPS. You think that was not just a coincidence?

The WITNESS. No, sir.

These hearings contain interesting information. On page 507 you will read the paragraph quoted from the report of the subcommittee at the time it reported the appropriation for fiscal year 1950. Congress told the Commission we were still waiting for information, and disallowed all but $20,000 of the money requested. That item was to finish and print the report.

You will discover that the Commission calmly says that these citizens, who have bought and built their homes, must give them up, and make one of three choices, first, to take the pittance—possibly as low as $150—and move miles farther out; or second, apply it as a down payment on newly built houses, thus acquiring a nice large mortgage in the transaction, which I rise to remark is a poor substitute for a yard and green grass and fruit trees and a place for the children to play; or, third, they may move into the new Federal housing project which will shortly rise on the spot, and be renters from the Government, except of course, that these people may have incomes just too large to make them eligible for such a project. This is paternalism at its best, or worst.

Mr. Speaker, I am beginning to think it is more than that. Turn to page 519 of the hearings; read the statement there:

The Commission is not going to put a limit on how much can be spent by private bidders who may pick out this section and build $12,000, $13,000, or even $30,000 homes on it, or high-grade apartments on it. There is a lot of available land, and even some of the more responsible builders have indicated they are very much interested, because it is a potentially marvelous building site.

Yes, Mr. Speaker, potentially marvelous, but only if Congress acquiesces in the plan to kick out the home owners who were promised this area as a place to buy and build for themselves, and who now live there in their own homes, free of debt, unaided by professional planners, independent, in a spot only 20 minutes from downtown. Do not overlook this last item, Mr. Speaker; do you suppose the Commission would be so interested if it were less desirable for "$12,000 $13,000, or even $30,000 homes" which very obviously will not be the homes of the Negro citizens who thought it was theirs by the right of purchase, of development and of occupation?

There has just been uncovered another interesting phase of the situation which did not occur to the subcommittee at the time of the hearings on the third deficiency bill. The problem is now beginning to relate itself to the discussion on H. R. 4009, the so-called slum-clearance or housing bill. In the hearings, the engineer commissioner, General Young, testified:

The city is automatically required to put in sewers and water to serve any new subdivision of land.

Now look at this from two angles: In the case of Marshall Heights, the District has done no such thing. It has brought sewers and water to all the developments surrounding Marshall Heights, but has refused to give this service to that development. On the other hand, in connection with the hous-

ing bills, this cost of sewers and water is an additional cost, necessary in every building project, but not figured in the costs estimated on this floor in connection with H. R. 4009.

While I was trying to figure this out, Mr. Speaker, the mail brought me a little mimeographed paper, called the Wood Industries Weekly, the editor of which is shown as Floyd B. Quigg. It is evidently published here in Washington. Since it refers to Marshall Heights and also to this matter of sewer and water costs, not previously considered, I have asked unanimous consent to reprint the article in connection with my above remarks, almost in its entirety, as follows:

MARSHALL HEIGHTS

"Saving" the cost of distribution of lumber and plywood (and other home-building materials) by having Government housing officials perform the tasks of private distributors, and charging the cost of these services to the taxpayers instead of to the buyers, was disclosed as an essential feature of Government aid to private builders in the lowest-income brackets, at least, by testimony June 20 before the Thomas subcommittee of House appropriations.

It was not made public until Thursday noon, however, when the full committee reported out the third deficiency bill disallowing the $2,180,000 item for slum clearance and redevelopment in the District of Columbia. The money was asked to buy outright the all-Negro subdivision Marshall Heights, and one of the chief witnesses urging the appropriation was Maj. Gen. U. S. Grant III, whose National Park and Planning Commission had decided that Marshall Heights, with its debt-free homes and its voluntary segregation, is a slum.

The Board of Commissioners, governing the District, had agreed that the area is "substandard," and that had made it legal, because the Seventy-ninth Congress in the District Redevelopment Act of 1946 had provided that in the District of Columbia, "substandard" means whatever the Commissioners as a board may decide that it means. So here they were, trying to get money to put these official findings into effect. Testimony, however, developed the rather disturbing fact that the officials' idea on buying the homes in the area was to pay, in condemnation, twice the assessed valuation or $150 for a 25-by-100-foot lot and the house built on it. It was suggested by the Congressmen that this would not be enough to enable a man to buy or build elsewhere, and they asked what the Planning Commission or the Board of Commissioners might be intending, or be in fact able, to do for these families to help them get a new start.

General Grant had this answer: "Now, there are other things that can be done and which probably no one has thought of * * * ways in which the land agency could assist these people to rebuild houses. If they buy back a new lot or exchange a lot, perhaps without any cash payment beyond what they have, and they get a small cash payment for their house on the basis of its value, that cash payment would be enough for them either to make a first payment on a very low-cost house to somebody else, or the land agency could make arrangements for the purchase of materials for building a low-cost house and, by getting the wholesale prices on materials, these people could rebuild, themselves."

What sort of arrangements could and would the Land Agency make? How would they make the wholesale prices available, except as a subsidy? Then, having hidden the costs incurred by their efforts, within the unsearchable mysteries of Government bookkeeping, what might they say about the saving effected by not needing services of the distributors? Finally, just who would be supplied at these prices, and how would he have to part his hair or move his voting finger?

Important questions, these, because the housing bill now being debated in the House and nearing a vote, and already passed by the Senate, includes substantially the same formula for action as does the District law, for taking property away from one group of owners, replanning it, and turning it over to others, private and public, to sell it in a new incarnation.

"THEM AS HAS, GETS"

Brig. Gen. Gordon R. Young, the Corps of Engineers member of the three-man Board of Commissioners, doubtless was expected to be a tower of strength to the planners' cause, but as a tower he didn't do so well. It was he who put into the record just who besides the poor and downtrodden may be expected to benefit by the redevelopment. He quoted the Planning Commission as promising that it "is not going to put a limit on how much can be spent by private bidders, who may pick out this section and build $12,000, $13,000, or even $30,000 homes on it, or high-grade apartments on it. There is a lot of available land, and even some of the more responsible builders have indicated they are very much interested, because it is a potentially marvelous building site."

This process of taking choice property away from the poor, who presumably can't appreciate a beautiful view, and paying a miserly sum for a "potentially marvelous" site which somebody else sells at a high price, is what the word "redevelopment" really means. Congressmen wondered how the planners expected to have the new private homes financed, which they said would so surely be built, and asked about FHA. The nearest to a definite answer Mr. Thomas could get, to this direct question "Will FHA make any commitments out there?" was this from General Grant: "I do not see why not." It appeared that nobody had asked FHA officials about it. When, however, the chairman asked how the private builders could be assured of sewers, in a subdivision which has been refused sewers, General Young piped up with all the positive assurance anyone would ask.

"Oh, we do; the city does, out of the tax moneys," the Commissioner said, as to who would spend the money. "We will build at our own expense, with a certain assessment for sewers, and we will build whatever streets are necessary, put in the sewers, and put in the water to serve any new subdivision of land. * * * The city is automatically required to do that whenever there is a new subdivision. If you, as a private developer, bought a piece of land, had it subdivided, and get our O. K. on the subdivision, we would have to move in right away and give you water and sewers, which comes out of the water receipts and general fund."

PAYING FOR SLUM CLEARANCE

Lumbermen in all parts of America—or for that matter, any citizen—need to bear in mind a peculiar condition if they would appreciate the full beauty of that statement by the engineer commissioner. In one respect this is a local matter, but it is local to the Federal City and it is directly under the control of Congress, through committees of the Senate and the House. Residents have no vote, but express their views in resolutions by neighborhood associations of citizens, and by individual letters to Senators or Representatives of the respective States in which they hold voting residence. For whatever happens in the District there is therefore a national responsibility, very difficult to pin down through all this diffusion of powers. Possibly this law about financing utilities in subdivisions does not hold true in other cities.

Possibly it does, however, and to the extent that it does, the local equivalent of the "water receipts and the general fund" are in effect an extension of every cent the Congress may legislate and then appropriate for slum clearance under the housing bill now pending in the House.

Presumably the laws cited by the good general were intended to encourage builders who would be adding new areas to the city, resulting in presently unoccupied land being subdivided and sold, and then improved by city homes. This interpretation, by the custodians of the city funds, means that any time these custodians may decide to approve of a replanning of an area, which approval would be hastened by the plentiful publicity which the housing agencies seem always able to command, the city's taxpayers would be required to pay for a new lay-out of streets, and presumably whatever water and sewer facilities the redevelopers may desire.

What this will cost local taxpayers if and when the housing bill is enacted into law, is beyond the scope of my feeble imagination. Nobody even thought to ask what it would cost the taxpayers of the District, for this one subdivision, Marshall Heights, over whose potentially marvelous sites those unnamed redevelopers are now covetously drooling. Well they might; under the 1946 law they don't have to buy on competitive bids, but only by knowing the right people. Maybe it is not too much to suggest that Congressmen, who have some kind of responsibility to the continued solvency of their constituents in the home towns, might try to find out what this cost might be.

Bypass: Under the hammering of Representative JOHN PHILLIPS, Republican, California, who did the amazing thing of actually visiting the area and seeing for himself the attempted steal of ownership rights in the name of progress, the appropriations for buying this subdivision have been blocked in the past and they were blocked again this time in the third deficiency. It is pleasure to record that other members of the subcommittee had read this writer's report of a visit to the area, and on this occasion they moved in actively to join the Phillips attack. The committee, in its report of the bill, demanded that instead of asking for funds the District Commissioners should withdraw their approval from the project, and should give the present owners of property in Marshall Heights the same financial support in streets, water, and sewers that they would give the proposed new owners. Also the committee suggested that the ban on new buildings and major repairs in this area be lifted.

Does this look like virtue has come out triumphant? If the housing bill passes, the planners can laugh at the committee; then they can borrow from the Housing Administrator, and bypass Congress.

Please read that last paragraph again, Mr. Speaker, and carefully. That is what is in the Housing bill, H. R. 4009, now on the floor of this House and coming up for our votes.

Address of Hon. Dewey Short, a Representative in Congress From the State of Missouri

EXTENSION OF REMARKS

OF

HON. DEWEY SHORT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mr. SHORT. Mr. Speaker, under leave to extend my remarks, I include the

following address which I delivered before the annual convention of the District of Columbia Bankers' Association at the Greenbrier in White Sulphur Springs, W. Va., on Thursday, June 16, 1949:

Mr. President, members of the District of Columbia Bankers' Association, distinguished guests, and friends, I didn't know that I would be called upon to suffer hearing my biography or obituary read. I don't know where you gathered all that information.

It is a high honor and a distinct pleasure to be invited to address the thirty-first annual convention of your distinguished association. It is always a relief to escape the madhouse in Washington, perhaps the only asylum on earth run by its inmates, to come from that belligerent atmosphere where we constantly breathe the air of disputatious contentiousness, to the quiet and peaceful hills of West Virginia.

My father happened to have been founder of the little bank in my home town down in the Ozarks of southwest Missouri; my brother was for years cashier of that bank. Several years later it was forced to close, but I am happy to say that we paid all depositors and discharged all obligations 100 cents on the dollar; and still, I think, have, perhaps, the respect of the people of that community, at least they have been voting for 18 years for me for Congress. So, though opprobrium has been heaped upon your heads at times and men in high places in recent years have referred to you as plutocrats, princes of privilege and economic royalists, I am thoroughly convinced that bankers, after all, are not the worst people on earth. So I am glad to be here this morning.

You have asked me to discuss economy in Government spending. There "jest ain't no sech animal," but it is high time we began practicing a little economy if we want to retain our freedom and to keep our American form of government.

Before I shall discuss some of the pressing issues of the hour I want to take a few minutes. I want you to pause with me long enough, to take a little inventory, see just where we are today. Twice in our generation we have fought and won two world wars at enormous cost. Over three decades ago the First World War ended. That conflict cost us $31,000,000,000, 334,000 casualties, and left a debt of $26,000,000,000 on our backs. Following the signing of the armistice we took care not only of our allies, the Belgians, and others, but we took care of our defeated enemies, the Germans and the Austrians. We loaned more than $13,000,000,000 to the different nations in Europe, and with the single exception of little Finland, not one dime of those billions has ever been repaid or will be. We got higher taxes, a greater debt, and many graveyards abroad out of that war, because we entered it without pride of power, without lust of ambition, without desire for imperial dominion. We came out of it and didn't ask for a dollar of indemnity or an acre of territory, and we got just what we asked for. We did get ten long years or more of a prolonged and paralyzing depression. We fought that war to make the world safe for democracy, but failed to achieve our objective.

As a Missourian who has to be shown, I saw with my own eyes, first-hand, as a student at Heidelberg, Berlin, and Oxford following that World War, democracy die all over Europe. I saw the rise of totalitarian governments. I saw freedom take wings and fly out the window. I happened to be in Rome when Mussolini, with his "black shirts" marched on the capitol to dissolve the Italian Parliament and set himself up as "Il Duce," absolute ruler. Day after day, week after week, and month after month, visiting Europe many times between the two World Wars, I saw the rise of nazism; like Mussolini, Hitler destroyed all political parties except one. You had a Fascist Party and only a Fascist Party in Italy; you had a Nazi Party in Germany. Wherever you have one-party government you have one-man rule, and he was court, congress, and executive all wrapped up into one. His word was absolute law.

The same thing took place in Soviet Russia, and enigmatic as that country and the people are, they are not so different from other people. I saw the rise of communism, Stalin coming forth just as these other totalitarian dictators, to set up perhaps the most ruthless and absolute authoritarian government that the world has ever known.

So after the vast expenditure of men and of money, we failed utterly to make the world safe for democracy. "As the dog returneth to his vomit, so the fool returneth to his folly." Many of us slipped back into the old grooves of selfishness and greed, of apathy and indifference, and we drifted during the late twenties and in the thirties until suddenly on that Sabbath morning, December 7, 1941, for the second time in your brief life and mine, we found ourselves suddenly plunged once more into the vortex of rebellion and slaughter, a global conflict more cruel and devastating in its consequences, more costly in human lives and the world's treasure than the war of a quarter of a century ago. We won this last global conflict at an astronomical sum. Your finite mind, as well as mine, even though you are bankers who deal with figures constantly, cannot begin to comprehend what this last war cost us, nor do the American people comprehend or appreciate the unbelievable burden that has been heaped upon us. This last conflict has cost the American taxpayers, or will when it is ultimately paid, if ever, $340,000,000,000, a sum approximately equal to the total assessed valuation of this Nation. It left upon our backs the crushing load of a $252,000,000,000 debt. It was really two hundred and sixty-eight billion, but we have reduced it to $252,000,000,000 to date. We suffered 1,061,000 casualties. Over 300,000 of the finest young men of America gave their last full measure of devotion; 750,000 of their comrades have come home with arms and legs blown off and eyes put out and hope killed in their breast and the light gone out of their brain.

As the ranking member of the minority on the Armed Services Committee, it has been my sad but necessary mission to visit many of our hospitals and asylums. I have seen these human wrecks, many of them neurotics who will spend the remainder of their days in psychopathic wards, mere shadows of the men they once were or might have been. Not only did we spend $340,000,000,000 during the war, but we furnished $50,000,000,000 in addition in lend-lease to our allies; thirty-one billion to Britain, eleven billion to Soviet Russia, three and a third billion to France, three and a third billion to other nations including China, and one and one-half billion to Italy.

Since VE-day and VJ-day we have furnished other countries in grants, loans, and gifts more than thirty-two and one-half billion dollars.

When you fight two wars in one generation you pretty well drain many of your resources. We pumped many of our oil wells dry, we dug out the lead and zinc down in the great tri-State area in my district around Joplin, Baxter Springs, Pitcher, and Miami, in Missouri, Kansas, and Oklahoma, where we produce 40 percent of the lead and zinc of the United States, where we have marginal mines today that are closing down, throwing thousands of miners out of work. I went only yesterday morning before the Rules Committee trying provide premium payments in order to keep thousands of miners off the relief rolls or to ease the burden of unemployment compensation. We dug out much of the copper in Arizona and Montana, we cut down our forests and are consuming lumber in this country today 10 times as fast as we grow it. And then you wonder why the high cost of housing. We consumed much of the iron ore up on the Messabi Range in Minnesota until industrialists in Cleveland, Chicago, and Detroit come to us, as well as from Pittsburgh, saying that at the present rate of consumption it is possibly only a matter of a few years until we will have to import iron ore into this country. Fortunately we have made significant discoveries of rich deposits in both Labrador and Brazil.

I have taken these few minutes to speak of these two World Wars and the enormous sums we have spent in both blood and treasure, to show that many of our natural resources have been depleted, some well nigh exhausted. We fought this second conflict in order that the little nations might determine for themselves without outside pressure or external influence, in free, open, and untrammeled elections, the kind of government which their people wanted. Mr. Roosevelt and Mr. Churchill both told us and we all agreed, that with the high ideal and the worthy objective, we were fighting this last conflict to respect the territorial integrity of the little countries. We were fighting in order that the little people in the little nations could choose the kind of government they wanted. Just before the surrender of Germany and the capitulation of Japan, one of our erstwhile allies seized a large hunk of Finland, Estonia, Latvia, Lithuania, Besserabia, Ruthenia, overran the Balkans as well as the Baltic, seized all of Poland, East Prussia, Yugoslavia, and Czechoslovakia, threatened both Iran and Greece in the Near East; and then out in the Pacific, raped, robbed, and plundered Manchuria. What they couldn't carry off they deliberately and wantonly destroyed. And, again, we have seen that with our own eyes; Russia's seizing the north half of Korea, the south half of Sakhalin, all the Kurile Islands, and vetoing as a member of the United Nations every reasonable proposal that has been offered by the Western Powers.

Just as we failed in the First World War to make the world safe for democracy, so in the second world conflict we failed to achieve our objective or reach our goal in respecting the territorial integrity of the little nations and making it possible for the small peoples and the small countries to determine for themselves in free, open elections the kind of government they should have. So, naturally, we are living in troublous and trying times. It is difficult not to give way to pessimism and cynicism. After all, these vast expenditures of men and money, fighting two wars, and now called upon to take care not only of our former allies, but our enemies as well during these years of peace, voting more this year than we did last for European recovery, try men's souls.

How much longer can we go on, gentlemen, without running on rocks? A nation is no different from an individual. A government is just an aggregate of individuals.

No government can continue to spend more money than it takes in without getting into serious difficulty. You bankers wouldn't dare run your business that way. And with all of our resources, our scientific skills, our inventive genius, our technological know-how, the United States of America simply cannot forever feed, clothe, house, and take care of the rest of the world. It's just too big and there are too many people. While I like to think I have the milk of human kindness in my veins, perhaps I am cold-blooded enough to realize that we must keep ourselves strong because a bankrupt America will never be able to help anybody if we go under. God knows, that's the last straw for the world.

Now we are pretty much "busted" and don't know it. When we came back at the first of the year, my fellow Missourian offered

quite a spending program to the Congress, and it's laudable in purpose. We all believe in good health for our citizens, we believe in fine education, we believe in Americans having decent homes; but we know that many of these objectives—that the promise to guarantee security from the cradle to the grave, laudable as it might be, is an absurd promise impossible of fulfillment.

Immediately following VJ-day, Walter Reuther and his associates were told that they could demand and get 30-percent increase in wages. At the same time the increase was promised in wages, the consuming public was told that we were going to keep prices down. Well, if you can increase wages and the cost of production and hold down the price of the finished product, you're good, but I don't know of anyone except a bankrupt haberdasher who would offer such a preposterous proposal.

Mr. Brannan comes forth now with a fantastic farm program. Oh, it would be wonderful to pay the farmer higher prices and then give the consumer cheaper products. Brother, if that can be done, he's the answer to our prayer. It's a good vote-getting scheme, but I think the American people want to be dealt with honestly. What is this Congress going to do? Well, I think I can safely assure you gentlemen that there will be no $4,000,000,000 additional taxes voted. My good friends HARRY BYRD, ED JOHNSON, and WALTER GEORGE are going to see to that over in the Senate.

Repeal the Taft-Hartley law? With all its shortcomings and mistakes, I think it has worked fairly well and proved itself satisfactory to workers, to the employee as well as the employer and the general public. It will not be repealed, and I seriously doubt if those who are clamoring for its repeal are honest and in dead earnest. They may change its name, they may accept a few corrective amendments which are acceptable to all of us, but the substance of the law will be kept.

Civil rights? Not as much chance to get that through either House of Congress as I have jumping over the moon. Lots of crimes have been committed in the name of civil rights. But I think the American people, Old Dealers, New Dealers, Democrats, and Republicans alike still believe in the Constitution and are not going to be led astray by a political slogan used for political purposes.

Federal housing? Well, I don't know whether they will shove it through or not. It is doubtful, but I hope not. We did pretty well on the continuance of rent control; we emasculated that or changed it. Where some semblance of justice is dealt out I have always believed that it was an honor to own property and not a crime, and I have always believed that a just return on an honest investment, whatever your money is invested in, is a perfectly legal and legitimate enterprise.

Federal aid to education? We all believe in education, but if they vote it, it is going to cost my taxpayers out in Missouri $1.57 for every dollar we get back and we just don't want it. It's bad business; that's bad banking.

Ah, we're spending tremendous sums. You know what this Congress already has voted? For the next fiscal year—it will begin in a few days, the 1st of July—we have voted $15,905,000,000 for our National Military Establishment. That's almost $16,000,000,000, and I voted for it and I believe in it. It's painful, it's a staggering sum, it's a heavy burden to bear; but if we are going to make cuts in appropriations, I think at this critical point, with the uncertainty that hangs over our heads, the last cut we should make would be in our Military Establishment. We must, out of sheer self-defense and for survival, remain strong on land, sea, and in the air until the United Nations becomes more firmly established, with an international police force to carry out its decisions. As long as there are brigands in the world, aggressors who would swallow up and divide not only the little countries in the world, but whose chief aim and primary objective is world-wide domination, more through psychological penetration and infiltration than by armed conquest, nevertheless the only language those aggressors understand is the language of force. They respect strength; they have only contempt for weakness. So, at least for the next year or two, we must have a strong Army, Navy, and Air Force, we must carry on our scientific research, technological developments, and hold fast to the atomic bomb, bacteriological, and other modern forms of warfare.

The Veterans' Administration will spend approximately $6,000,000,000 in the coming fiscal year, or as much money as it cost to run this Government before the war. To one agency we have voted $5,500,000,000 for European relief, and the interest on our Federal debt is approximately five and one-half billion. Now, then, add them up, four items: National defense, sixteen billion; Veterans' Administration, approximately six billion; European aid, five and one-half billion; interest on the public debt, five and one-half billion. There you have an annual budget of $33,000,000,000, without a single dime for any of the natural, normal, ordinary functions of Government; nothing for agriculture, forestry, merchant marine; nothing for all of the courts and judges; nothing for the legislative branch; and nothing for all the executive branches of Government. Thirty-three billions of dollars—mostly for wars of the past, threats of the present, or war that might occur in the future.

We all know we simply cannot carry that load indefinitely. Our budget—almost $42,000,000,000—more than four times more than any other peacetime budget. In 1933 the annual budget to run the whole Government was $5,500,000,000; in 1937, just a little over seven billion; and the greatest peacetime budget in all our history prior to the war was in 1939, when it was a little in excess of $9,000,000,000. Yet here we've got a budget of $42,000,000,000, and the President wants the Congress to give him $4,000,000,000 more taxes.

Gentlemen, it cannot be done. The first line of defense of any nation is its financial soundness. A bankrupt country never licked anybody.

I don't know all the reasons for this. Of course, two wars drained us and sapped us, but we spent too much money we didn't have even before the war came on. Back in 1939 I think we had about $7,000,000,000 of this lettuce, cabbage leaves, in circulation, a little over $7,000,000,000 of greenbacks in the pockets of the American people, and today there is over $28,500,000,000 in circulation. We've got more dollars, but what in the devil will they buy? It's getting to be cheap money.

I would that we would follow the sound advice and hard-headed judgment of the senior Senator from Virginia, HARRY FLOOD BYRD. Now we all know that in recent months farm prices have declined. Business has tapered off, and we are now threatened with a deflation more than we are by an inflation. The stock market slumped not too serious, but it's a little painful to me. Confidence has been shaken. Unemployment is on the increase. Why? Due to this enormous spending program.

How we have overworked the word "security," "security." I heard Mussolini on the Via Piazzia Venezia in Roma promise security to the Italian people. I heard Adolf Schikelgruber in Munich and there he promised security and full employment to the German people. Yeah. They got both, full employment and security for a little while. But remember that Benjamin Franklin, one of the wisest philosophers of all time, once said, "He who surrenders his liberty for temporary security deserves neither, and will soon loose both." That's history. History repeats, with instances that corroborate the accuracy of that statement.

Now they want to bring everybody under social security, giving them protection from the cradle to the grave. Ah, we've lost the adventurous spirit of our pioneer ancestors, we have grown soft and we are afraid to dare as did our fathers. In yielding for security and Government hand-outs, dishing out of doles we have lost many of our liberties.

When I was first elected to Congress 20 years ago as a baby member, of good pioneer ancestry, 98 percent of them Anglo-Saxon stock, whose forebears like mine came out of the hills of east Tennessee and Kentucky, down in my district they would have been insulted if anyone had offered to give them anything. But they too like so many Americans have been debauched and corrupted by this notion that the Government owes them a living and will take care of them whether they put forth any efforts for themselves or not. Consequently, they have lost much of their self-initiative, self-reliance, and self-respect. Today, before they do anything else they sit down and write me, "Dear Congressman:" They want to know if they can get a loan or a grant or a gift from Uncle Sam, a hand-out from Washington, weakening the moral fiber of the American people. I repeat they have been debauched and corrupted by an indiscriminate and ignoble philanthropy that is conducive only to the perpetuation of poverty and indolence.

Well, having traveled through Europe recently, and having traveled through Europe in 1931, I can appreciate the vast potential, almost unlimited possibilities of Russia, a vast country with 190,000,000 people in an area almost three times as large as the United States; in many ways richer than our own country in mineral production, in agricultural products, and millions of acres in Siberia that never heard the sound of the woodsman's ax.

It is closer from White Sulphur Springs to Leningrad, much closer than it is from Leningrad to Vladivostok. But I think the strength of modern Russia, of Russia even today with all three of her five-year plans behind her and the progress she has made, and she has made tremendous progress—has been overemphasized. She has produced some great men but the vast majority of the people are still pretty dumb. That is the fault of her leaders—not her people.

I do not want us to drop our guard and be lulled to sleep in a voluntary security because the air lift has been temporarily ended. I came back last December after traveling back and forth along that air-lift corridor in and out of Tempelhof, Berlin. It is a change in strategy and techniques, but there has been no conversion at all in the Russian leaders. The masses of the Russian people possess many splendid qualities and I have only sympathy for them, because for centuries they have been forced to live under the yoke of oppression and the heel of tyranny. You have a dozen or fourteen mad dogs in the Kremlin who are hell-bent on world-wide domination and they will resort to trickery, lies, deceit, chicanery, and employ any measures whereby to achieve their goal. We have too many of them here in this country. Yes, we are keeping our eyes on Russia, and the amount we spend on our own national defense will depend pretty largely on the behavior and conduct of the Politburo; that will decide how much we spend for real national security.

The amount we spend will depend on the behavior of others; but, you know, my friends, I don't fear attack from any foreign power half as much as I fear our own internal moral decay and weaknesses at home.

Abraham Lincoln once said in essence, "If this Nation is ever destroyed, it will not be from without but from within."

I think Edward Markham must have had that same idea in mind when he wrote 30 years ago, long before this last war:

"I fear the vermin that shall undermine
Senate and school and citadel and shrine;
* * * * *
"I fear the vermin that shall honeycomb the
walls and towers of state in unsuspecting
hours."

We have vermin in our midst. It is not a Hitler, but we have the rats in this country who are undermining the Senate, the school, the citadel, the shrine.

They are gnawing at the very foundations of this Republic, and the trials which are going on in Washington and New York now, with all of the ramifications which the public knows nothing about, are sufficient warning to put us on guard.

It is now 27 years ago, when I first visited Cairo, in Egypt—I have been back three or four times since then—only last November I again rode camels around the great Pyramid of Giza; I looked at the Sphinx and I dreamed of Napoleon addressing his men: "My soldiers, 40 centuries are looking down upon you." I wonder, if you could speak, what secrets you could tell, even of Mark Antony and Cleopatra.

I walked through the remains of the temple at Thebes and Karnak. I went up the Nile to Luxor and Assouan, to the tombs of Tut-Ankh-Amen and Egypt's other great, and when I returned to Cairo I walked through the National Museum, cluttered with a bewildering collection of archaeological discoveries, telling of the ancient Ptolemys and Pharaohs, the great builders whose works astonish man in the twentieth century, and I ask myself the question: "Oh, Egypt, as you grew rich and powerful, why has your great civilization crumbled and lies buried today beneath centuries of sand?"

And I had to answer: "Egypt, as you grew rich and powerful, you grew corrupt and tyrannical." She was not defeated by a foreign foe, but she crumbled because of moral decay and spiritual disintegration within herself. She once had a vision, but she lost it; and as King Solomon wrote in Proverbs: "Where there is no vision, the people perish."

Egypt was destroyed not by some conquering foe outside her border, but it was because of her own internal moral decay and spiritual disintegration.

Then I went down the Tigris and Euphrates Valley to Baghdad, and I saw the ruins of that great civilization of Babylon, and I dreamed of Hammurabi, who was second only to Moses as a lawgiver, and I asked: "Hammurabi's Babylon, why are you like Egypt, perished in the sands of decay?" And I had to answer: "Because as Babylon grew rich and powerful, she, too, grew corrupt and tyrannical; and she, like Egypt, perished. Babylon, too, could not endure prosperity."

You know, often prosperity is more difficult to endure than poverty. However, in the history of nations and civilizations, certainly the Christian church has made great progress and endured persecution and hardship in times of trial and tribulation.

Then I came to the classic land of Hellas, glorious Greece, a land that I have visited a half dozen times in the past quarter of a century. Only a few weeks ago I climbed the Acropolis and walked through the ruins of the Parthenon and looked out on Mars Hill where St. Paul addressed the Athenians, where he said, "Oh, men of Athens, I observe in all things you are most religious." And I went across to the opposite hill where Demosthenes spoke. I dreamed of the Golden Age of Pericles, from Anaximander down to Homer and Phidias to this present hour; of Socrates, Plato, and Aristotle, the great triumvirate of ancient philosopers; and I asked, "Oh, Greece, Greece, that has given the world beauty and music and philosphy and art and poetry, why have you, Greece, with your stately columns"—after which the Lincoln Memorial is copied—"why have you, with all your learning and ancient grandeur and glory perished and now come with hat in hand asking for help from America? Greece, now one of the saddest lands in all the world, weak and impotent?" And I had to answer: "Oh, Greece, you had an Alexander, who at the age of 33 wept because there were no more worlds to conquer; yes, you, too, were rich and glorious." I could hear the Muses and I could see the works of Phidias. "You have perished, and like the works of Egypt and Babylon, you lie buried today in ruins beneath the earth; and why? Because, as you grew rich and powerful, you became weak and corrupt."

Greece perished because she turned her back on the teachings of Socrates, Plato, and Aristotle, abandoned the teachings of her fathers to give herself up to hedonistic ethics and the Epicurian philosophy of "eat, drink, and be merry, for tomorrow we will die." And Greece did die.

Then I visited Rome and I thought, "Rome, Rome, mother of dead empires." I thought of the country which gave us law, order, and government, and through England we have inherited that. Rome with the legions of Caesar extended her far-off domains into Britain, conquered north Africa, destroyed Carthage; and yet this mighty Roman Empire, with its wealth, its glory, its luxury, that gave to the world law and order and government, crashed and went to pieces. Why? She was not sacked by barbarians. Rome broke and went to pieces on the rocks of materialism, selfishness, and greed. Caracalla and Caligula followed Augustus and Marcus Aurelius.

Then Nero came along, and he fiddled while Rome burned. He gave them free bread, free circuses, free entertainment. He was a Santa Claus who took care of everybody. Oh, the state was everything. He gave them security and full employment while he lighted up the city with blazing martyrs. That is why Rome fell, through her own internal political disintegration and moral decay.

I walked along the Appian Way toward the Catacombs of St. Calixtus, over the bridge across the Tiber, up to the Castle of Adrian and St. Angelo, toward the ruins of Romanum Forum, and I stood under the Arch of Septimius Severus, under the Arch of Constantine, and stood in the center of the Colosseum—but there they were, beautiful women, gorgeously gowned, bedecked in jewels, welcoming the deaths of the gladiators who were vanquished. That is why Rome fell, through her own internal political disintegration and moral decay.

Then this last example of corruption. I thought I knew Germany. I have lived among the German people, I have studied in their universities. I have traveled over their country in plane and train. I walked over much of beautiful Bavaria. I think it is one of the most beautiful countries in all the world. They are a great and mighty people, 80,000,000 people who made a mighty contribution to science, philosophy, music, and art. I knew the Germany of Kant, of Luther, of Goethe, of Schiller, of Hegel; I also knew the Germany of Bach and Beethoven and Wagner.

Look at Germany today, a heap of rats, rubble, and ruin, just what Hitler promised. You can go all the way down the Rhine from Mannheim and Ludwigshaven to Darmstadt, to Cologne, Dusseldorf, Bremen, Hamburg, on to Berlin, Leipzig, and Dresden, back to Halle, or down to far-off Stuttgart, Karlsruhe, and even Munich. And what is it? A shambles. I thought I had never seen such devastation until I visited those cities. Why? Because they turned their backs on the teachings of their fathers. They wanted full employment; they wanted security.

The man on horseback came along. They said no one else could do worse and he rolled into power, and the people went down the road to ruin because it was no longer the old Germany. It was the Germany of Hitler and Himmler, Goebbels and Goering, Heydrich and Hess, Terboven and Frank, and other derelicts drunk on power and thirsty for more power.

Well, perhaps this is a funny talk to be giving bankers. I hope, however, it is giving you a little pain in your mind. I hope it will cause you to pause long enough to ask this question:

Will this great Republic of ours go the same road that Egypt, Babylon, Greece, Rome, and modern Germany have gone? Will we grow soft and flabby in this great age in which we live? Will we become indifferent—the politicians sitting down and resting in a false security, thinking the Government will take care of us, whether we take care of ourselves or not?

Will we make free and independent men and not have a Federal bureaucracy over them, curbing their freedom and their liberty? My father never had a floor under him to hold him up and there was no ceiling over his head to hold him down. I am glad I was not born in these later days with all these things in effect. I happened to be born number eight in a family of ten.

I know we must have Government controls, rules and regulations, but I still believe in the great philosophy of the great Virginian, founder of the Democratic Party, Thomas Jefferson, from whom Lincoln borrowed most of his political philosophies and ideas.

I still agree with Jefferson that that country is best governed with a minimum amount of government and a maximum degree of individual initiative and private enterprise, which has made this Government supreme among all the nations of the world; and I have no quarrel with other countries as to the kind of government they want. If Russia wants communism, God knows she is welcome to it. Sometimes I think I should be a Communist because a Communist is a guy who has nothing and is willing to share it with everybody. [Laughter.]

I read in the paper where Paul Robeson was in Moscow and was coming directly back to the United States, and he said that was the country he loved above all others—Soviet Russia. Well, if he does, why the hell doesn't he stay there? I am willing to buy a one-way ticket for all of his kind. They come back with new ideas, new enthusiasm, and I think he said new inspiration. Well, if Russia wants communism, she is welcome to it. I have no quarrel with what she wants. We do not want it here. We want tolerance.

If our British cousins want to nationalize their industry, and they have their railroads, their banks, transportation, and communication—if they want state socialism, let them have it, but I don't think the American taxpayer should be called on to furnish them the billions of dollars of our own money to carry on their miserable experiments. [Applause.] They will nationalize, don't worry about that. They want us to do the same thing. The hour is closer than most people realize. Time is running out. Eternal vigilance is the price of liberty. It is an old saying but it is true and needs to be repeated. Who will take care of us?

We don't want nationalization in this country. We want to keep America free because in freedom there is strength.

It has been a pleasure to be with you bankers. I thoroughly enjoyed my trip down here. I rode down yesterday from Washington. Mrs. Short and I hope you will let us stay and I am going to come in and listen to some of the addresses, because I know I will learn a lot more listening to others than you have learned listening to me. [Applause.]

American Pricing Methods

EXTENSION OF REMARKS
OF

HON. EDWIN C. JOHNSON

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Tuesday, June 28 (legislative day of Thursday, June 2), 1949

Mr. JOHNSON of Colorado. Mr. President, on June 22 the distinguished senior Senator from Wyoming [Mr. O'MAHONEY] delivered a vital address before the Chicago Association of Commerce and Industry on the general subject of American pricing methods.

For more than a year both Houses of Congress, the courts, American industry, and the people generally have been deeply concerned over this problem. The Senator from Wyoming in his able address has thrown considerable light on it. I therefore ask unanimous consent that the full text of the address be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICAN PRICING METHODS

Mr. Chairman and members of the Chicago Association of Commerce and Industry, I am happy indeed to have the opportunity of coming here, but I feel a bit intimidated as I arise to speak because by my place at the table there is a post card announcing that a wire recording is being made of everything that transpires, thus giving me complete assurance that anything I may say will be used against me. [Laughter.]

I think it very significant that the members of this association have been holding conference on this pricing method phase of the great economic problem which confronts all of the people of the United States, and all the people of the world. It is encouraging to note that today you are going to discuss what is competition. I assume from this choice of subject that your purpose is to maintain competition.

If that assumption is correct, and I know it is, it means that you are thinking of maintaining the familiar American system of business and economics—one in which the door of opportunity is open to everyone. I applaud that, because I say if competition disappears, either by the operation of business leaders who seek to promote monopoly, or if it disappears as a result of the operations of big Government, we will have lost the basic American system of opportunity for the masses.

The whole world is struggling today to maintain economic freedom in the face of such dangers. Too many, I think, do not clearly understand that the conflict between communism and free economy and free government will be won not by any warfare—not by a third world war, because such an eventuality would result, I am certain, only in the destruction of everything that we hold sacred now. It would result, I fear, in the destruction of civilization itself, because wars grow more terrible as science progresses.

So, our struggle to maintain a free economy and a free government must be waged here in America. It must be waged under the leadership of men in business and in Government, who appreciate the fact that we can and should maintain our system in such a manner as to promote the world's highest and most stable living standard among the people. In that way, we can demonstrate to the world the superiority of democratic institutions. If we fail to do it, we shall be inviting the totalitarian state.

These considerations were uppermost in my mind when I introduced the bill with regard to freight absorption and delivered prices that passed the Senate, as your Chairman has announced, and which yesterday was approved by the Judiciary Committee of the House of Representatives.

I had two main objectives in mind. The first of these was to abolish the uncertainty about the legality of independent pricing practices which found expression in the minds and in the words of officials of Government upon the one hand, and of leaders in business upon the other.

I was not above suspecting that there were some people who sought intentionally to promote confusion; but even if there were such, the fact that there was also a basic misunderstanding and uncertainty made it essential, to my mind, that the uncertainty should be swept away.

As I stated in my explanation of this bill to the Senate of the United States, when the Supreme Court, the last Court to interpret any law, finds a statute so ambiguous that it divides four to four in attempting to interpret its meaning, then certainly the time has come for the Congress of the United States—the only instrumentality of Government which can do it—to remove the ambiguity and make the law clear.

My purpose was to provide, by statute, a plain and simple declaration that delivered prices and freight absorption, when established independently by a seller, were not in themselves contrary to the Federal Trade Commission Act, which authorizes the Federal Trade Commission to move against unfair methods of competition, and unfair prices. So, the first provision of this bill stated in perfectly plain terms that such freight absorption and such delivered prices were not in themselves illegal.

But that was followed immediately by a proviso, the intent and purpose of which was to protect and safeguard the second objective, which I had in mind, namely, to preserve the antitrust laws and to make certain that in the declaration which legalized, so to speak, freight absorption and delivered prices, we were not making those practices the instruments of conspiracy or combination or monopoly.

It is important, I think, that this proviso should be read. I have the bill before me:

"*Provided*, That this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice carried out by or involving the use of delivered prices or freight absorption."

In other words, freight absorption cannot, under this bill—and it should be clearly understood—be used as an instrumentality or a device by which to carry out monopolistic, oppressive, or fraudulent practices.

The result of the presentation of the bill under these terms was that it was passed by the Senate without a roll-call vote; and only one member of the Senate indicated on the 1st of June, when it was passed by that body, that he was opposed to the bill as it stood.

As I introduced this measure, it amended not only the Federal Trade Commission Act, with its power to declare what are unfair practices and deceptive practices, but it also amended the Clayton Act, with respect to discriminatory prices. There it ran into a twilight zone, a zone in which there was conflict of opinion and of purpose even among those who felt that the law should make it impossible for a seller to sell at so-called discriminatory prices in such a manner as to injure competition. The question arose whether the law prohibited not only that injury to competition which is the result of a deliberate intent to crush a competitor, but also that injury which is just an incidental result of meeting competition. And so the bill provided that a change of price, a lowering of price, made in good faith to meet competition, should be a defense against a finding by the Federal Trade Commission of price discrimination.

One of the Members of the Senate offered an amendment to provide that the mere change of price in good faith of itself should not be a complete defense if it had the result of substantially lessening competition; and in that form, the bill passed the Senate.

When it went to the House, however, the House subcommittee, before which it was considered, and which held hearings upon the bill, decided to eliminate those amendments. And they were eliminated in the bill as it was recommended by the Judiciary Committee of the House.

So, in effect, the bill which has been approved by the Judiciary Committee is the bill in substantially the same form in which I introduced it in the Senate. You may be interested to know that the next step will be for the House Rules Committee to determine when and how the measure is to be considered by the House. I am sure I need not tell this group that there are so many matters coming before the House of Representatives for consideration that the Rules Committee necessarily has to make a selection. Sometimes it takes the Rules Committee a little while to make up its mind. In times past the Rules Committee has pigeonholed bills; but in this Congress, at the very beginning, a provision was made, amending the rules so that the committee can no longer prevent bringing the bill to the floor if the Members of the House really want to have it considered. So, I rather imagine that we are going to have early consideration of the bill.

In my judgment, the longer action is delayed upon this measure, the worse it will be for small business. I say that because I know, as everybody must know, that our economy has begun to climb down from the high plateau of inflation, which raised prices to the highest level that had ever been reached in the history of the United States. And, as a result, if any action or inaction by Congress has the effect of promoting uncertainty in the economic sphere, that action will also have the effect of discouraging investment and promoting unemployment.

Members of the Federal Trade Commission in whom I have long had a great deal of confidence, during the discussions which took place after the decision in the Cement case was rendered by the Supreme Court, have declared, over and over again, that in their opinion freight absorption and delivered prices, per se, were not illegal; but other members expressed a contrary view.

It happened that there was, in the Cement case, a statement by the Supreme Court to the effect that the mere presence of proof in the case of a conspiracy was not to be taken as holding that in the absence of a conspiracy the same result might not be obtained. Now, as I read that it was not a finding of the Court; it was merely a declaration by the Court to make certain that the decision in the Cement case should not be used as a precedent against some possible case that might be raised in the future. So, it gave me no concern; but it did give great concern to many businesses, and the declaration was made by some, "This means that no business can operate except upon an f. o. b. pricing system."

Now there is nothing in the law to justify that inference, as I see it, and there was nothing in the decision to require it; but obviously, if we promote uncertainty by failing to pass this bill, that argument will continue; and because it continues, it will make the managers of businesses which are now operating in a satisfactory manner uncertain of what they may do, and the result might easily be upsetting to the entire economy.

I think that the economy of any country can properly be compared to a river. The waters of a river find their way from the mountains to the sea; and they go by the

route which is the easiest. They follow the line of least resistance. Sometimes a great storm arises, floods are caused, and then the river breaks its bounds and sometimes finds a new channel. When the river finds a new channel, the result is injury—injury both to those who are on the old channel and to those whose lands are submerged in the new channel.

Now the economic system is the result not of the laws which Congress passes from day to day or year to year. The economic system which exists at any one time is the result of the practices by which business and industry carry on their activities. So, here we have a system of delivered prices and freight absorption which grew up partly by the deliberate intention of those who were seeking to develop markets, and partly as the result of the natural movement of the economy.

But whatever the cause, the system, the economic river, as it flowed, brought about the settlement and construction of factories and industries in particular spots.

Now, if we change the river channel by the operation of a specific law or by a failure to pass a law, the inevitable result will be to place such industries and businesses in the very same position that the inhabitants living beside an old river bed would find themselves in if the channel were switched somewhere else. To make the example more simple, when a Federal-State highway is changed from a line upon which there are a half a dozen service stations to another route on which new service stations will have to be built, obviously the result of such a change is for a time to upset the economy, to promote unemployment, to reduce business, and, of course, to that extent, to do away with profit. At a time when the United States must, of necessity, stabilize the economy, it would, from my point of view, be utterly absurd to take such a risk. And that was one of the reasons why I introduced this bill.

After the decision of the Supreme Court in the Cement case, the Senate set up a special committee to study the problem. That resolution, when it came on the floor, didn't go as far as I thought it ought to go; so I offered an amendment to that resolution which had been presented by Senator CAPEHART; and under my amendment, which was adopted by the Senate, the committee was authorized also to study the whole problem of economic concentration.

The committee didn't have time to transact the latter part of its business and transacted only the first. As a result of it, in the New Congress, the Eighty-first Congress, when Senator EDWIN JOHNSON, of Colorado, succeeded to the chairmanship, a bill was introduced, the object of which was to clear up the uncertainties, and that bill became the subject of prolonged debate and discussion. Again, interpretations were vague and uncertain as to precisely what the bill would do. So lacking was the matter in clarity, or perhaps I should put it more politely in this way, so uncertain were the members of the committee of what the effect of that bill would be that they decided not to report it, and instead to report a bill which was called the "moratorium bill."

That bill provided that for a period of 12 to 18 months, any seller acting independently, who sold at delivered prices, or who absorbed freight, would not be in violation of the law. It seemed to me to be clear that this mere declaration through an act of Congress that for a period of 18 months a particular practice would not be regarded as in violation of the law was itself certain to prolong the period of confusion. The result of the passage of the moratorium bill, it seemed to me, would only be to make confusion worse confounded; and it was for that reason that I felt we should state the matter in simple language that nobody could misunderstand.

Before I became a Senator I used to practice law. I found then that my toughest cases were those in which I sought to convince my clients that they ought to reach a settlement. I have one in mind.

It was a hot summer day, and I was in my law office on the top floor of the First National Bank Building of Cheyenne, and my clients were there. They had come in the effort to settle the controversy among themselves. They were relatives engaged in a little restaurant business. As long as they were not making any money, they behaved as relatives should. But when they began to make money, then they fell into rowing among themselves. I liked them all, and I tried to convince them that their conflict should be settled.

The window was open in my office, and one of these gentlemen, after I had exhausted all my eloquence in trying to persuade him that he should settle, jumped up from his seat, ran to the open window, and turning to me, he said in a shrill voice, "Mr. O'MAHONEY, I like you. You tell me to jump out this window, and I'll jump out; but I won't settle with these 'so-and-sos.'"

As a lawyer I always used to marvel at the way people convey ideas, one to another, by a series of black marks on white paper, because, after all, printing and writing consist of nothing in the world except black marks on white paper. So it is no wonder that in every case that goes to court you will find some eminent lawyers who say that the black marks mean one thing, and others who say that those black marks mean something else again. In such situations, of course, the chief difficulty of a legislator is to find the black marks which nobody can misinterpret.

I have flattered myself, and I think all of those who cooperated in the drafting of this bill should be flattered by the fact that the measure was passed with only one dissenting voice in the Senate of the United States; and that now it is in the House waiting for definite action by that body.

I feel it is important that action should be obtained, but I want to say to business leaders as I say to Government leaders, that there will be no success in the enactment of this law unless at the same time leadership in industry and Government are agreed upon what sort of business system they want to preserve in the United States.

Arbitrary and monopolistic power in business leads inevitably to arbitrary and monopolistic power in government. The controversy that is raging now in the world is between two groups. Upon the one hand there are those who believe that the system of private property is too greedy to save itself, who believe that the leaders of the capitalistic system are so intent upon gaining mere profits that when they create monopoly, they do not see the danger to the system that they represent. Upon the other hand, there are those who believe that the capitalistic system can be stabilized at the same time that opportunity is kept free, and that we shall not have a managerial state as a result of a managerial economy.

Don't think that the danger is too far away. Let me give you an illustration.

The Atomic Energy Commission, established by a law of Congress, was granted complete power over the development of atomic energy. We had to make the atomic bomb to win the war and we're still making the atomic bombs, because the leadership in the armed services and the State Department is convinced that it's the best insurance against an aggressive attack upon us. And so the Atomic Energy Commission has broad powers not only to develop atomic energy as a weapon of defense but also to use this new source of energy for peaceful purposes.

The appropriation bill which was passed by the House this year, and which is now under consideration by the Senate, carries an appropriation in cash and contract authorizations for $1,090,000,000 for the Atomic Energy Commission alone. Never before we entered upon World War I, save one year at the height of the Civil War, did the Federal Government ever spend a billion dollars for all of its activities.

And now we have this Government commission created by Congress, without dissent, because it was the conviction of Congress that this great atomic energy should not be risked in private hands—and so the Atomic Energy Commission is carrying on its operations by contracts with some of the biggest industrial enterprises in America. I have in mind a contract which was made with one corporation for the management of the atomic-energy plant at Hanford, Wash. When that contract was made it carried an obligation of $175,000,000. In 2 years and a little more that obligation had been increased to $375,000,000. The point that I make is we have a managerial Government organization contracting with a managerial private organization in order to operate the most important industrial enterprise that was ever undertaken by mankind.

Managerial operations are necessary. The great resources of science cannot be utilized without management. But when you introduce management by paid experts, whether those managers are paid by Government, upon the one hand, or by private business, upon the other, the effect is the same—the managers say what is to be done, and not those who are affected by management. We pay the bill.

So, here is the issue right in our laps today. How are we going to handle the great technological and scientific advances of our time, in such a manner that the fundamental American principle is not forgotten that Government was established for the people, and that it must be controlled by the people. How are we going to keep alive that principle, unless we make up our minds that we're going to take the long view and not the short view?

When we undertake to manage business or when we undertake to manage Government, we must assess our efforts by their effect upon the masses of the people of the United States. If we do not do that, if we allow one group—I don't care what it is—to exercise the managerial function at the expense of all the others, the result will be the loss of the American system, and the establishment in Government, as well as in business, of the totalitarian method.

This, my friends, I think is a step—this bill is a step toward the preservation of the American system; but it is only a step. We must go a little bit further. We must, as leaders in business and leaders in Government, undertake to review all of the aspects of the economic system so as to make certain that we shall have a rule of order by which neither arbitrary monopolistic power nor arbitrary Government power shall be permitted to control the people.

You and I have the task of maintaining the American system, and let's be sure that we don't misunderstand what it is. It is Government for all of the people and business for all of the people. [Applause.]

Trial of Japanese War Criminals

EXTENSION OF REMARKS

OF

HON. JOSEPH R. McCARTHY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, June 28 (legislative day of Thursday, June 2), 1949

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article regarding the trial of Japanese war crim-

inals, and comments by Justice William O. Douglas, from the New York Times of this morning.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WAR TRIAL DOUBTS STATED BY DOUGLAS—OPINION OF THE SUPREME COURT JUSTICE HELD TO INVITE THOSE IN PRISON TO APPEAL

WASHINGTON, June 27.—Six months after he had sided with the Supreme Court majority in denying a hearing to convicted Japanese war criminals, Justice William O. Douglas handed down an opinion today terming the December action "potentially dangerous."

At the same time he virtually invited those serving prison terms for war crimes to raise the issue in lower United States courts as to whether they were being held legally.

Justice Douglas, in his long deferred opinion, today labeled international military tribunals—such as the one at Tokyo that convicted Japan's wartime Premier Hideki Tojo and 24 other war leaders—"solely an instrument of political power."

Although the Justice said that he still assumed that the Supreme Court lacked power to review the judgments of such courts, he said he was disturbed by that situation. He added:

"It leaves practically no room for judicial scrutiny of this new type of military tribunal which is evolving. It leaves the power of those tribunals absolute. Prisoners held under its mandates may have appeal to the conscience or mercy of an executive; but they apparently have no appeal to law."

The High Court's decision last December 20 sealed the fate of Tojo and six other top Japanese war leaders and they were executed 2 days later. Eighteen others are still serving prison sentences.

At the time of the December 20 decision, Justice Douglas said that he would hand down his opinion later. Justice Wiley B. Rutledge reserved decision and said he would announce his vote later. It has not been announced to date. Justice Robert H. Jackson, who helped prosecute the German war criminals, took no part in the case.

Justice Douglas' action in apparently inviting a new court test came about this way: He said that while the Supreme Court lacked power to review decisions of international tribunals, other United States courts can decide whether those convicted by such tribunals were being legally held—provided their jailer was an American.

"If an American general holds a prisoner, our [legal] process can reach him wherever he is," Justice Douglas declared. "To that extent, at least, the Constitution follows the flag. It is no defense for him to say that he acts for the Allied power. He is an American citizen who is performing functions for our Government. It is our Constitution which he supports and defends. If there is evasion or violation of its obligations, it is no defense that he acts for another nation."

He said the way to bring such a test was to file an application for a writ of habeas corpus in the United States District Court for the District of Columbia.

New England's Skyscraper

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Boston Post, Boston, Mass., Sunday, June 26, 1949:

YANKEE SPIRIT PROVEN IN HUB—26-STORY BUILDING OF JOHN HANCOCK DISCREDITS PESSIMISTS—NOVEL FEATURES IN STRUCTURE

(By William E. Brennan)

To those pessimists among us who continually prate that New England is making no progress and is living in the glory of its ancestors who carved out financial empires the country over, there is just being completed an outstanding example of Yankee progressiveness in the new and ultramodern 26-story office building of the John Hancock Mutual Life Insurance Co. on Berkeley Street, Back Bay, next door to police headquarters.

Thousands of Bostonians and visitors to the Hub have watched the great tower as it thrusts its way up into the sky of the Back Bay to lord it over its neighboring structures of the downtown city. Few, however, even begin to realize the marvels of engineering that have made this great building the most modern in the world, with so many firsts over even the great skyscrapers of New York.

More than $30,000,000 has been the cost of this skyscraper that is nearing completion. Even outside modern engineering has done its bit with the wide, steam-heated sidewalks, a political joke a generation ago, serving to keep the concrete pavement free of ice and snow in winter, and the line of new trees on Berkeley Street, Stuart Street, and St. James Avenue, fed by water from an underground system.

SIGNIFICANT MURAL

As one enters the lobby the beauty of the choice stone of the marble quarries of the world make a beautiful scene. There are marbles from France, Italy, Belgium, Spain, and Portugal. There is the French Rouge Antique with the snail shells still imbedded in it, Portenelle rose marble from Portugal with sea shells visible, Tournelle Perla from Italy, Rose de Brignolles from France, Rojo Alicante from Spain, Belgium Black, and Rosara, the latter from Italy.

Topping this is the beautiful mural depicting the day of decision by the forefathers of our country when they agreed to sign the Declaration of Independence. This is by the noted painter Barry Faulkner.

NEW ENGLAND'S GREATEST

To try and describe the many marvels of this magnificent building will require hundreds of pages but for Post readers we will try and outline a few of the things that make this building New England's greatest and to prove that New Englanders are still marching forward, at least with, if not ahead of the rest of the country.

For instance, 150,000 tons of steel were required for the skeleton of this skyscraper, which will have both summer and winter air conditioning. One astonishing figure of engineers is that 30,000,000 cubic feet of clean, fresh air will be drawn into the building every hour. Controlled by a giant 86-inch panel board a constant stream of fresh air will be always present from the subbasement to the twenty-sixth floor, 495 feet above the street level.

The giant compressors of this cooling system are capable of producing 1,640 tons of ice every 24 hours. The enormous amount of materials for the air conditioning system alone gives an indication of its size. One can realize the magnitude of the air conditioning system when it is pointed out that 498,000 pounds of sheet aluminum, 390,000 pounds of galvanized iron and 60,000 pounds of iron plate were used for air ducts.

MANY MARVELS DEVISED

In the ultramodern theater known as John Hancock Hall at Berkeley and Stuart Streets, and in the beautifully appointed ballroom in the basement under the theater known as the Dorothy Quincy Suite are many of the marvels wrought by clever architects and engineers. It has the largest electronic control board in the world for illumination, the largest volume of theater fluorescent lights in existence and the largest number of cold cathode lights, 1,132 of them.

Great banks of speedy elevators, more than a score of them operating from the basement to the twenty-sixth floor with others running to the twentiteth floor, will swiftly move not only the 5,400 employees but thousands of daily visitors to the various floors.

Electric stairways operating from the basement to the eighth floor, traveling at 90 feet per minute and capable of handling 4,000 persons an hour, are now in operation. A feature of these stairways is that by the flip of a key at each floor their direction can be reversed upward or downward as the need arises. Thus as the thousands of employees are reporting for work all the stairways will run upward and at closing hour or in time of emergency all can travel toward the street level.

The building is the first completely air-conditoned business structure in the world. All windows are of double glass, containing one-half inch of air insulation between the panes. This new system of insulation was hit upon back in 1930 in a midwestern city by Charles D. Haven, a refrigerating engineer, while riding on a streetcar on a bitter cold day. Glancing out a window of the car and noticing the frost-covered windows of stores, he hit upon the air-insulation idea that was to result in this ultramodern window glass.

One usually thinks of fluorescent lights in small numbers but there is nothing small in this great structure of Yankee progress. There are, in fact, 32 miles of these lights, enough to provide a continuous string from Boston to Attleboro, or to Plymouth or Gloucester. There are 20,000 such light fixtures. These represent one of the world's largest installations of recessed fluorescent lighting, and the biggest in New England. This great number of lamps are another product of Yankeeland, coming from factories in Lynn and Ipswich

VIRTUAL CITY WITHIN SELF

Except for sleeping quarters, the new structure is a city within itself for the 5,400 employees. One of the most up-to-date cafeterias in the world takes the greater part of a floor at the head of the electric stairway on the St. James Avenue side of the building. Delicious lunches are served here at medium prices for the employees, so they can remain inside in summer heat or winter snow.

Just above the cafeteria is a modern store where the employees can buy anything from a needle to an anchor and at reduced prices. Already steps are being taken to prevent use of the store by outsiders as officials of the firm have expressed their firm purpose to insure that its operation does not hurt local merchants.

On the St. James Avenue, side of the building workmen are now completing a drive-in branch for one of the big banks of the city. The huge steel vaults, encased in reinforced concrete, are all in and workmen are putting the finishing touches on the banking rooms.

For the present the company business, vast as it is here in the home office, will not be sufficient to fill all the space in the building and some of the upper floors are being rented until such time as expanding business makes it necessary to take them over for the firm's work.

Reaching from the sidewalk to the top of the television mast, the building towers over its neighboring seven-story police headquarters 573 feet in the air. It is truly a tribute to Yankee ingenuity and progress

and to view it should give food for thought and a change of mind to those doubters of the great future that lies ahead for New England.

Radford Mobley

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 28 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Radford Mobley," written by Paul R. Leach, of the Washington Bureau of the Miami Herald, and published in the Miami Herald of June 18, 1949. Mr. Mobley is a distinguished representative of the Knight newspapers, especially the Miami Herald.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEN BEHIND THE COLUMNS—RADFORD MOBLEY

(Another behind-the-byline sketch, one in a series of profiles on Miami Herald columnists by their working contemporaries who know those personal qualities which make these men outstanding in their profession.)

(By Paul R. Leach)

WASHINGTON.—If you've got a trying job of reporting on hand, just call Rad. It gets done.

Of all of the Washington press gallery and a lot of people in the Federal Government and Congress know, Rad is Radford Ellis Mobley, Jr., a pint-and-a-half-sized redhead who has been in Washington so long he qualifies as an old settler.

Mobley, of course, is the representative of the Miami Herald in the Washington bureau of the Knight newspapers. He has a failing, which you should be let in on at once. He just can't completely dislike anybody. Sure, he knows who the first class so-and-so's are in this town. But even while he's satisfying himself that a so-and-so does fall into that category and why, he'll go to considerable pains to discover the guy's decent qualities, too. Although an old Washingtonian, Mobley's a youngster as this press corps of some 800 persons goes. He was born 44 years ago last April. He's a southerner, as you discover after visiting with him for a while.

EXCEPTION TO RULE

Mobley is the envy of every young newspaperman in the country who has been told the way to get to be a Washington correspondent is first to work for 20 years at everything else a newspaper home office has.

Rad made it in one jump—from the University of Alabama to the Potomac.

He was graduated from Alabama in 1927. Incidentally, he made Delta Tau Delta there. Also the right to wear a vest with a watch chain adorned with a Phi Beta Kappa key. You don't get those keys for cutting classes. Does he wear the key? Shucks, he doesn't even wear a vest.

It was law that attracted Mobley, not newspapering, when he packed up a derby hat—which he still wears when Barbara Martin Mobley, his Wisconsin-born wife, isn't watching—and a spare shirt or two, and headed for the place where lawyers run everything.

He enrolled at George Washington night law school and got a daytime job in J. Edgar Hoover's FBI fingerprint division. He put in 2 years at studying law before he made a great discovery. That was: There's not as much money in newspapering as lawyering, but a whale of a lot more satisfaction.

So he joined up and later bought out Ralph G. Sucher who had what Washington calls a string of newspapers to write pieces for.

One of the papers on Mobley's string was the Akron Beacon Journal. That's where he became acquainted with John S. Knight. It's been a close relationship since. Knight bought the Miami Herald, then the Detroit Free Press, then the Chicago Daily News.

As Knight interests in Mobley's Washington string expanded, Mobley dropped other papers.

ON HIS RECORD

One sure way for a young reporter in Washington, especially a "string man" to capture respect of other reporters is to do an outstanding job of reporting. In 1929, shortly after he had started on this line, Mobley got irritated with the United States Senate.

There had always been a practice there of confirming Presidential appointments by secret vote. The press was shooed out of its gallery. The doors were locked. The Senators would go into a huddle.

They would later announce whether the appointee had been confirmed or not—not a word on who had voted yes or no.

The nomination of Senator Irvine L. Lenroot, of Wisconsin, to be a Federal judge was the last to be so confirmed. Mobley dug out the secret roll call and published it.

It raised a very devil with senatorial dignity. But young Bob La Follette, another Wisconsin Senator, saw the light. He started a campaign that resulted in public confirmation votes thereafter.

During prohibition, when Mobley was doing string work for the old New York Evening World, he was nosing around the Old House Office Building one day when he got acquainted with a man. The man was a notorious bootlegger.

Mobley got out of him an exclusive story on how he was peddling his stuff right in the office building to Members of Congress.

Mobley's sensational story was widely reprinted over the country. It pointed up what a sham voting dry and drinking wet by Congressmen really was. Prohibition was repealed shortly afterward.

If you're a pushover for three beautiful intelligent little girls, you need look no further than the home of Rad and Barbara Mobley. Their daughters, Kuulei, Patricia Ann, and Kate, take after their mother.

It is typical of both the elder Mobleys that they chose that Hawaiian name for the eldest child.

Sam King, who preceded JOSEPH R. FARRINGTON as delegate in Congress from the Islands, was Kuulei's godfather. It was he who suggested it. The name means, "Dear Little Wreath of Flowers."

Federal Taxation in Puerto Rico

EXTENSION OF REMARKS
OF
HON. NOAH M. MASON
OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. MASON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 24, 1949.

Hon. NOAH M. MASON,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN MASON: May I take the opportunity to make reference to some concepts included in your address to the House on June 16, and to allow myself the liberty to clarify the situation of Puerto Rico in respect to Federal taxation.

Sovereignty over the island of Puerto Rico was ceded to the United States under the Treaty of Paris at the end of the Spanish-American War in 1898. In fulfillment of obligations, accepted under the treaty, the Congress of the United States in 1900 determined the political status of the inhabitants of Puerto Rico. They were declared to be citizens of Puerto Rico. A body politic to be known as the People of Puerto Rico was also created. At that time Puerto Rico had a population of about 1,000,000 inhabitants.

Theretofore Puerto Rico had been an integral part of the Spanish realm. It was a province therein with parliamentary representation in the Spanish Cortes to the same extent as any of the provinces of which the kingdom was composed. In addition, Puerto Rico had self-government; it had its own local parliament and a cabinet responsible to the parliament; the latter was elected under universal suffrage. The Governor-General who was appointed by the Central Government, represented the national interests in the province. The situation was in many ways comparable to that existing today between Northern Ireland and Great Britain. Northern Ireland has its own responsible government and local Parliament which at the same time it is represented in the British Parliament. The London government appoints a governor-general for Northern Ireland.

The power to tax and to legislate tariffs was reserved to the Puerto Rico Parliament. The proceeds of all taxes were covered into the Treasury of Puerto Rico.

After the transfer of sovereignty from Spain to the United States, the act of Congress of 1900 provided for changes in the political and economic structure. The relations between Puerto Rico and the new metropolis were not kept the same as those which had existed with the old metropolis. Puerto Rico did not become a State of the Union with due participation in National Government. It was declared to be unincorporated territory (with a small t) subject to sovereignty of the United States. A body politic was created within the unincorporated territorial area over which Congress had acquired sovereignty and Congress determined that tariff rates equal to those payable in the United States for imported goods, were to be paid in Puerto Rico, while no customs duties would be paid on merchandise shipped into Puerto Rico from the United States or vice versa. A virtual customs union between the United States and Puerto Rico was thereby established in place of the previous system of separate tariffs and preferential treatment between the island and the old metropolis. The principle that duties paid by the people of Puerto Rico upon merchandise imported into Puerto Rico should be considered as local revenue, was nevertheless maintained.

We were not, under the United States regime, to have taxation without representation. The same principle was applied to internal revenues. United States internal-revenue laws were not made applicable to Puerto Rico, although the burden of excise taxation on goods exchanged between the two areas was required to be equal.

Puerto Rico endeavored to adjust its economy to this new pattern of economic relations which Congress adopted for the island. It would be idle now to speculate on what the economic development of Puerto Rico would have been if Puerto Rico had continued to exercise authority over its commerce and tariffs, and a preferential system had been set up between Puerto Rico and the United States as it existed with the old metropolis. We cannot today guess the results if the United States had retained the tariff arrangement and adopted the preferen-

tial system which had previously existed between Puerto Rico and Spain.

What we have before us now is the pattern of developments in the 50 years during which the new arrangement has been functioning. Let us examine it:

The sugar industry developed greatly in Puerto Rico, bringing prosperity to owners of land suitable for the cultivation of sugar cane and to owners of sugar mills—prosperity which had its effects on land values, wages and distribution throughout the whole island. But the development of a sugar industry was not an unmixed blessing.

In spite of Federal law to the contrary, absentee corporations were allowed to acquire land greatly in excess of the legal limit of 500 acres. Profits from the sugar industry, for many years, left the island. No reinvestments to enrich the island's economy were made out of sugar profits, to an appreciable extent, except for the ever-expanding acquisition of land, or for improvements of the sugar mills themselves or for research in scientific agricultural methods affecting sugar cane and cane sugar.

By 1935, the evil results of absenteeism and land concentration were everywhere apparent in Puerto Rico. Taxes were low. Wages were low. The level of life of the people at large was low. Participation of the people in the sugar industry was limited mostly to farmhands, seasonally employed.

The application of modern scientific public health methods has lowered the death rate, but the social pattern of life on large sugar plantations did not create the proper circumstances for a parallel decrease of the birth rate. To the characteristic seasonal unemployment in the sugar industry there was added the chronic unemployment of that part of an increasing population which was in excess of needs in the cane fields. There were more workers than there was work.

In 1936, at long last, enforcement of the Federal law limiting to 500 acres the amount of land in any one corporation's control was begun. Since then the people of Puerto Rico has been reacquiring the land hereto illegally held by the sugar corporations.

Nevertheless the results of several decades of absenteeism were still to be coped with.

Farming skills, other than the simple operations necessary for planting and harvesting sugar cane, lagged far behind or were lost altogether. They must be regained now after half a century in which opportunities to engage in farming other than the cultivation of sugar cane were sorely neglected.

While sugar prospered, coffee declined. This crop which was Puerto Rico's export mainstay before 1900, is a product of the hills. It is the chief means of conserving the upland's soils and watershed. But when Puerto Rico came into the United States system, coffee found itself, in respect to the mainland market, on the free list, while coffee growers found themselves subject to costs shaped largely by a protected United States market. This situation, worsened by the shortage of dollars after World War I in a Europe where Puerto Rico coffee had found its chief market, led to a persistent decline of coffee production, a decline which has gravely and chronically depressed the hill country of Puerto Rico. Without a national policy adequate to the needs of this region, the hill economy of Puerto Rico has languished.

The shift of Puerto Rico from the Spanish to the American economic system also coincided with the decline of a local handicraft industry. United States factory-made goods tumbled into the Puerto Rico market tariff-free, at prices which local craftsmen could not match. Their skills, therefore, quickly disappeared. The natural development from handicraft to machine industry did not take place.

Many of these conditions remained for many years unanalyzed. Consciousness of them as problems to be solved was not awakened until the needs of a rapidly growing population and the adversities of the great depression conjoined to force proper recognition and awareness. The need to industrialize became evident. It was seen that only by rapid industrialization could a social calamity in Puerto Rico be forestalled. The Government of Puerto Rico therefore commenced its desperate efforts to industrialize with the same justification and with the same rights as any other organized community under the American flag.

An inventory of industries in operation was easily taken. Aside from those which were geared to the local market, the only industries worth mentioning were those engaged in the production of rum, needlework, and sugar. Rum was, and except for the war years has been, an unimportant source of revenue and employment. Needlework gave employment to tens of thousands whose low wages, because of a low tariff and the competition of foreign wages, were held in a vise. The production of refined sugar was specifically limited by Federal law. Sugar refining has been practically prohibited. It still is. Puerto Rico may ship, in refined form, only 126,000 of its quota of 910,000 tons of raw sugar. Conditions such as these limited, shaped, and made necessary the resolute effort to industrialize in other directions.

But at the same time, Puerto Rico has become, and is now, conscious of the need for additional governmental revenues. Local tax rates and revenues have been increased substantially. We have to take care of the education of our children and provide medical services for 80 percent of the population whose incomes are too low to afford private medical treatment. We have to learn the modern methods of diversified agriculture. We have to develop more hydroelectric power for our industries, our cities, and our rural communities. We must resort to irrigation to develop our precious land. We cannot suffer a single inch of land in Puerto Rico to remain idle and unproductive. More than 2,000,000 American citizens in Puerto Rico look to our 3,500 square miles for their support. Much of it is untillable. Nevertheless, that which is usable must each year provide food and employment for a greater number than last year.

However, with all the need we have for more revenues, our need is even greater for more jobs. Since it appears that we cannot expand both revenues and jobs at a rate which seems desirable and necessary, we are foregoing more revenues from new industries in order to create new jobs. Therefore, the Legislature of Puerto Rico has declared tax exemption for certain new industries coming to the island. This is an Insular law, not a Federal law. Puerto Rico is a self-governing community of 2,000,000 United States citizens under an organic act adopted by Congress. Citizens of Puerto Rico were declared to be citizens of the United States in 1917. It is not a Territory under the direct administration of the Federal Government. It is a 400-year-old, non-metropolitan community of 2,000,000 citizens represented in Congress by a Resident Commissioner without a vote.

Puerto Rico last year was a market for mainland producers to the tune of $337,000,000. Because of especially favorable circumstances which the market of Puerto Rico offers to mainland producers (tariff protection and no direct Federal taxes), the Puerto Rico market must be classed as one of the most important markets, outside of the United States mainland, in the entire world, for mainland producers.

United States internal revenue tax laws do not apply, naturally, to merchandise shipped from Puerto Rico to the mainland. It is proper that it be so, since they do not apply either to merchandise shipped from the mainland to Puerto Rico nor to goods produced and consumed in Puerto Rico.

But if matters had been left at this stage, the Puerto Rican producer would find himself in a privileged position in the mainland market, because the mainland producer does pay internal revenue taxes to the United States Treasury. In order to reconcile the principle of no taxation without representation with the need to protect the mainland producer from unfair competition by the Puerto Rican producer shipping merchandise to the mainland, within the customs union, Congress determined, in 1900, that merchandise shipped from Puerto Rico to the mainland should bear a tax, payable to Puerto Rico and equal to the United States internal revenue tax required for sale on the mainland.

This is the explanation for what is often erroneously described as a remittance of taxes. This tax is covered into the Treasury of Puerto Rico. It is not earmarked for any specific purpose. It is not earmarked for an industrial commission. It is a regular revenue of the Government of Puerto Rico, just as much as are proceeds from the estate tax or from excise taxes levied by the Legislature of Puerto Rico.

I may add, that in accordance with our organic act, the expenses of the government of Puerto Rico are to be borne and paid out of the treasury of Puerto Rico, only, and that no annual appropriation is ever made by Congress for the maintenance of any part of the government of Puerto Rico as is the case with the incorporated Territories of Hawaii and Alaska. The Federal Government pays only for Federal services in Puerto Rico such as the military establishment, the Federal Court, Immigration Service, etc. Of late, about $7,000,000 a year have been granted in Puerto Rico under such Federal grant-in-aid laws as apply therein. Although not all grant-in-aid nor tax laws apply to Puerto Rico most other United States laws do apply there as in the States, including laws on military service. Seventy-five thousand men from Puerto Rico answered the call to service under the Stars and Stripes during the last war.

Industry is developing in Puerto Rico in the same way that it is developing in many communities in the South. Industrialization is not an exclusive right for any one section or segment of our political system. It is only natural that it may extend over the whole Nation.

Textron, a New England industrial concern, has established a new plant in Puerto Rico. My information does not bear out the statement that it has moved a plant into Puerto Rico from New England. (It was announced some time ago, however, that Textron was intending to open up, in the South, a plant producing the same line of goods as was one of its New England plants, the closing of which it had under consideration.)

The purpose of this letter is to bring to your attention the fact that the 2,000,000 American citizens who live in Puerto Rico, are existing under such economic arrangements as have been created for them by the Congress. Within those arrangements their life is economically precarious, whatever opinion we may hold as to cause and effect. They are doing their best to help themselves by developing their economy. By doing so they are making their own important contribution to the prosperity of the national economy as a whole.

There is no intention to take away from any area on the mainland its established industries. As a matter of fact, it is a rule of the government of Puerto Rico that no tax exemption will be granted to any concern which may seek to establish itself in Puerto Rico by transferring its plant from the mainland. Tax exemption is only

granted to new plants, the operation of which represents an expansion of industry.

The 2,000,000 citizens in Puerto Rico solicit the heartfelt cooperation of their fellow citizens on the mainland in their struggle for existence. Puerto Rico is a national responsibility, accepted since 1899. I am sure you would be among the first to agree that the efforts of the Puerto Rico community to raise itself by its own bootstraps from the very depressed economic condition therein obtaining should be commended. As they succeed they will be helping the Nation fulfill its obligations towards the people of Puerto Rico.

Also you surely will agree that the insular government would be derelict in its duty if to the limit of its resources and imagination it did not make a frontal assault on poverty and hunger, if it did not do its level best to wipe out the diseases which accompany substandard living conditions, if it did not create jobs—useful ones, needed ones—for those who, although able and willing, cannot find work, if it did not build schools for the thousands who should be learning but cannot because there are barely half enough schools, if it did not meet for its people the challenge of changing conditions in a changing world. I am sure you share a similar concern for the welfare of the people in the district you represent, although fortunately fate has been kinder to your people than to mine.

I am well aware of your deep interest in matters of public importance and of the thorough and tireless study you give them. I know, too, of your open-minded readiness to accept a new viewpoint when you are convinced of its worth. It is for that reason I have taken the liberty to write you as I have and at such considerable length, hoping to dissolve misunderstandings and to assure you that there is no conflict of interests between the people of Puerto Rico and the people of Illinois or Massachusetts or any other State.

Most cordially yours,

A. FERNÓS-ISERN,
Resident Commissioner of Puerto Rico.

Townsend Plan

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1949

Mr. HILL. Mr. Speaker, following is a petition signed by members of the Townsend Club, Fort Collins, Colo., in the Second Congressional District of Colorado, and I wish to present this as evidence of the interest in the passage of H. R. 2136:

FORT COLLINS, COLO.

Hon. W. S. HILL,
Washington, D. C.:

We the undersigned citizens of the Second Congressional District of the State of Colorado respectfully request the passage of H. R. 2135 and 2136 known as the Townsend plan, and respectfully request your cooperation and help.

Mrs. William Moore, Mrs. William Podell, Fort Collins, Colo.; Mr. and Mrs. Baylis, Mr. and Mrs. L. W. Freeland, Mr. and Mrs. R. W. Cochell, Longmont, Colo.; Mr. and Mrs. M. M. Hedges, Mr. William Podell, William Moore, Mr. and Mrs. A. B. Moore, Mrs. Ada Thompson, Mrs. J. C. Kennedy, Mrs. E. M. Ingerson, Mrs. A. R. Sheldon, Mrs. Frank Tracy, Mrs. Bertha Ruddick, Mrs. W. S. Dixon, Mrs. Jessie Brandis, Mrs. Fern Dixon, Mrs. O. V. Kieler, Mrs. K. Bright, Mrs. Jesse Morgan, Mrs. Elsie Winter, Mrs. J. L. Eastwood, Margaret Bovell, Myrtle Barker, Mrs. Neina Walk, Mrs. Rolland Moore, George Lindenmeier, Grace Lindenmeier, Frank Tracy, O. V. Kieler, M. T. Harned, Stella Hampel, Nellie B. Lucas, all of Fort Collins, Colo.

Mr. Speaker, following is a petition signed by members of the Townsend Club, Boulder, Colo., in the Second Congressional District of Colorado, and I wish to present this as evidence of the interest in the passage of H. R. 2136:

BOULDER, COLO.

Hon. W. S. HILL,
Washington, D. C.:

We, the undersigned citizens of the Second Congressional District of the State of Colorado, respectfully request the passage of H. R. 2135 and 2136 known as the Townsend plan, and respectfully request your cooperation and help.

J. E. Ficher, Mrs. Elizabeth Jones, Kate Samuelson, Mrs. Maisie Albertson, Mrs. Laura Selden, Cora Carlson, John Latum, George Brierley, Mrs. Mabel Hill, Mrs. Della Clemens, Hattie Souders, Marie Heaton, Oscar Anderson, Jennie Blair, Elliott A. Van Dyke, G. D. Loomis, Mrs. Mattie Loomis, Hilda Mae Wilson, Viola M. New, Harold W. New, Nellie Dunsmoor, Belle Coon, James Farley, Lulu B. McAllister, Grace Leona Wilson, Ethel C. Kelley, C. Robert Gruen, Anita Gruen, Beulah Jones, all of Boulder, Colo.

Mr. Speaker, following is a petition signed by members of the Townsend Club, Longmont, Colo., in the Second Congressional District of Colorado, and I wish to present this as evidence of the interest in the passage of H. R. 2136:

LONGMONT, COLO.,
May 15, 1949.

Hon. W. S. HILL,
Washington, D. C.:

We, the undersigned citizens of the Second Congressional District of the State of Colorado respectfully request the passage of H. R. 2135 and 2136 known as the Townsend plan and respectfully request your cooperation and help.

Margaret Tonne, Longmont; O. G. Horm, Littleton; T. W. Smith, Ft. Collins; Harry Fortune, W. H. Johannesson, Greeley; Verla Long, Berthoud; George W. Barrett, Longmont; J. E. Meader, Englewood; Albert B. Pace, Boulder; A. M. Walters, Greeley; Anna Thiebolt, Mrs. George Zimbelman, George Zimbelman, Loveland; William E. Long, Berthoud; Pearl Meader, Englewood; Harry M. Waller, Mrs. Ola Waller, Thomas Beebe, Fort Collins; Mrs. Madg Fortune, Greeley; Mrs. Joe Lee, Longmont; Mrs. Rozetta Sealock, Berthoud; Mrs. Elmer Iverson, Mrs. C. A. Smith, Lydia Briden, C. A. Smith, Elmer Iverson, W. P. Lewis, Etta Walden, Scott Walden, Katie T. Bennett, Kay Curry, Hattie Eaton, Marie Brooks, Longmont; Mrs. Eugene Webber, Hygiene; Mrs. Lillie V. Taylor, W. C. Campbell, Elmer Tonne, Fay Davis, J. E. Getzendaner, Edward Stack, Emma Titus, Clara Beach, Longmont; Florence Smith, Boulder; R. V. Babcock, Letta Alexander, Longmont; Mrs. Elvis Tower, Elvie Tower, Lyons; Mrs. Elsie Lauer, Boulder; C. W. Cannon, Thomas Higgins, Loveland; Charles Mast, Mrs. M. Hancock, Greeley; H. E. Edson, Loveland.

Northwest Demands Local CVA Hearings

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1949

Mr. MACK of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I again urge the desirability of the Senate and House Public Works Committees' visiting the Pacific Northwest this fall and holding hearings there upon the several pending CVA bills.

The 4,000,000 people who reside in the Columbia River Valley, which these bills would place under the control of a CVA, should be given the fullest possibility to be heard. Few of these private citizens have the time or money to travel across the continent to testify at hearings in the National Capital. Such being the case, the committees can render a great service to these people by holding CVA hearings on the Pacific coast this fall.

I include here an editorial on this subject from the Spokesman Review of Spokane, Wash., one of the largest daily newspapers of the Pacific Northwest:

NORTHWEST DEMANDS LOCAL CVA HEARINGS

There are two congressional hearings on the proposed Columbia Valley authority on in Washington, D. C., this week.

But who's doing the testifying? Whose opinions are being heard? Certainly not the average citizen of the Pacific Northwest, who will be most vitally affected by a CVA, if it should be authorized by Congress. The average citizen does not have the $300 to $500 necessary to go back to the National Capital to do his own lobbying.

But the prevalence of Federal and State officials in Washington for the hearings indicates that there are plenty of people willing and eager to speak for the average citizen, who, incidentally, has had little or no opportunity to study the Truman-Davidson-Mitchell bill and who has only a bare notion of the issues involved.

The purpose and effect of the House and Senate hearings should not be discounted. But it should be emphasized that such hearings should also be conducted throughout the entire Columbia Valley region, so that citizens may know what the bill provides for and what the official and unofficial interpretations are.

It is certainly in order for top-level administrators to expound their ideas. It is certainly in order for Congressmen and Senators to question these administrators and the other selected individuals who are testifying this week. But it is even more in order for the citizens who will be most vitally affected by such a proposal as the CVA to get a basic understanding of the measure and to realize its implications.

There has been no popular vote on the CVA in this area. There has been no election at which the issues were discussed. But there is an eagerness to understand the question fully and to get the answers at first hand.

That's why it is necessary that either the Senate Public Works Committee or the House Public Works Committee, or both, conduct popular hearings in at least 8 or 10 localities in the Pacific Northwest before the CVA bill or bills are reported out of the committee for congressional debate.

This area wants positive assurance now that its people will have a chance to be heard on the CVA proposal while the matter is still in the discussion stage.

Agitators Stirring Race Riots Throughout the Country

EXTENSION OF REMARKS
OF
HON. JOHN E. RANKIN
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1949

Mr. RANKIN. Mr. Speaker, it is certainly disturbing to see members of a racial minority stirring race riots throughout the country.

The Klein bill, to force Negroes into the white schools of the District of Columbia, is one of the most dangerous pieces of communistic legislation that has been proposed since I have been a Member of Congress, and the Celler resolution to investigate the white people of Alabama is not calculated to help the situation.

The people of Alabama and all the other Southern States are thoroughly capable of looking after their own affairs without any advice from the gentleman from New York [Mr. CELLER].

Such measures, if passed, would probably result in the most disastrous race riots this country has ever known.

I have pointed out time and time again that this is a movement of a racial minority that is attempting to destroy Christianity throughout the world. They have murdered at least 30,000,000 Christians in Europe in the last 30 years.

They came here right after World War I and stirred race trouble all over this country, resulting in race riots in Washington; Chicago; East St. Louis; Springfield, Ill.; Omaha, Nebr.; and elsewhere throughout the country.

These Communists stirred up a race riot in Detroit, Mich., a few years ago—the most disastrous riot the State of Michigan has ever known.

Last week they stirred one in St. Louis, Mo., with this same communistic drive pretending to wipe out segregation. They did the same thing in Youngstown, Ohio.

Yesterday they brought on race trouble in Anacostia here in the District of Columbia.

There are only four possible solutions to the race question where the white and blacks live together in large numbers—extermination, deportation, amalgamation, or segregation.

Extermination is too horrible to contemplate. Deportation is out of the question, and so is amalgamation.

The only chance for the white people and the Negroes to live together in peace and harmony is through the system of segregation that these intermeddlers are now trying to destroy.

They do not give a tinker's dam about the Negroes.

Recently Harry Winder, who is head of the District Recreation Board, and also head of the B'nai Brith in Washington, issued a crazy order wiping out segregation in the playgrounds and swimming pools of the District of Columbia, with the result that racial tension has been intensified, and race trouble has increased.

At this point I am inserting an article which appeared on the front page of the Washington Times-Herald this morning which I hope every Member of Congress will take the time to read.

It reads as follows:

CITIZENS DEMAND DISTRICT OF COLUMBIA POOL SEGREGATION—IN YOUR HANDS, KRUG WARNED BY FEDERATION—INSISTS INTERIOR DEPARTMENT RULING BE RESCINDED

(By James Colligan)

Declaring an "emergency state of racial tension" exists in Washington, the executive board of the Federation of Citizens Associations last night demanded that Interior Secretary Krug restore segregation in District swimming pools.

"This situation," the association warned Krug, "approaches that which created the recent racial explosion in St. Louis and Youngstown.

"We remind you that in your hands lies the power to prevent a similar explosion that can only reflect discredit upon you, your department, and upon the Federal Government.

ASK RESCINDING OF ORDER

"We demand the immediate rescinding of the Interior department's order establishing a policy of nonsegregation in those swimming pools of the city of Washington controlled by your department.

"We call upon you to do this as your public duty to prevent disorder in this city which, once started, would be to the eternal disgrace and sorrow of all residents of the District.

"It is our sincere hope that your interest in the safety of all people residing in our National Capital is the same as ours and that you will act at once to preserve peace in our city."

The demand on Krug was contained in a telegram sent by John H. Connaughton, president of the citizens federation, following unanimous approval of the executive board at a special meeting.

SIX POOL INSTRUCTORS QUIT

The meeting was called as the nonsegregation policy in swimming pools culminated in a decision by the District Recreation Board to withdraw all its swimming instructors and supervisors from pools operated by Government Services, Inc., unless they operate on a segregated basis.

Earlier in the day, six recreation department swimming instructors walked away from McKinley pool when Negro children insisted on attending free swimming classes. The pool is one of several at which free classes and supervised swimming are provided in the morning and swimming is on a free basis in the afternoon under GSI.

Previously, minor disorders had been reported at the Anacostia pool as a result of the Interior Department order that all pools under GSI supervision should operate on a nonsegregated basis.

GSI TO DECIDE TODAY

The citizens federation message to Krug explained the executive board is empowered to act for the federation in emergencies. It demanded that "you and your Department turn over all District recreation facilities, the land for which was mainly purchased with funds supplied by District citizens, to the District Recreation Board to be administered in the best interests of all the people of the District of Columbia, white and Negro alike."

The board of trustees of Government Services will meet today to decide whether to change its policies on swimming-pool operations.

One of the most dangerous men on the Federal pay roll is Oscar Chapman, Assistant Secretary of the Interior, whose activities in this connection have done as much to stir race trouble as any other individual I have ever known.

The best thing President Truman could do would be to remove him from the Department of the Interior, and remove this Harry Winder from the Recreation Board.

The article which I have inserted tells of the action of the executive board of the Federation of Citizens Associations of the District of Columbia.

For the benefit of the Members of the House I am inserting a copy of a letter, issued last night by that organization, and signed by its president, Hon. John H. Connaughton.

It reflects the views of an overwhelming majority of the people of the District of Columbia.

The letter referred to follows:

JUNE 27, 1949.

J. A. KRUG,
Secretary, Department of the Interior:

The executive board of the Federation of Citizens' Associations of the District of Columbia, which is empowered to act between meetings of the Federation, at a special meeting this date unanimously passed a resolution demanding that you and your Department turn over all District recreation facilities, the land for which was mainly purchased with funds supplied by District citizens, to the District Recreation Board to be administered in the best interests of all the people of the District of Columbia, white and Negro alike.

Your attention is called to the present emergency state of racial tension created in the District of Columbia by your Department's ill-advised interference in long-established pattern of segregation in the swimming pools of the District of Columbia. This situation approaches that which created the recent racial explosions in St. Louis and Youngstown. We remind you that in your hands lies the power to prevent a similar explosion that can only reflect discredit upon, you, your Department, and the Federal Government.

We demand the immediate rescinding of the Interior Department's order establishing a policy of nonsegregation in those swimming pools of the city of Washington controlled by your Department. We call upon you to do this as your public duty to prevent disorder in this city, which, once started, would be to the eternal disgrace and sorrow of all residents of the District. It is our sincere hope that your interest in the safety of all people residing in our National Capital is the same as ours and that you will act at once to preserve peace in our city.

JOHN H. CONNAUGHTON,
President, Federation of Citizens' Associations.

Housing Act of 1949

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1949

Mr. MILLER of Nebraska. Mr. Speaker, after the hearings and listening

to the debate on H. R. 4009 I find I am unable to support the passage of this bill. My reasons for reaching this conclusion are as follows:

First. It will commit the Government to the eventual spending of almost $20,000,000,000 of taxpayers' money. Once the bill becomes law the Congress will have no power to check these expenditures. It authorizes the Housing Administrator to issue notes or other obligations and directs the Secretary of the Treasury to purchase these obligations from the proceeds of funds from the sale of securities under the Second Liberty Bond Act. Although the bill talks about loans and self-liquidation the cost will finally come from taxes paid principally by those who will not benefit from it. Most people will find they are paying taxes to provide housing for somebody else. Since the people of Nebraska pay almost 1 percent of the taxes collected by the Federal Government our share of the cost will amount to $170,000,000.

Second. All our previous experience with Government built housing shows that costs will be excessive. Under this bill costs can reach $2,500 per room. For a 5-room unit that would mean $12,500. Can any one point to an instance where a Government operation was carried on at less than the maximum figure? There will be no low-cost housing under this bill.

Third. Private industry in 1948 built almost a million housing units. It will build a little less this year. This bill will put the Government into direct competition with private industry, and in such a way that private industry in building will dry up. The bill permits the payment of a rental subsidy up to $46.88 per five-room unit. If you could rent a five-room apartment with the taxpayer subsidizing you to the tune of $46.88 would you ever undertake to build a home of your own?

Fourth. Proponents of the bill admit that it would benefit only 1 out of every 130 farm families. Before he can receive any benefit from it the farmer who is successfully operating his own farm must convince the Government that he is unable to borrow money for building a home from any other source. If he is living on what it would determine was a "potentially adequate farm" he might, if he knew the right people and had sufficient political pull, get a loan and some additional cash. If it decides he will never be able to support his family on his farm—this refers principally to share croppers in the South—he might, if he is lucky, get money and a loan to improve his house. This puts a premium on shiftlessness and political pull. How many farmers in Nebraska could qualify under these conditions? Not many, I would say.

Fifth. State and local governments will be deprived of tax revenue under this bill since the project will be tax-free for long periods, except for small payments in lieu of taxes the housing authority is permitted to pay. Local officials know the troubles they have had in getting these payments from Government projects located in their communities. They have no voice in determining the amount the projects should pay for services they receive. The amount as determined by the Federal agency has never been adequate.

Sixth. The campaign to put this legislation over is based on misrepresentation and half truths. It will not result in slum clearance nor will it provide housing for more than a small minority of families that do not now have it. People living in slums cannot pay the rent, even with the subsidy, for the housing to be built under this bill and only one out of six or seven families that might qualify for residence will receive the benefit of this privilege.

Seventh. If this bill becomes law it will be a long step in the direction of the welfare state. The socialist mayor of Milwaukee, testifying before the committee, said he supports the bill because it is in keeping with the socialistic concept. Last year private enterprise in the building industry built almost a million new permanent dwellings. It will continue to do this if the Government with its deadening hand of bureaucracy does not enter the field. That is the solution to the housing shortage. Under Government housing, tenants will be chosen by political preference and their way of living will be controlled by Government agents. It will provide a very fertile field for building political machines the like of which has never been known.

Eighth. This bill sets the pattern for an imminent approach to socialism and the destruction of the American way of life as we have known it. We are within 7 percent of complete socialism today. No free enterprise system has ever prevailed after taxes have passed 35 percent of the people's income. Today Federal, State, county, and municipal governments are taking 33 percent of our income in taxes. Assuming we are stronger than any previous free government and could go to 40 percent we are still perilously near to complete collapse into socialism. How near we are was best expressed by James F. Byrnes, former New Deal spokesman in the Senate, ex-Justice of the Supreme Court and Secretary of State by appointment of President Truman, when he recently said:

> Where we shall wind up, no one can tell. But if some of the new programs seriously proposed should be adopted there is danger that the individual, whether farmer, worker, manufacturer, lawyer or doctor, soon will be an economic slave pulling an oar in the galley of the State.

It is time we called a halt. The defeat of this bill can be the first step.

Hon. Francis P. Matthews, Secretary of the Navy

EXTENSION OF REMARKS

OF

HON. KARL STEFAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. STEFAN. Mr. Speaker, on the evening of Monday, June 13, 1949, Secretary of the Navy Francis P. Matthews was with his friends and neighbors in his home city of Omaha, Nebr. In his honor a testimonial dinner was given by the American Legion of Omaha, the Omaha Chamber of Commerce, the Knights of Columbus, the Rotary Club of Omaha, and the Greater Omaha Association. It was my great personal privilege to attend the dinner. The Secretary of the Navy is a native of Boone County, Nebr., and a graduate of the Albion (Nebr.) High School. He was born and received his early education in my congressional district. Mrs. Matthews, the former Claire Hughes, of Battle Creek, Madison County, Nebr., is likewise originally from the Third Congression District of Nebraska. I am proud of the Secretary and Mrs. Matthews. Nebraska is proud because a Nebraskan is Secretary of the Navy, but particularly proud of the kind of man she has contributed to national public service. Secretary Matthews spoke to his neighbors and friends in Omaha on the night of June 13. It is fitting that his remarks should appear here because they reveal a great and a good American:

ADDRESS BY FRANCIS P. MATTHEWS, SECRETARY OF THE NAVY

There is an especially significant emotion which animates the human heart in response to the implications of an occasion such as we are participating in this evening. A man would have to have a heart of stone not to experience a racing pulse beat and feel a lump in his throat on finding himself in the position where I am placed at this moment.

Permit me at the very beginning of my brief remarks to express my profound gratitude to those whose unselfish friendship has prompted them to arrange this inspiring and significant occasion. It would be utterly useless for me to hope to find words which would adequately indicate to you men and women in this audience the full measure of my appreciation of the compliment you are paying me by your presence here and by the sentiments which have been expressed by the various speakers.

To the Omaha Chamber of Commerce, to the American Legion, to the Knights of Columbus, to the Rotary Club of Omaha, and to the Greater Omaha Association, I extend my heartfelt thanks for their individual and collective efforts in originating and promoting the arrangements which have produced this, what to me will always be an outstanding and unforgettable event in my life. Try as I can, I fail to find any justification for the effort and energy which you have been called upon to expend to make this evening's program possible, other than an irresistible urge of friendship and good will toward a fellow townsman accidentally elevated to a temporary occupancy of high official position.

That you should react in that manner to President Truman's selection of me to serve as Secretary of the Navy is difficult for me to understand. That you should deem it fitting to manifest by this public demonstration your approval of my appointment to that post fills me with wonder and bewilderment. Mine has been a puzzled state of mind since Commander Morsman, of the American Legion, first suggested the arranging of a testimonial affair of this kind shortly following the White House announcement of the President's choice for the new Secretary of the Navy. However, though I can reason out no excuse for what you have done for me, I am all the more grateful to you on that account.

To you, Bob Storz, I express my sincere thanks for your generous references to me

during the course of your remarks as toastmaster.

To you, Tom Ashton, I am grateful for your kind and complimentary statements expressed on behalf of yourself and my many friends in the chamber of commerce. I shall always cherish the laudatory sentiments embodied in this resolution adopted and presented to me by the chamber's board of directors regardless of how little I merit them.

To you, Commander Morsman, and to the members of the American Legion, I offer my heartfelt thanks for your most liberal expressions of good will and confidence. The portion of our city's population for whom you speak represents the men and women who in their respective generations have held aloft the unquenchable torch of America's noblest patriotism in the periods of our country's greatest peril. To be the beneficiary of your and their good opinion involves a responsibility of most solemn implications. I am grateful for this tribute from the veterans of my country's armed forces.

To you, Admiral Denfeld, let me say I welcome this opportunity to express publicly my appreciation of your indispensable counsel and advice so generously made available to me since I have assumed the duties of Secretary. You have been a tower of strength to me in meeting the complex problems involved in the discharge of my official duties. If I can continue to merit your expert approval of my administration of the Office of Secretary I shall be most happy. It is a real pleasure to contemplate the privilege of working with you as the years go on. I am grateful for the confidence you indicated in me tonight.

To you, Archbishop Bergan, I am indebted in a most special measure. There is always an element of hazard for the spiritual spokesman who endorses an individual engaged in public life. I am conscious of the particular obligation which your all too generous words of endorsement and approval have imposed upon me. The only fitting return that I can think of is a never failing future effort to become consistently less and less unworthy of your faith in me and in my fidelity to the eternal principles which it is your conviction should guide all men at all times.

To you, Mayor Cunningham, I express my most sincere gratitude for your sentiments of approval proclaimed in your own name and in the name of all my fellow Omahans. Such official character given by you to this occasion enhances its significance and adds to its lasting importance.

A day like this in my life, set apart in my honor by the mayor's proclamation, the events which transpired on the courthouse square this noon and the things which we have witnessed and heard here this evening comprise another added reason why I regard Omaha as the most desirable place in all the world to have the foundations of my family's home so firmly anchored and the roots of our family life so securely embedded.

It is now almost half a century since I first arrived in this community, an inexperienced country boy from the rural atmosphere of Boone County, with my recently acquired diploma from the Albion High School tucked away in my shabby suitcase, seeking the career and the success which my widowed and self-sacrificing mother with such solicitude had taught me to believe could be attained in some measure at least as the fruit of hard work, studious effort and an uncompromising fidelity to God.

Our city in 1906 was not the thriving metropolis that it is today. The Middle West was not then the highly developed agricultural empire that it has since come to be. In that day the Nation's annual budget was just $600,000,000. The budget for the Naval Establishment was $110,000,000. The total budget for the Army and the Navy was $228,000,000. This year the budget for the Military Establishment is about $15,000,000,000 of which almost five billion is allocated to the Navy and the total national budget is approximately $42,000,000,000. Nothing could more dramatically illustrate the difference in the times between 1906 and 1949.

In 1906 we had approximately 85,000,000 people. Today, about 145,000,000.

The Navy in 1906 comprised approximately 265 ships. There are about 1,000 ships in the Navy at the present time.

In 1906, Jim Dahlman was mayor of Omaha. John Mickey was Governor of Nebraska. J. H. Millard and Elmer J. Burket were Nebraska's United States Senators. Theodore Roosevelt was President of the United States. At that time the State legislatures still elected the United States Senators because it was thought the people were not qualified to exercise such a high privilege. The Spanish-American War was a recent memory and its veterans were thought to have fought and won the war which through the liberation of Cuba had demonstrated the then compelling conviction that true democratic freedom would come to mankind when the gripping shackles of colonial subjugation were stricken from the minds and hearts and bodies of the unfortunate masses of people who paid unwilling tribute to the rich and powerfully imperialistic governments of that day.

At that time the British Empire could boast that the sun never set on her possessions as it daily encircled the globe. Ireland was still her unwilling and protesting satellite. Her ships sailed the seven seas in unchallenged dominance over the lives and fortunes of large portions of the world's people.

A vast transition has evolved since then.

My father died when I was 9 years of age. The gulf between what the world was in his day and is now is startlingly revealed when I remind myself, as I have frequently told my children, that he never saw a moving picture nor dreamed of a beautiful technicolored product from Hollywood with the human voice synchronized with the actor's portrayal of the picture story reflected on the theater's screen. He never listened to a phonograph or had a telephone in his home or place of business. The radio and radar were still buried deep in the bosom of the future. He never rode in an automobile. For him the electric light, then a faint reflection of its present-day magic, was a curiosity which we simple-souled country folk spent hours trying to blow out in our hotel rooms when we came to Omaha to see the sights.

In 1906 the Wright Brothers had made their first successful flight in an airplane only 3 years before. To my father the suspension of heavier-than-air modes of transportation above the clouds was a fantastic speculation. Last Friday evening, in 5 hours and 15 minutes, we flew to Omaha from Washington in a four-engined DC-4, weighing tons, with 10 of us Navy men aboard, and carrying the added weight and importance of Congressman and Mrs. Karl Stefan. And that was making only medium good time.

Oh, it is a long way back from tonight to the income tax-less days of 1906. And would you believe that it was 11 years after I took up my residence in Omaha that Congress passed the first billion-dollar budget for our country? However, let me hasten to disclaim any possible connection between the two events. The chamber of commerce would outlaw me tomorrow, brand me as public enemy No. 1 and gleefully shoot me at sunrise, if they could fix on me the hideous responsibility for laying that egg in the nest of our national economy.

Even these few reminders emphasize the vast transition which has taken place to turn the world of 1906 into the present prodigy of modern society which it represents. There is a big difference, too, between that Albion High School boy of 1906 and the Secretary of the Navy whom you honor tonight.

But in one respect at least that high-school boy has remained true and constant. In 1906 I met Claire Hughes, a sweet and desirable farmer's daughter, of Battle Creek, Nebr., and she, the sweetheart of my youth, is still and ever will be the cherished and beloved idol of my dreams—the sweetheart of my elder years.

I offer you no apology for paying reverent tribute to her this evening. Without her, life would be a dismal void. Would that God could find some way to make more young people realize what a sacred and beautiful thing the marriage relationship is. If the church and our country could impress upon our people a fundamental understanding of the spiritual and economic waste and moral disaster that comes from broken homes and parentless children, 90 percent of the battle to preserve the way of life that our forefathers fashioned here would be won.

Mrs. Matthews, as most of you know, has consecrated her life unselfishly to our six children. I think I can say with propriety, even on this public occasion, that, in my opinion, they edifyingly reflect the vocation of her motherhood to them. No higher mission can come to any woman than that she be a good mother to the children whom God gives her.

But, of course, while she is doing that, she shouldn't forget to direct an occasional solicitous and proprietary glance toward the boss of the house in the abundance of the leasure time she should have while raising the youngsters. After all, you men will know how important that is. Let me assure you that that precaution was amply respected in the Matthews household. Otherwise, how in the world do you suppose I managed to get here tonight that I might from this vantage point condescendingly glance down at her from time to time as she anxiously supervises the table manners of our adult progeny who at the moment so numerously surround her.

In the beginning of our life's partnership, while she stayed home and bathed the babies and did the laundry—you see, we didn't have the current flowerlike baby-laundry service in the baby-producing period of our married life—I forged out in the world to play the part of the struggling and hoping-to-rise young lawyer—most emphasis, of course, should be placed on the struggling part of the characterization. But I went forth on that adventure with her backing and impelled by the implicit faith which a self-effacing and courageous wife can always impart to her husband.

I wonder, do you really think that perhaps I may have achieved some slight measure of success, my friends? If case you do, then, I shall not attempt to dissuade you from that conviction because whatever that success may be, large or small, give full credit to this precious wife of mine; and, too, remember the credit due that widowed mother of mine who let her high-school boy utilize the fruits of his part-time labor for his own educational advancement instead of putting him to work to provide for her own support and comfort as she might well have done.

Remember, too, my alma mater, the Creighton University, whose Jesuit instructors implanted in my youthful and impressionable mind those never-changing principles of right and wrong and a sense of fundamental values based on the natural law of God and the essential dignity of man as His creature, which, if they were more appreciated and better championed by a sufficient portion of the world's people today, would bring victory to Western Christian civilization in its climactic clash with the esthetic ideology embodied in the abhorrent apocalypse of Karl Marx.

I know that I express your thoughts as well as mine when I say again this is an inspiring occasion. As recently as 6 weeks

ago it wouldn't have been possible. Personally, I haven't changed any in the meantime, nor have I suddenly done something to deserve such an outpouring of friendly good will and esteem from you, my neighbors and friends in Omaha, and its surrounding territory. You see, I realize full well that it is not I whom you honor but the exalted office I happen to hold.

And that office and the institution which it represents are worthy of your homage and your tributes. It is a great distinction that it temporarily is identified with our city through the person of one of Omaha's citizens. It is a sacred trust and you becomingly do it honor in this public manifestation of your consciousness of our local responsibility toward the momentary distinction that is ours. I am proud of my home city and of its people in their ability to grasp a sense of the fitness of things.

My personal part in this whole picture is quite incidental and unimportant. My greatest obligation as I interpret it is to safeguard the trust for which I have become responsible. In the performance of my duties as Secretary of the Navy may God grant that I prove worthy of the President's confidence in me; may I sturdily sustain the arm of my superior, the great Secretary of Defense, Louis Johnson, and helpfully support him in his valiant effort to unify the total armed forces of the Nation into an efficient, economical, and unbeatable protector of our country's precious liberties and principles in peace and in war, should war come. And at the conclusion of my service in Washington, in God's providence, may I be permitted to return to my home in Omaha and resume my life among you, my friends and neighbors, still meriting your esteem and confidence and with a heart and mind tranquil in the conscientious conviction that I have done my work well and that I have kept faith with you, my friends, with the President, with the Navy, with the people of America, and with Almighty God, the Common Father of us all.

Bronx Democratic Party

EXTENSION OF REMARKS

OF

HON. ISIDORE DOLLINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. DOLLINGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to invite the attention of the Democratic membership of the House to the following address by Mr. Jerry Patterson, executive secretary of the special events committee of the Democratic County Committee of Bronx County.

Mr. Patterson delivered the address at Fordham University as part of the program to acquaint our young men and women with the background and principles of the Democratic Party. Mr. Patterson and the Honorable Edward T. Galloway, chairman of the special events committee, are to be commended for the splendid work they are doing in interesting our young people in their government, and in urging them to take an active part in the political activities of their communities. Mr. Patterson's address follows:

During the past 2 years, Edward J. Flynn, national committeeman from New York State and Bronx County Democratic chairman, opened the way for the young people of Bronx County to participate in the field of politics and government by becoming an active part of one of the two major parties.

Local district organizational clubhouses belonging to the Democratic County Committee of Bronx County appointed outstanding young men and young women to the special events committee, whose duty is to find a place in their local organization for these young people who believe in the liberal-progressive principles of the Democratic Party and to act as coordinator in local civic functions.

Assemblyman Edward T. Galloway, senior assemblyman of Bronx County, was chosen chairman of this special events committee.

It is evident that young voters and those who will soon be of voting age have a major political organization in which they may join. However, only those who believe in the following are encouraged to participate in this movement:

1. Good government.

2. True progressive liberalism as stated in the 1948 National Democratic Party platform.

3. Opposition to Communist and Fascist elements.

In order to facilitate joining, regular dues have been cut in half by district clubs and in many cases no membership fee is required, if you are below 25 years of age. The membership age has also been lowered to 17 in all Bronx Democratic clubs.

We feel that the Democratic Party offers the Bronx people who cherish progressive liberalism the only effective voice in the cause of good government. There is no need for these people to seek any other form of government or to seek any other political party to carry out this program.

The Bronx Democratic Party, under the conscientious direction of its elected executive members, is a stable, solid, recognized party that has no Communist or Fascist ties and does not seek them.

Our elected Bronx Democratic representatives, Charles Buckley, Isidore Dollinger, Christopher C. McGrath and Walter Lynch have constantly fought for a liberal-progressive program that would aid the average man. Our State legislators and city councilmen have also stood behind this democratic program of peace and prosperity with dignity for individual human rights.

Active participation by young people in politics and government means a better candidate for public office; an intelligent understanding of issues; an understanding of our American democratic form of government and the opportunity it affords its young people regardless of race, creed or color.

As Vincent M. Gougham, executive secretary of the Young Democrats of America, said: "There is no profession today which has greater need of an infusion of new blood, new ideas from young people with high and consecrated ideals of service to humankind than politics—for the members of no other profession shoulder such an awesome responsibility for the lives, security, and well-being of their fellow men.

Resolutions of the American Legion, Department of South Dakota

EXTENSION OF REMARKS

OF

HON. HAROLD O. LOVRE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. LOVRE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolutions which were adopted by the thirty-first department convention of the American Legion held at Yankton, S. Dak., June 12, 13, 14, 1949:

Be it resolved, That the Department of South Dakota firmly endorses H. R. 2690, the intent of which is to create an Administrators Advisory Council for the purpose of reviewing appeals denied by the Board of Veterans Appeal; said House resolution creating such a board whose functions are: (1) to review such decisions; and (2) advise the Administrator as to what action he should take with respect to such decision—this board of review to be completely independent of the Veterans' Administration.

Whereas the American Legion is constantly trying to help each and every veteran, and it has come to the attention of many rural-minded Legion members that the Farm Home Administration has done a superior job in helping the farm veteran get reestablished in the farm: Now, therefore, be it

Resolved—

1. That the American Legion, Department of South Dakota, heartily endorses the work of this agency; and

2. That this department go on record in requesting the Congress of the United States to supply ample funds in order that veterans may be able to obtain necessary supervision and loans to which they are entitled; and

3. That veterans' applications have increased and are increasing rapidly; that copies of this resolution be sent to South Dakota's Senators and Representatives at once.

Whereas the National Rehabilitation Commission has gone on record as favoring a waiver of interest for reinstated, converted War Risk Insurance on the lives of World War I veterans, as being an equitable and just compromise on the accumulated amounts now due; and

Whereas H. R. 3638 of the first session of the Eighty-first Congress, introduced by Mr. PHILLIPS of Tennessee, provides legislation for such adjustments: Be it therefore

Resolved by the American Legion, Department of South Dakota, in convention assembled, That our congressional delegation be asked to support such legislation.

Whereas there are now a large number of persons in this country, native born, naturalized, and aliens who are in favor of destroying our form of government; and

Whereas infiltration tactics can be as dangerous or more dangerous than invasion from without; and

Whereas the situation is becoming more serious all the time and more serious and more dangerous activities are coming to light each day: Be it therefore

Resolved, That this thirty-first annual convention, the American Legion, Department of South Dakota, urge that the Congress and the executive department of our Government take such steps as are necessary to prevent further infiltration and to correct present dangerous conditions.

Whereas it has always been the position of the American Legion that our country should have an adequate national defense program; and

Whereas the American Legion has heretofore proposed and urged the adoption of a plan of military training that will most effectively insure our national defense: Therefore be it

Resolved, That this thirty-first annual convention, the American Legion, Depart-

ment of South Dakota, go on record as reiterating our stand, now as in the past, that the American Legion plan of national security training be adopted for national defense.

Whereas it has always been the policy of the United States that the National Guard should remain with the separate States; and

Whereas it would be in the interest of States' rights, in the interest of national defense, and in economy of operation: Therefore be it

Resolved, That all National Guard, both ground and air units, remain with the separate States, except in time of national emergency.

This resolution, submitted by Rapid City Post, was approved by the department convention:

"Rapid City Post, No. 22, American Legion, herewith renews their endorsement to any legislation with intent to emancipate the American Indians who served honorably in the armed forces of the United States, and free them from the present disabilities and limitations imposed by law, and which are discriminatory to the Indian.

"Rapid City Post, No. 22, American Legion, is located in the western part of South Dakota, where there are located five Indian reservations; and there is no locality which has a better opportunity to know at first hand the unjust and moral wrong which is now being done the Indian veteran by depriving him of the benefits and responsibilities of full citizenship.

"In our daily contacts, we are constantly reminded of the splendid record of the American Indian in both World War I and World War II; of the numbers who volunteered for service, the number who gave their lives, and those who are again with us—many of them disabled; and the loyalty and courage which they showed during the war, and still show under the handicaps of disabilities incurred in service. We feel that depriving them of the right to obtain full citizenship, which is accorded to every other race or people, is vicious and un-American.

"This was originally their country. We came as conquerors, and we are still holding them as a subject people, regardless of the individual's fitness to assume the duties of an American citizen. To us this holding of the American Indian as a subjected people, regardless of the individual qualifications or contributions to our country, savors too strongly of the political dogmas of our enemies in the last two wars.

"In a recent news report appeared an item stating that the President of the United States had pardoned and restored to full citizenship many of the conscientious objectors who refused to participate in any way in the recent war, and who had been sentenced to the penitentiary as a consequence of their refusal. Some of these men lived in our locality. To us, the American Legion, it seems strangely unlike the American principal to see comrades who have gone to service with us, and who have served well and honorably, subject to the stigma of an inferior people unfit to obtain the rights of citizenship, while those who have all but betrayed our country in time of distress are freely given this honor and privilege: Now, therefore, be it

"*Resolved*, That we, the members of Rapid City Post, No. 22, American Legion, Rapid City, S. Dak., earnestly urge the State Department of the American Legion of South Dakota at their annual convention of 1949, to use their every effort to secure for these subject people, the American Indians, the rights of obtaining citizenship with full rights and responsibilities, in the country of their fathers which they have served so well."

Address of Bertram J. Murphy

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech of Attorney Bertram J. Murphy, Reading, Pa., national judge advocate, Marine Corps League, at fourth annual convention, Department of Pennsylvania, Marine Corps League, Wilkes-Barre, Pa., June 18, 1949:

Marines and guests, I deem it an extreme pleasure and privilege to address the Fourth Annual Convention of the Marine Corps League, Department of Pennsylvania.

My theme will be the spirit of America as exemplified by the esprit de corps, of the United States Marines.

On last Memorial Day, Secretary of Defense Louis Johnson urged that we pledge ourselves anew to the unfinished task of paying the debt to our dead—the men and women who have died in our wars against injustice and aggression.

We make such pledges every Memorial Day, but there must be much more than lip service to bring peace to the world.

Mr. Johnson thinks we can have peace if we remain strong—that our goal must be "peace through strength." He believes that this can be achieved through the unified efforts of our Army, Navy, and Air Force. In past references to the services, including all through World War II, it was soldiers, sailors, and marines. So you will see that somewhere along the line since World War II they are already trying to drop the marines by the wayside.

We need a strong National Defense Establishment, to be sure, including the further perfection of the atomic bomb, and any improvements in guided missiles, jet planes, etc., but military might would only be one of the manifestations of real strength. Recently Chairman Lilienthal of the Atomic Energy Commission said, "We should not be bewitched by the magic of the atomic bomb and solely rely on it." National unity and the spirit of the American people which has been manifested in every war that we have ever fought, is the first essential, arms alone cannot maintain peace, nor insure victory in war.

In the past wars we have soundly defeated mighty military machines, only because the people of those countries were also machines; regimented, and dictated to by the military. The one fear of most sensible democratic Americans, is the likelihood that we may lose that good old-fashioned Americanism tnat has held us in such good stead in the past, especially if there is a delegation or abdication of the powers of Congress to the military, arbitrary dictation by some of the military; gag directives, cloture regulations, and the stifling of service spirit and morale, or any other denial of constitutional rights and privileges that have always been the heritage of free Americans either in or out of the services.

I might say that the Secretary of Defense on June 8 rescinded previous directives making it unnecessary thereafter for officers to submit any written material for policy and propriety review, now making individual officers responsible for the propriety of their remarks. This is as it should be so apparently the weight of public opinion is having some effect. However, among other things, we still have the recommendation establishing one National Defense Day, in 1949 it was April 6, formerly Army Day. Whatever the Navy may have to do as a result of this, the very forceful Navy League by resolution adopted by its officers at Chicago on June 1 stated it had celebrated Navy Day on October 27 for the last 27 years, and would continue to sponsor a civilian observance of this great anniversary. I am sure the Marine Corps League will continue to celebrate the corps' birthday on November 10, anything to the contrary notwithstanding. At this point I would like to forcefully remind all and sundry that fortunately neither the Navy League, nor the Marine Corps League are under military supervision, authority, or control.

We can still have a united defense team, and a sound purposeful defense establishment, but it should enjoy the united, intelligent support of the American people, who in the final analysis have the first and last say, if it is to measure up to its obligation. Unity is the basis of strength, and unity can only be achieved through the understanding and support of the American people.

After Pearl Harbor we mobilized our manpower and matériel for the sole purpose of the destruction of our enemies, but if the winning of the war solely depended upon the industrial might of America, or a regimented military machine acting like so many automatons, it is highly doubtful whether we would have won the war, or at least it would have been prolonged many more years.

The war effort of America was exemplified on the home front by everybody pitching in. Outside of the employment in the war industries, most of it was solely on a purely voluntary basis. The whole Selective Service System, outside of the top-paid officials, was on a voluntary basis. All the war-bond drives were voluntary; also the innumerable civilian defense organizations; I could go on ad infinitum with examples of the spontaneous spirit of America.

It was at the front lines that the individual spirit of America was sharply demonstrated all during the war, commencing with the individual courage at Pearl Harbor, and after that a small detachment of marines held Wake Island from December 7 until Christmas, against great odds, and unmerciful attack. The soldiers who fought the Japs against great odds at Bataan and Corregidor. The fliers who flew out from Midway to sink the Jap Fleet knowing the planes did not have sufficient gas to get back; the courage of the sailors who went down fighting on the *Wasp*, the *Hornet*, the *Yorktown*, and the *Lexington*. and the gunners' courageous battles on the *Boise* and *San Francisco*; the marines in the first land offensive of the war who seized and held Guadalcanal and together with Army troops, fought their way through all the islands of the Pacific in some of the bloodiest battles of any war. The innumerable deeds of courage D-day, Anzio, and throughout the whole European front. All of this was the spirit of America exemplified by individual deeds of heroism, and valor, plus the collective support of a free democracy at war.

Our American democratic spirit has always been misread, and misunderstood by foreign militarists, dictators, and other past enemies of the United States, who believed, and perhaps still believe, that as a people we are incapable of producing a real fighting force. They have overlooked two major assets—America has never lost its fierce, almost fanatical love of freedom, spearheaded in all wars by the United States Marines.

Bob Considine in the Washington Times-Herald on the occasion of the Marines last birthday, November 10, 1948, said: "The United States Marine Corps, 173 years old today, has proven times without number

that for sheer spirit, fortitude, and courage beyond the normal call, it has no equal through any prolonged stretch of military history; and the American fighting spirit has always been sharply demonstrated and exemplified in its esprit de corps."

But there are some men today who for selfish reasons or for their own personal aggrandizement and power, would destroy this basic democratic spirit by assassination of the United States Marines. Any current attempt to abolish the Marine Corps is only the latest of its kind. The first came in 1864, the last one, before the present one, in 1931.

Marine Corps history has been a series of fights with the external enemies of our country, alternated with fights with its internal political foes in times of peace. During the eightieth congressional battle, one marine said "we fight for the right to fight."

Marines have resisted against great odds all efforts to crush their identity. They have managed to overcome closed-door attacks by political and other enemies, and have managed to outlast many crops of congressional auditors who my meager appropriations sought to clip their activities.

All Americans know that if war were to come tomorrow and it became necessary to seize strategic enemy bases, the Marines would be the first called upon, and as in the past the Marines would be the first to respond. To abolish the United States Marines, or stifle its esprit de corps, would be to cut off a goodly portion of the tradition and heritage that is America. It would be like saying there will be no more Fourth of July; no Washington Monument; no Statue of Liberty; no more Brooklyn Dodgers; no more baseball; no Notre Dame football; no more Army and Navy annual classic; because they are all, and each of them, symbols of the American spirit.

Nothing I have said is meant to be a rap on the merits of other arms of our military, who also have a great history, tradition, and spirit, much of this competitive spirit and morale would also go into the discard, if some short-sighted people in Washington would have their way.

The marines have received help in the past, and they will receive help again. During the Eightieth Congress, the Veterans of Foreign Wars, American Legion, and other national veteran organizations were active on behalf of the corps. The Marine Corps League is proud, if for no other reason, of its past help and assistance in successfully combating all attempts to abolish the United States Marine Corps, or reduce it to a guard status.

The marines in service have been the first to fight all foreign enemies, the marines in civilian life, especially the Marine Corps League, will be the first to fight any encroachment on our liberties, no matter from what source, and if the military is gagged, we must assume the responsibility of telling the American people the truth.

Because the esprit de corps of the Marines, and the spirit of America have so much in common and are so intertwined, any attempt to abolish the United States Marine Corps, or set up a military dictatorship, or a military machine along Prussian or Hitlerian lines is not only a battle for marines, but for all Americans who believe their individual freedom should be in their own hands through democratic, legislative, judicial and executive processes, and not delegated to, or in anywise usurped by certain of the military.

The Marine Corps League has declared war on all enemies of the United States Marine Corps, and our first objective should be the Tydings Senate bill No. 1843 which passed the Senate without a public hearing, and the Vinson House bill No. 3845, both of which bills are now in the Committee on Armed Services, House of Representatives, and we should vigorously oppose the general provisions in those bills which could have the effect of abolishing the United States Marine Corps, or reducing its personnel, or appropriations, to a starvation minimum; unless they are amended, legally guaranteeing a certain minimum Marine Corps personnel, together with retaining the combat and roles and missions functions previously guaranteed in the National Security Act of 1947.

Last Saturday, June 11, I saw the first all-marine parade in Washington in 25 years. This was on the occasion of the annual reunion of the Fourth Division. The speaker was retired Fleet Adm. William "Bull" Halsey, who said, "You are the elite corps of the country," in addressing them after the parade, and then thundered, "That's a gross understatement; you are the elite corps of the world." He further said that Congress should put a fixed proportion of the Nation's armed force in the marines, thereby giving the corps perpetual strength, in the following language: "I believe that 6 percent of the personnel strength of the Army, Navy, and Air Force should be a flooring for the Marine Corps, so we will always have a Marine Corps of proper size; after that we will have no need for future legislation; we will have what the country needs, a perpetual Marine Corps."

To accomplish this would require an amendment to section 206 (c) of the National Security Act of 1947 in the following or similar language:

"The United States Marine Corps, within the Department of the Navy, shall be maintained at a personnel strength of not less than 6 percent of the combined personnel strength of the Army, Navy, and Air Force, and shall include land combat and service forces and such aviation as may be organic therein."

This is no grab for power or purse. Present authorized marine strength is 108,000. Under the 6-percent rule, it would be 90,000. In war or emergency, it would be only 600,000, with 10,000,000 in the services. If this amendment is made part of the National Security Act of 1947, corps strength could not then be cut over a conference table or by directives.

On this same subject, a most interesting article, entitled "Blueprint for Disaster," has been written by Walter Winchell in the June 18 issue of Collier's, now on the newsstand. It is recommended to all marines and friends of marines.

Some Americans may want to forget the battles the marines fought; but when most Americans forget what the marines fought for, then God help America.

In conclusion, paraphrasing our hymn:

"Here's health to the league and to our corps,
Which we are proud to serve.
In many a fight we fought for life,
And never lost our nerve.
Now we only have a change of scenes,
And will keep right on fighting
For the United States Marines."

I thank you.

Shall a Famous Motto Become a Sad Memory?

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, June 24, 1949

Mr. RABAUT. Mr. Speaker, I am receiving many letters from constituents in my district relative to an increase in salaries for employees of the Post Office Department. Inasmuch as the Committee on Post Office and Civil Service has today started hearings to consider this legislation, I wish to make known my views on this subject through the medium of the CONGRESSIONAL RECORD.

The income of employees of the Post Office Department has not increased proportionately with that of workers in other fields of endeavor. The small increase in salary granted by the Eightieth Congress was not sufficient for postal employees in the lower-income brackets to maintain even a modest standard of living. This Eighty-first Congress should act to provide just remuneration for the loyal and conscientious postal worker who is deserving of a wage commensurate with his long, untiring efforts to maintain the efficient postal service everyone in these United States demands and has grown to take for granted.

The postal system is vital to our whole national economy, and in order for this essential department of our Government to operate efficiently, the trained and skilled employees must be paid on a level with the workers in other Government agencies and in private industry. It is a well-known fact that it is becoming increasingly difficult to recruit personnel for the postal service because of the low salaries and slow advancement. The standards of our post-office system will lower if we cannot retain and continue to recruit the best of personnel.

The motto of the Post Office Department is well known: "Neither snow, nor rain, nor heat, nor gloom of night stays these couriers from the swift completion of their appointed rounds." This motto may become a sad memory instead of an actuality unless Congress acts to give the postal worker his just due—a living wage.

"In Proportion as the Structure of a Government Gives Force to Public Opinion, It Is Essential That Public Opinion Should Be Enlightened," George Washington—The Greatest Threats to Freedom and Justice in America Today Are Character Assassination and Thought Control—The Last Best Hope of Earth Is an America Which Can Recover Its Common Sense and Put an End to Irresponsible Witch Hunting and Use of the Hitlerian Smear Technique

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an article by Marquis Childs which appeared in the Farmers Union Herald on June 20, 1949. This article is timely, and is particularly im-

portant when we consider the attacks that have been made on men like Lilienthal and other progressive-minded citizens who hold public office.

President Truman appointed John Carson to the Federal Trade Commission last April, and we find the Senate Committee on Interstate and Foreign Commerce still sitting on the appointment. John Carson is a liberal Republican, who served for many years as secretary to that great liberal and progressive-minded Senator from Michigan, James Couzens. Recently, however, Carson was employed as a Washington representative of the Cooperative League, United States of America. So it would appear that the big business groups who are opposing cooperatives have more power than the President of the United States.

The situation is fast reaching the point where able, progressive-minded citizens are reluctant to accept positions in the Federal Government. It would appear that it is necessary to remind the big monopolies and powerful business interests that they did not win the election last November.

Mr. Childs' article follows:

Here in Washington nearly a thousand correspondents of press and radio are reporting and commenting on the news in the Nation's Capital. This is a mighty important assignment. It is important not merely to the Nation but to the world. Because the decisions taken in Washington from day to day affect all peoples everywhere.

I believe that the overwhelming majority of men and women on the Washington assignment try to do an honest job. They are aware of their responsibility. They know how much depends on an understanding of what is happening in this world capital.

But there are a few in the press and in radio who do not accept the responsibility of factual reporting; or of honest interpretation put in the framework of the commentator's conviction. There are some who seem to believe in distortion, in the half-truth and the half-lie. They practice a subtle form of character assassination dangerous to our democracy. It is dangerous because it is an irresponsible abuse of a power that is so far reaching and so nearly absolute.

By now this form of character assassination is fairly familiar. It is based on certain smear words and smear phrases that carefully skirt the laws of libel and slander. It is based on the sneering, jeering tone of voice when a quotation by the victim is read. It is based on the clever little chuckle. Oh, that clever little chuckle which is meant to say so much that cannot be said directly. Part of the technique is guilt by association and guilt by coincidence. Part of the technique is taking words and sentences out of context—taking incidents out of context—presenting some facts and carefully omitting other facts.

Mind you now, I'm not talking about honest and forthright criticism. All public servants must expect to be subjected to continual and searching criticism. That is one of the important functions of a free press and a free radio—to keep the light turned on so that every act of every public servant is open and above board.

A lot of us should have learned last November 2 that there are other opinions in this country. I'd like to talk about those other opinions a bit. With good reason, we here in America are proud of our blessings under our free competitive system. We like to think the reason the United States can do so much to help rebuild the shattered civilization of western Europe is because of the great productivity of our private competitive system.

But I think a great many people are beginning to wonder how competitive that system really is today.

These doubts aren't necessarily induced by radicals or so-called Reds at all. The great power of economic concentration is obvious enough.

The views on this subject of eminent and highly respected authority are well known. It was in 1931 that Pope Pius XI talked about how, and I'm quoting, "immense power and despotic dictatorship is consolidated in the hands of a few who often are not owners but only the trustees and managing directors of invested funds which they administer according to their own arbitrary will and pleasure."

In that famous Encyclical the Pope used the word sovereignty to describe the kind of domination exercised by certain economic forces. And so it is not surprising that some people have begun to wonder if certain forms of economic sovereignty—the monopoly, the trust, the cartel—have not actually exceeded the sovereignty of the government.

But we in America know how important competitiveness is—as a stimulus to production, to initiative, to inventiveness; in short, to all those things that have made America great. Therefore, if competitiveness in the older sense was restricted or limited or abolished, we were willing to experiment with other forms of competitiveness.

In my opinion, that is the motive behind such a New Deal experiment as the Tennessee Valley Authority. It is an effort to create a yardstick that will measure the cost of power production, and relate the cost to the price the consumer should pay.

Many will argue and they do argue—loudly and vociferously, and with potent instruments of propaganda at their disposal—that it is a totally unfair yardstick.

But since the competition of TVA, power rates have come down. And at the same time private power companies have made generous profits.

There are some people who believe that the cooperatives can provide competition, in this newer sense, for private business. In some countries that seems probable. In Sweden, for example, there is a private oil industry, a government refinery, and a cooperative oil enterprise, all competing with each other.

Many observers believe this has made for better service and lower prices.

Now there are those who say that the co-op competition in this country is unfair.

I don't know whether cooperatives will ever take hold in this country in a really large way. Private enterprise has pushed production and efficiency to a very high point.

But what I am saying is that Americans have a right to advocate cooperatives and the cooperative way of life without being subjected to smear and character assassination; smear and character assassination that hit at the fundamental integrity of the individual and the organization; the half-lie and the half-truth that can never be caught up with.

I am saying that Americans are going to have to do some hard thinking about these things if we are to keep our competitive system truly competitive. And if we are to keep our precious heritage of freedom.

This gets down to the right of free opinion and free expression; not just on a street corner, but through the remarkable new technology of radio and television. The competition of ideas is vital to a free society. It is vital to initiative and progress. In my opinion, there is a real danger today that Government is closing in on freedom of thought.

And mind you, I think that big Government is perhaps an even greater danger than big business.

That is why I tried to say in one of my columns that to apply a political test to young men getting Atomic Energy Commission fellowships was to risk Government domination and even Government control at scientific research. That seemed to me a greater risk than that one or two misguided or alien-minded young men should receive training or experience in wholly nonsecret work at Government expense.

Anyone who dares to say that is, of course, subjected to the smear technique. Curiously enough, those who use this technique also use the alien terminology of an alien class political system which they profess to despise. They apply the designation "left wing" to those with whom they disagree, and they give it an insinuation intended to mean something worse.

I am not a left-wing columnist. I am not a right-wing columnist. I am a reporter and a columnist believing in the free exchange and the free competition of ideas.

And that includes the right to dissent. The right to dissent is an inherent part of the American character and the American tradition.

Now, obviously, this doesn't cover the right of communism or fascism to preach the overthrow of our system of government. But in my opinion, those who subscribe to communism or fascism are a small minority. They are for the most part the sick-minded and the pathological. They are so filled with frustration and hate and sometimes despair that they are blinded to all that is good and noble in the American way of life. As we have seen, they are sometimes so blind, so sick, so wrong-headed, that they actually work to destroy the American way of life.

But I believe that our laws and our law-enforcing agencies can handle this tiny minority. Whipped-up hysteria merely feeds the disease. Thought control is the surest way to produce subversives.

In the past we have gone through periods like the present. There were the Red raids and the witch hunts that followed World War I. This attack of insecurity seems to afflict us after the tremendous strain and outpouring of a terrible war. Hanson Baldwin, the military analyst of the New York Times, has said that the Nation is suffering from a bad case of atomic jitters. And I guess that describes it pretty well.

But we've recovered our common sense in the past and I'm confident we will recover it again. We must recover it if only because so much turns on it. The future of western civilization depends on the leadership of the United States. That is said often enough but it is hard to realize what a momentous meaning it really has.

We cannot supply that leadership if we here at home are torn and divided, insecure, unstable, trembling before a shadow.

We cannot do it if we are so fearful of the competition of ideas that we apply thought control. And there are various forms of thought control. One is control and domination by government. Another is the domination by monopoly over the costly new technologies of radio and television; private monopoly that presents only one point of view. It is here that the responsibility of a free press and a free radio are of paramount importance.

Only with responsibility, accepted in the true sense, can we keep our freedoms. It is the irresponsibles today irresponsibly using their power who are helping to destroy the faith that has made the American way of life in Thomas Jefferson's phrase, "The last best hope of earth."

Amended Standards Law Another Plus for Anthracite

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement from the Anthracite Institute Bulletin of Wilkes-Barre, Pa.:

AMENDED STANDARDS LAW ANOTHER PLUS FOR ANTHRACITE

The anthracite standards law has been amended by the 1949 session of the legislature so that, effective September 1, it will become mandatory for anthracite producers and Pennsylvania dealers to label all sizes of anthracite from broken to rice inclusive as "Standard anthracite" or "Substandard anthracite" as the case may be. The original law, effective September 1, 1947, permitted but did not compel producers and Pennsylvania dealers to attest that any particular sale or delivery of anthracite was "Standard anthracite" and likewise did not compel either to attest that any particular sale or delivery of anthracite was "Substandard anthracite." Being a Pennsylvania law, the amended standards law does not apply to out-of-State dealers but it does compel producers to label anthracite correctly as "Standard" or "Substandard" regardless of shipping destination.

Anthracite producers proposed these amendments to the standards law just as they initiated the original law. It is evidence of their determination that every possible step be taken to insure that anthracite consumers have a way of determining whether they are receiving a quality product. It represents a service and protection to anthracite consumers which should be reflected in greater consumer acceptance of anthracite.

Farseeing anthracite producers, who make up the bulk of the production of the industry, have long recognized that an important factor in the future of the industry is the delivery of a high-grade product to consumers. While the original standards law was a step forward, it was of a permissive rather than of a mandatory nature and left much to be desired. Now, starting September 1 every shipment or delivery of anthracite must be correctly labeled as "Standard" or "Substandard" by individual producers and Pennsylvania dealers, thus making it possible for anthracite consumers to know whether they are obtaining a quality product. While, in the past, more than 90 percent of the legitimately prepared anthracite shipped to market conformed to the standards fixed by law, the small percentage of substandard anthracite still reaching the market damaged the reputation of all anthracite. It was the necessity for correcting this condition which prompted the enactment of the amended standards law in mandatory form.

The industry now hopes that legislation similar to the Pennsylvania Anthracite Standards Law will be enacted in other States in the anthracite-consuming territory to the end that anthracite dealers in those States will be obliged to pass along to their customers the certification of the quality of anthracite they are receiving from Pennsylvania producers. To assist in the development of such legislation the anthracite committee is making legal advice available to all dealer groups who wish to use the service.

Let Us Be Fair

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following editorial which appeared in the June 1949 Metropolitan Star, a publication issued by the Metropolitan Council of B'nai B'rith. B'nai B'rith is the organization which sponsors the Anti-Defamation League:

LET US BE FAIR

We Americans are a fair people. We are not given to the practice of indiscriminately labeling everyone who disagrees with our personal views as a subversive. Neither are we so gullible as to swallow the outraged cries of persecution by those elements seeking to supplant our Constitution and democracy with foreign ideologies.

The American people have the proud habit of making short shrift of the proponent who would attempt to instill totalitarian philosophies—be they Communist, Nazi, or Fascist—in the hearts of our youth.

We like to evaluate the evidence in each case, then form our opinions on facts—not reckless statements or unfounded charges.

In the totalitarian states, the individual does not count. He is the pawn of the state, subservient to the will of his master. He is not the master of his own soul and fate.

This is not so in America, where everyone has a fundamental concern for the human and civil liberties of the individual. Bitter lessons of the past and two world wars have taught us to entertain a healthy respect for the reputations of our neighbors and friends. This fate of the individual is the primary concern of every American, and any unfair name calling or resort to reckless abandon to pin unwarranted labels on other Americans strike at the very heart of our fundamental liberties.

No less an authority—and for of communism—than Dr. Leo Cherne, liberal executive of the Research Institute of America, found it necessary recently to caution America against the undemocratic practice of calling everyone who disagrees with them a Communist.

Or, let us consider the words of Dr. Mildred McAfee Horton, retiring president of Wellesley College and wartime commander of the WAVES.

Discussing her distress over an "age of fear," Dr. Horton observed there was "good reason these days for people to be afraid to have convictions" since "acts of faith are often dangerous."

Her warning is sufficiently serious to be carefully weighed by all who cherish the human liberties that helped make our country great.

Smearing reputations recklessly will not solve the problem. It is not the American way. Rather, let us take a leaf from General Eisenhower's sound thinking. We quote the General's words:

"Ignorance of communism, fascism, or any other police state philosophy is far more dangerous than ignorance of the most virulent disease. Who can doubt the choice by future Americans between statism and freedom if the truth concerning each be held before their eyes."

Let there be no turning from determined efforts to preserve our heritages against the totalitarian foe. But, let us not violate fundamental rights and democratic traditions by attaching subversive tags to Americans who do not belong in that class.

For, if we give light, the people will find their way.

Academic Freedom Is Not Independent

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely editorial which appeared in the June 26, 1949, issue of the Worcester (Mass.) Sunday Telegram. This editorial places rightful emphasis upon the privileges and responsibilities of the academic freedom that is enjoyed by our teaching profession and, contributes much towards an exact definition of the true meaning of this term, which has been lately subjected to rather ambiguous use by some of our prominent educators.

The editorial follows:

ACADEMIC FREEDOM IS NOT INDEPENDENT

The exchange of letters on the subject of academic freedom, recently printed in the Harvard Alumni Bulletin, and released to the press, illustrates the possibility that a conflict of opinion between sincere and brilliant men may arise from differences of interpretation of terms.

The writers of the letters are Mr. Frank B. Ober (Harvard '13), a prominent member of the Maryland bar, President Conant, of Harvard University, and Mr. Grenville Clark (Harvard '03), a senior member of the corporation and a fellow of the college.

Mr. Ober wrote to Dr. Conant protesting the outside activities of two Harvard professors in connection with Communists or people sympathetic to them. Dr. Conant, acknowledging the letter, and properly referring to these interests of the professors as "extracurricular activities," said he had asked Mr. Clark to reply to Mr. Ober.

This Mr. Clark did, in what Dr Conant correctly identifies as "his account of the history and significance of the traditional Harvard policy." It may seem to the reader of Mr. Clark's letter that traditions established under one aspect of social and international conditions may require revision to bring them to the realities of new and violently revolutionary movements. Mr. Clark sees no need for revision.

Thus, and by the general treatment, the merits of that particular discussion become purely a treatment of what Harvard policy is, on the one hand, and an opinion of what Harvard policy should be, on the other. Both sides are well argued, but as they are approached from different basic convictions there is no chance for agreement. The Harvalu Alumni Bulletin accurately entitles the letters "Freedom at Harvard," but the significance to the public and the country as a political unit, and the undercurrent of assumption within the discussion, is that the matter at stake is academic freedom, which, unfortunately is not clearly defined by either side.

It is with this, rather than with the published discussion, that we are here concerned. Experience has shown, during many months and in a number of instances, that the term "academic freedom" has been in-

terpreted to mean the granting of a personal latitude by which an individual teacher can make his professional position and academic association give prestige and indirect support to his personal political opinions and activities. There would be little dispute that a man's distinction can fairly support his political opinions within the range of the American political pattern. The dispute has arisen as to a man's rights to use his academic connections—and the obligation of an institution of learning to recognize such rights—in outside activities believed by all, except those who indulge in them, to be harmful to and perhaps destructive of the American system of politics and of free government.

To us, this extension of a purely academic privilege to purely personal conduct seems to have no warrant, either in verbal logic or in the fundamental origin of freedoms. Freedoms are based not only on the protection of the individual but on the protection of the community and of the system of mutually sustaining rights by which freedoms are created.

Academic freedom is not a separate right, to be claimed and interpreted by institutions of learning. Nor are freedom of speech, freedom of the press, and freedom of religion separate rights. Not only are they interlocking parts of one free system, mutually supplementing each other, but they are dependent and interdependent upon certain clearly understood responsibilities. An abuse of one can be harmful to all.

Abuse can come about through loose interpretation of what such rights are. It is logical to suppose that where they infringe upon each other, or are potentially destructive of the system that created them and maintains them, they are exceeding their true limits. The term 'academic freedom" has of late received interpretations in which these threats are obvious. In some instances these threats have appeared in seductive liberal guises, as if the proponent might hold and protest his intense loyalty to the United States while, because of his being some kind of advanced thinker, he could express scorn for all its institutions and policies where they conflict with those of some other country.

The patience of common sense is tried when the country these men find so superior to our own denies—openly, forcibly, and relentlessly—every single right the advanced thinkers profess to admire. Thus, they foregather, for the enlightening of the world, with teachers who have been denied every academic freedom and ordered to teach even sciences from a political interpretation, journalists who dare not write a single free word, and artists who must write or compose or paint precisely and undeviatingly as they are ordered.

For the doing of this curious thing our advanced thinkers who are members of the teaching profession claim the protection of academic freedom. In these matters it is not their academic freedom that is challenged, but their claim to use, without challenge, the aura of a great institution to give dignity, culture, and the distinction of trained thought to their personal ideas in their personal capacity. An institution may refrain from rebuking, disciplining, or discharging them, but not because they have a mysterious academic freedom in acts not connected with the institution. It can be only because of the amiability or pliability or misconception of their employers.

If a member of a newspaper staff should organize a meeting of Communists, attend it, and address it, and such action is disapproved by his editor, who disciplines or discharges him, the freedom of the press is in no way involved. The freedom involved there would be the editor's freedom to employ or not employ whomever he wishes.

There is, of course, the further responsibility of an institution of learning in sorting out what is sound to teach and what is not sound. There is a responsibility to the way of life, form of government, national, state, and civic bodies which through charters grant privileges for the purpose of education. No institution, either by quoting tradition or professing liberalism, can free itself from the responsibilities implicit in these privileges.

The NAACP and the Communists

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. MULTER. Mr. Speaker, all minority groups at some time or other are accused of communistic affiliation, not because they are so affiliated but because some people will label every liberal and progressive movement as communistic. The Communists, of course, feed on the discontent that they can breed by playing up discrimination against minority groups. The following article is worthy of careful study by my colleagues. It appeared in the Crisis, official magazine of the National Association for the Advancement of Colored People.

THE NAACP AND THE COMMUNISTS

There is in progress a campaign of misrepresentation of the NAACP currently running in the Daily Worker, the Communist newspaper. All the old phrases are there. The name-calling has started all over again. The slanted and angled news stories appear. The half-truths and whole lies see print. The object is to discredit NAACP leadership, local and national; to tear the association apart through suspicion and strife; to take it over, if not obviously, then deviously, so as to control its elections, meetings, speakers, programs, policy, conventions, resolutions, and other public statements.

Back in the early thirties the NAACP was on the receiving end of some of the fanciest name-calling, and the most vicious, truth-defying misrepresentation and slander that has appeared in print. The campaign was carried on openly by the Communist Party and its various faithful, echoing groups. The occasion was the famous Scottsboro case which began in 1931.

After the Communists had accomplished their main purpose of building that case into a world-wide attack on western democracy, they found that all the defendants were still in prison with little likelihood of being released as long as the Communist Party stood as the official defenders. So a Scottsboro Defense Committee was organized, consisting of seven or eight organizations, including the Communists. An eminent clergyman, the Rev. Dr. Allan Knight Chalmers became the committee chairman and thereafter, almost single-handedly, effected the release of most of the defendants. With the passing years the Communists gradually dropped out of the picture.

By now the Roosevelt era of cooperation between Russia and America was in full flower. It is true the Soviets made a pact with Hitler and during that brief honeymoon Roosevelt won the favorite Communist title of war-monger, but with the German Army's attack on the Soviet Union, the line changed literally overnight and Roosevelt's America became the blessed friend and ally in the war on fascism.

As the political line changed, so did the line on Negro Americans. The Communists abandoned abruptly their widely-advertised fight for Negro rights. Nothing must interfere with the war effort, lest such domestic wrangles hurt the aid to the Soviet Union. The NAACP, believe it or not, was criticized as being "too militant" in its wartime fights. The Communists joined the Southerners in saying in effect "this is not the time to fight the race question, we must fight the war." So American Negroes fought their bitter battles against Jim Crow in the war (and rather well, too) without the dubious aid of the American Communists.

The watchword through those years was cooperation. The NAACP, which had been lashed as "betraying the masses," as "cooperating with the lynch-bosses," etc., ad nauseam, became tolerable, if not respectable, in the eyes of American Stalinists.

But now everything is changed again. America is in a cold war with Russia. The American Communists are busy stirring disaffection, dissension, and unrest in every segment of American life they can penetrate, such as labor unions, church bodies, youth groups, college campuses, community organizations, and Negro groups, including the NAACP.

The purpose in all this is not to build a better NAACP to fight more effectively for civil rights for Negres under the American Constitution, using legitimate American methods, but to operate one more front group to confuse and embarrass Americans and the American Government in the present contest of ideologies.

There is no mystery, except to the unthinking and uninitiated about the Communists' program on the Negro. Their characterization of the NAACP as "reformist" reveals the line: they do not believe American democracy can be improved or reformed, hence anyone who does, who keeps alive a faith in the American way of life, is a criminal and a "betrayer of the people." As long as the NAACP and similar groups exist and push programs of reform, the Communist doctrine takes root slowly, if at all, in the nation's largest minority group. Hence the NAACP must either be captured or destroyed.

We are not alarmed. In 1931 we were bewildered by the utterly unscrupulous and vitriolic attacks which had no relation to truth. We know now that everyone who says he is fighting for Negro rights is not necessarily doing so and if Scottsboro left any doubts, they were dispelled by the sell-out during the war. The truth is that the American Communists fight only for the Soviet Russia line and for nothing else. Any other contests in which they seem to be engaged are merely side efforts which have been (and will be) played up, played down, or abandoned altogether, according to the party line of the hour.

Our NAACP membership, therefore, should be on guard against this campaign. It should remember that the Communists do not hesitate to lie when lies will serve their purpose, that they are masters of misrepresentation through misinterpretation, that they prattle about democracy in other organizations while maintaining an iron-handed nondemocratic procedure in their own party, and that their aim is to use the Negro and his problems mainly in support of Communist Party policy and only incidentally in support of Negro rights.

This does not mean the Communists should be fought, as such. They constitute a political party and have rights under the Constitution as do other parties. Those

rights must be maintained. Free speech and free assembly must be maintained for all. Let them enjoy their rights in this democracy and push their program as well as they can in their own groups. But their campaign of infiltration, disruption, and destruction of other organizations such as the NAACP can be prevented if members will not be deceived by their words, and will elect the proper officers and committees, choose the right delegates to conventions, attend meetings faithfully and out-vote the party followers, and see that the resolutions and public statements adopted by NAACP groups are NAACP statements in truth, and not those of a group using our name for its own political purposes.

Military Aid Is a Dead-End Road

EXTENSION OF REMARKS
OF
HON. JOHN A. BLATNIK
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1949

Mr. BLATNIK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include Robert S. Allen's column which appeared in the June 13 edition of the Duluth Herald, and which relates to the folly of the proposed arms for Europe program:

"UNITED STATES SHOULD END FOREIGN ARMY AID," DONOVAN SAYS

(By Robert S. Allen)

WASHINGTON.—Maj. Gen. William J. Donovan, wartime OSS commander, vigorously opposes sending additional United States military aid to China.

Instead, Donovan, who has just returned from an extended tour of the Near East, urged that President Truman's point 4 plan to develop backward areas be used to combat the spread of communism in China and other Asiatic countries.

"We have many friends in China, India, Burma, Siam, Indochina, and Indonesia," Donovan declared. "They regard us far more highly than they do the colonial powers to which they are, or were, subject. In the light of what is happening in China, the soundest thing we could do would be to initiate the President's point 4 program in these countries.

"It would profit us immensely to build hospitals, clinics, schools, and industries in these areas to enable their peoples to develop their tremendous human and material resources. They are desperately anxious to do that if given a helping hand. And they will be eternally grateful to us for such help. That is the best way to build a bulwark against communism. It is also the only way we are going to acquire the moral bases that are so essential to thwart expanding communism."

Donovan laid great stress on his contention that raising the living standard of the peoples of the Far East is a much more effective way to resist communism than spending large sums on foreign armies. He held that by aiding in developing these backward countries, the United States will accomplish a double purpose: It will destroy the conditions on which communism spreads and at the same time create vast markets for American businessmen.

"Pouring out more billions to build up anti-Communist armies in China is no solution of the far eastern problems," he asserted. "We have been doing that for a long time to no avail. We have spent at least $3,000,000,000 in China alone in the last few years for arms and armies, and what is the result? The Communists, today, are the masters of most of China.

"In the interests of our own national security and economic welfare, it will pay us to abandon the costly and futile policy of financing foreign armies. That's a dead-end road. The thing for us to do now is to give the people of the Far East the technical assistance they need and want to raise their health levels, increase their food production, and better their living standards generally. They look to America for that kind of leadership, and that kind of leadership will make for lasting friendships."

Donovan expressed deep skepticism over claims made in various quarters recently that Russia will become bogged down in China if she attempts to intervene there.

"Statements of that kind," Donovan declared, "are based chiefly on the experience of the Russians in the 1920's, when they sent Borodin to China to take over the military forces of Sun Yat-sen. It is true that Borodin got nowhere. But the Russian of that day is a far cry from the Russian of today. I know. I was in Siberia during the counterrevolution after World War I and in China in the 1920's. I have been in China a number of times in recent years, and I can say from personal, first-hand knowledge that the Russians can consolidate their position in China unless we act wisely.

"That means that we cannot continue to follow the old policy of building up armies. That will get us nowhere now, and drain our own resources to boot. What we have got to do is to give the Chinese technical aid to deal with their tremendous economic and social problems. That will enable them to resist Communist pressures. That's the kind of aid that the Russians cannot give the Chinese or any of the other peoples of the Far East. But if we offer them this kind of help and maintain a strong anti-colonial foreign policy, we can convince these peoples that we mean what we say, that we seek peace, democracy, and progress in the world."

Donovan made a lengthy tour of the Near East following his attendance at the Athens trial of the murderers of the late George Polk, United States radio correspondent. Donovan expressed keen enthusiasm over the enlightened policies being pursued by United States oil interests in the Near East.

"I was surprised and delighted to find that American oil interests are taking a broad-gage view of the social conditions that confront them," Donovan said. "They are doing a great deal to cope with these conditions. That is the sort of thing that is building real friendship for us, friendships that we can count on in times of crises. We have every reason to be proud of the things American oil interests are doing in the Near East. That is the kind of enlightened diplomacy that will pay off in a big way in the future."

Donovan declared that the Russians are making no ideological gains in the Near East, and he pooh-poohed assertions of Communist influence in Israel.

"The people and the Government of Israel are building a vigorous freedom-loving democracy. I was profoundly impressed by the strength and appearance of the labor-union members who marched in the May Day parade. A small number of Communists also staged a parade, but they seemed merely a power-hungry faction. I see no possibility of their gaining in numbers. They undoubtedly will be a source of annoyance as long as existing economic hardships continue. Those hardships are many and difficult. The people and the Government know it and they are exerting every effort to solve their problems."

One situation that is very disturbing in the Near East, Donovan said, was the continued high state of tension in all the countries.

"In Egypt, Israel and the other countries," he said, "I saw troops being intensively trained. That is not a good sign of a healthy condition. These countries don't need more war; they need peace to solve their internal difficulties. Their military activities and expenditures represent a great strain on their economies and are holding back developments and other measures which would make for far greater economic stability.

"Housing is an acute problem throughout the Near East. That's what they ought to be spending their money for, instead of for arms and troops. But there is no security in the Near East, and it is of the utmost importance that a permanent peace be established in all those countries."

Point IV

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. JAVITS. Mr. Speaker, it is all too easy in the higher strategy to forget that in our foreign policy we are trying to help people, and that it is not some abstruse game to be played in chanceries. We are forcibly reminded of the impact of point IV—the program for helping to raise the standards of living of underdeveloped peoples by extending to them technological aid—in the appended editorial of the New York Times of June 27, 1949. It cannot be overemphasized that about two-thirds of the world's population—about 1,500,000,000 people—live in the underdeveloped areas, and that only about one-third of the world's population—something over 750,000,000—live in the developed areas and in the areas in transition to development. It is the peoples in the underdeveloped countries whom we are seeking to aid.

INVESTING IN "PEOPLES"

When President Truman sent his message to Congress on Friday urging the point 4 program, he put the right word first in describing the objectives. The program has been called one of aid for underdeveloped areas or regions, but the President didn't say it that way. He said "to assist the peoples of economically underdeveloped areas." In the approach to the program that word "peoples" should be underscored.

It is natural to think of this program of development primarily as an economic enterprise. That it does have vital economic significance is obvious. It is quite plain that the world's full productive and distributive equilibrium will not be achieved by 1952 and that something bigger will eventually have to take the place of Marshall plan aid. The point 4 program looks to the transfer of some of the burden for restoring that equilibrium from public to private means, and likewise to promoting that restoration by the development of new sources of materials and new markets. In that way it is essentially an economic program.

But the development of needy areas means also the development of needy persons, and through the rise in their standards of living supplying better conditions for us all. What is asked for, therefore, is not merely capital

investment in an oil field, a manganese mine, or a rubber plantation. What is required is an investment not merely of money but also of skill and understanding in human beings. It is that investment that will pay the big dividend.

We have had some considerable experience in that sort of investment and dividend in our relations with the Philippines. When we assumed control of the archipelago it was certainly underdeveloped, and even worse. Its people were miserable, underprivileged, disease-ridden, and poverty-stricken. But they, and not the sugar fields and gold mines, were the real wealth of the country. The richest thing in the islands was the Filipinos, as we readily found out.

Our investment of money, public and private, was relatively small. The machinery of government was self-supporting from the beginning and the funds that were used for amelioration and then for growth were largely of local origin. But there was an indirect investment in the policy of giving a preferential position in our markets to the islands' major products that, in turn, gave an economic advantage to the young country. Our trade was mutually profitable.

Above and beyond that, however, was the great investment in human skills. Some of that was American, some was Filipino. There were the political skills of men such as Quezon, Osmeña, and Roxas. There were the administrative skills of a Carpenter, a Forbes, a Wood, and a Hayden. There were the technical skills in the Bureaus of Science and of Animal Husbandry. There were the fiscal skills in the auditor's office. There was an almost incredible amount of skill, patience, and understanding, Filipino and American, in the Department of Education and Health.

The application of those skills wrought a transformation in the country in a comparatively short time. The dividend took a variety of forms. There was, first of all, that very raising of the standard of living that President Truman has now set forth as a goal. Thirty-two years after the American occupation Gov. Gen. Dwight F. Davis was able to report to the President of the United States that the Filipinos enjoyed a standard of living that was 300 percent above that of any neighboring Asiatic country. That statistical fact represented many human things. In 1903 the infant mortality rate in the Walled City of Manila was 85 per hundred. In 1933 in the same Walled City it was 56 per thousand. Cholera was wiped out. Smallpox disappeared. The population tripled in two generations. More than a million children were in school. The investment in the Philippines paid off in terms of human dignity and liberty and the use of it.

That sort of investment can be made in various parts of the world under the point 4 program. But it means more than dollar investment. It means giving enthusiasm and knowledge. It means coming to grips with realities, with courage, and patience. It means dealing with peoples and not just areas with genuine warmth of heart.

Congressman Andrew Jacobs and Westbrook Pegler

EXTENSION OF REMARKS

OF

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. MADDEN. Mr. Speaker, our colleague, ANDREW JACOBS, representing the Eleventh District of Indiana, has been a victim of a very unfortunate article by Westbrook Pegler, which appeared in the June 17, 1949, issue of the Washington (D. C.) Times-Herald and other newspapers throughout the country.

I feel confident that if Mr. Pegler had made an investigation of ANDREW JACOBS among the people in his home community who are acquainted with him, both politically and otherwise, he would never have written the article which I am hereby submitting for the Members of Congress to read.

Everybody who has been following the career of ANDREW JACOBS will agree that his honest motives cannot be questioned and his opinions regarding legislation, whether it pertains to labor or other matters, are thoughts emanating from his own mind and conscience. His most enthusiastic political enemies will never say that ANDREW JACOBS is politically or intellectually dishonest.

In his active career as a lawyer and citizen interested in public affairs, he has never exhibited the slightest evidence of being a demagogue. His greatest attribute is his independence of thought and willingness to fight for what he thinks is right, whether it will add or detract from his political future.

The accompanying article by Mr. Pegler reveals that he made no effort to acquaint himself with the past career and the honesty and integrity of Congressman ANDREW JACOBS, either as a lawyer or a public official.

The accompanying editorials from the Indianapolis Times and Indianapolis Star and also the letter from attorney Asa J. Smith meet with the endorsement of everybody who is acquainted with ANDREW JACOBS' career.

[From the Washington Times-Herald of June 17, 1949]

FAIR ENOUGH

(By Westbrook Pegler)

It is hard to believe that any Member of Congress, for that matter, any layman, could be as naive, which is the French word for dumb, as a Democratic Congressman from Indiana, man named ANDREW JACOBS, pretends to be in his campaign to determine whether democracy prevails in unions and to make it prevail where it doesn't.

I read that Mr. JACOBS, a freshman in the House, is a labor lawyer. This could mean a professional parasite on the union movement and our industry and economy generally on the order of the late Joe Padway, the general counsel of the AFL, a ruthless predator, who had a large clientele of the dirtiest crooks in the union racket including Browne and Bioff and the Ecalise mob.

He was our most eminent labor lawyer of his time and was so highly regarded by Moosejaw I, that he sent the old faker to England during the war on some political mission, probably with a sideline of graft, and nearly scared him to death.

I want you to understand that I am not pouring it on Padway thus freely only because he is dead. I told him off during his life and when I caught him with $1,000 of dirty money from the Scalise mob and he roared, "Some of my friends tell me I ought to sue you," I said: "Well, if you aren't guilty you certainly should." There never was a more greedy, ruthless racketeer in labor than the general counsel of the AFL.

But he didn't sue. Nor did Judge Ben Moore, of the United States Court of West Virginia, who sat in the phony John Lewis freedom-of-the-press case last year and was going to nail me for contempt in asking him whether he hadn't been a partner in a law firm which had made enormous income from the United Mine Workers and the CIO.

He was going to give me that contempt business until I upped and proved it on him and he took to his heels and the hills and said nothing more about contempt.

There was no imposition on the power of the press in that. A newspaper reporter in actual contempt has no immunity that is not enjoyed by everybody else. Moore quit to the challenge because I had him dead to rights and if you want to regard that as a commentary on the quality of our Federal judiciary, help yourself.

I don't know what kind of labor lawyer this JACOBS is, but I don't know any good ones. Experts I do know. Yes. There is an old prejudice or snobbery in the law against lawyers who specialize in criminal practice, but I should say that the new practice of labor law is even a lower specialty.

My information has it that Mr. JACOBS comes from Indianapolis, which has been the home of the teamsters and carpenters unions of the AFL for many years.

So if it is true that he is a labor lawyer he must be kidding himself or trying to kid the public when he says he is going to study undemocratic practices on behalf of the House Committee on Labor and recommend steps.

There are no more "undemocratic" unions in the whole rotten racket than the teamsters and carpenters, and if JACOBS doesn't know that after practicing this specialty in Indianapolis he must be either an awful dummy or a not very artful faker.

And the fact is that this type of union is the true AFL type with ancient bullies with pot-bellied minds and bodies oppressing and suppressing the rank and file with an arrogance and immunity beyond the imagination of the ignorant idealistic outsiders.

I am suspicious of this move because when a Democrat on the House Committee on Labor makes like a reformer in this privileged field of racketeering he is flouting the traditions of this own great party and of humanity.

There are two Democrats left in Congress out of three who investigated union racketeering in the war camps and factories who were on the level, but they were southern Democrats, all three.

SAM HOBBS, of Alabama, and Judge SMITH, of Virginia, are still in action, but old Hatton Sumners, of Dallas, finally got disgusted and retired.

Mr. JACOBS, of Indianapolis, doesn't need to waste another dollar of our money investigating. The story is all in the evil record amassed by those three southern gentlemen and for more intimate sordid details and embellishments, JACOBS need only ask me.

This act, to me, has the appearance of a private act to get some publicity for Representative JACOBS. It has been so long since any Democrat, save those three southerners who would be Dixiecrats today, even pretended to be honest about unionism that this fellow will be regarded as a freak. Has the mugg got two heads?

I am counting ten—million ere I plump for Representative JACOBS and rush to help him with my great treasure of information about the absence of that which he calls "democracy" in unions.

There is one simple remedy for the want of "democracy." That is to apply the same criminal standards and laws to union racketeers that restrain or jeopardize crooks in other lines of crime and compel the whole bloody, brutal, sordid racket to revise its constitutions into compliance with the Constitution of the United States.

About June 9, 1949, and before the Pegler article was written the following article by Victor Riesel was published

throughout the country, including New York papers:

Victor Riesel says:

"ANDY JACOBS LIFTS LID ON SOME LABOR BOSSES"

WASHINGTON.—The national spotlight is finally on the union "boss."

In one outfit it found the leader such an iron man that he casually took $1,000,000 out of the treasury for his private investments and then drove those who protested right out of their jobs in plants across country.

In another there was such one-man rule that its president publicly humiliated his vice presidents by throwing their salary checks in their faces in a hotel lobby because they forgot to call him for breakfast.

In still another the "boss" resigned just before an audit disclosed that thousands of dollars in initiation fees were missing.

And in other national unions local outlets have been held prisoner by the national leader for as long as 23 years because they disagreed with the chief. The "boss" does this by dispatching a personal agent to dump the regularly elected regional officials and administer the unit.

It's all been happening in the last year—and when one freshman Congressman, Indiana's Democratic ANDREW JACOBS, took office he decided to fight for a law to protect the little working guy.

He sent questionnaires to every United States union asking them to report which of their locals are prisoners, which have no votes, which are run by a private lieutenant of the top man.

Those unions which answered—and the replies came in by the deskful along with letters from the rank-and-filers who for years have wanted just such a mouthpiece—are the democratic outfits. Those which ignored JACOBS probably will be probed this summer.

JACOBS, the freshman, is an Indianapolis labor lawyer who has fought for the little unionist against the union giants for years. Yet when he is pitching in Congress for the rank-and-filers who pay their dues and expect a clean break, he's accused of sabotage by another congressional freshman classmate Representative ROY WIER (Democrat, Minnesota), who doubles as a leader of the AFL's stagehands union.

The other day at the end of one of JACOBS' hearings on the misuse of $1,000,000 of the printing pressmen's funds, WIER got up and stalked out, sneeringly charging that "This is a swell job of sabotage."

JACOBS retorted that WIER is entitled to "his opinion, but the investigation goes on."

WIER'S attitude is part of an irritating philosophy that unions are immune to investigation—and that Congressmen like himself and JACOBS, backed by labor in the last election, should be the last to look into union democracy. That attitude gets all labor into trouble.

Why shouldn't JACOBS' fight for a law guaranteeing freedom from fear inside a union? Certainly there's much to be uncovered.

JACOBS informs me he discovered that the late printing pressmen's union president, George Berry, used fully $1,000,000 of the outfit's money for private investments not only in the now famous playing-card company ($893,000), but in a power corporation ($165,000); for income tax ($26,000); for part ownership of a newspaper ($7,000), and to pay a fine of $10,000.

Berry would invest the union's money. If the investments earned profits, Berry would repay the dough—without interest. If they turned sour—the union simply had made a bad bet. And if there were protests, such as the complaint from a Chicago local, Berry would suspend the honest rebels and send his own man in to take over. The Chicago outfit was prisoner for 23 years. That's oppression in my book. What's it sound like to WIER?

And as for unions Representative JACOBS has yet to look into, they provide more justification for his probing policies.

The union president who threw pay-roll checks in the face of his vice presidents ran the small AFL luggage workers' union until recently. He was boss. And he made his son a $6,000-a-year "crown prince" organizer. He telephoned wives of his vice presidents, and warned them to put heat on their husbands to take orders.

In one case he said, "If your filthy husband isn't here," etc., by a certain time, dire things would happen. Even in that small outfit he earned over $15,000 a year and expenses—all accounted for, of course—and ruled for 10 years.

There are hundreds of small outfits where the union leader and personal terror are synonymous. Or where strange things happen to funds. Such as in the Oakland (Calif.) teamsters union, whose secretary-treasurer resigned some weeks ago and, where later, Big Boss Dave Beck said thousands of dollars were missing out of the $100 initiation fees collected.

And there are the left-wing outfits such as the Henry Wallaceite CIO Farm Equipment Union, whose president, Grant Oakes, can now lift the charter of any local, suspend its officers and seize its funds if any nonleftists revolt.

Let's have a look at these—and more. Can't hurt anyone but the hard guys. And heaven won't have to help the little guys.

Again, the article to which Pegler referred in his column was published in the Scripps-Howard chain of newspapers on June 14, 1949, and it discloses that Mr. JACOBS has successfully opposed William L. Hutcheson's tactics, to which misconduct Pegler mistakenly insinuates Mr. JACOBS was a party. The article speaks for itself and is proof, not only of the falsity of Pegler's insinuation, but proof that Pegler knew it was not true.

UNION RACKETS FACE INQUIRY BY CONGRESS—INDIANAN TO PROBE DEMOCRACY IN LABOR

(By Daniel M. Kidney)

WASHINGTON, June 14.—Whether New York City unions are run democratically and what rackets—if any—are under union auspices will be investigated by a House labor subcommittee headed by Representative ANDREW JACOBS, Indiana Democrat.

In announcing today that he would conduct hearings in New York, Mr. JACOBS said he expected to do some sampling of union conduct "all the way from the waterfront to the tallest buildings."

Communist infiltration and efforts made to oust them also will be of committee concern, he said.

ELECTED FOR LIFE

"The type of thing I mean to investigate will include such reports as that Joe Ryan is elected for life as head of the longshoremen. My committee is not concerned about prosecutions, only in getting sufficient data to support a law which will require both union democracy and responsibility."

New York City seems a suitable place to conduct such an inquiry since nearly every type of bad union practice, even including strong-arm methods which lead to murder, has been reported as existing there," Mr. JACOBS said.

USE OF FUNDS

First hearings were held here into the alleged personal use of a million or more of union funds by the late President George Berry, of the Pressman's Union.

Mr. JACOBS has been flooded with mail from rank-and-file union members regarding their labor bosses. One letter from a miner in Pennsylvania who claims he was ousted from the union for some slight opposition to John L. Lewis.

Mr. JACOBS is an Indianapolis labor lawyer who won a $250,000 judgment against President William L. Hutcheson's, of the A. F. of L. Carpenters Union, for a Baltimore local whose treasury had been commandeered.

TAFT-HARTLEY SUBSTITUTE

Although a freshman, Mr. JACOBS' knowledge of labor law has been recognized by his colleagues. He hopes his findings will supply facts to support that portion of his own Taft-Hartley substitute.

This section of the Jacobs bill forbids penalizing of union members for criticizing the officers and demanding an accounting of them. It would prevent ousting of a union man without a fair trial by a board consisting of disinterested members.

[From the Indianapolis Times of July 7, 1948]

UNION MEMBERS DO HAVE RIGHTS

Back in April 1946, something more than 2 years ago, the carpenters' union national convention expelled one Gotthard Hanson, a member of its Baltimore, Md., local union, who had incurred the displeasure of William L. Hutcheson and the ruling clique of the united brotherhood.

Last week, in a decision that is likely to be much quoted in future, Marion County Superior Court Judge John Niblack ordered Mr. Hanson reinstated as a union member.

This action had nothing to do with the Taft-Hartley law which has a clause intended to prevent arbitrary expelling of members from unions and hence from jobs at the whim of union bosses. Even if it works as its authors meant it to work, that law can do very little for the casual, temporary kind of employment most carpenters and other building-trades workers have. If they are not members in good standing chances are they never even hear about job openings in the first place.

So, as ANDREW JACOBS, Indianapolis attorney and nominee for Congress, who represented Mr. Hanson argued, the expulsion of Mr. Hanson barred him from working at the only job he knew how to do. The court agreed, ruled in effect that his membership in the union was property in which he had legal rights and that it had been taken away from him without due process of law.

That, it seems to us, is sound justice. Mr. JACOBS, who is unenthusiastic about the Taft-Hartley law and believes it ought to be revised, contends that this remedy was available to any union member thus kicked around by a union boss and has been right along, without any Taft-Hartley legislation.

And, no doubt, it has. But for 2 years and a couple of months, Mr. Hanson has been "out," and deprived of his rights as a union member. It took nearly a year of costly litigation to establish his rights in court and get them restored to him. Mr. Hanson, like thousands of union members who have found themselves in the same spot, couldn't afford any such defense of his rights, and was able to defend them only because Mr. JACOBS was willing to carry the case through, without fees and largely at his own expense, in the interest of seeing justice done. Not every man who needs such help will be able to get it.

Judge Niblack's ruling does establish and reaffirm the basic right of a union member to his membership. It is a right that no union which seeks to control jobs or the opportunity to get jobs can properly deny. And Mr. JACOBS has performed a useful service to all labor in raising the point and in carrying the issue through to a conclusion.

[From the Indianapolis Star of June 9, 1949]

ANDY JACOBS' MAIN TARGET

Congressman ANDREW JACOBS, of Indianapolis, has a theory about labor unions which we think is based on sound reasoning. He believes that if union members are given the opportunity to manage and control their own affairs, if they get more democracy in their unions, the whole picture of labor-management relations will be improved. Mr. JACOBS has faith in the good sense and patriotism of the rank-and-file union member. He does not like the tough union boss who runs his union like a satrap, who bosses his underlings like a dictator, and who uses union funds for his own personal purpose.

Congressman JACOBS now heads a labor subcommittee in the House which is investigating democracy in labor unions. He has proposed legislation to protect the rights of union members against predatory bosses or Communist stooges. He seeks the sort of laws which will strengthen labor unions by making union leaders more responsible to their members.

We have not always agreed with Mr. JACOBS and we still differ from many of his views on revision of the Taft-Hartley Act. But we do agree that one of the most important jobs Congress can do is to return labor-union control to union members. There are many democratic and representative unions in America. But there are also too many union bosses who hold locals in virtual slavery, who permit no opposition to their rule, who use goons to enforce their orders, who misuse union funds.

These bosses are Mr. JACOBS' targets in his investigation. And when any so-called labor Congressman, like Representative WIER, of Minnesota, says that Mr. JACOBS is "sabotaging" labor by investigating these venal practices, he is only following blindly the labor-boss dictum that union leaders are sacred, even if they murder their own grandmothers.

As Victor Reisel said in his column in the Star "Why shouldn't JACOBS fight for a law guaranteeing freedom from fear within a union?" More of the so-called labor Congressman should join Mr. JACOBS' efforts to give union members the same sort of democratic rights they enjoy as American citizens. The union movement in America has been of immense benefit to the whole country, strengthened the whole fabric of the free-enterprise system. That sort of clean unionism Mr. JACOBS wants to foster and protect. So do we.

INDIANAPOLIS, *June 21, 1949.*

Mr. WESTBROOK PEGLER,
Care of Indianapolis Star,
Indianapolis, Ind.

MY DEAR MR. PEGLER: I am one who has always said "Westbrook Pegler expresses each morning my daily thought."

I am a Republican and a "reactionary," and don't like to be called conservative in that it sounds too liberal.

My only connection with any labor litigation was recently representing some employers and obtaining for them a permanent injunction against violence in a local strike.

So much for perspective.

However, in your article of a few days ago wherein you attacked ANDY JACOBS' motives, I know you to be wrong. I have known ANDY JACOBS for decades, seldom if ever agreed with him on anything politically, but that he is a pure-minded, fearless, and honorable man is beyond question.

His particular theme for years has been to mow down the great union barons, and as a "labor" lawyer, if that fits, he has successfully represented small locals against vast overtowering power, and made the big fellows pay great big sums and disgorge ill-gotten gains.

What he is attempting in Congress now is right down his lifelong alley, and neither fly-by-night nor publicity seeking. Anyone who knows ANDY JACOBS knows that.

Sincerely,

ASA J. SMITH.

The Rebuilding of Germany

EXTENSION OF REMARKS
OF
HON. JOHN A. BLATNIK
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. BLATNIK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article entitled "Gravediggers at Work," which appeared in the summer edition, May-August 1949, of the publication Prevent World War III, and which points out the failures of America's policy in western Germany.

GRAVEDIGGERS AT WORK

The 13th of April 1949 was gravediggers' holiday. With little ceremony except for the recital of a pious farewell to German reparations, the pledges to extirpate German war potential and Nazis were buried.

The gravediggers labored long and arduously. The grave they dug was deep. Deceit, half-truths, and cunningly devised propaganda were the instruments which broke the hard ground of reality. Yet the grave-diggers are worried. They fear lest the grave was not sufficiently deep—or worse—that the principles which they thought were laid to rest are still alive.

Before the last shot was fired in Europe, these funeral specialists were tearing to shreds the hopes of a war-torn, war-weary world. Cautiously, but determined, they gnawed at the fibers which held together the allied program for the demilitarization, denazification, and decartelization of Germany. They succored von Papen, the German spy; Schacht, Hitler's armament specialist, and the banker von Schroeder, nazism's "angel." Indeed, the whole gang which gave life and sustenance to nazism was sheltered from the wrath of their victims. They assigned one of their men, Herbert Hoover, to Germany so that he could report back to the people that western civilization would crumble without the ingenuity and dynamism of the Herrenvolk. Their agents invaded universities, crowded lecture platforms, and even reached our churches pleading for "justice" for the devil. They captured key posts in Government, undermining President Truman's pledge to carry out to completion the tasks set forth by his illustrious predecessor.

The cross was finally placed on the burial ground when they strangled the reparations program and lifted the ban on the prohibited industries. This infamous action is the concrete proof that Germany is again reaching for the sword.

Listen to what Mr. George Humphrey, whose committee was appointed to serve the gravediggers and to destroy the reparations program, has to say: "It (the committee) has recommended for retention some plants * * * necessary for war purposes." Isn't this plain enough to everyone, even those sentimentalists who prefer not to believe what is happening in Germany today? Isn't it plain that World War III is being spawned in Germany? Choosing our words with the greatest of caution to avoid exaggeration or unwarranted alarm, we declare that the reparations debacle has set in motion, in Germany, the machinery for World War III.

It is a German victory in the first place—a victory which they engineered through their mouthpieces and dupes in the Allied nations. Prof. Eric Noelting, minister for North Rhine Westphalia (the Ruhr), is exuberant over this German victory: "It is a good thing we did not lose our nerve then, but hoped that time would do its work and that in spite of everything reason would prevail. It is now clear how correct our procedure was to continue to urge competent agencies to delay dismantling until after the conferences in Paris, London, Washington."

By "everything" Herr Noelting is referring to the peoples victimized by German aggression and devastation. By "reason" Herr Noelting refers to the propaganda lies of the Germany Firsters—who do not speak German, but think German. By "competent agencies" Herr Noelting refers to the Hoovers, the Humphrey Committee, the Wolfs of United States Steel, the Drapers of Dillon-Read et al. These are the gravediggers of American security. These are the men who corralled American dollars and public opinion after World War I to help resuscitate the German war machine. These are the men who are celebrating today while the American people and their Allies are confronted with the ominous specter of a new militarized Reich.

It is not our intention, at this moment, to go into the background, which has led American security to the brink of a new disaster. For years, without let-up, we have tried to enlighten the American people regarding the intrigues and machinations which were squandering our precious victory gained by untold sacrifice in blood and treasure.

None of the glib phrases contained in the new agreement to junk reparations can erase the terrible fact of betrayal. The State Department's announcement justifying the drastic curtailment of reparations declares that the Government felt "that in view of the possibility which the ERP offered for new investment requirements in the Allied countries to an increased extent from new capital equipment" reparations became unimportant. This is a bald admission that the American taxpayers are supposed to compensate our allies for the billions of dollars worth of damages inflicted upon them by the Germans. Thus, the American people are not only obliged to pour billions into the German rat hole, but they are now going to be called upon to pay Germany's bills due her victims. Shades of World War I.

This gravediggers' action is unprecedented in the annuals of American diplomacy. For the first time, an organization created by an act of Congress was able to take over American foreign policy and force the State Department to scrap agreements solemnly entered into with 18 of our allies.

The British and French, at the behest of Mr. Paul Hoffman, finally succumbed to crude pressures and threats that Marshall plan funds would be withheld unless they signed on the dotted line. For 4 months the American negotiators used every trick in the bag, but the British and French delegates, fearful of the wrath of their own people, did not budge. It took only 1 week in Washington, however, to make them see the light. And in that one week, German power was reborn. This agreement is all the more astounding when it is noted that there are 16 other victimized nations involved in the Paris agreement on reparations. Were they consulted? Were they asked whether it is cheaper for them to accept the crumbs of German heavy industry or to become economically independent? Was the Inter-Allied Reparations Agency, which fought such

a courageous battle against this infamy, consulted? There hasn't been a word written or spoken in reply to these questions.

And what about the Germans? Are they happy? Herr Noelting, as we indicated, is very enthusiastic and Drew Middleton of the New York Times reports that "changes in the dismantling list will soothe industrialists in northwest Germany." But let us not be content with this illusion. The Germans can never be satisfied. The Hitlerian appetite is not dead. The Germans are seeking bigger game. Have you not already heard of their protests?

For example, they don't like the occupation statute. The Wall Street Journal, which has written editorial upon editorial bemoaning the plight of the Germans, says that their attitude "smacks of this kind of short-sighted politicking and even of ingratitude." Isn't that too bad? Just what does the Wall Street Journal expect? Shall the Germans act in any other way under an occupation which officially boasts about decartelization, and in fact does everything to strengthen the cartels? We are going to experience more of this ingratitude as the days go by.

As the Germans grow militarily and economically more potent, the United States and its Western Allies will become weaker. The more war power the Germans have, the more we shall be at their mercy. The gravediggers have opened the gates without any worthwhile restrictions on the German frankenstein monster. It is beginning to flex its muscles and to reassess the capabilities of its masters.

But the realism of the Wall Street Journal is far above our heads. After criticizing the Germans for ingratitude, they recommend additional changes which will assuage the hurt feelings of the former enemy. "The answer * * * is that in time the western German state will be somehow incorporated into the Atlantic Pact of the European rearmament program. At least the trend seems to be in that direction. If so, the occupation statute, with its military, scientific, and industrial controls becomes even more illogical." You see, there is a logic to the interment policy of the gravediggers. It is a cold logic which not only spells the remilitarization of a fourth German Reich, but even more. It will, in the long run, make German armed power a decisive factor.

To those who read German history with their brain, as well as their eyes, it is clear that such armed power will be used solely for German interests. Why should it be used in conjunction with the United States and not with Russia? The gravediggers have always evaded this question. They do not talk about the German arms striking west instead of east. They seem to have some mysterious premonition that pan-Germanism and militarism is directed against eastern countries. And we, the people, must shoulder the gamble.

If ever there was a time when this organization was justified in calling itself "The Society for the Prevention of World War III" it is at this moment in history. We are back in that period when east and west were building up their own Germanys which ended in the terrible war of 1939—when both were attacked by their erstwhile ally.

As early as 1945, Bernard Baruch, that eminent statesman, warned the Congress: "What is done with Germany holds the key to whether Russia, Britain, and the United States can continue to get along. It will affect profoundly the jobs and livelihood of everyone, everywhere, for none of the economic problems of the peace can be solved except in the light of German reparations policy and the measures taken to demilitarize Germany's traditional war economy."

This is the prophecy that the gravediggers think they have buried for good.

Federal Housing Bill

EXTENSION OF REMARKS
OF
HON. HOWARD W. SMITH
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. SMITH of Virginia. Mr. Speaker, under leave to extend my remarks, I append a letter from the Norfolk Association of Commerce to me, and my reply, which states my position in opposition to the bill H. R. 4009, the Federal housing bill.

Under our system of private enterprise and private initiative, I have never conceived it to be the function of the Federal Government to furnish houses to private citizens or to subsidize the house rent of a particular group of citizens.

Aside from these considerations, I am deeply disturbed by the alarming trend of Government finances. During the present fiscal year Government receipts have been drastically reduced, while, at the same time, appropriations have been increased to the point that there will undoubtedly be a substantial deficit for the year ending June 30, 1949.

For the coming year 1950 proposed expenditures by the Federal Government are again increased over 1949, whereas the expected receipts of the Federal Treasury will again diminish.

We cannot maintain a sound Government on deficit spending and an ever-mounting Federal debt. It is a matter of simple arithmetic, which the Congress apparently is unwilling to take into consideration, when the cold figures conflict with the public demand for greater hand-outs from the Federal Treasury.

The figures given in the attached letter speak for themselves in terms too clear to be controverted.

NORFOLK ASSOCIATION OF COMMERCE,
Norfolk, Va., June 22, 1949.

Hon. HOWARD W. SMITH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN SMITH: This refers to H. R. 4009, the Housing Act of 1949, which we understand will come to the floor of the House for action during the current week.

This association, from the very beginning, has been extremely interested in this important matter and desirous of seeing legislation enacted adequate to solve the problem intelligently and economically. We supported the Taft-Ellender-Wagner bill, and since H. R. 4009 embodies essential fundamentals, we are in favor of its passage. It appears to us to come nearer accomplishing the desired end than anything of this sort we have seen.

This association has upwards of 1,600 voluntary members representing a cross-section of the leading business classifications in Norfolk, and we, as businessmen, realize that it is imperative for all public programs to be scrutinized carefully; that it is to the interest, welfare and progress of a community to have adequate housing for all, including those of the low-income brackets, in order to relieve the terrific drain on the taxpayers that slum areas constitute. We are convinced that greater intelligence would be exercised in subsidizing modern, decent housing rather than in connection with slum areas with all their negative and uneconomical phases.

We hope very much that you will find it consistent with your thinking to support H. R. 4009 when it comes to the floor by vote.

Thanking you, I am,

Yours very truly,

W. S. HARNEY,
Secretary-Manager.

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 24, 1949.

Mr. W. S. HARNEY,
Secretary-Manager, Norfolk Association of Commerce, Norfolk, Va.

DEAR Mr. HARNEY: I acknowledge receipt of your letter of June 22 soliciting my support of the bill, H. R. 4009, known as the Federal Housing Act.

It is surprising and disappointing to me that the Norfolk Association of Commerce, in view of the present state of the fiscal affairs of the Federal Government and in view of the further insistent general demand of business throughout the country for economy in government and reduction in appropriations, should now be urging Members of Congress to support legislation calling for huge appropriations that will inevitably result in further increase in the deficit.

I have long taken pride in the sound conservation of Virginia businessmen, so many of whom are constantly writing me to urge the reduction in Federal spending and to point out so insistently the obvious necessity of balancing the Federal budget if we are to avoid a disastrous financial collapse.

The bill which you urge me to support creates an obligation of the Government of between sixteen and twenty billions of dollars over a period of 40 years. The principal portion of this expenditure will consist of gifts to the localities of $400,000,000 a year for 40 years to subsidize private rentals.

I am wondering therefore if you are cognizent of the present trend in Government finances which have developed during the fiscal year. For the first time in this period, we are confronted with a decrease in revenues and a simultaneous increase in appropriations.

For the first 11 months of the fiscal year 1948 our receipts were	$37,351,000,000
For the first 11 months of the fiscal year 1949 our receipts were	33,478,000,000
A decrease of	3,873,000,000
For the first 11 months of the fiscal year 1949 our expenditures were	32,478,000,000
For the first 11 months of the fiscal year 1948 our expenditures were	29,773,000,000
An increase of	2,705,000,000

This amounts to a decrease in net balances of approximately $7,000,000,000.

For the year 1950, the estimate of receipts is $40,984,000,000 and the estimate of expenditures is $41,857,000,000, indicating a tentative deficit of $873,000,000 which is based upon a higher estimate of receipts than either of the two preceding years, when it is well known that our revenue receipts are diminishing.

In addition to the budget estimates, we have the proposed items of:

Military aid to implement the Atlantic Pact, $1,440,000,000. To be expended in the 1950 fiscal year	$350,000,000
Aid to Korea	150,000,000
Total	500,000,000

This raises the estimated budget deficit to $1,373,000,000.

Now, in addition to the items contained in the budget, the following authorizations for

appropriations have been passed already by one or both Houses:

Military pay increase (per annum)	$302,000,000
Radar screen defense	85,000,000
Long-range guided missiles proving ground	75,000,000
Supersonic wind tunnel	361,000,000
Total	823,000,000

Other pending bills which have been reported by the appropriate committees include:

Reforestation program	$173,000,000
Mining subsidy	100,000,000
Miscellaneous (including pay increases for sub-Cabinet officers, CCC grain storage, national Science Foundation), approximately	500,000,000
Total	773,000,000

We cannot balance the Federal budget and begin the payment of our huge national debt by crying out for economy generally while urging large appropriations for those special projects that may give some special benefit to our own areas.

I have not discussed the socialistic implications of this proposed Federal housing program, but I am deeply concerned about the dangerous financial situation of the country which far outweighs any minor local benefits that may dribble down to the States through the distribution of Federal largess.

The tendency to regard the Federal Treasury as a Christmas tree and ignore the fact that everything that comes from the Federal Treasury actually comes from the pockets of all the taxpayers of the United States has been leading us down the road to bankruptcy for a good many years.

Requests such as your letter contains are deeply disturbing and discouraging to those Members of Congress who are seeking against such great odds to put the finances of your Government on a sound and solid basis.

Very truly yours,

HOWARD W. SMITH.

Counting Our Blessings

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Wilkes-Barre Times-Leader and Evening News:

COUNTING OUR BLESSINGS

The emphasis that has been placed on the 20,000 jobless of the community in recent weeks, as a preliminary to the campaign to raise $350,000 for the construction of a building for industrial purposes, should not obscure the advantages of Wyoming Valley and Luzerne County.

It is common practice to magnify a failing or a mistake to the exclusion of all else. This is as true in a community as it is in an individual. While we make no claim of perfection for this region, it has far more to its credit than it has against it.

We think this area compares with any in the country in scenic attractions and in climate. We are conveniently located, where markets and recreation are concerned. Living and working conditions here are desirable. With three full-time colleges, excellent public schools and numerous private institutions of learning, we have adequate educational facilities. Other cultural needs are supplied as well.

The health of the region, thanks to our hospitals and the generosity of the late Fred Morgan Kirby, is amply safeguarded. We have power and water in abundance as well as coal and other raw materials. Agriculture is a big business in Luzerne County. In churches, banks, shops, clubs, and other essentials, we have what it takes to make for comfortable living.

While there is room for improvement and progress must never stop, it is reassuring to pause occasionally and count our blessings.

Increase of Railroad Freight Rates

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. PHILBIN. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include therein a recent article from the Gardner News, Gardner, Mass., setting forth my request for suspension of proposed boosts in railroad freight rates affecting the New England furniture industry.

PHILBIN ASKS SUSPENSION OF PROPOSED BOOSTS IN RAILROAD FREIGHT RATES—ICC WILL INVESTIGATE—INCREASES WOULD AFFECT GARDNER AREA INDUSTRIAL LIFE

WASHINGTON, D. C., June 15.—Congressman PHILIP J. PHILBIN, Democrat, of the Third Massachusetts District today vigorously protested proposed increases in railroad-freight rates for shipments of furniture in less than carload lots, stating that the new rates would have serious effect upon the important New England furniture industry, particularly in the northern Worcester County area.

In conferences with officials of the Interstate Commerce Commission, PHILBIN pointed out that the increases would result in definite hardship to the furniture industry in his district placing it in a less favorable competitive position than similar industries located in other parts of the country. The Clinton Congressman specifically requested that the new rates, which become effective July 15, be suspended by the Interstate Commerce Commission pending full investigation of the matter. It is expected that the ICC suspension board, which now has the PHILBIN request under study, will review the case in the near future.

This question grows out of the original establishment of rates for smaller furniture rail shipments. In 1932, railroads serving the New England area began moving furniture in less-than-carload lots at special rates in order to meet motor-freight competition. Recently, these railroads asked the southern, southwestern, and western trunk lines to join with them in increasing rates on furniture shipments emanating from their respective areas, but this request was refused by the latter roads.

As a result, under the new order, the furniture industry in the South and West will continue to ship at their present rates to a destination like Chicago or St. Louis, while a Gardner furniture manufacturer will find his freight rates increased anywhere from 7½ percent to 107½ percent even though both shipments are being moved over the same railroad trunk lines.

"The skilled work, craftsmanship, designs, and managerial services featuring Gardner furniture products are known and recognized throughout the trade," said PHILBIN. "Consequently, our Gardner industry has always enjoyed an excellent competitive position in the wholesale market all over the country. Should the increase in freight rates become effective, Gardner manufacturers may find it necessary, because of substantial differentials, to relinquish their distant markets and limit their sales activities to trade outlets within a radius of 2,000 or 3,000 miles.

"This intolerable and discriminatory result would undoubtedly cause threat of unemployment for a group of workers whose skill and ability to produce have done so much to make Gardner a byword for quality furniture throughout the country. Naturally, I will press for remedial action with every possible zeal and in every possible means open to me. I hope that we can obtain early favorable adjustment of this vital problem.

"The Interstate Commerce Commission should recognize the inequities of these discriminatory rates. Clearly, the advantage given the southern roads will have crippling effect upon the furniture industry not only in Gardner, but throughout the whole northeastern region."

Resolution of Robert Emmet Club, of Leominster, Mass.

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. PHILBIN. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include therein a resolution adopted by the Robert Emmet Club of Leominster, Mass., protesting the dismemberment of Ireland, denouncing the Ireland Act which creates artificial Irish boundaries and setting forth definite views in favor of an autonomous Irish Republic. The resolution is entitled to the careful, sympathetic, consideration of every member of the Congress. Obviously, this Nation cannot stand for freedom in every other part of the world and partition for the Irish nation which has contributed so much to civilization and the cause of freedom.

Resolved, That we earnestly request the United States Senate to amend article 4 of the Atlantic Pact in such a way as to keep the Government of this country from becoming a supporter of the English Government's policy of promoting division and discord in Ireland, because the provision in article 4, if it should be approved by the Senate, would pledge the Government of the United States and this country's armed forces to assist in maintaining the dismemberment of Ireland and in defending and supporting for the next 20 years the subordinate puppet government which the English Imperial Parliament has established in the six counties of northeast Ulster, now separated by an unnatural boundary from the rest of Ireland, a boundary which, according to democratic principles, violates the right of the Irish people to the political and territorial control of all Ireland; and be it also

Resolved, That we draw the attention of our American fellow citizens and the Members of both Houses of Congress to the fact that the English Government is using part of

the vast sums in gifts and loans which it has received and continues to receive from the United States Government to promote economic recovery not for that purpose but to subsidize and support the bigoted despotism known officially as the Government of Northern Ireland and maintain an English garrison in the northeast corner of one of the Irish Provinces, thus keeping the people of Ireland from uniting under a free native government at a time when the English Government is playing the role of unifier of the nations of western Europe against the threat of communism; and be it also

Resolved, That we, believing that the liberty-loving people of the United States do not wish to be taxed for the purpose of subsidizing bigotry and oppression in Ireland or anywhere else, protest against this misuse of the money of the American taxpayers, including our own contributions to taxation, and we demand that the flow of gifts and loans from the United States public funds into the English Treasury be halted while the Government of England misuses any part of the and continues to violate established American principles in its dealings with Ireland; and be it further

Resolved, That we denounce the Ireland Act, which has been passed in the English Parliament at the instigation of the Socialist-Labor Government, which hypocritically professes its attachment to democratic principles everywhere in the world except in Ireland, as an attempt to give permanence to the artificial Irish boundary dedicated to hatred and intolerance, the establishment of which was not only unjust to the people of Ireland but was an affront to people of Irish blood everywhere.

The National Housing Act

EXTENSION OF REMARKS
OF
HON. WILLIAM P. BOLTON
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. BOLTON of Maryland. Mr. Speaker, I am opposed to H. R. 4009 for a number of very good reasons, not the least of which is the staggering cost of this program of Federal subsidization of housing. This bill authorizes the erection of 1,050,000 units of public housing with subsidies of $16,000,000,000 in direct Federal grants. It should be kept in mind that these are grants and not loans, and are to be paid out at the rate of $400,000,000 a year for each of 40 years. No one will deny that, if the Federal Government embarks upon such a vast program, it will be only the beginning. Each of the units so constructed will become an argument and a justification for additional units costing many more billions of dollars; three and a half billions additional in loans and grants for slum clearance and farm housing would be authorized, nineteen and one-third billions in all.

First. I believe that faith, good credit, and solvency are just as important in Government affairs as in business, and burdened as we are with a $25,000,000,000 national debt and a $45,000,000,000 annual budget, with declining economy, I honestly do not believe this country can afford this and other proposed administration expenditures and remain solvent.

Those urging this legislation say they seek to house the lowest income third in publicly subsidized housing units. This is on the theory that private enterprise cannot erect new homes for these people. I think we should all recognize that an effort to house the lowest third in new housing, namely, the Federal subsidy route, when added to all of the other programs for social welfare now being advanced, would bankrupt our Federal Treasury.

According to the Bureau of the Census, approximately 12,500,000 families are in the lowest income third. Is the Federal taxpayer to supply housing for all these people, as is now being urged? If the Federal Government were to subsidize, let us say, 12,500,000 units, this would mean a cost to the taxpayer of $156,000,000,000. It is certain that if we construct 1,000,000 public-housing units in the next 7 years, we will soon be urged and perhaps forced by political pressures to erect sufficient additional units to accommodate all the others in this group, in order to give fair and equitable treatment to this entire class of people.

As members of the Democratic Party now in control of the Government, we have a most serious obligation to administer our trust in a manner which will not bankrupt the Nation for the sake of political expediency.

When this bill is passed the Housing Authority will be authorized to make commitments in the amount of $400,000,000 per year for 40 years, backed by the faith and credit of the United States of America. Therefore, future Congresses will be without any discretion when it comes to appropriating funds for this program, and will be compelled to do so even if it proves unwise to do so.

Will our national income in future years sustain the tax burdens so imposed? In 1948 our national income was two hundred and twenty-five billions. But keep in mind that in 1939 the national income was only seventy-two and one-half billions. Our national economy is now undergoing a serious adjustment. We have no way of knowing how extensive that adjustment may be either in the near future or during the next 40 years. If we have a serious decline in national income, which appears possible, how can we be expected to raise sufficient money for these welfare programs without imposing crushing taxation which will destroy initiative and further reduce the national income. In Maryland today, we have 50,000 persons out of work and no one knows what the future may bring. I, for one, am firmly convinced that the Democratic Party should not be saddled over 40 years with the responsibility for inaugurating this expensive, long-term experiment in national socialism.

Some people seem to have the idea that the American economy provides inexhaustible supply of tax revenue. This naive belief can cause irreparable damage not only to our national economy but to our social and political institutions as we know them. There is a bottom to the tax well, and we are just about scraping it now without taking on a nineteen-and-one-third-billion-dollar program of Federal housing, which is only a starter. And may I emphasize that this is only a starter.

In substantiation of this point, I call your attention to the statement of one of the witnesses who appeared before the House Banking and Currency Committee on April 27 in favor of this legislation. He said, in part:

> Although we are strongly of the opinion that the number of units of public housing called for in this bill should be increased substantially * * * we are prepared to endorse the attenuated proposal * * * our belief is that once this program is well under way it will develop sufficient political momentum of its own so that the Congress will automatically in the future increase and extend this authorization to whatever extent may be necessary.

I think I am opposed to this bill also because it is a socialistic program. Karl Marx once said that the quickest way to bring about socialism was for the Government to become the landlord of all the people, and this bill is the beginning of just that. This bill is loosening the moorings of the Ship of State, which will ultimately crack on the rocks of socialism. Do we want a repetition of what happened in England in their socialistic building program? "A home for every family group that wants one" was the battle cry of the Labor Party in 1919. By 1939 they had 1,469 housing authorities to service a population of 41,460,000 people in England and Wales. Only a guess can be hazarded at the political influence of these nearly 1,500 authorities, each armed with the power to buy land, construct buildings, admit tenants, and the approval or disapproval of all construction in its assigned area. The Government had the power to draft labor into the building industry, to requisition homes if it was the Government's opinion that the homes or the rooms were not fully utilized. The Government was completely in charge of the purchase, release, and distribution of every type of building material; and, of course, the Government could determine what tenant would move into which building and when. In an official release by the British Information in November 1945, the housing plan was cited as "another installment of socialism in England." Today a home owner cannot buy a board to mend his fence or porch without an order from the housing authority.

Fourth. Advocates of this bill have succeeded in convincing many kindhearted and well-intentioned people that this is a slum-clearance bill, but that is just a brazen attempt to pass a public-housing bill under the guise of slum clearance. No one is more interested in slum clearance than I am. I have studied and worked on slum projects for 40 years. I have seen lovely homes erected and occupied by the finest kind of people for 25 or 35 years and then develop into a slum area because of lack of enforcement of the laws. The enforcement of the law, of course, is the responsibility of the local politicians and too often have I seen their financial interest in slum property interfering with the enforcement of the law. Investment in slum properties produces the most lucrative return of any type of real estate and in many instances you will find the politician or his friends in-

vesting in this kind of property or receiving the insurance premiums from large estates, which own slum properties. Therefore, when we talk of slum clearance, we are in many instances striking at the pocketbooks of the local politicians.

When a child, I lived in very humble circumstances and I feel I know how the people in the slum areas feel, talk, and act. I know their problems and God knows my heart goes out to those living in these pools of poverty, filth, and disease-breeding masses of humanity, and I am sure there are many Members of Congress who feel the same way and who are going to vote for this bill because of the slum-clearance feature it is supposed to contain, but does not, because there is not a single mandatory provision in this bill which would eliminate a single slum. It is a cleverly written bill, wrapping up a public-housing program under the guise of slum clearance.

What does the bill provide?—

The Administration may make capital grants to local public agencies for the clearance and preparation of land for redevelopment equal to two-thirds of the cost of the project.

You will note there is no provision that the public housing units shall be built on slum areas, and my colleagues have stated on this floor, that it is not the intention of the Public Housing Authority to build public housing units on the areas cleared under this provision. There are now in existence, worth-while plans already in operation in many cities, accomplishing this same purpose without cost to the Federal Government, but I am ready to vote for this part of the bill if it is amended to reimburse the Federal Government. To clarify this point, it means that slum areas can be purchased, buildings demolished, and land prepared for resale and experience has shown that the write-down between the cost and the sale price of these properties can be recaptured by the local political units in 10 years, by means of increased taxes. It therefore does seem equitable that the Federal Government should participate in this reimbursement when the money is recaptured. This provision is the only part of the bill that deals with slum clearance, and from here on, the advocates of public housing are loading the kind-hearted citizens on a slum-clearance bus and joyriding them into a public-housing camp.

The rest of the bill, with the exception of the provisions granting aid to farmers and that pertaining to research, deals exclusively with public housing, and the Public Housing Authority does not want tenants from slum areas and neither do they want widows, the indigent nor the very poor. People without funds and in dire straits are not acceptable to the Public Housing Authority. Reports show that the tenants are from the groups who make on an average of $1,752 per year. Most Congressman have referred to housing families in the $2,500 to $3,000 income groups. The New York courts have decided, that a man earning $4,500 is in the low-income group and therefore an acceptable tenant in a public-housing unit.

A statement made by Mr. Thomas Danahey, at one time president of the Detroit Housing Commission, is correct. He said:

In the first place, it must be made clear that the housing projects will not be rented to slum residents or welfare clients. The tenants in these buildings will be people with definite minimum incomes and to be eligible to move in they must prove that their incomes are steady. There seems to be an impression that the slum residents are going to take over the buildings. Such is not the case.

The public-housing provision does not eliminate one unit in the slum area and specifically avoids the necessity of destroying slum units by amending the 1937 act, striking out the provision that one slum unit shall be destroyed for every public housing unit built.

I feel so deeply about this slum problem, that I am moved with a very deep religious desire, wherever and whenever possible, to help the human derelicts floating in this sea of misery but when I discover a bill such as this, prepared deliberately to deceive the public into believing that this is a slum-clearance bill, when it is in reality a public-housing bill, I cannot help but protest vigorously. I can see these families in squalor. I can picture how they live and then, to think the proponents of this bill are using their misery to influence Congress to vote for a public-housing bill, knowing full well that the public-housing feature of this bill will not demolish one single slum unit, nor provide shelter for one single poor family living in the worst slum areas, I cannot help being annoyed. There is no income limitation for the occupants of public-housing units provided in this bill. It is left entirely to the discretion of the local public-housing authorities, with the approval of the Public Housing Authority in Washington. In some cities these limits have been set so high that persons of substantial incomes can and do occupy these units. The so-called safeguards stipulation in the bill are a sham because: First, the local determination of housing needs will be made by the agency standing to gain most by erecting new public housing; second, the establishment of maximum income limits by local authorities is no guaranty, because those local authorities are under the political control of those who will benefit by the admission of persons of their own choosing, irrespective of their income. I recently heard of a man making $17,000 a year occupying one of these public-housing units.

Great emphasis has been laid in the committee's report, on the mayors of the cities supporting this bill. I can readily understand any politically minded mayor taking this action. It means that millions will be spent in his city without the cost showing on the local tax bill. From a political angle, he has no particular concern with the cost to the Federal Government, because the Federal expenditures do not show up on the local tax bill. You can readily realize how a politically minded mayor can be influenced when he sees the opportunity of dishing out to his friends, commissions, attorney's fees, insurance premiums, broker's fees, and the selection of the tenants. It is certainly unnecessary for me to call your attention to the fact that the local public-housing authority is under the influence of the local politicians and, as I have said before, local politicians are responsible in many cases, for the development of slum areas and to attempt to class this bill as a slum-clearance bill, is just plain fraud.

To prove conclusively that this is a public-housing bill, you will note in the title dealing with research, that it sets up the administrator as a czar of the building industry and repeals that portion of the present law that has been on our statute books for more than 30 years, preventing any department from using their office for propaganda purposes, giving the Administrator a free hand in the matter of disseminating information in the way of propaganda to the home-building industry and in this manner accelerates the Public Housing Administration program.

My interest in slum clearance prompted me to send my colleagues in the House of Representatives pictures of what the Baltimore plan has accomplished in slum clearance without cost to the Federal Government, because I thought they would be interested in carrying this story back home.

Finally, this bill is class legislation and extremely unfair. In our country there are 39,000,000 homes; 20,000,000 of them are owned by the people living in them, the other 19,000,000 families are renters. Those 39,000,000 families will be helping to pay the rent of the favored million selectees who will be selected under this bill. In other words, 39,000,000 families will be paying local and Federal taxes in order to subsidize the rent of the million families living in houses which they probably could not afford, and occupied by persons whose income may in many instances be higher than theirs.

The following letter, which I wrote to the mayor of Baltimore may be interesting. While the figures mentioned therein apply to Baltimore City and my congressional district, they may be applied to any section of the United States in a relative degree:

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 21, 1949.

Hon. THOMAS D'ALESANDRO,
Mayor of Baltimore City,
Baltimore, Md.

DEAR MR. MAYOR: I am in receipt of your letters of June 16 and June 17, advocating the passage of H. R. 4009, the so-called housing bill. After carefully studying this bill, I am wondering if you have actually read the bill and know what it provides. If you will read the bill, you will find that it authorizes the erection of 1,050,000 units of public housing with subsidies (gifts) by the Federal Government of $16,000,000,000. I note from today's paper that President Truman says it means an expenditure of only $10,000,000,000, but the bill provides grants of $400,000,000 per year for 40 years and 40 times $40,000,000 comes to $16,000,000,000, according to my arithmetic, but if you wish to use the President's figure, then divide the following figures in half. It further provides loans of $3,500,000,000 which, added to $16,000,000,000, makes a total of $19,500,000,000. But note that $16,000,000,000 is an absolute gift, so that means that every man, woman, and

child in the United States will contribute $115 to this program if enacted into law.

In other words, Baltimore County would be asked to contribute $28,750,000, Harford County $6,900,000, Carroll County $4,600,000, and that portion of Baltimore City lying in my district $34,500,000. Baltimore City as a whole would contribute $115,000,000.

The bill further provides that housing units may cost $2,500 per room, which is not out of line with present costs, so a four room and bath unit would cost four and one-half times $2,500, or $11,250. Add to this cost the cost of the land of at least $1,250, making a total of $12,500 per unit, which the Government is supposed to subsidize for 40 years. In other words, people of Baltimore City are called upon to put up $115,000,000, Baltimore County $28,750,000, Carroll County $4,600,000, Harford County $6,900,000 to help pay rents for families living in units costing $12,500 in Baltimore City. Further, there is nothing in the bill that confines the occupants to the lowest income groups.

Then there is another calculation worth noting. The bill provides that not more than 10 percent of the annual rent (a considerable portion of which is paid by the Federal Government, as aforesaid) shall be paid the city in lieu of taxes to cover schools, police, fire, garbage, streets and other public utilities.

It is reasonable to assume that a $12,500 unit will be assessed at not less than $10,000 and, calculated at the Baltimore city tax rate of $2.82 per hundred, if such unit were owned by someone who worked and sacrificed to pay for it, would mean $282 whereas these $12,500 units will only be paying $62.40 per year. I arrive at the $62.40 in this manner: The bill provides that these units shall rent for 20 percent less than comparable property of adequate volume. It is reasonable to say, I believe, that comparable property in adequate volume in the neighborhood would not rent for less than $65 per month and 20 percent under $65 would be $52 per month or $624 per year. You may say, of course, that these units may not rent for as much as $52 because they are supposed to be rented to low-income families. (Note: A New York court recently ruled that a man making $4,500 per year is in the low-income group.) The answer then is that the lower the rent, the worse the comparison. So let us use $52 per month or $624 per year as an example. Ten percent or $624 is $62.40 which will be paid in lieu of taxes on each of these housing units. In other words, the families in Highlandtown and Canton or anywhere else in the city, who have worked and struggled to own their own modest homes, will be called upon to contribute their portion of $219.60 for every unit built in Baltimore, because, certainly, if you do not collect the proportionate tax from these units, the difference will have to be made up by other home owners in Baltimore city.

I understand you hope to provide 7,000 housing units in Baltimore. So, if we multiply $219.60 by 7,000 it would mean that the home owners in Baltimore would have to put up $1,537,000 annually in addition to the $115 for every member of the family, which will be paid in Federal taxes. For a man and his wife and two children, that would be $460 for every family of four in Baltimore, Harford and Carroll Counties and every political subdivision in the United States.

Statistics of the Bureau of the Census show that there are 12,500,000 families in the lowest-income third living in substandard houses in the United States. (Your records show 396,000 people in Baltimore city.) Why should this 28,000 who will occupy the 7,000 units in Baltimore city be preferred? Is the Federal taxpayer to supply the housing for all these people? If not, why not?

If the Federal Government were to subsidize 12,500,000 units at $12,500 each, it would cost $156,000,000,000. It is certain that if we construct a million public housing housing units in the next 7 years, we will soon be urged and perhaps forced by political pressure to erect sufficient additional units to accommodate all others in this group in order to give fair and equitable treatment to this entire class of people.

To understand the magnitude of the cost of housing for the low-income group, compare this $156,000,000,000 with the present national debt of $251,000,000,000 for all government obligations, and, if we are concerned with the solvency of the Nation, add to that the $45,000,000,000 annual budget for National Defense, veterans, ECA, education, welfare, and so forth and whatever President Truman wants for socialized medicine, Federal aid to education, the Brannan farm program and other money-spending schemes now in the hopper.

I can understand you, as mayor of Baltimore City, urging the passage of this bill, because this cost may not show up on the right-hand corner of the city tax bill, but it certainly will be on Federal tax bills, and I am interested in this matter from a Federal level.

Speaking of slum clearance, I note that the Health Department of Baltimore City has rehabilitated 10,000 units in the slum area at a very nominal cost since 1941, by simply enforcing the law and making the owners who derive the income from the property, foot the bills. Don't you think this far more equitable than making the industrious family who struggled to buy their homes, pay the cost? Are you not discouraging thrift?

I am as much interested in slum clearance as anyone else but this bill does not answer that question. It does not require the building of a single unit for slums. It even strikes out of the 1937 act the provision for demolition of a slum unit for each new housing unit built.

I cannot help but be irked by governors and mayors who talk of State's rights and then petition the Congress for aids and assistance of all kinds which is the very thing that would destroy the last vestige of State's rights.

Very sincerely yours,

WILLIAM P. BOLTON.

Mack Sets National Precedent

EXTENSION OF REMARKS

OF

HON. NEIL J. LINEHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. LINEHAN. Mr. Speaker, under leave to extend my remarks, I wish to include the following article by V. Y. Dallman, editor, which appeared in the Illinois State Register, Saturday, June 25, 1949:

MACK SETS NATIONAL PRECEDENT

Thrilled, tired and happy, the 101 school children who were taken by Congressman PETER MACK on a week's trip to Washington, today are telling their friends and relatives all about it.

For them, as one of the youngsters from Springfield said, the trip has been the thrill of a lifetime. Nor were the thrills of the trip confined to the children. Washington made a deep impression upon them, but they likewise made a strong impression on Washington.

Majority leader SCOTT W. LUCAS broke precedent by welcoming them in an address from the Senate floor. Vice President BARKLEY, who made it a point to meet the group, talked to them for more than 10 minutes. Attorney General Tom Clark and FBI Director J. Edgar Hoover were happy to greet them.

The trip was a great success for everyone concerned, including Congressman MACK, who probably got the biggest thrill of all. The eager, courteous, interested young people inspired those whom they met with their good manners and enthusiasm. The lawmakers were proud of them as young Americans, and PETER MACK was especially proud because they came from his district, and were there as the realization of one of his most treasured projects.

Folks of the Twenty-first Illinois District would like to think of those 101 youngsters as exceptional—a little above the average of children in other sections, and probably Congressman MACK would, too. But actually it isn't true. They are typical of all the fine, intelligent boys and girls of the Nation.

In view of this fact, it would be a fine thing if the precedent PETER MACK has set was copied not only in other Illinois congressional districts, but in every State of the Union.

Significant of its citizenship-building importance is the fact that some of the biggest men in Government found time to extend greetings, and that all stressed the educational values which the pilgrimage offered.

That trip, coming as it has at the most impressionable period in many of the youngsters' lives, will never be forgotten by them. Tinged by the glory, the idealism, and the fresh perspective of youth, it is something that could never be duplicated in adult experience.

This is an age of thrills. Modern entertainment and recreation offer a variety of gaudy, synthetic, and sometimes macabre ones—but those 101 children of the Twenty-first Illinois District thrilled to the meaning and hope of democracy.

They thrilled as the men who signed the Declaration of Independence thrilled to the high ideals of liberty and justice; as Patrick Henry and Andrew Jackson, Henry Clay, Abraham Lincoln, "Teddy" Roosevelt, Woodrow Wilson, and Franklin Delano Roosevelt thrilled to the glory of the Republic.

As they visited the greatest capital of democracy in the world today, they were at one with the patriots of the Nation. There can be no greater strength to citizenship than that!

Voice of Alameda

EXTENSION OF REMARKS

OF

HON. FRANCK R. HAVENNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. HAVENNER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Alameda Times-Star of June 17, 1949:

VOICE OF ALAMEDA

Recent statements by Congressman GEORGE P. MILLER that cost should be no factor in the matter of distributing shipbuilding contracts as widely as possible among the Nation's shipyards are eminently logical.

The construction of tankers, other cargo vessels and passenger ships develop and retain techniques and plants that are invaluable to the country in time of war. Here on the west coast we have the remains of a

tremendous shipbuilding industry, one that furnished 53 percent of the bottoms used in the recent war. But as things are now, have been for some time, and from present indications will continue to be indefinitely, what is left of our once mighty shipbuilding industry will have about as much animation as an arthritic octogenarian.

The ostensible reason for this unhappy condition in west coast shipbuilding is that it is more economical for the country, and therefore for taxpayers, to have whatever new ship construction there is carried on in the ports and harbors of the East.

The real reason, however, almost certainly is not that of economy at all, but rather that of a steady, powerful and mounting political pressure.

Congressmen from the eastern States are naturally anxious to win as much business from the Federal Government as possible for their own districts—a highly laudable and proper desire in many cases.

But when it comes to putting on pressure to have the country's shipbuilding industry concentrated on one coast during the present days of fitful, uneasy peace, we fail to see anything praiseworthy about it.

The plain, stark truth of the matter today is that economy is not served by a concentration of shipbuilding along the eastern seaboard.

Quite the contrary. Such a policy may well prove to be one of the most costly the country has ever been asked to bear.

When the next war comes it will probably burst upon us with appalling suddenness. The likelihood is that the enemy will endeavor to attack our industrial ports and harbors at the earliest possible moment in order to destroy our shipbuilding potential. It may be true that other industrial units will be attacked at the same time, but regardless of that, we may count on all-out efforts to smash our shipbuilding industry soon after the opening of hostilities.

Only one thing would prevent such an attempt, or materially cut down the chances of its success. That would be to disperse the shipbuilding industry of the Nation on both coasts and along the Gulf.

If that were done, the chances of successful attack would obviously be greatly lessened.

This theory of dispersal is not one for application to shipbuilding alone. For some years now it has been widely talked about in relation to many other vital industries, notably that of aircraft production, and already there has been a widespread attempt, though for additional reasons as well, by many industries to get away from the big industrial centers.

The shipbuilding industry should be made to take the lead in the matter.

From a viewpoint of safety of the country alone the work of building the Nation's ships should be evenly distributed, regardless of cost, among the wartime shipbuilding centers of the Nation.

The fact that it might involve an outlay of an added few million dollars is wholly incidental to the problem involved.

The Housing Bill

EXTENSION OF REMARKS
OF
HON. EUGENE J. McCARTHY
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1949

Mr. McCARTHY. Mr. Speaker, repeatedly in the debate of the last 2 days, the charge that this housing bill is socialistic has been made. It follows then, according to the argument, that it is fundamentally unsound and contrary to the American tradition. It is necessary in these days, when in public forums and in communication generally there is so little regard for accurate use of words, to insis[t] upon definition. Home ownership by the state is not a major objective of any of the important Socialist theories. Home ownership by the state has not been a practical objective of any of the socialistic states that exist or have existed in history. Historial definition does not apply. Do the opponents of the bill call it socialistic because it embodies a social approach to the solution of a social problem. If this is their intention, and it seems that no other interpretation is warranted, then we are advocating in supporting this bill, an approach to a social problem which is in the best American tradition.

Even before the much-criticized New Deal, when rugged individualism was in full bloom, when free enterprise was to most free, the social method of solving social problems was accepted. In providing roads, education, fire and police protection, in insuring adequate and safe water supplies, sewage-disposal facilities, and many other facilities and services necessary to the good society, individual efforts were pooled in the common cause.

But even older than these, is the tradition of socialized housing in America. When the first settlers came to America, individual families did not go off alone to cut the timbers for their houses, it was not expected that each family would alone perform the work of constructing its own home. There was community participation. When a new family joined an established pioneer community, either as an immigrant, or through the normal social process of marriage, the community joined in helping to provide shelter for the new family. The house raising and the shingling bee were a regular part of early American social life. Undoubtedly there were some members of the community who were too busy in their own interest to help. Some who said these new families should provide their own homes. Some who said that if these young people wish to marry and raise families they should, at least wait, until they can provide their own houses. These critics and shirkers were in the minority. The community accepted responsibility.

Today community ties have been weakened. Urbanization, the increased mobility of the American population, have made strangers of people living in adjacent houses. The false philosophy of individualism has destroyed the sense of social responsibility. Carl Snyder, in his book, Capitalism the Creator, states boldly, that avarice and greed have been the great driving forces in the building of America. We have learned, by painful experience, that a society which is based upon the inordinate pursuit of the objects of these two vices, cannot be sound. It may for a time deceive us by the appearance of prosperity, but under strain it will show the defects of the motives which have operated in its growth.

This bill is founded upon the acceptance of social responsibility. It is an attempt to make up for the failures of the past. To establish in our highly complex and interdependent society machinery through which social responsibility can be expressed in action, and social participation in the solution of a social problem expedited in the best and oldest American tradition.

Why I Oppose H. R. 4009, the Present Public Housing Bill

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1949

Mr. POULSON. Mr. Speaker, we are now finishing the fourth day of debate on this important legislation. Therefore, I do not want to take the time of this House to review the many arguments advanced in opposition or to refute the many statements made in suport of the bill. However, I would like to dispute some of the statements made by a few of my colleagues from California pertaining to the analysis of the election in California on this very important subject, and in conclusion to summarize my main objections to this legislation.

An attempt has been made to show that the people of California overwhelmingly defeated the housing bill in 1948, not because they were opposed to socialized public housing but because the bill was improperly drawn and the sponsors were irresponsible people. Those statements made by my colleagues on the face of it are ridiculous. However, I feel just as competent as any Californian to interpret the meaning of the people's vote in 1948, and especially in my district where the bill was defeated by a more than two-to-one majority. I found in talking to people in my district during the campaign, that they were not only opposed to socialized public housing but they resented the idea of having to pay, through the medium of taxes, for public housing which would benefit only a very few persons. Now, let us see if H. R. 4009 will not fit into the same category.

In evidence brought out in these debates it has been shown that less than 6 percent of our people would be in the class available to benefit by the legislation, and less than 7 percent of those available could be selected. In other words, out of every 1,000 people you know, only 4 could qualify. The limitation placed in the bill provides for those four. The other 996 persons will get nothing but increased tax bills. So few to be benefited to imperil so many. Those selected occupants must expect to pay $50 to $60 per month in addition to the Government contribution. No one unable to pay $50 could qualify. The Government subsidy would bring it down to this rental. People able to pay $50 a month rent should find little difficulty now in

getting a home, built by private enterprise. It is the group who cannot afford to pay as much as half that $50 rent whom we should worry about. There is no relief in this bill for them. It appears to have been drawn only for the benefit of a few people in the present administration, and has little concern for slum clearance.

Yesterday, the sponsors of H. R. 4009 voted against a bill that would have had slum clearance only. I voted for this slum clearance only bill. What does this mean? It reminds me of an analogy. As a boy you can remember many times going out with a bucket of oats to catch a horse which would not be caught in any other manner. After the horse had fallen for the oats and was eating them out of the bucket, you immediately slipped on the halter. Then what did you do? You didn't even let him finish the last of the oats. You had him caught and you led him into the barn. That is exactly what is happening under this bill. This slum clearance is nothing else but a catch vote to get the people of the United States tied up and then they will be led in the direction the administration wants to lead them.

Now we know that laws will not build houses. It takes men, materials, and money. Up to this time it is well known that we have used all available men and materials under our free-enterprise system, and a socialized bill, or a law, could not increase either the manpower or the materials. The argument that the Government could subsidize this labor and material down to a basis of low cost to all is impossible because this bill, which is going to cost the Federal Government from sixteen to nineteen billion dollars, will take care of only 4 out of every 1,000. The impossibility of such an idea is obvious. Furthermore, the records show that we have approached in many localities, and are rapidly approaching in the few remaining sections, the point where the supply of housing equals the demand.

What about the financing? We have had a bill introduced in Congress by my colleague, Mr. HOLIFIELD, and sponsored by the American Legion group of southern California, to substantially liberalize the loans to veterans on houses, with the idea that this liberalization would grant the opportunity to these veterans to build their own homes. What has happened to this bill? The administration leaders and the committee have not even held hearings on it. They prefer this socialistic housing bill.

Going further, we can observe that the other governmental agencies are working against the free-enterprise system of building homes, in favor of the socialistic public-housing idea. I positively know from contacts I have with some large builders in California that FHA has used every known device of stalling to delay housing projects for which all financing has been arranged and materials, supplies, and labor made available. This point was brought out by Mr. Gilbert E. Morris, Los Angeles superintendent of building, on April 9, 1949, in an article in the Los Angeles Evening Herald Express of that date. Morris said that when he spoke of low-cost housing he had in mind one of a type recently built in Long Beach, Calif. An eight-family building there was financed outside the normal lending agencies and cost $900 a room. It passed inspection under the city building code, although it would not meet FHA requirements. The builders said each unit, including living room, dinette, bedroom, kitchen, and bath, could rent for $45 a month and return a profit to the investors. In support of this, Mr. Rollins MacFadyen, technical liaison housing adviser, Department of California, the American Legion, said: "We have worked with and agree with Mr. Gilbert Morris right down the line."

It is the same old story of this administration trying to get everything under Government control so that they will have their fingers in everybody's business and will absolutely control the destiny of each citizen.

Now, let us develop the difference in the principle between the Holifield bill and the public-housing bill, H. R. 4009. It is said that the Holifield bill probably liberalizes loans to such an extent that it is questionable whether it is a good business transaction from the standpoint of the Government. Assuming this to be partially true, and that it goes so far as to practically insure a veteran that he, with any reasonable effort on his part, can keep his home, the bill still retains the fundamental principles of the free-enterprise system. First, the veteran would have to have the initiative to start the procedures to obtain the financing and to build the house. Then he would operate it under the formula of the free-enterprise system, which gives him the opportunity to have a home which is really his. Not so with this public-housing bill. The Government builds the homes and then says to a select group of people: Come, take your chance in the public lottery and we will rent you a $100 house for $50. Of course, we can take care of only 4 out of 1,000 of you, but what we are doing is changing the system of operation in this country and eventually the other 996 of you can come and live in a Government house. Naturally, you will not own your house. The Government will own it.

I do not believe in that theory and I will not vote for any legislation which encourages the kind of philosophy contained in H. R. 4009.

Forgetting all the other arguments, let us look at the cold facts and see if we can afford this public-housing program, whether we like it or not. In a speech yesterday, Mr. WADSWORTH, of New York, brought these startling facts to our attention. Government revenue has been declining for the past 3 months and the most conservative estimate is that we will run into a deficit of at least $4,000,000,000 in the next fiscal year. At present, our national debt is $252,000,000,000 and that means an additional increase in the debt. These figures are based on the regular operation of Government and not on the many additional programs now before Congress, such as public housing, Federal aid to education, European arms and additional foreign relief. This housing program the sponsors even admit will cost from sixteen to nineteen billion dollars over a 40-year period, which means that for 40 years we are obligated to pay from four hundred to five hundred million dollars each year, or increase the debt by that amount. Let me quote from my colleague, Mr. WADSWORTH, of New York, who has spent 18 years in the House and 6 years in the United States Senate:

> This bill provides that these contracts involving, amongst other things, the $400,000,000 annual subsidy, are based on the "faith and credit of the United States." They cannot be voided. The Eighty-second Congress, the Eighty-third, the Eighty-fourth, the Eighty-fifth, the Eighty-sixth, the Ninetieth, the Ninety-fifth, the One Hundredth Congress must appropriate the money. No control is left in the Congress of the United States from time to time as its Members are elected by the people. Come flood or famine, peace or war, the Congress must pay. I may be wrong about it, but I cannot recollect any such statute ever having been passed by the Congress of the United States.

Therefore, at this time I intend to vote not only against this public-housing bill but against the other legislation I mentioned above, which will but increase our debt and further weaken the security of our Nation. Furthermore, I intend to vote for the Senate resolution calling for a 5 to 10 percent reduction in all expenditures.

Light Without Heat

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 1949

Mr. LANE. Mr. Speaker, Father Coakley, author of the following article on public schools and Catholic schools, is pastor of Sacred Heart Church, Pittsburgh, Pa. His parish elementary and high schools are recognized as among the most modern and well equipped in the United States.

LIGHT WITHOUT HEAT

(By Rev. Thomas F. Coakley, D. D.)

The debate over Federal aid to education seems to engender a considerable amount of cross-fire emotionalism. But it should not; it need not; it would not if two essential facts were kept in mind.

The first is that Catholic school pupils are American citizens. All American citizens, including Catholics, are entitled to equal treatment under the law. America is not America if this fact is ignored.

The pupils in Catholic schools were born in America, they have lived all their lives in the United States; their fathers and mothers were born in the United States, or else they became naturalized citizens of the country; their fathers and brothers entered the armed services just as other American citizens. They paid taxes, engaged in civic undertakings, bought farms and homes, took part in American sports and elections, entered into American business organizations. They became doctors, lawyers, dentists, engineers, teachers, professors, nurses, aviators, architects, musicians, just like other American citizens.

If we keep this tremendous fact in mind that Catholic school pupils are American

citizens, we would be far along the road to a swift solution, both amicable and just, of the whole problem of Federal aid to education.

The second fundamental fact to be forever remembered is that when a child goes to a Catholic school he is fulfilling a civic and a State obligation. He is obeying the law of the land which requires all pupils to attend school for a certain number of years. Compulsory school attendance is statute law all over the United States. The law says the child must be educated, but it does not say where. It very wisely permits parents to select the schools to which they will send their children.

NEED OF COMPULSORY EDUCATION

The prime purpose of compulsory education laws is social; it is for the benefit of the State; it is legislation enacted by the State to insure that all American citizens of tomorrow will have the proper basic training in order to intelligently exercise their duties as citizens, and to be an asset and not a burden to the community.

The State has made compulsory education the law of the land to enable American citizens to make a living, so that they may increase thereby the total prosperity of the Nation. The State realizes that educated children are better able to found a home and raise a family and to cooperate with others in community enterprises. Education enables them to conform to American ideals of living; it equips them with knowledge to enable them to vote properly and intelligently, and to form a sound public opinion, and to bear arms when necessary to defend the Nation when its very life is imperiled. In other words, the State wants an educated, intelligent body of citizens for tomorrow's America.

The public schools have carried the burden of educating American citizens, and they have done a remarkably fine job, and they are still achieving a striking success in this difficult task. But the public-school system has not carried the burden alone. Catholic schools have educated millions of American citizens, indistinguishable in their patriotism and their learning from the millions of American citizens who received their training in the public schools. These Catholic-trained citizens entered the Army and Navy and marines and air forces, fought and bled and died side by side on all the seven seas, and in every test, at every point where there could be a comparison, the pupils of Catholic schools have shown themselves just as much loyal and intelligent and progressive Americans as the products of public schools.

PUBLIC SCHOOLS NOT WHOLE SYSTEM

The public-school system is not the American-school system. It is only a part of it. The Catholic schools are a very important section of the American system of education. Therefore, when the question of Federal aid to education arises, it should be solved in the American way, the fair way, the just way, the equitable way. That means it should include all pupils being educated in American schools, whether in public or private schools, because all citizens are entitled to equal treatment under the law, just as all American citizens are expected to share equally the Nation's burdens.

Not to give Catholic pupils equal advantages with public schools is unfair, it is unjust, it is discriminatory, it is un-American. Catholic schools have performed this notable service of making educated American citizens out of millions of young men and women, but they have done so under an enormous handicap. They are compelled to go down into their pockets twice for education in this country; once to educate all American citizens who are not Catholics, by submitting to taxation to support the public schools; then again they must find many millions more as a voluntary tax upon themselves to educate their own children for the benefit of the State and Nation, and for which neither State nor the Nation contribute a single dollar.

American citizens are accustomed to fair play; let us have fair play in Federal aid to education. When our fellow American citizens know and realize the stupendous double burden of taxation Catholic Americans are carrying to make good American citizens, we feel sure they will make fair play not a theory but a fact.

More than four score and seven years ago a great American, Abraham Lincoln, on the blood-drenched battlefield at Gettysburg, said that this country would enjoy a new birth of freedom, so that government of the people, by the people, and for the people might not perish from the earth.

Thus far we have not yet realized that new birth of freedom because there is as yet no equality in education. Today this country is a Government of some of the people, by some of the people, for some of the people. As long as that condition endures democracy is a delusion and a snare, and a defense in its behalf a hypocrisy.

The Protest of Loyal Allies

EXTENSION OF REMARKS
OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement made by Gen. Carlos P. Romulo, Philippine Ambassador to the United Nations and Chief Delegate to the Far Eastern Commission, on the question of Japanese reparations. It is the protest of the Philippine Government against a recently announced policy of our State Department cancelling the payment of reparations by Japan.

The Filipinos were our loyal allies during the last world war and they fought heroically against Japan. Because they were loyal to us and they fought stubbornly against the Japanese hordes, their country was devastated. Among those who showed his loyalty to the United States on the battlefield is General Romulo. Later he served with us in this House as the Delegate from the Philippine Commonwealth. Because we know so well his loyalty to the ideals of American democracy, it will serve us well as Americans to read and ponder what he has to say. There is a note of disillusionment discernible in his statement that should make us think.

Before the Japanese sneak attack on Pearl Harbor Ambassador Romulo wrote a series of articles warning us against Japan. Years later he was awarded the Pulitzer prize for those articles, but when he wrote them nobody paid attention to his warning. Will history repeat itself as a result of failure to heed the warning in the following statement:

Mr. Chairman, on May 19, I made a preliminary statement on the question of Japanese reparations on behalf of the Philippine Government. Upon further instructions from my Government, I would like to present today the following arguments and observations in further elucidation of the Philippine attitude.

This attitude is based primarily on the following points:

1. The reversal in reparations policy is a flagrant repudiation by the United States of its commitments under the Potsdam Declaration.

2. The Philippine claim for a share in Japanese reparations constitutes a valid entitlement duly recognized in the basic post-surrender policy for Japan.

3. The United States decision would nullify both the letter and spirit of the terms of reference of the Far Eastern Commission, as well as the series of policy decisions on the problem of reparations laid down by the Commission, particularly those bearing on the disposition of interim reparations assets covering 11 categories of Japanese industries.

4. The United States decision would be contrary to the general intent of the Philippine Rehabilitation Act of 1946 which was approved by the United States Congress before the independence of the Philippines, and which was premised in part on the payment of Japanese reparations.

5. Of all the Asian countries, with the probable exception of China, the Philippines sustained the heaviest loss and damage from enemy action and is therefore entitled to preferential treatment in the matter of reparations.

6. Japanese reparations assets have been assigned a vital strategic role in the implementation of the postwar industrial development and recovery program of the Philippines, and the cessation of the expected reparations payments would cause a serious disruption in the economic development timetable of the Republic and a grave dislocation of its economic structure.

In connection with the first argument, I cited in my preliminary statement the pertinent provisions of the Potsdam Declaration, which categorically set the pattern for the exaction of reparations in kind from Japan.

In support of the second argument, I quoted the applicable provisions of the basic postsurrender policy for Japan, which established the validity of the reparations claims of the Philippines and other allied countries under section 4 thereof. I also recalled the various policy decisions on reparations adopted by the Commission, which laid down the basic principles governing the apportionment of reparations shares among the different claimant countries. In particular, the Far Eastern Commission policy decision of May 8, 1947, Division of Reparations Shares, in setting up the criteria to be used in determining the shares of each country, explicitly recognized the valid entitlement of the Philippines and the other allied countries to reparations from Japan, in these words:

"The shares of particular countries in the total sum of the reparations from Japan shall be determined on a broad political basis, taking into account the scope of material and human destruction and damage suffered by each claimant country as a result of the preparations and execution of Japanese aggression, and taking also into due account each country's contribution to the cause of the defeat of Japan, including the extent and duration of its resistance to Japanese aggression."

On both counts—the material and human destruction suffered by each claimant country and its contribution to the war effort against Japan—my Government affirms most categorically that its entitlement to reparations is beyond doubt or cavil and cannot be impugned on grounds of mere prudence or convenience.

The American decision also constitutes, in the view of my Government, a violation of the terms of reference of the Far Eastern Commission relative to the grant of unilateral interim directive powers to the United States, specifically section 3, paragraph 3 thereof, which reads as follows:

"3. The United States Government may issue interim directives to the Supreme Commander pending action by the Commission whenever urgent matters arise not covered by policies already formulated by the Commission." Etc.

The suspension of further removals under the interim reparations program clearly violates this proviso since the United States declaration of May 12 would not only rescind the United States unilateral decree of April 4, 1947, but would have a similar effect upon the interim reparations policy decisions unanimously approved by the Far Eastern Commission, including the policy decisions adopted long before the United States directive to SCAP was issued; in particular, the s ries of policy decisions of May 13 to December 6, 1946, earmarking residual equipment in 11 categories of Japanese industries as available for reparations.

In support of the fourth point concerning th› Philippine Rehabilitation Act of 1946 I would like to go back to the historical basis of that enactment. In fulfillment of the repeated pledges of liberation and material assistance which he had solemnly given to the Filipino people in wartime President Roosevelt called upon the United States Congress on October 6, 1943, "to make provision to determine the adjustments necessary in the existing provisions of law which govern the economic relations between the United States and the Philippines so as to assist in making the Philippines, as an independent nation, economically secure."

Accordingly the United States Congress after the war approved the Philippine Trade Act of 1946 and the Philippine Rehabilitation Act. The prevailing sentiment of Congress was expressed by Majority Floor Leader Congressman JOHN MCCORMACK in these words:

"America, speaking through their President in the early days of the war, uttered no mere idle words. The help to be extended to the Filipinos to enable them to live in peace and independence was to be real, not imaginary, actual, not theoretical. America has never broken bond. America will not fail in the matte: of Philippine rehabilitation."

In signing these enactments on April 30, 1946, President Truman recalled the previous pledges of President Roosevelt, including the recommendation to Congress already cited. He said:

"That recommendation was made in the heat and desperation of struggle. It climaxed promises made to the people of the Philippines that not only would their land be liberated from the tyranny of the enemy, but that they would be given their full independence and would be rehabilitated from the ravages of war."

Now, the act itself, while authorizing the appropriation of $520,000,000 for war damage payments to the Philippines, public and private, provided only for partial compensation of such damage and did not constitute a quitclaim or waiver of reparations. The Philippine Government, considering its total reparations bill of $5,000,000,000, exclusive of goods and services obtained by the Japanese occupation forces, could not have agreed to such a waiver and no such consent may be implied from the Philippine acceptance of the benefits under the act.

Indeed, the act itself envisaged the payment of reparations. Section 106 (b) of the act provides that any money or bullion received by the United States from the Japanese Government by way of reparations shall be paid into the United States Treasury until it shall have fully reimbursed itself to the extent of the $520,000,000 in war-damage payments to the Philippines. The act goes on to say that any such Japanese reparations in excess of the amounts paid out by the United States shall be used to satisfy in full the unpaid balance of any private or public claim of the Philippines.

Under long-established rules of international law, the Government of the Philippines would normally have had the right, on its behalf and on behalf of its citizens, to claim and collect reparations from Japan. However, by virtue of the Rehabilitation Act, the United States Government took it upon itself to advance certain funds to the Philippines on the understanding that the first reparations received from the Japanese Government should go to repay the United States Government before being used for any other reparations claims. It therefore modified the normal rights to reparations of the Philippine Government and of the citizens of the Philippines by subrogating their claims to the prior claim of the United States.

Under the act, therefore, the Philippine Government agreed that the United States shall have a priority in reparations payments from Japan. It thereby, in effect, gave the United States Government full power and authority to act for it in connection with its claims for reparations against the Japanese Government; and in return the United States Government implicitly undertook to act as such agent and to collect reparations at least to the extent of the balance of the war damage claims of the Philippines, public and private, not paid for out of the United States Treasury.

The United States decision to halt all further reparations from Japan deprives the people of the Philippines of their just rights. Although the Philippines Rehabilitation Act represents an act of unprecedented generosity, it must be remembered that it at the same time deprived the Government and people of the Philippines of rights to reparations which they would otherwise have against Japan, and in return it involved an implicit agreement by the United States Government that it would undertake to act as agent for the Philippines to collect reparations to the extent of the balance of the war damage claims not covered by the $520,000,000 advanced to the Philippines by the United States under the act. That balance amounts to $4,500,000,000.

This, Mr. Chairman, is the sum—$4,500,000,000—which the United States Government in principle obligated itself, under the Rehabilitation Act, to collect for the Philippines in reparations from Japan. This is the sum of which the Philippine Government and the citizens of the Philippines who suffered property damage at the hands of the Japanese would be deprived by the United States decision to halt reparations.

I have laid special stress upon this argument because, as Philippine Resident Commissioner to Washington when this law was passed, I was able personally to examine and follow the underlying principles of this enactment.

With respect to the fifth and sixth points, the United States decision would in effect raise insurmountable obstacles to the economic recovery program of the Philippines. The gravity of this problem can be seen in the following figures:

The Philippines has so far received in reparations removed from Japan, machine tools and pilot-plant equipment valued at $11,000,000. This is an infinitesimal portion of the over-all reparations claim of the Philippines, estimated at $8,000,000,000. Of this over-all reparations bill, as stated before, $5,000,000,000 represents damage to private property and industrial establishments, while the balance of $3,000,000,000 represents the value of goods and services obtained by the Japanese during the occupation of the Philippines and paid with Japanese military notes.

The various amounts that we have so far received in reparations from Japan, valued at $11,000,000, in Japanese assets expropriated in the Philippines valued at $50,000,000, and in war-damage payments and other benefits received from the United States amounting to $600,000,000, together total less than three-quarters of a billion dollars, or about 9 percent of our total reparations bill.

The severity of the destruction, both human and material, wrought by the Japanese aggression in the Philippines cannot be matched by any country in Asia, with the probable exception of China. The Philippine position after World War II is comparable to that of Belgium after World War I, and the Philippines would be logically entitled to the same preferential treatment that was accorded to Belgium. At that time Germany's resources were also considered to be inadequate to meet the total reparations claims of the Allies. However, because of the extraordinary damage sustained by Belgium, the reparations claims of that country were given priority. Equity would dictate that the claims of the Philippines be accorded similar recognition.

The American declaration halting further reparations payments to the four Allied countries, including the Philippines, would jeopardize the peacetime economic recovery program of the Republic. The Philippines has launched a 5-year industrial program in the hope of attaining a modest industrial level and evolving a fairly self-sufficient economy in the years to come. We are now in the midst of a total industrial and economic mobilization, the signal for which was dramatically given by President Quirino early this year in a supreme effort to brace the Philippine economy against such contingencies as the cessation of United States war-damage payments next year and the curtailment of free trade relations with the United States in 1952. The grant of the Philippines' share of Japanese reparations, to be sure, will not of itself solve our current economic dilemma; neither can Japanese reparations equipment be expected to furnish all the requirements of a going industrial concern in the Philippines. However, Japanese reparations assets will materially help plug the gaps in our war-torn economy. Japanese reparations, particularly those scheduled for future disposition, including thermal electric power, steel and chemical plants, would serve the purpose of a modest industrial base whereon the Republic may build an industrial structure commensurate with its requirements and to meet the pressure of more highly industrialized economies in the Pacific area, including Japan's.

The argument in the United States statement of May 12 that allied countries have already profited through the proceeds from Japanese overseas investments that have been confiscated and through the territories already in the possession of the Allies does not apply to the Philipines. Japanese properties in the Philippines with an aggregate value of $50,000,000 have largely remained in the hands of the Allied Property Custodian and have not yet been transferred to the Philippine Government. We only have usufructuary rights over these properties and the title thereto shall not vest in the Philippine Government until after the treaty of peace with Japan has been signed. No Japanese territory has been ceded to or fallen into the possession of the Philippines.

The comparative reparations figures for Germany and Japan after World War II are instructive. The value of German factories and other properties removed from Germany, exclusive of the Saar, by the Allies as of December 1947 was approximately $25,000,000,000. The corresponding reparations actually removed from Japan proper, exclusive of Manchuria, and received by the four claimant countries, including the Philippines, was approximately $70,000,000. Even if it be granted that the industrial wealth of Germany was five or six times as great as that of Japan before the war, that relative disparity would, in any event, have been canceled by the much heavier damage which German industry sustained during the war. That would leave the disparity in reparations paid out by Germany and Japan con-

siderably in the latter's favor and to the disadvantage of those states that have reparations claims against it.

The Philippine Government fully appreciates the special responsibility of the United States in Japan which has imposed upon it the enormous burden of shouldering by itself the costs of the occupation. The Philippine Government also appreciates the United States insistence upon the principle that the recovery of Japan is essential to the recovery of the rest of Asia. However, as mentioned in my previous statement, we believe that it should be possible to reduce the burdens of the occupation without suspending the reparations program by exploring the resources of the Japanese economy itself and exploiting those resources toward self-support. On the basis of the testimony of American observers in Japan, I have raised the issue that the Japanese industrial leaders—the Zaibatsu class—may have deliberately conspired to create an economic crisis in order to embarrass the occupation and to arouse American sympathy and assistance. I believe that this point should be clarified, since my Government considers that it would be manifestly unjust to demand restraint and further sacrifice on the part of the victims of Japanese aggression so long as there is evidence that the Japanese themselves are deliberately tampering with their economy, slowing down production, and creating monetary inflation, in order to make their country an object of pity, to whose rescue the American people would then be expected to come.

The Philippine Government is unable to understand why the United States should so suddenly come to the conclusion that the needs of the 11 member nations of the Far Eastern Commission should be subordinated to the needs of the former enemy country. The Philippines shares the United States concern for a just peace with Japan, but a just peace does not mean a soft peace. A just peace does not mean leaving the victims of Japanese aggression to shift for themselves while Japan is to be coddled and permitted to reestablish itself as the dominant industrial power in the Far East. A just peace means that the Japanese people will be afforded full opportunity to reform their political and economic structure so that they may live up to that solemn provision of the Japanese constitution under which they have renounced war forever as an instrument of national policy.

The bitter lessons of Versailles are still fresh in the memory of all nations. It is a favorite argument of American foreign policy that the reason for the failure at Versailles was because the treaty guaranteed justice for the Allies and left nothing but despair and misery for defeated Germany. We do not want a repetition of this tragic failure. We want justice for Japan, but justice within the framework of a policy that will provide for the victims of Japanese aggression the opportunity to rise and to stand on their own feet, free from the domination of Japanese industrial power as well as from the menace of Japanese military might.

In my previous statement to the Commission, I made an observation which is a commonplace in history that military power is a concomitant of industrial power and that the "Zaibatsu class, which is engineering the reemergence of Japan as an industrial power, will soon * * * be clamoring for an army and navy." In the issue of the New York Times of May 24, 1949, there appeared a news item under the headline "United States pushes plan to rebuild Japan; formation of defense unit studied." I quote from the item:

"The United States is determined to push strongly ahead with plans for the economic rehabilitation of Japan despite some doubts and objections by other Allied powers in the Pacific.

"At the same time it has become known that the plan first proposed by Lt. Gen. Robert L. Eichelberger, former commander of the United States Eighth Army under Gen. Douglas MacArthur, for the formation of a Japanese national defense force is under what is described as 'vigorous study' here."

This so-called defense force numbering 125,000 to 150,000 men, without an air force, navy, or heavy weapons, is modest indeed compared to the Japanese military juggernaut of the last war, but this is only a beginning. Presumably it will be composed of veterans of the last war and officered by the same men who planned and executed the Japanese invasion of the South Pacific and gained all the knowledge they need to have on the beaches and jungles of Asia. Nobody knows better than American technicians themselves how easy it is to retool so-called peacetime industries for wartime purposes, and American generals should know better than anyone else how equally easy it is to convert a so-called national constabulary or police force of experienced fighters into the live core of an expanding military establishment.

I have referred to the fiasco of the Treaty of Versailles. That failure was due less to the onerous terms of the treaty itself than to the fact that the Allied Powers too soon grew weary of the burdens of occupation and too quickly relaxed the controls that were necessary to give the German people time to remold their political and economic institutions along peaceful and democratic lines. If, because of the shifting power relations in Asia and the Far East, the United States should feel compelled to accelerate the rebuilding of Japan, we who are Japan's immediate neighbors and former as well as potential victims have yet a right to insist that our interests and our welfare be not sacrificed too readily to the calculations of one group of men, however well intentioned. We have a right to demand that we be consulted, that our views be considered in order that policies which involve our very existence may be carefully examined in the light of the threats that confront us from various directions.

All the countries in the Pacific are thus confronted by dangers, internal as well as external. Of the last kind, there is more than one that we fear. We of the Philippines who know Japan as the Americans can never hope to know it have reasons of our own to insist that this natural and logical fear of Japanese power be not ignored as if it were a mere figment of the imagination, unworthy of serious attention.

The solicitous concern of the United States for Japan does credit to the generous goodheartedness of the American people. It is, however, proof also of a possible miscalculation that can have the most terrible consequences. It does the American people great honor to be able so soon to forget Pearl Harbor, Corregidor, and Bataan. But have we any right to assume that the Japanese people have equally forgotten the two atomic bombs that the United States dropped on Hiroshima and Nagasaki? We Filipinos think we know both the Americans and the Japanese equally well, and we would be very much surprised indeed if an identical attitude of forget and forgive has replaced the bitter resentment and vindictive spirit which is natural in all defeated peoples but which is greatly accentuated in a people as proud and arrogant as the Japanese have shown themselves to be throughout their history.

So, if we help Japan to stand on its own feet once more and, on top of that, place in its hands the weapons of war as a faithful and valiant ally, we run not only the peril of having those weapons turned against ourselves by an unregenerate nation, but short of such treachery, we run the additional peril of placing Japan in a position where it can use, for purposes of blackmail, its newly acquired strength to wrest further concessions from us and to play against each other the two powers that are now competing for its adherence and support.

Beyond the legal rights and moral obligations that are implicit in this question, I would like to express the keen regret of my government that the United States Government should not have considered it practical and wise to have given us advance notice of its intentions. It is customary, I believe, for countries that regard each other as allies, and it is certainly almost obligatory for countries so closely related to each other as are the United States and the Philippines, to seek mutual counsel and reassurance before a policy of such far-reaching importance as this is publicly announced and embarked upon.

The United States Government has, no doubt, rightly expressed concern for the American taxpayer. But we may well question the implication that the American taxpayer, who is spending billions for the Marshall plan, is so unwilling to pay 1 cent more for the occupation of Japan that he would approve of any measure whatever that would relieve him of this obligation, even if it should mean condemning his friends and allies to a life of fear and potential subjection to the self-same enemy against whom so lately they fought together. I refuse to believe, Mr. Chairman, that American generosity toward a former enemy can go so far as to cancel or displace the loyalty of the American people to their friends and allies.

In the meantime, my Government finds itself in the difficult position of having to allay an aroused and embittered public opinion in the Philippines. For us, unfortunately, it is not merely a question of pleasing overburdened taxpayers. It is a question of telling people who lost all they had during the Japanese occupation, who sacrificed parents, children, and all in the struggle against the enemy, who kept the American flag flying in their hearts for three long, desperate years on Bataan and in the hills—it is a question, I say, of telling them and making them believe that America has not abandoned and forsaken them for the favors of a new-found friend.

The Voice of Freedom that spoke to them over the radio from Corregidor during the Battle of Bataan and that continued to speak to them from America after the surrender, calling upon them to keep up the struggle against the enemy because America would redeem her pledges when victory was won—that voice is silent now. What are we going to tell them, and how?

What Next?

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, it is extremely difficult to retain the opinion that the Supreme Court of the United States is qualified to and will administer equal justice under law when two members of that Court will descend from the bench, travel to a United States district courtroom and there testify as character witnesses in behalf of a defendant who is on trial for perjury alleged to have been committed in a proceeding where a charge of disloyalty was being investigated.

Yet that is just what Justices Frankfurter and Reed did in behalf of Alger Hiss.

Should Hiss be convicted and appeal, would these two Justices disqualify themselves? Will they privately express an opinion to their Associate Justices as to Hiss' character, as to his truth and veracity?

Assuming that Hiss is convicted, that his appeal reaches the United States Supreme Court and that the two Justices refrain from any participation, direct or indirect, if that be possible, in the making of the decision—what right have they, by disqualifying themselves, to deprive the people of a Court of nine Justices qualified to pass upon each case presented?

How can the members of the Supreme Court expect to retain the good opinion of the people when individual Justices depart from that line of conduct which in years gone by has entitled the Court to the respect and confidence of the American people?

The kind of a purported disgraceful situation we are in is outlined in an article by Westbrook Pegler printed in the morning press, which reads as follows:

The trial of Alger Hiss must be viewed with a cold eye of suspicion by citizens who have studied the machinations of the Harvard Law School cabal and the intrigues of Eleanor Roosevelt.

During the trial Mrs. Roosevelt felt emboldened to say in print that Chambers, admitting perjury in some trivial points, was an incredible witness for the prosecution. Therefore, she moved, in effect, that the case be thrown out.

This condemnation seemed inconsistent coming from a woman who had falsely stated that she had never had an automobile accident when, in fact, she had had three smash-ups. Had she told the truth about these three wrecks, the licensing authority might reasonably have concluded that she was unfit to drive and this would have been a serious inconvenience to her.

Each person may make his own test in this. It is this: Could you forget three previous automobile accidents in which you had participated as a driver? And would you regard a driver with a record of four serious accidents as a safe risk on the road?

Although, of course, there is no charge of perjury against Mrs. Roosevelt in the Hiss case, she is a codefendant in a figurative sense because Hiss is a protege of Felix Frankfurter, who has been a power behind the throne ever since the New Deal began.

Hiss is a member of their crowd, their clique. Frankfurter is an old, intimate partner in politics, not always in the open, of David K. Neyhaus or Niles, the Boston political fixer, who was planted in the White House in the role of a selfless secretary with a passion for anonymity early in the Roosevelt reign.

A brother of Niles, known variously as Elias and Elliott Niles or Neyhaus, was commissioned a captain in the Army early in the war and, as recently as last winter, was still safe and comfortable in the Pentagon. There he had spent the war. Now he has risen to the rank of lieutenant colonel.

Frankfurter, David Niles, and Harold Laski, of London, who has been openly called an apologist for communism, have been close associates for many years. Niles is hardly to be classed with Frankfurter and Laski in the intellectual sense. But little is known about him.

Were he an outspoken fellow he might be relegated to unimportant status. But, being quiet almost to the extent of furtiveness and yet hanging on tenaciously long after Roosevelt, Niles arouses questions.

Whom does he represent in the White House? What does he do? Is Truman afraid to fire him?

The judge in the Hiss case is Samuel H. Kaufman, a Tammany politician who was counsel for the notorious Bessarabian draft-dodger and stock manipulator, Serge Rubenstein. Rubenstein finally went to prison as the most disgraceful slacker and ingrate of the American war, but ere he was laid by the heels he had repeatedly been formally invited to the White House by Mrs. Roosevelt.

He had pull in the Roosevelt administration and household. He enlisted also the friendly consideration of BRIEN MCMAHON, the Democratic Senator from Connecticut, and a deportation order was reversed by the Board of Immigration Appeals.

This is the same bureaucratic rescue squad which saved Harry Bridges after the decision to deport him had been sustained by the district and appellate courts.

The Association of the Bar of New York City found so little to recommend Judge Kaufman for his job on the district bench that it refused to recommend his confirmation. And the Federal Bar Association of New York, New Jersey, and Connecticut rescinded an earlier indorsement for the same reasons.

The Senate Judiciary Committee refused to approve him. Therefore, Mr. Truman eluded the Senate by giving him an interim appointment, a device used for the appointment of marshals, postmasters, and the like but not to impose on the courts judges who can't pass inspection.

After Truman was reelected and got his own Congress he sent Kaufman's name through again, and this time the Democrats in the Senate confirmed him.

By what process it fell out that the Hiss case came before Kaufman I do not know but will inquire. It was postponed several times but finally Hiss could not have wished for a more considerate judge. A suspicion of partiality could arise from the fact that the whole Frankfurter cult and the Roosevelt myth are on trial before this political protégé of the regime, Judge Kaufman.

Before the Thomas Committee on Un-American Activities Hiss pleaded that he be not required to name Frankfurter as the man who brought him into the Government. He was willing to indict Jerome Frank, now a judge of the circuit court of appeals, sitting in the same courthouse downtown in New York where this trial goes on.

Frank was then general counsel for the Agricultural Adjustment Administration, a hotbed of communism and a mass of traitorism. It was crawling with graduates of Harvard Law and late students of Frankfurter's sly counsel and sidelong thought.

Hiss didn't mind saying that Frank was his sponsor. But he seemed to think it would be a betrayal of his chief to denounce Frankfurter in the same way.

At last, in anguish, he was forced to admit that Frankfurter inducted him into the Government for the career which led to charges of betrayal of his country to a Soviet spy. Incidentally, although the statute of limitations may have run out on some of the acts of betrayal alleged against him, Hiss need not avail himself of this immunity.

If he really wants to clear his name on the evidence rather than by a technicality he can waive the statute and face trial.

At last Frankfurter and Stanley Reed, another Justice of the Supreme Court, were presented as character witnesses for Hiss. They came on their own initiative, without subpena. They are officers of the highest court in the land and officers of the Government which the Communists have undertaken to destroy.

Judge Kaufman was cordial to them far beyond the requirements of courtesy. Frankfurter here was no better than any other citizen.

He was the patron of the man on trial. Yet, when Thomas F. Murphy, the prosecuting attorney, tried to question him about others whom he had planted in the Government, about the mysterious "invisible government" of the Harvard law pro-Communist, anti-American cult, Judge Kaufman shut him off.

Murphy had a right to discredit, if he could, the character of Hiss' character witnesses. When Frankfurter went there he put his own character up for questioning for the first time since he was nominated for the Supreme Court and brought Dean Acheson, the present Secretary of State, to the Senate hearings as his mouthpiece.

He was the only nominee in the history of the Supreme Court who needed a lawyer before the Senate Judiciary Committee. And the facts that were known about him then were trivial as compared with the evidence that has come to light since.

Yet Kaufman entered the play so that Frankfurter's endorsement of Hiss was allowed to stand just as though Frankfurter's own character could be taken for granted.

There seems to be an assumption that Frankfurter and Reed will disqualify themselves if the Hiss case comes before them on appeal.

But that is based on a mere tradition of honor and not a rule. In its present corrupt condition, one justice of this Court has openly abused another for failure to disqualify himself, in similar circumstances. Douglas openly courts the CIO, a political body which often has interests before the bar.

And, in a previous case Frankfurter wrote the majority decision upholding the Norris-LaGuardia Act which he, himself, had written.

It has been a sordid spectacle from the standpoint of Americans who retain their innocent faith in the motto carved across the facade of the Supreme Court of the United States: "Equal justice under law."

The Housing Bill

EXTENSION OF REMARKS

OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement of Mayor D'Alesandro, of Baltimore:

CITY OF BALTIMORE,
June 23, 1949.

STATEMENT OF MAYOR D'ALESANDRO

With his deliberate, selfish misrepresentation of the contents of the housing bill, Congressman BOLTON has shown himself to his constituents in his true colors.

I say selfish misrepresentation because Mr. BOLTON himself is a builder and perhaps the voters in his district should know that. I say deliberate misrepresentation because he simply is acting as the mouthpiece of the real-estate lobby, which unquestionably prepared his letter for him in its entirety.

As the tool of the real-estate interests, Mr. BOLTON not only is trying to fool the people of Baltimore and the counties of his district about the "Baltimore plan," but he is trying to fool his colleagues in Congress, as well by showing them motion pictures made by the real-estate interests of "before and after pictures" of houses improved by the Baltimore plan.

If Mr. BOLTON knows anything at all about the housing situation, and that seems doubtful from his letter, he knows that the Baltimore plan is little more than a clean-up, paint-up campaign, good enough in its limited field, but far from an answer to the housing shortage and slum clearance.

Mr. BOLTON says he is irked that a mayor of a large city is taking an active interest in getting better housing for the people. To that I must say that I am more than irked by the atitude of a Congressman who thinks of nothing but his own private interests.

He is called a Representative, but I would like to know, representative of what? As I told Mr. BOLTON in my letter to him, his opposition to the bill is a disservice to Baltimore and to the welfare of the entire country.

THOMAS D'ALESANDRO, Jr.,
Mayor.

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 21, 1949.

Hon. THOMAS D'ALESANDRO, Jr.,
Mayor of Baltimore City,
Baltimore, Md.

DEAR MR. MAYOR: I am in receipt of your letters of June 16 and 17, advocating the passage of H. R. 4009, the so-called housing bill. After carefully studying this bill, I am wondering if you have actually read the bill and know what it provides. If you will read the bill, you will find that it authorizes the erection of 1,050,000 units of public housing with subsidies (gifts) by the Federal Government of $16,000,000,000. I note from today's paper that President Truman says it means an expenditure of only $10,000,000,000, but the bill provides grants of $400,000,000 per year for 4 years and 40 times $400,000,000 comes to $16,000,000,000, according to my arithmetic, but if you wish to use the President's figure, then divide the following figures in half. It further provides loans of $3,500,000,000 which, added to $16,000,000,000, makes a total of $19,500,000,000. But note that $16,000,000,000 is an absolute gift, so that means that every man, woman, and child in the United States will contribute $115 to this program if enacted into law.

In other words, Baltimore County would be asked to contribute $28,750,000, Harford County $6,900,000, Carroll County $4,600,000, and that portion of Baltimore City lying in my district $34,500,000. Baltimore City as a whole would contribute $115,000,000.

The bill further provides that housing units may cost $2,500 per room, which is not out of line with present costs, so a four-room-and-bath unit would cost four and one-half times $2,500 or $11,250. Add to this the cost of the land of at least $1,250, making a total of $12,500 per unit, which the Government is supposed to subsidize for 40 years. In other words, people of Baltimore City are called upon to put up $115,000,000, Baltimore County $28,750,000, Carroll County $4,600,000, Harford County $6,900,000 to help pay rents for families living in units costing $12,500 in Baltimore City. Further, there is nothing in the bill that confines the occupants to the lowest-income groups.

Then there is another calculation worth noting. The bill provides that not more than 10 percent of the annual rent (a considerable portion of which is paid by the Federal Government, as aforesaid) shall be paid the city in lieu of taxes to cover schools, police, fire, garbage, streets, and other public utilities.

It is reasonable to assume that a $12,500 unit will be assessed at not less than $10,000, and calculated at the Baltimore city tax rate of $2.82 per hundred, if such unit were owned by someone who worked and sacrificed to pay for it, would mean $282, whereas these $12,500 units will only be paying $62.40 per year. I arrive at the $62.40 in this manner: The bill provides that these units shall rent for 20 percent less than comparable property of adequate volume. It is reasonable to say, I believe, that comparable property in adequate volume in the neighborhood would rent for less than $65 per month and 20 percent under $65 would be $52 per month or $624 per year.

You may say, of course, that these units may not rent for as much as $52 because they are supposed to be rented to low-income families. (Note: A New York court recently ruled that a man making $4,500 per year is in the low-income group. The answer then is that the lower the rent, the worse the comparison. So let us use $52 per month or $624 per year as an example. Ten percent of $624 is $62.40 which will be paid in lieu of taxes on each of these housing units. In other words, the families in Highlandtown and Canton or anywhere else in the city, who have worked and struggled to own their own modest homes, will be called upon to contribute their portion of $219.60 for every unit built in Baltimore, because certainly, if you do not collect the proportionate tax from these units, the difference will have to be made up by other home owners in Baltimore City.

I understand you hope to provide 7,000 housing units in Baltimore. So, if we multiply $219.60 by 7,000, it would mean that the home owners in Baltimore would have to put up $1,537,000 annually in addition to the $115 for every member of the family, which will be paid in Federal taxes. For a man and his wife and two children, that would be $460 for every family of four in Baltimore, Harford, and Carroll Counties and every political subdivision in the United States.

Statistics of the Bureau of the Census show that there are 12,500,000 families in the lowest-income third living in substandard houses in the United States. (Your records show 396,000 in Baltimore City.) Why should this 28,000 who will occupy the 7,000 units in Baltimore City be preferred? Is the Federal taxpayer to supply the housing for all these people? If not, why not?

If the Federal Government were to subsidize 12,500,000 units at $12,500 each, it would cost $156,000,000,000. It is certain that if we construct 1,000,000 public-housing units in the next 7 years, we will soon be urged and perhaps forced by political pressure to erect sufficient additional units to accommodate all others in this group in order to give fair and equitable treatment to this entire class of people.

To understand the magnitude of the cost of housing for the low-income group, compare this $156,000,000,000 with the present national debt of $251,000,000,000 for all Government obligations, and, if we are concerned with the solvency of the Nation, add to that the $45,000,000,000 annual budget for national defense, veterans, ECA, education, welfare, etc., and whatever President Truman wants for socialized medicine, Federal aid to education, the Brannan farm program, and other spending schemes now in the hopper.

I can understand you, as mayor of Baltimore City, urging the passage of this bill, because this cost may not show up on the right-hand corner of the city tax bill, but it certainly will be on Federal tax bills and I am interested in this matter from a Federal level.

Speaking of slum clearance, I note that the Health Department of Baltimore City has rehabilitated 10,000 units in the slum area at a very nominal cost since 1941, by simply enforcing the law and making the owners who derive the income from the property foot the bills. Don't you think this far more equitable than making the industrious family who struggled to buy their homes pay the cost? Are you not discouraging thrift?

I am as much interested in slum clearance as anyone else but this bill does not answer that question. It does not require the building of a single unit for slums. It even strikes out of the 1937 act the provision for demolition of a slum unit for each new housing unit built.

I cannot help but be irked by governors and mayors who talk of States' rights and then petition the Congress for aids and assistance of all kinds which is the very thing that would destroy the last vestige of States' rights.

Very sincerely yours,

WILLIAM P. BOLTON,
Member of Congress.

JUNE 23, 1949.

Hon. WILLIAM P. BOLTON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BOLTON: After reading your letter of June 21 presenting your version of what the housing bill will cost, I went back over it a second time to check the figures. The box score: 3 correct figures and 35 wrong or misleading figures. This makes a batting average of 0.079, or about normal for opposition figures.

There is nothing particularly striking about the errors you have made since they have all occurred so often in statements opposing the bill that I can only regard them as efforts at deliberate misrepresentation. I have seldom, however, seen these errors pushed to such extravagant lengths.

I do not have the time to refute each one of your many erroneous statements, but I will call your attention to some of the major ones.

You have lumped loan, grant, and annual subsidy amounts into one stupendous total (which, incidentally, is wrong even if such lumping were proper). This is much as though you repaid me a loan of $10 with interest and I were then to claim that the whole transaction cost me $10. A loan repayable with interest is not the same thing as a grant, but your letter does not seem to indicate that you are aware of the distinction.

You assume that an authorized expenditure is the same thing as an actual expenditure. This may be true for most public activities, but it is not true for low-rent public housing. The record bears me out on this. In no year in the past history of low-rent public housing have actual expenditures for Federal subsidies been as much as authorized expenditures. Last year actual expenditures were only 24 percent of authorized, and over the past 10 years they have averaged only 58 percent. For the bill under discussion in Congress it has been estimated that actual expenditures would average 77 percent of authorized expenditures for 29 years instead of the 100 percent for 40 years stated in your letter. This is a fundamental error affecting about half of the cost figures in your letter. For example, you place the total cost of Federal subsidies for low-rent public housing at sixteen billion. Making allowance for the reduction in the size of the bill from 1,050,000 units to 810,000 units, agreed upon after you wrote your letter, the sum total of anticipated annual Federal subsidies for low-rent public housing becomes $6,900,000,000. This is a sizable difference from your $16,000,000,000.

It might be asked why, if actual expenditures are to be less than authorized subsidies should not be authorized subsidies be reduced? There are two reasons. First, the amount of subsidy needed will vary from year to year with our level of prosperity and in a few depression years it may be necessary to use the full amount. Second, the relatively high level of authorizations, even though not actually used, will permit local housing authorities to secure low interest rates on their bonds, thus saving money for both the local authorities and the Federal Government.

You assume that all dwellings will cost $2,500 per room. This, however, is a maximum cost set to permit construction in the most expensive section of the country (presumably New York City). Costs elsewhere

will be substantially less so that the average cost per room will be well under $2,500. Experience with the original low-rent program bears out this statement.

You state that public housing will rent for 20 percent less than private housing. Again, this shows a complete lack of understanding of this housing bill. The bill states that there must be at least a 20-percent gap between the top rents in public housing and the lowest rents in decent private housing—an entirely different matter. President experience in Baltimore indicates that rents in new public housing projects will average around $30 per month (including utilities), instead of your figure of $52 per month.

You state that "there is nothing in the bill that confines the occupants to the lowest income groups." You have apparently overlooked several important sections of the bill which require that each community shall set its own income limits for occupancy. There are ample provisions in the bill for insuring that those limits will permit occupancy only by low-income families. The bill does not, itself, attempt to establish such limits for the obvious reason that no one set of limits could apply with equal effectiveness to all sections of the country, or over a period of years when income levels were changing. Let me again call your attention to the fact that the average income of families admitted to Baltimore's low-rent projects in 1948 was only $1,410.

You compare payments in lieu of taxes from low-rent projects with what would be paid in taxes on a privately owned house assessed at $10,000. This is an absurd comparison since low-income families could not possibly, under any circumstances, afford such large tax payments and nobody expects them to. A fairer comparison would be between proposed payments in lieu of taxes and the taxes now being paid by low-income families on the quarters they now occupy. On this basis, the loss in taxes to the city would be either negligible or nonexistent and in any event would be far less than the benefits accruing to the city from public housing. Furthermore, no discussion of the municipal tax situation should lose sight of the fact that our present slums represent a heavy drag upon all taxpayers in the city. The Baltimore Planning Commission has estimated that our blighted areas represent a loss to the city of $14,000,000 per year. If I were to adopt your methods I should multiply this figure by 40 years. The result would really startle you.

You state that our records show 396,000 low-income families living in substandard housing in Baltimore. Our records show nothing of the sort. They do show that in 1940 some 396,000 persons (not families) were living in our blighted areas but nobody has claimed that all of these people are low-income or that all of them live in substandard housing. I cite this not to prove that we have a small number of low-income families living in bad housing—we have a large number—but rather to show again how inaccurate and unreliable are your figures.

Your own figures demonstrate how great is the need for decent housing. But you then throw up your hands in despair at its magnitude and declare that we should do nothing. If the problem is big, there is all the more reason for doing what we can as soon as we can.

You reveal a complete lack of proportion in considering the costs involved in the bill. The low-rent public housing provisions of the bill will cost the Federal Government an estimated $238,000,000 a year. This is only a fraction of 1 percent of the total Federal budget and compares favorably with many subsidies now commonly paid by the Federal Government to undergird our private enterprise system. For example, the Federal Government now subsidizes the operations of air lines and shipping companies. It makes substantial contributions to the cost of distributing privately published magazines and newspapers. Any one of these subsidies could be multiplied by 40 years and divided by the population of Baltimore City or County so as to produce "scare" figures comparable to those in your letters.

You make no detailed reference in your letter to the redevelopment sections of the bill. Are you opposed to urban redevelopment? If so, you will find that the overwhelming majority of Baltimore citizens do not agree with you. As you know, a redevelopment loan was approved by our voters last fall by 4 to 1. Are you in favor of redevelopment? If so, you should realize that there can be no slum clearance until new quarters can be found for the low-income families now living in the areas to be cleared and that this can only be done through additional low-rent public housing projects. As I notified you several days ago, the Baltimore Redevelopment Commission has endorsed the housing bill.

I am surprised at the implication in your letter that our law-enforcement program is an adequate substitute for the housing bill. Opponents of the bill may have been able to deceive a few persons outside of Baltimore into thinking that this is the case, but this argument will certainly not make any headway in Baltimore where people can more accurately evaluate this type of program.

You object to the extent to which cities and States are depending upon the Federal Government for various forms of assistance. As a purely theoretical concept I can agree with your objection but a reduction in the present levels of Federal assistance must depend upon some reapportionment of tax sources. Until some such reapportionment has taken place the only practical approach to the problem is that provided in the present bill. I see no point in postponing action now while our slums continue to rot. This is no time to debate academic abstractions.

My support for the housing bill is based upon the fact that it is the result of long and exhaustive study over many years by competent committees of the Congress and upon my conviction that it represents the best possible method presently available for solving one of our gravest domestic problems. I can only regard your opposition to the bill as a disservice to Baltimore city and to the welfare of the entire country.

Sincerely,

THOMAS D'ALESANDRO, JR.,
Mayor of Baltimore, Md.

Jim Has His Say

EXTENSION OF REMARKS
OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. PHILBIN. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include therein a recent article from the Bangor (Maine) Daily News, entitled "Jim Has His Say," citing with approval some recent views of my old friend, Hon. James A. Farley:

JIM HAS HIS SAY

Call it apostasy, treason, or heresy, but these words were uttered not so long ago by a lifelong Democrat.

We have said the same thing several times, but never so well. So we yield the floor without interruptions.

"Undoubtedly there are many of you, and I think I share your views on this subject," he said in part, "who fear that in the multiplication of services we shall load down our Government and taxpayers with financial obligations that will ultimately destroy our way of life.

"There is a place, economists tell us, where taxation not only yields a diminishing return but also stifles the productive activities that in the long run support the Government. I do not know exactly where that point may be in this economy. I do not even know whether we have approached it at the present time.

"But I do know that there must be ever-increasing caution, lest we do reach that point without anticipating it.

"Therefore, we face, as a Nation, the serious dilemma of a demand for increasing governmental services on the one hand and the danger of excessive taxation on the other. As a businessman I am keenly aware of the second of these circumstances and as a former member of the Government I am keenly aware of what the public expects.

"When a man in his private affairs is faced by a necessity of supporting a large and expensive family and his income is barely able to meet increasing costs, he has to make one of three decisions: First, he has to consider whether he can eliminate some of his financial responsibilities; second, he has to consider the possibility of working harder and earning more; and, third, and most important, he must consider whether without earning more and without dropping any of his responsibilities he can make his dollars serve their purpose with greater efficiency.

"In our Federal Government we have reached the point where we must meet this problem by one of three decisions. The first, which is the elimination of direct services to the people, will be difficult if not impossible to adopt. The November election largely settled that.

"The question of greater productivity is, of course, a concern of every American and every American business, and much can be done in that direction. But we cannot hope for anything except a steady but rather relatively small increase in what we produce as a nation.

"We must, I believe, in this situation come to the third of these decisions. We must get more public service for every dollar that Government collects for the taxpayer. An that means greater efficiency in government.

"This is not a partisan issue. I know a great many Republicans and a great many Democrats. I am frank to say that I find no difference of opinion about the fundamental desire of both Republicans and Democrats to increase the efficiency of our Government.

"This is well shown by the fact that a Republican Congress and a Democratic President created a Commission on the Organization of the Executive Branch of the Government, the purpose of which was to inquire into the efficiency of our Federal Government. It is a significant indication of the nonpartisan nature of this that a former Republican President and, I might add, a great American, Herbert Hoover, was chosen to head this study. It is also significant that he has had the wholehearted cooperation of a Democratic President—Harry S. Truman.

"The findings of this Commission are now beginning to appear, and every American owes it to himself and to his country to consider these findings and to join the effort to have the major recommendations of this report enacted into law and into administrative practice."

That was James A. Farley speaking before the New York State Bankers Association.

These would be strange words from administration Democrats currently in Washington, for they preach economy and efficiency.

But they are not strange words from the astute Mr. Farley. They conform entirely to his personal belief.

Development of Synthetic Fuels Industry

EXTENSION OF REMARKS
OF

HON. HARLEY M. KILGORE
OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a report on the urgent need for the development of a synthetic fuels industry in the United States. In this report I attempt to outline some of the accomplishments of the Bureau of Mines in coal research and synthetic liquid fuels. Although it is not generally known, the synthetic liquid fuels laboratories and demonstration plants of the Bureau have made substantial progress toward the foundations for a new American industry—an industry based on the conversion of coal and oil shale to oil.

In recent years our Nation has become aware of the fact our petroleum resources are not unlimited, and that in this field we cannot grow and harvest a new crop at will. Fortunately synthetic liquid fuels from coal and oil shale offer an assured supply for hundreds of years from known reserves within the borders of the United States.

Bear in mind such an industry of adequate proportions hardly can be built during an emergency, if we have to start from scratch. Pioneer commercial units first must be established by private industries to serve as a foundation for this new industry. Common sense dictates we must not wait until an emergency arises to delay the first difficult, time-consuming step—the construction of initial plants.

For maximum progress toward self-sufficiency in oil, three or more commercial-size plants should be built now as prototypes, using both coal and oil shale as the raw materials. These model plants should be built and operated by private industry.

Congress should act now to clear the way for plant construction initiating this new and vital industry. Through proper Government assistance, as proposed by legislation now pending before Congress, we can assure our Nation self-sufficiency in liquid fuels regardless of what emergency may arise.

I believe my report clearly demonstrates this is a practical program—one that may easily prove of tremendous value to our Nation in the future.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

A NEW AND VITAL INDUSTRY

Much time and discussion have been devoted in recent weeks to the question of atomic energy. That is entirely fitting since great new vistas are opening up before us through the promise of development of that tremendous source of energy. But we must not lose sight of our existing energy resources for there is no such thing as an universal fuel to supply all our energy needs.

Today the mineral fuels are the most important of our energy sources—they contribute 96 percent of the energy we consume annually and I feel quite safe in predicting that the demands of our domestic and industrial furnaces, our railroads, automobiles and airplanes, and our power plants will keep our mineral fuels in their preeminent position as suppliers of energy. With that in mind and with the realization that adequate supplies of energy are essential to our commerce, our industry, and our people, we have learned to pay particular attention to our fuel supplies.

The inroads of our wartime consumption and present and prospective demands for fuels have changed our attitude toward the fuels resources situation from the bland unconcern of not so very many years back to a mounting apprehension for the availability of future supplies. Evaluation of our reserves of coal, petroleum, and natural gas, and the achievement of maximum efficiency in utilization of those reserves have become a primary responsibility of our Government. This responsibility is vested in the Department of the Interior, and in particular, in its Bureau of Mines.

Through the years the fuels research of that Bureau has been of marked assistance to industry and to the Nation, and it is of two major segments of that research that I wish to speak today. The first is research on coal which is the greatest of our fuel reserves and the probable raw material for the production of synthetic liquid fuels when our supplies of crude petroleum are exhausted. Actually, the production of synthetic liquid fuels will come to pass long before all our petroleum has been used. The Bureau of Mines' work on synthetic liquid fuels is the second item that I should like to call to your attention.

Let me outline briefly the Bureau's coal research program.

We find that coal mining investigations have been going forward emphasizing conservation, improvement in mechanical mining methods and equipment, and determination of minable reserves of coking coal and of coals in strategic, fuel-shortage areas. Study of the extraction of pillars with mechanized equipment in bituminous coal mines in Pennsylvania, West Virginia, and Wyoming has indicated the difficulties and advantages of increasing recovery by extracting pillars mechanically. A German shearing machine has been successfully adapted to pillar removal in the anthracite region of Pennsylvania, and other new pieces of mechanical mining equipment for use with anthracite have been designed and are under construction. One of these, a scraper-shaker loader is to replace hand loading of coal and another, a vibrating-blade planer, is designed to cut and load coal in a single operation without the use of explosives. The improvement in mining conditions and safety that can result from development of this type of equipment must be encouraged. Upon completion of the mechanical mining equipment, expected in the next fiscal year, it will be taken into mines for test and development under actual mining conditions.

Mounting concern over this Nation's reserves of coking coal led to initiation in fiscal year 1949 of an investigation by the Bureau of Mines to determine minable coking coal reserves. This investigation is providing information essential alike to our welfare in peacetime and to our national security, since metallurgical coke is a major basic requirement for continued operation of our steel industry. This study was begun in the Appalachian coal fields of Pennsylvania, West Virginia, and eastern Kentucky, which are still major coking coal producing areas, though their thicker and higher-grade beds of metallurgical coking coal have been depleted considerably. Four field parties are engaged in obtaining data regarding the number, thickness, and areal extent of coal beds, and analyses of the coals. This field work has been completed in two counties in Pennsylvania, and one in Kentucky, and is in varying stages of completion in seven counties in Pennsylvania, in eight counties in West Virginia, and in eight counties in Kentucky.

In Alaska, the Bureau of Mines is core drilling in the Wishbone Hill area of the Matanuska coal field to determine whether there are in this area sufficient reserves of bituminous coal to warrant establishment of a new, large mechanized mine to augment the present inadequate coal production in the Territory.

The Bureau plans to continue its mechanical mining investigations, coking coal reserve investigation, and determination of minable reserves of coal in Alaska during the next fiscal year. There are now 36 engineers and others engaged on these programs conducted mainly in the field, but with headquarters at Pittsburgh and Schuylkill Haven, Pa. Appropriations for coal mining investigations in 1949 amounted to $386,020.

Bureau of Mines research on coal preparation has included a study of commercial preparation plants for both bituminous coal and anthracite to evaluate present practices and provide a basis for recommending improved methods of control and operation. Methods of upgrading high-sulfur and high-ash coking coals to make them suitable for use as metallurgical coking coals have been studied as a means of extending available reserves of coals for this use. The preparation characteristics of the coals of the Pacific Northwest and of the Southeast have been investigated at the Seattle, Wash., and Tuscaloosa, Ala., experiment stations, and specialized equipment developed or tested for use on these coals, including new processes for washing and recovering fine sizes of coal. Two commercial plants in Alabama are now using the new process developed at the Bureau's station at Tuscaloosa for washing fine sizes of coal.

A study of commercial washing plants was conducted in Illinois during 1949, while upgrading studies have been going on at Pittsburgh, Pa. For the next fiscal year, the Bureau proposes to extend its investigation of commercial preparation plants to those operating in western Kentucky. Major emphasis at Pittsburgh and at Tuscaloosa will be given to methods of upgrading marginal coking coals to make them suitable for production of metallurgical coke, while at Seattle the Bureau is developing a method of producing a very low-ash coal for electrode carbon manufacture. Personnel at the 3 stations and elsewhere, engaged in coal preparation research, totals 30, and appropriations for 1949 amounted to $123,330.

The urgent need for additional data on the carbonizing properties of American coals, as new mines are opened or substitute coals are sought to supplement or replace depleted sources, is being met by an increased program of test work on carbonizing properties of coals and coal blends at the Pittsburgh, Pa., station and by installation and operation of an experimental oven at the Southern Experiment Station at Tuscaloosa, Ala.

At Tuscaloosa, the new experimental coke oven, completed during fiscal year 1949, will be used to test a number of Alabama coals, which if found satisfactory to use alone or in blends, will eliminate the need to import high-cost, low-volatile coking coal from outside the region.

These programs, employing 21 persons with an expenditure of $157,750, are being correlated with the coking coal reserve study and the coal preparation studies to provide an integrated picture of coal reserves that can be used for the production of metallurgical coke. Research will continue on additional coals and coal blends from West Virginia, Pennsylvania, Kentucky, and Alabama in fiscal year 1950.

Seeking maximum efficiency in burning coal, the Bureau of Mines has just finished a study showing why failures occurred in large pulverized-coal-fired boilers, and how these boilers should be operated to avoid such failure, and data have been developed for use in designing more efficient boilers and stokers. This and related work on the combustion of fuels in various types of equipment and the properties and effects of coal ash slag on the performance of fuel-burning equipment have been conducted at the Pittsburgh, Pa., station and at power boiler plants in the field with five employees and an expenditure of $25,415 in 1949.

The potential value of the huge reserves of low-rank coals in the western plains and Rocky Mountain States has not been ignored, and we find that the Bureau of Mines is developing methods of improving the fuel value of these coals and means of converting them to more useful forms.

A method of rapidly drying fine sizes of these low-rank, high-moisture coals has been developed during the past year at Golden, Colo., first in a laboratory-scale apparatus and later in a pilot plant designed to dry a ton of coal per hour. Additional drying tests on various types of Rocky Mountain coals will be conducted in the pilot plant during 1950, and a test program to determine feasibility of moving the dried coal with air in pipe lines will be undertaken.

Meanwhile, at Grand Forks, N. Dak., the gasification of lignite to produce gas for industrial and domestic use is being investigated on a pilot plant scale.

There are 40 employees at Golden and Grand Forks, and appropriations for fiscal year 1949 were $132,110.

With the $450,000 appropriated in 1948 for the construction of a research laboratory to conduct research on the mining, preparation, and utilization of anthracite, the Bureau of Mines is now building a laboratory at Schuylkill Haven, Pa., which is expected to be ready for occupancy by October 1949. This laboratory, constructed in accordance with the recommendations of the Federal Anthracite Coal Commission, is planned as a research center for the improvement of mining and preparation of anthracite, the development of new chemical and technical uses, and new and extended markets and outlets for anthracite and its products.

The Bureau of Mines is seeking the sum of $74,000 for fiscal year 1950 to recruit key personnel for the laboratory and to undertake studies of the fundamental physical characteristics of certain underground mine supports, of the washing and drying of anthracite fines, and of the gasification of anthracite fines to produce a gas suitable for domestic and industrial use and for use as a chemical raw material.

Following authorization by the Eightieth Congress for establishment of a research laboratory in the North Dakota lignite-consuming region, and appropriation in 1949 of $200,000 and $550,000 contract authorization, the Bureau of Mines has accepted a site upon the campus of the University of North Dakota at Grand Forks, N. Dak., and designed a laboratory. Start of construction is expected this summer. When completed, about June 1, 1950, the laboratory will be used for research on the mining, preparation, and utilization of lignite and to develop new uses and markets.

For almost 40 years the Bureau of Mines has been sampling and analyzing fuel for Government agencies, a service which provides Federal coal-purchasing agents with necessary information on the quality of coals offered for purchase by the Government. Since the Government purchases about $60,000,000 worth of coal annually, this work has been productive of marked savings, but since last fall the Bureau of Mines has not been able to keep up with requests to sample mines from coal producers who wish to sell to the Government. The Bureau needs $129,000 for 1950 in addition to the $35,560 appropriated for this activity in 1949 to carry the work load in a satisfactory manner. Eight more sampling trucks and men to operate them are required to meet the demand.

Another service of long standing rendered by the Bureau is its assistance to Government agencies in operating its fuel burning and boiler plants. Bureau of Mines' engineers advise other agencies on specifications, choice of proper fuel, coal storage, smoke abatement, and boiler-plant equipment. Boiler water samples from Federal boiler plants are analyzed by the thousand every year and appropriate treatment recommended. An appropriation of $57,950 in 1949 for this activity permits savings to the Government that add up to millions of dollars in long-term maintenance.

Serving these research activities as well as other Government needs, there is at Pittsburgh, Pa., a highly efficient coal analytical laboratory, with only 40 employees and funds amounting to $164,655, which analyzed over 17,000 samples of coal, coal dust, and other materials in the first 9 months of fiscal year 1949.

I have detailed these coal research operations at some length because I feel that the work the Bureau of Mines is doing in that field is extremely valuable toward the Nation and should not be ignored, even though the Bureau goes about its business with due modesty. Its contributions to the conservation of our fuel resources make up a far longer list than those I have just mentioned.

SYNTHETIC LIQUID FUELS

Turning now to the problem of synthetic liquid fuels, we find that through research and development, the synthetic liquid fuels laboratories and demonstration plants of the Bureau of Mines have made substantial progress toward providing the foundations for a new American industry—an industry based on the conversion of oil shale and coal to oil.

Under authority of the Synthetic Liquid Fuels Act of 1944 a pattern of scientific, engineering, and economic knowledge thus is being wrought that ultimately will free the American people from dependence on foreign oil sources and from further anxiety about shortages of gasoline for their cars or heating oil for their homes.

Our reserves of oil shale and coal are not limitless, but they are more than substantial. Recoverable shale oil in western Colorado alone is estimated at 200,000,000 barrels—6 times as much oil as the United States has used since our first discovery well was sunk in 1859. Even this reserve is minute, however, in comparison with our great beds of coal which comprise more than 90 percent of this country's minery fuel-energy resources.

I wish to sketch a few high lights of the Bureau of Mines' progress toward the development of industrial methods for producing synthetic fuels. The first of these methods is the production of oil from shale.

Shale-oil production in any commercial installation will consist of three distinct operations—mining, retorting or extraction, and refining.

In the Bureau's experimental mines in the naval oil-shale reserves near Rifle, Colo., striking advances have been made toward developing lost-cost methods and equipment for mining the oil-rich shale formations of Colorado, Utah, and Wyoming. It was evident from the beginning that production of shale oil would not be economic until shale could be mined at a very low cost. Large-volume operations and a high degree of mechanization are necessary.

During a recent test run under actual commercial operating conditions in the Bureau's mine an incredible total of more than 100 tons was produced per man shift of underground labor as compared to an average of 5½ tons per man shift in deep coal mines. Total mining costs were under 60 cents per ton of shale.

After the oil shale is broken by dynamite Diesel trucks are driven directly into the mine and loaded with an electric shovel. New equipment has been developed that makes it possible to carry on drilling, blasting, and other underground mining operations on an unprecedented scale.

Under cooperative agreements signed with more than a score of large industrial and educational research organizations the Bureau is supplying oil shale and shale oil for oil extraction and refining tests. Information acquired through these pacts will be correlated with the Bureau's own research findings and applied to the problem of determining how our abundant reserves of oil shale may best be converted to useful liquid products.

By heating or retorting, organic material in oil shale can be cracked to yield oils and gases. As this is a direct heating operation, there are many ways in which it can be carried out, but the real problem is to handle the large volumes of shale rapidly and at low cost. The shale being mined at Rifle now yields an average of 30 gallons of oil per ton, which means that 1⅓ tons of oil shale is required for each barrel of oil. It is evident that shale must be retorted at less than a dollar a ton if this is to be an economic operation. Tests show that this can be done.

In the Bureau's experimental retorting program at the oil shale demonstration plant near Rifle work now is concentrated on a pilot plant for continuous operation known as the gas-flow retort. Concurrently with tests of the gas-flow retort, the Bureau is making engineering and cost studies of continuous retorts of other designs. Oil shale also is being provided for test work in retorts designed by the Standard Oil Development Co. and the Union Oil Co. of California. Research programs outlined for these three types of retorts are expected to show that one or more is suitable for the economical recovery of oil from American shales.

Construction of an experimental shale-oil refinery at the demonstration plan has just been completed, and it soon will be producing finished products from the crude shale oil. This unit is very flexible and can be used to subject shale oil to all conventional thermal refining processes.

Refining of shale oil into high-grade products presents numerous problems because of the chemical character of the oil which is quite unlike petroleum. At this time, hydrogenation appears particularly adaptable to shale-oil refining, offering high yields of good quality products—Diesel and jet fuels, among others. It is possible to combine thermal refining and hydrogenation. By these methods good quality gasoline, Diesel fuels, and domestic heating oils have been made.

Small laboratory or bench-scale studies of both refining and retorting processes are being conducted at the Bureau's Petroleum and Oil-Shale Experiment Station at Laramie, Wyo. There, scientists are at work on the fundamental research—the prosaic but essential spadework—that must precede any successful new industry. Oil shale and coal are the only raw materials on which any large-capacity production of synthetic liquid fuels could be based, and I can assure you that the Bureau of Mines has not neglected the possibilities of coal.

Two coal-to-oil demonstration plants—the first units larger than pilot plants in the United States—were dedicated last May at Louisiana, Missouri, less than 100 miles above St. Louis on the Mississippi River.

Built on the site of a wartime synthetic ammonia works, made available by the Office of the Quartermaster General of the Department of the Army, the first of these two plants for converting coal into liquid fuels is

complete and in operation. This, the hydrogenation demonstration plant, is a 200- to 300-barrel-per-day unit erected under contract with Bechtel Corp. It incorporates numerous innovations not found in European hydrogenation plants. For example, automatic pressure, temperature, and flow control replaces hand control wherever possible, promising accurate reaction conditions, higher capacity and efficiency, and lower personnel requirements and production costs.

Coal from Rock Springs, Wyo., is being used in the initial operations because it is exceptionally well adapted to the hydrogenation process. Later, when plant operations become stabilized, coals from other major fields will be tested.

Early in 1948, a contract was let to Koppers Co., Inc., for the design and construction of a second plant at this site. This, the gas synthesis demonstration plant, is a 100-barrel-per-day unit that will gasify pulverized coal with oxygen and superheated steam, purify the gas, and convert it to liquid fuels by a modified Fischer-Tropsch synthesis process. It is scheduled for completion this year. The first unit of this plant—the coal gasification unit—now has been completed and successful test runs have been made. Synthesis units now are being erected.

Radical new process improvements under development in the coal-to-oil laboratories and pilot plants at Bruceton, Pa., offer promise of advancing the day when the United States can shift a part of the growing burden of oil and gasoline demand to its immense coal reserves. These research activities were centered in the past year on fundamental improvements in the gas synthesis process, since a very efficient conversion of synthesis gas to liquid products is necessary. Toward this end, two promising methods were developed at Bruceton, Pa. Both offer high yields of oil and are being incorporated into the demonstration plant at Louisiana, Mo.

A departure from the conventional high-pressure process for the direct hydrogenation of coal also is under investigation. With the parallel objectives of reduction in the two major cost items of this process, hydrogenation, which now constitutes 40 percent of the total cost of the liquid fuels, and capital charges on the investment in and maintenance of equipment.

The problem of obtaining cheap synthesis gas and hydrogen, which is the key to the entire problem of producing competitive liquid fuels from coal, is being attacked from another salient at Gorgas, Ala. There, the Alabama Power Co. and the Bureau of Mines jointly have undertaken a second field-scale experiment in the gassification of coal underground. This experiment, under way for several months, has attracted wide attention in industry. Gases produced by burning unmined coal offer not only raw materials for synthetic fuels manufacture but a potential source of fuel for electric power generation. In addition, underground gassification holds promise as a method for using coal veins now difficult or uneconomic to mine.

This field-scale experiment is being directed from the Synthesis Gas Production Laboratories at Morgantown, W. Va., where the procedures were worked out in a small model simulating a bed of coal in place underground. There, too, other coal gassification methods are being investigated in the first of such pilot plants ever operated in this country. One process employs steam superheated to unprecedented temperatures of 3,600° F. and more.

Engineering studies and cost estimates for coal hydrogenation plants of commercial size have been made by Bureau of Mines engineers. These figures, in turn, have been used to arrive at synthetic gasoline prices both with and without taking credit for byproducts at prevailing or anticipated market prices. For example, in a 30,000-barrel per day hydrogenation plant operating on different types of coals and lignite, gasoline manufacturing costs would range from 12 to 15 cents a gallon if credit is taken for liquefied petroleum gas at 8 cents per gallon. If credit also is taken for phenols at 10 cents per pound—and there is a large market for this material in plastics manufacture—these gasoline costs would be reduced by approximately 4 cents per gallon or virtually to competitive levels. With little or no change, this plant could be used for producing aviation gasoline base stock, jet fuel, or a good Diesel fuel. Coal hydrogenation is a versatile process offering a choice of any one or a full range of fuels from heavy fuel oil to aviation gasoline.

Another cost estimate was based on the production of heavy fuel oils for the steel industry in a 10,000-barrel-per-day plant in the Great Lakes area. Again the figures indicate that, with the assumption of reasonable process improvements already developed but unproved, synthetic fuel oil costs are near those for the same product from petroleum.

Significantly, the United States became a net importer of oil in 1948. When coupled with these imports, domestic petroleum production last year was adequate—although only by a narrow margin—to meet the unprecedented requirements. In the United States, per capita consumption rose to 622 gallons as compared to 608 gallons in 1947 and 367 gallons a decade earlier in 1938.

Until fairly recently, domestic reserves generally had been regarded as adequate for the expanding requirements of our industrial economy and for any conceivable military need. Doubts now have arisen—grave doubts well founded in fact.

CONCLUSIONS

It has become apparent that our petroleum reserves are not unlimited. When compared with the current rate of withdrawal, the estimates of proved reserves and even the estimates of the total potential oil in this continent indicate inevitable shortages within a comparatively few years. Therefore, in prodigally increasing the rate of withdrawal now, we are merely hastening the day of virtual depletion. Our petroleum resources cannot be replaced. We cannot grow and harvest a new crop at will.

On the other hand, synthetic liquid fuels from oil shale and coal offer an assured supply for hundreds of years from known reserves within the borders of the United States—self-sufficiency under any conditions that may arise in these times of international uncertainty. Synthetic fuels can fill any gap between anticipated demand and supply, but only if immediate steps are taken to establish the initial commercial plants.

A synthetic fuels industry of adequate proportions hardly can be built during an emergency, if we have to start from scratch. Instead, as in other basic industries, the pioneer commercial units first must be established to serve as a foundation on which to build—and on which to expand rapidly if necessary. To delay this first difficult, time-consuming step—the construction of the initial plants—may well jeopardize this Nation's welfare.

Even if these initial plants were authorized today, it would require a year or two to complete the design and engineering. Any process improvements developed during that period still could be incorporated in the final designs. Meanwhile, a goal and a deadline would exist to spur even more rapid research achievements.

Although the research programs of the Bureau of Mines and industry are aimed at further revolutionary improvements in processes, a fear of obsolescence should not deter the erection of these initial model plants. Perfection is never achieved, and it is foolhardy to wait for it. In any event, approximately 80 percent of the equipment required for synthetic fuels plants is of a more or less standard nature and would not be changed by process improvements.

Sufficient data already are available from the research and development work of industry and the Bureau of Mines to permit an immediate start on design work for these initial commercial plants. For maximum progress toward self-sufficiency in oil, three or more commercial-size plants should be built as prototypes now, using both oil shale and coal as the raw materials.

These model plants should be built and operated by private industry. If necessary, financial assistance should be provided by the Reconstruction Finance Corporation to overcome any reluctance on the part of industry to undertake plant construction with the competition of petroleum prevailing.

Two bills were introduced to Congress during 1948 to clear the way for plant construction initiating a synthetic fuels industry, but the session was adjourned before their passage could be completed. Identical measures (H. R. 566 and S. 6) have been submitted to this Congress. It is hoped that favorable action can be completed on this or similar legislation at an early date.

In conclusion I wish to urge my colleagues to study this report on the accomplishments and programs of a Government agency that is carrying out a most worthwhile function in a highly commendable manner. I urge you to give it adequate support, both financially and for needed legislative authority to carry on its vital work.

Legalizing Discrimination

EXTENSION OF REMARKS

OF

HON. L. GARY CLEMENTE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. CLEMENTE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial that appeared in the Tablet, Brooklyn, N. Y. Saturday, June 18, 1949:

LEGALIZING DISCRIMINATION

The approval of the Barden bill (H. R. 4643), providing a quarter of a billion dollars of taxpayers' money for public schools, regardless of need, by the Subcommitee of the House Committee on Education and Labor has been proclaimed a victory by the forces which are single-minded and tirelessly aggressive in their anti-American campaign to isolate Catholics, and particularly little children in Catholic schools, from their fellow Americans. The referral of the bill to the full House committee is no less a sad reflection upon the apathy of American Catholics in the face of a challenge to their rights and privileges as citizens.

In the present session of Congress several measures for Federal aid to schools have been proposed. The Senate passed a bill flagrantly discriminatory against children in nonpublic schools, but loopholes permitted funds for some services at the discretion of the various States. Representative GRAHAM A. BARDEN, of North Carolina, took over the questionable assignment of plugging up those loopholes in a House measure which completely eliminated any child in a Catholic school from benefitting from Federal funds. The measure was sent to the House subcommittee of which none other than the North Carolina gentleman is chairman. Only a limited

number of persons were heard and Mr. BARDEN closed the hearings. The subcommittee then approved two amendments guaranteeing the expenditure of more Federal, or taxpayers', money and rejected one proposal to restrict Federal largesse to needy States and two which might have permitted a stray dollar to provide health, bus, or some other service to a boy or girl attending a nonpublic school.

The organization formed a few months ago to isolate Catholics from their fellow citizens, "Protestants and Other Americans United for Separation of Church and State" (hereinafter referred to as POAU), has spearheaded the drive against children in Catholic schools. After Mr. BARDEN'S successful strategy in the subcommittee, POAU took full credit and now boasts that it has won to date a significant battle. It confidently predicts that the Barden bill is almost certain to become law and calls upon all who support its anti-Catholic program to write now to your Congressman urging that no bill be passed which provides public funds for private and sectarian schools."

We need not elaborate on the obvious fact that the drive to force passage of the Barden bill is but one maneuver in the whole strategy of POAU and its allies, namely, the destruction of Catholic—and ultimately all Christian—influence in the United States. Bishop OXNAM, Glenn Archer, Guy Emery Shipler and others in the vanguard of the anti-Catholic fight are to be pitied, perhaps, for their blind and unwitting service to the cause of rampant Godlessness, yet they must be halted before their reckless, aggressive attack ends in widespread hate, intolerance, bigotry, and fatal division among the American people.

The hour is late, but not at all too late, for Catholics throughout the United States to act to defeat the forces of division and hate behind the Barden bill. We do not share the confidence of POAU that the bill is almost certain to become law. We are confident that the bill will be defeated and that it will be defeated by the fundamentally sound Americanism of the Congress under the leadership of American Protestants, Jews, and Catholics alike. Many, many times in the past the interests of Catholic Americans have been fought for and protected by Protestant and Jewish Members of the Senate and House of Representatives. Our confidence in them is not lessened, but we do call upon our Catholic mothers and fathers to support and encourage them in their fight to defeat H. R. 4643.

Every Catholic parent must write at once to his or her Congressman insisting that the Barden bill be defeated; every Catholic affiliated with a nonsectarian organization, whether it be a labor union or a chamber of commerce, should insist that that organization publicly oppose the Barden bill—if not to prevent an act of legalized discrimination and bigotry, at least to stop tax funds from being wasted as they will be in this irresponsible bill—and no Catholic should rest until H. R. 4643 is consigned to the congressional wastebasket.

The evils of the Barden bill, as well as those of a similar bill (S. 246) adopted by the Senate, have been enumerated and exposed in the tablet over the past months. Here are a few of them, in summary:

The accomplisment of a tremendous stride toward complete Federal control of education and a consequent limitation of local control; in other words, a big step toward a Socialist America.

The almost explicit denial of the natural right of American mothers and fathers to educate their children according to their convictions and the adoption of the totalitarian and antidemocratic concept that the only school meriting recognition is that which is controlled by the State and from which religion and morality are excluded.

The calculation of Federal funds needed for the education of all children in all schools and then distribution only to public schools, giving no help at all to children in Catholic and other nonpublic schools and an inequitable share (according to the bill of the Congressman from North Carolina) to children in schools in the South for Negroes.

The emphasis on handing out Federal tax monies to schools and no emphasis at all on helping children attending the schools.

The indiscriminate allocation of Federal funds to any and every public school, with no distinction between schools in wealthy States and communities and those in poor sections where assistance is urgently needed; here it may be noted that the slogans adopted by advocates of Federal aid do not apply to the many Catholic mission schools—many of which have predominantly Protestant enrollments—and the latter will still be obliged to appeal to the charity of Catholics whose taxes will be increased further to finance schools under Federal control.

To stop these evils and others in the Barden bill from being imposed upon America, we urge our readers to act and to act now by writing to their Congressmen—whose names can be learned from the neighborhood political club, from the World Almanac and other convenient sources—and insisting that he not only make public his stand against the Barden bill but that he speak out strongly and emphatically against it when, and if, it is brought up for debate in the House of Representatives and that he vote against it. To quote from a message sent by the POAU to bigots and anti-Catholics all over the country: "It is highly important that we act now!"

Eighth Annual Science Talent Search

EXTENSION OF REMARKS
OF
HON. JOHN C. DAVIES
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1949

Mr. DAVIES of New York. Mr. Speaker, it was my privilege and stimulus a few weeks ago to meet and learn something about a group of 40 of our young citizens who have earned for themselves an important honor, and an honor that I think is important in its implications to the welfare of the country.

They were the finalists of the eighth annual Science Talent Search, who were in the Capital in final competition for college scholarships that will aid them to go forward toward an education in science. These 40 youngsters, 9 girls and 31 boys who are seniors in secondary schools in 18 of our States and the District of Columbia, were selected to come here from some 16,000 high school seniors who entered this search at the beginning of the school year last fall. By a rigorous, scientific system of qualification and elimination, this group was narrowed down to the 40 who, in the opinion of the board of judges, display the greatest aptitude for useful careers in science, and so are deemed worthy of assistance along the difficult road to a scientific education.

The Science Talent Search is the joint effort of two great American organizations. They are Science Service, a news agency for the dissemination of information about science, which conducts the Search through Science Clubs of America; and the Westinghouse Electric Corporation, which through the Westinghouse Educational Foundation provides the financial support for this adventure in education.

I believe the House is and should be interested in this activity. It reflects what I consider a manifestation of good citizenship on the part of one of our major industrial companies and that company's foresight and economic courage in inspiring and supporting a program to help young people become more useful to themselves and to their country. Westinghouse's able president, Mr. Gwilym A. Price, deserves the acclamation of this House and of his fellow citizens for this and for the many other educational activities which his company so generously and wisely supports.

The faith in and support of our industrial organizations in the educational and career advancement of our youth is obviously an important factor in the growth and stability of an industrial economy such as ours.

If the 40 young people who represent the cream of this year's crop of potential science talent—and I have seen them and talked with them—are a fair sample of the raw material with which our colleges and universities must work to turn out the qualified adult scientists on whom our progress and position in the world so much depends, then I have no fears for our future in that regard. They are fine young people, mentally and socially awake, and a credit to their country.

National Health Insurance

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Buffalo (N. Y.) Courier-Express of June 23, 1949:

DOCTOR BACKS HEALTH BILL, QUESTIONS CLAIMS OF AMA

WASHINGTON, June 22.—A New York doctor who said he spoke for about 1,600 physicians today endorsed President Truman's national health insurance program. Dr. Bernard Meyer also said "it is quite impossible" to substantiate any contention "that an overwhelming majority of American physicians is opposed to national health insurance."

His endorsement of the Administration health bill was laid before a Senate labor subcommittee for the Physicians Forum. He said it is "a national organization of physicians, all of whom are members of the American Medical Association or the National Medical Association."

STRONG OPPOSITION

The American Medical Association itself is vigorously opposed to Truman's program, which would be financed mainly by a payroll tax.

Meyer, a psychiatrist, said the Physicians Forum has between 1,500 and 1,600 members, most of them in the East.

Meyer told the subcommittee the Administration bill "makes every attempt to safeguard the professional integrity and individuality of the physician."

In contending "it is impossible" to substantiate any contention that most American doctors are against national health insurance, Meyer added:

"No effort has been made to establish by secret ballot a trustworthy poll of the doctors on this subject. Experience in seeking an expression of opinion in open debate and vote on the floor of the county medical societies indicates that character assassination, intimidation, fear of reprisal, and so forth, discourages a frank repudiation of many society-sponsored policies."

HURT PROFESSIONALLY

Meyer said that "as an active member of the minority group in the Medical Society of the County of New York, I can assert that it is professionally unhealthy to champion the medical program of the President of the United States."

Dr. Joseph M. Babcock, vice president of the American Optometric Association, urged that any health bill enacted should not "place the profession of optometry in the status of an auxiliary service subservient to medicine."

The Anti-Christ in Action

EXTENSION OF REMARKS

OF

HON. CHESTER C. GORSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. GORSKI of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Evening Star of June 28, 1949:

THE ANTI-CHRIST IN ACTION

The thing now happening to the Roman Catholic Church in Czechoslovakia is all part of the vile pattern of action that has come to characterize the Communists wherever they have forced their way into power.

First, as a conspiratorial minority acting on orders from the Kremlin, they worm their way into strategic cabinet positions giving them control of such powerful instruments as the police organization and the propaganda machine.

Next, as soon as they are well established in those positions, they manufacture a crisis, stage a coup, and set up a dictatorship, after which—step by step, through every form of fraud and terroristic coercion—they wipe out the political opposition.

Finally, when they think the time opportune, or when Moscow so decrees, they set out to smash God. What they stand for and what God stands for are mutually repugnant, and so they undertake to shatter the clergy, suppress the churches and make religion bend its knee to the supermaterialistic, truth-butchering, liberty-destroying tyranny which they describe, with indecent brazenness, as the new democracy.

It is this last stage that has now been reached in Czechoslovakia. Archbishop Beran apparently is to suffer much the same fate as the one suffered by Cardinal Mindszenty in Hungary not long ago, or by Archbishop Stepinac in Yugoslavia in 1946. About 75 percent of the Czech people are Catholics, but the Communist regime at Prague is so strongly entrenched that it is not hesitating in its attempt to break up their church directly before their eyes. After all, how can they resist? They have only prayers to fight back with, and a good Marxist laughs at prayers.

And so we may expect that Archbishop Beran and a number of his colleagues soon will be dragged before a court and tried on false charges in another typically obscene Communist mockery of truth and justice. The church, as the Czech bishops declared in their courageous pastoral letter on Sunday, has already been robbed, deprived of the majority of its freedoms and rights, dishonored, soiled, persecuted secretly and openly. Not much more needs to be done by the Prague tyranny to complete the dirty work.

But none of this should come as a surprise to anybody. Everywhere behind the iron curtain, communism has been openly at war not only with genuine political democracy but also with religion of every type that recognizes man as a child of God and not the creature of the state. It is an inevitable kind of war. The godless tyranny, by its very nature, is driven to do battle against God-fearing freedom because the two cannot coexist side by side.

In other words, being self-avowedly anti-spiritual and judging man to be nothing but an animal to be regimented, Red totalitarianism must fight any political philosophy that gives him dignity and makes him free. And it must also fight any religion that endows him with a soul, teaches him standards of goodness, and tells him that God alone is his true master, not Caesar.

There is thus a black but powerful sort of logic behind the Communist drive to destroy the influence of the church. What we have here is an evil that will continue to plague the world until somehow, some day, the source of it is overthrown or withers away. The anti-Christ simply cannot live at peace with Christ.

Negative Gains

EXTENSION OF REMARKS

OF

HON. WILLIAM M. McCULLOCH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. McCULLOCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Columbus (Ohio) Sunday Dispatch of June 26, 1949:

NEGATIVE GAINS

Some of the wags who have been calling the present Congress the "Eighty-worst"—among whom are some who, a year ago, were agreeing with President Truman that the Eightieth Congress was the "worst in history" are not being conspicuously fair. Thanks to a Republican-conservative Democratic coalition, what might be called its negative record is pretty good.

It is granted that the present Congress has talked more than it has legislated. But look at the potential legislation urged on it by the White House it has fended off.

If the Truman program had been enacted as called for in January we would have the spectacle of anti-inflation controls in effect with no inflation to halt. The Taft-Hartley law would have been wiped off the books and the one-sided Wagner Act revived in toto to the consternation of business, industry, and all but the more irresponsible segments of labor alike, not to mention an overwhelming majority of the rest of the public. Displaced persons would be pouring in from Europe at a higher rate than they are at present to compete for jobs and swell the ranks of the unemployed. The Army would be spending additional billions on totally unnecessary politically reprehensible universal military training. The medical profession would be on its way to socialization. Taxes would be up $4,000,000,000 in new levies and the social-security bite due to be doubled or tripled to pay for it and other items in the administration's pet "cradle-to-grave" scheme modeled after the plan that currently is helping to bankrupt Great Britain.

What the United States needs and what President Truman prescribed to meet those needs 6 months ago have no recognizable resemblance. Maybe the Eighty-first Congress hasn't done too much affirmatively, but at least it has kept us out of the very hot water into which slavish submission to unrealistic White House demands would have plunged the country.

Address by Hon. Kenneth S. Wherry at Seventy-fifth Anniversary Celebration of Creighton, Nebr.

EXTENSION OF REMARKS

OF

HON. KENNETH S. WHERRY

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the address delivered by me at the seventy-fifth anniversary celebration of the town of Creighton, Nebr., on June 23, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, fellow Nebraskans, and fellow-Americans, it is a genuine pleasure to take part in Creighton's seventy-fifth anniversary celebration.

We are assembled to give thanks for the wonderful progress made by this community; to note the many blessings that have come to Creighton over this long span of years, to honor the founders of this town and the pioneers who began the march of its progress, and to pay our respects to those courageous, industrious, thrifty men and women who have vigilantly kept the faith.

My heartfelt thanks go to the committee on arrangements for inviting me to participate in this diamond anniversary; for, I am proud to be a Nebraskan, and as a Nebraskan I am proud of Creighton.

Creighton looks ahead. Contrast the sound, good sense of the builders of Creighton, those generations who have developed this thriving, happy community the American way, with the alien ideologies of government that are now infiltrating our country.

You must be shocked, as I am, by the daily disclosures of Communists and their fellow travelers, who have burrowed into every branch and activity of our Government.

To cite a few examples:

Gerhard Eisler, No. 1 Communist of them all, slipping through the fingers of the law after being convicted and sentenced to prison; disappearance of highly secret atomic bomb ingredients; Communist revolutionaries on trial in New York; a Department of

Justice employee on trial in Washington, charged with espionage; evidence turned up by congressional committees on Communists infiltrating into every walk of life; admission by Henry J. Wadleigh that when he was a Department of State official he passed out top secrets to Russian spies.

All together these disclosures are a national scandal.

I ask you, is it a red herring, an act of postwar hysteria, to see that the atomic bomb secrets are securely guarded, or that disloyal persons be driven out of the Government, and demand punishment for their unlawful acts?

Why of course not. Cooperation by all departments and agencies of the Government, including the administration, in stamping out this menace is what we all want, and insist must be done.

Here we are, a nation of one-sixteenth of the world's population and only 6 percent of the world's area, and yet we produce nearly half the world's goods.

We own 46 percent of the world's electric power, 48 percent of the radios, 54 percent of the life-insurance policies, 85 percent of the automobiles, 92 percent of the bathtubs, 99 percent of all the television equipment, with the best health record of any major country, the best schools, the most churches, the highest standard of living, in short, most of the good things in life, which people in other countries dream about.

All of this, my fellow Nebraskans, did not just happen. It is the fruit of the best kind of government on earth. In spite of all these blessings there are among us agitators, who are infiltrating and advocating a dictatorship by all-powerful departments and bureaus in Washington.

This is not imagination, it is not just a myth. This administration is attempting to pass legislation which will socialize America and slide us into a socialistic state. Oh, no, they never tell you the cost, the cost in hard-earned dollars. They sugar-coat their quack remedies with high-sounding words such as security, prosperity, peace, and contentment. They are the pied pipers of today.

The master planners at Washington pretend these things are as free as water, as free as the air. But you know there is no free medicine, free hospitals, free schools, free pensions, free security, no free anything. They all cost money. They all come out of the income of the people in direct taxes, and indirectly in the cost of everything we buy.

But more important is the cost in lost freedom. The socialistic planners have a deep yearning to regiment our people in the name of social welfare, to make each individual a robot.

This issue transcends all partisan lines. The programs recommended by the President in compliance with the promises he made to the radical pressure groups strike at the foundations of our Republic.

The Honorable James F. Byrnes, former Secretary of State in the Roosevelt and Truman administrations, in an address at Lexington, Va., last week, said the administration's welfare state proposals are leading the country down the road to statism.

Mr. Byrnes, himself a former Justice of the United States Supreme Court, and a former United States Senator, said further, and I quote:

"Where we shall wind up, no one can tell. But if some of the new programs seriously proposed should be adopted there is danger that the individual, whether farmer, worker, manufacturer, lawyer, or doctor, soon will be an economic slave pulling an oar in the galley of the state."

And yet, squarely in the face of this ringing warning, the President insists that Congress approve his new programs, under the social welfare label, which, over a period of 50 years would cost $1,250,000,000,000. One trillion, two hundred fifty billion dollars in silver dollars would make seven stacks reaching to the moon, with enough left over to pay all our 1948 taxes and wipe out the present national debt of a quarter of a trillion dollars.

Fantastic? Yes, but it is true!

You people of Creighton know what happens when an individual goes on and on spending more than he earns. Well, the same thing happens in the case of a nation. History is full of examples of countries that have gone on the rocks through loose fiscal policies.

Your Federal Government again is operating in the red. Gone is the handsome $8,000,000,000 Treasury surplus, that was rolled up in the banner year 1948, when the budget was balanced the first time in 16 years.

Uncle Sam again is borrowing money for deficit spending. By the end of June, the end of the present fiscal year, the deficit will be nearly $1,000,000,000; more than three billion in fiscal 1950, and double that in fiscal 1951.

The only sound, sensible course is to balance the budget by cutting waste out of government. There still will be ample funds, through efficiency and economy to provide a strong notional defense and carry forward our essential Federal activities.

The measure was introduced by me to authorize and direct the President, to reduce expenditures for the fiscal year 1950 by not less than 5 percent, nor more than 10 percent. It provides a definite formula for making the reductions which Congress has full authority in the Constitution to prescribe. All the President has to do is carry out the formula as chief administrator of the executive branch.

Under the terms of this legislation, the President would be directed to cut the overall expenditures by the percentage point that will balance the budget, balance outgo with income.

This means a balanced budget. It means no increase in taxes. It means an end to deficit spending. And, it places the Federal Government on a pay-as-you-go basis. This is the way we Nebraskans finance our State, and the Federal Government would do well to follow the example of Nebraska.

A balanced Federal budget would do more to reverse the present downward trend in national income and rising unemployment than any other action the Government could take. It would thrill the whole country. It would enable businessmen, farmers, workers, everybody to plan ahead with confidence. All of us are thankful that we are Americans, living in a country where every citizen has equal rights, and all together holding the sovereign power to direct their representatives in government.

This is liberty, the maximum of freedom for every individual consistent with the rights of every other individual to the same. This is the essence of our Republic. It is the source of the initiative, skill, and genius, which we cover in the phrase, "free enterprise."

The destructive, paralyzing opposite is the philosophy of government in which the state is all-powerful and everybody is regimented completely.

These two systems of government won't mix. One or the other will be destroyed. There is no room for compromise, no room for me-too.

For example, there is being waged in Congress a contest over federally subsidized housing. It is called a slum-clearance bill and advertised by its supporters as a low-rent housing bill. The heart of the bill is the provision to have the Federal Government draw upon all the taxpayers, to contribute to the cost of homes for some of the people. Already, new groups, a little higher in the income bracket than those subsidized by the pending bill, have begun lobbying for free houses.

Another example of creeping socialism is Federal aid to education.

Offhand it sounds good. We are all for education. But here is an intrusion by the Federal Government into the responsibilities of local governments and families. It is the most sinister proposal of all, because when the schools of the Nation, the minds of our children, are controlled by the bureaucracy in Washington, the last act in the tragedy of lost freedom will be over.

The administration seeks to nationalize industry. It has asked for power to build and manage factories and mills to produce steel and other products.

This is socialism in action. Another socialistic grab for power is the demand for compulsory health insurance, a program that would cost the people $10,000,000,000 annually.

Then, there is the proposal of the President that he be given power to put ceilings over prices and wages, and floors under prices and wages.

Undismayed by the cold reception the people have given to these socialistic programs, the administration recently presented the grandfather of all the schemes to regiment the people, the so-called Brannan farm plan. Secretary of Agriculture Brannan asks for power to put Government controls on every producer of every agricultural product, to control everything from a heard of cabbage to a head of cattle. And, all the while he talks loosely of serving freedom and abundance, and high income and low prices.

He is asking for power to decide how much you shall plant and how much you shall sell; how much you shall receive and whether you shall receive anything at all.

His plan is an economic monstrosity. It is impractical. Its costs to the Government, to the farmers, and to the consumers, are prohibitive. It won't work.

Certainly, the farmers of America see through Mr. Brannan's political hocus-pocus.

This is the same Mr. Brannan who told the farmers last fall that he did not have authority to provide farm crop storage bins. And he is still spreading that falsehood.

For years, the Commodity Credit Corporation has had full authority to provide crop storage bins on the farms. The Commodity Credit Corporation Charter, passed by the Eightieth Congress and approved by the President June 29, 1948, provided that the CCC:

"May contract for the use, in accordance with the usual customs of trade and commerce, of plants and facilities, for the physical handling, storage, processing, servicing and transportation of the agricultural commodities subject to its control."

That was the law at the very time President Truman, Secretary Brannan, and others were telling the farmers the Republican Eightieth Congress had repealed their authority to provide grain storage bins for the farm.

Get this: everything Mr. Brannan announced June 7, 1949, to provide storage bins for the farms could have been done at any time in 1948, 1947, and before 1947.

This is not the whole story on their callous disregard of the needs of the farmers. At the very time they were telling you they could not provide the bins, they were actually selling steel and wooden bins that the Government owned, selling thousands of them for nonagricultural purposes.

Mr. Brannan is guilty of misrepresentation and gross negligence of the responsibilities of his office. Congress authorized the storage bins in plenty of time for last year's crops, and for this year's crops. There is a moral obligation on the part of the Government to compensate the farmers who have

suffered losses as a result of Mr. Brannan's negligence.

Those farmers should be compensated for any losses they suffered due to lack of farm storage bins. That's been my position right along and now Senator ELMER THOMAS, a Democrat, and chairman of the Agriculture Committee, has introduced a bill to compensate the farmers who lost hundreds of dollars because of the negligence of Mr. Brannan.

This is typical of the campaign of misrepresentation that is being made by the administration on behalf of the Brannan farm bill. For my part, I am for continuing the present law, which provides price support levels at 90 percent parity support as you farmers now understand it. At least, this should be done until there is adopted a farm policy, which turns away from controls and regimentation and Government management of the farmers' business, to a program for full utilization of the products of agriculture. We must have a new approach to the whole farm surplus problem, a program that squares with free enterprise.

Diversion, not destruction, is the key to solution of surpluses of grain and other starchy commodities, diversion to hundreds of industrial uses, chiefly diversion of alcohol to supplement and improve gasoline as a motor fuel.

Use of grains and other starchy commodities as a motor fuel in the form of alcohol is not an idle dream. Alcohol is being used in a dozen countries as a supplement to gasoline to make a premium grade of motor fuel. Injection of alcohol into automobile and truck motors develops greater power for quick starting, passing, and hill-climbing.

The Department of Agriculture has made extensive, practical tests. This is what G. E. Hilbert, Chief of the Bureau of Agricultural and Industrial Chemistry, reported last January 4:

"It is evident that through conversion to alcohol any grain surplus that might develop in the future could easily be absorbed in the market for motor fuels.

"This market is so tremendous that a surplus would disappear, figuratively speaking, practically overnight."

There is plant capacity now to consume 200,000,000 bushels of grain. And with expenditure of only $30,000,000 additional capacity to utilize a billion bushels could be built in a few months. It is urgent that oil reserves be conserved in the interest of national security.

Here is the 8-point production-for-use program I propose as a free-enterprise, free-markets solution to the haunting specter of bigger and bigger surpluses and the threat of bigger and bigger government:

1. Conversion of grains and other starchy commodities to alcohol for blending with gasoline, thereby making a premium motor fuel of low-grade gasoline, and for injection into motors thereby adding to the power of high-octane gasoline.

2. In new industries utilizing farm products give farmers priority in their ownership and development, with such industries to be located as feasible in rural areas.

3. Stockpiling by the Government of foods, feeds, and natural fibers for national security and as a reserve to maintain stability of livestock production. A permanent reserve of 1,000,000,000 bushels of feed grain could be a capital asset more precious than gold in times of need.

4. Establishment of peril points in the tariff on agricultural commodities at domestic parity price levels to protect farmers against ruinous importations.

5. Expansion of exports of foods, feeds, and natural fibers, under a two-price system, through which countries short of dollars may buy from our surpluses for development of their respective economies. Loans of foods, feeds, and fibers to other countries, enabling them to develop their own resources and contribute to world commerce.

6. Improvement of processing, storage, and distribution of foods, feeds, and natural fibers through cost-saving procedures, thereby contributing to stability of farm income and lower prices to consumers. Farmers receive only 49 cents out of every dollar consumers spend for food.

7. When production of a given perishable farm commodity, such as fruits and vegetables, is in excess of normal demand, due to bountiful yield or other temporary cause, authorize special sales campaigns in which producers, processors, and distributors may cooperate, subject to conditions prescribed by the Secretary of Agriculture in the public interest.

8. During the period of transition from a regimented farm economy, to a program of full utilization of farm commodities, continue provisions of existing farm-aid laws.

This production-for-use program repudiates the defeatist approach. It recognizes abundance of crops as a blessing to be used by the people. But we have not been wise enough to fully utilize these crops. Agricultural abundance is essential if we are to retain our free competitive system. If we now admit defeat in the face of abundance, and retreat to the mirage of security in Federal controls and red-tape regulations, we will have betrayed those who built such solid communities as Creighton, Nebr., on the foundations of opportunity, initiative, and the dignity of the individual.

America is going forward, conquering adversities on the way. Orin Bruce, and his little band of about 20 families, who formed a caravan and came up here from Omaha in the early seventies to establish Creighton as a permanent community, did not flinch from the trials and tribulations they knew were their destiny.

They were builders and pioneers. They turned prairies into fields of golden grain. They built roads and they opened shops. They set the pattern for a way of life that made possible the diamond aniversary we celebrate today.

There are among us many who recall the celebration Creighton held in 1934, the sixtieth anniversary of the founding of the city. It, also, was a great occasion.

But during the intervening 15 years many changes have occurred. We have gone through a Second World War, and now are witnessing the aftermath of seething unrest around the globe. First fascism challenged us, and now we are at grips with communism. Back in 1934 the socialistic planners were just beginning to spread their alien ideology. In the past 15 years they have become bolder and bolder; openly flaunting our hallowed institutions; planting seeds of discontent among our people only for the purpose of posing as their champion; belittling our ideals and institutions.

There, fellow Nebraskans, is the paramount issue of today, the crucial challenge. When given the facts the people will make the right decision.

Here, in this assemblage we have visual evidence of the grim determination of our people to meet this challenge.

And, as we hail Creighton, we take new courage and gain new confidence, that the spirit of this community is the spirit of America.

We will not be sidetracked, either to the left or to the right.

Our course is forward, forward in "life, liberty, and the pursuit of happiness," to a greater Creighton, a greater America.

The Civil Rights Program

EXTENSION OF REMARKS
OF

HON. JAMES O. EASTLAND

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very able statement relating to the civil-rights program, made by the distinguished junior Senator from Virginia [Mr. ROBERTSON] before the Committee on the Judiciary this morning. The Senator from Virginia is one of the ablest constitutional lawyers of the Senate, and I commend his statement to the consideration of Senators.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. Chairman, I am opposed to S. 1725 because it represents a dangerous trend in our National Government. It is the type of legislation which undermines the foundations of our Constitution and threatens to overturn the structure of Government so carefully raised by our forefathers. It could lead to the exercise of local police powers by Federal officials. It would permit Federal interference with the conduct of elections. It would nullify sections of State constitutions and local statutes. It would strike at patterns of social behavior which the citizens of this country always have regarded as part of their inalienable right to choose their associates.

In short, it would breach the wall separating State and local powers from those delegated to the National Government in so many important places that this bill might appropriately be subtitled "An act to repeal the tenth amendment."

I have not had an opportunity to prepare a complete analysis of the bill, and so today I shall merely touch on some of its features which I regard as most obviously objectionable. Before this subcommittee takes final action, I hope I shall be given an opportunity to outline my reasons for opposition in more detail.

To appreciate the significance of what this bill would do if enacted into law, it is necessary for us to recall the history of Federal-State relations and the attitude which has been assumed at various periods toward what are commonly referred to as States' rights.

In the period of the federation, before our present Constitution was adopted, State supremacy was unquestioned. Drawn together by the common danger of the war with Great Britain, the colonies were, in effect, a league of sovereign States, operating jointly through a Congress that was more of a diplomatic assembly than a legislative body.

After the Revolution was over, the economic disadvantages of this system and its weakness from the standpoint of defense against other nations became obvious. The Convention of 1787 was called to seek a remedy. On the one hand were those who felt the answer should be a strong central government dealing directly with individual citizens throughout the Nation. On the other were those who feared that any government strong enough to act in this way would become a tyrannical superstate.

The tension that existed between those holding these opposing views was illustrated by the statement of George Washington, who

was later quoted by Gouverneur Morris as saying: "It is too probable that no plan we propose will be adopted. Perhaps another dreadful conflict is to be sustained. If, to please the people, we offer what we ourselves disapprove, how can we afterward defend our work? Let us raise a standard to which the wise and honest can repair. The event is in the hand of God."

The result of these disagreements, as I need hardly remind you, was what has been called "the great compromise" in our Federal Constitution—a plan under which the central government can deal with individuals but only within carefully circumscribed limits. As is explicitly stated in the tenth amendment which was adopted the first year after the ratification of the Constitution, "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

It is our obligation to remember that if it had not been for the assurances of men like James Madison and Alexander Hamilton that the balance of power would be preserved, the Constitution probably would never have been ratified. And when the Federalists, who believed in extension of centralized powers, tried to press their views in the early 1800's, they were met by Thomas Jefferson's Republican Party.

What happened then is well described by the recently issued report of the Council of State Governments on Federal-State Relations. This report, prepared for the Hoover Commission, says (at p. 7): "In the earlier years of the nineteenth century, the Supreme Court was heavily weighted with Federalists who successfully sought to extend the national power at the expense of the States. Their object was the unification of the Nation, but their efforts stimulated the States to become increasingly aware of their side of a dual-power system. In the later years of the century this duality was emphasized by the Court in quite a different way. The Court, in the postbellum years, was more inclined to pare down the national powers and reserve more rights to the States. In this later period, the Supreme Court tried to set the National and State Governments at arm's length. Thus, in the long run, the Supreme Court's decisions during the nineteenth century show a strong tendency toward dual federalism—toward carving out separate fields of authority for the National Government, on the one hand, and the States, on the other hand. This tendency persisted until the 1930's. An obvious struggle for power between the National and State Governments followed."

Discussing the period from World War I down to the present, the study from which I have just quoted says that emphasis was on cooperative activities of State and National Governments. It points out that the Supreme Court gave its approval to cooperative legislative effort by State and National Governments for carrying out public purposes common to both which neither could fully achieve without the cooperation of the other. But, the Council study adds: "The Supreme Court has not destroyed State powers acquired as a result of nineteenth-century decisions. In several important ways it has fostered States rights. * * * In sum, the Court has given more scope to legislative discretion, with the result that the State and Federal jurisdictions interpenetrate each other with a flexibility and freedom unknown since the first days of the Republic."

While the chief concern of the study from which I have quoted is with taxation, welfare and other programs I feel the principle of accepted cooperation between Federal and State governments has an application to the problem immediately before us.

We have progressed from a loosely knit federation of practically sovereign states to a stage where the States are truly united through a process of compromise and by recognition of the general advantage of this course. On the one occasion when force was substituted for the effort to promote voluntary cooperation the result was a bloody fratricidal war.

My first and most vehement objection to this proposed bill is that it is aimed at coercion of States and of localities. It is built, in large part, on the foundation of statutes which were passed in the heat of anger after the end of the War Between the States and which were modified or abandoned when calmer judgments prevailed.

As the Attorney General of the United States points out in his analysis of S. 1725, the thirteenth, fourteenth, and fifteenth amendments, adopted between 1865 and 1870 became the authority for various civil rights statutes which were enacted but, to quote his brief: "Over the years, through decision of the Supreme Court and Congressional action in 1894 and 1909 the laws implementing the three amendments were reduced in number and scope," to the residue on which this bill is based.

The Attorney General contends that, and I quote his brief, "The existing civil rights statutes fall far short of providing adequate implementation of the amendments protecting life, liberty, and property."

With all due respect to this opinion, I think it may be questioned whether life, liberty, and property in this Nation will be better protected by restoring to these statutes some of the authority originally sought by Thaddeus Stevens and his vindictive followers. I think it also may be argued that any such effort may jeopardize that very precious thing which Daniel Webster referred to as "Constitutional American liberty."

Let us consider, briefly, what this bill purports to do.

Part 1 of title 1 would create a Commission on Civil Rights composed of five members appointed by the President. Three members of this commission would constitute a quorum. The duty and function of this commission would be to gather information and—please note this language: "to appraise the activities of the Federal, State and local governments and the activities of private individuals and groups, with a view of determining what activities adversely affect civil rights."

In his analysis of the bill the Attorney General says the commission would act "as an educating and informational agency" and that it would "act for the Federal Government in working for and cooperating with the States and local governments in the solution of civil rights problems, offering advice and assistance where desired or needed."

What all of this means is that the President will be furnished with a propaganda agency, composed of personnel entirely of his own choosing, although subject to confirmation by the Senate, which may be completely partisan or sectional and which will be supplied from the public treasury with funds for a full-time staff and reimbursement of such expenditures as, in its discretion, it deems necessary and advisable.

This agency, which might at times be highly competent and useful but which at another time might just as easily become the tool of political expedience, would be authorized to appraise, that is to evaluate and pass judgment, not only on the activities of the Federal Government but those of State and local governments and of private individuals which might in any way be classed as concerning civil rights.

I do not have to remind you of the role official propaganda agencies have played in the support of totalitarianism in other nations. I do urge that we consider carefully the possible results of placing such a weapon in the hands of the executive branch of our own Government and of giving as few as three men, responsible only to the one who appointed them, facilities for stirring up discord between sections of our Nation and exposing any community, official, or individual to widely circulated criticism.

I suggest also that it is unwise to authorize such a commission to "accept and utilize services of voluntary and uncompensated personnel and to pay such personnel actual and necessary traveling and subsistence expenses," as is proposed in section 103b of this bill. This would enable the commission to ally itself with and in some degree to support various pressure groups which are completely free from Government control. In the end the commission, instead of using these groups, might be used by them as a subsidized, official mouthpiece.

Then, in part 2 of title I there is authorization to enlarge the Civil Rights Division of the Department of Justice and to increase the personnel of the Federal Bureau of Investigation to the extent necessary to carry out effectively the duties of such bureau with respect to the investigation of civil-rights cases under applicable Federal law.

How much of a force will the FBI regard as necessary for this purpose? Will a staff be set up merely to handle investigation of cases clearly requiring Federal intervention, or will this authorization be used for creation of a national Gestapo which will overshadow local police forces?

An indication has recently been given by the action of the Attorney General in sending FBI agents into Alabama to investigate operations of Ku Klux Klan and possibly to attempt Federal prosecution of members of the Klan alleged to be guilty of flogging citizens of Alabama.

There is no Federal law on that subject but there is a State law on the subject of assault and battery. Both the Governor and the legislature of Alabama have promptly come to grips with that problem and legislation has been passed which will make it difficult for those who commit crimes of assault and battery either individually or collectively to conceal their identity behind a mask of any kind. If without the provisions of the pending bill the Attorney General thinks it is the function of the FBI to participate in local matters of this character how long would it take some succeeding Attorney General to build up a Federal Secret Police Force to operate in every State in the Union and what will become of personal liberty should that occur?

And may I also add in this connection that if what happened in Alabama was a proper concern of the Federal Government where only white citizens were involved why was not the race riot in the swimming pool in St. Louis, Mo., where 20 persons were injured and which it took 400 police a whole day to quell not a proper subject for FBI investigation also? The issue in St. Louis was not any illegal misconduct but was precipitated solely by the efforts of Negroes to share a public swimming pool with whites. It was a race issue pure and simple.

Some further hint of what may happen can be found in the part of the Attorney General's brief dealing with this section of the bill.

The brief says that due to limitations under which the Civil Rights section of the Department of Justice has operated, it has not undertaken to police civil rights, but has handled only those cases brought to its attention by complainants either directly or through Government agencies.

Note that if you please. The implication could be that the exercise of police powers, where civil rights are involved has not been undertaken simply because the staff to do so is lacking. There is no concession that even if there were an unlimited staff this might be a function best left to local au-

thorities. There is no apparent recognition of the limitations of article IV section 4 of the Constitution which says that the Federal Government shall protect the States against domestic violence only on application of the legislature or of the executive if the legislature cannot be convened.

I would direct your attention also to the portion of the brief (p. 13) in which the Attorney General says the civil rights enforcement program would be given prestige, power, and efficiency which it now lacks, and then quotes the statement of the Executive Secretary of the President's Committee on Civil Rights to the effect that with an expanded staff the civil rights section could search out violations. The brief also points out that this bill would enable the Attorney General to enjoin threatened infringements.

In other words, we are asked to set up a Federal force of unlimited size which not only can go into any locality and investigate and prosecute alleged violations of civil rights, but which may guess at the possibility that such violations may occur and try to prevent them by resort to Federal injunction. We have heard argument for days in the Senate recently on the question of whether an injunction should be allowed in the case of a labor dispute which involves national safety and welfare and now it is proposed to give the Attorney General a legal tool which he says he could use at will (p. 14) to resort to injunctions whenever he considers that the rights of one individual might be threatened by another individual.

Part 3 of title I would establish a Joint Committee on Civil Rights which might serve a useful function but which, like the Commission proposed in part 1, might be subverted to political use by the party in power at any given time. Having the power to subpena the attendance of witnesses and production of documents, this committee could harass without limit citizens or local officials whose conduct it did not approve.

Let us come now to title II which deals specifically with civil rights guaranteed by law.

Some of the changes proposed in part 1 are technical and might improve the existing civil-rights statutes but a major change is made by the addition to section 241 of title 18 of the United States Code a new subsection extending the conspiracy provision to cover individuals.

It is true that the courts have upheld as constitutional the Federal prosecution of two or more persons who conspire to injure, oppress, threaten, or intimidate a citizen in the exercise and enjoyment of his constitutional rights.

But, it also is true that from the decision in the civil-rights cases in 1883 on down to the present the Supreme Court has held that actions of individuals against other individuals are not subject to Federal jurisdiction. As Chief Justice Vinson said in the case of *Shelley* v. *Kraemer* last year, "the principle has become firmly imbedded in our constitutional law that the action inhibited by the first section of the fourteenth amendment is only such action as may fairly be said to be that of the States. That amendment erects no shield against private conduct, however discriminatory or wrongful."

This whole theory must be reversed if we adopt the philosophy of S. 1725. If the Federal Government can punish an individual for injuring, threatening, or intimidating another individual where no official action is involved and no State line is crossed in a civil-rights case, the whole field of police power is opened up. It is equally logical for the Federal Government to prosecute a man who steals another's purse or who commits a simple assault.

There may be some difference of opinion as to the significance of the changes which this bill would make in section 242 of title 18 of the code, dealing with actions of officials or others "under color of any law."

It may be true, as I understand the Attorney General argues, that the bill merely clarifies matters which have been settled in effect by court decisions. It seems to me, however, that there is also a possibility that these changes, especially when they seek to clarify such controversial issues as were involved in the Screws case—where four separate opinions were written—may open up more channels of controversy than they close.

For example, on the basis of the Screws case it has been held that willful intention to deprive a person of a specific constitutional right must be shown. This bill prescribes punishment not only for anyone who willfully subjects another to deprivation of rights or privileges but also for anyone who causes another to be so subjected. That might open up a whole new field for Federal interference.

Then we have the new section 242A, in which "rights, privileges, and immunities" of citizens are enumerated. The Attorney General's brief says this section does not create any new right not heretofore sustained by the courts. If nothing new is added, then why is the enumeration necessary? One theory might be that such enumeration would persuade the courts to recognize as rights of a citizen of the United States and therefore subject to Federal jurisdiction, matters which the Supreme Court has recognized ever since its decision in the Slaughterhouse cases as privileges and immunities of the citizens of the several States and hence subject to protection by State authority.

For example, would the statement in this bill of the right to be immune from punishment for crime except after a fair trial be interpreted as the equivalent of antilynching legislation which many of us have regarded as unconstitutional?

Would the statement of the right to vote as it is set forth here be interpreted as a basis for outlawing poll taxes?

Or would the right to protection of person and property without discrimination be construed to cover those matters previously dealt with in FEPC bills?

If we are to face these issues, I would prefer to do it head on rather than to pass an omnibus bill without being sure what it covers and then wake up to find that we are plagued with the same unconstitutional features that have characterized individual civil rights bills in the past.

Similarly part 3 of the bill dealing with equal enjoyment of accommodations of public carriers contains the phrase "and all facilities furnished or connected therewith." Does this mean that in a city where segregation is the rule it will be a criminal offense to provide a station with separate rest rooms for the races? Here again the intent is evidently not merely to enforce the Federal law where interstate commerce is concerned but to extend its jurisdiction into every locality.

It seems only too plain that this bill is aimed at a region of the country and is based on political expediency.

Recently I visited the State of North Dakota and attended the dedication of the Roosevelt Memorial National Park. In an assembly estimated at 25,000 to 30,000 I did not see a single colored person and in conversation with a native of North Dakota I was informed that there were not more than 600 Negroes in the entire State.

The pending bill would cause no domestic discord in a State like North Dakota but forbidding a State which has a large colored population to continue such simple practices of segregation as providing separate rest rooms in railroad and bus stations is quite another matter.

We do not need this bill at the present time. We do need to rededicate ourselves to the fundamentals of democracy. We need to recall the philosophy of James Monroe, who so clearly pointed out the relation of the States to the Nation in one of his messages to the Congress, in which he said:

"The Constitution of the United States was formed by a convention of delegates from the several States, who met in Philadelphia, duly authorized for the purpose, and it was ratified by a convention in each State which was especially called to consider and decide on the same. In this progress the State governments were never suspended in their functions. On the contrary, they took the lead in it. * * * There were two separate and independent governments established over our Union, one for local purposes over each State by the people of the State, the other for national purposes over all the States by the people of the United States. The whole power of the people, on the representative principle, is divided between them. The State governments are independent of each other, and to the extent of their powers are complete sovereignties. * * * In thus tracing our institutions to their origin and pursuing them in their progress and modifications down to the adoption of this Constitution two important facts have been disclosed, on which it may not be improper at this stage to make a few observations. The first is that in wresting the power, or what is called the sovereignty, from the Crown, it passed directly to the people. The second, that it passed directly to the people of each colony and not to the people of all the colonies in the aggregate; to 13 distinct communities and not to one. * * * What produced the Revolution? The violation of our rights. What rights? Our chartered rights. To whom were the charters granted, to the people of each colony or to the people of all the colonies as a single community? We know that no such community as the aggregate existed, and of course that no such rights could be violated. It may be added that the nature of powers which were given to the delegates by each colony and the manner in which they were executed show that the sovereignty was in the people of each and not in the aggregate. They respectively presented credentials such as are usual between ministers of separate powers, which were examined and approved before they entered on the discharge of the important duties committed to them. They voted also by colonies and not individually, all the members from one colony being entitled to one vote only. This fact alone, the first of our political association and at the period of our greatest peril, fixes beyond all controversy the source from whence the power which has directed and secured success to all our measures has proceeded. * * * By article IV, section 4, the United States guarantees to every State a republican form of government and engages to protect each of them against invasion; and on application of the legislature, or of the executives when the legislature cannot be convened, against domestic violence. * * * Of the other parts of the Constitution relating to power, some form restraints on the exercise of the powers granted to Congress and others on the exercise of the powers remaining to the States. The object in both instances is to draw more completely the line between the two governments and also to prevent abuses by either. Other parts operate like conventional stipulations between the States, abolishing between them all distinctions applicable to foreign powers and securing to the inhabitants of each State all the rights and immunities of citizens in the several States. * * * The great office of the Constitution of the United States is to unite the States together under a government endowed with powers adequate to the purposes of its institution, relating, directly or indirectly to foreign concerns, to the discharge of which a national government thus formed alone

could be competent. * * * The Constitution forms an equal and the sole relation between the General Government and the several States, and it recognizes no change in it which shall not in like manner apply to all."

Commencement Address by Bernard M. Baruch

EXTENSION OF REMARKS
OF
HON. ELBERT D. THOMAS
OF UTAH
IN THE SENATE OF THE UNITED STATES

Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by Hon. Bernard M. Baruch at the commencement exercises commemorating the twenty-fifth anniversary of the formation of the Industrial College of the Armed Forces, in Washington, D. C., June 28, 1949.

As a former chairman of the Senate Committee on Military Affairs, I deem it not inappropriate to assume that Mr. Baruch would not object if I associated myself with him in his tribute to the great military leaders who represented America in the occupied territories. America can and does take pride in her representatives.

Mr. BYRD. Mr. President, I had intended to ask to have inserted in the Appendix of the RECORD the very outstanding address made by the Honorable Bernard M. Baruch at the commencement exercises, commemorating the twenty-fifth anniversary of the formation of the Industrial College of the Armed Forces, which the Senator from Utah has asked to have placed in the RECORD. I am glad he has done so, because anything that Mr. Baruch has to say, is always worthy of the attention of the American people, and this address, particularly so.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Usually my Industrial College talks have centered around the problems of economic and industrial mobilization. Today I intend to include in my text a somewhat different subject.

Not that there is less urgency for the immediate adoption of a plan of total mobilization. The necessity never was greater. If war is to be prevented, we must be ready to see the Atlantic Pact through. With its ratification the United States will be formally committed to go to war in event of aggression. Let no one have any doubts on that score. Yet, with the cold war dragging into its fourth year, we still lack any effective plan for the swiftest possible mobilization of our resources to insure reaching our allies in time.

At the close of the war Congress created an agency to draw up and recommend mobilization plans. When this agency attempted to act, it was, as you know, prevented from doing so. It has still to be heard from.

What needs to be done is well known. The mobilization experience of the last two wars should be embodied in the best possible plan that can be devised as of today, and promptly enacted into law, ready to be put into effect on proclamation of the President, with the concurrence of Congress.

What is lacking is a will to decision. The Congress and the American people are entitled to a full report on the status of these mobilization plans. The responsibility for this neglect should be made clear—before it is too late. Additional delay is a needless gamble with our national security—a needless invitation to disaster.

But, as I remarked earlier, I am not here merely to talk mobilization. Its importance is obvious and imperative. Of even graver consideration are the types of men who operate our Military Establishment.

And, so, I should like to say a few kind words for the so-called brass hats, who are being sneered at and sniped at so unjustly. They deserve better at the hands of the public.

We should stop thinking that the soldier is set apart from the rest of the people. This is bad thinking. A soldier, whether he be an officer or a private, is still a citizen. In fact, he is first of all a citizen. So is a veteran.

The whole thesis that there exists some deep fundamental cleavage between civilians and military in American life breaks down on examination. The soldiers who have been called upon to function in spheres apart from their profession of arms have rung up enviable records. Our occupation commanders—MacArthur, Clay, Clark, Hodges—have handled themselves with ability and tact, with justice and firmness. They, their officers and enlisted men, have won new respect for the United States.

In Bedell Smith we had an excellent Ambassador to Soviet Russia. Admiral Kirk is a worthy successor.

There has been no more capable administrator of veteran affairs than Gen. Omar Bradley. Less conspicuous, but no less real, was the ability shown by Marine General Erskine as retraining administrator in an impossible situation.

No Secretary of State has been less militaristic and more devoted to searching for peace than General Marshall.

Our civilian life has been greatly enriched by the addition of professional soldiers, General Eisenhower being only the most recent example.

There is no basis for the accusation that our military leaders think exclusively in terms of war. Today the professional soldier is trained in the arts of peace as well as those of war. That, as you know, has been one of the objectives of this Industrial College.

I know of no group who have been so loyal to the country as a whole. The question never arises of protecting one region—say New York or Texas—at the expense of others. The military has always thought of the whole national interest, which is more than can be said for some of their critics.

By whom have American liberties been threatened in the past? By the military? Or by reckless civilian politicians and rabble-rousers? The role of the soldier in the United States has always been that of the protector of our liberties. In times of peace all too many people have tended to jeer at members of the armed forces, to laugh off their warnings, to give little heed to what they have sought for defense. Then, suddenly, war erupts. The much-maligned military are expected to spend billions in furious yet efficient haste, to recruit and train in a matter of months millions of men who never held a rifle before, to organize global operations touching places most Americans had never heard of. Certainly it is one of the marvels of American history that our armed forces have not failed us in time of war, despite the treatment given them during peace. This story is told in Kipling's "Tommy Atkins."

The pay we civilians give our soldiers has never been commensurate with the responsibilities we thrust upon them. That is particularly true now, when inflation has slashed the real value of all pensions, savings, and salaries. Grave responsibilities with inadequate reward and exposure to unfair criticism is too often the lot of occupants of the Pentagon—which I hope to see renamed the James V. Forrestal Building.

Not all who have been wounded in the service of their country wear purple hearts.

Were today's abuse of the military merely a question of the specific charges being made it would be of small concern since the evidence refuting these accusations is so readily at hand. However, the outcry against the brass is the outward sign of something deeper.

In ancient, more primitive times it was often the practice to beat or kill a courier who brought bad news. That is somewhat the plight of the military in America today. Because of the cold war, the atomic bomb, and other ocean-shrinking weapons, the collapse of European and Asiatic power, preparations against war intrude ever more insistently into all our lives. Before Hitler, defense appropriations cost each American only a few dollars a year. We now pay $100 annually—each of us. For the first time in our history, young men have been drafted before actual war.

These and other actions being forced upon us clash violently with the traditional American hatred of war. Is it surprising that some people should lash out at the messengers bearing the sad tidings which make these changes necessary as if the messengers, themselves, were to blame?

Bear this fact in mind—the American people are currently in the throes of tormenting, frustrating readjustment. Both as a Nation and as individuals we grew up accustomed to regard war and peace as distinctly separate states, like day and night. Today we live in an around-the-clock twilight of neither war nor peace. Reared to think of war as a brief emergency to be rallied to temporarily, we find ourselves confronted by a continuous threat of war, which requires something Americans have habitually lacked—a see-through constancy in action between peace and war.

This necessity to adjust to the inexorable continuity between peace and war which prevails in our world will force revolutionary changes in the thinking of the military as well as civilians. In the past, for example, defense appropriations fluctuated wildly in a feast-and-famine cycle. Unfortunately, our budgetary habits are still attuned to that cycle. For the cold war we must scale defense expenditures so they can be sustained indefinitely—paced to the needs of changing world developments—without overburdening our economy.

So much is being spent by all nations today in fear of war. If these resources were turned to peaceful uses, how many of the world's problems could be solved.

Our military strength cannot be permitted to lapse to where it invites aggression. Neither dare we overload our economic system with destructive, unnecessary taxes or to divert so large a proportion of our resources from productive use so that living standards cannot continue to be lifted. The cold war is as total as actual war. It requires not military readiness alone but a strategy embracing all fronts, a strategy which rises above the race of selfish groups who seek to better themselves at the expense of others, even to where it endangers our very Government.

To arrive at the proper balance will require painful decisions by both the military and civilians. Within the defense establishment a unified strategic concept must be agreed upon, with expenditures restricted to what is absolutely needed—not what is wanted or even desired.

On the part of the civilians, there must be an end to prevailing indecisions. An overall global strategy for prolonged peace waging

must be formulated. I have always believed in civilian control of our national life, both in war and peace. But civilian dominance has its price—a readiness to make the decisions which the military must have to carry out their assigned duties. The failure to enact a mobilization plan is only one instance of this vacillation and neglect.

Lack of self-discipline and weird economics, strange ethics and perverted logic, if persisted in, will surely destroy us. These internal dangers are as great as the external ones. Still I have never seen a situation that could not be cured by competence. And that holds for our problems today.

Materially, we have all that we had yesterday—and more. The test is one of choosing between the wisdom and follies in man's experience.

For more than half a century I have been associated with members of the armed forces. In all that time I have never met a so-called military man who was not as fervently desirous for peace as the ordinary civilian. I have watched the defense agencies spend billions and, while there have been lapses, on the whole the record has been better than any comparable operation in civil life. Nor have I ever detected in the military any tendency to usurp power or to do anything other than safeguard our freedoms.

The men who commanded on land and sea and in the air and those whom they commanded, gave new dignity to the spirit of America. I resent the implication that these war leaders are less able or less willing to discharge their duties in peace. I reject the theory that they think narrowly and rigidly in terms of war. I oppose any effort to force them into secondary citizenship.

You gentlemen can leave this institution with pride in the training you have received and with greater pride in what you symbolize—the ability of the American democracy to fuse professional soldiering with a love of liberty. If at any time in the future you find yourself being called a brass hat take it as a compliment. I would be proud to be known as one.

Pinchot National Forest

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Pinchot National Forest," from the Scranton Times of June 23, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PINCHOT NATIONAL FOREST

When Gifford Pinchot, twice Governor of Pennsylvania, first came into national attention it was as a forester and conservationist rather than a political leader. He is credited by some at least as having made the people forest-conservation conscious. Now his achievements along that line have been recognized. President Truman has signed an order conferring the name Gifford Pinchot National Forest upon a large tract of virgin timber in Washington State formerly known as Columbia National Forest.

The Williamsport Sun says the choice of a forest as his memorial is fully appropriate. It was while he was in Federal conservation service Pinchot helped establish the forest which is to perpetuate his name and the memory of his great service to conservation.

So far as Pennsylvania is concerned Governor Pinchot's name won't be forgotten, especially by farmers. His Pinchot road plan to take farmers out of the mud did much to promote highway building generally throughout Pennsylvania and to give this Commonwealth one of the finest road systems of any State in the Union.

Memorial Day Address by Lt. Comdr. William G. Earles, United States Navy

EXTENSION OF REMARKS
OF
HON. OWEN BREWSTER
OF MAINE
IN THE SENATE OF THE UNITED STATES

Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. BREWSTER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address delivered by Lt. Comdr. William G. Earles, United States Navy, delivered at the City Hall Plaza, Portland, Maine, on May 30, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I approach this occasion possessed with humility—with humility because I have been invited to actively participate in one of the most significant of all American days of patriotic recognition.

To ask from what time and circumstance sprang such a day, this Memorial Day of ours, is not unnatural.

Let us thumb back through the pages of our history. Eighty-one years ago, as a veteran of the Civil War, as commander in chief of the Grand Army of the Republic, John A. Logan focused his thoughts upon his comrades, the valorous dead of that war, determined to perpetuate their memory, and thereupon issued a general order designating May 30, 1868, "for the purpose of strewing with flowers or otherwise decorating the graves of comrades who died in defense of their country during the late rebellion," and thus created Decoration Day.

From its birth in a veteran's gratitude for the grave-terminated sacrifices of his comrades, Decoration Day of May 30, 1868, has grown in significance and observance until it is the Memorial Day of all gallant fighting men and women whose lives have safeguarded our country and our freedom.

Now we have Memorial Day, a day imperishably enshrined in the grateful hearts and loyal minds of all Americans; a day unalterably dedicated to commemorate the unrivaled patriotism of those who in defense of the United States fell in war that we, their countrymen, might stand secure in peace within that United States; a day unalterably dedicated to solemnly reaffirm a national act of faith in the United States and its sacred principles of justice, freedom, and democracy for which our comrades perished and we must persevere.

If this be true, if our Memorial Day be one not only of commemoration but also one of reaffirmation, is it enough that we assemble here in profound respect? Is it enough that we bow our heads, place the wreath of gratitude and love upon the memorial plaque, and quietly disperse until another year, another Memorial Day?

It is not enough.

The bodies of these comrades are mortal; they are destructible and pass to dust. Their monuments and statues? Ultimately they, too, become dust in the crucible of time. But their mind, their spirit can be eternal, can be preserved, not by sepulcher and tomb, but by the integrity of character and behavior of us who imitate them, who give our energies, our sinews to preserve their mind and spirit.

In other words, we must not be content to extol the past and remain indifferent to our times.

Is it necessary to remind ourselves as veterans that we enjoy benefits to self and family of Government hospital and medical care, of preference in employment, of the GI bill of rights with its unemployment insurance, education at Government expense, Government loan guaranty for home, farm, or business, of pension rights of the disabled, the widowed, the orphaned? How do you think these benefits came into existence? Do you think that they "just grew," like Topsy? If so, you are wrong. They were won largely through the unceasing, the unrelenting efforts of the American Legion.

Is it necessary to remind ourselves as veterans that these benefits, often unappreciated, scoffed at, abused, may be lost—at least, so emasculated as to be inadequate?

You say "ridiculous"? You say "impossible"?

Have you ever heard of the National Economy League which advocated Government economy yet apparently never directed their propaganda except against the veterans? Have you heard of the Economy Act of 1933, the so-called "bill to maintain the credit of the United States," which simply asked Congress to give the President complete power to reduce expenses applicable to the veteran, a bill setting forth no sums of money, no rates to be reduced, no percentages of savings, thus astutely excluding practically all basis for discussion or debate?

Do you know that $400,000,000 was struck from the veterans' budget? What did this $400,000,000 define in terms of suffering and injustice for veterans, their wives, their children? The tubercular, the neuropsychiatric, with service-presumed disabilities, were knocked off the Federal compensation rolls and left to the mercy of their State, county, or municipal charities. Take the veteran with one leg, rated as 60 percent disabled, receiving $60 per month, was economized to $20 per month.

Oh, that is not all. The Spanish-American War veteran, yes, even the Civil War widow, had their pension mite sliced.

If this cruel and heart-rending situation could occur in 1933, when the Nation had over 5,000,000 veterans of World War I, isn't it logical to assume that a similar situation will occur now that we have over 15,000,000 veterans of World War II?

As a matter of fact, we need make no assumption. Though the problem of the disabled veteran is humanitarian, economic, and political, he may again become the casualty of a pencil-eager statistician and be interred as an item in a column of Government figures.

If you are still doubtful as to whether or not our benefits may be terminated or curtailed, focus your attention upon the national and State legislative fronts. Economy at the expense of the veteran has been alerted; the reconnoitering has been done; the intelligence units have reported; the battle salients have been selected; the heavy artillery has begun the softening-up process; the attack can be expected.

Are we going to "slough off" on our deceased comrades, their families, desert the headquarters echelon of the American Legion and other veterans' organizations, or are we Legionnaires and other veterans going to level our gun sights and mow down the opposition?

It can be done just as the Economy Act of 1933 was defeated by the Legion's concerted war of attrition, whose victory was the veterans' benefits as we know and utilize them today.

Is it necessary to remind ourselves that we are citizens of these United States, that we veterans are back again on civilian road, peacetime, United States of America? Certainly we cannot expect the nonveteran to understand and assist us in our needs and our problems, if we should ignore the common good, the needs and rights of others, and fail to be just and cooperative with all.

Certainly we cannot expect to better life for ourselves and others unless we make good government a definite objective through honest and intelligent use of our voting franchise. Furthermore, we cannot hope for success for ourselves and country, if we should discredit individual rights, if we should ruthlessly pursue privileged objectives to the detriment of community, State, and Nation.

Thus, in love for our departed comrades, in gratitude for their sacrifice, in respect for their cherished ideals for country, family, and self, we who are in reserve must step forward, close ranks, and assume our ordained role of American citizenship.

Conditions in Hawaii

EXTENSION OF REMARKS

OF

HON. JOSEPH R. McCARTHY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial regarding conditions in Hawaii, from the Honolulu Advertiser of June 20, 1949.

There being no objections, the editorial was ordered to be printed in the RECORD, as follows:

WE GOTTA KEEP THINGS QUIET, JOE

We see, Joe, where the lousy morning sheet is trying to get enough dough donated to pay for putting Hawaii's story before the public in Washington.

Sure hope they don't get to first base on that deal.

One of our biggest advantages in pulling this community tie-up in Hawaii has come from the fact that we are so far away, and haven't any votes in Congress, so no one much has taken any interest in our plans for making Hawaiian business meet our terms—or else.

And we got the "or else" part of it pretty well under way.

But, Joe, if the public really puts up enough dough and these ads are printed, so that the American public demands that Congress do something, promptly, it might cause a number of things to happen.

You know, busy as they are back in Washington, Americans are still for Americans and Congress might get touchy and decide after all what we are doing to Hawaii, in our own quiet way, ain't American.

That it ain't decent. That it ain't right, even though it is all legal.

Of course, we'll claim this advertising scheme is just another hysterical plan, and talk it down everywhere, and in every way that we can.

You know that, Joe.

But, people is getting so desperate, they might go for it, and in that case there is nothing we can do but sit back and hope that it won't be effective.

Trouble is, Joe—it will cause much conversation. Much indignation.

And that ain't good, Joe. Not for us. The quieter we can keep things, the better it will be.

You know—work in the dark. Hide our real motives—just like we have been taught all these years.

Is Public Housing a Responsibility of the Federal Government?—If It Is Where Does It Start and When Should It Stop?

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. McDONOUGH. Mr. Speaker, if the Federal Government assumes the responsibility and obligation to provide shelter to 810,000 low-income families throughout the Nation by the passage of H. R. 4009, it logically follows that it is the responsibility and obligation of the Federal Government to supply the other two necessary basic essentials, food and clothing. Everyone agrees that adequate food, clothing and shelter are the minimum necessities for the health and well being of all families in the Nation, but why should the Federal Government, if it is its responsibility and obligation, supply one of these without the other two.

It is estimated that it will cost $16,000,000,000 to provide shelter for 1,050,000 low-income families for 40 years presuming of course that there will never be more than 1,050,000 low-income families in the Nation in the next 40 years, which of course is not true because there are many more than 1,050,000 low-income families in the Nation today. The Bureau of Census 1947 record says there are 10,214,446 families that earn less than $2,000 per year, but we are only going to take care of 810,000 of them with H. R. 4009 at a cost of $16,000,000,000.

If the Federal Government starts by taking on the job of providing shelter for some of the low-income families throughout the Nation, we will not stop there. The cry of discrimination and political favoritism will be heard from all parts of the Nation: "If he gets aid, why can't I have it. I helped to elect Congressman Joe Blow and he better get me into one of those low-rent palaces or I'll start a Don't Vote for Joe Blow for Congress Club and beat him. I got influence. I'll show him."

And what about the poor ambitious fellow who gets a small increase in pay which results in the eviction of his family, or the fellow who declines to be ambitious and never gets a raise in pay so he can stay in Federal housing indefinitely.

This bill will place a premium on indolence and a penalty on ambition. It will bring about the rankest kind of discrimination between all classes of people; those who are in and do not want to get out; those who want to get in and cannot; and the poor overburdened taxpayer who is paying the bill and going broke so fast that he will soon be eligible for low-rent housing and no vacancies after he has paid his share to create and maintain it.

The fundamental question involved here is whether providing low-rent housing to low-income groups is an obligation and a responsibility of the Federal Government. And if it is, where does it begin and where does it end? Does it end with providing low-rent housing for 810,000 or is that just a start? Does it end with providing housing, or will it eventually include food and clothing, and for how many and for how long?

These are not idle questions nor are they intended to be cynical.

Personally I do not believe that providing low-rent housing for low-income groups is a responsibility or an obligation of the Federal Government. My convictions on this question are not based on the invasion of the Federal Government into the field of free enterprise nor are they in the least influenced by the greed or avarice of some of those engaged in the real-estate business who would stand to lose by this legislation.

My greatest concern is the unending responsibility and obligation the Federal Government would be assuming and the untold billions it would cost plus the dangerous political and social repercussions it would bring about by creating the beginning of the welfare state and a definite and positive step in the direction of national socialism, political preference, political discrimination, social stigmatism, indolence, and demoralization.

There would be no need for this kind of legislation if the States, counties, and cities enforced their building codes for safety, from fire, and for health and sanitation. What pride can a State, county, or city have when it neglects its own law enforcement to the extent that the Federal Government must consider doing the job for them and making a large part of the citizens obligated wards of the Federal Government by providing houses for them to live in. Where is the pride of State's rights? Why should they raise a cry against an invasion of the Federal Government or against a centralization of power in Washington when they brought it about by their own neglect?

Minneapolis High-School Pupils Interested in World Peace

EXTENSION OF REMARKS

OF

HON. ROY W. WIER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1949

Mr. WIER. Mr. Speaker, the youth of the Minneapolis public high schools have taken a significant step toward se-

curing a better understanding with the school-age boys and girls of the world. They realize that a world peace can be secured only through a better understanding of the teen-agers in all nations.

These Minneapolis high-school pupils not only live in a democracy, they have studied a democratic form of Government in their school textbooks and thoroughly understand a democratic way of living. Now they are going beyond their classrooms, their neighborhood blocks to share their ideas, interests and activities with 100,000 boys and girls throughout the world. They have dug into their allowances to finance their own miniature Marshall plan in order that they may send their high-school year books to 45 foreign countries. These young citizens are laying a foundation today that will carry the seed of future lasting world peace.

I feel certain that the following article which appeared in the Minneapolis Star, June 20, will be inspiring to all of those who read it:

CITY PUPILS TO SEND YEARBOOK ABROAD

A high school yearbook-exchange system on an international scale was started in Minneapolis today, with the hope of drafting 100,000 pen-pal peace pacts.

Father of the idea is world-travelled Harry S. Genung, social science teacher at Vocational High School. He has taught in the Philippines and has traveled in 25 countries. He believes that the gospel of understanding will take root around the world if enough seeds of information are planted.

"We'll send our yearbooks from the 11 Minneapolis high schools to 45 foreign countries, and let the boys and girls over there see what the young people of America are really like," Genung said.

He has rounded up dimes and quarters from some 300 to 400 pupils in each school to finance purchase and shipping of 20 yearbooks from each school.

With each yearbook will go from 6,000 to 8,000 names of pupils. Altogether, contacts for 100,000 pen-pal relationships will be set up, he figures.

Dr. H. B. Bruner, superintendent of schools, is sending an enclosure: "To the youth of all countries—our greetings."

"This book is sent to you from boys and girls in Minneapolis as an expression of their friendliness and good will toward youth in your country," Bruner's letter says.

"We hope you will enjoy looking at the pictures and reading about the activities of pupils in this American high school.

"Our young people are greatly interested in learning more about you and your country. They would appreciate it if you would write to them so that they might have further opportunity to share ideas with you. Your letter will be given to one of the pupils who had a part in sending this book to you."

The plan has the pupils' own all-city student council heads behind it, being endorsed by Lyall Schwartzkopf, Roosevelt High School, retiring all-city student council president, and by Richard Taylor, Vocational, new president.

Genung will offer his plan for national adoption at the American Federation of Teachers convention in Milwaukee, Wis., in August.

His name for the project: "Y. O. U."—the initials for yearbooks offer understanding.

The Strike Situation in Hawaii

EXTENSION OF REMARKS
OF
HON. HUGH BUTLER
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES

Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD two editorials relating to the Hawaiian strike situation, one from the Los Angeles Times of June 26, another from the New York Times of June 25.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times of June 26, 1949]

HAWAIIAN RELIEF, COURTESY OF BRIDGES

(By Kyle Palmer, political editor)

Depressing news dispatches and indignant reports by returning mainlanders; statistics on dangerously low food supplies, on business failures and job losses; and slow strangulation of the economic life of an American community of more than 500,000 men, women, and children are incidental items in the tragic story of strike-bound Hawaii.

Merits in the dispute between striking dock workers and their employers are secondary considerations.

In the light of the far greater issue raised by the situation in Hawaii—an issue as vitally related to the welfare of all the people of this country as to that of the helpless Hawaiian population—the question of which side is right, or partly right, in arguments for and against wage increases loses much of its significance.

Hardships of those in faraway places, the sufferings we read about, but do not ourselves experience, even the distress of a distant community in which our own friends and relatives are among the hapless victims, never seem quite as real or as unbearable as the ills and evils we share or have immediately before us.

But the fact remains that the country's mainlanders are sitting by complacently while more than a half million of their fellow citizens are experiencing an ordeal—now well into its second month—which would not be tolerated overnight by public opinion within the continental United States.

Whether Harry Bridges represents to you a species of Red devil bent upon destroying the economic, political, and social system of this country, or in your estimation is an inspired defender of the rights of his underprivileged fellow man, Mr. Bridges by calculation and design has been able, for all practical purposes, to isolate the Hawaiian Islands from the rest of the world.

Again, it seems to me that his motives are relatively unimportant; whether he seeks to better the lot of his union members, as he maintains; whether he is carrying out a deliberate Communistic scheme to dominate Territorial politics and economics, as many believe, or whether he merely intends to solidify his position as a dominating figure in management-labor relations.

The important thing, from the standpoint of any citizen who has due regard for his own rights, freedom, and welfare, is that Bridges has been able to accomplish his objective; that he has been permitted to accomplish it, first by an unaroused public opinion, and, second, by a remarkably and inexplicably indulgent national administration.

A dock strike in Hawaii, backed up by refusal of dock workers on the mainland to handle cargoes destined for Hawaiian ports, represents in all respects what a joint shipping, trucking, and railway strike would mean to a mainland community. To Los Angeles, for instance.

And in view of the distances involved, the Hawaiian dock strike is even more crippling; for Honolulu and all other Territorial areas are absolutely dependent for adequate supplies of virtually all essentials upon waterborne commerce.

Not a freighter may be loaded or leave port or discharge its cargo except by the grace of this union boss; and while one branch of the Federal Government marshals its forces to prove him a perjurer and an active Communist leader, whose original alien status should be restored preliminary to his deportation, other divisions of the Government profess themselves powerless to interfere with his destructive program.

And once again a discussion of this situation need not inquire into his reasons, nor seek answers not related to the basic question that should appeal to all:

"If Harry Bridges and his union members can bring the people of Hawaii to their knees by reckless and ruthless exercise of arbitrary power, what is to prevent him—or others—from exercising that power elsewhere?"

True, neither Bridges nor any other union leader, even with the collaboration or collusion of a prolabor national administration could get away with such tactics on the mainland now.

But how about next year, or the year after that, or 10 years hence, if the Hawaiian experiment succeeds?

The dock strike in Hawaii is an object lesson, both of what is happening and of what can happen. Yes, what can happen here.

Dock strikers have demanded a specified pay increase and their employers, offering less than the union demands, must eventually come to a decision.

Compulsion by Government agencies exerted against either side wil not meet the issue, nor will a one-sided victory by either prove beneficial. Somewhere along the line a fair meeting ground can be discovered.

In the meantime, Bridges keeps his thumb on the jugular vein of the Hawaiian people—their maritime commerce.

And in the meantime the constructive and productive activities of the islands are withering.

Pineapple and sugar industries in Hawaii are big business. That such industries are periled is not, perhaps, a matter of great concern to Bridges and his island lieutenants.

Yet the economy of the islands rests upon those two major operations, and the livelihood of tens of thousands of families depends upon their success.

There were less than 10,000 persons listed as unemployed in Hawaii when the strike of longshoremen and warehouse workers started on May 1. Now the unemployment number almost 20,000.

And this expanding army of the enforced idle may suddenly reach disastrous proportions if unionized sugar and pineapple workers—controlled by Bridges—carry out threats of strikes in those industries.

The Federal Government is ever on the alert to break up and penalize the threat of industrial monopoly, but here is a monopoly—a monopoly of power, of political pressure, and of economic control—that can say "stop" or "go" not only to business but to the workers, to the politicians, and to government itself.

Surrender to such a threat, on any basis, might bring temporary labor-management peace to Hawaii and a resumption—on Bridges' terms—of the commerce of the islands.

The evils thus halted for a time in Hawaii, however, would reappear in more malignant form. Their spread could not be stayed.

Thus, Harry Bridges has challenged the right and the capacity of the people—not of the Territory of Hawaii alone but of the Nation itself—to conduct their ordinary and proper affairs unhindered by the particular interests or the special objectives of any man or set of men.

Make no mistake about this dock strike in Hawaii. It goes far beyond the limits of an employer-employee dispute; is more fundamental than any struggle between capital and labor. It is a supreme bid for power by a resourceful and highly intelligent man who, if he succeeds, will never be satisfied by one or two such triumphs.

The solution to this puzzle does not lie primarily in Hawaii, where the people are under siege. It is really up to the people on the mainland to take cognizance of an unbearable and an insufferable condition which, as it affects the fundamental rights of a few, affects the rights of all.

How far shall the oppression of Bridges be tolerated?

To date, milk production in Hawaii has been curtailed about 10 percent.

More than 350 business establishments, in the face of dwindling supplies and dying trade, have been forced to lay off hundreds of workers.

Salaries have been reduced in some firms by managements hoping to weather the storm without curtailing their staffs.

For the first time in many years, dividend payments to investors have been cut.

Many little businesses either hang upon the edge of bankruptcy or are about to take the plunge.

In some instances poultry growers have slaughtered flocks, destroyed baby chicks and hatching eggs because of empty feed bins.

Passengers and mail arriving on transpacific ships are being unloaded off the port of Hawaii and lightered ashore.

The record of petty annoyance and major outrage is endless.

A relief ship is on the way. Harry Bridges permitted it to be loaded and allowed it to sail. The ship will be unloaded, Bridges willing.

[From the New York Times of June 25, 1949]

STRIKE IN HAWAII

Since the war Hawaii has become one of the most highly unionized areas under the American flag. Labor strength is concentrated in Harry Bridges' International Longshoremen's and Warehousemen's Union, CIO, which has reached out from the waterfront into the vital sugar and pineapple industries. On their part, Hawaii's employers have long formed a well-integrated united front, creating what the Labor Department has called "a strongly centralized industrial structure * * * extending not only to the economic but even into the social and political aspects of island life."

In this situation when a labor-management controversy arises it is likely to be long and bitterly fought, while the ordinary citizen of the islands suffers from curtailment of supplies and collapse of the area's peculiarly vulnerable economy. Such a condition exists now; and it is, so far as the islands are concerned, a struggle of the titans. On May 1 the 2,000 stevedores belonging to ILWU struck, thus effectively tying up the shipping on which Hawaii is absolutely dependent. On its face the dispute is a simple one; but beneath it is a show-down struggle between labor and management.

The union demands either a wage increase of 32 cents an hour, bringing the hourly rate to $1.72 (10 cents less than the rate for stevedores on the Pacific coast), or arbitration of the dispute. The seven stevedore companies involved have offered a 12-cent increase, and have consistently and emphatically refused arbitration. Their objection to arbitration rests on the grounds that third parties do not know as much about their business as they do, that arbitration will bring west coast conditions to Hawaii, and that, while grievances arising out of a contract are properly subject to arbitration, such procedure is not the way to settle wage negotiations. To the union argument that stevedoring pay in Hawaii should be equal—or nearly equal—to that on the west coast, the employers reply that conditions in Hawaii are different, and that pay in one industry should not be thrown out of line with other island wage scales. The broadening of the strike to include sugar and pineapple plantations is a possibility.

Eight weeks have elapsed since the stevedore strike began. No one on the islands has starved or been seriously threatened with starvation; relief ships carrying necessary food imports have been unloaded, as have vessels bringing supplies to the military establishment. But there is no question that the Territory has suffered severe economic damage; business has been curtailed; the tourist trade has dropped; unemployment has mounted; some foods such as butter and eggs are in short supply; and relations between labor and management have been seriously exacerbated. Some ILWU leaders have been accused of preaching a hate-the-boss campaign; some employers have been accused of being labor haters. The extraordinarily rapid growth of an aggressive union has aroused much bitterness.

The Communist issue, too, has played its part. Only this week Senator BUTLER, of Nebraska, urged that statehood for Hawaii be deferred until the Territory stamps out Communist influence, which, he said, was personified by the Bridges union. However, even if the ILWU is actually under Communist control, its economic demands should not be dismissed on that ground alone. That would be playing right into the hands of the Communists. A wage dispute of this nature should be settled on its merits.

There must be very valid reasons why the union's demands cannot be granted—but the charge of communism is not one of them. We think that the Governor's fact-finding board, which will report next week, was right to rule out the Communist issue at its hearings. Recommendations of this board will not be binding, but should carry moral weight in the effort to reach a solution of this devastating strike.

Statement by International Chiropractic Association on National Health Bills

EXTENSION OF REMARKS

OF

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. MAGNUSON. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a statement by the International Chiropractors Association with reference to the position of that organization on national health bills.

The statement was forwarded to me by Dr. A. A. Adams, second vice president of the International Chiropractors Association and chairman of its national legislative committee, of Tacoma, Wash. Dr. Adams and his associates believe that chiropractic health care should be recognized in any national health plan which may be enacted.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INTERNATIONAL CHIROPRACTORS ASSOCIATION PRESENTS CHIROPRACTORS POSITION ON NATIONAL HEALTH—ICA BOARD OF CONTROL RESOLUTION SPEAKS FOR CHIROPRACTIC PROFESSION AND ASKS EQUAL RECOGNITION WITH ANY OTHER HEALING ART WHICH MAY BE INCLUDED IN FEDERAL HEALTH PLAN

PREFACE

Various proposals are before Congress designed to increase the availability of adequate health care to the people of the United States. None of them make specific reference to chiropractic, and presumably a citizen would have no right to request chiropractic care under any of said proposals if adopted in their present form. Attention is invited to the accompanying resolution adopted by the officers and board of control of the International Chiropractors Association. This brief has been prepared for the purpose of presenting the need to include chiropractic in any national health plan which may be enacted into law.

CHIROPRACTIC PROFESSION SERVES LARGE PROPORTION OF POPULATION

More than 30,000,000 people in the United States have accepted chiropractic health service, served by the second largest of the healing arts professions, chiropractic, comprising nearly 20,000 practitioners located in every section of the country.

If a national health plan is adopted, the 30,000,000 chiropractic patients must be provided for in a way which will permit freedom to choose chiropractic care as well as medical and dental care, and on the same equal basis.

CHIROPRACTIC SEPARATE AND DISTINCT FROM MEDICINE

Chiropractic has approached the problem of the cause of disease from an entirely new and fresh viewpoint from that of medicine. It was developed independently from medicine, and does not employ medical procedures.

Furthermore, chiropractic offers a type of health service not otherwise available. Medical doctors do not practice chiropractic * * * chiropractors do not practice medicine. The two types of service are entirely separate and distinct. This separate and distinct, coequal and independent, status of chiropractic has been recognized by State legislation and licensure without reference to medical licensure.

SCOPE OF CHIROPRACTIC PRINCIPLE AND PRACTICE

Chiropractors limit practice to the adjustment, by hand only of the articulations of the human spinal column for the purpose of removing interference to the transmission of nerve energy between brain and body.

Briefly, chiropractic holds that human ailments are caused by interference to the natural flow of nerve energy between brain cell and tissue cell. Thus, if an organ of the body is failing to receive normal quantity flow of nerve energy, this is manifested in the particular organ affected by either lack of function or excess of function—which is disease.

Interference to free flow of nerve energy occurs most frequently in the nerve trunks passing through the spinal column. The interference is produced by misalinement (called subluxation) of the vertebral segments composing the spinal column.

SCIENTIFIC CHIROPRACTIC ANALYSIS

The chiropractor detects subluxations by use of palpation, X-ray, and other scientific instruments. The chiropractor determines whether interference to natural flow of nerve energy is present. From this analysis, the

chiropractor decides whether the particular case is a chiropractic case, or whether the individual should be referred to another type of practitioner. If, in the opinion of the chiropractor, there is a chiropractic case, the chiropractor will make an adjustment of the subluxated vertebra or vertebrae in the manner indicated by the analysis, thus removing the interference to natural flow of nerve energy between brain and body. Function of the affected organs of the body is thereby restored to normal—which is health.

Chiropractic services do not depend on medical diagnosis for a proper application. None of the analytical procedures above outlined are medical procedures. However, the chiropractor is adequately trained to recognize the various diagnosed conditions for the purpose of complying with health laws, rules, and regulations.

CHIROPRACTIC REGULATED BY SEPARATE LICENSURE

The chiropractor is an expert in a particular field of practice, as evidenced by licensure recognition in the various State jurisdictions, the District of Columbia and Territories of Alaska and Hawaii. Thus, the people are assured of qualified practitioners, and the maintenance of high professional standards. Wherever legislators have failed to provide coequal status with medicine, the regulations are frivolous, unrealistic, and unenforceable. Medical students are not examined to test a knowledge of chiropractic principles; chiropractors are not trained to practice materia medica. Studies of sciences which are dissimilar in theory and practice are bound to be poles apart. For these reasons, the national health plan must give recognition to the independent status of chiropractic.

CHIROPRACTIC RESEARCH

Science is a body of provable facts. Science, therefore, is not the subject of belief, but the subject of observable phenomenon. Chiropractic is a science and has demonstrated the indisputable fact that correct application of the chiropractic principle restores health to sick people in the vast majority of cases in which chiropractic care is indicated. Therefore, it is of no consequence that a particular group of individuals believe in or do not believe in chiropractic. Chiropractic is performing a vital health service to the Nation, and a vital health service to the people, and that service must be recognized by including chiropractic in the national health plan.

THE PEOPLE MUST BE SERVED

Public sentiment is the most vital constituent of our democratic society. No law can endure against public opinion.

The chiropractic profession has continued to grow because the science of chiropractic gets sick people well. The same people will demand that chiropractic be accorded a proper coequal status in Federal health legislation. Not only chiropractic patients, but all who believe in justice and equality before the law, insist that in any issue as important as the Nation's health, full consideration must be given to the rights and privileges of all citizens.

RESOLUTION

Whereas the Government of the United States of America, acting through its authorized agencies, has made an exhaustive and comprehensive survey of the Nation's health needs; and

Whereas the welfare of the people of the United States requires that the Congress inquire into the problem of making adequate health care available to all people regardless of economic status; and

Whereas a large portion of the people of the United States now regularly depend upon chiropractic for their health care; and

Whereas the practice of chiropractic is separate and distinct from the practice of medicine; and

Whereas the Congress is now considering various national health proposals; and

Whereas some of the proposals now being considered by the Congress would not permit the people to exercise freedom to choose the particular type of health care to be employed in their respective cases; and

Whereas freedom of choice is the bulwark of a democratic form of government: Now, therefore, be it

Resolved by the officers and members of the Board of Control of the International Chiropractors Association, That the Congress of the United States be respectfully petitioned to include the practice of chiropractic on an equal basis with other branches of the healing art in any national health plan which it may hereafter enact into law, to the end that every person shall have the unqualified right to the selection, use, and benefit of chiropractic health care; be it further

Resolved, That copies of this resolution be furnished to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, the chairman of the Senate Committee on Labor and Public Welfare, the chairman of the House Committee on Interstate and Foreign Commerce, and to the Federal Security Administrator.

In witness whereof we have hereunto subscribed our names this 30th day of April A. D. 1949.

Officers: B. J. Palmer, D. C., Ph. C., president, Davenport, Iowa; L. George Grupe, D. C., first vice president, San Angelo, Tex.; A. A. Adams, D. C., second vice president, Tacoma, Wash.; Herbert R. Reaver, D. C., third vice president, Cincinnati, Ohio; M. E. McDermott, secretary-treasurer, Davenport, Iowa.

Board of control: Ernest S. Grandchamp, D. C., Ph. C., Holyoke, Mass.; Walter O. Peterson, D. C., Ph. C., Pueblo, Colo.; C. F. Aumann, D. C., Ph. C., Indianapolis, Ind.; Charles Heiss, D. C., Ft. Lauderdale, Fla.; A. E. Lill, D. C., Belleville, Ill.; E. R. BeBout, D. C., Ph. C., Indianapolis, Ind.; G. M. O'Neil, D. C., Ph. C., Fort Wayne, Ind.; L. K. Griffin, D. C., Fort Worth, Tex.; Walter Gingerich, D. C., Reseda, Calif.; Elmer G. Green, D. C., Ph. C., Seattle, Wash.; Fred C. Sears, D. C., Worcester, Mass.; R. W. Tyer, D. C., Ph. C., Jackson, Miss.

Congress Leaders Asked To Investigate Americans Involved in German Cartels

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EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent that the statement released by the People's Lobby, Inc., Washington, D. C., dated June 29, 1949, and entitled "Congress Leaders Asked To Investigate Americans Involved in German Cartels," be printed in the Appendix of the RECORD. It includes a letter by Executive Secretary Benjamin C. Marsh.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CONGRESS LEADERS ASKED TO INVESTIGATE AMERICANS INVOLVED IN GERMAN CARTELS

ALBEN W. BARKLEY and SAM RAYBURN, Senate and House majority leaders, have been asked by People's Lobby, Inc., to investigate Americans involved in German cartels, as a basis for legislation to deal with them.

The lobby quotes a letter it received from the Department of Justice of July 29, 1947: "The basic charges contained in the pending cartel indictments in Germany are not comprehended by existing legislation in the United States. To that extent, therefore, the only recourse is to Congress."

The letter by Executive Secretary Benjamin C. Marsh reads:

"The current campaign of innuendo, seeking to enmesh innocent, as well as not yet proven guilty, people, in the spy dragnet, carefully avoids reference to American industrialists and financiers, who as participants in, and beneficiaries of, German-controlled cartels, which worked against our country before and during World War II, were at least as guilty as the Germans.

"On May 9, 1947, People's Lobby wrote the President:

" 'If American nationals are found at the forthcoming trial of German cartellists, or by other means, to have been involved with German and other nationalists in activities and practices giving aid and comfort to the enemy, is there any direct law, or have you authority under war powers, to confiscate their property for the American people, or for relief of all victims of German action? If not, are American citizens found guilty of the same practices as Germans to be punished in any other way?'

"The President referred the letter to the Department of State, and Mr. Raymond Vernon, Assistant Chief, International Resources Division of the State Department, replied June 12:

" 'There is no law or war power authorizing the confiscation of property of American citizens whom United States military tribunals in Germany at the forthcoming trial of German industrialists may find to have been involved with Germans in activities and practices giving aid or comfort to the enemy.'

"He also wrote us:

" 'Whether proceedings can and should be taken against American citizens who may be guilty of the practices of which Germans are now being indicted in Germany is a question which can best be answered by the Attorney General. Accordingly, we have transmitted a copy of your letter to him for further consideration.'

"On July 29, 1947, Mr. John F. Sonnett, Assistant Attorney General, in reply to our question, wrote People's Lobby, Inc.:

" 'The basic charges contained in the pending cartel indictments in Germany are not comprehended by existing legislation in the United States.

" 'To that extent, therefore, the only recourse is to Congress.'

"This entire correspondence was sent Hon. J. PARNELL THOMAS, then chairman of the House Committee on Un-American Activities, giving a list of informed witnesses.

"Mr. THOMAS wrote us he had referred it to the committee, but nothing was done.

"There is a widespread suspicion that highly profitable subversive activities, and even treason, is not regarded as heinous as that of small fry, particularly if those accused are large campaign contributors.

"The House Committee on Un-American Activities is now also under too much suspicion to be taken seriously by thinking people, including nearly all educators.

"The Department of Justice, as you note, states: 'The only recourse is to Congress,' to get legislation to deal with Americans who helped the Germans against America.

"We, therefore, urgently request that you, as legislative leaders of your party, ask the appropriate committees of both branches of Congress to conduct such investigation as is necessary to draft adequate legislation to put the rich and the poor on a parity with respect to subversive activities.

"Of course, such action would raise our standing and improve our relations with other peoples throughout the world."

Time To Begin

EXTENSION OF REMARKS
OF
HON. JOHN J. WILLIAMS
OF DELAWARE
IN THE SENATE OF THE UNITED STATES
Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial from the Wall Street Journal of Wednesday, June 22, 1949, concerning the Hoover Commission's recommendations for the reorganization of the Federal Government, entitled "Time to Begin."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TIME TO BEGIN

The Hoover Commission suggested several different, and related, approaches to the problem of reorganizating the Federal Govern nment.

It recommended the consolidation of some agencies to eliminate expensive duplications and to strengthen the control of the President over the executive agencies.

It recommended a revamping of the budget and accounting procedures of the Government so that Congress could have a clearer idea of how much is being spent for what.

It recommended in some instances the abolition of useless offices, agencies which are vestigial appendages of earlier days.

It recommended in a few cases the creation of new offices of a supervisory nature. The Commission acknowledged that these in themselves would add something to administrative costs; but it was argued they might result in long range economies if their creation were accompanied by consolidations, eliminations, and the other recommended reforms.

President Truman has now sent to Congress the first of his reorganization plans growing out of the work of this Hoover Commission. It seems to us that he has selected for his first moves the recommendations least calculated to achieve any economies in Government.

Most of his recommendations involve merely the transfer of agencies from one department to another; that is, he would give the transferred agency a new boss to report to. These moves may have some merit, but not in the achievement of economy.

The most important move suggested by the President is to consolidate all of the Government's welfare agencies, now mainly under the Federal Security Agency, under a new Department of Welfare. This, however, is merely a gathering up of existing offices and dumping them in a new pot. It is not proposed to scale down any of them.

On the contrary, there would be created a new secretariat headed by a new Cabinet officer. There would be new clerks, new supervisors, new experts to oversee the work of the clerks, supervisors and experts of the already existing agencies.

Mr. Truman wisely promises no definite economies from any of these plans. Perhaps he remembers what happened when the Army and Navy were consolidated. The new Defense Department, in the end, enlarged both the size and cost of the Military Establishment.

Mr. Truman also showed that he is aware of the only road to economy. In his message to Congress he stated: "Only the curtailment or abolition of Government programs can be expected to result in substantial immediate savings."

This is a sound observation by a President who has expressed great concern over the dangers of a Government deficit. Well, when do we begin?

Communism and Religion

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1949

Mr. REED of New York. Mr. Speaker, under leave to extend heretofore granted, I am inserting an editorial which appeared in the Times-Herald of June 29, 1949:

COMMUNISM AND RELIGION—I

(The Communists have started a new wave of religious persecution in Europe, with Archbishop Josef Beran of Czechoslovakia as their symbolic victim. To show the background of policy that lies behind these acts we reprint for the next few days excerpts from the recent report by the House Committee on Un-American Activities, entitled "100 Things You Should Know About Communism and Religion.")

If communism should come to the United States, could I belong to a church?

You would have to choose at once between church and communism. If you should choose church, then prepare for persecution.

What would the Communists do to churches and synagogues?

Take them over and put an end to the freedom now guaranteed by sentence 1, article 1 in the bill of rights of the Constitution: "Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof."

What does that mean, exactly?

Just study for a minute these figures on the present size and nature of religion and its works in the United States of America: 256 denominations; 253,000 churches and synagogues; 77,000,000 members; 162,000 Sunday schools; 13,000 parochial schools; 690 colleges and schools of higher learning; libraries, radio stations, publishing houses for books, magazines and newspapers; charities, orphanages, hospitals, missionary forces; ladies' aids and auxiliaries; men's societies, young people's organizations, children's groups.

These are what communism would like to take over and destroy.

Would the Communists destroy the Bible?

Every copy they could find. And they would jail anybody trying to print new copies.

Could I be married in the church?

Not legally.

Could my funeral be held in the church?

Not legally.

Could my child be baptized or christened in the church?

At the risk of prison for parent and pastor.

Would my child go to Sunday school?

Not only would Sunday school be illegal, but also your child would be taught to report you to the police for trying to send him.

How would my child learn his religion, then?

Only through what you might tell him at home, to offset the positive atheism he would learn all week at the government school.

You mean the government would teach atheism?

Yes. Here is the rule laid down by Nikolai Lenin, leader of the Communist revolution in Russia in 1917 and founder of the Red Government now headed by Joseph Stalin:

Down with religion! Long live atheism! The spread of atheist views is our chief task.

That rule has not changed.

Who would own the churches?

Under communism, churches, and synagogues could no longer own their own property, free, clear, and untouchable, as they do in the United States today. Church property would become government property. Congregations could only use such small rooms or buildings as the government might license to them on concession.

The fees and charges for this would be heavy and all use would be subject to strict Communist control, review, and supervision.

How about my own church-going?

You could try on your own time, if the government happened at the time to let you off work on a holy day. Otherwise, only at night, when and if you got a chance.

Could I help out with church charities and welfare work?

There wouldn't be any. All church schools, hospitals, orphanages, asylums, and such things would be seized by the government. Religion would be denied any say in their use or management.

What about missionary work?

Illegal. Forbidden.

What could my pastor do?

In the pulpit, he could lead the congregation in acts of faith and deliver sermons, with the Communists checking on every word.

Out of the pulpit, he would be an official target for abuse, ridicule, and scorn, under constant suspicion, and in danger of his life.

Why?

In him, the Communists would see a rival to their power over your mind, imagination, and will. The faith your pastor teaches is communism's deadliest enemy.

What do you mean by faith?

The sort of thing you find in the Ten Commandments and the Sermon on the Mount.

Immediate Consideration for Our Elderly People

EXTENSION OF REMARKS
OF
HON. GARDNER R. WITHROW
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1949

Mr. WITHROW. Mr. Speaker, under unanimous consent to revise and extend my remarks, I include two resolutions signed by citizens of my district urging the Ways and Means Committee to speed action on a comprehensive plan for helping our elderly citizens and in so doing help the country as well. The resolutions are self-explanatory.

We, the undersigned citizens of the Third Congressional District of the State of Wisconsin, respectfully request the passage of H. R. 2135 and H. R. 2136, known as the Townsend plan. Sincerely request your cooperation and help.

Mrs. Enos N. Poole, Mrs. Susan L. Bean, Mrs. Nellie Lampuran, Mrs. Wilson Woodruff, Aldwin Grimshaw, Mrs. Aldwin Grimshaw, Mrs. Linda Crockett, Mr. H. J. Crockett, Mrs. George Brown, Mrs. Alvira Nelson, Mrs. Merton Dodsworth, Ethel Dodsworth, Mrs. Mary Coughlin, John Riley, Mrs. Robert Schoonover, Mr. Fred Clausier, Mrs. Theresa Clausier, Geo. J. Staley,

Mrs. George J. Staley, Mrs. Fred Jensen, Mrs. Leo Dunn, Leo Dunn, James Dunn, Dan Murphy, Mrs. Dan Murphy, Herbert Lampman, Mrs. Earl Bailey, Ida Barkenhagen, C. A. Howell, Peter Nuibel, Mrs. Don O'Leary, Mrs. Andy Nelson, Mrs. Wm. Radl, Mrs. Crosby Dunlap, Mrs. Emery Shelby, Ferdinand Frank Huschka, Mrs. Fred Huschka, E. T. Moran, Mr. and Mrs. George Madden, B. L. Tripp, Mrs. Ted Board, Edmund R. Board, Albert J. Huschka, Mrs. Albert J. Huschka, Albert E. Puhl, Mr. John Huschka, Mrs. Christina Huschka, August Huschka, Mrs. Mary Grange, Mrs. Helen Creviston, Mr. and Mrs. Ernest Kinser, Mrs. Jas. Sorenson, Mr. and Mrs. Wilbert Thurston, Mrs. Anna Schorer, Mrs. Eliza Kelley, Mrs. Sophia Mohus, Mrs. Louise A. Volzka, Mrs. Minnie Adams, Mrs. Christina Olson, Fred Volzka, Nora Vincent, James M. Vincent, Bert Adams, all of Elroy, Wis.

SPARTA, WIS., *June 16, 1949*

We, the undersigned citizens of the Third Congressional District of the State of Wisconsin, respectfully request the passage of H. R. 2135 and H. R. 2136, known as the Townsend plan, and sincerely request your cooperation and help.

Mrs. Anna Slater, Mrs. Winnie Brown, F. W. Gilbert, C. H. Shattuck, Bert Brown, Grace Poss, George Anderson, Lewis B. McLain, Mrs. Mary L. Savall, Richard Savall, Tillie Edwards, Matilda Holberg, Viola Fanning, Anton Johnson, Mrs. C. R. Austin, Miss Ruth Austin, Miss Elsie Long, Mrs. Lucille Nichols, Henry Nichols, Mrs. Edna Sheffer, Mrs. Myrtle Davis, Mrs. Ben Edwards, H. A. Benzie, Augusta Longner, Wm. Eisland, Mrs. Anna Eisland, J. C. Arnold, Laura Arnold, H. Clay Hogue, Mrs. Maryann Hogue, Jacob L. Poss, Mrs. Blanche French, Harry C. Rhodes.

A Slogan Tells the Story

EXTENSION OF REMARKS

OF

HON. ROBERT F. RICH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Tulsa Tribune of June 25, 1949:

A SLOGAN TELLS THE STORY

(By Richard Lloyd Jones)

Chester, Pa., has the best town slogan in the country: "What Chester makes, makes Chester." That is the whole story of America. What America makes, makes America. What Cincinnati makes, makes Cincinnati. So with St. Louis, Chicago, Atlanta, Beloit, Racine, Dayton, and every town in the land. That is the little slogan that tells the mighty story that the cynics and the critics of our capitalistic society do not know. Their novels and their essays, like their philosophies, are fabulously false until they can learn what made America.

I was one who used to have the notion that we would do a lot better if we would elect as our law-makers men who never made anything, but who professed to know all about those who did make things, i. e. professors.

Well, we tried it when Franklin Delano Roosevelt marshaled into our National Capital an ever increasing army of bureaucratic bunglers. He brought in the little teachers, the makers were going to meet their masters. The "economists" were going to give us a good jab in the arm of economy serum. And no political serum ever cost so much. Old joke, but we saw it in action: "If you can't do it, teach it."

Ever since the New Deal brought in the incompetent to govern the competent, business has been harassed, and capitalism has been assailed by novelists, lecturers, preachers, teachers, experts at knocking down but utterly unable to build anything up.

For 16 years we have played with "experts" who can't make anything nor help anyone else to.

Mr. Dewey didn't do very well in the last campaign. He was not going to attack anything, and he didn't. There never was so much to attack. And if he wouldn't attack the reckless record disgust took the place of support.

So Truman, who had nothing to attack, set out to "give 'em hell." Dewey's nonperformance was silly. The great prosecutor with everything to prosecute failed to prosecute. Truman aroused the unthinking.

Subconsciously, most of the people realized that there was something to prosecute. So they followed the only fellow who sounded like a prosecutor. By the default of the disappointed, Truman was elected.

He promised to give 'em hell and in the vernacular of Pendergast politics he was going to raise hell.

He was going to repeal the Taft-Hartley bill. All he now has a chance to do is to change the name. The Congressmen who represent the men who make things are not likely to let him do anything more than that.

He was going to reduce the public debt. He has increased it.

He was going to reduce taxes. He demanded more.

He was going to have socialized medicine, public housing, civil rights, a whole catalog of reformations and innovations. And he hasn't got a thing.

And while loose-minded fictionists, artists, commentators, and teachers, who themselves never made anything and can only criticize those who can, have enlisted their names in support of societies, countless in number, which have been sympathetic in part or in full with the Communists doctrine, the American people have begun to realize the social and economic truth of the Chester slogan.

Years ago New York City had annually, in September and October, an industrial exposition. So did Philadelphia, so St. Louis, Milwaukee, and Chicago.

Where the Chicago Art Institute now stands on the lake park there was for years the two-block long industrial exposition building. There, on exhibit, was everything that Chicago made. And they were the things that made Chicago.

The Philadelphia Industrial Exposition flowered in 1876 in the great centennial exposition in which the whole Nation took part. At that exposition America showed herself and the world the things free men could make. The products of free enterprise, initiative, and enterprise. The world was astonished. Triumphant stories were told in the marvelous gadgets that lightened labor and enlarged production.

The Chicago Industrial Exposition flowered in the great Columbian Exposition in 1893. Again we marveled at ourselves, and the whole world marveled at us. Paris, Berlin, and London all tried to imitate, but what was done at Chicago could be done nowhere else.

That Columbian Worlds Fair, aside from being an industrial show, was the greatest architectural panorama of beauty ever seen. Every visitor who was appalled at that majesty could with Shakespeare say, "And should I live a thousand years I never could forget it."

The triumphs of free men. How puny the sniping scribes. These are the triumphs that Albert Einstein calls "kindergarten-mindedness." These are the triumphs that fellows like Thomas Mann, Charley Chaplin, Paul Robeson, and the whole lot of scoffers cannot understand. They don't know the land that gives them security in their lives, their liberties, and their pursuit of happiness.

We are just getting onto the fact that the real critics of our country are the fellows who can't take anything. They are the masters of nothing. They are the intellectual duds. The real masters have been busy keeping America busy while these objectors to our triumphs, having nothing better to do, have become the agitators. It is time now for the defenders of our freedoms to loosen their persuasive powers. The country is quite fed up with all this so-called left-wingism. The fuzzy minds as Herbert Hoover properly calls them.

Out of the basket of a million American makers let's pick one. Take Cooper. Peter was born poor. He had little education. He had to go to work. Could he have done anything more unlovely? He made glue. But he made good glue. In seeking better forms for better glue, he hit upon a simple way to make wrought iron.

He built the first American locomotive. He was the genius who laid the Atlantic cable. As a legacy to his city he left the famous Cooper Institute of New York.

About 2 months ago Life magazine carried a 2-page display of 50 pictures of American citizens, none of whom ever made anything and all of whom are cynical of those who do. Not a Peter Cooper in the lot. Not one who could do a thousandth part of any of the worth-while things that Peter Cooper did. It was the Peter Coopers who made America.

We have gone the political cycle. We made the experiment. We pitched overboard the Constitution of the United States, and declared for a New Deal. The only thing that kept that abortive government alive was the diversion of an appalling World War. It was the makers who met the war needs. But with all that war stimulation the New Deal died with its author. The phrase was worn out. And all the tricks didn't turn a trick. So Truman comes in with his "raising hell" slogans to announce a Fair Deal. He had his own party in control. But he asked them to go so far out of line with the constitutional deal that made America they repudiated him. They voted down all his efforts at interference with the return of America to the freedoms of America's makers.

America is returning to the sound economics, the sure and sustaining philosophy and all the spiritual triumphs that are embraced in Chester's prophetic slogan. It is America's slogan. What America makes, makes America.

The Netherlands Education System

EXTENSION OF REMARKS

OF

HON. HENRY CABOT LODGE, JR.

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. LODGE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "The Dutch Show the Way," written by E. F. Schroeder, and published in the April 23, 1949, issue of the magazine America.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DUTCH SHOW THE WAY

(By E. F. Schroeder)

A long struggle for the rights of private education in Holland has led to very satisfactory conditions. In fact the results obtained in this country of a mixed population will probably seem almost incredible to Americans.

The school system in Holland differs somewhat from the familiar American picture. In the United States there are 8 years of compulsory elementary education. After the sixth grade, however, a child may enter one of many types of extension schools in order to get an education more adapted to his future occupation. At that time he may also apply for admission to a secondary school, but the majority succeed in passing the entrance requirements only after finishing the seventh grade.

In the Dutch system there are two basic types of secondary school: the high school, a 5-year course without Latin or Greek, and the so-called Gymnasium, a 6-year course offering the full curriculum in humanities, including poetry and rhetoric. A combination of both types, called the Lyceum, is gradually becoming more common.

A diploma from any of these secondary schools automatically opens the doors of the university. The high school or the Gymnasium diploma qualifies the student for the study of medicine, science, and economics; that of the Gymnasium also qualifies him for the study of law and languages.

An idea of the prominent part private education plays in the Dutch school system may be gleaned from the following tabulation. (Unless otherwise indicated, figures cover 1947 statistics.)

	Public	Catholic	Others
Elementary schools	[1] 2,414	[1] 2,579	[1] 2,049
Number of teachers	12,000	16,600	9,000
Number of students	[1] 328,000	[1] 525,000	[1] 349,000
Secondary schools	152	71	94
Number of teachers		1,434	
Number of students	40,000	22,000	24,000
Graduate schools	6	2	2
Number of students	[1] 22,605	[1] 1,482	2,100

[1] 1948 totals.

To get the full meaning of these figures one should bear in mind that the population of Holland amounts to about 9.5 million people, of whom 40 percent are Catholic and another 40 percent Protestant (three-fourths of them orthodox Calvinists).

THE ELEMENTARY SCHOOL

Every juridical person (association, foundation, ecclesiastical body, etc.) intending to establish a school is entitled to cooperation by town authorities. If certain conditions specified by law are fulfilled, the town must aid in the erection and maintenance of the school. These conditions are: (1) A written statement signed by a number of parents declaring that they will send their children to this school. The required number of signatures depends on the total number of residents of the town. (2) The association must file a declaration of its intention to deposit in the town treasury 15 percent of the estimated cost of founding and furnishing the school. (Both State and city contribute toward the rest of the cost.) A school board is then formed, which selects its own books and other teaching materials. It draws up a building plan, which must be submitted to the town officials. It scouts for a capable head and qualified teachers.

Once the building is completed, the State enters into the picture: it pays the salaries of as many teachers as are permitted by law for a school of that particular size. The town in turn is then asked to contribute towards the cost of maintenance and other operational costs; it must pay exactly the same amount per student to such a school as it pays to its own public schools.

The arrangement outlined above is an ideal one for the private schools, though the application of the principle at times leaves something to be desired. Most towns charge the administrative costs of public schools directly to the town treasury and not to the school. Hence the average cost of a public school student is in reality higher than the amount which appears on the school budget. The latter cost, however, is used for calculating the contribution to the private school.

There was a time, of course, when public-school advocates used to fight this legal "equalization." Against private schools they leveled such criticisms as duplication of buildings, teachers, teaching materials, and consequent waste of money. Objections were always founded basically on the religious nature of private schools. School education, according to these secularists, was a means to develop the intellect, not to form character. They overlooked the fact that a child will be a better citizen if he is educated to become more religious, and that he will be more tolerant towards his fellow citizens if better educated in his own religion than if he is indifferent towards religion.

The financial arguments of opponents of private schools are easily refuted. There is no real duplication of cost. If the children now attending private schools should be transferred to public schools, approximately the same number of buildings would have to be built, the same number of classrooms furnished, the same number of teachers appointed, the same amount of material bought as had been required to set up the private-school system. Further, there is abundant proof that the running expenses are lower in private than in public education.

The Catholic school system has no central board of directors. There is an advisory board to the bishops, and a Central Bureau of Education which supplies information and documentation, and which publishes a monthly review and an annual survey. It employs 33 persons, including 3 lawyers.

In Holland, teachers of the public schools are town officials; those of private schools are not. The latter are appointed by the school board; but, beyond that, they are in the same position as public-school teachers with regard to salaries, appointments and dismissals. A board of appeals exists to protect them against any arbitrary measures. As a rule, the teachers in Catholic schools must have graduated from Catholic teachers' colleges.

With regard to educational standards in both types of schools, although the Government is entitled to insure compliance with legal requirements, it does not interfere with instruction. There is an automatic method which compels the schools to keep their standards high. Since they must fit their pupils to pass the entrance examinations to the secondary school after the seventh grade, all schools must provide good teaching. Their existence depends on it.

THE SECONDARY SCHOOL

In the financing of private secondary schools there is no "equalization" as there is in the lower schools; there is, instead, a system of subsidies. The State contributes 90 percent toward the cost of erecting, furnishing, and enlarging the building—75 percent if it is rented—and 80 percent toward salaries of teachers and other costs of maintenance and administration. Tuition is paid according to the income of the parents. Any surplus will lower the subsidy to that extent.

There has recently been a notable increase in the number of students in this group of schools, most of them coming from families with moderate and small incomes. Accordingly, costs have increased enormously while the revenue from tuition has increased very little. Most of the private secondary schools are therefore in financial straits at the present time. To relieve their distress, a bill is expected to be introduced in Parliament to increase the 80-percent subsidy for salaries and other such expenses to 95 percent.

FINANCIAL PROBLEMS

Another factor that causes financial worries among our private secondary schools is the fact that the expenses have to be paid during the scholastic year, while the subsidy from the Government is not paid until the end of the year. The interest charge runs into thousands for a school of average size.

No private secondary school, under Dutch law, has a strict right to be subsidized. Once the department of education has granted the subsidy, however, it has always been continued during the following years. Parliament decides on this point when it approves the budget for the department. In 1924 a law was enacted which stopped the subsidies for new schools because of lack of funds—a measure which has prevented many private schools from being founded, Catholic as well as non-Catholic. However, a loophole was left, since the law made an exception for special cases. This exception has recently received a very broad interpretation, and many new schools have been founded and are being subsidized. It is a pleasure to report that in the exercise of these discretionary powers there is no sign whatever of discrimination for or against Catholics.

Of course, several conditions have to be fulfilled before an institution is considered a candidate for the subsidy. The school must be of such quality that it can be and is designated as one whose final diploma equals in rating the public-school diplomas. The requirements for the final examinations are specified by law, and the questions are drawn up by a central body. The subjects taught and approximately the number of hours to be devoted to each of them are prescribed. Little variation from this program is allowed. Religion, we must note, may be added to the curriculum. Even in public schools religious instruction is allowed, but only during free periods.

The school board governing these institutions is entirely independent of the teaching staff. Teachers must be qualified either by having taken a university degree (the minimum requirement is to have passed the comprehensive examinations for the doctorate; writing of a thesis is not required), or by passing a special examination before a Government-appointed board of examiners. At the moment, about half of the teachers have fulfilled the academic requirements; the rest have passed the special examination.

The school board also has a free hand in appointing the teachers. The Government can never force it to take or dismiss any qualified person. Likewise, the Government has no jurisdiction over the selections of textbooks. In these respects the pattern followed in secondary schools differs from that in primary schools.

CATHOLIC SCHOOLS

Since America readers will be especially interested in Catholic schools, I can report that there do not seem to be any real problems which would apply to Catholic schools as such. The law of 1924 has caused a shortage of Catholic schools, but this gap is now being filled. Catholic institutions enjoy great freedom, enough to make the public schools envy them. In case of any projected change in the laws, they are liberally consulted. Of the nine members of the official

advisory board to the department of education, three are Catholics, one of them now being the president of the board.

In general, we can say that there is great interest in the private schools and that they are drawing an ever-increasing number of students. The public school is necessary and stays in the lead, but it has lost much of the false glamour enjoyed in the past when it was portrayed as the only satisfactory type of school to meet our national educational needs.

With regard to the teaching of religion in public schools, it is never compulsory in Holland. The director may offer students an opportunity to study the religion of their preference in the public school, and as a rule he does. Ordinary classrooms are used for this purpose. Most of the directors realize the value of what they call a transcendental view of life. One sign of this favorable attitude toward religion, among others, is the fact that in many public schools religious and even Catholic plays are given on school days and around Christmas time.

Dutch law itself entirely ignores the teaching of religion. In cities where a Catholic school exists, the bishops do not permit priests to teach religion in the public schools lest they create the impression that they approve of Catholic children attending them. For those who must attend them (e. g., because of the lack of space in the Catholic school) a special place and hour is assigned for religious instruction. In both Catholic and Protestant schools, classes are opened each day with prayer and 1 or 2 hours of religious instruction are added to the curriculum each week.

HIGHER EDUCATION

Of the six universities in Holland, one is Catholic (at Nijmegen) and one Protestant. Each is supposed to have five departments: Theology, law, letters and philosophy, science, medicine. Of these, the Catholic university still lacks departments of science and medicine, but will get them in the near future. Four institutes for specialized studies complete the picture: The Institute of Technology and the Agricultural College are both public institutions; the Institute of Economics at Rotterdam is private, but nondenominational; the one at Tilburg is Catholic. Since 1948 the State subsidizes the private institutes of this type by paying 65 percent of the deficit if in any given year there should be a financial loss due to maintenance and operational costs. The degrees given by all of these institutions are of equal value. There is fine cooperation between them, so that students may transfer to a similar department at some other institute and have all their credits acknowledged.

As evidence of good feeling in the religious field, at each of the public institutions a chair has been granted to the Catholic hierarchy, and the bishops appoint a lecturer of their own free choice to teach Catholic philosophy and theology. The Catholic students also have their own groups, and a priest is assigned as their moderator in each of these places.

From this over-all sketch of Holland's educational system one can see immediately that our country has achieved a system of democratic religious liberty without creating the impediments to religious education which many groups in the United States today seem to think absolutely necessary to protect such liberty. From the vantage point of The Netherlands, where people naturally keep informed about developments in all the larger democracies with which we are allied, the American "fear" lest religious liberty be destroyed by State aid to religious schools seems entirely unfounded and is difficult to understand.

Sheriffs and Mobs

EXTENSION OF REMARKS
OF
HON. HOMER FERGUSON
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES
Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. FERGUSON. Mr. President, on June 6 of this year the Senate Judiciary Committee reported to the Senate and to the calendar Senate bill 91, the antilynching bill. I ask unanimous consent to have printed in the Appendix of the RECORD an editorial which appears today in the Washington Post on that subject.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SHERIFFS AND MOBS

The recent outburst of hooded gangster activity in Alabama has the single collateral benefit of refocusing attention upon Federal antilynching legislation. The House Judiciary Committee is currently holding hearings on several antilynching bills; the Senate Judiciary Committee has already given its approval to a measure sponsored by Senator FERGUSON, of Michigan, which seems to us to be the soundest and most invulnerable to constitutional objection of all the related proposals now under consideration. Democrats and Republicans alike are under compelling obligation to see that Congress acts in this area before adjournment.

Senator FERGUSON'S bill would not attempt to punish lynching as such. Odious as this crime is, it cannot be said to fall within the jurisdiction of the Federal Government; a mob murder in rural Georgia is as much a violation of local law and a problem for local law enforcement as a gang slaying in Chicago. The difference between the two stems from the fact that as a rule the Chicago police are not in cahoots with the gangsters, while in Georgia and other Southern States lynch mobs all too frequently do their ugly work with the connivance or through the negligence of local officials. A majority of the lynchings that have occurred during the past decade have involved victims who were taken from the custody of officers of the law.

The fourteenth amendment forbids any State to "deprive any person of life, liberty, or property, without due process of law." Thus, although the United States is not empowered by this amendment to proceed against individuals who violate its terms acting in their private capacity, it may punish violation by State laws or by any individuals cloaked with the authority of a State. Senator FERGUSON'S bill would make liable to criminal prosecution in Federal courts and to civil action for damages any law enforcement officer, Federal, State, or local, who should connive with a mob to permit a lynching or willfully fail to prevent it or to make reasonable efforts to protect a prisoner in his custody. It would also, quite properly we think, undertake to punish any members of a lynch mob who conspired with an officer of the law to perpetrate a lynching. If enacted into law, this measure would be effective in dealing with a major segment of the lynching problem and in prodding law-enforcement officers to carry out their sworn duty to protect prisoners.

It is significant, though scarcely surprising, that the National Sheriffs Association adopted a resolution last week opposing the Ferguson bill. They assert, and not without considerable justification, that the counties they serve frequently afford them inadequate jail facilities for the protection of prisoners. The defect should certainly be remedied. But sheriffs who do their duty have nothing to fear from Senator FERGUSON'S proposal. It is aimed only at those who willfully prostitute the authority conferred on them by a State with an intent to deprive arrested persons of their right to a fair trial in a court of law. The need to protect this right from violation by those acting under color of law is now far too apparent to admit of any further congressional delay.

Goethe Bicentennial Convocation and Music Festival, 1949

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a pamphlet entitled "Goethe Bicentennial Convocation and Music Festival, 1949," to be held at Aspen, Colo., June 27 to July 16, 1949. I will say that Herbert Hoover is the honorary chairman and Robert M. Hutchins is the chairman of the organization.

There being no objection, the pamphlet was ordered to be printed in the RECORD, as follows:

GOETHE BICENTENNIAL CONVOCATION AND MUSIC FESTIVAL, 1949

The Goethe Bicentennial Foundation is a nonprofit, American corporation founded to commemorate the two-hundredth anniversary of the birth of Goethe. Its officers and directors comprise a representative grouping of the Nation's outstanding citizens from business, industry, education, the professions, government, music, and letters—men and women sympathetic to the intellectual and cultural requirements of the world community. They have volunteered their time, effort, and counsel to provide the leadership for an appropriate international observance of the Goethe bicentennial.

Goethe exerts a profound influence on our civilization, and it is this impress on modern thought that the Goethe Bicentennial Foundation plans to bring to bear on the most significant problems of the twentieth century. To achieve this, the foundation plans to re-examine and reinterpret Goethe's philosophy in terms of contemporary meaning by sponsoring an International Goethe Convocation and Music Festival in Aspen, Colo., June 27 through July 16, 1949.

The 1949 bicentennial of Johann Wolfgang von Goethe's birth this year is also being celebrated spontaneously in nations throughout the civilized world—a universal tribute to a poetic genius whose philosophic wisdom has striking pertinence today.

GOETHE, HIS LIFE AND TIMES

Goethe, one of the mightiest figures of the great literature of the world, has a deep-running, powerful influence on twentieth century life. In spite of his insight into the demonic forces in human history, Goethe had an indestructible faith in the ability of man to live a constructive personal and communal life. He was a universal man; his heart was mankind's. World literature

for Goethe meant a free exchange of ideas, values, experiences which could be put to the service of all men.

Reared in an environment of freedom, the free city of Frankfurt, his personality received its first mold from the strict educational demands of his father and the lively imagination and wit of his mother. At 23, after studies at the Universities of Leipzig and Strasbourg, Goethe was a lawyer with no taste for practice. At 24 his drama, Goetz von Berlichingen, sparked an incendiary convulsion that raced through Germany with its pioneering interpretation of the conflict between the abuse of power and the sense of justice in the free individual.

His first novel, the Sorrows of Young Werther, swept Europe and carried him to fame, while he was still a youth of 25. It had a revolutionary, emancipating effect on the world. It preceded by 2 years the American Revolution, and undoubtedly influenced the men who struck for freedom in the French Revolution 18 years later. Behind its frontal story of passion, written in the emotional style of the late eighteenth century, Werther laid bare the problem of the religious justification of human existence. Even Napoleon treasured the novel. He read it seven times and carried a French translation with him during his campaign in Egypt.

Faust, however, is the core of Goethe's lifework. Into this single monumental work, he poured all of his genius; in it he wrote for future generations. In this drama of human destiny, the hero Faust traverses the entire universe from heaven to hell and back to heaven again. The all-encompassing plot had been germinating in Goethe's mind for years during his youth at Frankfurt. He began work on it when he was 25 and published the first part at the age of 59. The second part was finished just 6 months before his death in 1832, at the age of 82. The aged Goethe sagely recognized the century-spanning significance of the Faust tragedy, and when his final manuscript was ended, he closed it with a seven-fold wax seal and instructed that it not be opened until after his death. His prophetic anticipation was borne out by history; the first truly penetrating interpretations of Faust were not produced until the third decade of the twentieth century.

The architecture of this drama has the same breadth and the depth of Shakespearean tragedy in that it pictures the world in its totality. Faust's character tends to understand the structure of the universe. It is in Faust that Goethe achieves a spiritual unity of the Hellenic, medieval, and modern elements of civilization. To him Greek antiquity was the epitome of human perfection.

Through the figure of Faust, Goethe presents the eternal striving, failure, and redemption of man. Developed from the Renaissance Faust legend popularly read in the sixteenth century, Faust represents a restless and tormented mind. In his unceasing search for the essence of existence, he seeks the help of the incarnation of evil—Mephistopheles. After despairing of knowledge, he concludes his pact with Satan and pursues his goal through passion and action. Faust, like Moses, finally ends up before the promised land, in which he hopes to live with free people on a free soil.

When Goethe was 26, he was invited to Weimar, the seat of government for that German state, by the 18-year-old Duke Karl August. Goethe's personality deeply impressed the young prince, and what began as a short visit grew into one of the classic friendships of history, and turned the poet into a statesman. For 44 years Goethe remained at Weimar, serving as spiritual nerve center of the court and as adviser to the duke. There he came to represent the highest cultural ideals of his age.

In 1786, Goethe withdrew from his public duties to live two highly productive years in Italy, wholly devoted to his poetry, art, and thought. Drawing fresh inspiration from the stimulating atmosphere of Grecian art forms, he designed over a thousand landscapes and architectural scenes and gathered abundant material for his later essays on the theory and history of art. He also finished the first collection of his works in six volumes before returning to Weimar.

This Italian journey confirmed his classical convictions of art and poetry. It was there that he brought to maturity his penetrating overview of life that permitted him to visualize the modern world while standing in an ancient one. In Italy he began the development of his amazing foresight by which he anticipated the problems of our time.

Goethe's versatility equals that of Leonardo da Vinci.

The poet who balanced the budget of the duchy of Weimar also worked out a scientific theory of colors and vision, discovered the intermaxillary bone in man, established an evolutionary outlook fully 70 years before Darwin, and was such a skilled geologist that he could describe in detail the topology of the sites of Philadelphia or Boston. Three-quarters of a century before the construction of the Panama Canal he suggested the economic and military advantages of connecting the Atlantic and Pacific Oceans.

This Goethe is the same man who wrote these lines in Wanderer's Night-Songs, translated by Henry Wadsworth Longfellow, considered among the most flawless in all of literature:

"O'er all the hill-tops
Is quiet now,
In all the tree-tops
Hearest thou
Hardly a breath;
The birds are asleep in the trees:
Wait; soon like these
Thou too shalt rest."

In his final years, Goethe was a stirring intellectual force commanding the attention of the entire western world. Ralph Waldo Emerson paid homage by writing an essay to Goethe. Humboldt was a devoted friend. Thomas Carlyle translated his Wilhelm Meister. Lord Byron corresponded extensively with the poet-philosopher.

Goethe's philosophy of life presents a synthesis of natural science and humanistic studies. Undogmatic, religious in essence, related to the great heritage of Greek, Christian, and Renaissance thought, his philosophy is a significant contribution to the world.

Believing deeply in the lasting regenerative power of the creative human spirit, Goethe endowed the world with the model of universal man upon which future generations could base their standards of human conduct:

"To self be true, and true to others,
Let thy search be in affection,
And thy living be thy deed."

Goethe's was a universal mind, belonging not to one nation, but dedicated to the community of Occidental thought.

THE 1949 BICENTENNIAL

Two hundred years after Goethe's birth his works have dramatic timeliness. That the major problems facing the nations of the world in 1949 are not only political and economic, but also intellectual, is one of the basic understandings of the men and women who compose the Goethe Bicentennial Foundation.

The Goethe who watched the industrial revolution reshape the face of the world, the swelling tide of opposition engulf the iron tyrant of his age, and witnessed two revolutions for freedom, is the Goethe who bears an important philosophic message for men of this century.

To interpret Goethe's wisdom in terms of the problems of ethics and morality confronting nations and their peoples in the fourth year following Hiroshima, the Goethe Bicentennial Foundation has invited the leaders of contemporary world thought to gather in the United States for participation in an International Goethe Convocation. At these symposia, lectures, and round table discussions, the most distinguished scholars, philosophers, and men of letters from the nations of the world will seek for a community of basic understanding structured on the foundation and framework of Goethe's thought.

GOETHE IN THE TWENTIETH CENTURY—THE INTERNATIONAL GOETHE CONVOCATION

To provide a central orientation to Goethe's place in the twentieth century, Dr. Albert Schweitzer, philosopher, doctor, musician, theologian—acknowledged throughout the civilized world as the foremost modern disciple of Goethe—has consented to journey to the United States for the first time in his life. He will present the main lecture at the International Goethe Convocation.

Dr. Schweitzer, one of the great men of our times, has expressed his philosophy in the first two volumes of his series, The Philosophy of Civilization. At present he is at work on the third and fourth volumes, The World-View of Reverence for Life and The Civilized State, whose theme is criticism of contemporary civilization and the problem of its restoration. He is also the author of The Quest of the Historical Jesus.

His life has followed outlines in general similar to Goethe's. Like Goethe, he became famous at an early age—30—for his books interpreting the Bible, for his genius as an organist which won him the accolade as the leading authority on the music of Bach, for his famed biography of Bach, and for his stature as a professor at the University of Strasbourg, where, over a century and a quarter before him, young Goethe studied law. Both men adhere to the same nature-philosophy. Both tower in their age. Both seek for ultimate truth in a complex, changing world.

Goethe and Schweitzer, in tender compassion for their fellow men, devoted huge segments of their life, their genius to the service of others. Goethe gave 44 years as a statesman at Weimar; Schweitzer has spent the last 36 years of his life at his jungle hospital at Lambarene on the west coast of French Equatorial Africa, devotedly ministering to the natives.

Albert Schweitzer is more like Goethe than is any other living man.

Spain's greatest living philosopher, José Ortega y Gasset, an eminent humanist, will join Dr. Schweitzer at the International Goethe Convocation.

Through his book, The Revolt of the Masses, Senor Ortega has made an essential contribution to our consciousness of our own time. Formerly professor of philosophy and literature at the University of Madrid, he is a scholar of international stature. His volume, The Mission of the University, is a valuable addition to modern thought on the function and purpose of academic education. In 1931, as a member of Spain's Constituent Cortes, he helped write the constitution of the Spanish Republic.

Chancelor of the University of Chicago, Robert M. Hutchins is a pioneering leader in American education and intellectual life. In his twentieth year as the chief administrative officer of one of the world's foremost universities, he is a strong proponent of liberal education. Through his advocacy of study of the great books he has given new impetus and direction to adult education.

A statesman-scholar, Charles J. Burckhardt is an eminent Swiss historian, formerly professor of modern history at the University of Zurich. Presently Switzerland's Minister to France, he is well known for his noted biography of Richelieu, and bears a warm understanding of belles-lettres through his close friendship with the late Austrian poet, Hugo von Hofmannsthal.

Thornton Wilder, the three-time Pulitzer prize-winning American novelist and playwright, occupies a prominent position in contemporary letters. Author of the philosophical novel, the Bridge of San Luis Rey, and the plays, Our Town, and the Skin of Our Teeth, Wilder in the early thirties was a member of the University of Chicago faculty lecturing on comparative literature. It was from Goethe's Faust that he derived the motto for his latest novel, the Ides of March.

Barker Fairley is head of the department of German at the University of Toronto. His profound understanding of Goethe is revealed in his books, a Study of Goethe, and Goethe as Revealed in His Poetry. His specialization is Goethe's biography.

Gerardus van der Leeuw is the author of Religion in Essence and Manifestation, a famous work in the field of comparative religion by which he made a decisive contribution to the analysis of civilization. Professor of theology at the University of Groningen, he was Minister of Education, Arts, and Science in the Netherlands in 1945 and 1946.

Ernst Robert Curtius is professor of romance languages at the University of Bonn in Germany. He began his career with interpretative treatments of Marcel Proust, André Gide, and modern French symbolism. He wrote an illuminating volume on Balzac and in 1932 published The German Mind in Danger.

Arnold Bergstraesser's field of specialization is Goethe's conception of culture and society. A University of Chicago faculty member, he is author of Goethe's Image of Man and Society.

Author of one of the best twentieth century interpretations of Faust, Giuseppe Antonio Borgese is a University of Chicago professor emeritus of Italian literature, and formerly professor of German literature at the University of Milan. A highly respected world scholar, he is also the author of Common Cause, a philosophic-political criticism of the contemporary world.

Halvdan Koht is the former Foreign Minister of Norway from 1935 to February 1941. His country's most eminent historian, he was professor of history at Oslo University for 25 years prior to his assuming the responsibility for Norway's foreign affairs. In 1937 he was the first Scandinavian diplomat of his rank to visit the United States, and conferred here with President Roosevelt and Secretary of State Cordell Hull. He is the author of The Life of Ibsen, The Old Norse Sagas, and Norway: Neutral and Invaded.

THE MUSIC FESTIVAL

The inherent musicality of Goethe's works has inspired more musical compositions than any poetry in the history of literature.

Goethe was a lyrical genius of the rarest quality. He gave the most delicate expression to his experiences of love and nature, the most succinct form and penetrating symbolism to his metaphysical poetry. He wrote ballads, lyrical epics, folk songs, poems in folk-song style, community songs, and sonnets.

Faust had a far-reaching impact on the world's most gifted composers. The Gretchen tragedy brought into being many immortal symphonies, operas, tone poems, and oratorios. Liszt wrote A Faust Symphony, Berlioz dedicated his Damnation of Faust to Goethe, Wagner created A Faust Overture, and the world of music was given Boito's Mefistofele.

Goethe's novel, The Sorrows of Young Werther, impelled Massenet to transform the story into an opera. Franz Schubert set more than 70 of Goethe's poems to music. Hugo Wolfe became famous through his compositions of Goethe's most popular lyrics. Beethoven's enthusiasm for the drama Egmont prompted him to write his Egmont Overture. Mozart wrote music for Goethe's poem The Violet, and Mendelssohn extracted a long section from part 1 of Faust and created Walpurgis Night, for chorus and orchestra.

A great admirer of Mozart, whom he first heard play as a 7-year-old child prodigy at a concert in Frankfurt, Goethe wrote a continuation of Mozart's opera, The Magic Flute. Although he maintained a cool distance from his contemporary, Goethe admired Beethoven's music, admitting, "His talent has utterly amazed me."

Albert Schweitzer points out that Goethe was enchanted with the music of Bach, because his own spirit reappeared in it.

Goethe loved music, and the elegance and metered magic of his works excited young Mendelssohn to state of his warm friend, "Goethe lays hold of music with his heart."

His exquisite rapport with music motivated him to work out a whole theory of music, published in his correspondence with his close friend, Carl Zelter, the Berlin composer and choral director. Here Goethe integrated his concept of music into the valid laws of the totality of his philosophy.

It is this oneness of the poet-philosopher's thought and his affection for music as a constructive element of the art of living that occasioned the Goethe Bicentennial Foundation to sponsor a music festival at Aspen, Colo., concurrent with the International Goethe Convocation.

Through the medium of the great music of the world, Goethe's universal dignity and his sweeping faith in a common humanity will be translated into sound and feeling. Music of three types will be presented at the festival: (1) Compositions based on Goethe's works; (2) monumental music of equal stature to Goethe; and (3) music contemporary to Goethe, or of a previous era and known to have been inspirational to him.

The Minneapolis Symphony Orchestra, conducted by Dimitri Mitropoulos, will present a series of sunset concerts offering such music of the world as Beethoven's Egmont Overture, Brahm's Symphony No. 1, and Mozart's "Jupiter" Symphony No. 41.

Distinguished instrumentalists who will join the Minneapolis Symphony in the Goethe Music Festival include pianist Artur Rubinstein, violinists Erica Morini and Nathan Milstein, and violoncellist Gregor Piatigorsky. Among the music they will play will be Mendelssohn's Symphony No. 3, Brahms and Haydn concerti, and Bach and Handel works.

Dorothy Maynor, the noted soprano; the Metropolitan Opera's contralto, Herta Glaz, and its tenor, John Garris; baritone Mack Harrell; and the piano team of Vronsky and Babin, also are participating in the concert series honoring Goethe.

Music such as Schumann's Overture to Hermann and Dorothea, Berlioz' The Damnation of Faust, Wagner's A Faust Overture, and Schubert's Overture to Rosamunde is to be included on the program.

Goethe lieder by Mendelssohn, Beethoven, Schubert, Hugo Wolfe, and other composers are to be sung in recitals as a part of the festival.

The festival will open with solo performances by the guest artists on June 27, 28, and 29. Solo recitals again will be presented on July 14, 15, and 16. The Minneapolis Symphony Orchestra and Dimitri Mitropoulos will offer 10 concerts from July 1 through July 12. The concerts are to be held in an open-air bandshell.

ASPEN, COLO., UNITED STATES OF AMERICA

Site for the International Goethe Bicentennial and Music Festival is Aspen, Colo., 180 miles southwest of Denver, cradled in a majestic valley 7,800 feet in elevation, and cut originally from the Rocky Mountains by Roaring Fork Creek.

In selecting a geographic location for the convocation and music festival, the directors of the Goethe Bicentennial Foundation sought to avoid the distractions of an urban metropolis. A site was desired away from each seaboard, yet accessible from either side of the world. For these reasons the present locale was chosen. Aspen Valley's physical environment forms a backdrop consonant with the scope and magnitude of the bicentennial program.

Accommodations are available both in the valley and in nearby communities.

The Aspen airfield is equipped to handle smaller private and chartered planes. Arrangements are also being made for commercial aircraft to use nearby larger airports. Special trains and private railroad cars will be available.

Subscription series tickets for the full Goethe Bicentennial program, both convocation and music festival, and reservations for accommodations, may be obtained directly from the Goethe Bicentennial Foundation, Aspen, Colo.

The Real Danger: Fear of Ideas

EXTENSION OF REMARKS

OF

HON. HARLEY M. KILGORE

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article from the June 26, 1949, issue of the New York Times Magazine. This article, The Real Danger—Fear of Ideas, was written by Henry Steele Commager, professor of history at Columbia University, and author of "American in Perspective," and other works.

This is a timely article on a subject of vital importance to every American who cherishes freedom. It is a message for every individual who has been caught in the whirligig of emotional hysteria, and it is one that should serve as a warning to those who are endeavoring to use this hysteria as a weapon to confuse and mislead the Nation.

Professor Commager reminds us that "four times in our history we have given way to fear of ideas and indulged in measures of suppression and oppression," and each time we have emerged with a stricken conscience. We cannot afford to try that road again. Professor Commager clearly explains why in his article, The Real Danger—Fear and Ideas.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE REAL DANGER—FEAR OF IDEAS

(By Henry Steele Commager)

Four times in our history we have given way to fear of ideas and indulged in measures of suppression and oppression.

The first example occurred in the 1790's and early 1800's, when "the wise, the rich, and the well-born"—that is, the Federalists—frightened out of their wits by the excesses of the French Revolution abroad and Thomas Jefferson at home, enacted the lamentable alien and sedition laws.

The second example came in the 1850's when the slave-owning South, convulsed by fear for the "peculiar institution," drove out those who criticized it, gagged the press, censored the mail, purged colleges, and, in the end, seceded from the Union.

In the third example, in the 1890's, respectable gentlemen, especially in the East, deluded themselves that the Populist Party was made up of anarchists, that all labor leaders carried sticks of dynamite in their pockets, that Peter Altgeld was a new Benedict Arnold, and William Jennings Bryan an anti-Christ.

The fourth instance of hysteria came after World War I when Americans whipped themselves into a frenzy over a bugaboo of bolshevism sweeping the United States, deported hundreds of harmless aliens, sent Eugene Debs to a Federal penitentiary, purged legislatures of Socialists, and spread syndicalist laws and teachers' oath laws on their statute books.

It is a sobering thought that none of these past hysterias was a reaction to anything that really threatened the American Republic, the Constitution, or our democracy and, moreover, that we have acknowledged and repented these mistakes of the past. The Alien and Sedition Acts were repealed and their victims compensated. Southerners are satisfied now that slavery was a great wrong. Practically every plank in the Populist platform of 1892 has since been enacted into law. We are not proud of our record of the twenties.

Yet we have not, it seems, learned anything from history. With all these precedents to give us pause, we are now embarked upon a campaign of suppression and oppression more violent, more reckless, more pervasive, and ultimately more dangerous than any in our history.

What is the explanation of the present hysteria? Are we, in fact, in danger? Are we disunited and torn by dissension? The contrary is true. Never before have the American people shown themselves to be as united as in this last decade.

It was not always thus. Jefferson in his First Inaugural Address said this was the only country "where every man, at the call of the law, would fly to the standard of the law and would meet invasions of the public order as his own personal concern." But that was not true during the Revolution, when about one-third of the American people were loyalist and another third neutral. It was not true during the War of 1812, when large numbers of the people bitterly opposed the war and effectively sabotaged it. It was not true during the Mexican War, when opposition to war was widespread and ardent in the North. It was not true during the Civil War, when both North and South were torn by internal dissension. Yet it is an interesting fact that we fought all these wars without sedition acts or loyalty oaths.

In the First World War there was considerable opposition from pro-German and pro-Irish segments and from unregenerate isolationists, but for the most part Americans were united. In the Second World War the American people were united as never before in their history. There was less opposition to war, less sabotage than in any previous war. Political parties sank their differences; racial and national groups, labor and capital united in the common cause.

We emerged from World War II incomparably the strongest, the richest, the best armed nation on the globe. We are almost tempted to say, with Horace Walpole back in 1763, "throw away your Greek and Latin books: Histories of little peoples." Nor is our strength purely material or military. We are the oldest republic, the oldest federal system, the oldest democracy in the world. Our Nation and our Constitution has withstood the vicissitudes of 160 years. Our people are intelligent and they are moral.

Nevertheless, we see evidences of anxiety and hysteria all around us—in the stir and bustle of Federal and State Un-American Activities Committees, in loyalty investigations, in the purging of schools and colleges, in witch-hunting and censorship, in our frenzy over such silly but innocuous things as the Cultural Conference at the Waldorf, in a hundred other manifestations, governmental and popular. This hysteria has certain marked characteristics.

First, this hysteria is concerned with rooting out subversives generally—a justifiable objective when revolutionary activity has gone underground or into labyrinthine ways. However, the hue and cry goes on without regard for the fact that the Department of Justice and the FBI, ceaselessly active in the enforcement of the forty-some laws against treason, espionage, and so on, have as yet adduced no evidence that traitors and spies and subversives have been able to work substantial harm to the Nation.

Second, the current program is directed, clearly, toward subversives of the left rather than of the right, toward Communists and fellow travelers or—as the House Committee on Un-American Activities once put it felicitiously—against the "New Deal in various shades of communism." Thus, it is relevant to note that several teachers lost their jobs because of activities in behalf of Henry Wallace's Progressives, but none because of activity for the Dixiecrat organization. Yet it was the States' Rights Party that was openly engaged in activities designated by the Attorney General as subversive in its denial of rights under the Constitution.

Third, the drive is proceeding without any clear-cut idea of what it is aimed at. Notwithstanding a decade of intensive concern with disloyalty, subversive conduct, and un-American activity, we do not yet have definitions of any of these terms. The House committee has not defined them, nor has Congress or the Attorney General. It is easy to sympathize with this situation, for definition of these terms is all but impossible. But the Constitution is clear enough on treason, and so, too, are existing laws on espionage. Who, then, is to determine and by what criteria just what is un-American or subversive?

Some efforts have been made, but they illustrate admirably, and alarmingly, the danger inherent in all such attempts. Thus J. Edgar Hoover listed among the easy tests to determine a Communist-front organization: Does the organization have a consistent record of support of the American viewpoint over the years? But he does not tell us what the American viewpoint is, or who is to determine the consistency of record. Another of his tests: Does the organization receive consistent favorable mention in Communist publications? Clearly, all that is needed here is for the Daily Worker to give consistently favorable mention to the Daughters of the American Revolution and the American Legion for these organizations to come under the ban.

Fourth, the campaign against subversives, like all campaigns of its kind, here and abroad, has an inherent and inevitable tendency to spread out, and, in the end, to proscribe any ideas which the dominant forces in the community may not like.

How else explain the attack on the loyalty of Senator GRAHAM, of North Carolina, in the Senate itself; the proposal of the Regents of the University of Nebraska to bar discussion that may plant the seeds of subversion; Louis Bromfield's argument that sale of colored oleomargarine will advance communism; Representative BROWN'S comment on the decision of the British court to free Gerhart Eisler:

"What gratitude. What a shining example of international cooperation. What a great demonstration of appreciation by the British Government of the sacrifices we have been making to aid the British people."

In this statement the basic assumption is that justice is for sale.

What are the fears behind the present hysteria and the dangers created by each of these fears?

First is the fear of Communist infiltration into the Government. This fear has led to a vast and expensive series of investigations into un-American activities, plus widely inclusive loyalty checks. The shabby antics practiced in the past by the House Committee on Un-American Activities are so familiar that they do not require rehearsal. President Truman attempted to provide the loyalty check with proper safeguards; what is most impressive about it is the paucity of returns so far. Out of 2,500,000 employees checked fewer than 10,000 required further investigation.

The precise number dismissed for alleged disloyalty or subversive activities, or merely because they were "poor security risks"—whatever that phrase may mean—is almost impossible to determine. It is, apparently, well under 500, though it should be added that an additional 3,000 or so have resigned under investigation. Even more impressive is the fact that, so far as the public has been informed, none of all those investigated or dismissed has been formally charged with any crime against the United States.

The danger created by this first fear is in the techniques evolved to prevent Communist infiltration. The safeguards which Mr. Truman hoped to establish have proved completely inadequate. It is probably improper to lay responsibility for this at the door of Mr. Truman or of Attorney General Tom Clark; it is rather that disregard of elementary principles of fair play is implicit in any such program. Though we do not, to be sure, know the whole story or even much of it, we do know that the Attorney General was authorized to draw up his own list of "subversive" organizations; that organizations thus branded had no opportunity to have a hearing; that the mere creation of such a list introduced to our law the odious principle of guilt by association.

We know something of the kind of questions asked of employees suspected of disloyalty. The first rule adopted by the Civil Service Commission, back in 1884, reads as follows: "No question in any form of application or in any examination shall be so framed as to elicit information concerning the political or religious opinions or affiliations of any applicant, nor shall any inquiry be made concerning such opinions or affiliations, and all disclosures thereof shall be discountenanced."

Yet here are some of the questions asked at loyalty examinations:

What do you think of the third party formed by Henry Wallace? Is your wife a churchgoer? Do you read a good many books? How do you explain the fact that you have an album of Paul Robeson records in your home? Do you believe that Negro blood should be segregated in the Red Cross blood bank? Which newspaper do you read?

Would you say that your wife has liberal political viewpoints?

J. Edgar Hoover advised the Chairman of the National Labor Relations Board that an employee of that office "is known to have radical tendencies leaning toward communism. It is further reported that X has studied anthropology and has been affiliated with the NLRB for 3 years. It was also reported that X visited Mexico City to observe the presidential election (of 1946) in that country."

A second fear—that communists or subversives will give away military or scientific secrets—has encouraged the dangerous notion that secrecy and security are synonymous, strengthened the demand for the return of control over atomic energy to the military, given impetus to the current attack on David Lilienthal, Chairman of the Atomic Energy Commission, and threatened the whole program of scientific research with confusion. That foreign spies are active may be taken for granted; it should be taken equally for granted that the FBI and our military counter-intelligence are on the job.

The danger created by this second fear concerns our national security. There can be no secret of atomic energy that foreign, let us say Russian, scientists will not discover. Our security lies not in secrecy but first in the preservation of peace, and second in the encouragement of the best scientific brains in the country to work on atomic energy and other scientific measures. They can work properly only in an atmosphere of freedom.

It is well to remember that the military did not develop the atomic bomb but civilians did; and that scientists, who are presumably as patriotic as Congressmen, are opposed to loyalty checks. Dr. W. A. Higginbotham has noted that 100 competent scientists have been barred from Government work without a hearing, and without reasons. If we discourage or fail to use our available scientific talent we may find ourselves dropping behind in the atomic race.

A third fear sweeping the country is that of subversive teachings in schools and colleges. Half a dozen States have already enacted teachers' oaths and similar legislation; others may confidently be expected to follow the examples of New York, Illinois, and Washington in proscribing not only Communists but "subversives.'"

In New York the board of regents is authorized to draw on any list prepared by any Federal agency for its own list of subversive organizations. When we recall that the Attorney General's and House committee's lists run to several hundred, and that among these are such harmless organizations as the Southern Conference for Human Welfare, we can realize the dangerous potentialities of such a program.

The real danger created by this third fear is that legislatures will produce an atmosphere of suspicion and timidity, that they will discourage independence of thought, original investigation, and association. Before we put a premium on conformity in our schools, we would do well to note the admonition of Dean Wilbur J. Bender of Harvard University:

"The world is full of dangerous ideas, and we are both naive and stupid if we believe that the way to prepare intelligent young men to face the world is to try to protect them from such ideas while they are in college. Four years in an insulated nursery will produce gullible innocents, not tough-minded realists who know what they believe because they have faced the enemies of their beliefs."

These are some major manifestations of the current hysteria; scores of others could be added, but they would merely elaborate the pattern rather than enlarge it. That there is a pattern is clear; it is a pattern of fear and suppression. The peril is perhaps more serious today than in the days of the Alien and Sedition Acts or the slavery controversy, for now the whole world is interested in our effort to maintain the traditional liberty with order.

The current program of suppression seriously endangers effective operation of our democracy. It lowers the morale of the civil service, puts a premium there on conformity, and discourages men of real ability from entering Government service. It endangers the morale of American science by putting a premium on mediocrity in a field requiring independence, originality, and full freedom of inquiry and of communication. It strengthens the hand of the military in areas traditionally and wisely entrusted to civilian control.

It imperils freedom of teaching in elementary, secondary, and higher schools by requiring conformity in standards, by introducing the grave peril of censorship of textbooks and ideas, and by driving away from the teaching profession men and women of independent minds. It creates an atmosphere in which teachers find safety not in orthodox ideas—for they will never know surely just which ideas are orthodox—but in no ideas. In the end we will get a generation of children taught by teachers who are afraid of ideas. Such children cannot grow up into wise and competent citizens.

The current program threatens the right and the necessity of criticism. No government can operate successfully without criticism, and no government that tries to distinguish between "safe" and "subversive" criticism will get the kind of criticism that it needs. The more we learn of the inner history of the Nazi and the Fascist regimes, the more we realize that perhaps the basic reason for their self-destructive policies was precisely this suppression of criticism.

Finally, the current program strikes at one of the most precious of all rights, one essential to the effective operation of democracy—the right of association. The practice of voluntary association is a peculiarly English and American practice. The Pilgrim Fathers associated themselves into a compact—incidentally it was a subversive one from the point of view of the English Government—and since that time Americans have customarily operated through thousands of voluntary associations: Political parties, parent-teachers, veterans, business, fraternal, philanthropic, recreational, learned, and others. It is in these associations that the average American has found more training for self-government and real democracy than the famed town meeting. A policy that discourages or crushes voluntary associations will dry up the very roots of American democracy.

The danger that confronts us, then, is graver by far than any danger that arises from the activities of Communists or subversives in America. The American system is strong enough to stand competition from communism or any other ism. The American people are intelligent enough to resist subversive doctrines. Only at our peril may we depart from those traditions of freedom of thought, speech, inquiry, and communication which have carried us triumphantly through the vicissitudes of the past and brought us to our present proud position.

Since the conquest of Greece by Rome, history has frequently recorded instances where the vanquished have imposed their ideas upon the victors. Will history record that the great American democracy, at the moment of its greatest triumph and its greatest strength, yielded to the thought-control technique of the Japanese, the intolerance of the Nazis, the police-state psychology of the Russians?

That Word "Injunction"

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial from the Johnstown Tribune of June 13, 1949, entitled "That Word 'Injunction.'"

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THAT WORD "INJUNCTION"

Probably the most controversial part of the Taft-Hartley Act is the section that allows the use of injunctions to stop strikes which imperil the national health or safety.

There is a general belief in Congress, and among the public, that such strikes should be prevented. The question before Congress is how it is to be done, while at the same time retaining the maximum freedom of collective-bargaining procedures.

This is how the Taft-Hartley Act operates:

When a strike threatens to imperil the national health or safety, the President may appoint a board of inquiry, with power to conduct hearings. Upon receiving a report from the board, the President may direct the Attorney General to ask an injunction, leaving it up to the court to determine whether such a strike affects an entire industry or substantial part of it, and would in fact imperil health or safety.

At the end of a 60-day period the board of inquiry must report to the President on the status of the dispute, if it remains unsettled. The National Labor Relations Board then has 15 days to take a secret ballot of employees on the last offer by the employer, and five more days in which to present the result of the balloting to the Attorney General.

That makes a total of 80 days, during which the strike has been prevented, and no matter what the outcome the injunction must be discharged. The President is then required to present a full report of the proceedings to Congress, together with recommendations for appropriate action.

Four alternative plans are before Congress to take the place of this somewhat cumbersome procedure.

Mr. Truman would ask for a 30-day cooling-off period and a fact-finding board, with no provision for enforcement of the no-strike provision during this period.

A bipartisan group of Senators offers a plan for Federal seizure and operation of the industry for a maximum of 90 days, with the company's profits during that time going into the Federal Treasury.

Senator ROBERT A. TAFT proposes either injunctions or plant seizure, or both, with the Government forbidden to negotiate a new contract with the employees during that period.

Senator IRVING M. IVES, of New York, would authorize seizure of the industry only, and not injunctions. He would allow Congress to veto governmental seizure within 10 days after it was proposed; otherwise the Government would take over the plant.

The point to be remembered, in all of these proposals, is that they all affirm a belief that a strike which imperils the national health or safety should not be permitted.

But seizure by the Government of a struck industry implies that, in one way or another, the employees of the industry must be required to keep on working. No purpose would be served if the Government took over the industry, and it shut down anyhow.

This is the question of implied powers which the President says he has, and Senator TAFT says he does not have. If those powers exist, the Government would either use them, or threaten to use them, to keep the industry running; and the chances are that this would involve an injunction.

The whole purpose of leaving this authority implied rather than expressed in the law is to get around the word injunction, while retaining the power which an injunction represents. For if the strike is to be stopped—and nearly everyone believes it should be stopped—something in the nature of an injunction must be used to stop it.

If the opponents of Federal injunctions—which are a far cry from the old, discarded, privately obtained injunctions—think that strikes which imperil the national health or safety should be stopped, let them explain clearly how, without injunctions, they propose to stop them.

If they believe such strikes should not be stopped, let them state that openly and frankly—and the public, whose health or safety is affected, will then know exactly where these legislators stand.

Nebraska's Gain in Factory Jobs

EXTENSION OF REMARKS

OF

HON. HUGH BUTLER

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 29 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Nebraska's Gain in Factory Jobs Leading Nation," published in the Omaha World-Herald of June 26, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEBRASKA'S GAIN IN FACTORY JOBS LEADING NATION—50,000 EMPLOYED IN MANUFACTURING AS COMPARED WITH 18,000 IN 1939; PLANT VALUE FIGURED NEAR BILLION

(By Emmett Curry)

Nebraska is one of the country's brightest spots in manufacturing jobs.

Nebraska and New Mexico lead the country in percentage gains in manufacturing employment. That is shown in the Census Bureau's preliminary report on a survey of the Nation's production.

There are about 50,000 Nebraskans working in 1,400 manufacturing concerns. There were 1,093 such concerns in 1939 when the last plant census was taken. Manufacturing jobs in Nebraska have jumped from 18,000 in 1939.

Nebraska manufacturing in 1939 increased the value of raw materials by $68,000,000. Last year the increase was $260,000,000.

No exact figure is available on the worth of the State's manufacturing for 1948. But it probably nears a billion dollars since Omaha's production alone last year was pegged at $706,500,000.

In nearly every town, the manufacturing plant is a local pride. Nickerson, near Fremont, has two factories. One makes grain elevators and the other rotary lawn mowers in that town of 183. Ralston, on the edge of Omaha, has several sizable industries.

Nebraska's advantages have become more apparent to industry: Centrally located, a north, south, east, and west transportation hub; power, comparatively little labor trouble, no burdensome State taxes, and the boost from the Missouri Basin development program.

The Nebraska Railway Commission's railroad tonnage figures show industrial growth.

Six railroads in 1940 handled 2,905,421 tons. Last year the tonnage total was 4,549,980.

Power production is another signpost of Nebraska's expansion.

Nebraska now can produce about 315,000 kilowatts.

The State now is well on its way in postwar power production.

Omaha public power district has added 20,000 kilowatts, will turn on another 35,000 in about a month, and another 44,000 in 1951.

Thirty thousand kilowatts will come from the new Bellevue steam electric plant in September, another 30,000 6 weeks later, and a third 30,000 in the latter part of 1951. The plant is being built by the Nebraska public power system, an operating combine of the Platte and Loup River public power districts.

The hydros are building another 15,000-kilowatt addition to the Lincoln plant.

That will make the total postwar power supply addition 204,000 kilowatts. Also, Nebraska can call on a 90,000-kilowatt expansion in Kansas by next January.

In the power picture, too, is the projected 230,000-kilowatt development from Fort Randall Dam at Pickstown, S. Dak. Plans call for developing the power in 80,000-kilowatt blocks, the first tentatively to be in operation in 1953. Omaha public power district has asked for 30,000 kilowatts of that power.

Nebraska also is on the threshold of a major natural-gas development.

The Federal Power Commission has approved a 711-mile line from Texas to Palmyra, Nebr. An out-State natural-gas company is expanding.

Railroads have been prime developers of industry.

The Union Pacific figures that 173 new industries have been established along its line in Nebraska since 1940. They include 49 feed companies, chiefly alfalfa dehydrating plants, and 29 grain elevators and storage concerns. Sixteen new propane gas plants have sprung up along with 14 potato processing concerns. That line also counts 12 new agricultural implement companies.

The Chicago, Burlington & Quincy Railroad Co. figures that there were 164 expansions or new industries along its line in the State last year. Expansions or additions in other postwar years were 89 in 1945, 165 in 1946, and 141 in 1947. Additions of 120 concerns are estimated by the Chicago & North Western and its Chicago, St. Paul, Minneapolis & Omaha Railway Co.

The Missouri Pacific estimates Nebraska postwar plant construction along its line at $12,955,000. That includes the Veterans' Administration hospital in Omaha.

There possibly is some minor duplication in the railroad figures since some cities are served by more than one line.

Nearly everybody in Nebraska sees a more tangible form of the State's industrial growth—the long strings of freight cars entering and leaving Cornhuskerland.

In 1940, the Union Pacific Railroad hauled out 900,806 tons of agricultural products and chugged in 626,002 tons. In 1948, the line hauled out of Nebraska 1,706,274 tons of farm products and brought in 855,905.

The North Western and Omaha lines in 1940 sent out 194,483 and brought in 253,293 tons of farm products. Last year outgoing farm stuffs amounted to a whopping 547,292 tons and incoming tonnage hit 431,756 for those lines.

The gain in animal and animal products tonnage has been steady but less sharp. The Union Pacific in 1940 hauled out 193,426 and brought in 149,743 tons. In 1948, the line hauled out 222,738 and brought in 142,626 tons.

Nebraska's building boom is shown in railroad tonnage of lumber and related products. On the UP tonnage hauled out jumped from 985 in 1940 to 4,129 in 1948 and what it brought in for the State to build with increased from 69,578 tons in 1940 to 123,136 in 1948.

Incoming building materials on the North Western and Omaha lines jumped from 76,809 tons in 1940 to 137,879 in 1948. Shipments from the State in that period rose from 818 tons in 1940 to 901 last year.

Shipments of coal, clay, sand and gravel, crude petroleum, salt and phosphate rock also rocketed. Another evidence of Nebraska's growth.

Trains hauled three times more manufactured products from Nebraska last year than they did in 1940. Nebraska's intake of manufactures doubled in that period.

While the influx of new concerns inflates State and local pride, the growth of home plants has passed almost unnoticed in many cases. Mostly, that growth has been the work of men who gambled and won.

They include the electrical, packing and processing companies in the west, the rapidly growing manufacturing centers of central Nebraska and the expanding concerns in the eastern third of the State.

Those concerns bring many millions of dollars into Nebraska.

Nebraska's effective buying income for 1949 is estimated at $1,739,413,000 by Sales Management magazine. That compares with $1,320,982,000 for 1945. Nebraska's gross cash farm income last year hit $1,069,000,000.

Per capita income in Nebraska has risen from $557 in 1929 to $1,148 in 1946 and an estimated $1,324 in 1949.

Douglas County, whose 290,000 population ranks it seventy-first in the country, is pegged as fifth in effective per-person buying income by Sales Management. That figure is $1,859 per person. Sales Management's estimated Douglas County family income of $6,133 ranks it tenth among counties in its group.

Omaha is given a ranking of twenty-second by the magazine for its estimated effective per-person buying income of $1,909 in cities over 100,000 population. Omaha ranks forty-first in population. Its estimated per-family buying income is put at $6,304 by the magazine.

Three Nebraska counties in 1945 and 1948 ranked among the richest 200 in the country in gross cash farm income.

Scotts Bluff led the Nebraska counties with $34,520,000 in 1948 for the rank of seventy-third richest county. Its $32,364,000 farm income ranked it thirty-fifth in 1945.

Sales Management ranked Dawson County one hundred and sixteenth in 1949 with gross cash farm income of $29,986,000, and sixty-ninth in 1945 with $24,442,000. Cuming County, ranking one hundred eighty-ninth in 1945 with $17,501,000, moved up to one hundred and thirty-eighth in 1948 with $29,007,000, according to Sales Management.

Pottawattamie County, Iowa, across the Missouri River from Omaha, ranked twenty-ninth in gross cash farm income in 1945 with $35,181,000 and thirtieth in 1948 with $52,108,000.

Nebraska has caught national attention in the decentralization of industry.

Watch and rubber plants moved into Lincoln. A surgical instrument concern shifted from the East to Columbus. A large packer and a chain-store organization's warehouse went to Fremont. A million-dollar eastern corporation put a manufacturing subsidiary in Omaha.

More corporations were formed in the 2-year period ended June 30, 1948, than ever

before in the State's history, said Harold E. Woten, corporation clerk in the Secretary of State's office.

There were 1,204 corporations formed in that period.

LINCOLN "DISCOVERS" GREAT NEW INDUSTRIAL PAY ROLL; ESTABLISHED FIRMS HAVE EXPANDED FACILITIES

Nebraska's capital city during the past 3 years has been doing a thorough job of digesting a rich new industrial pay-roll diet.

With the fighting war out of the way as 1946 opened, Lincoln people made the cheerful discovery that their city had acquired great new economic assets.

These included the Elgin Watch, Western Electric, and Goodyear factories and the expanded Cushman Motor Works. Other established firms were to remain much larger than before the war.

Industrial jobs had jumped from about 3,000 in 1940 to around 10,000 in 1946. This figure has since remained fairly constant.

BUSINESS FIGURES UP

Business figures went up consistently during 1946–48 and are holding up well in spite of the long-expected leveling off this year. Bank clearings were up 30 percent in 1948 over 1946. Bank loans nearly doubled in the same period, indicating capital going to work. Postoffice receipts, another good indicator, rose 20 percent. All utility figures reflect greater usage by more people than ever.

Developments during the last 3 years have been predominantly in the commercial field, generously supplemented by additions to the campuses of the University of Nebraska. Nebraska Wesleyan University and Union College. More additions are planned.

STORES EXPAND

Gold & Co., the city's largest retail firm, has a new five-story building. Other leading stores have expanded.

The Lincoln Journal, one of two newspapers in the city, is starting a $750,000 expansion and remodeling program. One large off-street parking area has been developed and another is about to start. Many smaller ones have been opened.

Two wholesalers, Archie Furr & Co., and O'Shea Rogers Tractor and Equipment Co., have fine new buildings. Watson Brothers Transfer Co. has opened a big truck terminal. Fred S. Sidles Motors, Inc., has an elaborate new establishment.

National names added

New national names, such as American Business, State Farm Mutual Insurance Cos., and Three Sisters, appear on the business roster.

Cushman and Goodyear Tire & Rubber Co. and other industries continue to progress.

A year ago new manufacturing space was dedicated which doubled the capacity of the Cushman factory, providing 250,000 feet of floor space.

Incorporated with this expansion program was the installation of new and additional equipment and a new foundry rated as one of the most modern and best equipped in the Middle West.

Motor works expands

From an auspicious beginning by Charles D. Ammon, when only 5 persons were employed not quite half a century ago, Cushman Motor Works has developed into a leading industry with a personnel in excess of 1,000. Products include a complete line of motor scooters, air-cooled gasoline engines, water-cooled engines, and small castings produced on order for industry.

Charles Ammon, who has controlling interest, started in business as a hardware merchant with his father at David City, Nebr.

Top achievement during the postwar period by the Lincoln Chamber of Commerce has been the retention of the Veterans' Administration offices with a bold stroke involving investment of $535,000 by a handful of leading business firms.

Office building acquired

Faced with the loss in 1947 of a 500-employee pay roll unless the VA was furnished more office space, chamber leaders spearheaded formation of the Veterans Building Corp.

This group purchased an 11-story office building and leased more than 50,000 square feet of office space to the VA.

In this way Lincoln was saved from the one major set-back which has threatened it since the war.

In 1948 the chamber again stepped into the picture to help bring in the Naval Air Reserve unit which now occupies one of the giant hangars on the war-built municipal airport. There is a permanent personnel of 225. The Navy says the personnel may ultimately exceed 700.

Growth continues

During the postwar period, the city's growth has continued steadily. Observers are certain the 1950 census will find 100,000 bona fide Lincoln residents, exclusive of some 12,000 college and university students.

To take care of the population surge, Lincoln's builders put up new homes and apartments at a furious pace during 1946, 1947, and 1948, and still are building. A minimum of 2,000 family dwelling units was created, in addition to several hundred units made available by conversion of facilities at the Lincoln air base.

While there is still a demand for low-priced rental housing, the edge has been taken off housing shortage, Lincoln leaders say. Buyers are becoming selective.

Recreation expands

Lincoln has seen notable additions to its recreational assets.

In 1947, Lincoln businessmen, a few ardent baseball fans and venerable Connie Mack's Philadelphia Athletics provided $60,000 to build a new Western League baseball park, named Sherman Field for C. S. (Cy) Sherman, retired Lincoln Star sports editor. This spring, the Philadelphia club spent $10,000 more enlarging and improving the park.

Two years ago, seats for 3,000 persons were installed in Pioneers Park Pinewood Bowl. Money was raised by subscription. A new park was purchased in University Place, again with money subscribed privately.

Frank H. Woods, pioneer civic leader and benefactor, paid $65,000 for the 50-acre Rogers tract at Thirty-third and O Streets and deeded it to the city. No definite plans for its use have been developed.

Midget games financed

When the women's division of the chamber needed money to create a "lilac lane" the money again came from private sources.

Lincolnites also dug into their pockets for more than $6,000 to finance midget baseball, sponsored by the junior chamber of commerce as part of its youth activities program.

With minor exceptions, Lincolnites have refused to tax themselves for civic necessities proposed at the polls.

A year ago, voters authorized a badly needed sanitary sewer, but turned down three other proposals. One of these was for a separate parks and recreation levy which would have relieved a strained situation in the city's general operating fund.

Auditorium funds voted

Recently the voters refused to amend the charter to relieve the city of restrictions on general fund income which are hampering its operation. But later they voted to provide $1,500,000 more for construction of a city auditorium, first authorized before the war when it was felt that about one million would do the job.

So it may not be long before a new auditorium costing $2,500,000 will be under construction.

On the other hand, the city council and department managers are scratching hard to find funds for street improvement and other vital projects. Many feel this condition has been due to lack of understanding by the voters.

Hope maintained

However, Lincoln civic leaders refuse to be discouraged.

Considerable hope is placed in the city planning commission created in May, 1948, by the city council.

Establishment of the commission had been urged by the Future Lincoln Council of the Chamber of Commerce as an official adjunct to the city government. The commission was set up after nearly a year of study by Mayor Clarence Miles and his co-workers.

The group, which has a part-time staff assistant in Kenneth B. Clark, architect, has 11 members. They are:

E. J. Faulkner, insurance executive, chairman; Mrs. Fred Putney, housewife; Wardner Scott, former State highway engineer; Kenneth Lewis, union labor official; Walter Wilson, architect; Cecil Donley, telephone company official; C. Petrus Peterson and Joe Ginsburg, attorneys; D. B. Marti, realtor, and Mayor Miles and D. L. Erickson, city director of public works, as ex-officio members.

More work planned

Much of what happens in Lincoln during the coming years may well result from the commission's work.

It is working on a long-term blueprint for community progress. These items include a combined city-county building, development of the Rogers Tract, beautification of the State capitol area, city auditorium, and many other projects.

Lack of Monetary Accord Blocks Trade Recovery

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following editorial that appeared in the Detroit Free Press of June 27, 1949:

LACK OF MONETARY ACCORD BLOCKS TRADE RECOVERY

The longer we dole out Marshall plan (ECA) funds to Europe the less clear what we are driving at becomes.

Are we expected to derive direct benefits from this largesse or is it pure philanthropy?

When Congress was discussing the second year's authorization, an army of producers and exporters descended on Washington, all demanding consideration. They wanted some of the cream off ECA.

An angry southerner shouted: "When Congress first voted the Marshall plan it thought we were going to get something out of it."

At that time, though, the stress was upon Americans being content with the indirect benefits that would follow from Europe's getting back on its feet.

At a Pilgrim dinner in London last week, Thomas Finletter, chief of the ECA mission in Great Britain, said that if the Marshall

plan had been presented to the American people as a means of subsidizing exports, they would have rejected it.

Yet upon one occasion ECA Administrator Paul Hoffman pointed out that of the $17,000,000,000 expected to be disbursed by his organization, approximately $9,000,000,000 would be spent in this country.

And last week he presented the Senate with a long list of American exports that would suffer if the proposed cut of $1,000,000,000 from the ECA authorization deprived them of this subsidy.

Was that an appeal to altruism or to a natural desire on the part of Americans to receive some tangible reward for their well doing?

The dollars-and-cents consideration is beginning to loom larger, as the indirect benefits that were to accrue to us seem more and more remote.

The Marshall plan, we were assured, would contain communism and enable Europe to regain economic normality. Then we could sell it things instead of giving them to it.

We were also encouraged to believe that Europe would reduce trade and currency barriers, achieve a measure of economic and political unity and thus be able to get off our necks onto its own feet.

Yet no one now expects that to be done by 1952.

The condition of Europe when ECA ends will not be basically different from when ECA started.

At least three important factors operate to delay the establishment of a viable European economy.

The first is the iron curtain. Western Europe is only part of the European body economic. As long as eastern Europe is paralyzed by communism, western Europe is cut off from normal sources of raw materials and from normal markets for its industrial products. The deficit thus created has to be made good by the United States, Canada, and other Western Hemisphere countries.

The second factor is the loosening of colonial ties and the political turmoil in China and southeast Asia, which bear heavily on the paramount powers in Europe.

The third factor is currency chaos.

At the Pilgrims dinner already mentioned, Sir Stafford Cripps politely but very clearly warned against any attempt to use ECA to interfere with British "policies and plans." As Chancellor of the Exchequer, Sir Stafford is keeper of the pound sterling and he says he won't devalue it.

With equal directness Mr. Finletter said that the Western World would not get an economy that tended to reduce frictions among peoples "as long as the West is divided into two currency areas—between dollar and nondollar worlds." The United States regards it of the "utmost importance," he added, that the pulling down of barriers begin "at the earliest possible moment."

The British once were the world's greatest creditor nation. The pound sterling was international currency. The London bankers kept the world's book. All other nations balanced their accounts through them.

Two world wars destroyed that happy arrangement. The British are now a great debtor nation. Sterling no longer is freely convertible. American dollars have taken its place.

Yet the British persist in messing up international trade with a "sterling area."

An admitted factor in this British policy is stubborn pride.

As far back as 1867, a monetary commission met in Paris to fix a common unit of money for the civilized world. The United States, Great Britain, and France were among the 17 nations represented.

The commission proposed that the unit be the French 5-franc gold piece. This would require the value of the sovereign to be reduced 2 pence and the American dollar by something over 3 cents.

The French Government said, "Yes." The Senate Finance Committee in Washington reported favorably a bill to adjust the dollar to the proposed new unit. The British Government said, "No." That was the end of it.

The American delegate, Samuel B. Ruggles, wrote to Senator John Sherman that it had become "entirely evident that the great monetary struggle of the future must lie between the British pound and the American dollar." The British delegate, according to Ruggles, "virtually admitted" this.

That was 82 years ago. The British still cling to the idea that sterling is paramount and inviolable.

The dollar's claim to primacy rests upon the hard facts of economic history.

While it is impossible not to admire the tenacity with which our British friends stick to their glorious past, we can't afford to forget—as they never have—that business is business.

The use of ECA or similar means to force Sir Stafford to give the pound a more realistic relationship to the dollar ought not to be necessary.

The British Government might be expected to see in the devaluation of the pound an opportunity to make a contribution of their own to world recovery.

Derogatory Information?

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. HOLIFIELD. Mr. Speaker, I am inserting in the Appendix of the RECORD today a letter from former Col. H. Blankenhorn, of Alexandria, Va., which appeared in the Washington Post of June 27, 1949.

The letter criticizes the type of material contained in FBI reports as far back as 1918. It was during World War I that Colonel Blankenhorn was given FBI reports on two of his junior officers, which contained derogatory information, "A hash of published fact, scary gossip, and balderdash evaluation" on his two junior officers. These officers were the two now famous journalists, Walter Lippmann, columnist, and Charles Merz, editor of the New York Times.

Mr. Speaker, in my opinion, the type of FBI file material, a great deal of which is unsubstantiated, should be carefully screened by a competent board before it is placed in the permanent file. The argument that FBI does not evaluate this material is specious, in that the material once placed in an FBI file becomes a matter of evidence to untrained persons, in reaching conclusions regarding a person's integrity, honor, and loyalty.

The recent court decision which set the precedent of disclosing these confidential files makes it more imperative than ever before, that a reevaluation of FBI investigative procedures be immediately undertaken by a competent congressional committee.

EVALUATION OF FBI REPORTS

The current self-exposure of FBI "reports" is no surprise to Government officials, including military, who have long feared that "FBI procedures will come into the open some day and blow up." Excuses, such as have appeared in your columns, that the FBI reports "were unevaluated because expected to be kept confidential" do not impress experienced officials. "Evaluation" is the hoariest of the false whiskers on a situation they have long had to deal with.

The situation has not improved much in 30 years, in my casual observations of one phase—FBI reports on the qualifications of military personnel. Serving overseas in the recent war, I have seen colonels turn profane or speechless over a Pentagon memo transmitting an FBI adverse report, usually on the "previous civilian activity," of some subordinate officers whose worth they thought had been tried in 2 years of combat.

Those 1943-45 outbursts sounded familiar, as witness an instance which nearly embarrassed me in 1918, while commanding a small operational unit under G2 at Pershing's GHQ in France.

During the height of the Argonne battle the general's aide sent for me one night and threw over a paper "from Washington, adverse report on two of your officers."

The one page memo said that investigation of the two named officers' previous civilian occupation disclosed that they might engage in subversive activities. It warned against placing them in key posts affording access to classified documents.

Investigation disclosed both had been employed by a paper published in New York called the New Republic, which paper was exhibiting pronounced Bolshevik trends. Attachments were first the Department of Justice investigation report—a hash of published fact, scary gossip and balderdash evaluation—and, second, New Republic clippings of articles by William Hard criticizing certain War Department policies.

I had the two in key posts, one in Paris, one in London. At Chaumont I had no file of the New Republic to prove how fanatically it was supporting the war. Worst was the atmosphere of urgency, snap decisions being made hourly while GHQ labored to keep up with the battle raging not so far north.

Desperately I asked the aide to phone a corps headquarters up front: "You can talk to the man who founded the New Republic, Maj. Willard Straight. He is so much a Republican he opposed the reelection of the President. He is a member, on leave, of J. P. Morgan's."

The aide relaxed, thought I'd know the answers, scrawled "No action, ALJ" across the memo, and cussed Washington for trying to tell us how to fight the —— war.

So I saved my two subversives, Capt. Walter Lippmann, known since to Washington Post readers, and Lt. Charles Merz, for years now editor of the New York Times. The two of course were not shown the derogatory report.

Thar's gold in them thar mountainous FBI files, including fool's gold and gold brick.

H. BLANKENHORN,
Former Colonel.

ALEXANDRIA.

The Road to Economy and Efficiency in Federal Activities

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, the way to economize is to vote

for it—not some time in the future but now. That I have always been, and I still am, willing to do.

Under the bold-faced caption "How do you feel about—" newspapers in the Fourth Congressional District and elsewhere are requesting their readers to advise their Congressmen whether they are for or against each of eight general propositions. Hundreds have complied with that request.

From a political standpoint, the wise thing might be to acknowledge receipt of the communication, reply that it was appreciated and would be given consideration when the proposal came up for a vote. However, I assume that those writing in want to know my position, the reasons which influence me. Hence, this statement. If I am wrong, set me right.

It is always difficult to make definite answer to broad, general questions without subsequently being accused of insincerity or inconsistency, for often, when a bill is finally voted upon, it does not raise the same issues that were in the minds of those who made inquiries or gave an opinion. The bill on which a constituent was expressing an opinion may not be the same as the bill upon which the legislator is later required to vote.

Because so many have written me and the questions asked are general and printed, to save time and expense my answer was mimeographed. The issues are these:

1. Question. "How do you feel about a straight 10-percent cut in all Federal expenditures that can be cut?"

Answer. Economy being imperative, there being no apparent reason why Federal expenditures cannot be cut 10 percent, I assume that everyone who does not believe in waste is in favor of a 10-percent cut. I am. I introduced bills to cut Congressmen's salaries and their clerk allowance.

2. Question. "How do you feel about the general recommendations of the Hoover Commission? (An estimated $5,000,000,000 can be saved by adopting these recommendations.)"

Answer. This question assumes the adoption of the recommendations of the Hoover Commission will give us a saving of somewhere from three to five billion dollars. Naturally, if a saving can be made without impairing service, we all are for it.

I was chairman of the committee which wrote the bill creating the Hoover Commission. I know there are duplications in Federal service, that we can have economy and increased efficiency if some of the Hoover recommendations are adopted. But here is the meat in the shell—we will get economy and efficiency if, but only if, the departments will administer the law in accordance with the recommendations.

Don't jump to the conclusion that the adoption of the Hoover Commission recommendations will automatically give either economy or efficiency. Many, many times Congress has passed a law designed to cut down expense, give greater efficiency. Result: Those in the departments by interpretation and administrative methods give the people just the opposite.

Unless Congress keeps a watchful eye on the executive departments, insists they follow the law, answer its inquiries, the adoption of the Hoover Commission recommendations will not give us efficiency and economy.

What our Government needs is a thorough housecleaning by the election of a President and a Congress which will practice, rather than talk about, economy.

Permit me to speak plainly. Assuming we adopt all the recommendations of the Hoover Commission, that the Congress attempts to force economy and efficiency upon the departments, the practice of operating in the red, eventually facing national bankruptcy and a depression, will not be avoided unless the people themselves quit pressurizing Congress into passing legislation giving additional services, ever-increasing appropriations through a larger number of Federal employees.

Congressmen are just like other folks—they will try to please the people who elect them and, if the people who elect them, in the future as in the past, insist upon an appropriation for first one project, then another, we will not get economy until we go broke and it is forced upon us.

The responsibility for the present ruinous waste, the inexcusable lack of efficiency in Government, does not rest wholly upon the Members of Congress. Primarily, at least in part, the responsibility for our present situation is upon those who elect Congressmen, who have been sold a bill of goods by reformers, do-gooders and, worse yet, agitators with an ax to grind who have been demanding new activities, each service calling for additional money.

3. Question. "How do you feel about the so-called national health plan? (Referred to as socialized medicine, the estimated annual cost is $10,000,000,000.)"

Answer. I shall vote against it because I believe the cost will be excessive. Its adoption will tend to destroy self-reliance, independent thinking and action and inevitably weaken individual, as well as national, morale.

4. Question. "How do you feel about the Federal housing program? (This bill, recently passed by the Senate, may total $20,000,000,000 over a 40-year period.)"

Answer. I do not intend to support it. It smacks of paternalism, of socialism. It is destructive of free enterprise. It is designed to take from those who have, give to those who lack, and, while we must take care of our unfortunate neighbors, there is no reason why the family which works and saves should be required to build or furnish a house for the family which works and spends.

Much as I would prefer spending our tax dollars or those we borrow here at home rather than abroad, in view of our present financial condition, I do not believe we can safely adopt this housing program.

We have a national debt of more than $250,000,000,000, with an annual interest charge of around $5,000,000,000. The contract authorizations passed by the Eighty-first and preceding Congresses will obligate us to spend an additional $8,000,000,000 and this year's national income is $3,000,000,000 less than it was last year, even though taxes are still high. It is apparent that by the beginning of the fiscal year, July 1951, our present deficit will be increased by at least $11,000,000,000.

The housing program, which, if adopted now, subsequent Congresses cannot repudiate, calls for additional contracted payments of between ten and sixteen billion dollars in the next 40 years. We have no moral right to throw such an additional tremendous back-breaking burden upon future generations.

5. Question. "How do you feel about Federal aid to education, costing $300,000,000 the first year? (The cost will probably never be this low again.)"

Answer. I do not intend to vote for it. Here, again, as in the two preceding issues, the cost will be excessive, but, far more important, bureaucrats and officeholders will have control of the educational program and with the national administration shot through and through with false theories, futile aims and, worse yet, socialism and communism, turning over the education of our youth to those who do not firmly believe in the principles of the Constitution, the practices of our forefathers, would be ruinous.

6. Question. "How do you feel about the ECA program costing $5,500,000,000 for the coming year? (This is chiefly aid to Europe under the so-called Marshall plan.)"

Answer. I shall vote against it. We gain nothing by handing out billions of dollars to other peoples in other lands. Our job here at home requires all of our energy, the full development of our resources. We have been the most charitable Nation in the history of the world and to that I have no objection. But I will not vote to impoverish our people to give aid to other nations which want none of our way of life.

After the war, through the adoption of the Morgenthau plan, we made it extremely difficult for the German people, who might have stopped communism at the frontier, to recover. We permitted France and England, as well as Russia, to strip Germany of its means of self-support. Our dollars today are being used to further the advancement of France and more especially England, which is trading with the Russians, to our detriment.

There is a limit to what we can do for other nations. ECA continued means we will be bled white, finally unable to help ourselves—which is Russia's objective—to say nothing of helping others.

7. Question. "How do you feel about arms for the North Atlantic Pact, to cost something over $1,000,000,000 in the coming year?"

Answer. The issue will not come before the House except by way of appropriation bills. I shall vote against those bills. I do not believe in becoming a partner in a group of impoverished nations (some quarrelsome), any one of which can, under the North Atlantic Pact, involve us in a war in which we have no real interest. Two wars have weakened our resources, given us obligations to care for our fighting men and women which will require the expenditure of every dollar we can find.

8. Question. "How do you feel about Secretary of Agriculture Brannan's farm plan? (Yearly cost estimates run up to $10,000,000,000.)"

Answer. I am not for it. It is contrary to our whole system of government—to our whole theory of individual independence. It will result in the production of surplus crops to be paid for out of the taxpayers' pocketbooks and, to give it even a semblance of workability, must carry strict controls under which individual producers will be told what, when and how much they can plant, harvest and market. That means opening wide the door for favoritism and corruption. It means the creation of additional Federal jobs; the appointment of thousands of additional Federal employees; the expenditure of additional billions of dollars. In short, the extension of bureaucracy and the futility of attempting to do anything worth while under question No. 1.

The proposal as outlined in question No. 1, to make a straight 10-percent cut in all Federal expenditures is meaningless if one is to vote for propositions Nos. 3, 4, 5, 6, and 7. No one can have his cake and eat it too.

I know we want economy in our Federal Government, but are we willing to forego our desire for an appropriation, additional Federal employees, to service our own pet project? That is the real test.

As a Nation, we are living beyond our income. We are borrowing money for running expenses. A business recession, unemployment, and a disastrous depression all threaten us. All of us concede we need economy and the only way to get it is to curtail appropriations for necessary services, deny them completely for services which, however desirable, are not at this time necessary. We must retrench and the time to do it is now.

Thanks for writing me. Your questionnaire has been answered. I have acted as well as talked for economy by introducing bills to cut my own salary—I voted against increasing my own clerk hire.

I wonder if we are willing to do with less until we again get on our feet, or if we will have to go "bust" before we are willing to economize?

If I am wrong, I hope my constituents will set me right.

Rural Telephone Situation in Missouri

EXTENSION OF REMARKS

OF

HON. A. S. J. CARNAHAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. CARNAHAN. Mr. Speaker, under permission to extend my remarks in the RECORD, I include herewith a statement by F. V. Heinkel, president, Missouri Farmers Association, Inc., Columbia, Mo., before the Senate Committee on Agriculture and Forestry, Washington, D. C., June 11, 1949.

Mr. Heinkel brought to this Senate committee a true and forceful statement which clearly pictures the rural telephone situation in Missouri. Mr. Heinkel clearly states the situation regarding proposed legislation which will provide aid and encouragement for rural telephone service when he said:

This program is one of the most important that will come before this Congress, so far as rural America is concerned, and I can assure you that the farmers of our country will be forever grateful to Congress if you adopt it.

I will not be satisfied until every farm family who desires such service has an adequate supply of electric current at a reasonable rate and a telephone that will meet the family's needs. Our farm people—the backbone of our economic structure—need these services. Such services are long overdue. Why further delay?

Mr. Heinkel's statement follows:

Mr. Chairman and gentlemen of the committee, my name is F. V. Heinkel, and my address is Columbia, Mo. I am president of the Missouri Farmers Association, Inc., a State-wide farm organization having a membership of 126,000 farm families in Missouri, and also represent the National Council of Farmer Cooperatives, which represents some 2,600,000 farm families throughout the United States.

This opportunity to present the views of farmers relative to the rural telephone program which you are considering, is deeply appreciated. As a farmer, and living constantly in close touch with farmers, I feel competent to say that there is a dire need for more and better telephone service throughout rural America.

Only about 42 percent of the farms of the United States have telephones. But this figure does not convey the true picture. Service over existing lines ranges from good to bad and indifferent. Out in the Midwest, rural telephone service has a very bad reputation, and that is an understatement.

Missouri's telephone situation is comparable to that existing in most of the country, for Missouri is located in the very heart of America. Agriculture is its biggest industry, and the State ranks well up in point of wealth.

According to the 1945 census, only 45 percent of Missouri farms have telephones. In 26 counties, only 20 percent of the farms have telephones, and in 7 counties fewer than 1 farm in 20 has a telephone.

It seems incredible in these modern times that in 6 counties in Missouri, a wealthy State located in the center of the United States, there are fewer than 3 telephones per 100 farms.

I have prepared some colored maps for you which show clearly the situation in Missouri according to the 1945 census.

It is true that rural America has many shortcomings. We lack roads, and adequate electric services, and many other modern conveniences that are so commonplace to city dwellers. But one of the worst of our shortcomings is a lack of good telephone service.

Only a tolerant, patient class of people such as farmers would have put up for so long with the lack of such a modern convenience as the telephone. In fact, the younger generation of rural people are not putting up with it. They are leaving our farms in wholesale numbers. In Missouri, for instance, during the period 1920–45 the number of farmers 55 years and older increased 32 percent. In 1945, fewer than 1 out of every 50 farmers was under 25 years of age. The average age of farmers in our State is approximately 47 years.

What is happening is that farm children, who have been attending high schools and colleges, are simply unwilling to live under the primitive conditions of their forefathers in this atomic age. Of course I know that mechanization of agriculture and such influences as a disparity in prices have been at work in this connection, but, by and large, young farm people are simply refusing to stay on a farm where there are no all-weather roads, no electricity, no running water in the house, and no telephone service.

As the young people leave the farm for the bright lights and modern conveniences of the city, and their parents grow too old to operate their farms, the land is sold and merged into larger holdings. Thus, our farms grow larger and fewer in number. The family-sized farms disappear. Absentee ownership increases. Our population in the cities, where all too many of our citizens live in crowded apartments which they do not own, grows apace.

I submit to you that this is an unhealthy condition. It is not good for a Nation like ours—particularly during a period when democracy throughout the world is on trial—to have a large mass of people that own nothing but the clothing on their backs. When they have no actual, visible stake in America, they are a ready prey for those who peddle unsound panaceas.

Aside from this sociological aspect, a lack of telephones is holding back the progress and development of rural America. Farm families badly need good telephone service in order to carry on their business. They need to telephone for repairs to their complicated farm fachinery; to call the veterinarian; to call for help in case of fire and accident and sickness; to order supplies; and generally to communicate with their neighbors about their work, as well as to communicate with the outside world.

In Missouri, where the dairy industry has been developing as rapidly as roads and electric power will permit, we have several artificial breeding associations. One of them is affiliated with the Missouri Farmers Association. It has a stud of forty-odd dairy bulls, and competent authorities say this is the finest stud of bulls in the United States. Last year it was possible to breed only 30,000 cows. Twice that number of cows could have been bred with the same number of bulls if the telephone service had been adequate.

There's no telling how much Missouri farmers could multiply the State's wealth if they could breed all their dairy cows to fine bulls. For instance, by using good bulls it is possible to add 100 pounds of butterfat to the progeny of one of these animals in one generation. The average butterfat per cow for the Nation is only 186 pounds, so you see what such an improvement would mean.

I have with me a number of letters received recently from Missouri farmers complaining about the lack of good telephone service which I am leaving with the committee for perusal. You will note that a number of them came from inseminators whose business it is to breed cows artificially. Both they, and the farmers themselves, tell how they can't breed cows artificially because they haven't adequate telephone service. These letters say, as I have already mentioned, that even where there are telephones the service is abominable.

As previously stated, Missouri is no exception. In fact, the figures show that our telephone service is slightly better than the national average.

It is noted that the proposal under consideration by you does not provide for Government ownership of telephone service. It authorizes the Rural Electrification Administration to make loans for the expansion and improvement of rural telephone service under the same terms and conditions which the REA has employed for many years in making loans for rural electrification. It provides that funds shall be made available on identical terms to private corporations and other agencies now operating telephone facilities, and recognizes the authority of State regulatory bodies over rates, service, and service areas.

In my estimation this is a splendid provision. Farmers have been highly pleased with REA service. A common and popular question one hears voiced at meetings of farmers is, "Why can't we have REA telephone service just as we have REA electric service?" I'm sure they would be happy if the privately owned telephone companies would provide them with service.

The fact that it has been a very, very long time since Alexander Graham Bell invented the telephone and more than half the farmers of America are still without telephone service has not been lost upon farmers. One of the big mysteries to them is why the telephone companies that have served urban areas so well and so long have been unwilling or unable to extend the service to rural areas.

Thousands of farmers who have implored the telephone companies from time to time to give them service have just about given up hope. If the seeming lethargy of the telephone companies is due to their inability to finance the expansion into rural areas, then this measure under consideration by you will provide the solution to their problem.

If, on the other hand, they are simply unwilling to provide such service to rural areas, then it is necessary for Congress to help the rural people to help themselves by making it possible for REA-financed cooperatives to render the necessary service. Perhaps a combination of both would be best for the entire country.

Since telephone lines must connect up with the whole network of systems that serve the entire Nation, it is obvious that a few farmers in a neighborhood cannot provide such a service for themselves—at least in a satisfactory manner. That's why it is necessary, in my opinion, for Congress to help rural people to help themselves.

After having observed how well REA loans have been gradually amortized with interest, we have reason to believe Uncle Sam will lose none of the money that is invested in rural-telephone service. It will not be merely an expenditure of money, but an investment that will bring enormous returns in greatly increased wealth produced by agriculture, plus a better rural life that will build more solidly the foundation upon which our country rests and make it safe for a continuance of the free-enterprise system and a democratic form of government.

This program is one of the most important that will come before this Congress so far as rural America is concerned, and I can assure you that the farmers of our country will be forever grateful to Congress if you adopt it.

Letter From Dr. E. U. Condon to J. Edgar Hoover

EXTENSION OF REMARKS
OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. HOLIFIELD. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include a letter from Dr. E. U. Condon, Director of the National Bureau of Standards, to the Director of the Federal Bureau of Investigation, J. Edgar Hoover. This news item and letter were published in the Washington Post of Friday, June 24, 1949.

In his letter Dr. Condon expresses his feelings as only a man who has been hurt and injured by the cumbersome and sometimes cruel juggernaut of government can express them.

For some time I have been concerned with the type of material which appears in the FBI files. Realizing the necessity for the operation of the FBI, and realizing its increasingly important role in our national life, I intend to explore the methods in which FBI files are compiled, the type of material which the files contain, and to point out what I believe to be certain defects that can be corrected in the interest of national security and in the interest of preservation of the rights of American citizens.

It is obvious that this is a task which should be done carefully, and I hope to be able to speak on this subject at some length in the near future.

For the present, Dr. Condon's letter contains some very thought-provoking material.

The matter follows:

LETTER TO HOOVER OUTLINES IN DETAIL SCIENTIST'S PROTEST OF FBI METHODS

(By Drew Pearson)

Dr. Edward Condon, Director of the National Bureau of Standards, who with his wife was smeared in FBI reports made public in the Judith Coplon trial, has written a letter to FBI Director J. Edward Hoover that may rank as one of the great human documents of 1949.

Dr. Condon, tortured by the rumors and innuendo spread first by the Un-American Activities Committee about his wife's alleged sympathies for Russia, twice asked Hoover for an apology. Then he sat down and wrote Hoover a personal letter in which he poured out some of his obviously deep convictions on FBI reports. However, the letter, so far unpublished, speaks for itself. Here it is:

TEXT OF CONDON LETTER

The text of Dr. Condon's letter follows:

"DEAR MR. HOOVER: On Saturday and Sunday, angered and hurt by the unjust and unfair allusions to my wife contained in an unevaluated FBI report which was made public in connection with a court trial last week, I issued statements to the press in which I demanded an apology from you.

"I would like to assure you that these statements grew solely out of the spontaneous anger natural to any man on seeing the name of his wife sullied in the press through official documents implying improper conduct through their distortion of an innocent and normal act, by cryptic and insidious phraseology and connotations, into something improper. I believe that you can appreciate and sympathize with my reactions.

"It is apparent, however, that you could not reply to my statements because the injury is irreparable by any apology, because it would be impossible to remedy the sufferings that many have undergone, including myself, as a result of similar operations, and because there is the possibility that any reply from you might be pertinent to a court matter. In the light of these, I regret any inconvenience that I may have caused you.

"The fact that the present unfortunate events did take place does emphasize, it seems to me, the need for care and caution in connection with investigatory procedures. I have repeatedly pointed out the importance of proper investigations and proper security measures and, for example, I have held again and again that the President's loyalty program is a splendid and excellent thing.

"But the care and caution which I mention are crucial if we are to attain the ends which we seek and, indeed, if we are not to jeopardize that very thing—our free and democratic country—which we value above all else.

"In this connection, I do not believe that the welfare of our Nation is served when slanderous material about decent Americans becomes a part of official documents. It does no good to say that these documents are unevaluated because they are, in fact, used as official reports, as they are in such matters as Federal employment and loyalty cases where they are used as though the contents were truly factual and evaluated. Nor does it remedy the dangers to our citizens to say that the FBI is merely a fact-finding agency and that the responsibility of interpretation rests on other units of the Government because the FBI knows how these are used in practice (as against any theories) and should therefore label the contents of these documents as gossip, slander, hearsay, one side only, etc., and should clearly differentiate between information that is relevant and irrelevant, true and false, etc.

"In the present instance, I have gathered the impression from the press reports that the Government seriously considered dropping the charges in court because the documents were too important for the national security to release. If that is the case, then one must inevitably conclude that their contents are really important. If they are important, why is it that the contents are unevaluated—in the case of the perverse allusions to my wife a period of some 19 months having elapsed? If this information was known to be biased, incomplete, and slanderous, why was it allowed the dignity of a formal place in an official document? And if it was felt that any information, irrespective of truth or falsity, constitutes a 'fact' in the 'fact finding' sense of the FBI, then why was it not clearly labeled as to what it was and evaluated in that period of 19 months as of no value. Moreover, if 'facts' are gathered in this puzzling and broad sense, why were not additional facts sought before my wife's good name was sullied by entering this material in official files? Why, for example, was she not questioned as to the material? Or, why was not a proper study made of the conference which led to her innocent meeting of one individual interested in purchasing printing-type materials and then indicating to an American businessman in the export business that here was a possible sales opportunity? Certainly, the full facts could have easily been obtained and entered into the document; and this would have presented the full facts in place of the few insidious-sounding ones which turned up."

PROCEDURES FAIL SERIOUSLY

"It appears to me that the fact-finding procedures fail seriously in ignoring the information that can be obtained from the person under investigation, even in those cases where (1) the situation is one in which the person involved is already aware of the fact that he is being investigated or (2) the standing and character of that person is such that it is abundantly clear that he will not run away but would be happy to have a chance to cooperate fully with the FBI.

"I will enlarge this point. Are you aware, with all the enormous amount of effort that has been spent on investigating Mrs. Condon and myself as a result of malicious and vindictively motivated false alarms, that not once has one of your agents come around to see either Mrs. Condon or myself, either to interrogate us or to get straightened out on some point or other? And this is so in spite of the fact that I have been absolutely straightforward in all my dealings and have repeatedly offered to cooperate fully with any fairly conducted investigation. I know, as a matter of fact, that your files on Mrs. Condon and myself are shot through with errors with regard to easily ascertainable facts. We would be glad to go over all of this material with your agents in order to get it straight, requiring only that a full transcript be made of the interview in which this is done for my files.

"Having never met you personally, I look forward to meeting you, if you wish, and to discussing these or other matters which may be of mutual or general interest."

WRITING IN FRIENDLY WAY

"I would like to assure you that I am writing you in a friendly and cooperative way, and I would like to confess that one of the reasons that I have addressed you so frankly and openly is the article entitled 'The Challenge,' which you wrote for the Sunday magazine section called This Week.

"When I read this fine piece, beginning with the quotation from the Prophet Micah—'What doth the Lord require of thee, but to do justly, and to love mercy and to walk humbly with thy God?'—and ending with your sentence 'These three simple phrases set up an indestructible guidepost for human conduct. In clear and simple words they establish the essentials of decency. All are of the spirit—justice, mercy, humility'—when I read these, moved by their profound truth and applicability in this troubled world, I felt that you would not mind a simple, frank, and friendly letter discussing matters that weigh heavily on my heart, not merely in personal terms, though I am vulnerable enough like all mankind to feel anger and sorrow over unjustified aspersions, but in terms of that freedom and democracy which we cherish.

"Sincerely yours,

"E. U. CONDON,
"*Director.*"

Franco Spain

EXTENSION OF REMARKS
OF
HON. L. GARY CLEMENTE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1949

Mr. CLEMENTE. Mr. Speaker, under leave to extend by remarks, I include in the RECORD an editorial entitled "Franco Spain" that appeared in the New York World-Telegram, May 9, 1949; an article entitled "These Days," by George E. Sokolsky, that appeared in the New York Sun, May 16, 1949; and an article entitled "An Interview With Franco," by James F. Murray, Jr.

The matter referred to follows:

[From the New York World-Telegram of May 9, 1949]

FRANCO SPAIN

The political committee of the United Nations General Assembly has voted, 25 to 16, in favor of lifting the 1946 ban on the appointment of ambassadors and ministers to the Franco government in Spain. The question now goes to the General Assembly for final action and the issue there is in doubt.

Representatives on the committee of the United States and 15 other nations did not vote either way. However, if we duck the issue again in the General Assembly, our refusal to vote will be counted against the proposal, which requires a two-thirds majority for approval.

Our Government initiated the original boycott resolution against Spain. That mistake should be acknowledged by joining in the movement for its repeal.

Franco's government isn't our kind of government, but that is not the test. If we exchanged diplomats only with those nations of which we approved in every particular, we would be doing business in a very restricted world.

Spain is under a dictatorship, yes. The Soviet Union, Poland, Yugoslavia, Bulgaria, and Czechoslovakia—with all of which we have full diplomatic relations—also are under dictatorships.

Franco attained power by revolution—by force and violence. So did the other dictatorships. So have several Latin-American governments to which we have extended full recognition.

Franco's particular crime is that he gained control of Spain with the assistance of Hitler and Mussolino. But that was a case of dog eat dog. Stalin's international brigades were fighting on the other side. If they had won, we probably would have a Communist Spain today. Would that be good?

We voted to boycott Spain in 1946 largely as a sop to the Soviet Union. In doing so, we ignored the fact that Spain had not been guilty of attacks on any other nation, which was more than could be said of Russia. After Hitler and Mussolina helped Franco, he did nothing to help them. But who is there today to find fault with him for that? Hitler and Mussolini aren't around any more.

Our Government has had friendly relations with Spain since the war of 1898.

Franco has shown every evidence that he desires to live at peace with the rest of the world. His country is one of the bastions against communism and occupies a strategic area vital to us and the other members of the North Atlantic group.

Our Government should vote to lift this foolish boycott.

[From the New York Sun of May 16, 1949]

THESE DAYS

(By George E. Sokolsky)

SPAIN

Dean Acheson, Secretary of State, in his discussion on Spain, falls back on the totally disproved argument that there are good and bad dictators. It used to be said, as war propaganda, that Hitler was a bad dictator and Stalin a good one. Nobody can say that any more—not even the State Department. So Dean Acheson paints an utterly distorted picture which requires analysis:

"The Franco government was one which was established with the active support, and only with the active support, of Hitler and Mussolini.

Even if wholly true, the point must be made that the current Polish, Hungarian, Yugoslavian, Czechoslovakian, Bulgarian and Rumanian Governments were established by Soviet Russia. We do not exclude them from the comity of nations for that reason.

He says further:

"The Republican government in Spain received the support of the Soviet Union. There were charges at the time that the Republican government was Communist. Those charges were denied. It is unimportant at this point to go into what if any substance they had."

BOASTED OF WORK

That is so childish that I never thought anyone would say anything like it. The Communists have for years boasted of their work in connection with Republican Spain. Did Mr. Acheson ever hear of La Pasionaria? Did he ever hear of the Abraham Lincoln Brigade? Did he ever read the Daily Worker, the New Masses, the Communist—all published in the United States? I can provide him with all the evidence on this subject he may need, all from Communist sources.

Then Mr. Acheson says that there is no writ of habeas corpus and no independent judiciary in Spain. Is there habeas corpus and an independent judiciary in Russia, Poland, Czechoslovakia, Hungary, Rumania, Turkey, Greece, China—all within the comity of nations? If Acheson's yardstick is habeas corpus and an independent judiciary—and a good yardstick it is—then we really ought only to speak to the British and the Scandinavians. Certainly we ought not to speak to the Russians who maintain the law by purges and murder. Did Mr. Acheson ever hear of what happened to the old Bolsheviks? Did he read the reports of the great purges—even the reports of the Russians on the subject?

Further our Secretary of State says:

"One of the things that all dictators do—from the time of the French Revolution and before the French Revolution down to the present time—is to take anyone that they do not like and throw him in the oubliette (dungeon) and there he stays until he dies or until they shoot him or until they take him out. The fundamental protection against that in free countries is the writ of habeas corpus."

Did Mr. Acheson ever hear of Siberia? Does he know about the Russian slave camps? Did he ever hear of what happened to the intellectuals of the various satellite countries, to the Social Democrats, to the leaders of Peasant Parties?

EQUALLY WRONG

I do not contend that Franco is right but I do say that Stalin and his agents in a dozen countries are equally wrong. If we make the oubliette the yardstick, let us make it that for everybody. Mr. Acheson refuses to send an Ambassador to Franco but he, himself, is going to Paris to talk to Vishinsky who was the prosecutor at the purges and sent his old colleagues to insanity and death. Acheson will probably shake hands with Vishinsky.

Oh! Now he comes up with this one:

"The second right is that in being convicted of a crime you are convicted not by employees of the state but by your fellow citizens."

Now where does he find that among most of his pals in the United Nations? In how many countries is there trial by jury, which is what he is talking about?

Finally, he says:

"Then there is the question of religious liberty, which is fundamental to a free exercise of the human personality. That right does not exist in Spain."

Does religious liberty exist in Hungary, Soviet Russia, or Poland? Did he ever hear of Cardinal Mindszenty, of the 15 Lutheran ministers in Bulgaria, of the closing of the Moscow synagogue?

It is a pity that our Secretary of State is so poorly briefed.

[From Thought, Fordham University quarterly, March 1949]

AN INTERVIEW WITH FRANCO

(By James F. Murray, Jr.)

Few strategic areas in the world are more vital to the United States policy of containing Soviet expansion than the Spanish peninsula. The shiploads of matériel which arrive daily in Italy, Greece, Turkey, and other pressure points, implementing the master design of the Truman doctrine and the Marshall plan, owe their safe arrival to the fact that no hostile power stands at the gateway to the Mediterranean.

Were Spain to pass under Soviet domination the structure of our diplomatic labors in Europe, Africa, and western Asia would be overturned. Our positions in Europe would be outflanked; the Balkans, Middle East, and North Africa would be sealed off and a new menace would hover over our relations with South and Central America.

Despite these possibilities the average American has for some time been uninformed not only as to the factors involved in the problem of our relations with Spain but as to the very existence of the problem itself.

Startling proof of this came to my attention during a series of forum appearances last year. Recorded samplings through audience reaction of the current knowledge of relatively well-informed metropolitan groups showed that less than 5 percent were aware that we had withdrawn our Ambassador from Madrid; 20 percent regarded the present Spanish regime as persecutors of the Catholic church; 50 percent were uncertain as to whether or not Spain had been admitted to the United Nations; less than 15 percent had any clear notions as to issues involved in the late civil war; and more than 60 percent were convinced of varied forms of Spanish hostility toward the United States.

When it became necessary for me to return to Europe after an absence of nearly 2 years the above considerations persuaded me to include Spain in my itinerary. My sole purpose was to conduct a personal fact-finding mission in order to evaluate at first hand such phases of the cultural, economic, and political life of Spain and her people as would have a bearing upon the fundamental interests of the United States. My status was purely a private one without benefit of the advanced contacts and avenues of easy entree traditionally at the disposal of journalists, diplomats, the military, or semi-governmental agents. I possessed but a single letter of introduction furnished by a distinguished American professor to two of his cultural colleagues in Madrid.

I engaged in a series of frank and informal discussions with cultural, religious, industrial, educational, and governmental leaders ranging as high as the cardinal primate and the minister of foreign affairs. Everywhere I made it abundantly clear that I had few if any preconceived notions on matters of current controversy and that my only desire was to make objective inquiry from the viewpoint of the average American into the present position of Spain and the Spanish people on the problems besetting United States-Spanish relations.

About midway through my visit it occurred to me that a very considerable contribution to better understanding might be achieved if Generalissimo Francisco Franco would be willing to consent to an interview and express his opinion on certain direct and specific questions touching upon the main points of interest and doubt in the average American's thinking on postwar Spain.

A few days later I was informed that General Franco had agreed to my suggestion and had further offered to return his answers in writing as well.

After my return to the United States when the Spanish question returned to the center of our diplomatic stage I sought and obtained authorization to release these questions and answers for publication. I present them without comment as to content pointing out only that no changes or limitations were at any time suggested in the formulation of these inquiries. I submit them in the hope that they will prove enlightening and provide prime source background material for all who seek to analyze the development of United States-Spanish relations through our period of intense diplomatic activity in 1948.

1. What in your opinion is the fundamental cause of the present strained relations between Spain and the United States?

No reason whatsoever exists, in my opinion, to justify the fact that relations between our two countries are not as cordial as our common interests and plain good sense require.

I feel that our peoples have very extensive grounds for mutual understanding. Over and above the historical ties which have long bound Spain to the entire American continent, we have at the present time a compelling basis for common cause in the mounting western resistance to Soviet communism—a menace which Spain recognized in 1936 and against which she has been battling ever since.

Taking advantage of the turbulent war years to employ tactics now being exposed by your congressional committees, Communist agents so infiltrated into positions of influence as effectively to confuse and misdirect American public opinion to ends diametrically opposed to simple justice and to your own national interests. Thank God that the people of the United States, with their traditional sense of fairness, are gradually becoming aware of this deception and in many instances are actually outstripping the more hesitant political leaders in demanding realistic action.

2. What basic measures do you consider most necessary in order to better these relations?

Influential citizens and public leaders in the United States should endeavor to acquaint themselves with the real position of Spain in exactly the same way that we are attempting to understand the American point of view. Despite an acute shortage of dollars, Spain is sending students and professional men to the great American centers of learning in order that the achievements of your country and your people may be better known to us. It is to be hoped that in the future the United States will find it possible to participate with equal enthusiasm in this exchange. Certainly we witnessed a gratifying step in the right direction this summer when a numerous group of American professors and students came to Spain for study and research.

An intensification of our commercial interchange should also be encouraged on a basis of equity and honest cooperation, taking into account the full requirements of our two nations. It should be remembered in this regard that very frequently problems which are of little or no consequence to a country like the United States are absolutely vital to the economy of other countries, such as ours.

3. Those in the United States who attack Spain lay great stress upon the irreconcilable ideologies of the two Governments. To what extent do you find this true?

It is true that Spain does not possess the same political structure as the United States, just as the American people find no reason to adopt the political and social forms prevalent in Great Britain, Switzerland, or France. Each nation should establish for itself that political framework most in keeping with its historical tradition and best calculated to serve the spiritual and material well-being of its people.

If normal relations between nations were to depend on an identity of ideology among those who form the various governments, then nearly every state on the globe, to the detriment of its own best interests, would be compelled to live in absolute and independent isolation.

The Spanish Government professes no other ideology than that which is traditional in a fundamentally Catholic, Christian community, an ideology which has always been at the service of western peace and civilization. What is most important for us all is to safeguard under a system of law and order those rights and civil liberties essential to the dignity of man and to preserve and support the lawful institutions of the state on a basis of mutual respect and recognition of duly established judiciary authority.

No one in all honesty can deny that these concepts prevail today in Spain, whereas in many other nations with which the United States maintains full diplomatic and political relations, flagrant disorder, tyrannical abuses, and deliberate defiance of these principles is the order of the day.

Nothing, for example, could be more hostile or irreconcilable to the political concepts of the American people than the doctrine and behavior of Soviet Russia. Yet in spite of this the United States has not only maintained diplomatic relations with Moscow but even embraced Stalin in a close military alliance for 5 years.

4. Many Americans, otherwise well inclined toward Spain, are confused as to your Government's exact position with respect to—

(a) Civil liberties, including the opportunity of free ballot.

(b) The religious rights of non-Catholic minorities. Would you care to clarify these points?

I would be glad to. But at the outset let us agree that nowhere in the world today can one find that Utopia of absolute liberty of which radical propagandists constantly claim themselves deprived.

There have been two common approaches to the problem of civil liberties. One is a purely formal recognition in principle of all imaginable liberties, undermined in practice, however, by governmental suspension of these guaranties upon the slightest pretext. The other and much more honest solution is an attempt to develop and effectively protect these rights with the idea of attaining a more perfect individual and collective life.

For more than a century in Spain, during the so-called constitutional regime and particularly during the period of the Republic, the first alternative was followed. Under the Republic a constitution was proclaimed which theoretically guaranteed every degree of liberty but which, in actual practice, was throttled by a unilateral governmental suspension of citizens' rights almost throughout its entire existence.

I can definitely assert that essential human liberties are not only recognized in Spain today but are protected by law and by independent courts of justice. I include among these liberties the right of suffrage and freedom of speech, which are permitted in all fields where they do not harm or endanger public peace or the principle of orderly good-fellowship which the Marxists and their accomplices struggle incessantly to subvert.

The Spanish bill of rights—the Fuero de los Espanoles—is a dogmatic and realistic enumeration of these liberties, and a series of progressive laws is gradually being enacted implementing and protecting that declaration.

Moreover, the institution of the referendum to inquire into the opinion of the people on matters of national importance together with the forthcoming communal elections show to what extent the state is subservient to the sound public opinion of the people of Spain.

With reference to religious minorities, any impartial observer can verify that although by far the greatest number of Spanish citizens are Roman Catholics, no one is in any way obliged to profess this religion, and religious tolerance is fully extended to all other sects as long as this does not imply a breach of the public peace or moral order.

5. What comment would you care to make concerning charges repeatedly made in the United States regarding the persecution and imprisonment of honest political opposition to your government?

With regard to the supposed persecution of the self-styled honest opposition on which our political adversaries abroad constantly play, the degree of honesty of those involved can be gaged by the intensity of the Moscow radio programs directed to these individuals for their guidance. The Soviet air waves are daily filled with instigations to armed rebellion, terrorism, sabotage, and other subversive acts. The United States has only too recently exposed the tactics of these professional spy terrorists who cross frontiers under any guise that may suit their criminal and treasonous designs.

6. If Communist aggression continues in Europe do you foresee the necessity of a military alliance of the Western Powers? Would Spain be willing to join such an alliance?

For 12 years our country has fought in the front ranks of the struggle to hurl back Communist aggression. Spain, which has never flinched from her duty in any of the great invasions which swept over Europe, will know how to honor this sacred tradition if called upon again.

But the danger of Communist aggression cannot be wholly countered by military alliances or force of arms alone. A sincere spiritual force must invigorate those who would throw off the monstrous tyranny of materialism which communism thrusts upon us. It is not enough simply to say that we do not want communism. Other and better ideals must inspire the people of the world; nobler aspirations, sentiments and patriotism must arouse the common man everywhere. Despite the tragic fate which has overtaken them, the indomitable people of Poland, Finland, Hungary, and Czechoslovakia give daily proof that the thirst for independence and the zeal for religious freedom can become insurmountable barriers in the path of Soviet brutality.

Although the necessity of preparing a defensive front is generally acknowledged, there is much to be done before what you suggest in your question can come about. The precise ends in view should be clearly and unequivocally defined and guaranties should be established that the intended social, political, and economic order will be

founded on a minimum common basis of civilized Christian values with universal respect for the liberty, personality, and individuality of each nation.

7. To what extent do you feel that the present United States policy in Spain is playing into the hands of the Communists?

Franklin D. Roosevelt, during the critical moments of the recent world war, made a solemn written pledge assuring Spain of the friendship of our two nations. It is indeed regrettable that the United States, so soon after his death, should fail to abide by this promise.

Everything which has worked against this promise has been due to Russian intrigue and influence, either issuing directly from the Kremlin or applied indirectly through Communist-inspired pressure on France and Great Britain.

The importance of Spain in the Soviet scheme for communizing the Continent of Europe is graphically illustrated by the attention which Russia and her unfortunate satellites pay to our country at every international meeting.

However, I am sincerely convinced that the sound judgment of an ever-increasing number of Americans who are motivated by a fervent desire to neutralize the Red terror as a prelude to stable peace and who are already contributing so generously to European reconstruction will be able to influence the public leaders of the United States in their own national interest, to rectify the fundamental errors which have been committed in regard to Spain.

8. Has Soviet Russia, directly or indirectly, indicated a desire to enter into diplomatic relations with Spain?

It should be obvious from the Hitler-Stalin Pact of 1939 that Soviet realism never allows conflicting national ideologies to stand in the way of the immediate objectives of their foreign policy.

However, Spain cannot even be suspected of being receptive to such a suggestion as embodied in your question. Regardless of the humiliations and injustices she has suffered our country will never abandon her struggle against atheistic materialism.

9. Can you reveal the extent and persistency with which Soviet Communists are attempting to penetrate Spain today?

Notwithstanding the overwhelming defeat inflicted by the Spanish armies on the Communist international brigades, communism has never given up its attempts to return to Spain by infiltration. During the last few years the Soviets have exploited to the full their own victorious position in Europe as well as the weakness and indecision of their ex-allies.

Russia does not actually require great numerical strength in order to seize control when the moment is ripe. In Spain, for example, the Communist Party was negligible and yet when the time came it imposed its will on all the other parties including those vastly more powerful socialist movements to which it had previously clung for support.

What is now taking place in many of the countries of Europe, Spain experienced 12 years ago. The whole world has since been able to verify that the leaders of the International Brigades which fought on our soil were mere tools in the hands of that same Communist International which today enslaves whole peoples of Europe.

10. What do you consider to be the greatest single problem facing Spain today?

The increase of the economic welfare of our people.

Fifty years of neglect and misgovernment combined with a rapid increase in population have worked to produce an unbalanced economy in the nation. This condition, of course, was still further aggravated by the repercussions of the last World War.

Our goal, therefore, must be to develop our national resources, intensify our commercial relations with other states, and at the same time gradually implement the forward-looking pattern of social justice which is drawing together all Spaniards in a sincere and fruitful brotherhood.

Our country, little by little, has been achieving these ends virtually alone, through its own efforts and tenacity and supported entirely by its own resources. But it is always ready to extend a hand of welcome to any help or collaboration which other nations might wish to afford us.

The Essence of Democracy

EXTENSION OF REMARKS

OF

HON. THURMAN C. CROOK

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. CROOK. Mr. Speaker, ever since the inception of our Government, education has been considered the essence of our democracy. It has been the vehicle instrumental in helping us build an enlightened commonwealth. It has fought ignorance and all the evils connected therewith.

It has reenforced the walls and strengthened the superstructure of the greatest democracy in the world today. It has enhanced our understanding, standards of living, health, happiness, inventive ingenuity, and American economy.

At present education is being grossly neglected and, unless we execute remedial action in the near future, we may subsequently be indelibly reminded of our costly neglect. The educational problem has grown to be a national one, and I am certain you will agree with me when I say our educational system of this land is no stronger than its weakest link. Every child is entitled to a reasonably good education.

To further impress you in regard to this grave situation, I include in the Appendix of the RECORD the following statement sent to the Committee on Education and Labor by Robert H. Wyatt, executive secretary, Indiana State Teachers Association, Indianapolis, Ind.:

The Indiana State Teachers Association, with a paid membership of 24,000 teachers, which, incidentally, is 100 percent of the profession, is desirous of calling to the attention of the members of this committee the grave needs existing in the schools of the Nation and would like to have these remarks recorded in the report of these hearings.

Our association has been on record for many years in favor of action by the Federal Government to insure a minimum education to all children of this Nation and on numerous occasions has presented facts to congressional committees on this important subject.

I should like to add at this time that the events of the past 2 years have greatly accentuated the needs as well as the wide discrepancies in educational opportunity. They have brought us as a Nation face to face with a crisis.

We have witnessed a mass exodus of our teachers from the schools to other vocations in order to maintain an acceptable standard of living. Some 350,000 of our 900,000 teachers in addition to normal turn-over have left the profession.

This exodus has been more striking among men than among women and has brought us a condition where 8 of our States have a total teaching force comprised of over 90 percent women and 11 of our States have elementary school teaching forces comprised of more than 97 percent women, as reported by the United States Office of Education. There were exactly the same number of men teachers in the United States in 1900 as there were in 1944, 126,000, while women teachers increased in number from 296,000 to 701,000 or 137 percent. These facts need little interpretation since it is recognized by educators and laymen alike that a much more equal balance between men and women in the profession is necessary for a well-balanced school environment.

In our own State of Indiana we have seen similar conditions prevail though not nearly as serious as those in numerous other States. In our own State, however, we have lost many of our teachers, and as a result have found it necessary to issue some 2,000 special-teaching permits to person not qualified under the law to teach, and have found it necessary to suspend our retirement laws to attract back into the schools some thousand or more persons beyond the retirement age.

At the same time, teaching as a profession has failed to attract the graduates of our high schools, and as a result our enrollments in teacher-training institutions have fallen to a very low point. A recent survey of our 32 teacher-training institutions in Indiana showed that we had available for graduation this year only 166 elementary teachers including some 13 men for a probable demand of at least 1,500 positions.

These facts and many others that have been presented to this committee indicate that substantial action must be taken.

The bill now under consideration by this committee offers a most just and equitable solution to the problem. It is particularly sound in its approach because of its three basic provisions, namely:

1. The automatic formula for distribution of funds to be administered solely by the State;

2. The basic distribution of $5 per child; and

3. The equalization factor which guarantees to every child within this Nation at least a fair education.

Whether one views this problem from humanitarian considerations or from the cold-blooded considerations of national self-preservation, there is no escape from the inexorable logic of a necessary solution. The opposition to this proposal is placed upon philosophical grounds and may be summed up as either:

1. Dangerous from the standpoint of what might develop from Federal control;

2. Not the responsibility of the Federal Government to consider education; or

3. Out of harmony with our beliefs in local self-government.

The first of these objections, that it will lead to Federal control, is disproved by the history of Federal aid to schools.

An impartial study of Federal grants to schools in the past indicates that with few exceptions they have not led to Federal control when provided by Congress on a uniform basis. The land laws of 1785 and 1787 and the Morill Acts during the Civil War granted money from the sale of land equal in area to 25 States the size of Connecticut. This money has been used and controlled entirely by the States. The Morill Acts and acts subsequent thereto have granted millions of dollars to land-grant colleges in the various States amounting at the present time to $233,000 a year of Federal money for each such land-grant college, including our own State University of Purdue. The various vocational education laws, including Smith-

Hughes, George-Deen, and others, have for many years provided Federal money to every high school in Indiana and throughout the country that sought it to the extent at present of $21,000,000 per year.

These laws have not led to Federal control, but on the contrary have proved a tremendous boon to education. They are responsible in a considerable measure for the ability of our schools in the recent emergency to provide the technicians to fight our war. To say that the present movement for Federal aid is the beginning of a movement for Federal control can evidence nothing less than an ignorance of history. The danger of Federal control, if such a danger exists, lies in the establishment of a Federal system of schools with a separate overhead, administration, and personnel. Such a development would be not the result of Federal assistance to public schools but rather the alternative if the individual States cannot find assistance for the existing public-school systems.

I might point to the development during the depression and during the war when our needs became very great and very critical, to the necessity for instant and immediate action in this very direction which caused considerable concern among educators.

It is time that the citizens of this Nation cut through the maze of propaganda in opposition to providing an enlightened citizenship. It is time that we outline clearly the impending doom that will overtake any democracy that will not provide for its own intellectual preservation.

The second objection that is held before the eyes of the general public is that it is not the responsibility of the Federal Government to consider education. This is an assumption that never had any validity, as indicated by the history of Federal grants to schools discussed before. A mere superficial examination of this principle indicates its fallacy. Here in America we have established a government that must depend upon the intelligence of citizens to make right decisions and thus preserve the form of government. How can such a government stand if it permits the boys and girls of the poor areas to grow up in ignorance and thus become the victims of demagogs and dictators?

Our democratic Government in America was founded on the principle that all men are created equal before the law. Education is a prerequisite to the development of human personality, and there can be no equality and no freedom unless a minimum education is offered by all.

The third objection to Federal aid to education, found in the emphasis upon local self-government and the alleged responsibility of each State to provide all of the education of its children, has been distorted to an extent that has obscured certain hard, cold, economic facts.

A striking example is the fact that in 1946 the State of Mississippi had income that produced a total of only twenty-three one-hundredths of 1 percent of Federal revenues, whereas it has eight times as high a percentage of the Nation's children to educate. At the same time, the income of New York State was sufficient to provide some 20 percent of Federal revenues, while only some 8 percent of the Nation's children have to be provided for by that State.

These shocking inequalities grow particularly out of the great variations in natural wealth and in the size of families. To say that the people of the poorer States are responsible for their condition simply ignores economic facts. Are the people of New York responsible for the location of the New York harbor and all of the tremendous wealth-giving power that goes along with it? Are the people of Chicago responsible for the presence of Lake Michigan plus this natural gateway to the West? Are the people of southern Indiana responsible for the barren conditions of their soil? Such a concept is indeed elementary.

These inequalities grow out of the two factors mentioned above and are being accentuated by two existing social conditions, namely, the rise of the corporation as an instrument for owning and managing wealth and in the educational poverty which binds down the people of the poorer areas with a yoke which in their poverty cannot be thrown off. There is no way to counteract the present economic trends toward still greater inequality other than to tax the wealth where it is and educate the children where they are. This practice is, of course, odious to some who now are escaping their social obligations to the children of the whole country, by advocating a doctrine of local self-government that would claim responsibility for the education of only those children who live within a stone's throw of the center of wealth. This ignores the fact that that wealth was created, and will be protected and increased by all the children of all the people.

My home State of Indiana is a proud State. She is not a rich State as compared to all the States of the Union, standing as she does almost at the median as far as income payments of her citizens are concerned. Some of our citizens have been taking the position that Indiana can and will support her own public schools, but a rapidly growing number of those citizens are gradually coming to understand the major developments referred to above, and as a result, are rapidly accepting the premise of Federal assistance to schools. They are coming to see that the tremendous concentration of wealth in fewer and fewer places within the Nation, the widening gap between the ratios of children to be educated in the various sections of the country, and the absolute necessity for a relatively high level of education if we are to preserve democratic government demand a reappraisal of previous conclusions on this subject.

Any American who takes the position that a child deserves only the kind of an education that his local community can afford is ignoring the basic principles of democracy and what is much worse is flirting with the death of free government. At the same time he demonstrates an ignorance of economic facts which have been so ably brought to light by the United States Chamber of Commerce showing the absolute parallel between educational attainment and the economic welfare of the community.

More than one-fourth of the people residing in Indiana have migrated there from other places. It is obvious, therefore, that the economic life of our State as well as other States is determined in considerable measure by the level of education of the citizens of the whole country.

In Indiana we have 2.6 percent of the population of the country while our people will pay some 2¼ percent of the Federal revenues. This means that we are a median State in the matter of ability to educate our own children. There are, however, within the State of Indiana enormous variations in wealth behind each child, ranging all the way from several hundred dollars per child to $15,000 per child, with expenditures for education ranging all the way from $100 per child to $353 per child.

The result of these discrepancies within our State makes it absolutely necessary for the State as a whole to bear the major portion of the cost of education. With the free flow of commerce throughout the Nation, which now prevails, there are many sources of taxation that are completely outside the grasp of State-taxing agencies, as for example, the New York stock transfer tax, some 90 percent of which is collected in New York State. It therefore becomes more and more imperative as our economic life becomes more complex, that a reasonable amount of equalization on a national basis should be practiced. The State as a unit of taxation is slowly but surely finding itself challenged in its race with scientific and industrial progress.

It is a source of great satisfaction to all of us in Indiana that H. R. 4643 incorporates the same two basic principles of distribution, namely, the $5-per-child minimum to all States, and secondly, the amount necessary when added to a given minimum effort on the part of the State to produce a $50 education for each child. H. R. 4643 is an excellent bill. It harmonizes completely with the principles underlying our whole philosophy of Government. It guarantees to each child in this Nation at least a $50-a-year education. When it is considered that the average expenditure for education in the whole country last year was more than three times that amount, it is obvious that anyone who would deprive children of such a pittance would indeed find difficulty in squaring his views with the basic tenets of our Federal Constitution. It matters not whether one bases his argument upon what the child deserves or upon what the Nation must have. There is no escape from the conclusion that somehow or other this Nation should and must provide its children with at least that modest beginning for life.

The future of the public schools in America rests with the citizens of America. We are 1 Nation, not 48. We will continue to live as one Nation or we shall fall into sectional or class groups and destroy ourselves by internal disunity. National unity can be achieved and maintained only if the wealth of the Nation and all its resources bear their fair share of the burden of defending, preserving, and building the future of the Nation. We have passed the day when a man, because of his residence, his wealth, his family, or his creed, shall be condemned to play an inferior part and to remain in a subservient class in this Nation. It cannot be that way in America.

Therefore, I should like to urge this committee to give consideration to this excellent proposal for legislation.

An Open Letter to Labor, National Weekly Newspaper of the Standard Railroad Unions

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EXTENSION OF REMARKS

OF

HON. VITO MARCANTONIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. MARCANTONIO. Mr. Speaker, under leave to extend my remarks, I enclose herein an open letter to Labor, national weekly newspaper of the standard railroad unions:

YELLING "REDS" WON'T GET US 30-YEAR RETIREMENT—AND THAT'S WHAT WE'RE AFTER

(An open letter to Labor, national weekly newspaper of the standard railroad unions, issued by Chicago committee for progressive railroad labor legislation, Bulletin No. 3—Will Labor publish this letter?)

To the EDITOR OF LABOR:

In the interest of truth and decency and because we firmly believe that railroad workers are justly entitled to 30-year retirement at half pay and at no additional cost to them, the May 20 meeting of the Chicago committee unanimously condemned the smear article in

your issue of May 14 entitled "Fantastic Rail Pension Proposal by 'Reds' and Rail Lobby Look Like Apples Out of Same Barrel."

The meeting branded this so-called exposure for what it really is—an unscrupulous, dishonest, and deliberate attempt to block the efforts of railroad workers to obtain a more adequate pension plan, now long overdue. Your article was clearly an attempt to crucify railroad 30-year retirement at half pay, which has virtually the unanimous support of the 1,200,000 working railroad men all over America.

WOULD PROVIDE BETTER PENSIONS, BETTER JOB SECURITY

It is certainly a sad spectacle to see Labor, paid for out of the dues of the membership, stoop to attack proposed legislation that would provide a decent pension for the older employees in the industry, and at the same time help keep the younger workers on the job, with more prospect of steady employment. That is not the way to defend or advance the interests of the railroad workers.

Lay-offs on the railroads since January 1 exceed 200,000 workers. More lay-offs are coming. What are you doing to make our jobs on the railroads more secure? Why don't you attack the recent lay-offs with their resultant suffering, misery, and privation for the families of unemployed railroad workers, instead of attacking a bill that would help them? Where is a laid-off railroad man going to get a job these days?

Action must be taken to provide better railroad job security and one of the measures to alleviate railroad unemployment is the enactment of the Marcantonio bill, H. R. 2146, into law.

We question the motives of labor attacking this bill to improve the present inadequate Railroad Retirement Act, inasmuch as you don't have a program for better pensions or to meet the widespread lay-offs now taking place on the railroads and stabilize employment in the industry. We believe the Eighty-first Congress would be serving the best interests, not only of the railroad workers, but of the entire Nation, by enactment of H. R. 2146 into law.

WHAT'S FANTASTIC?

Railroad workers are paying their own way for retirement. In fact, they are paying themselves a pension: 50 percent of it out of their pay checks and the other 50 percent out of the profits of the railroad corporations—which the workers have also created.

Present annuities make it impossible for thousands of older employees to retire on the present pension. There are, in fact, ns of thousands of railroad workers 65 years of age and due for their pensions. But because of the totally inadequate annuities, there are less railroad workers retiring today than before the act was passed in 1937. Certainly no rosy prospect for retirement under the present pension set-up.

Here is what Mr. William J. Kennedy, Chairman of the Railroad Retirement Board, had to say when he testified before the subcommittee of the Senate Labor and Public Welfare Committee, in May 1948, in reference to inadequate pensions:

SOME STARTLING FACTS

"It is startling, but nevertheless a fact, that there are now more living persons over 65 who have credits under the Railroad Retirement Act, but who have not applied for annuities, than there were when the 1937 act was adopted. There are approximately 90,000 such persons, over 60,000 of whom are still working on the railroads. This is bound to create dissatisfaction. A retirement system normally is intended to enable the retirement of superannuated employees so as to provide opportunities for promotion of the younger men, otherwise the industry would be burdened with an unduly large number of men in the older years. I submit that the present situation offers very little incentive for older men to retire from service."

Voluntary retirement after 30 years of service, or 60 years of age, at half pay based on the five highest years of earnings, whether or not consecutive, as provided for in the Marcantonio bill, H. R. 2146, will make it possible for railroad workers to acquire pension rights at more adequate annuities and give them a pension they can live on in their old age.

What's fantastic about that? Would that discredit rail pensions, as you imply it would? Is that trying to stir up dissension among railroad workers?

Contrary to what you say, the Chicago committee does not promise better rail pensions at less cost. We don't propose to cut taxation. But to set the record straight: Railroad workers now are paying 6 percent a year, or six times as much as the 1-percent social-security tax paid by workers in other industries. There is strong feeling among railroad workers that in return for such a high tax we are entitled to much higher benefits.

WHERE THE MONEY WILL COME FROM

What we contend is that, if needed to pay these added benefits, the huge surplus of almost $2,000,000,000 in the railroad retirement reserve fund could be tapped for that purpose. This is where the money should come from—from the huge unused reserve built up out of railroaders' pay checks and company profits. If you say that can't be done, that the Railroad Retirement Act won't allow it, then a congressional investigation is certainly needed to inquire into the act's entire system of taxation and operation.

What is this money being used for? Is this vast sum, which is invested in United States Treasury notes, in effect, being used by the Government to finance the Marshall plan, prop up a Greek king, and other cold-war operations of the Wall Street bankers all over the world, instead of being used to pay decent pensions to railroad workers here at home?

HERE ARE THE FIGURES

During the fiscal year of June 30, 1948, the Railroad Retirement Board collected $557,062,782 in retirement taxes. But only $224,871,297, or less than half the tax collections, was paid out in benefits. This can be verified by consulting the Retirement Board's 1948 annual report, pages 97-98.

By the end of June 1948 the Board had accumulated a surplus in the United States Treasury, after all benefits were paid, of $1,382,746,000. More recent estimates are that the Board's surplus now totals close to $1,700,000,000. Figures don't lie. The railroad retirement fund is in the black, and Red-baiting 30-year retirement won't make the fund insolvent.

But if you contend that additional funds are needed, then these funds should be supplied by the railroads themselves out of the fabulous profits which, in 1948, reached close to $1,000,000,000, the highest in railroad history, and should not be taken out of the meager earnings of the railroad workers by adding another 3 percent to pay-check taxation, which you threaten will be needed to pay these increased benefits.

RAIL WORKERS ARE TIRED OF BEING SUCKERS

The facts about the huge surplus accumulated by the Railroad Retirement Board are becoming known to the membership. Because a railroad worker earning $300 a month and paying $216 a year into the Railroad Retirement Fund wants to obtain higher benefits in return for what he pays and favors the Marcantonio 30-year retirement bill in order to get it, that has a definite Communist flavor, and that makes him a sucker, does it?

We're paying for it, so why aren't we entitled to a better pension?

Behind your smoke screen of Red-baiting you hope to divide the railroad workers on the question of 30-year retirement at a time when we need the utmost unity of the members of all 21 organizations in this fight for improved pensions.

But this time it won't work. Railroad workers are tired of being suckers.

ORIGINAL PENSION PLAN WAS RED-BAITED, TOO

Railroad workers have had a lot of experience with your Red-baiting technique that is meant to mislead and confuse, and is aimed, in this instance, at defeating their efforts to gain 30-year retirement at half pay. We haven't forgotten that the same tactics were also used against the membership when it started the original pension movement back in the early 1930's. But the membership won out at that time by sticking together and obtained our present pension law over bitter opposition from the same sources, and the membership, if it sticks together, will win out again this time in its fight for 30-year retirement.

WHO IS SERVING THE RAILROAD LOBBY?

Labor takes the position of opposition to the railroad lobby. Yet, in this instance, in attacking the Marcantonio bill, H. R. 2146, you are in reality doing the job of the railroad lobby.

Your shameful article, which purports to be the result of a one man careful study of the 30-year retirement movement, resorts to one of the lowest tricks in the history of the railroad labor movement. It is the kind of trick that can be expected from the enemies of labor in the pay of the railroad corporations, but not from responsible leaders who profess to serve the interests of the working man.

WHERE IS THE CONNECTION WITH STACK?

Your attempt to lump the Chicago committee with Tom Stack's Railroad Pension Forum is the exact opposite of the truth. If your one man had really investigated, you would have found that the Chicago committee has no connection whatsoever with the Stack outfit. Your man would have ascertained that the Chicago committee is a strictly independent committee with no other connections, and that the strange assortment of men composing it are responsible local lodge officers, committeemen and members of the standard railroad unions who have the respect and confidence of the rank and file railroad workers in the Chicago area. But, obviously, truth and decency was not your intention in printing this article.

Because of the critical job situation in the industry and the need for better pensions, the movement for 30-year retirement at half pay deserves the full cooperation and support of every one—instead of being attacked and opposed. Then we could win this badly-needed improvement in our working conditions.

Labor has an opportunity to bring the true facts concerning the Chicago Committee for Progressive Railroad Labor Legislation and the Marcantonio 30-year retirement bill, to the attention of its readers and correct the misrepresentations made against this movement, by giving this open letter the same prominence in its columns as it did the article referred to above in its May 14 issue.

THOMAS F. BLANCH,
Chairman, Trainman, Milwaukee Road.
MARK D. LEROY,
Vice Chairman, Sheet Metal Worker, Rock Island.
GLYN F. BROOKS,
Secretary-Treasurer, Carman, Illinois Central Railway.

International Insanity

EXTENSION OF REMARKS
OF
HON. WILLIAM LEMKE
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1949

Mr. LEMKE. Mr. Speaker, our internationalists—one-worlders—for a profit are still bent upon depleting America of its natural resources. They insist that we commit national suicide, and they are still determined to have our Nation play Santa Claus to the rest of the world—still interested in having us establish and maintain an international WPA.

The Secretary of the Treasury, John W. Snyder, has just left for Great Britain. The British Embassy is no longer sufficient. Neither are special ambassadors necessary. All that Great Britain has to do is to press the button, and our Secretary of the Treasury hops on a plane, at the taxpayers' expense to sell this Nation and future generations further down the river.

In this way the internationalists can nip more dollars out of the taxpayers, as the products, bought with the taxpayers' money, leave our shores, and then nip some more when some of these same products come back to us via gray and black markets. In other words, some of these products later will be sold back to our people at black-market prices.

These internationalists are playing both ends against the middle, but the American people are beginning to wake up not only in the Middle West, but in the East as well as in the West. The one-worlders had better wake up before it is too late. When the public finally discovers what these internationalists have done to them and their Nation, there will be trouble.

Even Prof. Edwin Borchard, of Yale, has finally gotten his eyes open. I shall end my remarks by including an article from the Chicago Sun Tribune, May 29, 1949. This article speaks for itself. My international friends had better read it and take warning:

LEAVE TAKING TO INSANITY

Prof. Edwin Borchard, of Yale, whose distinction as an authority on international law is not challenged among scholars in that field, presents his valedictory editorial in the current issue of the American Journal of International Law. It is on the subject of United States foreign policy. On that subject Mr. Borchard is entirely candid.

"That I am not in sympathy with the aims and procedure adopted by this Government," he writes, "is apparent to all readers. It will be more novel to learn that John Bassett Moore in at least three places of his forthcoming memoirs characterizes the policy of this Government—if it can be called a policy—as 'insane.' That means more for the reader than an ordinary invective. The ordinary reader must know that John Bassett Moore was a man of great moderation who used strong words but rarely. His opinion on a question of international law or policy is rated among the highest in this country. No one was more familiar with our history than he was."

Dr. Borchard, because of his own great reputation, does not need to appeal to another authority in support of his judgment on the course of American foreign policy. He submits this additional testimony, knowing the respect which John Bassett Moore's opinion commanded among internationalists before his death in 1947. As Moore's judgment was until now unknown, it should command attention.

Dr. Borchard, referring to the proposed North Atlantic military pact, states, "The reversal of American policy from nonintervention to a commitment to intervention in foreign quarrels is so violent a departure from the past that it must justify itself by extraordinary benefit to the United States. Who can assert that the policy of intervention has produced laudatory results? The decision of the United States to remain out of the League of Nations has been traversed by Mr. Hull (former Secretary of State) and his successors. The flouting of the founders of this country has brought returns which will strike the average citizen as extraordinary. Even if the plan worked out successfully, a burden of proof rests upon its proponents which cannot be met in a practical world."

What are some of these returns? That the United States is regarded with dissatisfaction on all sides. That taxes occasioned by the last war and for present preparations for military adventure leave us with the uncomfortable consolation that no one knows when a government becomes bankrupt. That a likely prospect is war with Russia, which, even if won by the United States, would not convince the ordinary man that communism is a disappointment and a failure. Military victory might spoil the Russian experiment; it also likely would make the American experiment in free government unworkable.

"It seems unfortunate," says Dr. Borchard, "that the United States no longer has a free hand, which is all that isolationism has ever meant. The eight volumes of Moore's 'Digest of International Law' are a standing refutation that there ever existed isolationism in the Hull sense of that word. To follow up our intervention by a treaty of alliance with five countries or more is to place American intervention in the hands of other people—a policy that hardly can be regarded as useful to us. It must always be remembered by its proponents that the existence of the United States is at issue."

Dr. Borchard asserts that the exchange of epithets concerning "aggression" between the United States and its putative allies on the one hand and Russia on the other means that the status quo is under attack: "All those in favor of the status quo must stick together. All opponents of the status quo must stick together. The result is a world war, which, I have already suggested, this civilization cannot tolerate."

By this definition, the United States becomes, principally, the defender of western imperialism. Yet we already have the object lesson of China, where, in support of the status quo, we backed the wrong horse with three billion of the American taxpayer's dollars. Dr. Borchard feels that the experience should display the value of neutrality in foreign quarrels.

Dr. Borchard indicates that even if the North Atlantic Pact preserves, on paper, the constitutional right of Congress to declare war, the assurance is misleading. "The President," he observes, "has the capacity to write any notes he sees fit, and thus far he has been enabled to go to Congress and ask it to back him. Congress has never refused such a draft." Mr. Roosevelt and Pearl Harbor demonstrate the validity of this judgment.

It is gratifying that, before laying down his editorial pen, Dr. Borchard has registered the objections dictated by morality and good sense to the present course of American foreign policy. If the Atlantic Pact is approved, there will be little point in registering them later. The dictates of reason will then avail the country nothing. It will be subject to whatever storms of emotion and winds of influence that a usurper in the White House or crafty foreign combinations care to generate.

This Is No Time To Cut Air Force Appropriations—Too Much Is Being Spent To Learn How To Win the Next War While the People Want To Prevent It From Starting—Invulnerable Air Power Is Not Alone the Best But Also the Cheapest Way To Secure This Nation, And Insure World Peace

EXTENSION OF REMARKS
OF
HON. GEORGE M. GRANT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1949

Mr. GRANT. Mr. Speaker, I have just come upon a front page Associated Press article carried by the Mobile Register, as well as a similar article carried in the New Orleans Times-Picayune.

These articles are based on a statement issued by one of the best known Members of this Congress—a hard-headed, factually sound, tax-conscious businessman—the Honorable FRANK W. BOYKIN of the First District of Alabama.

Nothing that Congressman BOYKIN ever says needs any elaboration. These articles—as can be expected—are taken from one of his down to earth factual statements with respect as to how this Congress can obtain the greatest measure of national security with the least expenditures of the taxpayers' dollars.

That every Member of this House may read these news articles, I am including them in my remarks and insert the same in the RECORD. The articles are as follows:

[From the Mobile (Ala.) Register of June 27, 1949]

BOYKIN IS OPPOSED TO AIR FORCE CUT—APPROPRIATIONS DECREASE SEEN AS FALSE ECONOMY

WASHINGTON—Representative BOYKIN, Democrat of Alabama, said Sunday he was opposed to cutting appropriations for the Air Force.

"I do not feel that now is the time to effect a false economy by cutting the appropriations for our Air Force," he said in a statement.

"More than ever, the American people have come to the realization that air power is really peace power * * * that to maintain strategic air power is not alone the best defense of our Nation, but that it is the most economical way by which to maintain the security of the country as well as the peace of the world."

BOYKIN said the country's air defense was dependent not alone upon "the 70-group air force that was recommended by the President's aviation policy board," but also upon "the maintenance of a stabilized aviation production industry capable of constantly turning out the latest and most effective types of aircraft."

The Alabamian said that Secretary Acheson's return from the Paris foreign ministers' conference "has heightened the feelings of many on Capitol Hill that not alone will the

cold war in Europe be intensified * * * but that we must be prepared for a surprise move of any kind * * * from Moscow."

[From the New Orleans Times-Picayune of June 27, 1949]

(By Edgar Poe)

AIR-POWER VITAL, ASSERTS BOYKIN—SOLON WARNS OF SURPRISE MOVE BY POLITBURO

WASHINGTON, June 26.—Representative FRANK BOYKIN, of Alabama, warned Sunday that the United States "must be prepared for a surprise move of any kind" from the 13 men in the Politburo at Moscow that control Russia.

At the same time he pointed out that Russia already has bombers powerful enough to take off with bomb loads from Russian soil and fly nonstop to any metropolitan area in the United States.

The Congressman from Mobile said that like other Members of Congress, he believed it would be false economy to cut appropriations for the United States Air Force. Asserting that air supremacy is vital, Representative BOYKIN maintained that more than ever, the American people have come to the realization that air power is really peace power.

MOST ECONOMICAL WAY

"To maintain strategic air power is not alone the best defense of our Nation," he said, "but it is the most economical way by which to maintain the security of the country as well as the peace of the world."

Congressman BOYKIN said the return of Dean Acheson, Secretary of State, "has heightened the feelings of many on Capitol Hill that not only will the cold war in Europe be intensified, but we must be prepared for a surprise move of any kind from Moscow." He said that during the Paris Conference each time Secretary Acheson or representatives of Britain and France advanced a proposal Foreign Minister Vishinsky of Russia rushed to the telephone.

"I sometimes feel," said Mr. BOYKIN, "that we are no nearer peace now than we were the day that ended the shooting war. * * * The American people today are not so much concerned with how to win another war, but they are vitally concerned with the means we in Congress are following to keep another war from starting."

DANGER OF BOMBERS

The Alabamian said the people of his district, like the people over the United States, are not apprehensive of any Russian navy landing troops on the shores of this country, but he said, they do recognize the potential power of Russian bombers to come across the Pole through Canada or across the ocean to raise havoc and bomb.

Mr. BOYKIN said the 70-group air force (there are 14 groups currently functioning) recommended by the President's aviation policy board, was based on the findings of the joint congressional aviation policy committee, as well as findings of the Joint Chiefs of Staff. He concluded his statement that there is no greater medium with which to implement our desire for peace in any future conferences than invincible power in the air.

Federal Aid-to-Education Bill

EXTENSION OF REMARKS

OF

HON. GRAHAM A. BARDEN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. BARDEN. Mr. Speaker, I am utterly astounded at the statements made by Congressman LESINSKI, of Michigan, present chairman of the House Committee on Labor and Education, especially so when I have been waiting since last Wednesday afternoon for him to designate the date for executive session hearing on the bill reported out by the Subcommittee on Education, of which I was appointed chairman by Mr. LESINSKI. Chairman LESINSKI, prior to the appointment of a subcommittee, discussed the matter with me, indicated his dislike for any Federal aid-to-education bill, and later, without consulting me at all, named the members on the subcommittee without my approval, placed my name as chairman, sent the bills to my office, and instructed me to conduct hearings. He also sent part of his Labor and Education Committee staff to assist in the hearings. I drew H. R. 4643 with the assistance of the House drafting attorneys after conferring with the various agencies and departments of the Government interested. The subcommittee conducted full hearings. We then went into executive sessions and held a number of executive sessions. The committee, which was appointed by Chairman LESINSKI, without any knowledge on my part who they were to be, reported the bill out by a vote of 10 to 3.

The quotation accredited to Mr. LESINSKI that "Representative GRAHAM A. BARDEN, Democrat, of North Carolina, purposely injected bigotry into the Federal aid-to-education bill because he wanted to kill the whole measure" is a false statement and if made by him was known to be such at the time he made it. Mr. LESINSKI well knows that the full committee, of which he is chairman, consisting of 25 members will have to pass on every part and parcel of this bill.

The United Press and Associated Press as well as possibly others carry the following quotations: "His bill is anti-Catholic and anti-Negro. It is my opinion that he drew it up that way purposely because he did not want any aid to education and wanted to kill it." He was "tired of keeping my mouth shut." That BARDEN's bill is so "antireligious that it does not have a chance." "I do not believe we should upset procedure which has been established for many years in many States." "It is unfair to count parochial-school children who will receive none of the benefits." "The Barden bill is most anti-Catholic, but it also discriminates against other groups that maintain parochial schools." That the "bill drips with bigotry as well as racial prejudices and was anti-Negro as well as anti-Catholic." He goes on with other statements of similar nature.

This is most regrettable, and especially so when I am concerned, because I have never been one to engage in reckless statements and name-calling concerning other Members of the House or anyone else. I do not know where Mr. LESINSKI got his inspiration for making such statements, unless it was because some similar statements have been accredited to some high officials of his church. The statement certainly could not have been inspired by or founded on either truth or facts.

The bill as reported out by the committee, which meets with my approval as well as 10 of the 13 members of the committee, briefly consists of the following: A specific appropriation for public schools in the United States, Puerto Rico, and the possessions of the United States. It consists of the same type formula and the formula arrives at approximately the same conclusions when applied as the formula contained in Senate bill 246, with one amendment which was added by the committee that prevents a State from "walking," so to speak, on the Federal Government; that is, any State that reduces its appropriation below the 1949 appropriation in future years will be penalized twice that amount in the Federal funds to be received by that State. The bill provides for payments to the States by the Secretary of the Treasury through the fiscal service of the Treasury Department, and further provides that—

Amounts so paid upon payment become funds of the State to which paid, except for the expressed conditions imposed by section 5. The expenditure of such funds thereafter shall be subject to the laws of such State rather than to the laws of the United States.

The conditions imposed in section 5 are (1) that it shall be used for public elementary and secondary schools within such State; (2) that the current expenditure from all sources for public elementary and secondary schools will average, in each local public-school jurisdiction, $60 or more for each pupil—the Senate bill fixes $55—in average daily attendance, and so forth—which means that the substandard schools in the outlying sections of the State and the Negro schools and other schools, many of which are not now receiving anything akin to this amount, must be brought up to the $60 per pupil standard before the money can be placed in the schools in the cities and towns now already spending that much or more. The bill provides for judicial review in the following language:

Whenever in the judgment of a taxpayer of such State any person has engaged or is about to engage in any acts * * * that will constitute a violation of the first two sentences of this section—

Referring to expenditure to public schools and to bringing up standard to $60 per pupil—

such taxpayer may make application to the appropriate United States district court, to the District Court for the Territory of Alaska * * * for an order enjoining such acts or practices or for an order enforcing compliance with the first two sentences of this section. Upon a showing—

And so forth, the judge may issue the appropriate order. This procedure is basically American and puts the policing of this act in the hands of the citizens of the various States, and if any money is misspent, Mr. LESINSKI or anyone else, could make application to a district judge to stop it. The bill then contains definitions which are to state current expenditures, and so forth. The provision which apparently worries Mr. LESINSKI and some of his folks is as follows:

The term "current expenditures" does not include expenditures for transportation or

for interest, debt service, bonded indebtedness, or capital outlay, and does not include expenditures for health services—

And so forth. This provision is identical with the Senate provision, except the term "bonded indebtedness" was added for clarification and transportation was excluded because upon investigation of the committee it was found that the 48 States had more than 48 different systems and types and methods of transportation, some by contract and otherwise, some with mileage limitations, some States have constitutional prohibitions against transporting any students other than public-school students. The committee, therefore, decided that that was a matter to be left to the States and that we would not enter into that hazy field, and that if the State so desired it could transfer such moneys from its present appropriation covering school teachers' salaries, books, and so forth, to the transfer such moneys from its present appropriation covering school teachers' salaries, books, and so forth, to the transportation fund and replace these funds with money from the Federal grant. It was regarded that that would be simpler than to proceed otherwise. As stated above, I am not very good at a name-calling contest, and do not propose to assume that role, and any person has the right to be either conscientiously opposed to this bill or conscientiously for the bill, but God forbid that it ever reaches the point in America when conscientious differences of opinion is the signal for name-calling, abusive language, questioning of character, and even questioning of one's patriotism. That sounds too much like Czechoslovakia to me and I want no part of it, but I challenge any man to find any evidence supporting those ugly names in the language of the bill. If he will quote the bill accurately and let his comment follow, I will take my chances with the good judgment of the American people.

In order that there might be no misunderstanding as to the terms of the bill as reported by the subcommittee, I am making same a part of this statement.

This is the bill as reported out by the subcommittee:

An act to provide for Federal financial assistance to the States and Territories in helping to establish and maintain an adequate minimum program of education and in attempting to more nearly equalize educational opportunities in public elementary and secondary schools.

Be it enacted, etc., That this act may be cited as the "Public School Assistance Act of 1949".

APPROPRIATIONS AUTHORIZED

SEC. 2. For payments to the States and to Alaska, Hawaii, Puerto Rico, and the Virgin Islands to assist them in making current expenditures for public elementary and secondary schools, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1950, and for each fiscal year thereafter—

(1) $300,000,000 for the States; and

(2) $50,000 for Alaska, $250,000 for Hawaii, $14,000,000 for Puerto Rico, and $200,000 for the Virgin Islands.

AMOUNTS PAYABLE

SEC. 3. (a) To ascertain the amount payable to any State from any appropriation made pursuant to the authorization contained in section 2 (1) of this act—

(1) multiply the number of children of school age in such State by $50;

(2) divide the average of the total annual income payments to individuals in such State by 100;

(3) ascertain the amount, if any, by which the amount ascertained under paragraph (1) exceeds the amount ascertained under paragraph (2);

(4) multiply the number of children of school age in such State by $5.

The preliminary allotment for such State shall be the amount arrived at under paragraph (3), or the amount arrived at under paragraph (4), whichever is larger. The amount payable to such State shall be the amount which bears the same ratio to the amount of such appropriation as the preliminary allotment for such State bears to the sum of the preliminary allotments for all the States: *Provided, however*, That after the fiscal year ending June 30, 1952, in the event that (A) current expenditures for public elementary and secondary schools in such State derived from State and local revenues for the third fiscal year next preceding the year for which the computation is made, are less than (B) such expenditures in such State for the fiscal year ending June 30, 1949, the amount payable to such State shall be reduced by twice the percentage by which the expenditure in (A) is less than the expenditure in (B).

(b) The amount payable to Alaska, Hawaii, Puerto Rico, or the Virgin Islands from any appropriation made pursuant to the authorization contained in section 2 (2) of this act shall be the amount specified therefor in the statute making the appropriation.

PAYMENTS TO STATES

SEC. 4. As soon as practicable after the enactment of any statute appropriating money for the purposes of this act, the Commissioner of Education shall, in the manner provided in section 3, ascertain the amount payable to each State from such appropriation and shall certify such amounts to the Secretary of the Treasury. The Secretary of the Treasury shall thereupon, through the Fiscal Service of the Treasury Department, pay to each State the amount so certified. Amounts so paid shall, upon payment, become funds of the State to which paid. Except for the express conditions imposed by section 5, the expenditure of such funds thereafter shall be subject to the laws of such State rather than to the laws of the United States.

JUDICIAL REVIEW

SEC. 5. Amounts paid to any State under this Act shall be expended only for current expenditures for public elementary and secondary schools within such State. After the fiscal year ending June 30, 1952, amounts paid to any State under this act shall be distributed among the local public-school jurisdictions in the State solely on the basis of the number of pupils in average daily attendance in each such jurisdiction; with the exception that in any fiscal year in which the current expenditures from all sources for public elementary and secondary schools will average, in each local public-school jurisdiction, $60 or more for each pupil in average daily attendance, so much of the amounts paid under this act for such year as are not needed to reach such minimum may be distributed among the local public-school jurisdictions in such proportions as the State may, in its discretion, determine. Whenever in the judgment of a taxpayer of such State any person has engaged, or is about to engage, in any acts or practices which constitute or will constitute a violation of the first two sentences of this section, such taxpayer may make application to the appropriate United States district court, to the District Court for the Territory of Alaska, or to the District Court of the Virgin Islands, as the case may be, for an order enjoining such acts or practices, or for an order enforcing compliance with the first two sentences of this section. Upon a showing that such person has engaged, or is about to engage, in any such acts or practices, a permanent or temporary injunction, restraining order, or other order may be granted.

ANNUAL REPORTS

SEC. 6. Each State shall submit to the Commissioner of Education, on or before the 1st day of November of each year, for transmission to the Congress, (1) a statement of the funds paid to such State under this act during the preceding fiscal year, and the funds paid to such State under this act in previous fiscal years and remaining unexpended at the beginning of such preceding fiscal year; and (2) a detailed statement of all expenditures from such funds during such preceding fiscal year, (3) after the fiscal year ending June 30, 1952, a statement of the distribution of the current expenditure during the next preceding fiscal year from all sources per pupil in average daily attendance in each local public-school jurisdiction in such State and a certification to the effect that such expenditure in each such jurisdiction is not less than $60. On the first day of each regular session of the Congress the Commissioner shall transmit such reports to the Congress, together with such recommendations and comments as in his judgment the Congress should consider.

DEFINITIONS

SEC. 7. For the purposes of this act—

(1) The term "State", except as used in sections 2 and 3, includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

(2) The term "current expenditures" does not include expenditures for transportation or for interest, debt service, bonded indebtedness, or capital outlay, and does not include expenditures for health services for the prevention, diagnosis, or treatment of physical or mental defects or conditions.

(3) The term "public elementary and secondary schools" means tax-supported grade schools, and high schools which are under public supervision and control.

(4) The term "number of children of school age in such State" means the number of children from six to seventeen years of age, inclusive, in such State, as determined by the Department of Commerce, for the third calendar year next preceding the year in which ends the fiscal year for which the computation is being made.

(5) The term "average of the total annual income payments to individuals in such State" means the average of the total income payments to individuals in such State, as determined by the Department of Commerce, for the third, fourth, fifth, sixth, and seventh calendar years next preceding the year in which ends the fiscal year for which the computation is made.

The following editorial appeared in the Durham Herald, of Durham, N. C., on June 28, 1949:

Two developments on Representative BARDEN'S bill prohibiting the use of Federal funds for any schools other than public are keeping it before the public.

The Congressman has announced that he will press for consideration of the bill by the full Education and Labor Committee of the House.

Archbishop McIntyre of Los Angeles has followed Cardinal Spellman in denouncing the bill.

Archbishop McIntyre calls it a flagrant example of Soviet influence—even in our Congress.

Was Roger Williams under Soviet influence when he secured for the colony of Rhode Island a charter which eliminated an established church and provided for freedom of conscience?

Was Lord Baltimore under Soviet influence when he granted to Christians in the colony of Maryland freedom of worship?

Was Thomas Jefferson under Soviet influence when he wrote the statute of religious freedom for Virginia which specifically frees the inhabitants of that State from compulsory—or tax support of any religious organization?

Were the Members of the First Congress and the legislatures of the 13 States under Soviet influence when they adopted the first amendment to the Constitution which guarantees freedom of religion?

Separation of church and state is an accepted principle of the American way of life. Practically every religious denomination has established schools both on the secondary and the collegiate level, but they have depended upon the sponsoring group and the friends of the school for voluntary support.

It is unfortunate that the leaders of one of the religious denominations have resorted to name calling in their opposition to this bill. Cardinal Spellman, as was pointed out in this page last Tuesday, distorted the facts by calling the bill un-American. The Barden bill cannot in any fairness be considered discriminatory. Rather, it seeks to prevent the public money from being spent to aid in the propagation of any religious doctrine or to subsidize any private school, whether owned by an individual, a public foundation, or a religious sect.

The private schools have no claim for support from the Public Treasury. Public schools are provided, and those who are not satisfied with them to the extent that they wish to set up another system, which may even be viewed as competitive, should be willing to foot the bill. Most of the supporters of private schools are willing to do so.

The Barden Bill Must Be Rejected

EXTENSION OF REMARKS
OF

HON. CHARLES A. BUCKLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. BUCKLEY of New York. Mr. Speaker, a reading of the front pages of our daily newspapers reports that the Communist rulers of Czechoslovakia have silenced the Catholic clergy. In that country every effort has been made and is being made to destroy the Catholic church, its press, the taking over of church properties, the control and suppression of its schools and to deny to the individuals the right to exercise free religious freedom. In other words, we again have the familiar example of the Communists continuing their attacks on religion in conformity with their actions in other countries. They are trying to destroy men's souls and to violate the human conscience. This assault upon the Catholic church is an attack upon every church and the rights of every individual.

I have, at all times, spoken out against oppression, whether it was directed against the Jew, the Protestant, or the Catholic. I have fought bigotry, whether it was exercised against those who lived abroad or those at home. My record in that respect has been a consistent one. I have always maintained and still maintain that those who preach hatred against any particular denomination are preaching bigotry and hatred against all denominations.

We know that the teachings of God and religious freedom have no place in a communistic regime. Where religion is strong, communism is weak. Where communism is strong, religion is weak.

Extermination of religion is now a communistic goal in Czechoslovakia. This follows the pattern inaugurated in Russia and pursued in the satellite states. The persecution of Archbishop Stepinac in Yugoslavia and the similar conduct pursued by the communists in Hungary in the case of Cardinal Mindszenty is now being followed with respect to Archbishop Joseph Beran in Czechoslovakia.

Religion is for all purposes dead in Russia, Hungary, Czechoslovakia, Yugoslavia, Rumania, and the Baltic States. Priests have been arrested, executed, imprisoned, deported or disappeared. The religious rights of the individuals in these countries have been destroyed. Prayer books have been censored. Church buildings have been seized and every effort made to destroy the Catholic Church. Attacks have been made on the Protestant Church and these people have likewise been persecuted because they wished to follow the dictates of their conscience and their religious beliefs. If their persecution has not been so severe it is only because the Catholics outnumber the Protestants and Jews in these countries.

On May 11, 1949, there was introduced in the House of Representative by Representative BARDEN, bill No. H. R. 4643, the so-called Federal aid to education bill. Previously there had been introduced in the Senate, bill No. S. 246, which bill was introduced for the same purpose. The Senate bill passed the Senate and differs from the House bill in that Federal aid funds are not confined to public schools, but provide help for all needy children, including those who attend private and sectarian schools. I feel that the Senate bill is a fair one and cannot conceive why anyone can hold that nonpublic school pupils should not receive the health benefits, and transportation services provided for children attending our public schools.

The bill's purpose is to extend educational opportunity to the youth of the Nation. It is a known fact that a great number of our children do not have an opportunity to obtain a required minimum of education. America is a wealthy nation. We have extended help and aid to other nations besides our own. It disburses funds for many other uses and purposes and to help those States which are not financially able to spend sufficient moneys for their youth is a commendable one. For if a child does not receive effective schooling, he is handicapped in later life when seeking employment and other means of earning a livelihood. For that reason, this bill, if applied to all its youth, could not be criticized.

The Committee on Labor and Public Welfare of the Senate in its report on S. 246 on page 7 stated "The most precious asset of this Nation, or any nation, is its children. To conserve and develop this human resource is the best insurance we can have for the future greatness and security of our Nation. Not only is education essential to economic welfare, but it is the major defense of liberty against totalitarianism."

It will be noted that the committee felt that education was the major defense of liberty against totalitarianism. For this reason the committee felt that an appropriation of $300,000,000 per year for such a purpose was an excellent one.

The Barden bill counts in all children in a State in the fixing of the amount of moneys to be appropriated to it. However, it counts out all children attending parochial schools when it comes to apportioning the benefits thereof.

The courts have upheld the practices of the States in providing children in sectarian schools, through public taxation, certain services auxiliary to free education, such as free textbooks and transportation. To deny to children who attend private and sectarian schools medical or dental examinations, nursing supervision or transportation of youngsters to and from school or the providing of nonreligious text books is certainly discriminatory, oppressive, and not in accordance with our beliefs in democracy.

Several years ago when I was a member of the Committee on Education, I opposed a bill similar to the Barden bill, because it was discriminatory and I am proud of the fact that my vote was the decisive one in killing that bill in the committee.

On Sunday, June 19, 1949, His Eminence Francis Cardinal Spellman delivered a powerful address at Fordham University, in my congressional district, expressing his views in connection with the Barden bill. I believe that Cardinal Spellman, one of the leading American citizens of this country, very well set forth the reasons why the Barden bill should be defeated. The Cardinal has always fought bigotry wherever it existed and against whomsoever it has been directed. He is respected by millions of Americans of every race, creed, and denomination because he defends truth, justice, and religious liberty for all people.

Federal aid for needy States and needy children is necessary. Under our American form of government, this should apply for all needy children, whether they be Jewish, Catholic, or Protestant; whether they be Negro or white. Those of us who believe in sending our children to the public schools have that right and those of us who wish to send our children to the Catholic, Protestant, or Jewish parochial schools have an equal right to do so. That is what makes America great and as long as we believe and defend those rights, we will continue to be a great nation.

The Catholics who support their parochial schools save to the taxpayers millions of dollars. To deny their children the right to transportation, health services, and nonreligious textbooks because they attend a parochial school instead of a public school is indecent and un-American.

If the Barden bill should become law, it would autocratically disfranchise millions of American citizens of their constitutional rights. The issue is a very important one. Here in America we all live peacefully together and we have gone a great way to break down bigotry and discrimination and it is my hope that this will continue to the time when these words will not be part of our dictionary. If we permit the Barden bill to become law, then we will take a step backward and give hope and courage to those who wish to see strife and hatred prevail in our country.

True liberals are opposed to the Barden bill. When the Senate had the opportunity of voting on an amendment which confined the use of the funds to the public schools, I am happy to say that it was overwhelmingly rejected by a vote of 71 to 3.

I was shocked to receive a letter from the Liberal Party of the State of New York dated June 23, 1949, in which, amongst other things, it presented to me for my attention the viewpoint of the Liberal Party with regard to Senate bill 246. The letter was signed by the chairman of the national legislative committee and the executive director of the Liberal Party, and stated that they favored S. 246 but that it unfortunately failed to prohibit the allocation of Federal funds to private sectarian schools. It then went on to say that "the Liberal Party recommends that the House bring to conference a bill paralleling S. 246 with the added provision that Federal aid funds be confined to free nonsectarian schools."

What a dastardly thing. Here they call themselves the Liberal Party. That is strictly a misleading name. I am surprised that they do not aline themselves with the Communists and Fascists in this country. It is typical of the actions of the Ku Klux Klan and not that of a party which titles itself "Liberal."

I have, in the past, received the endorsement of this political party. However, I do not seek and will never take the endorsement of this political party again. It should be condemned by all righteous thinking people. Needless to say the viewpoint of the Liberal Party is shared by the American Labor Party. However, that is not so surprising.

This is a time when everyone should take a stand. When I stand in opposition to this bill, it is not because I am a Catholic. It is because I am an American who believes that America still stands as a beacon light to the rest of the world, that liberty is still our most priceless possession.

I shall fight the Barden bill and I will use every means to defeat it. I am confident that it shall not see the light of day.

Text of Archbishop Beran's Pastoral Letter

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following text of Archbishop Beran's pastoral letter read in Czech churches, as carried in the Washington Post of June 27, 1949:

DEAR FAITHFUL: In these overwhelmingly serious times of our religious and national life we turn to you with this letter of the right-teaching church.

Love for nation and for the people of Czechoslovakia leads us to speak in these decisive days, in which we have become witnesses to attacks on the unity and leadership of the Catholic Church here. To know where the truth and right and your place in the church and nation lie, hear the voice of your pastors who, being conscious of responsibility before God and the conscience of the whole world, after deliberate consideration cannot remain quiet.

We have all been witnesses lately to a widely based action the aim of which is to force Czechoslovak bishops to come to an agreement with the state. As in our public, we also are of the opinion that relations between church and state are discordant and painful. This situation is surely unnatural, for both societies should complement each other and the present situation does not contribute to general public peace nor the internal peace of the faithful.

The worst of it is that many faithful Catholics suffer spiritually, as they sincerely love both their church and their state and are filled with fears for their future.

This causes us bishops, who are ordained by God as the guardians of the commandments of Christ and are responsible before Him for the saving of our souls, no little pain.

It pains us all the more that all responsibility for the failure in negotiations is put by people, who are not sufficiently informed, upon us to whom your eternal and temporal welfare is the greatest treasure for which we are ready to sacrifice everything.

We understand your natural right—that you wished to be informed truthfully, also from our side. Having no other possibility of presenting our case, we are endeavoring to do so, as our conscience bids us, by this pastoral letter, imploring God that the voice of the pastors reaches your hearing and that it be heard with credence and is rightly comprehended.

We also, the guardians of the truths and of the Lord, consider a sincere and just agreement with the state to be of no small importance. We cannot be indifferent as to whether our circumstances be favorable to the development of the Christian life or not. For, after all, the hindrances which today stand in the way of Christian thought in civilization and in everyday practical life are known.

We know well how many rights you have been deprived of, just as you are acquainted with the adversities which the church has had to go through lately.

We have always been aware of the burden of responsibility for the saving of your souls before God. We have always endeavored, and we still endeavor today, even if only with small hopes of success, to defend and insure the sacred rights of you Christians as free citizens of the state, as is naturally demanded by God's order.

To these humanitarian and commonly recognized rights of man belong not only the freedom of privately held religious convictions and the freedom to execute religious rites, but also the free realization of the principles of this faith as the norm of life of individuals and society—and this without fear of losing personal freedom, civic equality, and the endangering of the rights of existence.

For the realization and insuring of this religious freedom for Catholics it is the church's conception, by the ordinance of God, that these further conditions are necessary prerequisites: The recognition of the authority of the Holy Father as the highest visible head of the church and recognition and respect for the authority of his bishops.

The nonrecognition of this fundamental principle means that the Catholic Church as Christ wanted it is not recognized and that every action taken apart and against the will of the bishops, connected with the Roman Pope, disturbs the church's basic structure, disrupts its unity, and necessarily leads to its destruction.

Further basic conditions for the recognition of the rights and freedom of the church stemming from natural law are:

1. Respect for the sovereign right of parents over the education of their children. That means education in school and also outside school.

2. Recognition of the family as a sacred tie and the rights and duties stemming from this.

3. The right of the faithful to assembly in free congregations and organizations.

To these belong also the conditions of free religious life, which otherwise would be unattainable for the Communist or the individual. These conditions include the necessary number of church schools, educational and social and charitable institutions, cultural and philanthropic institutions, sufficient facilities for printing periodicals and books and free and unlimited access to all possibilities of social and cultural life.

Finally, financial means and material security for these institutions and establishments is also necessary, as without them it would not be possible for the church successfully to develop this activity for the welfare of our people and to save church buildings from deterioration and destruction.

All this we once had to the necessary extent and all this we have been deprived of lately.

In difficult circumstances, with many hardships, the church had built—with extreme sacrifices from your will and your means, for you and your children—social and educational institutions, schools, seminars, its presses, and an organization of societies. All these formed conditions for the spiritual life.

And what has become of all this in this short time? We need not put before you, dear Catholics, special proofs of this. Look around you. Follow what is happening and you will easily come to the conclusion that the Catholic Church in Czechoslovakia has received a very bitter reward for its hundreds of years of service to the nation, for its cultural and charitable activities, for its loyalty to the people, for its fearlessness and suffering during the (German) occupation.

It stands here today—robbed, deprived of the majority of its freedoms and rights, dishonored, soiled, persecuted secretly and openly.

Only observe how the church is faring in Czechoslovakia at the present time. A concerted campaign is waged against it on the radio and in public proclamations, especially against the Holy Father and the bishops, who are its God-ordained heads. The sacred character of the family and the sovereign

rights of parents to the education of their children are willfully undermined.

All the ecclesiastical press, with a few completely insignificant exceptions, has been stopped. Even the official gazettes of the bishops, which informed priests also of important state directives, have been stopped. Instead, the Ministry of Education, Science and Art has published the so-called Gazette of the Catholic Clergy, which is not church endorsed and is edited against the will of the hierarchy. Although this so-called gazette is intended for Catholic priests, it is directed by non-Catholics in an antichurch spirit and attempts to govern directly by state organs affairs which are wholly ecclesiastical and thereby attempts to exclude the bishops from practicing their rights.

Every Catholic book which is to be published—even prayer books—is subjected to preliminary state censorship.

State plenipotentiaries are planted in Catholic publishing houses. An interdiction of assembly and schooling of Catholics outside churches was edited under the threat of prosecution.

Even the fate of church buildings, as was demonstrated by the forced inventory of ritual objects and sacred vessels, is, it seems, insecure.

The church is deprived of the last remnants of its property. Not even the minimum laid down by the law is respected.

In many cases the paying of the state stipend of priests was stopped.

Church schools practically no longer exist and the fate of the few remaining is painfully insecure, which causes suffering to pupils and parents. Pressure was even brought to bear upon the parents to take their children out of church schools, and this under a direct threat of consequences.

Teachers of religion are tested ideologically and are given directions on how to teach religion in the materialistic spirit.

All religious education of youth in societies, eucharistic circles, et cetera, was in many places forbidden under punitive threats and is consistently made impossible by the fact that the state has taken a monopoly on materialist school and extracurricular education, so that education in the Christian spirit is made impossible and considered as practically illegal.

In this respect, we have come so far that even in theological schools lectures of so-called social science were instituted whose aim it is to bring about that even theological students should be educated in the materialistic ideology.

An inventory of all church property, even church collections, was ordered, quite illegally. With direct inspection, such inventories were carried out in many cases; they were anticonstitutional searches.

Consistent attempts are made to deprive church buildings of their religious missions, especially by the taking over of monasteries and institutions for the education of clerical and monastic youth.

Especially in Slovakia some monastic houses were forcibly cleared out and the priests taken away in trucks.

The Ministry of Interior gave instructions to the regional command of the state security (police) how to deal with the church and its members.

In some places even the practicing of religious rites has already been forbidden. In many places religious processions were made impossible or were misused for irreligious purposes.

The conference of bishops in Dolni Smokovec, which was to have taken a stand on the demands of the Government, was broken up when listening devices were discovered in the conference room. The Ministry of Interior was asked to make an inquiry but up to now no satisfactory answer has been forthcoming.

The latest conference of bishops in Prague was disturbed by security organs.

At the same time the Prague consistory was occupied by state officers and the archbishop's residence put under secret police surveillance, so that the freedom of the chairman of the bishops' conference was totally restricted. These restrictions represent extreme breaches of constitutional freedoms and many of the still existent laws. On the whole it can be said that outside the church any religious activity is impossible and many fear to visit churches lest they be accused of reaction and fear the loss of their means of existence.

It is a certainty that by these measures conditions are created which are not only in defiance of the rights of God but are also opposed to the natural and commonly recognized rights of man.

Judge for yourselves, dear Catholics, after ascertaining these facts whether the State was in any way harmed by the church or whether just the opposite is true.

After all, the whole affair of an agreement between church and state would actually have been a rather simple matter if it had not been for the fact that the state first harmed the church and deprives it of the majority of its rights.

All this organized calling for an agreement would have been quite superfluous if Government personages, on their own initiative, had not interfered before the start of negotiations in church freedoms and rights and formed, by this one-sided action, a painful situation in which the church was deprived beforehand of that which was supposed to have been the subject of the agreement.

So in reality the church was deprived of all possibilities of successful negotiations and given this choice: Submission to dictatorship or persecution.

In spite of all these painful realities the Czechoslovak episcopate was always willing to negotiate and really did negotiate through its delegated representatives. It made extreme sacrifices to attain, at last, in the most basic things, some regulation of affairs and to ensure its faithful at last the most conditions of religious life.

It (the episcopate) always found out, to its great pain, that in spite of all its good will this could not be done, except for the price of fundamental concessions and the price of misusing the church against its Godly mission.

At the same time, during the negotiations, the church was frequently treated in a hostile way which consistently undermined the confidence of the bishops in the success of the negotiations.

Ask yourselves this question, dear Catholics:

Could we bishops be satisfied with all this and accept every demand which is in defiance of the laws of God and humanity?

Could we approve, before our faithful people and before the whole world, every development, even if it was not in accordance with the spirit of the teachings of Jesus Christ?

Indeed, with gladness, we shall render under Caesar the things which are Caesar's but would not be possible to sacrifice to him that which is God's because it behooves us better to obey God than man.

This negative attitude of the state toward the church cannot even be justified by the allegation that the bishops refused a clear statement of loyalty to the republic, because such statements are not in accordance with the truth.

We declare that we were always loyal to the republic. We have stressed this many times and it can be deduced from the oath we undertook when we assumed office. A loyal attitude toward the republic is, therefore, a matter of course for us and we are sure to remain faithful to our oath. Therefore we have always demanded from our clergy that they refrain from any political activity, especially from any illegal and antistate activity.

But we cannot remain quiet when the rights of the holy church are violated and when political power is being misused against it.

If, therefore, we defend, as is our duty, the rights of the holy church we in no way want to harm the interest of the state.

On the contrary we do it in the interest of the state itself and for the welfare of our dear Nation.

Most painful is the fact that we have no way of defending ourselves against these gross and untrue attacks. All manner of attempts are being made to force us out of our pastoral offices and the conduct of the church is being taken over by unbelieving people, people who have broken away from the church and those who have no right, no competence, and no church missions.

Nothing else remains for us but to waste our energy and time with unceasing protests and efforts against the confiscation of church institutions, schools, and monasteries, against trampling of all church rights and religious freedoms—protests which nobody answers, which nobody takes any notice of, and which have no practical results.

In the present affair it is, therefore, not a matter, as we have stated before, of a lack of positive attitude of the church toward the state. It is not a matter of reaction, because the form of government and regulation of social life is not the main subject of our interest.

We must, however, be interested whether this form is favorable to the development of the religious life and whether it is possible to bring such a social reconstruction into harmony with the teachings of Jesus Christ.

It is not even a matter of inclination toward capitalism, for we know that not even a liberal-capitalistic society corresponds with all the ideals of Christianity, and capitalism has several times been condemned by the church.

You, yourselves, know best that your present bishops are not capitalists. They certainly would be better off today if they were willing to choose the path of Judas.

We wish our working people all the improvements in social standards.

We only wish that their standard of life improve and that, together with the growth of their material welfare, favorable conditions be created for the perfecting of moral and religious life.

The seriousness of the times makes us act in absolute loyalty to principles and consistency in negotiating. Indeed, this is a matter of a consistent, well-planned, and steadily applied persecution of the Catholic Church in Czechoslovakia.

Not a whit of this can be changed by the resolution passed, on a plan prepared beforehand, at the meeting of the so-called (government-sponsored) Catholic Action in the Municipal Palace in Prague on June 10, 1949, even if it promised loyalty to the holy church, recognition of the Holy Father as its visible head, and submission to him in matters of faith, morals, and church discipline, and recognition of the authority of the bishops in matters of faith and morals.

This meeting, secretly prepared, was convened without the knowledge of and against the will of the bishops. Its aim was clear: To hinder still further the authority and influence of the bishops.

After all, the majority of delegates at this conference were paid delegates—appointed by action committees. They were delegates who often did not know what it was all about and who did not suspect that their signatures on the list of those present would be misused for the so-called Catholic Action.

Because of this, the bench of bishops at its conference of June 15, 1949, was forced to declare that the so-called Catholic Action

is not Catholic but a separatist movement and that participation and cooperation with it must be prosecuted with ecclesiastical punishment. The inspirators have, ipso facto, been excommunicated. That is, they were expelled from the church according to canon 2334, paragraph two, and canon 2231, paragraph two, according to the Ecclesiastical Juridical Code.

For the whole action is aimed against the unity of the church and church discipline.

By methods similar to that demonstrated above, many clergymen were misrepresented as voicing assent with the so-called Catholic Action. They knew nothing about its mission and their signatures were enticed under quite disguised slogans. They were asked if they favored a just agreement, if they were for the maintenance of church rights, for the teaching of religion in schools, the recognition of the holy father as visible head of the church. These priests did not want to undertake anything against the will of the church dignitaries. On the contrary, they wanted to support their efforts for the realization of such an agreement which would be in accord with the interests of the church, in the sense of church directives.

These priests consequently gave their signatures under conditions of deceit and pressure. They did not act either consciously or of their own free will and therefore maintained, of course, their loyalty to the holy church and faithfulness to the bishops, as many of them have already privately and publicly stated.

The names of many priests were published without their knowledge, even against their will and protests.

The Catholic bishops therefore call to everyone's attention that every attempt at the founding of diocese, regional, district, or so-called action committees is forbidden by the church and that clergymen and laymen who personally participate in the founding of such actions or enter their committees or accept functions in them will thereby be excommunicated from the Catholic Church.

Also, the so-called Catholic newspaper, published by the Committee of Catholic Action, of course lacks the indorsement of the bishops and cannot be considered as Catholic. Therefore, the reading and keeping and distribution of this newspaper is forbidden by the church.

The clergy also must be aware that directives published by consistories under government control are not only ecclesiastically not binding but that also the clergy is bound by its conscience to observe only those directives and repeals which they are safely convinced were published by their respective dignitaries.

As the responsible representatives of the Catholic Church of the Czechoslovak Republic we, of course, feel heavy responsibility for the development of church affairs in our country and we are not deluding ourselves of the fact that the decisive moment of great tests has come for our dear faithful and for our loyal clergy.

If it were true, as has been claimed, that the main aim of all this which has now been organized against the Czechoslovak Catholic Church were to make the bishops come to a just agreement between church and state, then we declare that this whole campaign is superfluous.

Czechoslovak Catholic dignitaries had, and have, the greatest interest in reaching a sincere and just agreement between church and state and will not cease to pray for this end.

But they desire that a real agreement be reached on the basis of which the church could develop all its rich activity and put to use all its moral influence in favor of the state and its people. They want Catholics to be able to use their philosophy and to be able to direct their lives according to it, for religion should govern all acts of men.

But they do not want the church to become a mere servant of the state—in other words, the bearer of a different philosophy under a cloak of Christian religion.

They wish for an agreement, not a dictate.

In this spirit the Czechoslovak dignitaries at the bishops' conference of June 7, 1949, in Olomouc, laid down the basic conditions on which agreement would be possible and which should be accepted and guaranteed by the government beforehand. These conditions are:

1. The Christian world viewpoint (philosophy) will be recognized and respected in public life and education, in word and deed.

2. The government recognizes the spiritual authority of the Roman Pope as the supreme head of the church in matters religious and ecclesiastical, who according to valid authority does not touch the sovereignty of the state but is a natural consequence of recognized basic human rights, and especially the freedom of religion.

3. Before the beginning of negotiations, all measures restricting and threatening religious freedom of Catholics in the Czechoslovak Republic, especially the religious freedom and education of youth, be repealed.

In addition to this:

(a) The Gazette of Catholic Clergy, published by the Ministry of Education, Arts and Sciences, will be abolished immediately, and that the publishing of all official dignitaries gazettes will be permitted.

(b) The decree of the Ministry of Education, Arts, and Sciences of May 23, 1949, about vacant church offices and accompanying stipends, as well as the decree of the Ministry of Interior of May 5, 1949, restricting the freedom of assembly and congregation, and also the decree for regional and district command of the state security police on the procedure against the Catholic Church, must be revoked.

(c) All restrictions involving the religious rights must be canceled.

To these conditions a further demand is added—that the government will not support the newly formed Catholic Action and will not grant it state sponsorship. To demand the fulfillment of these conditions we feel commanded by our arch-pastoral responsibility before God and before you and before the conscience of the nation, because without their fulfillment the church would no more be the church of Christ and would not be able to fulfill its spiritual mission; that is, to teach, to sanctify, and to direct.

We are certain, dear brothers and sisters in Christ, that you approve of this, our standpoint and watchfulness. We would have had to feel ashamed before you had we acted otherwise, had we not acted like pastors who are willing in the interest of your Saviour to give even their lives for their sheep, but as hired pastors who forsake their flock treacherously in time of danger.

Help us and strengthen us with prayers, your truly Christian life, and your unconditional loyalty to the good Mother Church so that with the help of the Holy Spirit, a negotiable path will be found for the regulation of church-state relations.

But if such an agreement could not be attained because it was decided to begin a struggle of extermination by all means against the church of Christ and misuse it in a cloaked way for ungodly purposes, then the hour of trial has come for the Catholics in Czechoslovakia.

The moment has come in which it is necessary to realize the words of the Apostle Peter: "Beloved, think it not strange concerning the fiery trial which is to try you, as though some strange thing happened unto you.

"But rejoice, inasmuch as we are partakers of Christ's sufferings, that, when His glory shall be revealed, ye may be glad also with exceding joy."

Every test is of God's making and will surely contribute to the salvation of our souls. It is an opportunity to prove our faithfulness to Christ, to make amends for our trespasses, and to learn to be true and consistent Catholics.

The nation looks upon you, how you will fare in this historic moment of trial. The Catholics of the whole world are linked with you.

Remain loyal to your bishops who suffer with you and do not waiver even if their voice does not reach you.

The church is indestructible and to suffer for Christ is the greatest glory.

Do not let yourself be misled by false prophets. Beware of wild wolves in sheep's clothing. Don't let yourselves be provoked to immediate actions. Be on your guard and pray.

All ye saints of God who were imprisoned and tortured for Christ, plead for us the Sacred Heart, pierced for our sins on the grounds of a false sentence, be merciful to us.

We bless you all, especially those who suffer or will suffer adversities for the sake of justice. In the name of the Father, the Son, and the Holy Spirit. Amen.

Josef (Beran), Archbishop of Prague; Josef Charles, Archbishop of Olomouc; Jan, Bishop of Spisska Nova Ves; Josef, Titular Bishop of Thagora, Apostolic Administrator in Kosice; Paul, Bishop of Presov; Maurice, Bishop of Hradec Kralove; Andrew, Bishop of Banska Bystrica; Charles, Bishop of Brno; Josef, Bishop of Ceske Bludejovice; Stefen, Bishop of Litomerice; Edvard, Titular Bishop of Velicia, Apostolic Administrator of Nitra; Frantisek Onderek, Apostolic Administrator of the Czech portion of Wroclaw Archdiocese; Ambrosius Lazik, Apostolic Administrator of Trnava; Robert Pobozny, Capitular Vicar of Roznava.

PRAGUE, *June 15, 1949.*

This pastoral letter is to be read in all parish churches and chapels at public services on Sunday, June 26, 1949. Let the reverend priests not be intimidated from reading this letter by any threats in these so difficult and decisive times. They are bound by their consciences to inform their faithful of the real state of affairs. Willful and intentional neglect of this duty will be prosecuted with ecclesiastical punishment.

Congress Should Pass the Keefe Resolution

EXTENSION OF REMARKS

OF

HON. JOHN PHILLIPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. PHILLIPS of California. Mr. Speaker, during the argument over butter and oleomargarine, several Members of this House tried to point out that there was a great deal more to the discussion than the matter of color, or the price the housewife paid for a spread.

In particular, the gentleman from Wisconsin [Mr. KEEFE] has been trying to tell us for a long time that the increasing use of chemical substitutes, in place of the natural oils, and in place of dairy products, is producing a situation to which the attention of this Congress should very well be given. He has introduced a resolution, calling for the appointment of a special committee to investigate the problem, and I, for one, am

very much in favor of the passage of that resolution and of the appointment of the committee, so that the investigation may begin. There is actually no time to lose.

If we needed any evidence of the seriousness of the situation, we could find it in a letter, addressed to the Fresno Bee, and printed in that paper on Sunday, June 12, 1949.

Under permission to extend my remarks in the Appendix of the RECORD, I include this letter, Mr. Speaker, so that every Member of the House may have the opportunity to read it:

PHYSICIAN'S VIEWPOINT

EDITOR OF THE BEE:

SIR: Margarine is white. Butter is yellow. Some butter is yellower than other butter. White always is white—there are no shades of white.

Yellow margarine is a wolf in sheep's clothing, imitating butter. Beware of a product which thrives on false pretenses. Keep margarine white and butter yellow, and no signs need to be put up. Teach people the truth. Tell them there is no substitute for butter.

When this Nation or any other nation ceases to use butter and adopts a substitute, then will polio strike in all of its many and varied forms and the warped bodies and shriveled legs of bed-ridden children will be the answer to several letters recently printed in the Bee.

I have no ax to grind.

A. F. ST. SURE, M. D.

TULARE.

Address of Paul E. Fitzpatrick

EXTENSION OF REMARKS

OF

HON. WILLIAM T. BYRNE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. BYRNE of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Paul E. Fitzpatrick, chairman of the Democratic State committee, at the annual dinner of the Women's Democratic Club of Jefferson County, at Pine Lodge, Watertown, N. Y., Tuesday evening, June 21, 1949:

It is a pleasure to be here with you today in the heart of this great dairyland of our Nation.

I am always happy to visit your north country with its magnificent farmlands. It recalls to my mind the mighty job done by the farmers of America to feed our people during the war years and in the eventful years that have followed. The dairy farmers were in the front ranks of the food producers in the crisis years of war, and I am certain the American people will never forget the everlasting debt of gratitude owed them.

My visit today is somewhat saddened, however, by the knowledge that you have recently suffered a great and tragic loss in the death of that fine and able newspaper editor, Harold B. Johnson. His loss will be felt in every section of this State. His unbiased reporting of the news and his clear-cut, discerning editorials were always a beacon in the north country for us in the remainder of the State.

While it is always a grand experience to journey into Jefferson County and renew old acquaintanceships and visit old friends, my visit here today is primarily for the purpose of publicly expressing to you women of Jefferson County my thanks and that of the Democratic State committee for a job well done.

Ever since I took over the State chairmanship in 1944, I have maintained that the women of the State are the backbone of the Democratic Party in the State. We have sought to bring more and more women into the top councils of the party. We have sought to bring more and more women into leadership in our national administration. We have sought to give women a stronger voice in the destiny of our party.

The enthusiasm with which you have responded, from Montauk to the north country and from Champlain to Niagara has proven overwhelmingly to me the rightness of our course.

I must confess that even I was astounded by the response of the Democratic women to the conference held at Rochester last month. I am astonished again by the turnout here.

I know that all of you have worked day in and day out to advance the cause of our Party—the cause of the people of our State I might add—here in Jefferson County. I am deeply grateful to all of you.

I am particularly pleased and happy to see here today many fellow warriors of past battles. Warriers, whom, I am sure, will be comrades—in arms in struggles to come.

I want to doff my hat to your splendid president, Miss Lucille Grant.

My thanks for the untiring and unselfish way she has worked for our cause to your county vice chairman, Mrs. Emma Lansing.

My appreciation, too, for her vigorous efforts of the past and her cheerful confidence in the future to your State committeewoman, Miss Gertrude Helmer.

I cannot, of course, let this become a woman's affair entirely and so I want here and now to say that I am everlastingly grateful to a man who has fought the good fight day in and day out, your county chairman, Jim Butler.

As a citizen of the State and as leader of the Democratic Party in the State I have become increasingly concerned with the trend of government in Albany after 6 years of Republican misrule. As I travel about the State I find that I am not alone in these fears. More and more of our fellow citizens are awakening to the soaring cost of State government at a time when the State's services to its people are deteriorating at a rapid pace.

Because I believe that our children are the finest asset the State possesses, I am particularly worried about the growing educational problem in the State.

At your Rochester meeting I pointed out that in many sections of this great State children are attending classes in school-bus garages, lodge halls, private homes, basements, attics, and hallways. The situation will grow increasingly worse in the immediate years ahead as the school population grows.

I pointed out at Rochester, and I want to reiterate it now because I have a very special point that I want to make here today, that back in 1942, the last year of Democratic Governor Lehman's administration, 28½ percent of the State's revenues went back to the communities as aid for education. This past year, the fiscal year 1949, the percentage dropped to 19.12.

Now education is, and it is so stated in our State constitution, a responsibility of the State. Yet, under this Republican administration the burden is being placed more and more and more upon the communities.

There are few communities in the State not spirited enough to want to provide the finest education for our children even when the State shirks its responsibility. The tragedy is, however, that many communities are unable to shoulder the complete burden. There is a limit placed by the State upon the taxes that may be raised from real estate, our principal source of taxation.

It is a fact, too, that only so much blood can be wrung from a stone.

This is the reason that so many of our communities are forced to impose special nuisance taxes—Republican nuisance taxes, I call them—and it is also the reason that so many of our communities have had to go hat in hand to the legislature and ask permission to bond themselves beyond the limitations placed upon them by law.

Now if the State itself were upon the verge of bankruptcy, some of this cold-blooded attitude toward our communities might be excusable. But what are the facts—the State budget under this Republican administration has almost trebled in 6 years. Our people have been taxed and overtaxed.

During the war years our people were overtaxed to the sum of nearly $700,000,000. This, we were told, was a surplus. This, we were told, was being put aside to meet the postwar needs of our State.

It is a fact that every single dollar of this huge so-called surplus, with the exception of approximately two millions, has been spent, contracted for, or appropriated. And here is my point: Not one single penny of that tremendous sum went to build one new schoolhouse in the State of New York.

You may well ask, "Where did it go?" We are patiently and persistently cutting our way through the maze of smokescreens and statements made about that $700,000,000 and we hope, in time, to have a complete and final break-down for the people of this State.

I propose to give you here and now a report on where a huge part of this fund was supposed to have gone. I also propose to show you why it is so extremely difficult to believe the press statements, the hoopla, and the fanfare that comes out of the Dewey publicity mill at Albany.

Let us turn the clock back to July 11, 1946, and set the stage at Liverpool outside of Syracuse. You will recall we were about to launch a State campaign.

The occasion was the dedication of New York State's much publicized Thruway.

There were several thousands of spectators at Liverpool that day. Governor Dewey and his entourage were present for the big event. There was a major State-wide radio hook-up. Red, white, and blue shovels were passed around and a few spades full of dirt were turned over.

The Thruway was to cover 486 miles. It was to cost $200,000,000. It was to be completed in 5 years.

The Thruway, Governor Dewey told us on that day, would compare with the construction of the Erie Canal, creating a link between the immeasurable wealth of the Great Lakes system bordering the western part of our State and the great seaport of New York City.

It was the outcome of long studies, he continued, that "pointed to but one solution, an entirely new highway, modern in every respect—the Thruway!" (The exclamation point, I might add, is the Governor's.)

Then the Republican governor struck this keynote—a note which has been sounded constantly throughout his administration.

"We have made financial plans, too, and now New York State is in a sound fiscal position, able to advance the highway construction program it has under way without having to resort to bond issues or any new taxes to pay the bills. Surplus State revenues were set aside during the war into a postwar reconstruction fund which totaled more than $500,000,000. That is the money which makes possible this present program. We will pay as we go without plunging the State into a debt to be paid by our grandchildren."

I know that the people of the north country are vitally interested in the Dewey Thruway because of the propaganda barrage out of Albany to the effect that this region would be tied into the superhighway through special arterial highways.

Because I believe the Thruway to be one of the most ambitious projects ever contemplated for the people of the State to undertake we have made a special study at State headquarters of what happened since that day 3 years ago at Liverpool.

Today I can reveal to you for the first time that only 33 miles of pavement consisting of four strips in widely separated areas of the State has been constructed or are under construction. One strip is located in Greene and Ulster Counties, another lies north of Syracuse, another runs through portions of Monroe and Ontario Counties, and the fourth is in Erie County.

Nowhere in the reconstruction fund is there any appropriation of $195,000,000 for completion of the Thruway. I base this statement on the official report of the postwar reconstruction fund submitted to the legislature in 194[illegible] by the division of the budget.

I therefore challenge the Republican State administration today to give to the people of the State a complete and full explanation of what happened to the $200,0000,000 Governor Dewey claimed was earmarked for the Thruway. Until such an explanation is given the Dewey administration will stand indicted for hoodwinking and fooling the people for campaign purposes at Liverpool on July 11, 1946.

I want once more to return to that statement of Mr. Dewey's at Liverpool. He told us then it would not be necessary to resort to bond issues or any new taxes to pay the bill.

In this past session of the legislature, the same Governor placed his stamp of approval on $48,000,000 in bond issues.

In the past session of the legislature, this same Governor proposed the highest income taxes in our State's history. He was beaten down, you will recall, by a revolt within the legislature.

So you see what we are confronted with constantly: The words and the claims on one hand and the hard rock facts on the other.

We are digging and digging and the more we dig the more we mine. It takes a lot of spadework. But we are getting down to pay dirt.

I gave you these facts today because I expect the women of this State to play a decisive role in the campaign of 1949 and 1950. I know that upon you will fall a large part of the task of ringing doorbells and carrying the story to your neighbors of what has happened to our State government after 6 years of Dewey administration.

I urged you at Rochester to organize educational crisis committees in your communities. I recommended that action so that the full story of the plight of education in our State would be brought home to our people. Tonight I go a step further: I recommend that the Democratic women of the State organize public information committees whose responsibility it will be to fully expose to the public the deception and sham practiced on the people of this State by the Dewey propaganda machine at Albany.

Thank you.

Government Reorganization

EXTENSION OF REMARKS
OF

HON. MORGAN M. MOULDER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. MOULDER. Mr. Speaker, congressional history reveals that an overwhelming majority of individual Members of Congress have always wanted economy in the operation of the affairs of our Government; however, the records show that acts of Congress have created many additional and necessary governmental functions, which established numerous bureaus, departments, and agencies, employing personnel whose duties and work overlap and duplicate that of other departments and agencies already established and in existence.

Our Government is a combination of political, business, and social science, and in order to succeed in our endeavor to render governmental services for the general welfare of the people, we must, insofar as expenditures and finances are concerned, conduct and administer governmental affairs and services on sound business methods.

It has been said that "the nearest approach to self-esteemed immortality on earth is a Government bureau," and surely Congress is cognizant of its gargantuan creations, and I believe that Members of the Eighty-first Congress are fully aware of and sensitive to the fact that various bosses, heads, or department executives of Government bureaus and agencies, as well as many of their assistants and other employees, are inclined to be contemptuous of the duly elected representatives of the people in Congress, and frequently thumb their noses with derision at Congress. The execution of the functions, business affairs, and policies of our Government are controlled and administered by executive managers of Government bureaus who are not elected by a popular vote of the people and who are not subject to discharge by the electorate. On the contrary, they are independent of such electorate and are securely protected by a bureaucratic Civil Service Commission and its rules and regulations regardless of incompetence and uselessness of their jobs. Such executive managers of Federal bureaus and agencies seek to control and actually do wield a powerful influence over Congress, by the use of patronage, and the control of Federal projects and expenditures of the moneys appropriated by Congress. For example, a friend and fellow Member of Congress recently advised me that it might be unwise to vote for the approval of a reorganization of a certain Government department because that department might be offended and oppose expenditures of money on projects in my district. Such a situation, if it exists, amounts to disgraceful bureaucratic blackmail and must be corrected. Federal bureaus and agencies must not be permitted, directly or indirectly, to control the powers vested in Congress by the Constitution of the United States. They must not be permitted to influence Congress by such unfair use of the taxpayers' money appropriated by Congress, nor should they be allowed to exercise such dictatorial power over Congress in any manner whatsoever which would be prejudicial to the rights of the American people in any congressional district. Such a system in our Government is undemocratic, wasteful, and inefficient.

We must not jokingly say or believe that a bureaucrat is a Democrat holding a Government job which a Republican wants. In fact thousands are Republicans, but in my opinion the majority of such Government job holders are neither Democrats nor Republicans; they are Government bureau politicians and specialists in obtaining and keeping influential positions in our Government.

Waste and red tape are twin brothers. They go hand in hand. Our present civil-service system permits, encourages and results in bureau expansion by ambitious bureaucrats. This is what one Government official said:

> I have seen guys take a job that used to be done by two girls and build it into a special section employing more than a dozen people. That way they could point to the number of employees under their supervision and get themselves a higher civil-service rating and a boost in pay. I once watched a man who took a simple job, subdivided it into eight functions, wrote lots of memoranda, hired more people, called staff conferences, had the minutes of the conference recorded, mimeographed and distributed, and so forth, and so on. He became a big shot.

Another department supervisor has told the following story:

> One of the most disheartening things I've ever run into was the case of an office worker in my own department. He had come into the Government during the war, and he was so incompetent that each department kept palming him off on another unsuspecting office. But his seniority rating was high, and involved civil-service rules made it almost impossible to get rid of him. He finally landed with me. In a moment of idealistic enthusiasm I tried to fire the man. Well, before you could say gobbledegook, investigators from the Civil Service Commission came around and a big fuss with the labor-management committee started, and I would have had to fight my way up through three appeal boards. But I did dump this lame duck in the lap of another unsuspecting section chief.

The great depression of the 1930's, the demands made by the war, the increased emphasis on national defense, and the assumption of world leadership in foreign affairs have all been factors contributing to the necessary expansion of the Federal Government and its agencies. But long before the depression, the problem of the proper organization and direction of the Government was causing severe headaches to those charged with supervising its activities.

Public Law 162 declares the policy of Congress to be "to promote economy, efficiency, and improved service in the transaction of the public business in the executive branch of the Government."

This is to be done by limiting expenditures to the lowest amount consistent with efficient performance of essential duties, by eliminating duplication and overlapping of service, by consolidating service, by abolishing unnecessary functions, service, and activities.

The Commission appointed by President Truman, known and referred to as the Hoover Commission, has performed commendable and constructive work and the Commission's report and recommendations clearly reveal our antiquated Federal machinery of government and the need for overhauling and reorganization. The report is loaded with facts about duplication, overlapping, waste,

and inefficiency in the massive Government bureaus, departments, and agencies.

The members of the bipartisan Commission of 12 members established by Public Law 162 chose as their chairman, Herbert Hoover, the only living former President of the United States. We may be proud of the caliber of the members of the Commission, all of whom are extremely able men, sincerely devoted to the cause of providing a better government for the American people. The same statement is applicable to the members of the 24 task forces which did the spadework for the Commission in the various subject-matter fields. President Truman should be heartily commended for his consistent and wholehearted cooperation and support of the undertaking. It is now imperative that action be taken on the recommendations which have resulted from the labors of all these people. We must find in the near future workable solutions to the problems posed by the tremendous growth in size and complexity of the Federal Government—problems which have been recognized for half a century. We can do no better than to take the findings and recommendations of the Hoover Commission as a starting point.

The Commission on Reorganization of the Executive Branch of the Government, appointed by President Truman, and generally referred to as the Hoover Commission, has published 18 reports to the Congress as well as 18 task-force reports, a total of 3,400 pages of material. There are also some 8,000 pages of unpublished data which were collected during the investigations. Specific examples of ways in which the efficiency and economy of the Government may be promoted are found in every report. The reports reveal shocking duplications and waste in Federal bureaus and agencies. I cite a few examples, as follows:

As of June 20, 1948, the Veterans' Administration was handling nearly $40,000,000,000 worth of life insurance in nearly 7,000,000 policies. More than 15,000 employees were engaged in insurance activities, with an average work load of 450 policies per employee. A comparable private company has a work load of 1,762 policies per employee. The record of death claims is equally bad.

The Veterans' Administration requires an average of 80 days to process death claims with some claims unpaid after more than a year. Private companies pay about 80 percent of their death claims within 15 days. The Hoover Commission has recommended that the insurance operations of the Veterans' Administration be organized as a separate Government corporation, with emphasis on business-type budgeting, accounting, auditing, and methods of operation.

Two Federal agencies planned in 1948 to build the same dam on nearly the same site, at Hell's Canyon in Idaho, at a cost approaching half a billion dollars. One dam was to be 710 feet high, the other 740 feet. One was estimated at $258,000,000, the other at $433,000,000. Confused by the two costly and conflicting surveys—one submitted by the Army Corps of Engineers, the other by the United States Reclamation Bureau—Congress has authorized neither project.

The multi-million-dollar Pine Flat project in California is another specimen of Army engineers-Reclamation duplication at the taxpayers' expense. The two agencies conducted separate field investigations, drew up separate reports, and after a 5-year fight before Congress each was authorized to construct the same project. But the engineers are now at work, having corralled the first money.

Two large and expensive agencies are in continual conflict over the management of national forest and grazing lands. They are the Forest Service and the Bureau of Land Management. They comprised one of their clashes by dividing large acreages of public land in western Oregon into checkerboard sections. One agency now manages the even-numbered sections, the other the odd-numbered sections. They maintain separate forestry organizations and their rangers crisscross each other's lands in performing their duties. Loggers must negotiate contracts with both agencies to remove timber.

This tax-devouring rivalry still goes on. Within the past year, the Land Management Bureau established six regional offices, each in an area in which the Forest Service already has a regional office.

Often from 5 to 10 separate organizations of the Department of Agriculture operate at the same time in rural counties—not counting nomadic services which include specialists on Japanese-beetle control and golden-nematode extermination. Recently a Missouri farmer received from 5 different department agencies varying advice on how to apply fertilizer. The Commission report states that farmers are confused and irritated by such conflicting agencies.

Four separate Federal agencies make short-term loans to farmers. Each maintains its own organization. They represent a Government investment in excess of half a billion dollars. Some of them receive and invest in Government bonds. Thus the Treasury ends up by paying interest on its own money.

In New Orleans there are five Federal hospitals, all within 6 miles of the center of the city, operated separately by the Veterans' Administration, the Army, the Navy, Navy Air, and United States Public Health Service. Their joint capacity is 1,620 beds. When surveyed, they had 913 patients. Unified planning could close three of these hospitals at a large saving.

In New York City there are 11 major Federal hospitals in the metropolitan area, with a total capacity of 8,257 beds. When surveyed, they held 5,330 patients. To care for them, 7,000 persons were employed, including 630 full-time physicians. Four of these hospitals could be closed at a considerable saving, and better medical care would result. Nevertheless, three Federal agencies are now building or planning for New York five additional hospitals at a cost of $105,000,000.

Although the Government is spending over $40,000,000,000 a year, it cannot tell from its books what is accomplished with the money. Its cumbersome accounting system does not show it. One reason is this:

Instead of asking Congress for a flat sum to run a specific project, many agencies split their budgets into fragmented appropriations under headings which frequently disguise the real use to be made of them. Thus, the $43,000,000 required to run the Forest Service this year will come from 16 separate appropriations. In addition, funds will come to it from the Secretary of Agriculture. A reading of the budget would indicate that only $26,000,000 was needed.

No one can possibly tell from the budget what it is costing to operate the skyscraper National Medical Center of the Navy, at Bethesda, Md. It received funds from 12 different Navy appropriations, many appearing under such indistinguishable headings as: "Secretary's office, miscellaneous expenses"; "Bureau of Ships, maintenance"; "Bureau of Supplies and Accounts, transportation of things."

Overlapping, conflicts of authority, and other inefficiencies build to $43,000,000 a year the cost of handling Federal statistics. Some 50 different agencies engage in this work. The Commission reports "many defects," including contrary figures and gaps in the statistics assembled by a diversity of agencies at great public expense.

When Federal agencies have money left over at the end of a year, they are prone, instead of returning it to the Treasury, to stock up on supplies. Some have enough supplies on hand to last them for 50 years.

The foregoing examples are only a small fractional part of the many revealed and set forth in the Commission's report.

The Hoover Commission report recommends an increase of salaries for the administrators of executive positions in our Government bureaus and departments, in order to obtain the services of men with business experience and executive ability to correct the inefficiencies and waste hereinbefore mentioned.

As a Member of the Eighty-first Congress, I am proud of my support and vote for H. R. 2361, a bill providing for the reorganization of Government agencies and for other purposes, which was approved and passed by the House of Representatives on the 20th day of June 1949. This bill, H. R. 2361, was passed by the Senate, signed and approved by the President and is now Public Law 109, Eighty-first Congress.

Under the provisions of the bill, now Public Law 109, Eighty-first Congress, the President is authorized to examine and from time to time reexamine the organization of all agencies of the Government and determine what changes therein are necessary to accomplish the following purposes:

1. To promote the better execution of the laws, the more effective management of the executive branch of the Government and of its agencies and functions, and the expeditious administration of the public business;

2. To reduce expenditures and promote economy, to the fullest extent consistent with the efficient operation of the Government;

3. To increase the efficiency of the operations of the Government to the fullest extent practicable;

4. To group, coordinate, and consolidate agencies and functions of the Government, as nearly as may be, according to major purposes;

5. To reduce the number of agencies by consolidating those having similar functions under a single head, and to abolish such agencies or functions thereof as may not be necessary for the efficient conduct of the Government; and

6. To eliminate overlapping and duplication of effort.

Public Law 109, Eighty-first Congress, declares that the public interest demands the carrying out of the purposes specified in the above-numbered subsections 1 to 6, inclusive, and that such purposes may be accomplished in great measure by proceeding under the provisions of this act, and can be accomplished more speedily thereby than by the enactment of specific legislation.

The above-mentioned Public Law 109, Eighty-first Congress, further provides that the reorganization plans submitted to Congress by the President shall take effect upon the expiration of the first period of 60 calendar days of continuous session of the Congress, following the date on which such plans are transmitted to Congress by the President, unless between the date of transmittal and the expiration of such 60-day period, there has not been passed by either of the two Houses of Congress, by the affirmative vote of a majority of the authorized Membership of that House, a resolution stating in substance that that House does not favor the reorganization plan or plans so submitted.

President Truman has submitted several reorganization plans during the past week, in accordance with Public Law 109, and it is the duty of Congress to cooperate with the President by staying in continuous session 60 calendar days as provided by said public law, or for such time as may be necessary to permit the President's Government reorganization proposals submitted at this session to become law and go into effect.

Additional reorganization proposals will be submitted by the President at the next session of Congress, beginning January 3 of next year. It is reasonably estimated that Government reorganization plans if approved by Congress will result in an annual saving of $2,709,792,000 a year, and additional millions of dollars would also be saved by Government business efficiency resulting from the adoption of reorganization plans.

We are employed by the people as their Representatives in Congress to provide the proper legislation for the efficient execution of their Government business. We will be violating the terms of our employment by the people if we do not approve the President's Government reorganization plans. Such sensible and favorable action by Congress would be a historical achievement, for which the people of our great Nation would be grateful and proud.

Housing Needs of Allegheny County and the City of Pittsburgh

EXTENSION OF REMARKS
OF
HON. JAMES G. FULTON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1949

Mr. FULTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and statement:

UNITED TENANTS' ASSOCIATION
OF WESTERN PENNSYLVANIA,
Pittsburgh, Pa., April 6, 1949.

JAMES G. FULTON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: The enclosed is a condensation of the high lights of the Nurnberg Report. The report is the result of a 2-year survey by Dr. Max Nurnberg, economist and housing consultant, and was made to the Allegheny Conference on Community Development.

I hope the information will enable you to enter the housing picture of Pittsburgh and Allegheny County as submitted by the Tenants' Association into the CONGRESSIONAL RECORD.

Thanking you for your consideration, I am,

Sincerely yours,

TED J. LIEBERMANN, Jr.

ALLEGHENY COUNTY AND CITY OF PITTSBURGH HOUSING NEEDS—SUBMITTED BY THE UNITED TENANTS' ASSOCIATION OF WESTERN PENNSYLVANIA

1. Allegheny County needs 51,000 more dwelling units; 33,000 county, 18,000 city.

2. Allegheny County needs 21,000 more rental units; 12,000 county, 9,000 city.

3. Allegheny County needs 30,000 more owner-occupied units; 21,000 county, 9,000 city.

4. Allegheny County demand (ability to pay the price) for buying and renting for 1949 is 14,000 units; 5,000 county, 9,000 city.

5. Allegheny County rental demand for homes $60–$80 is 8,400 units; 3,400 county, 5,000 city.

When prices are above $60–$80 the demand shrinks to about 1 percent.

6. Only 17 percent of the families can buy a $13,000 home. Less than 30 percent can afford to pay $10,000. Only 8 percent of the middle income ($3,000–$7,500) are able to buy any house today.

7. Since 1940 the number of county families increased 4 percent to 397,000; 206,000 County, 191,000 city.

8. An estimated 18,600 had to double up involuntarily; 6,600 county, 12,000 city.

9. Population is expected to reach 456,000 families by 1960; 249,000 county, 209,000 city.

With potential housing needed for 164,026 families (60,950 in city).

10. At the present building rate (5,000 a year) the county and city combined would be short 109,000 dwellings by 1960 (on estimated population).

11. With 52,500 marriage applications in the last 3 years, the entire new construction would only take care of a little more than one-fourth of the newlyweds. At least 22 percent doubled up.

12. Repairs are needed on 82,000 dwelling units; 37,000 county, 45,000 city.

In a press conference in Pittsburgh on March 10, 1949, John J. Pendergast, regional housing expediter for Pennsylvania, New Jersey, New York, Maryland, and Delaware, stated that the housing picture in Pittsburgh is no better and that 1948 saw no material change in the over-all demand.

"The demand is just the same as ever—rental units for $40, $50, and $60 and homes for $10,000 and less."

Tribute to Senator Wagner

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. CELLER. Mr. Speaker, it is unfortunate that Senator Wagner resigns his stewardship as United States Senator of the State of New York because of illness. He has indeed been an effective and loyal public servant. Jurist, legislator, humanitarian, he has always struggled for the rights of the underprivileged. We all remember his solid work with the late lamented Alfred E. Smith in the New York State Legislature, where both pioneered for workmen's compensation, factory safety, and other kindred welfare legislation. The people of the State of New York rewarded his efforts by electing him to the United States Senate, where he has served with distinction.

In Washington he exemplified his rare talents for humanitarian efforts by his preeminence in the field of Federal social laws. He was the author of the first public-works program, the United States Employment Service, the Wagner Labor Relations Act, and our social security laws, including workmen's compensation, old-age pensions, and the like. He blazed new trails and we bestow upon him the accolade of merit for services well performed.

We fervently hope that his health will improve and that he will regain vigor and strength. He has our best wishes for happiness.

Harold Christoffel Decision

EXTENSION OF REMARKS
OF
HON. JOHN F. KENNEDY
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1949

Mr. KENNEDY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following copy of joint statement of SAMUEL MCCONNELL, Republican from Pennsylvania, ranking member of the party on the Committee on Education and Labor and Congressman JOHN F. KENNEDY, Democrat, of Massachusetts, a member of Subcommittee on Education and Labor which investigated Christoffel's Communist background:

We think it most regrettable that by a 5–4 decision the Supreme Court should have reversed the decision of the Court of Appeals, which found Harold Christoffel guilty of

committing perjury before the Committee on Education and Labor of the House of Representatives.

Not only does the decision give a witness an opportunity to go free after falsely denying he was a Communist, but also the decision will have far-reaching effect on the operations of congressional committees and the many subcommittees, and will retard the working of the committees, which in turn will affect the legislative processes.

Justice Jackson, in his dissenting opinion, said, "All the parliamentary authorities, including those cited by the court, agree that a quorum is required for action, other than adjournment, by any parliamentary body; and they agree that the customary law of such bodies is that, the presence of a quorum having been ascertained and recorded at the beginning of a session, that record stands unless and until the point of no quorum is raised. This is the universal practice."

A quorum was present at the beginning of the afternoon's hearings of the Education and Labor Committee, and no member of the Committee, and Mr. Christoffel himself did not raise any point of order that a quorum was not present at the particular time of his testimony.

What a travesty on justice, that a Communist witness testifies untruthfully before a recognized committee of the House and then escapes the consequences of perjury by a technical claim that a specified number of Congressmen were not present at a particular moment.

Harold Christoffel was the president of local 248, United Automobile Workers, CIO, of local No. 248. In war and in peace, he used his power, not for the benefit of members of his union, but in the interests of the Communist Party.

We believe the Education and Labor Committee should carefully review this entire matter.

Address of Hon. Harold D. Cooley

EXTENSION OF REMARKS

OF

HON WATKINS M. ABBITT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. ABBITT. Mr. Speaker, I have requested permission to extend my remarks in the RECORD and include the address of the Honorable HAROLD D. COOLEY, chairman of the House Committee on Agriculture, delivered at the State conference of PMA committeemen, Richmond, Va., on April 22, 1949. HAROLD COOLEY is one of the outstanding and beloved Members of the Congress. He is respected and admired by all of his colleagues. His advice and guidance is often sought by his associates. He has taken an active part in all major legislation coming before the House of Representatives for consideration.

As a member of, and now chairman, of the House Committee on Agriculture, Congressman COOLEY has made an outstanding record in solving the problems of the farmers of America. He has fought for wise and beneficial legislation. He has the respect and admiration of all the members of his committee.

It is a real pleasure for me to serve as a member of that committee and to realize and know we have a chairman who is courteous, energetic, and considerate of the other members of his committee at all times. I am glad of this opportunity, Mr. Speaker, on leave to extend my remarks in the RECORD, to include the address of the Honorable HAROLD D. COOLEY:

I am very grateful to my kind friend, WATT ABBITT, for the splendid manner in which he has presented me, and I am likewise grateful to you for the warmth and cordiality of your response. Frankly, I wish that my friend could go down into my district and make that speech in my behalf.

I am happy to be here today for many reasons; not the least of which is that I am here on this platform with my colleague, WATT ABBITT, whom I have known for only a short while. I am very fond of him, and I am very proud of the record he is making in Congress. He is a faithful servant of the people. He is a loyal man; a hard worker. I have been in Congress for many years, and I have seen men come and go by the dozens, and I think I am safe in saying that I don't know of a single one who has made more friends in Congress in the short while he has been there than has WATT ABBITT. He has applied himself diligently, and he possesses all of the fine qualifications to make a good representative of the people.

I am happy to be here today because I am in the city of Richmond. It is true that this is my mother's home, and in this city both my mother and my father died, and my one little girl was born here, so I feel very much at home. I come not as an alien to a foreign land, but rather as one who returns to the home of his ancestors and to the household from which he sprang.

I am happy to be in Richmond, and I am glad of the fact that Richmond is at least "where the South begins." I love the South, and I like to be in the South. I love the traditions of the South, and I love southern people. I am happy for another reason, and that is that I am able to get away from Washington, the town of circles and great confusion. That is now a metropolitan, cosmopolitan city. People are there from everywhere, and they are asking for everything.

I feel, as I say, very much at home here with you ladies and gentlemen, and I want to talk with you seriously about some of our common problems. You heard a man make a remarkable statement a moment ago. The very distinguished and beloved Under Secretary made reference to my being chairman of the House Committee on Agriculture, told you that he loved to visit that committee room and that he always enjoyed the questions that were propounded to him. I just want to tell you, ladies and gentlemen, that we are going to have a good time in that committee room Monday morning because there are going to be some questions propounded. You know, we have a very distinguished and beloved Secretary coming before the committee Monday morning and I want to extend to all of you a cordial invitation to attend the session. He has brought before us the program which we are now considering. I shall not undertake to discuss the program he has submitted. I am sure that he has worked on it faithfully and that he is bringing it in all sincerity in the honest belief that it is in the interest of the farmers of the Nation.

I was glad to hear Mr. Loveland say a moment ago that he was proud of the farm program that we now have, and I want to say to you that I take great pride in the very minor part that I have played in the preparation and passage of the program which is now in existence. I think it is a well-rounded program. I think it is a permanent program. It is a program that has served well the needs of this Nation, both in times of peace and in times of war.

When war came upon this earth American agriculture was better prepared for the impact of war than any other segment of our economy. Why, the warehouses were filled to overflowing and our fields were flourishing, and even with less land and production, with less labor and with less machinery and with less fertilizer, we have produced in a magnificent fashion. American agriculture geared itself to the wheels of war, and we not only fed our own civilian population, but we fed our military population and we made a great contribution to the support of our allies. Yes, American agriculture made America the bread basket of democracy. Surely, farmers were offered some inducement, but after all it was a true patriotic zeal that spurred the farmers of this Nation on.

Now that the war is over we have come into the postwar period. We must make major adjustments. Just as the Under Secretary said a moment ago, we must be willing to accept the situation in which we find ourselves. We were prepared for the shock of peace. Now we must meet the problems of the peace we now enjoy. We must make some terrific adjustments, some drastic adjustments. I have been told that if we are to reduce production to the point of reasonable demands, if we are to cope with the level of supplies and demands, that it will probably be necessary for us to retire from 28 to 30 million acres of land from wheat, from cotton, from peanuts, from tobacco, and the other basic crops. That is a drastic change in American agriculture, but I believe that the farmers of this Nation are intelligent enough to appreciate the importance of making the adjustments which I indicated necessary in the situation in which we find ourselves. I believe that the farmers of Virginia and North Carolina are more willing and ready to make the drastic adjustments which will be required than perhaps any other farmers in America. We have enjoyed the blessings and the benefits of this Federal farm program, and we must be willing to accept some of its burdens. We must be willing to cooperate with our fellow farmers in keeping production in line with consumer demands.

I want to leave this thought with you, that we farmers have done a pretty poor job of educating the public with regard to our farm program. You hear a lot of talk about the farm bloc. We are referred to as selfish and greedy, trying to get more than our fair share of the national income and of the consumer dollar. The truth is that the farm program and every part and parcel of it is a program enacted in behalf of the general welfare of the people of America. No city Congressman need apologize to his constituents because he has voted for farm legislation.

Yes, I even say that with regard to the support program. To be sure, the support program was inaugurated for the purpose of giving the farmer some inducement to increase his effort to put a floor under prices so as to accord him security. By and likewise it was a part of that program for the farmer to produce an abundance of all of the essential foods and fibers so that the consumers of this Nation could have something to eat and something to wear. But for those programs—yes, but for the support program, we might have had a scarcity of essential foods and fibers, resulting in unreasonably high prices. So I say that the farm program is just as much in the interest of the consumer as it is in the interest of the farmer. As proof of it, during the last 2 years, though the control of the legislative branch of our Congress was in the hands of another great political party, during that 2 years there wasn't a single part or parcel of our farm program repealed or junked. It is still intact, and we are still operating under it, in both Houses of Congress appointed special committees during the last 2 years. My committee traveled in all of the major agricultural areas of America. The Senate committee visited all parts of the country, and both committees held hearings, and farmers were given a free opportunity to speak. Both committees found on those surveys that the farmers of this Nation

were proud of the program which has been built in the last 16 years.

Now we are coming into a new situation. We have suspended upon the heads of Congress a law which was enacted in the dying hours of the last session of the Eightieth Congress, at 5:30 o'clock Sunday morning—rammed through the House, and I dare say there were not six men on the floor of the House who knew or understood it. So anxious were they to secure its passage that they were willing to suspend its operations until January 1950. Now we have that law suspended over our heads.

We have heard a lot of talk about flexible parities and flexible supports. I don't know how you feel about it, but if parity is fair, certainly 90 percent of parity is as unfair. We have had a lot of experience in recent years, and the tobacco farmers know something about the necessity of making adjustments in production. Our tobacco program has operated more successfully and cheaply than any other program yet suggested or inaugurated. We have had more experience than any other group of farmers in America. We know what happened to us in 1930 when the collar started to gall our necks a little bit. We threw it off, and down and down and down went the prices, and when next year came around we had learned our lesson. We know that when we cooperate and produce a reasonable-size crop that it can be sold more profitably than when we produce a surplus of that commodity.

I think farmers are entitled to adequate support when they are willing to make reasonable adjustments. I am definitely and unalterably opposed to giving high support on commodities that are produced without limitation. On every single, solitary occasion when we have undertaken to support commodity prices with unlimited production we have come to great grief. Look at the potato program, costing us now a million dollars a day. That one commodity has done more to bring the farm program into disrepute than all the rest of them put together. I don't believe that we can support part of a crop or a part of production because, whenever we do, that part which is supported finds its way into the storage warehouses. The man who has cooperated with no program, who has made no adjustments or reductions, sells in a market that has been relieved of the surpluses which have been siphoned off and stored in storage warehouses. I don't believe that the farmer who is willing to cooperate with his fellow-farmers should hold an umbrella over the head of the man who is not willing to cooperate.

We are looking into a future that is draped with uncertainty. Yes, all of us must realize that we are living in a sick and a sad and a sorry world; a world that has been literally destroyed by the cruel arts of war—one nation after the other devastated. Here in this part of the world we know what world trade means to us as individuals. We have traditionally grown crops for export, cotton, tobacco, and peanuts, and next year we are faced with the almost certain necessity of placing marketing quotas on those three major farm commodities—on my farm and your farm. We will have marketing quotas on our tobacco, on our cotton, and on our peanuts and that will be the first time that we have had control on three major commodities at the same time. That is going to bring about some great changes on your farm and mine. We know that we are dependent upon export trade. In 1939 when it became necessary for Great Britain to marshal all her dollar resources and withdraw the British buyers from our tobacco markets, all of us remember that prices just didn't decline—we locked up the warehouse doors and closed the market, and we did that because of our great dependency on foreign markets. We did that in the spring of 1947 following the issuance of a white paper that was placed before the British Parliament in the middle of April. When they curtailed their purchases and surrounded our markets with great uncertainty because of our dependency upon the British markets, we closed our markets in North Carolina. And they remained closed until we worked out the financial arrangements which enabled the British buyer to return to the market. I mention this only to emphasize the point that we are dependent upon world commerce and world trade and to bring home the fact that the channels of world commerce have been choked, and only by the revival of the world market will we be able to expand production profitably in this country.

Your Nation and mine has embarked upon the most magnanimous program ever inaugurated by any nation in all history—a program of great magnitude. We started out to rebuild the world, to aid in the rehabilitation of the devasted areas, and I say it is magnanimous and most charitable because we are actually making great grants to our former enemies. No one ever thought there was any question about our winning the war. No true American ever doubted for one moment that the members of our armed forces would win many great victories on the battlefronts and would ultimately win the war. The brave men of this State and this country went out and died on the ramparts of freedom and on the seven seas throughout the universe. They died that the institutions of freedom might survive and continue to live here in this great land of liberty, and they fought for the authors of freedom. They fought for the world. And now in this hour all of us sit here today and wonder whether or not we will be able to win the peace. Yes, we are wondering if we are going to lose victory, the fruits of the victories, the hard-won victories of the last World War; and we are wondering this, notwithstanding the fact that VE-day has come and gone and VJ-day is now written in history.

The fact is, that the documents of peace haven't even yet been written or signed—we are living in a world of uncertainty. By extending a hand of charity and help to the broken and bleeding economies of this world, the Marshall plan has perhaps surprised even its most ardent enemies. We are told that more has been accomplished in 1 year than we had hoped might be accomplished in 2 or 3. I have had an unusual opportunity, I suppose, as a Member of Congress to travel in the different parts of the world and see some of the destruction that has been wrought. It is difficult for anyone to appreciate the magnitude of the destruction and certainly difficult for anyone to describe it. It is a splendid thing to see the flag of your country flying in the ancient capitals of the world. I have seen it in Vienna, in Rome, in Berlin, and in Tokyo and on the islands of the Pacific. And as I saw the Stars and Stripes in those distant places, I couldn't help but think of the blood that had been shed by American men who placed our flag on the lofty peaks of the ancient world.

I would like to leave with you these questions: Are we going to abandon the fight? Are we going to turn our backs upon the sufferings of humanity across the sea? Or are we going to remember the sad lesson that we learned after the First World War? We thought then we were great and rich in power; that we could draw the curtain of complacency about us and live alone in luxury here in this great country. So we pulled our ships of commerce from the seas; we lifted trade barriers around about our Republic and high-tariff walls and we sought to live, but not for long. Economic isolation will mean economic suicide for America. We can no longer attempt to isolate ourselves from the rest of the world. Ancient empires have fallen apart into pieces. America has been given the role of leadership and to us has been handed the torch of freedom. Liberty-loving men and women throughout the world are looking to us to return this world to the high land of peace and prosperity. Oh, yes, we can turn our backs upon the sufferings of humanity, but remember, whenever we do, we are turning our backs upon the little white crosses that mark the last resting places of American boys who died that you and I might remain in the land of freedom. We have no alternative.

There are two great ideologies clashing in this world. We either believe in these institutions of freedom or we don't believe in them. We are either willing to live for them or we are not willing to live for them. If they were worth fighting for, if they were worth dying for, then certainly the people who are left here should be willing to live for the institutions of freedom, which have come down to us through the long corridors of the past. We must be willing to adjust ourselves.

We are looking today at agriculture in a changing world. Changing first from peace to war and then from war to peace. We cannot afford ever again to embark upon a program which contemplates scarcity. We must always be willing to produce an abundance and that is a program that we are trying to keep in existence, a program which provides for the production of an abundance of all of the necessary foods and fibers. I think that we should show our appreciation for the degree of prosperity which we have been permitted to enjoy since this Nation became so farm conscious and so soil conscious. True, as Mr. Loveland has said, the fertile topsoils of American farms and ranches are the greatest resources of this Republic. We must be willing to understand the propositions which look us straight in the face. I have a feeling that the farmers of this Nation appreciate this program, that they want it perfected, that they want it strengthened, and that they are willing to embrace it and to live with it. I don't know what we can put our retired agricultural land to. I don't know whether we can grow other crops without producing surpluses, but even if the fertility of the soil must be sealed up in the soil, far better it will be to seal it up in the soil than to mine it away by producing such surpluses that the people don't want and will not buy. I don't want to see this program wrecked. I don't want to embark upon any new experiments and run the risk of wrecking the program unless I am sure that the new idea is going to work in the interest of the farmers and in the interest of the people of my country.

I know that I have already trespassed too long upon your patience, but I want to say that I have seen this distinguished city's Congressman, my beloved friend and next-door neighbor, VAUGHAN GARY, come into the room, and I would not be true to the inmost feeling of my heart if I did not tell you that I have enjoyed his friendship immensely. He, too, is a very faithful servant of the people, a brilliant lawyer, a man of great ability, and I look forward to continuing my services with him. I want to say in behalf of all of you ladies and gentlemen that you have one of the best delegations in the House of Representatives that you will find in any other section. I don't know of a finer delegation in Congress than the Virginia delegation. All of them are friends of mine, and I have enjoyed knowing them. Now in closing these remarks, I want to say again that I have enjoyed very much being here with you today and I want to assure you of my constant and great interest in perfecting a farm program which will mean prosperity to the farmers and which will contribute to a peaceful world.

Even though VAUGHAN is what you might call a city man, he is just as interested in farm legislation as he is in any other type

of legislation that is proposed. He is always interested in knowing about new proposals and suggested amendments, and he has always been most helpful in drafting, in presenting, and in passing farm legislation.

I have enjoyed very much being here and I hope that I may have the pleasure of seeing all of you again sometime in the not too distant future.

The Housing Bill

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

JUNE 22, 1949.

Hon. JOHN W. McCORMACK,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN McCORMACK: Representatives of national organizations signing this communication to you in support of immediate passage of H. R. 4009, the Housing Act of 1949, have a twofold purpose in writing.

1. We wish you to know of our deep appreciation of your constructive leadership toward achieving favorable action on this measure. We applaud the fact that Speaker RAYBURN and you called for a caucus of Democratic Members in order that they may be thoroughly versed in the facts concerning the housing program which is so vital to our Nation's future welfare.

2. It is our expressed purpose to give you this evidence of the tremendous public support for a national policy on slum clearance, public low-rent housing and farm housing. The organizations we represent have through public education been supporting the objectives of H. R. 4009 for many years. On no controversial measure before the Congress is there greater public support than exists for the housing bill. We shall continue our efforts in behalf of this legislation until it is enacted, and will then accept our public responsibility to help achieve the objectives of slum clearance and public low-rent housing in communities throughout the Nation.

We recognize the power of the opposition to H. R. 4009 and we know that every vote is important if the measure is to pass. For your leadership we are grateful, and in turn we wish you to know that you have our continuing and wholehearted support. It is our earnest hope that the measure will pass. With expressions of our esteem, believe us, we are,

Respectfully yours,

Rev. Thomas Keehn, Council for Social Action of the Congregational Christian Churches of the U. S. A.; Rev. Beverley M. Boyd, Federal Council of the Churches of Christ in America; Fern M. Colborn, Assistant Secretary, Division of Social Education and Action, Presbyterian Church, U. S. A.; Rt. Rev. Msgr. John O'Grady, Secretary, National Conference of Catholic Charities; Rev. Robert Van Deusen, Washington, Secretary, National Lutheran Council; Richard J. Gray, President, Building and Construction Trades Department, A. F. of L., and for the Housing Committee, American Federation of Labor; Harvey Brown, President, International Association of Machinists; Anna Lord Strauss, President, League of Women Voters of the United States; Ruth Craven, Executive Secretary, National Council of Catholic Women; Mrs. Irving Engel, National Vice President, National Council of Jewish Women; Mrs. Mary McLeod Bethune, President, National Council of Negro Women; Elisabeth Christman, Secretary-Treasurer, National Women's Trade Union League; Mrs. Theodore O. Wedel, Chairman, Department of Christian Social Relations, United Council of Church Women; Norma Sims, American Association of Group Workers; Philip Schiff, American Association of Social Workers; Elmer Henderson, American Council on Human Rights; Joseph Chlorety, American Veterans Committee; Bernard M. Weitzer, Jewish War Veterans of the United States; Simon Slavin, National Association of Jewish Center Workers; George Hamilton, National Association of Rural Housing; Lawrence M. Cox, President, National Association of Housing Officials; James Mitchell, National Council of Catholic Men; James Patton, President, National Farmers Union; Edward Weinfeld, President, National Housing Conference.

Retirement of Maj. Gen. Wilton B. Persons

EXTENSION OF REMARKS

OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Thursday, June 30 (legislative day of Thursday, June 2), 1949

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me in tribute to Maj. Gen. Wilton B. Persons on his retirement today from the Regular Army.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Today marks the retirement from the Regular Army of Maj. Gen. Wilton B. Persons. I count it a privilege to pay tribute to General Persons on this occasion.

In my opinion, Mr. President, it adds to the high praise heaped upon the top civilian and military leaders of our armed services during and since World War II to say that General Persons ranks second to none in the depth of respect with which he is rightly regarded by the Congress of the United States. During my service in the United States Senate it has been my pleasure to meet many men of competence in government who have served their country with completely unselfish devotion. I have no hesitancy at all in saying that General Persons' devotion to duty and country is an inspiring example of the ability, forthrightness, and courage we would have considered typical of those who serve in all positions of public trust.

Others have reviewed in some detail for the Senate the progress of General Persons in the United States Army. Credit has been directed to him in recent days for his part in the enactment of many of those measures which helped pace the victory of America and her Allies in World War II. That credit has been properly placed, although the general would be the last to make claim to laurels for himself.

It would take much time to recount the many occasions when the knowledge and patience of General Persons has spelled the difference between defeat and victory for legislative proposals of vital importance to the armed services, the welfare and security of our country. On the other hand, he has been quick to recognize on other occasions the pitfalls of proposals pending before us. We have found his mind to be penetrating and his conclusions sincere. Our finding has been shared by his superiors and associates in the armed services. It is a significant tribute to General Persons that throughout the changes which have occurred in armed services organization and personnel those with top authority have continued to lean upon his experience and the wisdom that springs from it.

But, Mr. President, there is another phase of General Persons' service to which I refer today with the deepest of pleasure. It is his warm, human understanding of the problems of the men and women in the Army's ranks, and their families at home. I have never found him unwilling to direct sympathetic attention to the personal situations of those who have served their country in the lowest to the highest grade.

There are many families in New Hampshire, Mr. President, who owe a debt of gratitude to General Persons. There are many veterans of World War II the country over whose lives are happier today because this top-ranking officer of the United States Army was never too busy to give personal thought to the difficulties which arose in the wartime living of these men and women in places far away from home. Many are the stories told of the human kindness displayed by leaders in America's wars but I dare say that none of them would outshine the story which could be written of the human understanding of General Persons who lays his Army duties aside today. I think no higher tribute could be paid a military leader than to say that he is the friend of those who serve in the ranks and enjoys their full respect.

This man who for so many years has been a welcome visitor to Capitol Hill almost daily, who has been on the job many times when men of less devotion would have taken rest leaves the United States Army to assume the position of superintendent of the Staunton Military Academy. I can think of no finer choice that distinguished school could make. General Persons understands young men. He has the character, the courage, and the vision to teach them how to measure their responsibilities of citizenship in the days ahead. He knows what their responsibilities are likely to be because he is aware of the duty of his country in this time of world confusion. The young men who come under General Persons' influence will respect him, Mr. President, as we respect him. That is why we can praise him warmly for work well done and extend our friendliest wishes to him as he goes to his new position.

The Longshoremen's Strike in Hawaii

EXTENSION OF REMARKS

OF

HON. HUGH BUTLER

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Thursday, June 30 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD two editorials dealing with the strike in Hawaii, one entitled "American Call to Arms," published in the Honolulu Advertiser of June 25, 1949, and the other entitled "Hawaii Blockaded," published in the Long Beach (Calif.) Independent of June 27, 1949.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Honolulu Advertiser of June 25, 1949]

AMERICAN CALL TO ARMS

Repeated blockades of Hawaii by ILWU's dictators are pegged definitely into the Communist plot to overthrow the Government of the United States and to surrender this country to Moscow in Senator HUGH BUTLER's documented report to Congress. His call to the American people to rise and defend their land against invasion is as clear as that which was sounded on December 7, 1941, when Pearl Harbor was attacked by an alien enemy. It proves beyond argument that Hawaii's plight today is not a local incident to be settled at home; that it is a major move in an organized assault upon the life of the Nation, and must be recognized as such at Washington.

This is the view also of influential newspapers on the mainland. The New York Daily News, most widely circulated newspaper in the United States, asks, "Wouldn't it be the height of folly to ignore the possibility that Stalin * * * has been rigging up some sort of Pearl Harboresque surprise for us in the Pacific? * * * Wouldn't Congress be wise to take the Hawaiian appeal for help against Bridges with extreme seriousness, and do it now?"

Most of the material in Senator BUTLER's report is not new to the people of Hawaii, although some of them profess to disbelieve it. However, it will have the effect of bringing the considered attention of many Americans, particularly those in Congress, to this Territory as meaning more to them than a provincial colony far out in the Pacific Ocean. It links Hawaii so closely to the rest of the country and so intimately to the lives of the American people that they cannot wholly ignore the present distress of 540,000 of their fellow countrymen here.

Coming at a time when the people of Hawaii are extending their utmost efforts to obtain congressional action that will end the current longshore blockade and prevent future assaults on the Territory's economic life by that means, the Butler report can be of tremendous value. It demands in no uncertain terms that Congress shall enact remedial legislation forthwith, and demolishes the foundation upon which President Truman based his declaration that he had no authority to rescue the people of Hawaii from the net in which they have been enmeshed by ILWU's blockaders. For Senator BUTLER shows conclusively that the situation here today is both national and international in its scope and in its effect, and a proper concern for the President of the United States, his Cabinet aides, and the country's legislators.

[From the Long Beach (Calif.) Independent of June 27, 1949]

HAWAII BLOCKADED

The Hawaiian Islands are blockaded more effectively than Berlin was by the Russians. For 2 months all ocean transportation of civilian goods has been stopped by the CIO Longshoremen and Warehousemen Union. These unions are dominated by Harry Bridges who is now on trial charged by the Federal Government with being a Communist.

If Long Beach and its immediate trading area were blockaded by a railroad or truck strike, the President would move in with an injunction. That area has about 540,000 people. Hawaii has just that number of persons who are made to suffer by the shipping strike. But the people of Hawaii have no votes in the presidential elections so nothing is done.

It is appalling how few people seem to understand or care what is happening. The Army and Navy ships are unloaded and allowed to sail. But the rights of 540,000 civilians are ignored. The radical leaders of the CIO union are using the misery of the people to gain control of the shipping of the islands.

The argument is over demands for pay increases for the longshoremen and warehousemen. The direction of the strike is by Harry Bridges in San Francisco. The Federal Government is attempting to ignore the issue because longshoremen have votes while the people of Hawaii do not. There is no other explanation apparent.

The pineapple crop is ready for harvest. It will probably be lost because of the shortage of tin cans. The trucking and warehousemen will not handle the crops as harvested. The loss to the Nation and the islands will be tremendous. But the misery of the blockaded people is the unreasonable result allowed.

If ever there was an example of the need for control of unions, this blockade is one. The Nation supported the airlift for the feeding of Berlin when blockaded by the Communists. It would seem reasonable that the Army and Navy should unload and load ships for the protection of the people of Hawaii.

It is time that unions, under such leaders as Harry Bridges, be disciplined. If they are not Communist-dominated, they are certainly very close to it. The Bridges control over Hawaii makes him a virtual dictator of the economic life of the islands. It is time that dictatorship is broken. The 540,000 people of Hawaii deserve to be protected just as were the people of Berlin. In either case, a ruthless dictatorship is responsible for the suffering of the people.—L. A. C.

The Labor Bill

EXTENSION OF REMARKS

OF

HON. PAUL H. DOUGLAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Thursday, June 30 (legislative day of Thursday, June 2), 1949

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a telegram sent to me on June 20, 1949, by James C. Petrillo, president, American Federation of Musicians, dealing with the labor bill which we have had under consideration in the Senate.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

CHICAGO, ILL., *June 20, 1949.*

Hon. PAUL H. DOUGLAS,
Washington, D. C.:

I read by the Sunday morning press that John L. Lewis commends Senators PEPPER, NEELY, and MURRAY for standing by the entire repeal of the Taft-Hartley Act. To this there can be no complaint. These three Senators are highly respected by the entire labor movement of America. The press further states that Lewis indirectly lit into those Democratic Senators who are backing amendments to the administration measure. However, it will not be long before Mr. Lewis will lambast these same three Senators that he is now bragging about. That is his reputation. He does not stay on the best possible terms with anyone for long. I say that 98 percent of labor in this country while favoring the entire repeal of the Taft-Hartley bill, including myself, are for any measure that you and the rest of the liberal Senators on the Democratic side and the Republican side, as opposed to the reactionary Republicans and Dixiecrats, can give labor. We feel that the only reason you are making amendments to the administration bill instead of entire repeal of the act is because there is very little possibility in this session of Congress to repeal the entire Taft-Hartley Act. We are satisfied that labor will back you 100 percent in anything you do. Mr. Lewis says that he wants all or nothing. Well that is the rule or ruin policy that he has always followed and will continue to follow. We in the American Federation of Musicians, numbering 237,000 have lost hundreds of thousands of dollars in wages since the Taft-Hartley bill has been put on the statute books of our country. We are willing to follow the leadership of men like you. What we cannot get today we may be able to get at some time in the future, but certainly we must start some place to tear down this vicious slave-labor bill. We also know that if it were not for men like you and the Democratic liberals including the Dixiecrats and some of the liberal Republicans that the reactionary Republicans in the Congress would take away what little freedom labor has left. Mr. Lewis and his organization were all but busted up when the late great leader, President Roosevelt, came into office and gave him a chance to rebuild it and you know how he repaid him by coming out for Willkie in 1940 and Dewey in 1944; but the coal miners voted for the late President Roosevelt and the record shows that in 1948 when President Truman came out for repeal of the Taft-Hartley Act that Mr. Lewis lined up with TAFT and company, but the coal miners again differed with Mr. Lewis and voted for Mr. Truman, while Mr. Lewis voted for TAFT and company. We are just wondering how sincere that man is when he puts a club in TAFT's hands to destroy all liberals and liberalism by first calling a strike in March of this year when the House of Representatives had the bill before the Congress and now that it is up before the Senate he again calls a strike, much to the delight of Mr. TAFT and his reactionary cohorts. In conclusion let me say that the labor movement is satisfied that the administration Democrats, like yourself and the liberal Republicans, are giving labor the best kind of a bill possible to get and we appreciate it, and that the betrayal of labor is not by the administration's amendments but by John L. Lewis.

JAMES C. PETRILLO,
President, American Federation of Musicians.

Railway Labor Executives' Association Speaking for Thousands of Railway Employees Opposes the Merging of the Railroad Retirement Board With the Social Security Administration

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. VAN ZANDT. Mr. Speaker, from several sources comes the suggestion that the Railroad Retirement Board should be merged with the Social Security Administration.

If such a merger occurs the Railroad Retirement Board would lose its identity as a separate and distinct agency of the Government, administering a retirement program the entire cost of which is borne

by railway management and railway employees.

The Railroad Retirement Board is one of the most unique agencies of the Federal Government and has been doing a good job since its creation in 1937.

Speaking for many of the employees of the railway industry Mr. A. E. Lyon, executive secretary of the Railway Labor Executives' Association, takes a very positive position against the proposed merger.

Having many railroaders in my congressional district, together with many retired railway employees, in my opinion Mr. Lyon speaks their sentiments.

For that reason I am calling your attention to Mr. Lyon's statement which is as follows:

MEMORANDUM ON PROPOSAL TO RECOMMEND EXTENSION OF THE GENERAL OLD-AGE AND SURVIVORS INSURANCE SYSTEM TO INCLUDE RAILROAD EMPLOYMENT

The subject of this memorandum cannot be intelligently considered without having clearly in mind the respective origins and histories of the railroad retirement system and the general social insurance system, although, significantly, proponents of covering railroad employment into the general system invariably avoid historical discussion. Divergent origins and histories may not in themselves constitute adequate grounds for continued differentiation, but the light they shed on the purposes served and functions performed by the respective systems cannot be ignored in informed and objective consideration.

Industrial pension systems in this country began on the railroads. During the 50 years preceding 1930, pension plans became practically a universal feature of railroad employment. Despite the universality and formality of pension arrangements on the railroads, the plans were, practically without exception, operated without substantial reserves; current pension payments were simply charged as current operating expenses. By 1930, when the railroads were hard-hit financially, the costs were still mounting annually and revenues were inadequate to meet these mounting costs. The insecurity thus engendered brought demands for congressional attention as early as 1930. In 1931 and 1932 several bills were introduced to deal with the problem. The problem was accentuated by the fact that in a period of several years in the early thirties practically all railroads reduced the pensions then in effect—the reductions ranging from 10 to 40 percent—in order to curtail expenses.

The impact of this condition in the industry was felt in several respects. Retirements virtually ceased. Railroad personnel became loaded with an undue proportion of superannuated employees. The cessation of retirements combined with almost universal and highly developed seniority rules operated severely to accentuate the unemployment among younger men, which due to the depression itself would have reached alarming proportions. At the same time the railroads, notwithstanding pension reductions, were faced with continuously mounting drains on diminishing revenues, while the retired employees and those facing retirement were robbed of that security that they had legitimately expected as part of the return for their services during their active careers.

The problem became one of major concern to the Federal Coordinator of Transportation who had been appointed under the Emergency Transportation Act of 1933 to assist in finding remedies for the most critical conditions afflicting the railroad industry. He, like the employees through their organizations, recommended the establishment of a railroad retirement system by Federal law. In 1934 he explained the seriousness of the conditions to Congress. (See especially Senate hearings on S. 3231, April 26, 1934, p. 154.) It was in response to the serious pension problem in the railroad industry, and not as part of any concern with social insurance, that Congress enacted the first Railroad Retirement Act in June 1934.

One may inquire at this point, Why did Congress concern itself with these problems in the railroad industry alone? Were there not pension plans in other industries that were experiencing similar difficulties? The answers to these questions again have several aspects. In the first place Congress has recognized ever since the development of a national railroad network that the national railroad transportation system must be an object of special congressional concern because it is the system of transportation arteries through which the commercial lifeblood of the Nation flows and upon which the defense of the Nation depends. That concern had been manifested innumerable times in the enactment of special legislation governing railroad rates and fares, relations with shippers, labor relations, safety practices, liability for employee injuries, Government operation in time of war, Government intervention in time of economic emergency, etc. In the second place, the railroad pension systems were longer established, more universal, and more uniformly facing collapse; in no other instance was an entire industry characterized by having throughout the entire industry long established pension systems which faced apparently certain collapse unless Congress intervened. Thirdly, the seniority system in the railroad industry was far more highly developed and of more universal application than in any other industry; that condition, when combined with the instability of the pension plans had the dual effect of loading railroads with superannuated employees and concentrating unemployment among the younger men—normal retirements were not being made and hence were not absorbing the expectable proportion of depressional unemployment.

The sporadic occurrence at numbers of points in other industries of conditions more or less similar to those running uniformly through the railroad industry served to give emphasis to the general problem of supporting the aged in an industrial economy, but they did not present a specific industrial problem. The general problem of social responsibility for the support of the aged in an industrial economy was brought to the fore by such factors as the widespread emergencies of destitution and the economic effect of lost purchasing power; hence the general social-security system was framed with those considerations in mind rather than the specific requirements of a solution to the railroad-pension problem.

The solution which Congress found for the railroad pension problem in 1934 was short-lived. The act was declared unconstitutional in 1935. The problem, however, was so pressing that Congress promptly enacted a new Railroad Retirement Act based on the taxing and spending power rather than the commerce power. The fact that the Social Security Act had been enacted in the interval between the declaration of unconstitutionality of the 1934 act and the enactment of the 1935 act was not regarded by anyone as having provided any solution to the railroad pension problems. Hence by the 1935 act railroad employees were deliberately removed from social security coverage and covered by a separate system directed to meeting the specific problems of the railroad industry. When new constitutional litigation was frustrating the efficacy of that act, the President was sufficiently concerned to make a personal appeal to railroad management and railroad labor to get together and work out a solution. The 1937 act, presented to Congress by labor-management agreement, was the result.

Two pertinent observations may be made regarding the circumstances of the enactment of the 1937 act: If the President had regarded the enactment of the Social Security Act, of which he was the political father and foremost exponent, as having solved the problems of the railroad industry, he would not have concerned himself with the railroad problems in 1936, for unconstitutionality of the 1935 act would automatically have resulted in coverage of railroad employment by social security. If railroad managements had felt that the problems of their industry were solved by the Social Security Act they would not have agreed to the setting up of a separate system that subjected them to substantially higher pay roll taxes than employers in other industry were required to pay.

From this background emerge the reasons why the general system of old-age and survivors insurance is not suitable to the railroad industry. First and most obvious is the fact that benefit levels of the general system, both when enacted in 1935 and as amended in 1939, are too low to be an adequate replacement of the railroad pension plans, whose instability was the root of the critical situation in that industry. This inadequacy is so generally recognized now that even the proponents of covering railroad employment in the general system tacitly concede it to be so. What they propose is universal coverage by the general system with a supplemental system for railroad employment to meet the special needs of that industry.

It should be carefully noted at this point, that once the need of a special railroad system, whether self-contained or supplemental to the general system, is admitted, the most appealing argument for a universal system, namely, equality of treatment for all, goes out the window. From that point on advocacy of extending the general system to cover railroad employment is dealing exclusively with the form and not with the content of the railroad retirement system. There can be little but a passion for symmetry or a bureaucratic concern with unified control that can impel advocacy of revision in the form of the railroad system.

But substantively a supplemental railroad retirement plan cannot do the job. That would have been the most obviously available scheme for the labor-management conferees to adopt in 1937, and had it appeared to those who know the industry to be a feasible device they would no doubt have adopted it.

There are too many reasons why a supplemental system won't do the job for a full presentation of them to be made here, but a few can be indicated. Any railroad retirement plan that adequately replaces the railroad pension plans must recognize prior service. One of the most important factors requiring Government intervention in the railroad pension problem was the necessity of salvaging the credit toward retirement benefits which those then in the industry had built up through their prior employment. Although this is a consideration that will gradually diminish over the years, there are now and will be for some years hundreds of thousands of railroad employees who have very valuable rights at stake in the recognition of prior service credits. The general system of old-age insurance does not recognize prior service. More than that, the formulas for calculating benefits are so constructed in lieu of recognizing prior service as to be defensible only in a system that does not recognize prior service. And it seems extremely unlikely at this date that there will be any revision in this basic approach. It is therefore impossible to engraft upon it any supplemental system that would accord the necessary recognition to prior service in the railroad industry, at least in any terms that would be comprehensible to others than the most abstract theorists.

A second essential of a railroad retirement system is the nonforfeiture of service credits earned. The fear of such forfeitures was a major factor in the insecurity of railroad employees that constituted part of the railroad pension problem of the thirties. Introduction into the railroad retirement system of any element of forfeiture of service credits would revive that insecurity. The general system of old-age insurance, at least as now established, depends on the forfeiture of credits by some in order to support the benefits available to others. To engraft onto this sort of general system a system of supplemental benefits that would eliminate forfeitures on the part of railroad employees would be too complex to be feasible and too costly to be conceived as practicable at least in the present climate of political and economic thought.

One of the elements that is greatly to be desired in any system of insurance is understanding of their rights by the beneficiaries. That is a goal that is extremely difficult to attain when benefit formulas have to be constructed to do even approximate justice among the variables that millions of individual cases present. The railroad retirement system, while far from ideal in this respect, is the fruit of the best efforts that leaders of railroad management and of labor, who know the beneficiaries best, could put forth. It may be said with assurance that railroad employees in general have a much better comprehension of their old-age insurance rights than do the beneficiaries of the general system. A scrapping of the present railroad retirement system in favor of inclusion of railroad employment in the general system, with a supplemental system engrafted upon it, would be a needless and foolish jettison of more than 10 years' produce in beneficiary education. Railroad employees would be given, in lieu of the relatively simple system they now have and generally understand pretty well, not only the more complex general system which few of its present beneficiaries entertain any hope of understanding, but that system encumbered with a railroad supplemental system that would add immeasurably to the complexity of determining ultimate benefit rights.

The sole reason advanced for covering railroad employment by the general system plus a supplement is that under such an arrangement there will be better coordination between benefits resulting from railroad employment and those resulting from other employment. As of the present time at least, this is a matter of only theoretical importance. It can be built up to fearsome potentialities by statistics of shifts in employment between the two systems. But in terms of concrete cases the proponents of extending the general system to include railroad employment would be hard put to find a significant number of cases, if indeed they can find any, in which split employment has resulted in patent injustice, through the individual getting either too little or too much in old-age benefits. For every such case that is produced we would gladly undertake to produce 10 cases of manifest injustice resulting from the social-security formula where there was no split employment. If the problem of coordinating benefit credits should ever be one of practical dimensions, as it may someday come to be, that will be the time to consider the kind of proposal now made; but it will have to be considered as one of innumerable conceivable means of coordinating benefit credits. And the relative efficacy of the available means will have to be considered in light of the specific problems of coordination that experience brings to light.

It is sheer effrontery to assert now on purely theoretical bases that inclusion of railroad employment in the general system is the only satisfactory means of coordination.

Those who assert that inclusion of railroad employment in the general system, together with a supplemental railroad system, is a satisfactory means (let alone the only satisfactory means) of coordinating credits from railroad employment with those earned in other employment should bear the burden of producing and submitting to critical examination a specific and concrete formula embodying the precise terms of the general system they have in mind and the precise terms of the railroad supplement they would propose. Such a concrete proposal could be subjected to valuation in terms of whether the general system predicated is the one that is now in existence or one that may be expected soon to be established; whether, if it is the one that is now in existence, it has shown itself to be a satisfactory base on which to build, or, if it is a proposed revision of the present general system, its prospects of coming into existence warrant planning a railroad supplement on that hypotheses; and, in either case, whether the specific railroad supplement proposed is a feasible one that would meet the needs of the railroad industry. The avoidance of these specific and concrete issues by sketching general and abstract goals is too glib to qualify as statesmanship.

Normally when an extension of a social-insurance plan is proposed, the proposal is based on a desire to benefit those to whom it is to be extended. What should be more remarkable than anything else about the proposal to extend social security to railroad employees is the complete absence of even a claim that such an extension would be to the advantage of railroad employees. It is clear that such a proposal, with or without a railroad supplement, would be to the disadvantage of the great bulk of railroad employees. The most that can be said for it is that, at the expense of the great bulk of railroad employees, it might theoretically benefit some individuals whose employment is split between railroads and other industry—with corresponding detriment to others whose employment is so split. The railroad employees have no intention of standing that expense. There can be no doubt that they will exercise their democratic right to resist such a proposal with every resource at their command. And such practical considerations, certainly no less than social blueprints, must commend themselves to the minds of those who would give the Congress helpful advice. For in a democratic society, unlike totalitarian regimes, the voices of those affected are entitled to respect in the formulation of policy and not merely to be regarded as resistance to be overcome in its execution.

Waltham Watch Co. Reorganization

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I should like to include a timely editorial, which appeared in the June 21, 1949, issue of the Waltham (Mass.) News-Tribune.

The editorial follows:

HE'S EARNING IT

No difficulty is found in establishing justification for the heated repudiation directed by John J. Hagerty to those who linked his appointment as head of the Waltham Watch Co. to the RFC's approval of a $6,000,000 loan for the financially stricken firm.

The allegation first appeared in Drew Pearson's column and later was repeated. In view of Mr. Pearson's reputation as a smear artist and his penchant for distortion, the matter scarcely seemed worth dignifying. Waltham had good reason to know that Mr. Hagerty was not even under consideration as prospective top executive at the time the loan was formally approved.

As the community well knows, the approval was announced by Hagerty himself at the United Waltham Committee public rally in Hovey Memorial on January 25. Not until April 7 was he appointed trustees' agent. Two weeks before the latter date he told the News-Tribune he had no knowledge such an appointment was in the making.

Considerable fuss appears to be stirred by the fact that Mr. Hagerty left a $10,300 post with the RFC to take over one paying $30,000.

Since when, might we ask, is it wrong for an individual to better himself if he has the talents to sell? Government frequently takes competent men from business and they offer their services at a sacrifice in salary. The situation can work with reverse English, and in this case it appears that the very action is assurance the Government stake in the reorganized firm will be protected.

The question of salary is not a fair issue. Predecessors of Mr. Hagerty were paid higher amounts. If he can make good in his acceptance of a challenge of great magnitude, he will by every measure be worth every cent paid him. The start he has made has been remarkably successful, fully justifying the confidence placed in him by the trustees.

Senator FULBRIGHT's questions at a Washington subcommittee hearing brought the matter out into the fresh air where it belonged. We hope Mr. FULBRIGHT is convinced that it is good business for Government to provide capable career men for industry, particularly where Uncle Sam has a stake in the operation.

Unemployment and Rise in Cost of Living Resulting From Strike of Longshoremen Shown in Report of Department of Labor and Industrial Relations of the Territory of Hawaii

EXTENSION OF REMARKS
OF
HON. JOSEPH R. FARRINGTON
DELEGATE FROM HAWAII
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. FARRINGTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a report of the Department of Labor and Industrial Relations of the Territory of Hawaii showing unemployment and increase in the cost of living resulting from the strike of longshoremen now in progress in the Territory of Hawaii.

The report follows:

TERRITORY OF HAWAII,
DEPARTMENT OF LABOR
AND INDUSTRIAL RELATIONS,
Honolulu, June 24, 1949.

Hon. JOSEPH R. FARRINGTON,
Delegate from Hawaii,
House of Representatives,
Washington, D. C.

DEAR MR. FARRINGTON: The following is a summary of the effects of the longshore strike on the department of labor and industrial relations:

UNEMPLOYMENT

The strike has aggravated the unemployment situation which at the present time is a matter of grave concern. Unemployment increased from May 1, 1949, to June 23, 1949,

by 5,050 persons, with the total number of unemployed amounting to 21,050. The number of unemployed is 11.2 percent of the total labor force of the Territory compared to a 3.5-percent national average.

Wholesale and retail firms laid off 1,192 persons since May 1, 1949, hotels and places of amusement 700, construction companies 810, transportation companies 488, and manufacturing companies 800. Nine months ago the total number of unemployed persons was 11,000. The comparatively large increase in unemployment in the 9 months prior to the beginning of the strike was in itself a serious matter as there were no employment opportunities available or in prospect for the majority of the unemployed.

UNEMPLOYMENT COMPENSATION AND SERVICEMEN'S READJUSTMENT ALLOWANCE

The direct impact of the water-front strike on the bureau of unemployment compensation is daily becoming more severe. Unemployment compensation claims had increased to an all-time high during May 1949, and it is estimated that the volume for June will be 40 percent greater. Unemployment compensation claims and servicemen's readjustment allowance claims will total over $500,000 for June compared to a total of less than $3,000,000 for the entire year of 1948.

Unemployment compensation claims

	New	Additional	Continued	Total
April	1,401	540	15,582	17,523
May	1,259	669	16,734	18,663
June (estimated)	1,650	901	23,783	26,334

Readjustment allowance claims

	New	Additional	Continued	Total
April	442	478	10,447	11,367
May	431	567	11,287	12,285
June (estimated)	589	1,261	15,946	18,096

COST OF LIVING

Retail food prices in Honolulu took an upward jump of 2.6 percent since the beginning of the strike which was in marked contrast to the steady decline of food prices in the previous 6 months' period.

On June 17 several basic items of food had practically vanished from the shelves and bins of retail stores contacted. Rice and evaporated milk were found in only one store, with sales limited or rationed to each customer, and this supply was exhausted within a day or two. Onions and potatoes were completely sold out and a limited supply of butter was on hand at greatly increased prices due to air-freight importation. Island eggs increased from an average of 99.6 cents per dozen in May to $1.115 in June or a rise of 17 percent within 30 days.

Since June 17 a few shipments of onions, rice, and potatoes have arrived on relief ships. However, current prices per pound for these items are: onions 25 cents, rice 28 and 29 cents, potatoes 25 cents. Canned milk is now on limited sale at a few stores, upon presentation of a doctor's certificate, to families with children.

It is probable that thousands of persons in the Territory are unable to pay the above prices for adequate amounts of staple items of food, or are unable to secure them if they do have sufficient funds.

MISCELLANEOUS

The number of miners who have found employment in industry has declined about 65 percent compared with the same period last year. This drying up of job opportunities is undoubtedly due to the general unemployment situation which has been aggravated by the strike.

Wage claims filed since the strike do not show an appreciable increase over the preceding months but we find that as the length of the strike is protracted a steadily rising curve of those claims filed is directly attributable to the inability of the employer to pay because he has been unable to secure replenishment of stocks.

The wage-hour inspectors of the department have observed in general a widespread cut-back in hours of work offered and in many cases a reduction of rate of pay.

Very sincerely yours,

E. B. PETERSON,
Director of Labor and Industrial Relations.

Basing-Point Proponents Use Terms "Absorb Freight" and "Delivered Price" as Sales Talks—These Terms Should Not Be Written Into Substantive Law—Dangers to Our Antitrust Laws Obvious as New Terms Are Added—Long Court Action While Antitrust Laws Are Sabotaged—Evils of Basing-Point System Defined—Congress Must Be Cautious When Monopoly Cheers Its Action

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. PATMAN. Mr. Speaker, it is regrettable that the billions paid into the coffers of monopolies through the use of artificial price controls and systems cannot be dramatized. These huge sums of money which have been extracted from the pockets of our people have been so screened from public view by devious and secretive methods that they are brought to light only when perpetrators are brought into court. The Staley case, the Cement case, and the Rigid Steel Conduit case are examples of cases that have supplied evidence of these facts.

It is difficult to arouse interest in an acute problem which by its very nature cannot be dramatized. Those of us who try to point out the dangers to our system of government and to our people on the subject of monopoly are somewhat handicapped in the presentation. We can all easily visualize a $5,000,000,000 appropriation for ECA or a $5,000,000,000 increase or decrease in taxes. We have some conception of the problem when we say that it requires a certain number of billion dollars to run the Government for a particular fiscal year. We can arouse interest when we contemplate the expenditure of $15,000,000,000 for national defense. There are many problems which come before the Congress which immediately catch the imagination of the Members, of the press and radio, and of the people. But, somehow, the terrific and incalculatable costs of monopoly to the Government and to the citizens of the United States and its devious and secretive methods cannot accurately be portrayed.

The building of highways or reclaiming wasteland immediately arouses our interest. The development of our great river basins and the protection of our farm land from erosion receives first consideration. We immediately go into action when disaster of any nature overtakes or threatens any portion of our country. It is to our credit and to the credit of a progressive people to be interested and concerned about these matters. Congress has shown its interest, and the people have supported that interest, in the passage of antitrust laws. But, the danger now is that we are asked to weaken our antitrust and fair-trade practice laws by permissive legislation instead of prohibitive legislation.

Several months ago the Federal Trade Commission completed its evidence in Docket No. 5508, known as the Steel case. Up to this time, although Federal Trade Commission completed its case last September, the defendants have consumed the intervening time with delaying tactics and actions. Why have these defendants delayed? Is it the hope that Congress will pass legislation which will nullify all of the work of the Federal Trade Commission in its efforts to eliminate monopoly in the steel industry? Is it because of the powerful steel lobby, which is in operation and which has paid the greatest known sums of money for lobbying purposes, has assured its members that Congress will bail them out?

Without impugning the motives of any Member of Congress, and that I shall never do, I assure you if the S. 1008, as amended, passes you may as well abolish the Federal Trade Commission. If we do not abolish it, at least we can change its name to a more fitting one. Perhaps, the Commission for the Administration of Repealed Antitrust Laws would be appropriate.

Seriously, insofar as the administration of the laws entrusted to the Federal Trade Commission during the past 35 years, it would mean beginning all over again. What the devoted employee of the Commission would face is hardly enviable. A decade or a lifetime of work destroyed. The laws meaningless until tested again in the courts. Then after 35 more years work—another moratorium or another amendment which would again destroy years of effort.

Not only will S. 1008, as amended, open wide the gates for the destruction of small business, but I am equally sure the effectiveness of the Federal Trade Commission to stop evil trade practices in their incipiency will shrink to the vanishing point.

"ABSORB FREIGHT" DOES NOT MEAN WHAT THE TERM IMPLIES IN BASING-POINT PRACTICE

The phrases "absorb freight" and "delivered price" are dangerous ones to include in substantive law. These are "sales talks" used as an inducement to purchasers to make them believe they

are getting something for nothing. If these terms are written into law as contemplated by S. 1008, which passed the Senate on June 1, 1949, it will mean the return of the basing-point system of pricing which the Supreme Court outlawed more than a year ago in the Cement case. The phrase "absorb freight" has the connotation of something which the seller graciously bestows upon the buyer in return for his business. The term "absorb freight" will be used in such a way that it will mean "phantom freight." Where you have phantom freight the basing-point system of pricing is in full operation.

If the term "absorb freight," as used in the basing-point system of pricing, was really intended to benefit the purchaser by equalizing freight charges with the purchaser's nearest source of supply, it might mean competition. But, this equalization never happened under the basing-point system of pricing either in steel or cement. The use of arbitrary basing points in these industries were not for the purpose of benefiting the buyer but were for the purpose of controlling markets, creating a monopoly, and eliminating competition.

If the term "absorb freight" meant that freight charges were equalized by a seller whose plant was more distant from a shipping point closer to the buyer, the term might have substance. But, under the basing-point system of pricing, it has no such meaning. The location of a source of supply close to the buyer, under the basing-point system, made little difference because his closer source of supply might be a nonbasing point or if it were a basing point the buyer might not be in that particular basing-point's territory.

DIVISION OF TERRITORY WITHOUT REGARD TO FREIGHT ADVANTAGE

It was the division of territory without reference to the location of sources of supply and the arbitrary charge of freight from the basing point regardless of where the buyer purchased his material which enabled the Steel and Cement Trusts to extract unearned dollars in the form of phantom freight. Freight equalization in which the freight charge is equalized with the nearest competitive point is one thing; but freight absorption as practiced under the basing-point system does not produce freight equalization. It is the basing-point system with all of its monopolistic price and distribution controls which Congress must guard against.

WALL STREET JOURNAL DESCRIBES O'MAHONEY AMENDMENT AS ALLOWING USE OF BASING-POINT SYSTEM

The Wall Street Journal for Tuesday, June 7, 1949, continually speaks in a leading article of "freight absorption," as the term is now used by industry, in describing the basing-point system. It also speaks of delivered price in this connection. The Wall Street Journal says, with respect to the O'Mahoney substitute:

> The bill would amend the Federal Trade Commission Act and the Clayton Antitrust Act to permit freight-rate absorption (or use of the basing-point system) as long as there is no evidence of collusive price fixing. It would be permanent in effect.

I have pointed out time and time again how difficult it would be under permissive legislation to secure evidence of price fixing once such legislation is in effect. It took the Federal Trade Commission 25 years or more to finally bring the Cement Trust into the highest Court in the land and have the multiple basing-point system outlawed. It took many years of diligent effort to have the Pittsburgh-plus system outlawed, the system which forced everybody in the country to pay for steel on the basis of an f. o. b. Pittsburgh price, regardless of where the steel was purchased. I have told above of the delay incident to the new steel case and the procrastinating tactics which have been used. I believe that if we now pass a permissive act which, regardless of the language, may again permit the use of the basing-point system, none of us here present will be here when cases brought under this bill will finally have been decided—if they are ever decided.

BIG BUSINESS SPOKESMEN NOT AS FRANK AS BIG BUSINESS PRESS—SING SLIGHTLY DIFFERENT TUNE

The basing-point and monopoly boys are, however, becoming a little more cagey in their statements. With the defeat of the moratorium and the substitution of the language which the Senate adopted, as introduced by the distinguished United States Senator from Wyoming [Mr. O'MAHONEY], they are presenting a slightly different face. In the Wall Street Journal for Saturday, May 7, 1949, spokesmen were quoted as saying, "Only the word 'go' from Congress is awaited," to return to the basing-point system of pricing. Elsewhere in the article an undisclosed proponent talked of a green light from Congress and predicted, "All steel industry will pay freight bills if Congress approved." This, of course, was an erroneous statement intended to mislead, because it has never been a practice of steel producers to prepay freight shipments of steel to their customers.

In the June 7, 1949, article of the Wall Street Journal, it quotes unidentified cement industry executives as saying:

> The bill which has cleared the Senate goes a long way toward answering our major problem of pricing our product in competitive markets. The bill in no way approves or disapproves the basing-point system. It gives us the privilege of meeting competition.

Mark well the language as interpreted by one of the biggest cement companies in the country:

> The bill in no way approves or disapproves the basing-point system.

That statement, I believe, is sufficient for any fair-minded person to know that it is the intent and purpose of the steel and cement industries to again use the basing-point system once any bill permitting "freight absorption" and "delivered prices" becomes law.

CEMENT EXECUTIVE ADMITS INADVERTENTLY INDUSTRY IS A LOCAL ONE

Despite what the Supreme Court said about the matter, Mr. B. M. Roadstrum, president of Penn-Dixie Cement Corp., is quoted as saying:

> There had never been any setting of arbitrary basing points in the cement industry and no collusion between companies in setting prices.

Listen to what this unnamed representative of a cement firm had to say:

> We don't care much whether the bill becomes law or not. We are getting all the business we need in the low freight area we are now operating in. When business gets more competitive, however, we may have to quote delivered prices.

That is one of the great difficulties under the basing-point system, namely, customers situated close to the cement plants do not get the benefit of their freight advantage. This would not happen if the normal development of the cement industry had taken place during the past 50 years. But, through the use of the basing-point system and its monopoly controls, the Cement Trust did not allow plants to be built where they would best serve local markets.

SHOULD WE VOTE AGAINST OUR DISTRICTS TO SUBSIDIZE DISTANT AND UNECONOMIC CONCENTRATIONS?

I do not believe any Member of Congress would, knowingly, vote against the development of industry in his district, or in his State, or his region. I insist that the basing-point system of pricing, as practiced by the cement, steel, and other industries, has restricted regional development, and it is my firm conviction that if we now pass any permissive laws in the antitrust field, regional development in these industries will continue to be retarded.

So long as the cement and steel industry can control the markets, the building of plants will also be controlled. It is a brave man indeed who would risk his capital under the threat of the punitive action which could be taken under the basing-point system. No plant and no amount of capital can long survive cutthroat competition. It has happened before under the basing-point system and it can happen again.

PRICES WENT UP ARBITRARILY AFTER CEMENT DECISION TO ALARM CONSUMERS AND THROW OUT SMOKE SCREEN

The Wall Street Journal of the above date quotes an official of another company as saying:

> The change has shown the consumer how much more it cost him under f. o. b. pricing than under the old system.

That statement is as artificial as the basing-point system. It must be remembered (1) that the cement decision was handed down by the Supreme Court on April 26, 1948, a time of inflated prices, and (2) the sudden increase of many f. o. b. mill prices in steel and cement is suspect because at that time such prices could be easily secured and the drive of the cement and steel lobbies was getting

under way. Furthermore, the cement and steel industries were not sentenced to f. o. b. mill pricing but only pretended that such was the case. Undoubtedly, in order to further the drive on Congress to secure legislation, the sudden increases in the price of cement and steel were intended to cause unhappiness among consumers and in some cases to promote the belief that the f. o. b. system of pricing was more expensive.

However, once the forces of competition are restored, pricing which works to the benefit of the consumer on thousands and thousands of items will be found also to accrue to the benefit of regional development in steel and cement and many other industries.

VARIATIONS OF PHANTOM FREIGHT WILL BE RESULTED, STEEL EXECUTIVE PREDICTS

The Wall Street Journal further quotes the major prophets—or profiteers—of the steel industry as being somewhat undecided, but one steel maker is quoted as saying, "There would probably be some variations from the former system on some products and phantom freight charges, which existed before at some plants probably would be resumed."

A careful reading of numerous such articles makes it very clear to me that the cement and steel industries will return to one of the many forms of the basing-point system of pricing the minute any bill passed by Congress becomes law. Some may even have anticipated its passage and signing, so sure are these defilers of competition that the Congress will hand them a club with which to throttle small business to its knees.

USES OF STEEL AND CEMENT

The fact that steel and cement are necessary to practically every activity in our day makes it all the more important that we have free markets and free prices for these products. Cement has become the accepted material for practically every form of construction, and finished steel products enter into every human activity.

In fighting the basing-point system, I am fighting neither steel nor cement, nor any other commodity sold under such systems. Nor am I interested in the use to which these materials are put so long as it is a proper use. To the contrary, my aim and purpose is to afford free markets in which to purchase all commodities at competitive prices. We have not had in the past true competition in either steel or cement. I want to see these monopolies struck down and I want to see regional development in these industries. The real purpose of the basing-point system is to create monopolies, restrain trade, and stifle competition. It is not the duty of Congress to aid these monopolies, it is the duty of Congress to prevent them from getting out of hand. For the information of the Members I include a table on steel and cement distribution by commodities with appended explanations of the various products and the percentage of the total distribution of finished steel products and of cement. The table and explanations follow:

USES OF STEEL AND CEMENT

STEEL

The Iron and Steel Institute estimates that the distribution of finished steel amounted to over 66,000,000 net tons in 1948. It was distributed as follows:

Market classification	Net tons	Percent of total
Jobbers, dealers, distributors	11,299,936	17
Automotive	10,090,645	15
Construction (including maintenance)	7,275,573	11
Containers	5,312,953	8
Rail transportation	5,227,047	8
Unclassified	3,905,417	6
Converters and processors	3,436,238	5
Export	3,307,142	5
Machinery, industrial equipment and tools	3,019,925	5
Contractors' products	2,451,624	4
Appliances, utensils, and cutlery	2,041,918	3
Domestic and commercial equipment other than appliances, utensils and cutlery	1,724,727	3
Electrical machinery and equipment	1,899,172	2
Agricultural	1,447,185	2
Bolts, nuts, rivets, screws	1,321,630	2
Forgings (other than automotive)	895,068	1
Oil and gas drilling	720,288	1
Shipbuilding, marine equipment	574,909	.1
Mining, quarrying, lumbering	335,709	1
Ordnance, other military	102,663	------
Aircraft	33,041	------
Total	66,081,500	100

The Nation's largest producer of steel, the United States Steel Co., lists in its 1947 annual report a partial list of manufactured steel products which are as follows:

Building and construction: Structural shapes, plates, and steel-bearing piles for bridges, buildings, and similar structures; steel sheet piling for retaining walls and cofferdams; concrete reinforcing bars; bridge flooring and cables; culverts and sectional plates and corrugated or smooth sheets for culverts; formed steel roofing and siding sheets for buildings; hot- and cold-rolled strip and sheets for air-conditioning ducts, furnaces, and other heating equipment; enameling sheets for porcelain enamel finish and trim; stainless steel for architectural trim and related uses; nails, spikes, staples, and tacks; conduit, electrical wires, and cables; elevator, crane and shovel rope; wire fabric for concrete and stucco reinforcement; telephone and telegraph wire; wire screen and hardware cloth; chain link property protection fence; aerial tramways; seamless pipe piles for foundation and construction work; pipe for plumbing and heating; fabricated structural steel buildings, bridges, stadiums, tanks, towers, and other structures; manufactured homes.

Transportation: Rails, switches, crossings, and track accessories for railroad track construction; locomotive side frames; stainless and high-strength steels and wheels and axles for railroad and street-railway cars; structural shapes, plates, sheets, and strip for freight- and passenger-car construction; electrical wires for control signals and lights; spring wire, rail bonds, and other wires and cables for railroad use; seamless pipe for locomotive and train lines; air brake and signal pipe; cold-rolled strip and sheets for automobile bodies and parts; carbon and alloy steel bars and special sections for automobile engines, transmissions, chassis, and other parts; stainless steel for decorative trim; springs and spring wire for automobile seats and mechanical uses; axles, axle housings, and torque tubes; tubes for steering columns; alloy steel bars and seamless alloy steel tubing for aircraft frames, engines, and landing gear; aircraft control cables and stitching wire; plates, shapes, and bars for all types of marine construction; tubular masts, poles, and booms; railing and deck piping; power piping, fuel lines, bilge and ballast lines; naval vessels, cargo and passenger ships, tankers, lighters and barges, floating dry docks and dredges.

Petroleum: Oil-country goods in the form of drill pipe, casing, and tubing; line pipe and gathering lines for long distance transportation of petroleum products; structural shapes for oil-field derricks; plates for oil and gas storage tanks; stainless steel for refinery vessels and equipment; alloy steels for drilling tools; wire rope for drilling and other oil-field operations; oil-well cement; drilling engines and machinery, feed controls, hoists, traveling and crown blocks, sucker and pull rods, sluah, oil, and subsurface pumps, central pumping units for operating a number of wells from a single power source, portable pumps, swivels, packers, bits, slips, elevators, hoses, valves, and other specially designed equipment used in oil and gas fields.

Mining and quarrying: Plates, shapes, bars, and sheets for mine tipples, hoists and fan houses. Steel timbers and jacks for mine-roof supports. Light rails, steel ties, and track accessories for mines and quarries. Mine cars. Plate lining and grinding balls for ball and tube mills. Wire rope and cable for hoisting and other mine and quarry uses. Heavy duty electrical wires, and cables for trolley wires. Pipe for pump and drain lines, processing and water supply.

Agriculture: Carbon and alloy bars, shapes, plates, sheets, and strip, pipe and tubing for agricultural machinery, such as harvesters, combines, plows, and other farm equipment. Water-supply lines and well casing. Formed roofing and siding sheets for farm buildings. Galvanized sheets and strip for silos, grain bins, brooder houses, and other farm structures. Wire bale and cotton ties. Woven wire fencing, netting, barbed wire, steel fence posts, and gates. Welded fabric for pens. Diesel engines for farm use.

Machinery and industrial uses: Bars, shapes, plates, sheets, and strip for electrical and other machinery. Plates for boilers and pressure vessels. Special alloy steels for machine tools and related industrial equipment. Stainless steel for food processing, chemical, paper and textile equipment, and machinery. Electrical wires and cables for motors and turbines. Wire rope for cranes and hoists. Welded mesh for machine guards. Welding and strapping wire. Chain link conveyor belting. Book binding and stitching wire. Mechanical tubing for machinery, tool parts and equipment. Superheater tubes, boiler tubes, condenser, and heat-exchanger tubes. Still tubes and high-pressure piping. Commercial forgings. Electric furnaces.

Appliances and household equipment: Enameling, stainless, and other steel sheets for refrigerators, stoves, kitchen cabinets, washing machines, ironers, kitchenware, bathroom equipment, household and office furniture and fixtures. Galvanized and black sheets for garbage cans, trash cans, washtubs, pails, and other household ware. Spring wire for bedsprings, mattresses, and upholstered furniture. Pipe for awning frames and yard equipment. Seamless tubing for refrigerators and appliances. Bedstead tubing.

Containers: Tin, terne and black plate for cans, caps, and closures. Sheets for shipping pails, steel barrels and drums. Slack and tight barrel hoops. Steel drums, containers, cylinders, and shipping containers.

CEMENT

Standard and Poor's Industry Surveys show that nearly 100 percent of total output in the cement industry is consumed by the

construction trades. It is used in dams, concrete roads, and many other public-works projects, and it is used in virtually all other building to some extent. The distribution of uses of cement is estimated as follows: building construction, 33 percent; paving (highways, streets, runways, etc), 25 percent; conservation (flood control, drainage, power projects, etc.), 15 percent; rural, 9 percent; sewers and water supply, 7 percent; bridges, 5 percent; railroads, 2 percent; miscellaneous, 4 percent.

(Source: Standard and Poor's Industry Survey, Building, December 10, 1948, Steel Magazine, January 3, 1949, p. 299. U. S. Steel Corp. Annual Report, 1947.)

REGIONAL CEMENT PLANTS NEEDED—14 STATES HAVE NO PLANTS

At various times I have discussed the necessity for cement plants located closer to the points of consumption. The need is great in many sections, of which New England is an example. If cement plants were properly distributed throughout the country and the basing-point system was not in existence, the cost of cement would be materially less to public and private consumers. There are a great many deficient areas in the United States, and one outstanding surplus area, namely, Pennsylvania. Pennsylvania is also a heavy surplus area in steel production. Fourteen States do not have cement plants within their borders.

I recently outlined the phantom-freight situation in New England, under the basing-point system, by illustrations of typical destination points and the amounts of phantom freight on a barrel of cement to such points. During the last 10 years shipments of cement to destinations in New England have amounted to 59,145,162 barrels. The consumers of this great quantity of cement have paid large sums of money in phantom freight. I have pointed out that the basing-point system is predicated on the higher all-rail freight rates thereby denying, as in the case of New England, the advantage of its lower water rates which must be taken into account in the greater portion of New England. A table of New England shipments of cement for the years 1939 through 1948, inclusive, follows:

Shipments of cement to destinations in New England States for years 1939 to 1948, inclusive

Year	Connecticut	Maine	Massachusetts	New Hampshire	Rhode Island	Vermont
	Barrels	*Barrels*	*Barrels*	*Barrels*	*Barrels*	*Barrels*
1939	1,787,229	416,027	2,606,866	374,609	567,057	263,515
1940	1,893,733	331,685	2,707,242	428,752	649,373	246,820
1941	2,379,471	623,245	3,029,370	518,691	834,261	238,436
1942	1,996,198	559,791	2,715,651	456,845	963,073	126,412
1943	1,094,609	439,647	1,467,558	268,157	535,352	117,981
1944	863,538	248,306	1,084,005	212,212	304,685	116,590
1945	996,729	305,691	1,298,074	283,771	266,330	157,590
1946	2,120,160	657,951	2,526,513	517,126	495,436	378,325
1947	2,156,811	787,507	2,941,870	519,317	546,547	497,077
1948 [1]	2,364,180	843,358	3,327,881	505,578	739,386	474,951
Total	17,652,658	5,213,208	23,705,602	4,055,058	5,901,500	2,617,706
Grand total, 59,145,162 barrels.						

[1] Preliminary estimates.

Source: (1) Non-Metals Economic Branch, Bureau of Mines, Department of Interior (2) Minerals Yearbook Review, Department of Interior for various years.

MANY LARGE AREAS IN UNITED STATES SHOW A DEFICIENCY IN CEMENT CAPACITY AND PRODUCTION

Going back to the deficiency in the local supply of cement in the United States, it must be kept in mind that many States do not have cement mills at all. This condition has obtained despite the fact that the records show available cement-making materials in practically every State in the Union. As stated above, the cement trust has concentrated production in some particular areas for its own reasons. These reasons, however, should not be sufficient to impose the multiple-basing-point system upon the entire United States, or any part of it for that matter. Concentration of production in any industry, including steel and cement, should not be an excuse to invoke artificial pricing systems to the detriment of the rest of the country. Because of arbitrary territorial divisions which existed in the cement industry, under the basing-point system, many States did not receive the benefits to be derived from local production. Many States which have cement plants do not have sufficient production to take care of local consumption. If the basing-point system is reinaugurated it is doubtful when, if ever, such States will have a sufficient available supply on the lowest freight cost basis. It must also be kept in mind that cement is needed in greater quantities all the time. Our public and private projects, our farms, our cities and towns, all demand an ever-increasing supply but at a reasonable price on a competitive basis.

BASIC HEAVY INDUSTRY VERSUS LIGHT INDUSTRY—EACH OF OUR STATES DEPENDENT UPON THE OTHER FOR MANY PRODUCTS

It is not my intention to advance the argument that every State should be self-sufficient in every product. To the contrary, certain regions of our country have raw materials and other advantages which make the manufacture and distribution of a variety of products an economical one. For example, there are very good reasons for a number of finished products to have a wide distribution and that statement might include, for example, shoes, tobacco products, cutlery, clothing, and many others. I am concerned here principally with our basic commodities which are heavy and which in proportion to their unit cost carry high rates of transportation. But, regardless of the industry, I am concerned, greatly so, when any pricing device is used as a handy instrument to eliminate competition and create a monopoly.

At this point I desire to include two tables showing the estimated surplus or deficiency in cement-producing States for the years 1939–40 and for the years 1945 and 1946. Source, Bureau of Mines, Department of the Interior, Minerals Year Book.

Estimated surplus or deficiency in local supply of portland cement in cement-producing States, 1939–40, in barrels

State or division	1939			1940		
	Shipments from mills	Estimated consumption	Surplus (+) or deficiency (−)	Shipments from mills	Estimated consumption	Surplus (+) or deficiency (−)
Alabama	5,042,921	1,368,138	+3,674,783	5,249,759	1,458,811	+3,790,948
California	11,293,989	9,595,856	+1,698,133	13,813,362	11,619,397	+2,193,965
Illinois	4,801,292	7,664,172	−2,862,880	4,937,127	8,584,009	−3,646,882
Iowa	4,717,295	2,994,325	+1,722,970	4,597,781	2,933,570	+1,664,211
Kansas	3,746,370	1,689,635	+2,056,735	3,441,612	1,627,535	+1,814,077
Michigan	8,327,479	5,338,118	+2,989,361	8,519,416	5,760,481	+2,758,935
Missouri	4,702,259	3,225,022	+1,477,237	4,867,790	3,150,489	+1,717,310
Ohio	6,140,125	6,308,706	−168,581	6,841,129	6,538,166	+302,963
Pennsylvania	24,870,343	7,052,453	+17,817,890	27,499,786	10,008,425	+17,491,361
Puerto Rico	347,981	690,306	−342,325	384,242	984,817	−600,575
Tennessee	3,677,116	2,212,597	+1,464,519	3,766,807	2,455,317	+1,311,490
Texas	7,207,001	6,541,321	+665,680	7,383,600	6,478,976	+904,624
Colorado, Montana, Utah, Wyoming, and Idaho	3,078,540	2,868,081	+210,459	2,951,094	2,713,180	+237,914
Oregon and Washington	6,081,484	6,769,821	−688,337	4,172,476	4,447,314	−274,838
Georgia, Kentucky, Virginia, Florida, and Louisiana	5,570,611	9,040,163	−3,469,552	6,727,762	10,901,212	−4,173,450
Indiana, Wisconsin, Minnesota, Nebraska, Oklahoma, South Dakota, and Arkansas	11,703,257	14,141,417	−2,438,160	11,784,963	13,044,630	−1,259,667
Maryland, New Jersey, and West Virginia	4,071,603	7,307,285	−3,235,682	4,797,536	7,625,441	−2,827,905
New York and Maine	7,271,793	12,640,317	−5,368,524	8,613,535	13,451,253	−4,837,718
	122,651,459	107,447,733	+15,203,726	130,349,786	113,783,023	+16,566,763

Estimated surplus or deficiency in local supply of portland cement in cement-producing States, 1945–46, in barrels

State or division	1945			1946		
	Shipments from mills	Estimated consumption	Surplus (+) or deficiency (−)	Shipments from mills	Estimated consumption	Surplus (+) or deficiency (−)
Alabama	5,682,692	1,912,267	+3,770,425	8,071,979	2,744,143	+5,327,836
California	15,921,965	11,791,720	+4,130,245	20,173,231	17,841,128	+2,332,103
Hawaii	22,742	824,631	−801,889	38,005	433,040	−395,035
Illinois	4,189,449	5,382,144	−1,192,695	6,675,584	8,769,933	−2,091,349
Iowa	3,527,838	2,186,491	+1,341,347	6,145,326	3,758,932	+2,386,394
Kansas	3,298,923	1,771,706	+1,527,217	6,894,353	2,954,100	+3,940,253
Michigan	6,243,322	4,636,388	+1,606,934	9,974,692	7,570,738	+2,403,954
Missouri	3,681,632	2,579,047	+1,102,585	6,887,517	4,885,365	+2,002,152
Ohio	4,833,183	4,777,250	+55,933	8,187,531	9,027,415	−839,884
Pennsylvania	16,232,722	5,474,146	+10,758,576	29,686,909	9,702,251	+19,984,658
Puerto Rico	1,474,447	1,075,278	+399,169	1,711,549	1,432,567	+278,982
Tennessee	2,898,053	1,771,512	+1,126,541	5,372,964	3,665,692	+1,707,272
Texas	8,398,159	6,594,518	+1,793,641	10,906,478	9,904,082	+1,002,396
Colorado, Montana, Utah, Wyoming, and Idaho	3,117,821	2,816,547	+301,274	4,384,860	4,262,747	+122,113
Oregon and Washington	3,342,388	3,225,295	+117,093	4,812,903	4,841,676	−28,683
Georgia, Kentucky, Virginia, Florida, and Louisiana	5,432,609	8,714,835	−3,282,226	7,225,311	15,156,405	−7,931,094
Indiana, Wisconsin, Minnesota, Nebraska, Oklahoma, South Dakota, and Arkansas	9,936,385	12,340,624	−2,404,239	16,924,088	20,314,806	−3,390,718
Maryland and West Virginia	2,454,765	2,736,026	−581,261	4,054,056	4,758,595	−704,539
New York and Maine	5,974,500	5,557,544	+416,956	11,350,167	10,889,841	+460,326
	106,353,595	86,167,969	+20,185,626	169,567,593	142,410,456	+27,157,137

HOUSE JUDICIARY COMMITTEE OF EIGHTIETH CONGRESS—HISTORY "CRIES OUT" FOR LEGISLATION TO PREVENT MONOPOLY

The report of the Federal Trade Commission on the merger movement, published in the fall of 1948, quotes the House Judiciary Committee of the Eightieth Congress as saying:

> The history of legislation previously adopted to prevent monopolies, the great increase in recent years of competition—destroying mergers, the damage to small business, the blighting of opportunity for our young people—all cry out for the enactment of legislation to stop the rising tide of monopoly.

I subscribe to this statement 100 percent and that is what motivates me when I cry out against the enactment of legislation which may weaken and subvert our antitrust laws. My record is consistent in this respect and I am not going to succumb now to the blandishments of any piece of legislation which may have the effects I have described.

I respectfully ask my colleagues of the House Judiciary Committee of the Eighty-first Congress if perchance they too, subscribe, at least in part, to the words above. Are our children and our children's children to live in an economy controlled by monopoly, and are we to incline our heads respectfully toward the citadels of the Steel and Cement Trusts before we start the day, and again at eventide?

STEEL TRUST CONTROLS BOTH STEEL AND CEMENT

The United States Steel Corp. through its subsidiary, Universal-Atlas Cement Co., in 1945, controlled 14.9 percent of the cement capacity in the United States, an increase of seven-tenths percent over 1937. The second largest member of the Cement Trust, the Lehigh Portland Cement Co., controlled 12 percent of productive capacity in 1945, an increase of 3.4 percent over 1937. These with the other three of the big five, namely, Lone Star Cement Corp., Alpha Portland Cement Co., and the Penn-Dixie Cement Corp., accounted for 44 percent of the productive capacity in 1945 as against 39 percent in 1937. The 10 largest producers in 1945 accounted for over 60 percent of the cement capacity.

It is interesting to note in the report of the FTC that the process of merger and acquisition in the cement industry continues. In 1945 Universal-Atlas acquired Wabash Portland Cement Co., Osborne, Ohio. The Marquette Cement Co. in recent years has acquired the Hawkeye Cement Co., of DeMoines, Iowa; the Hermitage Portland Cement Co., of Nashville, Tenn., and the Cumberland Portland Cement Co., of Cowan, Tenn. Incidentally, the report points out that by these acquisitions Marquette has secured over 21 percent of Iowa's capacity and 23 percent of Tennessee's capacity.

Other mergers in the cement industry in recent years were the Pacific Portland Cement Co., Headwood Harbor, Calif., and the Beaver Hill Portland Cement Co., Gold Mill, Oregon. Another acquisition was the Gulf Portland Cement Co. of Houston, Tex., by the Ideal Cement Co. of Denver, Colo.

MERGERS PLUS BASING-POINT SYSTEM MECCA FOR STEEL AND CEMENT

These acquisitions and mergers in the cement industry can, standing alone, produce controlled markets and controlled prices, in other words, monopoly. When this growing tendency is augmented by the now outlawed basing-point system, there is no hope either for the enforcement of our antitrust laws or free competition in the cement and steel industries. Under the basing-point system in 1942 Universal-Atlas Cement Co., the United States Steel's subsidiary, owned basing-point plants at Hudson, N. Y.; Universal, Pa.; Buffington, Ind.; Leeds, Ala.; Hannibal, Mo.; Duluth, Minn.; Independence, Kans.; Waco, Tex.; and Northampton, Pa. The only non-basing-point plant listed for this company was Osborne, Ohio.

The Lehigh Portland Cement Co., the second largest in the business, owned basing-point plants at Birmingham, Ala.; Oglesby, Ill.; Mitchell, Ind.; Mason City, Iowa; Iola, Kans.; Union Bridge, Md.; Alsen, N. Y. (near Hudson); Buffalo, N. Y.; Fordwick, Va., and at Metaline Falls, Wash. The Lone Star Cement Corp., the third largest in the business, owned basing-point plants at Birmingham and Spocari, Ala.; Limedale, Ind.; Bonner Springs, Kans.; New Orleans, La.; Greensport, N. Y. (in the Alsen-Hudson district); Nazareth, Pa. (in Northampton district); Cement City and Manchester, Tex.; and at Norfolk, Va. The Alpha Portland Cement Co., the fourth largest in the business, in 1942 owned basing-point plants at Birmingham, Ala. (Phoenixville); LaSalle, Ill. (adjacent to Oglesby); Alpha, Mo.; Cementon, N. Y. (in Hudson-Alsen Greensport district); and at Ironton, Ohio. The Penn-Dixie Cement Corp., the fifth largest in the business, owned basing-point plants at Clinchfield, Ga.; Nazareth, Pa.; and at Kingsport and Richland City, Tenn.

NON-BASING-POINT PLANTS STRATEGICALLY LOCATED BY BIG FIVE OF CEMENT TRUST

Each of these companies had in 1942 one or more non-basing-point mills in the several States strategically located to reap the benefits of the basing-point system. It can be easily seen how these five companies, which with their strategically located mills and more than 44 percent of the production, can control the sale and distribution of cement in the United States. Particularly is this true when the next five largest are added, accounting for 60 percent of the capacity. The little fellow just has to behave, or else. There are approximately a total of 71 companies manufacturing cement in the United States and its island possessions. The source of the information on basing-point and non-basing-point plants recounted above is a map prepared by the Board of Investigation and Research, under the Transportation Act of 1940, which sets out portland cement plants and cement-producing districts in relation to sources of limestone and bituminous coal.

CALIFORNIA SENATE INVESTIGATION OF CEMENT TRUST

In this connection California some years ago had a thorough investigation of the cement industry in California by a special committee appointed to investigate concerning the existence of a reputed Cement Trust. The supplemental report of the committee on May 15, 1929, by the Honorable Herbert C. Jones found conditions in California at that time to be exactly the same as found later by the Federal Trade Commission, which

led to the Supreme Court decision in the Cement case. In the summarization of his report Senator Jones stated:

The realization that we have entered on a new economic era cannot but be viewed with serious thought. We have to recognize that with the passing of free competition the American people have lost the fight which they have been conducting for at least two generations. We have to recognize that a system, a culture, almost a civilization—that which has brought America to its present pinnacle of achievement and which has been based upon individual initiative—is being swept into the discard.

Please remember that Senator Jones' statement was made on May 15, 1929, and not yesterday. It was made more than 20 years ago, and frankly, as we look the facts in the face today, we are still going backward instead of forward in controlling our ever-increasing monopolies. What will the end be? Are the corporations to become more powerful than the people, or shall we make a stand now and make the antitrust laws effective?

For the information of the Members I include a directory of the cement plants in the United States. The directory follows:

[Mineral Industry Surveys, United States Department of the Interior, Bureau of Mines, J. A. Krug, Secretary; James Boyd, Director]

DIRECTORY OF CEMENT PLANTS

In response to requests for general information on the location of the plants manufacturing hydraulic cement, the following list arranged alphabetically by States and location of plants has been prepared by the Bureau of Mines:

PORTLAND CEMENT

Alabama

Birmingham: Lehigh Portland Cement Co., Allentown, Pa.; Lone Star Cement Corp., Birmingham.

Leeds: Universal Atlas Cement Co., New York, N. Y.

Phoenixville: Alpha Portland Cement Co., Easton, Pa.

Ragland: National Cement Co., Birmingham.

Spocari: Lone Star Cement Corp., Birmingham.

Mobile: Ideal Cement Co., Denver, Colo.

Arkansas

Okay—Arkansas Portland Cement Division, Ideal Cement Co., Denver, Colo.

California

Colton: California Portland Cement Co., Los Angeles.

Crestmore: Riverside Cement Co., Los Angeles.

Davenport: Santa Cruz Portland Cement Co., San Francisco.

Los Angeles: Blue Diamond Corp., Los Angeles.

Monolith: Monolith Portland Cement Co., Los Angeles.

Oro Grande: Riverside Cement Co., Los Angeles.

Redwood City: Pacific Portland Cement Co., San Francisco.

San Andreas: Calaveras Cement Co., San Francisco.

Permanente: Permanente Cement Co., Permanente.

San Juan Bautista: Pacific Portland Cement Co., San Francisco.

Victorville: Southwestern Portland Cement Co., Los Angeles.

Colorado

Boettcher: Colorado Portland Cement Division, Ideal Cement Co., Denver.

Portland (2 plants): Colorado Portland Cement Division, Ideal Cement Co., Denver.

Florida

Tampa: Florida Portland Cement Division., General Portland Cement Co., Tampa.

Georgia

Clinchfield: Pennsylvania-Dixie Cement Corp., Nazareth, Pa.

Rockmart: Southern States Portland Cement Co., Rockmart.

Idaho

Inkom: Idaho Portland Cement Co., Inkom.

Illinois

Dixon: Medusa Portland Cement Co., Cleveland, Ohio.

La Salle: Alpha Portland Cement Co., Easton, Pa.

Oglesby: Marquette Cement Manufacturing Co., Chicago; Lehigh Portland Cement Co., Allentown, Pa.

Indiana

Buffington: Universal Atlas Cement Co., New York, N. Y.

Limedale: Lone Star Cement Corp., Indianapolis,

Mitchell: Lehigh Portland Cement Co., Allentown, Pa.

Speed: Louisville Cement Co., Inc., Louisville, Ky. (also natural and masonry-natural cements).

Iowa

Davenport: Dewey Portland Cement Co., Kansas City, Mo.

Des Moines: Hawkeye Portland Cement Co. of Iowa (Marquette Cement Manufacturing Co.), Chicago, Ill.

Mason City: Lehigh Portland Cement Co., Allentown, Pa. Northwestern States Portland Cement Co., Mason City.

West Des Moines: Pennsylvania-Dixie Cement Corp., Nazareth, Pa.

Kansas

Bonner Springs: Lone Star Cement Corp., Kansas City, Mo.

Chanute: Ash Grove Lime and Portland Cement Co., Kansas City, Mo.

Fredonia: Consolidated Cement Corp., Fredonia.

Humboldt: The Monarch Cement Co., Humboldt.

Independence: Universal Atlas Cement Co., New York, N. Y.

Iola: Lehigh Portland Cement Co., Allentown, Pa.

Kentucky

Kosmosdale: Kosmos Portland Cement Co., Inc., Louisville.

Louisiana

New Orleans: Lone Star Cement Corp., New Orleans.

Maine

Thomaston: Lawrence Portland Cement Co., New York, N. Y.

Maryland

Security: North American Cement Corp., New York, N. Y.

Union Bridge: Lehigh Portland Cement Co., Allentown, Pa.

Michigan

Alpena: Huron Portland Cement Co., Detroit.

Bay City: Aetna Portland Cement Co., Bay City.

Cement City: Consolidated Cement Corp., Jackson.

Detroit: Peerless Cement Corp., Detroit.

Petoskey: Petoskey Portland Cement Co., Petoskey.

Port Huron: Peerless Cement Corp., Detroit.

Wyandotte: Huron Portland Cement Co., (Wyandotte Chemicals Corp.), Detroit.

Minnesota

Duluth: Universal Atlas Cement Co., New York, N. Y.

Missouri

Alpha: Alpha Portland Cement Co., Easton, Pa.

Cape Girardeau: Marquette Cement Mfg. Co., Chicago, Ill.

Hannibal: Universal Atlas Cement Co., New York, N. Y.

Prospect Hill: Missouri Portland Cement Co., St. Louis.

Sugar Creek: Missouri Portland Cement Co., St. Louis.

Montana

Trident: Three Forks Portland Cement Div., Ideal Cement Co., Denver, Colo.

Nebraska

Louisville: Ash Grove Lime & Portland Cement Co., Kansas City, Mo.

Superior: Nebraska Cement Div., Ideal Cement Co., Denver, Colo.

New York

Catskill: North American Cement Corp., New York.

Alsen: Lehigh Portland Cement Co., Allentown, Pa.

Hamburg: The Federal Portland Cement Co., Inc., Buffalo.

Buffalo: Lehigh Portland Cement Co., Allentown, Pa.

Cementon: Alpha Portland Cement Co., Easton, Pa.

Glens Falls: Glens Falls Portland Cement Co., Glens Falls.

Greenport: Lone Star Cement Corp., Albany.

Howes Cave: North American Cement Corp., New York.

Hudson: Universal Atlas Cement Co., New York.

Jamesville: Alpha Portland Cement Co., Easton, Pa.

Portland Point: Pennsylvania-Dixie Cement Corp., Nazareth, Pa.

Ohio

Bay Bridge: Medusa Portland Sement Co., Cleveland.

East Fultonham: Pittsburgh Plate Glass Co., Zanesville.

Ironton: Alpha Portland Cement Co., Easton, Pa.

Middle Branch: The Diamond Portland Cement Co., Middle Branch.

Osborn: Southwestern Portland Cement Co., Osborn.

Universal Atlas Cement Co., New York, N. Y.

Painesville Township: Diamond Alkali Co., Standard Portland Cement Div., Painesville.

Silica (Toledo): Medusa Portland Cement Co., Cleveland.

Superior: Superior Cement Div., New York Coal Sales Co., Portsmouth.

Oklahoma

Ada: Oklahoma Portland Cement Division, Ideal Cement Co., Denver, Colo.

Dewey: Dewey Portland Cement Co., Kansas City, Mo.

Oregon

Gold Hill: Pacific Portland Cement Co., San Francisco, Calif.

Lime: Oregon Portland Cement Co., Portland.

Oswego: Oregon Portland Cement Co., Portland.

Pennsylvania

Bath: Keystone Portland Cement Co., Philadelphia; Pennsylvania-Dixie Cement Corp., Nazareth.

Bessemer: The Bessemer Limestone & Cement Co., Youngstown, Ohio.

Brodhead: National Portland Cement Co., Philadelphia.

Cementon: The Whitehall Cement Manufacturing Co., Philadelphia.

Coplay: Coplay Cement Manufacturing Co., Coplay.

Egypt: Giant Portland Cement Co., Philadelphia.

Evansville: Allentown Portland Cement Co., Catasauqua.

Fogelsville: Lehigh Portland Cement Co., Allentown.

Martins Creek: Alpha Portland Cement Co., Easton.

Nazareth: Lone Star Cement Corp., Nazareth; Nazareth Cement Co., Nazareth; Pennsylvania-Dixie Cement Corp., Nazareth.

Neville Island: Green Bag Cement Co. of Pennsylvania (Pittsburgh Coke & Chemical Co.), Pittsburgh.

Northampton: Lawrence Portland Cement Co., New York, N. Y. (also natural and masonry-natural cements); Universal Atlas Cement Co., New York, N. Y.

Ormond: Lehigh Portland Cement Co., Allentown.

Sandts Eddy: Lehigh Portland Cement Co., Allentown.

Stockertown: Hercules Cement Corp., Philadelphia.

Universal: Universal Atlas Cement Co., New York, N. Y.

Wampum: Medusa Portland Cement Co., Cleveland, Ohio.

West Conshohocken: Valley Forge Cement Co., Catasauqua.

West Winfield: Pennsylvania-Dixie Cement Corp. (plant No. 9), Nazareth.

York: Medusa Portland Cement Co., Cleveland, Ohio.

Puerto Rico

Guaynabo: Puerto Rico Cement Corp. (Puerto Rico Development Co.), San Juan.

Ponce: Ponce Cement Corp., Ponce.

South Carolina

Harleyville: Carolina Giant Cement Co., Philadelphia, Pa.

South Dakota

Rapid City: The South Dakota Cement Plant (State of South Dakota), Rapid City.

Tennessee

North Chattanooga: Signal Mountain Portland Cement Division, General Portland Cement Co., Chattanooga.

Cowan: Cumberland Portland Cement Co. (Marquette Cement Manufacturing Co.), Chicago, Ill.

Kingsport: Pennsylvania-Dixie Cement Corp., Nazareth, Pa.

Near Knoxville: Volunteer Portland Cement Co., Knoxville.

Nashville: Hermitage Portland Cement Co. (Marquette, Cement Manufacturing Co.) Chicago, Ill.

Richard City: Pennsylvania-Dixie Cement Corp., Nazareth, Pa.

Texas

Cement City: Lone Star Cement Corp., Dallas.

Cementville: San Antonio Portland Cement Co., San Antonio.

Eagle Ford: Trinity Portland Cement Division, General Portland Cement Co., Dallas.

El Paso: Southwestern Portland Cement Co., El Paso.

Fort Worth: Trinity Portland Cement Division, General Portland Cement Co., Dallas.

Houston: Gulf Portland Cement Division, Ideal Cement Co., Houston. Trinity Portland Cement Division, General Portland Cement Co., Dallas.

Longhorn: Longhorn Portland Cement Co., San Antonio.

Manchester: Lone Star Cement Corp., Dallas.

Waco: Universal Atlas Cement Co., New York, N. Y.

Utah

Devils Slide (2 plants): Union Portland Cement Division, Ideal Cement Co., Denver, Colo.

Salt Lake City: Portland Cement Co. of Utah, Salt Lake City.

Virginia

Fordwick: Lehigh Portland Cement Co., Allentown, Pa.

South Norfolk: Lone Star Cement Corp., Norfolk.

Washington

Bellingham: The Olympic Portland Cement Co., Ltd., Seattle.

Concrete: Superior Portland Cement, Inc., Seattle.

Grotto: Northwestern Portland Cement Co., Seattle.

Irvin: Spokane Portland Cement Co., Spokane.

Metaline Falls: Lehigh Portland Cement Co., Allentown, Pa.

Seattle: Permanente Cement Co., Seattle.

West Virginia

Kenova: Green Bag Cement Co. of West Virginia, Kenova (also pozzolan (slag-lime) cement).

Manheim: Alpha Portland Cement Co., Easton, Pa.

Martinsburg: The Standard Lime & Stone Co., Baltimore, Md.

Wisconsin

Manitowoc: Manitowoc Portland Cement Co., Cleveland, Ohio.

Wyoming

Laramie: Monolith Portland Midwest Co., Los Angeles, Calif.

NATURAL CEMENTS AND MASONRY CEMENTS OF THE NATURAL-CEMENT CLASS

Indiana

Speed: Louisville Cement Co., Inc., Louisville, Ky. (also portland cement).

Kansas

Fort Scott: Fort Scott Hydraulic Cement Co,, Fort Scott

Minnesota

Mankato: The Carney Co., Mankato.

New York

Akron: Louisville Cement Co. of New York, Louisville, Ky.

Rosendale: Century Cement Manufacturing Co., Inc., Rosendale.

POZZOLAN (SLAG-LIME) CEMENT

Alabama

Birmingham: Southern Cement Co., Birmingham.

Graystone: Cheney Lime & Cement Co., Birmingham.

West Virginia

Kenova: Green Bag Cement Co. of West Virginia, Kenova (also portland cement).

ALUMINA CEMENT

Indiana

Buffington: Universal Atlas Cement Co., Lumnite Division (United States Steel Corp.), New York, N. Y.

HYDRAULIC LIME

Virginia

Riverton: Riverton Lime & Stone Co., Inc, Riverton.

Wisconsin

High Cliff: The Western Lime & Cement Co., Milwaukee.

STEEL MONOPOLY UNDER PITTSBURGH-PLUS AND ITS MULTIPLE-BASING-POINT SYSTEM ROSE TO CONTROL MANY INDUSTRIES

In 1947 the steel industry produced 84,894,000 tons of steel; and in 1948, 88,534,,000 tons. The three largest steel companies in the United States accounted for 58.2 percent of the total production in 1947, and 57.6 percent of the total production in 1948, as follows:

	1947	1948
United States Steel Corp:		
Tons	28,000,000	29,300,000
Percent	33.7	33.1
Bethlehem Steel Co.:		
Tons	12,806,940	13,411,492
Percent	15.1	15.1
Republic Steel Corp.:		
Tons	7,947,170	8,324,172
Percent	9.4	9.4
Total:		
Tons	49,394,110	51,035,664
Percent	58.2	57.6

For all practical purposes the production of the three largest companies amounts to nearly 60 percent, which is more than enough in production to control the sale and distribution of steel within the United States. Is it any wonder that these three larger corporations and their satellites per force, clamor for the return of the basing-point system? These corporations know from past experience the wonderful results dollarwise they have experienced both under the old Pittsburgh-plus system, and the multiple basing-point system in effect prior to the Supreme Court decision in the Cement case. I think it well that the members see the artificial set-up of the basing points in steel; I therefore include a table as published in the Iron Age of January 1, 1948, showing the basing points then in existence. In order to properly evaluate this basing-point table, one must remember that a great many semifinished steel products were manufactured and produced at points not shown, and many products were produced at the points shown on the table which were based on some other point. It is interesting to note that Pittsburgh is a basing point for nearly every item listed. It simply does not make sense to conclude that the basing-point system of pricing is intended to benefit the consumer. It never has and it never will, except perhaps in some isolated instance.

In connection with the basing-point table I wish to point out that on the Pacific coast there were 14 secondary basing points in the prewar days. These secondary basing points computed their prices on the nearest freightwise eastern basing point plus rail and water freight to the Pacific coast. If the shipment were all rail the basing-point price, of course, was computed on the basis of all-rail freight. After World War II, at which time a steel plant had been established in Utah, certain material received from that point took the Utah base price plus the freight to the coast.

Under the basing-point system, as practiced by the steel industry, there have been no primary basing points west of the Mississippi. The points west of the Mississippi, which you will note in the chart, are all secondary basing points. For illustration, the small plant at Houston based its prices on the all-rail freight from Birmingham and Chicago. Kansas City is not listed on the chart, although it has been used as a secondary basing point from time to time based on Granite City

and Chicago, Ill. Pueblo, Colo., the scene of the operations of the Colorado Fuel & Iron Co., is not listed as a basing point and it is my understanding that prices at this plant were quoted, under the basing-point system, on the basis of eastern basing points, first Pittsburgh and then Chicago. If the basing-point system is not revised the steel plants located in Colorado, Utah, and the new plant in California, will afford steel buyers in the West competition which they have never had previously. No doubt these plants will have an opportunity to enlarge their operations and other plants may be built which will bring to the West steel at fair market prices and without the addition of large sums of phantom freight tacked on to the price. The basing-point table follows:

Basing points of major steel products

[The basing points listed below apply only to the sizes, grades, finishes, and specifications of products produced at the points named]

	Ashland, Ky.	Baltimore	Bethlehem	Birmingham	Brackenridge, Pa.	Brooklyn	Buffalo	Canton, Ohio	Chicago	Claymont, Del.	Cleveland	Coatesville, Pa.	Detroit	Duluth	Dunkirk, N. Y.	Fort Wayne, Ind.	Gary	Geneva, Utah	Granite City, Ill.	Houston	Huntington, W. Va.	Jersey City	Kokomo, Ind.	Lebanon, Pa.	Los Angeles	Lorain, Ohio	Massillon, Ohio	Middletown, Ohio	Milwaukee	Minnequa, Colo.	Newark, N. J.	New Haven, Conn.	Oil City, Pa.	Philadelphia	Piqua, Ohio	Pittsburgh	Portland, Oreg.	Reading, Pa.	Richmond, Va.	San Francisco	Seattle, Wash.	Shelby, Ohio	Sparrows Point	Syracuse, N. Y.	Tacoma, Wash	Toledo	Titusville, Pa.	Trenton, N. J.	Warren, Ohio	Washington, Pa.	Waterville, N. Y.	Waukegan, Ill.	West Leechburg, Pa.	Williamsport, Pa.	Worcester	Youngstown	Additional Pacific coast [1]
Semifinished carbon:																																																							
Ingots—forging																																			X																					
Billets, blooms, slabs—rerolled				X				X									X																		X					X														
Billets—forging				X				X		X							X																		X	X				X														X
Blooms—forging				X				X		X							X																		X	X				X														X
Slabs—forging							X			X							X																		X																			
Skelp																																			X																		X	
Tube rounds										X							X																		X																			
Wire rods				X						X													X												X																		X	
Sheets carbon:																																																							
Hot-rolled 18-gage and heavier	X			X			X		X		X						X								X										X	X				X	X		X									X	X
Hot-rolled, annealed, 19-gage and lighter				X				X									X						X		X										X					X												X	
Cold-rolled							X	X		X							X		X								X								X					X												X	
Galvanized	X			X				X	X								X		X				X		X		X								X					X				X								X	
Enameling									X		X						X		X								X								X																	X	
Long ternes																	X																		X																			
Electrical									X								X		X				X												X																			
Strip carbon:																																																							
Hot-rolled				X				X		X							X								X										X	X				X	X										X	X
Cold-rolled								X		X							X																		X																	X	X	
Electrical, coils																																			X																			
Tin, terne, and blackplate				X						X							X		X																X								X										
Bars, carbon:																																																						
Hot-rolled and small shapes				X			X		X		X						X								X										X					X												X	
Reinforcing (new billet)				X			X		X		X						X								X										X					X			X								X	
Reinforcing (rail steel)							X																												X									X									
Cold-finished							X		X		X						X																		X																			
Merchant (rail steel)				X			X		X								X				X	X													X																			
Plates, structural, carbon:																																																						
Plates				X					X	X	X	X					X	X																	X	X				X												X	X
Floor plates									X								X																		X																			
Standard structural shapes			X	X			X		X								X	X							X										X	X				X	X			X									
Wide flange beams			X						X																										X																			
Sheet piling									X								X																		X																			
Bearing piles			X						X																										X																			
Rails, etc.:																																																							
Light (new billet)				X																	X														X																			
Light (rail steel)																																																						
Track spikes				X																					X					X					X																			
Axles				X					X								X																		X																			
Pipe and tubing:																																																						
Pipe, all, including oil country																											X								X																			
Seamless mechanical tubing								X	X			X																X							X								X										
Seamless pressure tubing									X																										X																			
Mechanical electric-weld tubing						X			X		X		X																				X	X	X								X					X			X			
Alloy steel:																																																						
Ingots								X																											X																			
Billets, blooms, slabs			X				X	X	X								X											X							X																			
Bar shapes																	X																		X																		X	
Hot-rolled strip			X				X	X									X											X							X																		X	
Cold-rolled strip											X																																										X	X	
Hot-rolled bars			X				X	X	X								X								X		X								X					X												X	
Cold-finished bars							X	X	X		X																								X																		X	
Plates									X			X					X																		X																			
Standard structural shapes			X						X								X																		X																			
Seamless mechanical tubing									X	X			X																X						X								X										
Seamless pressure tubing										X																									X																			

[1] Additional Pacific coast basing points: San Diego; San Pedro, Wilmington, Long Beach, Oakland, Alameda, Berkeley, Richmond, Stockton, and Sacramento; all in California.

Basing points of major steel products—Continued

	Ashland, Ky.	Baltimore	Bethlehem	Birmingham	Brackenridge, Pa.	Brooklyn	Buffalo	Canton, Ohio	Chicago	Claymont, Del.	Cleveland	Coatesville, Pa.	Detroit	Duluth	Dunkirk, N. Y.	Fort Wayne, Ind.	Gary	Geneva, Utah	Granite City, Ill.	Houston	Huntington, W. Va.	Jersey City	Kokomo, Ind.	Lebanon, Pa.	Los Angeles	Lorain, Ohio	Massillon, Ohio	Middletown, Ohio	Milwaukee	Minnequa, Colo.	Newark, N. J.	New Haven, Conn.	Oil City, Pa.	Philadelphia	Piqua, Ohio	Pittsburgh	Portland, Oreg.	Reading, Pa.	Richmond, Va.	San Francisco	Seattle, Wash.	Shelby, Ohio	Sparrows Point	Syracuse, N. Y.	Tacoma, Wash.	Toledo	Titusville, Pa.	Trenton, N. J.	Warren, Ohio	Washington, Pa.	Waterviet, N. Y.	Waukegan, Ill.	West Leechburg, Pa.	Williamsport, Pa.	Worcester	Youngstown	Additional Pacific coast [1]
High strength low alloy:																																																								
Hot-rolled sheets				X			X		X		X						X																			X						X										X	
Cold-rolled sheets							X		X		X						X																			X																X	
Galvanized sheets																																				X					X													
Hot-rolled strip				X					X		X						X																			X																X	
Cold-rolled strip									X		X																									X																X	
Bars and small shapes				X			X		X								X																			X																X	
Plates				X					X								X	X																		X						X										X	
Standard structural shapes			X	X			X		X								X																			X																X	
Wide-flange beams			X						X																											X																	
tainless steel:																																																						
Billets, forging		X	X		X			X	X						X	X																		X		X			X				X				X						
Sheets		X			X			X	X																				X							X																
Hot-rolled strip								X	X																													X															X	
Cold-rolled strip		X						X			X											X														X		X													X		X	
Hot-rolled bars		X	X		X			X	X						X	X																		X		X		X				X				X				X		
Cold-finished bars		X	X		X			X	X		X				X	X																		X		X		X				X				X				X		
Hot-rolled rod																																																						
Plates		X			X			X				X					X												X							X																
Structural shapes					X				X								X																			X																
Seamless tubing					X			X	X																				X							X																
Cold-drawn wire		X			X			X			X				X	X																		X		X		X				X				X				X		
Flat cold-rolled wire		X						X			X				X																				X																	
Tool steel		X						X							X																				X																	
lad steel:																																																					
Stainless—carbon sheets					X																															X										X						
Stainless—carbon strip																																																			X		
Stainless—carbon plate												X																								X																
Nickel, Inconel Monel—carbon plates												X																																									
ire and related products:																																																				
Manufacturers bright, low carbon				X					X		X			X			X						X													X															X	
Spring, high carbon									X		X						X																			X														X		
Nails and staples				X					X					X			X						X													X														X		
Merchant quality wire				X					X		X			X			X						X													X						X								X		
Barbed wire				X					X					X			X						X													X						X										
Woven fence				X					X								X						X													X						X										
Bale ties				X					X								X																			X						X										
Fence posts									X		X			X			X																			X																
Flat wire											X			X			X																			X														X		
Wire strand											X			X			X																X			X						X								X		

[1] Additional Pacific coast basing points: San Diego, San Pedro, Wilmington, Long Beach, Oakland, Alameda, Berkeley, Richmond, Stockton, and Sacramento; all in California.

This chart by no means includes all steel products. On the contrary, many specialized products and those sold to a very few customers have not been included. Additional space is provided for new points and other products.

STEEL COMPANIES DO NOT NEED LAW TO ABSORB FREIGHT, I. E., CUT PRICES

Under date of April 11, 1949, the Wall Street Journal in a leading article stated:

Freight absorption is returning to the steel business. The reason: pressure from consumers for lower prices.

And again the article said—

The increased eagerness of steel producers to get away from the f. o. b. mill-pricing system reflects their almost general acknowledgement that normal market conditions in steel are close at hand.

The article, however, continues to confuse by talking of freight absorption when it should say basing-point system. There is no steel mill which has any valid intention of absorbing freight. Their intention is to ride high with the basing-point system if they can get it back into operation. The fact is, of course, that if a consumer or dealer wants competition under the basing-point system, it is impossible to find it. The only freight absorption in the steel industry, if you want to call it freight absorption, is dumping surplus production in the other fellow's natural market and by so doing setting up the uneconomic cross-hauling inherent in the basing-point system of pricing.

THE BASING-POINT SYSTEM AND WATER TRANSPORTATION

At great cost we have developed and extended harbor facilities on our Atlantic and Pacific coasts. This is also true of our Great Lakes and Gulf ports.

We have spent many millions canalizing our rivers. We have built intercoastal waterways at great expense.

Why have various Congresses authorized such expenditures? Was it in the public interest, or was all of this work accomplished for the purpose of subsidizing a few powerful private interests? Every Member of Congress knows why these great works were undertaken. Every Member knows these facilities were projected on the sound proposition that all citizens of our country could have the advantage of our waterways and the benefits of low-cost transportation.

But, please remember that all basing-point systems of pricing calculate prices on the higher all-rail freight rates. True, the users of the basing-point system utilize water transportation and water-rail transportation for the savings involved, but such savings are pocketed by the exponents of the system—none, absolutely none, of such savings in transportation costs are salvaged by the consumer—public or private.

THE BASING-POINT SYSTEM AND HIGHWAY TRANSPORTATION

The billions of dollars expended by the Federal, State, county, and municipal governments for good roads are worthless to the taxpayer in the purchase of cement and other basing-point commodities.

The Cement Trust has decreed a purchaser—public or private—cannot drive up to a cement mill and haul cement by truck. If a highway project runs right past a cement mill, the builder must go to the trouble and expense of unloading railroad cars and paying freight to some destination, near or far. This is the law of the land as handed down by the cement trust sitting as judge and jury in the case of basing point against public interest. This is a "decree in absence,"

a default judgment in a case in which the public was never advised that such proceedings were under way, a proceeding in which the taxpayer did not have a chance to be represented, so secret and so furtive are these defilers of the American system of free enterprise.

No, if the basing-point system returns, as contemplated by the power-hungry cement monopoly, the savings in truck transportation will never materialize.

The savings in the transportation of our heavy, basic commodities are of the utmost importance and must be included in our consideration of the basing-point problem. We must think of all the angles—as the expression goes—we must think not only of monopoly, of artificial prices, of the restraint of trade, of the elimination of competition, but we must count the cost lest it become greater than we can bear. We must decide whether the Congress is in charge of the passage of trade-practice and antitrust laws, or whether we are abdicating that constitutional power to a small group of powerful monopolies.

THE BASING-POINT SYSTEM AND REGIONAL DEVELOPMENT

One need go no further than the facts presented in the Cement case, docket 3167 of the Federal Trade Commission, to learn that under the basing-point system regional development is restricted and retarded.

Under the basing-point system, several facts stand out clearly against a backdrop of secrecy and a devious maze of shifting scenery and camouflaged movements. The basing-point system of pricing may be viewed in its true light, and the evils emphasized by these facts brought out in the Cement case:

1. It is, as the Supreme Court said in the Cement case, "a handy instrument to bring about elimination of any kind of price competition."

2. It is a pricing device which permits a few powerful members of an industry to create a monopoly.

3. It retards natural development of basic industries in many sections of our country.

4. It permits concentration of manufacturing facilities for the convenience of management.

5. It requires heavy basic commodities to be transported far beyond an economical range of distribution.

6. It restricts plant capacity at points which would be of the greatest benefit to public and private consumers.

7. It allows expansion of plant capacity at points where increased facilities are not needed.

8. It facilitates "dumping" for punitive and strategic purposes—cutthroat competition, if you will.

9. It promotes a crisscross, back and forth, up and down, hodgepodge of distribution which, if brought into perspective, would look like an anthill on a busy day. Cross hauling it is characterized: "The public-be-damned method of distribution" would be a more accurate and descriptive definition.

10. It favors the few large members in industry and subjects the smaller members to rigid controls which jeopardize their growth and often threaten their very existence.

11. It forces public and private consumers to pay freight charges never incurred. Excess freight, which has come to be known as phantom freight. Phantom freight, that unearned increment of the Steel and Cement Trusts. That illusory method of collecting millions upon millions of dollars from the public in a manner which screens the real from the unreal in freight charges. This was particularly so in the cement industry and was true of any basing-point industry using water transportation or a combination of water and other forms of transportation. On steel shipped by rail, you could see the phantom freight, but perhaps that was more trying on the nerves than when you could not see it.

12. It discourages local venture capital from investing in projects which would aid in building up the community, section, or region.

13. It encourages dishonesty and sharp practices by requiring employees to operate the system in an unhealthy business atmosphere. The destruction of records and files which might be incriminating was forcibly brought out in the Cement case.

14. It divides territories on a geographical basis. Ofttimes the basing-point mill is so distant from the territory it controls that the freight factor is a large part of the destination price. The North Carolina, Virginia, and the New York-New England areas are good examples. These situations I have previously described and by permission inserted in the Appendix of the CONGRESSIONAL RECORD.

15. It precludes a purchaser from purchasing from a near-at-hand non-basing-point or basing-point mill on the basis of such mill's cost of production and freight advantage.

16. It takes no account of cost of production as between individual mills and plants.

17. It thwarts an individual member of an industry from stressing quality of product. The cement industry pretended all portland cement was alike and its product was standardized. Raw materials for the manufacture of cement are so varied it is doubtful if the degree of sameness is as great as pretended. Using all types of limestone, marl, slag from blast furnaces, clay, and so on, in the process, it is rather hard to believe that the quality factor, as between mills, is a real rather than a fancied one.

18. It is used to control wholesale and retail distribution as in the case of the rigid-steel-conduit industry. Wholesalers and retailers of rigid-steel conduit were often whipped into line by blackjack methods. Cement dealers were never permitted to make a living wage in handling the commodity. Steel margins for the wholesaler or independent warehouse, according to my best information, were always very low.

All of these things, and more, the basing-point system does to our country and its normal business structure. Small business cannot compete, and never will be able to compete, in the basing-point industries if the system is returned to the business scene with congressional blessing.

This is the system which for nearly 50 years defied our antitrust laws and our enforcement agencies. This is the system which has cost our people billions of dollars and, if legalized, will soon cost more than our entire national debt.

DELIVERED PRICE IS NOT WHAT BUYER GETS

Now, just a word about this mythical delivered price we hear so much about.

It is well known that, prior to the institution of the Cement Institute case by the Federal Trade Commission, the cement industry quoted only prices "f. o. b. shipping point with freight allowed to destination." Shortly after the Cement Trust was brought before FTC examiners, its members began to use the term "delivered price."

The courts have defined "price," but up to the present moment "delivered price" has not been defined. If this phrase meant the guaranty of safe delivery from mill, plant, or warehouse to the purchaser's place of business or job location, it would be correctly defined, in part. But in order to complete a delivered-price transaction, one must include (1) the cost of the product in the market, that is, f. o. b. plant, mill, or warehouse; (2) transportation charges, which, of course, should be by the lowest-cost method of transportation, that is, water or combination means of transportation accruing to the benefit of the purchaser; (3) handling charges at destination to business premises or job site. Then, and ony then, you would have a "delivered price" as a term which meant what it said in the purchase of cement, steel, and other commodities.

The ordinary business institution—whether mill, factory, plant, or wholesale establishment—does not make a practice of prepaying public-carrier transportation charges. Unless it happens to be a prepay station, dock or wharf where no agent of the carrier is in charge, the consignee—in other words, the purchaser—pays the freight charges. If the average concern adopted a prepay policy, the amount tied up in nonprofit transportation items would be so great that its working capital would be severely taxed. This sort of business practice is not sound or practicable for the average small business, nor for the average big business, for that matter.

STEEL AND CEMENT TRUSTS DO NOT MAKE DELIVERED PRICES OR PAY FREIGHT

The only use the Steel and Cement Trusts have for "delivered prices" and "freight absorption," as the terms recently are used, is to (1) monopolize and control markets and (2) thereby charge higher prices by way of phantom freight and restrictive supply controls.

One of the dangers of writing these terms—freight absorption and delivered price—into substantive law lies in the obvious fact that the terms may, and will, be used as the fait accompli for the reincarnation of the now outlawed basing-point system.

All the books and techniques are ready and waiting. All the propaganda has been spread. The Cement and Steel Trusts are ready and waiting for the green light; for

the word "go" from Congress. They don't have to get together. They have been together for years and years.

AID TO MONOPOLY AND CONCENTRATION OF POWER ARE WHAT BIG BUSINESS WANTS FROM CONGRESS

"Somewhere a voice is calling." A voice full of emotion and supplication. A voice which pleads in cadence low and sweet. 'Tis the voice of monopoly, willing to take any little crumb from the table of Congress.

Once the crumb is tossed, like the Genii of old, monopoly of today will magically transform that crumb into a whole loaf of unfair-trade practices; into baskets full of phanton freight and houses breaking apart with controlled and rigged markets.

Yes, sales talks are what freight absorption and delivered prices are, in fact. Nothing more and nothing less. If we write these terms into law, it will be an action of never-ending regret by Congress and, more important, of never-ending regret to our constituents—the folks back home.

YEARS OF LITIGATION AHEAD WALL STREET JOURNAL PREDICTS

The Wall Street Journal of June 14, 1949, in an article under the byline of Alan Otten states:

Antitrust laws are couched in fairly general terms, and have become specific only as applied to individual cases by the courts and by administrative agencies. The same will be true of any new freight absorption law. Its exact meaning probably will unfold over years of litigation.

And again years of litigation are referred to in the following words:

No matter which bill is passed, industry can be sure of one thing—years of litigation on the issue are still ahead. Questions such as when does a seller act independently and interpretations of price and freight absorption will provide many a legal field day.

Thus, the big business press bears out the predictions which I have made heretofore that if one period or one comma of a permissive character is injected into the antitrust statutes it provides corporation lawyers grounds for defense against unfair and vicious trade practices. There is no doubt about this. The press admits it and I know big business attorneys will subscribe to it wholeheartedly.

CONGRESS MUST BE CAUTIOUS WHEN MONOPOLY CHEERS ITS ACTION

Should S. 1008 be allowed to pass, and I pray not, and should the courts not define freight absorption and delivered price in accordance with the desires of the basing-point and monopoly boys, we shall hear from them again. Yes, they will be right back again, shouting for clarification and moratorium. They have done it before, and we have compromised to our sorrow. They will do it again as long as one decision of the courts or one line of the antitrust laws is left intact.

This whole matter of legislation stems from the Supreme Court decision. Had the Court not found the basing-point system collusive and outlawed the system, no legislation would have been urged by big business.

Let us not be stampeded by hasty action. Let us not be misled with fancy phrases. Let us be doubly cautious when monopolies cheer an action of Congress—lest we regret, lest we regret.

Illegal Sales of Alcoholic Beverages Laid to Army Posts

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. KLEIN. Mr. Speaker, the Washington Retail Liquor Dealers Association disclosed today that information has been placed before the Committee on Armed Services showing that there have been widespread violations of the law in the retail sale of alcoholic beverages in officers' clubs and post exchanges of the armed services. Doubtless, like me, many Members have received complaints from constituents about unfair competition from post exchanges and ships' stores in the sale of various commodities.

The association made public a 1,200-word statement which has been filed with the committee, which has been looking into complaints of unfair competition by post exchanges and ship stores in the sale of civilian goods.

A source close to the committee has informed officers of the association that the committee will take full cognizance of the abuses pointed out in the statement and has indicated that the abuses will be eliminated promptly.

The association has charged that the armed services are flagrantly violating an act of Congress by the sale of alcoholic beverages at retail, and has furnished information to the committee that the practice is prevalent not only in Washington and vicinity but in military installations throughout the country.

In addition, the charge has also been made to the Secretary of Defense in a telegram dated June 12.

The text of the statement filed with the committee follows:

MEMORANDUM OF HILLIARD SCHULBERG, EXECUTIVE DIRECTOR, WASHINGTON, D. C., RETAIL LIQUOR DEALERS' ASSOCIATION, INC., AS FILED WITH PHILBIN SUBCOMMITTEE OF THE COMMITTEE ON ARMED SERVICES, JUNE 28, 1949

My name is Hilliard Schulberg and I am a member of the bars of the State of New York and of the District of Columbia. I am the executive director of the Washington, D. C., Retail Liquor Dealers' Association, Inc. I am presenting information of great interest to the association I represent in the hope that your committee will lend a sympathetic ear to the matter I now set forth.

Under the Constitution of the United States, and specifically, under article 1, section 8, clause 17 thereof, Congress is given the power to "exercise exclusive legislation in all cases whatsoever over * * * all places purchased by the consent of the legislature of the State in which the same shall be for the erection of forts, magazines arsenals, and other needful buildings." Such power extends to land purchased by the United States, by consent of the legislature of the State and used for governmental purposes.

In accordance with the authority to acquire military establishments as provided for by the Constitution of the United States, and as a result of the circumstances that arose in the years leading up to the year 1899, Congress under the provisions of the act of March 2, 1899 (c. 352, sec. 17, 30 Stat. 981), in effect prohibited the sale of intoxicating beverages in any premises used for military purposes by the United States. This act was construed by the Attorney General of the United States (1899, Opinions Attorney General 426) to mean that no officer or private soldier could be detailed in the canteen section of post exchanges to sell intoxicating drinks either directly or indirectly, nor could a license or permission be given by the commanding officer to a private person to sell liquors in any encampment, fort, or premises used for military purposes by the United States. This act did not prevent the continuance of the sale of intoxicating drinks through the canteen branch of the post exchanges as heretofore organized by civilians employed for that purpose.

SALE PROHIBITED

Subsequently, under date of February 2, 1901, Congress deemed it advisable to enact legislation, providing as follows: "The sale of or dealing in beer, wine, or any intoxicating liquors by any person in any post exchange or canteen or Army transport, or upon any premises used for military purposes by the United States, is hereby prohibited. The Secretary of War is hereby directed to carry the provisions of this section into full force and effect." This later act prohibited both military as well as civilian personnel from dealing in the sale of intoxicating beverages. Congress thus evidenced its intent, without equivocation or qualification, that the sale of intoxicating beverages on military establishments in all instances should be prohibited.

In defining what intoxicating beverages were in relation to the two aforementioned acts, Congress enacted the act of March 22, 1933 (48 Stat. 16), which provided that beer, ale, porter, wine, or other similar fermented malt or vinous liquor, containing not more than 3.2 percent alcohol by weight, are not intoxicating. Beer and wine of an alcoholic content not in excess of 3.2 percent by weight may be sold or dealt in by Army exchanges, clubs, canteens, aboard Army transports, upon other premises used for military purposes by the United States.

The sale of or dealing in intoxicating liquors (including beer, wine, or other malt or vinous beverages containing an alcoholic content in excess of 3.2 percent by weight), regardless of what the transaction is called or how it is effectuated, is prohibited, if title to such intoxicating beverages passes or changes upon any premises used for military purposes by the United States.

BEVERAGES SOLD ON POSTS

Purchase of the intoxicating liquors upon behalf of any person, including a member, by a club or mess or by any official or employees thereof, or the transportation of such liquors to military reservations by a club or mess or its official or employees as agent of the person and on his behalf, and regardless of whether any benefits accrue to the club or mess from the transaction, either directly or indirectly, is definitely prohibited.

I have presented in great detail the history of the afore-mentioned acts for the reason that the texts are reflective of the determination of Congress that the sale of intoxicating beverages on military reservations should be prohibited in all instances.

As an authorized representative of the Washington, D. C., Retail Liquor Dealers' Association, Inc., comprising over several hundred retail liquor dealers doing business here in the District of Columbia, I have been told by many of these businessmen that notwithstanding the provisions set forth above, intoxicating beverages are being sold in officers' clubs, PX's, and in noncommissioned clubs on military reservations—in direct

contravention of the laws of the United States. I have been further advised that officers' clubs and other clubs comprising military personnel are purchasing from distilleries and breweries liquor and beer invested with an alcoholic content of in excess of 3.2 alcoholic content, and that such liquor and beer is being sold at prices equal to and lower than those prevailing in the retail stores. This is easily done for the simple reason that these military clubs do not pay local taxes, license fees, rent, or electricity, and, as a matter of fact, these clubs have little or no cost for the upkeep of being in business. Of course, as stated above, this practice is in direct contravention of the laws of the United States. Not only is it violative of the law, but it also penalizes the small retail liquor dealer who, in the course of conducting his business, is required to pay local taxes, license fees, and all other costs incident to the conduct of a retail business establishment.

The Secretary of Defense has been advised by telegram of these unlawful practices and request has been made of him that corrective steps be taken to prevent the abuse of the existing laws as set forth above. The Secretary of Defense under the provision of the National Security Act of 1947 is head of the National Military Establishment, and as such is charged with carrying out the provision of these acts. Since the Secretary of Defense has not as yet notified me as to whether any corrective steps have been taken, and in view of the continuance of these violations at the present time, I feel it is encumbent that this matter be brought to the attention of this committee of Congress with the prayer that corrective measures be taken as quickly as possible.

Communism and Religion

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1949

Mr. REED of New York. Mr. Speaker, it has been said "That planners may think that men and things will choose to run freely in the channels prescribed at their desks. Before they know it, freedom must be replaced by command, command must become universal, unbridled nature must be coerced, and as between incoercible nature and the tragic insufficiency of the best planners' brains, hecatombs of victims will be ground to death."

Is not this the history of the planned economy of Russia?

What becomes of our great heritage of liberty under law which gives 140,000,000 citizens under our flag their intellectual freedom and their privilege to speak and write their thoughts? The Communists are shrewd manipulators of public thought. The time has come to face reality and with clear sightedness and courage return to the fundamental principles set forth in the Declaration of Independence, the Federal Constitution and its Bill of Rights. Take a look, my colleagues, at the sacred documents and compare them with the manifesto of Karl Marx.

Under leave to extend, I am inserting as a part of my remarks an editorial which appeared in the Times-Herald of June 30, 1949:

COMMUNISM AND RELIGION

(Following is the second of a series of excerpts from the recent report by the House Committee on Un-American Activities entitled "One Hundred Things You Should Know About Communism and Religion.")

What is the Communist faith?

"Marxism-Leninism," as operated by Joseph Stalin.

What's all that?

A plan and method to rule the world.

The man who drew up the plan was Karl Marx, who lived from 1818 to 1883.

The man who put the plan into action in real life was Vladimir I. Ulyanov, alias Nikolai Lenin, who lived from 1870 to 1924 and led the world Communists to capture Russia in 1917–18.

The man who made the plan a world force was Josef Vissarionovich Djugushvili, alias Josef Stalin, now living and 67 years old, who followed Lenin in command of the world Communist conspiracy.

What was Marx's idea of a Communist world?

That the world as we know it must be destroyed—religion, family, laws, rights, everything. Everybody opposing was to be destroyed, too.

Marx wanted a world in which people owned no property, took orders from the government without question, and let their family life—husbands, wives, parents, and children—be without religion, morals, or ideals as we know them.

What was his idea of morality and family?

That anything is moral—even lying, stealing, and murder—if it brings on communism.

That women should have children for the Communist state to educate, train, and use, but parents should not have any say in training according to their own ideas.

That there is no need to fear God because He does not exist.

Marx had the idea that people could never be happy, have enough to eat, make enough money, or have success in the kind of world we know.

The United States of America is living proof that he was as wrong as a man can be.

Was Marx crazy?

Perhaps. But Marx was not the first evil and crazy man to start a terrible world upheaval, nor was he the last. Hitler was like that, too, but look at what he did.

How did anybody fall for Marx?

Some overlooked his craziness because he was one of the most effective propagandists who ever lived.

His preaching of destruction appealed especially to people who wanted to rule others and didn't know how. It still does.

Was Lenin one of those power seekers?

Yes, Lenin was the son of a minor government clerk. He had a terrible thirst for power.

Early in his life he read Marx, caught the idea of forming Communist cells of revolution as Marx planned them, and built a conspiracy to capture his country.

When Russia's czarist government crashed in the war of 1914–18, it was followed by a republic organized along the lines of our own. But before the republic could really take hold, Lenin's Communists came out from under cover, confused the public mind by propaganda, stirred a military revolt, slaughtered all opposition and set up by force of arms a Communist dictatorship. They still have it today.

Did all the Russians turn Communist?

Neither then nor now. Only a few trained and disciplined favorites were or are allowed to be Communists.

For a general picture of what kind of people turn Communists and what they do, see the first of this series, entitled "100 Things You Should Know About Communism in the U. S. A."

Why do any people fall for their line?

They promise all the things that people have always sought, an easier life, an end to trouble.

Do they deliver?

Of course not.

Once they get in control, they reduce a nation to horror and slavery. Look at the record, not only in Russia but in all other countries captured by communism.

How do they keep going?

The secret of communism's drive and the real key to the Communist faith is the dream of total power for Communists, loss of power for all others. That's the story in a nutshell.

Where is the headquarters of the Communist faith?

The Kremlin, Moscow, Russia.

Who is the head of that faith?

Joseph Stalin, because he is the head of the Government of Russia and chief of the Communist Party of Russia. To a Communist in the United States or any other country, Stalin's word is final.

For a Communist to defy Stalin is as scandalous to other Communists as for a religious-minded person to blaspheme God.

Is there any proof of this?

Examine the record in Russia, Latvia, Lithuania, Estonia, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Yugoslavia, Austria, Germany, and in all other countries where communism takes any hold.

Add to it the thousands of volumes of Communist official literature collected in the Library of Congress here in Washington.

Measure against your common sense and decide for yourself.

A Kindly Man

EXTENSION OF REMARKS
OF
HON. RALPH A. GAMBLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. GAMBLE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include an editorial which appeared in the Daily Times of Mamaroneck, N. Y., on April 12, 1949, eulogizing the late James M. Fitzpatrick who represented a part of Westchester County, N. Y., in the Congress for 18 years.

The editorial is entitled "A Kindly Man."

A KINDLY MAN

Upon occasion back before 1926 the old Twenty-fourth New York Congressional District would go Republican. But as the vote in the Bronx portion of the district with Democrtaic preponderance grew, the normal Republican majority in the Westchester portion of the district—Eastchester, Pelham, Mount Vernon, and Yonkers—was insufficient to offset the Bronx.

Thus it was that for eighteen successive years a Bronx Democrat, James M. Fitzpatrick, represented the district. Not until redistricting before the 1944 election did Mr. Fitzpatrick retire from Congress. The two new Westchester districts, eliminating any part of the Bronx, with one including Putnam, became safe for the GOP.

But during these 18 years, when Mr. Fitzpatrick represented the southern part of Westchester, this man who had worked his way up to Congress through night school and who had started life as a boy in a Massachusetts iron mine did thousands of favors for his Westchester constituents, regardless of their political affiliations.

He died last Sunday morning but he will be remembered by many in this county for his kindliness, his unfailing courtesy and his personal interest in the problems which so many brought to him.

Expenditures in Government

EXTENSION OF REMARKS
OF

HON. JOHN W. HESELTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. HESELTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I am advised that the House joint resolution introduced by the gentleman from Massachusetts [Mr. MARTIN] is now numbered 286 and it has been referred to the Committee on Expenditures in the Executive Departments.

For the convenience of the Members, I am quoting the text of this brief resolution:

Joint resolution to reduce expenditures in government for the fiscal year 1950 consistent with the public interest

Resolved, etc., That (a) with a view to bringing the estimated Federal expenditures within estimated Federal receipts for the fiscal year ending June 30, 1950, the President is authorized and directed to make such reductions in the amounts to be expended by all agencies from any and all appropriations and funds made available prior to the expiration of the first regular session of the Eighty-first Congress for expenditure in such fiscal year, as will in the aggregate equal not less than 5 percent nor more than 10 percent of the total amounts estimated for expenditure in the budget for the fiscal year 1950 by all agencies, as adjusted to conform with the total amounts estimated for expenditure under appropriations and funds actually made available prior to the expiration of such session.

(b) As used in this joint resolution—

(1) the term "appropriations and funds made available" shall include the amount of any borrowing authority estimated for in the budget for the fiscal year 1950; and

(2) the term "agency" means any executive department, independent establishment, or corporation which is an instrumentality of the United States.

SEC. 2. In order to accomplish the reductions in expenditures required by section 1, the President is authorized to direct any officer in the executive branch of the Government to refrain from creating, notwithstanding any other provision of law, any obligation or commitment which would require an expenditure during the fiscal year 1950, under any appropriation, fund, contract authorization, or borrowing authority over which such officer exercises administrative control, in such amounts as he may deem necessary. No such officer shall create any obligation or commitment under any borrowing authority which would require an expenditure during the fiscal year 1950 in excess of any estimate included in the budget (or in excess of any estimate under any authority included in any act of Congress enacted after submission of the budget for the fiscal year 1950) with respect to such obligation or commitment for such fiscal year or in excess of any amount established by direction of the President under the authority contained in this section; except that the President is authorized to waive the prohibition contained in this sentence in individual cases upon the happening of some extraordinary emergency or unusual circumstance.

SEC. 3. Such reductions shall be made in a manner calculated to bring about the greatest economy in expenditure consistent with the efficient operation of the Government.

SEC. 4. No reduction of expenditures required herein shall have the effect of reducing by more than 20 percent the estimated expenditures by any agency from appropriations and funds made available prior to the expiration of the first regular session of the Eighty-first Congress.

SEC. 5. The President shall cause (a) the total amounts estimated for expenditure in the fiscal year 1950 (adjusted as provided in sec. 1), (b) the amount of the reduction directed by him in obligations or commitments (as provided in section 2), and (c) the amount of the reduction in each appropriation or fund account, to be certified to the Secretary of the Treasury, and shall make a detailed quarterly report thereon to the Congress within 15 days after the expiration of each calendar quarter during such fiscal year. The amounts so certified shall not be expended, or, in the case of contract authorizations and borrowing authority, the authority shall not be exercised to the extent of the reduction. The President shall also include in the quarterly report to Congress the actual figures showing the number of Federal employees at the beginning of the quarter and the estimated number of Federal employees at the close of the quarter.

I am confident that everyone understands that this is a determined and most serious effort to solve the critical situation with which this Government is confronted. Yesterday an eminent Member of the other body, an able Democrat, stated, "We are facing a real financial crisis."

We know that by midnight, at the end of fiscal 1949, the Federal Government will have spent approximately $1,500,000,000 more than it has received in revenues. We know that estimates have been made that the deficit for the next fiscal year may be between $3,000,000,000 and $4,000,000,000 and can be considerably more.

The objective is a realistic one. The minimum is a reduction of at least $2,100,000,000 and a maximum of possibly $4,200,000,000 to prevent the inevitable alternatives of deficit financing or increased taxes which could result in serious economic consequences.

As the gentleman from Massachusetts [Mr. MARTIN] so well said, there is now "no alternative but to direct the man who sponsored the huge budget—the President—to trim expenditures."

The gentleman from Ohio [Mr. MCGREGOR] and I have been attempting to make it possible for Republican Members of the House to indicate their support of this resolution. For the further convenience of Members, I am including a list of those who have joined in supporting the resolution:

GERALD R. FORD, JR., Michigan; CLARENCE J. BROWN, Ohio; CLIFFORD R. HOPE, Kansas; FRANCES P. BOLTON, Ohio; CARL T. CURTIS, Nebraska; JOHN SANBORN, Idaho; HUGH D. SCOTT, JR., Pennsylvania; LESLIE C. ARENDS, Illinois; RICHARD B. WIGGLESWORTH, Massachusetts; CHARLES A. WOLVERTON, New Jersey; CARL HINSHAW, California; LEONARD W. HALL, New York; LOUIS E. GRAHAM, Pennsylvania; RALPH W. GWINN, New York; CHRISTIAN HERTER, Massachusetts; JAMES W. WADSWORTH, New York; J. CALEB BOGGS, Delaware; JOHN JENNINGS, JR., Tennessee; HARRIS ELLSWORTH, Oregon; JAMES S. GOLDEN, Kentucky; FRANK A. BARRETT, Wyoming; NORRIS POULSON, California; JOHN W. HESELTON, Massachusetts; REID MURRAY, Wisconsin; A. L. MILLER, Nebraska; R. WALTER RIEHLMAN, New York; JAMES I. DOLLIVER, Iowa; CHARLES H. ELSTON, Ohio; CHARLES W. VURSELL, Illinois; ALVIN F. WEICHEL, Ohio; BERNARD W. KEARNEY, New York; ROBERT HALE, Maine; ANGIER L. GOODWIN, Massachusetts; J. HARRY MCGREGOR, Ohio; JAMES C. AUCHINCLOSS, New Jersey; GEORGE J. BATES, Massachusetts; JOHN C. KUNKEL, Pennsylvania; KENNETH B. KEATING, New York; RICHARD M. NIXON, California; HARRY L. TOWE, New Jersey; PAUL B. DAGUE, Pennsylvania; HARDIE SCOTT, Pennsylvania; WILSON D. GILLETTE, Pennsylvania; CLARENCE KILBURN, New York; CHESTER E. MERROW, New Hampshire; ROBERT B. CHIPERFIELD, Illinois; JAY LEFEVRE, New York; HENRY J. LATHAM, New York; WALTER NORBLAD, Oregon; JAMES E. VAN ZANDT, Pennsylvania; EDWARD T. MILLER, Maryland; THRUSTON B. MORTON, Kentucky; RICHARD M. SIMPSON, Pennsylvania; RUSSELL V. MACK, Washington; THOMAS E. MARTIN, Iowa; JOHN W. BYRNES, Wisconsin; LEO F. ALLEN, Illinois; AUGUST H. ANDRESEN, Minnesota; EARL WILSON, Indiana; JOSEPH W. MARTIN, JR., Massachusetts; CHARLES A. HALLECK, Indiana; JOHN DAVIS LODGE, Connecticut; CLIFFORD P. CASE, New Jersey; CHARLES A. EATON, New Jersey; WILLIAM L. PFEIFFER, New York; NORRIS COTTON, New Hampshire; JAMES G. FULTON, Pennsylvania; DANIEL A. REED, New York; DONALD L. JACKSON, California; J. GLENN BEALL, Maryland; FREDERIC R. COUDERT, JR., New York; ROBERT F. RICH, Pennsylvania; FRANK FELLOWS, Maine; WESLEY A. D'EWART, Montana; GEORGE A. DONDERO, Michigan; WALTER E. BREHM, Ohio; WILLIAM M. MCCULLOCH, Ohio; HUBERT B. SCUDDER, California; WILLIAM W. BLACKNEY, Michigan; RALPH HARVEY, Indiana; PAUL W. SHAFER, Michigan; CECIL M. HARDEN, Indiana; DAYTON E. PHILLIPS, Tennessee; JOHN M. VORYS, Ohio; ANTONI SADLAK, Connecticut; DONALD W. NICHOLSON, Massachusetts; EDITH NOURSE ROGERS, Massachusetts; T. MILLET HAND, New Jersey; GORDON CANFIELD, New Jersey; JAMES T. PATTERSON, Connecticut; RALPH A. GAMBLE, New York; W. STERLING COLE, New York; GORDON L. MCDONOUGH, California; ROBERT W. KEAN, New Jersey; IVOR D. FENTON, Pennsylvania; BENJAMIN F. JAMES, Pennsylvania; LEON H. GAVIN, Pennsylvania; ROBERT J. CORBETT, Pennsylvania; FRANKLIN H. LICHTENWALTER, Pennsylvania; THOR C. TOLLEFSON, Washington; SAMUEL K. MCCONNELL, Pennsylvania; DEAN P. TAYLOR, New York; EDWIN ARTHUR HALL, New York; W. KINGSLAND MACY, New York; JOHN J. ALLEN, California; JACK Z. ANDERSON, California; THOMAS H. WERDEL, California.

May I add that either of us will be glad to receive any other names of those who wish to join in this effort. In that connection I want to call attention to the further statement by the gentleman from Massachusetts [Mr. MARTIN] when he said:

I invite Democrats, as well as my Republican colleagues, to join with us in this vital effort.

It is significant to note that an identical proposal, Senate Joint Resolution

108, was reported favorably on June 13. The Committee Report No. 498 constitutes a careful analysis of the background and of the terms of the resolution. It is also significant that 61 Members of the other body, 37 Republicans and 24 Democrats, have indicated their support of this proposal. They represent 40 of the 48 States and these States include approximately 94 percent of the population of the Nation. An interesting discussion of the proposal may be found in the RECORD of June 28 at page 8518.

The importance of this legislation is high lighted by the fact that these 61 Members of the other body have joined in an additional resolution requesting the majority and minority leaders to so arrange the schedule of business that Senate Joint Resolution 108 might be brought up at the earliest practicable date "so that said resolution may receive full consideration of the Senate and be brought to a vote on final passage." Any unbiased examination and consideration of the names of those who have so expressed themselves formally can lead but to one conclusion, that they believe it to be of the utmost importance to obtain immediate and favorable action. To complete the record I am including the names of the 61 Members of the other body who are supporting prompt action on this proposal: Senators JOHN J. SPARKMAN, Alabama; JOHN L. MCCLELLAN and J. WILLIAM FULBRIGHT, Arkansas; WILLIAM F. KNOWLAND and SHERIDAN DOWNEY, California; EUGENE D. MILLIKIN and EDWIN C. JOHNSON, Colorado; RAYMOND E. BALDWIN, Connecticut; JOHN J. WILLIAMS and J. ALLEN FREAR, JR., Delaware; SPESSARD L. HOLLAND, Florida; WALTER F. GEORGE, Georgia; PAUL H. DOUGLAS, Illinois; HOMER E. CAPEHART and WILLIAM E. JENNER, Indiana; BOURKE B. HICKENLOOPER and GUY M. GILLETTE, Iowa; CLYDE M. REED and ANDREW F. SCHOEPPEL, Kansas; VIRGIL CHAPMAN and GARRETT L. WITHERS, Kentucky; OWEN BREWSTER and Mrs. MARGARET CHASE SMITH, Maine; MILLARD E. TYDINGS, Maryland; LEVERETT SALTONSTALL and HENRY CABOT LODGE, JR., Massachusetts; HOMER FERGUSON, Michigan; EDWARD J. THYE, Minnesota; JAMES O. EASTLAND and JOHN C. STENNIS, Mississippi; FORREST C. DONNELL and JAMES P. KEM, Missouri; ZALES N. ECTON, Montana; HUGH BUTLER and KENNETH S. WHERRY, Nebraska; GEORGE W. MALONE and PAT MCCARRAN, Nevada; STYLES BRIDGES and CHARLES W. TOBEY, New Hampshire; H. ALEXANDER SMITH and ROBERT C. HENDRICKSON, New Jersey; IRVING M. IVES, New York; CLYDE R. HOEY, North Carolina; MILTON R. YOUNG, North Dakota; ROBERT A. TAFT and JOHN W. BRICKER, Ohio; ELMER THOMAS, Oklahoma; EDWIN MARTIN, Pennsylvania; BURNET R. MAYBANK and OLIN D. JOHNSTON, South Carolina; CHAN GURNEY and KARL E. MUNDT, South Dakota; KENNETH MCKELLAR, Tennessee; TOM CONNALLY, Texas; ARTHUR V. WATKINS, Utah; RALPH E. FLANDERS, Vermont; HARRY FLOOD BYRD and A. WILLIS ROBERTSON, Virginia; HARRY P. CAIN, Washington; ALEXANDER WILEY and JOSEPH R. MCCARTHY, Wisconsin.

Getting Down to Basic Issues

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. KLEIN. Mr. Speaker, under consent I am inserting in the RECORD, and I commend to your attention and to the consideration of the House, a lucid editorial from the Washington Post of Thursday, June 23, which goes down to the basic issues in the current controversy over help and future disposition of the thousands of Arab refugees left homeless and helpless by the hostilities in the Holy Land.

Surely this editorial will help clear the air and dispel some of the misapprehensions that have taken root in the public mind.

ARAB REFUGEES

The Arab-Israeli Conference at Lausanne is so deadlocked that there has been a suspension of talks till the delegates get fresh instructions. The air is full of recriminations. The Arabs insist that the Israelis are ducking the United Nations resolution of last December 11 which said that the Arab refugees should be permitted to return to their homes and that this should be facilitated by the Conciliation Commission. The Israelis retort that the December 11 resolution is not so restrictive. They say—and they are right in so saying—that the refugee problem was made all of a piece with a peace settlement, but that the Arabs will talk about refugees but not about a peace settlement. The effort to promote a meeting of minds seems to have put the Conciliation Commission in a state of exhaustion and exasperation.

In the meantime the condition of the refugees seems to be worsening, and this is of concern to civilized society. There have been few tragedies in history comparable to the enforced deprivation of domestic ties of millions of people by the war and by the subsequent transfer of populations. This applies to Arabs no less than to Jews and to the Volksdeutsch. Contrary to what some Israeli spokesmen say, many of the Arabs in Palestine were attached to their homes in Palestine, and they want to go back there. It doesn't matter to most of them, contrary to what used to be said during the hostilities over Palestine, whether sovereignty is Israeli or Arab. Indeed, they may have a preference for the new sovereignty of a people who have made Palestine thrive and prosper. Some of them used to work in the orange groves, and, with Israel short of such workers, would be helpful to reconstruction in the new state. However, the Israelis cannot be sure of the allegiance of all the refugees. Obviously there is a security or a fifth-column problem involved so long as a technical state of war continues to exist. And it is by no means alleviated by the second-round talk of the Arab press or by the Bevin decision to resume arms shipments to Arab countries.

The prospect of a general settlement will recede if the present recrimination is maintained. The key to Arab willingness to talk peace is said to be some serious move by the Israelis to repatriate the refugees. But they have made not one move but several. What are they? On the record, there are two—first, an offer to reunite broken families, and, second, an offer to take responsibility for the 250,000 refugees cooped up in the Gaza strip, about 20 miles of coastline 4 miles deep, in return for that strip. In addition, in principle, they have agreed to validate the property rights of the refugees and to unfreeze their bank accounts. Are these not serious offers while the war is still in a state of suspense? This is certainly the appearance they give, though they were tardy in coming forth, and the acknowledgment of property rights applies neither to urban homes nor to uncultivated land.

It would seem to us that since multilateral negotiations seem to have had no promising results, bilateral negotiations should be encouraged, and might begin with the issue with Egypt over the Gaza strip. Here is the locus of the greatest concentration of the refugees. Since Egypt and Israel came to an armistice when their representatives were brought together at Rhodes, why not let them try to come to a peace agreement between themselves. There is no subject except that of the refugees which justifies any comprehensive negotiations. Pressure in this direction, however, presupposes a united Anglo-American policy in the Middle East based upon live-and-let-live and forward-looking development that, unfortunately, still seems to escape the diplomacy of both countries.

Chinese Resistance Center?

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. HESELTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a most interesting and constructive letter from Dr. K. C. Wu to the Christian Science Monitor. In the light of the great concern widely shared in this country as to what policy may be adopted by our Government as to China, Dr. Wu's recommendation is worthy of the serious and immediate consideration of the officials in our Government charged with the responsibility as to the development of any such policy. Dr. Wu is one of the best examples of a man who has a balanced understanding of both China and America. Educated at Princeton University, he is widely known as a friend of this country and a man who has demonstrated beyond any doubt his great abilities. His letter is as follows:

To the CHRISTIAN SCIENCE MONITOR:

I recall Mr. Canham's visit to Shanghai and later on reading his columns about the world trip. Owing to long illness, I relinquished my post as mayor of Shanghai at the end of March this year. Since then, I have been recuperating in this beautiful island, Taiwan. My health has improved a great deal, but my mind is constantly harassed by developments in China. I have been thinking of you often these days. The leadership of the whole democratic world rests on the shoulders of America; and Mr. Canham as editor of one of the most influential American dailies may be rightly said to be a custodian of human destiny. Last night through his broadcast, "The Voice of America," I heard a summary of your editorial in relation to General Chennault's appeal. Hence, my letter to you.

How right your editorial is in its analysis of the situation here. Of course, we are to blame ourselves for the sad plight which we are in. We are reaping the consequences of years of misrule. The underpayment of public functionaries has undermined the integrity and efficiency of our administration. The depreciation of currency has lowered the morale of our people and their confidence in the government. Favoritism and factionism ran rampant, and in no place did such malpractice find more evidence than in the army. Everything was heading for a sudden collapse.

Yet, though far be it from me to whitewash ourselves, you, esteemed always for your acumen and impartiality, cannot but know that there are other equally important factors which contribute to the deterioration and which are extenuating circumstances for us. The long war with Japan and the continuous strife with the Communists have forced the hand of the government in doing many things which they would not have done under normal conditions and in failing to undertake reforms which they would have undertaken, had they only had peace and time.

It is of no use to harp on the past. Nor it is necessary for me to impress upon you the importance to the United States of maintaining China as an independent democratic nation. You know them as well as I do. Not to speak of the enormous manpower which will be placed at the absolute disposal of the totalitarian Soviet, the loss of China will open Communist inroads into southeast Asia, the soft economic underbelly of America, with its vast rich resources of rubber, oil, zinc, tin and quinine.

To send American troops to China to fight our civil war is, of course, impossible. To ask for a huge grant of, say, billions of dollars at present may appear to many of you as throwing money into water. Yet nobody can deny that the interests at stake are exceedingly high. It may be unwise to gamble. But it is certainly not injudicious to do some hedging to cover your position. Indeed, it would be injudicious not to do so.

My conjecture is that the Communists may be able to conquer and dominate the whole of China within 6 months to a year's time. But after that, when they begin to enforce the Soviet type of rule, as I am sure they will, the entire country will become a mass of seething discontent. The thing for us to do is (1) to retain as many as possible centers of resistance in the Communist-controlled area such as the Communist border regions when we were in the upper hand, and (2) to secure a strong foothold where we can really build up a good popularly supported government to form a contrast to the tyrannical Communists so that it may become the rallying point of all the enlightened forces of China. The first, however, we have to leave more or less to the shaping of circumstances in the future. But it is most imperative to plan and achieve the second objective right now.

Where can we secure that much needed foothold? In my opinion, Taiwan is exactly the place we want.

It is needless to enlarge on the strategic value of Taiwan to Japan and the Philippines. Nor need we dwell at length on the richness of the resources of this island. What I want to stress is that, separated from the mainland, it is comparatively secure for the time being. And that is a basic condition for the introduction of necessary reforms. Before the war, the Japanese did a good job here. It will not be very difficult to restore Taiwan to its former prosperity. With the supply of 300,000 tons of fertilizer, the agricultural produce can be doubled. With $10,000,000 (the ECA has a plan now), electric power can be so much increased that new factories can be set up to multiply exports and cater to the needs of the people.

Of course, the transportation system has to be renovated, and many other things, too. But I figure the total expenditure will not come to much more than $50,000,000. And if ways and means can be devised to facilitate exchange of products between Taiwan and Japan and the Philippines, this island can be easily made self-sufficient without any regard to the continent.

There exists in some quarters a belief that the Taiwan people are against the Chinese. But I find this utterly untrue.

I am very glad that the present Governor of Taiwan is Gen. Chen Cheng, who was appointed only a few months ago. He is one of the very few Chinese military leaders whose integrity is above dispute. Fortified by bitter experiences of the past, his mind is turned toward the future and bent on thorough reformation. He lends a willing ear to all sound advices and his heart is for the welfare of the people. If the United States decides to give aid to this island, I am sure that your people will find him honest, efficient, and most cooperative.

Moreover, you can deliver your aid to Taiwan through the existing channels of ECA. As a matter of fact, you need not even ask for action by Congress at present. What you need to do now is only to get the cooperation of the State Department and ECA to divert to Taiwan, for a start, as much as possible of the funds which have already been allocated to the mainland and found impractical to use and then wait for fresh opportunities to render us further assistance.

I make these suggestions entirely unknown to my own government and independent of any political connection. The cost is only some $50,000,000, which your Congress has already appropriated. The advantages are stupendous. If the plan works well and comes up to my expectations, this may become the turning point for the recovery of entire China, now seemingly lost to the Communists. If it meets only with moderate success, Taiwan may serve the purpose of strengthening the defense of the democratic world in the Pacific. There is not much of a gamble in this proposal. It is only a minor hedging which any cautious man would take in such a big game.

But time is short and the situation brooks no delay. It is lamentably true that leadership is wanting in China. But it would be all the more regrettable should you, the custodians of human destiny, fail to take the initiative at this critical hour and neglect to salvage China, or parts of it, out of this present avalanche which in the end may even smother you with all your noble ideals of liberty and equality.

K. C. WU.

TAIPEH, TAIWAN.

The Brannan Plan

EXTENSION OF REMARKS

OF

HON. KARL M. LeCOMPTE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. LECOMPTE. Mr. Speaker, the editorial staff and the research department of the Des Moines (Iowa) Register, one of the great newspapers of the United States, and the largest and most influential newspaper in Iowa, has made a very careful study of the proposed Brannan plan and has printed a series of four articles or editorials on the subject. I believe that these very carefully prepared articles analyzing the Brannan plan and offering suggestions, and representing a vast amount of research, are worth reading by all the Members of the House. Under leave to extend my remarks, I include this material in the Appendix of the RECORD:

[From the Des Moines Register of June 7, 8, 9, and 10, 1949]

WE NEED A NEW FARM POLICY—I

When Secretary of Agriculture Brannan tossed his recent proposals for farm-price support in the congressional hopper, the reaction was immediate and loud. His plan was either praised or damned as something entirely new in agricultural policy. But is it new?

There is, to be sure, a new formula for supporting prices.

There is a new base period. There is the proposed use of direct payments to farmers, on a broader scale.

Yet the basic aim is the same as it has been ever since farm-relief agitation began after World War I: Support agriculture by keeping farm prices up.

Because his proposed levels of price support are so high, Secretary Brannan has provided the opportunity for a complete reappraisal of our agricultural policies.

If this is where they lead, do we want to continue on the road? Is the price-support route the way to real stability for agriculture?

Does the Brannan program hinder or help agriculture's long-run adjustments to an expanding industrial economy?

Our present agricultural policy—including the Brannan plan, which is its legitimate offspring—stems actually from the cry for farm relief in the early twenties. At that time agriculture was afflicted with low-price difficulties—or high-cost and debt difficulties—depending upon the way you look at the problem.

Farm leaders chose to see it as a low-price problem, for perfectly understandable reasons. So they put on pressure for raising prices.

There were many other issues involved in the demand for higher prices—the growing tendency toward administratively fixed prices in industry, the growth of labor unions and rigid wages, the high cost of rail transportation, high real-estate taxes, and so on.

The failure of these costs to drop as farm prices did, after World War I, plus the swollen mortgage debt inherited from the land boom, suggested the price-raising remedy: Lift prices of farm products, and agriculture's problems would be solved!

As the dreary process of mortgage foreclosures and farm bankruptcy dragged on during the twenties, while the rest of the country was prosperous, it was natural for farm leaders to seek a solution "within agriculture." This was strictly a "farm depression."

Methods proposed included export dumping, and restriction of production to the size of the domestic market. Farmers were conscious of the sharp loss in foreign trade, and tended to place the blame on that alone. McNary-Haugenism and the "export debenture plan" stemmed from this belief.

This agitation during the twenties never got very far. President Coolidge vetoed the McNary-Haugen bill. An attempt by farmers to cure their own ills through marketing cooperatives fizzled.

But when the Great Depression of the Thirties hit, farm relief got high priority. Although the basic cause of the trouble had changed—it was now world-wide industrial paralysis, instead of domestic economic imbalance—the methods of the twenties were dusted off and put to use.

The objective remained the same—higher prices. "Parity for agriculture" was the rallying cry. It has been ever since.

The New Deal programs achieved some success. The benefit payments under AAA provided much-needed cash. Commodity loans effectively raised prices of basic crops above the free-market level.

But the total effect of all the programs on national farm income was small indeed. Farm income during the thirties was but little higher than its average relationship to national income during the twenties.

Farmers did not really begin to prosper until the whole economy began to revive, under the stimulus of wartime production programs financed by Government spending in the forties. Even as late as 1940, farmers were hard up.

But the experience with farm programs during the thirties was exceedingly valuable. It showed, by large-scale national try-out that production control did not work very well.

Especially in the feed-livestock sector of agriculture, acreage restrictions simply didn't do the job. Farmers substituted other feeds for corn, for example. They grew more corn on fewer acres by using more fertilizer and better seed. They demonstrated an unexpected degree of individual flexibility and adaptability in production.

Controlling corn acreage did some good because it stimulated better farm practices and encouraged use of soil-conserving grasses, but it certainly did little to hold down production of livestock and livestock products—and these are the products which must be controlled if Corn Belt farmers are to get higher prices and incomes by "monopoly methods."

Other valuable lessons were learned. Crop loans above market value piled up huge carry-over stocks of corn, wheat, and cotton. The war absorbed these providential (but accidental) stock piles. Yet the lesson cannot be missed: If war had not come along, the storage stocks would have had to be destroyed, exported under subsidy, or else allowed to break down the price-support system.

The price-support activities of the thirties, mild as they were in comparison to the Brannan plan—supports never being higher than 75 percent of parity before the war—proved to be a great handicap to our foreign-trade policy.

In 1934 we had begun the reciprocal trade-agreements program to encourage a world-wide reduction in tariffs, import quotas, and other trade restrictions. But our artificially high prices of export products like cotton, wheat, and tobacco tended to restrict trade. In the case of cotton, they encouraged the development of competitive exports from other countries. They even made necessary domestic import quotas—because we could not have farm products from other countries flowing in to ruin our own price supports.

During the war that began for us in 1941, the price-support technique was used for a different purpose and in a different economic climate. We will talk about that in a later editorial.

WE NEED A NEW FARM POLICY—II

In a previous editorial we reviewed the history of farm price-support legislation between Wars I and II. We showed how the philosophy of raising agricultural prices as a means of attaining farm relief and stability emerged into Federal policy.

When World War II came along, we began to use the earlier depression-born price-support techniques for a different purpose, and in a different economic climate, of course.

The Government first guaranteed farmers 85 percent of parity in order to encourage output of needed products. This was shortly raised to 90 percent (92½ for cotton).

These supports caused no trouble, however. Demand was increasing so fast that it kept ahead of the supports, except for short-period surpluses, as of hogs in 1944 and of eggs at various times. After the war even the 90-percent supports were so low in relation to the free market that few surpluses occurred—only in potatoes and eggs and a few other exceptional cases.

In the last year, however, as foreign demand has begun easing off and with bumper crops of grain, both wheat and corn have moved into the "surplus" category. They are surplus in the sense that the entire production cannot move into consumption at the price-support level.

Eggs are in the same class. Some dairy products also.

Potatoes are in surplus again, even though the price-support level has been lowered from 90 percent of parity to 60.

Other products are not far away. Hogs, for example, are almost certain to drop to price-support levels (90 percent of parity) before the end of this year.

Under the price-support law passed by the Eightieth Congress, most of the commodities given price protection during the war are guaranteed 90 percent of parity until the end of this year. After that supports become "flexible."

With the exceptions of tobacco and wool, which remain at the 90-percent level, supports will go down the parity scale. For the grains and cotton, supports must be no lower than 60 percent. For others, the Secretary of Agriculture is given discretionary power—within the limits of funds granted by Congress. Under this power, he has announced that hogs will be supported at 90 percent until March 31, 1950.

Now Secretary Brannan has interjected his proposal into the political limelight. He calls for a much higher level of price support than ever before proposed—despite all the window dressing of direct payments, a new base period, and the use of the words "minimum income standard."

If this proposal were to become law, it certainly would compound the difficulties which were experienced under the earlier programs in the thirties. It would make the crop restrictions and marketing controls of that period look mild, indeed.

Even at fairly high levels of general business activity, the Brannan proposal would require a great deal of Government price-support activity. For most of the important farm products, the mandatory level of support would be higher than 90 percent of parity. There is little provision for any adjustment to weaker demand or greater supply provisions.

In view of our experience with more moderate price supports, the Brannan support proposals would seem to be the height of economic insanity. Direct payments do not remove all the sting. Although consumers would benefit from allowing market prices to seek their own level, Government outlays would have to be very large to make good on the supports. To avoid excessive Government spending, the program almost certainly would lead to acreage restrictions and marketing controls.

Even assuming our past experience had been favorable, however, a new and higher support program should be judged in relation to the changed economic position of agriculture.

Early agriculture policy makers thought in terms of farming as a rather homogeneous industry. The debt load of the twenties, the rigidity of farm costs, the loss of foreign markets—all seemed to be universal in their impact on agriculture.

Besides, all the statistics were for agriculture as a whole. Actually, market prices for farm products are of great concern to only about half the farmers of this country. The other half of our 5,500,000 so-called farmers are so unproductive that they produce little for market.

This lower half raises only about 10 percent of the total agricultural output. Much of what they produce goes for home consumption, and does not reach the market.

This group includes not only the South's poor farmers and the inefficient farmers of all regions; it includes a growing number of people who live on farms and are classified as farmers in the census statistics, but who really earn most of their living off the farm. They are part-time farmers, not dependent upon their farm production for a living, except in time of depression, when they cannot get nonfarm work.

It is easily demonstrable that nearly half the farmers in this country have little to gain from a price-support program.

And a sizable proportion of this half actually have something to lose, since they are bigger purchasers of farm products than they are producers.

The other half of the farmers are a different sort, entirely. The most efficient farmers of the corn belt, the wheat belt, the fruit regions, the dairy regions and even of the South, are completely commercial. They sell everything they produce and buy everything they use. Obviously, they have a great deal to gain from a high price support program providing they can continue to produce as much as before. And in the case of the livestock producers, there is little doubt that they could, unless production and marketing quotas were applied to livestock and livestock products themselves.

Mr. Brannan has asked Congress for such controls, but it is doubtful that either farmers or consumers would long tolerate such restrictions.

In the case of tobacco and cotton, restrictions on acreage can be effective. But the more production is cut down to support prices, the less income advantage producers will get from the higher prices. And in both crops, such restrictions encourage competition from other countries and from substitute crops. Cotton already has lost ground it can never take back from rayon producers and cotton growers of other lands.

But more about that another time.

WE NEED A NEW FARM POLICY—III

In two previous editorials, we have related how over the last 30 years we came to arrive at the point where the Brannan price support program for agriculture was even proposable. We discussed reasons why very rigid restrictions and controls would be necessary to make it feasible. And we pointed out that any price support program fails to benefit the noncommercial portion of our farm population which most needs help.

The high-price-support philosophy needs also to be reexamined in relation to the changed economic position of our top commercial farmers, who primarily gain from it.

These commercial farmers are not overwhelmed with debt as they were in the twenties and early thirties. They learned their lesson from World War I, and refused to be stampeded into a runaway land boom during World War II. Land prices are still low in relation to net farm income.

The smaller debt load now carried by farmers is also much more flexible. Loans on land generally are amortized over a long period of years, with provision for skipping principal payments in hard times. Interest rates are low. There are no more 8 percent, 5-year loans as in 1920.

Farmers also have made great technological advances in the last 15 years. They have been able to reduce labor costs phenomenally, by the use of new machines and more gas and electric power.

They have joined the machine age, while the lower fringe of agriculture is still back in the nineteenth century.

While this technological revolution has increased the proportion of cash costs sharply, thus making it harder to lower total cash outlays in time of reduced income, it has made the farming operation more flexible. Corn Belt farmers today, for example, can easily shift out of grain to more grass, cutting costs sharply for gasoline, machinery, and fertilizer. A quarter century ago, most of the costs of corn production went right on, whether you reduced output or not—since the horses had to be fed anyway and one or two hired men probably had to be kept on the farm.

Of course severe industrial depression would work great hardship on farmers—just as it would on everyone else.

But the changed financial position of the top farmers raises the question whether these businessmen are entitled to as much special Government protection as before.

Would it not be wiser to spend less time and money on protecting commercial farmers against price declines, and more time on preventing depressions themselves?

As long as general business is good, as long as unemployment doesn't rise above 5,000,000, these commercial farmers will take care of themselves as well as most other businessmen will.

Giving the upper-income farmers a disproportionately high guaranteed income through price supports does little to prevent a depression. It may, indeed, aggravate a depression by clogging trade channels, distorting the natural production and marketing adjustments, and pushing people back onto farms.

But suppose our efforts through monetary, fiscal, and public works programs fail to achieve reasonable stability in the total economy, and a depression comes? Suppose unemployment grew to 10,000,000 or more, and the country's industrial economy was stagnant?

Then farmers would have a just claim on society for some kind of subsidy, some kind of benefit payment, in return for maintaining full production. (The same sort of guaranty might well be made, in all logic, to any industry that maintained its output.)

The fact is that in our modern society we recognize plainly the responsibility of government to provide assistance to all disadvantaged groups, in a depression. Our social-security laws give a measure of such aid to industrial workers. Certainly farmers are entitled to the same sort of protection in a depression.

If this is sound public policy, then the question becomes one of method. How would you make the payments?

Most of the suggestions made by agricultural economists and farm leaders are for some kind of price support. They cannot get out of the old groove. They see the fallacies in the programs of the thirties, and most of them see that these fallacies are merely compounded in the Brannan plan. But they still see no alternative.

Direct payments on a price-support base, without market manipulation through loans or buying activities, would be an improvement. But the payments would still be tied to the prices of market commodities. The urge to expand output of these products would still be there—and despite the wisest price-setting formulas, farm production would be directed into arbitrary channels.

Instead of allowing free choice of consumers to determine our output, we would be substituting the decision of government officials or the rigid bounds of an arbitrary price formula.

No acceptable substitute has yet been discovered in England, in Russia, or anywhere else for the free pricing system as a means of transmitting consumer preferences to producers of farm products.

Perhaps the Government can help slightly by "forward price" guaranties in times of great movements of demand—such as in wartime But for the most part, the less Government interference the better, so far as this function of adjusting output to demand is concerned.

Why not, then, make "depression payments" to farmers on some other base entirely?

Why not make soil-conservation payments, adjustable to changes in general economic conditions?

Large-scale conservation payments to farmers in a depression would be just as helpful to farmers in protecting their incomes as price-support loans or payments.

Moreover, conservation payments would have many advantages, both political and economic, over price supports as a means of providing this protection. First of all, they would be politically acceptable to farmers and their organizations.

Let us consider this topic of conservation payments further in another editorial.

WE NEED A NEW FARM POLICY—IV

In the preceding editorial of this series, we pointed out that rigid economic controls of agricultural production had never been and never could be a satisfactory substitute for consumer choice in a free market.

We suggested the wisdom, therefore, of shifting away in our thinking from the guaranteed price technique of safeguarding farmers against depression, which would not work anyway, and of shifting toward the conservation payment technique.

The Farm Bureau and the Grange have always opposed direct payments to farmers—as a technique of price support—because such payments look too much like handouts. They prefer a disguised subsidy of fair prices in the marketplace. They believe such guaranties of prices would be easier to maintain in Congress than outright payments.

But conservation payments are well established, after 15 years of AAA. Farmers see nothing immoral about taking money from the Government for the purpose of improving their land resources.

Consumers generally feel the same way about it. Conservation of our food-producing resources has received general public approval. Consumers would raise little objection even to payments totalling two or three billion dollars a year to farmers, in a depression, for building up the national food-production capacity. But they probably would howl loudly about the same payments as a means of giving farmers predepression prices in hard times.

Secretary Brannan proposed that his price-support payments be made contingent upon performance of certain soil conservation practices. This is certainly sound public policy. But why not, then, make the payments directly for that purpose?

Making conservation payments variable according to changes in general economic conditions is sound public policy—not merely because it would help stabilize farmers' incomes, but also because it would induce a proper use of soil resources. It makes sense to draw heavily on our bank of soil fertility when prices are high, and to put fertility back into the land when prices are low.

Soil conservation payments should be made for a carefully prescribed set of practices, laid down and checked for compliance by local farmers. They should be made on a scale which would vary with some over-all measure of demand for farm products, such as the estimate of income payments to non-farm people made by the Department of Commerce.

Variable conservation payments would have the advantage over price-support payments, also, in that they would help noncommercial farmers to a much greater degree. They would tend to encourage an improvement in farming methods by the people that need such encouragement most.

Dr. John D. Black of Harvard University suggests that payments be made in kind—that is, in fertilizer, materials, seeds, and farm equipment which would help raise farm productivity. Such an adaptation would provide more positive assurance to the general public that it was getting its money's worth in payments to farmers.

But any conceivable conservation program, backed up by large-scale payments in time of depression, would still fall short of dealing adequately with the problems of low-income farmers.

These people need two principal public aids: (1) adequate help and guidance to become efficient farm producers, so that they can join the commercial segment of agriculture, or (2) adequate training and financial help to get out of farming into other occupations, where they can earn a better living.

The Farmers Home Administration (formerly Farm Security Administration) has developing methods of providing the first of these forms of public aid. It has a notable record of rehabilitating farmers by providing them with credit and supervising their farm operations. This program might well be expanded. In spite of the fact that we have too many farmers in this country, there are many thousands of families in the lower half who are capable of becoming efficient producers, given the chance.

Moving people out of farming is a harder job. Our social values call for a maximum of freedom of choice for the individual. It would not be possible politically—even if it were desirable for other reasons—to move people off farms by force. The only acceptable technique is to provide the opportunity for farm families to move to other occupations if they want to.

Experience during the war shows that the principal factor which causes this movement is a high level of industrial prosperity. So the main contribution public policy can make to this desirable adjustment is to prevent a depression.

A better national distribution of educational advantages would also help. Many people living on farms in the South, for example, are incapable of moving to other jobs because they lack the rudiments of education to work in urban occupations. This can be over-emphasized: the wartime drift of people from farm to city showed that the knowledge and skills necessary for factory work are very quickly acquired. Nevertheless, adult as well as child education in backward rural areas undoubtedly would be a stimulation to further movement off farms.

This program of greater conservation payments to farmers, plus expanded public assistance to underprivileged farm people, would incorporate nothing particularly new in our scheme of farm programs. But it would make these real adjustment programs, rather than artificial price supports, the heart of farm policy. It would be an attack on farm problems which recognizes that no blanket program can correct the maladjustments of such an exceedingly diverse and complicated industry.

It would allow the country's highly developed and sensitive price and market machinery to operate freely, without excessive government interference.

The voice of the consumer again would be sovereign in deciding what kinds of farm products we should produce.

Our foreign economic programs no longer would be handicapped by restrictions, required by our price support policy. We would be able to go to the world with our programs for greater trade, and for a more rational international distribution of labor, without having to apologize for our own sins.

Best of all, this program would fit in with an expanding industrial economy. It would not "freeze" agriculture into any kind of a predetermined pattern. And it would put a high premium on farm production efficiency.

Nonreciprocating Reciprocity British Style

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. DAGUE. Mr. Speaker, if there are any of us who need further justification for our vote in opposition to an extension of this Nation's unrealistic reciprocal trade program surely we can find it in the Associated Press article which appeared in Tuesday's Washington Star.

Far from finding fault with Britain's apparent determination to do business with Argentina without regard to this country's juvenile conception of what constitutes world trade, we are rather inclined to applaud this latest demonstration of the utter impracticability of our present tariff and trade program. In the face of ever-increasing barriers to the products of this country we have continued to let down the bars to a swelling influx of foreign goods which can only spell disaster for American labor and industry. And admitting that the day of the high protective tariff is gone forever let us hope that we have at least reached the end of our present naive policy which has neither raised us in the regard of our neighbors or kept us out of war.

The time seems to have arrived when the President must rely on the expert advice of the Tariff Commission and turn from the impractical, visionary, un-American, and wholly unrealistic planning of the State Department. It would seem, too, that Mr. Paul Hoffman, Administrator of the Marshall plan, must revise his estimates as to the effectiveness of that give-away program as he contemplates these British restrictions on trade at a time when the United States is scattering broadside its dollars in an effort to bring about freer interchange of goods in the world market.

The Associated Press item which prompted these reflections follows:

BRITISH-ARGENTINE PACT HITS RECIPROCAL TRADE POLICY, SENATORS SAY

Senators today described the British-Argentine trade pact signed yesterday as a heavy blow to this country's reciprocal trade policy.

Publicly and privately, they accused Britain of following a policy which tends to choke off the free world trade sought by the United States.

The pact, binding Britain and Argentina to do most of their trading with each other over the next 5 years, was signed in Buenos Aires.

"SERIOUS SITUATION" SEEN

The State Department, which had vigorously objected to such a deal, made the best of it yesterday and issued a toned-down statement expressing gratification that "substantially more flexibility" had been written into the agreement.

But Senator GEORGE, Democrat, of Georgia, said the treaty has created a "serious situation." He said it will complicate his job of getting the Senate to approve an extension of the reciprocal trade-agreements program asked by President Truman.

As chairman of the Senate Finance Committee, Senator GEORGE will lead the fight to extend the President's powers to negotiate trade agreements which lower tariff barriers.

Senator MILLIKIN, of Colorado, ranking Republican member of the Finance Committee, said the pact "will have a tremendous impact on our reciprocal trade system."

UNITED STATES SEEN FROZEN OUT

Under the agreement, Britain will furnish Argentina most of her imports in return for meat and cereals. American critics say the pact will virtually freeze the United States out of the Argentine market.

But even more serious, some Senators say, is the fact that the treaty sets a pattern which may wreck American efforts to break down trade barriers.

"The pact tends to restrict rather than expand freer world trade," Senator MILLIKIN said, "and it indicates we are working at cross purposes with the second greatest trade country in the world—Britain."

Tokyo—MacArthur on the Job

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. MILLER of Nebraska. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a radio address made by Henry J. Taylor from Tokyo, Japan, on June 27, 1949. In this radio address, Mr. Taylor points out some of the difficulties facing General MacArthur.

Many of us have known for some time that not only the State Department, but sympathizers with the Kremlin have been trying to discredit and subordinate General MacArthur's activities in Japan. I shall urge, with all the force at my command, that the Congress back General MacArthur to the limit because he has done and is doing a remarkable job in Japan. It would be most unfortunate if those who are jealous of this great commander would be successful in subordinating and undermining the work he has been doing.

I recommend the reading of Henry J. Taylor's radio script to my colleagues:

Come with me, 6,000 miles across the Pacific. Stand here beside me in Tokyo tonight and you will be very proud of the United States.

Pull up your chair and talk with Gen. Douglas MacArthur. Go through these Tokyo streets. Go into the Japanese homes and shops. Go, as I did, to the Japanese police headquarters—into their banks and schools and movie houses. See our American troops in barracks, and quietly on duty at key places, where needed. You will be very proud of the United States.

MAKING FRIENDS OF ENEMIES

These people were enemies of our country. There are 81,000,000 of them on these rocky, rainswept islands. They caused us, in our American homes, great suffering, death and loss and pain. They were our bitter and horrible enemy.

You find it strange to move among these people who faced us in their foxholes and their Kamikaze planes—to have them serve you breakfast, light your cigarette, open the door as you pass through, bow and rush forward with your hat or coat, stand at attention while you ask a simple direction on a street corner, or in a shop.

A GREAT ACHIEVEMENT

Yet not a single case of violence, by any of these 81,000,000 Japanese, has occurred against a single one of our troops since the day General MacArthur first set foot on this enemy soil. It's doubtful if any achievement like this by an occupation leader has ever been recorded in the history of the world.

Speaking of America and of this occupation, one of Stalin's former commanders here said privately, "Your country's performance here is a miracle." Moreover, that's what the Japanese think about us tonight.

Was it done by brute force? No. What has happened in Japan has been achieved by victorious General MacArthur's intelligence, his imagination, his remarkable understanding of the oriental mind, his long and successful experience with oriental methods in the Philippines, his ability to transmit, even to orientals, the moral and spiritual values of the true America at its very best. Can you imagine a harder job any place in the world?

GENERAL MAC ARTHUR SHOULD REMAIN

But now is the time to sound an alarm. For General MacArthur may be undermined. Listen, if you will, for much that affects us at home is at stake, and at this very moment.

We're laboring under a great delusion at home, I'm afraid. Even many of the strongest well-wishers of General MacArthur are mistaken, I am convinced, in their conception of the fundamental American position out here.

I've traveled a long way, across 6,000 miles of ocean, to see this picture at first hand. So, with your permission, let me deal only with this fundamental—for it is the crux of the situation in Japan, as it affects us at home, in your land and mine.

Further, it is the true answer to the question, Why doesn't General MacArthur come home?

I've spent hours and hours with General MacArthur here. I've been alone with him in his office, and with him alone in his home—by daytime, at meals, at night.

In exactly the same manner, I was with General Clay in Berlin when General Clay was in command in Germany. So this is the story from each man, first hand.

JAPANESE AND GERMAN PROBLEMS DIFFERENT

Based on each man's own description of his problem in each country, it would be hard to imagine two problems more different than the problems we face in Germany and here in Japan. That's the first thing we need to understand, unless we want to wreck everything General MacArthur has built up in Japan, and are willing to carry these 81,000,000 Oriental people on our backs for generations to come.

There was no government in Germany, when Germany fell—not even a government that could effectively surrender, as you recall. Here, on the other hand, General MacArthur obtained a surrender from the Emperor of Japan.

General MacArthur has never instituted military government, as it was needed or practiced in Germany. In the German sense, there is no military government here today. In fact, among the civil authorities in Japan, of which there are only 2,700, over 88 percent are American civilians—not in the United States Army at all.

IGNORANCE OF THE ORIENT A FACTOR

Here life already proceeds under the Japanese Government, the Japanese courts, the Japanese police—modified to conform to democratic principles.

Yet, through a fundamental lack of knowledge of the Far East, many planners in Washington are expounding the idea that something strange and new should be added now in Japan—that there should be what is

called a transition period here. The same ignorance of the Orient, and of oriental minds, that has made our policy in China so utterly disastrous, is apparent in the policies being cooked up in Washington to be applied here in Japan.

The idea is to bring General MacArthur home, or else to leave him in Japan, merely in command of the troops, and send out as top man a civilian—as Mr. John McCloy has already been sent to Germany to take over from General Clay.

JAPANESE LOVE A VICTOR

But this is not European Germany. This is oriental Japan. Applying the German idea here is like saying, "Remove the only really great American asset we have in the Far East, and let the Japanese think General MacArthur did not conquer them after all."

The Japanese love only a victor. General MacArthur is the only thing to them around here. If General MacArthur left here—or if his authority were changed, and any civilian, no matter how competent, were sent over as a top figure—it would be beyond understanding to the oriental mind.

To the average Japanese, and to the entire Orient, any switch involving General MacArthur could only mean that America was pulling out of Japan and Asia—and that they'd better line up as closely as they could to the Soviet Union, and to the Reds, before it is too late.

COMMUNIST PROBLEM TOUGH

The great Red conquest of nearby China already makes the difficult problem of keeping Japan on America's side tough enough for General MacArthur, without any Washington talk of tampering with him here. General MacArthur must stay here, and in full authority, until the peace treaty he has been urging for 2 years is made with Japan. He must stay here, and without a civilian in higher authority, or no peace treaty will ever be made in Japan worth the powder to blow it across the street.

I can tell you that General MacArthur himself does not see the slightest necessity for a so-called intermediary stage between this present set-up and the period of a peace treaty. Such a change would be regarded by the Orientals as a sign of American weakness, and would at once be pounced on by Russian propagandists saying, "You see, the Americans are weakening. You'd better get cozy with us."

I've been over every feature of this present situation with General MacArthur personally, and at great length. So let me give you tonight a little picture of what it means to come here and discuss these questions with our American leader.

A PICTURE OF GENERAL MACARTHUR

I've never met a more forthright man. Like most men who really know their business, when General MacArthur speaks, he makes himself clear. He uses easy-going language, gets down to brass tasks and does not deal in generalities.

His mind roams the whole world. He asks questions about anything he thinks you might know. He simply sits there and talks things out, and he has an inborn courtesy and sense of fitness which give him a great deal more human appeal, at close range, than might be evident in his photographs, or at a distance.

Every thought that runs through his mind, about Japan or any place else, is tied in with its effect on the United States. In short, his mind goes from America outward and so does his heart.

THE GENERAL IS "AMERICA IN JAPAN"

When you are talking with General MacArthur you are at home in our country—at home in America, at its very best. As a matter of fact, to the Japanese, General MacArthur is "America in Japan."

Nothing would please the Kremlin Communists more than to have Washington appear to by-pass or subordinate General MacArthur under a civilian. There is evidence here—abounding evidence—that the Soviet propaganda aims to destroy General MacArthur and the prestige of our occupation forces. This is the same propaganda being promoted from Moscow by the Communist Party inside the United States.

Now the economic questions are large and complicated. It's impossible to do them justice in a broadcast like this. Many important economic difficulties remain. I know that as well as the next man.

But the big planning brains at home had better leave General MacArthur alone. My friend, Noel Busch, described the results here best, I think, when he said, "Scandal and failure make news. Success only makes history."

Believe me, General MacArthur is making history here.

HE MADE THE JAPS WORK

Remember that Japan was overcrowded and distressed before she went into war. Then you will realize that, had there been no war, Japan still would be very bad off indeed.

Yet, in helping Japan, we've not been an easy mark, as we have been in so many countries in the world that I have visited. The orientals detest an easy mark. But under General MacArthur, we have made the Japs work, and work hard, for anything they got from America.

We at home have actually been called on to spend less American money for recovery in Japan, under General MacArthur, than we have poured into little Greece. An amazing fact—but true.

NO TRANSITION PERIOD NEEDED

Yet I am sure that there are newspaper publishers and editors, in our own country, who do not know tonight that forces are at work to pull the rug out from under General MacArthur. Many of his best well-wishers simply believe that the so-called transition period to a so-called civilian authority is a natural and desirable next step, as in Germany.

So at home, in our congressional committees and in our press, we had better take a good hard second look at any proposals which tamper with the authority of General MacArthur in Japan.

No matter how well-meaning, even the appearance of weakening General MacArthur's prestige here would undermine the last single hope we have for a democratic peace and for any kind of American security in this vast area, that now lies under the shadow of the Russian paw, so close to the Red claws sharpened and poised to rip at the peace of the world.

Here in Tokyo, on my trip around the world, I've been granted an audience with the Emperor of Japan. I'm going now to the Imperial Palace. Let me tell you about this meeting with the Emperor next week, and about the biggest naval base in Japan, that looks out across the sea to Russia. My next broadcast is from Tokyo, and then I go into China.

So good night to all at home. Good night—and God bless our country.

The Public Pay Roll

EXTENSION OF REMARKS
OF
HON. RALPH A. GAMBLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. GAMBLE. Mr. Speaker, under leave to extend my remarks, I include in the Appendix of the RECORD the following editorial which appeared in the New York Times, Thursday, June 23, 1949, entitled "The Public Pay Roll":

THE PUBLIC PAY ROLL

The steady rise in governmental employment on all levels and the attendant effect on taxes drawn from the public's pocketbook can only be viewed with concern. Senator BYRD, of Virginia, who keeps the Nation informed on the Federal figures, has just reported that the number of civilian employees of the United States Government rose again in April, reaching a total of 2,122,710 in the executive branch. This was an increase of 11,453 in 1 month. In November 1947, we had managed to get this number down to 1,999,853, the first time it had been under 2,000,000 since 1941. In 1939 only 920,000 civilians were on the Federal pay roll.

The Census Bureau reports that Federal, State and local governments employed 6,083,000 persons as of January 1949. This means that about one person in ten of the working force was on a governmental pay roll, and that $1,340,400,000 in taxes was required to meet their pay checks for 1 month. A year earlier the number had been 5,842,000, while in January 1942, there were only 4,947,000.

In New York State alone the Federal Government has enough employees to populate a good-sized city. There are 181,000. As of October 1948, the New York State government alone had 79,102 employees, and New York City's government employed 207,289. Up-State cities employed about 70,000. So, working within New York State and not including members of the armed forces, were more than a half million public employees. When we add to this figure the number of persons who are living at least temporarily on public assistance (more than 300,000 in New York City alone at the moment) and the privately employed workers who are engaged on contract jobs let by various levels of government, the result is staggering.

Our rise in population accounts for some of the increase in governmental employ. The international tension keeps certain classes of Federal expenditure high. We cannot decently expect our Federal, State and city governments to return to normal while the effects of war still lie all about us, in continuing international obligations and in war-deferred domestic problems. But the public employee is on notice that Government budgets are under examination as never before by the citizen-taxpayer, who still likes to feel that what goes up must, eventually, come down.

Catholic View Outlined

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, by request of one of my constituents, I wish to insert the following letter in today's CONGRESSIONAL RECORD:

OUR LADY OF THE OAKS,
Pewaukee, Wis., June 22, 1949.

Representative GLENN R. DAVIS,
House Office Building,
Washington, D. C.

DEAR SIR: As a citizen and voter, I am writing this letter to you to solicit your aid in opposing the pernicious Barden bill.

I am a Catholic. Nearly seven hundred members belong to our religious community. All are Catholics. About one-third of the

total population of the United States belongs to the Catholic faith. The war called all able-bodied men to service, Catholic and Protestant alike. No objection was made to Catholic soldiers and Catholic sailors. Approximately one-third of our navy and one-fourth of our army were Catholic. No one, not even the most fanatical opponents of the Catholic Church, protested or objected though this number was much above the normal quota of the Catholic population. Many of our Catholic boys made the supreme sacrifice. Scores of others came home crippled or disabled for the rest of their lives. Not one complained. Neither was there a single protest recorded against this Catholic generosity.

Catholic people give their best to justice and to democracy. They pay their taxes faithfully. Why, just why, are they cut off from any benefit of their tax money? Taxation without a just return is a thing of ancient tyranny. Our forefathers fought a bloody war to destroy that system. Why revive it now? Catholic people want peace. They pray daily for a just peace for all.

America has so much to offer to its peace-loving people. Why stir up strife among our people now by unjust discrimination? We want no charity. We want no privileges. But we do want justice, the staunch justice of American democracy to which we belong.

Please read this request to your fellow legislators, and have it printed in the CONGRESSIONAL RECORD. All citizens of our own United States should know of our urgent plea for justice.

Respectfully yours,

MARY ROMANA, O. P.,
Mother Superior, Our Lady of the Oaks.

Central Valley Project

EXTENSION OF REMARKS
OF
HON. CECIL F. WHITE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. WHITE of California. Mr. Speaker, because certain leaders of the California Farm Bureau appeared before a Senate committee protesting the development of electric power features of the Central Valley project a number of rank-and-file members of the California Farm Bureau have written to me expressing the thought that these leaders did not represent the thinking of the membership of that organization. Typical of the comments I have received is the following letter from Mr. E. M. Sheridan, Farm Bureau member, from Orange Cove, Calif.:

SHERIDAN LAND OFFICE,
Orange Cove, Calif., June 21, 1949.
Hon. CECIL F. WHITE,
Washington, D. C.

DEAR MR. WHITE: I saw in the Fresno Bee last evening that the question had been raised as to whether the leaders of the farm bureau really represented the views of the members in connection with their lobbying before the Senate Appropriations Committee against the Central Valleys project.

I never have heard that question raised as all of the membership of the farm bureau I have talked to in this vicinity have expressed themselves as feeling the attitude of any one lobbying before the Senate or Congress against the project is an outrage against the best interests of this entire east side of the San Joaquin Valley.

It is silly to say they are for the project if the power features are taken away from them.

It is said that one or more of the so-called leaders have urged the project be taken away from the Reclamation Bureau and turned over to the State, and I have even heard the so-called manager of the State chamber of commerce urge just that most vehemently and in his peroration cried "Do it now." He did not say what the State would use for money which might be in order.

The trouble with so many of our people is the fact that they are inarticulate, or you would be smothered with letters expressing our indignation that anyone would pretend to represent the members of the farm bureau and advocate any features that would tend to destroy the benefits of the Central Valley project. It is just unthinkable.

Anyone dry behind the ears knows that would not only take away part of the project but would kill the whole project dead in its tracks.

It is inconceivable that anyone would think the Senate committee would be so dumb as to give any credence to anything so palpable. All of my neighbor farm bureau members tell me they are through with the farm bureau.

As to myself, I renewed my support for one more time hoping for a new leadership, the one reason was I have cattle and the marketing division of the bureau operates a very successful marketing agency at Visalia, which benefits all of us.

Yours truly,

E. M. SHERIDAN.

Uncle Sam Should Recognize Spain

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. SHAFER. Mr. Speaker, my personal nomination for the American official who has made the most stupid statement of 1949 goes to Secretary of State Acheson, who, on May 11, 1949, at a press conference called in Washington, attempted to clarify American policy toward Spain. If Mr. Acheson made anything clear in his statement at that time, it is that he is more muddled and inept than even his immediate predecessors in our foreign policy dealings.

At the very time he was planning to go to the Big Four conference in Europe, when he wanted, or should have wanted, to show Soviet Russia that America no longer was under any illusions about Russia's leaders, Mr. Acheson chose to alienate again a potentially strong friend in the Western Hemisphere. Spain, the nation that has fought Communism the longest and with the most consistent zeal, was made to appear to be an incipient threat to the freedom of all other nations in the Western Hemisphere. This was misplacing the emphasis with a vengeance, and Mr. Acheson, longtime friend of the left-wingers although always working to increase his personal family fortune, knew it was misplacing the emphasis.

The truth is, in his action of refusing again to recognize Spain, Mr. Acheson does not represent the majority of the American people. I will say it in any American town and I will say it in any Spanish town: If the American people had a chance to vote on Spanish recognition, two out of every three of them would vote to do business with Spain, make Spain a member of the United Nations, and, in fact, help Spain to move faster on its halting course toward representative government.

I believe that 100,000,000 Americans cannot be wrong, and I deeply believe that 100,000,000 Americans believe Dean Acheson is wrong—dead wrong.

In his press conference, obviously called to head off rising demands in the United States Senate and the United States House of Representatives for resumption of diplomatic relations with Spain, Mr. Acheson said that Spain has a dictatorship, that it has no writ of habeas corpus, that it lacks an independent judiciary, and that it has no trial by jury. He further charged that Spain does not have freedom of religion and that there is no right of freedom for groups to meet in public sessions for any of numerous reasons.

I could deny Mr. Acheson's statements, but I will not. It is not necessary. All that I, or any other sensible American, has to do is to point out that if anything the Secretary of State says about Spain is true, the same statements could be made with triple emphasis against Soviet Russia, and the United States has carried on uninterrupted diplomatic relations with Russia for almost 16 straight years.

The jumbled state of world affairs, due in no small part to the stupidity and ineptness and lack of foresight of Secretary of State Acheson and his predecessors, makes it more essential than ever that the United States cultivate its friends and discourage its enemies in every way possible.

Dale Carnegie, a famous American author, made a million dollars off a book, How To Win Friends and Influence People. It was a best seller all over America a few years ago. I submit that Secretary of State Acheson should read it. For by continuing to refuse to recognize Spain, he is proving that he needs more lessons both in diplomacy and in selling our American way of life.

We Americans have much closer ties or potential ties with Spain—religious ties, cultural ties, hemispheric ties, potential military and trade ties—then with almost any nation possible to name, outside of Great Britain and France. The Spanish helped to explore North America. Our closest neighbor in the south is Mexico, which was virtually colonized and made civilized by Spain. Spain is closer to the United States in point of miles than France or England. And if there is a single military authority in the United States who will not admit that America's most powerful line of defense, in case of war with communism, would be at the Pyrenees, I have not yet made his acquaintance, although I have served on the House Committee on the Armed Services for many years.

Many of our citizens rail against Spain's Government. The same citizens say that we could not officially do business with

Spain without tainting ourselves in some mysterious way with fascism. This is utterly ridiculous, and easily proven to be ridiculous. Yet these same citizens urge more trade with Russia, overlooking that the Soviet Government represents a tyranny infinitely more pernicious and more dangerous to the freedoms of the United States than Spain ever could in the conceivable future of the world as we know it.

Actually, by recognizing Spain, by helping the Spanish people through loans, by making Spain a full-fledged member of the United Nations, by having our soldiers and sailors and citizens mix and mingle with the Spanish people, we probably could help the poor people of Spain to learn more and better ways of helping themselves, both spiritually and materially.

Only a person with a thwarted mind or viewpoint possibly could believe that Spain ever could physically constitute a threat to the freedom of the Western Hemisphere. Any 10-day tourist can see for himself that Spain's millions of citizens desperately need our Amerian aid. They are crying for help, but our Department of State, in all its majesty, turns cold shoulder to the cries of the children of Spain.

Our policy of not doing business with Spain not only is cruel, from the standpoint of Spain's people in want, it is tragically short-sighted. Spain is going to do business with somebody, and, in fact, she already is doing business with a great number of somebodies—France, England, et al. We, of all the Western Hemisphere nations, seem to be the only Nation that takes a holier-than-thou attitude. And it costs us millions in loss of trade.

The Spaniards have proved in a thousand ways that they are closer to the concept of free government as we know it in America than Soviet Russia ever will be. The Spaniards retain their love for and support of the church. They believe in God and in charity and in kindness. I do not claim that the Spanish Government is a representative, republican government such as we have in the United States. But I hope that it someday will be, with our help and succor and encouragement.

The sanctimonious Mr. Acheson, who was one of the first Americans to shake the hands of Maxim Litvinov when that gentleman, then Russian Foreign Minister, came to the United States in 1933 to resume diplomatic relations between the United States Government and the Soviet Government, recognizes many governments and does business with many diplomats who could not meet the qualifications he lays down for Spain. It is obvious that he is playing domestic politics to please a few left-wingers and Communists in New York and Chicago while the long-time foreign interests of the United States goes a-begging.

If I could write a personal message to the people of Spain and to the millions of Americans who want to see the United States recognize Spain and do business with Spain and to help Spaniards to achieve their destiny as a free people, I would say this to every one of them: "Be of good cheer. Such bungling diplomatic leadership as America has had for so many years under the New Deal will not last forever. One of these days, the American people are going to replace their present inept leaders with men who can think clearly, talk straight, and act logically. When that time comes—and it will come in relatively few years at most—Spain will be a partner once more with the United States and with all other Western Hemisphere nations in the protection of religious peoples against the atheists and terrorists of the east."

Postal Salaries

EXTENSION OF REMARKS
OF
HON. JOHN C. KUNKEL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. KUNKEL. Mr. Speaker, under permission to extend my remarks in the RECORD, I include a statement in support of H. R. 4395, by Gurden M. Higley, legislative representative of the Central Pennsylvania Postal Employees Council in Harrisburg, Pa.

Mr. Higley has been a careful student of postal legislation for years and active in all matters pertaining to fair and equitable adjustments for the postal employees. His statement sets forth some of the salient facts and arguments connected wtih H. R. 4395 with force and clarity.

I recommend the reading of this statement by all the Members. It follows:

It is an established fact that postal salaries have lagged far behind those in private industry for many years and consequently the employees of the postal service have not been able to build up a reserve to cope with the present high prices. Regardless of the many statements made recently, the cost of living has dropped very little from the all-time high of last August. Based on the 1939 index, a $650 increase is necessary to bring postal employees current with existing prices. H. R. 2112, 2496, 2492, and 2579 will provide such an increase.

As legislative representative of the Central Pennsylvania Postal Employees Council, and secretary of the Harrisburg local of the National Federation of Post Office Clerks, I heartily endorse, H. R. 4395 (the Lyle bill) with $650 substituted for the salary section instead of the $150, presently contained in the bill.

The enactment of this bill will correct some of the inequities under Public Law 134 which are necessary for the economic welfare of all postal employees.

Suppose we take the longevity provisions of the existing law. Well, gentlemen as you know the older employees (those with more than 11 years in 1945 when public law was enacted) did not receive credit for all their service toward their salary grades. This was manifestly unfair since many of these men will have from 35–45 years of service but will never reach the top or so-called longevity grade. This is a poor reward for a whole life of faithful service.

This bill will provide the same leave privileges to postal workers as presently enjoyed by the rest of the Government departments. Certainly this is only fair, and should have been corrected long ago.

Under the provisions of H. R. 4395 the first four or lowest grades will be eliminated which will give the veterans in our service a much needed break. These employees certainly cannot support their families, adequately, on salaries of from $2,500 to $2,850. Most of these junior clerks, carriers, and railway mail clerks are veterans who have come back from the wars and are anxious to provide for their families in the traditional American way.

Postal employees are proud of their service which antedates the American Constitution. The United States Post Office was founded for service and has the reputation of being the most efficient business, public or private, anywhere in the world. We employees are anxious to maintain, and if possible, surpass this fine record maintained over the years. We feel it will be easier to do this if we receive adequate salaries that will eliminate the worry of trying to provide a reasonable standard of living for our families with an insufficient income.

Before finishing this statement I should like to call attention to a fact that is mentioned very little these days. Postal receipts have increased much faster than the manpower which shows that the efficiency and unit output for each employee has increased. On this basis in addition to the others we are entitled to reasonable consideration of our pending objectives.

I appreciate the courtesy of being allowed the privilege of filing this statement with the distinguished members of this committee and I ask a prompt, favorable report of H. R. 4395 with the suggested amendment. Thank you.

Respectfully submitted.

GURDEN M. HIGLEY,
Legislative Representative, Central Pennsylvania Postal Employees Council, Harrisburg, Pa.

JUNE 10, 1949.

The Menace Is Great

EXTENSION OF REMARKS
OF
HON. GEORGE A. SMATHERS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. SMATHERS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial by Frank Malone, from the Miami Legionnaire of June 21, 1949:

THE MENACE IS GREAT
(By Frank Malone)

These are the rambling thoughts of an editor, to a great extent inspired by Commander Kelly's blast at communism last Friday night. He blamed, and rightly, the growth of communism in our own Nation, and throughout the world, on the apathy of our people.

If you will forgive me for the use of the perpendicular pronoun—"I"—I want to talk to you as a man who has spent 35 of his 52 years of life in the newspaper business.

I want to tell you what great danger apathy toward community affairs, national affairs means.

Let's forget—and we have no right to forget—the appalling conditions that exist in our own community. But let's remember this, that the preamble to the constitution of the American Legion says "for God and

country • • • for law and order • • • we associate ourselves."

We have established in our counties, municipalities, in our States, certain processes which call for the enforcement of laws which are written on our statute books. We say in effect that "we are against sin." We say you shall not gamble, steal, kill, commit perjury—we say by statute almost what the Ten Commandments forbid.

But nowhere in our statutes do we say that you shall not be guilty of selling out your country.

It is true that we have provisions in the Constitution of the United States punishing treason. But the hardest of all crimes to prove under our own statutes is the crime of treason.

As I understand the law of treason it almost demands that the person charged with the crime must confess to it.

That is the danger of communism to the United States of America, and the entire world.

The Red danger, it seems to me, is a danger we face in this country made greater by our own stupidity. We always say it can't happen to us.

Let's look at the record.

Today, Alger Hiss, trusted State Department official, is on trial in New York. Whittaker Chambers, senior editor of one of the Nation's great magazines (and I wouldn't and don't believe him under oath), says that Hiss, while Chambers was on his own admission a spy for Moscow, gave him confidential papers of our State Department.

On trial in Washington today is one Judith Coplon, trusted employee of our Department of Justice. The Government says she took from the Justice Department files highly confidential documents of the Government and turned them over on a street corner in New York to a man the Department of Justice says was an agent of the Russian Government.

From Elizabeth Bentley, confessed spy, but still an American citizen, have come amazing stories of how she sold out our Government. Lack of space prevents our printing the names of others who have confessed the sale of their Nation.

With the exception of the accused Hiss and Coplon, all the others have admitted their treason—and to me it is treason.

There are in our own community men and women who are as guilty as the Chambers and the Bentleys—the male and female rats, who for self-glorification, or for hope of high places in the Red government when these United States—they hope—will be destroyed by their machinations, join the enemies of our form of life.

I believe they should be hunted down and prosecuted as we prosecute all who violate our laws.

Perhaps it's too much to ask for—to much to hope for—but we have the right to direct the Attorney General of the United States the resolution we sent to him last Friday.

The resolution asks that the Department of Justice, of which Attorney General Tom Clark is the head, move to enact laws which will outlaw the Communist Party in the United States; that laws be enacted which will properly prosecute those who join in attempting to overthrow our Government, no matter what their later repentance may be.

Let's find some nation—if any nation will have them—to which they can be deported. Dry their lousy, maudlin tears. Rid us of them whether they were born in Brooklyn, Boston, Miami, or Michigan.

They love Russia. Let's give them back to Uncle Joe. They won't live long.

Because having shot off their mouths, told their stories, Uncle Joe will see that life is made great and beautiful for them some morning.

Against a wall and there will be no flowers.

Things That Are Not Caesar's

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of June 28, 1949:

THINGS THAT ARE NOT CAESAR'S

The pastoral letter issued by Archbishop Josef Beran and his bishops and read last Sunday in Czechoslovakia's Catholic churches brings down to date a story that comes close home to people of every faith and even to those who have no formal faith.

This is true, even though the Communist rulers of Czechoslovakia, like those of other Communist-dominated countries, are just now attacking a single church. In Czechoslovakia they have censored or suppressed this church's press; they have inventoried its religious properties with the obvious purpose of sequestering them; they have controlled or suppressed its schools; and in the words of the pastoral letter, "On the whole, it can be said that outside the church (buildings) any religious activity is impossible and many fear to visit churches lest they be accused of reaction and fear the loss of their means of existence." The answer of the Czechoslovak hierarchy is that they are loyal to the republic, but that "they do not want the church to become a mere servant of the state—in other words, the bearer of a different philosophy under a cloak of Christian religion."

It is clear that the threat in Czechoslovakia, as in every Communist-ruled country, is to all churches and to all individuals who assert the right of private conscience. The spokesmen of communism have often been ambiguous in discussing this question. More than 20 years ago, for example, Mr. Stalin told a delegation of American labor leaders that Russian laws "guaranteed to citizens the right to adhere to any religion." He added, however, that "antireligious propaganda is a means by which the complete liquidation of the reactionary clergy must be brought about." A "reactionary" clergy or a "reactionary" church, from this point of view, is simply one which does not permit itself to be used as a political instrument of the state. In effect the Communist god is the party and its leaders. The Communists may permit the worship of another and more ancient God if the Communist god is always given precedence. But from the viewpoint of any sincerely held religion this is blasphemy.

The world's earlier tyrannies mostly struck at men's bodies and properties. The Russian Communists and Russian-inspired Communists, armed with the philosophy of Marx, Lenin, and Stalin, are trying to do a more thorough job. They are trying to destroy men's souls—to corrupt them, to deprive them of free judgment, to violate and debase the human conscience.

An assault like this upon one church or one person is an attack upon every church and every person. Everyone who respects the right of the private conscience or who has any concern for the dignity of man is here on the same side. We can do little, perhaps, to help those who are caught by the new tyranny behind frontiers that we cannot pass. What we can do is to express our indignation and our sympathy. Beyond that we are called upon to strengthen in our own country the ideas of tolerance, of respect for another's opinions and of unity in the democratic essentials. Because there is less freedom in the oppressed countries we must strive for more freedom here. We must realize that this is the crux of today's worldwide struggle.

In the Gospels of Matthew and Mark, in substantially the same words in the King James version and in the Douay Bible, the story is told of the attempt of the Pharisees to "entangle" the Founder of Christianity. They asked Him: "What thinkest Thou? Is it lawful to give tribute unto Caesar or not?" He answered: "Render therefore to Caesar the things that are Caesar's and unto God the things that are God's." No matter what one's religious belief, the words have a dramatic meaning. There are boundaries to the power of any Caesar whether he calls himself Hitler or Stalin or by some other name; whether he masquerades as a "people's democracy" or whether he nakedly admits the truth. There are things that are not Caesar's and that by no exercise of power can ever be made Caesar's. It is the great challenge of our time to all of us to assert those things, in whatever language we speak, in whatever churches we worship, in whatever groups we move. We must have faith that the attempted conquest of the human soul and spirit will fail in our generation as it has failed so many times before.

Msgr. M. J. Smith, Champion of Spain

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. SHAFER. Mr. Speaker, under permission to extend my remarks, I include a speech by Dr. Joseph F. Thorning, honorary fellow of the Historical and Geographic Institute of Brazil. Dr. Thorning spoke at ceremonies at Denver, Colo., June 16, in honor of one of America's best-known journalists, Msgr. Matthew J. Smith, editor in chief of the Register System, whose headquarters are in Denver. Both Monsignor Smith and Dr. Thorning have been prominent in elucidating the truth about Spain.

The speech follows:

In offering my most cordial congratulations to the Right Reverend Monsignor Matthew J. Smith, editor of the Register, I wish to assure him, on behalf of his colleagues in the Order of Isabella the Catholic, how happy they are that a nationally prominent prelate and newspaper man has been inducted into their ranks at this particular moment of history. The Royal and American Order of Isabella the Catholic was established by descendants of the people who discovered America. It is a national decoration, founded early in the nineteenth century, to honor those Americans who, in defiance of the Bonapartes, remained loyal to the Spanish Crown. Consequently, it symbolizes that love for independence, as opposed to foreign domination, which typifies Spaniards, whether the latter be from Aragon, Castille, Valencia, Andalusia, Galicia, Leon, the Basque countries, or Catalonia. In the white circle, surrounded by the red and gold of the Isabellan cross, one reads the device, A La Lealtad Acrisolada—To Loyalty Made Perfect Under Fire. The ribbon, from which the cross of the knight commander is suspended, carries the colors

of the Holy See. In other words, Monsignor Smith, who today is invested with these insignia, earned the award under fire. And the work which brought him his knight's cross was inspired, not only by his determination to promote the best interests of the United States but also by his sense of deep devotion to the Holy See. Love of country and love of God led him aright.

In telling the truth about Spain, without fear or favor Monsignor Smith has proved himself to be a farsighted religious editor and a noble-hearted American patriot. He belongs in the company of the Royal and American Order of Isabella the Catholic.

If one may be permitted to single out a notable example of the honoree's sense of news values, we may agree upon the story, featured in the Register early this past winter, which brought out, specifically, by naming names and dates and places, the historical fact that every one of the present-day Soviet gauleiters in Europe as a product of Generalissimo Josef Stalin's course in militant subversion carried on during 1936–39, on the leftist side in the Spanish civil war. Ana Pauker, in Sovietized Rumania; Matyas Rakosi, in Soviet Hungary, where Joseph Cardinal Mindszenty was tortured; Klement Gottwald, in Stalinized Czechoslovakia; and Jakob Berman, in the Soviet puppet-state called Poland; all these Marxist gauleiters, just as vicious in the service of Stalin as were Vidkin Quisling and Heinrich Himmler in the service of Hitler, are operators trained in Soviet—that is, collectivizing tactics—in the columns of the Soviet International brigades. There was no doubt where the Kremlin stood and how the Vatican judged the Spanish issue in 1936–39; there can be no doubt where both Generalissimo Stalin and His Holiness, Pius XII, stand today. The latter stands with Monsignor Smith; the Kremlin, wherever it can get its hands on independent editors or courageous prelates of any church, is liquidating them ruthlessly.

We Americans who are Catholics cannot afford to permit the mistakes that were perpetrated by secularists of the left in Bulgaria, Rumania, Albania, Hungary, Czechoslovakia, and the Far East. To replace the present head of the Spanish state by Indalecio Prieto today would mean the tyranny of the Soviet gauleiter, Dolores Ibarruri (La Pazionaria) in Madrid tomorrow. And yet, the advent of Indalecio Prieto, a follower of Karl Marx, would be welcomed, presumably, by Mrs. Eleanor Roosevelt and Mr. Dean Acheson, because Prieto, an agnostic apostle of Spanish left-wing elements, would be acceptable to the Marxist International in Paris and London. Not only would the installation of the Marxist agnostics in Madrid be the signal for an immediate exchange of Ambassadors between Spain and the United States, but such a revolution would also invite Spain to a share in the European recovery program and in the Atlantic Pact.

As a footnote to this hypothetical reallocation of sovereignty in Spain, it must be added that, once the Marxists were supreme in Madrid, they would lose no time in overthrowing, or in attempting to overthrow, one of the fairest and most stable governments in western Europe, that of Premier Antonio Oliveira de Salazar in Lisbon, Portugal. Although the collectivization of Christian Portugal has long been an objective of the Soviet Politburo in Moscow, it has been realized perfectly by the Soviet hierarchy that power cannot be seized, successfully, in Lisbon until the iron curtain has been clamped down upon the more strategic and larger part of the Iberian Peninsula: Spain.

Consequently, the Soviet gauleiters of Iberian origin, just as sedulously trained as William Z. Foster or the Chinese General Mao, are biding their time, waiting for the fatuous agnostics and Marxists of the Anglo-Saxon world to pave the way for the Soviet final ascent to totalitarian power by way of stopgap regimes of leftist innocents, such as were the ephemeral administrations of D. V. Petkov in Bulgaria and Ferenc Nagy in Hungary.

To make the analogy clearer, it may help to mention that the Iberian Peninsula would be just as safe under the control of an Indalecio Prieto as the United States would be if political power were concentrated in the hands of Mr. Henry A. Wallace. Would we think of entrusting this Nation, the hope of world freedom and social progress, to the rule of the so-called Progressive Party candidate? Why then should we be fatuous enough to imagine that the left-wing agnostics of Europe can be relied upon to roll back the tide of Soviet imperialism on all the continents of the world? Karl Marx, personified in our country by the Marxist International, is the most formidable Soviet agent, whether operating in Spain or in the United States; Marxism is only a halfway house on the road to Soviet domination.

In the light of these facts, how can Mrs. Eleanor Roosevelt and Mr. Dean Acheson hope that Spanish Marxism can prove the key to Spain's reintroduction into the community of free nations in Europe in both the economic and the defense fields?

May I be permitted to preface the answer which I submit for this question with an explanation of the order of the two names, Mrs. Roosevelt and Mr. Acheson? I make this arrangement of names, although I have studied carefully, the disclaimer of responsibility for our Spanish policy which was made by the wife of our former President in the New York Times on June 3, 1949. Mrs. Roosevelt stated that she had no share in the making of Spanish policy and that she did not speak with Mr. Dean Acheson about Spain.

This statement was correct, although not expressive of the whole truth. When the United States delegation to the United Nations met in Washington, prior to the recent session of the General Asembly, its members heard the United States position on Spain explained to them by the experts in the State Department. Those officials, responsible for amassing information on the specific areas involved, made it clear that the best interests of the United States suggested support for two possible resolutions in the UN: (1) That permitting member nations to send or not to send chiefs of diplomatic mission to Madrid; (2) that which would admit Spain to membership in a number of the technical bodies connected with the United Nations. There was no time for any discussion among the delegates at this meeting in our capital. Consequently, when they left Washington, it was understood that members of the delegation would follow State Department instructions, formulated upon the basis of the area experts in the Department.

At the first meeting of the United States delegates in New York, however, with Mr. Warren Austin presiding, the State Department instructions came up for discussion. Immediately, Mrs. Eleanor Roosevelt declared that she considered the United States support for the resolution, allowing each country complete freedom with respect to diplomatic representation in Spain, a mistake. One of the principal grounds she offered in expounding her point of view was the antagonism toward the Spanish Government expressed in her fan mail, that is to say, in the letters or messages that reached her in connection with her newspaper column, My Day.

As soon as Mrs. Roosevelt stopped speaking, Mr. Benjamin V. Cohen urged a similar point of view. Mr. Cohen contended that, although the diplomatic boycott of Spain may have been a mistake, originally, it would be an error to repair the mistake, because to repeat the 1946 resolution at this time would be accepted as a sign of approval of the present government of Spain. This line of reasoning, it may be noted, was not much different from the position assumed by the columnist, Mr. Walter Lippmann.

The third delegate to refuse to support the official State Department instructions was Mr. John Foster Dulles, who, as the leading spokesman for the Protestant churches in this country, takes part in most international conferences as well as in the regular sessions of the United Nations.

Unfortunately, Ambassador Philip C. Jessup was called out of this caucus of the United States delegation and consequently did not have an adequate opportunity to explain the reasons, under international law, for permitting entire liberty to all nations to accredit or not to accredit envoys to Spain. Ambassador Ray Atherton, who previously had given a national radio address, considered that his views had been sufficiently clarified in his broadcast. In this speech Mr. Atherton pointed out, among other things, that the designation of United States ambassadors to countries behind the iron curtain did not signify approval of the type of administration that prevailed there; nor would a similar appointment for Spain carry any approval for internal or domestic policy.

Under these circumstances, Mr. Warren Austin, although himself favoring State Department policy as formulated in Washington, considered it necessary to refer the whole case back to the Secretary of State, with the results we know. In other words, the State Department experts in Washington were overruled by an amateur clique at Lake Success. Emotion and sentimentality usurped the place of reason and of a realistic appraisal of our own best interests.

What conclusions may be drawn from this episode? The first is that "fan mail" to a columnist may have more weight with a United States delegate to the General Assembly than the deliberate study and judgment of area experts in the State Department. The second conclusion is that any amount of illogic, such as the refusal to undo a mistake, may be admissible in the highest quarters, provided a country like Spain can be made the scapegoat. The third deduction is perhaps the most important of all, namely, that, since the Catholic Church is an ecumenical body, with a world view in its members peculiarly suited to the analysis of global issues, it would seem natural enough, following the law of proportion and averages, that in a nation of some 148,000,000 people, of whom at least 25,000,000 are Catholics, one outstanding Catholic citizen would be a useful member of the next United States delegation to the General Assembly of the United Nations.

Under democratic administrations, it has long been taken for granted that, other things being equal, such as competence of available personnel, there should be at least one Catholic on the Supreme Court. In like manner, one would expect that a Catholic of national prominence could be immensely helpful in dealing with world-wide questions and situations which involve matters of Catholic philosophy and outlook, especially in view of the admitted fact that Catholics everywhere are irreducible foes of totalitarian Marxism.

Europe has a Christian tradition; Latin America is largely Catholic. Why not invite Catholic participation in the United States top delegation at Lake Success?

Spain has come a long way since the dark days of Potsdam. Fair-minded representatives of the people in the Senate and in the House at Washington have spoken in favor of friendship with both countries in the

Iberian Peninsula. Only a handful of fanatics oppose such friendship. Indeed, the state of public opinion has changed radically within the past year. Twelve months ago, few voices were raised in support of the true principles of international law which should govern an exchange of Ambassadors. Today, prominent leaders of all faiths call for justice toward Spain as an indispensable element of sound foreign policy. These leaders include Senator TOM CONNALLY of Texas, Chairman of the Senate Foreign Relations Committee; Senator ARTHUR VANDENBERG, ranking Republican member of the same committee; Senator OWEN BREWSTER of Maine; Senator MILLARD E. TYDINGS, Chairman of the Senate Armed Forces Committee; Senator PAT MCCARRAN of Nevada, Chairman of the Subcommittee on Appropriations for State, Judiciary, and Commerce; Senator ROBERT TAFT of Ohio; Senator DENNIS CHAVEZ of New Mexico, who understands Hispanic and Hispanic-American issues as well as anyone in the Congress; Senator KENNETH WHERRY of Nebraska; Senator HERBERT R. O'CONOR of Maryland; and the Honorable JOHN W. MCCORMACK, majority leader of the House of Representatives. To Monsignor Mathew J. Smith of Denver, Colo., talented journalist and brave American, goes a generous meed of praise and commendation for this change as well as for his leadership in the fight for truth and fairness.

Reduction Favored

EXTENSION OF REMARKS
OF
HON. GEORGE A. SMATHERS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. SMATHERS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Palatka (Fla.) Daily News:

REDUCTION FAVORED

Sentiment in Congress in favor of cutting the cost of the Federal Government is growing fast. Many things have contributed to it—among them, the decline in business and employment, the fact that a heavy Federal deficit now seems inevitable, and the reluctance of the lawmakers to increase taxes, because complaints from the "folks back home about Federal spending" are increasing.

However, sentiment in favor of cuts in spending, and practical action toward that end, are two different things. Congress is always bedeviled by pressure groups, all of whom are in favor of cutting the appropriations that go to someone else and increasing their own. As an obvious example, there is hardly a chamber of commerce that doesn't pay lip service to the cause of economy—and then whoop it up whenever it sees a chance to get a slice of Federal tax money for its own area.

In the long run, the decisive factor will be public sentiment—the wishes of the voters as to fiscal policy. A short time ago the Omaha World-Herald carried on an interesting experiment. It published a full account of a speech made by Senator Byrd, in which he described various spending measures now before Congress, and pointed out that the billions they would cost would have to be paid by all the people. The World-Herald then published a ballot on which it readers could express their views on the matter.

The first question asked for opinion on a straight 10 percent cut in all Federal expenditures that can be cut. Only 134 who answered were against this, while 5,869 were for it. The balance of the questions covered specific legislative measures such as Federal housing, Federal aid to education, the national health plan, arms to Europe under the North Atlantic Pact, etc. In every instance the vote was overwhelmingly in favor of strict economy. On the health plan, for instance, 5,828 expressed themselves as being against it and 99 for. On increased pay roll and income taxes, 5,876 said no, while a mere 96 approved them.

In conducting its poll, the paper emphasized the certain but often-overlooked fact that the Federal Government hasn't a cent except what it takes from all of us in taxes. It is true that some polls indicate that a substantial majority of the people want Federal handouts. However, such polls are usually so worded as to make the unwary believe that they will get them for nothing—that the money will come from some mysterious source other than the people's pockets.

The Hoover Commission reports have given Congress what it long lacked—a detailed blueprint for eliminating waste, duplication, overlapping. Now it remains to be seen whether the people will demand its acceptance.

Discrimination Against Negroes in Minnesota

EXTENSION OF REMARKS
OF
HON. ROY W. WIER
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. WIER. Mr. Speaker, the men and women in Minnesota keenly feel that all forms of discrimination against the Negroes in the State should cease. This attitude is clearly reflected in the hiring and upgrading of Negroes in employment as well as acceptance of them in recreational places, restaurants and hotels. Discrimination against the Negro race is being eliminated in all places except the Minnesota National Guard where they are not accepted on an equal basis with white enlistees. This condition has resolved itself into a controversial issue.

The Peter Graham Post, No. 2948, Veterans of Foreign Wars of the United States, International Falls, Minn., in striving to abolish this unjust discrimination, has adopted a significant resolution to state their policy and to encourage immediate change in the policy of the Minnesota National Guard.

I would like to insert their resolution in the RECORD:

Whereas the practice of discrimination against the Negroes in the Minnesota National Guard has been perpetuated and has remained unchanged for the last 30 years, although in many other phases of life in Minnesota there has been progress; and

Whereas the attitude of recreational places, restaurants, and hotels has changed and many employers are hiring Negroes and upgrading them; and

Whereas this discriminatory policy now in force in our Minnesota National Guard stems from a War Department regulation; and

Whereas last year the Secretary of the Army indicated he would be inclined to except Minnesota from this regulation if the Legislature of the State of Minnesota requested it, and exception has already been made in the States of New Jersey and Connecticut; and

Whereas the Minnesota Poll of Public Opinion published figures indicating that 64 percent of all men and women approached believed that Negroes should be admitted to the Minnesota National Guard on the same terms as white men; and

Whereas Senate File No. 10, which is a concurrent resolution memorializing the President and Congress of the United States to enact legislation securing to all citizens and particularly to its Negro citizens the right to serve in the National Guard without segregation in separate units, has been passed by both houses of our State Legislature, signed by Gov. Luther W. Youngdahl, and forwarded to Washington: Therefore be it hereby

Resolved, That Peter Graham Post, No. 2948, Veterans of Foreign Wars of the United States, International Falls, Minn., do believe that the practice of discriminating against the Negro in the Minnesota National Guard should be abolished, and that interest be stimulated in Washington by sending a copy of said resolution to President Harry S. Truman, Senators Edward J. Thye, and Hubert H. Humphrey; Representatives August H. Andresen, Joseph P. O'Hara, Roy W. Wier, Eugene J. McCarthy, Walter H. Judd, Fred Marshall, H. Carl Andersen, John A. Blatnik, and Harold C. Hagen, urging their immediate attention and to advise the Eighth District of Minnesota, Veterans of Foreign Wars of the United States, of their specific activity in regard to the situation here in the Minnesota National Guard.

ROBERT H. STEELE,
Commander,
Peter Graham Post, No. 2948,
Veterans of Foreign Wars.

Attest:

FRANCIS E. PAPILLON,
Adjutant.

The above resolution adopted at our Eighth District Convention at Cloquet, Minn., May 22, 1949.

GEORGE WOLEAN,
District Commander.

Attest:

R. A. RUCE,
District Adjutant.

Socialist Peer Quits Party

EXTENSION OF REMARKS
OF
HON. DONALD L. JACKSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. JACKSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the London Express:

SOCIALIST PEER QUITS PARTY

Lord Milverton, a Socialist, who was made a peer in 1947, announced his resignation from his party before a crowded House of Lords last night and said: "I thought I was participating in a crusade. I find myself a camp follower in a rake's progress."

He resigned as a protest against steel nationalization and the "intemperate and provocative language" of Mr. Bevan, Minister of Health.

Then sitting as a Liberal peer, he helped the opposition, until 11 p. m., to defeat the

Government four times on amendments to the steel bill.

Burly, 64-year-old Lord Milverton, strong man of the Colonial Service, who prepared the trouble spots of Nigeria and Jamaica for new constitutions, got up to speak just before the Lords started 5 days of debate on the steel bill.

After two or three sentences, the House sensed his statement was serious, and they listened in tense silence as he said:

"A great deal more than iron and steel is destined for the furnace. I have felt for some time that this bill for lovers of freedom marks the parting of the ways."

ONCE FREE

"There are principles involved which make it impossible for an honest dissentient to remain silent.

"I was born free, and I have spent the bulk of my life teaching what freedom means to somewhat reluctant pupils in backward countries.

"I am very loath at my time of life to reverse that progress and to sell the advantages of slavery to a people who were once free."

There was a murmur of approval from the Tory benches. And Lord Milverton went on—

"Perhaps it is because my own experience in administration has shown me how unrestricted bureaucracy can strangle enterprise that I feel some doubts about the widening circles of government controls.

"I have learned much in recent months about the lack of administrative foresight, and the destructive defects in administration of the health scheme and other nationalization measures.

"There is a wider gap than the dollar gap which threatens our national stability—the gap between principle and performance in these schemes.

"If that were all I might have kept silent, while regretting the decision to add further to the national indigestion.

"But as I have listened to the debates I have grown more certain of three things:

"The steel bill is unnecessary at present; it will jeopardize the efficiency of our most vital industry; the urgency with which it is being pressed strengthens the apprehension of those who fear that control of the industry is the end and not the means to an end.

"We have here, naked and unashamed, the time-dishonored principle that they should take who have the power. The craving to be able to say 'L'etat c'est moi' (I am the State) springs to life again whenever the desert soul of man is watered by power."

SO DUBIOUS

"I suppose that is why the price of liberty is said to be eternal vigilance.

"Like the ghost in Hamlet, this bill comes in such questionable shape that it excites misgivings about its real cause."

The possibility that, after the next election, Government control of our lives would pass into the hands of malicious or revolutionary people worried Lord Milverton. He added:

"Because I fear that, I cannot acquiesce by silence in the passage of a bill whose credentials are so dubious.

"I have been told I knew the labor program when I joined the Labor Party. It is quite true.

"I knew it in outline, but I did not in joining sign away my right to think, nor did I anesthetize my conscience, nor, I hope, did I lose the power to learn.

"I had certain aims and ideals and I thought that labor could deliver the goods, I am now apalled at the type of goods being delivered under the false trade label of national interest.

"I am one of a large number of people of independent minds who saw the merit of the party program on social justice but who are now becoming uneasy about the rest of the program.

"I cannot find a case has been made out for the bill. I feel it my duty in resigning to make my protest public, especially as I know there are many others in the party who share my views."

THE NEW BEVAN

"The road on which we are traveling leads to a precipice at the foot of which clearly emerges the totalitarian state.

"We heard at Blackpool [where the last Socialist conference was held] a prominent Cabinet Minister bewailing the fact that the moral stature of the people was not equal to carrying out the measures introduced by this Government; in simple words, that human nature did not see fit to change itself at his behest.

"It is at least permissible to ask in reverse whether the moral stature of the Cabinet has proved worthy of the principles they proclaim. I suggest the steel bill provides a ready answer in the negative.

"The Minister of Health in his new role as the moral leader of the Labor Party has two aspects.

"I cannot regard either the intemperate and provocative language of the politician, or the emotional appeal of the synthetic evangelist, as a suitable substitute for the clear thinking and calm thought the national interest demands."

Lord Milverton concluded: "I speak for thousands of independent thinkers who voted Labor at the last election and who have a keen desire to see social justice.

"They now begin to fear, as I do, that such measures as the iron and steel bill will destroy the only possible basis for social justice—a prosperous and united nation.

"I am unwilling to be a silent passenger on this sinister journey. I will certainly not betray the principles which have made this country great, nor will I help to forge a weapon which, in less worthy hands, may strike those principles dead."

Lord Milverton (formerly Arthur Frederick Richards), who started in the Malayan Civil Service in 1908, became Governor of Jamaica in 1938 and was Governor of Nigeria from 1943 to 1947, walked out in silence.

Thinking in Public

EXTENSION OF REMARKS

OF

HON. JOHN SANBORN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. SANBORN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a reprint from the Buhl Herald editorial of June 23, 1949. The author of this editorial, Mr. C. R. Reeves, an outstanding pioneer and lawyer in Idaho, calls attention to some important facts relative to the proposal of the administration for the establishment of a Columbia Valley Authority:

THINKING IN PUBLIC

CVA—SOME OF ITS PROVISIONS

(A guest editorial by C. R. Reeves, attorney)

There are pending in Congress today bills to create a CVA, and in each of the said bills there is an attempt to make a planned economy of the northwestern part of the United States.

"1. Inalienable rights of man: All men are by nature free and equal, and have certain inalienable rights, among which are enjoying and defending life and liberty; acquiring, possessing, and protecting property; pursuing happiness, and securing safety." (Sec. I, art. I, Idaho Constitution.)

All through history our principles of freedom have been jealously guarded by all loyal Americans.

I quote from Senate bill 1645 which was introduced into the United States Senate April 19, 1949:

"The qualifications of members of the board shall be persons who professed a belief in the feasibility and wisdom of this act. Section 4, paragraph (e) * * * shall have the power—(1) to acquire real and personal property, including any interest therein, by purchase, lease, condemnation, exchange, transfer, donation, or otherwise, and to sell, lease, exchange or otherwise to dispose thereof, including donations incident to experimentation, demonstrations, or other similar uses (without regard to section 3709 of the Revised Statutes, as amended); and to obtain services by contract, donation, or otherwise: *Provided, however,* That the Administration shall have no power to condemn any water right (the following destroys the foregoing provisions) except as it may be appurtenant to land acquired incident to the construction of dams, reservoirs, or other projects or facilities." (This provision completely destroyed because all the matter is related to the CVA object, project, or facilities.)

Section X, paragraph (d):

"The Administration shall establish the maximum size of farm units within each project for the reclamation of lands in accordance with its findings as to the area sufficient in size to constitute an economic family farm or adequately to supplement family grazing or dry farming operations on adjacent lands, but no farm unit shall contain more than 160 acres of irrigable land, or less than 10 acres of irrigable land except that any normal quarter section comprising more than 160 acres of irrigable land, may be included in one farm unit. No benefits from any such project shall be made available to the owners of lands whose individual holdings exceed the maximum area so prescribed by the Administration until and unless such owners shall have agreed, for and in behalf of themselves, their heirs, executors, and assigns, by contracts in form, substance, and legal sufficiency satisfactory to the Administration to sell such part of their lands as may exceed the maximum area so prescribed by the Administration at the appraised fair value thereof, without reference to or increment on account of the construction of the project (double-talking) *Provided,* That the provisions of this subsection shall not be applicable to the Columbia Basin project to the extent that they are inconsistent with the Columbia Basin Project Act * * * (when inconsistent it does not apply).

Section X, paragraph (f):

"In connection with reclamation projects, the Administration may acquire (but not by condemnation) and improve lands for disposition to persons desiring to settle thereon. Such lands shall be disposed of to settlers in economic family farm units." (The board would acquire land for sale and sell it to people who wanted to buy. To acquire this land without condemning is more brutal than the law of eminent domain applied where they would pay a reasonable value. Real estate business for your land.)

"The nigger in the wood pile," no benefits from any project shall be available to owners of land that exceed the maximum area, a clear evasion of the constitutional rights, and contrary to its principles. The land is not acquired for governmental use, but to

resell your land to someone else by brute economic force.

Germany started with planned economy more than half a century ago, and it produced Hitler. The same phrases which tempted the Germans are now couched in slightly different language in the CVA, and dangled before us as a bait. "The greatest good for the greatest number; security for all; jobs for everyone; a more abundant life; freedom from want; let the Government do everything; create a CVA; (S. S.) have prosperity; the Government owes me a living." (And follow in the footsteps of Hitler.)

"He who trades freedom for security will always lose both." (Benjamin Franklin.)

History reveals that planned economy produces collectivism, then totalitarianism; then regimentation, then dictatorship. May God forbid that my country and your country will ever pursue such a course. May our country forever remain where man is free; a land where the individual is free. If the CVA passes Congress, what inalienable right do you possess? You forfeit all of the rights that our forefathers declared in the Declaratio of Independence, that is set out in article I, section 1 of the Idaho Constitution; and you secure for your children and your grandchildren a type of government like Hitler built in Germany and a communistic government while the American citizenship would become serfs.

This was forewarned:

"General Eisenhower recently issued a statement, in which he warned: 'A creeping paralysis of thought and readiness to accept paternalistic measures from the Government could lead this country into dictatorship.' This, he said, 'will come from a constant drift toward centralized government.'

"There will be a swarming of bureaucrats over the land. Ownership of property will gradually drift into that central government, and finally you have a dictatorship as the only means of operating such a huge and great organization."

Front Line Fighter

EXTENSION OF REMARKS

OF

HON. GEORGE A. SMATHERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. SMATHERS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Miami Daily News:

FRONT LINE FIGHTER

There ought to be some sort of congressional medal for judicial service (in the cold war) above and beyond the call of duty.

The medal, if created, should go to United States District Judge Harold R. Medina.

Day after day, week after week, Judge Medina has sat in the New York courtroom and endured the slings and arrows of the 11 men on trial for communist conspiracy and their tricky, loud-talking mouthpieces. He has borne this fire under the necessity of withholding his own. He has been conscious every minute of the trial that the defense was trying to trap him, to trick him, to bait him.

One serious outburst of temper, one tangible show of bias, one legal error or shortcut undertaken in anger or impatience and the whole case against the Communists would be vulnerable before the United States Supreme Court.

Under these extreme provacations, which, in the judge's own words have included harassment, defiance of orders, willful disregard of rulings, repetitious and extravagant charges for consumption outside the court, and concerted efforts to "wear me out," this skillful, philosophical jurist has shown monumental patience.

This is partly a byproduct of his learning, his disposition, and his character. And it is partly a product of his realization of the stakes, his understanding of what the defendants and their lawyers are aiming at, and his deep attachment to the principles of justice as practiced in America.

For he knows that not only are the Communists on trial, but our democratic system is on trial with them in the eyes of the world. He keeps his frayed nerves on ice because he understands the importance of leaning over backward to convince the world that even the unscrupulous are assured of a scrupulously fair trial in the democratic United States.

The Brannan Plan Again

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. SHAFER. Mr. Speaker, under leave to extend my remarks I include an editorial by Tom Linder, commissioner of agriculture for the State of Georgia, which appeared in the Georgia Market Bulletin, Wednesday, June 22, 1949:

THE BRANNAN PLAN AGAIN

Beginning in 1940, when Congress passed lend-lease, the United States Government asked the American farmers, as a patriotic duty, to increase production. The American farmer, as always responded nobly. With his sons and daughters employed in industry and enlisted in the armed services, the farmer and his wife, with whatever help they could hire, kept the farm going. He performed miracles. With less help on the farm, he produced record crops.

Nature seemed to approve. Weather conditions were as near ideal as could be hoped, and through a world war of unprecedented magnitude the people of America, our Armed Forces overseas and our Allies were well fed.

The farmer persisted in spite of every impediment thrown in his path and in spite of the OPA, the Bowles weevil, the unfriendly attitude of the United States Department of Agriculture, etc., the farmer continued to produce food and fiber in tremendous amounts.

At the time that a minimum of 40 cents was indicated for cotton, to be in line with our general economy, and when cotton went to approximately 40 cents a pound, in spite of the propaganda the bureaucrats could put out, the United States Department of Agriculture came out with an estimate of more than a million bales in excess of the actual crop and forced the price back to 27 and 28 cents and caused the cotton farmers to lose $50 to $60 on every bale that he sold.

Not only that, but the Government put on export controls so as to force American crops to accumulate in America while the American taxpayer's dollar was sent by shiploads to buy agricultural products in foreign countries.

Now comes Mr. Brannan, Secretary of Agriculture, and proposes that American farm prices shall go to world levels and that the American farmer shall become a ward of the Government and depend upon Congress to take money from the taxpayers to give the farmer a decent living. This is communism, socialism, or what isms you want to call it, except it is not Americanism.

We know by experience that any country which embarks on a socialistic or communistic program cannot find any place to stop short of complete totalitarianism. We see England, once launched on the sea of socialism, can find no place on which to rest her foot. She is being carried helplessly along from socializing one industry to another and must be swept by this unchanging tide to complete socialism of medicine, agriculture, and industry. This means totalitarianism is its goal, it matters not by what name totalitarianism may be called.

The same socialistic theory which would have the Treasury pay the farmer for the food the American people eat, would, by logical projection, necessarily call for the Treasury to pay for the clothes which we wear.

Once launched on this never changing sea of socialism, it would be necessary for the National Treasury to pay for our houses and for our automobiles, for our medicine, and for every necessity of our lives.

The inevitable consequence would be in the years to come that the United States would simply constitute a mammoth concentration camp in which all citizens would give their labor to the Government and the Government in turn would supply their needs. This condition would constitute a western Russia.

The pages of history tell us of the rise of the great powers of the past. They tell us of the decay of those powers when they launched on a course of internationalism. They tell us of the fall of those great powers when internationalism, imports of foreign goods, and imports of foreign populations destroyed the basic manhood and statesmanship which had made those powers great.

The last of these great powers is disintegrating before our very eyes. Great Britain, which only a few years ago, boasted that it ruled the waves and that the sun never set on its flag is now an impecunious beggar at the gate of the United States Treasury. And, the people of the United States are turning their pocketbooks wrong side out to support a socialistic regime marking the decay of a once proud and independent people.

Out of one pocket we pay billions of dollars to finance socialistic and communistic regimes in the Old World and at the same time out of the other pocket, we fork up billions of dollars to hire these Socialist and Communist Governments to oppose Russia, the king of the Communists and Socialists.

Now Mr. Brannan would have us to set the ship of state of our own country on that same uncharted sea which the lessons of the past teach us can lead but to shipwreck and disaster.

"The time has come," the walrus said,
"To talk of many things:
Of shoes—and ships—and sealingwax—
Of cabbages—and kings."

TOM LINDER,
Commissioner of Agriculture.

National Housing Act of 1949

EXTENSION OF REMARKS

OF

HON. CARL ELLIOTT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. ELLIOTT. Mr. Speaker, yesterday the House passed the National Housing Act of 1949, which provided for the

construction of low-rent public housing by local housing authorities in the cities of this country. The bill also provided for aids for the construction of rural housing in the rural sections of the country. Likewise, the bill provided for extensive housing research which will have for its objective the lowering of housing costs so that more of our people will have an opportunity to build or purchase homes that they can pay for. The Housing Act of 1949 is, in my judgment, a step toward the solution of the housing problems of this country.

We promised the veterans of World War II that the Government would see to it that they had a reasonable opportunity to house themselves when they returned from the service. Many loans have been made under the loan provisions of the GI bill of rights, but most of these loans were made to the veterans living in the cities of the country where adequate financing was readily available.

Mr. Speaker, I desire to point out that in my judgment it is imperative that this Congress pass legislation bringing the loan provisions of the GI bill of rights within easy reach of our veterans of World War II who live in the small towns and in the rural areas where adequate financing is not now available. I have the honor to represent a district which is largely rural and everyday veterans call to my attention the fact that they have been unable to secure GI loans with which to build houses for themselves.

I am today introducing in the House a bill which, if enacted into law, will meet the situation which I have described. My bill provides for a greatly expanded market for GI loan mortgages and thus will encourage private financial institutions to make a greatly increased number of such loans.

My bill also provides for direct Government loans to those veterans who are unable to borrow from private lending sources the money with which to build their homes. Such direct loans shall be in an amount not to exceed $12,000 and shall bear interest at a rate not in excess of 4 percent per year. Such loans shall be repayable in not more than 25 years. These loans shall be made for the purpose of enabling the veteran to buy his home, or to construct the same.

There will be many objections raised against the Federal Government making direct loans to veterans with which to construct or purchase their homes. These objections, Mr. Speaker, will not be valid because direct loans under the terms of my bill will only be made in those cases where no local private financing is available to the veteran. There will be no conflict in these loans between the Federal Government and private lending agencies. As a matter of fact, I believe that my bill will have the effect of stimulating private lending agencies to extend broader lending coverage and finance veterans' homes in many cases where they have heretofore refused to do so.

Some of the objectors to this legislation will raise the cry of socialism. But, Mr. Speaker, we have no fear of socialism in this country when we make our people home owners. The greatest guaranty against this Government becoming socialistic is for our people to become home owners.

The home is the bedrock of our democracy; it is the basis upon which future advances of our civilization will be made. I will welcome the opportunity to explain to the people I represent my efforts here to encourage home ownership throughout the country.

The Late Col. Robert Bradford Marshall

EXTENSION OF REMARKS
OF
HON. CECIL F. WHITE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. WHITE of California. Mr. Speaker, many people in California were saddened last week at the news of the death of Col. Robert Bradford Marshall. Public power advocates in our State lost a true friend, for to this cause he had dedicated his life. Colonel Marshall was known as the father of the Central Valley project, for he recognized the necessity of developing the rivers of the great central area of California years ahead of everyone else. For a half century he devoted his energies to bringing about the start of that project, a project which is recognized now as vital to the growth and prosperity of California. The story which follows tells the history of the Central Valley project and the part played by Colonel Marshall. It was carried in the McClatchey newspapers on June 22, 1949, and I include it in the RECORD as a tribute to the memory of this man who devoted a lifetime to public service:

DEATH COMES TO COLONEL MARSHALL, FATHER OF CVP

Col. Robert Bradford Marshall, the father of the Central Valley project, died in San Francisco yesterday. He was 82.

Little known and seldom mentioned in the news during recent years, Colonel Marshall was the man who schemed, fought, and suffered ridicule for nearly half a century before he ignited the spark which resulted in establishment of the huge project.

ILL FOR YEARS

Colonel Marshall had been ill for years. He is survived by his widow, Myra; his daughters, Virginia Marshall, of San Francisco, and Mrs. Evelyn Maddox, of Sacramento; and two granddaughters.

Funeral services will be held at 2 p. m. Thursday at the N. Gray & Co. mortuary, San Francisco.

Colonel Marshall resided in Sacramento from 1927 until his retirement in 1938.

The forgotten man of the multi-million-dollar State water plan was born in Virginia, a direct descendant of Chief Justice Marshall, the early-day head of the United States Supreme Court.

UNITED STATES GEOLOGICAL AIDE

In 1891 he came to California as a topographer for the United States Geological Survey. He saw, with his technically trained eyes, the paradox of millions of parched and burning acres in the summer and millions of acre-feet of water pouring wastefully into the Pacific Ocean during the winter and spring.

He dreamed a dream of storing the rain waters of the Sacramento, San Joaquin, and Santa Clara Valleys and of southern California.

THREE DECADE SEARCH

During the next three decades he sought the engineering facts to pound his dream into reality. He covered the State by mule team and buckboard, surveyed dam sites, computed altitudes, charted water flow and analyzed seasonal needs.

In 1919 he resigned his post as chief geographer in the United States for the Geological Survey and turned his plan over to the State.

He went before the 1921 California legislature, was damned and called crazy, but emerged with an appropriation of $200,000 for the State engineers to investigate his plan.

REAL START

That was the real start of the Central Valley project. During the ensuing 12 years more than $1,000,000 was spent in studying the feasibility of the proposal, which in those days was known as the Marshall plan. Practically all of the bigger units of the project, such as the Shasta and Friant Dams, are basically the same as the colonel planned them.

It was shortly after his fight in the legislature in 1921 that a strange ailment caused him to lose his voice. Afterward he was able to talk only through the use of a bellows contrivance. Doctors believed the strain on his vocal cords while arguing to the legislators caused the ailment.

"WE WON"

Marshall once commented:

"Even though I knew it might cost me my voice, I should choose to do it again. I am but one man. Millions are to be benefited. After all, what does it matter whether I carried the fight or someone else did. We won."

It was Colonel Marshall's fondest dream during those early years that he should live to see the success of his campaign. And he did. He saw the water pour from the mighty Shasta Dam and other large units of the project in operation.

Some time after his 1919 retirement from his Federal position the colonel joined the State division of highways. In 1938 he retired and went to San Francisco to live. His death took place in his home there at 2523 Gough Street.

A Bill To Create an Office of Assistant Secretary of the Navy for the Marine Corps and To Fix the Personnel Strength of the Marine Corps at 6 Percent of the Other Armed Forces

REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. MANSFIELD. Mr. Speaker, I have heard many professions of love and loyalty for the United States Marine Corps in the years I have served in this

august body. I have heard and read glowing tributes to the heroism and devotion to duty of the United States Marines in war and peace from men and women in high and low places in this great country. It seems that everyone loves, admires, respects, and needs the Corps.

That is highly gratifying to those of us who have had the honor to serve in the Corps. We believe that the country should take steps to assure itself that there shall always be a Marine Corps of adequate strength to undertake any peacetime or wartime mission assigned to it. We have recently heard statements from many Members of Congress and from the Secretary of Defense as to the need for the Corps and the continued desire of our national leaders to continue to have this stout weapon at our command.

We have seen the marine record for economy of operation and efficiency of organization. And we know that economy is a magic word today. All of these reports as to the great work done by the Corps, of its economy and of its necessity to the Nation, we accept at face value. We believe that the Corps should have a relative standing with the other services—there are three Departments, but four services—and so many of us believe that we should write into law a flooring upon the strength of the Corps. We believe that we should take Fleet Adm. William F. Halsey's advice and guarantee for all time a perpetual Marine Corps in the best interests of our country.

For that reason, and because we know the truth of the laudatory remarks about the Marine Corps, we recommend that the Corps be established at an effective level of 6 percent of the total personnel strength of the armed forces, that an office of Assistant Secretary of the Navy for the Marine Corps be established.

Under permission to extend my remarks, I wish to insert at this place in the RECORD the sponsors of the bill which we have this date introduced in the House to effectuate this purpose in the best interests of national defense. I am also inserting a copy of the bill, an editorial from the San Francisco Chronicle dated June 14, 1949, and an editorial from the Christian Science Monitor dated June 23, 1949.

LIST OF SPONSORS—37 DEMOCRATS, 18 REPUBLICANS

MANSFIELD, Montana; JACKSON, California; DAGUE, Pennsylvania; DAVIS, Georgia; SMATHERS, Florida; GRANGER, Utah; CASE, South Dakota; PATTERSON, Connecticut; THOMPSON, Texas; O'SULLIVAN, Nebraska; JACKSON, Washington; GORDON, Illinois; DAVENPORT, Pennsylvania; MORGAN, Pennsylvania; PATTEN, Arizona; BARING, Nevada; KING, California; FORAND, Rhode Island; SIKES, Florida; HERLONG, Florida; GORSKI, Illinois; MILLER, California; HOWELL, New Jersey; HAYS, Arkansas; RICHARDS, South Carolina; BURDICK, North Dakota; DONOHUE, Massachusetts; CARROLL, Colorado; KELLEY, Pennsylvania; O'NEILL, Pennsylvania; KLEIN, New York; MITCHELL, Washington; DEANE, North Carolina; KARSTEN, Missouri; BOLLING, Missouri; KIRWAN, Ohio; KEARNEY, New York; ROGERS, Florida; BYRNES, Wisconsin; LANE, Massachusetts; HART, New Jersey; FOGARTY, Rhode Island; YATES, Illinois; LOVRE, South Dakota; JUDD, Minnesota; ALLEN, California; BRAMBLETT, California; COTTON, New Hampshire; MCDONOUGH, California; POULSON, California; FLOOD, Pennsylvania; WERDEL, California; NIXON, California; SMITH, Wisconsin; CHIPERFIELD, Illinois.

A bill to create, and assign duties to, the Office of the Assistant Secretary of the Navy for the Marine Corps, and to fix the personnel strength of the United States Marine Corps in relation to that of the other armed forces

Be it enacted, etc., That there shall be in the Department of the Navy an Assistant Secretary of the Navy for the Marine Corps who shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive the same compensation as the other Assistant Secretaries of the Navy. The Assistant Secretary of the Navy for the Marine Corps shall, under the direction of the Secretary of the Navy, be charged with the supervision of the United States Marine Corps and the coordination of its activities with other governmental agencies, and, in addition, such other duties as may be assigned to him by the Secretary of the Navy.

SEC. 2. The first sentence of section 206 (c) of the National Security Act of 1947 is hereby amended to read as follows: "The United States Marine Corps, within the Department of the Navy, shall include land combat and services and such aviation as may be organic therein, and the personnel strength of the Regular Marine Corps shall be maintained at not less than 6 percent of the combined personnel strengths of the Regular Army, the Regular Navy, and the Regular Air Force."

[From the San Francisco Chronicle of June 14, 1949]

OF SECURITY AT 6 PERCENT

The proposal to put a floor under the numerical strength of the Marine Corps is a sound suggestion aimed at enhancement of the Nation's security.

The proposal, advanced as an amendment to the Vinson bill, would assure that the Marine Corps strength is maintained at not less than 6 percent of the combined personnel strengths of the Army, Navy, and Air Force. That would mean that if the combined strength of the other services were 1,000,000, the Marine Corps would have at least 60,000; if and when wartime combined strength hit 10,000,000, the Marines would have, at minimum, 600,000 men.

The amendment would thus work no drastic change from either the present or the historical strength of the Marine Corps relative to the strength of the other services. And only in the matter of fixing the definite ratio would it alter the sense of the present law, which provides that: "The United States Marine Corps, within the Department of the Navy, shall include land combat and services forces and such aviation as may be organic therein."

But it would serve the important purpose of foreclosing any future attempts to destroy the Corps by whittling it down to the point of ineffectuality. And it would thereby give a shot in the arm to the Corps' morale to offset the damage done by those who have been trying to carve up the Corps and turn its functions over to the Army and Air Force.

We have not been concerned for the bruised feelings of any or all individual marines in our arguments in behalf of the corps—sentimentality is a negligible consideration where the public welfare is involved.

But the morale of the Marine Corps through a century and three-quarters has proved, again and again, a vital asset to the national security, and we contend that the safeguarding of that morale is a cheap price for the benefit of having an outfit ready and able to do the grim but crucial fighting jobs that constitute the Corps' mission.

Fleet Admiral William F. Halsey, in advocating adoption of the 6-percent amendment, observed that "the Marine Corps' unparalleled fighting spirit is something that can't be bought with money." It can be squandered, however, by public and congressional apathy in the face of the current campaign to tear it apart. We hope, for the Nation's sake, that this amendment to perpetuate the Corps will be incorporated into the Vinson bill and be enacted into law.

[From the Christian Science Monitor of June 23, 1949]

A FLOOR AT 6 PERCENT

If the Tydings bill passes as is, the Secretary of Defense will have control over the budgets of the three armed services, but he may not transfer personnel permanently from one branch to another.

Thus he could not toss the Marine Corps into the Army nor give naval aviation over to the Air Force. However, the Navy and the marines, and friends of those services, who are aware that elements in the Army and the Air Force have been advocating these very ends, point out that by budgetary starvation he could reduce both the leathernecks and the seagoing fliers into skeleton forces—and do it quietly and gradually.

As for the Marine Corps—Admiral William F. Halsey gave voice to one solution in a speech before the recent reunion of the Fourth Marine Division. There is already a statutory ceiling over the strength of the corps, says the admiral. Why not build a statutory floor under them, too? The floor, he indicates, ought to be put at not less than 6 percent of the combined numbers of the Army, Navy, and Air Force. This would peg the marines at 90,000, or 18,000 less than their present strength—certainly no bid for empire building.

The Navy and Marine Corps, obviously, have dragged their feet in the unification process. But an equal share of responsibility must rest on those in other services who have furnished the chief reason by advocating, secretly or openly, ideas which look suspiciously like dreams of self-aggrandizement.

Report of Governor's Emergency Food Committee To Meet Crisis Resulting From Strike of Longshoremen in Hawaii Shows Steps Taken To Meet Shortage in Supply of Food and Animal Feed

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EXTENSION OF REMARKS

OF

HON. JOSEPH R. FARRINGTON

DELEGATE FROM HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. FARRINGTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a report prepared by the chairman of the Emergency Food Committee appointed by Gov. I. M. Stainback, of Hawaii, to deal with the

critical shortage in the supply of foodstuffs and feed resulting from the strike of longshoremen.

The report follows:

TERRITORY OF HAWAII,
CIRCUIT COURT OF THE FIRST
CIRCUIT JUVENILE COURT,
Honolulu, T. H., June 24, 1949.

HON. OREN E. LONG,
Acting Governor of Hawaii,
Iolani Palace, Honolulu, T. H.

SIR: You have requested of the undersigned, for the information of the Honorable JOSEPH R. FARRINGTON, Delegate to Congress from Hawaii, a summary report concerning the formation and the activities and findings of the Governor's Emergency Food Committee.

By an executive order dated May 24, 1949, Governor Stainback designated the undersigned, as chairman, and five other citizens of Honolulu, as members of an emergency food committee with a directive to investigate reports of shortages in food supplies and in commodities required in the production of essential foods, to investigate the available means of meeting the emergency needs of the civilian population and to make its recommendations thereon to the Governor. At a later date, a seventh member, the local representative of the Production and Marketing Administration, United States Department of Agriculture, was added to the committee by the Governor. At a later date also, the scope of the committee's permitted jurisdiction was broadened to include human foods, animal feeds, medical supplies, and other commodities found by the committee to be essential to meet emergency needs of the civilian population of Hawaii.

In a preliminary report to the Governor, dated May 28, 1949, the committee announced several unanimous conclusions as follows:

"1. That the stoppage of the normal flow of water-borne commerce between Hawaii and the mainland United States which had been in existence since May 1, 1949, and which had resulted from the currently existing dispute between Hawaii's stevedores and their employers required immediate action to insure the continued well-being of our population.

"2. That such action and all planning concerning it should be taken without any attempt on the part of the committee to forecast or predict the possible or probable time of the settlement of the above-mentioned dispute and the possible or probable time of the resumption of the normal flow of water-borne traffic between Hawaii and the mainland United States.

"3. That, as of the date of the report, Hawaii's situation in connection with existing and prospective supplies of livestock and poultry feed was desperate, indicating an urgent need for early action to eliminate the possible necessity of destruction of dairy cattle and poultry flocks.

"4. That, on the basis of surveys made of existing stocks of human foods in the hands of wholesalers and retailers throughout the Territory, supplies of a number of essential human foods would become critically short throughout the Territory by approximately June 15. These included rice, bakers' flour, bakers' shortening, bakers' salt, yeast, evaporated milk, potatoes, eggs, oranges, butter, and oleomargarine."

On the basis of the above-mentioned findings, the committee recommended that immediate efforts be made through appropriate Federal agencies to provide shipping space adequate to bring to the Territory, at the earliest possible time, 6,000 weight tons of cattle and poultry feeds and 9,000 weight tons, including 500 tons of refrigerated space, of the above-mentioned essential human foods.

Some time later, at the Governor's request, action was taken in Washington, involving the Interior and Navy Departments, and which resulted in the allocation of shipping space on several Navy vessels of a total of 6,000 measurement tons of animal feeds as freight. In addition, at about the same time, space was made available for 15 tons of baker's yeast. As of this date, the largest part of these animal feeds have reached the Territory and have been or are being unloaded. A small quantity is en route. The feed is being unloaded by ILWU members. This committee has maintained contact with the United States Navy authorities in connection with allocation of space to specific consignees of the animal feeds and is supervising its distribution throughout the Territory with a view to securing the most equitable and widespread distribution possible under the circumstances.

In addition, upon the recommendation of this committee, the Governor has forwarded to Washington a substantial number of requests for allocation of shipping space, as freight, for other vitally needed commodities, including hospital and medical supplies and medicines, baby food, canned milk, embalming fluid, chlorine, etc. All of these requests have been approved, sufficient space has been allocated and the needed commodities have either been delivered or are aboard Navy vessels en route to Hawaii. These shipments total several hundred tons, and, as in the case of animal feeds, the committee reviewed each request, designated approved consignees, and supervised distribution. The arrangement under which the United States Government has transported these badly needed commodities to the Territory has been of great help to our Territorial community, but it is entirely dependent upon availability of space on the armed forces' transports and cargo vessels available in this area and it requires specific approval, routed through the Interior and Navy Departments, of each individual shipment. It has also probably caused some disruption in normal armed forces' operations, having involved the operations of five naval vessels.

While this work was going on, the committee undertook to bring together the officials of the Matson Navigation Co. and of the stevedores' union and a number of meetings resulted in the execution, in June 1949 of a contract between Local 136 of the ILWU and the Matson Navigation Co. under which the steamship *Hawaiian Refiner*, a Matson cargo vessel, was designated as a civilian relief ship for the Territory of Hawaii to sail as soon as possible with a cargo of animal feeds, human foods, and other essential commodities designated by this committee. The ILWU agreed that, upon arrival of the ship at Honolulu, it would unload all of the ship's cargo under prestrike conditions and would permit the return of the ship to the mainland United States immediately upon the completion of the unloading. The return trip cargo, however, was limited to a sufficient quantity of molasses to provide a safe ballast for the ship. A copy of that contract is attached hereto.

The committee then reported to the Governor its plans for allocation of space on the Matson relief ship among Honolulu consignees, based upon a pro rata of the total of each such consignee's direct imports to the Territory during the 4 months' period immediately preceding the shipping strike. By Executive order of June 10, 1949, the Governor authorized the committee to proceed with its plan and broadened its authority for the allocation of shipping space to include medical supplies and other commodities found by the committee to be essential to meet emergency needs of the civilian population. The loading of the Matson relief ship has been completed and it is scheduled to sail on June 24 and to arrive in Honolulu on June 29. Its cargo, totaling 10,943 weight tons, includes animal feeds, rice, flour and other bread ingredients, canned milk, dried beans and seed, citrus fruits, oleomargarine, potatoes, onions, eggs, meats, butter, frozen fish, and commercial cooking oil. Commodities, other than food, include cooking gas in tanks, embalming fluid, and milk carton supplies.

The ship will be unable to make any calls at ports other than Honolulu, and consignees on islands other than Oahu will be required to arrange for transshipment from Honolulu.

In order to meet, to a very limited extent, some of the community's needs pending the arrival of the Matson relief ship, this committee, with the authorization of the Governor, also arranged for the release by the Navy of a limited quantity of bakers' flour, bakers' shortening, bakers' salt, and canned evaporated milk.

Due to the greatly reduced armed forces personnel in this area, supplies of food in the hands of the armed forces here are necessarily very limited in relation to the needs of a civilian population of close to one-half million.

In addition to the above-mentioned arrangements for the importation of needed commodities by Government vessels and the Matson relief ship, limited quantities of food and other commodities have been brought into the Territory by air freight and by parcel post on Government vessels. Costs in either case are so prohibitive as to virtually eliminate these means of transportation from any practical consideration in connection with meeting the total needs of our population. In addition to all of the above, an undetermined, though probably relatively small, quantity of bakers' flour and animal feed is reported to be en route to Hawaii aboard a privately chartered vessel which will reportedly be unloaded under a private agreement between the shipper and the ILWU.

It is estimated that the quantities of the specific foods above mentioned for which space was available on the Matson relief ship will meet the needs of the Territory for such foods for a period of approximately 3 weeks. It is hoped that with maximum operating efficiency in connection with space allocations, bookings, loading and unloading, the ship will be able to return to the Territory in approximately that length of time.

It should be noted, however, that the above list includes basic essentials only and excludes many items which may be deemed equally essential. For example, no canned foods other than milk and a small quantity of meat are included, nor was there room for any other type of packaged food such as cereals, pastes, etc. Many of such types of food will probably be depleted prior to the arrival of the relief ship in the Territory on its second trip.

Total import figures covering all types of human and animal foods are not immediately available for any recent period. However, a survey of Hawaiian food and feed requirements made by the Office of Requirements and Allocations of the United States Department of Agriculture for the year 1947 indicates a basic minimum need for 31,730 tons of such foods and feeds per month. One ship, operating at maximum efficiency, and carrying food only, can meet less than half of this need.

In addition, demands are mounting for replenishment of stocks of all types of medical and hospital supplies and for other types of commodities normally deemed necessary to maintain our population's health and well-being.

The normal needs of the Territory's population for human food, animal feeds, and other commodities necessary to insure our comfort and to maintain our commerce, have required the arrival in territorial waters, prior to the strike, of approximately three Matson-Isthmian cargo vessels per week, two from the west coast, and one from the east coast or the Gulf. The capacity of these vessels is ten to twelve thousand tons each. In addition to these, special lumber shipments have arrived from time to time. The passenger liner *Lurline* has brought a sub-

stantial quantity of freight on each of its three trips per month and other steamship lines have brought varying quantities of materials from time to time.

Normal import requirements met by Matson-Isthmian vessels alone would thus average some 125,000 tons per month. Since May 1, which, at the date of this writing is almost 2 months past, some 13,401 tons of various commodities have been unloaded from Matson and Isthmian ships which were en route to Hawaii at the time of the strike, or which embarked for Hawaii after May 1. At the present time, 11 strike-bound freighters with 65,417 tons of cargo aboard are tied up at Territorial piers.

It is our opinion that at least two additional relief ships will have to be made available at the earliest possible time in order to meet all of these essential needs as they arise.

That these additional relief ships, if and when made available, will fall far short of meeting the total import requirements of the Territory is equally obvious.

In conclusion, it should be observed that this committee's duties will not necessarily be concluded as of the date of the termination of the dispute which has lead to the shipping stoppage under discussion. When the dispute has been settled, some time will elapse before there has been a restoration of the normal flow of water-borne commerce. If the most essential needs of the Territory are to be met during this period, some control of shipping space will be necessary. Your consideration of the advisability of extending the committee's authority for this purpose is requested.

Respectfully submitted.

GERALD R. CORBETT,
Chairman, Governor's Emergency Committee.

Miss Loula Dunn

EXTENSION OF REMARKS
OF
HON. CARL ELLIOTT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. ELLIOTT. Mr. Speaker, Alabama is fortunate to have a woman of the initiative, intelligence, and ability of Miss Loula Dunn to head its department of public welfare. Miss Dunn's knowledge of public welfare problems, her sympathetic understanding of all human problems, and her practical approach to the solution of these problems have made her an outstanding personality in her field of endeavor.

Miss Dunn's brilliant record in her field prompted the Mobile Press on Thursday, June 23, 1949, to editorially nominate her for appointment as head of the proposed United States Department of Welfare. I include the editorial as a part of my remarks:

A WOMAN IN MR. TRUMAN'S CABINET—WELL, WHY NOT MAKE IT LOULA DUNN?

If President Truman's newly proposed blueprint for a department of welfare is approved by Congress, he may name a woman as its head.

The Mobile Press here and now nominates for that job an Alabamian distinguished in the field of public welfare. She is Loula Dunn, director of the State department of public welfare.

A woman in the Cabinet would not be an innovation. Frances Perkins served as Secretary of Labor for 12 years in the administration of Franklin D. Roosevelt. Though she had her critics—and what Cabinet officer hasn't had?—she generally is credited with an excellent all-around job.

During the last election campaign, both President Truman and Governor Dewey indicated that they favored creation of a new Government agency devoted to social service and carrying Cabinet rank for its chief, and there was a further indication that each candidate favored naming a woman to this Cabinet post.

The proposed new department of welfare would take over some of the duties now entrusted to the Federal Security Administration. For example, lumped under the department of welfare, each with its own head of sub-Cabinet rank, would be: United States Public Health Service, Social Security Administration, United States Office of Education, Food and Drug Administration.

As Mr. Truman pointed out in his message to Congress, the idea that a Department of Welfare is needed is not new:

President Harding suggested it in 1923; and a special committee appointed by President Roosevelt in 1937 recommended a department of social welfare.

The Hoover Commission—a special, 12-man group appointed by Congress and headed by former President Hoover to suggest ways of making the Government run smoother recently recommended that a department be set up to handle the social security and education jobs of the Government.

Mr. Truman's plan doesn't follow in every detail the recommendations of the Hoover group. It does, however, have the same general purpose to wrap into one department (of cabinet rank) all the agencies dealing with conservation and development of the human resources of the Nation.

The President has given no hint so far of his choice for the important post as Secretary of Welfare. Washington reporters say, however, there is a better than good chance that it will be a woman. This brings up the question of "what woman?"

If the appointment is made strictly on a political basis, the chances are that the appointee will not be qualified in the field of welfare. If the appointment is made on a basis of personal friendship the appointee may be nothing more than a figurehead.

It would be a mistake if the appointment to this important proposed Cabinet seat were made either on political or friendship considerations. The appointment should be made on no other basis than that of competency, and that's where Loula Dunn comes in.

Miss Dunn is a recognized authority in welfare work. She has headed national organizations of welfare workers. Her advice is sought by and freely given to welfare agencies and workers throughout the Nation. The Alabama Department of Public Welfare under her direction is recognized as a model, though not the largest. Her ability has been recognized by the United States Government, which sent her to Europe as an observer. In brief, Miss Dunn is eminently qualified for this proposed new Cabinet post.

She may not at this time know the ins and outs of social security. Though well educated, she is not an educator and therefore not too familiar with the workings of the United States Office of Education. Though not a doctor, she knows the importance of health in the welfare field. No matter what man or woman becomes Secretary of Welfare, he or she will have to rely greatly on subheads of the various agencies which would come under the Department of Welfare. No one person could possibly handle all the minute details of these activities. But Loula Dunn could come as close as anyone to doing it. She has the administrative ability to coordinate the work of these several agencies and to see that it is carried out properly. Loula Dunn is the woman for the job.

Attorney General Tom C. Clark

EXTENSION OF REMARKS
OF
HON. MORGAN M. MOULDER
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. MOULDER. Mr. Speaker, on the 20th day of June, 4 years ago this day, Tom C. Clark, of Texas, became the fifty-ninth Attorney General of the United States. Prior to his appointment to the President's cabinet as Attorney General, Mr. Clark was engaged in the private practice of law in Dallas, Tex., and thereafter his excellent professional services and ability were utilized by the Government in various positions. He served as special attorney in the Bureau of War Risk Litigation, as special assistant to the Attorney General in the Antitrust Division, Chief of the west coast offices of the Antitrust Division, Coordinator of Alien Enemy Control of the Western Defense Command and Chief of the Civilian Staff for Japanese War Relocation, Chief of the War Frauds Unit, First Assistant in the Antitrust Division, and Assistant Attorney General in charge of the Antitrust Division, and Assistant Attorney General in charge of the Criminal Division. Thus, his appointment as Attorney General of the United States brought to the President's Cabinet a man of outstanding ability and experience and first-hand familiarity with the work of the Department of Justice, which he has so ably and efficiently directed during the past 4 years.

Prior to my election as Representative in Congress from the Second Congressional District of Missouri and my term of service as judge of the eighteenth judicial circuit I served as special assistant to the United States district attorney of the western district of Missouri, and in that position I had the opportunity of personally observing the brilliant, effective, and efficient work by Mr. Clark in the performance of his duties.

Tom Clark has served as our Attorney General during and since World War II, a period of time which has been burdened with unusual national and international problems and also innumerable conflicting and controversial legal problems have been presented and successfully solved under his supervision. No other Attorney General has ever been confronted with so many difficult, novel, and knotty legal questions as have been presented to Tom Clark. In addition to his outstanding legal attainment as Attorney General, Mr. Clark has achieved signal distinction by his vigorous efforts for broad citizenship, his support of public education against crime, and his aggressive attack against the infiltration of communism. For the latter he has received special citations from the Army-Navy Union, the oldest veterans' organization in the United States, and the National Catholic Veterans Association.

During his tenure as Attorney General approximately 500 cases have been presented before the Supreme Court of the United States. In this he has won approximately three fourths and has lost

approximately one-fourth. This is a remarkable record and has not been equaled by any other Attorney General of the United States.

In the field of tax-evasion cases the Department of Justice, under Mr. Clark, has a record of obtaining convictions of 96 percent of the prosecutions. Some of his major and outstanding successes involved the Government suit opposing railroad rate discrimination against large sections of the country; in preventing the undermining of the Renegotiation Act, which was designed to protect the public against excessive war profits. He also helped to awaken the Nation to the necessity of expanding juvenile opportunity. He sponsored the idea of the Freedom Train, which has carried the original historic documents from one end of the country to the other so that all of the people who saw them might feel the inspirational force of those great instruments of liberty.

Tom Clark has waged a sincere, active, and vigorous fight against communism. At his direction and under his supervision the Department of Justice has instigated action against communistic subversion and has prosecuted numerous suits now pending in the Federal courts against communistic subversives. Twelve top-flight Communists are now on trial before a jury in the Federal court of the southern district of New York. They are charged with conspiracy to overthrow the Government of the United States by force and violence. They are William Z. Foster; Benjamin J. Davis, Jr., New York City councilman; John Williamson; Eugene Dennis, the party's general secretary; Jack Stachel, educational director; John Gates, editor, the Daily Worker; Gus Hall, chairman, Ohio Communist Party; Gilbert Green; Carl Winter; Robert Thompson; Harry Winston; Irving Potash. All are members of the Communist national board, which is the party's high policy-making politbureau. Thirty-four alleged Communists have been convicted by the Department of Justice in Washington for contempt of Congress. Sixteen alleged Communists have been convicted in California on charges of civil contempt for refusing to testify before a Federal grand jury. Seven alleged Communists were convicted in Denver, Colo., on charges of contempt for refusing to testify before the Federal grand jury in connection with the investigation of the alleged disloyalty of a Government employee. Numerous other alleged Communists are under investigation for subversive activity and are being prosecuted in our Federal courts under the supervision of the Department of Justice. In addition to prosecutive action, the Department of Justice has been carrying out deportation proceedings, through such legislation as the Alien Registration Act and the Foreign Agents Registration against aliens showing subversive tendencies.

As of April 15, 1949, there were 3,278 undesirable aliens in the United States, most of them Communists who cannot be deported to the countries of their nationality because of passport refusals of their own Government. Of this number 2,147 are deportable to countries behind the iron curtain. Of the latter group 2,079 entered the United States prior to 1933. All the top-notch Communists came into the United States before the first administration of Franklin Delano Roosevelt, arriving during the Harding, Coolidge or Hoover periods. Now under President Truman they are being shipped back as fast as law and visa conditions permit. Some have been deported. Gerhart Eisler fled. Others deported by stipulation.

The Attorney General, after an exhaustive and thorough investigation, has listed a total of 159 organizations in the United States as hostile and inimical to our Government and our way of life.

We are and we should be proud of our Attorney General and deeply grateful that we have such an honorable man as Tom Clark in the office of Attorney General. His exemplary conduct, his distinguished service in the office of the Attorney General of the United States and his unassuming personality and brilliant ability has established a monument of appreciation in the hearts of the people far more permanent than marble.

However, there are some who may criticize and attack him, and when I hear such criticism, I think of the words of Benjamin Franklin:

> We must not in the course of public life expect immediate approbation and immediate grateful acknowledgment of our services. But let us persevere through abuse and even injury. The internal satisfaction of a good conscience is always present, and time will do us justice in the minds of the people, even those at present the most prejudiced against us.

Slums in Los Angeles Are Worse Than We Thought They Were

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mrs. DOUGLAS. Mr. Speaker, the real-estate lobby has flooded the country and the Congress with pamphlets against the housing bill. Of the many distorted and erroneous claims made in these pamphlets one of the most unconscionable is the claim that the slums are rapidly disappearing without any Federal intervention.

In a publication of the Producers Council called Our Housing Improvement Since 1940, Mr. Miles L. Colean says that—

> There has been a spectacular improvement in the quality and usability of the existing supply of housing, so that far fewer families today are living under conditions that can be described as substandard than at any past time.

In another pamphlet circulated by the Commerce and Industry Association of New York, Thomas J. Holden claims that the housing census of 1940, on which most over-all estimates of our housing needs have necessarily been based, greatly exaggerated the slum problem and should not be taken seriously.

A number of exhaustive and scientific official surveys have recently been made of slum conditions, however, which completely refute these irresponsible and inhumane claims. These meticulous house-by-house surveys have been made by trained specialists, using techniques developed and sponsored by the American Public Health Association. And in every case—in New Haven, Philadelphia, Milwaukee, Baltimore, Los Angeles, and elsewhere—the results have demonstrated that the rough index to slum conditions provided by the 1940 census was too conservative by far. The number of dwellings which must be torn down in the areas surveyed, solely in the interests of general health and welfare, is greater in every case than was originally supposed. This may be due in part to the inadequacy of the 1940 census as a detailed scientific guide, but surely it is also due in large part to the obvious fact that the slums are now 9 years older than they were in 1940, and that a long period of general shortage and severe overcrowding was hardly likely to improve them.

Let me quote a few figures on the Chavez Ravine area in Los Angeles made available by the city health department. The 1940 census showed 437 dwellings in this area, or 44 percent of the total, as lacking bath facilities or needing major repairs. And that was bad enough, I should say, to warrant some serious concern by our great progressive city. But a 1948 survey of exactly the same district made by the city of Los Angeles and using the exhaustive methods of the American Public Health Association, proved that 65.5 percent of the homes were either lacking essential sanitary facilities or in need of major repair—a 50-percent increase.

All I can say is that we better begin now to attack this insidious spreading slum-and-blight disease, before it engulfs our cities entirely.

Excerpts From an Address by Vice President Alben W. Barkley at a Jefferson-Jackson Day Dinner in St. Louis, Mo., June 25, 1949

EXTENSION OF REMARKS

OF

HON. FRANK M. KARSTEN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. KARSTEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include excerpts from an address by Vice President ALBEN W. BARKLEY at a Jefferson-Jackson Day dinner, in St. Louis, Mo., June 25, 1949:

> We meet in the name of two great Americans and two great Democrats, Thomas Jefferson and Andrew Jackson, and in behalf of the democracy which one of them founded and the other fortified by their philosophy and by their administrations.
>
> We are engaged in the task of making the Government, which they set up and advanced, responsive to the needs of the people. We are engaged in the task of making

democracy work in America, by making the Government of the United States sufficiently flexible and adaptable to be able to meet the changing needs of the people in the complex world and in the changing scenes of domestic and international affairs.

Jefferson was described in his day as a supreme demagog, and Jackson as a supreme dictator, but Jefferson was sufficiently farsighted to consummate the greatest real-estate deal in the history of the world when he purchased Louisiana from Napoleon. He was charged with breaking the Constitution, or at least bending it beyond recognition.

No one today questions the wisdom of his action, nor its legality.

Andrew Jackson was charged with being a dictator because he sought to destroy the power and influence of the national bank of that day to use the Government against the people and for their own interests, and for this he was called a dictator.

But no one today questions the sincerity or the wisdom of the course of Andrew Jackson, and no one questions that he was one of the great democratic heroes of American history.

The Preamble of the Constitution of the United States reads as follows:

"We the People of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America."

There is one thing about the Democratic Party which has always appealed to me. It has never been frightened by an epithet.

When, in 1912, it wrote in its platform a pledge in behalf of Federal aid in the construction of highways throughout the Nation, it was called socialistic. It was claimed that we were trying to break down State lines and set up a great bureaucracy in Washington to control the highways of the Nation. But, from the days of Woodrow Wilson, Federal aid to highways has been the settled policy of this Nation, regardless of what political party or administration happened to be in power. But it was the Democratic Party that initiated this great service.

When, after exhaustive investigations as to our monetary system, the Federal Reserve Banks were established and the Federal Reserve System set up, all those who opposed this great movement charged that the Democratic Party and the Congress were instituting a dictatorship over the banking system of the United States, and this was likewise socialistic.

But, no one in his right mind doubts the wisdom of that great enactment, and no one in his right mind would now suggest its abolition and a return to the days of 1912.

When the Democratic Party, under the Wilson administration, set up the Federal Trade Commission to hear complaints of one group of businessmen against another group or against individuals, and decide them speedily, with power to issue orders to cease and desist any illegal practice, it was claimed that we were setting up another bureau in Washington to control American business. But it was American business, and especially small business, that urged this legislation on the Congress of the United States. No one now doubts the wisdom of that legislation or would abolish the Federal Trade Commission, which has succeeded, in a great measure, in keeping unchoked the channels of commerce so that the competitive system might really work.

When the Democratic Party wrote into the law a provision guaranteeing the right of American farmers and American laborers to organize for their protection and for their advancement, it was claimed that the Government was entering a field which it had no right to occupy, but where is the man of any responsibility in any political party who would now repeal those laws or abrogate that policy?

When, under the Roosevelt administration, Congress passed a law guaranteeing bank deposits for the benefit of the American depositors, as well as American bankers, those who opposed it claimed it was socialistic, that it was creating a socialistic state, that it was putting the Government in the banking business, that it interfered with free enterprise and the competitive spirit. But because of this and other policies inaugurated by the Democratic Party, we have the greatest and strongest banking system today in the world, and the strongest that we have ever had in all our history. But this was denounced by the timid and by those whose eyes are in the back of their head as socialistic, as paternalistic, and that it would destroy the banking system. Therefore, it was socialistic.

When the Congress of the United States, acting under a necessity which everybody in America recognized, created the Securities and Exchange Commission, in order that American investors might have the means of ascertaining the condition and soundness of stocks in which they wished to invest their money, it was denounced by those who opposed it and who did not want to be regulated as an invasion of the rights of private business and as bordering on socialism. But the American people, after the experiences of the 1920's and early 1930's, not only demanded some form of protection against the results of wild speculation and the sale of unsound securities, but, in my judgment, would look with disfavor on any man in public life who advocated the abolition of this commission. But it was denounced as socialistic and paternalistic.

The same is true of the Maritime Commission, whose duty was and is to supervise and promote the establishment of an American merchant marine worthy of our commercial standing among the nations of the world.

The same was said about the Communications Commission with jurisdiction to regulate and parcel out wavelengths in the air and also to regulate interstate commerce in communications by wire or wireless. But the American people remember the chaos which they experienced prior to the establishment of the Radio Commission and the enactment of the radio laws, and they remember how soon this chaotic condition disappeared under the guidance of the Commission set up by Congress. But it was charged that it was paternalistic and the Government was seeking to inject itself into a field where it had no business.

The same is true of the Civil Aeronautics Board, charged with the duty of regulating the transportation of passengers and freight by air, and regulating the inspection of airplanes and qualifications of pilots and others charged with the safety of life and property in this great modern means of transportation.

Who would wish now to go back to the chaotic days of unregulated transportation, whether on land, water, or in the air? Who would want to go back to the chaotic conditions of only a few years ago when it was impossible to get an intelligent program over this new device for the transmission of information and entertainment through the vast stretches of the atmosphere? Yet, when these commissions were established to bring order out of chaos, to serve the American people, to promote their welfare, which could only be done by the intervention of the Government of the United States, Congress and the administrations and the party responsible for their enactment were accused of paternalism, of bureaucracy, and the invasion of the rights of private business. They were socialistic, they tended toward the creation of the welfare state, which is anathema to those who do not wish to be regulated, supervised, or in any way interferred with in the transaction of "business as usual."

When the Democratic Party and the Congress of the United States, under the administrations of Franklin D. Roosevelt and Harry S. Truman, have sought to stabilize agriculture, which is the most indispensable occupation of mankind, and which could only be done by the interposition of governmental power, those who, like the "paprika" bird, see only where they have been and not where they are going, protested against any activity on the part of the Government to aid the farmers of the United States. Yet when it has been submitted to the farmers in every field where they had a right to vote on the application of the agricultural program to their particular crops, they have overwhelmingly endorsed the program set up by the Government, and it has been largely responsible for lifting them out of the deep ditch into which they had been plunged nearly 20 years ago. It has been responsible for the increase in their income from $5,000,000,000 to $30,000,000,000 per annum, and now Congress is engaged in an effort to write a farsighted, long-term agricultural policy which will preserve for the farmers of the Nation their economic independence, and thus contribute to the economic welfare of all the people of the United States.

But this was denounced as a socialistic venture. It was called another step in the creation of the welfare state, an epithet now being hurled against every effort to use the Government of the United States for the welfare of the American people.

The same thing can be said about soil conservation and flood control, rural electrification, and other similar activities on the part of the Government, in cooperation with the State and local governments and with the people. Everybody knows that no city or county or State can protect itself against the floods that descend upon them from other States and rivers beyond their control and jurisdiction. Everybody knows that Congress adopted a flood-control policy as a national policy in order to protect the people and their property against annual losses greater by far than the cost of protection.

Everybody knows that no individual farmer can engage in extensive soil conservation without the cooperation of his neighbors, local authorities, and al. the way up to the Government of the United States. We woke up a few years ago to find that one-third of our soil had been wasted and washed away, and we must either reclaim and preserve it or find ourselves unable to support our own population, to say nothing of supplying the markets of the world. As a result of this, the Democratic Party and Democratic administration inaugurated the great policy of soil conservation, which is being continued under the administration of President Truman, and this involved the reclamation of arid land throughout the West and irrigation of vast acres capable of producing bounteous crops. But it was said to be socialistic. It was said to be paternalistic. It was said that if God, in His wisdom, had withheld the rains from the desert lands of the West, what business did the Government have in interfering with Providence and making these lands capable of supporting millions of people? But it was in the interest of the welfare of the American people. It was in the interest of the welfare of men and women who were seeking homes; and because it was in the interest of the welfare of the American people, it was denounced as a step toward the welfare state.

The same thing is true of rural electrification. Under this great program, inaugurated by the Democratic Party and continued from its inauguration until this day, nearly 5,000,000 American farms are now near enough to electrical power to assist them in lifting the drudgery of housework, and increasing their

production, through the use of electricity in their homes, in their barns, and on their farms. But those who opposed this great movement charged that it was socialistic and paternalistic, and what right did the Government of the United States have to interfere with the empire of the power companies? But, because it was actuated by the desire to promote the general welfare of the American people, it was stigmatized by the epithet that it was creating a paternalistic state, a socialistic state, or a welfare state.

The same argument was made against social security, old-age pensions, unemployment insurance, and is now being made against the effort to bring the Federal Government into cooperation with States, counties, and cities and communities, to make it possible for good health to be normal rather than exceptional in all parts of the United States.

Thomas Jefferson was never afraid of an epithet. Andrew Jackson was not afraid of and epithet. Abraham Lincoln was not afraid of an epithet. Woodrow Wilson was not afraid of an epithet. Franklin Roosevelt was not afraid of an epithet. Harry S. Truman is not afraid of an epithet. The Democratic Party is not afraid of an epithet. Let those who are afraid of epithets rise in their places, wherever they are, and demand that the American people return to the conditions which prevailed prior to the inauguration of these great services to the American people. The Democratic Party will not do so. No other responsible party will do so, in spite of sporadic efforts made, from time to time, to return to the status quo ante.

I am proud to have been a member of the political party and to have been a part of several great administrations which have regarded the Government as the servant of the people, and not its master; which have not regarded it as the sole duty of Uncle Sam to sit astride the dome of the Capitol, draw his salary, and take no steps to make this Nation prosperous and happy and strong, in order that it might not only solve its own problems, but help solve the problems of the world, through the leadership thrust into its hands, in behalf of peace, accord, and understanding among the discordant nations of the world.

Peace Prospects in Israel

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mrs. DOUGLAS. Mr. Speaker, in the New York Times of June 29, 1949, the Reverend Karl Baehr, executive secretary of the American Christian Palestine Committee, wrote the following letter to the editor, in which he submitted a brief report on his recent visit to Israel.

I believe that the report in his letter is very timely and it gives the answers to some questions that are being raised at this time.

Under permission to extend my remarks in the RECORD, I wish to include the letter to the editor of the New York Times.

PEACE PROSPECTS IN ISRAEL—ATTITUDE OF ARABS VIEWED AS HOSTILE, WITH ISRAELIS DESIRING PEACE

To the EDITOR OF THE NEW YORK TIMES:

Having just returned from the American Christian Palestine Committee's study tour of Israel, during the month of May, I feel that there are several conclusions I would like to share with your readers.

The vast majority of the citizens of Israel want peace. The recent war with the several Arab states is considered a shameful and needless waste of life and property. Government officials informed me that well over a billion dollars were spent by Israel in staving off the Arab aggression that followed the United Nations decision. That sum could have been used in productive enterprises and greatly benefited Jews and Arabs alike.

Along with this intense desire for peace goes a deep and most regretful conviction that the Arab nations, and their behind-the-scenes supporters, do not want peace. Israelis very much fear a renewed attempt to crush their infant democracy. Ample evidence points to the correctness of this conclusion.

While I was in Israel I heard the Arab Ramallah Radio continually broadcast threatening and hostile statements. On May 17 Abdullah el Tel, military governor of the Old City of Jerusalem, declared, "The time for revenge will come." On May 27 I heard this threat: "There will be no freedom from fear in Israel. Forty-five million Arabs will see to that." Radio spokesmen are careful to explain to their Arab listeners that the recent armistice agreements signed with Israel do not constitute a peace but rather are giving the Arabs time to prepare for renewed hostilities.

On my return trip to the United States I stopped at Lausanne and discovered the same situation existing. Israel had made several proposals, which involved real concessions, in an effort to move ahead toward a peace settlement. The role of the Arab States was to reject these proposals and to offer none in substitution.

The Reverend Garland Evans Hopkins, associate secretary of the Board of Missions of Church Extension of the Methodist Church, and long a supporter of the Arab viewpoint, said in a statement following his recent trip to the Near East: "Arab liberals and intelligentsia are organizing to take over the leadership which has often been left to incapable and venal rulers. The end in view is to strengthen the Arab nations to the place that they will be able to expel the Jews from Palestine."

These experiences made me also pessimistic about the prospects of peace. A basic question then occurred to me: In these inflammable circumstances can any realistic observer expect Israel to take back masses of Arab refugees before a firm and final peace is made? One's mind goes beyond this, too, to ask: In the event hostilities are renewed in Palestine, and if, in the course of the fighting, the Israeli forces drive the Arab armies from Palestine soil, will Israel again be blamed for the refugees inevitably created, and for the destroyed villages which usually accompany fighting?

Another basic question needs to be recorded: In view of this obvious hostile attitude on the part of the Arab States, why has our State Department brought no pressure to bear upon them to change their position and negotiate a peace?

KARL BAEHR,
Executive Secretary.

NEW YORK, *June 22, 1949.*

Communism and Religion

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. REED of New York. Mr. Speaker, under the leave heretofore granted to extend my remarks in the RECORD, I include the following article from the Washington Times-Herald of June 30, 1949:

COMMUNISM AND RELIGION—III

(Following is the third of a series of excerpts from the recent report by the House Committee on Un-American Activities entitled "100 Things You Should Know About Communism and Religion.")

What about Russia?

Let's flash back. The number of congregations has dropped since 1917 by more than 75 percent. That any have remained at all is a triumph of survival against relentless, cruel, and powerful persecution.

Was Russia a very religious country before?

About half the people of the old Russian Empire belonged to the eastern orthodox branch of Christianity. The Orthodox Church was recognized and established as an arm of the Government.

Beyond the established church there were congregations of Roman Catholics, Protestants, Jews, Mohammedans, and other faiths, even ancient tribal pagan groups.

None beyond the Orthodox Church was recognized as legally established by the Government, but they were at least tolerated. They are not even tolerated now. Only the Orthodox sect is allowed any activity at all.

Why is the orthodox church an exception?

Its priests are today held captive by the Communists and used to help rule the Russian people.

How did the Communists capture them?

By destroying the independent power of the church and then taking advantage of the determination of many people to have a continuing religious service on any terms.

What was the first step?

All orthodox church property, right down to the crucifixes and altar vessels, was seized. All monasteries closed. Churches turned into movie houses and museums. Church bells destroyed.

How were orthodox priests treated?

Thousands were slaughtered. Others were ridiculed and kicked through the streets. As a class, they were held up to the country as parasites and frauds, and refused permission to travel, meet in groups, or to train or ordain others.

How about the other faiths?

Treated even worse, since they represented minority groups.

What else happened?

Official Government agencies were set up with the taxpayers' money to operate "anti-religious museums" and to publish books, posters, pamphlets, and magazines denouncing religion. Atheist carnivals were held on religious holidays. Christmas trees were banned. Sunday was decreed a workday to stop devotional services, and failure to report for work on a religious day meant instant dismissal. Religious oaths were abolished.

Atheism was taught in the schools as a required course for all children. Radio broadcasts by government propagandists dinned atheism into people's ears night and day. Communists who showed any interest in religion were expelled and ruined. Priests and their families were made outcasts of society, refused jobs or food-ration cards, and forced to pay extra rent and taxes.

Orthodox priests are allowed to marry, so the government even took it out on their children by refusing them so much as a high-school education.

Non-Communists who stood by their religion lost their jobs and generally were shoved downhill by the full force of government.

Was all this effective?

Figures on congregations and church organizations in Soviet Russia vary, but over all they show a general reduction in church organizations of 75 to 90 percent over a 25-year period. The number of priests in the Russian Orthodox Church was reduced from nearly 51,000 down to less than 6,000. Orthodox churches dropped from 46,000 before the Communists took over to 2,000 in 1948.

However, religion went underground as a result of persecution, and a vast network was created in which priests carried on religious schools and service in secrecy and survived in disguise with the help of the general public.

How do the Communists control the Orthodox Church?

Through the Soviet Government's state council on Orthodox affairs, headed by Georgi Karpov, an atheist Communist who for years had been a member of the Soviet secret police. Every decision of the church officers must be approved by Karpov, even down to the point of getting his permission to go on a trip.

How do Americans of the Russian Orthodox faith feel about the state of their faith in Russia?

Russian Orthodox bishops and priests here refused to accept the Russian church any longer as a guide or source of religious authority.

Is the Roman Catholic Church restored in Russia?

In no way. One priest is allowed to stay in Moscow for the benefit of foreigners there, but the church is entirely shut off from the people of the country as a whole.

How about the Jews?

The same. Hebrew, the sacred language of the Judaic faith, is forbidden by law. Feast days, religious development and enjoyment for Jews have been suppressed as harshly as for any others.

How about Protestant groups?

They have been crushed.

The Migrant Farm Labor Camps—The Kind of Conditions the Majority of the Members of the House Voted To Sustain When Section 208 Was Cut Out From the Housing Bill, H. R. 4009

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mrs. DOUGLAS. Mr. Speaker, yesterday when the majority of the House voted to cut out section 208 from the housing bill, H. R. 4009, they turned their back on the need of migratory labor.

Under permission to extend my remarks, I wish to include in the RECORD reports dating from June 1946 to May 12, 1947. These reports describe the conditions under which migratory farm workers are forced to live.

Yesterday, I pled with the Members of this body to save the 43 remaining migrant farm-labor camps so that these farm workers would at least have a roof over their heads.

June 1946, report of industrial relations department to Governor's council, California: "Conditions similar to those of 1935 exist today in Kern County where a tremendous influx of migratory labor is arriving to work in the potato fields. Many of the growers can make no provision whatever for housing their crews who, therefore, are camping in backyards, on roadsides, and on ditch banks with the meager type of sanitary conveniences."

April 1947, report of department of industrial relations to Governor's council, California: "Agricultural labor contractors circulated handbills throughout the southern end of the State, soliciting pea pickers for harvesting a pea crop and almost overnight several hundred persons—men, women, and children—began to arrive and camp on the banks of the Santa Maria River. The contractors had made no arrangements for a camp nor was any work available for several days after the people began to arrive."

Fresno Bee, May 2, 1947:

"KERN EVICTS 300 FARM FAMILIES, SENDS THEM NORTH

"BAKERSFIELD (KERN COUNTY), MAY 2.—Tulare and Fresno Counties may expect an influx of homeless migratory workers within the next few weeks, on the basis of action taken here by the Kern County Health Department.

"More than 300 families, numbering approximately 1,500 persons, have been ordered by Dr. William Buss, county health officer, to vacate temporary shelter in the Edison district as soon as possible.

"DOCTOR CITES ILLNESS

"The eviction order was issued because, Dr. Buss said, of an outbreak of dysentery and one reported case of diphtheria among the migrants.

"Dr. Buss asserted there are no sanitary facilities and no water—a condition which makes the scattered settlement of tents and box shacks a potential disease center.

"Lee Sumner, the county's chief sanitation engineer, said the families have been advised to 'move north' ahead of the harvest in order to find a suitable place to live and assure them of field work.

"ONLY HALF EMPLOYED

"Dr. Buss said only 50 percent of the adults in the group now are employed and many of these work only a few days a week. Some of the families are those of veterans. Most are from out of State.

"Other Kern officials said most farmers are contracting for labor and are not providing living quarters as in previous years.

"Last year the Government operated mobile camps which followed the harvests. This year there are no such facilities. All labor camps in this county, the officials said, are already crowded."

Fresno Bee, May 3, 1947:

"MIGRANT INFLUX WORRIES OFFICIALS

"BAKERSFIELD (KERN COUNTY), May 3.—John Lott, farm-placement manager, declared today Kern County faces the most serious migrant labor problem since before the war because of an unprecedented influx of farm workers from all parts of the country.

"Lott said the county's current crops cannot provide work for all the newcomers and even at the harvest peak there will not be sufficient jobs.

"He said about 3,500 persons are employed in the potato fields at the present time and about 9,500 will be needed later.

"Lee Sumner, chief deputy sanitarian, declared approximately 1,400 migrant families have come here so far hoping to work in the 1947 harvest, and another 1,100 are expected.

"POSES SERIOUS PROBLEM

"The influx, Sumner asserted, poses a serious health problem because there is not enough proper housing to care for the migrants. As a result, he said, they are living in tents, shacks and other crude shelters where there are no sanitary facilities and, in many cases, no water.

"Three hundred such families have been ordered by Dr. William C. Buss, county health officer, to vacate their temporary quarters in the Edison district where one case of diphtheria and several cases of dysentary have been reported."

"TULARE HAS PROBLEM

"VISALIA (TULARE COUNTY), May 3.—Dr. C. S. Ambrose, Tulare County health officer, declared today he does not know whether any of the 300 families to be evacuated from unsanitary camps in Kern County will come here, but asserted Tulare has a serious camp problem of its own.

"Dr. Ambrose said four camps in the county have been abated within recent weeks because of inadequate sewage facilities and other unsanitary conditions.

"He declared the migration of families, mostly from the Middle West, is increasing and most of them are living in tents."

May 12, 1947, Christian Science Monitor:

"SAN FRANCISCO.—The heavy tide of migrant farm workers flowing into California's fertile Central Valley threatens to reproduce the marginal living conditions so well publicized during the 1930's.

"Here is the case of a pea crop in Santa Maria, Calif., which came to the attention of the State division of housing and has caused them to accelerate inspection:

"From 200 to 250 persons were found camping on the banks of the Santa Maria River in central California. Sanitary facilities were almost nonexistent, causing James Garrigan, county inspector, to term them 'dynamite.'

"When questioned, they said they had come in answer to newspaper advertisements to pick '500 acres of peas to be harvested in the Santa Maria Valley March 1.'

"Some of them had come 200 miles from Sacramento to be told that the crop was late. Most of it would not be ready to harvest for from 4 to 6 weeks, they were told.

"Various Santa Maria groups, including the American Legion, protested conditions. Because veterans were in the makeshift camp, the legion reported the matter to State officials. State inspectors corrected the chaotic conditions.

"The division of housing now is asking for legislation that will define the responsibilities of migrant-labor contractors who make the seasonal swing up the State. They want the prohibition of labor recruitment until adequate housing facilities are available.

"The problem of the flitting labor contractor was spotlighted again in San Diego County. Twenty-nine Puerto Rican laborers were brought by bus from New York to do farm labor with the promise of steady work at 60 cents an hour, with good meals for $1.30 a day.

"Eighteen Puerto Ricans were taken immediately to the Borego Valley Desert. The balance were taken to citrus growers to pick lemons.

"The men refused to work at the Borego camp when told that they would get only 30 cents an hour and that they must pay $1.30 out of their daily $2.40 for board.

"WORKERS SENT BACK

"The citrus workers did a day's picking and were laid off by rain. All money was kept by the employers for board. The Borego workers and the citrus workers demanded to be returned to New York.

"Eventually 24 of the 29 workers were returned to New York by the contractor at his own expense, including the cost of food en route."

Contribution of the Legal Profession

EXTENSION OF REMARKS

OF

HON. HOMER FERGUSON

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Friday, July 1 (legislative day of Thursday, June 2), 1949

Mr. FERGUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by the Vice President of the

United States, on May 25, 1949, at the sixth conference of the Inter-American Bar Association, held in Detroit.

The address merits the study of each Member of the Congress, and should be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Toastmaster, I am sure I need not emphasize the appreciation which I feel for the great honor done me by the invitation which brings me here this evening.

We are delighted to have the sixth conference of the Inter-American Bar Association holding its sessions in the United States, and we are happy to witness so large an attendance of lawyers from the various countries of the Western Hemisphere.

You have not come here for any selfish purpose, except that purpose which connotes the improvement in the administration of justice, in the practice of the law which forms the closest application of government in the various communities in which we live. You are here because of your interest in a broader and deeper understanding of the problems of the law itself, and their application and administration in the processes of democracy throughout the western world, and, indeed, throughout the world. The lawyer in every nation is more than an advocate. He occupies a more important position than mere representation of an individual client. He is, in a real sense, a public officer, commissioned by the state or the nation to represent the highest ideals in the application of laws, enacted by congresses and legislatures, to the daily problems of the people.

In many instances, and in many sections of our various countries, the proceedings of the courts in the courthouses, to many millions of people, represent government in action.

Many laymen who do not understand the intricacies of the law, who may not understa~d the complex problems of economics or of politics or of social relationships, repair to their respective courthouses, there to see the law itself applied to the problems of human life; there to see not only the lawyers contend for their respective viewpoints in the presentation of concrete cases, but to see the administration of the law by the courts, as a demonstration of the democratic processes in the application of enactments to the settlement of individual and community problems.

It is in this broad sense, I am sure, and for the broad purposes set out in your charter, that you organized the Inter-American Bar Association in the first instance, and that you travel from distant regions in order to take part in its deliberations for the public good, for the advancement of knowledge and understanding, and for the creation of the deeper foundations for the international relations, which happily are improving in many parts of the world, despite discouraging superficial circumstances.

You, as lawyers of the Americas, represent one of the great regional organizations of the world. Regional organizations are contemplated by the Charter of the United Nations. Lawyers in all countries have participated in the work of the regional organization of the Americas. They participated in the conference that resulted in the Act of Chapultepec. They participated in the conference resulting in the Organization of the Inter-American States, formerly known as the Pan American Union. They have participated in the organization of the North Atlantic Pact, and on the Continent of Europe, in the various regional agreements which give evidence of closer cooperation among the friendly peoples of the Old World.

All these regional organizations have been prompted by a desire of the peoples of the various countries and their representatives to bring about closer harmony, fuller understanding, and greater cooperation in the solution of the problems that beset and bedevil people in all countries and in all conditions.

The inventive genius of man has brought all portions of the world in such proximity as to make it impossible for any one nation or any one people to live alone or to be wholly independent of conditions that prevail throughout the world. This inventive genius has made necessary the more universal study of the languages spoken by those who come into contact with one another. This inventive genius obliterated time and space, and it has brought about the compulsion of all governments to facilitate closer and more harmonious relationships, not only in political and social matters but in the exchange of the products of human toil, so as to afford markets for those products, labor for the toiler, and reasonable profits for the investor.

While these regional organizations have accomplished much, they are yet but in their infancy. Your organization is but a few years old. I see for it a long and useful future, together with an enhancement of the opportunity of men and women of legal training to advance the cause of peace and happiness and understanding, without regard to differences in language or the expanse of miles that stretch between one nation and another.

In the very nature of things, the legal profession has always occupied a position of leadership, in the formation of governments, and in the advocacy of new liberties and the expansion of human rights in every country.

While there is periodic complaint in this country, and in most other countries, at the predominance of the legal profession in legislative and executive positions, all people have come to recognize that the man trained in the law, who knows the history of governments and the development of the legal processes, if they are honest and farsighted and public-spirited, are indispensable in the formation of statutes and in their administration and interpretation.

You have discussed, and will discuss during your conference here, the great freedoms which are involved in the processes of government. You have discussed, and will discuss, the preservation and expansion of human rights for which governments are instituted. These include the freedom of speech, freedom of assembly, freedom of religion, and freedom of the press, which constitute a quarter of freedoms without which democracy itself cannot flourish.

As lawyers you are interested in the administration of justice in the courthouses, before courts and juries, selected by the free process of judicial procedure provided in constitutions and in statutes.

You are, likewise, interested in seeing that justice is done to minority groups in all countries, and that they are protected from discrimination on account of race, religion, or national origin.

As private practitioners of the law in your various countries, you are deeply concerned over professional ethics, the elevation of the standards of personal and professional conduct among those who practice law; and you may be interested in the formation of such a code of professional ethics as will elevate the standards, not only of the profession itself, but elevate its standing in the community wherever that is necessary.

You are interested, of course, in the effort to bring about, in various fields of law and economics, the formation of uniform statutes with respect to such things as trusts, which may find some basis in the statutes already enacted in the United States and Canada.

In view of the expansion of trade among the nations of the Western Hemisphere, and the consequent intimate financial relationship created by such an exchange of national products, you are, no doubt, interested in the enactment of uniform legislation with regard to negotiable instruments, so that technical barriers between trade and finance may be lowered everywhere, and eliminated where possible. These are matters that have been and will be considered by your various committees and those who participate in the deliberations of this session. I mention them only to emphasize the desirability that every step that is possible may be taken to create a common basis among all the nations of America, so that neither language, nor distance, will of necessity be a bar to the most happy political, economic, financial, and social intercourse, about which we are all concerned.

A glance at the printed reports of the annual conferences of your Association shows both the breadth and the technical experience with which you have approached public problems from the very beginning.

A glance at your current program is sufficient to show that your splendid tradition has not only been maintained but strengthened. You have an infinite amount of experience, knowledge, hope, and determination to contribute to the solution of our common problems.

Formed but 8 years ago, in the shadow of the war which was then approaching the Americas, carried on through the days of actual warfare, and now again in the days of peace, you are considering problems that are common to us all, with idealism, professional disinterestedness, and technical skill.

In these days of constantly increasing complexity in the social structure of the world and of its various nations, the individual finds himself more and more unable, acting alone, to make significant progress or a significant contribution. Hence, the individual joins with his neighbors, or his colleagues in his profession, to form an association or a society, in order that its group strength may accomplish what individuals dare not undertake. But even a national organization of professional men is not competent to deal with the problems of today. An international organization has been required. You have met that requirement through your various conferences, and through the cooperation of the national bar associations participating in your work, you have given back to the individual the opportunity to take significant action in relation to today's problems and the power to make his own contribution to them. It may turn out that the most technical of the papers delivered at your conference here in Detroit may prove to be immediately, or in the distant future, indispensable tools in the hands of those who deal, at the highest level of responsibility, with the great problems now constantly confronting mankind.

It is not appropriate for me to discuss, in any detail, the relationship between the Rio Pact and the North Atlantic Pact, but they are universally recognized as important steps in the implementation of the pledges and covenants of the United Nations to arrest aggression and preserve the peace of the world. They are inseparably associated with the obligation which rests upon us all to preserve democracy against any ideology which would seek to destroy it, or seek to impair the great freedoms which mankind has sought to establish and to enjoy.

Lawyers, and public servants, and the people, themselves, in all the free nations of the world, are concerned about the effort to expand totalitarian institutions. We are all aware of the fact that wherever such totalitarianism has existed, it has snuffed out the freedoms and the liberties, for which the Republics of the Americas were established, and which they have sought, in their own countries and throughout the Americas, to preserve, fortify, and expand. It is one of the

basic ideals of our theories of democracy that the state is the agent of the people; that it was created to establish the rights which we proclaim; that it is not a great superpowerful juggernaut to ride ruthlessly over the individual rights of the people, and to establish any doctrine that proclaims that man is only a small cog in the great wheel of world-wide statism.

In his Declaration of Independence, Thomas Jefferson uttered these words:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed."

Abraham Lincoln in his immortal Gettysburg Address reemphasized this concept in the first sentence of his deliverance:

Fourscore and seven years ago, our fathers brought forth upon this continent a new nation, conceived in liberty, and dedicated to the proposition that all men are created equal."

Jefferson and Lincoln were not speaking of physical, moral, mental, and financial equality. They were speaking of the equality of rights among all men, regardless of race, religion, or geographical location to enjoy the blessings of a free government, administered in justice, in order to promote the individual rights which were given to man by his Creator.

Since these rights are self-evident, since they were not granted by man, but by his Creator, neither man nor any of his agencies can rightfully rob any human being of the enjoyment of these rights. They can only be taken from mankind by their Giver, who was the Creator of all things.

It is interesting to note the extent to which the Charter of the United Nations seeks to proclaim and advance these human rights, which are the basis and the object of all government.

At Lake Success the United Nations Commission of Human Rights has taken up for consideration again the task of drafting an international covenant on human rights. It has sometimes been referred to as the bill of rights of mankind, and it constitutes no new conception in the field of government. In 1787 Jefferson said:

"A bill of rights is what the people are entitled to against every government on earth, general or particular; and what no just government should refuse or rest on inferences."

He was speaking then of the desirability and necessity for the establishment of a bill of rights in the Constitution of the United States, which was later encompassed within the first 10 amendments to that document.

The representatives of 18 nations, with Mrs. Franklin D. Roosevelt as chairman, have been meeting to carry out a resolution adopted by the General Assembly of the United Nations at Paris last September, directing the Commission on Human Rights to continue to give priority to the drafting of this covenant. The labor and time which have already been expended in this undertaking are commensurate with its importance. Not only the Human Rights Commission itself but its drafting committee, the Economic and Social Council, the General Assembly itself, and the governments of the member nations, have given most careful thought over long periods of time to this great enterprise.

It is most fitting and appropriate that some reference should be made to this attempt to establish a bill of rights for mankind at this great conference of lawyers.

Human rights, since the earliest days of our history, have been a subject of special interest to lawyers. Indeed, they have constituted a special field wherein the responsibility of lawyers is fixed, because it has always been the lawyer's duty to assert and defend those rights of the individual against the state, which is one of the distinguishing marks of our system of free government.

You are lawyers of the future, as well as lawyers of the present, and the undertaking which I want to describe to you tonight, is one whose fruits will belong to the future, much as our own Bill of Rights, 150 years after its adoption, has in recent years accounted for a greatly increased proportion of all the litigation before the United States Supreme Court.

What is this International Covenant of Human Rights? It is a proposal for an international convention—a treaty—which, in our case, will be submitted to the Senate for ratification. This treaty will do three things if it is consummated. It will define certain fundamental rights and freedoms. It will impose on the parties to the convention an obligation to assure these rights and freedoms through appropriate domestic action, and it will specify the procedures to be followed internationally for dealing with complaints of violations. Supplementary clauses will deal with the special situation of Federal states such as the United States and Switzerland, and with the application of the treaty to non-self-governing territories.

The great object of this effort is to give these basic rights and freedoms the protection of international law. This great object finds both its inspiration and legal basis in the Charter of the United Nations.

Human rights and freedoms is one of the subjects which the Charter mentions most frequently. This statement may come as something of a surprise even to lawyers, yet it is true. The preamble of the Charter recites that "we the peoples of the United Nations" are "determined * * * to reaffirm faith in fundamental human rights."

Article 1 of the Charter states that one of the purposes of the United Nations is to "achieve international cooperation * * * in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion."

Article 55 of the chapter on international economic and social cooperation states that the United Nations shall promote "universal respect for, and observance of, human rights and fundamental freedoms for all."

Article 76 states that one of the basic objectives of the trusteeship system shall be "to encourage respect for human rights and for fundamental freedoms for all."

Article 13 states that the General Assembly "shall initiate studies and make recommendations for the purpose of * * * assisting in the realization of human rights and fundamental freedoms for all."

Article 62 states that the Economic and Social Council "may make recommendations for the purpose of promoting respect for, and observance of, human rights and fundamental freedoms for all" and article 68 directs it to set up a commission "for the promotion of human rights."

It is interesting to recall how these many references to human rights came to find their place in the Charter. The Dumbarton Oaks proposals, which formed the basis of discussion at the San Francisco Conference, did not give this prominence to human rights. But, at that Conference, as you may remember, this Government appointed many private individuals and organizations as unofficial consultants and advisors, and it was largely as a result of views expressed by private organizations that the Charter now gives such emphasis to the protection of human rights. This circumstance well illustrates the power, and, therefore, the responsibility of groups such as yours in shaping the world in which we live.

The importance given to human rights, rights which the legal profession, according to its ethics and its principles is obligated to protect, in the San Francisco Conference, was the culmination of a development which had been going on for many years.

Even prior to World War I, there had been international action through treaties for the prohibition of the slave trade and traffic in women and children. The minorities treaties, concluded at the end of World War I, were, however, the first important recognition that the rights of individuals and groups within States were a matter of international responsibility. So also the mandate's system of the League of Nations was a declaration of the international responsibility for the lives and welfare of human beings.

Coming on down to World War II, President Roosevelt in his message on the "four freedoms" in January 1941, gave first place to "freedom of speech and expression—everywhere in the world," and second place to "freedom of every person to worship God in his own way—everywhere in the world." In the United Nations Declaration of January 1, 1942, made in the dark days a few weeks after Pearl Harbor, the signatory States declared that they were convinced that complete victory over their enemies is essential to defend life, liberty, independence, and religious freedom, and to preserve human rights and justice in their own lands as well as in other lands. Two months before the San Francisco Conference, the American States, meeting at Chapultepec in Mexico, in the Inter-American Conference on problems of war and peace, adopted a resolution on the international protection of the essential rights of man and another on racial discrimination. The latter declared that "world peace cannot be consolidated until men are able to exercise their basic rights without distinction as to race or religion."

Hence, we see that the effort to give international protection to human rights has a long and honorable history. We have only to look around us to see how urgent is the task. The Governments of Hungary, Bulgaria, and Rumania are each bound by the treaties of peace to "take all measures necessary to secure to all persons" under their jurisdiction "without distinction as to race, sex, language, or religion, the enjoyment of human rights and of the fundamental freedoms, including freedom of expression, of press and publication, of religious worship, of political opinion, and of public meeting." And, yet, by arbitrary and unjustified proceedings against religious leaders on fabricated grounds, as in the cases of Cardinal Mindszenty and Lutheran Bishop Ordass in Hungary, by the prosecution of opposition political leaders in Bulgaria and Rumania, and by oppressive measures of many varieties in all three countries, these Governments have systematically denied the exercise of the very rights and freedoms which they have guaranteed under the treaties of peace, which they have signed.

It is clear, therefore, that the task to which the Human Rights Commission is rededicating itself at this time is both difficult and urgent.

Among the specific guaranties which they are undertaking to write into an international covenant are these:

Security of life and of bodily integrity.

Freedom from bodily restraint and freedom of movement.

Rights with regard to the judicial process.

Freedom of speech, religion, assembly, and association.

Equal protection with respect to all these rights.

You will understand, of course, that this document at present is very much in the draft stage. I have mentioned it, however, in order to emphasize that the United Nations, through the designation of an appropriate Commission, is seeking to bring about

for all mankind a sort of bill of rights which will protect mankind from the encroachment upon those rights by any organized government, under whatever form it exists. In the process of drafting a true expression of these rights, as related to the age-old aspirations of mankind, the legal profession is playing a prominent role. This is not true merely in the phraseology of legal forms, but it is true in the moral and intellectual conceptions flowing from the hearts of men trained in the law and in its basis, determined that as science, medicine, education, agriculture, and all the activities are constantly in ferment and on the move, governments shall likewise move forward in the greater exemplification of the reasons for their existence. Governments can no more be tied to a hitching post than can the arts and sciences, or the processes of manufacture or of agriculture, or the practice of medicine. We know that there is a science of the soil, a science of the stars, a science of the elements. We know that electricity was not invented by man. It was discovered and harnessed. We know that atomic energy was not invented by man. It was discovered; that it has existed since the creation of the world, and that only now have we become sufficiently advanced in our knowledge and in our research to make it available for man's purposes. In the same sense, the science of the law, one of the oldest among the children of men, must likewise move forward.

When Woodrow Wilson was President of the United States, the Kentucky delegation in the Congress called upon him to recommend a distinguished Kentucky judge for appointment to the Supreme Court of the United States. When we had all made our statements in regard to his outstanding qualifications, President Wilson turned to us and said, "Gentlemen, does your candidate believe that the law grows or does he take the legalistic view that it is finished?" In that interrogatory he drew a picture of the sort of man he wanted to put on the Supreme Court of the United States. You will be interested to know that he appointed to this particular vacancy Justice Louis D. Brandeis, who became, along with Holmes and Cardozo, one of the great liberal and progressive Justices of that great Court.

These observations will no doubt convince you of my own individual liberalism, my belief in the progress of law, which is the fruit of government. When I was a student at the law school of the University of Virginia, I walked out to Monticello, Jefferson's home, on the top of the mountain, to catch the inspiration which is breathed in every draft of air that penetrates the lungs. Not only he in the United States of America but many contemporaries in South and Central America, and in the Dominion of Canada, were promoting and promulgating and seeking to fortify the same concepts of law and of government and of human relationships, which he embodied in his Declaration of Independence and the American Bill of Rights, for which he was largely responsible.

This concept and this vision of the perfection of the law, through the hard processes of experience and experimentation, gives zest not only to its practice in the courts of every land, but to its implementation in the statutes written by congresses and legislatures and parliaments, which are supposed to be, and of right ought to be, the expression of the consensus of mankind's opinion as to the sort of government and the sort of society in which he desires to live.

Lawyers have no monopoly upon this virtue of constant effort at improvement of our institutions. Men of good will in all professions and in all walks of life have caught the vision and have sacrificed treasure and blood for its consummation. But lawyers rest under a peculiar obligation, for they are not only advocates of a particular individual's cause before a court of justice, they are public servants in the highest sense of the word, and their conduct before the judicial tribunal and their conduct when they themselves are promoted to the judicial tribunal may set the pattern for public opinion and appreciation concerning the institutions of government.

It is in that sense that I am happy to greet this great assembly of men and women, devoted to the law; men and women who believe that the law grows and that it is not finished and can never be finished so long as life shall progress upon this planet and human beings shall aspire, generation by generation, to a higher standard of life, which shall be protected and guaranteed by their own institutions which we call government.

I wish for this great organization of lawyers in the Americas increased opportunity and influence in the accomplishment of these objectives, and I hope your stay in the United States of America will be most happy and profitable, and that we may have many future occasions to associate with you in this unending quest for justice and for order, not only among individuals but among the nations of the world.

July 4, 1949

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Friday, July 1 (legislative day of Thursday, June 2), 1949

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address by me entitled "July 4, 1949," broadcast from radio station KSL of Salt Lake City, Utah, on Wednesday, June 29, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

JULY 4, 1949

I wonder what would happen on this anniversary of the birth of the United States of America if we could chat with some of the men who helped found our Nation. I know that the idea of progress was in the souls of many of them. I know that they all dreamed of America's destiny in the history of the world. I know that George Washington looked forward to the time when the men of the whole world would live together as brothers. But those dreams, those hopes, those aspirations were as indefinite as prophecy. Yes, prophecy is indefinite because all of the details are not spelled out. I repeat, I wonder, if we could talk with our founding fathers, if we would be able to understand one another.

The fact of America's world leadership was brought home to us in a discussion of an amendment offered to my labor bill to repeal the Taft-Hartley law. When the Taft-Hartley Act was passed one of the Senators offered an amendment from the floor which is known as the Communist affidavit. The amendment was based upon the premise that labor leaders were Communists, and that if they had to swear they were not Communists before they could have the right to carry their case to the National Labor Relations Board, the Communists would be smoked out. In this discussion I was carried back in my mind to the time when, as a youngster, I read in the newspapers about a great case before the Supreme Court of the United States, just after the depression of 1893, after the birth of the Populist Party, and after the Grange had worked so hard to bring about an income tax. One of the greatest lawyers the United States ever produced pleaded the case before the Supreme Court. He made it appear so certain—at least, in my mind—that the income tax meant communism at its very worst. Though I did not know what communism was, when I heard that the Supreme Court of the United States had cut down the income tax, I was very glad that we had been saved from that terrible peril. So I came into an emotional state of thinking about communism quite as much as the 140,000,000 people in the United States have come into it now.

After the First World War there was the movement for the one grand and great union, which had it ever been realized, had the dream come true, I think that ultimately it would have resulted in a proletarian dictatorship. Labor would have ruled the whole country under this one grand union. But that did not come about. We have been frightened by pronouncements before the Supreme Court, as, for example, when the gold clause was pleaded and one great justice made the pronouncement, "This is Nero at his very worst." Whereupon, very happily, the Justice took his hat and coat and went out for his holiday, realizing that the Government would go on very nicely even under the auspices of "Nero at his very worst." But that is one of the glories of our country—even Supreme Court Justices and Members of Congress can have freedom of speech to such an extent that they can make pronouncements which sound terrifying and which frighten 8- and 9-year-old boys, as I was frightened, and which probably frighten the people now.

It is well that our courts can say what they will. But that does not mean that what they say or that what any pleader before that court may say is always the truth. We have an income tax now, a graduated income tax, at that, which if the first one was communistic in its nature and would destroy Government, surely this tax which takes more from the rich man than from the poor man would destroy it utterly. The gold clause was declared constitutional despite Mr. Justice McReynolds' opinion that it constituted "Nero at his very worst." Our country did not come to an end.

But I do not want to talk about the Communist affidavit as such. Its real honest purposes or the emotionalism it incites is not what I want to refer to. I want to refer to the fact that after 2 years spent in trying to chase down Communists the Senate in its amendment decided that maybe there are some Communists among employers. This amendment now carries the provision that both the workers' representatives and the employers' representatives must sign not only an anti-Communist affidavit but also an anti-Fascist affidavit. The theory is that if something is fair for the goose it must be fair for the gander.

In the amendment is the provision which attempts to seek out any persons who would try to overthrow the Government of the United States by illegal or revolutionary action. And now I have come to the point I want to make. The United States has become the one stable political entity in the whole world. European nations under the ECA are attempting to gain economic salvation by pinning their economy to America's and developing it around the American dollar. Their hopes, their aspirations, and their very lives rest upon their faith in the ability of the United States to remain stable. These European countries, the most stable

governments in the world outside of our own, find themselves beset with uncertainties. Whether they were the victors in war, whether they were the vanquished, or whether they were neutral, all are in a precarious position and look to America as the one hope.

In one of the Senate Foreign Relations Committee meetings, Mr. Hoffman happened to say that even America could not stand a defeat should another world war come. I asked if we could stand another victory. I meant it because we were the victors over Germany and Japan but we now find ourselves feeding their people. Thus our scheme seems to be that in war we kill our enemies if we can. But after the shooting is over it is our responsibility to feed them. We do not seem to fear our former enemies any more. We seem to fear only one of our allies, an ally in two world wars.

Is there any other money in the world but the American dollar which can give the Chinese people some stability upon which to build their economy? Japan is not only our task but she is our hope in the Far East. Under the trustee system, we have the entire responsibility for all of the South Pacific, not to mention the Philippines.

Yet the Senate, in accepting this amendment I mentioned, seemed to imply that there are people in the world and among us here in America who would like to see the downfall of the American Government. If there is in the United States a man with a mind so crude, so imbecilic, I may say, so lacking in understanding of history, and so unreasonable in understanding what the United States means to the world, that he actually believes it would be well to bring about the overthrow of our Government, that man ought to be outlawed. Such a person is a danger; he is in his mind committing treason, not only against the United States but he is committing the grossest form of treason against the whole world. Why? Not because the United States is the world, but because the only source of stability left in any government on earth is found here. The only economic stability in respect to money rests upon the American dollar. To destroy either of these, means the destruction of the world. If there is such a person, he has in his mind a crime too heinous to mention because the downfall of the American Government would mean the destruction not only of all that is politically and economically stable in the world but also all of the social, political, and economic institutions which constitute civilization.

Do you think that any one of the founding fathers who were struggling for independence ever dreamed that the whole world's welfare would at sometime depend upon what they did. That is what the Fourth of July 1949 means to me. I have gotten over thinking of America's greatness. I have gotten over thinking of the magnitude of the American political experiment. I have gotten over thinking in terms of glorious America. I am stunned in my thoughts because I realize the duty, the responsibility that is now America's. Never was a nation faced with such an opportunity to overcome a world-wide crisis. Crisis means opportunity when viewed from its constructive point of view. It also means destruction and a complete slipping back. That America will fulfill her responsibility to the world I have no doubt. I have full faith that the whole world will be blessed because of the ideals, the concepts, the freedoms, the economic security, and the decent ordinary Golden-Rule theory upon which the political theory of America's destiny rests. Live and let live, but both in abundance. Our task is not just an economic one. It is above all things a spiritual one. Never did the mission of Jesus rest so heavily upon a nation as it does upon the American Nation today. "I am come that they might have life, and that they might have it more abundantly." (St. John 10: 10.)

Overcharges for Electric Lights and Power, 1948

REMARKS

OF

HON. JOHN E. RANKIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1949

Mr. RANKIN. Mr. Speaker, an article in Collier's magazine says that I bulldozed through the House the bill creating the Tennessee Valley Authority. That was one of my greatest services to mankind. If we had not had the TVA yardstick, the American people who were overcharged $2,000,000,000 for their electricity last year would either use a great deal less or probably have been overcharged many times that amount.

I have been accused of bulldozing through the House the amendment for the first $100,000,000 for rural electrification in 1938.

That was one of my greatest services to the farmers of this Nation.

They have accused me of bulldozing through the House the amendment to the rules creating the Committee on Un-American Activities—which is doing more to protect this country against her enemies within our gates than any other agency of this Government.

I have no apology for the battles I have waged for those causes which I knew to be right.

If I had lost my fight for the TVA in 1933, and the old House bill, instead of the Norris-Rankin bill, had become law, we would today have one dam on the Tennessee River and the Power Trusts would be getting the power.

We never could have built another dam until we had found a market for the power, which meant there would have been no more dams constructed, and at least 15,000,000,000 kilowatt-hours of TVA electricity would now be going to waste every year. The people of the Nation would be paying many times the rates they are now paying, and the average farmer would not have seen electric lights in his home for the next 50 years.

Congress passed the housing bill a day or two ago. It will cost this country anywhere from 10 to 20 billions of dollars, the main feature of which is slum clearance.

The greatest thing they could do to clean up the slums of this Nation would be to provide cheap electricity to the residential consumers throughout the land in order that they may use those appliances necessary to make their homes pleasant, comfortable, and attractive, and relieve those burdens of drudgery which the average housewife is compelled to endure.

I have compiled some statistics showing the amount of electricity used by the residential consumers in every State in the Union last year, and also showing what it cost them, and what it would have cost under the TVA rates, the Tacoma, Wash., rates, the Bonneville Administration rates, and the Ontario rates.

I selected these four because the TVA is the outstanding development of its kind in all history. Tacoma, Wash., is a city that has its own water-power projects, and has no competition; the Bonneville Administration serves its area with power produced on the Columbia River, the development of which has been along the lines of the TVA. One difference is that the Columbia River water is also used for irrigation purposes, whereas the Tennessee Valley area is amply supplied with an abundant rainfall throughout the year.

I used the Ontario rates because it is in the neighboring country of Canada, just across the line from the State of New York.

By comparing the rates charged throughout the country with these four public power systems, the average individual can understand just what public power means.

Remember that the power business is a public business, and not a private business.

Electricity has become a necessity of our modern life, and it must be handled by a monopoly, since it would be unthinkable for four or five concerns to supply electricity to one community.

Besides, the water power already belongs to the Federal Government.

Many of the largest cities in the country, including the capitals of States like Michigan, Ohio, and Texas, have had public power systems for a long time, and they have proved to be more satisfactory than private concerns and to supply power at cheaper rates.

Here is a table which I have prepared showing the number of residential users of electricity in New York City last year, the amount of power consumed, the amount paid for it, and the savings they would have realized under the TVA rates, the Tacoma, Wash., rates, the Bonneville Administration rates, or the Ontario rates:

Estimated residential sales data for New York City, 1948

Customers	2,067,119
Kilowatt-hours	1,975,565,000
Revenues	$92,802,587

Estimated residential revenues and consumer savings

[Revenue computations based on differences in basic rates]

Rate area	Revenues	Savings
Area served by Tennessee Valley Authority (Tupelo, Miss., rate)	$37,585,048	$55,217,539
Tacoma, Wash.	34,986,575	57,816,012
Area served by Bonneville Power Administration (McMinnville, Oreg., rate)	44,081,229	48,721,358
Ottawa, Ontario, Canada	31,831,287	60,971,300

I repeat that cheap electricity to the homes of that great city would do more to clean up the slums and improve the living conditions than all the money that could be spent there under the so-called housing bill.

In order to show what the residential consumers throughout the entire country were overcharged for their electricity last year, I am inserting a table at this point showing the amount of electricity used in every State in the Union together with the overcharges paid according to the TVA rates, the Tacoma, Wash., rates, the Bonneville rates, and the Ontario rates.

The table referred to follows:

TABLE 1.—*Residential electric service, 1948*

State	Estimated sales data for 1948			Estimated revenues and consumer savings if services were rendered under basic rates in effect in—							
	Number of customers	Kilowatt-hours (thousands)	Revenues	Area served by Tennessee Valley Authority [1]		Tacoma, Wash.		Area served by Bonneville Power Administration [2]		Ontario, Canada	
				Revenues	Savings	Revenues	Savings	Revenues	Savings	Revenues	Savings
Alabama	456,445	822,404	$17,970,900	$11,591,231	$6,379,669	$10,764,569	$7,206,331	$13,586,000	$4,384,900	$9,794,141	$8,176,759
Arizona	155,967	301,431	8,405,200	4,076,522	4,328,678	3,790,745	4,614,455	4,782,559	3,622,641	3,446,132	4,959,068
Arkansas	270,518	263,519	10,260,600	4,986,652	5,273,948	4,637,791	5,622,809	5,848,542	4,412,058	4,217,107	6,043,493
California	2,400,158	7,397,134	91,224,200	57,744,919	33,479,281	53,731,054	37,493,146	67,779,581	23,444,619	48,896,171	42,328,029
Colorado	281,287	380,073	12,653,800	6,655,899	5,997,901	6,187,708	6,466,092	7,807,395	4,846,405	5,630,941	7,022,859
Connecticut	532,799	848,974	27,495,300	13,775,145	13,720,155	12,812,810	14,682,490	16,167,236	11,328,064	11,658,007	15,837,293
Delaware	75,642	106,042	4,163,500	1,794,469	2,369,031	1,665,400	2,498,100	2,102,568	2,060,932	1,515,514	2,647,986
District of Columbia included in Maryland data.											
Florida	606,408	1,023,525	36,055,700	15,323,673	20,732,027	14,242,002	21,813,698	17,955,739	18,099,961	12,943,996	23,111,704
Georgia	607,001	1,098,780	26,345,200	14,964,074	11,381,126	13,910,266	12,434,934	17,545,903	8,799,297	12,645,699	13,699,504
Idaho	148,298	492,038	8,824,400	5,444,655	3,379,745	5,056,381	3,768,019	6,380,041	2,444,359	4,606,337	4,218,063
Illinois	2,046,746	2,891,863	92,566,800	50,634,040	41,932,760	47,116,501	45,450,299	59,427,896	33,138,904	42,858,428	49,708,372
Indiana	934,079	1,408,989	44,977,000	23,253,109	21,723,891	21,633,937	23,343,063	27,256,062	17,720,938	19,654,949	25,322,051
Iowa	609,301	864,273	30,639,300	14,339,192	16,300,108	13,328,096	17,311,204	16,820,976	13,818,324	12,133,163	18,506,137
Kansas	415,217	522,086	18,938,400	9,469,200	9,469,200	8,806,356	10,132,044	11,097,902	7,840,498	8,010,943	10,927,457
Kentucky	500,041	619,947	19,724,000	11,262,404	8,461,596	10,473,444	9,250,556	13,195,356	6,528,644	9,526,692	10,197,308
Louisiana	483,430	505,342	19,304,400	9,401,243	9,903,157	8,744,893	10,559,507	11,042,117	8,262,283	7,953,413	11,350,987
Maine	246,156	309,982	11,299,800	4,971,912	6,327,888	4,621,618	6,678,182	5,830,697	5,469,103	4,203,526	7,096,274
Maryland and District of Columbia	627,668	921,018	26,497,300	15,074,781	11,422,519	14,014,639	12,482,661	17,675,097	8,822,203	12,751,270	13,746,030
Massachusetts	1,273,625	1,412,142	59,182,100	25,803,396	33,378,704	23,968,751	35,213,349	30,242,053	28,940,047	21,838,195	37,343,905
Michigan	1,610,322	2,899,589	77,350,200	43,470,812	33,879,388	40,376,804	36,973,396	50,973,782	26,376,418	36,741,345	40,608,855
Minnesota	718,344	1,162,766	34,841,600	17,490,483	17,351,117	16,271,027	18,570,573	20,521,702	14,319,898	14,807,680	20,033,920
Mississippi	290,013	395,556	11,701,800	6,014,725	5,687,075	5,593,460	6,108,340	7,056,185	4,645,615	5,090,283	6,611,517
Missouri	867,303	1,172,783	36,185,900	20,227,918	15,957,982	18,816,668	17,369,232	23,701,765	12,484,135	17,115,931	19,069,969
Montana	139,420	256,754	7,328,700	3,825,581	3,503,119	3,554,420	3,774,280	4,485,164	2,843,536	3,231,957	4,096,743
Nebraska	287,303	430,699	13,200,600	7,247,129	5,953,471	6,732,306	6,468,294	8,501,186	4,699,414	6,125,078	7,075,522
Nevada	34,138	119,434	2,520,400	1,199,710	1,320,690	1,114,017	1,406,383	1,406,383	1,114,017	1,013,201	1,507,199
New Hampshire	160,292	206,943	7,680,800	3,609,976	4,070,824	3,356,510	4,324,290	4,239,802	3,440,998	3,056,958	4,623,842
New Jersey	1,264,984	1,552,193	57,378,800	27,025,415	30,353,385	25,131,914	32,246,886	31,730,476	25,648,324	22,894,141	34,484,659
New Mexico	104,211	133,594	4,825,200	2,036,234	2,788,966	1,896,304	2,928,896	2,388,474	2,436,726	1,722,596	3,102,604
New York	3,878,119	4,726,304	179,841,100	79,130,084	100,711,016	73,555,010	106,286,090	92,798,008	87,043,092	66,900,889	112,940,211
North Carolina	710,053	1,006,318	29,379,600	15,088,706	13,690,894	14,572,282	14,807,318	18,391,630	10,987,970	13,250,200	16,129,400
North Dakota	101,249	159,163	5,597,200	2,535,532	3,061,668	2,362,018	3,235,182	2,977,710	2,619,490	2,143,728	3,453,472
Ohio	1,961,984	3,130,083	94,498,700	51,596,290	42,902,410	48,005,340	46,493,360	60,479,168	34,019,532	43,658,399	50,840,301
Oklahoma	440,434	439,906	18,264,000	8,364,912	9,899,088	7,780,464	10,483,536	9,807,768	8,456,232	7,086,432	11,177,568
Oregon	384,572	1,501,777	22,102,300	15,162,178	6,940,122	14,101,267	8,001,033	17,770,249	4,332,051	12,819,334	9,282,966
Pennsylvania	2,506,958	3,669,317	119,990,900	61,315,350	58,675,550	56,995,678	62,995,222	71,874,549	48,116,351	51,836,069	68,154,831
Rhode Island	213,064	210,279	9,282,900	3,973,081	5,309,819	3,694,594	5,588,306	4,660,016	4,622,884	3,360,410	5,922,490
South Carolina	341,878	484,523	13,385,500	7,415,567	5,969,933	6,906,918	6,478,582	8,700,575	4,684,925	6,277,800	7,107,700
South Dakota	111,269	158,078	5,437,000	2,294,414	3,142,586	2,136,741	3,300,259	2,691,315	2,745,685	1,941,009	3,495,991
Tennessee	611,125	1,590,966	25,493,300	19,068,988	6,424,312	17,743,337	7,749,963	22,383,117	3,110,183	16,137,259	9,356,041
Texas	1,456,213	1,704,477	60,070,100	30,695,821	29,374,279	28,533,298	31,536,802	35,981,990	24,088,110	25,950,283	34,119,817
Utah	167,372	328,487	7,942,400	4,670,131	3,272,269	4,344,493	3,597,907	5,480,256	2,462,144	3,947,373	3,995,027
Vermont	97,898	145,653	5,447,900	2,369,837	3,078,063	2,200,952	3,246,948	2,778,429	2,669,471	2,004,827	3,443,073
Virginia	594,351	917,151	28,087,700	14,549,429	13,538,271	13,538,271	14,549,429	17,077,322	11,010,378	12,302,413	15,785,287
Washington	597,676	2,434,867	32,090,700	24,586,390	8,504,310	22,865,674	10,225,026	28,855,090	4,235,610	20,780,960	12,309,740
West Virginia	372,908	429,719	15,372,800	7,701,773	7,671,027	7,163,725	8,209,075	9,039,206	6,333,594	6,518,067	8,854,733
Wisconsin	795,952	1,336,863	36,794,500	20,384,153	16,410,347	18,985,962	17,808,538	23,916,425	12,878,075	17,256,621	19,537,879
Wyoming	59,205	84,388	3,042,800	1,414,902	1,627,898	1,317,532	1,725,268	1,661,369	1,381,431	1,195,820	1,846,980
United States total	33,549,396	50,978,192	1,532,663,300	805,632,037	727,031,263	749,153,947	783,509,353	944,872,821	587,790,479	681,451,684	851,211,616

[1] Based on rates applicable in Tupelo, Miss.

[2] Based on rates applicable in McMinnville, Oreg.

You will note from the above table that the residential consumers alone were overcharged more than $727,000,000 last year. Check your own State and see how much your people were overcharged.

Here is another table showing the amount of electricity used by the commercial consumers in each State, the amount paid for it, and the overcharges. The table follows:

TABLE 2.—*Commercial electric service, 1948*

State	Estimated sales data for 1948			Estimated revenues and consumer savings if services were rendered under basic rates in effect in—							
	Number of customers	Kilowatt-hours (thousands)	Revenues	Area served by Tennessee Valley Authority [1]		Tacoma, Wash.		Area served by Bonneville Power Administration [2]		Ontario, Canada	
				Revenues	Savings	Revenues	Savings	Revenues	Savings	Revenues	Savings
Alabama	55,944	455,416	$9,624,200	$5,428,049	$4,196,151	$5,187,444	$4,436,756	$6,987,169	$2,637,031	$4,388,635	$5,235,565
Arizona	24,967	982,204	12,934,000	5,962,574	6,971,426	5,690,960	7,243,040	7,618,126	5,315,874	4,914,920	8,019,080
Arkansas	42,469	294,473	8,449,900	3,405,310	5,044,590	3,253,212	5,196,688	4,360,148	4,089,752	2,796,917	5,653,983
California	479,814	3,731,392	82,153,400	46,827,438	35,325,962	44,691,450	37,461,950	59,807,675	22,345,725	38,612,098	43,541,302
Colorado	46,385	426,621	10,674,900	4,803,705	5,871,195	4,590,207	6,084,693	6,127,393	4,547,507	3,981,738	6,693,162
Connecticut	72,991	498,473	17,299,400	6,138,092	11,152,308	5,861,446	11,428,954	7,867,132	9,423,268	4,979,636	12,319,765
Delaware	11,403	119,392	3,043,000	1,104,609	1,938,391	1,055,921	1,987,079	1,414,995	1,628,005	909,857	2,133,143
District of Columbia (included in Maryland data).											
Florida	100,759	753,337	27,955,300	8,666,143	19,289,157	8,274,769	19,680,531	11,126,209	16,829,091	7,044,736	20,910,564
Georgia	82,520	829,829	19,938,300	8,354,148	11,584,152	7,975,320	11,962,980	10,726,806	9,211,494	6,838,837	13,099,463
Idaho	23,994	241,694	4,726,500	2,523,951	2,202,549	2,410,518	2,315,985	3,218,747	1,507,753	2,093,840	2,632,660
Illinois	309,376	2,211,610	72,516,900	29,804,446	42,712,454	28,499,142	44,017,758	38,361,440	34,155,460	24,148,128	48,368,772
Indiana	135,296	988,165	27,531,600	12,664,536	14,867,064	12,113,904	15,417,696	16,243,644	11,287,956	10,351,882	17,179,718
Iowa	107,755	627,025	19,029,900	8,506,365	10,523,535	8,125,767	10,904,133	10,904,133	8,125,767	6,983,973	12,045,927
Kansas	69,006	454,929	13,372,900	5,576,499	7,796,401	5,349,160	8,023,740	7,127,756	6,245,144	4,586,905	8,785,995
Kentucky	64,417	446,075	11,667,500	5,285,378	6,382,122	5,052,028	6,615,472	6,778,818	4,888,682	4,316,975	7,350,525
Louisiana	71,101	541,892	16,093,100	5,873,982	10,219,118	5,600,399	10,492,701	7,515,478	8,577,622	4,811,837	11,281,263
Maine	36,245	201,245	5,890,000	2,403,120	3,486,880	2,291,210	3,598,790	3,045,130	2,844,870	2,026,160	3,863,840
Maryland and District of Columbia	100,434	956,097	23,905,200	13,242,078	10,663,122	12,648,254	11,256,946	17,014,469	6,890,731	10,714,248	13,190,952
Massachusetts	181,661	878,993	35,708,900	11,926,773	23,782,127	11,391,130	24,317,761	15,211,991	20,496,909	9,819,948	25,888,952
Michigan	206,499	2,088,095	54,357,000	23,500,938	30,706,062	22,558,155	31,798,845	30,222,492	24,134,508	19,351,092	35,005,908

[1] Based on rates applicable in Tupelo, Miss.

[2] Based on rates applicable in McMinnville, Oreg.

TABLE 2.—*Commercial electric service, 1948*—Continued

State	Estimated sales data for 1948			Estimated revenues and consumer savings if services were rendered under basic rates in effect in—							
				Area served by Tennessee Valley Authority [1]		Tacoma, Wash.		Area served by Bonneville Power Administration [2]		Ontario, Canada	
	Number of customers	Kilowatt-hours (thousands)	Revenues	Revenues	Savings	Revenues	Savings	Revenues	Savings	Revenues	Savings
Minnesota	111,468	736,660	$23,373,900	$8,905,456	$14,468,444	$8,484,726	$14,889,174	$11,383,089	$11,990,811	$7,269,283	$16,104,617
Mississippi	39,346	310,073	8,269,600	3,068,022	5,201,578	2,927,438	5,342,162	3,928,060	4,341,540	2,513,958	5,755,642
Missouri	135,845	1,107,472	29,889,900	14,108,033	15,781,867	13,480,345	16,409,555	18,113,279	11,776,621	11,477,722	18,412,178
Montana	20,429	177,097	4,391,300	2,107,824	2,283,476	2,011,215	2,380,085	2,696,258	1,695,042	1,730,172	2,661,128
Nebraska	49,603	377,915	9,169,100	4,520,366	4,648,734	4,318,646	4,850,454	5,794,871	3,374,229	3,685,978	5,483,122
Nevada	7,986	146,116	2,698,500	1,146,863	1,551,637	1,095,591	1,602,909	1,473,381	1,225,119	933,681	1,764,819
New Hampshire	21,139	106,514	3,535,400	1,435,372	2,100,028	1,371,735	2,163,665	1,838,408	1,696,992	1,180,824	2,354,576
New Jersey	190,769	1,359,854	45,709,100	15,998,185	29,710,915	15,266,839	30,442,261	20,523,386	25,185,714	13,027,094	32,682,006
New Mexico	18,522	143,473	4,281,100	1,780,938	2,500,162	1,699,597	2,581,503	2,286,107	1,994,993	1,447,012	2,834,088
New York	667,433	7,220,576	209,590,200	69,583,946	140,006,254	66,440,093	143,150,107	89,495,015	120,095,185	56,170,174	153,420,026
North Carolina	89,005	608,299	16,407,600	8,056,132	8,351,468	7,695,164	8,712,436	10,271,158	6,136,442	6,710,708	9,696,892
North Dakota	22,617	141,563	4,865,400	1,678,563	3,186,837	1,600,717	3,264,683	2,145,641	2,719,759	1,372,043	3,493,357
Ohio	288,379	2,045,820	56,180,800	25,730,806	30,449,994	24,607,190	31,573,610	33,034,310	23,146,490	20,955,438	35,225,362
Oklahoma	68,212	403,506	12,185,800	5,203,337	6,982,463	4,971,806	7,213,994	6,677,818	5,507,982	4,252,844	7,932,956
Oregon	59,237	788,134	12,483,900	8,289,310	4,194,590	7,902,309	4,581,591	10,573,863	1,910,037	6,878,629	5,605,271
Pennsylvania	367,836	2,439,053	67,331,200	29,019,747	38,311,453	27,740,454	39,590,746	37,301,485	30,029,715	23,633,251	43,697,949
Rhode Island	28,611	148,393	5,991,700	2,031,186	3,960,514	1,935,319	4,056,381	2,606,390	3,385,310	1,647,718	4,343,982
South Carolina	42,854	336,218	7,475,500	3,692,897	3,782,603	3,528,961	3,954,539	4,709,565	2,765,935	3,064,955	4,410,545
South Dakota	25,557	131,698	4,994,600	1,823,029	3,171,571	1,738,121	3,256,479	2,332,478	2,662,122	1,493,385	3,501,215
Tennessee	72,033	683,567	11,550,100	7,646,166	3,903,934	7,299,663	4,250,437	9,771,385	1,778,715	6,317,905	5,232,195
Texas	428,773	2,135,378	51,895,200	23,352,840	28,542,360	22,314,936	29,580,264	29,995,426	21,899,774	18,993,643	32,901,557
Utah	16,983	168,744	4,224,600	1,917,968	2,306,632	1,833,476	2,391,124	2,458,717	1,765,883	1,571,551	2,653,049
Vermont	13,719	85,490	2,494,800	950,519	1,544,281	905,612	1,589,188	1,207,483	1,287,317	795,841	1,698,959
Virginia	83,411	815,720	20,049,300	8,420,706	11,628,594	8,039,769	12,009,531	10,786,523	9,262,777	6,896,960	13,152,340
Washington	77,814	1,416,924	19,964,200	14,354,260	5,609,940	13,715,495	6,248,795	18,506,813	1,457,387	11,519,343	8,444,857
West Virginia	52,429	256,723	7,408,600	3,578,354	3,830,246	3,415,365	3,993,235	4,600,741	2,807,859	2,904,171	4,504,429
Wisconsin	121,302	986,817	26,904,500	14,372,079	12,532,421	13,724,931	13,239,569	18,416,754	8,547,746	11,729,558	15,234,942
Wyoming	8,402	95,295	2,544,200	1,068,564	1,475,636	1,020,224	1,523,976	1,363,691	1,180,509	882,837	1,661,363
United States total	5,131,730	43,193,059	1,152,783,000	495,929,602	656,853,398	473,698,049	679,084,951	635,971,845	516,811,155	404,729,039	748,053,961

[1] Based on rates applicable in Tupelo, Miss.

[2] Based on rates applicable in McMinnville, Oreg.

Here is one showing the overcharges for industrial power in each State:

TABLE 3.—*Industrial and other electric services, 1948*

State	Estimated sales data for 1948			Estimated revenues and consumer savings if services were rendered under basic rates in effect in—							
				Area served by Tennessee Valley Authority [1]		Tacoma, Wash.		Area served by Bonneville Power Administration [2]		Ontario, Canada	
	Number of customers	Kilowatt-hours (thousands)	Revenues	Revenues	Savings	Revenues	Savings	Revenues	Savings	Revenues	Savings
Alabama	90,339	4,874,047	$33,904,300	$22,144,724	$11,819,576	$16,404,757	$17,559,543	$24,454,296	$9,510,004	$25,609,082	$8,355,218
Arizona	1,371	245,652	3,049,400	1,640,577	1,408,823	1,213,661	1,835,739	1,808,294	1,241,106	1,893,677	1,155,723
Arkansas	74,291	778,174	11,661,800	7,650,141	4,011,659	5,667,635	5,994,165	8,443,143	3,218,657	8,839,644	2,822,156
California	424,067	12,446,545	139,460,800	114,636,778	24,824,022	84,931,627	54,529,173	126,490,946	12,969,854	132,487,760	6,973,040
Colorado	31,587	537,876	8,989,900	5,384,950	3,604,950	3,991,516	4,998,384	5,951,314	3,038,586	6,230,001	2,759,899
Connecticut	11,178	1,759,491	31,632,700	13,855,123	17,777,577	10,248,995	21,383,705	15,278,594	16,354,106	16,006,146	15,626,554
Delaware	1,997	279,484	3,668,800	1,871,088	1,797,712	1,386,806	2,281,994	2,065,534	1,603,266	2,160,923	1,507,877
District of Columbia (included in Maryland data).											
Florida	5,973	1,092,302	17,380,500	6,743,634	10,636,866	5,005,584	12,374,916	7,456,235	9,924,265	7,803,845	9,576,655
Georgia	2,516	2,071,098	19,947,900	11,509,938	8,437,962	8,517,783	11,430,147	12,706,812	7,241,088	13,285,301	6,662,599
Idaho	7,902	625,864	4,562,800	3,353,658	1,209,142	2,486,726	2,076,074	3,704,994	857,806	3,873,817	688,983
Illinois	128,022	10,166,682	130,575,900	67,638,316	62,937,584	50,141,146	80,434,754	74,689,415	55,886,485	78,214,964	52,360,936
Indiana	109,505	4,464,497	60,457,300	30,530,937	29,926,363	22,611,030	37,846,270	33,674,716	26,782,584	35,246,606	25,210,694
Iowa	63,895	1,364,117	20,252,400	10,916,044	9,336,356	8,080,708	12,171,692	12,050,178	8,202,222	12,617,245	7,635,155
Kansas	46,834	1,231,596	17,749,000	9,247,229	8,501,771	6,851,114	10,897,886	10,205,675	7,543,325	10,684,898	7,064,102
Kentucky	37,900	1,900,567	23,533,700	12,543,462	10,990,238	9,295,812	14,237,888	13,861,349	9,672,351	14,496,759	9,036,941
Louisiana	16,128	1,687,596	14,249,200	8,421,277	5,827,923	6,241,150	8,008,050	9,304,728	4,944,472	9,732,204	4,516,996
Maine	8,058	682,020	8,830,600	4,953,967	3,876,633	3,664,699	5,165,901	5,466,141	3,364,459	5,722,229	3,108,371
Maryland and District of Columbia	40,303	3,608,423	41,897,400	23,349,615	18,547,785	17,344,243	24,553,157	25,766,593	16,130,807	26,972,723	14,924,677
Massachusetts	12,922	3,521,838	64,822,700	28,392,343	36,430,357	21,002,555	43,820,145	31,305,364	33,513,336	32,800,286	32,022,414
Michigan	29,722	6,015,907	77,717,200	34,351,002	43,366,198	25,413,524	52,303,676	37,925,994	39,791,206	39,713,489	38,003,711
Minnesota	40,795	1,539,468	25,753,000	12,953,759	12,799,241	9,605,869	16,147,131	14,318,668	11,434,332	14,962,493	10,790,507
Mississippi	36,611	600,624	8,494,300	4,807,774	3,686,526	3,559,112	4,935,188	5,300,443	3,193,857	5,555,272	2,939,028
Missouri	59,863	2,433,621	31,756,600	17,497,887	14,258,713	12,956,693	18,799,907	19,308,013	12,448,587	20,228,954	11,527,646
Montana	2,860	1,555,760	8,298,900	6,212,131	2,086,769	4,603,115	3,695,785	6,859,055	1,434,845	7,182,517	1,111,383
Nebraska	15,874	441,781	6,446,200	3,854,828	2,591,372	2,855,667	3,590,533	4,254,492	2,191,708	4,454,324	1,991,876
Nevada	1,881	192,054	1,673,100	1,268,210	404,890	940,282	732,818	1,400,385	272,715	1,465,636	207,464
New Hampshire	3,384	370,380	6,441,100	3,156,139	3,284,961	2,338,119	4,102,981	3,478,194	2,962,906	3,645,663	2,795,437
New Jersey	9,133	3,975,084	61,209,100	27,727,722	33,481,378	20,566,258	40,642,842	30,665,759	30,543,341	32,073,568	29,135,532
New Mexico	5,357	202,677	3,053,100	1,593,718	1,459,382	1,178,497	1,874,603	1,758,586	1,294,514	1,841,019	1,212,081
New York	22,311	12,003,616	110,577,900	51,086,990	59,490,910	37,817,642	72,760,258	56,394,729	54,183,171	59,048,599	51,529,301
North Carolina	53,889	3,331,541	30,934,900	20,045,815	10,889,085	14,848,752	16,086,148	22,118,454	8,816,446	23,139,305	7,795,595
North Dakota	1,406	48,097	1,180,400	506,392	674,008	375,367	805,033	559,510	620,890	585,478	594,922
Ohio	117,829	12,087,319	138,219,900	69,801,050	68,418,850	51,694,243	86,525,657	77,126,704	61,093,196	80,582,202	57,637,698
Oklahoma	41,221	1,084,786	14,639,800	9,076,676	5,563,124	6,719,668	7,920,132	10,028,263	4,611,537	10,482,097	4,157,703
Oregon	15,926	2,509,238	13,242,700	12,209,769	1,032,931	9,044,764	4,197,936	13,242,700		13,242,700	
Pennsylvania	69,082	15,414,847	176,479,000	98,651,761	77,827,239	73,062,306	103,416,694	108,887,543	67,591,457	114,005,434	62,473,566
Rhode Island	2,142	640,953	12,324,700	5,188,699	7,136,001	3,845,306	8,479,394	5,730,986	6,593,714	6,002,129	6,322,571
South Carolina	25,946	1,604,076	14,094,100	9,189,353	4,904,747	6,807,450	7,286,650	10,147,752	3,946,348	10,626,951	3,467,149
South Dakota	4,895	99,765	2,098,309	912,761	1,185,539	675,653	1,422,647	1,007,184	1,091,116	1,055,445	1,042,855
Tennessee	7,015	6,373,601	31,024,900	25,223,244	5,801,656	18,708,018	12,316,885	27,860,260	3,164,540	29,163,405	1,861,494
Texas	145,308	4,644,786	53,396,500	32,571,865	20,824,635	24,135,218	29,261,282	35,935,845	17,460,655	37,644,533	15,751,967
Utah	2,096	477,472	5,600,200	3,645,730	1,954,470	2,699,296	2,900,904	4,026,544	1,573,656	4,211,350	1,388,850
Vermont	7,628	229,508	3,914,600	2,391,821	1,522,779	1,773,314	2,141,286	2,638,440	1,276,160	2,763,708	1,150,892
Virginia	28,343	1,882,237	21,719,600	12,923,162	8,796,438	9,578,344	12,141,256	14,269,777	7,449,823	14,921,365	6,798,235
Washington	26,391	7,135,804	28,509,600	22,037,921	6,471,679	16,336,001	12,173,599	24,347,198	4,162,402	25,459,073	3,050,527
West Virginia	29,907	3,312,959	35,581,100	19,569,605	16,011,495	14,481,508	21,099,592	21,597,728	13,983,372	22,593,999	12,987,101

[1] Based on rates applicable in Tupelo, Miss.

[2] Based on rates applicable in McMinnville, Oreg.

TABLE 3.—*Industrial and other electric services, 1948*—Continued

State	Estimated sales data for 1948			Estimated revenues and consumer savings if services were rendered under basic rates in effect in—							
	Number of customers	Kilowatt-hours (thousands)	Revenues	Area served by Tennessee Valley Authority [1]		Tacoma, Wash.		Area served by Bonneville Power Administration [2]		Ontario, Canada	
				Revenues	Savings	Revenues	Savings	Revenues	Savings	Revenues	Savings
Wisconsin	116,965	2,953,797	$45,686,160	$20,741,489	$24,944,611	$15,350,530	$30,335,570	$22,888,736	$22,797,364	$23,939,516	$21,746,584
Wyoming	2,294	69,595	1,117,700	698,563	419,137	517,495	600,205	771,213	346,487	806,979	310,721
United States total	2,040,862	146,569,242	1,627,866,700	914,679,637	713,187,063	677,545,525	950,321,175	1,009,537,576	618,329,124	1,056,075,314	571,791,386

[1] Based on rates applicable in Tupelo, Miss.

[2] Based on rates applicable in McMinnville, Oreg.

Here is another table showing the total overcharges in each State, from which you will see that the people of this country last year were overcharged more than $2,000,000,000, according to the TVA rates; $2,412,000,000 according to the Tacoma, Wash., rates; $1,722,000,000 according to the Bonneville rates; and $2,700,000,000 according to the Ontario rates.

The table referred to follows:

TABLE 4.—*Total electric sales, 1948*

State	Estimated sales data for 1948			Estimated revenues and consumer savings if services were rendered under basic rates in effect in—							
	Number of customers	Kilowatt-hours (thousands)	Revenues	Area served by Tennessee Valley Authority [1]		Tacoma, Wash.		Area served by Bonneville Power Administration [2]		Ontario, Canada	
				Revenues	Savings	Revenues	Savings	Revenues	Savings	Revenues	Savings
Alabama	602,728	6,151,867	$61,559,400	$39,164,004	$22,395,396	$32,356,770	$29,202,630	$45,027,465	$16,531,935	$39,791,858	$21,767,542
Arizona	182,305	1,529,287	24,388,600	11,679,673	12,708,927	10,695,366	13,693,234	14,208,979	10,179,621	10,254,729	14,133,871
Arkansas	387,278	1,336,166	30,372,300	16,042,163	14,330,197	13,558,638	16,813,662	18,651,833	11,720,467	15,853,668	14,518,632
California	3,304,039	19,575,071	312,838,400	219,209,135	93,629,265	183,354,131	129,484,269	254,078,202	58,760,198	219,996,029	92,842,371
Colorado	359,259	1,344,570	32,318,600	16,844,554	15,474,046	14,769,431	17,549,169	19,886,102	12,432,498	15,842,680	16,475,920
Connecticut	616,968	3,106,938	76,418,400	33,768,360	42,650,040	28,923,251	47,495,149	39,312,962	37,105,438	32,643,788	43,774,612
Delaware	89,042	504,918	10,875,300	4,770,166	6,105,134	4,108,127	6,767,173	5,583,097	5,292,203	4,586,294	6,289,006
District of Columbia (included in Maryland data).											
Florida	713,140	2,869,164	81,391,500	30,733,450	50,658,050	27,522,355	53,869,145	36,538,183	44,853,317	27,792,577	53,598,923
Georgia	692,037	3,999,707	66,231,400	34,828,160	31,403,240	30,403,339	35,828,061	40,979,529	25,251,880	32,769,834	33,461,566
Idaho	180,194	1,359,616	18,113,700	11,322,264	6,791,436	9,953,622	8,160,078	13,303,782	4,809,918	10,573,994	7,539,706
Illinois	2,484,144	15,270,155	295,659,600	148,076,802	147,582,798	125,756,789	169,902,811	172,478,741	123,180,859	145,221,520	150,438,080
Indiana	1,178,880	6,861,651	132,965,900	66,448,582	66,517,318	56,358,871	76,607,029	77,174,422	55,791,478	65,253,437	67,712,463
Iowa	780,951	2,855,415	69,921,600	33,761,601	36,159,999	29,534,571	40,387,029	39,775,287	30,146,313	31,734,381	38,187,219
Kansas	531,057	2,208,611	50,060,300	24,292,928	25,767,372	21,006,630	29,053,670	28,431,333	21,628,967	23,282,746	26,777,554
Kentucky	602,358	2,966,589	54,925,200	29,091,244	25,833,956	24,821,284	30,103,916	33,835,523	21,089,677	28,340,426	26,584,774
Louisiana	570,659	2,734,830	49,646,700	23,696,502	25,950,198	20,586,442	29,060,258	27,862,323	21,784,377	22,497,454	27,149,246
Maine	290,459	1,193,247	26,020,400	12,328,999	13,691,401	10,577,527	15,442,873	14,341,968	11,678,432	11,951,915	14,068,485
Maryland and District of Columbia	768,405	5,485,538	92,299,900	51,666,474	40,633,426	43,977,136	48,322,764	60,456,159	31,843,741	50,438,241	41,861,659
Massachusetts	1,468,208	5,812,973	159,713,700	66,122,512	93,591,188	56,362,445	103,351,255	76,763,408	82,950,292	64,458,429	95,255,271
Michigan	1,846,543	11,003,591	209,424,400	101,412,752	108,011,648	88,348,483	121,075,917	119,122,268	90,302,132	95,805,926	113,618,474
Minnesota	870,607	3,438,894	83,968,500	39,349,698	44,618,802	34,361,622	49,606,878	46,223,459	37,745,041	37,039,456	46,929,044
Mississippi	365,970	1,306,253	28,465,700	13,890,521	14,575,179	12,080,010	16,385,690	16,284,688	12,181,012	13,159,513	15,306,187
Missouri	1,063,011	4,713,876	97,832,400	51,833,838	45,998,562	45,253,706	52,578,694	61,123,057	36,709,343	48,822,607	49,009,793
Montana	162,709	1,989,611	20,013,900	12,145,536	7,868,364	10,168,750	9,845,150	14,040,477	5,973,423	12,144,646	7,869,254
Nebraska	352,780	1,250,405	28,815,900	15,622,323	13,193,577	13,906,619	14,909,281	18,550,549	10,265,351	14,265,380	14,550,520
Nevada	43,985	457,604	6,892,000	3,614,783	3,277,217	3,149,890	3,742,110	4,280,149	2,611,851	3,412,518	3,479,482
New Hampshire	184,815	683,837	17,657,300	8,201,487	9,455,813	7,066,364	10,590,936	9,556,404	8,100,896	7,883,445	9,773,855
New Jersey	1,473,886	6,887,131	164,297,000	70,751,322	93,545,678	60,965,011	103,331,989	82,919,621	81,377,379	67,994,803	96,302,197
New Mexico	128,090	479,744	12,159,400	5,410,890	6,748,510	4,774,398	7,385,002	6,433,167	5,726,233	5,010,627	7,148,773
New York	4,567,863	23,950,496	500,009,200	199,801,020	300,208,180	177,812,745	322,196,455	238,687,752	261,321,448	182,119,662	317,889,538
North Carolina	852,947	5,036,158	76,722,100	43,790,653	32,931,447	37,116,198	39,605,902	50,781,242	25,940,858	43,100,213	33,621,887
North Dakota	125,272	348,823	11,642,000	4,720,487	6,922,513	4,338,102	7,304,898	5,682,861	5,960,139	4,101,249	7,541,751
Ohio	2,338,192	17,263,222	288,899,400	147,128,146	141,771,254	124,306,773	164,592,627	170,640,182	118,259,218	145,196,039	143,703,361
Oklahoma	549,867	1,928,198	45,089,600	22,644,925	22,444,675	19,471,938	25,617,662	26,513,849	18,575,751	21,821,373	23,268,227
Oregon	459,735	4,799,149	47,828,900	35,661,257	12,167,643	31,048,340	16,780,560	41,586,812	6,242,088	32,940,663	14,888,237
Pennsylvania	2,943,876	21,523,217	363,801,100	188,986,858	174,814,242	157,798,438	206,002,662	218,063,577	145,737,523	189,474,754	174,326,346
Rhode Island	243,817	999,625	27,599,300	11,192,966	16,406,334	9,475,219	18,124,081	12,997,392	14,601,908	11,010,257	16,589,043
South Carolina	410,678	2,424,817	34,955,100	20,297,817	14,657,283	17,235,329	17,719,771	23,557,892	11,397,208	19,969,706	14,985,394
South Dakota	141,721	389,541	12,529,900	5,030,204	7,499,696	4,550,515	7,979,385	6,030,977	6,498,923	4,489,839	8,040,061
Tennessee	690,173	8,648,134	68,068,300	51,938,398	16,129,902	43,751,015	24,317,285	60,014,862	8,053,438	51,618,570	16,449,730
Texas	1,830,294	8,984,641	165,361,800	86,620,526	78,741,274	74,983,452	90,378,348	101,913,261	63,448,539	82,588,450	82,773,341
Utah	186,451	974,703	17,767,200	10,233,829	7,533,371	8,877,265	8,889,935	11,965,517	5,801,683	9,730,274	8,036,926
Vermont	119,245	460,651	11,857,300	5,712,177	6,145,123	4,879,878	6,977,422	6,624,352	5,232,948	5,564,376	6,292,924
Virginia	706,105	3,615,108	69,856,600	35,893,297	33,963,303	31,156,384	38,700,216	42,133,622	27,722,978	34,120,738	35,735,862
Washington	701,881	10,987,595	81,564,500	60,978,571	20,585,929	52,917,080	28,647,420	71,709,101	9,855,399	57,789,376	23,805,124
West Virginia	455,244	3,999,401	58,362,500	30,849,732	27,512,768	25,060,598	33,301,902	35,237,675	23,124,825	32,016,237	26,346,263
Wisconsin	1,034,219	5,280,477	109,445,100	55,497,721	53,947,379	48,061,423	61,383,677	65,221,915	44,223,185	52,925,695	56,519,405
Wyoming	69,901	249,278	6,704,700	3,182,029	3,522,671	2,855,251	3,849,449	3,796,273	2,908,427	2,885,636	3,819,064
United States total	40,721,988	240,740,493	4,313,313,000	2,216,241,276	2,097,071,724	1,900,397,521	2,412,915,479	2,590,382,242	1,722,930,758	2,142,256,037	2,171,056,963

[1] Based on rates applicable in Tupelo, Miss.
[2] Based on rates applicable in McMinnville, Oreg.

Remember that we have 394,000,000,000 kilowatt-hours of hydroelectric power going to waste in our navigable streams and their tributaries every year.

If all of this water power were developed and firmed up to the peak of the average year, it would amount to considerable more than twice the amount of electricity we are now using.

It would enable the American people to build their own homes, clean up their own slums, and make every house a more pleasant and more attractive place in which to live.

It would make this the richest, the most powerful, and the most attractive country the world has ever known.

Two Thousand Jobs Waiting

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, July 1, 1949

Mr. KLEIN. Mr. Speaker, I have heretofore mentioned my efforts, in cooperation with the members of the Rhode Island congressional delegation, to assist Mr. Roberts Hirss, of Woonsocket, R. I., and New York City, in his desire to get his textile mill at Woonsocket in operation.

To that end, I have introduced H. R. 4604, which would authorize the admittance of four Latvian nationals of unique skills into the United States as temporary visitors, with special conditions under which they might become permanent residents, and I have mentioned the cool attitude of the State Department's consular officers toward the project. A companion bill has been introduced in the Senate by Senator THEODORE FRANCIS GREEN.

It is extraordinary for business groups and newspapers to actively support any private bill; but almost every civic and business group in Woonsocket has openly endorsed this bill, and the Woonsocket Call has given it extensive news and editorial coverage.

The reason is that with unemployment growing there are 2,000 jobs waiting on operation of the Hirss enterprises.

Under consent I include in the RECORD an editorial from the Call of June 14, and an important news story from the same issue:

HELP FOR HIRSS

Those of us who remember the days when the Nyanza mill was one of Woonsocket's most active manufacturing plants will applaud the efforts of various groups and individuals to speed the day when machinery will hum once again in the Singleton Street factory.

Roberts Hirss chose Woonsocket for his textile operations for several reasons, at least one of which must have been satisfaction with the community as a place in which to live and do business.

He has been handicapped in getting into production because a few skilled technicians, Latvians, with the special know-how to instruct others in the work, have so far been denied entry into this country.

Various civic and community organizations have endorsed his efforts to induce Congress to pass special legislation and there is reason to believe that bills, already introduced in both the House and the Senate, will receive favorable consideration.

If it is true, as reported, that the admission of only four men to the United States from a foreign country will form the basis for a new industry in Woonsocket, giving employment eventually to hundreds of persons, then we certainly hope Congress will take time out from its busy schedule to lend a helping hand.

Rhode Island's congressional delegation already has promised support.

COUNCIL ASKS CONGRESS PASS HIRSS AID BILL—CITY CLERK INSTRUCTED TO NOTIFY RHODE ISLAND SOLONS OF LOCAL SENTIMENT

The city council last night passed in concurrence a resolution calling upon Congress to pass legislation that would permit four Latvian immigrants to come to Woonsocket, where they are needed to start operation of a private industry.

The resolution cites the council's support of a bill known as H. R. 4604 which would permit the immigration of the four to enter the employ of Roberts Hirss, Inc., so that firm can begin fine textile production at the old Nyanza mill, Singleton Street.

Under the terms of the resolution the city clerk was instructed to communicate the sentiments of the council to the Rhode Island congressional delegation.

In the board of aldermen, Alderman George H. Gregory (ward 3), questioned whether the admission of four Latvians would mean that they would be followed by "400 more."

"There are plenty of unemployed around here already," he quipped. But there were no objecting votes.

DARTT FAVORS MEASURE

In the lower chamber Councilman Harold P. Dartt (ward 2), made an impassioned plea for passage of the measure.

Pointing out that he was in the textile field himself, Dartt explained that the lace production planned by the Hirss firm was so intricate that the special and unique skills possessed by the Latvians were essential.

Migrant Farm Labor Camps

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1949

Mrs. DOUGLAS. Mr. Speaker, the following newspaper clipping from the San Francisco Chronicle of June 22, 1949, speaks for itself.

Under permission to extend my remarks, I wish to include the article:

BABY DEAD, 11 PERSONS SICK OF DYSENTERY

A 2-year-old child is dead and 11 others—adults and children—are critically ill in an Alameda County outbreak of bacillary dysentery.

The child, who was not named, died Sunday at Highland Hospital, Oakland. The 11 others also are under treatment there.

The outbreak has been localized in two places—at Russell City, about 5 miles southwest of Hayward, and on the outskirts of Hayward itself.

Dr. James C. Malcolm, Alameda County health officer, believes the Hayward cases were infected by a child from Russell City.

The disease spread, he said, because of "deplorable sanitary condition in the Russell City area." The small town lies in an agricultural section.

The 12 cases were reported within a 10-day period. There have been no new cases since Sunday and Dr. Malcolm is hopeful the period of greatest danger is over.

The disease is transmitted by flies.

Dr. Malcolm has appealed to the Alameda County abatement district to spray the area to rid it of the insects. The health department also has offered the services of its nurses and technicians to administer sulphadiazine as a protective measure.

Dr. Malcolm ordered a clean-up at Russell City, especially in places where outhouses are used.

He said the disease is usually not fatal to adults but is particularly dangerous to children.

Loans to Germany and Dillon, Read & Co.

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Friday, July 1 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Loans to Germany and Dillon, Read & Co." appearing in a publication entitled "Prevent World War III," May-August number.

The Government Printing Office estimates that the manuscript will make 3½ pages of the RECORD, at a cost of $243.75.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOANS TO GERMANY AND DILLON, READ & CO.

PART 2

In our first installment dealing with the German loans of the twenties we have attempted to show that:

1. American investment losses in German securities were the largest of any foreign nation.

2. Germany has been the most prodigious postwar I borrower from the United States. Her aggregate borrowings from private investors in this country have exceeded $1,300,000,000, almost all of which were advanced during 1924 to 1930, inclusive. Our international bankers sold these securities to American investors, thereby earning large commissions—while American investors were the losers.

3. Germany for years used her American borrowings to meet her reparation obligations.

4. For 7 years—1924 to 1930, inclusive, Germany indulged in the greatest borrowing spree the world has ever known. The liberality with which American investors' funds were advanced to Germany clearly revealed the ignorance and amazing lack of foresight which characterized the whole postwar financing era in the United States.

5. The successful floating of the Dawes plan was used by the Germans for purposes of enticing foreign capital into their country. There followed a period of foreign financing for Germany which has no duplicate in world history.

6. The German recipients of American investors' liberality deemed it advisable to build up their industrial machinery to compete in world markets more strongly than before World War I.

7. The house of Dillon, Read & Co. distinguished itself by making enormous loans to the German industries which went beyond all normal business caution.

Since financial activities of such magnitude cannot be launched without adequate preparation, it behooves us to trace the origin of this financial spree. It began in a most innocuous way in December of 1923, when a group of German hospitals connected with religious groups joined in organization called Hilfskasse (relief fund), which functioned as a sort of a bank and which was supposed to act for all the hospitals as a central monetary organization. As soon as the German mark was stabilized, this Hilfskasse embarked on a propaganda campaign to obtain means of support in foreign countries for their charitable work. Apparently the Germans knew the American propensity for charity. By misrepresenting the true facts, the agents

of the German hospitals succeeded in creating for their organization a reputation of being a good risk and safe investment. They claimed that conditions in German churches and hospitals were desperate, and declared that unless the English-speaking world extended loans to the German groups, the latter would be condemned to utter ruin. Communism being a very popular subject then as now, the representatives of the German relief funds began telling story after story of the Communist menace overhanging Germany and stressed the necessity of maintaining Germany as the last bulwark against the Red tide. Emphasis was placed upon the German churches and hospitals as the strong defenders of Christian civilization; and to prove that they had no secrets to hide, they invited Americans to come to Germany and take a look for themselves.

Shortly thereafter, American representatives came to Germany, and, to their great amazement, discovered that the claims advanced by the Germans were greatly exaggerated. Indeed, they discovered that the true conditions of the churches and hospitals in postwar Germany were quite satisfactory and by no means as hopeless as pictured by the German agents. However, being American businessmen, they reacted like businessmen. They were impressed with the Germans' desire to improve the lot of their churches and hospitals. This was proof to them that the Germans meant well. They concluded, therefore, that American investments would be safe and would produce excellent returns.

When the success of the first German loans became known, the American financial fraternity expressed great admiration for the German shrewdness in handling the loan. This success was proof to them that Germany was a profitable market. A few months later the spending spree began—with the result known to every American who was foolish enough to fall for the German propaganda.

By the middle of 1924 the leaders of the American banking world, J. P. Morgan and his partner, Thomas Lamont, wholeheartedly agreed that Germany could well be trusted with faithfully carrying out the provisions of the American loans. But this time there was no longer question of making loans to churches and hospitals; the German industry saw its chance and seized it. The house of Dillon, Read saw its chance too. But for some reason it did not care to invest in any charitable organizations. As stated by Mr. Clarence Dillon before the United States Senate Committee on Finance:

"You see, Senator King, our loans to Germany have been largely or entirely (with the exception of possibly an item of $3,000,000) to corporations. We have made no long-term loans to the German Government as such, or to municipalities, to subdivisions of Government. Our loans have been made to corporations and business organizations in Germany."

Why were so many loans made to German corporations? The Senate Investigating Committee wrestled in vain with this problem for weeks. The Senators were unable to understand why the corporations were singled out and why no adequate attempts were made by the American investment houses to make sure that the German corporations were good risks. In vain did they quote Parker Gilbert's letter of October 20, 1927, in which he warned:

"I have attempted to bring together in the foregoing pages the accumulated evidences of overspending and overborrowing on the part of the German public authorities, and some of the indications of artificial stimulation and overexpansion that are already manifesting themselves." For instance, Senator Hiram Johnson, exasperated with the evasive answers, referred to the above sentence, and said: "I insist that with a document such as this it was the duty of every banker who floated a German loan in this country to tell his people exactly what the Government of the United States said in respect to German loans."

The only reply the Senate committee elicited from Mr. Clarence Dillon was that his firm had made every effort to ascertain the origin and nature of the German companies to which loans were granted and that the German industries were good risks. Were they good risks? Surely by 1932, when Clarence Dillon was still certain that the loans he floated for the German corporations were sound, he had had a chance to realize what the German corporations did with the money they borrowed. A casual glance at the budgets of the Reich Government for the years 1924–32, inclusive, would have revealed to Mr. Dillon that during these years the German Government spent between 10,000,000,000 to 12,000,000,000 marks on rearmament.

One also wonders why Mr. Dillon did not tell the Senate Finance Committee about the military activities of the German corporations. It is interesting to speculate what the Senate committee of 1932 would have thought of the activities of the branch of the German armed forces which later became notorious as the Luftwaffe and which, between the years 1924–32, received several hundred million marks from banks, industries, and municipalities. At first the German Luftwaffe was disguised as the "Department of Air Sport and Air Transport." It seems nothing was done to stop the activities of this air division, and even as late as 1930, at a time of severe economic crisis, no less than 150 industrial undertakings, including 20 factories for the building of airplanes and airships, were at work rearming Germany in the air. Moreover, this work was not confined to Germany's own territory, since as early as 1922 German airplane factories had begun to establish branch factories in Italy, Estonia, and Holland in order to evade the limitations imposed by the Versailles Treaty on the production of airplanes in Germany.

By the same token, one wonders why Mr. Dillon did not tell the United States Senate committee that in the years 1924–30 be- 40,000,000,000 to 45,000,000,000 marks were invested in German industry, a very considerable part of which went into what the Germans called the military economy, or, in other words, into war industries of one sort or another.

The record reveals that from 1922 onward the cooperation between the German General Staff on the one hand and the German industrialists and their associates on the other became increasingly close, as a result of which Germany's secret rearmament in the economic field was greatly accelerated. Indeed, the cooperation between the military elements and the industrialists was so close that the military aspect of the German industrial development was never overlooked. For instance, the industrialists did not object when the military authorities told them not to mind the expenses involved in the extremely costly experiments made on a large scale with a view to producing synthetic rubber.

Nor did the German industrialists mind when they were told to invest heavily in the production of synthetic oil from coal and to go full steam ahead in the development of optics and fine mechanical instruments which were badly needed for the development of the German war machine.

Since Mr. Dillon knew so well, by his own admission, the true state of affairs of the German economy, surely he must have known that the Germans had completely modernized their large plants, the capacity of which was far in excess of her normal requirements even if one takes into consideration the period of German economic prosperity which prevailed between 1924 and 1928. Surely Mr. Dillon knew that the tremendous German industrial capacity was not needed for a peace economy.

One also wonders whether Mr. Dillon regarded this German overdevelopment as one of those German aberrations. Insofar as we are concerned, we find it difficult to believe that by 1932 Mr. Dillon had not learned the true nature of Germany's rearmament program and that he was unable to see, between the years 1924 and 1932, that Germany had carefully laid out her plans for purposes of establishing a war economy.

There was no secret about Germany's plans. The German industrialists spoke about them openly. Arnold Rechberg, one of the outstanding German industrial criminals of the Hitler regime, went even so far as to complain about the undue influence of the German militarists. As early as 1927 he wrote "never under the Hohenzollerns has the military cast exercised such an important political influence as under the so-called German Republic."

The same year the foremost German scholar and religious thinker, Prof. F. W. Foerster, unveiled in the magazine Die Menschheit, the schemes of the German General Staff for a war of revenge and conquest plotted behind the facade of the German Republic. Professor Foerster, with the true insight of a prophet, warned the world in 1927 that "the masters of Germany today need peace in order to be armed at a time set by the weakness of her neighbors. This time will come between 1933 and 1938."

The overdevelopment of the German steel industry is a case in point. Since Mr. Dillon made most of his loans to the German steel industry he must have been acquainted with the German statistics dealing with steel production. The unparalleled rise in production was shown in the German official publications. Compared with 1923, the production of iron and steel had risen in 1929 as follows:

	Percent
Pig iron:	
Germany	167.9
Great Britain	1.99
France	89.5
Steel ingots:	
Germany	158.1
Great Britain	13.6
France	83.2

As regards coal production, between 1924 and 1929 Germany showed an increase of 37.6 percent, whereas Great Britain showed a decline of 3.9 percent.

All this leads up to one conclusion, namely, that the enormous investments of American capital enabled Germany's industrialists to build up the most modern production apparatus in the world.

We regret to say that in studying the problem of American investments in Germany during that period we found no evidence that Mr. Dillon made any effort to enlighten the United States Senators when the latter tried desperately to find out whether the American financial fraternity had made a thorough study of the nature of the German economy.

As we search through the files of the thirties we find that the house of Dillon, Read remained steadfast in its faith in the German industry. Thus, when Prof. James W. Angell, of Columbia University, wrote a book in 1929 entitled "The Recovery of Germany," we find among his sponsors Owen D. Young, of General Electric; Charles Mitchell, of the City National Bank; Allen Dulles, and the partners of the brokerage firm of Dillon, Read & Co. They all helped the book to become a big success. These sponsors did all they could to prove to the American public that the contents of the book were honest, straightforward, and that

the material could stand up to the strictest scrutiny. And what was the thesis of the book? It was that the Versailles Treaty had been a heavy burden on Germany and the source of all of Germany's misery; that it had crippled Germany's economy just as much as the short-sighted and expensive actions of the French, which Professor Angell claimed were dictated solely by their lust for revenge. The book denounced as false and not proven the statement that Germany had not been carrying out in perfect good faith all of the responsibilities arising from the treaty.

Professor Angell also devoted a large part of his book to the big German trusts which he not only called necessary but whose national work and modern set-up he termed as showing to the world the future course of industry. And dealing with the period period between 1924 and 1929, Professor Angell described it as a recovery unprecedented in the history of the world. Moreover, he claimed that Germany had achieved between 1925 and 1928 the leadership on the Continent for all time.

We leave it to the reader to judge for himself why the American investment houses, including Dillon, Read & Co., found it necessary to sponsor and recommend Professor Angell's book to the American investors who lost their money in Germany.

But before the reader renders final judgment on the activities of Mr. Dillon we believe he will be interested to know something about the career of that man.

In his early years Mr. Dillon was not particularly interested in finance. After graduation he worked as a partner with his brother-in-law and founded the Milwaukee Machine Tool Co. Shortly thereafter he came east and worked with George W. Wickersham who was his attorney. The latter introduced him to Mr. Read.

Soon after joining the firm, Clarence Dillon went to work for the firm in Chicago. While there he made good and sold several issues successfully. Apparently his success in Chicago resulted in his being called to New York, and at the age of 34 he became a partner in the firm of William A. Read & Co.

His ability to judge people and matters of finance very calmly impressed his partners.

When World War I broke out, Washington needed capable administrators. Bernard Baruch was made Chairman of the War Industries Board. Needing a capable assistant, Baruch invited Clarence Dillon to come to Washington as assistant to the Chairman. Clarence Dillon spent 2 years in the Capital and while there obtained a thorough understanding of the world-wide sweep of industrial conditions. What is more, he quickly learned the value of making contacts because he had to deal with industrial giants who came to Washington in search of contracts. Not only did he learn the "ins" of big business but he also acquired a tremendous knowledge of international financial realities.

He never regretted the time he spent in Washington, for when he left his keen mind held in its grasp the threads of world business. In the meantime he had made very valuable connections for the firm of William A. Read & Co., and when he returned to New York his partners showed their appreciation by making him the president of William A. Read & Co. Soon after, Clarence Dillon felt that no task was impossible to accomplish. One of his first real ventures was the refloating of the sinking firm of Goodyear Tire & Rubber Co. The company had commitments of $100,000,000 and was in real trouble. The company had tried in vain to interest several Wall Street houses in its plight, and in desperation its managers came to Mr. Dillon. He immediately undertook a thorough study of the company's affairs and succeeded in raising $100,000,000 for the reorganization of the Goodyear Tire & Rubber Co. Since that time the company has been prosperous.

His self-composure stood him all his life in good stead. He was unperturbed at the greatest moment of his life when he defeated J. P. Morgan and General Motors in his bid for the auto business of the Dodge Bros. in 1925. He calmly wrote out a check for $146,000,000. This purchase was the biggest single cash deal in the history of United States business. Perhaps his secret lay in the fact that he was able to accomplish so much with other people's money.

Perhaps the secret of his success lay elsewhere. It must have been sure instinct that enabled him to accomplish the impossible. Shortly after the Dodge purchase, his name became famous in Wall Street. By 1928 the success of the Dillon, Read house was such that it underwrote some $3,000,000,000 and this enabled it to maintain the lead over Morgan, Kuhn Loeb, Harris Forbes, Chase Securities Corp., National City, and Guarantee Trust Co.

Three years after his famous success Dillon got tired of holding the Dodge Bros. interests. He sold it to the Chrysler Corp. and he broke a new record on Wall Street. He made a profit of $40,000,000. At that time he was 43 and only 10 years in Wall Street. By that time he had been for 5 years head of the investment firm of William A. Read & Co., which in the meantime was changed to Dillon, Read & Co.

Space does not allow a detailed account of all his business ventures. Only a few will be mentioned here. Mr. Dillon is responsible for the organization of the Youngstown Sheet & Tube Co.—a $100,000,000 business—when he succeeded in merging six companies into one. In 1921 he dared to challenge the English Rothschilds who were very firmly entrenched in foreign financing. He was the first American to succeed in wrestling from them a $15,000,000 loan for Brazil. In 1922 he floated a loan for 150,000,000 guilders for Holland.

Dillon can claim the credit for being the first to underwrite a Japanese loan in 1924, at a time when agitation against the Japanese immigration was very strong in the United States. This notwithstanding, he succeeded in selling to the American public $15,000,000 worth of bonds for the Japanese Great Consolidated Electric Power Co. His foreign activities became known far and wide. Many countries in Europe and Latin America sought his counsel, advice, and help. Dillon handled loans for a dozen governments in both Europe and Latin America. Not only did these countries appreciate his great help by paying him handsome fees, but he was also decorated by many governments.

Dillon's ability to do the impossible attracted the attention even of H. L. Doherty when the latter wanted to undertake new financing. Instead of going to his former friends, he turned to Clarence Dillon.

As was to be expected, Dillon's success in Wall Street became the object of widespread comment. The most common interpretation at that time was that Clarence Dillon arrived at the psychological moment in Wall Street. Since the old leaders were bewildered and incapable of coping with the spirit of the times, a new spirit was needed, and Dillon arrived just at the right moment with a new formula. And what was the new formula? In essence it was very simple: Dillon made huge sums of money out of transactions while at the same time keeping control of the management of the enterprise he organized. His success was achieved through the device of issuing to Mr. Dillon and his associates the only class of stock that was entitled to vote. At the same time the shares of another nonvoting stock were sold to the public. The net result was that the investors who had paid for the ownership of the enterprise continued to own their equity, but had nothing to say regarding the management nor could they expect to have anything to say in the future. Since the stockholders were delighted with the financial success of their investment, they didn't care whether they had anything to say about the management or the policies of the corporation which they owned.

One of his Harvard classmates who knew him very well characterized Mr. Dillon's ability and success as follows: "If Dillon wanted to buy a cow he would read up everything on cows, and before he closed the deal he would know more about the animal than the farmer himself."

This leads us back to the crucial point of our inquiry. Why was Mr. Dillon so interested in Germany? As we have seen, Mr. Dillon was very thorough in his analysis of a company which he was asked to organize. It follows, therefore, that in recommending the investment in the German industries, he must have made a very thorough analysis of their nature and character. When the Dillon, Read Co. consolidated the German steel properties on the model of the United States Steel Corp., he made a most thorough and painstaking investigation of the entire steel industry of Germany. Did Mr. Dillon insist on controlling the voting stock of the Vereinigte Stahlwerke just as he did with the American corporations which he reorganized? If his classmate was correct in saying that Mr. Dillon, when he wanted to purchase a cow knew more about the cow than the farmer did, it is fair to assume that in the case of the Vereinigte Stahlwerke Mr. Dillon knew all there was to be known about it.

It follows, therefore, that since Dillon was so thoroughly sold on the German steel industry, he must have known why he wanted to rebuild the German steel industry and also he must have insisted on having a say in the control of the German steel industry.

The United States Senate investigation referred to above unfortunately did not shed much light on the subject. However, a later investigation, conducted by the United States Senate in 1933 known as the Pecora investigation, revealed some interesting side lights on the methods used by the Dillon, Read investment house. That investigation revealed among other facts that Dillon, Read & Co. used extensively the formula of issuing voting and nonvoting stock, the former held exclusively by Dillon, Read. Thus, in 1928, 1929, members of the Dillon, Read Co. made a profit of $6,819,270 on the sale of stock of a subsidiary corporation which had cost them a total of $24,110. The price paid in 1924 was 20 cents a share and the average price received was $52 a share.

It appears that in this case the Dillon, Read house set up two investment trusts with a combined capital of $90,000,000 and an original investment of $5,100,000. The Pecora investigation showed that the majority control and voting power was held by Dillon and other members of his firm.

From the above it is clear that the general formula of Dillon, Read was to retain for themselves the voting control of the companies they organized. Did the same formula apply to the Dillon, Read reorganization of the German steel industry?

As we follow Dillon, Read's action in German affairs we are struck by the fact that ever since the floating of the German loans in the United States in the 1920's, the house of Dillon, Read has been very interested in German affairs. We notice, for instance, that before World War II, when the Germans were very active in the United States trying to break the anti-Nazi boycott and the mounting resentment against nazism, Dillon, Read was in close touch with German interests in the United States.

We are also struck by the fact that as late as April 1941, the Schroeder companies in the United States—the so-cal'ed British subsidiaries which were interested mostly in German businesses in the United States of America and Latin America—refused to give up their fiscal agencies in the United States for the Rhine-Main-Danube authorities, the city of Berlin, the city of Dresden, the city of Leipzig, and the city of Frankfurt. The reason the Schroeder companies didn't want to give up their connections with the above German agencies was that they didn't want the Dillon, Read Co. to remain the sole agents in the United States for the above German entities.

Coming to our times, we have been wondering ever since VE-day why the Dillon, Read partners have been playing such a prominent role in German affairs. The career of Paul Nitze, a former vice president of the firm, was discussed in our magazine No. 25, May–June 1948.

The former Secretary of Defense, Mr. James Forrestal, was president of Dillon, Read & Co. It is worthy of mention that in the course of the Pecora investigation, in the spring of 1933, Mr. Forrestal testified that he escaped payment of at least $95,000,000 in Federal income taxes by forming two personal corporations, one in Canada, and the other in Delaware.

We must also deal with the activities of Gen. William H. Draper, Jr., vice president on leave for Dillon, Read & Co., for in the course of his career in the Army and later as Under Secretary of War he has left an indelible mark upon our policy toward Germany.

To begin with, General Draper's appointment as director of the economic division of the military government and later as economic adviser to General Clay, has always remained a mystery. When we first heard of him it was in the spring of 1945 when he, as a colonel in the Army, was training his troops in Hawaii for the impending invasion of Japan. He fully expected, we were told, to contribute his share in fighting the Japanese. However, instead of going to Japan he was suddenly transferred to the European theater of war just at the time when Germany was collapsing.

The economic division of the American military government was perhaps the most important division, since the principal Allied objective at Potsdam was to prevent Germany from ever again becoming a threat to the peace of the world. The major task of the economic division was to bring about the industrial disarmament and demilitarization of the German economy by imposing appropriate controls over Germany's ability to wage war and by providing Germany with an economy which would give the Germans a standard of living not exceeding that enjoyed by her neighbors.

A proper guide was issued to all American occupation officers. This guide was known as Directive J. C. S. 1067. From the very beginning, General Draper's attitude toward J. C. S. was unfriendly. His attitude toward the basic policy in Germany which called for demilitarization, denazification, reparations, and a level of industry for peace was one of hostility. He never liked J. C. S. 1067 and throughout his stay in Germany did yeoman work to prove that the economic provisions of the Potsdam agreement were unworkable. His efforts to nullify these provisions began from the moment he became the Director of the Economic Division of the military government.

While in Germany, General Draper was the guiding spirit and leader of a group consisting of prominent American industrialists and high officials. Prominent among these industrialists were Peter Hoaglund, prewar representative of General Motors interests in Germany, the Opel works; Graeme Howard, also of General Motors and a close friend of American Firsters in 1941; Rufus J. Wysor, former president of Republic Steel. In this connection, it is also worthy of note that among the prominent American high officials to go over to Germany there were many whose companies had extensive economic ties with the prewar German economy. Among these were three directors of the I. T. & T. Corp.: Col. S. Behn, Kenneth Stockton, and Mark Sundstrom; Charles H. Powell, Westinghouse; Brandon Grove, Socony-Vacuum; R. E. McConnell, formerly with the I. G. Farben subsidiary in the United States—the General Aniline & Film Co. In spirit, all these representatives were in agreement with General Draper who, immediately after the American occupation of Germany, began a drive to discredit the theory that Germany can sustain herself by increasing her light industries, by exporting large quantites of coal and by increasing her agriculture productions. Among the economists who advised General Draper were Calvin Hoover, dean of Duke University, and Don C. Humphrey, also of Duke University.

With the help of Humphrey and Hoover, General Draper attempted to prove, in the famous secret Calvin Hoover report of September 1945, that Germany's heavy industry was indispensable to the welfare of Europe; that Europe needs the productions of the German heavy industry badly; that reparations should not be paid to Germany's victims because in so doing, Germany would lose her machinery which she needed in order to manufacture goods for Europe; and that Germany needed her tremendous steel capacity to provide her inhabitants with a standard of living which must not be lower than that enjoyed by her neighbors.

On October 15, 1945, a secret directive was issued by Don Humphrey to the sections of the economic division advising them that German coal should be used as a lever to bypass the Allied policy toward Germany. The purpose was to retain coal in Germany in order to rebuild the German heavy industry rather than to export the coal to Germany's neighbors to enable them to rebuild their economy.

When General Draper went to Germany to take over the administration of the economic affairs of the conquered country, he knew full well that behind German aggression in the past two world wars were the ambitious German steel barons who tried to dominate Europe economically. It surely was no secret to him that German economic nationalism had been connected since its beginning in the seventies with the fate of the Reich's steel industry which rapidly outgrew the limits set for it. This disproportionate development of the German steel industry was stimulated by both the Reich's protective tariffs which helped to form the closely knit cartels and by the parallel rise of a steel industry in the disputed border district of Lorraine, France.

As a student of economic affairs and as a prominent member of the Dillon, Read investment company, General Draper surely must have studied the economic consequences of World War I. If so, he knew that as a result of World War I the Germans lost the iron ore in Lorraine, France, and that they did everything possible not to give France a chance to develop its own steel industries. And since his firm invested so heavily in the Ruhr industries after the last war, General Draper must have known that the German steel industrialists did everything possible to foster the Hitler rearmament program.

Lastly, he must have known full well the intent of the J. C. S. 1067 directive which aimed specifically at the restriction of the German steel production. His duty, therefore, should have been to implement the nature and spirit of the directive insofar as it applied to the level of industry. However, the facts are that General Draper did not distinguish himself by his zeal in applying the clear directive from Washington. Was this due to the fact that he was in agreement with the Wall Street interests which, as early as 1941 had picked Germany as a field where they could renew the profitable game they played there once before? One is inclined to believe that it must have been so, since his own firm had floated such huge loans for the development of the Vereinigte Stahlwerke.

At any rate, the facts are that when the United States investigation teams went through the files of the Vereinigte Stahwerke in Dusseldorf, in 1945, they found friendly letters written in the 1930's by General Draper to the top management of the Vereinigte Stahlwerke. This would seem to indicate that General Draper must have been interested in the fate of the postwar German steel industry. And speaking about the Vereinigte Stahlwerke, it must be pointed out that its prewar annual steel capacity was approximately 10½ million tons. Contrary to the common belief in the United States, this German steel combine suffered very little damage during World War II. The directors of the company estimated its total damage at 15 percent.

In March 1946 the Allied Control Council agreed that German's total steel capacity should not exceed 7,500,000 tons of steel. Would General Draper be kind enough to explain how it was possible for the Vereinigte Stahlwerke to contract a loan in the spring of 1946 from the Dresdner and Deutsche banks for 125,000,000 marks to repair the damage suffered by the Vereinigte Stahlwerke? Since Germany's total capacity was fixed at that time at 7,500,000 tons, it is plain that the loan granted to the Vereinigte Stahlwerke was a clear violation of the Allied Control Council's decision. What did General Draper do to stop the loan to the Vereinigte Stahlwerke? Or did he help to make the loan possible?

The traditional policy of the United States toward national and international cartels is too well known to be dwelt upon here. When the Big Three met at Potsdam in July 1945 they decided to abolish once and for all the pernicious German trusts and cartels. Article 12 of the Potsdam agreement is very clear on that score. This article was also binding upon General Draper. Not only did he not distinguish himself by his zeal in pressing for the abolition of the German trusts and cartels, but while in Germany made no bones about his distaste for it. On many occasions General Draper criticized the article publicly and privately. Moreover, he was in complete disagreement with the State Department directive to the military government to do all in its power to press for a mandatory decartelization of the German economy.

General Draper's hostile attitude toward the decartelization of Germany finally attracted the attention of General Clay in the fall of 1946, when the latter told his subordinate in no uncertain terms: "Whether we like it or not, the decartelization policy is the policy of the United States, and this policy applies to all divisions of the occupation forces."

However, General Clay's admonition did not produce the desired results. General Draper continued to pull all the wires with the State Department to prevail upon the then Under Secretary Will Clayton to change the United States policy toward the decartelization program.

In 1947, while in Washington on official business, Draper had extensive discussions with Mr. Bernard Armour of the Hayden Chemical Co., a company originally founded with the help of German capital in 1925, for the purpose of establishing the monopoly of the manufacture of penicillin at the Hoechst I. G. Farben plant. Since the official policy of the United States Government was and is antimonopolistic, it was very strange, to

say the least, that Draper should have tried to foster a new monopoly in Germany.

As a footnote to the Dillon, Read story, we believe it is appropriate to mention the name of Philip H. Hawkins. Although Mr. Hawkins, to the best of our knowledge, is officially not a member of the Dillon, Read firm, his name is mentioned here because of the fact that he happens to be General Draper's son-in-law. Prior to his marriage in Germany, Hawkins seemingly was in favor of implementing the United States decartelization policy. His attitude changed overnight, when he became a member of the Draper family. When General Draper left Germany in the summer of 1947, his son-in-law remained. Today he holds the post of Deputy Chief of the Economic Department of the United States military government. On March 20, 1949, the Christian Science Monitor reported Mr. Hawkins as saying that the American authorities would not oppose nationalization of the Ruhr by a federal German government having the necessary powers to act. The dispatch ended with the following words: "The Americans would sanction nationalization at this juncture only if the former owners were adequately compensated."

Would Mr. Hawkins be kind enough to explain who are the real former owners?

We have mentioned above that the Dillon, Read investment house was also a pioneer in floating loans for the Japanese industry. Ever since 1947 we have been wondering whether it was purely a coincidence that General Draper was recalled to Washington to assume the post of Under Secretary of the War Department. For the record reveals that in the summer of 1947, before assuming his post as Under Secretary of the War Department, General Draper went to Japan ostensibly to make an analysis of our occupation policy in the Pacific.

Shortly after his arrival in Tokyo, it was officially reported that General Draper ordered the suspension of our decartelization policy of the Japanese economy, which before the war was controlled by the Zaibatsu group. It is worthy of note that the policy of decentralization of the Japanese economy had been agreed to not only by the United States but by all the members of the Far Eastern Commission. Consequently, it had been decided that the Zaibatsu holdings in Japan should be sold to small independent business firms in Japan.

Why did General Draper kill the decartelization program in Japan? And speaking about Japan, it is also extremely strange that General Draper saw fit to hire the firm of the McGraw Co.—represented by Clifford Strike—to make a special study of the reparations program in Japan. When Mr. Strike returned from Japan he recommended that the reparations program previously agreed to should be discarded. (Parenthetically, Mr. Strike's firm was paid $650,000 for the job.) One may ask: Was General Draper promoted to the post of Under Secretary of War for the purpose of liquidating entirely our established policy toward our enemies?

We do not know all the answers to these perplexing questions. We only know this: In the fall of 1945 General Eisenhower, at that time military commander in Germany, became aware of the fact that many of the high officials under his command were not heart and soul in agreement with the established policies of the United States Government. Accordingly, in October 1945, he issued a statement in which he warned that all those who were not in sympathy with the United States policy toward Germany should either submit or turn over their jobs to those who were in sympathy with it. We do not know whether General Eisenhower had General Draper in mind, but it is our shrewd guess that he did. We regret that General Eisenhower did not stay long enough to enforce his ideas.

Assuming, however, that General Eisenhower did have General Draper and his industrial friends in mind, we don't think the latter would have left their posts without a fight. They went to Germany in the first place because they wanted to renew their prewar profitable relations with that country at the earliest possible moment. It was easy for them to be appointed to go to Germany because they had the proper connections in high places and because they could claim (indeed) that they knew Germany well. They got to know Germany in the twenties when they laid the foundation for Hitler's war machine—with American money. And in order to accomplish their postwar aims they knew how to get into the proper places and at the proper time. That is the reason also, we believe, why the members of the Dillon, Read firm have played such a prominent role in public affairs in recent times.

The question is, Did the American people select these officials to scuttle and liquidate the pledges made to them by their Government in the spirit of 1945? Will the American people continue to allow the spirit of the Dillon, Read firm to prevail? Will the American people be so foolish as to invest again in the heavy industries of the Ruhr in order to manufacture the weapons for world war III?

The Administration's Foreign-Trade Program

EXTENSION OF REMARKS
OF
HON. GEORGE W. MALONE
OF NEVADA
IN THE SENATE OF THE UNITED STATES
Friday, July 1 (legislative day of Thursday, June 2), 1949

Mr. MALONE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "United States Foreign Policy Flayed—GOP Stand Urged, appearing in the Deseret News, of Salt Lake City, Utah, for June 24, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES FOREIGN POLICY FLAYED—GOP STAND URGED

(By M. DeMar Teuscher)

A blistering attack on the administration's three-pronged foreign-trade program by Senator GEORGE W. MALONE, Republican, Nevada, highlighted Friday sessions of the national convention of Young Republicans Friday in Salt Lake City.

Charging that "American jobs are being transferred overseas because of adherence to the short-sighted policy of free trade," the junior Senator from Nevada urged young party members of the GOP to indorse flexible import fees to replace the free-trade policy.

The blunt-speaking Nevada solon was a key speaker in afternoon sessions of the second day of the conference at the Newhouse Hotel.

Earlier in the day delegates from 47 States had heard attacks on the present foreign policy by Representative DONALD L. JACKSON, Republican, California, and a charge that Republican leaders were neglecting their duty to the American people by their refusal to listen to the requests of the workingmen. The latter charge was voiced by Joseph D. Keenan, American Federation of Labor political-education director, who was one of three speakers to appear on a special labor panel Friday morning.

Senator MALONE, speaking forcefully in an avowed attempt to rouse the Young Republicans into waking up to their responsibilities, declared the Republican Party has "forgotten the workingman after 82 years of fighting for his protection through protective tariffs.

"A tariff is simply a floor under American wages. If we think we can follow the administration promise of preserving the American standard of living while allowing free trade with every nation on earth, we are badly mistaken," he asserted.

He attacked the administration's three-pronged program, declaring that under point 1—the ECA—our "chief export to guarantee trade balance deficits of European nations, our chief export is cash."

He added that under the proposed international trade organization, which would include 58 nations, we would have the same vote and eventually the same standard of living, as Siam.

The third prong of the program, a proposed 3-year extension of the 1934 Trade Agreements Act, is being pushed on a reciprocal trade basis, although no mention is made of the phrase "reciprocal trade" in the 1934 act.

"Adherence to the three-pronged free trade program is leading us into the position in which ECA-subsidized foreign factories already are underselling us on our home market," he charged.

He added that, when this situation became a general one, that American workers, particularly the farming, mining, lumbering, and textile industries, would find their jobs transferred to foreign soil.

"The Republican Party must offer the country a positive program to protect the workingman of the Nation, while assisting the nations of the world, on a real business basis, to raise their own living standards. When those standards meet ours, then is the time to talk for free trade," he asserted.

A Protest Against Communist Art

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, July 1, 1949

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include therein a resolution passed by the Native Sons of California at a meeting of the Grand Parlor in May.

The resolution speaks for itself and bears directly upon the production of some so-called modern artists. This is in harmony with exposures which I have discussed before the House of Representatives recently on three different occasions.

The resolution follows:

Whereas pursuant to action taken at the 1948 session of the Grand Parlor, resolution No. 41 referring to certain murals displayed on the walls of Rincon Annex Post Office Building in San Francisco was submitted to the board of grand officers having referred the matter to the Americanism committee; and

Whereas said Americanism committee, following an intensive investigation of said murals, rendered a report in writing incorporating its findings that said murals do not

truly depict the romance and glory of early California history, but on the contrary cast a most derogatory and improper reflection upon the character of the pioneers, and that other murals are definitely subversive and designed to spread communistic propaganda and tend to promote racial hatred and class warfare and recommending that the Grand Parlor go on record as opposing said murals: Now, therefore, be it

Resolved, That the findings and recommendations of the Americanism committee in connection with the said murals be approved and that this Grand Parlor go on record as condemning the said murals for the reasons aforesaid and that a communication be forwarded to the proper authorities advising of such action upon the part of the Grand Parlor and requesting the immediate removal of said murals; be it further

Resolved, That our Representatives in Congress from the State of California be advised of the action of this Grand Parlor and that their aid be solicited in accomplishing the objects thereof.

Tribute to the Greek People

EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Friday, July 1 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address I delivered at the Statler Hotel last Monday night before the Pan-Laconian Federation, a Greek organization.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Toastmaster, distinguished guests, and members of the Pan-Laconian Federation, it is indeed a privilege to be invited to take part in this convention for it is in such gatherings as these that the men and women who have come to our shores have kept alive the finest spirit of their own traditions and contributed so magnificently to our great American tradition of human dignity and freedom.

At the outset, may I extend my congratulations to you for the splendid work to which you are giving yourselves. The world needs more of this inspiring common concern for the less fortunate, for the suffering, the helpless, and the innocent victims of man's inhumanity to man, and for the underdog.

If civilization is to survive, this common concern for our fellow man must be established as the greatest single mark of human greatness.

For if history has one lesson to teach us, it is that free men in a free society can maintain their freedom only as they cultivate and strengthen this spirit, and discipline their own thoughts and actions by it.

It is my own humble opinion that there is no greater service we can render to ourselves or to others than by identifying ourselves with organized expressions of this spirit such as is represented by this Pan-Laconian Federation.

Our modern age has produced far too great a number of cynics, defeatists, and pessimists who decry as unrealistic and utopian this approach to the solution of our human problems.

In spite of the added ammunition, which each new generation seems to furnish the cynics in the form of increased human suffering, we know that over the long expanse of human history it is this spirit alone that has made the difference between civilization and savagery.

And as we look back over this history, we have learned that wherever man fails to keep this concern for the welfare of his fellow men alive, wherever he has refused to formulate and to abide by laws and customs designed to protect the rights, the freedoms, and the dignity of his fellow man, he has declared an open season on his own.

Certainly the tragic experiences of the recent war and postwar years have confirmed this simple fact. What is more, these tragic experiences have only placed a more staggering burden of proof on those of us who hold such a faith.

Yet it is true tonight, as it has always been in the past, that whenever a group of dedicated men and women are confronted by the challenge of an insoluble problem they can always derive inspiration from the quiet past, adequate to the stormy present.

In the year 490 B. C. news reached the Athenians that Darius was crossing the Aegean to conquer the Greek states, according to Herodotus, to enslave Athens and Eritrea and bring the slaves back into his presence.

Immediately an Olympic champion runner named Pheidippides was dispatched to enlist the aid of Sparta. For 2 days and 2 nights he traveled, swimming rivers and climbing mountains, finally returning with the news that the Spartan army would march at full moon.

Meanwhile the Persians had landed and the Athenians marched on Marathon in the mountain passes to hold the Persians until their allies could join them. On the march these 9,000 Athenians were joined by 1,000 Plataeans.

Finding these mountain passes unsuited for their cavalry units, the Persians reembarked their cavalry and part of their infantry to make an attack on Athens directly from the sea, leaving a rear guard of 20,000 men. On the advice of Miltiades, even though the Spartans were still on the Isthmus of Corinth, the Athenians decided to attack.

On September 21, 490 B. C., the Athenians did attack and destroyed the Persian rear guard, thus driving them out of Greece.

Then it was that Pheidippides set out on his historic run bearing the news of victory. Upon entering the city, he fell dead, gasping out as his last words, "Rejoice, we conquer!"

Ever since that day this story has held a peculiar fascination for the people of every land.

When the Olympic Games were reinstated at Athens in 1869 a marathon race was included in the program and has remained the outstanding event and the most coveted prize in the Olympic Games ever since.

It is only fitting that this race in 1869 was won by a Greek peasant named Loues. We are told that, as he entered the stadium at the end of the race the Greek spectators rose as one man in a frenzy of acclamation to celebrate their countryman's victory and that women literally tore off their jewelry and flung it in the path of his feet.

It is even said that a lowly street urchin approaching him with reverence promised to black his boots for the rest of his life for nothing.

I believe that no other event or act of physical endurance has ever so captured the popular mind as this 26-mile, 385-yard marathon.

For instance, the marathon was run in 1908 from Windsor Castle to the Olympic Stadium in Shepherd's Bush, London. In that year the 2,000-year-old tragedy of Pheidippides was very nearly repeated. This marathon was run in terribly hot weather and under conditions in which overeager participants set such a pace at the start that the condition of the leaders at the finish was pathetic.

It was Dorando Pietri, Italy's representative, who fought his way into the lead over the last stretch of the gruelling grind until just outside the entrance he was forced to slow down and finally forced to crawl on his hands and knees. As he entered the gate of the stadium he collapsed. First aid was administered and he rose to totter on around the arena track. Fifty yards further on he collapsed, and was revived and helped up again. Then only yards from the finish line he collapsed for the third time. This time it was a group of British spectators who could no longer restrain themselves who rushed to his side, picked him up, and carried him bodily across the line.

Of course this courageous Italian was disqualified since he never could have finished that race unassisted. Yet his determination and courage was recognized not only by the British spectators; it was matched by the gallantry of Her Majesty, Queen Alexandra, who awarded him a gold cup for his heroic performance.

It is little wonder then that this marathon run is regarded as the blue ribbon of the Olympic Games and is honored as a championship in all countries. Of the Olympic victors, the United States, Finland, and France have each produced two. The other victors come in singly from such widely scattered nations as Greece, South Africa, Argentina, and Japan.

Somehow this story of the marathon symbolizes the finest traditions of ancient Greece which you are keeping alive in this Pan-Laconian Federation.

In the first place, it symbolizes the endurance, the physical, mental, and spiritual stamina which can be developed through self-discipline only by free men and women or by men and women struggling and determined to be free. More than any other act of physical competition the marathon involves the rigors of the strenuous training program, of physical maturity, and keenness of judgment which taxes the powers of self-discipline of free men. And it was in ancient Greece that men discovered the constant necessity of such rigorous self-discipline if men and nations were successfully to withstand or surmount the impersonal forces of nature, time, and fortune. What else but this practice of self-discipline and self-denial could explain why Greece still exists as a nation today?

Overrun in turn by Macedonians, by Romans, by Goths, and Vandals, and Herulians and Slavs—conquered and turned into a colony by Normans, Byzantines, Venetians, and the riffraff of the Crusades, then almost completely depopulated and repopulated by the Albanians, forced to live under the ruthless tyranny of Turkish domination for almost four entire centuries—used as a base of supply and battefield by forces of the Allies in the First World War—attacked, occupied, devastated, and liberated by both sides in this last, greatest of all wars, now divided by civil and guerrilla warfare, and desperately awaiting the day of genuine liberation and peace, what greater inspiration could any of us seek than the knowledge that throughout such a history the finest traditions of the Greek people and the nation, itself, are still struggling and determined to be free?

The marathon is also symbolic of another great Greek tradition, namely the pride of citizenship. What greater allegiance can a man have than his allegiance to a like-minded group who share a common background, common customs, respect for the same laws, and patriotism and love for the same nation, and people that gave them birth. No other nation on earth has ever prized citizenship more highly than ancient Greece. Is it not tremendously significant

to find how this same ancient respect for the rights of citizenship, which is the basis of human freedom in a free society, has been kept alive by the constitution of the Pan-Laconian Federation, which incorporates among its other provisions a reaffirmation of your faith in and loyalty to the Constitution of the United States.

Those of us who throughout these tragic years have sought to alleviate human suffering and distress know better perhaps than anyone else what citizenship in these United States really means, and determined as we are to help our fellow men, we shall not lightly surrender the rights, privileges, duties, and safeguards which our present allegiance guarantees. For, until other peoples and nations have succeeded in developing the basis of similar rights and privileges, there can be no citizenship that is worthy of the name other than our own to which we can surrender.

To my mind, there is a third historic truth of which the marathon is symbolic. It is the mutual admiration and sense of fellowship in a great cause which integrity of character and physical endurance evokes from common folk. Again, great strength of mind, body, and heart, which are the result of self-discipline enlisted in the service of others, are perhaps the greatest assets and potentials of human freedom. For it is only where men are genuinely free that they can voluntarily identify themselves with and lose themselves in the service of others. Perhaps it is the lack of heroic self-denial and of complete identification with the sufferings of others that has failed to draw the peoples of the world closer together.

But I would rather believe when I realise how much you folks are doing to relieve distress, to establish hospitals in which to minister to the sick, and to share whatever may be your fortune with the less fortunate, and when I also realize the countless others who are rendering a similar service, I would rather believe, I say, that all these individual seeds have just not had time to take root and grow. Again, may I heartily congratulate you for the good work you are doing, for the great cause in which you serve, and may I leave this final word of encouragement. This work in which the Pan-Laconian Federation is engaged is keeping alive the instinctive humanitarianism of our great American traditions at their noblest.

Unemployment—Analysis by the Public Affairs Institute

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Friday, July 1 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, I have just read a study, "Unemployment: It's Here; Let's Stop It Now," made by the Public Affairs Institute on the most timely and important subject confronting us just now, namely, unemployment. In this brief analysis, the facts are presented and ways suggested for both relieving the conditions of the unemployed and halting the downward trend in economic affairs.

I commend the material of this study to all Members of the Senate; and ask unanimous consent that it be printed in the RECORD.

The Printing Office estimates that the manuscript will make four and a quarter pages of the RECORD, at a cost of $318.75.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

UNEMPLOYMENT: IT'S HERE; LET'S STOP IT NOW

(An analysis and program by Dewey Anderson, executive director, Public Affairs Institute, formerly State relief administrator of California, author of Occupational Trends in the United States, Recent Occupational Trends in American Labor, Occupational Mobility in an American Community; and Wilfred Lumer, staff economist; John Shott, senior economist, Public Affairs Institute, June 19, 1949)

A WORD OF INTRODUCTION

Let's end this growing indecision and anxiety about our country's economic condition right now. For it is doing none of us any good. It feeds on itself. That way leads to creeping paralysis. That way leads to despair. That way leads to depression.

Let's get our facts straight—as straight as we can. And then let's act as intelligently as we can, as boldly as we must, and in time to get going along the road to continued high levels of employment and full use of our resources.

We don't take any stock in the current whispering among men of high position in government, in academic circles, and business that we should not disclose the economic facts of life for fear of inducing a "psychological depression."

Most fearsome just now is a continuance of a policy of "drift" in the face of disturbing economic conditions and trends that may well lead us into depression. Inaction now is compounding the problems we will have to face later on.

Ours is still a healthy, vigorous economy. But it is not an economy that runs itself on some theory of automatic or mechanical self-stabilization. It responds to human decisions, human will, human effort.

In 1946 the American people, through their Congress, made an important, far-reaching decision. They passed the Full Employment Act. In signing it, President Harry Truman made a prophetic pronouncement:

"In enacting this legislation, the Congress and the President are responding to an overwhelming demand of the people. The legislation gives expression to a deep-seated desire for a conscious and positive attack upon the ever-recurring problems of mass unemployment and ruinous depression. I am happy that the Senate adopted this legislation unanimously, the House of Representatives by a large majority.

"The Employment Act of 1946 is not the end of the road, but rather the beginning. It is a commitment by the Government to the people—a commitment to take any and all measures necessary for a healthy economy, one that provides opportunities for those able, willing, and seeking work. We shall all try to honor that commitment."

In this legislation the American people gave expression to their determination not to accept an economic policy of drift.

It is to assist in redeeming this pledge that the facts and conclusions are set forth in this paper. It has not been idly conceived. Data have been collected from Government sources, and subjected to the critical appraisal of experts in the field. While the views expressed and proposals made are our own, and whatever errors of fact or judgment there be likewise ours, nonetheless it can be said that the general thesis and many of the proposals are shared by these experts, for whom we serve as a means of expression before the public in some degree.

We propose making another appraisal of the unemployment situation during the last quarter of 1949 and in the spring of 1950. We trust that so much will be done in time and on a scale large enough to halt present unemployment trends that our present analysis and predictions will require substantial revision.

We feel our obligation so keenly that we cannot refrain from making the findings of our research public at this time to assist in a better understanding of the facts. That is the purpose of the Public Affairs Institute—to present the facts in an objective manner, all the known and available facts so that the American people may work their way out to sound conclusions and appropriate action.

1. HOW MANY UNEMPLOYED

At least 3,300,000 persons were totally unemployed and actively seeking work during the week of May 14, 1949, according to the Census Bureau. The rate of unemployment in May 1949 (5.3 percent of the civilian labor force) was almost double the unemployment rate in November 1948 (2.7 percent).

This is not frictional unemployment. It is a minimum estimate of real unemployment, jobless people able and willing and actively seeking work. It is probably considerably below the actual number of people who are practically unemployed today.

The census figure gives no hint of the economic and social and human aspects of either unemployment or underemployment. But it is a rock-bottom figure to tie to and to measure against. It is big enough in actual numbers to concern all of us. The trend of unemployment since November 1948 ought to scare us into a realization that large-scale unemployment may be in the offing unless we act now to stop its growth.

2. HOW MANY WILL BE UNEMPLOYED?

We have analyzed the rate of economic decline that has set in. Assuming only a continuation of the moderate rate[1] that characterized the first half of this year, we estimate that there will be:

1. About 6,000,000 unemployed (5.8) in the last quarter of 1949.

2. By mid-1950 almost 8,000,000 unemployed (7.7).

3. WHERE ARE THE UNEMPLOYED?

Unemployment has passed the spot stage. It is not a local, but a national problem. It is most noticeable in our big industrial States. It has started the back-to-the-farm movement once more that prevailed in the early days of the great depression, hence is affecting the rural States as well.

Unemployment has reached such proportions in some States as to cause much concern. In New York during the last week of May there were 487,000 workers idle and seeking State unemployment benefits. This number was 76 percent above October 1948. Nor did it include 130,000 workers who had already exhausted their benefit rights to unemployment compensation, many of whom could still be unemployed. It likewise did not include any from among agricultural workers, the usually self-employed, professional, or other workers not covered by social security. Yet this figure was the largest number of unemployed on record in New York State since benefits were first paid in 1937.

With the start of the new benefit year in June 1949, the New York State Industrial Commission forecast the number of claims would jump to 600,000.

[1] Based upon projection of average monthly rate of decline in nonagricultural employment first 5 months of 1949 from fourth quarter 1948 levels and assumed 600,000 new entrants into the labor force in 1949. This also assumes a decline in gross national product of about 10 percent by fourth quarter 1949 as compared with the corresponding quarter 1948.

In the week ended May 14, 1949, there were more than 100,000 persons who had been unemployed for a week or more and were seeking unemployment compensation in each of seven other major industrial States, namely:

California	306,800
Pennsylvania	194,000
Illinois	179,100
Massachusetts	171,000
Ohio	130,500
Michigan	129,700
New Jersey	111,400

4. THE CONDITION OF THE UNEMPLOYED

In early 1948, 20,000,000 American families, almost half of all families in the country, had what might be called emergency funds, sums of less than $500. Eleven million families of this group had no liquid savings. Average liquid asset holdings of all skilled and semiskilled workers in the United States amounted to $250. This was the cushion against loss of a job or unforeseeable hazards confronting a substantial proportion of our people in the midst of our most prosperous period on record.

During 1948, the real wage position of a substantial number of workers deteriorated further. Continued depletion of savings and further resort to debt undoubtedly reduced the liquid asset position of the working group as a whole. SEC data on additions to individual holdings of liquid savings which show a decline of over 40 percent in 1948 tend to support this assertion.

The mounting unemployment of 1949 means that an increasing number of workers and their families are living off an unemployment compensation check at considerably reduced living standards and borrowing when they can or must. For the very substantial number who are ineligible for social-security benefits, it means public assistance. Legislation reminiscent of depression days is now before State legislatures. In Ohio, Gov. Frank Lausche has just said the mounting poor relief costs is the State's No. 1 crisis.

In economic terms, unemployment resulting from the curtailment of business activity since November 1948 has resulted in a decline of almost $5,000,000,000 in private wages and salaries by April 1949. This figure conceals completely the human misery, doubt, and anxiety that such income losses mean to the unemployed worker and his dependents. But those who lived through the depression decade can visualize that.

Substantial unemployment is the product of economic dislocation. Any amount of it, above that irreducible minimum known as frictional unemployment of the in-between job kind, is intolerable in a healthy economy. Yet there are those who viewed 1948 as a year of overemployment, would like to see the labor force reduced considerably in size, and who consider it impossible to maintain maximum levels of economic activity and large numbers of employed. These people of small faith and limited vision consider the full employment-full use of resources approach as impractical.

5. THE CONDITION OF THE EMPLOYED

There is danger that we take the easy road, seeking to level off economic activity at considerably below 1948, storing outside the economy a body of workers totaling 5 to 10 millions, trying to adjust matters for the workers employed so that they are content with their lot.

But workers are not easily segregated. The labor force, while fluid, is a body. Unemployed workers affect employed workers. Economic declines such as we are now experiencing have noticeable and unwholesome results for those workers who are fortunate enough to hold on to their jobs.

Here are some of the things that are happening to them.

Hours of work in factory employment during April 1949 averaged only 38.3 per week. This was the lowest level reached since mid-1940. It represented a reduction in the durable goods industries of 1.9 hours per week since last October, and in the nondurable goods industries of 2 hours since last September—the previous postwar peaks of hours worked.

Average weekly earnings in manufacturing during April 1949 had fallen $2.50 since December 1948, a decline of 5 percent in the past 4 months. Yet the cost of living had reversed its previous declining trend, advancing in April over March. With food, rent, utilities, and transportation rates up, with the earnings of employed workers declining, with unemployment mounting, the squeeze is on. As the effective demand of employed workers falls, the entire economy will feel the effects.

6. WHAT IS UNEMPLOYMENT COSTING US?

Projecting fourth quarter 1948 output and price levels, we estimate that the difference between what full employment output would have been and what was actually produced in the first quarter of 1949 cost us $13,000,000,000 (at annual rates). This is equivalent to an annual average loss in goods and services which might have been available to each of our 42,000,000 families of $310.

If the present rate of decline is not accelerated, by the fourth quarter of this year less than full employment will be costing us a potential of about $40,000,000,000 in goods and services (at annual rates). If the same rate of decline continues through mid-1950, for fiscal 1950 the annual average loss will be about $50,000,000,000.

Our stake in full employment is represented by a threatened potential annual average loss of about $1,200 in goods and services which every family in the United States could have if full employment prevailed during the fiscal year 1950.

Can we afford to settle for anything less than full employment and continuous full employment?

7. THE COST TO THE FEDERAL GOVERNMENT

Had fourth quarter 1948 full-employment conditions prevailed during the first quarter of 1949, Federal net cash receipts would have been about $2,000,000,000 in excess of expenditures (at annual rates seasonably adjusted).

Less than full employment prevailed in the first quarter of 1949, however, and resulted in an estimated excess of net cash expenditures over receipts of about $1,500,000,000 (at annual rates seasonally adjusted). The cost to the Federal Government of less than full employment was about $4,000,000,000.

If nothing is done to stop the present economic decline, and our estimate of nearly 8,000,000,000 unemployed holds true for mid-1950, there will be an excess of Federal net cash expenditures over receipts of about $10,000,000,000 for fiscal year 1950 (at annual rates seasonably adjusted).

If full-employment conditions at the levels of fourth quarter of 1948 are projected through fiscal year 1950, it is estimated that there would be an excess of net cash expenditures over receipts of only $1,000,000,000.

Unemployment of any size and duration costs the Federal Government, which is another way of saying the people, too much money to be tolerated. We simply cannot afford, as a Government, to permit the present levels of unemployment to continue any longer. To let them mount higher is to court serious trouble.

8. IS THIS RECESSION OR DEPRESSION?

When the joint committee of Congress heard testimony on the economic report of the President in February of this year, business economists and experts told the committee that there was little to worry about. We were experiencing a healthy readjustment, just let business alone and all would come out all right. The economy was like an overfed baby, just "burp it" and all would be well. Other cautious people called what was happening a reasonable disinflation, and urged above all else that we keep calm.

Well, let's accept this last admonition and calmly survey the current situation.

The Census estimate of a 2,200,000 decline in nonagricultural employment since November 1948 reflects sharp cut-backs in output resulting from a weakening demand for goods and services. It does not reflect a satisfaction of the essential needs of many million Americans who are still potential buyers of goods and services. It does not indicate that we have satisfied the wants and reasonable desires of our people.

But it does show that potential buyers did not have the money to buy with, that prices were not sufficiently attractive to those who did, and that businessmen saw insufficient prospects of selling, hence factory wheels slowed down or stopped and shops curtailed activity.

All this resulted in man-hours of durable goods workers dropping 14 percent in April from the postwar peak of October 1948. Nondurable-goods workers lost 16 percent in man-hours from the peak of September 1948.

Total industrial output had declined more than 10 percent by May 1949 from the October 1948 peak, according to the Federal Reserve Board's Industrial Production Index.

In steel, the bellwether of industrial output, operating ratios had declined by the week of June 6 to 89.1 percent of capacity as compared with a March 1949 peak of 102.0 percent. And there appears to be nothing in sight or contemplated that will alter the successive weekly declines in steel production.

By the end of May 1949, demands for capital as represented by business loans outstanding at weekly reporting banks in the United States had declined for 17 consecutive weeks. In the first 22 weeks of 1949, business loans at reporting banks fell $2,100,000,000.

Residential home building, as reflected in new starts, had been lagging. In the first quarter of 1949, 12 percent fewer homes were started than in the same quarter a year ago. In April 1949, starts were 14 percent below the previous year's level. In May, approximately the seasonal peak, the drop-off was less substantial—about 5 percent below last May's postwar record of 100,000 new starts. However, with seasonal factors exercising diminishing influence in the remainder of 1949, and with actual and prospective declines in income and employment limiting effective demand, home-building activity can be expected to fall below the level of second-half 1948.

All these add up to ominous signs of economic dislocation only partly reflected thus far by declines in business activity and employment. They are not the kind of facts that warrant any easy "prosperity just around the corner" psychology. Yet they do not spell inevitable and prolonged "depression," either. Government action on a modest scale now may well avoid the necessity of drastic action later. For, as measured in terms of gross national product, the drop from the fourth-quarter 1948 peak has not been too serious.

No one can predict the future with any certainty, for no one can control all the important factors that go to make that future. Our main point is that the present situation is too serious to ignore; it requires the careful and immediate consideration of the President, the Congress, organized business, organized agriculture, organized labor. It deserves the attention of all thoughtful citizens.

For the real danger period lies just ahead of us. It is in the second half of 1949. If the presently accelerating trend toward sharper business declines and increasing unemployment are not reversed, and soon, we are headed for serious difficulties. They can be stopped now, if we will to stop them.

9. THE STRATEGIC ROLE OF THE GOVERNMENT

The National Government—the administration and the Congress in combination—

can take the steps necessary to counter the foreseeable trend toward further economic down-turn in the latter half of 1949 and early 1950. Only the Government has the statutory obligation and power to do so.

So far, the downturn in economic activity has been moderate due to several factors, some of which may not be present as a brake against depression in the near future. That is why the Government can and should act now while declining trends are still manageable.

Here are some of the reasons why the decline has been moderate to date.

(a) Steel and autos, two key industries both as primary employers of labor and as vital segments of our industrial society, have continued to operate at high rates mainly as a result of accumulated backlogs of actual orders on their books.

In steel, the inventory position of warehousers, fabricators, and end product users is now in excess of current and foreseeable rates of demand. The warehouses are bulging; inventories, too. Backlog, as the result of current operating rates, has vanished. Cancellation of orders has hit the industry at an alarming rate. New orders are substantially below the level necessary to support current operating rates. By year-end, if no reversal of the present trend occurs, operating rates may be expected to decline to 75 percent of capacity or below. This will mean substantially more than 25 percent curtailment of employment, for high-cost, heavy man-using capacity will be completely retired.

In autos, there is still a heavy demand. But backlogs are being met and demand will respond to changes in personal income in the second half of 1949. Output will be adjusted to this situation. Only if mass purchasing power is maintained at higher levels, can the auto industry hope to continue high-level production during the last half of 1949 and the first half of 1950. This means halting the currently developing economic decline.

(b) Exclusive of the steel and auto industries, business generally in the first half of 1949 did cut back production to an anticipated lower level of demand. But despite these precautions, as is characteristic in the initial stages of the downswing of the economic cycle, business overestimated the strength of demand. This overestimation of demand lent added strength to the economy and moderated the rate of decline in the first half of this year.

In the absence of action which will tend to strengthen current demand, however, businessmen will profit by their experience during the first half of this year, and adjust their production schedules downward. This is already occurring in a wide variety of businesses, some of which have gone so far as to appeal to the Government for bailouts.

(c) The Federal Government has played a decisive role in keeping the economy on high levels of activity during the past several years. It has been especially important in moderating the present decline. Rising cash expenditures combined with a declining level of cash receipts resulted in an estimated net Federal cash contribution during the first half of 1949 of about $5,000,000,000 (at annual rates). But the Government's net contribution to the economy fell off, in the first half of 1949, by approximately 50 percent below the rate in the second half of 1948. This may have had a very important bearing on the decline in general business conditions in the first half of this year.

10. PREVIOUS DECISIVE ROLES PLAYED BY THE GOVERNMENT

In the past, the Government has played a decisive role in maintaining high levels of economic activity. We achieved our wartime full employment through Government action. We were climbing out of the great depression through Government action. We sustained much of the postwar economy through Government action, thereby averting widely predicted cut-backs.

But can the Government so act to decide the trend either toward or away from depression now? In the recent past the Government has played just such a role. We can learn from that experience. Here it is:

1. In the early part of 1947 business encountered a softening of consumer demand. Some saw this as the long expected postwar depression. It had many of the earmarks. Cautious output and spending policies were initiated in the first quarter of 1947, and were reflected in actual declines in business investment in the middle quarters of that year.

In June 1947, however, the European recovery program proposal came along, shortly after an unexpected rise in foreign demand, and produced a decisive reversal of earlier business pessimism. One has only to recall how effectively business supported ERP until it was passed by Congress, and to get its billions appropriated without one cent of reduction in the total, to have more than a hint of the importance of ERP to business output plans in 1947 and 1948. Seldom did American business want the Government to spend such large amounts of taxpayers' money so fast.

Another important action of the Government in 1947 was the redemption of $2,000,000,000 in terminal leave bonds beginning in September of that year. Here was purchasing power put directly into the hands of hundreds of thousands of consumers scattered all over the land. This is the kind of purchasing power that seeps into every nook and cranny of the economy, gets spent quickly and to excellent advantage in sustaining or reviving business optimism.

These two actions by Government, namely the ERP program and the redemption of terminal leave bonds, went a long way toward reversing the business pessimism which characterized the first half of 1947.

2. In 1948, involuntary accumulations of inventory in the face of high levels of output again engendered business pessimism about the future prospects of demand. Again the possibility of declines loomed ahead. But again, Government action at a critical juncture proved decisive. That action took the form of (a) increased appropriations and contract authorizations for rearmament and military purposes, and (b) the $5,000,000,000 tax reductions.

While this evidence of the important role that Government has played in maintaining economic activity and bolstering lagging purchasing power may be dismissed by some as too circumstantial, we doubt whether any will hold that the outcomes would have been as beneficial had the Government failed to act. We believe that the Government can and should act now.

11. WHAT ACTION SHOULD THE GOVERNMENT TAKE NOW?

Before proposing a specific list of things the Government should consider to halt the downward economic trend now, two points should be made.

First, the Government has a clear statutory obligation under the Employment Act of 1946 to act affirmatively. The obligation rests jointly with the President and the Congress, and both must be held accountable to the people.

Second, it should be manifest to the so-called budget balancers that it is now too late in the downswing of the economic cycle to effect a balanced budget by cutting expenditures of the Government. This is not to say that every bit of padding, every bit of waste, should not be cut from the budget. That should be done for efficiency reasons alone. But major budget cuts now will only aggravate the present economic decline and make the effort to bring about a reversal more difficult and more costly.

The proposals to be considered, stripped of all other purposes, are based on the notion that business investment and plans for production are fashioned by business managers in accordance with their expectations of the probable level of demand for their product. If the current downward trends are to be halted, something must be done now to give businessmen proof of the firmness and high level of demand. That means Government must discharge its obligation of providing so far as lies within its power the conditions of full employment.

Our proposals for consideration and study fall into two broad categories, namely, those things which the Government can do before Congress adjourns for the summer recess, and those longer-range activities which the Government should start and continue if the pull-out from current decline is to result in sustained high levels of economic activity leading hopefully toward economic stability at full employment-full use of resources levels.

Things the Government should consider now:

1. Raise tax exemptions and reduce tax rates

In a time of declining economic activity arising from a weakening of effective demand the thing to do is to increase effective demand. This can be done by Government putting directly into the hands of prospective purchasers more spending power.

At this juncture Government should raise exemptions in the lowest tax paying brackets and reduce rates in the middle brackets, if consumer demand is to be promptly and effectively stimulated.

Budgets can't be balanced when activity is declining. Revenues fall faster and sharper than expenditures can be cut.

2. Increase incomes for those who do not benefit from lower taxes

The lowest income groups and those with the highest spending ratios out of given income levels are the groups not affected by tax reduction. They either earn too little to pay taxes or don't earn anything by reason of unemployment. Their purchasing power could be raised by:

(a) Veterans:

Extend the veterans' readjustment benefits program which expires next month for at least 1 year. At a level of 5,000,000 unemployed it is estimated that benefits paid to this group would come to one-half to three-quarters of a billion dollars. A high respending effect would produce jobs corresponding to a much larger total amount of money than the initial payments.

Move up the date of payment for the $2,000,000,000 national service life insurance premium from 1950 to second half of 1949. If the armed forces terminal leave bond redemptions provide a guide, it can be expected that these premiums will be respent and lift total demand immediately.

(b) Nonveterans:

Increase the duration of covered unemployment and raise benefit rates.

Increase the old-age retirement benefits.

Remove eligibility restrictions on public assistance.

Increase the Federal share of public assistance to be matched by the States to at least $2,000,000,000 for fiscal 1950.

3. Provide employment and income directly

Initiative emergency public works and service projects in distressed employment areas. Service projects are especially important for white collar, nonmanual labor groups who cannot be employed on heavy public works.

4. Youth programs

(a) Higher education:

Many veterans now in school will not be able to complete their higher education as a result of insufficient armed service credits. These groups should not be thrown on the labor market when jobs are scarce. Their subsistence and scholarship allowances should be extended to permit completion of

their higher education. The return to the Nation of the higher incomes which the added skills will enable these veterans to produce will more than compensate intial outlay.

For nonveterans the Government should inaugurate stipend allowances based upon scholarship qualifications to enable the youths now completing high school to go on to higher education.

The same reasons which apply to the necessity for extension of the veterans' programs are applicable here.

(b) Reestablish Civilian Conservation Corps.

There is a great backlog of conservation work, fire prevention, park maintenance, etc., which has been accumulated.

A nonmilitary youth conservation corps providing 1 year of useful, healthy outdoor activity will be beneficial to the youth, increase incomes, and relieve pressure on the labor market.

5. Provide adequate Employment Service appropriation

During a period of unemployment and job scarcity the work of the Employment Service becomes increasingly important.

Prompt job referrals and adequate coverage of employment prospects will minimize the incidence of unemployment.

Adequate studies of skills and adaptability to new skills will greatly enhance retraining of workers for occupations which appear more promising.

In conjunction with the above services, the Employment Service should be authorized to provide financial assistance for transportation of workers and their families to new job sites.

The foregoing proposals are admittedly not the answer to the basic problems in our economy which must be met and solved if we are to have long-term sustained economic stability and growth.

They are, however, immediate things which the Government can do to mitigate the rate of economic decline and ameliorate the conditions of the initial victims of business recession.

The longer-range problems cannot be overly delayed.

Experience in the postwar should teach us that distortions in the distribution of income cannot long continue before its effects produce an insufficiency of demand relative to output and consequent adjustments of investment, output, and employment.

We need tax, wage, and price policies that will make for increasing levels of consumption expenditures both absolutely and as a percent of total demand.

We need liberal credit policies and profits as an incentive to investment and output but profit rates that coincide more in line with the reduced long-time trends in the cost of securing capital and with the proper amounts necessary to induce sustainable levels of investment.

We need a national labor and wage policy designed to stimulate and strengthen free collective bargaining, rather than restricting it, high minimum wage standards, both of which should reflect in real wage income the growing productivity of our work force and the level of consumption necessary to sustain maximum production.

We need to recognize, as the postwar experience is teaching us, that increasing levels of Government and private investment, in the absence of the stabilization measures implied in the brief comments here, tend to become self-nullifying and in the end cannot avert the consequence of growing economic imbalance.

Finally, we have to recognize that ours is a dynamic economy which requires continued expansion or else it declines.

A goal of 60,000,000 jobs may have corresponded to full employment in 1946 but a growing population and the productivity which as yet uncovered technology will give us requires setting our sights for the 1950's far above 60,000,000 jobs.

TABLE I.—*Civilian labor force, employment, and unemployment*

Period	Civilian labor force	Employed workers			Unemployed	Unemployed as a percent of civilian labor force
		Total	In nonagriculture	In agriculture		
1948—January	59,214	57,149	50,089	7,060	2,065	3.5
February	59,778	57,139	50,368	6,771	2,639	4.4
March	59,769	57,329	50,482	6,847	2,440	4.1
April	60,524	58,330	50,883	7,448	2,193	3.6
May	60,422	58,660	50,899	7,861	1,761	2.9
June	63,479	61,296	51,899	9,396	2,184	3.4
July	63,842	61,615	52,452	9,163	2,227	3.5
August	63,186	61,245	52,801	8,444	1,941	3.1
September	62,212	60,312	51,590	8,723	1,899	3.1
October	61,775	60,134	51,506	8,627	1,642	2.7
November	61,724	59,893	51,932	7,961	1,831	3.0
December	61,375	59,434	52,059	7,375	1,941	3.2
1949—January	60,078	57,414	50,651	6,763	2,664	4.4
February	60,388	57,168	50,174	6,993	3,221	5.3
March	60,814	57,647	50,254	7,393	3,167	5.2
April	60,835	57,819	49,999	7,820	3,016	5.0
May	61,983	58,694	49,720	8,974	3,289	5.3

Source: Census Bureau's Monthly Reports on the Labor Force.

EXPLANATION OF TABLE I

Civilian labor force, employment, and unemployment

These data are taken from the Census Bureau's monthly reports on the labor force. That survey is an approximation of the national situation derived from a sample of the population.

The Census Bureau has stated it is "neither a minimum nor maximum measure" of unemployment.

It has been criticized as an understatement of the true unemployment situation in its total economic context.

These estimates have consistently been referred to as reflecting merely frictional unemployment, i. e., people temporarily in between jobs not primarily attributable to economic factors.

This is a mistaken interpretation.

The Census estimate of unemployment reflects only those people totally unemployed at least 1 week and who volunteered the information that they were actively seeking work.

Excluded from the labor force estimates are the so-called inactive unemployed. Persons totally unemployed but who are not actively pressing upon the labor market. Three Census test surveys June 1947, February 1948, and June 1948 indicate that inactive unemployment averaged 20 percent of reported unemployed. In May 1949 this group would have increased reported unemployment 660,000.

Excluded from the number reported unemployed and included as employed but not at work are a group of persons not working but reported as—

(a) Temporarily laid off with definite instructions to return to work within 30 days of lay-off.

(b) Scheduled to report to a new job or business within the following 30 days.

Category (a), it has been pointed out, becomes increasingly less definite as economic activity declines and lay-offs increase. The employers' intention to recall laid-off workers and the new job prospects become increasingly negated by worsening of the business outlook.

It can be seen also that (a) and (b) occurring consecutively could result in a worker being totally unemployed for 60 days, yet classified as employed in the census estimates.

Excluded from the number unemployed and reported as employed in census estimates are persons who may have worked as little as one hour a week by reason of economic conditions.

If there is such a concept as frictional unemployment its measurement is to be found in a portion of the persons excluded from the Census estimates of unemployment.

In reading the table, it should be borne in mind that the movement of the nonagricultural group is most significant. For, the figures on agricultural employment are subject to certain qualifications and interpretations. Agricultural employment is sharply seasonal, and this has to be taken into account in reading down the column of figures. Also, agricultural employment is flexible. It reflects the situation prevailing in the relatively more attractive city employment. A city worker returns to the family farm during periods of lay-offs or unemployment. Whether as a worker on the farm in the true sense is not too well known.

Nonagricultural employment figures are extremely important, first because five-sixths of all workers are so engaged. This is the segment of the labor force which is subject to sudden or prolonged changes in economic conditions. These are the people who comprise the bulk of consumers and are most dependent on their weekly pay envelope for their ability to buy goods and services. These are the people who possess great unmet wants that represent a huge aggregate of potential demand.

No statistical figure in this table, no percentage of the total labor force represented as unemployed, is a matter to be viewed with equanimity, or these figures do not represent some frictional unemployment of people in between jobs who are just getting readjusted. These figures are a minimum estimate of real unemployment.

TABLE II.—*Changes in nonagricultural employment and total unemployment*

NONAGRICULTURAL EMPLOYMENT

[In thousands]

	1948	1949	Increase (+) or decrease (−)
January	50,089	50,651	+562
February	50,368	50,174	−194
March	50,482	50,254	−228
April	50,883	49,999	−884
May	50,800	49,720	−1,080

TOTAL UNEMPLOYMENT

January	2,065	2,664	+599
February	2,639	3,221	+582
March	2,440	3,167	+727
April	2,193	3,016	+823
May	1,761	3,289	+1,528

Source: Census Bureau Monthly Reports on the Labor Force.

EXPLANATION OF TABLE II

Changes in nonagricultural employment and unemployment

This table sets forth changes in employment and unemployment of nonagricultural workers, arranged to enable the reader to see what has occurred in comparable time periods. In January 1948, 50,089,000 persons were employed in nonagricultural pursuits. A year later 50,651,000 were so employed, a gain of 562,000. But during the same time span unemployment had increased from 2,065,000 in January 1948 to 2,684,000 in January 1949, an increase of 599,000. Here is noted a phenomenon of both increased employment and increased unemployment.

But in no monthly comparisons since January has this occurred. On the contrary, each monthly comparison shows a decrease in the number of employed workers and an increase in the number of unemployed.

Let us look at one or two displays. From February 1948 to February 1949 nonagricultural employment dropped 194,000. During that time unemployment increased 582,000. From May 1948 to May 1949 employment decreased by 1,080,000; while unemployment increased by 1,528,000 workers. This represents a loss of jobs for employed workers and the failure of new entrants to secure employment.

While there is no regular pattern of increments of declining employment of nonagricultural workers, each successive monthly comparison shows a substantial decrease over the previous month. If a rate of decline persists for the period ahead as is shown for recent months, it would indeed prove frightening.

Each successive year-to-year comparison from February 1948 through May 1949 shows mounting unemployment, and with sizable increments.

Lone Star Steel

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. PATMAN. Mr. Speaker, much has been said recently about the application of the Lone Star Steel Co., of Lone Star and Dallas, Tex., for a loan of $74,000,000 from the Reconstruction Finance Corporation for the purpose of establishing an integrated steel plant at Lone Star, Tex.

This project was commenced just before World War II, and although the blast furnace was practically complete when the war was over, the plant had never gone into production. The last year, however, it has been in production and producing from 1,000 to 1,200 tons of pig iron a day. It is good pig iron and sells for a premium price. In addition, it produces valuable coke and many valuable byproducts.

It is well known that a plant of this type cannot survive indefinitely making pig iron alone.

Mr. John W. Carpenter initiated this project and no person worked harder for its success than Mr. Carpenter. This week Mr. Carpenter sent to President Harry S. Truman a telegram, which gives an interesting history of the project and also recommends the loan applied for. It is as follows and is self-explanatory:

The Honorable HARRY S. TRUMAN,
President of the United States,
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: I have just sent the following telegram to the Chairman and members of the board of Reconstruction Finance Corporation, Washington, D. C.:

"I am communicating with you with reference to loan application of Lone Star Steel Co. As president of Texas Power & Light Co., I caused to be made an extensive investigation of iron-ore deposits in east Texas. Said investigation was made at great expense and over a long period of time. The investigation revealed that there are large rich deposits of iron ore in east Texas. At my expense I had iron ores assayed and tested as to iron-making kind and quality and found that the ores were suitable for profitable commercial operations.

"I caused also to be made tests as to quantity and quality of Oklahoma coals to determine as to suitableness for coke making, both as to blast-furnace and foundry uses, and found the coal highly suitable for profitable use in both blast-furnace and foundry operations. I found that there was large and inexhaustible quantity available at low cost of mine operations. In 1940, I advanced the funds for the organization of Lone Star Steel Co. and served as its president until 1947. During that time the facilities now located near Daingerfield were constructed and erected by Lone Star Steel Co. as agents for Defense Plant Corporation. The plant and properties were economically well constructed, designed, and built by some of the Nation's most highly qualified engineers and construction men. Dr. George H. Anderson whom, I understand, is one of Lone Star Steel Co.'s representatives negotiating with you for the loan which will be used in the building of steel facilities. Dr. Anderson is thoroughly familiar with the facts pertaining to Lone Star Steel Co.'s plant and property both in Texas and in Oklahoma. He is imminently qualified to pass upon these matters with reference to the loan now pending. I obtained the services of Dr. George H. Anderson from and upon the advice of Dr. Stein, vice president of du Pont Co., Wilmington, Del.

"After years of investigation and work and great expenditures of funds in proving the usefulness of Texas ores and Oklahoma coals for above-named purposes and after building facilities of Lone Star Steel Co. and after having acquired the properties from War Assets Administration, it is tragic to see other large steel interests utilizing east Texas iron ores which were proven and tested as to usefulness as above stated and also utilizing Oklahoma coals which were proven and tested by Lone Star Steel Co. as above stated and successfully using the same in the production of iron and steel. I say that it is a tragic affair that Lone Star Steel Co. was denied the loan during the war times as its application embraced to build a completely integrated steel plant and at the same time approval was given to application of other steel companies to build similar plants in this area and to use the same materials, both iron ore and coal, that were discovered and proven as to their usefulness at the expense of first Texas Power & Light Co. and Lone Star Steel Co. In 1947, due to my health and also due to increased responsibilities with Texas Power & Light Co., I resigned as president of the company and asked the board of directors to elect E. B. Germany, which was done. I have continued as a member of the board of directors of the company and am vitally and deeply interested in seeing Lone Star Steel Co. completed to a fully integrated steel plant. The value of the iron ores and coal fields and plant facilities and other properties exceeds the amount estimated in the loan application now filed with you. The value is considerably more than the amount of the loan requested and the Reconstruction Finance Corporation not only will be fully justified in making the loan to the Lone Star Steel Co. as per its application in the amount of $74,000,000 but it will be rendering a public service to the economy of our whole country and especially rendering a service to the economy of the people of the five Southwest States: Texas, Oklahoma, Arkansas, Louisiana, and New Mexico. The loan as above stated is fully justified and the security offered by the company safeguards RFC amply for making the loan and it will all be paid back and RFC will lose no money whatever but the making of the loan will redound to the credit of the officers of RFC for helping a worthy struggling concern which will become with the help of RFC a valuable asset to our entire country. It will be a substantial taxpayer. It will be a stabilizing influence in the economy of the five Southwestern States and the entire United States. The making of this loan as per the application of Lone Star Steel Co. will be a demonstration that the welfare of independent concerns such as the Lone Star Steel Co., which is owned almost wholly by the people of Texas and the Southwest is and will be safeguarded and encouraged by RFC. The failure to make this loan will be most regrettable and unfortunate. I have spent the past 50 years in building and constructing and operating properties as large and some of which are larger than Lone Star Steel Co.'s properties, and I believe that my appraisal of the values of Lone Star Steel Co. and its future possibilities are conservative.

"I serve as a member of the RFC in Dallas and have for many years, and I have had an opportunity to look in upon and appraise many of the loans made by RFC for other kinds of projects and industries, and it is my candid and honest opinion that Lone Star Steel Co.'s plant and its operations and the results of the same will give RFC a feeling of great satisfaction and pride for having helped an industry that has already proven its merit and worthiness.

"With highest regards,

"JOHN W. CARPENTER,
"Chairman of the Board,
"Texas Power & Light Co."

The Lone Star Steel Co. enterprise was founded and built without any promotion expense whatever, as I am sure you already know. The Honorable SAM RAYBURN, Speaker of the House; the Honorable WRIGHT PATMAN, Member of Congress; and the Honorable TOM CONNALLY, United States Senator from Texas, I am sure, will vouch for the integrity and patriotism of Lone Star Steel Co. and the men who organized and built it. These gentlemen and other Members of the Senate and Congress from the five Southwestern States helpfully cooperated in many respects to the end that an efficient pig-iron plant, including blast furnace, coke ovens, and other facilities and auxiliaries, were built; but the steel-making facilities which our application called for were not then approved. The Lone Star Steel Co.'s plant is incomplete until steel-making facilities are added as per plans and specifications which have been filed with the Reconstruction Finance Corporation, together with application for loan for the same. As stated in my telegram to RFC, above, the value of properties of Lone Star Steel Co. already built and owned is more than the amount requested in loan application.

I am sending this to you because I believe that it is in accordance with your policy to be helpful with such an enterprise as this one, and anything that you may say or do in behalf of Lone Star Steel Co.'s application for the loan will be deeply appreciated by the people of the Southwest.

With highest regards, I am,

Sincerely yours,

JOHN W. CARPENTER.

What Price Freedom?

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1949

Mr. MANSFIELD. Mr. Speaker, under unanimous consent, I am inserting an article, What Price Freedom?, presented as a public service by the International Latex Corp. and which appeared in the Washington Post on Thursday, June 30, 1949.

I want to commend to the Congress the thoughts expressed in this article by Chancelor Robert M. Hutchins, of the University of Chicago. They are well worth the spending of a little time on because, in these trying days, it is heartening to hear a man of Chancelor Hutchins' ability and integrity speak out on the question of freedom.

The times call for an awareness of our great American heritage and a recognition that the freedoms which are so peculiarly ours must be maintained if we are to go forward and remain great. These principles which have been handed down to us must not be lost through complacence but rather they must be maintained to the end that this country will continue to furnish the right kind of leadership to our own people and to a world sorely in need of guidance at this particular phase in its history.

The article follows:

WHAT PRICE FREEDOM?

(By Robert M. Hutchins, chancelor of Chicago University, at the two hundred and thirty-seventh convocation)

We hear on every side that the American way of life is in danger. I think it is. I also think that many of those who talk the loudest about the dangers to the American way of life have no idea what it is and, consequently, no idea what the dangers are that it is in.

You would suppose, to listen to these people, that the American way of life consisted in unanimous tribal self-adoration. Down with criticism; down with protests; down with unpopular opinions; down with independent thought. Yet the history and tradition of our country make it perfectly plain that the essence of the American way of life is its hospitality to criticism, protest, unpopular opinions, and independent thought. A few dates like 1620, 1776, and 1848 are enough to remind us of the motives and attitudes of our ancestors. The great American virtue was courage.

We ought to be afraid of some things. We ought to be afraid of being stupid and unjust. We are told that we must be afraid of Russia, yet we are busily engaged in adopting the most stupid and unjust of the ideas prevalent in Russia, and are doing so in the name of Americanism. The worst Russian ideas are the police state, the abolition of freedom of speech, thought, and association, and the notion that the individual exists for the state. These ideas are the basis of the cleavage between east and west.

Yet every day in this country men and women are being deprived of their livelihood or at least their reputation, by unsubstantiated charges. These charges are then treated as facts in further charges against their relatives or associates. We do not throw people into jail because they are alleged to differ with the official dogma. We throw them out of work and do our best to create the impression that they are subversive and hence dangerous, not only to the state, but also to everybody who comes near them.

The result is that every public servant must try to remember every tea party his wife has gone to in the past 10 years and endeavor to recall what representatives of which foreign powers she may have met on these occasions. A professor cannot take a position on any public question without looking into the background of everybody who may be taking the same position on the same question. If he finds that any person who is taking the same position on this question has been charged with taking an unpopular position on another question, the professor had better not take any position on this question, or he may be haled before some committee to explain himself.

Is this the American way of life? The great American word is freedom, and in particular, freedom of thought, speech and assembly. Asserting the dignity of man, and of every man, America has proclaimed and protected the freedom to differ. Each man is supposed to think for himself. The sum of the thoughts of all is the wisdom of the community. Difference, disagreement, discussion decided by democratic processes are required to bring out the best in the citizens. America has grown strong on criticism. It would be quite as consistent with the American way of life to offer prizes for the most penetrating criticism of our country as it would be to offer prizes to those who have done the best job of advertising it.

The heart of Americanism is independent thought. The cloak-and-stilleto work that is now going on will not merely mean that many persons will suffer for acts that they did not commit, or for acts that were legal when committed, or for no acts at all. Far worse is the end result, which will be that critics, even of the mildest sort, will be frightened into silence. Stupidity and injustice will go unchallenged because no one will dare to speak against them.

To persecute people into conformity by the nonlegal methods popular today is little better than doing it by purges and pogroms. The dreadful unanimity of tribal self-adoration was characteristic of the Nazi state. It is sedulously fostered in Russia. It is to the last degree un-American.

American education has not been constructed on such un-American principles. In general, the practice has been to give the student the facts, to try to help him learn to think, and to urge him to reach his own conclusions. It is not surprising that the heart of American education is the same as that of Americanism: It is independent thought. American education has not tried to produce indoctrinated automatons, but individuals who can think, and who will think always for themselves. The basic principle of American Government, and one that accounts for the importance of education in this country, is that if the citizens learn to think and if they will think for themselves, the Republic is secure. The basic principle of the Russian dictatorship is that the people cannot think or cannot be trusted to think for themselves.

The American doctrine rests on the proposition that it is the individual in himself that counts. It is not who his father was, or how much money he has, or what his color or creed is, or what party he belongs to, or who his friends are, but who and what is he? So the test of a teacher is whether he is competent. The professional competence of a teacher is hardly a question on which lay bodies, or even administrators or trustees, would wish to pass without the advice of persons professionally competent in the teacher's field.

If we apply any other test than competence in determining the qualifications of teachers we shall find that pressures and prejudice will determine them. In 1928 it was said that Al Smith could not be President because he would be subservient to a foreign power; and today in many places, and if not today it may happen tomorrow, anti-Catholic or anti-Jewish campaigns may mean that teachers who belong to those churches will not be able to practice their profession.

Teachers may be expected to obey the law of the land. But it is still permissible, I hope, to ask whether a law is wise. To discriminate against teachers, to act as though they were all disloyal, and to put them under special legal disabilities seems injudicious if we want able, independent men to go into the teaching profession.

The assumption appears to be that American education is full of Reds, an assumption that is the precise reverse of the truth. All the excitement of the last few years, all the hearings, investigations, and publicity releases, have not turned up more than four or five Communist professors, even though membership in the party has been perfectly legal up to now. To require oaths of loyalty from all because of the eccentricity of an infinitesimal minority is an unnecessary and derogatory act. And of course it will not effect any useful purpose; for teachers who are disloyal will certainly be dishonest; they will not shrink from a little perjury.

The way to fight ideas is to show that you have better ideas. No idea is any good unless it is good in a crisis. You demonstrate the failure of your ideas if, when the crisis comes, you abandon them or lose faith in them or get confused about them to the point of forgetting what they are. The American idea is freedom. Freedom necessarily implies that the status quo may come under the criticism of those who think it can be improved. The American idea is that the state exists for its citizens and that change in society must occur to meet their developing needs. The whole theory of our form of government is a theory of peaceful change. Many of the changes that Marx and Engels demand in the Communist manifesto have taken place in this country, and they have taken place without communism, without dictatorship, and without revolution, thus disproving, incidentally, one of the central theses of Marx and Engels, that such things cannot be accomplished without communism, dictatorship, and revolution.

These reflections on the Communist manifesto lead me to say that labeling some thing or some man Communist because Communists happen to favor it or agree with him, that easy process by which one disposes of different views by applying a dirty name to them, involves the negation of thought of any kind. If it had been applied consistently in American history it would have deprived us of some ideas and some men that we are proud to think characteristically American. For example, the Communist manifesto demands free education for all. Are we therefore to recant, and renounce the American doctrine of free education for all?

And what would the FBI say of Thomas Jefferson, who calmly remarked in his first inaugural, "If there be any among us who wish to dissolve this union, or change its republican form, let them stand undisturbed, as monuments of the safety with which error of opinion may be tolerated where reason is left free to combat it"?

Jefferson was not in favor of revolution; he was serene in the face of talk of it because he had confidence in our people, in our institutions, in democracy, and in the value, power, and results of independent thought.

We are now in the midst of a cold war. We must protect ourselves against external enemies, their representatives in this country, and any citizens who may be conspiring to overthrow or betray the Government. But the statute books are already filled with laws directed to these ends. It has never been shown that there are so many spies or trait-

ors in this country, or that the external danger is so great and imminent that we have to divert the entire attention of our people into one great repressive preoccupation, into one great counter-revolution in which the freedoms of our citizens must be thrown overboard as too burdensome for the floundering ship of state to carry.

It is useful to remember that Jefferson spoke in 1801, when our Constitution was 12 years old, and when the infant Republic was in dreadful danger from deep divisions within and from the wars that were raging between the great powers. If he was right in speaking in such a way at such a time, we cannot be far wrong if now, when America is the most powerful nation on earth, we seek to recapture some of his sanity and courage.

How is the educated man to show the fruits of his education in times like these? He must do it by showing that he can and will think for himself. He must keep his head, and use it. He must never push other people around, nor acquiesce when he sees it done. He must struggle to retain the perspective and the sense of proportion that his studies have given him and decline to be carried away by waves of hysteria. He must be prepared to pay the penalty of unpopularity. He must hold fast to his faith in freedom. He must insist that freedom is the chief glory of mankind and that to repress it is in effect to repress the human spirit.

Farmers Want North Fork, Kings River Development

EXTENSION OF REMARKS
OF
HON. CECIL F. WHITE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 1, 1949

Mr. WHITE of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following telegram:

FOWLER, CALIF., *June 30, 1949.*
Congressman CECIL F. WHITE,
House of Representatives,
Washington, D. C.:

Your action in introducing bill H. R. 5264 asking for North Fork, Kings River development as an integral part of the Central Valley project by the Bureau of Reclamation will meet with the hearty approval of the big majority of the farmers residing in the Kings River area.

L. L. MILLER,
Member, Advisory Council, Rivers and Harbors Congress.

Valley of the Dammed

EXTENSION OF REMARKS
OF
HON. WILLIAM LEMKE
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 1, 1949

Mr. LEMKE. Mr. Speaker, the McLean County Independent of North Dakota has been publishing a series of articles by Bigelow Neal entitled "Valley of the Dammed."

These articles show the arrogance and abusive manner in which people are deprived of their property in violation of the constitutional provision that private property shall not be taken for public use without just compensation. This by the so-called real estate division of the Army engineers.

The articles contain a great deal of humor for the reader, but I can assure you not for those who lived in the Valley of the Dammed. The articles are instructive and thought provoking. They challenge our sense of justice. Below are the first two installments of the articles entitled "Valley of the Dammed":

VALLEY OF THE DAMMED
(By Bigelow Neal)

PART I

First of all I plead guilty to the charge of stalling. I did just that last week and I am compounding the felony in this issue for the sole purpose of getting the greatest coverage possible before beginning my story.

This week, then, I am devoting my time to things I dislike in any composition, namely: Introductory remarks. My excuse lies in the necessity for some understanding, on the part of my readers, of the motives and scope of this series of articles as well as the spirit which lies behind them both with the McLean County Independent and myself.

We are not engaged in a commercial activity. Many years ago I came to the conclusion that a man who started out writing for nothing would continue writing for the same compensation, and I have made it a rule, except in an occasional public service or charitable cause, never to pull the cover from my typewriter unless someone paid me for so doing. But there are times, such as this, when the cause becomes greater than any idea of personal gain. Accordingly, whatever this document may prove to be, you who read are to know that the writer is sincere and is telling the truth as he is able to see it.

As for the Independent, it is impossible to profit by these articles. It can sell a few subscriptions, it is true, but the real value of a subscription lies in its effect on the advertising rates of the paper. Trying and hoping as we are to reach up and down the Missouri River and out on either side wherever land is to be taken for the gigantic piece of construction now under way, most of this temporary circulation would be beyond the interest of local advertisers. In the main then it is, to the paper as well, an act of public service.

You will wonder, if this is a noncommercial venture, why the issues following this will be copyrighted. The answer is that I intend parts of this for national publication and if it were not protected here, it would be unsalable in the East. All of which doesn't mean that any North Dakota paper can't republish parts of this document with no more expense than that of the letter asking permission.

Later on I shall adopt an attitude highly critical of the methods employed by the real-estate division of the Army engineers in purchasing these lands of ours. Before I reach that point I should like to have it clearly understood not only that I have no enemies among them but that most of them are among my personal friends. If anything I say reflects in any way on their personal characters, it is because of an error or lack of clarity on my part.

As a matter of fact, these men of Riverdale are fine people. As personal friends or business associates it would be difficult to beat them. The difficulty comes when, as fathers of families, they must have their salaries to support their dependents and, to earn these salaries, they do as they are told.

Doesn't this imply that there are much worse men somewhere behind them? No; it doesn't. Neither you nor I can ever find the men who are to blame for this tragedy which has settled like a shroud over the valley of the Missouri. This for the simple reason that those men do not exist. It is solely a matter of a mob doing things which no individual member of a mob would be apt to do. It's what you might call a psychological steam roller built upon the foundation of a policy. Somebody started it. Nobody knows how to stop it.

The basic question we have to consider here is not the honesty of individuals or even mobs. It is this, and I say it with all reverence, how long can Almighty God allow the rights of a defenseless minority be crushed under the iron heels of a greedy majority?

No; you're wrong again. I freely admit the necessity of controlling the Missouri River. I grant without a question the right of the Government to take these lands. Had I the power to destroy the whole project with a wave of my hand, I'd sit on my hand until my fingers went to sleep.

If those last two paragraphs sound a bit contradictory, we'll let it go at that for the present.

And so, beginning next week, with no thought of malice or revenge, with hatred for no man and with a friendship for many of whom I must be the most critical, I'll go down into the murky depths of this land purchase and rental program.

But before I sign off, speaking on behalf of my neighbors and of the perhaps 50,000 families who must sacrifice their homes to the building of this mighty project, I want to thank the McLean County Independent for doing what no one else has dared to do. That is to amplify a voice speaking in the interests of simple justice in a land where so many people expect to be made rich at the expense of a few.

PART II

A little more than a year and a half ago, I lived in a prosperous and happy community.

Today it is lonely and desolate and cold. Where once there was laughter and happiness, today it is a land of silence under a mantle of gloom.

Then it was a place where men fashioned out of the soil the answers to their prayers. Now it is a graveyard of human dreams, where only the songs of the coyotes echo among the tombstones.

Strange, isn't it, that such a devastating blight could strike so suddenly and with such deadly effect? Here we have been shaken by the assaults of hail and drought and grasshoppers. We have weathered depression, hot winds, blackleg, smut, and blizzards. But it seems that we did not know the worst. And least of all did we realize that our deadliest enemy would be none of these things or that, when it came, it would prove to be something of which we never had given a moment's thought—the greed of man, the cold grip of human cupidity closing about our throats.

The story of how this came about is sordid. In no place among all its chapters is there a rift where the sun shines through. It is the story of this greed. It is the story of stupidity. It is the story of man's cruelty to man.

I say these things because there is no reason for what has happened. Not a single soul has gained, or ever will, by the unnecessary losses that we of the Missouri River Valley have suffered. We have lost more than most of us can ever regain. Those who have done this thing have put themselves—in God's own good day—under the sword of their own merciless consciences. Sooner or later that sword will fall. To those who have done this thing, the future offers even less than it does to those who have been wronged because as a great scientist once said, "To every action there is an equal and opposite reaction." The pendulum may swing far to one side but, as sure as the sun rises and sets, it will come back.

And so it is that with personal malice toward no living soul, with hatred for none,

with no idea of revenge or spite, with no desire to hurt or to wound or destroy, I am pleading the cause of more than 100,000 men, women, and children yet to be crushed under this steam roller of stupidity, stoked by the fires of greed. And I say to you that, under the hands of one who has the ability, a typewriter is more dangerous than all the atomic bombs in the stock pile of Mars. God grant me the ability, just this once, if never again, to do this thing well.

Once, long years ago, a magazine editor, for whom I have worked for a quarter of a century, told me that a man who deliberately wrote a story with a sad ending had no mission in life. Since then, no matter how far into the depths my stories have gone, in the end, I have turned on the sunshine and my yarns have closed on a happier note. But, in this one, we go down and down through layer after layer of shadow into a darkness too deep for the brightest sun to penetrate. And there, when the time comes, I must leave it. The very best I can do is to hope and pray that man is better than I have been forced to believe and that, some day, the pressure of public opinion may turn a great wrong into a right and that thus the sun may come to shine again.

A declaration of principles

First, I would have you understand that none of us in the Valley of the Missouri—even had we the power—would prevent the building of this dam and this project. We freely acknowledge that it is right. In connection with this great project we have offered, without complaint, every necessary sacrifice.

Second, we never have, we do not, and we will not fight the Government of the United States or any part of it that acts within the law or within the limits placed upon its activities by the Congress of the United States or the Supreme Court of the United States.

Third, we will obey promptly and with full reverence and with full respect every order of the United States district court.

I say these things by virtue of that authorization which comes from more than half a century of association with my neighbors. I know they would have me say exactly this in their behalf.

The people who must suffer

Probably you will notice with something of a shock that I have given the number of people to be driven from their homes by this project as 100,000.

I refer, of course, to all to be displaced under the Pick-Sloan plan and the official estimate has been 20,000 families. Multiplying that number of families by the usual five to the family, as the average, we get 100,000.

As a matter of fact, my experience with the propaganda given out by these people, has been that 100 percent up or down, in the direction of their prejudice, is somewhere near the right figure.

In the number of families to be moved by the Garrison Dam alone, they started with 500, not including Indians. For 2 years the figure has enjoyed a normal growth until now it is given as between seven and eight hundred. I fully expect this figure to reach maturity at between fifteen hundred and two thousand. Perhaps you will remember that the original cost of the Garrison Dam was placed at $140,000,000. But after the dam was authorized, the figures derived so much nourishment from some source that they have grown now to around $177,000,000; and they probably are a long way from maturity.

If this same rate of growth applies to the number of people to be moved, it is likely that it will exceed 200,000. But for this narrative I will stick to the engineer's estimate of now—20,000 families or 100,000 men, women, and children.

Outline

Truly, this is the most contrary narrative I have undertaken in 25 years. No matter where I begin or on what part of the subject, I find so many things I should have covered first that my story threatens to move backward faster than it goes ahead. As it stands now, I am in real danger of coming out the front of my story instead of the back. I am introducing a tentative outline here so that the readers and the author may both have some idea where they are going:

1. The Army Engineer Corps.
2. The method of appraisal.
3. My personal experience with a negotiator.
4. Here because of my conversation with said negotiator I shall drop back to explain what is meant by the Department of Justice.
5. The United States District Court.
6. The United States marshal and his part in the transaction.
7. The legal rights of the landowner.
8. Procedure in court.
9. Securing an attorney.
10. The question of the legality of options already signed.
11. The land-rental program.
12. The disposal of buildings.
13. The lease.
14. The question of income tax on funds received from the Government.
15. What might have been done and what should have been done.

Revamping the Nation's Foreign-Trade Policies

EXTENSION OF REMARKS

OF

HON. GEORGE W. MALONE

OF NEVADA

IN THE SENATE OF THE UNITED STATES

Friday, July 1 (legislative day of Thursday, June 2), 1949

Mr. MALONE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a dispatch entitled "Fight Trade Policy, Young GOP Urged," from the Salt Lake Telegram of June 24, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIGHT TRADE POLICY, YOUNG GOP URGED

(By Will Jarvis)

Senator GEORGE W. MALONE, Republican, of Nevada, Friday urged young Republicans to work for a revamping of the Nation's foreign-trade policies, which he said are "ruining our living standard and destroying our industry."

Speaking before the Young Republican National Convention Friday afternoon in Newhouse Hotel, he gave a sweeping denunciation of:

1. Economic Cooperation Administration (Marshall plan).

2. Proposed 3-year extension of the 1934 Trade Agreements Act, generally called the reciprocal trade agreements.

3. Proposed adoption by this country of the International Trade Organization principles.

ATTACKS TRUMAN

He also attacked President Harry S. Truman's bold new program and what the Senator termed the "bipartisan foreign policy myth."

In their stead, Senator MALONE said he wanted to see a workable American policy which would include:

"1. A flexible import fee system to maintain our high standard of living through the floor under wages, while we help other nations to raise their own.

"2. The rebuilding of our national defense organization to the point that it can protect us against any overt gesture from governmental systems that seek to penetrate either our territory or those countries whose integrity is important to our ultimate peace and safety."

OPEN-DOOR POLICY

"3. An extension of the Monroe Doctrine, or open-door policy, to embrace all nations in Europe and Asia, whose cooperation and integrity we consider necessary to our own peace and safety.

"4. America to be the sole judge of when its peace and safety is threatened. And we would feed emergency-hungry peoples of other countries to the extent of our ability without endangering the welfare of our people."

In strong language the Senator attributed the closing of mines in the intermountain area and of other industries in different parts of the union to the three-part-free-trade program.

FEEDING WORLD

"Since the end of the war we have fed into the bottomless maw of Europe and Asia the fantastic sum of $41,000,000,000," he declared. "It is leading us into a position in which ECA-subsidized foreign factories already are underselling us in our home market."

"It is high time," he said, "that we throw away the administration's soothing sirup and analyze the symptoms of this contagious disease and work toward a real cure."

His flexible import bill, he explained, would be substituted for the 1934 Reciprocal Trade Agreement Act. His bill would turn the Tariff Commission into a foreign-trade authority with full authority to find the peril point in the matter of import fees and tariffs below which the jobs of American workmen and the industries of this Nation are threatened and should in each case automatically become the import fee or tariff, considering other factors, he said.

HITS BRITAIN

He charged Great Britain with "manipulating" its currency for a trade advantage and said that it is impossible to make effective trade agreements that does such.

Such manipulations are a form of "piracy," he added, then warned that if the administration's three-part free-trade program is adopted the Truman depression will break all records.

President Truman's bold new program, which would guarantee the investments of American industrialists who build industries in foreign countries, was described by Senator MALONE as a proposal to displace American jobs.

He quoted administration officials as saying that there can be no bipartisan foreign policy without extending it to national economic affairs.

"In which case," he said, "the Republican Party becomes merely a camp follower and there would be no need for the two-party system."

CARRY THE BALL

The junior Senator from Nevada told the Young Republicans that they could take his program and "carry the ball from Salt Lake City to the Atlantic Ocean and gather votes all the way."

Earlier the delegates heard an address on foreign policy from Representative DONALD L. JACKSON, Republican, of California, who warned that it is better to be right than simply bipartisan in foreign policy.

He especially condemned American policy toward China and said that the Republican Party had not concurred in the policy of waiting till the dust settles, as it was described by Secretary of State Dean Acheson.

"Standpatism" Assailed at Young GOP Meeting

EXTENSION OF REMARKS
OF
HON. GEORGE W. MALONE
OF NEVADA
IN THE SENATE OF THE UNITED STATES

Friday, July 1 (legislative day of Thursday, June 2), 1949

Mr. MALONE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a dispatch entitled "'Standpatism' Assailed at Young GOP Meeting," published in the Salt Lake Tribune for June 25, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"STANDPATISM" ASSAILED AT YOUNG GOP MEETING—SPEAKER ASKS PARLEY PUSH FARM-LABOR PROGRAMS

(By O. N. Malmquist)

Young Republicans of the Nation demonstrated that they can take it as well as pass it out Friday by devoting the second day of their national convention largely to self-analysis and listening to critics of the GOP or segments within the party.

Scattered but frequent outbursts of applause greeted an address by Joseph Keenan, director of the AFL labor's league for political education, who told the delegates what was wrong with the party from organized labor's standpoint.

DON'T EVADE ISSUES

United States Senator GEORGE MALONE, of Nevada, urged the young party members to "pick up the ball" which many of the Republicans in Congress shun, and come out against the hoax of free trade, which he argued is hurting the American workingman and the American economy.

Robert Elliott, a 32-year-old Republican county chairman from Oregon, lambasted what he termed the elder statesmen of the Young Republican organization and accused them of trying to cook up deals to control the movement.

"STANDPATISM" HIT

On group of critics belabored the party for "standpatism," while another group deplored disposition of some of the members to tag along with the Fair Deal.

All in all the day's sessions suggested a search for factors which make the party tick or fail to tick rather than a unifying mutual-admiration get-together.

Intermixed with the critical analysis of the Republican Party were some pointed attacks on Democratic administration policies.

DEMO POLICIES RIPPED

Representative WALT HORAN, of Washigton, a participant on the farm panel, accused Democrats of following an inconsistent and basically dishonest agricultural policy.

Representative DONALD L. JACKSON, California, who spoke on Republican responsibility in foreign policy, denounced the administration policy in China, declaring that it was originated by a China clique in the State Department and that it is not concurred in by the Republican Party.

Clarence Hill, of Kansas City, Mo., head of the agricultural division of the Republican National Committee, lambasted the Brannan farm program, describing it as a major step toward socialization which would permit one man to tell farmers how much they could plant, how much they could harvest, how much they could market, and at what price.

AIRS TRADE POLICY

The United States, said Senator MALONE in a panel discussion of the 1950 election, is getting the greatest pushing around that any nation has taken in 2,000 years of recorded history. And the hope of the party, he asserted, lies in the young Republicans who are not tied up with the opposition party by deals as to many of the elder members of the party are.

He singled out as one of the great fallacies of the administration the State Department's selective "free trade" program based upon the 1934 Trade Agreements Act. Many Republicans, he complained, have been camp followers with respect to this program for the past 15 years and still are. It now has reached the point, he continued, where there is no protection at all for American labor or industry. He argued that unless the policy is reversed the country is heading into a depression which everyone will know about in 6 months.

The Republican Party, Senator MALONE declared, historically has been the friend of the laboring man but has forgotten him lately by helping along a program which will reduce his standard of living.

The Nevada Senator proposed as a substitute for the reciprocal trade program (which he declared is not reciprocal) a flexible import fee system designed to establish a market for foreign goods in this country on a basis of domestic costs. This, he maintained, would place a floor under the wages of American workers and at the same time permit assistance to other nations in raising their standard of living.

FREE TRADE SOUGHT

"When all nations achieve a level whereby production is based on a living standard as high as own own," he continued, "then under the flexible import fee system we automatically would have free trade.

"I suggest that this convention break the trail for the Nation. * * * Young Republicans are not involved in any bipartisan deals and you have the energy and driving power to do the job."

Mr. Keenan bluntly and forthrightly told delegates that organized labor had been more disposed to support Democratic than Republican candidates. He offered a long list of reasons why, all of them revolving around the simple proposition that most Democrats in Congress vote for bills labor supports while most Republicans vote against them.

Europe Fears United States Will Cut Imports

EXTENSION OF REMARKS
OF
HON. WALTER F. GEORGE
OF GEORGIA
IN THE SENATE OF THE UNITED STATES

Friday, July 1 (legislative day of Thursday, June 2), 1949

Mr. GEORGE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Europe Fears United States Will Cut Imports," written by Michael L. Hoffman, and published in the New York Times of June 28, 1949.

In my opinion the article is particularly pertinent at this time because of the fact that Congress has been unable to act on the reciprocal trade agreements legislation prior to June 30, 1949. It is anticipated, however, that the trade agreements legislation will be considered at the conclusion of consideration of the North Atlantic Pact.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EUROPE FEARS UNITED STATES WILL CUT IMPORTS—WONDERS HOW IT CAN HEED ECA PLEA TO INCREASE EXPORTS IF BARRIER IS PUT UP

(By Michael L. Hoffman)

ANNECY, FRANCE, June 27.—Fear that the United States is on the verge of scuttling its 15-year-old policy of gradually encouraging increased imports is spreading over Europe like a plague.

This correspondent recently has talked with more than a dozen top-ranking European economists about the consequences to Europe of an American price recession. Without exception they have cited the threat of increased import duties resulting from pressure on Congress by industries fearful of competition in a tight market as the main in some cases the only thing that they fear.

Here at Annecy there has been noticeable tightening in the negotiations for all around tariff cuts in which 34 countries are engaged. News of agitation in American industrial circles for duty increases is one of the factors making European negotiators cool toward the idea of reducing their own tariff restrictions.

TARIFF HELD ALL-IMPORTANT

In the eyes of European economists and responsible economic officials of governments, American policy on tariffs is far more important than a few hundred million dollars one way or another in next year's Marshall plan appropriation. If the United States adopts the policy of shutting out European goods as soon as they become competitive they say there is little use in the Marshall plan at all.

For 2 years the United States has been lecturing Europeans to build up exports to the dollar area. This is essential if Europe is to become viable and to become viable is an obligation the western countries undertook in joining the Marshall plan.

The Economic Cooperation Administration is now engaged in a big drive to force Europe to take great risks by loosening trade barriers and making currencies more freely convertible. Europeans are beginning to ask whether there is any use taking risks, including depreciating their currencies, to improve the competitive position of European exports if the only market in which they can earn dollars is to be closed to one commodity after another as soon as their competition makes itself felt.

COMPETITION STAND QUESTIONED

It is very difficult for Europeans to understand why Americans feel so strongly that there must be competition within Europe when the United States seems so reluctant to accept competition at home.

It is even more difficult for them to understand how the country which presents the major world economic problem by the incomparably high productivity of its labor and industry can fear competition from people that have neither tools nor resources to match those of the United States.

No responsible European underestimates the difficulty of allowing goods to be imported when the effect is to reduce prices or sales of home-produced products. Some European governments, however, are doing just that in the interests of a better balanced European economy and creation of a wider area of competition. All western European countries are being urged to take similar difficult steps by the ECA.

Inasmuch as the outstanding element of unbalance in the world economy is the low level of United States imports compared to United States exports. Europeans are beginning to ask more and more insistently whether the United States really intends to give them a chance to redress this unbalance in the only way that it can be done soundly—by selling more goods to the United States.

Ratification of the Habana Charter

EXTENSION OF REMARKS

OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 10, 1949

Mr. FULTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by the National Federation of Business and Professional Women's Clubs, Inc., Washington, D. C., on the International Trade Organization in support of resolutions authorizing ratification of the Habana Charter:

The National Federation of Business and Professional Women's Clubs has given through its local clubs, organized in 2,800 communities throughout the United States, active support for the work of the United Nations since its inception. It urged the establishment of the United Nations and has approved membership of the United States in the various affiliated agencies. The International Trade Organization is planned as an integral part of the United Nations economic machinery. It will carry forward the pledge of the members made in the Charter to create conditions of stability and well-being which are necessary for peaceful and friendly relations among nations—by cooperating in the solution of economic and social problems. Establishment of the International Trade Organization at the earliest possible date is essential in order to strengthen the framework for an expanding world economy.

The National Federation of Business and Professional Women's Clubs through action of its legislative steering committee, authorized by convention action to support participation by the United States of America in the United Nations, has gone on record in favor of acceptance of the Habana Charter. Completed at Habana last March, after 3 years of planning and negotiation, the Charter was signed by 54 nations. It is a long complicated document because it sets up ideal standards of conduct with goals toward which the trade organization will work and at the same time makes exceptions and provides escape clauses which take into account the world conditions as they exist today.

The Federation approves the goals of the ITO to increase the production, consumption and exchange of goods in a way as to contribute to a balanced and expanding world economy; to foster and assist economic and industrial development; and to further equal access by all countries to markets, products and productive facilities, believing that a business world founded on such principles will create more employment opportunities for women in the United States and a higher standard of living for women in other parts of the world. The ITO carries forward the basic concept of an open-door trade policy between countries based on the principle of non-discrimination that has held since early days as a guide for our commercial treaties.

Rather than deplore the escape clauses added to most every article, we regret the world conditions which make the clauses necessary. Conditions taken into consideration are unbalanced state of world trade, vast differences between the present levels of national economies and the shortage of hard currencies, conditions existent as a result of the war. It seemed necessary to make allowances for the demands of national reconstruction programs, the desire of undeveloped countries to protect new industries and problems of countries trading within a custom union. It must be remembered that three of the most important escape clauses which permit, (1) the suspension of tariff agreements if it is found that an unforseen development occurs which threatens injury to a domestic producer, (2) the placing of quotas on exports and imports which interfere with our domestic price support program and the restricting of imports and exports as a measure to promote national security, were placed in the Charter at the demand of the United States. The escape clauses grant permission for a limited period under certain circumstances and place additional obligations which it is believed will check extension of objectionable conditions.

Trade with other countries is vitally necessary to the United States today since the industrial capacity of the United States doubled during the war. Without customers abroad, full operation of our plants and our high level of employment cannot be maintained. The United States needs raw materials from abroad which are in short supply in this country and those which are vitally necessary for strategic reasons. Unless we buy from other countries, they cannot secure dollars with which to buy from us. Unless they sell to us, they can never establish a balanced economy in their own countries, the goal of the European recovery program. The ITO will have no authority but it offers a framework through which we can work with other nations to promote exchange of goods and to eliminate restrictive trading practices. It is a step in the righ direction that if taken now while trade policies are still in a period of flux, will be an impetus toward a freer world-trading system in the years to come. It is hoped that at the end of 5 years when the Charter provides for a complete review and revision that world conditions will make possible the elimination of those escape clauses which tend to nullify the high objectives of the trade organization.

We believe that the Charter be accepted because it offers machinery for improving the present world trading conditions which if left unchecked will lead to open economic warfare. It should be the responsibility of the United States to use its leadership in support of an orderly trade expansion rather than accept the law of the jungle as a basis for its trading code. In view of the fact that the first draft Charter was proposed by the United States and that in the master agreement of the lend-lease, the bilateral treaties of European-recovery program and article II of the Atlantic Treaty, the United States promises to seek to eliminate conflict in international policies and encourage economic collaboration; refusal at this time to ratify the Habana Charter, we believe, would have tremendous political repercussions around the world which would be detrimental to the best interests of the United States during this critical period.

The Fifth Freedom

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Friday, July 1 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very able commencement address delivered by Richard B. Scandrett, Jr., a distinguished lawyer of New York City, N. Y., at the commencement exercises of Kiskiminetas Springs School, located at Saltsburg, Pa.

This address contains some very timely observations of wisdom and inspiration.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE FIFTH FREEDOM

(By Richard B. Scandrett, Jr.)

I

Men of Kiski. I assume this is a proper way to address you, for I understand the school admits no boys under 14 and that the kindergarten has been abolished, in fact, if not in name. However, the adoption of a routine rule of admission, involving a minimum-age limit, is a simple procedure. It is far more difficult to reduce intellectual adolescence among the middle-aged. There are far too many individuals in the general, and the academic world, who never progress beyond subjective thinking, which is normal in adolescents, to attain the objective intellectual attitude of maturity. Too many so-called adults continue through life to regard the world as their particular oyster; an error we hope you have learned this early to avoid.

It requires a certain amount of fortitude to return to this nostalgic environment, and face the memory of misdeeds committed here as a boy more than 40 years ago. "For a boy's will is the wind's will and the thoughts of youth are long, long thoughts." And never forget, too: "The boy is father to the man."

Actually, when your president invited me to speak to you today, I welcomed the opportunity. I have a deep feeling of gratitude to Kiski, and to the wise men I learned to know here, led by that great teacher who stimulated the minds and understood the hearts of boys so well, the late Andy Wilson. Also, I was glad to have the opportunity to pass on a suggestion or two to you. I come to suggest, not to admonish.

All Kiski alumni have watched with increasing satisfaction the progress of the school under Dr. Clark's leadership. The French statesman, Aristide Briand, remarked on his 70th birthday: "At times I have been unfairly criticized without being too disturbed; at other times I've been unduly praised, and it hasn't gone to my head; but oh, how I writhe when I am interpreted." So, lest he writhe, I will try not to interpret Dr. Clark. But I will quote his profound conviction that the real educator is the student himself rather than the teacher; that the most a teacher can hope to do is to help his pupils to help themselves—to help stimulate interest, to give a boy the urge to accomplish, to whet his aggressive curiosity in things worth while; to help him find and realize his best capacities.

Despite the hazards of interpretation, I venture to generalize my impression of your president's objective for Kiski as being to do everything possible that Kiski graduates may make a real start here toward becoming conscious human beings—able to think for themselves, meet their own problems, and recognize and help solve the larger problems that beset all humanity today.

Society owes a great debt to its teachers, and particularly to those at the head of its educational institutions. In paraphrasing Shakespeare, old Oliver Wendell Holmes wrote:

"Uneasy lie the heads of those who rule,
Especially he who heads a school."

Neither a teacher nor a parent can give a child his experience, or his thoughts. Nor should they try. A great Indian philosopher and poet expressed this too little heeded truth when he wrote:

"Your children are not your children. They are the sons and daughters of life's longing for itself. You may give them your love but not your thoughts, for they have their own thoughts. You may house their bodies but not their souls, for their souls dwell in the house of tomorrow, which you cannot visit, not even in your dreams."

II

Since your thoughts must be your own, make them really yours, not faint carbon copies of others'. Do not accept slogans or generalizations, no matter how reliable their source may seem, unless you have made them your own, through understanding. Keep in mind that the devil can quote scripture for his own purposes. The wisdom of our great men is too frequently glibly distorted by those who quote either without comprehension, or to deliberately mislead. The ringing conclusion of Lincoln's second inaugural. "With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right," has been too often scaled down to fit personal standards with no resemblance to those of Lincoln, and with little deference to possible illumination provided by the Deity.

"Our country right or wrong" has degenerated to the Q. E. D. of chauvinism; lifted out of the context of both Stephen Decatur and, later, Carl Schurz. The complete Schurz version is: "Our country right or wrong—when right to keep it right, when wrong to put it right."

The world as a whole, and we in the United States in particular, have developed a state of arduous credulity in which we are increasingly prone to accept statements of fact, or expressions of opinion, with too little inquisitiveness as to their basis. Much too much of our thinking has become "canned thinking," which is not thinking at all, and involves no intellectual processes. We read or hear, and accept, without remembering that slanted propaganda and ax-grinding are always with us. Our minds can become sieves that lose the important and illuminating facts along with the worthless. When the Chinese Communists crossed the Yangtze River recently, a very large segment of our American press and public was shocked and alarmed, despite the circumstances that much reliable evidence was available that the Communists could have crossed the Yangtze River at any time during the past year. Certainly informed Chinese and Americans who have kept abreast of developments in China had made no secret of this fact.

We read avidly the results of political polls and are stunned when the lightning strikes—in the unexpected place. Too many of us are qualified for the initials F. W. N. D.—Frequently Wrong but Never in Doubt. I suggest that you ask yourself seriously, Has Kiski helped me to keep out of this class?

Thought, like other experiences, pays you in proportion to what you bring to it. There is much more stone in the hills than gold. But if your senses are keen, your discrimination quick, your standards high, and your mind disciplined, you will find gold. A woman once visited the studio of the great English landscape painter, Joseph Turner, and stopped critically before a canvas of a magnificent sunset. "It's a beautiful picture," she said, "but it isn't real. I've never seen a sunset like that." The artist replied, That, madam, is true, I'm sure. But wouldn't it be wonderful if you could?"

Too many of us fall easily into two classes: the star-gazers and the cynics. Cynics almost always disavow the label. So many of them prefer to call themselves realists that today the two words, realism and cynicism, have become almost synonymous, a meaning you will not find in any reputable dictionary. Many centuries ago, a Greek philosopher named Thales was walking in a field gazing at the stars, and fell into a pit. an old woman, hearing his cries, came to his rescue. After she had helped him out she asked how he had happened to fall in, and when he told her that he had been studying the stars, she exclaimed, "Oh foolish man. How can you expect to understand the stars when you don't see what is at your feet?" Many years later, another scholar watched an apple falling from a tree to the ground, and by observing what happened at his feet has handed down to posterity some very important information about the stars. The world needs more Isaac Newtons, but its Thales are proportionately far in the lead.

I suggest that you try to steer the difficult course between star-gazing and cynicism, keeping your sights always high enough to include the stars, while you train your feet to respect the hazards of the ground you tread. The Russian writer Gorky said that man is spelled with a little "m," but that occasionally in each generation there is a man who merits a capital M. George Bernard Shaw describes such a man in his definition of a genius, as one who sees farther and probes deeper than ordinary men, and who has the energy to give effect to his wider vision and deeper probing. Perhaps there is such a one among you here today.

III

In the summer of 1941 Franklin Roosevelt and Winston Churchill condensed and articulated the aspirations and hopes of the peoples of the world in a document which we call the Atlantic Charter. For 8 years we have discussed and interpreted the "four freedoms." In these discussions the cynics have scoffed, and the star-gazers have been impatient. But the true realists, whom we might call gradualists, have recognized with Herbert Spencer that "no one can be perfectly free till all are free," and that the four freedoms are necessarily relative, an end to be striven for, a hope to be nurtured.

I suggest a fifth freedom as a fertilizing agent in the soil to promote the chances for growth of the "four freedoms." It is a down-to-earth freedom, but without it the hope for the other four is seriously jeopardized. This fifth freedom can be called "freedom from bunk"—freedom from canned thinking, freedom from smugness, freedom from persistence in error, freedom from the FWND's. Certainly there is a desperate need for this fifth freedom in any approach to understanding today's very complex problems in international affairs.

The perspective of nations, as well as individuals, is limited—limited by their structure, culture, ambitions, need for security, and fears. Contrary to general partisan opinion, relatively few problems are black or white. Decisions usually involve making a choice between possible ways of attaining an end which often can be definitely agreed upon. Lincoln repeatedly stressed that important principles may and must be flexible. A fine, noble, and useful word has in recent years fallen into disfavor. Conciliation is no synonym for appeasement, no symptom of defeat. Conciliation indicates mutual gain, benefit for both, literally a promising together. The peoples of the world have always shared a desire for peace. The atom bomb has accentuated the urgent necessity for peace, but it did not create the yearning for freedom from the fear of war. Now, more than ever before, it is clear that the essential immediate end, is an acceptance of limitation on their national sovereignty in the security area, by all the powerful nations in the world. It is obvious that any possibility of this end being attained requires that the two most powerful nations—the United States and Soviet Russia—attempt to work out a formula under which each of them could obtain mutually satisfactory assurances that they could safely accept such limitations. No appeasement or surrender of ideological or economic independence, nor any settlement of such individual conflicts between nations would be involved. Certainly we in the United States will continue to have faith in the capacities and dignity of the individual with our fundamental conviction that the State is the servant of our people. Nor can or should we expect the Soviet Union to discard its opposite conviction that the State is supreme and the individual a cog in its operation. The object of agreement on such limitation of sovereignty would be not to settle such disputes, but to insure against any resort to war to accomplish their settlement. Of course, this involves the assumption that the Soviet Union needs and desires a peaceful world as much as we do. It involves also the further assumption that the other nations of the world would welcome a meeting of minds on such a formula by the two most powerful nations. What is needed is 1: a recognition by both the United States and the Soviet Union that the finding of such a formula is indispensable and 2, that bipartisan negotiation of a formula would involve no agreement unless acceptable to other nations. In short, such bipartisan negotiations would be preliminary and exploratory for the purpose of attempting to find a formula in which there might be a reasonable expectation of amending the United Nations Charter to accomplish the abolition of the veto. Despite the difficulties of finding such a formula, the basis for hope is the overwhelming mutual need for peace. In a military sense the alternative is "One world or no world." Dumbarton Oaks and the San Francisco Conference took place when a United Nations Organization without a veto was regarded as an impossibility by both the United States and the Soviet Union. That was before Hiroshima and Nagasaki. Today's "A" bombs are many times more powerful. Any extensive military operations in the future could cripple, if not actually destroy, civilization. For in that moment when the atomic bomb shattered Hiroshima, it shattered the ivory tower of national sovereignty all over the world.

Both in the Soviet Union and in the United States there has been too much of the subjective approach of adolescence and too little objectivity. I felt this constantly during 6 months which I spent in Byelorussia in 1946 as chief of the UNRRA Mission to that third largest of the Soviet Republics, which had suffered the most complete damage of any country in the war. The physical destruction exceeded the worst in England, France, Germany, or Poland—all of which I had myself seen. The loss of life was so great it was literally incalculable in 1946, a year after the war's end. Byelorussia, almost unknown to the United States, is composed of 11 states. In 1 of those 11 states, the total killed in the war was greater than all the American killed, in all branches of our services, in all theaters of war.

At a farewell dinner at which officials of the Byelorussian Foreign Office expressed their appreciation of the work of the UNRRA Mission, I was asked to give my impressions of their country. At the close I said: "It is necessary that the people, not only of Byelorussia but of all the other republics which constitute the USSR, try to impute as proper motives to the people of the western democracies as you know that you yourselves have. And we of the western democracies must learn to impute as proper motives to you as those which we know that we have."

"Gaspodin Scandrett, you are talking about Utopia," one of the officials broke in.

"I am afraid so," I replied, "but the necessity is nonetheless real. It might help us both to keep in mind that, like individuals, nations most clearly reveal themselves in the motives which they ascribe to other nations. Let me quote an American statesman who once said that the greatest tragedy in the world is a child who has been deprived by its parents of the benefit of its own sacrifices.

"Having traveled from one end of your country to the other, I know of the sacrifices which all of your people have had to make and the suffering which you have all had to share. All of you know what war means. That is the greatest asset for peace and tolerance and understanding that any nation can have. And every asset carries with it a responsibility. The people in the United States do not have that asset

in any comparable degree. Our homes and cities have not been bombed. Our children have not been murdered. Our abhorrence of war is more academic than yours.

"And so," I concluded, "human nature being what it is, you cannot reasonably expect us to go as far as your asset enables you to go in tolerance and understanding." The Byelorussians nodded their heads in agreement. It was as though they were thinking what I had in my mind but had not said, "to him that hath shall be given and from him that hath not shall be taken away even that which he hath."

One generation after another of those peasants on the western border of the U. S. S. R. have suffered invasion and destruction of their homes in turn by Swedes, Poles, French, Germans. I left Minsk early the next morning sharing the hopes of its mayor and people that this time the rebuilding of their city would be permanent; that 1944 would prove the final year of those periodic destructions which have been the grim milestones in its tenacious history.

IV

If the world's collective brain and conscience could embrace the Kiski motto, its problems could be solved. For our school has a wonderful motto in its three-word trilogy—tolerance, faith, and humility. Any one of these words has inherent in it an entire course of study which a good teacher could call history, or philosophy, or English, or theology. All three are magnanimous words. They complement each other. If you understand one, you have the key to understanding the others. If your years at Kiski have resulted in your attaining even an approach to comprehension of the significance and wisdom which any one of these words means, Kiski has given you a good start. You are on your way to becoming a conscious human being.

Tolerance lives only in the open mind. It is a quality of spirit and desire, compounded of character. Without understanding tolerance is only a wraith, a shadow to come and go, as it has through history. True tolerance broadens all horizons; learning, living, and loving mankind.

Faith encompasses the meaning of the first two words in that other great trilogy—faith, hope, and love. There can be no separation of love from faith, and faith, in its very nature, is hope. Many of us remember our first wrestlings with the baffling conception of space. Where does it end? How can there be an end? And the inescapable conclusion that man cannot know. Therein was the beginning of wisdom, as well as faith. Socrates said, more than two thousand years ago, "A man is truly wise when he understands that he knows nothing." And although one should not take this too literally, it does suggest that Athens may have had its quota of FWND's, or whatever the Greek equivalent was then.

Tolerance and faith are great words. But the most difficult and significant of the three words in your motto seems to me to be the last—humility. It is an old and revered word, stressed repeatedly by Christ. Its heart is concern for others, selflessness, service. Dwight Morrow used to divide people into two classes: Class A who accomplished and worked, and class B who managed to get the credit for what class A did. He used to observe that it was much better to be in class A, and that there was much less competition there. President Lowell, of Harvard, expressed the same view when he said, "Much of the success of the administrator in carrying out a program depends upon how far it is his sole object overshadowing everything else, or how far he is thinking of himself; for this last is an obstruction that has caused many a good man to stumble and a good cause to fall. The two aims are inconsistent, often enough for us to state as a general rule that one cannot both do things and get the credit for them."

In delivering a commencement address at the University of Glasgow, Kipling related a schoolboy's experience at Eton. This boy was the best rugby player in the school. During the week before the championship match, he was sent on an errand by the headmaster; an errand which took so much time that he missed rugby practice that afternoon. The other members of the team were incensed at his absence at such a crucial time, and felt he had jeopardized their chances of winning. Like a great many other boys, they waited for no explanation, but beat him up. The boy promptly complained to the headmaster that he had suffered a humiliating injustice, as he had been punished for something for which the headmaster, and not he, was responsible. The headmaster listened gravely. "Yes," he said, "you are quite right. It was unjust. But it was a good thing to have happened to you. If you think about it you can learn a valuable lesson. There is a great deal of injustice in the world, and it is well to learn early to take it in your stride. And if you think further you can learn another lesson which some men never learn, and without which no man can be really successful in the business of living. It is just this; take care of your obligations, and let your rights take care of themselves."

Today, more than ever before, we who have privileges and opportunities must accept with them our obligations. If we cannot fulfill the demands of our time in character, generosity, understanding, and leadership, we may live to bequeath to our children only the memory of freedom. We are inextricably bound with the fortunes and future of the world. A peaceful, healthy world is our gain just as certainly as the war-deaths of future artists, composers, scientists, and teachers is our tragic loss, and our children's loss.

More than 300 years ago, when the peoples of the world were physically separated, John Donne wrote lines which are increasingly meaningful in our climactic time, meaningful in the spirit of the Kiski motto, and meaningful in the realities of mankind's need.

"No man is an island entire in itself. Every man is a piece of the continent, a part of the main. If a clod be washed away by the sea, Europe is the less, as well as if a promontory were. Every man's death diminishes me, because I am involved in mankind. Therefore, never send to know for whom the bell tolls. It tolls for thee."

Communism Versus Religion

EXTENSION OF REMARKS

OF

HON. RUSSELL V. MACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. MACK of Washington. Mr. Speaker, the Communists have started a new wave of persecutions in Europe with Archbishop Josef Beran, of Czechoslovakia, as their symbolic victim.

This should forewarn every citizen that it is the intention of communism to destroy all religions. If one denomination is destroyed, you may be sure it will quickly follow that all denominations will be destroyed.

That the destruction of all religions is the goal of communism was clearly revealed and admitted by Nikolai Lenin, leader of the Communist revolution in Russia in 1917 and founder of the Red government now headed by Joseph Stalin, when in 1917 he said, "Down with religion! Long live atheism! The spread of the atheist view is our chief task."

In this battle of communism against religion no one can be a neutral. One must either be for freedom in religion or he is for communism and atheism. To be for communism and atheism means one is for dictatorship, while if one stands for the church, he stands for democracy.

Our American democratic system—our American Constitution—was founded on the teaching of Christ, who held that right should be the master of might, that the weak should be protected against the strong, and that justice and mercy should rule in men's hearts. Christianity teaches that public officials are the servants, not the masters, of the people. These noble principles were incorporated in and are the cornerstone of the Constitution adopted by our founding fathers and under which the American people have made great material progress while, at the same time, they remained freemen.

How different are the policies of communism, which proclaim that power is the greatest virtue and that might always can and should triumph over right. Under this unholy philosophy, the Communists say any means is justified in accomplishing the ends communism seeks. Thus do Communists justify the practice of their well-known efforts to change governments by force and violence, a process that is utterly alien to democratic thinking.

Where communism dominates the lives and enchains the minds and souls of men, the Bible, greatest of all books, is burned; and to read it is a crime.

Communism holds that marriage in a church is not legal. Under communism, children cannot be baptized or christened in a church and funerals from churches often are prohibited.

Under communism, churches and synagogues no longer own their own property, free, clear, and untouchable, as they do in the United States today. Church property becomes, under communism, government property. Congregations only use such small rooms or buildings as the Communist Government may license to them as concessions.

Under communism, could a Christian help out with church charities and welfare work?

No. There would not be any. All church schools, hospitals, orphanages, asylums, and such things would be seized by the government. Religion would be denied any say in their operation or management.

The faith your pastors teach is communism's deadliest enemy. Recognizing this, the Communists check every word the pastor utters from the pulpit and out of the pulpit the Communists make him the target for abuse, ridicule, and scorn, and sometimes the victim of persecutions.

How different is the attitude of democracies toward the church and Christianity than that of communism.

In our own country we practice religious tolerance. We allow each person, citizen or alien, to worship his God as his conscience dictates.

Sentence 1, article I, of the Bill of Rights in our American Constitution declares:

Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof.

Under our way of life the church and the state are separate. The individual is free to worship his God as his conscience dictates. He has freedom of assemblage, freedom of speech, and freedom to write what he thinks. His home is free from search, and if accused of crime, he is permitted to see his accuser face to face, and is guaranteed a speedy trial by a jury of his peers. No such rights prevail under communism.

Coaches and trainers of most American sports—baseball, football, golf, and tennis—warn their players, "Keep your eye on the ball."

In the contest between communism and religion the ball is freedom. Keep your eye on that ball—the ball of freedom.

In every issue ask yourself, "Does this preserve or does it tend to destroy freedom?"

For many centuries our forefathers have for themselves and for us, their posterity, struggled at great sacrifice to gain freedom. Mindful of these great sacrifices our forefathers made to attain this priceless blessing of freedom, let us not sacrifice it lightly or without a struggle for its preservation.

The state was created to serve mankind. Man was not created to be the servant of the state. Communism is human slavery because it makes man subservient to the state. We cannot lose any one of the freedoms bequested to us by our forefathers without being in immediate danger of losing them all. In every political issue let us keep our eye on the ball—and the ball is freedom.

Conserve Natural Resources

EXTENSION OF REMARKS

OF

HON. WILLIAM LEMKE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1949

Mr. LEMKE. Mr. Speaker, the People's Lobby Bulletin for May has an interesting article in connection with the conservation of natural resources.

We are fast depleting our natural resources—resources that belong to unborn generations. Some of these resources can be saved if we make proper use of our rivers and streams. The latent power in these rivers and streams belongs to the Nation. By harnessing these we can produce hydroelectric power constantly and conserve coal, oil, and natural gas.

The article is thought-provoking and should be carefully read. Here is the article:

Secretary of the Interior J. A. Krug, in his annual report for 1948 (fiscal year) makes an unassailable argument for public ownership of the four major competing sources of energy—coal, oil, water power, and natural gas—to be integrated into what the late great conservationist Gifford Pinchot, called a giant power system.

Part I, of the Secretary's report, is entitled "Natural Resources Programs."

Mr. Krug states:

"Two great wars, and a generation of profligate waste have eaten into our natural resources, and begun to exhaust many of them * * *.

"We need to devise a new system for determining whether in a given instance we will use oil or gas, or coal or water for energy.

"We need to take into account all the costs and base our choice, at least to some extent on future supplies and needs.

"Our American system cannot last indefinitely, if we continue to base all decisions on dollars and cents calculations, which do not include all of the costs.

"It is a matter of concern to the Nation, that oil is the fuel we depend upon to run our automobiles, tractors, our airplanes, and our ships. Solid fuel and water power cannot be used for most of these vital transport services.

"The future of transportation—which in turn is the basis of modern civilization—rests on the availability of liquid fuel.

"Yet in the face of the fact that oil is our scarcest fuel and the only fuel for many vital uses, we continue to expand our use of it, in place of coal and waterpower. * * *

"This is the result of making our decisions on a narrow dollar-and-cents basis."

Secretary Krug states that in 1947 new domestic oil-burning furnaces installed were 29 percent of those in use at the end of 1946, and the increase continued in 1948, and "there was an equally spectacular gain in the use of oil-burning stoves; factory shipments in 1947 were double those in 1946," and "nearly 25 percent more oil was burned in 1947, than in 1946, for the generation of electric energy."

"Use of oil for purposes for which it is necessary, continues to expand"; motor vehicle registrations in 1947 were nearly 38,000,000, and travel was heavier than ever before; "agricultural use of gasoline in 1946 doubled the 1941 totals, and was even higher in 1947," and "aviation gasoline consumption rose a third higher in 1947 than in 1946."

"Atomic energy or solar energy may change the long-range situation" Secretary Krug holds, "but neither can be counted on at this time to provide our necessary motive power for transport, in the foreseeable future."

PETROLEUM AND GAS

"America is the biggest producer and user of energy in the world. In 1947, it is estimated that we used 45 percent of the energy consumed in the world. Our nearest competitor was Russia, with only 11 percent. We used 10 times as much as the average for all the rest of the world.

"Oil and gas, which we are using more freely every year, are our most exhaustible and limited sources of energy.

"Petroleum, with natural gas provides almost half our total energy.

"The best estimates we have of proved oil reserves—from the industry—place them at about 21,000,000,000 barrels. Most experts believe the industry estimate of proved reserves is conservative, and that we have perhaps as much as four times the proven reserves.

"Even if this were true, we have only about two generations of domestic crude oil supply left. When the last war began, we had a big developed reserve capacity. Now we have virtually none.

"The best information in the hands of the Government today, does not justify complacency. We are using 600,000 barrels a day more than at the peak of the wartime demand. During the past 2 years the relatively easy ways of augmenting supply have been largely utilized. From now on, additions to capacity and supply will call mostly for new work and probably will be more difficult."

We are now producing about 2,000,000,000 barrels of oil a year.

The Secretary of the Interior states that the oil development in the Eastern Hemisphere, "would have the peacetime objectives of largely meeting Eastern Hemisphere demands from local resources, and of making the potential oil resources of the Eastern Hemisphere more accessible to the west.

"The Western Hemisphere has only half of the proved oil reserves of the world, and only a probable one-third of the oil reserves which ultimately will be developed throughout the world; yet the Western Hemisphere has been supplying more than 80 percent of the world's oil.

"This is a relationship which cannot endure too long, or the Western Hemisphere may find itself becoming dependent for oil upon the Eastern Hemisphere.

"Unitization of oil and gas fields, a key to maximum recovery and to operating efficiency, lags far behind the needs of the Nation.

"Natural gas, which is produced along with petroleum as well as separately, is today our third biggest source of energy, producing more than 13 percent, yet we are allowing about a fifth of our natural gas consumption to escape into thin air every year.

"This waste would produce two-thirds as much electrical energy as all of our water power sources combined.

"Industry estimates of proved natural gas reserves, place them at only enough to last 40 years, at present rates of consumption."

The areas of submerged resources of oil and natural gas along our coasts, Mr. Krug estimates at "almost 760,000 square miles," and of enormous value.

Synthetic oil, he believes, can be produced from coal, at a cost of "only a little over 12 cents a gallon," and states—"Rapid development of a synthetic fuels industry will safeguard America's future. It may require Government financing."

COAL

"Coal still remains our most plentiful source of energy, although it now supplies only half, instead of the 90 percent it used to provide, of our national demand. We have half the known coal reserves of the world, estimated to last several hundred years. Our reserves of anthracite are estimated at about 16,000,000,000 tons, or enough to last 160 years at present rates of consumption."

"We are using up our richest and most available coal veins, and are running short of certain types, particularly those required for the production of coke for the manufacture of steel. Despite our huge supplies of bituminous coal, we cannot afford to waste it.

"Coal may have to take the place of oil in our scheme of things, before many years.

"It would require a 50-percent increase in coal production to meet a deficiency in petroleum supplies of 2,000,000 barrels a day." (We are now consuming nearly 6,000,000 barrels a day, or three times that amount.)

'Huge estimates of our coal reserves have created a dangerous complacency about our future coal supplies. We need a reappraisal of our coal reserves, particularly in coking coal."

WATER POWER

"Water power contributed only 4 percent of our total energy from all sources in 1947.

"Production of power was 73 percent higher in fiscal year 1948 than in 1940, and still failed to meet demand.

"Total installed water power capacity of the Nation is only 17,000,000 kilowatts. Another 77,000,000 kilowatts remain to be developed.

"Even at the increased construction rate of the past 16 years, it would take another 150 years to make this potential water power available to the public.

"Every year we are burning up something like 60,000,000 barrels of precious oil, more than 100,000,000 tons of coal, and almost 500,000,000,000 cubic feet of natural gas, making electricity.

"Of the 321,000,000,000 kilowatt-hours of electricity produced in the United States during the fiscal year 1948, only a little more than 80,000,000,000—or about one-quarter—was hydroelectric power, the one kind which is constantly renewed—yet preliminary surveys indicate we have undeveloped hydoelectric power sites, capable of producing an estimated 393,000,000,000 kilowatt-hours of power a year, or almost five times what we are now getting from water power.

"It is estimated that our demand for electricity will be over 400,000,000,000 kilowatthours by 1952. Under present methods, most of this additional power will be made from oil, gas, and coal.

"If, instead of developing our 393,000,000,000 kilowatt-hours of potential power from water, we used oil, it would burn up about a billion barrels of oil a year, or approximately as much as the rest of the world is using for all purposes—and about half of our annual consumption of oil."

GOVERNMENT MUST OWN

Secretary of the Interior Krug states:

"We must push ahead as rapidly as possible with the development of all practicable hydroelectric power. We need to develop within the next 20 years at least 40,000,000 kilowatts.

"The Federal Government probably will need to build at least 30,000,000 of those kilowatts, at a cost of twelve billion to fifteen billion dollars.

"This program should include the St. Lawrence power and seaway, which is needed not only for power, but also for transportation."

Only the Federal Government, through public ownership of coal, oil, water power, and gas can coordinate and integrate the development and efficient use of this fourfold source of energy.

Both State and Federal regulatory bodies have failed to enforce efficient methods of production and distribution of energy by regulation.

Competition, even if it could be enforced, would be wasteful and inefficient.

Discrimination and Education

EXTENSION OF REMARKS

OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. O'HARA of Illinois. Mr. Speaker, on the last day on which we will meet in this historic Chamber until the workmen have completed their task of repairs and remodeling, I think it is not inappropriate to speak on the subject of discrimination.

I abhor discrimination of any kind being directed against law-abiding men and women who walk in the image of their God doing the share of the work of the world that it is given them to do. All my adult life, actively expended in championing the causes of ordinary men and women who too often have too few to speak for them, I have fought discrimination wherever I have found its ugly head.

On coming to this Congress, a new Member and at an age when there could be no ambition except to be true to myself and the philosophy by which I had lived my life, I made to myself the pledge that wherever I found discrimination my vote would be withheld and wherever I found that which in sound legislation would eradicate in some measure some form of discrimination there would my vote be and there would it be counted.

Discrimination, Mr. Speaker, in a democracy such as ours is the poison that destroys; a slow-working poison, it is true, and for that reason the more insidious and to be guarded against. It is not enough that there should be no legislation, binding in its obligations upon us all alike, which by intent and in its administration is actually discriminatory; there should be no legislation which a considerable number of our people honestly believe does discriminate against them. The security of our Nation depends not so much on the billions of dollars we have voted for the national defense as upon the continuing unity of our citizens.

If any considerable group honestly believes, even though some may think mistakenly, that the members of that group, and especially their children, are being discriminated against, it is the part of wisdom, and I think the duty of us in the Congress, to listen to them with patience and with understanding.

During the last 2 weeks I have received in opposition to certain provisions in the Barden aid-to-education bill the largest mail that has come to my office during my brief service as a Member of the Eighty-first Congress. I have been deeply moved by many of these letters. What reply can I make to a mother in the Second District of Illinois whose three sons, educated in the parochial schools in my own home area, were accepted as good soldiers by the country that they loved and did not live to return to her? What reply, Mr. Speaker, can I make other than to assure her that when transportation, recreation, health protection, and other things, distinctly separated from the domain of religion, are distributed for the benefit and the welfare of the school children of America the distribution for which I would vote must be alike to all the school children of America.

I am strongly in favor of Federal aid of education. I shall be keenly disappointed if the Eighty-first Congress fails in this. I do not believe it will fail. And it is heartening to me, as I am sure it is to all my colleagues who both abhor discrimination and strongly support Federal aid to education, that among the members of the House Committee on Education and Labor, we are told, is prevalent a spirit and a determination to work out a bill which will meet with general acceptance. Meanwhile it is to be hoped that the school health bill which has already been passed by the Senate, and which I have joined with many of my colleagues in the House in sponsoring, will be approved by the Committee on Interstate and Foreign Commerce and brought to the floor of the House. The benefits of this bill go to pupils in public and nonpublic schools alike.

I include a resolution passed by the State Senate of Illinois on June 29, 1949:

Senate Resolution 65

Whereas there is now under consideration in the Eighty-first Congress of the United States a bill which would provide Federal aid to education; and

Whereas this bill, in its present form, is patently unfair and discriminatory in that it prevents nonpublic schools from participating, directly or indirectly, in Federal funds and even prohibits the use of Federal money to provide pupils of nonpublic schools with textbooks, transportation, and essential health services; and

Whereas nonpublic schools form an important part of the total educational system of this country, and any method of Federal aid which unjustly discriminates against pupils attending nonpublic schools is not only unfair to these schools but will adversely effect the entire structure of American education: Therefore be it

Resolved by the Senate of the Sixty-sixth General Assembly of the State of Illinois, That we publicly express our opposition to the Federal aid-to-education bill in its present form and urge the Eighty-first Congress to amend the bill to guarantee that at least nonreligious textbooks, bus transportation, and health service will be provided to all school children, whether they attend public or nonpublic schools, and that we urge that the bill be further amended to assure that there will be no Federal control of schools as a result of Federal aid; and be it further

Resolved, That a copy of this resolution and its preamble be forwarded, by the secretary of state, to each Senator and Representative in the Eighty-first Congress from the State of Illinois.

Adopted by the senate, June 29, 1949.

SHERWOOD DIXON,
President of the Senate.
EDWARD H. ALEXANDER,
Secretary of the Senate.

Communism and Religion

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1949

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial which appeared in the Times-Herald under date of July 1, 1949:

COMMUNISM AND RELIGION—IV

(Following is the fourth and last of a series of excerpts from the recent report by the House Committee on Un-American Activities, entitled "100 Things You Should Know About Communism and Religion.")

What has communism done against religion outside Russia?

It has seized church and synagogue property and killed church leaders wherever and whenever communism has gained control.

Where it has not yet gained the upper hand over the country as a whole, it has tried to corrupt religion from within by setting sect against sect and creed against creed.

Are Communists trying to corrupt religion in the United States of America?

Yes.

What is their method?

The Communist Party of the United States assigns members to join churches and church organizations, in order to take control where

possible, and in any case to influence thought and action toward Communist ends.

It forms "front organizations," designed to attract "fellow-travelers" with religious interests.

It tries to get prominent religious leaders to support Communist policies, disguised as welfare work for minorities or oppressed groups. In the words of Earl Browder, former head of the Communist Party of the United States of America:

"By going among the religious masses, we are for the first time able to bring our anti-religious ideas to them."

What is a "front organization"?

An organization created or captured by the Communists to do the party's work in special fields. The front organization is communism's greatest weapon in this country and takes it among people who would never willingly act as party agents.

What is a "fellow traveler"?

One who sympathizes with the party's aims and serves the party's purposes without actually holding a party card.

How can I spot them?

Many organizations have been listed as Communist fronts by the attorney general and this committee. You can get a list of these by writing to the House Committee on Un-American Activities, room 226, Old House Office Building, Washington, D. C.

To show up a fellow traveler, ask him to name 10 things wrong with the United States and then ask him to name 2 things wrong with Russia. He will be on Russia's side every time.

Are American Communists atheistic?

Yes.

What happens to a religious person who turns Communist?

The party ridicules his religious ideals and dins atheist propaganda into his ears, day and night, in an attempt to convert him to atheism.

What if a new Communist refuses to renounce religion?

Kicked out.

What happens to a person who gets kicked out of the party ?

He is hounded for the rest of his life.

Have the Communists used blasphemous propaganda against the church?

If there is any doubt in your mind as to the vicious and blasphemous propaganda Communists are using against religion, then go to your public library and read a typical example of it entitled "Good-by, Christ," by Langston Hughes.

It is so atrocious that we will not reproduce it here, but even so, it is mild compared to the atheist propaganda in Moscow.

How do Communists work among church people, since they themselves are such haters of religion?

Communists are two-faced.

In their secret party meetings, they make plans to destroy religion.

In public, they say religion and communism should be friends and that both are working for the same goals.

Are there Communist clergymen?

Unfortunately, yes.

Do they admit they are Communists?

Some do, but except in special cases, the party requires Communists to keep their membership secret.

Are they important?

Not as important as the others who have joined the Communist fronts which the Attorney General and this committee have declared to be subversive.

Do you mean that just because a clergyman joins or sponsors one or two Communist fronts for one reason or another, he is playing Stalin's game in America?

No. We are talking about those clergymen who have over a period of years consistently followed the party line and joined, not one or two fronts, but 10, 20, or 30. These are the core of agents the party depends on in the religious field.

But couldn't some of these clergymen be innocently misguided in their attempts to do good?

Well, they have followed every crook and twist of the Communist Party line. Would you excuse that in your minister's case?

But is communism a real danger inside our churches?

Here's J. Edgar Hoover on the subject:

"I confess to a real apprehension, so long as Communists are able to secure ministers of the gospel to promote their evil work and espouse a cause that is alien to the religion of Christ and Judaism."

Society and Crime

EXTENSION OF REMARKS
OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me at the graduation exercises of the FBI National Academy Friday, July 1, 1949:

It is with the greatest pleasure that I find myself here today, participating in these activities

There is something of the small boy in all of us, no matter how laden with years, who wonder-eyed, wanders freely in the land of imagination, quick to sense adventure and magic. I remember playing Indian and cops and robbers and cowboy. I remember, too, how we chose sides to be the bad man or the good man. All these memories crowded in on me when I started to think of what I would say to you today. And when I thought back to all these days of make-believe, of the days of the silent films, and the comic cop in the Keystone comedies, I discovered a startling and essential difference between the attitude of the youngsters of my day and that of the youngsters today. The most obvious thought became almost in the nature of a revelation to me. I discovered something which practically everybody takes for granted—that the boy's sense of adventure, glamor, and magic is no longer on the side of crime. It's on the side of the law, on the side of the cop, as we used to call him. On the sidewalks of Brooklyn the tough guy was the hero, the tough guy who never ran when he heard the battle cry, "Cheezit, the cops." The tough guy—I remember him—who seemed to the small fry to possess all the wit, the agility, the prowess in the world. And as I grew into adolescence, I found that the movies, the newspapers, and the comic strip all aided and abetted this portrait which had no relation to reality whatsoever. The papers and magazines were full of the exploints of Pretty Boy this and Baby Face that. We read of Lucky Lou or Tiger Jim or Foxy Sam who had outwitted and outmaneuvered the law. Adolescents all over the country read and listened and daydreamed of how they, too, would show the whole world through screaming headlines how they outwitted the cops.

The cop? What was he? A bully and a dullard. The outlaw? A quick-witted, quick-moving Robin Hood. It took a man with a vision and the genius of Director J. Edgar Hoover to understand how the very fiber of society was being eaten away by an attitude. In the years of his untiring labors and those of his associates he set that portrait of a criminal into focus. He exposed the criminal for what he is, a shabby worm, eating his way into the heart of society. He exposed the criminal ego, tore it apart to reveal the puniness, the clumsiness, and the shallowness of that ego. The rootin', tootin', shootin', he-man, and the more subtle varieties of worms like the blackmailer, forger, and kidnaper no longer entangle the dreams of youngsters. The John Dillingers and the Floyd Nelsons no longer capture the imagination of susceptible youth. No, the youth of the Nation have lost their hearts to the G-man. It's a plain case of alienation of affection.

What this means to the youth of our country in particular, and to society in general, can hardly be calculated. But it is visible everywhere, in the attitude of your son or your neighbor's son, in the comic strips, in the motion pictures, in children's games, and in the newspaper reporting of crime.

This significant change was not brought about by the ringing of a bell, or the pushing of a magic button, or by parades or by any of the paraphernalia of the circus antics. It was brought about by the quiet, persistent, self-effacing activities of a coordinated unit, activities based upon the scientific approach in the combat against lawlessness. It was not the dare-devil, I'll-take-a-chance approach—though I must admit that often the spectacular results seem to hide the preparations behind them and preparation is, after all—true artistry. What the FBI put to use—unprecedented use—were the instruments of detection, the science of ballistics, fingerprinting, chemistry, physical training, photography, engineering and, so forth. The human intelligence manipulated these skills and crafts and set them to work on the side of law and order, with the result that the reading of an FBI report contained all the drama the human mind responds to. When we listen to the finished recital of, let us say, a pianist or violinist, or watch the performance of a first-rate baseball pitcher, we forget the hours of practice and training that made such performances possible, we forget the hours of gruelling work and the painstaking repetitions, and the hours of learning the techniques and rules of the art or skill. So it is with the men trained by the FBI. We watch the results with satisfaction and give hardly a thought to the patience and the discipline that lay behind the results.

As one author in discussing the activities of the FBI stated in summarizing one particular case "In this case three cheap racketeers, filled with greed and ego, entered a conspiracy in the belief that they could outsmart the law. Ignorant of the forces that mailing even one extortion letter would bring crashing down on them, they blandly matched their puny wits against a force of the FBI men, police, postal inspectors, railroad officials, chemists, fingerprint experts, handwriting experts, paper experts, radio engineers, and a topflight test pilot. There it is, the care, the painstaking preparations, the application of science, the harnessing of skills, the thorough education of the participating agents of the law which have taken the glamour out of crime.

The law-enforcement agent is made; not born.

An appreciation of this fact must widen and heighten our admiration of the work done on the side of the law. One of the most wholesome byproducts of this approach is evident in watching the play of our children. The game is no longer based on which ones can run faster. The excitement of the chase lies in the preparation for it. I'm sure you've seen them playing at fingerprinting, at measuring distances, at decoding, at figuring the scientific possibilities, and yet, in no sense, has this work at preparation destroyed theirs sense of wonder and magic. And let me tell you, the same goes for the grown-ups.

The jurisdiction of the FBI does not extend beyond defined limits. That is why the establishment of the FBI National Academy in 1935 to train State county, and municipal law enforcement officers in advanced

methods and techniques of law enforcement was the most effective blow against crime in the United States in the past 15 years. Since the establishment of the academy, 1,969 police officers, representing all of the United States, its territorial possessions and numerous foreign countries, have been graduated. We honor today 55 law enforcement officers graduating from this academy. With each graduating class, the offenders against State laws know how much smaller their chances are for getting away with it. As each class is graduated, and returns to its duties to apply the lessons it has diligently learned, the respect for the law grows in the same proportion that the life of the outlaw loses its glamor and appeal.

We will not attempt to gloss over the truth that there are certain areas within our beloved country where law and order are being undermined and in some instances destroyed because of the inhabitants' lack of respect for it. When that happens, mob hysteria is substituted for the fair gathering of evidence, for the honest presentation of the case, and for constitutional guarantees of civil liberties. Terror enters the household. Prejudice makes a mockery of justice and the security of the individual—the very basis of our democracy—fades into fear and panic, which, in turn, breeds new violences and lawlessness. Because of jurisdictional limitations, the national law enforcement agents cannot enter. But how well trained are the State, county, and municipal law enforcement officers to combat a terror that can and has in the past grown out of hand? In other instances, how deeply have they been inculcated with the meaning of the FBI motto, fidelity, bravery, and integrity? What objectivity can the local enforcement agents bring to the stamping out of mob rule? The answer lies in just such a group as is being graduated today. They can, and will, I know, bring the dispassionate approach to their respective areas, minds disciplined by scientific inquiry and thus free from irrational and emotional prejudices, a concept of law that precludes prejudgment and precludes punishment before trial.

Thus, the FBI National Academy serves the Nation and the region, in twofold cooperation to secure the dignity and sanctity of lawful living, to rip open the sordid seams of criminal pursuits exposing the loathsome corruption that dwells within.

To the men graduating today, we pay special tribute. They have evidenced that smugness and indifference have no part in their make-up, that they are ready to accept the challenges and responsibilities that attend their work, and that theirs is the integrity that urges each man to give his best to his work, a best that no untrained man, no matter how earnest his desire, can give. He has parted ways with the snap judgment, with the trial and error, hit or miss, approach which have heretofore given the criminal so free a hand. They are truly to be envied for so few of us take the opportunity to add to our stature, to keep developing in and with our jobs, as these men have done, not only to their inner personal gain, but to the enrichment of our Nation.

Good fortune attend you always—and let the tough guys beware.

Rural Telephones

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Friday, July 1, 1949

Mr. EVINS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include a resolution which was approved unanimously by the Rutherford County, Tenn., Farm Bureau and which endorses the proposed Poage telephone bill and demonstrates the great need which favorable action by the Congress in this regard will fill.

The resolution is as follows:

Whereas the rural telephone service in Tennessee is very poor and a great majority of rural people have no telephone service at all and even entire communities are entirely without telephone service; and

Whereas the small independent telephone companies are financially unable to provide the necessary financing; and

Whereas they have been unable to secure satisfactory financing from any other source; and

Whereas the Poage telephone bill provides the necessary financing for a complete and satisfactory telephone program; and

Whereas rural electrification and other efforts have been made to the end of rural development and for the necessary rural telephone service to be neglected would be inexcusable in this over-all program of rural development: Therefore be it

Resolved, That the Rutherford County Farm Bureau urges each and every Member of Congress to give their full support to this needed and worth-while legislation.

RUTHERFORD COUNTY FARM BUREAU
BOARD OF DIRECTORS,
ROBERT ROSE, *Secretary*.

More Light on the Arab Refugee Problem

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, July 1, 1949

Mr. KLEIN. Mr. Speaker, it has been only by rigid self-control that I have refrained from direct answer to the amazing misrepresentations in regard to the Arab refugee problems made recently in the House. As an indirect answer I have already inserted certain informative matter in the RECORD, and under consent I am now inserting a communication from the letters to the editor column of the New York Herald-Tribune of June 29, 1949.

Text of the communication follows:

REFUGEES FROM PALESTINE—SOLUTION FOR DISPLACED ARABS AWAITS OVER-ALL PEACE PLAN

To the NEW YORK HERALD TRIBUNE:

I was surprised to read in the New York Herald Tribune, June 21, 1949, that Mrs. Mark Ethridge had declared upon her arrival in New York that "it was 'too bad' that the Jews, in building a national home, had found it expedient to 'throw out 910,000 persons who had been living there for 1,400 years.'"

I just returned from a month's study tour of Israel. My findings do not support her contention that the Jews "threw out" the Arabs. In an interview with Monsignor George Hakim, Archbishop of the Greek Catholic Church (a Uniate Church which is in fellowship with the Vatican), I secured a report on the flight of the Arabs from Israel. As an Arab and a former supporter of the Mufti, he cannot be accused of being "pro-Jewish." He listed four factors which precipitated the flight of the Arabs:

1. Most of the Arab leaders left in the early stages of the conflict—during the period of the irregulars, between November 29, 1947, and May 14, 1948. They, he declared, remembered too well their experiences with irregular gangs during the 1936–39 riots. Great sums of money and goods had been extorted from them at the point of a gun. They did not wish to face that again.

2. A second element in precipitating the flight, particularly in the Haifa area—the area where Monsignor Hakim lives—was the fact that the British informed the Arabs that they would not protect them. Since most of the Arab leaders had already fled, the people were thrown into a panic so that they fled by sea to Lebanon. They fled in spite of the fact that the Jewish authorities guaranteed their safety and rights as citizens of Israel.

3. The Ramallah Radio and Arab propaganda, in general, prophesied that the Arab armies would overwhelm the Jews in a matter of 2 weeks. The Arab peoples left, therefore, to get out of the battle area with the expectation of an early return.

4. A fourth cause was the fear of massacre by Jewish extremists, such as occurred at Dier Yassin, a regrettable act which followed the Arab massacre of all the Jews of one of the Kfar Etzyon settlements south of Jerusalem. It appears that the Arab propagandists used this incident in two ways: To inspire a will to fight the Jews and, on the other hand, to stimulate them to flee from Israel in order that the invading Arab armies would face only Jews.

That Israel is not willing to readmit Arab refugees, except as a part of an over-all peace settlement, is reasonable when one listens as I did, to the Ramallah Radio. On May 17 Abdullah el Tel, military governor of the Old City of Jerusalem, declared: "The time for revenge will come." On May 26 I heard the announcer say: "There will be no freedom from fear in Israel. Forty-five million Arabs will see to that."

With this official Arab attitude, is it illogical or unreasonable that Israel is interested in the guaranties of a peace before she takes on the security problem of returned Arab refugees

It seems to me that peace in the Near East depends upon a changed attitude in the Arab world, and in the in-between levels of our State Department and the British Foreign Office, who still cherish hopes of amputating part of Israel's territory. I found in Israel, among Government officials and in the population generally, an intense desire for peace. They did not want the war; they wanted to live at peace with their Arab neighbors and with the several Arab nations. They do not want war now; they want a peace which will bring them security, and which will not reward Arab aggression.

KARL BAEHR,
Executive Secretary, American Christian Palestine Committee.
NEW YORK, *June 27, 1949.*

A Columnist Rediscovers the Midwest

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article:

MIDWEST KEEPS PACE WITH REST OF NATION IN GLOBAL OUTLOOK

(By Edgar Ansel Mowrer)

WICHITA, KANS.—Anybody who thinks the people of the Middle West are more isola-

tionist or less aware of the big world should take another think.

In my judgment, middle westerners are at least as globally interested as the population of the eastern seaboard. It is probable that today recognition of America's involvement in the planet is about equally distributed, with the big cities perhaps a shade more alert. The only reason for this is that city dwellers can, if they will, inform themselves more easily.

During the last few days I have attended a number of institutes on foreign affairs in what is sometimes referred to as the Bible Belt.

At each of these meetings, the interest was as keen, the questions asked and answered as shrewdly thought out, as anywhere else in similar groups. It seemed to me that, in their own direct way, middle westerners are probably more eager to do something about it than their compatriots in the blase east.

HAZY ON RED SITUATION

Interest seemed to center in Russia, Germany, world federation, European recovery, China, and Latin America, in just about that order.

There was, I thought, still some little confusion remaining about the Soviet Union and the other Communist Parties, an unreadiness to admit the full scope of the Kremlin's ambitions and its inability to compromise basic principles. On the other hand, there was little anti-Communist hysteria of the sort alleged by American liberals. There was, instead, a painful irritation with the Russian Government. This seems to be connected with the previous expectation that once we disposed of A. Hitler the American people could relapse into our pre-1939 absorption in internal and private matters. The Soviet refusal to permit this relaxation is, in my judgment, the basis of what is called hysteria. It is really the indignation of a man who is being annoyed when he wants to take things easy.

I found no enthusiasm for a preventive war—or any other war.

NO BUNDISM IN SIGHT

I was told that in some places pro-German, even pro-Nazi, groups of citizens are again raising their ugly heads. None came my way. There is, however, a general readiness to forgive Germany natural in people who did not themselves feel any of the immediate effects of Germany's relapse into savagery.

Interest in the various popular schemes for some form of world federation is extremely lively. The Roberts-Streit plan for a federation of civil-liberty democracies has distinguished champions. United World Federalists' hope of larger federation has greater support, particularly among intellectual groups. In some states that movement has local political importance.

The belief is common that the entire world is in crisis and that something more drastic than "containing communism," more effective than supporting the present rachitic United Nations, has to be done about it.

Farm prosperity has made the Middle West more prosperous than in the memory of man. It is only normal that there is considerable worry about a coming slump and conjecture about its effect on existing action for European recovery. This point is labored by the remaining minority of isolationists who have "learned nothing and forgotten nothing."

China, save for the occasional testimony of returning missionaries, seems remote. Interest in Asia has been poisoned by the current propaganda blackening the Chinese Nationalists and subtly turning the Chinese Reds into rose-tinted creatures who couldn't really wish ill to America.

Interest in Latin America seems far lower than in 1939, possibly because other and far more pressing international problems are claiming so much attention.

All in all, the impression I got was that of a perplexed people trying to come to grips with new but not insoluble problems. Shortages when present were in the field of information, not of understanding or willingness to tackle.

NEWS COVERAGE LIMPS

As a newspaperman, I say regretfully that some of this shortage can probably be traced to local newspapers and radio commentors. Rightly or wrongly, some editors and station managers seem to have decided that the American people are not too much interested in world affairs—or that if they are, they shouldn't be.

Coverage of important international news is frequently subordinated to insignificant sensations and trivial features. There is, however, improvement over 2 years ago. Once these editors and commentators admit to themselves that—short of world federation—the American people will never more be free from international problems, they will again lead rather than follow their public in the field of foreign affairr

For the Middle West is energetic, courageous and increasingly educated. And, as one middle western newspaper, the Illinois State Journal, once wrote:

"A good education enables a person to worry about things in all parts of the world."

Hospital Construction Need

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1949

Mr. RODINO. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein a statement submitted by me to the Subcommittee on Public Health, Science, and Commerce of the House Committee on Interstate and Foreign Commerce on bills to amend the Hospital Survey and Construction Act, together with the statement by Stephen J. Moran, director of the department of public affairs, city of Newark, N. J., with a report by the medical board of the Newark City Hospital, together with copy of resolution adopted by the board of commissioners of the city of Newark, N. J.:

STATEMENT OF REPRESENTATIVE PETER W. RODINO, JR., TENTH DISTRICT, NEW JERSEY, BEFORE THE SUBCOMMITTEE ON PUBLIC HEALTH, SCIENCE, AND COMMERCE OF THE HOUSE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE ON BILLS TO AMEND THE HOSPITAL SURVEY AND CONSTRUCTION ACT

Mr. Chairman, the city of Newark, N. J. which is part of the Tenth United States Congressional District of New Jersey, is a melting pot of approximately one-half million people. These people come from all walks of life. Like many other cities, we have our rich and poor and our middle class. Many of these people are in need of medical attention and hospitalization. Some are financially able to provide this care for themselves. Many are not. Our city has tried to minister to the health needs of the indigent through the Newark City Hospital, which was erected more than 50 years ago. However, we have not been able to do this work effectively because the Newark City Hospital is not adequate in many respects.

The medical board of the city of Newark and our Newark public officials have for a long time been pressing for the construction of a new hospital, one which can adequately meet the needs of our city's indigent cases. However, lack of funds has made this project only a hope instead of a reality.

I know from personal experience and observation of the overcrowded conditions at the Newark City Hospital. I know, too, that it is an antiquated, outmoded, and obsolete structure which menaces and jeopardizes the lives of the patients who are compelled to be hospitalized therein. In my opinion, this 500-bed capacity hospital which ministers to the needs of a 725 case load—makes good medical and nursing care impossible. Our citizenry is aware of these conditions. And when its poor, who have no other place to go to for hospital treatment, are ordered there they despair.

The taxpayers of our city, who are already overburdened, would like to do their just share to remedy this condition. They would like to see a new hospital constructed. But the estimated cost of a new and adequate hospital under present economic conditions is so prohibitive that it has precluded construction.

Because of the priority classification under which the Newark City Hospital has been placed, it has been impossible to aid the city of Newark under existing legislation, Public Law 725, Seventy-ninth Congress. However, should more funds be made available by increasing the allocation of Federal grants-in-aid, the city of Newark will be in a position to undertake the construction of a new hospital.

The city of Newark makes up only a small part of the United States. But recent surveys indicate that the need exists all over for additional health facilities. State plans estimate that to provide adequate health care, an additional 897,000 beds are needed. In order to be able to accomplish this, it will be necessary to increase the Federal share in the cost of projects over and above the present one-third which the Government now grants.

But State agencies lack the financial ability, even with present Federal aid, to construct and maintain a hospital.

I strongly urge, therefore, that the present existing legislation be amended so that the present program be extended, and Federal allotments be increased to meet the health needs of our Nation.

I would like to include herein a statement by Stephen J. Moran, director of the department of public affairs, city of Newark, N. J., together with a report by the medical board of the Newark City Hospital.

STATEMENT BY STEPHEN J. MORAN, DIRECTOR OF DEPARTMENT OF PUBLIC AFFAIRS, CITY OF NEWARK, N. J.

Modern public hospital structural facilities are urgently needed in the city of Newark, State of New Jersey, a highly industrialized and cosmopolitan municipality with an estimated population of 450,000 persons.

The Newark City Hospital with a 500-bed capacity has an average census of 725-bed patients. The overcrowded condition in this institution seriously impairs the effectiveness of the hospital care and treatment of these indigent patients, and still worse, due to the obsolescence of the physical structure their very lives are in constant jeopardy.

The building which was erected more than a half century ago is a truly menacing fire-hazard. It is utterly inadequate and unfit for housing the ever-increasing numbers of bed-ridden patients therein. The local private hospitals are unable to find room for the excess patients referred to them by this municipally operated institution. In consequence we are compelled to crowd our patients into already congested wards, put beds in the corridors, in the sunrooms and in every other available space.

Aside from the potential dangers to life and limb, proper segregation of these patients in line with best modern hospital practice is impossible.

Herewith I am submitting for your information the recommendations contained in a special report by the medical board of the Newark City Hospital addressed to the citizens' advisory committee. I respectfully commend their views and recommendations to your earnest attention.

I am making this appeal on behalf of my city for substantial Federal and State aid, pursuant to the passage of the proposed amended Federal legislation which I strongly urge as a vital necessity in our specific case. The public hospitalization situation in Newark is very bad and is getting cumulatively worse.

Prevailing economic conditions obtaining now in Newark preclude the possibility of financing the construction of a much needed new local public hospital.

The estimated cost which the city would be called upon to bear under existing legislation, as per Public Law 725, Seventy-ninth Congress, is prohibitive, and far beyond the financial capacity of our already overburdened taxpayers.

NEWARK CITY HOSPITAL,
Newark, N. J., February 8, 1947.

Mr. THEODORE SORG,
Chairman, Subcommittee of Citizens Advisory Committee,
Newark, N. J.

DEAR SIR: At a special meeting of the Medical Board of the Newark City Hospital held January 30, 1947, Dr. Edward Sprague asked the board to submit to your committee its views and recommendations, or its answers to four specific questions.

1. As to the need for a new city hospital:

We reemphasize our oft-repeated statement that the present structure is outmoded, obsolete, not fireproofed, and is inadequate in size and in design for the proper care of the indigent sick.

Its lack of fireproof construction could result in a definite menace to the lives of the inmates, and its constantly overcrowded condition makes good medical and nursing care difficult and at times impossible.

It is our considered opinion that no amount of remodeling could rehabilitate our old hospital so that it would measure up to present-day demands and standards of hospital design and construction.

2. As to site:

We believe that it is essential that the new hospital be constructed in the immediate vicinity of or directly adjacent to the present structure. If rehabilitated, part of the present structure could be used as an outpatient department, clinics, etc., as further outlined in question 4. The present north wing could be used to house the chronic cases now totaling between 100 and 150 in the hospital. The tuberculosis patients might very properly be housed in the south wing, rather than in new hospital. There are many other possible uses to which the present structure might be put, and we suggest this question be gone into in detail later.

3. Number of beds recommended (in the combined new structure and present building if rehabilitated):

We fix this figure at 950. Our average daily census is 725—there are always some cases that have to be assigned to other hospitals, because no beds are available for that type of case or because of sex. The peak load in the hospital was 768 with over 300 cases assigned to other hospitals. This was during the depression and other hospitals then had much available bed space. Nevertheless there were more than 1,068 indigent patients hospitalized as municipal wards.

Most hospital administrators are agreed that the ideal normal load is 80 percent of the bed capacity of a hospital. With our average census of 725 this would call for over 900 beds.

The attached charts show the number of beds by wards and services and sex. The estimated number of beds needed on each service (male and female) appears in the last column of table No. 2 and totals 997. These figures represent the opinions of the heads of various services, the hospital administrators, and the superintendent of nurses. The greatest and almost constant overcrowding occurs on female medical ward 10, on female surgery ward 16, and wards 13 and 18 for psychopathic and alcoholic cases. Ward 13 with 11 beds—female, and ward 18 with 18 beds—male, must harbor the insane, the alcoholic, police prisoner cases, and juveniles as well as any sick person developing delirium who must be segregated from other patients, all in one ward.

Due to constant overcrowding on ward 13 and 18 psychopathic cases sent in for observation and commitment, frequently must be hurried out within 24 hours of admission, thus being deprived of the opportunity of being studied and observed over a proper period of time.

We recommend 25 to 30 beds for females and 35 to 40 beds for males, to be divided into separate wards for psychopaths, alcoholics, police cases, juveniles, and noisy delirium in the acutely ill.

The medical board, the medical director, numerous grand juries, and other inspecting bodies have repeatedly pointed to the need for remedying the conditions found on these two wards, and since there are no facilities available in any other hospital in this community for these cases, it has always been an important but hitherto unsolvable city hospital problem, and a municipal problem demanding immediate action.

With all the above facts in mind we believe that a bed capacity of 950 is indicated.

4. Need for out-patient department:

This question can be solved by transferring the city dispensary presently located in the Board of Health Building, to the city hospital.

Upon motion duly made and seconded the medical board of Newark City Hospital adopted the following resolution by a unanimous vote:

"Be it resolved, (1) We urge the erection of a new city hospital; be it further

"Resolved, (2) That the new hospital be erected in the immediate vicinity of the present structure; be it further

"Resolved, (3) That the bed capacity be 950 including present rehabilitated facilities; be it further

"Resolved, (4) That Newark City Dispensary be transferred to City Hospital as the out-patient department."

In addition to the above answers and explanations there are many details that should be discussed, and we recommend that conferences be arranged between your committee and the medical board.

DAVID A. KRAKER, M. D.,
President.

Whereas there is now pending before the Senate and House of Representatives of the United States, proposed amendments to the Hospital Survey and Construction Act, whereby the amount of Federal aid for hospital construction, maintenance and operation will be substantially increased and the period of time for said financial aid is lengthened; and

Whereas the city of Newark is in need of new and additional hospital facilities; and

Whereas we believe that the Federal Government should give financial aid to the city of Newark in securing these needed additional facilities: Now, therefore, be it

Resolved by the Board of Commissioners of the City of Newark, That the Senate and House of Representatives be urged and requested to adopt the proposed amendments and such other amendments as may be necessary in order to provide sufficient funds to assist the city of Newark, and other municipalities in like situations, in obtaining the desired and necessary hospital building and facilities; be it further

Resolved, That a certified copy of this resolution be forwarded to His Excellency, the President of the United States, to the President of the Senate, Speaker of the House of Representatives, the two United States Senators from New Jersey, and to the several Congressmen from New Jersey.

BOARD OF COMMISSIONERS
OF THE CITY OF NEWARK, N. J.

NEWARK, N. J., *June 29, 1949.*

The Red Menace

EXTENSION OF REMARKS
OF

HON. GLENN R. DAVIS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, on Tuesday of this week, a clear-thinking, highly respected citizen of my home community sent a letter to the President of the United States. The writer, Mr. Carl Taylor, sent me a copy of that letter. In three short paragraphs, which I hope the President will see personally, Mr. Taylor expressed the disgust of millions of Americans with this administration's coddling and pampering of those who hide behind the Constitution as a shield to protect them while they work to destroy it.

By unanimous consent, I am inserting the letter referred to:

TAYLOR FARM,
Waukesha, Wis., June 28, 1949.

The Honorable HARRY S. TRUMAN,
President of the United States,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: The common people of this area are becoming increasingly alarmed that your administration is permitting foreign elements to completely permeate the Government of our country.

Three days ago, two Justices of the Supreme Court of the United States appeared in court to testify for a person accused by the Justice Department of being a spy for a foreign government. Yesterday, those same two Justices voted to free Harold Christofel of the charge of perjury. No one doubted, and he did not deny, that he perjured himself. His acquittal came on a legal technicality.

In absence of some vigorous action on your part, to indicate that you have realized that all of these leftists and many outright traitors constitute not a "red herring" but a Red menace, you will certainly lose the confidence of the common people of this area.

Sincerely yours,

CARL TAYLOR.